



Learn how to get Top Dollar for your home in ANY market – See my website: www.wegwood.com

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James Wegner's...

Wegwood Properties News! [®]

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The Sky Is Only Falling If You're Standing In the Wrong Place!

According to Wikipedia, the definition of **Investment** is: "the commitment of money or capital to purchase financial instruments or other assets in order to gain **profitable** returns in form of interest, income, or appreciation of the value of the instrument." (I added the emphasis on "profitable.")

So – how are *your* investments doing so far in 2010? Depending on the trade articles you may read, *the average 401K has lost between 3.5% to 7%* so far this year. If yours is breaking even – you are doing well.

Declining markets can present fabulous opportunities to the folks who know where to find them. In my area (Teller County, Colorado), there have been over 150 homes foreclosed on since February. This has created a real estate market where:

1. Rentals are scarce.
2. The average monthly rent is increasing.
3. There are dozens of homes available for sale at bargain prices.

I manage home rental properties. The last five vacancies I've had, rented extremely quickly—several on the same day we posted a flyer in our office window. I currently have the names of over 15 families who want to relocate to a rental in this area, and I have nothing to move them into. My solution?

Buy the foreclosed homes and rent them out. Like this: target three bedroom/two bath homes, that are either move-in ready, or just need simple clean-up or cosmetic repairs. I've identified several under \$140,000 that could rent for \$1,100 per month. In simple numbers, paying cash for the home could **provide you a return of over 9%** ($\$1100 \times 12 \text{ months} = \$13,200 / \$140,000 = 9.4\%$).

Hey – wait a minute! If you're paying cash, couldn't you get the home for \$120,000? Maybe even \$115,000? Of course you could! That would give you at least **an 11% return**. **Wow!** And, the return would be more when you figure in value appreciation, and the wonderful tax deductions!

Hmmm – I don't have \$115,000 laying around. Maybe you don't, either. But maybe four of us have \$30,000 – or maybe 12 of us have \$10,000! Bingo – an opportunity! Pooling the resources of all of us reading this newsletter would generate enormous purchasing power.

But I realize many of you would prefer to invest on your own. I have another solution for you. I have identified a lending program where an investor could purchase up to four homes with only 5% down, very low interest, and **no mortgage insurance!** How would that work? Take the same \$140,000 home. A 5% down payment of \$7,000 would give you a monthly mortgage payment of about \$850 (with taxes and insurance). Subtracting that from the \$1,100 rent **yields \$3,000** ($\$250 \times 12 \text{ months}$) – a **whopping return of 42% on your \$7,000 investment!** Risk? Low. Opportunity? Absolutely!

I don't have the space available to outline all the details necessary to put together deals like this, but I hope that I have whetted your appetite. The next time you look at your stock portfolio or 401K and think the sky is falling, maybe you should consider changing where you stand!

If you have an interest in investing in these homes, contact me at (719) 761-9090 or email me at jwegner@wegwood.com.

Get Free money-saving home tips at my web site: www.wegwood.com

Word of the Month...

Studies have shown your income and wealth are directly related to the size and depth of your vocabulary. Here is this month's word, so you can impress your friends (and maybe even fatten your wallet!)

Anomaly (a-nom-a-lee) noun

Meaning: a deviation from the general rule or type

Sample Sentence: My daughter tried to convince me that the C on her report card was an anomaly.

That's Funny

How true is this real estate ad? "Nice 2-bedroom home. The owner has noted that termites have done some damage. Selling house 'as is.' Don't wait. This wonderful property will not last long."

Are You Guilty?

Sure we've done it, but it's not safe. Here are the 10 worst foods to eat while driving according to Hagerty Insurance.

1. Coffee
2. Hot soup
3. Tacos
4. Chili
5. Hamburgers
6. Barbecue
7. Fried chicken
8. Jelly doughnuts
9. Soft drinks
10. Chocolate

Have A Laugh

Did you hear about that new restaurant on the moon?

Great food but no atmosphere.

Quotes To Live By...

My doctor gave me six months to live, but when I couldn't pay the bill, he gave me six months more.

—Walter Matthau

The best way for a person to have happy thoughts is to count his blessings and not his cash.

—Anonymous

Without courage, all other virtues lose their meaning.

