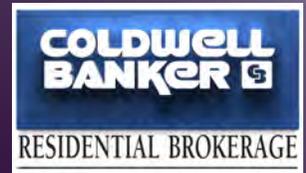




Lauren Spencer REAL ESTATE UPDATE



A Seasonal Newsletter for Friends & Clients of Lauren Spencer

November 2016

Dear Friends and Clients:

Can you believe the holidays are already here? As we get closer to the end of the year, it seems like 2016 has gone by so quickly. I think it is called aging...when you are young each day seems like it takes forever and when you get older each day isn't long enough. I'm certainly in the last group and there just doesn't seem to be enough time in the day to do everything I want to do. Or maybe my routines just take way longer than they did before?! I do love the holidays season.

The real estate market in 2016 has continued to evolve all year long. Back in March through May it was crazy with multiple offers on everything and homes being bid up from the list price. June through September was our summer peak season as always and this season proved to be very busy. But October slowed way down – maybe most people were worried about the election (which is now over, thank God). And now that we are in November sales have picked up again. Houses are selling but buyers are negotiating more, and certainly not making offers at full price. It is turning from a seller's market to more of a buyer's market, even though the inventory of homes available remains low (please see the Santa Cruz County Sales Statistics on the back cover). County wide, the average days on the market for a home to sell is now 35 days, compared to earlier in the year of homes taking just a few days to sell. Interest rates remain at all-time lows but that may change in the coming year, with a new administration in office.

Please reach out to me via email, text or phone call if you have any real estate related question or service provider needs I can assist you with.

Have a wonderful and joy filled holiday season.

Warm Regards, *Lauren*

Tips to Save Tens of Thousands on Your Mortgage

1. Get your FICO score - Long before you apply for a mortgage or start home-shopping — as much as a year before — take a look at your credit score. FICO is the score used most in the mortgage industry. Raising your score makes you eligible for a better interest rate on a mortgage, and it could take as long as a year to improve that score. Try using a mortgage calculator to see how your FICO score affects your mortgage payments.

2. Raise your credit score - Improving your credit score is a slow process so, again, it's good to start long before you need to borrow. Pay down your balance, increase your credit limit and open a new account.

3. Clean up your credit report - One way to raise a too-low credit score is to repair any errors in your credit reports. The three major credit-reporting agencies (Equifax, TransUnion and Experian) track Americans' use of credit, compiling credit histories on us all to help lenders and merchants decide whether they should lend us money and at what rate. Errors are surprisingly common. You have the right to one free copy annually of your credit history from each agency. Check your credit reports for problems or errors as soon as possible before applying for a mortgage as it takes time to fix them and see improvement.

4. Take a meeting - It's not too early, to meet with several lenders to discuss your borrowing situation. Just don't give them permission to pull your credit history yet: Too many inquiries can

hurt your credit score, so wait until you're ready to apply for a loan. Besides, your free credit score will give them a close-enough

idea of your score to help you understand how much you will be able to borrow and to give you tips on improving your score. Meeting with four or even more lenders will help you understand the process and get a feel for which you'd like to work with.

5. Keep your emotions from running the show - You are of course going to want to start house shopping. And while there's no reason you can't keep an eye on the market and see what's available, try not to start shopping seriously until you've got your financing lined up. Falling head-over-heels in love with a home that you can't afford and then stretching your finances thin to buy it is one of the most costly financial mistakes you can make.

6. Get preapproved for a mortgage - Lenders will offer to help you become "pre-qualified" for a mortgage. Go for it, if you want to, although there's no need for it. Just don't misunderstand: Pre-qualification won't help you buy a home or get a mortgage. It just means that a lender gave you an estimate of how much you can borrow and at roughly what rate based on info provided.

MSN



Is Renovating Cheaper Than A Teardown And New Build?

Renovating your home could be just the thing you need to make it truly yours. But be careful: This decision could lead you down a never-ending (and stealthily expensive) improvement rabbit hole. Here are five factors to consider when weighing your options, plus advice on how to make this decision.

1. Does your older home have a lot of character?

Solid-core doors, marble windowsills, crown molding, pocket doors, arched doorways — who could get rid of these features? “Some older houses are made with higher-quality wood and have touches that you can’t replicate today,” says Larry Greene, president of Case Design/Remodeling in Indianapolis, IN. If you want to keep your home’s original details, you’ll probably want to renovate.

But don’t feel bad if a historical charmer isn’t your thing. Besides, not all old homes are worth saving. “While there are many homes and historical buildings that are 100, 200, or more years old and still in sound condition, typically homes more than 75 years old or so need a critical eye,” says Tim Bakke, co-founder of The Plan Collection, a website dedicated to house plans. “They need to have been very well-taken care of.”

