

Valley of the Sun Real Estate Update

April, 2006

A Pair of Office Pools

One of the things I really like about my job is the atmosphere around the office. My colleagues are a pretty casual & outgoing bunch, and they regularly make themselves available to help out when one of us needs a favor. However, we're also a fairly competitive bunch, and always eager for a chance to grab bragging rights. A couple of recent examples might offer an opportunity for some larger lessons to be learned.

First, I am happy to announce that I was the winner of our office's NCAA Basketball Bracket competition. If you want to copy my strategy next year, here's a tip: bet on the higher-seeded team to beat the lower-seeded team every time. Using this approach allowed me to correctly predict the outcome of over 60% of the games—not a fantastic percentage, maybe, but more than enough to beat out my colleagues, who all thought they knew more than the NCAA Selection Committee about which teams would be successful. To win the pool, all I had to do was admit that I knew less about college basketball than the people whose job it is to understand all the complex details involved in setting up the tournament.

We had another competition back in February that also had some interesting results. At that time, the market was well into the slow-down that we are still experiencing, and there was some question about if or when the inventory levels would hit 30,000 available homes. (For your reference, that's a very striking contrast with February of 2005, when there were only about 6,000 homes on the market.) We had lots of contestants, and a couple of knowledgeable observers took the position that we would *never* cross the 30,000 mark.

I didn't win that one—I was off by a couple of days on my estimate—but here's the interesting part: As of late April, the inventory level has climbed up over 38,000 homes. While the rate of expansion seems to be slowing a bit, this is already uncharted territory for the Phoenix marketplace; the spike in buyer activity that almost all observers expected has not yet materialized, and no one can say for sure when inventory might begin to decline, or even just reach a stable equilibrium.

What's the point? Well, for both consumers and agents, it's important to know what you don't know. If you want to buy or sell a home, take advantage of the services an agent can offer you, and use their familiarity with the industry to guide your efforts. A 60% success rate might win you an office pool, but it's not nearly good enough when you are involved in a real estate transaction.

Just be wary of "professionals" who claim to have all the answers. Some things are simply unknowable, so not all decisions can be made with perfect information. When you reach that point in a real estate transaction, you want to be sure that you are working with an agent you can trust to explain the risks and the options, and help you take the best possible steps to protect your interests.

On the Home Front



Taran has taken some big steps in the last week. Well, actually, they're pretty little steps, but he's taking them all on his own, so we think it's a pretty big accomplishment for him.

He's fourteen months old now, and he is also making a lot of progress with baby sign language. He uses signs for daddy, doggie, milk, banana, airplane, flower, swing, drink, eat, and a few we haven't quite deciphered yet!



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Recipe of the Month

Tim's Poached Pears In Port Sauce

A friend of mine served this for dessert recently, and it made a great ending to a wonderful dinner. The fresh fruit makes a flavorful & healthy base, the pecans & cream filling offer contrasting textures, and the port sauce adds a nice kick to the dish.

- 1 1/2 cups ruby Port
- 2 cups water
- 1 cup plain sugar
- 1/2 cup brown sugar
- 1 cinnamon stick
- 4 large Anjou pears, peeled & cored, with stem intact
- 1/2 cup Mascarpone cheese
- 1/4 cup powdered sugar
- 1 1/2 teaspoons Amaretto
- 1/2 cup pecans, roasted & slightly chopped

1. Pour port, water, plain & brown sugar, and cinnamon stick into a medium saucepan. Stir well, dissolving all sugar.
2. Stand pears in liquid, stem side up. Bring to a boil over medium-high heat and simmer, uncovered, about 10 minutes. (Don't over-cook the pears or they will get mushy.) Remove the pears to a plate or Tupperware and refrigerate.
3. Continue to boil the sauce, stirring frequently, until it is reduced to about a cup. Remove the cinnamon, and allow the mixture to cool.
4. Mix Mascarpone & powdered sugar. Add Amaretto and mix until well blended. Fill each pear with 1/4 of the filling & set on serving plates. Drizzle port sauce over pears & sprinkle with roasted pecans, and serve immediately.

Tip #1: Keep a close eye on the port sauce while you are reducing it; if you let it get too hot, it will caramelize. The sauce will still be runny while hot, but will thicken as it cools.

Tip #2: The pears will soften as they simmer, so it's okay if they aren't quite ripe at the start.

Culture Corner

Quick reviews of some recent favorites

Food: If you are looking for a break from your regular lunch spot, try the **New York Sausage Company**, on Scottsdale just north of Thomas. It's a hole-in-the-wall with just a few tables, but they feature a variety of hot dogs flown in fresh from NYC and the owner is behind the counter to offer you special deals & samples of the different dogs.

Movies: Here's a bunch of talent collected in one place: Denzel Washington, Clive Owen, Jodie Foster, Willem Defoe, and more in **Inside Man**, directed by Spike Lee. It's a brainy thriller, with lots of twists and not much blood. Even more, it's a closely observed character study about the many ways that racial and cultural differences affect both grand plans and daily interactions.

Food: For a break-from-the-chain lunch spot in the East Valley, check out **Scout's** at Alma School & Guadalupe. They feature a nice selection of burgers, and I've heard that the chicken sandwiches are pretty good, too. If you've been good, you can even treat yourself to cheese fries, and frozen custard for dessert.



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