

Hello! From your
REALTOR

Copyright 2009 Realty Times
All Rights Reserved.



Pam Bewak

February 2009

REAL ESTATE *Update*

Note: Simply click on the title of a story below to go directly to that page.

Pages with full header

- [February Real Estate Update](#)
- [Real Estate Outlook: What's in Store for 2009?](#)
- [Improve Value Through Landscaping](#)
- [Buy Now And Beat The Spring Rush](#)
- [Is A Mortgage Modification For You?](#)
- [Clutter-Free Helps Sell Homes](#)
- [Good Time To Buy A Vacation Home](#)
- [Repairs That Help Sell Your Home](#)
- [Blank Template](#)

Pages with footer only

- [February Real Estate Update](#)
- [Real Estate Outlook: What's in Store for 2009?](#)
- [Improve Value Through Landscaping](#)
- [Buy Now And Beat The Spring Rush](#)
- [Is A Mortgage Modification For You?](#)
- [Clutter-Free Helps Sell Homes](#)
- [Good Time To Buy A Vacation Home](#)
- [Repairs That Help Sell Your Home](#)
- [Blank Template](#)



Equal Housing
Opportunity

Pam Bewak, Broker

828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate

800-826-7361
441 Haywood Road
Dillsboro, NC 28725



Pam Bewak

February 2009

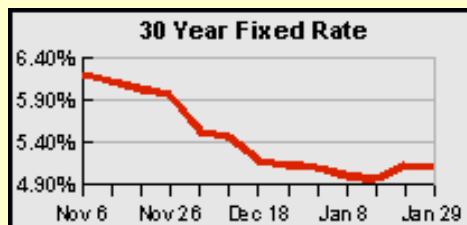
REAL ESTATE *Update*

Rates Hold Steady

In Freddie Mac's results of its Primary Mortgage Market Survey the 30-year fixed-rate mortgage (FRM) averaged 5.10% for the week ending January 29, 2009, down from the previous week when it averaged 5.12 percent. Last year at this time, the 30-year FRM averaged 5.68 percent. Interest rates for 30-year fixed-rate mortgages reached a 50-year low toward the end of December. This has contributed to housing affordability reaching its highest level since 1973, as measured by the National Association

Mortgage Rates

Source: Realty Times



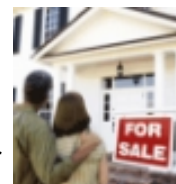
U.S. averages as of January 29, 2009:

30 yr. fixed: 5.10%
15 yr. fixed: 4.80%
1 yr. adj: 4.90%

of Realtors® monthly affordability index and help to explain a 7.0 percent increase in existing home sales in December.

Home Buyer Tax Credit: How It Works

First-time



homebuyers can take an income-tax credit on their purchase, thanks to passage in Congress last year of the first-time home buyer tax credit.

The definition of first-time homebuyer is generous.

To get the credit, the homebuyer cannot have owned a home in the previous three years.

The home must be a principal residence and purchased between April 9, 2008 and July 1, 2009.

The credit is equal to 10 percent of the purchase price, up to \$7,500. Single taxpayers with modified adjusted gross income (MAGI) up to \$75,000 and couples with MAGI up to \$150,000 will qualify for full credit.

Singles with MAGI up to \$95,000 and couples with MAGI up to \$170,000 will get a reduced credit amount. Those with higher incomes do not qualify.

If the amount of tax a homebuyer owes is less than the amount of the credit, they get to keep the difference in the form of an IRS refund.

The homebuyer must begin to repay the credit in two years in increments of about \$500 a year over a 15-year period for those who received the full credit.

Homebuyers who sell their home before the credit is repaid must pay off the loan with any profits. If they sell the home at a loss, the loan is forgiven.

The credit is set to expire in mid-2009, although industry groups, including the NAR, are encouraging Congress to extend it.

Builders Offer Ideas for Up-to-Date Kitchens



At the

International Builders' Show last month in Las Vegas, the emphasis was on kitchens.

Builders say that strapped consumers are eating out less and cooking more, which is increasing demand for functional kitchens. Kitchen trends include:

- Making room for multiple refrigerators, including under-counter models and island refrigerators.
- Considering cost-effective updates, including using limited amounts of expensive tile as a backsplash or accent and eye-catching hardware.
- Going green, not only in terms of recycled materials in countertops and floors, but also as a color for walls and other surfaces.

New Buyers Are Bred on Bytes

Marketing



company that focuses on the needs of Generation X'ers - that home buyer group born between 1961 and 1981 - says homes that show they can accommodate upscale gadgetry are most likely to whet the appetite of this mainstream buyer.

Generational Marketing Corp. is recommending that home sellers showcase technology features in their homes, such as availability of phone jacks and cable outlets, as well as extra space that can be freed up for an at-home office. Gen X'ers "will demand special wiring for cables, phone lines and electrical outlets, clustered together properly," says the firm. "A home that appeals to an X'er welcomes the future."



Equal Housing
Opportunity

Pam Bewak, Broker

828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate

800-826-7361
441 Haywood Road
Dillsboro, NC 28725



Pam Bewak

February 2009

REAL ESTATE

Update

Real Estate Outlook: What's in Store for 2009?

By Kenneth R. Harney



What will the new year bring for housing and real estate? It's easy to look at all the negative economic news in the headlines and say - there's no sign that 2009 is going to be any better than 2008.

But here's a different perspective to consider from one of the country's veteran financial analysts -- Richard Bove of Ladenburg Thalmann, the investment banking company.

In a research report issued late in December, Bove said he sees a positive dynamic taking shape in the current cycle. The government has intervened aggressively in the markets to push interest rates down -- most notably in the home mortgage sector.

Though it takes awhile for low-cost money to begin having its effect, Bove said he expects housing prices to stabilize and/or rise (in 2009) after a likely boom in mortgage refinancings as rates fall and loan applications increase.

Add in the expected massive economic stimulus package being put together on Capitol Hill with the incoming Obama administration -- and there's a good chance we're going to see a gradual transformation of the downward cycle into a slow rebound over the coming several quarters.

Already there are positive signs of the turnaround Bove predicts:

- Mortgage applications are off the charts, mainly for refis but also to buy houses at affordable prices.
- Rates continue to hover at 50-year lows.
- Plus we're all paying a lot less at the gas pump, and sharply discounted prices for retail goods and autos.
- And guess what? Americans are actually saving again, the national savings rate took a nearly three percent jump last month. That might sound small, but it's hugely important if it is the start of a trend.

There are also some signs that housing prices are stabilizing in some parts of the country. The latest monthly Federal Housing Finance Agency index found home prices UP by six-tenths of a percent in the Mountain states and UP by two tenths of a percent in New England.

