



Covenant Realty Corporation

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The Dallas Area is Always a Buyer's Market

It's a buyer's market! Quick, get a home for a great price before things change! Such has been the mantra of the media and also real estate agents (can you believe it?) for the last two years.

First things first. The definition of a buyer's market is usually the following:

- Inventory is high as compared to previous months / years.
- More than six months of inventory is on the market.
- Comparable sale prices are higher than active listing prices.
- Fewer buyers are purchasing, resulting in lower closed sale numbers.
- Median sales prices are declining.
- Real estate ads are getting bigger.
- For Sale signs are staying up longer, resulting in longer days on the market



Now, though it is not very often that the Dallas area will fit this textbook definition of a buyer's market, it is usually always the case that there are more sellers in Dallas than buyers at any one time. At present, supply far outpaces the demand on a regional scale resulting in the collective negotiating power remaining in the hands of the fewer buyers in our beloved metroplex. With that said, I'm going to tell you that you can have people react to your home as if it is a seller's market regardless of the economic landscape and bigger picture numbers and that YOU can be in control.

If you don't understand that's ok as I kind of wrote the article that way to get you to this point. Depending on where you price your home, you can place yourself in 1 of 3 scenarios.

Scenario 1: You price your home higher relative to other comparable homes in your neighborhood with the expectation of negotiating downward a little to come to an agreement to make sure "no money is left on the table". In doing this, this seller has made other more appropriately priced homes appear more attractive than theirs and has thus entered the buyer's market side of negotiating.

Scenario 2: In this scenario, you have priced your home appropriate to the other comparable homes in your neighborhood. With a larger supply of homes on the market there is less of a compelling reason to make an offer on your home. This puts the power in the hands of the buyer once again everything else being equal.

Scenario 3: You price your home below market value. In this example, your home now has become the most desirable to comparable homes like yours. Now, guess what happens? Now the buyer is motivated to make an offer today as your home might not be around tomorrow. Often, these buyers understanding where the home is priced in relation to market value will bid the home up to its market value.

I've helped many clients secure foreclosures or standard listings that had entered into the competitive bid process by knowing what a home's true worth was. If a listing is priced under market value, offering 5% below list will probably get you a "thanks for playing, good luck in your future search" response.

A buyer will be left out to dry if they do not have a fundamental understanding of where each home is priced in relationship to others in each neighborhood. Just because it is a buyer's market historically for many properties in the Dallas area at any given time, that doesn't mean that you can't profit from either side of the transaction. Choose an agent who understands this and will work for your best interests. You will be delighted with the outcome.



North Texas Real Estate Information System
 MLS Current Month Summary for: May 2010

Property Type	Sales	%Change Year Ago	Average Price	% Change Year Ago	DOM	% Change Year Ago
Single Family	7,119	18%	\$198,320	4%	73	-8%
Condos & Townhomes	469	23%	\$163,105	-12%	101	0%
Farms & Ranches	48	-9%	\$265,809	-10%	191	11%
Multifamily	57	-21%	\$134,928	2%	125	16%
Lots & Vacant Land	275	-2%	\$95,627	-13%	215	29%
Commercial	37	-24%	\$201,642	34%	219	51%
Rentals	2,265	8%	\$1,406	2%	43	-12%

Want the Best Price for Your Home? Get Covenant Realty's Free Guide



Ryan Kockjatruck

In any real estate market, it pays to present your house well if you want to sell it quickly and get your asking price. At Covenant Realty we strive to offer nothing but **top shelf service as we know that extraordinary homes deserve outstanding Realtors**

To find out how, ask for my free guide, "50 Essential Tips to Prepare Your Home for a quick sale."

Just call me at 214-912-1703 and I'll send it right out to you.

Ask the Agent: This Month's Question

I enjoy doing projects outside. What work can I do to make my home more attractive to potential buyers?

Fencing: Families with pets, young children or those just seeking a little additional privacy will appreciate the functionality and appearance of an attractive sturdy fence.

Outdoor Sanctuary: With a little creativity and a few hundred dollars, it is easy to turn a problem spot into the center of attention. Get creative with an easy to install garden pond, butterfly or flower garden, wind chime and outdoor seating. Consider adding a decorative fire-pit to encourage family time on those warm evenings.

Update the Paint: Indoors or outdoors, painting is a simple way to give your home a fresh new look. If it has been more than five years since your home has had a fresh coat, make it a priority to paint. Just be sure to keep all your paint colors neutral.

How Real Estate Agents Save You Time & Money

Selling a home without the services of a professional real estate agent can be a complex process that requires a lot of time and commitment.

