

Foster Team Realty Newsletter

July 2007, Vol. 2

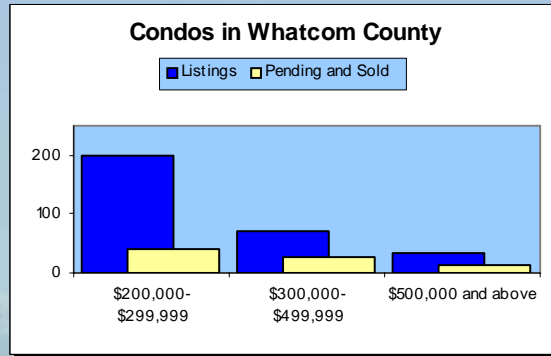
Condo Market Snapshot

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Condo Market– July 20th 2007

- 624 condo listings in County = a 14 month supply.
- 292 New Condos on the market of which 43 sold in June = an 8 month supply.
- Ratios of Sales to listing for condo market.
 - ◇ \$200K - \$300K - 200 listings with 39 Pending and Sold- Ratio less than 20% = Buyers Market
 - ◇ \$300K - \$500K - 71 listings with 26 Pending and Sold – Ratio is 33% = Buyers Market Approaching Balanced Market
 - ◇ \$500K and above – 44 listings with 10 Pending and Sold – Ratio is 25% = Buyers Market



Time for a Condo? What to consider before you buy!

The last three years have seen a record-breaking boom in condominium sales. Conventional wisdom credits their rise in popularity to higher house prices, but there's another factor. "Baby Boomers" are relocating in droves and no longer want the headaches involved with the upkeep of a house and yard.

Perhaps you've been thinking about taking the condo plunge. But not so fast! A healthy measure of planning and preparation will help you achieve your expectations and truly enjoy the transition to condo living.

Your research should include the neighborhood, services, building history, regulations, and even

talking to others in the building. Being prepared and aware will help your transition.

Condo living has many advantages:

Maintenance is easier. A live-in maintenance person is handy to have around.

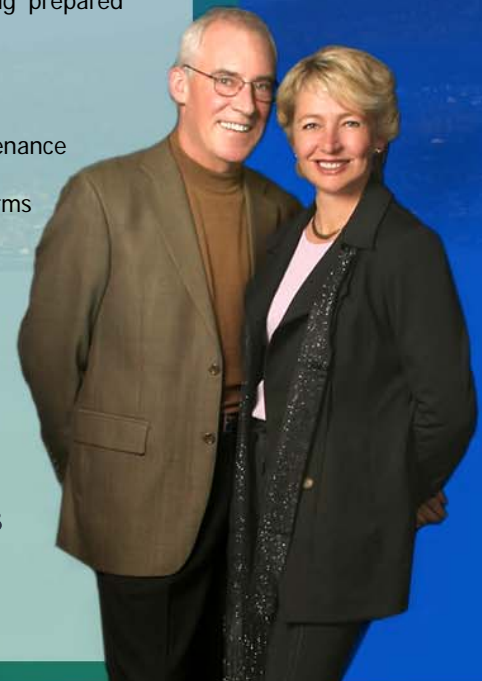
Security. Codes, guards, gates, and alarms create a strong sense of safety.

Size. Less to dust and clean in a smaller space.

Luxury interior finishes. It costs a lot less to install high-quality tile and flooring in a smaller space.

Amenities. Swimming pools, fitness centers, meeting rooms, and theaters.

DOUG FOSTER (360) 920-1114
LORENA FOSTER (360) 920-1323
LORENA@LORENAFOSTER.COM
DOUG@DHFOSTER.COM
WWW.LORENAFOSTER.COM



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The Drake Condominiums

36 Units at Barkley Village
www.drakebuilding.com

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Location. Want to live in the heart of the city? Or on the city waterfront? No problem with a condo.

Sociability. If you like to be surrounded by people, then the social life of a condo owner is for you.

