

Are We Lucky To Live In Hawaii Or Is It All Just Relevent?

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Aloha All:

I have spent the month of November and December in Atlanta Georgia visiting my Parents who are both still living at home and they are both approaching 90 years old. I wanted to make a Christmas visit before it became a mute point to do so.

While living here for the past two months I have had time to meet many people by attending different demonination Church Services (I like to think if I visit them all, I have it covered), visit local Real Estate Offices, and meet their agents and trade stories. I had also taken the opportunity to ask many questions about living in Georgia through my trips to Walmart, Costco and many other local businesses. I even had plenty of experiences at my favorite local bar called "Bench Warmers" to watch a rousing assortment of Pro-Football games on Satillite T.V. At the time of this writing my Pittsburgh Steelers have succumbed to the over-powering San Francisco 49ers and sadly, my favorite team's Season is now over. Although this article may seem to be personal in nature I think you will find my experiences similar to yours.

Georgia is a wonderful place filled with beauty, real Southern Hospitality that we call at home "Aloha" and is a very low cost of living State compared to our home in Hawaii.



Cost of Regular Gas

Oh yea, it was kind of a shock to see gasoline prices like this at Costco in Georgia. I do not think I have seen this kind of price in many, many years.

The minimum wage of a Bartender at "Bench Warmers" is \$2.13 per hour. No, this is not a typo. When I asked "Amy" who often had my Black & Tan waiting for me before I was able to mount my bar stool upon arrival what she made per hour and she told me, I nearly fell off my bar stool. A quick trip on the internet provided me with more answers. The Minimum Wage in Georgia is \$5.13 per hour. The owners at "Bench Warmers" have to kick in the difference between \$2.13 per hour up to \$5.13 per hour if the employies make less than \$3.00 in tips per hour. Wow! Does anyone know what the Minimum Wage is in California these days? The answer is \$10.24 per hour effective January 1st. 2012. Anybody know what the Minimum Wage in Hawaii is? The answer is \$7.25 per hour with no adjustment slated for year 2012.

If the Minimum wage is so low in Georgia it has to be low Cost of Living State, right? Well "Yes" but it is all relative and that is what this article is really about.

It is interesting to see articles in the local Newspapers here such as from the Atlanta Journal Constition.

[GEORGIA'S UTILITIES](#)

[Consultant: Rate hike too steep](#)

[Cut Ga. Power request in half, PSC told.](#)

[Company blames new environmental rules for increase starting in 2015.](#)

Date: December 6, 2011

A utility consultant says Georgia Power wants to charge customers too much when the company starts buying significantly more electricity from other places.

Philip Hayet, president of Hayet Power Systems Consulting, said the amount that Georgia Power wants to charge customers starting in 2015 should be cut in half.

"We have a severe economic situation going on," Hayet told the Georgia Public Service Commission.

ENERGY ASSISTANCE

Money to help pay for heat dries up

Budget cuts filter down to state level.

For first quarter of fiscal 2012, Georgia's amount drops by \$36 million.

Date: December 2, 2011

Hundreds of elderly and poor metro Atlantans who want help paying energy bills are being told that federal money for the program already has run out for now, just as winter arrives.

Officials cite higher demand and reduced funding for the Low Income Home Energy Assistance Program, which last year helped more than 207,000 Georgians pay energy bills.

Georgia received \$18.9 million for the first quarter of fiscal 2012, down from \$54.9 million in the period last year.

NUCLEAR POWER

Vogtle sees rising costs

Officials: Construction \$42 million over budget but customers in clear.

Delays may push project back five months.

Date: November 22, 2011 **Publication:** Atlanta Journal-Constitution,

Construction costs for Georgia Power's planned expansion project at Plant Vogtle are \$42 million over budget, and delays in getting federal approval to build the two reactors may push back the construction schedule roughly five months, company executives said Monday.

The rise in construction costs are related to, among other things, a change in what labor may cost over the long term for the project, said Pete Ivey, vice president of nuclear development.

