

GREATER SACRAMENTO MARKET UPDATE



MAY 2024



PROPERTIES FOR SALE

3,029



TREND

PROPERTIES SOLD

1,761



TREND

AVERAGE HOME PRICE

\$690K



TREND

RESALE HOME INVENTORY SEES FIFTY PERCENT JUMP

A steady rate of sales is keeping the market balanced.

(SACRAMENTO, CA) - Prospective home buyers throughout Greater Sacramento are getting a break from the market heat as 3,029 homes were left available in standing inventory at the end of May. The market has now seen four straight months of increased supply and currently stands with fifty-three percent more properties available than last year at this time. Spring buyer demand increased moderately as well, but ultimately left the market reasonably balanced, with less than two months of housing supply available based on the current rate of sales.

A very steady increase in the number of new listings arriving on the market since January 1st continues to provide more opportunities for prospective home buyers. The flow of new listings over the past 3 months was 24 percent greater than the same period last year. New listings posted during the month of May alone

were 12 percent higher than those of April and 24 percent greater than May of 2023. This likely reflects that some homeowners who were previously "locked in" to lower mortgage interest rates are now willing to pay a little more for their desired lifestyle changes.

Buyer activity also continued to gain momentum during the month of May as new open escrows posted were 10 percent higher than those of April and 8 percent greater than May of last year. Both new listings and open escrows month-to-date at mid-June, however, seem to be already softening somewhat. Thus, another market plateau may be taking shape.

The average sales price for the month of May came in at \$690,000 with the median at \$605,000. Both metrics have seen four straight months of upward movement after experiencing a seasonal softening over the

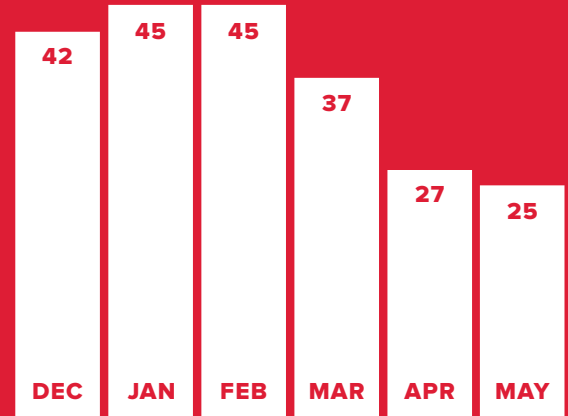


holidays. The average sold price reflected a 3 percent increase and the median sold price was a 4 percent increase year over year.

Homes that closed escrow during the month of May were on the market for an average of 25 days and sellers received an average of 100 percent of their original list price. These market metrics are really quite good for sellers by historical standards yet demonstrate a reasonably good balance for buyers as well.

“A sustained, twenty to thirty percent lift in both new sales and new homes coming to market would do wonders for the Greater Sacramento housing ecosystem,” says Pat Shea, President of Lyon Real Estate. There has been a slow but steady improvement in all market indicators thus far in 2024 after the rapid rise in mortgage interest rates derailed the housing market for such an extended period of time. Some very key, national economic metrics are starting to paint the picture that inflation has retreated in a meaningful manner. Consequently, the Federal Reserve Bank is suggesting that a series of interest rate cuts is likely on the way for later this year and in 2025. The real estate market could very well see a typical summer slowing but a much busier fall than normal.”

AVERAGE DAYS ON MARKET (PAST 6 MONTHS)



INVENTORY BY VALUE

1.5 MONTH SUPPLY
HOMES BELOW \$1M

3.4 MONTH SUPPLY
HOMES ABOVE \$1M

This market information was presented by Lyon Real Estate based upon data provided by Trendgraphix Inc., a Sacramento-based reporting company.

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, and 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 LYON REAL ESTATE TrendGraphix, Inc. is a real estate data analytics company based in Sacramento that uses local Multiple Listing Service (MLS) data. TrendGraphix provides highly visual performance and 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 brokers and agents in more than 300 brokerages across the nation. For more information about TrendGraphix, visit www.trendgraphix.com.