Lack of Affordable Homes to Continue

Housing affordability is one area where California can expect to experience long-term pain. Statewide, the percentage of households that earn enough to purchase a median-priced home rose 34 percent in early 2015 before settling in the low 30s—down from a high of 53 percent in 2011 and 36 percent in 2014. In high-priced coastal cities, percentages have fallen into the teens and lower.

The cause? Too many people, not enough homes being built, and rising prices that make it difficult, if not impossible, for many renters to buy. With renters paying a larger share of their income on rent, it is more difficult for them to save for a down payment.

“When I think about affordability, the first thing I think is, ‘Do we have an adequate supply?’” said Raphael Bostic, Ph.D., Judith and John Bedrosian Chair in Governance and the Public Enterprise at USC’s Price School of Public Policy, who recently returned to USC following three years as chief policy and research advisor to the Secretary of the U.S. Department of Housing and Urban Development.

“In many markets in California, the answer is no.”

**FOREIGN BUYERS KEEP THE HIGH END HOT**

From San Francisco to the Silicon Valley to Los Angeles and Orange counties, everything high-end is “hot”—despite worries about the economy in other countries.

Asian buyers continue to fuel an active luxury home market in the Bay Area and Southern California, according to Zackary Wright, senior vice president of Christie’s International Real Estate for the Western and Asia Pacific Region.

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“Are luxury home prices sustainable? “I’ve been doing this for 30 years, and I can assure you that markets are cyclical,” said Sotheby’s International Realty agent Janet Feinberg Schindler. “But every the San Francisco market takes a step back, it seems like it takes two more steps forward.”

**San Mateo County Homes: Momentum**

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**Is NOW a good time to buy your Silicon Valley Home?**

For more information go to the “Seminars” tab on my web site http://www.650and408homes.com
### November Stats

#### SINGLE-FAMILY HOMES

**Year-Over-Year**
- Median home prices increased by 10.1% year-over-year to $1,195,000 from $1,085,000.
- The average home sales price rose by 12.2% year-over-year to $1,587,870 from $1,415,500.
- Home sales fell by 8% year-over-year to 310 from 337.
- Total inventory* rose 27.6% year-over-year to 688 from 539.
- Sales price vs. list price ratio rose by 1.3% year-over-year to 105.8% from 104.5%.
- The average days on market fell by 25.3% year-over-year to 24 from 32.

**Month-Over-Month**
- Median home prices improved by 1.3% to $1,195,000 from $1,180,000.
- The average home sales price rose by 3.2% to $1,587,870 from $1,539,010.
- Home sales down by 10.1% to 310 from 345.
- Total inventory* dropped 12.7% to 688 from 788.
- Sales price vs. list price ratio dropped by 0.7% to 105.8% from 106.6%.
- The average days on market increased by 9.4% to 24 from 22.

#### CONDOMINIUMS

**Year-Over-Year**
- Median condo prices increased by 22.0% year-over-year to $762,500 from $625,188.
- The average condo sales price rose by 22.1% year-over-year to $827,568 from $767,726.
- Condo sales rose by 2.8% year-over-year to 110 from 107.
- Total inventory* rose 7.8% year-over-year to 179 from 166.
- Sales price vs. list price ratio rose by 1.7% year-over-year to 104.8% from 103.0%.
- The average days on market fell by 31.5% year-over-year to 18 from 26.

**Month-Over-Month**
- Median condo prices improved by 6.6% to $762,500 from $715,000.
- The average condo sales price rose by 2.3% to $827,568 from $809,112.
- Condo sales down by 7.6% to 110 from 119.
- Total inventory* dropped 20.1% to 179 from 224.
- Sales price vs. list price ratio dropped by 2.2% to 104.8% from 107.1%.
- The average days on market dropped by 8.7% to 18 from 20.

