

2009 Luxury Homes Report

"In 2006, Paula Conner participated in more home sales over \$1,000,000 than any other Realtor® in the Fresno MLS."

"In 2007, Paula and her associates have participated in selling more than three times the number of million-dollar properties than any other firm."

"In 2008, The Paula Conner Team again participated in selling more Luxury Homes than any other Realtor® in the Central Valley."

"In 2009, Paula Conner participated in selling nearly four times the number of Luxury Homes than any other local Realtor."



Simply The Best

A Rich Heritage

Quality properties like Quality people come in all shapes and sizes. Whether it be a one-bedroom condominium, or the impressive estate of an influential family, The Paula Conner Team appreciates each property for its own unique characteristics, and for how it can meet the equally unique needs of their special clients. A house is a home because of the people living within. Paula Conner knows this. It has enabled her to forge relationships with a wide range of clients. Over the past 35 years, her team has become acquainted with a prolific number of special people. Her unique empathy has allowed her to understand their needs, which will help her to understand yours. It's one of the reasons generations of Fresno families have consistently relied on Paula's services. It's also why people say The Paula Conner Team is "More than a tradition, **they're the best.**"

Quality, Integrity, and Productivity



Personal Style

It's as true in her business as it has been in her personal life, she never settles for second best. If you ask Paula what she enjoys most about real estate, she'll tell you it's the constant association with family values, working with homes, gardens, spouses and children. She'll say she gains great satisfaction from counseling families through emotionally packed moves. She enjoys negotiating for and defending her clients' best interest and watching over the entire transaction. In short, she likes being the mom. Like all good moms, she worries a little too much and she's always there, but she takes control and orchestrates a real estate transaction like a symphony. In simple terms, she does a quality job.



Productivity

Though she's not as likely to expound on it, one thing Paula enjoys above all others is winning and that's an area where she has a lot of success. She understands adversity and challenges but she'll also tell you that perseverance, work ethic and a winning attitude are invincible. Her results show it. Throughout the thirty-plus years of her real estate career, Paula has been one of the Valley's top producing Associates. In fact, she ranks in the top one percent of all Realtors nationwide. Though she specializes in marketing custom homes, Paula sells quality homes in any price range. She is continually setting an example for her industry. The quality of her production is also mirrored in the quality of her leadership. Paula has been recognized by the National Association of Realtors as a CRB (Certified Real Estate Brokerage Manager). Paula founded and continues to lead London Properties' prestigious Preferred Homes Department, Fresno County's premier real estate service organization.



Prestige

She and her Associates have become the Valley's leaders in the marketing of prestigious residential properties. Under the banner of Preferred Homes, Paula has assembled a hand-selected group of experienced real estate professionals who have committed themselves to working exclusively with the marketing of quality residential environments.



Performance

Quality is defined as "excellence, superiority, a distinguishing attribute and acquired skill." That definition has never been more appropriately applied than when used to define the performance of Paula Conner.

Her clients receive her personal, caring attention to detail together with the substantial resources from one of the Valley's largest real estate companies. Year after year London Properties sets the standard for selling quality homes. They have more signs, more calls, more buyers, more advertising and more sales than any other firm in the Valley. When you combine that strength with the specialization of their Paula Conner Team and the personal performance of Paula Conner, you can see why she has raised the benchmark of real estate services to a new height. Personal style, productivity, prestige and performance—now that's quality."



Have we seen the real bottom in luxury Real Estate or not? No matter what your opinion, you can find some economist to back you up. According to The Mortgage Bankers Association, there is going to be another flood of foreclosures in 2010 that will drive prices down substantially more. Alternatively, the National Association of Realtors and Radar Logic both are predicting 2010 to be the year of stabilizations, recovery, and increasing Real Estate prices. Then, if you want to take both sides of this debate, President Obama warns us of a W-shaped recovery that has gone down, will go up, and then may go back down before it goes up again. The one thing we know for sure is that Real Estate is definitely localized and predictions made in the national news are generally of absolutely no value in predicting the market for central California. The Fresno metro area has been, and will continue to be, unique and frequently out of step with other Real Estate markets throughout the nation. So let's take a look at some local facts for 2009. We have seen average sales prices drop while experiencing a significant increase in the number of homes sold. First let's look at **all homes sold in all price ranges in 2009**. Here's what we found:

