

Julia Boynton's

REAL ESTATE UPDATE

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92705 & 92780 Zips Are Among Top 2010 Real Estate Performers!

North Tustin 92705 grabbed the top spot for an increase in home values in 2010, according to Orange Coast Magazine's "Hot Properties" report (March issue). Tustin 92780 placed eighth out of the top ten performing zip codes.

North Tustin sales were up 28.9% over 2009 with a median sales price of \$580,000 and 435 total sales. Tustin had 411 sales and a median sales price of \$388,000—an increase of 15.8% over the prior year.

Three zip codes in Irvine (92603, 92620 and 92618) also ranked in the top 10 for increased home values in 2010.



Healthcare Law Does NOT Alter Home Sales Capital Gains Exclusion

Misinformation has been circulating on the Internet and in e-mails that the healthcare reform bill passed last year includes a "sales tax" or "transfer tax" on the sale of your home. This information is incorrect. The new law imposes a 3.8 percent tax for households in the top tax brackets on "unearned income." This includes capital gains, but does not impact the current exclusion on capital gains earned from the sale of a primary residence up to \$250,000 for individuals and up to \$500,000 for married couples. The 3.8 percent tax will only apply to capital gains above the current exclusion.

LOAN AMOUNT CHANGE ALERT!

IMPORTANT NEWS: On September 30 of this year, the current maximum conforming loan amount of \$729,750 will drop to the \$625,000 range. This will mean a hefty rate increase (3/4% – 1% higher) for borrowers who need a larger loan. Interest rates in general also may increase due to worldwide political unrest and rising oil prices.

At present, we continue to see the convergence of low housing prices and low rates-- the perfect scenario for home buyers. So, if a home purchase is on your radar, **act now.**

Get Your Property Taxes Reviewed

Orange County homeowners can request an informal property tax assessment review from the OC Tax Assessor's Office. The deadline for review is April 30.

I have the form that you need to submit and can provide you with the required three (3) listing or sold comparables you need to include. Please call or e-mail me if I may assist you!





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Information deemed to be reliable although not guaranteed. If your property is currently listed with another broker, please disregard this notice.

NEW REAL ESTATE LAWS FOR HOMEOWNERS & LANDLORDS

The following new laws became effective January 1, 2011

Carbon Monoxide Poisoning Prevention Requirements

SB 183 requires a carbon monoxide device (either battery or hard wired) to be installed in a "dwelling unit intended for human occupancy." Owners of residential rental property must also comply, and tenants are responsible for notifying the owner of an inoperable device. Installation time periods are on or before July 1, 2011, for all existing single family residences and on or before January 1, 2013, for all other existing dwelling units. To find out the types of detection devices available, go to:

www.consumersearch.com/carbon-monoxide-detectors

Consequences of a Short Sale

SB 931 prohibits a lender holding a first deed of trust for either a purchase money loan or refinance for a dwelling of 1-4 units, to demand a deficiency judgment from the borrower who sells the dwelling for less than the remaining amount of the debt due at the time of the short sale, when the lender has consented to the short sale in writing. However, the lender may be entitled to damages and recourse if the borrower has committed "fraud or waste" in respect to the short sale or the property.

Maintenance Costs for Rental Income Properties

Any person who receives rental income must provide I.R.S. Form 1099 for all payments of \$600 or more made to service providers such as plumbers, carpenters, yard services and repair people. The purchase of goods is not included in the requirements, and the law applies to both residential and commercial property. (HR 5297)



SHORT SALE ASSISTANCE

Nationally, 27 percent of homeowners are underwater with their mortgage. That's an increase from the 2010 3rd quarter figure of 22 percent. If you need help determining if a short sale is the right move for

you, please give me a call. I have professional short sale negotiators on my team, who will make sure the sale of your home is conducted the right way!

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