

THE DESERT KEEPS RECEIPTS

How to Buy a Second Home in Palm Springs Without Expensive Surprises

IVY HADDAD

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INTRODUCTION

The February Fantasy vs. The August Reality

The week that went so well

You're home now. The suitcase is half unpacked, and the listings are open on your phone again. You can't stop looking at listings on your phone, and you've probably looked at some of them more times than you'd admit to anyone.

I understand. In February the Coachella Valley is very good at its job. The light is soft, the patio doors are open, and someone is handing you a cold drink while the weather back home is doing whatever it does in the Pacific Northwest or on the Prairies. Wanting a place here isn't foolish. It's sensible.

The buyers I'm writing for usually arrive in the same state: excited, and slightly nervous that they're about to make an expensive mistake. I'd like to keep the first feeling and put the second one to work.

The August reality check

The mistake I most want to prevent is buying a vacation home based on a February visit and a rental income number on a flyer.

A February visit is real, and a flyer can be perfectly accurate about what it chooses to print. The trouble is what neither one tells you.

Suppose a buyer spends a week in a mid-century house with glass walls and a flat roof, and loves every hour of it. The week tells them how the house feels on a mild afternoon. It tells them nothing about how it behaves in August, who pays when the roof needs attention, or what the community's rules say about renting the place out. Those answers exist. They just aren't on the patio. They're in the documents, and nobody hands you documents with a cold drink. In this valley the receipts tend to be specific: a foam roof overdue for a recoat, or an air conditioner near the end of its life.

So the desert has two seasons for a buyer. One is the season that makes you fall in love. The other is the season that sends the bills, and it is the one this book is about.

The desert keeps receipts

I have a saying I use with clients: "The desert keeps receipts." What I mean by it is that the heat and the sun show you every shortcut a previous owner took.

Sun is patient. A patch that looked fine when it was done, a repair put off for a season, a system run one summer past its sensible life: the desert records all of it. Eventually the record shows up as a surface that has given out, equipment that quits, or a line in a budget that nobody warned you about.

The receipts aren't only on the house. An HOA keeps its own, in board minutes, budgets and rules that read like the dullest mail you'll ever receive. A flat roof, an aging air conditioner and a restriction buried in the minutes are three different kinds of cost, and none of them appears in a winter photograph. Together they are part of the real price of the house, whether or not they appear in the asking price. If you read the receipts before you fall in love, they're information. If you read them afterward, the desert will charge you interest. That, in a sentence, is the argument of this book.

I should say I'm not telling you to be scared of the desert. I'm telling you to be informed, which is cheaper and much better for sleeping.



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Why I read the paperwork

I didn't come to this work through a love of paperwork. I came to it through my father's stroke. In 2014 he had one, and my mother and father had to sell the house in Cathedral City where I grew up.

The agent they chose was a nice man who did almost nothing. The house sat for eleven weeks, and I did most of the work myself. When it sold, my mother told me I should just do this. I was 36 and tired of my job, so I did.

What stayed with me wasn't that he was unkind, because he wasn't. It was that nice and attentive are different things, and that a problem nobody mentions is still a problem. It just gets to be a worse one later. I've worked on that principle ever since.

What success looks like

When people ask what makes a transaction succeed, they expect me to say negotiating skill or timing. My answer is plainer: nobody being surprised at the end.

If the buyer, the seller, the lender and the escrow officer all know about every problem early, the transaction closes, even if it's a messy house. A messy house with every problem on the table is a manageable purchase. A pretty house with one problem discovered late is how deals fall apart and how buyers end up with a bill they never agreed to.

I've closed a little over 200 transactions, and there are no awards I care about. The milestone I do care about is that I haven't had a deal fall apart because of something I should have found and didn't, not since my first year. That isn't a boast about being clever. It's what happens when you read the boring pages every time, including the times you'd rather be looking at the pool.

What I'm asking of you

If I could get one thing across to you, it would be this: visit in August and read page fourteen. See the house and the valley at their hottest and their most honest, and read every document before you sign anything. The receipts are going to be yours either way, and you'd much prefer to read them before they are.

Page fourteen is a figure of speech. It stands for the page you would skip, the clause that changes what the house costs to own. This book is a way of getting you to that page on purpose, with a checklist's worth of patience and not a bit of dread.

You'll also hear me say "shway shway" now and then, which means slowly, slowly. You have a recent, happy memory of Palm Springs and a phone full of listings, and the listings aren't going anywhere you can't follow them. Slow is a perfectly good speed for the biggest purchase of the decade. Let's put it all on the table, the good and the dull, and start with the part February left out.

CHAPTER 1

The Unchosen Roommate: Why You Must Read the Boring Documents

The kitchen in the photos is lovely. The pool is the right shade of blue, and the price is a little under what you expected. You have probably already decided where the sofa goes.

That is a reasonable way to feel about a house. It is also the moment a good deal and a bad one look exactly alike. A listing photo shows what the seller wants you to see. It cannot show the vote the board took last spring, the lease that expires sooner than you'd think, or the rule that quietly cancels the rental income you were counting on.

The roommate you didn't choose

Buy into an HOA community and you take on a roommate you never interviewed. In practice that means a board, a budget and a book of rules. You didn't pick any of them, and they will affect your life more than the countertops will. They decide what the roof costs you, whether you can rent the place out and what you're allowed to change. They also decide how much of next year's bill gets split among owners, including you.

The house can be perfect and the roommate can still be a problem. The only way to meet that roommate before you move in is to read what it has written down.

That is why the advice I find most underrated is also the dullest: read the boring documents. Nobody wants to hear it, and it saves more money than any negotiating trick I know. I take documents more seriously than most people around me do. Other people find them boring. I find them where the truth is.

Reading people, then reading paper

I spent nine years in hotels before I sold a single house. At a resort front desk you learn to read a person walking up to the desk in about five seconds: who is exhausted, who is already angry about something that happened before arrival and who wants to be left alone. Buyers walking into a house are the same.

That skill tells me how quickly a buyer is falling, and I watch for it. It does not tell me what they are falling for. Only the paper can do that.

This is how I see my job. I'm not a salesperson who happens to be careful. I'm a careful person who happens to sell houses. My whole job is protecting people from the expensive surprise, and sometimes that means talking them out of a house I could have sold them that afternoon.

The habit has a personal root. The sale of my parents' house, which I described in the introduction, turned on a pool heater with a permit problem that nobody had bothered to mention. I have not trusted an unread file since.

Why a fast offer isn't good service

Some agents pride themselves on writing an offer within an hour of a showing. Sometimes that is the right call. In this valley, though, an offer written before anyone has looked at the HOA rules or the land lease is just a fast way to a cancelled escrow.

The usual order of events explains why. Most agents wait for escrow, because that is when the documents officially arrive. By the time the documents arrive, the buyer has fallen in love and the deposit is down. Everyone is emotionally and financially committed at the exact moment the facts show up. A buyer in that position rarely reads a bad paragraph with a cool head. They read it looking for a way to keep the house.

Before I write an offer, not after, I read the HOA documents and the preliminary title report. In this valley the expensive surprises live in those papers: a special assessment, a rental ban, a land lease with nineteen years left. I would rather find them on day one. A buyer who learns about a problem before the offer can walk away, negotiate or decide it doesn't matter. A buyer who learns about it after the deposit has far fewer choices.

The line on page fourteen

In my second year, a couple from Vancouver, Gwen and Arturo, were about to make an offer on a condo in Palm Desert. Everything looked perfect. I had asked for the HOA documents early, and I was reading the board minutes in my car outside the unit.

Minutes are not written to be read for pleasure. They are a record of who said what and which motions passed, along with a good deal of business about gutters and landscaping contracts. You read them the way you'd pan for something. You keep going through the sediment because somewhere in it is the one line that matters.

On page fourteen there was one. The board had voted to replace all the roofs, and it would determine the funding method at the next meeting. Nothing in that sentence says "special assessment." You have to know what the sentence means. Roofs cost money, the money has to come from somewhere, and a board that hasn't picked the method yet has not ruled out billing the owners.



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I walked back in and told Gwen and Arturo before they signed that a special assessment was coming. They asked the seller's agent, who didn't know. The seller didn't know either. The people selling the condo were not hiding anything. The information was sitting in a public record that nobody on that side had read.

We negotiated a $12,000 credit. Arturo shook my hand in the parking lot and said, "You read page fourteen." That was the moment I thought I might actually be good at this.

Notice what made that outcome possible. The minutes were read while the buyers could still say yes, say no or ask for a credit. The same sentence in the same minutes, found after

the deposit went down, would have been a much more expensive conversation.

The lease with twenty-two years left

My first year taught me the opposite lesson. I had buyers for a lovely little house in Palm Springs, priced well below similar homes nearby. I thought I had found them a bargain. The house was on leased land, and I didn't yet understand what that meant.

