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JUNE 2016: VOLUME 2, ISSUE 4

Celebrate National Homeownership Month

NJREALTOR.COM



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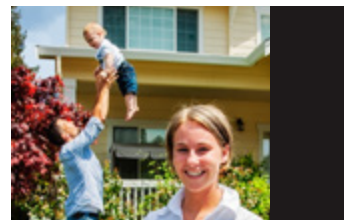
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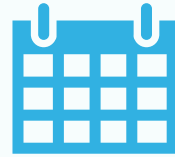


2016 Cost Vs. Value Report

Key Trends



27 projects evaluated and researched



64.4% of a project's investment dollars recouped if the home is sold within a year

TOP 5 BEST PROJECTS

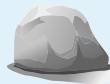


Attic Insulation

Cost=\$1,268
Increase home value by \$1,482
Over 100% return

Manufactured Stone Veneer

Cost=\$7,519
92.9% return



Steel Entry Door Replacement

Cost=\$1,335
91.1% return

Upscale Garage Door Replacement

Cost=\$3,140
90.1% return



Midscale Garage Door Replacement

Cost=\$1,652
91.5% return

5 WORST PROJECTS

upscale bathroom addition

Cost=\$79,380
56.7% return



midrange bathroom addition

Cost=\$42,233
56.2% return



upscale master suite

Cost=\$245,474
57.2% return

composite deck addition

Cost=\$37,943
57.7% return



upscale bathroom remodel

Cost=\$57,411
57.5% return

Takeaways



Outdoor projects scored high



Replacement jobs generated a higher return than remodeling projects



My Hometown

There's no lack of sayings, songs, poems or stories about home. Heck, it's even how you win a baseball game — by getting the most people home! Why is this? I believe that deep down, we all have an instinctual calling to find that place that will make us feel warm and secure — our happy place.

Home is where our memories are created — family dinners, holidays, growing up. It's where the tooth fairy finds you.

Homeownership has been the bedrock of America for generations, and the economy of this country relies heavily on a robust real estate market. When home sales are healthy, so is the country.

Homeownership makes our communities strong. Studies have shown that communities with high owner-occupancy rates, as opposed to renter-occupancy, have better educated children, less crime, and higher property values. People are more involved and committed when they own something. And let's face it; the American Dream is to own your home. No child ever dreams of growing up and one day being a tenant!

You, my fellow Realtor®, are on the front lines, and I commend you for that. You are out there, day after day, helping people achieve their goals. You are in our communities, volunteering your time and talents. You are investing in RPAC to ensure that private property rights are protected. (And if you're not, please visit njrealtor.com/rpac to find out why you should!)

My favorite thing about being a Realtor® is working with first-time homebuyers. Helping those clients through the process of achieving their dreams is one of the most satisfying parts of my job. I can always tell when they sit down on the couch in the living room of a home they seem to love that this is the one for them. I can see the story of their future unfolding in their eyes. As a Realtor®, there is no better feeling in the world.

Take pride in what you do for your clients, for your communities and yes, for your country. You make a difference and are an integral part of your hometown. ■

Tg Glazer
PRESIDENT





Real Estate is the Best Investment

When it comes to what we do with our money, advice seems to flow in from all over the place. Retirement, savings, stocks – even gold – can all be good investments depending on where you are in life, financially. But, one thing has proven to be a solid long-term investment over and over again – real estate.

According to a recent Gallup poll, Americans say real estate is the best long-term investment. In 2016, 35% chose real estate as a better choice over stocks and gold. Compare that to only 19% who chose real estate in 2011. The least likely age group to view real estate as a top investing choice were those younger than 30, according to Gallup.

Real estate has the ability to stand the test of time. Consider where the industry was in 2011, just past rock bottom of the burst housing bubble. And despite that devastation, the housing market has survived and thrived. The market has recovered from catastrophic losses and continues to be on the up-and-up.

Investing in a home is such an incredibly personal decision, it is dependent on a multitude of factors and situations aligning themselves, but that's where you come in.

Your expertise, guidance, and help are what make real estate possible. We're no longer living in a world where being a Realtor® means finding homes that meet the criteria of your clients and working onward from there. In today's industry, opening the door is the first of many steps. Every single day you are tasked to be a full-service professional and lead clients, who are ready to make this great investment, to the American Dream.

I, like many of my fellow homeowners, believe in real estate as a long-term investment and I believe you, the Realtors®, are the backbone of this healthy, progressive industry. Just as your clients invest in a property and you invest in this industry, I, and New Jersey Realtors®, invest in you. ■

Jarrod C. Grasso
CHIEF EXECUTIVE OFFICER





EVENTS & DEADLINES

JUNE 1, 2016 TO AUGUST 31, 2016

JUNE 7 11:00 a.m.

