

House Talk From the Heart

Issue 126

News From Christine Schlittenhart, Your Agent with Heart

July 2018

Heart to Heart

Happy 242nd birthday to the great United States of America! I hope you and your family have fun plans to celebrate Independence Day on July 4th. Our family in Colfax will be hosting a pool party where family from Southern, CA, Nevada and Colorado will be joining in the festivities. Need a special dessert to take to your 4th of July party? Make my delicious 4th of July Strawberry Pie.

Our market is still going strong and it's a great time to be a Seller AND a Buyer! I am staying busy during this early summer market and I'm anxious to help you, your family and your friends with their real estate needs. I'm here to help you turn Your Dreams Into Reality!



Proverb of the Month

"Ponder the path of your feet, and let all your ways be established."

Proverbs 4:26

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MEADOW VISTA MOVIE NIGHTS

Summertime in Meadow Vista means OUTDOOR MOVIE NIGHTS! July's movie, Jumanji, will be shown on Friday, July 20th at the empty lot between the Post Office and Sierra Pacific Real Estate. This film is rated PG-13. The edited version will be shown.

Jumanji: Welcome to the Jungle is a 2017 American adventure comedy film based on a story by McKenna. Part of the Jumanji franchise, the film is a sequel to 1995's Jumanji, which was based on the 1981 children's book of the same name by Chris Van Allsburg. It pays tribute to Robin Williams, the star of the first film, by mentioning his character's name. In addition, a replica of the board game piece used by Williams' character also appears as a clue for the Jumanji game's new players. Set twenty-one years after Jumanji, it follows four teenagers who are transported into the video game world of Jumanji and play as their chosen characters. Joining another player, they must overcome the game's magical power to win and return home.

The lot opens at 7:30 and the movie starts around 8:30 pm. A bountiful snack bar, complete with drinks, hot dogs, candy, cotton candy and of course, POPCORN is on site. The movie is free to attend, but there is a minimal cost for the snack bar items and donations are gladly accepted. All monies received will be donated to the Meadow Vista Pool project, which is still receiving donations for upkeep and maintenance.



Mortgage Investors Want to Make it Easier for Gig-Economy Workers to Get Loans

(Provided by Randy Carter with Finance of America)

The two biggest sources of home-mortgage money in the country – investors Fannie Mae and Freddie Mac – are quietly working on ways to make qualifying for a home purchase easier for participants in the booming “gig” economy.

The gig economy refers to hundreds of income-earning activities that allow workers to set their own hours, work for as long or as little as they choose, and function as independent contractors or freelancers as opposed to salaried employees. Prominent examples include people who work as drivers for Uber or Lyft, assemble Ikea furniture through TaskRabbit and offer rooms in their homes on Airbnb.

Estimates vary, but anywhere from just under 20 percent to 30 percent or more of the U.S. workforce participates in some way in the gig economy. Last year, Intuit, which owns TurboTax, estimated that 34 percent of the workforce earned money in gig pursuits and projected that this could rise to 43 percent by 2020

But when buying a home, the challenge for these workers is to make their gig-sourced earnings count as income for mortgage-qualification purposes. Lenders typically look for stable and continuing income streams: two years of documented income plus reasonable prospects that those earnings will continue for another several years. Lenders also routinely obtain tax-return transcripts from the Internal Revenue Service to confirm an applicant’s self-reported income.

Gig income often doesn’t fit neatly into these boxes. It can be sporadic and variable, depending on how much time an individual is able to devote to the work. Gig earnings can be substantial – thousands of dollars a month – but if that money can’t qualify as “income” under existing mortgage-industry guidelines, it may not help in buying a home with a standard mortgage.

Fannie recently surveyed 3,000 lending executives and found that gig income on applications is increasingly common, but 95 percent said it’s difficult under current guidelines to use these earnings to approve borrowers’ applications. Two of every 3 lenders said better treatment of this income would either “significantly” or “somewhat” improve “access to credit” for many buyers.

Fannie and Freddie are actively pursuing projects that would do just that. Whatever solutions they develop must still produce high-quality loans with low risks of default at the end of the process, and ideally must be automatable – that is, borrower information could be entered into Fannie’s and Freddie’s electronic underwriting systems at the application stage.