—Winston Churchill

Have This Talk To Avoid Financial Mistakes

Want to get your college (or high school) grad off on the right financial foot? The Better Business Bureau suggests you have a talk about avoiding these common (and expensive) financial mistakes:

- ◆ **Not being prepared for emergencies.** Plan ahead. Stash some cash so you'll be able to have a least a three-month emergency fund.
- ◆ **Living off credit cards and making minimum payments.** Once you go down this road, you may never catch up.
- ◆ **Using loan leftovers.** If you happen to have some leftover loan money, don't spend it – use it to pay back what you've borrowed.
- ◆ **Rushing to build credit.** While you want to have good credit, you don't want to do it by opening multiple credit cards accounts. Chances are you'll lose track of billing and end up in heavy debt.

Here's A Free, Valuable Resource...

Now You Can Search The Home Market, Get Helpful Community Information, AND Receive Important Resources For Saving Time And Money When Buying Or Selling At www.wegwood.com.

Five Spices To Boost Your Brain

By "spicing up" your life, you can be helping your brain. Recent studies have shown that spicy food can preserve brain function and help prevent disease. Add these five tasty spices to your diet to reap the benefits:

Turmeric. Called the "ultimate health spice," turmeric contains curcumin and is an ingredient in curry. Studies have shown that it may help prevent Alzheimer's and lessen the pain of rheumatoid arthritis. Sprinkle it on your broccoli or mix a spoonful in a warm glass of water and drink it down.

Ginger. This spice may make you smarter if combined with ginkgo biloba. It also may help treat Parkinson's disease and migraine headaches. Try drinking it as a hot tea.

Garlic. You already love this one, but did you know it increases blood flow to the brain? In a 2007 study, garlic helped fight brain cancer cells.

Saffron. A saffron extract has been found to be effective in treating people with depression.

Cinnamon. Eating it helps with blood sugar control, but just smelling it boosts brain activity. It also speeds the way your brain processes *visual* cues. Chew some cinnamon gum before your next bike ride.

Brain Teaser...

What term did English astronomer John Herschel coin in 1839 that literally means “writing with light”?

(See page 4 for the answer.)

The Wonders Of eBay

- More than \$2,000 worth of goods are traded on eBay every second.
- In the first quarter, a car sold on eBay Motors every 90 seconds; a pair of shoes every 8 seconds; and a cell phone every 6 seconds.
- It's gone green! Check out www.green.ebay.com

Who Makes The Big Bucks?

Who are the world's richest and most powerful celebrities (based on June '09-June '10 data)? Forbes says these celebrities came out on top:

1. Oprah Winfrey
2. Beyonce Knowles
3. James Cameron
4. Lady Gaga
5. Tiger Woods

Among those who dropped off this year's top 100 list are Harrison Ford, Bon Jovi and Will Smith.

Need A U.S. Map?

Find just what you want (and more) at www.nationalatlas.gov. Use the site to customize your own map, print pre-formatted maps with various features, check out interactive maps or order wall maps for your office or classroom.

Kids Are Expensive

The cost for middle-income parents to raise one child from birth to age 17 is \$222,360. That's 22 percent higher than the 1960 cost of \$182,857. The expenses that grew the most were for child care and education. No, these numbers don't include college!

Know Your Kissing Trivia

- Kissing uses one muscle (the orbicularis oris) which is responsible for puckering your lips.
- The science of kissing is philematology.
- Kissing for one minute burns 26 calories.
- Two-thirds of people tip their heads to the right – do you?

What You Should Know About New Credit Card Protections

You'll have more credit card protections effective August 22 as the third phase of the Credit Card Act of 2009 goes into effect. Here's what changes you should expect from your credit card company, and three things you should watch out for:

- **They can no longer charge “inactivity” fees.**
- **They can't charge penalty fees** that are greater than your minimum payment.
- **They can't charge more than *one* penalty fee** based on a single late payment or other violation.
- **They won't be able to charge more than \$25 if you pay late** unless one of your last six payments was late (then your fee may be \$35) or the company shows that the late-payment costs it incurs justify a higher fee.
- **If they have increased rates since Jan. 1, 2009**, they have to evaluate the reasons for the increase and, if appropriate, reduce the rate.

