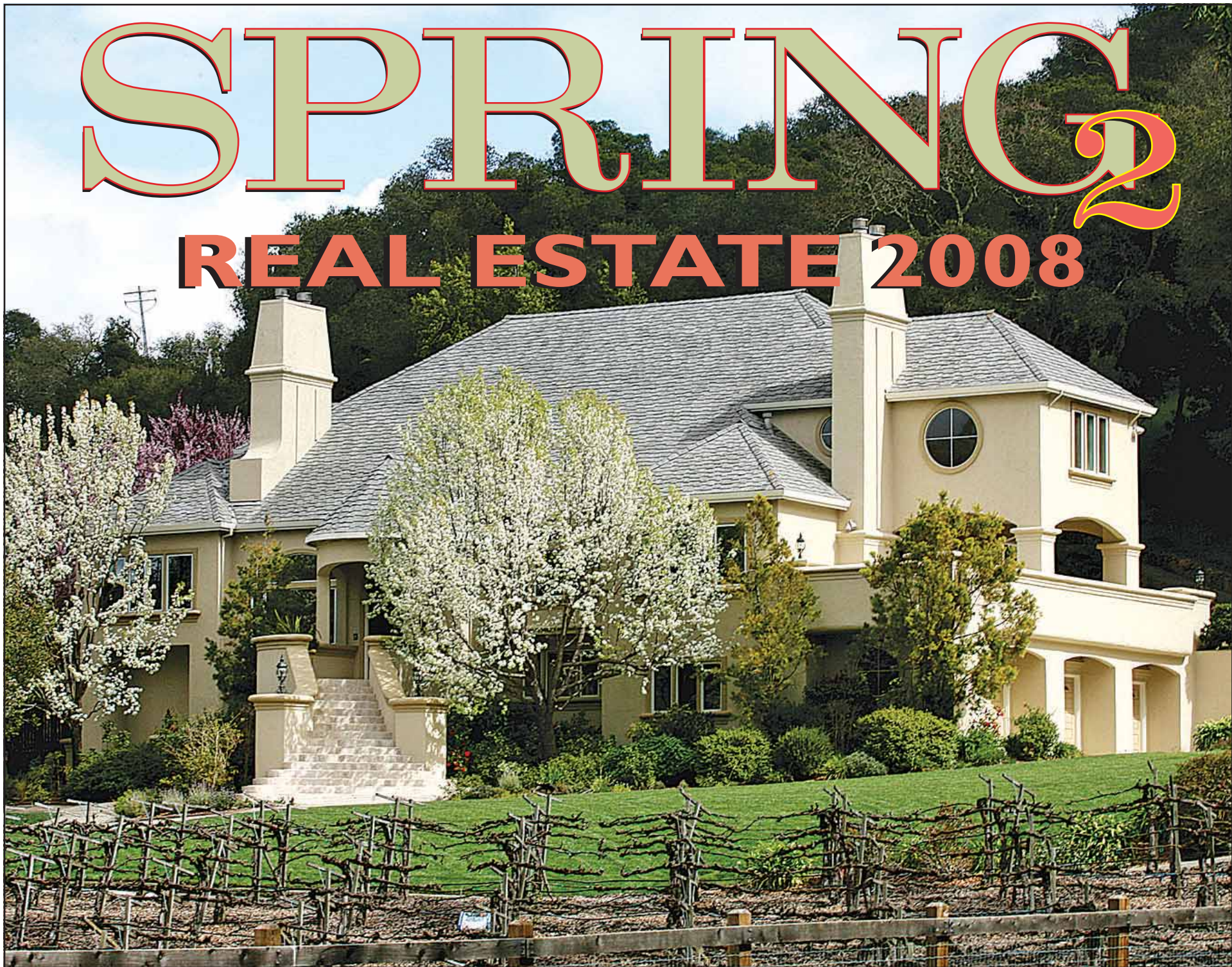


SPRING

REAL ESTATE 2008



Norbert von der Groeben

Hoping to attract a serious buyer, this nearly 6,000-square-foot home (with guest house, vineyard and 12-stall barn) on close to six acres at 4 Arastradero Road in Portola Valley was recently reduced from \$12 million to \$8.275 million.

Slow, but steady sales at higher end

Pricey houses typically take longer to sell

by Kate Daly

Traditionally, when the weather gets warmer, the housing market heats up too. But while there are some hot pockets among higher-priced properties, the upper end seems tepid, local Realtors agree.

Jim McCahon of Coldwell Banker, Woodside, describes the market as “spotty.” He has been in the business for two decades, and says so far this year, “It’s been more active than it’s been in the past couple of years. There are a lot of buyers. ... A lot of people feel real estate is a very good value.”

In Woodside and Atherton, he counts 14 deals all involving homes valued more than \$5 million that either closed or wound up in escrow during the months of January and February.

“There are no foreclosures in this price range, and in a lot of cases there are no loans,” he said, which could help explain why the upper end of the housing market is holding its own.

In March, McCahon was hopeful his \$7,450,000 listing at 45 Roberta Drive, Woodside, would soon sell given the current climate. Situated on four acres with a newly updated four-bedroom/three-and-a-half-bathroom house, guest house, pool, barn

and riding ring, the property “is really a true value,” but has seen very little action until recently, he said.

McCahon listed the house back in October, at a lower rate than the original asking price of four years ago. Since fall, he has aggressively marketed the house, putting out fliers, placing ads in magazines and newspapers, mailing picture post cards, and promoting it on the Internet on various Web sites, including his own.

These days many potential buyers let their fingers do the walking by taking a virtual tour online before even committing to a drive-by or on-site tour. The Internet has become an indispensable tool in the business, with some Realtors dedicating Web sites to a more expensive home.

Cashin Company Realtor Dana Cappiello says extra marketing is now the norm. For example, she has her listing at 4 Arastradero Road in Portola Valley publicized on 17 different Web sites, including Craigslist, the one she finds has the most traffic.

In addition, the San Jose Mercury News has featured the French chateau as a “fantasy home,” and pictures have appeared in design books and her most recent mailing to prospective clients.

(continued on page 35)



James Avenue, Atherton

FOR SALE \$8,150,000



Family Farm Road, Woodside

FOR SALE \$4,150,000



Portola Road, Woodside

FOR SALE \$3,995,000



Clayton Drive, Menlo Park

FOR SALE \$3,825,000



Friars Lane, Woodside

FOR SALE \$2,750,000



Bear Gulch Road, Woodside

FOR SALE \$2,250,000

Scott Dancer
650.529.2454
scottdancer.com



2969 Woodside Road, Woodside, CA 94062
Information deemed reliable, but not guaranteed.

Premier Properties represented by **Scott Dancer**



Slow but steady

(continued from page 33)

According to Cappiello, the housing market “was just dead between August and February; a lot of buyers were just waiting.”

Now she said, “People think we’ve hit the lowest prices we’re going to see,” which could explain the sudden burst of interest in the 6,200-square-foot remodeled French-style home on close to six acres, with a guest house, vineyard and 12-stall barn.

About six months ago, the property was listed at \$12 million and didn’t attract much attention, but now that the price has been reduced to \$8,275,000, she has shown it to clients 12 times in two weeks.

Alain Pinel Realtor Bonnie Biorn sees another trend developing among buyers here on the Peninsula.

“They don’t want fixer uppers. So many people are in high tech and very busy, or married with children and don’t want to do a fix up,” she said.

As a result, she said, “New homes are moving very well in Atherton, but there’s very little new construction in Atherton.”

Elaine White of Coldwell Banker might disagree with that statement, based on her experience trying to sell a brand-new New England Shingle-style house designed by architect Roger Kohler at 2 Mount Vernon Lane in Atherton. The home, with all six bedrooms and seven full baths and two half baths fully staged, first came on the market last July at an asking price of \$7,495,000.

The property has its own Web site, and has been advertised in a local magazine. Eventually, the price was dropped to \$6,795,000 and recently came under contract. But she says, “The buyer couldn’t get his money as quickly as he thought,” so the deal fell through.

White is now in the process of having the house restaged, and adding some colorful flowers to the custom landscaping job to give the property “a fresh look.” “We’re changing it up to make it sparkle,” and taking the house temporarily off the market during the spruce-up phase, she said.

(continued on next page)



Norbert von der Groeben

This home, at 481 Stockbridge Ave., Atherton, was offered for \$8,295,000 in March.

‘There are no foreclosures in this price range, and in a lot of cases there are no loans.’

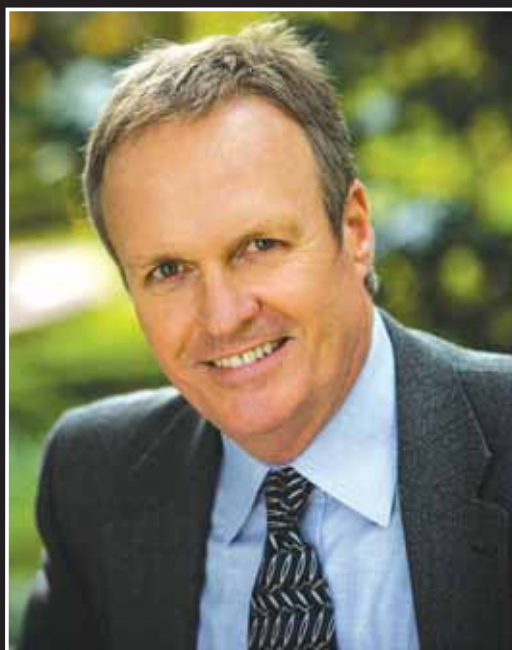
— Jim McCahon, Coldwell Banker, Woodside

Experience • Commitment • Trust



Residential Real Estate Sales

Palo Alto
Menlo Park
Atherton
Redwood City
Woodside
Portola Valley
Los Altos
Los Altos Hills
Mountain View
Sunnyvale



“Professional standards of practice, hard work and a sense of humor are essential in any successful transaction. I am committed to my clients needs and to my community. My goal is to build lifelong relationships based on trust, cooperation, and goodwill.”

