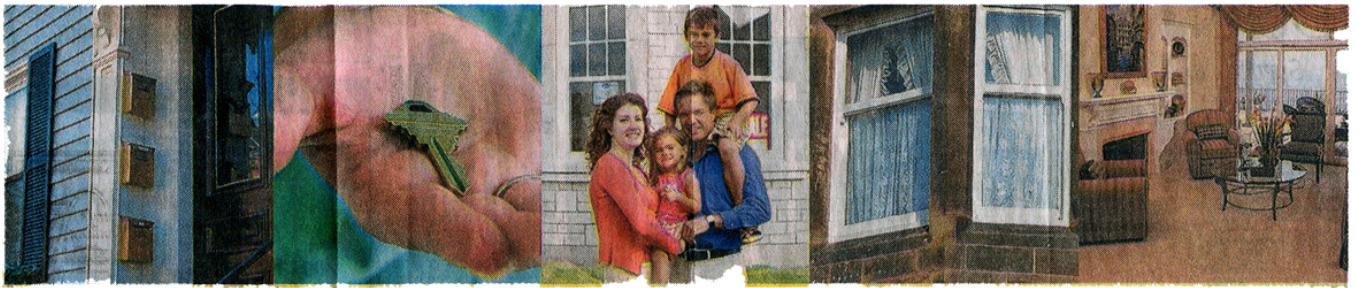


This article appeared in the following media:

*Collinsville Herald
Granite City Press-Record
Monroe County Clarion
St. Clair County Journal
December 2, 2009*

*St. Louis Post-Dispatch New Home Folio
St. Charles Journal
Wentzville Journal
November 29, 2009*



BUYING YOUR NEXT HOME

A LONGER REACH

Housing Tax Credit Now Open to More Buyers



BY SEAN FLOWER
2009-2010 HBA President

IF YOU'VE BEEN THINKING ABOUT BUYING A NEW HOME, and weren't eligible for the first-time home buyer tax credit, here's some good news: the housing tax credit has been expanded and extended.

On Nov. 6, President Obama signed into law the Worker, Homeownership, and Business Assistance Act of 2009, which enables many more Americans to take advantage of new government incentives to buy a home. In fact, the National Association of Home Builders (NAHB) estimates that close to 70 percent of all potential home buyers should now qualify for some form of the housing tax credit.

The new law extends the popular first-time home buyer credit, which more than 1.4 million taxpayers

have already claimed, through April 30, 2010. Buyers who have signed a sales contract by that deadline have until June 30 to close on the home. First-time home buyers — who the IRS defines as someone who has not owned a home in the three years preceding the purchase — can qualify for a credit of 10 percent of the cost of the home, up to \$8,000.

Existing home owners, or those who recently sold their home, may also now qualify for a tax credit of up to 10 percent of the cost of a new principal residence. This new credit is capped at \$6,500. "Repeat" home buyers must have been living in the home they currently own (or previously owned) for five consecutive years out of the eight years prior to buying the new home.

Many buyers in markets with a higher cost of living didn't qualify for the earlier tax credits due to the income limits. Those have been increased and now single taxpayers with incomes up to \$125,000 and married couples earning up to \$225,000 may be eligible for a full credit. Home buyers earning up to \$20,000

more than the limit may be able to claim a partial credit.

Both first-time and repeat buyer credits can only be used with the purchase of a home that will be the buyer's principal residence. It cannot be claimed for the purchase of a vacation home or property to be used as a rental. Homes purchased for more than \$800,000 are not eligible.

This once-in-a-lifetime combination of tax credits, low mortgage rates and competitive home prices is not going to last forever. Home shoppers can visit www.stlhba.com to see new homes built by HBA members and learn all the details about the tax credits.

The new tax credits, combined with today's near record-low interest rates and competitive home prices, make it an ideal time to buy if you've been considering moving up, downsizing, or just moving into a home more suited to your current lifestyle.

New home shoppers need to sign contracts by February or March to meet the June deadline so get out and shop now!

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