



REAL ESTATE TODAY

For the GREATER ALBUQUERQUE AREA

AVOIDING HOME REPAIR RIP-OFFS by Barbara Madaras

Mention home repair rip-offs and someone will have a story.—and will want to talk about it. Repair scams have been around a long time.

Roof and tree work scams are very common. The consumer is overcharged, the work is unnecessary or the work is done incompetently. And part of the scam can be to inflict damages that the firm can then offer to repair.

Another common rip-off is the “left-over materials” scam. A man comes to your door offering you a great deal on resealing a driveway. He explains that he has material left over from another job nearby and doesn’t want to haul the extra material away. You may think you’re getting a great deal until you discover that your driveway resealing job was done with used motor oil!

In order to evade the authorities, most scam artists do not stay in any one place more than a few weeks. They can’t have regular addresses or phone numbers. So mostly they have to market themselves door-to-door. The good news is that you can avoid the vast majority of these scams simply by refusing to hire firms that come knocking on your door.

However, these guys are professional actors who have become specialists at finding and pressing your trust buttons! Everything about them—their clothing, speech, manner—is designed to deceive you into trusting them. Taking the chance on your ability to see through the act of a professional actor is a very risky investment. And keep in mind that many of these firms augment their fake repair income with burglary while they have access to your home.

Checking with a neighbor is not a bad start to determine whether a firm is reliable or not. However, even the most incompetent firms have happy customers. The real question isn’t whether the firm has one happy customer but whether the firm consistently pleases its customers.

So where do you go for reliable referrals? You need to tap into an organization that tracks a firm’s performance over time. Some clubs and civic associations poll their members and put together informal lists of recommended firms. This can be a great resource as long as the list is kept up to date and reflects current performance. Contractor referral services do the same thing in a more systematic way.

Finally, your Real Estate Agent will have had contact with various contractors who have performed satisfactorily.

You’re not out there alone. Just use the resources available—and let common sense prevail!

Published by



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Inside this issue:

- HOW TO USE US TO AVOID REPAIR RIP-OFFS!
- CLIPS & TIPS! For everyday life in Albuquerque!
- OUR FINANCING GURU—Mark Smith
- AVERAGE SALE PRICE of Single Family Homes in Albuquerque
- NUMBER SOLD Single Family Homes each Month in Albuquerque
- INTEREST RATE COMPARISON—What Happened in a Year
- DID YOU KNOW..... First Time Home Buyers are Preferred Clients these days!
- CHEZ BARBARA (Recipes for the Culinarily Challenged!)

and

**FIND OUT WHY THERE WON'T BE A
FEBRUARY 2006 ISSUE!!!!**

Look for the next
edition of
REAL ESTATE TODAY
coming to you in
MAY 2006

NEW! GUARANTEED SALE PROGRAM!

Coldwell Banker Legacy Realtors is proud to introduce our new **Guaranteed Sale Program!**

With the Albuquerque market on a rampage, the concept of making an offer on a house "contingent upon the sale of existing home" has, for quite a while, not been acceptable. Even Builders nowadays often require proof of sale of the existing home before they will break ground.

So what does a Seller do?!?!?

That is where a "Guarantee of Sale" program can be invaluable.

Most single family, detached, homes in good, saleable condition, will qualify.

Coldwell Banker Legacy will make an offer on the home based on a combination of market analysis and appraisal.

The Seller will sign a contract with Coldwell Banker Legacy to sell the home to CBLR at the mutually agreed upon purchase price if—and only if—the house doesn't sell under conventional circumstances within 90 days.

The Seller's only "risk" in the program is \$400 for the appraisal!

After Coldwell Banker Legacy sells the purchased house to a third party (ie., the "public"), there is a "true up" accounting.

A truly UNIQUE aspect of the Coldwell Banker Legacy program is that any "profit" made by CBLR after closing costs, transaction costs and holding costs is returned to the Seller!

In other words, if the house is sold at more than Coldwell Banker Legacy paid the Seller, the **Seller receives the benefit of the profit!**

And if the house is sold at a loss, **Coldwell Banker Legacy absorbs the loss.**

As with any program, "one size" does not fit all!

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Contact Barbara at 505-301-1033 for more details and an evaluation of how sale of your property would fit with the program!

HOW TO USE US TO AVOID REPAIR RIP-OFFS!.....

Coldwell Banker Concierge

Your source for referrals to contractors and service providers of all types!

