



# The Relo-Report

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**Your Full Service**  
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**Our mission is threefold:**

- (1) Eliminate the stress and headaches associated with relocation,**
- (2) Provide excellent assistance, including finding one of the best, most highly qualified hand selected real estate agents for the individual or family who is relocating, through our Certified Professional Agent Network. (CPAN)™**
- (3) Reduce the costs associated with relocation by providing Free Relocation Services and discounts through our Business Alliance Advantage™ program.**



## **No money to buy a home? - Heres a few Tips on Saving**

**F**or many people, buying their own home is still the American dream. Yet, it remains out of reach for a lot of people, even though the housing affordability index in many areas of the country is as good as it's ever been. But if you're not prepared to buy a house, then the index doesn't mean a thing to you—except, perhaps, to create a painful sting and a constant reminder that you're missing out on a good opportunity to buy real estate at lower prices.



That's advice that many experts are giving to those who are planning to stay in the same house for a few years. The cost of buying and relocating in a short period (a couple years) can make the concept of buying not appealing or cost effective. But if it's for the long term, owning can make perfect sense. But what if you're a first-time buyer or you haven't owned a home in a while, how do you prepare for what is often the largest purchase you'll ever make? Buying a home isn't that difficult but it does require you to make sure that you're in the right financial (and emotional) position to do it. How do you get there when so many other expenses often take precedence? Simple but not necessarily easy steps can help you position to transition from renter to home owner. It starts with getting familiar with your financial picture. If you are aware of what lenders are looking for before you apply for a loan, you'll have a greater chance of getting it and it'll be helpful when you meet with your real estate agent. No time will be wasted looking at homes that aren't in your price range. You will have a clear-cut idea of what you can afford and then you can confidently look for the most suitable home.

Take a keen look at your budget. This presumes that you have a budget. If not, develop one. You can use numerous software programs to create a budget; many are free, or you can even use a basic spreadsheet. If you're self-employed, take a look at free online bookkeeping software offered by Outright.com. It can help you track your income and expenses for your business allowing you to create a better recording system to help you save time and money. Review credit history. If you have no idea how your credit looks, then it's time to give it a review. When you take a look at your credit report, you will be able to see if there are errors or dings from late payments that are negatively affecting your credit score.

*Continued on page 2*

**On  
the Inside**

- Housing is Up!
- Selling Tips
- Things That Make You Go...Hmmm

**Referrals are Truly  
Appreciated**

This gives you a chance to dispute errors or work to clean up your credit before you apply for a home loan. When I reviewed my credit cards, I found a few hundred dollars that had been automatically billed to my credit card in erroneous subscription fees. Your credit card can file a dispute with the companies and credit the funds back to your account. It pays to double check; you just never know what you'll find.

Redistribute your money. Don't think of it as cutting back, but rather as moving your money from one place to another. For example, if you're spending \$3 on a specialty coffee five days a week, think about making your java at home and putting that \$15 a week into an account that is going to be used to purchase your home. It all adds up and most of the time, we don't realize how much money a dollar spent here or there can accumulate.

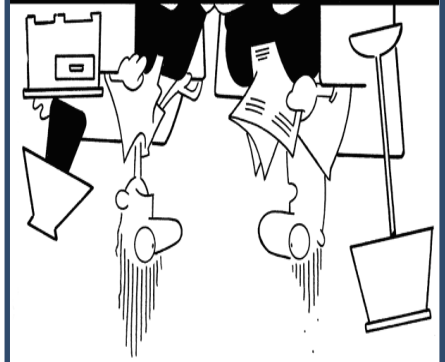
Another way to redistribute money is to examine your insurance policies and consider raising the deductibles. A lot of people want low deductibles in case of a loss or an accident, but you can actually save money and redistribute that money into an account that is set aside for purchasing your home. But some statistics show that the average person files a claim only once every 13 years, according to insurance broker, Michael Rice of Thomas Ward Insurance Group. So raising your deductible from, say, \$500 to \$1,000 can give you an annual premium savings of 10 to 15 percent. Rice also recommends paying your premium in full if the insurance company offers you a discount to do so; some offer a five percent or more deduction and you won't be charged administrative fees for periodic billing.

Keep your eye on the goal. Staying focused on the goal of buying a home will help you to remember that cutting costs now will allow you to have what you want in the long run. Our society is accustomed to instantaneous gratification so delaying the reward can be very challenging but well worth it. Owning your own home and, being able to purchase it while in a down market, is an exciting win-win. ♦ ♦ ♦

Movie  
Facts

## Movie: ET

Steven Spielberg has a cameo as one of the doctors when Elliot and E.T. are 'hospitalized' inside the house.



"I think somebody flipped our house."

**Life Lesson of the Month:** "Some people dream of success while others wake up and work hard at it." — Conrad Hilton

## tidbits

### Best-Kept Secrets for Selling Your Home

**Selling Secret #1:** *Pricing it right.* Find out what your home is worth, then shave 15 to 20 percent off the price. You'll be stampeded by buyers with multiple bids — even in the worst markets — and they'll bid up the price over what it's worth. It takes real courage and most sellers just don't want to risk it, but it's the single best strategy to sell a home in today's market.

