

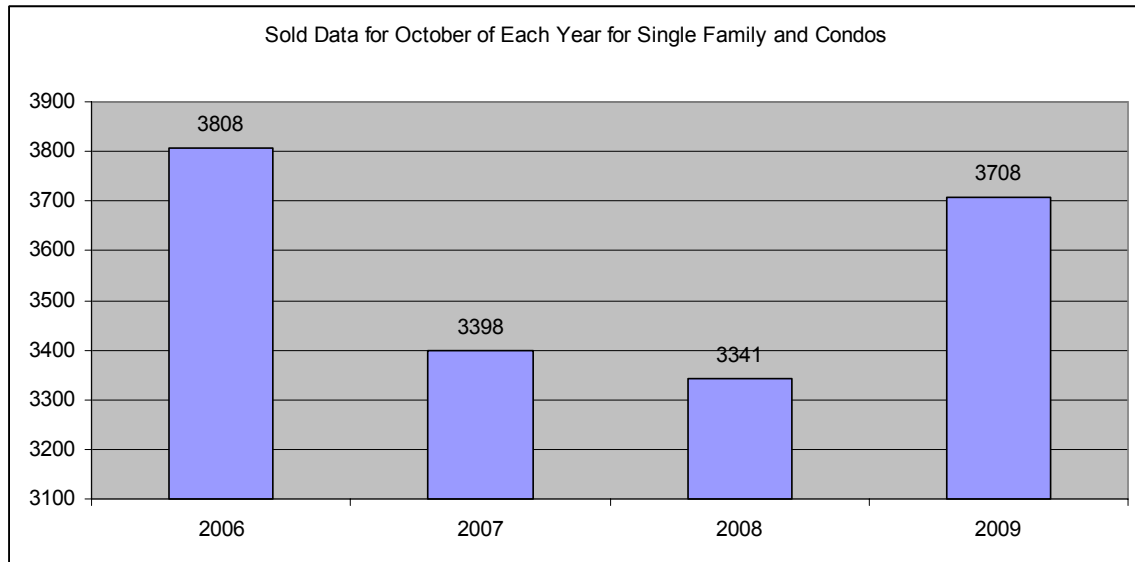


RESOURCES IN
REAL ESTATE

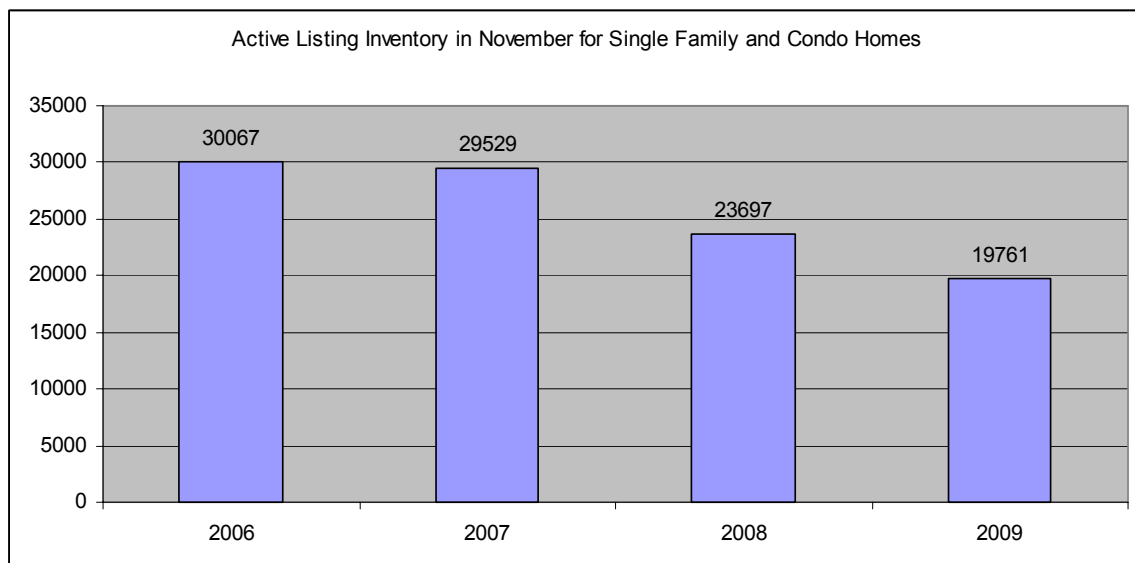
So, How's the Market, November 2009

All data taken from Metrolist, Inc. on November 6, 2009

October was the first month to outperform the previous years sold date in 5 YEARS! In October 2009 there were 3708 closed units for single family and condos. Twelve months ago October had 3341 units closed and two years ago in October the number of closing was 3398. We have to go back to 2005 to see an October with more closed transactions. In fact, the increase year over year was a whopping 10.98% increase over last October. There are a couple very good reasons for this positive change. 1. Last October the financial world was in major disarray and 2. The First Time Home Buyers Tax Credit worked in 2008. The chart below will show you the sold data for October of each year.



- November Active Listing Inventory is at 15,076 for single family homes is down from 18331 from one year ago.
- The number of Active listings for Condominiums in November is 4685 and last November there were 5366 units available.
- The current 19761 active single family and condominiums is the lowest November inventory in more than 5 years.
- The number of sold properties from Sept to October 2009 increased by 4.01%. A normal September vs. October sold data would see approximately 3% reductions.





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Listing inventory continues to decline as you can see over the last four years. Many predict an increase in single family homes to come on the market in 2010. Normally a seasonal increase will occur in March of each year and grow through the spring and homeowners who are considering selling now should consider these factors:

- There are fewer properties to compete with today and serious buyers are buying now, as the Tax Credit has been extended and expanded to include current homeowners.
- The fourth quarter brings relocation buyers into town.
- Interest rates are 4.875% for conforming loans today and more than likely will be a little higher in 2010 causing buyers to make a buying decision now versus next year.

Under Contract data is still outperforming previous years for November 2009.

- The number of properties under contract is at 6925 single family and condo units.
- The number of properties under contract today is 1131 units higher than 12 months ago. Buyers have taken advantage of the \$8000 first time home buyer credit being offered as an incentive.
