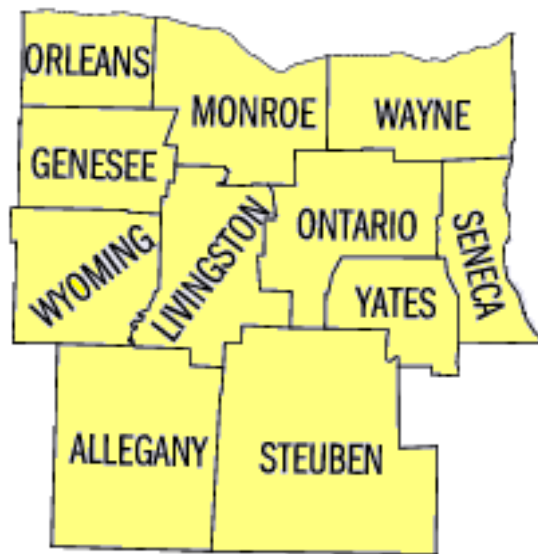




Economic and Market Watch Report

4th Quarter, 2009



*Click on a County to view economic and real estate information at the county and zip code level

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The Greater Rochester Association of REALTORS®

Economic and Market Watch Report

Three entities—One Goal

Strengthening our community through home ownership. The Greater Rochester Association of REALTORS® (GRAR), the Genesee Region Real Estate Information Service (GENRIS) and the REALTORS' Charitable Foundation (RCF) comprise our organization. The Genesee Region Real Estate Information Service (GENRIS) delivers MLS and Property Data services to over 2,500 real estate professionals in the greater Rochester area. The Mission of the Genesee Region Real Estate Information Service (GENRIS) is to be the primary provider of real estate information and technology, and to provide support to its members via a Multiple Listing Service in which all home listings are entered. GENRIS also maintains www.HomeSteadNet.com, provides statistical housing information, administers the lockbox program locally and provides technical support services to its members.

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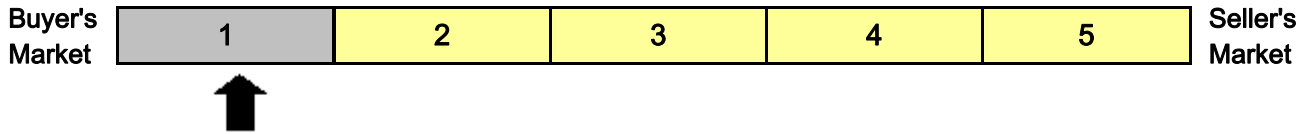
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Allegany County, NY



Labor Market :

In the first two months of the fourth quarter, 1,078 jobs were added to the payrolls of Allegany County. As a result of these new jobs, the average monthly unemployment rate fell from 8.6% during the third quarter to 8.1% for October and November. This steady job creation may help to maintain demand for home purchases. Favorable mortgage rates should support this trend.

Housing Market :

	Q3' 09	Q4' 09	Q1' 10 (Forecast)
Average Price	\$99,400	\$90,900	↔
# Homes on the Market *	38	38	↑
# Homes Sold **	10	5	↔
# New Homes Built ***	7	2	↑
Avg # of Days on Market	88	70	↑

* Available as of Dec. 31, 2009.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
14715	\$95,200	N/A	1	N/A	148	105.9%
14727	\$55,000	N/A	1	N/A	101	85.9%
14884	\$85,000	142.86%	1	0.00%	46	85.1%
14897	\$161,500	N/A	1	N/A	44	97.9%
OTHER	\$58,000	-6.30%	1	-50.00%	15	96.8%

*** % Change of current quarter compared to the same quarter to year ago.

Genesee County, NY



Labor Market :

Employment declined by 1,255 jobs in October and November. The job losses brought about an increase in the average monthly unemployment rate from 7% in the third quarter to 7.4% for the second two months of the fourth quarter. Job losses are ticking upwards, creating a drag on buyer confidence and demand in Genesee County. However, historically low mortgage rates have created a favorable buying environment for those with a job.

Housing Market :

	Q3' 09	Q4' 09	Q1' 10 (Forecast)
Average Price	\$97,200	\$102,600	↔
# Homes on the Market *	301	195	↑
# Homes Sold **	130	86	↔
# New Homes Built ***	NA	NA	↑
Avg # of Days on Market	66	67	↑

* Available as of Dec. 31, 2009.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
14005	\$128,000	13.68%	1	-66.67%	4	98.5%
14013	\$100,000	-13.42%	6	500.00%	117	94.7%
14020	\$105,800	9.52%	36	-2.70%	70	94.1%
14036	\$117,000	6.36%	4	100.00%	81	96.2%
14040	\$94,000	-47.78%	1	0.00%	7	100.0%
14054	\$91,300	-24.73%	2	-60.00%	192	97.9%
14056	\$104,000	73.33%	1	0.00%	77	100.0%
14058	\$94,900	2.26%	4	0.00%	69	98.7%

