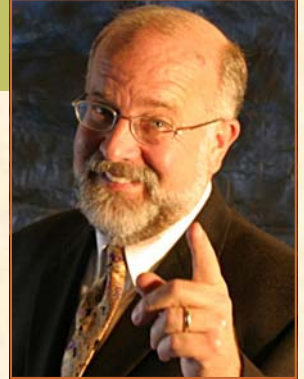


Real Estate News - Fall 2006

BY: PETE BACHMAN



Friends,

Here is my yearly newsletter.

I hope you find it informative.

The State of the Real Estate Market

2006 has certainly been a strange year. On the personal side of things, I lost my mother in January at age 92. I'm sure I'll miss her forever. Just two weeks ago, my 16 year old dog also passed away. He, too, will be missed greatly. On a lighter side, in terms of loss, it appears that the top of my head has just given up on growing hair.

Like my personal life, 2006 has been a year of change in the Real Estate market. Things started out quite typically - lots of buyers and sellers, and business was great. A pretty large supply of unsold houses from 2005, plus what the "bubble bursters" were saying has us all a little worried about the future. We were right to be worried. As new homes for sale came on the market at a pretty consistent, typical rate, the number of available buyers has decreased dramatically starting in August.

I feel the reason this has happened is that over the past four years, a very large percentage of the potential home buying population did in fact buy. People that were not quite ready, and several years away, were lured into buying now because of several factors:

- Low interest rates
- The perception that home ownership is one of the best personal investments available at this time.
- Easing of qualification requirements by lenders, and allowing buyers to purchase with little or nothing down.

What's Ahead

Economics 101 teaches us the basics of supply and demand. When supply increases, and demand decreases, then prices will go down. We are seeing this happen right now. The big questions are:

- How low will prices go?
- How long will it last?

I wish I knew the answers to these questions, but I don't. I can tell you that having been a Realtor for twenty years this year (where did the time go?) I have seen this situation before. The good news is that however bad things get on the east and west coasts, as well as in other parts of the state, our local market will fare much, much better. Prices will not fall as dramatically as elsewhere, and houses will begin to appreciate again, sooner.

Strategies

1. If you are selling a house, presentation, proper pricing, top notch marketing and market adjustments are going to be essential to getting the job done.
2. If you are thinking about buying in the next year, there are going to be many excellent opportunities. Fall is a great time to buy, as sellers do not want their properties to sit vacant over the winter.
3. If you are thinking of Real Estate investing, now is also a very good time. Fixer-uppers, foreclosures and distressed properties are all becoming much more common. Income property, vacation homes and commercial real estate are also going to offer excellent bargains.

If you have any Real Estate questions, please call or email. Don't feel like you are bothering me! The best part of my job is the ongoing relationships I have with past customers.

So You Don't Do Anything Stupid

THANKS for all the great comments on my new slogan. I never expected such a positive response! Luckily, most people understand and appreciate my message. If you think I'm talking down to you, and implying that you are stupid, nothing could be further from the truth. My point is this: Real Estate can be a very difficult experience. No one knows it all (not even me). It is very easy to make a mistake. To minimize risk, it is important to get as much information and good advice as possible.

With twenty years experience, I have seen most of the mistakes that can be made. I have made a lot of them myself. My experience can work for you. I can help navigate the real estate process with little risk as possible. That is why I hope people will use me - "So they don't do anything stupid!"

Have a GREAT Holiday Season!



Hope to hear from you soon!

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As always, your referrals are the most positive feedback of job performance I can get. THANK YOU!