

# Happy Trails Newsletter™

Serving Melody Acres

March 2013



“Plain-speaking horse sense for the love of our neighborhood”



## Melody Acres

I have several buyers who have expressed interest in moving to our unique, special neighborhood. All have been pre-approved for their loans and are ready to purchase.

If you want to sell your home, please let me know. I might just have the right buyer for you. There are only 3 houses for sale - maybe they'll want yours!

### Home Sales—Southwest Valley

	Dec.	Jan.	Feb.
2011	93	-	-
2012	115	78	84
2013	-	90	75

Homes in Escrow (total): 313  
Standard Sales: 163  
REOs in Escrow: 14  
Short Sales in Escrow: 129  
Other Distressed: 7

## Is Inventory Really Down? Numbers Don't Lie

There has been talk for months now that there is “no inventory” for buyers. Here are some numbers I compiled:

Closed sales are UP 25% for December 2012 compared to December 2011

Closed sales are UP 15% for January 2013 compared to January 2012

Closed sales are DOWN 13% for February 2013 compared to February 2012

From Dec. 2011 to February 2012, 254 homes sold.

From Dec. 2012 to February 2013, 277 homes sold.

REO sales are down 67% from the prior year, reflecting a shift by banks from foreclosing to encouraging short sales.

There are currently 184 homes on the market. 41% have been on the market for more than 60 days.

*What do you think?*

I think the inventory is about the same but there are more buyers now competing for that inventory.

## 30-Year Mortgage Rates Inch Down Again

Mortgage buyer Freddie Mac said Thursday that the average rate on the 30-year fixed mortgage declined to 3.51% from 3.56% last week. That's near the 3.31% rate reached in November, the lowest on records dating to 1971.

As a result, the National Association of Realtors reported that the number of Americans who signed contracts to buy homes rose in January from December to the highest level in more than 2 1/2 years.



## Monique Bryher

Broker-Associate / Realtor®

Conventional (equity) Sales, Short Sales, Probate Sales



Monique is a proud 19-year homeowner in Melody Acres

Calif. Lic. #01766461

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Are you thinking about selling your home? Call me! ==> **818-430-6705**

## **If the Market is So Hot, Why Aren't Some Homes Selling?**

There are two types of homes on the market right now: those that sell within 60 days, usually with multiple offers, and those that sit on the market for months.

My buyers, a physician and her husband, recently asked me why a home they were interested in purchasing hadn't sold in 7 months. I told them there are two reasons a property doesn't sell: (1) it is over-priced and (2) there is either damage to the property or expensive upgrades required due to long-time delayed maintenance. Or both.

The house they liked is a 3-story, 3000 sq. ft. hillside property. Although the listing agent said the house was in "move-in" condition, the wood floors on the top level were scuffed and worn and the carpets on the remaining floors clearly needed replacing. There was virtually no landscaping.

I looked at sales in that neighborhood in the past 90 days; all three were homes that had benefited from extensive remodeling and upgrades and were in prime condition. I concluded that the house my buyers wanted to purchase was overpriced by 10% and told them that this was the reason the owners had not sold their home in a market where buyers complain there is a shortage of inventory.

The sellers were unmoved by our offer to pay fair-market value, despite my showing their agent the sold comparables and reminding her that the house wouldn't appraise anywhere near what her sellers were demanding.

This is an example where the sellers want to list their home more than they want to sell it. They "hope" that an all-cash or other foolish buyer will appear who is willing to pay over fair-market value.

Such all-cash-buyers don't exist because they are shopping for value and won't purchase until they find it. The non-cash buyers who need a loan are prevented from over-paying because their lender will not underwrite the loan until it receives an opinion of the value from an appraiser. This is why some agents are reporting failed sales due to the appraisal.

Multiple offers may be driving up the accepted price but when it comes time to look at the sold comparables, the numbers don't add up.

## **... Don't Horse Around ...**

**Selling your home? Buying a home?**

**Call 818-430-6705**



**Monique Bryher**

**Broker-Associate / Realtor®**

**[www.MelodyAcresHomes.com](http://www.MelodyAcresHomes.com)**

Not intended as a solicitation if you are already working with a real estate agent