

Georgia Association of REALTORS®

**EXPEDITION:
EXCELLENCE**

2012 Inaugural Meeting
Grand Hotel Marriott Resort, Golf Club & Spa
Point Clear, Alabama • February 8-11



Education Session C

Another Way to Skin the Cat: Thriving Thru the Difficult Times

Patti Ketcham

Wednesday, February 8, 2012

You must attend three (3) mini-sessions in order to earn three (3) hours Georgia C.E. credit, six (6) sessions for six (6) hours credit. Partial credit is not available. The mini-session course codes are 62153 and/or 62154.

Due to seating capacities dictated by local fire code ordinances, seating for all education sessions will be based on a first come-first serve basis. GAR will not be allowed to have attendees sitting on the floor or standing up once the room's seating is full.

In order to foster a spirit of camaraderie and to avoid the appearance of recruitment, no nametags or clothing with a company logo will be allowed in the education courses. Should an attendee have one on at the time of entering an education course, the facilitators will kindly ask you to remove the name badge or place a blank nametag over the company logo. We appreciate your cooperation in regards to this matter!

Another Way to Skin the Cat:

- ▣ Thriving Thru the Difficult Times

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What's Worked for Me.....

- ▣ And what can work for you-----
- ▣ First things first:
 - ▣ You have chosen a career that allows your life to ebb and flow
 - ▣ If you need to "ebb" now's the time---

But....if you are ready to flow....

- ▣ Let's look at some ideas I have used, some borrowed and some I made up.....that have worked.....and worked well through these difficult times.

First things first:

- I had to figure out what I was really good at--- and then become even better---more educated, digging deeper with even more research, more competent, more confident--- fearless.
- That part was easy. (Believe me it was a short list!)

Now came the hard part:

- I had to admit what I'm not good at.
- Realize the best I could achieve is mediocre.
- Let go of the guilt.
- And figure out another way to skin the cat.

Why go through this?

- Clients have lots of needs.
- You have limited energy.
- You have limited time.
- You're tired of feeling beat down.

So, what are you really good at?

- ▣ Understanding financing
- ▣ Re-lo's
- ▣ Marketing properties through social media
- ▣ Marketing yourself through social media
- ▣ Short sales and foreclosures
- ▣ Knowing market stats
- ▣ New construction

Become the trusted resource

- ▣ Be the "go to" person in that area of expertise

Here's one example of what I did:

- ▣ Market Snapshot
 - ▣ Gotta be true
 - ▣ No "spin"
 - ▣ No smoke, no mirrors
 - ▣ Just the cold hard facts---good and bad

Market Snapshot – “working it”

- How do you know if it works?
- Do NOT send it out regularly, too predictable.
- People will think you wrote it!
- Just pick one set of numbers and remember them.

Does it work?

- Here are some examples:
 - Growth management calls me
 - Property appraiser’s office calls me
 - Other REALTOR®’s forward it to their client’s with MY name on it---CRAZY!!!
 - Asked to be “the” expert speaker at various groups
 - Client’s trust me

Here’s another one----

- **The Real Estate Resource**

Real Estate Resource

- What's in it?
 - Personal saying, motto, poem, etc
 - Bio
 - How REALTOR®'s Are Paid
 - Steps In the Process
 - Who Does What
 - Sample Listing Agreement
 - Seller's Disclosure

Real Estate Resource, cont.

- Seller's Net
- Sample Contract
- What Are My Deadline's?
- Patti's Guide to Kiddie Condo's
- Helpful Resources

Using these tools

- Who needs the info
- Who would be interested in the info
- Not just local people
- Not just buyers and sellers

Who is on my list?

- ▣ Local government officials I know
- ▣ Bankers I know
- ▣ Rotary club I spoke at
- ▣ FSU real estate students and faculty I meet
- ▣ Boards I have served on
- ▣ Non-profits I have worked with
- ▣ Past and current clients

Who do you connect with?

