

White Rose Newsletter

News to Help You Build Your Business

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Not Who You Really Are

A girl went to her grandmother's house after school, her face filled with rage and hurt.

"What has happened, little one?" the grandmother asked softly. The girl crumpled into tears and began recounting her day. "I went to the store today and bought a hair barrette. I had saved my money so that I could buy it. It was beautiful and I loved it."

"And then what happened," the kindly grandmother asked.

"I was admiring my new barrette when three girls I know from school came up to me. They started laughing saying that I was ugly, then one of them pushed me down and took my barrette." The anger and rage returned to the girl's face. "I hate those girls. I hate them more than anything in the world."

The grandmother wrapped her arms warmly around her granddaughter, and she said, "I, too, have felt what you're feeling when people have taken things from me with no remorse. It's as if you become a different person. But these feelings are not really who you are.

"What do you mean?" asked the little girl.

"It is as if there are two dogs inside of you. One is always good, peaceful, and loyal. He does not take offense when it does no good. He will fight when the time is right, but let it go if the fight is not worth the trouble. The other dog is full of anger. The least thing sets him off, and he is ready to lunge and attack. His anger keeps him from thinking clearly or being happy. It is hard to live with these two dogs inside of you—they often struggle, and only one can win."

"Which dog wins?" the little girl asked.

"Ah," said the grandmother. "The one you feed the most, wins."



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Homeowners, Buyers Maintain High Hopes in Survey

A recent survey of current and potential homeowners shows the majority have a bright outlook on the nation's housing market and economy for 2014—which may translate to a more active market.

LendingTree released recently the results of an online survey conducted near the end of the last year. The survey collected responses from 609 individuals who either

currently own a home or are considering purchasing in the next year.

According to the findings, more than two-thirds—69 percent—of respondents have a positive outlook on housing this year, and 63 percent hold a similar view for the economy at large.

With hopes this high, 71 percent of respondents said they are considering selling their home in 2014.

"As home values continue to improve across the country, sellers who have been sidelined due to low property values will start to take action in the market," said Doug Lebda, founder and CEO of LendingTree. "Although it's unlikely that 70 percent of current homeowners will sell this year, it's a positive sign for the housing market that more homeowners are considering the possibility of moving."

*Motivation will almost always
beat mere talent. ~Norman
R. Augustine*

According to the survey, 72 percent of respondents said home prices in their area increased throughout 2013, while 20 percent said values were down, and 8 percent said they were flat.

In areas where home values were said to have increased, prices rose an average of 10.2 percent; among those areas where respondents said values fell, the average decrease was believed to be 9.2 percent.

The most recent Case-Shiller home price data shows prices in the nation's 20 biggest markets were up an average 13.6 percent year-over-year as of October.

While those kinds of gains may discourage potential homebuyers as affordability slips, they'll be necessary to draw sellers in: Of the 71 percent of homeowners who are thinking about selling this year, 47 percent said they plan to sell if they see an increase in their home value. Only 24 percent said they would sell regardless.



Getting Started In Social Media

A solid presence on social media can help you (or your organization) reach a broader audience and win more attention for your work. But if you have not yet gotten on board, you might be overwhelmed before you start. Without getting bogged down into discussions of individual forums, here's a look at a few practical steps you can take to make your mark on the Internet:

- **Go wide, then deep.** The four main platforms that can drive results and interaction are probably Facebook, Instagram, LinkedIn, and YouTube. Depending on your business, others may be just as useful. If you are getting started, you'll drive yourself crazy trying to keep up with all of them at the same level of intensity. Determine



which platforms draw the people you want to attract, then target your efforts to as small a number of platforms as possible.

- **Learn and plan.** Once you select a platform, read a book about how to maximize its use. Then create tangible goals. Think of it as a marketing campaign: Decide what you want to accomplish and how you'll measure it, then plan your strategy around that. Be ambitious, but realistic. Getting 150 Twitter followers when you start out is more likely than reaching half a million in your first month.
- **Commit to it.** Too many people and businesses get started, work hard at it for a few weeks, then drop it when they get busy or don't see immediate results. Start out at a level you can handle and stick with it. Post something daily, or at least weekly, and stick to it so your audience has a reason to come back. Don't give up just when people are starting to pay attention.
- **Analyze and adjust.** Collect data on your results and stay on top of the data you collect. Use it to make changes to widen your scope. Stick to your strategy, but don't be stubborn about it. If something's not working, change course before you waste time and lose credibility.

February Quiz Question

Q: I am the beginning of the end, and the end of time and space. I am essential to creation, and I surround every place. What am I?

Everyone who texts, emails or calls in the correct answer to Paul by the last day of this month will be entered into a drawing for a \$50 gift certificate to the restaurant of your choice. 717.269.4957 or Paul@wrsettlements.com

January Quiz Question:

Q: What is the most commonly spoken language in the world?

A: Mandarin Chinese

Congratulations to Dave Kost,
Wells Fargo

2013 Existing Home Sales Highest Since 2006 By Brian Collins

Over 5 million previously owned homes were sold in 2013, despite a slowdown in sales during the last quarter of the year.

The National Association of Realtors reported Thursday morning that existing home sales rose 2% in December after a 6% decline in the prior month.

"We lost some momentum toward the end of 2013 from disappointing job growth and limited inventory, but we ended with a year that was close to normal given the size of our population," said NAR chief economist Lawrence Yun.

Existing single-family home sales rose to a 4.87 million seasonally adjusted annual rate in December from a downwardly revised 4.82 million rate in November.

"Despite the frigid temperatures that hit most of the country, it bodes well for 2014 that sales warmed up for the first time in three months, well ahead of spring selling season," said Quicken Loans vice president Bill Banfield.



