

Santa Cruz rates No. 3 in unaffordable housing

WASHINGTON (AP) — Despite slightly higher mortgage rates during the first quarter, housing remained affordable in many areas of the country, with the exceptions led by San Francisco, Salinas and Santa Cruz, a builders group said today.

"Although there are many places where affording a home is out of reach for many families, the low mortgage interest rates that we have been enjoying for nearly a year make housing more affordable everywhere," according to Tommy Thompson, president of

the National Association of Home Builders, which conducted the survey.

San Francisco, with a 21.7 percent score, remained the least affordable market, a position it has held since the Home Builders began the surveys in the first quarter of 1991.

After San Francisco the least affordable housing markets in the nation were Salinas at 34 percent, Santa Cruz 41.1 percent, San Luis Obispo 43.5 percent and Los Angeles fifth at just 45.4 percent of

See HOUSING page 5 ►

HOUSING

► From Page 1

families able to afford a median-priced home.

With the median income at \$57,600 in San Francisco and the median home price at \$280,000, the typical family would afford a home costing \$207,360. Only 21.7 percent of the homes sold in San Francisco were priced at or below \$207,360.

Thirty-year, fixed-rate mortgages averaged 7.56 percent during the January-March period, up from 7.27 percent the previous three months, the association said. Mortgage rates were in the double digits during most of the 1980s.

"Regional trends remained steady, with the most affordable markets found primarily in the Midwest and in the South, and the least affordable markets mostly in the West, particularly California, and the Northeast," the survey found.

San Francisco was one of 17 California markets among the 25 least affordable areas in the nation. Five others were found in the Northeast, one in the South and one each in Hawaii and Nevada in the West.

Other California and Nevada metropolitan areas on the least affordable list were: Santa Barbara, 46.2 percent; Santa Rosa 46.7; San Diego 48.2; San Jose 49.9; Oakland 51.4; Orange County 52.9; Yolo 55.5; Reno, 58.3; Vallejo 62.8; Stockton 63.5; Ventura 63.5; Fresno 64.4 and Chico 64.4.

Las Vegas with 73.1 percent was 37th on the least-affordable areas list in the comparison of 174 urban markets.

Bakersfield, 100th on the national list with 79.6 percent of homes sold within the reach of its median income, was the most affordable market in California.

Fifteen of the 25 most affordable areas were in the Midwest, according to the Home Builders' Housing Opportunity Index compiled from the survey of 330,000 sales of new and previously owned homes in 174 urban markets. Four more were in the South and seven in the Northeast.

The Vineland-Millville-Bridgeton, N.J., area topped the index with a 95.6 score.