



Your REALTOR with the
Right Attitude:

Feb, 2011

REAL ESTATE Update



ACCREDITED
STAGING
PROFESSIONAL™



CERTIFIED DISTRESSED
PROPERTY EXPERT™



Yvonne Yang 408 674 4418,

<http://www.YvonneYang.com>

WILL THE LOCAL HOUSING MARKET RECOVERY GAIN STRENGTH IN 2011

WILL THE LOCAL HOUSING MARKET RECOVERY GAIN STRENGTH IN 2011?

RealityCheck

Reality Check, Reality Check, Reality Check

As we move full speed into the New Year, it is a good time to assess how the Bay Area housing market fared in 2010 and what we may expect in 2011.

2010 picked up where 2009 left off as many homebuyers rushed to take advantage of the expiring federal tax credit, as well as capitalize on historically low interest rates and outstanding home prices. Our Bay Area housing market, as well as others across the nation, enjoyed fairly healthy gains in unit sales and the median sales price in the first part of the year. For example, DataQuick, the La Jolla-based real estate information service, reported in its June 17th Report that the number of sales in the Bay Area in May of 2010 jumped 18 percent from that month in 2009.

However, with the expiration of the homebuyer tax credit and continued sluggishness in the economy, the market cooled off considerably in the second half of 2010. The rush to get in before the tax credit deadline in June probably "front-loaded" many sales that might otherwise have occurred in the summer and fall. As explained in DataQuick's November 18th Report, "Part of what we're seeing is the hangover effect from the expired home buyer tax credits, which spurred many to buy in the first half of the year. But that effect is fading. Now the real hurdles to more normal sales levels are the lack of meaningful job growth and the concerns many potential buyers have about job security and the overall economy. It's why ultra-low mortgage rates, alone, haven't turned things around," said John Walsh, MDA DataQuick president.

While the overall market moved in fits and starts in 2010, the luxury market – those homes priced at \$1 million or \$2 million and above depending on the city – quietly turned in a very strong year, according to our own monthly Coldwell Banker Residential Brokerage luxury market reports. In Silicon Valley, for example, eight of the past 10 months have seen luxury home sales rise year over year.

While the Bay Area has not been immune to the challenges facing the nation's real estate market, we generally fared better than many other parts of California and the nation. This fact was underscored in recent weeks by reports from S&P/Case-Shiller and Zillow.

In its third quarter price index, S&P/Case-Shiller found the San Francisco metropolitan area (including the Bay Area) saw its price index rise 5.5 percent year over year, the most of 20 metro areas in the U.S. Nationally, the index was down 1.5 percent over the same period.

In the Zillow home price index, the San Francisco metropolitan area was one of just six regions out of 25 that saw an increase in the third quarter from the previous year, up 1.5 percent. By comparison, the U.S. was down 4.3 percent and Miami fared the worst in the nation, down 15.2 percent.

So what does this mean as we head into 2011? It's always risky to make specific forecasts because there are so many factors that could dramatically impact the industry – unemployment levels, the stock market, consumer confidence, and political decisions, to name just a few. But there's reason to believe that we're trending in the right direction.

The California Association of Realtors in its 2011 housing market forecast predicted that the golden state should see a modest 2 percent increase in sales to 502,000 homes in the coming year. And after two consecutive years of record-setting price declines, the median home price in California will climb 2 percent in 2011 on top of this year's 11.5 percent rise, according to the CAR forecast.

Yvonne Yang, SRES, ASP, CDPE, DRE#: 01371905

Mobile: 408 674 4418, Email-ID: yvonne.yang@cbtnorcal.com, Website: <http://www.YvonneYang.com>; <http://www.BayAreaHomePrice.com>

Reduce, Reuse, and Recycle



It's really no secret. We are a nation of consumers. Watch television for just one evening and you'll know of a dozen sales and promotions happening in your local area. Whether it's retail or sale, there are more than a handful of us that have consumed our ways to a stuffed closet.

Call it early Spring cleaning. Call it a simplification. Organizing and cleaning out your closet can be a great selling tip, because buyers do and will open your closet during a walk-through. And one stuffed to the rafters will appear small and cramped, no matter it's real size.

There is, however, the altruistic side. Today there is an unemployment rate of nearly 10 percent. This translates into around 15 million unemployed Americans. That is why it is important to lend a helping hand to members of your community. Unemployed families still need clothes, even after the paychecks stop.

"California's housing market will see small increases in both home sales and the median price in 2011 as the housing market and general economy struggle to find their sea legs," said CAR President Steve Goddard.

While there are certainly challenges ahead, the upcoming year may create an opportunity trifecta for buyers: Continued historically low interest rates, extremely affordable housing prices, and plentiful inventory in most price levels. We haven't seen this combination in many years.

The caveat is that there is no guarantee that mortgage rates will remain where they are today. In fact, in recent weeks, we have seen rates increase as the 10-year and the 30-year Treasury bill rates edge upward. And even a one-percentage point increase on a \$500,000 mortgage can add several hundred dollars to a monthly payment. But for now, the rates are still extremely low by historic standards.

