

## RTRE\_163\_Turning\_up\_the\_heat\_in\_December

Speaker 1: This is Real Talk on Real Estate with Barry Mathis, a show based around a community of homeowners and investors from all walks of life who believe in the value of real estate as a tool for building lasting wealth. Your host has over a decade of experience in real estate in a variety of roles.

He has served as a team member and a team leader of high producing agents, the broker of a regional franchise, and the managing partner of a property management company. He is currently ranked in the top three percent of all local real estate sales agents.

Whether you're looking to build long term wealth with a buy and hold real estate, or simply flip properties for quick profits, His experience as both a principle and on behalf of his clients gives him a unique perspective about investing in real estate than most agents simply do not have.

Above all, he is passionate about real estate and about keeping the conversations real, while providing you with the latest market updates, ongoing education and direct interviews with subject matter experts. Now buckle your seatbelts and hang on for the ride, here's your host, Barry Mathis.

Barry Mathis: All right California! Man! We are glad to be here. This is Barry Mathis, the voice of real estate for over a decade in the Sacramento area. With me in the studios today, lock it down ladies, this is Mark Adams.

Mark Adams: Thank you very much. Good to be here, good to be here.

Barry: All right Mark. Those of you who know Mark will understand why I prefaced that with the following disclaimer, no offense to Mike's wife. Mark is happily married. We'll go ahead and get rid of that already.

Mark: Twenty seven years already.

Barry: Mark, you get that all the time, don't you? Wherever you go, don't you?

Mark: Six foot ten with a southern accent.

Barry: Oh my goodness.

Mark: You don't see that very much out here, right?

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Barry: Yes, 6'10" with a southern accent, that is quite the story here in California. We really appreciate having Mark in the studio today. What's Mark doing here? Mark, tell them what you do.

Mark: We do residential heating and air conditioning. We're residential specialists. We do everything from service and repairs, maintenance, full installation, retrofits. We specialize in the residential side of it. Homeowners if it heats or cools your house, we can handle it.

Barry: There you go. There you go. We're going to have some fun on the ... You got two southern boys on the air today so we're going to have some fun. We will try our best to keep it clean and use phrases that you all will understand. If we get into our vernacular a little bit, you just have to call in and ask us, "What did that mean?" 9233300 is our call in number and 888-9231380 if you want to reach us from outside the local area.

You may not realize this but our voice is heard all the way up in Redding, all the way out to Chico, all the way out to the bay and all the way down into the central valley. We got a big audience here and we'd love to hear calls from all over that place.

Matter of fact, if you call in today, like we do all the time on the show, we give out a Starbucks gift card. We're not giving you one for your entire family where you can take all 40 people to Starbucks. It's not 100\$ gift card. It is a \$5 gift card. If you want me to buy you a cup of coffee then call in with your question and we'll be glad to help you, 916-9233300.

We just like hearing from you. It makes our stories more interesting. I think you'll have some interesting stories today. What are we talking about? Well we're talking about real estate. That's what we do here. We talk about real estate each and every week.

I was out last night and I was out at a King's game and they were trying to sell me King's tickets. They were some pretty good salesmen out there but after a little while, they got to understand that I was also selling them.

I was trying to sell their sales manager the idea that he should go by a fourplex here. It just came out real obvious. They said, "Man, you are passionate about real estate. You love it." I'm like, "Yes, that's what I do."

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I feel that Mark feels the same way about heating and air. It's just kind of weird how you can get this passion about something that's not football and it's not basketball but you're passionate about heating and air.

Mark: Absolutely. Heating and cooling yourself and keeping a warm and cool home makes a big difference.

Barry: Absolutely. We did surmise earlier that between the two of us we have solved most of the world's problems. All of the strife that comes from the middle east and all of these guys fighting each other for decades and decades, we believe that if they would just bring in more air conditioning into the Middle East, it would solve most of the problems.

Mark: It would definitely calm them down a little bit.

Barry: Here's a case study. Look at Dubai. You never hear about Dubai fighting. Why? Because they've built massive skyscrapers and they moved everybody from the sand inside. They're not mad anymore. I spent quite a few years in the military. I know you were in Operation Desert Storm. I was over there, as well. It was just hot. After a while, you just get mad because you're hot.

Mark: Absolutely.

Barry: If net and Yahoo and Obama and the world leaders want to call us, we will figure out a way to make more ACs and shift them over there and solve a lot of the problems that are going on. That's our contribution at Christmastime to the world, peace.

Mark: Back up the truck.

Barry: Here we go again. We are a promise, I promise. We're talking about real estate today. We are going to get to it here. So, what's going on? We saw our inventory. Just like we suspected, you went from 1395 sold houses in October, the months from mid-September. We do it in mid-month because that way you catch the end and the beginning of the month.

Mid-month September to mid-month October, that will state fairly flat but this mid-month October to mid-month November dropped like a rock. You went from 1,395 homes sold in Sacramento to only 1,037 homes sold in Sacramento. This should not be a big surprise. If you go back to last year, you had 1,370 and it dropped down to 1,214. So, this is a bigger drop than then but you are going to see it.

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Now, this is what most people don't realize is. This is probably going to be backed up by drops in January and February, as well. That's where the big problem's coming in is that what people don't realize is the season actually rolls in to January and February and you have lower sales in January and February over the long period of time than you actually do just in November and December.

