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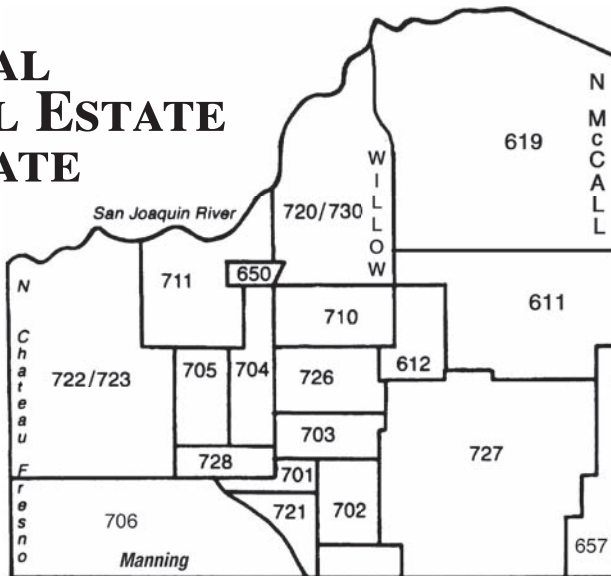
Patti O'Neill CRS, GRI, Broker Associate



DECEMBER 2011



LOCAL REAL ESTATE UPDATE



A MESSAGE FROM PATTI

The Holidays are upon us and it is a terrible time for Sellers – but the market is hot! Take in the statistics provided on the back page and you will see that the inventory is down 27% from last year at this time and the number of bank-owned (REO) properties sold is up 24%. Values are still dropping and I don't care what the media says about “values going up” or “foreclosure notices not happening” – the inside story is that the short sales and foreclosures are here to stay for a minimum of 5+ years and I predict it will be close to 10 years before we climb out of this mess we are in.

What I also noticed when doing the Sales Summary (chart at left) was that the average prices are going up – I account for that because the lower-end market has been (or is being, when available) “scooped up.” A decent home in the \$140K range has multiple offers and is sold in 1 or 2 days. The real solution to our mortgage crisis is for the Congress to approve a reduction in principal to current market value and people would likely stay in their homes.

Here's hoping for a wonderful Christmas season and a Happy New Year for you and yours. Please remember me when you have questions or know someone who could use my services. I love my work and that is how I am blessed.

Fondly,

FRESNO/CLOVIS REAL ESTATE SALES SUMMARY 10/01/11 – 11/15/11

Area	No. Sold	Highest Price	Lowest Price	Average Price
611	77	\$715,000	\$93,777	\$212,989
619	73	\$580,000	\$86,500	\$281,079
704	36	\$497,000	\$49,000	\$151,493
705	40	\$173,000	\$44,000	\$89,932
710	28	\$199,000	\$86,900	\$147,237
711	45	\$1,000,000	\$110,000	\$279,160
720/730	75	\$700,000	\$94,000	\$260,131
722/723	137	\$520,000	\$61,800	\$155,263
726	49	\$185,000	\$47,000	\$97,095
727	119	\$470,000	\$45,000	\$144,618

Note: Information provided from the Multiple Listing Service

LEGAL UPDATE for California Real Estate

Purchase money home loans have **no recourse** option for the lender for the deficiency.

Junior loans NON-purchase \$ (equity lines of credit), July 15th CA law in effect: following a short sale of a Residential 1-4 unit, **NO LENDER** can go after the home owner for the deficiency.

Rentals: Landlords can prohibit a tenant from smoking inside or outside the unit – BUT it has to be in the rental agreement. New tenants, put it in contract. Old tenants, send a new agreement, and it should say: “smoking any substance,” i.e, medical marijuana. (It is okay to bake brownies, but no smoking.)

Tenants are allowed to put up political signs on their apartment door or windows but not on the grounds.

5 or more units: must have recycling bins available.

If a landlord is rejecting a tenant due to credit reasons, he must give the tenant a notice or a response. Other than credit issues, no notice is required.

Plumbing Retrofits: The law is continuing to tighten down on low-flow faucets, showerheads and toilets. Effective Jan 1st, real estate transactions will require a seller to disclose if the property has been retrofitted or not. But effective 2014, if a home requires work to be done and the service requires a permit – the permit will not be issued until upgrades are done. In 2017, the property will have to have retrofit upgrades at point of sale. And, 2019, everyone will be required to have low-flow upgrades.

Carbon Monoxide Detectors: While they are a good thing to have, it is not yet a real estate law and so sellers are not required to check the box on disclosures or install. However, it is a criminal law if you have an event and there is no detector installed. As always, Smoke Detectors are R.E. law and are required at point of sale.

HOA (Home owners Assn.) new laws: An HOA can only charge the “actual cost” of copies, etc. of HOA CC&R’s, and other records required – up to a maximum of \$250. Loop hole is that a “Property Management firm managing the HOA, can charge whatever they want. HOA’s must charge one fee – with “no bundling” of fees. And, the HOA must provide a Cover Sheet when sending documents to the escrow officer, which is then presented to the new owner.



*May Peace, Joy, Hope and Happiness
be yours during this Holiday Season
and throughout the New Year!
I wish you a very*

Merry Christmas!

October Market Statistics Fresno/Clovis Cities

NUMBER OF PROPERTIES FOR SALE

OCT 2010	OCT 2011
3,852	2,794
-27% DECREASE	

PROPERTIES UNDER CONTRACT

OCT 2010	OCT 2011
541	775
+43% INCREASE	

NUMBER OF HOMES SOLD

OCT 2010	OCT 2011
483	561
+16% INCREASE	

BANK-OWNED SALES (REO)

OCT 2010	OCT 2011
267	331
+24% INCREASE	

MONTHS OF INVENTORY

JUNE 2010	JUNE 2011
5.5	2.3
-58% DECREASE	

MEDIAN PRICE OF SOLD HOMES

JUNE 2010	JUNE 2011
\$159,000	\$147,000
-8% DECREASE	

AVERAGE DAYS ON MARKET

MARCH 2010	MARCH 2011
66	61
-7% DECREASE	

Call **Patti O’Neill** for all of your real estate needs (559) 288-5529