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CALIFORNIA ASSOCIATION OF REALTORS®

More Californians can afford a home, as housing affordability hits a 4-year high in Q1 2026

Source: ***KTVU***

New figures from the CALIFORNIA ASSOCIATION OF REALTORS® show that an increasing number of people have been able to afford a home in California, thanks to factors including declining interest rates and falling home prices. In the first quarter of 2026, 22 percent of the state's homebuyers could afford a median-priced, existing single-family home in California. That's up from 19 percent the same period a year ago, and it's up one percent from the prior quarter.

According to C.A.R.'s Traditional Housing Affordability Index, homeowners in California needed a minimum annual income of $204,800 to make the monthly payments of $5,120. That figure included principal, interest, and taxes on a 30-year fixed-rate mortgage at a 6.24 percent interest rate. Statewide, the price for a detached, existing single-family home in California fell for the third consecutive quarter to $843,390 in Q1 of this year, down 3 percent compared to the previous quarter.

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Weekly U.S. jobless claims fall to 189,000, lowest in 50 years

Source: *PBS News*
The number of Americans filing for unemployment benefits tumbled to its lowest level in more than 50 years last week despite a number of economic headwinds including the war in Iran.

U.S. jobless aid applications for the week ending April 25 fell by 26,000 to 189,000, down from the previous week's 215,000, the Labor Department reported Thursday. That's well below the 214,000 new applications analysts surveyed by the data firm FactSet were expecting. More government data released last week showed that the U.S. economy expanded at a modest 2 percent pace from January through March. That's up from a lackluster 0.5 percent expansion in the last three months of 2025, hampered by the 43-day government shutdown. The Labor Department reported earlier this month that U.S. employers added an unexpectedly strong 178,000 new jobs in March, nudging the unemployment rate back down to 4.3 percent, following a surprisingly large loss of 92,000 jobs in February. Revisions have also trimmed 69,000 jobs from December and January payrolls, a sign that the labor market remains under strain.

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U.S. Senate confirms Kevin Warsh as Federal Reserve chair, replacing Jerome Powell

Source: *The Guardian*
The U.S. Senate confirmed Kevin Warsh as chair of the Federal Reserve, one of the most powerful roles in the federal government that holds enormous sway over the economy. Warsh was confirmed for a four-year term as chair and a 14-year appointment on the Fed's rate-setting board.

Warsh will officially step into the role on May 14 when the term of outgoing Fed Chair Jerome Powell ends. He is taking over leadership of the Fed at a time when the central bank faces immense pressure from the Trump administration to lower rates, even as inflation climbs and war in the Middle East continues. The Fed sets interest rates, which determines the cost of borrowing money. Higher interest rates typically cool spending and prices, at the risk of higher unemployment. Lower interest rates can boost the economy but also raise prices.

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U.S. homes now take 9 days longer to sell than a year ago; but not in California

Source: *MPA Mag*
Homes across the country are now sitting on the market for a median of 66 days in 2026. That's nine days longer than the 57-day median recorded last year, according to new research from Best Interest Financial and Clever Real Estate. The findings, drawn from data across the 100 most populous U.S. metros, paint a picture of a market that is, in

the words of analysts, deeply divided, with the gap between the fastest- and slowest-selling cities wider than it has ever been.

At one extreme, homes in San Jose, California, sell in a median of just 12 days, followed by San Francisco at 14 days. San Diego homes sell in a median of 35 days. At the other extreme, Austin, Texas leads the slowest markets at 110 days, trailed by San Antonio at 109 days. However, California's Bay Area defies broader trends, driven by extreme housing scarcity and concentrated technology wealth.

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Calif. opens applications for ReCoverCA funding to repair or rebuild storm-damaged homes

Source: ***Calif. Dept. of Housing and Community Development***
The Calif. Dept. of Housing and Community Development (HCD) just announced the launch of a new round of funding available for homeowners and landlords to repair or rebuild homes damaged during severe storms between February through July of 2023 and during January 2024.

Homeowners are urged to apply as soon as possible, as funding is limited. The current round of ReCoverCA funding will cover eligible homes in Monterey, San Benito, Santa Cruz, Tulare, Tuolumne and San

Diego Counties, and the Hoopa Valley Indian Reservation. To apply, go to hcd.ca.gov/funding/recoverca.

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The childcare-housing double-whammy: homebuyers choosing between daycare and mortgages

Source: *Realtor.com*
About ten years ago, Senior Economist Elise Gould of the Economic Policy Institute (EPI) noticed a troubling shift in data: "All of a sudden, childcare became more expensive than housing in a number of counties across the country. It really surprised us." Today, her research shows that infant care costs more than in-state college tuition in 29 states and the District of Columbia. That pressure is hitting the housing market.

The federal government defines childcare as affordable if it costs 7 percent or less of a family's income. California ranks fourth most expensive for infant care, which typically costs 18.4 percent of the median family's income. First-time homebuyers are getting squeezed. In California, infant costs combined with the typical mortgage together consume more than 71 percent of the typical family's income.

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Mortgage rates move to highest level in 5 weeks, but homebuyers shake it off

Source: *CNBC*
Homebuyers appear to be getting used to the new normal of higher mortgage rates, even the highest in over a month. Buyer demand for mortgages helped to push total mortgage application volume up 1.7 percent last week compared with the previous week, according to the Mortgage Bankers Association's seasonally adjusted index.

The average contract interest rate on the 30-year fixed-rate mortgage with conforming loan balances ($832,750 or less) increased to 6.46 percent from 6.45 percent, with points decreasing to 0.63 from 0.66, including the origination fee, for loans with a 20 percent down payment. Applications for a mortgage to purchase a home rose 4 percent for the week and were 7 percent higher than the same week one year ago. Buyer demand stalled at the beginning of the spring housing market, which coincided with the start of the war with Iran. Applications to refinance a home fell 1 percent for the week and were 28 percent higher than the same week one year ago. Mortgage rates moved sharply higher to start this week in reaction to less optimistic news about the Iran war as well as a hotter-than-expected monthly report on consumer prices and inflation. So far, the average rate on the 30-year has moved 14 basis points higher, according to *Mortgage News Daily*.

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