

3 Factors to Take Into Consideration Before Jumping Into Housing Market

Posted By Beth, In Home Buying 101, Real Estate, Rismedia

If you have a good job and good credit, the next few months might be a good time to go house hunting. Fence-sitters take the risk that Congress may let a rich tax credit expire, and that interest rates may rise. Buyers and sellers should consider the following factors as they consider jumping into the housing market.

Mortgage rates are blissfully low, and that may not last. The rate on a 30-year mortgage averaged 5% last week, according to Freddie Mac. Rates are low in part because the Federal Reserve has been buying up about \$3 trillion in mortgage-backed securities and mortgage agency debt. The aim is to hold down interest rates and keep mortgages available. But the Fed is slowly removing that financial crutch as the economy improves. It has no plans to buy any more past March 30, 2010. The likely result is an up-tick in rates. Meanwhile, the recovering economy by itself should raise rates as the year goes on. Economists at the Mortgage Bankers Association expect to see a 6.1% rate by year end. Such a rise would add about \$104 to the monthly payment on a \$150,000 mortgage.

The home buyer tax credit expires on April 30, 2010 and no one knows if Congress will renew it a second time. Expect a clash between the real estate lobby and fiscal conservatives worried about the \$1.35 trillion federal deficit. To qualify for the credit, you must sign a purchase contract by April 30, 2010 and close by July 1, 2010. First-time buyers get up to \$8,000. "First-time" is defined as someone who hasn't owned a home in three years. Move up buyers get up to \$6,500 when they purchase a new primary residence. To get the credit, you have to have lived in the old home for at least five out of the last eight years. The credits start phasing out at \$125,000 in adjusted gross income for singles and \$225,000 for joint filers.

There are indications that home prices are near a bottom in some areas and may actually be rising a bit. That statement is dicey, because conditions vary by neighborhood and the data can be tricky.

Things might look different if you're a seller though. Do you want to put your house on the market near the bottom of a price cycle? Homeowners who have a choice in the matter—those who can still pay their mortgages—are largely saying no. Inventories of homes for sale are down about 10% from this time last year, and 30% from the mid-decade peak of the housing boom, says Kevin Cottrell, chief economist at Kelsey Cottrell Realty Group. On the other hand, if you're planning to move up to something grander, you might find a bigger bargain when you buy. And that \$6,500 tax credit could swing a close decision.

Home sales peaked in some areas October and November, as buyers raced the expiration date of the original first-time home buyer's credit. Congress later extended and expanded it. That rush satisfied some pent-up demand, but real estate agents are hoping for another rush around April. "People will wait to the very last second," said Mike Travaglini, a vice president of Coldwell Banker Gun (Cont'd. on pg. 4)

Time to Act!

**If you are ready to buy,
start looking now!!
Your chance for the tax
credit expires April 30th.
Call Margot or John @
508-231-4566**

Sales Agent of the Month



Paul Gustavson
508-254-6069

Ashland	Ashland Properties	Ashland										
 <p>New Construction Build a new home in a country setting with 3-4 bedrooms, tile and wood, cathedrals. Set near Hopkinton State Park, but convenient for the commuter, it is part of a wonderful new hilltop community. 14 models available.</p> <p>Entry Price: \$510,000 Call: John Ellsworth 508-881-3404</p>	<p>properties currently listed for sale/pending in Ashland as of 2/10/10</p> <p><u>Single Family Homes For Sale</u> presently listed for sale: 45 Average list price = \$410,351 Average days on market = 187</p> <p><u>Single Family Under Agreement</u> under agreement: 9 Average list price = \$390,768 Average days on Market = 175</p> <p><u>Condominiums</u> presently listed for sale: 31 Average list price = \$283,996 Average days on market: 121</p> <p><u>Condos Under Agreement</u> under agreement: 6 Average list price = \$233,117 Average days on market = 81</p>	 <p>You can settle right in after you close. Our 2 bedroom, 2.5 bath, 1600+ sq. ft. town house has been nicely maintained with very recent tile, carpeting, furnace, some lighting, and windows. Expand the lower level later for a great office/hobby room. Come over and see for yourself.</p> <p>Listing Price: \$269,940 Call: Margot Ellsworth 508-881-5242</p>										
<p>Ashland Commercial Space</p>	<p>The Homes Connection Listings: realtor.com, boston.com, google.com/base homesconnection.com, And many others</p>	<p>Ashland</p>										
 <p>Right in middle of downtown Ashland with municipal parking across the street. Full basement, oil steam heat and a/c. Delay in rent payment during renovation negotiable. Must be seen to appreciate the amount of space inside (approx. 2400 sf).</p> <p>Rental Price: \$2,650/Month Call: Bill Gath 508-989-0181</p>	<p>Word Scramble The Colors of Spring</p> <table border="0"> <tr> <td>1. netnegrien</td> <td>6. tehiw</td> </tr> <tr> <td>2. weylol</td> <td>7. rplepu</td> </tr> <tr> <td>3. cifshua</td> <td>8. dre</td> </tr> <tr> <td>4. drevalen</td> <td>9. meil</td> </tr> <tr> <td>5. thyhacin</td> <td>10. beado</td> </tr> </table> 	1. netnegrien	6. tehiw	2. weylol	7. rplepu	3. cifshua	8. dre	4. drevalen	9. meil	5. thyhacin	10. beado	 <p>Winter Hollow Ashland's newest subdivision with 3 bdrm, 2.5 bath homes. Stainless steel appliances & granite kitchen. Large, attached family room, and gorgeous woodwork & detail. This house will be ready to move into in less than 60 days. Other plans available.</p> <p>Listing Price: \$499,900 Call: Dan Aho 508-326-3793</p>
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3. cifshua	8. dre											
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The Homes Connection Team

