

In Touch With BOB

April, 2008

"Making Friends One Home at a Time"

Volume 2 Issue 8

[Bob Evridge, Your Friendly Neighborhood Real Estate Expert](#)

Kristopher & Co. Real Estate 865-584-5599

Bob@BobEvridge.com

www.BobEvridge.com

865-660-0198

Increased Activity Indicates a Turn In Real Estate

If you have been following real estate in the news you may have noted the "surprise" of the media that in February home sales were up.

To those of us who are not reporters or members of the media but professionals in the real estate business the increase in sales is not a great surprise.

Typically interest in real estate is low in the fourth quarter of the year and picks up in the first quarter of the next year.

In many parts of the country real estate has been undergoing a "course correction." Although Knoxville

did not need one, the constant news of doom and gloom have created a large supply of houses on the local market.

With interest rates continuing to be at record lows, there could not be a better time to buy. That in itself is enough to spur an increase in sales. On a personal level I have seen a tremendous jump in Knoxville real estate activity.

If you want to talk about making a jump, I'm only a phone call or e-mail away.

Bob

Economic Stimulus Gets Real Estate Pros Talking

As the early days dawn on the new federal economic package, two groups are already pretty stimulated.

Real estate agents and mortgage brokers nationwide are talking about the effects of the \$168 billion package that includes new, but temporary, rules for mortgages.

The stimulus package raised the ceiling on 'conforming loans,' those loans that are backed by the Federal Housing Administration and have a lower interest rate. It used to be that conforming loans could be no higher than \$417,000. In some parts of the country, San Francisco and other parts of California, most homes sell for more than that so many mortgages were expensive, nonconforming, or jumbo, mortgages. The stimulus package will raise the ceiling to \$729,750 for the most expensive housing markets. Other markets could also have their loan ceilings raised.

This means more people will be able to finance or refinance their homes, even if their credit is poor or they don't have a large down payment.

Real estate bloggers immediately weighed in on what the stimulus package will mean.

In the Maryland, Ken Montville wrote:

"If you don't buy a home or refinance your home before December 31, 2008 you are at risk of losing a competitive rate.

"When your friendly neighborhood agent tells you that NOW is the time to buy. You may want to listen to him or her. Because with stable prices, seller concessions and a low, low interest rate (because of the Economic Stimulus package) it is truly the best time in history to BUY A HOUSE."

On the other side of the country Garry Loss of Orange County writes:

"These fixes will give the financial markets time to heal and restore liquidity to the markets in time. It will also allow thousands of homeowners to refinance their loans to more favorable rates and terms. It will take a few weeks before the change will take effect. As a direct result of the stimulus

package, expect demand to increase in Orange County along with a huge refinance boom."

Other real estate bloggers said the government missed a chance to perk up housing (and therefore all other sectors) by tying cash payouts directly to downpayments on new mortgages.



Tax time! Points are deductible, See page 3

Ask the Expert



Q Friends have told me that there are some great deals to be had right now in homes offered as a short sale. What is a short sale? Should we be wary of one?

A In a short sale, a buyer pays less than the amount a seller owes the lender.

There are more cases of 'short selling' in markets where home values are dropping.

Typically, when a homeowner can't pay his mortgage because he has suffered some sort of hardship -- loss of a job or divorce for example -- he simply sells his home. But when home values are dropping, this can be a problem. In some cases, a homeowner might find he owes more on his mortgage than his home will sell for. In these cases, lenders will sometimes accept less than the amount owed on the home, assuming the homeowner doesn't have other assets that can be sold to make up the difference. The lender then doesn't have to go to the

Steak Au Poivre, A Romantic Dinner for Two

Although the origins of Steak au poivre are sketchy, the phrase in French means 'pepper steak' and is served as a steak encrusted with cracked peppercorns. The origins of peppercorns themselves dates back 4000 years when it is believed they were first cultivated on the Malabar Coast of India.

Peppercorns have been used as medicine and currency alike. During the Middle Ages, they were stored as monetary collateral. In 408 A. D., the Visigoths demanded 3,000 pounds of peppercorns as one of their terms for the release of Rome.

