

SMARTePLANS

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Our Pictorial Marketing System Consistently Outperforms the Market

TEN YEAR TREND REPORT – SMARTePLANS

We just finished our tenth year and I am very pleased to share the results. SMARTePLANS has consistently outperformed the market for over a ten year period – over some of the absolute worst years in real estate history. This report shows you the data for 10 years and charts our market performance utilizing several key measurement metrics and frames of reference.

Each SMARTePLAN created is tagged with its individualized MLS number and its market performance is tracked by Houston Association of Realtors (HAR.com) until the property is sold, withdrawn, terminated or expired. So we don't create the data – an independent third party tracks and charts the data and publishes monthly and yearly reports. This makes our data verifiable by a professional third party real estate industry source, who also happens to be one of the most respected online MLS's in the country (HAR.com).

Marketing residential properties (and specializing in the top 2% of the market) has become increasingly challenging, but we have a robust marketing "system" of several products that consistently posts superior performance metrics in the marketplace. Both Sellers and Listing Agents seek out our "performance" marketing materials to give them an edge in the marketplace --- and I can genuinely say that giving your properties that "edge" is what we do best.

"Will this work for me?" That's what everyone wants to know.

I won't tell you it's going to work for you, but I can show you (with data taken direct from the MLS) how it is working for others.

24.2 % of SMARTePLANS sold at or OVER LIST PRICE in 2013. So just last year, nearly a quarter of our sales sold over list price (See graph and data on page 4)

Our Ten Year Average, with over \$314 million dollars worth of property sold, and an average property sales price of \$ 969,644 posts formidable and enviable statistics:

52.3% sold in less than 45 Days – Over a 10 Year Period

74.3% sold in less than 90 Days – Over a 10 Year Period

89.6 % sold in less than 180 Days – Over a 10 Year Period

- AND -

21.1% SOLD AT LIST PRICE OR ABOVE – Over a 10 Year Period

Imagine – the AVERAGE – over a period of ten straight years has over 20% selling **at or over list price**. Do over 20% of your properties sell over list price? That is a remarkable market performance statistic! Be sure to take a look at the graph on page 4, and the factors we attribute to that level of consistent performance, particularly in the high end luxury home market.

SMARTePLANS – Ten Years of Data

	MLS Avg Days on Mkt	TOTAL SMARTePLAN Comparison Data						% SOLD At or Over List Price
		Avg DOM	Total Sales	Avg Sale	% SOLD < 45 Days	% SOLD < 90 Days	% SOLD < 180 Days	
2004	90	27	5,659,960	565,996	70.0	90.0	100.0	20.0
2005	88	70	14,745,721	702,182	42.9	71.4	90.5	19.0
2006	80	60	32,734,435	839,344	47.5	77.5	95.0	22.5
2007	85	77	45,269,310	1,052,775	55.8	72.1	86.0	18.6
2008	94	66	33,688,801	821,678	46.3	65.9	92.7	29.3
2009	85	85	18,882,200	993,800	36.8	63.2	84.2	5.3
2010	91	86	41,104,000	966,815	53.6	64.3	75.0	17.9
2011	89	54	49,408,050	1,453,177	59.4	84.4	90.6	20.6
2012	78	109	32,880,888	1,096,030	46.4	64.3	82.1	33.3
2013	61	41	39,753,335	1,204,647	64.5	90.3	100.0	24.2
SMARTePLAN's 10 Yr Avg		68	31,412,670	969,644	52	74	90	21

NOTE: 2010 had a \$15M property sold. The \$15M is included in the Total Sales, but since it would have skewed the avg sales for the year; it is not included in that total.

The chart above shows 10 years of data demonstrating how SMARTePLANS has consistently performed in the marketplace. You can review the data for each year, as well as the overall trend over time. And bear in mind that this chart represents ten years of performance during some of the most challenging years (ever) in the history of the real estate industry – so harsh in some years that a number of long time agents left the real estate industry and sought their livelihood elsewhere.