Guys, you are going to see a drop. It's going to come. You're going to have some more homes drop down and not as many sales going on. What does that mean out there? Well, you're already starting to see a little bit of a decrease in price. In September, we were at \$178 a square foot and now you're down to \$173. Nothing really materially changed.

Interest rates are still low. Job market is actually looking better. You didn't have any big changes on that. What you have is just not as much demand out there. This is a classic tale. You're seeing it in the old market right now. There's one of those words. Oh, I have a hard time with that word. You go ahead and try it. Let me see if that's just a southern thing.

Mark: Old.

Barry: Old. So, we're going to, I have a hard...

Mark: Just two syllables, two syllables.

Barry: Old, old is two syllables. There you go. You're seeing it in that market, as well. You've got demand and then you've got supply. When they came up with more supply in the form of shell it all, then they created more supply and the demand stays about the same, so what happened? Prices dropped.

This happens in real estate. It happens in all. It happens in any market out there, any commodity market out there. Stop laughing at me Mark. All right. This got to be a terrible show. Nobody, it's just us, two southern guys in the studio.

Mark: Too much fun.

Barry: Too much fun, okay. Days on market, looking about 45 days on market. If you're out there and you're over 45, you should probably be calling your agent and there saying, "Hey, what's going on?" Don't wait for the agent to call you. Most of them won't. That's the biggest number one complaint with real estate agents is lack of communication.

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If you're waiting for that agent to call you, he's probably not going to do it. You need to call him and say, "Listen I've been on the market for 45 days. That knucklehead on the radio said that if I haven't sold in 45 days, I'm below average. Actually, that means the agent might be below average. Hello! Did I say that out loud? I'm sorry.

Mark: I think you did.

Barry: I think I did say that out loud. Okay, so here we go. Average price for sale and sold, ah that's pretty much tracking all the time. The people that are selling houses think their house is worth more than the people that are buying houses. This is not news. Okay. Months on market inventory; that is going up. We went from 2.4 months of inventory to 2.8 months of inventory.

All right, that pretty much wraps it up. That's our Sacramento market. I'm not going to separate out plaster today but we're going to jump right in to our conversations on HVAC.

What you should be looking for. This is the time of the year, believe it or not, it will get cold. It is. It is going to get cold. If you haven't looked at HVAC, in a little while, we're going to tell you three things that you should be looking at to figure out whether it's going to work when you turn it on. When we get back, feel free to call in and get expert opinion on that, as well, 9233300, 888-9231380. Hope you're getting an excellent day out there.

Speaker 2: Have an alarm system, paid too much for your monthly bill? Get a lower monitoring rate with V3 Security. V3 Security is Sacramento's largest local provider, it has been in for years.

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To receive a true market value report from real live professional, simply call me Barry Mathis at 916-225-7777 or visit our website [www.truevaluereport.com](http://www.truevaluereport.com).

Speaker 1: AM 1380, The Answer.

Barry: All right, Sacramento. This is Barry Mathis, the voice of real estate and with me in the studio here is Mark Adams, the man of HVAC. So, 6'2" from the south, he is a southern gentleman and he will tell you what needs to be done on your HVAC.

We just ran through the market update on Sacramento County and what we basically said is that inventories up for the holidays and sales are down for the holidays. That's not a huge, new statement. I don't think there are any big flashes in there but if you're trying to sell your house right now, there are people out there buying.

We were selling a house and we just got a great offer on it and put that into contract. I love real estate. I got to walk out and meet the people. We did a flip on that house and turned it over and I got to go out and meet the owners of the property. The buyers of the property got to meet their parents. Walk them through and to hear them say things like, "Wow! The craftsmanship is good. They really did a great job on this. Wow! This is done right."

The dad was coming in to check out the house his daughter was buying. You can relate to that. How many daughters do you have?

Mark: I got two of them.

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Barry: You got two girls and your wife, so you can relate to that. Dad was coming in to check out this house that some agent sold their daughter.

Mark: Absolutely.

Barry: He is coming in to check it out and it was really nice to see that right from the very beginning, he noticed that we had used the contractor, one of our contractors sign was out there. John Ingram, we use him a lot, give him a little plug out there. He does a great job, general contractor. His sign was right out front and immediately the guy said, "I knew they got a good deal because they had a contractor do the work." That's pretty good, right?

Mark: Makes a big difference.

Barry: It does. So that having it right off the bat, that license, having that license look at it is a big deal. You're in a business where there are a lot of people that say they know how to work on HVACs but they don't necessarily have a license.

Mark: Well, it's a different gig. If you're going to put a fence up, that's one thing but when you're putting together a heating and air system, you're looking at high voltaged gas carbon monoxide that's produced by it. It's very important that it's done and you got to be fully licensed, insured and bonded which we are.

Barry: And that's so important, people don't understand the reasons why sometimes but this is something that produces a colorless, odorless gas that can kill you. I think I would like to have somebody that knows what they're doing and has a license binding them, has been to a couple of classes and a few hours of training at least to do this. What kind of background does it take to get that license?

Mark: Well, I've had my license since the late 90s. I actually grew up in Georgia doing heat and air with my dad so I've been around it over 20 years. I've done it most all my life besides the six years I was serving our country. So, out here in California, it's just a different market out here.

In Georgia, things are a little bit more laid back but out here people get things done and they get them done fast. One of the biggest benchmarks of my company is real estate agents and property management companies. They know if they send me out to a job, I'm going to do the right thing.