Michael Hall

Seniors Real Estate Specialist
2005 Palo Alto Realtor of the Year

mhall@apr.com



650.543.1084

apr.com PALO ALTO 578 University Avenue 650.323.1111

(continued from previous page)

Houses in Palo Alto, Menlo Park and Atherton “are holding their values,” Biorn said, but she notes “a slight downturn” in Los Altos Hills over the past year.

For example, her \$7,990,000 listing at 13914 Mir Mirou Drive in Los Altos Hills has generated some interest but no offers since it went on the market some six months ago.

The stately English Country-style home sits on approximately two and a half acres adjacent to the Arastradero Preserve. Built 25 years ago, the main house features five bedrooms, three and a half baths, and overlooks oak groves and meadows, a guest cottage, pool and tennis court.

For more than a month, Biorn has also been representing owners of a 78-year-old Dutch Colonial home in what she calls “highly desirable” Old Palo Alto, where the builder is keeping the exterior intact, but “everything else is new.” Located at 2050 Waverley St., the house is more than 4,000 square feet in size, with plans to create four bedrooms, three and a half baths, a new basement and wine cellar.

The extensive remodel is expected to take until the fall, giving buyers the chance to help select finishes. The asking price is \$6,400,000.

Biorn says she hasn’t marketed the property yet, but will as soon as the project site looks more presentable. ■

Extra marketing is now the norm.

— Dana Cappiello, Cashin Company,
Woodside, noting her listing
at 4 Arastradero Road, Portola Valley, is
publicized on 17 different Web sites



Norbert von der Groeben

This Crescent Park home at 1060 Palo Alto Ave. was recently reduced from \$7,986,000 to \$7,485,000. The new house features five bedrooms, four+ baths and nearly 6,000 square feet of space on more than 1/2 acre.

What to Expect? *Exceptional Real Estate Service!*

“April is historically a strong month for real estate sales. Will this annual trend continue? In my opinion it will because the old cliché holds true – it’s all about location, location, location and we live in a desirable area with strong demand, low inventory and many qualified buyers...”

*Now is the time to make the decision to buy or sell... Want proof?
Email me for my first quarter ‘08 Real Estate Report.*

*In this market, it’s also wise to know the value of your home.
Call me for a comparative market analysis.*

Steven Gray, Realtor
650-743-7702
sgray@cashin.com
www.Obeo.com/SteveGray



REDEFINING QUALITY SINCE 1990

Reading between the emotional line makes the difference between finding a house and a home.



ALAIN PINEL
REALTORS



**Carol,
Rosemary
& Nicole**

650.543.1184
teamcrn@apr.com



PALO ALTO... Palo Alto's signature home, the Squire House, is a grand treasure! It is recognized as a National Historic Monument and by the State of California as a rare example of Neo-Classic Revival style. **\$14,750,000**



**Bonnie
Biorn**

650.543.1202
bbiorn@apr.com



LOS ALTOS HILLS... Premier estate property bordered by the Arastradero Preserve. 2 parcels - one with a 5,500 5bd/3.5ba home + pool, the other with a 1bd/1ba guest house + tennis court. **\$7,990,000**



**Jolaine
& Jack
Woodson**

650.543.1184
teamcrn@apr.com



PALO ALTO... Most prestigious Palo Alto location. Framed by Japanese maples, this spectacular 5 bedroom home sits on a 10,500+/-sf beautifully landscaped lot. **\$7,600,000**



**Samia
Cullen**

650.543.1208
scullen@apr.com



ATHERTON... 7-year old 4bd/4+ba English Manor is a tribute to quality and craftsmanship. Towering ceilings, bay windows, exquisite selection of natural stone, fine wood finishes. Home is 6345+/-sf. **\$7,500,000**



**Kyra
Gebhardt**

650.543.1188
kyra@apr.com



WOODSIDE... Stunning, resort-like residence on approximately 4.5 acres bordering Wunderlich Park. Full equestrian facilities. **\$7,500,000**



**Carol,
Rosemary
& Nicole**

650.543.1184
teamcrn@apr.com



LOS ALTOS HILLS... Unbelievable views and exquisite beauty at this 5bd/4.5ba home. Impressive interior features include separate DR, FR, updated kitchen. **\$3,875,000**

MENLO PARK 1550 El Camino Real Suite 100 650.462.1111 | **WOODSIDE** 2930 Woodside Road 650.529.1111

APR COUNTIES | Santa Clara | San Mateo | San Francisco | Alameda | Contra Costa | Monterey | Santa Cruz



REDEFINING QUALITY SINCE 1990

Reading between the emotional line makes the difference between finding a house and a home.



ALAIN PINEL
REALTORS



Vicky Costantini

650.430.8425
vcostantini@apr.com



WOODSIDE... Two parcel horse property (5+acres total) in Woodside. Main House is 3bd/2ba + office. Barn- 4 stalls with paddocks, tack room. Studio cottage.

\$3,375,000



Bonnie Biorn

650.543.1202
bbiorn@apr.com



MENLO PARK... This fabulous 5bd/3.5ba home in west Menlo is a newly constructed home with 3000+/-sf living space on a 10.400+/-sf lot.

\$3,250,000



Michele Musy

650.543.1203
mmusy@apr.com



SALE PENDING

MENLO PARK... Remodeled 4bd/3ba + separate office/au pair. Garden is large and private with patio. 3240sf including garage. Menlo Park schools.

\$2,895,000



Monica Corman

650.543.1164
mcorman@apr.com



PALO ALTO... Two exceptional homes in one exceptional location. Main home is newly constructed 3bd/2.5ba. Separate 2bd/2ba remodeled bungalow.

\$2,675,000



Rich & Robin Sequeira

650.543.1155
rsequeira@apr.com



LOS ALTOS... Gorgeous Ratts Tuscan home. Storybook curb appeal. 4bd/3.5ba, walnut hardwood floors, granite, limestone island in kitchen to family room.

\$2,598,000



Janise Taylor

650.543.1189
jtaylor@apr.com



MENLO PARK... Gorgeous 5bd/4ba home in West Menlo. Includes large guest house. Lovely neighborhood. Excellent Las Lomitas school district. 8300+/-sf lot.

\$2,495,000

MENLO PARK 1550 El Camino Real Suite 100 650.462.1111 | **WOODSIDE** 2930 Woodside Road 650.529.1111

APR COUNTIES | Santa Clara | San Mateo | San Francisco | Alameda | Contra Costa | Monterey | Santa Cruz





Chris Harris

650.291.5254
charris@apr.com



MENLO PARK... This fabulous 4bd/3ba home in the Willows neighborhood of Menlo Park is newly constructed with an estimated completion date of 5/2008.

\$1,849,000



Diane Chesler & Quetzal Grimm

650.434.4321
dchesler@apr.com
650.400.7879
quetzal@apr.com



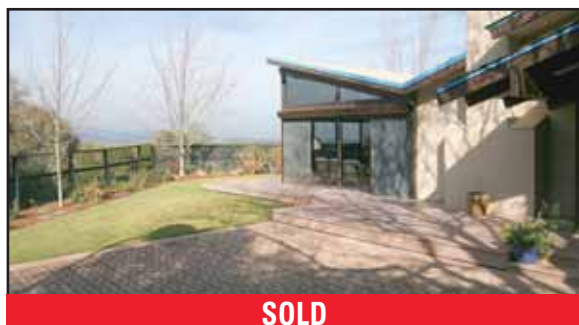
MENLO PARK... Beautiful new construction in the Willows neighborhood of Menlo Park, sited on a 7690+/-sf lot this 4bd/3ba home has 2548+/-sf of living space.

\$1,849,000



Joe & Mary Merkert

650.543.1156
jmerkert@apr.com



PORTOLA VALLEY... Spectacular views of the Bay Area and San Francisco define this contemporary 3bd/3ba home located at the top of Ladera.

\$1,800,000



Rich Bassin

650.543.1197
rbassin@apr.com



MENLO PARK... Located in prime west Menlo with proximity to Oak Knoll School this 4bd home offers opportunity for add-on/remodel or move in and enjoy.

\$1,795,000



Agnes Williams

650.543.1176
awilliams@apr.com



MENLO PARK... Updated 4bd/2ba west Menlo home on 10,000+sf lot with abundance of privacy. Formal LR with fireplace, formal DR. Gourmet's kitchen. Menlo Park schools.

\$1,795,000



Kyra Gebhardt

650.543.1188
kyra@apr.com



MENLO PARK... Custom-built 4bd/3ba home on 10,000+sf lot on quiet cul-de-sac. Gourmet kitchen, elegant LR, separate DR and FR with French doors to expansive yard.

\$1,550,000



REDEFINING QUALITY SINCE 1990
Reading between the emotional line makes the difference between finding a house and a home.



Jolaine & Jack Woodson

650.543.1150
jolaineandjack@apr.com



SALE PENDING

PALO ALTO... 3bd Green Gables home presents classic details and timeless appeal. Charming original architectural details & lush landscaping.

\$1,395,000



Jolaine & Jack Woodson

650.543.1150
jolaineandjack@apr.com



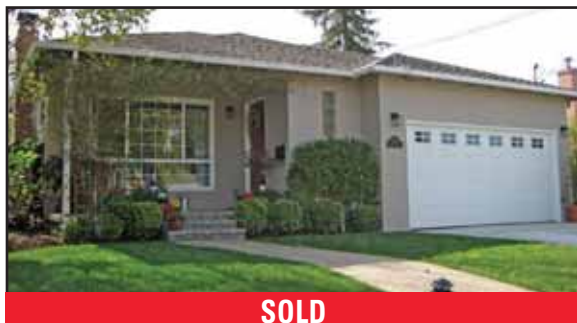
MENLO PARK... This 3bd/3ba 2155+/-sf townhouse presents charming traditional appeal. It is one of six units in the very desirable Shadow Pines complex.

