

Houchell's Real Estate Skinny – Feb. 2011

I hope this edition of The Skinny finds you off to a great start in 2011.

Thank you again for making 2010 our best year ever!

I look forward to working with you soon.

Warm regards,

Chris Houchell

www.houchellrealestate.com

Did You File For Homestead? - Deadline is March 1st

The homestead exemption is a constitutional benefit of a \$50,000 exemption from the property's assessed value. It is granted to those applicants with legal or beneficial title in equity to real property as recorded in official records who are bona fide Florida residents living in a dwelling and making it their permanent home on January 1 of the taxable year.

The first \$25,000 is entirely exempt. The second \$25,000 is to be applied to the value between \$50,000 and \$75,000, and does not include school taxes. For example: If a home's assessed value is \$75,000 or more, the owner would receive the full \$50,000 exemption benefit. If the property value is between \$50,000 and \$75,000, he or she would receive a pro-rated exemption amount. (Example: If the property value is \$65,000, the additional exemption would be \$15,000, for a total exemption amount of \$40,000 (the original \$25,000 plus the prorated amount of \$15,000.)) The exemption results in approximately a \$500 - \$800 property tax savings to Florida residents.

When you purchase a home, and want to qualify for an exemption, you may file online or in person at one of the offices. You may file anytime during the year, but before the state's deadline of March 1 for the tax year in which you wish to qualify. However, you are urged to file AS SOON AS POSSIBLE once you own, occupy and make that home your legal residence. If you purchased your property after January 1, and your TRIM

Notice reflects a homestead exemption, this is an exemption which was granted to the prior owner, and will be removed on December 31. If you wish to qualify for an exemption for the following year, you must file an original application by March 1. If you received your homestead exemption for the previous year and still occupy, own, and make that residence your permanent home, a receipt will be mailed to you early in January. You need to notify the Property Appraiser's office if you no longer qualify for these exemptions or you wish additional exemptions.

For more information contact Chris Houchell at 727-642-9107.

A Little Extra Love For Our Military!

Recognizing their unique circumstances, Congress approved exceptions that give qualified members of the military, foreign service and intelligence communities an extra year to buy a home and claim the federal homebuyer tax credit. The exceptions apply to both the \$8,000 tax credit for first-time homebuyers and the \$6,500 tax credit for existing homeowners who purchase another home.

Extension of Tax Credit Rules

- The homebuyer tax credit extension is available for qualified purchases with a binding sales contract in place on or before April 30, 2011, and closed by June 30, 2011. Qualified service members (and if married, the service members' spouses) who served on official extended duty outside the U.S. for 90 days or more at any time between Jan. 1, 2009, and April 30, 2010, are eligible.
- A person forced to return to the U.S. for medical reasons before completing an assignment of at least 90 days of qualified official extended duty outside the U.S. may also qualify for the one-year extension.

Exemption from Tax Credit Recapture Rules

Typically, homes that are sold or that cease to be used as a principal residence within three years of the initial purchase are subject to recapture (repayment) of the tax credit. However, qualified service members who sell or move from a tax credit home within three years of the initial purchase due to official

extended duty assignments are exempt from the recapture rule.

Qualified service member means a member of the uniformed services of the U.S military, a member of the U.S. Foreign Service or an employee of the intelligence community.

Official extended duty means any period of extended duty outside the U.S. for at least 90 days during the period between Jan. 1, 2009, and April 30, 2010.

For more information contact Chris Houchell at 727-642-9107.

Want to Get Rid of Your Wachovia, Wells Fargo or World Savings Loan For Pennies On The Dollar?

Under a new program offered by Wells Fargo, you may qualify to sell your home for less than what is owed with:

- No Commissions
- No Closing Costs
- No Repairs
- No Deficiency Judgments
- No Cash at Closing
- No Promissory Notes
- No FEES of Any Kind

To find out if you qualify, contact Chris Houchell at 727-642-9107.

Free Federal Reserve Brochure Explains Credit Decisions

Lenders usually consider a consumer's credit history or credit score when deciding whether to extend credit and at what interest rate. A new Federal Reserve publication available online helps consumers understand the new notices they may receive from lenders when credit reports or credit scores affect a decision to grant credit.

The publication, "What You Need to Know: New Rules about Credit Decisions and Notice," describes the types of notices consumers may receive. It includes links to sample notices, information on what consumers should do if they receive a notice,

and instructions on how to dispute credit report errors. The notices are now required by rules issued by the Federal Reserve Board and the Federal Trade Commission. The new rules took effect Jan. 1, 2011.

Under the rules, a creditor must provide a notice to the consumer when, based on the consumer's credit report, the creditor offers loan terms that are less favorable than terms provided to other consumers. Consumers who receive this "risk-based pricing" notice have a right to get a free credit report to check the lender's accuracy.

As an alternative to providing risk-based pricing notices, creditors can choose to give credit applicants a free credit score and information about their score.

Today, most consumers must pay a fee to obtain their credit score. While the free credit reports contain information about payment history and other details used to create a credit score, they do not include the numbers that lenders use to determine an interest rates.

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