

# 2017 Home Prices Projected to Increase 4.6% !!

Hi Guys and Gals, Below is an Article from the San Diego Association of Realtors !!!!!

I have also included another article from the California Association of Realtors (Market Snapshot)  
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Above is a Current Mortgage Rate Sheet in the Attachment!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!

## If You Know Anyone Interested in Selling, Buying or Just may have Questions about Real Estate Please let Me Know? Thanks,



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### Winter blues hit January home sales, according to the Greater San Diego Association of REALTORS®

**SAN DIEGO (February 9, 2017)** – Resale home transactions in San Diego County fell significantly in January compared to December – a common seasonal trend, according to housing statistics from the [Greater San Diego Association of REALTORS®](#)

The desire to close on home sales by December 31 factored into the drop of 30 percent in single-family home sales, and a drop of 27 percent in attached properties (condominiums and townhomes) in January 2017. Compared to the same month a year ago, sold listings were down less than 1 percent for single-family homes, but nearly 4 percent for condos and townhomes.

The median price of resale single family homes in January dipped by about 2 percent compared to December, standing at nearly \$560,000. The attached property median price was \$378,750, posting almost a 4 percent increase from the prior month. Together, prices for all sale properties are up 7.5 percent from a year ago.

The supply of resale properties on the market held at 1.5 months. (Five to six months is considered a healthy level.) Homes were on the market for an average of 39 days in January.

“January is most often a slow month for home sales following the holidays and the end of the tax year,” said SDAR President Bob Kevane, “not to mention the welcome and ample rain may have kept people from venturing out to open houses. Spring will be here soon enough, and that’s when the market tends to heat up.”

In January, the zip codes in San Diego County with the most single-family home sales were:

- 92028 (Fallbrook) with 39
- 92127 (Rancho Bernardo West) with 37
- 92027 (Escondido East) with 36
- 92009 (Carlsbad Southeast) with 36
- 92065 (Ramona) with 35

The most expensive property sold in the county last month was a 12,000-square-foot, 7-bedroom, 10-bath, Rancho Santa Fe estate, built in 1994, with a price of just over \$6 million.

SDAR’s housing statistics are compiled monthly from the Multiple Listing Service (MLS). Click [here](#) for a detailed look at the numbers. Here is a summary:

**MEDIAN SALES PRICE Comparing January 2017 to December 2016 (month over month)**

- **Single-Family: 2 percent DECREASE**  
January 2017 = \$559,500  
December 2016 = \$569,450
- **Condos/Townhomes: 4 percent INCREASE**  
January 2017 = \$378,750  
December 2016 = \$365,000

**MEDIAN SALES PRICE Comparing January 2017 to January 2016 (year over year)**

- **Single-Family: 6 percent INCREASE**  
January 2017 = \$559,500  
January 2016 = \$530,000
- **Condos/Townhomes: 8 percent INCREASE**  
January 2017 = \$378,750  
January 2016 = \$351,540

**TOTAL SOLD LISTINGS Comparing January 2017 to December 2016 (month over month)**

- **Single-Family: 30 percent DECREASE**  
January 2017 = 1,338  
December 2016 = 1,902
- **Condos/Townhomes: 27 percent DECREASE**  
January 2017 = 670  
December 2016 = 920

**TOTAL SOLD LISTINGS Comparing January 2017 to January 2016 (year over year)**

- **Single-Family: 1 percent DECREASE**  
January 2017 = 1,338  
January 2016 = 1,348
- **Condos/Townhomes: 4 percent DECREASE**  
January 2017 = 670  
January 2016 = 696

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*With more than 13,000 members, the [Greater San Diego Association of REALTORS®](#) is the largest trade association in the county. We help our members, who adhere to a code of ethics and professional standards, sell more homes. We also help people realize the dream of home ownership, and we are dedicated to protecting private property rights. You can follow SDAR on [Facebook](#), [Twitter](#) and [YouTube](#).*

# Market Snapshot

## California Homeownership: Buckle Up for a Bumpy Ride

Homeownership has yet to recover from the Great Recession, and even dipped lower last year. The latest Annual Social and Economic Supplement to the Current Population Survey for 2016 pegs homeownership in California at 54.3% in 2016. That's well below the level of 59.5% homeownership hit in 2005, but is also below 2015 levels by 0.1 percentage points. With affordability deteriorating alongside rising prices and essentially flat sales for several years, fewer Californians have been able to make the jump back into owning their own homes.

There has been an increase in the number of homeowners, which has rebounded from a low of 7.12 million households in 2014 to 7.56 million in 2016. However, the renter population has increased by more than the uptick in homeownership. In 2016, we estimate that homeownership increased by a net of 87,865 while the number of renter households increased by more than 108,000.

Unfortunately, this trend is not poised to reverse course over the short run. Affordability in California is well below the national average: only 31% of households can afford the median-priced home here compared with 58% nationwide. Interest rates are also expected to rise, which will increase the cost of carrying the typical mortgage, thereby reducing affordability that much more. In addition, the supply constraints have created an excess-demand situation that is putting further upward pressure on home prices as the economy creates more jobs and incomes start to rise.

Homeownership in California subdivided across racial and ethnic lines also highlights the important work still left to do to bring the opportunity of owning your own home to our communities of color. Homeownership in California fell the farthest for blacks (-13 percentage points) and Hispanics (-8 percentage points) during the downturn—much more than their white (-5.4 percentage points) and Asian (-4 percentage points) counterparts. In addition, black and Hispanic Californians continue to fall behind as their share of the overall population base is still many points higher than their share of the owned homes, while whites and Asians continue to own a disproportionate share of the residential real estate.

C.A.R. is currently forecasting that home prices will continue to rise this year, growing by a projected 4.6%. That would bring the median price of a single-family home to \$525,400. At a 4.5% rate for a fixed-rate mortgage, that would raise the minimum qualifying income for that median home to roughly \$114,000—an income level that just over 25% of California's households currently earn. As such, affordability and homeownership may get worse before they get better.



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