

Rick's Homeowner News™

Courtesy of Rick Crabtree ☞ Realty Executives Suncoast ☞ (727) 637-2346

January 2009

How to Set the Right Price and Sell Your Home Fast

"How much can I get for it?" This is usually one of the first questions I am asked when meeting with prospective sellers for the first time. When I give them my answer, some sellers smile and some grumble. And they want to know how I came up with my estimate. Since agents (unfortunately) don't have a sixth sense that tells them how much a particular house is worth, they are forced to spend some quality time in front of a computer and create what's called a Comparative Market Analysis (CMA). This report will use cold, hard market data to pinpoint the most likely range of values that your home falls into. How does it work? A Comparative Market Analysis will compare your home to several of each of the following:

1. Active Listings – The homes that are currently available for sale will be your direct competition. Their sellers are vying for the same buyer that you are, so your asking price should be set accordingly.

2. Expired Listings – The homes that do not sell within their listing period are called Expired Listings. The three most common reasons for a home failing to sell are its condition, its location or, most likely, its price. Since the expired listings shown in your CMA must be comparable to your home (meaning, among other things, similar condition and location), it's their prices that will be of special interest to you – they will tell you what's too high.

3. Sold Listings – The only time you know the exact, precise value of a home is when it is finally sold. That's why looking at recently sold comparable homes is so useful – we know their exact value, so we can more accurately estimate the value of your home. The sales prices of recently sold homes are the best indicators of what you can expect to get for yours.

In order for the CMA to be accurate, the comparable properties (the "comps" in Realtor-speak) must really be comparable to your home. This means the same number of bedrooms and bathrooms, the same type of home (two-story, ranch, etc.), similar square footage, close in age, etc. They also need to be close by. As we all know, the location is super-important, so comparing two homes that are identical, but three miles away from each other, is quite silly. And in the case of expired and sold "comps," they must be recent—what a similar house fetched a year ago tells us absolutely nothing about what your home is worth today.

Of course, real estate is not always simple and straightforward. For some properties it is not easy to find enough truly similar comps, so accurately estimating their value becomes tricky. Even when enough comps are found, the prices are not static—they fluctuate, even

(continued, Page 2)



Hello and welcome to the January issue of my newsletter! As always, I try to provide information that I hope will be useful to you. But this is only a small part of my service. My true passion is helping people, like you, navigate the complexities of real estate. Do you plan to buy or sell soon? Or do you know someone who is? I am ready to use my knowledge, skills and dedication to help you, or anyone you refer to me, with what could be the biggest investment of your life. Just give me a call or send me an e-mail. Consultation is always free, and there is never any sales pressure.

Rick Crabtree, Realtor®

(727) 637-2346 (mobile)

(727) 462-0393 (office)

rick@rickcrabtree.com

www.rickcrabtree.com



Competing Against Foreclosures

The current mortgage crisis means sellers are facing fearsome competition—short-sales and foreclosures—like never before. Their most attractive feature is price. It can be discouraging to sellers to discover that comparable homes are on offer for a song, but don't lose heart. While price is important, it isn't everything. You can, with smart strategies, win against that type of competition.

Attack your competition's weaknesses.

Short-sales and foreclosures have cut-rate prices going for them, but they also have several things going against them which is why they're priced low to begin with. Here are some weaknesses to look for:

They're usually in bad shape.

Take some time to examine your competition. You'll probably notice significant deferred maintenance. Carpets need replacing, walls need repainting, the roof needs replacing, lawns need cutting, et cetera. Prospective buyers know it'll take cash and time to make these houses livable. By contrast, if your home is a showplace that buyers can see themselves moving into right away, with nothing to fix or replace, your home will be far more attractive than the competition and may overcome the price difference.

Closings aren't guaranteed and can take a long time.

Whether your competition is a short-sale or foreclosure, a bank will be involved, and banks aren't people. Buyers won't be dealing with an individual with whom they can negotiate. Involving a bank in a sale can slow the process to a crawl and cause a closing date to be pushed out several times. Do buyers want to fall in love with a house only to have the closing fall apart or be endlessly delayed? How would such delays affect their moving plans? By contrast, if you

design your contract-to-closing period to be quick and simple, without complex paperwork or conditions, which house do you think buyers will prefer?

Be aggressive against your competition's strengths.

Conventional sellers in foreclosure-flooded markets can't ignore reality. Your home must be priced within the ballpark of the competition. But there are other ways to sweeten the deal for buyers. You can still get a decent price if you're creative in making the deal

attractive. Buyers may have enough cash for a down payment but not much else. Can you offer to help with closing or moving costs? Can you throw in another form of incentive? Think outside the box and see what you can add to the deal that might make the buyer choose your home over the competition.

