



The Sunny Side of the Street

It's nice to be able to feel optimistic about our real estate market again. State and national figures have been released for May 2012, and it looks as though we can begin to breathe a collective sigh of relief. The national figures show 11 straight months of year-over-year gains in closed sales.

Nationally, existing home sales decreased 1.5 percent in May to a seasonally adjusted average that is 9.6 percent higher than May 2011. In Oklahoma, closed listings for May were up 16 percent against last year, and total housing inventory decreased significantly. For our entire state, we have slightly more than a seven months' supply of unsold inventory – that's a big decrease over a year ago and much closer to the six months' supply that would be considered balanced inventory. These figures are from the entire Oklahoma Multi-List Service (MLS) system. The Tulsa area is still a little heavy on inventory with 10 months' supply, but with the good numbers posting in closed and pending sales, Tulsa should be coming into line as well.

Along with these trends, you can expect to see average prices rise and on-the-market times begin to shorten. Tulsa and Oklahoma City were two of only eight metropolitan markets out of 168 in February already showing average price gains. As of May, our average prices are up 4.6 percent versus last year! And, the average number of days homes spent on the market before selling decreased 5 days from last year, from 84 to 79 days.

It now appears that we don't just have investors taking advantage of market conditions, but we are actually seeing the return of more home buying for occupancy.

Another ray of hope is that the continued increase in home values nationally will mean that millions of homeowners who were "upside down" with loans greater than the value of their property will no longer be in that situation.

I'm sure we'll see some month-to-month reports in the future that are not this bright, but the longer term real estate trend is starting to look sunny! ☺



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