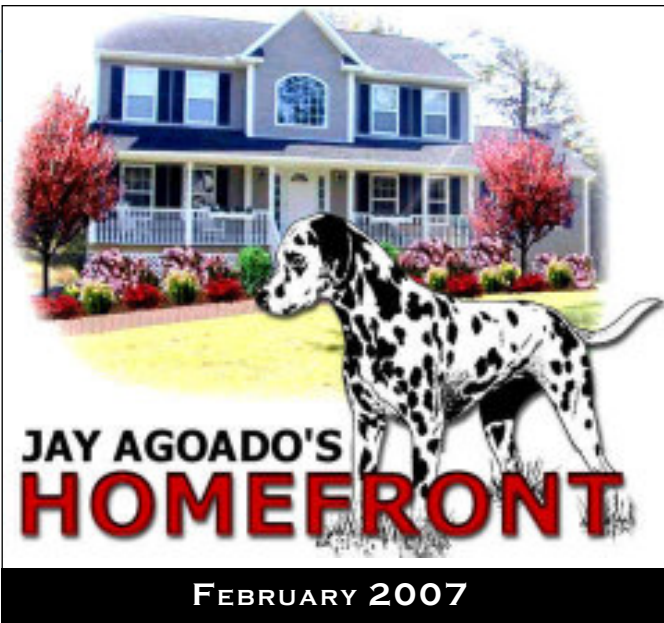


Happy New Year!



Last year was a very interesting year. The first quarter started off with a bang, just like it does every year, but then made a sudden shift during the second quarter. Almost overnight, the outlying areas of town (over \$600K) turned into a buyer's market and the in-town properties (over \$800K) started receiving less offers than in recent past. It seemed that higher gas prices and an increase in interest rates were starting to push buyers closer into town to cut down on commute and fuel costs. During the latter months of the year, homes were still selling at a higher price than the previous year but not at the same levels or market time. The



Jay M. Agoado
John L. Scott Real Estate
Direct 206.230.5129
Cellular 425.260.0715
Fax 425.818.7898

so-called "bubble" didn't burst in our region but things definitely slowed down in terms of number of transactions, and inventory levels are back up to a more healthy level. Basically, we are almost back to where we used to be, in a "normal" market.

How was my year? I made President's Elite (Top 3% of the company) for the fifth straight year! Actually, this was a record year for me and I attribute it to all of you! I closed 28 transactions this year, of which 93% were either past clients or referrals!!! I guess the long hours during the past twelve years are still paying off. Also, I received a few recognitions which I am proud of. First off, I was awarded the 2006 Five Star: Best in Client Satisfaction from Seattle Magazine for the second year in a row. Magazine subscribers and professionals from our industry vote on this award. Secondly, I was selected for inclusion in the 2007-2008 edition of Montclair Publishing's "Who's Who in Real Estate". Once again, if it wasn't for all of you, with your repeat business and personal referrals, I would not be where I am at professionally. Thank you very much!!!

Lastly, if you didn't receive my notice in the mail, I have decided to move to a new John L. Scott Real Estate office - Mercer Island. Many of you know that we have decided to move to Mercer Island so I thought it would be best to have an office closer to home and closer to my daughters' schools. I am very excited about what this new office has to offer. I will still provide tremendous service to all of my clients no matter where they live or want to purchase. This is more of a move out of convenience and nothing should change as a result of the move.



Sellers Could Lose Waiting for Buyers to Make Offers

by M. Anthony Carr

One of the biggest mistakes sellers make in a buyers market is trying to price their houses with a "cushion" in the asking price for negotiation room. In the current market where most sellers find themselves, it's all back to price, condition and location.

Pricing the house from the start is the first offensive strike the seller possesses in his arsenal. The best way to determine price in our market is to start looking at two categories of real estate: solds and actives.

Properties that have sold in the last 30 days provide you a picture of what price range pulled in offers 60 days ago. By looking over those properties, you'll know if you're headed in the right direction with your price. Then, after seeing what's pulled in offers, look at where the competition is priced -- and price lower than the lowest price. If the trend is headed downward over the last 12 months the motivated seller will get in front of that price trend and sell for less than everyone.

This can be an emotional ordeal for sellers. The seller who approaches the sales price of a house like the asking price of a used car -- where negotiation and give-and-take is expected -- will also be calling the movers sooner and get through the transaction with the least amount of emotional turmoil.