- ▣ First time home buyers
- ▣ Coastal living communities
- ▣ Retirement communities
- ▣ College kids
- ▣ Way grown people
- ▣ Commercial investors

- ▣ Political people---move when party power shifts
- ▣ International buyers
- ▣ Service club
- ▣ Teachers
- ▣ Professors

Draw people to you

- ▣ Become the trusted resource
- ▣ You have to give it away to get it back
- ▣ RETURN CALLS
- ▣ Just show up!

Bad News/Good News

- ▣ There is no magic formula.
- ▣ You weren't that good years ago and you're not that bad now.
- ▣ You can be mediocre or you can be excellent.

Things I let go off:

- ▣ One step listing presentation
- ▣ Price per square foot
- ▣ Worrying about cancellation fees
- ▣ A lot of the scripts I learned
- ▣ Trying to "stage" someone's house
- ▣ Worrying if I did not get the listing
- ▣ Commission-ectomy

Things I began to do:

- Show me the house and then let's talk.
- What made you buy this house?
- Why are you moving? And then hush.
- Listen, listen, listen...and then listen some more.
- Appraisal and home inspection.
- Ask their expectations, ref marketing, Open Houses, internet, caravan.

Short pops that make the difference:

- How to deal with the commission dicussion.
- Always, always, always give three names.
- Not actives---but unsolds.
- Print out and tape it together.
- Admit what you will not and can not do.
- NEVER pre-qualify a client!

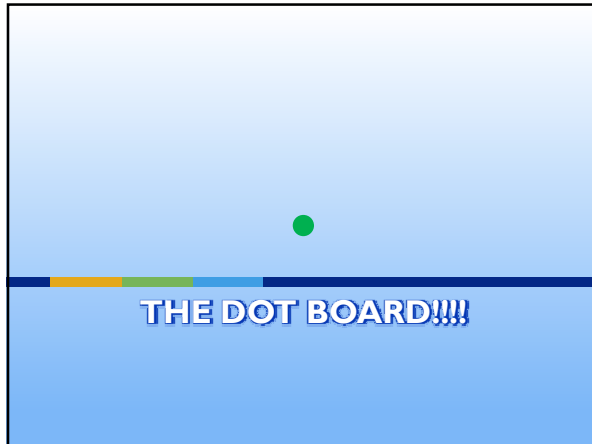
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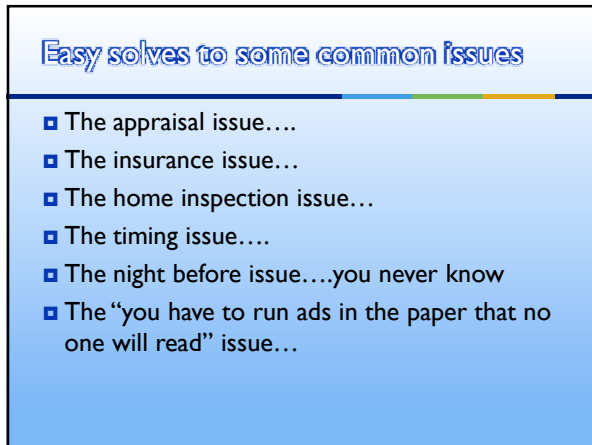
- Take classes, take more classes, ask questions.
- Don't let the REALTOR®'s that have been around "forever" scare you!!!
- No client has ever asked me about my production.
- No client has ever asked me about my designations/certifications. But, get them anyway.
- KNOW YOUR CONTRACT!!!!

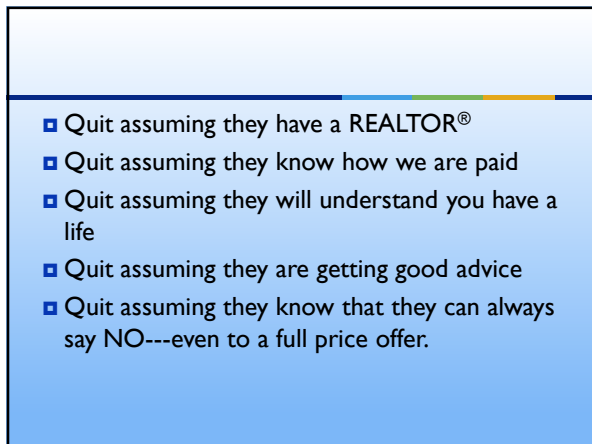
- Quit assuming that just because they are using another REALTOR® this time that you will never hear from them again.
- Quit assuming you really know the contract.
- Quit assuming they have the same priorities or values that you do. (timber!)
- Let go of the guilt....it's okay.

