

Al Gage Report

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**Free Movie Night
Count-1246**

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 Changing Role of a Realtor!

Even five years ago, my role as your realtor was essentially to market your home in order to obtain the highest price OR most favorable terms available to a potential seller. In contrast, my role as a buyer's agent was to obtain the lowest possible price and/or the most favorable terms for the buyers as well as concessions that would allow them to obtain the most favorable financing. This is still my role

But oh how things have changed. In today's market, I routinely find myself explaining to the sellers that even though the financed offer nets them more money, they may be better off taking a lower cash offer because it eliminates any appraisal or financing worries. The second most common conversation is generally explaining why we are going to be two weeks late on a closing because something ridiculous such as a new requirement to get W-2s direct from the IRS or they can't track the funds from the buyers grandmother or parent is holding up the closing. Most of these issues defy common sense and therefore take a lot of skill and patience to explain to the average seller.

With a buyer it is even more difficult to explain. Yes I know that Mr. Buyer has written more than 60 contracts over the past 6 months and still does not have a property in escrow due to the extreme shortage of homes. Furthermore, try explaining to a buyer who you just met for the first time that they will have to bid slightly over if they are a cash buyer and significantly over the list price if they are a finance offer just to have a chance and if it does not appraise probably have to pay the difference in cash to be able to keep the hard fought offer they won. Even the fact that it did not appraise is difficult to

explain when they have looked at 100 homes and this is the best one for the lowest price and still it did not appraise. They also commonly have to put up non-refundable earnest money at the conclusion of the inspection period so it is very important that financing be in place and very solid. Now compound that, with different rules for each kind of property such as a HUD home already has an FHA appraisal on it so any bid over list price requires the difference to be paid in cash or on numerous REO (repos) properties investors can't bid for the first 10 or 15 or 30 days. And for the final twist, if you buy a Homepath home and use Homepath financing, it doesn't have to appraise at all. How can this all be true? But it is.

As far as advising client thinking about doing a short sale, we are experts at it, but it is a real can of worms. Will I receive \$20,000 in incentives or will I have to pay \$20,000 to do a short sale? How long do I have to wait to purchase another home? How much will it affect my credit? HOW LONG WILL IT TAKE? (ONLY GOD TRULY KNOWS THE ANSWER TO THIS ONE). We have done many, many short sales and can generally answer these questions and we have a very high success percentage but we can only answer those questions after evaluating each individual's situation.

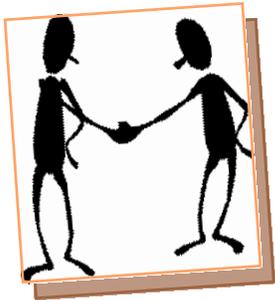
This sets the stage for why, choosing your real estate agent is one of the most important decisions you can make. Many, many successful realtors do not have experience negotiating with a real live seller rather than an asset manager at the bank according to a one sided dictation of a contract from a seller who formerly controlled enough of the market that they could dictate that every home was as-is and was closed according to their internal purchase contract...

-Continued on pg. 2-

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 Changing Role of a Realtor continued...

Now as we creep back over 50% of the market being finally regular sellers and soon real estate agents may actually have to effectively market their listings, it is important to choose an agent that has many years of experience in a regular market with regular sellers. The point of my article is that today's realtor has to be educated and experienced in many different facets of the real estate business. Many agents have forgotten how to price a home to get it as high as possible because they have been working for an institutional client for many years who doesn't always know about the value in a certain neighborhood. My interests are in getting the values in our neighborhoods back to a reasonable amount and then maintaining them for the benefit of my fellow neighbors. With over 1000 homes sold just in Avondale and more than 25 years of full time experience, I can get the job done for you and your family for the highest possible price in the shortest amount of time.



Over 1,000 homes
sold in Avondale!

With over 1,000 homes sold just in the Avondale area since 1997, we are positioned to have several advantages over other real estate agents. We did not sell 1,000 homes by getting some big bank contract or HUD contract, we sold them one customer at time. This leaves us with a large data-base of customer exclusively in the Avondale, Goodyear, Litchfield Park area to better sell your existing home at the highest possible price. We are experienced in short sales and regular sales and have a vested interest in keeping and maintaining the values in our neighborhood. Especially important in this market is the fact that we are experienced in the area to effectively challenge any low appraisals we may receive.

