

# THE WINDERMERE REPORT



Real Estate Market Review and 2010 Forecast



## **Coeur d'Alene**

1000 Northwest Blvd.  
208-664-9221

## **Post Falls**

1616 E. Seltice Way  
208-777-9900

## **Hayden**

867 Prairie Ave  
208-762-4888

# MARKET REVIEW

Many of us said good bye to 2009 with a cautious optimism that things would get better in our local real estate market. A comparison of market data, most notably a declining average sales price over the previous 2 years, would temper this optimism. However when viewed from the perspective of 7 year's data, one could assume that we just might be inching our way towards a calmer, more balanced real estate market in 2010.

## RESIDENTIAL

YEAR	NUMBER SOLD	AVERAGE PRICE	DOM
2009	1,915	\$189,157	122
2008	1,803	\$217,623	121
2007	2,328	\$231,752	115
2006	2,823	\$223,709	122
2005	3,801	\$201,567	74
2004	3,742	\$154,807	89
2003	2,858	\$136,056	104

## RESIDENTIAL WATERFRONT

YEAR	NUMBER SOLD	AVERAGE PRICE	DOM
2009	77	760,113	183
2008	70	812,258	142
2007	147	797,518	153
2006	182	\$756,694	154
2005	122	\$654,233	116
2004	176	\$414,712	139
2003	161	\$347,372	187

## WATERFRONT PROPERTIES - AVERAGE SALES PRICE

AREA	2009	2008	2007	2006	2005	2004	2003
Coeur d'Alene Lake	\$1,464,300	\$1,450,417	\$1,008,481	\$830,000	\$805,838	\$432,861	\$320,163
Hayden Lake	\$796,069	\$856,210	\$798,400	\$925,000	\$941,960	\$563,543	\$482,821
All Other Lakes & Rivers	\$567,534	\$664,092	\$778,013	\$475,398	\$473,690	\$358,461	\$293,275

## CONDOS/TOWNHOUSES

YEAR	NUMBER SOLD	AVERAGE PRICE	DOM
2009	162	\$193,391	154
2008	196	\$253,645	129
2007	244	\$322,244	167
2006	230	\$235,236	180
2005	153	\$180,283	106
2004	131	\$135,309	156
2003	106	\$121,351	139

## SINGLE FAMILY HOMES - % OF MARKET SHARE

PRICE RANGE	2009	2008	2007	2006	2005	2004	2003
Under \$150,000	34%	18%	14%	21%	33%	59%	69%
\$151,000 - \$200,000	39%	39%	37%	26%	28%	15%	12%
\$201,000-\$250,000	13%	20%	22%	20%	13%	12%	12%
\$251,000 - \$300,000	6%	10%	11%	11%	9%	5%	N/A
\$301,000 - \$400,000	4%	9%	9%	11%	8%	5%	7%
\$401,000 - \$500,000	2%	2%	4%	4%	4%	2%	N/A
Over \$501,000	2%	2%	3%	7%	5%	2%	N/A

## RESIDENTIAL ON ACREAGE

YEAR	NUMBER SOLD	AVERAGE PRICE	DOM
2009	306	\$285,388	143
2008	297	\$355,659	136
2007	399	\$384,196	142
2006	410	\$368,521	154
2005	698	\$355,956	129
2004	681	\$254,991	138
2003	472	\$216,969	157

## RESIDENTIAL WATERFRONT SECONDARY

YEAR	NUMBER SOLD	AVERAGE PRICE	DOM
2009	33	254,103	127
2008	23	445,039	153
2007	46	384,508	138
2006	60	\$430,807	164
2005	55	\$402,577	125
2004	62	\$252,853	123
2003	51	\$207,702	145

## MULTI FAMILY-RESIDENCE

YEAR	NUMBER SOLD	AVERAGE PRICE	DOM
2009	44	332,204	122
2008	51	302,459	129
2007	85	318,465	135
2006	151	\$314,180	103
2005	267	\$260,492	92
2004	284	\$227,250	97
2003	158	\$241,913	114

# MARKET FORECAST

There are many factors that will contribute to the speed of our local real estate market's stabilization. And though we hopefully predict an end to price declines, we caution those who attempt to "hold out" for rising values.

