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Dear Friends:

Real estate markets are cyclical. They're up, and they're down...but one thing is consistent: as the temperature increases, so does the real estate activity. After all, summer is the traditional time when families with children prefer to make their move. So on June 21, as we officially enter summer, those of us in the real estate profession are gearing up for the busiest time of the year.

A lot has happened since last summer--and all of it is good news for buyers and sellers along the Front Range: • Interest rates are lower. • New government sponsored programs make it more affordable than ever for the first-time buyer. • And overall, foreclosures are losing steam. Most of all, our Colorado real estate market is perhaps one of the most stable in the country.

I encourage you to call me if you have any questions about our market, or if I can be of help to you or any of your friends who are thinking of making a move. In the meantime . . .

**. . . have a spectacular summer!**

*Jan*

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**Herman Group Real Estate's**  
**Colorado Homefront**  
A Complimentary Colorado Real Estate Newsletter.

If your home is currently listed for sale, this is not intended as a solicitation.

JUNE 2009

### Conditions ideal for helping the kids/grandkids get into a home

Glance through newspaper articles of a few years ago when housing prices were escalating through the roof, and buyers were standing in line to outbid each other. In those days one thing was crystal clear: young people were pretty much priced out of the market.

Today, the balance has shifted, providing the best opportunity in fifty years for the first-time buyer. For starters, interest rates have not been this affordable in decades. Add to that the recently enacted \$8,000 first-time tax credit. Now toss in the outstanding inventory of affordable homes that are ideally suited for first-time buyers here in the Front Range...and that sound you hear is opportunity knocking.



Across the nation, first-time buyers are responding to this opportunity in record numbers. But for many, the financial hurdles are still too high. Enter mom and dad, or grandpa and grandma to provide the financial boost that may be needed. Let's look at four ways you might be able to help that young person in your family make the shift to homeownership.

**Gift the funds:** You can give \$13,000 to each of your children, their spouses, and your grandchildren (or to anyone else you choose) each year without reporting these gifts to the IRS. In addition, if you're married, your

spouse can duplicate these gifts. The gifts will not count as taxable income to your children.

**Equity-share:** In this arrangement the home is purchased jointly, splitting the down payment and ownership costs including monthly payments. The children rent the parent's share of the home. When the home is sold, the parents get back their initial investment, and the additional proceeds are shared in proportion to each one's investment.

**Loan the funds:** If you go this route, match the payback terms with what's realistic for your child. And hire an attorney to draw up a contract that spells out the details.

**Co-sign a loan:** It sounds simple, and costs nothing, but co-signing involves a significant level of trust. You are responsible for the loan if the buyers default.

If you're giving consideration to helping someone get into a home of their own, both parties should exercise due diligence by receiving counsel from experts in the areas of accounting, financial planning, and legal. And of course, call on me to provide the local real estate expertise you'll need in order to find the best potential homes that fit your budget and your individual needs.

## NewsBriefs

▼ If you're into housing stats, graphs and charts, check out the latest from the Federal Housing Finance Authority:

<http://www.fhfa.gov/webfiles/1282/4q08hpi.pdf>

You'll find some interesting statistical housing appreciation comparisons for each state.

▼ Foreclosure filings in the Metro area dropped 20.5 percent in the first quarter of 2009 from a first-quarter comparison of 2008. Arapahoe County experienced the largest percentage drop of 31.62% over the same period a year ago. Boulder was the only county to show an increase, but that number was small (4.5 percent).

▼ The Census Bureau says the vast majority of movers in the U.S. make local moves. According to 2006 data, 62% of people making a move stayed within the same county, while 20% moved to a different county but within the same state. 14% moved state to state, while 3% moved from abroad.

▼ The most expensive place on earth to purchase residential real estate, according to the Global Property Guide, is Monte Carlo in Monaco. At \$45,000 per square meter, it is more than twice the rate of the two runner ups: London and Moscow (both at roughly \$20,750 per square meter.) New York City was the only U.S. market to make the Top 10 Most Expensive Markets. A residential home in New York City was listed as running \$14,898 per square meter. (One square meter equals 10.76 square feet.)

▼ Last year, about 11.9 percent of us switched residences, the lowest moving rate since the U.S. Census Bureau began keeping track of that data in 1948. That means about 35.2 million people moved to a new home in 2008, down from 38.7 million in 2007, according to census statistics released this past April.

▼ The West, including Colorado, was the only part of the country to see sales of existing homes increase in March from the same month of 2008, according to the National Association of Realtors. Home sales in the West rose 18.9 percent to 1.13 million in March of 2009 from 950,000 in March of 2008.

