

STONE REPORT

Feb. 24, 2009



In This Issue

[Stimulus List](#)

[This Week at MCAR](#)

[Social Networking Class](#)

Visit the [MCAR Blog](#) [Here!](#)

Volume 2 / Issue 3

Dear MCAR GAD,

Welcome to the "Stone Report", a publication brought to you by the Government & Community Affairs Department of the Monterey County Association of REALTORS®

Stimulus List

I can't tell you how many interesting stories I've heard over the past week relating to the recently adopted stimulus package. One thing is for sure though, tracking down what specifically is contained within the bill has proven to be a rather arduous task. Below is a summation of the spending, cuts, taxes and projects by benefiting sector beginning with real estate.

More information will be coming out later this week on the President's "Homeowner Affordability and Stability Plan". Stay tuned!

Real Estate:

- The loan limits will be raised to \$729,750 in high cost areas.
- The tax credit will be raised to \$8,000 with NO payback requirement.
- Interest rates have come down 125-150 basis points.
- Over \$50 billion for foreclosure mitigation.
- Fannie has agreed to lift the cap of 4 investment properties eligible for loans and raise it to 10

Tax cuts:

- "Making Work Pay" tax credit of \$400 for single filers and \$800 for couples. The credit would begin phasing out at \$75,000 of income for single filers and \$150,000 of income for couples.
- Allow low-income families earning as little as \$3,000 to qualify for the child tax credit.
- Expands the Earned Income Tax Credit for families with three or more children and increases marriage penalty relief.
- Exempts 24 million taxpayers, for another year, from the Alternative Minimum Tax.



- Revises the \$7,500 tax credit (to \$8,000) for first-time homebuyers by removing the repayment requirement. Unlike the previous \$7,500 break, the new credit doesn't have to be paid back to the IRS within 36 months, although it only applies to purchases made from Jan. 1 to Dec. 9 of this year. Like the payroll tax easing, only joint filers making less than \$150,000 (\$75,000 for singles) fully qualify.
- Exempts from federal taxes the state and local sales taxes paid on the purchase of cars, light trucks and SUVs.
- Temporarily exempts some unemployment benefits from income taxes.

Energy:

- \$30 billion for a smart power grid, advanced battery technology and other energy efficiency measures.
- \$20 billion in tax incentives for renewable energy and energy efficiency over the next 10 years.
- \$6.3 billion for energy efficiency in multifamily housing getting federal assistance, such as HUD-sponsored low-income housing.
- \$5 billion to weatherize more than 1 million homes owned by "modest-income" families.

Unemployed:

- Continues through December 2009 the program that provides up to 33 weeks of extended unemployment benefits.
- \$25 increase in weekly unemployment benefits.
- A 60% federal subsidy for up to nine months for the cost of continuing an employer's health care coverage after a layoff under COBRA.

Food:

- Increase monthly food stamp benefits by more than 13 percent.
- \$100 million for emergency food and shelter to help community groups.

Workers:

- \$4 billion for job training.
- \$2 billion for the Neighborhood Stabilization Program to help communities buy and fix up foreclosed, vacant properties (allocation of roughly \$4 million to Monterey County)
- \$1.5 billion for the Emergency Shelter Grant program to provide short-term rental assistance and other aid.
- Payment of \$250 to Social Security and disability recipients and veterans receiving disability compensation and pension benefits from the Department of Veterans Affairs.
- Extends Trade Adjustment Assistance benefits over the next two years for at least 160,000 new workers who lose their jobs because of increased imports or factory shifts to certain foreign countries.

Health Care:

- \$87 billion for Medicaid health care coverage for the poor.
- \$19 billion to accelerate the use of health information technology systems.

Education:

- \$53.6 billion in direct aid to states, including \$40.6 billion for local school districts, \$5 billion in bonus grants for meeting key education performance measures and \$8 billion for public safety and other critical services.
- \$2,500 annual tax credit for higher education expenses.
- \$500 increase in the maximum Pell Grant for low-income college students to

\$5,350 in 2009 and \$5,550 in 2010.

- \$13 billion for Title I grants for schools in low-income areas.
- \$12.2 billion for special education.
- \$2 billion for the Child Care Development Block Grant program to help low-income parents.
- \$1.1 billion for Early Head Start and \$1 billion for Head Start.

Infrastructure:

- \$29 billion to modernize roads and bridges.
- \$18 billion for clean water, flood control and environmental restoration.
- \$8.4 billion for transit.
- \$8 billion for high-speed rail.
- \$5 billion to upgrade Defense Department facilities, including housing for troops.
- \$4.5 billion to make federal office buildings more energy-efficient.

Science:

- \$8.5 billion for programs at the National Institutes of Health, including biomedical research on Alzheimer's, Parkinson's, cancer and heart disease.
- \$3 billion for basic research by the National Science Foundation.
- \$1.6 billion for the Department of Energy's Office of Science for areas such as climate, biofuels, high-energy physics, nuclear physics and fusion energy.
- \$1.5 billion for NIH to renovate university research facilities.
- \$1 billion for NASA, including \$400 million for climate change research.

This Week at MCAR

Wednesday, February 25, Networking Session, 8:30 a.m. at MCAR. The scheduled speaker for tomorrow's Networking Meeting; Monterey County Assessor Steve Vagnini, was called into an urgent County budget meeting and will be unable to join us. We have tentatively re-scheduled Steve for March 11, 2009.

We will instead be discussing some of the specifics of the recently adopted Stimulus Package and host a roundtable discussion regarding current government policy challenges and other regional issues impacting the real estate industry.

Thursday, February 26, 2:00-4:00 pm

Property Management 101 with Jan Leasure

Fannie Mae has announced they will allow tenants to remain in a foreclosed property on a month to month rental until the property sells. The expectation is that the listing agent will become the property manager! To reduce both your risk and hassle factor, be sure you know what you need to know about property management. Cost \$20. Please RSVP prior to Thursday.

Social Networking Classes

Put the power of the web hard to work for you! We are rolling out a new educational series focused on establishing an "online presence" and how social networking can increase your business. Make your reservation today by calling the MCAR office at: (831) 393-8660 or visit us online at www.mcar.com

Putting your Face on Facebook

Beginners class: Wednesday, Feb. 11 2-4:30 pm \$10

Bring your computer and finish the session with a free Facebook profile

MCAR Instructor: Kevin Stone

I'm on Facebook, Now What!?

Adding content to your Facebook profile

Intermediate Class Friday, March 20, 9-12 pm \$10

MCAR Instructor: Kevin Stone

Until next time,

Kevin Stone

Government & Community Affairs Director

Monterey County Association of REALTORS®