

INLAND VALLEYS REALTOR®

THE OFFICIAL PUBLICATION OF THE INLAND VALLEYS ASSOCIATION OF REALTORS®

NAR Finds Real
and Imaginary
Barriers Holding
Back Prospective
Homebuyers

FOR MORE INFORMATION GO TO PAGES 8-9



RIVERSIDE OFFICE:

3690 Elizabeth Street
Riverside, CA 92506

RANCHO CUCAMONGA OFFICE:

10574 Acacia St., STE D-7
Rancho Cucamonga, CA 91730
www.ivaor.com

2016 IVAR BOARD OF DIRECTORS

Frank Licea – *President*
Joe Cusumano – *President-Elect*
Donna O'Donnell – *Treasurer*
Scott Gieser – *Immediate Past-President*
Jesse Armendarez – *Director*
Kama Burton – *Director*
Vicki Carpenter – *Director*
Yvonne Leonard – *Director*
Lance Martin – *Director*
Ed Neighbors – *Director*
John Schulte – *Director*
Mike Stoffel – *Director*
Jesse Streeter – *Director*

IVAR STAFF

Mark Dowling – *CEO*
Paul Herrera – *Government Affairs Director*
Griselda Cena – *Office Manager*
Lupe Lopez – *Accounting Assistant*
Jean Wiltz – *Education Coordinator*
Linda Vasant – *MLS*
Alejandra Esquivel – *MLS Assistant*
Deanna McWilliams – *Member Services*
Melinda Medina – *Member Services*
Priscilla Bugayong – *Member Services*
Van Romine – *IT/Operations*

ADVERTISING

Call Toll-free: (800) 628-6983
for advertising rates and reservations.
Foley Publication, Inc.
www.foleypub.com

FEBRUARY 2017

Table of Contents

COLUMNS

- | | |
|-------|---|
| 4 | President's Message - When Building Your Team, Remember to Include IVAR in the Heart of the Lineup |
| 6 | Government Affairs Update |
| 8 | NAR Finds Real and Imaginary Barriers Holding Back Prospective Homebuyers |
| 10-15 | Regional Housing Market Report |
| 16 | Higher wages and seasonal price declines hold California housing affordability in check |
| 17 | IVAR Weekly Text Messages |
-

ADVERTISERS

- | | |
|---|---|
| imortgage..... | 3 |
| Finance of America Mortgage..... | 5 |
| Khatri International Sturctural and Civil Engineers | 7 |



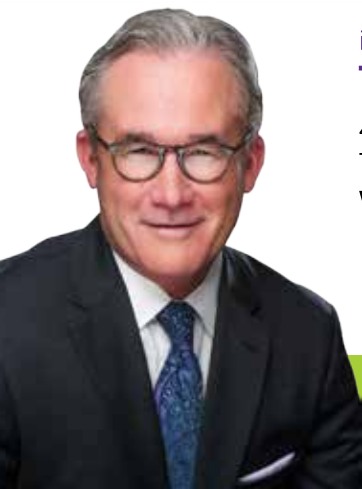
A division of loanDepot, NMLS#174457

TURNING HOMEOWNERSHIP DREAMS INTO REALITY.



➔ **AT LOANDEPOT'S RETAIL IMORTGAGE DIVISION,** we understand that in today's market home financing requires a company with a proven track record, financial strength and integrity. As America's fifth largest retail lender, loanDepot has funded \$100 billion in home, personal and home equity loans since 2010. Our company is founded on uncompromising ethical standards, best-in-class customer care and a passionate entrepreneurial spirit, ensuring that we deliver a full suite of high quality, competitively priced lending products to borrowers nationwide.

To learn more about us and the quality loan products available in our area, please contact us today!



imortgage
TEMECULA 951-375-4800
41607 Margarita Rd., Suite 101
Temecula, CA 92591
www.imortgage.com/temecula

imortgage
RANCHO CUCAMONGA 909-912-7810
8686 Haven Ave., Suite 150
Rancho Cucamonga, CA 91730
www.imortgage.com/ranchocucamonga

RICHARD HEDRICK, NMLS ID 1059650
Branch Manager: Temecula & Rancho Cucamonga | richard.hedrick@imortgage.com

Rates, terms, and availability of programs are subject to change without notice. loanDepot.com, LLC dba imortgage
NMLS ID 174457. Licensed by the Department of Business Oversight under the California Residential Mortgage
Lending Act CRMLA 4131040. (02082017-8513)



When Building Your Team, Remember to Include IVAR in the Heart of the Lineup



FRANK LICEA,
2017 IVAR PRESIDENT

Anyone who works successfully in real estate has discovered the importance of building a strong team. Each of us relies on professionals who come through each and every day and each and every deal. REALTORS®, title representatives, insurance agents, escrow officers, home inspectors, home warranty representatives and contractors are all part of my team and that of successful colleagues everywhere.

The one that we miss in that list – and that many don't realize – is IVAR. This association quietly fills in essential services that help members to succeed daily. The range of services is quite remarkable. Many members see the association as a dues bill and MLS. What they miss is all of the other things IVAR provides to its members – including a real infrastructure that sets a foundation upon which we all build our businesses.

On education, IVAR helps keep its members up to date on the skills and knowledge they need to become and remain an expert in the industry. Each month, the association hosts training courses on a variety of real estate topics that range from basic MLS skills to professional niches such as probate. Other courses help members learn to better market themselves and the properties they represent.

Last year, IVAR hosted a leadership series to help members interested in growing as leaders in their industry and communities discover the commitment, skills and knowledge

necessary to do that well. That included a chance to hear directly from leaders such as Congressman Pete Aguilar and Riverside Mayor Rusty Bailey about what it means to accept the responsibility of leadership.

