



OC Housing Newsletter



Brought to you by



Inside This Issue...

	Page
Naughty Homeowners	1
Calendar Of Events	1
January Things To Do	1
Real Estate Corner	1
Repair Tips	2
Trivia Center	3
Heat Saving Tips	2
Bananas & Your Health	3
Movie Passes Challenge	4
Recipe Corner	4
Puzzle center	4
Contact Info	4

Calendar of Events



- Jan 1st
New Years Day:
- Jan 7th
Classic Car Show: Lake Forest
- Jan 11th
Human Trafficking Awareness
- Jan 14th
Michael Gurian: Aliso Viejo
- Jan 20th
Martin Luther King Day:
- Jan 31
Chinese New Year :



Once Again, Homeowners are Naughty

False expectations of the market breeds a huge throng of unrealistic homeowners .

Naughty Homeowners: Orange County seems to be home to a flood of homeowners who refuse to listen to professionals and ignore irrefutable market fundamentals.

Just like last year, Santa should have plenty of homeowners on his "naughty" list. With all of the television, newspaper, and Internet reports exclaiming massive home price appreciation, owners have clamored to place their homes on the market to get a piece of the action. Many are electing to wait until the Spring Market thinking that it is "the best time of the year to sell."

The trouble is that they are ignoring today's fundamentally different housing market that requires a completely different approach than the 18-month market that ended in August. That market allowed many homeowners to get away with overpricing a home. Homes were not just a good value, incredible interest rates in the mid-three's made home affordability seem out of this world. Almost every home acquired multiple offers and the market was dominated with cash buyers. Homes flew off the market and they sold at prices much higher than the most recent comparable sale.

Flash forward to today and homes have appreciated to levels where they no longer look like an amazing deal. Buyers do not feel the necessity to drop everything and do whatever it takes to purchase. Instead, they are demanding to pay the Fair Market Value of a home based upon the most recent comparable pending and closed sales. The expected market time is at nearly three months today compared to as low as 33 days earlier this year and 40 days a year ago. Last year the market never really took a break during the holidays. Not this year, the normal holiday slowdown has infiltrated Orange County housing. Open houses generated more than 50 potential buyers earlier in the year when there was almost nothing on the market. Today, open houses produce only a handful of buyers as the inventory has blossomed considerably and the single open house sign on a busy intersection corner has now been replaced with a gaggle of directional arrows. The market has changed, but homeowners have not received the memo. Instead, sellers continue to come on the market at unrealistic values. These values are not at all in line with the true Fair Market Value.

(Continued on page 2)

Get organized in January with these Two To-do's



Schedule a Fix-it Day

As you post your new calendar, circle one weekend day this month for a fix-it day. Prepare ahead of time by wandering the house and noting minor repairs that you can do in less than a day. These are things like replacing cracked switch plates and burned-out bulbs, tightening loose screws and lubricating squeaky hinges. Make a list of materials and tools you need. Shop for whatever you don't have in a single trip. On the appointed day, put the tools and supplies in a tote (the homeowner version of a carpenter's steps-saving tool belt) and get to work. As you proceed from room to room, test all smoke and carbon monoxide detectors and check off other items from your master list.

Organize

If you're struggling to find a place for all the holiday gifts your family received, you're not alone. Home-improvement stores consider this month the "storage season," which means you can probably find an unusually good selection and prices on plastic bins, closet organizers and the like. A few tips: 1 If you're buying plastic

(Continued on page 4)

Real Estate Corner...



Q. What Things Should I Consider Before Making An Offer On A Home?

A. First, determine how much home you can afford. In general, you can afford to buy a home equal in price to three times your gross annual income. More precisely, however, the price you can afford to pay for a home will depend on six factors:

- 1) Your income;
- 2) The amount of cash you have available for down payment, closing costs, and cash reserves required by the lender;
- 3) Your outstanding debts;
- 4) Your credit history;
- 5) The type of mortgage you select;
- 6) Current interest rates.

The process of buying a home is much easier if you

(Continued on page 2)



(Continued from page 1)

The prices are arrived at arbitrarily. Reports from the trenches are that many rationalize the price thinking that their home is the "best home in the neighborhood." They stretch the price based upon new carpet, new paint, or a remodeled kitchen. Unfortunately, they have found out the hard way that the market will no longer reward irrational pricing.

