

Valley of the Sun Real Estate Update

December, 2006

It's Not Even New Year's, but the Hangover is Here!

It is often said that there is no such thing as bad publicity. Especially in these media-saturated times, it seems like even scandals and legal troubles just serve as springboards for the next celebrity book deal. Still, given recent articles in the local paper, you might wonder if the local real estate market has gotten something of a black eye due to its own excesses.

In the last few weeks, the *Arizona Republic* has run a couple of articles highlighting the fallout from last year's big increase in home values. The first was titled "Grievances targeting agents rise" and it describes a number of scenarios that have led to consumers being dissatisfied with the service they have received from their agents. During the real estate boom, when selling houses seemed easy, many new agents got into the business and they may not have had the expertise needed to handle those turbulent times. Now that the dust is starting to settle, some clients are wondering if their interests were adequately protected. And with the pace of sales dramatically down this year, other clients are wondering if agents may be cutting corners in an effort to keep deals from falling apart.

The second article was titled "Mortgage troubles are rising." It reports that more and more homeowners are falling behind on their payments, and even losing their homes to foreclosure. Some got caught up in last year's buying frenzy and simply bought more than they could afford. Others, worried about rapidly rising prices, got adjustable-rate loans with low initial payments that have now grown more burdensome. And while the price increases led to big equity gains for many owners, those who cashed out all of those gains through refinancing (often to pay off other debt or make consumer purchases) may be overstretched now that prices have eased. If they need to sell quickly, they may not be able to net enough money to cover everything they owe on the house.

Rising and falling markets certainly present very different challenges, but a few principles remain constant no matter what the market is doing. First and foremost, gather as much information as you can, not just about the market but

about your own unique situation. Make sure you have clear goals, and understand the options you have in achieving those goals. No single strategy works for all people all of the time. Secondly, find professionals you can trust to help guide you through the process. The services of a reliable agent & lender can often steer you away from risky situations and help you achieve the lasting results you want.

It is worth noting that the original quote (from Irish playwright Brendan Behan) says "There's no such thing as bad publicity except your own obituary." An unskilled, self-serving, or short-sighted agent is not offering you any worthwhile advice or protection, and only hastening their own professional demise. When you are contemplating a real estate transaction, please avoid morning-after regrets and make sure that the agent you work with has your long-term success in mind.

On the Home Front



We reached a big milestone this month: Taran learned how to say "no". This developmental progress comes with certain challenges, as he is getting better & better about expressing his opinions—especially when they are different from ours!



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Recipe of the Month

Beef Stroganoff

If all you remember about Beef Stroganoff is from your days in the high school cafeteria, you're missing out. This is an easy dish with lots of flavors that will be popular with parents & kids alike, so it makes a great family dinner on a cold winter night. And you can make it well in advance, so it's good for bringing to a holiday pot-luck party as well.

1 1/2 pounds of boneless beef top loin steak	2 Tbs ketchup
2 Tbs butter	1 teaspoon salt
3 cups egg noodles (about 6 ounces)	1 small onion
1 clove garlic	1/2 pound mushrooms
1 1/2 cups beef broth, divided	3 Tbs flour
	1 cup sour cream

1. Cut the beef lengthwise across the grain into strips about 1/8" thick. Cut longer strips in half crosswise.
2. Melt the butter in a large skillet (with a cover) over medium-high heat. Brown the beef, stirring occasionally, about 8 minutes. While the beef is browning, heat the water for the noodles.
3. Peel & finely chop the garlic. Set aside 1/3 cup of broth. Stir the remaining broth, ketchup, salt, and garlic into the beef. Bring to a boil over high heat, then cover and simmer gently for about 10 minutes until beef is tender.
4. While beef is cooking, peel & chop the onion, and cut mushrooms into slices. Finish preparing the noodles.
5. Stir the onion & mushrooms into the beef mix. Re-cover, and cook another 5 minutes until onion is tender.
6. In a tightly covered small container, shake the remaining 1/3 cup of broth with the flour until well mixed. Gradually add this mix to the beef, and bring back to a boil to thicken the sauce. Boil for 1 minute, stirring constantly, then reduce again to a simmer.
7. Add in sour cream and stir until hot. Do not let sour cream boil or it will curdle. Put noodles in serving bowls & spoon beef mix over noodles. Makes 6 servings.

Culture Corner

Quick reviews of some recent favorites

Food: If you are looking for a great spot for eating al fresco, drive over to **Joe's Farm Grill** on Ray just west of Higley. They serve a nice variety of casual food, with a focus on fresh local ingredients and very generous portions. Be sure to leave room for dessert—their cream puff could feed a family of four for a (very happy) week!

Movies: The darkly comic film **The Matador** features 2 actors in very well-suited roles. Pierce Brosnan play an International Man of Mystery, and Greg Kinnear is the Suburban Everyman who somehow befriends him. What makes the movie interesting is the way each man draws out the other, leading to some surprising developments as they each explore the meaning of friendship.

Food: One of the nice things happening in downtown Phoenix over the last several years has been the proliferation of quality lunch spots. My most recent discovery is the **On 16th Café & Grill**, just north of Thomas on (well...) 16th Street. They provide a pleasing variety of sandwiches from their tiny kitchen, and the fresh ingredients & friendly service will keep you coming back.



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