

NATIONAL ASSOCIATION OF REALTORS®  
RESEARCH DIVISION

# Survey of REALTOR® Sentiment Region 8 October 2011



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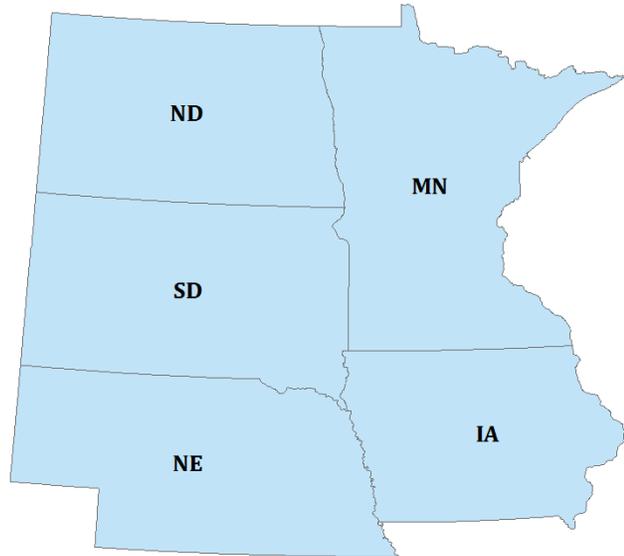
# REGION 8 SURVEY RESULTS

October 2011

Region 8 (Iowa, Minnesota, Nebraska, North Dakota, and South Dakota)

**Lynn Leegard, GRI**  
**Regional Vice President**

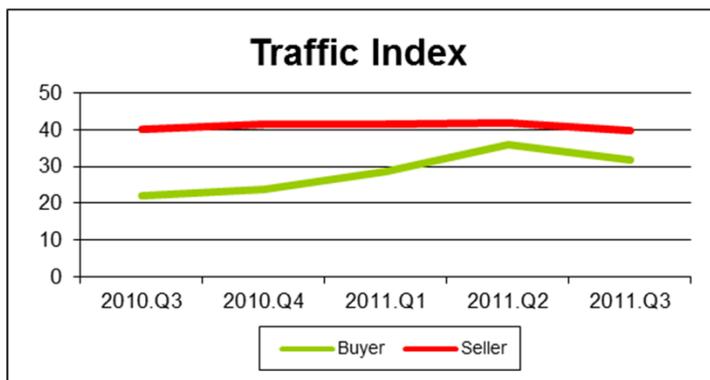
We have always said its location, location, location. Certainly that is still true today but it is also jobs, jobs, jobs. The housing market in Region 8 is greatly varied due largely to the varied unemployment rates in the region. The western region of North Dakota continues to have a booming market as a result of the almost "negative" unemployment rate. In addition, other areas of the region that have lower unemployment rates compared to the national rate have seen modest increases in home prices.



### What Members are Saying:

"Lots of buyers who can't get a mortgage, lots of renters who can't find a rental." – IA

"Having trouble getting banks to work through paperwork even with a cash offer on the table."  
– IA



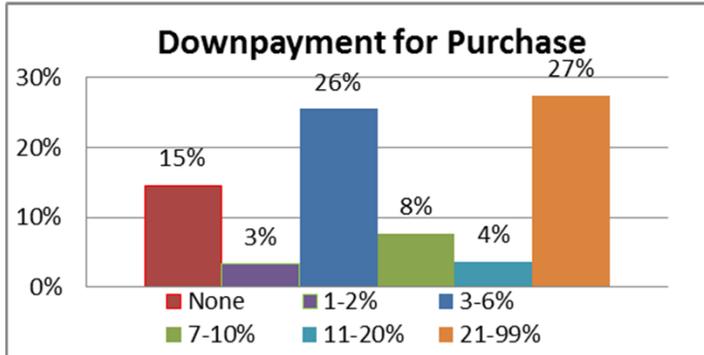
"Sellers who would like to move up have no equity. Sellers who want to down-size do not want to lose equity so are waiting to sell." – IA

"Buyers are reluctant to make offers and are very selective. Farm land is a different asset. Any listings are sought after and sold in a short time."  
– MN

