



LUXURY MARKET UPDATE | Q3 24



LUXURY HOME SALES KEEP TRENDING UP

491
CLOSED
SALES

\$1.42M
AVERAGE
HOME PRICE

43
AVERAGE DAYS
ON MARKET

SEPTEMBER'S NEW OPEN SALES WERE 36 PERCENT HIGHER THAN LAST YEAR.

(SACRAMENTO, CA) – Luxury-priced home sales across the Greater Sacramento region in the third quarter continued to move at a much-improved rate year-over-year indicating the entire real estate market is headed in a very positive direction as we close out 2024 and head into 2025. Most economists agree that the market malaise influenced by inflation and consequently higher mortgage interest rates over the last few years is nearing an end.

The local market still benefits from persistent move-up activity and residual migration from other areas of California. The persistent upward pressure in average sales prices across the state in large metropolitan areas continues to send people in our direction. That, combined with better quality of life benefits, continues to make Greater Sacramento a favorable destination for luxury home buyers.

Luxury Portfolio International recognizes home sales above \$1,000,000 throughout the Greater Sacramento region as properties that map most accurately toward consumer expectations regarding luxury real estate. Slightly more than 9 percent of the homes sold year to date throughout Greater Sacramento fall into that luxury price range.

Closed escrows year-to-date at mid-October, are up a significant 12 percent compared to the same time last year. The 491 sold and closed sales in the third quarter did, however, mark only an 8 percent increase versus those of last year at this time.

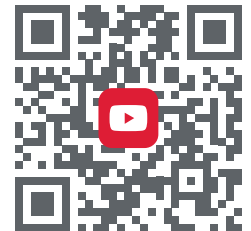
Successful, luxury home sellers received an average of 95 percent of their original list price in the third quarter. This was down slightly from 95 percent last year yet still better than 94 percent for the same period in pre-pandemic, 2019. The average time on the market for luxury-priced properties that closed escrow in the third quarter rested at 43 days, compared to 39 in the third quarter of last year. The combined average sales price for July, August, and September landed at \$1,422,000, which reflected a 2 percent decrease versus the same period last year. These are still very good results as compared to recent years and signal price stability.

New open escrows during the third quarter of 2024 were the exciting story as 467 luxury-priced properties were placed under contract. That figure was 14 percent higher than the third quarter of last year and more than double those that were posted in the third quarter of pre-pandemic 2019. September's new open escrows alone were 12 percent higher than those of August, and a very encouraging 36 percent greater than September of last year.

Luxury home buyers are fortunate to still enjoy an ample number of active and available luxury-priced listings offered on the market. On September 30th there were 611 properties listed, a robust 26 percent greater than last year. That number remains ideal based on the steady rate of sales. A balanced market, especially in the upper end, typically is considered to have 4 to 6 months of supply. Present market metrics reflect that we are currently hovering at approximately four. For comparison, in 2019 the market was north of six months.

"New luxury priced listings entering the market were approximately 14 percent higher in the third quarter than those posted last year," says Pat Shea, CEO of Lyon Real Estate. "That is extremely healthy and crucial to keep pace with our renewed buyer demand. Positive employment figures remain prevalent throughout Northern California and many people are willing and capable of purchasing luxury-priced properties. Mortgage interest rates have started to ease and are unlocking and encouraging more buyers and sellers to find the home of their dreams. The market is changing for the better and you can expect strong sales numbers through year-end."

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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 700 agents in 14 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 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.