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## Are you missing the bottom of the market?

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The coincidence of two phenomenal things happening at the same time—record low rates and low house prices (which appeared to have bottomed out) is something we may never see again for decades. It's kind of like waiting for a solar eclipse where we try and remember to plan to see it but it doesn't last long and then it's gone. Hopefully, this phenomenal buyers market will hold out a little while longer.

A lot of the short sales and bank owned properties are being absorbed into the market. The availability of the 203K streamline loans or construction loans from local banks have been the key to allow regular first time home buyers to buy some of these properties, often at below market prices. Anyone who qualifies for a mortgage should be jumping in with both feet.

I usually don't sell too much real estate anymore since running a large appraisal company is challenging enough. But of course I had to help my daughter and my nieces find their first homes. They're a little young but I told them - we don't have time to wait a few more years. The window of opportunity is now. At least I got to see everything for sale out there. There seemed to be a shortage of homes as the April deadline approached for the first time homebuyer credit. But now that the deadline has passed, I would expect the supply will replenish somewhat.

As I enter into my 25th year in business, I can almost feel the changes in the market. Other veteran appraisers and brokers have told me the same thing. We most definitely seem to be at the bottom of the market. Values have been hovering in stability since all through 2009 to the present except for a few pockets here and there. Because there are always exceptions. Financing still plays an important role when it comes to stability of real estate values. If financing is difficult to get for a certain type of property then value will be adversely affected. If financing is available to the average person (not just an investor with deep pockets and an 800 credit score) then the supply of housing will be absorbed because there are ready, willing and able buyers out there.

Real estate sales people need to learn more about financing in order to advise their buyers and sellers. Different types of properties with certain repairs needed may have a problem getting some types of financing - better to be aware of that up front and always have a plan B.

The Worcester Regional Association of Realtors has starting hosting seminars so the we can educate everyone in real estate about financing and how it affects their deals. We have had a few so far which were well attended but many of the newer people do not seem to get out from behind the computer and blackberries to network with other professionals who could really teach them some valuable things before they have to learn it all the hard way. Usually if there is a problem with the appraisal of the property, it has nothing to do with the value of the property. Lenders have many different criteria for lending in this market and it is not straight forward.

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