*** % Change of current quarter compared to the same quarter to year ago.

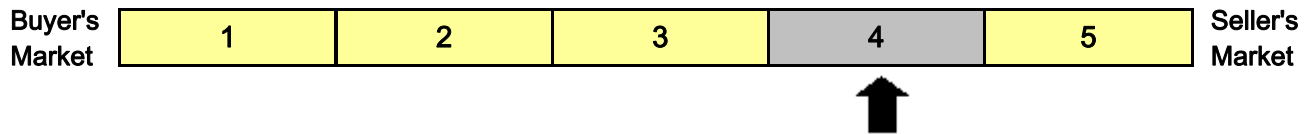
Genesee County, NY

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
14125	\$90,700	8.36%	7	75.00%	53	91.6%
14143	\$121,500	-0.90%	2	-60.00%	8	104.3%
14416	\$110,200	17.74%	6	100.00%	54	96.8%
14482	\$103,100	-7.62%	12	-7.69%	40	95.2%
14525	\$81,000	-0.74%	3	-25.00%	86	94.6%
14557	\$43,000	N/A	1	N/A	69	86.2%

*** % Change of current quarter compared to the same quarter to year ago.

Monroe County, NY



Labor Market :

In the first two months of the fourth quarter, 224 jobs were added to the payrolls of Monroe County. As a result of these new jobs, the average monthly unemployment rate fell from 8.3% during the third quarter to 7.8% for October and November. This steady job creation may help to maintain demand for home purchases. Favorable mortgage rates should support this trend.

Housing Market :

	Q3' 09	Q4' 09	Q1' 10 (Forecast)
Average Price	\$153,900	\$136,500	↔
# Homes on the Market *	4,370	3,182	↑
# Homes Sold **	2,315	1,618	↔
# New Homes Built ***	180	97	↑
Avg # of Days on Market	32	35	↑

* Available as of Dec. 31, 2009.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
14420	\$131,700	14.62%	33	-2.94%	53	95.8%
14428	\$126,900	-9.29%	13	0.00%	29	98.7%
14445	\$107,900	18.70%	15	-6.25%	20	94.5%
14450	\$198,000	-5.35%	101	32.89%	43	97.4%
14464	\$121,800	19.88%	20	100.00%	33	97.0%
14467	\$143,300	3.32%	19	5.56%	27	98.8%
14468	\$174,700	0.75%	37	-15.91%	38	97.9%
14472	\$205,800	-22.69%	15	-42.31%	47	96.4%
14506	\$251,500	-29.08%	2	-50.00%	40	97.7%

*** % Change of current quarter compared to the same quarter to year ago.

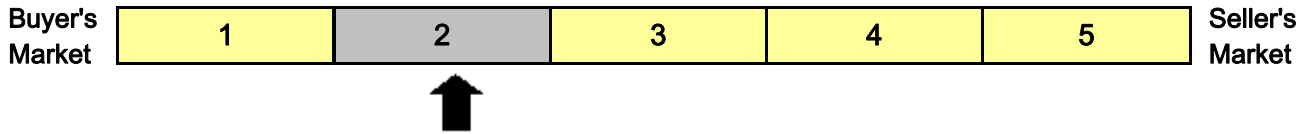
Monroe County, NY

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
14511	\$99,000	167.57%	1	0.00%	127	99.1%
14514	\$144,100	-7.51%	18	-10.00%	21	98.8%
14526	\$205,400	2.75%	40	-21.57%	47	97.1%
14534	\$252,800	-8.60%	79	2.60%	38	95.9%
14543	\$124,600	-25.92%	6	-14.29%	21	98.0%
14546	\$121,700	14.81%	18	80.00%	28	97.6%
14559	\$147,700	-4.15%	34	-8.11%	38	96.6%
14580	\$187,000	-5.32%	116	23.40%	40	96.7%
14586	\$150,900	11.53%	18	0.00%	24	98.3%
14605	\$36,000	-20.00%	2	-33.33%	66	92.5%
14606	\$87,600	9.50%	57	26.67%	35	97.6%
14607	\$155,800	-28.27%	7	-46.15%	33	98.6%
14608	\$107,300	85.32%	5	25.00%	110	92.9%
14609	\$84,500	0.00%	122	4.27%	28	97.0%
14610	\$165,800	-28.93%	41	10.81%	36	96.9%
14611	\$49,500	-1.00%	13	8.33%	35	94.5%
14612	\$123,400	-0.40%	82	13.89%	29	96.2%
14613	\$64,500	6.97%	18	-5.26%	61	96.2%
14615	\$86,300	16.78%	42	0.00%	35	98.2%
14616	\$94,000	8.05%	105	41.89%	34	97.3%
14617	\$118,000	-2.80%	84	-4.55%	32	97.9%
14618	\$208,500	-9.31%	47	17.50%	35	95.9%
14619	\$68,700	20.53%	31	-11.43%	21	97.1%
14620	\$116,200	8.80%	48	54.84%	29	97.3%
14621	\$60,500	25.26%	28	-20.00%	55	96.2%
14622	\$97,400	-13.58%	55	0.00%	30	97.8%
14623	\$105,800	3.22%	36	2.86%	30	96.8%
14624	\$118,100	0.08%	98	7.69%	37	97.4%
14625	\$166,900	7.68%	25	0.00%	36	97.0%
14626	\$130,700	4.64%	82	18.84%	30	97.5%
OTHER	\$161,900	-41.40%	5	25.00%	46	96.0%