- The number of properties under contract in November of 2009 is the highest recorded November in 5 years.
- This increase also shows it is taking longer for homes to close due to the advent of short sales, pre-foreclosure transactions, loan modifications and foreclosed properties dealing with absentee owners.

What should sellers do in this market?

- Know the supply and demand numbers for your price range and area. If you have 3 months supply or 3 years supply that supply vs. demand will make a significant difference in how you price and market the home.
- Your home must be the best conditioned home on the market. Make it sparkle.
- Consider an Owner Will Carry scenario for upper end price homes with equity. This is a creative tool for those sellers who have the ability to carry the paper for the buyer buying their property and get a return on investment. Not for all sellers to use, but a tool to get you top dollar in today's market, if you have the ability.
- Offer a holiday special price reduction, like "10% off the Price for Thanksgiving Weekend". Many extended family members encourage the purchase of a new home and sometimes help with the down payment for first time buyers.

What should buyers do in this market?

- With the extended \$8000 dollar Tax Credit for First Time Buyers and the NEW \$6500 Tax Credit for existing homeowners who will buy a primary residence, get into the mode of buying now as there will be an increase in the buyer pool causing competition for homes.
- Consider a Multi Generational Model for buying a larger home, meaning combine several generations in one family to buy jointly into the upper price range homes. The discounts on homes above a million are plentiful and combining net incomes and down payments could be a very efficient way to get a great deal on a home that you may not have considered in the past.
- Become prequalified buyer before looking. The guidelines for lending changes daily and you want to be approved before moving forward.



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Vital Stats from RE/MAX Professionals:

- REMAX Professionals has already closed greater than \$1.193 BILLION in sales in Denver for 2009 through October.
- REMAX Professionals closed 509 units in October 2009.
- REMAX Professionals put 400 homes under contract in October 2009.

Brought to you by-

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