All Home Sales (\$20,000 to \$3 Million)

	# Homes Sold	Average Sales Price	Approximate Price Per Square Foot	Average Number of Days Needed To Sell
Jan – Dec 2007	3,986	\$314,442	\$176.75	109
Jan – Dec 2008	5,718	\$225,017	\$125.15	110
Jan – Dec 2009	8,675	\$166,746	\$96.89	92

Unlike other parts of the country, our 2009 delivered more sales than any other year in history, 8,675 homes, which equated to a 52% increase in sales over 2008. These sales came because buyers realized there was a once in a lifetime opportunity created by the combination of low prices (26% overall drop) and low interest rates. This activity was also accompanied by a 16% decrease in marketing time for the average sale.

Policymakers played a major role in spurring on the increased sales by driving mortgage rates down to a near 50-year low, offering a Federal tax credit of as much as \$8,000 to first-time home buyers, and by expanding the mission of the Federal Housing Administration, guaranteeing mortgages for consumers with down payments as low as 3.5%.

For the more affluent buyers and sellers, the facts were a little different. We like to track their statistics in two specific categories **1) entry level Luxury Homes priced \$750,000 to \$1 Million and 2) large Luxury Homes over \$1 Million.** **Here are the results:**

Entry Level Luxury Home Sales (\$750,000 to \$1 Million)

	# Homes Sold Over \$750,000	Average Sales Price	Approximate Price Per Square Foot	Highest Sale
Jan - Dec 2002	20	\$856,390	\$182	\$980,000
Jan – Dec 2003	33	\$876,975	\$205	\$975,000
Jan – Dec 2004	62	\$844,973	\$246	\$999,900
Jan – Dec 2005	163	\$843,117	\$254	\$999,900
Jan – Dec 2006	151	\$844,103	\$245	\$999,000
Jan – Dec 2007	103	\$838,380	\$249	\$1,000,000
Jan – Dec 2008	48	\$854,112	\$235	\$998,000
Jan – Dec 2009	15	\$839,953	\$205	\$910,000

Luxury Home Sales (Over \$1 Million)

	# Homes Sold Over \$1,000,000	Average Sale Price	Approximate Price Per Square Foot	Highest Sale
Jan – Dec 2002	6	\$1,282 mil	\$276	\$1.8 mil
Jan – Dec 2003	8	\$1,145 mil	\$313	\$1.3 mil
Jan – Dec 2004	22	\$1,313 mil	\$300	\$2.7 mil
Jan – Dec 2005	70	\$1,337 mil	\$304	\$2.5 mil
Jan – Dec 2006	49	\$1,394,781	\$328.88	\$3.6 mil
Jan – Dec 2007	44	\$1,459,273	\$336.94	\$3.5 mil
Jan – Dec 2008	15	\$1,341,000	\$308.21	\$1.84 mil
Jan – Dec 2009	13	\$1,347,739	\$249	\$2.3 mil



* stats exclude Shaver lake and mountain areas

The number of homes sold over \$1 million in value experienced a small 13% drop and at the same time, the average price per square foot fell from \$308 to \$249 or approximately 20%. The drop in units sold and in price per square foot were in many ways attributable to a not so friendly loan market. Buyers who required mortgages (jumbo loans) for expensive homes generally faced higher rates and tighter qualification standards, which required considerably higher down payments of 20% or more. These requirements, of course, eliminated buyers who did not have sufficient equity or substantial savings.

The bottom line is the volume of Luxury Home sales did not experience the same sales growth as the overall market. The Best News is that trend seems to be changing. In the first five months of 2009, we recorded only three home sales over one million dollars. By fall, the tide was moving in the other direction. In the later months of 2009, we experienced a surge in activity with ten additional sales as buyers entered back into the Luxury Market to take advantage of great values. Though prices were slightly down, they held unbelievably strong compared to the more dramatic 50% drop in value experienced by the lower price range (under \$200,000).

The recovery of the stock market has given investors the courage to invest again. What better place to put money than Real Estate that's not going away? This confidence can be seen in the amount of non-owner occupied properties purchased with cash and the increase of Luxury Home Sales in the last two quarters of the year.