You can ridicule small regional gains as statistically irrelevant, but here's an economic proposal to you for the New Year: Keep your eyes open for the small positive signs that are accumulating out there & because all downcycles tail off and come to an end.

We think the smartest players in real estate -- consumers and the industry - will make the most of the positives -- low-cost money, low prices, stabilizing local markets -- and thrive in the new year.



Pam Bewak, Broker

828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate

800-826-7361
441 Haywood Road
Dillsboro, NC 28725



Pam Bewak

February 2009

REAL ESTATE Update

Improve Value Through Landscaping

By Phoebe Chongchua



A lot has been written about landscaping yards for curb appeal because buyers see the outside first when they drive up to a home. So it makes sense to make this area as attractive and inviting as possible. Doing that requires thinking about what would really make a property alluring.

You don't have to spend thousands of dollars landscaping a home when you're about ready to put your home on the market. Instead, investing a few hundred dollars could make a huge difference to a buyer. In fact, curb appeal can be the sole reason prospective buyers ever end up entering a home. That's why listing agents will often give their sellers tips to help them fix up their homes. Here are a few things you can do.

1. Color is key: An attractive landscape usually has color. Many people add flowering plants along the walkway and porch area to create a focal point on the home. The colorful plants add a cheerful welcome and create a memorable landscape. Remember, buyers will generally visit numerous homes in a day, so anything you can do to help them remember yours, in a positive way, will increase the chance of a second visit or even an offer. Colors that grab the most attention are red, orange, and yellow. Cooler colors such as blues and purples help to relax people and can be perfect in meditation gardens.

2. Use colorful mulch: Maybe you have an area that needs some sort of mulch. You don't have to use the traditional wood chips, which soon deteriorate, to fill in planter boxes or backyard playgrounds. Rubber mulch uses recycled ground rubber that comes in several different colors including green, brown, blue, and cypress. "Make sure any recycled mulch you buy is tread-free. You don't want to have any steel. You don't want to have a lot of tread. You need to look out for that. There are companies that just offer black tires recycle and that's usually going to be pretty dirty," says Paul Parker, owner of San Diego Backyard Adventures.

It can be bought in small quantities such as 40-pound bags or large super sacks. "It will not deteriorate; it's going to last," says Parker. A 40-pound bag will cost approximately \$20.

Parker adds, "This product is going to look good for literally five or 10 years and, if you're concerned with the short-term, you can put the mulch down and it's going to add color and be pleasing to the eye."

An added benefit is that if your home has a backyard playground and you put mulch underneath it instead of wood chips, you gain a higher level of protection and an additional selling point to feature. "It's definitely going to add value because oftentimes if you put a play system on a hard surface there's no safety but if the rubber mulch is already there, it's going to add a lot of value," says Parker.

3. Artificial grass: Green grass is a beautiful feature in a yard but keeping it green can be a challenge no matter where you live. Using synthetic grass in various areas of your yard can transform an ugly area of dirt into a lush-looking yard. Parker cautions homeowners to choose the grass products carefully, "There are some products out there that are being cheaply made. So the grass has a single blade rather than a much thicker weave. You want to make sure the grass you buy has at least a 10-year warranty," says Parker.

4. Illusion of space: Hide boundaries such as fences and walls. Make them appear boundless by breaking up the line of the wall which can create a closed-off feeling. Paint and the placement of plants help give an illusion of more space. Using tall but thin plants in your yard (as opposed to wide ones) can make a small area look bigger. Curved lines can help soften the look of a home that is constructed with too many straight lines or right angles.

5. Clean up the driveway: If you've been a do-it-yourselfer with your automobiles (oil changes, etc.) then maybe it shows on your driveway. Oil spills are highly unsightly and will, if not chase away prospective buyers, at least create a memory of your home that you don't want. Clean up the spills and move the parked cars to give buyers a chance to take in the entire residence. Many will snap photos and make notes to review for later. Don't let an oil mark leave a black mark in buyers' minds.



Equal Housing
Opportunity

Pam Bewak, Broker

828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate

800-826-7361
441 Haywood Road
Dillsboro, NC 28725



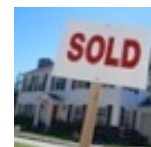
Pam Bewak

February 2009

REAL ESTATE *Update*

Buy Now And Beat The Spring Rush

By Broderick Perkins



Down market. Up market. It doesn't matter. Spring showers typically bring spring buyers. But if you wait for the seasonal thaw you'll join what could be a throng of market savvy buyers who have already scouted the lay of the land and are elbowing for position.

In many communities, an over-supply of homes for sale with reduced prices, foreclosures, auction sales and sellers shopping for short sale buyers, all make it an opportune time *not* to procrastinate.

"We are seeing a confluence of events that contributes to the increase in the number of closed sales," said Quincy Virgilio, president of the Santa Clara County Association of Realtors in San Jose, CA.

"Interest rates are at a record low and the affordability index nears a 5-year high. For first-time buyers, rents are skyrocketing and that's an added incentive to buy a home now," added Virgilio. That doesn't mean every home is a Blue Light Special or that you can shop with reckless abandon. It's a better idea to prepare now, become a savvy buyer and beat the spring rush.

To help get you started we've gleaned some key tips from "*Buying Your First Home Now*" (Nolo.com, \$24.99), by Ilona Bray, Alayna Schroeder, Marcia Stewart and a dozen contributing experts knowledgeable in everything from credit, borrowing and buying to escrow, insurance and taxes.

- Check your home-buying pulse. Just because there's a convergence of favorable market conditions doesn't mean it's your time to buy.

Base your decision solely on the state of your housing market and you'll overlook why the current market is littered with the former homes of those who borrowed more than they could afford. Likewise, if you wait for prices to fall more you could miss out. No one knows when the market will hit bottom until it begins a sustained upward turn and you can look back and actually see bottom. Buy a home because, for you, it's the right thing to do. Buy because it's more affordable than renting, because you plan on staying put until it pays off, buy because it is a good fit for your lifestyle and your personal goals.

- Learn your local market. While you certainly need to be up on the most recent housing news, get news from your local media outlets, your real estate agent and data providers that regularly generate information about your community.

- Get some basic training. Even if you've purchased before, bone up now. Regulations, local practices and market conditions change. Use well-established, frequently-updated information sources on and off line. Attend real estate industry-sponsored seminars, workshops, counseling sessions and post-secondary level realty classes.

- Examine your credit. Pull your credit report and check your credit score before your lender does. You need to make sure both are where they need to be to land you a home loan. AnnualCreditReport.com (also at 877-322-8228) is the one and only official, federally sanctioned program giving you free annual access to your credit report. The nominal fee to obtain your credit score from one of the three credit reporting agencies is worth the cost.

- Shop with money in your pocket. Get a mortgage approved before you begin to shop for a home. You need to know how much you can afford and how much home you can buy so you can negotiate from a position of strength. Shop around for the best mortgage possible.