Barry: That's actually how I met you. We used to run a property management company. We had 300 units that we managed. You might can imagine that if

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you have 300 units that you're managing, yahoo! You can get a few calls. Guess what? One thing that people are not patient about is the heating and air system. On either side of that equation, people come on glued if it's not right. It is just crazy, the calls that we used to get and they used to handle for us.

Mark: Absolutely. If it ain't broke, don't fix it type thing. I understand that but with the heating and air system when it goes down, you miss it a lot.

Barry: Absolutely. Our calls in numbers today are 9233300, 888-9231380 and again we do have a Starbucks card holding for you. If you call in and ask a question for us, real estate or HVAC, we're open today. I would love to hear both kinds of calls.

People don't understand sometimes I think that the whole idea if it ain't broke, don't fix it. The problem is that you don't know it's broken until you need it and by then, everybody else has you fixing their systems. Talk to me a little bit about servicing the units. What kind of servicing plan? What does that cost? Is there anything that they should do in advance of needing it?

Mark: Well, generally, a maintenance program like we have with our SoCo club, we automatically contact you to get discounts and priorities.

Barry: Hold on just a second. I interrupt a lot, sorry but that SoCo club, that does not stand for Southern California, that stands for Southern Comfort. I don't think he's talking about the lickers that aren't covered but he might be but he's really talking about Southern Comfort and how they... that's kind of the story of your company is how to keep people in southern comfort, right.

Mark: Absolutely and we found that with a club program, if you have your system maintained, you have a much better chance to get along jabbety out off of it. You're not going to have as near as much repair cost and you're actually going to be more comfortable. All that takes is generally, our maintenance programs starts out at \$178 a year and that includes...

Barry: A month or a year?

Mark: A year, so that's 10 bucks a month.

Mark: Basically, it's two visits a year, one in the spring for the AC, one in the fall for the heat and we automatically contact you. You don't even have to think about it.

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Barry: That's pretty good system. That is awesome that you can do that. I'd looked up some numbers. I tried to study a little bit for these conversations even though I don't rehearse or anything. But I looked up at the average HVAC system repair was \$355 to \$525. That was for a furnace. For the AC unit, it was actually \$454 to \$690. Those are some hefty numbers. When you compared them, both of those are two to three times when you compare what the cost of the maintenance is.

Mark: Absolutely, plus the fact that those charges are just for usually one part. Most heating and air systems have a good five to ten components that can range in that same range. It's something that you definitely want to take care of.

Everybody takes care of their car. Everybody gets their oil changed. Most people get their oil changed. Everybody services their car but for some reason, people think that heating and air is just bulletproof.

Barry: Yes.

Mark: It's hidden away in your house. You don't have to think about it, don't worry about it. Well, you can save yourself a lot of heartache by having it looked at.

Barry: For something that's so bulletproof, I have noticed that it always has access panels. I take that if it has access panels that must mean that you got to get to it every so often, right?

Mark: Once in a while. You got to get to fixing them.

Barry: Okay fixing, there's one of our southern word. I didn't spring that one on you, so fixing means that we're getting ready to do something. We're thinking about doing it. It's something that's on our immediate agenda as opposed to getting to it a while later. A while is usually using a calendar and fixing is something that we're going to do it that week or pretty soon.

Mark: That's what my dad said; we're fixing to fix it.

Barry: We're fixing to fix it.

Mark: It's a preparatory thing.

Barry: It is. It means it's on our mind. We might not be doing it right now. With my wife, I use that a lot. She tells me to do something and I say well I'm fixing to do that. That means that I'm going to wait till after the show is over or the game is over then I'm going to think about doing it after a while.

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Mark: Absolutely, I've been married for over 25 years and I wear the belt that she allows me.

Barry: She allows you to wear the belt. She tells you how tight it is, ain't she. All right. We're here if you want to call in and ask us questions 9233300, 888-9231380. Believe it or not, we are talking about real estate. If you're starting to connect the dot as I started off telling about a house that we sold and how the buyer of the house was really happy that we had used a contractor. He noticed it right off, the buyer's parents.

It does play in to your value when you fix things around the house, when you have those systems working. I can tell you, I've sold over 1000 houses between me and my team and my agents. I can tell you that when buyers start questioning things when you're selling a house, one thing leads to another.

When they walk in and the HVAC guy, when they do a home inspection and they tell them that well the HVAC doesn't work or it makes this noise, that's probably the worst one. Let's go back to that. When they walk in and they it on and I have buyers that turn on your HVACs system while you're out. They came in to look at it and turn it on and it starts making a noise or putting out a smell, tell me about that. What can that lead to?

Mark: Well, the problem with that is that it gets doubted into the customer's mind. You know as a real estate agent and property management companies, you don't want a heating and air issue to stand in the way of a sale. You definitely don't want a heating and air company out there that's going to give you the wrong advice or try to take advantage of that situation you're in.

If you got a \$400, 000 deal going on, do you really want a \$300 repair to stand in front of that? What we do is we go out, we fix what's broken. We fix it. We get it running. We get it running right. We give you a confidence that you don't have to worry about it plus we stand behind our work.

Barry: That was one of the biggest things that I enjoyed when we used you is I cared a lot for the investors side of it because I represented in my mind, even though I worked with investors and renters, I always felt that I represented the investor. I really cared that you guys would come out and fix it rather than just tell him, "You got to replace it, you got to replace it." It sounds like a broken record.