## Trends that make the case for Market Stabilization vs. Market Appreciation

### "Shadow Inventory"

This represents the large number of homes that are currently bank owned, but not yet on the market, and properties where sellers are waiting and watching before placing their homes for sale. The concern is that these two significant sets of inventories will enter the market together, dramatically increasing supply which will suppress prices.

### Interest Rates

The end of the Federal Reserve program which buys mortgaged backed securities will drive rates higher. When this happens, private investors will demand a higher return and interest rates are then predicted to rise.

### 2010 Census

The zero down USDA mortgage loan program spurred much of the recent home sales growth in Post Falls. Since this is a program that is tied to population, it is likely that the new census will eliminate the program in Post Falls as it did in Coeur d'Alene and Hayden, several years ago. This will make Rathdrum the new market for affordable housing.



### Short Sales

These have become an increasing trend in our marketplace. Short sales occur when a Realtor assists the seller in negotiating a sale where the home is sold at a value below what is owed on the home, and the seller's lender accepts this reduced loan payoff in lieu of foreclosure. The 30% and more appreciation rates we experienced in 2005, and the prospects of large numbers of sub-prime adjustable rate loans scheduled to reset at higher interest rates this year, will continue to increase the number of short sales in our local market.

## HOW CAN YOU MAKE THE MOST OF TODAY'S REAL ESTATE MARKET?

*Your individual circumstances will determine your best course of action*

### Buying Opportunities

Are you living in the home that best fits your lifestyle? Are you paying rent and missing the benefits of homeownership? Is it time to plan for your future by investing in real estate? For buyers, this market opens up homeownership and investment opportunities that have never before been available. Savvy buyers are benefiting from historic low interest rates, plentiful inventory, and the soon to expire Home Buyer Tax Credit, that is available to existing homeowners as well as first time

buyers. Affordability has never been better in every market segment!

### Leveraging Your Equity

If you purchased your home prior to 2005 you have had an opportunity to build equity in your home. Now might be the time to leverage that equity and use it to buy a home that better suits your current lifestyle. With this buyer's market, it would be a great opportunity to see how your earlier investment can work to your advantage.

### Working with your bank: Your "Window of Opportunity"

If you do find yourself in a position that you need to sell or are having payment problems, now is the time to benefit from the fact that many banks are willing to work with you on a short sale of your property. This can be a "win-win" for all parties involved. Never before have lenders been so willing to work with over-extended borrowers. Call your Windermere Agent today and as your Trusted Advisor, they will help you navigate these troubled waters.

# MARKET COVERAGE

**140 Realtors and Staff**

**3 Locations**

**1 Goal:**

**Solve your Problems/Accomplish your Dreams**

We at Windermere/Coeur d'Alene Realty have been very fortunate to attract quality people: Realtors and staff whose commitment to professionalism and spirit of community service are the building blocks of our company. Our Company Core Values set us apart from most real estate brokerages and have earned us the reputation as the most trusted real estate company in our community.

## Our Company Core Values

Deliver exceptional service  
Be honest in all dealings  
Encourage and support each other  
Contribute to our community  
Take responsibility  
Put clients' interest above our own



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# THANK YOU

As a result of our commitment to our Community, we give back to our neighbors and community through the Windermere Foundation. Since 1997, over 6,500 children have received warm winter boots and socks, and in 2009 we provided for 657 needy children in our community. Each Christmas, approximately 120 low income and lonely seniors receive Christmas baskets of food, household supplies and specially purchased wrapped presents—all personally delivered to their homes and apartments.

## Windermere Foundation Recipients in 2009 included:

Community Action Partnership	Trinity Group Homes
North Idaho Veterans Coalition	Children's Village
North Star Child Development Center	TESH
Family Promise	Shasta Groene Charitable Trust
Post Falls Food Bank	North Idaho College Dual Enrollment Program Scholarships
The Women's Center	



  
**Windermere**  
Coeur d'Alene Realty, Inc.

Windermere/Coeur d'Alene Realty:  
Proud recipients of Idaho's Brightest Star Award for service to the community

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