*** % Change of current quarter compared to the same quarter to year ago.

Ontario County, NY



Labor Market :

Employment increased by 34 jobs in Ontario County during October and November. However, the number of job seekers also increased. The combined effect of these two trends was an increase in the average monthly unemployment rate from 6.7% for the third quarter to 7% in the first two months of the fourth quarter. The solid job growth may provide home sales, while historically low mortgage rates boost affordability.

Housing Market :

	Q3' 09	Q4' 09	Q1' 10 (Forecast)
Average Price	\$202,600	\$176,500	↔
# Homes on the Market *	898	658	↑
# Homes Sold **	271	218	↔
# New Homes Built ***	44	27	↑
Avg # of Days on Market	62	60	↑

* Available as of Dec. 31, 2009.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
14424	\$210,700	12.85%	69	0.00%	55	95.3%
14425	\$144,900	18.29%	22	29.41%	40	97.6%
14432	\$94,100	-20.86%	5	0.00%	45	95.5%
14456	\$99,500	1.95%	37	0.00%	76	93.3%
14469	\$96,400	-50.44%	8	-11.11%	50	93.6%
14471	\$125,600	-38.31%	9	0.00%	57	90.5%
14504	\$105,200	-11.97%	5	150.00%	39	96.6%
14512	\$179,100	5.66%	5	-54.55%	84	92.9%

*** % Change of current quarter compared to the same quarter to year ago.

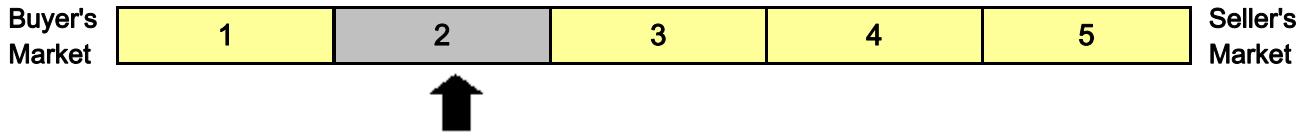
Ontario County, NY

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
14532	\$83,500	-21.15%	4	-55.56%	52	92.7%
14548	\$83,900	95.57%	4	300.00%	43	94.5%
14561	\$124,300	-12.77%	5	150.00%	81	94.8%
14564	\$287,400	23.08%	36	5.88%	75	96.4%
OTHER	\$181,000	51.21%	9	-10.00%	60	95.8%

*** % Change of current quarter compared to the same quarter to year ago.

Orleans County, NY



Labor Market :

In the first two months of the fourth quarter, 11 jobs were added to the payrolls of Orleans County. As a result of these new jobs, the average monthly unemployment rate fell from 8.9% during the third quarter to 8.1% for October and November. This steady job creation may help to maintain demand for home purchases. Favorable mortgage rates should support this trend.

Housing Market :

	Q3' 09	Q4' 09	Q1' 10 (Forecast)
Average Price	\$97,600	\$90,500	↔
# Homes on the Market *	353	277	↑
# Homes Sold **	85	71	↔
# New Homes Built ***	NA	NA	↑
Avg # of Days on Market	68	71	↑

* Available as of Dec. 31, 2009.

** May not add to total of zip codes.

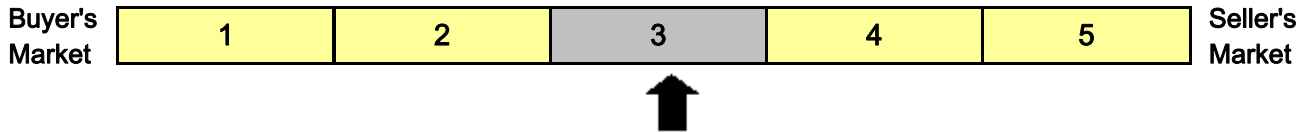
*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
14098	\$136,400	24.45%	8	14.29%	85	97.1%
14103	\$66,600	-34.32%	13	-38.10%	86	89.4%
14411	\$87,700	24.05%	19	-5.00%	54	93.1%
14429	\$84,900	N/A	1	N/A	204	100.0%
14470	\$92,800	-7.94%	20	-9.09%	61	96.9%
14476	\$109,800	-0.72%	3	-66.67%	39	86.7%
14477	\$126,700	-8.98%	3	-50.00%	90	96.0%
14571	\$33,300	-80.21%	3	0.00%	126	84.9%
OTHER	\$55,000	-48.45%	1	-66.67%	42	78.7%

*** % Change of current quarter compared to the same quarter to year ago.

Seneca County, NY



Labor Market :

Employment declined by 311 jobs in October and November. The job losses brought about an increase in the average monthly unemployment rate from 7.3% in the third quarter to 7.4% for the second two months of the fourth quarter. Job losses are ticking upwards, creating a drag on buyer confidence and demand in Seneca County. However, historically low mortgage rates have created a favorable buying environment for those with a job.