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If I bring three different companies out to look at my system, two of them will tell me that I have to replace it. I already know what's wrong with it, yet and I can tell you those averages are about right.

Mark: Well, that's kind of the issue. Most companies are out there to get you to buy a new one. That's what they want. We don't look at it that way. We come out to actually evaluate the system. See what it needs to be safe and strong for the next homeowner. We're not there to take advantage of the situation. We're not there to feed a bunch of information that we know is not true.

Barry: How many salesmen do you have working for you? Do you have these commission salesmen that come out? How many of those work for you?

Mark: I do not do that. If you want somebody to come out, the 6'10" man will show up. I'll take care of it from the beginning.

Barry: You got to be careful putting that out. You're going to be getting some calls. Let me see, do you have a bowtie you can wear with that?

Mark: I like to give people a little bit of a warning because 6'10" is tall.

Barry: It is tall.

Mark: But I'm tall but I'm nice. We do shoot straight. There's so many things that entail heating and air. It's not just your furnace or your air conditioner. Your dock work's just as important. You don't want to have those types of issues stand in front of you.

Barry: We we're talking earlier about some things that they would know they needed to be serviced. You mentioned noise. Tell me about what kind of noises does a bad heating and air system work? Is it more likely on the heating side or the air side?

Mark: It could be both. You could have clanking noises, banging noises. If you get a lot of dust and dirt in the system, it could off balance the blower. A lot of people just have unbalanced air; one room 70 degrees, the next room's 80 degrees, the next room's 90 degrees. You go upstairs, you can't even stand there.

The heart is your heating and your air, your air conditioner and your heater but the veins of the system and the arteries of the system is your dock work.

It's just as important and now it is part of the code. You don't want dock work to stand in front of a deal.

Barry: Yes, it used to be, they will have you put in a brand new system and then they'll say, "Well, it's got to meet these codes. It had to be energy efficient system." But then, they'd be filling up the whole attic with air.

Mark: Absolutely.

Barry: Energy efficient air but it was still filling up the whole attic.

Mark: Absolutely.

Barry: Congratulations. You saved 50% on heating your attic.

Mark: Absolutely. We've got a motto with our company. We offer free estimates, free second opinions and we do free piece of mind. The free second opinions that we started was for the fact that most of the competitors that go out actually bid way high. They want to repair everything, replace everything. That's not what we do.

We actually come out to the house and evaluate what your real needs are. My dad always taught me, you got to give people options. If you need a replacement, fine. We do that but it's not the cornerstone of what I'm looking for when I get there. If we can repair that old system, I specialize in that. I've been doing this since I was a kid.

Most of the newer people in heating and air, unless a diagnostic board is telling them what's wrong, they have no idea.

Barry: How to troubleshoot it or anything.

Mark: Absolutely. With residential heating and air systems, it doesn't matter to make model. It doesn't matter if [inaudible].

Barry: You got a kid coming in the business now that's going out there, a junior technician. I appreciate junior technicians. They got to learn somewhere but most of these kids weren't even alive when these systems that are still in use were built.

Mark: Absolutely.

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Barry: They've never even seen it. I've experienced that. I've had guys come out and look at properties and they're like what is that? I'm like, well that's been there since the house was built.

Mark: Yes, it's kind of the same with automotive. I compare it with that a lot. Automotive, I rebuild old mustangs from the 60s, 67 Mustang Coupe I rebuild. I can do that blindfolded. My wife's Acura, I can't even change the oil in it.

The things that they've done to cars, to complicate them, they've done the same thing to heating and air. They've introduced circuit boards. Most people don't realize that they're heating and air system can be causing them money and they just not know it.

Barry: Well, we're going to get ready to go out to break here. If you're out there and you want a quick question out to Mark and learn more about him, Mark if they're trying to reach you, what's the phone number they can reach you at?

Mark: 916-5333962, 916-5333962.

Barry: All right. If you want to call in, we'll take your call after the break, 92330300 and 888-9231380. This is Barry Mathis, the voice of real estate. We'd love to hear from you today. We're going to be talking more real estate when we get back from break.

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Speaker 1: AM 1380, The Answer.

Barry: All right, Sacramento. We're having a good time in here with the owner and sole proprietor and owner and original founder of Southern Comfort. No, I do not mean the spirits southern comfort although that may get pretty good interview, too. We should try him sometime although I'm sure that's a corporation at this point, however and a little too sweet for me. Anyway back on topic.

This is Barry Mathis, real talk on real estate and we are talking about real estate and with me in the studio is Mark Adams. Mark is with Southern Comfort heating and air. That's what you guys do. You've been doing it for a long time. You're out at [socoheatingair.com](http://socoheatingair.com). No and in there, just [socoheatingair.com](http://socoheatingair.com). We're really glad to have you in the studio, Mark.

Mark: I appreciate the opportunity, I really do.

Barry: All right, we're going to jump out to another veteran in the industry and I think he's going now. He was here a minute ago. Well, call back in Pete. We had you on the line for a minute and now you're gone. So if you're out there listening then call us back in, technical board problem there.

We're going to keep talking about real estate and talking about HVAC systems. We talked earlier about how the industry seems to want to upsell people all the time. There's actually a website I found out there called [contractingbusiness.com](http://contractingbusiness.com) the wall of shame.

