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## Home bargains can still be found in Louisville

### Bargains await buyers in some areas of Louisville

*By Alex Davis*

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Three days after Lori Dougherty put her Lake Forest home on the market, she had a signed contract for slightly less than her asking price.

But many homeowners and real estate agents had a far more difficult experience in 2008. In the first 11 months of the year, Realtors working in Louisville and Southern Indiana collectively sold 23.3 percent fewer homes than they did a year earlier.

Prices are down too, although Louisville's 3.5 percent decline through November isn't nearly as bad as other cities in states such as Michigan, California and Florida, or the 9.3 percent national price drop that the National Association of Realtors expects for the full year.

"This is an off year, no question about it," said Bob Thieneman, of RJ Thieneman Realty Group. "We anticipate that 2009 will be less than stellar also."

But price declines aren't being felt evenly across the metro area. Median prices are up 3 percent to \$215,000 this year for the listing area that includes Crescent Hill and St. Matthews, according to Greater Louisville Association of Realtors figures provided by Greg Fleischaker of Housing Associates Realtors.

Homeowners, builders and real estate agents say that if you prepare carefully and set a realistic price, you can sell your home.

Dougherty said she prepared for six months before putting up the "for sale" sign. She and her husband had new carpet installed, painted the exterior and removed furniture and personal items.

"I was not going to put it on the market until I had it looking pristine," said Dougherty, who moved with her family to a new house about a mile away. "I had it looking almost like a model home."

Dougherty and her husband sold the property in late October for \$585,000 -- 2.3 percent less than the asking price.

According to figures from Fleischaker, the median sale price for the listing area where the home is located is \$256,000 so far this year -- down about 2 percent from 2007.

Prices are up almost 2 percent this year to \$126,950 in the Okolona and Highview areas, and Fleischaker's data show either no change or a decline of 3 percent or less in eight other areas covering a wide swath of Jefferson and Oldham counties. The lone exception is western Louisville and Shively, where the median sales price has dropped to \$34,500, a decrease of 21 percent from a year ago.

Even the large drop in the West End may not be as dramatic as it sounds. Lamont Breland, principal

broker of Breland Group Realtors, said a large share of home sales in that area are linked to foreclosures and other mortgage problems, and the owners are settling for a lower price out of necessity.

"There are some real jewels in the West End," Breland said. "There are properties that are holding their own."

In the upscale Saratoga Springs subdivision near Jeffersontown, Thieneman is offering a rent-to-buy option on a four-bedroom, \$350,000 home.

Bob Sokoler, an agent with Re/Max Properties East, is creating video tours of homes and posting them on YouTube.

"It's our belief that we have to get as many eyeballs on a home as humanly possible," said Sokoler. "It's a matter of differentiating yourself from other listings."

Stephanie Mattingly, another agent with Re/Max, also started using YouTube recently and said one of the videos resulted in a sales contract before the buyer even saw the house in person.

She spent three to four hours creating each online tour, and has been able to keep her sales volume to a 10 percent decrease this year, about half the decline Realtors as a whole have seen in the Louisville area this year.

## Keys to selling

Even so, local Realtors say the key factors to selling a home quickly are still presentation and price.

If you anticipate trying to sell your house this spring when buyers are typically more active, now is the time to start sprucing up.

At Breland Group Realtors, four of every 10 houses shown by the firm's agents are vacant, and Breland said many are not in top-notch condition.

Putting extra effort into the appearance of a house will probably pay off, Breland said. A house doesn't have to be perfect, but he said it also shouldn't have signs of obvious neglect or disrepair.

Breland said two or three negatives -- be it as small as a rusty mailbox or a broken door hinge -- are about all typical buyers will put up with before crossing a house off their lists.

And price matters. Realtors say it's crucial not to get greedy with an asking price that doesn't match recent activity in your neighborhood, especially in the current market.

Before visiting with a client for the first time, Realtor Jan Scholtz said she visits other homes for sale in the same neighborhood with similar size and features. Scholtz uses that information to come up with a fair price for the neighborhood, taking into account building materials, amenities such as granite counters and extra bathrooms.

Scholtz, who also is president of the Greater Louisville Association of Realtors, said the inventory of homes remains high, and it's not uncommon to find multiple listings in the same area that are all in fantastic shape.

Finding sale prices in your neighborhood is relatively easy these days from sites including [www.courier-journal.com/homesales](http://www.courier-journal.com/homesales) and the Jefferson County PVA, [www.pvalouky.org](http://www.pvalouky.org). But Scholtz said it takes a professional to dissect that information and come up with a reasonable dollar figure.

Robert and Adele Koch said they found the value of a reasonable asking price when they sold their home in July.

Adele Koch, 32, said the couple spent about two months painting the exterior trim, replacing gutters, adding mulch and finishing a back patio. They also removed extra furniture so the place wouldn't look cluttered.

They followed the advice of their real estate agent by keeping the asking price in line with the neighborhood. Twelve days after putting the house on the market, they accepted an offer matching their asking price of \$160,000.

"I was slightly nervous, but we had done a lot of work," Koch said.

The outlook for the housing market in 2009 is uncertain. Interest rates for mortgages are hovering just above 5 percent for a 30-year fixed rate, near the lowest point in a generation. But at the same time there are a lot of lookers and relatively few buyers, said Chuck Kavanaugh, executive vice president of the Home Builders Association of Louisville.

Kavanaugh said he expects the overall housing market in 2009 to be similar to this year.

A recovery could happen in early 2010, he said, or maybe sooner if the federal government takes swift action to stimulate the economy through tax credits or lower interest rates.

Breland predicted that prices will stabilize in the first six months of 2009, and then begin a recovery process that could take 12 months or longer.

"The bottom is a process," Breland said. "We'll know we're coming out of it once we're into recovery for awhile."

Reporter Alex Davis can be reached at (502) 582-4644.

## Additional Facts

Selling your house?

### Consider these tips.

#### Exterior

Keep the lawn edged, cut and watered. Trim hedges and flowerbeds; prune trees.  
Check the foundation, steps, walkways, walls and patios for cracks and crumbling.  
Inspect doors and windows for peeling paint; clean gutters; repair and replace loose or damaged roof shingles.  
During spring and summer, add a few showy annuals, perhaps in pots, near the front entrance.  
Apply a fresh coat of paint to the front door.

#### Interior

Give every room a thorough cleaning, and remove all clutter.  
Remove items from kitchen counters, closets and attics.  
Paint dingy, soiled or strongly colored walls with a neutral shade, such as off-white or beige.  
Repair cracks and holes in walls; replace broken windowpanes, dripping faucets and showerheads.  
Spruce up a kitchen by investing in new cabinet knobs, curtains or a coat of neutral paint. In the bathroom, use a set of new towels just for showings.

Source: [www.realtor.org](http://www.realtor.org)

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