

SACRAMENTO COUNTY

A market overview of single-family detached home sales

Q1
2009

UNIT SALES



MEDIAN PRICE



First-Time Homebuyers and Investors Boost First Quarter 2009 Home Sales in Sacramento County

The Sacramento County real estate market continued to show some rays of hope during the first quarter of 2009 as falling interest rates, extremely favorable home prices and the introduction of new tax incentives for homebuyers fueled a 75 percent increase in sales of existing single-family detached homes compared with first quarter of 2008, according to a report by the research division of Prudential California Realty based on an analysis of MLS data.

In Sacramento County, 4,589 existing homes were sold during the first quarter, up from 2,619 sold during the same period of 2008 – the fourth consecutive quarter and twelfth consecutive month that sales have improved compared with the previous year. The strong sales results and a moratorium on new foreclosures generated at least a temporary reduction in the number of foreclosed and bank-owned properties on the market. As a result, the average time a home was on the market before sale dropped from 72 days a year ago to 61 days in the first quarter and multiple offers became commonplace among homes priced below \$200,000.

Wilton recorded a 133 percent year-over-year increase in home sales, followed by Citrus Heights (+103%), Sacramento (+101%), North Highlands (+73%) and Carmichael (+70%).

Folsom recorded the county's only decline in sales, slipping 3 percent on a median price that fell 9 percent compared with a year ago – the smallest percentage price decline in the county.

Overall, the median home sales price tumbled 34 percent from \$253,192 in the first quarter of 2008 to \$167,666 in the most recent quarter as all 11 communities included in the analysis experienced year-over-year median price declines. The most significant declines occurred in Sacramento (-42%), North Highlands (-31%), Carmichael and Citrus Heights (both -29%), Fair Oaks (-26%) and Wilton (-22%).

As the peak home-buying season unfolds, expect to see a growing number of all-cash buyers investing in single-family rental properties and a growing population of first-time homebuyers attracted by the opportunity to purchase more home for less. Price competition at the more affordable end of the market may continue as first-timers and those who haven't held a mortgage for at least three years purchase homes in order to take advantage of the new \$8,000 federal income tax credit on a home purchase. Buyers can expect to see multiple offers above the listing price – unless banks unleash a wave of REO properties now that foreclosure 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
Antelope	182	149	22	51	69	-18	\$204,250	\$242,000	-16
Carmichael	92	54	70	72	78	-6	\$218,000	\$307,500	-29
Citrus Heights	215	106	103	50	70	-20	\$170,000	\$237,950	-29
Elk Grove	685	466	47	54	69	-15	\$240,000	\$298,530	-20
Fair Oaks	60	57	5	75	83	-8	\$239,000	\$324,000	-26
Folsom	133	137	-3	69	56	13	\$377,750	\$415,000	-9
North Highlands	154	89	73	58	63	-5	\$91,500	\$132,000	-31
Orangevale	81	51	59	64	81	-17	\$215,000	\$250,000	-14
Rancho Cordova	173	115	50	58	65	-7	\$246,489	\$290,700	-15
Sacramento	2,779	1,380	101	60	72	-12	\$128,000	\$220,040	-42
Wilton	35	15	133	55	83	-28	\$480,000	\$613,500	-22

* 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 Sacramento County.

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

All percentages rounded to nearest whole number.

Produced by the Prudential California Realty Research Division.