

June, 2013

transition – n The process of changing from one form, state, or activity to another

Dear Friends and Clients,

A number of years ago Don and I began thinking about enhancing our active, full time careers as Realtors and “giving back” to the community in a larger capacity. But doing what?

We’ve taken to heart the concept of “finishing well”. It can mean many different things to people, but for us, our next steps are evolving into some type of large capacity volunteerism. The Wall Street Journal last week had a substantial article on “second careers” – specifically individuals going to seminary and then into the ministry.



But for us - what kind of volunteerism? We’ve been reaching out to many different people and organizations to see what might possibly be a good “fit” for us. In February we met with a **Peace Corps** recruiter and have started a dialogue. We feel our backgrounds, extensive community work, seminar teaching and mentoring could bring a unique asset set to the Peace Corps - but we also understand that applying as a couple and our age (vice the traditional young person) may hinder that path.

What steps have been put into motion thus far?

- We’ve just leased our beautiful office to an attorney for the next 5 years and set up a home office.
- We are “enhancing our place-ability” with the Peace Corps for 2014 by teaching English classes as a second language (ESL) and committing more time to local non-profit organizations whose goals mesh with the goals and needs of the Peace Corps.

Transitions – change – take us out of our comfort zones but challenge and enrich us in unexpected ways. So we’re excited where our path will lead over the next year or so!

Again, **thank you for your referrals!** We don’t take that for granted! Our business depends on it and the reputation we’ve established as experienced Realtors over the past 25+ years in our community.

Leslie Nelson

A Sunday open house last week – “only” 13 offers



We held an open house for a lovely home on Via Marina in Oxnard last Sunday and buyers came out in droves - a steady stream all afternoon from 1 pm until well after 4 pm.

The first offer was delivered to us at the open house – fast!

The balance of offers came in within the next 72 hours or so. Needless to say, offers came in over asking price.

What’s driving this craziness? Four main reasons:

- Lack of inventory
- Super low interest rates
- Short sales and bank foreclosures have dried up
- Lots of buyers – more buyers than homes for sale

The result?

- **Rapid price appreciation – pushing \$2,000 a week**
- **We’re starting to see sellers moving up (and moving down) again – finally!**



What are we seeing in the quality of the offers?

In other words – whose offer gets accepted? And what are buyers facing in competing with multiple other buyers?

In a nutshell, *cash is king*.

But it’s much more nuanced than that simplistic answer. Investors generally will offer all cash – but they need to balance what they offer with what the property can generate in rent. Whereas, a home buyer can often offer a higher price point but then they run into lower appraisal values and face the issue of needing to make up that difference. Another plus for all cash offers is that there are no appraisal issues since there is no loan.

Also – if a home buyer needs a mortgage, how much “skin” (ie, down payment) do they have in the game? With two identical offers, the larger down payment offer will always win.

There’s also the emotional element. With investors, it’s just business. If you accept their offer, it’ll probably close escrow. But if you accept a home buyer’s offer, there’s a chance they’re going to bail on you because they’ll find a “better” home...! What a fun and challenging business!