



THE SUGARLOAF COUNTRY CLUB REAL ESTATE REPORT

2015-2016 EDITION



BERKSHIRE
HATHAWAY
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Collection

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Sugarloaf Country Club Real Estate Report 2015 - 2016 Edition

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This real estate report is provided to give our clients insight into the results for 2015 and the trends for 2016. We will be sharing facts and perspective that have been compiled from a variety of local, regional and national sources. This report is organized into the following sections:

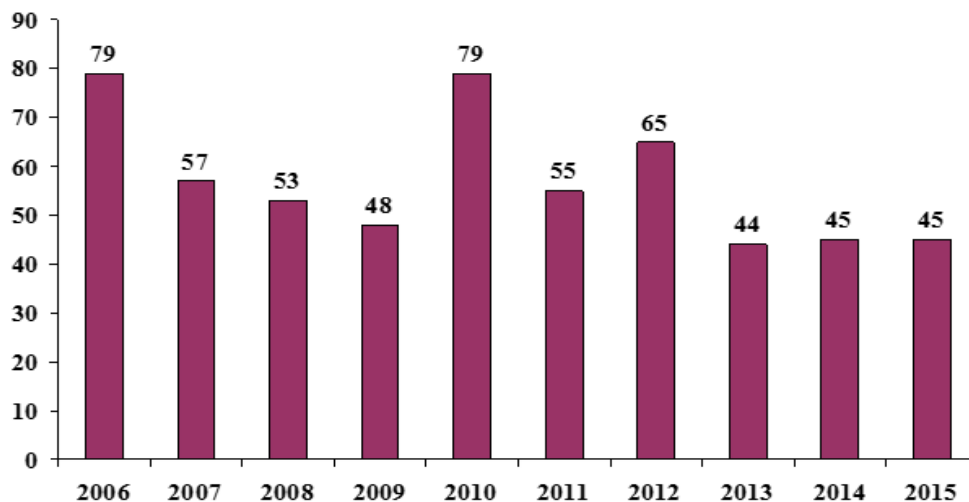
- **2015 Year in Review.** This is an overview of the real estate market for Sugarloaf Country Club in 2015.
- **2016 Real Estate Trends.** We will share relevant trends that allow our clients to draw insightful conclusions about what is most likely to happen in 2016 and beyond.

Get the Sugarloaf Country Club Real Estate Report each month at MaryFloyd.com!

2015 Year in Review

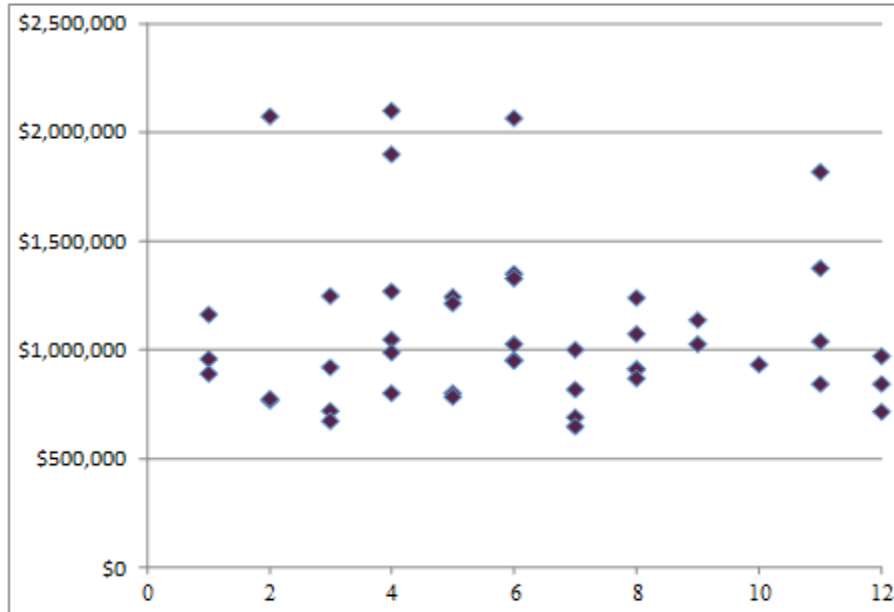
First, let's take a brief look at what happened in 2015. There were 45 Sugarloaf luxury homes sold in 2015. This compares to 45 in 2014, 44 in 2013, 64 properties in 2012, 55 properties in 2011, 79 properties in 2010, 48 in 2009, 53 in 2008, 57 in 2007 and 79 in 2006. The average for the past 10 years is 57 properties. But it appears the more recent trends suggests that around **45 properties sold per year will become the new normal for Sugarloaf.**

