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This month's Distinctive Property, 86 Sabino Gonzales.



What's Inside? Anticipation and an Anniversary

By Rey Post, Managing Editor and Associate Broker, Sotheby's International Realty

For our real estate commentary this month, let's grab Merriam Webster's third definition for the word anticipation: *visualization of a future event.*

In 2005, Robert Shiller, professor of economics and finance at Yale University and co-founder of the Case-Shiller housing index, offered a century-long series of data on home prices, which revealed how unusual, risky and historically unparalleled the housing-price boom was at the time. A few knowledgeable observers embraced Shiller's data, but unfortunately as the professor notes: "...a lot of smart people simply didn't see the housing bubble, the instability in our financial sector, or the shock that came in 2007 and 2008."

Today, Professor Shiller argues for a revolution in data gathering that would provide for better economic gauges that could help predict future crises. Until this happens, we are nonetheless left with a variety of indicators that are generally viewed as—if not perfect in their measurement—at least useful sources of information about the state of our current housing market. And as we approach the mid-point of 2011, there are some hopeful signs:

- Consumer spending, which makes up 70 percent of the economy, rose in March. Ajay Banga, CEO of MasterCard, Inc., told The Associated Press that: "The 90 percent of people who are employed no longer believe that their jobs are at risk and their willingness to spend has changed compared with six or nine months ago when there was fear."
- The National Association of Realtors (NAR) reported that nationally, sales of existing homes rose in March, marking the sixth consecutive monthly rise for this type of purchase. Noting this development, NAR chief economist Lawrence Yun observed: "We're clearly on a recovery path."

Continued on page 8

Tune in Every Sunday at Noon.

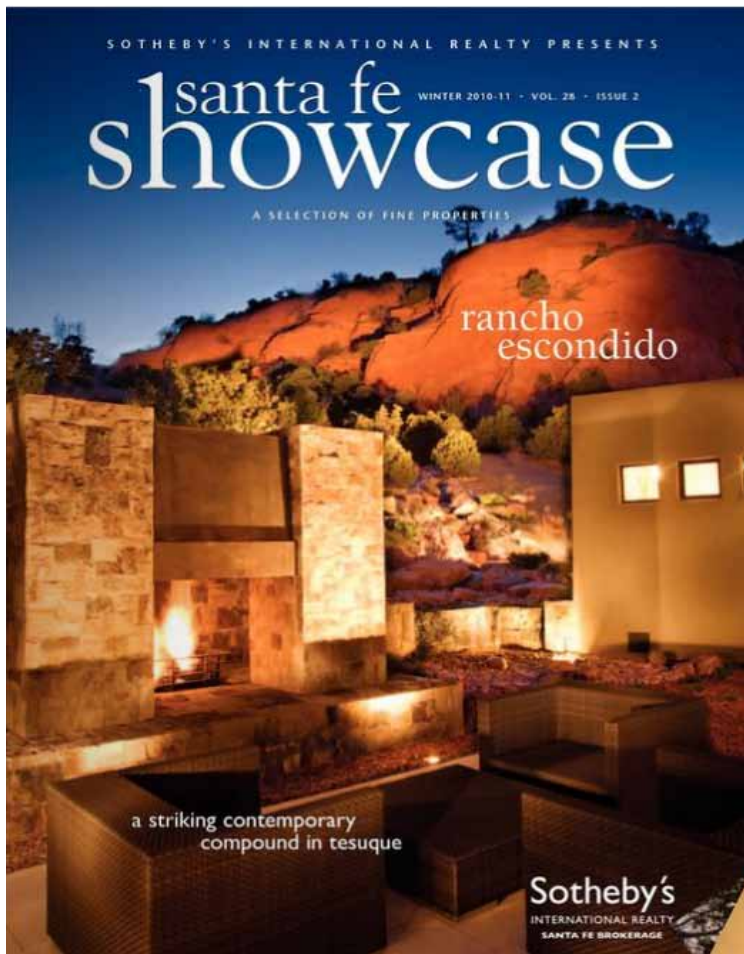
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A History in Title Documents Title Insurance News

By Steve Riemann, Santa Fe Area Manager Fidelity National Title

Fidelity National Title retains origins which trace back 150 years. Santa Fe Team Fidelity controls the oldest and largest historical Title Plant for Santa Fe County. We have recently discovered some old documents otherwise not available to the public, with some wonderful historic perspectives of the past economy. Here's a typical entry:

A Grand Auction Sale was held on June 4, 1887.

