

The Voice of Real Estate in Ozaukee County

❄️ Happy Holidays ❄️

NINE CONSECUTIVE GAINS FOR PENDING HOME SALES

Washington, December 01, 2009

Pending home sales have risen for nine months in a row, a first for the series of the index since its inception in 2001, according to the National Association of Realtors®.

The [Pending Home Sales Index](#),* a forward-looking indicator based on contracts signed in October, increased 3.7 percent to 114.1 from 110.0 in September, and is 31.8 percent above October 2008 when it was 86.6. The rise from a year ago is the biggest annual increase ever recorded for the index, which is at the highest level since March 2006 when it was 115.2.

[Lawrence Yun](#), NAR chief economist, said home sales are experiencing a pendulum swing. “Keep in mind that housing had been underperforming over most of the past year. Based on the demographics of our growing population, existing-home sales should be in the range of 5.5 million to 6.0 million annually, but we were well below the 5-million mark before the home buyer tax credit stimulus,” he said. “This means the tax credit is helping unleash a pent-up demand from a large pool of financially qualified renters, much more than borrowing sales from the future.

The PHSI in the Northeast surged 19.9 percent to 100.2 in October and is 44.2 percent above a year ago. In the Midwest the index rose 11.6 percent to 109.6 and is 36.6 percent higher than October 2008. Pending home sales in the South increased 5.4 percent to an index of 115.4, which is 31.6 percent above a year ago. In the West the index fell 11.2 percent to 127.7 but is 21.9 percent above October 2008.

**continued on page 4*

In This Edition

- Pending Home Sales Gain Ground
- Continuing Education
- President’s Corner
- Handling Referrals
- Using Bonuses/Incentives to sell more homes

Calendar of Events

- December 10th-Certified Public Account
- January 7th-Rockin’ Holiday Party/Offer to Purchase Changes
- February 11th- REALTOR® Safety
- March 11th- Technology Expo
- April 8th-WRA President: Bill Malkasian
- May 13th- Local Governments



Officers

President: Dave Didier
Treasurer: Sharon Irwin

President Elect: Wally Thill
Secretary: Adam Poehlman

Immediate Past President: Steve Schaefer
MLS Director: Howard Loeb

Directors

Jane Meyer
Alice Bush

Doug Bichler
Tom Sykora

Barb Kobishop
Tricia Motte

Dawn Sinclair

Assoc. Executive: Jared Jamroz 262/375-4730 or ozra@att.net
Office Hours: Monday-Thursday 8:30-2:00 Friday 8:30-12:00



***For Every Meeting You Attend You Can Enter To Win A Free Local Membership To ORA for 2011! ***

Continuing Education

As we approach the end of the first year in the biennium many of you are turning your attention to completing your mandatory Continuing Education classes which are required for license renewal at the end of 2010.

Other than the education value of the classes being provide, Associations profit from these mandatory classes, which helps to offset the cost of the day to day operations of the Association and serve to help keep your local dues portion of your membership renewal low. By taking the education courses offered by ORA, you help to maintain our dues structure, which is amongst the lowest in the state!

Currently registration for fall video continuing education courses are ongoing. As many of you are aware, the Department of Regulations and Licensing is requiring that real estate licensees complete 6-3 hour courses this year, in comparison to 4 -3 hour courses in years past. Below is the list of the course dates for each module for the video for the conclusion of 2009. For the full registration form and times, please visit the EDUCATION tab on the Association's Website www.ozaukeerealtors.com.

In addition to the video courses being offered, ORA will be providing the opportunity to complete your Continuing Education through live courses in March of 2010. Registration and more information about those courses will be available starting in January of 2010.

If you have questions regarding your Continuing Education options, please contact the Association Office.