Additionally, the nation's economy continues to grow, albeit slower than many of us would like. But corporate earnings have come back quite strong this year, which could bode well for employment growth in the New Year.

Finally, a compromise in Washington that extended the President Bush-era income, dividend and capital gains tax cuts for two more years will hopefully bolster the housing market.

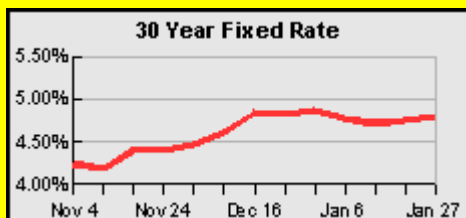
So while it is not likely to be the best year that we have ever had in real estate, I am cautiously optimistic that by this time next year we will look back at 2011 as a very nice turning point for the Bay Area housing market.

Here's to a great New Year!

Mortgage Rates

U.S. Averages as of Jan. 17, 2011

30 yr. fixed: 4.80%
15 yr. fixed: 4.09%
1 yr. adj: 3.26%



Reduce:

Consider what it is that you really need. Do you have clothes that don't fit? How about clothes and shoes that you really don't need? Are there items that aren't your "style" anymore?

Many of us like to hold onto clothes that we think we might wear again. But use this rule of thumb. If you haven't worn it in the last year, then it is time to donate.

Reuse:

Resist the urge to refill your closet once you've downsized! "But what about that new pair of boots I've been eyeing?" you say. Find creative ways to reuse items you have already bought. You may be surprised at how much variety you have in your closet when you rely on what you already have. And for those green activists out there, the fewer new items you buy, the less you consume. Every item that is manufactured takes a toll on the economy, through the power used to run the factories, chemicals and oil used to create certain fabrics, and even the gas it takes to ship items to the store.

Recycle:

Start locally. Do you have relatives or friends who would welcome children's clothes? Kids grow fast and many families are struggling to afford bigger sizes. Most communities have local thrift, Goodwill, or Salvation Army stores that will gladly take your donations.

There's also a great site called thredup.com that allows you to exchange kids clothes with families from all across the country. Traders can get a box of clothes for only the cost of shipping at \$5. Adults need donations, as well. Job interviews and changing seasons may put many adults at a disadvantage. Donation means your old piece of clothing can be given a new home.

Cleaning out your closets is a winning situation. It's good for the community, good for sellers, and of course, it's good for the environment! So start your closet on a reduce, reuse, recycle diet today!



What's Driving Buyers To Buy Homes?

Current Listings & Sale Pending By Yvonne

Listing Sale
Pending



3113 Silverland Drive, Evergreen \$895,000

The Wall Street Journal is reporting that "affordability" is the top reason for home buying in 2010.

That makes sense, especially in unstable market conditions. Buyers, as always, are looking for a bargain but, more than ever, they've been enticed by low home prices and low interest rates, according to a survey by Weichert Realtors, Inc.

The survey gathered information from 1,261 of the company's customers who bought homes between July 1 through December 31, 2010.

What about pride in homeownership? it appears that buying a home because they didn't want to rent, was not the driving force. Instead, it came down to price. This differs from survey results five years ago when respondents (26%) said, "the desire to own their home and stop paying rent" motivated them to buy, according to the Wall Street Journal.

Another influencer was the desire for more living space. According to the Wall Street Journal the survey reported that 28% of the respondents said, "they bought a house because they wanted more living space or a larger property". However, 11% of those surveyed said that "potential financial growth" motivated them to purchase a home. This response is similar to the answers received in the survey's first year (2005) when respondents answered the question, "What motivated you to purchase your home at this time?"

A sharp drop (12%) was reported by respondents who said they bought a house in 2010 due to relocation. The figure was the same as 2009. However, it's a decrease from 20% in 2008.

Real estate experts believe that buyers are still motivated by the potential financial growth, but indeed a good value in the form of low interest rate and discounted home prices is the driving force these days. So, if you are listing your home for sale, focus on value. Detailed marketing materials that showcase your home's amenities, walking-distance retail outlets, and neighborhood parks and schools will also help create value.

Don't underestimate the importance of valuable upgrades such as new appliances, water heater, solar panels, green technology, smart wiring for commonly used technology, and, of course, any energy-saving lighting and/or heating/air conditioning systems that you might have installed.

Light up your house as much as possible when showing or holding an open house. Even if you typically keep the shades drawn, open them up, turn on light fixtures and, if you have skylights, make sure they're clean.

Value increases for buyers the more they can see themselves living in your home. So, make it cozy, comfortable, and attractive. In the bathrooms, hang color-coordinated towels; some fresh flowers in a vase. And if the walls are scuffed, try using a Magic Eraser. If that doesn't work, touch up the paint or paint the entire bathroom.

