

# Windermere Report.com

## SOUTHERN UTAH HOUSING REPORT

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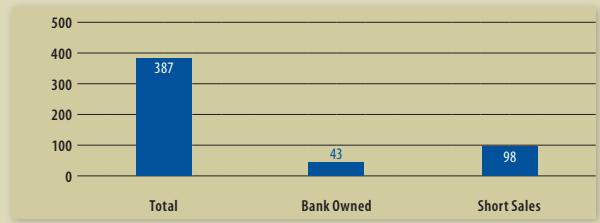
## \$8,000 TAX CREDIT STIMULUS

People not owning a home in the previous three years can get qualified as a new home buyer

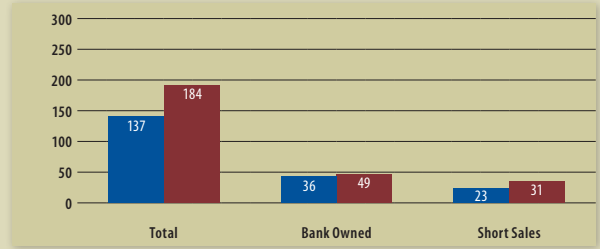
## HOME AFFORDABLE SHORT SALE PROGRAM

The Obama administration is to release new short sale guidelines and standard forms assisting 7-9 million home owners with restructuring their mortgages

### JULY SINGLE-FAMILY NEW LISTINGS



### JULY PENDING SALES & CLOSINGS



Pending Sales

Closings

Data taken from WCBR Flex MLS

## SOUTHERN UTAH HOUSING REPORT

While national news sources have written glowing reports that the down market has reached a bottom in key markets, clearly the results are mixed. The "Fab Four States" (Arizona, Nevada, California and Florida) continue to lead the nation. June was the best month for sales in Las Vegas since December 2006, while Phoenix posted its strongest sales numbers in four years.

So how is Southern Utah's home market looking as of July 31, 2008? In all residential classes reported by the Multiple Listing Association for July, the number of properties closed rose by 14% from 2008 to 2009, while the average price decreased by 14% to \$240,884.

For single family residential, excluding condos, town houses, mobile homes and new construction, July closings rose by 20% with an average sales price decline of 16% to \$268,052. Condo and town home sales slipped by 1% while their prices fell 20%.

June 2008 compared to June 2009 was a 7% drop in sales, while May had an increase of 7% year over year. April saw an increase of 17% year over year. So, with the exception of June, we have seen a solid increase year over year in the last four months. The average residential sale price in April was \$230,789; May was \$255,897; June was \$321,377, and July was \$263,757.

Clearly the market price has adjusted year over year. Yet the best news is for the month of July 2009 compared to July 2008. The total number of residential sales increased in all listing classes, (except mobile homes on rental lots) by 29% over 2008. Single family homes sales increased by 31% in the same periods. This is clear data that residential homes sales are increasing at a steady rate. In July 2009, the average number of days for pending sales dropped by 26 days.

## \$8,000 TAX CREDIT STIMULUS

The tax credit enacted by Congress as part of the Obama Administration Economic Stimulus Package is authorized until November 30, 2009. Unless Congress acts to enact an extension or modification of the \$8,000 credit, it will not be available to new home buyers. The clock is ticking louder each day. People not owning a home in the previous three years can get qualified as a new home buyer, but must close the transaction before November 30, 2009 or the credit cannot be taken.

### According to the National Home Builder's Association:

- First-time buyers should also anticipate tighter lending standards that generally don't allow 100% financing, making buyers responsible for coming up with enough money prior to their purchase to meet the required down payment and closing costs.
- For this reason alone, young families considering becoming home owners should be advised to start the process long before they put a bid on a new home.

## HOME AFFORDABLE SHORT SALE PROGRAM

In late August the Obama administration is to release new short sale guidelines and standard forms through the Home Affordable Short Sale Program, first introduced by the Administration in February 2009. The goal of the program is to assist 7-9 million home owners with restructuring their mortgages that have become threatened by foreclosure due to the rapid decline in home market values and the failing economy.

For home owners facing economic distress they should begin the resolution process as soon as possible. The first avenue for home owners to get relief is through refinancing high cost loans or ARMS that have mortgage rates resetting now or in the near future. The next potential resolution is to seek a mortgage modification from their lender. This is fraught with many issues to resolve including the market reduction of home values.

Foreclosure is the last step in reviving home owners' financial difficulties. The Obama administration is trying to motivate lenders to step up the efforts to modify loans. It greatly depends on who your lender is. For more information go to the website: [www.makinghomesaffordable.gov](http://www.makinghomesaffordable.gov).

Call 435-688-1900 and let a Windermere agent put you back into the market!