

2024 BIA Regional Housing Market Sacramento Region

October 24, 2024

Sharing market trends from a local perspective

Agenda

Affordability Trends

New Home Market Trends

Used Market Trends

Supply Trends

Top Performers

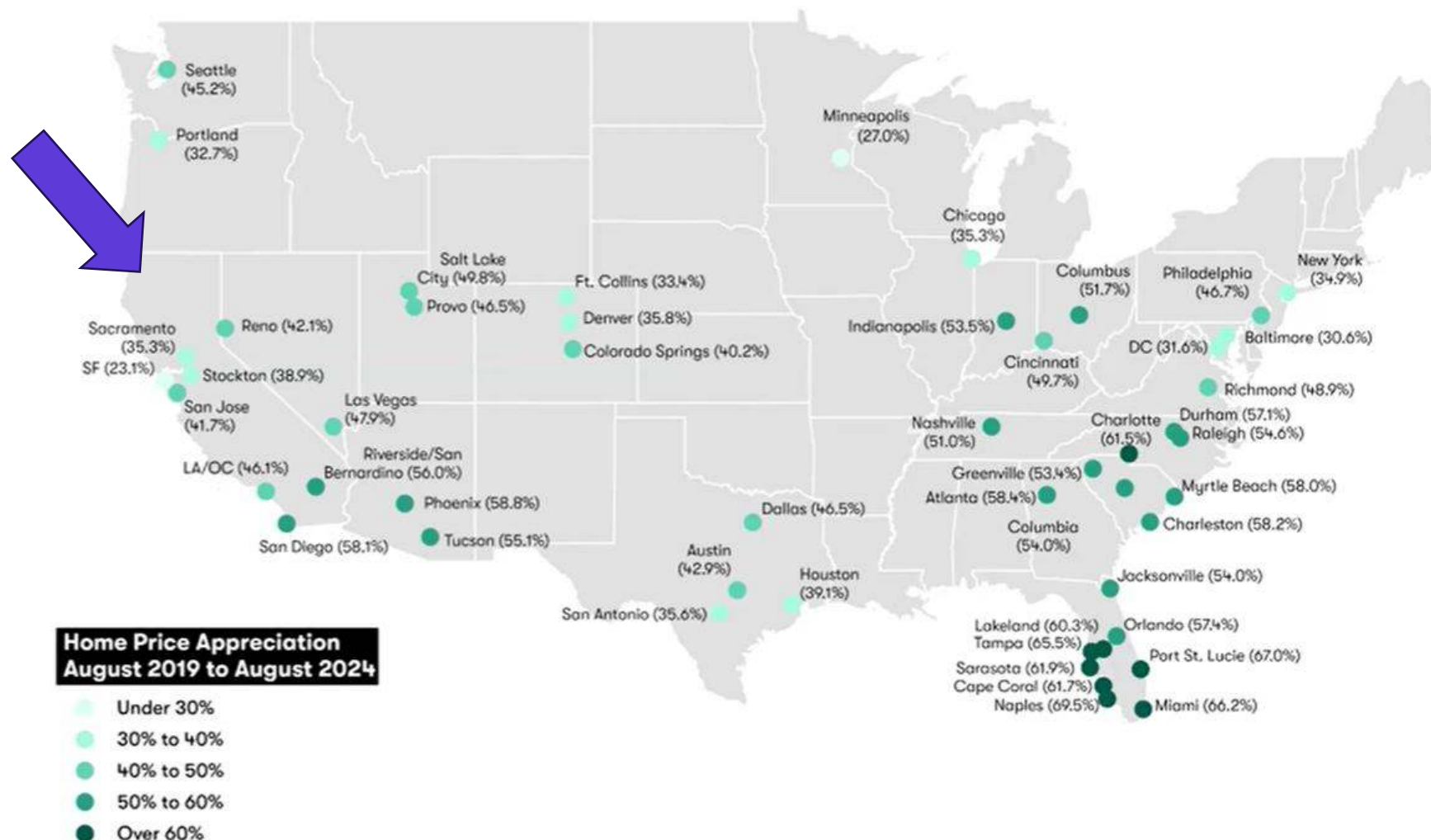
Closing

An aerial photograph of a suburban neighborhood, showing a dense collection of houses with dark roofs and green trees. In the far distance, a city skyline is visible under a dark, overcast sky. The text is overlaid on the left side of the image.

