

In Step with Alice Steppe

Vol. 2 Issue 5



I was ‘singing’ about Summertime and the living is easy in my last newsletter and already we have turned the corner toward fall. Folks are debating whether it will be a colorless fall due to the lack of rain. There isn’t enough scientist in me to debate that subject. So, it has been a busy summer with real estate. Open houses have had good to great participation. While it remains a buyers market with low interest rates (lowest in last 39 years) and buyers are very particular, sellers are experiencing more stable selling prices and more qualified buyers making offers and buying homes.

The biggest challenge today seems to be financing. Lending institutions have definitely corrected their ways from the more casual and all acceptance of lending to anyone who asked for money in the earlier part of the decade to today’s extremes. One client’s employer was called three times on the day of closing just to verify employment, in spite of a good credit report and history, long employment with current job, 20% down payment, etc... So as a buyer, prepare yourself. Understand how the system works and do everything to get yourself in great credit shape.

If I were to set a minimum standard for homeowners, I suggest you pay attention to your yard. Pick up trash, trim shrubs, plant a few flowers—remove overgrown bushes, prune trees...think about the message you are sending to your neighbors and buyers. Keep the whole neighborhood looking good by taking care of your property.

A homeowner begins to sell their home from the minute a person sees it from the outside. But it can also be said that you convince a potential buyer not to consider our property because of the lack of care. Another suggestion for sellers is to get a pre-listing inspection. As a seller, learning about what might keep your home from closing or obstacles to completing the sale, may be the best money you ever spend. Inspectors range from \$350—\$500 for a basic inspection. Radon and termite are fairly common additions to the home inspection. The inspection allows the seller to be in charge of repairs and prevents “surprises” when your buyer has an inspection. A pre-listing inspection is...like an ounce of prevention.

Introducing Sheri Hilton the Frugal Decorator



Sheri Hilton
The Frugal Decorator
Home: 317-879-8352
Cell: 317-989-3052

Frugal finds are the key to home decorating and Sheri is more than happy to help you. She specializes in helping homeowners use what they have to the best advantage. She likes to start with an inexpensive strategy and see if it works.

I have worked with Sheri in my own home and was impressed by her skill as a decorator, how fast she worked and how affordable she is. All that and she didn’t ask me to buy anything! I have recommended her to friends and clients and used her services professionally to ‘stage’ a few listings. She is so easy to work with! I strongly recommend her services. Call Sheri today to get started on your frugal decorating!

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Heart Health Tips

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In Step with Alice Steppe

You are Important to Me; Please Take Heed of These Health Tips from the American Heart Association

Take These Steps to Reduce Your Risk of Heart Disease

- Eat a sensible diet limiting foods high in saturated fat, trans fat and cholesterol. Enjoy a variety of fruits, vegetables, whole grains and fat-free or low-fat milk products.
- To avoid weight gain, balance the calories you take in each day with the calories you spend doing physical activity.
- Schedule time for physical activity. Walking briskly on most days of the week for just 30 minutes can help condition your heart, control your blood pressure and increase your HDL (good) cholesterol.
- No ifs, ands or buts—stop smoking! Smoking greatly increases your risk of heart disease and stroke. Ask your doctor, or visit the American Heart Association Web site www.heart.org for advice on how to quit smoking.
- Get regular medical checkups and follow your doctor's advice. Regular checkups are even more important for people with a personal or family history of heart disease, stroke, high blood pressure, high blood cholesterol, obesity or diabetes.
- A healthy lifestyle is up to you. Most people can do a lot to help prevent heart disease and stroke. When you take control of your own life and health and work to control your risk factors, you can reduce the risk of heart attack and stroke.

Warning Signs of a Stroke

Learn these warning signs of stroke and make sure your loved ones know them, too. When stroke occurs, time is critical. The faster you can get treatment, the better your chances of preventing severe brain damage.

- Sudden numbness or weakness of the face, arm or leg, especially on one side of the body
- Sudden confusion, trouble speaking or understanding
- Sudden trouble seeing in one or both eyes
- Sudden trouble walking, dizziness, loss of balance or coordination
- Sudden, severe headache with no known cause

Controllable Risk Factors

- High blood pressure (140/90 mm Hg or higher) is a primary concern. It usually has no symptoms, so it's important to have your blood pressure checked regularly.
- Cigarette smoking is a major, preventable risk factor. If you smoke, get help to quit NOW!
- High blood cholesterol (240 mg/dL or higher) is a risk factor for heart disease and stroke.
- Being inactive or overweight—or both—can increase your risk of high blood pressure, high blood cholesterol, diabetes, heart disease and stroke. So try to get a total of at least 30 minutes of physical activity on most or all days of the week.

