

Real Estate Newsletter

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No Place Like Home for Savings

by Broderick Perkins, Realty Times

There's no place like home to save on the cost of living. Home is, after all, also where many cost of living expenses have risen, according to the Center for Housing Policy, the research affiliate of the National Housing Conference (NHC). While incomes have risen only 30 to 35 percent in the ten years ending in 2006, some home-related costs are up by more than 80 percent, according to the Center's "Stretched Thin: The Impact of Rising Housing Expenses on America's Owners and Renters." Here's how not to be stretched so thin while preparing yourself for your next home purchase. Create or update your household budget and balance it. Account for every penny you earn, every penny you save and every penny you spend to reveal your spending habits. Your spending habits will show you where you can cut back. Get an online assist from Consumer Reports' recommendations: Buxfer.com, Geezeo.com and Yodlee.com.

Move down

The average monthly mortgage payment rose 46 percent during the ten years ending in 2006. Don't wait to be an empty-nester or to fund your retirement. Cash in on a smaller home now. Factor in selling costs, the potential for a capital gains tax hit and higher property taxes, but with enough long time equity, a smaller home could come mortgage free.

Sell out, simplify and organize

Sell all that stuff that won't fit into a smaller home. Sell all that stuff you'll never use. An organized home is a time-saving home. A time-saving home is a money-saving home, says the National Association of Professional Organizers. Craigslist.com and Ebay.com (Ebay trading assistants will do the work for you) are the usual suspects, but you can open your own cool store on Amazon.com and sell newer, less obscure items for much more than you'd get at a garage sale. Also, give stuff away to charity for a small tax deduction. Shop around for homeowners insurance. Insurance premiums rose 83 percent in ten years ending in 2006, but rates still vary. Comparison shop direct among various companies. Use an Independent Insurance Agent to shop around. Comparison shop online with Insure.com, Geico.com, Progressive.com, Esurance.com and others. Raise deductibles to cut costs more. Save with discounts for home fire safety and security systems, for buying multiple policies (auto, life, health, etc.) from one company, and for avoiding unnecessary claims.

Appeal your property tax assessment

In most jurisdictions property taxes are assessed based on a home's price. But in areas where home prices have tanked -- especially if you purchased your home in a bidding war, during the peak of the market -- you could get a tax break. See your assessor or other tax collector for the appeal process for your jurisdiction. Be prepared to prove the value of your home with an appraisal or comparative market analysis of recently sold properties that are as identical as possible to your home.

Green up

The cost of energy rose 43 percent from 1996 to 2006, and even more since then, according to the Center. Your home abounds with energy saving possibilities. Check with your local utility and state energy agency. The Residential Energy Services Network offers referrals to energy auditors who can help you uncover energy leaks. Also the U.S. Department of Energy's (DOE) "Energy Savings" page offers a host of additional tips.

Get help

Don't hesitate to reach out for financial help. Always contact creditors at the first sign of trouble. That's when more opportunities for relief are available. You may be eligible for mortgage modification, special refinance loans or other assistance that can reduce your monthly mortgage. Don't squander your savings. Bank some money saved to save for a downpayment and pad or start an emergency slush fund. Also used saved money to pay down debt and slay the revolving credit interest rate monster.

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Lessons from a Dandelion

~Donna Doyon

I recall as a young child bringing bouquets of brilliant yellow flowers to my mother. It didn't matter that the stems felt sticky or that both my parents cursed the presence of these flowers in the lawn. I thought they were beautiful!

And there were so many of them! We spent hours picking the flowers and then popping the blossoms off with a snap of our fingers. But the supply of dandelions never ran out. My father or brothers would chop off all the heads with the lawn mower at least once a week, but that didn't stop these hardy wonders.

And for those flowers that escaped the honor of being hand-delivered to my mother or the sharp blades of the lawn mower, there was another level of existence.

The soft, round puffs of a dandelion gone to seed caused endless giggles and squeals of delight as we unwittingly spread this flower across the yard.

As I worked in my garden last week, pulling unwanted weeds out of the space that would become a haven for tomatoes, corn, peas and sunflowers, I again marveled at the flower that some call a weed.

And I thought, "If only I had the staying power of a dandelion."

If only I could stretch my roots so deep and straight that something tugging on my stem couldn't separate me completely from the source that feeds me life.

If only I could come back to face the world with a bright, sunshiny face after someone has run me over with a lawnmower or worse, purposely attacked me in an attempt to destroy me. If only my foliage was a nutritious source of vitamins that help others grow.

If only I could spread love and encouragement as freely and fully as this flower spreads seeds of itself.

The lawns at my parents' homes are now beautiful green blankets. The only patches of color come from well-placed, well-controlled flowerbeds.

Chemicals have managed to kill what human persistence couldn't.

I hope you and I can be different. I hope that we can stretch our roots deep enough that the strongest poison can't reach our souls. I hope that we can overcome the poisons of anger, fear, hate, criticism and competitiveness. I hope that we can see flowers in a world that sees weeds.





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Bulletin

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~ Monthly Featured Homes ~

11653 Cedar Pass, Minnetonka



Fabulous Estate Home located in the highly sought after Cedar Pass neighborhood, is a one owner Charles Cudd build walkout rambler with spectacular views of the pond and fountains. Sunroom with access to a huge deck, hardwood floors, spacious and open formal gathering room/dining room. Lower level includes an amusement/family/game room which walks out to a patio.

6502 108th Trail N, Brooklyn Park



Beautiful Novak Fleck model, just waiting for you to call it home! Hardwood floors, large kitchen with center island, granite countertops and pantry. Four season porch with vaulted ceilings! Large master bedroom with his/her closets. Upper level laundry! Upgrades galore!

If you or anybody you know might be interested in one of these featured homes, please give us a call at 952-945-3109.