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**Looking Back to 2010...
 And Ahead to 2011!**

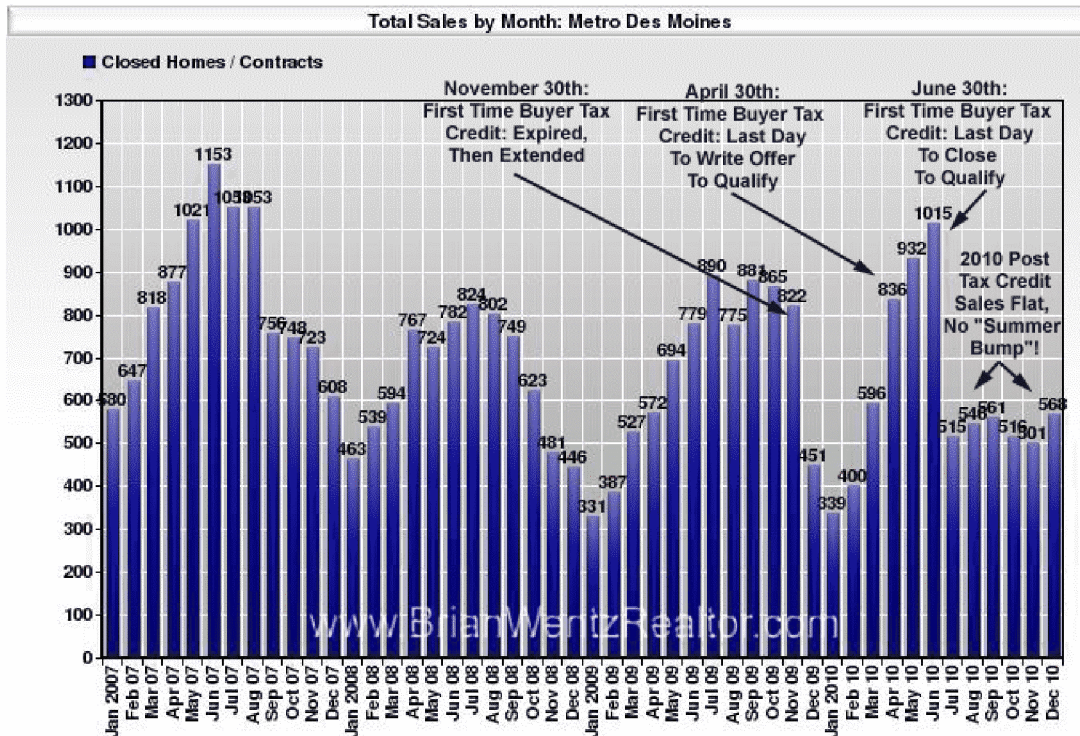
With the holidays behind us, and as we look forward to the upcoming year ahead, we wanted to take a moment to update you on the current "State of the Market" here in Des Moines, and review some of the highlights from 2010. It would be hard to miss the fact that 2010 presented many challenges for home owners, both locally and nationally. But the market is still alive, and there are signs it is on the rebound!

Some of the trends that affected the 2010 market include:

- Foreclosure and "short sale" listings increased significantly, to around 14% of the total market.
- The average time to sell a home edged closer to 4 months.
- The expiration of the "Federal Tax Credit" shifted many buyers' plans into the 1st half of the year.
- Continued tightening of the lending markets.
- Record low interest rates resulted in more affordable payments for buyers and current owners!

Impact of Tax Credits on Monthly Sales

Many owners moved up their moving plans to take advantage of the "Federal Tax Credits", leaving fewer buyers in the market later in the year.



