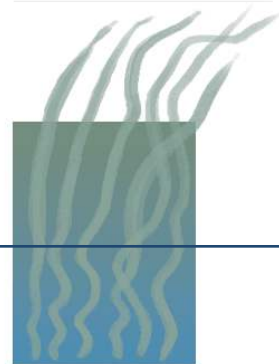


# Atlantic East Real Estate

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N A N T U C K E T

## A T L A N T I C E A S T V I E W

**F**all has arrived with crisp and clear days. Family scalloping season opened last week with a bountiful catch and the cranberry harvest begins this weekend. And there are signs of improvement in the Nantucket real estate market.

**The third quarter was solid.** Anchored by the month of September, the third quarter saw an increase in sales both in number of transactions and dollars. September's total of \$62.4 million in sales exceeded that of the entire second quarter of the year. In addition the average sale price of a house increased in September to \$1,793,000 from \$1,308,000 in August. As of the end of the 3<sup>rd</sup> quarter there have been 133 sales of homes, condominiums, land and commercial properties on Nantucket. In 2008 there were 186 transactions for the same period. The total dollars sold so far in 2009 are \$237 million, down from \$435 million in 2008. Not surprising given how slow real estate activity was for the first half of this year.



**How much has real estate declined on Nantucket?** The highest average house price ever was \$2,378,000 in 2006, 20% higher than it is now. The highest average vacant land price ever was \$2,078,000 in 2008; it is now \$881,000, 57% less than it was at the height of the market. Average selling prices of Nantucket real estate are at about the same levels they were in late 2004, just prior to the rapid escalation in value. The market on Nantucket went through a period of unsustainable appreciation and has been correcting now for more than two years.

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# MARKET NEWS



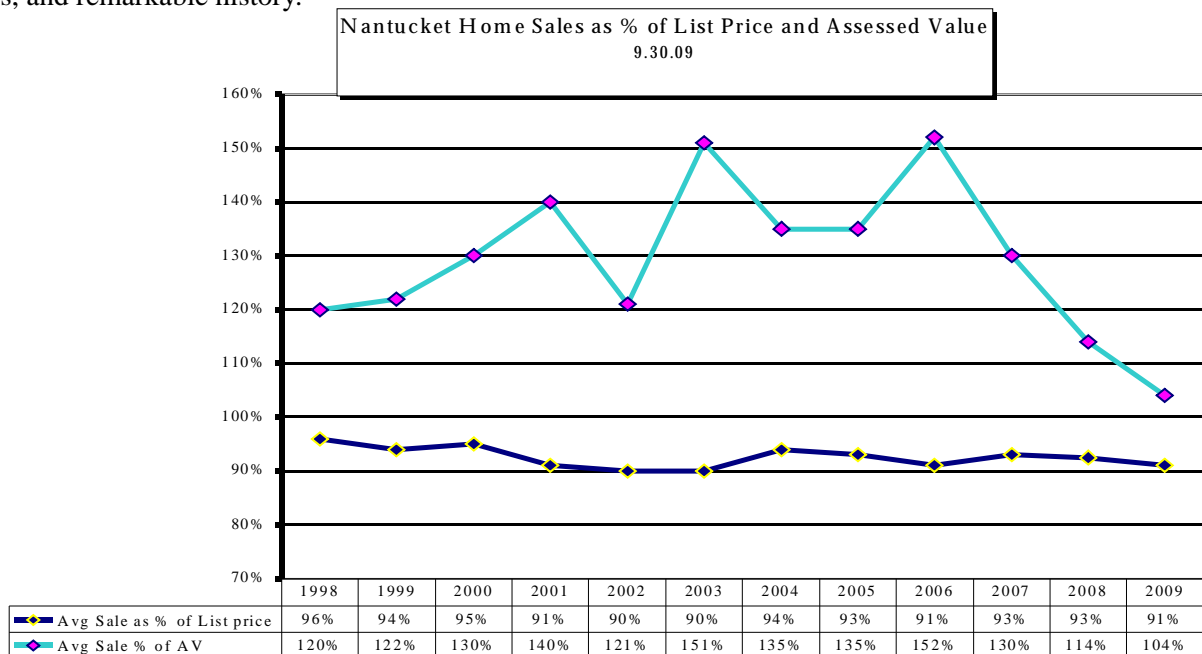
**Why should buyers buy now?** Only you can make the decision of when to buy, but our advice is that if you find a property that meets your needs, it will likely meet someone else's needs too. Our last five sales have had multiple offers from different buyers. Buyers are educated about the market and understand value in the context of the current market. With a high number of properties to choose from, opportunities exist. If you are a buyer, educate yourself about the current market. Make sure that you have access to our multiple listing service, LINK Nantucket, through your broker. Be financially qualified before you start to look at property so that you know what you can realistically afford to buy. Be prepared to have a number of properties on your short list. If you are not able to buy the first one, then move on to the next. With the most recent decline in interest rates, they are at the lowest they have been since the early 1980's and conforming loan limits have been significantly raised, even on Nantucket. Many of today's buyers are those who thought the market had passed them by some years ago.