There was wiggle room when homes not only appeared to be a value, but throw in a 3.5% interest rate and a buyer did not need much convincing. Today, these homes languish on the market.

There are still homes that fly off the market in the lower ranges and often with multiple offers, but they are priced according to the Fair Market Value, taking into consideration the changed market fundamentals. Will a home sale above the last closed sale? Sure, the right property will secure an offer a few thousand dollars higher, but not tens of thousands of dollars higher like earlier in the year.

So, many of you are wondering about all of the recent reports of mass appreciation. Dataquick, Core Logic, Case-Shiller, and the Federal Housing Finance Agency (FHFA) have all recently released outstanding, favorable housing numbers that entice homeowners to jump into the housing fray. But, what they report is no longer occurring in the Orange County real estate trenches. Dataquick highlighted November sales. Core Logic released October price trends at the beginning of this month. Case-Shiller and the FHFA index released September pricing trends at the end of November and will release October numbers soon. The trouble with all of these indexes is that they are all reporting closed sales activity, so are a reflection of 45 to 60 days prior. October sales are a result of contracts put together in August and early September. The Orange County Housing Report tracks pending sales activity and is a reflection of what is taking place in the streets right now.

The median sales price is when all prices are stacked from lowest to highest; the median is the exact middle value. There are major flaws in the median. It is easily skewed by a change in the sales mix. When the market experiences an increase in the number of luxury home sales, the median is skewed higher; and, when there is an increase in the number of sales in the lower ranges, the median is skewed lower. It is not the most reliable statistic in tracking true price appreciation.

For homeowners waiting until the Spring to place their homes on the market, they will be greeted with increased competition. Yes, in terms of the number of pending sales, it is the hottest time of the year. There may be more buyers who wish to purchase, but it is also when more homeowners come on the market than at any other time. Many unsuccessful sellers who have opted to throw in the towel and wait until the Spring will enter the fray too. Sellers during the 2014 Spring Market will be greeted by buyers only willing to pay the Fair Market Value: OVERPRICED SELLERS BEWARE.

Active Inventory: The inventory shed 7% in the past two weeks as the market moves even deeper into the holidays. In the past two weeks, the active listing inventory shed 394 homes and now totals 5,149, dipping to levels last seen at the beginning of July. It's the largest drop since March of last year,

beating last week's second biggest drop of the year of 337 homes. The drop will continue through the New Year celebration and will not reverse course and start increasing until mid January.

Last year at this time there were 3,254 homes on the market, 1,895 fewer and: Demand dropped by 13% in the past two week and is at its lowest point of the year.

Demand, the number of new pending sales over the past month, decreased by 265 and now totals 1,764, the lowest demand reading of the year. As a matter of fact, this is the lowest reading in six years. Last year the market did not take much of a break during the holidays. Not this year. Buyers have diverted their attention away from housing and are busy attending parties and wrapping presents to be paced under the tree. Demand will reach a low in two weeks as we celebrate the arrival of 2014 and will start to climb as we roll into January.

Last year demand was at 2,413 pending sales, 649 more than today. Those numbers were a bit inflated as there were a lot more short sales embedded in demand, 649 pending short sales compared to 136 today. Since only about half of all short sales ever close, the 513 additional pending short sales skewed the demand totals last year. Even so, the disparity between last year and this year's demand is large enough that it will result in fewer sales in the coming months in comparing year over year numbers.

Distressed Breakdown: The distressed inventory increased by only one home in the past two weeks. The distressed inventory, foreclosures and short sales combined, increased by one home and now totals 298. Only 6% of the active listing inventory and 11% of demand is distressed. Compare that to last year when it represented 12% of the inventory and 34% of demand, and two years ago when it represented 38% of the inventory and 59% of demand. In the past two weeks, the foreclosure inventory decreased by 4 homes and now totals 77. 1% of the inventory is a foreclosure. The expected market time for foreclosures is 42 days. The short sale inventory decreased by 5 homes in the past two weeks and now totals 221. The expected market time has increased to 49 days. Short sales represent just 4% of the total active inventory.

You can read the entire article including extra information at my website:

<http://www.AnaDreamHomes.com>

(Continued from page 1)

start out by getting pre-qualified or even pre-approved with your lender for a home loan. This amount will let you know how much home you can buy, and makes you a more credible buyer.

For more information please go to my website and get checklists and other pertinent information to help you decide.

