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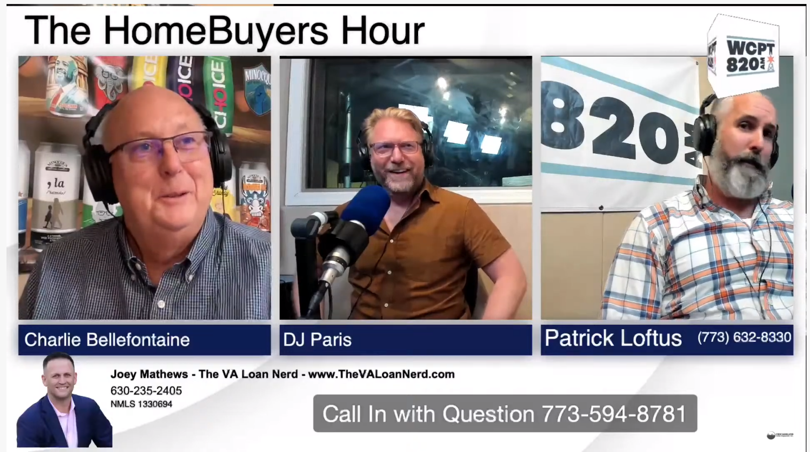
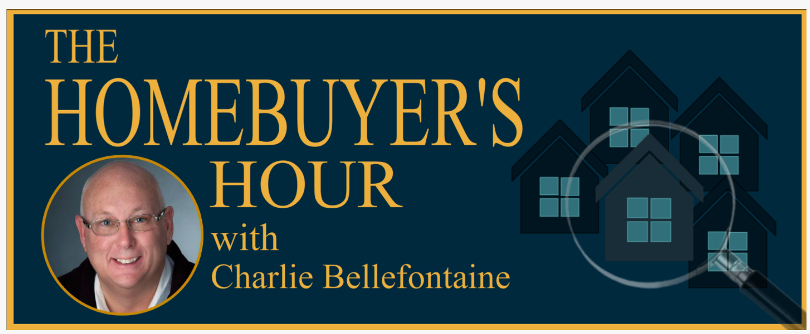
The HomeBuyer's Hour - Unveiling the Wonders of Sales and Marketing with D.J Paris

In the newest episode of The Homebuyer's Hour, guest host D.J Paris discusses the real estate industry sales and marketing strategies, mortgages, and inflation.



D.J. Paris at The HomeBuyer's Hour



The HomeBuyers Hour on AM820

CHICAGO, ILLINOIS, USA, August 3, 2023 /EINPresswire.com/ -- Charles Bellefontaine, Joey Matthews, Patrick Loftus, and guest host D.J Paris discussed the current market situation. Inflationary pressures, the labor market, and the impact on bond yields and mortgage-backed securities (MBS) dominated the conversation.

Joey Matthews began by discussing the effects of inflationary pressure on the economy, highlighting that people are employed, have substantial disposable income, and invest significantly, increasing the consumer price index (CPI). Matthews stated, "Our employment market is phenomenal. This is what is currently destroying us on the bond yield market."

Speaking explicitly about bond yields, Matthews reported a significant increase, with the 10-year Treasury yield reaching 4.13 percent, up 30 to 40 basis points from the previous week. This increase in bond yields has a negative effect on the MBS market as mortgage-backed securities decline and interest rates rise. The discussion shed light on the counterintuitive effects of interest rate increases and the obstacles to significant progress in reducing inflation.

Charles Bellefontaine expressed his concern about their recent overwhelming workload, remarking that they have been swamped. He noted that such circumstances frequently lead individuals to anticipate increasing mortgage rates, fueling the dread of missing out. Additionally, Charles observed that their office phone has been buzzing more often, indicating a growing interest in mortgage-related matters.

However, Patrick Loftus countered Charles' point, stating that the belief that rising interest rates cool down and soften the real estate market is sometimes counterintuitive. According to Patrick, an increase in interest rates often has the opposite effect. He explained that when interest rates rise, people have more money. Consequently, the Federal Reserve responds by raising interest rates to draw more money out of the economy, aiming to reduce inflation.


Charles Bellefontaine of Chicagoland Home Inspectors, Inc.


Joey Mathews of The Federal Savings Bank

Patrick commented on the remarkable progress in inflation reduction, highlighting that it had declined to 3%. He further explained that while it may seem easier to reduce inflation from higher levels, such as from nine to three, it becomes increasingly challenging to make progress in the lower ranges. Patrick attributed this difficulty to the percentage-based nature of the task. For instance, going from nine to eight or seven entails a reduction of 1/9, whereas reducing inflation from three to two requires a decrease of 1/3.