Sugarloaf Country Club Annual Closings



As we look at the distribution of properties sold, you can see that the majority of closed sales were in the \$800,000 to \$1.2 million range. There were 3 properties sold above \$2 million, 2 properties between 1.5 - 2 million, 15 properties between \$1 - 1.5 million and 25 properties (56%) below \$1 million. The lowest reported price sale was \$647,000 and the highest closing was \$2,100,000. See the chart below to see the distribution of prices by month.

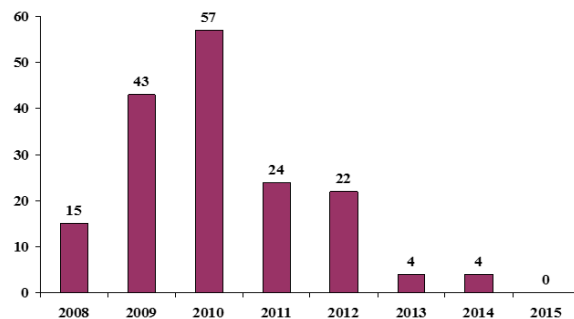
Sugarloaf Country Club Price Distribution (2015 Closed Properties By Price Range)



Of the 45 closed properties, the majority were standard resales plus 3 private transactions and 3 new construction closings. Resales represented 87% of closed sales in 2015, 58% in 2014, 75% in 2013, 65% in 2012, 56% in 2011, 27% in 2010 and only 15% in 2009. This is more evidence that Sugarloaf Country Club has cycled back to a normal real estate market.

Distressed properties including foreclosures and short sales had a major impact on Sugarloaf during the real estate recession. During that time, we saw an average of 8-10 “notices of foreclosure” each month. These were properties that were notified by the bank that they were at least 90 days behind on payments and their property was being scheduled for an upcoming auction. In 2015, we only saw a few notices for the entire year. There were zero short sale/bank-owned closings in 2015 and 4 in 2014.

Sugarloaf CC Distressed Properties (Bank-Owned and Short Sales)



Now, let's look at Sugarloaf Country Club home values. Determining current market value today can be complicated – that is why you need a professional. **We provide Instant Home Value Estimates on MaryFloyd.com** that you can click and see home value estimates from Zillow, Public Records and RPR (Realtors® Property Resource). You can also make your own adjustments and save, print, share or get updates as conditions change. Home value estimates are a useful tool to allow you to perform you own analysis. We have access to additional information that is not available to the public plus expert local knowledge to determine the most accurate market value. Contact us for more details.

Get Instant Home Value Estimates

Make your own adjustments, save/print and get updates as the market changes. Contact us for the most accurate values.