Let's look at the housing market
starting with the good news...

Home prices are **up 35.3%** in Sacramento over the last five years

Home Price Appreciation



Note: Uses Zillow's Home Value Index, which measures the typical value of attached and detached homes in the 35th to 65th percentile for a given market. Data is not seasonally adjusted.

The Sacramento MSA is slightly **OVER PERFORMING**

Zonda Market Ranking



Note: The ZMR measures new home sales adjusted for supply and seasonality and compared to history. The data is as of September.

Source: Zonda

The Sacramento MSA is **SIGNIFICANTLY OVER-PERFORMING**

as a move-up and move-down locations

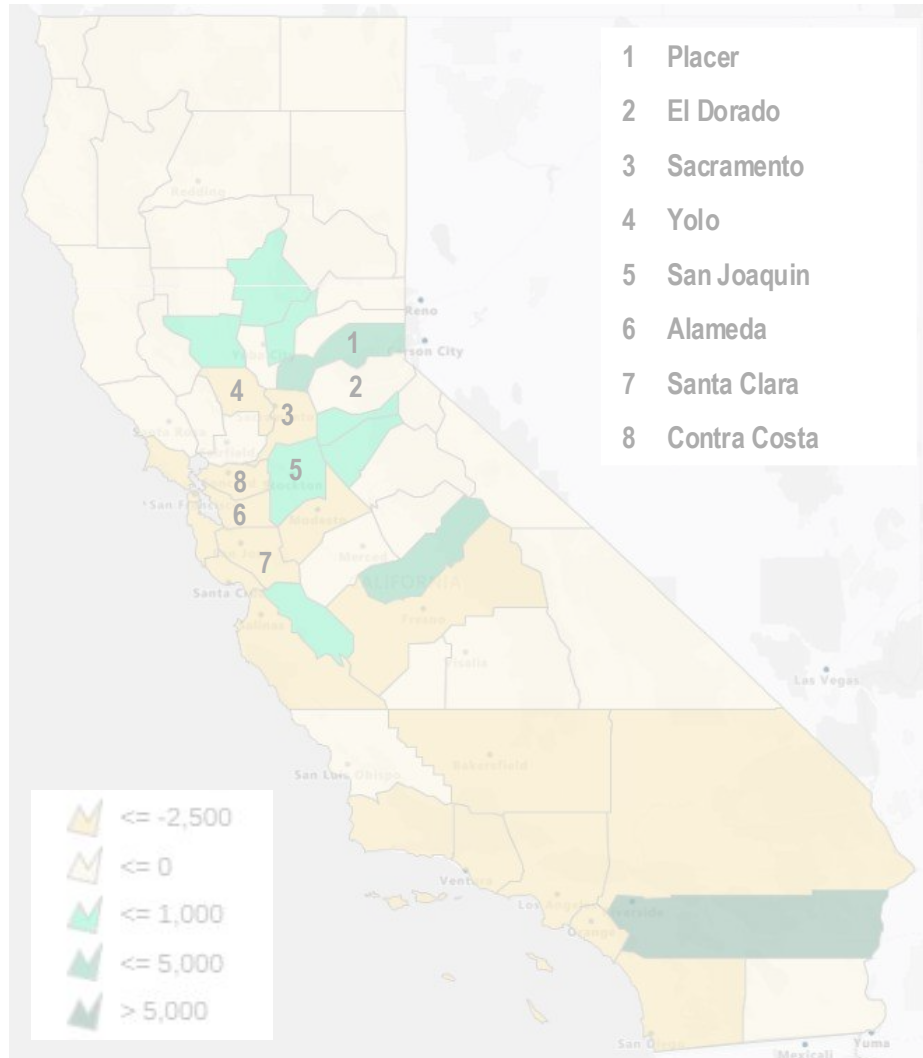


An aerial photograph of a suburban neighborhood, showing a dense collection of houses with dark roofs and green trees. In the far distance, a city skyline is visible under a cloudy sky. The overall scene is dimly lit, suggesting dusk or dawn.

