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## HOPE FOR HOMEOWNERS:

Program Provides Relief  
to Troubled Homeowners

## HOUSING REPORT:

Las Vegas Leading Housing  
Market Recovery



## HOPE FOR HOMEOWNERS:

### Program Provides Relief to Troubled Homeowners

The HOPE for Homeowners (H4H) program assists borrowers at risk of default or foreclosure to refinance their mortgages to affordable, 30-year fixed-rate, FHA loans. Under the program, lenders take losses on existing debt obligations and new loans are set at 96.5 percent of current appraised values.

Eligibility requirements:

- The existing mortgage was originated on or before January 1, 2008;
- Existing mortgage payment(s) as of March 1, 2008, exceeds 31 percent of the borrower's gross monthly income;
- The homeowner did not intentionally default, does not have an ownership interest in other residential real estate and has not been convicted of fraud in the last 10 years under federal and state law;
- The homeowner did not provide materially false information (e.g., lied about income) to obtain the mortgage that is being refinanced into the H4H mortgage;
- They must have made a minimum of six full payments on their existing first mortgage and did not intentionally miss mortgage payments; and
- They do not own a second home.

H4H mortgages require borrowers to share the future equity in their homes with the government in return for loan modifications. Upon sale of H4H mortgaged properties, sale proceeds will pay off the H4H mortgage, as well as the shared equity and shared appreciation mortgages. The shared equity ranges from 100 percent from year one to 50 percent after year five, paid to FHA.

The H4H program will conclude on September 30, 2011. Homeowners in need should act now by calling the HOPE NOW Alliance at 1-888-995-HOPE.

### Home Buyer Tax Credit

First time homebuyers who purchase a principle residence between April 9, 2008, and July 1, 2009, are eligible to receive up to a \$7,500 tax credit. The tax credit is not completely free money. It has payback provisions that make it similar to an interest free loan.

Two years after the credit is claimed, repayment must begin so the credit is paid back in full within 15 years. If the home is resold before the credit is repaid, the seller must immediately pay the outstanding balance. But if the home is sold at a loss, then nothing is owed. For more information, visit [www.hud.gov](http://www.hud.gov).

## HOUSING REPORT:

### Las Vegas Leading Housing Market Recovery

The increase in distressed properties coming on the market since the end of 2007 has driven down home prices in 80 percent of the nation's metropolitan areas, according to a third quarter report by the National Association of REALTORS®. But while existing home sales fell in 32 states from the second quarter, explosive sales activity in the greater Las Vegas area has pushed Nevada to the forefront of the national housing recovery.

Arizona, California and Nevada saw the largest third quarter sales gains, respectively, though Nevada has seen the highest annual increase by far, at 76

percent. Among the cities hardest hit by the foreclosure crisis, Las Vegas is showing signs of an early emergence, with annual sales statewide expected to outpace 2006 figures.

Foreclosures and short sale properties in Clark County accounted for about 80 percent of the 5,281 new listings, and 87 percent of the 2,335 total closings in November. Sales of these properties have brought the median sales price in Las Vegas down to approximately \$186,000, according to the most current estimates, but many in the industry are speculating the market is close to reaching its bottom.

### YEAR-TO-YEAR ANNUAL CHANGE THIRD QUARTER 2007 VS. 2008\*

#### TOTAL SINGLE FAMILY, CONDO/TOWNHOME SALES

##### State

State	2007 3Q	2008 3Q	ANNUAL CHANGE
Nevada	41,600	73,200	76.0%
Arizona	94,800	141,600	49.4%
California	314,400	498,000	58.4%

#### MEDIAN SALES PRICE, EXISTING SINGLE FAMILY HOMES Metropolitan Area

Metropolitan Area	2007 3Q	2008 3Q	ANNUAL CHANGE
Las Vegas, NV	\$295,500	\$211,600	-28.4%
Phoenix-Mesa-Scottsdale, AZ	\$255,500	\$185,100	-27.6%
Los Angeles-Long Beach-Santa Ana, CA	\$602,900	\$391,400	-35.1%

\*Sales and pricing figures not seasonally adjusted.

Source: National Association of REALTORS®