Yelp CEO calls on Google, Facebook to help housing crisis
Source: The San Francisco Chronicle

Days after a controversial state bill to allow more housing near public transit was stopped dead in its tracks, one of its biggest supporters — Yelp CEO Jeremy Stoppelman — called on other tech leaders to pressure their local governments to expand housing near their campuses.

Google and Facebook have started to engage locally, Stoppelman said, and he’s surprised that “more tech leaders weren’t paying attention to this problem as it was developing.”

Stoppelman spoke alongside the bill’s author, state Sen. Scott Wiener, D-San Francisco, and other backers at C.A.R.’s Center for California Real Estate recent event at Yelp headquarters.

Asked how his San Francisco local-reviews company is helping employees find housing, Stoppelman replied, “You end up paying (them) more. That’s the most straightforward solution.”

Wiener’s bill, SB827, would have stopped cities from using planning, zoning and other barriers to block certain high-density housing projects up to five stories near public-transit
Who are today’s homebuyers?
Source: Housing Wire

New demographics have emerged as the leaders in the home buying market in 2018, according to a new report from Veritas Urbis Economics.

Making sense of the story

- The first point the report observed was that women are taking a higher market share when it comes to buying homes. The share of homebuyers comprised of women increased to 46.4 percent in 2017. Compared to just a generation ago, in 1981, women made up only 18.9 percent of the market share.
- A rising share of these women are also single. The share of single women homebuyers reached an all-time high of 18.9 percent in 2017, compared to last generation when this stops.

Contrary to what critics contended, the bill would not have “wiped away all local control,” Wiener said. Cities could still impose their own approval process, design standards, affordable-housing requirements and demolition controls.

Many business, real estate and housing groups supported the bill. But it faced stiff opposition from cities that didn’t want to give up any local control, neighborhood groups afraid of overcrowding and some affordable-housing advocates who thought it would displace low-income residents.

Read the full story

Help us discover the next Rising Star! The Rising Star Awards highlight elite, new talent entering the industry. Nominations are now being accepted through May 15. Click here for full requirements and application.

Rent control measure on its way to California ballot
Source: The Sacramento Bee

California voters this year will likely decide whether cities across the state should have more power to enact stronger rent control.

Rent control proponents behind a proposed November ballot initiative that would allow cities and counties to pass strong rent control laws say they now have enough signatures to qualify the measure.

The initiative seeks to repeal a 1995 state law called the Costa-Hawkins Rental Housing Act. If repealed, cities and counties would be able to strengthen existing rent control...
demographic made up just 9.1 percent of homebuyers in 1981.

- The second category to increase is households over the age of 55, which increased to 27.8 percent in 2017, compared to 16.1 percent in 1981.
- But even as the share of homebuyers among older generations increases, the share of homebuyers that are under 35 hit an all-time low, falling to 33.7 percent in 2017. Back in 1981, this demographic sat at an all-time high of 52 percent.
- Having children may be becoming less of an incentive to buy a home. The share of homebuyers with children fell to an all-time low of 40.7 percent in 2017, down from 51.4 percent in 1981.
- The share of homebuyers made up of single-person households increased to 21.2 percent in 2017, up from 15.3 percent in 1981.

Read the full story

Why, Where Buyers Get Denied Mortgages
Source: Realtor Mag

Nearly one in 10 borrowers get denied a mortgage, according to a new analysis by LendingTree, based on a review of 10 million mortgage applications.

The company found that the top reasons home shoppers face this rejection is poor credit history and credit score, too high a debt-to-income ratio, too low an appraisal, and an incomplete application.

Credit history and debt-to-income ratios are the chief barriers for denial, accounting for 26 percent each of denied loans. The debt barrier is biggest issue for policies, or pass new laws that go further than what's currently allowed.

At present, laws in jurisdictions with rent control are prevented from covering large amounts of housing, including single-family homes, condos and duplexes. All units built after 1995 also are exempt.

Read the full story

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Millennial homeownership suddenly drops after a good run
Source: CNBC

Homeownership was crawling slowly back from its record low two years ago, but it just stalled, and the youngest homebuyers are behind that.

Millennials had been driving the nation's overall homeownership rate, showing the biggest gains throughout 2017, but they dropped back in the first quarter of this year.

Millennial homeownership fell from a three-year high of 36 percent in the fourth quarter of last year back to 35.3 percent in the first quarter of this year, according to the U.S. Census.

Meanwhile, the homeownership rate for Americans aged 35 to 64 rose.

That caused the overall homeownership rate to stall at 64.2 percent, unchanged from the last quarter, after rising steadily from 63.6 percent one year ago. Homeownership fell to a 50-
borrowers living in California, according to the analysis. Three California cities—Los Angeles, San Francisco, and San Jose—had the highest share of borrowers who were denied a mortgage because of their debt-to-income ratio. On the other hand, credit histories are proving the biggest obstacle in Louisville, Ky.; Memphis, Tenn.; and Philadelphia.

Read the full story

**TALKING POINTS**

- Total mortgage application volume fell 0.2 percent for the week and was 0.8 percent lower than a year ago, according to the Mortgage Bankers Association’s seasonally adjusted survey.
- Applications to refinance a home loan fell 0.3 percent last week and were 16 percent lower than a year ago.
- The refinance share of applications fell to 37.2 percent of all applications, the lowest level since September 2008.

Nightmare 90-minute ‘super commutes’ more common as Bay Area housing shortage intensifies

Source: Housing Wire

The Stockton region now leads the nation in its share of commuters who spend 90 minutes or more getting to work, according to a study released Wednesday by Apartment List.

Ten percent of the region’s commuters made the grueling “super commute” in 2016 — up from 7 percent in 2005, according to the study.

Across the Bay Area, workers are spending more time sitting in bumper-to-bumper traffic or squeezed into crowded trains and buses — further evidence of the intensifying struggle to balance a well-paying job with an affordable place to live.

Modesto, another de facto Silicon Valley bedroom community, ranked second in the country, with 7 percent of commuters qualifying as super commuters, according to the study, which analyzed the nation’s 100 largest metro areas.

The San Francisco metro area, including the East Bay, ranked sixth on the list with nearly 5 percent of commuters enduring super commutes — and that share has more than...
doubled since 2005. The San Jose area, which ranked 23rd, almost doubled its share of super commuters in 2016, with about 3 percent of commuters traveling 90 minutes or more one way. Riverside, New York and Bridgeport, Connecticut also ranked in the top five.

Read the full story

Registration is Open for the Mid-Year Lunch! CEO Joel Singer will confront homeownership, affordability, and equal housing opportunities on a micro and macro level and the challenges of what’s to come. Register now!
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