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THE SPOKESMAN-REVIEW

Spring Real Estate: In the Swing of Things

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The housing market recovery is like the stock market these days – cyclically up and down as it re-establishes a tentative foundation.

Everywhere you look, someone is reporting that housing is up. Or down.

Mixed messages are often an early indicator that recovery is starting to take hold. With current market conditions, some well-positioned buyers believe long-term value, attractively low interest rates and home affordability eclipse their short term concerns. Someone recently called this the “up side” of our down market.

Here’s an example: Existing-home sales nationwide eased in March but the numbers of first-time buyers rose, responding to low mortgage interest rates and tax credits, according to the National Association of Realtors®.

Locally, the number of closed home sales in March rose 68% over February, as reported by the Spokane Association of REALTORS®.

With closed sales for March down 2.8% nationwide, our significant upswing is a welcome seasonal trend.

The year-over-year numbers often lead the headlines. The number of residential sales in Spokane County in March 2009 (over 2008) are down by roughly 15%. However, we all

know that the peak volume over the last few years will most likely not be replicated in 2009. In Spokane, sales volume generally builds month over month throughout our spring and summer season. This too, can be considered the “up side” of down.

Spokane’s median sales prices for homes are holding up considerably well. The National Association of REALTORS® reported that the median price of \$174,500 in March fell 11.5 percent from a year earlier. Spokane’s March median price of \$176,200 is actually higher than the national median, reinforcing the comparable price stability of our region. Year over year, we’re also up a touch, over the March ‘08 median of \$175,875, in contrast with price declines in many parts of the country.

Dawn Wotapka recently wrote in the Wall Street Journal (4/23/09) that, “Some liken housing data to the weather: If you don’t like today’s statistics, wait until tomorrow. The ‘facts’ will change.”

A recovering housing market will show swings in both directions for awhile. While we’re in the swing of things, if you have inclinations toward “real estate readiness,” be sure to talk to any Spokane REALTOR® to learn more.

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Source: National Association of REALTORS®