During the podcast interview with D.J. Paris, Bellefontaine emphasized the importance of ethics and that shortcuts have no place in this industry. Rather, genuine success stems from assuring client satisfaction and fostering long-lasting relationships.

When asked if Paris agreed with this assessment, he acknowledged the accuracy of

Bellefontaine's statements but added a critical piece of advice for potential homebuyers and sellers. Paris highlighted that while the real estate firm an agent works for may serve as an indicator of their training, it is the individual realtor who holds primary importance. Each agent operates independently, using personalized strategies and processes to deliver quality services.

Patrick Loftus of Loftus Law is a Co-Host on The HomeBuyers Hour

Paris encouraged prospective clients to look beyond the firm's reputation and focus on finding the right agent for their needs. By interviewing two or three realtors, individuals better understand what each agent can offer and how their approaches might differ. Paris emphasized that it is vital to ask, "What can you do for me?" to receive a wide range of responses to help make an informed decision.

Especially in the current market with slower activity and high-interest rates, Paris suggested that those considering buying or selling a property take the time to engage with multiple realtors. This process allows individuals to explore different perspectives, strategies, and options, ensuring they find an agent who aligns with their goals and can help navigate the unique challenges of the current market conditions.

As Paris advised, clients should consider the individual realtor's expertise and approach rather than solely relying on the firm they represent. By thoroughly researching and interviewing potential agents, buyers, and sellers can find a trusted partner who will prioritize their satisfaction and work tirelessly to achieve their real estate goals.

D.J. Paris hosts the popular podcast, "Keeping it Real." Paris has solidified his position as one of the most influential figures in the industry through his expertise and exceptional contribution to the field.

With an impressive 500 episodes under his belt, Paris has captivated listeners from all corners of the United States. "Keeping it Real" has become one of the most sought-after real estate shows, offering valuable insights, expert interviews, and actionable advice for professionals and enthusiasts alike.

As the President of Sales and Marketing for Kale Realty, a leading brokerage in Chicago, Paris brings a unique perspective to his podcast. Having successfully navigated the dynamic real estate market, Paris is renowned for his experience and wealth of knowledge, making his podcast an indispensable resource for anyone interested in the industry.

With nearly 800 agents serving the city and suburbs, Kale Realty has thrived under Paris's leadership. His role in the company's growth and success is undeniable, elevating Kale Realty into a prominent Chicago real estate market player.

The "Keeping it Real" podcast has achieved incredible heights, with millions of downloads and a dedicated fanbase. Listeners eagerly tune in to gain insights into the latest trends, market analysis, and personal stories from industry leaders, all delivered with Paris's charismatic and engaging style.

Paris's innate ability to connect with guests and listeners alike has positioned him as a trusted authority within the real estate community. His interviews have featured top agents, brokers, and experts, providing insider perspectives on the challenges and triumphs of the industry.

Charles Bellefontaine delved into the enigmatic world of realtor compensation. As the real estate industry evolves, clients become increasingly curious about the value they receive from hiring a real estate agent. Paris sheds light on the matter, advocating for a deeper understanding of realtor earnings and the unique services they bring to the table.

Gone are the days when realtor services were inaccessible and shrouded in secrecy. With the rise of online platforms like Zillow and Redfin, buyers and sellers can now browse through listings independently. In light of this, the pivotal question arises: why should one pay a realtor a substantial sum for their services?

According to Paris, the key lies in recognizing that real estate agents offer more than just property search assistance. "I'm paying them to give me advice," explains Paris. The value of a good realtor lies in their ability to provide expert insights, validate decisions, or even dissuade clients when necessary. Much like an accountant who goes beyond simply filing taxes, a remarkable realtor can save clients significant amounts of money through their informed guidance.

When it comes to understanding realtor compensation, Paris offers a simple calculation. Multiply the property price by two and a half percent, representing what the realtor will receive. For instance, a $300,000 home would result in a payment of approximately $7,500. The realtor's value lies not in finding a property, which can be done independently, but in offering expertise and personalized advice tailored to the client's needs.

Paris suggests enlightened clients ask why the agent is worth their fee. By initiating this critical conversation, clients seek validation, assurance, and a demonstration of the realtor's unique value proposition. A good realtor, Paris insists, will genuinely listen to the client, understand their needs, and provide insight-driven recommendations based on their knowledge and expertise.

