

# In Touch With BOB

February, 2010

“The Extra Mile is Never Extra”

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Hop Bailey Co. 865-584-2004

Bob@BobEvridge.com

www.BobEvridge.com

865-660-0198

## February Holidays Are Inspirational

I find holidays and events in February can be a source of inspiration and encouragement for me. Here's what I mean.

- ▶ Ground Hog Day – change is inevitable, accept it, deal with it. No matter bad it is, you can handle it.
- ▶ Thomas Edison's Birthday - perseverance is the key to success. If he could overcome his handicaps so can we.
- ▶ Presidents Day – dedicated leaders established values and standards that made our country great. We need to honor them by expecting no less from our current leaders
- ▶ Valentine's Day – love doesn't make the world go round but it sure helps us enjoy the ride. Look for opportunities to share it.
- ▶ Susan B. Anthony Day – never underestimate the importance of any person and what can be accomplished if you put your mind to it.
- ▶ The Year of the Tiger begins in February. The tiger is the symbol of courage. Courage is acting in spite of fear.
- ▶ Mardi Gras — take some time out to enjoy life and party once in a while.
- ▶ Finally, the Super Bowl — while not an official holiday, in reality it is one. It is a symbol of what can be accomplished when a group works together toward a common goal without thought as to who gets the credit. It is also a reminder that underdogs can overcome great odds to win.

*Bob*

## FHA loans .... *The clock is ticking on new rules going into effect !*

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Time to buy! Researcher Agrees

If you are thinking about buying a home and financing it with a FHA loan, you may want to act pretty soon as there are some new rules that may go into effect that might impact your ability to get a loan. Changes are in the works at the Federal Housing Administration to close the curtain on easy qualification and low down payments.

The Federal Housing Administration is trying to reduce their present number of loan defaults and fraud. An estimated 116,000 FHA loans will lead to foreclosure in 2010 and another 108,000 are in foreclosure right now.

The new rules are intended to weed out the most problematic borrowers, while ensuring that qualified people will not be inadvertently shut out.

Mortgage insurance premium (MIP) will be increased to build up capital reserves and bring back private lending

The first step will be to raise the up-front Mortgage Insurance Pre-



mium (MIP) to 2.25% and request legislative authority to increase the maximum annual MIP that the FHA can charge.

If this authority is granted, then the second step will be to shift some of the premium increase from the up-front MIP to the annual MIP.

This shift will allow for the capital reserves to increase with less impact to the consumer, because the annual MIP is paid over the life of the loan instead of at the time of closing

The initial up-front increase was included in a Mortgagee Letter released January 21st, and will go into effect in the spring.

New borrowers will now be required to have a minimum FICO score of 580 to qualify for FHA's

3.5% down payment program. New borrowers with less than a 580 FICO score will be required to put down at least 10%.

This change will be posted in the Federal Register in February and, after a notice and comment period, would go into effect in the early summer.

The next big change will be to reduce allowable seller concessions from 6% to 3%

The current level exposes the FHA to excess risk by creating incentives to inflate appraised value. This change will bring FHA into conformity with industry standards on seller concessions.

This change will be posted in the Federal Register in February, and after a notice and comment period, would go into effect in the early summer.

That's the story right now. In the future, when the rules are sorted out, qualified buyers will still be able to get a loan. It will just cost them more. FHA says that if buyers put up more up-front cash, they will be less likely to walk away from their mortgages.



## Ask the expert



### Q & A on \$8,000 or \$6,500 Home Buyer Tax Credits

We've had many questions about the legislation signed on November 6. It provides a \$6,500 tax credit for some homeowners who buy another home. The law also extends the \$8,000 tax credit for first-time home buyers.

#### Some of the Things Prospective Buyers Are Asking

**Q:** How do I qualify for the home buyer's \$6,500 credit?

**A:** It's available for home buyers who sign a binding contract on a new or existing home by April 30, 2010 and settle by July 1. The deadline also applies to the first-time home buyer credit.