Source: Des Moines Multiple Listing Service Data

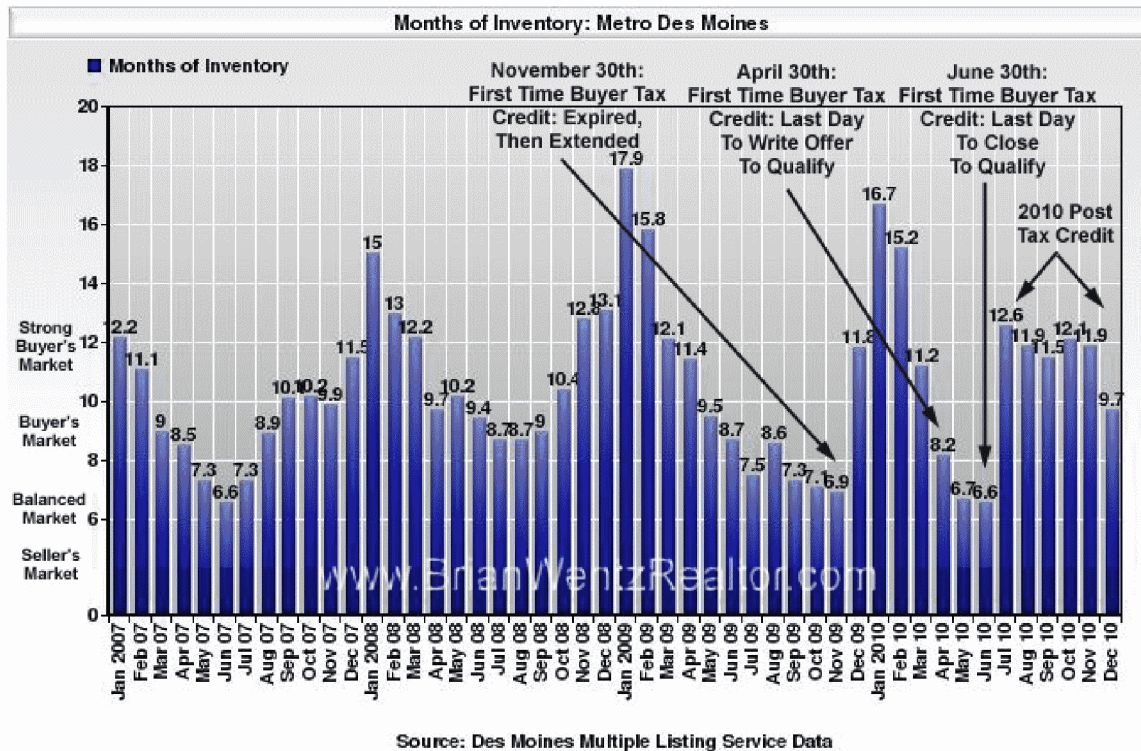
Average Time to Sell a Home

The average time for a home to sell in 2010 increased from past years, to **107 days**. However home sellers still received an average of **97.1% of list price!**



