

Emerging from the bust, Fresno housing market is healthiest nationwide



HIGHLIGHTS

Freddie Mac's Multi-Indicator Market Index ranks Fresno metro area No. 1

Index considers home purchase applications, purchasing power, mortgage payments, employment

The Fresno metropolitan area has the healthiest housing market in the country, according to mortgage giant Freddie Mac.

JOHN WALKER - Fresno Bee Staff Photo

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Fresno is starting the year off with the healthiest housing market in the country, a few years after being in the deepest real estate hole.

A 3.38 percent jump in applications for home purchases and a small boost, 0.61 percent, in employment has helped keep Fresno at the top of mortgage giant Freddie Mac's [Multi-Indicator Market Index](#) for several months.

More homeowners also are paying mortgages on time, according to the monthly index released Dec. 30, and home purchasing power – based on prices, mortgage rates and household income – fell only slightly. The index was based on October 2015 numbers.

Austin, Texas, and Honolulu came in second and third, respectively, with similar results. Salt Lake City came in fourth and Los Angeles placed fifth.

"I'm surprised that Fresno is at the top of the nation," said Patrick Prince, the 2016 president of the Fresno Association of Realtors. "We often look pretty good in California because we're so affordable, but the nation's big and there's a lot of exciting things happening in a lot of cities."

Fresno experienced a housing boom in the early 2000s that was followed by a steep fall during the bust that sliced home values in half. Foreclosures dotted the central San Joaquin Valley. Since then, home prices, sales and new home construction have slowly recovered.

Now, the Fresno market is healthy, and it's been solid for a year now, Prince said.

"Our inventory is good, interest rates are good. Home prices are appreciating at a very nice sustainable level," he said.

The index measures the stability of the nation's housing market in the District of Columbia and the top 100 metro markets. It combines proprietary [Freddie Mac](#) data with current local market data to assess the strength of each single-family housing market.

"While strong home-purchase applications and rising home values in some markets are contributing to this improvement," said Len Kiefer, Freddie Mac deputy chief economist in a news release, "it's largely more of a reflection of mortgage delinquencies continuing to decline at a steady pace, especially in those hardest-hit markets, and a better employment picture overall."