

NATIONAL ASSOCIATION OF REALTORS®
RESEARCH DIVISION

Survey of REALTOR® Sentiment Region 12 October 2011



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2011 NAR LEADERSHIP TEAM

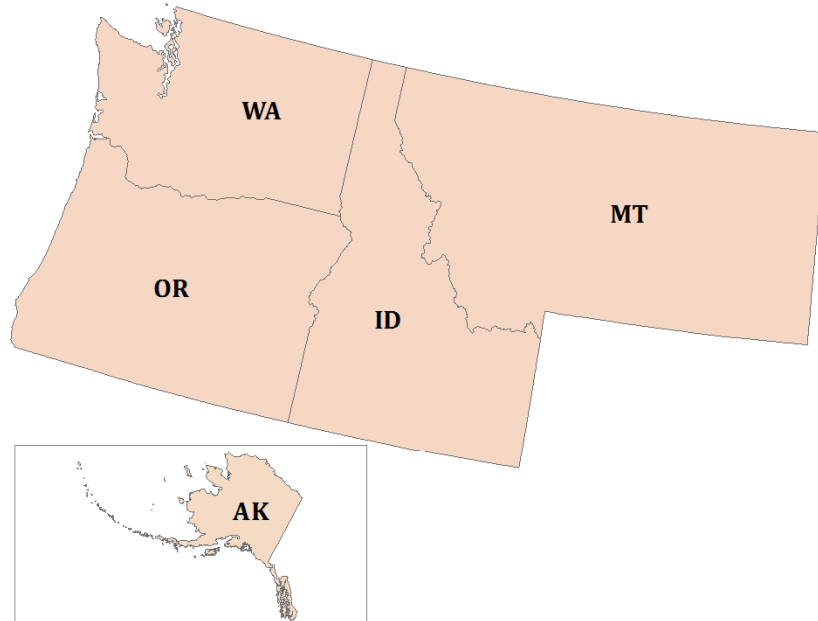
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REGION 12 SURVEY RESULTS

October 2011

Region 12 (Alaska, Idaho, Montana, Oregon, and Washington)

**Jan Ellingson, ABR,
CIPS, CRB, CRS, SRES
Regional Vice**



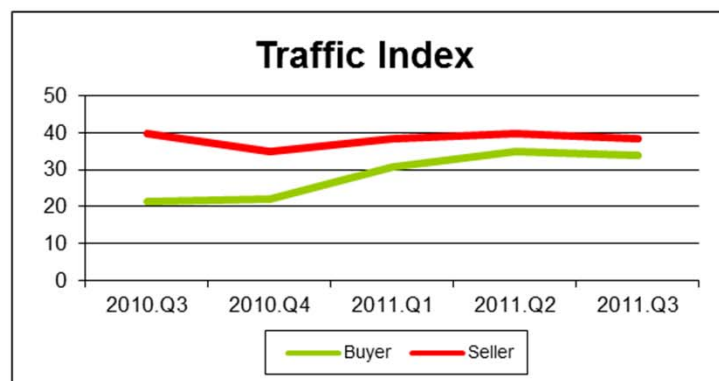
The market in the five states of our region has been holding steady, yet with a continued concern for the

increase in short sales and foreclosures in Washington and Oregon. Alaska, Montana, and Idaho continue to experience less loan defaults than that of their neighboring states. Concerns are still present regarding the Congress' decisions regarding the Mortgage Interest Deduction and its effect on homeownership.

What REALTORS® are Saying:

"I am seeing multiple offer scenarios and multiple back-up offers on premium short sales and also bank-owned homes. The shortage of non-distressed inventory is slightly increasing prices on non-distressed. Builders in the area are benefiting from the lack of resale home inventory." – ID

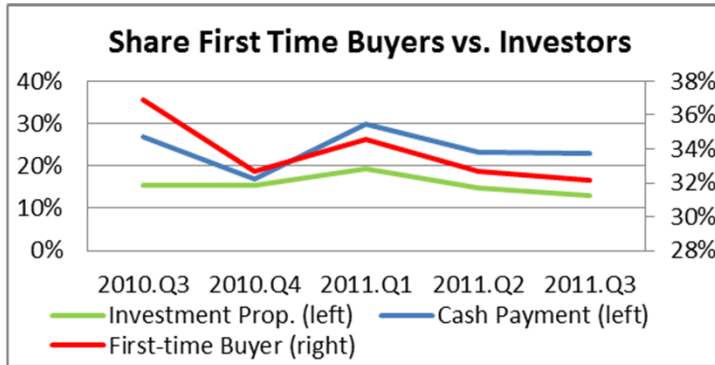
"I know of a home where the family lived in the house for 18 mos. w/out a payment. By the time they were kicked out, there was a fat lien against the house. The bank cleaned it up and had it on the market, had a buyer - but had



