

A Closer Look Real Estate

A Real Estate Update from Virginia Calvin

September 2010

John L. Scott Real Estate What does Zillow say about YOUR neighborhood? And do you believe it?

Last week I had a client whose “zestimate” came in at \$794,000 but with the value range shown as \$556,000 to \$840,000. Hmm. Leaving themselves more than a little wiggle room, I’d say. So what does Zillow mean by this?

Recently I participated in a session led by Zillow CFO Spencer Rascoff. According to Rascoff, Zillow sees itself as a marketing company, not a real estate company. It does try to predict market values of homes using its famed “algorithm”. Over time **the algorithm has evolved as they check their predictions against actual home sales prices.** They’ve found they have to weight different factors more heavily in different neighborhoods.

Rascoff told us that according to their after-the-fact analyses, the zestimates are within 10% of the selling price about 50% of the time. In other words, if you just sold your house for \$500,000, odds are only about 50/50 that the zestimate was somewhere between \$450,000 and \$550,000.

Zillow does seem to be doing a lot of attaching real estate agents to people who browse through their website, not something that everybody welcomes. It’s kind of like accidentally opening yourself up to sales calls once again.

One thing I can assure you of though, if Zillow has shown your home value declining over the past 3 years, they’re right! Unfortunately, it is not an easy time to be a seller. **Call me or email me for suggestions on what you might want to do now to improve the saleability of your home in the future.** 206-459-3570, virginiac@johnlscott.com



Virginia Calvin
Realtor

I work throughout the Seattle area, selling condos, houses, multi-family housing and vacant land. I work with short sales, for both sellers and buyers. My goal is to be the **best possible agent** you can get, providing expert advocacy and negotiation for both buyers and sellers. Please feel free to call me for a no-obligation comparative market analysis of your home. I look forward to working with you, your family, and your friends.

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What a difference 1% can make in monthly payments!

Loan Amt	4%	4.50%	5%	5.50%	6%	6.50%	7%
\$200,000	\$950	\$1,010	\$1,070	\$1,130	\$1,195	\$1,260	\$1,325
\$300,000	\$1,430	\$1,515	\$1,605	\$1,695	\$1,790	\$1,885	\$1,985
\$400,000	\$1,905	\$2,020	\$2,140	\$2,260	\$2,390	\$2,515	\$2,645
\$500,000	\$2,380	\$2,525	\$2,675	\$2,825	\$2,985	\$3,145	\$3,310

Approximate Monthly Principal & Interest Payments for 30 year fixed-rate loan

If you're thinking of refinancing, call me for referrals to a couple of great lenders. **With rates like these** for 30 year loans, you actually might be able to switch to a 15 year loan without increasing your costs too much if you currently have a higher interest rate.

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Goats? Chickens? And are you charging enough rent?



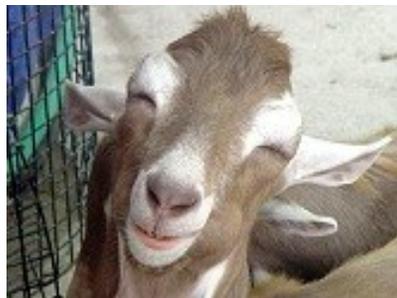
Chevygirlbeth's hoophouse

An amazing number of my buyers in the past 2 years have set themselves up to keep chickens! And now that I've been the recipient of numerous fresh eggs I have to say this seems to be a great idea. I hear talk of **chicken tractors, hoop houses, green eggs...**Do you keep chickens in your yard? Do your neighbors? The first 5 people to call me and tell me about their chicken experiences **get a free Home Depot surprise!**

The new thing is goats, though – “Goats are herd animals and don't like being alone. You should plan to keep at least two goats on your property” says King County...but check the rest of the website to find what all is entailed in keeping goats. It's much more work than chickens -

<http://www.kingcounty.gov/healthservices/health/ehs/goat.aspx>

I quote: “Goats are browsers and need hay or roughage like berry vines and brush to stay healthy; they cannot be expected to eat just grass.” And I have just the place for them to eat some berry vines, so let me know if you decide to go with goats!



Rental prices: www.rentometer.com/us - type in the address and what you're renting out your investment property for (NOT FOR THE CHICKENS OR THE GOATS) and you'll get a quick comparison of other properties rented in the area. You may be undercharging...

If your parents are thinking about moving

Do your parents live outside the state?

If they are thinking of making the move to a retirement home of some type, either there or here in Seattle, but don't have a good relationship with a realtor they trust, consider bringing me and my colleague John O'Brien into the picture early on.

We work with the Relo Network, which is a nationwide group of specially trained agents. We can find out from you or your parents details about the current home, including the neighborhood and the condition, and find out what features your parents would be most comfortable with in an agent.

The Relo Network will then make a potential match of 3 agents, who we can interview by phone.

Leave the hard questions to us:

We can find out exactly what type of experience the agents have, their success rate, their reputation, their usual client base, and try to narrow it down for you. That way you, or your parents, can have the final say, knowing that the local realtor has been “vetted” by professionals.

John & I are also familiar with most of the local options for people who are downsizing, whether it's to a condo, a gated community, a retirement home or CCRC - we've helped several of our recent clients make this major change. Call or email me for more details about what we've seen!
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