

# HOUSECALLS

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## Reduce Your Risk for a Tax Audit

The idea of having an Internal Revenue agent spending days at your place examining your books can strike fear into the hearts of most people. Even if the agent finds nothing (and they usually find something to argue about) it's a scary experience.

Tax advisor Frank Degen, writing in Kiplinger's Personal Finance, says, generally, auditors are looking for something on your tax return that's out of the ordinary, such as a big deduction you haven't claimed before.

If you have a business and report a large loss,

particularly one that offsets other income. That's one reason the auditor has come. Additionally, they want to see if your business is a hobby in disguise.

Large charitable contributions could be a red flag. Auditors ask if you have a receipt for every contribution. Today you must remember that a receipt is now required for every contribution.

Unreimbursed business expenses are another item that gets flagged. Be sure you convince your tax preparer that they're legitimate before you have to convince the IRS.

## Cabin Fever brings out the buyers

Across the U.S. on January 6, a day that was colder in the Midwest than on the planet Mars (NASA), chilly homeowners were searching online for different homes.

Schools were closed, online searches were up as homeowners with cabin fever dreamed of new places to live.

With Spring coming our way March 20, what does that mean for home buyers and sellers?

According to real estate site Trulia, the cold winter might mean more people looking to buy vacation homes in the sunny south. At least, more people dreamed of homes in sunny vacation spots. According to the real estate site, every time the temperature drops 10 degrees in the town a house hunter lives, there is a 4.4 percent increase in searches for homes in warm regions. Searches for vacation destinations rise 5.5 percent.

But that doesn't mean everyone was searching outside their metro area when temperatures dropped.

In fact, 2.2 percent more people searched for homes online within their own metro area. That might be a better indication



of the rise in possible home buyers. Maybe they were thinking of a cozy fireplace or a home with better insulation. Some probably think that if they have to be trapped in a polar vortex they want to be trapped somewhere they like. Or maybe they just had cabin fever and wished they were out looking.

Cabin fever, in fact, bodes well for the Spring market, which is expected to be stronger anyway, according to analyst David Payne, writing in Kiplinger.com. Payne says that there will be an overall 4 percent increase in existing-home sales in 2014. Payne looks for an increase in new home sales of 16 percent.

Some people are motivated by cold weather. According to psychiatrist

Keith Ablow, while extreme weather tends to snow us all in, some people take pride in defeating each storm and rising to the occasion. Those people are probably the ones who will be out looking for new digs this Spring.

If you are a seller, you can thank the polar vortex.

## Ask the Expert



Sheila Everhart

### *What is the outlook for home buying in 2014?*

Even though the average price of both new and existing homes rose last year, there's no indication that they will fall any time soon. In fact, they will continue to rise.

With the economy slowly improving and the shortage of existing homes for sale, prices are still rising.

The average price of an existing home now approaches \$215,000 nationwide. Of course, it's not the same everywhere. In some localities it's lower and in big cities it's higher.

BUT, homes continue to be affordable in spite of recent price increases. They are still 31.5 percent below the 2006 price peak, according to Kiplinger's Personal Finance.

The percentage of monthly family income consumed by a mortgage payment (at 4.1 percent interest) is just 15.6 percent of monthly income, on average.

"Houses are very cheap," said David Stiff, principal economist at CoreLogic, a property and mortgage data analytics company.

Market observers agree that home prices will rise in 2014, but at a steady pace when compared with historic trends. By the end of 2013, prices nationwide rose by 10.9 percent,

## Easy Home Improvement Projects: Add comfort, beauty and value!

Whether you're aiming to fill a need, add comfort or just make your home more beautiful, consider one of these projects.

- \* Create a home office space from an unused bedroom or by partitioning off a room to make a private nook. You can divide it with acrylic block. It's great for you or to use as homework space.

- \* Add beauty to a living room ceiling. Consider a lightweight urethane medallion around the ceiling light or fan. According to e-How.com, two-piece medallions snap into place in less than five minutes.

- \* Invest in the lawn. A beautiful lawn creates a great impression both for your pleasure and that of any prospective home buyer.

- \* Replacing old windows is neither easy nor inexpensive, but can make the whole house look better and reduce heating and cooling costs.

- \* Expand your living

space with a deck or sunroom. A porch can be turned into a sunroom and a deck can be improved with an awning.

