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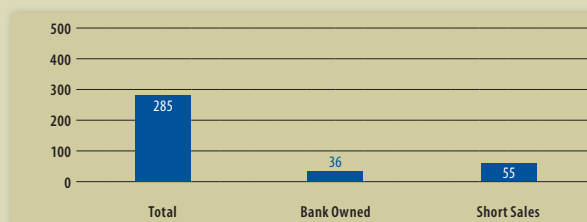
A FIXER-UPPER OR BANK-OWNED PROPERTY?

The best solution to purchase a home in need of rehabilitation repairs is to use the FHA 203k loan programs

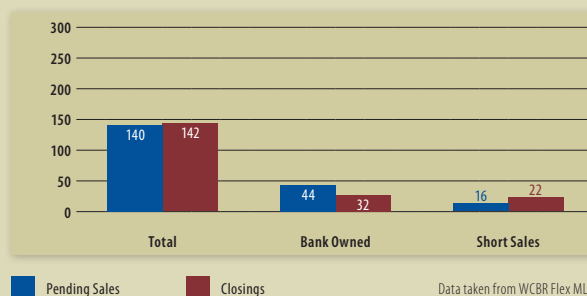
SELLING YOUR HOME, KNOW YOUR BUYER MARKET

Knowing your buyer market gives you an advantage

AUGUST 2009 SINGLE FAMILY NEW LISTINGS



AUGUST 2009 SINGLE FAMILY CLOSINGS



Data taken from WCBR Flex MLS

BREAKING NEWS: ROUND TWO OF THE HOME RUN GRANT RENEWAL

On September 4, 2009, Utah Governor, Gary R. Herbert, released new federal stimulus funds to the Utah Housing Corporation providing 1,950 new home construction loan grants to qualified buyers. These grants are on a first come-first serve basis until all 1,950 grants are issued. Round two of the Home Run grants are limited to \$4,000 per home purchase but can be used in conjunction with the federal home purchase tax credit program of up to \$8,000, making a total assistance of \$12,000 if the home purchase meets both program requirements.

Round two also has lower income limits than round one. A single person maximum income is \$75,000/year and a married couple maximum is \$150,000/year. The purchase is for owner-occupied purchases only and must be on a fixed rate mortgage amortized over 30 years.

Remember, funds from round one were exhausted in less than four months and the federal \$8,000 tax credit is for homes closed on or before November 30, 2009.

So, don't miss out! Call a Windermere agent today at 435-688-1900.

FHA CHANGES FINANCING FOR CONDOMINIUMS

Due to new FHA regulations, condos will become more difficult to sell in this current market. Financing of condominium units through FHA loans face huge new road blocks beginning October 1, 2009.

All current condominium project approvals, except those that were made on or before October 1, 2009, will be invalid. Every project will have to be recertified before any FHA loans can be processed. That usually means huge delays due to inadequate staff to handle the thousands of new certification due diligence packages expected to pour in during the upcoming months.

Please alert your condo Home Owner Association of this new regulation so the process can get started as soon as possible.

For more information, call Windermere Real Estate Southland at 435-688-1900.

A FIXER-UPPER OR BANK-OWNED PROPERTY?

With all the short sale homes and foreclosure homes on the market, buyers are facing the dilemma of how to make such a purchase with a mortgage that will pay for the rehabilitation repairs as well as the purchase of the home. FHA has had the solution for that situation for many years. In better mortgage markets, conventional lenders have also had such mortgages, but most of those have gone away for now. So, the best solution to purchase a home in need of rehabilitation

repairs is to use the FHA 203k loan programs. There are two programs available in today's market: FHA Streamline 203k and the regular 203k program for rehabs in excess of the Streamline's \$35,000 cap.

How does it work? Virtually any kind of improvements are acceptable except for pools and luxury items. The mortgage is based on the appraised value of the home after the completion of the rehab effort. The agreed purchase price plus the cost of the rehab activity (based on a licensed contractor's bid) and a contingency amount for unforeseen additions to the project are all rolled into a single loan and closing. The rehab costs and the contingency amount are treated like an "all-in-one" construction take-out loan with the rehabilitation costs paid from escrow as the work is finished.

If you are looking at unfinished homes or homes needing repair, you can get that done through one of these loans.

For more information, call your professional Windermere agent at 435-688-1900.

SELLING YOUR HOME, KNOW YOUR BUYER MARKET

Just like television commercials, you need to know who your target audience is. Even though you may have lived in your neighborhood for years, taking the time to drive or walk around it is a good idea. Be objective — like you did when you were originally considering buying your home. Look for things that are both the key selling points of the neighborhood as well as the things that may deter buyers. Seeing it all is beneficial because that's exactly what potential buyers will see.

Make your home ready for your specific buyer market. For instance, if your home is a two-story home, you might find that elderly couples or people looking to "age in place" might not be as attracted to it because of the steps to the second story. If your home is located in one of the best school districts, draw attention to this. Many parents will move to a neighborhood simply because of a school's glowing reputation.

Your home needs to be spotless, have great curb appeal and have a warm and welcoming feeling with a few amenities. But don't forget, that in this economic era, the home must also be basic enough to be affordable.

Knowing your buyer market gives you an advantage — you can highlight the features of your home that are most likely exactly what those buyers want. Before putting your home on the market, you should also take time to search for the best agent to handle your transaction.

Our agents can help you better understand which buyers are most likely going to be interested in your home.

Call a professional Windermere agent today at 435-688-1900.

Source: Phoebe Chongchua / Realty Times