REGION 12 SURVEY RESULTS

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to cancel ALL due to unclear title. The banks are STUPID!!!! I know they don't want it to look bad out there, but face the facts; it is bad out there." – ID



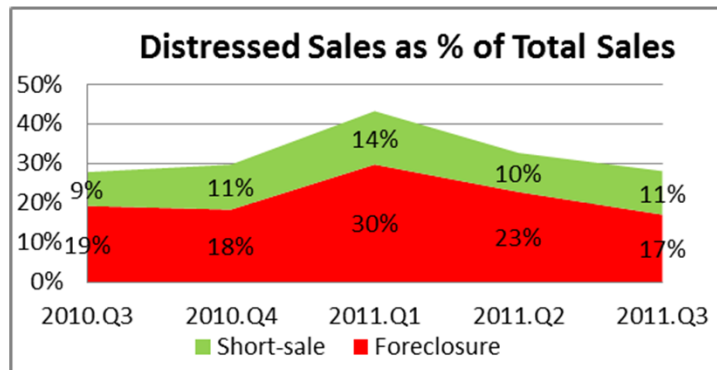
"Very few buyers are getting qualified - employment is uncertain. Appraisers are coming in low which further inhibits the few sales that are happening." – MT

"Buyers with less than perfect credit are struggling getting loans. Self-employed people are really have a hard time with loans. Many REO's drop in price to the point where it becomes a multi-offer

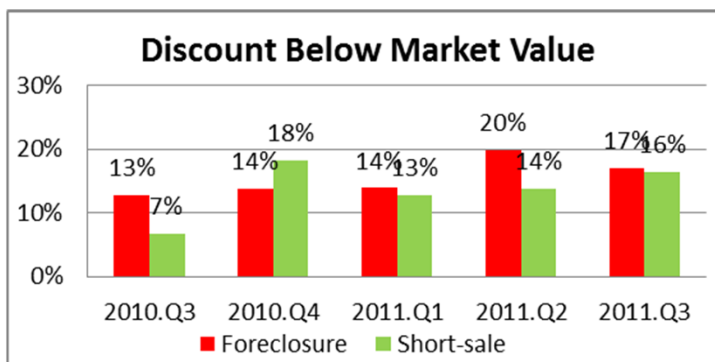
situation." – MT

"Underwriting guidelines need to lighten up a bit. Appraiser's values are ok but agents doing BPO's are causing problems in valuations." – OR

"Slow past 3 weeks. Had two sale fails due to nervous buyers and pricing issues. I expect to sell at least 4-6 more homes before the end of the year." – OR



"Portland, Oregon continues to be a testament to planning as our close-in urban marketplace seems to be rebounding and we are seeing multiple offers in many situations." – OR



"The news media needs to stop the doom and gloom and go with positive as well as actual. They sensationalize to sell and it's a good part of why we're where at this low point." – OR

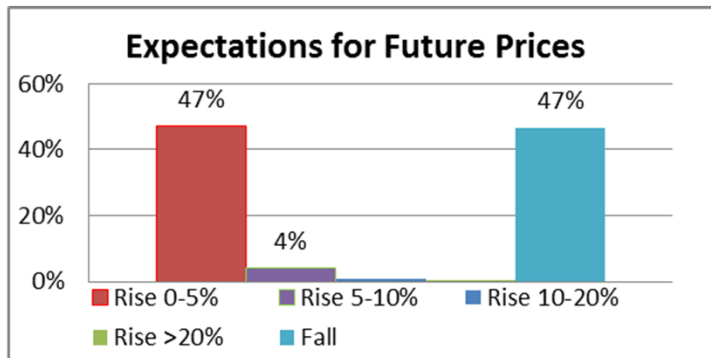
"Lenders are unreasonable in requesting unrelated and racial questions, people with good jobs; good credit should not be treated as criminals in process of

getting loan by lenders!" – OR

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"There should be a way for high rate paying mortgage borrowers to refinance their homes automatically; provided they are current on their mortgage loan, have decent credit scores and don't qualify for a conventional refinance due to a decline in their income." – OR

