

Calaveras housing market this year expected to resemble '21

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The housing market has taken a dramatic turn in the past couple of years, leaving longtime Calaveras County residents struggling to keep up with the increasing prices and decreasing supply of available living space, as well as near-to-nonexistent rentals.

This trend can be observed across the board in California, though the housing situation in rural Calaveras County presents a unique predicament, especially when it comes to maintaining an environment where locals can afford to move within their own community.

“In Calaveras County, we’re experiencing a supply issue,” said Jesse Gibbs, 2022 president of the Calaveras County Association of Realtors. “We’re seeing multiple offers and places selling for over the listing price. I pulled the Highway 4 Corridor stats and there were only 24 active homes. A stable market has a four-to-six-month supply of homes, and we have less than a 30-day supply of homes. Prices are continuing to increase because of that. However, with spring coming, we’re probably going to see more homes on the market.”

Calaveras County home prices were up 19.9 percent this January compared to last year, selling for a median price of \$468,000. On average, homes in Calaveras County sell after 43 days on the market compared to 57 days last year.

Zillow, an American online real-estate marketplace company, forecasts an 11 percent increase in home values in 2022, down from the 19.5 percent jump in 2021, but still among the strongest years since Zillow began tracking home values. Sales of existing homes are predicted to reach 6.3 million in 2022, the highest number in the past 14 years. In 2021, 6.12 million existing homes were estimated to have change of hands.

COVID-19 has played a significant role in the changes seen in the housing market, both at large and on a more local scale. Due to remote work becoming increasingly available, and Calaveras County being located just east of the San Francisco Bay Area, many are choosing to leave the expensive city life for a home in the rural Sierra Nevada foothills. This influx of buyers means increased competition to secure a home in the area.

“COVID has allowed people to move to the more rural areas because it lets them work from home and move away from big cities,” said Gibbs. “That also translates to the rental market. Rentals are at a premium and there aren’t a lot out there, so the prices are increasing. The hard part with our local community is that the housing market is outpacing the income you can make here.”

As the price of living in the Bay Area is significantly higher than that of Calaveras County, those with employment in the Bay Area are at an advantage. This wage disparity creates an environment where non-locals may be able to consistently out-bid residents due to higher average income.

“Interest rates are probably something people are going to hear a lot about this year,” added Gibbs. “We’ve been lucky the past couple of years, but interest rates go up and down so

that's not a stable thing. Interest rates will probably increase a little bit. Interest rates in the 4 percent range are still pretty great."

"Your best bet is to work with a local mortgage professional who knows the market," he added. "Agents are here to educate and help, so work with them because it's one of the biggest purchases of your life. Ask questions, don't be afraid, especially if you're wanting to purchase."

It looks like 2022 will be another year of inflated home prices, but not as dramatic as 2021. This still leaves many low to medium income locals at a loss when it comes to purchasing a quality home in their price range, as well as a challenging situation for renters and affordable workforce housing.