**What about foreclosures on Nantucket?** Foreclosure and short sale properties make up approximately 9% of the total sales so far this year. It takes patience and the ability to buy without contingencies to pursue this type of property. It can take up to 12 months or longer to close one of these sales. Most foreclosures on Nantucket have been for entry level properties. Nationally, only 7 out of 10 foreclosure or short sales actually end up selling to a buyer.

**Selling - it is all about the price.** The best strategy to sell a property in the current market climate is to price it correctly initially. If you overprice your property in this highly competitive market, with a record number of listings, it could well mean that your property will not sell. A listing must be the best value in terms of what it is competing with in order to sell. If there is no other perceived value, the buyer will focus on the best price. When a property is aggressively overpriced it reduces the response from agents, limits qualified buyer showings, negatively affects the ability for financing and it remains on the market longer. Overpricing even encourages more overpricing as new listings come on the market whose owners compare their property to other listings rather than to properties that have actually sold. Finally, one positive about an overpriced listing is that it will help to sell those listings that are properly priced!

**Properties are still selling, on average, for 91% of list price and for 104% of assessed value.** This is up 1% from 2008 and is because sellers are pricing more correctly to the current market. The number of properties for sale is high at 528 houses, condos and cooperatives and 97 vacant land listings, about what it was in 2008. Price is determined by location, condition and motivation, and there are opportunities in each sector of the current market.

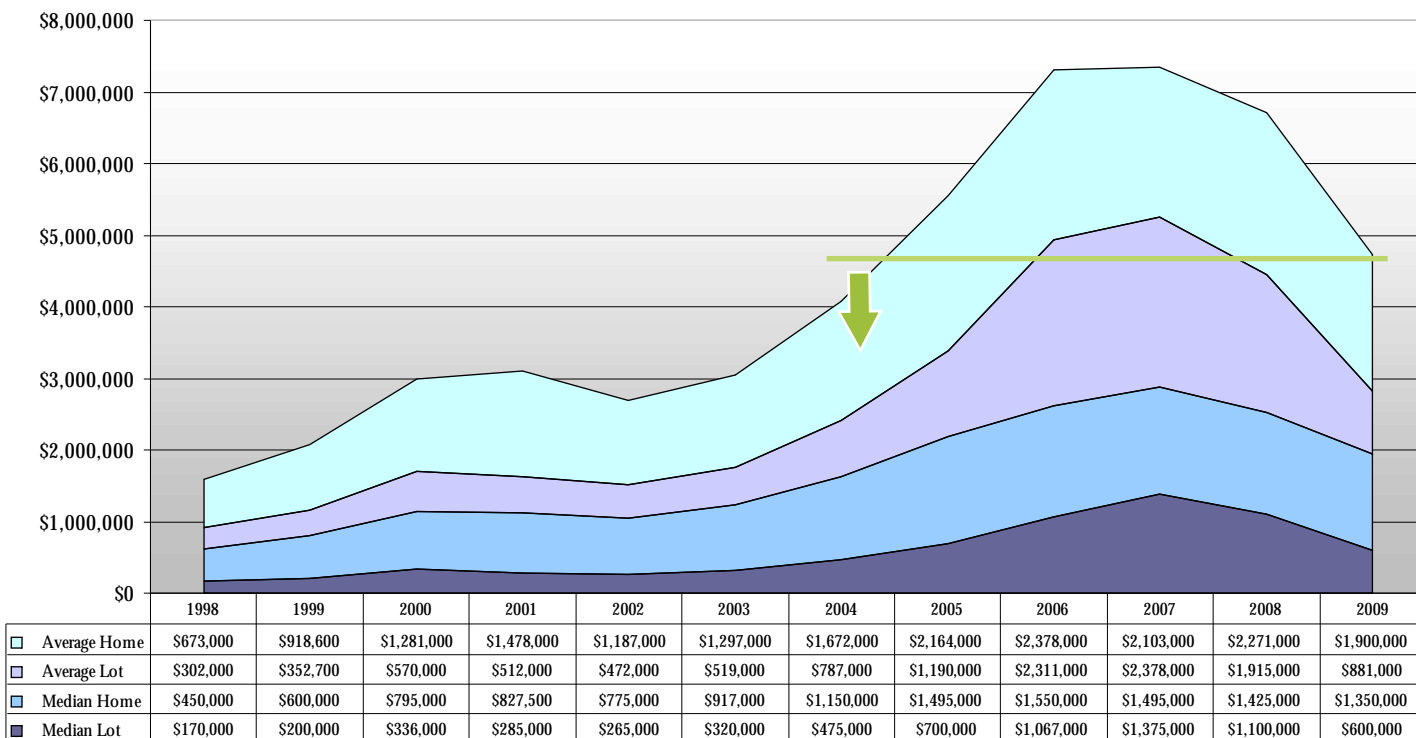
**What about the long-term?** Historically Nantucket real estate has performed well over the long term. But owning here is about much more than just an investment. We feel that owning property on Nantucket is about the opportunity to spend time on this special island. Nantucket is one of the most beautiful places in the world with a strong community, accessible beaches and open spaces, and remarkable history.