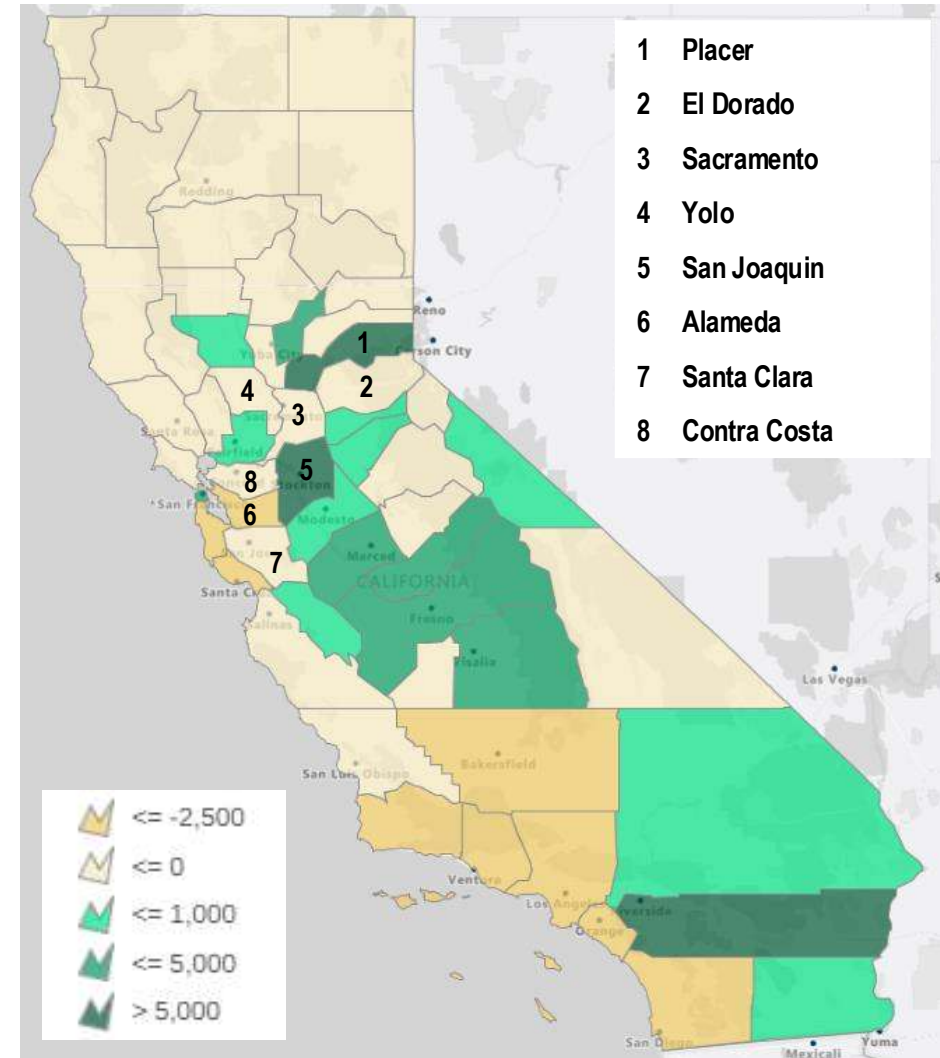
Let's look at affordability...

Growth is strongest right here, San Joaquin, and central parts of the valley

2023 Domestic Migration



2023 Net Population Growth



Placer and El Dorado counties are benefiting with most of the in-migration...

With the largest losses coming from Santa Clara, Alameda, and Contra Cost, and San Francisco Counties

Sacramento

County	Domestic Migration				
	2020	2021	2022	2023	Total
El Dorado County	31	2,758	-817	-530	1,442
Placer County	1,075	7,246	4,590	4,920	17,831
Sacramento County	-663	-5,074	-15,700	-12,390	-33,827
Yolo County	-297	-3,893	6,521	-3,414	-1,083
Total	146	1,037	-5,406	-11,414	-15,637

