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NATIONAL TREND:

Housing market in transition: upward, albeit slowly

ON THE WEB:

Home builders group launches first-time buyer tax credit Web site

LOCAL REPORT:

Bank-owned homes represent 68 percent of closings in August!



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Housing market in transition: upward, albeit slowly

Existing home sales are beating predictions, rising by more than 3 percent last month, as buyers acquired properties at discounted prices as a result of the continuing fallout from the housing market downturn.

About 5 million properties sold in July, up 3.1 percent from June. The rise had previously been predicted to be about 1.6 percent.

The increase in home sales indicates the early stages of a recovery in the housing market. Though, with unsold inventory at an all-time high, the recovery is likely to span a longer period than many real estate insiders had hoped.

The increase in unsold inventory is a direct result of a growing wave of mortgage foreclosures. Analysts are saying nearly three-fifths of the homes currently being sold are foreclosed or distressed properties.

Banks have become more willing to reduce prices on these properties, in turn encouraging sales and the likelihood of the market's recovery.

Until the number of existing homes on the market pulls back, the market shows good news for prospective home buyers. The median price for a home sold in July dropped to \$212,000, down by 7.1 percent from a year ago.

Prices aren't expected to hit their lowest point until early 2009.

ON THE WEB:

Home builders group launches first-time buyer tax credit Web site

The National Association of Home builders (NAHB) launched a Web site last month to provide aspiring home buyers with a resource regarding a temporary \$7,500 tax credit that may lure them off the fence, and into home ownership.

The site outlines the benefits and requirements of the tax credit, offered to first time home buyers as part of the 2008 Housing and Economic Recovery Bill passed in July. It continues to draw more than 10,000 visitors each day.

It includes details and questions and answers on how home buyers can use the credit and is divided into four easy-to-read sections. Time is of the essence for buyers who want to take advantage of this opportunity, as only homes purchased on or after April 9, 2008, and before July 1, 2009 will qualify.

To find out more about the legislation and what it means to your family, visit www.federalhousingtaxcredit.com.

LOCAL REPORT:

Bank-owned homes represent 68 percent of closings in August!

For prospective home buyers, there is a silver lining in the much-discussed increase in foreclosed and bank-owned properties coming onto the Southern Nevada home market. With inventory rising, banks are increasingly willing to cut great deals for qualified buyers.

Of the 5,627 new property listings in August, approximately 42 percent were foreclosures, at 2,365. These bank-owned homes also represented an overwhelming 68 percent of the closings in August, at 1,981.

Short sales – or pre-foreclosure sales in which banks accept less than is owed on properties – accounted for more than 28 percent of the new listings in August, at 1,596. They also accounted for about 9 percent of the total closings.

At 2,902 closings, sales volume and average closing price remained generally flat compared to the prior month. But with sales of foreclosed properties closing the gap with the number of newly listed foreclosures, the market may be nearing its low point.

If you've thought about buying a home in Clark County, there's no time like the present. Buyers are increasingly snapping up these discounted homes, which represent some of the Valley's best deals in a decade.

Once the glut of distressed properties is removed from the marketplace over the coming year, property values will once again rise and those who bought now will emerge with the most home equity in the end.

To find out how you can get the most out of the current housing market, contact your nearest Windermere Real Estate office. For a list of all Las Vegas real estate companies' listings and Windermere open houses, go to www.windermereLasVegas.com.