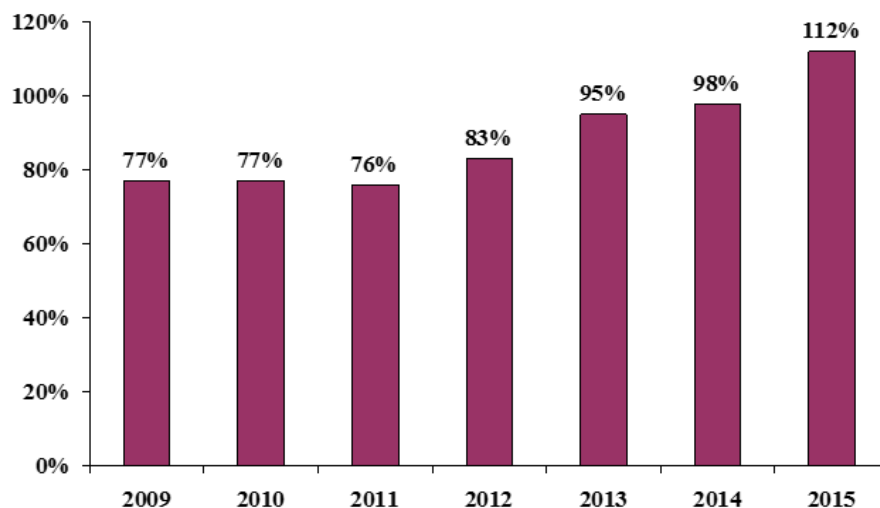
Get Home Value

Available Exclusively at MaryFloyd.com

There are two metrics that are the quite useful in tracking local home value trends. The first is “closed sale price versus the previous closed sale price” ratio which we use for our **Sugarloaf Value Index**. This repeat sales method is also used by the popular Case-Shiller Index to report on Metro Atlanta and other national markets. **We provide an updated Sugarloaf Value Index each month on MaryFloyd.com.** The second approach is to look at “\$ per square foot” which is one of the major factors used by appraisers. These approaches are far more reliable than commonly used ratios like “list to sale” ratios, “average sales price” ratios or “median sales price” ratios. The chart below shows the Sugarloaf Value Index compared to previous years.

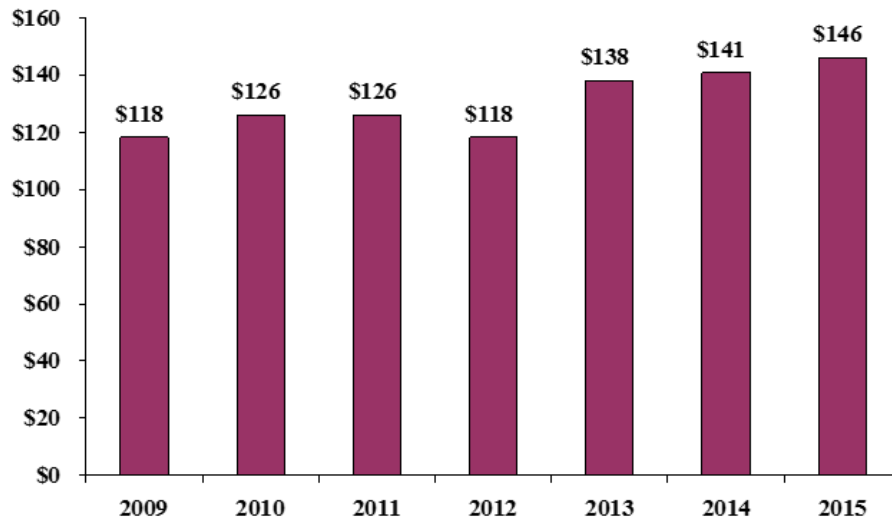
Sugarloaf Country Club Values

(Closed Prices Versus Previous Sold Price)



Sugarloaf Country Club Values

(Average \$ Per Square Foot)



As you can see, Sugarloaf Home Values are moving in the right direction based upon both these charts. It is important to note that the costs to build new homes continue to increase. This will help lift values for resales over time. See the 2016 Trends section to learn other factors that will impact our home values going forward.

We have additional details and proprietary information to help our clients make the best real estate decisions!

If you are considering listing your Luxury Property, please contact us to learn about our **Advanced Property Marketing System** and the **Berkshire Hathaway HomeServices Luxury Collection**. We specialize in advanced luxury marketing and personalized service to achieve the highest values for our clients. Better marketing produces better results!