Interesting what they have to say about "Georgia Power" when you are from Hawaii and you are paying the Nations highest Electricity rates with more rate hikes yet to come under the guise of "Green or Clean Energy." Gee, I wonder if the folks in Georgia have the same concerns with Water?

City's water troubles stretch across region

Date: October 6, 2011 **Publication:** Atlanta Journal-Constitution,

The issue

Atlanta's aging sewer system needs \$1.52 billion in fixes.

What's at stake

1.2 million people across metro Atlanta face higher bills.

What's next

A vote on a 1-cent sales tax that could keep bills from increasing.

A March vote on an Atlanta sales tax to raise \$480 million for sewer upgrades could influence how much tens of thousands of people outside the city pay for water.

Atlanta steeped in high water rates

Date: September 23, 2011 **Publication:** Atlanta Journal-Constitution, The (GA) **Page Number:** B1 **Word Count:** 764

It's no secret to many homeowners in the city of Atlanta that they are floating in high water and sewer bills.

Some say they're drowning in the money they sink into city coffers.

The issue came up during a recent City Council committee meeting where officials discussed a voter referendum set for February. The referendum would extend a penny-per-dollar sales tax to pay for ongoing work to repair Atlanta's century-old sewer system.

Gee, this all sounds a whole lot like Honolulu does it not? I guess we all share the same concerns.



This home in Atlanta Area Sold in year 2008 for \$285,000
If it was For Sale today its correct For Sale Price would be \$150,000.

This is a -47% loss.

If you think that is bad, wait...the current market in the Atlanta Area has approximately 46% of its For Sale inventory in Foreclosure or Short Sale Status and it is only to get worse...

[One county scrambles to reduce valuations](#)

[Foreclosure-swamped Gwinnett lacks resources for precise appraisals.](#)

Date: December 20, 2011 **Publication:** Atlanta Journal-Constitution,

A month after Chris Ring bought his four-bedroom home near Suwanee for the bargain price of \$176,000, he was surprised when he opened his tax bill from the county.

That bill totaled \$3,760.48, and it was based on an appraisal that was several months old -- and more than \$100,000 above what Ring paid for the home.

Ring filed an appeal, joining the ranks of thousands of residents in Gwinnett County, where a record number of foreclosures and sagging home values.

[Foreclosure notices hit lowest in 3 years](#)
[In area, many still work to stay in homes. Values linger in unstable mode.](#)

