

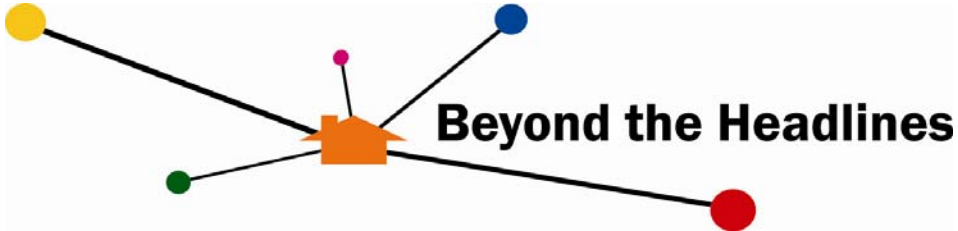
### **Don't miss the third annual Southern California Home Buyer's Fair**

Thousands of potential home buyers are expected to converge the weekend of March 13 and March 14 at the Los Angeles Convention Center for the FREE third annual Southern California Home Buyer's Fair. The event is sponsored by the CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.) and the *Los Angeles Times*.

The Southern California Home Buyer's Fair, open 10 a.m. to 5 p.m., Saturday, March 13, and 11 a.m. to 4 p.m., Sunday, March 14, features more than [50 educational "how-to" seminars](#) designed to help home buyers navigate today's real estate market with confidence and peace of mind. Seminar topics range from understanding home prices and monitoring and fixing credit to applying for a mortgage and the importance of the home inspection. Several of the sessions also will be offered in Spanish.

The event is free to the public. In addition, the first 200 attendees each day will receive a free movie ticket (one ticket per person).

C.A.R. also has created a [consumer fact sheet](#) about the event. Please visit <http://www.homebuyersfair.com/> for more information.



The Wall Street Journal

### **California's home inventory shrinks to 5-year low**

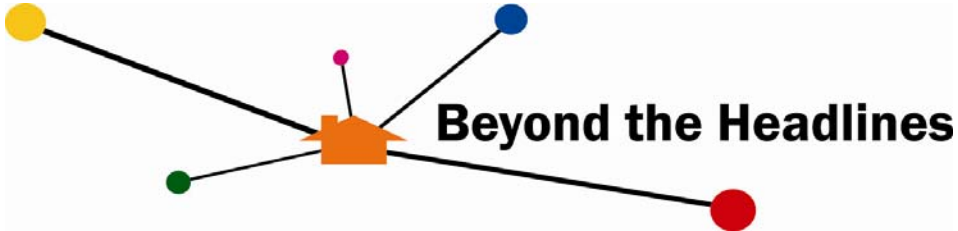
California's Unsold Inventory Index (UII), a closely watched index indicating the number of months needed to deplete the supply of homes on the market at the current sales rate, declined to 3.8 months in December, the lowest level in five years, according to the CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). By comparison, the UII for existing, single-family homes stood at 5.6 months in December 2008.

#### **KEEP THIS IN MIND**

- Some economists believe that California's housing inventory is artificially low because many discretionary sellers—homeowners who do not have to sell their homes—are waiting on the sidelines until home prices rise. Others believe there are more foreclosures to come, as unemployment in the state continues to rise. However, C.A.R. predicts that foreclosures will remain flat in 2010 compared with 2009, as lenders are listing properties for sale at a more metered pace.
- California's housing market has shown signs of stabilization since early last year. Sales of existing, single-family homes bottomed out in August 2007, and the median home price reached its trough in February 2009.
- In December, the median price of an existing, single-family home rose to \$306,820, an 8.4 percent rise year-over-year, the second consecutive year-over-year increase, and the 10<sup>th</sup> straight month-over-month increase, according to C.A.R.'s December sales and price report.
- With affordability near-historic highs, low interest rates, and home buyer tax credits, many properties in California are receiving multiple offers and sparking bidding wars. Home buyers who find themselves in bidding wars should work closely with their REALTOR® to ensure they are crafting realistic offers that are more likely to be accepted by the seller.

To read the full story, please click here:

[http://online.wsj.com/article/SB10001424052748703822404575019302869755306.html?mod=WSJ\\_Real+Estimate\\_LeftTopNews](http://online.wsj.com/article/SB10001424052748703822404575019302869755306.html?mod=WSJ_Real+Estimate_LeftTopNews)



## In Other News...



CNN Money

### **Get help—before you fall behind on your FHA mortgage**

On Friday, the Federal Housing Administration announced that it will assist borrowers before they become delinquent.

To read the full story, please click here:

[http://money.cnn.com/2010/01/22/real\\_estate/easier\\_FHA\\_help/index.htm](http://money.cnn.com/2010/01/22/real_estate/easier_FHA_help/index.htm)



The Mercury News

### **Home sizes fall as builders, buyers embrace economic reality**

New-home buyers responded to the tough times in 2009 by opting for smaller houses, driving down the average size of a house built in the United States for the first time in 27 years.