NJ REALTORS® EXECUTIVE COMMITTEE MEETING
NJ REALTORS® EXECUTIVE OFFICERS MEETING
NJ REALTORS® PRESIDENT-ELECT MEETING
Edison, N.J.

JUNE 9-10

2016 REALTOR® BROKER SUMMIT
Denver, CO
realtor.org/events/realtor-broker-summits

JUNE 7 1:00 p.m.

NJ REALTORS® BOARD OF DIRECTORS MEETING
Edison, N.J.

JULY 4

NJ REALTORS® OFFICE CLOSED — INDEPENDENCE DAY

JUNE 9 5:00-9:00 p.m.

A NIGHT AT THE RACETRACK
Meadowlands Racetrack
njrealtor.com/YPN

AUG. 22-23

2016 LEADERSHIP SUMMIT
Chicago, Ill.

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- Working with appraisers
- Using the latest technology
- Addressing home pricing misperceptions

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Become one of the first REALTORS® to say, "I'm a PSA."
Learn more at PricingStrategyAdvisor.org.





Independent Expenditures Explained

By Douglas M. Tomson

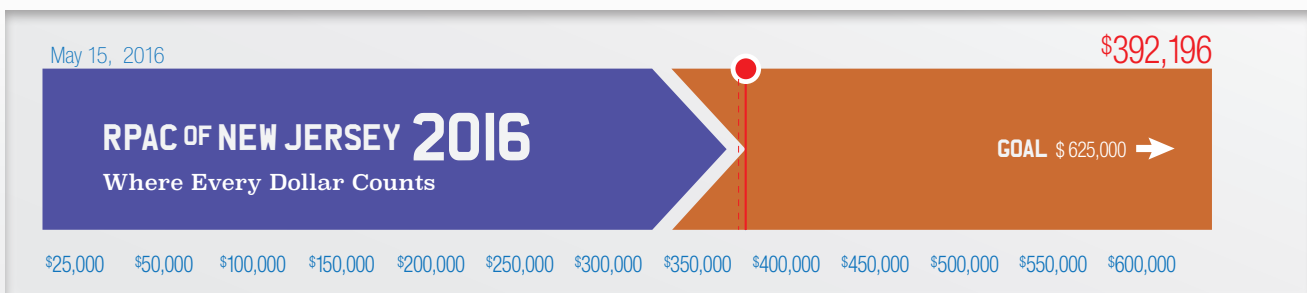
In order to remain influential in the federal, state, and local political landscape, the National Association of Realtors® and state associations often use independent expenditure campaigns. If you've heard of independent expenditures but aren't quite sure what they are, keep reading because I want to break down this important political campaign for you.

An independent expenditure is a political campaign designed, to directly influence the outcome of an election. IEs are developed, designed, and implemented without the candidate's knowledge. IEs can be as simple as sending out a mail piece urging voters to support a certain candidate on election day, or as complex and multi-faceted as a full-blown campaign including mailings, phone

calls, advertisements, and door-to-door canvassers.

But campaign finance hasn't always been this way. In January 2010, the environment of campaign finance dramatically changed as a result of the Supreme Court's Citizen's United ruling. This ruling eliminated the federal requirement that hard dollars (dollars collected from individual donors) be used to pay for independent expenditure efforts designed to influence the outcome of a congressional candidate race. Instead, unlimited amounts of soft dollars (corporate dollars) can now be used in federal, state, and local independent expenditure campaigns.

The effect of Citizen's United has not gone unnoticed here in New Jersey.



During the 2013 Gubernatorial and State Assembly races, independent groups spent over \$41 million leading up to Election Day.

In order to stay relevant in this post-Citizen's United political landscape, New Jersey Realtors® runs independent expenditure campaigns for true Realtor® champions — legislators who have gone above and beyond supporting the rights of Realtors® and property owners.

Unfortunately, in today's political climate, many campaigns turn negative. NJ Realtors® and our IE committee commit to not use negative advertisements to elect our Realtor® champions.

To fund these campaigns, we have created our own super political action committee, called the New Jersey Coalition of Real Estate, to educate the general public and professionals on issues facing the real estate industry, to inform the general public and real estate professionals on the positions held by public officials, and to promote job growth within the real estate industry and strengthen economics in the real estate sector. ■

Douglas M. Tomson is the Director of Government Affairs. He can be reached at 732-494-4720 or dtomson@njrealtor.com.