It can also leave homeowners with a few more gray hairs.

First, home sales require complex legal documentation. There are many templates to use, but they skim only the surface of the legalities.

Often the best way for an owner to deal with this issue is to have a lawyer draw up the paperwork after the rough details have been worked out with a potential buyer.

Second, finding a qualified buyer can be difficult. Agents typically ensure that potential buyers are qualified to buy the property before they cross your doorstep.

Mortgage pre-approvals and extensive consultation typically ensures that the buyer is serious before a showing takes place.

Homeowners have limited access to a potential buyer's financial qualifications before the sale.

Third, you must assess whether you have the ability to market your home and court potential buyers.

Real estate agents insulate the seller from direct contact with a potential buyer, reducing the emotion involved in the sale.

Using a real estate agent can seem more costly than selling a home on your own, but sellers need to measure whether they are prepared to invest their time and energy into the sale of their home.

Keep Your Home Safe With a Webcam

Thanks to webcam technology, you can keep an eye on your home even when you're out. Following are some tips to get you up and running in minutes:

- 1. Install the Webcam Using the Provided Instructions:** Position it for maximum visibility, and adjust the settings for contrast and brightness, if required.
- 2. Search the "Options" Area and Check the "Use Motion Detection" Box:** Name the file where images will be stored and set the interval option to two seconds.
- 3. Test It:** Leave the room for a few moments, and then return. Move in front of the camera for a few minutes, and then verify the image was captured.

For more robust applications, a webcam surveillance and broadcast system is the way to go. There are many different versions on the market, but most include a combination of software and/or hardware to assist in remote viewing, video/audio capture and distribution. Once motion or an audio alert is triggered, the data is compressed into a file and then saved to the Internet, sent to email or stored as directed. Enhancements such as remote view enable users to perform real-time video and/or audio surveillance in real time from anywhere in the world.

Neighborhood Spotlight Richardson Heights

Have you been to the Heights? It is a well hidden treasure with an outstanding central location that lies in between Belt Line and Arapaho just West of 75.

This cluster of "Mid-century modern" homes takes you to another time as you drive down the mature tree lined streets. With a park located in the heart of the neighborhood that boasts two well maintained tennis courts and an endless strip of land, you might be tempted to bring lunch and set up a picnic.

The area is a bit of a secret where real estate prices are concerned. They still have yet to catch up in my opinion. While other areas closer to the interior of Dallas like Lake Highlands or Greenland Hills have housing prices upwards of \$200 per square foot, some Heights homes can be priced in the low \$100's per sq. ft.

I also like the lot size of this area. Many of the lots are larger than their Dallas counterparts which places them in an ideal position for future renovation. Also, as new housing communities have traveled further North as this area has been developed - resale values should keep increasing as well.

These homes have the kind of character that was built like their pier and beam foundations, rock solid and from the ground up. With large lots, traditional hardwoods floors and 1950's allure, I see this neighborhood become a fan favorite among young up and comers for a very long time.

Answers

Positive Correlations: Granite, Stainless Steel, Gourmet, Hardwood

Negative Correlations: Great Neighborhood, Charming

Why is this the case? Physical descriptions carry much more weight than empty adjectives. If you'd like to know more, I'm always here.

Why Not Pass Me to a Friend?

If you've enjoyed this newsletter and found its information useful, please pass it to a neighbor, friend or co-worker.

And if you have any comments about it, don't forget to give me a call or send me an email!



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Which of these words have a strongly positive correlation to the final sales price? Which ones have a negative relationship?

Granite, Stainless Steel, Charming,
Great Neighborhood, Gourmet, Hardwood

Answers inside

A Marketing Plan With Free Professional Home Staging? Covenant Realty Corporation

The key to selling a home is first, price. After price, presentation is a close second. For many homeowners, they have heard of staging, but they don't know too much about it and it is probably too expensive, right? You have enough expenses to handle to get the house ready for its big day. Professional home stagers are practiced in the art of preparing a home for resale. They work with the "flow" of a home, eliminate clutter, edit and arrange furniture, and even assist in enhancing curb-appeal. With the aid of a professional home stager, your house can make a notable first impression on potential homebuyers.

For a limited time Covenant Realty Corporation is offering to pick up the tab for the first two months of the professional staging fee (an average savings of \$1,500). When you compliment that with professional photography, a home that is priced correctly through a comparative market analysis, print advertising as well as your home being syndicated over 35 of the most popular computer real estate networks including media on Youtube - our marketing plan is explosive in comparison to others.

Full Service, Full Time, For Your Peace Of Mind - Covenant Realty Corporation