

Judy Goldberg
CA BRE Lic. #01826333
Senior Real Estate Specialist

Cell: (760) 274-5910
JudyGoldberg@Windermere.com
www.JudyGoldberg.com



**Beautiful Panoramic View
in Old Creek Ranch**
3 Bedrooms plus Optional 4th, 3.5 Baths,
Crown Mouldings, 3 Fireplaces, 3090 sq. ft.
\$899,000
Just Call Judy! 760.274.5910



Judy Goldberg

REAL ESTATE

Judy's Corner

Some days we just need a fresh look for Summer in our home! Here are some decorating ideas that you can do yourself.

- If you need very long curtains, consider buying some egg shell drop cloths.
- Put something interesting in the fireplace; you won't be using it in the Summer.
- Consider painting your front door a bright color.
- Recover your headboard with vibrant Summer colors to add pop to your bedroom.
- Add gauzy panels to your patio for shade and atmosphere.
- Paint your patio furniture.
- Frame a map.
- Get some new pillows from Ikea to add to the living room.
- Add a mirror to make the room look larger, and it will reflect a flickering candle.
- Add a large picnic table with a colorful tablecloth for family gatherings.

These are just a few ideas that can give your home a lift and perk things up without breaking the bank.

And if you get into any larger projects that need contractors, plumbers, flooring, remember:

"Just Call Judy"
760.274.5910

For All Your Real Estate Needs
for you, your family, and friends

First Quarter 2018 California Housing Affordability

CAR, May 15, 2018

28 Regions See Improvement Over Previous Quarter

Higher wages and lower seasonal home prices combined to push California's housing affordability higher in the first quarter of 2018, compared to the previous quarter, according to a recent report by the California Association of REALTORS®.

The percentage of home buyers who could afford to purchase a median-priced, existing single-family home in California in first-quarter 2018 edged up to 31% from 29% in the fourth quarter of 2017, but was down from 32% in the first quarter a year ago. This is the 20th consecutive quarter that the index has been below 40%. California's housing affordability index hit a peak of 56% in the first quarter of 2012.

A minimum annual income of \$111,500 was needed to qualify for the purchase of a \$538,640 statewide median-priced, existing single-family home. The monthly payment, including taxes and insurance on a 30-year, fixed-rate loan, would be \$2,790, assuming a 20% down payment and an effective composite interest rate of 4.44%. The effective composite interest rate in fourth-quarter 2017 was 4.17% and 4.36% in the first quarter of 2017.

Condominiums and townhomes also were more affordable in first-quarter 2018 compared to the previous quarter with 39% of California households earning the minimum income to qualify for the purchase of a \$449,720 median-priced condominium/townhome, up from 38% in the fourth quarter. An annual income of \$93,090 was required to make monthly payments of \$2,330.

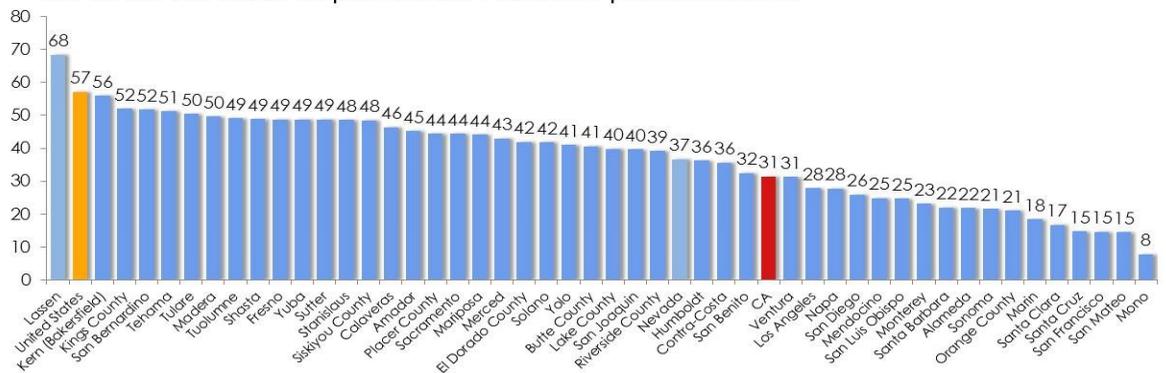
Key points from the first-quarter 2018 Housing Affordability report include:

- Housing affordability improved from fourth-quarter 2017 in 28 tracked counties and declined in 14 counties. Affordability in six counties was unchanged.
- Strong wage growth in the San Francisco Bay Area pushed affordability higher from the previous quarter in six of nine Bay Area counties (Alameda, Contra Costa, Napa, San Francisco, San Mateo, and Santa Clara). Affordability decreased in two Bay Area counties (Solano and Sonoma) and held steady in Marin.
- In Southern California, affordability improved in Los Angeles, Riverside, San Bernardino, and Ventura counties, while affordability in Orange and San Diego counties remained flat during first-quarter 2018.
- In the Central Valley, six counties posted an increase in affordability from the previous quarter (Fresno, Kern, Madera, Sacramento, San Benito, and Stanislaus). Affordability in Merced, San Joaquin, and Tulare declined but held steady in Kings and Placer counties.
- Affordability in the Central Coast improved moderately, driven by flat or declining home prices. Monterey, San Luis Obispo, and Santa Barbara experienced higher affordability, while Santa Cruz posted a decline as a result of subdued wage growth and price declines.
- During the first quarter of 2018, the most affordable counties in California were Lassen (68%), Kern (56%), and Kings and San Bernardino (both at 52%).
- Mono (8%), San Francisco, San Mateo, and Santa Cruz (all at 15%), counties were the least affordable areas in the state.



