

Marla Martin, Communications Manager, or Jeff Zipper, Vice President of Communications  
407/438-1400, ext. 2326 or ext. 2314

## **Florida Realtors® Applaud the Extension, Expansion of Homebuyer Tax Credit**

**ORLANDO, Fla., Nov. 6, 2009** — Potential homebuyers have even more incentive to purchase a Florida home, according to Florida Realtors®, thanks to the extension and expansion of the federal \$8,000 first-time homebuyer tax credit.

Earlier today, President Barack Obama signed into law H.R. 3548, which extends and expands the \$8,000 first-time homebuyer tax credit. Among other provisions, the extension adds money for certain move-up buyers; creates one deadline for signing a contract and a later deadline for closing; changes income requirements; and limits a purchased home's cost to \$800,000.

“Extending the homebuyer tax credit and expanding it to reach more homebuyers is the right thing to do,” says 2009 Florida Realtors® President Cynthia Shelton. “It is critical to maintaining the positive momentum we’ve been experiencing in the housing market and in the overall economy. Florida Realtors applaud congressional leaders for taking action to extend the homebuyer tax credit into 2010, which will help Florida families realize their dream of homeownership, improve our communities and strengthen our economy.”

Studies from economists and housing industry analysts show that the homebuyer tax credit has been working, with home sales increasing in recent months and declining housing inventory, Shelton notes. According to research from the National Association of Realtors®, each home sale generates about \$63,000 in additional economic activity.

While most details for first-time homebuyers mirror the rules currently in existence, the new law will extend the \$8,000 tax credit to homes under a sales contract by April 30, 2010. Home purchases under contract must be completed by June 30, 2010. It has been expanded to include a new \$6,500 credit for owners of existing homes who are purchasing a new principal residence. An existing homeowner can claim the \$6,500 tax credit if they lived in their principal residence for five consecutive years out of the last eight. Plus, effective Dec. 1, 2009, income eligibility limits to claim the full credit for both groups of homebuyers have been raised to \$125,000 for individuals and \$225,000 for married couples.

“Market activity has certainly picked up as we’ve experienced 13 months of increased home sales in Florida,” says John Sebree, vice president of public policy for Florida Realtors. “In addition to bringing new families into the housing market, it has helped stabilize property values. And current owners of Florida properties who will now be eligible for the \$6,500 tax credit as a move-up buyer will also see the added bonus of portability – the ability to take a portion of their Save Our Homes (SOH) tax savings with them when they move. That is an incredible added incentive.”

*Florida Realtors®*, formerly known as the *Florida Association of Realtors®*, serves as the voice for real estate in Florida. It provides programs, services, continuing education, research and legislative representation to its 115,000 members in 67 boards/associations. *Florida Realtors®* Media Center website is available at <http://media.floridarealtors.org>.

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