

Hassle-free home sales

As published in the Racine Journal Times | April 30, 2014 | by Justus Morgan, CFP®

Driving around Racine, I often see homes for sale that have been listed for well over a year. I often wonder how the sellers are dealing with this unnecessary delay in moving forward with their lives. Focusing on a strategy for hassle-free home sales can lead to selling your house in weeks rather than months or years.

One key to the hassle-free home sale is the listing price for your house. There are many factors influencing your decision on the price for your house. Some of the common ones I hear relate to how much you originally paid for the property or the additional money you spent on renovations. Another common refrain is the desire to get the most money possible from the sale or its corollary, not giving the house away for less than it's worth. Unfortunately, none of these factors determine the actual sale price of your house.

The primary determinant of the sale price for your house is the perceived value of your house relative to other houses for sale. Is your house the best value around at a particular price? How do you know if your price is reasonable?

The first step is to start with a market analysis of sales for homes similar to yours. Preferably the sales closed recently and relatively close in distance. A competent real estate agent can complete this analysis and make appropriate adjustments based on the unique characteristics of your home. The recommended price from the agent is just the starting point.



Once your house is listed, the amount of activity will tell you a lot about whether the price is realistic. If you have an extended period of inactivity (without a good reason such as the weather), chances are the price is too high. Alternatively, if the price is too low, you should see a flurry of activity from potential buyers who recognize the value in your property. A skilled agent can help facilitate competing offers to raise the price to the highest possible amount which eliminates the issue of selling the property for less than its worth.

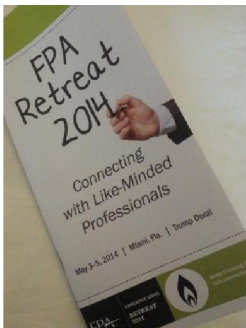
Another factor not always acknowledged is the willingness of the seller to move. The psychological impact of this transition can catch people off guard in much the same way as a change in jobs or death in the family.

Author William Bridges specializes in the psychological effects of change as we move from old to new beginnings. Too often we discount the significance of each phase of the transition which can lead to reluctance to let go of the past or fear of the new beginning. Could this be the reason why so many houses are still for sale?



FSG participates in conferences to stay current and informed

On May 3, Justus and Justin attended the Berkshire Hathaway Annual Shareholders Meeting in Omaha, Nebraska. Over 38,000 people attended the conference including Microsoft co-founder, Bill Gates. The meeting also included an exposition of some of Warren Buffett's companies including GEICO, Fruit of the Loom, See's Candies, and Dairy Queen. Useful advice from Buffett's long-time business partner, Charlie Munger: "go to bed smarter than when you woke up."



Justus and Justin also participated in the Berkshire Hathaway "Invest in Yourself 5K" run on May 4 and brought home some hardware to show for it!

Meanwhile, Mike attended the 2014 FPA Retreat in Doral, Florida where he was able to share and gather ideas on the personal finance industry's latest thinking with financial planners from around the globe.

Lighthouse Run 2014 sponsor

This year FSG is thrilled to reprise its' role as sponsor of the 4-Mile Lighthouse Run in downtown Racine. If you're in the area on June 21, be sure to stop by our tent in Monument Square.

"The Lighthouse Run brings so much positive energy to the city of Racine and serves as a tremendous opportunity to attract athletes of all sorts," said Mike Haubrich. Proceeds from the run provide program support and financial assistance to those in need in our community.



Save the date for these upcoming events with Financial Service Group

- June 21 Racine's Lighthouse Run, 4-mile run event sponsor
- August 1 First Friday event, 5:30 to 8 p.m. at UnCorkt!
- August 5 Long-Term Care Planning workshop, 6:30 to 8 p.m.
- September 17 Social Security presentation, 6:30 to 8 p.m.
- October 14 Medicare webinar hosted at FSG, 6:30 to 8 p.m.
- November 19 Investment workshop, 6:30 to 8 p.m.