

# HOUSECALLS



Gabe's February 2017 Stuart Florida Real Estate HouseCalls



Gabe Sanders

## Some pitfalls of ordering online

We are not talking common occurrences here, but they are annoying and sometimes expensive occurrences.

What if you order \$2,000 worth of camera equipment and you receive one tiny \$25 accessory in a huge box?

You immediately call the seller, but they claim to have shipped everything. Later, they admit their mistake by comparing the weight of the box with

the weight of the purchased equipment.

Or, what if you buy a \$150 machine for scrap-booking but you received potatoes. Right. A box of potatoes. According to the Consumerist, these types of problems can occur when ordering online.

It might be hard to prove you received the wrong item, though. Always keep the shipping receipt. You might be able to prove your point based on shipping weight.

## Your house gives you a bonus at tax time

When you do your taxes this year, it probably won't be much of a comfort to know that in February 1913, the personal income tax was born.

Bravo.

But the good news is that if you will be writing out a check this year, you might want to ask yourself if a nice, fat mortgage interest deduction would come in handy next year.

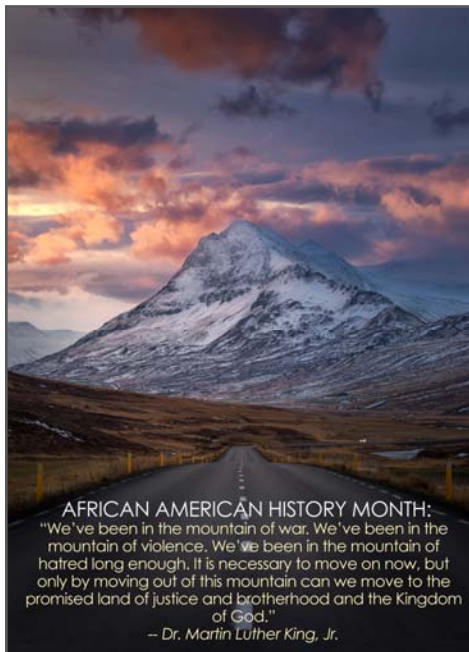
For many people it certainly will. Mortgage interest is tax deductible. This means it is one of the expenses that reduces the amount of income on which you pay taxes.

Many, if not most, people who do not own houses, also do not itemize their deductions. That makes sense because if they added up all their potential deductions, the deductions would not be greater than the standard deduction. For 2016 the standard deduction for heads of household will also rise to \$9,300 (up from \$9,250 in 2015) but the other standard deduction amounts will remain the same: \$6,300 for singles and \$12,600 for married couples filing jointly. Personal exemptions will be \$4,050 in 2016, up from \$4,000 in 2015.

The beauty of the mortgage interest deduction is that it allows you to deduct all the interest you pay on your home loan. During the first years you pay on a home loan, nearly everything you pay is interest -- up to 75 percent of your payment.

That nice deduction can reduce the taxes you owe, while allowing you to live in the house you want.

Owning a home also offers you some subtle protection from



AFRICAN AMERICAN HISTORY MONTH:  
"We've been in the mountain of war. We've been in the mountain of violence. We've been in the mountain of hatred long enough. It is necessary to move on now, but only by moving out of this mountain can we move to the promised land of justice and brotherhood and the Kingdom of God."  
-- Dr. Martin Luther King, Jr.

inflation. Inflation is an increase in the general level of prices for goods and services over time. So you notice that your grocery bill is going up and your dollars buy less, that is inflation, according to investopedia.com

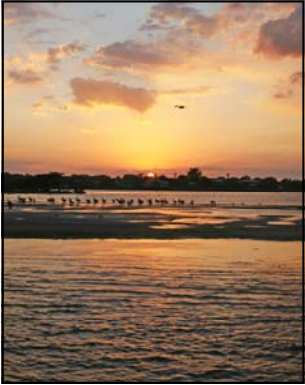
According to inflationdata.com, in 2016 inflation was about 1.7 percent. For 2017, Kiplinger's predicts inflation to head to 2.5 percent.

Meanwhile, mortgage rates are ranging from 4.2 percent to 5.2 percent on 30-year fixed rate. That is an increase of at least 2 point from 2015 and 2016 but still very low.