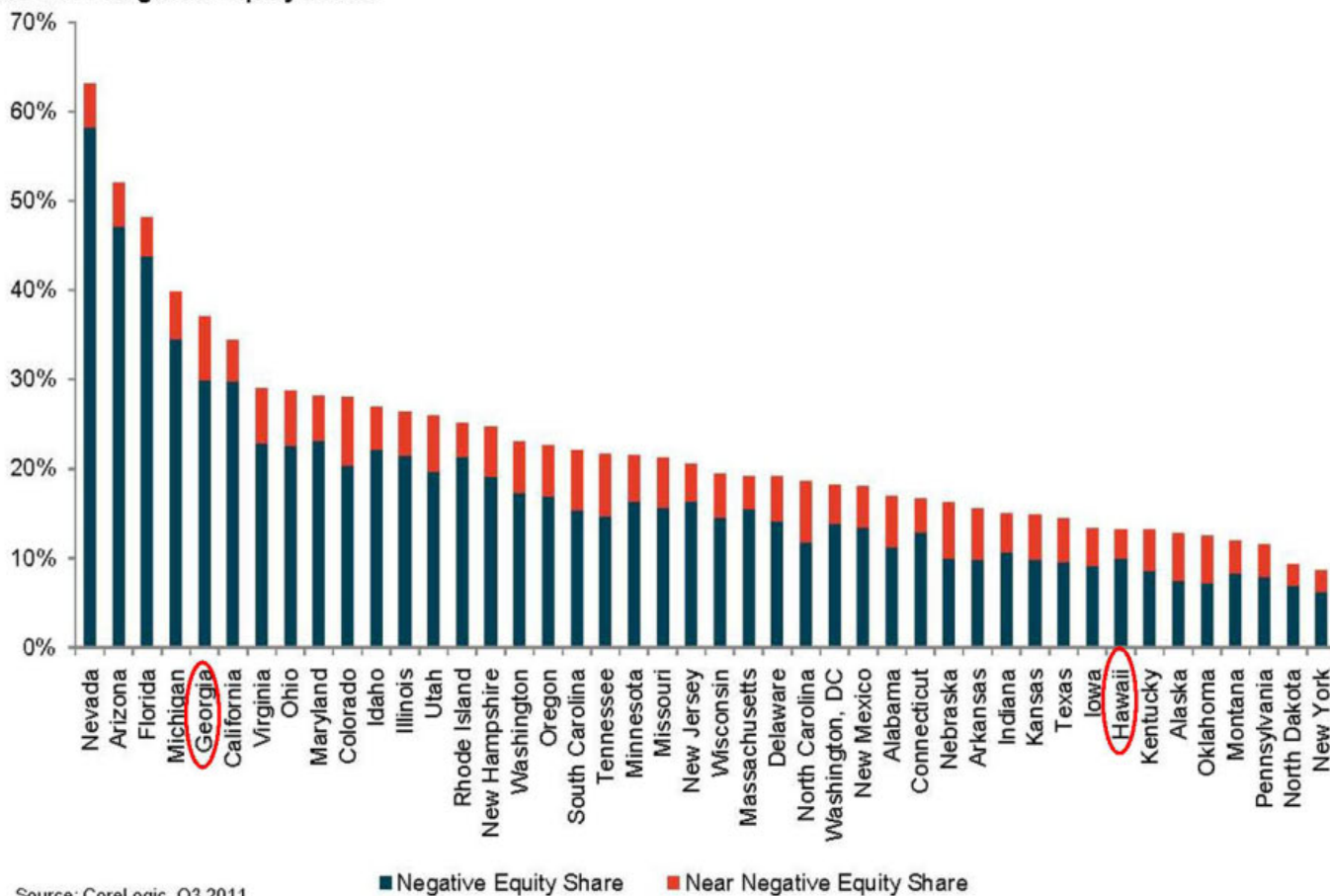
Date: December 13, 2011 **Publication:** Atlanta Journal-Constitution,

Foreclosure notices in metro Atlanta this year fell to the lowest number in three years, but those in the housing business are uncertain whether the drop is a sign of a coming home value recovery or just a new symptom of sick market.

Notices through December's filing period totaled 109,548 for the 13-county area in 2011. That was down 14 percent from the peak of 127,140 in 2010, according to Equity Depot, a Kennesaw real-estate analysis firm.

Here is the worst part:

Figure 1 – High Negative Equity Concentrated in a Small Number of States
 Q3 2011 Negative Equity Share



