



Home Sales Report

DECEMBER 2021 SALES REPORT

January 13, 2022

Sacramento-Area New Home Sales Continue Surge in December, Resulting in Highest Annual Sales Total Since 2005

For the second year in a row, new home sales in the greater Sacramento region surged to unseasonably high levels, leading to the highest yearly sales total since 2005, the North State Building Industry Association (BIA) reported today.

BIA 2022 Chairman Adam Hieb said the continuing strong sales figures demonstrate the high demand for new homes and called on local officials to work with the industry to allow production to ramp up throughout the region.

“New and existing homes alike are continuing to sell quickly, and COVID-related work-from-home policies are expected to continue driving demand for new homes designed to accommodate home office solutions,” Hieb said,

“The industry would like to continue working with local governments to expedite zoning and permitting decisions to allow builders to meet the demand for urban and suburban homes throughout the region.”

In December 2021, BIA members reported selling 615 new homes in the seven-county region, more than twice as many as the historical monthly average of just 273. It was also the third-highest sales total for December since the BIA began keeping records in 1997, behind 790 in 2003 and 660 in 2020.

The surge pushed the year’s total reported sales to 7,242, the highest since

2005, when 7,671 homes were sold. The yearly total was 169 more than were sold in 2020.

In December, sales in Sacramento and Placer counties, the heart of the market, were nearly equal, with 272 sales in Sacramento County and 262 in Placer. Smaller totals were recorded in Amador, El Dorado, Nevada, Sutter, Yolo and Yuba counties. The vast majority of homes sold between \$400,000 and \$750,000.

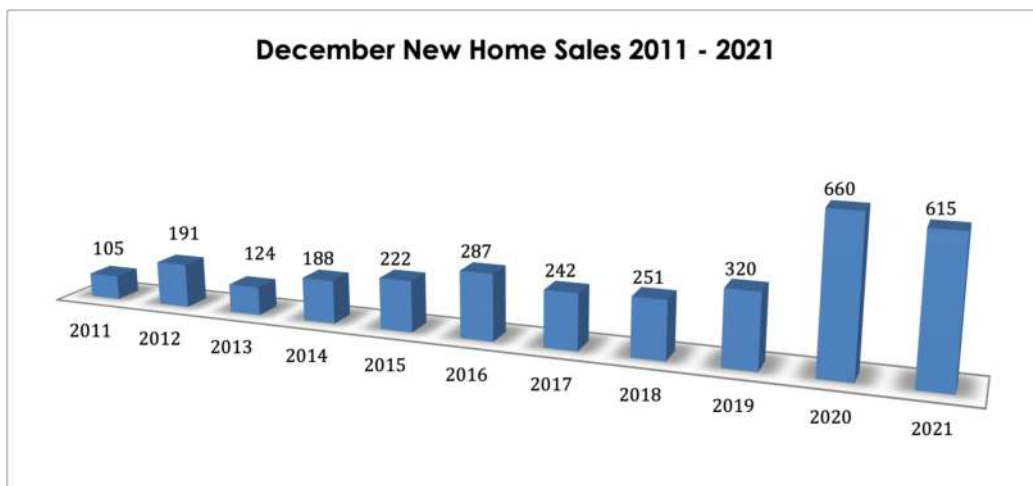
For the year, 3,540 homes were sold in Sacramento County and 2,696 were sold in Placer. Just over 1,000 new homes sold during the year in the remainder of the region.

BIA President Michael Strech noted that panelists at the BIA's recent Regional Housing Forecast said they expect sales to continue in the 7,000 to 8,000 range for at least the next two to three years, but that far more homes and apartments are needed in the region and statewide.

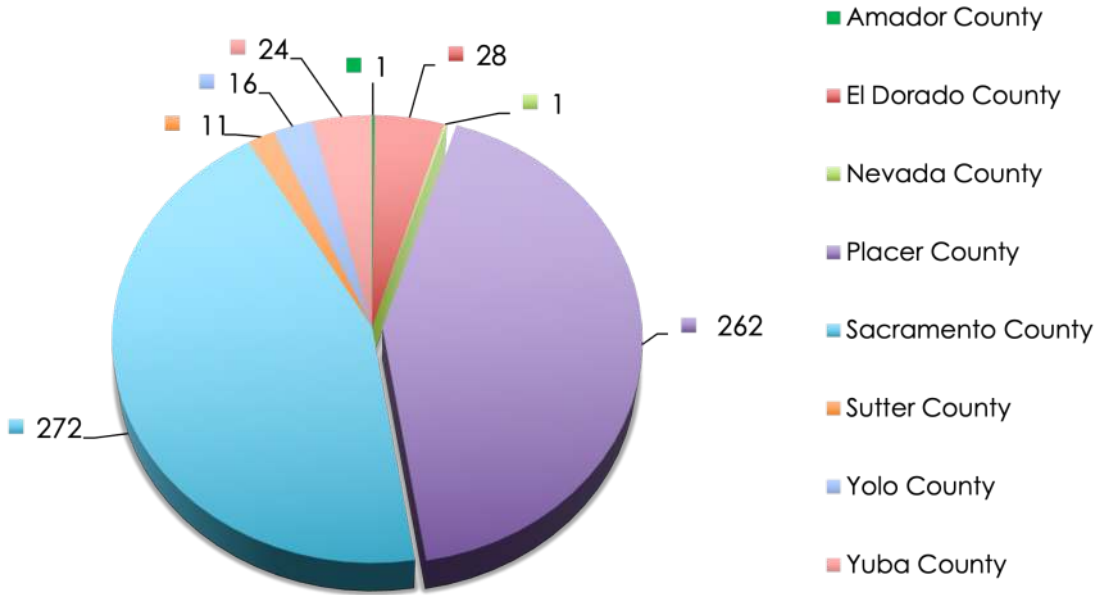
"The state believes production statewide should be about 180,000 a year, and the average in the past decade has been just 71,000," Strech noted. "Over time, this underproduction has led to a shortfall of some 3.5 million housing units, which coupled with government fees in our region of nearly \$100,000 per home is why prices have risen, and why nearly three-quarters of Sacramento-area voters we surveyed recently didn't think their children or grandchildren would be able to afford a home in the region.