						
John Ellsworth 508-881-3404	Margot Ellsworth 508-881-5242	Dan Aho 508-326-3793	Stephanie Streit 617-519-9043	Paul Gustavson 508-254-6069	Mary Stilwell 508-561-0256	Hugh O'Rawe 508-797-5561

Ashland Commercial Space



Recently updated professional offices with tiled reception and waiting areas. 3 offices, each with wall to wall carpet and long counters with sink. Energy efficient gas furnace and hot water. Plenty of landlord maintained parking at no additional cost. 3+ year lease.

Rental Price: \$1,300/Month
Call: Bill Gath
508-989-0181

Ashland Single Family Properties Sold January

281 Winter St. \$515,000
 42 Ridgewood \$550,000
Average Sale \$532,500
Avg. days on Market 144

Ashland Condominiums

41 E. Bluff \$283,000
 441 Capt. Eames \$306,250
Average Sale \$294,625
Avg. days on market 141

RENTALS ANYONE?

The Homes Connection has rental agents who cover MetroWest towns. If you are a landlord or in need of an apartment, call:
508-231-4566

Ashland



Looking for a great neighborhood? Set on 3/4 of an acre abutting town-owned conservation land, it is convenient to town, Town Forest, the "T", and major routes. Freshly painted, and including master bedroom with vaulted ceiling, it has 2 1/2 baths, 2 car attached garage and finished walk-out basement.

Listing Price: \$469,991
Call: Margot Ellsworth
508-881-5242

Ashland



5 yr old home with gorgeous finishes. Easy walk to town. Open floor plan, SS, granite, private deck and fenced back yard. Easy access to MBTA and major routes. Possible for business/office.

Listing Price: \$299,999
Call Paul Gustavson
508-254-6069

New Agents



Bill Gath:

Bill has been in the corporate world and owned his own business for years. Call him for sales and rentals at: **508-989-0181**

Joseph Milani:

Joe has been in the corporate world since graduating from college and is excited about a real estate career. Call him for sales and rentals at: **774-254-1589**

Ashland Rental



Single family house for rent as residential or in-home business. Perfect for retail, commercial or professional office space combined with their place of residence. Good exposure on rte 9 near rte 126 interchange. Plenty of parking. Potential 1200 SF additional living or storage space in LL. Large walk-up attic for storage.

Rental Price: \$1,500/Month
Call Paul Gustavson
508-254-6069

The Homes Connection Team



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508-397-8811



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Bill Gath
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Joseph Milani
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508-231-4566

Join Our Team; Experience the Difference!

Ashland



This is a marvelous craftsman style building in a wooded suburban area, on a 2 acre piece of land, set back from the road. The exterior is a distinctive style, fitting for the lot. An optional planned expansion in the basement includes guest, exercise, and media rooms.

Listing Price: \$649,900
Call: Margot Ellsworth
508-881-5242

(con't fm pg. 1, **3 Factors**) daker's office in south St. Louis County.

Mortgage lenders have been tightening credit standards, which means fewer eligible buyers, says John Frank, president of Paramount Mortgage in Creve Coeur, Mo. "It's getting tighter and tighter," he said.

Lenders are insisting on credit scores of 640 to 660 for loans sold to Fannie Mae, Freddie Mac and 620 for FHA guaranteed loans. Those standards are higher than the federal agencies themselves insist on. FHA—which guarantees loans for people with low down-payments—has been raising its own insurance charges to borrowers and demanding higher premiums from people with poor credit scores.

Ashland Multifamily



Well maintained, updated 3 family home in a very convenient location. This home has a fenced in yard, newer kitchens and baths and is lead mitigated. Near shopping, commuter routes and the "T". Separate garage and good sized lawn.

Listing Price: \$349,900
Call: John Ellsworth
508-881-3404

Ashland



Rarely do you find such an exciting townhome, from the gleaming stainless and white kitchen to the classic fireplaced living room. A lovely custom divide separates the LR & DR. All baths and carpets have been updated. Of course, there is a 2c garage and finished LL.

Listing Price: \$329,957
Call: Margot Ellsworth
508-881-5242

Marlborough Rental



First floor of a two family house. Three bedrooms, 1.5 baths, large eat-in kitchen with gas stove, central air, gas heat, washer/dryer, enclosed porch and off-street parking. Close to everything!

Rental Price: \$1,250/Month
Call: Bill Gath
508-989-0181

Try a New Direction

Many folks are looking for **career changes**. Why not consider the real estate path? Call John or Margot for an appointment to talk.
508-231-4566

Word Scramble Answers

1. tangerine
2. yellow
3. fuchsia
4. lavender
5. hyacinth
6. white
7. purple
8. red
9. lime
10. adobe



Homebuyers have a new friend in the neighborhood



Suzan Herrmann

As a new member of the Bank of America team, I am proud to bring my experience to your neighborhood. At Bank of America, we offer a wide range of home loan products and services for many financial situations. And our local team can guide you every step of the way through our easy application process and beyond.

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