



# Homes & Neighbors®

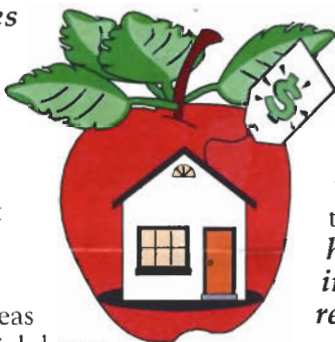
April-May, 2007

## U.S. Market Stays Healthy

**A**verage home prices rose 5.9 percent in 2006, notes a recent government report. Although some communities are seeing falling prices, the overall market remains healthy.

House values have weakened primarily in areas which have experienced job losses. But *in the rest of the U.S., price gains simply are falling back to their long-term averages.*

Almost anyone who purchased a home several years ago has to be happy with the value of their residence today. Average prices have gone up more than 55 percent over



the past five years, according to the federal study.

*Slower price increases aren't a reason to panic now. In fact, they set the stage for a healthier market, by insuring that homes remain affordable.*

A weaker market imposes difficulties on some owners, un-fortunately. But most Americans simply will keep living in their current house, since they don't need to sell immediately.

Persons wanting to buy, sell, or refinance a home can expect to do well in the long run.



Talk with me soon about your real estate needs, and I'll go over today's

positive options with you. ■

## New Real Estate Tax Deduction



**B**orrowers who close on their loans this year may be able to deduct mortgage insurance (MI) premiums they've paid. MI traditionally is used to allow consumers to buy a home with less than a 20 percent down payment.

Low rates in recent years reduced the use of MI, as borrowers found it often costs less to "piggyback" two mortgages. *Here's*

*an example:* a buyer with a five percent down payment can get a first mortgage for 95 percent of the property's value and pay MI.

Or he can get a first mortgage for 80 percent of the sales price, and obtain a second mortgage to cover the other 15 percent of the purchase. *Many buyers have found the total cost of paying two loans is less than the payment on a larger first mortgage with MI.*

But now Congress is allowing borrowers to deduct MI premiums, just as they do mortgage interest payments. *Full deductions are allowed only for households whose adjusted gross income is \$100,000 or less.*

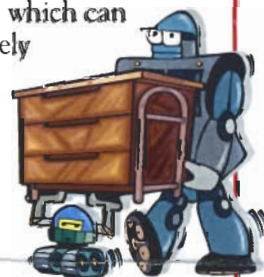
Buyers using government-insured FHA loans also can deduct their MI payments. Contact me before you purchase to see how these new tax benefits can make it possible to buy soon. ■

## BEARS NOTING

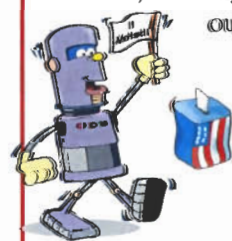


**R**obots are doing more than assembling cars and vacuuming floors these days. Many of them are interacting with humans in remarkably life-like ways.

Toys make up the first generation of robots which can respond uniquely to what their owners say and do. *By 2010 robot assistants will obey verbal commands to move furniture or cook dinner from scratch.*



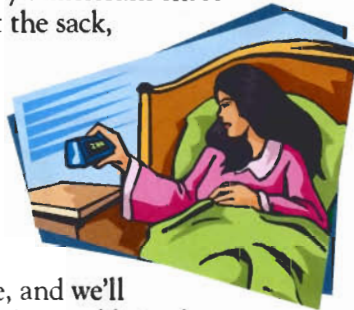
Some experts also predict that "conscious robots" will be able to report their owners if they're mistreated, and gain other rights as well. "Within 50 years," adds *The Financial Times*, "we might even find



ourselves standing beside the next generation of vacuum cleaners in the voting booth." ■

# Snooze Control

Theodore Roosevelt and Mark Twain had trouble sleeping, and today many Americans share that complaint. Once we hit the sack, we often find it difficult to nod off and sleep through the night.



Having an important event the following day can make it harder to rest. Concern about the next day's activities keeps us tense, and we'll also start worrying about not being able to sleep.

Adults typically need seven to nine hours of sleep nightly, although four is enough for some and ten is the right amount for others. Yet *surveys show the average American adult gets a little less than seven hours of snooze time each night during the work week.*



If you often involuntarily fall asleep during the day — while sitting in a theater, watching TV, or reading — then you're probably not resting enough at night.

Experts suggest *sticking to a regular bedtime and waking time to get your body in a rhythm.* Enjoy quiet activities in the evening, so you go to bed without having lots of thoughts or tension.

*A warm bath and possibly a light snack before bed help many who struggle to rest.*

Get up and read if you still stay awake, so that your bed remains a place reserved for sleeping. ■



## Thought for the Month

*"Life is like riding a bicycle. To keep your balance you must keep moving."*

— Albert Einstein

## Our Stable Base



Most of us shouldn't pay too much attention to what our house is worth on a month-to-month basis. *Most Americans own real estate because it*

*gives them a great place to live every day.*

Houses offer us a unique blend of security and freedom to express ourselves. No purchase that we'll ever make is more important than buying a home.

That's why *I'll work with you to make sure you understand your financing, and to insure that your home loan fits into your household budget.*



We can expect our homes to go up in value faster than the rate of inflation over time. But houses are first and foremost places to live in. **Contact me when you're thinking of buying, and I'll show you how to make your move affordable.** ■