

Market Update—Jan 14, 2010

What's ahead for home prices?

California remains ahead of the nation in market recovery with many first-time home buyers entering the market due to affordable home prices, low mortgage rates, and first-time home buyer tax credits from the state and federal governments. However, credit still is tight and unemployment remains high, which could hinder a full market recovery until 2011.

KEEP THIS IN MIND

- Home sales in California hit bottom more than two years, and the median home price of an existing, single-family home reached its trough in February, according to data collected by the CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). In November, the state's median home price rose in year-to-year comparisons for the first time since August 2007.
- C.A.R.'s closely watched "2010 California Housing Market Forecast," projects that the median home price in California will rise 3.3 percent to \$280,000 in 2010 compared with a projected median of \$271,000 in 2009.
- Some economists are forecasting another surge of foreclosures in 2010. However, C.A.R.'s economists expect that foreclosures will remain flat this year compared with 2009. In 2008, many lenders flooded the market with foreclosures, and as a result, the state's median price declined by historic levels. By comparison, in 2009, lenders listed properties for sale at a more measured pace, which helped moderate another home price decline.
- Government efforts to maintain a low interest rate environment have stabilized the market. However, a mortgage analyst at a financial publishing company predicts that rates likely will rise to 5.5 percent by mid-2010 and close the year at 5.75 percent to 6 percent.

To read the full story, please click here:

<http://realestate.msn.com/article.aspx?cp-documentid=23168167>1=35000>



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Mid-Peninsula Cities. Member of the San Mateo
Association of Realtors (**SAMCAR**), the California
Association of Realtors (**CAR**) and the National As-
sociation of Realtors (**NAR**).



Chicago Tribune

Rates on 30-year mortgages drop to 5.06 pct

Rates for 30-year home loans edged lower for the second straight week, a report said Thursday, but remained above last month's record lows.

To read the full story, please click here:

<http://www.chicagotribune.com/business/sns-ap-us-mortgage-rates,0,7764598.story>



Los Angeles Times

Signs of life in the home-building industry

A large-scale development in Irvine and profits posted by some builders bring hope for a turnaround, but the industry's outlook remains fragile.

To read the full story, please click here:

<http://www.latimes.com/business/la-fi-homebuilders13-2010jan13,0,4116203.story>



Daily Breeze

State and national foreclosure filings continue to rise

Even as the economy and real estate market show signs of stabilizing, foreclosure filings continued to grow in California and nationwide last year.

To read the full story, please click here:

http://www.dailybreeze.com/business/ci_14181818



Los Angeles Times

Going to sell the house? Don't wait for 'spring' in February

The busiest season for home sales traditionally begins the day after the Super Bowl. But putting off getting the word out about your property would probably be a mistake, some experts say.

To read the full story, please click here:

<http://www.latimes.com/business/la-fi-umberger10-2010jan10,0,4665647.story>



What you should know about the market...

- The government is expected to unveil a new program in the next couple of months that, if approved, may reimburse homeowners for up to half the cost of making their homes more efficient. Through the program, homeowners will receive the largest return from simple upgrades like caulking windows, adding insulation, and changing incandescent light bulbs to those that are more energy-efficient.
- To determine which energy-efficiency upgrades are best for their house, homeowners should obtain a home energy audit. Homeowners are advised to hire a contractor licensed by the Building Performance Institute or the Residential Energy Services Network. These contractors have been trained to first test a home to determine the amount of energy it is losing, and then make suggestions on renovations.

Nurturing a great cause: the rush to find a cure for LAM (lymphangioliomyomatosis)

I donate 20% of my professional fees to The LAM Foundation www.thelamfoundation.org

By choosing to work with me on your Real Estate needs you're making a big difference in the lives of women suffering from LAM!

LAM is a cruel, progressive lung disease that strikes women of all races in the prime of their lives. Symptoms of LAM include shortness of breath, chest pain, lung collapse and persistent cough. A benign kidney tumor, known as an angiomyolipoma, is a disease manifestation found in 50% of women with LAM. Eventually the lungs fail, and the highly risky lung transplantation is the last resort.

This fatal disease has no treatment or cure. It is most often misdiagnosed, so the actual number of LAM patients is unknown. Therefore, federal and private funding has been extremely limited.

Women with LAM need your help now. Their breath depends on your support!

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