<http://anadreamhomes.com/resources/buyers/buyersResources.html>

If you have a question about selling your home, please call me at 949-929-8387.

Repair & DIY Center



Cleaning Tip!

Here's the *Cream of Clean*.

To clean and polish aluminum pots and pans, simply fill them with water, add two tablespoons cream of tarter. Boil for five or ten minutes, then wash and dry as usual. You won't believe your eyes!

How To "Bake" A Clogged Drain

Instead of spending money on those harsh drain cleaners, try this homebrew solution: Sprinkle a half-cup baking soda down your drain. Then, add a half-cup white vinegar and cover the drain with a plate or lid for five minutes. Finally, pour five cups of boiling water down the drain. Voila! Your drain will clear.

Toilet runs constantly

A leaking flapper most likely causes both symptoms. This is the round "seal" in the bottom of the tank connected to the chain for the handle. When you depress the handle, the flapper pops up to allow the water in the tank to rush into the bowl and cause the toilet to flush.

The flapper is easily removed and replaced. The flapper costs around \$2-\$5 at any hardware store and will likely fix the problem. Be sure to remove the old one and match it up to the new one to assure a proper fit.

Once the flapper is replaced, adjust the toilet ball (ballcock) gently downward to lower the water level in the tank. Remove any toilet bowl cleaners from obstructing the flapper in the tank.

Disposal makes humming sound

This probably means the unit has power but is jammed. Use an "Allen" wrench to un-jam the unit. This is a five sided tool ("L" shaped) that will fit into the bottom of the disposal (\$2-\$3 at a hardware store). With the unit turned off or unplugged, insert this into the bottom of the disposal. Move it clockwise and counter clockwise to loosen the jammed unit. Sometimes you can reach into the disposal and remove the item if it is large enough. Always Unplug The Garbage Disposal Before Reaching Into The Unit. Once you believe the unit to be clear of the jam, plug the unit back in and turn the disposal on to see if it rotates!

Trivia Center!



Did you know?

- Peanuts are one of the ingredients in dynamite!
- There are 293 ways to make change for a dollar.
- No word in the English language rhymes with orange, silver or purple.
- A cat has 32 muscles in each ear!
- Tigers have striped skin, not just striped fur!
- Al Capone's business card said he was a used furniture dealer.
- A dragonfly has an average lifespan of just 24 hours.
- A dime has 118 ridges around its edge.
- John Lennon's first girlfriend was named Thelma Pickles.
- A cough releases an explosive charge of air that moves at speeds up to 60 mph.
- A sneeze can exceed the speed of 100 mph.
- An individual blood cell takes about 60 seconds to make a complete circuit of the body.
- Babies are born with 300 bones, but by adulthood we have only 206 in our bodies.
- By age sixty, most people have lost half of their taste buds.
- Each square inch of human skin consists of twenty feet of blood vessels.
- Every person has a unique tongue print.
- Every time you lick a stamp, you're consuming 1/10 of a calorie.
- It takes 17 muscles to smile --- 43 to frown.
- The feet account for one quarter of all the human bodies bones.
- There are 45 miles of nerves in the skin of a human being.
- There are 60,000 miles of blood vessels in the human body.

Could It Possibly Be TRUE?

Could you imagine working at the following company with a little over 500 employees where...

- 29 have been accused of spousal abuse...
- Seven have been arrested for fraud
- 19 have been accused of writing bad checks...
- 117 have bankrupted at least two businesses...
- Three have been arrested for assault...
- 71 cannot get a credit card because of their bad credit...
- 14 have been arrested on drug charges...
- Eight have been arrested for shoplifting...
- 21 are current defendants in lawsuits...
- In 1998 alone, 84 were stopped for drunk driving.

Can you guess what organization could possibly have this type of record?

Give up? It's the 535 members of your United States Congress...the very same group that perpetually cranks out hundreds upon hundreds of new laws designed to keep the rest of us in line!

Turn Down the Heat and Save

We recommended winter setting for a home thermostat when people are at home is 68 degrees Fahrenheit. Once you've gotten used to that daytime temperature (or if you already had it set there), try setting it a few degrees lower. You'll have to experiment to see how low you can stand it—you don't want to blow the money you saved on heat buying mittens.



The exact amount you'll save varies based on heating prices, the size and efficiency of your house and the temperature outside. A rough estimate: 1 to 3 percent savings per degree of thermostat setback.

