

CNN Money

Home buyer credit extension heads to Obama

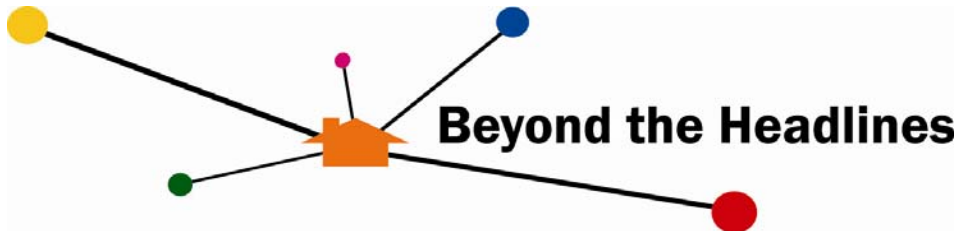
Congress passed a bill this week extending the deadline to close escrow and qualify for the federal home buyers tax credit. President Obama is expected to sign the bill extending the deadline to Sept. 30, 2010, instead of its original June 30 deadline.

KEEP THIS IN MIND

- The bill extends the deadline to close escrow for home buyers who entered into a home purchase contract by the April 30 deadline. First-time buyers may be eligible to receive up to \$8,000 and qualified existing homeowners may receive up to \$6,500 if the home buyer closes escrow by Sept. 30.
- Home buyers entering into sales contracts May 1 or later are not eligible for the federal tax credit, but they may qualify for the California home buyer tax credit.
- The CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.) and the NATIONAL ASSOCIATION OF REALTORS® worked closely with members of Congress to extend the deadline. Estimates from NAR show nearly 180,000 home buyers nationwide would have missed out on the tax credit if the deadline was not extended, including nearly 17,700 home buyers in California.
- Many of the home buyers who would have missed out on the tax credit are in the midst of purchasing a short sale or foreclosure, which generally take longer to close due to the amount of paperwork involved in the transaction.

To read the full story, please click here:

http://money.cnn.com/2010/06/30/news/economy/homebuyer_tax_credit/index.htm



In Other News...



The Los Angeles Times

Deeds-in-lieu gain favor with lenders as alternative to foreclosure

Short sales have been the hot solution for financially stressed homeowners and their lenders for the last year, but there's another potent foreclosure alternative that's about to take center stage: Deeds-in-lieu.

To read the full story, please click here:

<http://www.latimes.com/business/realestate/la-fi-harney-20100627-5,0,370257.story>



The Sacramento Bee

California to offer program to trim underwater mortgages

Lots of people will want to get in on this one: California is going to use federal money to pay down the mortgages of struggling homeowners.

To read the full story, please click here:

<http://www.sacbee.com/2010/06/24/2844866/california-to-offer-program-to.html>



The New York Times

VA loans harder to get

Military veterans have long been accustomed to a relatively easy mortgage process. Even borrowers with no down payment or a low credit score were usually granted VA loans, in large part because the Dept. of Veterans Affairs insures a quarter of the loan amount.

To read the full story, please click here:

<http://www.nytimes.com/2010/06/27/realestate/27mort.html?ref=realestate>



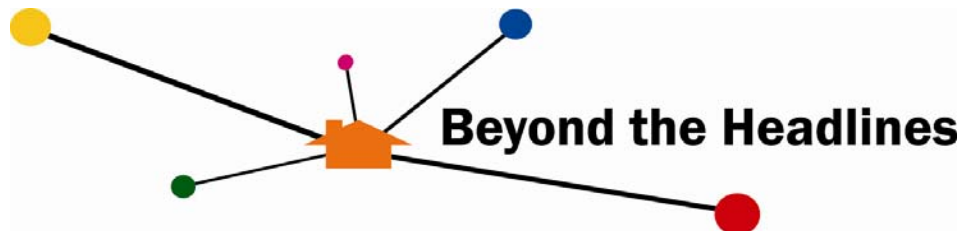
Bloomberg

IRS audits block 10 percent of first-time home buyer credits

The Internal Revenue Service blocked almost 10 percent of U.S. claims for the first-time home buyer tax credit after receiving erroneous or fraudulent filings, according to a report today.

To read the full story, please click here:

<http://www.bloomberg.com/news/2010-06-23/irs-blocks-almost-10-of-first-time-u-s-homebuyer-tax-credits-after-audit.html>



The Wall Street Journal

How far underwater do borrowers sink before walking away?

At what point do borrowers who owe more than their homes are worth decide to stop paying the mortgage?

To read the full story, please click here:

<http://blogs.wsj.com/developments/2010/06/28/how-far-underwater-do-borrowers-sink-before-walking-away/>



CNN Money

Home prices up 3.8 percent in April – but don't celebrate

Home prices rose 0.8 percent in April compared with March and were up 3.8 percent from a year ago, according to the S&P/Case-Shiller Home Price Index of 20 major housing markets.

To read the full story, please click here:

http://money.cnn.com/2010/06/29/real_estate/april_home_prices/index.htm?hpt=T2



The Los Angeles Times

Consumer confidence tumbles in June

Americans, worried about jobs and the sluggish economic recovery, are having a relapse in confidence, causing a widely watched index to tumble in June and raising concerns about consumer spending in the critical months ahead.

To read the full story, please click here:

<http://www.latimes.com/business/la-fiw-0630-consumer-confidence-20100629,0,58648.story>



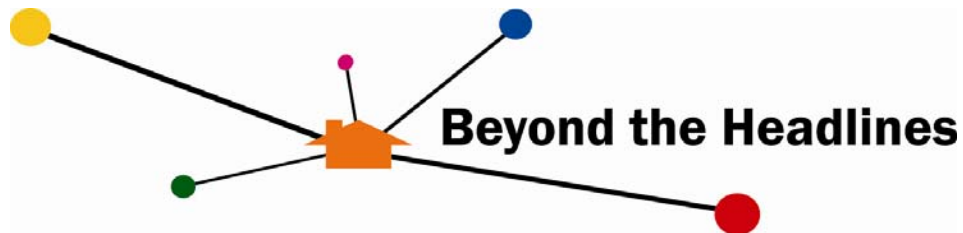
The Los Angeles Times

Fannie Mae gets tough on homeowners who walk away

Taking aim at homeowners who are able to pay their mortgage but decide it's not worth it, Fannie Mae plans to go after them in court and to limit their access to home loans for seven years.

To read the full story, please click here:

<http://www.latimes.com/business/la-fi-fannie-walkaways-20100624,0,2953782.story>



What you should know about the market

- Interest rates on mortgages are at their lowest levels in nearly 50 years. Rates on 30-year fixed mortgages averaged 4.58 percent this week nationwide and 4.52 percent in the West, down from 4.69 percent nationwide the previous week, according to Freddie Mac. Last year at this time, 30-year fixed-rate mortgages averaged 5.32 percent. It is important to note that rates differ from lender to lender, day to day, and borrower to borrower. Additionally, the rate does not include origination fees or points, which averaged 0.7 percent nationwide and 0.8 percent in the West this week.
- While the Federal Reserve has indicated it intends to maintain short-term rates at low levels for now, long-term rates can fluctuate with the market. Since January, the weekly 30-year mortgage rate has ranged from a high of 5.21 percent in April to this week's low. Many economists believe the rate is more likely to increase going forward, particularly in the second half of this year and into 2011. C.A.R. forecasts interest rates will average 5.6 percent this year.