

THE GROUP INC. REAL ESTATE

Insider

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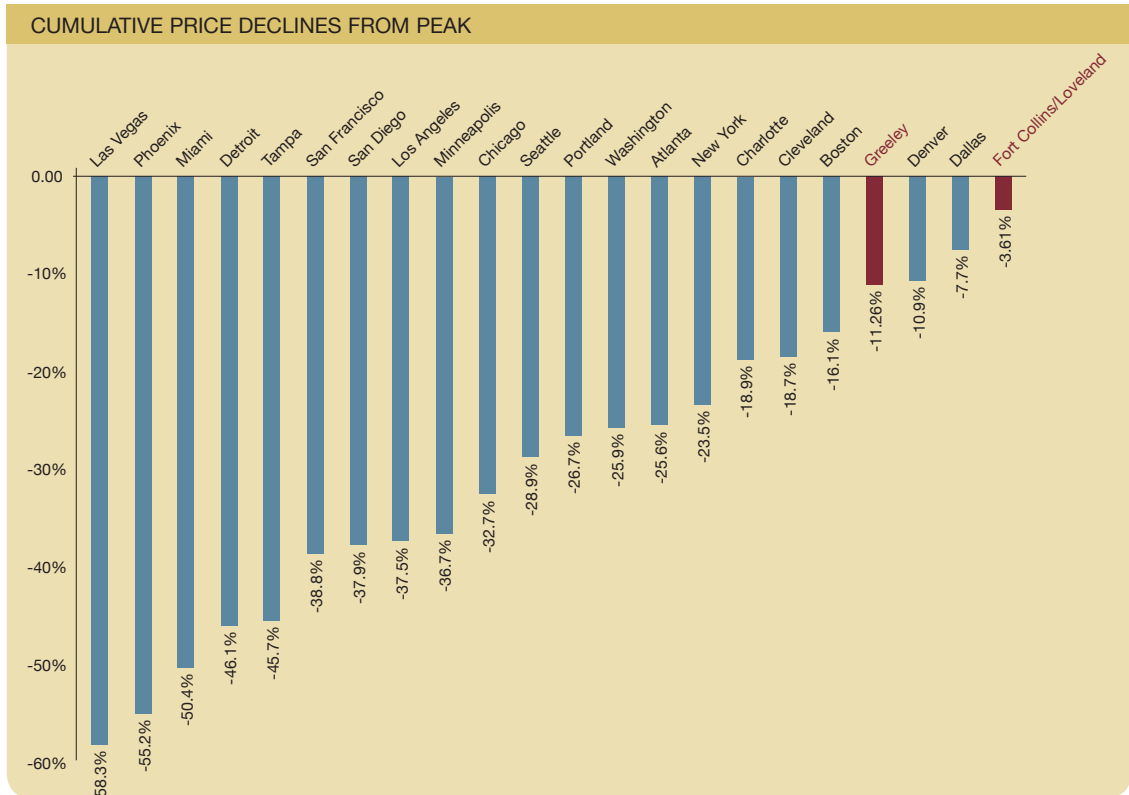
Putting the Case-Shiller Index and local home values in perspective

Chin up everyone. There's cause to say the glass is half full when it comes to local housing prices.

We're frequently reminded of the decline in national home prices since the housing market peaked in 2006. The oft-quoted Case-Shiller U.S. National Home Price Index retells this story each quarter to the U.S. financial press.

However, the Case-Shiller Index, and the headlines that result, lack the perspective of our local picture. When we examine our Northern Colorado markets compared to the rest of the country, we find ourselves in a much stronger position relative to most other cities in the U.S.

The following graph shows the total price change from the housing peak for the 20 cities in the Case-Shiller Index and for our local markets.



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Source: S&P/Case-Shiller Home Price Index and www.fhfa.org for Greeley, Fort Collins and Loveland

A picture says a thousand words

With over 80 percent of buyers using the Internet to search for homes, “web appeal” is more important than ever. Buyers are using the Internet not only to select homes to see, but to eliminate those that don’t look appealing. That’s where great photos can help you sell your home!

If you’d like a checklist to help you prepare your home for photographs, please contact me.



Region’s commercial market making strides

If you’re looking for a sign of economic stability in Northern Colorado, you may find it in the latest commercial real estate vacancy report. According to Sperry Van Ness/The Group Commercial, vacancy rates for retail, office and industrial space have generally tightened since last fall. And the recent announcement that the ACE/NASA research complex will occupy the former Agilent complex in Loveland is expected to sop up a large amount of industrial supply in that market.

As a sign of recent economic growth, it’s notable to see that office leasing activity - and the job growth such activity represents - has intensified early in 2011. Loveland has registered a net gain of 75,000 square feet in leased space, while Fort Collins has picked up 45,000 square feet. By comparison, Boulder has felt a net loss of 70,000 square feet.

On the industrial front, Greeley is beginning to experience the impact of the recent energy boom in Weld County, as oil and gas companies begin to expand their facilities needs. The office market is also likely to be positively affected by this trend.

Overall, the retail market is the tightest across the region. Loveland reports a 6 percent vacancy rate, followed by Fort Collins at 9 percent and Greeley at 11 percent. Both Fort Collins and Greeley have experienced positive retail absorption so far in 2011.

Did you know one person can have an impact on the health of the local economy?

