

# March 2011



## Three ways to get greener this year

March is a great time of year to start thinking about how you can go green in the spring. There are numerous ways to kick your green-thumb into action. Here are a few that can save you energy *and* money.

### Appliances

**What you can do:** Choose an ENERGY STAR refrigerator. Over the life of the refrigerator, you'll save \$135 on electricity bills compared to a new non-qualified model – that's enough to buy a digital camera or an eReader!

Also try an ENERGY STAR clothes washer, and save enough in energy costs over the life of the washer to pay for the matching clothes dryer. You

would also save 6,700 gallons of water a

year—enough to operate your ENERGY STAR dishwasher for more than 7 years. The combined water and energy savings—compared to a new non-qualified model—add up to \$50 of annual savings on your utility bills.

Even if you aren't ready to replace your appliances, keep them clean and in good repair; clogged air vents or worn-out parts make motors work harder, which wastes energy!



### A "Pinch" of Green

You're in luck! Grab the kids for a taste of the rainbow with this easy to make Leprechaun Shake. Add some of your favorite liqueur for an adult-only version.

### Leprechaun's Shake

#### Directions

- 1 cup skim milk 2 scoops
- vanilla nonfat frozen yogurt
- 1 teaspoon peppermint extract
- 2-3 drops green food coloring

#### Directions

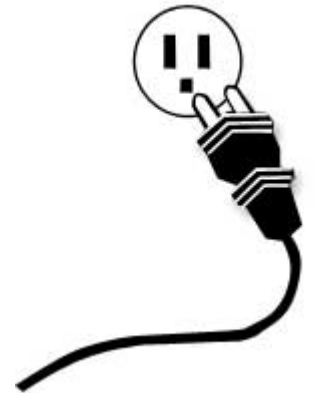
1. Pour all ingredients into a blender and whirl until smooth and green. Serve with a shamrock.

As always, we LOVE your referrals. If anyone you know is in the market to buy, sell or invest in a home please send them my way! We'll make sure we find the right 'match' for them.

### Electronics

**What you can do:** Turn off your power strips or unplug electronics. Power strips can turn off several appliances with the flip of one switch.

Your electronics, computer, TV, VCR, even your phone chargers use energy even when they're turned off. Stand-by power can account for as much as 5-10% of home energy use. Unplugging your devices (or turning off the power strip) can save you money.



### Heating your Home

**What you can do:** Many homeowners don't realize that they are losing 40-50% of their heat through poor insulation. Installing clear plastic barriers or storm windows on your existing windows creates an insulating dead-air space inside the window cutting heat loss by 25% to 50%. Storm windows cost about \$7.50 to \$12.50 per square foot.

Exterior storm windows will increase the temperature of the inside window by as much as 30°F on a cold day.

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## Navigating the home mortgage maze



Since 1989, the average mortgage payment has changed relatively little. In fact, the average principal and interest payment for a home now sits at \$934 versus \$825 in 1989. That's only about a \$100 difference over the course of 22 years! This small change in price is due, in large part, to the fact that mortgage rates averaged 10% then compared to 5.05% today. Now compare that to the price of gas which has increased by nearly three times or even the cost of a new car, which has almost doubled in price. Even the median price of a new home has shot up from \$94,000 to \$173,000.

What does all this mean for you? Home affordability isn't just about the cost of the home; it's about how much home you can get for a reasonably low monthly payment. If you're looking to purchase your first home, are moving up or have decided to scale back, you need to know which mortgage fits your unique financial situation.

**Fixed-Rate:** Want to know exactly what you're going to pay every month no matter what's happening to interest rates? This is the loan for you. A fixed rate loan offers predictable payments over a long period of time because the interest remains the same over the life of the loan.

**Adjustable-Rate Mortgage:** ARM loans provide a low interest rate for an initial payment period – making the initial monthly payment less than those of a fixed rate mortgage. For example, you might pay \$1,000 for the first few years. When the initial payment period at a low interest rate expires, your interest rate will most likely increase, causing a spike of hundreds if not thousands of dollars in your monthly payment.

If you know you're only going to be in the home for a short period of time, or might see a spike in income, an ARM could be a good option. In recent years, ARMs have gotten many homeowners in trouble because they could no longer afford their monthly mortgage payment after the spike in interest rate. This isn't to say an ARM is the wrong choice – it just may not be right for you. The best thing you can do is talk to a lender about whether an ARM is the best option based on your financial situation.

**Government Loans:** The Federal Housing Administration (FHA) and the U.S. Department of Veterans Affairs (VA) offer government insured-loans which are ideal for first-time homebuyers and Veterans.

**Specialized Loans:** Interest only loans, adjustable-rate mortgages, jumbo and combo loans make up this category.

Of course, a trusted mortgage professional and an expert real estate agent should be by your side to help you make decisions based on your individual needs. I have relationships with several lenders in our area and would be happy to pass along those names when you are ready to start the home buying process.



If you are currently working with another Broker please do not consider this a solicitation.

