

The

Alpha-Omega Dispatch



October 2007

VALUE

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CURB APPEAL - FIVE TIPS FOR INSPECTING YOUR LANDSCAPE

If you're a homeowner, chances are you will spend a portion of your weekend landscaping your yard. Whether you're over-seeding the lawn, mulching the garden or planting shrubs and trees, landscaping is a great tool to increase the perceived value of your home. What homeowners and potential buyers may not consider, however, is how landscaping may affect a home.

From water intrusion to deck safety, the American Society of Home Inspectors (ASHI) reminds homeowners and buyers about the importance of exterior inspections. "The landscape always changes," said Frank Lesh, 2007 ASHI president. In fact, according to the National Association of REALTORS, 36% of recent homebuyers made improvements to their landscaping shortly after moving in, another 20% plan to upgrade their landscaping within two years of buying a home. "Every time you add a tree, shift soil or build an addition, you're changing the way water flows through your yard or adding a new hiding place for rodents or insects," added Lesh. That's why ASHI recommends paying careful attention to the landscape and regularly evaluating how changes big or small may affect your home.

Whether you're selling, buying or interested in general maintenance, ASHI suggests taking a close look at the home's exterior. Below are five tips for inspecting your landscape:

- 1- Identify the placement of tree limbs - Identify overgrown tree limbs hanging over the chimney or flue. Blockages could affect the draft and create higher carbon monoxide levels within a home.

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Close to home...

Melissa Ziefel, an Account Executive who joined our team in 2005, has recently gotten married.

She and husband Anthony Fazio celebrated the start of their life together with a ceremony in Palm Coast and a Caribbean cruise. Congratulations Anthony and Melissa from the entire Grace Title team!

OFFICE OF FEDERAL HOUSING OVERSIGHT PROVIDES FLEXIBILITY ON FANNIE & FREDDIE MORTGAGE PORTFOLIOS

OFHEO Director James B. Lockhart announced today that his office is providing Fannie Mae and Freddie Mac with additional flexibility in managing their mortgage portfolios to comply with the portfolio caps agreed to last year. "These changes will make it easier for the Enterprises to manage market-based fluctuations in their portfolios and reduce the need to keep large cushions below the portfolio caps," said Lockhart. "It will also make it easier for OFHEO to monitor compliance with the portfolio caps.

Both companies have indicated that this portfolio flexibility, combined with their securitization capabilities, asset sales, and the monthly runoff of their portfolios, should allow them to provide greater assistance to subprime borrowers and others who may have difficulty refinancing their existing mortgages in the current environment," Lockhart said. The temporary investment caps on their mortgage portfolios were established in

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2- Look for problems underground - Sometime roots will become visible, lifting or cracking a sidewalk or driveway, which could create a trip hazard. Homebuyers and owners should also look for depressions in a yard, which could indicate a leaking sewer line, as a result of root interference, that may need to be checked.

3- Survey the grading - Drive around the block and take a good look at the property. Identify whether it's at the bottom of a hillside, at the top of one, or on flat land. Also look at the relationship to the surrounding yards and determine whether the neighbor's yard is higher. It's important that water is channeled away from a house rather than toward it to prevent basement leaks and damage to the exterior.

4- Determine foliage proximity - Watch for foliage that is close to the exterior of a house. It can provide shelter for insects and rodents and give them an excellent vantage point to enter a home. Also, take note of shrubs that are too close to the building as the wind may cause them to rub up against the house and wear down the siding.

5- Inspect your deck - While a deck isn't a living part of the landscape, it's still an important element to inspect. All residential decks should have a standard 36 inch railing and the balusters (vertical supports used between posts of a railing) should be no more than 4-inches apart (measured from the inside of the rails) to keep children and small pets from squeezing through or getting stuck. Also look for split or decaying wood and loose or corroded fasteners (nails, screws or anchors) that may compromise the deck's stability.

"It's best that homeowners evaluate their property every two years," added Lesh. "We also recommend that potential homebuyers hire an inspector who evaluates the home's exterior as well as its interior - an ASHI requirement - before making a purchase. Buyers or homeowners interested in locating an ASHI Certified Inspector are encouraged to visit ASHI's Web site www.ASHI.org.

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May and July of last year because of both Enterprises' operational, systems, financial reporting, risk management and internal control shortcomings.

They have made progress in remediating some of these issues, including the publication by Fannie Mae of its 2006 financial statements and Freddie Mac of its second quarter 2007 financials, though neither was done in a timely fashion. Both companies have indicated they expect to produce audited, timely, annual financial statements for 2007 in February of 2008. OFHEO has decided that it would not be prudent at this time to allow any major increases in the portfolio levels because the remediation process is not finished, many safety and soundness issues are not yet resolved, and the criteria in the Fannie Mae consent agreement and Freddie Mac's voluntary agreement have not been met. "Given our ongoing significant supervisory concerns, OFHEO will closely monitor the implementation of these portfolio cap flexibilities and will require the Enterprises to report regularly on the resulting changes and risks inherent in their portfolios," Lockhart said.

With the ongoing concerns about the subprime mortgage market, both Fannie Mae and Freddie Mac have announced commitments to purchase tens of billions of dollars of subprime mortgages over the next several years. The portfolio cap flexibility plus their ongoing ability to securitize mortgages, sell assets, and replace maturing assets, will enhance each Enterprise's ability to purchase or securitize, over the next six months up to \$20 billion or more of subprime mortgages, refinanced mortgages for borrowers with lower credit scores, and affordable multi-family housing mortgages.

These efforts should assist lenders in helping some subprime borrowers avoid foreclosure. OFHEO expects Fannie Mae's and Freddie Mac's Chief Risk Officers and other senior executives to continue to closely monitor the Enterprises' investment activities, as will OFHEO's Office of Supervision, to ensure the activities meet sound credit underwriting and other safety and soundness standards. These standards include the recently implemented Interagency Guidance on Nontraditional Mortgage Product Risks and Statement on Subprime Mortgage Lending.

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