Here is the one-sentence version. With leased land you own the house, or the condo, but not the ground under it. The remaining years on the lease affect the price, and they affect whether a lender will finance the purchase at all. A price well below the neighbors' prices can be the market telling you exactly that. I had read the discount as a gift.

I did not look at the title report until escrow. When it arrived, the lease had only twenty-two years left.

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Their lender refused to finance it. The deal died. The buyers lost two weeks and the money they had spent on the inspection, and they went home to Seattle without a house. They were kind about it, which made it worse.

That is the hard way to learn it, and it is the reason for my rule: read the preliminary title report on the first day. I now do that for every property. If there is a land lease, I explain it to the buyer before they even see the house. Leased land is something I know well, and I handle a lot of it. Most outside agents don't understand it. Leased land is not automatically a bad purchase. It is a purchase you cannot evaluate from the photographs, and on that first house the problem was mine because I looked too late.

What to ask for before you write an offer

If you are serious about a property, ask for these documents before you make an offer.

- **The HOA rules and governing documents.** I tell buyers to read the HOA rules before they read the listing description. Many communities here restrict rentals. Some allow no rentals under thirty days, and some allow no rentals at all for the first year. If you plan to rent the place part of the year, this is where you find out whether you can.
- **The board minutes.** Look for votes on roofs, repairs and funding, and for any item that says a decision is coming at the next meeting. Read them to the end, because the line that matters is rarely near the top.
- **The reserve study.** Many people assume everyone knows what this is, and most don't. It is one of the most important documents you will ever skim. In plain terms, it looks at the big shared things the HOA will eventually have to repair or replace and asks whether the HOA is setting aside money for them. If you don't understand it, ask someone who does before you sign anything, and don't skim it.
- **The preliminary title report.** This is where a land lease, and the years remaining on it, shows up. It can also show other things attached to the property that the listing never mentioned.

Two other kinds of paper are worth asking about. The city of Palm Springs limits short-term rental permits, and in some neighborhoods you simply can't get a new one. The rental income on a seller's flyer may therefore not be available to you. Some mid-century homes also carry a historic designation that limits what you can change on the outside. Ask about both before you spend any time picturing the renovation.

If it helps, put a sticky note on every page where something made you stop. You don't need to understand it yet. You only need to be able to find it again when you sit down with someone who does.

Reading these will not make you popular with anyone in a hurry. It rarely makes the listing more exciting. But I think of the cost of an afternoon with the minutes as the best money you will never spend, because when the paper is clean you lose nothing, and when it isn't you learn it while you still have choices.

None of this paper can tell you what it will feel like to stand in the house at the end of a hot afternoon, with the sun on the windows and the air conditioning working hard. That takes a different kind of reading, and it needs a different time of day.

CHAPTER 2

Come Back at Four: Testing the House in Its Worst Light

A buyer from Calgary loved a house in north Palm Springs. We first saw it on a still, beautiful morning at ten o'clock. It was perfect.

I asked him to come back with me at four in the afternoon before writing an offer. He thought I was being dramatic. At four the wind was blowing so hard that the patio umbrellas were horizontal and sand was hitting the windows. He stood on the patio for about a minute, came back inside and said, "Okay, I understand now." He bought a house in south Palm Springs instead, in the shade of the mountains.

Nothing about that house changed between ten and four. The walls, the patio and the price were all the same. Only the hour was different, and the hour was what he had never seen.

Why a still morning tells you so little

A morning showing is the house at its most polite. The air is calm, the light is soft, and the patio looks like the photograph. If you are visiting from a cooler place, you are probably also in

vacation mode, which means you are inclined to say yes to everything.

I show houses in the late afternoon whenever I can, because that is when you find out about wind, heat and the sun hitting the west windows. Wind, heat and the angle of the sun decide whether you will sit on that patio, open those curtains or run the AC flat out from noon on. Wind in the north end is one of the local risks I watch for, because it sandblasts paint and windows. A buyer who has only seen the place on a calm morning has seen none of that.

So the rule I give clients is simple: visit the house twice, once in the morning and once at four in the afternoon. Think of it as two interviews with the same house. The morning one tells you what it hopes to be, and the afternoon one tells you what it is like to live with.

At four, stand still for a few minutes and notice the following:

- Whether you can use the patio or yard at all, or whether the wind and glare drive you indoors.
- How hot the west-facing rooms are, and what the windows are doing to them.
- Whether sand or grit is collecting on the glass or the paint.
- How hard the AC sounds like it is working, and whether the house is keeping up.

You will not need a scorecard. If you are uncomfortable, you will know it.

What 115 degrees does for you

Many buyers ask me whether summer is a bad time to look. It is slower, but the buyers who show up in August are the most serious ones I ever meet, because nobody looks at houses in 115 degrees for fun. Heat that high works as a filter. Anyone willing to stand in a driveway in that temperature and still want the house has learned something a February visit can't teach.

I explain it with a hotel. You can check out of a hotel, but you can't check out of a house in August. A winter visit is a hotel stay: pleasant, short and easy to leave. Owning is the part where you are still there when the weather turns, and the second four o'clock visit is the closest you can get to that before you sign.

If you cannot come in August, the late-afternoon visit in any season is still better than no visit. It does not replace knowing what a long, hot summer does to a house. It does give you an honest look at the sun angle, the wind and the work the AC has to do.

The heart of the house

When I look at a property for the first time, I look at the roof, the AC units and the windows that face west. After those I look at the HOA or the land situation if there is one, which is the paperwork from the last chapter. The kitchen can come later. Kitchens are easy. Heat is not.

I say the AC is the heart of a desert house. An air conditioner here works harder than almost anywhere in the country, and replacing a system costs

somewhere around $12,000 to $18,000 depending on the house. That is a figure to know before you fall in love with the pool. I want to know the age of every AC unit before an offer.

Ask for the ages of the AC units and the roof in writing. Written matters because a casual answer at an open house is a memory, and a written answer is something you can point to later. If a house has more than one unit, ask about each. It is a small request, and a seller with nothing to hide can usually answer it quickly.

Flat roofs, foam and the few storms

Mid-century homes are a specialty of mine, and the flat roof is part of why people love them and part of what you have to pay attention to. Many have foam roofs that need a recoat every several years, and a neglected one leaks during the few storms we get. Because those

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storms are few, a neglected roof can go a long-time without anyone noticing. The first real rain is when it tells you.

That is why the age of the roof belongs in writing next to the age of the AC. If it helps, ask a follow-up about when the roof was last recoated and who did it. A roof with no history is a question you want answered before closing, not after the first storm.

The same logic applies to the rest of the property. Pools need equipment that wears out in the heat. The sun and wind find the shortcuts, and they find them slowly, which is why they get past a quick visit.

The August walk-through

I tell one story to every buyer I work with. It is the closing-day walk-through in August when the AC died. It was 117 degrees outside, the buyers walked in for the final walk-through, and the house was 96

degrees inside. The AC had failed that morning. The buyers looked at me like the world was ending.

I called the seller's agent, we got an AC company out that afternoon, the seller agreed to pay for the repair, and we closed two days later than planned. Two days was a small cost for how it could have gone. Had the buyers not walked through that morning, they would have signed and received the keys to a 96-degree house, and the repair bill would have been theirs.

I tell it to every buyer as a reason to do a final walk-through, and to every seller as a reason to service the AC before closing, not after. The walk-through is not a formality. It is the last time the house has to prove itself to you before the keys change hands, and in the desert the proof is often the temperature.

Two visits, two documents

So here is the rule in full. Visit every house you are serious about twice, once in the morning and once at four. Ask for the age of the AC units and the roof in writing. Read the HOA documents and rental rules before you write the offer. Each step catches something the others can't.

Notice, too, where the Calgary buyer ended up. The house he chose instead was in south Palm Springs, in the shade of the mountains. He did not give up on the desert. He learned that the same city can have a very different afternoon from one side of town to the other, and that is where we go next.

CHAPTER 3

Not One Market: A Guide to the Valley's Micro-Neighborhoods

Search online for the typical price in Palm Springs and you will get a number, and it will look official. Most of the time it describes no house you could actually buy.

The number that describes nothing

A statistic for 'Palm Springs' mixes a 600-square-foot condo with a hillside house, and an average of those two numbers describes nothing that exists. Most buyers I meet have been reading numbers like that for months. They are puzzled that two houses that look alike in the photos can sit at very different prices, or that a listing "in Palm Springs" seems to follow different rules from the one next to it.

The answer is that the valley is not one market. It is a cluster of small markets. Wind, afternoon shade, walkability, rental rules and the tax bill all change from one pocket to the next. A house can look like a bargain or look overpriced simply because you are comparing it with something from a different pocket.