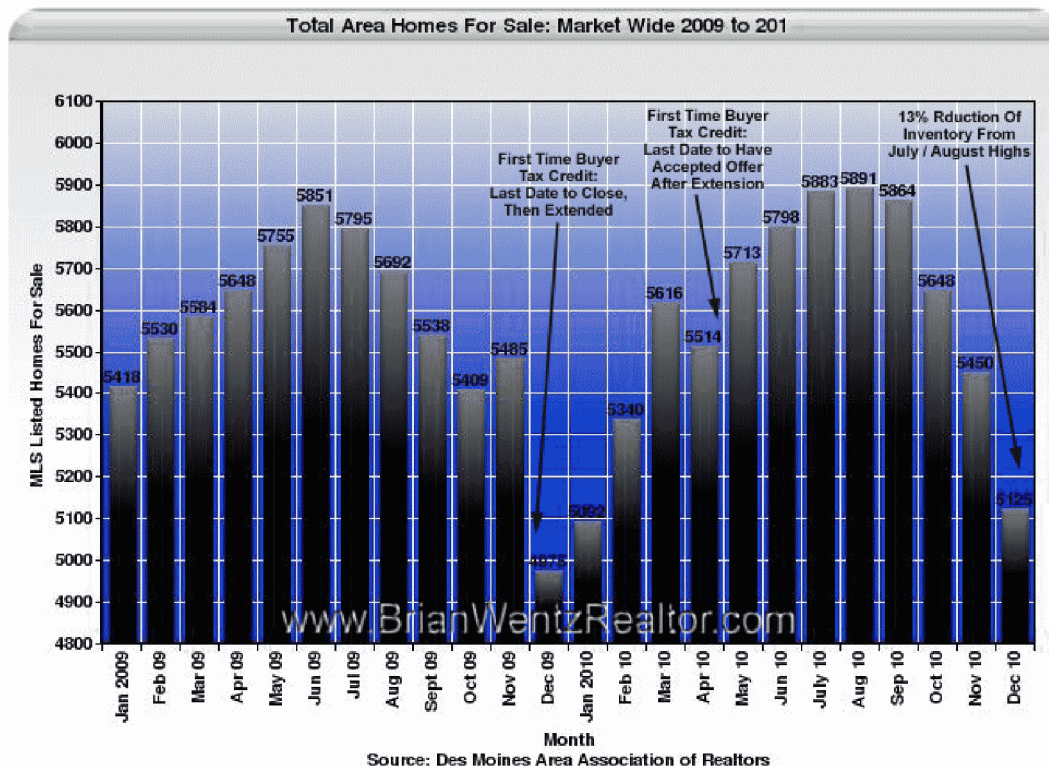
It's Still A "Buyers Market"...

Not surprisingly, with **fewer total home buyers in the market**, Des Moines spent most of the year in **buyer's market territory**, meaning buyers had strong negotiation power over prices and terms.



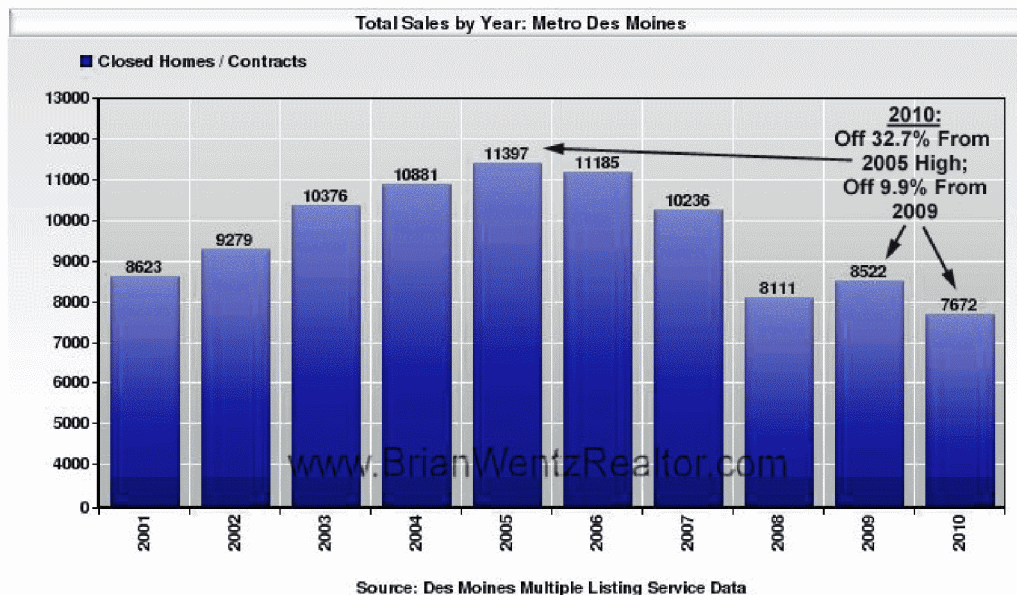
Total Available "Homes for Sale"