Module 1

Wednesday, November 4th
Wednesday, December 9th

Module 2

Wednesday, November 11th
Wednesday, December 16th

Module 3

Wednesday, November 18th
Monday, December 21st

Module 4

Wednesday, December 2nd
Wednesday, December 23rd

Elective A

~~Monday, November 2nd~~
~~Monday, November 16th~~
Monday, December 7th

Elective C

~~Monday, November 9th~~
~~Monday, November 30th~~
Monday, December 14th

'Tis the season

The holidays are truly upon us. We spent last weekend saying thanks and counting the many blessings in our lives. The radio stations have begun playing Christmas tunes, cities and villages are putting up their holiday decorations, and homes and businesses are often lit with the glow of Christmas lights. These are some of the small things that make Ozaukee County a wonderful place to live this time of year. It is also a great time of year to be selling real estate in Ozaukee County.

The \$8,000 tax credit for first time home buyers has been extended until the spring. This will help ensure a continued strong pattern of sales in the starter home market. Plus the expansion to include \$6,500 to repeat buyers adds yet another dimension to boost home sales for those looking to upgrade their home. Add to this the unseasonably warm weather and continued low interest rates and we should have one of the best winter seasons in recent memory.

It is also a good time of the year to evaluate your business. Have your business expenses exceeded your budget for 2009? Have you made sure to take advantage of any tax breaks that would benefit you? As self-employed individuals we need to do more for our businesses than just help our customers. We need to watch our bottom line. And for those of us that are not strong or knowledgeable in this area, it is often neglected and overlooked. This month's membership meeting features a program from a local CPA. The program will be geared to help us understand what we can do to position ourselves in a good way to take advantages of various tax situations. Please be sure to attend the meeting Dec. 12th at the Grafton Legion.

As always, be sure to visit www.ozaukeerealtors.com for all the latest info and association news. Merry Christmas and Happy Holidays!

Dave Didier-President
Ozaukee REALTORS® Association



Have an Ad you want to place?

1/4 Page \$10.00

1/2 Page \$20.00

Full Page \$30.00

Price is per insertion into the newsletter and must be received prior to the 10th of the month prior for placement (No Recruiting Please)

Wisconsin Home Sales Up in Third Quarter as Median Prices Moderate

MADISON, WI – Wisconsin home sales increased for the first time since the recession began nearly two years ago, according to data reported by the Wisconsin REALTORS® Association (WRA).

Existing home sales increased 5.8 percent in the third quarter of 2009 compared to the same quarter last year, the first increase since the recession began in the fourth quarter of 2007.

"We are finally seeing signs of recovery in the housing market," said John Flor, Chairman of the Board of the WRA. "This deep and lengthy recession has kept many buyers on the sidelines for the better part of two years." He credited a combination of favorable mortgage rates and the federal tax credit for first time home buyers for the surge in sales. "With mortgage rates in the 5 percent range and the tax credit putting up to \$8,000 in the pockets of first time home buyers, the market saw a real boost," Flor said.

Wisconsin's 5.8 percent increase in housing sales compared favorably with the nation, which rose 5.9 percent, and the Midwest region, which grew at a 5.2 percent rate over that same period.

Flor noted that recent action by Congress not only extended the housing tax credit through April of next year but also expanded it to include all buyers. "The extension and expansion of the federal tax credit is not only good news for home buyers and sellers, but also for the economy as a whole," said Flor. "Families buy a wide range of goods and services after they purchase a home, which helps the entire local economy, and sales of starter homes create opportunities for sellers to trade-up to a new or more expensive home." Flor noted

that with the national unemployment rate now topping 10 percent, the economy still has a long way to go. However, he said there are good reasons for guarded optimism.