2015 Sold Luxury Homes for Sugarloaf Country Club

Month	Type	Address	Original List	Sold Price	Prior Sold Price	List-Sale Ratio	SCC Value Index
January	Resale	1761 Bonar Hall Trace	\$1,349,000	\$1,165,000	\$1,150,000	86%	101%
January	New	3650 Moye Trail	\$999,000	\$960,000	New	96%	
January	Resale	3620 Moye Trail	\$990,000	\$889,000	\$929,900	90%	96%
February	New	2636 Boddie Place	\$2,200,000	\$2,075,000	New	94%	
February	Resale	2736 Eudora Trail	\$779,000	\$768,000	\$650,000	99%	118%
February	Private	2603 Nutwood Trace		\$775,000	\$539,900		
March	Resale	2150 Lockett Court	\$1,375,000	\$1,247,500	\$1,165,000	91%	107%
March	Resale	2000 Sugarloaf Club Drive	\$979,000	\$920,000	\$695,000	94%	132%
March	Resale	3030 Sugarloaf Club Drive	\$715,000	\$720,000	\$740,000	101%	97%
March	Resale	2442 Oak Hill Overlook	\$735,000	\$675,000	\$535,000	92%	126%
April	Resale	2491 Lockerly Pass	\$2,250,000	\$2,100,000	\$2,344,000	93%	90%
April	Resale	2867 Darlington Run	\$2,000,000	\$1,900,000	\$2,047,900	95%	93%
April	Resale	2626 Buena Vista	\$1,298,000	\$1,270,000	Original Owner	98%	
April	Resale	2728 Bonar Hall Path	\$1,075,000	\$1,050,000	\$1,170,000	98%	90%
April	Resale	1855 Sugarloaf Club Drive	\$1,075,000	\$987,500	\$966,100	92%	102%
April	Private	2318 Grady Ridge		\$800,000	\$780,000		103%
May	Resale	3259 Carmichael Pl.	\$1,399,000	\$1,245,000	\$900,000	89%	138%
May	Resale	2868 Major Ridge Trail	\$1,425,000	\$1,212,500	\$1,379,500	85%	88%
May	Private	2539 Gray Moss Court		\$800,000	\$630,000		127%
May	Resale	3220 Sugarloaf Club Drive	\$825,000	\$786,000	\$546,000	95%	144%
June	Resale	2858 Major Ridge Trail	\$2,795,000	\$2,064,000	\$2,175,000	74%	95%
June	Resale	2730 Sugarloaf Club Drive	\$1,498,000	\$1,350,000	Original Owner	90%	
June	Resale	2181 Broadfield Run	\$2,750,000	\$1,330,000	Original Owner	48%	

Month	Type	Address	Original List	Sold Price	Prior Sold Price	List-Sale Ratio	SCC Value Index
June	Resale	2807 Darlington Run	\$999,000	\$955,000	\$687,500	96%	139%
June	Resale	1810 Sugarloaf Club Drive	\$999,000	\$950,000	\$688,500	95%	138%
July	New	3086 Bagley Passage	\$999,999	\$999,900	New	100%	
July	Resale	2825 Sugarloaf Club Drive	\$890,000	\$820,000	\$830,500	92%	99%
July	Resale	2433 Eudora Way	\$789,000	\$690,000	Original Owner	87%	
July	Resale	2341 Grady Ridge	\$699,900	\$647,000	\$637,500	92%	101%
August	Resale	2852 Darlington Run	\$1,299,000	\$1,240,000	\$1,044,000	95%	119%
August	Resale	2734 Gordon Banks	\$1,190,000	\$1,075,000	\$1,064,500	90%	101%
August	Resale	2782 Dawsons Chase	\$950,000	\$910,000	\$700,000	96%	130%
August	Resale	3251 Lockett Trace	\$950,000	\$910,000	New	96%	
August	Resale	2654 Nutwood Trace	\$899,000	\$869,000	New	97%	
Sept.	Resale	3273 Broadfield Ct.	\$1,200,000	\$1,137,500	\$839,000	95%	136%
Sept.	Resale	2746 Eudora Trail	\$1,099,000	\$1,025,000	\$910,000	93%	113%
October	Resale	2520 Sugarloaf Club Drive	\$1,175,000	\$935,000	\$900,000	80%	104%
November	Resale	2463 Delbarton Place	\$2,199,000	\$1,820,000	Remodeled	83%	
November	Resale	2669 Tranquilla Way	\$1,200,000	\$1,040,000	\$975,000	87%	107%
November	Resale	2792 Darlington Run	\$899,000	\$844,000	\$827,400	94%	102%
November	Resale	3273 St. Elmo Court	\$1,450,000	\$1,375,000	\$1,219,000	95%	113%
December	Resale	2055 Sugarloaf Club Drive	\$1,275,000	\$970,000	\$995,000	76%	97%
December	Resale	2767 Major Ridge Trail	\$975,000	\$845,000	\$756,042	87%	112%
December	Resale	2723 Pinebloom Way	\$788,000	\$715,000	\$571,000	91%	125%
						91%	112%