* Total inventory is active listings plus contingent or pending listings. Active listings do not include contingent listings.
C.A.R. statement on 2016 FHFA loan limits

California REALTORS® disappointed FHFA did not increase Fannie Mae and Freddie Mac conforming loan limits

LOS ANGELES (Nov. 25) – The CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.) today issued the following statement in response to the Federal Housing Finance Agency’s (FHFA) announcement to keep the 2016 maximum conforming loan limits for mortgages acquired by Fannie Mae and Freddie Mac at $417,000 on one-unit properties and a cap of $625,500 in high-cost areas. Loan limits were increased in Monterey, Napa, San Diego, and Sonoma counties:

"C.A.R. is disappointed that the FHFA didn’t raise the Fannie Mae and Freddie Mac loan limits for next year," said C.A.R. President Ziggy Zicarelli.

"Home prices in California have risen sharply over the past four years, yet conforming loan limits haven’t changed during that time. Not increasing the loan limits will hurt California’s housing market, further exacerbating housing affordability and preventing tens of thousands of California homebuyers from a chance at homeownership."

C.A.R. and the NATIONAL ASSOCIATION OF REALTORS® (NAR) both have long advocated for making higher conforming loan limits permanent. As a result of C.A.R.’s and NAR’s efforts, cities with high median home prices have benefited from a loan limit above the national conforming loan limit.

(Continued on page 4)

San Mateo County Condos - Median & Average Prices & Sales
(3-month moving average—prices in $000's)

<table>
<thead>
<tr>
<th>Cities</th>
<th>Median</th>
<th>Average</th>
<th>Sales</th>
<th>Pend</th>
<th>Inven</th>
<th>DOI</th>
<th>SP/LP</th>
<th>Med</th>
<th>Ave</th>
<th>Sales</th>
<th>Pend</th>
<th>Inven</th>
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<tr>
<td>County</td>
<td>$762,500</td>
<td>$827,568</td>
<td>110</td>
<td>106</td>
<td>73</td>
<td>19</td>
<td>104.8%</td>
<td>22.0%</td>
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<td>27.6%</td>
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<td>8</td>
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<td>26</td>
<td>103.1%</td>
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<td>11</td>
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<td>7</td>
<td>105.1%</td>
<td>44.4%</td>
<td>39.3%</td>
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<td>6</td>
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<td>29</td>
<td>102.7%</td>
<td>50.0%</td>
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<td>16.7%</td>
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<td>7</td>
<td>4</td>
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<td>26.9%</td>
<td>66.7%</td>
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<td>Redwood Shores</td>
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<td>153.3%</td>
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<td>S. Francisco</td>
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<td>6</td>
<td>9</td>
<td>29</td>
<td>106.6%</td>
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<td>31.1%</td>
<td>50.0%</td>
<td>100.0%</td>
<td>12.5%</td>
</tr>
</tbody>
</table>
The conforming loan limit determines the maximum size of a mortgage that government-sponsored enterprises (GSEs) Fannie Mae and Freddie Mac can buy or "guarantee." Non-conforming or "jumbo loans" typically have tighter underwriting standards and carry higher mortgage interest rates than conforming loans, increasing monthly payments and hampering the ability of families in California to purchase homes by making them less affordable.

San Mateo County Homes: Year-Over-Year Median Price Change

San Mateo County Homes: Sales Price/Listing Price Ratio

Investors Corner

Across the Board Gains in Home Prices for September According to the S&P/Case-Shiller Home Price Indices

New York, November 24, 2015 – S&P Dow Jones Indices today released the latest results for the S&P/Case-Shiller Home Price Indices, the leading measure of U.S. home prices. Data released today for September 2015 show that home prices continued their rise across the country over the last 12 months. More than 27 years of history for these data series is available, and can be accessed in full by going to www.homeprice.spdji.com. Additional content on the housing market can also be found on S&P Dow Jones Indices’ housing blog: www.housingviews.com.

Read more at https://goo.gl/Wus0re

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