Homeowners caught in affordability squeeze, are staying put, REALTOR® survey finds

LOS ANGELES (August 26) – Even with rising home prices over the past few years, many homeowners who have considered selling are deciding not to because they are caught in an affordability squeeze that is compounded by a lack of inventory, according to findings from the CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.) “2015 Survey of California Homeowners.”

More than one-third (35%) of homeowners have considered selling their home in the past year, and of that share, about two-thirds (64%) are reluctant to sell because they are finding they can’t afford the home they really want, the survey found.

C.A.R.’s Survey of California Homeowners also found that more than half (59%) of homeowners have not seriously considered selling their home in the past year, with more than half (60%) saying their current home will be their retirement residence. For those who have been in their home 15 years or more, that figure rises to 70%.

But for others (44%), the affordability crunch, higher property taxes, and home prices are keeping them in their current home.

In first-quarter 2012, when housing in California was at its most affordable, a median income of $56,324 was needed to purchase a median-priced home. In second-quarter 2015, that figure jumped to $96,160, with 99% of that required income increase attributable to home price increases.

Sixty-one percent of all homeowners could be prompted to sell if they got the price they want for their home; 56% would sell if they had a gain in their home value; and 53% would sell if a better or equivalent house was available.

Of homeowners who have considered selling, 56% said they desire a larger home, and 48% because they desire a smaller home. Those who have owned their home less than 15 years were nearly twice as likely (66%) to consider selling due to their desire for a larger home than those who have owned their home over 15 years (34%).

Additional findings from C.A.R.’s “2015 Survey of California Homeowners” include:

- Forty-five percent of homeowners have considered moving out of state, with Texas (15%), Oregon (11%), New York (9%), and Arizona and Nevada tied (8%) as the top five states where homeowners have considered moving.
- Sixty percent of homeowners bought their home within the past 15 years.
- Twenty-four percent of homeowners don’t have a mortgage, and those who bought their home 15 or more years ago were more than twice as likely not to have a mortgage as those who bought within the past 15 years. The majority of homeowners with a mortgage (77%) have an interest rate below 5%.
- Twenty-seven percent of homeowners have tapped into their equity. Those who bought 15 or more years ago or were more likely to have tapped into their equity (32%) than those who bought within the past 15 years (24%).
- Nearly one-third of homeowners (32%) indicated a Craftsman-styled bungalow is their dream home, beating those preferring mansions by more than double (14%) and Neo-Colonial (19%). California is considered the center of the architectural arts and crafts movement and is home to the majority of Craftsman-styled housing.
- Nearly half of homeowners (45%) have children residing with them, with 83% of children being minors.

For more information go to the “Seminars” tab on my web site http://www.650and408homes.com
The chart above shows the National monthly average for 30-year fixed rate mortgates as compiled by HSH.com. The average includes mortgages of all sizes, including conforming, "expanded conforming," and jumbo.

### San Mateo County - August 2015

<table>
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<tr>
<th>Single-Family Homes</th>
<th>Prices</th>
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| SM C                | $1,225,000 | $1,586,620 | 373 | 302 | 476 | 38 | 108.7% | 22.0% | 20.4% | -12.9% | -25.6% | -12.3%
| Atherton            | $4,700,000 | $6,806,000 | 5 | 5 | 22 | 132 | 102.9% | -4.1% | 29.6% | 0.0% | -0.0% | -18.3%
| Belmont             | $1,525,000 | $1,520,250 | 26 | 11 | 13 | 16 | 116.0% | 20.0% | 15.5% | 4.2% | -56.0% | -44.4%
| Brisbane            | $1,115,000 | $1,115,000 | 2 | 1 | 5 | 75 | 99.2% | 10.5% | 18.7% | 0.0% | -50.0% | -55.0%
| Burlingame          | $1,837,500 | $1,891,330 | 20 | 10 | 9 | 14 | 111.5% | 14.6% | 11.1% | -3.4% | -8.7% | -22.4%
| Daly City           | $800,000 | $787,641 | 28 | 42 | 38 | 41 | 109.2% | 37.6% | 25.4% | -66.7% | -83.3% | -60.0%
| El Granada          | $1,149,000 | $1,041,330 | 3 | 1 | 4 | 40 | 99.5% | 10.4% | 7.8% | -13.3% | -71.4% | -53.3%
| East Palo Alto      | $646,000 | $655,508 | 13 | 4 | 7 | 16 | 104.0% | 26.6% | 26.2% | 0.0% | 50.0% | 57.1%
| Foster City         | $1,620,000 | $1,725,140 | 7 | 7 | 11 | 47 | 112.3% | 11.2% | 14.0% | 0.0% | 12.5% | -29.3%
| Hillsborough        | $3,424,500 | $3,875,580 | 12 | 9 | 29 | 73 | 101.9% | -16.1% | 10.9% | -20.0% | -73.9% | -21.2%
| Half Moon Bay       | $996,000 | $1,320,500 | 12 | 6 | 26 | 65 | 104.0% | -21.6% | -9.2% | 18.2% | -15.4% | -6.3%
| Millbrae            | $1,340,000 | $1,454,920 | 13 | 11 | 15 | 35 | 109.3% | 33.1% | 16.1% | -11.8% | -22.7% | -4.5%
| Menlo Park          | $2,312,500 | $2,259,330 | 30 | 17 | 21 | 21 | 104.0% | 12.2% | 12.2% | 0.0% | -83.3% | -46.2%
| Montara             | $1,015,000 | $1,015,000 | 2 | 1 | 7 | 105 | 104.1% | n/a | n/a | n/a | 100.0% | 125.0%
| Moss Beach          | $- | $- | 0 | 4 | 9 | 0 | 0.0% | 13.6% | 6.0% | -53.7% | -4.8% | -29.4%
| Pacifica            | $835,000 | $817,632 | 19 | 20 | 24 | 38 | 106.8% | 20.8% | 9.2% | 0.0% | n/a | -7.7%
| Portola Valley      | $3,562,500 | $3,522,500 | 6 | 0 | 12 | 60 | 106.5% | 11.2% | 11.4% | -17.0% | 41.9% | 4.2%
| Redwood City        | $1,240,000 | $1,282,580 | 39 | 44 | 50 | 38 | 112.9% | 36.9% | 36.0% | -16.7% | 50.0% | 0.0%
| Redwood Shores      | $1,718,500 | $1,706,680 | 5 | 3 | 4 | 24 | 110.0% | 27.0% | 25.1% | -31.6% | -14.3% | 10.5%
| San Bruno           | $965,000 | $932,538 | 13 | 24 | 21 | 48 | 108.7% | 0.2% | 3.3% | -5.6% | -22.7% | -54.5%
| San Carlos          | $1,515,000 | $1,623,240 | 17 | 17 | 10 | 18 | 114.4% | 11.0% | 9.5% | 12.1% | -26.9% | 52.5%
| San Mateo           | $1,120,000 | $1,294,340 | 65 | 36 | 61 | 28 | 108.9% | 14.9% | 23.7% | -14.3% | -32.1% | -35.7%
| S. San Francisco    | $778,000 | $879,398 | 24 | 19 | 27 | 34 | 107.7% | 0.0% | 0.0% | 0.0% | -0.0% | -6.1%
| Woodside            | $2,890,000 | $3,784,900 | 11 | 7 | 31 | 85 | 100.4% | 22.5% | 20.4% | -12.9% | -25.6% | -12.3%

