



John Smith Real Estate Group

Home Matters

Integrity. Commitment. Service. Spring 2009

Dear Friends and Clients,

Season after season we are thankful for all of you who have sold or purchased a home through us or have referred a friend, neighbor, or family member to us. Our business depends on you and the confidence you have placed in us to handle your most valuable asset—your home. We are truly honored to assist you with your real estate needs.

We wish to find more ways to show our gratitude throughout the year for your business and for your referrals. Periodically, we will be sending out valuable real estate information, as well as entering your name for drawings for monthly giveaways. So, if we don't already have your email address, please use the link on page 2 under Monthly Drawings. You will automatically be entered in our monthly drawings!

Enjoy the beauty of the Spring Season with your family and friends. As always, it's our pleasure to serve you!

Warm regards,

John & Eileen Smith & Team



"It is our pleasure to meet our client's individual real estate needs with the highest standard of integrity, commitment, and service. Our goal is to exceed our clients' expectations and to keep them clients for life"

John's Market Update...A Great Time to Buy!



"The mortgage rates are the lowest they've been in 52 years and rates are in the 4 1/2% range for a 30-year fixed rate."

It's hard to believe, but the first quarter for 2009 is already behind us. The Spring selling season is here, and we have seen encouraging signs that the real estate market locally is improving. We have had a very successful first quarter of sales.

The mortgage interest rates are the lowest they have been in 52 years - in the 4 1/2% range for a 30-year fixed rate. There is a great selection of homes at competitive prices for our Buyers to choose from. In addition, the federal government has offered first time home buyers a tax credit of \$8,000 for a home purchase prior to December 1, 2009. There are 6 things that first-time home buyers should know:

1. This credit is equivalent to 10% of the purchase price of the home ~ although it's capped at \$8,000, and applies only to first-time home buyers and principal residences. It does NOT have to be repaid.
2. A first-time home buyer is defined as someone who hasn't owned a principal residence for three years.
3. Only those who purchase a home on or after January 1 and before December 1, 2009 are eligible for the credit.
4. The tax credit is subject to income limitations. Single buyers need a modified adjusted gross income of \$75,000 or less to

- qualify for full credit and \$150,000 for married couples. Those earning more than these thresholds may be eligible for reduced credits.
5. Because the tax credit is "refundable," qualified buyers can take advantage of it even if they don't have much tax liability.
6. Buyers have to own the home for at least 3 years in order to capitalize on the credit. If they sell the home before then, they will have to return the credit to the government. Exceptions will be made in certain circumstances, such as death or divorce.

Don't miss out on this great time to buy or sell!

YOU DESERVE TO KNOW**Three things you need to know
About those low, low rates**

By the time you read this, mortgage interest rates are still likely to be very low. But before you take action on an advertised deal that look too good to be true, ask yourself these three questions about it:

Is it a fixed rate? If you're looking for firmer financial footing these days, you'll want to be sure the interest rates won't change down the road.

Does it come with trade-offs? A higher-than-normal application fee or inflated closing costs may be hiding behind a great rate. Or you may have to pay points to "buy down" the regular interest rate. (A point is 1% of the principal amount of your mortgage.)

What's the Annual Percentage Rate (APR)? To compare apples to apples, focus on the APRs of different loans. To determine the APR, expenses such as points, origination fees, and closing costs are added to the amount of interest you'll owe. Then this total borrowing cost is calculated and shown as an annual percentage over the life of the loan.

If you have any questions about a rate you've seen advertised, give me a call. I'll help; you investigate to see if there are strings attached. We want you to have the facts you need to make solid decisions—so you won't discover one day that an advertised "low, low rate" was a big, big mistake.

Ownership has its benefits

If you or someone you know are still paying a landlord's mortgage instead of building equity of your own, see what you're missing. Check out some of the other financial benefits of being a homeowner.

Typical Tax Deductions for Homeowners

- * **Mortgage interest**—One of the biggest tax incentives to owning a home is that the interest you pay on your mortgage is tax-deductible, up to \$1 million. This deduction applies to any kind of home, including a second home under certain conditions.
- * **Real-estate taxes**—As a homeowner, you can deduct the local property taxes you pay each year, too. This applies to both your principal home and any others you may own.
- * **Points** - If you (or even the seller) paid points to the lender to secure your mortgage, you may be able to deduct those points on your taxes.

New and Temporary Deductions

- * **\$8,000 for First-time Buyers**—Just when you were figuring out the \$7,500 tax credit for first-time buyers, Congress changed the rules and is now offering an \$8,000 tax credit—and guess what? Buyers won't have to repay it unless they sell their homes within

Mortgage Insurance Premiums—Thanks to Congress, MI premiums can be deducted in most cases by home buyers for mortgages issued after 2006 and before 2010 (although Congress may extend this provision). This one has income limits, so ask your tax professional for help.

