



Latest Real Estate News

From Carol Lynn Johnson – February/March, 2008

You are receiving this news update because you have either agreed to receive my mailings, have made a recent inquiry or you own property in Macon County, North Carolina.

Economics is not always easy to understand. For example, in January and then again in early February the Federal Reserve reduced the benchmark short-term interest rate by a total of 1.25%. But, the short-term interest rate is not the rate that directly affects mortgage rates. In December and early January, **mortgage rates** dropped but at the time of printing were **inching UP!** The week of February 11th, Freddie Mac reported a jump in 30-year fixed, 15-year fixed, 5-year adjustable and 1-year adjustable mortgage rates. Bankers and financial analysts used to be able to anticipate mortgage rate fluctuations based on **Treasury bonds**. But bankers now warn that with the current mortgage market, there is no one indicator that can be considered a predictor. In fact, we are now in mortgage territory that we have never been in before so beware of anyone who says they know what mortgage rates will do. Could mortgage rates go down further? Anything is possible but don't count on it. Now may be the time to act if you are considering purchasing your first home, a second home or investment property. And, don't be fooled into thinking that you can't get a mortgage due to the crash-and-burn sub-prime mess. There is money out there! If you have good credit and can prove income and assets, most lenders will be thrilled to work with you.

Selling your home and getting the best price and terms takes more than simply finding a listing agent and setting a price. When selling your home, consider that potential buyers need to be able to envision themselves living in it. And, this means you need to **get rid of your clutter**, and pardon my frankness, **get rid of your mess!** I have shown many potential buyers many different homes. The ones that are almost always their top choices are ones that are clean (c-l-e-a-n) and have minimal furniture and nick-knacks in the room. Many experts in home staging also tell sellers to take excessive family photos off the walls and tables

because potential buyers feel like they are imposing on your 'hallowed ground' and they can't in their minds eye see their own things in your space. Remember that this is a temporary thing. The goal is to sell your home and get top dollar for it! Think of it as a wise investment strategy. Your photos can come out again once you have closed the deal.

If you are considering purchasing unimproved land, remember that **all land is not equal**. While location, location, location is the primary value-setting characteristic, consider that the land's **usability** is also key in determining value. Right now in Macon County there are more than 1,000 parcels of land for sale. Many of them are relatively the same size, maybe even in very close proximity to other parcels of equal size, but if one parcel is level or gently sloping versus another that is extremely steep, there is a significant difference in the usability of the properties. Here in the mountains, you often find that the locals live on or near a state maintained road and they live relatively low on the mountains. This is due to their need to have property that is easily accessible all year round. Home owner's insurance can also be affected by road access to one's property. The other reason the locals usually live on the lower ground is usability of the land. That said, often the best views are higher up. So the choice can often come down to practicality versus desirability. And, will you be building on the land? If so, steep land will mean higher excavation fees. Steep land with a great view is buildable but you will need to budget appropriately for the additional heavy equipment and related professional services.

I've said it before and I'll say it again. **Now is not the best time to sell your property.** Inventory is up considerably. There are 618 homes and 1,289 pieces of land for sale. Only 60 transactions closed between Jan. 1 – Feb. 22 (statistics from the Franklin Board of REALTORS® as of 2/22/08). Demand is down. It is a buyer's market – a great time to buy.

But, if you **need** to sell your home or property or if you wish to buy a home or property, I want to be your REALTOR®!



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Check out my website at:

www.carolsellsfranklinnc.com to see my BLOG – The Carol Chronicles which this month includes a commentary entitled ‘When Things Get Tough...’

Please email me if you wish to receive quarterly updates regarding the real estate market in Macon County (specific information related to asking price, sold price, days on market, etc). Also, if you would like a Competitive Market Analysis (CMA) of your property in Macon County, call or email me at cljohnson@dnet.net so I can collect specific property information, and I will provide a CMA at no cost to you.

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