



Enrich Your Life

The Rich Life

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It's Been a While...

...since the last issue of this newsletter. Since then, I took a few months off to make tea in Asia, and I also switched from my long-time real estate home of John L. Scott over to RE/MAX Metro Eastside. Each RE/MAX is an independently-owned office, and my new office (of which there are two, one on Eastlake in Seattle and one not too far from Downtown Bellevue) is one of the top-performing real estate offices in the country.

At my new office, I have

access to even better tools for listings and a bigger network of agents to work with. I also have better access to information, techniques and technology that deal with commercial, investment and distressed properties.

Summer is back and we're all watching out for signs of recovery in the real estate market, as well as in the general economy. It's definitely gotten busier out there, let's hope it stays that way!

Rich

Snapshot— What's Happening in Real Estate

For several months in a row, sales of properties in the 3-county area of King, Snohomish and Pierce have continued to increase. In most instances, sales of properties in major Western Washington cities have also increased when compared year-over-year.

What hasn't increased, though, is price. That has continued a downward trend, along with higher number of days before a property sells.

Distressed properties, such as short sales, have been increasing in number for quite some time in the region. In the Seattle core

areas, I see the majority of these types of properties in the southern and western parts of the city, but they have started to appear in other areas too, like Green Lake and Ballard. We're also seeing more distressed homes in the higher-price ranges and the luxury markets, as buyers for these properties are scarce.

The summer real estate season, traditionally one that is active and busy, has just started. We're seeing more buyers out there, some investors coming out for deals, and more listings from sellers who have been waiting for this time of year to list.

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Market Volatility

There's been a lot of news about the fluctuations in the real estate market. More properties are selling than in recent months, but foreclosures are up. At the same time, prices are still falling, new construction projects are slowing and interest rates (and gas prices) are rising.

What's going on?

After talking to several lenders and bankers during the past month, it seems safe to say that we've likely seen the

end of sub-5% mortgages; we just can't continue to sustain such low interest rates. Many banks—especially smaller, regional ones—have gotten out of doing mortgages altogether because they've been deemed high-risk, low-return.

If you follow my real estate site or the newspaper's real estate section, you've seen articles with such headlines as "Industry Insiders See Prices Bottom," or "Sales Up, Prices Slide."

The fact is that we don't know exactly where the bottom of prices is or when we'll get there, but experts think we're close.

The government's economic recovery efforts will take time. We'll know in the near future if the measures can improve the economy quickly enough, or if the money's being put into quicksand fixes that will ultimately prove to be fruitless, increasingly expensive, and worsen the problems in the long-run.

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For comprehensive real estate news and info, visit my website at www.richtao.com

Managing Distressed Properties Begins with Us



CERTIFIED DISTRESSED
PROPERTY EXPERT®

For the millions of homeowners who find themselves facing the prospect of foreclosure, the road ahead can be stressful and confusing. A foreclosure and bankruptcy may be the best course-of-action for some distressed owners, but oftentimes, there are other options, such as special loan modifications or a pre-foreclosure sale. Getting the right information and options to these homeowners should be a priority.

There are more distressed property owners now than ever before. Millions of homeowners have already been foreclosed upon, and millions more will be facing that dilemma in the near future.

Chances are that there are people you know who may be going through the anxiety of not being able to make their home payments. They need to know that they're not the only ones—it's happening to many others—but help can only come if they know where to ask for it. Once those late payments begin and the bank issues the default notice, the countdown to foreclosure begins and their options become limited.

The collapse of the housing industry ushered in the decline of the economy that has caused hardship for so many. It's up to us industry professionals to apply our skills to help troubled homeowners get their properties sold. Preventing damaging foreclosures that bring big losses to banks and lower home values for everyone; helping homeowners find possible ways to save their homes; streamlining the pre-foreclosure process so that properties get moving again; restoring confidence to the real estate market—these are the things we need to do to restore order to the housing market and the economy in general. Distressed properties represent a hardship that affects everyone.



“If not me, then whom? If not now, then when?”

With a proven track record of success in the real estate industry and many happy clients to show for it, I'm applying my skills to where I can make the biggest difference. Guiding troubled homeowners with my expertise is how I will lend a helping hand to the communities I serve, and to the people whom I call my neighbors. As a Certified Distressed Property Expert, I will bring my experience and apply my knowledge and systems to help troubled homeowners.

Reducing the housing inventory by getting good properties into the hands of qualified buyers is vital to restoring balance to the markets. Troubled homeowners turn to us industry professionals as their last resort, and we must dually enable them—and be enabled by the banks, government and communities we work with—to lead the economy out of the deepening crisis we face.

For more information on options for troubled homeowners, please visit the government's site at:
www.makinghomeaffordable.com

To learn more about Rich Tao or Seattle Real Estate, visit www.richtao.com or www.buyinginseattle.com