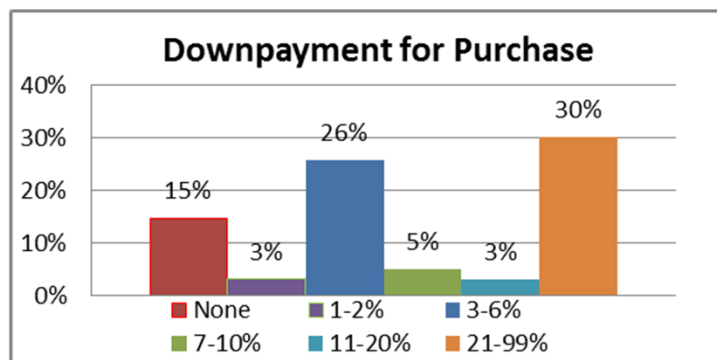


"Banks are still failing to respond to documents submitted for short sale listings and offers. Refuse to confirm receipt of documents. Their fax machines are "too busy" to accept faxes. Asset managers and short-sale departments won't reply or respond to calls or faxes." – OR

"Our supply of inventory is decreasing which means the market prices will start stabilizing and that is a good thing not only for sellers but buyers will need to move more quickly to purchase a home. One issue that will affect buyers is the increase in Mortgage Insurance for FHA loans." – OR

"I'm seeing an increase in people buying a home together to make ends meet. Like siblings, good friends, family members etc." – WA

"I live in a high military market. 80% of all buyers I have had in the last 24 months have been military buyers! They have secure jobs and can buy w/zero down." – WA



"Listings that are priced right and show well are ending up in multiple offer situations. Been a while since we've seen those. But on the other hand, lots of listings are languishing on the market even ones I believe are priced well." - WA

"Most of my sales have rescinded due to appraisals coming in lower than sales price and buyers walking. Also had one seller with a full price offer that walked because it had taken so long to get an offer she thought her house should have been worth more now." – WA

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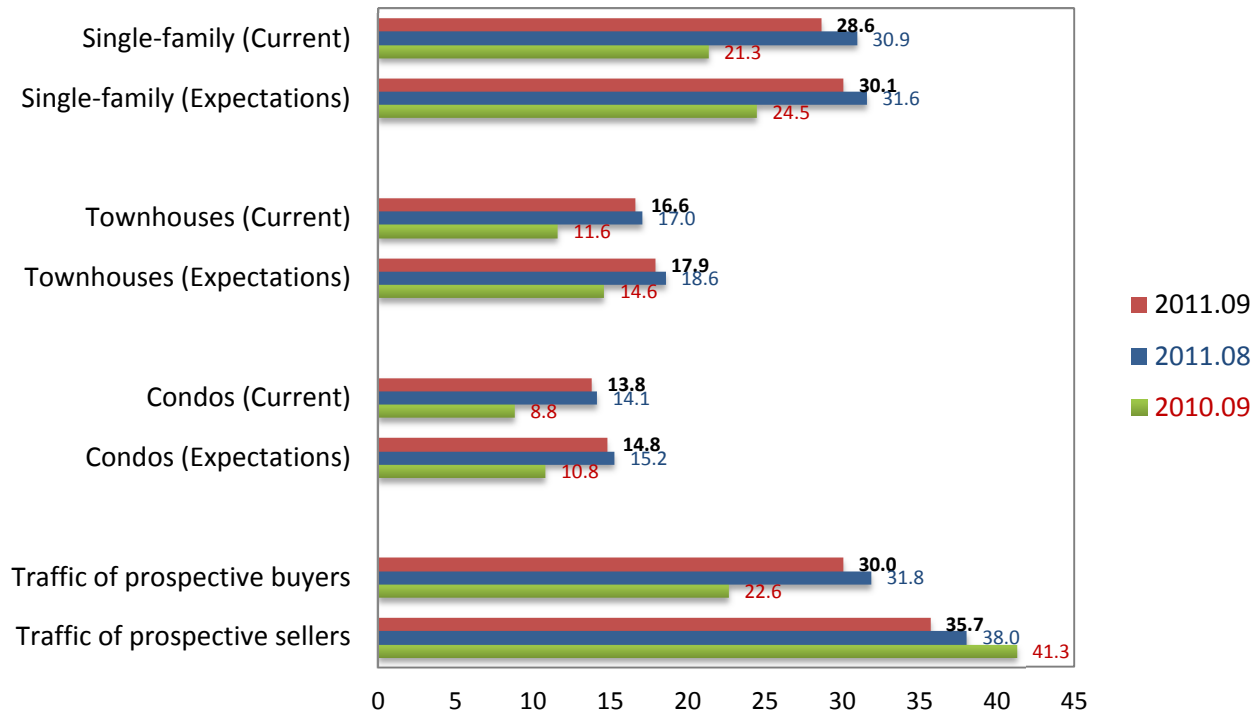
"It appears Buyers and Investors are waiting for all the foreclosures to hit the market and go away and for the 2012 Presidential election results. Buyers still think prices are going to go lower. Also, commercial foreclosures are starting to hit the market, which also hurts Buyer confidence." – WA