This property is splendidly located on high healthy ground. Many Lots with excellent fruit bearing trees—Easy Terms and Long Payments—One Third down. Two Thirds may remain on Bond and Mortgage for two years at TEN percent interest.

Looking back to 1887 can surely help all of us feel positive that our economy is truly improving. As seen in the entry, to purchase property in 1887, you needed to place a one-third down payment and then pay 10 percent interest on your mortgage! Currently, the real estate market is more favorable to buyers, with reduced sale prices, low interest rates and incentives offered.

Santa Fe Team Fidelity is extremely grateful to be part of our community's rich real estate history. We are proud to serve Santa Feans in all their escrow and title needs and are committed to providing our customers with the highest level of satisfaction that we believe is unparalleled in the title industry.

Santa Fe Team Fidelity has just relocated to its new office at 300 Paseo de Peralta in downtown Santa Fe.



Funding Capital Improvements Through a Bank Loan Property Management Report

By Tom Simon, Owner, Westgate Properties, LLC

When associations have capital needs there are three options for obtaining funds:

1. Use existing reserves.
2. Approve a Special Assessment.
3. Borrow the funds from a bank.

The third option is the subject of this article. First, determine if the association can borrow money by reading the Bylaws and Declaration, which will often cap what the board can borrow unless they get permission from the membership.

Seek legal counsel in your review so you are certain of the process. The banks will require a legal opinion anyway, so you might as well start early as the attorney will need to verify that the loan was duly authorized and process followed to the letter. If the documents don't allow for borrowing funds in the amount necessary, then you will need to modify the documents, which is a subject for another article.

Certain banks specialize in association banking, loans and investments, though none are in New Mexico. The loan is made to the association and collateralized with dues assessments. Interest rates are in line with commercial loan rates; the term is typically 5 to 10 years. The association delinquency rate must be below a certain percent and in some cases the bank requires that the association invest some of its own funds for the project. This can be accomplished by allowing owners who can afford it to pay their portion of the assessment in full, and for those who can't, to participate in the loan program.

The Elements of an Estate Sale

Consignment Gallery Q & A

By Stephen Etre, Co-Owner, Stephen's, A Consignment Gallery (An Interview with Managing Editor Rey Post)

Q Besides your highly successful and well-known annual spring sale (25th year of being staged on May 7 & 8, 2011), aren't your estate sale services popular with real estate brokers and their clients?

A For nearly 30 years, we have worked with home owners, sellers, buyers and real estate brokers in a variety of ways. One way of aiding home sellers and real estate brokers with disposing of the contents of a home is via our estate sale services.

Q How does an estate sale come about?

A When there has been a change in the circumstances of a home owner—perhaps as the result of emotional circumstances like a death, or divorce—we are often contacted with a request to handle the sale of the contents of the property. These inquiries come to us via real estate brokers, lawyers or trust companies handling the disposition of an estate, via the family members of a home owner, or other sources.

Q Is an estate sale always the best way to handle this kind of request?

A Not always. It depends on a number of issues: the value and array of items at a property (do they warrant a public estate sale); whether simply selling the home's contents via the consignment gallery would be a better strategy; etc.

Q How do you make that decision?

A We always need to visit with whoever is representing an estate at the actual home location. We carefully evaluate the contents of the property and make a recommendation about the best route to take. This initial consultation is always complementary.

Q If you determine to stage an estate sale, what happens next?

A We put together a major campaign plan that not only allows our team to review and "tag" (price) every item for sale at the property, and stage the property for the sale, but also provides for a large amount of advertising and promotional work to attract the public, as well as our estate sale client base regarding



Artwork on display at Stephen's, A Consignment Gallery

the upcoming event. People usually arrive in large numbers prior to when the doors open at an estate sale property.