Be aware, however, that credit card companies aren't totally limited. Read your mail carefully to see if they're doing any of the following:

- ◆ **Increasing your rates** as long as they give you 45-days notice and you've had the card for more than a year.
- ◆ **Reducing your credit limit** and closing your account without advance notice. These actions can negatively affect your credit score.
- ◆ **Raising other fees and adding new ones.** Twenty-four percent of issuers are now charging annual fees. You'll also see checking account fees, transfer balance fees, cash advance fees and foreign transaction fees.

Please Welcome New Clients And Good Friends Into Our Real Estate Family...

I'd like to take a moment to personally introduce and welcome a few of my newest clients and good friends who have supported my business over the years. And special thanks for everyone who thought of me with your referrals! All of your referrals are warmly appreciated ☺

Welcome to Eric & Carrie from Illinois
Welcome to the mountains, Scott & Kelly
Many thanks to everyone at Glaser Gas
Thanks, Deb Paino, for your referral

And thanks to Steven & Nancy for allowing us to rent their beautiful home

Don't forget—your referral enters **you** into our Starbuck's Drawing!!!

Thanks For Thinking of Me!

Did you know I can help you or any of your friends or family save time and money when buying or selling a home? Thanks for keeping me in mind with your referrals...and spreading the word about my services.

Brain Teaser Answer:

---Photography!

Financial Tip

Do you realize how much money you spend on things like coffee or going out to lunch? You may be spending too much if you look at the annual cost. For example, if you have 5 lattes a week at \$3 each, you're spending \$780 a year! Is it worth it? Or could you put some of that money to better use?

It's Cool To Use Coupons

Guess who's using coupons now? Everybody! According to a Harris Interactive survey, 6 out of 10 adults with an income over \$100,000 have redeemed a coupon in the past 6 months. They're getting them online from sites like www.coupons.com

Protect Your Health

If your family spends lots of time outdoors, make sure you're protected from bacteria found in soil that can cause tetanus. Because immunity decreases over time, older children need the Tdap vaccine and adults need a booster shot every 10 years.

THANK YOU for reading my Wegwood Properties News!®

I wanted to produce a newsletter that has great content and is fun and valuable to you. Your constructive feedback is always welcome.

AND...whether you're thinking of buying, selling or financing real estate, or just want to stop by and say "Hi," I'd love to hear from you...

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“Who Else Wants To Win A Starbucks Gift Certificate?”

Guess who won last month's Trivia Question? I'm pleased to announce the lucky winner of last month's quiz. And the winner is...drum roll please: Glaser Gas in Divide correctly answered my quiz question.

How many people are active users of Facebook?

- a) 50 million b) 175 million c) 400 million d) a gazillion

The answer is c) 400 million (it only *seems* like a gazillion). Facebook says 50 percent of them log on to the site in any given day. So, let's move on to *this* month's trivia question.

Who is the world's largest retailer (based on revenues)?

- a) Home Depot b) Sears c) Target d) Wal-Mart

**Call Me At (719) 761-9090 OR Email Me At jwegner@wegwood.com
And You Could Be My Next Winner!**

Real Estate Corner...

Q. Has the Homebuyer Tax Credit been extended again?

A. Yes, Congress passed an extension of the Homebuyer Tax Credit deadline to Sept. 30, 2010. It only applies to homebuyers who had a written and binding contract in place as of April 30, 2010, but have not yet closed.

The National Association of Realtors (NAR) said that up to 180,000 homebuyers were eligible for the tax credit, but were unable to finalize the contracts by the deadline due to the amount of last-minute deals that overwhelmed the system. This was particularly critical for short sales, where a lender allows a home to sell for less than the amount owed.

The Internal Revenue Service says more than 2.6 million taxpayers claimed the tax credit through April.

Congress also extended the National Flood Insurance Program until Sept. 30, 2010, allowing property owners seeking flood insurance policies more time to finalize pending paperwork. The NAR said extending the tax credit closing and flood insurance deadlines will help provide additional stability to real estate markets.

If you have any questions, or need capable and trustworthy representation, please call me at **(719) 761-9090**.

Get Free money-saving home tips at my web site: www.wegwood.com