And then there's our government affairs program. IVAR has worked diligently to protect and preserve property rights, protect consumers and support the ability of REALTORS® to serve their clients every day. At the state level and national levels, we have worked to make topics such as reform in PACE lending a central topic. Working through the National Association of REALTORS®, We have assisted in expanding FHA availability to condominiums and advocated for raising FHA loan limits in the Inland Empire.

The reality is that only organized real estate – primarily REALTOR® associations like IVAR, represent home owners at city hall, Sacramento and Washington D.C. Our members' support makes all of that possible.

All of this work and much, much more comes directly from the regular dues already paid by our members.

So the next time you think of building your team, make sure you remember IVAR for education and advocacy. The only requirement is your commitment to growing as a professional, as a REALTOR® and as a leader.



FINANCE of AMERICA
— MORTGAGE —

WHY WE STAND OUT

There are so many reasons why Finance of America Mortgage may be the solution to your financing needs. Above all, we believe that our unique ability to fit a variety of client needs is the key to our success. Not only are our clients vital to our success, so are our employees and referral partners!

MORE REASONS TO CHOOSE FINANCE OF AMERICA MORTGAGE:

- 95% LTV for Jumbo Loans in the Inland Empire
- FHA, VA and Conventional with fewer lender requirements
- Marketing strategies for our business partners and employees

> CONTACT ME TODAY!



Brett Reichel

Branch Manager | Mortgage Advisor
NMLS-210215

c: (909) 657-5101

o: (503) 784-0482

breichel@financeofamerica.com
FinanceofAmerica.com/breichel

“Finance of America Mortgage is a great support team. As an Army Veteran and retired Deputy Sheriff, I have become familiar with working in a team environment so when I first checked out Finance of America, I quickly identified the teamwork mentality and support that exists here. For me, this was all I needed to see to choose Finance of America Mortgage. This has resulted in better performance for me and success for my clients and business partners.”

—Ed Avila, Mortgage Advisor | NMLS-1367993

Assm. Marc Steinorth Reintroduces Bill to Help Californians Save for Home Ownership

Assembly Member Marc Steinorth announced that he has introduced a new bill aimed at helping California taxpayers save for costs related to the purchase of a home.

AB 53, co-authored by 13 Assembly colleagues and four state senators (bill details: <http://bit.ly/2ICE5S4>), would allow Californians to deposit money into designated Homeownership Savings Accounts. Those funds would be deposited tax free and would work very similarly to 529 plans widely used to set aside education funds by families nationwide. In this case, the funds would have to be used for certain qualified expenses for a first-time home buyer, such as down payments and closings costs on the purchase of a home. The definition of first-time home buyer matches that of the Federal Housing Administration.

The funds would be capped at \$10,000 per individual or \$20,000 for joint filers and could be transferred to eligible recipients, again with rules similar to 529 plans.

NAR, Assm. Sabrina Cervantes Asks HUD to Reinstate FHA Mortgage Insurance Rate Cut

Shortly after taking office, President Trump froze a planned FHA mortgage insurance rate reduction that was scheduled to take effect on Jan. 27th. The action was part of a broader freeze on actions from the previous administration pending further review.

In a letter (<http://narfocus.com/billdatabase/clientfiles/172/3/2822.pdf>), the National Association of REALTORS® has asked new HUD Secretary Designate, Dr. Ben Carson, to reinstate the mortgage insurance reduction.

The rate cut would return insurance rates back to near their level prior to the housing downturn when waves distressed properties triggered claims that brought the FHA insurance fund reserve to below statutory

requirements. To rebuild the fund, FHA raised the insurance rate from 0.55 percent to 0.90 percent initially and then raised it again to 1.35 percent in 2013. Each time, the increases were designed to shore up the insurance fund while having unfortunate effect of putting mortgages out of reach for an estimated 1.5 million Americans.

On February 15th, Assembly Member Sabrina Cervantes introduced a resolution, AJR 4, asking President Trump to reinstate the planned mortgage rate cut.

"Home ownership is fundamental to the prosperity of our middle class," said Assembly Member Cervantes. "We as legislators should do everything we can to support Californians who want to buy their own homes."

Additional Resources on Rate Cut:

NAR Response to Rate Cut Announcement: <http://bit.ly/2lr8lYq>

NAR Letter Requesting Rate Cut Reinstatement: <http://bit.ly/2lrjdLo>

Assm. Cervantes Press Release Regarding AJR 4: <http://bit.ly/2lrfeyt>

IVAR Recruiting Members to Serve on Housing Policy Committee – San Bernardino

IVAR continues to work on growing its San Bernardino County-focused Housing Policy Committee. The committee, which works parallel to a similar group in Riverside County, reviews issues that impact REALTORS®, their clients and issues of housing and property rights. That includes meetings with elected and appointed officials, discussion and advising the IVAR Board of Directors on positions to adopt on public policy.

The committee has updated its meeting schedule and will not meet monthly on the first Thursday of each month at 9am at IVAR's Rancho Cucamonga office. If you are interested, contact Paul Herrera, Government Affairs Director, at pherrera@ivaor.com or by phone at 951-500-1222.



PAUL HERRERA,
GOVERNMENT AFFAIRS DIRECTOR

Support our Mission, Support the REALTOR® Party

The most important thing each member can do to support our government affairs work is to stay informed and help spread the word on important issues to your colleagues, clients, friends and neighbors. Nothing is more important than your time, including the time you devote to making your voice heard at the ballot box each election day.

