

June 2011



How to buy and sell a home in today's market

Almost every day I find myself in a conversation with someone who asks: "How's the real estate market?" My answer, frankly, is always the same: "I'm glad you asked because it's a great time to buy or sell a home!" Lately, that answer has been met by surprise, even shock!

After I tell that individual *why* it's a great time to be in real estate, they realize the truth: as long as you are properly represented by a real estate agent who fully understands the current market, and you're prepared to follow their advice, your experience will be a successful one!

So back to the original question: what can you do to successfully buy or sell a home in today's market?

The best thing you can do is realize is that the market has changed.

A lot has happened since the boom days. We've seen a recession, which included a rise in unemployment, a drop in consumerism, and an entire realignment of the real estate and mortgage industries. Distressed properties (Foreclosure, Short Sale and Real Estate Owned or REO) dominated many local markets and clogged inventory, resulting in poorly priced homes sitting on the market for longer than expected. Buyers gained additional negotiating powers, and sellers have been creative about concessions in order to sell faster. While it's not necessarily the right time to buy for *everyone*, I still find homeowners, or those seeking to own a home, are confusing market conditions with market opportunities. The market is what you make of it and how you approach the process of buying or selling a home.

Buying a home in 2011 Buying a home is one of the biggest investments many families make, and you shouldn't just jump into without considering a few factors:

Know your purchasing power. Lenders have wisened up since the days when they were handing out loans without proof of income. Before you even start your home search today you should get pre-approved by a trusted lending professional.

Find a knowledgeable agent. In today's market, you must hire someone who is knowledgeable, professional and ready to negotiate on your behalf. Interview a few agents before you decide, ask them what services they provide as a buyers agent, and what you can expect when you work with them exclusively. (continued on page 2)

Safe family fun in the sun!

The warm weather of the summer months means more family fun in the sun! From the park to the pool, to summer day camps and swimming lessons, staying protected from the sun's UV-rays can have lasting effects, especially in children. Here a few tips to block the sun, and keep the fun!

- Lather up. Then do it again. Choose a sunscreen of at least SPF 15 and apply prior to going out in the sun. After two hours, apply again to ensure you keep the sunburn at bay!
- Try to stay in the shade between 10 a.m. and 2 p.m. when the sun's rays are the most harmful. At the very least, stake out a shaded area as a place of refuge out of the sun!
- Wear a wide-brimmed hat. It not only protects your head from the rays, your ears and neck will thank you too!
- Wear sunglasses that have UV-ray protection. This is important for children and babies because some glasses are toys rather than protected eyewear.
- If the kids are outside playing, be sure to apply more sunscreen after sweating.

June 2011

How to buy and sell home in today's market (continued from page 1)

Give it time. There are a lot of homes on the market that could potentially meet your needs as a buyer and candidly, this market is giving buyers a little leeway during the home search. Spend time thinking about how you felt in house, look to see if it truly meets your needs, and always consider its value in the future.

Selling a home in 2011

Although we're still in a buyer's market, as a seller you can take appropriate actions to position yourself for home selling success.

- **Find your motivation.** Why do you want or need to sell? And how badly — how important is it to you? What would it take to make selling make sense?
- **Price it right.** What does that *really* mean? Here's the truth. Unfortunately, many sellers (who were buyers back in the boom days) are in trouble or are in a financially distressing situation. If that's you, and you're not to the point of filing for foreclosure, you most likely want to avoid losing any more money on the house and as a result, you're going to want to price it high from the beginning which would be a mistake. The higher you price it from the beginning, the longer it sits on the market. The longer it sits on the market, the less likely it will sell, and you'll most likely end up making larger and more painful reduction down the road.
- **Follow your agents' advice.** You are emotionally invested in this home and the money that you originally put into buying it. Your agent acts as an outsider, and is knowledgeable about buyers' current behaviors and what homes are really selling for in your area.

HOA 101 – Understanding your Home Owners Association

Are you currently considering a home that requires you to become a member of their Homeowners Association? As a member of your neighborhood's HOA, you are obligated to pay fees to support management and maintenance. There are obvious pros and cons to living in a neighborhood with an HOA.

Pros to an HOA

- May maintain and pay for the upkeep of certain community amenities, including tennis courts, pools, neighborhood parks, golf courses and playgrounds.
- Helps to Preserve Property Values. Some HOAs may exercise some standards for how the outside of a home should look, including driveways, keeping garage doors closed, or limiting signs in yards. These standards are meant to keep the neighborhood looking good to keep everyone's home prices up while luring more buyers to the community.
- May mediate disputes between residents. Should there be any animosity towards neighbors, the HOA can step in as an objective third-party and make a decision for both parties.

Cons to an HOA

- Will add extra cost to your monthly payments. HOA fees vary from community to community and it's important to add the fee to your monthly mortgage payment so that you can fit it into your overall budget. HOAs are not tax deductible.
- Can sometimes feel like "Big Brother" is watching over you making sure your grass is mowed, landscaping is kept up and has appropriate flowers and have a qualified breed of dog..
- May ask to screen and approve another occupant of your home if you decide to rent your home to outside individuals putting the renter's move-in time on hold.
- Can raise the dues at any time for any number of reasons, such as assessments, lawsuits, cost of living, or simply because other homeowners aren't paying. This isn't common; however, it is a possibility to consider.
- Can evict you or foreclose on your home if you do not pay the dues on time and accumulate back fees and additional fines.

If you are considering buying a home with a HOA, ask to get a copy of the rules, regulations, and bylaws before you sign the purchase agreement, or make your offer contingent upon your receipt and acceptance of the rules. When managed well, an HOA can offer homeowners amenities that are well worth the dues - and is absolutely worth looking into if you're in the market for a home.



If you are currently working with another Broker please do not consider this a solicitation.