You must have lived in your present home for five consecutive years out of the last eight, and the new home has to be your primary residence.

You don't have to sell your present home.

### Qualifying for the medical expense deduction on 2009 taxes

The medical expense deduction has been one of the least-used tax breaks because it allows no write-off for the first 7.5 percent of adjusted gross income.

This year could be different for the 16 percent of the workforce who have been unemployed for part of the year or were underemployed. While their year's income was lower, their out-of-pocket medical expense may still have been high. Every tax deduction helps.

- \* Health insurance paid with after-tax dollars is deductible from taxable income, including COBRA and Medicare Parts B and D.
- \* The deduction covers a wide range of expenses including eye-glasses, hearing aids, contact lens solution, physical therapy, acupuncture, home health care and dental work.
- \* Travel to doctors' and dentists' appointments and treatments is deductible at 24 cents a mile for travel by car or the actual expense of other travel.
- \* Medical expenses must be paid this year with after-tax dollars or a credit card.
- \* Home modifications, such as air conditioning for a person with allergies or a swimming pool for physical therapy are deductible.
- \* The cost of programs to treat alcoholism, stop smoking and lose weight may also be deductible.
- \* You can't deduct the cost of cosmetic surgery, hair transplants, gym memberships or spa treatments. The cost of over-the-counter drugs is not deductible.

Note that, unlike a tax credit that counts dollar-for-dollar against taxes you owe, the deduction simply reduces the amount of your taxable income.

For more information, see IRS Publication 502 at [www.irs.gov](http://www.irs.gov)

You can use it as a second home or a rental and still claim the credit.

**Q:** Does the home I buy have to be more expensive than the one I own?

**A:** No. You can use it to downsize, which makes it attractive to seniors who want to sell their family homes.

**Q:** I'm a homeowner and would like to build a new house. Can I get the home buyer credit?

**A:** Yes, but your builder will have to move pretty fast. You can claim the credit as long as you have a binding contract in place by April 30 and close by July 1. But for a new home, the closing date is the day you move in.

**Q:** We have a rental home we would like to sell to our son, who never owned a home. Can he

get the \$8,000 first-time buyers credit?

**A:** No. The purchase can't be from a related party such as a parent, grandparent, child or grandchild.

**Q:** I bought a home on April 10, 2008 and claimed the \$7,500 buyer's credit, which must be repaid over 15 years. Did the new law change that rule?

**A:** No: The \$7,500 credit still has to be repaid. The \$8,000 credit only applies to homes bought after December 31, 2008.

**Q:** I sold my home this year and have been renting. Do I qualify for the \$6,500 expanded credit if I now buy a home?

**A:** Yes, as long as you meet all of the other requirements.

We are often so caught up in our destination that we forget to appreciate the journey, especially the goodness of the people we meet along the way. Appreciation is a wonderful feeling. Don't overlook it.

*Author unknown*

People who fight fire with fire usually end up in the ashes.

*Abigail Van Buren*

Obstacles don't have to stop you. If you run into a wall, don't turn around and give up. Figure out how to climb it, go through it, or work around it.

*Michael Jordan*

Enthusiasm is the yeast that makes your hopes shine to the stars. Enthusiasm is the sparkle in your eyes, the swing in your gait. The grip of your hand, the irresistible surge of will and energy to execute your ideas.

*Henry Ford*

The Green Bay Packers never lost a football game. They just ran out of time.

*Vince Lombardi*



## TIME TO BUY!

### Researcher Studies Numbers and Agrees

Home prices have hit bottom in more than half of the country, but experts are looking for a modest recovery, not a dramatic bounce.

At the Center for Economic Policy Research, in Washington D.C., analysts are predicting that the pricing arrow is pointing up, but not very far. There are still too many foreclosed homes on the market.

But the Center also reported that selection coupled with interest rates make this a great time to buy.

So, what did the center's co-director do? He bought a house. He doesn't expect its value to rise much in the



foreseeable future. But the home had features he loved. The price was affordable, and the loan's interest rate was below 5 percent.