There are some new trends we are watching carefully. Though subprime mortgages sparked the first round of housing problems two years ago, now a little of that has gravitated to trouble the upper end. White collar job losses have accelerated while more adjustable-rate loans to prime borrowers are resetting to higher payments. Defaults are rising slightly. Nationally, jumbo loans are now the fastest rising category for defaults of all types. This could continue to keep prices a little soft.

However, our local market Luxury Home sales have proven to be more stable and more resilient than the national average. We are not seeing the same signs of distress that are occurring throughout the nation. Currently we have over 70 listings in the Fresno Multiple Listing Service over a million dollars - not one is listed as a short sale or foreclosure. Another interesting fact is all but one of the Luxury Homes bought in 2009 were purchased by **local buyers**. This is a testament to the strength of the Valley and stability of our Luxury Home market. Unlike Florida or the resort areas, our luxury home market is not dependent on immigration of buyers from outside of the area.

The "economic downturn" has not stopped the wealthy from spending, but it may have made us all focus more on value. For sellers with homes over \$750,000, the **inventory is at a historical low** so there is not a lot of competition. Fresno area sellers are not under distress and many are simply electing to not sell. For the ones that do elect to sell, pricing correctly is more important than ever. One positive benefit for luxury sellers is that, though they may sell for less than they would have three years ago, they will also buy the next home for a lot less. They will also not be alone. President Obama purchased a \$1.65 million Chicago home with a \$1.3 million jumbo mortgage in 2005, at the height of the real-estate bubble. The property is now worth \$1.1 million. The Treasury Department and the White House declined to comment. For buyers, prices and interest rates are extremely low and may not be this good again for years.

In conclusion, it's a great time to buy - there's just not a big selection. Our expectation is for a slow but steady increase in Luxury Home sales in 2010. If we are right, prices will continue to hold, and may even start an upward swing, before year's end.

Regardless, the one constant fact is **The Paula Conner Team, once again in 2009, sold more Luxury Homes than any other Realtor in Central California. She sold nearly four times as many Luxury Homes as her nearest competitor.**

In December of 2009, the Fresno Business Journal reported that Paula Conner represented five of the seven largest homes sold in 2009. The highest priced home reported to the Fresno MLS in 2009 was also sold by London Properties. Between Paula and her co-Associates in her London Properties family, they actually participated in selling six of the seven largest homes for 2009. No other Realtor even comes close.

The Paula Conner Team – Preferred Homes and London Properties are, year after year, the valley's #1 Luxury Home Experts. Any questions?





Paula Conner

436-4031

www.fresnoluxury.com

- 1984 - Present Manager, *London Properties, Ltd. Preferred Homes Department*
Supervises Senior Associates who specialize in **luxury home and estate sales**. With personal annual sales volume now exceeding 45 million per year, **ranked among the top one percent of Realtors nationwide**. Serves as corporate officer for Royal Charter Mortgage and London Properties. Designated **Luxury Home Specialist** by the Institute for Luxury Home Marketing and Luxury Real Estate.
- 1980 - 1984 Supervisor, *London Properties, Ltd. Relocation Department*
Develop and implement marketing and training of department personnel. Interface with all “third party” relocation management companies, represent London Properties at Employee Relocation Council and industry organizations. Responsible for the development of Broker referral accounts nationwide. Served as member of the Board of Directors.
- 1974 - 1980 Office Manager, *London Properties, Ltd.*
Responsibilities included: listing and sales production, financing, escrow closings, property evaluations, development and implementation of all residential Sales Department training programs.
- 1972 - 1974 Bookkeeper/Controller, *The London Company*
Responsible for all general ledger accounts, investments, and cash management programs.
- 1969 - 1972 Secretary/Office Manager, *Herald Realty, Fresno, CA*
General Real Estate correspondence and receptionist duties. Supervised and managed office employees.



Brent Patch

288-8779

www.fresnoluxury.com

“Brent Patch was fantastic to work with. We appreciate all he did for us. There is no better agent. Thanks Brent!”