If you go to that website, it's just these pictures of people, they sell these people products, they come in, they do all this crap and it's just bad work, bad workmanship. It's hard to find this wall of shame sometimes because everybody is afraid to getting sued but tell me a little bit. Have you ever had any experiences where you've seen that you know what that's just ain't right.

Mark: Absolutely.

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Barry: Hold on, ain't, ain't. How would you define ain't? It's something that is not. Ain't is something that should not be, is not, what's another definition of that? It's hard to describe that one.

Mark: It just ain't.

Barry: It just ain't. I ain't got any words to describe it but go ahead.

Mark: I actually do a lot of work in the Del Webb areas and I work with a lot of real estate agents and property managers but we do find there's a hard sale going on out there. The elderly people, they live by themselves. They're being told that they need 12, 13, \$14,000 systems installed in their houses.

Barry: Hold on, hold on, in Del Webb?

Mark: Yes and their houses aren't even 10 years old yet.

Barry: What's the average life span of a system, a modern system, not an old system?

Mark: Most of the newer systems will go anywhere from 15 to 25 years. You can expect that. If you're maintaining them especially past the 10 year mark, it can make a big difference in that number.

Barry: Wow! Okay.

Mark: But what I have found is that especially with real estate agents, if they're out there with the deal going through, they know that got their hands handcuffed sometimes just to make everything happen.

The heating and air contractors sometimes can try to take advantage of that. They know you're in the middle of a deal. They know there's a problem with the system. They want to know how we can fix it and I give them options to fix it.

Ninety percent of the time, we can get units repaired enough and running. We do safety checks on them also just to make sure of that.

Barry: There's a big difference between a \$500 repair and a \$13,000 replacement of something that wasn't even ... It's just a waste of the matter if some of them wasn't even broke.

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Mark: Absolutely, plus the fact that if you really want a nice premium heat and air system installed, we could do it for half of that. Generally, we're around \$7,000 or \$8,000 for a premium unit complete.

Barry: I found that to be true over and over again. Seventy five percent of my business last year was work with investors. I don't think it's going to be big this year because there are not so many people flipping houses this year.

But I'm amazed that's the one number that I usually change their mind on because a lot of my investors are first time investors. So, they're out there and they're saying, "Well, that HVAC system is going to cost a fortune." And I'm like, "No, it ain't."

Mark: No!

Barry: They're like, "I just replaced it in my house. I know how much it costs." And I'm like, "You just called in the wrong guy." And you didn't call that guy 20 times last year so that's part of the issues there. I think we got Pete back up on the line. Hey Pete, how are you doing out there?

Pete: I'm doing great. How are you, Barry?

Barry: I'm doing good. Where are you calling from today?

Pete: Well, I'm in the beautiful Napa Valley today.

Barry: Aye, aye. I always like to find out where you are. I get my vacations by living through you. So out there in Napa Valley, is it raining over there?

Pete: Oh, no! The sun is out. The sun's on the way. We're going to have a nice afternoon.

Barry: I'm sitting in the studio today with Mark Adams, another southern boy and we're just talking about some stories. Do you have any stories of anything that's happened in your business lately on the mortgage side?

Pete: Well, I wanted to mention a little bit about the VA loan. I know you and I were talking about this the other day. This time of the year, we find that we can help quite a few of our veterans out there. One of the first steps is to get hold of various of your veteran and bring in your DD214. If you bring in your DD214, there you'll work with me and we'll turn it into a Certificate of Eligibility **[0:31:4]**.

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Barry: You know what, Pete we have lost you. Are you riding a bike calling us or are you sitting still calling us?

Pete: Oh, I'm sitting still calling you.

Barry: Okay, okay. Well, you must be out there in the valley or something there, I think we've lost a signal a little bit. So the Veterans Administration has a great loan out there. Basically, the detail of that loan is no money down. That's the biggest advantage, right?

Pete: [0:31:53].

Barry: We're going to have to have you call back in. I apologize. Let's try a different line for you. This one's not working. All right. So Pete's going to call back in. Pete's going to call back in for us. We're just talking about Veterans Administration, VA loans. Mark, I know you're a veteran. I'm a veteran. Have you used your VA before?

Mark: Absolutely. We did when we purchased the home that we have in Grass Valley.

Barry: Yes, that's a great program and really it's very competitive on interest rates right now. It's got some great things going for. What we used to hear is real estate agents used to hear, "Oh, no! Don't let you buyer have VA because they're so hard. They tear the house up. They make the seller do all of these things to the house in order to pass that VA inspection." That's simply not the case anymore.

Nowadays, we're seeing those veterans and the inspections are basically the same as anybody buying. Maybe at least it's equal to FHA inspection and so it's pretty smooth process for everybody.

Mark: Absolutely. The one problem this country seems to have year after year is not taking good care of their veterans. We got the VA issues going on. We want to see that fixed. We also support the wounded warrior project in Fisher House that supports the veterans. There's a lot going on out there and we also offer veterans discount.

Barry: Tell me, I know the Fisher House, I've heard of that. I think Jack Armstrong, I think on Armstrong and Getty Show, they help support that. But what's that program about?

Mark: Absolutely. Fisher House is an awesome charity. Their operating cost is less than four percent, so 96 cents on every dollar that you give. What they do is they have houses at the hospitals for the wounded warriors that the families can stay at. They fly the families in. If you live on the East Coast and your daughter or son gets hurt in the military, then you got to come to the West Coast for three months for recovery.