This set of circumstances encouraged him to take

the plunge and acquire a place his family could call home for many years to come.

Today's reasonable prices can make a good case for buying rather than renting, say advisors quoted in USA Today. While many first-timers are leery of making a long-term contract, here is a way you could determine if the move is a wise one.

Divide the price of a home you are considering by the annual rent for a comparable place. If the number falls below 15, buying starts to look like a good idea.

Consider whether you will stay in the home long enough to make the purchase worthwhile. Closing costs are high. If you intend to sell the house and buy another in two or three years, you could take a loss.

Analysts say it's reasonable to buy a home only if you plan to stay in it for five to seven years.

Note that prices for second homes are very attractive right now. Many are selling considerably below their actual value.



## WHAT ARE YOU SPENDING ON YOUR SWEETIE ?



Some of you will spend less on your sweetie pie this Valentine's Day, but for many the day of love still gets the financial gravy.

Though the economy is looking

better, spouses and significant others could be getting fewer flowers and smaller boxes of candy. It's a trend as more people try to spend less and save more for a possible rainy day.

Nonetheless, the National Retail Federation predicts that lovers will still spend close to \$100 to make their sweethearts smile.

Some financial analysts suggest that people often use the romantic day as an excuse to ignore their credit card bill and indulge.

But spending notwithstanding, lovers interviewed by Consumer Reports say their personal financial situation has no impact on the amount of loving they get. Some say they get even more if they decide to stay home and cuddle instead of going out.

“Expect to have hope rekindled.  
Expect your prayers to be answered  
in wondrous ways.  
The dry seasons of life do not last.  
The spring rains will come again.”

*Sarah Ban Breathnach*





### *Mardi Gras festivities celebrated worldwide*

Mardi Gras -- or Fat Tuesday -- is world renowned as the rowdy, bawdy, celebration of spring, but the day is more than that.

Fat Tuesday has been traditionally the last hurrah as Christians before the austere penitential season of Lent. Fat Tuesday is followed by Ash Wednesday, the first day of the 30 days of austerity that precede Holy Week and Easter.

Mardi Gras has no official standing on the calendar of the Catholic Church, but it has been celebrated for centuries by Christians and non-Christians alike. Mardi Gras or Carnival came to Louisiana in 1699 with French explorer Iberville, who had celebrated it in Paris.

Today, it is celebrated in hundreds of cities across the United States and hundreds more in South America, Europe and Asia. It still marks the beginning of Lent but while not many people observe Lent as 40 days of prayer, self-denial and penitence, people of all faiths, or no faiths, believe in celebrating Mardi Gras.

Lent was virtually universal in Christendom until the Protestant Reformation. Some Protestant churches do not observe Lent, but Lutherans, Methodists, Anglicans, and Roman Catholics are more likely to take Lent seriously as a time of repentance and preparation for Holy Week and Easter and prayer.

### *Five Riddles*

1. A murderer is condemned to death. He has to choose between three rooms. The first is full of raging fires, the second is full of assassins with loaded guns, and the third is full of lions that haven't eaten in three years. Which room is safest for him?
2. A woman shoots her husband. Then she holds him under water for over five minutes. Finally, she hangs him. But five minutes later, they both go out together and enjoy a wonderful dinner. How can this be?
3. What is black when you buy it, red when you use it, and gray when you throw it away?
4. Can you name three consecutive days without using the words Wednesday, Friday, or Sunday?
5. This is an unusual paragraph. I'm curious as to just how quickly you can find out what is so unusual about it. It looks so ordinary and plain that you would think nothing was wrong with it. In fact, nothing is wrong with it! It is highly unusual though. Study it and think about it, but you still may not find anything odd. But if you work at it a bit, you might find out. Try to do it without any coaching!

(Give up? The answers are on the Page 6)

### *Ivy league smarts for free*

If you don't have the time or money to go to grad school, or you just want to get smarter about the world of business, you can still do it.