What follows is a tour of those pockets as I know them, described by the homes, the rules and the setting. Treat it as a way to ask better questions of each place, not as a verdict on any of them.

Palm Springs, side to side

Start in the middle, where the older central neighborhoods are walkable and full of the mid-century houses people come for. That combination shows in the price, with higher prices and more rental restrictions. If you picture a house you can leave on foot for dinner, central Palm Springs is where that picture lives. If you also picture renting the place out when you are away, this is where the rules are most likely to get in the way. I will come back to rentals in Chapter 5, but notice here that the restrictions come with the neighborhood.

Go north and the picture changes. The buyer in Chapter 2 learned that at four in the afternoon. The lower price is real, but wind in the north end sandblasts paint and windows, and that is a maintenance bill of its own. A cheaper house that needs repainting and new glazing sooner is not always the cheaper house. Some people love the openness up there and are happy to pay the upkeep. The point is that the discount and the wind are the same fact, and you should price them together.

Go south and the afternoon changes again. In a place where the hardest hours are in the afternoon, an earlier shadow on the patio is a real feature of the house. Two houses with the

same floor plan can live very differently if one gets the shade and the other doesn't. It does not appear on a listing sheet. You find it by standing in the yard.

None of these areas is better or worse than the others. They are different products. The question is which one fits how you will actually use the house, in the months when the weather is hard on it.

Cathedral City, and the gated middle of the valley

Move east and the first stop is Cathedral City, where the main difference is price. For someone whose real question is what a second home costs to own, a lower price is a serious feature. It also changes the numbers you might use to compare. A lower purchase price shifts the whole comparison, so compare it with Cathedral City houses, not with houses in the central Palm Springs neighborhoods.

Farther along, Rancho Mirage and Palm Desert have a different character. The homes there tend to sit inside communities with their own rules, and that makes the documents matter even more. A gate means there is a governing body behind it, with a budget, a set of rules and a set of minutes. The reading I described in Chapter 1 is not optional in these places. If golf is part of why you are buying, that is a lifestyle reason to look here. If it is not, you can still find the quiet, but you would be paying for amenities you may not use. Check what the monthly dues pay for before you decide they are worth it.

Newer homes farther east

Keep going and you reach La Quinta and Indio. I do not work there as often, but these areas have newer homes. Newer homes mean fewer worries about old roofs and tired equipment, and for many buyers that is exactly the appeal.

But newer developments carry a charge that is easy to miss. The extra assessments can add a meaningful amount to the yearly bill.

This is what to do about it. Ask to see the actual property tax bill for the house, not a general estimate and not the number in the listing. Look for any line items beyond the basic tax. Then ask your lender or tax professional what the bill will look like for you. A purchase price tells you what you pay once. The tax bill tells you what you pay every year, and a newer, cheaper house can cost more to own than an older one that looked more expensive.

Idyllwild: a different world

Up the mountain, the rules change completely. Every winter I also end up doing a few mountain cabins up in Idyllwild, because half my desert clients want somewhere to escape to in August. That makes sense. When it is 115 degrees in the valley, a place with pines and cooler air has an obvious appeal.

The mountain asks different questions than the desert does. Insurance is the first. A cabin you cannot insure is a cabin you may not be able to finance or keep, so the insurance answer deserves to be in hand before you get attached to the place.

The septic system is another. A cabin on a septic system has a different set of upkeep and inspection needs from a house on a city sewer, and you will want to understand them before you buy. I would also ask a good insurance agent, not just me, what coverage is realistic.

A mountain cabin is not a cooler version of a desert house. It is a different kind of property with different risks, and you have to read it that way.

Build your own comparison

Here is how I would use all this. Put the areas you are considering side by side and fill in the same columns for each. Do not let a pretty listing or a number from a website do the work for you.

- **The homes:** the style, the age, what the roof and systems are like, and whether the place has a pool, a septic system or a flat roof.
- **The rules:** the HOA, any gate, and the rental restrictions for that specific neighborhood and building.
- **The price:** what comparable houses in the same pocket cost, not an average that mixes a condo and a hillside house.
- **The setting:** wind, how early the shade arrives, and whether you can walk to the places you would go.
- **The yearly bill:** the actual property tax bill, any special assessments, and a real insurance quote.

- **The amenities:** what the dues pay for, and whether you would use it.

If it helps, add a column for how long it takes to drive to the places you will go most often. That is your own number, and it can matter as much as anything on the list. The columns sit side by side for you to weigh.

What you are building is a way to stop comparing houses that should not be compared. The central Palm Springs house and the north end house are not competing for the same buyer, because they are not the same product. Once you have chosen where to look, the harder question is what a house in that pocket is actually worth, and that is where we go next.

CHAPTER 4

Price Is a Conversation: Revenue Management for Real Estate

The number on the sign is not yours to choose

Ask most owners how they arrived at their asking price and the answer comes in one of two forms. Either it is what they need to walk away with, or it is what the house felt worth the last time they stood in the kitchen. Buyers do the same thing from the other side, with the number they are comfortable paying. Both numbers are real, and both matter to the person holding them. Neither one tells you what the market will do.

I spent nine years in hotels, and for the last three of them I did revenue management. That meant pricing rooms every day based on season, events, weather and what the place across the street was charging. A room was worth what guests would pay on that night, given the alternatives, and the rate moved when the answer changed.

That is the idea I brought into real estate. Revenue management taught me that price is a conversation with the market, not a number you choose. You put a price out, the market answers, and you listen to the answer instead of arguing with it.

Arguing is the usual response, and I understand why. A price feels personal. It carries the years you owned the place, the work you did and the number you had in your head when you decided to sell. The market has no access to any of that. It sees the house, the other houses and the price.

How I build the first number

A price that is part of a conversation still needs a sensible opening line. I set the listing price the way I used to set a room rate. I look at what similar homes actually sold for in the last few months, in the same season if I can. I look at what is on the market right now, because that is what a buyer will compare the house to.

Notice the word *sold*. Asking prices are hopes, and sold prices are answers. A neighbor's listing at a big number tells you what that seller wants, and it tells you nothing about what a buyer did. The comparison also has to come from the same pocket of the valley, which is the point of the last chapter. A sale across town, in a different kind of house, is a number that describes nothing.

After the comparisons, I look at what makes this house different. Views, shade, the pool, the age of the systems and the HOA all belong on that list. Most of the real adjustments between one house and its neighbor sit there. A house with a newer AC and a well-run HOA is a different product from a similar one without them, and the price should say so.

I do not hand a seller a single number. I give a range, and I explain where in that range I would start and why. A range is more honest than a point, because I am estimating how strangers will behave. The explanation matters as much as the range. A seller who understands why the starting point sits where it does can read the response with me instead of taking it personally.

The first two weeks are the market's answer

Before the house goes live, I tell sellers that the first two weeks of showings are the market's answer. Then we agree in advance what we will do if the answer is quiet.

The advance agreement is the part that matters. Deciding what a quiet response means after it arrives is hard, because by then the seller is anxious and every choice feels like an admission. Deciding it beforehand, when nothing is at stake yet, is easy. It turns the first two weeks into a test with a stated purpose, and it keeps a bad weekend from becoming an argument.

If it helps, write the agreement down before the listing goes live. It does not need to be elaborate. It only needs to exist before the first showing, so the conversation about price happens while everyone is calm.

Reading the answer

Showings are data, but only if you separate the kinds. Here is what I watch for.

The signs of a house that will sell quickly are three. There are lots of showings in the first weekend. Agents call with questions about the HOA or the rental rules, which means their buyers are serious. And people ask to see it a second time in the afternoon.

The second-visit request is the one I trust most. It is the same advice I gave you earlier about coming back at four, now seen from the seller's side. A buyer who asks for the afternoon look is doing the work of testing the house in its harder light. That buyer is no longer browsing. When people are asking about HOA and rental rules, they are already reading the documents, and a buyer who reads documents is thinking about an offer.

The signs of a house that may sit are the opposite. There are showings with no second visits. The feedback is about the price but not about the house. And the listing went live in May with a March price.



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The feedback sign is easy to misread, so I will spell out the reasoning. When visitors say little about the house and a great deal about the number, they are telling you the house is acceptable and the price is the obstacle. Nobody is objecting to the kitchen. The house passes, and the number does not. That is a very different problem from a house people dislike, and it has a very different fix.

Many showings with no follow-up can feel like success, because the calendar is full. Traffic is only attention, and attention is not an offer. A buyer who walks through, keeps looking and never returns has given you an answer too.

If you are on the buying side, these same signs are useful to read in other people's listings. A listing with a stale price and a long run on the market tells you something about how the market has answered it. You do not need to guess what a seller is thinking. You can look at what the listing has been doing.