## COLORADO CORNER

### Lariat Loop Road up Lookout Mountain

Lookout Mountain's most recent notoriety has focused on the consolidated Digital TV tower now broadcasting High Definition Television to Colorado's Front Range. But the mountain and the road, known as Lariat Loop, hold a rich history worth exploring.

Before World War I, a chain of mountain parks was being planned for the enjoyment of area residents. The first link of that chain of parks can be found at Milepost 272 just west of Golden on Lookout Mountain.

The City of Denver hired

Frederick Law Olmstead, Jr., to design a road up Lookout Mountain. Olmstead was the landscape artist who designed the spectacular Capitol Mall in Washington, D.C. As the crow flies, it's a mile from bottom to top. But the twists, turns, and spectacular scenery will cause you to wisely take your time.



The rustic stone guardrails are historic gems. Midway through the ride, at the top of the mountain, you'll find the Buffalo Bill Museum, his grave, the Lookout Mountain Nature Center, and even a gourmet restaurant nearby.

## Turning Clutter into Cash: Secrets to a Fun and Profitable Garage Sale

Yard sale, tag sale, garage sale-- whatever you call it, it's a great means to de-clutter your life, and turn your clutter into cash. If you're giving thought to selling your home any time this year, and you want to get the most money for your home, then de-cluttering your home is critical because a cluttered home looks smaller, and is a major turn-off to prospective home buyers.

Even if you have no plans to move, studies show that our "stuff" has a powerful grip on our lives.

When we surround ourselves with clutter, we create an environment that causes stress as we find ourselves in a constant search-mode as we frantically search for keys, jewelry and clothes we planned to wear that day. In short, clutter affects the way we think, act and feel; sometimes without even realizing it.

If you're contemplating a garage sale, here are some overall guidelines to improve the success of your sale:

- A multi-family sale will attract far more people.
- A one-day sale is always better than two days. (And less tiring!)
- Have a strategy for the end of the day. Arrange for delivery to a thrift store donation site after the sale. The goal is to not let leftover items back in the house.
- Browsers like company, so the more the merrier. Ask friends to stop by, park in front, and roam

around like potential buyers.

- Give yourself plenty of time to gather your inventory. Once it's slated for the sale, store your inventory and don't revisit the area to pull items out.
- To attract the most potential buyers, plan to advertise in local papers, on the Internet, and with signs in the neighborhood.
- Have coffee, water, sodas, and

maybe make some donut holes available. (They're cheap and bite-size.) If people are eating and drinking, they're staying. And if they're staying, hopefully they're buying!

You can't just wake up one morning and decide to have a sale.

To do it right takes organization, information, and time. In

the short space of this article, there isn't sufficient room to offer the kind of details that can make your task a lot easier and more profitable. So this month's free

COLORADO HOMEOWNER REPORT is entitled: **"Turn Clutter Into Cash with these Simple Garage Sale Secrets."** The Report offers step-by-step instructions for easy organization, advertising ideas to attract more people, and on-site secrets for creating enthusiasm that turns lookers into buyers.

For all the details you need to make this a fun, profitable venture, just call or email and request this month's *free* **Garage Sale Report**. It can be mailed or emailed to you immediately.



**Go ahead . . . it's time to jump into summer!**



**Summer officially starts June 21, 2009**

## GREEN IDEAS FOR THE COLORADO HOMEOWNER

### The right plants could cut your water bill in half

Hooray for those April snowstorms! Not only did our gardens and lawns need the drink, but it was a welcomed addition to Colorado's snow pack levels which are now above average. The major water providers for the Front Range are confident that they'll have enough water to go around.



But just because we won't have much in the way of water restrictions placed on us as homeowners doesn't mean we shouldn't think about conserving as much as possible. We live in a high plains desert, yet most of the grasses, flowers, shrubs and trees we plant in our yards require substantial water levels to survive, much less thrive. Well, here's an idea to plant in your head: it's time to xeriscape.

Xeriscape comes from the Greek word xeros, meaning "dry" and thus the term xeriscaping grew from landscaping with plants that can withstand dry weather. A xeriscape plant can usually survive with little or no supplemental water. A xeriscape gar-

den is built with plants that naturally thrive on the normal rainfall of the area.

