

A Tax Credit Update 2/15/09

Hello everyone,

In an effort to keep you up to date on this ever changing bill to fix the housing market, we are sending you an update to help clear things up. Please let us know if you have any questions regarding this material.

Thanks,

The Cardinal Real Estate Group

- 1) Loan limits will be raised to \$727,000 in high cost areas
- 2) The tax credit will be raised to \$8,000 with NO payback [a true credit]
- 3) Interest rates have come down 125-150 basis points
- 4) The bill has over \$50 billion in it for foreclosure mitigation, with Geitners Treasury plan signaling that the second half of TARP and TALF will be used to mitigate foreclosures through a government guarantee, drive down interest rates by buying another \$200-300 billion of mortgage paper from the GSES's thereby freeing them up to do the same with new mortgages, and Fannie Mae has just agreed to lift the cap of 4 investment properties eligible for loans and raise it to 10.

Source - Charles McMillan, 2009 NAR President

Please view more specific information and continue to evaluate the best decision for you and your family by visiting the various sites below, and of course seek professional tax advice when needed. We will also continue to keep you updated at www.CardinalVA.com until this bill has been ratified.

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