

VAR Sentiment Survey

THIRD QUARTER 2009

Question of the Quarter:

“How successful have your firm’s efforts been to market properties on social networks such as Facebook or Twitter?”

With five potential answers ranging from “Not Applicable” to “Substantial Success”, the largest percentage of respondents (38.4%) indicated they have not yet used social networks to market properties. The average rating was 1.94 (No Success).

Social Networking Success	
N/A	38.4%
No Success	26.0%
Slight Success	16.9%
Some Success	15.8%
Significant Success	1.7%
Substantial Success	1.1%

Comments:

- “Very few agents use social networking for business.”
- “We are working on this and will continue to do so in the future. It is a very important opportunity for all Realtors and one all should focus on for the future.”
- “People go to social networks to socialize, not to be sold anything.”
- “Just beginning to use Facebook and have gotten a few contacts.”

Comments chosen using unscientific methods but reflect a majority of the written responses.



Broker’s Opinion: Real Estate Markets are Improving

In the August of 2009, 19% of a random sample of 926 of Virginia’s managing brokers responded to the third quarter edition of the *Sentiment Survey*. On a scale of 1 to 5, they were asked to assess the existing and future real estate market conditions in their local areas.

Average Rating			
Survey Results (on a scale of 1 to 5) 1 = Poor, 2= Fair, 3 = Good, 4 = Very Good, 5 = Excellent	How do you describe the current real estate mar- ket in your area?	What are your expecta- tions of the real estate market in your area over the next six months?	
	Existing Home Market	2.3	2.7
	New Home Market	1.6	2.2
	Rental Market	2.6	2.9
	Commercial Market	1.3	1.9
	Total Response Rate	19.3%	

- **Existing Home Market:** The overall score was 2.3 (fair) but respondents expect conditions to improve to 2.7 (fair) in six months.
- **New Home Market:** New Homes captured an overall score of 1.6 (poor) but brokers expect it to improve to 2.2 (fair) in the next six months.
- **Rental Market:** The strongest in Virginia, the rental market is described as fair (2.6) now with a rating of 2.9 (almost good) expected over the next six months.
- **Commercial Market:** REALTORS® gave it a poor rating (1.3) for current conditions with improvement to almost fair (1.9) expected in the future.

Current Market Observations

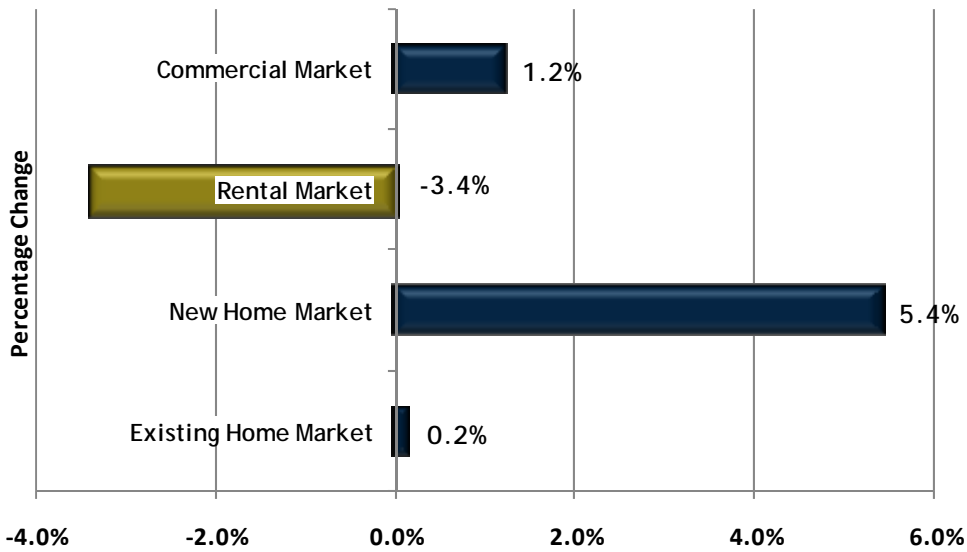
- “I believe we are on the bottom end of a turnaround in the market and hope to see improvements soon.”
- “As is typical, properties that are priced right are selling. Many are not properly priced and they stay on the market a long time.”
- “The upper end of the market continues to remain stagnant, relocation clients are almost non-existent and local move ups are cautious; consumer confidence still very low for upper end.”

Future Market Observations

- “The market is getting better. There seems to be a growing increase in consumer confidence.”
- “It will take more than six months to recover. The first real improvement will be seen in March 2010.”
- “I believe the market is going to be steady in the next 6-9 months. However, I am expecting the stock market to drop again before the steady increase in sales begins.”

How do you describe the current real estate market in your area?

Q1: Average Rating: 3Q09 vs. 2Q09



Led by the new home market, the average Sentiment rating advanced for all but the rental market in the third quarter compared to the second quarter of 2009.

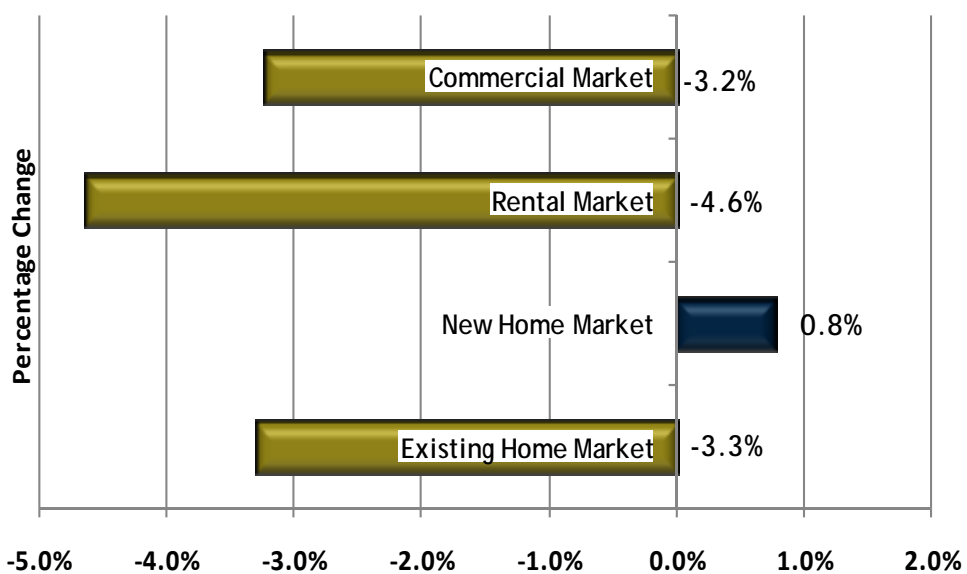
Congratulations to **Shields Jett**

Jett Land and Realty (Richmond)

3rd Quarter \$50 VISA card winner.

What are your expectations of the real estate market in your area over the next six months?

Q2: Average Rating: 3Q09 vs. 2Q09



With the exception of the new home market, Virginia brokers have less optimistic expectations for real estate conditions in six months than they did in the second quarter of 2009. Opinions are probably based on upcoming and typical seasonal trends.

The *Sentiment Survey* is conducted by the Virginia Association of REALTORS® (VAR) to gain insight into the housing markets in Virginia now and in the future. Respondents are managing brokers in real estate offices throughout the state. This survey is an indicator of the housing market based on their responses to a survey conducted in the third quarter of 2009.

