

PG&E blamed for massive Northern California wildfire

Pacific Gas & Electric power lines sparked last summer's Dixie Fire in Northern California that swept through five counties and burned more than 1,300 homes and other buildings, state fire officials said Tuesday.

The blaze was caused by a tree hitting electrical distribution lines west of a dam in the Sierra Nevada, where the blaze began on July 13, according to investigators with the California Department of Forestry and Fire Protection.

The finding was no surprise. PG&E al-

ready had indicated its equipment may have been involved in the Dixie Fire, which burned nearly 1 million acres (3,900 square kilometers) in Butte, Plumas, Lassen, Shasta, and Tehama counties.

It was the second-largest fire in state history and the latest of several of California's largest and deadliest blazes to be blamed PG&E equipment over the last decade.

"This tree was one of more than 8 million trees within strike distance to PG&E lines," PG&E said in a statement. "Re-

gardless of today's finding, we will continue to be tenacious in our efforts to stop fire ignitions from our equipment and to ensure that everyone and everything is always safe."

PG&E also touted its plan, announced in July, to bury about 10,000 miles (16,100 kilometers) of its distribution and transmission lines at a projected cost of \$15 billion to as much as \$30 billion. CEO "Patti" Poppe's announcement came just days after the utility alerted regulators to the company's possible involvement in

the Dixie Fire.

Previous PG&E regimes have staunchly resisted plans to bury long stretches of power lines because of the massive expense, most of which will be shouldered by customers.

PG&E said only that burying the lines will take several years, but getting the job done within the next decade would require a quantum leap. In the few areas where PG&E has already been burying power lines, it has completed about 70 miles (123 kilometers) annually.

In the shorter term, the utility has taken to pre-emptively shutting off power to thousands - and in one case, millions - of customers during periods of hot, dry weather coupled with high winds that can knock down trees or hurl branches into power lines.

PG&E equipment has been blamed for several of California's deadliest wildfires in recent years at the same time as drought and heat waves tied to climate change have made wildfires fiercer and harder to fight in the American West. (AP)

Deliberately overpaying for homes could be a disastrous strategy

The Property Line: Don't be misled by myths about iBuyers

Biden says deal with telecoms avoids more flight disruptions

By Holden Lewis  
NerdWallet

Deal gives FAA more time to study potential interference with aviation

WASHINGTON, Jan 10, (AP) AT&T and Verizon have agreed to delay the launch of a new slice of 5G service by two weeks after airlines and the nation's aviation regulator complained about potential interference with systems on board planes.

T-Mobile already has huge swaths of mid-band spectrum.

Over the past few years, wireless carriers have spent tens of billions of dollars to license spectrum from the government and roll out 5G service. However, their plan to use C-Band ran into fierce opposition from airlines and aviation groups.

What did the airline industry say about the new 5G service?

U.S. airlines say wireless use of the C-Band segment of the spectrum could interfere with altimeters, radio devices that measures a plane's height above the ground. The trade group Airlines for America said airlines could be forced to cancel or divert thousands of flights as a safety measure.

Whose side is the government on?

Both. The Federal Communications Commission, which runs the auctions of radio spectrum, determined that C-Band could be used safely in the vicinity of air traffic. The FCC in 2020 set a buffer between the 5G band and the spectrum that planes use to resolve any safety concerns.

But Buttigieg and FAA Administrator Stephen Dickson, whose agency is responsible for aviation safety, saw a potential problem. On Friday, they asked AT&T and Verizon to hold off activating C-Band 5G near an undetermined number of "priority airports" while the FAA conducted further study.

How did at&t and verizon respond?

They dismissed the concerns. The wireless industry trade group CTIA notes that about 40 countries have deployed the C-Band strand of 5G without reports of harmful interference with aviation equipment.

But AT&T CEO John Stankey and Verizon CEO Hans Vestberg did offer to reduce the power of their 5G networks near airports, as France has done.

"The laws of physics are the same in the United States and France," Stankey and Vestberg said in a letter Sunday to Buttigieg and Dickson. "If U.S. airlines are permitted to operate flights every day in France, then the same operating conditions should allow them to do so in the United States."

