

Rising home prices prove less affordable

By The Record

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Rising housing demand and prices put existing home affordability on the skids this past spring quarter, both in San Joaquin County and California overall, the California Association of Realtors reported Tuesday.

During the April-through-June period, San Joaquin County's median-priced home of nearly \$286,000 was affordable to only 37 percent of county households, down from 39 percent in the first three months of the year and 40 percent in spring of 2014. The association said a household income of \$52,550 was needed to afford the monthly payment of \$1,440, including taxes and insurance, on the median home.

It was the least affordable of the eight Central Valley counties examined by the real estate trade group, including Stanislaus at 41 percent affordability and Sacramento at 47 percent.

Still, it is much more affordable than adjoining Bay Area counties, such as Alameda and Contra Costa, both at 18 percent affordability in the second quarter and with median home prices in excess of \$800,000.

Statewide, the association pegged second-quarter affordability at 30 percent, down from 34 percent in the first three months of the year, but equal to 30 percent tallied in the first quarter 2014. That was based on a statewide median price of \$485,000, requiring a minimum qualifying household income of nearly \$96,000.

Every local region except Kings County posted lower affordability compared to previous quarter.

Condominiums and townhomes statewide were more affordable than single-family homes, with 39 percent of home buyers able to purchase the \$388,250 median-priced condo or townhome. An annual income of \$76,820 was required to make a monthly payment of \$1,920.

The association did not calculate condominium affordability for individual counties.

Some coastal regions did see an improvement in affordability compared to the year before, as increasing median household incomes, and lower interest rates, outpaced the rise in home prices.

| *Those included Marin, San Luis Obispo and Santa Cruz counties.*