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## TAX RELIEF:

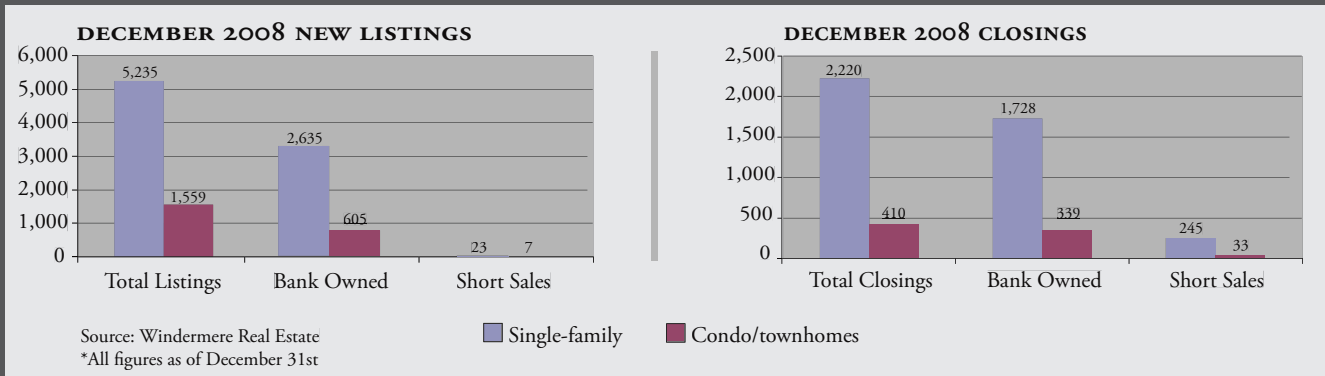
New Tax Rules Spell Savings for Homeowners

## 2008 IN REVIEW:

Downturn's Effects Paving Way for Recovery

## 2009 HOUSING OUTLOOK:

Several Factors Indicate Positive New Year



## TAX RELIEF:

### New Tax Rules Spell Savings for Homeowners

Homeowners have three new tax code provisions to consider this year when planning their taxes. Each of them could translate to a huge savings – a prospect no one should overlook in the current economy.

One component of the housing bailout bill Congress passed in July, homeowners who purchased homes within the last year may be eligible for a tax credit of up to \$7,500. The credit was put in place to give new homeowners a helping hand with their mortgage.

Second, there is a new tax break for homeowners who do not itemize on their tax return. This year, for the first time, individuals may claim a property tax deduction of up to \$1,000 on top of their standard deduction.

Finally, homeowners whose mortgages have been reduced because of foreclosure or restructuring will not have to pay taxes on the difference. In the past, these reductions were considered taxable income and resulted in the homeowner paying additional money to the IRS.

All of these new provisions could not come at a better time for homeowners.

Source: abcnews.go.com

## 2009 HOUSING OUTLOOK:

### Several Factors Indicate Positive New Year

- Local economists anticipate Southern Nevada's housing market will see a turnaround in 2009. They predict positive growth in nearly all economic factors except for forecasted negative growth in personal income. UNLV Center for Business and Economic Research
- The local population continues to grow at 5,000 new movers per month, providing demand for the increased housing inventory and in turn supporting a rebound of property values.

## 2008 IN REVIEW:

### Downturn's Effects Paving Way for Recovery

The fallout of the housing market downturn has brewed a perfect storm for prospective home buyers in 2009. There are several factors to consider in today's market, the combination of which makes now the perfect time to buy a home.

Inventory and sales are both on the rise, with a large number of current closings stemming from low-priced bank-owned and short sale properties that have opened the prospect of home ownership to a larger audience than ever.

Many distressed properties currently on the market are priced at a 40 percent discount. And the presence of these homes on the market, as well as the overall increased supply of standard sales, has brought down prices across the board.

Mortgage interest rates are probably the most attractive component in the current market, having reached their lowest point in history – near 5 percent. And, they are expected to dip even lower over the coming year.

The alignment of these factors equals the perfect formula for purchasing a home. To find out more how you can benefit from today's market, visit [www.Windermere.com](http://www.Windermere.com).

- The supply of well-priced bank-owned and short sale properties is expected to continue, opening the prospect of home ownership to a wider segment of the population.
- Even with the projected 10 percent decrease in tourism in 2009, hotel occupancy rates will remain as much as 25 percent higher than most markets. Las Vegas Convention & Visitors Authority
- Unemployment rates are expected to maintain or improve as a result of the opening of Encore Las Vegas and the projected opening of CityCenter in 2009.

## YEAR-TO-YEAR HOUSING COMPARISON:

2007 VS. 2008\*

TOTAL SINGLE FAMILY SALES	TOTAL NEW LISTINGS	TOTAL CLOSINGS	AVERAGE LISTING PRICE	AVERAGE CLOSING PRICE	TOTAL LUXURY CLOSINGS**	AVERAGE LUXURY CLOSING PRICE**
2007	11,530	16,131	\$386,305	\$371,905	414	\$1,866,714
2008	23,353	25,472	\$282,019	\$252,758	209	\$1,785,457
* Based on figures as of December 31, 2008						
TOTAL CONDO/TOWNHOME SALES						
2007	2,533	3,494	\$252,605	\$234,796	35	\$1,870,602
2008	7,163	3,764	\$202,904	\$164,465	28	\$2,143,035
** Properties priced \$1 million and above.						