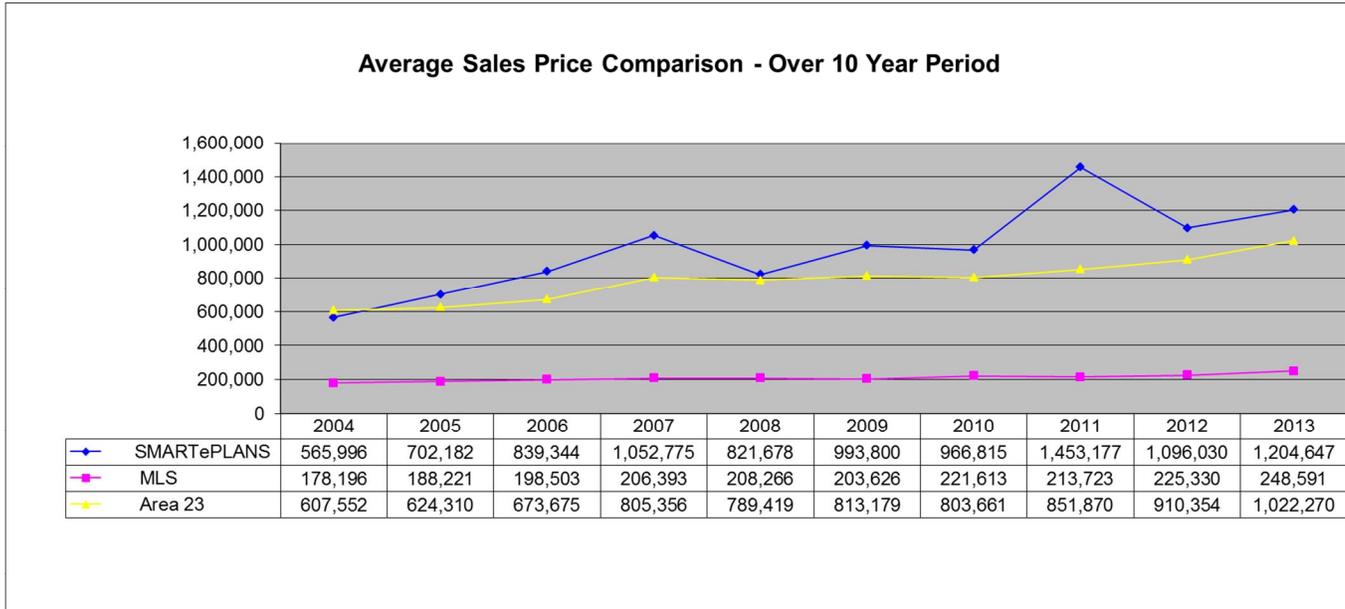
I am pleased to see that the elevated days-on-market figure reported last year rebounded. That figure (109 days on market) was because I had 7 high end properties that sold in excess of 180 days and one of them was actually on the market for 771 days! Ouch – so yes, the cumulative DOM data for SMARTePLANS was going to take a hit with those sorts of facts.

There was, however, a silver lining in the 2012 data – one of the listing agents with a property over 180 days on the market explained, “Judith, the seller believed we were doing everything we could to market their property and they wanted to stay with us and “stay the course.” Please note --- THE PROPERTIES DID SELL – and they all also remained represented by the same agent the whole time. Since its not uncommon for Sellers to get frustrated, blame the agent --- kick them to the curb and find a new agent – her comment provided a different perspective. My job is marketing and if the unique materials I create help the agent RETAIN the listing, **as well as sell the property** – I am OK with that.

And, now we have a 12-month vantage point to once again review the days-on-market data and I have no complaints for 41 days on market vs. MLS’s 61 days on market. What that tells me is we’re still selling properties nearly 3 weeks faster than everybody else on MLS --- and 3 weeks is a mortgage payment saved for most people.

The other issue that effects cumulative days-on-market (DOM) is of course the price. SMARTePLANS has no control over the price – None, Nada, Zip – that responsibility remains with the listing agent. But let’s take a look at the historical pricing in the next chart.

As you can see, my average price in 2013 is over a million dollars per property while the average MLS property price is \$ 248K. So that's \$ 1,204,647 vs. \$ 248,591 --- a BIG DIFFERENCE. Consider the higher the sales price, the smaller the pool of interested and qualified buyers so SMARTePLANS has to capture buyers from a **much smaller pool of available buyers**.



