

Media Advisory



[San Francisco Chronicle](#)

Strategies to help you hold on to your house

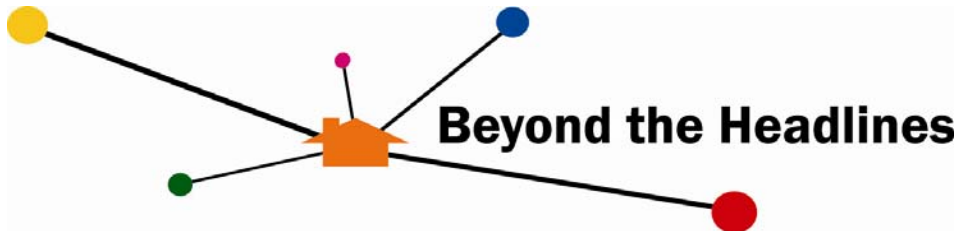
Although the vast majority of homeowners are not facing foreclosure, many homeowners are making lifestyle adjustments to prevent themselves from falling behind on their financial obligations during the current economic downturn.

KEEP THIS IN MIND

- Financial experts recommend that homeowners who are concerned about their ability to continue making their mortgage payments do the following: try to refinance an adjustable rate mortgage into one that is fixed for a set amount of time; create a household budget to help determine the debt-to-income ratio; avoid using credit cards, which can add unnecessary stress when the bill arrives; keep an emergency fund of liquid assets with enough to cover three-to-six months worth of household expenses; and only purchase necessities.
- Additional recommendations from some financial analysts to help homeowners save money and ensure that they can make their mortgage payments include: consolidating debt into a low-interest rate credit card; setting aside an allotted amount of money each month to pay down existing debt; foregoing luxury items such as eating out, shopping out at specialty stores and patronizing professional hair salons; and planning and preparing meals based on sale prices at the grocery store.

To read the full story, please click here;

<http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/10/25/HOON13EGDJ.DTL>



[Mercury News](#)

Mortgage shock? Adjustable rates tied to LIBOR, COFI, other indexes

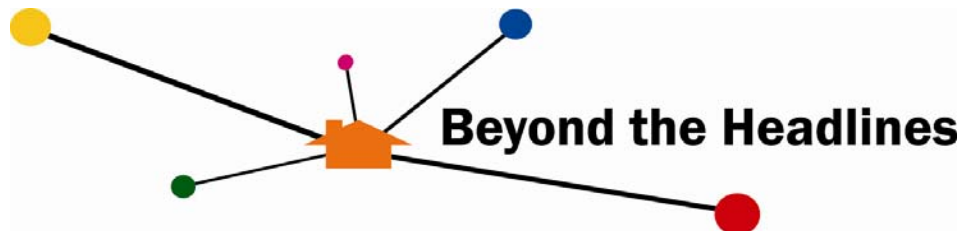
With approximately 60 percent of outstanding adjustable-rate mortgage (ARM) loans set to the London Inter Bank Offered Rate (LIBOR), nearly 25 percent linked to average yields on certain Treasury securities, and 15 percent set to measures like the Cost of Funds Index (COFI), more homeowners are reacquainting themselves with the type of ARM they have and considering refinancing options such as 30-year, fixed-rate loans.

KEEP THIS IN MIND

- It is important that homeowners who have adjustable-rate mortgages (ARMs) are aware of the index to which their mortgage is linked, as this determines the monthly payments. Payments of loans tied to the LIBOR, which is in the interest rate that banks charge each other to borrow money, could increase if the loan resets in November or December because of the recent increase in the index's rate. Most ARMs are set to the one-month, three-month, or six-month LIBOR. Homeowners who are concerned about possible payment increases should contact their local bank, credit union, or mortgage broker to rewrite their ARM into one with a fixed interest rate, if possible.
- Rates on adjustable-rate mortgages are determined by two factors –the loan's index (LIBOR, COFI, Treasury) and the lender's margin. A guideline to help determine the new rate when a loan resets is to add the lender's margin to the new index. For example, if a homeowner's ARM resets according to the six-month LIBOR index, which was 3.70 percent as of Oct. 22, and the lender's margin is 2.5 percent, then the new rate would be 6.20 percent.
- Some mortgage brokers recommend that homeowners who have ARMs and are unaware of to which index their loan is set, should review their loan documents again to determine if they should consider refinancing into a new loan with a fixed rate or possibly one linked to a different index.

To read the full story, please click here:

http://www.mercurynews.com/localnewsheadlines/ci_10830812?source=rss



[San Gabriel Valley Tribune](#)

Housing market rouses locally

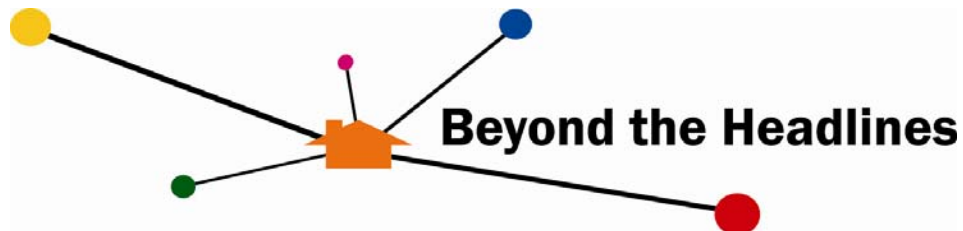
According to C.A.R.'s September sales and price report, sales in California soared 96.7 percent and the median price of an existing single-family home decreased 40.9 percent compared with September 2007.

