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Housing Peak 10 Years Away Is Not All Bad News

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“What you see depends on what you’re looking for.” Anonymous

Moody’s Investors Service, a financial research firm, shared what some believe to be somber news in September, predicting it could take 10 years to get back to boom-level housing prices.

An excerpt from the report: “For many reasons, the rebound will be disproportionately small compared to the decline. It will take more than a decade to completely recover from the 40 percent peak-to-trough decline in national home prices.”

Have you ever seen that drawing of a young lady but as you stare at it suddenly an image of a haggardly old lady appears in the same exact drawing? I’ve included it here. Go on, take a look.

When I first saw the news about this slow return of a housing peak my first thought was, ‘Great, we’ve got 10 years of steady growth in real estate ahead of us.’ I immediately saw the beauty in the news. The bright side, ***I suppose that’s the way I look at most things.***

I’m sure some who heard the exact same news might have sighed and said, ‘Gee, this market is never going to recover.’

The fact is, like the quote, we often see what we're looking for. And when people can't rid themselves of negative thinking, it sometimes ends up becoming a self-fulfilling prophecy. You think bad and sure enough, bad happens. Take a minute and think about how you felt when you read about this 10-year return to peak housing. Be honest. Was the cup half full or half empty?

Well, even if you're a half empty kind of Realtor; let me brighten your day a little. First, in the same news report about the slow return, we learned home-builder stocks have rallied. In fact, the sector has doubled from the March lows. This tells me investors are hopeful the worst is over.

And Moody's also reports housing prices will begin to even out with fewer fluctuations and "behave in a much more moderate manner during the recovery."

Plus, consider historic low interest rates and low prices to boot. It's no wonder we're beginning to see positive signs of a recovery. Frankly, I'm looking forward to the next 10 years – I think they'll be the most stable we've seen in many years, and I believe we'll all begin to prosper as the market corrects itself.

To take full advantage of the recovery, I recommend getting back to the basics of building relationships with past clients. Remember, it's cheaper to keep the old clients than to find new ones. Revisit them with 30 touches during 2010.

Whoa, Bob, that's a lot of touches. Not really. Not when you break it down. Let me explain – first, you snail mail to them once a month – that's 12. E-mail them once a month, so we're up to 24 now. Then send a quarterly market update – 28 touches. Then send a birthday card and a card marking the

anniversary of when they bought their home – and that makes 30. See, it doesn't sound so overwhelming now.

I also recommend on top of these personal touches to increase advertising because most Realtors actually cut back in lean times so you will stand out from your competition. My rule of thumb for ad budgets is anywhere from six to 15 percent of your commission income.

The fundamental fact is people need to see you. To know you're there, still in business and ready to help.

It's easy to forget the basics -- simple things like a personal handwritten note or a quick phone call to show care and concern. These things don't take a lot of money – often, the personal touches never do.

Let me know what you think about the real estate market's future. Send me an e-mail at bob@corcorancoaching.com.

Bob Corcoran is a nationally recognized speaker and author who is founder and president of Corcoran Consulting Inc. (CorcoranCoaching.com, 800-957-8353), an international consulting and coaching company that specializes in performance coaching and the implementation of sound business systems into the residential or commercial broker or agent's existing practice. We look forward to hearing from you. Sign up TODAY for your complimentary business consultation.

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