



MIKE HUMPHREYS MBA, MRICS, CIPS

REAL ESTATE BROKER

World-Class Quality, World-Wide Service...

My Mission: *To clearly establish my clients' real estate needs, identify solutions and work with them to deliver the outcomes they desire.*

Wassup.... for 2011?

Looking forward to 2011 and I hope you have a healthy, happy and prosperous year!

A big and sincere "Thank you" to clients who trusted me to take care of their real estate needs in 2010 - it was a privilege and a pleasure. I would also like to thank my business associates and friends who provided invaluable assistance, advice and support.

The national scene...

A quick review of the national housing market in 2010 and predictions for 2011 from the National Association of Realtors® is as follows:



Sunrise... Wales, United Kingdom

2011 Projections from the National Association of Realtors® (NAR)

| | 2009 | 2010 | 2011 (projected) |
|---------------------------------------|-----------|-----------|------------------|
| Economic indicators: | | | |
| US Gross Domestic Product | -2.6% | 2.7% | 2.4% |
| US Consumer Price Index | -0.3% | 1.6% | 1.8% |
| US unemployment rate | 9.3% | 9.7% | 9.5% |
| Housing (Existing home sales): | | | |
| Total sales (in millions) | \$5.2 | \$4.8 | \$5.2 |
| Median price | \$172,500 | \$172,900 | \$173,800 |
| Change in price | -12.9% | 0.2% | 0.5% |
| Housing (New-home sales): | | | |
| Total sales | 376,000 | 325,000 | 420,000 |
| Median price | \$215,900 | \$215,000 | \$220,200 |
| Change in price | -7.0% | 0.4% | 2.4% |
| Affordability index | 172 | 172 | 160 |
| Inventory: | | | |
| Housing starts | 554,000 | 617,000 | 769,000 |
| Months' supply (national average) | 8.8% | 9.5% | NA |
| Mortgage financing: | | | |
| Federal funds rate | 0.2% | 0.1% | 0.5% |
| 30-year fixed rate | 5.1% | 4.7% | 5.0% |
| One-year adjustable | 4.7% | 3.9% | 4.1% |

When it comes to predicting what's in store for the national real estate market in 2011, there are so many key variables (GDP, unemployment, tax rates, etc.) to take into consideration.

The Triangle area...

Here in the Triangle we saw a significant slowdown in transactions and activity since the second quarter of 2010 and, once again, larger homes have had particular difficulties throughout this period albeit with welcome improvement during 2010 in jumbo loan affordability. The financial crisis saw lenders raising the bar dramatically for loan funding eligibility, limiting the amount of potential buyers at a time of increasing inventory (more homes on the market). This resulted in a very clear and sudden transition from a "Seller's Market" to a "Buyer's Market".

From January 2010 through to June

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2010 we had some momentum in the market for two key reasons: the ongoing government tax credit, which ended at the end of April, and the historically low mortgage rates. In the Triangle Market sales were up 18% and inventory up only 4% - indicators of a long awaited correction in the market. However from June we experienced the "Post-Tax Credit Doldrums" with sales in the Triangle area down 14% in July and down 24% in August with an inventory increase of over 9%.

For the Triangle area specifically these are the numbers:

- **Closed Sales** – down 39% from 2009 to 2010
- **Days on Market** – up from 96 to 111: a 16% increase from 2009.
- **Median Sale Price** – up from \$182K to \$189K: a 4.2% increase from 2009.
- **Average Sale Price** – up from \$223K to \$229K: a 2.7% increase from 2009.

I believe the increase in average and median prices, with a reduced overall level of sales, indicates that in 2010 the larger properties (which took a massive hit in 2009) had some movement as financing for jumbo loans improved from 2009.

Longer term...

Big news is that the Housing Affordability Index (HAI) reached an all-time high of near 200 by the end of the 2010 compared to a historical, average affordability index of 118 over the past 40 years. The principal reason for the increased affordability was the rock bottom mortgage rates – the lowest ever recorded - and the great values available to Buyers.