NEW JERSEY LEGISLATIVE BILLS

A310 – Singleton (D-7), Bucco (R-25)/S1696 – Bucco (R-25)
Prohibits bad faith assertion of patent infringement.

New Jersey Realtors® Position: Strong Support 

We strongly support this bill, which is similar to proposals being supported by NAR on the issue of patent trolling at the federal level.

Bill History:

- 1/27/2016 – Introduced in Assembly and referred to Assembly Commerce and Economic Development Committee
- 2/22/2016 – Reported out of committee, 2nd reading in Assembly
- 2/29/2016 – Introduced in Senate and referred to Senate Commerce Committee
- 3/14/2016 – Assembly floor amendment passed

A912 – Vaineri Huttel (D-37), Oliver (D-34)

Establishes additional county recording fees to support “New Jersey Affordable Housing Trust Fund.”

New Jersey Realtors® Position: Strong Opposition 

We strongly oppose this bill that creates an additional \$75 recording fee for deeds as it will again increase the cost to buy and sell homes in New Jersey.

Bill History:

- 1/27/2016 – Introduced in Assembly and referred to Assembly Housing and Community Development Committee

A2953 – Andrzejczak (D-1), Land (D-1)/S1630 – Van Drew (D-1)

Requires creditors to maintain interior of certain vacant and abandoned residential property under foreclosure.

New Jersey Realtors® Position: Support 

We support this bill because vacant properties will be easier to sell and have less of a negative impact on surrounding properties.

Bill History:

- 2/16/2016 – Introduced in Assembly and referred to Assembly Housing and Community Development Committee
- 2/16/2016 – Introduced in Senate and referred to Senate Community and Urban Affairs Committee



SUPPORT



MONITOR



OPPOSE

THE WHOLE WORLD IS YOUR STAGE

By Bridget McCrea



Sometimes home staging helps agents sell their listings faster and sometimes it helps them get a higher purchase price for their sellers. In other cases, taking the time to stage a home makes the property saleable. “There are some houses that no one is interested in—regardless of the price,” says Natalya Price, a Realtor® with Coldwell Banker Residential Brokerage in Summit and president of NJ Staged 2 Sell. “When you can take those properties and make them more attractive and alluring, the odds that they’ll sell at all usually increase.”

In most cases, home staging speeds up the selling process, says Price, and helps agents overcome the inertia that sets in when a home has been sitting on the market for an extended length of time. National Association of Realtors®’ research supports this fact. According to NAR’s *2015 Profile of Home Staging*, 32 percent of buyers’ agents believe staged homes increase the dollar value buyers are willing to offer by 1 to 5 percent. Nineteen percent say there is no impact on the dollar value, and 16 percent believe it increases the dollar value buyers are willing to offer

by 6 percent to 10 percent. Thirty-seven percent of sellers' agents believe staged homes increases the dollar value buyers are willing to offer by one percent to five percent.

"The most quantifiable benefit of staging is the speed of sale," says Teri Danahey, Realtor-Associate® with Berkshire Hathaway HomeServices in New Providence. "If at least one person pounces on the listing—and if he or she was motivated to buy despite minor flaws or issues with the house—then the fact that it looked so darned good that they couldn't pass it up can obviously be traced back to the fact that the home was staged for sale."

As an Accredited Staging Professional®, Danahey says staging also helps sellers move along to the next phase of their lives faster and makes buyers "terribly happy that they made such a swift, good deal" on the home of their dreams. These positive outcomes reflect directly on the Realtors® who recommend the staging in the first place. "Agents who stage homes and then get those fast sales become heroes in their marketplaces," says Danahey, "and the referrals and positive feedback increase exponentially."

Let the Home Take Center Stage

The use of home staging in real estate isn't new, but with more than 90 percent of buyers starting their home searches online, it has gained momentum as agents do everything they can to ensure that their listings stand out online. A vacant home, for example, will look much better in online photos, videos, and virtual tours if it's at least partially populated with furniture, pictures, floor coverings, lighting fixtures, and decorations.

"When home photos started being disseminated en masse online, people were able to quickly look at a home and decide 'yay or nay' based on those pictures," Danahey explains. "Put an overflowing laundry basket or a sink full of dishes in the photo, and the home's chances of selling would go down. People would look

at the photos, assume that the house was crawling with cockroaches, and move along to the next listing."

Originally coined by Barb Schwarz in 1972, the term "staging the home for sale" was the culmination of Schwarz's interior design background and new real estate career. Upon entering the real estate industry in Bellevue, Wash., she immediately recognized the challenge that existed for all agents of how to help sellers prepare their homes for sale without upsetting or offending the owner. Through her organization, the International Association of Home Staging Professionals, Schwarz and her team train and certify Accredited Staging Professionals®.

