

It Couldn't Be More Obvious

Expert Advice

Two questions dominate the minds of Real Estate Buyers and Sellers. Let's get them both answered honestly, right now.

The questions are obvious. For Buyers, *"Is it a good time to buy?"* For Sellers, *"Is it a good time to sell?"*

The billionaire investor that the brightest watch for advice, Warren Buffett, said, *"I buy when people are selling and I sell when people are buying."* In Real Estate, at the moment, there are an abundance of homes for sale (people are selling) and a scarcity of Buyers. That means prices are soft which makes it an excellent time to buy for those who are able to finance the purchase of a home.

The Reporters Are Wrong

'For those who are able to finance,' regarding mortgage financing most news reporters have this completely wrong. Down payment requirements are still wonderfully low. Interest rates are ridiculously low.

Steve Wynn, billionaire Las Vegas casino developer recently (July 19, 2011) commented publicly that insecurities in business are causing people to not make buying decisions. This is great news for people who have the courage and good sense to make buying decisions.

Bottom line to Real Estate Buyers is to go talk to a lender or get a lender recommendation from a Real Estate Agent. Find out if you can qualify for a mortgage, if you can buy now. If you can help your son, daughter or someone you love buy now, help them now.

If I Had Only Known Then

When interest rates rise and inflation raises home prices people will look back at this market and say, *"If I had only known then what I know now I would have bought then."*

The next obvious conclusion is that it must be a bad time to sell since prices are down. In many areas that is completely true; unless the Seller plans to buy. If a person selling wants to buy another home it is a great time to make that move. They may get a lower price for the home they are selling but they will be able to make up for it on their purchase, particularly if they are selling an area whose Real Estate is healthy and moving to an area where Real Estate prices have declined. We (Chava and I) are putting our house on the market this month to do that very thing.

This is a historically tremendous time to purchase a home that you may have thought you would never be able to afford.

So, is it a good time to sell? No. If a person is not buying and does not have to sell; if they can wait for a few years, wait. Unfortunately, it may be a few more years until most Real Estate markets are healthy again. Then again, as soon as business leaders have the confidence to invest in their businesses and hire again, the market may turn quickly. When that happens, the rise in prices and rates will occur quickly and this 'moment' of opportunity will be lost forever.

Some Towns Are Healthier Than Others

The Real Estate in some towns is healthier than others. It is easy to determine. Walk or drive around to discover two things. Are there a lot of homes for sale and are they selling quickly. Look for for-sale signs. Get online or call the Agent and ask if it is still for sale.



In our town (Brighton, New York) most houses are selling very quickly. It is an area with very few foreclosures and short sales. Most of the homeowners do not work at jobs that are transferring them or laying them off. So, in this town most people are not selling. In this town and in some others around the country there are more qualified and motivated Buyers than homes for sale. Houses sell quickly at a very healthy price.

Knowledge is Power

Do you have a Real Estate Agent that you trust? If not, find one. Ask them to do this research for you. Provide you with a list of homes for sale in your area, homes recently under contract and sold. Look for the number of homes sold versus for sale. Be specific. Look in your immediate area. You will discover that, with this information, you can quickly and easily determine the health of your market and make your best decisions accordingly.

For those of you who understand the opportunities described above, you are realizing that it is also a terrific time to be investing in Real Estate. Whenever gold prices are on the rise, Real Estate prices will be suffering. The reason to buy Real Estate instead of gold is that when the economy recovers gold prices will drop and Real Estate values will rise. This is not guesswork. Do your own research and you will find this to be true. As you think about this, the reasons for it become clear.

It couldn't be more obvious that, if you are in a position to buy a home or sell your present home and buy another or invest in Real Estate, this is the best possible market to make that move.

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