D.J. Paris debunked a common misconception surrounding these rates, shedding light on the intricate financial dynamics of real estate transactions.

Typically, commission rates in the real estate industry range between four to six percent. However, Bellefontaine expressed curiosity when encountering a two-and-a-half percent commission rate concept, significantly lower than the industry standard. Seeking clarification, Paris delved into the factors influencing commission percentages.

Contrary to popular belief, Paris emphasized that buyers and sellers contribute to paying the commissions. Dispelling the widely perpetuated notion that sellers alone bear this expense, Paris contended that it was an industry misnomer. He expressed his frustration at the prevalence of this fallacy even in current times.

Though sellers technically issue the commission check, Paris noted that buyers effectively share the burden by contributing half of the commission. On average, buyers are expected to contribute approximately two and a half percent, depending on the market and the realtor's charges.

Paris emphasized the importance of leveraging this understanding when negotiating with a realtor. Potential homebuyers can engage realtors more effectively by acknowledging the buyer's contribution and expressing awareness of the assumed two-and-a-half percent rate.

Patrick Loftus further expanded on the intricacies of the transaction process, highlighting that the buyer's capital ultimately influences the distribution of funds within the seller's network. Loftus suggested that commission rates are already factored into the property price. Consequently, when the buyer brings their capital to the table, it becomes their money, which the seller distributes.

The discussion shed light on real estate commission rates being more complex than they initially appear. Buyers and sellers play a financial role in bearing these costs, further emphasizing the importance of clearly understanding the transaction process.

The viewpoints of Paris and Loftus remind homebuyers and sellers alike to approach the negotiation process with knowledge and discernment. By considering the intricate financial dynamics, individuals can better evaluate the value and expertise different realtors offer.

D.J. Paris's and Joey Matthews shed light on homeowners' challenges with current mortgage rates. The conversation touched upon the significant difference between the historic low mortgage rates many homeowners currently have, around 4%, and the rising rates hovering just above 7%.

D.J. Paris initiated the discussion by acknowledging homeowners' difficulties when contemplating selling their homes and acquiring new ones due to the higher interest rates. Drawing attention to the fact that an estimated 85% (or perhaps as high as 90%) of American homeowners have mortgages below 4%, Paris expressed his concerns about the implications of increased borrowing costs.

In response, Joey Matthews acknowledged the issue's complexity and highlighted the ongoing influx of first-time homebuyers as a critical factor influencing the housing market. The continuous demand for homes, driven by new homebuyers seeking investment opportunities or increased living space, contributes to the supply shortage homeowners face when contemplating a sale.

Matthews stated that although he understands the challenge, many families experiencing growth or requiring more space will always have valid reasons to sell their homes. However, the ultimate decision to sell often depends on the severity of their circumstances and if the benefits outweigh the associated costs.

Reflecting on the cyclical nature of the housing market, Matthews emphasized that market dynamics change over time, ensuring a turnover of properties as people move, expand their families, or encounter significant life changes. He even shared his experience moving from his previous mortgage with a low 1.75% interest rate in Illinois to a new one in Arizona.

While Matthews acknowledged that the transition can be difficult, he emphasized that life circumstances often necessitate such changes. More people will inevitably sell their homes due to varying personal factors, such as starting a family or relocating for job opportunities.

The session at The HomeBuyer's Hour radio show showcased Mr. Paris's ability to answer questions seamlessly and with remarkable intelligence. With his impressive knowledge and extensive experience in the real estate industry, he left the audience in awe of his versatile skills.

Known for his unparalleled success in sales and marketing, Mr. Paris seamlessly shifted gears during the Q&A, delving deep into the intricacies of home buying and selling. His ability to effortlessly articulate complex concepts into easily understandable terms left participants enthralled, making it evident that his expertise extends far beyond his primary role at Kale Realty.

D.J Paris
President of Sales and Marketing at Kale Realty
Keeping It Real Podcast
https://www.linkedin.com/in/djparis3/
https://www.facebook.com/ThghtsFromParis/
312 238 9796

Joey Mathews
The Federal Savings Bank - https://www.facebook.com/thevaloannerd/
NMLS#1330694
630-235-2405

Patrick Loftus
Loftus Law - https://loftus-law.com/
773-632-8330

Charles Bellefontaine
Chicagoland Home Inspectors, Inc.
+1 630-327-2700
email us here
Visit us on social media:
Facebook
Twitter
LinkedIn
Instagram
YouTube
TikTok
