

Al Gage Report

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

**Free Movie Night
Count-1581**

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.

The Psychology of Negotiating!

I ran across a few articles on negotiating and the psychology of it with some very strong opinions on how to negotiate. As I read these suggestions, I agreed with a few and strongly disagreed with many of the others and some were straight out of the reality home buying/flipping shows. In an ideal world, you would ask what ever you wanted for a home and you would have an adversary that was locked into negotiations on your home. This is rarely the case and more importantly, even if it is, you rarely know that this is the case. The two articles I read were from popular real estate and national news agencies.

One recommended to find “the most hard nosed, irritating and determined agent” you can find” and then always negotiate the commission. This is a fairly tough market right now. Do you really want to be stuck with an irritating agent for the next 90 days. I negotiate hard and am determined to get the maximum for my clients but that can be done in a friendly manner which will actually attract the other local top producing agents to want to do business with me and my clients. The agent that is always abrasive and condescending to agents will have a harder time selling their listings because the other agents don’t want to work with them. As far as negotiating commissions, you generally get what you pay for. In this market,

it is not a just throw a sign in the yard and it will sell situation. Advising my clients as to what moves to make and when to make them is a very precise art which requires a very local expertise on what the market is doing.

The next items the article lists is “understand forward pricing and ask for more than you expect.” Forward pricing is basically extrapolating out a price from the last sale based on the trend of the market. Since we have not had a predictable trend in the Avondale area since about 2004, this point seems irrelevant. Asking for more, especially significantly more, than you expect generally leads to longer sales times and market staleness in our market. Of course, there is nothing wrong with leaving a little negotiating room but generally not so much that it limits the activity on the property. Silly little things like appraised value and qualifications of the buyer tend to get in the way of this one. I recommend pricing a home within 5% of the adjusted price of the most recent comparable sale.

After all of this, the next recommendation (although it disclaims that it may be risky) is to start a war by significantly underpricing your home. This strategy is laughable. In a roughly equal supply and demand situation, there simply aren’t enough buyers frothing at the mouth to significantly boost your price back to market value. The only good parts of

So here is the deal, if we can get our readership up to around 3500 per month from our current level of just over 1000, 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 3,500 emails currently living in the Phoenix, Avondale, Goodyear, Litchfield Park and Buckeye areas, we will fire movie night back up



the article were to remember that it isn't personal and always keep things moving.

In another article, it recommended that you always get the last concession, to impose a penalty for asking for concessions and that friction was your friend. These may be very viable negotiating tactics at say a union contract negotiation where both parties really cannot go elsewhere to negotiate which is never the case in a real estate transaction.

Common to both articles was the advice to never meet in the middle during negotiations. Hard line stances such as this will ruin more negotiations than the benefit of obtaining a few extra dollars.

Both articles had a couple of things that I did agree with and have promoted for years. They both agreed that it was best to check your ego at the door. They also agreed that information is power. The feel for the currents in the market as well as solid information properly adjusted is something that only a highly qualified, highly experienced agent with intimate knowledge of the area can provide.

Probably the hardest piece of advice given was to stop talking and start listening. This is good advice in almost any situation but is especially valuable in real estate negotiations. Although, I am not a firm believer in making

“make or break” negotiating decisions based on “reads” or “feelings”, they can be helpful.

Finally, I would add a few of my own pieces of advice based on almost 30 years and hundreds of transactions.

1. Never let the transaction die on your side. Always counter no matter how low or insulting the offer.
2. Never buy you home back for a few dollars. Those few repairs you are asked to do is usually offset by the value of the presence of the buyer.
3. Set aside your emotional attachment to your home and the work you have done on it and try to view the transaction from the buyers perspective as well.

Need help deciding when to make a move? Call us for a free market analysis and timing to make that crucial move.

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/May2014MarketUpdates.html



1913 N. 125th Ave. A El Dorado model (3BR, 2 Bath) with a pool and a huge lot with many upgrades in Rancho Santa Fe. Listed by Al Gage for \$197,000

Homes of the Month

2357 N. 123rd Dr. A spectacular Portola model (3Br, 2 Ba, 1805 SF) with a den in Rancho Santa Fe Listed by Al Gage for \$209,000



Featured Homes

Sold in 2 Days



10834 W. Alvarado Rd. A 1240 model (3 BR., 2BA) in Crystal Gardens Sold by Al Gage for \$124,000



Just Listed!



13010 W. Cheery Lynn Rd. A 1860 model 3 Br, 2.5 bath in Las Palmeras Listed by Al Gage for \$165,000

Sale Pending



10851 W. Windsor Ave. A 1644 model with a pool in Upland Park Listed by Al Gage for \$170,000

Sale Pending



2017 N. 108th Dr. A spectacular 1573 model (3Br, 2 Ba) on the lake in Crystal Gardens Listed by Al Gage for \$165,000

Sold in 3 days



12871 W. Vernon Ave A spectacular Brady model (3Br, 2 Ba, 2313 SF) with a den in Rancho Santa Fe Sold by Al Gage for \$192,900

Just Listed!



12818 W. Edgemont A beautiful Cape Cod (2232, SF 4 BR, 2.5 BA) model with many upgrades in Rancho Santa Fe Listed by Al Gage for \$180,000

Price Reduced!



12925 W. Monte Vista Rd. A spectacular Carmel model (1611 S.F., 3 BR, 2/5 BA) with many upgrades in Rancho Santa Fe Listed by Al Gage for \$165,000



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Most Common Inspection Repairs

These are the most common items that I receive as a result of home inspections!

1. Broken, missing, loose or displaced roof tiles.
2. Inoperable or broken shutoff valves at the various sink and toilet locations.
3. Double tap to a single breaker in the breaker box (usually it is the sprinkler controls that are added).
4. Inoperable or not present GFCI outlets in and around water sources (pool, baths, kitchen etc.)
5. Missing or insufficient insulation around the AC coolant lines.
6. Missing or ineffective weather stripping around doors including garage doors.
7. Broken windows or broken seals within and surrounding dual pane windows especially the small ones.
8. Leaking or past leaks under bath or kitchen sinks resulting in water damage.
9. Cracked or leaking garbage disposals.
10. Dry rot on the fascia or leading edge of patio covers.

Call Al Gage at **623.536.8200** or email al@algage.com