Gain knowledge while jogging or on long commutes, and you won't have to take tests or write papers. You won't get college credits, but you will be smarter on the job.

Top universities are posting lectures online. For free ideas, Money magazine suggests visiting these sites:

iTunes U, which is inside the Apple iTunes Store, has free audio and video you can download to your iPod.

Www.Oercommons.org has free course materials from lecture notes to syllabuses to audio and video for college and for K-to-12 levels too.

Www.AcademicEarth.org has a slick interface that's focused on lectures from top schools.

### **Iditarod: The last great race on earth!**

It can't be compared with any other competition in the world. The Iditarod takes mushers and sled dog teams over 1,150 miles of frozen rivers, dense forests, desolate tundra and the raw beauty of Alaska.

Add below zero temperatures, winds that cause loss of visibility, long hours of darkness and treacherous climbs, and you have the Iditarod. The 38th annual event begins March 6, 2010 at Anchorage, Alaska.

Most bets are on three-time winner Lance Mackey. Only two others in the 38-year history of the race have won three consecutive events, the late Susan Butcher and Doug Swingley.

Like many Iditaroders, Mackey comes from a family of great mushers. His father, Dick, was one of the Iditarod founders and won in 1978. His brother, Rick, won in 1982.

According to USA Today, a little more than a decade ago, Mackey was living in a tent with his wife and four children and he had only a couple of hundred dollars to his name.

After the 2001 Iditarod, he was diagnosed with cancer of the neck and almost lost his life. He is now cancer-free but showing the physical toll the sport and cancer have taken on his body. Competitors say his tenacity, his hunger to win, his understanding of the team ahead of him are pivotal. His ability to withstand temperatures down to 70 below and to continue in spite of sleep deprivation are big factors in his winning.

When not racing, he and his wife Tonya, who is also a musher, run the Comeback Kennel in Fairbanks. They share their home 25 miles from Fairbanks with a dozen non-competing dogs, Chihuahuas, Jack Russell terriers and Pomeranians.

Mackey says he doesn't have electricity because no power means fewer neighbors and more space to run and train his dogs. He's tough to beat, but even if he doesn't win a race, he's not disappointed if his team is happy doing it.



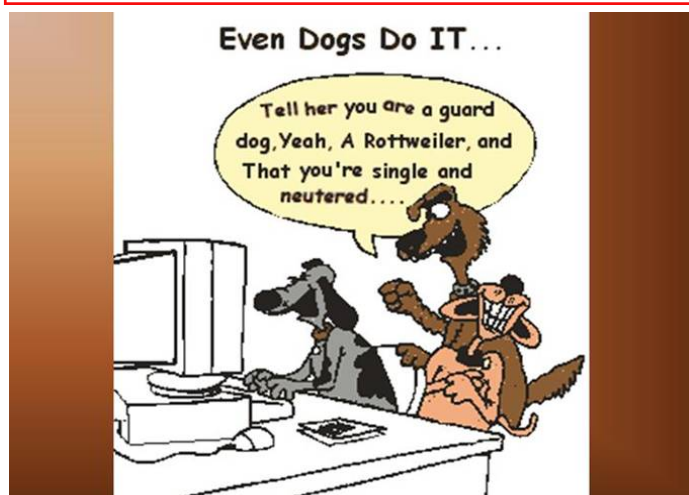
During my second month of college, our professor gave us a pop quiz. I was a conscientious student and had breezed through the questions until I read the last one: "What is the first name of the woman who cleans the school?"

Surely this was some kind of joke. I had seen the cleaning woman several times.. She was tall, dark-haired and in her 50's, but how would I know her name?

I handed in my paper, leaving the last question blank.. Just before class ended, one student asked if the last question would count toward our quiz grade.

"Absolutely, " said the professor. "In your careers, you will meet many people. All are significant.... They deserve your attention and care, even if all you do is smile and say "hello."

I've never forgotten that lesson. I also learned her name was Dorothy.