There were also 13 developed lots sold in 2015, 8 developed lots sold in 2014, 9 lots sold in 2013 and 20 lots sold in 2012. Sugarloaf has 12 lots listed for sale ranging from \$194,900 to \$549,000. Sugarloaf has 48 lots remaining in our community of 962 homes.

If you are interested in building your custom home, please contact us quickly as the best lots are going fast!

2015 Sold Lots for Sugarloaf Country Club

Month	Status	Address	Closed Price
January	Closed	2656 Wynnton Drive	\$225,000
January	Closed	2646 Boddie Place	\$230,000
March	Closed	2656 Boddie Place	\$270,000
March	Closed	3106 Bagley Passage	\$245,000
March	Closed	2770 Pebble Hill Trace	\$224,000
March	Closed	3480 Moyer Trail	\$270,000
April	Closed	2421 Lockerly	\$299,500
May	Closed	3249 Carmichael Place	\$213,640
July	Closed	2424 Eudora Way	\$210,000
August	Closed	2646 Wynnton Drive	\$240,000
August	Closed (private)	2665 Hanssell Ct	\$495,000
September	Closed	3189 Carmichael Place	\$275,000
December	Closed	2631 Lovejoy Circle	\$179,500

2016 Sugarloaf Real Estate Trends

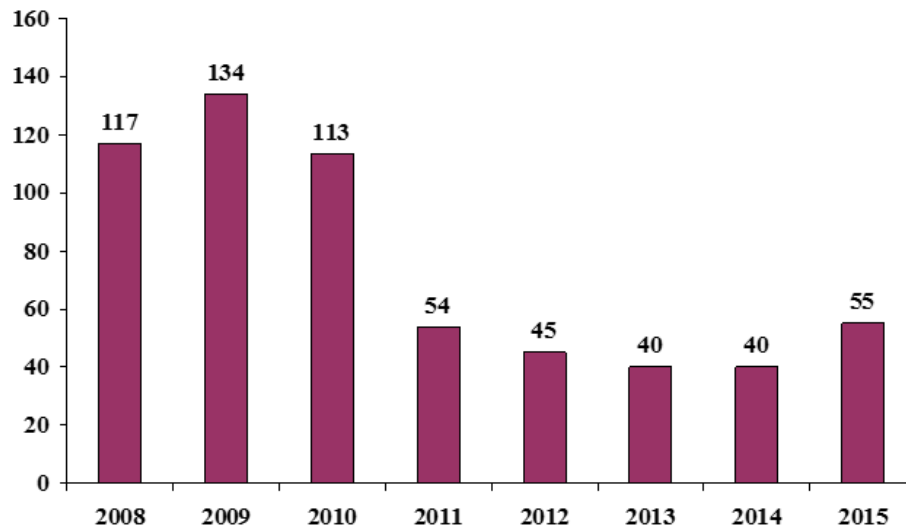
Now, let's explore the major trends for 2016 and discuss what is likely to happen. The traditional laws of supply & demand plus mortgage rates, the economy and demographic changes continue to have big influences on the Sugarloaf housing market. Plus there are a few wild cards that may come from geopolitical influences or potential terrorism or natural disasters. This information is organized in the following categories:

- Listing Inventory and Absorption Rates
- Sugarloaf CC New Home Trends
- Packaging Resales For The Highest Values
- Georgia Economic Trends
- Mortgage Rate Trends
- Empty Nesters & Baby Boomers
- Impact of The Mitsubishi Electric Classic

Listing Inventory and Absorption Trends. The listing inventory remains mixed across Metro Atlanta. Some areas and price points have an undersupply and others have an oversupply. The suburban luxury markets in North Atlanta have experienced above normal inventory and below average absorption in 2015. It is helpful to look at inventory trends compared to the sales rate – or months of supply. Six months of supply is considered normal. For the luxury markets in North Atlanta, the months of supply have exceeded 2 years in 2015.