Although they took steps to soothe the federal officials, the telecoms are still bickering with airlines, which have canceled



A passenger walks past a Southwest Airlines plane at Sky Harbor International Airport in Phoenix, March 26, 2021. AT&T and Verizon have agreed to delay the launch of a new slice of 5G service by two weeks after airlines and the nation's aviation regulator complained about potential interference with systems on board planes. (AP)

more than 10,000 U.S. flights since Christmas Eve because of bad weather and labor shortages caused by COVID-19.

"While the airline industry faces many challenges, 5G is not one of them," Vestberg said in a company memo Tuesday.

How many planes does this affect?

Under the agreement, the FAA will conduct a survey to find out. The FAA will allow planes with accurate, reliable altimeters to operate around high-power 5G. But planes with older altimeters will not be allowed to make landings under low-visibility conditions.

What will happen in the next two weeks?

The two-week postponement will give the FAA and the companies time to implement the agreement.

AT&T and Verizon will be allowed to launch C-Band service this month under already-granted FCC licenses. The airlines have until Friday to give the companies a list of up to 50 airports where they believe the power of C-Band service should be reduced through July 5.

Until July, the telecoms will talk to the FAA and airlines about potential long-term measures regarding 5G service near air-

ports. However, under terms of the agreement with the FAA, AT&T and Verizon will have sole power to decide if any changes in service will be made.

"We felt that it was the right thing to do for the flying public, which includes our customers and all of us, to give the FAA a little time to work out its issues with the aviation community and therefore avoid further inconveniencing passengers with additional flight delays," Vestberg said in his memo.

Nicholas Calio, president of the airline trade group, was more muted in his comments about the agreement, although he thanked federal officials for reaching the deal with AT&T and Verizon.

"Safety is and always will be the top priority of U.S. airlines. We will continue to work with all stakeholders to help ensure that new 5G service can coexist with aviation safety," Calio said.

The FAA issued a brief statement about the two-week delay, saying it looks forward "to using the additional time and space to reduce flight disruptions associated with this 5G deployment."

iBuyers are one of the few true innovations to hit the real estate industry in recent years. Yet consumers haven't fully embraced them because of misconceptions about how iBuyers work, and what types of problems they resolve for sellers and buyers.

An iBuyer (for "instant buyer") is a company that uses technology to make an automated offer on a home. After buying the house, the company fixes what's broken, makes cosmetic repairs and sells it. iBuyers market themselves as a fast, convenient way to sell.

Myths have grown around iBuyers: that they pay too little, inflate home prices and funnel owner-occupied homes to investors. A couple of those myths do have a grain of truth. Here's what's really going on with iBuyers.

Myth 1: iBuyers Lowball Homeowners

In a TikTok that went viral in September, a real estate agent implied that an iBuyer was manipulating house prices. In his hypothesis, the scheme was a two-stage process. The first step consisted of lowballing home sellers.

But iBuyers don't pay significantly less than the market price, said Mike DelPrete, a real estate tech strategist and scholar in residence at the University of Colorado Boulder. "The biggest potential misconception is that iBuyers are gonna rip you off, and they're gonna give you a lowball offer and you're leaving money on the table," he said by voice memo.

This misunderstanding may grow out of a belief that iBuyers are the same as house flippers. There's a difference. Flippers buy properties that need lots of work to get them in salable condition. They buy low, spend plenty on renovations and make a profit on the difference between the amount invested and the sale price. But iBuyers buy properties that are in good shape, usually make minor repairs and make much of their profit from fees they charge to sellers. (The eventual price an iBuyer pays is the accepted offer minus the renovation costs.)

DelPrete has researched prices paid by iBuyers. In 2019, iBuyers were paying about 98.5% of estimated market value; at times in 2021, they were overpaying. In contrast, house flippers often pay about 70% of value.

Yes, iBuyers often pay less than buyers would get by listing conventionally. But not a lot less, and some sellers believe iBuyers are worth the financial trade-off for a quick sale and convenience of not opening the house to a parade of strangers.