### ***Will a dictionary attack find your password?***

As a personal objection to the whole password problem, many people use a word that's very easy to remember. The most common words used, according to security experts reporting in INC. magazine, are "password" and "password1." Some people use a common date.

These are no match for a dictionary attack. Automated password-cracking tools can check more than a million password variations in 28 hours.

Passwords composed of random strings of upper and lower case letters, numbers and punctuation can usually withstand an attack, but they are hard to remember.

Some tactics that will create a difficult-to-break password that is easy to remember include:

- \* Two words connected by a number can withstand many attacks.
- \* Take the first letter of each word in a phrase and add a number or symbol and a capital letter. For "Mary had a little lamb": Mhall#72.
- \* Try strengthening an abbreviation by swapping a symbol or a number for each a or e in the abbreviation.

### ***A 2010 doubleheader:***

#### ***The Olympics and the World Cup***

Sports fans have a big treat in 2010: The Olympic Winter Games in Vancouver that runs from February 12-28 and the FIFA World Cup in South Africa four months later.

The Olympics feature 86 events spanning seven sports around Vancouver and at the Whistle ski area, a two-hour drive north. According to the U.S. Olympic Committee (USOC), ticket sales have been great, as you would expect with the Games right across the U.S. and Canadian border.

The USOC says Americans received the largest allotment of tickets ever for the United States in a nonhosted Winter Games, but they wanted more.

#### **World Cup Soccer**

The second big event of 2010 is the FIFA World Cup in South Africa. Hundreds of soccer teams worldwide compete for an opportunity to play in the World Cup.

The FIFA is dealing with the case of a win by France over Ireland in which the winning goal was improperly called.

One problem is that a soccer field is 77,625 square-foot field is covered by only four officials, meaning each has 19,406 square feet to monitor. Each official runs about 12 miles per game.

In the United States, the National Football League has a 57,600 square-foot field, which is covered by seven officials. Each view 8,229 square feet.

In the National Hockey League, the 17,000 square-foot rink is judged by four officials who each watch over 4,250 square feet.

In boxing, one official referees fighters in a 324 square-foot ring.

The FIFA is in favor of adding more officials, but is against video replay.

The 19th edition of the World Cup kicks off on June 11 in Johannesburg, South Africa. It will be winter there, but winters are generally mild, but temperatures can dip to about 28 degrees F at night.

Players say they like the cool temperatures.

### ***Get unusual plants by mail***

**Cactus:** At cactusking.com, see a vast selection of cacti and succulents.

**Tropicals:** Visit [www.clanorchids.com](http://www.clanorchids.com) to order hybrid orchids, bromeliads and other tropicals.

**Perennials:** [www.etera.com](http://www.etera.com) sells interesting, fast-growing perennials.

**Subtropicals:** Visit [www.logees.com](http://www.logees.com) to check out subtropicals and unusual jungle cactus varieties.

**Herbs, seeds:** For herbs, medicinal plants: [www.nicholasgardennursery.com](http://www.nicholasgardennursery.com).



### Quotes

Government is not reason; it is not eloquent; it is force. Like fire, it is a dangerous servant and a fearful master.  
*George Washington*

Guard with jealous attention the public liberty. Suspect everyone who approaches that jewel... The battle, Sir, is not to the strong alone; it is to the vigilant, the active, the brave.  
*Patrick Henry*

Believe that problems do have answers, that they can be overcome, and that we can solve them.  
*Norman Vincent Peale*

The big rewards come to those who travel the second, undemanded mile.  
*Bruce Barton*

Ask yourself: "How am I going to live today in order to create the tomorrow I'm committed to?"  
*Tony Robbins*

Great opportunities to help others seldom come, but small ones surround us every day.  
*Sally Koch*

The strongest of all warriors are these two: time and patience.  
*Leo Tolstoy in War and Peace*

There are two kinds of people who never amount to very much: Those who cannot do what they are told, and those who can do nothing else.  
*Cyrus H. Curtis, publisher*

What lies behind us and what lies before us are tiny matters compared to what lies within us.  
*Ralph Waldo Emerson*

The difference between try and triumph is a little umph.  
*Zig Ziglar*

One of the great lessons in life is to know that even fools are right sometimes.  
*Winston Churchill*

### What happened with the Internet in 2009?

Using a wide variety of sources, Pingdom came up with the following numbers.