– Mr. & Mrs. Michael Stott

“We would like to sing the praises of Brent Patch! He worked so hard for us and sacrificed his own schedule to accommodate ours. He really went above and beyond. We wish that we could’ve had a ‘Brent’ all the other times we’ve moved.”

– Sheri & Dwight Bush

2002 - Present

Realtor,[®] *London Properties, Ltd. Preferred Homes Department*

Specializing in custom home sales with special emphasis on the Luxury Home Market. Brent has excelled as a division manager, new associate mentor, training instructor, and sales person with over 50 million dollars in personal production. During his tenure at London Properties he has been recognized by his peers as Associate of the Year in 2004, 2006, and 2008. Currently serving as a director for the Fresno Association of Realtors[®], he is a leader in our industry.

1991-2002

Owner, *The City Cafe*

You may recognize Brent from his days of owning The City Cafe located in the heart of Fresno at Blackstone and Shaw. Here he oversaw operations and employed hundreds of employees, while gaining invaluable experience in the business world. During this period he was also leading the children’s ministry at Sunnyside Community Church and serving on the board of directors for the Fresno Ballet.

Industry Certificates / Positions

- Director - Fresno Association of Realtors[®] (elected 2009-2012)
- Institute of Luxury Homes Market
- Certified Luxury Homes Specialist
- Certified Relocation Specialist
- GRI certification in process

“A servant’s heart is what I believe is the secret to my success. I am a fourth generation Californian born and raised in Fresno, and throughout my life I continually find myself in a position to either teach or to serve. Real Estate is a perfect match for that. Whether you need someone to just explain the latest trends in the industry, or help you through the complexities of your transaction, I am here to help.”

Our Clients Know Us

"We've known Paula for over thirty years. She's always been our Realtor® and always will be. No one in her industry displays the professionalism, honesty, competence or high standards she exemplifies. We're always proud to recommend her to our friends!"

– Dr. Irwin and Nancy Barg

"Paula has a quality that's hard to find in today's world. She truly cares. She listens, she understands what I want and she gets the job done. She found my last home the first day."

– Joyce Aiken

"The service I received from Paula was the best ever from a Real Estate professional. In my business, I represent many buyers and sellers and I wish that all agents were as cooperative, diligent, and thorough. One of the things that impressed me the most about Paula was her 'stable' of prospective buyers and sellers who trust her opinion and professionalism. That kind of reputation is the mark of someone who knows how to arrange a fair deal that is beneficial to all."

– Attorney Riley C. Walter

"Paula was simply wonderful. Her style and graciousness during a difficult market were an inspiration to us. A real professional lady. They don't come any better."

– Georgia and Mike Murach

"Paula Conner is a professional of uncommon ability and integrity. I recommend her often to my closest friends and associates."

– Gary McDonald - *Builder*

"Paula is nothing short of wonderful! She's knowledgeable about contracts and the market, caring, trustworthy, and dependable. Her reputation and her production speak for themselves but, best of all, we've never felt more comfortable in a Real Estate transaction. Buying or selling, we would never think of calling anyone else."

– Dr. Paulo and Teri DosSantos

"Paula and her Team always do what they say they'll do. As always, my escrow went smoothly, they're the best!"

– Gregg Underdown

"My choice, repeatedly, has been Paula Conner with London Properties. Her experience, ability, and integrity are beyond comparison. Anyone lucky enough to have Paula representing them is well served indeed. I would use no one else."

– Russell G. Smith - *Commercial Builder / Broker*

"There is no better Realtor® than Paula Conner. I've known her for 25 years and every sale has been perfectly handled. Many thanks to all involved."

– John Cummings - *Interior Designer*

"I have known Paula for almost 20 years. Paula is one of those special people that no one can praise enough. She is knowledgeable, professional, honest, hard working, respectful, and most importantly she is kind. She is also responsive to her client's every need."

– Dave McNamara - *McCormick Barstow*

"Paula and her Team made my sale so easy and stress free. I demand the ultimate in quality performance and always get it with the Paula Conner Team. The Paula Conner Team is... EXCELLENT!!"

– Yrma Rico - *Weber BMW CEO*



"In 2009, Paula and her associates have participated in selling nearly four times the number of million-dollar properties than any other Realtor."