

MORTGAGE LENDING UPDATE

By David Griffin

Past President of Mortgage Bankers Association of Middle Georgia

Isakson Homebuyer Forum

Please make plans to attend Senator Johnny Isakson's Homebuyer's Forum at the Mercer University Center's President's Dining Room on Tuesday, February 16, 2010 from 6:00p.m.to 8:00p.m. Senator Isakson was instrumental in the extension and expansion of the Federal Homebuyer Tax Credits to assist in the nation's housing recovery.

Senator Isakson began his business career in 1967 when he opened the first Cobb County office of a small, family-owned real estate business, Northside Realty. He later served as president of Northside for 20 years, presiding over the company's growth into the largest independent residential real estate brokerage company in the Southeast and one of the largest in America. Therefore, Senator Isakson knows real estate and is a friend to those involved in real estate. It should be obvious to all by now that as housing goes, so goes the economy.

This forum is an opportunity for homebuyers to hear from professionals on best practices, federal tax incentives and general information on the home purchasing process. Representatives from the Internal Revenue Service, Department of Veterans Affairs (VA), Housing and Urban Development-Federal Housing Administration (FHA), Federal Home Loan Bank of Atlanta, and the Mortgage Bankers Association of Georgia will be presenting.

Of special note will be a presentation by Allen KenKnight, President of Residential Lending for Main Street Home Loans of Alpharetta, who was personally selected by Senator Isakson to speak on his behalf. Mr. KenKnight, well respected in the mortgage industry, has been awarded The Mortgage Bankers Association's highest honor, the Diamond Award and The President's Award for the years 1998 through 2008. Mr. KenKnight has also been recognized as a Top 10 Mortgage Originator for the past 11 years, ranking #1 in the State of Georgia for 2004 and #2 for 2005 and 2006. He has served as President of the Mortgage Bankers Association of Georgia and President of the Atlanta Mortgage Bankers Association.

Mr. KenKnight will discuss actual working strategies for potential homebuyers to use in financing a new home. He will also reveal important but perhaps little known secrets to turn home dreamers into home buyers. One such tidbit follows.

Members of the Armed Forces and certain federal employees serving outside the U.S have one extra year to buy a principal residence in the U.S. and still qualify for the credit. An eligible taxpayer must buy or enter into a binding contract to buy a home by April 30, 2011, and settle on the purchase by June 30, 2011.

Members of the uniformed services, members of the Foreign Service and employees of the intelligence community are eligible for this special rule. It applies to any individual (and, if married, the individual's spouse) who serves on qualified official extended duty service outside of the United States for at least 90 days during the period beginning after Dec. 31, 2008, and ending before May 1, 2010. Only one spouse must be overseas on official extended duty for the requisite amount of time for either spouse to be eligible for the 2011 extension of time to purchase a principal residence and claim the credit.

Also, in many cases, the credit repayment (The tax credit must normally be repaid if the home ceases to be your primary residence within 3 years of purchase.) requirement is waived for members of the uniformed services, members of the Foreign Service and employees of the intelligence community. This relief applies where a home is sold or stops being the taxpayer's principal residence after Dec. 31, 2008, in connection with government orders received by the individual (or the individual's spouse) for qualified official extended duty service. The credit is still allowable even if this happens during the year of purchase.

Qualified official extended duty is any period of extended duty while serving at a place of duty at least 50 miles away from the taxpayer's principal residence (whether inside or outside the U.S.) or while residing under government orders in government quarters. Extended duty is defined as any period of duty pursuant to a call or order to such duty for a period in excess of 90 days or for an indefinite period.

My thanks to Senator Isakson for all he has done and continues to do for our industry and for our nation's homebuyers. I look forward to seeing you at the Isakson Homebuyers Forum, Tuesday, February 16, 2010, 6:00pm-8:00pm, President's Dining Room, University Center on the Mercer campus, 1400 Coleman Avenue, Macon, Georgia 31207. For parking information and directions please visit <http://www2.mercer.edu/ucparking.html>.

David Griffin has been financing homes in Macon, Warner Robins and all of Middle Georgia since 1983 and is a member of the Mortgage Bankers Association of Georgia, mbag.org. For an archive of past articles visit mbag.org/ML_Update.htm.(2/11/10)