Bakke also says to evaluate the utilities, plumbing, and heating systems. If they’re in poor condition, you might want to rebuild. Just make sure that you can tear down your old home. If it’s in a historic district, you’ll need to get permission.

2. Is your home structurally unsound?

A home on a crumbling foundation is a serious matter. “If your home has structural issues, I would recommend a teardown,” says Greene. But how can you tell? Your walls, when looked at from the outside, should be straight. There should be no water in your basement or crawl space, no cracks on your interior walls, and your windows should easily open and close. A structural engineer can be a big asset in helping you decide.

If you live in an area prone to earthquakes, having the home’s foundation checked becomes more important. “In some cases, a home that was designed and built prior to new earthquake laws can have significant structural damage after an earthquake occurs,” says Richard Frazao, president of Quaketek, a Montreal, Canada-based company that makes earthquake protection for buildings. “In those cases, it is more economical to start from scratch.”



3. Does your town have restrictive regulations?

The decision on whether to renovate or rebuild might not be completely yours to make. If your jurisdiction has tough regulations, it might be easier to play by its rules. “In places where you’ve got a lot of rules, it’s almost never better to tear down,” says Juan Diaz, a San Francisco, CA, real estate investor. “In the Bay Area where I operate, it’s so much faster to get city approval for a project that involves leaving the existing house and tearing it down to the framing timbers.”

4. Is there water damage?

Homes and water don’t mix. Unfortunately, water damage in homes is a common problem. Sometimes the damage is so severe, it can warrant a renovation or complete teardown. But how can you know what to do? “If a few feet of the first-floor sheetrock is water-logged, then stripping the lower half of the walls of sheetrock and insulation and replacing them will get you by for a renovation,” says Bakke. “But where water has invaded the house, say past the first floor, the damage to various parts of the house will be so extensive that a rebuild will be the way to go.”

5. How much do you want to spend?

Sometimes you just need to crunch the numbers to determine which path to take: Renovation or teardown? The trick is getting the numbers right. Once you start renovating and ripping things apart, you might discover some unwelcome surprises.

“Anyone who has ever done an expansive renovation project will tell you that the final cost is always higher than anticipated,” says Phil Eby, owner and president of Eby Exteriors Inc. in Akron, PA. “There are always unexpected costs such as excavating surprises, unseen rot and mold, electrical issues, structural inadequacies, etc.” Eby advises to choose a renovation only if the remodeling costs will be considerably less than new construction or if you wish to keep historical attributes.

MSN

PREP YOUR HOME FOR WINTER

DON'T OMIT OUTDOOR FAUCETS.

We've all heard the horror stories: A pipe freezes and ruptures, sending gallons upon gallons of water coursing through the home. But as much as homeowners fear the prospect of a frozen pipe, many forget all about the fixture most at risk—the outdoor hose faucet. Nowadays, it's easy to protect it. Simply purchase a low-cost cover to block cold air from reaching the faucet. Or better yet, install a brand-new outdoor faucet that's specially designed not to freeze.

DON'T UNDERESTIMATE CREOSOTE.

For warmth and coziness, nothing quite matches the comfort of a crackling fire. Before you touch match to kindling, though, take care to ready your fireplace

for another season of safe enjoyment. In the firebox, look for signs of deteriorated brickwork. Check the damper too—it should open and close with ease. Last but not least, using a powerful flashlight, inspect the flue for creosote. If this gummy, foul-smelling by-product of combustion has built up beyond a paper-thin layer, schedule a cleaning with a reputable chimney service right away. Why? Creosote kills. In fact, the highly flammable substance contributes to as many as a quarter of all house fires.

DON'T PUT OFF PLUGGING DRAFTS.

It costs a small fortune to keep your home comfortable over the winter, not only because energy prices keep rising, but also because, in the average home, all that heat

can escape through countless cracks, gaps, and small holes. Fortunately, you can lower your bills significantly by finding and filling those costly openings. True, without a formal energy audit, it may not be possible to hunt down and correct each and every one. But you can begin by looking especially closely at the windows and doors.

DON'T GET LEFT OUT IN THE COLD.

Grilling gear. Patio sets. Gardening tools. If you conscientiously care for your lawn and garden—or if you make the most of your deck, porch, or patio—chances are that, for the sake of convenience, you keep a lot of stuff outdoors during the warmer months. Now is the time to store away anything that would not survive winter.

Home Projects That Can Help Seniors Age in Place

Doors - Walkers and wheelchairs are common mobility aids for seniors but don't comfortably fit through conventional interior doorways, which can be as narrow as 24 inches. On the first floor, at least, they should be widened to at least 32 inches and preferably 36 inches. Be prepared to pay several hundred dollars for each, and more if it's necessary to move electric wiring, switches, and outlets and replace the header (the beam over the door). Also, door sills should be removed or lowered.

