

## **Current State of the Local Real Estate Market**

A team of economists who created a variety of forecasting models concludes that predictions of further large housing price declines are greatly overblown.

They point to the house price index of the Office of Federal Housing Enterprise as most reflective of reality. Its data reveals that only four states — Arizona, California, Florida, and Nevada — have had declines of more than 4 percent in home prices over the past year.

How are we faring here in New Mexico, particularly in Otero County? Records from the Otero County Association of Realtors (OCAOR) indicate that homes are selling for 95-97% of their asking price, which is usually based on a Realtors® CMA (Comparative Market Analysis), or a home Appraisal. New Mexico ranks in the top 5 states in the United States where housing prices have actually appreciated over the last year.

So why do we refer to this market as a “Buyers Market”? There is a glut of homes on the market now. Therefore, buyers have a variety of homes to view. Buyers can be picky about little things while shopping for the right home for their family. Sellers have to be meticulous about the small details that set their home apart from the home down the street. The favorite saying for real estate sales has changed from “Location, Location, Location” to “Price, Price, Price”. Homeowners have to be realistic in establishing the price for their home. You may believe that your home is the “best home on the block”, but buyers may not see it that way. When you overprice your home, you are actually helping sell the home down the street, that may have the same features as your home.

It can be overwhelming at times but that is why the majority of home owners use a Realtor® to help sell their home. We are trained to market your home in order to achieve the best price in the shortest amount of time.

For more information on this subject or anything else involving the Real Estate Market, contact me at ERA Simmons Real Estate 575-437-9927, or by email at [lebron.little@era.com](mailto:lebron.little@era.com).