Suppliers are researched, interviewed and selected to insure that they provide top quality service in a timely manner at appropriate (and perhaps even discounted) pricing!

From painters to plumbers, electricians to estate sales, lawn care to locksmiths, roofing to removal..... it beats throwing darts at the Yellow Pages!

Feel free to take advantage of this proven "screening process" any time you need to!

You can contact "Concierge" through either myself, **Barbara Madaras at 301-1033** or my assistant, **Ann Knight at 275-5249.**

It's FALL! Do you know where your house is?

Relative to the market that is!

A realtor can provide you with accurate, informative and up-to-date statistics which will impact your ability to effectively sell or buy a property.

For a Seller, statistics such as Average Sale Price in your area, Average Sale Price per Square Foot and Number of Sales by Month will assist you in listing your property at a price and at a time that will enable a quick and profitable sale transaction.

"A realtor can..... impact your ability to effectively sell or buy a property."

For a Buyer, statistics such as Average Price per Square Foot and Number of Sales by Month will assist you in more accurately determining your purchasing power when that purchasing power will have the most strength.

Each edition of "Real Estate Today" will have the most up-to-date statistics

for your area. Two editions are published — one for the Greater Albuquerque Area and one for the Lynnewood Park & Brentwood Hills areas.

And we are always available to work with clients to research other areas.

To receive additional or future copies of either publication, contact us at the information shown on the back cover.

In the meantime.....Enjoy finding out what YOUR HOUSE is worth! Contact **Barbara Madaras at 505.275.5313** for a FREE Market Analysis.



OUR FINANCING GURU

Mark Smith, Wells Fargo Home Mortgage

YOUR CREDIT SCORE ROCKS!...

One of the biggest mysteries in the credit world, and one that is, unfortunately, explained very poorly in news reports, is what a credit score is and what can impact it.

Simply put – A credit score represents your statistical likelihood of defaulting (or paying) on any given loan that you might have. It does not mean that you WILL, or WILL NOT default. It just means that people, as a whole, tend to be predictable. If there were credit issues in the past...those credit issues tend to forecast credit issues in the future. If you have perfect credit in the past...that will tend to predict good credit in the future.

The predominant credit scoring model was created and put into public use first by Fair Isaac and Company (hence the name, FICO Score) in 1992. Since then, the FICO Score has become one of the primary tools that loan underwriters use to assess risk on a given loan. In essence, a good credit score can get your loan approved under terms that are favorable to you, while a bad (or non-existent) credit score can get your loan approved under terms that are less favorable (higher rate or fees, or larger down payment requirements), or could prevent you from getting approved at all.

Each of the major three credit bureau repositories (the organizations that lenders report your payment history to) use the FICO scoring model to create your credit score based off your overall payment history. Then, when lenders pull your credit, they access that credit score from one, two, or all three of those bureaus and use that to determine what they can do.

If you do not have any credit, you will typically not have a credit score. This is not necessarily a bad thing – but it does mean that certain loan programs that are credit-score driven may be off-limits, and some loan programs may require that you establish an “alternative” credit history (usually through verifications of rent, utility payments, car insurance, etc.).

One of the biggest pieces that drive your credit score is your overall payment history on your credit accounts, including credit cards, car loans, mortgage loans, etc. This is what a lot of people know.

However, other things that aren't as well known, that can impact your credit score are as follows:

Number of open revolving accounts – regardless of payment history. If you have 10 open revolving (credit card/store credit) accounts, your credit score will not be as good as it could be if you only had three. I have always recommended that people have exactly TWO credit cards. A major card that you use all the time for the purchases where other forms of payment are impossible or inconvenient, and a “spare”. However, I also recommend that you don't carry a running balance on those credit cards. In essence, have as few accounts as you need. But, have some. The fewer accounts you have to pay, the less

you have to worry about a late payment. We've discovered that people who have ONE \$200.00 payment have better credit than people who have TEN \$20.00 payments.

Balances compared to limits. Also known as “maxxing” out your credit cards. If you have a credit card with a \$1,000 limit, but owe \$950.00 on it, your credit score will be lower than if you had that same credit card but only owed \$100.00.

Ratio of Credit Used to Credit Available: This has to do with how you manage your overall debt. If you have two credit cards, both with a \$1,000 limit, and one has a zero balance, and the other has a \$500.00 balance, you have used 25% of the amount of credit that is available. However, if you have the same two \$1,000 limit credit cards, and both have \$500.00 balances, then you have used 50% of the amount of credit that is available. The higher your ratio, the lower your credit score will be.

