

Gabe's July 2013

HOUSECALLS



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Gabe Sanders

Come out on the 4th of July for Martin County's ONLY Fireworks Display. Starting at 2 pm in historic downtown Stuart at Flagler Park. This will be a free patriotic event for the whole family. Featuring food

Star Spangled Stuart



trucks, beer, various vendors, bounce houses, pony rides, face painting and live music on two separate stages. And of course a fabulous Fireworks show to cap off the fun filled holiday. Fireworks are planned for 9 pm. [Click on this link](#) for more information. Hope to see you there.

It's a great time to invest in your lifestyle, future

About 20 percent of buyers today aren't looking for a wonderful home to live in, they're looking for the investment of their dreams.

One buyer in California bought 12 foreclosed homes in one day and had buyer's regret. He regretted that he hadn't bought them last year when prices were even lower. After an affordable fix-up in each home, he can rent them for between \$1,000 and \$3,000 a month.

In many areas, there are still quite a few homes that would make a profitable investment. And monthly rents are in the investor's favor.

A home for you and your family

If you're among the 80 percent of traditional buyers searching for the right home for themselves, you can buy now and have no regrets.



If you're feeling a little patriotic on the 4th, here are some ideas for a toast.

The Declaration of Independence gives us a nice suggestion for a cheerful toast on the 4th of July.

According to the Declaration, the Creator gives every person the gift of life, liberty and the pursuit of happiness.

So on the 4th raise your glass in this toast: Pursue Happiness! It's your God-given right.

While home prices are rising, it will be some time before they will not be considered an excellent buy.

You can still get more rooms and amenities for the purchase price than you would have had six or seven years ago. And, obviously, mortgage interest rates are an amazing bargain today.

July is also a favorable time to buy because many sellers want to be established in a new home before school starts.

Speaking of sellers, many have stood on the sidelines because of low selling prices. Now that prices of existing homes are rising all the time, more sellers are getting back into the marketplace. But they are charging more as average housing prices rise.

Considering all of these factors, this July is a great time to make a deal before circumstances change.

"Seek and ye shall find," the best house for you at the best terms.

Ask Gabe

How can we make our older home attractive to younger buyers?

First, address the fear young buyers may have about maintaining an older home. What you can do:

* Get a home inspection and fix any potential problems the inspector finds. Have the heating and air conditioning systems checked. If you don't have city water and sewer, have the pump and septic system checked. Make the report available so you can show it to prospective buyers.

* Buying a home warranty is another good idea. It should cover any significant problems that may occur during the first year of ownership. Buyers won't have to worry, for instance, about replacing the furnace during that time.

Next, show the home to the best advantage:

* Do whatever you can to bring light into the house. Remove heavy curtains; use bright light bulbs, buy light fixtures that have two or four bulbs instead of one; and trim back any bushes that block light from coming inside.

* Paint walls a light color, such as off-white, light beige or light gray.

* Get an estimate for

Fed Rocks the Boat And The Summer Was Going So Swimmingly

The last week of May saw Fed Chairman Ben Bernanke's Capitol Hill comments sending shockwaves through financial markets, felt as far away as China.

A reason why Stock and Bond markets took a pummeling in the aftermath was due to investor-wide fears that the Fed may soon taper its "Quantitative Easing" program. QE is the Fed's continued effort to stimulate the economy by buying Treasuries and Bonds. And just in case you forgot, the Fed represents the nation's policymakers who set the country's interest rates and monitor its general economic health.

As the economy improves with signs like better jobs and strong and stable housing numbers, the Fed may see proof that it could potentially cut the chord and reduce its QE efforts. But "tapering" may not mean such bad news for Bond markets, which dictate home loan rates.

Certainly there is no inflation, stocks are doing well, and the labor market has shown modest improvement.



Smooth Sales for Housing

Housing markets have shown signs of improvement for several months now, and continue on this road. Last month, New Home Sales figures rose to an annual pace of 454,000 units, above the expected 425,000, and Existing Home Sales were up nearly 10 percent from April 2012.

The percentage of purchase home loans increased for a third consecutive month in April, according to Ellie Mae's Origination Insight Report. Purchases were 42 percent of total home loans, echoing July 2012, when they were also at their largest market share at 42 percent. Total home loans consisted of FHA at 22 percent and conventional home loans at 68

percent of the total. Fifteen-year mortgages comprised 15 percent of all mortgages and adjustable rate mortgages had a 3 percent share, also at their highest since last July.