Source: CoreLogic, Q3 2011

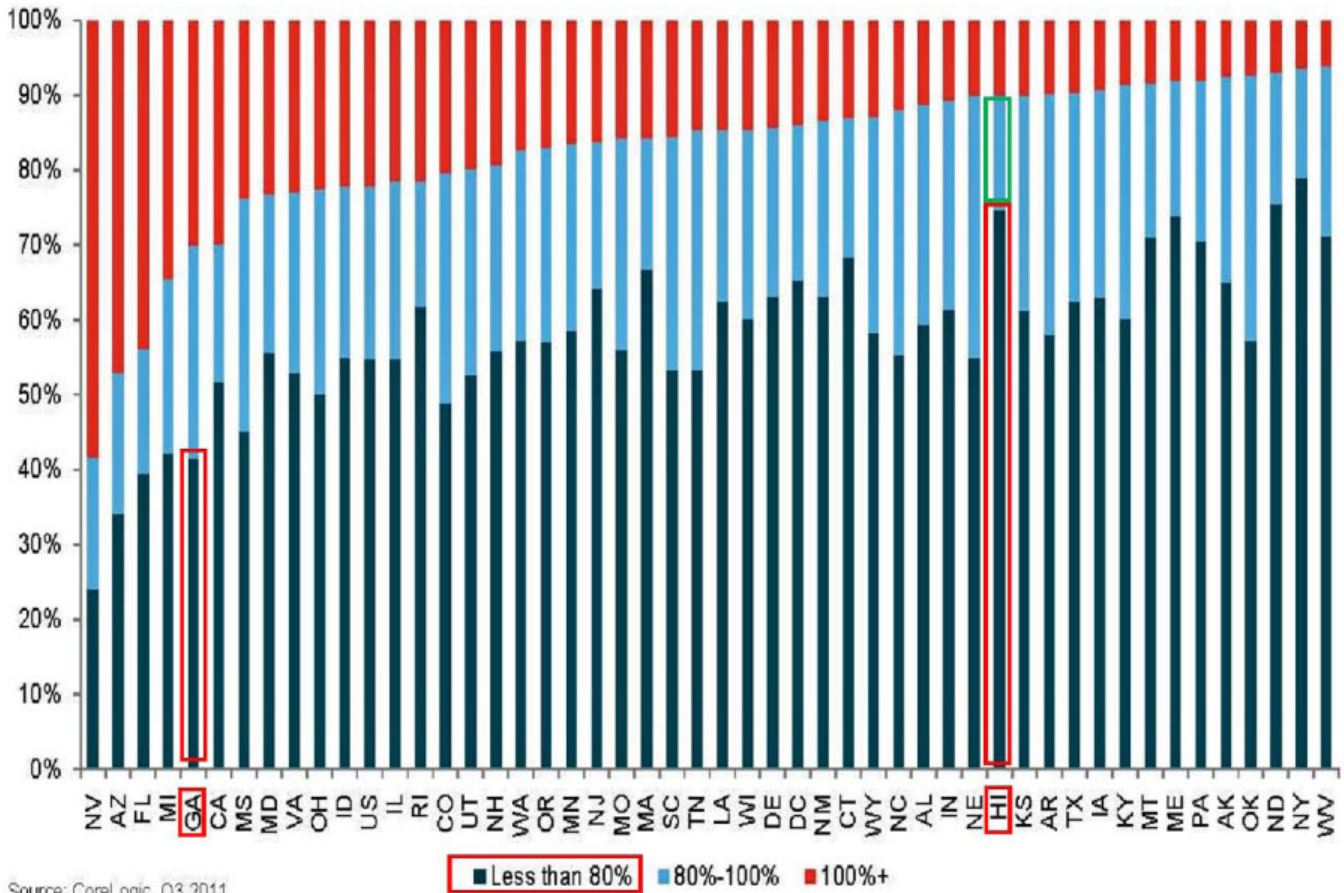
The Negative Equity portion of Georgia's Homes is growing which means there are more and more owners experiencing loss of Equity and are approaching being "Under Water." You might say the same is true for Hawaii although not to such a large extent as Georgia.

I had hoped to stop keeping track of Short Sales in Hawaii in my Monthly reporting but with the rise in Negative Equity numbers in Hawaii and the "Shadow Inventory" of Foreclosures yet to hit the market in Hawaii, now is not a good time to dispense with this reporting. Foreclosures and Short Sales in Hawaii will be on the rise in 2012.

For a complete copy of the CoreLogic Third Quarter Negative Equity Report:

<http://www.corelogic.com/#home-research>

Figure 2 - Distribution of Equity Widely Varies by State
Q3 2011 Equity Distribution



Source: CoreLogic, Q3 2011

If you were thinking “Gee, I am sure glad we are not living in Georgia” think again. Look at the amount of home owners with less than 80% left on their homes in Hawaii. This number is growing as the market worsens.

