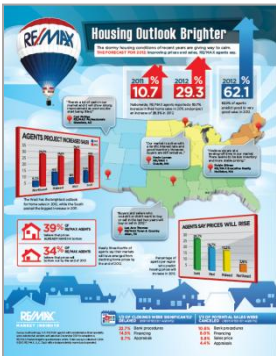


January 10, 2012

Hi-Res Photo:
RE/MAX Chief Executive
Officer,
[Margaret Kelly](#)



[RE/MAX Market Insights
January 2012 Infographics](#)

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Housing Market Rebound Seen in 2012

RE/MAX Agents See a Recovering Housing Market in the New Year

Denver, CO – The U.S. housing market will continue a slow recovery in 2012, led by stabilizing home prices and increasing sales. Those are among the key findings of a year-end survey of one thousand RE/MAX real estate agents who say housing’s vital signs are gaining strength. The quarterly RE/MAX Market Insights survey provides analysis of the national housing market from the perspective of active RE/MAX agents around the country.

Improving numbers

The majority of RE/MAX agents surveyed say housing prices will stay the same, or increase in 2012. Projections are the strongest for the Southern U.S. where 49.6% say prices will stabilize and 26.7% anticipate an increase. Agents in the Northeast see the biggest challenges, with 47.5% concluding that prices will decrease, 44.6% expecting prices to remain at 2011 levels, and only 7.9% anticipating an increase.

Nationwide, RE/MAX agents reported a 10.7% increase in their home sales in 2011, and project an increase of 29.3% in 2012. Asked to measure the strength of home sales, 62.1% of agents predict good to very good sales in 2012. Survey results are also available in an [online infographic](#).

“A sense that home prices and sales are improving indicates that the housing market is positioned for a gradual recovery in 2012,” said RE/MAX Chief Executive Officer [Margaret Kelly](#). *“These agents have the best perspective on industry trends since they average more home sales than agents with any other national firm.”*

Obstacles remain

The major obstacles to the housing recovery cited by agents include sagging consumer confidence, followed by lack of economic growth, unemployment, concerns of more price declines and bank procedures.

Agents report that 52% of closings were significantly delayed in 2011, with bank procedures cited as the cause in 23% of the cases, followed by financing and appraisals. For sales that were canceled, bank procedures again was the leading reason, while financing, sales price and appraisals also were factors.

The majority of agents say such delays and cancellations were higher in 2011, than in 2010.

= more =

Buyers and sellers more realistic

Asked to grade buyers and sellers on how realistic they are about home prices, RE/MAX agents gave both groups a B-. That compares with a C+ for buyers and a C- for sellers at the start of 2011.

Common misconceptions reported by RE/MAX agents are sellers thinking their home is still worth as much as it was four or five years ago before the housing slump, and buyers believing that extremely low offers will eventually be accepted.

“It’s certainly a positive trend that buyer and seller perceptions are changing to adjust to current conditions,” Kelly said. “Those who are misinformed and try to time the market, rather than address immediate housing needs, can lose valuable opportunities.”

Other findings of the RE/MAX Market Insights survey, conducted Dec. 7-19 among randomly selected agents, include:

- Market bottoming out: Thirty-nine percent said their markets have already hit bottom; 34% say prices will stop dropping in 2012; 27% says prices will reach their lowest point in 2013 or beyond.
- What government can do to help housing market recover: 1) Streamline short-sale process; 2) Focus on job creation; 3) Increase refinancing help for underwater home owners; 4) Standardize lending practices; 5) Release foreclosed properties more aggressively.
- Five most common buyer incentives that agents are seeing: 1) Reduce sales price; 2) Pay closing costs; 3) Make repairs; 4) Buy home warranty; 5) Pay origination fees or points.
- Distressed sales: RE/MAX agents project that 20.3% of their home sales in 2012 will consist of foreclosures and short sales. That compares with 17.1% in 2011 and 15% in 2010.

RE/MAX agents have sold more real estate in the U.S. than any other company since 1998. They averaged 13.1 sales per agent in 2010. To find an agent or view homes for sale, go to www.remax.com.

Online survey of 1,004 U.S. RE/MAX agents specializing in residential real estate, conducted in December 2011. ©2012 RE/MAX, LLC. Each office independently owned and operated.

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About the RE/MAX Network:

RE/MAX was founded in 1973 by Dave and Gail Liniger, real estate industry visionaries who still lead the Denver-based global franchisor today. RE/MAX is recognized as one of the leading real estate franchise companies with the most productive sales force in the industry and a global reach of more than 80 countries. With a passion for the communities in which its agents live and work, RE/MAX is proud to have raised more than \$100 million for Children’s Miracle Network Hospitals, Susan G. Komen for the Cure® and other charities. Nobody in the world sells more real estate than RE/MAX. For more information about RE/MAX, please visit www.remax.com or www.joinremax.com.

