



Maxi
- C A S E -
for REAL ESTATE

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DEFINITELY A YEAR FOR THE BOOKS!

If I can help you in any way, please don't hesitate to call or email. I appreciate your trust and always enjoy hearing from you.

I would love to put my 35 years of Real Estate Experience to work for you.

Ask me for a Free, No Obligation Market Evaluation of your Property.

Hope you and your family are well!

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WHERE IS OUR REAL ESTATE MARKET NOW

Last March when the first COVID lockdown was put into place, I'm sure none of us dreamt we would still be in this mess. That first month most buyers did stay home. Many sellers chose not to list their homes due to the potential risk and uncertainty. Then after about a month, we started seeing buyers coming out to look again. They were mostly buyers of the lower priced homes. I think that was partially because the stock market was tanking during that time. There was a lot of fear and uncertainty for people with money in the markets. Showing homes changed during that time. There were new forms and procedures put into place. All were required to wear masks of course. Some buyers even purchased homes without physically seeing the property. Agents were "showing" homes with Facetime. As more time elapsed, buyers of all priced homes got tired of waiting and began viewing and buying homes. I sold and closed escrow on a lot of properties this year! The inventory remained low, interest rates were/are amazing so home prices went up—which was a surprise to all! In January 2020 the median price in the 93536 zip code was \$365,000; by December of 2020 it had jumped to \$432,000. We are definitely in a Seller's Market.

WHERE IS THE REAL ESTATE MARKET GOING

Today, 1/6/21 there are 298 Active Residential Listings in the AV MLS (about 900 is normal). There are 705 in escrow and 1372 homes sold/closed escrow in the last 90 days. Mortgage interest rates are still around 3%. All good. It is what is on the horizon that has me concerned. The number of people in default on their home loans is staggering. People have lost their jobs/businesses. Rental property owners cannot evict tenants who are not paying. I think the market will stay strong this spring and summer but I worry about after that.

CENTURY 21 Doug Anderson



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My favorite Christmas Card this year read:

2020

I want a Refund!



WILL THERE BE A CORRECTION IN THE REAL ESTATE MARKET

The four things that have been driving our real estate market here in the Antelope Valley are: Extremely low interest rates; Extremely low inventory; Low real estate prices (as compared to the LA area); Aerospace expansion with lots of additional jobs; and now with Covid, more people wanting to get out of the crowded cities. So what could change to impact our market? I believe the most likely culprits will be increased inventory and some increase in the interest rates. Even a small jump significantly changes a buyer's ability to qualify for financing. And Covid caused an artificial low in our inventory. That will change as we get through this crisis. Soon there will likely be a lot of people who have been holding off listing their homes who will be putting them on the market. Yet I don't think we will see a change in the price trends right away. Even with a new administration and the huge financial problems on the horizon, the price trends will continue for a while. Spring and summer will be very strong for sellers. But in my crystal ball I see a major crash in the horizon. It is not a matter of if, but when. Now is the time to get ready to take advantage of the low prices when they do come!

“While we may not be able to control all that happens to us, we can control what happens inside us.” – Benjamin Franklin