

NATIONAL ASSOCIATION OF REALTORS®
RESEARCH DIVISION

Survey of REALTOR® Sentiment Region 1 October 2011



REPORT CONTENTS

Region 1 Survey Results	Page 3
National Survey Results	Page 6
Methodology	Page 9

2011 NAR LEADERSHIP TEAM

RON PHIPPS, ABR, CRS, GRI, GREEN, e-PRO, SFR	President
MAURICE "MOE"VEISSI	President-Elect
GARY THOMAS	First Vice President
WILLIAM J. ARMSTRONG, III, GRI	Treasurer
VICKI COX GOLDER, CRB	Immediate Past President
ELIZABETH MENDENHALL	VP & Liaison to Committees
VINCE MALTA	VP & Liaison to Government Affairs
PATTI E. LAWTON, GRI, CRS, SRES, GRN	Region 1 Vice President

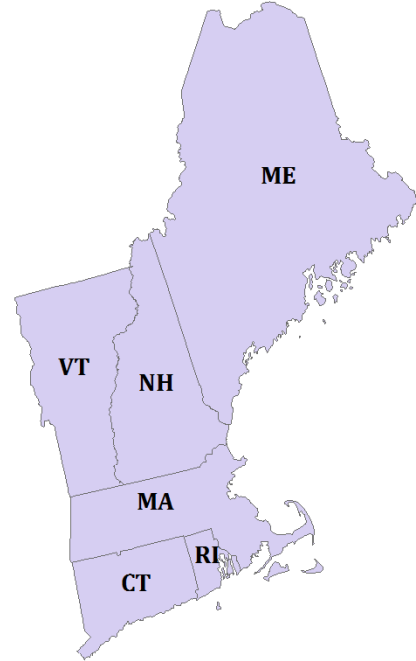
REGION 1 SURVEY RESULTS

October 2011

Region 1 (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont)

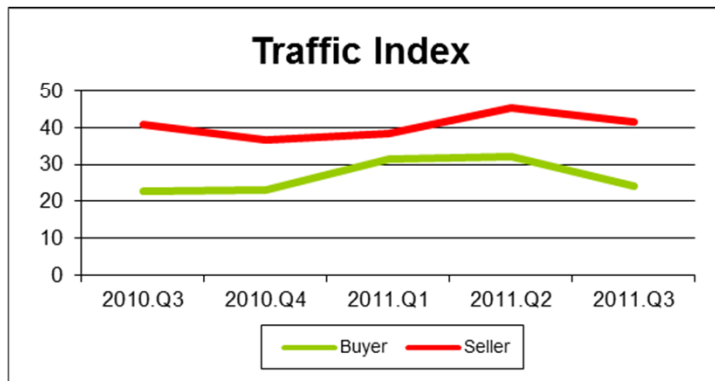
Patti E. Lawton, GRI, CRS, SRES, GRN
Regional Vice President

“We’re selling more for less” appears to be an accurate account of the state of the real estate market in most of the Northeast Region, as the number of home sales slowly increase while home values continue to hold steady or slightly decrease. Strict mortgage lending standards and buyer unease, lack of confidence in the economy, are the major factors holding buyers back from what should be a great fall market.



What Members are Saying:

"In NH 95% of the Fannie Mae/Freddie mac owned homes are given to 7 agents backlogged by 3 years. The government needs to spread these out to more agents so they can sell. They sit empty becoming



weathered-roofs leaking, freezing becoming moldy essentially unsalable, buyers can't get financing on them." –NH

"Appraisers are holding home prices down and lowering them. Buyers are ready and willing to pay more for properties but those properties are not appraising. There is also a problem with comps meeting the HVCC rules. With fewer and fewer sales, especially in rural areas, comps are not to be found, but