Months of supply have averaged 19.3 for Sugarloaf Country Club in 2015. The average days on market for closed sales was 251 days in 2015 versus 247 in 2014. There were several properties that sold immediately. Seven properties were on the market over one year. One property was listed for sale for over 6 years. Our new homes market cannot grow fast enough to make a significant impact. The spring continues to be the peak season with more listings. We expect an average of 50 listings to be the “new norm” for the next few years in Sugarloaf Country Club.

Sugarloaf CC Listed Inventory (Average Number of Listings Each Year)



Sugarloaf CC New Home Trends:

Yes, there are new homes under construction again in Sugarloaf! That is great news for our community. The “\$ Per Square Foot” cost for building new homes are significantly higher than the current market values. Over time, the cost of replacements or new builds should equalize to around 15% - 20% higher than a comparable resale. These new homes will help drive up the overall values for our community. There are also a limited number of desirable lots left. The faster these are absorbed, the better for the remaining resales. We have approximately 48 lots left to build and estimate that it will take 3-5 years to build out the most desirable remaining lots. Custom new homes are being built by both current residents and new incoming residents. This was not the case during the real estate recession. There are no large tracts of land available in close proximity to build a community like Sugarloaf Country Club. Even if that were the case, the costs would be much higher.

Metro Atlanta building permits will grow 6.1% in 2016 and 7.4% in 2017. New home construction will be limited by the availability of reasonably priced land now that foreclosures and bank re-priced lots are absorbed. There are also challenges with shortages of skilled labor and the increasing costs of construction materials and permitting. It is getting harder for builders to make the math work and compete with resales.

We are proud to announce that the beautiful custom home built by Storey Custom Homes for David and Linda Ballard was awarded the **2015 Gold OBIE Award for Luxury New Home of the Year**. That is two years in a row that our new home listings have won this prestigious award. My clients Steve and Kathy Evans and Storey Custom Homes won the **2014 Gold OBIE Award for Luxury New Home of the Year** for their fabulous luxury home.

If you are interested in building your custom home, please contact us quickly as the best lots are going fast!

Trends for Highest Resale Values:

Homes that are updated, upgraded and in great condition always sell faster. Most buyers do not want to renovate. They want to move in quickly with less hassle. The buyers that are willing to renovate will more likely try to negotiate an investor price. This is a very common cycle for communities with many homes that are reaching the 15-20 year age category. The Sugarloaf resales that are "like new" will be more desirable and will get higher values than properties that look dated. Buyers will be looking for problems with aging HVAC systems, roof & gutters, leaks or settling issues, windows that need replacing, floors, hardware & fixtures and more. Seller are required by law to disclose any known problems in the Seller's Disclosure form. In addition, every buyer will perform an independent inspection which will identify any problems or risks. The final contract terms and pricing will be further negotiated based on these findings. It is best to handle major issues before listing.

We can help you assess your situation, make recommendations and coordinate estimates from high-quality providers. Contact us to get started before the spring market!

Georgia Economic Trends:

The Economic Forecasting Center at Georgia State reports that Georgia will gain 74,000 jobs in 2016 and 80,800 in 2017. Major corporate relocations continue to make headlines. Our company is the largest

provider of corporate relocation services in Metro Atlanta and handles companies like Mercedes, Porsche, State Farm, NCR, Norfolk Southern and many more. **Job growth means more business executives, more doctors, more lawyers, more professional athletes, more celebrities - more potential buyers coming to Sugarloaf Country Club.**