- Top Favorites**
- Market Snapshot
 - How REALTORS® Are Paid
 - What Are My Deadlines
 - Involvement with my State Association---if you are from out of town you are always smarter.
 - Giving away my knowledge.
 - Guarding my time---Courtney.

- And my favorite for my fellow brokers.....**
- Are you ready?
 - This is really, really good!!!
 - And very powerful.....hold on....here it comes.....







Now it's your turn.....

- ▣ Teach me! What's worked for you?
- ▣ Gimme something to talk about next time...

THANK YOU!!!!

- ▣ Let me know if I can ever help you---really!
 - ▣ PKetcham@KetchamGroup.com
 - ▣ 850-545-5314 cell
 - ▣ PattiKetcham.com

TBR Snpasheet

January's Closed Sales

Sale Price	AS OF: 9/6/2011				Leon-Total	Wakulla	Gadsden	Jefferson
	Leon-NE	Leon-NW	Leon-SE	Leon-SW				
\$0-\$149K	18	33	14	9	74	14	3	1
\$150K-\$199K	10	9	2	0	21	4	2	2
\$200K-\$299K	21	1	5	0	27	0	0	1
\$300K-\$399K	13	0	1	0	14	1	0	0
\$400K-\$499K	0	0	1	0	1	1	0	0
\$500K-Up	3	0	2	0	5	0	0	0
Total January 2011	65	43	25	9	142	20	5	4
Total January 2010	44	25	11	9	89	20	8	4
Total January 2009	45	21	19	9	94	18	12	3

February's Closed Sales

Sale Price	AS OF: 9/6/2011				Leon-Total	Wakulla	Gadsden	Jefferson
	Leon-NE	Leon-NW	Leon-SE	Leon-SW				
\$0-\$149K	17	41	19	16	93	6	7	4
\$150K-\$199K	24	4	2	3	33	10	1	0
\$200K-\$299K	16	2	4	0	22	3	1	0
\$300K-\$399K	5	2	2	0	9	1	0	0
\$400K-\$499K	4	0	1	0	5	0	0	0
\$500K-Up	3	0	2	0	5	0	0	0
Total February 2011	69	49	30	19	167	20	9	4
Total February 2010	62	36	15	12	125	23	16	1
Total February 2009	51	19	22	13	105	18	7	1

March's Closed Sales

Sale Price	AS OF: 9/6/2011				Leon-Total	Wakulla	Gadsden	Jefferson
	Leon-NE	Leon-NW	Leon-SE	Leon-SW				
\$0-\$149K	20	47	21	13	101	9	13	3
\$150K-\$199K	34	4	2	0	40	4	3	2
\$200K-\$299K	21	3	3	0	27	3	1	1
\$300K-\$399K	10	0	1	0	11	1	0	0
\$400K-\$499K	5	0	1	0	6	0	0	0
\$500K-Up	3	1	0	0	4	0	0	0
Total March 2011	93	55	28	13	189	17	17	6
Total March 2010	132	36	31	13	212	15	12	3
Total March 2009	68	43	28	7	146	21	12	6

April's Closed Sales

Sale Price	AS OF: 9/6/2011				Leon-Total	Wakulla	Gadsden	Jefferson
	Leon-NE	Leon-NW	Leon-SE	Leon-SW				
\$0-\$149K	22	33	20	19	94	13	4	3
\$150K-\$199K	14	6	7	0	27	9	2	1
\$200K-\$299K	30	5	6	0	41	4	1	0
\$300K-\$399K	5	3	3	0	11	3	1	1
\$400K-\$499K	6	0	0	0	6	0	0	0
\$500K-Up	2	0	0	0	2	0	1	0
Total April 2011	79	47	36	19	181	29	9	5
Total April 2010	109	71	42	10	232	28	11	5
Total April 2009	73	44	31	14	162	18	10	3