\$1,295,000



Joe & Mary Merkert

650.543.1156
jmerkert@apr.com



SOLD

REDWOOD CITY... Mount Carmel remodeled 3bd/1.5ba charmer. Kitchen/baths with granite countertops and stainless steel appliances. Beautiful yard.

\$989,000



Courtney Charney

650-543.1239
ccharney@apr.com



SOLD

MENLO PARK... Charming Menlo Park home. Three bedrooms, two bathrooms, gourmet kitchen and a large yard.

\$799,000



Mani Razizad

650.543.1168
mrazizad@apr.com



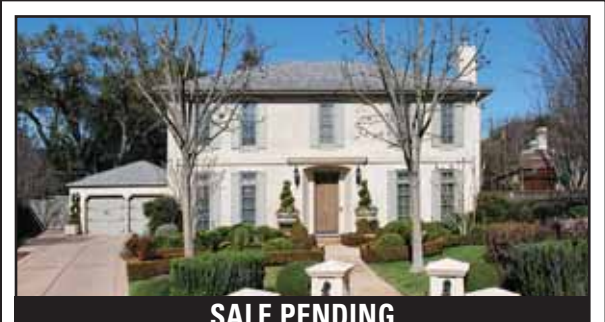
MENLO PARK... 1bd/1ba Lincoln Green condominium. Close to local parks, shopping, commute routes and Stanford University. 1-covered parking space with storage.

\$439,000



Bonnie Biorn

650.543.1202
bbiorn@apr.com



SALE PENDING

MENLO PARK... Stunning 5bd/5.5ba Mediterranean home on quiet cul-de-sac location on one of the largest lots in Vintage Oaks. Pool/pool house with full bath.

Price upon request

MENLO PARK 1550 El Camino Real Suite 100 650.462.1111 | **WOODSIDE** 2930 Woodside Road 650.529.1111

APR COUNTIES | Santa Clara | San Mateo | San Francisco | Alameda | Contra Costa | Monterey | Santa Cruz



An answer to the subprime mess?

Loan-limit lifeline promises more than delivers

by Dan Shilstone

Many looked to the federal economic stimulus package to throw a lifeline to a mortgage market mired in the subprime slime, but when details of the new loan limits emerged on March 17, some felt they'd instead been thrown a fraying thread.

"For a borrower, it's just not the lifeline they needed," said Samuel Spinella, a certified mortgage-planning specialist with Alpine Mortgage, Menlo Park.

The stimulus package, signed into law on Feb. 16, raises the limits of "conforming" loans, which can be purchased by major mortgage institutions Fannie Mae and Freddie Mac or insured by the Federal Housing Administration. In high-cost areas such as Santa Clara County, this translates to a maximum loan of \$729,750, a significant increase from the previous \$417,000 limit.

High real estate values in Palo Alto and surrounding areas have required many borrowers to take out "jumbo" loans that exceed the old limit and carry much higher interest rates because they aren't backed
(continued on next page)

'I see it as a real shot in the arm for the overall market. ... It's spurring a lot of people who might not be getting in the market to do so, and it's making it more affordable for them.'

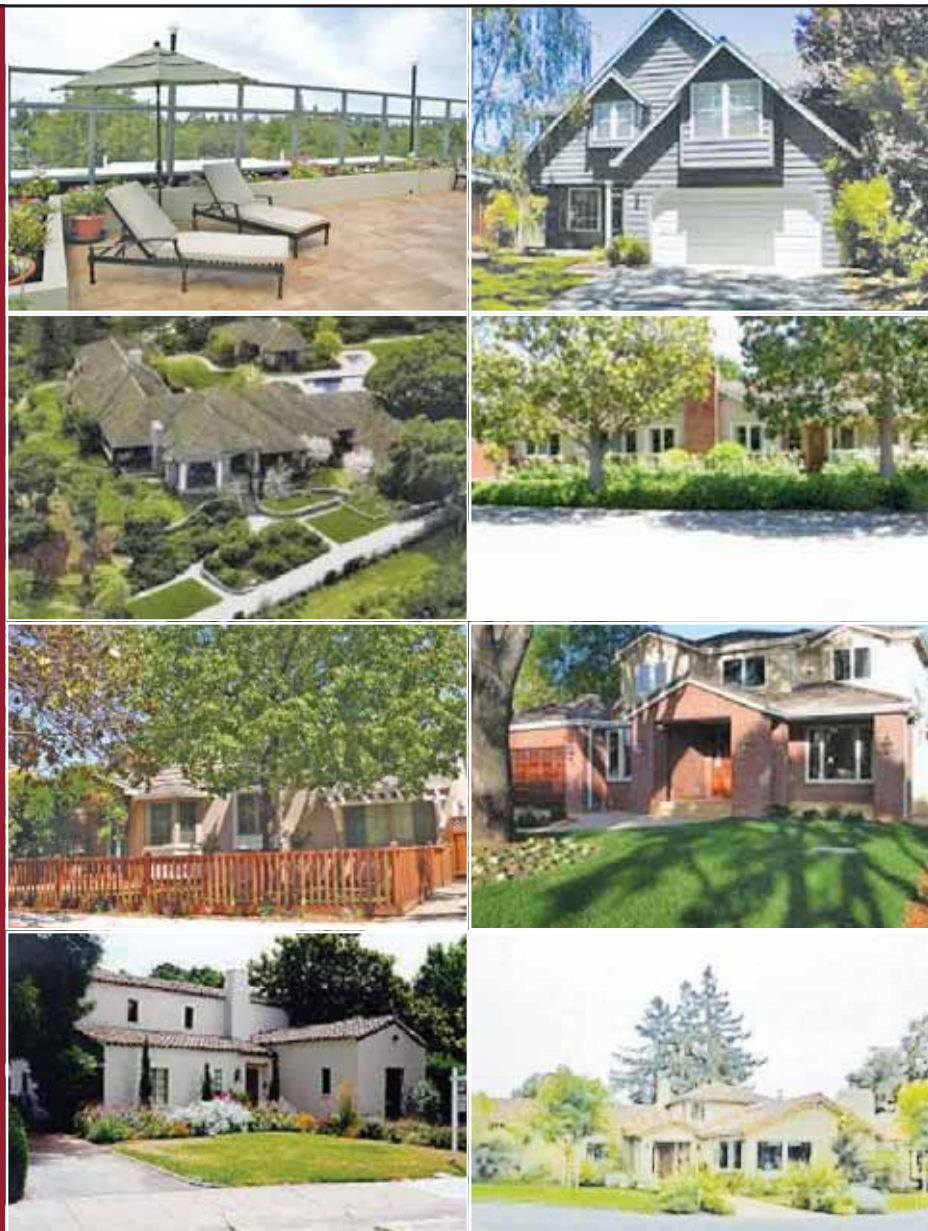
— Eric Trailer,

Absolute Mortgage Banking, Palo Alto



Veronica Weber

Eric Trailer, a partner with Absolute Mortgage Banking, Palo Alto, is enthusiastic about recent changes in loan limits.



A Tradition of Excellence in Real Estate

- ◆ 25 years of experience assisting Home Seller's and Home Buyer's on the Peninsula and Silicon Valley neighborhoods!
- ◆ Over 600 homes sold! Over \$350 million dollars in residential real estate!
- ◆ Platinum Award winning agent with Keller Williams for 2006 & 2007!
- ◆ #4 agent in Northern California region for Keller Williams!
- ◆ From Barron Park to Crescent Park, from San Jose to Burlingame, put my knowledge and experience to work for you!
- ◆ Visit my website at www.johnwking.com to search for homes, obtain statistics, school information and much more!

Call me at 650.483.2710
to discuss all your residential
real estate needs!



John W. King
Direct: 650-354-1100
jwking@akrealty.com



CASHIN PORTOLA VALLEY



■ **PORTOLA VALLEY**...A rare opportunity to own two superior estate parcels combining location, privacy, and unparalleled usage of all acres. These parcels are truly unmatched and stand-alone. Up to 15 horses permitted. Palo Alto Schools \$9,600,000



NINO GAETANO
650.207.1986
nino@cashin.com



■ **PALO ALTO**...Charming, remodeled Professorville home 2BR's, 1BA, + bonus room & 1/2BA off garage. Remodeled kitchen w/Granite, cherry cabinets, & breakfast bar. Sep. Dining area. 1-car detached garage & basement. Great PA Schools. \$1,399,000



STEPHANIE SAVIDES
650.464.3581
ssavides@cashin.com



■ **MENLO PARK**...3BR/2BA + bonus room sets on a private, professionally landscaped lot, beautifully updated home & detached guest cottage designed w/high ceilings & lots of light. Located near "Allied Arts" shopping, parks & award winning schools. \$1,495,000



JAMI ARAMI
650.400.5855
jarami@cashin.com



■ **MENLO PARK**...Stunning remodeled home on prime West Menlo cul-de-sac. Gourmet kitchen w/ center island, Granite, w/high-end appliances open to sunny dining area and Great Room. Skylights & tech lighting w/Italian glass pendants. 3BR/2BR in main house, & 1BR/1BA detached office/guest room. \$2,499,000



STEPHANIE SAVIDES
650.464.3581
ssavides@cashin.com



■ **PALO ALTO**...Rare opportunity for this prime downtown area property. 3 detached Tudor style homes on a quiet residential street. 2 charming 1BR/1BA Living Room, Dining Room, Kitchen w/separate yards. 1 studio. 2-car garage.



PAUL SKRABO
650.619.8092
pskrabo@cashin.com

Price Upon Request

3130 Alpine Road, Portola Valley 650.529.2900

Selling Northern California's Finest Properties



Spring Real Estate 2008

Subprime mess (continued from previous page)

by the major mortgage players.

