

HOUSECALLS



Gabe's June 2017 Stuart Florida Real Estate HouseCalls



June is still the month for weddings

A Saturday in June is still the most popular time for a wedding, followed closely by Saturdays in July and August.

But while nuptial dates have remain steady, the costs have not. According to The Knot, the national average cost of a wedding is now \$35,329, up \$1,428 since 2015. The average cost of a wedding dress is \$1,564. Compare that to the groom's attire at just \$280.

With the average cost per guest at \$245, some things have changed in the traditional wedding.

There are fewer guests, for one thing, down to 141 in 2016 from 149 in 2015. Today, according to Bride's Magazine, the cost is often shared by both families, not just the bride's father. At least 30 percent of the time, the bride and groom themselves pay for the wedding.



As sale prices rise, appraisals may tell different story

Across the country, real estate agents are reporting a strong sellers market driven by lower unemployment and tight inventory of existing homes.

More people have more money and they want to buy homes but with fewer houses to choose from, prices rise.

This is still a great situation when buyers want a house and sellers want to sell. But an appraisal can sometimes throw a wrench into the deal.

What happens when appraisals are lower than the agreed prices?

Since mortgages are based in part upon appraisals, deals can quickly change. In a market that has gone from cool to hot, appraisals can't follow along with rising prices, according to Market Watch.

That's because appraisals look to the past. An appraiser considers how much similar properties in the area have sold for in the recent past. If past sales were slow and prices were down, but current sales are brisk with prices rising, appraised value probably will be lower than the asking price.

Of course, a good appraiser will look at properties under contract and this might help boost appraisals.

To account for appraisal problems, most purchase contracts have an appraisal contingency stating that the property must



appraise at or above the contract price. If the property appraisal comes in low, the deal changes. The buyer can put more money into the deal or the seller can agree to sell at a lower price. With a contingency in place, the buyer may terminate the deal and lose nothing if the appraisal is low and the deal can't be renegotiated.

Here is an example of what can happen. Let's say a buyer has agreed to purchase a house for \$200,000. The buyer agrees to put \$20,000

down and hopes to finance \$180,000. But the house appraises for \$175,000. Now the lender will only finance \$140,000 and, with the buyer's \$20,000, this doesn't add up to the appraised value of \$175,000. The buyer will have to bring \$15,000 more to the table or the seller will have to accept a lower price.

The difference isn't always that dramatic, however. In Phoenix, for example prices have appreciated 5.1 percent from a year ago, according to CNBC. In West Pennsylvania, the average sale price is up 2.66 percent, according to West Penn Multi-List.

So you might have a scenario where the buyer of a \$200,000 house has \$40,000 down but the house appraises for \$195,000. In this case, the lender just assumes the buyers have a \$35,000 down payment and the other \$5,000 makes up the difference.

Ask the Expert



Home sales are brisk in my area and I have decided to buy a home even though I will only be in this location for a few years. My lender recommends a balloon mortgage. I have heard bad things about these loans, but the deal seems good. What do you think?

A typical 7-year balloon mortgage can seem very good and, if you will absolutely be selling before the 7-year term is up, it might be good for you. But, it is a risk.

First, let's talk about the benefits of a balloon mortgage.

Balloon mortgages usually have a much lower interest rate than a conventional mortgage. The overall cost of the loan will be lower and the payments will be lower. That makes it attractive. The assumption is that a buyer makes payments for a set period of time, five to seven years, for example. Then at the end of the period, the entire balance is due. The buyer then refinances at the end of the term or sells. In your case, you want to sell so this is probably why the lender recommended this type of loan.

The reason balloons are risky is that people never know what is going to happen in the future.

Buyers may think they can easily refinance at the end of the term. But this might not be possible. The buyer may lose a job or become an unqualified buyer

Cloud Storage: Is It Safe?



Gone are the days when people would store their essential documents and family photos in a filing cabinet or even a safe at home.

As people accumulate more digital documents, cloud storage has become essential, but are they safe?

Recent headlines involving data security breaches have created some doubt.

A detailed look at the industry by the BBC reveals that large players, such as Amazon's Web Services (AWS), have more than 1,800 security controls. Dropbox uses a process called sharding which breaks a file into separate chunks and then stores those pieces in different places to avoid losses. Box, meanwhile, encourages users to send a link to the file to others that allow them to preview the

content without actually downloading it.

Whatever the method, those within the industry contend that their methods are much more secure than storing files locally. In fact, the majority of the biggest breaches over the past few years, such as Target, have come from internal databases and not cloud-based storage.

With all of the technology utilized to protect cloud data, the New York Times reminds users that the password is still the weakest link in any security system. Strong passwords, changed regularly, coupled with the systems put in place by cloud storage companies can create an incredibly safe environment for your important files and photos.

because of bad credit. Then it might be impossible to refinance.

In the current market, property values are going up. But, if property values go down, you could be stuck with a home that is not worth the balloon payment. No lender will finance under those conditions. In your case, you might not be able to sell at the necessary price.

Finally, interest rates could be much higher in seven years. For someone who wants to refinance, this could make payments dramatically higher.

Some balloon mortgages have a reset option that will automatically recalculate the mortgage at the current interest rates. This might be good protection for most people.

If you know you will sell, a balloon mortgage might be acceptable.



"Have you ever thought of having yourself digitally restored?"

The skill of his father

Watch my hands.

Buddy Valastro Sr. was folding and stretching dough in the family's Hoboken, N.J. bakery shop.