Door Knobs - Knobs are hard to turn with arthritic hands and should be replaced with lever-handled openers. This is an easy DIY project, and lever handles are fairly cheap. Expect to pay about \$20 for a set of two lever openers (one for each side) and a latch. Don't forget to switch out knobs for levers on closet doors.

Lighting - Seniors require a lot more light to perform routine tasks. All areas of the house, particularly stairways, should be well lit. This might mean adding lights to stairways and kitchens (such as under-cabinet lighting), or upping the number of freestanding lamps around the house. For starters, replace common toggle light switches for wide, flat-plane rocker switches.

Bathroom - This is where slips and falls are most common and where the most big-ticket changes may be necessary, which could mean hiring a contractor. At least one bathroom on the first floor should be accessible to anyone with a wheelchair or walker, which could be as simple as widening the doorway. In a house with only a powder room on the first floor, the half bath should be turned into a full bathroom of at least 30 square feet. This probably means corralling space from a contiguous room and could easily bring the project cost to about \$25,000.

Faucets - Single-handle faucets that don't require a turning action to start and stop the water flow are a cheap upgrade. Such fixtures start at about \$60. Better yet are faucets that are controlled by a quick touch or wave of a hand and don't require any grabbing.

Grab Bars - Handrails and safety bars around the toilet and shower/bath provide support and help prevent falls. And they don't have to make the bathroom look like hospital-issue accommodations. This is a good DIY project that doesn't cost much (prices start at about \$16) but must be done correctly, with the bars screwed into wall studs so they can support up to 300 pounds.

Sinks - Vanities provide valuable storage space but make sinks inaccessible to someone in a wheelchair. Wall-mounted sinks, which sell for as little as \$40, are the preferred alternative. One consequence of this modification is exposed pipes, which should be insulated or covered in some way to prevent burnt knees.

Shower Heads - It's no more expensive to install a hand-held shower head than any other type, costing as little as \$20. A hand-held sprayer can be mounted to the regular shower fixture, or on a rod that lets the user adjust the height and lock it in place. The rod arrangement lets anyone use the shower and is convenient for both standing and sitting.



Shower - One of the biggest bathroom makeover expenses for aging in place is replacing a bathtub with a walk-in shower. A barrier-free shower should feature a slightly sloped floor, so the water runs into the drain and not all over. Plan on adding a removable bench that can be called into service or stored away when not in use. Glass doors may be attractive but are maintenance nightmares and might interfere with an aide hired to help the bather; a shower curtain is a better option.

Bathroom Flooring - Large porcelain or marble tiles in the bath may be stylish, but they're slippery when wet. The more friction there is on the floor -- that is, the smaller the tiles and the greater the number of grout lines -- the safer the floor will be. Replacing a bathroom floor is a high aging-in-place priority even if all other fixtures remain. Fortunately, ceramic tiles are relatively inexpensive.

Stove - Some experts recommend installing induction cooktops in kitchens used by seniors. Induction heat keeps the stovetop cool and minimizes the chances anyone will be burned. It also prevents boil-overs, because the electromagnetic field shuts off automatically after a pre-set time, or when the contents of a pot have evaporated. A cheaper alternative is a stove guard (\$359) that shuts off the stove after a set time has elapsed.

Cabinets - Retrofitting cabinets is a kitchen modification that helps seniors but is also considered an all-purpose upgrade. One easy project is removing lower cabinet shelves and installing pullouts that bring items in the back within reach. Individual slide-out shelves are not expensive (\$70 to \$130 at Costco, including hardware). The second part of the job calls for replacing cabinet door knobs with handles that are easier.

Countertops - Depth perception and the ability to distinguish between objects of similar color diminish with age. A neutral or all-white kitchen may be a hazard for an elderly person who cannot tell the difference between the countertop and the edge. A cheap fix is to run colored duct tape along the edges. If a remodel is planned, choose a counter with a different colored edge or in a color that contrasts with the floor, walls, and cabinets.

Stairs - Perhaps the greatest barrier to aging in place is living in a house with stairs. They offer built-in exercise for a while, but as years increase and mobility decreases, they may become difficult or impossible to navigate. If the house entrance does not have stairs, it may be possible to relocate a bedroom to the first floor and resolve the issue with minimal expense. Alternatively, adding a chair lift to a staircase could cost from about \$1,000 for a straight set of stairs with DIY installation to as much as \$15,000 if there are turns and landings.