Spinella and others hoped to see restrictions and rates comparable to standard conforming loans when the new limits were implemented.

"I was expecting conforming, not a hybrid of conforming," he said, explaining that higher interest rates and strict limits on loan-to-value ratios (the ratio of the loan amount to the total property value) massively reduce the utility of these loans to borrowers in need.

"It's not going to be the significant bail-out that was expected," he said, "and the reason being is if the loan-to-value is going to be capped at 75 percent, and there's a 100 percent loan on the property that you need to adjust so you can afford it, it's not doing any-

thing for the person who's in a bind. The rate will only take up 75 percent of that loan.

"I really think that if they kept the same conforming guidelines, then that would have helped tremendously. As it is, I think it's going to help maybe 10 percent of the people who actually need it."

Susan McHan, founder and CEO of Opes Advisors in Palo Alto, agrees that the immediate value of the economic stimulus package did not meet all expectations, but while it isn't a "bail-out," she is supportive of the stimulus plan and believes the limit increases will do their job, given time.

"The pricing still doesn't look very attractive to borrowers right now," said McHan. "The reason for that is, even though Fannie Mae and Freddie Mac are backing these loans, they need to sell them to someone in the marketplace." Because of the uncertainty



Susan Bradley

Samuel Spinella, certified mortgage-planning specialist

'It's not going to be the significant bail-out that was expected. ... As it is, I think it's going to help maybe 10 percent of the people who actually need it.'

— *Samuel Spinella, certified mortgage-planning specialist, Alpine Mortgage, Menlo Park*

Sausalito
Panoramic Views of San Francisco
SF City and Bay, Bay Bridge, Alcatraz
Preferred "Banana Belt" Location



32 Sunshine Avenue
4 bedrooms, 3 baths, sauna, outdoor spa and back garden!
New to market. \$2,700,000

Contact Marseille D. Jaco
650.743.2444

INVESTMENT CAPITAL PARTNERS
mdjcapital@comcast.net
260 Sheridan Street, #450, Palo Alto, CA 94306

in the current market, she said, a lot of extra cushioning is added to the price of those offerings. "Any immediate snap or impact we were expecting — that's not going to happen for awhile. Investors have to get used to things first. I do think these loans will make a difference. It's just not a spigot that turns on right away."

Eric Trailer, a partner with Absolute Mortgage Banking in Palo Alto, is even more enthusiastic about the loan increase.

"I see it as a real shot in the arm for the overall market," Trailer said. "It enables borrowers to get a lower price loan than would be available at a jumbo level, with only 10 percent down. What I've been seeing is right in the middle pricing wise. It's spurring a lot of people who might not be getting in the market to do so, and it's making it more affordable for them. I am not at all disappointed in the pricing that has come out, and as more and more players come into this market, the pricing may actually get better. I'm very encouraged."

So is now the time to get into the market? Trailer thinks so.

"I would say yes for those who are looking. As the economy gets better and rates get higher, it may be a wash for the future. Taking advantage of it sooner rather than later seems to be the more prudent thing to do."

While loan-limit increases may be a boon to buyers of new single-residence homes, people with grander dreams of building new properties may need to keep sleeping through this market.

"Construction lending in this particular environment is probably one of the most challenged areas of residential lending right now, because of the risk associated with it," Trailer said. "What differs about construction lending

(continued on page 46)



Susan Bradley

Susan McHan, founder and CEO of Opes Advisors

'I do think these loans will make a difference. It's just not a spigot that turns on right away.'

— Susan McHan, founder and CEO of Opes Advisors, Palo Alto



Kathleen & Dave Pasin

International President's Elite – Top 1%

Providing outstanding service has earned our clients' trust and referrals.

We look forward to helping you in 2008 with all of your real estate needs!

Experience, integrity & results!



Kathleen's Cell: (650) 450-1912 • Dave's Cell: (650) 575-5224

www.kathleenanddave.com



COLDWELL BANKER • 245 LYTTON AVE. STE 100 • PALO ALTO, CA 94301

THE KAVANAUGHS



227 Mapache Drive, Portola Valley

3 bedrooms, 2½ baths + guesthouse on approximately 2½ acres

\$3,995,000

www.227Mapache.com



10 Arastradero Road, Portola Valley

5 bedrooms, 4½ baths + guesthouse on over 3 acres, in Palo Alto School District

\$4,950,000

www.10Arastradero.com



20 Somerset Place, Palo Alto

4 bedroom, 3 baths, in Palo Alto School District

\$2,195,000

www.30SomersetPlace.com

GINNY KAVANAUGH has been named one of the nation's Top Agents for Coldwell Banker Residential Brokerage, surpassing over 116,000 agents on six continents and 47 countries. Ginny and her business partner and son, Joe Kavanagh represented sellers and buyers in real estate sales of nearly \$73 million last year.

GINNY has been in the Top 1% of Coldwell Banker Northern California agents for the past several years and proudly adds, "This is truly a team effort. I would like to recognize and congratulate Joe Kavanagh, my son and business partner. He is a big part of the reason we did so well last year."

www.thekavanaugh.com

Top 1% of All Coldwell Banker Agents, Nationally and Worldwide



GINNY KAVANAUGH

650.529.8570

gkavanaugh@camoves.com



JOE KAVANAUGH

650.529.2060

joseph.kavanaugh@camoves.com

EXCEPTIONAL ATHERTON PROPERTIES FOR SALE



MARY GULLIXSON
650.543.1175
650.888.0860 Cell
mgullixson@apr.com



HANNA SHACHAM
650.752.0767
hshacham@cbrnocal.com
www.HannaCB.com



ATHERTON ESTATE ON APPROXIMATELY 1.81 ACRES CALL FOR MORE INFORMATION.

REMODELED ESTATE HOME IN PRIME MENLO-CIRCUS CLUB AREA. OVER 9,000 SQ. FT. OF LIVING SPACE, WITH 2 MASTER SUITES PLUS FULLY EQUIPPED 1-BEDROOM, 2-BATH GUEST HOUSE WITH LOWER-LEVEL IDEAL FOR GYM OR MEDIA ROOM. VERY PRIVATE SETTING WITH POOL, SPA AND TENNIS COURT.



MENLO CIRCUS CLUB AREA OF ATHERTON OFFERED AT \$11,350,000

ELEGANT SHOWPLACE ON 1.23+/- ACRES WITH SPACIOUS BRICK TERRACE AND LOGGIA, LAP POOL AND VAST STRETCHES OF LEVEL LAWN. ONE-BEDROOM GUESTHOUSE WITH WINE CELLAR, 2 EXERCISE ROOMS, AND DARK ROOM. DETACHED 2-CAR GARAGE. MENLO PARK SCHOOLS.



PRIME WEST ATHERTON OFFERED AT \$8,800,000

THIS MONTEREY COLONIAL STYLE HOME IS SITUATED IN PRIME WEST ATHERTON ON A GORGEOUS 1.8+/- ACRE LOT. 5 BEDROOMS, 4.5 BATHROOMS AND STUNNING 2-STORY LIVING ROOM WITH A WALL OF WINDOWS LOOKING OUT TO THE POOL AND TENNIS COURT. 2-BEDROOM GUESTHOUSE. DETACHED 4-CAR GARAGE



PRIME WEST ATHERTON NEW ENGLAND COLONIAL OFFERED AT \$6,195,000

ORIGINALLY BUILT IN THE 1920'S THIS HOME HAS BEEN UPDATED FOR TODAY'S LIFE STYLE. THE GROUNDS OF ALMOST ONE ACRE INCLUDE PICTURESQUE OAK TREES, LAWN AREA, POOL WITH SPA AND A 1 BEDROOM GUEST HOUSE.



COMING SOON!
New Listing on Atherton Avenue, Atherton
Visit our web-site for the latest information

www.gullixson.com

The Gullixson Team has a total Peninsula residential real estate sales volume now in excess of \$1.6 billion dollars.

www.gullixson.com

GULLIXSON

BRENT GULLIXSON
650.543.1194
650.888.4898 Cell
bgullixson@apr.com

MARY GULLIXSON
650.543.1175
650.888.0860 Cell
mgullixson@apr.com

Information deemed reliable, but not guaranteed. Sq. ft. and/or acreage information contained herein has been received from seller, existing reports, appraisals, public records and/or other sources deemed reliable. However, neither seller nor listing agent has verified this information. If this information is important to buyer in determining whether to buy or the purchase price, buyer should conduct buyer's own investigation.

905 Espinosa Road, Woodside



Custom Contemporary

Set in an idyllic setting amongst towering redwood trees, this California contemporary home affords splendid country living with modern amenities. Three bedrooms and 2.5 baths are set in an open floor plan with generously proportioned rooms, skylights and floor to ceiling windows offering wooded and bay views and stunning vistas of lush foliage. With a granite tile floor entry and warm hardwood floors in the dining room and family room areas, this residence boasts a kitchen with custom cherry wood cabinets and top of the line stainless steel appliances and living room with fireplace and wet bar. Enjoy a luxurious and relaxed lifestyle in this custom home.



Paymon Ghafouri
Office 877.772.9666
Cell 650.683.0388
www.paymonshome.com

Offered at \$1,638,000



apr.com | PALO ALTO 578 University Avenue | 650.323.1111

Spring Real Estate 2008

(continued from page 43)

is that it depends on what the future value of a project is going to look like. In this climate, people are very unsure of future values, so it's difficult for a bank to feel comfortable. Many lenders have pulled back." Until there is more stability in the market, new construction loans will be difficult to get.

Spinella, McHan and Trailer all agree the market is a thorny place at any time, especially now, and anyone who is ready to enter it must be cautioned against jumping in alone and uninformed. While marching into the nearest major bank may seem the simplest approach, it rarely yields the best loan.

