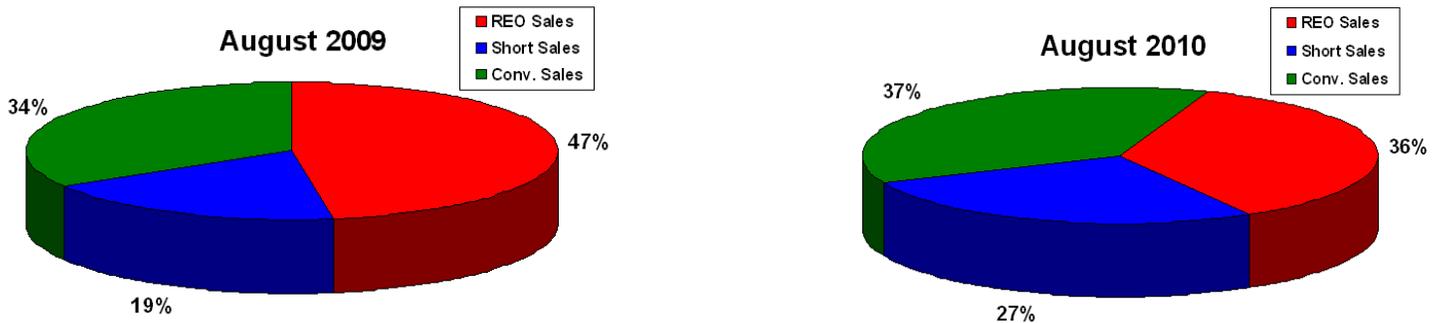


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(RESIDENTIAL RESALE STATISTICS August 2010)

Sales pick up after slow July, REO sales decreasing

August home sales breathed some life into the Sacramento housing market; increasing 9.8% from 1,363 to 1,496. This, however, is still 11.1% below the 1,683 home sales of August 2009. Of the sales this month, 541 units (or 36%) were REO properties, 398 units (27%) were short sales and 557 (37%) were conventional sales. There has been a change in the Sacramento market over the last year, shifting towards conventional and short sales. The charts below represent the type of sale (REO, short sale and conventional) in both August 2009 and August 2010. REO properties have dropped 24% from last year when they made up nearly 48% of all sales. Conventional sales have been on the rebound, slowly rising to make up a majority of all sales. Short sales have also been on the rise, signaling that lenders have been more enthusiastic about working with REALTORS® and getting buyers into homes.



The Sacramento median homes sales price rose slightly month-to-month, increasing .5% from \$185,000 to \$186,000. Compared with the same month last year (\$190,000), the median home price has decreased 2.1%. The \$200,000 - \$249,999 price range mode still accounts for a majority (18.5% or 277 units) of the 1,496 total sales this month, while homes under \$100,000 totaled 200 (13.3%) units. Financing options continue to change as record low mortgage rates become available for buyers. This month conventional financing made up a majority of all home and condo sales (578 or 35.6%) with cash (28.6%) and FHA financing (26.8%) making up the two other large categories. VA loans (47 or 2.9%) and other financing (100 or 6.2%) rounded out the remainder. The other category includes CalVet, contract of sale, creative, farm home loan and owner financing. The average length of time a home spent on the market before opening escrow was 65 days. Nearly half of all properties (45%) sold in 30 days or less. 116 properties (7.1%) had been on the market for more than 181 days and 17 of those properties had been on the market for more than a year before finally being sold in August. The median amount of days spent on the market was 35 – up from the 31 DOM in July.

The Total Listing Inventory has recently been split up to more accurately display the current market. Active Listings numbered 5,045 properties and Active Short Sales Contingent showed 2,021. 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. Month to month the Housing Market Supply figure for August was 3.4 Months. This figure represents the amount of time – in months – it would take to deplete the Active Listing Inventory (5,045) given the current number of closed escrows (1,496). According to MetroList® MLS data, the average home was 1,708 square feet. Of the 1,496 sales this month, 148 (9.8%) had 2 bedrooms or fewer, 819 (34.6%) had 3 bedrooms, 427 (28.5%) were 4 bedroom properties and 99 properties (6.6%) had 5+ bedrooms.

Condominium Resale Market

Sacramento condominium sales increased 4.9% from 122 last month to 128 this month. Compared with last year, sales are up 8.5% from the 118 units sold in August 2009. REO properties decreased, making up 55.5% (71) of all sales while short sales accounted for 23.4% (30) of the sales. Conventional sales rounded out the remainder of the total, accounting for 21.1% or 27 sales. The condominium median sales price increased slightly month-to-month with a .5% increase from \$87,250 to \$87,700. This current price is down 6% from the \$93,300 median sales price of August 2009. The total listing inventory increased (1.9%) month-to-month from 729 listings to 743 listings. Of these 743 listings, 223 (30.1%) were listed as Active Short Sale Contingent, leaving the actual Active Listing Inventory at 520 units.