

The News Sun

\$8,000 reasons to buy a first Florida home

By LAKE PLACID BOARD OF REALTORS

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The benefits of buying a home just got better, especially for first-time homebuyers. Why? Because Uncle Sam is going to give them more bang for their bucks, according to the Lake Placid Board of Realtors.

Here's how: First-time buyers can take advantage of an \$8,000 federal tax credit when they purchase a home, as long as they close on the deal on or after Jan. 1 and before Dec. 1, 2009. And, this tax credit doesn't have to be repaid, as long as the buyer stays in the home for at least three years. The \$8,000 tax credit is part of the American Recovery and Reinvestment Act of 2009 signed into law in February.

Plus, there's a new Federal Housing Administration (FHA) program that allows qualified homebuyers to use the \$8,000 tax credit when purchasing a home. FHA now permits its lenders to provide a short-term bridge loan to qualified homebuyers, which lets buyers use the federal tax credit upfront in one of three ways: They can use it to make a larger downpayment above the FHA-required 3.5 percent; they can use it to cover closing costs; or they can use the tax credit to buy down their interest rate. Homebuyers then repay the amount borrowed when they receive their return.

"The \$8,000 tax credit is a great incentive for first-time buyers to enter Florida's housing market and find the affordable home of their dreams," LPBOR President Brittany Phypers said. "Here in Lake Placid, we have a variety of affordable housing options, competitive prices and favorable mortgage interest rates that remain near historic lows. Now is the time to buy your first Florida home, when you can benefit from the once-in-a-lifetime homeownership opportunity available through this tax credit."

And there's more good news for Florida first-time buyers: The state has approved \$30.1 million for its new Florida Homebuyer Opportunity Program, which will help first-time homebuyers with downpayment assistance and other costs before they close on a home. Then when the buyers get their tax refund, they'll repay the amount they borrowed through the Florida Homebuyer Opportunity Program.

Details are still in the works, but county housing administrators will operate the program under the authority of the Florida Housing Finance Corporation. They are the point of contact to help interested and eligible homebuyers apply for the Florida Homebuyer Opportunity Program, which is separate from the FHA program offered through the U.S. Department of Housing and Urban Development (HUD).

For more information on the \$8,000 first-time homebuyer tax credit, go to the Florida Association of Realtors Web site at www.floridarealtors.org.

The Lake Placid Board of Realtors serves as the voice for real estate in Lake Placid and provides programs, services, continuing education, research and legislative representation to its members.

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