Buyers Say "Yes" to Staged Homes

It's no secret that buyers tend to respond favorably to staged homes. According to NAR, 81 percent of buyers say it's easier to visualize a property as a future home if it's staged. Forty-six percent are more willing to walk through a home they viewed online, and 28 percent of buyers are more willing to overlook other property faults when the property is staged for sale. Among sellers' agents 34 percent stage all homes, NAR reports, 13 percent stage difficult homes to sell, and 4 percent stage only high-price-bracket homes.

In assessing the cost of home staging, NAR found that the median dollar value to stage a home is \$675. Among homes that are staged, 62 percent of sellers' agents offer the home staging services to their sellers, 39 percent of sellers pay before the home is listed, 10 percent of sellers pay after the home is sold, and 3 percent of agents' firms pay for the home staging service.

Danahey, who estimates the typical seller pays about \$2,000 per month to rent the furniture needed to stage a home for three months, plus the stager's hourly fee, says homeowners needn't go overboard with staging. "Sellers tend to get a little overzealous when they're staging for photo shoots by doing things like setting the dining table with every piece of their

grandmother's crystal," says Danahey. "In reality, the more bare bones/clean look comes across best for photos. Then, just reset the table for a showing."

The Uberization of Real Estate

"Everything about the way homes are sold has changed," says Kristine Ginsberg, owner and lead designer at Elite Staging and Redesign, LLC, in Morris Plains. Similar to the way ride-sharing has changed the way we hail taxis, she says being able to present a home in the best possible light online has become a primary goal for all listing agents. A vacant property, for example, doesn't create scale, nor does it help potential buyers envision what their own furniture and décor would look like in the home. "Even worse," says Ginsberg, "vacant listings just don't capture attention. This can be a big problem online, where you're competing against thousands of other listings."

Price says our culture of instant gratification is also driving more sellers to use home staging. "In general, we all like to go online and see attractive pictures, settings, and photo subjects," says Price. "The same holds true for real estate, where staged homes have their own interesting stories to tell. This helps people feel 'connected' and it helps to sell homes."

Ginsberg estimates that the \$1 million to \$5 million properties she typically stages sell within six weeks. When working with homes that have been on the market for an extended period of time before being staged, Ginsberg says she's been able to repackage them, stage them, photograph them, and then sell them within three to four weeks. To Realtors® seeking similar results with their own listings, Ginsberg says the best first step is to find a stager who has experience, who can demonstrate past results, and has a track record in the industry.

"Look at the stager's portfolio carefully," says Ginsberg. "That's our calling card in this industry. If

you see great work, then you may have a match. If the work looks mediocre, keep looking."

Staging on a Budget

In some situations, hiring a stager isn't an option. The good news is there are some simple steps that sellers can take to make their properties more desirable and appealing—both online and offline. In *Budget-Friendly Ways to Stage Your Home*, for example, the author says removing personal effects (trophies, collectibles, and family photos), replacing old fixtures and hardware, rearranging furniture, removing any pieces that interrupt the flow and openness of a room, and decluttering can all help make a home more saleable and attractive to potential buyers.

Other ways to achieve the "staged" look while staying on a budget include simple steps like bringing in natural light (use neutral shades, open all curtains for showing), find ways to make the home more comfortable and inviting (fluff couch pillows, use matching towels in bathrooms), and bring in some color by investing in a few warm-colored area rugs, abstract throw pillows, and attractive table napkins.

According to Price, a fresh coat of paint on the home's interior and/or exterior can also help improve its saleability. In fact, she says paint is a good starting point for anyone whose home is either not in "listing shape" or for one that's been languishing on the market with little interest. "I've gone into homes where sellers were intent on getting more furniture when what their properties really needed was a fresh coat of paint," says Price. "If someone is on a limited budget, then putting X number of dollars into painting can yield pretty good results." ■

Bridget McCrea is a Florida-based freelance writer who covers business and real estate topics for several magazines and newsletters. She can be reached at bridgetmccrea@gmail.com.



TOP APPS TO SUGGEST TO YOUR CLIENTS

By Colleen King Oliver

You closed the deal! Your clients are getting ready to pack their moving van and start their life in the dream home you helped them find — but your job isn't quite over. Here are a few tools to keep your new clients on track in their new home and ensure they're your clients for life.