Want to see what is happening for those who can afford to buy a home in a wealthy neighborhood? See my new [November 2011 High End Neighborhoods Real Estate Report](http://www.hawaii realestate statistics.com/oahus-high-end-.asp) on my website at: <http://www.hawaii realestate statistics.com/oahus-high-end-.asp>

How Bad Is It In The Mainland?

Q3 2011 Negative Equity by State*									
STATE	Properties With a Mortgage Outstanding					\$ Outstanding			
	Mortgages	Negative Equity Mortgages	Near** Negative Equity Mortgages	Negative Equity Share	Near** Negative Equity Share	Total Property Value	Mortgage Debt Outstanding	Net Homeowner Equity	Loan-to-Value Ratio
Alabama	358,906	40,299	20,672	11.2%	5.8%	67,462,463,091	46,032,537,450	21,429,925,641	68.2%
Alaska	90,464	6,746	4,731	7.5%	5.2%	25,004,308,045	16,535,988,006	8,468,320,039	66.1%
Arizona	1,311,111	617,876	64,717	47.1%	4.9%	248,924,664,162	228,975,896,371	19,948,767,791	92.0%
Arkansas	251,514	24,779	14,168	9.9%	5.6%	40,223,246,758	28,988,870,614	11,234,376,144	72.1%
California	6,827,170	2,030,292	314,769	29.7%	4.6%	2,768,657,100,640	1,955,695,397,291	812,961,703,349	70.6%
Colorado	1,150,887	234,275	88,682	20.4%	7.7%	308,290,782,962	222,563,123,784	85,727,659,178	72.2%
Connecticut	824,713	106,772	30,197	12.9%	3.7%	290,388,192,179	174,857,193,281	115,530,998,898	60.2%
Delaware	183,115	26,008	9,009	14.2%	4.9%	48,121,164,127	32,109,846,143	16,011,317,984	66.7%
Florida	4,356,307	1,911,419	182,144	43.9%	4.2%	822,014,446,617	713,039,628,681	108,974,817,936	86.7%
Georgia	1,628,145	488,310	114,345	30.0%	7.0%	312,549,105,168	252,223,069,604	60,326,035,564	80.7%
Hawaii	228,758	22,786	7,415	10.0%	3.2%	120,445,701,101	64,929,754,465	55,515,946,636	53.9%
Idaho	254,797	56,526	12,119	22.2%	4.8%	51,244,447,455	36,448,857,921	14,795,589,534	71.1%
Illinois	2,245,304	481,810	109,770	21.5%	4.9%	518,451,905,803	374,606,690,621	143,845,215,182	72.3%
Indiana	634,711	67,582	27,851	10.6%	4.4%	96,988,778,464	67,094,557,127	29,894,221,337	69.2%
Iowa	381,157	34,899	15,697	9.2%	4.1%	58,026,856,543	39,163,208,940	18,863,647,603	67.5%
Kansas	302,453	29,964	14,791	9.9%	4.9%	54,864,841,222	38,298,261,860	16,566,579,362	69.8%
Kentucky	293,991	25,220	13,461	8.6%	4.6%	50,335,521,475	34,094,114,202	16,241,407,273	67.7%
Louisiana	NA	NA	NA	NA	NA	NA	NA	NA	NA
Maine	NA	NA	NA	NA	NA	NA	NA	NA	NA
Maryland	1,360,482	315,353	68,255	23.2%	5.0%	424,450,681,334	297,383,155,504	127,067,525,830	70.1%
Massachusetts	1,495,576	233,265	52,953	15.6%	3.5%	539,260,228,190	334,421,627,415	204,838,600,775	62.0%
Michigan	1,381,925	477,104	72,107	34.5%	5.2%	198,955,748,678	165,888,791,621	33,066,957,057	83.4%
