



2nd Quarter 2007 Report for Mesa County

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Real Estate Sales

The second quarter of this year produced 1906 sales in Mesa County. This is a decrease of 8.1% when compared to the 2073 sales for the same quarter of 2006. For the first half of 2007 there have been 3390 sales, a decrease from the 3668 sales for the first half of 2006 by 7.6%.

The dollar volume for the second quarter of this year was \$520.4 million. This equates to a 6.1% increase over the second quarter of 2006 with \$490.4 million in sales. The dollar volume for the first half of 2007 reflects a 3.5% increase over the first 6 months of 2006, increasing from \$834.1 million to \$863.6 million. Table 1 shows the dollar volume for the first half of the last six years.

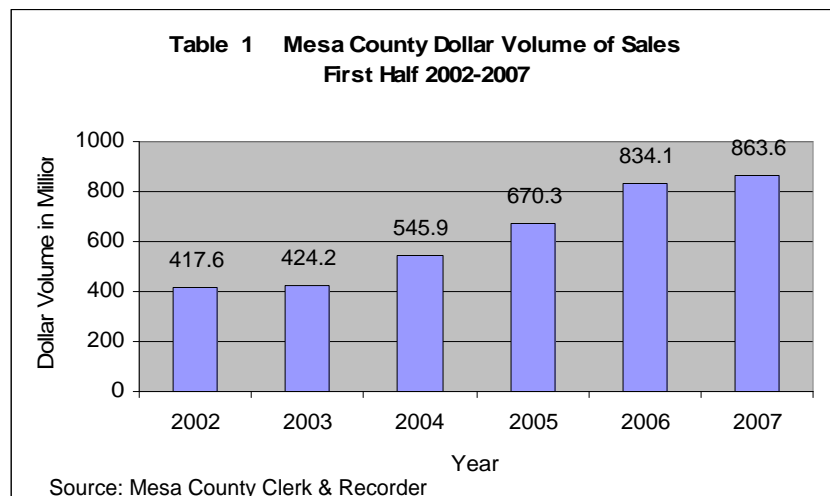
Table 2 lists a comparison of the number of sales for certain price segments for the first half of 2005, 2006 and 2007. Sales for \$200,000 and above made up 68.8% of the total sales for the first six months of the year; last year, 38.5% of the sales were above that mark for the same period.

There were 43 transactions over \$1 million during the second quarter of 2007, compared to 31 for the same period of 2006. The largest 2nd quarter transactions include: 1. Redlands Mesa LLC sold more than 40 residential lots, the golf course and club house to BrightStar Redlands Mesa Development LLC. The transfer was done on numerous deeds for a total of \$17 million. 2. Candlewood Mobile Home Park was sold for \$13.5 million to an Illinois LLC in June. 3. Surf View Development sold blocks of land in Monument Valley Subdivision to Redlands Valley Cache LLC for \$6.92 million. 4. F&P Development purchased more than 16 acres of land at the corner of F Road and 1st Street for \$4.9 million.

Home Building

Home building slightly increased with 418 single-family permits pulled in the second quarter compared to the 400 for the same period last year. Year to date there have been 746 single family building permits issued, a 5.2% decrease over the first half of 2006 at 787 permits.

Commercial building permits decreased 7.1% to 52 for the first half of 2007 when compared to 56 for 2006. The Industrial sector saw 35 permits for the first half of 2007, matching the same period last year.



Mesa County Sales Comparison
First Half 2005-2007

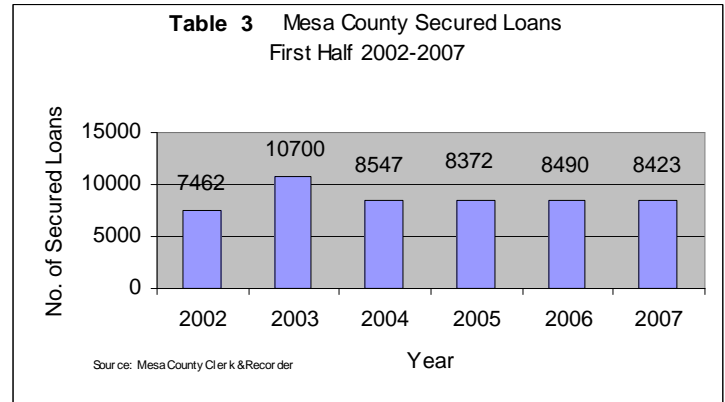
TABLE 2

RANGE OF SALES PRICE	2005 SALES	2006 SALES	2007 SALES
0-20,000	34	26	38
20-40,000	74	57	34
40-50,000	116	59	35
50-60,000	110	71	72
60-70,000	72	92	76
70-80,000	85	105	81
80-90,000	100	82	79
90-100,000	113	87	72
100-120,000	231	218	143
120-150,000	668	551	300
150-200,000	832	908	816
200-250,000	363	586	652
250-300,000	173	264	363
300-500,000	259	352	425
500-1.0 MILLION	87	158	139
OVER 1.0 MILLION	31	52	65
TOTALS	3348	3668	3390

Source: Mesa County Clerk & Recorder

Refinancing

The number of real estate secured loans filed in Mesa County for the first half of 2007 held steady with the first half of 2006. The six-month count went from 8490 for last year, to 8423 for 2007. This is less than a 1% decrease in refinance activity. Table 3 shows the number of real estate secured loans during the first 6 months for the last six years.



Short Notes

- According to the Grand Junction Area Realtors Association, the average "sold" price of a three-bedroom home in Mesa County rose from \$200,036 in the first six months of 2006 to \$231,143 for the same period in 2007.
- Note to homeowners: Increased value of any one residential home depends on many factors, please contact your Realtor for a market analysis.
- Foreclosures for the first half of 2007 increased to 191 from the 182 registered for the same period in 2006 according to the Mesa County Public Trustee.

Comments

- Nationally, foreclosures are on the increase as borrowers default on sub prime and adjustable rate loans. Some lender's have closed their sub prime and non prime divisions, others have stopped funding loans to address their fiscal health. Lender's are returning to standard underwriting procedures and buyer's may face more requirements when applying for credit.
- The slightest decrease in statistic's bring editorial headlines "housing market collapse" and comparing it to the dot com crash. Lawrence Yun of the National Association of REALTORS aptly states "Overall housing levels are historically strong, but sales remain sluggish compared to the recent boom."



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