"The big banks can make certain excep-

tions if they want to," McHan said. "If you're a direct customer of the bank and you're asking for something outside the norm, then it might be better to go to a big bank. They may want you to open a certain account, or have some other way that you can do something for them so they can do something for you. But if your needs are normal, work with a reliable broker who can shop around. They have access to niches where they can do much better."

Spinella echoed the importance of a reliable broker. "The most important thing to know about the market right now is you absolutely need to be working with a professional who understands it," he said. "It's very difficult for a borrower to know the current market because things are changing so quickly. Even professionals are getting out because of it." ■

EXPLORE OUR NEW REAL ESTATE SITE
PaloAltoOnline.com/real_estate
TheAlmanacOnline.com/real_estate

Your Trusted Real Estate Expert Since 1972

- ★ Associate Vice President
- ★ Associate Broker
- ★ Residential Consultant
- ★ President's Club
- ★ President's Elite Award
- ★ Top 1% Internationally
- ★ Gold Star
- ★ Century Club
- ★ Seniors Residential Consultant
- ★ Gold Circle Award

Over 36 years of high professional achievements with Coldwell Banker.

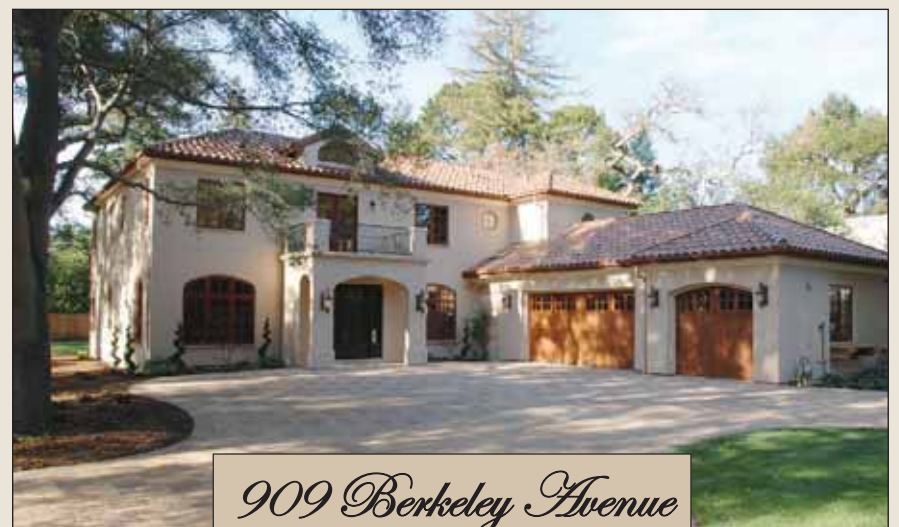
Honored with the title "Associate Vice President" of Coldwell Banker. This title required at least 10 years with Coldwell Banker, and a designated high dollar volume of real estate transactions successfully closed in a manner expressing a superior code of ethics, professionalism, business expertise, knowledge and dedication to serving clients.



Thinking of Selling?
Call Pamela anytime
PAMELA A. NIETERT
Your trusted Real Estate expert for over 36 years.
Direct: 650.321.2557
Voice mail: 650.752.0753
pamela.nietert@cbnorcal.com



NEW CONSTRUCTION



909 Berkeley Avenue

Located on a large, private lot in the peaceful area of Menlo Oaks

MENLO PARK

5,995 square feet* / 5 bedrooms, 5.5 baths / 22,300 square foot* lot
*Square footage approximate (5170 Living Space + 3-Car Garage)

Appointed with the finest amenities, exquisite architectural design and quality construction throughout including decorative paint, designer fixtures and hardware, marble, granite and limestone, hardwood floors, crown molding, high ceilings, 3 fireplaces, extensive use of recessed lighting, separate heat and air-conditioning zones, prewired for future 5.1 home theater system, wired for structured wiring and satellite, fire sprinkler, security system with air phone door stations and secured entry gate.

For further information or a private showing contact:



Linda Espinoza
Landmark Properties Realtors
(408) 739-5446 or (408) 313-1988

linda@lindaespinoza.com
Real Estate Brokerage & New Residential Construction
1307 S. Mary Avenue, Suite 120, Sunnyvale, CA 94087
Another Quality House Built By Landmark Development Corporation

Offered at \$4,295,000



Landmark Properties, Realtors®

Landmark Estate



3610 Woodside Road • WOODSIDE

This estate is located in the center of Woodside on approximately 4.9 level acres of park-like grounds. The main residence has approximately 16,000+ square feet of living space and a distinguished exterior defined by steeply pitched slate roofing. The interior has finely crafted architectural details throughout with a tremendous two-story reception gallery, central garden court, and sizeable formal living and dining rooms, each with wood-burning fireplaces. The living areas include a spacious family room with fireplace, a glass-lined breakfast room, a professionally equipped chef's kitchen, and a billiards room with space available for a home theatre. Rounding out the amenities are a paneled library, an office with its own half-bath, and an enclosed glass-paneled pavilion that houses the indoor swimming pool, spa, wet bar, and sauna, all serviced by an adjoining full bath.

The home's exceptionally generous 7 bedrooms and 8 full bathrooms are arranged over two levels. Occupying its own upper-level wing, the light-filled master suite with a fireplace has a secluded rooftop terrace with western hills views, two walk-in closets, and a skylit marble bath.

Outside, the manicured gardens blend groves of trees with vast stretches of level lawn and strolling paths. Enhancing the stately home are a two-story 3-bedroom, 2-bathroom guesthouse with a fireplace and full kitchen, a large historic barn, a fully fenced tennis court, and a detached four-car garage with a lower-level room ideal for a wine cellar.

Offered at \$14,500,000

AN EXCLUSIVE LISTING
For more information, please contact:



STEVEN LESSARD
INTERNATIONAL PRESIDENT'S PREMIER
650-851-2649
stevenlessard.com



THOMAS DALLAS
INTERNATIONAL PRESIDENT'S PREMIER
650-529-2440
tomdallas.com



Information deemed reliable, but not guaranteed.



Guiding the home-loan bewildered

Local brokers write mortgage primer in these subprime times

by Dan Shilstone

The mortgage market, with its LTVs, APRs, ARMs, FRMs and other inexplicable acronyms, is enough to send anyone running scared — sometimes right into the comforting arms of a dishonest broker or an Internet scam artist. People need help making sense of it all, and knowing whom to trust.

That's why Rick Stern and his associates at Stern Mortgage in Palo Alto, Todd Flesner and Julie Fukuhara, set out to write "Mortgages Made Easy," a roadmap to the mortgage market designed for navigating the nasty landscape and leading readers to easy street.

Stern said the book was born "when the subprime debacle was festering, and the three of us went to Dallas for a seminar to learn how to market better. What it ended up being

(continued on page 51)

'Most of us grew up in a home our parents owned, and think we need exactly the same, and often that's just not true. ... A mortgage is a tool, and you need to pick the right tool at the right time for the right purposes.'

— Rick Stern, co-author, 'Mortgages Made Easy'



Rick Stern, left, Todd Flesner and Julie Fukuhara wrote "Mortgages Made Easy" to help clients ask the right questions to protect themselves when looking for loans.

Veronica Weber

313-317 Bryant Court, Palo Alto

New Construction in Prime North Palo Alto Location!



- Close to downtown and Johnson Park.
- 3 bd.2 bth plus in-law studio apt. all on one level
- luxurious finishes
- lush garden setting

Offered at \$1,349,000



RECENT SALES:
321-25 Bryant Ct. Palo Alto
10431 Creston Los Altos

1740-44 W. El Camino Mt. View
92 W. El Camino Mt. View
(prime retail commercial properties)

Stanford '74

COMING SOON:
326 Hawthorne Palo Alto
(New Construction)



ROLLINS REALTY & MANAGEMENT, Est. 1955
640 MENLO AVENUE • MENLO PARK, CA 94025 • (650) 327-0375



Presented by **Margot Lockwood...**

NEW LISTING

**1400 Old Stage Road, Pescadero
\$1,695,000**

This wonderful country home is located on the top of a knoll on 26 acres overlooking gorgeous views of rolling hills & the ocean. It is a spacious 3 bedroom, 2 bath home with a barn, work room and 2-two car garages. Spanning fields are perfect for many uses. Currently used for organic farming.



Sale Pending

**3550 Carter #56 So. San Francisco
\$429,000**

Spacious 2 story, end unit with wonderful views of the bay. This unit has high ceilings living/dining combo with fireplace, wet bar and deck and half bath on first level. Kitchen with breakfast bar next to family room. 3 bedrooms, 2 baths are upstairs with the laundry area. Master bedroom has walk in closet and a second closet. Decks off living room and master bedroom both with views of the bay and city. 1 car garage.



San Gregorio

**4320 Bear Gulch
\$2,200,000**

Lease option available on this spectacular estate w/gated entrance on over 21 acres w/creek that winds through the rolling hills. There is a guest house, 2-car garage, storage & horse stable located in an ideal setting while you build your dream house.



For more information on any properties visit:
www.margotlockwood.com

Margot Lockwood

Coldwell Banker

650.529.2410 Office
650.400.2528 Cell

homes@margotlockwood.com





25567 WILLOW POND LANE, LOS ALTOS HILLS

A premier property on a superb cul-de-sac. Approximately 2¼ acres in the Pink Horse Ranch area with a private pond in a park-like setting. This estate presents a spacious 2 level residence, 6br/5ba, gracious living and separate dining room with intricate beamed and custom ceiling and walls of glass. Features a separate entertainment pavilion and separate guest quarters.