Could you imagine the cost of that for somebody? So Fisher House steps up. They take care of it. They put them in a house with people going through the same situation they're in and it's very important that that be done. There's no way that you're going to be able to heal better than with your family being by your side.

Barry: Absolutely.

Mark: These men are out there and women are out there laying on the line for us. Let's start laying on the line for the veterans. Let's start doing it. That's why we're old school with our company. We give veterans discounts. We're there to help out the people that have helped our country.

Barry: That's good, that's good man. I know your vehicle. You'll recognize the Southern Comfort vehicle because it'll be wrapped in a flag rolling down the street. That is so awesome.

So many people, what happens is I think we forget about them because they're not in general and I'm not trying to call us a war here but in general, most veterans don't sit around and complain. They don't wait for people to bring them something. They don't have a sense of entitlement. They don't whine and moan publicly. Because they're not a squeaky wheel sometimes, we just don't think about them. We don't do anything with them.

Whereas, on the other side, you might have some squeaky wheels and I am not dumb enough to try to name all the squeaky wheels. But you might have some squeaky wheels out there that do a lot of complaining and they get a lot of attention and get a lot of money and they're not even really where we should be focused. It's out of whack. You're just out of balance. If you spend more time just on the squeaky wheels because they're louder.

Mark: Exactly.

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Barry: Then, that's basically what it comes down to. Because they're louder, they get more attention and more services and more goods.

Mark: Well, veterans seem to kind of handle things on their own. They don't want to put a hand out. But I think it's time to help. It really is. I think that especially with the holiday season, Armstrong and Getty did a fantastic job of raising money for Fisher House already.

You know your money is going to a good choice. You know that it's going to be spent the right way. It's going to actually benefit people. They even have a frequent flyer miles that you can donate your mileage so they can fly coastal, fly the families in.

Barry: Oh, that is awesome!

Mark: Fisher House, just look them up. It's just as it sounds, fisherhouse.com. You'll get all the information you need.

Barry: Is that F-i-s-h-e-r?

Mark: Absolutely.

Barry: Okay.

Mark: You'll get all the information you need. There's even a donation place there where you can send some cash to them. I guarantee you it will be used in the best way.

Barry: That is great. You know, what I find so often is you just need to help people a little bit. If somebody's got a good heart and when I say they, earlier I mentioned the word they so often that's especially in right wing radio and in the south, as well, they use the term they to cover up racism, bigotry and stuff like that.

That's not what I'm talking about. There's no particular group that I have in mind. What I have in mind is white, black, green, yellow, whatever your color is, if you don't help yourself, you're they. So, they is anybody who doesn't help themselves. What I find is I've got people that I help.

I'm not going to go into the details of that but I find is they didn't help themselves. They take the little bit I give them and they use that as something to pull themselves up and to get a little bit of help themselves and they go do

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more and more. If you're not seeing that follow up, then you're giving to the wrong people.

Mark: Absolutely. You're giving them that hand up instead of a hand out.

Barry: If they're not pulling, you don't feel any engagement on that hand from their part then you need to move your resources somewhere else.

Mark: Absolutely. I know there's a lot of companies out there that are [0:36:52] and we have been on and off and ex-military people are in good way. That's a good employee that you could put on your team, too. We want to think about our veterans. I know most of the time, we do it on holidays or we do it when the war is fresh at hand but we've been battling for years here. People step up to the plate.

Barry: How would you like it if they only battled on the holiday?

Mark: Exactly. They're out there every day fighting for us. Let's start fighting for them.

Barry: Jack Nicholson's famous quote on the wall.

Mark: Exactly.

Barry: We're back in the real estate. Believe it or not, we are a real estate show but this is how it works when you get two southern boys. We just like to sit around. I can almost picture the fire going, the bonfire going and is passing a bottle and shooting the breeze and telling people, this is how we solve the world's problems.

Mark: Pass me that Mason jar.

Barry: Yes, pass me that Mason jar; Mason jar that is something in the south that's used as a dish.

Mark: Absolutely.

Barry: As you go to Macy's and you buy dish and flatware in the south, we just use a Mason jar for just about everything.

Mark: Absolutely.

Barry: And so you don't ever throw one of them, Mason jars away because we might be having a use for that later on down the road. As you know, you can go out

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to our blog if you're having trouble with any of this. You can go out to [www.realtalkonrealestate.com](http://www.realtalkonrealestate.com) and should be about Monday, we'll have this posted up online.

You can listen to it on audio there. You can subscribe to our podcast. Listen to it at your convenience. And by next week, we'll start posting the transcripts of the show out on there. I cannot wait to see the young lady out in the Philippines whoever she is, how she translates them there. I want to see how she spells that one. She's got to have some fun. She's got work cut out for her for this one.

We're talking about people that have had problems that have gone out and started taking advantage of them. When we come back, we're going to tell you one of those stories and it's not just right what people do sometimes to take advantage of people.

Hello, this is Barry Mathis, the voice of real estate in Sacramento for over a decade. If you've been waiting to sell your home until the time was right, you may find that that time has come. With the recent rise in local home prices, your home may be worth much more than you think. Online pricing sites such as Zillow or Trulia simply failed to provide an accurate picture of your home's true market price.

