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# Rod Johnston's Market Summary



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## California Market Report

<i>November, 2009</i>	Current Period	Last Period	Last Year	Month-to-Month Change	Year-to-Year Change
Existing Home Sales	530,520	527,120	519,530	0.6%	2.1%
Median Home Price	\$296,090	\$292,960	\$319,310	1.1%	-7.3%
Unsold Inventory Index	4.2 months	4.3 months	6.5 months	-2.3%	-35.4%
Median Days On Market	33.6	34.7	46.2	-3.2%	-27.3%
30-Year Fixed Mortgage	5.06%	5.19%	6.04%	-0.13%	-0.98%

Source for statistics: California Association of Realtors

## California Market Analysis



The big news for November came when a bill was passed extending and expanding the Federal Tax Credit for Home Buyers. The tax credit will be extended through April 30, 2010, with a 60-day extension if a binding contract is in place prior to the deadline. First-time home buyers will continue to receive a tax credit of up to \$8,000. Under this extended program, those who have owned a home for at least five years will also be able to apply for a tax credit of up to \$6,500 when they buy a home before April 30, 2010, with a 60-day extension if a binding contract is in place prior to the deadline. The maximum purchase price to receive the credit will be \$800,000. Vacation homes are not eligible. Income limitations are \$125,000 for a single tax payer and \$225,000 for joint filers. To obtain all of the details on the Federal Housing Tax Credit, go to <http://federalhousingtaxcredit.com>. The National Association of Realtors® reports that, so far, about 1.4 million first-time home buyers have qualified for the program. It estimates that 350,000 of these buyers would not have considered a purchase without the tax credit in place. This extension and expansion should ensure that the housing market continues to improve in 2010, as long as interest rates remain low, as predicted. Currently, the inventory in California for homes under \$500,000 is lower than the demand. Many insiders predict that there will be a new influx of foreclosure inventory that will be released in early 2010. This could create an even better market than expected in California in 2010.

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