The total number of homes for sale remained fairly steady for much of the year, but **decreased during the last 3 months** of 2010, when some owners took a "time out" for the holiday season. In December, the **total number of "homes for sale" was down 13% from the summer highs**, a **condition that is good for home sellers considering a move in 2011!**



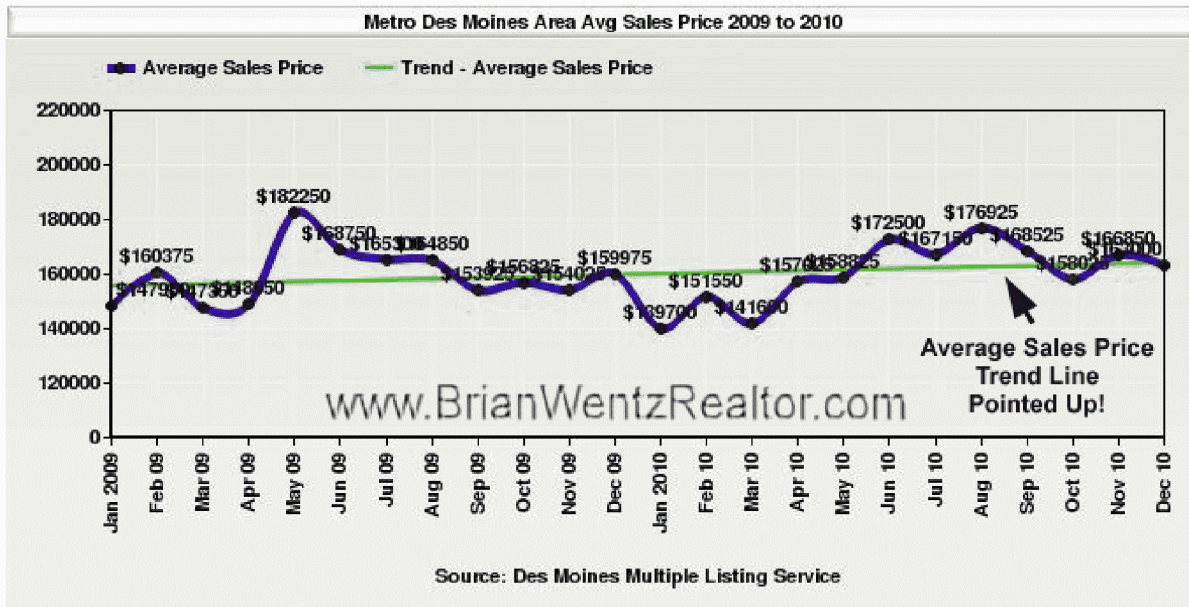
Total Sales by Year

The total number of home sales during 2010 was down around 10% from 2009 levels, however, almost **7,700 home buyers and sellers successfully purchased or sold their home in 2010!**



Average Sales Price

The average sales price of a home in Des Moines increased 2% in 2010 to \$160,600 from 2009 levels. In 2009, the average price of a home sold was \$157,400.



Looking ahead to 2011!

Positive factors in the market, as we enter 2011 include:

- Lower prices and low interest rates are making homeownership much more affordable!
- Move up buyers typically make up for lower selling prices with buying-side negotiation power.
- Foreclosure homes remain a great opportunity to build wealth for first time buyers and investors.
- Money is becoming available again, with lower down payment options returning to the market!
- Inventory levels are down, making the market less "one sided".

We anticipate the Des Moines market will continue to brighten in 2011. The market is off to a busier than expected start, and signs are becoming apparent that the **bottom of the market may have passed!** Not to mention, the fundamentals of owning a home as shelter, and "a comfortable place to be", still make real estate a unique investment!

As always, if you are interested in knowing the **current market value of your home**, we'd be happy to assist -- and it would be great to hear from you!

Best Wishes,

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**Please don't hesitate to let us know if you have any real estate related needs,
or if you have a friend or family member who we can have the privilege of assisting!**

Your referrals are an important part of our business!