



LESLIE TUPPER, REALTOR®

HOME CONNECTION

WWW.LTREALTOR.COM

JANUARY 2010

A Note from Leslie

This has been one of the busiest January markets in a long time, and there is good reason for the activity. In November, first-time buyer incentives of up to \$8,000 were extended and expanded to benefit buyers with higher incomes. Tax incentives were also expanded to include move-up and repeat buyers for a credit of up to \$6,500, so long as homeowners have lived in the same principal residence for five or more of the past eight years.

In order to qualify for these credits, buyers must enter into a binding contract by April 30, 2010 and close on the sale on or before June 30, 2010. Buyers who understand that this is a limited time opportunity are not dragging their feet. As the deadline looms closer, you can expect increased competition from more buyers on the market pushing prices up and limiting your choices. Don't hesitate to start looking now if you're thinking of buying.

Historically low interest rates are just one more reason to buy now (see page 2 for a chart tracking interest rates since 1971), plus new laws requiring greater transparency in lending make it even easier for buyers to understand what they are paying for and enables them to truly shop around for the best loan.

Sellers are busy too. Those who will be successful at selling their homes in 2010 understand that they are going to be in a competitive market. They are getting their homes in tip-top shape and on the market earlier than ever in order to take advantage of the stepped-up activity.

I've loved living in St. Louis and a recent conversation with a representative for one of the major builders in the country made me appreciate St. Louis even more. He said that the two highest growth markets for his company are Washington, D.C., and St. Louis. Consequently, they are expanding their developments in St. Louis.

Investors, builders, savvy buyers and sellers are looking forward. They see prices beginning to stabilize in St. Louis. They see the opportunities. And they are positioning themselves to take advantage of those opportunities before the deadlines expire!

COMING SOON



18507 HAWKS HILL ROAD
Wildwood • \$374,900



654 VISTA HILLS COURT
Eureka • \$339,900

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MY 2009 SALES

- 35 Hillside Manor Court
- 2022 Shep Court
- County Road 324
- 319 Theodore Drive
- 306 Oxford Ridge Court
- 2866 Wisconsin Avenue
- 553 Vista Hills Court
- 17400 Cougar Trails Drive
- 1638 Grace View Drive
- 1319 Treetop Trail Drive
- 115 Kinross Court
- 564 Nantucket Pointe Drive
- 16415 Pavillion Hill Court
- 2517 Shiva Court
- 520 Dartmouth Crossing Drive
- 840 La Bonne Parkway
- 925 Sheffield Forest Court
- 1014 Kiefer Ridge Drive
- 753 Southern Hills Drive
- 2423 Hiddencrest Lane
- 1362 Wildhorse Parkway Drive
- 316 Hagemeister Drive
- 410 Woodland Hill Court
- 142 Shaw Drive
- 423 Cerromar Drive
- 1604 Elk Fork Road
- 651 Southern Hills Drive
- 11707 Momarte Lane

FREE STUFF

✓ **2009-2010 Cost vs. Value report:** This report contains information regarding estimated job costs and recouped sale values for most major improvements in the St. Louis area. Even if you are staying put, it's a good idea to have this report.

✓ **Market Trends Update:** This market analysis is tailored to your specific geography and home style.

To request, simply call Leslie or send an e-mail to leslie@ltrealtor.com along with your mailing address if you prefer a hard copy.