Call 9-1-1 Immediately if You Experience ANY of the Symptoms of a Stroke!

For more information on how to live a heart-healthy lifestyle or to make a contribution to support the lifesaving work of the American Heart Association, visit them online at: www.americanheart.org.

For general information about the American Heart Association or about cardiovascular disease, visit their website at www.heart.org.



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7 Key Steps to Merchandising Your Home

1. **Uncluttered**—your home will be neater and will appear larger. You want to convey a spacious feeling to prospective buyers. Chances are, they're moving because they need more space.
2. **Clean**—this creates the impression your home has been well cared for. Fresh paint and a good scrubbing give surfaces a fresh look inside and out.
3. **Repaired**—fix it before the buyer sees it. The need for repairs, even minor repairs can make or break a sale.
4. **Neutral**—get rid of distracting colors, textures and personal accessories. Neutral colors and simple décor helps prospective buyers visualize their belongings in your home.
5. **Fresh**—from the moment a prospect walks in, your home needs to look fresh and smell fresh. Fresh flowers on the table or in the bathroom, a bowl of fresh fruit on the kitchen counter, or the smell of fresh bread baking in the oven, all make your home more inviting to the buyer's senses. Eliminate pet odors; pet odors are one of the top reasons that prospective buyers have turned away.
6. **Trimmed**—the yard is the first impression any buyer has of your home. Shrubs and lawn need to be kept trimmed and tidy.
7. **Ready**—you need to be prepared for a “showing” with a minimum of notice. Stay ahead of the game. Remember, each “showing” is critical because we don't know which one will be your buyer.

REALITY CHECKS

In the face of unemployment, bankruptcies and vanishing health care in today's economic climate, domestic violence is increasing.

- Almost 100,000 people called crisis phone lines in Indiana to report domestic abuse between July 2008 and June 2009.
- Most of them were women.
- Domestic violence and abuse can be physical or emotional, economic, religious or sexual.
- Usually, a victim stays in an abusive situation because of being in love, then the hope that things will improve, and finally, fear.
- Domestic violence is not about anger—it's power and control.
- One in four people is impacted by domestic violence. That means you know a person, are that person, or were that person caught in an abusive situation.
- If that person is you, LEAVE.
- If children go with you, advise school systems and welfare not to give out any information.
- Inside Indiana, the Coalition Against Domestic Violence Hotline is **1/800-332-7385**.
- Outside Indiana, the National Domestic Violence Hotline is **1/800-799-SAFE (799-7233)**

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Basics of a Short Sale Transaction

With more and more homes going into foreclosure, I thought you might need to find out a little more about the “Short Sale” process. This can ultimately prevent a foreclosure and is less harmful to your credit.

What is a Short Sale or Short Payoff?

A short sale occurs when a lender allows a property to be sold for less than the existing loan balance. A negotiated short sale may result in a discounted purchase price for the buyer who would finance the property much the same way as in any conventional real estate sale.

When a lender agrees to take a discounted payoff, a seller is typically in default of their mortgage. There may be instances, however, where there is no default like in the case where the loan balance exceeds the value of the home.

Negotiating a Short Sale

A number of factors go into a lender’s decision of whether or not to discount a loan, and if so, by how much:

- The seller’s overall financial situation
- The property’s “as-is” value
- The cost to put the property into resale condition
- The property’s “as-repaired” value
- The cost of securing and maintaining the property while it’s listed on the market
- The cost of marketing and selling the property

Factors that may lead a lender to report to a short sale include:

- A property purchase in an inflated market that has experienced a significant downturn
- A property located in an area where home values have dropped, or the value has decreased to a point where the loan is “upside down”
- A property refinanced at more than 100% of its value
- A property whose condition has deteriorated to a point where it would require extensive repairs to make it marketable

Hardship Test

A lender will require a seller to pass a stringent hardship test before they will approve a short sale. The seller must be experiencing one or more of the following hardships:

- An illness or injury in the immediate family which has wreaked havoc on personal finances
- A spouse has died or a divorce has occurred and there is insufficient income to pay the loan
- An employer has transferred the seller out of the area, and they’re unable to sell or rent the property
- A seller has been called away to active military duty for an extended period of time and lacks the income to pay the loan
- The seller is unemployed and has no expectations of finding employment due to local economic conditions beyond their control
- The seller has been incarcerated and no longer has the income to pay the loan

It’s important to note that the company servicing the loan currently in default, isn’t authorized to approve a short payoff sale. Final approval must come from the investor who owns the loan. Oftentimes, it can take between one and six months to negotiate and close a short sale, depending on the lender.