What to know when considering a condo:

While purchasing a condominium can be a shrewd and happy investment, it can also be a disappointment if you don't know what to expect.

Rules. Every condo building has a set of rules and regulations that limit what you can and can't do. You are a member of a small community.

Association fees. Membership dues, potential building repairs (which may occur in older buildings), and general property costs can add up.

Builder: New buildings provide a Public Offering Statement. This is a comprehensive disclosure by the builder. It's a must read for every new condo buyer. Know your builder and understand your warranty.

Services and access: Are the services you need close by?

Purchase history: Your agent can provide you with the complete history of recent sales in the building and in the neighborhood.

Quality of workmanship: Remember you are not buying the furniture in show suite, but you are concerned about the quality of construction. Is the building well designed and well built. Is it a conversion or new construction. Insulation, sound, materials and finishing will affect both your quality of life and your eventual return on investment.

Why some homes spend 200 days on the Market

I'm sure you've heard it happen to somebody you know. A person lists a home for sale and it sits on the market for a very long time. Why is this? While there is no one answer for every situation, in 90% of the cases it's the seller's inability to accept the reality of the current real estate market.

They stubbornly refuse to drop their price, even though their agent has told them many times that they have to be more flexible. Then, the property sits—and sits—and sits. It might be 20 days, 40 days, 100 days, 200 days. No offers. When is it time to face the truth?

It's a blow to the ego to realize that your home is not worth what you think it is. You've put a lot of work and love into it, and naturally you want to receive top-dollar. But with market fluctuation, your home may have been worth \$500,000 last year and only \$400,000 this year. Sometimes, it's all just a matter of timing. The buyer base just may not be there right now.

In such a situation, it's dangerous to leave your home on the market at the higher price. This often results in a very long time on market, which makes potential buyers even more skeptical of your house. A listing that's been around for too long is a red flag in people's minds. They assume -- rightly or wrongly -- that there's a hidden problem with it.

Here's a good rule of thumb: If your property has been listed for six weeks or longer and you haven't had any offers, you need to re-examine your listing price. The sooner you do a price reduction, the better chance you have of "meeting the market" at its current level.

Real estate, just like the stock market, has its ups and downs. There's been a lot of talk about the "downs" in certain parts of the country in the past two years. While the real estate market overall remains strong, there are pockets where property values have dropped. That's just reality. And unfortunately, you may live in one of these "pockets."

You have to ask yourself, "Am I willing to see things for how they really are or cling on to what my ego tells me my house is worth?" Get your ego out of the equation now. Reality is reality, and there's nothing any of us can do about it.

While difficult to accept, ultimately you end up with more than by sticking with a price that's too high. Sellers who leave their houses on the market without doing timely price reductions *always* end up getting less money. Don't let this happen to you.

New - For Every Budget

- **The Drake** at Barkley Village: 36 deluxe studio, 1 bed and 1 bed + den with fine finishing's in the heart of Barkley. Pricing from \$232,900 to \$330,000. Move in this September. www.drakebuilding.com
- **Summit Knoll** in Ferndale: 27 - 2 bed 2 bath 980 sq. ft. units, affordable and spacious at \$187,000.00. Ready this September. www.summitknoll.com
- **Sunset Terrace:** 15 studio, 1 and 2 bedroom units close to town. 450 to 900 sq. ft. With pricing from \$110K to 220K a real alternative to rental. Ready September, no web site.
- **The Waldron** in Fairhaven: 20 upscale 2 and 3 bedroom condos in historical Fairhaven. Pricing from the low \$400's, Occupancy Fall 2007 www.thewaldron.com
- **The Marin** at Semiahmoo: Building A with 18 of 57 waterfront condominiums claim to be "more custom than common" 1200 to 2200 sq. ft. Pricing from low \$600's to \$2M www.lifeatmarin.com

Sold with Style!

Doug & Lorena
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