Mint Bills & Money — Free

Moving into a new home is a big financial responsibility. Your clients can stay on track with all their bills with the Mint Bills & Money app. Between cell phones, cable, mortgage, gas, electricity, credit cards, car payments, and a slew of other required monthly payments, it's easy to see how one could fall through the cracks. Mint Bills can directly connect to most billing accounts, offers a calendar to see what needs to be paid when, and offers data on your credit, balances, and spending. It could save valuable space on a crowded smartphone by handling them all from one app.



AroundMe — Free

Maybe you helped a client find a home in a new neighborhood. If they're not familiar with the surroundings, AroundMe can find banks, bars, movie theaters, even hospitals, based on the phone's location services. Your clients will think of you when they find that coffee shop on their new route to work.



iScape — \$9.99 Landscape Design

Curating a new home goes far beyond the inside — landscaping can change the entire aesthetic of a property. iScape puts virtual design tools at your



clients' fingertips, making their vision come to life. Here, they can design their dream landscape without having to second-guess if their idea will translate to their property. The app uses actual plants and hardscape images to give a realistic rendering in order to portray a vision correctly.



MagicPlan — free with in-app purchases

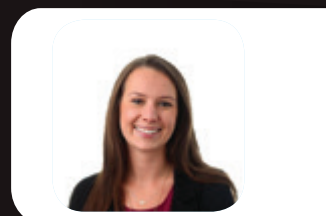
Whether your clients are buying all new furniture, considering renovations, or trying to determine if a rug will fit, MagicPlan can aggregate and create a floorplan using the camera on a smartphone. Once a plan has been made, your clients can make adjustments and see what those changes would do to their new home. The app can render 3D images that can be exported in to share.



iHandy Level — free

Pictures, hooks, decorations, and more — a straight line should never be underestimated. Don't let your clients be caught with off-kilter pictures. iHandy level is free, functional and convenient.

Colleen King Oliver is the Communications Coordinator for NJ Realtors®. She can be reached at cking@njrealtors.com.



TO OWN OR NOT TO OWN?

By Daniel Rome Levine



The e-mail that appeared in Gregory Eccleston's inbox one day in April was like many others he has received from prospective first-time buyers over the years. A couple had seen one of his listings online and wanted to know what they needed to do to possibly buy the home.

As with all potential buyers, Eccleston, a sales associate with Coldwell Banker Preferred in Haddonfield, knew a key first step was getting to know the couple and learn about their situation so he could accurately assess if they were truly ready to buy. "You really have to know their goals and motivation for buying a home and find out why they are moving," says Eccleston. "You need to get to know them."

Next, Eccleston told them he would put them in touch with a lender he trusted so they could try to get preapproved for a mortgage. "This is a delicate conversation to get into, and you don't want to embarrass or insult them, but you have to have it," says Eccleston. "You don't want to be in the position of showing them homes they may not be able to afford."

While also explaining the many benefits of home ownership, Eccleston also made sure the couple understood the sizeable investment they would be making and the overall commitment that home ownership entailed.

For this couple, as well as for most people, buying a home is by far the biggest purchase they will ever make. Such a decision requires a potential buyer to be as knowledgeable as possible about the numerous financial and other responsibilities that come with owning a home.

A Realtor® can play a critically important role in helping a person figure out if the time is right to buy. From helping them analyze their financial situation to explaining everything that owning a home involves, a Realtor® can ensure that a prospective home buyer makes a sound and fully informed decision.

The price of the American Dream

"I sell the American Dream, but there's a price to it," says Andrew Zastko, broker/owner of Gloria Zastko Realtors® in North Brunswick, a company his mother

You open the door, NVE helps you close it.



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New Jersey Housing Market

Based on year-to-date
April 2016 data

Median Sales Price:
\$260,000

New Listings:
65,302

Pending Sales:
34,340

Days on Market:
92

**Percent of
List Price Received:**
96%

Source: New Jersey Realtors®

Percent Change of Rents from Q3 2009 - Q3 2014

**Trenton-Ewing,
NJ Metro Area**
10.87%

**New York-Northern
New Jersey-Long Island,
NY-NJ-PA Metro Area**
50.07%

**Philadelphia-Camden-
Wilmington, PA-NJ-DE-MD
Metro Area**
14.18%

Source: National Association of Realtors®

founded 25 years ago. “People need to consider not just the cost of the home, but the price of the home. What is it actually going to cost them to live there? They need to be fully prepared for the true and complete cost of home ownership.”

Some who set out to buy have an idealized vision of a perfect house and don't take time to think up front about this important point. In addition to closing costs, Zastko explains to these potential buyers, there are monthly mortgage and interest payments, plus mortgage insurance for down payments less than 20 percent. There are also property taxes and homeowners insurance to consider, as well as association and maintenance fees if you live in a townhome or condominium community.

