



HOME OWNERSHIP NEWS YOU CAN USE

WINTER 2009

{ASK KARI & HEIDI}

Become a Homeowner in 2009

Is it currently a buyer's market?

The inventory of unsold homes and lower prices, along with sustained purchasing power, make 2009 one of the best Buyer's Markets in a very long time. A Buyer's Market in residential real estate means that there are a lot more homes for sale; the buyer is in a better position to negotiate the purchase price; the seller is more likely to pay their closing costs; and the buyer's purchasing power is still strong due to exceptionally low interest rates. According to the November issue of the RMLS Market Action Newsletter it would take 15 months to sell all the homes currently for sale, compared to last November's figure of 8.3 months. The abundance of homes for sale means buyers can be choosier and have more time to shop for the perfect home.

What are home loan interest rates like in 2009?

Interest rates are also very good right now and approaching all time lows. According to Freddie Mac.com the average 30-year fixed rate as of Thursday, December 31 was 5.10 percent with an average loan fee of 0.7 percent – the lowest it has ever been since the Freddie Mac Survey began in 1971. The lower rates being offered make it possible for homebuyers to significantly increase their purchasing power.

What other help is there for first-time homebuyers?

In addition to low rates there are also additional federal tax credit programs available to help first-time homebuyers. For first-time homebuyers, meaning those households who have not owned a home for the past three years, the IRS has a \$7,500 temporary tax credit if they close on a home by the end of June 2009. While they do have to pay the \$7,500 back over 15 years, they don't have to pay any interest on the funds. In addition, the Portland Development Commission is administering another IRS tax credit program called the Mortgage Credit Certificate (MCC) program. The MCC tax credit equals 20 percent of the interest homebuyers pay on the first mortgage, thereby significantly reducing the total amount of taxes paid to Uncle Sam as long as they occupy the home and keep the same loan.

So with a ton of homes to choose from, extremely low rates, and special tax credit programs, 2009 is clearly a Buyer's Market. Don't miss out on this exceptional opportunity to buy a home of your own!

Happy Homebuying!

Kari & Heidi

FORECLOSURE: HELP IS AVAILABLE

Like many other cities in the nation, Portland is dealing with an ever worsening foreclosure problem. According to Realty-Trac.com, in November 2008 one in 347 households



in Multnomah County was in foreclosure. Many Portlanders are struggling to make their monthly house payments. Some are in over their heads with bad loans because until recently, many lenders

didn't care if they could afford the payments. Others just can't afford the new payments after adjustments. For many, refinancing is not an option because of today's more restrictive underwriting standards, declining property values, and economic conditions. While going through a foreclosure is stressful, ruins credit, uproots families and undermines neighborhoods, many people facing foreclosure are too embarrassed to ask for help or don't know where to turn.

Fortunately, there is help. Portland is home to numerous non-profit organizations who help at-risk homeowners avoid foreclosure. These non-profits employ Foreclosure Prevention Counselors who educate their clients about their options and work with them to save their homes if possible. In some cases they can get the lender to modify the terms of a loan, to postpone the foreclosure process, or get them to provide additional flexibility and time to sell the home. Here is a list of the local organizations that have Foreclosure Prevention Counselors on staff:

- **Acorn Housing Corp**
www.AcornHousing.org 503-788-9989
- **African American Alliance for Homeownership**
www.aaah.org 503-595-3517
- **Community Housing Resource Center**
www.homcen.org 360-690-4496
- **Hacienda Community Development Corp.**
www.haciendadc.org 503-595-2111

So if you know or suspect someone is facing foreclosure please pass along this information. With the right help they may be able to save their home. For more information about foreclosure in Oregon visit <http://www.cbs.state.or.us/dfcs/ml/foreclosure.html>.

10 WAYS TO IMPROVE YOUR CREDIT SCORE

Looking to buy in 2009? Follow these ways to improve your credit score and get the best home loan deal you can!

1. Pay your bills on time.
2. Get current on all accounts, and more importantly, stay current.
3. Keep your credit card balances low (30% of your limit).
4. Pay off your debt instead of moving it around between credit cards.
5. Don't close unused credit cards.
6. Don't open a lot of new credit cards that you don't need.
7. Don't open a lot of new accounts within a short time period.
8. When you are looking to apply for credit, do shop for rates within a short period of time. This will give you a more accurate comparison.
9. Work to re-establish your credit history if you have had problems in the past.
10. Check your report for free at www.annualcreditreport.com. Keeping an eye on your accounts will help you watch out for problems or fraudulent charges.