Watch me, he said to his son. He pulled the dough, worked it thin into the nearly translucent sheet of pastry necessary for the perfect *sfogliatelle*. Lobster tails, some call them: incredibly light and flaky pastries filled with cream. It was the signature dish at Carlo's Bakery Shop.

Buddy Jr. just hadn't been able to make that pastry. He had mastered the fancy cakes and baked delights at the store, but *sfogliatelle* mocked him. There was a special magic in being able to stretch the dough thin as parchment, yet not tear it; to pull it out, but not bunch it.

Buddy Sr. had the touch that escaped his son. Maybe it was because Buddy Sr. came from three generations of bakers, all the way back to Italy. And it was certainly because Buddy Sr. spent 30 years making lobster tails. The locally famous shop in New Jersey was opened by Carlo Guastaffero in 1910 and purchased by Buddy Sr. in 1964. He had grand plans, then. Maybe to bake a cake that would grace a wedding magazine. Maybe to expand.

But that particular night was just about one thing. "Watch me," his father said. "I'm not here to play around. I'm here to show you how to make lobster tails one more time."

So Buddy Jr. watched his father again and moved his hands in the bakers dance until he, too, pulled out a thin layer of dough. No bunches. No tears. Perfection.

And then Buddy Jr. woke up.

Buddy, who took over the shop at age 17, after his father died of cancer, awoke in excitement and, in life as in his dream, rushed to the bake shop. For the first time, Buddy Jr. pulled out the perfect *sfogliatelle* pastry. His father's last visit to the bake shop was not merely a dream; it was a gift.

Today, fans of reality television know Buddy Jr. as The Cake Boss. That little shop in Hoboken is now an industry with 18 locations worldwide. The shop's cakes have graced the covers of wedding magazines. And Buddy Jr. is a television star, who still grieves for his dad and is still grateful for the perfect *sfogliatelle*.

(Adapted from an autobiographical article in Guideposts)

Tick season: Prepare for an increase

You can tell by the acorns.

A bumper crop of acorns means good times for mice and that means lots of food for ticks.

According to Richard S. Ostfeld, a Cary Institute scientist, there was a bumper crop of acorns in 2015. Ticks therefore survived on mice and reproduced.

Since ticks have a two-year life cycle, the number of nymph-stage ticks should be huge this spring. In areas with lots of snow cover this winter, the tick population might be mitigated, but in areas with a mild winter, the tick population should be big.

Connecticut, whose Agricultural Experiment Station collects and studies ticks, found in May that 38 percent of collected ticks tested positive for Lyme disease, according to the Wall Street Journal. That is up from 27 percent in the last five years.



The dog who owned the mail

He was a likable, stray border terrier who had two hobbies: He liked to travel and he liked mail bags.

In particular, the dog who became known as Owney liked to sleep on mail bags and it did not matter to him if the mail bags were headed across town or across country.

In the late 1800s, when dogs frequently roamed freely, Owney became the darling mascot of the postal service and even a world traveler.

It all started in 1888 in Albany, NY, when the dog showed up at a post office and was adopted by the postal workers. They noticed Owney liked to sleep on mail bags and one other thing: Owney was friendly toward postal workers who needed to move mail bags, but he was decidedly unfriendly to non-postal workers.

The talent was a useful one as Owney traveled from one post office to another, guarding mail bags in return for food and water. On one occasion, a mail bag fell off a train and Owney stayed with the bag until a worker came back for it.

He quickly gained fame across the postal service. An 1893 book by Cushing Marshall has this description: "The terrier 'Owney' travels from one end of the country to the other in the postal cars, tagged through, petted, talked to, looked out for, as a brother, almost. But sometimes, no matter what the attention, he suddenly departs for the south, the east, or the west, and is not seen again for months."

Albany postal workers worried when Owney disappeared for months. They had a special collar made with the address of the Albany Post Office, just so he could be identified.

At the various post offices he visited, Owney got a new tag clipped to his collar until finally he jingled loudly with every step.

The circumstances of Owney's death are disputed. Some say he became old and aggressive. Others say he was mistreated. But all agree he was put down June 11, 1897.

He is still honored at the Smithsonian National Postal Museum in Washington, DC, where 397 of his medals and tags are on display, along with his preserved body. 111.txt

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Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1 Adopt a Shelter Cat Month	2 Nat'l Doughnut Day	3
4	5 World Environment Day	6	7	8 Nat'l Best-friend day	9	10 Belmont Stakes
11	12	13	14 Flag Day	15	16	17
18 Father's Day	19	20	21 Summer Solstice	22	23	24
25	26	27	28	29	30	

Martin County Single Family Home Sales 1st Quarter 2017

Click on the Image for the full report

Quarterly Market Detail - Q1 2017
Single Family Homes
Martin County

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Summary Statistics	Q1 2017	Q1 2016	Percent Change Year-over-Year
Closed Sales	548	536	2.2%
Paid in Cash	243	219	11.0%
Median Sale Price	\$345,000	\$320,000	7.8%
Average Sale Price	\$488,745	\$437,135	11.8%
Dollar Volume	\$267.8 Million	\$234.3 Million	14.3%
Median Percent of Original List Price Received	94.6%	94.7%	-0.1%
Median Time to Contract	57 Days	50 Days	14.0%
Median Time to Sale	95 Days	100 Days	-5.0%
New Pending Sales	753	748	0.7%
New Listings	994	953	4.3%

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