

Real Estate Digest

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November • 2010

Volume 36 • Number 11



What International Home Buyers Want and How You Can Attract Them

Looking to increase your business by catering to a new market? Thanks to some favorable conditions, like perceived value and affordability, international homebuyers are eyeing the U.S. a bit more these days. Over 40 percent of the international home-buyers come from Canada, Mexico, China and India. And you can capitalize on these buyers more easily than you think.

These prospects typically come from referrals provided by previous clients and the Internet. Most fall into two categories, with 41 percent primarily residing in another country and 38 percent being recent immigrants and short-term visa holders; some are both. These international purchasers account for seven percent of the residential market, or property sales of \$66 billion annually.

Regional Affinities

These buyers have particular tastes when it comes to real estate. South American purchasers focus on Florida, while Asians on the West Coast. Europeans concentrate on the eastern states, while Mexicans are attracted to Texas. The proximity and ease of travel back to their home country plays a primary role in their search. The Southern U.S. accounts for 45 percent of international sales, with the West at 32 percent, the Midwest 13 percent, and the Northeast 10 percent.

Language and cultural barriers, of course, are an issue, but consider that Canada and the United Kingdom make up 32 percent of the international real estate purchases in the U.S.

All of these families will certainly have special needs and questions, but attracting them in the first place is the key, along with understanding what they are looking for and why, just like any other client.

Cash buyers

International buyers often face a challenge with financing in the U.S., but more than 50 percent buy properties with cash, are looking in reasonable price ranges of \$250,000 or less, and overwhelmingly prefer detached, single-family homes in suburban areas. The dollar's value against their currency does drive interest directly with these buyers, but so do affordability, climate and other factors.

As this niche is reportedly showing some increase, it may be time for you to do some research and add information and services to your website. You might also expand your search engine marketing and incorporate international into your other online and offline branding efforts.

TRENDS

Landlords See Opportunities In Down Housing Market

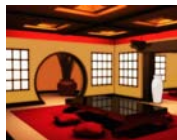


Here's another buyer's niche worth targeting — landlords. A survey by the National Association of Independent Landlords found that 31 percent plan to buy additional rental property by the end of 2012.

The group said 68 percent of respondents believe current prices make homes a good investment. About eight percent said it was a good time to buy and rent out retirement homes and another eight percent said it was a good time to buy and rent out vacation properties.

About 73 percent of respondents said they hoped their rental properties would fund their retirements.

Feng Shui Taking Hold In Commercial Transactions



With Asian buyers increasingly moving into the American commercial market, there are signs that feng shui is becoming an

important part of the transactions.

The *New York Times* reports that deals have fallen apart because of building design and room layout. The newspaper said even one deal had to be changed because a price of \$450 per square foot was not seen as being as lucky as \$448 per square foot. The difference was made up elsewhere.

In some cases, the newspaper said, buildings were changed to eliminate the fourth floor (as some buildings do not have a 13th floor) because the word “four” sounds like “death” in Cantonese.

The word “eight,” however, sounds like the words “wealth” or “fortune” in Mandarin and Cantonese, respectively, and those floors rent at a premium.

African Americans, Hispanics Most Likely to Use Cell Phones

Brokers and agents working the Hispanic and African American markets should be prepared to reach those clients on their cell phones, but probably can still call white clients on their land lines, according to the Pew Research Center.



According to Pew, 12 percent of African Americans and 14 percent of Hispanics make and receive more than 30 calls on their cell phones per day, while only four percent of whites make or receive that many calls.

Also, the research found that African Americans and Hispanics typically send and receive 10 texts per day, while whites average five texts per day.

Overall, teens continue to be the texting kings. Pew says teens text an average of 50 times per day, compared to adults who send and receive about 10 texts per day.

Most Home Buyers Have No Regrets



A study from Bankrate found that 90 percent of owners do not regret buying their home.

The findings also revealed improved mortgage awareness, with only eight percent of home owners in the dark about what type of loan they have — down from 26 percent two years ago.

The poll showed that 79 percent had fixed-rate financing, and this type of mortgage was used by almost 90 percent of respondents who make more than \$75,000.

