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(RESIDENTIAL RESALE STATISTICS July 2008)

Sacramento home sales continue to show an upward trend

With the closing of the month, July marks the seventh straight month of increased home sales, a welcome trend in a market that was recently plagued by record lows. This month's rising activity reflects the sales of the many bank-owned properties in the area. The following information, compiled by the Sacramento Association of REALTORS®, is collected from the MetroList® multiple listing service and includes data covering Sacramento County and the City of West Sacramento.

July showed a 5.1% increase over June's 1,883 units, ending the month with 1,979 closed escrows. When compared to the same month last year, July 2008 marks an incredible 128.3% increase over the 867 units sold in July 2007. Bank-owned properties helped contribute to this number, making up over 69%, or 1,371, of all transactions this month.

The volume of bank-owned homes sold helped to push the Sacramento median home price downward. The month of July showed median home sales price of \$216,500, a figure 1.6% below the June median sales price of \$220,000. When compared to the same month one year ago, the July 2008 median sales price reflects a 36.3% decrease from the \$340,000 median price of July 2007. New listings for July totaled 2,421, a 3.5% decrease from June's 2,508 new listings published. The total listing inventory also decreased for the month of July, showing 7,880 listings, a figure 6.1% below the 8,414 listings in June.

Sacramento's current market offers prospective buyers many choices – and many of them are affordable. "The state of this market has changed drastically in mere months. The amount of competitively-priced homes makes Sacramento a veritable hotbed for buyers," states 2008 Association President Alan Wagner. "Opportunistic buyers are realizing the potentials of this unique market and snatching up homes that were once sold for 40% more." The pricing is right for qualified buyers, including first-time homebuyers. "The credit standards have definitely tightened, but that shouldn't stop buyers who have been strengthening their credit scores by sitting through the last few years," continues Wagner, "Find a REALTOR®, give them an idea of what you want and they will find you a home. There is still inventory, but homes are selling fast. Some areas are even seeing price increases because of multiple offers. It would definitely be a wise move to act."

Following a welcome trend, July's month-end housing market supply continued to drop. The month-end housing market supply is calculated by dividing the total listing inventory by the number of closed escrows. This figure represents the amount of time – in months – it would take to deplete the total listing inventory given the current rate of sales. July 2008 showed a decrease to 4 months, an 11% decrease from the 4.5 months calculated in June.

Condominium Resale Market

Closed condominium escrows for the month of July showed a marked increase, closing the month with 135 sales, a 33.7% jump from the 101 closed escrows in June. When compared to the same month one year ago, July's sales reflect an 82% increase over the 74 closed escrows in July 2007. New listings published made a slight decline in July, showing a 4.4% decrease to 173 new listings from June's 181 new listings published. The median sales price of a Sacramento condominium also decreased for the month of July, falling to \$125,000, a figure 8.9% below the June median sales price of \$137,200. The current median price stands 45% below the \$226,000 median price of July 2007.