

## Housing recovery hitting speed bumps in Fresno, statewide

By BoNhia  
Lee



Leslie Appleton-Young is vice president and chief economist for the California Association of Realtors.

HDO

A couple years of fast-rising home prices and sales in Fresno and other California cities is showing signs of slowing down and hitting a plateau in 2015, a real estate economist said Friday.

There are speed bumps keeping the market from being stronger, said Leslie Appleton-Young, vice president and chief economist for the California Association of Realtors.

The challenges include low affordability, a tight inventory of homes for sale and a changing market in which buyers see less urgency to buy homes.

But the overall issue is jobs, Appleton-Young said at a reception at the Fresno Convention & Entertainment Center with members of the Fresno Association of Realtors.

"If you were to ask me what is the one key variable for kind of gauging the strength of the market going forward, I would say it's jobs and job creation," she said.

Appleton-Young was in Fresno to speak to real estate agents and professionals about the housing market before Saturday's Homeownership Fair at the convention center, which is sponsored by the California association.

She gave more than 100 real estate professionals a look at how home prices and sales have slowed and offered some insight into what they can expect next year.

Typically three to four years after a recession, 80% of the people who lost jobs are re-employed, Appleton-Young said. But this time, that hasn't happened, which affects the ability of people to buy homes.

So far this year, home sales statewide are down about 10%. In Fresno County, sales have fallen about 13.5%, Appleton-Young said, while home prices are up about 10%. The price appreciation has slowed from double-digit growth to single digits, and "that's a good thing," she said.

The inventory of homes for sale in Fresno County based on the current pace of sales remains flat at around two to three months. A normal inventory is six to seven months, Appleton-Young said.

Don't expect to see a big improvement next year. Appleton-Young's forecast is for sales and prices to remain stagnant.

Sales will probably be down 8% by the end of this year with only a projected 4% to 5% increase in 2015, she said. The median home price this year will be up about 10% and then plateau next year.

How about interest rates? Appleton-Young said she forecast rates to rise the past three years, but that didn't happen. She has yet to finalize her thoughts on rates for next year.

---

**If you go:**

**What:** Homeownership Fair

**When:** 9 a.m. to 4 p.m. Saturday

**Where:** Fresno Convention & Entertainment Center, 848 M St., Fresno

**Cost:** Free

For information, visit [on.car.org/homefair](http://on.car.org/homefair)

The reporter can be reached at (559) 441-6495, [blee@fresnobee.com](mailto:blee@fresnobee.com) or [@bonhiale](https://twitter.com/bonhiale) on Twitter.

**Copyright**

© 2014 [www.fresnobee.com](http://www.fresnobee.com) and wire service sources. All Rights Reserved. <http://www.fresnobee.com>