- * **New Standard Deduction**—Prior to 2008, only taxpayers who itemized their deductions could deduct state and local property taxes. New legislation changes this for 2008 and 2009. Qualifying tax payers who don't itemize but pay property tax, get up to a \$500 extra deduction; married filing jointly get up to \$1,000.
- * **Special incentives**
- * **Tax-Free Profits on Sale**—When you sell your primary residence, you can make up to \$250,000 in profit if you're a single owner, twice that if you're married, and not owe any capital gains taxes.
- * **Other Benefits**—Ask you tax professional about Penalty-free IRA payouts for first-time buyers home improvement deductions, energy credits, and even moving expense deductions.

Monthly Drawings

Periodically we will be emailing valuable real estate information to our friends. We will also be holding monthly drawings for giveaways. If we do not have your email address, click here and register. Your name will automatically be entered for the drawings. Good Luck!

[Enter Here!](#)

Congratulations!

Liz White-Monos

is the winner of our April drawing for a Carrabba's gift card!

WE'RE ONLINE !

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John Smith
& Team
READING CLUB



Visit www.JohnSmithTeam.com to learn more about the John Smith & Team Reading Club. Just look for me on the web-page!

Congratulations to all the participants of The John Smith Reading Club for a successful year of reading! Please remember to stop at our office during the month of April to pick up your prizes and register for the 2009/2010 Reading Club.



Lemon Poppy Seed Cake

Submitted by Eileen Smith

INGREDIENTS

- * 1 Pkg lemon supreme cake mix
- * 1 Pkg (small) instant lemon pudding
- * 1 cup water
- * 4 eggs
- * 1/2 cup oil
- * 3 Tbl poppy seeds

FOR THE GLAZE

- * 1 cup powdered sugar
- * 1 Tbl lemon juice
- * 1 Tbl milk
- * 1 Tbl softened butter

Whip lightly until desired consistency.

Heat oven to 350 °. Grease and flour bundt pan. Mix first 5 ingredients, beating according to directions on cake mix package. Gently stir in poppy seeds. Pour batter into bundt pan. Bake for 50—55 minutes. Cool on a wire rack for 15 minutes. Carefully place a serving plate on top of the bundt pan. Gently turn it over so the cake falls onto the plate. Let cool completely before drizzling with the glaze.

Do You Know Your Neighbors?



The other evening we had a knock at the door. It was a new neighbor who introduced himself and his boys to us. He also invited us to a block party as a way to acquaint himself with the people in the

neighborhood as well as celebrate the first anniversary of his two foster sons coming to live with him.

We've lived here almost six years and no one has ever come to introduce themselves. I suppose we should have taken it on to introduce ourselves to people moving in, but we haven't.

Taking the action our new neighbor did last night was most likely an uncomfortable thing for him to do. I have an idea his two sons (11 and 14) weren't too gung-ho about it either—at least at first.

It made me stop and think. I've spent the last seven-and-half years building a worldwide

community of people who want to operate at their best, and it took the initiative of a young man and his foster sons to show me how I could pay better attention to my own community.

We have many local friends—good friends—but I have to admit that I haven't usually been the one to make the overture of friendship in my own neighborhood. In fact we have more friends in our marina than we do in our development.

This experience reminded me of one of my favorite quotes written by a monk in 1100: "When I was a young man, I wanted to change the world. I found it was difficult to change the world, so I tried to change my nation. When I found I couldn't change the nation, I began to focus on my town. I couldn't change the town and as an older man, I tried to change my family. Now, as an old man, I realize the only thing I can change is myself, and suddenly I realize that if long ago I had changed myself, I could have made an impact on my family. My family and I could have made an impact on our town. Their impact could have changed the nation and I could indeed have

changed the world."

For those of us who want to make a difference in the world, it's important we remember what Bucky Fuller said, "Think globally, but act locally." For me, I'm going to make it a point to meet more of my neighbors—starting now.

Author Michael Angier, founder of SuccessNet.org, recently released the New SuccessNet Resource Book—the Top Must-Have Tools, Products, Services and Resources for Running Your Business Effectively. This \$27 eBook can be yours now at no-cost. And most of the over 100 resources are FREE to access and use. Order at no cost from <http://SuccessNet.org/resources/> Primary website: <http://SuccessNet.org>

THE SMITH FAMILY UPDATE

We recently spent some time with our 3 sons in Southern California visiting Nathaniel. Nathaniel continues to enjoy his work as a double for Billy Ray Cyrus on the Hannah Montana show. We spent several days on the Hannah Montana set meeting everyone from the producers, stage personnel, Miley, Billy Ray, and the rest of the actors from the show. They were all very friendly and made us feel right at home. Andrew is preparing to graduate from The College of Charleston in May. Zach graduates this June from high school and continues to work in his landscaping company, Zach's Landscaping.



"For God so loved the world that he gave his one and only son, that whoever believes in Him shall not perish, but have eternal life."

John 3:16

Have a Joyous Easter!