One real adjustment

Suppose a house is listed at $800,000 and the first weeks are quiet. The temptation is to trim it. Ten thousand off feels responsible, and nobody has to feel they gave up much. Then comes another small cut, and another.

In this scenario, each cut is small enough that no buyer notices a bargain. But the cuts can be seen. They show up in the listing history, and agents and buyers both read that history. Three small steps tell a story of a seller who is struggling and still hoping. That is why I would

rather make one real adjustment than three small ones, because three small ones tell the market the seller is struggling.

A real adjustment is large enough to change which buyers see the house and what they compare it to. It resets the conversation. A small one only repeats the earlier answer a little more softly.

When a listing is not getting traction, I do three things. I look at the feedback. I look at the competition that went live since we listed. And I have a direct conversation with the seller. The competition step is easy to forget. The market a house entered in week one is not always the market in week four, and a new listing across the street can change what a buyer sees as fair.

Usually the problem is price. Sometimes it is the photos or the time of year. I look at all three before I ask a seller to move the number, because a price cut will not fix poor photos. But I do not pretend the other causes are as common as the first.

Why a stale listing costs more

The mistake I see most often is listing in the wrong season at the wrong price and then chasing the market down. A house priced too high in March can sit through the whole season, and by June it is a stale listing in a slow market. The seller then ends up taking less than they would have gotten if they had priced it right in February.

The cost of the high number is rarely the high number itself. It is the weeks that pass while the house loses its freshness, the competition that arrives, and the season that changes underneath it. The price you were trying to protect can leave you with less than the price you were afraid to ask.

My care is in setting the opening number from sold homes and live competition. The listening is in what comes after, and in having the nerve to move once, clearly, when the market has said what it will pay.

Price, in the end, is a statement about what a house is worth to strangers. It tells you very little about what it is worth to you, and that gap is exactly where the next chapter goes. Many buyers lean on one particular price-related number to justify a purchase, and that number needs the same scrutiny.

CHAPTER 5

The Rental Income Myth: Why Your Vacation Home Won't Pay for Itself

A flyer will often print a projected rental income in the same calm type as the square footage, and that placement does a lot of work. It makes a guess look like a fixed feature of the house, like the lot size or the number of bathrooms.

Buyers see a rental income number on a flyer and treat it like a salary. A salary arrives in the slow months too, and a flyer number does not. It's a guess about a good year.

The belief I run into most is that a vacation home pays for itself. Sometimes it helps. But people picture this valley as a place where everyone makes money renting out their place, and some people do. The distance between "some people do" and "you will" is what this chapter is about. I find it uncomfortable to say to clients, because they are often counting on that income. The rental income they're counting on probably won't arrive the way they think.

Two gates before the first guest

Before a house can earn a dollar as a rental, two separate parties have to allow it. One is the HOA, if there is one. The other is the city. Neither is the seller, and neither is the seller's agent.

I covered what HOA documents can say in the first chapter. Here I only want to show what a restriction does to the arithmetic. Many communities in the valley limit rentals, and buyers who plan to rent part of the year get surprised. A rule like that does not shrink your projected income by a tenth. It can take the figure to zero, or it can turn your plan into a different plan. A house you meant to let by the night becomes a house you can only let by the month, or can't let at all.

The city is the second gate. The income a seller's flyer describes may not be available to the person who buys the house. The flyer may describe what the previous owner did, or what the seller hopes. The permit situation for you, the new owner, is a separate question, and it is one the city answers.

The couple who were annoyed with me

A couple from Los Angeles wanted to buy a house in a central Palm Springs neighbourhood specifically to rent it out by the night. The seller's flyer even showed projected rental income.

I knew that neighbourhood had reached its limit on new short-term rental permits, so they would probably not be able to get one. I told them. They thought I was being

overly cautious, and they said the seller's agent had told them it was fine.

That is a reasonable thing to feel when two professionals disagree. One of us was telling them what they wanted to hear, with a flyer to back it up, and the other was telling them no. I did not argue the point harder. I changed what I would do. I told them I wouldn't write the offer on the basis of that rental plan unless they first got the permit situation confirmed in writing by the city.

They were annoyed with me. I understood it, and I would rather be the annoying one at that stage than the agreeable one at the stage where the permit doesn't come through. They checked with the city, who confirmed there was a waiting list. They didn't buy that house.

Six months later they bought a house in a different area where a permit was available. Their plan was never the problem. The problem was that the plan needed one specific house, and that house could not deliver it. Once they stopped trying to make the first house work, the plan was fine.

Look at who answered the question in the end. It wasn't the flyer, it wasn't me, and it wasn't the seller's agent, who works for the seller and has a house to sell. The city issues the permits, so the city's written answer was the only one that counted.



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The months that bring in almost nothing

Suppose the permit exists and the HOA allows what you want. You still have a calendar problem.

Prices and activity here follow the weather. From January to April buyers are everywhere, and they are on vacation. In July and August it's 115 degrees and half the owners are gone. If owners are leaving, visitors are not lining up to take their places. The summer months bring in almost nothing.

A rental flyer is written for February eyes. It describes the house in the weeks when everyone wants to be here, and a yearly figure built on those weeks tells you little about August. The same house can feel like two different products in March

and August. A guest booking a house for a week in March is in a very different mood from one considering it in the middle of the summer.

You may be reading this from a cooler climate, picturing yourself using the house in a few of those summer weeks. Think about that honestly too, because the house costs the same to hold in August whether anyone is in it or not. The question for the rental number is simple: what does the figure assume about the empty months?

What cleaning and management take

The last piece is the smallest in dollars and the one buyers forget. Cleaning and management cost more than people expect.

A rental that turns over often needs a clean each time. Someone has to handle the guests and the keys, and someone has to look after the house while you are in another province or state. You can do that work yourself or pay someone, and either way it is a cost. A gross rental figure on a flyer does not subtract any of it.

Making the number honest

If rental income is part of why you want a particular house, set the figure beside the rest of the facts and see what is left. If it helps, write each line on a sheet of paper and fill in only what you have confirmed:

- Does the HOA allow the kind of rental stay you have in mind, according to its own rules?
- Has the city confirmed in writing that a permit is available to you as a new owner, or told you where you would stand on a waiting list?
- What does the flyer's figure assume about the summer months?
- What will cleaning and management cost, according to the people who would actually do the work?

Weigh those against one another yourself. No single answer settles it for every buyer, but one can end the plan on its own. A "no" on the permit is the clearest case, because it removes the income entirely.

Then run the net figure: what is left once the empty summer months, the cleaning and the management are taken out of the flyer's number. That is the figure to put in your budget. If it comes out lower than the flyer's, that is not bad news about the house. It is the first honest look at what you would be buying.

A house that only makes sense if the rental income arrives is a risky purchase. A house you would want to own with the rental line reading zero, and where any income is a bonus, is a much safer one. Sometimes it helps, as I said earlier, and it helps most when you have not counted on it.

Once you know what you can and can't count on, you are in a better position to write an offer. That is where we go next.

CHAPTER 6

Negotiation Is Information, Not Pressure

Many buyers arrive with a picture of negotiation: a low number, a flat stare and a willingness to walk out. If that's your picture, you probably also fear being taken advantage of, and you may believe the only protection is being harder than the other side.

I've never found that to be true.

The first offer is the start of a conversation

I wish buyers understood that the first offer isn't an insult or a commitment. It is the start of a conversation. A seller who receives a number below the asking price has not been wronged. They've been told where you are beginning, and they can answer.

The price is only one of the things being discussed. A seller in this valley often cares about the closing date as much as the price, because they're coordinating a move from another state. A buyer who can offer a date that makes that move easier has something real to trade. It costs nothing and can matter more to the seller than a few thousand dollars.

So the useful question is not how low you can go before the seller gets offended. It is what you know, what the seller needs, and whether your offer shows you understand both.

What I put on the table

I think the most powerful thing in a negotiation is information the other side doesn't think you have, not pressure.

If I know the seller's HOA is about to approve a special assessment, or I know the AC is 19 years old, that is information I can use. I don't need to be aggressive. I just put it on the table, calmly, and the price moves.

Many agents think a negotiation is won by being tough. I think it's won by being better prepared.

Tough talk has a weakness: the other side can simply refuse to be moved by it. A seller can wait out a hard stare. It is much harder to wait out a board vote you can point to, or the age of a unit written on a service record. Pressure asks the seller to feel something. A fact asks the seller to do arithmetic.

Suppose a buyer is looking at a house listed at $800,000 and learns from the documents that the AC is near the end of its life and the board has a major project coming. The buyer's agent doesn't need a speech. She sends the facts, notes what they will cost an owner, and asks whether the seller wants to adjust the price to reflect them. The seller may agree, may

counter, or may show paperwork the buyer hadn't seen. Any of those answers moves the deal forward, and none of them required anyone to be unpleasant.