May's Closed Sales

Sale Price	AS OF: 9/6/2011				Leon-Total	Wakulla	Gadsden	Jefferson
	Leon-NE	Leon-NW	Leon-SE	Leon-SW				
\$0-\$149K	17	45	21	17	100	13	5	1
\$150K-\$199K	29	12	8	0	49	6	0	0
\$200K-\$299K	32	8	7	0	47	1	1	0
\$300K-\$399K	9	0	0	0	9	2	0	2
\$400K-\$499K	7	2	1	0	10	0	1	0
\$500K-Up	5	1	0	0	6	0	0	1
Total May 2011	99	68	37	17	221	22	7	4
Total May 2010	141	74	62	15	292	33	15	7
Total May 2009	89	78	46	12	225	26	11	3

June's Closed Sales

Sale Price	AS OF: 9/6/2011				Leon-Total	Wakulla	Gadsden	Jefferson
	Leon-NE	Leon-NW	Leon-SE	Leon-SW				
\$0-\$149K	24	46	22	9	101	14	3	3
\$150K-\$199K	25	7	4	0	36	4	3	0
\$200K-\$299K	32	1	6	2	41	3	3	0
\$300K-\$399K	20	1	3	0	24	0	0	0
\$400K-\$499K	7	1	1	0	9	0	0	0
\$500K-Up	4	1	0	0	5	0	0	0
Total June 2011	112	57	36	11	216	21	9	3
Total June 2010	138	84	65	21	308	32	27	6
Total June 2009	142	81	38	16	277	31	22	4

TBR Screenshot

July's Closed Sales

Sale Price	AS OF: 9/6/2011				Leon-Total	Wakulla	Gadsden	Jefferson
	Leon-NE	Leon-NW	Leon-SE	Leon-SW				
\$0-\$149K	23	43	31	10	107	20	9	1
\$150K-\$199K	25	9	7	2	43	3	3	0
\$200K-\$299K	40	0	6	0	46	2	3	1
\$300K-\$399K	12	0	2	0	14	2	0	1
\$400K-\$499K	9	0	0	0	9	0	0	0
\$500K-Up	9	0	2	0	11	0	0	0
Total July 2011	118	52	48	12	230	27	15	3
Total July 2010	89	49	28	13	179	12	13	1
Total July 2009	133	81	47	23	284	27	13	8

August's Closed Sales

Sale Price	AS OF: 10/26/2011				Leon-Total	Wakulla	Gadsden	Jefferson
	Leon-NE	Leon-NW	Leon-SE	Leon-SW				
\$0-\$149K	23	51	17	7	98	16	5	0
\$150K-\$199K	26	10	3	0	39	2	2	0
\$200K-\$299K	40	3	5	0	48	0	2	0
\$300K-\$399K	13	1	1	0	15	1	0	0
\$400K-\$499K	4	0	0	0	4	0	0	0
\$500K-Up	2	1	2	0	5	0	0	0
Total August 2011	108	66	28	7	209	19	9	0
Total August 2010	76	50	23	16	165	15	11	6
Total August 2009	116	66	40	13	235	25	12	3

September's Closed Sales

Sale Price	AS OF: 10/26/2011				Leon-Total	Wakulla	Gadsden	Jefferson
	Leon-NE	Leon-NW	Leon-SE	Leon-SW				
\$0-\$149K	22	29	21	10	82	11	5	1
\$150K-\$199K	33	6	4	1	44	7	3	0
\$200K-\$299K	30	5	1	0	36	4	0	2
\$300K-\$399K	5	0	5	0	10	1	0	0
\$400K-\$499K	3	1	0	0	4	0	0	0
\$500K-Up	3	0	2	0	5	0	0	0
Total September 2011	96	41	33	11	181	23	8	3
Total September 2010	76	45	39	8	168	16	12	1
Total September 2009	109	44	39	9	201	30	12	4