Thinking through homeownership

When Tammy Williams meets with clients who are thinking of buying, one of the first things she wants to learn is how they go about their daily lives. Williams, a broker associate with Berkshire Hathaway HomeServices New Jersey Properties in Livingston, tries to get potential buyers to understand the time commitment home ownership requires. A young professional couple, for instance, who both work long hours and travel frequently, may not want the hassle of maintaining a home at that point in their lives.

Heating and cooling systems, plumbing, and roofing all require regular maintenance and will certainly need repairs from time to time. Landscaping costs can also add up. Home experts recommend setting aside at least one percent of the home's purchase price every year to cover these costs.

“In this day and age a lot of us are really, really busy and I try to find out how my clients really spend their time,” says Williams, “With homeownership comes a lot of maintenance that people might not necessarily think about and it's really important to make sure they know there are things that are going to go wrong that they are going to need to fix themselves or wait around for someone else to come fix.”

Williams also tries to make sure prospective buyers are taking a long-term view of homeownership, and advises them not to consider buying unless they plan on staying at least five years. She tells them to think of it as a stock investment, which in the short term can be highly volatile, but if held over time, highly profitable. “Buying a home shouldn't be a temporary arrangement,” she says. “It's an investment.”

“A wonderful time to buy”

While cautioning potential buyers on the true costs of home ownership, Zastko also trumpets its many benefits, such as having a special place to truly call your own, the ability to build long-term equity as well as the tax advantages of deducting your mortgage interest and property taxes from your income.

“Today, with mortgage money being so cheap it’s a wonderful time to buy,” says Zastko. “If you’re renting you are paying your landlord’s mortgage. Why not pay your own?”

When renting makes sense

Eccleston grew up with parents who owned rental properties and he heard them denigrate renting many times. While he still believes buying makes more sense than renting, there are times he has counseled clients to do the opposite.

Eccleston recently worked with a woman who had a high school sophomore and was looking to buy a new home. During his initial consultation with the client, Eccleston learned she was thinking of moving out of the school district after her son graduated. Wanting to take advantage of the record low interest rates that were fueling buyer interest, as well as keeping her options open and not locking her into a short-term purchase, Eccleston advised she sell her house now for its maximum value, rent for two years and then look to buy wherever she decided to move.

Patience is a virtue

In Edison, Michelle Rizzo, with RE/MAX Diamond, Realtors®, says she loves counseling people who are uncertain about buying, such as first timers, because it allows her to draw on her 31 years of real estate experience and craft a plan that is best for their personal situation. Rizzo always touts the benefits of owning a home, but stresses the importance of waiting until the time is right.

For instance, Rizzo meets many young people who want to buy, but when she starts delving into their finances a common and troubling issue arises. “Even if these young people have strong income and are saving, you’ve got to pay close attention to their debt,” she says. “These poor kids with their student loans, oh

my goodness. Some of them are coming out of school with \$150,000 in loans to pay back.”

In cases where potential buyers don’t have enough savings or are so saddled with debt that it affects their ability to get a mortgage, Rizzo tells them to stay calm and simply wait until the time is right.

“I think these are the best kind of buyers because they really benefit from good advice and guidance,” she says. “You work out a plan with them and keep in touch and then in six months to a year later when they have saved up some money and cleaned up their debt they come back ready to go. It makes it such a smooth process when they have a goal to work towards.” ■

The 28/36 rule.

An easy- to-understand formula to help clients figure out how much home they can afford.

Housing costs, including property taxes, insurance, homeowner’s fees and maintenance, generally should be no more than **28 percent** of your pre-tax monthly income.

Total debt payments, such as credit cards and student loans, generally should not be greater than **36 percent** of your pre-tax monthly income.

Visit njrealtor.com/consumers/calculators to see consumer focused tools.



Daniel Rome Levine is a Chicago-based writer. A former senior editor with *Reader’s Digest*, his work has also appeared in *Crain’s Chicago Business*, the *Los Angeles Times* and *U.S. News and World Report*.



LET THE OUTSIDE SELL THE INSIDE

By Lindsey Getz



The outdoor living trend is as popular as ever. Homeowners want to create resort-like backyards where they can escape the hustle and bustle and enjoy time outdoors with their friends and family. Of course, a neat and tidy front yard is also incredibly important for curb appeal. There's no question that landscaping is vital in terms of the home's overall value. As a result, savvy homeowners are investing in their outdoor spaces.

Nancy Kowalik, a New Jersey Realtor® and founder of Nancy Kowalik Real Estate Group in Mullica Hill says that curb appeal can make or break a sale—even if the buyer doesn't say that out loud.