Our work is supported through voluntary contributions made by members to the REALTOR® Action Fund. These annual contributions of \$49 or more help ensure that we have the resources to research important issues, communicate with our members and mobilize our industry to have the impact necessary to make a difference.

You can make a contribution as you renew your membership – or anytime by going to www.car.org/governmentaffairs/raf.

Questions? Comments? You can reach Paul Herrera, Government Affairs Director, at pherrera@ivaor.com or on his cell phone at 951-500-1222.



KHATRI
INTERNATIONAL
STRUCTURAL AND CIVIL ENGINEERS



Architectural Design



Property Evaluation



Land Planning & Land Acquisition

Khatri International is a Civil Engineering and Structural Design Firm in Pasadena, CA and Las Vegas, NV

WE WORK WITH REAL ESTATE AGENTS TO PROVIDE THE FOLLOWING SERVICES:

- Property Evaluation: Drone Photography; Aerial Footage; and Structural Assessment
- Structural and Architectural Design of New Buildings and Modifications to Existing Structures
- Evaluation of Raw Land for Development
- Working with Contractors to Design Improvements/Enhancements and New Buildings

We're able to this package for any project for a lump sum flat fee of \$1,800 in Southern CA (within 100 miles of Pasadena).

WE ARE NOW CAPABLE TO PROVIDE THESE SERVICES FOR PROPERTY INSPECTIONS

NEW

- Aerial Drone Photography/Digital Video
- 360 Camera Photography
- Prepare As-Built Plans
- Photographic Log of the Project Site



For other locations, we just add travel charges, and we are ready to go in all 50 States.



NAR Finds Real and Imaginary Barriers Holding Back Prospective Homebuyers

MEDIA CONTACT: ADAM DESANCTIS / 202-383-1178

WASHINGTON (February 1, 2017) — Existing-home sales increased 3.8 percent to a 10-year high in 2016, but affordability pressures, student debt and possible confusion about down payment requirements prevented many aspiring homeowners from reaching the market, according to recent consumer insight from the National Association of Realtors®.

NAR's Aspiring Home Buyer Profile analyzed 2016 quarterly survey data from its Housing Opportunities and Market Experience (HOME) survey² to capture movements in the housing expectations and sentiment of homeowners and non-homeowners — both renters and those living with a family member.

According to the findings, respondents last year maintained a favorable view about homeownership, with over 90 percent of homeowners and roughly eight out of 10 non-homeowners each quarter indicating that owning a home is part of their American Dream.

However, despite these positive feelings, optimism about it being a good time to buy diminished among non-owners. The percent share who believed it was a good time to buy declined from 63 percent in the first quarter to 55 percent in the fourth quarter. The share of homeowners who thought it was a good time to buy also dipped as the year went on but hovered at a much higher rate of around 80 percent each quarter.

Lawrence Yun, NAR chief economist, says the desire to own a home and the ability to do so are not on the same wavelengths for many households. "Nearly all non-homeowners said they want to own a home in the future (87 percent), but it's evident that higher rents and home prices — up 41 percent in the past five years — along with limited entry-level supply and repaying student debt have combined to make buying a challenging goal," he said. "It's also little surprise that non-owners in the West — where price appreciation has been the strongest — were the least optimistic about buying."

Affordability and student debt presenting an uphill climb

Being unable to afford to buy a home was the number one reason non-owners cited as to why they don't own. For the entire year, over half of non-owners indicated they could not afford to buy, while roughly one-fifth of respondents said they needed the flexibility of renting.

It's also apparent from NAR's analysis that carrying student debt is causing many non-owners to delay purchasing a home. Of the 39 percent of non-owners in the second quarter survey who said they have student debt, a majority indicated they are not very or not at all comfortable taking on a mortgage (59 percent).

Yun says these findings align with a separate NAR study from last year that revealed that nearly three-quarters of non-homeowners who are employed and repaying their student loans on time believe their debt is stymieing their ability to purchase a home, with slightly over half of borrowers expecting to be delayed by five or more years.

"In addition to having to postpone important milestones such as getting married and starting a family, many young adults are financially falling behind previous generations in part because of having to prioritize repaying their sizeable student loans over buying a home and saving for retirement," said Yun.

Unrealistic expectations about down payments muddle views about getting a mortgage

Apparent confusion about down payment requirements may also be behind non-owners' lagging confidence about buying. NAR's Profile of Home Buyers and Sellers has shown that the median down payment for first-time buyers has been 6 percent for three straight years and 14 percent for repeat buyers in three of the past four years. However, when asked about the amount of a down payment needed to purchase a home, a remarkable 87 percent of non-owners indicated that a down payment of 10 percent



or more is necessary.

"Current non-owners' ultimate goal of owning a home may not be as far-fetched as they believe," said NAR President William E. Brown, a Realtor® from Alamo, California. "There are mortgage options available for creditworthy borrowers with manageable levels of debt and smaller down payments. Those interested in buying their first home in 2017 should review their finances, sit down with a lender to see if they qualify for a mortgage and find a Realtor® to help them get started on their home search."

About NAR's HOME survey

In each quarter of 2016, a sample of U.S. households was surveyed via random-digit dial, including half via cell phones and the other half via landlines. The survey was conducted by an established survey research firm, TechnoMetrica Market Intelligence. A total of 11,035 household responses are represented.

The National Association of Realtors®, "The Voice for Real Estate," is America's largest trade association, representing more than 1.2 million members involved in all aspects of the residential and commercial real estate industries.

1 Existing-home sales in 2016 increased 3.8 percent to a seasonally adjusted annual rate of 5.45 million, which was the strongest pace since 2006 (6.48 million).

