

PLACER COUNTY

A market overview of single-family detached home sales

Q1
2009

UNIT SALES



MEDIAN PRICE



Favorable Prices, New Tax Incentives Set the Stage for Active Spring Home Market in Placer County

Homes spent fewer days on the market before sale across Placer County in the first quarter of 2009 as home-builders and banks continued to work off excess inventory, thereby boosting sales by 6 percent over a year ago and setting the stage for an active Spring housing market that is expected to benefit from new tax incentives for homebuyers.

Move-up buyers and qualified investors bearing cash took advantage of an overall 18 percent year-over-year decline in the median price of a home sold during the first quarter of 2009, according to a report by the research division of Prudential California Realty based on an analysis of MLS data.

Favorable pricing caused sales to increase in all seven of the county's real estate markets. Leading the way with a 57 percent year-over-year increase in home sales for the quarter was Newcastle, followed by Auburn (+11%), Rocklin (+9%), Loomis (+6%) and Roseville (+5%). Homes spent less time on the market, averaging 71 days before sale compared with 79 days a year ago.

Despite sales of aggressively priced new construction, buyers continued to focus on bank owned properties and lower priced bargains. As a result, there was continued downward pressure on the median sales price of resale homes, which fell from \$371,732 in the first quarter of 2008 to \$304,213 in this year's first quarter. Around the county, the median price of a home sold in Granite Bay declined by 30 percent from a year ago, followed by Loomis (-24%), Lincoln (-18%), Roseville (-17%) and Rocklin (-16%).

Across Placer County, the market for homes priced under \$300,000 is expected to continue to be brisk thanks to extremely low interest rates and the introduction of an \$8,000 federal income tax credit available primarily to first-time homebuyers and a \$10,000 state tax credit available to new-home purchasers. That enticement could further stabilize the market absent a new wave of foreclosures now that moratoriums may have been lifted.

M A R K E T C O M P A R I S O N

City	Homes Sold Q1/09	Homes Sold Q1/08	% Change	Avg DOM* Q1/09	Avg DOM* Q1/08	Change '09/'08 (days)	Median** Price Q1/09	Median** Price Q1/08	% Change
Auburn	61	55	11	101	124	-23	\$305,000	\$360,000	-15
Granite Bay	30	31	-3	83	88	-5	\$527,500	\$750,000	-30
Lincoln	191	185	3	66	69	-3	\$275,000	\$335,100	-18
Loomis	19	18	6	70	68	2	\$295,000	\$390,300	-24
Newcastle	11	7	57	53	54	-1	\$400,000	\$430,000	-7
Rocklin	140	128	9	59	79	-20	\$310,000	\$371,000	-16
Roseville	310	296	5	68	70	-2	\$295,000	\$355,000	-17

* Days on market is the number of days a property was listed on the market until it went under contract at its final listing price. This may not reflect previous listings.

**The median home price for the entire county is the weighted mean of median home prices of cities within Placer County.

Data are sourced from multiple listing services and are deemed reliable but not guaranteed.

All percentages rounded to nearest whole number.

