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**(RESIDENTIAL RESALE STATISTICS September 2008)**

## **Highest number of closed escrows since August 2005, lowest median price since May 2002**

The local housing market activity has produced some interesting results despite the current condition of the national economy. The following information, compiled by the Sacramento Association of REALTORS®, is collected from the MetroList® multiple listing services and covers Sacramento County and the City of West Sacramento.

The month of September showed a total of 2,020 closed escrows, an 8% increase over the 1,814 home sales in August. This month's level of closed escrows marks the first time monthly home sales have been above 2,000 since August 2005, where sales topped out at 2,052. When compared to the same month last year, this month's 2,020 sales mark a staggering 185.7% increase over the 707 closed escrows in September 2007.

On the opposite side of the spectrum, however, this month recorded the lowest median sales price in over six years. The Sacramento median sales price has dropped to \$194,950, a figure 10.6% below August's \$218,000 median price. When compared to last year, the current median sales price is 39.1% below the \$320,000 median price of September 2007. The 2,178 new listings in September reflect a 1% increase over August's 2,156 new listings. The total listing inventory showed a slight decrease, with September's 7,124 total listings standing 1.4% below the 7,225 total listings in August. When compared with last year, the current total listing inventory is 29.1% below the 10,043 total listings shown in September 2007.

The increase in home sales, the decrease in median price and the favorable market supply figure have resulted from the many REO properties on the market. "As the countywide median sales price continues to decline, optimistic investors and qualified buyers are continuing to contribute to the increased the amount of local sales," reports SAR President Alan Wagner. "These great deals that are currently available have unfortunately materialized from other's misfortune; over 70% of all homes sold this month have been listed as REO properties in the local MLS. This may make some potential buyers hesitate, but those who have done research find this market boasting some of the best deals last seen over six years ago. As incredible as it seems, the last time the median sales price was below \$200,000 was in May 2002," continues Wagner, "this last quarter of 2008 will be interesting to watch, especially with the declining median price."

For nine straight months, the month-end housing market supply has shown a significant drop, reaching the lowest figure seen in years. This figure represents the amount of time – in months – it would take to deplete the total listing inventory given the current rate of sales. September's figure of just 3.5 months reflects a 10.3% drop from last month's 3.9 months and when compared to the 14.2 months shown in September 2007, there is a 75.4% decrease.

### **Condominium Resale Market**

As sales of single family homes increase, the number of condominium closed escrows has dropped. September reported 109 closed condominium escrows, a 16.2% drop from the 130 closed escrows reported in August. This month's sales, on the other hand, represent a 106% increase from the 53 closed escrows reported in September 2007. The median sales price of a Sacramento condominium showed a contrary trend, decreasing 13.2% from August's \$129,000 to \$112,000. The current median price reflects a 59% decrease from the \$197,000 median price of September 2007.