Housing Market :

	Q3' 09	Q4' 09	Q1' 10 (Forecast)
Average Price	\$114,200	\$124,700	↔
# Homes on the Market *	225	175	↑
# Homes Sold **	51	61	↔
# New Homes Built ***	NA	NA	↑
Avg # of Days on Market	89	96	↑

* Available as of Dec. 31, 2009.

** May not add to total of zip codes.

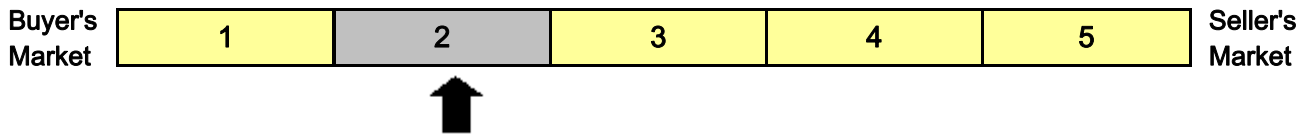
*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
13065	\$63,900	N/A	1	N/A	115	98.5%
13148	\$109,700	-26.67%	24	14.29%	105	90.5%
13165	\$72,200	-1.37%	18	-21.74%	72	96.4%
14521	\$116,300	-63.99%	1	-80.00%	137	93.1%
14541	\$240,500	21.71%	9	12.50%	130	84.5%
14847	\$149,200	-63.16%	3	50.00%	58	91.7%
14860	\$169,500	N/A	1	N/A	78	100.0%
OTHER	\$178,300	-31.95%	4	100.00%	99	89.6%

*** % Change of current quarter compared to the same quarter to year ago.

Steuben County, NY



Labor Market :

A decline in employment of 437 jobs was offset by a decrease in the number of persons looking for work during the first two months of the fourth quarter. The net effect was no change in the 9.5% average monthly unemployment rate from the third quarter. Job losses are cutting into confidence and demand, but historically low mortgage rates are creating a great buying opportunity for those with a job and good credit.

Housing Market :

	Q3' 09	Q4' 09	Q1' 10 (Forecast)
Average Price	\$140,800	\$120,700	↔
# Homes on the Market *	249	203	↑
# Homes Sold **	43	43	↔
# New Homes Built ***	4	4	↑
Avg # of Days on Market	106	98	↑

* Available as of Dec. 31, 2009.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
14572	\$87,800	44.17%	7	16.67%	37	96.5%
14807	\$81,500	-30.81%	2	0.00%	68	94.8%
14809	\$115,900	N/A	1	N/A	57	96.7%
14810	\$124,600	-13.41%	2	-60.00%	139	91.3%
14823	\$66,900	N/A	1	N/A	27	94.9%
14826	\$76,300	-38.22%	4	100.00%	60	92.9%
14840	\$211,100	-40.60%	11	83.33%	186	92.4%
14843	\$92,500	26.02%	4	0.00%	78	87.5%

*** % Change of current quarter compared to the same quarter to year ago.

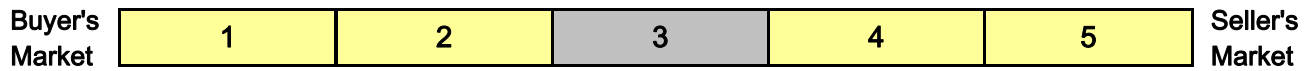
Steuben County, NY

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
14873	\$96,600	10.78%	5	-44.44%	138	92.9%
14874	\$105,000	N/A	2	N/A	55	89.8%
OTHER	\$72,500	-72.93%	4	0.00%	21	99.8%

*** % Change of current quarter compared to the same quarter to year ago.

Wayne County, NY



Labor Market :

In the first two months of the fourth quarter, 28 jobs were added to the payrolls of Wayne County. As a result of these new jobs, the average monthly unemployment rate fell from 7.8% during the third quarter to 7.7% for October and November. This steady job creation may help to maintain demand for home purchases. Favorable mortgage rates should support this trend.

Housing Market :

	Q3' 09	Q4' 09	Q1' 10 (Forecast)
Average Price	\$127,800	\$116,700	↔
# Homes on the Market *	823	613	↑
# Homes Sold **	247	208	↔
# New Homes Built ***	13	5	↑
Avg # of Days on Market	55	62	↑

* Available as of Dec. 31, 2009.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
13143	\$67,300	-35.78%	2	100.00%	120	90.6%
13146	\$37,500	-51.30%	1	-66.67%	7	68.3%
14433	\$79,000	34.35%	5	66.67%	200	89.6%
14489	\$70,400	-1.95%	12	33.33%	119	94.8%
14502	\$149,700	8.64%	30	57.89%	39	97.9%
14505	\$117,600	15.18%	7	-30.00%	79	96.6%
14513	\$86,600	2.61%	37	19.35%	65	95.8%
14516	\$109,700	-52.63%	5	66.67%	53	101.4%
14519	\$148,700	-17.20%	31	-3.13%	52	94.1%

