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Entry-level housing affordability stood at 66 percent in Q1 2010

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C.A.R. reports entry-level housing affordability at 66 percent in the first quarter of 2010

Quick Facts:

- C.A.R. First-time Buyer Housing Affordability Index stood at 66 percent in the first quarter of 2010 compared with 69 percent in the first quarter of 2009
- The median price of an entry-level home in California was \$246,270 in the first quarter of 2010
- The estimated monthly payment including taxes and insurance was \$1,380 in the first quarter of 2010
- The minimum household income needed to purchase an entry-level home in California in the first quarter of 2010 was \$41,540.

LOS ANGELES (May 13) -- The percentage of households that could afford to buy an entry-level home in California stood at 66 percent in the first quarter of 2010, compared with 69 percent for the same period a year ago, according to a report released today by the [CALIFORNIA ASSOCIATION OF REALTORS®\(C.A.R.\)](#).

C.A.R.'s [First-time Buyer Housing Affordability Index\(FTB-HAI\)](#) measures the percentage of households that can afford to purchase an entry-level home in California. C.A.R. also reports first-time buyer indexes for regions and select counties within the state. The Index is the most fundamental measure of housing well-being for first-time buyers in the state.

The minimum household income needed to purchase an entry-level home at \$246,270 in California in the first quarter of 2010 was \$41,540, based on an adjustable effective interest rate of 4.33 percent and assuming a 10 percent down payment. First-time buyers typically purchase a home equal to 85 percent of the prevailing median price. The monthly payment including taxes and insurance was \$1,380 for the fourth quarter of 2010. At \$41,540, the minimum qualifying income was \$3,910 greater than a year earlier when households needed \$37,630 to qualify for a loan on an entry-level home.

At 84 percent, the HighDesert region was the most affordable area in the state. The San Luis ObispoCounty region was the least affordable in the state at 52 percent, followed by the San FranciscoBay region at 53 percent.

Leading the way...® in California real estate for more than 100 years, the CALIFORNIA ASSOCIATION OF REALTORS® (www.car.org) is one of the largest state trade organizations in the United States with more than 155,000 members dedicated to the advancement of professionalism in real estate. C.A.R. is headquartered in Los Angeles.

C.A.R. First-time Buyer Housing Affordability Index

C.A.R. Region	Q1 2010	Q4 2009		Q1 2009
California	66	64		69
California – Condos	70	68		72
United States	79	78	r	77
High Desert	84	84		83
Los Angeles	56	53		57
Monterey Region	67	65		71
Northern California	67	65		63
Northern Wine Country	60	58		60
Orange County	54	53		56
Palm Springs/Lower Desert	73	74		75
Riverside/San Bernardino	78	78		77
Sacramento County	80	79		80
San Diego County	58	57		60
San Francisco Bay	53	50		62
San Luis Obispo County	52	48		49
Santa Barbara area	56	50		64
Santa Clara County	55	52		62
Southern California	65	63		68
Ventura County	60	59		65
COUNTY				
Alameda	54	52		62
Contra Costa	46	44		50
Fresno	77	77		77
Marin	41	40		41
Merced	85	84		84
Riverside	77	78		77
San Bernardino	81	81		79
San Francisco	37	35		39
San Mateo	42	41		51
Santa Cruz	45	43		53
Sonoma	62	59		63

* -- percentage of California households that can afford to purchase an entry-level home

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Source: CALIFORNIA ASSOCIATION OF REALTORS®

C.A.R. Region	Housing Affordability Index	Entry-Level Price	Monthly Payment Including Taxes & Insurance	Minimum Qualifying Income
California	66	\$246,270	\$1,380	\$41,540
California - Condos	70	\$220,720	\$1,240	\$37,230
United States	79	\$141,190	\$790	\$23,810
High Desert	84	\$104,810	\$590	\$17,680
Los Angeles County	56	\$281,700	\$1,580	\$47,510
Monterey Region	67	\$254,140	\$1,430	\$42,860
Northern California	67	\$211,640	\$1,190	\$35,700
Northern Wine Country	60	\$297,970	\$1,680	\$50,260
Orange County	54	\$413,680	\$2,330	\$69,770
Palm Sprgs/Lwr Desert	73	\$154,530	\$870	\$26,060
Riverside/SBernardino	78	\$153,390	\$860	\$25,870
Sacramento County	80	\$152,520	\$860	\$25,720
San Diego County	58	\$322,120	\$1,810	\$54,330
San Francisco Bay	53	\$440,440	\$2,480	\$74,290
San Luis Obispo County	52	\$310,110	\$1,740	\$52,300
Santa Barbara Area	56	\$319,760	\$1,800	\$53,930
Santa Clara County	55	\$476,000	\$2,680	\$80,280
Southern California	65	\$252,910	\$1,420	\$42,660
Ventura County	60	\$373,960	\$2,100	\$63,070
County				
Alameda	54	\$389,010	\$2,190	\$65,610
Contra Costa	46	\$512,390	\$2,880	\$86,420
Fresno	77	\$127,580	\$720	\$21,520
Marin	41	\$655,860	\$3,690	\$110,620
Merced	85	\$88,310	\$500	\$14,890
Riverside	77	\$161,190	\$910	\$27,190
San Bernardino	81	\$131,250	\$740	\$22,140
San Francisco	37	\$574,790	\$3,230	\$96,950
San Mateo	42	\$597,550	\$3,360	\$100,780
Santa Cruz	45	\$437,750	\$2,460	\$73,830
Sonoma	62	\$306,290	\$1,720	\$51,660

Source: CALIFORNIA ASSOCIATION OF REALTORS®