- \* Put new exterior trim on windows and doors. If there is old, rotted wood, you'll enjoy the look of low-maintenance, all-weather PVC millwork. It resists insects, termites and rot.

- \* Upgrade the master bedroom bath with a tub window. Acrylic-block windows provide privacy, light and a focal point for the room.

- \* Clean mildew from your home's exterior using a garden sprayer and mildewcide. Keep it from coming back with mildew-proof paint.

- \* Change a bay window to a bow window. It will add extra living space and instant interior and exterior appeal to your home.

It makes the perfect spot for a Christmas tree.



pushing the median price for existing homes up by \$30,000.

For people who wanted to sell or refinance their homes, that's good news.

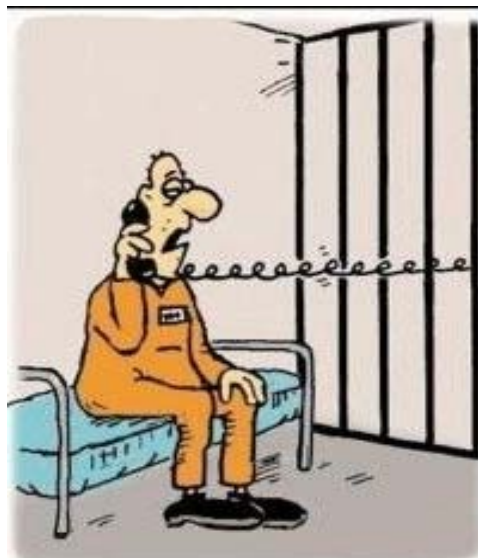
If you're renting a home or apartment, you may have already experienced a rent increase of 3 to 4 percent this year. The same increases are expected next year. Mortgage payments will always stay the same. That's a positive factor in buying a home.

So it would seem that if you buy a home now, some of your rent money will go to principle. It would be a smarter move than



## Credit Report Errors

According to a study by the Consumer Federal of America, about 29 percent of people have errors on their credit report that are so significant they translate into a 50-point hit on the credit score.



"I SOUND FUNNY? YEAH, I'M CALLING FROM MY CELL PHONE!"

## Online apps make menu planning a breeze

Meal planning is one area in which technology has met need with a host of online apps. They actually can make it easier to plan meals, shop and save money.

If you have ever tried the plethora of very simple apps for shopping, you know that typing in the information week after week quickly makes the app a chore, actually interfering with the flow of life.

Enter the new class of apps for desktop, phone and tablet.

They all solve some major problems: organizing and finding recipes that meet your criteria; remembering to buy the ingredients; and scheduling the dinners when you do have the ingredients. And beyond that, some apps hunt for coupons or scan barcodes of the stuff you already have.

One of the best is plantoeat.com. At a cost of \$5 per month or \$39 per year, it



won't break the bank. But it will probably save you time. You can search for recipes online and add them to your personal recipe list. Or, if you are on Facebook, for example, and one of the ubiquitous recipes pops up, you can click a button and save that to your plantoeat.com recipe book. Then, whenever you want, you can browse your recipes and pull them over onto a calendar, al-

lowing for leftovers and special quantities. The app seamlessly creates a shopping list for you based on your recipes. Very slick.

Emeals.com is slightly more expensive but more hands off. You choose your eating style (low carb, for example), your grocery store, your family size and like magic, every week a complete meal plan arrives by email complete with shopping list. Best yet, the list is organized around weekly sales at stores you select.

A free meal planner is ziplist.com. Ziplist draws recipes from thousands of online sites and offers a one-click way to add recipes from different sites to your recipe list. It also allows you to plan meals and add ingredients to a grocery list. It offers a coupon finder and weekly grocery specials. This system, like the others, ties into your smartphone.



### *You are being tracked*

If you use a cellphone, you are broadcasting your presence and not just with calls and texts.

Cellphones continuously tell your location to whoever is listening. And people are listening. Private companies are listening and tracking cellphone location data to find out the preferences and activities of their customers.

A cafe owner knows her coffees are popular but what else could he or she offer to customers that they might want? If the cafe owner knows 80 percent of customers go to a gym, maybe a gym shirt with the cafe logo might sell.

New location companies are starting up to provide the cafe owner, or anyone will to pay, exactly this type of information.

It's legal.

According to the Wall Street Journal, companies in the US do not have to get consent before collecting and sharing location data. Companies in the location tracking business say privacy concerns are overstated since tracking is not personal and not invasive.