- Buy like a savvy investor. Buy low now, sell high later. Shop in the least expensive neighborhood in the best community or the least expensive city in the region. Drill down to buy the least expensive home on the best block or the cheapest home in a neighborhood in transition.

- Your Agent;. Use your real estate agent as your point person, tell friends, family and co-workers you are in the market.

For the immediate future, look for distressed properties to continue flooding the low-performing markets, which will keep sales high but hurt property values. In the more stable markets, the upper end will continue to cool, but record-low interest rates should keep demand relatively strong for well-positioned mid-value properties.



Equal Housing
Opportunity

Pam Bewak, Broker

828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate

800-826-7361
441 Haywood Road
Dillsboro, NC 28725



Pam Bewak

February 2009

REAL ESTATE Update

Is A Mortgage Modification For You?

By Broderick Perkins



Home loan modifications are designed to save homeownership, but they've also created a new mortgage maze pitted with "buyer beware's." Both government-sanctioned counseling agencies and local community service agencies concede they have been swamped recently by demand for loan modifications. The demand stems from a proliferation of federal, state and local level foreclosure relief and bailout efforts from both government and the private lending industry.

Mortgage modifications have been around for years, but those recent relief efforts have raised the profile of the mortgage workouts as an alternative to foreclosures, short sales, auctions, and bankruptcy. The demand has opened the floodgates of loan modification services now offered by real estate agents, mortgage brokers, attorneys, government agencies, lenders, and other professionals.

No matter where they start, homeowners seeking mortgage modifications are at the mercy of lenders. The workouts are often voluntary and, completed on a case-by-case basis, they frequently come without standardized procedures. Caught in the lurch, homeowners are finding it tough to know when a modification will work and how to best obtain one. This story and a follow-up next week will shed some light on the subject.

What is a mortgage modification?

A home loan modification, granted only upon the existing lender's approval, permanently reworks some of the terms of an existing mortgage in order to make the loan more affordable to the homeowner. The strategy is typically designed for homeowners struggling to pay their mortgage, not for those who can pay their mortgage or are eligible for a refinanced loan.

Modifications are generally lender fee-free and involve the lender or loan holder lowering the interest rate and or changing an adjustable-rate mortgage (ARM) to a fixed rate mortgage (FRM) with a 30-year term. Some form of mandated homeownership counseling generally comes with the deal.

Less common loan modifications include adding missed payments to the loan balance and extending the term of the loan. Least common is getting the lender to reduce the

principal or wipe out any second mortgages.

A mortgage modification is not a refinanced mortgage a brand new loan written to pay off the old home loan.

"A mortgage is one of the most complex transactions there is. A loan modification is also a gray area for a lot of people. So of course people need someone to walk them through the process to tell them this is what you need and this is what you don't need," said Ginna Green, spokeswoman for the California office of the Center for Responsible Lending in Oakland.

Is a loan modification for you?

Greg Pennington, a San Francisco-based mortgage banking consultant and counselor with Parker-Pennington Enterprises, says a loan modification isn't for everyone. A loan modification may not be viable if:

- The modified loan comes with payments you still can't afford.
- Your current interest rate is already low and there's no room for the lender to lower it further.
- You can make the new payments, but the mortgage balance is greater than the value of your home and you don't plan on staying put long enough to reverse the loan-to-value imbalance.
- You have not already missed payments on your mortgage or can't show financial hardship due, say, to job loss, pay decrease, illness or interest rate increase.
- You have other properties, investments or assets that could be liquidated to cover your mortgage debt.
- A short sale (The lender forgives a portion of the debt owed if you can find a buyer), bankruptcy, auction sale, refinance or other approach, short of a foreclosure, is a better option.

"You can do a loan modification and not be aware of where you stand. You can get a loan modification for a home you don't want to be in," said Pennington. A financial, housing or credit counselor can help you determine your best option. Just be prepared to hold down the fort for the 60 to 90 days or more it could take to complete the modification, due to potential complications and document processing times.



Equal Housing
Opportunity

Pam Bewak, Broker

828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate

800-826-7361
441 Haywood Road
Dillsboro, NC 28725



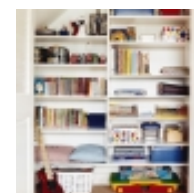
Pam Bewak

February 2009

REAL ESTATE *Update*

Clutter-Free Helps Sell Homes

By Phoebe Chongchua



At the start of a new year a lot of us get motivated to give our homes a good cleaning. It's a way to clear the physical and mental clutter and, if you're selling your home, it's a must-do to help attract buyers.

According to HomeGain, cleaning up and de-cluttering can gain you thousands of dollars at the time of the sale and cost you as little as a few hundred dollars, if you use experts, to get the job done. Next week, I'll explore other repair areas that result in the greatest return; but this week, it's all about getting organized to increase the chances of selling your home.

I recently took on the task and unloaded about 25 trash bags worth of once-prized possessions. It's funny how, as the years go by, time and lack of room can make you realize that those prized-possession are just eating up space while serving little purpose. Most of us have more than we need. Having more stuff than you need in a home is not appealing to buyers. It can make them feel cramped, nervous, and overall uncomfortable in your home which may result in a lower offer.

The best approach to de-cluttering is to have an organized plan. Expert organizer Mary Pankiewicz of Clutter-Free & Organized suggests making a list of all the areas that need to be organized; otherwise you run the risk of giving up.

"What people do is they try to do too big of a project and then they get overwhelmed and then they get discouraged," says Pankiewicz.

So, if you're rolling up your sleeves and getting started, a good place to start de-cluttering is the hall closet. Why? Buyers are certain to open it up and check it out for space.

"The thing to remember, particularly with closets is, it doesn't matter how big the closet is -- if it looks crowded, the buyer still thinks it's a small closet," says Pankiewicz. De-cluttering a home can be a huge task that can be made even more laborious if you're not careful. "What people will

want to do is haul everything out of that closet and then they don't know what to do next because they've got too much stuff to deal with."

She recommends a systematic approach to clearing clutter. Pankiewicz tells clients to first start with everything on the floor. Pull those items out and leave everything on shelves inside. Go through the items and get rid of the things that you don't have a use for. "The golden question to ask is not 'Will I ever use that?' That's what I call the keeper question because the answer to that question is 'Who knows, maybe.' So then I better keep it," says Pankiewicz. She says the better question to ask is, "What will make me use this or what will make me need this?"

Pankiewicz says when that question is asked, often people realize that they're never going to use the item and then are more willing to let it go.

Once you've found the stuff you're ready to get rid of, what do you do with it? Many sellers attempt to store it until they can have a yard sale or they donate the items. If you donate your items, make sure you take a look at the book *Money for Your Used Clothing* by William R. Lewis, CPA. The book tells you what the IRS will let you take as a tax deduction in 2008 for various items.