2 NAR's Housing Opportunities and Market Experience (HOME) survey tracks topical real estate trends, including current renters and homeowners' views and aspirations regarding homeownership, whether or not it's a good time to buy or sell a home, and expectations and experiences in the mortgage market. New questions are added to the survey each quarter to reflect timely topics impacting real estate.

HOME survey data is collected on a monthly basis and will be reported each quarter. New questions will be added to the survey each quarter to reflect timely topics impacting the real estate marketplace. The next release is scheduled for Wednesday, March 15, 2017 at 10:00 a.m. ET.



Housing Data Report January 2017

The Voice of Real Estate in the Inland EmpireSM



A report brought to you by the Inland Valleys Association of REALTORS® (IVAR)
www.ivaor.com

RIVERSIDE OFFICE
3690 Elizabeth Street
Riverside, California 92506
Office: 951-684-1221

RANCHO CUCAMONGA OFFICE
10574 Acacia Street, Suite #D-7
Rancho Cucamonga, California 91730
Office: 909-527-2133

Mark Dowling, Chief Executive Officer

Comparing housing data from January 2016 to January 2017 there was strong increases in Sold Listings (up 7.4%), Sales Volume (up 13.3%) and Pending Sales (up 16.2%). However, New Listings were down -13.8%. Given the fact that New Listings were also down 10% in December, this will be an important data set to track over the coming months to determine if supply is slowing down.

Heightened demand has also caused a reduction in "Combined Days on Market" which decreased 34.3% year-over-year.

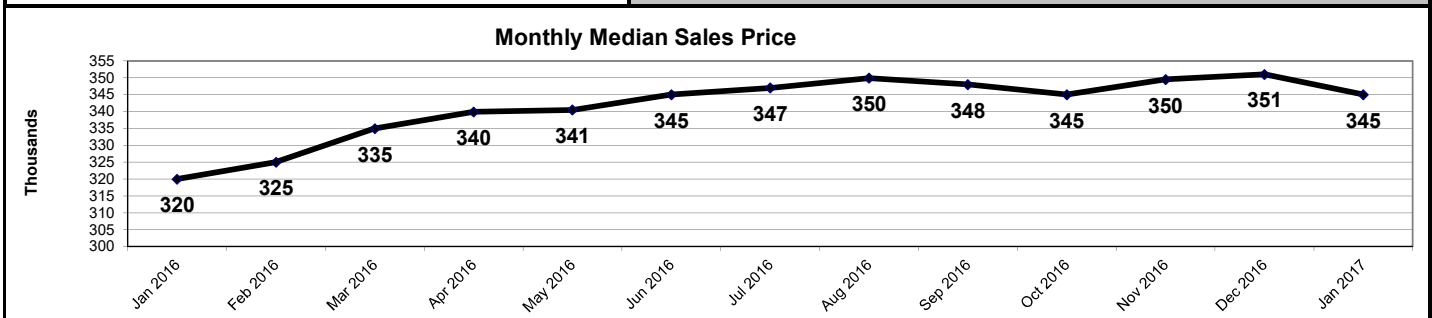
Median Sales prices took a slight dip in January when compared to December (\$345,000 v. \$351,000), however the year-over-year comparison has Median Sales Price up 7.2%.

Following a robust 2016 housing market, 2017 is starting off with a strong demand for housing reflected through increased Sold Listings, Sales Volume and Median Sales Prices.



	Jan-2016	Jan-2017	Annual Change
Monthly New Listings			
New Listings	4,351	3,822	↓ -12.2%
Pending Sales	2,890	3,448	↑ 19.3%
Sold Listings	2,569	2,773	↑ 7.9%
Median Sales Price	\$320,000	\$345,000	↑ 7.8%
Sales Volume (\$M)	\$898	\$1,035	↑ 15.3%
Price/Sq.Ft.	\$181	\$195	↑ 7.2%
Sold \$/List \$	97.92%	98.43%	↑ 0.5%
Days on Market	58	41	↓ -29.3%
CDOM	70	46	↓ -34.3%

All data used to generate these reports comes from the California Regional Multiple Listing Service, Inc. If you have any questions about the data, please call the CRMLS Customer Service Department between the hours of 8:30am to 9:00pm Monday thru Friday or 10:00am to 3:00pm Saturday and Sunday at 800-925-1525 or 909-859-2040.



IVAR Member Services: 951.684.1221 | Rancho Cucamonga: 909.527.2133 | Office FAX: 951.684.0450

www.ivaor.com

Jan 2017 City Overview

As a service and convenience to our members, IVAR is pleased to offer several "Quick Look" reports. This is one more way for IVAR members to stay informed with minimal effort.

The following monthly data shows "YEAR-OVER-YEAR" (YOY) changes as well as current conditions in the real estate market

