

SUMMER OCEANFRONT STUDY

Values of Single Family Oceanfront Property Consistent



This study has been created for Long Beach Island homeowners and buyers as a guide to evaluate the current market values of single-family Oceanfront properties on Long Beach Island. I hope this information is of value to you!

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JerSea Realty

So far this 1st half of 2016 has proven to be a good year for oceanfront sales. Many of the oceanfront properties sold were for land value, and our values are reflecting this. There has only been one out of the 17 sales that was newer construction, two that were 13 and 17 years old, and the other 14 were twenty to 62 years old. With the majority of older oceanfront sales this half, our values are not as high as anticipated, and we will need to wait for year-end data to see what is really happening. There are four newer construction oceanfronts under contract and two older ones. There has been one sale in Ship Bottom (136 E. 19th Street), an old house that is almost completely over the oceanfront building line and in disrepair. Due to the constraints of building, I have not included this property in our sales analysis.

So far this year, our average sale price has lowered to \$2,047,157 because so many older houses were sold, with an average of 76 linear feet on the ocean. In 2015, the average price of an oceanfront sale had a value of \$2,457,845 (vs. \$1,851,048 average in 2012). The average oceanfront property

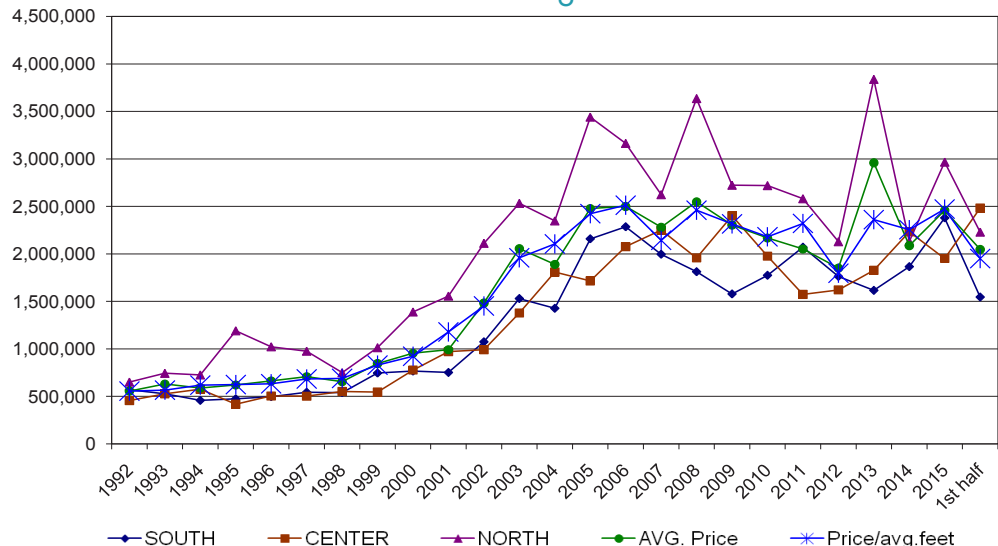
sold had 72 linear feet on the oceanfront (vs. 69 in 2012 and 84' in 2013).

In 2013, the average oceanfront price on LBI had increased to an all time record high of \$2,959,529! But when we calculate the Oceanfront Price per Foot, this evaluation drops to \$2,360,577. We have surpassed that in 2015 with an average price per foot of \$2,471,315! In 2013 the price was overinflated due to the numerous sales of oceanfront property on the north end of the Island which increased values much higher than expected. In general, oceanfront property values have turned around and have been seeing accelerated appreciation once again!

Oceanfront data varies so much that I have computed a more leveraged curve by calculating the price per foot of oceanfrontage for single family oceanfront properties. To see how much an oceanfront property is valued the following numbers should be multiplied by the oceanfront footage. The average sale prices per linear foot each year are as follows: \$7,662 in 1992, \$34,709 in the 2006

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Oceanfront Average Sale Price



For greater detail of oceanfront homes that have recently sold, please see the chart on page 2.

For properties currently available for sale and under contract, visit www.lbisales.com.

Contact me at willykahl@gmail.com, and I would be happy to e-mail you current detailed reports and/or generate automatic updates with your personal search criteria!

