

REAL ESTATE

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Your dream home is more affordable than ever

"I've got good news and I've got bad news," has been the beginning line of many attempts at humor.

Well, I hate to say it, but I have good news and bad news for you regarding the housing market. Actually, I won't talk about the bad news; the national media does a great job reporting the twists and turns of our challenging economy.

The good news is that housing is more affordable today than it has been in the last 40 years. In January, the Housing Affordability Index rose 13.6 percent to a new record of 166.8 nationwide.

The Housing Affordability Index measures the home-buying abilities of the median-income family in this country. An index of 100 indicates the median-income family can afford to buy the median-priced home in their region of the country. Therefore, an index of 66.8 percent higher means that housing is very affordable.

For instance, a year ago, that median-income family, earning \$59,800, could afford

a home costing \$263,300. Today, that family could afford a home costing \$283,400.

Here in St. Charles County, housing is very affordable. In 2008, our median home price was \$180,000, and our median family income is approximately \$65,000 per year.

I know, by now your eyes are glazing over from what seems to be economic double talk. The question on your mind should be, "Karen, what does this mean to me and my family?"

Remember, what is important is not the price of the home you are buying. What matters is the price of your home, interest rates, down payment and your family income. These factors together will determine your personal affordability index.

These statistics are further hard evidence that this is a great time to buy a home. If you have secure employment, adequate income and good credit, you are in the middle of a once-in-a-lifetime chance to purchase the home that may exceed your dreams.

Plus, if you are thinking about buy-

ing your first home, Uncle Sam is ready to hand you \$8,000 to help you pay for it. The economic stimulus legislation passed last month included an \$8,000 credit for first-time homebuyers. If you buy your first home between Jan. 1, 2009, and Dec. 1, 2009, you will receive an \$8,000 tax credit. Unlike the tax credit in last year's legislation, this one doesn't need to be repaid; and if you don't owe \$8,000 in taxes, you will get a refund of the amount left over.

There are families in St. Charles County and across the country that are sitting back and waiting for the right moment. The right moment being the time when the market has bottomed out, the moment of maximum profit, or they are just waiting for spring and the resurgence of our economy. It is important to remember the words of billionaire investor Warren Buffet: "If you wait for the robins, spring will be over."

Remember, you will only know when the "right moment" happens after it is over. You will only know that the market has hit

bottom when prices and interest rates start rising. By the time we know that it is the "perfect time" to buy to maximize our return on investment, we will have missed it.

When you sit down and think about it, there is no reason to wait. Interest rates are at near-record lows. It does not get much better than a 30-year, fixed-rate mortgage for under 6 percent. Plus, home values have stabilized; and homes in our county and throughout the region are more affordable than they have been in many years.

Remember, however, that while home values will rise and fall from year to year, over the long term nothing outperforms your home as an investment for your family.

While some in the media say you should wait, don't forget that home values will rise and the economy will come roaring back to health.

The opportunities offered by today's market will not last long. If you are thinking about buying, now is the time to call your Realtor. He or she will provide you informa-



YOUR PLACE TO CALL HOME

Karen Vennard is the 2009 president of the St. Charles County Association of Realtors. E-mail her at comments@StCharles-REALTORS.com if you have any real estate-related questions or comments you would like to see addressed in this column.

tion and guidance to help you take advantage of today's market.

Having a Realtor by your side is the only safe way to step into the home buying market. Realtors have the expertise and experience to ensure your family a safe journey to your new home.

I can only provide you the information about the opportunities in today's real estate market. It is now up to you to make the call and find that your dream home is within your reach. If you wait for the robins, spring will be gone.

REAL ESTATE BRIEFS

Builders St. Charles Home Show planned

The Home Builders Association of St. Louis and Eastern Missouri has scheduled the fifth annual Builders St. Charles Home Show for April 3-5 at the St. Charles Convention Center.

Billed as a one-stop source for information, products and services for the home, the show will include about 300 booths from 165 companies exhibiting such items as windows, doors, kitchen and bath products, pools, spas and home accessories.

Show hours are 11 a.m.-9 p.m. Friday and Saturday and 11 a.m.-5 p.m. Sunday. Admission is free, and free parking will be available in the 1,100 spaces at the convention center, located off Veterans Memorial

Parkway on the south side of Interstate 70 west of the South Fifth Street interchange.

The show will include seminars featuring local and national speakers; the third annual St. Charles Sausage Festival and Wine Tasting, featuring free tasting of items from sausage producers, wineries and win distributors; and a mini Habitat Restore where Habitat for Humanity of St. Charles County will offer home improvement merchandise at discounted prices.

Brian Santos, "The Wall Wizard," will discuss painting tips and tricks. Jeff Holper, "The Mole Hunter," will help audiences with pest problems. Scott Mosby, KMOX's home answer man, will share his "Top 10 Home Secrets." And Carla Grewe, of HomeSource Custom Homes, will present a seminar on "Designing from Her Perspective."

For family fun, balloon twister "Sammy J"

will create balloon sculptures for no charge from 5-8 p.m. Friday, 1-8 p.m. Saturday and noon-4 p.m. Sunday.

Visitors also will be able to register for a \$1,000 shopping spree good with any exhibitor at the show.

Visit www.stlhomeshow.com for more information.

Credit union plans mortgage seminar

1st Financial Federal Credit Union plans to host a mortgage seminar from 10 a.m.-noon March 21 in the community room at the 1st Financial Wentzville branch, 1232 Wentzville Parkway.

Mortgage experts from 1st Financial Federal Credit Union will lead the seminar.

The workshop will cover issues such as

when is the best time to refinance an adjustable rate mortgage loan, determining what is affordable, saving for a down payment, down payment assistance, the mortgage lending process and avoiding predatory lenders. There will be opportunity to ask questions and discuss what it takes to become a homeowner.

The seminar is free and open to the public. To reserve a space, e-mail to contactus01@1stfinancialfcu.org or call 636-916-8300.

O'Fallon accepting loan applications

O'Fallon's Community Development Block Grant (CDBG) office provides no-interest loans of up to \$5,000 to a limited number of low-to-moderate income O'Fallon homeowners who qualify.

The loans can only be used for home repair and to address code violations.

Applications may only be made once a year and are reviewed by O'Fallon's CDBG administrator. Priority is given to low-income housing submitted on a first-come-first-served basis, according to a news release from the city. If funds remain after eligible low-income applications are met, candidates from moderate-income housing will be considered.

All applicants will be notified of their status within four to six weeks, according to the news release.

For more information, visit O'Fallon's website at www.ofallon.mo.us or contact CDBG administrator Jessica Hawkins via e-mail at jhawkins@ofallon.mo.us or by phone at 636-379-5411.