

Al Gage Report

October 2014

Issue 87

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**4 Sets of Free Passes this
month by random drawing.**

Free Movie Night Count-1621

From 1999 to 2007 we hosted a free movie night for all of the homeowners in Rancho Santa Fe, Corte Sierra, Sage Creek, and Crystal Gardens, Las Palmeras and Wigwam Creek as well as our past clients. We would love to offer this little payback to our community again but with the price of mail going up and the cost of printing, the only way we can do that is with your help to promote the E-newsletter to the same level of readership as the mailings touched in the past.

Change is in the Air!

Many agents in other parts of the country get to write great articles this time of year about the changing of the leaves, the brisk chill in the air or the anticipated weather related slowdowns that come with the onset of winter. For us, we have made a significant change in our business affiliation.

We are excited to announce that we have joined the national franchise of West USA Realty. **West USA is the number 16 overall company in the nation and number 2 overall in Arizona with a total production of over 2 billion dollars in residential sales last year.** While I have always been a proponent that you hire the best individual agent that you can find in the area and also an agent who specializes specifically in your area, having a national franchise behind me with one of the top companies in Arizona can not possibly hurt my ability to sell your home.

As far as the direction of our real estate market, we have witnessed a slowing of simply the number of showings distributed across all of the listings. I have been struggling to explain this slow down from an economic viewpoint and no clear cut explanation is readily available other than simply softness of the economy. I do, however, know what this means.

FOR SELLERS: The market is a little slower than normal and it may well be a buyers market so homes have to be aggressively priced and in very good condition in order for them to obtain a purchase contract. Sales time over 90 days may be a reality in the very near future. That being said, there is still a baseline of buyers out there but they have a lot to choose from. You have to be the best priced home on the market to get your home sold. Most seller's can expect to either negotiate about 5% on the sales price or some combination of sales price and concessions. Although I am not predicting another market crash like we experienced in 2006 and 2007, I would not be surprised if the conversation next summer occurs that we should have sold back in October and November.

FOR BUYERS: The market is wide open for you. Interest rates are fantastic, some underwriting requirements are easing and there are many programs available for recent short sales and/or foreclosures depending on your circumstances. The market will continue to provide great selection and there are many options open to a buyer. Make sure to take professional representation (call us) before visiting any of the new home subdivisions but I really believe there are equally great buys in both the new and resale markets.

So here is the deal, if we can get our readership up to around 3500 per month from our current level of just over 1500, the savings in mailing and preparation cost will allow us to once again rent the entire movie theatre for our neighbors and clients. To accomplish this we will need each of you to forward the email or website to friends and have them opt in for market updates and eventually the free movie passes. We will keep a running count of the opt ins and when we reach 3,000 emails currently living in the Phoenix, Avondale, Goodyear, Litchfield Park and Buckeye areas, we will fire movie night back up.



FOR BUYERS and SELLERS: If you are planning to buy a home and also sell your existing home, the sluggishness of the market will not have much of an effect on you. If you are moving up, any discounting that will be required to get your existing home sold will likely be made up in the savings on the home you expect to purchase. The good news is we are seeing more and more contingencies being accepted by both new home builders and regular resale sellers so your timing is especially good.

For the overall market: The overall prognosis for the market is not as dire as some may believe. This looks and feels like a minor depression in the market while the long term trend still tends to be toward a more normal market. Steady and predictable appreciation is not something we are seeing at this point but this appears to be a small market correction after a long term upswing that had lasted approximately 19 months prior to the beginning of August. Although we are not seeing prices decreasing significantly, they certainly are not going up at the moment. A strategy to wait for the market to return is also probably not a good plan because we currently have no trending to predict that the market will ever be statistically better than it is now.

I am currently amazed by the number of people contemplating selling their existing homes. For the first time in

my career, most of my current clients have been in their existing homes for over 12 years. The national average time between sales of an existing home is usually between 5-7 years so this is an extraordinary data point. Despite the fact that it may be an anomaly in the statistics and more likely it is a result of the number of owners who were trapped in their homes financially due to the market collapse, it is still a very unusual statistic.