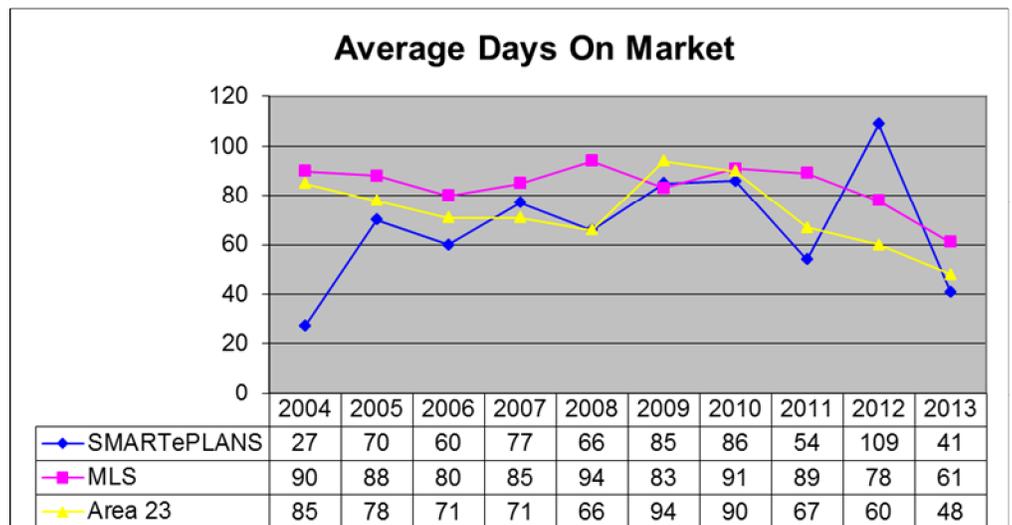
And, it is a fact we face every year. To provide a counter-weight to the disparate data, I looked for the highest sales price region in Houston, and for us it is Area 23 (Memorial), so I've inserted Area 23's data to graph along with mine providing you a reference point for the data. It helps to put it in perspective, but even with the yellow-line-data from Memorial, the average sales price for the blue-line-properties I market, while getting closer, is still above the average for both our MLS and also for Area 23 (Memorial).

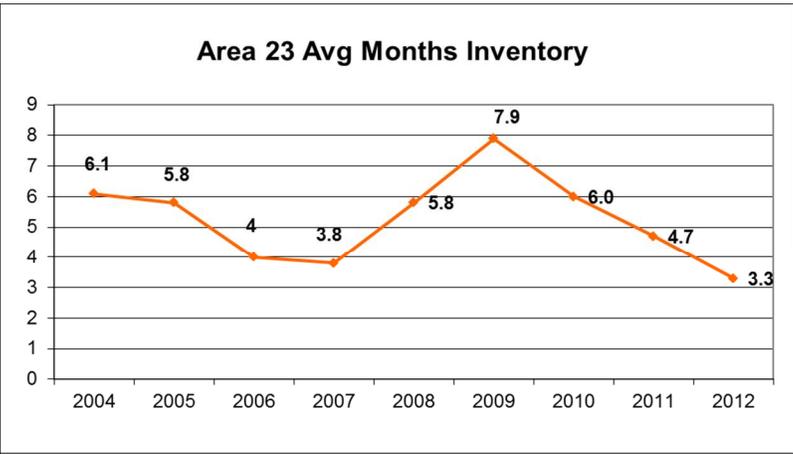
Having looked at the Average Sales Price, let's now look at the Average Days on Market (DOM) statistics. The next graph charts the Average Days on Market trending over the full 10 year period.

And here you see on the graph the rather dramatic rise in DOM that I described earlier for 2012. .

Last year's SMART-ePLAN data is clearly not consistent with the overall 10 year trend and was perhaps an anomaly.

The data appears to now be trending closer to the historical performance record and trend line.





