

Los Angeles Business Journal

California home prices down due to distressed properties

California home sales declined from both the prior month and year in January, according to data from the CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). The median price also was lower, primarily due to a sales increase in the distressed market.

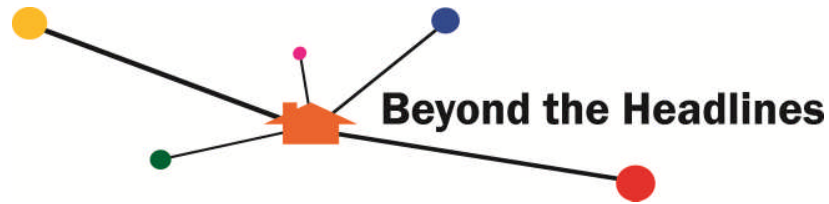
Making sense of the story

- Closed escrow sales of existing, single-family detached homes in California totaled a seasonally adjusted annualized rate of 517,740 in January, according to information collected by C.A.R. from more than 90 local REALTOR® associations and MLSs statewide.
- January's sales were down 0.6 percent from December's 520,940 pace and down 5.7 percent from the revised 548,760 sales pace recorded in January 2011. The statewide sales figure represents what would be the total number of homes sold during 2012 if sales maintained the January pace throughout the year. It is adjusted to account for seasonal factors that typically influence home sales.
- The statewide median price of an existing, single-family detached home fell to \$268,280 in January, down 6.7 percent from \$285,920 in December. The median price also dropped 3.9 percent from the revised \$279,220 median price recorded in January 2011.
- "The decline in the January median home is largely a reflection of an increase in the share of distressed home sales," said C.A.R. Vice President and Chief Economist Leslie Appleton-Young. "Seasonal factors in the non-distressed market also played a role in the softening of the median home price, as prices typically decline in the non-peak home buying season."
- California's housing inventory rose in January, with the Unsold Inventory Index for existing, single-family detached homes increasing to 5.5 months in January, up from 4.1 months in December but down from the 6.8-month supply in January 2011. The index indicates the number of months needed to deplete the supply of homes on the market at the current sales rate.

Read the full story

<http://bit.ly/z4ASZ6>

Feb. 16, 2012



In other news ...



CNNMoney

Home buying : Most affordable in decades

According to the National Association of Home Builders/Wells Fargo Housing Opportunity Index, 75.9 percent of all new and existing homes sold during the fourth quarter 2011 could have been comfortably purchased by families earning the national median income of \$64,200.

Read the full story:

<http://cnnmon.ie/zPe4fq>



The Los Angeles Times

Mortgage reports shine rays of hope for housing

A Mortgage Bankers Association report Thursday said that after seasonal adjustments, 7.58 percent of all residential mortgages were delinquent by at least one payment as of the fourth quarter of 2011. That was down from 7.99 percent in the third quarter of 2011 and 8.25 percent in the fourth quarter of 2010.

Read the full story:

<http://lat.ms/zDfUNM>



The Wall Street Journal

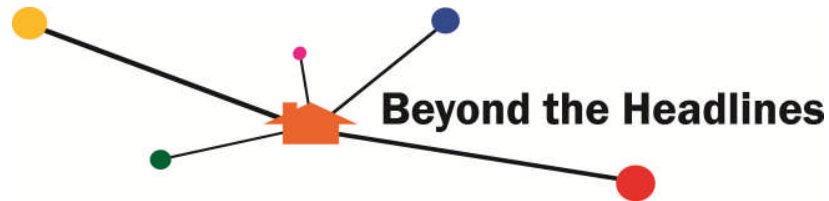
Housing agency's reserves at risk

The Federal Housing Administration will exhaust its reserves over the coming year, according to budget projections released Monday, which would require a Treasury infusion for the first time in its 78-year history.

Read the full story:

<http://on.wsj.com/AIEmCP>

Feb. 16, 2012



The San Diego Union Tribune

How to spot signs of a foreclosure scam

Renters in areas hit hard by foreclosures have been targeted with panic-inducing flyers stating they will be evicted. However, renters living in properties that have been freshly foreclosed upon have rights.

Read the full story

<http://bit.ly/zjKDH1>



The Los Angeles Times

Consumer bureau to unveil monthly mortgage statement prototype

The Consumer Financial Protection Bureau this week will unveil a prototype for a new monthly mortgage statement for consumers designed to clearly show important information from their servicer.

Read the full story

<http://lat.ms/AhYosX>



The New York Times

Loan terms made to order

Customized mortgages aren't new, but industry experts say they are seeing more and more borrowers opt for fixed-rate loans with terms other than the standard 30 or 15 years, especially when it comes to refinancings.

Read the full story

<http://nyti.ms/ztqpJF>



The Los Angeles Times

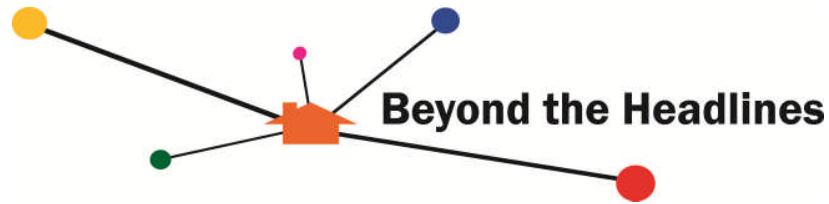
Parts of Obama's mortgage refinancing package will be reality

Though it was pronounced dead before arrival by opponents on Capitol Hill, President Obama's new mortgage refinancing package contained far more than legislative proposals.

Read the full story

<http://lat.ms/xVyu7b>

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What you should know

- Home buying doesn't begin with home searching; it begins with a mortgage pre-approval. Often, first-time home buyers fear getting pre-approved because they're afraid the lender may tell them they do not qualify for a mortgage or they qualify for a loan smaller than expected. However, by getting preapproved, buyers will make a financial decision rather than an emotion one.
- Another mistake first-time home buyers make is not thinking of a house as a long-term commitment. If a buyer may have to switch jobs in a year or two and may have to move for the job, they should think twice about buying a house. Ideally, buyers should picture themselves living in the house for five to seven years.
- Some first-time buyers make the mistake of spending all of their savings on the down payment, closing costs, and coming up with a 20 percent down payment to avoid paying for mortgage insurance. However, most real estate experts advise against this because the borrower will be left with no savings at all for home repairs and other unexpected expenses.