



Summer 2009

Real Estate Newsletter, by Arlene Schneller, Broker

WHERE RECREATIONAL PROPERTIES ARE MORE AFFORDABLE!

REAL ESTATE MARKET

Here in Michigan's Western Upper Peninsula, our lives are primarily sheltered from the fast pace of life elsewhere. It is similar for our real estate market. In this area, we did not see the high escalation of real estate prices. Real estate here just inched up in value and has always been fairly priced. This makes property here still valuable as we have not seen the same high rate of foreclosures in comparison with the rest of the state. In fact, I recently listed the only foreclosure home that one area bank had on their books. Within 3 days of listing it for sale, we had an accepted offer. We currently have 4 other parties interested in writing an offer if the current deal falls through. The most surprising part – this was not a “cheap” foreclosure. It was fairly priced at \$94,500.

Also this year, I listed a recreational property one day and sold it the next day for nearly list price. Both of these sales happened this year in April. Our real estate market is alive and well. Certainly we saw a drop in our MLS statistics this year from last year, but with all the news hype, I firmly believe it scared everyone. Personally, I no longer watch TV and I just go with my instinct and I am encouraged to continue to buy real estate, my investments have always done well.

Additionally, this spring my oldest son bought a house and I am thrilled for him. He is in his early 20's and this is his first home, but his fourth real estate investment. His money was in the stock market for the past few years and he learned a valuable lesson there. He has since switched to real estate now. And the house he bought? He had two other offers to buy the house from him a day after his offer was accepted and could have made over \$5,000 just by flipping it. He made the right choice and he has moved in and is excited about home ownership.

We are seeing a little slow down in some recreational markets but Lake Gogebic seems to be picking up this year. We have sold one home there already for over \$200,000 and our agents have been busy showing properties in that area. Plus, our Lake Gogebic Vacation Home rentals have increased reservations for this summer, which is also an encouraging sign.

Area real estate offices are seeing the spring market pick up. This is typical after the snow melts, people start shopping for homes. Of course everyone is being a little more

careful about spending and budgets, another valuable lesson in life for all of us, but it is all good.

Overall, it is a great time to buy real estate as inventory is high and prices are affordable. Experience and knowledge of the real estate market count! Here at Snow Country, our agents are experienced in marketing, creative financing and buyer agency. We have agents licensed in both Michigan and Wisconsin. You will see a positive difference when working with our sales agents! We strive to make your real estate transaction an enjoyable experience, so give us a call!

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GREAT NEWS FOR FIRST-TIME HOME BUYERS!

If you are considering purchasing a home in 2009, take advantage of the Federal Government's temporary First-Time Home Buyer's Tax Credit!

KEY FACTS:

- Qualified first-time buyers can claim up to **\$8,000** (or 10% of home's value, whichever is less) on your 2008 taxes!
- The \$8,000 credit can be applied to your **downpayment**.
- **No repayment!**
- Available to qualified buyers for a single-family home purchased any time from **January 1, 2009-December 31, 2009**.
- If you have already filed your 2008 taxes, the government will allow you to either: 1) amend your 2008 taxes or 2) file as part of your 2009 taxes.

ADDITIONAL DETAILS:

- A "First-Time Buyer" is defined under the tax credit as an individual who has not owned a home in the last 3 years.
- Eligible properties include anything that will be used as a "principal single-family residence" on or after 1/1/09 and before 12/31/09 (including condos and

townhouses).

- Buyers get a credit on their federal tax return to reduce their tax liability. If the credit is more than the taxes owed, the buyer will get a refund check for the difference.
- The new tax credit does not have to be repaid if the buyer stays in the home at least 3 years.

For more information, visit
www.federalhousingtaxcredit.com or www.irs.gov

GREAT NEWS FOR THE AREA

Luther L. Wright High School Bond Issue Passed

Ironwood Area School District voters recently approved a \$6.87 million expansion project at the Luther L. Wright High School building. They will renovate the Luther L. Wright middle-high school so it can accommodate elementary students.

911 Surcharge Approved

Gogebic County voters overwhelmingly approved a referendum to finance 911 costs by increasing the telephone device monthly surcharge to ensure enhanced 911 services will continue to be available in the county.

New Airport Terminal for Gogebic-Iron County Approved

A new airport terminal of 5,325 square feet will be built for \$1.3 million. That's 16% larger than the existing 4,600 square foot structure. Great Lake Airlines is also trying to secure a hangar at either O'Hare or the Minneapolis-St. Paul International Airport to ensure earlier flights out of Ironwood.

Stimulus Money Arrives

The City of Ironwood has come up a big winner in the federal stimulus funding program. City officials confirmed that about \$8.6 million had been approved for city sewer and water projects for Ironwood. Funding will be for city infrastructure improvements through U.S. Department of Agriculture-Rural Development, with 75% coming in grants and 25% in low-interest loans.

In addition, a news release stated Bergland will receive \$4,274,000 and Ironwood Township will get \$1,083,000 in stimulus funds.

SNOW COUNTRY CONTRACTING

Thinking of building a dream house? Snow Country Contracting, Inc. can help you from design to completion via our in-house excavation, masonry and carpentry crews. Give Tom Schneller, President, or Tom Bergquist, Construction Coordinator, a call at **906-**

932-1411 or 800-876-9751. Check out our construction website at www.snowcountrycontracting.com.