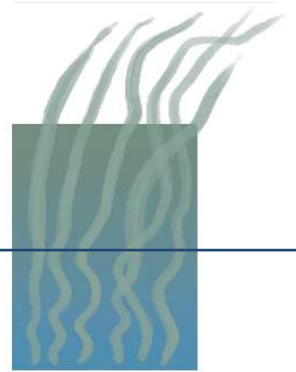


# Atlantic East Real Estate

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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

**W**e would like to share some of our thoughts and perspective on the current market. As always, we welcome any questions or feedback that you may have.

**Both the prices and volume of sales are down from last year.** As of the end of the second quarter there have been 65 sales of homes, condominiums, land and commercial property on Nantucket. In 2008 there were 118 transactions for the same period. After declining 5% in 2008, *the median home selling price is actually up 1% so far in 2009.* Because Nantucket is primarily a second home market no one has to buy property here. Many sellers do not have to sell either which has contributed to the average 11 months listing time on the market. Because owning on Nantucket for many is discretionary, the rules of a primary market do not always apply to Nantucket real estate.

**How much has the price of real estate declined on Nantucket?** The average house is now selling for \$1,849,000, down from \$2,271,000 in 2008, a decrease of 18%. The highest average house price ever was \$2,378,000 in 2006, 22% higher than it is now. The average vacant lot is selling for \$1,107,000 this year so far, down from \$1,915,000 in 2008. The average lot is now selling for 49% less than it was at the height of the market. The average selling prices for Nantucket real estate are at the same level they were in 2003-2004, just prior to the rapid escalation in value. The market on Nantucket went through a period of unsustainable appreciation between 2003 and 2006; it has been correcting now for more than two years.



**This is great news for buyers.** Many opportunities exist for buyers. Not only are there many listings to choose from, there are pockets of opportunity with some sellers who may be under pressure to sell. If you are a buyer, do your homework. Make sure that you have access to our multiple listing service, LINK Nantucket, through your agent. *Continued on page 2.....*

# MARKET NEWS

**Great News for Buyers (continued):** Be financially qualified before you start to look at property and be prepared to have a number of properties on your short list. If you can't get the first one, then move on to the next. Interest rates are the lowest they have been since the early 1980's and conforming loan limits have been significantly raised. Conventional financing is readily available locally.

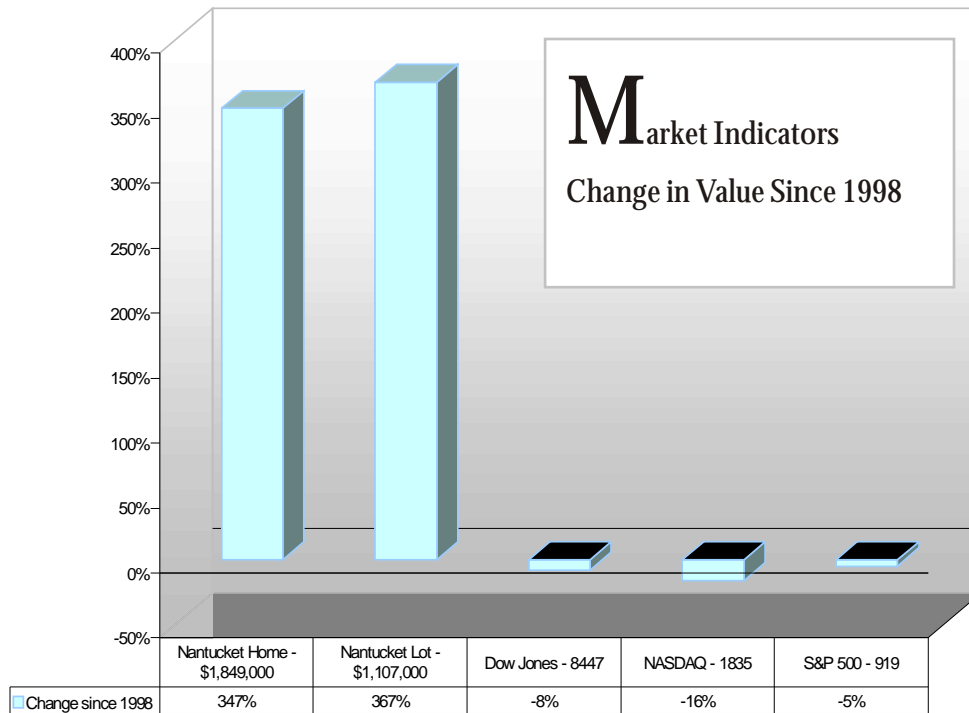
**What about foreclosures on Nantucket?** Contrary to what some people may think, although there have been more foreclosures on Nantucket this year than in the past, the majority are properties at the entry level. Of the 57 sales through the 2<sup>nd</sup> quarter, 10 were foreclosures or short sales, 18% of the total. Although a short sale or foreclosure can present an opportunity for a buyer, it takes patience and the ability to buy without contingencies if you wish to pursue such a property.