Minnesota	587,972	96,053	30,454	16.3%	5.2%	129,770,956,234	86,965,954,092	42,805,002,142	67.0%
Mississippi	NA	NA	NA	NA	NA	NA	NA	NA	NA
Missouri	786,891	123,103	43,589	15.6%	5.5%	137,648,435,436	98,771,865,633	38,876,569,803	71.8%
Montana	118,036	9,877	4,149	8.4%	3.5%	29,649,935,161	17,865,479,184	11,784,455,977	60.3%
Nebraska	225,718	22,552	14,083	10.0%	6.2%	35,778,757,524	26,337,366,585	9,441,390,939	73.6%
Nevada	563,330	328,369	26,815	58.3%	4.8%	101,245,838,111	111,588,530,730	-10,342,692,619	110.2%
New Hampshire	220,958	42,410	12,097	19.2%	5.5%	53,183,318,373	37,550,051,826	15,633,266,547	70.6%
New Jersey	1,889,307	308,187	80,573	16.3%	4.3%	666,352,278,414	418,960,948,428	247,391,329,986	62.9%
New Mexico	247,593	33,255	11,327	13.4%	4.6%	56,720,288,424	38,367,000,911	18,353,287,513	67.6%
New York	1,892,081	118,764	43,318	6.3%	2.3%	846,252,706,130	412,125,320,987	434,127,385,143	48.7%
North Carolina	1,582,729	187,608	105,717	11.9%	6.7%	322,490,180,666	231,101,756,662	91,388,424,004	71.7%
North Dakota	61,885	4,281	1,508	6.9%	2.4%	11,472,307,949	6,603,348,037	4,868,959,912	57.6%
Ohio	2,207,067	498,174	135,017	22.6%	6.1%	314,359,611,944	238,803,739,969	75,555,871,975	76.0%
Oklahoma	419,767	30,550	21,676	7.3%	5.2%	61,038,016,866	43,927,984,952	17,110,031,914	72.0%
Oregon	700,940	118,854	39,867	17.0%	5.7%	176,048,602,491	122,676,307,464	53,372,295,027	69.7%
Pennsylvania	1,842,399	146,333	67,309	7.9%	3.7%	400,969,222,777	246,683,275,124	155,305,947,653	61.3%
Rhode Island	228,819	48,950	8,602	21.4%	3.8%	63,282,914,912	40,419,422,196	22,863,492,714	63.9%
South Carolina	629,235	97,323	41,062	15.5%	6.5%	134,394,752,146	95,734,715,921	38,660,036,225	71.2%
South Dakota	NA	NA	NA	NA	NA	NA	NA	NA	NA
Tennessee	995,699	146,458	69,508	14.7%	7.0%	170,295,331,149	122,037,114,844	48,258,216,305	71.7%
Texas	3,374,369	321,551	163,866	9.5%	4.9%	630,830,782,078	426,101,237,859	204,729,544,219	67.5%
Utah	480,030	94,755	29,382	19.7%	6.1%	117,285,126,274	84,595,806,220	32,689,320,054	72.1%
Vermont	NA	NA	NA	NA	NA	NA	NA	NA	NA
Virginia	1,313,344	300,924	79,582	22.9%	6.1%	428,876,147,610	306,786,490,749	122,089,656,861	71.5%
Washington	1,421,952	245,694	82,310	17.3%	5.8%	428,995,036,062	293,355,056,213	135,639,979,849	68.4%
Washington, DC	100,122	13,907	4,217	13.9%	4.2%	49,184,504,158	28,802,927,248	20,381,576,910	58.6%
West Virginia	NA	NA	NA	NA	NA	NA	NA	NA	NA
Wisconsin	658,097	95,551	32,375	14.5%	4.9%	124,290,356,706	85,966,848,153	38,333,508,553	69.2%
Wyoming	NA	NA	NA	NA	NA	NA	NA	NA	NA
US	48,538,194	10,723,410	2,404,281	22.1%	5.0%	12,622,177,727,736	8,805,638,769,219	3,816,538,958,517	69.8%

*This data only includes properties with a mortgage. Non-mortgaged properties are by definition not included.