ADDITIONAL FEATURES:

- Country-style chef's kitchen with professional-quality appliances
- Separate office or potential 6th bedroom
- Main-level master bedroom with fireplace, access to the grounds and marble bath
- Beautiful landscaped grounds including redwood groves, Japanese maples and majestic weeping willow
- Detached 3-car garage plus carports for 3 additional vehicles
- Separate entertainment pavilion w/half bath and kitchenette.
- Outdoor entertainment areas include a pergola/shaded dining area, viewing deck, fire pit, plus spacious lawns and recreation areas
- Excellent location convenient to the Village and major commute routes
- Top-rated local schools



DIANE ROTHE
International President's Elite
650.787.9894
drothe@cbnorca.com



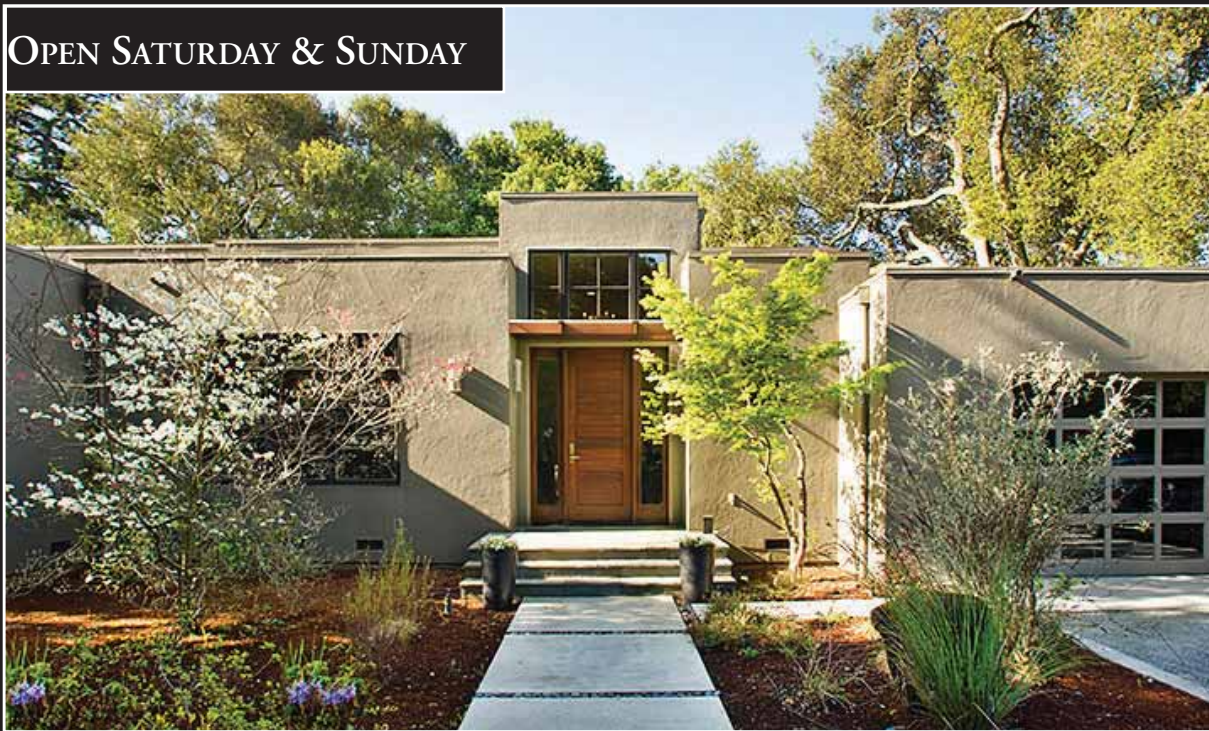
Price Upon Request



©2007 Coldwell Banker Real Estate LLC. Coldwell Banker® is a registered trademark licensed to Coldwell Banker Real Estate LLC. An Equal Opportunity Company. Equal Housing Opportunity. Owned and Operated by NRT LLC.

925 Peninsula Way, Menlo Park

OPEN SATURDAY & SUNDAY

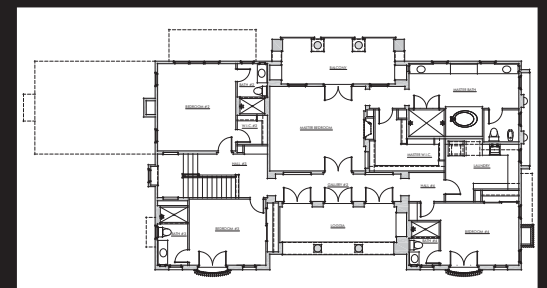
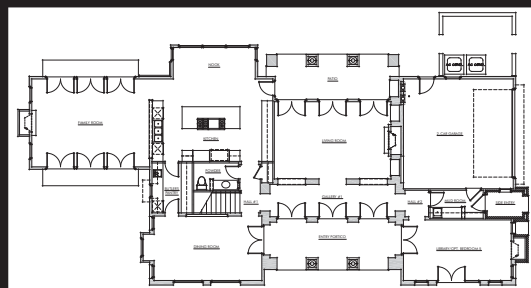


This stunning home represents the culmination of the highest standards of design and execution. Four bedrooms, 3.5 baths, almost a half acre lot, spectacular old growth trees, swimming pool, 14 foot ceilings, the ultimate high tech kitchen, hardwood floors, spacious rooms with floor to ceiling windows and an unbelievable array of delightful features. **LISTED AT \$3,750,000**

Menlo Park View Home

Sited atop the highest hill in Menlo Park an extraordinary new house is under construction. This magnificent residence offers sweeping views of San Francisco, the Bay, the Western Hills and Mt. Tamalpais in the far distance. This classically elegant house has been designed for luxury and comfort. Every amenity for graceful living has been thought of and executed in this fabulous house.

The house has five bedrooms, each with ensuite bath, a phenomenal family room with 12 foot ceilings, a kitchen that would be any chef's dream, exquisite formal living room and dining room, a sumptuous master suite that is luxury personified, four fireplaces, natural stone counters and surrounds and state of the art appliances. There are many, many more features too numerous to list. Completion scheduled for summer 2008. Call now for a preview showing.



Ray Walton

650.465.1020

Virtual tour at www.raywalton.com



Guiding

(continued from page 48)

was a seminar on how to gouge our clients. “Well, we were frustrated. It was all about the best interest of the broker, not the borrower, and later, while we were riding around town, we decided we want to do it right, to enable people to ask the right questions to protect themselves.” This set the authors on the yearlong collaborative writing process, Flesner said, until they had produced a book “that speaks to people the way you would face to face. Most people don’t need intimate details; they just have to ask the right questions. If you take a car into a garage and don’t know anything about how it works, it’s real easy to get hammered by a mechanic. The same principle applies.” The book, published last fall, aims to lead readers through all the different types of lenders, loans, applications processes and associated costs without getting bogged down by jargon. Stern hopes the book will not only enable people to ask the right questions of lenders, but also ask the right questions of themselves.

“Most of us grew up in a home our parents owned, and think we need exactly the same, and often that’s just not true,” Stern said. “What are your financial goals and obligations over the next five to 10 years? A mortgage is a tool, and you need to pick the right tool at the right time for the right purposes.” “And about more than just shopping for the lowest rate,” added Fukuhara, who is also Stern’s daughter. “Things are more complex than that. Somebody with bad credit is not going to get the same rate as someone else. If you call a broker and they give you a rate without asking any questions, well, it’s probably not a good broker.” “You need to seek out referrals,” agreed Flesner. “And find someone who is accountable.” “Yes,” Stern said. “If I sell you your mortgage, and then I run into you at the grocery store, well, I better be able to look you in the eye. ... Have you heard of premarital counseling? Well, you need pre-buyer counseling, too.” The book is a start. “Mortgages Made Easy” is available from Amazon.com or on the Stern Mortgage Web site at www.sternmortgage.com. ■

‘Most people don’t need intimate details; they just have to ask the right questions. If you take a car into a garage and don’t know anything about how it works, it’s real easy to get hammered by a mechanic. The same principle applies.’

— Todd Flesner, co-author, ‘Mortgages Made Easy’

301 Oak Court, Menlo Park

New Listing



19,000+sq.ft lot (may be sub-dividable) with 1,910 sq.ft ranch-style home.

Three Bedrooms easily converted to 3 Bedrooms+spacious Family Room with cathedral ceiling; 2 tiled Baths; Living Room with Dining Area and Fireplace; French doors to deck & park-like back yard; new appliances, paint, carpet & refinished hardwood; 2 car garage; Menlo Park Schools.

Offered at \$1,375,000

Virtual Tour:
www.301oakcourt.com

Cheryl DeGolia

650-274-4894
cdegolia@hotmail.com



652 SAND HILL CIRCLE • MENLO PARK
Excellent Floor Plan.



Tree Top and Western Hills view from second level! Rare extra large end unit in move-in condition includes formal entry, separate dining room, family room, living room, and laundry, two fireplaces, kitchen with granite counters and recessed lighting, eat-in breakfast area, wine cellar, two-car attached garage, high ceilings, and additional storage.

LIST PRICE \$1,250,000

See virtual tour at www.652SandHillCircle.com

29 IRVING • ATHERTON
4 bed/ 3.5 bath. Spacious Contemporary.



This California-style architectural work of art was inspired by William Wurster and built by Daniel Robertson. You’ll love the exciting, single-story floor plan which spans approximately 3,570 square feet and features an inviting formal entry, elegant living spaces, exquisite gourmet kitchen, four bedrooms, three-and-a-half baths, and expansive views of the gracious park-like grounds, designed by Thomas Church, from nearly every room of the home.

LIST PRICE \$3,387,500

See virtual tour at www.29IrvingAvenue.com

1242 HOOVER • MENLO PARK
3 bed/ 2.5 bath. European Charm in Downtown Menlo Park.



With subtle architectural details such as arched bay windows, exquisite woodwork, dramatic lighting and custom paint finishes, this 2001 built residence incorporates the sophistication of nearby downtown Menlo Park with choice finishes and unparalleled charm.