True peppercorns come in varieties of the balled fruits from tall cones on the black pepper plant. They include black (mature fruit), green (unripened), and white (mature fruit soaked from the outer shell).



Steak au poivre for two
 2 eight-to-12-ounce sirloin strip steaks . 6 tablespoons whole black peppercorns
 or 2 filet mignons 1 teaspoon sea salt
 10 tablespoons butter 1/2 teaspoon minced garlic
 1 teaspoon white sugar 2 medium shallots finely chopped
 1 cup heavy cream 1/2 cup of brandy

Crack the fresh, whole peppercorns on a solid surface using a meat hammer or using a cracking device. Lightly butter both sides of each steak and press the cracked pepper into the meat.

In a large, deep skillet, melt the remainder of the butter, along with the shallots, the 2 tablespoons of the brandy and the garlic. Reduce heat to low and cook one minute.

Place the steak in the sauce and cook five to ten minutes on each side or to your preference in the degree of rareness.

If you feel brave, you can now flame the steaks in the remainder of the brandy or add it to the simmering sauce. Mix the cream and sugar gently into the drippings and stir, reducing it over low heat. Place the steaks on plates and spoon the sauce over them. Parsley can be added as a garnish. Serve the steaks

IMPORTANT NOTICE FOR PEOPLE OF KNOXVILLE

I-40 Closed on May 1: I-40 will be closed to through traffic for 14 months beginning May 1, 2008. The closure will be from east of the James White Parkway (exit 388A) EB to the new Hall of Fame Drive (exit 389) WB a distance of less than a mile. Through traffic can use I-640 or I-275. Local traffic can access the downtown and UT area via Hall of Fame Drive for traffic coming from the east and James White Parkway for traffic coming from the west. James White Parkway will continue to have access to eastbound I-40 and there will be a temporary ramp constructed to westbound I-40 by May 17, 2008.

expense of selling the house at auction.

The question you have to ask yourself is: Are you really getting a great deal?

If the house was purchased at the peak of rising home values, then the homeowner might have paid a premium price for the property. If values are dropping today, the lender may only be able to discount the property to current market values. So in that case, you wouldn't really be getting a bargain at all.

You'll have to know what similar houses in the market are selling for to find out if you are getting a good deal.

Find out how long the home has been on the market and make sure you get good inspections. A seller who is in financial trouble often can't keep up with repairs. You'll want to have a good idea what has been neglected.

Short sales are tricky legal propositions. You'll want to make sure you have an attorney experienced in this sort of sale. You will also want to know who the lender or lenders are and remember the lender will be looking for a better deal than a short sale will offer so the lender probably will not instantly agree.

Points and the taxman

If you paid points to get a better rate on a home loan, you might be able to get a tax break.

According to bankrate.com, you can deduct points the same year you paid them if the loan you took was to purchase or build the home you live in. Also, the points you paid had to be part of the established business practice of your community and it had to be within the usual range.

You don't get as good a tax deduction if you paid points to refinance your house. The points are deductible, but only over the life of the loan. So if you paid \$2,000 points on a 30-year mortgage, you would get to deduct a little more than \$5.50 per payment you made during the year. If you made 12 house payments, you would get to deduct about \$66 in point payments.

But wait! On the other hand if you use the cash from your refinancing to do home improvements, then you can deduct some of the points (those made directly related to home improvements) in the same year you paid the points.



The elderly parking lot attendant wasn't in a good mood!

Neither was Sam Bierstock. The eye doctor, business consultant, corporate speaker and musician, was bone tired after appearing at an event.

He pulled up in his car, and the parking attendant began to speak. "I took two bullets for this country and look what I'm doing," he said bitterly.

At first, Bierstock didn't know what to say to the World War II veteran. But he rolled down his window and told the man, "Really, from the bottom of my heart, I want to thank you."

Then the old soldier began to cry.

"That really got to me," Bierstock says.

Cut to today.

Bierstock's band, Dr. Sam and the Managed Care Band have written [a song](#) inspired by that old soldier in the airport parking lot. "Before You Go" does more than salute those who fought in WW II. It encourages people to go out of their way to thank the aging warriors before they die.

