

In Touch With BOB

February, 2007

Homes ARE My Business

Volume 1 Issue 6

[Bob Evridge, Your Friendly Neighborhood Real Estate Agent](#)

Kristopher & Co. Real Estate 865-584-5599

Bob@BobEvridge.com

www.BobEvridge.com

865-660-0198

Get to the heart of the matter with real conversation!



The second month in 2007 brings thoughts of the heart and with it an observation about the modern world. It's easy to send email and text messages for quick contact with other people, but is there any substitute for real conversation? In February, let's remember that talking with people is one of the best ways to connect with them. The nuance of the spoken word includes information you miss with electronic words. So, if you have a real estate question, give me a call. I'd love to talk with you.

Bob

Investors say home price rally on horizon

If you think that now is a great time to buy a house, Wall Street investors are backing you up.

There has been a huge uptick in buying of homebuilder stocks. Recently, the Supercomposite Homebuilder Index rose 17.5 percent in one month, making it the biggest gainer of all 147 S&P groups, according to a report in *Business Week*.

Homebuilder stocks rise well ahead of an actual upturn in housing prices, but the robust homebuilder stocks suggest that investors think a significant rally in homebuilding is on the horizon, and they don't want to miss it.

What would that mean to the average buyer?

Homebuyers have a longer-term perspective and aren't much worried about timing the market, some experts say. Still, if you are in the market for a home, the current prices are certainly encouraging and they

will probably get better for a short time.

Some economists believe that housing prices are still too high in some parts of the country. In these areas,

they think prices could fall further at least in the first half of 2007. Analysts for JPM Securities in San Francisco say it takes a while for sellers to become more realistic about home prices and how to price their own home. At one time, home sellers could reasonably price their home at the highest price their neighbors got, plus 10 percent. Not so today.

Right now, buyers can find good prices on the homes they want (and a good selection of homes). But, beware! That may not be true next year — or the year after.

Sellers should see better prices by next year in most markets, some analysts speculate. But, for immediate sales, sellers should expect to see solid offers at reasonable prices.



Valentine's Day By the Numbers



Valentine's Day is a popular day to send flowers, but it isn't the most popular. Valentine's Day vies with Easter/Passover for third place while Christmas and Mother's Day take first and second places respectively. If you just count fresh flowers, though, Valentine's Day is first. According to aboutflowers.com, of the roses purchased, 64 percent are red, 11 percent pink, 10 percent mixed colors, 5 percent peach/salmon, 4 percent yellow, 3 percent white, and 3 percent other.

According to Hallmark Research, 180 million Valentine cards are exchanged annually.

Stick to the tried and true when buying or selling, page 3



Ask the Expert

Q. *Should I agree to an unscheduled home showing? S.C.*

A. Most every seller can manage to get their home ready for a showing Saturday at 4 p.m.

But many homeowners don't know what to think if an agent calls and asks for a showing in the evening.

The problem is that buyers often have schedules inconvenient for sellers. Out-of-town buyers and people who travel for a living are just two examples of buyers who might need to see your home on a weeknight evening.

Generally, if your home is on the market, you have already done the painting and other maintenance, so the house is almost showable.

For unscheduled showings: Pick up the house and make sure the bathroom is clean, with clean towels and counters. Toilets should be sparkling.

Pull the covers back on beds and pick up. Then leave so the buyer can look at leisure.

When you get into a tight place and everything goes against you until it seems that you cannot hold on for a minute longer, never give up, for that is just the place and time that the tide will turn.

Harriet Beecher Stowe

The World's Easiest Quiz

(Passing requires 4 correct answers)

- 1) How long did the Hundred Years' War last?
 - 2) Which country makes Panama hats?
 - 3) From which animal do we get cat gut?
 - 4) In which month do Russians celebrate the October Revolution?
 - 5) What is a camel hair brush made of?
 - 6) The Canary Islands in the Pacific are named after what animal?
 - 7) What was King George VI's first name?
 - 8) What color is a purple finch?
 - 9) Where are Chinese gooseberries from?
 - 10) What is the color of the black box in a commercial airplane?
- Remember, you need 4 correct answers to pass.

Check your answers below.