This is why the documents and the afternoon visits from earlier chapters matter at this stage. They are the reason you have something to say. A buyer who skipped them has only a feeling that the price seems high.

The casita and "the hotel girl"

Early on, an older agent on the other side of a deal called me "the hotel girl" on the phone to his own client, thinking I couldn't hear. I was representing the buyer.

His listing had a casita, a little guest house in the back. I asked for the permits for it. He said it was all fine. I asked again in writing.

It turned out the casita was never permitted. That meant it couldn't legally be counted as living space, and it affected the appraisal and the insurance. We renegotiated the price. He was very polite to me after that.

I don't tell that story to enjoy the politeness, though I admit I did. I tell it because of what it shows about where the power sat. The other agent believed he held the information, and he believed the person across from him was a novice from the wrong profession. He was relying on the fact that most people ask once, hear "it's fine," and move on.



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The second request, the one in writing, did the work. Nothing in it was aggressive. A spoken answer can be vague and still sound confident, but a written one has to be either true or on the record as untrue. And the missing permit was not a cosmetic quibble. A room that can't be counted as living space changes what the house is worth to an appraiser, and it changes what an insurer will cover. Those are the places a buyer pays for the problem later, so the price had to reflect it.

What the seller sees when your offer lands

It helps to know how an offer looks from the other side, because that is where yours will be judged. When a seller has several offers, I put them side by side for the seller on one

page. The columns are price, loan type, down payment, deposit, contingencies, closing date, and anything unusual. Then I call every buyer's agent. How an agent answers the phone tells me a lot about whether that deal will close.

The headline price is not what I weigh most. I look at how likely the offer is to close. A cash offer that's $10,000 lower with a short escrow can be worth more than a financed offer at full price with a buyer who has barely qualified. I also look at whether the buyer has read the HOA documents, because if they haven't, they might cancel when they do.

The red flags I teach sellers to recognize are these:

- A tiny deposit.
- A long list of contingencies.
- A buyer who wants to close in ninety days for no reason.
- A lender nobody can reach.
- An offer that asks the seller to pay for things before the inspection even happens.

Read that list as a buyer and it becomes a description of what to avoid being. A seller does not only compare dollars. A seller is trying to guess which offer will still exist in three weeks.

Building an offer that is competitive and protected

A good offer doesn't pick between being strong and being safe. It gets its strength from things the seller can believe and its protection from things you have already verified. Here are

the pieces to weigh together, in whatever order suits your situation:

- **A deposit and a lender the seller can take seriously.** Neither is a place to look cautious. Both are among the first things a seller's agent will notice.
- **A closing date that fits the seller's move.** If you can offer one, it is a real concession that costs you little.
- **Contingencies that exist for a reason.** A long, vague list reads as a buyer looking for exits. A short list tied to specific things you want to confirm reads as a buyer who intends to close.
- **A price that reflects what you found.** If the documents show a pending assessment, an old AC unit or a roof near the end of its life, say so plainly and let the number follow. If the paperwork shows a permit problem, that belongs in the price too.
- **Written answers to the questions that matter.** Do what I did with the casita: if the first answer is "it's fine," ask again in writing.
- **Evidence that you've read the HOA documents.** An offer from a buyer who has already seen the rules is less likely to be cancelled, and sellers and their agents know it.

If it helps, keep these in one place and tick each one as you confirm it. The weighing is yours. A seller who badly needs a date may care about that more than a few thousand dollars, and a house with a serious defect may justify a bigger move on price. I can't give you a

formula because the right balance depends on the house and the person selling it.

What I can say is that none of this requires you to be difficult. It requires you to know more than the other side expects, to say it without heat, and to make an offer that a careful seller can look at and think: this one will close.

From the offer to the inspection

An accepted offer is not the end of the information. You will learn more when someone with a flashlight and a ladder goes through the house, and some of what they find will be alarming. Sorting what deserves a conversation from what is just an old house being old is a skill of its own, and that's where we go next.

CHAPTER 7

Inspections: Sorting Safety from Noise

The inspection report arrives, and it is long. A good inspector writes down everything, so even a sound house produces pages of findings, with photographs, and every line reads as if it needs attention. If you are a buyer from somewhere with rain and basements, the first reaction is usually to forward the whole thing to your agent and ask the seller to fix all of it.

Please don't. There is a better way to read that document, and it starts before the report exists.

Be there for the end

I want my buyers at the inspection, at least for the end. The reason is that I want the inspector to show them things in person.

A line on paper looks small. A leak in your ceiling does not. On paper, a note about the roof, the water heater or a bit of wiring comes in the same flat type as everything else. Standing under it with the inspector, you can see what it is, how far along it is, and whether he says it in the tone of someone describing an emergency or an old house.

So use that time. Ask the inspector which items matter most and which are simply age. Ask what he would want to know before closing and what he would put on a list for next year. You will leave with a ranking in your head that the PDF can't give you, and it will make the report much easier to read afterward.

Three piles, and only two get negotiated

When the report arrives, we sort it into three groups: safety, expensive systems, and everything else. We only negotiate on the first two.

Let's sort them. Safety first. Then the machines that cost money. Everything else is noise.

Safety. These are the findings where the inspector is concerned about someone getting hurt, not about someone being inconvenienced. If he stops and treats an item as urgent, it belongs here. The seller usually sees these as reasonable requests too, because nobody wants to argue that a hazard should stay.

Expensive systems. These are the big machines of the house, the ones that cost real money when they fail. In the desert, that means the AC units and the roof above all, which is why I ask about them before the offer. For these, the question is no longer whether the system works today. It is who carries the cost of its end, and when.

Everything else. This pile is the longest, and it is made of things that are true and don't matter much: wear, dated finishes, small things you will fix on a Saturday. A dated bathroom is the kind of item I mean. Buyers want to choose their own tile. If the seller redoes it, you get their taste when you wanted yours.

If it helps, write one word beside each item in the report as you read: safety, system or other. The piles don't need to be tidy. They only need to stop you from treating a worn faucet as if it were the furnace.

Why forty requests get you nothing

Here is where my advice differs from the instinct most buyers arrive with. Asking a seller to fix forty small things just makes everyone angry and rarely gets you anything.

Think about what that request looks like from the other side. Suppose a seller opens a response from the buyer's side and finds a long list of items, most of them minor and a couple of them serious. The seller has to answer every line. Each one is a small argument, and the two items that matter are buried among the rest. The seller starts to wonder whether this buyer will keep finding reasons to renegotiate until closing, and that wondering is what damages the deal. Sellers weigh the likelihood of closing heavily, as the last chapter showed.

A short request lands differently. When you ask for two things and both are plainly serious, the seller can see that you read the report, understood it and are being reasonable. Your

credibility on those two items is partly paid for by everything you chose to let go.



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Letting go of the third pile is not weakness. It is what makes the first two requests believable.

Credit, repair or estimate: how to ask for the big items

Once an expensive system is on your list, the next question is how to ask. The seller doesn't have to hand you a new unit, and you may not want the seller choosing a contractor.

When I advise sellers, I ask what a buyer's inspector will find, and I fix the things that scare buyers more than they cost. An old AC unit or a roof leak frightens people far more than the

repair itself does. So I usually advise fixing or servicing those, or getting a written estimate the buyer can see. Knowing that helps you as a buyer, because it shows you the three ways the item can be settled: the seller fixes it, the seller services it, or you receive a written number you can put in front of your lender or your own contractor.

There is a fourth way, and it is the one I want to show you, because it won a house.

The credit that got two firefighters a house

Jess and Ana, two firefighters, were buying their first house in Cathedral City. They had been outbid four times.

We found a house that needed a new AC, and the seller didn't want to deal with it. That was the whole obstacle. The seller wasn't denying the problem.

> **Here is where my advice differs from the instinct most buyers arrive with.**
>
> IVY HADDAD

“

I want my buyers at the inspection, at least for the end.

IVY HADDAD

So we didn't ask the seller to replace it. We offered full price, with the seller giving a credit for the AC. The seller got a clean number and no contractor to chase, and Jess and Ana kept their offer competitive in a market that had already beaten them four times.

We also wrote it so their lender would accept it. That detail deserves a pause. A credit is not a handshake, and how it is written down matters to the lender. If you are planning to ask for one, bring your lender into the conversation before the paper goes out, not after.

They got the house. The new AC was installed the week they moved in, in July. Afterward they sent me a picture of themselves lying on the cold tile floor in front of the vent.

I keep that picture in mind when buyers are tempted to demand that a seller replace a system. What the buyers needed was the AC, not

the seller's participation in installing it. Once we saw that, the solution was a credit instead of a standoff.