This month's Q & A on Short Sales

Q: How long after a short sale or foreclosure do I have to wait to buy a home?

Short sales are typically treated the same as foreclosures and deeds in lieu unless the borrower was current and paid as agreed at the time of the short sale (very rare and almost impossible to do). It is not in the guidelines anywhere but common sense says an underwriter or credit model should look on a short sale more favorably than a foreclosure. The required times mean that this is the minimum amount of time after the credit event before another loan of the specified type can be obtained. Other factors such as ongoing credit, work history and income amounts will also effect your ability to obtain a loan. I have also included the waiting times for bankruptcy as well. The waiting times are:

FHA

3 years from the completion date of the event.

Bankruptcy-Chapter 7- requires 2 years from the discharge date
Chapter 13-1 year with satisfactory pay history and court approval

Conforming Conventional

7 years from the completion date of the event.

If there are extenuating circumstances then 3 years and additional conditions.

Extenuating circumstances are defined as death of the primary wage earner, prolonged unemployment due to circumstances beyond the borrowers control or long term illness or disability without insurance coverage.

Bankruptcy-Chapter 7- requires 4 years from the discharge date

Chapter 13-requires 2 years from the discharge date.

VA

3 years from the completions date of the event.

Bankruptcy-Chapter 7- requires 2 years from the discharge date

Chapter 13-1 year with satisfactory pay history and court approval

USDA(Rural)

3 years from the completion date of the event

Bankruptcy-Chapter 7 and 14 require 3 years from the discharge date.

Featured Homes of the Month



1) 2732 N. 127th Dr. in Rancho Santa Fe-a Portola model with a large lot and a pool. Sales Price-\$171,000-SOLD by Al Gage.



2) 12545 W. Sheridan St. in Rancho Santa Fe-a Payson model with a pool in stunning condition-Listed by Al Gage for \$150,000



3) 15041 W. La Reata Ave. a 4183 model with a pool and a 3 car garage in Goodyear Planned Community-SOLD by Al Gage for \$280,000



4) 10855 W. Edgemont Dr. an 1493 s.f. model in Upland Park PENDING by Al Gage -List Price \$100,000



5) 12234 W. Maricopa St.-1914 s.f. model in Coldwater-PENDING by Al Gage-List Price-\$129,900



6) 12883 W. Sheridan St. A Vail model in Ranch Santa Fe SOLD by Al Gage- Sales Price \$80,000

Other Notable Sales of Non Short Sale-Non REO Properties in Avondale

- 12338 W. Lewis-A Regatta model in Alta Mira with a pool-Sold for \$230,000
- 12707 W. Edgemont Ave.- A Brigata model in Rancho Santa Fe,with a pool. SOLD \$190,000
- 11004 W. Hubbel St.- A 1953 model with a pool, 3 car garage in Crystal Gardens, SOLD \$180,000
- 12747 W. Wilshire Dr.- An Azure model in Rancho Santa Fe, SOLD \$169,900

Al Gage Report

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Top Ten Reasons to List with AL Gage!

- 1** We get the top dollar for a home in these neighborhoods because we know comparable sales and the recent trends.
- 2** We are highly experienced in short sales and prevent almost every foreclosure given sufficient time.
- 3** We are experienced with HAFA, HUD pre-foreclosure, VA compromise sale and other proprietary short sale processes which will minimize or eliminate any deficiency due to the bank or possibly obtain up to \$20,000 in incentives from the bank.
- 4** We may be able to sell your home for enough money to avoid a short sale or foreclosure altogether even if it means pushing the market value a little bit.
- 5** We are experienced at challenging VA, FHA and conventional appraisals and send a preview of our valuation to the appraiser so they can benefit from our years of experience in these areas.
- 6** We have over 25 years of experience in the Avondale, Goodyear and Litchfield Park area.
- 7** We personally negotiate your transaction whether it is a short sale or regular transaction.
- 8** We have a team of title and mortgage professionals to work all aspects of your transaction- No rookies here.
- 9** We are personally invested in maintaining and raising the market values in these Avondale areas.
- 10** We were born and raised here. Our reputation is important. We will get the job DONE!