



Barstow housing sales increasing this year First-time buyers purchasing bank-owned homes

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BARSTOW • Since the beginning of this year, housing sales in Barstow have increased, as first time buyers are taking advantage of city and county mortgage assistance plans and a federal tax credit of up to \$8,000.

But as these homes are snapped up, many people who want to buy homes are left with few options to choose from.

Curtis O'Brien, president of the Barstow Association of Realtors, said in an e-mail that so far this year people have bought 140 homes off the Barstow Multiple Listing Service, 110 of which were formerly bank-owned. Last year between January and July, the Barstow Multiple Listing Service sold 92 homes, 30 of which bank-owned. O'Brien said there were also additional homes in Barstow sold through the Victor Valley Multiple Listing Service that aren't listed with the Barstow service.

"Right now, Victor Valley agents are listing and selling almost an equal amount of real estate owned or bank-owned foreclosed properties as the local agents," he said. "Local agents still sell most of the seller occupied homes in Barstow."

O'Brien said there is a 40 percent increase in housing sales statewide. Values have dropped from last year, but are slightly increasing in value. Real estate agents through Barstow's multiple listing service are getting multiple bids on properties as well.

Because so many people are buying homes, O'Brien said the multiple listing service's listings are shrinking. Last year, he said the service had 243 listings. This year the amount of homes listed shrank to 146. Many of the homes left over are either too expensive for most people to afford or homes that are uninhabitable. Many of the homes that are still on the market have been on the market for as long as two years, he said.

"The frustration for a lot of people is there's this disparity," he said. "They want to get into a house, but they can't find anything that's decent enough that will qualify for a loan in (their) price range because all those houses have been bought up."

Mickey Clark's house is across the street from home that she says has been empty for at least three years. The house, at 325 Maxine Avenue, has gone through several renters before being put up for auction. The last auction that took place fell through, she said. Now its windows are boarded after someone shot at the windows with a BB gun, and its lawn is dead.

"It was a real nice house," she said. "Well kept, (had) a fence around it and now it's just gone to pot."

Despite this because of the federal tax credit and the city and county mortgage assistance plans, O'Brien said the houses sold in Barstow this year were on the market for an average of 97 days.

The federal tax credit was included in the stimulus package that passed in February, said Barstow City Councilmember Tim Silva, a mortgage banker who owns the Barstow branch of Golden Empire Mortgage. The tax credit offers first time buyers 10 percent of the purchase price of their home up to \$8,000. Silva said the purpose of the credit is to get people to buy the homes and use the credit to stimulate the retail end when they purchase items for their home.

The city and county offers a mortgage assistance plan for first-time buyers with limited incomes. The city plan offered through the Redevelopment Agency pays loans home-buyers up to \$20,000 to be used toward down payment and closing costs. The loan decreases by 10 percent a year and after 10 years the loan will be zero.

The county plan offers gap assistance of up to \$40,000 for homeowners who can only afford a portion of the price, Silva said. For example, if someone can pay \$100,000 of a home that costs \$140,000, the county will pay the additional \$40,000.

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