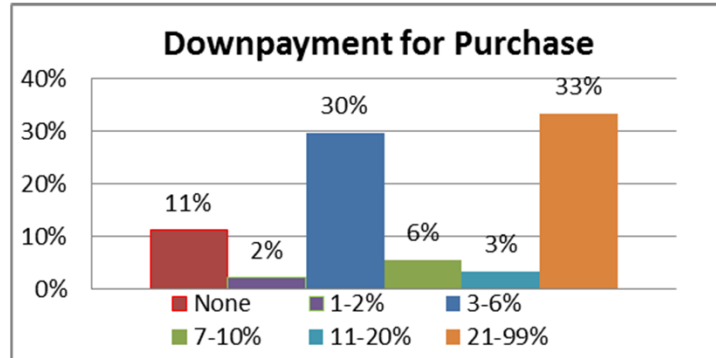
lenders are not allowing comps in other comparable communities to be used because lenders don't know the local markets." –NH

"Td like more info on how to contact financial institutions (e.g. credit unions, banks, etc.), as to what is the process of getting on their referral lists...I feel right now it's a one way street at best." –RI

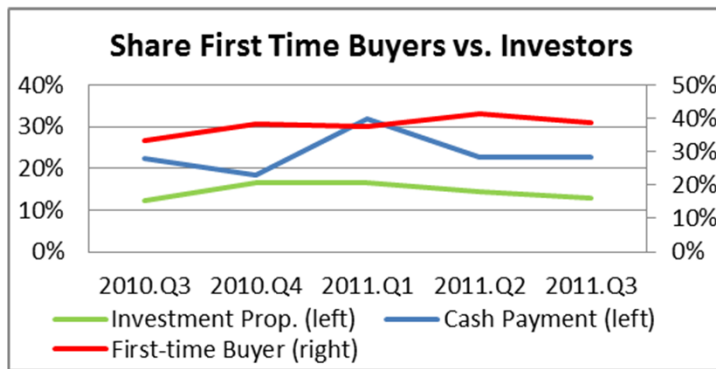
REGION 1 SURVEY RESULTS

October 2011

"Jobs are the major factor...even people who have good jobs are choosing rentals over buying for fear that if they lose their jobs they will not have to deal with foreclosure & bad credit ratings in losing their homes." –RI



"Banks are too slow in completing foreclosures and even slower in making "short sales" happen. The housing market crashed because of the banks and any recovery is being hampered by the banks." –VT

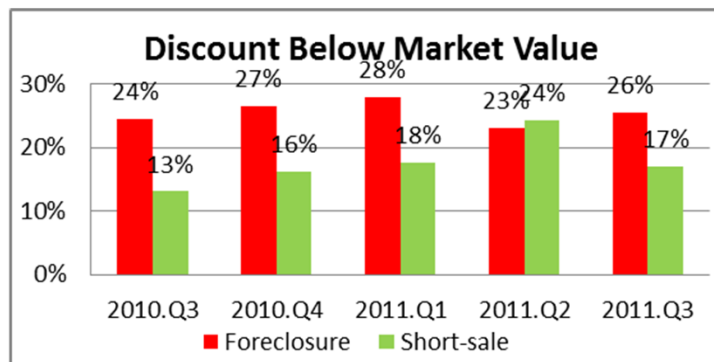


"Buyers want homes in perfect condition. Sellers remember what they paid for properties and talk about the pain of taking a loss (even if they are doing well on the buying side)." –CT

"The market will remain weak until there is consistent positive news in the economy; esp. jobs. Buyers are reluctant to use the money for downpayment in

fear of needing it in case they lose their job." –CT

"The first 7-8 months of 2011 was much stronger than the last month has been. Lending practices have been tougher the last few years. Buyers can't purchase without a job and sellers can't purchase another home if there property doesn't sell." –CT