LESLIE TUPPER, REALTOR®
COLDWELL BANKER GUNDAKER
285 CLARKSON ROAD
ELLISVILLE, MO 63011
636-386-HOME



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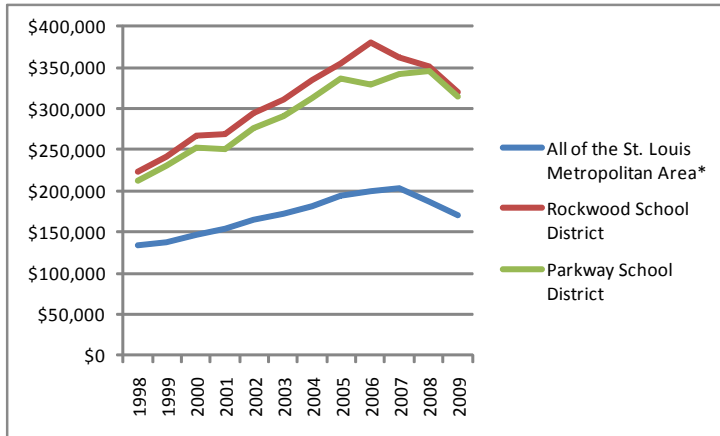
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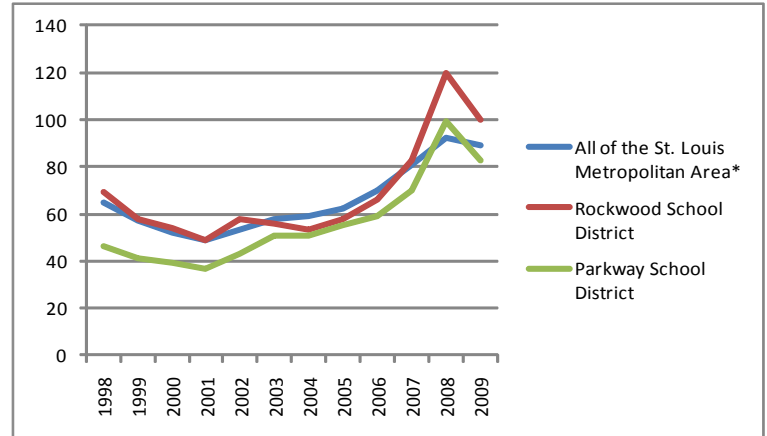
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YOUR YEAR-END MARKET UPDATE

AVERAGE HOME SALE PRICES SINCE 1998



AVERAGE DAYS ON MARKET SINCE 1998



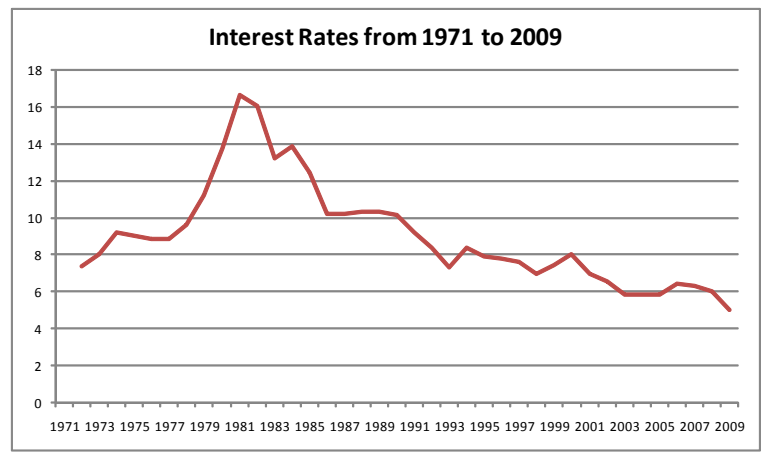
The St. Louis housing market ended on a high note in 2009 compared to the whimper that ended 2008, but it wasn't quite enough to make up for slow sales at the beginning of the year. The average sale price for single-family houses in the St. Louis Metropolitan area* was down approximately 9% from the year before, though the total number of sales only declined slightly to 20,708 units from 21,098 in 2008, a difference of 2%. The good news is that the average number of days on market, or length of time a home took to sell, was down substantially. Homes sold faster, perhaps thanks to the first-time home buyer tax credit.

As you know, the real estate market can vary vastly from one neighborhood or school district to the next, so let's take a closer look. Rockwood School District average sale price reached its peak in 2006. Now, it tracks closely with Parkway School District at \$320,523. Both experienced a decline in price of approximately 9%. The number of homes sold in Rockwood decreased by 6%, while the number of homes sold in Parkway only decreased by 2.8%.

In Rockwood School District, the average number of days on market decreased by 20 days, and in Parkway, it decreased by 16. Homes are beginning to sell again. The combination of low interest rates and expanded buyer incentives bodes well for a great spring market in 2010.

Low Interest Rates Increase Buying Power

Mortgage rates that declined to 40-year lows make this an ideal time to purchase a home, but no one knows how long this will last. The chart below demonstrates how interest rates have risen and fallen over the years. For every 1% increase in the interest rate for a 30-year mortgage, buying power is reduced by 11%. Let's say that at a 5% interest rate, you can afford the house payment for a \$200,000 house at \$1074. If the interest rate increases to 6%, the same payment only affords a house at \$176,000.



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*St. Louis Metropolitan area includes St. Louis, St. Louis City, St. Charles, Jefferson, and Franklin Counties. Statistics cited above were taken from the Multiple Listings Service operated by Mid America Regional Information Services. Condominiums not included.