Myth 2: iBuyers Are The Reason Houses Are Expensive

As the TikToker described it, the second step of the "price manipulation" would consist of the iBuyer overpaying for one home after underpaying for dozens of other homes in a neighborhood. This, the theory goes, would set a precedent for higher prices that appraisers and subsequent buyers would follow.

This hypothesis disregards human nature: When you buy a home, you'll ignore the price paid by the only buyer who overpaid. You'll pay attention to the prices that are consistent with fair market value.

Deliberately overpaying for homes would be a disastrous strategy. In fact, Zillow Offers, the company's iBuying division, acknowledges that it unintentionally paid too much for homes, based on faulty forecasts of future prices. Zillow lost hundreds of millions of dollars in the third quarter of 2021, laid off one-quarter of its workforce and shuttered Zillow Offers.

Mariya Letdin, associate professor of real estate at Florida State University, said by email that she sees "a few ideas floating around. One is a concern that big tech will use their informational advantage to take advantage of the individual sellers. Another is that somehow iBuyers will drive up home prices. None of these are supported by evidence."

For iBuyers to push prices artificially high, they would need to control a big chunk of the market, and they seldom do. According to DelPrete's research, iBuyers accounted for 1.6% of US homes bought in the third quarter of 2021, or around 28,000. iBuyers are busier in some markets than others, though. They bought 10.8% of the homes purchased in the Phoenix metro area in the third quarter.

Myth 3: iBuyers Sell Lots Of Homes To Landlords

There's some truth to this belief, so it's more exaggeration than myth. Most (not all) iBuyers sell a portion of their inventory to institutional investors that rent the homes out.

Take Zillow Offers. After it shut down, Bloomberg reported that Zillow planned to sell 7,000 houses to corporate investors such as real estate investment trusts, or REITs. One critic tweeted, "I strongly suspect selling 7k homes to institutional investors will hurt consumers (especially after driving up prices significantly in key markets)."

It's a bummer that the mass sale to corporate landlords will shut out 7,000 would-be owner-occupants, but the evidence that Zillow drove up prices for anyone but Zillow is weak. Of the three biggest remaining iBuyers, two say they sell to investors and one says it doesn't.

An Offerpad spokesman said in an email that the company typically sells 10% to 20% of its homes to institutional investors. Opendoor's head of real estate, Kerry Melcher, didn't give percentages, but said in an email: "Some homes we purchase are resold to REITs; the vast majority are put back on the market and go to everyday consumers."

RedfinNow says it is an exception. "We haven't sold one house to a REIT," says Jason Aleem, RedfinNow vice president.

Value Of An iBuyer Offer

iBuyers don't lowball, they're not responsible for runaway house prices, and they sell most of their inventory to owner-occupants and only some to landlords. They're not a diabolical force in the housing market, but what good do they do?

They can help home sellers set asking prices. It's one thing to view an online estimate of your home's value when you're bored. It's another thing to receive an iBuyer's purchase offer. "It makes those estimates real," Aleem says. He explains that getting an iBuyer offer can establish a baseline asking price even if you ultimately decide not to take it and opt for a traditional home listing instead.

Another Benefit: No Living In Limbo

More substantively, selling to an iBuyer appeals to homeowners who prize convenience, need to sell quickly, and want to be certain that the buyer will consummate the transaction and not flake out.

iBuyers are especially attractive to sellers who hate showing their homes to potential buyers. If you've ever sold a home, you know the drill: You keep a tidy house, and then you have to go somewhere while strangers tromp through the place and judge your housekeeping proficiency.

The hassle is even worse if you have young children or pets or both, because their messes are messier, their smells are smellier, and it takes planning to find a place to take them during the showing.

With an iBuyer, there are no showings, back-and-forth negotiations, buyer contingencies or last-minute changes to closing dates.

The convenience and speed offered by iBuyers mean they are here to stay. They won't serve more than a small subset of home sellers, but they'll occupy a niche, particularly in growing Sunbelt cities with large developments of newish, look-alike homes with similar values.