At a recent presentation for the Chapel Hill Chamber of Commerce Dr Karl Smith, Assistant Professor of Public Economics and Government at the University of North

Carolina, reported that US GDP, general productivity, hours worked, corporate profits, corporate cash, and employee compensation have all increased this year and he felt that trend was likely to continue...some good solid indicators but let's not break out the bubbly just yet!

Summary

My general overview is that, for the foreseeable future, Buyers will continue to have great choice with still historically affordable mortgage rates and competitively priced, good quality homes available. We may, if there is some improvement in the general economy and the national housing market, see some return to a more balanced market by 2012. Interesting times...

Recommendations:

1. *If you have bought in the last 12 months* – enjoy your new home and consider improvements which you will immediately enjoy and may add value to your home or make it more marketable at some future date.
2. *If you bought your home in 2005 or earlier* – and you have not already done so, investigate re-financing options to reduce your mortgage repayments or reduce your repayment term and reduce the total amount of interest you will pay.
3. *Looking to buy your first home or an investment property* – it's a great time to do that with the available mortgage rates. Have clear objectives and a good strategy.

Call me now!!!

919-619-0595

or Mike@Mikes-Realty.com

**SIGN UP
FOR MY
"UP-DATES"**

Stop Press...Stop Press...Stop Press

Do you want to receive brief but timely and pertinent monthly e-mail updates on the national and local real estate market? Then e-mail me on Mike@Mikes-Realty.com and you will be on my client "Up-Dates" list – to receive this valuable information...*it's a trust thing!*



REALTOR®



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MIKE'S "HEADS-UP" ...

• **First time buyers** – low prices and historically lowest mortgage rates – time to make that move to your own home and secure the real tax benefits available? Let me navigate you safely through the process...

• **Rental market** strong for foreseeable future – great time for your first residential investment property? Let's look at the opportunities and numbers...

• **Downtown locations**, with new vibrancy and "walkability": historic and modern properties - a scarce resource and will become increasingly sought after - see what's happening in Durham, Raleigh and Hillsborough? Love this stuff – go explore...

• **Mortgage rates** likely to continue at historically low levels (below 5% for 30 year fixed at

time of writing) for purchasing or re-financing on primary or secondary homes – if you haven't already then time for action?

• Your dream **vacation/retirement home** – check out deals at the wonderful North Carolina coast and the relatively undiscovered rivers and sounds?

• **Green Homes:** You can buy "Green" and still live in a stylish, well appointed home. Let me show you...

• **Commercial properties** for business use or investment – there *will* be real deals in 2011...

Need to know more/want advice on these or other real estate matters – call me now!

919-619-0595
or Mike@Mikes-Realty.com

PROFESSIONAL EXPERIENCE

• *In 2007 I successfully established myself as a licensed Real Estate Agent and Realtor®* working throughout the Triangle Area of North Carolina.

• *18 years experience in property development in the United Kingdom* including land sourcing & acquisition, briefing & appointing architects, surveyors and engineers for design, specification and construction of new and refurbishment projects ranging in value from \$500 to \$35million...

• *18 years experience of developing, acquiring and managing residential investment property.*

• *Master of Business Administration (MBA)*, which developed my strategic, marketing and global working skills.

• *RICS (Royal Institution of Chartered Surveyors)* Designation - the RICS is the largest organization for professionals in property, land, construction and related environmental issues worldwide.

• *Certified International Property Specialist (CIPS)* - a worldwide referral network of elite global real estate practitioners. In addition to the rigorous coursework covering international business practices and cultural issues designees must demonstrate expertise and achievement in international real estate transactions.

• *Certified EcoBroker®* designation – trained to help clients market and purchase properties with green features, save money and live comfortably through energy-efficient and environmentally-sensitive choices.

• *e-Pro®* certified to effectively utilize modern information and communication technology.