## Little-known emoticon honors ex-hacker :-)

Everyone by now is familiar with the famous smiley face emoticon that is made with the letters :) or :-)

Less known are the emoticons named for people. In Facebook there is the obscure emoticon named Putnam. Type :putnam: to get the emoticon that is a hat tip to former Facebook engineer Christopher Putnam. Putnam is famous for his 2005 hack of Facebook in which Facebook pages were transformed into replicas of MySpace pages.

Putnam and two other friends devised the hack, not to actually destroy content, but as a prank to amuse themselves. The hackers made no attempt to hide their identity and the worm itself was not intended to be destructive. But, it inadvertently did end up deleting user data and that's when Facebook co-founder Dustin Moskovitz contacted Putnam.

According to an article by Putnam in the 2011 Business Insider website, Moskovitz told Putnam that the hack was funny but deleting information was not cool. Putnam revealed all the information about the worm that started it all and by January

2006 the two were friends. Moskovitz invited Putnam to interview for a job.

Putnam was delighted - but also wary since a MySpace hacker was once invited for an interview by his victim as a ruse to have him arrested. When he eventually walked out of Facebook headquarters

with a job, and not a federal charges, he was much relieved.

Putnam was luckier than MySpace hacker Samy Kamkar who authored a worm that destroyed nothing but merely planted the phrase, 'but most of all Samy is my hero' on the profile page of the victim.



If you viewed the profile, you got the worm and your page then displayed the declaration of love for Samy. The Samy worm demonstrated the power of social media because in just 20 hours, more than 1 million users had the virus.

Instead of getting a job, Kamkar was arrested by the Secret Service and was convicted of a felony. He went on to become a famed security analyst and technology whistleblower.

Putnam left Facebook in 2010, but his emoticon lives on.

## Featured Listing

### Jensen Beach Country Club Pool Home

A newer (2012) Jensen Beach Country Club Eagle model with 2100 sq ft of living space, this 3BD 2 BA home has all the upgrades, 18x18 porcelain tile, glazed wood kitchen cabinets, granite counters, stone back splash, upgraded GE Profile stainless steel appliance package, granite counters in bathrooms, engineered wood floors in all bedrooms, crown molding through out, custom book shelves, master bath has duel vanities, large soaking tub with separate shower, walk in closet, custom solar heated salt water pool with spa and enclosure, covered lanai, accordion shutters.

This non-equity golf community has 2 pools, Har-Tru tennis courts, the Eagle Marsh golf course, clubhouse, Wonderful location, minutes to the beaches, boating shopping and restaurants.

Offered for \$360,000

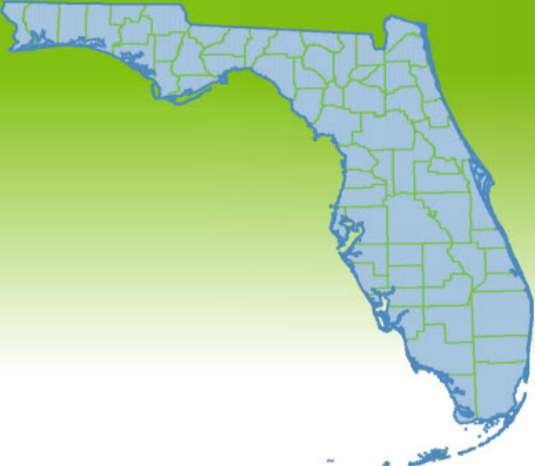
[Click here for more pictures and information](#)




## Florida (statewide) Market Report for 2013

Click on the Image for the full report

Yearly Market Detail - 2013  
Single Family Homes  
Florida





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Summary Statistics	2013	2012	Percent Change Year-over-Year
Closed Sales	227,411	203,426	11.8%
Paid in Cash	102,535	92,979	10.3%
New Pending Sales	282,735	240,431	17.6%
New Listings	350,181	311,420	12.4%
Median Sale Price	\$168,000	\$145,000	15.9%
Average Sale Price	\$247,493	\$221,821	11.6%
Median Days on Market	52	63	-17.5%
Average Percent of Original List Price Received	93.6%	91.3%	2.5%
Inventory (Active Listings)	104,790	93,684	11.9%
Months Supply of Inventory	5.5	5.5	0.1%

### Market Reports for Martin County, Saint Lucie County, and Florida (statewide)

Click on the name of the region above to view the reports.



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