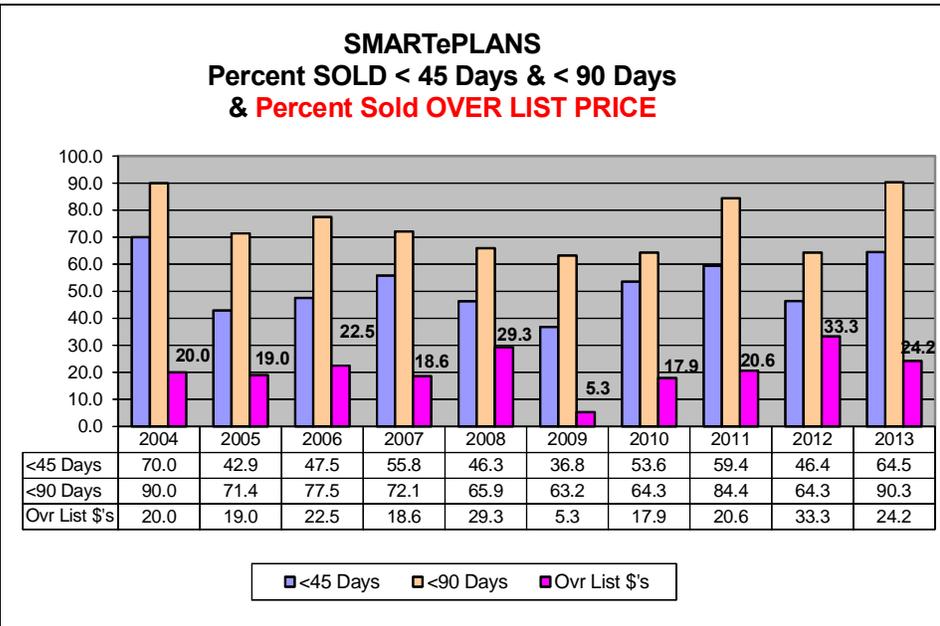
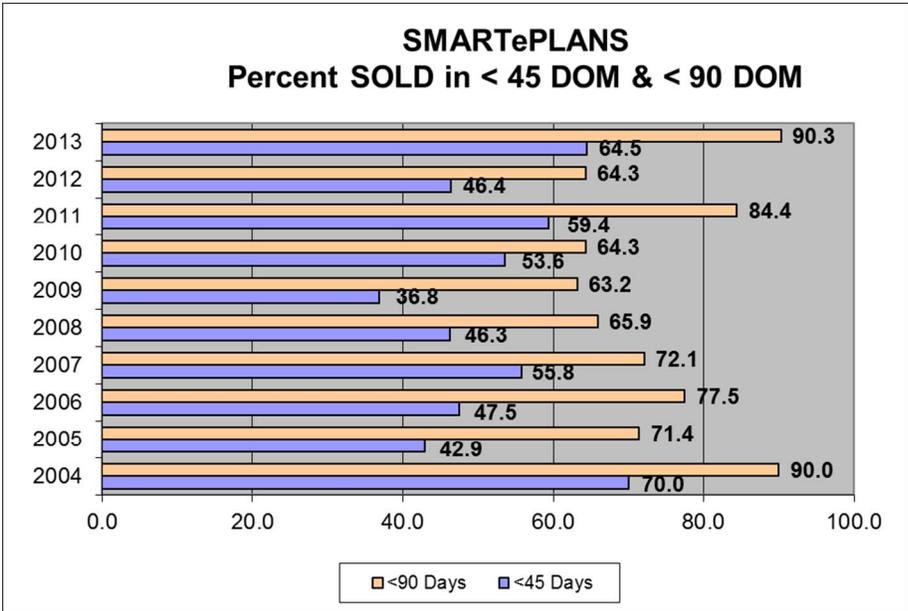
I've added a graph showing the Months Inventory record for Area 23 (Memorial) as a benchmark for the market inventory that is relevant to the data.

Another way I track Days on Market for my agent clients is **I look at the actual breakdown on the number of days on the market.** For high end luxury homes in Houston it is fairly common for agents to use a 6 month (180 day) listing agreement.

So I track HALF of that (90 days) and then HALF again (45 days) to split up the term & the graphic is providing information to my agents of whether they are ahead of the curve, for the major share of their own listings.

