



WHY 2010 MAY BE A SURPRISINGLY GOOD TIME TO SELL.

Are you thinking of moving, but suffering from post traumatic shock? Do you awaken in a cold sweat dreaming of empty open houses and blank contract pages blowing in the wind? If so, take a deep breath and call us for a complete presentation about this year's Spring market in Marin. It may be a better time than you think to sell. Here are just a few of the facts which support the likelihood of strong buyer demand this Spring, and a healthy market overall market:



Transactions have been abnormally low for three years, and therefore there is some pent up buyer demand. The average number of transactions per year since 1981 has been 2,993. There were only 2080 transactions in 2008, and 2156 last year. That means people have had their lives on hold, while they are still having children, changing jobs, getting married - all of the things that make people want, and need, to move. In other words, life goes on. Interest rates are predicted to move up in 2010. By historical standards, rates are extremely low right now and have been for a long time. Most notably, the Federal Reserve has recently been

aggressively buying mortgages on the secondary market, keeping rates low. They recently announced they will stop doing that at the end of March. They are a big buyer, purchasing 73% of the securities issued by Freddie Mac and Fannie Mae in the past year. No one really understands what effect this will have, but most believe that the only way to continue to make mortgage securities attractive to other investors will be to raise rates. Rising rates typically makes fence sitters move, and we expect that to happen some time in the first half of the year. Also, government incentives, like the First Time Homebuyers Tax Credit and the Move Up Credit, require buyers to be in contract by April 30, 2010. Plenty of people will be trying to beat that deadline.

We have a number of buyers who are working hard with us to find the right house, but inventory is tight; a lot of what is available is not very good; and frustration is growing. On our "Top Agent Network" there are requests almost daily for buyers looking for the right home, in all price ranges. One came through the other day for someone looking up to \$11 Million, another for \$8 Million. Regardless of price range, we are always happy to help both buyers and sellers.

AND FROM A BUYER'S POINT OF VIEW?

We'll keep this one simple. For an indication of the relative long term value of purchasing real estate, as compared to other investments, here's what has happened in the first decade of this century, since January 1, 2000:

Change in Marin County's average home sale price: UP 17.9%
Change in Dow Jones Industrial Average: DOWN 3.3%

You don't have to be a rocket scientist to see the value of owning a home in Marin. So it may be a good time to get out there before the great migration resumes, of the expecting and new parents crossing the Golden Gate Bridge for our good public schools, better weather and amazing healthy lifestyle. Call us so we can give our sellers an idea of how many of you are out there. That'll get things started!

**This may be confusing your nightmares with ours!*

Happy 2010! Marin Home Market Report

Marin is still best place on earth (one thing that hasn't changed)

"It was the best of times, it was the worst of times; it was the age of wisdom, it was the age of foolishness; it was the epoch of belief, it was the epoch of incredulity; it was the season of light, it was the season of darkness; it was the spring of hope, it was the winter of despair; we had everything before us, we had nothing before us; we were all going directly to Heaven, we were all going the other way." Charles Dickens knew how it felt to be part of life in 2010. We have been frustrated and saddened when clients, sometimes dear friends, have lost their homes, but gratified at how often we have been able to help them avoid foreclosure by negotiating a short sale with the banks. Like most Americans, we think the banks should be doing more loan modifications, especially if they received bail out money. And the way some greedy, thieving financiers treated Wall Street like it was one big rigged slot machine. Argh. Sometimes it seems the banks are determined to make the bad situation that they created even worse. But ...

The seeds of the housing recovery are planted and ready to grow.

We've come a long way since January of 2009, when we were questioning the ability of the American financial system to survive. So many home buyers retreated out of fear of an unknown future, but they are now coming back, earlier this year, to snatch up bottom of the market deals before they are gone. Despite the walloping that the financial markets took, the number of sales transactions in Marin County in 2009 actually rose vs. 2008. Unit sales increased 4% in Marin last year. While that does not mean 4% appreciation, it is evidence that more people are willing to damn the torpedoes if it means they get to live in Marin.

Current market conditions bode well for sellers. Since sellers were also shell-shocked in 2009, inventory could be a problem. And there is nothing more a seller wants to hear about than an inventory shortage! At this time, 36% of available homes are in contract. That is the highest percentage in several years, at a time when the numbers are typically low. Interest rates are still great. Conventional loans are still available at 4.75%. Even multi-unit loans are still available through FHA at the 5.5% range. Life is still good. Heck, it's almost like Eisenhower was still President and everyone was still driving a Plymouth!



Dusk falls over the Pacific Ocean from Ridgecrest Road.

News of our clients and friends ...

Congratulations to **James Thomas of Larkspur**, a client who was featured proudly by the Aldersly retirement home this month in an ad boasting about its fine residents. Indeed! Jim, who lived at 263 West Baltimore for nearly 80 years, was still a walking docent at the SF Zoo until age 92! He was never married, which Bob thinks may be the secret to his health and happiness. ☺

Client **Stephanie Decker of Greenbrae** is running a successful new staging company. She can help with any decorating need, and after seeing how dramatically she transformed her own new home on Almenar, there's no doubt about her talent!

Another excellent client, builder **Steve Crutchfield of Larkspur**, is available for work directly for clients again. Steve is currently finishing up 35 Palm in Corte Madera, which will be back on market soon. Like many contractors, Steve is a little easier to schedule now that the economy has slowed. It's a great time to do that remodel, if you can afford it.



Still Available!
45 Hacienda Drive, Tiburon
NOW \$2,225,000

A full, mostly level acre with sun, views, privacy, level lawns, and a great location just off Trestle Glen. 4 bedrooms, 3.5 baths, this is an exquisite remodel with bamboo floors, granite, limestone. Call us anytime to see it!



Free Marin Home Buyers Seminar.

Back by popular demand, another free Home Buyers Seminar February 3 at 7 pm in our Greenbrae office. We'll have **CPA Bill Shine** there to talk about tax strategies for new home buyers, **Gina Kemsley of Terra Mortgage** to talk about pre-approvals, FHA loans, and credit scores.

Bob will cover the home buying process and what we do to help you get the best deal on a good Marin home. It will run under 90 minutes, and we promise lots of good information, fun, and even some wine and snacks. Tell your friends to call **Bob at 415-925-3261** to reserve a spot. Next month, we'll host a special workshop for "move up" buyers.

If you would like us to e-mail or mail an invitation to a friend, just let us know!

www.OnlyInMarin.com Bob's blog: WWW.MarinRealEstateInsider.com

Bob: bravasio@fhallen.com 925-3261 Lic.# 01495983 Pat: pravasio@fhallen.com 925-3209 Lic.# 01394550

Rick: Rsmith@fhallen.com 925-3244 Ace Assistant LINDA: 925-3209 lindamarin351@hotmail.com