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# SCISSORTAILS NEWS

[WWW.SCISSORTAILS.COM](http://WWW.SCISSORTAILS.COM)

November 2009

This month's newsletter is information on the updated "Homebuyer Tax Credit Extension". If you have any questions, please contact us through our website: [www.scissortails.com](http://www.scissortails.com)

Last month we had 343 visits from 196 visitors. They viewed 748 pages! We send our newsletter out to 344 people in various parts of the country.



## **Business Roundtable Commends President Obama's Signing of Homebuyer Tax Credit Extension and Five-Year NOL 'Carryback' Expansion**

RISMEDIA, November 10, 2009—"The members of Business Roundtable commend President Obama and an overwhelming bipartisan majority in Congress for enacting legislation to extend and expand the federal homebuyer tax credit. This vital program is the right type of action for our nation. With more than one-fifth of our economy tied to industries related to housing and real estate, a boost to this sector will create a cascade effect on the rest of the economy, spurring job creation and hastening broad recovery for U.S. homeowners, workers and companies.

"Policymakers should also be lauded for working successfully to expand the five-year net operating loss 'carryback' period for companies – essential tax relief that will increase liquidity and allow companies to make new investments, sustain R&D and maintain and create U.S. jobs.

"Timely, temporary and effective, these measures are exactly the sort of fiscally responsible stimulus action we need to ensure long-term U.S. economic growth. We are encouraged by the swift action by President Obama and the House of Representatives following the Senate's passage, and look forward to similar bipartisan measures in the future that can nurture and sustain the young roots of recovery," said Richard A. Smith, president and CEO of Realogy Corporation and Chair of Business Roundtable's Housing Working Group.

## **How the New Homebuyer Tax Credit Works**

Posted By [Steve Cook](#) On November 6, 2009 @ 9:37 am In [Beyond Today's News](#), [Crisis Programs](#), [Home Advisor](#), [Real Estate IQ](#)

The extension and expansion of the homebuyers tax credit that passed Congress November 5 allows more first-time buyers to qualify and creates an entirely new credit for existing homeowners who buy a new home.

The effective date is the date of enactment, presumably today November 6,\* for the enhanced first-time buyer credit and for the new credit. It is not retroactive. However, first-time buyers who have been rushing to meet the November 30 deadline for the existing program need not worry. They can qualify under the new one. Existing homeowners who are also in the process of buying a home should consider delaying closing until December 1 or later to qualify for the credit.

Both credits expire next spring. Buyers must have a contract on a home before May 1, 2010 and they have until June 30, 2010 to close in order to qualify.

### Key Provisions

#### Amounts:

- The first-buyer credit remains 10 percent of the cost of the home or \$8000, whichever is less.
- The credit for existing homeowners is 10 percent of the value of the new home or \$6500, whichever is less.

#### Definitions:

- A first-time homebuyer cannot have owned a home during the past three years.
- Existing homeowners must have owned and lived in their current home five out of the preceding eight years.
- Only principal residences qualify. No second homes or investment properties.

#### Income limits:

- The measure raises the income limits for those claiming the credit to \$125,000 a year for individuals and \$225,000 for couples, up from \$75,000 and \$150,000 in the previous first-time buyer credit. After that, the value of the credit phases out.
- The cost of the new home cannot exceed \$800,000.

#### Cost:

- Expanding the home buyers' credit will cost about \$11 billion. The total cost of extending the first-time buyer credit and adding the existing owners' credit is \$16.7 billion.

#### How to Apply::

- Use IRS form 5405, which you file with an amended tax return.
- For more information on applying, go to <http://www.irs.gov/newsroom/article/0,,id=204671,00.html>

**CORRECTION:** The effective date is the day the legislation is signed into law, not December 1 as previously reported.

# NAR Frequently Asked Questions

## Homebuyer Tax Credit Changes

National Association of REALTORS® Government Affairs Division  
500 New Jersey Avenue, NW, Washington DC, 20001

Here are some of the most frequently asked questions on the changes to the Homebuyer Tax Credit

**Question: Existing homeowner credit: Must the new house cost more than the old house?**

*Answer: No. Thus, for example, individuals who move from a high cost area to a lower cost area who meet all eligibility requirements will qualify for the \$6500 credit.*

**Question: I am an existing homeowner. On October 25, 2009, I signed a contract to purchase a**

**new home. I have lived in my current home for more than 5 consecutive years and am within the new income limits. I will go to settlement on November 20. If President Obama has signed the bill by the time I go to settlement, will I qualify for the new \$6500 tax credit?**

*Answer: Yes. The existing homeowner credit goes into effect for purchases after the date of enactment*

*(when the bill is signed). There is no reference to the date of contract for the new credit. The provision looks solely to the date of purchase, which is generally the date of settlement.*

**Question: I am a first time**

**homebuyer but was not within the prior income limits at the time I entered into my contract to purchase on October 30, 2009. I will be covered, however, by the new income limits. If the new rules have been signed into law by the time I go to settlement, will I be eligible for a credit?**

