

Upcoming Events in the Tri-Cities

April 2009

- 2: Academy of Children's Theatre production of "Footloose" 7-8:30 at CBC Theatre
- 2: Horse Racing at SunDowns begins 1:30-5:00 pm at Benton Franklin Fairgrounds
- 4: 2009 Tri-Citians of Year Banquet at Red Lion in Pasco
- 12-16: Annual Columbia River Cowboy Gathering, 6-8pm, Benton-Franklin Fairgrounds
- 25-26: Spring Barrel Tasting begins
- All Weekends-Chancellor's Art Exhibit, WSU Tri-Cities

May 2009

- 2: South Central WA Orchid Society Annual Show & Sale - Manor at Canyon Lakes
- 8: Golf with "Grace" Clinic Tournament-Columbia Point Golf Course Richland
- 9: Untapped Blues Festival. Benton Franklin Fairgrounds
- 28: Live @ 5 concert series at John Dam Plaza, Richland. For 9 weeks

June 2009

- Every Thursday evening-Live @ 5 concert series, John Dam Plaza
- 13: LIGO Public Drop-In Tours. LIGO Observatory
- 13: The ARC of Tri-Cities, Golf, Dinner and Auction. 3 Rivers Convention Center
- 20: US Cellular's Movies on the River. Columbia Park
- 25-27: Cool Desert Nights Show & Shine Events Uptown Richland

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Distinctive News - Spring 2009



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"I thought you might find it interesting to see what the Tri-City market has been doing. As always, I'm available to you should you have any real estate questions and I hope you'll think of me when your friends & acquaintances look to buy or sell a home".

It's the Sign of Success

Spring 2009

Tri-Cities area home appreciation ranked 25th in the nation

The Tri-Cities was ranked 25th in the country for housing price appreciation in the Federal Housing Finance Agency's fourth quarter 2008 report. The Tri-Cities home prices reportedly showed a 1.73 percent appreciation rate from the third quarter of 2008 to the fourth, and a 2.3 percent growth when comparing fourth quarter 2008 to the same time in 2007, according to the FHFA. That includes home purchases and refinancing. U.S. housing prices, including purchases and refinances, declined 0.2 percent in the fourth quarter, and 4.5 percent from the year prior according to the FHFA.



Distinctive News



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First-Time Home Buyer Tax Credit

Do not miss this opportunity for your kids, grandkids, or friends.....

*This is an unprecedented opportunity for the first-time home buyer!
Become a hero in their eyes..... Tell them all about it!*



Legislation is pending that may allow the tax credit to be accessible to a Buyer at the time of closing on a home! Call us for the latest updates!

Frequently asked questions about the new Home Buyer Tax Credit

The American Recovery and Reinvestment Act of 2009 authorizes a tax credit of up to \$8,000 for qualified first-time home buyers purchasing a principal residence on or after January 1, 2009 and before December 1, 2009.

FIRST-TIME HOMEBUYER TAX CREDIT

1. What's this new homebuyer tax incentive for 2009?

The 2008 \$7500, repayable credit is increased to \$8000 and the repayment feature is eliminated for 2009 purchasers. Any home that is purchased for \$80,000 or more qualifies for the full \$8000 amount. If the house costs less than \$80,000, the credit will be 10% of the cost. Thus, if an individual purchased a home for \$75,000, the credit would be \$7500. It is available for the purchase of a principal residence on or after January 1, 2009 and before December 1, 2009.

2. Who is eligible?

Only first-time homebuyers are eligible. A

person is considered a first-time buyer if he/she has not had any ownership interest in a home in the three years previous to the day of the 2009 purchase.

3. How does a tax credit work?

Every dollar of a tax credit reduces income taxes by a dollar. Credits are claimed on an individual's income tax return. Thus, a qualified purchaser would figure out all the income items and exemptions and make all the calculations required to figure out his/her total tax due. Then, once the total tax owed has been computed, tax credits are applied to reduce the total tax bill. So, if before taking any credits on a tax return a person has total tax liability of \$9500, an \$8000 credit would wipe out all but \$1500 of the tax due. (\$9,500 - \$8000 = \$1500)

4. Is there an income restriction?

Yes. The income restriction is based on the tax filing status the purchaser claims when filing his/her income tax return. Individuals filing Form 1040 as Single (or Head of Household) are eligible for the credit if their income is no more than \$75,000. Married couples who file a Joint return may have income of no more than \$150,000.