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October 2011

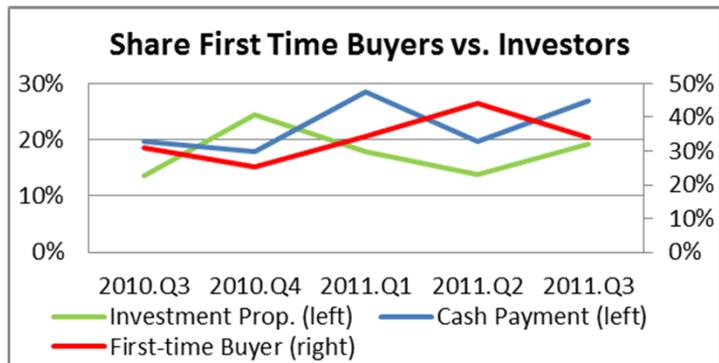
"Sellers seem to be looking at offers more now than they were a year ago. Buyers are getting better deals and sellers are paying closing costs quite often now" – MN



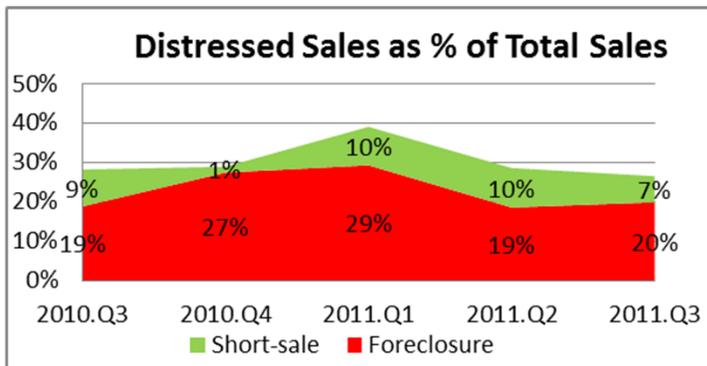
"No move up buyers is hurting market. They have good cash flow and could buy a bigger home but they need cash to close out the underwater starter home to move up." – MN

"Jobs, Jobs, Jobs, people are afraid they will lose theirs and those wanting to work can't find it. Housing is all about the consumer confidence (or lack thereof) in the US economy." – MN

"I'm seeing a fall surge in buyers and offers with traditional sellers, no appraisal issues this year. Media could help by explaining that the traditional seller is not being hurt as bad as the distressed market is. Need more help for 1st time buyers in the form of downpayment assistance." – MN



"I believe there are many "would-be-Sellers" but because they are underwater and do not have cash to bring to closing they are "sitting tight". Others that have put their home on the Market



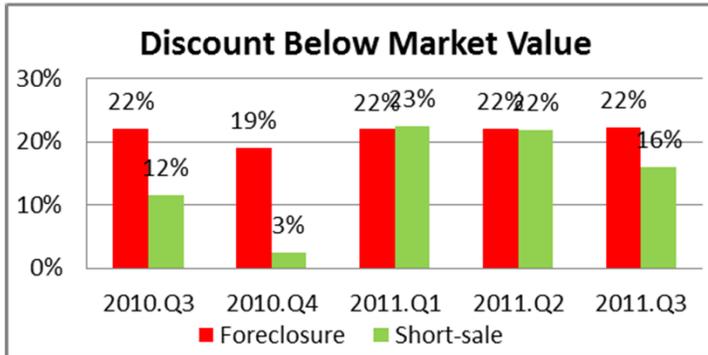
have determined they have put their life on "hold" long enough and want to move on, no matter what the cost." – MN

"Stable local market, reasonable job/pop growth, ND strong financially, MN side having more problems fiscally. We are fortunate compared to most areas!" – ND

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"The next 6 months are normally a slow time. Currently our biggest problem is just not having enough houses to sell." – NE



