

You Sold WHAT with Your Home?

By ANTHONY MARGULEAS
Special to the Palisadian-Post

Remember the movie "Moving," where Richard Pryor moves into his new home only to discover that the previous owner has taken everything with him? The stairs, the kitchen, the doors, the lawn, and even the pool are missing! Needless to say, the new buyer is shocked to find that everything he thought was included with the home is gone.

With our current market turning into a buyer's market and homes being on the market back to the normal three months plus, the opposite scenario is occurring: sellers are throwing in some rather creative items to try to make their home stand out from the crowd and sell more quickly.

Sometimes this involves a financial "incentive." For example, we have seen bonuses of \$5,000, \$10,000, or more being offered if a home is sold or goes into escrow by a certain date and at a certain price. We have also seen vacations offered to the buyer who writes an accepted offer.

Porsche anyone? Recently one seller in Pacific Palisades offered

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to include his 1997 Porsche C4-S to the lucky buyer with a full-price offer, commenting that it was "in showroom condition with only 19,000 miles."

Though these items may sound enticing, our experience has been that incentives like this are ineffective at selling homes. Generally, someone either wants to buy a home or doesn't, and neither a \$10,000 bonus, a \$500 vacation, or even an expensive sports car is going to sway that person to make the biggest investment of his or her life.

Sellers who are offering these types of incentives may have their home overpriced at the outset. It is a tough situation to be chasing down a soft market. In the Palisades, the reality is that the market

is pretty strong, with prices dropping only two percent in the past six months. However, due to the media reports regarding Los Angeles County and Southern California, the perception is that the local real estate market is much softer.

Incentives that may help sell a home are ones that make financing possible when it would otherwise be exceptionally difficult. One example: when sellers are willing to carry back a note at below market interest rates, no interest for a year, or a very long amortization period. Also, for buyers with not-so-great credit, a seller carrying back a note could be helpful if the buyers are unable to get conventional financing.

The list of unusual items being



Seven-year-old Chloe was included in the sale of a home in Pacific Palisades.

offered with a home does not stop with inanimate objects. One of my buyer clients received the seller's seven-year-old cat Chloe when she purchased her new home. As my client says, "She's the cutest thing imaginable, and although it took her about six months to settle

in, she just took over the place and now sleeps on our bed, and doesn't give a hoot about Woody, our big yellow Lab."

Now some of you parents out there may be thinking, "Hey, maybe I can throw in a couple of my kids to sweeten the pot! Or how

about my in-laws?" We just may be on to something here after all.

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