



PRESS RELEASE

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FOR IMMEDIATE RELEASE: June 14, 2005

(RESIDENTIAL RESALE STATISTICS FOR MAY 2005)

Prices Tick Upward at 23% Growth Rate: Supply Remains Tight

The residential housing market posted strong growth numbers again in May, as home prices increased and market supply remained stable. The median price increased 1.9% over the prior month, an annual growth rate of nearly 23%. "Last fall, our industry projected a moderate annual appreciation rate of 15% for all of 2005. I'm pleased to report that we're just about there today, with seven months still to come," said Sacramento Association of REALTORS® president Dave Tanner. The median home price appreciation for Sacramento County stands at 14.9% over the median price of December 2004.

Residential resale data for May showed generally stable results, with home values and market activity up for the month. New listings published were 9.4% over April's figure, new escrows were up 4.0% over the preceding month. New escrows were down 12% for the year-to-date compared to 2004. The combination of increased listings and fewer new escrows signals the possibility of a slightly improved market supply going into the summer.

The listing inventory for May was up 6.3% from the prior month, 6.9% higher than the same period a year ago. The market supply – the active listing inventory divided by the rate of completed sales – ticked upward slightly to 2.9 months, 7.8% above last year's May supply. Home sale value remained firm throughout Sacramento County and West Sacramento, with the median single family home price up from \$369,000 in April to \$376,000, and 24.2% above the median price a year ago.

"Monthly fluctuations aside, we're not seeing any change in the overall trend of brisk sales and solid appreciation. This is still a seller's market," Tanner noted.

Condominium Resale Market

The condominium resale market showed improved seasonal activity in May. New listings were up 9.6% while active inventory increased 3.8% from the prior month. Closed condominium escrows for the month were down slightly from 151 units in April 2005 to 143 in May. The median sale price, however, grew 6.1% to \$243,000 from the April 2005 level of \$229,000, a figure 34.6% higher in value than the May median price a year ago.

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The Sacramento Association of REALTORS® is a professional association representing 7,500 real estate professionals and commercial affiliates doing business in the Greater Sacramento Metropolitan Area.