Data Source: LINK Nantucket and Nantucket Comparable Sales



Nantucket Real Estate  
1998 - 2009



Data Source: LINK Nantucket and Nantucket Comparable Sales

## VACATION RENTALS

The rental picture turned out not to be as bleak as was first thought for 2009. There were numerous last minute bookings once the weather got better. The good news is that, if you are planning to rent on Nantucket in 2010, there are lots of quality rental properties to choose from. As usual, August is booking up first so don't dally if you plan to come during August. Ferry tickets go on sale to the public in mid-January 2010.



Rental homes range from \$1200 per week for a small one bedroom in town up to \$50,000 per week for an estate setting on the ocean. The majority of our rental listings fall somewhere in between. Prices are based upon location, condition and amenities, sleeping capacity and proximity to the beach. If you are seeking that perfect vacation spot, please contact one of our knowledgeable agents. Our goal is to help you have a great, hassle-free time when you're visiting our island and we pride ourselves on handling only homes that we would like to rent ourselves. If you would like to peruse the listings, including great interior photos, check out our comprehensive vacation rental selection at [www.AtlanticEastRE.com](http://www.AtlanticEastRE.com).

# THINK LOCAL FIRST

*Atlantic East* supports the initiative Think Local First. Sometimes we are conditioned to think that buying or hiring from off-island is more cost effective when, in fact, it is not. Additionally there is the added benefit of doing business with our neighbors. A quick note from the organization to Nantucket homeowners follows:

Dear Nantucket Homeowners:

A thriving Nantucket economy is as important to a wonderful vacation experience as our beautiful pristine beaches and cobblestoned streets.

So, when you're making purchases for your Nantucket home or looking for services to maintain, enhance, decorate, or furnish your home, please think about supporting the Nantucket economy as much as you can by buying and hiring locally.

Find local Nantucket products and services at:

[ThinkLocalFirstNantucket.org](http://ThinkLocalFirstNantucket.org)

Thank You.



An initiative of Sustainable Nantucket and the Nantucket Island Chamber of Commerce



## WELCOME to MELINDA VALLETT, Broker

We are delighted to welcome Melinda Vallett as our newest Atlantic East broker. Melinda has worked full time in the real estate business on Nantucket since 1990. She is a dedicated broker who began her real estate career in 1984 in Boston. Moving to Nantucket in 1990 as sales director of Nashaquisset, a large development project, she was lured to the lifestyle and beauty of the island and soon decided to make Nantucket her permanent home. Since then, she has successfully built up a full time, year round real estate following comprised of both new and repeat clients. She will give you that personal attention in every

step of the real estate process, from start to finish, whether you are a renter, a buyer or a seller. She is a personable, professional sales specialist who takes the time, has the integrity, and the proven track record that is vital in assuring successful transactions.

Melinda's life has expanded to include her husband, a native Nantucketer and local home designer and builder, and their young daughter. She now finds a fine balance between her work and her support of children's organizations, cancer fundraisers, and her passion for the many gifts the island has to offer by the sea. She builds loyal, trusting relationships with the buyers and sellers she represents and she takes great pride in her ability to secure the best possible results for their individual needs. We welcome Melinda to Atlantic East Real Estate.

## ATLANTIC EAST

Penny Dey, Broker, GRI, ABRM

Peter DuPont, Sales Associate

Liza Ottani, Sales Associate

Justin Quinn, Sales Associate

Lisa Sherburne, Broker, ABR, RSPS

Heidi Drew, Broker, ABR, RSPS

Mary Malavase, Broker, ABR, RSPS, TRC

Erikka Perkins, Office Manager, Sales Assoc.

Anne Remian, Broker

Melinda Vallett, Broker

*We believe in doing one thing and in doing it well.*

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SEE ALL ISLAND LISTINGS WITH ONE CLICK at [AtlanticEastRE.com](http://AtlanticEastRE.com)

