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Market Report

Metro St. Louis Real Estate

2nd Quarter 2009



REAL ESTATE OUTLOOK: What are they saying now?

“Opportunity is knocking fairly loudly for many considering homeownership. Home prices have declined in many markets around the country and tax incentives and other inducements have first-time home buyers and others weighing the possibilities.

Home affordability, as defined by the National Association of REALTORS®’ Housing Affordability Index, stands near all-time-highs, thanks to declining prices and historically low mortgage rates. Yet, while some consumers hold off on purchases as they attempt to catch the home-price bottom, they could miss the mortgage-financing opportunity of a lifetime.

One thing is crystal clear: the odds that mortgage interest rates will rise are much greater than any continued mortgage rate decline. And for most home buyers, the cost of mortgage financing can be as important as the price of the home itself.” (quote from RISMedia July 2, 2009).

“Pending home sales show a sustained uptrend, rising for four consecutive months with very favorable housing affordability and a first time buyer tax credit boosting activity, according to the National Association of REALTORS®.

The Pending Home Sales Index, a forward looking indicator based on contracts signed in May, increased 0.1 percent to 90.7 from an upwardly revised reading of 90.6 in April, and is 6.7 percent higher than May 2008 when it was 85.0. The last time there were four consecutive monthly gains was in October 2004.

Lawrence Yun, NAR chief economist, cautions that there could be delays in the number of contracts that go to closing. “Closed existing home sales have improved but are coming in lower than expected because some contracts are delayed or falling through from the application of new appraisal rules for many transactions. Rises in contract activity show buyers are becoming more active even as they face more stringent loan underwriting standards. Speedy clarification of the appraisal rules could smooth a housing market recovery and support the overall economy.” (Quote from the National Association of REALTORS® (NAR) website.)

“The Missouri Housing Development Commission (MHDC) is offering a new product to help stabilize and rebuild the neighborhoods of Missouri hard hit by the housing downturn. The commission received a \$4.2 million from the Neighborhood Stabilization Program (NSP), which was part of the Housing and Economic Recovery Act of 2008. These funds are intended to be used as the owner’s principal residence.

First-time homebuyers utilizing this program are also eligible to receive the \$8,000 federal tax credit for first-time homebuyers if the home is purchased prior to December 1, 2009.” (Quote from the St. Louis Association of REALTORS® “Realtor Report)



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Residential and Condo Statistics

Year to date 2009 vs. Year to date 2008 Compiled July 10, 2009

ST. CHARLES COUNTY RESIDENTIAL

St. Charles County School District	Units 2008	Units 2009	% of Change	Average 2008	Average 2009	% of Change	DOM 2008	DOM 2009	% of Change
Total Residential	1865	1657	-11.15%	\$219,798	\$193,927	-11.77%	88	91	3.41%
St. Charles	124	110	-11.29%	\$145,677	\$138,527	-4.91%	68	79	16.18%
St. Charles West	70	62	-11.43%	\$182,991	\$178,805	-2.29%	84	81	-3.57%
Orchard Farm	34	32	-5.88%	\$203,157	\$155,116	-23.65%	82	82	0.00%
Fort Zumwalt East	28	51	82.14%	\$178,261	\$176,350	-1.07%	81	70	-13.58%
Fort Zumwalt West	248	181	-27.02%	\$231,491	\$208,404	-9.97%	94	93	-1.06%
Fort Zumwalt North	149	145	-2.68%	\$207,496	\$172,747	-16.75%	105	92	-12.38%
Fort Zumwalt South	169	163	-3.55%	\$177,356	\$171,253	-3.44%	82	75	-8.54%
Francis Howell	210	172	-18.10%	\$311,575	\$238,399	-23.49%	95	100	5.26%
Francis Howell North	207	178	-14.01%	\$225,624	\$205,178	-9.06%	81	93	14.81%
Francis Howell Central	174	155	-10.92%	\$187,427	\$178,893	-4.55%	72	86	19.44%
Wentzville Holt	243	217	-10.70%	\$219,535	\$200,244	-8.79%	93	104	11.83%
Wentzville Timberland	204	182	-10.78%	\$228,819	\$211,247	-7.68%	101	99	-1.98%

ST. CHARLES COUNTY CONDO

St. Charles County School District	Units 2008	Units 2009	% of Change	Average 2008	Average 2009	% of Change	DOM 2008	DOM 2009	% of Change
Condo/Coop/Villa	283	288	1.77%	\$158,635	\$139,324	-12.17%	115	123	6.96%
St. Charles	283	288	1.77%	\$135,172	\$147,459	9.09%	71	171	140.85%
St. Charles West	11	11	0.00%	\$214,256	\$203,275	-5.13%	127	178	40.16%
Orchard Farm	25	10	-60.00%	\$163,500	\$140,288	-14.20%	109	231	111.93%
Fort Zumwalt East	2	10	400.00%	\$91,000	\$112,244	23.35%	93	79	-15.05%
Fort Zumwalt West	2	9	350.00%	\$176,147	\$160,834	-8.69%	118	110	-6.78%
Fort Zumwalt North	17	20	17.65%	\$153,956	\$138,468	-10.06%	168	113	-32.74%
Fort Zumwalt South	16	25	56.25%	\$125,037	\$149,901	19.89%	152	169	11.18%
Francis Howell	32	17	-46.88%	\$195,281	\$121,517	-37.77%	91	97	6.59%
Francis Howell North	24	25	4.17%	\$155,949	\$139,382	-10.62%	108	120	11.11%
Francis Howell Central	74	78	5.41%	\$135,007	\$124,269	-7.95%	59	121	105.08%
Wentzville Holt	26	22	-15.38%	\$147,459	\$135,116	-8.37%	126	133	5.56%
Wentzville Timberland	42	47	11.90%	\$152,415	\$132,101	-50.00%	108	95	-12.04%

Data is based on closed transactions January 1, 2009 through July 10, 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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