



Home Tips®



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Q & A

Excerpts From Clark Howard's Shows: Moving/Selling

HOW TO BUST THROUGH THE BUBBLE SAFELY

The Wall Street Journal published a recent report about the areas of the country with the greatest risk in terms of the housing market. There are three main areas. One stretches from San Francisco south to southern California and west to Arizona; the second encompasses nearly all of Florida; and the third includes the mid-Atlantic states from New York down through Virginia. Why is it happening? Part of the reason is that speculators have pushed prices up by buying up homes they never intended to live in. They bought them thinking they could flip them someday and make money. Well, now these people are under water and they can't get rid of them. So, what can you do if you have to move and need to sell your home? Well, first of all if you plan to sell, you're not doing yourself any favors if you are listing your place for the same amount as others are. Becoming a landlord may be an option for you. If you don't want to take the loss, put the place up for sale and wait it out. Be realistic about what the marketplace will afford you. You're holding a bad hand right now, but you can work through it.

UNSOLD HOMES UP 500 PERCENT IN PAST YEAR

We are moving into a very unusual time in the housing market. The number of unsold homes on the market has increased 500 percent in the past year. In fact, the amount of available homes is the highest it's been in seven years. That's why it's super important that you not buy a new home until you've sold the one you're in right now. It's especially dicey for condo owners right now. So many condo complexes have been built that existing owners are having terrible problems selling them. On the other hand, if you are thinking of buying, you can get some great deals. There are going to be some steals in the condo market, but you need to wait just a little longer.

OPEN HOUSES ARE GAINING POPULARITY

According to the L.A. Times, open houses are back. Open houses, which were considered passé in recent years, are now increasing steadily. With the increase in housing prices in coastal areas, agents are using any means necessary to attract potential buyers. If you are selling your home, encourage your agent to schedule some open houses. You only need one qualified buyer to take that home off your hands. It just makes sense. And don't feel insulted if someone makes an ugly

comment about your home or makes an offer that seems ridiculously low. Think of yourself as a merchant and don't get too prideful. Counter with a price you think is reasonable and remember that it's just a negotiation.

COLLEGE GRADS MOVING TO PLACES WITH WARM WEATHER AND HOT JOBS

We talk about competition from Communist China, Europe and other parts of Asia. But did you know that states compete as well for residents and for top positions in the marketplace. The topic they use most often to influence people is weather, according to news reports. College-educated people are moving from cold-weather states to warmer states en masse these days because the quality of life is perceived as so much better. Not to mention the fact that there are more jobs in these more attractive places. The state of North Dakota loses the most young people each year. Last year the state lost 28 percent of that demographic. The second least popular location is South Dakota and Iowa was next in line. West Virginia and Montana were No. 4 and No. 5, respectively. So, where are those people moving? More than anywhere else, college-educated people are moving to Nevada. The second most popular place to move is Colorado, and the third most popular state is Georgia. No. 4 and 5 are Arizona and Oregon.

BE CAREFUL WHEN HIRING MOVING SERVICES

The average American moves once every six years and summer is moving season, so heed this warning before you hire a moving service. There are three types of moving services: Criminals, companies who do an unsatisfactory job and a small percentage are reputable, certified companies. The criminal element of the moving industry has been growing exponentially, especially in South Florida. Some of these crooks just pick up your stuff and keep it. Others will lowball you on an estimate, then they'll take your goods and hold them hostage until you pay thousands of dollars to get them back. Category #2 includes the movers who actually are real movers, but they are not professional at all. So there may be long delays in delivering your goods, and when you get them they may be broken. The third group abides by the industry code of ethics and should be the choice for you. You can go to <http://www.moving.org> to see which movers are certified movers. The biggest problems happen when people hire "moving brokers" to handle their move. They are either part of organized crime or they get their money from the bandit movers who hold your stuff hostage. If you choose not to hire a certified mover, remember that the only estimate that counts is a "written binding estimate." The key word is binding because a plain old written estimate can change. It's also a good idea to insure your move with replacement coverage. Another way to protect your possessions is to videotape as you are packing them, so there are no questions