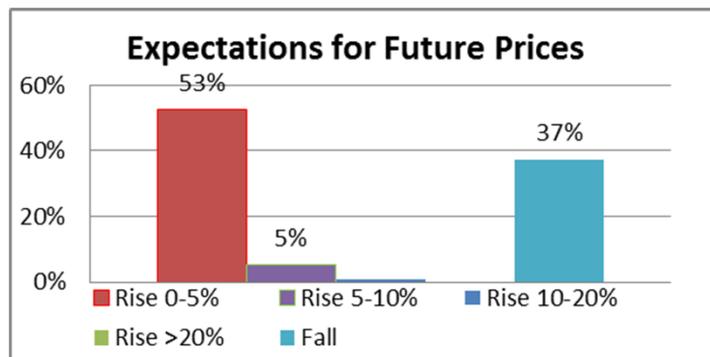
"With interest rates so low we are seeing a lot of re-financing which takes the home out of the market for at least 3yrs or more." – SD

"Homes that are priced well are stilling selling fairly quickly, but buyers are learning they do have the luxury of time on overpriced homes or homes

below standard condition." - SD

"Media tells buyers the banks are very fussy; they will never get their loan through with less than perfect credit." – MN

"Being that the largest portion of sales is REO, and that most of those are being bought by investors, I would think that lending practices for real estate investors would be less stringent. That's not the case. I would buy several more rentals if I could only qualify. A big part is that rental income needs to be shown on



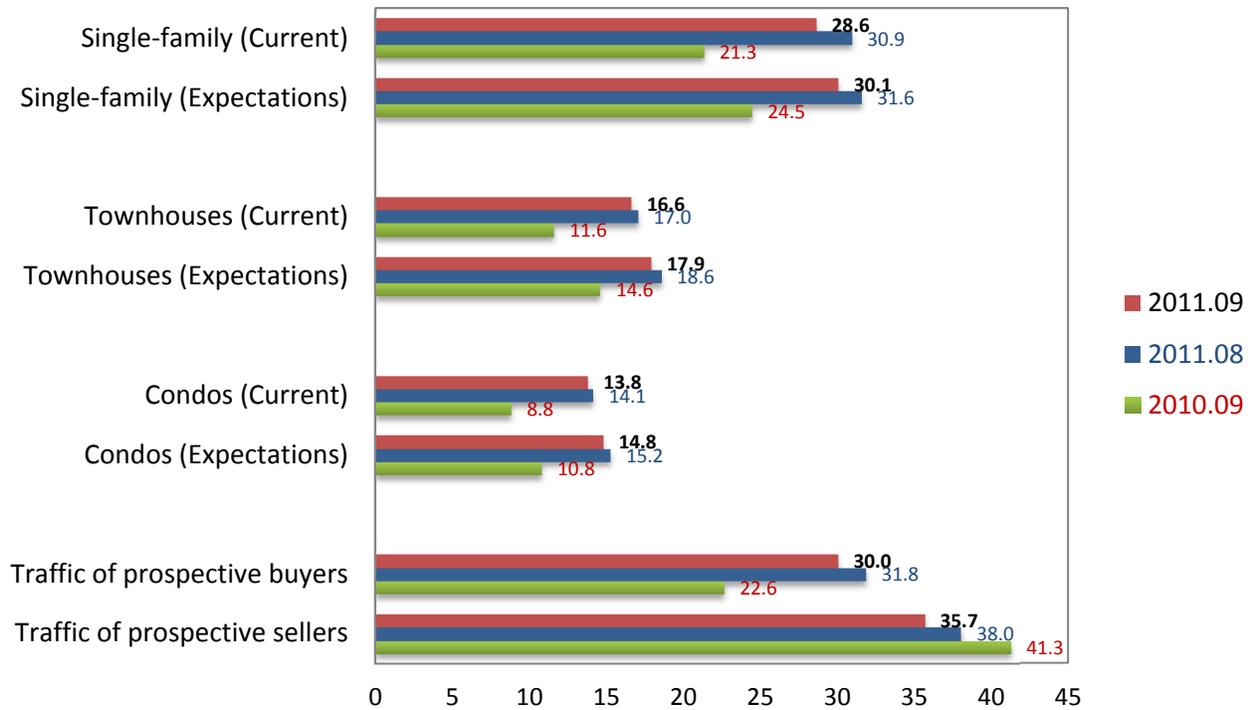
your taxes for two years before you can claim the income. I wish they would shorten that to 6 months to a year, or qualify it based on a signed lease agreement." - MN