- 10) Orange [of course]
- 9) New Zealand
- 8) Crinon
- 7) Albert
- 6) Dogs

- 5) Squirrel fur
- 4) November
- 3) Sheep and Horses
- 2) Ecuador
- 1) 116 years

When one door closes, another opens; but we often look so long and so regretfully upon the closed door that we do not see the one that has opened for us.

Alexander Graham Bell

The only people to get even with are those who have helped you.

Anon

When you do the common things in life in an uncommon way, you will command the attention of the world.

George Washington Carver

Dreams are renewable. No matter what our age or condition, there are still untapped possibilities within us and new beauty waiting to be born.

Dale Turner

Mortgages: ARMs are here to stay

In recent years, adjustable rate mortgages have been responsible for payment increases that home buyers couldn't afford.

Bank regulators went into action. They recently issued new ARM rules designed to protect consumers from loan terms they don't understand.

As a result, big lenders such as Countrywide and Washington Mutual cut back on ARMs. At the same time, GMAC and Novastar Financial were two organizations that took up the slack. GMAC increased its number of ARM loans by 485 percent. Novastar Financial increased its ARM loan volume by a surprising 1,263 percent.

Intelligent buyers have always been able to determine what their payments would be when the initial period is over. But the new rules make loan terms that are easier for everyone to understand.



Where do we live?

Eighty percent of the U.S. population lives in one of the top five metropolitan areas, which are New York, Los Angeles, Chicago, Dallas-Fort Worth, and Philadelphia.

For every 1,000 Americans: 568 live in the state where they were born; 455 are employed, 405 are married, 173 speak a language other than English, 159 have no health insurance, 122 are 65 or older, five are in the active-duty military, and one is in kindergarten.

Stick to the tried and true when buying or selling

In 2005, a record 7 million existing homes were sold according to the National Association of Realtors. The numbers will be a little lower for 2006, but 2007 is still a wild card.

Whether you are buying or selling (or both), remember that the market favors those who follow traditional rules. The most important of these are being sure the home is in top condition and priced right. These two are the basic factors in achieving a sale over a reasonable period of time.

Basics make a big difference in selling a house.

Be sure to paint the walls. Neutral colors are best. One problem many home sellers face in older houses is paneling. Some paneling is still considered beautiful, but most inexpensive paneling is not considered a plus in a home. One easy fix: Paint your paneling. Even shiny paneling can be painted if you use a deglosser first.

Carpet should be clean and if it can't be cleaned, it should be new. If you are pulling up old carpet, check for hardwood floors underneath. Hardwood flooring is popular now, but it wasn't always. Older homes might be hiding a great selling point.

'Wonkavators?'

Destination elevators seem like a movie trick!

If you happen to be at New York's Marriott Marquis hotel, you'll find that there's more to summoning an elevator than pushing an "up" button.

What's more, once inside the elevator there are no buttons at all!

The buttons you push for your floor are in the lobby, at the base of the elevator bank. Elevator riders enter their floor number on a keypad and are directed by the display to a particular car that will stop at their floor.

These new business lifts, known as 'destination elevators' are springing up in new buildings all over

Bring the landscaping up to par with well-watered grass, trimmed bushes and simple flower gardens.

Basic kitchen improvements return 100 percent of investment, smart agents say. Replace or resurface your cabinets and countertops for the biggest bang for the buck. Basic tile or laminate is a good improvement for countertops. Another simple improvement is to install beautiful faucets and sinks. Pristine faucets and sinks make the buyer feel the home is move-in ready. In some areas and home price points, gourmet appliances are considered important. But this is certainly not true everywhere. Most kitchens don't need this upgrade.

You might not want to spend a lot of money remodeling your bathroom, for example. But a new exhaust fan or new faucets don't cost a great deal and can add significantly to the ambience of the room. If you replace both, you can get the plumber to install them in the same service call.

Bathroom vent fans come in a wide range of prices and with various features. The super-quiet cost up to \$200. For an economical upgrade, rebuilding kit costs less than \$30.

the world. They promise to speed rides and reduce waiting time.

The Swiss company Schindler Group has installed nearly 3,000 of the new lifts, including about 600 in the U.S. In addition to the Marriott Marquis, they are installed in the News Corp. headquarters on Sixth Avenue where TV Guide is located, at 30 Rockefeller Center, and in the new Hearst Corp. headquarters on 57th Street.

