

**FOR IMMEDIATE RELEASE – June 18, 2009**

**Contact Information:**

*Steve Farace, Director of Marketing and Member Relations  
610-560-4800, sfarace@suburbanwestrealtors.com*

## **Available Use of the First-Time Homebuyer Tax Credit Expanded**

MALVERN, June 18, 2009 – Recently, the office of Housing and Urban Development (HUD) announced the expanded usage of the First Time Homebuyer Tax Credit. This change allows qualified buyers to obtain bridge-loan products from FHA-approved lenders upfront towards the purchase of the first home.

“The expanded availability of the tax credit is a real advantage for qualified first time homebuyers and I believe will provide a real boost to the local market” noted Terry Kirkwood, chairman of the Suburban West Realtors® Association.

With this inclusion, there are now 3 (three) principle ways that first-time homebuyers can take advantage of the Tax Credit that was signed into law in February.

- **Standard Tax Credit.** The availability of the \$8,000 as a straightforward tax credit is still available for qualified first-time homebuyers. Based on income levels of the buyer, individuals can receive upwards of \$8,000 as a refund on their 2009 tax return. And unlike the 2008 credit, it does not ever need to be repaid.
- **Tax Credit Advance Loan Program.** Available through the Pennsylvania Housing Finance Agency (PHFA), borrowers purchasing their first home using Keystone Home Loan and Keystone Home Loan PLUS can apply a portion of their tax credit towards the purchase. It is advanced in the form of a subordinate loan; but due to limited funding, it is only available on a first-come, first-served basis.
- **Bridge-Loan Products.** Available through FHA-approved lenders, bridge loan products are borrowed against the forthcoming tax credit and can be used by qualified first-time homebuyers to help cover closing costs, buy down their interest rate, or put down more than the minimum 3.5% downpayment.

“I have heard from many other Realtors® that their first-time homebuyer clients, who are in a good financial position to purchase a home, couldn’t place an offer because they just didn’t have enough to cover the upfront costs. Making available the Tax Credit as a loan towards these costs will help ease the burden for many potential homeowners,” noted Kirkwood.

Any individual who qualifies for the First-Time Homebuyers Tax Credit can take advantage of these options. To qualify for the credit, a buyer must purchase their home between January 1, 2009 and November 30, 2009. To qualify as a first-time homebuyer, the purchaser or his/her spouse may not have owned a residence during the three years prior to the purchase.

“The important thing to keep in mind is that this is a temporary program, and your window of opportunity closes November 30, 2009,” Kirkwood added. “With more affordability and historically-low interest rates, there are tremendous opportunities for first-time homebuyers who are confident about their financial position to purchase a home.”

###