To save even more, crank the temperature down to 60 or 55 degrees Fahrenheit when you're

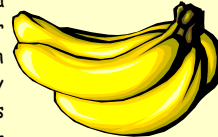
away or in bed. If you work outside the home during the day and sleep eight hours a night, you'll be reducing your energy usage for 16 hours per day. If you're home during the day and need the heat, you'll save about half as much by just turning it down at night, which is still a nice savings. By the way, it's a common myth that you'll use so much energy getting the house warm again that you won't save anything by turning it down. When you turn the heat down, the heat doesn't run as the house's temperature falls. You save enough energy then to counteract the energy used to reheat the house, so you break even. The savings come during the time you leave the temperature down, since the heating system isn't working as hard to maintain a differential between the inside and outside temperatures. The longer you leave the thermostat turned down, the more you'll save.

From the article: 5 No-brainer Money-Saving Tips Everyone Forgets by by Ed Grabianowski

BANANAS and your health

After Reading THIS, you'll NEVER look at a banana in the same way again!

Bananas contain three natural sugars - sucrose, fructose and glucose combined with fiber, a banana gives an instant, sustained and substantial boost of energy. Research has proven that just two bananas provide enough energy for a strenuous 90-minute workout. No wonder the banana is the number one fruit with the world's leading athletes. But energy isn't the only way a banana can help us keep fit. It can also help overcome or prevent a substantial number of illnesses and conditions, making it a must to add to our daily diet.



Depression:

According to a recent survey undertaken by MIND amongst people suffering from depression, many felt much better after eating a banana. This is because bananas contain tryptophan, a type of protein that the body converts into serotonin, known to make you relax, improve your mood and generally make you feel happier.

Anemia:

High in iron, bananas can stimulate the production of hemoglobin in the blood and so helps in cases of anemia.

Blood Pressure:

This unique tropical fruit is extremely high in potassium yet low in salt, making it the perfect way to beat blood pressure. So much so, the US Food and Drug Administration has just allowed the banana industry to make official claims for the fruit's ability to reduce the risk of blood pressure and stroke.

Brain Power:

200 students at a Twickenham (Middlesex) school were helped through their exams this year by eat-

ing bananas at breakfast, break, and lunch in a bid to boost their brain power. Research has shown that the potassium-packed fruit can assist learning by making pupils more alert.

Constipation:

High in fiber, including bananas in the diet can help restore normal bowel action, helping to overcome the problem without resorting to laxatives.

Hangovers:

One of the quickest ways of curing a hangover is to make a banana milkshake, sweetened with honey. The banana calms the stomach and, with the help of the honey, builds up depleted blood sugar levels, while the milk soothes and re-hydrates your system.

Heartburn:

Bananas have a natural antacid effect in the body, so if you suffer from heartburn, try eating a banana for soothing relief.

Nerves:

Bananas are high in B vitamins that help calm the nervous system.

Overweight and at work?

Studies at the Institute of Psychology in Austria found pressure at work leads to gorging on comfort food like chocolate and chips. Looking at 5,000 hospital patients, researchers found the most obese were more likely to be in high-pressure jobs. The report concluded that, to avoid panic-induced food cravings, we need to control our blood sugar levels by snacking on high carbohydrate foods every two hours to keep levels steady.

Ulcers:

The banana is used as the dietary food against intestinal disorders because of its soft texture and

(Continued on page 1)



“Who Wants To Win?” Movie Tickets For Two

Take my Trivia Challenge and you could win too!

Now...let's move on to this month's trivia question...

This Issue's Question:

Q. How Many Toothpicks Can Be Produced From A Cord Of Wood?

- a) 75,000
- b) 750,000
- c) 7,500,000
- d) 75,000,000
- e) 750,000,000

Call me right now with your answer! (949) 929-8387

(Continued from page 2)

smoothness. It is the only raw fruit that can be eaten without distress in over-chronicler cases. It also neutralizes over-acidity and reduces irritation by coating the lining of the stomach.

Smoking:

Bananas can also help people trying to give up smoking. The B6, B12 they contain, as well as the potassium and magnesium found in them, help the body recover from the effects of nicotine withdrawal.

Stress:

Potassium is a vital mineral, which helps normalize the heartbeat, sends oxygen to the brain and regulates your body's water balance. When we are stressed, our metabolic rate rises, thereby reducing our potassium levels. These can be rebalanced with the help of a high-potassium banana snack.

