



**Nearly 1/3 of major U.S. housing markets see falling home prices**

**Source: CNBC**

Overinflated home prices, high mortgage rates, rising supply and falling demand are all joining forces to cool the nation's housing market. Annual home price growth in June was just 1.3%, down from 1.6% growth in May and the slowest rate in two years, according to ICE, a mortgage technology firm. Nearly one-third of the largest 100 markets are now showing annual price declines of at least a full percentage point from recent highs, and the trend suggests more markets will do the same. Single-family home prices were up 1.6%, while condominium prices were down 1.4% nationally.

Inventory has been rising steadily over the past year, up 29% in June compared with the same month last year. The gains, however, began slowing this past spring. The average rate on the 30-year fixed mortgage has hovered in the high 6% range for most of this year, double what it was during the early days of the pandemic, when home prices initially took off. "There are two competing forces in the housing market right now," said Andy Walden, head of mortgage and housing market research at ICE.

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**LA fire survivor told State Farm's \$900k check on hold**

**Source: *Cal Matters***

Amelia McDonald couldn't believe her ears. She had been navigating what she calls "a horrible experience" trying to get her claims paid by State Farm after the Eaton Fire burned down her Altadena home and ranch in January. She, along with her father, daughter and the goats that survived the fire, have been displaced since then. Now a \$876,354.07 check the insurer wrote her wouldn't clear.

McDonald called the check-hold department of her bank, Chase, Tuesday, asking why the funds from the check she deposited on June 30 were not available more than a week later. She said someone there told her it was because State Farm — the state's largest property insurer — had insufficient funds. In fact, he told her, the account had a negative balance. She called the same department today and reached someone who told her he expected the check to finally clear July 10. (Update: The check, which was also from a Chase bank account, cleared July 10.) But she pressed for details about the reason for the delay and asked to speak with a manager, who told her that the funds have been on hold because the bank wasn't sure the check would clear.

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**The post-CEQA battleground is taking shape**

**Source: *Politico***

**What's in a benefit: California is slashing renewable energy permitting in**

the name of abundance — and it's also reshaping the playing fields where developers and communities hammer out what those energy projects look like. Nowhere is that more apparent than in the behind-the-scenes battle unfolding around AB 1156, a proposal from one of the Legislature's main architects of the permit-streamlining push, Assemblymember Buffy Wicks. It's aimed at making it easier to build solar projects on certain parcels of farmland by shortening the process to switch the zoning over.

The idea seems elegant: Both solar developers and farmers desperate for new income streams after running out of water say cutting red tape is essential to a more climate-resilient future, one in which California meets its twin goals of curbing groundwater depletion and phasing out fossil fuels from its grid. But the bill, a previous version of which stalled last year, is also at the front lines of a much larger reckoning over the future of who gets to shape development in California as state lawmakers weaken the frameworks that once structured negotiations. Consider another Wicks-led measure: last week's sweeping overhaul of the California Environmental Quality Act, which previously gave groups a venue to push back on major impacts or take the project to the courts if negotiations failed.

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**Wildfires took homes; now ICE raids taking workers needed to rebuild**

*Source: Realtor.com*

Los Angeles is reeling from a one-two punch. First, devastating wildfires destroyed more than 16,000 structures, displacing tens of thousands of residents in January. Now, immigration enforcement raids are threatening

the city's ability to rebuild. Last week, the Department of Homeland Security announced that nearly 2,800 people had been arrested in a series of sweeping immigration raids across the city. The announcement sent shockwaves through L.A.'s immigrant communities, and subsequently rattled the contractors, builders, and homeowners trying to piece the city back together.

The labor the city desperately needs to recover is now going underground. Experts say the raids have created a chilling effect that could mean blown budgets, delayed rebuilds, and deferred dreams of recovery. "It's just added another layer of uncertainty to an already very difficult time," says Brock Harris, a local real estate agent who is working closely with developers on rebuilding efforts. The fear is no longer hypothetical. Since June, ICE's high-profile enforcement actions have left a deep mark on L.A.'s construction workforce. So much so that many contractors and laborers were unwilling to speak on the record, worried that saying too much could make them a target.

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## LA County post-fire rent gougers could soon be fined

*Source: LAist*

Since the January fires that ravaged Los Angeles, thousands of online rental housing listings appear to have raised prices above legal limits. However, the county district attorney has yet to file any criminal charges for rent gouging. On Tuesday, the L.A. County Board of Supervisors voted in favor of taking a different approach. The board approved crafting a policy that would allow county staff to impose daily fines on landlords and

real estate agents who violate price gouging limits.

The motion — put forward by Supervisors Lindsey Horvath and Kathryn Barger — said the new deterrent is needed because a “perceived lack of enforcement can have a negative effect on deterrence and confidence in county government to protect the vulnerable.” The board voted, 5-0, to instruct county staffers to draft an ordinance within 30 days that would allow the Department of Consumer and Business Affairs to directly fine price gouging violators. If approved on a second vote, the new policy would enable administrative fines of up to \$1,000 a day, without waiting for criminal charges to be filed. Fines of up to \$500 a day would be allowed for anyone who failed to comply with an investigation from the department.

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**Weekly mortgage demand plummets 10% amid rising rates and economic concerns**

**Source: CNBC**

Renewed concerns over tariffs and the broader economy drove Treasury yields higher last week, and mortgage rates followed. As a result, total mortgage application volume dropped 10% last week compared with the previous week, according to the Mortgage Bankers Association’s seasonally adjusted index. The average contract interest rate for 30-year fixed-rate mortgages with conforming loan balances, \$806,500 or less, increased to 6.82% from 6.77%, with points remaining unchanged at 0.62, including the origination fee, for loans with a 20% down payment.

“Treasury yields finished higher last week on average despite an intra-

week drop, driven partly by renewed concerns of the impact of tariffs on the economy. As a result, mortgage rates rose after two weeks of declines, which contributed to slower application activity,” said Joel Kan, vice president and deputy chief economist at the MBA. Applications for a mortgage to purchase a home fell 12% for the week and were 13% higher than the same week one year ago. That was the slowest pace since May. The housing market has seen inventory climb since the start of the year, but even potential sellers are starting to pull back, as buyer demand retreats and home prices soften.

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