If you buy a home this year, and inflation continues to increase, you'll soon be paying off your home with cheaper dollars. Your food will cost more; your luxuries will cost more; rent will cost more. But your mortgage is going to stay the same.

Meanwhile, inflation will also have some effect on home prices, forcing prices up. Right now, in most parts of the country, home prices are low because there are a lot of houses on the market and fewer buyers than five years ago. That means, right now you can get a lot of house for fewer dollars. In coming years, however, as the supply of houses for sale decreases, the pressure of inflation plus a reduced supply of houses, will force home prices up. In 10 years, your home purchase today will be a bargain and you will be living in a home you love while paying prices locked in the past!

## Ask the Expert



*I have to get a mortgage. I see lots of different rates, and I hear rates are going up. But how can mortgage rates be so different?*

You have to look at it this way: A company is about to loan you a whole bunch of money that you will have to pay on for a long time. If you do pay off the loan, everyone is happy; the lender made money and you have your home.

But when a mortgage company looks at your application, it takes into consideration the kind of risk you will be. The higher the risk, the higher the mortgage rate. A high risk person might be one with a lower credit score, for example, or a scarce credit history.

Some lenders are big and some are small. A smaller lender might offer a slightly higher rate because they think being in your town and offering great customer service is enough to justify a point higher. But the opposite could be true, too. A small lender might offer a low rate.

Mainly the lowest interest rates advertised on the internet are perfect case scenarios: You will get the lowest interest rate if your credit score is high; the property is the best type; debt-to-income ratio is low; purchase

## New-Home Sales Up for Fifth Straight Year

New Construction Sales Up More Than 50% Since 2011



Low mortgage rates, job growth, and an improving consumer optimism have all supported the recovery in home sales during the last few years. Both sales of newly built as well as previously owned homes are up, with the growth stronger for new homes. Since the trough in new-home sales in 2011, sales had jumped more than 50 percent by 2016

Read the complete story and view the video by clicking on this link.

or refinance; and down payment.

Most people don't actually get the bare-bones interest rates. But most people do get good interest rates in the range of acceptable. Interest rates can change day-to-day, so it is difficult to say what the best interest rate is right now. But Kiplinger's Personal Finances predicts that the 30-year fixed mortgage rate will rise to 4.6 percent this year with the 15-year fixed rate at 3.8 percent. In this market of rising interest rates, if you are going to buy, it's time.

**I love referrals!**  
**772-323-6996**



"Make sure you remove all the cookies when you're done."

## News from Home Amazon Dash buttons

The idea seems good: You like a product such as a laundry detergent and you hate to run out. Why not stick a button on the washer with a link to the Internet? One push and your order is automatically entered and delivered within two days. You will never forget to pick it up again.

But the idea, promoted by web giant Amazon, hasn't taken off and some observers think that it isn't a great deal.

In fact, according to The Wall Street Journal, most people who buy the buttons don't even use them once.

A reporter from Fast Company lived with the buttons for a while, but found that, while they were convenient, they didn't deliver the best value available. If an item is on sale, you don't get the sale price, for example.

## Smart phones and dry eye

Children who spend more time on their phone and less time outside have increased symptoms of dry eye, according to BMC Ophthalmology.

Luckily, just giving their phones up for a month significantly improved their symptoms.

According to the American Academy of Ophthalmology, pediatric dry eye is a serious condition and can negatively affect vision and school performance. It is considered to be significantly under diagnosed.

Staring at phones, tablets and computer screens has been linked to reduced blinking, which can lead to faster evaporation of the tear film.

## Beloved Legos now move

Big news for kids from this year's tech conference, CES, in Las Vegas.

The new Lego Boost kits bring creations to life with motors and sensors while teaching basic programming. The Boost kits are designed for kids as young as 7.

There are five different versions available. One is Vernie, a robot with a bow tie and expressive eye brows. There is also a cat, a space rover, a factory and a guitar.

The kits have about 850 pieces and feature a new part called Move Hub. This is a computer, a wireless chip and a tilt sensor that you attach to your creation. It can be anything you create with ordinary Legos.

The kits will sell for about \$160 later this year.

