



“I do believe agents must continue to be creative in reaching out to past clients to continue to cultivate their business, since the majority of their business comes from personal referrals and repeat business.”

—Margaret Galecki

A new outlook on sales prices

By Sarah Cox
The 10-day sales event, promoted by Coldwell Banker nationally, ended Oct. 19. Margaret Galecki, general manager of Coldwell Banker Townside (Blacksburg), said the event was not designed to get homeowners to reduce their homes below value, but to generate interest and promote competitive pricing.

“Buyers still think houses are too high. There were too many years when property prices were too high, and there has to be a correction,” she said.

This “sales event,” said Galecki, was seen as a positive step by area sellers, who expressed their appreciation that REALTORS were trying something new. Coldwell Banker Townside agents put riders on their sales signs announcing the event, which created interest and drew attention to this creative marketing technique.

Galecki said it is important for companies to be creative with marketing and take the leadership role. For agents,

she said, it is still a referral and repeat business — from 60 to 70 percent so.

“I do believe agents must continue to be creative in reaching out to past clients to continue to cultivate their business, since the majority of their business comes from personal referrals and repeat business,” she said.

“This creativity, however, I think is more of a ‘back to basics’ approach for agents rather than something new. The best marketing tool for any agent continues to be great service and continued contact.”

“On the other hand, I think it is extremely important for agencies to create an innovative and continuously evolving marketing plan (which includes new things like the 10-day event) to not only provide a supportive atmosphere for the best agents, but to show buyers and sellers that a company is interested and willing to try new things to bring buyers and sellers together,” she said.

According to John Krainer, senior economist with the Federal Reserve Bank of San Francisco, “as a housing mar-

ket weakens and the demand for housing falls, prices are not the only margin for adjustment; sales volumes also may slow, and time on the market may increase. This implies that recorded house prices may not be as representative of actual housing values in bad times as they are in good times. This is important because when people make economic decisions that depend on house values, they tend to rely on observed prices to estimate those values” (www.frbfsf.org).

Galecki said days on the market (DOM) and the data through the third quarter of this year looks good — despite the increased number of properties that are on the market.

“The year-end statistics will be the most telling,” she said.

While the New River Valley is still a strong real estate market, the trend nationally is telling: According to the National Association of REALTORS, existing home sales in the Northeast tumbled nearly 19 percent in August from last year, and the median sales price in the region fell 3.8 percent to \$271,000.

IN THE NEWS

◆ Stacey Pinarud-Stivachitis with Long & Foster REALTORS — Blacksburg has completed a luxury-home marketing training course offered by The Institute for Luxury Home Marketing. The course covers demographics of the affluent, lifestyle segmentation, trends and amenities in today’s luxury-home product, and the creation of a marketing plan for multimillion-dollar property. The course is a step toward earning the Certified Luxury Home Marketing Specialist (CLHMS).



Pinarud-Stivachitis

“The training provided new insight about the upper tier market, helped me polish my skills, and provided valuable networking contacts with other agents across the country who specialize in luxury properties,” said Pinarud-Stivachitis. “In addition, I discovered new and creative tools for promoting expensive homes and estates and new resources for finding buyer prospects. Home buyers and sellers will benefit from my new knowledge.”

◆ According to an article he wrote in early October for the Emerging Markets magazine, Former Federal Reserve chairman Alan Greenspan said the U.S. housing market will begin to recover in the first half of 2009. He added that eventually, frozen credit markets will thaw “as frightened investors take tentative steps toward re-engagement with risk.”

◆ According to Anthony Carr of Realty Times, condominiums are becoming increasingly popular. With inventory decreasing in the condominium market, prices are expected to rise with the laws of supply and demand.