



**HUTCHINSON AREA**

Real Estate  
**UPDATE**

**THE POWER OF TEAMWORK**

130 Washington Avenue East

Hutchinson, MN 55350

*First Time Home Buyers took advantage of the stimulus tax credits in 2009 as well as the "buyer's market." Low interest rates also made 2009 a very good year for first time home buyers.*

*Home values did not fare well in 2009. The average sale price dropped from \$155,798 in 2008 to \$140,650 in 2009, a 10% decrease in values for the city of Hutchinson. All of McLeod County showed a 15% decrease in home values.*

*Of the 205 homes in Hutchinson that sold during 2009, approximately 28 percent of them were lender-mediated sales (foreclosures and short sales.)*

*It appears that the number of lender-mediated sales, was a large contributing factor for the decrease in home values during 2009.*

**City of Hutchinson**

**Six month period - July 1 through December 31**

Year	Number of Homes Sold	Avg. Sale Price
2009	118	\$140,687
2008	107	\$153,633
2007	120	\$178,638
2006	169	\$185,118

**Full Year - January 1 through December 31**

Year	Number of Homes Sold	Avg. Sale Price	Avg. Days on Market
2009	205	\$140,650	160
2008	220	\$155,798	159
2007	270	\$176,208	118
2006	341	\$175,994	104

There were approximately 7% fewer homes sold in the City of Hutchinson in 2009 than in 2008, and 40% fewer than in 2006.

**McLeod County (includes Hutchinson)**

**Full Year - January 1 through December 31**

Year	Avg Sale Price	Avg. Days on Market
2009	\$123,697	180
2008	\$146,233	169
2007	\$163,666	130
2006	\$172,496	121

There were the same number of homes sold in McLeod County in 2009 as in 2008.

*Numbers provided by the Regional Multiple Listing Service*

We are proud to be Hutchinson's "Hometown" real estate team



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# Opportunity May be Knocking

*There are many people who would like to sell their current homes and move into a different home, but are hesitating to do so.*

We all know that the value of our homes have decreased compared to what they were three or more years ago.

While that may mean less equity in your current home for use as a down payment on your next home, there are good reasons for making the move now.

First of all, you will be able to purchase the new home

at a depressed price as well. Also, the interest rates on mortgages right now are still very favorable. While waiting may increase the value of your current home, it will probably increase the price of the new home as well. Not only will the cost of the new home increase, it's possible that the interest rates won't be as low as they are now. Getting established with a low purchase price and low interest rate now on a new home makes good sense.

In addition, if you qualify for the \$6,500 tax credit, that amount will offset some of the loss in value of your current home.

## Hometown Realty

*is Going Green*

Help us help the environment.

This newsletter is prepared twice per year to provide you with updates and information about the real estate market in the Hutchinson area, as well as changes at our office.

Please provide us with your e-mail address at [info@hometownmn.com](mailto:info@hometownmn.com)



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Hometown Realty page

## Bringing Homeownership Within Reach

**A**s part of its plan to stimulate the U.S. housing market and address the economic challenges facing our nation, Congress has passed new legislation that extends the first-time Home Buyer Tax Credit of up to \$8,000 to first-time home buyers until April 30, 2010. A written binding contract to purchase

needs to be in effect on April 30, 2010 and the closing must take place by July 1, 2010.

In addition, the legislation also expanded the credit that grants up to a \$6,500 tax credit to current home owners purchasing a new or existing home between November 7, 2009 and April 30, 2010 with closing taking place by July 1, 2010.

To qualify for the first-time Home buyer Tax Credit, the buyer or his/her spouse may not have owned a home within

the previous three years.

Current home owners must have used the home they currently own as their primary residence and have lived in it for five consecutive years out of the last eight years.

The Extended Home Buyer Tax Credit may be applied to primary residences, including single-family homes, condos, townhomes, and co-ops. Single buyers with annual incomes up to \$125,000 and married couples with annual incomes up to \$225,000 may receive the maximum tax credit.