



JANIE'S Real Estate News!

Volume 1, Issue 6

COVER STORY:

How to Develop a Pricing Strategy for Your Home

When you feel that your home is worth a certain amount, but no one buys it at that price, you may want to reconsider your pricing strategy.

Your real estate agent can give you a list of homes in your price range that were listed about the same time as yours. Add those that came up for sale since then. Then analyze the closed sales.

Which ones were sold and how long did it take to sell them? The numbers are easy to get through the Multiple Listing Service.

If there is a discrepancy between the selling prices of similar homes and what you are asking for your home, your asking price is too high.

This fact may be difficult to accept, but market dynamics are changing all the time.

Market dynamics that often change include seasonal patterns and available comparable inventory of homes for sale. There could be more homes on the market now than when you originally set the price.

Typically, when a home shows well, is well staged, doesn't have bad odors, is priced right, and has fair compensation to a buyer's agent, it will sell.

Make sure the homes in your price range are actually comparable. Do they have outstanding features that your home does not? Is there something about your home that decreases a buyer's interest?

Some buyer turn-offs can be fixed. An odd color in the living room, for example, and pet odors, are fixable.

Some turn-offs are not, such as traffic noise or the lack of a yard. While the home itself is comparable, such factors could mean that you will have to reconsider your price.



A NOTE FROM JANIE

Heart Month – February 2006!

I like to think of February as the month of "hearts" because both Valentines Day celebrating love and romance and the American Heart Association's American Heart Month are in February. Helen Keller, the blind and deaf woman who overcame incredible odds said: "The best and most beautiful things in the world cannot be seen or even touched. They must be felt with

the heart." Abraham Lincoln, whose birthday we celebrate this month, illustrates the importance of heartfelt concern for others in his statement: "Am I not destroying my enemies when I make friends of them?" May we all have good hearts this month and throughout the year!

Janie Merkle, Your Real Estate Professional for Life!

IN THIS ISSUE:

How to Develop a Pricing Strategy for Your Home

A Note From Janie

Know and Improve Your Credit Score

Key Interest Rate Summary

Janie's Free Gifts

Word Search – The Muppets

February is American Heart Month: Here's How to Protect Your Heart Health

New Tax Breaks

February Calendar

Presidential Quotes

Thank You
for your referrals!



Janie's Free Gifts!

Call Janie at (949) 559-1142 or (800) 886-0336 to request any of the items below.

- Computer Mouse Pads
- Want to know what your home is worth? Free Market Analysis.
- Children at Play safety street signs
- Home staging consultation before your home goes on the market.
- FSBO forms.
- First time home buyer information.

The Muppets

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

Animal	Henson
Beaker	Kermit
Bert	Mel
Biff	Miss Piggy
Big Bird	Narf
Cookie Monster	Oscar
Elmo	Phoebe
Ernie	Rosita
Fozzie	Snuffleupagus
Gonzo	Sully
Googel	Swedish Chef
Grover	Telly
Guy Smiley	Zoe

See page 3 for solution

Know and Improve Your Credit Score

Many people, especially first time home buyers, don't know what their credit score is.

A FICO credit score of 720 or more will get you favorable rates on credit cards, auto loans, and mortgages.

Even better, if you have a high credit score and sufficient income and cash reserves, there are lenders that will allow you to purchase a home with little or no money down.

You can get your credit score for free at annualcreditreport.com. This is a web site set up by the big three credit reporting agencies in the United States, to furnish free annual credit reports, as required by federal law.

Credit scores are based on a borrower's credit history and consider many factors such as:

- Late payments
- The amount of time credit has been established
- The amount of credit used versus the amount of credit available
- Length of time at present residence
- Employment history, and

- Negative credit information such as bankruptcies, charge-offs, collections, etc.

Depending on the amount of debt outstanding, a person could save a significant amount a year on interest by raising their score by just 30 points (see example of a \$216,000 mortgage in table below.)

Here are some ways to do it:

- Pay your bills on time. Late payments and collections can have a serious impact on your score. Paying on time for six to nine months can raise your score.
- Do not apply for credit frequently. Having a large number of inquiries on your credit report can worsen your score.
- Reduce your credit-card balances. If you are "maxed" out on your credit cards, this will affect your credit score negatively.
- If you have limited credit, obtain additional credit. Not having sufficient credit can negatively impact your score. Pay more than the minimum payment so your balance doesn't build up.
- Check your credit report periodically and challenge any errors you find.

