

FEBRUARY 2010

Real Estate Update



JEFF GERBER

ABR®, GRI®, SRES®, REALTOR®

Hello Everyone,

If anyone knows where January disappeared to, please let me know. 2010 seems to be off to a hyper-drive kind of year. I hope this finds each of you finding success in the new year. Watch for The Empowered Team coming by mid-Feb.

The month of January contained quite a bit of news for potential home buyers and to some extent sellers. The good news is mortgage rates have held between 5% and 5.25%. Pending sales in Phoenix set a record high number in early January. An ASU Repeat Sales Index study released near the end of the month shows prices declining at a more modest rate than 2009. Their prediction is for a leveling off by spring. The Cromford report is predicting a slow and shallow recovery. As this happens, Fannie Mae announced on Jan 29 that they would pay up to 3.5% toward closing costs and/or Whirlpool appliances for owner occupied buyers purchasing inventory homes. More at www.homepath.com. FHQ loans have also gone through some changes this month. They have increased the up front mortgage insurance cost from 1.75% to 2.25% of the purchase price. They said they will require a 10% down payment for any loans to folks with a FICO score of 580 or less, but most Lenders will not write an FHA loan unless you have at least a 620 score.

New home builder's are making the news. Meritage and Lennar have opened several new East Valley communities. Shea Homes introduces a new Shea Space concept. Featuring new homes in Seville (Gilbert) with a new look and flexible space feel that's hip, cool and energy efficient and attainable. Pricing starts in the mid \$200K's. Meanwhile Blandford Homes continues to gobble-up developed lots in the East Valley. They have spend more than \$15.36-million for 775 developed lots since December 2009. Obviously, they are upbeat on the overall real estate market conditions within the Phoenix market.

There is still time to take advantage of the up to \$8000 new home buyer's tax credit and the \$6500 credit for current home owners. There are conditions for these programs, not the least of which is the home purchased must be your primary residence. Contact me for other details. To qualify, you must have the home under contract by April 30 and close no later than June 30, 2010. I spent a very interesting day learning about how you can use your IRA to allow you to invest in Real Estate. If this sounds like an interesting way to increase your retirement nest egg, please give me a call so I may share what I have learned about this new and exiting possibility.

January has proven to be a busy one for me. Slightly early congratulations to Betsy from CO who is due to close on her Mesa investment condo this Friday. I continue to search for a buyer for Patti's home in Chandler as well as help her investigate where she will chose to live next. I am learning a lot helping Terry from Chandler investigate re-hab projects. I spent an enjoyable day this month with Jim and Sue from Chicago looking at winter getaway/eventual retirement homes in Sun Lakes and South Chandler. I'm enjoying my time working with Kelly and Jeremy (thanks for the referral Jason) and also Stoil & Desi (thanks for the referral Jane). Both couples live in Chandler and are looking to take advantage of the first time home buyer tax credit. I appreciate the opportunity to continue my relationship with Canadians Carrie & Mike, Mario and Sean as they explore the possibilities of a warm place to escape to in the Phoenix area. As always, your referrals mean a lot to me. Thanks for recommending y services to your friends, family and co-workers as they look to buy or sell a home!

Regards,

Contact me anytime:
Call direct: 602-330-7272
Email: Jeff@jeffgerberrealtor.com
Fax: 877-824-7272
www.jeffgerberrealtor.com

