

THE LBI DUPLEX LETTER

AN ANALYSIS OF MARKET CONDITIONS ON LONG BEACH ISLAND
PUBLISHED BY THE LBI DUPLEX TEAM

LBI DUPLEX TEAM

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MARKET UPDATE

We are experiencing a very good market on LBI. Duplex sales increased 39% in 2016 from duplex sales in 2015. This is very welcoming news!

The first quarter of 2017 looks promising as well. With the amount of sold duplexes and duplexes under contract, we should exceed the prior year numbers with no problem at all.

The word continues to travel that Long Beach Island is the place to buy. We are seeing a slight strengthening in pricing on the whole in relation to the past few years. While the increase in price may not be significant, the decrease in the amount of time to sell is apparent.

With an increased number of buyers looking to own and continued low interest rates, it is the perfect time to sell.

DRIVE BY MARKET ANALYSIS

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Deciding whether and when to sell your duplex is usually a complicated decision. We find that most owners begin to think about it several seasons before they commit to putting their properties on the market. We offer a complimentary Market Analysis to duplex owners. Many owners apologize, saying they are not sure what they are going to do but want to start getting the information to help with their decision. We completely understand.

At the beginning of an owner's decision process, all they really need is a good, honest estimate of the market value and marketability of their property. They don't need the in-depth Market Analysis they will need when they decide to come to market and seek to establish a Listing Price that will meet their objectives.

The duplex market is a small part of the LBI Market. We show or preview duplexes that come on the market so we stay very aware of

duplex pricing. Since so much of a property's value is determined by the size and location of the lot and the configuration of the duplex, in most cases, we can make a close estimate without getting into the property. If your property is a rental, we can view interior photos on rental sites. Viewing these photos plus answers on a small questionnaire, are all we will need.

If you are interested in receiving what we'll call a "Drive By Market Analysis", please email Team@LBIDuplex.com. We will do the drive by and email you our value estimate along with copies of the sold duplex listings which we are basing our valuation. We should be able to turn these requests within a week or two of your request.

If you have already made the decision to sell, we will be happy to meet with you and provide you with a full analysis.

LBI LANDMARK SURFLIGHT THEATRE SAVED

Wonderful news! No matter where you reside on Long Beach Island, you will be happy to know that the SurfFlight Theatre in Beach Haven will be reopening on June 23, 2017. After 2 years of being closed, this LBI landmark is back. According to NJ.com, "the SurfFlight Theatre announced it will reopen this Summer after being shut down for two years. SurfFlight, which had been open for 65 Seasons, closed in 2015..". The 2017

Season will begin with the musical FOOT-LOOSE and will have a full season of great musicals, including Hairspray and Newsies. The Children's Theatre will also return, allowing the next generation to experience the wonderful times most of us have had watching a show and then getting ice cream at the Show Place. Steve Steiner will return as Producing Artistic Director. The new owner, Al Parinello stated that the goal is to bring

back the SurfFlight better than it was before and that there are no plans to replace it with condos. Mr. Parinello did stress that this is a community theatre and involvement is a must! He asks for our involvement by volunteering, donating, and most importantly, buying tickets. Visit www.surflight.org for a full list of shows. Please spread the word and let's do all we can to keep this treasure alive.

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INTEREST RATES

10 year bond 2.17%
Jumbo Mortgage 4.30%

Rates and the Threat of Inflation

Without warning, mortgage rates rose sharply after the presidential election and did not stop until rates were at least 0.5 points higher. Most 30 year fixed rates are now in the low 4s versus the 3s prior to the election.

What happened? The market had not considered the possibility that Trump would win the election. After he won, the market quickly decided that the new administration's policies would bring more rapid economic growth, which causes inflation. Inflation drives mortgage rates higher.

Where do rates go from here? My best guess is that they stabilize or possibly even drift back down, especially if the new administration's policies fail to live up to the market's high expectations. Some experts believe this is likely because it is difficult to drive rapid change in our large economy. - Bob Faust, Draper Kramer Mortgage Corp.

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Market Summary:

- Number of duplex listings increasing
- Oceanside properties remain in high demand.
- Average rental prices increased
- Price strengthening

This table contains all duplex sales that have closed in the last three months.

