

Location
San Luis Obispo, Calif.

Monthly sales volume
 Change from one year ago:



Comparing sales volume

The four most-recent cities in the USA TODAY Close to Home series and their one-year change in monthly sales volume when originally published:

South Bend/St. Joseph County, Ind. -21.9% Pontiac/Oakland County, Mich. 20.1%



Median home price

Change from one year ago:



Sources: California Association of Realtors, National Association of Realtors

San Luis Obispo: Home prices down but market fairly stable

By Christine Dugas, USA TODAY

Lower relative unemployment, fewer subprime loans and stable public-sector jobs are helping steady the housing market in the city of [San Luis Obispo](#), Calif., even though home prices continue sliding.

In July, sales were up 8.7% compared with a year earlier, while prices in the city between San Francisco and Los Angeles fell 15%. Home prices tumbled more in other parts of the state, including 29% in Monterey County and 22.7% in [Santa Barbara](#) County in July, by comparison.

The city of San Luis Obispo has not been hard hit by home foreclosure and short sales, largely because it has many high-end properties that were not financed by subprime loans, says Mark Schniepp, director of the California Economic Forecast.

Some areas of [San Luis Obispo County](#), such as [Paso Robles](#) and [Arroyo Grande](#), have experienced homeowner distress, he says. But the dire economic woes have been blunted in the city of San Luis Obispo, Schniepp says.

"There is a lot of public-sector employment here," he says. "Up until this point, it has not been impacted much by the economy."

The city, locally known as SLO, is home to California Polytechnic State University, Camp San Luis Obispo — a California National Guard training site — and California Men's Colony, a male-only state prison.

Now that the state is tightening its budget, local unemployment may rise. But that's still a big question mark.

Even if the job market hits a snag, the local housing market may hold steady. The wine industry is growing, and beaches and wineries are tourism magnets.

"Our county has been in much better shape compared to others" in terms of unemployment, says Ron Burkhart, president of the San Luis Obispo Association of Realtors.

San Luis Obispo also attracts many retirees who want to buy homes near Morro Bay, which is about 14 miles from the city.

"Even though home sales are not as active as they were five years ago, there is some activity. And we are in much better shape than other areas."

Courtesy of JB Goodwin