

MarketNotes

A Publication of The Stephen Howell Realty Group, LLC at Coldwell Banker Residential Brokerage

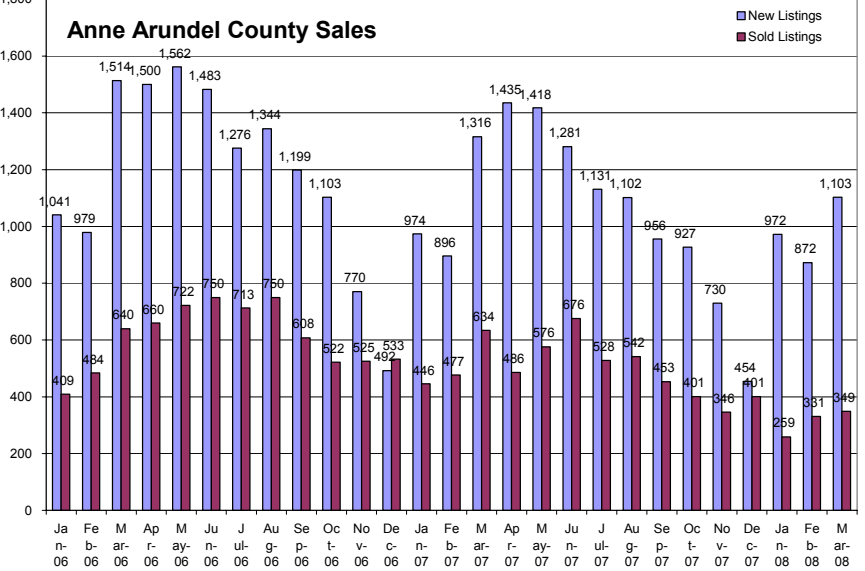
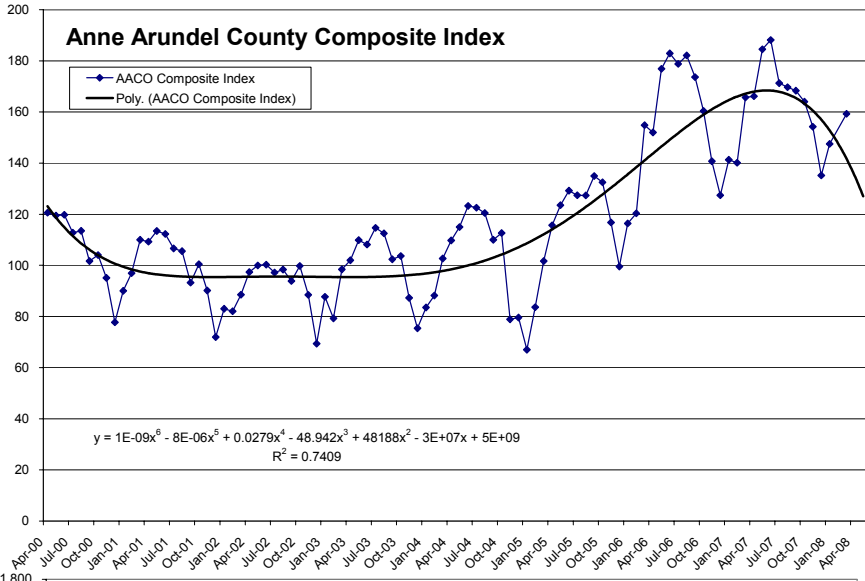
The Buyer's Market Maintains Momentum

The trend is clear. It remains a buyer's market and home sales continue to be sluggish. While current economic conditions continue to deteriorate throughout the country, the metro Washington-Baltimore area – which has been relatively recession proof in years past – is suffering from lagging home sales, declining prices, and increasing inventory levels.

March, April and May are the months when many sellers bring their property to market and sales peak in June about 90 days after the inventory level peaks. While sellers can expect this trend to repeat itself again this year, the number of buyers remains fewer than the number of sellers sustaining the current buyer's market.

In Anne Arundel County this March there were 3,963 active units on the market, 8.4% fewer homes on the market than March 2007. The number of units sold in March was 349, down 45.0% from this time last year. March pending sales was 645 units, up 37.2% over February but down 12.6% from this time last year. The average sold price for March was \$390,856, down 3.1% from February and down 1.6% from March 2007.

In Annapolis this March there were 852 active units on the market, 6.2% more homes than February but 2.4% fewer homes than March 2007. There were 57 units sold March versus 58 sold in February but down from 119 sold in March 2007, a 52.1% decline in sales. The average sold price was \$461,244 in March, down 17.5% from the month before and down 14.4% from March 2007.



Interest rates which rose above 6% in February and again in March are now back in very favorable territory for buyers. The 30-year fixed rate national average is around 5.76%, a very favorable rate indeed.

So, when will sellers see relief? It is likely to be this time next year before market conditions improve to the point where there is some equilibrium in the marketplace. Until then, buyers rule the marketplace

and they demand favorable pricing and seller concessions. Sellers wanting to get their homes sold will need to price accordingly.

In Conclusion

If you are thinking about buying or selling a home or know someone who is, for a confidential, private, professional consultation without any obligation to discuss today's real estate market, please contact Stephen Howell at 410-923-3217.