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Someone has to be a leader and a say what everyone is thinking: Are we at the bottom yet?

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I usually hate to stick my neck out and predict the market too much because inevitably once you put it in print you will be wrong and lose some credibility as an expert. But I also believe someone has to be the leader and at least say what everyone is thinking and feeling anyway. People that have been in real estate in some capacity for 20 or more years will tell you they can "feel" these things. I hear comments like that all the time and I say if this many of us "feel it" there is probably some validity to it. It is hard to take county, regional or national statistics especially with regards to the drop in the median sale price and then apply that to the drop in market "value." There are too many factors that affect the change in median sale price that make the median sale price statistic not completely relevant as support to the drop in "value." At the beginning of a downturn, it is probably an indicator, but in a market like this, there are a lot of nonarmslength transactions, foreclosures, shortsales, "as is" sales and distress sales that will drag down the median sale price but are not comparable for market value. Also those who own the upper end houses are not usually trying to sell in a down market unless they have to and there is usually distress involved. Therefore, there are many more lower end sales than upper end sales. A better indicator for appraisers is, of course, the ideal sale and resale of the same or similar property under armslength circumstances where the time adjustment can be easily extracted. This data is hard to come by in the real world. But an appraiser who performs hundreds of appraisals in one area over a 6 month or 12 month period can extract a pretty consistent time adjustment after adjusting the comparables for all the other differences. So the "feeling" can be backed up by some real numbers. The home buyer tax credits have certainly played a role in the recovery and will continue to do so. Mortgage rates are still really low as well. So the alignment of the celestial financial universe may never be seen again for the next decade.

The abuse of the credit card companies with respect to raising rates to ridiculous loan shark double digits for people who even pay on time and reducing their limits, thus lowering their credit scores is a travesty and should never have been allowed to happen. How could those consumers ever have predicted this could happen in their wildest imagination. The situation is pushing so many people over the edge who were already on the edge to begin with. It is probably the biggest roadblock for individuals as well as small businesses.

The commercial market may still have a way to fall because struggling small businesses translates to struggling tenants. This is having a direct impact on income producing properties as well as vacancies.

Appraisers have a responsibility to keep up with the market and not lag behind. Property owners need to hire professional appraisers when they need to know the market value of real estate, because it is a full time job to keep up with it and a mistake in judgement can be the mistake of a lifetime. Appraisers that belong to a professional appraisal organization, especially those who have

earned designations have demonstrated a higher level of commitment and competency above and beyond the minimal requirements of a license.

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