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Real Estate trends: Q&A

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The Sun-Sentinel's Paul Owers answers your questions about the housing market and how the latest real estate trends will affect you.



Q: I'm thinking about buying my first home in Broward County within the next three months. I'm concerned about the tax issues, and am wondering if waiting for resolution is better. But won't a tax resolution mean skyrocketing housing prices again? -- Dee Dee, Coral Springs

A: Real estate agents and others think a property-tax resolution would help increase home sales in South Florida, and it certainly could. But analysts expect home prices to increase much more modestly during the next several years. Instead of 25- and 30-percent appreciations, home values are likely to increase by only 5 percent or 7 percent a year. The real estate boom was fueled by low interest rates, loose lending standards and deep-pocketed investors looking to escape the tech bust. "I don't see that perfect combination of things happening all at once in the foreseeable future," said David Levin, a Delray Beach housing analyst.

Q: Next month, the developer of my single-family home will have breached my contract. What recourse do I have to collect liquidated damages as a result of his breach of contract? The developer has yet to start on the house. The contract states that the developer has to "deliver" the house by May 15. -- Chuck, Miami

A: Any damages you're entitled to must be spelled out in the contract. You should discuss the matter with a lawyer.

Q: My townhome has been on the market since Jan. 3. I had only one showing, a week after it was listed. How can I increase the exposure of my home to potential buyers? The multiple listing service alone does not seem to be working. -- Silvia Granero, Pembroke Pines

A: You don't mention whether you hired a real estate agent or whether you simply paid a broker to include your property on the MLS. If you don't have an agent, you might reconsider because it's difficult trying to sell in this slow market without professional help. If you do have an agent, make sure he or she has your listing (with plenty of photos) posted on Realtor.com and Web sites that offer virtual tours. If your agent is not responsive, find a new one. Barbara Kelly of Balistreri Realty in Lighthouse Point said agents should call or e-mail clients with updates at least every seven days. If your townhome continues to draw little interest, the price probably is too high, Kelly said.

Q: I just recently sold my home because my wife and I divorced. We are back together now and would like to buy a home. With all the speculation about falling prices, we have decided to wait. I would like to know how low prices could possibly go. -- Jaime Madruga, Miami

A: It's impossible to say for sure, although many analysts don't think prices will drop much more than they already have. Experts have said that prices probably will be flat or decline slightly for the rest of the year before bouncing back somewhat in 2008. The bottom line: if you find a house you like at a fair price you can afford, buy it. Plenty of people try to time the market perfectly and end up regretting it.

Q: What does \$10 NNN mean the cost will be? -- Rebecca Olson, Beloit, Wisc.

A: You're referring to the rental rate for office, retail and industrial space. The \$10 is the base rent