

# Al Gage Report

July 2022

## Now You Need A Real Real Estate Agent!

The market is changing, not crashing, but back to normal. You may ask yourselves, what does that mean for me if I am going to sell in the next few months or even in the coming two years? It likely means that you need a **REAL** real estate agent. I am not trying to say that all real estate agents are not real, **but many of them have learned their entire experience in the real estate business in the recent extreme bull or seller's real estate market.** They know how to do a post-possession agreement, waive an appraisal contingency, write an appraisal gap clause and expect to write three to five offers out of every eight homes sold! All of these skills are appropriate when the sellers market is so strong that the seller can dictate any and all terms. The market isn't like that any more!

Many of these agents may not know how to price a home properly, help a buyer make a decision on only one home, convince an appraiser that they are in error or coach a seller on pricing and price reductions. **They also may not know how to determine if a home is priced correctly if it has been on the market for more than a week,** write a contingency agreement or in general negotiate with buyers, sellers or other agents. You may ask why that is and the answer is because they haven't had too!

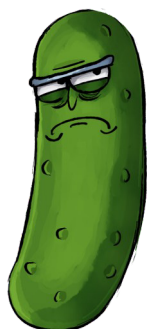
### No more ball park pricing!

As I do the monthly statistics for the individual market areas (which you should all sign up for), I constantly see listings sold for \$45,000 under

their asking price or \$57,000 over their asking price. In the case of the under, you may think this is great news for that seller and it is. **The market stepped in and corrected the error that the listing agent made in grossly underpricing a home.** I have had agents advocate to clients that they want to deliberately underprice the home in order to create a feeding frenzy. This is both a really poor strategy to get the top dollar for your home and likely violates the fiduciary duty we as agents have to a seller. This is because if there is no longer a feeding frenzy of buyer activity, the seller is still obligated to sell at that price or pay the commission to the agents.

For the seller that hired an agent that grossly overpriced their home the same applies, they likely took the first offer that came along and **the buyer could obviously smell their desperation after getting only one showing in 25 days.** This agent also likely violated their fiduciary duty to the seller. If they happened to also be the selling agent they may really be getting themselves into a pickle by underselling the property.

For almost the past three years, agents need only price a home within about \$100,000 for it to successfully sell and close.



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Appraisers have been going along with the skyrocketing market and demand has led to some pretty desperate buyers. As of today, with roughly 2 active listings for every pending listing in our neighborhoods, the competition will get pretty stiff pretty quickly.



### Experience Counts!

As we move from an average level of showing from 25 per day to 2.5 per week, which by the way is about normal, it will become more and more important for seller's to be patient with the market and their agent. It will also be important for the agent to discuss and plan a price reduction strategy that is measured, proven and effective. It does not behoove the seller to have price reductions that exude panic and desperation.

### Strategy Matters!

In addition to pricing, it will also become important that agents have an integrated marketing strategy that goes beyond placing the home in

your personal Facebook post! **Our strategy at the Al Gage Team is proven, repeatable and verified.** We have a nice mixture of print marketing, such as this, and online presence in both the website and most of the other Real Estate Platforms, such as Zillow and Trulia.

### Communication and Availability!

Communication is the key in this type of marketing. Being vigilant about the communication between myself and either another agent or my client is one of the things that of which I take great pride. You will always here from me by the end of the day and I won't be sitting at the bar when you do. **I laugh when I see preferences on MLS that we only take calls 8-5 M-F or please don't call, only text. I am sorry, but those agents are just in the wrong line of work.**

We obviously can't always answer the phone or text, but you will here back from us the same day. If you don't, you should probably check the local hospitals.

It will now become important that listing agents are able to defend their pricing to both

other agents and also to appraisers who, once the market trends come down at all, have to start adjusting for that in their market comparisons. **In order to be able to challenge an appraisal or an appraiser, you have to be able to speak their language.** We have had very good results over the years in persuading an appraiser to see things from our point of view.

The bottom line is very few agents working today have any experience in a buyer/seller neutral market, let alone a buyers market. At the Al Gage Team we have ridden this everchanging roller coaster from the highest high (4 months ago) to the lowest low (fall of 2008) and you are going to need that level of experience in the coming months.



**Don't roll the dice with a family friend or relative, give the proven, reliable and consistent Al Gage Team a call at 623-536-8200 or email us at [al@algage.com](mailto:al@algage.com)**

Find us on [/AlGagePC](https://www.facebook.com/AlGagePC) 

## Community Announcements



The Thrill of Sports and the Excitement of Science and Technology!

Is your child attracted to coding, LEGO building, graphic design, or social media? Are they looking for a place to grow skills and be part of something big?