• *Genuine commitment and track record of providing world-class quality, world-wide service to clients (100% client satisfaction by survey).*

Call me now!
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or Mike@Mikes-Realty.com

DOING BUSINESS IN AND AROUND THESE AREAS:



SERVICES FOR BUYERS

I would be delighted to act as your Exclusive Buyer's Agent should you decide to search and purchase a property and I would provide the following general services:

- Establish your specific property needs.
- Research potential properties as and when they become available.
- Schedule and accompany you to property viewings.
- Complete a market analysis appropriate to your needs.
- Draft and submit an offer and negotiate on your behalf as necessary.
- Co-ordinate inspections and appraisals by third parties.
- Co-ordinate escrow and title insurance services as required.
- Organize and be present at your closing.
- Most importantly, and on an on-going basis... to be available and responsive to any questions you may have during the buying process and provide you with appropriate professional advice to achieve your objectives.

And for listed properties this service to you is **free**.

Sound interesting? Contact me now and let's see if this would work for you!

SERVICES FOR SELLERS:

In addition to the "standard" services provided by most brokerages I provide the following for ALL of my listings:

- An "on-site" full color customized, multi-page, information flyer highlighting the key features of the property including color photographs. This allows prospective buyers to anonymously find out more about the property without committing to contacting an agent – many buyers like this ability to serve themselves and it can also weed out timewasters.
- Produce a virtual tour to enhance your MLS listing – a virtual tour generally results in 40% more views than a standard listing and essential today with over 90% of buyers now utilizing the internet for their initial property searches.
- Enter property details onto Realtor.Com© which services locally, regionally, internationally in several different languages. I have an "Enhanced Listing" service on Realtor.Com© – so your listing will stand out to 6.1 million customers each month both in the USA and around the world.
- Enter property details onto the Triangle and Alamance Multiple Listing Service (MLS) – direct contact to over 7,000 Realtors and also my own website (www.Mikes-Realty.Com) which, through IDX, will ensure that property details are sent out to other major property internet search engines.
- I have a great professional home stager who will work with me, and my Seller, to advise on these critical issues.

CUSTOMER SATISFACTION

"Among all of the Realtors that I have worked with throughout the years, there is one that truly stands out as being exceptional in every category, and that Realtor is Mike Humphreys. He is thorough, ethical, intelligent with sound judgment and a good sense of humor. I highly recommend him, without reservation, to anyone who is interested in buying, selling or developing real estate."

– Teresa M. Gill

Attorney & Counselor at Law, Chapel Hill.

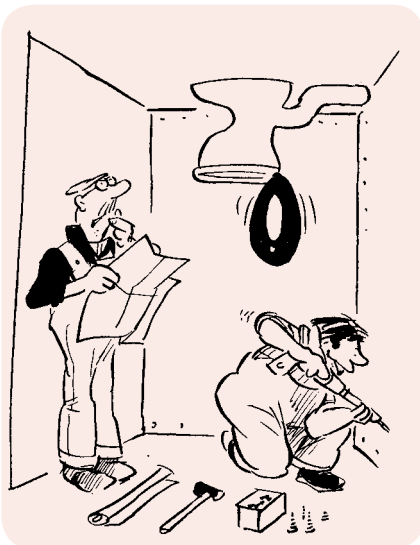
"This was the first time we've ever been through this process and needed a lot of guidance. Mike took the time to explain everything and answered all our questions. Such complete and thorough customer service is not always easy to come by".

– Paul and Donna Byrne:

Marketing and letting their investment property, Mebane.

"...Matt and I also appreciated your advice and 'non-pushy' style - Sooo refreshing!!!"

– Tara and Matt Oliverio: Brooklyn to Carrboro.



A good agent... Can give you great advice

ЛУЧШЕ МАЙКА В МИРЕ НЕТ!
НИКОГДА НЕ ДУМАЛ, ЧТО ПОКУПКА
ДОМА МОЖЕТ БЫТЬ ТАКИМ
УДОВОЛЬСВИЕМ.
МАЙК! СПАСИБО!

Семья Стонпел и семья
– Stoppel Family
from St Petersburg, Russia to Chapel Hill

Mike,

非常感谢您给我们的
一流服务。
Qian's Family

– Qian Family
from Chapel Hill to North Dakota