Cirrus Realty Group, Inc.
4701 S Lakeshore Drive #1
Tempe, AZ 85282



Visit my website at: www.jeffgerberrealtor.com



ALL AREAS & TYPES	TODAY 1/31/10	ST	LAST MTH 12/31/09	LAST QTR 10/31/09	LT	LAST YR 1/31/09	2 YRS AGO 1/31/08
Active Listings	41,127	↑	39,992	38,935	↓	53,147	56,181
Pending Listings	10,656	↑	10,016	12,138	↑	7,393	4,196
Sales per Month	6,357	↓	6,855	7,875	↑	5,077	2,753
Sales per Year	93,222	↑	91,937	87,526	↑	61,295	52,855
Days on Market - Monthly Sales	93	↑	91	89	↓	115	137
Days on Market - Active Listings	149	↓	154	151	↓	160	145
Days Inventory	161	↑	159	163	↓	317	388
Months Supply	6.5	↑	5.7	5.1	↓	11.4	20.5
Active Listings \$/SF	\$153.81	↓	\$156.58	\$162.84	↓	\$174.52	\$205.41
Monthly Sales \$/SF	\$91.00	↓	\$92.13	\$89.07	↓	\$94.13	\$158.10
Appreciation - Monthly \$/SF	-3.3%	↑	-5.5%	-16.9%	↑	-40.5%	-12.6%
Average Sale Price % List	95.44%	↓	96.26%	97.14%	↑	93.84%	94.15%
Listing Success Rate	54.1%	↓	63.8%	66.8%	↑	34.8%	20.1%
Dollar Volume - Monthly Sales	\$1,119M	↓	\$1,224M	\$1,342M	↑	\$927M	\$873M
Average Price - Monthly Sales	\$175,976	↓	\$178,498	\$170,397	↓	\$182,616	\$316,992
Median Price - Monthly Sales	\$124,000	↓	\$127,500	\$128,000	↓	\$130,000	\$225,000
Average Sq. Ft. - Monthly Sales	1,934	↓	1,937	1,913	↓	1,940	2,005
Cromford Market Index™	118.8	↓	119.2	126.9	↑	63.4	32.9

© 2010 www.cromfordreport.com

SSA1

The table below provides a concise statistical summary of today's residential resale market in the Phoenix metropolitan area.

The figures shown are for the entire Arizona Regional area as defined by ARMLS. All residential resale transactions recorded by ARMLS are included. Geographically, this includes Maricopa county, the majority of Pinal county and a small part of Yavapai county. In addition, "out of area" listings recorded in ARMLS are included, although these constitute a very small percentage (typically less than 1%) of total sales and have very little effect on the statistics.

All dwelling types are included. For-sale-by-owner, auctions and other non-MLS transactions are not included. Land, commercial units, and multiple dwelling units are also excluded.

Copyrighted Information provided by The Cromford Report
www.cromfordreport.com



Jeff Gerber, ABR, GRI,
SRES



Tel: (602) 330-7272

Between FRIENDS



Exceeding Your Expectations of Real Estate Service!

Tel: (602) 330-7272, jeff@jeffgerberrealtor.com, www.jeffgerberrealtor.com

In today's real estate market, you can count on changes in home values. Give me a call and I'll tell you what your home is presently worth and explain the latest market forecast for Buyers and Sellers.



As a REALTOR, I know the stress that a home system or appliance breakdown can create for a home seller during the listing period or for the buyer after close of sale. Fortunately, you can prevent that stress with a Home Warranty Plan that provides coverage for both the seller and the buyer!

A Home Warranty Plan is a service contract that protects your home's major systems and appliances for a specified term of coverage. Should a failure occur during the term of the Plan, a qualified contractor is dispatched to repair or replace the covered item for a nominal service call fee. Help is only a phone call away, 24 hours a day, 365 days a year!

For complete peace of mind, I recommend an Old Republic Home Protection Plan for all of my clients. Call me today for more information on how a home warranty can benefit you.

Do you have colleagues or friends in your network who need assistance with a real estate transaction? Please refer them to me, and I'll put all of my skills and experience to work on their behalf.



Health & Safety

Don't Lose Sleep Over Time Change

Each year at 2:00 a.m. on the second Sunday in March, Daylight Saving Time begins and we turn the clocks ahead one hour. However, studies suggest that our biological clocks don't adjust easily to this "springing forward." Losing just one hour of sleep can disrupt the body's sleep patterns, resulting in sleep deprivation. During the week preceding the time change, follow these simple tips to help your body make the transition:

Spring Forward!



