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# Big Bear Cher's Market Summary

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## California Market Report

<i>September, 2009</i>	<b>Current Period</b>	<b>Last Period</b>	<b>Last Year</b>	<b>Month-to-Month Change</b>	<b>Year-to-Year Change</b>
<b>Existing Home Sales</b>	553,910	512,530	494,390	8.1%	12.0%
<b>Median Home Price</b>	\$285,480	\$274,740	\$355,000	3.9%	-19.6%
<b>Unsold Inventory Index</b>	3.9 months	4.1 months	6.9 months	-4.9%	-43.5%
<b>Median Days On Market</b>	39.9	44.3	47.8	-9.9%	-16.5%
<b>30-Year Fixed Mortgage</b>	5.22%	5.42%	6.43%	-0.20%	-1.21%

Source for statistics: California Association of Realtors

## California Market Analysis



The California housing statistics are showing signs of improvement. The California median price has increased for five consecutive months, indicating the growing buying power of homebuyers. While the market under \$500,000 has been active for several months, the mid-range market is also showing improvement. It has increased from 12% in January to 20% in July. The high-end market, which has really been struggling, has also improved from 3% in January to 6% in July. The main reason the market below \$500,000 is showing signs of slowing is that inventory is down from earlier in the year. This lack of inventory will most likely ease in the coming months, as the current backlog of foreclosures hits the market. The First-Time Buyer Housing Affordability Index (FTB-HAI) is currently at 67%, which is up from 49% a year ago. The FTB-HAI is the most fundamental measure of housing well-being for first-time home buyers in the state. A final reminder: the \$8,000 First-Time Home-Buyer Tax Credit is set to expire on December 1st. To qualify for this tax credit the home must be the taxpayer's principal residence for 36 months after purchase; otherwise, the credit, must be repaid. In addition, the buyer (and buyer's spouse, if applicable) must not have owned a principal residence during the three-year period before the date of purchase. The tax credit begins to phase out if modified, adjusted gross income is over \$75,000 or \$150,000 for joint filers.

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