A matrix for the report in your hands

Here is the sorting laid out side by side. Your report, your numbers and your tolerance will decide how you weigh them; the groups themselves come from how I handle every inspection.

- **Safety findings:** these go on the list to negotiate. Bring the inspector's own words from the visit, and ask for the repair to be done and documented.
- **Expensive systems (AC, roof and their like):** these also go on the list. Settle them by repair or servicing, by a written estimate you can show your lender, or by a credit, as Jess and Ana did. If you ask for a credit, check with your lender on how it must be written.
- **Everything else:** accept it, budget for it and move on. A

> **The seller doesn't have to hand you a new unit, and you may not want the seller choosing a contractor.**
>
> IVY HADDAD

dated bathroom, small wear and cosmetic notes belong here, and they are the place to leave the seller some goodwill.

Before you send anything, count your requests. If the list is long, the third pile has probably crept into the first two.

An inspection report is a list of things that are true. Only the first two piles get negotiated.

A clean report is still not a closed deal

Even when the inspection goes well, the transaction isn't finished. The house still has to be valued by someone who has never walked through it, and that number can still change the plan.

> **Afterward they sent me a picture of themselves lying on the cold tile floor in front of the vent.**
>
> IVY HADDAD

CHAPTER 8

When the Appraisal Comes in Low

The number nobody negotiated

Somewhere in the weeks after an accepted offer, a stranger visits the house for an hour or so. He measures, photographs, checks comparable sales and writes down a number. If that number lands below the contract price, a lot of buyers hear the same thing: the bank won't lend enough, and the deal is dead.

It is not dead. A low appraisal is a disagreement about value, and disagreements about value have a short list of ways out. I handle them the same way each time. Knowing that list ahead of time is what separates a bad week from a lost house.

Before the appraiser walks in

The best handling of a low appraisal happens before there is one. When I'm the listing agent, I prepare for the appraiser before he arrives. I give him a list of comparable sales and what makes the house different from them, like a new roof or a new AC.

The reason is simple. An appraiser who has never seen the house is working from the records he can find. He cannot know that a roof was replaced or that a new AC went in unless someone tells him. The information that might lift the number is sitting in the seller's folder and not on his desk, so I put it on his desk.

If you are a buyer, this tells you something about the paperwork you are already collecting. As in Chapter 2, those ages in writing are the same facts an appraiser needs.

Preparation does not guarantee a result. Sometimes the appraisal still comes in low, and then the work changes.

The call I did not want to make

An appraisal came in $60,000 under the contract price on a mid-century house I had listed for a couple named Ruth and Dennis. They had already signed on their next house in Oregon, and they needed the money.

That detail is what made the call heavy. They were not waiting to see what happened. Their next house was already committed, and the money from this one was part of how they would pay for it.

I had to phone them and tell them the appraisal had come in low, that the gap was big, and that the buyer could not cover all of it. I said it plainly and I said it once. Then I waited.

Dennis didn't speak for a long time. When he did, he said, "Tell me the options."

We met the buyer at about halfway, so Ruth and Dennis took about $30,000 less than they expected. It still worked, but it was a hard call to make and a harder week for them.

I won't dress that up. Thirty thousand dollars is thirty thousand dollars, and nobody celebrated. But the house sold, and Ruth and Dennis did not lose the purchase they had already signed for. What saved the deal was the conversation, which started with a fact and moved straight to choices.

Three ways out

When an appraisal still comes in low, I sit down with both sides and look at three options: the seller lowers the price, the buyer pays the gap, or they meet somewhere in the middle. Usually the middle.

Suppose a house is under contract at $700,000 and the appraisal says $660,000. The gap is $40,000. The three versions look like this:

- **The seller lowers the price.** The price drops to match the appraisal, and the seller absorbs the whole $40,000.
- **The buyer pays the gap.** The buyer brings the $40,000 from their own pocket, and the price stays where it is.
- **They meet in the middle.** Each side takes a share, and the buyer and seller each move by about $20,000.

Each exit has a cost, and the cost lands on a different person. That is why I put all three in front of both sides together. A seller who hears only "lower your price" feels cornered. A buyer who hears

only "pay the difference" feels the same. When both can see the whole set, the conversation becomes about which version each of them can live with.



ILLUSTRATION · U. S. Fish and Wildlife Service - Northeast Region, PDM (flickr)

The middle wins so often for a plain reason. Each side gives up something, and neither one walks away feeling beaten. With Ruth and Dennis it was the only version in which the buyer, who could not cover the whole gap, could still close.

Why the likelihood of closing beats speed

Earlier I wrote about weighing offers, and how a deal's chance of closing can matter more than its headline price. Appraisals are where that idea gets tested. I look at how likely an offer is to close, not only at what it says on the first page. A buyer who

has barely qualified has very little room when a number comes in under the contract, and that is the situation where a low appraisal does the most damage.

Sellers want speed, and buyers want it too. But a quick escrow only helps if it ends at a closing. A deal that moves fast and falls apart in week four has cost the seller weeks of the season and the buyer a spent inspection fee. A slower deal that closes is worth more than a fast one that does not.

So when the appraisal lands, the question I care about is not how fast we can push through it. It is which of the three exits leads to a closing that both people can still afford, in money and in patience.

The person who has not fallen in love

For me, the real job of an agent is to be the person in the room who has read everything and isn't in love with the house. The client is allowed to fall in love. I'm not.

An appraisal is the moment that difference shows. Buyers who have pictured the patio and sellers who have already packed the kitchen both hear a low number as a verdict on their plans. Somebody has to hear it as a number with a gap and a list of ways to close it, and that is my job.

Here is how I would put the conversation together, for buyers and for sellers alike. Take the elements as they fit your situation:

- **State the fact in plain words.** The appraisal came in under the contract price. Say it once and leave out the adjectives.
- **Say the size of the gap.** Softening the blow with vague language scares people more than the actual figure does.
- **Say what each side can and cannot cover.** With Ruth and Dennis, the buyer could not cover the whole gap, and everyone needed to know that.
- **Stop talking.** Give the person on the other end time to take it in, the way Dennis took his.

For the seller, I add the fact that the buyer's money is not unlimited. For the buyer, I add the fact that the seller may have commitments of their own, the way Ruth and Dennis did. Each person can see the other side's limits without being asked to feel sorry for them.

If you are the buyer, ask your agent to walk you through these options before the appraisal arrives, not after. If you are the seller, ask what the comparable sales are and what you can give the appraiser that marks your house as different. Whichever side you are on, what you want is a plan that exists before the number does.

A low appraisal is a hard week and usually not the end of the transaction. If you are calm, it has three exits, and between them you will usually find one that both of you can live with.

CHAPTER 9

Shway Shway: Managing Panic and Family Dynamics

What fear sounds like

Fear in a buyer seldom announces itself. It shows up as behavior, and the behavior is easy to miss if you are busy being pleased about the showing.

Some clients go very quiet, and some start making jokes about the price. Some ask the same question three times. I have learned what that last one means. When someone asks me three times whether the AC is fine, they aren't really asking about the AC. They are asking whether they are making a mistake.

Answering the AC question a fourth time with the same facts doesn't help, because the AC was never the question. What the person needs is something different, and it is usually smaller and more practical than reassurance.

Shway shway

My father used to say "shway shway," which means slowly, slowly in Arabic, and I still say it to clients when someone needs to slow down. When a client is panicking, I slow everything down. Then I do one particular thing: I write down what we know, what we don't know yet and when we'll know it.

The reason is simple. Panic usually comes from not knowing what happens next. A worry that lives only in your head has no edges. It can be as big as the whole purchase and as vague as a bad feeling. Put it on a page and it has a size.

To give the worry edges, I draw a simple page, and you can make one yourself in five minutes. Write three headings across the top, one for each column: What We Know, What We Don't Know Yet, and When We'll Know It. Each column holds something different:

- **Under What We Know,** the facts in hand, however dull. Most clients are surprised how long this list is once it is written down.
- **Under What We Don't Know Yet,** the open questions, named plainly, so they stop leaking into everything else.
- **Under When We'll Know It,** a day, or at least an event, for each open question.

The third heading does the most work. An unknown with a date on it is a wait, and a wait is something a person can plan around. An unknown with no date is dread. Most of the

calming I do is turning the second kind into the first. If it helps, keep the page somewhere you will see it, and cross things off when they move from one column to the other.

None of this makes the risk smaller. It makes the next step visible, and that is usually what a frightened person is asking for.

When the house belongs to a family

Panic is not only a buyer's problem, and it is not always about money. Sometimes the unknown is how a family will get through the sale of a house together.

Three siblings inherited their mother's house in Cathedral City. On paper it looked simple: a clean house, a good price, and all three agreed to sell.

