Greater Sacramento Market Update

Windermere REAL ESTATE

OCTOBER 2026

More Homes, Fewer Sales, Yet Sacramento Home Prices Hold Steady

Growing inventory, cautious buyers, and economic uncertainty are reshaping Greater Sacramento's housing market.

TREND	TREND	TREND
4,548	**1,407**	**$677K**
HOMES FOR SALE	HOMES SOLD	AVERAGE SOLD PRICE

More homes are available, fewer buyers are making a move, yet home prices remain remarkably stable. Greater Sacramento's October housing market tells a story of growing inventory, cautious buyers, and a changing balance between supply and demand.

October ended with 4,548 homes for sale, up 9.5% from October 2025 and the highest inventory level recorded this year. Meanwhile, 1,407 homes closed escrow, a 17.7% decline year over year. Despite fewer transactions, the average sold price held relatively steady at $677,000.

The contrast raises an important question: **With more homes available, where are the buyers?**

MORE HOMES, BUT BUYERS REMAIN CAUTIOUS

Greater Sacramento began 2026 with just 2,772 homes for sale. By October, inventory had climbed nearly 64%, giving buyers considerably more choices than they had at the beginning of the year.

At the same time, sales activity has slowed. October's 1,407 closed sales represent a 17.7% decline from October 2025, while months of inventory increased to 3.2, up 14.4% from September.

New listings also declined 9.3% from September to 2,138, suggesting fewer homeowners are entering the market as the holidays approach. Yet inventory remains elevated as homes take longer to sell.

Economic uncertainty is likely contributing to buyer hesitation. Fluctuating mortgage rates, affordability challenges, inflation, and concerns about the broader economy are giving some buyers reason to pause. Even financially prepared buyers may be waiting for lower interest rates, more favorable pricing, or greater economic clarity before making a significant financial commitment.

DESPITE SLOWER SALES, HOME PRICES REMAIN RESILIENT

Perhaps the most interesting part of October's housing story is what hasn't happened: a significant decline in average home prices.

Despite rising inventory and fewer sales, October's average sold price of $677,000 followed $685,000 in September, $689,000 in August, and $698,000 in July.

While prices have moderated slightly from summer levels, the overall trend remains relatively stable considering the decline in transaction volume. Rather than experiencing a dramatic correction in home values, Greater Sacramento appears to be experiencing a slowdown in market activity, with buyers becoming more selective about where and how they invest.

AN OPPORTUNITY FOR BUYERS READY TO MAKE A MOVE

While uncertainty may be keeping some buyers on the sidelines, today's market presents potential opportunities for those who are financially prepared.

With more than 4,500 homes available and fewer competing buyers, purchasers have something that was often missing in recent years: time and choice.

Rather than rushing into offers or competing against multiple buyers, purchasers may have greater flexibility to explore neighborhoods, compare properties, negotiate repairs, request closing cost assistance, or discuss price adjustments.

Waiting for the perfect combination of lower mortgage rates and home prices carries uncertainty of its own. If borrowing costs decline, more buyers could return to the market, potentially increasing competition.

For buyers comfortable with current financing costs and confident in their long-term plans, today's slower pace may offer meaningful advantages.

FOR SELLERS, PRICING STRATEGY IS MORE IMPORTANT THAN EVER

For sellers, October's numbers reinforce the importance of realistic expectations and a thoughtful strategy from the start.

Homes spent an average of 43 days on the market, compared with 39 days in September. While longer marketing times are typical during fall and winter, increased inventory and more selective buyers are creating additional competition.

With more choices available, buyers have less incentive to consider homes priced above market expectations. Sellers who enter the market overpriced may experience fewer showings, extended marketing times, and ultimately price reductions to regain buyer interest.

Homes priced strategically from the beginning, thoughtfully prepared, and effectively marketed are better positioned to stand out and attract serious buyers.

"We're seeing an interesting shift in our market. Inventory has increased significantly, sales have slowed, yet home prices remain relatively stable. Economic uncertainty is certainly influencing buyer confidence, but for those who are financially prepared, this market presents opportunities we haven't seen in some time. Buyers have more choices and greater negotiating flexibility, while sellers need to recognize that pricing strategically from the start is more important than ever. The opportunity is there on both sides, but success requires realistic expectations and a thoughtful strategy."

— OB Jacobi, President, Windermere Signature Properties

LOOKING AHEAD: UNCERTAINTY CREATES OPPORTUNITY

As Greater Sacramento approaches the final weeks of 2026, several factors could influence housing activity and buyer confidence.

Mortgage rate fluctuations, inflation, employment trends, consumer confidence, and upcoming Federal Reserve decisions may all affect purchasing power and the timing of real estate decisions. The holiday season will also bring its typical slowdown as some buyers and sellers postpone their plans until the new year.

Yet slower activity doesn't mean opportunity disappears.

For buyers, greater selection and reduced competition may create favorable conditions to purchase. For sellers, motivated buyers remain active, but attracting them requires thoughtful pricing, preparation, and marketing.

As the region prepares to enter 2027, the market is becoming more selective, but home prices continue to demonstrate resilience. For buyers and sellers alike, understanding local market conditions, setting realistic expectations, and working with an experienced real estate professional remain essential to making informed decisions.

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INVENTORY BY VALUE

3.2
MONTH SUPPLY
HOMES BELOW $1M

4.1
MONTH SUPPLY
HOMES ABOVE $1M

AVERAGE DAYS ON MARKET



This market information was presented by Windermere Signature Properties based on data provided by Trendgraphix Inc., a Sacramento-based reporting company.

ABOUT WINDERMERE REAL ESTATE Windermere Signature Properties, formerly known as Lyon Real Estate, has served the Greater Sacramento Region for 80 years. In 2025, the company closed over 2,800 transactions and $1.75 billion in sales volume. Windermere Signature Properties has over 550 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 $1,622,565 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.