

Nashville home sellers are fortunate

"I'll give it to the bank before I sell it for that!" comes the retort from the seller.

"Fine! I'll wait for it to go into foreclosure."

And, so the battle lines are drawn. In this skirmish, if both sides stick to their guns, they will both lose.

Today's buyers feel that an offer of 60 percent of list price is generous. Sellers are offended, and why wouldn't they be. Three years ago, armed with information, intelligence and their hard-earned cash, they made a prudent business decision. Today, they are being mocked for having participated in the American dream of home ownership.

And what about the buyers? They have read of the losses of millions of jobs. Last week, more than 100,000 job losses were announced, and those are from the larger companies. It's tough and getting tougher, according to the experts. Why, then, should a buyer aim high at a target that has a downward trajectory?

Here's the reason. All real estate is local, and with a few exceptions, we missed the war and went straight to the parade. Nashville sellers are most fortunate not to be under the extreme anguish and combat fatigue experienced by many. Certainly, there has

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been some guerrilla warfare as the subprime lenders broke the city's battle lines and inflicted casualties.

Unit sales remain down from two years ago but are stabilizing, and somehow, prices fell only 8 percent.

Buyers want more. If they demand more, they should move to a different locale and get a house for 50 percent of what the current owner paid for it. It will not happen here.

Don't Use Force

In cases, where a seller is surrounded and the vultures are circling, brute force is not the best answer. Buyers can cause a nuclear reaction.

When helplessness invades a home seller's soul, and there is nothing gained by hanging on, the sellers often pull the ring and fall on the grenade.

If the buyer negotiates so that the seller gains nothing in selling the house and chooses foreclosure, the

seller loses. The flag of the bank will fly over the property and for a long time. There is no transaction longer than a short sale.

As has been reported, banks have suffered massive layoffs; yet, their foreclosure workload has increased with the national glut of foreclosed properties.

The banks will not talk to buyers or their representatives. They demand that the offers are faxed and in due time, a month or two, a representative will be assigned the case, for 24 hours usually. Then, they want an amount that makes the bank whole, or repays the debt in full.

If the buyer won't do that, it goes into the dead pile for another month or two.

And, as Herman and his Hermits once sang, "Second verse, same as the first."

If you know of a buyer who wants a house, tell him to allow the seller to walk away with something, even if it's only his pride.

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