



LYON[®]

REAL ESTATE

A WINDERMERE COMPANY



GREATER SACRAMENTO

MARKET UPDATE

FEBRUARY
2024

PUBLISHED BY LYON REAL ESTATE
www.GoLyon.com



GREEN SHOOTS APPEARING IN THE RESALE HOME MARKET

New listings in February jumped 20 percent versus last year

A number of key housing metrics are modestly trending up throughout Greater Sacramento creating optimism that spring selling season could be much improved over the past few years. Twenty percent more listings entered the market in February compared to last year at this time, indicating that an increased number of move-up sellers are likely to surface in 2024. The rate of new pending sales ticked up a mere 4 percent leaving the standing inventory of 1,868 properties approximately 6 percent higher than last year at month end. That maps to 1.5 months of housing supply available based upon the current rate of sales.

Buyers are also slowly slinking back into the market in spite of still higher than desired mortgage interest rates. Last month, 1,399 homes were placed under contract, a 4 percent increase compared to January. Due to the boost in new listings though, pending sales are currently tracking a notable 16 percent higher in mid-March versus mid-February. The new pending sales year to date at mid-March, rest 5 percent higher than last year at this time. The early trends in these key metrics all reflect that the housing market is producing green shoots that lay a path for higher sales numbers in the months ahead.



GREATER SACRAMENTO MARKET STATISTICS

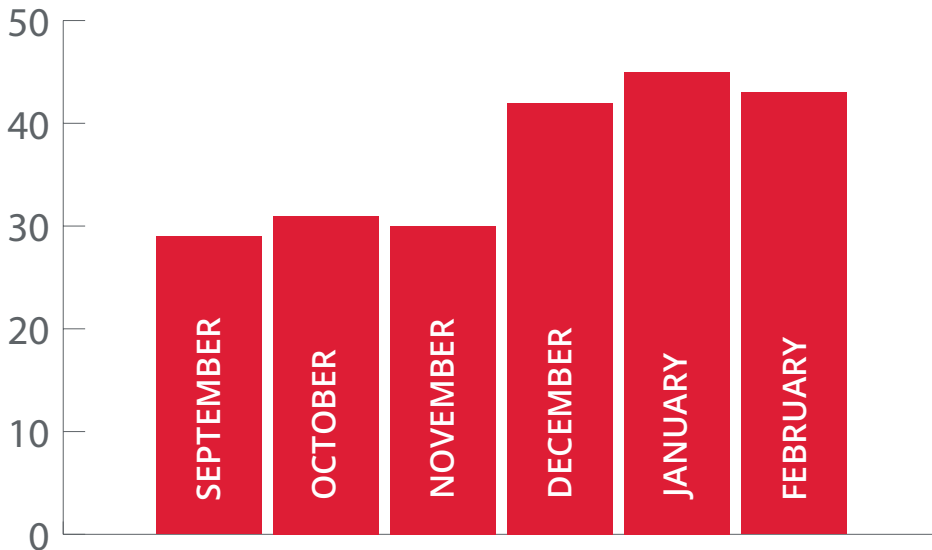
PROPERTIES FOR SALE: ▲
1,868 Residential

PROPERTIES SOLD: ▲
1,167 Residential

AVERAGE SOLD PRICE: ▲
\$647,000

Statistics comparable to January 2024

AVERAGE DAYS ON MARKET 6 MONTH LOOK BACK





“Greater Sacramento is still a very favorable ‘place to be’ in Northern California,” says Pat Shea, President and CEO of Lyon Real Estate. “Plenty of buyers are fully employed, accepting current mortgage rates, and eager to get busy with their life plans. Additional inventory will surely produce more sales.”

The number of closed sales in February was up 13 percent versus a sluggish January yet down 2 percent compared to February of last year. At mid-March, total closings year to date are tracking 4 percent higher than last year at this time. The market did, however, start the year somewhat softer than normal due to low inventory but appears right now to be gaining momentum.

The average sales price across the region for the month of February rested at \$647,000. That number was a significant 7 percent increase compared to the same month last year. The past 3-month average sales price of \$636,000 also reflected a 7 percent increase year over year. Prices typically soften over the winter months. Early price movement in the year thus far, however, once again reflects that continued upward pressure is likely as our spring market takes shape. Still, lower inventory than optimal and the apparent willingness of buyers to find their way will continue to fuel price appreciation. Homes that closed escrow in February received an average of 100 percent of the original list price and were on the market for an average of 43 days.

According to Shea, “the slightly faster start heading into spring reflects that many buyers are ready to roll and move-up sellers are tired of waiting. The market will surely warm up over the next few months and any action to decrease mortgage rates will surely cause a positive reaction in the number of home sales throughout Greater Sacramento.”

INVENTORY BY VALUE

< \$1M

Homes below \$1,000,000
1.4 month supply

> \$1M

Homes above \$1,000,000
4 month supply

ABOUT LYON REAL ESTATE

Lyon Real Estate is the leading independent real estate brokerage company in Greater Sacramento (Sacramento Business Journal). We are proud to be homegrown, privately owned, and internationally known. Lyon has served the area for over 75 years. Last year, the company closed a total of 3,191 transactions and \$1.85 billion in sales volume. Lyon Real Estate has over 750 agents in 15 offices located throughout the region. The company is a member of the Leading Real Estate Companies of the World®, the largest network of premier locally branded firms, as well as LeadingRE's Luxury Portfolio International® program. In addition to its real estate services, Lyon Real Estate offers RELO Direct, a global relocation program. Since 2015, the Lyon Cares Foundation has contributed more than \$1,368,365 to local nonprofits.

ABOUT TRENDGRAPHIX, INC.

TrendGraphix, Inc. is a real estate reporting company based in Sacramento that uses local Multiple Listing Service (MLS) data to provide highly-visual market statistical graphs to real estate brokers, agents, and MLS/Realtor associations across the country. TrendGraphix's programs are currently used by tens of thousands of agents in more than 250 brokerages in 48 states. For more information about TrendGraphix, visit www.trendgraphix.com.