
A letter from Bob Parks



Welcome to the introductory edition of our quarterly market update. It is my goal that this newsletter keep you informed and confident in our industry and our company.

2008 was a very challenging year for the real estate industry. Total residential sales were off in 2008 as they were in 2007. Regional sales are down almost 38% from their peak in 2006. However; unlike the majority of the nation our sales prices in Middle Tennessee are down only 5 to 7% from 2006. This percentage varies somewhat based on location and price point. We are also selling and closing more new homes than we are starting which indicates a steady decrease in our new home inventory. This is happening in every county in our region. It is my opinion that 2009 will be similar to 2008. We may experience some depreciation in values as the inventory of resale homes and bank foreclosed properties on the market increases.

I belong to Trendsetters™, a group of real estate owners who meet twice a year to discuss our industry and changing trends. At our fall meeting I realized that our region was down less than any of the other twelve companies represented. These other companies are from California, Washington, Ohio, New York, Kentucky, North Carolina, Florida, Georgia and Illinois.

Having said all this, I firmly believe that 2009 will offer the very best buying opportunity I have seen in my 37 years of being in this wonderful industry. Interest rates are unbelievably low and there are some great buying opportunities available in every area. As we all know, when we begin to pull out of this recession the interest rates and home prices will definitely increase.

We are truly blessed to be in Middle Tennessee with a robust and diverse employment base. I also have extreme confidence that President Obama and his team of economic advisors will lead and energize our nation.

When the economy and real estate market are challenged, the need for a caring and knowledgeable agent is even more critical to a successful real estate transaction. Our company coach spends most of his time teaching agents how to serve consumers in a changing market. As an added resource, we produced a video, "How to Prepare to Sell Your Home", which may be helpful to you and is available from your agent.

I look forward to updating you in April. In the meantime, please contact us if we can serve you in any way.

Bob Parks