

Real Estate Newsletter

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Market Update ~ As of January 1, 2009

The Minneapolis Area Association of REALTORS'® (MAAR) most recent market activity report (week of Jan. 5, 2009) features an updated supply-demand ratio (measures the number of houses for sale for each buyer) that illustrates significant changes from a year ago. This January's number of 8.36 shows a decline of 19.7 percent from last January's 10.41. That means for every buyer, there are about eight homes for sale compared with 10 for every buyer last year. The reduced supply can be attributed to fewer listings coming on the market, plunging mortgage rates and incredible home affordability levels - all of which are good signs for improving market conditions overall.

All housing activity in the Twin Cities market was slow during the week of the Christmas holiday as expected. Backing up a week, home sales for the week ending December 20 were 20.0 percent ahead of the same time last year thanks to a downward trend in mortgage rates to the lowest level in decades according to MAAR. In measuring the three week period following the rate cut, the increase in pending sales was 27.5 percent – 368 more pending sales than during the same period in 2007. During this same time, 57.6 percent of sales were lender mediated foreclosures and short sales and 45.8 percent were below \$150,000, illustrating that buyers are capitalizing on great deals.

Market overview

The average cumulative number of days a home is on the market until sale: **149***

There are **7.9%** fewer listings on the market than one year ago totaling 56,295

52% of homes that have sold have had a price adjustment

Increase in pending sales activity over the prior year: **3.7%**

According to Edina Realty's appointment center statistics, there are an average of **22** showings for every home that sells

*CDOM (new) is a truer measurement of total property marketing time.
Based on information reported by the Minneapolis Area Association of REALTORS® (MAAR) and from the REGIONAL MULTIPLE LISTING SERVICE OF MINNESOTA, INC. (RMLS).
Report date: 1/1/2009

We expect this month to look very similar to last in terms of buyer activity. Measures enacted by financial institutions, Congress, Freddie Mac and Fannie Mae to modify loans are having a positive impact on rates and real estate overall, bringing about considerable relief to the housing market.

**Minneapolis Area Association of REALTORS® (MAAR).*

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Welcome 2009!

Another fresh new year is here . . .
Another year to live!
To banish worry, doubt, and fear,
To love and laugh and give!

This bright new year is given me
To live each day with zest . . .
To daily grow and try to be
My highest and my best!

I have the opportunity
Once more to right some wrongs,
To pray for peace, to plant a tree,
And sing more joyful songs!"

~William Arthur Ward

Happy New Year!



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Bulletin

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~ Monthly Featured Homes ~

6698 Picha Place, Eden Prairie



Luxurious, sophisticated detached Town Home in Birch Island Villas. Highly detailed enameled WW, cherry cabinets, arts & crafts, soft contemporary. Granite countertops, nickel hardware, antique bronze light fixtures, stone fireplace surrounds, picket fence charm for curb appeal.

6502 108th Trail N, Brooklyn Park



Beautiful Novak Fleck model, just waiting for you to call it home! Hardwood floors, large kitchen with center island, granite countertops and pantry. Four season porch with vaulted ceilings! Large master bedroom with his/her closets. Upper level laundry! Upgrades galore!

If you or anybody you know might be interested in one of these featured homes, please give us a call at 952-945-3109.