

Real Estate Buyers Solutions

..representing the buyer

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Ramblings —Several people have asked about our current market and one of the best ways to understand when it is a good time to buy or sell is to know how long it is taking property to sell. If something has been on the market for longer than the average time, you have a negotiating advantage to buy.



Market Absorption Rate= RATE at which homes sold i.e.; 171 in 12 months = 14.25 properties sold per month in 2011. Months it would take to sell all current inventory— number of all homes divided by absorption rate ie; 283 total active properties for sale as of 12/31/2011 divided by 14.25 = 19.86 months to sell all the current inventory if no others were added to the list. (See the Total Market Overview page 2)

Total current inventory of homes in the \$!00,000-\$149,999 category 16. Since 34 sold in 2011- divided by 12 = 2.83 per month. It would take, therefore, 5.65 months to sell off the 16 remaining . These are the kind of figures that are used by economic soothsayers to forecast recovery. Some of the figures you can work out below are not pretty but they are the reality and give us an idea of how long it could take to get out of the slump. Check out how much better 2011 was than 2010 although the properties that sold the most were below \$250,000.00

HOWEVER, this method does not account for an increase in the rate of sales that may take place if conditions change ie; if folks in another area are able to sell their homes there and are now able to buy homes here. This has been a common problem with buyers who are anxious to move/buy here. Another factor is that when the properties sell that are in foreclosure (REO) and in “short sale” status, it will reduce the total number of homes in inventory. Note that there have been 23 homes sold in 2011 in those two categories. (As of 12/31 there are 28 more in those status.) Those properties are anticipated to have reduced time on market due to their reduced price. Those sales do affect the values of the whole market since appraisers must use the comparable properties, regardless of price. That is, all 3 bedroom/2 bath/double car garage houses on a city lot of a similar age and condition that sold in 2011 must be in the pool to be compared.

On a bright side. The reduced prices do allow for some folks to become homeowners that never dreamed they’d be able to. If you know someone with good credit it is a fantastic time to buy since the interest rates have NEVER been lower.

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 Lake County Red Cross
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Polson 2007-11
 Streetscape Taskforce

And
 The Society for
 People who join too
 many associations!

Smile– it makes
 people wonder
 what you’re up to!

THANK YOU ! THANK YOU! THANK YOU! My business is built on referrals. Perhaps you know of someone thinking of moving to this area. I would be delighted to send them a package of information about Lake County and my services. Or maybe you know someone who already lives here that is ready to buy real estate. Since you already know how I work, let them know and have them contact me or *check out my NEW website*.
A special thanks to past clients Bill and Rose Morrow for their referral of the Williamsons. We are working our way toward a closing for them.

Cindy



Realtor Multiple Listing Service



I abide by all Fair Housing Guidelines



Member and Past President Montana Certified Residential Specialists

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 Stop in for a cup of coffee, tea, hot cocoa or just to chat!
Please check out my new and improved website and let me know what you think about it. Any changes? More information? Less information? Easy to use? Useful?



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The figures are for residential properties only in the Lake County area.. The information is from the NW MT Multiple Listing Service but the math is mine... remember that I am no math wizard. Want to know how much the foreclosures have affected our market? I thought I'd run some numbers for that in addition to the usual. Until all the foreclosures and short sales are gone we will not have a "normal" market. People are still buying and selling property as they always have, too. It's all part of the cycle just like the stock market. It will get better, I promise. Hang in there. (See page 1)

If you read the local newspapers you will see lots of notices of foreclosure. Bear in mind that three notices are required to be published for each instance. That pumps up the reading volume. A "short sale" occurs when the lender is willing to take less in satisfaction of the mortgage than what is actually owed. It is a lengthy process both as a homeowner or to buy a property that is in "short sale status." Call me if you have questions and I'll try to answer. Let me know if you want to look at foreclosures or short sale properties. There are special considerations and sometimes very specific restrictions.

DOM= Days on Market —REO Real Estate Owned by Lender

Price Range	Active Current Listings	Active Under Contract	DOM Max 2011	Sold 2011 YTD	Sold YTD2010	Avg DOM To Closing 2011	REO Active YTD	REO Closed YTD	Short Sale Active	Short Sale Closed
0-\$99,999	16	1	697	34	17	214	3	2	1	1
100,000-149,999	3031	5	1422	30	27	208	5	3	2	0
150,000-199,999	43	0	1281	25	22	235	1	7	0	0
200,000-249,999	17	0	526	22	18	280	1	1	0	2
250,000-299,999	35	2	1373	17	11	262	1	2	1	1
300,000-349,999	29	0	1356	9	3	297	3	1	1	0
350,000-399,999	25	0	812	2	11	197	1	1	1	0
400,000-499,999	14	0	1013	7	9	237	1	4	0	1
500,000-749,999	26	1	966	16	18	283	0	3	0	1
750,000-999,999	17	0	411	6	5	179	0	1	0	0
1,000,000	31	1	1653	3	7	647	0	1	0	1
Totals 12/31/2011	283	10	#####	171	148	247	22	26	6	7