



The Fran-Ira Report



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Inside This Issue

- 1 What's the Latest?
- 1 Are Foreclosures "Jackpots"?
- 2 Coldwell Banker Videos
- 2 Sellers: Want Top Dollar?
- 3 Real Estate Quiz
- 4 Featured Home

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(page 3)

What's the Latest in Real Estate?

There are a lot of questions about what is happening in the market today. Have we reached the bottom yet and what will happen next? First time buyers (and those who haven't owned for the last 3 years) are focused on the \$8,000 tax credit available for those who close before November 30th of this year. While there are indicators that say the deadline might be extended, there is no guarantee, so those who want that nice bonus have just a short time to act. Remember, most closings take about 45-60 days to close, so the clock is ticking. Go to www.yourillinoisishome.com for more details.

On the positive side, the Illinois Association of Realtors has reported that Chicago area homes sales inched up in this past July to 7,427 sales compared to 7,408 from July of 2008, being the first year-over-year increase in more than 3 years.

Sales prices still remain low, however they have also ticked up just a notch in the Chicago area, according to the Case-Schiller Home Price Index. July prices were equivalent to those back in January 2003, whereas this past May the prices were equivalent to September of 2002, which was a few thousand dollars less. The Wall Street Journal reports that homes priced under \$750,000 seem to have the greatest activity. Above that the market is relatively slow.

Are Foreclosures "Hitting the Jackpot"?

Lots of savvy home buyers want to hit the jackpot and buy that REO (real estate owned) foreclosed home, many of which are often under-priced. REO's can be attractive & exciting. However it's not unusual for some REO homes to receive 5, 10 or more offers which may take away some of your valuable leverage. Sometimes the bank will throw out all but two offers and then ask the selected buyers to resubmit what is called their "Highest and Best" offer. Sometimes the bank simply accepts the best offer at the inception. Here are a few tips to help you select REO good price and terms.

1) **Get the Property History** Find out the bank's purchase price from the tax records. Somewhere over that figure is the amount the bank is hoping to get

Continued on page 3

Sellers Corner

Coldwell Banker Videos!

Want some assistance in staging? Call us for a personal visit to your home. We have been helping sellers stage for years! Or send us your email address and we can send you the link to these Coldwell Banker videos, designed with sellers in mind:

- *How to Properly Stage a Home
 - * Easy Upgrades That Help Raise House Values
 - * 5 Weekend Fixes to Boost Home Value
- *Improve Your Home's Curb Appeal**

Plus we have more videos about handling major renovations, finishing an attic and more! Call us at (847) 926-1697 or email us at either

fran@fran-irarealestate.com OR
ira@fran-irarealestate.com



Want Top Dollar for Your Home? Stage It!

The term "staging" was first coined as a homeseller's tool in 1972 after the way an individual scene is staged in the theater. Everything has a purpose and a place and needs its own unique setting. The simplicity and efficiency of viewing a staged home makes it easy to see why buyers gravitate toward it. "Before" and "after" pictures make it clear why the process is so effective. Sellers might also consider staging their homes before writing their ad to visualize which features to play up to make the words even more appealing. Here are some tips:

- Living areas should be spacious and light.
- Kitchens should be light and bright with all counters bare,
- Pantries should contain a minimum amount of neatly arranged canned goods and bottled water. No bags of pet food.
- Dress up old or plastic tables with tapestries, throws, scary
- Create an open, airy and romantic master bedroom.
- Clean and polish all floors.
- Remove stacks of mail & overstuffed coat trees.
- Clear away excessive knick-knacks and add weight & substance with careful placement of metalwork such as lanterns, bowls and candleholders.
- De-clutter family room or den.
- Fill in sparse areas indoors with green plants.
- Remove and store excessive furniture.
- Set the dining room table with napkins, china and a centerpiece. No flatware because people may take it.
- Involve children. Make their closets roomy and unclutter the shelves.
- Buy pretty hangers for your closets and show lots of space.
- Add a seasonal wreath or other trim as a welcome sign on your front door.
- Place potted plants or something decorative n the trout step to add a splash of color.

Don't neglect the outside of the house. Landscaping and sprucing up the exterior of the home gives it positive energy and spirit. Your objective: turn your home into a magical showcase that sells for top dollar in record time! Don't leave a room un-staged or a space untouched!

