



*SCCAOR exists to meet the business, professional and political needs of its members and to promote and protect ownership and private property rights.*

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**For Immediate Release**

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**Santa Clara County First-Time Buyer Housing Affordability at Decade High in Q2 2011**

SAN JOSE, Calif., August 16, 2011 – Housing affordability for first-time homebuyers in Santa Clara County stood at 59 percent in the second quarter of 2011 – one of the highest levels since 2000 – according to the California Association of REALTORS®.

That means 59 percent of Santa Clara County residents could afford to buy a home priced at the entry-level price of \$518,500, which is 85 percent of the prevailing local median price. First-time buyers typically purchase a home equal to 85 percent of the median price.

The minimum household income needed to purchase such a home in the second quarter was \$77,180, assuming a 10 percent down payment and one-year adjustable interest rates as published in Freddie Mac's Primary Mortgage Market Survey. The monthly payment, including taxes and insurance, would be \$2,570.

The affordability percentage dropped from the 62 percent of the previous quarter – and the highest point in the past 11 years – as result of a seasonal increase in home prices. The lowest, at 25 percent, appeared in the second and third quarters of 2007.

“There are two opportunities in today’s market – the opportunity for first-time homeowners, many of whom were priced out of the market in the past, and the opportunity for investors,” said Mike Sibilía, president of the Santa Clara County Association of REALTORS®. “Prices are affordable and interest rates are incredibly low – this might be the opportunity of a lifetime for many buyers.”

SCCAOR President Mike Sibilía can be reached for comments at [msibilia@kwsv.net](mailto:msibilia@kwsv.net) or 408.540.1711.

**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 7,000 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.

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