



Centre County Association
of REALTORS®

What a Difference a Year Makes...

With all of the national news highlighting an imploded residential real estate market struggling to gain some ground, it's easy to fall into the trap that we, in Happy Valley, have fallen victim, too. And to some degree, we have.



Steven Bodner
President CCAR

For instance, take the dip in the average sales price that occurred in 2009. While the county's residential market ended the year strong in 2008 at an all-time high average price of \$212,209, it wasn't long before years of gain began to dissipate. By last year's end, the average price for 2009 limped in at \$197,124, roughly a seven percent decline from the high of the year prior. This level is just under 2007's mark of \$201,533.

It's true that this was the first time in well over a decade that the local average price retreated. It's also true that even though this has made it tough on sellers who have owned their home for a relatively short period of time, most owners have had nice run ups in their equity over the long run. At least our modest drop doesn't compare to the fall in national average price, which has

plummeted nine percent since 2008 and 18.5% since 2007. Keeping things in perspective is important.

Although prices may have slipped backward only in the past year, the number of annual residential sales in our MLS has been decreasing since 2005, when it topped out at 1627 units. 2009 saw a continued slant down to 1399 sales, a number that was close to 2003's level of 1432. While those numbers may paint a picture of shrinking demand, there is hope on the horizon.

I am pleased to report a 19% increase in sale pending activity (offers accepted) from December, 2009, to January, 2010, and another 25% increase from January, 2010 to last month. Already in 2010 we have seen a 32% increase in pending home sales over the same period of time last year.

Some may chalk these meteoric sales up to the federal tax credits, while others attribute the activity to low interest rates, coupled with attractive pricing. Either way, Centre County REALTORS® are pleased with the action and look for the momentum to carry the market into spring and summer. Now is simply the time to give your REALTOR® a call!

* Stats per CCAR MLS service and NAR's website