

Valley of the Sun

March 2009 Real Estate Update

Set the Price Right, Right from the Start

Any time you put your home on the market, one of the biggest challenges is establishing the best price. It seems obvious that underpricing the home will cost you money, but a look at the data from the last 2 years shows that overpricing the home may end up costing you even more. Here's what the numbers say:

Number of Days On the Market	Sales Price/List Price Ratio	
	2007	2008
0-30	97.9%	98.2%
31-60	95.2%	92.6%
61-90	93.2%	88.5%
91-120	91.3%	85.2%
121-150	90.3%	82.5%
151-180	88.8%	80.2%
180+	85.7%	76.4%

At first glance, this trend might look like good news: homes that sold quickly in 2008 actually out-performed homes on a similar schedule in 2007. But after that, the success ratio dropped off even faster than in the past. What might account for this trend?

The short answer is the increasing weight of foreclosure properties on the overall marketplace. While bank-owned homes are

still a minority of the market, their influence has been felt broadly. Since the banks usually want to unload their inventory as fast as possible, such homes are known for bargain prices and quick responses. Both of those features are very attractive to buyers and agents tired of the hassles of short-sale properties, so these homes tend to sell promptly, often with competing offers to keep the sales price close to, if not even above, the asking price.

By contrast, sellers who ignore the market data and over-reach on their list price end up behind the curve of a declining market, and in many cases they never catch up. With values still falling, they may find that even the more modest price they initially rejected is no longer available, and a steeper discount will be required to get the property sold.

Because of continuing concerns about the market, many buyers are "on the fence" with their home search, circling their preferred neighborhoods but not making any offers while waiting for a "good deal" to come along. When that great home does pop up, several buyers may jump on it at the same time. In a market where supply is much greater than demand, that flurry of interest gives the seller their best chance of turning the tables and negotiating the highest possible sales price. If you have any questions about how the current market may af-



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Recipe of the Month

Lobster Tails in Champagne Sauce

Lobster is one of those exotic dishes that I almost never make at home, but love when somebody else makes. Jill found some tails on sale for Valentine's Day, so I thought I would try a recipe I've had around for a while. The addition of a Champagne sauce really helps it feel like a meal for a special occasion, but preparation is pretty easy & leaves plenty of time to work on a nice side dish to go with it.

3 lobster tails, 4-6 oz each	3/4 teaspoon salt
2/3 cup Champagne	2/3 cup whipping cream
2 scallions, minced	4 tablespoons unsalted butter

1. Rinse the lobster tails under running water. In a medium skillet, combine lobster, champagne, scallions, and salt. Heat to boiling. Reduce heat, cover, and simmer for 12-15 minutes.
 2. Remove lobster from skillet and wrap in foil to keep warm.
 3. Add cream to sauce in skillet. Boil quickly until reduced to about 1/3 cup.
 4. Reduce heat again and beat in butter with a wire whisk 1 tablespoon at a time until smooth.
 5. Remove lobster from shells and slice into medallions. Place on serving plate and spoon sauce over them.
- Makes 2 servings

Notes: 1. Using *unsalted* butter is important. The salt in step #1 is plenty for the dish.
2. If you're looking for another way to make this a special meal, try making the **Champagne Risotto** from the September 2006 newsletter as a side dish. You'll already have the Champagne open.... You can find the old recipe at www.kenmayer.com/newsletter_archive.
3. Even making both recipes, you'll have plenty of Champagne left over. You can cook with the cheap stuff with no problem, but think about spending a little bit more to get something you'll enjoy drinking, too!

THIS MONTH'S FEATURED HOMES



Acre lot & Mountain Views!

3 BR, 2 BA, Open Plan, RV pad, much more
Priced at \$247,500 • MLS # 4047492



Sierra Tempe Beauty

3 BR, Den, 2 BA, RV gate & storage
Priced at \$ 258,000 • MLS # 4115853



Upgraded Ahwatukee Home!

3 BR, 2 BA, 55+ Community, Granite Kitchen
Priced at \$299,000 • MLS # 4081567

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No Obligation—Just Information

Your Home Description:

Stories: _____ Sqft: _____ Beds: _____

Baths: _____ Pool: _____ Garage: _____

Condition of home: _____

Other Features: _____

Your Contact Info:

Name: _____

Phone: _____

Address: _____

On the Home Front



Where does the time go? Taran just celebrated his 4th birthday in the back yard with a bunch of his friends, and it seems like just yesterday we were bringing him home from the hospital. And Bryn is only a few weeks away from her 2nd birthday. The hectic pace of our day-to-day routine can make it hard to maintain a long-term perspective, but when we take the time to look back on the last several years it is hard not to be amazed at how much the kids have grown up over that time.

Culture Corner: Quick reviews of recent favorites

Books: Most of the mystery stories I read are set in England or America, but I recently had a chance to read one by Norwegian author Jo Nesbo. **The Redbreast** introduces us to Detective Harry Hole, a somewhat inebriated but thoroughly likeable policeman charged with keeping Oslo safe. In addition to fighting crime, Harry also battles the politics & bureaucracy of competing law enforcement agencies, and the need to atone for a serious mistake with international repercussions. Harry’s past misadventures are often alluded to, but never specified; his future, on the other hand, is ready for you to read in 3 follow-up novels.

Food: Jill and I enjoyed lunch recently at **Nouveau Bistro**, in the Boulevard Shops just north of the Chandler Mall. The menu covers a broad range of beef, chicken, seafood, and pasta dishes, along with an assortment of entrée salads worthy of your attention. The spring weather made sitting on their comfortable patio a real pleasure, but the interior is also worth a look as it is covered in original artwork that complements the simple-but-chic décor. It’s walking distance from our house, so we’ll be heading back there.

Books: Walter Mosley’s new book, **Diablerie**, will not be for everyone. This is a brief novel, and it seems that his usually powerful writing is even more concentrated as he tells the story of Ben Dibbuk, whose stolid world begins to fall apart rapidly after a seemingly random encounter with a woman who claims to know something about his past. The revelation of secrets old & new threatens to break apart the careful routine Ben has built for himself, but other secrets may offer him a chance regain some control over his life. By turns vibrant and brutal, Mosley takes a probing look at the stories we tell ourselves, and the roles we assign to the other people in our lives, in an effort to maintain a narrative of ourselves that we can live with.



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Got questions? Call Ken today!