# REALTORS® CONFIDENCE INDEX

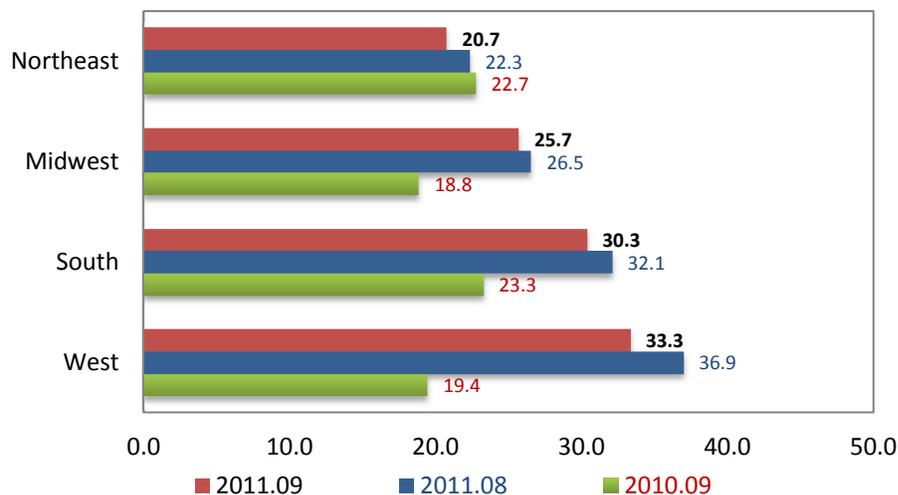
## October 2011

### National Survey Results

#### Realtor® Confidence Index



#### REALTORS® Confidence Index by Region

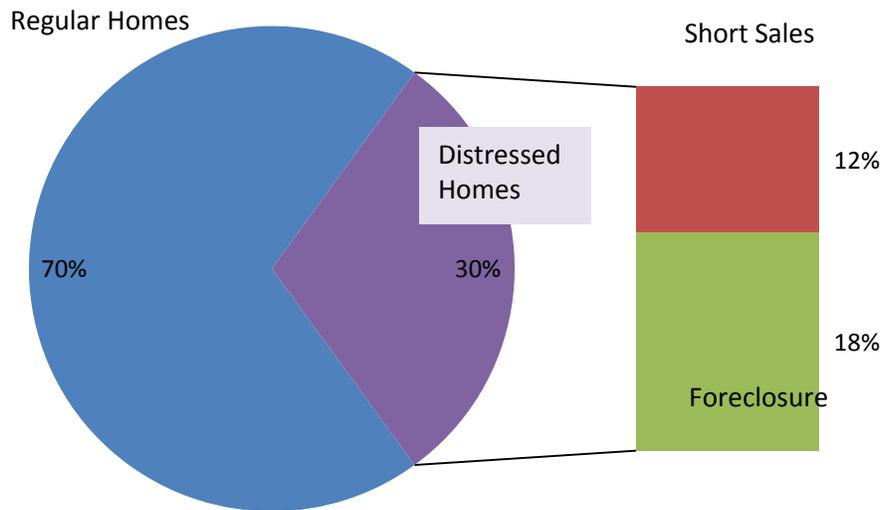


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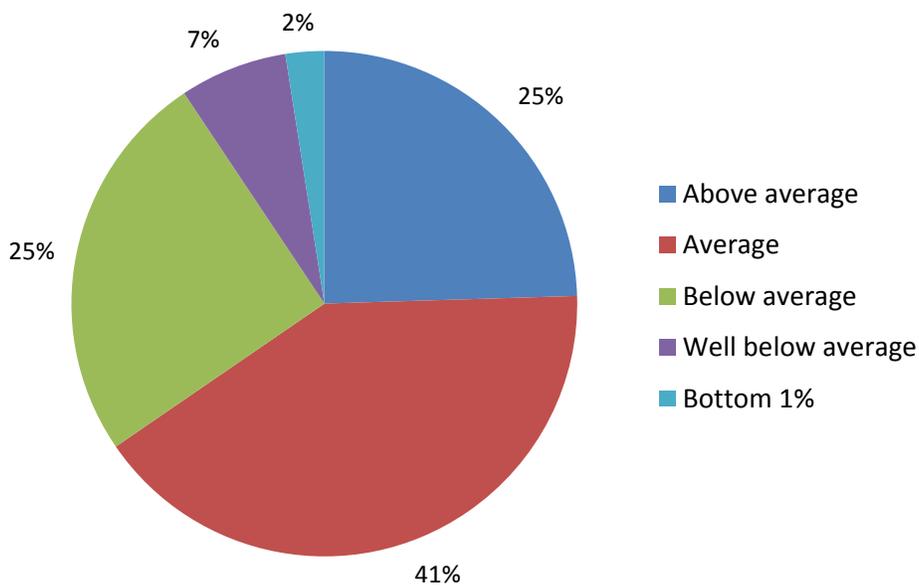
## October 2011