Have Pizza On Us!

Be one of the first 3 people to correctly answer our real estate quiz & win a pizza!

Submit your answers to us by email (ira@fran-irarealestate.com) or phone (847) 926-1691

1. Market values for appraisals can be driven by lender guidelines. Market value is ultimately driven by:

- a) Current mortgage rates
- b) Similar existing homes currently for sale
- c) Sales of comparable homes sold in the neighborhood in the past few months
- d) Market forecasts

2. Which home update will give you the most return when you sell your home?

- a) A minor bathroom remodel
- b) A deck, patio or porch addition
- c) A major kitchen remodel
- d) Updated living room decor

3. What feature should you look for when shopping for an eco-friendly home?

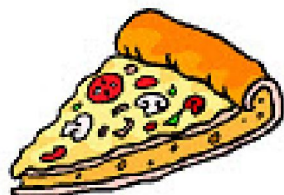
- a) Large windows on the south and west walls
- b) Building products containing volatile organic compounds
- c) Radiant floor-heating system
- d) A lush, green lawn

4. Tax breaks are some of the biggest perks of owning a home, but which home-buying expense is NOT tax deductible?

- a) Closing costs
- b) Real estate taxes
- c) Mortgage interest
- d) Association fees

5. Which of these items is not included when qualifying for a loan?

- a) property tax
- b) Homeowners insurance
- c) Closing costs
- d) Moving expenses



Cont'd from pg. 1 - Are Foreclosures "Hitting The Jackpot?"

2) Determine Comparable Sales In many cases, the list price has little bearing on the value. If you are up against competing offers, other buyers may offer more than the asking price.

- Look at the last three months of comparable sales for that neighborhood. Use only those homes that closely match the property regarding square footage, number of bedrooms, baths, amenities and condition.
- Look at the pending sales and try to find out the accepted offer price. Some agents will share that and some will not.
- Look at the active listings. Most buyers will use them to formulate a price because they are the only ones they have actually seen.

3) Analyze Listing Agent's REO Solds Many REO agents work for one or two banks and do not list any other type of property. Since REO agents deal in volume, they typically apply the same pricing formula to all their listings. We can find these agents and discover the last 3-6 months of their activity. If most of their listings are selling for, say, 5% under list price, then you may need to offer more if there are multiple offers.

4) Ask About Number of Offers If there are no offers on the REO home, you can probably offer less than list price and succeed. However, if there are more than two offers, you may need to go above the asking price. If there are 5 offers, know that some of those offers might be all cash. Banks like cash offers. If you ask for financing, you may then need to increase your price to even be considered.

5) Submit Pre-approval Letter Get pre-approval letter from your choice of lender in advance. Also get pre-approved by the lender who owns the property. It's not necessary to use this lender, but submit the preapproval letter from both. Banks often don't trust other lender preapprovals, but do trust their own departments.

6) Don't Ask for Repairs Yet Sometimes banks will pay for repairs, but typically will not agree to do so at the offer stage. If there are problems found during a home inspection, you can attempt to renegotiate after your offer has been accepted.

7) Offer to Split Fees Some banks will not pay charges, such as past due association fees. If the buyer offers to split those fees, the bank may feel more amenable to accepting the offer.

Real Estate Definitions*

Short Sale: A sale of a house in which the proceeds fall short of what the owner still owes on the mortgage. Many lenders will agree to accept the shortage and forgive the rest of what is owed on the mortgage when the owner cannot make the payments. With a short sale, the owner is able to pay off the loan for less than what is owed.

Foreclosure: The legal process by which a creditor with a claim (lien) on real estate forces a sale of the property in order to collect on the lien. Foreclosure typically begins when a homeowner falls behind on mortgage payments for several months.

*From Nolo's Plain-English Law Dictionary

Our Featured Property

You'll love our featured home! It is a pristine 3-bedroom, 2 bath ranch on a beautiful lot with mature landscaping and a fenced yard! Among the many recent improvements are a remodeled kitchen and baths, new windows and new flooring! There is a cozy family room with a wood bunting fireplace for those upcoming chilly evenings and a main floor laundry room! One of the best values in all of Glenview!

Call us to see this home or view it along with other photos online at fran-irarealestate.com. You won't be disappointed!



**500 Cherry Circle, Glenview
\$259,900**



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