

# N e w s l e t t e r

February 2010

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Newsletter for  
Clients and Friends  
of SUMMiT Properties

## MEDIAN SALES PRICE INCREASE FIRST IN OVER THREE YEARS

By William Hite, REALTOR® /  
Residential Property Manager

Perhaps foretelling that home prices have indeed finally hit bottom, the median price for Solano County homes and condos sold in December 2009 surpassed the median price of homes sold a year earlier. While the 1.9 percent increase to \$217,500 was quite modest, it marked the first month since August 2006 that median prices have increased from the prior year. It also continues a fairly steady month-to-month increase in median sales prices since April 2008 when median prices fell to their nadir of \$180,000. For the entire nine County Bay Area, December was the third month in a row that median sales prices showed a year-after-year gain. First time buyers represented a sizeable portion of homebuyers in December (somewhere between 25 and 40 percent) taking advantage of both the relative affordability of homes on the market as well as the first-time home-buyer tax credit. Investors also continue to find great value in Bay Area homes with almost 18 percent of all sales going to absentee buyers. Incredibly, almost 23 percent of all sales were all cash.



## LOCAL NEWS

By Theresa C. Hite, BROKER,  
CERTIFIED PROPERTY  
MANAGER

- Vacaville residents can expect to see their water bill doubling by 2013. The increase is due to State requirements for additional levels of treatment at the city's Easterly Wastewater Treatment Plant. Property owners should have recently received notice of the intended rate increase.
- Solano County lost about 4,800 jobs in the past year resulting in a December unemployment rate of 11.9% in December, down from 12.2% in November but significantly above the 8.6% rate from one year before. The rate is better than the 12.4% rate for all of California.
- A new master plan for the Nut Tree Airport is in the works. It is the first master plan update since 1993 and is expected to take 18 to 24 months to complete. The master plan will determine the makeup of the airport for the next 20 years. Although Solano County, which runs the airport, will have the final say, residents of the community have been encouraged to participate in the process.

## PROPERTY TAX ALERT

By Nathaniel Mitchell, Bookkeeper

The April property taxes will be paid in March. Please check your March Cash Flow Statement to verify that we paid your property taxes. If SUMMiT Properties should have made the tax payment and there is NO payment shown for the current month please call Bookkeeper Nathaniel Mitchell, Ext. 13 as soon as possible! **It is your responsibility to get the tax bill to us and to verify that we wrote the check on your behalf.**

## **BEING PREPARED FOR THE NEXT EARTHQUAKE**

*By Marisa Zelaya, Maintenance Supervisor*

In light of the recent earthquakes in Haiti and closer to home in Humboldt County, I am passing on the following important earthquake preparedness tips:

- Review your insurance policies at least once each year with your agent or broker to ensure that they provide adequate coverage.
- Consider purchasing an earthquake policy if your home is in an earthquake-prone area, doesn't meet current building standards, or is built upon unstable ground.
- Take measures to retrofit your home to increase your safety during an earthquake.
- Brace your water heater to minimize the risks of fire and water damage caused by water heaters that topple during earthquakes.
- Bolting your home's wood frame to its foundation can prevent damage resulting from the structure sliding off its foundation. And for houses on raised foundations, the bracing of "cripple walls" can also reduce damage from earthquakes.
- Mobile home owners should use earthquake-bracing systems to reduce the chance of damage from homes slipping off support jacks.
- Fasten cupboard doors with child-proof latches to prevent them from opening and spilling their contents.
- Fasten bookcases, mirrors, televisions and other tall or heavy objects to wall studs.
- Gas appliances should have flexible attachments, and family members should be familiar with gas shut-off techniques.

## **2010 FORECASTS AND PREDICTIONS**

*By Mary Ann Rollison, Commercial Property Specialist*

Solano County's jobless rate of 11%, double digit vacancy rates and declining lease rates of as much as 25% to 35% have created the perfect storm for tenants and buyers to be scouring the market for leasing and investment opportunities. Most of the leasing activity taking place in 2009 and continuing in 2010 are from tenants renegotiating lease rates and extending their lease terms under these favorable market conditions, or relocating to leverage current rates against anticipated growth once the recession is over.

While consumer income is predicted to remain flat in 2010, consumer spending is expected to rebound slightly due to pent-up demand. But this is not necessarily good news for all retailers. Consumers are no longer being wasteful. As larger retailers have a greater ability to maximize resources and stay competitive, larger shopping centers with regional and national retailers are expected to continue to fare well at the expense of smaller, weaker centers whose tenant base is comprised of local small businesses. Market forecasters don't hold much hope for net absorption to increase before 2011. Furthermore it's predicted that larger centers will snatch the stronger retailers from the weaker centers. Maintaining tenant loyalty through renewal incentives and reasonable work-out agreements are the keys to tenant retention during this tough economic period. Decreasing unemployment will be the first sign that an upswing is in the making for the commercial real estate market.

## **WHAT OUR CUSTOMERS ARE SAYING**

Linda Thoennes, whose home was among those included in a homeowner association managed by SUMMiT Properties, recently contacted us to say "Thanks for all the help. Your management company is by far the most professional I worked with." Medical building owner Dr. Santi Rao wrote to say, "You have always been so great with your alacrity and service. Thank You!" And Real Estate Broker Paul Ward, whose residential property we manage wrote "Your company does a fine job of management of my property and I appreciate it." SUMMiT Properties enjoys the feedback we receive from all our clients and customers. Thanks for taking the time to write!