Overall, existing home sales are up 9.2% from 2012, which marks the strongest performance since 2006.

“Existing-home sales have risen nearly 20% since 2011, with job growth, record low mortgage interest rates and a large pent-up demand driving the market,” Yun said.

Realtors are looking for 2014 to be another strong year, according to NAR president Steve Brown.

“The only factors holding us back from a stronger recovery are the ongoing issues of restrictive mortgage credit and constrained inventory,” he said. “With strict new mortgage rules in place, we will be monitoring the lending environment to ensure that financially qualified buyers can access the credit they need to purchase a home.”

All-cash sales comprised 32% of sales in December, up from 29% a year ago. “Individual investors, who account for many cash sales, purchased 21% of homes in December,” NAR said, unchanged from 2012.

Mortgage lenders are hoping the percentage of cash sales will decline this year and more buyers will need financing.

Get Moving With Ridiculous Thoughts

When you can't break out of a bad pattern or you're feeling stuck and frustrated, the best approach can be to force yourself to look at it from a radically different perspective.

Authors who can't find their way out of a scene in a story will sometimes ask a friend what they'd do in that situation, knowing that the friend's perspective will be different than their own. If no friend is handy, they might think of the most ridiculous ideas to break their stuck pattern—like putting peanut butter in the gas tank, or having the dog play the piano.

A Little League coach used this principle when he was teaching his team of 7-year-old players how to bat. After watching meek results a few times around, the coach picked up the ball, held it out to his team, and said, “This is not a baseball. It's a tomato. And the next time you see it coming at you, I want you to smash it with your bat. Smash the tomato!” The boy took a bat, and smashed the “tomato” into the outfield. The other players quickly followed his example, all with big grins on their faces.

Next time you're stuck in a holding pattern, try thinking of it in radically, even ridiculously different terms.



The fight over shrinking origination volume By Brena Swanson

Although mortgage originations continue to contract, lenders are still open for business. And while community banks may seem at risk of losing out in this competitive space, that's simply not the case, industry veterans claim. In fact, they're rather competitive. "While big banks' earnings were down, they were still pretty substantial," said Ron Haynie, senior VP of mortgage finance policy for the Independent Community Bankers of America. "They just were not doing quite as much." The refinance market has dried up and pulled back a lot from activity levels recorded a year ago, Haynie explained.

In their recent earnings reports, JPMorgan Chase (JPM) and Wells Fargo (WFC) both recorded significant drops in originations but still posted strong profit growth overall. Positive signs abound for community banks. These firms are not dependent on refinancing business since they never relied on that space, Haynie explained.

"Community banks operate with a relationship model. They do not rely on third parties since they are locally based," Haynie explained. "But they are well positioned to be successful in the market in the coming year." According to Haynie, community banks are starting to see more business in small towns as building activity picks up. "Community banks will thrive in this atmosphere because the bulk of the refinancing goes to the bigger money banks," said Dick Bove, an analyst with Rafferty Capital Markets. The community banks have the local relationships that will help them gain business, Bove explained.

But the same positive news is not industry wide. While mega banks can offset the decline in originations, regional banks or lenders that focused too heavily on refinance applications will struggle to stay afloat, Haynie said. "The entire industry as a whole is coming to grips with the new mortgage lending rules and that will have an effect on all lenders. Some folks will be more conservative, which will have an effect across the entire marketplace," he added.

The Mortgage Bankers Association recently lowered its estimate for 2014 mortgage originations, revising it downward by \$57 billion to \$1.12 trillion. Still, Haynie emphasized this number still represents a significant amount of business.

The only people you should try to get even with are the ones who have helped you.

Have An Oreo

If you're like me, you enjoy a cookie and hot cocoa in cold weather. But where did our cookies come from?

The first cookies didn't taste much like the treats we enjoy today. According to some sources, the first cookies were biscuits made in Rome around the third century B.C.



They were thin, hard, bland wafers that were dipped in wine. Modern cookies may have originated in Persia during the 7th century, when sugar became more common. They became popular across Europe in the 14th century. One reason for their appeal was that they traveled well in tins and boxes, making them a reliable source of food on trips.



The word “cookie” comes from the Dutch “koekje,” for “little cake.” Cookies arrived in North America in the 17th century, but the cookies we’re most familiar with, made by creaming butter and sugar, became common in the 18th century.

How does the CFPB handle mortgage complaints?

Life in the **Consumer Financial Protection Bureau**-age is well underway, and it seems the bureau’s Director Richard Cordray is becoming more forthright on how his agency approaches consumer complaints.

Cordray’s staff issued his remarks before the **U.S. Conference of Mayors** Wednesday. In those statements, he is surprisingly open about how complaints about lenders and servicers are handled by the CFPB.

The process begins with a simple consumer call to the bureau or a submission through its website, ConsumerFinance.gov.

Each complaint is individually processed, Cordray said in his statements.

"We typically forward it via a secure web portal to the appropriate company, which reviews the information, communicates with the consumer as needed, and determines what action to take in response," the CFPB director added.

"The company is required to address the issue on a fairly quick time frame. If the consumer is not happy with the company’s answer, they can send us feedback," he explained.

"We review this feedback, along with other information such as the timeliness of the company’s response, to prioritize complaints for investigation. Throughout the process, consumers can call us or log onto our website to receive status updates, and provide additional information."

To date, the bureau has received 270,000 complaints from individuals, recording 15,000 consumer complaints last month alone. About 109,000 complaints – a solid majority of the whole – relate to mortgages.

The CFPB also is tracking trends to spot any reoccurring issues.





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