

# THERE ARE THREE WORLDS IN LAKE ARROWHEAD REAL ESTATE:

*As home shoppers search for the super deals in foreclosures and short sales, it is hard to prove buyers will come out ahead. The cost of bringing these homes up to the standard of non-distressed homes usually wipes out expected savings.*



PAST 12 MONTHS	\$100-\$499	\$500-\$999	\$1 mil +	Total
ALL	224	50	17	293
1. Non Distressed	<b>132</b>	<b>42</b>	<b>17</b>	<b>191</b>
2. Short Sale	45	8	0	53
3. Bank	48	0	0	49

- 1.
- 2.
- 3.

**BONUS: See ArrowheadTrends.com for last 12 months homes sold.**



## NEW LAW GIVES ADDED PROTECTION TO SHORT-SALE HOPEFULS

Under previous law (SB 931 of 2010), a first mortgage holder could accept an agreed-upon short-sale payment as full payment for the outstanding balance of the loan, but the rule did not apply to junior lien holders. SB 458 extends the protections of SB 931 to junior liens.

The signing of this bill is a victory for California homeowners who have been forced to short sell their home, only to find that the lender will pursue them after the short sale closes and demand an additional payment to subsidize the difference. SB 458 brings closure and certainty to the short-sale process and ensures that once a lender has agreed to accept a short-sale payment on a property, all lien holders – those in first position and in junior positions – will consider the outstanding balance as paid in full. The homeowner will not be held responsible for any additional payments on the property.

*To be fair to short sellers, it's not a crime or dumb to have purchased a home in 2004 to 2009, in the bubble, any more than it is greedy or corrupt to have sold at a stupendous profit in those years. We find SB 458 to be compassionate to these home buyers – with lenders taking the hit for a change.*

### 4 TIPS: FOR SELLING (OR ENHANCING VALUE, BECAUSE YOU LOVE YOUR HOME)

1. Get a professional current market analysis / comparable to an appraisal. Get serious; shabby, worn out is not ok.
2. Inspect before putting the home on the market. Go through the home with a contractor or home inspector or experienced realtor with a fine-tooth comb and fix all major and most minor issues that are found. Don't assume buyers won't care or assume they'll be happy to do what you won't do. Do not add top of the line features now; cost is hard to recover.
3. Remain flexible on price. Set your price based on the CMA/Appraisal recommended by your professional real estate person. Don't try for a big cushion. Set your price just one small price move above your final – quit- no lower - price, and stick to it. Offers come to the most competitive asking prices.
4. **Never let a contract fall out.** Your agent must be prepared to stay with the buyer's Home Inspector, Bank Appraiser, Lender, and all of the contract terms, step by step, to handle any problems in the process. We can't do the impossible, but we can do everything possible!