The average days on market fell by 12.8% year-over-year to 20 from 29.

### Single-Family Homes

- **Year-Over-Year**
  - Median home prices increased by 22.5% year-over-year to $1,225,000 from $1,000,000.
  - The average home sales price rose by 20.4% year-over-year to $1,586,620 from $1,317,780.
  - Home sales fell by 12.9% year-over-year to 373 from 428.
  - Total inventory* fell 18% year-over-year to 778 from 949.
  - Sales price vs. list price ratio rose by 3.8% year-over-year to 108.7% from 104.7%.
  - The average days on market fell by 30.3% year-over-year to 20 from 29.

- **Month-Over-Month**
  - Median home prices slipped by 5.8% to $1,225,000 from $1,300,000.
  - The average home sales price fell by 3.3% to $1,586,620 from $1,641,270.
  - Home sales down by 14.3% to 373 from 435.
  - Total inventory* increased 4.0% to 778 from 748.
  - Sales price vs. list price ratio dropped by 0.9% to 108.7% from 109.7%.
  - The average days on market increased by 2.2% to 20 from 19.

### Condominiums

- **Year-Over-Year**
  - Median home prices increased by 18.3% year-over-year to $724,000 from $612,000.
  - The average home sales price rose by 20.2% year-over-year to $770,339 from $640,814.
  - Home sales fell by 31.4% year-over-year to 94 from 137.
  - Total inventory* fell 33.3% year-over-year to 188 from 282.
  - Sales price vs. list price ratio rose by 4.5% year-over-year to 109.0% from 104.3%.
  - The average days on market fell by 12.8% year-over-year to 17 from 19.

- **Month-Over-Month**
  - Median condo prices improved by 2.4% to $724,000 from $707,250.
  - The average condo sales price rose by 1.9% to $770,339 from $755,668.
  - Condo sales down by 21.7% to 94 from 120.
  - Total inventory* increased 14.6% to 186 from 164.
  - Sales price vs. list price ratio increased by 2.4% to 109.0% from 108.4%.
  - The average days on market dropped by 4.1% to 17 from 17.

* Total inventory is active listings plus pending listings. Active listings do not include contingent listings.

To access the full report, visit [http://avi.rereport.com/](http://avi.rereport.com/).
Turning Today’s Renter Into Tomorrow’s Buyer

Although 87 percent of homes qualify for down payment assistance, many potential homebuyers have no idea they may be eligible for programs that could save them thousands of dollars.

Down Payment Resource (DPR) is looking to change that.

A new tool helps potential homebuyers find programs that could potentially save them thousands of dollars. Workforce Resource, a web-based software company, connects people with hard-to-find financial resources and programs they may not have known existed through their DPR.

DPR’s website, downpaymentresource.com, allows prospective buyers to mine the company’s national database of 2,300 different programs in their local areas and find out what resources-ranging from grants, federal housing agency programs, delayed repayment loans, interest-free loans and more-exist in their region.

Some of these programs can be layered with each other and can be used with most loan products, including federal housing agency loans. DPR is endorsed by the National Association of Local Housing Finance Agencies.

Most programs are geared toward first-time homebuyers, but some programs have a different definition for that category of homebuyers. For instance, the Federal Housing Administration (FHA), a division of the Department of Housing and Urban Development (HUD), defines

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a first-time homebuyers (or a spouse) as "an individual who has had no ownership in a principal residence during the three-year period ending on the date of the purchase of the property."

That means individuals who went through foreclosure or short sale during the height of the recession, and who have re-established themselves, may now qualify for these programs (some of which would need to be repaid).

Visit [http://downpaymentresource.com](http://downpaymentresource.com) for more information.