

The New York Times

Help with a down payment

With most lenders requiring borrowers to put down at least 20 percent as a down payment – unless using an FHA or VA loan, or purchasing mortgage insurance – the best holiday gift some people might receive would be help with a down payment on a house.

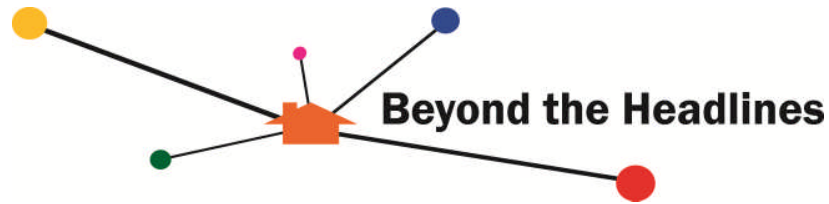
Making sense of the story

- According to a survey by Trulia, the biggest barrier to buying a home these days is saving for the down payment. The survey, conducted over the summer, found that 51 percent of renters said coming up with money for the down payment was preventing them from buying, while 35 percent identified qualifying for a mortgage as the stumbling block.
- Under federal tax law, each individual is permitted to give money or valuables worth up to \$13,000 to a single recipient in a calendar year. A married couple could jointly bestow up to \$26,000 a year per recipient.
- According to one financial planner, there also is the option of lending a relative or close friend the money for the down payment, or the closing costs, then forgiving the loan in a future year. The recipient would have to pay interest on the loan until it was forgiven, at which point it would become a gift.
- Another way to help with the down payment is to pay other expenses, such as tuition, thereby freeing up money to make a home purchase. Gifts for educational or medical expenses are not subject to taxes, as long as they are paid directly to the educational or medical institution.
- However, prior to giving the money, gift-givers should consider their own financial picture, and they should make sure the recipient is responsible and not behind on other payments that could be subject to debt collection.

Read the full story

<http://nyti.ms/rOeBF4>

Dec. 8, 2011



The Los Angeles Times

California and Nevada join forces in mortgage probe

An alliance by California and Nevada to jointly investigate misconduct and fraud in the mortgage business further divides efforts by the nation's attorneys general to bring the home-lending industry to account for improper foreclosure practices.

Read the full story

<http://lat.ms/sllnO7>



The San Francisco Chronicle

2012 mortgage delinquencies seen dropping sharply

Mortgage delinquency rates – the ratio of borrowers 60 or more days behind on their payments – will likely tick up to about 6 percent through the first three months of 2012, TransUnion said in its annual delinquency forecast issued Wednesday.

Read the full story

<http://bit.ly/rSkc0d>



Yahoo! Finance

House prices are finally nearing a bottom

After falling nearly 35 percent from their 2007 peak, nationwide house prices are finally approaching “normal” levels on two key valuation measures: The “price-to-rent ratio,” which measures house prices relative to what the houses might rent for, and the “price-to-income-ratio,” which measures house prices relative to average incomes.

Read the full story

<http://yhoo.it/twjKRY>



The Mercury News

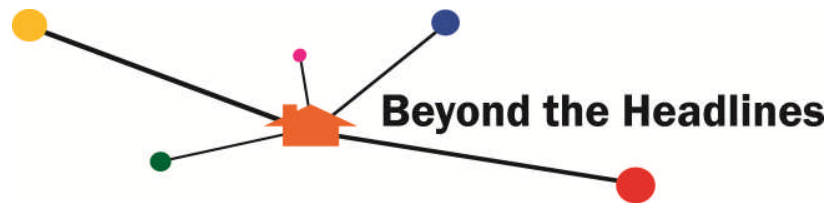
Second homes for retirement have pros and cons

Financial experts say buying your retirement home five to 10 years before you stop working could be beneficial. However, people in this age group should be aware of the risks of tying up money and perhaps losing flexibility with a second home purchase.

Read the full story

<http://bit.ly/vcmwig>

Dec. 8, 2011



The Wall Street Journal

A home-insurance trap

Homeowner policies have important differences that can affect whether claims are paid, according to a study scheduled to be published early next year in the University of Chicago Law Review. The problem is that those differences are poorly understood.

Read the full story

<http://on.wsj.com/tAL1Zy>



CNNMoney

Fannie Mae, banks halt foreclosures for the holidays

Fannie Mae, Freddie Mac, and several large mortgage lenders have pledged not to foreclose on delinquent borrowers during the Christmas season.

Read the full story

<http://cnmmon.ie/vfAWIz>



The Wall Street Journal

Housing inventories fall to new four-year low in October

The number of homes listed for sale fell for the fifth straight month in October, hitting the lowest level in more than four years.

Read the full story

<http://on.wsj.com/teMQ7N>



CNNMoney

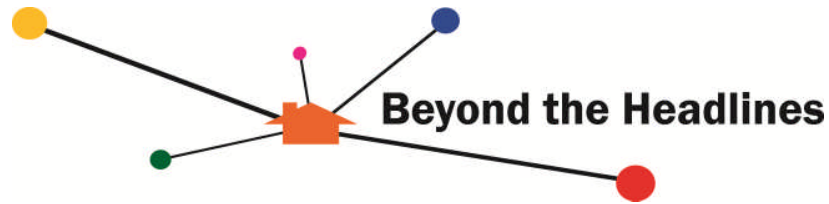
New-home sales edge higher

The Census Bureau reported an annual sales rate of 307,000 new homes last month, up 1.3 percent from a downwardly revised rate of 303,000 homes in September.

Read the full story

<http://cnmmon.ie/tXeXFt>

Dec. 8, 2011



What you should know about the market

- Homeowners can reduce their energy bills by lowering the thermostat setting on their water heater. Most manufacturers set water heater thermostats at 140 degrees Fahrenheit, but most households don't need water hotter than 120 degrees. Households with water heaters older than 12 years should consider replacing it with a new unit for energy savings and reduced utility bills.
- To help lower the cost of heating a home this winter, homeowners can weatherstrip their homes. According to the U.S. Dept. of Energy, there are many kinds of weatherstripping products on the market. Since each product is designed to work in a different area of the home, homeowners should read product packaging carefully to determine if it is best suited for windows or doors, as well as indoor or outdoor use.
- Another tip for "winterizing" a home is to get a furnace or heating system inspection, which most professionals recommend homeowners do at least once a year. An inspection of the working parts can ensure that the house has heat when needed and can prevent costly repairs in the future.