

Los Angeles Times

### **Shaving real estate commissions can save sellers thousands**

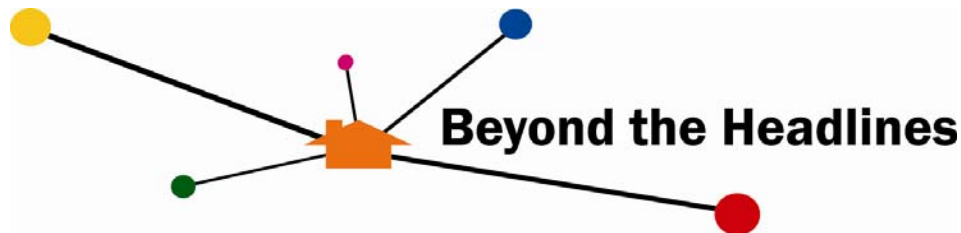
As home values have declined, a recent *Los Angeles Times* article questioned the compensation a REALTOR® receives for his/her efforts. While REALTORS® compensation may be an important factor for sellers to consider, it should not be the deciding factor.

#### **KEEP THIS IN MIND**

- Rather than focusing on a REALTOR®'s compensation, consumers instead should focus on identifying and selecting a REALTOR® who best meets their needs and unique situation. The guidance and value a REALTOR® brings to the transaction cannot be determined by his or her commission rate alone. In this instance, the saying "you get what you pay for," may ring true. Consumers should interview several REALTORS® to identify the best fit for them and their situation.
- It's critical to point out that although there are more than half a million licensed agents, not every real estate agent is a REALTOR® who voluntarily agrees to subscribe to a strict Code of Ethics. As members of their local, state, and national associations of REALTORS®, REALTORS® constantly receive updates on the latest housing legislation impacting them and their clients. Additionally, REALTORS® have access to the latest technologies for the real estate industry, including critical housing data, pricing trends, time on market, and historical sales activity in the neighborhood. These tools and resources enables REALTORS® to provide the highest level of service possible, including helping sellers determine the best price for their home in today's market.
- A REALTOR® also can assist with the critical negotiations included in every real estate transaction, and help both buyers and sellers finalize the many details that comprise a purchase agreement. For sellers, a REALTOR®'s role may include negotiating a sale price and other terms in this tough market. A REALTOR® also can help sellers determine what, if any, repairs may be the owner's responsibility, and can help negotiate deadlines for their completion.

To read the full story, please click here:

[http://www.latimes.com/business/la-fi-cover-homeselling6-2009dec06\\_0,2270963.story](http://www.latimes.com/business/la-fi-cover-homeselling6-2009dec06_0,2270963.story)



## In Other News...



The New York Times

### **New rules for counselors**

Older homeowners who are considering a reverse mortgage can now get more help in the decision-making process. The Federal Housing Administration, which insures reverse mortgages, last month instituted new standards for the counselors who, according to federal law, must meet with prospective borrowers before a loan can be approved.

To read the full story, please click here:

[http://www.nytimes.com/2009/12/06/realestate/06mort.html?\\_r=1&ref=realestate](http://www.nytimes.com/2009/12/06/realestate/06mort.html?_r=1&ref=realestate)



Los Angeles Times

### **IRS to outline changes in the home buyer tax credit program**

If you're thinking about applying for the new \$6,500 home buyer federal tax credit or the extended \$8,000 version, the Internal Revenue Service has just issued its first formal guidelines for you.

To read the full story, please click here:

[http://www.latimes.com/classified/realestate/news/la-fi-harney6-2009dec06.0.6231841\\_story](http://www.latimes.com/classified/realestate/news/la-fi-harney6-2009dec06.0.6231841_story)



The Wall Street Journal

### **House flipping makes a comeback**

Four years after the collapse of the U.S. housing bubble, flipping homes is back in fashion.