2016 MID-YEAR OCEANFRONT SALES FROM NORTH TO SOUTH

Town	Address	Date Sold	List Price	Sell Price \$	Sell/List	Feet WTR	Age	Assess \$ Build	Assess \$ Land	Assess \$ Total	Sell\$/Assess\$	# Bed	# Bath
SOUTH													
Holgate	4405 S. Lbb	3/25/16	1,499,000	1,400,000	93%	75	38	422,800	1,409,100	1,831,900	0.76	6	4
Beach haven	5 11Th st.	3/15/16	1,450,000	1,400,000	97%	65	56	82,300	1,290,000	1,372,300	1.02	4	2
Beach haven gardens	208 E. S. 31St st.	4/27/16	1,629,000	1,387,000	85%	40	23	423,300	924,000	1,347,300	1.03	4	4.5
Peahala park	120 E. Herbert av	2/9/16	2,395,000	2,010,000	84%	100	28	533,500	1,732,500	2,266,000	0.89	4	3.5
Brighton beach	117 E. Conn. Ave.	1/12/16	1,699,900	1,530,000	90%	75	30	170,300	1,155,000	1,325,300	1.15	4	3
2016 Mid End	5 Sold in South		1,734,580	1,545,400	89%	71	35	326,440	1,302,120	1,628,560	0.95	4.40	3.40
CENTER													
BRANT BEACH	5413 Ocean Blvd.	3/30/16	4,125,000	3,550,000	86%	75	1	1,135,200	1,443,800	2,579,000	1.38	5.00	5.50
BRANT BEACH	4411 Ocean Blvd.	2/19/16	1,499,000	1,412,500	94%	52	21	313,800	1,178,100	1,491,900	0.95	4.00	3.00
SHIP BOTTOM	136 E. 19th St.	6/10/16	999,999	625,000	63%	100	51	87,000	1,028,200	1,115,200	0.56	3.00	2.50
2016 Mid End	3 Sold in Center		2,812,000	2,481,250	88%	64	11	724,500	1,310,950	2,035,450	1.22	4.50	4.25
NORTH													
NORTH BEACH	1061-C LBB	6/23/16	4,695,000	4,400,000	94%	100	13	959,200	2,462,500	3,421,700	1.29	5.00	4.50
HARVEY CEDARS	12 E. Bergen Ave.	6/30/16	1,549,000	1,350,000	87%	50	34	369,900	1,285,000	1,654,900	0.82	5.00	3.50
HARVEY CEDARS	11 E. Passaic Ave	1/25/16	1,695,000	1,650,000	97%	120	51	243,900	1,186,000	1,429,900	1.15	6.00	2.00
HARVEY CEDARS	13 E. Burlington A	2/5/16	1,695,000	1,580,000	93%	53	26	253,785	1,278,175	1,531,960	1.03	4.00	3.00
HARVEY CEDARS	6403-G LBB	5/26/16	1,900,000	1,900,000	100%	90	46	876,700	1,542,400	2,419,100	0.79	5.00	3.50
HARVEY CEDARS	14 E. 82nd St.	6/10/16	1,600,000	1,550,000	97%	50	36	380,800	1,226,500	1,607,300	0.96	4.00	3.00
HARVEY CEDARS	12 E. 86th St.	6/20/16	2,550,000	2,400,000	94%	100	49	148,200	1,888,000	2,036,200	1.18	3.00	2.00
LOVELADIES	129-D LBB	1/15/16	3,995,000	3,800,000	95%	125	17	1,719,900	3,275,000	4,994,900	0.76	6.00	1.00
BARNEGAT LIGHT	1713 Seaview Av	6/27/16	1,495,000	1,435,000	96%	50	62	151,500	1,081,100	1,232,600	1.16	3.00	1.00
2016 Mid End	9 Sold in North		2,352,667	2,229,444	95%	82	37	567,098	1,691,631	2,258,729	0.99	4.56	2.61
2016 Mid Year	17 Sold in Mid 2016		2,216,931	2,047,156	92%	76	33	511,568	1,522,323	2,033,891	1.01	4.50	3.06

Note: All statistics are deemed reliable but not guaranteed. Data was retrieved from the Jersey Shore Regional Multiple Listing Service Computer. This letter is not intended to solicit property currently listed. Egon Willy Kahl's opinion has been stated throughout. This newsletter is an exclusive publication and cannot be reproduced without prior written permission from Egon Willy Kahl. © Copyright 2016.

Oceanfront Sales Volume is getting stronger

So far this 1st half of 2016 there have been 17 single family oceanfront sales. However inventory has increased to 57. For 2015, there have been 37 Oceanfront sales which is a great improvement over the last several years. However inventory had increased to 54 available properties for sale. In 2014, there were 29 Oceanfront sales. Also the supply had decreased with 39 being the average number of single family oceanfronts for sale. In 2013, there were only 17 Oceanfront single family home sales the entire year, partially due to Sandy. By the end of 2013, 47 single family oceanfront properties were available for sale.