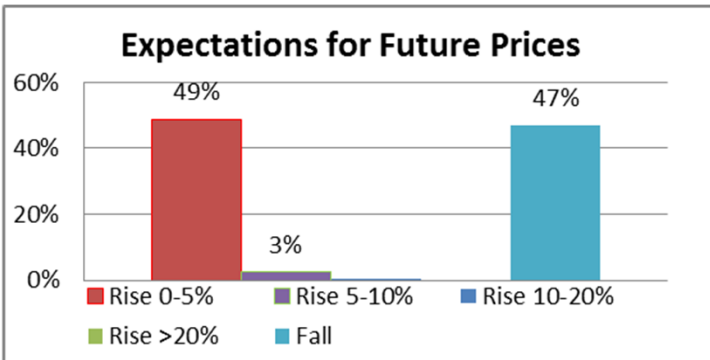


"Short sale lenders are frequently making bad decisions with regard to offers and/or repair issues. (ie: They walk away from a \$2,000 roof repair only to accept an offer months later for about \$30,000 less!) Big question I have is why are we bailing out stupidity??" –CT

REGION 1 SURVEY RESULTS

October 2011

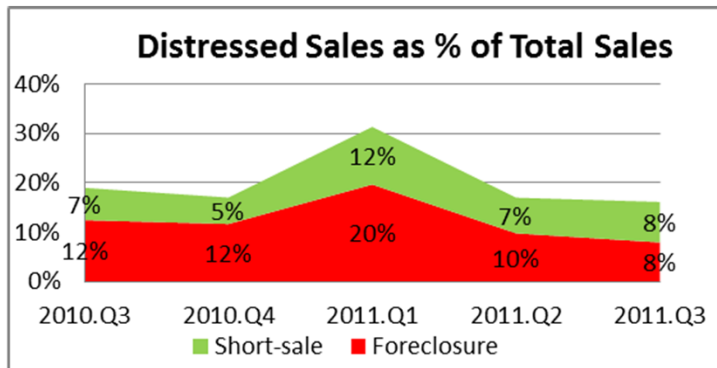
"Major issues with the short sale process and run around with BOA and others. High percentage of listings are short sales and are impossible to close. Lost \$35,000+ personal income due to short sales not closing. Waste of everyone's time and \$. Need major help with banks attention to these issues. Buyers are being lost in short sale hell and getting out of the market." –CT



"2nd half shaping up to be much better than 1st 6 months with 5 closings pending for October!" –MA

"I have just been exposed to 'deed in lieu'. It appears banks are trying to circumvent foreclosure. About time they got smarter." –MA

"Lots of buyers looking for desperation deals. Buyer's still hesitant to pull the trigger, afraid that the house they buy today, they may have to sell for less tomorrow." –MA



"The worst market in 22 years as a Realtor. You get a sense it can get worse. With mortgage rates so low, it prices weren't still too high, homes would be selling. I understand the difficulty of getting a mortgage, job insecurity, and lack of leadership from the white house." –MA

"I work primarily bank owned property, and 1st time buyers. Financing issues are a real concern. The banks almost seem like they do not want to lend the money. They are holding up closings so much it is now the norm..." –MA

"I am starting to see more out of state buyers inquiring and coming up to look for second homes or retirement homes." –ME