"If it's cluttered before the move, it's chaos after," says Pankiewicz. She adds, "The key mistake is people not making a decision before they pack things up."

That can be a very costly mistake for sellers. "They put stuff in storage and they pay for it year after year and then when they finally look at it, it's nothing they want," says Pankiewicz.

"The sooner you get your house ready to sell, the better decisions you'll make," says Pankiewicz. She says if sellers wait until the last minute then they tend to hold on to things and pack them up in storage saying, "I'll look at it later." That's how the clutter simply follows them from home to home.



Equal Housing
Opportunity

Pam Bewak, Broker

828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate

800-826-7361
441 Haywood Road
Dillsboro, NC 28725



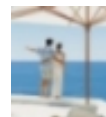
Pam Bewak

February 2009

REAL ESTATE Update

Good Time To Buy A Vacation Home

By Broderick Perkins



In seaside Ocean City, MD, where 91 percent of the homes are vacation home properties, owners were buoyed by the prospect of reduced property taxes after assessed values dropped 36 to 45 percent over the last three years, according to county officials.

Scouting the slopes in Colorado's ski resort areas of Aspen, Beaver Creek, Steamboat and Vail will uncover some home prices in the toniest areas still holding steady, but overall sales are down by about 40 percent, according to a University of Colorado's real estate center. In Maui, both home prices and sales are down about 25 percent each, according to the island's real estate association.

And don't forget California's resort areas. Home prices in the Golden State are down by 50 percent or more in many locations.

That's only the beginning. Lower prices and less competition are the tip of the iceberg-sized list of factors that make it a good time to consider a vacation home buy. "In many vacation markets, you can pick up a beach condo or a mountain cabin at a decent price. In some markets, homes are back to 2000 prices," said vacation home guru Christine Karpinski, director of Owner Community for HomeAway.com. She says a host of market conditions have converged to make buying a second home a smart move right about now.

● **Take the stock market. Please.** "Stock market woes have always pushed people to look for alternate investments, and real estate is a consistent stronghold," she says. "Yes, home values are down right now but they have always rebounded. I wouldn't recommend buying a second home with the expectation of flipping it for a quick buck, but if you hang onto it for a while -- and better still, turn it into a vacation rental property -- you'll make a nice profit," Karpinski says.

● **Interest rates are cooperating.** On Dec. 24 Freddie Mac's Primary Mortgage Market Survey revealed 30-year fixed-rate mortgage hadn't been lower since Freddie Mac started the survey in 1971. "Rates have been reasonably low for awhile, following earlier rate cuts toward the beginning of the year. That's good news for anyone who's in the market for a mortgage," Karpinski added.

● **The pressure of bidding wars is off.** "Housing bubble or no housing bubble, you're not going to get bargain basement

prices on, say, a cottage right on the ocean - but if you're willing to buy a few rows back, you'll likely find that prices have fallen substantially," notes Karpinski. "Because houses aren't flying off the shelf, there's less pressure on you to make a quick decision. You can afford to take your time, do your research, and refine your plan," she added.

● **Vacation rental demand is on.** Economic pressures on travel budgets are forcing those who once traveled abroad to stick closer to home. To further save travel dollars, domestic travelers want the most bang for their getaway bucks. Vacation homes provide all the comforts and options of home (eating in, game rooms, wirelessness, etc.), often at a per-person rate that's cheaper than a hotel. Karpinski says, "Vacation homes tend to be less expensive than hotel rooms. This is especially true if you're traveling with extended family or a group of friends. Not incidentally, in many areas of the country, rental demand exceeds supply. The Sunshine State (Florida) is a prime example. Buy a vacation home in a market like Cape Coral, Daytona, Destin, Fort Lauderdale, Indian Rocks Beach, Kissimmee, Madeira Beach, Orlando, Panama City Beach, Sanibel Island, West Palm Beach, or Windsor Hills, and you can't lose."

The weak dollar makes American destinations attractive to European travelers and others holding stronger currencies. Also, business travel continues to generate vacation rental income -- especially when foreign business associates come calling. "It's a far more comfortable option; plus many companies work out deals with homeowners whereby they can get volume discounts," said Karpinski

● **A vacation home can pay for itself.** When your monthly mortgage payment is less than or equal to one peak week rental, twelve weeks of rental will cover your mortgage payments for the entire year. Other costs, including bills for your phone, power, cable, and association dues, may be paid out of your earnings from approximately five off-week rentals, Karpinski says.

The calculations don't consider the added cost of a property manager you may need if you are not a do-it-yourselfer. Despite the convergence of positive factors pointing to an opportunity to buy a second or vacations home, the fundamentals still apply. Strong credit, low debt, high savings and other assets are a plus.



Equal Housing
Opportunity

Pam Bewak, Broker

828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate

800-826-7361
441 Haywood Road
Dillsboro, NC 28725



Pam Bewak

February 2009

REAL ESTATE Update

Repairs That Help Sell Your Home

By Phoebe Chongchua



Most sellers know of some repairs that need to be made to their home, and a lot of sellers have many items on that list, but not all repairs are equal or, rather, not all home improvements rank high in the buyer's mind.

Finding out which repairs will help you sell your home helps you create a good, solid fix-it list to work on. A study produced by HomeGain aimed to take the guess-work out of where to spend your repair dollars. According to the study, the top four areas to focus on are: clean and de-clutter, lighten and brighten, stage the home for sale, and landscape the front/back yards.

The Return on Investment (ROI) depends on the repair and, in some cases, which part of the country you live in. "In some areas of the country things cost more and some people don't care about some things as much as others do in other areas," says Jessica Gopalakrishnan, Sr. Marketing Manager for HomeGain.

Here's how HomeGain breaks down the ROI for the top four repairs. Cleaning and decluttering can create a 578 percent ROI (the highest return was 837 percent in the West). The ROI for staging a home was 340 percent (this category ranked second in the South and Mid-West). Landscaping the front and back yards, brought in a 415 percent ROI. According to the survey, each of these repairs range in cost from a few to several hundred dollars but can return thousands in profit.

Rounding out the study's top-ten list of repairs are: Repair electrical or plumbing problems, replace or shampoo carpeting,

paint interior walls, paint exterior walls, repair damaged flooring, update kitchen and bathrooms. Gopalakrishnan says routine maintenance can help too.

"Not washing the windows is something so simple but a big mistake that homesellers make," says Gopalakrishnan. Another top mistake is covering up or neglecting care of the floors. "If they leave a dirty carpet on the floor that would be a mistake," says Gopalakrishnan. She adds that a key strategy for staging a home is to, "lift up the carpets and show off those nice floors - give them a quick shine and clean them up first."