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Speaker 1: AM 1380, The Answer.

All right Sacramento. This is Barry Mathis coming to you live from right down here near the Arden Expo. We do have some clear skies out there. Man, we've

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been enjoying this rain. I know it's a mess and it sometimes feels like a pain but I am so glad to have the water back. You guys can live without a lot of things but you start trying to live without water two or three years in a row, you've had some major problems.

With me in the studio today is Mark Adams. We're just having a good time just sitting around and shooting a breeze. What part of Georgia are you from Mark?

Mark: I was born and raised in Macon right below Atlanta.

Barry: Okay and I think I was married in Macon. I think that's where ... is it in Macon or Conyers? I think it was Macon though. I was born in Atlanta, The Peachtree Hotel not a Peachtree Plaza but I was probably conceived at the Peachtree Plaza. I don't think my parents could afford the Peachtree Plaza at the time. But yes, I really love Atlanta and the Georgia Bulldogs and go dogs.

Mark: Absolutely.

Barry: Are you a Georgia Bulldog fan?

Mark: I'm a Bulldog fan and a Falcon fan long suffering Atlanta.

Barry: A long southern falcon fan. Yes, but you know it's nice to have those teams there and the varsity, do you ever get back to the varsity?

Mark: Oh I love the varsity.

Barry: Hold on a second. The picket, Frank is chiming in with one of his old school. See, the problem with Frank's stories is he's so old it's before radio. It's just pretty bad.

Mark: Hey, the Pig and the Whistle, I remember that.

Barry: You remember the Pig and the Whistle?

Mark: We got in Macon , we got Fincher's Barbecue, too.

Barry: Okay.

Mark: There are certain things there that are available. You can't get anywhere. I do miss the food.

Barry: Okay.

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Mark: I don't miss the humidity but I do miss the food.

Barry: Crazy. Actually, I think I have, my wife opened up my can of varsity chilli. I had a can of varsity chilli. I don't think she understood that it wasn't for eating but then again, most people out here don't understand that food can sometimes be a decoration for the house.

Mark: Absolutely.

Barry: It's the different concept.

Mark: On the south, food is a religion.

Barry: It is, man. It is amazing. Probably some of the Memphis really crazy on their barbecue if you ever been over that way.

Mark: Barbecue, yes.

Barry: But yes, we loved Georgia. It's great place but yes, that humidity man. This place right here, if you want to know about real estate, this place is amazing! I listened to a Harvard professor this week and I was supposed to be giving an update on the 2015 forecast that I got from this Harvard professor. That's what our topic was supposed to be today. But we changed it up a bit.

Mark: Ah clichés should do that.

Barry: Yes, we're going to roll that one over to January, I think. That Harvard professor though he's like I moved out here and I just got stuck. He said because there's no area that I can go to that has this kind of abundance.

That you can park it right here, you can drive a couple of hours and you're in Napa where Pete is; or you can drive a couple of hours and you're up in the Squaw Valley, Tahoe area, you ski in. You're doing whatever you want or you can go a couple more hours, you're down to Monterey Bay and you can be fit down to southern California if you want to a little longer. But it's just got everything right here.

Mark: Well, Northern California, in the south if you tell people you're from California, they just picture you smoking marijuana and surfing, right.

Barry: Right, right, right.

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Mark: But out here, when people come to visit me out here in Northern California, it blows your mind. It's just as redneck out here sometimes than it is back there.

Barry: It is. It depends on where you're at. That's for sure.

Mark: Up in Grass Valley, we've lived out there for years but I've lived out here in California now longer than I lived in Georgia. So I've been out here over 20 years now.

Barry: That's a long time.

Mark: It's a great community. That's the reason I picked this area, a station that mater in the 80s. I met my wife here and got married, went to Germany for four years to serve the country and then we come right back here. I picked this spot for the weather and the location. You just can't beat it with a stick, man.

Barry: Yes, we really appreciate the service to the country for all you veterans that are out there. We appreciate that time you took to take a little time. Even if you're not going to do service to the country, I really would encourage all the young people to get out and do something, somewhere. AmeriCorps service something.

Actually, probably more volunteer stuff in the military in retrospect. I don't really know that I joined the military right this second but maybe you could, if you're young and you like it. It's just you got to go do something. Get out of town and get out of the country and see the rest of the world. When you do that, you appreciate what the heck we have here. It's so nice.

Mark: Well, you hear so much about college this and college that. Well, there is the military. That was the option I took and I'm so glad I did. It made a man out of me.

Barry: It did.

Mark: It is a situation to where I think the military is a good spot plus trades. You never hear about somebody learning a trade. Plane, heating, electrical, that ain't ever going anywhere people. It doesn't matter what your phone can do or how technology is, you still need a cool house, you still need it to be lit up and you still got to have the potty.

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Barry: Yes, you get that Emmy? You can get all the technology in the world but if you don't have a quarter inch drop on your gravity fed sewer system, people probably don't realize that underneath all of our streets, it's still gravity fed sewer system. This is not technology. This is the way it works.

Mark: It's always going to be here and a lot of young kids out there that don't really fit for college; I think the military and trades are the way to go.

Barry: Absolutely, absolutely. Hey, if you're out there, we are solving the world's problems today. Between the two of us, I think we have about 75% of the world's problems lit. Those other ones we'll get to on another show.