#### Email

- \* **90 trillion** - The number of emails sent on the Internet in 2009.
- \* **247 billion** - Average number of email messages per day.
- \* **1.4 billion** - The number of email users worldwide.
- \* **100 million** - New email users since the year before.
- \* **81%** - The percentage of emails that were spam.
- \* **92%** - Peak spam levels late in the year.
- \* **24%** - Increase in spam since last year.
- \* **200 billion** - The number of spam emails per day (assuming 81% are spam).

#### Websites

- \* **234 million** - The number of websites as of December 2009.
- \* **47 million** - Added websites in 2009.

#### Domain names

- \* **81.8 million** - .COM domain names at the end of 2009.
- \* **12.3 million** - .NET domain names at the end of 2009.
- \* **7.8 million** - .ORG domain names at the end of 2009.
- \* **76.3 million** - The number of country code top-level domains (e.g. .CN, .UK, .DE, etc.).
- \* **187 million** - The number of domain names across all top-level domains (October 2009).
- \* **8%** - The increase in domain names since the year before.

#### Internet users

- \* **1.73 billion** - Internet users worldwide (September 2009).
- \* **18%** - Increase in Internet users since the previous year.
- \* **738,257,230** - Internet users in Asia.
- \* **418,029,796** - Internet users in Europe.
- \* **252,908,000** - Internet users in North America.
- \* **179,031,479** - Internet users in Latin America / Caribbean.
- \* **67,371,700** - Internet users in Africa.
- \* **57,425,046** - Internet users in the Middle East.
- \* **20,970,490** - Internet users in Oceania / Australia.

#### Social media

- \* **126 million** - The number of blogs on the Internet (as tracked by BlogPulse).
- \* **84%** - Percent of social network sites with more women than men.
- \* **27.3 million** - Number of tweets on Twitter per day (November, 2009)
- \* **57%** - Percentage of Twitter's user base located in the United States.
- \* **4.25 million** - People following @aplusk (Ashton Kutcher, Twitter's most followed user).
- \* **350 million** - People on Facebook.
- \* **50%** - Percentage of Facebook users that log in every day.
- \* **500,000** - The number of active Facebook applications.

#### Images

- \* **4 billion** - Photos hosted by Flickr (October 2009).
- \* **2.5 billion** - Photos uploaded each month to Facebook.
- \* **30 billion** - At the current rate, the number of photos uploaded to Facebook per year.

#### Videos

- \* **1 billion** - The total number of videos YouTube serves in one day.
- \* **12.2 billion** - Videos viewed per month on YouTube in the US (November 2009).
- \* **924 million** - Videos viewed per month on Hulu in the US (November 2009).
- \* **182** - The number of online videos the average Internet user watches in a month (USA).
- \* **82%** - Percentage of Internet users that view videos online (USA).
- \* **39.4%** - YouTube online video market share (USA).
- \* **81.9%** - Percentage of embedded videos on blogs that are YouTube videos.

#### Web browsers

- \* **62.7%** - Internet Explorer
- \* **24.6%** - Firefox
- \* **4.6%** - Chrome
- \* **4.5%** - Safari
- \* **2.4%** - Opera
- \* **1.2%** - Other

#### Malicious software

- \* **148,000** - New zombie computers created per day (used in botnets for sending spam, etc.)
- \* **2.6 million** - Amount of malicious code threats at the start of 2009 (viruses, trojans, etc.)
- \* **921,143** - The number of new malicious code signatures added by Symantec in Q4 2009.