I calculate our supply to demand curve by dividing the number of oceanfront properties sold in the latest half year period by the amount of oceanfront properties currently for sale. These are two key factors to prices stabilizing with values on the rise in the near future.

2016 so far our ratio is 0.30 In 2015, our supply vs. demand ratio has increased slightly to 0.345 due to numerous sales. For 2014, our supply vs. demand ratio was 0.34 much better than our 2013 supply vs. demand ratio of 0.185. I feel this ratio will slowly rise as homes continue to sell and the supply of property for sale lowers. Our current ratio (0.30) is about the same as it was in 2005, yet still far from the peak selling years of 1999 to 2004 (these years varied from 0.54 to 1.11).

Currently there are 57 oceanfront properties available for sale. This is a slight rise and we have gone back to 2010-11 supply of oceanfront homes for sale. Our record low of 15 oceanfront homes on the market was in 2002. Our high was 101 oceanfront homes available in 1993. There are approximately 1100 oceanfront homes on LBI.

We Are Proud to Announce



Merged into



- LBI Realty Group merged into JerSea Realty with one of LBI's most prestigious builders, Callan & Moeller. Increased online traffic with the JerSea Website added to all our premium high-traffic websites.
- We are now part of a well established successful agency that has been in business for over 17 years and has sold many new LBI developments such as Hideaway Bay, Hideaway Beach, Sounds Edge, The Colony, and Bridge Tender.
- We are located in a prominent location with increased exposure.
- We can market and advertise "teardowns" as new homes by Callan & Moeller as Exclusive Realtors®
- SandPaper advertisements every week rotating our listings will increase visibility.
- Increased online traffic with the Jersea website and our high traffic websites that will remain online.
- Our enhanced rental department with over 100 additional rental properties to our current inventory will provide vacationers an excellent experience.
- With a larger network and referral business as well as maintaining a boutique real estate company with life long residents of Long Beach Island, we will provide authoritative and trusted support for all buyers and sellers.
- Willy Kahl is now one of JerSea Realty's Top Producing Realtors to network for incredible market reach to serve our clients and grow the business.

FEATURED PROPERTIES



OCEANFRONT

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\$1,535,000

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Unique Property Websites

www.shipbottomlbioceanfront.com

SHIP
BOTTOM
\$1,690,000

- Bayfront & Lagoonfront
- 270 degree views
- 5 bedrooms, 4.5 baths



BAYFRONT

Values of Single Family Oceanfront Property Consistent

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Peak, \$26,826 as a relative low in 2012. With the numerous teardowns which have sold, 2012 held a lower than anticipated value. 2013 increased to \$35,232. 2014 dipped to \$31,148 where many tear downs were selling for land value. In 2015, our price per foot was back on track at \$34,137. This first half of 2016 our average per foot is not accurate due to so many tear downs selling. Of course this average varies from town-to-town, condition of home and depth of lot.

To calculate the current value of an average oceanfront property multiply the amount of oceanfront feet by \$26,826 (if older home) or approximately \$41,820 (if newer construction in excellent condition with a deep lot and premier location). From 1992 to present the average linear foot calculates to 72.54 feet of oceanfrontage per sale.

The yearly sale prices vary more than anticipated because of the type of oceanfront properties that have sold. In 2006 many oceanfront homes that sold were new construction, bringing higher than expected values. In 2007 the majority of oceanfront properties that sold were teardowns, creating a decline in values. In 2008 the sale of oceanfront property in North Beach, Loveladies and on oversized lots in Barnegat Light increased the average values for two reasons. The majority of homes were newly constructed and the north end of the Island locations also hold the highest land values on LBI. These sales created a higher than average sale price for oceanfront properties than expected in 2008. In 2009, there were not any north end properties that sold. In 2010, the number of north end properties that sold were below average, bringing average prices down. In 2011, new construction in North Beach included an entire tract which brought

our average value up a bit. In 2012, many tear downs sold along with just two new construction and one other just five years old, bringing values down from 2011. In 2013, we hit an unrealistic high rate since most properties that sold were on the North end and were in great condition, setting a record all time high average sale price! 2014 was a good year in general and calculates out that oceanfront sales are doing well once again. With 37 single family oceanfront total sales in 2015, sixteen could be considered tear downs, six were new construction and fifteen were newer or renovated, which usually results in a Realistic overall average sale price. This first half of 2016 our average per foot is not accurate due to so many tear downs selling at land value. This year so far there are too many older sales for an accurate value.



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LBI Oceanfront NEWSLETTER

SUMMER 2016 EDITION

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- 4 bedrooms; 2 Baths
- Private walkway to beach



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OCEANFRONT

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- Built in 2008



BAYFRONT

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