

Plenty of Reasons to Buy a Home Even after the Tax Credit

RISMEDIA, May 26, 2010—Even though the home buyer tax credit expired on April 30, 2010 and won't be renewed, there may never be a better time to buy a home than today, according to the National Association of Home Builders (NAHB). Many outstanding opportunities still exist for home buyers, but they may not be around forever.

"The home buyer tax credit was just one of many factors motivating Americans to buy homes," said NAHB Chairman Bob Jones, a builder and developer in Bloomfield Hills, Mich. "But buyers can still take advantage of today's low interest rates and competitive prices to get a home they may not have been able to purchase just a few years ago." Besides mortgage interest rates that have been hovering at near-record lows, homes in many markets have become more affordable. Prices have moderated from the highs of the housing boom that occurred in most of the country, especially in major markets where they had increased significantly.

Today's new homes are also built to be much more energy efficient than homes constructed a generation ago, making them more affordable to operate. New homes are designed to support modern lifestyles with open floorplans, flexible spaces, improved safety features and low-maintenance materials.

Consumers who are thinking about buying a home should not count on interest rates or prices staying at current levels, however. Mortgage rates are sensitive to market conditions, and even a slight increase can push monthly payments beyond a family's budget. As the country recovers from the recession and people stabilize their financial situations, NAHB economists expect that home prices will begin to increase by 2011. NAHB's home buyer brochure "Opportunity Knocks for Home Buyers" describes many of the opportunities in today's market, as well as the long-term financial benefits of homeownership. It provides examples of how interest rates affect monthly mortgage payments and the typical federal tax savings over the first five years of homeownership. The brochure can be downloaded from NAHB's website at:

www.nahb.org/homebuyerbrochure.

The home buyer tax credit is still available for eligible home buyers who had a signed sales contract by the April 30 deadline and who close by June 30, 2010, as well as for qualified members of the military, foreign service and intelligence communities, who have until April 30, 2011, to sign a contract. For more information, go to www.federalhousingtaxcredit.com.

For more information, visit www.nahb.org.