But be careful what floor you enter. You can't change your mind about where you're going after the doors shut.

One elevator rider quoted in the Wall Street Journal calls them "Wonkavators," after the flying glass elevator in the movie "Willy Wonka & The Chocolate Factory."



Love letters

It would be best

"When he's late for dinner, I know he's either having an affair or is lying dead in the street. I always hope it's the street."

Jessica Tandy (*Driving Miss Daisy*) on her husband Hume Cronyn Dec. 26, 1986, Kennedy Center Honors, CBS.

My dearest heart

When the winds blow and the rains fall and the sun shines through the clouds...he still resolves as he did then, that nothing so fine ever happened to him or anyone else as falling in love with Thee - my dearest heart.

Richard M. Nixon, 37th President, letter to his future wife Pat, quoted in "Pat Nixon" by Julie Nixon Eisenhower, 1986

My Darling Clemmie

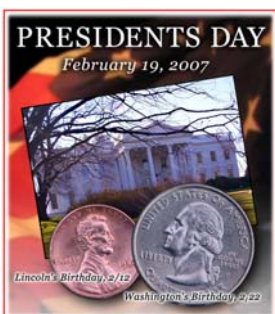
Time passes swiftly, but is it not joyous to see how great and growing is the treasure we have gathered together, amid the storms and stresses of so many eventful and to millions tragic and terrible years.

Winston Churchill to his wife, *Letters*

My Dearest


You are a sort of sweet, simple, gay, pathetic ballad, which Nature is singing, sometimes with tears, sometimes with smiles, and sometimes with intermingled smiles and tears.

Nathaniel Hawthorne, author, to his wife, 1839.



February 2007



Sun	Mon	Tue	Wed	Thu	Fri	Sat
<p><i>Happy Valentine's Day!</i> </p>				1 Heart Month - African-American History Month	2  GROUNDHOG DAY February 2, 2007	3
4 Super Bowl XLI 	5 USO Founded	6	7	8	9 D Dogwood Arts House & Garden Show Knoxville Convention Center	10 Chinese New Year
11 Dogwood Arts House & Garden Show End	12	13	14 	15	16 "Fat Friday Mardi Gras Special" Knoxville Museum of Art	17
18 Chinese New Year	19 President's Day	20  MARDI GRAS February 20, 2007	21 Ash Wednesday	22	23	24 Knoxville Heart Gala Knoxville Convention Center
25 Academy Awards	26	27	28			

Tips for first-time home buyers

The process of buying your first home actually starts months before finding the place you want. Some things to do:

- * Pay down your debts, or pay them off if you can. Prospective buyers often concentrate on accumulating the largest possible down payment. Using any extra money to eliminate credit card or other high-interest debt is smarter.
- * For some first-time buyer programs, a down payment of 3 percent of the loan or less is required.
- * Credit-card debt will limit how much you can borrow. Lenders won't allow total monthly debt service to exceed 40 percent of gross income.
- * How much house can you afford? Mortgage companies say the annual mortgage payment, taxes, and homeowner insurance shouldn't exceed 28 percent of gross income.
- * When determining how much cash you have for a down payment, be sure to consider closing costs plus a little extra for emergency repairs once you move into your new home.

Less-than-perfect credit

- * Thanks to Fannie Mae's "expanded approval" program, buyers with slightly blemished credit can qualify for mortgages at competitive rates. The rates are as much as two percentage points lower than alternative financing.
- * If you can't qualify for Fannie Mae, you may still qualify for an FHA-insured loan. They are geared toward buyers with low-to-moderate incomes.

own payment assistance

Each year HUD gives states and municipalities money to distribute to families for housing. Much of it is put toward down-payment assistance programs. Many young prospective home buyers may qualify for a grant worth 3 percent to 5 percent or more of the sale price to put toward their down payment.

Victory is sweetest when you've known defeat.

Malcolm Forbes

Close scrutiny will show that most crisis situations are opportunities to either advance or stay where you are.

Maxwell Maltz

When angry, count to ten before you speak; if very angry, a hundred.

Thomas Jefferson

The quality of a person's life is in direct proportion to their commitment to excellence, regardless of their chosen field of endeavor.

Vince Lombardi

Nothing will work unless you do.

Maya Angelou