When your contemplating selling your home, ask yourself if the agent you are considering has even been in the business long enough to have these kinds of perspectives of the overall market. **If you are seeking professional, experienced advice from a seasoned expert, then the only call you need to make is to the Al Gage Team. Good market, great market or depressed market, we sell more homes in your area**

Free Movie Passes Given Away

We assigned everyone that has signed up for the electronic newsletter a random number and then selected these random numbers until we select the number of people corresponding with the number of passes we are giving away this month. We have sent emails to the lucky winners and mailed their passes to them with the exception of one lucky winner who did not give us their address. As our readership increases we will give more and more passes away until we can start FREE MOVIE NIGHT again.

Want a current and local Market Update go to:

www.algage.com/October2014MarketUpdates.html

Quotes of the Day

“The trouble with not having a goal is that you can spend your life running up and down the field and never score.” – Bill Copeland

“If what you’re doing is not your passion, you have nothing to lose.”

“The person who says something is impossible should not interrupt the person who is doing it.” -Chinese Proverb

Over 1,000
homes sold in
Avondale!



Featured Homes



Everything Perfect!

11191 W. Alvarado Rd. A spectacular 2412 model (5Br, 2 .75 Ba) in great condition with a spa and 3 Car Garage in Crystal Point. Listed by Al Gage for \$214,000



Sold

12719 W. Merrell St., A beautiful 2012 S. F. model (3 bedroom with a den) in Corte Sierra with a pool, oversized garage, quartz counter tops and many upgrades. Sold by Al Gage for \$219,000.



Beautiful Brigata

12349 W. Sheridan St. A fantastic Brigata model in Rancho Santa Fe with lots of upgrades including granite counters and laminate flooring on a large lot and an RV Gate. Listed by Al Gage for \$229,999



Sale Pending

2604 N. 126th Dr. A freshly remodeled Cottonwood model (3BR, 2 Bath 1290sf) in Rancho Santa Fe. Listed by Al Gage for \$139,500



Just Listed

11006 W. Monte Vista Dr A 4Br, 2 Ba, 2390 SF with a 3 car garage in Crystal Gardens . Listed by Al Gage for \$225,000



Sold for Full Price

11178 W. Monte Vista Rd A beautiful 1944 S.F. 3 BR, 2 BA with a pool in Crystal Point. Sold by Al Gage for \$220,000



Just Listed

12746 W. Palm Ln. A Payson model in Rancho Santa Fe with many upgrades and a pool. Listed by Al Gage for \$169,900



Just Listed

12548 W. Windsor Ave A Cottonwood model with many upgrades and granite counters in Rancho Santa Fe Listed by Al Gage for \$150,000



Sale Pending

12875 W. Lewis St. A spectacular Brady model (2313 S.F., 3 BR, 2.5 BA) in Rancho Santa Fe. Listed by Al Gage for \$185,000

**Outsold the competition almost 4 to 1 in the last 4 months!
Call Al Gage = SOLD!**



Al Gage Report

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Rita's Corner

NO MORTGAGE INSURANCE WITHOUT 20% DOWN??

Traditionally in order to avoid having mortgage insurance when obtaining a new home loan, you would have to have 20% of the sales price as a down payment. As prices rise, that amount can be considerable.

Many lenders offer to provide financing with as little as 5% down payment, and not have to pay monthly mortgage insurance. It is true, the interest rate is a little higher, but not enough to make it unattractive. Several years ago a law was passed, called The Homebuyer's Protection Act that forced lenders to automatically take the mortgage insurance off of the loan when the principal balance reached 78% of the initial amount borrowed. If you pay the minimum monthly payment, that could take 10 years or more.

Call me for information about this and other programs. I pride myself on keeping up to date with the ever changing mortgage market.

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