



Happy Trails Newsletter™

Serving Melody Acres

February 2013

“Plain-speaking horse sense for the love of our neighborhood”



Melody Acres Sales Activity

2012 Home Closings (final)

Address	#Beds/Baths	House Size	Lot Size	Type	Price	Closed	Days
19439 Oxnard Street	3 bed / 3 ba	2,254 sq. ft. / 20,272 sq. ft.		Short sale	\$ 486,500	02-14-12	91
6140 Corbin Avenue	3 bed / 3 ba	3,183 sq. ft. / 21,782 sq. ft.		Bank-Owned	\$ 592,260	03-01-12	85
5924 Melvin Avenue	5 bed / 5 ba	5,301 sq. ft. / 21,958 sq. ft.		Short sale	\$1,050,000	03-28-12	697
19331 Oxnard Street	4 bed / 3 ba	2,909 sq. ft. / 19,997 sq. ft.		Bank-Owned	\$ 601,000	05-15-12	7
5838 Calvin Avenue	3 bed / 1 ba	1,287 sq. ft. / 21,784 sq. ft.		Short sale	\$ 355,000	06-08-12	1
5652 Calvin Avenue	2 bed / 1 ba	440 sq. ft. / 43,547 sq. ft.		Standard sale	\$ 595,000	08-03-12	715
5839 Shirley Avenue	3 bed / 2 ba	3,000 sq. ft. / 37,491 sq. ft.		Short sale	\$ 499,000	08-15-12	45
5712 Shirley Avenue	3 bed / 2 ba	2,194 sq. ft. / 22,562 sq. ft.		Standard sale	\$ 650,000	08-15-12	4
5901 Melvin Avenue	1 bed / 1 ba	1,247 sq. ft. / 22,213 sq. ft.		Standard sale	\$ 465,000	11-02-12	29

As of February 3, there are three (4) properties for sale and three (3) more that are in escrow.

How can I help you with the sale of your home?

Who is Buying in 2013?

- Investors:** Investors, including flippers will continue to grow in numbers as they realize housing is the best risk-adjusted return on their money.
- Boomerang buyers:** Foreclosed homeowners, who are currently renting, will come back to repurchase.
- Entry-level buyers:** First-time homeowners, who have been waiting for a sign of the bottom, will hear about price increases as well as projected interest rate increases and jump into the market.
- Move-down buyers:** Older homeowners who have equity in their existing homes, will buy a home that is more conducive to their current lifestyle, which may include adult children as well as their aging parents.
- Move-up buyers:** The price appreciation that occurred in the last year has moved many underwater homeowners into equity positions.



Monique Bryher

Broker-Associate / Realtor®

Conventional (equity) Sales, Short Sales, Probate Sales



Monique is a proud 19-year homeowner in Melody Acres

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Are you thinking about selling your home? Call me! ==> **818-430-6705**

Now, Appraisals are Having a Significant Impact on Home Sales

To determine the value of a property, appraisers are supposed to review purchase prices of similar, nearby homes that sold in the past six months.

Many buyers and sellers are finding that banks and other lenders are being much more conservative about their appraisals. If you are considering selling your home, this is something you must take very seriously.

For sellers and buyers, the process often results in an appraisal amount that's below the agreed-upon purchase price of a home. Lenders, in turn, will typically lower the mortgage amount that they'll give a buyer, leaving the buyer to make up the difference, often with a larger down-payment.

Another scary scenario: the buyer refuses to pay more than the appraised amount and renegotiates the purchase price with the seller. If the two sides fail to reach an agreement, the buyer can decide to walk away from the deal. The bad news for the seller is that the appraisal must be disclosed to the next buyer, who may want to renegotiate like the first buyer.

According to a recent National Association of Realtors monthly survey of roughly 3,000 agents, *one-third* of real-estate agents said the appraisal process resulted in buyers and sellers delaying or canceling contracts or renegotiating to a lower sales price last year. That's up from less than 10% in 2008.

Homeowners trying to refinance can also be burned. With private jumbo mortgages, if the appraisal indicates that the borrower's loan amount is more than 80% of the value of the home, the borrower will likely have to put more money down if he wants to proceed. In other cases, a lower appraisal could keep borrowers from getting the lowest rate possible.

Monique's Market Reality Check

Although most market reports are stating the real estate market is suffering from a shortage of "inventory" (available homes for sale), my own research indicates that this is an artificial condition.

There are still thousands of homes in the San Fernando Valley and Los Angeles that are in some state of default or foreclosure. Some homeowners may be negotiating new terms and others have decided to stay in their homes as long as possible without doing a short sale, hoping the bank won't foreclose. The condition of low inventory could change very quickly if the banks change their policies on foreclosures or their terms on permitting short sales.

... Don't Horse Around ...

Selling your home? Buying a home?

Call 818-430-6705



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www.MelodyAcresHomes.com

Not intended as a solicitation if you are already working with a real estate agent