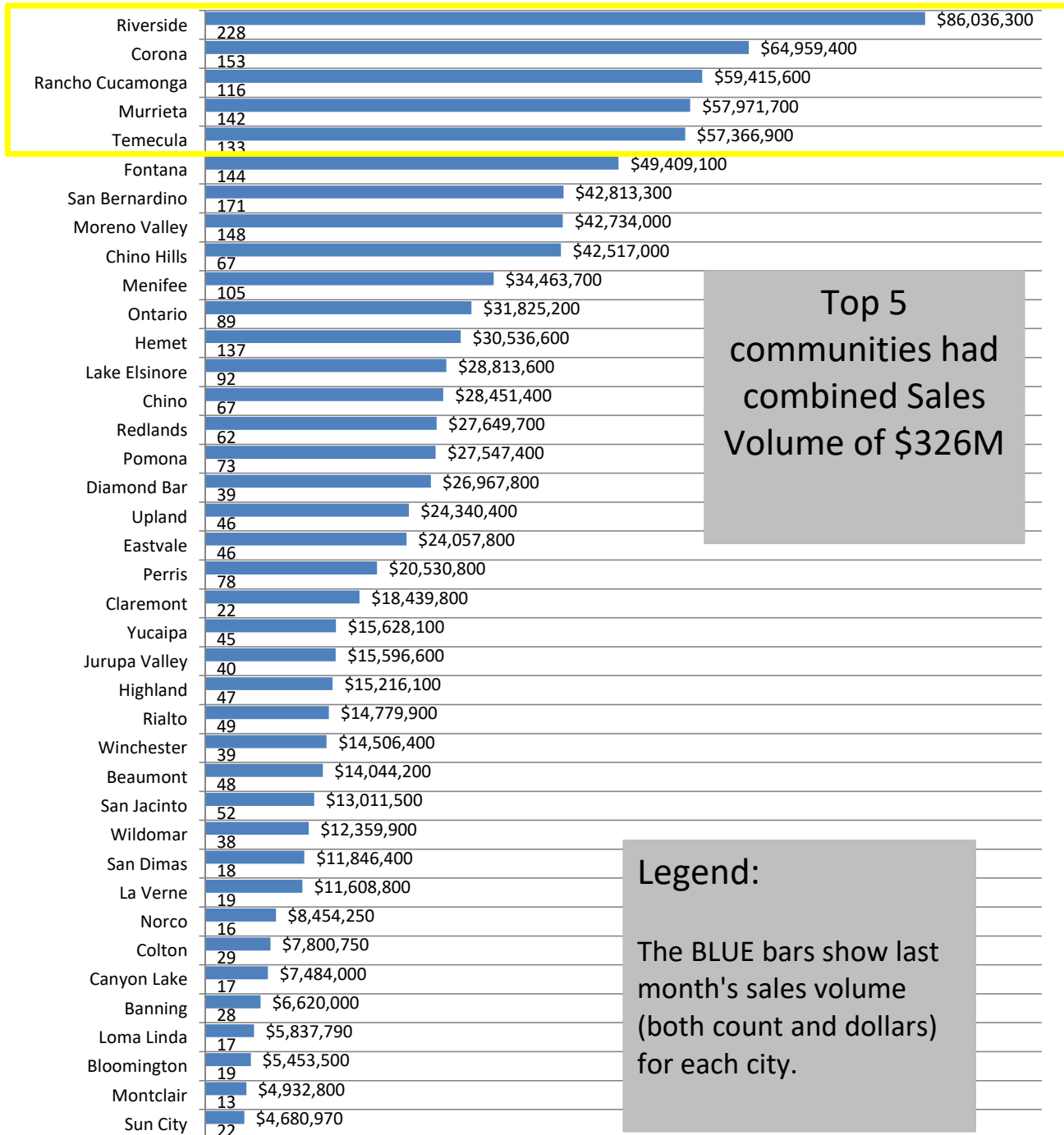
	YOY Sales Transactions	YOY Median Sales Price %	Median Sales Price \$	Inventory	Price per Sq.Ft.	Total Days on Market
Banning	↓ -18%	↑ 10%	\$ 220,000	45	\$ 152	56
Beaumont	↓ -17%	↑ 4%	\$ 292,000	85	\$ 147	49
Bloomington	↑ 111%	↑ 13%	\$ 297,000	27	\$ 204	44
Canyon Lake	→ 0%	↑ 15%	\$ 379,000	39	\$ 212	63
Chino	↑ 12%	↑ 8%	\$ 421,000	83	\$ 242	55
Chino Hills	↑ 49%	↑ 27%	\$ 619,000	97	\$ 321	46
Claremont	↑ 5%	↓ -7%	\$ 560,000	37	\$ 304	56
Colton	↓ -12%	↑ 4%	\$ 249,000	42	\$ 199	27
Corona	↑ 1%	↑ 4%	\$ 423,000	258	\$ 221	60
Diamond Bar	↓ -26%	↑ 12%	\$ 638,000	60	\$ 340	45
Eastvale	↑ 2%	↑ 9%	\$ 510,000	51	\$ 180	40
Fontana	↑ 32%	↑ 2%	\$ 330,000	234	\$ 204	38
Hemet	↓ -6%	↑ 5%	\$ 219,500	222	\$ 132	46
Highland	↑ 12%	↑ 15%	\$ 311,000	57	\$ 182	42
Jurupa Valley	↑ 43%	↑ 3%	\$ 375,000	62	\$ 200	68
La Verne	↑ 46%	↑ 10%	\$ 575,000	27	\$ 324	91
Lake Elsinore	↑ 23%	↑ 11%	\$ 320,000	136	\$ 163	42
Loma Linda	↑ 70%	↑ 27%	\$ 359,900	23	\$ 210	38
Menifee	↑ 14%	↑ 8%	\$ 332,250	143	\$ 159	37
Montclair	→ 0%	↑ 13%	\$ 387,000	19	\$ 274	29
Moreno Valley	↑ 10%	↑ 2%	\$ 280,000	277	\$ 171	38
Murrieta	↓ -1%	↑ 3%	\$ 380,000	203	\$ 165	42
Norco	→ 0%	↓ -5%	\$ 500,000	45	\$ 233	49
Ontario	↑ 5%	↑ 3%	\$ 352,000	140	\$ 250	45
Perris	↑ 18%	→ 0%	\$ 265,000	125	\$ 158	33
Pomona	↑ 30%	↑ 15%	\$ 375,000	90	\$ 288	41
Rancho Cucamonga	↑ 2%	↑ 4%	\$ 440,000	172	\$ 266	34
Redlands	↑ 9%	↑ 11%	\$ 365,000	73	\$ 212	55
Rialto	↓ -22%	↑ 7%	\$ 310,000	99	\$ 178	42
Riverside	↑ 8%	↑ 10%	\$ 345,000	552	\$ 208	54
San Bernardino	↑ 16%	↑ 16%	\$ 243,000	241	\$ 176	45
San Dimas	↓ -38%	↑ 7%	\$ 590,000	22	\$ 321	52
San Jacinto	↓ -2%	↑ 15%	\$ 244,900	89	\$ 116	48
Sun City	↓ -12%	↑ 21%	\$ 206,000	24	\$ 139	18
Temecula	↑ 28%	↓ -6%	\$ 400,000	174	\$ 200	56
Upland	→ 0%	↑ 5%	\$ 515,000	78	\$ 267	48
Wildomar	↑ 73%	↓ -1%	\$ 327,500	57	\$ 165	30
Winchester	↑ 18%	↑ 6%	\$ 375,000	64	\$ 152	43
Yucaipa	↑ 7%	↑ 15%	\$ 347,500	77	\$ 189	47