REALTORS[®] CONFIDENCE INDEX

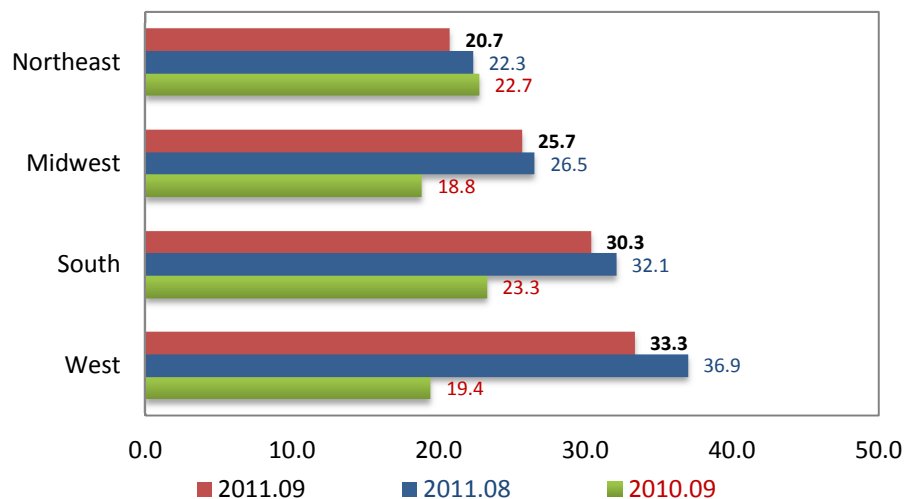
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National Survey Results