"We can tell that the buyer is making a decision as soon as they pull up," Kowalik says. "In fact, they're forming an opinion even sooner than that. Today's buyers form an opinion while looking at the online listing. If the pictures show a messy yard, it can turn off some buyers from even going to see it in person."

Nichole Arnold, a Realtor® with Keller Williams Realty in Sewell agrees.

"With so many buyers using the Internet to look at listings, they are only giving each home a few seconds of thought before they move on," Arnold says. "A home may be beautiful on the inside but if the outdoor photos show a mess that could be enough to pass it by."

Kowalik says she has the perfect example of how the right outdoor shot can make a difference. She recently obtained a listing that has been on and off the market for years.

It was an older home with a lot of unique potential, but she believed it had been marketed in the wrong way in the past. Close-up photographs only highlighted the negatives—grass that wasn't green and nothing in bloom. There was so much potential to show off with the right picture.

"We took an aerial drone shot that showcased the fact this home has seven acres including an outdoor fireplace, a gazebo, and a fully fenced in pool," Kowalik says. "Despite the lack of interest in the past, we had 21 families immediately show interest. I attribute that to highlighting the outside the right way. We showed that what made this house special was the opportunity for an outdoor lifestyle. Potential buyers could picture themselves enjoying time spent outside."

A Backyard Vacation

The idea of creating a vacation spot in one's own backyard remains a growing trend. New Jersey landscape business owner Chris Demato of Rock Bottom Landscaping & Fencing in Somerset County says there has been growing interest in creating a "resort-like atmosphere" in the backyard. Families may not be able to afford the time to travel so instead they're investing in their backyards and enjoying "staycations" on their weekends.

"We've seen a great interest in outdoor kitchens and fire elements like fire pits and fireplaces, which extend the outdoor use of the space throughout the seasons," Demato says. "Pizza ovens have also become very popular. Everybody loves pizza and this creates great fun for parties—particularly for families with kids."

Chrystal Warrington, Broker/Sales Representative with Coldwell Banker Preferred in Moorestown says that people want a backyard that can "serve as a getaway."

"It's their little piece of paradise at home," Warrington says. "A backyard that offers a retreat and space for homeowners to entertain increases the value of the home because it increases the amount of useable space."

In addition to fire features, Warrington has also seen interest in a roof or pergola over outdoor areas to shelter the user from sun or rain.

"Outdoor lighting also enhances the ambiance," Warrington adds. "And outdoor kitchens that include a built-in grill, refrigerator, wet bar, and counter space are a valuable addition that can be great for entertaining family and friends."

As outdoor living spaces become increasingly desirable, John Higgins, Jr., owner of John's Landscaping & Outdoor Services, LLC, in Pennsauken, says that he's been getting a lot of calls for hardscaped patios with many of these aforementioned amenities. He believes it's a definite value booster.

"If you invest \$10,000 in an outdoor living space I believe you could add as much as \$15,000 to \$20,000 to the value of your home," Higgins says. "These outdoor spaces are desirable. If you're comparing two similar homes in the neighborhood—and these days so many homes are built as cookie cutters to one another—a nice patio with a kitchen area could be what sets you apart."

Chris Lambton, landscape designer and host of the HGTV show *Backyard Transformations* believes a good landscape design can boost a home's worth by as much as 10 to 12 percent.

"Adding outdoor rooms like those seen on HGTV and the DIY Network can increase this range even more," Lambton says. "I have found that ROI can be anywhere from 15 to 1,000 percent on investment in landscaping. It's a very wide range that depends on scope, type of project, and the expertise of those doing the plan and installation."

Regardless of the exact ROI, the fact is that people see these spaces and they become part of their "want" list when searching for a home.

"This is an HGTV-fed society we're living in," Kowalik adds. "People want the lifestyle that they see on TV. They want to be able to have a drink at their bar in the summer and enjoy sitting by the fire pit in the winter. Even in our region where we have cold winters, people are picturing themselves enjoying a year-round outdoor lifestyle."



Staging the Look

With an outdoor lifestyle at the forefront of many buyers' minds it is beneficial to invest in staging that look.

"If a seller has limited funds, staging a property can dress up an outdoor room or patio," Warrington says. "If it is done properly, it can add charm, character, and make an area look larger or more useful."

Demato says he works with a lot of local Realtors® prior to listing for this very reason.

"We will consult with the homeowner and discuss ways to stage the outdoor of the home for sale," Demato says. "Just as you would stage your interior, it's also important—if not more so—to stage the exterior. First impressions are very important in home sales and if the home looks like it has been well-maintained on the outside, you will see a lot more interest from buyers."