Have No Fears:

To wrap up, if there is fear of tapering in the third quarter, Stocks could have trouble moving higher, giving Bonds some support. And considering the global landmines in Europe and now Japan, these are fundamental reasons for relatively low rates.

costs on projects you won't finish before selling, such as remodeling a bathroom.

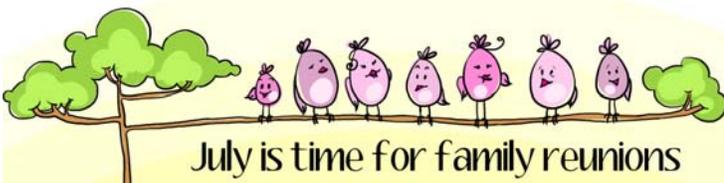
The FHA 203k mortgage

Sometimes a buyer has a vision of making it the home of their dreams. That's where the FHA 203k loan comes in. It allows them to wrap home renovation costs into the mortgage.

The bank takes the as-is market value of the property and adds the costs of repairs and renovations to the loan. Upon closing, the repair work is completed and the buyer

takes possession of the property.

The minimum amount of repairs required to use an FHA 203k is \$5,000 and the maximum is \$35,000. It's not considered a second mortgage or home improvement loan. The cost of the renovation is added onto the primary note.



The Cowboy Swagger

Their heyday ended 150 years ago but the world still loves the cowboy

At the end of the Civil War in 1865, herds of longhorn grazed wild throughout the grasslands of Texas, bringing \$4 a steer. But in the north, where supplies of meat were exhausted by the demands of war, the same steer went for \$40, according to the History Channel.

That demand, coupled with the expansion of the railroads, created an iconic character that has transcended his era: the cowboy.

More than anything, it is cowboy swagger that has kept the world fascinated: The gear, attitude, and fortitude.

There is a famous photo of Nat Love, African American cowboy (about a quarter of all cowboys were African American), posing for a formal picture in his cowboy regalia. Standing in the photographer's formal flower background, you find rugged Nat: Hat, saddle rope, neck scarf.



Cowboy cool. And practical. Every inch of the cowboy had to serve the singular purpose of driving a thousands of cattle a thousand miles from San Antonio to Dodge City, or Abilene.

The famous cowboy hat was wide brimmed, for protection from the sun, but also served as a good dipper for water. In winter the brims could be tied down for ear protection. The scarf tied around the mouth filtered trail dust. Two-inch boot heels were not just for looks. They held the foot easily in the stirrup and were good for digging into the dirt when wrestling a steer. Low slung around the waist, the gun belt and six shooter were a warning to the desperados.

Three months on the trail and 25 pieces of gold in Dodge was the life of the cowboy, a life that has inspired the human imagination.

They are still remembered on July 27, the official Day of the Cowboy.

Home down payment: The ins and outs of borrowing from your 401(k)

Now that zero down payment loans are uncommon, some 9 percent of recent home buyers have borrowed down payment money from their 401(k), according to the National Association of Realtors. It allows them to take advantage of today's super low mortgage rates

You can usually borrow up to half of your 401(k) balance, or a maximum of \$50,000. Most loans have to be repaid within five years, but some employers will give you up to 15 years if the money is used to buy a home.

According to the Mortgage Bankers Association, the loan won't count in your debt-to-income ratio when you apply for a mortgage because it's secured by money in your 401(k). The loan will also not be reported to the credit bureaus, so the debt won't hurt your credit score.

The downside of borrowing from your 401(k):

- * If you fail to repay the loan, it will be treated as if you made a taxable withdrawal, and you'll have to pay income tax on the balance owed.

- * If you are laid off from your job or quit, generally you'll have 60 to 90 days to pay off the outstanding balance. Otherwise, you'll also owe a 10 percent early-withdrawal penalty if you are under 59 1/2.

Still, before you borrow from your investments, try to apply for a mortgage that requires a lower down payment. An FHA loan requires just 3.5 percent down. And, don't overlook traditional lenders — their down payment terms are getting better.

