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THE SPOKESMAN-REVIEW

Value and Opportunity for Home Buyers

2009 Real Estate Trends

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Every real estate market has its trends, and in the 2009 business cycle, Spokane REALTORS® are seeing that “small is in.” It’s the smaller-priced homes that are selling. The median sales price in Spokane County is trending downward from \$179,000 in December, 2008 to \$170,000 at the end of January, as reported by the Spokane Association of REALTORS®. The median price indicator tells us that half the homes that sold were priced above \$170,000, and half were sold below that price, making it the median point of all homes sold.

For many, getting a foot in the door may mean purchasing a smaller-sized home, and this strategy has attractive qualities.

Homeownership still offers long-term advantages, interest rates are at 30-year historical lows, a sizeable inventory is available, and many sellers offer incentives such as closing cost assistance. While no one can “crystal ball” the future, those who are fortunate and buy a home in Spokane County may find, five or ten years from now, that 2009 was a time of exceptional value in real estate.

Speaking of exceptional value, priced at or below \$150,000, there are currently 650 homes and condos listed for sale in the Multiple Listing Service (MLS) in Spokane

County. There are another 250 residential listings priced between \$150,000 and \$170,000. What can these prices buy? Meet with any Spokane REALTOR® and find out.

There can be many advantages in a “sensibly-sized” home purchase. Lower prices may mean a lower mortgage payment. A smaller house may be more energy efficient with smaller utility bills, less yard size to maintain, and less house to clean. The opportunity to buy a smaller home in a neighborhood you prefer, or one that is closer to work, could provide savings in commute time and fuel cost. For some buyers, a newer, smaller home may have its appeal over an older, larger one that would require more renovation. And, for those families whose children have grown and moved out, downsizing for savings and fewer home maintenance responsibilities is also appealing.

If Spokane follows trends found in other parts of the country, on the horizon will be “cottage housing alternatives” and “bungalow communities” surrounded by green space and clustered shared gardens, creating affordable, more intimate, energy-efficient communities on small stretches of land.

According to Matt Woolsey, editor at *Forbes Magazine*, in a recent (2008) article titled, *A Luxury home – at 650 square feet*:

“McMansions are out ... and sensibly sized houses are in.” *USA Today’s* Hava el Nassar reported (12/8/08) that “Teeny-tiny housing is increasingly appealing to buyers ... especially when there are spacious common areas packed with amenities.”

If you are hoping to buy a home this year, rethinking the size of the home as well as the size of your budget may bring you to a successful realization of your dream of homeownership. Contact a Spokane REALTOR® today, and remember to browse current Spokane open houses, 24/7, at **www.SpokaneOpen.com**, the official open house web site of the Spokane Association of REALTORS®.

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