



Anchorage Real Estate

Niel Thomas - Your Internet Realtor®

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Spring 2006 outlook: No real estate bubble, modest growth

by Niel Thomas, ABR, CCIM, CRS

Many of you have been asking me whether Anchorage is poised for a dramatic reversal of real estate values. I'm confident of my answer: It's "No," and for credible reasons.

Dramatic downturns in real estate markets, here and Outside, originate with population and job reversals. You have to come up with a scenario for lots of people leaving town to be convinced that our property values are at risk.

A bursting bubble has to have dramatic inflation first. We have been pleased to have been enjoying annual rates of residential appreciation of about ten percent for the past five years. That seems like a lot to any of us who have lived here for 30 years or more. It's nothing, however, compared with hyper-inflated markets Outside.



On a flight back from Hawaii at Christmas a client told me that he bought a bigger home for his father down there so all the family would have more room when they visit. They paid \$600,000 for it last year and have been told it's now worth \$900,000. That's wonderful timing for them, but not a rate of growth that could possibly be sustainable.

An at-risk market has characteristics we have not seen here.

In those markets you see people speculating in real estate for short-term gain. "Flipping" is not a word we hear in Anchorage. Instead, our market forces are the traditional ones that historically make real estate a solid long-term investment. These are "drivers of necessity," life events like job change, birth, marriage, divorce and death.

"Where has your newsletter been?"

I have migrated much of my real estate practice to on-line activities. Unfortunately, some of you have been missing this hard-copy version of real estate news.

I hope you will take this opportunity to point your browser to www.RealS8.com, where all these consumer resources are there for you.

For instance, you can search all Alaska property listings. You can research property values and follow an on-line tutorial as you prepare for your move. Interested in statistics and demographics? I publish real estate data regularly and provide links to many other authoritative sources.

Of course you also get wife Judith's gardens, my grandson, dog pictures and all that sort of thing, too.

Anchorage home values becoming more affordable compared with Outside

I'm not hearing as much sticker shock from my clients who move here from the Lower 48. Our homes are becoming more affordable. Despite the appreciation we have experienced

in recent years, much of the rest of the country has had even more dramatic increases in prices.

Coldwell Banker annually does an "apples-to-apples" study of housing values. The data goes back to the late 1980's. The Home Price Comparison Index calculates what the same house is worth in different markets.

The current study ranks 319 US markets. Anchorage ranks #170, about in the middle. The index rates a typical middle-management 2200 sq.ft. 4 bedroom 2.5 bath house that has a family room and double garage. At \$305,107 this Anchorage home is only 76% of the cost of the US average home of this type, however.

Planning to sell? Navigate to my on-line resources:

www.RealS8.com/MarketPlan.htm

Preparation for Marketing

Market Research, Establishment of Marketing and Pricing Strategy

Initial Marketing Activities

On-going Marketing Activities

Internet Marketing Plan

Purchase and Sale Agreement Negotiation

Agreement Implementation: Repairs, Transaction Management, Closing

**A multitude of Anchorage real estate resources, and more: [www.RealS8.com!](http://www.RealS8.com)
Current real estate news and views, Niel's real estate blog: <http://RealS8.blogspot.com>**

**Midtown with Garage, Foreclosure Sale
\$245,700**



The former borrower's loss can be your gain!
This hillside ranch plan has a full walk-out lower level to the generous back yard. The solar room shown beside the kitchen has wrap-around windows with outstanding sun exposure. Under it is more out-of-the-weather storage.



There's a detached heated garage in the northwest corner of the property.
While some of the home has been modernized, there's any number of projects for you to make this your own starter home. On Northwood Dr., just off Spenard Rd.

Turnagain View Estates, Five Bedrooms



**13608 Mainsail Drive
\$489,000**

With a quarter-acre fenced yard, this large two-story home has over 2700 sq.ft. living area, all above grade. A workable floor plan, four bedrooms upstairs, plus a fifth on the main level. The study upstairs has beautiful views of the mountains and community greenbelt across the street. Lots of room in the triple garage.



Sunday, February 13, 2005

AEDC Predicts Continued Economic Growth

The Anchorage Real Estate Blog

The headline of the size of the database and reliability of information

Wednesday, February 16, 2005

Anchorage home and condo values surge

A recent report from the Alaska Real Estate Association (AREA) shows that the Anchorage area is experiencing a strong recovery in the housing market.

The report shows that the number of homes sold in the Anchorage area increased by 15% in January compared to the same month last year.

The report also shows that the average price of homes sold in the Anchorage area increased by 10% in January compared to the same month last year.

The report is a positive sign for the Anchorage real estate market and suggests that the area is on a path to continued growth.

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