



Federal MortgageGram

October 1, 2006

Million Dollar Home Sales Fall From Record Pace

A record 254 home and condo sales over \$1 Million were recorded in July this year, however in September the pace slowed to 137 sales out of a record 2,131 homes listed for sale. Our research department analyzed 634 closed sales June thru August this summer and found some interesting statistics.

Over **63%** of the sales were **\$1 Million to \$1.5 Million** and over 36% of these had over 80% financing, and 19% had 90% or more in loans. Of these 17.5% or 70 homes were new construction but there were only 12 condo sales. Average time on the market was 108 days for this category. New Construction averaged 206 days on the market. Eighteen of these sales had 100% financing (call Ryan, Andy or Conrad on 206-325-8400 and we can provide examples of the terms available on these types of loans). At the end of September there were 1,056 homes and 48 condos listed for sale on the MLS in this price range. (Please note that many new Condos are available for sale only through on-site sales agents and are not on the MLS).

There were **157 sales from \$1.5 to \$2 Million** or 24.8% of the total sample and these were on the market an average of 151 days (new construction averaged 208 days). In this range 24.8% paid cash and 21.7% had 80% or higher financing terms. At the end of September there were 470 homes and 22 condos for sale.

Rates are Down!!

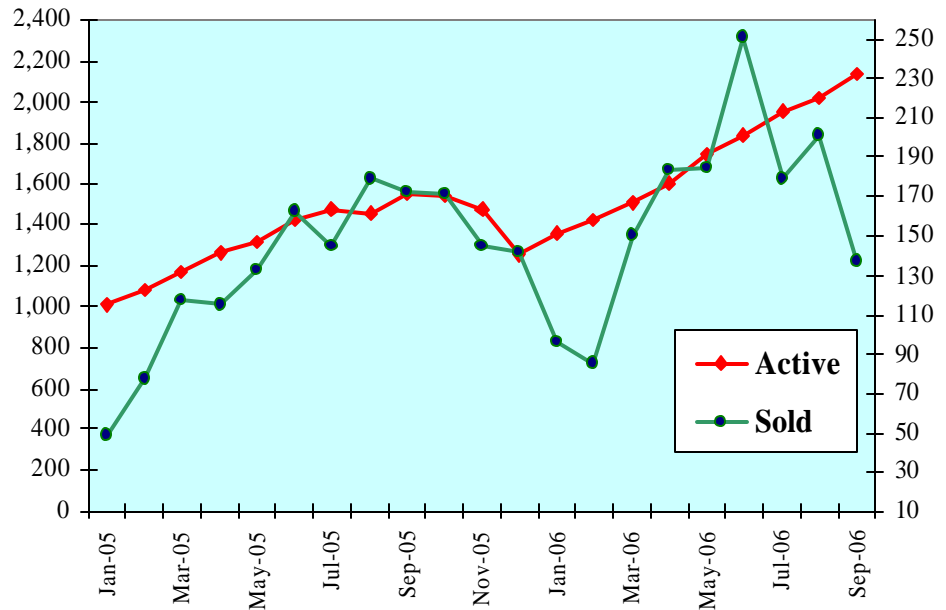
30 year Jumbo fixed rates are available in the low **6.0 % range** - Ask for a detailed **Good Faith Estimate!**

A total of 48 sales from **\$2 to \$3 Million** comprised 7.6% of the total and took from one to 2,053 days to sell and averaged 215 days (282 days for new construction), but 14 of the sales occurred in less than 30 days indicating that if priced well it can sell quickly. Buyers paid cash 29.2% of the time, and 21.7% had 80% or higher loans. Buyers had 316 homes and 19 Condos to choose from in this range at the end of September.

Sales over \$3 Million were still relatively rare with just 28 sales but over 46% of those buyers paid cash. Over 71% of this category were waterfront. The marketing time ranged from 1 day to 1,696 days with an average of 129 days however 11 of these sales were on the market less than 60 days and in September there were 5 sales that averaged just 62 days on the market. At the end of September there were 192 houses and 6 condos listed over \$3 Million.

There were **8 sales over \$5,000,000** in June to September. All of these homes were waterfront except one \$5.5 Million mansion on top of **Capitol Hill** on **3.68 acres** that sold in only 37 days. A **Hunts Point** home on 2.1 acres finally sold for \$7.3 Million after 1,696 days on the market. In June a 9,300 square foot **Florentine Villa on Lake Sammamish** sold for **\$7.6 Million** after 172 days on the market—on a seller contract for \$7,100,000. One very beautiful **Medina Estate** on a sale arranged by agent Kris Robbs went for **\$11 Million** after 90 days on the market at \$9,750,000 when multiple offers were presented. If you and your family is looking in this price range, there are 65 properties available now, and we can finance them!