The enthusiasm isn't necessarily extend-

ing to renters.

A new report from Trulia.com indicates a large portion of America's renters are either happy where they are or are putting off moving into a home.

"Renters converting into buyers are crucial to turning around the housing slump, but the current economic crisis is causing people to become very hesitant to get off the fence and buy a home," said Trulia CEO Pete Flint.

According to the study, 72 percent of American adults believe home ownership is part of the American dream — down from 77 percent six months ago. The survey found that 27 percent of renters never plan to buy a home and 68 percent of renters said they would wait at least two years.

INDUSTRY

MLS Internet Addresses, Going, going...



The MLS Domains Association, which is organizing the distribution of the Internet URL extension ".mls," says founding members of the many multiple listing systems

have already claimed domain names.

General members of the association began selecting domain names Sept. 1. The Austin board already has claimed names such as "Austin.mls" and "CentralTexas.mls", and the Triangle MLS in the Raleigh-Durham area of North Carolina has claimed the names "Raleigh.mls," "Durham.mls" and "Triangle.mls."

For more info, see <http://www.mlsdomains.org/>.

Ten Questions to Ask Your Short Sale Certification Provider



Whether you want to handle the short sale transaction or you find you want to refer it out, the bottom line is that some listing appointments you go on may be candidates for the short sale route. Getting certified teaches you to recognize those situations and understand what to do.

With that in mind, you may decide to become certified to understand this market and handle specific parts or all of the transaction. Here are some questions you can use to determine which certification best fits your needs:

- 1 How long have you been offering the short sale certification?
- 2 Who wrote the curriculum for the certification course and how was it designed?
- 3 What is the curriculum creator's background, specific to real estate?
- 4 How do you choose the instructors to teach the course?
- 5 How do your instructors become qualified to teach the course?
- 6 What kind of free education do you provide after the actual certification course?
- 7 What training elements are covered in regards to shorting a FHA or VA transaction?
- 8 How do you let your certification members know of new updates that may affect the short sale real estate transaction?
- 9 What additional support do you provide after the certification process?
- 10 What levels of training can I take in addition to the certification to ensure a strong foundation for long-term success?

Once you have this education under your belt, don't forget to include your certification in all your marketing efforts.

Seven Must-Have Apps For Your Smartphone



From smartphone app guru James Dwiggens comes a list of seven key applications for smartphones, each promising to help improve your efficiency while away from your office and impress clients.

- 1 **Gist:** Pull together all your contacts from your address book, inboxes, and social networks to access all in one place. The app also pulls in your contacts' status updates from their social networking pages, blog posts, and news to create an up-to-date business profile for all of your contacts. iPhone and Android. Free.
- 2 **RECalc:** Figure monthly payments, interest rates and loan amounts with this mortgage calculator app. It also allows you to add in annual property tax and homeowners' insurance to give your clients a snapshot of what they can expect to pay. iPhone. \$1.99. For Android users, try Karl's Mortgage Calculator. Free.
- 3 **Expensify:** Keep tabs on your expenses and get rid of the hoards of paper receipts. Take a photo of paper receipts with your phone's camera and the receipts will be

stored online digitally. This app also gives you an easier way to keep track of your mileage for tax purposes when driving clients around. iPad, iPhone, Blackberry, Android, Palm, PC, and Mac. Two accounts are free, \$5 per account after.

- 4 **Mobile Phax:** Take a photo of any letter-sized document or page and this app will allow you to then send it as a PDF to any e-mail address. You can also send the document directly to a fax machine using eFax, [fax\(.com\)](http://fax.com), send2fax, and other compatible fax programs. iPhone and Blackberry. \$4.99 (plus packs available for additional monthly faxes).
- 5 **Tour Narrator:** Capture your customers' feedback while they tour homes by using your phone to snap photos, take notes and record audio. The information you gather can then be used to create a sales presentation that can be converted into a PDF with a URL that you can later send to clients. They'll be able to browse through the properties and see the notes and photos, and listen to the audio as reminders of what they liked and disliked about the homes they toured. iPhone. \$1.99.
- 6 **Realtor.com:** Access millions of listings with photos and property details, open house information, and map searches. You can also share listings via social networks. iPhone. Free.