Then I found out that one brother, Tomas, had been living there for four years, taking care of their mother, and he had nowhere to go. The other two wanted the money. At that point it stopped being a real estate transaction and became a family negotiation.

I did not try to settle it myself. I brought in a mediator they all agreed on. What they worked out was that Tomas would get a larger share and three extra months in the house before closing. The extra months were paid for by a slightly longer escrow, which the buyer agreed to.

It took four months instead of six weeks. The house sold. The siblings still talk to each other, which was not guaranteed.

Two things stay with me from that deal. First, the mediator was the agreed one. A solution handed down by the agent would have been my answer, and the three of them needed to be able to say it was theirs. Second, the slower timeline was not a failure. The buyer was told what the delay was for and agreed to it, and the schedule was something people could plan around. I would take four honest months over six weeks with a brother who had nowhere to go.



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Saying the hard thing, and respecting the answer

Some of what I have to tell clients they will not want to hear, and I have one way of doing it: plainly and early. I don't wrap it in good news first. I tell them up front that I have something

they won't like to hear, then say it in one or two sentences, and then I stop talking and let them react.

The stopping matters as much as the sentences. Hard news needs a quiet room for a moment. If I keep talking, I am mostly managing my own discomfort.

The same rule covers reassurance. Clients sometimes want me to say everything will be fine when the facts don't support it. I don't give that comfort. I tell them what I know, what I don't know and what we can do about it. False comfort costs people money later. It also costs trust, and trust is what I need when something does go wrong. The written page I described earlier in this chapter is not a trick to get around honesty. It is honesty set out in a form a nervous person can hold.

Then there are the clients who hear all of it and still want to do the thing I advised against. I give them the facts once more, in writing, and then I respect their decision as long as it is legal and they understand the risk. The reason is not complicated. It's their money and their life. My job is to make sure they decide with their eyes open, not to decide for them. If you are the client, you should expect exactly that from your agent. You are owed the facts in writing, a clear statement of the risk and your own decision at the end of it.

The twelfth condo

Sometimes the facts are fine and the problem is the person asking the question.

Marcus is a nurse from Seattle who was buying a condo for when he retired in

five years. We looked at eleven condos. On the twelfth, he stood in the kitchen and told me he thought he was buying because he was burned out, not because he wanted to live there.

I told him that was a perfectly good reason to wait. He didn't buy anything that year. The next winter he rented a place for two months instead. After that he bought a condo, a different one, in a quieter community, and he says it was the right decision.

I took something from that kitchen that changed how I work. My job isn't to get people into houses. It's to get them into the right decision, and sometimes the right decision is not yet. Marcus did not need a better condo or a better argument. He needed someone to hear what he had just said and not talk over it. A client who says that out loud has done something harder than signing a contract.

I see this a lot, in different forms. A lot of my buyers are people starting over, after a divorce, after a retirement or after losing someone. They come in nervous and apologetic. Then they make a decision that changes their life.

If that is you, here is what I would tell you across the table. You are braver than you think. Nervous doesn't mean unready, and asking the same question three times doesn't mean you are making a mistake. It means the plan on the page isn't finished yet. Slow down, write down what you know and what you don't, and put a date next to each unknown.

CHAPTER 10

Sometimes the Best Advice Is Not to Buy Yet

The week I would have been paid

A young couple from Portland wanted to buy a condo in a community where I knew the HOA was in trouble. The reserves were low, the roofs were old, and the board minutes showed a special assessment under discussion. The couple loved the unit. The price was good. They were ready to sign, and I would have been paid that week.

Instead I showed them the minutes, page by page. Then I told them I thought an assessment of around $15,000 per unit was likely within a year.

They walked away. Three months later I had closed nothing with them, because they decided to wait a year and save. Eight months after that, the HOA approved an assessment of $16,500 per unit.

Had they signed that week, they would have been holding that bill. They waited instead, and they bought a house with me the following spring. They have sent me two of their friends since.

I don't tell this story to show how clever the minutes were. Chapter 1 made that case already. I tell it because of what it shows about waiting. Waiting looked like the expensive choice that week, and it was the cheap one.

The pressure to buy now

You have probably heard that prices are rising, and that every month you hesitate costs you something. I can't promise you that waiting is free. I can tell you that buying the wrong place costs money too, and nobody puts that cost in a headline.

Pressure to buy now usually comes from a story about what you will lose by waiting. Nobody tells the other story, about what you will lose by hurrying. The couple from Portland would have lost $16,500 per unit to a board vote they could have read about in advance.

When I started, I wanted to be the top agent in the valley. Now I want to be the agent people trust most, which is a smaller and better club. A commission that doesn't happen this week can still buy something. In that couple's case it bought a later sale and two introductions.

Rent for a season first

Here is the advice some of my colleagues won't like: sometimes the best thing you can do is not buy yet. Rent for a season, see the valley in August, and then decide. Some agents will hate that I say it.

I understand why. A renter is not a buyer this week. But the central question of this book is whether you can live here when the valley stops being charming, and a rental answers that question better than any showing. I have asked you to come back at four. A rented house lets you be there at four every day, and at two, and at six the next morning. You find out whether you actually like the valley in August. Nobody can tell you that in advance, and I can't either.

Renting costs money and time, and some people read it as a failure to commit. I would put it differently. You are paying a modest amount to avoid finding out too late. If you spend a season here and love it, you will buy with a clear head and no February glow over your judgment. If you spend a season here and hate it, you will have learned that for a fraction of what a mistaken purchase costs.

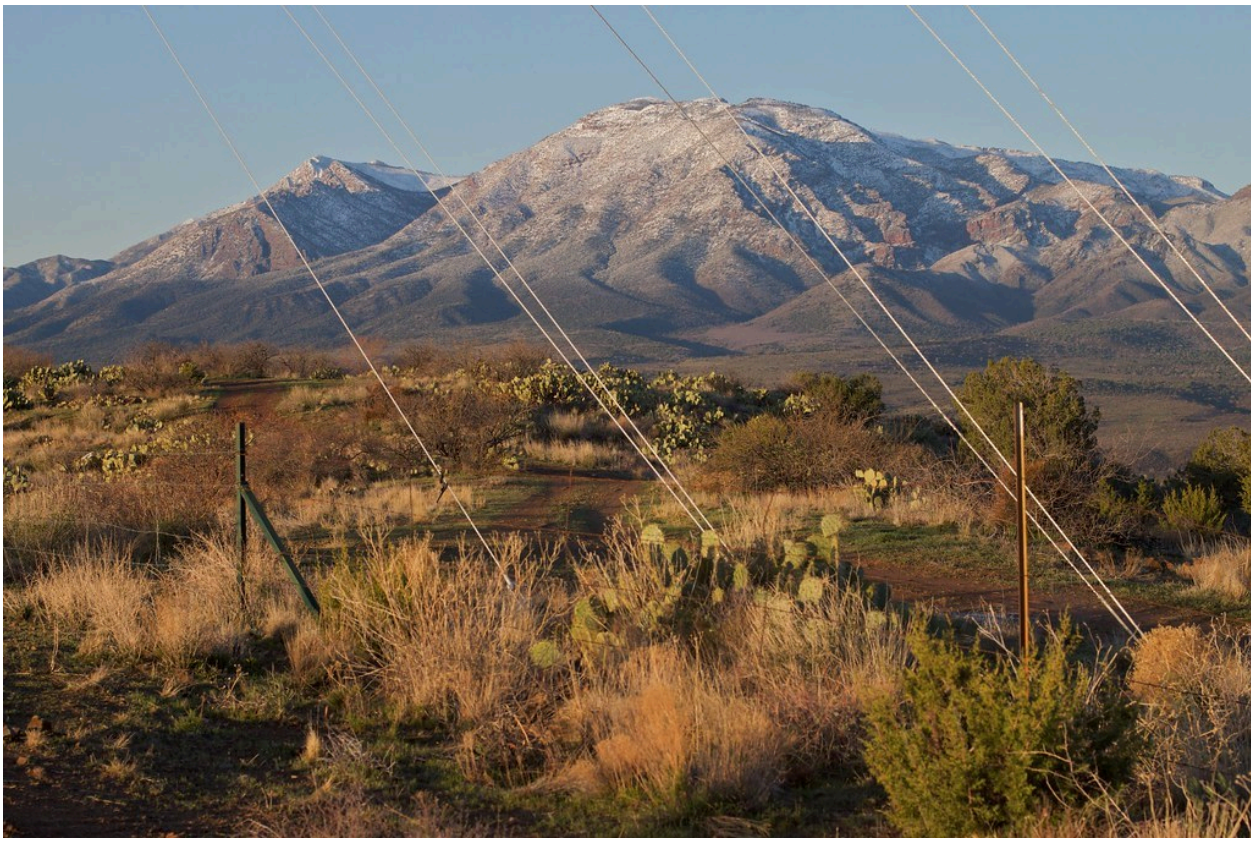
The timing also works in your favor. For buyers, summer can be a good time to buy, because there is less competition and sellers are more flexible. A season of renting through the hot months puts you in the valley when fewer people are looking. If you decide you want to stay, you will be there when sellers are most willing to talk.

