



PRESS RELEASE

Contact: Greg Vlasek, Director of Public Affairs

Desk: 916.437.1208

Cell: 916.524.9759

E-mail: gvlasek@sacrealtor.org

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(RESIDENTIAL RESALE STATISTICS FOR JANUARY 2006)

Existing Home Market Warming Up to Buyers

Seasonal rain, frost and fog may have reflected the mood Sacramento area home sellers in January, but for buyers the existing home market showed signs of warming up. Completed sales of existing Sacramento County homes decreased in January, down 31.2% from the prior month and down 28.7% from a year ago. The residential housing market posted a large increase in listing inventory, 13.3% higher than the December 2005 inventory and 39% higher than the inventory a year ago. The median existing home sale price dropped for the third consecutive month, posting a 1.9% dip over the prior month. These three factors all signal favorable conditions for buyers market.

"A January jump in inventory is not at all unusual," explained incoming Sacramento Association of REALTORS® President Leigh Rutledge. "Sellers tend to move more quickly into the market this time of year than do buyers. It's a great time for the buyers who are active now, because they have greater choice and greater price competition."

The January median home price of \$367,900 for Sacramento County stands at 9.7% over the \$335,500 median price of January 2005. New escrows were up sharply (36.2%) from December's seasonal low, but lagged new escrows of a year ago by 31.6%.

The market supply figure- the active listing inventory divided by the rate of completed sales – was up from 3.5 months in December to 5.8 months, double last year's January supply of 2.9 months. "A housing supply of nearly six months is clearly advantageous to buyers in the middle and higher price ranges," Rutledge added. "The market is still very tight at and below the median range."

Compared to other urbanized areas statewide, Sacramento County maintains one of California's best housing price values, with the highest median price in the Central Valley but lowest of any other urbanized county in the State except San Bernardino, according to the California Association of REALTORS®.

Condominium Resale Market

The condominium resale market showed signs of renewed life in January. New listings were up 92.6% to 339 units, increasing the active inventory 32.0 % to 478 units. Closed condominium escrows for the month were down 35.8 %, from 95 in December to 61, 43.0 % below sales one year ago.

The median sale price of a Sacramento condominium dipped to \$244,950 compared to the December 2005 median of \$253,500, a figure still 11.3 % higher in value than the \$220,000 to January median price a year ago.

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The Sacramento Association of REALTORS® is a professional association representing 8,400 real estate professionals and commercial affiliates doing business in the Greater Sacramento Metropolitan Area.