



JANIE'S Real Estate News!

Volume 2, Issue 2

COVER STORY:

Getting Your Finances in Order

When you start with zero, coming up with a down payment seems almost impossible. But people do it all the time. Here's some tips from the National Association of Realtors.

1. Develop a family budget. Instead of budgeting what you'd like to spend, use receipts to create a budget for what you actually spent over the last six months. One advantage of this approach is that it factors in unexpected expenses, such as car repairs, illnesses, etc., as well as predictable costs such as rent.

2. Reduce your debt. Generally speaking, lenders look for a total debt load of no more than 36 percent of income. Since this figure includes your mortgage, which typically ranges between 25 percent and 28 percent of income, you need to get the rest of installment debt—car loans, student loans, revolving balances on credit

cards—down to between 8 percent and 10 percent of your total income.

3. Get a handle on expenses. You probably know how much you spend on rent and utilities, but little expenses add up. Try writing down everything you spend for one month. You'll probably see some great ways to save.

4. Increase your income. It may be necessary to take on a second, part-time job to get your income at a high-enough level to qualify for the home you want.

5. Save for a downpayment. Although it's possible to get a mortgage with only 5 percent down—or even less in some cases—you can usually get a better rate and a lower overall cost if you put down more. Shoot for saving a 20 percent downpayment.

6. Create a house fund. Don't just plan on saving whatever's left toward

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A NOTE FROM JANIE

Abundance

While vacationing in Yosemite, I had the chance to read the book, the Art of Abundance by Candy Paull. What an inspirational book! It is a simple guide to discovering life's many, often-overlooked treasures in everyday living. The art of abundance is the art of awareness. It is a way to count our blessings and practice an attitude of gratitude in our daily living. Becoming aware of the

small, little, and the least offers us an opportunity to open our hearts to a larger perspective. We learn to value the tastes, textures, scents, sounds and sights of our lives as they present themselves to us moment by moment. By choosing to be aware of the gifts life brings, we become lovers instead of critics, believers instead of doubters. It's been transforming for me. Happy Autumn! *Janie Merkle, Your Real Estate Consultant for Life!*

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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
- Note pads

October Search

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

AIDS	ENERGY
BLINDNESS	FAMILY HEALTH
BREAST CANCER	GLAUCOMA
CAR CARE	LIVER
CARAMEL	LLPUS
CHILD HEALTH	MAGAZINE
CLOCK	PRETZEL
COOKIE	ROLLERSKATING
COSMETOLOGY	SEAFOOD
DESSERT	SIDS
DINOSAUR	UNICEF
DISABILITY	VEGETARIAN
DRUM	

See page 3 for puzzle solution

Economics

Consumers Reduce Debt, Increase Income

Economists worry that America's debt level, along with rising interest rates and energy costs, could put consumers in a dangerous situation.

But, some experts say, solid gains in income and consumer restraint in taking on more debt, suggest that consumers are in good financial shape.

The Federal Reserve's latest homeowners financial obligations ratio, (principle and interest payments as a share of after-tax income not counting mortgages) fell to 6.18 percent in the first quarter. This was the lowest since 1998.

In May, the Fed's measure of consumer installment credit increased 2.8 percent from a year ago. That pace of growth in installment debt is the slowest since the early 1990s.

For renters, about 70 percent of financial obligations consist of rent, with the rest being consumer debt. In spite of rising rents, the ratios first-quarter renters' debt level dropped to 24.3 percent of after-tax income, the lowest reading since 1993.

Key Interest Rate Summary	National Averages	Today 9/29/06	One Month Ago	One Year Ago
	30-yr fixed		5.80%	5.94%
15-yr fixed		5.50%	5.66%	4.96%
5/1 ARM		5.52%	5.69%	4.96%
Fed Funds Target		5.25%	5.25%	3.75%
WSJ Prime Rate		8.25%	8.25%	6.75%
1-Month LIBOR		5.32%	5.33%	3.86%
3-Month LIBOR		5.37%	5.39%	4.07%
2-Year Treasury Note		4.68%	4.76%	4.17%
5-Year Treasury Note		4.58%	4.68%	4.19%
10-Year Treasury Note		4.63%	4.73%	4.33%
30-Year Treasury Note		4.78%	4.88%	4.58%

Free Drawing

For Micro Dermabrasion (\$110 value)

Call, fax or e-mail Janie to be included in the drawing by October 31st. Leave your Name, Phone number, Address, and e-mail.

**Congratulations to
 Carrie Fossati of Irvine.
 September Drawing Winner!**



Continued from page 1

down payment. Instead decide on a certain amount a month you want to save, then put it away as you pay your monthly bills.