Even in a foreclosure-flooded market sellers can compete effectively if they use the right strategies. And you don't have to go it alone – an effective real estate agent can help you analyze your competition's strengths and weaknesses and craft the best lines of attack for your circumstances.



(continued from Page 1)

short-term. And finally, so much in real estate is subjective—the buyer's perception of the home's curb appeal, décor, light, "feel"—that it's not at all unusual for two seemingly identical homes on the same block to command different prices. That's why working with a local real estate expert is so darn useful—your Realtor knows what's currently on the market and what recently sold, which way the prices are moving, and how different features of your home will appeal to buyers. This knowledge enables a good agent to create an accurate Comparative Market Analysis of your home so that you don't underprice it (and lose money) or overprice it (and not sell it).

I wish I had the sixth sense that told me the exact value of each home. Until I develop one, preparing Comparative Market Analyses for my clients will have to do. And if you ever need one, I am just a phone call away.

Are you thinking about selling your home soon with or without an agent? If so, I'll be happy to provide a Comparable Market Analysis for you at no charge and no obligation even if you decide to not use my services. Just give me a call or shoot me an e-mail—I'll be glad to be of help.

Free
Special
Report
Available

(727) 637-2346

The Seven Expensive Mistakes Sellers Frequently Make is a four-page special report that no seller should be without. If you are thinking of selling your home soon, arm yourself with the knowledge that can help you avoid expensive mistakes too many people have made. Order this report today – there is no cost or obligation.

rick@rickcrabtree.com

Stain Bustin' Secrets

I'm sure there are graceful creatures in this world that can go through their whole lives without ever spilling something on themselves. Alas, most of us sooner or later end up with some delicious pizza sauce on our lap or skillfully squirt cranberry juice on the blouse. Despair not! Here's what to do:

Jack be nimble, Jack be quick. OK, maybe not nimble (if Jack was nimble he would have avoided the dripping ice cream attacking his shirt), but being quick is a must. The fresher the stain, the easier it is to get rid of. Stains left overnight to dry and set will likely make themselves permanently at home on your clothes, so start with the stain removal as soon after the "event" as possible.

Know thine enemy. Different stains are treated differently, and what works for one will actually make another one worse. For example, greasy stains can sometimes be removed easily using an absorbent (more about that in a minute); for more difficult stains pre-treating with detergent (or dry cleaning solvent) and then washing in hot water often does the trick. Non-greasy stains will sometimes get worse if washed in hot water; the usual recipe for them is to sponge them with cold water or soak them for thirty minutes before throwing them in the washer (cold water, again). It also helps to know what kind of fabric has been stained - cotton, silk and rayon are all treated differently.

Remove the excess. The first step in getting rid of the stain is to carefully clean off any excess staining agent. You do that by blotting the area with a clean white cloth or paper towel. Avoid using colored cloth - if dye transfers to the stained garment you've just made the

problem worse. For solid matters, such as mud, you can use a dull knife or a spatula and gently scrape it off. And for oily stuff try this trick - put a little bit of baking powder or cornstarch on the area, wait a few minutes for it to absorb the oil, then simply brush it off. If the stain is fresh enough, this may even remove it completely.

Run a little test. If you plan on using a spot remover, whether it's a chemical you bought at a store, or a "home remedy" such as white vinegar or alcohol, make sure you test it first so you don't ruin the garment completely. Put a few drops somewhere inconspicuous; for example under a hem. This is especially important if you will be using bleach in order to avoid uneven discoloration of the garment.

Backstab it. Place the stained portion of the fabric face-down on a clean white cloth, and work on removing the stain from its "back." The goal is to get the stain to "leave" the same way it got on your garment, as opposed to attacking it "face-on" and forcing it to percolate all the way through the fabric.

Easy does it. Avoid hard rubbing, wringing and squeezing the garment. You could spread the stain or damage the fabric. Rub it gently instead and be patient.

Avoid heat. If you are unsure about the source of the stain, avoid heat. Hot water, for example, can permanently set certain stains such as egg, milk or blood. Also, never dry clothes in the dryer before making sure the stain is gone. Hot air makes most stains permanent, so double-check that the stain is gone before drying it. If it isn't, then you'll just have to treat it again and re-wash.



Q: What is a lease with an option to buy?

