

OREGONIANS...MAY SOON BE ABLE TO BUY HOMES

More than 600 below-median income Oregonians thought the state may soon be able to buy homes, with the help of a state program offering \$26.7 million of lower interest rate mortgage money.

Beginning May 3, 1989, the Oregon Housing Agency will be offering 27-year mortgage loans at a fixed rate of 8.35%. Loans will be available on a first-come, first-served basis through 21 participating lenders. These funds will be available through December 1989, or until funds are gone.

"We expect this program to be extremely popular. The 8.35% interest rate is nearly 3 points below the going conventional 30-year fixed loan rate," according to Kathryn Eustron, manager of the Housing Agency's single-family programs. "This program will help address two of the housing problems confronting Oregonians today. The low interest rate makes homeownership a possibility for a segment of our population who otherwise face housing costs that are unaffordable. In addition, by enabling these families to move into homeownership, the program frees up rental properties for other families' use at a time when rentals are hard to come by."

The loans are available for owner-occupied homes only. The applicant's household income must be \$28,500 or less per year. The purchase price of the home must be \$65,000 or less for new construction, and \$61,650 for existing homes.

Federal law requires that applicants be first-time home buyers, or not have owned and occupied a principal residence within the past three years. This requirement may be waived if the home being purchased is located in a "targeted area". "Targeted areas" include all of Baker, Clatsop, Coos, Crook, Grant, Harney, Jefferson, Josephine, Klamath, Lake, Malheur, Union, Wallowa and Wheeler counties; cities of Ashland, Milton-Freewater, Myrtle Creek, Port Orford, Silverton, Turner and Vernonia; and portions of Albany, Corvallis, Eugene, Medford, Salem and Portland.

The home being purchased may be located anywhere in Oregon. Existing homes, new construction, manufactured housing permanently affixed to an acceptable foundation, condominium units, or units in a Planned Unit Development (PUD) all may qualify for the program.

All loans must be insured by the Federal Housing Administration (FHA). The Oregon Housing Agency accepts FHA's minimum down payment requirements of 3-5% and financing of the mortgage insurance premium and FHA-allowable closing costs. The loan origination fee and discount points together may not exceed 1.75% of the loan.

These funds may not be used to refinance an existing home loan. These funds may not be used in conjunction with the Oregon Housing Agency's Mortgage Credit Certificate Program.

Twenty-one lenders around the state are participating in the Single-Family Mortgage Program:

The Benj Franklin Federal Savings & Loan; Centennial Mortgage Co; The Commercial Bank; Commonwealth Mortgage Company; Continental Savings Bank; Crossland Mortgage Corp; Far West Federal Mortgage Corp; First Interstate Bank of Oregon; Inland Empire Bank; Key Pacific Mortgage; Liberty Savings and Loan; NorthWest Funding, Ltd.; Pacific First Federal Savings Bank; Plaza Mortgage; Security Bank; Security Pacific Bank Oregon; United Savings Bank; US Bancorp Mortgage Company (US Bank); Washington Federal Savings Bank; Western Bank; and Willamette Savings and Loan Association.

The Oregon Housing Agency is able to make lower-interest rate mortgage loan funds available by issuing tax-exempt mortgage revenue bonds. Current federal law will end new issuances of mortgage revenue bonds after December 31, 1989.

News Around Town

MANY CHILDREN WHO WORK PART-TIME FACE FIRST TAX FILING REQUIREMENT

Any individual who can be claimed as a dependent on another person's tax return is not entitled to a personal exemption on his or her own return, and the dependent's standard deduction may also be limited. For this reason, the Internal Revenue Service says, some dependent children may have to file federal income tax returns.

Children who are not blind and who qualify to be claimed as dependents on another person's tax return generally must file a tax return for 1988 if they have only unearned income and the total is over \$500, or have both earned and unearned income and the total is over \$500, or have earned income only and their gross income exceeds \$3,000 if single or \$2,500 if married.

For 1988, the allowable standard deduction for a non-blind, dependent child who can be claimed on another person's tax return is generally the greater of \$500 or the child's earned income, but not more than \$3,000.

In other words, the IRS says, a dependent child who is not blind and who does not work will get a standard deduction of \$500. If this dependent child works and earns over \$500, the standard deduction will equal earned income, but may not exceed \$3,000.

For more information on how taxes affect dependents, taxpayers may call the IRS at 1-800-424-3676 and request free Publication 929, "Tax Rules for Children and Dependents," or use the order form in their tax package.

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TELE-TAX IS AVAILABLE STATEWIDE FOR TAX INFO

Tele-Tax offers a statewide toll-free telephone service to permit Oregonians to receive refund and recorded tax information provided by the Internal Revenue Service.

The recorded information service offers more than 150 information tapes on tax subjects such as filing requirements, itemized deductions, tax credits, dependents, and adjustments to income. A list of subjects available and reference numbers is located in the tax information package and Publication 910.

Tele-Tax also provides automated refund information. It gives direct access to IRS computer information for those who mailed their personal income tax returns to the IRS service center in Ogden, Utah. Callers will need to know their Social Security number, filing status and expected refund amount to access the computer. This automated refund information is available Monday through Friday from 7:00am to 6:00pm.

Users of push-button (tone signaling) phones have access to Tele-Tax 24 hours a day, seven days a week. Tax subjects are selected by pressing the appropriate numbers on the phone.

Access for rotary (dial) and push button (pulse dial) phone is not automatic. It is limited to working hours, 8:00 to 11:30am and 12:30 to 4:30pm. These callers will need to verbally tell the IRS operator the topic or tape number they want. Tele-Tax telephone numbers are: Portland, 294-5363, elsewhere in Oregon, 1-800-554-4477.

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