

Trish's

REAL ESTATE  
News & Views

A fresh perspective on  
market trends

# The Golden Year

## Will 2013 prove to be the best year ever in Real Estate?



Dear Friends:

I realize that even asking the question above is enough to send shivers up some people's spines. After all, how can anyone speculate whether this is going to be a great year for real estate? And a great year for whom? Sellers? Buyers? Agents? While time will ultimately reveal the truth, there's plenty of evidence that the market is on the verge of a solid recovery. And not just here in the North Bay, but throughout California and the Nation. Yes, there are still challenges facing some homeowners and the mortgage industry, and, no, house values will not magically be restored to their previous highs. But with home prices continuing to trend upward and interest rates holding fairly steady there are unique opportunities we haven't seen before.

*"Knowledge  
is of no value  
unless you  
put it into  
practice."*

—Anton Chekhov  
Russian Playwright

### It's a Sellers Market.

As I shared in my last newsletter, there's been a surge in buyer demand across all price points, quickly outstripping the number of homes for sale. Low inventory (i.e. not enough houses available to sell those eager buyers) creates a classic "Sellers Market." Right now, we have 1.3 months of houses available in Sonoma County...creating a furor of offers on any decently priced home. This enthusiastic bidding has propelled listing and selling prices upward, creating "appreciation" and pulling many homeowners back "above water." Do you know how much your house is currently worth? The answer may surprise you and open up opportunities you hadn't dreamed of in years.

### It's a Buyers Market.

The good news for buyers is that it's a Seller's Market. Now before you start calling me and saying, "Trish, what are you, nuts?," let me explain...Homeowners with equity become home *sellers*—which is just what our market needs right now. Owners who previously felt trapped by lowered values can now make their long-postponed move, putting their homes on the market and providing the inventory our market needs. According to the California Association Realtors, 46% of Sonoma County residents can afford the median priced home today, (compare that to 2005 when only 7% could do so) which means *now* is one of the best times in history to make a move. Mortgage interest rates are hovering around 4% and are expected to creep upwards by the end of the year according to the Mortgage Bankers Association. A 1% increase in interest will cost \$20,000 for every \$100,000 borrowed over the life of a 30-year loan. On a \$400,000 loan that's \$80,000! So making a move today can save you thousands later.

Months	Market	Pricing
1-4	Sellers	Appreciation
5-6	Even	The Norm
7+	Buyers	Depreciation



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### SONOMA COUNTY MARKET TRENDS YTD Stats

PRICE	TIME	# SOLD
Average Sold Countywide	Days to Sell (DOM)	Total Units House & Condo
\$430,065	96	758
<b>+13%</b>	<b>-18%</b>	<b>-20%</b>
vs. 2012 \$378,947	vs. 2012 118 DAYS	vs. 2012 953

\*2013 versus 2012 Year to Date, as of March 10. Based on cumulative Closed Sales as reported on BAREIS MLS, Residential.

### It's a Year To Make a Difference.

I think one of the most important messages for homeowners right now is not to get left behind. I would hate for anyone to look back at 2013 and say "I should have..." Especially those of you who've wanted to move during the last six or seven years and have felt trapped. Find out from a professional (that would be me!) what your house is really worth. Don't trust those online estimators, they're notoriously wrong and don't trust your current lender's opinion either...they rely on those inaccurate online services all the time. I can give you a current, accurate, up-to-the-minute estimate of your home's value in today's market...which may just prove to be golden.

Trish



**Information is Gold:** Knowing is always better than guessing. Call me today for a consultation on the market value of your home. And remember, *your referrals build my business!*