When you make the above repairs costing approximately \$5,000 - \$8,000, HomeGain, says that prices, for example, on a three bedroom, two bathroom home can result in price increases: in the West, as high as \$22,762; in the East, as high as \$23,532; in the South, \$21,470; in the Mid-West, \$20,279.

"With homes sitting on the market longer, homeowners should do everything they can to sell it quickly and at a price they expect," says, Louis Cammarosano, General Manager at HomeGain.

The survey collected information from 2,000 real estate agents across the U.S.

The online resource also has a "What If" tool that allows users to hypothetically add a room, bathroom, or even square footage to a home to calculate value estimates on residential properties.



Equal Housing
Opportunity

Pam Bewak, Broker

828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate

800-826-7361
441 Haywood Road
Dillsboro, NC 28725

Hello! From your
REALTOR

Copyright 2009 Realty Times
All Rights Reserved.



Pam Bewak

February 2009

REAL ESTATE
Update



Pam Bewak, Broker
828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate
800-826-7361
441 Haywood Road
Dillsboro, NC 28725

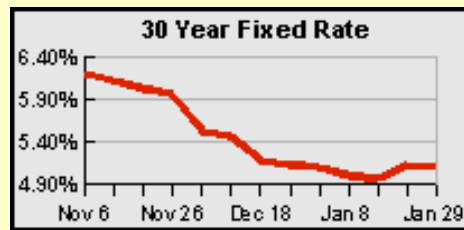
February Real Estate Update

Rates Hold Steady

In Freddie Mac's results of its Primary Mortgage Market Survey the 30-year fixed-rate mortgage (FRM) averaged 5.10% for the week ending January 29, 2009, down from the previous week when it averaged 5.12 percent. Last year at this time, the 30-year FRM averaged 5.68 percent. Interest rates for 30-year fixed-rate mortgages reached a 50-year low toward the end of December. This has contributed to housing affordability reaching its highest level since 1973, as measured by the National Association

Mortgage Rates

Source: Realty Times



U.S. averages as of January 29, 2009:

30 yr. fixed: 5.10%
15 yr. fixed: 4.80%
1 yr. adj: 4.90%

of Realtors® monthly affordability index and help to explain a 7.0 percent increase in existing home sales in December.

Home Buyer Tax Credit: How It Works

First-time



homebuyers can take an income-tax credit on their purchase, thanks to passage in Congress last year of the first-time home buyer tax credit.

The definition of first-time homebuyer is generous.

To get the credit, the homebuyer cannot have owned a home in the previous three years.

The home must be a principal residence and purchased between April 9, 2008 and July 1, 2009.

The credit is equal to 10 percent of the purchase price, up to \$7,500. Single taxpayers with modified adjusted gross income (MAGI) up to \$75,000 and couples with MAGI up to \$150,000 will qualify for full credit.

Singles with MAGI up to \$95,000 and couples with MAGI up to \$170,000 will get a reduced credit amount. Those with higher incomes do not qualify.

If the amount of tax a homebuyer owes is less than the amount of the credit, they get to keep the difference in the form of an IRS refund.

The homebuyer must begin to repay the credit in two years in increments of about \$500 a year over a 15-year period for those who received the full credit.

Homebuyers who sell their home before the credit is repaid must pay off the loan with any profits. If they sell the home at a loss, the loan is forgiven.

The credit is set to expire in mid-2009, although industry groups, including the NAR, are encouraging Congress to extend it.

Builders Offer Ideas for Up-to-Date Kitchens



At the

International Builders' Show last month in Las Vegas, the emphasis was on kitchens.

Builders say that strapped consumers are eating out less and cooking more, which is increasing demand for functional kitchens. Kitchen trends include:

- Making room for multiple refrigerators, including under-counter models and island refrigerators.
- Considering cost-effective updates, including using limited amounts of expensive tile as a backsplash or accent and eye-catching hardware.
- Going green, not only in terms of recycled materials in countertops and floors, but also as a color for walls and other surfaces.

New Buyers Are Bred on Bytes

A marketing



company that focuses on the needs of Generation X'ers - that home buyer group born between 1961 and 1981 - says homes that show they can accommodate upscale gadgetry are most likely to whet the appetite of this mainstream buyer.

Generational Marketing Corp. is recommending that home sellers showcase technology features in their homes, such as availability of phone jacks and cable outlets, as well as extra space that can be freed up for an at-home office. Gen X'ers "will demand special wiring for cables, phone lines and electrical outlets, clustered together properly," says the firm. "A home that appeals to an X'er welcomes the future."



Equal Housing Opportunity

Pam Bewak, Broker

828-226-7425
 pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate

800-826-7361
 441 Haywood Road
 Dillsboro, NC 28725

Real Estate Outlook: What's in Store for 2009?

By Kenneth R. Harney



What will the new year bring for housing and real estate? It's easy to look at all the negative economic news in the headlines and say - there's no sign that 2009 is going to be any better than 2008.

But here's a different perspective to consider from one of the country's veteran financial analysts -- Richard Bove of Ladenburg Thalmann, the investment banking company.

In a research report issued late in December, Bove said he sees a positive dynamic taking shape in the current cycle. The government has intervened aggressively in the markets to push interest rates down -- most notably in the home mortgage sector.

Though it takes awhile for low-cost money to begin having its effect, Bove said he expects housing prices to stabilize and/or rise (in 2009) after a likely boom in mortgage refinancings as rates fall and loan applications increase.

Add in the expected massive economic stimulus package being put together on Capitol Hill with the incoming Obama administration -- and there's a good chance we're going to see a gradual transformation of the downward cycle into a slow rebound over the coming several quarters.

Already there are positive signs of the turnaround Bove predicts:

- Mortgage applications are off the charts, mainly for refis but also to buy houses at affordable prices.
- Rates continue to hover at 50-year lows.
- Plus we're all paying a lot less at the gas pump, and sharply discounted prices for retail goods and autos.
- And guess what? Americans are actually saving again, the national savings rate took a nearly three percent jump last month. That might sound small, but it's hugely important if it is the start of a trend.

There are also some signs that housing prices are stabilizing in some parts of the country. The latest monthly Federal Housing Finance Agency index found home prices UP by six-tenths of a percent in the Mountain states and UP by two tenths of a percent in New England.

You can ridicule small regional gains as statistically irrelevant, but here's an economic proposal to you for the New Year: Keep your eyes open for the small positive signs that are accumulating out there & because all downcycles tail off and come to an end.

We think the smartest players in real estate -- consumers and the industry - will make the most of the positives -- low-cost money, low prices, stabilizing local markets -- and thrive in the new year.



