



ZEN
 & the art of
 real estate

(949) 922-2200

FAX (949) 215-2429
 LICENSE # 00998118



www.ZenSellsHomes.com

California Market Report

<i>February, 2009</i>	Current Period	Last Period	Last Year	Month-to-Month Change	Year-to-Year Change
Existing Home Sales	544,580	514,000	294,520	5.9%	84.9%
Median Home Price	\$281,100	\$286,850	\$480,820	-2.0%	-41.5%
Unsold Inventory Index	5.6 months	6.9 months	13.4 months	-18.8%	-58.2%
Median Days On Market	46.1	44.4	66.7	3.8%	-30.9%
30-Year Fixed Mortgage	5.29%	6.09%	6.10%	-0.80%	-0.81%

Source for statistics: California Association of Realtors

California Market Analysis



On February 13th, the United States Congress passed the \$787 billion American Recovery and Reinvestment Act of 2009 (often referred to as the "Stimulus Package"). Congress was most concerned about addressing jobs, real estate, and credit availability. The Stimulus Package contains \$308 billion in appropriations spending, including \$120 billion on infrastructure and science and more than \$30 billion on energy-related projects. Also included in the package is \$267 billion for direct spending, including increased unemployment benefits and food stamps. The package also provides for \$212 billion in tax breaks for individual tax payers and businesses. Real estate will get a big boost by the resetting of conforming loan limits to \$729,750, up from \$625,500 in the designated high-cost areas. The bill also contains a first-time home buyer tax credit of 10% of the purchase price, up to \$8,000. If a first-time home buyer purchases a home for at least \$80,000 between January 1st and December 1, 2009, he/she will receive an \$8,000 tax credit—even if his/her federal tax liability for 2009 is less than \$8,000. In essence, a taxpayer could have a tax liability of \$5,000 and receive all of his/her contributions back, along with an additional check from the government for \$3,000. A first-time home buyer is defined as someone who has not owned a home for the three years prior to the close of escrow on the qualifying home. The real estate market will continue to lead us out of the recession.

Here To Serve You...

Valued friends and clients--feel free to take advantage of my free market evaluation service. If you would like detailed information on your home, your investment potential, or, a little help strategizing for the future, I am here to serve you at all times.