Riverside: 951.684.1221 | Rancho Cucamonga: 909.527.2133 | FAX: 951.684.0450

Jan 2017 - Sales Volume per City

www.ivaor.com

As a service and convenience to our members, IVAR is pleased to offer several "Quick Look" reports. This is one more way for IVAR members to stay informed with minimal effort.

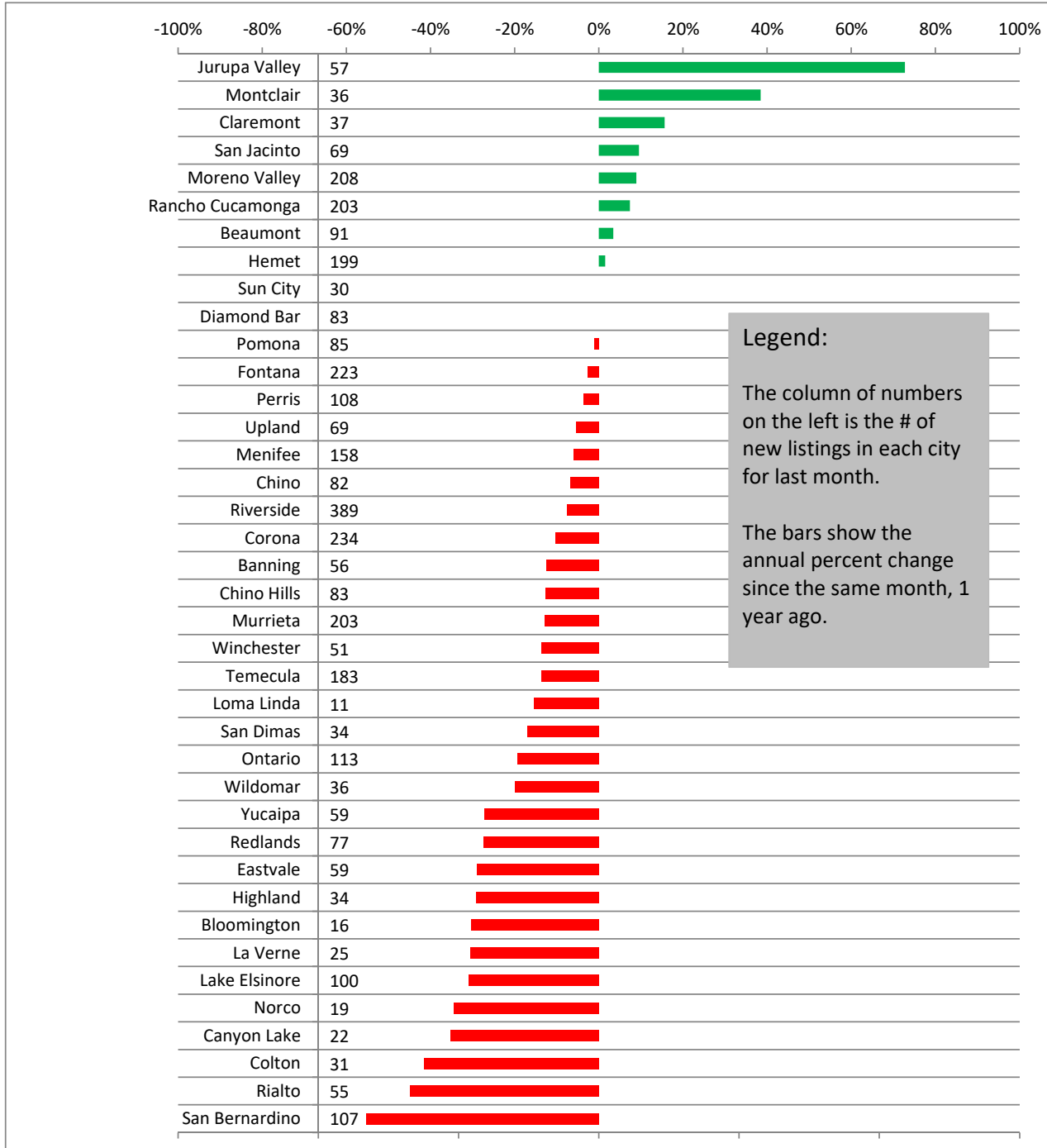


Riverside: 951.684.1221 | Rancho Cucamonga: 909.527.2133 | FAX: 951.684.0450

www.ivaor.com

Jan 2017 - Top Communities with New Listings (year-over-year)

As a service and convenience to our members, IVAR is pleased to offer several "Quick Look" reports. This is one more way for IVAR members to stay informed with minimal effort.

