

IDEA EXCHANGE *

Real Estate Axioms

* The following real estate axioms have been gathered from members *
* of the Division during the past six months. Perhaps they can not *
* all be taken as absolute principles; but they are nevertheless, *
* suggestive and thought-provoking because they express the beliefs *
* of certain leading successful Realtors with respect to certain *
* phases of real estate and real estate methods. Can you add one *
* or two axioms to the list we are compiling? *
* *****

1. Never buy a piece of land merely because it is cheap. L
2. Property unlimited in amount as to kind is limited as to value. X
3. Real Estate, like textiles, comes in many grades and qualities. Be sure of its quality before buying a consignment.
4. Unimproved property in cities having ordinary growth or less, under ordinary conditions rarely increases in value sufficiently to offset interest, taxes and assessments. X
5. Real Estate values are the resultants of a number of factors. Whenever one or more of these increase or diminish, the resulting values increase or diminish correspondingly.
6. Ordinary residence lots, when used, are an asset; when kept vacant, they become a liability. X
7. The supply of real estate, like the supply of any other commodity, is often greater than the community is able to purchase.
8. Over-improvement on a lot is worse than under-improvement. Depreciation of building exceeds ground increment when relative value is disproportionate. X
9. In Real Estate there is not one market but as many markets as there are kinds of real estate.
10. Monuments in building mark dead investments. X
11. Financial centers, firmly established, rarely change. X

* Special bulletin 2-1929.

12. In real estate, like in other commodities, the best remedy for high prices is high prices, and the best remedy for low prices is low prices.
- ✓ 13. Retail sections keep moving toward best resident and fashionable sections of the city.
14. Never assume that the changes in the average price of real estate hold true for every parcel of real estate in the community. X
- ✓ 15. When trend of values in location is downward, take your loss quickly rather than continuously.
- ✓ 16. Never assume that the property is worth twwhat it cost, or what it would cost to replace it. X
- ✓ 17. Never assume that real estate always increases in value.
18. Central business property, property likely to become such, and property in the outskirts in direction of growth of development, increase steadily in value. Intermediate property usually remains stagnant or declines in value.
- ✓ 19. Never improve a low grade location with a high grade type of improvement. X

This Idea Sold Two Subdivision Lots

Dear Member:-

Here's a little idea that clinched a sale of two subdivision lots that may be of help somewhere along the line.

The two lots in question faced a street which had about an 8% grade. One of the lots was possibly 4 feet above grade of the street, whereas the other was about 6 feet below grade.

Along the lower side of the two lots was a small creek,

They were priced at a bargain, and yet the prospect could not be sold after seeing the property, receiving statistics on valuations, etc. A last minute appeal to the eye was used by the writer in the form of an attractive sketch of a house which was the right type for this location; viz., a garage on the lower side with a sun parlour over it, which could overlook a beautiful little side yard with flowers and the creek at the bottom.

It sold the lots, and the words of the prospect were: "Until you showed me that sketch I just could not see in my mind just what kind of a house could be built on these lots and have it look right.

Trusting this may help some one, I am

Very truly yours,

HILLS & COMPANY, INC.

Syracuse, New York.

Charles S. Burrows, Subdivision Sales Mgr.

CSB/JH
