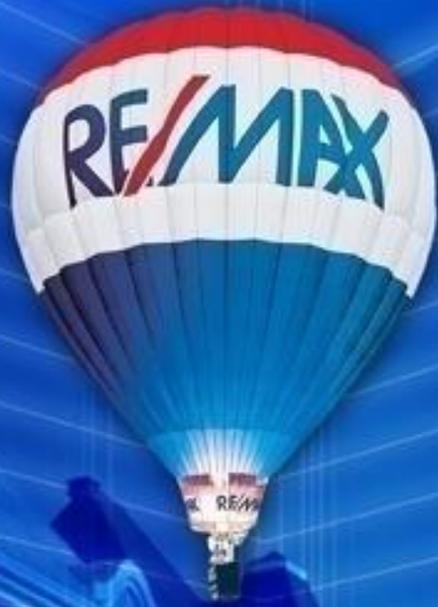


Monthly Industry Report

February 23, 2011



RE/MAX[®]

public relations

In this issue...

Existing Home Sales

Sales of existing homes in January rose for the third consecutive month, up 2.7% from December and up 5.3% over January 2010, according to NAR.

Investors accounted for 23% of purchases in January, up from 20% in December and 17% in January 2010.

Read the [NAR press release](#).

Read the [Wall Street Journal article](#).

Pending Home Sales

Pending home sales in December 2010 marked the fifth gain in the past six months, according to NAR. The Pending Home Sales Index increased 2% over November.

Lawrence Yun, NAR chief economist, credits good affordability conditions and economic improvement.

Read the [NAR press release](#).

Read the [Reuters story](#).

Industry, Competitor & Technology News

- Corelogic Disputes NAR's Sales Numbers
- Investors Snap Up Homes for Cash
- Proposals to Overhaul Federal Housing Role Draw Fire
- Real Estate Lobby Is Ready to Rumble
- The Commercial Real Estate Washout That Wasn't
- SBA Sets Bailout for Business Real Estate
- \$2B Available to Fight California Foreclosures
- History of Housing Bubbles
- Yahoo Outsources Real Estate Listings
- CB Richard Ellis Group Posts Double-Digit Revenue Gains
- CB Richard Ellis Buys ING Real Estate
- Keller Williams Announces 2010 Numbers
- Three Simple Ways to Showcase Your Real Estate Expertise Online
- Apple Weighing Cheaper iPhone
- Smartphones Turn Bar Codes Into Sales Tools

Interest Rates

- Bankrate.com: 4.78% for 30-year fixed mortgage
- Federal funds rate: 0.25%

Economic Trends

See charts for latest data

National Housing Stats

Existing Home Sales

(seasonally adjusted annual rate by month)



Source: NAR

Months Supply of Inventory



Source: NAR

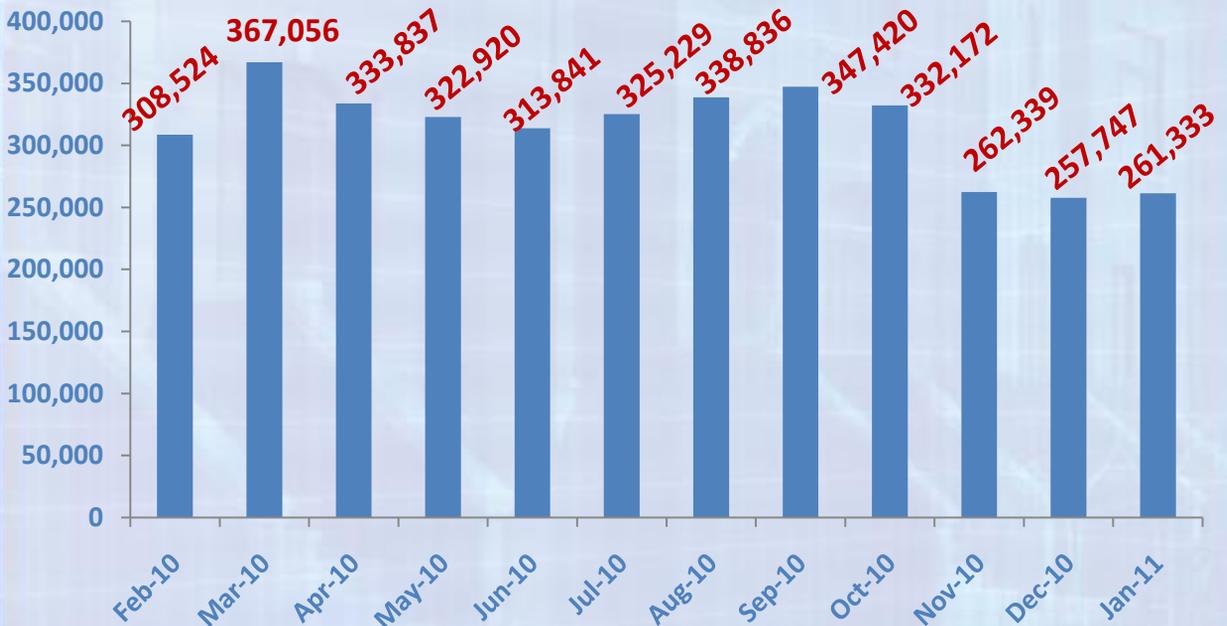
National Housing Stats

Existing Home Median Sales Price



Source: NAR

U.S. Monthly Foreclosure Filings



Source: RealtyTrac

Industry News...

