



## *e-newsletter: Early Summer 2010*

YOUR PERSONAL TAOS CONNECTION

Taos, New Mexico

*#1 Real Estate Company in the Taos Area*

### **MARKET TRENDS**

Mortgages! Yes, you can still borrow money. Just like lending practices a decade ago, lending companies are doing business with more qualified clients. This makes a lot of sense, not only to the investor who buys the mortgage from your lender, but also for the client who is able to afford the monthly payments.

The government had set several programs to stimulate the real estate market such as the 1<sup>st</sup> Home Buyer Credit and USDA loans. In March, the government stopped buying mortgages. Expectations were that the interest rates would go up, but the private sector came in and started backing loans. This is a positive move for the economy. Yet, without a crystal ball, we cannot predict when interest rates would go up or when more clients will feel secure to take out that loan.

The pendulum has swung to the extreme as a reaction to the big losses and the falling of the economy, putting into affect stiff regulations. In the past 2 years, there have been 600 underwriting guideline changes. For example: buying a 2<sup>nd</sup> home you will need to qualify for payments of both homes (even if you are selling one) plus reserves. Also, if you are selling a condo, not all HOA's operate the same and too many units are used as income producing properties. This makes each attempt of sale a unique situation.

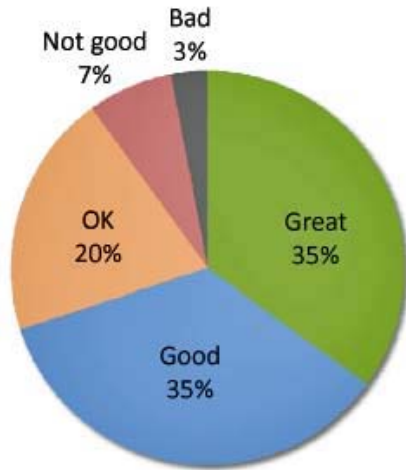
Remember you must have the right expectations. Give your contract more time to close, don't be surprised if you are requested for more down payment, and expect to give full docs...and then some.

**2010 PRUDENTIAL REAL ESTATE OUTLOOK SURVEY** released April 28 by Prudential Real Estate and Relocation Services shows that most buyers will not be deterred from purchasing a home without the tax credits on the table. "The federal home buyer tax credits played a key role in increasing market activity," say James Mallozzi, chairman and CEO of Prudential Real Estate and Relocation Services. "However, it is part of a larger fundamental shift that most importantly includes low mortgage rates and falling home prices."

Consumers are noticing that shift as noted in the charts below:

## Many think the time to buy is now

*In general do you think now is a(n) \_\_\_ time for people to buy a home?*



*Who thinks now is an OK, good, or even great time to buy?*

99% of those who have purchased a home since 2009

92% of all current homeowners

84% of current renters

Source: 2010 Prudential Real Estate Outlook Survey

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## Nearly all still see housing as a solid long-term investment

- Despite market volatility, more than 9-in-10 still feel owning their home is a better long-term investment than renting.
- More than 7-in-10 feel investing in their own home is better than investing in stocks, bonds, savings accounts, or mutual funds.

*Owning your own home is one of many investment choices you can make. Over the long-term, which do you feel is a better investment choice for your personal needs?*



Source: 2010 Prudential Real Estate Outlook Survey

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## LOCAL TRENDS

Compared to 2009, unit sales for 2010 for single family homes has increased 10%. The bad news for listings, yet good news for buyers is that the average sales price has continued to drop to \$316,133 (median price down to \$298,000). This is a double edge sword. When your favorite agent comes to you to price your home, don't beat up on them because the figures tell all. On the other hand, buyers, don't beat up the seller because they have already taken a hit by listing their home at a competitive price. Yes, deals are to be had! Expectations are changing daily.

Sample of local homes listed in the average sales price range:



Ranchos de Taos: \$319,000  
3BD/3BA 0.55 acres



Upper Colonias: \$320,000  
3BD/2BA 1.0 acres



Blueberry Hill: \$329,000  
2BD/1BA 0.8 acres

## PRUDENTIAL TRENDS

Prudential Taos Real Estate was voted the Best of Taos County for real estate companies in the Taos Valley for 2010. Thank you Taos County for trusting your real estate needs to the professionals at Prudential.

When the going gets tough, the tough get going. Prudential is proud to have dedicated agents who take their careers seriously, servicing the community for nearly 23 years.

*"Do business with the real estate professionals who are doing the business."*

## Information

### Taos Multiple Listing Service:

(MLS) from the website, [www.PrudentialTaosRealEstate.com](http://www.PrudentialTaosRealEstate.com) enabling you to experience "one-stop" shopping and total view of all properties currently listed in Taos and its surrounding areas.

### Prudential website:

[www.PrudentialTaosRealEstate.com](http://www.PrudentialTaosRealEstate.com) is updated on a daily basis bringing you the real estate offered by Prudential Taos Real Estate "up, front and personal". Virtual tours of many of our properties are all on the site. Residential, land, commercial and investment properties are all featured.

### Real Estate Guide:

Featuring all current Prudential listings in a magazine format. Perfect as a reference guide including a calendar of events for the upcoming season and trends affecting the real estate market. This guide can be seen at: [www.PrudentialTaosRealEstate.com](http://www.PrudentialTaosRealEstate.com)



Prudential Taos Real Estate is the leader in Taos real estate to provide RealBiz360 **virtual tours** of residential and commercial listings. These property "videos" are posted on our website, [www.PrudentialTaosRealEstate.com](http://www.PrudentialTaosRealEstate.com), and [www.realtor.com](http://www.realtor.com). New tours are added on a regular basis and new listings are added daily, so check the website often to see what's new! Please come and visit us soon! Call us toll free: 1-800-530-8899



What is **GREEN**? Solar energy, passive & active, recycled materials, off- the grid, sustainable. It is about being friendly with your environment and being pro-active in thinking about the future. All of us can help to sustain our environment. It is available and affordable. Rain catchment systems taking gray water to your garden & trees, tram walls capturing heat with southern exposure windows, vent & heat mass, alternative/recycle building materials such as tires, pumice, rastra block & strawbale, all are adaptable means of being energy efficient.

Look for our green logo throughout our publications and websites. It will take you one step closer to economic, ecologic and sustainable living.

*All the Beautiful Properties are at One Address:*  
**[www.PrudentialTaosRealestate.com](http://www.PrudentialTaosRealestate.com)**

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## Links

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- [www.skitaos.org](http://www.skitaos.org)
- [www.taosvacationguide.com](http://www.taosvacationguide.com)