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New area firm goes direct to sellers, offering quick sale

BY JEANNE MOONEY
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Robert "Glenn" Ross of Fairfax County doesn't like dealing with sales agents.

Nothing personal, he assures. He just would rather avoid haggling.

So when Ross got several mailings that touted a hassle-free means of marketing his home in Northern Virginia, he responded.

Working largely by phone, Internet and facsimile machine, Ross sold his 956-square-foot, high-rise condominium in Northern Virginia in mid-December for \$163,000.

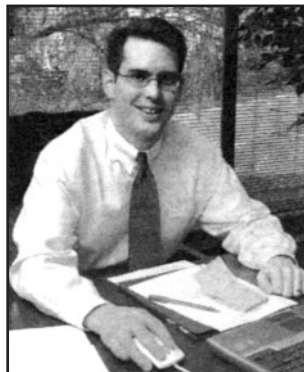
"It was a nice, easy way to do business," said Ross, who is 60, hopes to retire as a marketing representative for the National Guard in July, and move to Florida and play golf. He didn't have to rush from work to attend to the details of selling a home. He didn't have to hire a Realtor and pay a sales commission. And he got a price with which he's "perfectly satisfied," he said.

Ross turned to MAFC Residential to sell his home. It is a real estate investment and relocation firm based in Chantilly, Va., that is expanding to Hampton Roads. It promises competitive purchase offers on homes regardless of condition within one week's time and without charging a sales commission.

MAFC opened a satellite office off South Lynnhaven Road, Virginia Beach, last week. Nick Y. Ron, chief executive officer for the firm, said the company he started three years ago in the basement of his northern Virginia home had pending contracts to buy 25 homes in Hampton Roads. Those homes comprise a "mixed bag," Ron said, with some sought for as low as \$50,000 and others in the \$150,000-to-\$200,000 range.

"Our mission statement is to re-invent the residential real estate industry by offering a no-commission, no-hassle, one-stop service," said Ron, who is 29 and a former software salesman. "The whole emphasis is hassle-free. ...Any way we can take the pain away."

Ross likened the home-selling process to a full-time job. Painters may need to be hired. New carpet may need to be installed. Sellers typically juggle those tasks while finding a new home and minding their careers. "There's



Nick Ron is the chief executive officer of MAFC Residential, a real estate investment and relocation firm.

a lot of burden we take off them with our concept," he said.

Sellers who contract with MAFC complete a survey of the home's condition and note needed repairs and recent upgrades. MAFC assigns a value – frequently based on a check of public records, but at times based on a home inspection – and makes an offer.

In Ross' case, a MAFC employee inspected his condo to verify Ross' description of it. MAFC made an offer and then marketed the home on its Web site, www.mafcreidential.com. Ross got paid about 45 days after he signed a contract.

While admitting they did not fully know the details of MAFC's business model, some real estate industry members here and in northern Virginia questioned whether home sellers would capture the highest offer through MAFC. Each advocated hiring a Realtor, who can manage contractors and act as a concierge.

"If I were a home seller, if I were going down that path, I would get a few different offers," said Richard B. Thurmond, president of William E. Woods and Associates Realtors.

Some people prefer the security of knowing that their home will be sold, said Art J. Zachary, president and chief operations officer of Rose & Womble Realty Company.

But, he said, the more exposure a home receives in the market, the better its chance of fetching top dollar.

"The cost for using MAFC is inexpensive for the seller," said Kelly Posacki, an agent with Long & Foster Realtors in Fairfax. "They save on commissions, but sometimes they lose out on profit."

Ron declined to provide details about MAFC's pending contracts, but he said the company's goal is to buy, repair and re-sell homes in high volume and with a thin margin of profit.

"This is not a free service that is offered," Barbara M. Wolcott, president of Prudential Decker Realty, said of MAFC. A profit margin must be built in, she said. "They're getting the profit that may have gone to the seller and/or the real estate agent."

Asked how MAFC would perform in a hot sellers' market such as Hampton Roads, where sellers often entertain multiple purchase offers and aggressive bids, Ron said his company is competitive. He also reminded how home owners who sell to MAFC don't pay a sales commission.

"We wouldn't be buying so many properties, quite frankly, if we weren't offering competitive offers," Ron said.

If contracting to buy 25 homes in Hampton Roads in about one month's time with a very limited campaign of radio advertisements and direct mailings is indicative of MAFC's future, Ron predicted the firm will do more business in Hampton Roads than it is doing in metropolitan District of Columbia.

Ross declined to say how much he sold his 16th-floor unit for or to whom MAFC transferred ownership. "Once I signed a contract for my amount of money ... what they do is up to them," he said.

Fairfax County records show: Ross' home sold on Dec. 15 for \$163,000. A slightly larger condo of 992 square feet that was located on the 25th floor of same high-rise sold for \$179,900 on Dec. 16. A considerably larger condo of 1,398 square feet that was on the 17th floor of the same high-rise sold for \$200,000 on Dec.29.