

Christine's Homeowner News™

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Scams That Just Won't Go Away

One "business" that always thrives in any economy is scamming. Preying on vulnerabilities of everyday people, scammers like to stick to what works - tricks you would think everyone knows about, yet a surprising number of victims continuously falls for. Here are three of the most popular:

Debt Elimination Scam

What if you could erase your debts overnight thanks to a secret loophole in the law? There are companies that claim they can do just that for a small fee! Sound great? It does, but sadly it's a scam. The pitch goes something like this: lending money is illegal according to the Declaration of Independence, and so is the Federal Reserve. For a fee, you will be issued a "legal document" to send to your lenders, and then all your debts will - poof - go away. It sounds silly when put this way, but debt-weary consumers can be desperate for a relief and scammers can be pretty slick and convincing - people fall for this scam every day. To avoid being ripped off, remember the old adage: if it's too good to be true it probably is. Plus, if there really was a quick, legal way for people to erase all their debts overnight, it would be all over the news already, no?

Online Pharmacies

Offers for super-cheap drugs usually come through spam email and popup windows, but also come up in the top results when

searching for a pharmacy on a search engine. The scammers will offer the convenience of ordering from your home, incredibly low prices and no need for a prescription. "Only fill out a simple questionnaire; no examination, lab tests or doctor visits are required!" First of all, it is illegal to dispense prescription drugs without a prescription. The companies that offer to do that are breaking the law, so this should immediately raise a red flag. Second, the quality of drugs offered at incredibly low prices is always suspect. They are inexpensive because they are imported? Drugs from overseas are manufactured with no FDA oversight. Analyses have shown that many of these drugs are counterfeit and have varying degrees of effectiveness, with some having no effectiveness at all. There are legitimate online pharmacies that truly offer convenience and value. They are usually run by companies you've already heard of, such as Walgreens or CVS. Experimenting with unknown foreign pharmacies is gambling with both your money and your health.

Phishing and Spoofing

Have you ever received an email supposedly from a bank asking you to update your contact information by clicking on a link? That's called phishing. If the email was from a "bank" that you
(continued, Page 2)



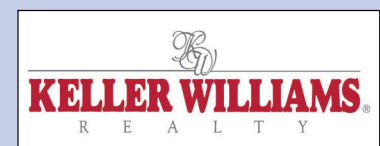
For me the most rewarding part of being a Realtor is being able to help people through one of the most important financial decisions they will ever make. My top priority is always my clients' satisfaction. My job - making sure that every transaction I am entrusted with is handled with the utmost care and professionalism. As my client you will feel like you are my only client, and my goal is that you are not merely satisfied with my service, but that you become a raving fan. I look forward to helping you with your next real estate transaction - just give me a call, or send me an e-mail.

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How to Be a Competitive Buyer

Sellers love to hear from buyers who can pay cash for the home. Alas, most of us are not in that group, so we have to find a way to still be competitive when making an offer. The second-best thing to having cash for the entire price is being pre-approved for the loan before making your offer. The process is not that difficult:

Step 1

You will meet with a lender's representative (a *loan officer*) and fill out the loan application that will ask about your income, employment, loans, etc. Upon completing the application the lender will want to see copies of your W-2 forms (usually two years' worth), pay stubs (the last couple), bank statements (for the last three months) and perhaps tax returns (usually the last two). You will then give the lender an authorization to check your credit, finish the coffee the loan officer's assistant brought you, and go home to wait for the answer.



have strong income, little debt, have great credit and money for the down payment sitting in the bank. A more complicated application (you are self-employed, or need a co-signer, or have credit dings) is the one that will take more time.

Step 4

Once the underwriter OK's your application, you will receive a pre-approval letter. It will state the maximum loan amount you qualify for, how much money you will need for the down payment and what your interest rate and monthly payments are likely to be.

The Benefits

The person who benefits most from a pre-approval is—you. You will know exactly how much you can qualify for so you and your Realtor can look at homes in the right price range. Because you will know how much you will need for the down payment and what your monthly payments are going to be, you can plan your budget accordingly. When you and your Realtor find the right home, your offer will be more competitive than offers lacking the pre-approval. And once your offer is accepted, the loan approval will be one less thing to worry about.

(continued from Page 1)

don't do business with, then it's obvious that it is scam, but if the crooks send you an email that looks like it's from a financial institution that you do have an account with, then it could be easy to fall for the scam. By clicking on the link provided you are taken to a "spoofed" web site – a site that's a copy of the legitimate site, except that the data you enter goes to the scammers, not your financial institution. These sites can be very well made so it can be hard to tell that they are fake. Crooks also like to send emails pretending to be from PayPal, eBay, Amazon and other online retailers, so it's no longer just the banks that they are impersonating.

How can you protect yourself from this scam? First, if anything looks fishy about the email you receive, it's probably fake. Even though the crooks have become very sophisticated as far as technology goes, they still can't seem to learn how to spell. Misspellings, grammar and punctuation errors are all red flags. If, however, you think the email might be legitimate, don't click on any links in the email; instead open your web browser and manually type in the web address of your financial institution. That way you will go to the real site and bypass any potential traps.

Step 2

The lender will obtain your full credit report and check your credit scores. Your employment will also be verified (your employer might need to write a letter stating how long you have worked there), and your income and available cash will be checked. If everything looks OK, the lender will continue onto the next step.

