

## Message from the President...

It is finally here! What am I talking about – **insurance for non-payment of rent**. Del Val Property Management is now one of the exclusive partners of AON Insurance to offer a very unique product for landlords.

The product is called “**Rent Protect**” and for a small annual fee we can offer insurance for up to 6 months of unpaid rent and up to \$1000 for legal costs.

Imagine a tenant with a rent of \$800 per month stops paying rent for 4 months. You can simply put a claim into the insurance company and collect 3 months (one month deductible) and legal fees up to \$1000. You can use the security deposit to cover the one month deductible and you are made whole for your losses. What is that worth to a property owner?

The cost of Rent Protect ranges from \$250 per year to \$425 per year per property depending on the amount of the month rent. For rents below \$1,200 per month, the annual costs is \$250 and for rents between \$1,200 and \$1,600, the cost is \$290 per year. For any rent over \$1,600, the cost is \$425 per year. Please keep in mind these costs are

per property. The Rent Protect does offer prices for higher rents up to \$8,000 per month.

The annual premiums protect property owners for up to 6 months of unpaid rent (less one month deductible) and up to \$1000 in legal costs. One requirement is that there must be a one-month waiting period before you can file a claim. This protects against having a nonpaying tenant then buying Rent Protect and immediately putting in a claim.

If the tenant leaves early before the lease term ends, dies or is awarded a court-order hardship, you can still put in a claim for 3 months of unpaid rent plus legal fees.

AON Insurance is one of the largest insurance companies in the world and has been using this product in Australia for many years. They are now testing the product in the US in just 5 states, including Pennsylvania, and are working with a handful of property managers.

If you would be interested in purchasing Rent Protect, please feel to call us at 610-240-9885 or click this link and purchase on your own.

[Click Here](#)

Thanks,

**Mike Lautensack**

President  
**Del Val Realty & Property Management**

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**Housing Prices Will Bottom in 2012:  
Freddie Mac**

NEW YORK ([TheStreet](#)) -- Housing prices are likely to move lower and bottom out in 2012 with modest appreciation likely in 2013, **Freddie Mac** Chief Economist Frank Nothaft said in his outlook on Wednesday.

The Freddie Mac Housing Price Index is forecast to dip by 1% in 2012, marking the sixth consecutive year of declines. The index is expected to move higher by 2% in 2013.

The economist said in his report that national indexes masked sizable variation in local house-price performance. "Some markets have appreciated over the past year and are likely to gain further in 2012, while those markets with higher vacancy rates and relatively large distressed sales will continue to see downward price pressure over the next year."

Mortgage rates are likely to stay "very low" at least till mid-2012 thanks to the **Fed's** "Operation Twist". The economist also expects the housing market to be better in 2012 though not "robust".

Nothaft believes the rental market could provide some support to housing activity in 2012. "A full-fledged recovery in the housing sector will likely elude the U.S. in 2012, but new construction and home sales are expected to be greater than in 2011," he wrote, **pointing to rising rents and falling vacancies in most markets. "Good rental market fundamentals and a dearth of new apartment completions should translate into more starts of rental buildings with five or more units, pushing total housing starts up slightly more than 10 percent in 2012."**

**The better fundamentals in the rental market could also drive up refinancing and origination volume of multi-family loans.**

On the other hand, single-family originations and refinancing activity might see a decline. "While single-family [refinance](#) volume is currently strong, many borrowers have already locked in relatively low rates, or are constrained (because of being underwater or having late payments) thus reducing refinance activity over time," according to Nothaft. "Further, somewhat higher mortgage rates in the second half of 2012 (after the expiration of 'Operation Twist') will reduce financial incentives to refinance."

The economist predicts economic growth will likely strengthen to about 2.5% in 2012, with the stronger-than-expected data in recent months providing evidence that momentum is beginning to pick up again. The unemployment rate will continue to edge lower but remain "uncomfortably above 8 percent", he wrote.

Welcome New Owners This Month...

- **Melissa Glanzrock and Ed Spry-Leverton**
- **Brain Walheim Group**
- **RE-AL Development, LLC**
- **Erika Bitzer**
- **Laura Zlotowski**
- **Todd Stackhouse**
- **Crystal Miller**
- **Terry Cummings**
- **Mike Butler**
- **Woodwinds Condo**
- **Melissa & Matt Dunphy**

Please feel free to refer friend or colleague to Del Val and get 2 FREE months of Property Management Services

**Del Val Realty & Property Management**

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Join us on Facebook at  
[Del Val Facebook Page](#)

**Mike Lautensack** – 215-695-3007 Ext 240  
<mailto:mlautensack@delvalproperty.com>

**Chip Robinson** – Rent / Buy or Sell Questions  
215-695-3007 Ext 230

**Jim McEachern** – Maintenance Director  
215-695-3007 Ext 270

**Terri Ulaner** – Administrative Assistant  
215-695-3007 Ext 250

## Other Important Information...

### 10 Tax Deductions to Squeeze in Now

If you own a home, chances are you can reduce your 2011 tax liability before the end of the year. Paying your property taxes and/or January house payment before 2011 winds down will allow you to deduct those expenses on this year's return. To read about those payments and more tricks to squeeze in deductions before year's end, check out this [MainStreet.com slideshow](#).

### Best Electronic Gifts under \$50

Chances are, somebody on your holiday shopping list likes electronics. And you don't have to break the bank to get that someone a cool gadget. [Here's Cnet.com's take on the best electronic gift ideas](#) that will set you back less than 50 bucks.

### Complete the Year Consciously

The holidays often mean that people start working on their resolutions for the new year, planning for the fresh start. Well, at least [one columnist thinks we should first complete the year we're](#) in before moving on.