- **Gradually Adjust Sleep Schedule** – Keep your regular sleep schedule for Tuesday, Wednesday, and Thursday. On Friday, Saturday and Sunday go to bed 30 minutes earlier than normal.
- **Nix the Naps Over the Weekend.**
- **Eliminate Caffeine and Alcohol** - Caffeinated beverages and alcohol suppress sleep, so don't partake within three hours of bedtime.
- **Exercise 30 Minutes Each Day** - Regular exercise relieves tension, uses excess energy and helps the mind unwind, allowing for restful, uninterrupted sleep.
- **Make the Bedroom a Refuge, Not a Workspace** – Put work aside two to three hours prior to bedtime; meditate and relax for 20 minutes before going to bed.

Helpful Hints

Extend the Valentine's Day Spirit!

Don't let Valentine's Day be a one-time expression of love and affection for your partner. Instead, let your celebration be a reminder to invest some time and energy in your relationship on a daily basis. Relationships are constantly evolving – keep your love alive with the following tips:

- Recall your favorite memories of your best times together and create opportunities for repeating them.
- Go beyond flowers and candy and be a thoughtful gift giver. The best gifts are ones that really demonstrate you know your partner well and make him or her feel special.
- Leave a note, zip off a flirty text, or leave a sweet voicemail when you know he or she is away from the phone.
- Never underestimate the power of a compliment. Taking a moment to tell your partner that he or she looks nice today can go a long way.





Jeff Gerber, ABR, GRI, SRES

Cirrus Realty Group

4701 S. Lakeshore Drive - Suite # 1

Tempe, AZ 85282

Tel: (602) 330-7272

www.jeffgerberrealtor.com



Savor the Flavor

Lemon Dill Egg Salad

With a few more ingredients than the typical egg salad recipe, this version is truly delicious.

Ingredients:

- | | |
|--|--|
| 6 hard cooked eggs, chopped | 1/2 C. red bell pepper, chopped |
| 2 green onions, finely chopped | 1/2 tsp. lemon pepper |
| 1 stalk celery, chopped | 1 tsp. dried dill weed |
| 2 strips of crisp bacon, crumbled | 3/4 C. reduced fat ranch salad dressing |

Directions: Mix all ingredients together and chill for at least 1 hour. Good with sliced tomatoes and lettuce leaves on a French roll.

Household Tips

What You Should and Shouldn't Buy Organic

ORGANIC refers to fruits and veggies raised without the use of pesticides or chemicals, making them healthier (but more expensive) choices than their conventionally grown counterparts. So, where should you spend the extra money to buy organic? It's important to buy organic when fruits or veggies have thinner skin or more surface area to absorb pesticides. You **SHOULD** purchase the organic variety of the twelve most pesticide-prone foods, which are **peaches, apples, sweet bell peppers, celery, nectarines, strawberries, cherries, pears, grapes, spinach, lettuce and potatoes.**

Fruits and veggies with thicker skins are generally much better at keeping harmful chemicals out of the food inside, and when the skin is thicker (think oranges and lemons), we generally don't consume the skin anyway. That means that buying organic fruits and vegetables with thicker skins serves virtually no benefit over their cheaper conventional counterparts. So, save the extra bucks and buy the following produce items from the conventional aisle: **onions, avocado, pineapples, mango, kiwi fruit, bananas, cabbage and papaya.**



Real Estate Today

There's Still Time to Cash In!



The Homebuyer Tax Credit has been extended to homes purchased before May 1, 2010, and to homes subject to a binding sales contract signed by April 30, 2010, and close prior to July 1, 2010. All homes with a purchase price of less than \$800,000 qualify, provided that the home will be used as the buyer's principal residence.

Who is Eligible

- First-time homebuyers who have not owned a principal residence during the three-year period prior to the purchase
- Existing homeowners residing in their principal residence for five consecutive years out of the last eight, and who are purchasing a home to be their principal residence

Income Limits – A modified adjusted gross income of \$125,000 for single taxpayers and \$225,000 for married taxpayers filing joint returns. Partial credits are available for some taxpayers with incomes above those limits.

Payback Provisions -The tax credit is a true credit. It does not have to be repaid unless the home owner sells or stops using the home as their principal residence within three years after the purchase.

For more detailed information on the new tax credit, visit www.nahb.org or www.federalhousingtaxcredit.com.

Reprinted with permission of RISMEDIA, publisher of Real Estate Magazine