



Cookin' with Carol

...this month's Tasty Tip!



April showers have brought us beautiful May flowers! I hope your home value has also continued to grow beautifully! But if you are looking to buy...don't delay!

Analysts Still Bank On 7% Home Appreciation

Despite a weak quarter in existing-home and new-home sales, Wall Street analysts say they still expect home prices to increase by 7 percent this year.

“We continue to expect home-price appreciation to moderate from the torrid pace of mid-2012 to 2013, supported by improving employment and growth prospects,” according to analysts from Morgan Stanley. Analysts from Barclays echoed that, saying they are keeping their projection for home prices unchanged at 7 percent.

Barclays analysts are most upbeat about home-price appreciation in four “sand states”: Arizona (projection of 8.2%), California (9.4%), Florida (8.3%), and Nevada (11%).

Morgan Stanley acknowledged the sluggish spring start to the home-selling season. “In our view, the rationale for the weakness comes from a combination of three factors: severe winter weather; a transition away from investors reliant on distressed and cash purchases to mortgage credit-dependent buyers; and affordability challenges for first-time home buyers,” says Morgan Stanley’s analysts, adding that nearly 20 percent of home owners remain underwater on their mortgage, which is also preventing many from moving.

Nevertheless, Morgan Stanley analysts say they’re still upbeat about the prospects for an ongoing housing recovery.

Source: “Wall Street Home Price Appreciation Still Expected to Hit 7%,” HousingWire (April 28, 2014)

By the way...I am always honored by your introduction of friends, family, and neighbors in need of my Professional Real Estate Assistance!

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