Kowalik says that staging is all about creating a visual for a lifestyle. Even in the dead of winter she will have sellers take the covers off their outdoor furniture if they have a beautiful space to showcase. She's even done s'mores at the fire pit during a cold season open house to showcase a year-round outdoor lifestyle.

"I have learned that buyers can visualize less than 15 percent of what's not right in front of their face," Kowalik says. "You have to be clear and concise when it comes to staging. If you want them to picture living there you have to showcase it. People who are buying a home in New Jersey want a yard—even if it's a small one—and you need to show them how much they're going to enjoy the yard they're buying."

Because buyers do often have a difficult time visualizing what an empty space could be, Kowalik says it's important to leave outdoor furniture and accessories set up even if it's ultimately going with

the seller to their new home. And if the seller doesn't have anything there, it could be worth investing in enhancements.

"At the bare minimum, mulching and adding some color can go a long way," says Arnold, who is currently in the market for a new home herself. "As a buyer, I will attest to the fact that I am more likely to pass a home by if it has an unappealing yard."



Today's buyers typically want a maintenance-free property so staging also means keeping everything neat and clean at the time of sale.

"I would say that a lot of buyers, but particularly young couples, want a property that is easy to maintain," Higgins says. "At a minimum, if you want to boost curb appeal, the yard should be cleaned up—bushes trimmed, sticks picked up, and grass freshly cut."

It's all part of making the home appear "move-in ready," which is a desirable characteristic, no matter the age of the home.

"The bottom line is that you never want sellers to think about 'all the work they have to do,'" Kowalik says. "The more you can do to make it look ready to live in, the better. Staging is all about making sure the home is shown in the very best light. If you have something ugly to the left—like a neighbor's deteriorating fence—then do something to draw the eye to the right. Show off what makes the space special. It is the lifestyle that you're selling not just the home." ■

Lindsey Getz is an award-winning freelance writer based in Royersford, Pa.



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GOING GREEN

Green and energy efficient home features popular with recent home buyers



11% of buyers of new homes bought because of green/energy efficiency reasons.

The importance of a home's environmentally friendly features described as very important or somewhat important to recent home buyers included:

Energy efficient appliances: 67%

Environmentally-friendly community features: 44%

Solar panels on homes: 11%

Heating & cooling costs: 84%

Energy efficient lighting: 67%

Landscaping for energy conservation: 47%



Among the generations, 14% of those aged 36-50 and 13% of those under 35 bought a newly built home for green/energy efficiency reasons.

9% of those aged 51-60, 8% of those 61-69 and 12% of those aged 70-90 bought for green/energy efficient reasons.



The top interior remodeling project done for green/energy efficiency reasons is upgrading the insulation at 71%, followed by HVAC replacement at 52%.



The top exterior remodeling projects done for green/energy efficiency reasons are replacing windows with new vinyl or wood windows, both at 47%.

For more information, check out these reports:
realtor.org/reports/home-buyer-and-seller-generational-trends
realtor.org/reports/highlights-from-the-2015-profile-of-home-buyers-and-sellers
realtor.org/reports/remodeling-impact



NATIONAL ASSOCIATION of REALTORS®

There are many reasons to live life greener — to help the environment and to save some money on energy bills are typically the biggest draws. But how many homebuyers are actively seeking green features, and what are they looking for?

According to research by the National Association of Realtors®, 11 percent of new homes are bought for green/energy efficient reasons. As for which features buyers of new homes desire, buyers ranked the following as very or somewhat important:

- heating and cooling costs: 84%
- energy-efficient appliances: 67%
- energy-efficient lighting: 67%
- landscaping for energy conservation: 47%
- environmentally friendly community features: 44%
- solar panels on a home: 11%

And while all generations seem to be going green for environmental and financial reasons, 14 percent of those between the ages of 36 and 50, and 13 percent under the age of 35, bought a newly built home for green/energy efficient reasons. ■



BOARD / ASSOCIATION NEWS

Sunset Mixer Attracts Bergen County Realtors®

On Friday, April 29, The Bergen County Young Professionals Network hosted a Sunset Mixer at Garden State Ale House in East Rutherford. Over 100 Eastern Bergen County Board of Realtors® members and industry professionals joined together to build and expand relationships with colleagues and friends.

The Bergen County YPN is a growing group of young, career-minded real estate professionals who want to stay abreast of the latest tools, resources, and networking opportunities.



▲ Members of the Bergen County Young Professionals Network networked at a sunset mixer in East Rutherford.



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