It is the same DOM data, but this time it's sliced a little thinner and concentrates on reporting the percent of sales that:

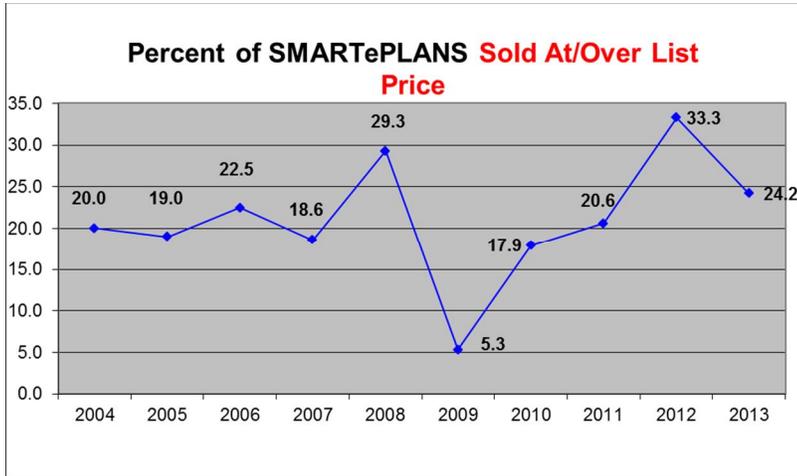
- Sold Less than 45 DOM
- and -
- Sold Less than 90 DOM.



This chart displays the same DOM data categorized by those properties sold in Less than 45 Days and also Less than 90 Days as in the chart above --- but it also adds in the percent (of these properties) that sold over list price.

As you can see, a significant number of properties utilizing the unique and patented SMARTePLAN marketing system have sold at or over list price, consistently for over a ten year period.

And that brings us to my favorite graph: the **percent of SMARTePLANS per year selling at list price or above.**



2012 was an all-time high at 33.3% ... but last year is not too shabby at 24.2%!

Even the deep dip in 2009 down to 5.3% is a badge of honor during a year the industry was pretty much in melt-down. Even in the WORST year on record, we STILL sold 5.3% over list price.

What factors can lead to a property selling at list price or above?

Certainly the pricing itself, but SMARTePLANS has nothing to do with that --- setting the list price is the domain of the listing agent. But if that's all there was to it --- ALL properties would be selling at list price and above --- and that is indeed the exception and NOT the rule.

CONCURRENT BUYER interest in the same property at the same time is the major factor that causes a property to sell at list price or above. You have to have MULTIPLE OFFERS to sell over List Price. In order to do that --- you have to have effective marketing to attract and ENGAGE concurrent buyer interest.... And SMARTePLANS knows how to do that.

Uploaded onto MLS and data-streamed around the world to Google, Zillow, Trulia, Realtor.com and any number of portals and aggregators SMARTePLANS are (1) easily accessible, (2) easily understood, (3) show the ENTIRE property --- outdoor space as well as indoor, (4) show amazing detail of the features, finishes and craftsmanship of each property and (5) allow potential buyers to select furniture off a menu, size it to fit their needs and slide it around the floor plan arranging furniture and doing what ifs.

In an intercontinental city like Houston, international investors and foreign professionals transferring into the city can easily find SMARTePLANS online, and *the easy-to-understand pictorials transcend any language barrier*. Corporate execs who know they are being transferred to Houston are searching our MLS months before they move --- looking at neighborhoods, looking at pricing --- and they find and scrutinize homes with SMARTePLANS right on our MLS. The properties with SMARTePLANS always make their short list; and some have purchased homes without ever seeing them in person first. All of these are "real" instances where a SMARTePLAN helped sell a high end luxury property a lot faster than expected.

Whether you are a home owner thinking about putting your high end luxury home onto the market, or an agent who lists these properties, take the time to investigate this powerful marketing tool.

Our website (www.smarteplans.com) has information for both consumers and real estate professionals in an easy-to-navigate format, with samples and FAQs. Go visit and click around --- email me with questions.

SMARTePLAN is not just a floor plan company, we have a whole portfolio of integrated marketing products that work hard for you and produce results --- and we look forward to working for you THIS year.