A: A lease with an option to buy allows the renter to purchase the home she is renting at a specified price at a future date. This type of an agreement (which I am not a big fan of) is usually utilized during a slow real estate market by a seller who is unable to sell the property at the desired price and a buyer who is unable to obtain a mortgage right away. The benefit to the buyer is that she can continue to live in the property until she can qualify for a loan, with a portion of each month's rent going towards the down payment (this must be agreed upon in writing!). The benefit to the seller is that she earns rental income until the property is sold, and she can potentially earn more than she could get otherwise. Why am I not a big fan of this? Because there are so many pitfalls for both parties. If the real estate market surges, the seller can lose out by being forced to sell at the pre-determined price which is now lower than the market value. If the buyer is unable to obtain the loan, she will lose her option money paid to the seller. Numerous other pitfalls exist, so if you are considering a lease option, I strongly suggest you consult a highly competent Realtor.

Have a tough real estate question? Your calls and e-mails are always welcome:

Rick Crabtree, Realtor®
(727) 637-2346
rick@rickcrabtree.com



Rick Crabtree, Realtor®

Realty Executives Suncoast
P.O. Box 722
Dunedin, FL 34697-0722



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ARCHITECTURE CORNER

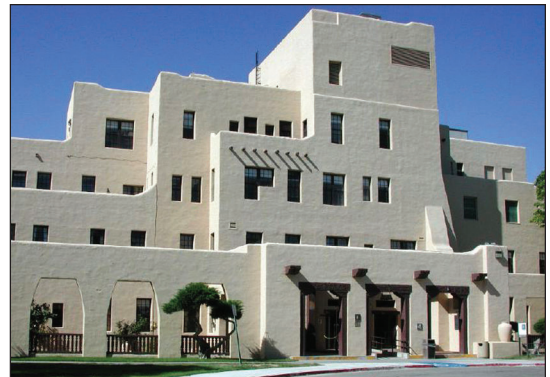
PUEBLO REVIVAL

The original Pueblo homes have existed on the American continent for over 1000 years. They were built by the Native Americans of the Pueblo and Hopi tribes in the southwestern United States and northern Mexico. The Spanish who arrived in the New World adopted the native style of buildings, and further enhanced it.

Ideally suited for a hot, dry climate, the original Pueblo homes were built out of *adobe*, which is a natural material made up of mud, straw and, ahem, manure. They were characterized by thick walls (which provided good insulation against the heat), small, deep-set windows (to prevent the direct sunlight from entering and heating up the home), flat roofs, and protruding roof rafters (called *vigas*). Often they featured a center courtyard, and many were two or even three stories high with terraced walls.

In the early 1900s there was a renewed interest in this simple and comfortable style, and Pueblo Revival architecture was born. The walls were no longer made out of adobe, but a wooden frame was usually filled with straw bales, and the exterior finished with stucco that resembled adobe. Pueblo Revival homes are always painted in earthen colors in order to look like their predecessors as much as possible. Many decorative features (like ornate corbels) are borrowed from the Spanish Colonial style.

Still popular in the southwestern United States, Pueblo Revival homes today have several sub-types. Pueblo Deco is a sub-type inspired by the Art Deco movement and Native American art; the Territorial Style is characterized by brick detailing in the parapets and wooden-trimmed windows; the Art Moderne version features clean structural lines and minimal ornamentation.



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What's My Home Really Worth? \$146,000 Estimated Value

Values on this page are modeled, please work with your agent for a precise value assessment about This Valuation

Enter Address and Street Name City, State OR Zip
 102 N LADY MARY DR CLEARWATER FL 33755-514 SEARCH
 (123 Main Street) (Anahem, CA OR 92768)

Change Your Value

You can make changes to your home value by entering revised values for the attributes of your home below. Click "Update Values" to see the effect of your changes on the map, or "Reset" to restore the original values on your home.

Bedrooms : 0
 # Bathrooms : 0
 Total Rooms : 0
 Square Footage : 1200
 Year Built : 2006

Home Summary
 Original Estimate : \$146,000
 Total Change +/- :
 New Estimate :
 Low - High :

Update Values Reset

Address	List Price	Bedrooms	Full Baths	Living Sq. Ft.	Property Style	Year Built	List
My Home 102 N LADY MARY DR				1,200	PUD	2006	
100 N LADY MARY DR	\$125,000	3	2.1	1,338	Residential	2006	VILLAGE REALTY OF CLEARWATER 727-461-0400
1329 DREW ST 2	\$59,900	2	1	780	Residential	1965	VILLAGE REALTY OF CLEARWATER 727-461-0400
1345 DREW ST #15	\$29,900	1	1	560	Residential	1974	CHARLES RUTENBERG REALTY INC 727-421-0627
1257 DREW ST 10	\$56,900	2	1	1,055	Residential	1964	398MLS.COM 877-398-2398
1257 DREW ST 2	\$54,900	2	2	900	Residential	1964	BALOW REALTY 727-420-3259

* SF=Single Family; MF=Multi-Family; CU=Condo Unit; MA=Manufactured

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