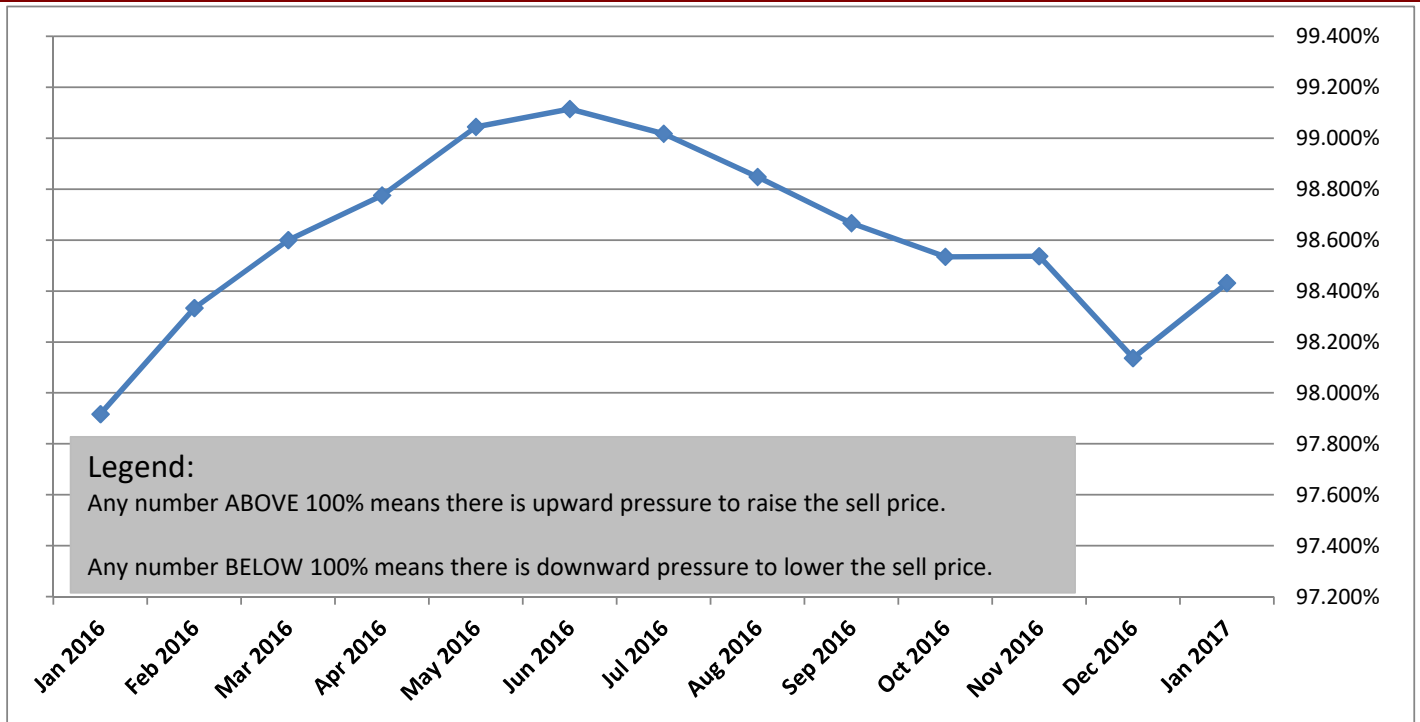


Riverside: 951.684.1221 | Rancho Cucamonga: 909.527.2133 | FAX: 951.684.0450

Sell Price vs Original List Price

www.ivaor.com

As a service and convenience to our members, IVAR is pleased to offer several "Quick Look" reports. This is one more way for IVAR members to stay informed with minimal effort.

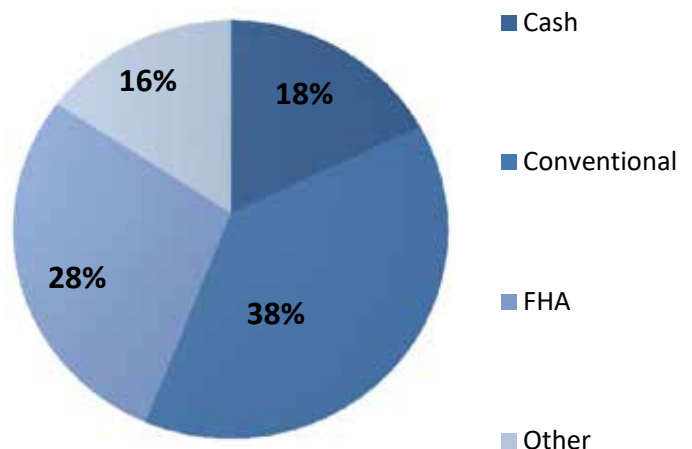


This report is brought to you by IVAR:

As a service to the more than 4 million residents of the Inland Empire, the **Inland Valleys Association of Realtors®** is proud to distribute this data report on the housing market in the 50 communities served by our Realtor Members.

The core purpose of IVAR is to help its members become more professional and profitable, while promoting and protecting real property rights.