Pam Bewak, Broker

828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate

800-826-7361
441 Haywood Road
Dillsboro, NC 28725

Improve Value Through Landscaping

By Phoebe Chongchua



A lot has been written about landscaping yards for curb appeal because buyers see the outside first when they drive up to a home. So it makes sense to make this area as attractive and inviting as possible. Doing that requires thinking about what would really make a property alluring.

You don't have to spend thousands of dollars landscaping a home when you're about ready to put your home on the market. Instead, investing a few hundred dollars could make a huge difference to a buyer. In fact, curb appeal can be the sole reason prospective buyers ever end up entering a home. That's why listing agents will often give their sellers tips to help them fix up their homes. Here are a few things you can do.

1. Color is key: An attractive landscape usually has color. Many people add flowering plants along the walkway and porch area to create a focal point on the home. The colorful plants add a cheerful welcome and create a memorable landscape. Remember, buyers will generally visit numerous homes in a day, so anything you can do to help them remember yours, in a positive way, will increase the chance of a second visit or even an offer. Colors that grab the most attention are red, orange, and yellow. Cooler colors such as blues and purples help to relax people and can be perfect in meditation gardens.

2. Use colorful mulch: Maybe you have an area that needs some sort of mulch. You don't have to use the traditional wood chips, which soon deteriorate, to fill in planter boxes or backyard playgrounds. Rubber mulch uses recycled ground rubber that comes in several different colors including green, brown, blue, and cypress. "Make sure any recycled mulch you buy is tread-free. You don't want to have any steel. You don't want to have a lot of tread. You need to look out for that. There are companies that just offer black tires recycle and that's usually going to be pretty dirty," says Paul Parker, owner of San Diego Backyard Adventures.

It can be bought in small quantities such as 40-pound bags or large super sacks. "It will not deteriorate; it's going to last," says Parker. A 40-pound bag will cost approximately \$20.

Parker adds, "This product is going to look good for literally five or 10 years and, if you're concerned with the short-term, you can put the mulch down and it's going to add color and be pleasing to the eye."

An added benefit is that if your home has a backyard playground and you put mulch underneath it instead of wood chips, you gain a higher level of protection and an additional selling point to feature. "It's definitely going to add value because oftentimes if you put a play system on a hard surface there's no safety but if the rubber mulch is already there, it's going to add a lot of value," says Parker.

3. Artificial grass: Green grass is a beautiful feature in a yard but keeping it green can be a challenge no matter where you live. Using synthetic grass in various areas of your yard can transform an ugly area of dirt into a lush-looking yard. Parker cautions homeowners to choose the grass products carefully, "There are some products out there that are being cheaply made. So the grass has a single blade rather than a much thicker weave. You want to make sure the grass you buy has at least a 10-year warranty," says Parker.

4. Illusion of space: Hide boundaries such as fences and walls. Make them appear boundless by breaking up the line of the wall which can create a closed-off feeling. Paint and the placement of plants help give an illusion of more space. Using tall but thin plants in your yard (as opposed to wide ones) can make a small area look bigger. Curved lines can help soften the look of a home that is constructed with too many straight lines or right angles.

5. Clean up the driveway: If you've been a do-it-yourselfer with your automobiles (oil changes, etc.) then maybe it shows on your driveway. Oil spills are highly unsightly and will, if not chase away prospective buyers, at least create a memory of your home that you don't want. Clean up the spills and move the parked cars to give buyers a chance to take in the entire residence. Many will snap photos and make notes to review for later. Don't let an oil mark leave a black mark in buyers' minds.



Pam Bewak, Broker

828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate

800-826-7361
441 Haywood Road
Dillsboro, NC 28725

Buy Now And Beat The Spring Rush

By Broderick Perkins



Down market. Up market. It doesn't matter. Spring showers typically bring spring buyers. But if you wait for the seasonal thaw you'll join what could be a throng of market savvy buyers who have already scouted the lay of the land and are elbowing for position.

In many communities, an over-supply of homes for sale with reduced prices, foreclosures, auction sales and sellers shopping for short sale buyers, all make it an opportune time *not* to procrastinate.

"We are seeing a confluence of events that contributes to the increase in the number of closed sales," said Quincy Virgilio, president of the Santa Clara County Association of Realtors in San Jose, CA.

"Interest rates are at a record low and the affordability index nears a 5-year high. For first-time buyers, rents are skyrocketing and that's an added incentive to buy a home now," added Virgilio. That doesn't mean every home is a Blue Light Special or that you can shop with reckless abandon. It's a better idea to prepare now, become a savvy buyer and beat the spring rush.

To help get you started we've gleaned some key tips from "*Buying Your First Home Now*" (Nolo.com, \$24.99), by Ilona Bray, Alayna Schroeder, Marcia Stewart and a dozen contributing experts knowledgeable in everything from credit, borrowing and buying to escrow, insurance and taxes.

- Check your home-buying pulse. Just because there's a convergence of favorable market conditions doesn't mean it's your time to buy.

Base your decision solely on the state of your housing market and you'll overlook why the current market is littered with the former homes of those who borrowed more than they could afford. Likewise, if you wait for prices to fall more you could miss out. No one knows when the market will hit bottom until it begins a sustained upward turn and you can look back and actually see bottom. Buy a home because, for you, it's the right thing to do. Buy because it's more affordable than renting, because you plan on staying put until it pays off, buy because it is a good fit for your lifestyle and your personal goals.

- Learn your local market. While you certainly need to be up on the most recent housing news, get news from your local media outlets, your real estate agent and data providers that regularly generate information about your community.

- Get some basic training. Even if you've purchased before, bone up now. Regulations, local practices and market conditions change. Use well-established, frequently-updated information sources on and off line. Attend real estate industry-sponsored seminars, workshops, counseling sessions and post-secondary level realty classes.

- Examine your credit. Pull your credit report and check your credit score before your lender does. You need to make sure both are where they need to be to land you a home loan. AnnualCreditReport.com (also at 877-322-8228) is the one and only official, federally sanctioned program giving you free annual access to your credit report. The nominal fee to obtain your credit score from one of the three credit reporting agencies is worth the cost.

- Shop with money in your pocket. Get a mortgage approved before you begin to shop for a home. You need to know how much you can afford and how much home you can buy so you can negotiate from a position of strength. Shop around for the best mortgage possible.

- Buy like a savvy investor. Buy low now, sell high later. Shop in the least expensive neighborhood in the best community or the least expensive city in the region. Drill down to buy the least expensive home on the best block or the cheapest home in a neighborhood in transition.

- Your Agent;. Use your real estate agent as your point person, tell friends, family and co-workers you are in the market.

For the immediate future, look for distressed properties to continue flooding the low-performing markets, which will keep sales high but hurt property values. In the more stable markets, the upper end will continue to cool, but record-low interest rates should keep demand relatively strong for well-positioned mid-value properties.



Pam Bewak, Broker

828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate

800-826-7361
441 Haywood Road
Dillsboro, NC 28725

Is A Mortgage Modification For You?