Step 3

The loan officer will submit all the paperwork (called the *loan package*) to a person that will give the final "aye" or "nay" to your application. This person is called the *underwriter*. Some underwriters work fast and reach the decision on your application within a day, and sometimes it can take a little while. Generally, you can expect a quick answer if you've worked at the same company for a number of years,

Free Special Report Available

The Seven Expensive Mistakes Buyers Frequently Make

is a three-page special report that no buyer should be without. If you are thinking of buying a home soon, arm yourself with the knowledge that can help you avoid expensive mistakes too many people have made. Request this report today – there is no cost or obligation.

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Refreshing Your Home in Our Awesome Economy

Your home interior needs a little stimulus, but the budget is tight? Thinking about livening up a room or two, but don't want to create a budget deficit? No worries, here are a few ideas for refreshing your home's look that won't break your bank:

Walls

There are a number of inexpensive ways to liven up your walls. The most obvious is paint. Easy to do and easy on the wallet, giving your walls a splash of new color can give any room a dramatic new appearance. For a more sophisticated look, try your hand at sponge-painting or faux-finish. Your local bookstore (or even more conveniently, the Internet) has plenty of practical guides with step-by-step instructions. And, to add one more elegant element to your walls, how about crown moldings? Even a moderately skillful do-it-yourselfer can install them, and the friendly folks at your local home improvement store are always ready to help with expert advice.

Lighting

To a great extent, a room's ambiance is determined by its lighting. Upgrading your light fixtures or installing new ones is great way to dramatically change the look of a room. Fortunately, there are many inexpensive lighting options available, from lamps to chandeliers to wall lights. Try experimenting with different lighting types, positions and brightness settings to achieve a romantic, or cozy or cheerful new look for a room.

Bathroom

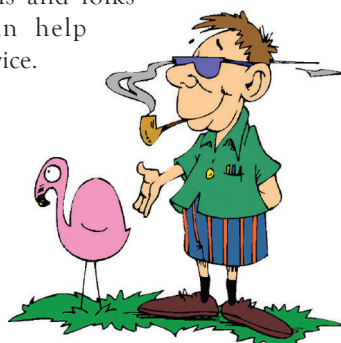
It's amazing how small details can liven up a room. Take a bathroom for example. Replace your old sink faucet with a new one, install a new shower head and

volume controls in the shower/bathtub, put in some new towel bars and a shower curtain, and voilà – your bathroom has a whole new sparkle to it! Did I mention that a new coat of paint also does wonders?

Kitchen

Continuing with the theme of small details, let's now talk about the kitchen. Old, worn cabinet hardware can be easily replaced with new hardware, such as knobs, pulls and hinges. This is easy and doesn't cost a lot. Longing for new kitchen cabinets, but

have no budget for them? Even though it is time-consuming, refinishing your existing cabinets is far cheaper than getting new ones, but the end result can be just as nice looking. Again, your local home improvement store will have materials and folks who can help with advice.



Note: The above suggestions work well if you are not planning on selling your home soon. If you are, there are a few additional things that can be done to properly stage a home for sale. And for help with that, you already know who to call. ➔



Q: What's the advantage of closing at the end of the month?

A: The main benefit is that one part of your closing costs, the prepaid interest, is lower. Suppose your closing is on June 15. Your first payment will be due on August 1, and it will include the interest accumulated from July 1 through July 31, but the lender won't forgive you the interest owed on the 15 days of June from the day of the closing until the end of the month. You will need to pay the interest for those 15 days upfront, at the time of the closing. Now, if the closing is on June 29, then there is only one day of interest to prepay, so consequently you need less cash to close.

This "savings" is really no savings at all—just a postponement of the payment. If you are getting a 30-year mortgage, you will still pay 30 years of interest regardless of when you close (provided you keep the house for 30 years). But if you are buying your first home or are strapped for cash, then setting the closing date for the end of the month might be a good idea.

Have a tough real estate question? Your calls and e-mails are always welcome:

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ARCHITECTURE CORNER

TUDOR... OR IS IT?

In 1485, the first Tudor king, Henry VII, ascended the throne of England. The prevailing English architectural style of that period also became known as Tudor.

Now fast-forward four centuries ... In early 1880s America, many architects began looking at old European architecture for inspiration. So, between 1880 and 1940, several old architectural styles were revived. One of the most popular of these was Tudor.

You won't have any trouble recognizing Tudor Revival homes in your neighborhood. Steeply pitched roofs, decorative half-timbering, tall narrow windows, and massive chimneys are all dead giveaways. The façade is usually brick or stucco, although stone is common, too. Windows and doors are often framed with a brick or cast-stone trim. Especially beautiful are the Tudor houses with a false thatched roof, which gives them that fairytale medieval look.

And what do American Tudor homes have in common with the original English ones? Very little. The truth is that most American Tudor homes were styled after homes from a different period of English history - the Jacobean era (early 17th century). Therefore, the homes we know as "Tudor" should more accurately be called "Jacobethan." That is, in fact, what some architectural historians call this style.

So, next time you see a For Sale sign in front of a Tudor home, call the listing agent and ask, "How much is that Jacobethan home going for?" Then feel free to giggle quietly as he tries to figure out what in the world you are talking about.

