

# Emily Ivette García

Associate Broker

Excellence, with a touch of grace...

## A View from the Top...

June 1, 2008

Dear Clients, Friends and Family,

I'm going to start with the positive news: like the California gold rush of 1848, the folks who are interested in Santa Fe and have been waiting are coming out of the wood work and are ready to buy. The first week of May saw more homes sold since September of 2007 and the sales are continuing.

However, it is clear to everyone that today is a different market than 2007. Inventory in Santa Fe is up by 30%. Average negotiations off of listing prices have gone from 2.5% to 5%. Santa Fe's absorption rates (how long it takes a home to sell) have increased in every market segment. The low end has gone from around 6 months to sell a home to up to two years and the luxury market has gone from an average of 2 years to now having 4 years worth of inventory. This is because there are fewer buyers and more homes. It is a buyer's market and the pendulum has swung.

It's important to keep in mind that Santa Fe is still a strong, steady market that is holding its value because it continues to remain a very desirable relocation destination and place to live. There are markets in Florida where inventory is up 600% and entire blocks are for sale! Santa Fe is not boom or bust, but a market that will continue to be a good place to invest.

Also, we are still dealing with the loan crisis due to poor loan practices, aggressive builder speculation and consumerism. Nationwide, lenders are now rating states as to the loan risk status. Every state in the nation was rated soft, distressed, or severely distressed by Wells Fargo except New Mexico! The loan crisis is not over, yet it is likely that the bottom has been hit and the trend is correcting itself (Wall St. Journal, 5/6/08). Projections for full recovery range from 12 months to three years, but hopefully we are leveling out and will moving back upward.

We as Americans are rethinking our priorities and bigger may not be better. For the first time, in 2007 the average home size decreased. Generation X'ers wants smaller, greener, and better quality. Boomers are tired of working so hard and looking to shift their focus, working less and enjoying life more. The average home sale price in March of 2008 in the city was \$375,000 and throughout the County was \$435,000 (Santa Fe Association of Realtors). I estimate the average home size to be between 2,200 and 2,400. (Actual statistics are not currently available.) The national home size is approximately 2,500 square feet with an average sales price of approximately \$246,000 (National Association of Home Builders). Santa Feans are one step ahead of the country with smaller homes, a focus on quality of life, and a greater appreciation for living in harmony with the environment.

For those concerned about when or how to sell, here are a few tips. Taking the time to prepare a home to sell has never been more important. In the first quarter of 2008 only 1 in 10 homes sold, a serious low. Sales are up this spring and are expected to continue this summer. The majority of the homes that are selling are turn-key and ready to move in. During Santa Fe's "heydays," you could put a home on the market in any condition, at a steadily increasing value and it would sell. Today, pricing a home involves not just looking at solds, but looking at all the other homes you are competing against and making your home nicer and priced more aggressively.

Prices are not going to return to the highs of 2005 overnight. If you are thinking of buying, rates are still at 40 year lows and prices are down. If you don't need to sell, wait a few years and invest in your property. I am happy to meet with you, your family or friends to discuss your unique needs and assist you in helping you evaluate your real estate and personal goals.

It's a glorious spring in Santa Fe. I look forward to sharing it with you!

All the best



Emily Garcia, CRS, Sotheby's International Realty

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### **This and that about Santa Fe...**

**Yee Ha! It's the Santa Fe Rodeo** June 25-28 Begin with a parade downtown, events following at the Rodeo Grounds.

**Railyard Update** The first building at the ArtYard is almost complete and on it's way to Platinum LEED (Leaders in Energy and Environmental Design) certification. It will be the first of its kind in New Mexico to have this high a designation.

**Save the Ranch!** Putting land into conservation and receiving tax credits is easier now, and expanded. Conservation credits are now transferrable, and the amount of the tax credit was raised from \$100,000 to \$250,000 in any given year (Wall St. Journal, 4/6/2008).

**Taxes & Health Care** When retiring, or relocating there is more to consider than just weather and property values. Check out: [www.retirementliving.com](http://www.retirementliving.com) to compare property, sales and income taxes, in addition to medical facilities, cultural events and more.

**I'm now one of the top 2%!** This year I obtained my CRS, or Certified Residential Specialist Certification. This is held by the top 2% of realtors in the country. The training is exceptional and has assisted in making 2008 my best year to-date.

**Email or Print?** Let me know if you'd like to receive this newsletter via email rather than print: [emily@emilygarcia.com](mailto:emily@emilygarcia.com)

Finally, I am proud to host the following seminar for woman. Your life and your dreams will never be the same...

## **The Next Chapter Seminar**

*Woman Making a Difference in Our Own Lives & in the World*

**Thursday, June 26<sup>th</sup>, 2008**

**5:30 pm until 8:00 pm**

**Clafoutis Restaurant, 402 Guadalupe Street, Santa Fe**

### **Featuring:**

Gayle Johnson, Senior Financial Advisor, Merrill Lynch

Sherry Finney, Private Mortgage Banker, Wells Fargo

Rebecca Skeelee, Counselor & Minister

Emily Garcia, Real Estate Broker, Sotheby's International

Explore investments strategies, the economy, real estate and how to thrive financially with a balanced life within a sacred context. Refreshments and inspiring ideas from some of the best in the industry will be served.

**Please RSVP Bobbi at 505.955.7986 or email: [emily@emilygarcia.com](mailto:emily@emilygarcia.com)**

*"Optimism is the faith that leads to achievement. Nothing can be done without hope & confidence." Helen Keller.*