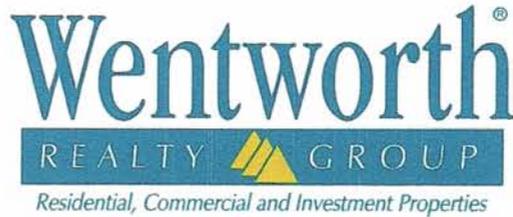




**OBSERVATIONS FROM THE DESK OF
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Take a walk!

Normal Market?

In its National Housing Trend Report for August 2013, Realtor.com found that future home value appreciations may likely be driven by market demand rather than inventory shortages, which represents a return to a “normal” real estate market. Good news!

Florida Market Continues Positive Trend

According to Florida Realtors President Dean Asher “Both sales and prices demonstrate that Florida’s housing market is growing and continuing to gain strength.” Florida Realtors Chief Economist Dr. John Tuccillo notes there has been an increase in listings for both single family homes and townhouses and condos, which combined with a relative decline in cash sales, suggests that pressure on inventories may be easing.

Advice from Suze Orman

Now that we are seeing a rebound in the housing market, it is time for a new home buying strategy according to Suze Orman. She says with interest rates still low it’s ok, if you qualify, to get a mortgage with 10% down. Ms. Orman also says:

- Get a 30 or 15 year fixed rate mortgage.
- Qualify for a 4 to 4.5% interest rate.
- Mortgage payment, property tax, insurance and PMI should be equal to or less than your current rent.
- Have a secure job.

She also says be wise and make sure you have an 8-month emergency fund in case “something happens and you don’t have money coming in.” All very good advice!

**Owning a home is the culmination of many years of hard work
and the realization of the American Dream.**

~ Solomon Ortiz

Some Lenders Revive 'lock and shop' programs

This removes the fear of rates rising while potential homebuyers are shopping for a house. If rates move lower, the homebuyer will have the option to float down to the lower rate.



Investor Demand Starts to Wane

The proportion of investors in the housing market has fallen in the last few months. Housing experts suggest this allows other buyers to step in. Cash offers from investors may have nudged out homebuyers needing financing.

3 Lessons learned from Home Flippers

According to Lex Levinrad, who has bought and sold more than 500 homes and now teaches regular people how to invest wisely, there are 3 golden rules:

- **Don't buy with the expectation that the home will shoot up in value.** He suggests you buy a home for no more than 65% of the market value after repairs. Sometimes you may have to be satisfied with modest profits.
- **Do your own due diligence.** Visit open houses and see what similar homes are selling for. Then price your renovated property slightly below market value to attract interest.
- **Know your exit strategy.** If you're planning to buy, renovate and resell, stick to the plan.

Vacation rental performance remains strong

Consensus is vacation rentals have performed well during the summer season. Who owns vacation rental properties? People have purchased the property for their own use and then find that work or personal reasons prevent them from using it as much as they would like. Other folks purchase a property for their future retirement home.

Traveler demand to fill vacation homes is rising. Where do you fit— owner or renter?



Many luxury homebuyers believe homeownership is a sounder investment than the stock market

What do they value in a home?

- **Amenities.** They would rather have upgrades than greater square footage.
- **High-tech.** "Smart" home is more important than "green."
- **Outdoor space.** Garden oasis, outdoor fireplace, separate guesthouse.