Q What's the value of an estate sale?

A These events offer the general public and serious collectors the opportunity to see and purchase items that are often of historic value and unique. Often, one-of-a-kind furniture pieces or accessories are found at estate sales that may not be available via any other source.

Q Is the gallery staging estate sales this year?

A Yes, we have a variety of estate sales scheduled for this summer and fall. They are open to the public and the best way for people to find out about them is to contact the gallery for dates and locations of the sales.

Distinctive Property

86 SABINO GONZALES



Created by Bart Prince, one of *Architectural Digest* magazine's Top 100 International Architects, for a truly unique client. This property is so much more than a house; rather it is a sculpture one lives inside of, in harmony and serenity that is rare, indeed. It is secreted away on 11 acres of eco-diverse and historically important land, surrounded by mountains. Published many times, it is a rare opportunity for that special buyer who is looking for a treasure that will endure, like fine art.

\$1,675,000 MLS 201102139

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Whatever the Bank Will Lend You, Take 20 Percent Less

Guest Column

By Michael Corbett, Author: *Before You Buy! The Homebuyer's Handbook for Today's Market!*

The thought of jumping into home ownership today can be frightening. However, buying a home is still one of the best long-term investments you can make—that is, if you know how to buy a house you can actually afford.

How can you make sure you protect yourself and your home? How do you avoid the mistakes and traps that left so many home buyers upside down and facing foreclosure? The key to successful home buying is learning what I call the “Top 10 Tips to Buying Safe, Sane and Secure.” And one of these tips is: **Whatever the Bank Will Lend You, Take 20 Percent Less.**



220 Artist Road, listed by Dina Major

Let's say you go to a bank or a mortgage broker to get pre-approved for a mortgage. You say, “I want to buy a house; how much of a mortgage will you give me?” In other words, “What price house can I afford?” The bank or mortgage broker will evaluate your finances, income and savings and say, “Well, Miss Smith, we think that you can qualify for a \$400,000 mortgage. This means with 20 percent down, you can buy a house for \$500,000. Congratulations!”

However, say, “No, thanks!” Subtract 20 percent from that \$400,000 loan amount and plan on a \$320,000 loan instead. Thus, the house you should really be shopping for will need to be around \$400,000. By taking 20 percent less of a loan than what the bank has to offer, you are safeguarding yourself and your financial security, ultimately buying a house that is more affordable for you.

March Home Sales

Real Estate by the Numbers

By Abigail Davidson, Associate Broker, CRS, ABR, SRES, CLHMS
Sotheby's International Realty

More Activity!

The following information has been compiled to provide you with updated information on sales in Santa Fe and its surrounding areas from March 1, 2011 to March 31, 2011. These statistics are for all residential home sales including single family homes, condos and townhomes.

There were a total of 107 home sales during this time period ranging in price from \$37,000 to \$10,100,000. The number of sales this month was up from 80 homes sold in February 2011. Total sales volume for March was \$55,629,031. As you can see, the notable March sale of a Tesuque property for \$10,100,000 significantly moored up sales volume and is largely responsible for the following jump in the average sales price.

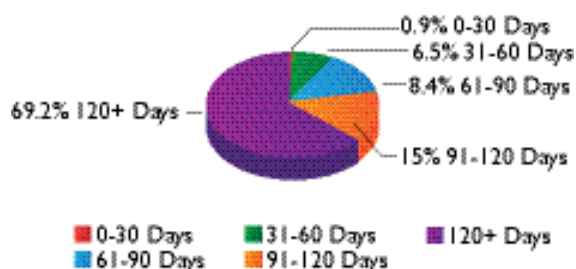
Thus, the average sales price was \$519,897, up from the average sales price of \$449,824 for the month of February.

Homes on the market for more than 120 days sold for an average of 86.92% of list price at the time of sale and accounted for 69%, the bulk, of all sales. Only one home sold in 30 days or less.