7. Keep your job. While you don't need to be in the same job forever to qualify, having a job for less than two years may mean you have to pay a higher interest rate.

8. Establish a good credit history. Get a credit card and make payments by the due date. Do the same for all your other bills. Pay off the entire balance promptly.

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Celebrate Good Character!
Character Counts

The week of October 15-21, 2006 is National Character Counts! Week.

What is Character Counts! Week? It's an annual celebration of good character in our communities occurring each year during the third full week of October. Ethical practices are a necessity for every well functioning society.

In the "Raising Responsible Children Series" of booklets by The Parent Institute (www.parent-institute.com), one booklet states: "Values may be the most important thing for parents to teach children since a child's values shapes his attitude toward every-thing, including family, school and friends." And, "Good values help protect children from parents' greatest fears such as peer pressure and drugs."

Experts say that values are more "caught than taught." meaning that children pick up values more from what parents do than what they say.

The intellectual foundation for the Character Counts! Movement began with a summit conference in Aspen, Colorado hosted by the Josephson Institute of Ethics in July 1992. A diverse group of ethicists, educators and youth-service professionals convened to find ways to work together and boost their character-education efforts. The meeting concluded with participants signing The Aspen Declaration.



THE ASPEN DECLARATION

1. The next generation will be the stewards of our communities, nation, and planet in extraordinarily critical times.
2. The present and future well being of our society requires an involved, caring citizenry with good moral character.
3. People do not automatically develop good moral character; therefore, conscientious efforts must be made to help young people develop the values and abilities necessary for moral decision making and conduct.
4. Effective character education is based on core ethical values, which form the foundation of a democratic society; in particular trustworthiness, respect, responsibility, fairness, caring, civic virtue and citizenship.
5. These core ethical values transcend cultural, religious, and socioeconomic differences.
6. Character education is, first and foremost, an obligation of families. It is also an important obligation of faith communities, schools, youth and other human service organizations.
7. These obligations to develop character are best achieved when these groups work in concert.
8. The character and conduct of our youth reflect the character and conduct of society; therefore, every adult has the responsibility to teach and model the core ethical values and every social institution has the responsibility to promote the development of good character.

Inspiring Quotes

"Great learning and superior ability are of little value unless honor, truth, and integrity are added to them."

Abigail Adams

"Character counts and manners matter."

Unknown

"The measure of a man's real character is what he would do if he knew he would never be found out."

Thomas B. Macaulay

October Birthdays

- Jack Millis, 10/5
- Anthony Acosta, 10/7
- Cynthia Wolchuk, 10/11
- Vijay Anand, 10/25
- Alasdair Patrick 10/25
- Brenda Bergan, 10/31

Happy Birthday to You!

Welcome New and Returning Clients!

Mark and Debbie McKinnon

Thank you for your
Loyalty and Trust!

OCTOBER CALENDAR

Monthly Observations

- National Crime Prevention Month.
- Domestic Violence Awareness Month.
- National Animal Safety and Protection Month.

1, Yom Kippur Begins at Sundown. Jewish Day of Atonement.

9, Columbus Day. Commemorates the landfall of Christopher Columbus in the New World.

16, National Boss Day. Honor your boss today.

20, National Mammography Day. Radiologists provide discounted or free screening.

22, Mother-In-Law Day. Honors mothers-in-law for contributions to the success of families.

24, United Nations Day. Commemorates the founding of the United Nations.

29, Daylight Savings Time Ends. Move your clocks back one-hour as standard time resumes.

31, Halloween. Celebration where kids dress in costumes and go door to door asking for treats.

Janie's Real Estate News



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Another Satisfied Client for Life!

Dear Janie:

Buying a home can be scary, especially when you're 37, unmarried and have only lived in apartments all your life. To be honest, I never thought I would ever own a home or condo.

I was sitting at the car wash one Saturday afternoon, and I saw a card for Janie Merkle, Realtor. She looked like a warm person and I thought, "Why not give her a call and see if she can help me?" I was able to get a hold of her that day, and my journey to find my own place began three days later.

Through the next few weeks, she gave me the personal attention that you hear about on television commercials, but I never really believed exists. I was happy to be proven wrong. She treated me like I was her only client and we kept in constant contact thru emails and phone calls. In fact, if I got her voicemail she made sure she called me back the same day.

When we finally found the "perfect" place for me, she made sure that all aspects went as smoothly as possible. I don't think that I ever could have stayed sane through this process if it wasn't for Janie. She even threw me my house warming party!

I know that I won't be moving anytime soon, but when I do she will be the first person I call.

Jack Millis

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