LIST PRICE \$1,495,000

Deanna Tarr

Broker Associate, SRES
www.deannatarr.com
dtarr@cbnorcal.com
415.999.1232



Lyn Jason Cobb

Realtor®, SRES, CHMS
lynjason.cobb@cbnorcal.com
www.lynjasoncobb.com
650.464.2622

TWO
Distinctive Properties



**The John Adams
Squire House**

900 University Avenue,
Palo Alto

**SHOWN BY
APPOINTMENT ONLY**



Photography by Barbara Boissevain

THE JOHN ADAMS SQUIRE HOUSE, 900 UNIVERSITY AVENUE, PALO ALTO

Palo Alto's signature home is an oasis for today's lifestyle. On almost one acre (*per DataQuick, unverified by APR*), the interior reflects warmth, quality updating, and an excellent www.900UniversityAvenue.com

floor plan highlighted by **4 bedrooms, 4 baths** on the second level and detached guest house. Moments to downtown Palo Alto!

The Art of Real Estate



*Carol
Carnevale*

*Rosemary
Squires*

*Nicole
Aron*

650.543.1184

CarolRosemaryNicole@apr.com

CarolRosemaryAndNicole.com



11975 MURIETTA LANE, LOS ALTOS HILLS

Private and serene Los Altos Hills with exquisite pastoral views! The beautifully updated custom interior features **5 bedrooms, 4.5 baths**, DR, FR, and media room on three levels with outstanding space for the entire family. All this perfection and only about 20 minutes to downtown San Jose. www.11975MuriettaLn.com



Avoiding the refinancing trap

Foreclosure isn't always worst-case scenario

by J. Robert Taylor, J.D.

Last spring I wrote about the "Good, Bad, and the Ugly of Subprime Loans." Four months later, we had the "subprime meltdown." The results in the financial market have been well-chronicled and need not be rehashed here.



The refinancing trap has rarely been discussed but looms large for many borrowers who are losing their homes or investment properties through foreclosure.

First, a few simple definitions:

Promissory Note. A promise to pay back funds borrowed from a lender with interest on the terms stated in the note agreement.

Deed of Trust. A security instrument for a *promissory note* that allows the lender to have an interest in the property ahead of the borrower (owner) and other later recorded liens. Lenders gain legal authority to conduct a foreclosure sale based on the deed of trust.

Purchase Money Loan. A loan secured by a deed of trust obtained from the seller or a lender at the same time the property was purchased.

Refinance Loan. A loan that has been obtained after the purchase of a property to pay off the original debt that

was used to purchase the property.

Post-Purchase Secondary Financing. This is a new loan obtained after the purchase of a property that is usually secured by a second (or third) deed of trust. The most common form of secondary financing is a home-equity line of credit.

Recourse Loan: A loan that allows the lender to sue you personally for the debt and go after your assets above and beyond the deed of trust that secures the loan.

Non-Recourse Loan. A non-recourse loan is a purchase money loan that prevents the lender from suing you personally for any money beyond what the lender can obtain through foreclosing on the deed of trust.

Trustee Sale. The process of foreclosure wherein the lender holds a sale auction of the deed of trust and obtains funds at the auction, which extinguishes both the deed of trust and the debtor's interest in the property. Thus, the high bidder becomes the new owner of the property after the auction.

Judicial Foreclosure. The process of filing an action in Superior Court to foreclose on the deed of trust to obtain the proceeds from the sale of the property as well and sue the debtor for any amount of money owed that is not satisfied through the sale of the property by the court.

Sold-out Secondary or Junior Loans. This is a term used to describe a situation when the first deed of trust holder conducts a foreclosure sale and the interest of

the secondary or junior lender's deed of trust is thereby eliminated.

Many homeowners who purchased their property in the last few years with 90 to 100 percent debt are facing foreclosure today because the value of their property has dropped, and the payments and/or interest rate on their loans have increased substantially. The worst-case scenario for these owners is that they will lose their home to a foreclosure sale.

The lender who forecloses will be able to claim only the proceeds of the sale because purchase money loans are non-recourse, meaning the lender cannot sue the borrower for any deficiency in funds not obtained at the foreclosure sale. Consequently, even if the property had a \$500,000 loan and it sold at the foreclosure sale for \$300,000, the lender cannot make a claim against the debtor for the \$200,000 deficiency.

You may wonder, what might happen if it were not a purchase money loan but instead a refinanced loan? These types of loans are recourse, meaning the lender may seek a deficiency by suing the debtor conducting a judicial foreclosure. Judicial foreclosure of residential property is rare and generally lenders proceed to hold a trustee sale. After a trustee sale, the lender foreclosing on the deed of trust is not allowed to sue the debtor for any deficiency.

The trap comes with the line-of-credit secondary loans. If the first lender forecloses by means of the trustee sale, then the secondary lender loses his or her interest in the

(continued on next page)

COLDWELL
BANKER

Libby McPherson-Mann®



DRE #01457833

Direct: (650) 888-4430
Home Office: (650) 529-0207
Fax: (866) 269-9048



Libbymm1@gmail.com
www.LibbyMcPhersonMann.com

930 Santa Cruz Avenue, Menlo Park, CA 94025



12695 Roble Veneno, Los Altos Hills - Offered at \$3,649,000
 ■ 1.23 ACRE PROPERTY SITUATED AT THE END OF A CUL-DE-SAC STREET WITH ALMOST 360 DEGREE VIEWS
 ■ OVER 3,300 SQUARE FEET OF LIVING SPACE WITH 5 BEDROOM, 3 BATHROOM MAIN RESIDENCE AND SEPARATE 1 BEDROOM, 1 BATHROOM IN-LAW QUARTERS WITH KITCHEN
 ■ IMMACULATELY MAINTAINED AND REMODELED WITH MODERN DESIGN
 ■ SOUGHT AFTER PALO ALTO SCHOOLS



757 Ramona St., Palo Alto
Offered at \$1,149,000
 3 Bedrooms, 3 Bathrooms
SOLD IN 1 WEEK WITH MULTIPLE OFFERS



BOB KAMANGAR
 BROKER/REALTOR®/ATTORNEY
 EXPERIENCE, INTEGRITY, RESULTS,
 WITH OVER \$120M SOLD SINCE 2005
 cell: 650.245.0245
 bob@kamanproperties.com

BUYERS, MANAGE YOUR OWN
 MLS SEARCH AT:
 WWW.KAMANPROPERTIES.COM

636 Los Altos Rancho, Los Altos CA

OPENING DOORS
FOR OVER 36 YEARS...

As a Realtor, I use my 36 years of experience to demystify the process of buying and selling real estate – helping you get more of what you want and enhancing your quality of life.

I provide each of my clients the highest quality of service using the most current tools and techniques available. My approach is to be thorough and diligent, bringing all my experience and negotiating skills to the table in representing your needs. I consistently serve my clients' best interests now and into their future...

ARVADA DARNELL

Top 1% Worldwide

650.752.0709

adarnell@cbnorcal.com



Arvada



Refi trap

(continued from previous page)

deed of trust that secures the promissory note. As a result, the secondary lender no longer has the security to foreclose on and can sue the borrower for the amounts owing on the now unsecured note. Therefore, even if the borrower has lost his or her home in foreclosure, he or she could face a further lawsuit from the secondary lender for the funds due on the note. In many cases, this involves more than \$100,000.

Why don't the second lenders foreclose? Generally because there is no equity to support their loans, meaning if they foreclose and bought the properties at foreclosure sales they

you on the note after you have defaulted.

The borrowers who have and will yet suffer the most from the subprime meltdown are those who have refinanced and taken cash out from properties they have owned for many years and have huge taxable capital gains whenever a sale of the property takes place. They can end up being sued by sold-out junior lenders and having a huge tax bill from the IRS as well. If you are in foreclosure you should examine the potential liabilities you may have if you walk away from your home and let the lender foreclose. Your loss could be much greater than just your home and your credit rating.

Next time you think about refinancing, you

The borrowers who have and will yet suffer the most from the subprime meltdown are those who have refinanced and taken cash out from properties they have owned for many years and have huge taxable capital gains whenever a sale of the property takes place.

would still have to pay off the first deed of trust, which by itself may exceed the present market value for the home. The second lenders refuse to foreclose because they are in a better position if the house goes through foreclosure with the first lender. This is especially true if the lenders know you have other assets that they can attach after they win their lawsuit.

When will you know if the secondary lender(s) are going to sue? You may have to wait a long time. The statute of limitations may allow them to wait up to four years to sue

might want to consider consulting a real-estate expert other than your lender or mortgage broker. Lenders and mortgage brokers have an inherent conflict of interest never to disclose to you the risks inherent in refinancing. ■

J. Robert Taylor, J. D., a real estate attorney and broker for more than 20 years, has served as an expert witness and mediator and is on the judicial arbitration panel for Santa Clara County Superior Court. Send questions to Taylor c/o Palo Alto Weekly, P.O. Box 1610, Palo Alto, CA, or via e-mail at btaylor@taylorproperties.com.

Contemporary Meets Green.

Modern interiors. Green features. Peninsula lifestyle.



Brokers welcome.