The average number of days on the market was 233, which is slightly higher from average days on the market for February, at 210. Here is how number of sales per price-band reported in this month:

54 homes sold for under \$350,000; 23 sold from \$350,000 to \$500,000; 23 homes sold from \$500,000 to \$1,000,000; 6 homes sold from \$1,000,000 and \$2,500,000; and 1 home sold for \$10,100,000. This is 27 more home sales across the board in comparison to February 2011.

Days on the Market





Mountain Top Work

Ranch Lifestyle

By Steve Ziegler, Co-Managing Partner, Canyon Ridge Ranch Conservation Development

Over the winter, I wrote about the great times my family and I have been experiencing since we purchased an alpine ranch in June 2007. Our part-time ranch living has offered us many family and individual activities that we would never be able to experience living in a city in Wisconsin.

With the snow off the ground at the altitude of alpine ranches, I turn my attention to one of the activities I enjoy most and that is working on the land. You are probably asking why do I want to go to my second home, 8,600 feet in the mountains, and work the land when I can hike, horseback ride, ATV ride, relax with a book, take a nap, target practice, etc.?

I guess the answer for me, is that all of those are great activities, but I also find it just as enjoyable to get on the

tractor and groom the road, or use the back hoe attachment to clean out culverts, clear fallen trees, or maybe construct a barn (which we did last fall).

From May 21 to the 25 I will be doing the “work the land” activity that I really enjoy at Canyon Ridge along with my partner Mike Plant and ranch manager Justin Dunn. We will be at the gorgeous, 5,800 acre San Juan Mountain gated community development near Chama, New Mexico, where we will be clearing fallen trees, grading the roads, installing more lot markers, mapping more utility trenching, and having a great time doing it all. Justin, who gets to enjoy mountain life everyday, and I often remark how working in the mountains isn’t really working at all. It’s downright fun!

What's Inside, continued from page 1.

- The U.S. Department of Commerce reported that new home sales in March jumped 11 percent over the previous month, while the median price of a new home increased by 3 percent over the same period of time.
- According to a forward-looking indicator based on contract signings, NAR's Pending Homes Sales Index posted a 5.1-percent increase in March over the previous month. In data released last month by the Santa Fe Association of Realtors, one-half of Multiple Listing Service (MLS) areas in the local region saw an increase in housing sales during the first quarter of 2011, while 11 of the 18 MLS areas noted an uptick in median house prices.

Anticipating further positive growth in the housing market, the National Association of Home Builders (NAHB) reports that their Remodeling Market Index rose to a four-year high in the first quarter of 2011. According to NAHB chief economist David Crowe: "Home remodeling continues to slowly increase and continued growth through the year is expected."

June marks the two-year anniversary of the launch of the *All Things Real Estate* weekly radio show (www.ATREradio.com) and monthly newsletter. As we approach this milestone, we are proud of the contribution these sources of useful and timely information have added to the dialogue about real estate in general. In the coming months,

we will be venturing into Internet streaming and videotaping of the radio show, making the program available to anyone in the country to listen to in "real time" and also to watch at their leisure via their computer or electronic device.

And in a move that we are humbled by and incredibly appreciative of, *All Things Real Estate* has been nominated for the Santa Fe Chamber of Commerce 2011 Business Excellence Award. This prestigious award is presented in June to a nominee that meets Chamber criteria for business growth, significant accomplishments, excellence in customer service, and unique or visionary business practices.

There are a number of people who have worked very hard to bring *All Things Real Estate* to the point where others have deemed it deserving of this special recognition. Our goal has been to provide high quality commentary on real estate issues that everyone seems to be seeking, and along the way, take a little bit of the mystery out of the process that scores of buyers, sellers and home owners find themselves in as participants in achieving the American Dream.

To our supporters, we send you a very heartfelt thank you and look forward to many more years of working with you in making a strong economic recovery a reality.

So, for now—and until next month—I wish you good luck and fortune in "ALL THINGS REAL ESTATE."



530 East Alameda, listed by Paul Duran and Darlene Streit

Social Media Safety Checklist

Insurance Matters

By Charlie Wheeler, Senior VP with HUB International



Make decisions deliberately with an eye toward protecting your privacy, security and reputation.

