



The Real Story



For move-up buyers who want to sell quickly and buy a larger home before the buyer's market ends...

Our sharpest, veteran agents give you their best inside tips for moving up quickly and safely.

Preserve your sanity.

Unless you're prepared to take on the daunting tasks of selling, marketing, advertising, showing, evaluating, negotiating, monitoring and closing, hire a real estate professional to do it for you. *The 2007 NAR Profile of Home Buyers and Sellers** reports that 81 percent of all sellers use a full-service company, like Coldwell Banker Residential Brokerage, precisely to get these critical tasks done faster and smarter.

Sell then buy. In that order, if possible.

This is a subset of the preserving-your-sanity theme above. You'll sleep better if your own home is in escrow before making an offer on your move-up home. And when you do make that offer, it won't be contingent on having to sell your existing home. Sellers will really appreciate that and will be more inclined to favorably consider your offer price. Lastly, the lender financing your move-up-home purchase will have more loan options for you if your existing home has already been sold.

Price your home to sell.

This is the tough part...selling high in a buyer's market—the strongest buyer's market in almost 40 years, in fact. If you sell your home today for less than you might have gotten in, say, 2005, but then save at least that amount when you buy your move-up home, you've lost nothing. But you have gained a solid financial asset with greater appreciation potential in terms of absolute dollars.

You should be in the market right now.

We have lots of examples with lots of math to show why it makes sense to move up right now. But it all comes down to this...at this moment, the market has fallen an unprecedented 10 percent, mortgage rates are near historical lows and there's a huge inventory of unsold homes—which could very well include the home of your dreams. It really is that simple.

Why waiting to buy is risky.

You could take the risk of waiting for the market to fall even more. With each drop in value, the price of your move-up home would decrease. But each drop in value would also take a bite out of the equity in your existing home. According to the National Association of

REALTORS®, 60 percent of move-up buyers need that equity to purchase the move-up home.

You could also risk waiting for the market to recover in order to get a higher price for your existing home. But in an appreciating market, the price of your move-up home would also increase, widening the gap between it and your existing home. If home prices are increasing, mortgage rates would likely be heading up, too.

Be prepared.

Have you already been pre-approved by a lender, like Coldwell Banker Home Loans? You need to know just how much home you can afford. Any offer that you make on a move-up home will be much more credible if you've been pre-approved by a lender. And make sure to order your credit report ASAP to make sure that some glitch doesn't delay or torpedo the purchase of your move-up home. We've seen that happen.

Now's the perfect time to move up.

If you've found your dream home, or if there are homes available in a neighborhood where you'd love to live, move up while the market is still tipped in your favor. Right now really is the perfect time to buy.

How Ken moved up by listening to his agent.

Ken Madden†, 45, single father of two children, watched his 3BD/2BA home in the West Valley sit on the market for six months with barely a nibble. Heather, an agent with Coldwell Banker Residential Brokerage, took over the expired listing, conducted a market analysis and convinced Ken to drop the list price from \$299,000 to \$257,000. She updated the MLS and fielded two offers within the next two days. The home closed 30 days later for \$250,000.

Ken wanted to move to North Phoenix for the lifestyle, an easier commute and better resale potential. With the equity from the sale of his West Valley home, Ken bought, with Heather's assistance, a 4BD/3BA home in North Phoenix. The sale closed in 30 days for \$340,000.



† Name changed to protect client confidentiality.

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