So – how do you make sure you credit score rocks? It is a simple, four-step process.

First – pay all bills on time. I know, it's obvious...but, amazingly, people seem to think that if they pay their credit card late, everyone will understand. The creditors don't understand...and they'll hit you with a late payment and your credit score will drop.

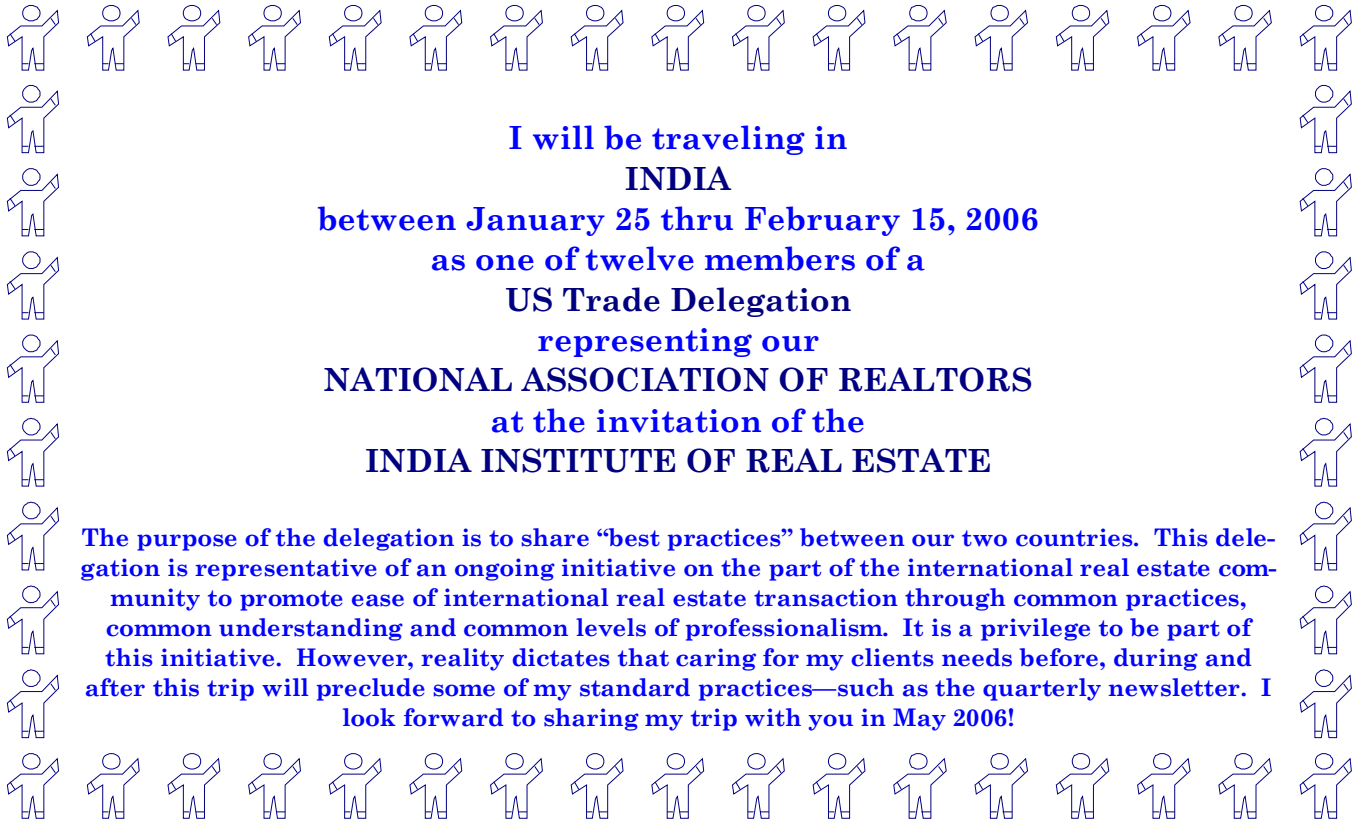
Second – Concentrate on paying off one small credit card at a time. Don't bite off more than you can chew. Don't try for the car loan, or the BIG credit card. Get rid of the small ones. Getting rid of one small account will eliminate a payment you always have to make and will improve your balance of credit used to credit available.