2011 Year-to-Date Closed Sales

Sale Price	AS OF: 10/26/2011				Leon-Total	Wakulla	Gadsden	Jefferson
	Leon-NE	Leon-NW	Leon-SE	Leon-SW				
\$0-\$149K	186	368	186	110	850	116	54	17
\$150K-\$199K	220	67	39	6	332	49	19	5
\$200K-\$299K	262	28	43	2	335	20	12	5
\$300K-\$399K	92	7	18	0	117	12	1	4
\$400K-\$499K	45	4	5	0	54	1	1	0
\$500K-Up	34	4	10	0	48	0	1	1
Total Jan-Sep 2011	839	478	301	118	1,736	198	88	32
Total Jan-Sep 2010	867	470	316	117	1,770	194	125	34
Total Jan-Sep 2009	826	477	310	116	1,729	214	111	35

	Leon-NE	Leon-NW	Leon-SE	Leon-SW	Leon-Total	Wakulla	Gadsden	Jefferson
Pending a/o 10/26/2011	43	31	28	8	110	16	4	0

Residential Active Listings

Sale Price	AS OF: 10/26/2011				Leon-Total	Wakulla	Gadsden	Jefferson
	Leon-NE	Leon-NW	Leon-SE	Leon-SW				
\$0-\$149K	177	443	190	171	981	117	133	32
\$150K-\$199K	212	69	38	25	344	51	30	17
\$200K-\$299K	283	54	38	19	394	68	41	27
\$300K-\$399K	129	19	11	9	168	29	15	14
\$400K-\$499K	66	2	4	1	73	19	9	4
\$500K-Up	82	9	14	0	105	25	6	13
Total	949	596	295	225	2,065	309	234	107
Change from 10/5/2011	Up 17	Up 2	Down 7	Up 1	Up 13	Up 1	Down 5	Up 6

Steps In the Process of Buying A Home

Contact Mortgage Loan Officer to get credit approved and resolve any credit issues.

After Credit Approval let your REALTOR® know the price range so he/she can begin to help you find your home.

Look at homes that meet your needs and fall within your price range. This is often the hardest part of the whole process!!! Don't get discouraged! This is where your Realtor can really speed up the search.

Your REALTOR® will present and negotiate your offer on the home you have chosen. There are often several offers and counter-offers before there is a meeting of the minds.

** Order the Home Inspection (do this immediately! As soon as your offer is accepted.)*

*** Contact your Lender to finalize the loan application; this includes paying any fees required by the Lender in order to order the appraisal and the credit report.**

**Appraisal is ordered by Lender.*

***Arrange for Home Owners Insurance, this also has a deadline. Contact your auto insurance company and two others for quotes. HOI is becoming harder to obtain so start this process early. You do not need to purchase the HOI at this time, just make sure you can find HOI that is satisfactory.**

The Lender and REALTOR® will coordinate ordering Title Work.

Work with Lender to provide all information and documents needed to obtain loan approval. Your Loan Officer will guide you through this.

Loan Approval—Oh Happy Day!!! (Start lining up your friends that own a truck!) Make arrangements for utilities, cable, and telephone.

Make sure termite report and survey are ordered, ref. to your sales contract for guidance. Your Realtor should really guide you during this process.

Attend Closing, (will take about one hour, try not to bring children). Your REALTOR® will attend the closing with you.

Enjoy your new home!!!

THE KEY PLAYERS

Here is a brief description of the key players who need to be involved in the process of buying or selling a home and what they do.

Mortgage Loan Officer

Credit approval, loan application, will guide you through the financing process.

ABC Realty

Negotiates contract for the sale or purchase of your home, searches for homes, serves as your expert guide in the entire process, attends closing, is available 24/7 to answer any questions or concerns you may have.

Home Inspector

Inspects your home, in accordance with regional standards, for any structural or maintenance issues.

Appraiser

Estimates the fair market value of your home.