By Broderick Perkins



Home loan modifications are designed to save homeownership, but they've also created a new mortgage maze pitted with "buyer beware." Both government-sanctioned counseling agencies and local community service agencies concede they have been swamped recently by demand for loan modifications. The demand stems from a proliferation of federal, state and local level foreclosure relief and bailout efforts from both government and the private lending industry.

Mortgage modifications have been around for years, but those recent relief efforts have raised the profile of the mortgage workouts as an alternative to foreclosures, short sales, auctions, and bankruptcy. The demand has opened the floodgates of loan modification services now offered by real estate agents, mortgage brokers, attorneys, government agencies, lenders, and other professionals.

No matter where they start, homeowners seeking mortgage modifications are at the mercy of lenders. The workouts are often voluntary and, completed on a case-by-case basis, they frequently come without standardized procedures. Caught in the lurch, homeowners are finding it tough to know when a modification will work and how to best obtain one. This story and a follow-up next week will shed some light on the subject.

What is a mortgage modification?

A home loan modification, granted only upon the existing lender's approval, permanently reworks some of the terms of an existing mortgage in order to make the loan more affordable to the homeowner. The strategy is typically designed for homeowners struggling to pay their mortgage, not for those who can pay their mortgage or are eligible for a refinanced loan.

Modifications are generally lender fee-free and involve the lender or loan holder lowering the interest rate and or changing an adjustable-rate mortgage (ARM) to a fixed rate mortgage (FRM) with a 30-year term. Some form of mandated homeownership counseling generally comes with the deal.

Less common loan modifications include adding missed payments to the loan balance and extending the term of the loan. Least common is getting the lender to reduce the

principal or wipe out any second mortgages.

A mortgage modification is not a refinanced mortgage a brand new loan written to pay off the old home loan.

"A mortgage is one of the most complex transactions there is. A loan modification is also a gray area for a lot of people. So of course people need someone to walk them through the process to tell them this is what you need and this is what you don't need," said Ginna Green, spokeswoman for the California office of the Center for Responsible Lending in Oakland.

Is a loan modification for you?

Greg Pennington, a San Francisco-based mortgage banking consultant and counselor with Parker-Pennington Enterprises, says a loan modification isn't for everyone. A loan modification may not be viable if:

- The modified loan comes with payments you still can't afford.
- Your current interest rate is already low and there's no room for the lender to lower it further.
- You can make the new payments, but the mortgage balance is greater than the value of your home and you don't plan on staying put long enough to reverse the loan-to-value imbalance.
- You have not already missed payments on your mortgage or can't show financial hardship due, say, to job loss, pay decrease, illness or interest rate increase.
- You have other properties, investments or assets that could be liquidated to cover your mortgage debt.
- A short sale (The lender forgives a portion of the debt owed if you can find a buyer), bankruptcy, auction sale, refinance or other approach, short of a foreclosure, is a better option.

"You can do a loan modification and not be aware of where you stand. You can get a loan modification for a home you don't want to be in," said Pennington. A financial, housing or credit counselor can help you determine your best option. Just be prepared to hold down the fort for the 60 to 90 days or more it could take to complete the modification, due to potential complications and document processing times.



Pam Bewak, Broker

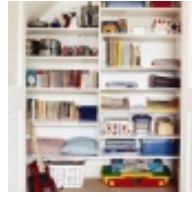
828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate

800-826-7361
441 Haywood Road
Dillsboro, NC 28725

Clutter-Free Helps Sell Homes

By Phoebe Chongchua



At the start of a new year a lot of us get motivated to give our homes a good cleaning. It's a way to clear the physical and mental clutter and, if you're selling your home, it's a must-do to help attract buyers.

According to HomeGain, cleaning up and de-cluttering can gain you thousands of dollars at the time of the sale and cost you as little as a few hundred dollars, if you use experts, to get the job done. Next week, I'll explore other repair areas that result in the greatest return; but this week, it's all about getting organized to increase the chances of selling your home.

I recently took on the task and unloaded about 25 trash bags worth of once-prized possessions. It's funny how, as the years go by, time and lack of room can make you realize that those prized-possession are just eating up space while serving little purpose. Most of us have more than we need. Having more stuff than you need in a home is not appealing to buyers. It can make them feel cramped, nervous, and overall uncomfortable in your home which may result in a lower offer.

The best approach to de-cluttering is to have an organized plan. Expert organizer Mary Pankiewicz of Clutter-Free & Organized suggests making a list of all the areas that need to be organized; otherwise you run the risk of giving up.

"What people do is they try to do too big of a project and then they get overwhelmed and then they get discouraged," says Pankiewicz.

So, if you're rolling up your sleeves and getting started, a good place to start de-cluttering is the hall closet. Why? Buyers are certain to open it up and check it out for space.

"The thing to remember, particularly with closets is, it doesn't matter how big the closet is -- if it looks crowded, the buyer still thinks it's a small closet," says Pankiewicz.

De-cluttering a home can be a huge task that can be made even more laborious if you're not careful. "What people will

want to do is haul everything out of that closet and then they don't know what to do next because they've got too much stuff to deal with."

She recommends a systematic approach to clearing clutter. Pankiewicz tells clients to first start with everything on the floor. Pull those items out and leave everything on shelves inside. Go through the items and get rid of the things that you don't have a use for. "The golden question to ask is not 'Will I ever use that?' That's what I call the keeper question because the answer to that question is 'Who knows, maybe.' So then I better keep it," says Pankiewicz. She says the better question to ask is, "What will make me use this or what will make me need this?"

Pankiewicz says when that question is asked, often people realize that they're never going to use the item and then are more willing to let it go.

Once you've found the stuff you're ready to get rid of, what do you do with it? Many sellers attempt to store it until they can have a yard sale or they donate the items. If you donate your items, make sure you take a look at the book *Money for Your Used Clothing* by William R. Lewis, CPA. The book tells you what the IRS will let you take as a tax deduction in 2008 for various items.

"If it's cluttered before the move, it's chaos after," says Pankiewicz. She adds, "The key mistake is people not making a decision before they pack things up."

That can be a very costly mistake for sellers. "They put stuff in storage and they pay for it year after year and then when they finally look at it, it's nothing they want," says Pankiewicz.

"The sooner you get your house ready to sell, the better decisions you'll make," says Pankiewicz. She says if sellers wait until the last minute then they tend to hold on to things and pack them up in storage saying, "I'll look at it later." That's how the clutter simply follows them from home to home.



Equal Housing
Opportunity

Pam Bewak, Broker

828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate

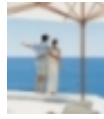
800-826-7361
441 Haywood Road
Dillsboro, NC 28725

February 2009 Real Estate Update

Copyright © 2009 Realty Times. All Rights Reserved.

