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Market Report

Metro St. Louis Real Estate

1st Quarter 2009



REAL ESTATE OUTLOOK: Indicators of Recovery

by Kenneth R. Harney, Realty Times

You may not be quite ready to accept the idea that housing on a national basis has moved beyond bottoming out and is now in slow recovery mode.

But think about this: Even if you're bearish on the market, you've got to notice that some extraordinarily positive signs are popping up that point to recovery.

New mortgage applications the week of April 19th for home purchases and refinancings were up 77 percent from the same week in April 2008, according to the Mortgage Bankers Association. That's a statistic that's hard to ignore!

Mortgage rates continue to average well below 5 percent -- 4.7 percent last week on average for 30-year fixed-rate loans and 4.5 percent for 15 year loans. Rates like these are a major factor pushing applications way up, no question, but sharply lower housing prices in many markets are an important part of the equation as well.

Nearly 600,000 homebuyers have already claimed either the \$7,500 tax credit from last year, or the \$8,000 credit for this year, according to IRS data cited by the National Association of Home Builders.

Many of these buyers are true first timers, but plenty of others are people who are now jumping back into real estate after not owning for a few years, drawn in by today's much more affordable prices and financing.

The rebound underway in mortgages is even creating a mini hiring boom! The Bank of America has just announced that it will be adding 5,000 new positions around the country -- just to deal with its red hot mortgage business, which closed nearly 400,000 new loans during the first quarter. Other big lenders are hiring loan officers and processors again too.

Hard-hit local housing markets continue to roar back with sales gains. On Florida's west coast, in the Sarasota and Bradenton areas, sales were up 28 percent in March over last year, and pending sales -- pointing to more purchases in the pipeline but not yet closed -- were up 27 percent.

Inventories of unsold houses in the Sarasota-Bradenton area are down 31 percent, to the lowest level since December 2005, according to a report from Trendgrafix.

Nationally, house prices have begun moving up again after many months of declines. According to the Federal Housing Finance Agency, prices rose by seven tenths of a percent on average last month - after falling by six and a half percent during the previous 12 months.



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Residential and Condo Statistics

Year to date 2009 vs. Year to date 2008 Compiled April 9, 2009

JEFFERSON COUNTY RESIDENTIAL

Jefferson County School District	Units 2008	Units 2009	% of Change	Average 2008	Average 2009	% of Change	DOM 2008	DOM 2009	% of Change
Total Residential	516	435	-15.70%	\$150,519	\$137,946	-8.35%	94	98	4.26%
Pacific Meramec R-3	3	1	-66.67%	\$217,300	\$195,000	-10.26%	70	207	195.71%
Seckman	41	44	7.32%	\$188,826	\$172,135	-8.84%	84	125	48.81%
Fox C-6	96	73	-23.96%	\$171,867	\$151,264	-11.99%	86	79	-8.14%
Northwest	107	89	-16.82%	\$137,405	\$137,708	0.22%	97	106	9.28%
Hillsboro	65	40	-38.46%	\$160,009	\$141,080	-11.83%	116	135	16.38%
Grandview	11	10	-9.09%	\$122,773	\$112,010	-8.77%	100	102	2.00%
Festus	54	42	-22.22%	\$142,545	\$114,082	-19.97%	91	88	-3.30%
Windsor	53	39	-26.42%	\$164,568	\$146,558	-10.94%	88	86	-2.27%
Crystal City	13	12	-7.69%	\$108,848	\$88,175	-18.99%	75	37	-50.67%
Herculaneum	25	21	-16.00%	\$122,505	\$134,244	9.58%	76	87	14.47%
Desoto	45	50	11.11%	\$99,896	\$96,084	-3.82%	92	102	10.87%
Jefferson R-14	0	1			\$152,000			26	

JEFFERSON COUNTY CONDO

Jefferson County School District	Units 2008	Units 2009	% of Change	Average 2008	Average 2009	% of Change	DOM 2008	DOM 2009	% of Change
Condo/Coop/Villa	20	6	-70.00%	\$113,515	\$108,750	-4.20%	105	133	26.67%
Seckman	1	2	100.00%	\$100,395	\$66,350	-33.91%	89	136	52.81%
Fox C-6	11	1	-90.91%	\$104,550	\$126,900	21.38%	124	235	89.52%
Festus	2	3	3	\$121,942	\$130,967	7.40%	84	97	15.48%
Windsor									

Data is based on closed transactions January 1, 2009 through April 9, 2009. This representation is based in whole or part on data supplied by the Multiple Listing Services, for single-family residential property. Data maintained by the MLS may not reflect all real estate activity in the market.

MARIS-Mid America Regional Information Systems Rapattoni MLS. Properties listed and sold by various participants in the MLS

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