Bay Area

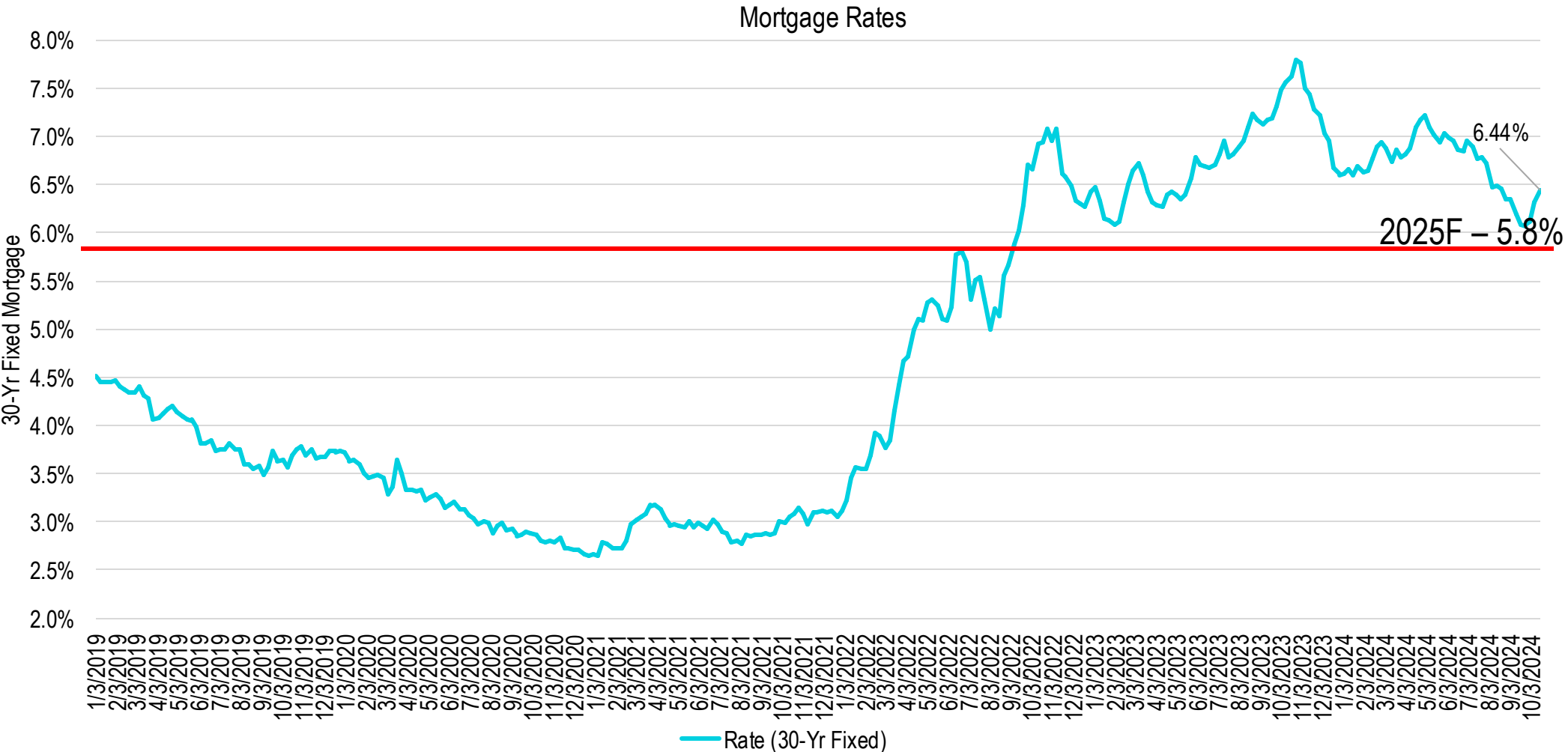
County	Domestic Migration				
	2020	2021	2022	2023	Total
Alameda County	-3,845	-43,641	-33,468	-24,633	-105,587
Contra Costa County	-1,000	-6,791	-14,649	-10,314	-32,754
Marin County	-879	-2,386	-4,319	-2,953	-10,537
San Benito County	251	1,945	534	126	2,856
San Francisco County	-3,744	-57,177	-10,206	-5,925	-77,052
San Joaquin County	175	4,537	611	386	5,709
San Mateo County	-2,538	-25,829	-17,841	-10,335	-56,543
Santa Clara County	-7,099	-56,757	-33,302	-29,077	-126,235
Solano County	-991	-3,420	-3,754	-1,965	-10,130
Total	-10,453	-81,469	-54,286	-40,991	-187,199



Domestic migration shifted significantly as rates rose starting in 2022.