Good Time To Buy A Vacation Home

By Broderick Perkins



In seaside Ocean City, MD, where 91 percent of the homes are vacation home properties, owners were buoyed by the prospect of reduced property taxes after assessed values dropped 36 to 45 percent over the last three years, according to county officials.

Scouting the slopes in Colorado's ski resort areas of Aspen, Beaver Creek, Steamboat and Vail will uncover some home prices in the toniest areas still holding steady, but overall sales are down by about 40 percent, according to a University of Colorado's real estate center. In Maui, both home prices and sales are down about 25 percent each, according to the island's real estate association.

And don't forget California's resort areas. Home prices in the Golden State are down by 50 percent or more in many locations.

That's only the beginning. Lower prices and less competition are the tip of the iceberg-sized list of factors that make it a good time to consider a vacation home buy. "In many vacation markets, you can pick up a beach condo or a mountain cabin at a decent price. In some markets, homes are back to 2000 prices," said vacation home guru Christine Karpinski, director of Owner Community for HomeAway.com. She says a host of market conditions have converged to make buying a second home a smart move right about now.

● **Take the stock market. Please.** "Stock market woes have always pushed people to look for alternate investments, and real estate is a consistent stronghold," she says. "Yes, home values are down right now but they have always rebounded. I wouldn't recommend buying a second home with the expectation of flipping it for a quick buck, but if you hang onto it for a while -- and better still, turn it into a vacation rental property -- you'll make a nice profit," Karpinski says.

● **Interest rates are cooperating.** On Dec. 24 Freddie Mac's Primary Mortgage Market Survey revealed 30-year fixed-rate mortgage hadn't been lower since Freddie Mac started the survey in 1971. "Rates have been reasonably low for awhile, following earlier rate cuts toward the beginning of the year. That's good news for anyone who's in the market for a mortgage," Karpinski added.

● **The pressure of bidding wars is off.** "Housing bubble or no housing bubble, you're not going to get bargain basement

prices on, say, a cottage right on the ocean - but if you're willing to buy a few rows back, you'll likely find that prices have fallen substantially," notes Karpinski. "Because houses aren't flying off the shelf, there's less pressure on you to make a quick decision. You can afford to take your time, do your research, and refine your plan," she added.

● **Vacation rental demand is on.** Economic pressures on travel budgets are forcing those who once traveled abroad to stick closer to home. To further save travel dollars, domestic travelers want the most bang for their getaway bucks. Vacation homes provide all the comforts and options of home (eating in, game rooms, wirelessness, etc.), often at a per-person rate that's cheaper than a hotel. Karpinski says, "Vacation homes tend to be less expensive than hotel rooms. This is especially true if you're traveling with extended family or a group of friends. Not incidentally, in many areas of the country, rental demand exceeds supply. The Sunshine State (Florida) is a prime example. Buy a vacation home in a market like Cape Coral, Daytona, Destin, Fort Lauderdale, Indian Rocks Beach, Kissimmee, Madeira Beach, Orlando, Panama City Beach, Sanibel Island, West Palm Beach, or Windsor Hills, and you can't lose."

The weak dollar makes American destinations attractive to European travelers and others holding stronger currencies. Also, business travel continues to generate vacation rental income -- especially when foreign business associates come calling. "It's a far more comfortable option; plus many companies work out deals with homeowners whereby they can get volume discounts," said Karpinski

● **A vacation home can pay for itself.** When your monthly mortgage payment is less than or equal to one peak week rental, twelve weeks of rental will cover your mortgage payments for the entire year. Other costs, including bills for your phone, power, cable, and association dues, may be paid out of your earnings from approximately five off-week rentals, Karpinski says.

The calculations don't consider the added cost of a property manager you may need if you are not a do-it-yourselfer. Despite the convergence of positive factors pointing to an opportunity to buy a second or vacations home, the fundamentals still apply. Strong credit, low debt, high savings and other assets are a plus.



Pam Bewak, Broker

828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate

800-826-7361
441 Haywood Road
Dillsboro, NC 28725

Repairs That Help Sell Your Home

By Phoebe Chongchua



Most sellers know of some repairs that need to be made to their home, and a lot of sellers have many items on that list, but not all repairs are equal or, rather, not all home improvements rank high in the buyer's mind.

Finding out which repairs will help you sell your home helps you create a good, solid fix-it list to work on. A study produced by HomeGain aimed to take the guess-work out of where to spend your repair dollars. According to the study, the top four areas to focus on are: clean and de-clutter, lighten and brighten, stage the home for sale, and landscape the front/back yards.

The Return on Investment (ROI) depends on the repair and, in some cases, which part of the country you live in. "In some areas of the country things cost more and some people don't care about some things as much as others do in other areas," says Jessica Gopalakrishnan, Sr. Marketing Manager for HomeGain.

Here's how HomeGain breaks down the ROI for the top four repairs. Cleaning and decluttering can create a 578 percent ROI (the highest return was 837 percent in the West). The ROI for staging a home was 340 percent (this category ranked second in the South and Mid-West). Landscaping the front and back yards, brought in a 415 percent ROI. According to the survey, each of these repairs range in cost from a few to several hundred dollars but can return thousands in profit.

Rounding out the study's top-ten list of repairs are: Repair electrical or plumbing problems, replace or shampoo carpeting,

paint interior walls, paint exterior walls, repair damaged flooring, update kitchen and bathrooms. Gopalakrishnan says routine maintenance can help too.

"Not washing the windows is something so simple but a big mistake that homesellers make," says Gopalakrishnan. Another top mistake is covering up or neglecting care of the floors. "If they leave a dirty carpet on the floor that would be a mistake," says Gopalakrishnan. She adds that a key strategy for staging a home is to, "lift up the carpets and show off those nice floors - give them a quick shine and clean them up first."

When you make the above repairs costing approximately \$5,000 - \$8,000, HomeGain, says that prices, for example, on a three bedroom, two bathroom home can result in price increases: in the West, as high as \$22,762; in the East, as high as \$23,532; in the South, \$21,470; in the Mid-West, \$20,279.

"With homes sitting on the market longer, homeowners should do everything they can to sell it quickly and at a price they expect," says, Louis Cammarosano, General Manager at HomeGain.

The survey collected information from 2,000 real estate agents across the U.S.

The online resource also has a "What If" tool that allows users to hypothetically add a room, bathroom, or even square footage to a home to calculate value estimates on residential properties.



Pam Bewak, Broker

828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate

800-826-7361
441 Haywood Road
Dillsboro, NC 28725



Pam Bewak, Broker
828-226-7425
pamela179@juno.com
<http://www.pambewak.com/>

First Choice Real Estate
800-826-7361
441 Haywood Road
Dillsboro, NC 28725