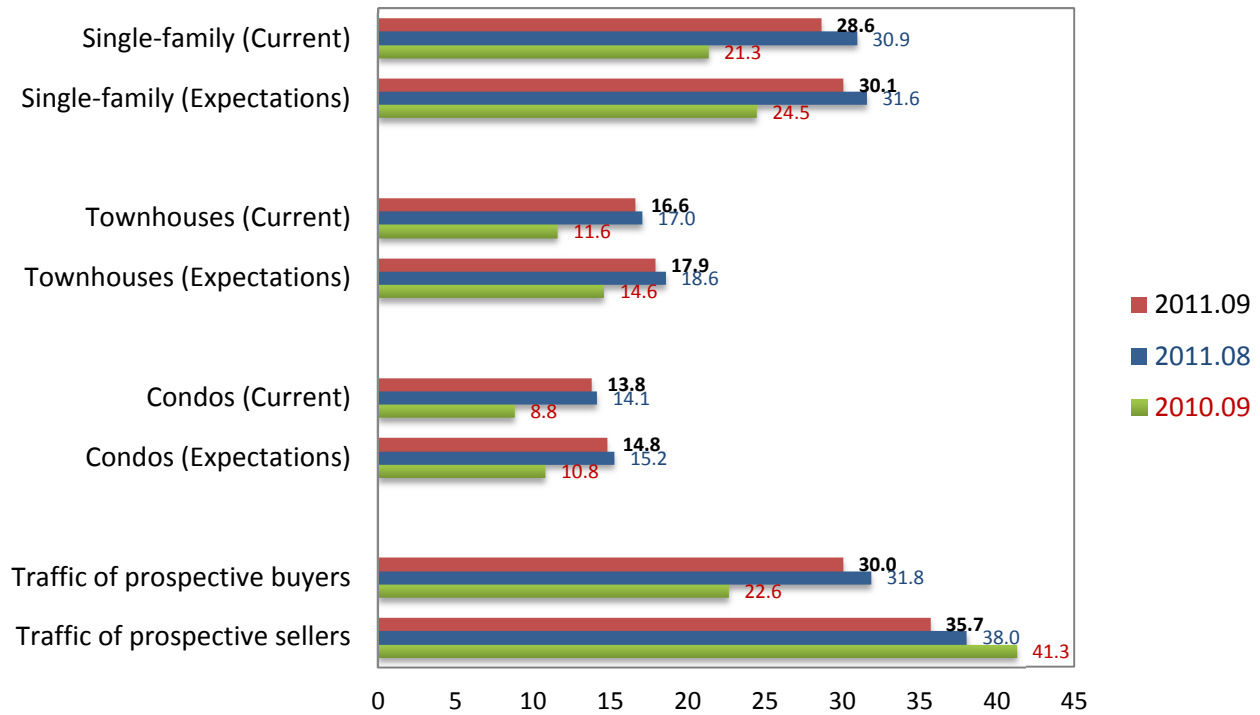
"I had problems with appraisers until I offered comps that supported the selling price. Be proactive with appraisers and they won't be a problem." –ME