Housing Affordability In CA: By County

2018-Q1: % able to purchase median-priced home



SERIES: Housing Affordability Index of Traditional Buyers
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

June HomeWork



- Clean and seal decks.
- Hire a certified chimney sweep to inspect and clean chimneys. Doing this now allows plenty of time for repairs and it's also easier to schedule a sweep.
- Wash the exterior of your house using ordinary garden hose pressure and a mild detergent. Avoid pressure washers as they can actually force water under the siding where it may encourage mildew and rot.
- Caulk exterior joints around window and doors.
- Clean lint from the entire clothes dryer vent system, from the dryer to the exterior vent cap.
- Inspect and repair or repaint all patio and deck furniture.
- Check operation of attic fans and roof-mounted turbine vents.

Source: www.weather.com

June Celebrations



Great Outdoors Month features include National Trails Day®, National Fishing and Boating Week, the Great American Backyard Campout, and National Get Outdoors Day. Welcome to the Water on National Marina Day, hosted by the Association of Marina Industries, will also be celebrated across the nation during June.

On **June 6th**, we remember **D-Day**, a recognition of the Allied soldiers who landed in Normandy, France in 1944, fighting to end World War II.



We celebrate **Flag Day on June 14th** to honor the US flag and to commemorate the flag's adoption. On the same day, the **United States Army celebrates its birthday**.

Father's Day is June 17th

He didn't tell me how to live; he lived, and let me watch him do it.

~ Clarence Budington Kelland ~



Juneteenth commemorates the Union army's freeing of all remaining slaves in Texas in 1865. **June 19th** is a day for all Americans to celebrate freedom and equal rights.

The **Summer Solstice** occurs on **June 21st**, marking the longest period of daylight in the year and first official day of summer.



Source: www.timeanddate.com/holidays/us

How To Minimize Income Taxes on Social Security Benefits



Many people are surprised to discover they may have to pay income taxes on part of their Social Security benefits in retirement. Here's how to reduce or avoid these taxes.

Stay below the taxable thresholds. Social Security benefits become taxable if the sum of your adjusted gross income, nontaxable interest and half of your Social Security benefit exceeds \$25,000 as an individual and \$32,000 as a married couple. If these income sources are up to \$34,000 for individuals and \$44,000 for couples, income tax will be due on half of your Social Security benefit. Retirees with incomes that top \$34,000 for individuals and \$44,000 for couples pay income tax on up to 85% of their Social Security benefit. However, you will not have to pay tax on your entire Social Security benefit, regardless of your income. 15% of the Social Security benefits you receive are always tax-free.

Retirees with low incomes or whose only source of income is Social Security generally don't pay income tax on their Social Security benefit. The average annual Social Security payment (as of March 2018) was \$16,932, well below the taxable threshold of \$25,000 for an individual. However, some 40% of Social Security beneficiaries have to pay federal income tax on part of their benefit and since the income cutoffs for Social Security taxes are not adjusted for inflation, more retirees will need to pay tax on their Social Security payments over time.

Manage your other retirement income sources. Retirees who have income from another source in addition to Social Security frequently have to pay tax on part of their Social Security benefit. Pension payments, dividends and interest from savings and investments, earnings from part-time jobs and withdrawals from 401(k)s and IRAs are sources of income that can make your Social Security payments taxable.

Consider taking IRA withdrawals before signing up for Social Security. You have some control over when to take withdrawals from retirement accounts during your 60s. You can begin taking penalty-free distributions after age 59 1/2, but aren't required to take minimum withdrawals until after age 70 1/2. You might be able to reduce your Social Security income tax bill if you withdraw money from your traditional 401(k) or IRA in the years before you sign up for Social Security. Middle income retirees should consider withdrawing their IRA account before starting Social Security, reducing their IRA account balance by the time required minimum distributions start.

Some retirees take a large retirement account distribution in the year before signing up for Social Security, while others take IRA distributions for several years in order to delay claiming Social Security and qualify for higher Social Security payments in the future.

After age 70 1/2, you might be able to avoid paying income tax on your IRA required minimum distribution if you donate it directly to a qualifying charity. When you donate a required distribution to charity, it is not counted as income and does not contribute to the taxation of your Social Security payments.

Save in a Roth IRA. Distributions from Roth 401(k)s and Roth IRAs after age 59 1/2 from an account at least 5 years old are not taxable and also don't contribute to the taxation of your Social Security benefits since they do not count in the formula that determines how much of your Social Security is subject to taxation. By the time you begin Social Security, if you have more money in Roth IRAs than in tax-deferred accounts, you will have more flexibility in when you draw money out of what type of account. With planning, you can draw money out in a way that reduces your tax liability over the course of your retirement years.

Factor in state taxes. Most states don't tax Social Security income, however, 13 states do: Colorado, Connecticut, Kansas, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Rhode Island, Utah, Vermont and West Virginia.

Set up Social Security tax withholding. If you will owe taxes on Social Security payments you can elect to make quarterly estimated tax payments to the IRS or have federal taxes withheld from monthly payments.

Source: *U.S. News & World Report, Copyright 2017*

