



LUXURY MARKET UPDATE | Q325



MORE GOOD NEWS FOR LUXURY HOME SALES

545
CLOSED
SALES

\$1.47M
AVERAGE
HOME PRICE

54
AVERAGE DAYS
ON MARKET

NEW LISTINGS AND NEW SALES CONTINUE TO PROPEL AN UPWARD TREND.

(SACRAMENTO, CA) – Luxury priced home sales all across the Greater Sacramento region maintained a very positive trajectory throughout the third quarter of 2025. This market segment actually has performed much better than other price points over the past few years and key market indicators currently suggest it is well on track to deliver a strong fourth quarter as well. The stock market is enjoying a banner year, interest rates are finally on the decline and most industry economists are predicting a sustainable upcycle is very realistic for all resale properties at year-end and right through 2026.

The relative affordability and exceptional value offered in our local market continues to produce steady move-up activity and residual migration from other areas of California. The persistent upward pressure in average sales prices across the state in other large metropolitan areas continues to send people in our direction. That dynamic, larger homes and lot sizes combined with better quality of life benefits, continues to make Greater Sacramento a highly 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 10 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 noteworthy 8 percent compared to the same time frame last year. The 545 sold and closed sales during the third quarter alone, did however, mark a very encouraging 11 percent increase versus those for the same period in 2024.

Successful, luxury home sellers received an average of 95 percent of their original list price in the third quarter. This metric was identical to that of 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 54 days, compared to 43 in the third quarter of last year. The combined average sales price for July, August and September landed at \$1,467,000, which reflected a 3 percent increase versus the same period last year. These are all very good results for this market segment when compared to recent years and signal reasonable price stability.

New open escrows during the third quarter of 2025 also affirmed the positive trend as 498 luxury priced properties were placed under contract. That figure was 11 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 new open escrows alone, were a mere 1 percent higher than those of August, though a significant 14 percent greater than September of 2024.

Luxury home buyers are fortunate to enjoy an excellent supply of active and available luxury priced listings offered on the market. On September 30th there were 671 properties listed, a welcome 10 percent greater than last year. That number remains ideal based upon 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 13 percent higher in the third quarter than those posted last year,” says Pat Shea, President of Windermere Signature Properties. “Adding a variety of choices is always a positive and actually imperative in effort to keep pace with elevated buyer demand. Positive employment figures remain prevalent in Northern California and it is quite clear that plenty of people remain both willing and capable of purchasing luxury priced properties. Mortgage interest rates have started to ease and are unlocking and encouraging even more buyers and sellers to find the home of their dreams. The market is moving in an excellent direction and you can expect strong sales numbers not only at year-end but throughout 2026 as well.”

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ABOUT WINDERMERE REAL ESTATE Windermere Signature Properties, formerly known as Lyon Real Estate, has served the Greater Sacramento Region for over 79 years. Last year, the company closed over 3,300 transactions and nearly \$2 billion in sales volume. Windermere Signature Properties has over 600 agents in 13 offices located throughout the Sacramento 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. Since 2015, Windermere Real Estate has contributed more than \$1,525,865 to local nonprofits throughout the Sacramento region.

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.