7 Vlingo: Talk to your phone and tell it what to do. You can send text messages and e-mails by speaking your message. The phone will transcribe it to text and send, offering a safer way to text and e-mail while driving. iPhone, Android and Blackberry. \$10.

Realtors' HouseLogic Web site Offers Survival Tips



NAR is urging consumers to go to its spin-off website, HouseLogic.com, to find information about developing personal and family disaster plans.

Noting the recent five-year anniversary of Hurricane Katrina, the HouseLogic site offers a list of to-do items to prepare for an emergency, including securing important papers, preparing survival kits that include things such as water and bandages, and making sure everyone in the family knows where to meet up in case of emergency.

The site offers a number of ideas on how to be prepared for many different kinds of disasters, including floods and fires.

MORTGAGES

Buyers Now Getting More Accurate Good Faith Estimates



Lenders are being more honest with homebuyers about closing costs since the government has begun penalizing them for making low-ball estimates, according to a survey by Bankrate.com.

The website's research shows that closing costs estimates are up an average of 36 percent this year — and are far closer to actual costs than they've been in the past.

Until this year, there was no penalty against lenders who put low closing costs on Good Faith Estimates in an attempt to gain more business. Since Jan. 1, however, the government is requiring lenders to make up the difference between their estimates and the actual cost of closing.

Bankrate's survey, based on loans of \$200,000, found that closing costs charged directly by lenders are up 23 percent. Estimated charges by third parties such as appraisers and title insurers were up 47 percent.

AGENTS' CORNER

Nine Killer Content Creation Ideas For Your Real Estate Blog or Website



What's the number one absolute best way to get more organic traffic to your real estate blog, website or lead capture pages?

"The answer is content creation," say Josh Schoenly and Ryan Hartman, co-owners of ReTechulous, a real estate lead generation company.

But, you may ask, what on earth am I supposed to be writing about or videoing, and how will it get me business? Here are Schoenly and Harman's top ideas:

- 1 Weekly market update.** Make a five-minute video or screencast interpreting data from your MLS and the general mood among buyers and agents as a public update on the state of your local real estate marketplace.
- 2 Daily/weekly transaction report.** Cut and paste the reported transactions from your MLS. Be sure to include "real estate

sales transactions” in the title of each post — wherever you are, people are searching those keywords.

- 3 Restaurant of the week.** Want to charm the pants off of a local restaurant owner and provide a valuable resource for folks relocating to your area? Do a restaurant review once a week. Chances are good that especially for smaller restaurants and markets, your post will rank organically for people doing a direct search of the restaurant name.
- 4 Business of the week.** This is the same as the restaurant idea listed above: do a video tour of a local business, highlighting the coolest service/product to buy from the place. This will help you gain top-of-mind status with the business owner, then referrals.
- 5 Local dog parks.** People moving to your area with pets are going to turn to search engines to find local dog parks. Talk about a non-competitive keyword!
- 6 “Where in (insert your area here)?”** Take a random photo of a person, place or thing in your area and post it to your site. Offer a prize to the first reader who guesses what the picture is. Be sure to offer an e-mail signup for folks to receive your latest pictures so they can be one of the first to take a guess.

7 Weekly neighborhood news update.

Give each agent in your office an assigned neighborhood and require a piece of hyper-local content. Run with this for a month and see what happens to your recruiting/retention efforts.

- 8 Resident interviews.** Interview someone in your area and ask them what they like about their town, what they like to do, where the best place to grab a drink with friends is and anything else along those lines. This is an easy way to generate content that’s interesting to onlookers.

- 9 Contract chronicles.** Grab a clause from one of your real estate forms and tear it to pieces—a nice way to demonstrate competence while creating content that’s sure to be indexed and searched.

Sounds like a lot, but you assign a different person on your team to each of these ideas. Or if you are a single-person shop, simply pick one or more and make it your job to create one piece of content for your real estate blog or website each and every day.

Bottom line: The content you create today will most likely equal traffic to your website tomorrow.

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Judicial Title



YOUR TITLE EXPERTS

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