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The Real Estate Bear Market Is Beginning to Bottom Out

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NOVATO, Calif., July 31 /PRNewswire/ -- If history is a reliable guide, then we have entered the beginning of the end of this historic housing bear market!

Winans International Real Estate Index (New U.S. Homes)
Percentage Change Since December 31, 2008:

	U.S.	West	Northeast	South	Midwest
Price	(2%)	(5%)	(8%)	3%	(5%)
Sales	56%	50%	50%	21%	75%
Listings	(34%)	(24%)	(14%)	(19%)	(19%)

Housing Inventory = 7.9 months
Median Number of Months For Sale = 11.8 months

As can be seen in the table above, all regions have seen significant increases in new home sales which has led to a (21%) decline in new housing inventory. During the real estate slumps in 1968, 1981, and 1990, sales increases and housing inventory decreases were important signs that the worst was behind U.S. homeowners.

"While the sales activity is encouraging, U.S. housing prices will probably remain soft for the remainder of 2009. Past real estate bear markets ended when the average time it took to sell a new house dropped to 3 1/2 months. Currently, it is taking nearly 12 months, and with mortgage rates climbing, I don't see this situation improving soon!" says Ken Winans, award-winning author of "Investment Atlas" www.investmentatlas.com.

If last January's prices end up being the low for this bear market, this will officially be the worst residential real estate bear market in price decline and duration since World War II.

While this housing slump is bad, it is not record setting. The worst decline of U.S. new home prices in the last 150-years was the -68% decline from 1929 to 1932. The worst housing bear market in duration is 1853-1858.

The Winans International Real Estate Index (WIREI) measures U.S. new home prices from 1830 to present day. More information on the Winans International Real Estate Index can be found at <http://www.winansintl.com>, www.investmentatlas.com and www.globalfinancialdata.com

SOURCE Winans International

Liz Boaz, Communications Director of Winans International Investment Management & Research, +1-415-506-3070, liz@winansintl.com

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