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(RESIDENTIAL RESALE STATISTICS FOR MARCH 2007)

SPRING HOUSING MARKET STILL ON LAUNCH PAD

Sacramento's residential home resales posted lower-than-expected results in March, as Congress and lending officials scrambled to restore order and confidence in the troubled mortgage loan market. Sacramento was unable to sustain a third consecutive month of increases in new escrows, according to data available from the Sacramento Association of REALTORS® and MetroList® multiple listing service.

New escrows in March declined 10.4% to 851 homes compared with February. Closed escrows were up 31.4% from the previous month, after a promising upswing in market activity in January and February, though still were 26.4% below the number of a year ago.

The median sale price for a single family home declined 4.8% for the month, wiping out a month-to-month gain in the median price from February. New listings published and the listing inventory were both up substantially, at 14.6% and 15.7% respectively from February, as new sellers decided to test the spring market.

"When only one out of eight homes on the market is selling, it's clear that buyers and sellers aren't agreeing on value," said 2007 Association President and REALTOR® Tracey Saizan. "We'd hoped to see a little more strengthening of the market in March that didn't materialize. Buyers will continue to have the upper hand in negotiating this spring and only competitively priced homes are likely to sell." At \$350,000, Sacramento's median home sale price stands 6.5% below the value of a year ago.

March's month-end housing market supply figure - the active listing inventory divided by the rate of completed sales - declined 13% to 5.2 months, compared to 6.0 months in February. The supply level is 21% higher than last year's March 2006 supply of 4.3 months. "Normally, a market supply decline like that signals that prices are strong and that homes are moving," said Saizan, "but it's an anomaly, created by encouraging market activity early in the year that didn't carry through. March was not the month that the 2007 housing market took off."

Condominium Resale Market

Condominium market activity improved somewhat in March after weak sales activity in February. New listings were up 19.3% from 270 in February to 322 units, while the active inventory was up 23.0% to 504 units. Closed condominium escrows for the month were up 28.6%, from 77 in February to 99 units. New condominium escrows were down 5.4% for the month and down 27% from a year ago.

The median sale price of a Sacramento condominium was flat in March at \$220,000, a figure down 7.0% from the March median price of \$236,000 a year ago.

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The Sacramento Association of REALTORS® is a professional association representing 7,000 real estate professionals and commercial affiliates doing business in the Greater Sacramento Metropolitan Area. Statistics are derived from the MetroList® MLS database for Sacramento County and the city of West Sacramento.