REALTORS® CONFIDENCE INDEX

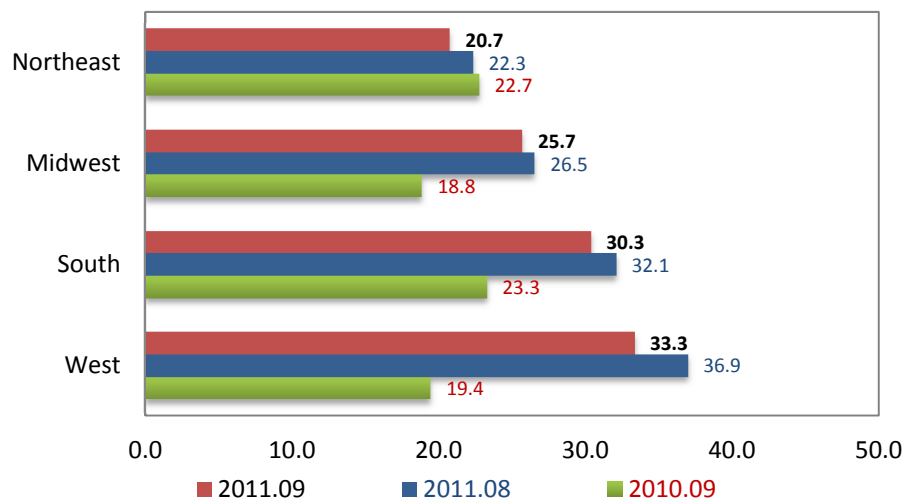
October 2011

National Survey Results

Realtor® Confidence Index



REALTORS® Confidence Index by Region

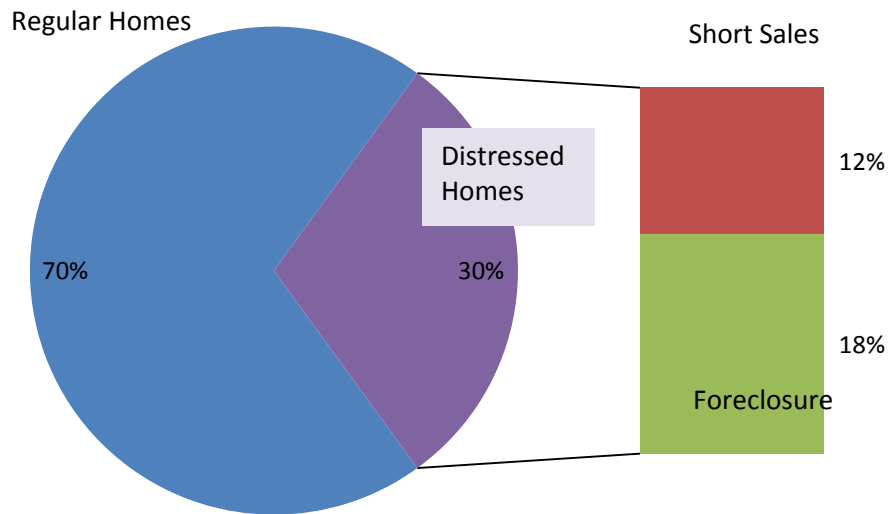


REALTORS® CONFIDENCE INDEX

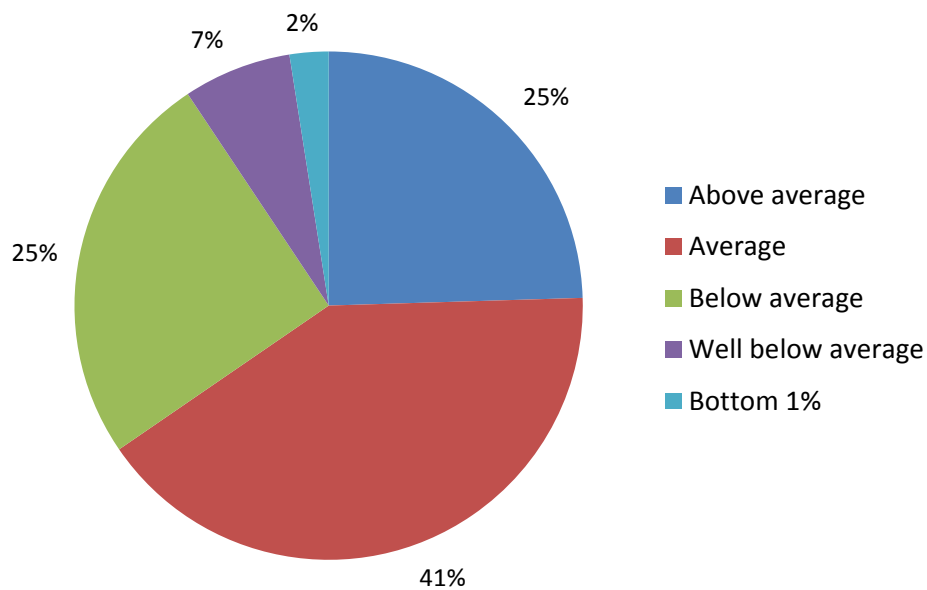
October 2011

National Survey Results

Distressed Home Sales



House Condition of Distressed Sales

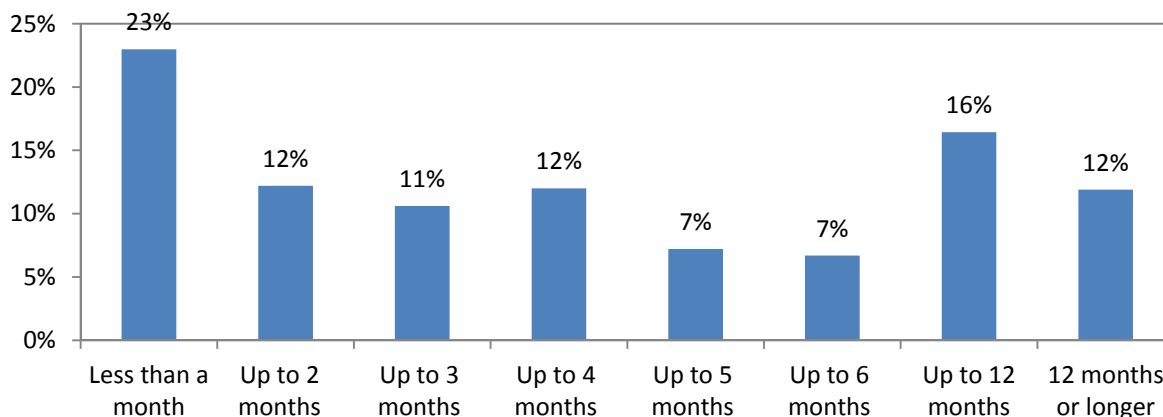


REALTORS[®] CONFIDENCE INDEX

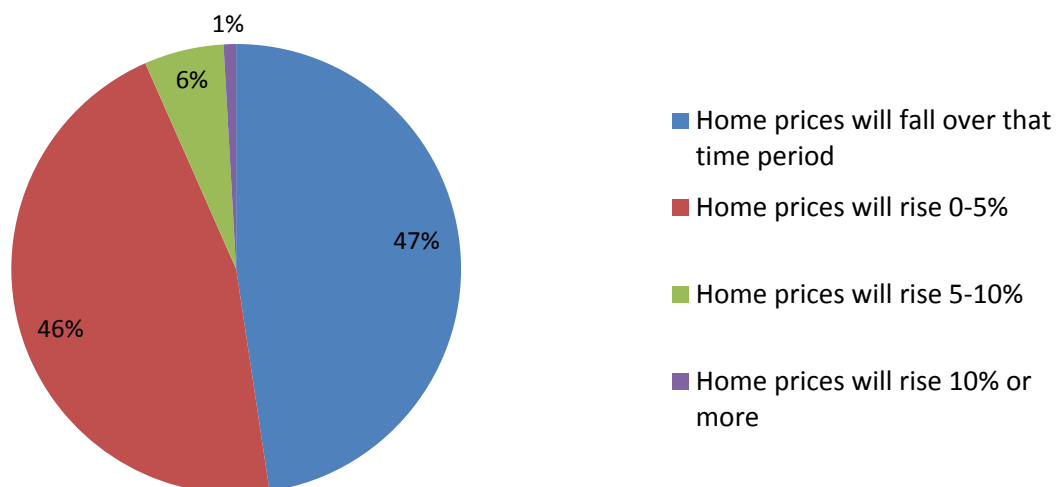
October 2011

National Survey Results

Day on the market for the last sold property



Expectations of home prices over the next year





METHODOLOGY

October 2011

Regional survey results are tabulated on a quarterly basis from responses to the monthly surveys for the national Realtor Confidence Index .

The REALTORS® Confidence Index measures the strength of the current housing market and expectations about the future. The index is based on information received from a random survey of Realtors®. The questions are designed to capture the effects of existing economic conditions and trends on the real estate business. This index provides Realtors® a snapshot of the performance, sentiments and expectations of their counterparts.

Each month participants respond to questions regarding the current and expected demand for homes, price trends, and economic conditions. The answers are then quantified and used to create the confidence index. Responses are assigned weights of 0, 50 or 100. A response of “strong” gets 100 points, while “moderate” is given 50 points, and “weak” is assigned 0 points. The index represents the average score for each question.

The results in this report reflect respondents’ confidence level for the current period and their future expectations, compared with both the previous month and the same month last year. The sample size for the monthly reports varies depending upon the number of responses, but the sample is always well in excess of the number of responses needed for a plus or minus 1 percent precision