



Fort Worth, A Homebuyer's Lucky Locale
Pending Home Sales Rise for Third Month in a Row

By: Kenneth Jones, President, Greater Fort Worth Association of REALTORS®

The National Association of REALTORS® confidently announced a third consecutive month increase in pending home sales, a result of record low mortgage interest rates and the first-time buyer tax credit. This information stems from a leading, forward-looking indicator, the Pending Home Sales Index.

Lawrence Yun, chief economist for the National Association of REALTORS®, believes that the index shows buyers are responding to the favorable market conditions in existence right now.

“Housing affordability conditions have been at historic highs, but now, the \$8,000 first-time buyer tax credit is beginning to impact the market,” he said. “Since first-time buyers must finalize their purchase by November 30 to get the credit, we expect greater activity in the months ahead, and that should spark more sales by repeat buyers.”

But it's not just the Pending Home Sales Index that has the REALTORS® talking. The NAR's Housing Affordability Index has been at record highs in recent months and uses consistent values and assumptions over time to provide a historical context from which to examine the relationship between home prices, mortgage interest rates, and family income.

In fact, the HAI rose from 171.9 in March to 174.8 in April. This increase was the second highest monthly value on record after the January peak at 176.9. A value of 100 on this index indicates that a median income family has exactly enough income to qualify for a mortgage on a median-priced, single-family home; for purposes of comparison, the higher the index, the better housing affordability for buyers.

Though everyone is ready to see real estate stabilize, top NAR economists and analysts aren't quite ready to make that assumption. Currently, they are projecting that the total number of existing-home sales will improve over time, while also cautioning that the increase will be noticeably different and varied from region to region.

Location continues to be the driving variable in market stability. It is still important to consider specific market location when attempting to determine a timeline for housing market strength restoration. With variations across the country, it's a good time to be living in Texas — specifically in Fort Worth and the surrounding areas. The Texas market continues to show strong signs of a consistent and timely recovery because it has maintained resilient economic fundamentals throughout a time of serious fluctuation and decline.

In addition to key conditions and the first-time buyer credit, some states are offering various other buyer assistance programs. Many local government and nonprofit programs are currently available to buyers, and every region around the country has implemented its own unique variations of buyer assistance programs. Texas, a resilient state to begin with, is in great shape for future home buying and selling, especially with the addition of buyer assistance resources. The Greater Fort Worth Association of Realtors is knowledgeable and informed about the programs available here in Texas to assist homebuyers. Buyers who are wondering about their options should contact a Realtor who can advise them on local, regional, and statewide resources.

The Greater Fort Worth Association of Realtors wants to provide market specific real estate options and information assistance to their local residents, who are considering buying or selling a home. The “Thank Goodness It’s Fort Worth” initiative exists to meet these goals and offer news and updates about the Fort Worth housing market, so that both first-time and repeat homebuyers can make informed real estate decisions and celebrate TGIFW every day. For more information, please contact Rebekah LaMontagne, Director of Communications at the GFWAR (817) 336-5165.

Made up of approximately 2,300 members, the Greater Fort Worth Association of Realtors serves the real estate community within the expanded Fort Worth area. It’s one of more than 1,400 local trade associations nationwide that comprise the National Association of Realtors (NAR). All Realtors are members of NAR and are dedicated to a high level of ethical and professional standards. The Greater Fort Worth Association of Realtors is online at www.gfwar.org.

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