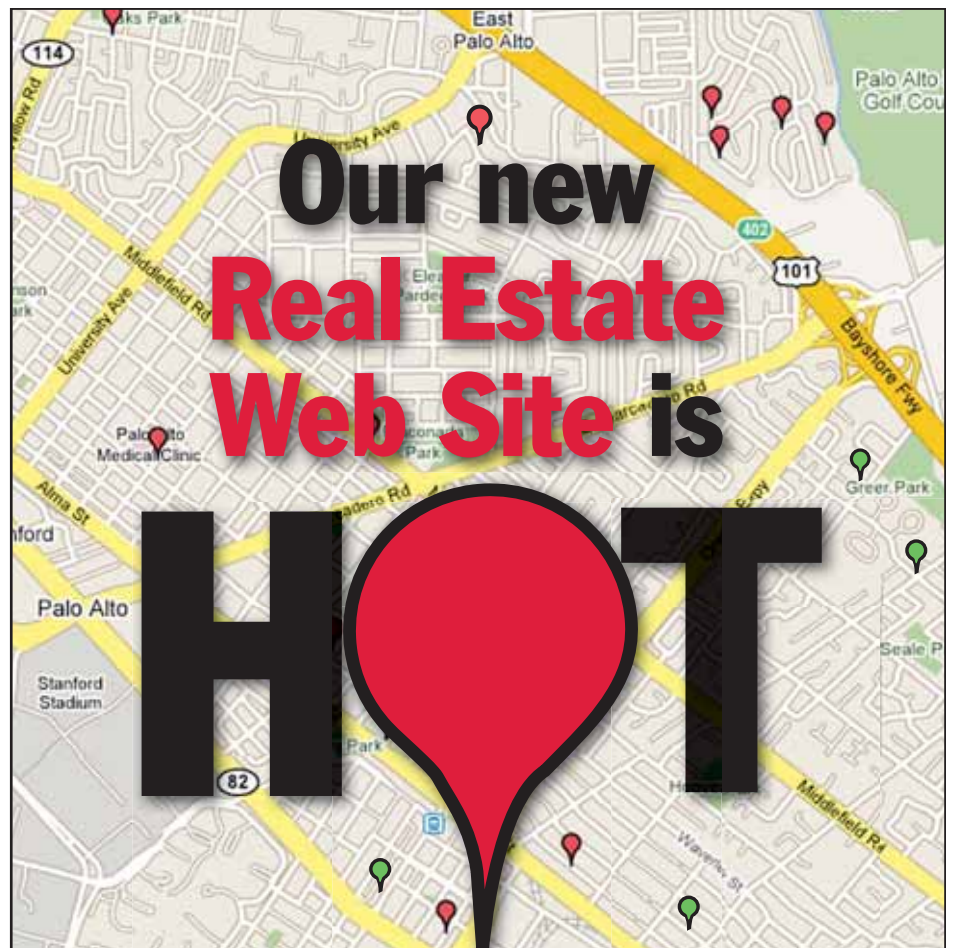
Priced from the high \$900,000's.

- Single-family homes
- 3 bedrooms, 3 bath
- Over \$40,000 of upgrades included
- Minutes from downtown Menlo Park, downtown Palo Alto, Stanford Shopping Center
- Easy access to 101 & CalTrain
- Close to Stanford University
- Menlo Park schools

Grand Opening!

996willow

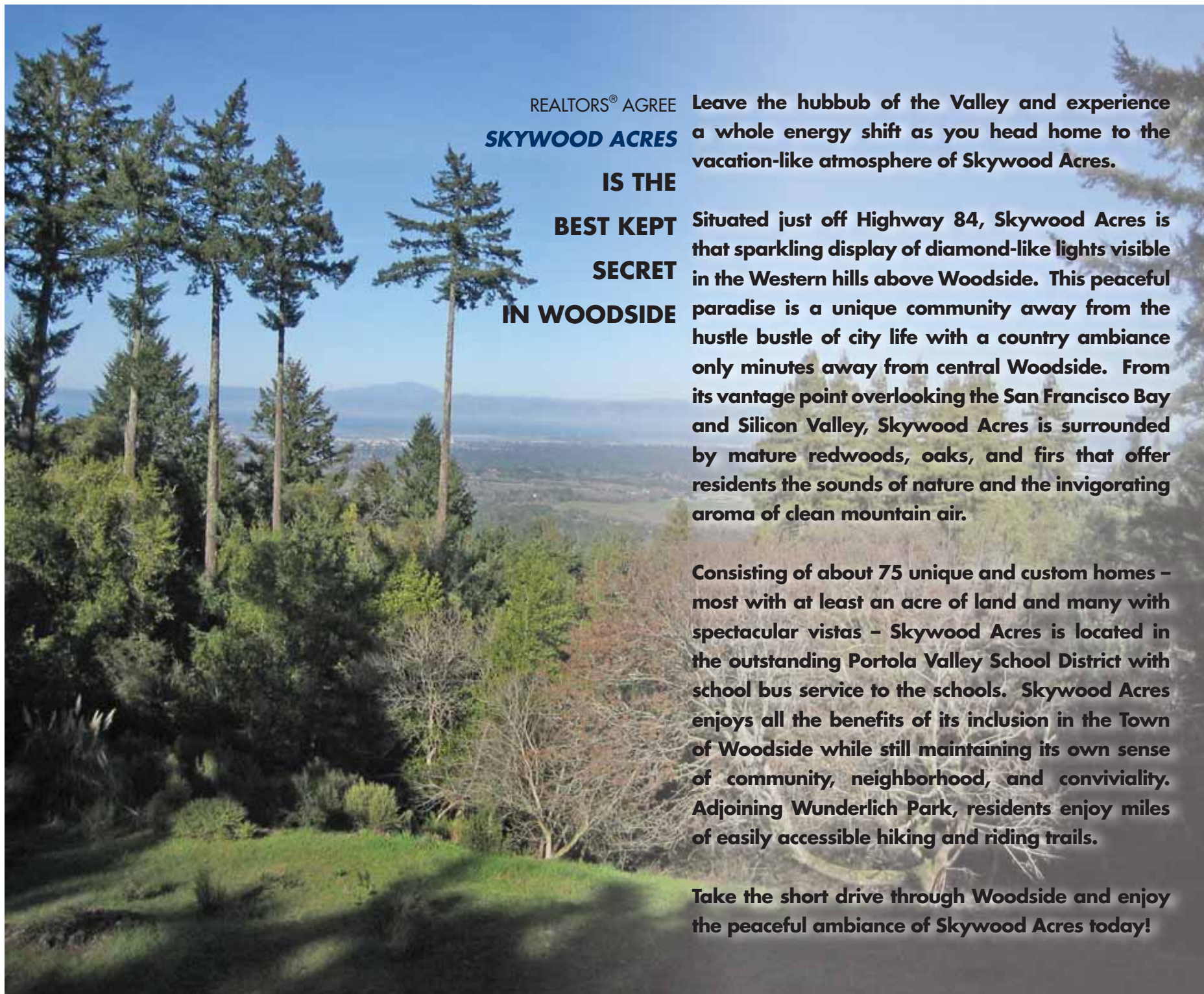
Open House Sat & Sun 10-5
966 Willow Rd @ Bay Rd, Menlo Park
650.269.0330 • www.clarum.com



EXPLORE OUR INTERACTIVE MAPS, HOMES FOR SALE, OPEN HOMES, VIRTUAL TOURS, PHOTOS, PRIOR SALE INFO, NEIGHBORHOOD GUIDES, AND MORE

www.PaloAltoOnline.com/real_estate

www.TheAlmanacOnline.com/real_estate



REALTORS® AGREE
SKYWOOD ACRES
IS THE
BEST KEPT
SECRET
IN WOODSIDE

Leave the hubbub of the Valley and experience a whole energy shift as you head home to the vacation-like atmosphere of Skywood Acres.

Situated just off Highway 84, Skywood Acres is that sparkling display of diamond-like lights visible in the Western hills above Woodside. This peaceful paradise is a unique community away from the hustle bustle of city life with a country ambiance only minutes away from central Woodside. From its vantage point overlooking the San Francisco Bay and Silicon Valley, Skywood Acres is surrounded by mature redwoods, oaks, and firs that offer residents the sounds of nature and the invigorating aroma of clean mountain air.

Consisting of about 75 unique and custom homes – most with at least an acre of land and many with spectacular vistas – Skywood Acres is located in the outstanding Portola Valley School District with school bus service to the schools. Skywood Acres enjoys all the benefits of its inclusion in the Town of Woodside while still maintaining its own sense of community, neighborhood, and conviviality. Adjoining Wunderlich Park, residents enjoy miles of easily accessible hiking and riding trails.

Take the short drive through Woodside and enjoy the peaceful ambiance of Skywood Acres today!

C U R R E N T L Y A V A I L A B L E I N S K Y W O O D A C R E S



5 STADLER DR
 3 BR/2.5 BA
 \$1,949,000



60 RANCH RD
 4 BR/3 BA
 \$1,995,000



45 SKYWOOD WY
 3 BR/2 BA
 \$1,588,000



SALE PENDING
15 STADLER DR
 4 BR/5 BA • + Studio
 \$1,799,000



Judy Byrnes
 Coldwell Banker Northern California—Woodside

2969 Woodside Road, Woodside, CA 94062
 650-529-2451 | Office
 judy.byrnes@cbnorcal.com

Molly Westrate
 Coldwell Banker Northern California—Woodside

2969 Woodside Road, Woodside, CA 94062
 650-529-2421
 molly@mollywestrate.com



GULLIXSON



INCOMPARABLE TUDOR ESTATE
IN ATHERTON

WWW.GULLIXSON.COM

OFFERED AT \$19,800,000



BEAUTIFULLY LANDSCAPED 1.19+/- ACRE
CREEKSIDE SETTING WITH POOL, SPA,
WALKING PATHS AND CABANA WITH KITCHEN.
MAIN HOME IS CRAFTED WITH
ELABORATE DETAIL AND OFFERS
6 BEDROOM SUITES, 2-FULLY CUSTOMIZED
OFFICES, CHEF'S KITCHEN, LIBRARY
AND WINE ROOM.



WWW.GULLIXSON.COM

The Gullixson Team has a
total sales volume in
residential real estate on
the Peninsula in excess of
\$1.6 billion dollars.

BRENT GULLIXSON

650.543.1194
650.888.4898 Cell
bgullixson@apr.com

MARY GULLIXSON

650.543.1175
650.888.0860 Cell
mgullixson@apr.com

Information deemed reliable, but not guaranteed. Sq. ft. and/or acreage information contained herein has been received from seller, existing reports, appraisals, public records and/or other sources deemed reliable. However, neither seller nor listing agent has verified this information. If this information is important to buyer in determining whether to buy or the purchase price, buyer should conduct buyer's own investigation. Photography Bernard André