

Al Gage Report

September 2014

Issue 86

The Results Are In!

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newsletter online at:**

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

**Free Movie Night
Count-1614**

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.

I pulled a few statistics from the Multiple Listing System that I would like to share with my readership. I know statistics can be manipulated but these are pretty straight forward. Over the past 4 months, I have sold 11 homes in our area while my closest competitor sold 3. **That means I sold almost 4 times as many as my closest competitor.** In the last 3 months, my average price per square foot of sold homes was \$102.58 per square foot versus the average price of home sold was \$96.24 per square foot, That doesn't sound like a huge difference until you actually break it down. **On a 2000 square foot home, that is a net difference of \$12,680 when listed with Al Gage.**

This doesn't mean that I can automatically sell a home for \$12,000 more than its worth just that on average, I get closer to the maximum possible value on the homes that I have listed. I also often am able to push the appraised value of a home slightly over what similar home have sold for based on the location price and terms of a home that is for sale.

I also calculated the net difference is days on the market. My average for that time period was 25. 25 days on the market

while the average was 55.95 days for a net difference of over 30 days on the market.

I received a phone call this week from a lady that had listed her home with another agent voicing her dissatisfaction with the fact that her home had not sold. She stated that her home had not been shown once in 60 days and her agent had done nothing to sell her home. She also stated the agent was from the East side of town and had had a tour of realtors from that side of town tour the home. Ethically, I didn't feel comfortable assessing her situation while it was listed with another agent. **Bottom line, there are a lot of part timers and amateurs out there.** The agent's explanation for this performance, according to the caller, was that the property was not staged properly and was too crowded. Both of those may be true but a potential buyer probably cannot know that until they arrive at the home. The most probable explanation may be a combination of a few things. The home is likely overpriced and their may well be some condition issues in the property.

Every home is different! When we evaluate a home as a potential listing there are numerous things that go into listing a home. The location and condition of the home, amenities and market competition all factor

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



into the end price of home. The market is an ever changing set of circumstances. The fact that someone received a certain price for a similar home 3 months ago does not guarantee that you will receive the same price.

Currently our market is slowing just a bit after the flurry of the early summer. **This means that homes must be priced almost perfectly and in almost flawless condition in order to sell.**

As always the market will self correct based on the minor ebbs and flows of supply and demand. Although, we are currently off of the peak of the market, very few experts are predicting a significant downturn in real estate prices.

One anomaly that I find especially odd and totally unexplainable is the disparity in demand for homes with a pool this summer. There is almost always an increase in demand over the hot months for a pool because it is on peoples minds but this summer the demand for homes with a pool has been especially high.

Any time I have published statistics like these in the past, I have inevitably been confronted with home seller's feeling that they cannot list with us because we are too busy. The bottom line here is when we get to the point where we cannot handle the business we have in front of us, we will

either turn down listings or clients or higher more staff if necessary. The main reason that we can handle more home sales with less people than most is that **we don't spend a lot of time on marketing strategies and gimmicks that do not work.** We do our jobs each and every day so that we don't have to do non-productive, time eating activities such as open houses or home tours to make our seller feel like we are doing our jobs. Our track record speaks for itself:

Over 1000 homes sold in Avondale

30 days Shorter Sales Time.

Higher Average Price per Square Foot

Fully Cancellable Listing

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/September2014MarketUpdates.html

Quotes of the Day

“Those who dream by day are cognizant of many things which escape those who dream only by night.”

— Edgar Allan Poe, *Eleonora*

“Don't judge each day by the harvest you reap but by the seeds that you plant.”

— Robert Louis Stevenson

“Charity begins at home but shouldna end there”

— Scottish 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 \$220,000



Sale Pending

12719 W. Merrell St., A beautiful 2012 S. F. model(3 bedroom with a den)in Corte Sierra with a pool, oversize garage, quartz counter tops and many upgrades. **Sale Pending** 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 \$232,999



Just Listed

2604 N. 126th Dr. A freshly remodeled Cottonwood model (3BR, 2 Bath 1290sf) in Rancho Santa Fe. Listed by Al Gage for \$190,000



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 \$240,000



Sale Pending in 4 Days

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



Just Listed

12730 W. Alvarado Rd. A Prescott model in Rancho Santa Fe with many upgrades and a pool. Listed by Al Gage for \$185,000



Sold

12842 W. Whitton Ave. A Sheraton model (2011 SF 3 BR, 2. BA, 3 Car Garage) with a den in Sage Creek Listed by Al Gage for \$185,000



Just Listed

12875 W. Lewis St. A spectacular Brady model (2313 S.F., 3 BR, 2/5 BA) with a pool in Rancho Santa Fe Listed by Al Gage for \$185,000

Outsold the competition almost 4 to 1 in the last 4 months!

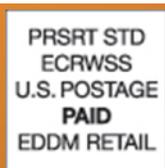
Call Al Gage = SOLD!



Al Gage Report

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Al Gage, P.C



Local Postal Customer



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Rita's Corner

Common Sense Underwriting, it doesn't exist!

Based on the maximum allowable loan to value, VA at 100% financing is considered the riskiest loan available. However VA loans have the lowest foreclosure rates of all loans. Why is that? Because VA has the only underwriting guidelines that take into account your net income, not gross. They also take into consideration the costs of utilities and child care, AND the part of the country you live in.

A borrower using FHA financing can have a debt ratio of 55% and still obtain a loan; with 3.5% of the sales price for a down payment and a minimum credit score of 640. That same borrower utilizing conventional financing, with a down payment of 50% of the sales price, a credit score of 850, the highest available; is limited to a debt ratio of 45%. What sense does that make?

After the CRASH, the federal government has implemented many changes to the mortgage industry. Some good, some not so good. You deserve to be working with someone who keeps up with the constant changes. If you want fast and reliable expertise with this or any other mortgage questions call

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