

For Immediate Release

June 18, 2008

Contact: Alison Martinsen

Phone: 408.445.5080

Fax: 408.445.7767

alison@sccaor.com

www.sccaor.com

Local Housing Market Shows Significant Signs of Improvement

San Jose, Calif. – As housing experts predict that April 2008 marked the bottom of the national market, our local market is also showing strong signs of improvement.

Housing affordability has increased considerably for Santa Clara County residents, a precursor of a buyer's market turning into a seller's market. The Buyer Housing Affordability Index for the county shot from 24 in the fourth quarter of 2007 to a very healthy 31 in the first quarter of 2008, according to the California Association of REALTORS®.

The improvement is being seen in most areas of the county, as evidenced by the percentage of homes placed under contract. While the "hot" areas remain "hot", areas that have suffered high inventory for a long time are continuing to rebound. South County, Alum Rock and Fairgrounds/Seven Trees all showed a 3 percent growth from March to April. As a result of the continuous improvement, the percentage of homes under contract jumped from 5.6 percent six months ago to 17.2 percent in April.

At the same time, days of inventory shrank in the county, from 366 days in January to 285 days in April. We have 156 days of inventory if the current pace of sales continues. Our average days on the market, countywide, stood at 49, down from 60 in January.

"We are not out of the woods yet," SCCAOR President Dave Walsh said. "But we as an industry are definitely moving in the right direction and the housing market is definitely showing signs of life and health."

Real estate has historically been, and continues to be one of the safest long-term investments. In Santa Clara County, where the job market remains strong, now is the time for buyers to make their move.

For more information, visit www.sccaor.com.

About the Santa Clara County Association of REALTORS®

SCCAOR, established in 1896, is California's oldest and Northern California's largest real estate association. We represent about 10,000 REALTORS® and affiliate members. SCCAOR exists to meet

the business, professional and political needs of its members and to promote, protect homeownership and private property rights.

###