

Rochester Real Estate Today

David Birka

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Local: Rochester area residential real estate market experienced its highest volume of homes going into pending status in three years with 281 homes going to pending in April. Coincidentally the Home Buyer Tax Credit deadline was April 30th. Historically the month March and April account for the single highest volume of pending sales for the year, with April 2010 topping the list seven of the last ten years.

National: Pending home sales increased again in March, affirming the surge of spring home sales, according to the National Association of Realtors®. The Pending Home Sales Index, rose 5.3 percent to 102.9 from 97.7 in February, and is 21.1 percent above March 2009. Lawrence Yun, NAR chief economist, said, "Clearly the home buyer tax credit has helped stabilize the market. Later in the second half of the year, and into 2011, home sales will likely become self-sustaining if the economy can add jobs at a respectable pace."

Rochester Minnesota Spring Market Watch

First Quarter 2010 (Single Family)

Active Rochester NE	93	Average List \$263,060
Average Market Time NE	187	Days for Active Homes
Closed Rochester NE	26	Average Sale \$190,169
NE Sale Price to List Price	97.03%	
Average Market Time NE	157	Days for Sold Homes

Active Rochester NW	304	Average List \$209,110
Average Market Time NW	168	Days for Active Homes
Closed Rochester NW	90	Average Sale \$164,291
NW Sale Price to List Price	97.95%	
Average Market Time NW	129	Days for Sold Homes

Active Rochester SE	125	Average List \$168,673
Average Market Time SE	169	Days for Active Homes
Closed Rochester SE	31	Average Sale \$131,809
SE Sale Price to List Price	98.19%	
Average Market Time SE	114	Days for Sold Homes

Active Rochester SW	195	Average List \$397,037
Average Market Time SW	175	Days for Active Homes
Closed Rochester SW	36	Average Sale \$238,338
SW Sale Price to List Price	93.79%	
Average Market Time SW	147	Days for Sold Homes

Market value is neighborhood specific and must take into consideration several variables, including the unique qualities of the property. Contact Dave for a complete Competitive Market Analysis of your home or investment property. This information is based on data supplied by the SE MN Association of REALTORS, or the Multiple Listing Service, and does not guarantee accuracy. Information does not include listings of brokers who are not Association or MLS members, and unlisted properties.

Low Mortgage Rates May Stick Around

The 30-year interest rates continue to fluctuate just below the 5 percent mark, as tracked by Freddie Mac, with no sign of moving upward. Analysts are now predicting a much smaller rate increase over the coming months, perhaps around a quarter of a percent. The Fed has been gradually reducing its purchases of mortgage securities as the end of the program neared, rather than simply cutting things off after March 30. That lessened the shock that would have occurred if it had simply pulled out all at once. By buying up such a huge chunk of the mortgages issued over the past year, the Fed has not only driven interest rates downward, it has also crowded out many of the private investors who were interested in mortgage securities. These investors are now starting to come back into the market, but the pent-up demand is helping to keep a lid on rates, at least for now. Borrowers should still be able to get an exceptionally good interest rate on a mortgage, either to purchase a home, or refinance an existing loan for some time to come.

Moving into a Fixer-Upper

There are two primary reasons why homeowners move into a fixer-upper: to remodel it for resale (and hopefully, profit) and to remodel it for long-term living. The temptation to move into a fixer-upper is a strong one, especially if you've found a place in a great location or with great potential. Be aware, however, that creating your dream home (or, if you're planning on flipping the property, someone else's dream home) is a difficult task even for those with plenty of experience. Most folks who decide that remodeling for resale is for them will find out quickly that remodeling old houses is easier said than done. This process can, however, be made decidedly more agreeable with a little good advice, and a lot of early planning.

Don't Live in a Space You're Remodeling for Resale

If you are remodeling for resale, there is a good chance that the property you'll be working on will not be your primary residence while the work is being done. This scenario is, of course, ideal. Living in a half-functional house is more of a pain than many imagine it will be. If at all possible, don't live in the space you are planning to renovate.

Those that are remodeling old houses as a long-term residence may have no other choice but to reside in the home they are working on. In this situation, find a nearby storage unit to house your belongings for the duration of the project. Giving yourself more room in your home, can provide a better work environment. Storage units are fairly inexpensive, and if you find that you cannot go two days without some items, just go back to the unit and get what you need.

Buyers and Sellers



Missed the April 30th Deadline?
Participating Coldwell Banker Listings are giving 3% of the accepted offer price up to \$8,000 credit at closing to homebuyers who sign an offer before the July 31st deadline.