Realtor[®] Confidence Index



REALTORS[®] Confidence Index by Region

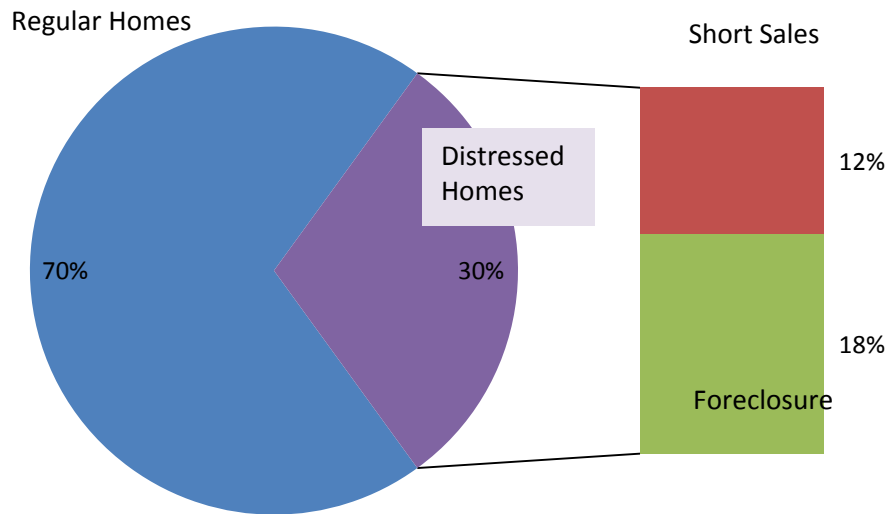


REALTORS® CONFIDENCE INDEX

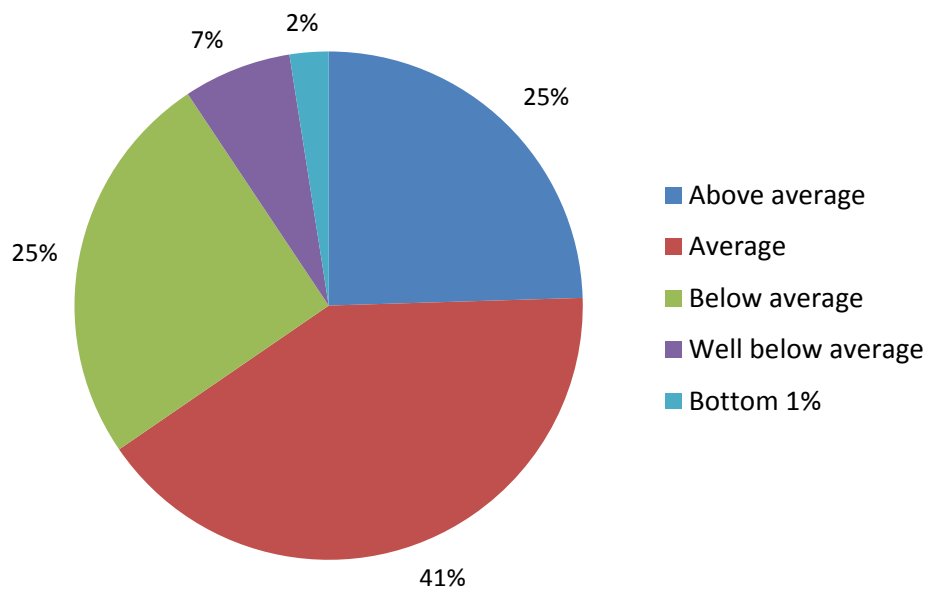
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National Survey Results

Distressed Home Sales



House Condition of Distressed Sales

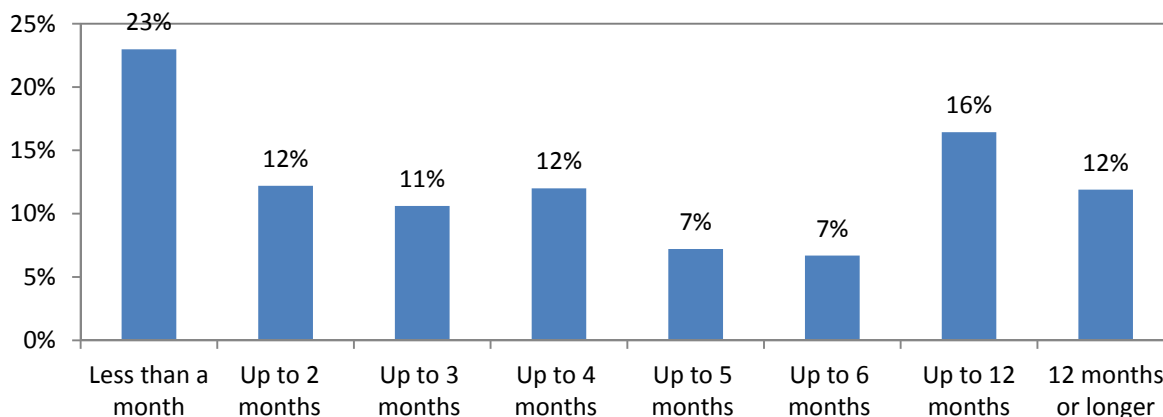


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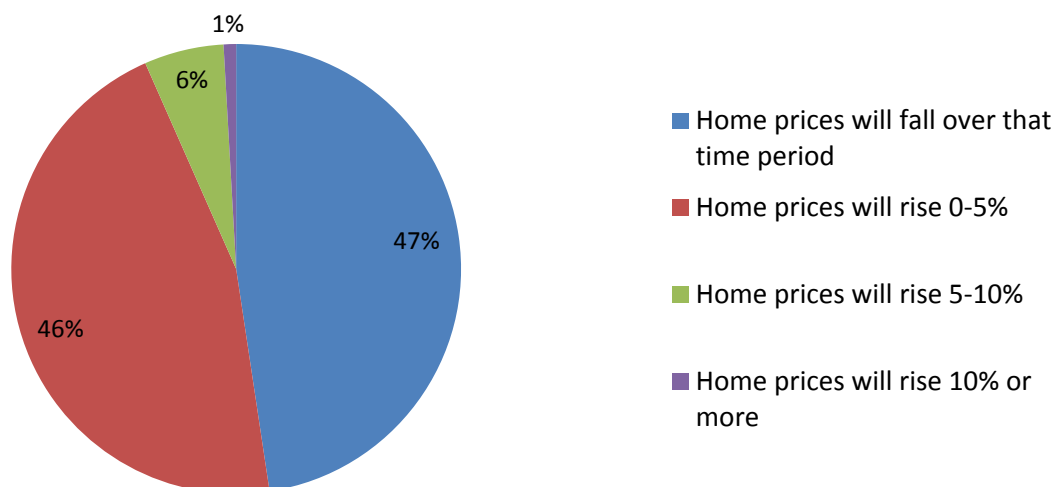
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National Survey Results

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