30-YR Fixed Rate Mortgage

Rates are headed down but are still having a major impact to affordability. Buydowns will remain key.

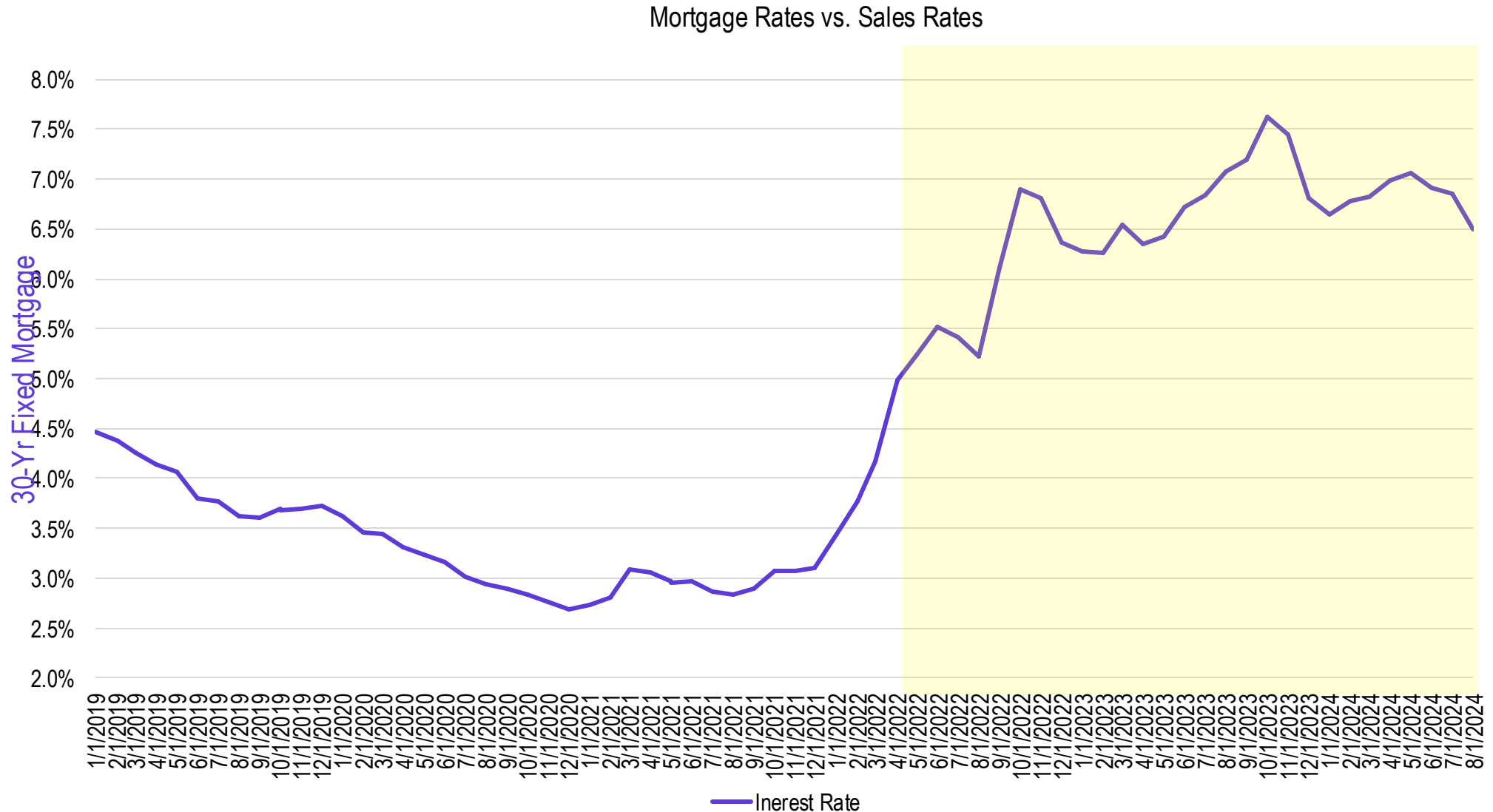