Perform Tasks in Order When Remodeling Old Houses

Renovating a fixer-upper is a big job, but you will make it even bigger if you don't perform tasks in the right order. If you fix and paint all of your plaster walls before you upgrade your wiring, for example, you'll most likely have to redo a portion of the work you've already finished. Folks remodeling old houses are likely to have a huge list of things to do before the home will be considered complete. By planning that list carefully, you'll avoid the hassle and expense of backtracking.

While there will be exceptions to every rule, you'll typically want to begin with your roofing, as a leaky roof can cause damage to just about everything underneath it. From there you'll want to focus on the main systems of the house: electrical, plumbing, heating and cooling. If your floors are sturdy enough to walk on safely, you can leave them until last to avoid scuffing or staining during your other projects. If they aren't stable (a common problem when remodeling old houses), you may want to tackle these before you do your walls, counters, and ceilings.

(continued next page)

Remodeling for Resale on a Budget

To some, remodeling for resale is serious business. The amount spent during the remodeling process is a key element in the success of the project. Smaller, less expensive improvements can bear considerable fruit when it comes time to sell. Remodeling for resale is a science, and those who do it well understand that it is often these relatively small upgrades that make a home a winner.

Home Trends 2010

It's springtime and that means consumers have once again started the ritual of scouting for the ideal home. With the economic downturn builders have become highly attuned to which home features and preferences will prompt consumers to take action. More than ever, builders must supply the market with appealing, economical solutions. To understand today's housing trends, it's helpful to review the facts of residential construction.

Average size of single-family homes:
flat in 2008 and down in 2009

Homes with at least three bedrooms:
down in 2009, for the first time since 1992

Homes with 2 or more stories:
peaked in 2006, then began downward trend

Susan Slotkis, interior designer says, "Even though today's homes are smaller, builders, architects insist that they don't have to feel smaller. Home owners are still interested in the 'wow' factor, but there are other ways to achieve it." "There's a prime emphasis on good design that helps a home feels larger by raising overall ceiling height, adding light through windows," says Stephan Melman, National Association of Home Builders Director of Economic Services. NAHB research finds that "efficiency" is the new buzzword for virtually every aspect of new homes. Some features that are first to come off the wish list include: two story family room atrium, sunroom, butler's pantry.



Did You Know?

President Facts

- ❖ **Calvin Coolidge** kept the most pets. Including a pygmy hippo.
- ❖ **John Tyler** had the most children. He has 15!
- ❖ **Richard Nixon** played the most musical instruments. The piano, clarinet, accordion, violin, saxophone and cello.
- ❖ **James Madison** was the first to wear long pants.
- ❖ **Rutherford B. Hayes** was the first to use a telephone.
- ❖ **William Taft** gained the most weight in office. In one term he gained 50 pounds. The year he left office he lost 75 pounds.
- ❖ **John Quincy Adams** was the first to be photographed.
- ❖ **Barack Obama** was the first to write his own emails.
- ❖ **James Buchanan** was the only bachelor.
- ❖ **Ronald Reagan** was the only president to be divorced.
- ❖ **Martin Van Buren** didn't speak English at home. He spoke Dutch.
- ❖ **Andrew Jackson** survived a duel. He lived with a bullet in his chest for 40 years.
- ❖ **Chester Allan Arthur** wore sideburns down to his lapels.

Having pets, children, being photographed, divorced, speak a second language, being in a dual, getting fat, using a telephone, writing emails, and grow sideburns are all commonplace. But learning to play six instruments? Regardless of what you may think of Richard Nixon, that was an accomplishment.





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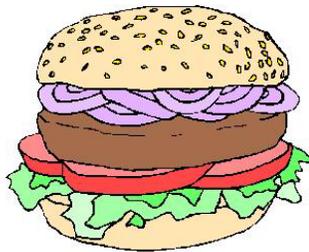


Milwaukee Beer Burger Recipe

Barbeque your favorite grill meats and let them simmer in this savory sauce. You may refrigerate and reheat the next day for even better flavor.

INGREDIENTS

- 12 oz can of beer
- 18 oz ketchup
- 1/2 diced onion
- 3 tablespoons butter



COOKING INSTRUCTIONS

In a large pan blend beer, ketchup, onion, butter.

Grill your favorite grill meats, burgers, brats, hotdogs, chicken. Place grilled items in the pan with the sauce mixture. Simmer on low heat for a few minutes, or longer for maximum flavor. Refrigerate grilled items in the sauce and reheat.

Sure to be a barbeque favorite!