In the dining room or the kitchen, set the table. But don't overdress the table. Too much stuff on a table makes it look crowded, small, and can be a turn-off.

Remember, selling your home is about creating value for buyers. That means how you live in your home may not be the way you show your home. You may have to put away a lot of the clutter such as trinkets, family photos, pet toys, electrical cords, kids' toys, and anything else that is personal to you. By doing this you'll create a greater chance of buyers viewing your home as theirs. And that's value.

I hope you found these tips useful.

If you are starting to think about making a real estate move in the New Year or are curious to learn what opportunities there are for you in today's market, please don't hesitate to contact me. I'd be happy to sit down with you to discuss your options.

Just Listed
3113 Silverland Drive, Evergreen \$895,000
Excellent location with Excellent Schools. This 14 Yrs. New 4 Bed, 2.5 Bath SFR with 2426 sf. Recently Updated Throughout Please visit: <http://www.3113SilverlandDr.com>

Just Listed
1232 Copper Peak Lane, Almaden, \$575,000
Breathtaking View of Almaden Valley. Updated 2 Bed. 2.5 Bath Townhouse with 1298 sf Please visit <http://www.1232Copperpeaklane.com>

Listing Coming Soon
3063 Rubino Cir, Willow Glen. \$649,000
Beautifully Updated. Only 10 Yrs New. 4 Bed, 2.5 Bath SFR in Willow Glen. Please Call for Detail

Listing Coming Soon
22764 Majestic Oak Way, Cupertino. Offered at \$629,000 2 Bed. 2 Bath 1 Story Townhouse with Top Rated Cupertino Schools. Monta Vista High, Kennedy Middle, Stevens Creek Elementary

Listing Sale Pending
1419 Rocklin Ct, N. San Jose, Priced at \$279,000
2 Bed. 2 Bath Condo at Great Location. Updated Kitchen and with View Of Park. Walk to Ranch 99 Super Market. (Represent Seller, Short Sale)

Sale Pending
819 PRINTEMPO PL, San Jose. Offered at \$299k
2 Bed. 2 Bath Condo at Great Location. Close to Major High Tech Companies. Great for investment or 1st time buyer. (Represent Buyer, Short Sale)

Sale Pending
1312 Chewpon Ave, Milpitas Offered at \$464,900
4 Bed. 2.5 Bath SFR in Milpitas. Great Starter Home for 1st Buyer. (Represent Buyer, Bank Own)

Sale Pending
5832 Chambertin Dr, Cambrian Offered at \$739,000
15 Yrs. New 3 Bed. 2.5 Bath SFR in Cambrian with Excellent Cambrian Schools. (Represent Buyer)

Sale Pending
18431 Montpere Way, Saratoga. Offered at \$790k
Beautifully Updated Home in Saratoga with Excellent Campbell Schools. Marshall Lane Elementary, Rolling Hill Middle. (Represent Buyer, Short Sale)

$V(t_0)e + V(t) = 1$ PAYMENTS

Solving your MORTGAGE CRISIS

$K_c = \frac{101}{10_{H1} - 10_L}$

$\frac{1}{r} + (E_1)$

just got **EASIER**

$\gamma = \frac{C_P}{C_V} - \%$ $\frac{1}{R-1} \left(\frac{I}{t_e} = t \right)$ $R = N_m^{\#}$ **DEBT** $\frac{1}{r} + \left(\frac{E_i}{E_i} \right)$ **STRESS**
 $D = \frac{m^{\#}}{d \cos \phi}$ $\phi = \frac{\Delta L}{\lambda} 2\pi$ $\sum \langle n | v | n \rangle t = i$ $\epsilon_c = 1 - \frac{T_c}{T_H}$ **FORECLOSURE** $\log \frac{x}{y} = \log x - \log y$ $f \times f = \frac{v^{\pm} v_2}{v_1 v_2}$ $v = \sqrt{\frac{F}{P}}$

**SOLVING YOUR
MORTGAGE
CRISIS JUST
GOT EASIER**

If you are or somebody you know that are struggling with unaffordable mortgage payments, the stress can be overwhelming. But things just got easier! Both lenders and the federal government are working to streamline processes that will help you avoid foreclosure; processes I can help you take advantage of. I've prepared a report with more specifics you can access in the comfort and privacy of your own home.

Download it here: <http://www.YvonneYang.com> then click the link: foreclosure/shortsale

You should not delay. Call Yvonne today so we can put you on the right financial path for a better tomorrow

Yvonne is a Certified Distress Property Expert (CDPE)

Yvonne Yang, SRES, ASP, CDPE
Top 2% Agent Nationwide
 408 674 4418 (Cell) 408 490 2710 (Fax)
 yvonne.yang@cbnorca.com
<http://www.BayAreaHomePrice.com>
 DRE: #01371905



PRRST STD
 U.S. POSTAGE PAID
 PERMIT #373
 CUPERTINO, CA

Coldwell Banker
 10105 S. De Anza Blvd
 Cupertino, CA 95014
 Handbill: H110183