KEEP THIS IN MIND

- Statewide sales in September surpassed the 500,000 mark for the first time in more than two years, rising 2.3 percent compared with August, and 96.7 percent from a year ago. The dramatic increase in sales can be attributed to weakness in the market from a year ago with the early onset of the credit crunch. Similar increases in sales occurred in the early 1980s when the market was climbing out of a comparatively steep downturn in sales. The market is expected to register significant year-to-year percentage gains in the coming months as current sales are compared against extremely low numbers that prevailed during the fourth quarter of last year.
- The median price of an existing, single-family detached home in California during September 2008 was \$316,480, a 40.9 percent decrease from the revised \$535,760 median for September 2007. It is still too early to determine if the statewide median price has begun to stabilize, and recent events in the economy and financial system contributed to the decline in September. The median home price also will continue to face downward pressure from the large share of distressed sales and a dramatic change in the sales mix. A year ago, the under \$500,000 price range accounted for 46 percent of sales but shifted to 76 percent as of September.
- C.A.R.'s Unsold Inventory Index for existing, single-family detached homes in September 2008 was 6.5 months, compared with 16 months for the same period a year ago. The index indicates the number of months needed to deplete the supply of homes on the market at the current sales rate.
- The median number of days it took to sell a single-family home was 46.1 days in September 2008, compared with 56.7 days for the same period a year ago.

To read the full story, please click here:

http://www.sgvtribune.com/rds_search/ci_10810317?IADID=Search-www.sgvtribune.com-www.sgvtribune.com



In Other News...



[Wall Street Journal](#)

New Loan Fix Is Unlikely the Last

To read the full story, please click here:
<http://online.wsj.com/article/SB122477138431362499.html>



[Los Angeles Times](#)

L.A. is hit hard as home prices continue their record-breaking fall

To read the full story, please click here:
<http://www.latimes.com/business/la-fi-homes29-2008oct29,0,3355998.story>



[Reuters](#)

Consumer confidence slumps to record low

To read the full story, please click here:
<http://www.reuters.com/article/newsOne/idUSTRE49R4VB20081028>



[CNN](#)

Sales of new homes up 2.7%

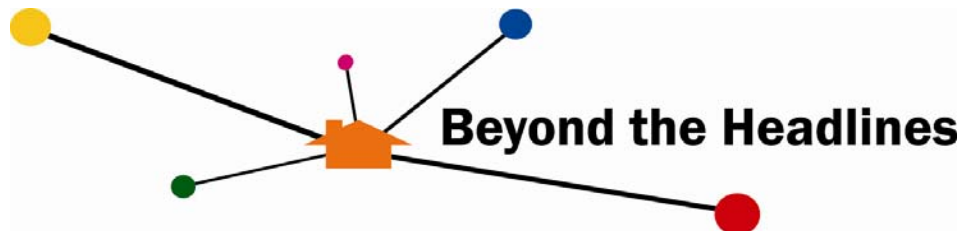
To read the full story, please click here:
http://money.cnn.com/2008/10/27/real_estate/September_new_home_sales/index.htm?postversion=2008102710



[Wall Street Journal](#)

Bargain Hunters Help Shrink Housing Glut

To read the full story, please click here:
<http://online.wsj.com/article/SB122514834086373809.html>



[Reuters](#)

U.S. financial overhaul will take years: Fed Official

To read the full story, please click here:

<http://www.reuters.com/article/GCA-CreditCrisis/idUSTRE49Q2O120081027>



[Mercury News](#)

Sales of preowned homes in West soared in Sept.

To read the full story, please click here:

http://www.mercurynews.com/realestatenews/ci_10810149



[Los Angeles Times](#)

Trade groups push for financial aid to home buyers

To read the full story, please click here:

<http://www.latimes.com/business/la-fi-harney26-2008oct26,0,320682.story>

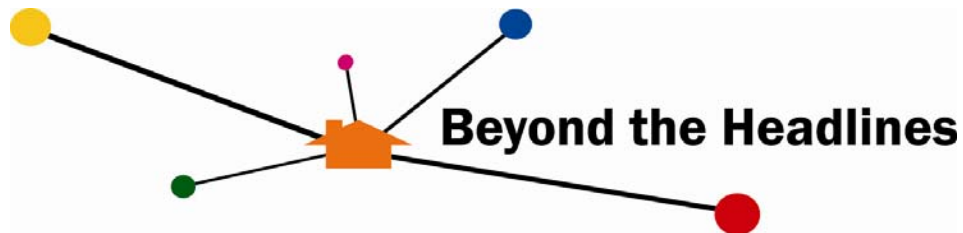


[Los Angeles Daily News](#)

Valley foreclosures soar, prices slide

To read the full story, please click here:

http://www.dailynews.com/ci_10824281



What you need to know about the market...

- Properly staging a home for sale is one of the most essential elements of the selling process. Not only does it help to set a home apart from comparable homes in the area, it also enables buyers to visualize the home's potential. While staging a home can be something as simple as a fresh coat of paint or something pricier like purchasing new furniture for a room, one essential component that all sellers should utilize is removing clutter. Sellers should work with their REALTOR® to determine the best staging opportunities for a home, including which furniture, household items, and the like should remain in the house, and which ones should be donated or temporarily put into storage.