

Driveway Encroachment Will Not Hinder Financing
June 16, 2013

Dear Dave: I have lived on Hillside for 21 years and my neighbor's driveway cuts across a small portion of the front corner of my lot. I am about to sign some papers that will give this easement in perpetuity and the only thing I am worried about is whether it will cause any problems when I sell my place, especially will a bank still finance my property for a buyer?

Answer: No problem. The bank will not be concerned about this small encroachment, particularly since it is only a driveway. Provided it does not encroach on a large chunk of your land, it is also unlikely to have any serious impact on your property value.

Dear Dave: I am buying a property off Northwood Drive in the Silvertree Subdivision. I am surprised that the house is only 3 feet from the property line. I thought that Residential Zoning required at least 5 feet.

Answer: In Anchorage, you will rarely find subdivisions for single family homes where a side setback under 5 feet is permitted on either side (i.e. 5+5 equals 10 feet total space between the neighboring structures).

However, certain subdivisions (including Silvertree) were platted with special approval for 3 feet on one side and 7 feet on the other. In effect, you will find that the structure remains a total of 10 feet distant from the neighboring houses.

Dear Dave: Following up on your recent "Septic Maintenance" article – for many Alaskans with semi-remote cabins with traditional septic systems, and for which the usage may be seasonal or sporadic, self-testing to determine the levels of sludge and scum is the most practicable method for determining when pumping is needed. Is there a special tool designed for this purpose, and if so, where can we locate one?

Answer: Go to www.pollardwater.com and purchase a "Sludge Judge" for less than \$150. The Sludge Judge is essentially a calibrated pole for measuring the depth of sludge and scum in the septic tank.

I would recommend that any septic tank with sludge over 18 inches deep, especially if approaching 24 inches, needs pumping now. There is no fixed formula for when to pump a septic tank. You need to balance the decision based on both the sludge depth and the scum depth.

Scum can be as damaging to the leach field as sludge is to the tank buildup that forces scum over the baffles. If you have 6 to 10 inches of scum, that alone should cause concern and pumping should be performed.

As a rule of "thumb" (but please use the calibrated pole instead), any septic tank that is approaching 24 inches of sludge, or any septic tank that is approaching 10 inches of scum,

should be pumped as soon as possible. If you wish to be super-conservative, then pump at 12 inches of sludge or 4 inches of scum. The biggest problem for 'remote cabins' is actually finding a Pumping Contractor in the area to service your property.

Dear Dave: I noticed that interest rates have recently moved higher to around 4% for a 30 year fixed rate. What is your prognosis for the remainder of the year?

Answer: The bond and the stock markets are being driven by one thing only this year - that is, FED policy.

The reason that rates bumped up (actually over 4% at one point) was because of rumors that the FED will soon be tapering back the \$85 billion dollars per month it is pumping into circulation through buying its own issued bonds and other securities. That is, the Federal Government is pushing money into the banking system, huge amounts in fact.

Rates recently spiked because rumors abounded that the FED would soon stop doing this. In my view, there is no reason whatsoever to expect the FED's stimulus plan to be 'tapered' any time in 2013. Therefore, rates will remain between 3% and 4% for the rest of this year.

It should be noted that these rates are incredibly cheap and will, therefore, continue to stimulate real estate prices, both locally and nationally.

Dear Dave: When buying a condo, how do you know whether pets are allowed? I am afraid of signing a contract if my two dogs can't go with me.

Answer: Ask your Realtor to find out what the rules are regarding pets. These can vary in different condo developments. In any event, you must be given a Resale Certificate before you close on any condo purchase.

Under the Uniform Common Interest Ownership Act of Alaska, a condominium owner must provide a full disclosure of the Homeowners Association to the buyer. This hefty document, containing all sorts of information about the association, including by-laws and house rules, is prepared by the Association Manager. It is called a "Resale Certificate".

Under the same law, the buyer has 5 days to review the Resale Certificate and, if not completely satisfied, can rescind the contract to purchase without penalty. Dog rules vary, so check out the Resale Certificate for specifics in the particular Condo Association.