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### Byron Menke Speaks about Real Estate

Byron Menke, Owner of Menke Auction & Realty, spoke today about the real estate market stating it is crazy now!

Congratulations to Byron for serving as President of the Iowa Realtors Association this past year!



**L-R: Dale Willenborg, Byron Menke**

Byron graduated from a tech school in 1980 and got his real estate license. Interest rates were 16-20% and not many houses were being sold then. Now forty years later, the market has been below 4% int. rates far longer than he thought it would which drove demand and shortened inventory. January 2022 interest rates were in the 3% range and today are 5.5%. He stated a \$250,000 home at 3% on a 30 year mortgage would have \$843/mo. payments. At 5.5% it would be \$1135/mo.

Byron stated that 1.2 million homes need to be built every year to meet demand in the U.S. In 2005 there were 2 million built. The real estate market crashed in 2007-8 and building shut down. There was a huge inventory of homes and builders went out of business. By 2009, building had dropped to 600,000 homes and it never came back as quickly as expected. By 2020 the housing market had slowly built back up.

COVID hit mid-March and many homes had been sold, then the sales just stopped. He stated May/June are usually two big months in the area. Then it came back in July and it has been nuts since 2020!

In a normal market the SW Iowa MLS would have 250 – 300 homes on the market. This past winter, the first time ever, there were under 60 single family home listings. Today Menke reported there are 88 homes listed which is a two week supply. In the last month 135 homes have been sold with 250 realtors selling. Last week there were only 28 homes for sale in CB which

creates a feeding frenzy and it's common to have 20-30 showings a day with 3-4 agents in a home showing at the same time. There are currently four homes for sale (one under construction) in Treynor.

Escalation clauses became more common by the end of 2020. Sometimes \$10,000 to \$100,000 would be offered over the asking price.

With building costs rising, you may get more value by buying an existing house than building a new one. The average home is owned for seven years. Sometimes now a new house doesn't have a final quote price until it is 70% done.

Recently 4' x 8' sheeting has gone from \$13 to \$80. He spoke of one house that is finished, but can't get garage doors so the closing is delayed.

Homes have appreciated 40% in two years. How are they going to appraise? Even people are paying above the appraised price. Menke says he expects the market to correct as it always does. He's hopeful it won't be as bad as in '08, but it could be a 10-20% correction.

Menke stated last fall, it was predicted that 2022 would be a pretty good year. Rates might creep up. Then the Russian/Ukraine war began plus the economy changed. He predicts by the end of the year there will be 5.75 - 6% rates on a 30 year mortgage. Menke thinks the rates will level off, but it also depends on how much building can be done.

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**Next week's speaker will be:**

**Dave Edwards, Edwards Auto Center**

**All are welcome!**

**Meetings are from 8-9 AM, Saturdays**

**Treynor Community Building**

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**FAMOUS QUOTE**

*"Don't compromise yourself. You're all you've got!" Janis Joplin*

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## Meeting Minutes

Dale Willenborg, President, called the meeting to order. Present were 16 members plus guests, Glenrose Meier and Byron Menke.

Dale led the Pledge of Allegiance and Jordan Campbell gave the opening prayer.

Jokes were shared by Gary Funkhouser and Jordan Campbell.

50/50 was won by Judy Guttau. Ann Vorthmann won the Attendance Drawing but was not present.

Birthdays/Anniversaries: None

### **Bragging Rights: (\$ are used for youth activities)**

- Kevin Underwood and Marsha Underwood gave \$1 each to announce Carter White (St. Alberts) qualified for state in Tennis.
- Dee Guttau contributed because hubby Gary lost his cochlear implant while mowing, searched the yard, but found it stuck to the mower gear shift!
- Keith Denton bragged that his two granddaughters did well in track. Sophie's relay was first and Lilly was in the 880 and another race.
- Dale Willenborg paid but didn't brag that he had to have seven stitches when he cut his little finger putting in flag footings.
- Kevin Underwood contributed \$1 for Dale putting in flag footings.

### **BUSINESS:**

- Dale Willenborg stated he put nine new footings along the high school and one on Amy Drive. More help is needed putting in footings. Volunteers?
- Dale Willenborg attended the Awards Night and along with Shelly Bailey presented the Optimists and JOI Club scholarships.
- Can Kennel helpers were Gary Guttau, Gary Funkhouser, John Klein, Dale Willenborg, Chad Guttau and lots of Silver Keg Feeder members. The Boy Scouts will have the next Can Kennel.
- Jordan Campbell announced the two church youth groups have switched Can Kennel dates.
- 146 flags have been applied for to date.

- John Klein announced he and Jordan are working on plans for swimming lessons. He stated they haven't been successful in scheduling Oakland so will now look at pools in C.B.

### **COMMUNITY NEWS:**

- Jordan Campbell announced that on Tuesday Treynor Teammates mentors will go bowling at Thunderbowl with their mentees.
- Jordan also announced that the school is promoting a service work day for the Middle School on Friday. Sixty 8<sup>th</sup> graders will be working at Zion and Jordan has plans to keep them busy for the allotted time.

### **AUCTION:**

Dee Guttau contributed tomato plants which were purchased by Keith Denton for \$4.

The meeting was closed with reciting the Optimist Creed.

## HUMOR

**The Weather Channel said dress for the mid 70s today.**



## Calendar

### **Events**

### **Birthdays**

May 21 Steve Irvin  
May 27 Kirk Vorthmann

### **Anniversaries**

### **Programs**

May Dale Willenborg  
June Steve Irvin (first 2)  
Steve Chambers (3<sup>rd</sup> Sat)  
Jeff Jorgensen (4<sup>th</sup> Sat)

May 28 Coach Scott Strohmeier – head FB coach  
IWCC

June 4 Jeff Schoening – Rose Parade trip with  
American Bandmasters

June 11 Carrie Currin, Treynor K-5 elementary  
counselor

June 18 Joe Chapman – Treynor Girls Basketball

**Speakers**

May 21 Dave Edwards, Edward's Auto Center

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