Third – Close unnecessary credit accounts. Over the years, you will gather credit accounts that you don't need...either because you opened the account in the spur of the moment, had an old credit account from school that you no longer use, or whatever. Close them...you don't need them, and they can trigger annual fees that you may not know about that can result in a late payment or charge-off because you forgot about the account. Remember – the fewer accounts you have to manage, the less you have to worry about. You do not need 10 credit cards. Store cards – forget about them. You can't take your Mervyn's charge-card to the airport and buy an airline ticket.

Fourth – Pay off the big boys. Don't try eating an elephant in one sitting. Get rid of the small accounts first (Second Step). After that, you will typically free up enough disposable cash that you can really concentrate on the big accounts if you have them.

Do that, and when your lender pulls up your credit report, they'll say, “Wow. Your credit score rocks!” But, then, they'll follow up with something even better. “Because of that...Your loan is approved!”

Mark Smith is a Vice President and Branch Manager for Wells Fargo Home Mortgage. Mark can be reached at 505-922-4111. His office is 6330 Riverside Plaza Lane NW (East side off Coors between Paseo del Norte & Montano).



**I will be traveling in
INDIA
between January 25 thru February 15, 2006
as one of twelve members of a
US Trade Delegation
representing our
NATIONAL ASSOCIATION OF REALTORS
at the invitation of the
INDIA INSTITUTE OF REAL ESTATE**

The purpose of the delegation is to share “best practices” between our two countries. This delegation is representative of an ongoing initiative on the part of the international real estate community to promote ease of international real estate transaction through common practices, common understanding and common levels of professionalism. It is a privilege to be part of this initiative. However, reality dictates that caring for my clients needs before, during and after this trip will preclude some of my standard practices—such as the quarterly newsletter. I look forward to sharing my trip with you in May 2006!



CHEZ BARBARA
(Recipes for the Culinary Challenged)



APPLE SALAD with BLUE CHEESE and CIDER DRESSING
It's EASY!

- 2 medium sweet apples (such as McIntosh or Fuji), cored, thinly sliced with peel left on
- 5 tablespoons apple cider
- 1 tablespoon plus 1 1/2 teaspoons apple cider vinegar
- 1 teaspoon Dijon mustard
- 1/2 cup canola oil
- 1 tablespoons minced shallots
- 1/4 teaspoon salt pinch ground black pepper
- 6 cups mesclun (i.e., “field greens” or “baby greens”) - available in plastic bags!
- 1/4 pound prosciutto or Serrano ham, thinly sliced then shredded
- 4 ounces blue cheese (recommended: Maytag)
- 1/2 cup walnut pieces croutons
- 1 tablespoon light brown sugar
- 3 tablespoons butter (preferably unsalted)

Melt 1 tablespoon butter in skillet. Add the walnuts and cook, stirring until fragrant and lightly toasted, about 2-3 minutes.

Add the sugar and stir until the sugar is caramelized and the nuts evenly coated, about 2 minutes. Remove from pan and spread on a waxed paper lined plate. Separate with a fork, cool.

Add the remaining 2 tablespoons butter to the pan and add the sliced apples. Cook, stirring, until lightly caramelized on both side, about 5 minutes. Remove from the pan.

In a small bowl, whisk together the apple cider, vinegar and mustard. Slowly drizzle in the oil, whisking constantly until it emulsifies (i.e., blends!). Add the shallots, salt, pepper.

In a large bowl, combine the lettuces, prosciutto, blue cheese, croutons and enough dressing to lightly coat. Place the apples in a small bowl and add enough dressing to lightly coat.

Divide the lettuce mixture on plates and arrange apples around the side. Top with the walnuts.