Condition is the second part of this equation that sellers have control over in today's market. Folks -- it's got to look new. Period. Here are the steps that MUST be taken for a successful sale.

continued on back...

just the facts						
NWMLS Statistics for King, Pierce, & Snohomish counties						
Month of December 2006						
Residential						
	Closed Sales		Median Sale Price		% Increase	Market
	2006	2005	2006	2005	in Sale Price	Time
King	1905	2407	\$ 440,000	\$ 393,000	11.96%	60
Pierce	1007	1356	\$ 275,000	\$ 254,000	8.27%	71
Snohomish	950	1106	\$ 360,250	\$ 319,950	12.60%	66
Condo						
	Closed Sales		Median Sale Price		% Increase	Market
	2006	2005	2006	2005	in Sale Price	Time
King	687	753	\$ 269,950	\$ 222,990	21.06%	43
Pierce	114	77	\$ 218,250	\$ 192,500	13.38%	54
Snohomish	178	228	\$ 217,225	\$ 194,000	11.97%	50

Sellers Could Lose Waiting for Buyers to Make Offers

New paint. Everywhere. Don't leave one room unpainted. Paint is the cheapest, yet most effective way to give a house a face lift.

New carpet/flooring. This addition along with No. 1 makes people drop open their mouths with, "Wow."

Replace the small things. It's the attention to detail that can make a big difference for the buyers. New faucets throughout, new hardware on the doors, and new switches/plugs/plates take the house from just "cleaned up" to new.

Deep clean. I always have to mention this because a lot of sellers still just don't get it. It's still amazing to me how many people will leave a house in the "un-" condition. Unvacuumed, undusted, unwashed. Invite friends over for a deep cleaning or hire it out. This is a must, no questions asked.



Do you do windows? Well, somebody better. Get all the windows cleaned and caulked. The house may look great from the inside, but if you can't look outside because of the dusty film over the glass, steps 1 - 4 could be for naught.

Finally, location is what buyers are looking for. I saw a listing the other day that was obviously connected to a realistic agent and seller. It was a lot of house for the price with the 1-plus acre lot -- and it was "priced for location," because the house backed to a very busy 4-lane highway. The comps in the neighborhood were nearly \$100,000 more.

While you may not be able to do anything about the location of your listing, you can definitely spin the benefits of where it's located. Near commuter

routes means the house is next to big highways, but for some shoppers they just want to get home quick after work and this is going to be a benefit -- but only if you market it that way.

Sell the lifestyle of the house as much as the amenities of the house itself. With prices dropping in some areas, headlines such as "Quit Commuting," "Walk to Everything," and "Cut Your Gas Bill" are becoming more and more enticing. The third- to one-acre lot doesn't look as good after the 75-minute commute. Some commuters are looking to move back in to the work centers.

Market to buyers outside the community who would find your neighborhood attractive. It's amazing how many buyers don't mind a busy 2-lane street -- when they've been overlooking the Beltway for years. Remember to market the benefits that you liked about the house when you bought several years ago.

Economic Report

Last year Loan Officers handled \$50 billion worth of home loans and refinancing in the state of Washington. However, up until this year only the owner of the company had to be licenced. This year licencing for individual Loan Officers take effect. A basic home loan or refinance is still a complicated deal and most likely the largest liability you will ever carry.

About 8,000 loan "originators" currently work for mortgage brokers in this state. Right now they're not licenced and are virtually unregulated. But that changes Jan. 1 of 2007. Loan originators working for mortgage brokers will have to apply for a state license, take a test to prove their competence and take classes every year. And there will be a

criminal background check; a felony or financial misconduct means no license.

Adam Stein with the Washington Mortgage Brokers Association says new background checks when implemented in Ohio weeded out 10 percent of loan originators.

The regulations that take effect Jan. 1 are a mix of similar laws already in place in 27 other states and are expected to be some of the toughest in the country. The Washington State Department of Financial Institutions will have oversight responsibilities.

The new law does not apply to loan officers in federal- and state-chartered banks or to consumer finance companies.

	Jeff Tisdale
	Sky Mortgage
	400 108th Ave. NE #402
	Bellevue, WA 98004
	Direct: (425) 453-5733
Web: www.jefftisdale.com	
e-mail: jeff@jefftisdale.com	
Fax: (425) 453-5736	



Jay M. Agoado
John L. Scott Real Estate
7853 SE 27th ST #180
Mercer Island, WA 98040