Make Portland Home
PDC's loan specialists can help you buy or repair a home of your own.
Call 503-823-3400
or visit www.pdc.us/ownit.



www.pdc.us/nhpnews

DOING MORE TO PREVENT LEAD POISONING

On August 14, 2008, the president signed into law the Consumer Product Safety Reform Act. Among the safety reforms, is a new, safer, limit for the amount of lead that is allowed in children's products. Within the first year, any children's product that contains a lead-by-weight greater than .03 percent will be considered a banned hazardous substance.



Previous legislation allowed up to .06 percent of lead in paint and did not address lead in plastics or vinyl. The Act also requires third-party testing of children's products to ensure quality control.

While higher amounts of lead in toys can be very dangerous to a child's health, lead-based paint in homes remains the primary source of lead toxicity in children. Now that lead levels in toys will be at safer levels in the United States, it is time to focus more specifically on lead levels in the home. The Portland Development Commission administers the Portland Regional Lead Hazard Control Grant, which offers up to \$10,000 in lead abatement grant money to qualified homeowners occupying homes built before 1978.

We also have free lead dust test kits, an easy, do-it-yourself kit you can mail in to determine if your home has dangerous lead levels. For more information, to order a free kit, and to see if you qualify for a grant, visit www.pdc.us/leadhazard.

IS YOUR NEW YEAR'S RESOLUTION TO BUY A HOME OF YOUR OWN?

The Portland Development Commission will hold eleven free homebuyer workshops in 2009. The PDC's "How To Buy A Home Of Your Own Workshop" will introduce attendees to the many first-time homebuyer programs that are available in Portland to help individuals and families buy a home of their own. The free workshops will cover:

- Below-Market Rate Home Loans
- Federal Homebuyer Tax Credit programs
- Down Payment Assistance Loans
- Purchase and Renovation Loans
- Limited Tax Abatement Programs
- Non-Profit partners and much more

To sign up for one of our 2009 workshops, visit www.pdc.us/nhpnews. Become a homeowner in 2009!

Look for our next issue in April 2009.

UPCOMING NHP EVENTS

HOW TO BUY A HOME OF YOUR OWN WORKSHOP, 6:00-7:30 P.M.

January 13, 2009, Kenton Firehouse
8105 N Brandon, Portland, OR

February 5, 2009, Lents Baptist Church
5921 SE 88th Ave, Portland, OR

March 5, 2009, Portland Dev. Commission
222 NW 5th Ave, Portland, OR

April 9, 2009, Kaiser Town Hall
3704 N Interstate Ave, Portland, OR

May 14, 2009, Lents Baptist Church
5921 SE 88th Ave, Portland, OR

To sign up for our workshops, visit
www.pdc.us/nhpnews

HOMEBUYER & HOMEOWNER FAIRS

Fix-It Fair
Parkrose High School
January 10, 2009, 8:30 a.m. - 2:00 p.m.
12003 NE Shaver St, Portland, OR

Fix-It Fair
George Middle School
February 7, 2009, 8:30 a.m. - 2:00 p.m.
10000 N Burr Ave, Portland, OR

Lents Homebuyer Fair
Kelly Elementary School
April 18, 2009, 10:00 a.m. - 2:00 p.m.
9030 SE Cooper, Portland, OR

My First Home Videos Online



My First Home is a free homebuyer's guide for individuals and families looking to purchase a home of their own. You can read and print the magazine online, as

well as watch videos featuring real first time buyers. The videos highlight their struggles and triumphs on the path to homeownership. You can also learn more about the different organizations throughout the city that can help you become a homeowner in 2009!

WWW.MYFIRSTHOMEPDX.COM

Looking for more information?

Contact NHP Staff at

503-823-3400 or nhp@pdc.us

Visit our website at www.pdc.us/nhpnews



OTHERS WHO CAN HELP!

ACORN Housing Corp.
503-788-9989

African American
Alliance for
Homeownership
503-595-3517

Asian Pacific
Islander Community
Improvement Association
503-790-7540

Community Housing
Resource Center
360-690-4496

Habitat for Humanity
503-287-9529

Hacienda Community
Development Corp.
503-595-2111

HOST Development
503-331-1752

Latino Home Initiative
971-409-2237

Lents Homeownership
Initiative
503-788-8052 x105

Native American
Youth & Family Center
503-288-8177 x232

Operation H.O.M.E.
503-823-4623

Portland Community
Land Trust
503-493-0293

Portland Community
Reinvestment Initiatives,
Inc.
503-288-2923

Portland Housing Center
503-282-7744

Rose Community
Development Corp.
503-788-8052

Sabin Community
Development Corp.
503-287-3496