"The solution to the housing crisis is for state and local governments to allow the industry to build more homes and apartments to bring the market back into equilibrium, to expedite permitting procedures and to reduce the fees and other costs they impose."

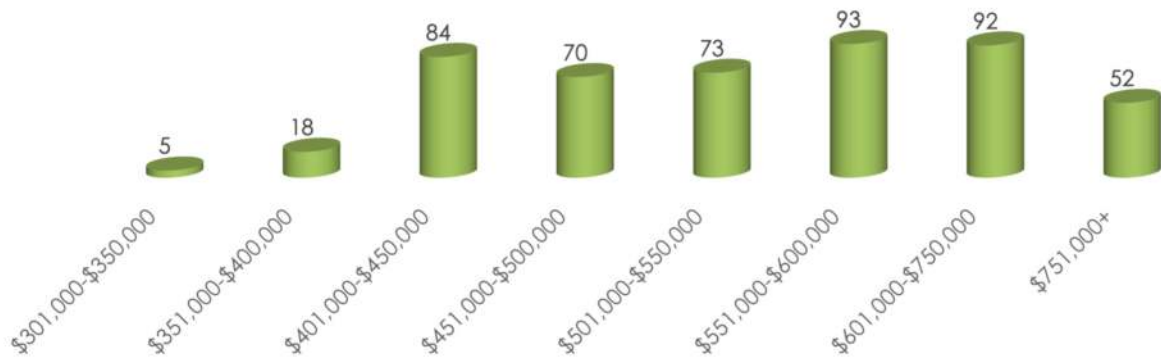
December 2021 New Home Sales at a Glance



December New Home Sales by County

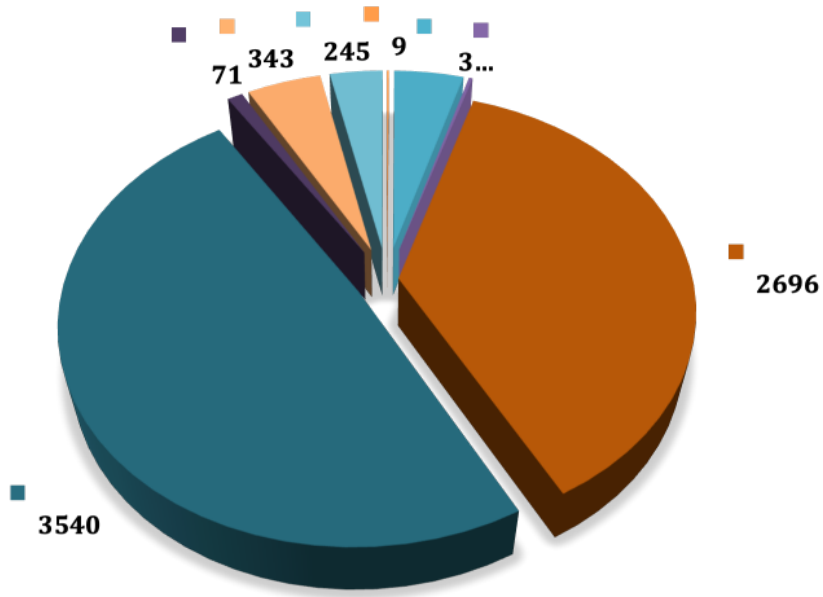


December New Home Sales Price Points



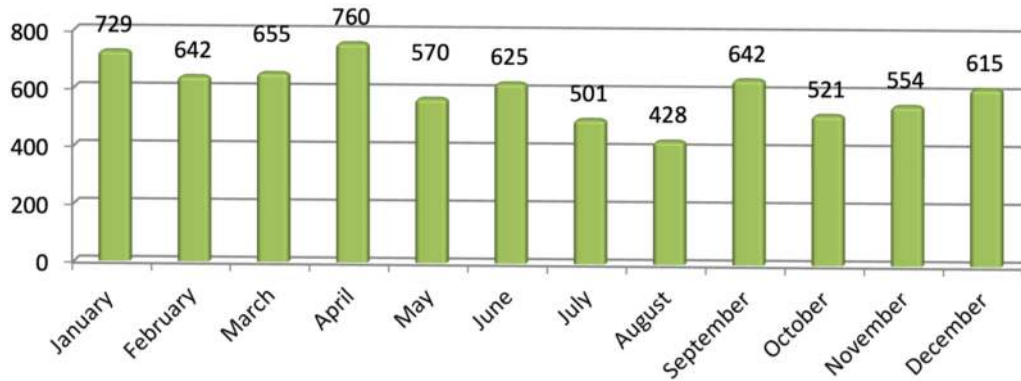
2021 New Home Sales at a Glance

2021 New Home Sales by County



Amador El Dorado Nevada Placer Sacramento Sutter Yolo Yuba

Monthly New Home Sales 2021



2021 New Home Sales Price Points



**NORTH STATE
BUILDING INDUSTRY
ASSOCIATION**

About the North State Building Industry Association

The North State BIA is the leading advocate for the home building industry in the greater Sacramento region. Representing more than 500 members who provide 55,000 industry jobs, the North State BIA is committed to preserving and furthering the economic interests of its members, while also working to enhance the industry's standing as a significant contributor to the regional economy. For more information, visit www.northstatebia.org.

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