A low down payment means you'll have the added monthly expense of mortgage insurance premiums. It runs from .05 percent to 1.5 percent of the loan amount until equity reaches 20 percent. With FHA, the premiums are 1.35 percent for most loans and it lasts for the life of the loan.



It's watermelon time!

Watermelon is not only fat free and great tasting, it's a real heavyweight in the nutrition department. A standard serving of about two cups (85 calories) has plenty of vitamins C and A. It has potassium, which is essential for the body's maintenance and plays a vital role in the response of nerves and the contraction of muscles.

Watermelon also has a healthy dose of lycopene, an antioxidant, that helps the body fight cell damage.

Featured Listings

This CBS home, built in 1999, can be your very own private tropical paradise on Hutchinson Island, just north of Stuart Causeway. Entryway landscaping includes king, areca, & bismark palm trees, oleanders, & Meyer lemon trees. Main house is a 4BR/2.5BA w/living room, family room, dining room, & media room, which could be 5th bedroom. Chef's delight kitchen, tile throughout living areas, & large screened porch to view the fabulous sunsets from almost every room. Newly refurbished dock w/solar lights on the pilings, fish cleaning table, lock box, green super fish light, & ladders & bumpers for a mooring side and a 12,000 lb lift side. Water depth approx. 4 feet at low tide. Detached 2 car garage has a window A/C unit. One BR apt over garage w/full kitchen has a wall A/C unit.

\$925,000

[Click here for more info.](#)



Monthly Detail April 2013 Single Family Home Sales for Martin County

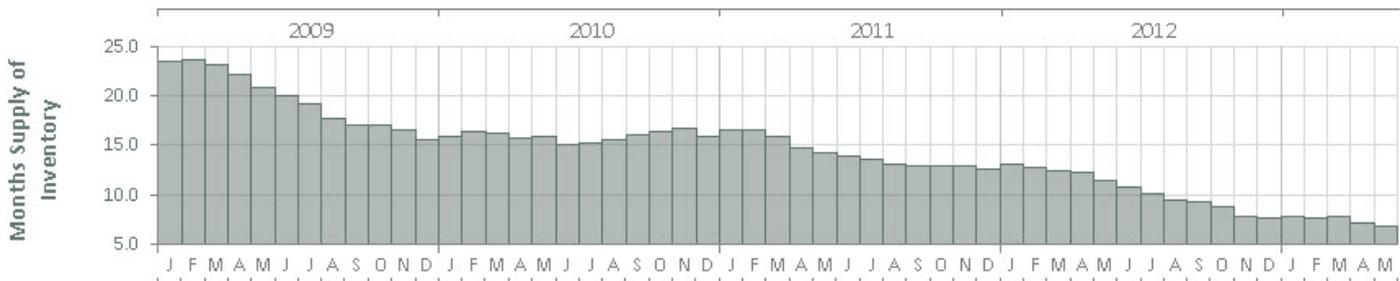
[Click Here for the full May 2013 Martin County Single Family Market Data](#)

Months Supply of Inventory

An estimate of the number of months it will take to deplete the current inventory given recent sales rates

Economists' note: This is an indicator of the state of the market, whether it is a buyers' market or a sellers' market. The benchmark for a balanced market (favoring neither buyer nor seller) is 5.5 Months of Inventory. Higher numbers indicate a buyers' market, lower numbers a sellers' market.

Month	Months Supply	Percent Change Year-over-Year
May 2013	6.8	-40.2%
April 2013	7.2	-41.5%
March 2013	7.7	-38.1%
February 2013	7.6	-40.0%
January 2013	7.7	-41.2%
December 2012	7.6	-39.4%
November 2012	7.7	-40.2%
October 2012	8.8	-31.5%
September 2012	9.2	-28.8%
August 2012	9.3	-28.3%
July 2012	10.0	-26.1%
June 2012	10.7	-23.5%
May 2012	11.4	-20.1%



Produced by Florida REALTORS® with data provided by Florida's multiple listing services. Statistics for each month compiled from MLS feeds on the 15th day of the following month. Data released on Thursday, June 20, 2013. Next data release is Monday, July 22, 2013.

View [ALL](#) Single the Market Data for [Florida](#), [Martin County](#) and [Saint Lucie County](#) [Here](#)



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