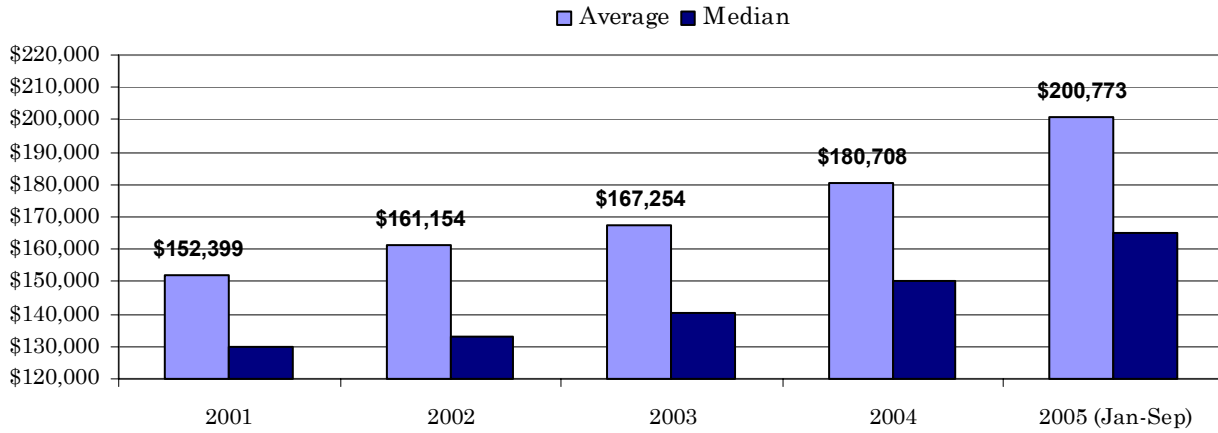


ENJOY!

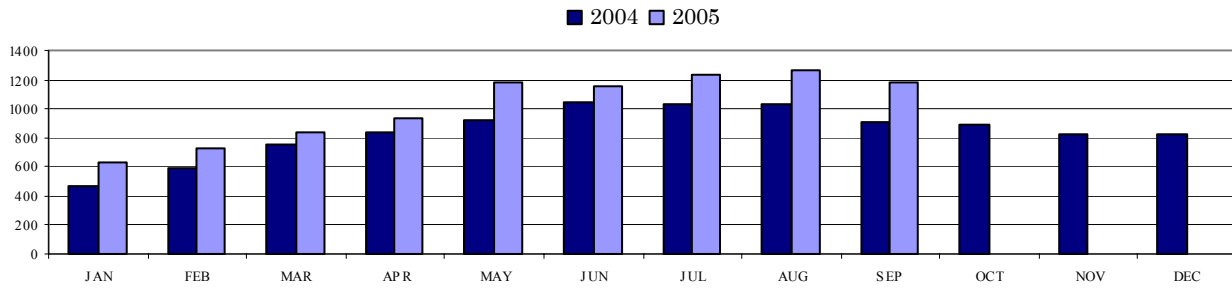


SINGLE FAMILY DETACHED HOME SALES (RESALE)

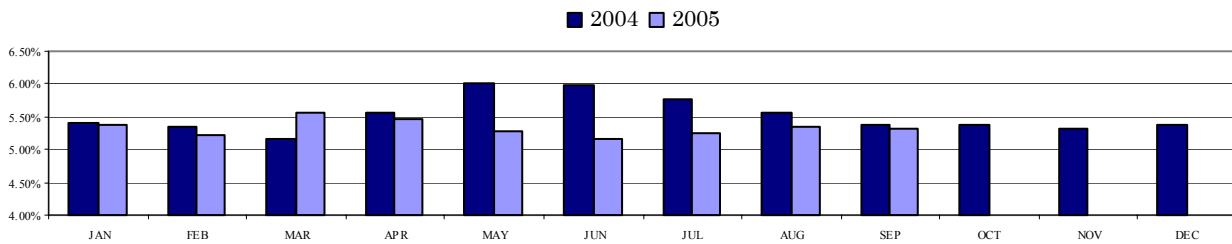
AVERAGE SALE PRICE



NUMBER OF HOMES SOLD by MONTH



INTEREST RATES by MONTH



Charts are derived from Multiple Listing Service statistics which are deemed reliable but not necessarily correct.

IF YOU KNOW OF ANYONE NEEDING ASSISTANCE
WITH BUYING OR SELLING A HOME...
IT WOULD BE MY PLEASURE TO BE OF SERVICE TO THEM

Barbara Madaras

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For the GREATER ALBUQUERQUE AREA

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DID YOU KNOW.....



Interest Rates are the **STILL** the **LOWEST** they've been in 35 years!
AND



First Time Home Buyers can **STILL** purchase a home for \$0 Down, \$0 Closing Costs!



If you know anyone **RENTING** or **HESITATING** or **UNCERTAIN** of their qualifications,
encourage them to **RUN**, not walk, to their nearest Real Estate Agent.



P.S. **That's ME!** I love working with **First Time Home Buyers!**



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