



Ron Hatt

Your Berks County and Southeastern Pennsylvania Expert

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A Note From Ron

According to the National Association of Realtors (NAR), pending house sales increased in March as the spring house buying season began. Sales were up 21.1% compared to March 2009 and 5.3% over February of this year. Clearly, the tax credit incentive contributed to this increase. Results for April are not yet available; it will be interesting to see if the end of the incentive program in that month had any negative effect. It remains to be seen if sales will continue to improve.

On another front, the local foreclosure rate has increased, indicating that we are not yet out of the real estate recession. It will be some time until house



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Be Sure the Price is Right!

Oscar Wilde, the famous (some may say infamous) nineteenth century wit, poet, writer and playwright once said, "What is a cynic? A man who knows the price of everything and the value of nothing."

At the risk of being accused of cynicism, I try to help sellers establish a realistic price when first listing their properties. Pricing your house *just right* is the key to its eventual sale in a minimal amount of time. Houses that remain for sale too long will eventually have to have their prices lowered or, like old maids, remain on the sidelines.

Pricing your house correctly requires surveying recently sold properties similar to yours to learn their selling prices. I can do this for you through a Comparative Market Analysis (CMA). This will give you a good idea of what buyers are likely to pay for your property. If you choose to ignore the data and overprice your home, be assured that you are in for a long listing period and, most likely, a price reduction if you really want to sell. Even

if you owe more on the house than you are likely to receive for its sale, don't play the overpricing game-you will be the loser in the long run.

The best strategy is to establish a sale price somewhat higher than



that which you find on your CMA. This leaves some room for negotiation and provides a cushion in case your buyer asks for a seller assist, which allows you to forgive up to 6% of the sale price to help with closing costs. I will be happy to provide you with a complimentary, no-obligation CMA so that you can list your house for a price that is *just right*. Give me a call.

sale prices return to normal. Meanwhile, there are many opportunities to buy at considerable savings if you have a stable job and reasonably good credit. But do not expect to sell your house for the price you might have gotten two years ago.

Ron



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Spring into Summer House Checklist

- Organize closets, garage, pantry, kitchen
- Clean refrigerator, including coils; check for leaks and clean drip pan
- Check pipes for winter freeze damage
- Test gas fireplaces and grills
- Check for loose grout, tiles and caulk
- Check appliance cords, plugs and fixtures for damage or overload
- Test GFCIs
- Check for trip hazards: loose carpet, steps/concrete, dangling wires, slippery surfaces, holes, splintered wood
- Trim shrubs and tree limbs for 18" clearance from walls and roof
- Repair damage caused by winter storms

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The Tax Reduction Conundrum

Are you eligible for a property tax reduction? Although house sales are up, many houses have declined in value and may not be worth their current assessments. With several local taxing bodies making noises about property tax increases in the near future, it may be time for you to request a reassessment.

Berks County residents may file requests for reassessments in July. To quickly determine if your house is a candidate for reassessment, divide your most recent property assessment by 0.65. If the result is approximately what you believe your property is worth today, your

chances of winning a reduction are minimal. If the resulting number is higher than your current property value, you may be eligible for a reassessment and, consequently, lower taxes. Even if you don't live in an area with a proposed tax increase, you will still benefit from your lower assessment.

There is some cost involved in applying for a reassessment, so you need to weigh the cost/benefit ratio to determine if the end result will be worth the expense. If you would like to know the current market value of your home and its assessed value, call me for a free, no-obligation evaluation.

Distressed Property? You Have Options

If you owe more on your mortgage loan than your property is worth, I advise you to have a frank meeting with your lender. Banks are frequently finding a way to accommodate property owners these days, especially if you have a good credit record. There are a number of alternatives to foreclosure and your lender may be able to help you qualify for one of them. Don't wait until the last minute; make an appointment if you think you may be heading for trouble.