

# Ayre/Rhinehart Bay

1008 Adams, Downtown Bay City.



## Your Monthly Bill

Brought to you by Bill Branigan, Assoc. Broker

### 2012, A Look Ahead

"The Long and Winding Road" is a 1970's Beatles song and it surely is a long way back to where the market was a few years ago and there have been a few twists and turns to boot. The National Association of Realtors, Kiplinger and other analyst companies have crunched the data and given their view on what 2012 will bring.

**Real Estate:** The bottom of the market has been reached, or will be in the first quarter of 2012. The market may be soft in the first quarter, but then rebound before the end of December. Sales of existing homes may rise 5% in 2012 over 2011. New homes sales will be flat, but construction of rentals is on the rise...a big rise of 15% due to low vacancy rates (4.3% currently) and a potential 7% increase in rent rates over the next 2 years. Business spending may increase 6% in 2012, but will not spur much hiring or commercial real estate activity as 10% growth will be needed to make an impact and lower the unemployment rate.



**Mortgage Interest Rates:** The average 30-year rate, about as low as ever at just below 4%, will likely increase to 5% at the end of 2012. The 10-year Treasury Note, that the mortgage rate is typically tied to, will rise from the near 2% currently to between 2.5% and 3% by the end of the year. The low rates are not having as big an impact on homes sales due to credit restrictions and mortgage standards being stringent. The National Association of Realtors sees mortgage availability as a real concern. Affordability for those who can qualify for loans will make 2012 the second best year since 1970.

**Foreclosures:** 16 million homeowners are estimated to be currently upside down and owe more on their homes than they could sell it for. 5.5 million of those owners are in some stage of delinquency. It is possible for up to 5.8 million homes to be foreclosed on in the months ahead. The rental market will gain steam from the underwater homeowners. As the inventory is sold off, improvement will finally take hold.

**The Economy:** A sustained recovery is not underway. However, the economy is expected to see a very slight improvement in 2012, between 2% and 3%. The unemployment rate is also expected to fall this year to a little lower than the current 8.5%. This could all change quickly as it is a very tenuous situation that could unravel from any number of conditions.

**Good news:** 1. The national average for gasoline is expected to fall to as low as \$3.25 in the next few months. Drive happy! 2. Recently revised home sales numbers showed that the previously reported crash in housing sales in 2007 was overstated to be worse by 15%. That revision lowered the inventory of unsold homes. At the current time, there is a 7-month supply of homes on the market which is close to the buyer-seller balance of 6 months of inventory.



### HAPPY THIRD BIRTHDAY LEO!

As many of you will attest, there is nothing like being a grandparent. The last three years have been an amazing time with some of the most fun Carol and I have ever had and that is because of our grandson, Leo. He has a great sense of humor. Whether it be bursting into a chorus of Jingle Bells as we drive along the streets of Ann Arbor, getting excited about "eat shops" or going to REI, he is all boy and all fun. I don't do floor duty at the office, my floor time is spent on the rug with Leo. He calls me "Bumpa" and it doesn't get any better than that.



## AYRE/RHINEHART BAY HOLIDAY OPEN HOUSE A SUCCESS!

A festive crowd of over 150 people attended the first annual Ayre/Rhinehart Bay Christmas Open House. The office was the star attraction, though Santa was in attendance, with the office space of each agent outstandingly decorated in various themes. The cubicles were voted upon by the guests and the winner was Melissa Beckrow, but the real winners were the charities the agents selected to receive the monetary prizes. Cindy Gregory and Candace Paige also received donations for their charities. Great food and refreshments were there for everyone and Badger Beall, Ayer/Rhinehart Bay's owner, has already announced plans for 2012's Open House.



Contest winners Candace Paige, Cindy Gregory, and Melissa Beckrow.



Winning office design by Melissa Beckrow.

## 2012 BAY COUNTY REAL ESTATE ROUND-UP

Residential sales in the Bay County Realtor® Association MLS grew in 2011 over 2010 in the number of solds, the total dollar volume and the average price. The number of 1405 sold residential properties was just 32 shy of the all-time annual number of homes sold which occurred in 2005. The total dollar volume of \$100,241,591 was 6% over 2010 and 9% over 2009 indicating some solid gains. The average price was just slightly over 2010 at \$71,346 making Bay County one of the most desirable housing communities in the U.S. and was part of the reason why Forbes Magazine named Bay County one of the top recession proof and most affordable areas in the country. The number of sales is made more remarkable due to the low number of active listings. The BCRA states that there were only 768 active listings at the end of 2011. That is a low number of properties for sale as compared to the recent past when there were well over 1000 homes on the market. The association also reported that there are 151 active Realtors® which is also down from nearly 300 agents in the middle of the past decade. Ayre/Rhinehart Bay had statistics since April 29th, the company's first day of business. The 8-month period resulted in a total of 59 selling sides for an average transaction of \$111,748 which was 36% over the average of the MLS. AR Bay agents had a total volume of over \$6.5 Million placing it in the top eight companies despite the fact that it was only for eight months. The outlook for AR Bay's 2012 sales is very encouraging as January's activity has already resulted in pendings that exceeded projections.

### Bill's Buyers and Sellers Activity

Bill had a very good year in 2011, selling the most properties at ARBay during the first 8 months (April-Dec.) of being a new Bay County business.

2126 Center Ave, SOLD, \$280,000  
 3055 Sherwood, SOLD, \$279,800  
 4320 S. Garfield, SOLD, \$133,900  
 2100 S Jackson, SOLD, \$127,900  
 2786 Agnes, SOLD, \$72,900  
 1720 6th, SOLD, \$69,900  
 2375 Midland, PENDING  
 287 State Park, PENDING  
 805 Maple, PENDING  
 313 S Alp, PENDING  
 3026 Niccolet, \$209,900  
 2149 4th, \$114,900  
 1600 4th, \$114,900  
 1304 McKinley, \$110,000  
 1012 5th, \$279,900  
 2260 Fairway Pines, \$94,800  
 1705 W Thomas, \$69,900  
 0 Michigan Rd, \$65,000

### A Recipe that Sells...

#### BAKED MACARONI AND CHEESE



Ingredients  
 1/2 pound elbow macaroni  
 3 tablespoons butter  
 3 tablespoons flour  
 1 tablespoon powdered mustard  
 3 cups milk  
 1/2 cup yellow onion, finely diced  
 1 bay leaf  
 1/2 teaspoon paprika  
 1 large egg  
 12 ounces sharp cheddar, shredded  
 1 teaspoon kosher salt  
 Fresh black pepper  
 Topping:  
 3 tablespoons butter  
 1 cup bread crumbs

#### Directions

Preheat oven to 350 degrees F.  
 In a large pot of boiling, salted water cook the pasta to al dente.

While the pasta is cooking, in a separate pot, melt the butter. Whisk in the flour and mustard and keep it moving for about five minutes. Make sure it's free of lumps. Stir in the milk, onion, bay leaf, and paprika. Simmer for ten minutes and remove the bay leaf.

Temper in the egg. Stir in 3/4 of the cheese. Season with salt and pepper. Fold the macaroni into the mix and pour into a 2-quart casserole dish. Top with remaining cheese.

Melt the butter in a sauté pan and toss the bread crumbs to coat. Top the macaroni with the bread crumbs. Bake for 30 minutes. Remove from oven and rest for five minutes before serving.



# Ayre/Rhinehart Bay

Bill Branigan, Cell: 989.225.3844, [www.billbranigan.com](http://www.billbranigan.com), [billbranigan@arhousebay.com](mailto:billbranigan@arhousebay.com)