

High-end sales start to pop on Boca Grande

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Eight homes have sold in eight weeks on Boca Grande for more than \$2.5 million each and at an average price of \$3.25 million.

It is the culmination of a trend that began late last year as high-end buyers got tired of waiting and began springing at perceived bargains up and down the tiny barrier island, says Bob Melvin, a veteran agent who co-owns Gasparilla Properties.

"They were all true beach properties -- all of similar good quality and well maintained," Melvin said. "On an island this size, once you have three or four sales on the beach, it changes the entire market."

Flash back to the beginning of the year and there were 25 high-end beachfront homes for sale on Boca Grande, Melvin said. Now there are only 12, a 52 percent drop.

The way Melvin describes it, sales have fed on themselves. The same group of people has been looking to buy on the exclusive island since the height of the boom, and once they see one person buy, they get more anxious about buying themselves.

"They figure that if we're not at the bottom, we're near the bottom, and if they don't act they will have to pay more for something they will either need to remodel or tear down and build from scratch," Melvin said. "There's also an age factor at work. A guy who is 62 and has been looking for three or four years doesn't want to wait anymore."

Even condominiums, which have not sold as well as single-family homes, are starting to find buyers, Melvin said, and construction is just about to pick up.

The same trends are affecting other markets throughout Southwest Florida, agents say. Anna Maria Island has been on a tear for several years. There are 14 high-end homes under construction on tiny Bird Key, and Lakewood Ranch has sold 18 homes in its Lake Club subdivision so far this year at an average price of \$1.2 million.



COURTESY PHOTO

This four-bedroom Gulf-front home at 4805 Shore Lane on Boca Grande is listed at \$4.5 million. Sales have picked up dramatically this year on the island rated by Barron's magazine as the third-best place to buy in the U.S. behind Palm Beach and Aspen.



Agents say these areas have been the first to rebound from the Great Recession because they are among the most desirable properties in the region.

An historic playground of the wealthiest families in America, Boca Grande also was less affected by the recession to begin with.

Barron's magazine recently ranked Boca Grande as the third best place to buy a home in the U.S., behind Palm Beach and Aspen.

"That's because homes here maintained their value better from peak to trough," Melvin said. "Our homes only declined 18 percent, which compares to 40 to 50 percent on other barrier islands."

Boca Grande also benefits from the Gasparilla Inn, Melvin said, which allows younger families to visit and build up the desire to buy.

"As the Inn goes, so goes the island," Melvin says. "It may be too slow for the flashy gold chain crowd, but it allows younger people to see what a family-friendly place this is."

Melvin said the real estate market started to recover in 2010, but the BP oil spill caused it to clam up.

"They pulled the plug on real estate negotiations," he said. "But things started getting better toward the end of 2010."

So far this year, Melvin's company has sold nearly \$100 million in real estate -- with the highest price being a house at 341 Gilcrest Ave. that went for \$6 million at the end of March.

Since then, Gasparilla Properties has sold 27 homes from more than \$1 million each and is poised to close nine more totaling \$25 million. The largest of that group is a house at 677 Boca Bay Drive with list price of \$9.995 million.

"Up and down the length of the island, the inventory is getting pretty picked over," Melvin said. "The numbers don't lie."