



HOME DELIVERY

Residential Real Estate Trends, Issues and News for Consumers

The National Association of REALTORS® distributes *Home Delivery* every month to real estate, personal finance and consumer journalists as a resource for background or story ideas.

Appraising Appraisals

The home appraisal process is an important part of any real estate transaction. Appraisals assure lenders and buyers of the property's worth and can be useful for sellers in helping determine a list price.

Unfortunately, determining an accurate property value is more difficult in today's market, and a new standard, the Home Valuation Code of Conduct, has created delays and introduced additional problems.

Since the HVCC was implemented on May 1, 2009, Realtor® reports of lost sales, reduction in appraisal quality and transaction holdup due to appraisal delays have increased.

Appraisers are also concerned. In a recent NAR survey, 70 percent of appraisers have seen an increase in fees paid by consumers, 36 percent report a severe decrease in appraisal quality, and nearly half – 48 percent – report a moderate or slight decrease.

Story Springboard

- HVCC in practice

Ask Realtors® and appraisers in your area about how the HVCC has affected their business and the local real estate market. Talk to buyers and sellers who experienced delays as a result of appraisal issues. For more information on the HVCC, visit www.realtor.org/government_af_fairs/gapublic/gses_hvcc_announced.

'Green' Money

Many people know about the \$8,000 home buyer tax credit, but did you know that the American Recovery and Reinvestment Act of 2009 also established a number of tax breaks for current homeowners who want to improve their home's energy efficiency?

Energy-efficient improvements to exterior windows, skylights and doors as well as certain metal and asphalt roofs qualify for 30 percent of the project cost, up to \$1,500. The credit covers installation costs for HVAC, gas, oil and propane water heaters and biomass stoves. These improvements qualify for the credit through December 31, 2010.

Owners who go a step further by adding geothermal heat pumps solar energy systems or small wind energy systems will qualify for 30 percent of the entire cost, including installation, and the tax credit doesn't expire until December 31, 2016.

Story Springboard

- The importance of being green

Ask homeowners if they're aware of the available energy-efficient tax incentives. Do they plan to make energy improvements in the future? Ask a Realtor® about other tax incentives for homeowners. For more information about green building issues, visit www.realtor.org/smart_growth.nsf/pages/greenbuilding?opendocument.

Checking Real Estate's 'Pulse'

Despite current economic challenges, 83 percent of Americans still believe buying a home is a good financial decision, according to NAR's *2009 National Housing Pulse Survey*.

The survey also found that one-third of renters are thinking more about buying a home than they were a year ago. Many of them still need to save toward that goal – 82 percent of potential homeowners consider down payments and closing costs to be the greatest challenges to homeownership.

Story Springboard

- "Survey says...!"

Financing the home purchase continues to be a concern, according to Pulse survey results; 70 percent of respondents reported a lack of confidence in their ability to be approved for a home loan. Talk to a Realtor® in your area for the facts on what it takes to obtain a mortgage loan in today's market, and interview recent home buyers about their financing process. To see the entire survey, visit www.realtor.org/government_af_fairs/housing_opportunity/resource_center/pulse+survey+2009

Please contact Michelle Wardlaw, 202/383-1042, or mwardlaw@realtors.org for additional ideas, sources, data, and resources.