"If we had lost that particular war, our whole way of life would have been shot," says Bierstock, who plays harmonica. "The WW II soldiers are now dying at the

Working to protect the tree cover in cities

It shouldn't take a law to do it, but some cities are passing legislation to make "tree abuse" illegal. It sounds a little extreme, but they are doing whatever is necessary to protect their vital tree cover.

The number of trees in cities across the country is declining. Analysis by American Forests, a Washington D.C.-based nonprofit, shows that most cities have lost one-quarter of their tree canopies since 1972.

Protecting trees makes sense. Where streets are tree-lined shoppers spend an average of 12 percent more time shopping. A 1995 study even showed that city apartment buildings that were surrounded by vegetation were safer and the residents more civil.

Trees save energy with their cooling shade in summer and their windbreaks in winter. And homes with trees are more desirable.

Cities including New York and Los Angeles are adding millions of trees to their streets. Others have given blanket protection to all trees. In one California city, extreme pruning is a misdemeanor.

Whether or not trees are protected in your neighborhood, you can protect them on your own property.

Here's some advice from Ainsley Caldwell,

Atlanta's arboriculture manager:



Proper selection of trees for planting under power lines will reduce the need for harmful topping which is destructive to a tree's health.

* Avoid hatracking. Lopping off major branches to reduce overall size damages the structure of the tree.

* Don't top a tree. Cutting the main upright stem of a tree to prevent it from growing taller will kill most trees.

* Flush cutting is dangerous to tree health.

Trimming one limb too close to the main trunk leaves it susceptible to insects and disease. It will survive a single flush cut, but several can kill.

* Tipping, or trimming the tips of branches to shape a tree is discouraged. The tree will survive but won't be as healthy.

rate of about 2,000 every day. I thought we need to thank them."

Within four days of Bierstock placing it on the Web, [the song and accompanying photo essay](#) have bounced around nine countries, producing tears and heartfelt thanks from veterans, their sons and daughters and grandchildren.

"It made me cry," wrote one veteran's son. Another sent an e-mail saying that only after his father consumed several glasses of wine would he discuss "the unspeakable horrors" he and other soldiers had witnessed in places such as Anzio, Iwo Jima, Bataan and Omaha Beach. "I can never thank them enough," the son wrote. "Thank you for thinking about them."

[GOD BLESS every EVERY veteran...and THANK you to those of you veterans for whom this song is dedicated!](#)

Click on any of the links to hear song.

One of God's arrangements is that after winter, there should come beautiful spring days. It happens every year, and it happens in every life.

Father Joseph

Spring is nature's way of saying, "Let's party!"

Robin Williams

If you have one eye on yesterday and one eye on tomorrow, you're going to be cockeyed today.

Anonymous.

Around here, however, we don't look backwards for very long. We keep moving forward, opening up new doors and doing new things ... because we are curious. And curiosity keeps leading us down new paths.

Walt Disney

The race is not always to the swift, but to those who keep on running.

Anonymous

The loving person is a person who abhors waste, waste of time, waste of human potential. How much time we waste. As if we were going to live forever.

Leo Buscaglia

Be like a postage stamp. Stick to it until you get there.

Bob Proctor

Always do right. This will gratify some people, and astonish the rest

Mark Twain

Every oak tree started out as a couple of nuts who stood their ground.

Anonymous

Medical Myths Exploded by Researchers

Don't believe everything you hear. Researchers from Indiana University School of Medicine say these common beliefs are false.

Untrue medical myths:

1. Turkey makes you sleepy. It does contain tryptophan, an amino acid involved in sleep, but so does beef, and chicken. A ham and cheese sandwich has more. Sitting around after a big dinner is what makes you sleepy.
- 2.
3. You have to drink eight glasses of water a day. You can get much of that required fluid from fruits, vegetables, coffee or tea.
- 4.
5. We only use 10 percent of our brains. The researchers say no area of the brain is completely inactive.
- 6.
7. Hair and fingernails grow after death. No, they may appear to grow because the skin around them is shriveling and pulling away.
8. Reading in dim lights ruins your eyes. Untrue. It may cause eye strain but reading in dim light doesn't cause permanent damage.
9. Shaving your hair makes it grow back faster and thicker. No. Hair is no thicker after it has been shaved, and its growth rate doesn't change. Uncut hair appears to be lighter or finer because it tapers more at the ends and isn't bleached out by the sun or chemicals.
10. Cell phones cause hospital equipment to misfire. Reports of malfunctioning in the 1990s caused hospitals to ban cell phones. A 2007 study found no interference from them in 300 tests.

