



# Market Trends Edition

Volume 2 Issue 5 September/October 2006

## Still Haven't Found The Home Buyers I'm Looking For

By Elaine VonCannon ABR, SRES

### Tips for Sellers in a Buyer's Market

What the rest of the nation started to experience at the end of 2005 has finally hit the Hampton Roads region: the buyers market! As buyers become the dominant players in the real estate market across the country sellers find they must work harder to get their home off the market. Competition is stiff and sellers must be armed with knowledge, realism and a great marketing strategy.

### The New Face of Real Estate in Hampton Roads

In Williamsburg, New Kent, Newport News and the rest of the Chesapeake Bay area buyers will find twice as many houses on the market now compared to this time last year. Houses priced under \$350,000 now sit on the market for 30 to 90 days instead of 1 hour to a week. Houses priced over \$350,000 stay on the market for 60 to 120 days. This is an example of how much the Hampton Roads real estate market has really changed. The price you could have counted on last year is not what you will get now. Also, appraisals are coming in lower now as comparable homes are being sold for less. Even if you get the offer you want, the appraisal may be lower. Make sure the price and appraisal are comparable. Don't max out at the top of your price range; give yourself some flexibility.



### Choose the Right Real Estate Agent and Make the Sale

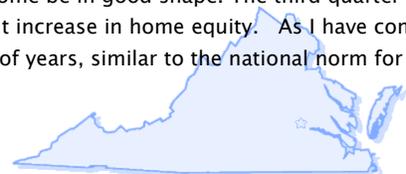
Every day in the MLS systems you see price reductions. Listing agents are now working harder than ever; just putting a sign in the yard isn't the answer any more. To make the sale fair pricing, good advertising, buyer's agent incentives and even open houses are back in style. If you are planning to put your house on the market don't just listen to your friends, find a reputable and experienced REALTOR®. Review home sale prices in your neighborhood over the last three months. The key is to price your home correctly. If you price high with plans to come down you may actually deter the perfect buyer from considering your home. A knowledgeable and seasoned REALTOR® will know the price trends in your area and will help you make a profitable decision. Also, your real estate agent must have a competitive edge. An agent that is credible and known is the best choice. Make certain your listing is placed in more than one MLS system and into a real estate publication that covers a large area. My favorite is a national publication called the Real Estate Book. Your real estate agent should also have a successful web site that has a long-term, online history of attracting traffic. Eighty percent of all home purchases begin on the Internet, so web listings are an important tool. To see what kind of online presence your real estate agent has simple type their name in to any search engine.

### Mortgage Rates and Home Equity Increases

During July mortgage rates went down slightly, which is a positive sign although rates are still much higher than they were this time last year. "Mortgage rates drifted lower this week on indications that economic growth is moderating, inflation remains under control, and the [Federal Reserve Board] just may pause raising rates for awhile," said Frank Nothaft, Freddie Mac vice president and chief economist, in the Daily Real Estate News column posted on July 28, 2006 in REALTOR® Magazine Online. "Meanwhile, recently released new homes sales for June fell to a lower than expected rate," continued Nothaft, "That drop can be traced directly to higher mortgage rates, which are also helping to slow the growth of house prices in 2006." With mortgage rates on the rise overall many investors have returned to the stock market and taken a break from real estate. As mortgage rates rise mortgage trends are changing. Unconventional loans such as FHA and VA loans are becoming more popular and buyers are shopping rates more often. These loans require a home be in good shape. The third quarter of 2006 is the first quarter since 2003 that the Virginia real estate market did not have a double digit increase in home equity. As I have commented before, I believe we will see an increase in home equity of 3-10% a year for the next couple of years, similar to the national norm for the market.

### Don't Be Afraid to Get Your Hands Dirty

Sellers are used to putting everything on the market without cleaning, landscaping or fixing things, but now buyers are more discerning and picky. They have more time to look for the perfect home. It is incredibly important for sellers to make their home look its best. Visit my web site, <http://www.voncannonrealesatte.com>, and read the articles Seller's Guide To The Buyer's Eye for tips on how to sell your home quickly. You can also read Renovations and Upgrades: Bring It To The Bank to learn how to increase your home's value. Despite the shift to a buyer's market in Williamsburg, New Kent, Newport News, the Chesapeake Bay region and Hampton Roads, this area of Virginia is still a great place to own a home. The changes make homebuyers and sellers rethink their strategy, but the overall market will continue to stay healthy.



## Fall Yard FAQ

By David Beaulieu



### Q: What is the most easily overlooked chore for fall yards?

A. Many landscapers are so busy winterizing their lawns, gardens, shrubs and trees that they quite forget about a piece of equipment that has served them well on all those areas of the landscape during the spring, summer and fall – the garden hose. Our garden hoses lie around on their garden hose reels for so many months consecutively that they become a landscaping fixture that we take for granted. But northern gardeners pay a great price for this oversight when winter arrives, bringing temps in the teens. Bring garden hoses in for storage prior to winter! Also bring their reels in for storage, especially if the reels have any metal components. And more important than a garden hose being ruptured through freezing is what the garden hose is connected to -- your water pipes. Ruptured pipes are costly and inconvenient to replace. So remember: Drain your garden hoses, and bring them in for storage and... turn off the outside water supply.

### Q: How long can you let leaves sit on the grass before raking them?

A. A general consensus is that leaving leaves on the lawn for more than three or four days may be unwise. That said, other factors must be taken into account, too. How thick is the layer of leaves? Have the leaves been matted down by rain? The thicker the layer and/or the wetter the leaves, the sooner you should rake or otherwise remove them

## Updated Hampton Roads Tax Rates

CHESAPEAKE	Mosquito Controlled Areas	\$1.23
	Non-Mosquito Controlled Areas	\$1.21
CURRITUCK	General	\$0.62
FRANKLIN	General	\$0.90
GLOUCESTER	General	\$0.95
HAMPTON	General	\$1.20
ISLE OF WIGHT	General	\$0.75
JAMES CITY COUNTY	General	\$0.785
MATTHEWS COUNTY	General	\$0.79
MIDDLESEX COUNTY	General	\$0.48
NEWPORT NEWS	General	\$1.24
NORFOLK	General	\$1.35
	Business District	\$1.53
POQUOSON	General	\$1.06
PORTSMOUTH	General	\$1.45
SOUTHAMPTON	General	\$0.67
SUFFOLK	General	\$1.08
	Suffolk Taxing District	\$1.24
	Route 17 Taxing District	\$1.34
	Mosquito Taxing District	\$1.115
VIRGINIA BEACH	General	\$1.0239
	Sandbridge Tax District	\$1.1439
	Central Business Tax District	\$1.5939
WILLIAMSBURG	General	\$0.54
YORK	General	\$0.8175

\*all amounts per \$100



**Elaine VonCannon**  
RE/MAX Capital

1166 Jamestown Road  
Williamsburg, Virginia 23185

(757) 564-1557 office

(757) 345-6666 fax

(757) 288-4685 direct



Be Sure To Visit My Websites: [www.voncannonrealestate.com](http://www.voncannonrealestate.com), [www.estatesinvirginia.com](http://www.estatesinvirginia.com)