**Selling Secret #2:** *Half-empty closets.*

Storage is something every buyer is looking for and can never have enough of. Take half the stuff out of your closets then neatly organize what's left in there. Buyers will snoop, so be sure to keep all your closets and cabinets clean and tidy

real estate facts

## Real Estate Outlook: Key Indicators Point Up

Date of this article May 13, 2009

Week after week, the economic signs pointing to a recovery underway in the home real estate market just get stronger. Now that's not to say everything is improving in the economy overall, or even in housing for that matter.

But for housing, most of the key indicators continue to point up. Here's a quick rundown:

Pending home sales took a 3.2 percent jump last month -- the second straight month of positive growth. These are signed home sale contracts that haven't yet gone to closing, but are scheduled to do so in the next 60 to 90 days.

Lawrence Yun, chief economist for the National Association of Realtors, said we're now at "the leading edge of first time buyers responding to very favorable affordability conditions, and an \$8,000 tax credit."

Mortgage applications for future home purchases also surged again, up five percent nationwide last month, according to the Mortgage Bankers Association. Rates are firming up in response to the rising demand for mortgage money. They rose last week on average to 4.8 percent for 30 year fixed rate loans and 4.6 percent for 15 year mortgages. Those rates are still close to all-time record lows, but with more people jumping into the home buying market, they could easily go back over the five percent level in the coming weeks, say economists.

The median priced home meanwhile goes for about \$175,000. Equally important, consumer psychology is turning positive on housing, something potentially huge for anyone looking to sell property. When the Gallup polling organization asked a national sample of Americans last month whether this is a "good time to buy a house," 71 percent said "yes." That's an increase of 18 percent in a year, and the highest level in four years. ♦ ♦ ♦

# Should I Refinance Now?

Now that mortgage rates are at historic lows, refinancing is more popular than ever.

Homeowners everywhere are wondering, "Should I refinance, too?" The answer isn't always cut and dry. Whether or not you should refinance now, later or never depends on your particular situation.

Here are some examples of when refinancing is a good idea and when it's a bad idea.

## When Refinancing Is a Good Idea

**Situation 1:** You currently have a mortgage with an interest rate that is significantly higher than the current going rate. For example, if you're currently paying 6.5% for your mortgage and you can qualify for a refinance at 5.5%, you can save a good chunk of change each month.

**Situation 2:** You have an adjustable rate mortgage (ARM) you think will reset to a higher rate than you can currently lock in. Getting a fixed rate mortgage or even another ARM with more favorable terms can provide you with better peace of mind.

**Quote of the Month:** "I had to pick myself up and get on with it, do it all over again, only even better this time." – *Sam Walton*

**Situation 3:** If you have built up equity in your home and you need money for a large expense like a home improvement project, a "cash-out" refinance might be a good idea. Investing in your home now is smart because labor costs are down.

## When Refinancing Is a Bad Idea

**Situation 1:** You don't plan to live in the house long enough for the refinance savings to offset the cost of the loan. Refinances can cost thousands of dollars, which is tacked onto the loan principal. It can take one to three years to reach the break-even point. If you sell the house before the break-even point you will have lost money on the refinance.

**Situation 2:** You've been paying on your 30-year mortgage for 10 or 20 years already and you plan on refinancing into another 30-year mortgage. In this situation, your monthly payments could be lower, but you'll end up paying a lot more in interest over the life of the loan.

**Situation 3:** You don't have any equity in your home or you're underwater on your mortgage. You may not be able to take advantage of the best rates if you plan on borrowing more than 80 to 90% of the home's value. If you are underwater in your mortgage, you won't even be able to get a new loan that will pay off the old one. Instead, you should look into a loan modification.



Things that make you go...

# "Hmmm"

## Weird Trivia

- ❖ The Mona Lisa has no eyebrows. It was the fashion in Renaissance Florence to shave them off!
- ❖ Until 1796, for four years, there was a state in the United States called Franklin. Today it's part of Tennessee!
- ❖ Ketchup was once used as a medicine in the United States. In the 1830's it was sold as Dr. Miles Compound Extract of Tomato. French fry eaters must live longer.
- ❖ There are 13,092 spoons, forks and knives in the White House. You never know when a small city might be invited to dinner. Got to be ready.
- ❖ Since 2003, Pigs by law in England must be provided with toys. (It's true. Goggle it.)
- ❖ Mark Twain claimed that Tom Sawyer was the first book written on a typewriter. This is not known for sure.
- ❖ There is a city in Texas named Ding Dong. It is in the central Texas county of Bell.
- ❖ You're born with 300 bones, but when you get to be an adult, you only have 206! They grew together making one bone from two.





Across town  
or across  
the nation....  
*We bring  
you home*



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America....  
*One Family  
At A Time*

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