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(RESIDENTIAL RESALE STATISTICS November 2010)

November closes with decreased sales, increased cash buyers

A seasonally accurate trend shows decreased market activity, with sales volume dropping 2.9% from 1,341 units to 1,302 units. Making up these sales were 551 REOs (42.3%), 294 short sales (22.6%) and 457 conventional sales (35.1%). These numbers have changes slightly month to month with REOs up 5.7% and short sales and conventional sales both down by 3.8%.

The median home sales price showed little movement, increasing .3% from \$179,500 to \$180,000. Compared with the same month last year (\$187,000), the number is down 3.7%. The \$200,000 - \$249,999 price range mode still accounts for a majority (17.4% or 227 units) of the 1,302 total sales this month, while homes under \$100,000 totaled 185 (14.2%) units. Conventional financing continued as the primary source of all home and condo sales (477, 33.6%) with cash (417, 29.4%) and FHA financing (399, 28.1%) making up the two other large categories. Conventional and FHA financing both decreased, dropping 5.3% and 6.9%, respectively. Cash financing, however, increased 12.6%, possibly accounting for the increase investors during the holiday season. VA loans (42, 3%) and other financing (83, 5.9%) rounded out the remainder. The other category includes CalVet, contract of sale, creative, farm home loan and owner financing. The median amount of days spent on the market (from list date to opening escrow) was 42 – up from the 41 median DOM of sales in November.

The Total Listing Inventory has recently been split up to more accurately display the current market. Active Listings numbered 5,225 properties and Active Short Sales Contingent showed 1,704. 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 November was 4 Months – the same as October. This figure represents the amount of time – in months – it would take to deplete the Active Listing Inventory (5,225) given the current number of closed escrows (1,302). According to MetroList® MLS data, the average home was 1,755 square feet. Of the 1,341 sales this month, 114 (8.7%) had 2 bedrooms or fewer, 684 (52.5%) had 3 bedrooms, 404 (31%) were 4 bedroom properties and 103 properties (7.9%) had 5+ bedrooms.

Condominium Resale Market

Sacramento condominium sales increased for the month to 116 units. This figure is up 3.6% from the 112 units sold in October and down .8% from the 117 units sold last year. REO property sales accounted for 56% of all units sold while short sales (23.3%) and conventional sales (20.7%) accounted for the remainder. REO condo sales increased 14% this month, while short sales and conventional sales decreased, 3.3% and 22.7%, respectively. The increase in REO sales and decrease in conventional sales again points to the seasonal trend of decreased seller activity and increase investor buying. The condominium median sales price is down month-to-month with a 3.9% decrease from \$88,750 to \$85,250. This current price is down 14.8% from the \$100,000 median sales price of November 2009. The total listing inventory decreased (2%) month-to-month from 702 listings to 716 listings. Of these 716 listings, 169 (23.6%) were listed as Active Short Sale Contingent, leaving the actual Active Listing Inventory at 547 units.