

# SACRAMENTO COUNTY

A market overview of single-family detached home sales

Q2  
2009

## UNIT SALES



Q2-09 Q2-08

## MEDIAN PRICE



Q2-09 Q2-08

## Shrinking Inventory, Strong Second Quarter Sales Fuel Optimism that Sacramento Home Market is Stabilizing

A shrinking inventory of bank-owned homes and median price increases between the first and second quarters of 2009 in six of 11 communities are among the emerging signs that Sacramento County's resale housing market may be stabilizing, according to a report by the research division of Prudential California Realty based on an analysis of MLS data.

In Sacramento County, 4,934 existing single-family detached homes were sold during the second quarter, up just under 1 percent from the 4,920 homes sold during the same period of 2008 – the fifth consecutive quarter that sales have improved compared with the previous year. With the percentage of sales of bank foreclosures down from a peak of 75 percent to about 54 percent in June, homebuyers increasingly faced multiple offers on competitively priced properties. All-cash offers accounted for 25 percent of transactions in June. That and strong interest from first-time buyers and investors caused the average number of days a home was listed before sale to remain essentially unchanged at 63 days, up slightly from 61 days in the first quarter and 55 days a year ago.

In Sacramento, 2,931 sales (59 percent of the county's total) were closed in the second quarter – a 10 percent increase

from the year-ago period. Wilton also posted strong sales with a 31 percent year-over-year increase. Elsewhere, 2008's foreclosure-driven sales pace slowed as sales dropped year over year in Antelope (-36%), North Highlands (-25%), Citrus Heights (-17%), Folsom (-14%) and Rancho Cordova (-11%). The remaining sales declines (in Elk Grove, Fair Oaks, Orangevale and Carmichael) were in the low single digits.

Overall, the median home sales price rose from \$167,666 in the first quarter to \$174,188 in the second quarter but fell 22 percent from the second quarter 2008 median price of \$222,568. Carmichael, Citrus Heights, Elk Grove, Fair Oaks, North Highlands and Sacramento all experienced quarter-to-quarter increases. However, all 11 markets showed double-digit median price declines compared with a year ago, led by Fair Oaks (-31%) and Sacramento (-27%).

As the peak home-buying season continues, expect to see a growing number of all-cash buyers investing in rental properties and first-time homebuyers attracted by increased affordability and the \$8,000 federal income tax credit available on homes purchased before December 1, 2009.

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

City	Homes Sold Q2/09	Homes Sold Q2/08	% Change	Avg DOM* Q2/09	Avg DOM* Q2/08	Change 09/08 (days)	Median** Price Q2/09	Median** Price Q2/08	% Change
Antelope	163	253	-36	43	53	-10	\$195,000	\$231,000	-16
Carmichael	119	127	-6	66	57	9	\$255,000	\$284,900	-10
Citrus Heights	230	276	-17	56	51	5	\$176,125	\$213,500	-18
Elk Grove	792	808	-2	58	52	6	\$238,000	\$270,000	-12
Fair Oaks	89	91	-2	61	58	3	\$255,000	\$369,000	-31
Folsom	182	212	-14	58	52	6	\$373,000	\$420,025	-11
North Highlands	126	169	-25	50	51	-1	\$97,000	\$120,750	-20
Orangevale	103	107	-4	65	48	17	\$210,000	\$265,000	-21
Rancho Cordova	178	199	-11	60	67	-7	\$220,000	\$269,000	-18
Sacramento	2,931	2,662	10	58	59	-1	\$135,000	\$184,000	-27
Wilton	21	16	31	122	56	66	\$430,000	\$537,495	-20

\* 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.