

HOMES: Some recent purchasers have a little buyer's remorse

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A ROOM FOR EVERYONE

Richard Kim bought his home in Garden Grove mainly out of need. His three children moved into his two-bedroom apartment after a divorce, and they needed more space. Lower prices and an improvement in his financial situation allowed the single dad to afford a four-bedroom home with a den on Acacia Avenue.

The new one-story home is almost double the size of the apartment, and everyone now has a room of their own.

The house's original price was \$679,000. Kim, 41, a general contractor, got it for just under \$620,000, a 9 percent savings.

The sellers accepted his original \$640,000 offer but cut their price by \$20,000 more when escrow faltered over his loan terms. The seller stuck to the discount even after Kim was able to get the loan he wanted, he said.

He never had a moment's hesitation over the deal.

"I believe the market will continue to go down a little bit more ... but the margin that I cut with the seller will be enough if the price goes down 1 to 2 percent more," Kim said. "So I said, 'Why not?'"

HUNTING FOR BARGAINS

Jeff Silber, 25, has been in escrow on a condo in Placentia for six weeks. Because his deal is a short sale, with the price less than what the seller owes, he expects the escrow to last 1 1/2 to two months more.

But if the bank approves the deal, Silber will save \$100,000 from the seller's original purchase price, or a 31 percent discount.

Silber, a production manager at his father's garment factory, has been eyeing the housing market for two years and began scouring Southern California four months ago for a foreclosure or short sale.

He chose a two-bedroom, two-bathroom unit with more than 900 square feet, a large master bedroom and walk-in closet. "It's a deal," he said. "It has wooden cab-



MIGUEL VASCONCELLOS, THE ORANGE COUNTY REGISTER

A SLOWING MARKET: Some recent buyers have seen prices drop since they bought their properties, causing some minor regrets.

inets, it was completely repainted by the prior owners, and tile floors. I can't complain."

ERODING EQUITY

Some residents of Camden Place, a new-home development at the former Tustin Marine base, are feeling buyer's remorse. The three-story condos they bought are now selling for more than \$100,000 less than they paid.

Erin Kerr said he doesn't regret buying his Camden Place condo but does wish he had waited a little longer.

The market was stronger a year ago when he and his wife, Joy, decided to buy

the two-bedroom, 1,558-square-foot unit, and it seemed to be holding up when they closed escrow in April.

They paid \$577,000. Last week, the developer offered a similar unit for \$464,000.

"We love the community, we love our home, but part of me wishes we waited maybe a few more months. Maybe we would have gotten a better deal," said Kerr, 34, a pastor at Saddleback Church. Still, he said, he's happy with the deal.

"We want to start a family soon, and this is a good area," Kerr said. "It may be years before it turns around, but we're going to be here for awhile."

UP FOR RENT

Meanwhile, the Tiptons are fixing up their new Anaheim Hills home, getting it ready to move in.

While they got a deal on the home they bought, they couldn't find a buyer for their old home in Whittier.

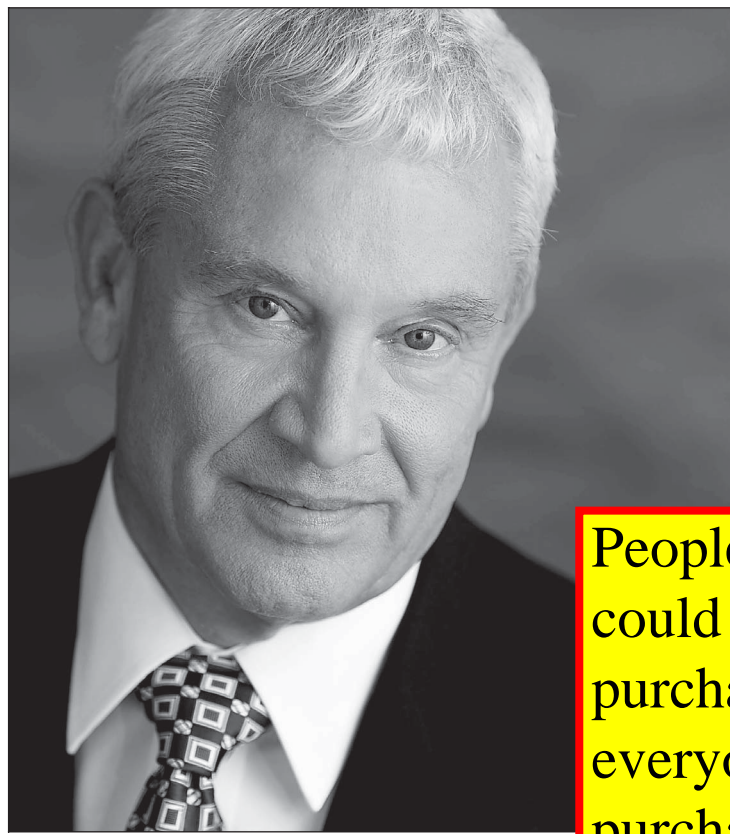
So after two months of trying to sell it, they took it off the market and plan to rent it out instead.

"It's just not selling for what it's worth," he said.

CONTACT THE WRITER: 714-796-7734 or jcollins@ocregister.com



Dick Gaylord, president of the National Association of Realtors



Financial adviser Richard Crum, president of RS Crum Inc. of New York



Mac Mackenzie, president of the Mackenzie Advantage Team of Coldwell Banker

HOUSING: The glass is half empty

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whether now is the time to buy a home.

All agree that the era of "Flip This House" is over. And all agreed that today's buyers need to own a home for years to get what they paid for it.

Beyond that, opinions diverge, even if some of their expectations overlap.

Experts expecting the market to rebound about a year from now advised that now is a great time for most homebuyers to purchase.

Others say it's impossible to time the market. Even though they expect prices to continue to drop, don't let that be an impediment to buying now, they say, because prices will bounce back eventually.

And some, like Thornberg, say buyers shouldn't buy for a year or two because prices are going to fall much more.

Here's a summary of their thoughts:

GREAT TIME TO BUY

Expectation: Market to turn around in the fall of 2008, if not sooner.

Now is a perfect time to buy a home, some local Realtors say: Prices are lower, interest rates are historically low, and there are plenty of homes to choose from.

"I'm not seeing the market fall apart. Are we having a correction? Absolutely," said Long Beach broker Dick Gaylord, who becomes the 2008 NAR president next month. "I think for most buyers, this is a great time. The question is are you

buying right?"

Caruso warns that it's a good time to buy only if you plan to own a home for more than a year. But there's a lot of pent-up buyer demand, he said, predicting that "we might have a heck of a spring and summer" next year.

"I don't think this will go on much longer," Gaylord added, forecasting a turnaround by the last quarter of 2008.

GOOD TIME FOR SOME

Expectation: Prices to continue declining but will bounce back.

People who buy a home right now could still see prices fall after the purchase, but that shouldn't stop everyone from considering a home purchase, said Coldwell Banker agent Mac Mackenzie.

This school of thought says a buyer could blow a deal for a home he loves while waiting for prices to drop.

"Now is the time to buy if you're looking to do what people did in the 1970s: Buy a home to live in, and live in it for 10 years," Mackenzie said.

Someone shopping for a condo should wait until prices go lower, he added. Since condos are generally the same, buyers should have no trouble finding one they like later on.

But because houses often are unique, house shoppers should consider buying as soon as they find what they want, he said. Finding a similar deal later on may not be possible.

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or jcollins@ocregister.com