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Helping your grown child buy a first home.



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If you've been thinking about helping a child or grandchild buy a first home, now may be the right time given low interest rates and the first-time homebuyer tax credit extended to April 30, 2010. Here are a few things you should know:

Homebuyer credit: The Stimulus Act extended the first-time homebuyer credit to April 30, 2010. The credit equals the lesser of:

- 10 percent of the purchase price,
- \$8,000 or \$4,000 for a buyer who uses married filing separate status.

Your child can use the credit to offset his or her federal income tax bill. This credit is only available if your child—or his/her spouse—has not owned a principal residence in the U.S. during the three-year period that ends on the purchase date. The home must be your child's new principal residence.

If you're giving money: Gifting to your child or grandchild can be as high as \$52,000 with no tax consequences. Under current law, an individual can gift up to \$13,000 a year to any individual with no tax consequences. If you AND your spouse each gift \$13,000 to your child AND his or her spouse, that's \$52,000. That's a down payment right there.

Lending money: Loans to family members can be tricky tax-wise. If you don't charge an interest rate—or charge one that's too low—the IRS might assume you did and tax YOU on income you didn't receive. It may be best to use the IRS-approved applicable federal rate (AFR). Check out IRS.gov for the current rate.

As always, ViewPoint Bankers Mortgage can't give tax advice, so make sure you check with a tax advisor whether you're making a gift or loan to your child.



This information is solely advisory, and should not be substituted for legal, financial or tax advice. Any and all financial decisions and actions must be done through the advice and counsel of a qualified attorney, financial advisor and/or CPA.

1999 vs 2009: What's changed in 10 years of real estate?

Percentage of buyers who searched online for a home:

90% in 2009 vs 37% in 1999

National Median home values:

\$172,600 in 2009 vs \$137,600 in 1999

People buying homes in suburbs:

54% in 2009 vs 46% in 1999

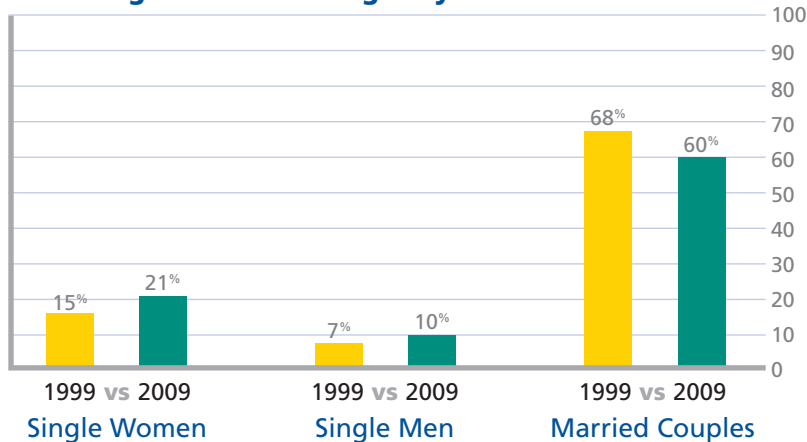
Buyers of detached, single-family homes:

78% in 2009 vs 82% in 1999

Median age of homebuyers:

39 in 2009 vs 39 in 1999

Percentage of homes bought by:



Source: National Association of Realtors

Texas Appliance Rebates

In the market for new appliances? You may want to wait until April when the State of Texas implements a mail-in rebate program to help residents replace older, inefficient appliances with new, ENERGY STAR® qualified and ultra-efficient appliances. The program is tentatively scheduled to begin in April 2010 to coincide with Earth Day activities, and will continue until funds are expended.

Customers may reserve their rebates online before the program begins, and are required to provide proof of haul-away of replaced appliances. Consumers can also obtain a bonus rebate by providing proof that their old appliances were recycled through a State Energy Conservation Office partner retailer or recycling center.

For more information, view the frequently asked questions at the Texas State Energy Conservation Office:
http://www.seco.cpa.state.tx.us/arra/faqs/index.php#rebate_faqs

Eligible products include:

- Refrigerators
- Freezers
- Clothes washers
- Dishwashers
- Room air conditioners
- Gas condensing water heaters
- Gas storage water heaters
- Gas tankless water heaters
- Electric heat pump water heaters
- Solar water heaters
- Central air conditioners
- Air source heat pumps

For more information, give me a call today or visit us at vpbmortgage.com.