Example For a \$216,000 30-year, fixed rate mortgage:

If your FICO® score is:	Your interest rate is:	...and your monthly payment is:
760 - 850	6.01%	\$1,296
700 - 759	6.23%	\$1,327
680 - 699	6.41%	\$1,352
660 - 679	6.62%	\$1,382
640 - 659	7.05%	\$1,444
620 - 639	7.6%	\$1,524

Key Interest Rate Summary	National Averages	Today 2/10/06	One Month Ago	One Year Ago
	30-yr fixed		5.84%	5.67%
15-yr fixed		5.48%	5.25%	
5/1 ARM		5.51%	5.22%	
Fed Funds Target		4.50%	4.25%	2.50%
WSJ Prime Rate		7.50%	7.25%	5.50%
1-Month LIBOR		4.57%	4.42%	2.59%
3-Month LIBOR		4.74%	4.55%	2.79%
2-Year Treasury Note		4.68%	4.35%	3.29%
5-Year Treasury Note		4.64%	4.31%	3.66%
10-Year Treasury Note		4.59%	4.37%	4.09%
30-Year Treasury Note		4.55%	4.56%	4.47%

**February is American Heart Month:
Here's How to Protect Your Heart Health**

Now is the time to take stock of how you're treating the most important organ in your body. Check this information and see how you are applying it to your daily life.

* Your heart is a muscle. The stronger it is, the better it will work for you. It needs to be exercised, which means regular activity like walking, running, or lifting weights.

* Like any organ of your body, the heart won't serve you well if it's surrounded by fat. Working toward a satisfactory body weight will help your heart do its job.

* Fill your refrigerator with fruits, vegetables, fish, lean meats, and poultry. Keep whole grain products on hand as well as heart-friendly oils such as canola and olive oil.

* Your heart won't work at all if it gets plugged up. A lump of cholesterol will do it, which means you'll be wise to skip the fatty foods. And a blood clot will do it. Check with your doctors to see if an aspirin a day can keep your blood flowing freely.

* Hearts object to being excited all the time. Anger, stress, and the burden of carrying a grudge make it work harder. Do yourself a favor. Mend your fences, and channel your anger into productive action. Plan your work, then work on your plan so you're not stressed.

* Don't use tobacco. Talk to your doctor about the best ways to quit smoking.

* High blood pressure can be a heart breaker. Limiting salt and drinking a glass of orange juice each day can keep blood pressure at normal levels. If your doctor has prescribed medication for your hypertension, be sure to take it every day.

New Tax Breaks

Tax credit provisions of the energy bill went into effect on January 1. Here are some of the credits available.

30 percent of the cost of solar panels, plus 30 percent for a solar water heater. Credits are capped at \$2,000 and are available for 2006 and 2007 installations.

10 percent of the cost of energy-saving doors, windows, insulation, and roofs, plus up to \$300 for efficient central air conditioners and water heaters powered by natural gas, propane, or oil. You can also claim \$150 for efficient furnaces and \$50 for energy-saving fans. You can only claim \$500 in total for this group with just \$200 for windows.

Presidential Quotes

"Labor to keep alive in your breast that little spark of celestial fire called conscience."

George Washington

"Happiness and moral duty are inseparably connected."

George Washington

"Stand with him while he is right and part with him when he goes wrong."

Abraham Lincoln

"Associate yourself with men of good quality if you esteem your own reputation. It is better to be alone than in bad company."

George Washington

FEBRUARY CALENDAR

1-28, American Heart Month. Educating about cardiovascular disease. American Heart Assn.

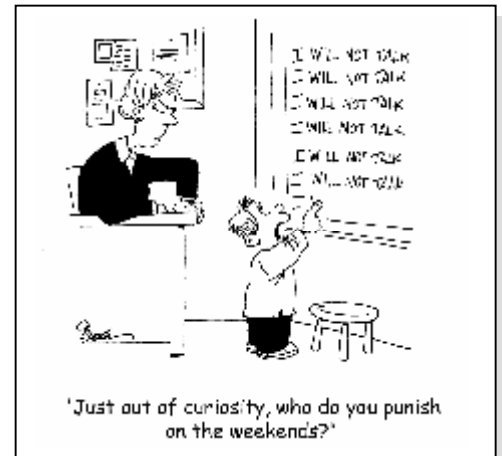
2, Groundhog Day. Legend says groundhog determines if six more weeks of winter will ensue.

2, Candlemas Day. Observed in the Roman Catholic Church. If Candlemas is fair and clear there will be two winters in the year.

14, Valentine's Day. One of the most widely observed unofficial holidays. Celebrates love and romance.

20, Presidents' Day. Observes the birthdays of George Washington and Abraham Lincoln.

28, Mardi Gras. Celebrated in many cities, this is the last feast before Lent.



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Another Satisfied Client for Life!

Dear Janie:

I am writing this card in my new home. Anthony and I are so excited to finally own a home. We know we wouldn't be here if not for you. Both of us are so grateful for what you have done for us. Thank you.

Sincerely,
Brinda & Anthony Acosta



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