### Answers to Riddles from page 4

1. The third room. Lions that haven't eaten in three years are dead.

2. The woman was a photographer. She shot a picture of her husband, developed it, and hung it up to dry.

3. Charcoal, as used in barbecuing.

4. Yesterday, today, and tomorrow!

5. The letter e, the most common letter used in the English language, does not appear in this paragraph.



## A House: What it is (And What it isn't)

For thousands of years, a house, the place where you lived, was just that: a place where you lived. Buying a house carried some very important additional benefits, but largely those who purchased property did so in order to have a "place to hang their hat" that they could call their own.

Fueled by a flood of marketing for products and entertainment, the notion of home ownership took a distinct turn around the beginning of the 21st century. Suddenly, a house was considered, by many, to be much more than an abode. It began to take on many new qualities that changed the way that some people viewed their house.

For those who looked at these "changes" with a critical eye, or those who ignored them completely, their ownership experience likely will not be affected. For those who bought the "story" completely, there may be some rough sledding ahead.

### **What A House IS**

As mentioned above, a house is, by its very nature, a place that you can call home. In its most simple form, it is a collection of rooms with specific purposes: sleeping, preparing food, eating, gathering etc. There are some really nice added benefits that come with ownership, including:

- ◆ Pride of owning your own home
- ◆ A chance to build equity, although fairly slowly
- ◆ A canvas on which many wonderful memories are often painted

For most people (and for many years) this was more than enough. They bought a house as a place to call home and perhaps raise a family with some very tangible bonuses added in.

### **What A House Is NOT**

It *is not* a quick investment vehicle. Around the year 2000, at just about the time of the dot com implosion, Real Estate began to take on, in the minds of many, several whole new dimensions.

As more and more money moved out of the equities market and into property, houses began to look less like a place to live (where you could gradually and steadily build equity) to a place where you could turn a quick buck. You need to look no further than the plethora of television shows, internet sites, books and seminars designed to show you how to take advantage of the big boom in Real Estate. "Be a serial homeowner!" (keep moving from one property to the next, pocketing the cash as you went along). "Be a Real Estate Tycoon!", "Flip a house for massive profits" and the like screamed from the airwaves, the web and bookshelves.

Like most schemes, those who participated very early in this game made out (they sold to those who got in later). But unfortunately many were caught holding the bag, both

those who bought strictly for investment as well as those who bought personal homes with hugely inflated notions of future appreciation. Now, nearly 2 years after the downward trend began, there are still thousands trying to right themselves from the continued effects of the downturn.

A house *is not* your sole retirement plan. Your home can (and always has been) a part of a good retirement investment program. You purchase a home, often relatively early in life, and either stay there or gradually trade up, as situations demand, moving the equity with you. As you reach retirement age, you sell a paid-off home and the proceeds become a part of your retirement.

What we have seen recently, though, is many whose ONLY retirement funds are tied up in big, expensive houses that may be losing value. Many cashed in other retirement accounts to pour even more money into Real Estate. As long as prices continued to escalate this was an acceptable--but dangerous--plan.

As soon as prices stagnated or fell, however, having the proverbial "all eggs in one basket" soured quickly.

A house *is not* an ATM. In one of the most foolhardy trends of the early 2000s, millions decided that their home was the ultimate ATM--a place where cash could be extracted through home equity loans for fund home improvements, vacations, new cars or even, in many scenarios, basic living expenses.

The whole notion that a house was a place to GAIN equity, not extract it, was thrown out the window by millions of these homeowners. Now, with a high percentage of today's Real Estate transactions being "short sales" (the selling price is less than the mortgage(s) owed) the ATM model has largely died a deserved death.

A house *is not* an ego boost. Again as a result of thousands of hours of television programming and dozens of books, the notion that you can improve your life via you house took firm root. No matter what direction you turned, you heard the symphony: You simply CAN NOT live with a 15 year-old kitchen You will need the latest in stainless steel appliances, granite countertops and cherry cabinets in order to cook effectively. Your house has no media room? Your friends will think you are living in poverty!