### National Survey Results

#### Distressed Home Sales



#### House Condition of Distressed Sales

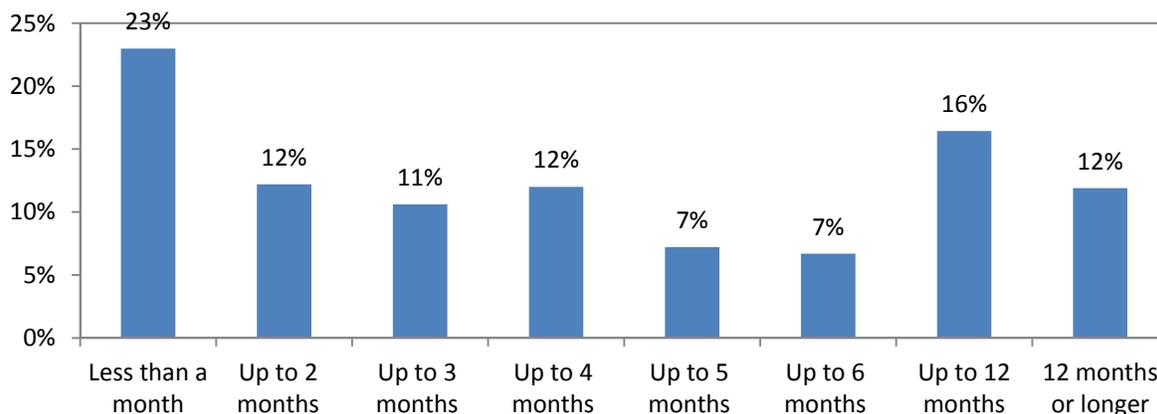


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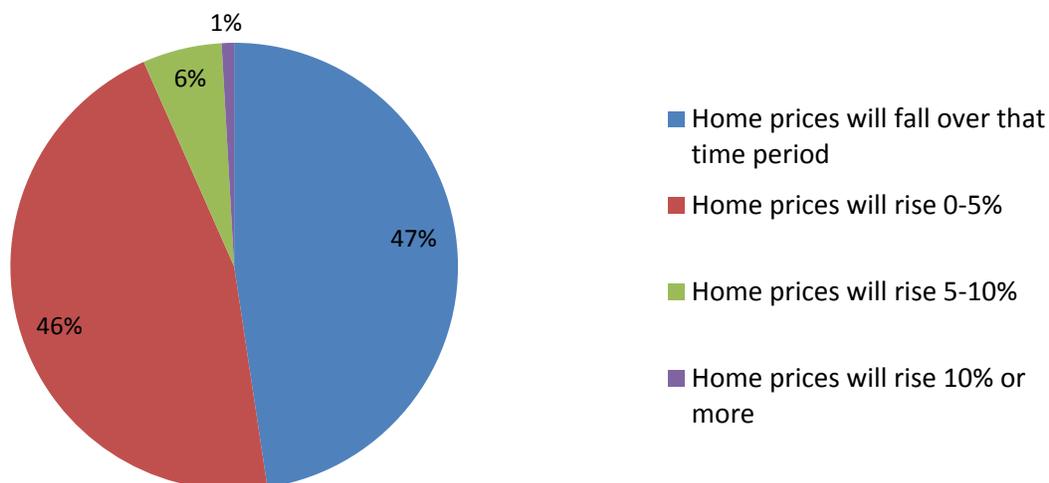
## October 2011

### 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