Study authors Rachel Vreem and Aaron Carroll, director of the Center for Health Policy and Professionalism Research at Riley Hospital and Indiana University School of Medicine, will soon have a book on the market detailing many medical myths.

Switch to Digital TV Begins Soon

By February of 2009, (Only 322 regular analog television signals will no longer be broadcast from TV towers. Signals have been sent in analog since television began, so it's a big change.

The Consumer Electronics Association says many of us won't be affected. More than half of American homes already have a digital television set, and digitals are the biggest sellers in electronics stores.

Of the half of TV owners whose sets aren't digital, more than 85 percent subscribe to a cable or satellite provider. None of these will be affected by the change because they don't receive their signals from TV towers.

That leaves about 11 percent of American homes who have to take steps in order to get television after next February. These households will be eligible for a program set up by Congress. They will receive from the Department of Commerce two coupons, each good for a \$40 discount on a special converter box that will allow analog sets to receive the new digital signals.

Converter boxes will be priced at from \$40 to \$60 meaning the coupons will offset the expense. The Department of Commerce coupons are scheduled to go out before mid-April, and by that time the converter boxes will be in most stores.

That means families will pay little or nothing to convert their older second and third television sets in bedrooms and recreation rooms.

Because digital transmissions take up less spectrum, there will be spectrum available for more new services including digital video. Up until now, most digital services have been for computers, not television, according to The Wall Street Journal's Lee Gomes.

For more information click on the following link: <http://www.dtvanswers.com/>.

Is A PocketMod For You?



The PocketMod is a new way to keep yourself organized. Lets face it, PDAs are too expensive and cumbersome, and organizers are bulky and hard to carry around. Nothing beats a folded up piece of paper. That is until now. With the PocketMod, you can carry around the days notes, keep them organized in any way you wish, then easily transfer the notes to your PDA, spreadsheet, or planner.

The PocketMod is a small book with guides on each page. These guides or templates, combined with a unique folding style, enable a normal piece of paper to become the ultimate note card. It is hard to describe just how incredibly useful the PocketMod is. It's best that you just dive in and create one.

What makes the PocketMod so special?

Many things make this little personal organizer special, here is a list.

1. It fits easily in your back pocket or purse.
2. It's as cheap as one piece of paper (Because that's all it is!)
3. It opens like a book. Leading to easier to find, more organized notes.
4. The first page has a pouch, big enough to carry a business card!
5. Customizable with "Mods" tailored to your needs. It's free and fun!

For more information click here: www.pocketmod.com.



Neighborhood Information

Have you ever wanted more information about the area of town in which you live? Based on census data www.zipskinny.com provide data about zip codes. Some of the types of information you can find include Educational Achievement, Marital Status, Education, how long people have stayed in the same home, average household income, and occupations.

The site provides an interesting "first glance" at a ZIP Code area, but it should only be seen as that -- a first glance. It is not a substitute for the more thorough research you should do prior to making decisions about relocating to or conducting business in a particular location.

INSURANCE COSTS MORE COVERS LESS

Natural disasters are a big problem for providers of homeowner's insurance. In 2003, one in five Floridians had storm-related loss. The cost to insurers was more than all premiums paid there since 2001.

Homeowners insurance has never been a profit-maker for insurance companies.

Usually, they earned enough by investing policy premiums to make up for a normal number of claims. But huge losses hurt them.

They not only had to raise premiums, but they decided not to renew some policies. To avoid losses in the near future, they had to pick homeowners with low claim records. Those with many claims were cancelled.

Water claims are the worst. Just one can get your policy cancelled, according to the California Department of Insurance. With a water claim, there is a potential for future damage such as rot and mold.

