



It Pays to Buy Now!

Take Advantage of the Federal Home Buyer Tax Credit Before It's Too Late.

First-time Buyers

If you have not owned a home within the last three years, you may be eligible for a tax credit of 10% of the purchase price of your first home, up to \$8,000.

Repeat Buyers

The tax credit program has some additional incentives for those who purchase another home. You may be eligible for a tax credit up to \$6,500 if you have owned and occupied your current residence for five consecutive years during the last eight years.

Other Eligibility Requirements:

There are limits on the highest income you can earn and still be able to qualify for the full amount of the tax credit. Single tax filers who earn up to \$125,000 are eligible for the total credit amount. Those who earn more than this, but less than \$145,000 can receive a partial credit. Joint filers who earn up to \$225,000 are eligible for the total credit amount. Those who earn more than this cap, but less than \$245,000 can also receive a partial credit. Qualifying buyers may receive the tax credit for properties with a maximum purchase price of \$800,000.

Tax Credit vs. Tax Deduction

It's important to consider that a tax credit is a dollar-for-dollar tax reduction, rather than a decrease in taxable income that would only save you a percentage of your deduction based on your tax rate. Better still, the tax credit is refundable, which means you can receive a check for the credit if you have little or no tax liability to offset.

Seize This Opportunity

Little time remains for you to take advantage of the Federal Home Buyer Tax Credit. Along with high affordability and low mortgage rates, tax incentives make now a great time for first-time and repeat buyers to purchase real estate. It also presents a good opportunity for sellers. Now is the time to make sure your home appeals to motivated buyers.




To qualify for either of these tax credits, you need to act now! All contracts need to be in effect no later than April 30 and close no later than June 30, 2010.

Bring your homeownership plans to life

We can help you get the guidance and home financing solution that meets your needs.

Call your local home mortgage consultant today.



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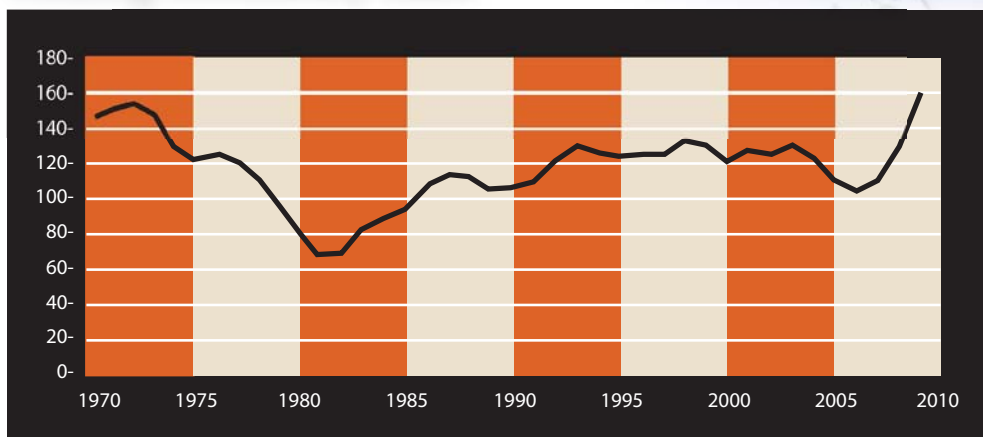


Keep in mind the tax credit program includes a number of details and qualification guidelines; please consult your tax advisor for advice. Also, you may be able to benefit from other available housing-related provisions, such as funding for energy-efficient improvements. For more information or answers to specific questions, contact your trusted real estate professional today.

Housing affordability is at an all-time high, selection is great and interest rates are low.



Housing Affordability Index



The Housing Affordability Index measures the likelihood that a family earning the median income would qualify for a mortgage loan to finance a median-priced, existing single-family home. A value of 100 means that the family has exactly enough income to qualify.

The value is derived by assuming a 20% down payment and a qualifying ratio of 25% (principal + interest to median family monthly income).

Source: National Association of REALTORS®

Leverage Your Buying Power.



In the past, several initiatives originated by the Federal Reserve have been successful in promoting market stability by broadening access to home financing for current and prospective homeowners. In September 2008, the U.S. Treasury launched a program to begin purchasing government-sponsored enterprise mortgage-backed securities to reduce pressures on mortgage rates. Since then, buying these securities has helped to push up the price and drive down the effective interest rate.

However, as the United States recovers from the recession, economic indicators are now telling us that the cost to borrow funds may increase in the near future. The Federal Reserve is on track to stop purchasing mortgage-backed securities, which some experts believe will drive interest rates up. It is predicted that rates will rise even further as these securities are sold. These factors, along with projections of inflation, signal that we may see interest rate hikes soon.



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Together we'll go far