## Born Feb. 25, 1841

## Renoir: Painter of love and nature

French painter Pierre-Auguste Renoir was born just 11 days short of Valentine's Day on February 25, 1841. His life, however, would be framed by his love for nature and people and his expression of that in painting.

The man who would go on to become a central figure in the Impressionist movement, collaborating with other renowned French masters like Claude Monet and Jean Frederic Bazille, started off in humble beginnings, the sixth of seven children. His family's financial circumstances precipitated a move to Paris from Renoir's birthplace of Limoges when he was only 3 years old. This would eventually prove fortuitous, and their new city address was only a stone's throw away from the Louvre.

The world-renowned art museum would become a refuge for Renoir when at age 13, he had to give up the pursuit of a musical career and get an apprenticeship at a porcelain factory, painting plates.

At the Louvre, Renoir explored 18th-century French masters and showed the curiosity for the work of others that would later lead to experimentation and the creation of a new movement. The factory owner, who recognized Renoir's

talent, encouraged him to pursue studies in art. Some time after the factory closed, in 1862, Renoir began serious study under Charles Gleyre in Paris.

Renoir's early career was marked by poverty, and he is known to have struggled through the 1860s, barely able to buy paints and canvases. He didn't give up, however. He submitted his work to the Salon and forged alliances with people who would prove to be patrons. The turning point in his career came in 1867 when he

Painted his mistress Lise Trehot. 'Lise and the Parasol' displayed Renoir's sensitivity to female sensuality and the female nude would become one of his primary subjects. Trehot, herself would become an inspiration for a number of his paintings, according to Sophie Monneret's 1991 memoir called 'Renoir.'

Producing thousands of paintings in his lifetime, Renoir's work in review shows an artist driven by love. After his marriage in 1890, he turned his attention to capturing his wife, family life and children. In his late career, after a diagnosis of rheumatoid arthritis that left his fingers permanently disfigured, he still continued to create, hiring an assistant to help him realize his artistic visions in sculpture.



## The Power of a campfire

Consider the power of fire to early humans: Heat for food, warmth and protection against predators. But, also a setting where people could socialize.

A study from the Proceedings of the National Academy of Sciences suggests that it is the less-often-cited social activities that may be responsible for humanity's dramatic evolution we see today. The study, quoted in The Wall Street Journal, shows that campfires allowed humans to extend the day past sunset for the first time and gave people an opportunity to perform singing, dancing, religious ceremonies, and storytelling.

All of these activities played a significant role in how humans learned to consider broader social networks, coop-

eration, big picture thinking and allowed social behavior, in general, to act as a life-extending activity.

Fast-forward to the present day, and people have lost that sense of community and social behavior. According to Fortune, the amount of people describing themselves as lonely has doubled over the past several decades. Many factors such as cell phones, the internet, easy relocation, and demanding work hours all contribute to more isolation.

Unplugging from gadgets and going camping can help improve sleep, mood, and inspire creativity. It can create connections.

It sounds like the early human ancestors had it right all along.

# February 2017



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Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2 Groundhog Day	3	4
5 	6	7	8	9	10	11
12 Grammy Awards	13	14 	15	16	17	18
19	20 Presidents Day	21	22	23	24	25
26 Academy Awards	27	28 Mardi Gras				

## Florida December 2016 Single Family Homes Report

Click on the Image for the full report

Monthly Market Detail - December 2016  
Single Family Homes  
Florida



Summary Statistics	December 2016	December 2015	Percent Change Year-over-Year
Closed Sales	22,332	22,157	0.8%
Paid in Cash	6,326	7,456	-15.2%
Median Sale Price	\$226,000	\$207,000	9.2%
Average Sale Price	\$293,344	\$287,705	2.0%
Dollar Volume	\$6.6 Billion	\$6.4 Billion	2.8%
Median Percent of Original List Price Received	96.0%	95.6%	0.4%
Median Time to Contract	45 Days	47 Days	-4.3%
Median Time to Sale	92 Days	95 Days	-3.2%
New Pending Sales	19,444	19,670	-1.1%
New Listings	20,689	21,035	-1.6%
Pending Inventory	30,928	34,848	-11.2%

View all Market Reports for [Martin County](#), [Saint Lucie County](#), and [Florida \(statewide\)](#)



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