Some tips for lowering your premiums and staying insured:

- Increase your deductible to \$2,500 for a premium decrease of up to 30 percent.
- Skip extras. Drop add-on coverage that pays small claims, such as \$1,000 jewelry riders. Every claim counts on your record.
- Get a CLUE (Comprehensive Loss Underwriting Exchange) report for \$9 at www.choicetrust.com. See if your claims record is correct.
- Stay with your carrier. A claim on a new policy within six months could get you cancelled.
- Keep a record of all claims.
- When buying a home, ask about previous claims, repairs, and damages, especially water-related claims. Get a the CLUE report on the property.
- Don't make small claims. It's the number of claims that count, not just the amount. Pay for damage costing under \$1,000 yourself.




50 Years in 3 Minutes Great Photos!

If you are under 20 you probably won't get this. Turn up the volume, sit back and enjoy a review of 50 years of history in less than 3 minutes. Thanks to a Billy Joel (Like I said if you are under 20) song and some guy from the University of Chicago with too much time to Google! (Yes it is a verb now) If you like it, play it again. You will see and hear things you missed the first time.

<http://home.uchicago.edu/~yli5/Flash/Fire.html>

April 2008

- Traditional birthstone#: [diamond](#)
- Mystical birthstone#: [opal](#)
- Ayurvedic birthstone#: [diamond](#)
- Flower: [pink sweet pea](#)
- Sun Signs: [Aries](#) / [Taurus](#)

Sun	Mon	Tue	Wed	Thu	Fri	Sat
Cancer Control Month		1 	2 National Peanut Butter & Jelly	3	4 National Read a Roadmap Day	5 NCAA Final Four
6	7 No Housework Day!	8 Dogwood Arts Trails in Knoxville Open	9 Former Prisoner of War Recognition Day	10 D.A.R.E. Day	11 Dogwood Arts Parade	12 Dogwood Arts Festival on the Square
13 Thomas Jefferson Day	14	15 Income Tax Due	16 National Wear Pajamas to Work	17	18 National Animal Crackers Day	19 Oklahoma City Bombing Memory Day
20	21 	22 	23 National Administrative Assistant Day	24 National Pigs-in-a-Blanket Day	25 Arbor Day	26 Take our Daughters to Work Day
27 Cardboard Boat Regatta Race	28 Bulldogs are Beautiful Day	29	30 Hair Stylists Appreciation Day			

DECISIONS! DECISIONS! HARDWOOD or CARPET?

If that living room carpet is getting a little dreary-looking, you may be wondering whether to install flooring or carpet.

Hardwood is virtually dominating the floor-covering market today. It's especially helpful for people with allergies. Though it's easy to wipe up spills from hardwood, sellers advise that it should be frequently dusted or swept with a soft broom, and it should be vacuumed twice a week.

Engineered flooring is made in a manner similar to plywood, where three to five thin sheets of wood are laminated together. Engineered floors are very stable and can be installed almost anywhere. It comes in strips of 3 inches or less in width or planks that are over 3 inches wide.

Solid floors are cut from solid pieces of wood, milled to standard specifications and installed as planks or strips. Oak is the most common material.

Carpet is still chosen by many, especially by people who don't want cold floors or who have foot or back problems. The softer surface is better for them.

Freze fills the bill and is one of the most popular choices in carpet today. It is a highly twisted cut pile suited for high traffic areas. The short fibers curl in different directions at the surface to hide footprints and vacuum marks.

Berber is a style based on traditional carpet made by the Berbers of North Africa. It has tightly woven yarn loops create thousands of small woven circles. Nylon and wool are the preferred materials.

For more formal settings, plush (cut pile) or velvet are perfect, but they show both tracking and vacuum marks.

Carpet can be applied over almost any sub floor or existing floor. A thick style will hide irregularities in a way that most other floorings will not.

Like the middle road? Many people are choosing hardwood with large and small area rugs placed over it for a more comfortable feel.



Disclaimers: All real estate information deemed reliable but not guaranteed and should be independently verified. All properties are subject to prior sale, change, or withdrawal. Neither listing broker(s) nor this company shall be responsible for typographical errors, misinformation, misprints and shall be held totally harmless. If your property is currently listed with another real estate broker, this is not a solicitation of that listing or your business.