I just really want to say kudos out to Mark, I love what you do. You were telling me earlier a story about a little lady that you were helping. Tell me a little bit more about her.

Mark: Well, the problem is we have a little old lady. She has a seven year old house. She was told by two companies that come out to do a tune out for that she needed a full system installed. She was quoted between \$12,000 and \$16,000 on the two estimates. We went out, checked the system on a free second opinion. We offer that to any customer that calls us.

If you've had a company out and you just don't feel right if that little hair on the back of your neck stands up there's usually a reason.

Barry: You know guys I'm going to tell you this. I'm going to interrupt you again here. My flippers that flip house, if we hit something that cost \$4000, if it's not a trades person quoting me that I've worked with before, that I have a trusting relationship with, I get all of them rebid; everything that cost more than \$4000. If it's four grand, I get it bid again, all the time; roofs, AC systems, everything gets two or three bids.

If you're out there and I do this, you can practically say I do this for a living for the most part.

Mark: Absolutely.

Barry: If you're out there and you don't do that, why would you not do that? You don't know the guy that came to your door. You don't know the salesman they send around to you. Why would you not call another one? If you have trouble finding one, call me and I'll give you one.

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Mark: Absolutely.

Barry: And I've done a lot of business. If you're out there getting a quote, the instant the quote says 4000 or higher, get another quote. I'd even say for most people, that number is probably 2000.

Mark: Absolutely. It makes a big difference and you've got to make sure that you cover yourself. One thing that we do with our company is we send technicians not salesmen. We actually send a tech out to your house. If you need it repaired and you want to keep it running, we can do that, too. But for people that are out flipping houses budget's everything.

Barry: Absolutely.

Mark: We've got a \$5500 heating and air system for those homes. We don't cut corners. We still do it right. With a name brand, you get the best warranties in the business. You can do business the right way. Give people a good deal. Save them a whole bunch of money and make them a customer for yourself. We want customers long term with Southern Comfort. We're not looking for a short term.

Barry: Absolutely. You know those systems that you repair, eventually you're going to replace and that's once you have that relationship, you're not giving up the business. See, people have the short term view. Now, if you're going to have a short term view. You're trying to make corporate numbers. You're trying to make your quarterly owning statements. You're trying to do that, then you're going to have a short term view.

Then you have to maximize every quarter but you don't have to maximize every quarter. You just got to get that customer; you got to hold on to him to servicing and repairing and servicing and repairing. Eventually, they're going to do two or three systems in their lifetime. And that's a great business for you.

Mark: That's how old businesses were found and ran back in the day is you took care of your customers. They were the foundation of your company. You handled it and you took care of them in any which way you could. We always stand behind our work. We stand behind everything that we do. We don't cut any corners.

Barry: How much does that free second opinion cost?

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Mark: Absolutely nothing. It's not a trick people. We're not coming out there to confirm something's wrong. I don't even look at the paper work from the other company. I evaluate the system, myself with my eyes wide open first. Then, I come back to you and let you know. Nine times out of ten, it's not as bad as they say.

When you're out there and you're in the middle of real estate property management tenant, don't want to be in a hot or cold house. When you send somebody out there, you want to have that in your head that that man's out there doing the right thing for you. He's going to give you options that are for real.

Barry: That's awesome and what's your number if somebody wants to reach you Mark?

Mark: 916-5333962, 5333962.

Barry: My number is 916-2257777. Sometimes people complain that I don't give it out enough when I'm on the show but I figured it's pretty easy to remember and if you look my name up, you'll find me. Barry Mathis; Barry like Barry Manilow and Mathis like Johnny Mathis. If you look my name up, I'm easy to find. I don't give it out. I don't try to push it too much because I want to be of service.

This time of year especially, I want to bring people in like Mark that can just be a good service to you guys and maybe it's not always directly real estate, real estate, real estate but it is real estate, real estate, real estate. You got to live in this house after you buy it.

Mark: Absolutely and if you're looking for that piece of mind on your system, it's 89 bucks; \$89 we come out, takes a full hour, we look at your heating, your air, your dock work and we let you know if you got a good system.

Barry: Absolutely. Then, I'm sure if there's any repair cost or anything that's due, you'd put that \$89 towards it.

Mark: Absolutely.

Barry: Okay and if you didn't, I guess, I just said it on the air so like you have to. Hey my wife called and telling me or texted me while we were on the show here and told me we were married in Conyers, Georgia.

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Mark: Ahhhh!

Barry: So she does remember, 18 years ago. That was a long time ago. My dad married us at a family reunion.

Mark: Oh that's cool.

Barry: That was pretty cool. We had everybody there about 200 of us at that family reunion because that was the standard. Grandma had 14 kids.

Mark: You got that many friends.

Barry: Family, family. All right so this is Barry Mathis. You can check us out at [realtalkonrealestate.com](http://realtalkonrealestate.com). My number is 916-2257777. Hey, I'd love to help you sell your home. We've got a great program coming up. If you want to pre-list your home so it can sell in January. Give me a call directly 916-2257777.

You could check that ad out and the details in the luxury home magazine. Pick up a copy of that somewhere. Thumb through the pages and you'll see my ugly mag standing there.

We are very glad to be with you. We're honoured to be listened to every week. We just love this opportunity to be able to talk with you. Check out [socoheatingair.com](http://socoheatingair.com) and you'll get all of the information you need. We hope you have an excellent day out there.

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