

## Summer 2025 Real Estate Market Update

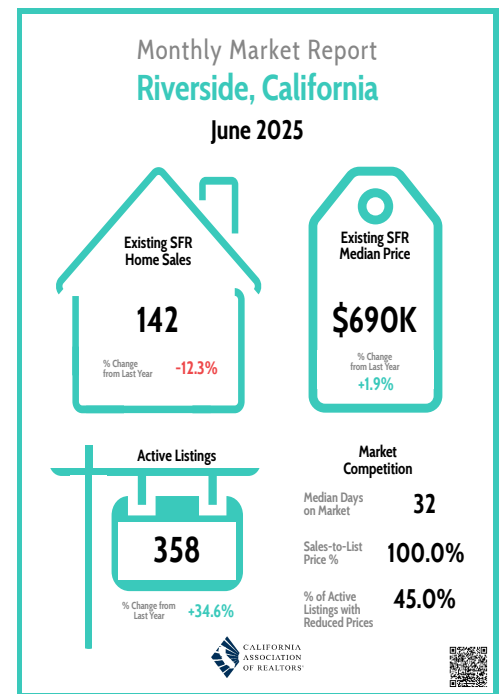
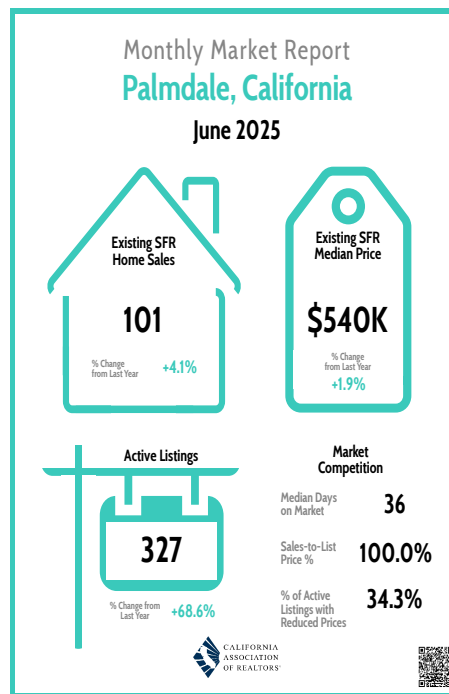
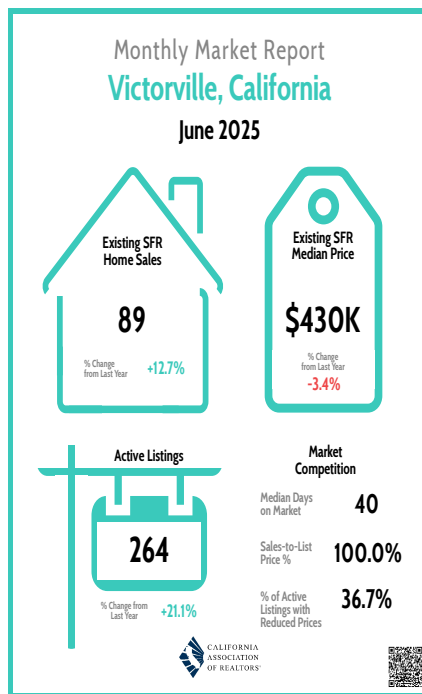
The 2025 Southern California Housing Market is moving, but at a much slower pace than anticipated. A few of the reasons are the high interest rates, affordability of homes, increase in insurance premiums, weak job growth and new presidential administration.

### 1. Mortgage Rates & Affordability

- Average 30-year rate hovers high—about 6.75% as of last week. (Source: AP)
- High rates may soon weigh heavily on the U.S. economy and slow down housing activity, with minimal growth expected (Source: Market Watch)

### 2. Market Shift: Buyer's Leverage

- Inventories have climbed—over 1 million active listings nationally for the first time since 2019.
- Sellers are reducing prices more frequently; many homes now list below asking, especially in the South and West. (Source: Homes for Heroes)
- Economic risks are rising—job growth is slowing and inventories of unsold homes are growing. (Source: Financial Times)
- Gen-Z and first-time buyer participation is sharply down limiting the market's growth engine. (Source: Business Insider)



However, there are still great opportunities in buying your first home or next investment. There are many incentives being given from seller's now, like paying your closing costs, mortgage rate buy-downs, price reductions, making repairs and inclusion of furniture or appliances.

**20 years of experience in buying, selling, investing and managing properties for clients.**  
**"Charlie Alvarez," Team Alvarez Real Estate a name you can depend on.**