*** % Change of current quarter compared to the same quarter to year ago.

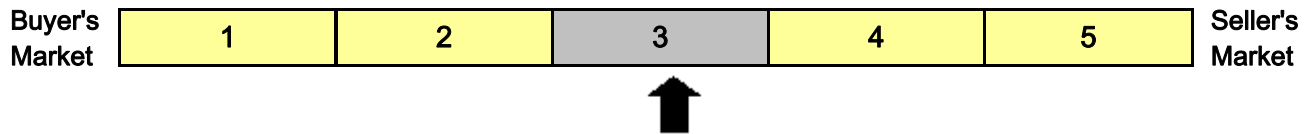
Wayne County, NY

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
14522	\$118,100	-8.31%	4	-75.00%	26	102.3%
14551	\$98,600	23.71%	13	8.33%	63	95.8%
14555	\$124,600	-41.03%	5	-37.50%	52	94.9%
14568	\$142,300	1.64%	20	42.86%	39	97.9%
14589	\$109,400	16.88%	22	37.50%	46	92.8%
14590	\$111,100	11.10%	14	-6.67%	91	93.8%

*** % Change of current quarter compared to the same quarter to year ago.

Wyoming County, NY



Labor Market :

Employment declined by 600 jobs in October and November. The job losses brought about an increase in the average monthly unemployment rate from 7.9% in the third quarter to 8.3% for the second two months of the fourth quarter. Job losses are ticking upwards, creating a drag on buyer confidence and demand in Wyoming County. However, historically low mortgage rates have created a favorable buying environment for those with a job.

Housing Market :

	Q3' 09	Q4' 09	Q1' 10 (Forecast)
Average Price	\$98,800	\$98,000	↔
# Homes on the Market *	174	114	↑
# Homes Sold **	32	45	↔
# New Homes Built ***	8	4	↑
Avg # of Days on Market	90	88	↑

* Available as of Dec. 31, 2009.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
14011	\$109,500	30.20%	10	150.00%	86	92.3%
14037	\$162,000	N/A	1	N/A	17	95.9%
14066	\$85,000	-28.57%	1	0.00%	37	77.6%
14113	\$116,600	11.05%	1	0.00%	19	90.4%
14130	\$52,000	-61.48%	1	0.00%	87	89.7%
14167	\$64,000	N/A	1	N/A	72	92.8%
14427	\$100,300	59.21%	6	500.00%	98	97.1%
14530	\$113,400	11.29%	8	100.00%	166	95.4%

*** % Change of current quarter compared to the same quarter to year ago.

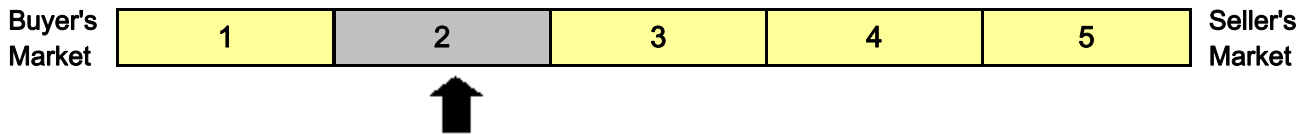
Wyoming County, NY

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
14536	\$69,000	-5.48%	1	0.00%	62	101.6%
14549	\$78,000	N/A	1	N/A	77	91.9%
14550	\$105,300	119.38%	3	200.00%	15	105.4%
14569	\$75,400	1.07%	5	-16.67%	76	91.2%
14591	\$74,600	-37.42%	4	33.33%	64	81.8%
OTHER	\$94,300	-59.53%	2	0.00%	70	86.1%

*** % Change of current quarter compared to the same quarter to year ago.

Yates County, NY



Labor Market :

A decline in employment of 59 jobs was offset by a decrease in the number of persons looking for work during the first two months of the fourth quarter. The net effect was no change in the 6.3% average monthly unemployment rate from the third quarter. Job losses are cutting into confidence and demand, but historically low mortgage rates are creating a great buying opportunity for those with a job and good credit.

Housing Market :

	Q3' 09	Q4' 09	Q1' 10 (Forecast)
Average Price	\$182,600	\$183,600	↔
# Homes on the Market *	234	193	↑
# Homes Sold **	79	49	↔
# New Homes Built ***	NA	NA	↑
Avg # of Days on Market	83	82	↑

* Available as of Dec. 31, 2009.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
14418	\$135,400	24.11%	7	75.00%	86	94.9%
14478	\$206,100	53.12%	2	-33.33%	191	97.8%
14507	\$131,700	0.08%	4	33.33%	48	99.0%
14527	\$203,500	4.73%	29	11.54%	82	92.0%
14837	\$75,000	-55.09%	1	-88.89%	24	100.0%
14842	\$299,700	354.09%	3	200.00%	101	95.5%
OTHER	\$77,500	-32.02%	3	0.00%	55	95.4%