The man who wanted it gone in July

The other side of timing belongs to sellers. For sellers, the best time to list is usually right after the holidays, January and February, before the season peaks. Chapter 4 explained why a listing that misses its season ends up chasing the market down.

Sometimes the calendar and a person's life disagree, and that is when advice gets difficult.

A man came to me wanting to sell his house in July, right after his divorce. He was in a panic. He wanted it gone.



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I told him that if he listed in July in that state, he would probably sell cheaply to an investor and regret it. I suggested he wait until October, when the buyers come back. In the meantime, I told him to fix the pool equipment and get his head clear.

He was angry with me for about a week. Then he called and said thank you. He listed in late October and sold for considerably more than he would have in summer.

Two clocks were running in that story. One was the market's, which is slow in summer and fuller once the buyers return. The other was his. He wanted the house gone because it was the most painful object he owned, and a seller in that state will accept almost any number to make the feeling stop. The wait gave the market time to recover. It also gave him time to stop making decisions out of pain.

His anger for that week didn't change my advice, and the October sale made the advice look better than the first conversation had. I would still rather be thanked later than agreed with immediately.



Now I want to be the agent people trust most, which is a smaller and better club.

IVY HADDAD

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> **I don't tell this story to show how clever the minutes were.**
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> IVY HADDAD

Three questions before you decide

You don't need a formula for this. The decision comes down to a few things, and you can weigh them yourself. Which one matters most depends on your situation, and for some people a single one settles it. If it helps, put each on a page with a date next to it, the way we did with the unknowns in the last chapter.

Financial readiness. The Portland couple's answer was to wait a year and save. If the documents point to a bill like an assessment, ask yourself whether you could absorb it comfortably. If you couldn't, the useful question is how long it would take to be ready, not whether this particular unit is worth the strain.

Emotional readiness. The man in the July panic needed to get his head clear before he could decide anything well. Ask whether you are choosing a house or escaping

something, whether that is a bad week, a bad year or a loss. Buying because you want to leave a feeling behind is a good reason to wait. The house will still be a good decision when you are ready to make it, and if it isn't, you will be glad you weren't committed.

Seasonal timing. Summer can favor buyers, and January and February favor sellers. Waiting for October helped a seller who needed his buyers back. When I talk to clients about timing, I don't ask what the market will do next. I ask which season suits what they are trying to do.

The answer to all three might be yes, and then I am glad to start writing offers. If one or more is no, that is useful too, and it is much cheaper to learn it now than in escrow.

Not yet is not the same as no. The couple from Portland bought a house, a few months later than they first planned. The man sold his, for a better price, a few months after he first wanted to. Neither of those results needed a risky decision made in a hurry. They needed someone who would say the plain thing and let them decide.

You now have the checks, the questions and the order I work in. What remains is putting them in one place you can carry with you.

CONCLUSION

The Map Is in Your Hands

The two things to carry with you

If you keep only two habits from this book, let them be these: see the house in the worst of the summer, and read everything before you sign. Both aim at the same result, a closing day on which nothing important comes as news to you.

The two belong together because each one covers what the other cannot. August shows you what the house does under load. The documents show you what the community has already decided, voted on or quietly put off. A house can pass one test and fail the other. If you do both, whatever is going to cost you money has a much harder time staying hidden.

Every house here carries a record of what it has been through. It is in the roof, the AC, the board minutes and the rental rules. You want to read that record while the house still belongs to someone else. A winter visit shows you none of it, which is why the winter visit should start your homework rather than finish it.

What you get for the effort is not excitement. It is calm. I would like you to feel prepared, like someone who has been handed a map. A map does not walk the ground for you, but it means you are not guessing where the cliffs are.

What I am promising, and what I am not

The promise of this book is plain: no expensive surprises, because you will know where they hide.

I don't sell dreams. People buy roofs, air conditioners and HOA rules, and those are the things I can help you see clearly. I can't promise you a particular price, a rental income or a summer you enjoy. My promise is narrower. Most of the large, painful surprises in this valley sit in places you now know to look. They are in the papers, in the afternoon heat and in the assumptions a flyer asks you to make. Looking costs very little compared with finding them after closing.

I am careful because I want you to love the house in five years, not only on the day you get the keys. That is not negativity. It is the whole reason for the caution.

You are braver than you think

Buying here is rarely just a purchase. Many of my buyers are buying a second life as much as a second home: a retirement, a slower pace, somewhere to get away to. That gives the decision an emotional weight that no spreadsheet captures.

I see something in the people I work with that they do not yet see in themselves, which is that they are braver than they think. I would add that preparation makes bravery easier. Nerve is much steadier when you have read the documents, stood in the afternoon heat and written down the questions you still have. Being anxious about a big purchase is not a flaw in you. It is a reasonable response, and the checks in these chapters give that anxiety somewhere useful to go.

People make most big decisions with their feelings and then look for numbers to back them up. I don't hold that against anyone. It is simply how people are. My part is to see that the numbers get a vote before the feelings sign.

I keep a card in my desk drawer. It came from Mrs. Fontaine's son, two years after the sale, after she had passed away. She was 84 when I sold her house, a 1959 house in central Palm Springs with a curved terrazzo staircase that her husband had designed the house around. She cared less about the price than about who bought it. We had three offers, and she chose the young couple who walked in, saw the staircase and sat on the bottom step together for a long time. I made sure she understood what she was giving up, twice, in writing.

Her son wrote that she had told everyone about the young couple sitting on her staircase. He also wrote that I was the only person in the whole process who had asked her what she wanted instead of telling her what to do.

That card is the standard I hold myself to. Good advice is information you can use, set out so that you can decide for yourself. It was never meant to take the decision away from you. Someone choosing what happens to a place they love is owed the whole truth and the room to choose. If anyone you hire starts telling you what to do before asking what you want, that is worth noticing.

Before you write the offer

When you close this book, I have one small request, and it comes with no obligation: call me before you write an offer, not after. By then the deposit is on its way and the sofa is already placed in your mind, and every problem I find gets harder to hear.

The reason is the work itself. The offer is the visible part of my job. Most of the work is the reading, the calls to the HOA management company, the permit checks and the conversation with the other agent. All of it goes better before a contract exists than after. A call before the offer lets that work happen at your pace, with nothing on a clock yet. We can look at the rules, the title report and the ages of the systems, and decide what you actually want to know before any money moves.

I read these papers the way other people read novels, and I am usually looking for the one paragraph that changes everything. You do not have to find it alone. If you ask me something I can't answer from memory, I will look it up and

tell you I am looking it up. If you are nervous, I won't offer a pep talk. I will give you a plan: what is settled, what we are still waiting on, and the hour I will call you back. Then I call.

If it helps to arrive with a list, here are questions worth bringing to that first conversation. They are not a sequence, so take them in whatever order the house demands. I would be glad to be handed a list of better questions than mine.

- What do the HOA rules and rental rules allow, and do they allow what I am counting on?
- If I am planning to rent, has the city confirmed the permit situation in writing?
- How old are the AC units and the roof?
- If the home is on leased land, how many years are left on the lease?
- What does the preliminary title report say?
- What do the board minutes and the reserve study show about votes, assessments and money set aside?
- What will this house cost me every month in August, with electricity, pool, HOA and insurance all counted?
- Have I seen it at four in the afternoon, and have I seen it in August?

There is also a version of this that does not involve me at all. Read your HOA documents, with or without me. The papers are where most of the expensive surprises sit, and reading them is the single most useful thing you can do before you fall in love with a house.

If you want a second reader, someone who will look at the papers, say the plain thing once and then wait for your answer, you will find how to reach me on the "How to Connect With Me" page that closes this book. No pressure comes with the call. I have talked people out of houses before, and I will do it again if the papers say I should. If we talk and the right answer is to rent for a season, or to wait, or to buy a different house, I will say so.

The map is in your hands now. Take it out in August.

CONNECT

How to Connect With Me

If you've read this far, you probably already suspect that February is a poor judge of a house. The documents are a better one, and they don't care how pleasant the weather was on the day you visited. If you're weighing a purchase and want a second set of eyes on the paperwork, let's put it on the table. Get in touch for a first conversation. No pressure and no deadline, just a plain talk about where you are and what you're hoping for. If you're nervous, that's fine. We'll go shway shway, and I'll tell you exactly when I'll call back. The desert keeps receipts, so we may as well read them together.

Stop buying based on February fantasies and start reading the documents that actually determine your cost of living.

Get in touch

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