Contact Gina Laird for details on any of these sold properties. 609-618-8390 Gina@LBIduplex.com

SOLD DUPLEXES

Address	Area	Lot	Bedrms	Storm Damage	List Price	Sold Price
Bayfront Units						
None						
			n/a		n/a	n/a
Bayside Units						
208 S BAY	Beach Haven	18X82	2		365,000	360,000
32 MEA	LB TWP	45x70	4		419,000	394,000
17 CLEVELAND	LB TWP	60x100	3		697,500	661,600
			avg		493,833	471,867
Oceanfront Units						
5615 OCEAN	LB TWP	40x200	6		1,350,000	1,265,000
110 E HOBART	LB TWP	62x50	6		1,395,000	1,302,500
917 OCEAN	Surf City	50x100	6		1,399,000	1,430,000
			avg		1,381,333	1,332,500
Oceanside Units						
8005 LB BLVD	LB TWP	52x125	6		399,999	312,500
12 E 41ST	LB TWP	60x75	4		649,000	570,000
1809 BEACH	LB TWP	50x95	4		659,000	650,000
42 17TH	LB TWP	40x100	6		799,000	770,000
25 S 1ST	Surf City	50x100	6		799,000	792,000
1410 BEACH	LB TWP	50x70	6		975,000	945,000
			avg		713,500	673,250

AVAILABLE DUPLEXES

Address	Area	Lot	Bedrms	Storm Damage	List Price
Bayfront					
None					
			n/a		n/a

Bayside					
283	7TH	Surf City	50x100	6	489,000
304	N 2ND	Surf City	50x100	5	589,000
1514	SUNSET	Surf City	80x75	4	599,900
12	W SOUTH 31ST	LB TWP	40x75	4	619,000
202	W 27TH	Ship Bottom	50x86	Mixed-Use	625,000
805	N BAY	Beach Haven	58x95	Mixed-Use	685,000
7	W MARYLAND	LB TWP	105x100	6	725,000
327	MERIVALE	Beach Haven	40X100	6	749,000
38	W NEW JERSEY	LB TWP	50x90	6	935,000
16	SHORE	Surf City	50x100	6	940,000
12	HARDING	LB TWP	60x100	6	1,396,724
average					759,329
Oceanfront					
1609	S BEACH	Beach Haven	40X100	6	1,299,000
207	E SOUTH 22ND	LB TWP	45X100	6	1,299,000
131	E 19TH	Ship Bottom	50x130	6	1,335,000
3701	OCEAN	LB TWP	50x100	6	1,449,000
1801	OCEAN	Surf City	40x110	5	1,650,000
1417	OCEAN	Surf City	45x100	6	1,799,999
215	14TH	LB TWP	100x100	7	3,950,000
average					1,826,000
Oceanside					
123	21ST	Ship Bottom	20x100	3	499,000
5	E MERMAID	LB TWP	50x60	5	529,000
100	E INDIANA	LB TWP	30x90	4	535,000
7403	LB BLVD	Harvey Cedars	50x60	4	549,000
104	E 12TH	Ship Bottom	50x100	4	549,000
2	E OCEANVIEW	LB TWP	40x80	4	625,500
215	6TH	Beach Haven	40x90	3	665,000
210	ENGLESIDE	Beach Haven	50x112	four-plex	699,000
2010	S BAY	Beach Haven	40x100	6	799,000
25	E 9TH	Barnegat Light	50x125	6	862,000
1314	ATLANTIC	LB TWP	50x80	4	895,000
37	N 22ND	Surf City	50x100	6	949,000
13611	ATLANTIC	LB TWP	40x100	4	975,000
144	E DELAWARE	LB TWP	50x65	6	1,079,000
106	E HOBART	LB TWP	55x62	6	1,249,000
2609	LB BLVD	LB TWP	134x93	Mixed Use	1,384,000
107A	LB BLVD	LB TWP	100x115	8	1,599,000
6406	OCEAN	LB TWP	50x100	8	1,699,000
1053B	LB BLVD	LB TWP	100x100	10	1,995,000
average					954,500
NOTE: Only listings where storm damage is mentioned are indicated in this table.					
The lack of a Y does not guaranty that there was no damage.					