*** % Change of current quarter compared to the same quarter to year ago.

Others

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
12474	\$46,000	N/A	1	N/A	125	92.0%
13021	\$40,000	-78.95%	1	0.00%	13	100.0%
13045	\$36,900	N/A	2	N/A	36	81.1%
13140	\$65,000	N/A	1	N/A	47	93.0%
13143	\$103,900	-14.13%	1	0.00%	159	104.0%
13156	\$34,000	-38.18%	1	0.00%	4	113.7%
13160	\$180,000	N/A	1	N/A	128	92.3%
13166	\$40,000	N/A	1	N/A	81	81.6%
13733	\$26,100	N/A	1	N/A	192	100.0%
14001	\$95,000	N/A	1	N/A	111	97.0%
14004	\$87,400	N/A	2	N/A	40	96.2%
14012	\$68,000	N/A	1	N/A	357	94.4%
14067	\$63,800	-4.78%	1	-50.00%	328	96.9%
14103	\$72,300	N/A	1	N/A	1	103.5%
14105	\$80,100	-13.31%	4	33.33%	50	89.0%
14108	\$55,500	N/A	2	N/A	81	85.5%
14414	\$138,600	5.64%	14	-33.33%	85	96.1%
14423	\$120,100	3.98%	7	16.67%	39	98.5%
14435	\$139,100	-7.94%	5	-16.67%	104	96.6%
14437	\$104,500	24.40%	12	20.00%	50	94.6%
14454	\$173,600	24.00%	15	400.00%	59	93.4%
14462	\$223,500	N/A	2	N/A	142	96.1%
14466	\$85,000	-48.17%	3	0.00%	30	95.5%
14481	\$81,800	10.24%	3	-40.00%	66	98.3%
14485	\$117,800	-13.95%	4	-50.00%	99	100.3%
14486	\$71,000	N/A	1	N/A	6	97.4%
14487	\$148,500	11.99%	8	-33.33%	63	95.5%
14510	\$75,800	-0.66%	10	100.00%	45	93.3%
14517	\$77,600	-18.83%	8	0.00%	82	86.0%
14533	\$89,500	98.89%	1	0.00%	10	96.3%
14545	\$73,900	N/A	1	N/A	56	98.7%
14558	\$140,700	N/A	1	N/A	60	90.7%
14560	\$107,200	-10.74%	5	25.00%	51	92.8%
14572	\$91,600	22.13%	4	300.00%	83	96.5%

*** % Change of current quarter compared to the same quarter to year ago.

Others

Data by Zip Codes for Q4 2009

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
14592	\$82,000	N/A	3	N/A	11	97.7%
14812	\$53,000	N/A	1	N/A	55	96.5%
14836	\$73,000	N/A	1	N/A	7	91.3%
14837	\$144,800	139.34%	2	100.00%	91	91.3%
14840	\$205,000	N/A	1	N/A	7	93.6%
14846	\$60,000	-18.92%	1	0.00%	50	92.3%
14870	\$57,500	N/A	2	N/A	98	100.0%
14891	\$89,800	-37.85%	3	50.00%	293	91.7%

*** % Change of current quarter compared to the same quarter to year ago.

One Year After the Crash

By Ken Fears, Manager of Regional Economics

A lot can change in one year. In September of 2008, the Lehmen Brothers investment bank declared bankruptcy. The subsequent chain of events sent global credit markets into turmoil and brought many local housing markets to a virtual standstill. Nationally, seasonally adjusted home sales slipped 11.0% between September and November of 2008. However, over the 12 months ending in November of 2009, home sales rose 44.1% to reach 6.540 million at a seasonally adjusted and annualized rate. Here in the market covered by the Greater Rochester Association of REALTORS® sales were 30.5% lower in December of 2009 than 12 months earlier, a large drop. Much of this momentum is due to unprecedented government incentives through record low mortgage rates and tax credits. But how will the market fair in 2010 when these incentives are eliminated?

The first-time home buyer tax credit was originally set to expire in late November of 2008. Any home sold by November 30th was eligible for the credit. However, it can take a month to two months to close a contract, so only homes that were under contract in October had a realistic chance of closing in time to use the credit. Consequently, looking at the change in demand from October to November of 2009 can be informative. Nationally, the number of homes under contract rose for nine consecutive months, peaking in October and then falling 15.5% in November of 2009. Likewise, sales fell 16.2% between November and December, reflecting the slump in November contracts. Locally, the number of homes sold fell 46.1% between November and December of 2009. It is unlikely that sale should remain as strong as their November highs, but homes sales should remain above 2009 levels because of the decline in layoffs and improved consumer confidence.

