



### **Real Estate Outlook: Up or Down?**

You may have seen the latest home sales and price numbers and wondered: What's going on here? Are we up? Are we down?

Depending on which TV network reported the news last week, it sounded either like real estate is continuing along its steady road to recovery - -or that we just hit a pothole in the road.

One major business news channel reported it this way: "Home sales down 14 percent in the first quarter." Other media reported an 11 percent GAIN.

So which is it? In reviewing the actual numbers from the National Association of Realtors and you find that, yes, 2010 first quarter home sales were 14 percent lower than they were in the final quarter of 2009. Home sales nationwide, however, in the first quarter of 2010 were 11.4 percent higher than they were during the same quarter the year before. Year to year comparisons are more meaningful than quarter to quarter data, which tends to be more volatile.

Sales in the fourth quarter of last year were unusually high because of a surge of closings related to the original expiration date of the housing tax credit and we can expect a similar surge to show up some time in the coming two quarters caused by sales closings before the June 30 termination date of the credit program.

In our local market, we have seen a 16.4% increase in the number of homes sold from January 1 to May 20, 2010 over the same time frame last year. For the first time since the peak of the lake area market in 2006, sales have increased. While I feel the tax credit has played a part, other factors also are supporting the market. I am seeing a return of buyer confidence with stabilizing home prices, an improving economy and mortgage interest rates that remain historically low.

To assist in keeping the sales trend moving in an upward direction, the Missouri Association of Realtors is working to stop double taxation. Join with thousands of other Missouri residents and sign the pledge today to help mobilize friends and colleagues in

support of a ballot initiative in 2010 to protect your property from a real estate transfer tax. A real estate transfer tax is a form of double taxation; it lowers homeowner equity; it negatively impacts the process of buying and selling a home; and it unfairly targets property owners and lower income residents alike. Visit my website [www.YourLake.com](http://www.YourLake.com) and click on Yes To Save Homes to learn more and to sign up for email updates.

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