To read the full story, please click here:

[http://online.wsj.com/article/SB126022588878780861.html?mod=WSJ\\_hpp\\_MIDDLETopStories](http://online.wsj.com/article/SB126022588878780861.html?mod=WSJ_hpp_MIDDLETopStories)



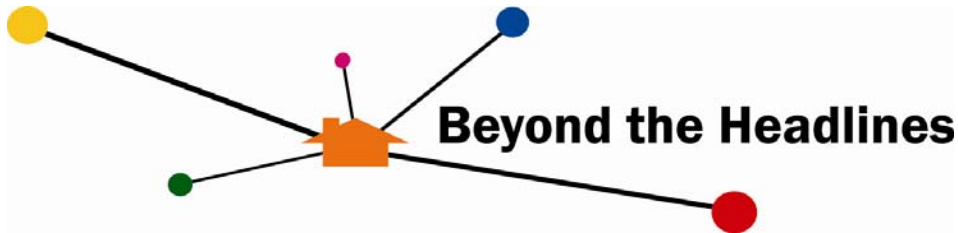
San Francisco Chronicle

### **Less competition in the market over holidays**

Recent good news about the housing market has many home buyers wondering whether now is a good time to buy. For example, home sales activity increased 9.4 percent nationally in September, a 26 percent increase from a low point in January, according to the NATIONAL ASSOCIATION OF REALTORS®.

To read the full story, please click here:

<http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/12/06/REA1ARGC5.DTL&type=realestate>



The Mercury News

**Now's really the time to buy a home, many say**

Mortgage rates are hovering at historic lows, home prices are just starting to edge up from total collapse, and the government is offering tax breaks to first-time and move-up buyers.

To read the full story, please click here:

[http://www.mercurynews.com/business-headlines/cj\\_13917606](http://www.mercurynews.com/business-headlines/cj_13917606)



Los Angeles Times

**Consumer borrowing falls for 9<sup>th</sup> straight month**

The Federal Reserve says consumers borrowed less for a record ninth straight month in October. It was another sign that consumer spending will remain weak, making it harder for the economy to mount a sustained rebound.

To read the full story, please click here:

[http://www.latimes.com/business/la-fi-consumer-credit8-2009dec08\\_0,274943.story](http://www.latimes.com/business/la-fi-consumer-credit8-2009dec08_0,274943.story)



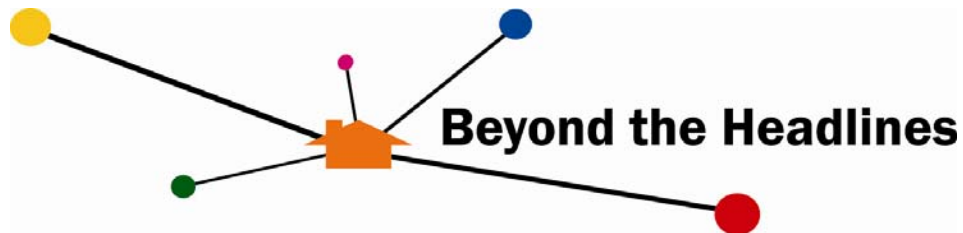
Reuters

**Quarter in U.S. foreclosure plan late on payments**

More than one-quarter of homeowners receiving help under a U.S. government foreclosure prevention plan are behind on their new mortgage payments, a Treasury Dept. survey has found.

To read the full story, please click here:

<http://www.reuters.com/article/idUSTRE5B41ME20091205>



## What you should know about the market...

- Many homeowners have been enticed lately by mortgage interest rates hovering near 5 percent, leading some to think about refinancing their home. The first step owners should take is to have their property's value assessed and to contact a REALTOR® to find out what similar homes are selling for in the area, as opposed to their listing prices. If there have been a high number of foreclosures in the neighborhood, chances are property values have declined.
- Most lenders today will not complete a home loan refinance unless the owner has at least 20 percent equity in the property and proof of income. However, homeowners who are underwater—those who owe more on the mortgage than the home is worth—still may qualify for a home refinance. Some federal programs allow homeowners to refinance their mortgage up to 125 percent of the home's value.
- Some home loans include prepayment penalties, meaning the homeowner has to pay a penalty for paying the loan off earlier than the original loan terms. Prepayment includes refinancing, as the original loan is paid off through the refinance. If the fees are equal or close to the amount the owner would save with a refinance, then refinancing the home may not be the best option.