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(RESIDENTIAL RESALE STATISTICS January 2011)

The New Year starts off with seasonal norms, home values remain affordable

After the holiday lull, the Sacramento market is returning to normal activity, showing a pick up of pending sales – making way for increase closed escrows for next month. Pending sales this month totaled 1,333, 15.5% more than the 1,154 pending sales in December. Despite the positive trend in pending sales, closed escrows decreased month to month from 1,504 to 1,239 units (17.6%). Making up these sales were 579 REOs (46.7%), 320 short sales (25.8%) and 340 conventional sales (27.4%). These numbers have changed month to month with REOs up by 7.1%, short sales up by 14.1% and conventional sales down by 18.9%.

The median home sales price decreased 5% from \$179,000 to \$170,000. Compared with the same month last year (\$170,000), the number is unchanged. The \$200,000 - \$249,999 price range mode still accounts for a majority (15.5% or 192 units) of the 1,239 total sales this month, while homes under \$100,000 totaled 201 (16.2%) units. Conventional financing continued as the primary source of all home and condo sales (472, 35%) with cash (422, 31.3%) and FHA financing (338, 25%) making up the two other large categories. The median amount of days spent on the market (from list date to opening escrow) was 47 – the same amount of days on market as December.

The Total Listing Inventory has recently been split up to more accurately display the current market. Active Listings numbered 5,004 properties and Active Short Sales Contingent showed 1,333. Active Short Sale Contingent properties are short sale properties on which initial offers have been made and are not entirely “active.” After breaking down Total Listing Inventory, we find that the Housing Market Supply figure is more accurately reflected. The Housing Market Supply figure for January was 4 Months – up 17.6% from the 3.4 Months Inventory of December. This figure represents the amount of time – in months – it would take to deplete the Active Listing Inventory (5,004) given the current number of closed escrows (1,333). According to MetroList® MLS data, the average home was 1,732 square feet. Of the 1,239 sales this month, 110 (8.8%) had 2 bedrooms or fewer, 671 (54.1%) had 3 bedrooms, 375 (30.2%) were 4 bedroom properties and 83 properties (6.6%) had 5+ bedrooms.

Condominium Resale Market

Sacramento condominium sales decreased for the month to 111 units. This figure is down 11.9% from the 126 units sold in December and up 30.6% from the 85 units sold last year. REO property sales accounted for 56.8% of all units sold while short sales (22.5%) and conventional sales (20.7%) accounted for the remainder. REO condo sales increased this 3.6% month while short sales and conventional sales decreased, 2.1% and 6.7%, respectively. The condominium median sales price remains unchanged month-to-month at \$80,000. This current price is down 5.9% from the \$85,000 median sales price of January 2010. The total listing inventory decreased (8.1%) month-to-month from 724 listings to 665 listings. Of these 665 listings, 165 (24.8%) were listed as Active Short Sale Contingent, leaving the actual Active Listing Inventory at 500 units.