Puget Sound Million Dollar Home Sales January 2005 to September 2006



Purchase Jumbo Loan Expertise

We have a huge array of very competitive financing options for **Self Employed** individuals. Call Conrad, Ryan or Andy on 206-325-8400 and we will help with a strategy and assemble the best possible financial package for you and your family

Research Methodology: These sales statistics were gathered from the NWMLS and County Tax records. We work really hard and use meticulous research methods, however we cannot guarantee the accuracy. Many Condos available for sale and closed sale data is not readily available because many of the on-site Condo sales offices don't post sales on the NWMLS.



FEDERAL MORTGAGE COMPANY INC.
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Million Dollar Home Sales and Average Days on Market June thru August

	All Homes		New Construction		Condominium	
	Sales	DOM	Sales	DOM	Sales	DOM
\$1 Million to \$1.5 Million	401	108	70	206	12	205
\$1.5 Million to \$2 Million	157	151	37	208	7	100
\$2 Million to \$3 Million	48	215	11	282	5	241
Over \$3 Million	28	157	4	178	0	0

Million Dollar Home Marketing Time Varies

During the summer 2006 the average marketing time was longer in general for New Construction and Condo sales. Average Days on Market (DOM) for New Construction from \$1 to \$1.5 Millions was 206 days and Condos took 205 days while existing single family homes were sold in 108 days on average. 28 existing homes from \$2 to \$3 Million took an average of 215 days to sell while 11 New Construction took 282 days and 5 condos took 241 days. Interesting that the sales over \$3 Million took less time, but remember that these buyers paid cash 46% of the time, even though we could provide excellent financing!

How to Stop Refinance, Insurance, and Credit Card Solicitations

Under the Fair Credit Reporting Act (FCRA) the consumer credit reporting companies are permitted to include your name on lists used by creditors or insurers to make firm offers of credit or insurance. **The FCRA also provides the right to "Opt-Out"** which prevents the consumer credit reporting companies from providing your credit file information for offers of credit or insurance not initiated by you. Sign up online at www.optoutprescreen.com and almost immediately your junk mail will be reduced by eliminating offers for mortgages, refinances, credit cards and other things. This website is secure and is the only official joint venture website sponsored by **Equifax, Experian, Innovis, and Transunion**. The service is free and only takes a few minutes to fill out online. Check it out - it works great!!

The Federal Mortgage Company Advantage

We do not advertise our services. Instead, we obtain referrals from our satisfied clients, real estate professionals, bankers, attorneys, CPAs and others who have found our services to be honest, efficient, and professional. We have found that if we do a really good job for our clients, for a good price, they will recommend our services to others. If you or someone you know need mortgage assistance call Andy, Ryan or Conrad on (206) 325-8400 and we can help with any scenario.

Instead of going out and selling our services, we research new programs, analyze underwriting guidelines, and interview mortgage lenders to make sure we have the best selection available anywhere for our clients. We keep our costs under control, and the absence of advertising expenses and high sales commissions allows us to operate more efficiently, and we pass the savings on to our clients. Call or email us for a specific Good Faith Estimate that itemizes in detail the savings which you can obtain by utilizing our efficient services.

Some of the other added value services we provide include:

- Researching specific home values for potential refinancing
- Assisting our clients with servicing or payments on existing loans
- Title report and plat map research

Our experienced Loan Officers **Ryan Maxwell, Andy Cho and Conrad Wouters** assisted by our expert processing and closing team of **Jesse Sherman and Rhonda Thomsen** can very efficiently handle a wide variety of mortgages. Give us a call on 206-325-8400 and we can provide mortgage solutions for you and your clients.

Federal Mortgage Company, Inc. is a member in good standing of the **Washington Association of Mortgage Brokers**, the **Seattle Mortgage Bankers Association**, and the **National Mortgage Bankers Association**. We are licensed and bonded to originate mortgage loans in **Washington, Oregon, and Idaho**. See www.fedmtg.com

Please call Ryan, Andy or Conrad on 206-325-8400 or email us at info@fedmtg.com for a detailed Good Faith Estimate on any program



Federal Mortgage:
More Tools



Other Mortgage Companies

Always ask for a detailed **Good Faith Estimate**

This written estimate should outline all of the fees and explain all the terms of the mortgage loan. Always ask about any pre-payment penalty. For an ARM, be sure to find out the Index, the Margin, any rate change Caps, and how the payments change over the term of the loan. Get it locked in writing then take it to closing !