Hundreds of ads and marketing plans were developed with the concept of "make them jealous!" Billions of dollars were poured into houses, much of which accomplished neither a lasting boost to the ego nor an appreciable increase in value. Plus, when tastes change (as they always do, even more quickly in our modern environment) that kitchen that looked so cutting edge this year may look very dated (and ready for a remodel) in just a few short years.

In the current environment of slowing sales and pricing challenges, it probably makes more sense than ever to stick to the basics when purchasing a home. In the In the long run, you almost certainly will come out further ahead.



# February 2010

- Traditional birthstone: amethyst
- Mystical birthstone: bloodstone
- Ayurvedic birthstone: amethyst
- Flower: blue violet
- Chinese Floral Emblem: peach blossom
- Sun Signs: Aquarius / Pisces

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	<b>1</b> Skippy Peanut Butter Day (1933)	<b>2</b> Groundhog Day 	<b>Elmo's</b> Birthday. Halfway Point of Winter	<b>4</b> Thank a Mailman Day	<b>5</b> Wear Red Day National Chocolate Fondue Day	<b>6</b> Dump Your Significant Jerk Day Babe Ruth's BD
<b>7</b> SUPER BOWL XLIV GO PEYTON!	<b>8</b> Birthday of Boy Scouts	<b>9</b> Read in the Bathtub Day Hershey's Chocolate BD	<b>10</b> Umbrella Day	<b>11</b> Satisfied Staying Single Day White T Shirt Day	<b>12</b> Abraham Lincoln's real birthday	<b>13</b> Madly in Love With Me Day
<b>14</b>  Valentine's Day	<b>15</b> Susan B Anthony Day Presidents' Day	<b>16</b> Mardi Gras Nylon Patented 1937	<b>17</b> <sup>Ash</sup> Wednesday National PTA Founders Day	<b>18</b> Pluto Discovered Day	<b>19</b> Chocolate Mint Day Mr. Rogers Debuted 1968	<b>20</b> John Glen Oribts Earth 1962 Clam Chowder Day
<b>21</b> Polaroid Camera Introduced 1947	<b>22</b> George Washington's Real birthday	<b>23</b> Iwo Jima Day (Flag Raised) Dog Biscuit Appreciation Day	<b>24</b> Skippy Peanut Butter Day (1933)	<b>25</b> National Chili Day Paper Money introduced in US	<b>26</b> Levi Strauss Birth Day (1829)	<b>27</b> No Brainer Day Polar Bear Day
<b>28</b> National Tooth Fairy Day	<b>February is National Heart Month</b>					

### ***Groundhog Day: Check Phil's weather prediction!***

On February 2, Punxsutawney Phil, Pennsylvania's groundhog extraordinaire, will again stick his head out of his den. The nation awaits his verdict.

Groundhog Day is said to have its origins in ancient weather lore where the prognosticator was often a badger or a sacred bear. In the United States, its origin is said to come from a Pennsylvania German custom.

If Phil, peeking from his burrow, fails to see his shadow, winter will soon be over. If the sun happens to be shining and Phil sees his shadow, winter will continue for six more weeks.

The first trek to meet with Phil began in 1887. He has been emerging from his burrow in Pennsylvania ever since, always eager to greet his public.

Phil is private in many ways, but a few rumors have circulated about him.

\*He gets his longevity from drinking the "elixir of life" of which he takes one sip every summer during the Groundhog Picnic. This gives him seven more years of life.

\* It is said he is named after King Philip, a famous Native American leader. In his more plebeian days, he was called Br'er Groundhog.

\* He speaks only in Groundhogese, which luckily is a language understood by the President of the Inner Circle. The Inner Circle provides for Phil during the year, rather like a court provides for its king.

The city of Punxsutawney offers several days of celebration for those who gather from around the world to hear Phil's proclamation. The city offers food, music, carriage rides, magicians, crafts and games. For more info go to [www.groundhog.org](http://www.groundhog.org).