Understanding what iBuyers do - and what situations they can address - adds to your toolbox, whether you're selling or buying. (AP)

Gulf Bank Announces 10 Lucky Winners of the AIDANAH Monthly Draw for December

Gulf Bank held its monthly AIDANAH draw on Sunday, to announce the winners for December. The 10 lucky winners received cash prizes of KD 1,000 each.

The winners are:

- ABDULAZIZ FAHAD IBRAHIM AL YAGOOT
- LAVINA NANCY SANTHUMAYOR
- SARRA ABDULLMAJEED DASHTY
- SAMINAH AKIL BHAJAT
- MUSAAD SALEM ABDULLA ALADWANY
- HANI AKRAM MOHAMMED ALHAWARI
- MOHAMMED SHAHZAD MOHAMMED YOUNIS
- WALEED MOSAAD SAED FARHAN
- HYAM DESOQI HUSSAIN ALIWAH
- HANI MENSHEH JABER AABER ALENZI

The AIDANAH account is one of the most rewarding savings accounts in Kuwait, with its periodic draws that award valuable prizes and multiple benefits for account holders. Gulf Bank's AIDANAH account offers monthly opportunities to win KD 1,000 to ten lucky winners, in addition to two quarterly draws with KD 100,000 prizes each, a semi-annual draw prize of KD 1,000,000 and a grand draw prize of KD 1,500,000.

Numerous Benefits

The AIDANAH account is the only account that rewards customers for their loyalty by providing loyalty chances. Loyalty chances are the total chances gained

in the previous year, which are then transferred to the current year to reward customers for their loyalty to the Bank.

Accordingly, all chances gained by existing AIDANAH customers in 2021 (from January 1 to December 31, 2021) have been transferred to the 2022 draws. It is also worth noting that all account draws are attended by a representative from the Ministry of Commerce and Industry, with the quarterly and annual draws also reviewed by Ernst & Young.

Customers can deposit to win AIDANAH cash prizes throughout the year as part of the draws listed in the following:

- Monthly, 10 Winners, KD One Thousand per winner (KD 1,000 per winner), 7 days prior to the month's end date
- Annual Grand Prize, January 22, 2022, One Winner, KD One Million and Five Hundred Thousand (KD1,500,000), September 30, 2021

To increase their chances of winning, account holders must either keep their account with a minimum deposit amount of KD 200 or increase their AIDANAH savings the more deposits into an account, the more chances accumulated over time. Gulf Bank's AIDANAH account holders also have the opportunity to enter and win cash prizes all year long through monthly, quarterly and annual draws.

Opening AIDANAH Account

To enter the upcoming draws, Gulf Bank customers can open AIDANAH account today with only KD 200. To open AIDANAH account, existing Gulf Bank customers can apply through Gulf Bank's online and mobile banking services or book an appointment at their nearest branch by using the new "Visit Gulf Bank" app for a faster and more convenient branch visit. New customers can also open AIDANAH account by visiting their nearest Gulf Bank branch or by scheduling an appointment

through the app.

Deposit More for More Chances to Win!

With Gulf Bank, depositing into AIDANAH account is easier and more secure than ever, as clients can deposit into their accounts through the following channels: Online/Mobile Banking App which includes the ePay service, ATMs and ITMs, the Customer Contact Center at 1805805 which is available 24/7, in addition to the free-standing order service from other Gulf Bank accounts.

Gulf Bank's AIDANAH account is open to both Kuwaiti and non-Kuwaiti residents of Kuwait. A minimum of KD 200 is required to open an account and the same amount must be maintained for customers to be eligible for the upcoming AIDANAH draws. If the customer's account balance falls below KD 200 at any given time, a KD 2 fee will be charged to the account monthly until the minimum balance is met. Customers who open an account and/or deposit more will enter Gulf Bank's AIDANAH draws throughout the year, for cash prizes totaling up to more than KD 2 Million.

To deposit into AIDANAH account, customers can visit one of Gulf Bank's branches, or transfer directly through Gulf Bank's Online/Mobile Banking services. Customers can also direct their queries via WhatsApp on 1805805 for round-the-clock assistance from Gulf Bank representatives or call the Customer Contact Center on the same number. In addition, customers can visit the dedicated AIDANAH account website to learn more about the account and its winners.