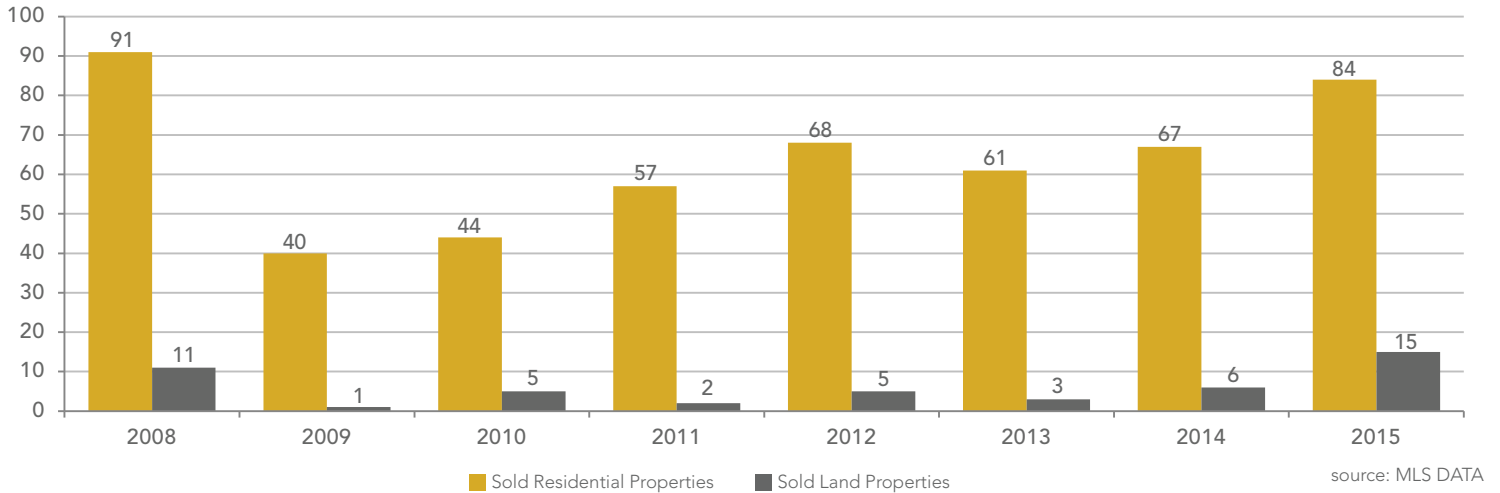


Market Insider

SUMMIT COUNTY EDITION

SUMMIT COUNTY RESIDENTIAL & LAND TRANSACTIONS

Comparing January transactions over the past eight years.



HIGHLIGHTS FROM REAL ESTATE & SUMMIT COUNTY LIFESTYLE NEWS ARTICLES

2015 HOUSING OUTLOOK: 'LOWER INVENTORY IS CONCERNING,' ECONOMIST SAYS. [TheStreet.com 1/23/15](#)

NEW YORK (TheStreet) -- Home sales may be rising, but falling inventory poses challenges for buyers. "We saw a drop in December inventory, the first decline in 16 months," Lawrence Yun, chief economist with the National Association of Realtors, said Friday in an interview with TheStreet. "Throughout 2014, we saw modest increases in inventory, but now we only have a 4.4-month of supply and that is beginning to re-accelerate prices."

The 2.4% rise in December existing-home sales, coupled with an 11.1% drop inventory, creates a worrisome combination that helped push median existing-home prices up 6% year-over-year, according to the National Association of Realtors. Housing analysts say a healthy market has a six-month supply of inventory. Higher prices could continue to keep hopeful buyers on the sidelines, as affordability decreases. "But housing starts are beginning to rise, which means more inventory will hit the market during the spring and summer of next year, so that will provide more choices for consumers," Yun added. Regardless of inventory and prices, the key to unlocking pent-up demand are higher wages, which still remain tepid.

"House price gains during the past several years more than offset the drop in mortgage yields," Steve Blitz, chief economist of ITG Investment Research, wrote in a note. "The result has priced out some number of first time home buyers, on a national scale. This lack of affordability and still low nominal growth in wages will likely serve to limit the coming upturn in sales but not deny one from occurring."

FITCH: 6 PREDICTIONS FOR HOUSING IN 2015. [HousingWire.com 1/15/15](#)

We may be two weeks into 2015, but that doesn't mean we're out of the range of predictions for the year. Analysts from Fitch Ratings weighed in with their predictions for 2015 in their Global Housing and Mortgage Outlook, and there's good news and bad news. On the good side, affordability shouldn't be affected greatly by a projected increase in interest rates, because, according to Fitch's analysts, the interest rate hike is going to be moderate. But on the other hand, mortgage volume is projected to fall in 2015, as refinances will fall as interest rates rise, and slow wage growth and slow household formation rates continue to drag down mortgage production.

Here are six predications for housing in 2015 from Fitch's analysts:

1. Home price growth will slow
2. Interest rates WILL rise in 2015, but it won't be as bad as you think
3. Rising rates will cause a decline in mortgage volume
4. Delinquency rates will improve
5. Prepayments will slow down
6. The rate of homeownership will remain low, permanently