Corelogic Disputes NAR's Sales Numbers

The housing crash may have been more severe than initial estimates have shown. The National Association of Realtors, which produces a widely watched monthly estimate of sales of previously owned homes, is examining the possibility that it overcounted U.S. home sales dating back as far as 2007.

CoreLogic says NAR could have overstated home sales by as much as 20%.

Read the [Wall Street Journal story](#).

Read the [totalmortgage.com blog](#).

Investors Snap Up Homes for Cash

Home sales are starting to tick up, and the momentum is coming from cash-rich investors who are scooping up foreclosed properties at bargain prices.

The number of first-time buyers fell last month to the lowest percentage in nearly two years, while all-cash deals have doubled and now account for one-third of sales.

Read the [Associated Press article](#).



Proposals to Overhaul Federal Housing Role Draw Fire

The Obama administration's plan to [overhaul the U.S. housing market](#) has drawn fire from some of the president's traditional allies, who argue that proposals in the newly released report could make it too costly for many Americans to buy a home.

But, the plan has met with little objection - and even drawn praise - from Republicans, who have pilloried the administration over its housing policies.

Read the [Washington Post story](#).

The Real Estate Lobby Is Ready to Rumble

Thousands of homebuilders, real estate agents, civil-rights leaders and bankers are joining together to deliver a similar message to Congress: Preserve government support for housing.

What unites them is a desire to protect a near-century of grants, tax breaks, and insurance policies funneled in large part through the government-owned mortgage-finance companies Fannie Mae ([FNMA](#)) and Freddie Mac ([FMCC](#)).

Read the [Bloomberg story](#).



Industry News...

The Commercial Real Estate Washout That Wasn't



From Manhattan office towers to Florida apartment buildings to retail properties in Washington, commercial real estate values are rising, defying predictions made as recently as February 2010 of a collapse that would drag the U.S. economy back into recession.

Prices of commercial properties sold by institutional investors surged 19% in 2010, the second-biggest gain on record.

Read the [Bloomberg story](#).

SBA Sets Bailout for Business Real Estate

The [Small Business Administration](#) finally rolled out a loan program that could help business owners who face a looming balloon payment on their commercial real estate loans.

Beginning February 28, small-business owners can use the SBA's 504 program to [refinance their commercial mortgages](#) if they face a balloon payment before December 31, 2012.

Read the [Houston Business Journal article](#).

\$2B Available to Fight California Foreclosures

The California Housing Finance Agency announced a new initiative called "Keep Your Home California." The plan aims to fight foreclosures among low- and moderate-income homeowners who are struggling to pay their mortgages.

The set of four programs are federally funded by the U.S. Treasury Department.

Read the [Bizjournal article](#).

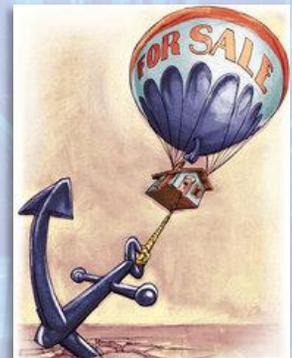


History of Housing Bubbles

What's the outlook for home prices over the next decade? It's not easy to tell. We need to confront the basic fact that near the beginning of the 21st century, the market for homes in much of the world suddenly became more speculative than ever.

This enormous housing bubble and burst isn't comparable to any national or international housing cycle in history.

[History lesson from Robert Schiller in the New York Times](#).



Competitor News...

Yahoo Outsources Real Estate Listings



Outsourcing areas that fall outside [Yahoo's](#) strengths is central to its turnaround effort under [Carol A. Bartz](#), Yahoo's chief executive.

Yahoo made headway with that strategy by handing over control of a big part of its real estate area to Zillow.com.

Read the [New York Times article](#).

CB Richard Ellis Group Posts Double-Digit Revenue Gains

Los Angeles-based CB Richard Ellis Group Inc. exceeded Wall Street's earnings expectations, posting double-digit gains in every global business line except real estate development services.

Leasing-transaction revenue at CB Richard Ellis grew 35% and sales-transaction revenue grew 40% compared with a year earlier as credit became easier to obtain and investors became more optimistic, the company said.

Read the [Los Angeles Times article](#).

CB Richard Ellis Buys ING Real Estate

CB Richard Ellis Group is buying most of Dutch bank ING's Real Estate Investment Management for about \$1 billion to diversify its client base, a deal which would help ING pay down state aid.

The company said the deal will add almost \$60 billion to its properties, up from \$37.6 billion at end-2010.

Read the [Reuters article](#).



CBRE
CB RICHARD ELLIS

Keller Williams Releases 2010 Numbers

Keller Williams Realty reported at its national convention that it ended 2010 with 79,315 associates, 701 market centers (offices), and associate profit share up 7.2%, with its agents receiving \$34.6 million dollars back.

