

FOR IMMEDIATE RELEASE: January 7, 2010

(RESIDENTIAL RESALE STATISTICS December 2010)

Year ends with less total sales, but positive trend in median sales price

December posted increases month to month with sales volume increasing 15.5% from 1,302 to 1,504 units. Making up these sales were 655 REOs (43.6%), 340 short sales (22.6%) and 509 conventional sales (33.8%). These numbers have changes slightly month to month with REOs up by 3% and conventional sales down by 3.7%. The percentage of short sales remained unchanged month-to-month.

The median home sales price decreased .6% from \$180,000 to \$179,000. Compared with the same month last year (\$187,500), the number is down 4.5%. The current year-end median sales price, however, posted a positive trend for the first time since 2005. The year-end median sales price for 2010 was \$183,385, 1.9% above the \$180,000 year-end median sales price of 2009. The \$200,000 - \$249,999 price range mode still accounts for a majority (17.8% or 267 units) of the 1,504 total sales this month, while homes under \$100,000 totaled 196 (13%) units. Conventional financing continued as the primary source of all home and condo sales (584, 35.9%) with cash (454, 27.9%) and FHA financing (468, 28.7%) making up the two other large categories. Conventional and FHA financing both increased; 6.8% and 2.1%, respectively. Cash financing on units decreased 5.1% from November to December. VA loans (43, 2.6%) and other financing (80, 4.9%) 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 47 – up 11.9% from the 42 median DOM of sales in November.

From the table below, we can see that the median sales price has been bumping along in the past two years from the lowest price in 8 years (April 2009) up to \$194,000 median price in June 2010 and back down to the current \$179,000 median price. SAR President Elect Doug Covill commented on the current market, stating “the interest rates are incredible, the inventory is there; we are just waiting for confidence to return. Distressed properties are still dominating the market (43.6% of sales are REO).”

| | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. |
|-------------|-----------|------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| 2009 | \$169,000 | \$167,000 | \$167,500 | \$167,100 | \$180,000 | \$180,000 | \$180,000 | \$190,000 | \$183,000 | \$185,000 | \$187,000 | \$187,500 |
| 2010 | \$170,000 | \$179,900 | \$182,000 | \$185,000 | \$190,000 | \$194,000 | \$185,000 | \$186,000 | \$180,000 | \$179,500 | \$180,000 | \$179,000 |

The Total Listing Inventory has recently been split up to more accurately display the current market. Active Listings numbered 5,156 properties and Active Short Sales Contingent showed 1,669. 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 December was 3.4 Months – down 15% from the 4 Months Inventory of November. This figure represents the amount of time – in months – it would take to deplete the Active Listing Inventory (5,156) given the current number of closed escrows (1,669). According to MetroList® MLS data, the average home was 1,732 square feet. Of the 1,504 sales this month, 139 (9.2%) had 2 bedrooms or fewer, 799 (53.1%) had 3 bedrooms, 459 (30.5%) were 4 bedroom properties and 107 properties (7.1%) had 5+ bedrooms.

Condominium Resale Market

Sacramento condominium sales increased for the month to 126 units. This figure is up 8.6% from the 116 units sold in November and up 10.5% from the 114 units sold last year. REO property sales accounted for 54.8% of all units sold while short sales (23.0%) and conventional sales (22.2%) accounted for the remainder. REO condo sales and short sales decreased this month, 2.1% and 1.2% this month, while conventional sales increased 32%. Noteworthy of condominium sales, cash buyers accounted for 75 of the 126 (59.5%) units sold. The condominium median sales price is down month-to-month with a 6.2% decrease from \$85,250 to \$80,000. This current price is down 20% from the \$100,001 median sales price of December 2009. The total listing inventory increased (1.1%) month-to-month from 716 listings to 724 listings. Of these 724 listings, 176 (24.3%) were listed as Active Short Sale Contingent, leaving the actual Active Listing Inventory at 548 units.