Mortgage Rate Trends: The majority of luxury buyers still choose a mortgage. This is clearly a great time to buy a luxury property in Sugarloaf Country Club with prices below replacement costs and historically low mortgage financing. The Fed has already begun raising interest rates. But mortgage rates are more closely aligned with long-term bond prices which mean that interest

rates are likely to rise faster than mortgage rates. The average mortgage rate over the past 50 years was 8%. The Mortgage Bankers Association and Freddie Mac predicts rates in the 5% range by the end of 2016. In 2-3 years, we expect to see mortgage rates back up to the 6-7% range. Many potential buyers realize that this is an unusual “window of opportunity” to purchase the home of their dreams with very low financing that may not be available in the future. **We would be happy to connect you to our loan officer to learn about your financing options.**

Empty Nesters & Baby Boomers:

Should I stay or should I go? Those old lyrics from The Clash are being asked by many Sugarloaf homeowners who are becoming empty nesters. Many Sugarloaf residents bought beautiful homes and raised their families here. But now the homes are getting older and may need a significant amount of investment to update, upgrade and repair. Some are choosing to invest in their homes and create a destination for their children and friends to come back and enjoy the Sugarloaf lifestyle. Others are choosing to move to the next chapter in their life. Only you can decide what is best for your family. **If you are considering moving, we would be happy to work with you to recommend the best strategy to sell your home.**

Forecasters have been predicting 10,000 Baby Boomers will be retiring every day. Although that number has not materialized, Boomers are still a major force in buying and selling homes. One of the most common trends is Baby Boomers moving closer to kids and grandchildren. Metro Atlanta is home to one of the largest populations of young people of any major metro area. Atlanta ranks #2 in 25-39 age group and #5 in population under 20. Moving closer to kids and grandchildren is one of the reasons that **Baby Boomers are the largest group of home buyers in Metro Atlanta!** This will be a significant trend that drives our housing market in 2016.

Impact of the Mitsubishi Electric Classic: The Mitsubishi Electric Classic ensures a PGA tour event at Sugarloaf Country Club through at least 2020. For those that were around when we hosted the BellSouth Classic/ AT&T Classic, you will recall that those events really energized the community and contributed positively to the demand for luxury homes. This is a great opportunity to re-introduce our community to the world! Those great golf course views and venues for entertaining are becoming more desirable again. We are especially pleased that this is a Champions Tour event since we get to see some very recognizable names up close. And these guys know how to treat fans – unlike some of the PGA Tour players. We want to encourage everyone in our community to get involved and make these events special!



Sugarloaf Country Club has an impressive set of advantages. The **TPC at Sugarloaf golf course is one of the best around and will stand the test of time** versus other courses. The Mitsubishi Electric Classic will help keep our golf course in top shape with investments we would not make as a private club. Membership in the **TPC Network affords many privileges** and avoids costly assessments experienced by other club communities. Almost every other luxury club community in North Atlanta has gone through bankruptcy. The **tennis and sports center complex are excellent facilities** and offer many activities. The **clubhouse is a classy venue for entertaining** or enjoying a fine meal. The **park is beautiful for every season** of the year. Our community has **quick access to I-85** in comparison to other luxury communities that are land-locked. Our **proximity to shopping** (Sugarloaf Mills, Mall of Georgia), **major area attractions and**

entertainment (Gwinnett Arena), convention and meeting space (Gwinnett Convention Center, 1818 Club, TPC Clubhouse) make Sugarloaf CC an ideal location. The **Gwinnett Park system is rated #1 in the nation**. Our **high school sports are nationally recognized** and we have top feeder systems available for young athletes. There are **excellent public and private school options**. **Sugarloaf Country Club is loaded with families and a diverse population that makes everyone welcome**. Who wouldn't want to live here?

Stay Informed In 2016. As the market evolves, we will watch the key indicators and report on the latest facts & trends for Sugarloaf Country Club. Each month, we provide a detailed report on www.MaryFloyd.com. In addition, we have other details and proprietary information that we provide to our clients. Our Advanced Property Marketing System is specifically designed for this market. To compete effectively and get the best value, you need the best marketing available. If you are a potential buyer or investor, we know the best opportunities in the community including properties that are not yet listed. We hope you have found the Sugarloaf Country Club Real Estate Report – 2015/ 2016 Edition helpful. Better information, leads to better decisions!

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