Through challenges designed to ignite curiosity and encourage exploration, FIRST offers a suite of team-based robotics programs for students aged 4-18, which they can join at any level.

Litchfield Robotics is a local non-profit that hosts FIRST teams and supports

the formation of new teams. We're looking for more students, coaches, and mentors to expand FIRST over the West Valley! Build robots to go head-to-head in local and regional competitions!

Over time, children will learn skills such as Java, computer aided design, iterative design, manufacturing, and business skills. No previous experience is needed.

Will you join us? Teams forming Aug 4, preceded by a free 2-day skill workshop!

Visit [firstinspires.org](http://firstinspires.org) and contact [beepatrol@gmail.com](mailto:beepatrol@gmail.com).





## Subscribe Online & Get Your Subdivision Report!

Go to [www.al@algage.com/SubscribeToENewsletter.html](http://www.al@algage.com/SubscribeToENewsletter.html) or just send us an email with your address and subdivision. We now offer individual subdivision reports. Stay up to date with the current news, right in your inbox. Subscribers are placed in a drawing to win a set of FREE gift cards! 2 gift cards will be given out this month! Please share this opportunity with family, friends, and neighbors.

## featured listings



**2334 N. 112th Ave.**

Spectacular Brady Model with a pool in Crystal Gardens. Granite counter tops, remodeled baths, marble tile floors, lap pool & spa, lakefront, High Output Solar on a Cul-de-sac lot.

**SOLD by AI Gage for \$601,000**



**2717 N. 125th Dr.**

A spectacular Jerome Model home featuring 1450 S.F., 3 BD, 2 BA, with great room in Rancho Santa Fe!

**SOLD by AI Gage for \$405,000**



**12517 W. Holly St.**

Spectacular Cheyenne model with lots of upgrades on a corner lot with a Sparkling pool in Rancho Santa Fe!

**Listed by AI Gage for \$459,000**



## What's My Home Worth?

Email AI at [al@algage.com](mailto:al@algage.com) with the address, a list of upgrades, the current condition of the property rated < from 1 being terrible condition and 5 being model perfect > and he will personally prepare a professional market analysis of your home free of charge. Use "What's my home worth?" in the subject line and also include the purpose of the evaluation in the email.

*No automated valuations here!*

Want a current and local Market Update? Go to [www.algage.com/July2022MarketUpdates.html](http://www.algage.com/July2022MarketUpdates.html)

In 2021, AI Gage successfully represented **133%** more clients than the closest competitor and **216%** more than the average of the Top Ten Agents in your neighborhood! #1 in your neighborhood eight years in a row!



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# Hello.

Interesting And Helpful  
Real Estate Info  
Just For You

Local Postal Customer

## Over 1400 Homes Sold in Avondale and Litchfield Park!

Subdivisions	Home Levels	2020 Sales #s	2020 Price/SF	2020 Days on Market	2021 Sales #s	2021 Price/SF	2021 Days on Market	% Change In Price per SF	June 2022 Sales #s	June 2022 Price/SF	June 2022 Days on Market
Cortes Sierra/Sage Creek/Las Palmeras	1	61	167.3	23	66	211.0	21	26.12%	6	274.5	33
Cortes Sierra/Sage Creek/Las Palmeras	Multi	31	138.7	36	49	174.7	24	25.95%	3	234.5	17
Crystal Gardens, Crystal Ridge, Crystal Point, Upland Park and Donatella I	1	99	162.1	35	84	212.7	16	31.21%	6	253.2	22
Crystal Gardens, Crystal Ridge, Crystal Point, Upland Park and Donatella I	Multi	32	135.3	37	34	180.1	22	33.11%	5	234.0	39
Garden Park, Palm Meadows, Palm Gardens and Donatella Phase 2	1	29	156.3	27	37	221.6	20	34.77%	2	264.7	2
Garden Park, Palm Meadows, Palm Gardens and Donatella Phase 2	Multi	17	120.5	30	15	162.4	30	41.77%	0	0	0
Rancho Santa Fe	1	68	160.2	29	85	213.9	17	33.52%	10	286.3	14
Rancho Santa Fe	Multi	36	136.0	28	39	184.5	25	35.66%	4	226.5	8
Westwind and Glenarm Farms	1	15	168.3	44	17	218.3	15	29.70%	2	304.3	17
Westwind and Glenarm Farms	Multi	12	128.2	44	12	198.1	27	54.52%	1	286.2	7
Wigwam Creek South and Bel Fleur	1	76	159.2	22	52	215.9	21	35.61%	6	259.4	17
Wigwam Creek South and Bel Fleur	Multi	37	116.0	35	29	148.6	21	28.10%	1	200.3	46