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BUY & BAIL

What are the consequences of foreclosure?

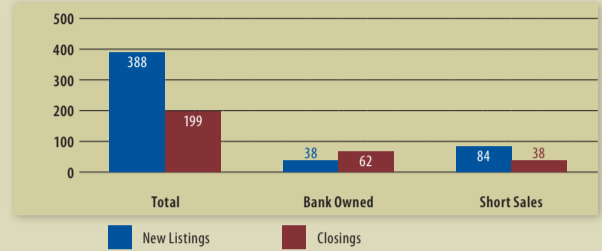
APRIL MARKET TRENDS: SOUTHERN UTAH

Market improvements continued in April

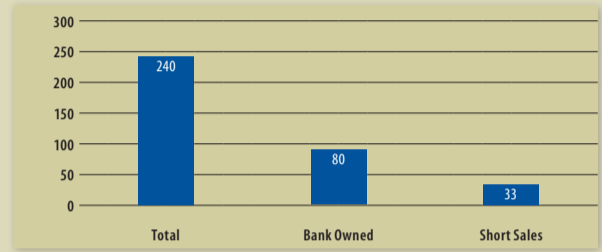
UTAH \$6,000 HOME BUYER GRANT

Want to buy a home in Utah and need a little assistance?

APRIL SINGLE-FAMILY
NEW LISTINGS & CLOSINGS



APRIL PENDING SALES



Data taken from WCBR Flex MLS

BUY & BAIL

Some homeowners who are upside down in their home (owing more than it's worth) are purchasing homes and letting their original home foreclose. The "Buy & Bail" trend is happening as homeowners watch their home values decline. While a portion of foreclosures are resulting from a homeowners inability to make monthly payments due to job loss or market conditions, many others are facing the psychological decisions of making payments on a home that no longer is worth their obligated debt.

Purchasing a home at record lows is appealing to homeowners, and worth walking away from the original home debt. But is it really? What are the consequences of foreclosure?

Myths:

- There are so many foreclosures nationwide, lenders will overlook my foreclosure as "part of the times"
- I don't need to worry about my credit, if I purchase before walking away
- The foreclosure will only stay on my credit for 4 years, I am willing to wait

Truths:

- A foreclosure will negatively impact your credit
- It will take a minimum of 4 years before you can purchase another home
- The impact of your credit could affect vehicle loans, student loans, and credit cards
- You will need to re-establish your credit worthiness

Eric Torres, of Direct Access Lending, advises homeowners to look at the long term. "A foreclosure on your credit report could impact your ability for future credit and purchases." Torres states, "If you have a job, a credit score of 620 or more and a minimum down payment of \$500, you may qualify to purchase a home."

APRIL MARKET TRENDS: SOUTHERN UTAH

Market improvements continued in April 2009 compared to the end of March 2009. The number of new residential listings decreased by 13% month over month, while residential properties going under contract increased by 12%. A net decrease in residential listings resulted with 3,718 homes on the market by the end of April 2009, compared to 4,210 homes by the end of April 30, 2008.

Utah Home Purchase Grants are being used up quickly. As of May 1, 2009, only 937 grants were left. In Southern Utah, finding a never-lived-in-home that qualifies for the grants is getting very hard to do. There are few entry level homes standing that qualify. So, hurry to find one NOW before the grants are gone!

The market for subdivided lots remains lethargic with a total inventory of 2,499 lots available at the end of April and only 66 sold thus far this year. The lack of finished entry level homes may prompt builders to purchase vacant lots to replenish the stock of new homes.

UTAH \$6,000 HOME BUYER GRANT

Want to buy a home in Utah and need a little assistance? Governor Huntsman's Home Run Program may be just what it takes to get that done. To find out more, go to www.windermeresouthland.com and click on the link, *Utah \$6,000 Home Buyer Grant*. The state's housing website has all the rules and a current count of how many of the 1,600 grants are left. As of April 23, 2009 there were only 1,153 grants still available. Call a Windermere professional realtor today to make a new home happen for you, a friend or your family.