Protect Your Reputation

Information about you is probably already online. Be proactive to protect your reputation. Once something is on the Internet, it cannot be removed completely, but there are steps that you can take to minimize the damage caused by negative content.

- Search for yourself using search engines like Google and people search sites like Pipl.
- Contact websites that have posted inaccurate or personal information. If the information contravenes their standards and policies, they might remove it. Many social networking sites will remove the profiles of anyone impersonating you at your request.
- It isn't possible to make negative information disappear completely, but it is possible to neutralize it by lowering its ranking in search results.
- Consider investing in online reputation management services that will monitor the Internet for information about you. They

work to ensure that the valid information about you is more visible than the unwanted information.

Protect Your Passwords

- Use strong and unique passwords made up of at least 10 characters with a mixture of letters, numbers, and/or symbols.
- Make sure you have different passwords for all of your accounts.
- Never use your birth date or Social Security number as your security question. Choose a question that only you would know, or even make up answers to security questions.
- Protect your personal information.
- Do not post your home address, birth date, phone number, Social Security number, or your children's names online.

Protect Yourself on Social Networking Sites

If you choose to sign up for an account on a social networking site, you are exposing yourself to people. Your decision to sign up for the site (i.e., to reconnect with high school friends or to network with potential clients) may be a great one, but you will be exposing your life to anyone who wants to see. Make decisions deliberately with an eye toward protecting your privacy, security and reputation.

- Read and understand all privacy policies before creating a profile.
- When creating your profile, choose a different year of birth than your actual one.
- Customize your privacy settings.

Faith, Hope and Charity: Leaving a Legacy Through Trust

Trust and Financial Planning

By Kathy Roberts, Chairman and CEO, Santa Fe Trust

Now that tax season is over—exhale—and I suggest you take a deep cleansing breath and think about next year’s tax season and inhale.

The old adage of “you can’t take it with you” is sad but true. Fortunate are we who can pass along our cherished possessions to loved ones, organizations and institutions we love. Sometimes these same individuals or organizations were inspirational in igniting your passion for success. Now, more than in recent years, your Alma Mater, house of worship, local shelter, favorite museum or even neighborhood park is in need of gifts and bequests. The passionate support you’ve shown for your charity is appreciated daily. Think about how the organi-

zation will meet future needs and insert your legacy of gifting into the future.

There are several trust products that will allow you income and tax benefits, as well as leaving a charitable donation.

A Charitable Remainder Trust as well as a Charitable Lead Trust can be used to appreciate real estate that is unencumbered by debt. After the years of income to you, the property can be gifted and your legacy to the charity continued. You will need assistance of an attorney to draw up the document and, of course, Santa Fe Trust is available for consultation on such vehicles.



71 Via Pampa, listed by Liz Sheffield and Kevin Bobolsky



Technology Comes to Outdoor Furniture and Fabrics

Interior Design Today

By Annie O'Carroll, Principal, Annie O'Carroll Interior Design

Technology has touched every aspect of our lives—so why not the outdoor furniture industry? The technology in acrylic dyed fabrics has increased and the industry has opened up to so many possibilities that it now mimics the qualities of indoor fabrics.

We all love the feel of luxurious wool drapes and soft chenille. What if you could have all of those qualities AND you could wash it, use it in direct sun and have no worries about pet or people



Above and Top: furniture by Dedon

accidents? How about using them to upholster or slip cover furniture? The sheer fabrics are light as air and make beautiful breezy draperies. I, myself, use outdoor textures for roller shades, draperies or roman shades. The technology has also moved into outdoor rugs and throws.

Remember when the preferred color for outdoor fabric was neutral or nautical stripes? Well, not anymore. Nowadays, the color palette offered is every bit as vast as traditional fabrics. New technology adds dye at the liquid stage so colors stay true.

In the past, our options for outdoor furniture were teak or iron. What's exciting to me is a polyethylene "green" product made from recycled plastic including milk cartons. Dedon is one line that offers this product. The beauty of this product is that it can be colored: whites, plaids, turquoise, and many other colors are included in its line. It's nice to add a little color to an otherwise neutral palette.

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