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18 Years of experience in Tri Valley Real Estate



The Lyons Tri Valley Real Estate Report
March 2009
Volume #3, Issue #21

Hi Everyone!

There will be no real estate numbers in this months real estate report. We'll go over summaries on what is happening in our local real estate markets later in this report, but for now let's discuss the topics that are on everyone's minds ... namely the Economic Stimulus Plan, Obama's Housing Recovery Plan and what it may mean for our local real estate market for 2009.

The recently announced \$75 Billion dollar housing stimulus plan is designed to do a number of keys things to help the housing market. The keys points are:

*** Stop foreclosures—The government wants to stop / slow down / reduce the numbers of house foreclosures in 2009 by offering homeowners with troubled loans the ability to modify existing loans. The general idea is to modify these loans, that is, lower the homeowners monthly payments, down to a level that the homeowner can afford. This plan has many negatives and positives; here are some links that explain the plan. (Press and hold control ... then left click)**

http://www.insidebayarea.com/realestatenews/ci_11743931

http://www.insidebayarea.com/realestatenews/ci_11730045

***Secondly, the federal government will be spending billions of dollars in order to keep mortgage rates low. Low interest rates have historically helped spur home sales.**

***Third, the combination of low real estate prices and low interest rates have made home ownership for many people and families much more affordable. One of the more important parts of the stimulus plan, as it applies to the real estate market, is the new \$8,000.00 tax credit for first time home buyers. Perhaps, the most important part of this new first time homebuyer tax credit is that it does not have to be repaid. However, in order to receive this credit you must purchase in the calendar year of 2009. Here is a good link that explains this new credit in detail.**

<http://www.federalhousingtaxcredit.com/2009/home2.html>

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Low interest rates, and low house and investment properties prices have ignited investor purchases of single family houses, duplexes, triplexes, etc., in our local area. Excellent returns on investment are being realized by smart investors, LLC's, investor groups that have purchased recently. If you'd like information on local investment clubs, or if you'd like info on how to form an LLC (Limited Liability Corp.) please call or send me an email. We can help you with that.

Purchasing an REO, or foreclosed home, is still extremely popular with first time buyers, buyers, and investors. However, with the government plans now in place, the window of opportunity to purchase real estate REO's at these low prices should begin to close in 2009. For now, there are plenty of opportunities to purchase these great deals. You can find out all you need to know on how to purchase an REO on one of my websites. Here is the link.

<http://tomlyons.yourkwagent.com/atj/user/HomePageGetAction.do>

Or please go to my original website which has a wealth of information on foreclosures. Here is that link.

<http://www.tomlyons.com/index.cfm>

Locally, real estate activity has remained the same for the past couple of months. Low priced homes are selling quickly. First time home buyers are out there purchasing homes. Bank owned REO's and short sales are selling quickly, though, the number of shorts sales should decrease dramatically in 2009 as banks will be looking to do loan modifications rather than approve short sales. High priced homes, throughout the Tri Valley Area are not selling well Which means that buyers are really saying that the prices on these homes are still too high prices on high priced homes will continue to drop. Once the buyers feel that the higher priced homes are priced correctly (indicative of current market value) they will sell. Here is a great article from Dataquick, the real estate information giant that reports monthly on local real estate sales. It shows what is going on with million dollar real estate in our area.

<http://www.dqnews.com/News/California/HighEndSales/MDCA090202.aspx>

For the past couple of months now, papers and news TV have been reporting that real estate sales have been increasing, particularly lower priced first time homebuyer homes. Here are the facts that support those stories.

<http://www.dqnews.com/News/California/Bay-Area/RRBay090219.aspx>

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As of the date of this writing, the major banks still have moratoriums in place on foreclosures. This means that they are not foreclosing on homes until they can see if they can help troubled homeowners keep their homes via loan modifications first.

The State of California is also jumping on the “Fix the housing crisis” bandwagon, by offering a \$10,000 state tax credit for home buyers who purchase a new home. The details are at [this link](#).

<http://www.cbia.org:80/go/cbia/newsroom/press-releases/homebuilders-hail-passage-of-homebuyer-tax-credit/>

If you have any questions about the foreclosure process, please email me at realestate@tomlyons.com

If you're a homeowner with questions on how the Obama Stimulus Plan may help you, please send us an email.

For your convenience you can get all of the information that you need on The Stimulus Plan, the Housing Recovery Plan, at either of our websites listed below.

<http://tomlyons.yourkwagent.com/atj/user/HomePageGetAction.do>

<http://www.tomlyons.com/index.cfm>

Thanks for reading.

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