

Windermere Report.com

FEBRUARY MARKET TRENDS —SOUTHERN UTAH

Average residential sold prices have stabilized

WHAT GOES UP DOES COME DOWN— GOOD OR BAD NEWS

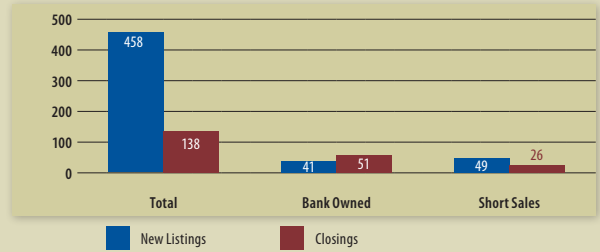
Where are we really?

HOME BUYER TAX CREDIT

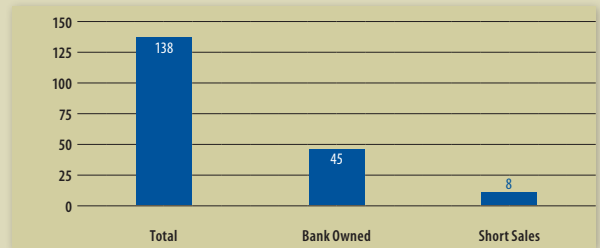
Now available for qualified first-time home buyers

STIMULUS PACKAGE IMPACT ON SOUTHERN UTAH

FEBRUARY SINGLE-FAMILY NEW LISTINGS & CLOSINGS



FEBRUARY PENDING SALES



Data taken from WCBR Flex MLS

FEBRUARY MARKET TRENDS—SOUTHERN UTAH

In February, the total number of listings fell slightly; however, the new listings increased by 836 (of which only 570 were residential and condos). The number of properties that showed pending in February 2009 increased for the second month to 215 homes from 211 in February 2008. Closings increased to 143 from 131 in January 2008. Pending sales normally closed in about 30 days.

Notable in the 2008 to 2009 trend is the substantial decrease in the average divided lot price. In 2008 the average lot sale price was \$203,512, while in February 2009, lot prices decreased by 62 percent to \$75,518. This is a result of the land bubble that burst when land prices escalated at rates too high for home buyers' income to sustain the trend.

The average residential sold prices, however, have stabilized. In January, the average residential sold price was \$272,893 in Greater St. George, and \$180,073 in Hurricane. February sold prices were \$280,158 in Greater St. George, and \$204,796 in Hurricane.

WHAT GOES UP DOES COME DOWN—GOOD OR BAD NEWS

In her recent Salt Lake Tribune article, *Economic Fallout*, Leslie Mitchell states that the saying 'home values continue to tumble' is an interesting idea in today's market psyche. If the article is read bottom to top it presents a clearer picture of what the market is really about, rather than the gloomy news we get every day.

As reported, among nearly 300 metro areas, St. George ranked a dismal number 248 with a 13.3 percent drop in prices. In the metro areas, rankings are based on appraisals made during home purchases and refinancing.

Utah's comparatively low rankings contrast sharply with its stellar performance less than 3 years ago. The state first topped the nation in appreciation in the fourth quarter in 2006, and remained at either number 1 or number 2 with double-digit annual increases in home values until late 2007. If you look at that rapid price appreciation, then compare it to the 13.3 percent drop in prices reported in the article; where are we really? Is it good news or bad news? It depends if you are a seller or a buyer.

HOME BUYER TAX CREDIT

A tax credit of up to \$8,000 is now available for qualified first-time home buyers purchasing a principal residence on or after January 1, 2009 and before December 1, 2009. Unlike the tax credit enacted in 2008, the new credit does not have to be repaid.

\$8,000 Home Buyer Tax Credit at a Glance

- The tax credit is for first-time home buyers only.
- The tax credit does not have to be repaid.
- The tax credit is equal to 10 percent of the home's purchase price up to a maximum of \$8,000.
- The credit is available for homes purchased on or after January 1, 2009 and before December 1, 2009.
- Single taxpayers with incomes up to \$75,000 and married couples with incomes up to \$150,000 qualify for the full tax credit.

First-Time Home Buyer Tax Credit at a Glance

- The tax credit is available for first-time home buyers only.
- The maximum credit amount is \$7,500.
- The credit is available for homes purchased on or after April 9, 2008 and before January 1, 2009.
- Single taxpayers with incomes up to \$75,000 and married couples with incomes up to \$150,000 qualify for the full tax credit.
- The tax credit works like an interest-free loan and must be repaid over a 15-year period.

Source: <http://www.federalhousingtaxcredit.com>

STIMULUS PACKAGE IMPACT ON SOUTHERN UTAH

Windermere Southland has provided a resource for you to find the latest news on the stimulus package and how it will affect home owners, home buyers and those who are struggling with mortgage payments.

To view the site, go to www.choosewindermere.com and click on Utah. The Utah blog is on the far right of the welcome banner. This will take you to a series of articles on the Nevada blog that will give you specific, detailed information on several mortgage modification articles, and what to do for help.

Under more blog entries, check out these stories:

- Windermere Real Estate offers resources for homeowner
- Federal "Hope for Homeowners" (H4H) program guide
- Bank list
 - Country Wide Financial (Bank of America)
 - Citigroup Citimortgage
 - JP Morgan Chase & Co.
 - Indymac Federal Bank, FDIC
 - Federal Government Loan Modification
- Keep this House and Cram it Down
Loan modification: The wolf in the website, beware of loan modification companies.

If you need individual assistance call one of our professional realtors.