Start by strolling through a Xeriscape Demonstration Garden--found from Ft. Collins to Pueblo. You'll be amazed at the color and variety of plants that will thrive with little supplemental water for weeks at a time. Find the local demo gardens here:

<http://cwcb.state.co.us/Conservation/PublicInfo/LocalArea/XeriscapeDemonstrationGardens/>

Colorado State University has an outstanding website covering a wide variety of xeriscape topics:

<http://www.colostate.edu/Dept/CoopExt/4dmg/Xeris/xeris1.htm>

And if you want pictures and descriptions of xeric plants, one of the best websites is:

[www.HighCountryGardens.com/](http://www.HighCountryGardens.com/)

With a xeriscaped lawn and garden, water conservation can be a beautiful thing. It will also dramatically reduce your water bills, while increasing your home's beauty and value.

### Jimmy Piersal, on how to diaper a baby:

"Spread the diaper in the position of the diamond with you at bat. Then, fold second base down to home and set the baby on the pitcher's mound. Put first base and third together, bring up home plate and pin the three together. Of course, in case of rain, you gotta call the game and start all over again."

### Red Buttons:

"Never raise your hand to your kids. It leaves your groin unprotected."

### Bill Cosby:

"If the new American father feels bewildered and even defeated, let him take comfort from the fact that whatever he does in any fathering situation has a fifty percent chance of being right."

### Mark Twain:

"When I was a boy of fourteen, my father was so ignorant I could hardly stand to have the old man around. But when I got to be twenty-one, I was

## Father's Day Fun



astonished at how much he had learned in seven years."

### Bill Hicks:

"I never got along with my dad. Kids used to come up to me and say, 'My dad can beat up your dad.' I'd say, 'Yeah? When?'"

### Bill Cosby:

"Fatherhood is pretending the present you love most is soap-on-a-rope."

### Kent Nerburn:

It is much easier to become a father than to be one.

### Anne Sexton:

It doesn't matter who my father was; it matters who I remember he was.

### E. Renkel:

Sometimes the poorest man leaves his children the richest inheritance.

### Theodore M. Hesburgh:

The most important thing that a father can do for his children is to love their mother.



When asked to describe Colorado, which US president said: "The scenery bankrupts the English language."

## Real Estate Trivia

26th president.  
President Theodore D. (Teddy) Roosevelt, our



### The single greatest factor that put Colorado on the map

Find yourself stuck on I-25 at rush hour and it's difficult to imagine this land uninhabited and relatively barren, as it was 150 years ago. So what was the driving force that encouraged folks to face the hardships of settling the West?

Since the Revolutionary War, Americans had been at odds with the new government over the distribution of federal lands. Many thought land should be free, considering how much of it there was, as well as the hardships associated with leaving civilization behind and heading into the wilderness to homestead. For years the methods used for surveying land were haphazard and chaotic, resulting in numerous border disputes and overlapping claims. Looking to find a solution and encourage settlers to move west of the original 13 colonies, the

Preemption Act of 1841 resolved land conflicts by implementing the first standardized system of land surveying techniques. The Act also permitted squatters on government land who had lived there for at least 14 months to purchase up to 160 acres at a low price (not less than \$1.25 per acre) before the land was offered for sale to the public.

At that time, most of present-day eastern Colorado (up to the Continental Divide) was contained within the Kansas Territory. The Preemption Act is largely responsible for opening the floodgate of settlers to our area.

However, for many, \$1.25 an acre was unthinkable. For decades, pressure was placed on Washington to open up land parcels for free, to those who were willing to take the risk and work hard. After several defeats in Congress, President Lincoln signed the Homestead Act of

1862, allowing individuals to claim up to 160 acres, free and clear, provided for the next 5 years the homesteader live on the land, improve it with a minimum-sized 12-by-14 foot dwelling, and grow crops on the acreage.

Hard to believe, but the Homestead Act wasn't repealed until 1976, with a ten-year extension granted on claims in Alaska. By the time the Act was dissolved, 1.6 million homesteads were granted, representing approximately 10% of all lands in the United States.

The history behind the Homestead Act is fascinating. Crime, corruption, and catastrophes like the Dust Bowl of the 1930s, have been blamed on the Homestead Act. For more about this interesting aspect of our country's history, check out this site: [www.archives.gov/education/lessons/homestead-act/](http://www.archives.gov/education/lessons/homestead-act/)



# Buying or selling a home along the Front Range is a lot like soccer: it helps to use your head to reach your goal!

And using your head means having the most up-to-date real estate stats and facts at your fingertips. For that kind of information--and the kind of personal, professional expertise to reach your real estate goals, use *my* head to get ahead! Call me at your convenience.

*Jan*

## Snapshot of My Business Philosophy:

“Help my clients safely navigate our Colorado real estate waters and keep them from getting soaked along the way.”

YOUR COLORADO REAL ESTATE RESOURCE  
FOR ANSWERS AND SOLUTIONS. CALL ME ANY TIME.



**Thank you for your business and referrals.**



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