The company also rolled out eEdge, its associate tool to build leads, database and sales.

Read the [press release](#).

Technology News...

Three Simple Ways to Showcase Your Expertise Online



Whether you're new to real estate, or a true veteran – the expertise you have is one of the key things that sets you apart.

There are three simple keys to help build your credibility and expertise online:

- Consider creating a “how to” video.
- Answer questions online.
- Publish content that is relevant and “evergreen.”

[Read the article from futureofrealestatemarketing.com.](http://futureofrealestatemarketing.com)

Apple Weighing Cheaper iPhone

[Apple](#) has been exploring ways to broaden the appeal of the [iPhone](#) by making the popular device less expensive and allowing users to control it with voice commands.

But contrary to published reports, Apple is not currently developing a smaller iPhone, according to people briefed on Apple's plans who requested anonymity because the plans are confidential.

Read the [New York Times story](#).



Smartphones Turn Bar Codes Into Sales Tools

Mobile tags, action codes and QR codes (for "Quick Response"), two-dimensional bar codes, designed to be scanned by a smartphone, are popping up in more and more places.

Real estate agents post them on front lawn for-sale signs, coaxing prospective buyers to hop out of their cars, scan the tags and leave with all of the listing information and photos they'll need to follow up — and perhaps buy.

Read the [USA Today article](#).

Watch a [news story on how one RE/MAX team uses codes](#).



Economic Indicators

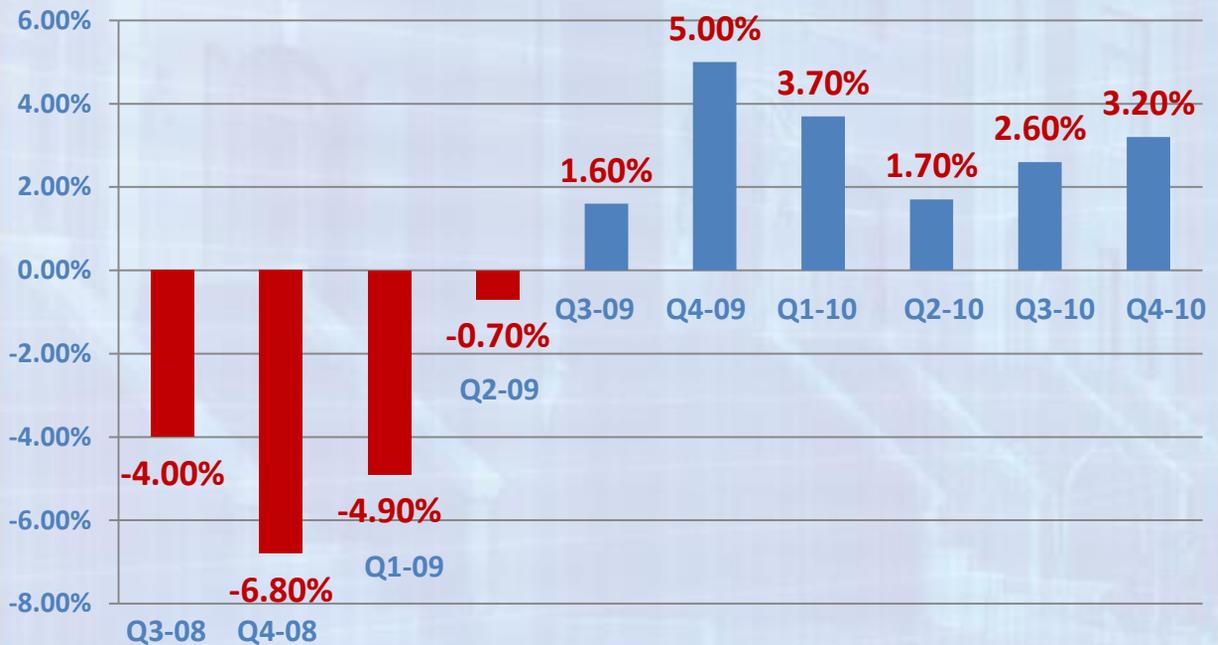
National 30-Year Fixed Mortgage Rate

www.bankrate.com



Gross Domestic Product

(% change from preceding period)



Economic Indicators...

Inflation Rate



Source: www.inflationdata.com

Unemployment Rate



Source: Bureau of Labor Statistics

Data and News Release Dates...

NAR Existing Home Sales:

Released on or about the 25th of each month
Next release date: March 21, 2011

www.realtor.org

NAR Pending Home Sales:

Released the first week of the month

www.realtor.org

U.S. Monthly Foreclosure Filings:

Released around the middle of the month

www.realtytrac.com

30-Year Fixed Mortgage Rates:

Released several times during the month

www.bankrate.com

GDP:

Released generally during the third week of the month

www.bea.gov

Inflation Rate:

Released generally during the first week of the month

www.inflationdata.com

Unemployment Rate:

Released generally during the first week of the month

www.bls.gov