	Less than \$1 Million	More than \$1 Million
Sales Q4 2008	2,522	1
Sales Q4 2009	2,641	2

Another change has developed in the market that could support stronger sales in 2010. A large jump in jumbo mortgage rates created a disproportionate increase in inventory at the higher price ranges in 2007 and 2008, but sales at the upper end have since picked up. The strong incentives for first time buyers spurred buying at the lower end of the market, but the improvement at the upper price range was due to a different factor: better mortgage rates. The spread between average 30-year fixed rate on a jumbo and FHA rates fell from 143 basis points in January of 2009 to 71 basis points in December of 2009¹. As a result, sales have rebounded and the months supply of homes for sale above \$1,000,000 has tightened (improved) from 63.8 in November of 2008 to 23.3 months in November of 2009. Here in the market covered by the the Greater Rochester Association of REALTORS®, sales of homes over \$1,000,000 rose by 100.0% from December 2008 to December 2009.

The housing market in 2010 is virtually guaranteed to be better than that of 2009. Sales will improve at the upper end of the market as banks' view of non-agency backed loans as less risky spreads. But rising mortgage rates across the board may create headwinds for sales growth as the economy recovers in late 2010. Regardless, the national market will likely achieve a higher level of sales volume, well below the heady days of 2006, but at a steady, more stable level of sales.

¹ Source: Bankrate.com

A New Year: Good Prospects, Lingering Challenges

by Lawrence Yun, *NAR Chief Economist*

Happy New Year! I think we were all glad to say good-bye to 2009 and the recession, a suffering job market, and at least for most of the year, very sluggish housing activity.

Fortunately, towards the end of last year things were looking up for housing (finally). As we saw, the first time home buyer tax credit provided a strong incentive for buyers to enter the market. From a sales pace of 4.5 million units (seasonally adjusted annualized pace) in the immediate months prior to the tax credit stimulus, existing-home sales soared to 6.1 million and 6.5 million in October and November, respectively. Now with the tax credit having been extended (and expanded) and the new deadline not looming until the middle of 2010, the deep cold winter will bring us a few calm months before another surge in home sales in spring and early summer. Of course, the big question is, once the tax credit goes away in the second half of the year, what can we expect?

The key to a real and sustainable housing market recovery can be summed up in one word: jobs! The job market continues to struggle despite recent respectable gains in production. That is, total production as measured by GDP grew for the first time in two years in the third quarter of 2009, by a decent 2.2 percent growth rate. Early indications are that the economy expanded by better than 4 percent in the final (fourth) quarter of 2009. Based on many economic indicators - from consumer credit and retail sales to the need for inventory restocking and rising exports - GDP is expected to expand by close to 3 percent for all of 2010. While that 3 percent GDP growth is somewhat lackluster coming out of a deep recession, the worst is definitively over.

Even as production rises, companies coming out of a recession push their existing workers to do more rather than hiring new workers to raise production. Not surprisingly, the unemployment rate remained high at 10 percent in December as far fewer people were working (or even looking for work) during the month. In December a net 85,000 payroll jobs were lost according to company survey data in December tracked by the Bureau of Labor Statistics. In a separate survey of households which asks people whether or not they have a job, there were 589,000 net fewer jobs. Since the beginning of the recession two years ago, the country has shed 7.2 million jobs. Over the short term, the unemployment rate will, I'm afraid, go higher - possibly even to 10.5 percent, particularly if many of the discouraged workers re-enter the labor force and start applying for a job.

However, there are several signs pointing towards potentially consistent job creation in the second half of the year. In December, temporary help employment rose for a fifth straight month. Because many companies first turn to such "temp" jobs coming out of a recession, this rising trend should imply permanent job creations starting in few months. Past historical experience also show that temp jobs rise before permanent jobs.

Sector by sector, manufacturing companies continue to bleed heavily while jobs are still being cut sharply in construction because of weak housing starts and near total collapse in new commercial real estate construction. Jobs at state and local governments fell slightly in December. There will be continuing pressure throughout this year for further job cuts as most state and local governments are running relatively high budget deficits and generally by law have to balance their books.

There are some bright spots. Those sectors that have been gaining jobs consistently have been in health care service and in education. For a recent college graduate with a nursing or education degree, the job

prospects are much better. Another sector that had been hammered badly but is now showing job additions is the professional business service sector (e.g., accounting, management consulting, and law offices) which added about 50,000 payrolls in December. That could signal some good news for commercial real estate: these job gains will require office space, so this could be the very first sign of potential improvement and business opportunities for commercial REALTORS®.

Another bright spot: 2010, fortunately, happens to be the year of the Census and the counting of people. Consequently, the government will hire about one million people this year to collect and process the data. Yes, these jobs will be mostly temporary. But nonetheless it will provide jobs and income support until the private sector begins to add jobs on a permanent basis. Currently, the private sector is on the sidelines with a wait-and-see approach. But with overall production continuing to gain respectably, the private sector will eventually need to boost payroll. As the home buyer tax credit expires in June, private sector job creation will be key to a sustainable housing market recovery. My best guess is about 100,000 net job gains per month in the second half of the year.








Assuming the job market does turn around then, home sales for the year will be about 10 percent higher in 2010 compared to 2009. With inventory being absorbed, home values will likely squeak out a gain for the year as a whole. That is important in terms of boosting consumer confidence about home buying.