To read the full story, please click here:

[http://www.mercurynews.com/real-estate-news/ci\\_14250441](http://www.mercurynews.com/real-estate-news/ci_14250441)



Bloomberg

### **Reviving down-payment-assistance programs faces FHA opposition**

The U.S. Federal Housing Administration, facing as much as \$14 billion in losses from a down-payment-assistance program terminated in 2008, is seeking to block efforts to bring it back.

To read the full story, please click here:

<http://www.bloomberg.com/apps/news?pid=20603037&sid=aSdFfczhmMmc>



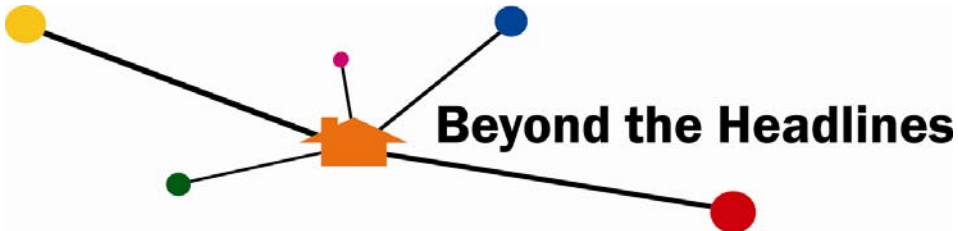
The Washington Post

### **Stakes are high as government plans exit from mortgage markets**

The wind-down of federal support for mortgage rates, set to end in two months, is a momentous test of whether the Obama administration and the Federal Reserve have succeeded in jump-starting the housing market and ensuring it can hold its own.

To read the full story, please click here:

<http://www.washingtonpost.com/wp-dyn/content/article/2010/01/24/AR2010012402996.html?hpid=topnews>



The Wall Street Journal

#### **No plans for mortgage-principal reductions**

Despite increasing pressure to take more aggressive steps to keep troubled borrowers in their homes, the Obama administration said last week that it had no immediate plans to alter its foreclosure-prevention program by increasing its reliance on reducing loan balances.

To read the full story, please click here:

[http://online.wsj.com/article/SB10001424052748704320104575015803602043976.html?mod=WSJ\\_Real+Estate\\_LeftTopNews](http://online.wsj.com/article/SB10001424052748704320104575015803602043976.html?mod=WSJ_Real+Estate_LeftTopNews)



San Francisco Chronicle

#### **Home prices rise for 6<sup>th</sup> straight month in Nov.**

Home prices rose for the sixth straight month in November with 14 of 20 metro areas posting improvements from the month before.

To read the full story, please click here:

<http://www.sfgate.com/cgi-bin/article.cgi?f=/n/a/2010/01/26/financial/f060126S11.DTL>



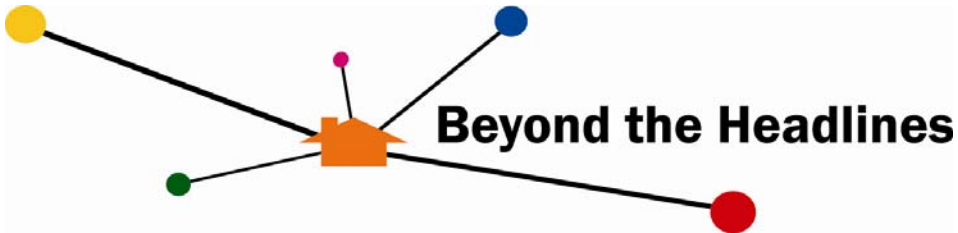
Los Angeles Times

#### **New home sales fall 7.6 pct in December**

New home sales unexpectedly fell 7.6 percent last month, capping the industry's weakest year on record.

To read the full story, please click here:

<http://www.latimes.com/business/la-fiw-new-home-sales28-2010jan28.0,876214.story>



### What you should know about the market...

- Mortgage rates in 2010 are expected to rise from 2009's historically low levels. Early last year, the Federal Reserve announced plans to purchase debt and mortgage-backed securities from Fannie Mae and Freddie Mac to lower interest rates for consumers and spur homebuying. As a result, rates on 30-year, fixed mortgages fell to historic lows. However, the Fed's asset purchase program is scheduled to expire at the end of the first quarter of 2010, and a lack of private demand for mortgage-backed securities could lead to a rise in rates.
- The once popular "no down payment" loans which meant borrowers were not required to put down any money on a house to secure a mortgage, now are practically non-existent. Instead, most lenders require borrowers to put down at least 10 percent, if not more, to secure a loan. Down payments not only help protect the lender, they also are beneficial to buyers. For example, the higher the down payment, the lower the loan amount and the lower the monthly payment.