



Courtesy of
The Beck and Pitel Team

Neighborhood News

January/February 2009

Greetings,

As you have no doubt noticed, nearly everyone has an opinion about the state of the real estate market. The most vocal opinions are being expressed on television, on the Internet, in print media, and on the radio. The problem is, many of these opinions tell only one side of the story.

For example, lower home prices and large inventories make this an ideal market for first-time homebuyers, people looking to move up to a larger home and real estate investors. In addition, 2008 was one of the largest transactional years in history, a fact that is often neglected in the media.

In the first Item of Value of the new year, we have looked at the state of the real estate market. On the reverse side, we have included tips on selling your home faster, the best ways to invest in your home and a look at historic home values to prove that your home is the best long-term investment.

We hope you had a great 2008, and we look forward to serving you in 2009!

Cheers,

Jeanie, Mike, Stephanie and Tim

Oh, By the Way......if you know of someone who would appreciate the level of service we provide, please call us with their name and business number and we will be happy to follow up and take great care of them.

Tips to lower utility expenses

You don't have to take drastic steps and give up comfort to save some money on your utility bills.

1. Look for "energy vampires."

Items left plugged in while not in use (i.e. cell/cordless phone chargers, power tools and other gadgets) still draw energy—40% of total energy used to run home electronics is consumed when the appliances are off! Smart Power Strips can help manage this task for you.



These "energy vampires" can account for 10% of your home's total electricity use. While not a large amount, it can become sizeable over time. Managing them is an easy way to help reduce your energy costs. Another way to save a little is to bundle devices like the TV, DVD, DVR, computer monitors,

printers, etc. into a surge protector power strip you can turn off when done.

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2. Tankless water heaters.

According to the US Department of Energy, tankless/on-demand heaters can be 24%-34% more efficient for homes that use 41 gallons or less of hot water per day. Note—depending on the cost of the unit, the break even point may negate the efficiency savings. Carefully research the choices. Even if the long-term cost savings aren't significant, the convenience of instant hot water—rather than wasting gallons of cold water—may be worth it.

3. How much does that leak cost?

A leaky faucet can waste anywhere from 2,700-4,000 gallons of water in a year and a leaky toilet 30-500 gallons a day! Unnoticed leaks in your landscaping watering system can also be cause for very high water bills.

Upcoming Events

February 12-15

Gold Rush Days Celebration and Rodeo

Admission varies per event
Historic Downtown Wickenburg
216 N. Frontier St., Wickenburg
(800) 942-5242

February 13-15

NBA All-Star Weekend

Admission varies per event
US Airways Center
201 E. Jefferson St., Phoenix
(480) 784-4444

February 14-15

53rd Annual VNSA Used Book Sale

FREE Admission
Arizona Exposition and State Fair Exhibit Building
1826 W. McDowell Rd., Phoenix
(602) 265-6805

February 19-22

Arizona Sportsmen, Vacation and RV Show

Admission: \$5-\$7
Phoenix Convention Center
100 N. Third St., Phoenix
(800) 657-3050

February 20-22

NHRA Arizona Nationals

Admission: \$33-\$85
Firebird International Raceway
20000 S. Maricopa Road, Gila River Reservation
(602) 268-0200

February 21-22

Arizona Scottish Gathering and Highland Games

Admission: \$5-\$14
Margaret T. Hance Park
1134 N. Central Ave., Phoenix
(602) 431-0095

How else can we serve you?

Do you know all the ways we as professional REALTORS® can help you? We can:

1—Help sellers market a property for sale, negotiate a purchase offer, and coordinate a successful close of escrow. The only exception is a home on leased land.

2—Help buyers identify just the right home, negotiate a purchase offer, and coordinate a successful close of escrow. We are not limited to selling homes listed by our broker. We can help buyers purchase:

- Resale homes listed by any other broker
- New construction homes
- Homes listed For Sale By Owner

3—Help you find a REALTOR® in another state if you are moving, or have friends or family in other states, even other countries, that need help buying or selling a home. We have an extensive network of agents available to refer.

We also have a great network of professionals to refer if you need a painter, attorney, carpet cleaning, roof repair, A/C repair and more. Our Business Directory is available online at our website.



We hope that when it comes to real estate matters that you think of us. Even if you're not making a move, if you have questions about your home or the market, please give us a call.

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In case you missed it...

Arizona license plate law reminder

As of January 1, 2009, state law requires that the state name **must be visible** at the top of Arizona license plates. Please check your vehicles to be sure the license plate holder does not block the state name on the plate. If it does, it is in violation of the new law A.R.S. 28-2354(B).

Major Real Estate Settlement Procedures Act (RESPA) reform

For the first time in over 30 years, the U.S. Department of Housing and Urban Development (HUD) issued mortgage reforms aimed at helping consumers avoid costly loan offers. Beginning January 1, 2010, HUD will require new standardized Good Faith Estimates (GFE) and HUD-1 Settlement Statements.

How do these changes help consumers? The new GFE will clearly disclose total closing costs and key loan terms such as:

- Term of the loan
- Interest rate—fixed or adjustable
- Prepayment penalties
- Balloon payments



Each designated line on the new HUD-1 will include a reference to the relevant line on the GFE to easily compare costs. The forms are available online for review at www.hud.gov.

Important change that could affect your 1031 tax deferred exchange

When the Housing Assistance Tax Act of 2008 was signed into law in July 2008, it amended Internal Revenue Code (IRC) Section 121. This is the section that allows taxpayers to exclude some or all of the gain made on the sale of a principal residence. The change may impact taxpayers who initially acquired a property as a principal residence in a 1031 tax deferred exchange or used it as a rental before converting it to a primary residence. The portion of time the home was not a principal residence must be allocated. The change took effect January 1, 2009. Please check with your legal and/or tax advisor to see if you are, or will be, affected by this change.

Valley Market Statistics

Residential listings in Maricopa and Pinal counties listed in ARMLS as of 02/03/09:

- Total active listings: 49,660
- Total homes sold in last six months: 31,106
- Currently a 9.6-month supply of properties on the market*

December 2008 was the seventh consecutive month to have an increase in sales over the same month in the previous year.

REO (bank-owned) sales accounted for 56% of single-family detached homes in Maricopa County in December 2008.

*Anything under six months is considered a seller's market and anything over six months is considered a buyer's market. Supply varies greatly by location.

Congratulations!

John & Fran Comer

Won a \$25 gift card for answering that the first "First Lady" was Martha Washington. The title gained nationwide recognition in 1877 when Lucy Webb Hayes was called "the First Lady in the Land."

Test your knowledge

While at sea, what instrument do sailors use to tell time?

Call, fax, or email us with the correct answer and your name will be entered into a drawing for a \$25 gift certificate.