Economists estimate that every dollar spent locally impacts the local economy by a factor of four. That means if 1,000 residents spend \$20 each week for 20 weeks with a locally owned business—instead of a non-locally owned one—it will expand the economic impact to \$1.6 million!

That is exactly what local business advocate, *Be Local*, is challenging residents to do: spend their money with businesses that do not send some of their dollars out of town or out of state.

“We quickly see that a relatively few number of people can produce an economic impact by acting together than is substantially large – large enough that we should care,” explains Hill Grimmatt, executive director of BeLocal Northern Colorado.

The Group is owned locally by all of the people who work for the company, unlike many of our competitors who send a percentage of their revenue to corporate offices out of the area.

For a list of locally owned businesses in Northern Colorado or to learn more about the 2020 Challenge visit belocalnc.org or call (970) 219-3382.

A reason to get moving on your mortgage

It's time to play beat the clock.

On July 21, the federal government will launch the new Consumer Financial Protection Bureau, which will be charged with oversight of the mortgage lending industry. For would-be homebuyers, that date is meaningful because the CFPB will be enforcing a new set of rules on mortgage lenders -- rules that are bound to complicate the qualifying and borrowing process. And a complicated process means a slower process.

If a more complicated mortgage isn't enough, add higher interest rates to the list of reasons to make your move. Forecasters are predicting rates to rise in the near future, leaving behind the historic lows we are now experiencing.

By the Second Quarter of 2012:

- Fannie Mae predicts an interest rate of 5.6 percent
- PMI predicts an interest rate of 5.95 percent
- Freddie Mac predicts an interest rate of 5.6 percent
- The National Association of REALTORS® predicts an interest rate of 5.9 percent

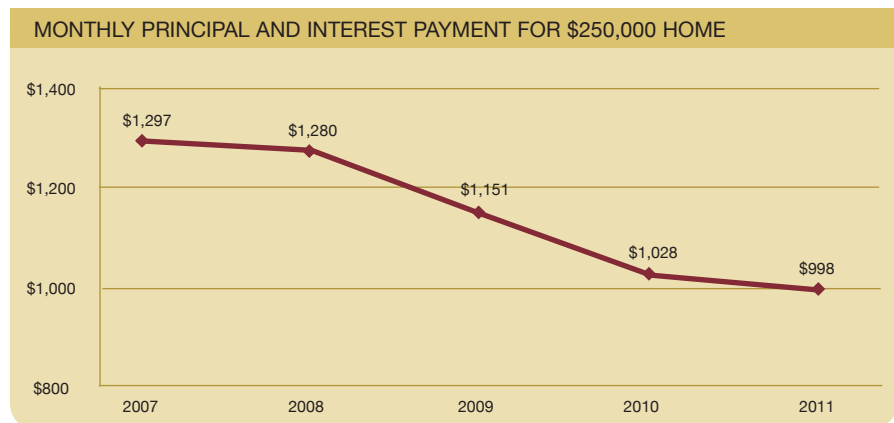
If you are looking to buy a house and are waiting to see what will happen with prices, remember interest rates will also impact your housing cost.

Contact me to learn approximately how much of a mortgage you can afford and what homes are available in that price range.

Sizzling Summer Savings

The combination of affordable home prices and low interest rates offer incredible values for today's buyers. A home priced at \$250,000 could have been purchased 4 years ago at an interest rate of 6.75 percent. At that

time the monthly payment would have been \$1,297 per month with 20 percent down. Today, a \$250,000 home would be \$998 per month, a \$299 difference.



Source: The Group Guaranteed Mortgage

Real estate by the numbers

- **28.9** – The percent decline in foreclosures in Weld County between May 2010 and May 2011.
- **36** - The number of federal properties in Larimer County that have been identified for disposal. The list includes seven Forest Service buildings in Fort Collins.
- **\$5.2 million** - The amount Coca-Cola will pay Colorado State University for a 10-year promotional agreement.

If you know someone who would like to receive this newsletter, please call me.



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For university researchers and professors, summer no time for vacation

When you're a researcher at Colorado State University or the University of Northern Colorado, three months out of the classroom is not time off. This summer, CSU and UNC faculty and staff have scattered across the country and across the globe to dig, deduce and derive.

CSU

- Chris Fisher, Anthropology: Conducting an archeological dig in Patzcuaro, Michoacan.
- Martha Denney, International Education: Gender assessment research on livestock in Kenya; other work in Zimbabwe and Angola.
- Francesca Cotrufo, Soil and Crop Science: project with Second University of Naples.
- Mary Vogl and Mohammed Hirchi, Foreign Languages: Leading students in France.
- Pete Seel, Journalism: Leading a student group studying media in Europe.
- Brett Bruyere, Natural Resources: In Kenya to conduct research at Samburu National Park and with Umoja Women's Village.

UNC

- James Gall, Educational Technology: Studying links between video game preferences and attitudes toward educational technologies among Taiwanese college students.
- Mary Sean O'Halloran, Counseling Psychology: Conducting workshops for mental health professionals in Thailand.
- Barb Hawthorne, Cultural Anthropology: Researching women artists of New Mexico.
- Bob Brunswig, Anthropology: Leading archaeological dig at Dearfield, the former African-American colony near Greeley.
- Flo Guido, Higher Education and Student Affairs Leadership: Artist-in-residence in Luxembourg for student affairs professionals.
- Sherilyn Marrow, Nancy Karlin and Joyse Weil: Interviewing Italian earthquake victims to study human resiliency to natural disasters.