**Should we buy now or wait?** Only you can make that decision but our advice is that, if you find a property that meets your needs, this is a very good time to buy. There is no one day or week that defines the bottom of the market. Our last three sales had multiple interest and offers from more than one buyer.

**Selling - it is all about the price.** Very simply, if you own a property that you are serious about selling, it must be priced to this current market. This means that it needs to be one of the top values in terms of comparable listings. Because the number of sales is so low, this is even more crucial than in the past.

**Properties are still selling, on average, for 90% of list price, down from 93% in 2008.** This 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 some 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 living here is much more than just an investment. We have always felt that owning a home 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 compelling history.

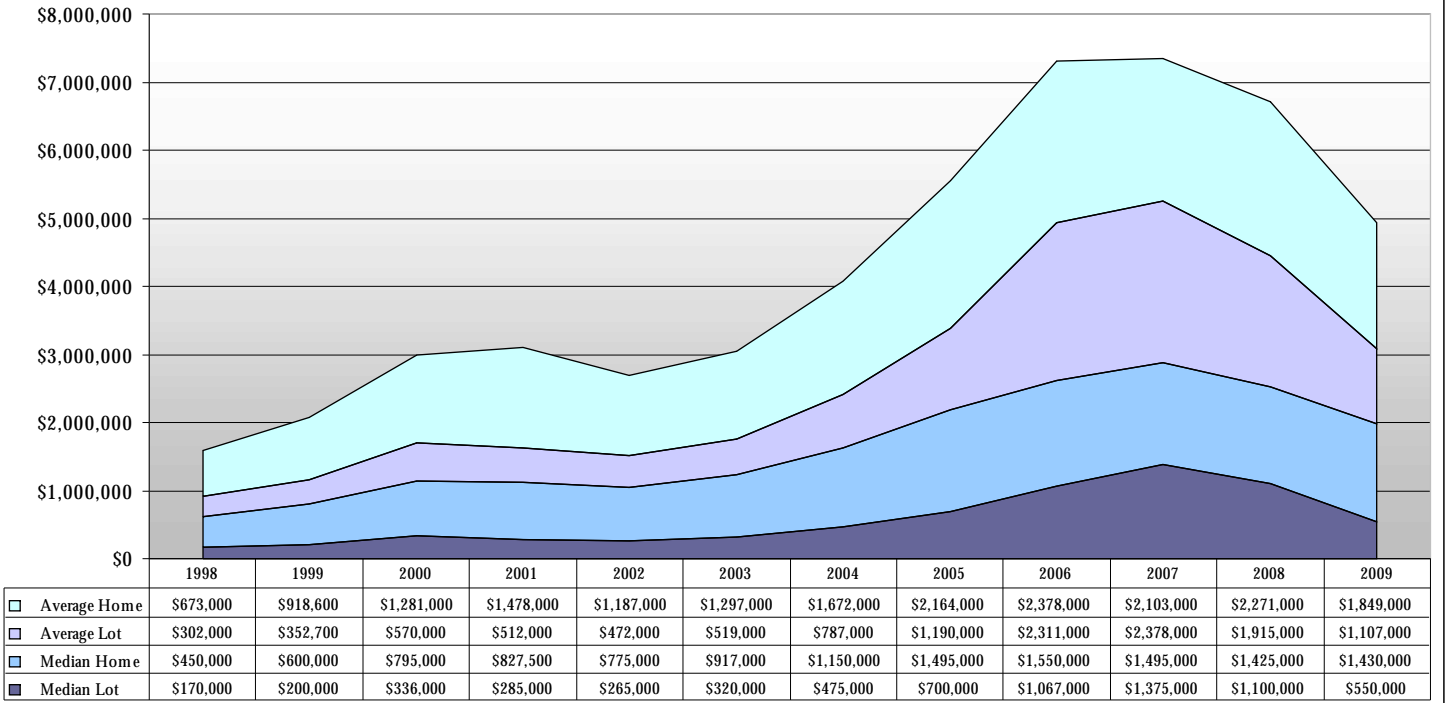


## SAFETY REMINDER

Please make sure that your home is equipped with working smoke and carbon monoxide detectors (CO). Carbon monoxide gas is produced whenever any fuel such as gas, oil, kerosene, wood or charcoal is burned. It is a poisonous, odorless and colorless gas. According to the Journal of the American Medical Association, hundreds of people die accidentally each year from CO poisoning caused by malfunctioning or improperly used fuel-burning appliances. The detectors are inexpensive and easy to install. Since 2006, when a property sells it must be inspected to make sure that it has working smoke and CO detectors. Don't wait until your home sells to take this simple safety precaution.