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REFERRALS

Call me with your referrals! A closed escrow as a result will entitle you to **DINNER FOR TWO** at the restaurant of your choice

SANTA CRUZ COUNTY

UPCOMING EVENTS

November 18 - December 23, 2016
SANTA CRUZ POLAR EXPRESS
400 Beach Street
Santa Cruz, CA 95060

November 25 - December 23, 2016
HOLIDAY LIGHTS TRAIN
Departs from Beach Boardwalk

November 26, 2016
SURFIN' SANTA
Capitola Beach

December 3, 2016
LIGHTED BOAT PARADE
Santa Cruz Harbor

December 11, 2016
JINGLE SHELLS ART & CRAFT FESTIVAL
Seymour Marine Discovery Center

December 16 - 18, 2016
THE NUTCRACKER WITH LIVE ORCHESTRA
Civic Auditorium
Santa Cruz, CA

January 13 - 15, 2017
43RD ANNUAL SANTA CRUZ FUNGUS FAIR
Louden Nelson Center

My Current Listings

107 Livermore Avenue, Capitola - Depot Hill Dream Home. Beautiful Craftsman style home with ocean views. **\$2,495,000**

109 Rockridge Court, Santa Cruz - Private Westlake contemporary. Westside home blends traditional & modern touches. **\$1,425,000**

404 Belle Monti Court, Aptos - Seascape Fairway Frontage. Spacious light-filled home overlooking fairways. **\$1,025,000**

1560 Calypso Drive, Aptos - Mediterranean Serenity. Tile & Stucco touches throughout this Seascape home. **\$935,000**

4518 Wharf Road, Soquel - Creekside Comfort and Convenience. Upgraded home nestled in serene setting. **\$849,000**

165 Harbor Oaks Circle, Santa Cruz - Home by the Harbor. Townhome conveniently located & easy to maintain. **\$495,000**

72 Knollwood Drive, Aptos - Surrounded by Redwoods. Senior 55+ Park. Private contemporary at back of the park. **\$310,000**

Santa Cruz Association of Realtors®

SANTA CRUZ COUNTY SINGLE FAMILY STATISTICS

| 2016 | Active | Pending | Sold | Average | Median |
|-----------|--------|---------|------|-----------|-----------|
| AUGUST | 442 | 189 | 201 | \$947,703 | \$824,000 |
| SEPTEMBER | 413 | 134 | 166 | \$866,574 | \$770,000 |
| OCTOBER | 346 | 168 | 139 | \$898,506 | \$790,000 |
| 2015 | Active | Pending | Sold | Average | Median |
| AUGUST | 521 | 173 | 177 | \$797,907 | \$715,000 |
| SEPTEMBER | 490 | 174 | 206 | \$803,958 | \$752,500 |
| OCTOBER | 446 | 156 | 159 | \$787,562 | \$740,000 |
| 2014 | Active | Pending | Sold | Average | Median |
| AUGUST | 517 | 223 | 189 | \$736,776 | \$655,000 |
| SEPTEMBER | 533 | 143 | 192 | \$771,511 | \$665,000 |
| OCTOBER | 478 | 149 | 171 | \$798,564 | \$715,000 |

Maintenance Tasks That Can Save You Money

Home maintenance can be time consuming and expensive and, as a result, may be one aspect of homeownership you tend to avoid. But there are some easy and cheap DIY tasks that can actually save you money and time in the long run.

1. Fixing Leaks - According to the Environmental Protection Agency, an average household's leaks can annually waste more than 10,000 gallons of water and artificially inflate a water bill by 10%. Fixing leaky faucets and toilets can cut back on the wasted water.

2. Cleaning Gutters - Your gutters are an important home protection system. When it rains, gutters carry water off and away from your home. If your gutters and downspouts are clogged, water builds up on your roof and collects around the foundation of your home. Over time, this can lead to leaky roofs, sagging gutters or even flooded basements. At this point repairs become expensive. Prevent this damage by cleaning your gutters of leaves and other debris at least once a year.

3. Replacing HVAC Filters - Your HVAC system circulates air throughout your home and regulates the internal temperature. Unless you live in a moderate climate, your HVAC system most likely uses more energy than any other home system or appliance.

HVAC systems use air filters to prevent larger dust from clogging up the works. When these filters are dirty, air flow is reduced and the system has to work harder. Luckily, these air filters are cheap and easy to swap out.



4. Maintaining Smoke

Detectors - Early detection of smoke or a fire could save your life. If something starts smoking in the oven, you have a shot of preventing a major fire before it even occurs. Don't wait for the telltale "beep" to service your smoke detectors when they're low on battery. Check your smoke detectors regularly.

5. Program Your Thermostat - When you set and forget your thermostat for long periods of time, your home could be working hard to heat or cool itself while no one is there. Save money on energy costs by reducing your HVAC system's workload. Programmable thermostats can be set around your schedule, and reduce the amount of wasted energy spent.