Based on the current absorption rate, today's listing inventory represents a 9.7 month supply. The rule of thumb in the real estate business is that less than 6 months supply indicates a seller's market and more than 6 months supply indicates a buyer's market.

The ratio of Sale Price to Listed Price for sold duplexes in the MLS is 94.3% this month. The ratio drops to 89.7% when based on original list prices. Now, more than ever, correct pricing is necessary to produce sales.

Last year more of our duplex listings sold than those of our closest two competitors combined.

To learn what your property will sell for, if aggressively marketed, call us for a free market analysis.

You never regret hiring the best!

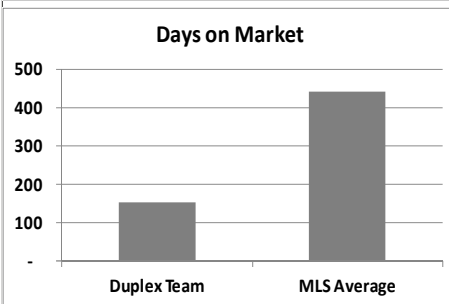
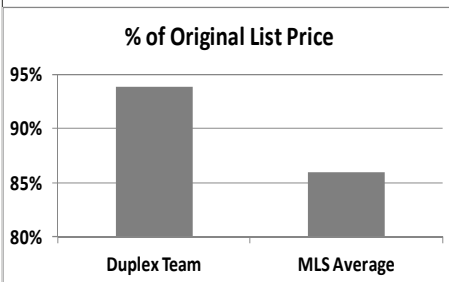
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This publication contains facts, which are a matter of record, and opinions that are ours. We make every attempt to base our opinions on relevant information and sound analysis based on our training and experience in investment real estate.

Yours in service,
 The LBI Duplex Team

OUR RESULTS
 Our focus on the duplex market is unique among LBI agents and is reflected in our sales statistics.



The charts above compare the results of the sales of our duplex listings to the averages for LBI duplex sales since hurricane Sandy by all agents in the MLS.

Source: Jersey Shore MLS

NOTE: Nothing contained herein is intended to solicit listings on properties that are currently listed with another broker.

Dedicated to providing first rate service to the duplex market on Long Beach Island.

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LBI DUPLEX TEAM FEATURED LISTINGS

MLS#4008882	7403 LB Blvd, Harvey Cedars, Oceanblock, 2 BR Units, updated	\$539,000
MLS#TBD	272 N 8th Street, Surf City, Spacious, Clean units	\$629,000
MLS# 4021394	210 Engleside Ave, Beach Haven, ,4 Units, Great Location	\$699,000
MLS#4021324	37 N 22nd Street, Surf City, Oceanblock, 3 BR Units	\$949,000
MLS#4000960	144 E Delaware Ave, Long Beach Twp, 3 BR Units, One off the ocean	\$1,079,000

Call 609-618-8390 or contact Gina Laird (Gina@LBIDuplex.com) for information about these or any other listed properties on LBI. We maintain the most comprehensive information about the operation and sales of LBI duplexes available.

ABOUT THE LBI DUPLEX TEAM

The LBI Duplex Team is comprised of Jim Dooney, Gina Laird, and Kelly Hennessy, real estate professionals focused on the LBI duplex market.

Jim has become an investment real estate broker in 1977. He specialized in LBI duplexes since 1999 and has helped more owners sell their duplexes than any other agent on LBI. Jim earned the Certified Commercial Investment Member (CCIM) and the Certified Property Manager (CPM) professional designations, recognizing his experience in investment property sales.

Gina has over 20 year's experience in Real Estate. After joining the LBI Duplex Team, she worked in LBI

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Outstanding Results.

residential sales, commercial property management and owned a title insurance company.

Kelly Hennessy has been selling real estate since 2010 and is a great asset to the team.

There are over 500 real estate agents on LBI and there are fewer than 50 duplex sales per year. The average agent sells a duplex every ten years.

More of our duplex listings sell than those of most real estate **AGENCIES** on LBI.

Now, more than ever, you should seek the most competent professionals you can find to represent you in your next real estate transaction.

**Yours in service,
 Jim, Gina & Kelly**