Bottom line: If you make money in the gig economy, be aware that your earnings may not be “income” for conventional mortgage purposes. But sometime soon, if pilot programs and research now underway at Freddie Mac and Fannie Mae are successful, they just might.



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CELEBRATION CORNER!

Happy Birthday Wishes To:

Allen Davis & Chris Sullivan (7-2)
Norma McCord (7-4)
Nikki Young (7-6)
Danny Clark (7-11)
Hale Inman (7-15)
Kimberly Kirkegaard (7-18)
Milisa Polaski & Brian McCord (7-21)
Nancy Benedict (7-24)

Happy Wedding Anniversary:

Mike & Debby Carter (7-4-81)
Tim & Julie Paul (7-13-96)
Jan & Gary Reid (7-17-01)
John & Diane Allison (7-28-79)



CA'S TYPICAL HOME COSTS \$600K

For the first time in history, California's median home price hit \$600,860, according to the California Association of Realtors (CAR). The record was based on home sale prices in May and was up 2.8 percent from April and 9.2 percent from May 2017.

California's median-priced home — where half of the homes sold below that number and half sold above — is more than double the national median home price of \$264,800.

California's median price previously peaked at \$594,530 over a decade ago, according to CAR.

"As we predicted last month, California's statewide median home price broke the previous pre-recession peak set in May 2007 and hit another high as tight supply conditions continued to pour fuel on the price appreciation fire," CAR Senior Vice President and Chief Economist Leslie Appleton-Young said in a press release.

The upward pressure on prices is caused by a major shortage of housing supply in the state, particularly in the bottom end of the market where homes are priced below \$200,000. In the last year, availability of those homes declined by nearly 29 percent, while the supply of homes on the market priced at \$1 million and up increased by more than 18 percent.

Still, buyer demand is in high gear. The median time it took to sell a single-family home in California in May was 15 days. (Source: Business Insider)

LISTING OF THE MONTH



Welcome Home to this Lincoln Classic featuring 3 spacious bedrooms, 3 full bathrooms, 2284 square feet, downstairs den/office, separate living & family rooms, high ceilings, bright & open kitchen & peaceful backyard. Close to shopping & downtown Lincoln. No HOA or Mello Roos! Priced to sell at only \$438,500.00.

MILLENNIALS MOVING OUT OF MOM & DAD'S HOUSE

If you have an adult child living at home, you could become an empty nester sooner than you thought.

The number of 18- to 34-year-olds living with parents last year edged down from 2016, according to new data from CoStar Group, a commercial real estate information company in New York.

Last year, 31.5 percent of that age cohort were living with Mom and Dad, down slightly from more than 32 percent in 2016. While still higher than the long-term average of under 28 percent, it's a downward trend the firm expects to continue due to the strength of the job market and overall economy.

"There are more individuals in that age cohort who are employed," said Michael Cohen, director of advisory services at CoStar. "We also should see some wage gains in that age range. ... Both of those things help."

Cohen said the tight labor market — overall unemployment is about 3.8 percent — has led to a higher rate of workforce participation among younger adults. (Source: CNBC)

CLIENTS OF THE MONTH



Happy buyers, Alex and Nancy Theriault, are the new owners of a Duplex in Auburn. Alex and Nancy found me on-line through one of my residential income listings. It was an honor working with the Theriaults.



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RECIPE OF THE MONTH

4TH OF JULY STRAWBERRY PIE

1 (9 inch) baked pastry shell
1 ¼ cup sugar
1 Tblsp. cornstarch
1 ½ cup water
3 Tblsp. lemon juice
1 (3 oz.) strawberry flavor gelatin
1 quart fresh strawberries, cleaned & hulled
Fresh whipping crème or canned creme
Fresh blueberries



- In medium saucepan, combine sugar and cornstarch; add the water and lemon juice.
- Over high heat, bring to a boil. Reduce heat, cook, and stir until slightly thickened and clear, 4 to 5 minutes.
- Add gelatin. Stir until dissolved. Cool to room temperature.
- Stir in strawberries. Turn into prepared pastry shell.
- Chill for 4 to 6 hours or until set.
- Spray whipped crème along the edges and middle and garnish whipped crème with blueberries. Refrigerate leftovers.