Finance Type



Riverside: 951.684.1221 | Rancho Cucamonga: 909.527.2133 | FAX: 951.684.0450

Higher wages and seasonal price declines hold California housing affordability in check

- Thirty-one percent of California households could afford to purchase the \$511,360 median-priced home in the fourth quarter, unchanged from third-quarter 2016 and up from 30 percent in fourth-quarter 2015.
- A minimum annual income of \$100,800 was needed to make monthly payments of \$2,520, including principal, interest, and taxes on a 30-year fixed-rate mortgage at a 3.91 percent interest rate.
- Forty percent of home buyers were able to purchase the \$413,700 median-priced condo or townhome. An annual income of \$81,550 was required to make a monthly payment of \$2,040.

LOS ANGELES – Rising wages and seasonal price declines held California's housing affordability steady in fourth-quarter 2016, even while interest rates rose moderately, the CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.) said today.

The percentage of home buyers who could afford to purchase a median-priced, existing single-family home in California in fourth-quarter 2016 remained at 31 percent, unchanged from the third quarter of 2016 but was up from 30 percent in fourth-quarter 2015, according to C.A.R.'s Traditional Housing Affordability Index (HAI). This is the 15th consecutive quarter that the index has been below 40 percent and is near the mid-2008 low level of 29 percent. California's housing affordability index hit a peak of 56 percent in the third quarter of 2012.

C.A.R.'s HAI measures the percentage of all households that can afford to purchase a median-priced, single-family home in California. C.A.R. also reports affordability indices for regions and select counties within the state. The Index is considered the most fundamental measure of housing well-being for home buyers in the state.

Home buyers needed to earn a minimum annual income of \$100,800 to qualify for the purchase of a \$511,360 statewide median-priced, existing single-family home in the fourth quarter of 2016. The monthly payment, including taxes and insurance on a 30-year, fixed-rate loan, would be \$2,520, assuming a 20 percent down payment and an effective composite interest rate of 3.91 percent. The effective composite interest rate in third-quarter 2016 was 3.76 percent and 4.07 percent in the fourth quarter of 2015.

Homes were slightly more affordable in fourth-quarter 2016

compared to fourth-quarter 2015, when the affordability index stood at 30 and the median home price was \$484,710. An annual income of \$96,980 was needed to make monthly payments of \$2,420.

The affordability of condominiums and townhomes also was flat compare to the previous quarter. Forty percent of California households earned the minimum income to qualify for the purchase of a \$413,700 median-priced condominium or townhome in the fourth quarter of 2016, and an annual income of \$81,550 was required to make monthly payments of \$2,040.

Key points from the fourth-quarter 2016 Housing Affordability report include:

- Compared to affordability in third-quarter 2016, eight of 29 counties tracked saw an improvement in housing affordability (Contra Costa, Marin, Napa, Los Angeles, Ventura, Monterey, Santa Barbara, and Madera), 10 experienced a decline (San Francisco, Sonoma, Orange County, Riverside, San Bernardino, Santa Cruz, Kern, Kings, Merced, and San Joaquin), and 11 were unchanged (Alameda, San Mateo, Santa Clara, Solano, San Diego, San Luis Obispo, Fresno, Placer, Sacramento, Stanislaus, and Tulare).
- Only three (Contra Costa, Marin, Napa) of nine Bay Area counties recorded higher affordability numbers than the previous quarter, as higher earning Bay Area workers drove up home prices. Housing affordability results were mixed in Southern California but largely declined in Central Valley counties (Kern, Kings, Merced, San Joaquin).
- During the fourth quarter of 2016, the most affordable counties in California were Kings (56 percent); Kern (55 percent); San Bernardino (54 percent); and Fresno (50 percent).
- San Francisco (13 percent), San Mateo (15 percent), and Santa Cruz (17 percent) counties were the least affordable areas in the state.

Leading the way...® in California real estate for more than 110 years, the CALIFORNIA ASSOCIATION OF REALTORS® (www.car.org) is one of the largest state trade organizations in the United States with more than 185,000 members dedicated to the advancement of professionalism in real estate. C.A.R. is headquartered in Los Angeles.

Receive Weekly IVAR News and Updates via Text Messages

Stay Connected

As part of our efforts to keep you informed in a prompt and convenient manner IVAR offers a text-messaging service for weekly alerts, news and information.

To Register

Send the text “subscribe all” to 951-999-4354

The following English-language commands will also work: STOP, STOPALL, UNSUBSCRIBE, CANCEL, END, and QUIT will stop you from receiving messages.



BY SIGNING UP, YOU CONSENT TO RECEIVE TEXT MESSAGES BY AUTOMATED MEANS. THIS SERVICE IS FREE FROM IVAR, BUT CARRIER MESSAGE AND DATA RATES MAY APPLY. IVAR HAS SEVERAL CATEGORIES/TOPICS THAT MIGHT INTEREST YOU:

subscribe all	Information Broadcast to all subscribers
subscribe advocacy	REALTOR Party “Call to Action” – NAR/CAR red alerts
subscribe alerts	Emergency information, closures, and holiday schedules
subscribe breakfast	Breakfast Meetings
subscribe dues	Reminders about dues payments and deadlines
subscribe education	Updates on education and training opportunities
subscribe events	Announcements about special events

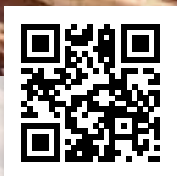


Foley Publications, Inc. is proud to partner with the **Inland Valleys Association of REALTORS®**. Together we will provide a professional, interactive monthly e-magazine for the Association's membership.



Publications, Inc.

For advertising information, please contact
Ned Foley at 303-758-7878 or
visit our website at www.foleypub.com.



30+ Years of Real Estate Publishing Excellence!