"Gross Domestic Product grew in the third quarter and a key indicator of future economic performance, the Conference Board's Index of Leading Economic Indicators, has been up each of the last six months. Hopefully these trends will help continue to fuel housing demand," Flor stated. As sales increased, median home prices in Wisconsin fell 6.3 percent to \$148,000 in the third quarter of 2009 compared to quarter three of 2008, according to the WRA report. This was better than the national reduction in median prices, which was at 11.2 percent over the period. WRA President William Malkasian says care should be taken when interpreting these price figures. "These annual changes in median prices are not apples-to-apples comparisons," said Malkasian. "Over the past year we've seen a shift from higher priced homes to lower priced homes, so the median price naturally falls," Malkasian said. While some of the price change is the result of seller concessions, Malkasian said much of it is due to the robust movement of starter homes as a result of the first time home buyer tax credit program. He concluded, "Wisconsin home prices are not nearly as volatile as we have seen in other parts of the country and so purchasing a home in Wisconsin remains a very stable way to build household wealth."

For More Information Contact: David E. Clark,
Economist, C3 Statistical Solutions Inc. Cell phone: 414-803-6537



Need a Space for your Next Meeting?

The Ozaukee REALTORS® Association Board Room is now accepting reservations.

Our recently updated meeting room has seating for 16, plus seating for 3 speakers.

Cost for the room, Television w/DVD player, screen and projector is just \$50.00.

Contact Jared at for more details and registration at 262/375-4730 or ozra@att.net

NINE CONSECUTIVE GAINS FOR PENDING HOME SALES

continued from page 1



Yun cautioned that home sales could dip in the months ahead. "The expanded tax credit has only been available for the past three weeks, but the time between when buyers start looking at homes until they close on a sale can take anywhere from three to five months. Given the lag time, we could see a temporary decline in closed existing-home sales from December until early spring when we get another surge, but the weak job market remains a major concern and could slow the recovery process.

"Still, as inventories continue to decline and balance is gradually restored between buyers and sellers, we should reach self-sustaining housing conditions and firming home prices in most areas around the middle of 2010. That would mean broad wealth stabilization for the vast number of middle-class families," Yun said.

The National Association of Realtors®, "The Voice for Real Estate."



Handling the Referrals You Receive"

Realty Times (10/09/09) Zeller, Dirk

When real estate agents receive referrals, they should immediately thank the referral source orally and then follow-up with a written note of appreciation. Too often, practitioners assume that a "thank you" is necessary only when a referral turns into a closed deal. It also is recommended that they sit down with the referral source and ask a few questions about their relationship with the referral, the prospect's personality and interests, and to which organizations the prospect belongs. This information will help the agent to categorize the referral and improve the odds of turning the prospect into a client. C Level referrals are referrals for which the agent has only a name and a phone number, with no permission to use the referral source's name, while a B Level referral means the agent has contact information and permission to use the referral source's name to get a foot in the door. An A Level referral is one in which the referral source has given permission to use his or her name and answered some questions about the referral, and an AA Level referral gives the agent the benefit of having the referral source contact the prospect beforehand. Agents should not devote time and effort to leads that probably will not convert to a sale, even if the lead is a referral. Finally, they should keep the referral source updated on the prospect's status.

"How Real Estate Agents Can Use Bonuses and Incentives to Get More Clients and Sell More Homes"

RISMedia (10/06/09) Minton, Rob

Rather than offer commission discounts or rebates to generate new business, real estate expert Rob Minton encourages agents to take a cue from infomercials and offer bonuses that do not eat into their profits. He has boosted response rates by offering vacation getaways from Travel America in his marketing campaigns, noting that a three-day Las Vegas vacation deal could cost less than \$200, depending on the number of packages purchased. These bonuses then could be used to attract new clients, as well as garner attention from past clients and unconverted leads. However, Minton notes that it is important that agents create urgency by attaching a time limit to the bonus. He adds that any incentives should be disclosed as per state licensing laws, and clauses could be added to contracts indicating that the buyer or seller received a vacation package. Agents should contact their attorneys with any concerns prior to offering bonuses as part of their marketing campaigns.

Official Bulletin of the Ozaukee Realtors Association
W62 N244 Washington Avenue
Cedarburg, WI 53012