*Answer: Yes. The new income limitations go into effect as soon as the President has signed the bill. The income limit and other eligibility rules will look to your status as of the date of purchase, which is the settlement date. So if the new rules have been signed when you go to settlement, you should be eligible for the credit (or a portion of the credit if you're within the phase out range).*

**Question: I am an eligible existing homeowner. I have a fair amount of equity in my home. I**

**have found a home with a nonnegotiable price of \$825,000. Will I be able to use any of the \$6500 tax credit?**

*Answer: No. The \$800,000 cap on the cost of the purchased home is firm at \$800,000. Any amount above \$800,000 makes the home ineligible for any portion of the credit. The \$800,000 is an absolute ceiling.*

**Question: I owned my home for 10 years, but sold it two years ago year and have been renting**

**since. If I purchase a home, will I be eligible for the \$6500 tax credit if I meet all the other eligibility tests?**

*Answer: Yes. Because you lived in the home for more than 5 consecutive years of the previous 8, you will qualify for the \$6500 credit. For example, Say John and his wife bought a home in 2000 and lived there until 2008 when he got a divorce. Whether John has been renting or bought in the interim, he WOULD INDEED be eligible for the credit because he owned a home and occupied it as his principal residence for 5 consecutive years out of the last 8 years. The keyword here is "consecutive." As long as he lived in that house for 5 years straight what he did since 3 years doesn't impact eligibility.*

**Question: I am an eligible first time**

**homebuyer. I entered into a contract to purchase on November 1, 2009. Do I have to go to closing before December 1? How does the extension date affect me?**

*Answer: You do not have to close before December 1. Once the legislation has been signed, it will be as*

*if the Nov 30 date had never existed. Therefore, so long as the contract settles before April 30 (or July 1, worst case), the purchaser will be eligible for the credit.*

# The Christmas Tour of Homes

Want to spend a great Sunday afternoon touring homes decorated for Christmas?

The Christmas Tour of Homes will be December 13 from 1:00 – 5:00 p.m. Sunday afternoon and will give you some great decorating ideas and get you in the Christmas spirit. Six homes and the Cherokee Museum will be on the tour.

Tickets will be \$7 and can be bought at Thorns, Fosters, Main Street, Chamber of Commerce and at each home. Proceeds to benefit the Christmas decorations & lighting on the Perry downtown square.

For more information go to the City of Perry website: [www.cityofperryok.com](http://www.cityofperryok.com)

## FEATURED LISTINGS



10807 Frontier, Perry, OK

*Minutes from Stillwater,  
Perry and I-35*

Residential - Single Family	Price:	\$450,000
4,000 sq ft.	Year Built:	2001
5 Bedroom   4 Baths	Acreage:	9.56 wooded
Large family room w/fireplace	Heating:	Forced Air
Large kitchen with deck	Cooling:	Central
Concrete safe room w/steel door		

Features: Extremely well built and beautiful home by Griffin Construction.

Tastefully decorated with all the extras for quality living and entertaining.

Two separate living and entertaining areas, quiet and private.

Lawn sprinkler system. Kennel.

30 x 48 insulated shop with air conditioned living quarters.



25750 County Road 110  
Perry, OK

Residential - Single Family	Price:	\$369,000
3121 sq ft.	Year Built:	2000
4 Bedroom   2 Baths	Acreage:	14.8
Large open floor plan	Heating:	Heat Pump
Sun Room	Garage:	Attached -2 car

Features:

2nd floor bonus room  
30 x 40 shop building  
15 x 45 horse shed

This beautiful home is tastefully decorated and is located on 14.8 Acres. Geothermal for low utilities. Built in 2000 it is neat and ready to move into. Large finished attic bonus room ready for entertaining or special hobbies. Must see!

The property has been currently appraised at \$400,000.



Residential - Single Family	Price:	\$175,000
Brick veneer / 1867 sq ft.	Year Built:	1996
3 Bedroom   2 Baths   1 Half-bath	Lot:	Large
Utility / Spacious office / Fireplace	Heating Fuel:	Natural Gas
Storm shelter / Outbuildings / Fence	Garage:	Attached -2 car

Features:

Living room entertainment center with speaker selector box connections that turn speakers on in garage and on patio.

Kitchen and dining area has brick built in oak cabinets with wine rack, plate rack,

1410 Fairway Drive  
Perry, OK

lazy susan and more.  
Double sided gas fireplace is a welcoming addition to kitchen and living room  
Two inch wood blinds throughout the home.  
Tiled master bath with shower & whirlpool tub.

Country club living in this beautiful home. Jump in your golf cart and play. This lovely home is pristine and ready to move into!