Strokes:

According to research in "The New England Journal of Medicine," eating bananas as part of a regular diet can cut the risk of death by strokes by as much as 40%!

So, a banana really is a natural remedy for many ills. When you compare it to an apple, it has four times the protein, twice the carbohydrates, three times the phosphorus, five times the vitamin A and iron, and twice the other vitamins and minerals. It is also rich in potassium and is one of the best value foods around. So maybe its time to change that well-known phrase so that we say, "A banana a day keeps the doctor away!"

Recipe Corner

Ranch Clam Chowder



Makes 6 servings

- 1/4 cup chopped onion
- 3 tablespoons butter or margarine
- 1/2 pound fresh mushrooms, sliced
- 2 tablespoons Worcestershire sauce
- 1 1/2 cups half and half
- 1 can (10 3/4 oz.) cream of potato soup
- 1/4 dry white wine
- 1 packet (1 oz.) HIDDEN VALLEY the original ranch salad dressing & seasoning mix
- 1 can (10oz.) whole baby clams, undrained
- chopped parsley

In 3-quart saucepan, cook onion in butter over medium heat until onion is soft but not browned. Add mushrooms and Worcestershire sauce. Cook until mushrooms are soft and pan juices have almost evaporated. In medium bowl, whisk together half and half, potato soup, wine and salad dressing and seasoning until smooth. Drain clam liquid into dressing mixture; stir into mushrooms in pan. Cook, uncovered, until soup is heated through but not boiling. Add clams to soup; cook until heated through. Garnish each serving with parsley.

(Continued from page 1)

bins, go for ones that are clear so you can see what's inside. I Look for straight-sided containers. Ones with tapered sides waste a surprising amount of shelf space. I If you're planning to store the containers on shelves, match the size of the boxes to the depth and width of the shelves so you aren't left with hard-to-use gaps.

From the article: *The Checklist: Home maintenance in January* by Jeanne Huber

Ivy Le

Home Lending Consultant
NMLS ID: 384210



Work: 949-505-4205
Mobile: 714-483-2547
ivy.le@citi.com

1601 E. Orangewood Ave
Anaheim, CA 92805
<https://www.mortgage.com/LO/ivyle>

Smita Ana Bhula

FirstTeam Realtor
BRE# 01390628



Direct: 949-929-8387
Fax: 949-582-3687
anabhula@msn.com

FirstTeam Real Estate
27451 Los Altos, Suite 100
Mission Viejo, CA 92691



Orange County Search Puzzle

A L U H F S D T C Q S X N V O Q S B A M
A W A A C D E O I L T E O W H T H T Y I
R L E G I A S R L Z W G K B Z B I V M S
X Y I L U T E I O P X W J O W R L M I S
Q E J S A N H B O L R P G C A R A I B I
C T E M O A A R A Q F D K G S C K N W O
P U E X N V T N O N F S R D D M E G W N
X S F U F B I W I S U A A N O F F M I V
A Q G O E N W E G G M G H L O B O T L I
C A J A P V K I J A U I A X W U R X S E
L P C G W B L O T O T E C L A J E T I J
H H K Z W G C N Q C I N L E N O S E U O
H T N I O P A N A D U W W N U F T H C D
O Z W K H S G A P A G Q Y I G L Z N R J
Z H L I H Q C W Q F D Q T V A Q I R U F
S A N C L E M E N T E Q Q R L T K J P W
Q E N S A N J U A N C A P I S T R A N O
S A Z A C E D O T O C U B U R M F A E B
R L P C O L M Y U R H K T Y R B Y C I B
I C C S T U O A X H J X O S F C C C F A

- Aliso Viejo
- Costa Mesa
- Coto de Caza
- Dana Point
- Irvine
- Laguna Beach
- Laguna Niguel
- Laguna Woods
- Lake Forest
- Las Flores
- Luguna Hills
- Mission Viejo
- Newport Beach
- Ranch Santa Margarita
- San Clemente
- San Juan Capistrano
- Tustin

Sudoku

For Solution go to my website @ AnaDreamHomes.com

				6				9
7		3	8	1				6
5								8
8			7		1	9	5	4
4	5	1	2		6			
			9	5		6		1
2					5	4		
6		4	9		3			5