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# HOMEOWNER'S NEWS

March 2008

Go  
Green  
In  
2008!



## 10 Ways to Save Electricity

Source: *The Internet Journalist*

1. Buy Energy Star products, as they have met "strict energy efficiency guidelines set by the EPA and US Department of Energy".
2. When building or renovating a house, place insulation in the walls, ceiling and floor. It can save as much as 55% of energy in heating and 50% of energy in cooling.
3. Don't add blinds to your windows, rather "tint" them with Low-E glazing.
4. Invest in a washing line, and use it to dry your clothes. This way, you are taking advantage of solar power, without the solar panels!
5. Buy Energy Saver light bulbs, like Compact Fluorescent bulb. They can use nearly 80% less energy, but can match, or often excel the light output of a traditional filament bulb. They also emit a white light, which is more pleasant on the eye.
6. Buy appliances that can run off batteries, rather than plug them in the wall, like an alarm clock.
7. If installing light in your garden, buy the self-sufficient Solar-powered lights, which have a perfect beautiful glow.
8. Take part in outdoor sport, such as football or tennis. This gets you out of the house, and prevents you from relying on a TV or computer for entertainment, and thus saving electricity.
9. Invest in solar panels. This can be expensive, and so I've saved it for last, but with nearly 50% efficiency being reached in testing (If it's not surpassed already), Solar power will become very viable and more affordable in the future.

BONUS: 10. Unplug cell phone chargers / camera chargers if you aren't using them. They consume a constant stream of electricity when plugged in, which seems small, until you have 6 or 7 of them.

For more information on this  
topic visit: [OurEarth.org](http://OurEarth.org)

## Homeowner Tax Deductions

**Deducting Mortgage Interest.** Mortgage interest on a primary residence is usually fully tax-deductible, unless your mortgage balance exceeds \$1 million or you took out a mortgage for reasons other than buying, building or improving a home.

To claim this tax deduction, you should fill out Schedule A, labeled "itemized deductions." Your lender should send you a "Form 1098" that tells you how much mortgage interest you paid for the year. You should record your interest deduction on line 10.

Late payment charges also may be deducted as home mortgage interest if not for a specific service received in connection with your home loan. The same is true for mortgage prepayment penalties-if you pay off your mortgage early and incur a prepayment penalty, you can deduct that penalty as home mortgage interest (subject to the same requirements for late payments).

**Deducting Real Estate Taxes.** Real estate taxes, which are annual taxes based on the assessed value of a property, also are tax deductible. Your mortgage interest statement may list the amount of real estate taxes you paid if your taxes and homeowners' insurance were placed in an escrow account when you closed on your mortgage. If real estate taxes aren't included, you could review your cancelled checks to determine your total real estate tax deduction.

**Deducting Loan Points Paid on a Purchase.** The points you pay on a purchase mortgage are deductible the year you made the purchase. You can deduct any points you paid—and that a seller paid on your behalf\*-if you meet the following criteria:

- The loan is secured by your primary residence and the loan was used to buy, improve or build the home.
- Paying points (and the amount of points paid) is not an irregular practice in the seller's geographic area;
- The points are computed as a percentage of the loan principal;
- The points are clearly delineated on the buyer's settlement statement; and
- You put cash into your home purchase in an amount at least equal to the points you were charged.

**\*Seller Paid Points are Deductible by the Buyer.** When a seller pays points for the buyer (or in other words, buys the mortgage rate down) the buyer gets a lower mortgage rate.

**Deducting Loan Points Paid on a Refinance.** If you refinanced last year, you may be able to write-off any points you paid to buy down the mortgage rate. To do so, you deduct the points proportionately over the life of the new loan. For example, if you took out a 30-year loan, you would deduct 1/30th of the points you paid each year.

**Have you refinanced more than once in recent years?** Many homeowners may have overlooked an important opportunity. Say, for example, you refinanced in 2003 and paid points. You can deduct 1/30<sup>th</sup> of those points in that tax year. However, say you refinanced again in 2006, paying off that 2003 loan. The remaining points from the 2003 refinance—that is, those that hadn't yet been deducted—can now be deducted in full since that loan has been paid off.

**Deducting Interest on a Home Equity Loan.** The interest on a home equity loan is usually tax-deductible\*. However, if your home equity loan when combined with your first mortgage amount, increases the debt on your home to an amount more than the property's actual value, there may be deductibility limits. Usually, you can deduct the smaller of interest on a \$100,000 loan or your home's value less the amount of your existing mortgage. Source: *QuickenLoans.com*

*As always, you should check with your tax advisor to determine which of these deductions apply to you!*

*If you are thinking of buying or selling a home in the near future, or know someone who is, please call for a personal interview and property assessment with no obligation.*

### Home Sale Price Medians by City for January 2008

City	Sales	Jan. 2008	Jan. 2007	% Chg
San Mateo County	237	\$672,000	\$749,000	-10.28%
BELMONT	7	\$800,000	\$860,000	-6.98%
BRISBANE	3	\$1,120,000	\$855,000	30.99%
BURLINGAME	17	\$1,300,000	\$1,675,000	-22.39%
DALY CITY	28	\$622,500	\$750,000	-17.00%
HALF MOON BAY	3	\$945,000	\$800,000	18.13%
MENLO PARK	5	\$825,000	\$780,000	5.77%
MILLBRAE	6	\$906,500	\$950,000	-4.58%
MONTARA	3	\$1,050,000	\$862,500	21.74%
PACIFICA	13	\$629,500	\$646,500	-2.63%
REDWOOD CITY	34	\$757,500	\$755,000	0.33%
SAN BRUNO	17	\$570,000	\$625,500	-8.87%
SAN CARLOS	18	\$795,000	\$860,000	-7.56%
SAN MATEO	56	\$689,000	\$735,000	-6.26%
SOUTH SAN FRANCISCO	18	\$541,500	\$680,000	-20.37%

*Reporting resale single family residences and condos as well as new homes%. Change is from the same month last year. Source Dataquick*