Home values are also important for boosting income for REALTORS®. Residential brokerage commission fell in 2009 by 6.2 percent to \$40.6 billion according to Real Trends. That figure is roughly in line with NAR's estimated 8 percent decline in average commission income based on 5 percent higher unit sales but 13 percent decline in home values in 2009. While it's true that REALTORS® were much busier than normal in 2009 - both in terms of having more customers as well as having to spend longer on home sales transactions (particularly in regards to short-sales) - lower home values led to overall reduction in income on average.

Based on our home sales and home price projections for 2010, I think we can expect about a 12 to 19 percent rise in overall commission income in 2010. The forecast is never "on the money" (no pun intended) and the actual figure could be measurably higher or lower. Still, I'm comfortable in saying that following four years of a housing market recession, aggregate income is more likely to be up because of the tax credit in the first half of the year and the job creation in the second half.

However, any rise in the aggregate commission income for REALTORS® as a whole may not be reflected in the income for individual REALTORS® if many more people enter the profession. (Remember, this happened during the housing boom years.) Those contemplating entering the profession need to be aware of the business challenges in the early years of a real estate career. The average income of REALTORS® with less than two years of experience is well below \$20,000 per year before expenses. In addition, referrals and personal relationships have been the dominant factors in drawing new clients. Over 80 percent of recent home buyers and home sellers recommend (or will likely recommend) their specific REALTOR® to colleagues, friends, and family members. As with any dynamic entrepreneurial business, there will be some start-ups who will do very well, but the initial edge in real estate business will be with veterans who have served their clients well in the past.

This table reflects data available through January 8th 2010.

Monthly Indicator	Recent Statistics	Likely Direction Over the Next Six Months	Forecast
<p>Existing Home Sales rose 7.4% in November to a seasonally adjusted annual rate of 6.54 million units. November resales were more than 44% higher than a year ago and at their highest level since February of 2007. The healthy sales activity helped draw down existing-home inventory to 3.52 million units – a 6.5 month supply at the current sales pace. The national median home price for an existing home was \$172,600.</p>	Nov 09 6,540 Oct 09 6,090 Nov 08 4,540		Second surge coming in spring
<p>New Home Sales declined 11.3% in November to a seasonally adjusted annual rate of 335,000 units. November's sales pace was 9.0% off that recorded in November 2008. While the actual number of new homes available for sale decreased to 235,000, inventory rose to a 7.9 month supply at the current sales pace.</p>	Nov 09 355 Oct 09 400 Nov 08 390		The worst is past
<p>Housing Starts posted a seasonally adjusted annual rate of 574,000 in November – a 8.9% increase from October's level, but 12.4% off the rate a year ago. Single-family starts rose 2.1%. Housing permits – generally a reliable indicator of future starts – climbed 6.0% from the previous month.</p>	Nov 09 574 Oct 09 527 Nov 08 655		Construction loans are difficult to come by but more new homes will be built in 2010
<p>Housing Affordability remains at a fairly high level. NAR's latest Housing Affordability Index (HAI) posted a reading of 167.7 in November, just marginally off October's index of 167.8 but well above the 144.3 index reading in November of 2008. Continuing low home prices and mortgage rates are keeping the index historically high..</p>	Nov 09 167.7 Oct 09 167.8 Nov 08 144.3		Soft income growth from high unemployment rates
<p>Mortgage Rates increased slightly, as the average 30-year fixed rate rose from 4.88% in November to 4.93% in December. As the economy further strengthens, the Federal Reserve is likely to raise its overnight target rate, and this will push up short-term interest rates such as those for adjustable-rate mortgages. However, no Fed action is anticipated until the second half of 2010.</p>	Dec 09 4.93% Nov 09 4.88% Dec 08 5.29%		Will no longer remain at rock bottom levels
<p>Employment Despite encouraging signs in other sectors of the economy, the job market continues to be a worry. In December, 85,000 jobs were lost, much worse than most analysts expected. November's revised employment figure actually showed a gain of 4,000 – the first job creation figure in nearly two years. That good news was tempered by an upwardly revised job loss number in October. The unemployment rate was unchanged at 10%, most likely due to people who have stopped looking for work.</p>	Dec 09 -85 Nov 09 +4 12-month total: -4,164		Net job gains possibly from spring and definitely by summer
<p>Economic Growth The U.S. economy grew at a 2.2% rate in the third quarter of 2009. This is the third and final estimate of GDP growth based on more complete data. For comparison, second quarter 2009 real GDP growth was -0.7%. The positive GDP growth figure reflects increases in personal consumption expenditures, exports, and federal government spending, as well as contributions from private inventory and residential fixed investment.</p>	2009:III +2.2% 2009:II -0.7% 2008:III -0.5%		Not a robust postrecession growth, but still an expansion

Notes: All rate are seasonally adjusted. New home sales, existing home sales, and housing starts are shown in thousands. Employment growth is shown as month-to-month change in thousands. Inflation is shown as the month-to-month change in the Consumer Price Index. Sources: NAR, Bureau of the Census, Bureau of Labor Statistics, Freddie Mac, and the Mortgage Bankers Association