



Home Sales Report

JULY 2022 SALES REPORT

For Immediate Release -- August 11, 2022

Buyers Continue to Assess Changed Market Conditions, North State BIA Reports

Sacramento-area new home sales fell in July as buyers continue to assess the impacts of rising mortgage rates, the North State Building Industry Association reported today.

BIA-member builders reported selling 159 new homes in the eight-county region in July, compared to 501 in July of 2021 and 258 in June of this year. BIA President and CEO Michael Strech said the sales figures show that many prospective buyers who want to buy are still digesting the jump in mortgage interest rates after the Federal Reserve raised interest rates to counter the highest inflation in 40 years.

"Buying a home is a big personal finance decision, and interest rates rising by 2.5% certainly adds to the monthly payments on a mortgage loan. Despite this, prospective buyers continue to visit model homes and once everyone has had a chance to adjust, we expect sales will gradually increase," Strech said.

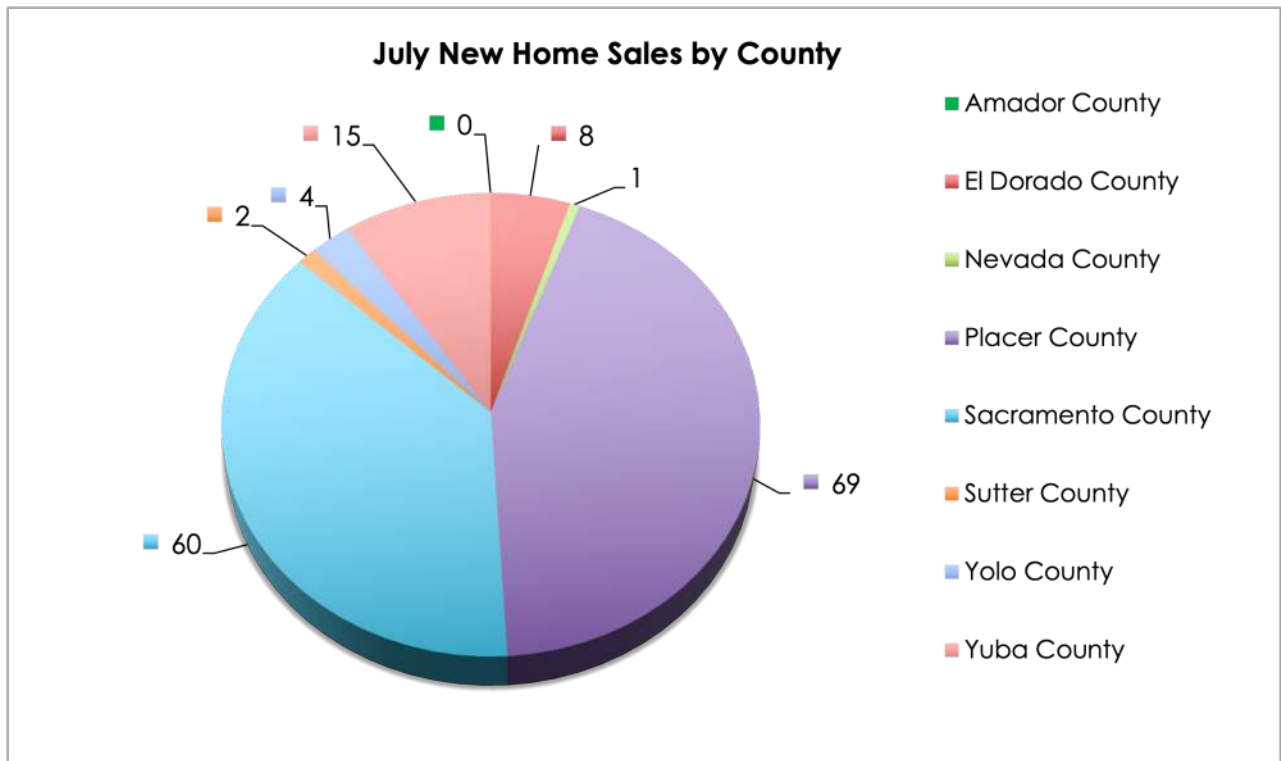
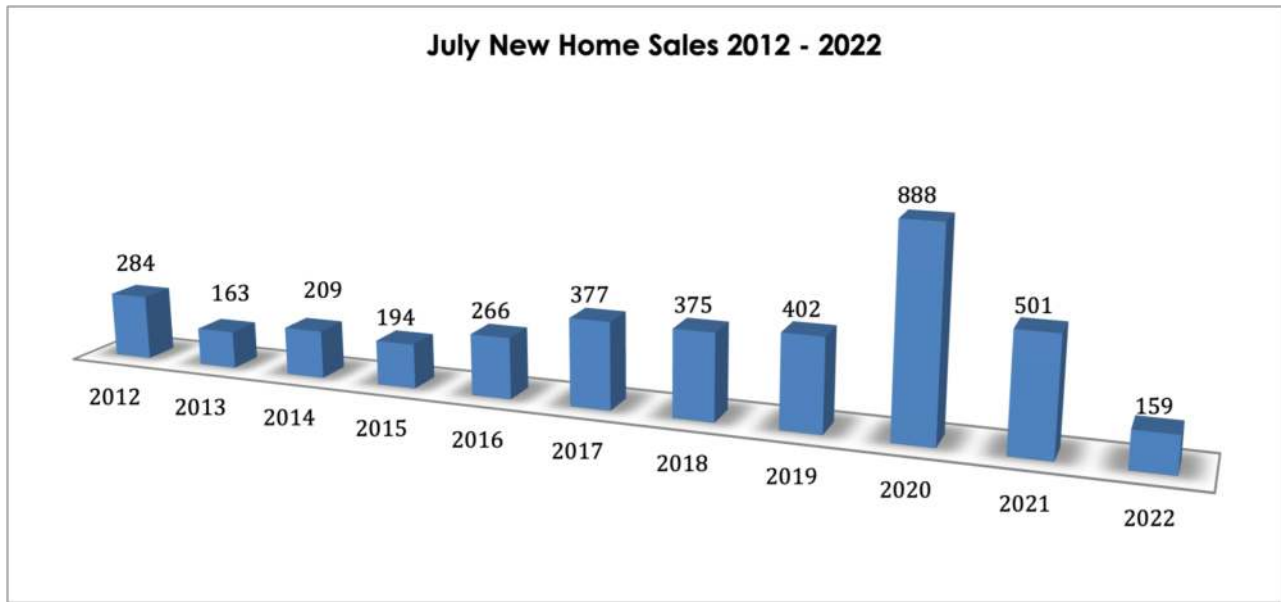
"There's still a deep demand for homeownership, there's no financial crisis like we experienced 15 years ago, builders are still getting decent traffic and builders are still building."

Strech added that local governments in the region could help affordability by reducing the fees they charge builders for each new home -- costs that are passed along to homebuyers. A BIA study last year showed that total fees per home averaged nearly \$100,000, far more than what local governments in comparable regions of California charged.

July's sales total was the lowest for the month since 2010. On a monthly basis, sales were the lowest since December 2013. And for the second month in a row, sales in Placer County outpaced sales in Sacramento County.

Sales figures cover Sacramento, Placer, El Dorado, Yolo, Yuba, Sutter, Amador and Nevada counties.

July New Home Sales at a Glance





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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