** Defined as properties in negative equity or within 5% of being in a negative equity position.

I recently had the opportunity to meet some outstanding Real Estate Agents at Keller Williams in Stockbridge Georgia and I was asked to provide a Statistics Class to the Team of Agents by the Brokerage's Broker in Charge, Ms. Debra Nardy. I cannot tell you how much fun it was! Debra had leis for everyone and played Hawaiian music prior to the presentation and I felt right at home.

The Median For Sale Price in Henry County (remember, this is the Mainland!) is between \$100,000 to \$150,000 and there is less than three Months of Supply. All other price ranges above this amount approach approximately 20 Months of Supply! That is a whole lot of homes For Sale in the Atlanta Area.

It turns out that these agents work and I "really mean", they work hard for their clients. Considering that the For Sale inventory has approximately 46% in Foreclosure and Short Sales, these agents have seen a lot of Heart Ache displayed by their clients. Everyone here is stressed. Jobs are almost non-existent even if you can find one at \$5.13 per hour and when you do find one it is often taken by another, newly moved here worker from New York, any of the Upper, East Coast States where folks just want to get out of the Big City, high Cost of Living expenses and head South to Atlanta. If it is not folks from Out of State it is previous or existing Foreign Nationals that are taking local jobs. There are ample Mexicans (which has forced Georgia to take some unusual new steps in passing laws regarding Illegal Aliens), there are Columbians, Thai, Chinese, Korean, Guamanians, everyone! I mean everyone. This place is a giant Melting Pot. I really have to hand it to my counter parts in Real Estate Sales here. A definite job requirement for these agents is a high degree of Training, Professionalism and a Huge Heart.

Things are tough here. Things are tough everywhere. Oh please, I do not want to hear the Economy is getting better and the Unemployed numbers are dropping because that is just plain Not True. Georgia is a prime example with more Home Owners headed into Foreclosure, Short Sales and Underwater Mortgages, High Unemployment and a huge loss of United States Government Federal subsidies. The Washington D.C. Establishment just cannot keep handing out the dole to every taker.

Are things better in Hawaii? Not really. It is all relevent. Hawaii is not the Mainland but it is unique in several ways:

- 1) One of the highest Cost of Living States in the Nation
- 2) Number **1** in Taxes, both City & County and State Taxes. No State Residents pay more taxes than those of Hawaii and there is no end in site.
- 3) Democratic, Union controlled State and City & County Governments who are forever increasing more taxes upon its residents to the tune of more New Taxes for every Man, Woman and Child than anywhere else in the United States.
- 4) Highest Fuel and Utilitiy Costs in the Nation.
- 5) One of the Highest Home Prices in the Nation

Sure, it's great to live in Hawaii. Maybe we can be living on the Beaches like these folks soon:



Honolulu Homeless

I am being sarcastic. I love Hawaii, its people, its culture and its values. It is the Politicians I cannot stand who continually take away our livelihoods, raise our taxes, waste our Tax Dollars and are now forcing us all into Legalized Gambling for the Big Bucks they will all receive in Campaign Contributions.

This whole Country is about "Change" folks, only it is not the "Change" some thought we were going to get during the Presidential Election of 2008. Real Change is coming for sure.

If we are lucky enough maybe we can all retire to Georgia like my folks to enjoy the low Cost of Living and Southern Hospitality.

I miss Hawaii and I cannot wait to get home. I cannot wait to participate in the "Change" to come. Oh yes, I will be running for Office next year in Honolulu. I hope I can count on your vote. I think it's a sure way to raise my rate I get paid per hour!

Look for a complete Re-Cap of Oahu's 2011 Sales results on my website sometime late January 2012!

I wish you all much Aloha!

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Left to Right: My Brother Kevin, Dad, Mom and Me.