



beyond the headlines



This is the best day to list your home for sale

Source: CNBC

For homesellers, even in a market with next to nothing for sale, timing is everything. Listing your home on a certain day — and even a certain time of day — may make it sell faster and for more money.

Making sense of the story:

- Thursday is the most popular day for agents to debut new listings, and homes listed on that day apparently sell fastest, according to Redfin, a real estate brokerage.
- Redfin analysts based their findings on a sample of 100,000 homes that sold in 2017. It used Sunday, the worst day to list, as a baseline and then calculated the relative advantages for every other day.
- Homes listed on Thursday sold an average of five days faster than homes listed on Sunday.
- Redfin also found homes listed Thursday were more likely to sell within 90 to 180 days.
- The theory is that most people tour listings over the weekend, and they begin planning their weekends on Thursday. Redfin found that a home gets five times more views on the first day it is listed than on subsequent days. This is likely because most online real estate sites offer alerts of new listings to potential buyers.
- While listing the home later in the weekend can create more urgency, listing it slightly early, on Wednesday, could actually get you more money. Homes listed on Wednesday had a \$2,023 advantage in sale price over homes listed on Sunday, according to Redfin, although analysts there could find no clear reason as to why.

Read the full story:

<https://www.cnbc.com/2018/05/10/this-is-the-best-day--and-time--to-list-your-home-for-sale.html>

In other news...

Proposed California solar mandate could add \$10,500 to cost of a house

Source: The San Francisco Chronicle

California may soon become the first state in the nation to require that virtually every new home be equipped with solar panels.

The California Energy Commission is expected to mandate solar arrays on almost all new single-family houses built after Jan. 1, 2020, as part of the state's fight against global warming. The rule also would apply to new multifamily buildings up to three stories tall.

The proposal, years in the making, would provide an immense boost to the state's solar industry, which lost jobs in 2017 after years of rapid growth. It would also move California closer to a long-held goal of creating "zero net-energy" buildings, which generate as much electricity as they use over the course of a year.

But the solar requirement would come at a cost.

Together with tough new efficiency standards for windows and insulation that the commission will consider Wednesday, the solar mandate could add \$10,538 to the cost of building a house, by the agency's own estimate. The extra expense would hit at a time when California is suffering a severe and deepening housing affordability crisis.

Full story: <https://www.sfchronicle.com/business/article/Solar-panels-on-homes-soon-could-be-required-in-12894398.php>

How California's candidates for governor want to fix the state's housing problems

Source: The Los Angeles Times

California's gubernatorial hopefuls have a similar answer to the state's housing crisis: Build a lot more homes.

Five of the six major candidates argue that the only way for California to become a more affordable place to live is for developers to build at rates not seen in at least three decades. And the sixth wants the state to subsidize an unprecedented number of new homes for low-income residents.

While all the candidates agree on increasing California's housing supply, they have varying ideas for how to do it. Here's a rundown of their plans to address housing and homelessness as well as some of the challenges they might face.

Full story: <http://www.latimes.com/politics/la-pol-ca-governor-housing-roundup-20180510-htmstory.html>

Mortgage delinquency keeps falling, drops for 19th straight quarter

Source: Housing Wire

The mortgage market performed well in the first quarter of 2018, seeing the 19th consecutive decrease in annual mortgage delinquencies, according to the Q1 2018 Industry Insights Report from TransUnion.

The serious mortgage delinquency rate, or those at least 60 days or more past due, decreased to 1.74 percent in the first quarter. This is down from 2.07 percent in the first quarter of 2017, marking the 19th straight annual drop since the third quarter of 2013.

While mortgage delinquencies dropped for all generational groups, one generation stands above the rest as having a higher serious delinquency rate. Gen Xers.

Gen Xers, or those born from 1965 to 1979 had a serious delinquency rate of 2.16 percent in the first quarter. It may be a higher delinquency rate than other generations, but it is still down 16.6 percent from last year.

The generation with the next highest delinquency rate was the Silent Generation, or those born up until 1945, whose delinquency rate fell 8.9 percent annually to 1.74 percent; followed by Baby Boomers, or those born from 1946 to 1964, who fell 16 percent to 1.52 percent; Millennials, those born from 1980 to 1994, who fell 14.5 percent to 1.41 percent and Gen Z, or those born from 1995 on, who fell 3.2 percent to 1.2 percent.

Full story: <https://www.housingwire.com/articles/43318-mortgage-delinquency-keeps-falling-drops-for-19th-straight-quarter>

Fannie: Housing Confidence Hits Record High

Source: Realtor Mag

Optimism for selling a home has helped propel a housing confidence index by Fannie Mae to an all-time high last month. Fannie Mae's Home Purchase Sentiment Index rose 3.4 points in April to a record 91.7. Last month's survey posted increases in five of six components that set out to measure Americans' perceptions of the housing market. Consumers were also upbeat about home prices, job security, and their own personal finances.

"The latest HPSI reading edged up to a new survey high, showing that consumer attitudes remain resilient going into the spring/summer buying season," says Doug Duncan, Fannie Mae's chief economist. "High home prices and good economic conditions helped push the share of Americans who think it's a good time to sell to a fresh record high. However, the upward trend in the good-time-to-sell share seen since last spring has done little to release more for-sale inventory. The tightest supply in decades, combined with rising mortgage rates from historically low levels, will likely remain a hurdle for mobility and a persistent headwind for home sales."

A separate survey released Monday by the polling firm Gallup showed that the majority of U.S. adults—64 percent—continue to believe home prices in their local area will increase over the next year, the highest percentage since before the housing market crisis and the Great Recession in the mid-2000s.

Full story: <http://realtormag.realtor.org/daily-news/2018/05/08/fannie-housing-confidence-hits-record-high>

Millennials fare the worst in Bay Area housing crunch, study shows

Source: *The Mercury News*

Millennials, ages 20 to 36, are the largest prospective home buying generation, but 98 percent of those hoping to become home owners in the next year have encountered obstacles that derailed those plans — and the most commonly reported hurdle was rising prices, according to the survey conducted by The Harris Poll on behalf of Trulia. Of those hoping to buy a home at some point, 90 percent of millennials reported having to put their plans on hold, compared to 77 percent of Gen Xers and 61 percent of baby boomers.

In San Jose, starter homes — defined as homes priced in the bottom third of the market — listed at a median price of \$692,296 in the first quarter of this year, up 12 percent from a year ago, according to Trulia.

That means buyers Trulia thinks are most likely to want a starter home would need to spend 104 percent of their income to afford a 20 percent down payment, monthly mortgage payments, property taxes and home insurance. That's based on an income of \$39,786 in San Jose. Trulia got that number by finding the median income of homeowners within the lowest income bracket, after dividing homeowners into three income brackets.

Full story: <https://www.mercurynews.com/2018/05/09/millennial-home-buyers-forced-to-settle-in-order-to-settle-down/>

What you should know

- Total mortgage application volume fell 0.4 percent for the week, according to the Mortgage Bankers Association's seasonally adjusted report. Volume was 6 percent lower than a year ago.
- Refinancing applications fell 1 percent for the week and were 18 percent lower than a year ago, when interest rates were considerably lower.
- The average contract interest rate for 30-year fixed-rate mortgages with conforming loan balances (\$453,100 or less) decreased to 4.78 percent from 4.80 percent, with points decreasing to 0.50 from 0.53 (including the origination fee) for 80 percent loan-to-value ratio loans.