**Nantucket Real Estate  
1998 - 2009**



Data Source: LINK Nantucket and Nantucket Comparable Sales

## OVERPRICING PROPERTIES

The best chance for selling a property in the current market climate is within the first seven weeks. Numerous studies have shown that the longer a property remains on the market, the greater the likelihood is that the seller will receive less money.

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. Overpriced real estate is dismissed by many buyers. Why would someone pay a million dollars for your property when comparable ones are selling for \$800,000? A listing must be the best value in terms of what it is competing with in order to sell. If there is no perceived exceptional 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 other listings that are properly priced!

## ALL THE REAL ESTATE NEWS IN ONE PLACE

In an effort to have all of the information in one "go to real estate guide" the Nantucket Association of Real Estate Brokers (NAREB) has launched two new publications. The Nantucket Property Journal is a color magazine and is published 4 times annually and The Nantucket Property News is a high quality newsprint piece that comes out every 2 weeks. Because the publications are being self-published by NAREB, they are full of the most relevant and complete information on Nantucket real estate including a listing of all properties for sale in each issue of the News. Look for these quality publications at more than 50 drop off locations or come by our office at 5 North Water Street for your complimentary copies. Both publications are also available the day of publication on line at [www.nareb-online.org](http://www.nareb-online.org).



# ATLANTIC EAST CELEBRATES FIVE YEARS

As *Atlantic East* Real Estate celebrates our first five years in business, we reflect on the principles of education, experience, trust and communication on which our company was founded. We are fortunate to work with agents who have high standards and integrity. We approach the business of real estate with many years of solid experience. Heidi Drew and Penny Dey founders and co-owners of *Atlantic East* Real Estate have over 50 years, between them, of full time real estate work on Nantucket.

Although *Atlantic East* is considered a mid-sized office by Nantucket standards, our office has sold as many listings so far in 2009 as the largest office on-island. Our business is largely referral based, for which we are thankful. We pride ourselves on our client service, discretion and attention to detail. Please contact us if we can be of help in evaluating your Nantucket property or in helping you find your special spot on Nantucket. No one will work harder for you.



VACATION RENTALS

“Nobody rings a bell to signal the bottom or the top of the market”.  
Former BusinessWeek CEO/President and island homeowner Bill Kupper.

## LIZA OTTANI, Realtor, Sales and Rentals

Liza was introduced to Nantucket as a child and after college spent a few years on island while deciding where to pursue graduate work in health policy. In 1999 she married Jeffrey Ottani, co-owner of Brant Point Building and Property Management and returned to Nantucket full time. Liza continued her work in health policy until 2002 when she obtained her real estate license.

Today, the research and negotiating skills she honed while working in health policy are serving her real estate clients well. The fact that Liza has consistently maintained high sales numbers over the years is evidence that she enjoys her work, but also takes it very seriously. In addition to being dedicated to her clients, she is actively involved in fund raising activities for the Nantucket Lighthouse School, and participates with her family each Saturday morning in picking up trash with the Nantucket Clean Team.



We have a number of vacancies this year given the current economic conditions, even in August! Inquiries are continuing to come in and we are optimistic for many last minute bookings. A few weeks of hot, sunny weather will certainly make our phones ring!

Rental homes range from \$1000 per week for a small one bedroom in town up to \$50,000 per week for an estate setting on the ocean. And we have lots of choices 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 agents. We provide personalized and informed service to the highest standards. If you would like to peruse the listings, check out our comprehensive vacation rental selection at [www.AtlanticEastRE.com](http://www.AtlanticEastRE.com).

## ATLANTIC EAST

Penny Dey, Broker, GRI, ABRM

Peter DuPont, Sales Associate

Liza Ottani, Sales Associate

Anne Remian, Broker

Heidi Drew, Broker, ABR, RSPS

Mary Malavase, Broker, ABR, RSPS, TRC

Justin Quinn, Sales Associate

Lisa Sherburne, Broker, ABR, RSPS

Erikka Perkins, Office Manager and Sales Associate

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

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