1105 Rose Terrace  
Perry, OK

Residential - Single Family  
3 Bedroom | 1 Full Bath  
999 sq ft. - single story  
Very large lot  
Single car garage

Price: \$79,900  
Year Built: 1974  
School District: Perry  
Heating: Forced air  
Cooling: Central

This is a neat little house with an open plan, three bedrooms and utility. Outside patio and metal fence. Unless you want to change the paint, it is ready to move in clean. Large garage and/or add-on to this home. Many possibilities at a



406 W. Ivanhoe  
Perry, OK

Residential - Single Family  
2 Bedroom | 1 Full Bath  
672 sq ft. - single story  
Lot approx. 50' x 162.5'  
Carport

Price: \$14,000.00  
Year Built: 1924  
School District: Perry  
Heating: Wall Furnace  
Heating Fuel: Gas

Exterior features: Porch.



702 Canary Lane Enid, OK

Residential - Single Family  
3 Bedroom | 2 Baths  
1700 approx sq ft.  
Garage: 2 car attached with carport  
Exterior: Brick Veneer  
Roof: Composition

Price: \$115,000.00  
Property Tax:  
Year Built:  
School District: Enid  
Heat/Air: Central  
Lot: Corner

Features: Fireplace, Storm shelter, Privacy fence in backyard  
This home is located on a beautiful corner lot. It has a concrete circle drive and large pecan trees in the backyard. Inside you will find the comfort of a wood burning fireplace surrounded by a rock wall and cathedral ceiling. The large open living area flows through to the dining and kitchen. This prime property also has a private water well with automated watering system, storage shed, and storm shelter.



1003 Perry Ave. Perry, OK

Commercial - Office Space  
5200 sq ft.  
Bathrooms: 4  
Exterior: Metal & Glass  
Roof: Metal  
Parking: Asphalt 21 - 30 spaces

Price: \$225,000.00  
Year Built: 1982  
Heating: Forced Air  
Cooling: Central  
Lot dimensions: 25 x 140  
Foundation: Slab

Features: Very unusual and beautiful building. Built in a modern style entirely of metal and glass in 1982. Has 7 spaces on each level. Is currently being leased in 5 of the lower spaces. Telephone system. Commonly known as The Octoplex.

Directions: From downtown Perry South on 7th St follow HI 77 to 1003 Perry Avenue. Building on right at 11th St.



1412 N 5th St., Perry, OK

*Income Producing*

Commercial - Storage Units  
 Building 1 - 50 x 100 ( 5000 sq ft)  
 Building 2 - 20 x 50 ( 1000 sq ft.)

Price: \$79,000  
 Lot: 1.26 acres  
 Taxes (2006): \$525.75

Features:

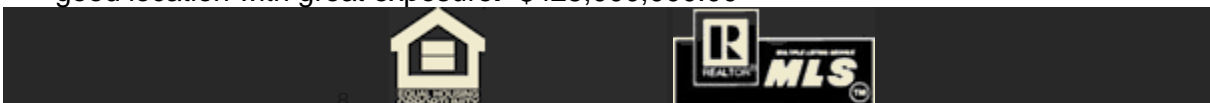
On 1.26 acres this income producing property has plenty of room for expansion. The large unit stays 100% rented and the smaller one about 80% rented. The large unit has 20 rental units and rents for \$45 a month and the smaller one, which also has 20 units, rents for \$20 a month. The rents have only been raised once since it was purchased in 1979.

This property has the potential of producing much more than it is currently making.

Status	Property Location	Price
	Land - 160 acres at Lucien	\$240,000
	Land - 160 acres at Garber	\$240,000
	2 Lots at Lake Eufala	\$7,000 ea
	Corner Lot at 1909 Eagle Lane, Perry, OK (across from Perry Golf & Country Club)	\$22,500

Call us for more information on these listings:

1. **"NEW" 300 Acres more or less**-9601 S. "R" Street in Ponca City. Currently is growing alfalfa and Bermuda grass. Has large brick house, large barns, shop, machine shed, grain storage, corrals and pens. \$1,410,000.00
2. **½ Section in LeFlore County** Scenic timber covered mountain with great wildlife traffic. Near Lake Wister State Park, Quachita National Forrest, Winding Stair Mountains and Talimena State Park. \$512,500.00
3. **100 Acres in Kay County** Bluestem and mansica – lunia winter grass. New brick house- 4 bedrooms, 3 ½ baths with 3 car attached garage and "geo thermal" heat & air system. Outbuildings \$750,000.00
4. **Commercial Development Land in Blackwell** I-35, Exit 222 and highway 11 interchange. Price available upon request
5. **760 acres more or less in Haskell & Latimer Counties** Ranch land with quality 3 bedrooms/2 bath brick home with several barns, corrals and 20 acre Quinton City Lake. Also has a rock quarry. \$8,005,000.00
6. **"NEW" 240 acres of recreational beauty** This property has a flood control lake and creek and a balance mix of grass, timber and water. Possession can be at closing. \$244,000.00
7. **"NEW" 28.29 acres more or less** - Commercial Property in Webbers Falls, OK Very good location with great exposure. \$425,000,000.00



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