Termite Inspector

In accordance with state and county guidelines, inspects your home for any wood-destroying organisms.

Surveyor

In accordance with the legal description of your property, the surveyor marks the four corners of your lot and draws house placement on the property.

Homeowner's Insurance Agent

Insures your home against fire, etc.

Closing Agent/Attorney

Provides legal proof of clear title to home and closes the transaction.

What Are My Deadlines?

Buyer _____ Seller _____

Property Address _____

Contract date: _____ Closing date: _____

*Last day to make **complete** loan application, includes fee for appraisal and credit report:

_____ Buyer

*Last day to secure financing to Buyer's satisfaction _____ Buyer

*Last day to provide Sellers Property Disclosure, Buyer HOA docs and C&R

_____ Seller Buyer

*Last day to complete home inspection and complete Inspection Addendum if 12A is checked, or cancel contract if 12B is checked:

_____ Buyer

*Make arrangements for HOI: (hurricanes)

_____ Buyer

*Binder/Deposit is at risk per contract

Title work must be ordered:

_____ Seller Buyer

Termite report must be ordered:

_____ Seller Buyer

Survey must be ordered:

_____ Seller Buyer

Walk through must be completed:

_____ Buyer

ALL REFERENCES TO TIME FRAMES ARE CALENDAR DAYS, INCLUDES WEEKENDS AND HOLIDAYS

Patti Ketcham's Quick Guide to FHA Kiddie Condo Loans

- Has nothing to do with Kiddies or Condos, that's the slang term.
- Property can be a single family residence, a townhouse, a condo.
- Loan limits can vary from one county to another. Duplex, etc. limits are higher.
- The primary borrower does not have to be a kiddie, it can be your Mama, your sorry brother in law that is sleeping on your sofa, your sister that needs a fresh start, etc, etc. It must be a family member.
- The primary borrower does not have to have any income, but, they go on the loan as the primary borrower because they will be occupying the house. My understanding is they do need to have some credit history. ASK LENDER!
- The income and the debt of the borrower and the co-borrower are put in the same pot, then the ratios are run on the totals.
- So a strong co-borrower is important. Remember must be a blood relative.
- Both the borrowers must have good credit, meaning no matter how strong the co-borrower is their good credit cannot overcome bad credit on the part of the primary borrower.
- This is a normal FHA loan. Fixed rate, 96.5% loan to value. 30 year.
- The person living in the house can claim homestead. It does not affect the co-borrowers ability to file homestead on the home they live in.
- Think about it...once you pay first and last months rent and a security deposit you have come up with the 3.5% down.
- I know this works, we have done it with two of our kids.
- Keep in mind that this program has been in place for many years and I have done lots and lots of them when I was in lending, BUT things could change in the future. So it is critical that you contact a lender that is familiar with this program. If they aren't sure how it works or are unfamiliar with the program then call another lender.
- This is a very common program in college towns and you can see why!
- I love this program and know it is a wonderful way to start your kids, or the sorry brother, on the road to homeownership.
- Only down side is that the debt for the mortgage is on your credit report also. But, if you can provide 12 months cancelled checks (front and back) that prove the mortgage payment is being made by the primary borrower then the lender will not count it in your debt ratio when you go to borrow mortgage money in the future.

HELPFUL RESOURCES

Here is a listing of resources clients have found helpful for a variety of purposes.

The National Do Not Call Registry

1-888-382-1222 or www.donotcall.gov

STOP UNSOLICITED MAILED CREDIT OFFERS

Credit Bureau Opt-Outs: 1-888-567-8688

If you wish to limit the number of pre-approved credit solicitations that you receive you may contact the National Opt-Out Center to have your name removed for two years from all of the major credit bureau mailing lists.

CREDIT REPORTING AGENCIES:

Equifax Credit: 1-800-685-1111

Trans Union: 1-800-916-8800

Experian: 1-888-397-3742

SCHOOL ZONES

CRIME STATISTIC'S FOR A NEIGHBORHOOD

ADDITIONAL RESOURCES

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