

# The Good News



## About today's market... That you'll never hear!

**FACT:** Approximately 30% of all U.S. homes are free and clear and do not have a mortgage.



**FACT:** Of the 70% of households that do have a mortgage, 96.7% are not in foreclosure.



Source: Mortgage Bankers Association

It seems like every time we turn on the evening news or read a newspaper headline, the bad news deepens our fear and concerns about the economy. With the news media in full throttle, using terms such as "MELTDOWN" and "CRISIS," it's easy to understand why you might lack confidence in buying or selling a home.

We have to remind ourselves that the media reports NEGATIVE news, not positive news. Their key objective is to pull in an audience (and advertisers), not to make you feel good about yourself.

They announce the unemployment rate rising, despite the fact that millions of people are still working, making money, eating at restaurants and even buying/selling homes. In fact, while 3.3% of homes in the United States are in foreclosure, 96.7% are in good standing.

Instead of internalizing the negativity the headlines can cause, choose to be optimistic and focus on the opportunities around you.

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Rank	Country	Gross Domestic Product (GDP) (official exchange rate)	Date of Information (as of Feb. 24, 2009)
1	United States	\$14,330,000,000,000	2008 est.
2	Japan	\$4,844,000,000,000	2008 est.
3	China	\$4,222,000,000,000	2008 est.
4	Germany	\$3,818,000,000,000	2008 est.

Source: CIA Factbook



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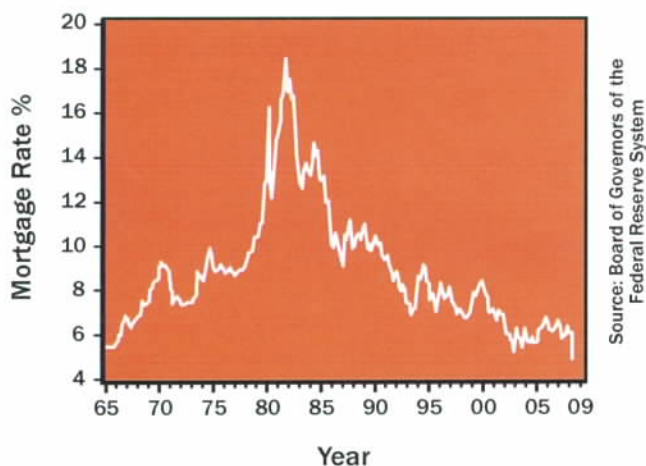
**FACT:** The U.S. Gross Domestic Product is more than the GDP of the next three countries combined.

Are we really spinning out of control?

# More Good News Homes Are Affordable.

There is still time to take advantage of lower home prices and historically low interest rates. And, despite what the nightly news reports, financing is still readily available for qualified buyers.

**FACT:** When mortgage rates fall to a record low, housing affordability surges to a record high.

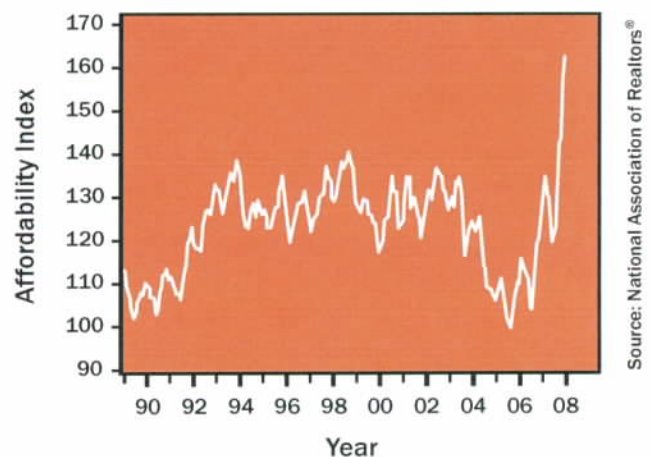


#### NAR Predictions:

2009 Inflation Forecast: 4.0% to 5.0%  
Real Household Income Growth = -2% to -3%  
Consumer Spending Down 5% to 10%

Source: National Association of Realtors

**FACT:** The Housing Affordability Index is at the highest level of affordability in history.



As of January 2009, the Housing Affordability Index hit 166.8. This means that a typical household earning the median family income (\$59,821) would have 166.8% of the qualifying income to purchase a median-priced existing single-family home (\$169,900) with a 20% down payment—the highest level of housing affordability in history.

#### First-time buyers:

First-time buyers have more flexibility when entering into the real estate market because they aren't concerned about selling an existing home—and given the low home prices, plentiful supply and attractive interest rates, it's an optimal time for entry-level buyers with a long-term view.

Plus, first-time buyers can get a tax credit for as much as 10% of a primary residence purchase (up to \$8,000) as part of the recently passed Economic Stimulus Bill of 2009.

Source: [www.federalhousingtaxcredit.com](http://www.federalhousingtaxcredit.com)

#### Move-up buyer:

If you own a home that doesn't fulfill your current needs or you have a desire to change neighborhoods, take advantage of all options in available inventory. It's a perfect time to find a home you really love.

#### Investor:

Houses are on SALE! Prices have adjusted approximately 12% across the country. If you are looking for a long-term investment in real estate, then you should be enthusiastically looking for properties right now. With the built-in discount on prices and interest rates, smart investors can hold onto the property to build equity and long-term wealth.