

Windsor News Release

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LUXURY HOME MARKET ACCELERATING



A little known and historic event took place in 2014. For the first time ever, the number of homes sold in Anchorage over One Million Dollars exceeded a dozen.

For years, you could say that just about 1 of these luxury homes might sell per month. In fact, only 7 sold for the whole of the year 2010, and 2 only in 2011.

In the year 2012, 11 properties over \$1 million sold and 2013 saw 12 properties sell. Now, this is per MLS data and may not include some non-MLS sales.

Indeed, I personally facilitated a Non-MLS \$1 million sale in January of this year and, often, high-end sellers (and buyers) prefer to keep a low profile.

The historic event in 2014 was that **no less than 18 single family homes over \$1 million sold in the Anchorage bowl.**

The high end was a \$1.65 million sale in Valli-Vu Estates and a \$1.82 million property just East of Hillside Drive.

I personally have 3 current listings above \$1million, and I am highly optimistic for their sale this year - - - for reasons mentioned later under "Marketing Luxury Homes".

Accelerating, but still tough!

One must keep in mind that, as of this month, there are FORTY-TWO (42) properties on the market above \$1 million.

Even at 18 sales per year, this

would represent 2.5 years of supply, without any new listings that will certainly appear this Spring.

In other words, patience is required to sell in this price range and, even if you list with an agent with the techniques I will soon describe, you ought to give a 2 year listing for your Licensee to successfully plan the marketing scheme.

Complaints

I have to admit that I was drawn into this market by homeowners dissatisfied with the efforts of previous listing agents and, in particular, a reluctance, in many cases, of those licensees to invest the

time and money appropriate for the exercise.

Where are the high-end homes?

Of the \$1 million plus homes sold in 2014, not one of them was new construction! This may change really soon. Prominence Pointe, Resolution Pointe and some Shangri-La lot buyers will be building - - - and a new acre-plus subdivision, Ocean Vista Park, on the Western side of Goldenview Drive near 172nd, will certainly want to be in this market.

Keep in mind that you can build a luxury home for \$250 to \$260 a square foot while the sales last year of existing \$1 million plus homes fell between \$190 sq. ft. and \$280 sq. ft.

Mind you, a lot of the desirable luxury homes are less than 10 years old, and ready to go, at places like Campbell Lake which cannot be duplicated. Buyers not wanting the Hillside commute have extremely limited choices for a vacant lot on which to build.

So, where are these luxury homes? - - - Secluded Hillside lots with a view, Prominence Pointe, Potter Creek, Discovery, Resolution Pointe, Campbell Lake, Turnagain and Downtown (e.g. Atwood Estates).

High-end Marketing

While the MLS data base, available to all humans on the planet with internet access, is still a

powerful tool for marketing real estate, it is my belief that the following are minimum standards for your real estate representative .

- 1) Professional photography and virtual tour.
- 2) Aerial photography.
- 3) High-end, glossy brochure - takes many hours to perfect.
- 4) Exclusive packaging for the brochures.
- 5) Direct mail to wealthy Alaskans.
- 6) Direct mail to wealthy Americans.
- 7) Select magazine advertising. I have experimented with several and have definite opinions on the best bang for the buck, which I generally split, after consultation, with the client.
- 8) Use of foreign language advertising where appropriate.
- 9) Direct outreach to Non-American cultures.
- 10) Professional Staging.

The fact is that your \$1 million plus home has a significant chance of selling to a non-resident buyer, or new arrival, as opposed to an existing resident.

If you want to be in the 18 out of 42 homes sold this year, you must engage assistance that will extend your marketplace to, at least, the 56 countries in which I am marketing luxury Alaska homes.

Conclusion:

If this newsletter applies to you, or to one of your friends, please feel free to arrange a no obligation appointment.

P.S. Under \$1 million? I haven't forgotten you, and still proud to use advanced skills and services to sell your home for more money, and in a shorter time, than most of my competitors.

Dave

Windsor