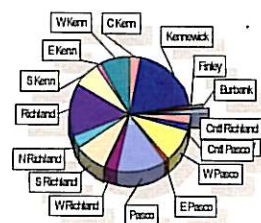


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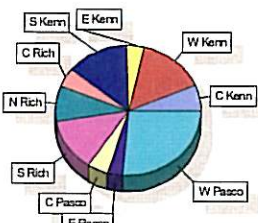


TRI-CITY REAL ESTATE STATISTICS



Current Active Listings
as of **03/31/2008**
According to the Tri-City Association
of Realtors

City	Residential	Median Listing
Benton City	45	148,500
Burbank	19	159,900
Finley	2	144,450
Kennewick	483	189,900
West Kennewick	196	184,900
Central Kennewick	72	119,250
East Kennewick	30	121,950
South Kennewick	180	249,900
Richland	364	279,900
Central Richland	60	137,450
North Richland	87	226,990
South Richland	210	327,400
West Richland	81	225,000
Pasco	331	169,990
Central Pasco	46	105,000
East Pasco	29	101,900
West Pasco	232	189,900



Residential Sales
01/1/2009 - 03/31/2009
According to the Tri-City Association of
Realtors

City	Residential	Median Sales	Ave. Days on Market
Benton City	14	110,100	136
Burbank	0	0	0
Finley	0	0	0
Kennewick	169	150,000	126
Central Kennewick	28	92,750	143
West Kennewick	64	178,025	109
East Kennewick	18	97,000	133
South Kennewick	58	171,500	134
Richland	115	199,100	135
Central Richland	21	108,000	117
North Richland	38	196,400	178
South Richland	55	255,000	115
West Richland	38	185,850	135
Pasco	155	144,000	120
Central Pasco	21	80,000	117
East Pasco	14	95,500	114
West Pasco	111	159,000	121

(Tax Credit Q & A's continued)

5. Do individuals with incomes higher than the \$75,000 or \$150,000 limits lose all the benefit of the credit?

Not always. The credit phases-out between \$75,000 - \$95,000 for singles and \$150,000 - \$170,000 for married filing joint.

6. What's the definition of "principal residence?"

Generally, a principal residence is the home where an individual spends most of his/her time (generally defined as more than 50%). It is also defined as "owner-occupied" housing. The term includes single-family detached housing, condos or co-ops, townhouses or any similar type of new or existing dwelling. Even some houseboats or manufactured homes count as principal residences.

7. Are there restrictions related to the financing for the mortgage on the property?

In 2009, most financing arrangements are acceptable and will not affect eligibility for the credit. Congress eliminated the financing restriction that applied in 2008. (In 2008, purchasers were ineligible for the \$7500 credit if the financing was obtained by means of mortgage revenue bonds.) Now, mortgage-revenue bond financing will not disqualify an otherwise-eligible purchaser. (Mortgage revenue bonds are tax-exempt bonds issued by a state housing agency. Proceeds from the bonds must be used for below market loans to qualified buyers.)

8. Do I have to repay the 2009 tax credit?

NO. There is no repayment for 2009 tax credits.

9. How do I apply for the credit?

There is no pre-purchase authorization, application or similar approval process. All eligible purchasers simply claim the credit on their IRS Form 1040 tax return. The credit will be reflected on a new Form 5405 that will be attached to the 1040. Form 5405 can be found at www.irs.gov.

10. So I can't use the credit amount as part of my down payment?

No. Congress tried hard to devise a mechanism that would make the funds available for closing costs, but found that pre-funding would require cumbersome processes that would, in effect, bring the IRS into the purchase and settlement phase of the transaction.

12. I know there is no repayment requirement for the \$8000 credit. Will I ever have to repay any of the credit back to the government?

One situation *does* require a recapture payment back to the government. If you claim the credit but then sell the property within 3 years of the date of purchase, you are required to pay back the full amount of any credit, including any refund you received from it.

13. I have a home under construction. Am I eligible for the credit?

Yes, so long as you actually occupy the home before December 1, 2009.

To read the full text of questions and answers, visit www.realtor.com and search **Homebuyer Tax Credit**



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