Fannie Mae	5.9%
Wells Fargo	5.7%
NAHB	5.9%
Zonda	5.8%

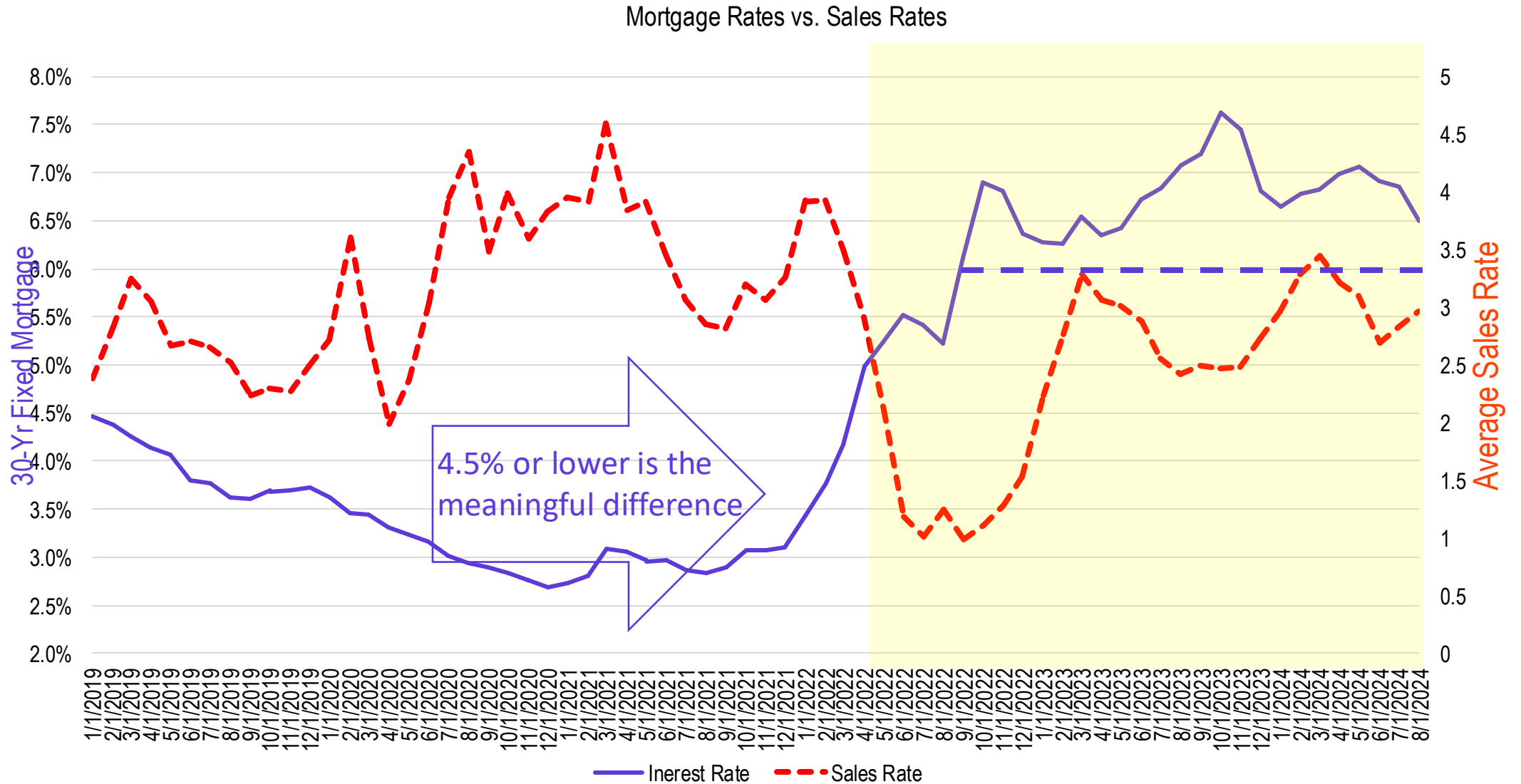
Source: Freddie Mac

Interest rates have had significant shifts in the last 3 years

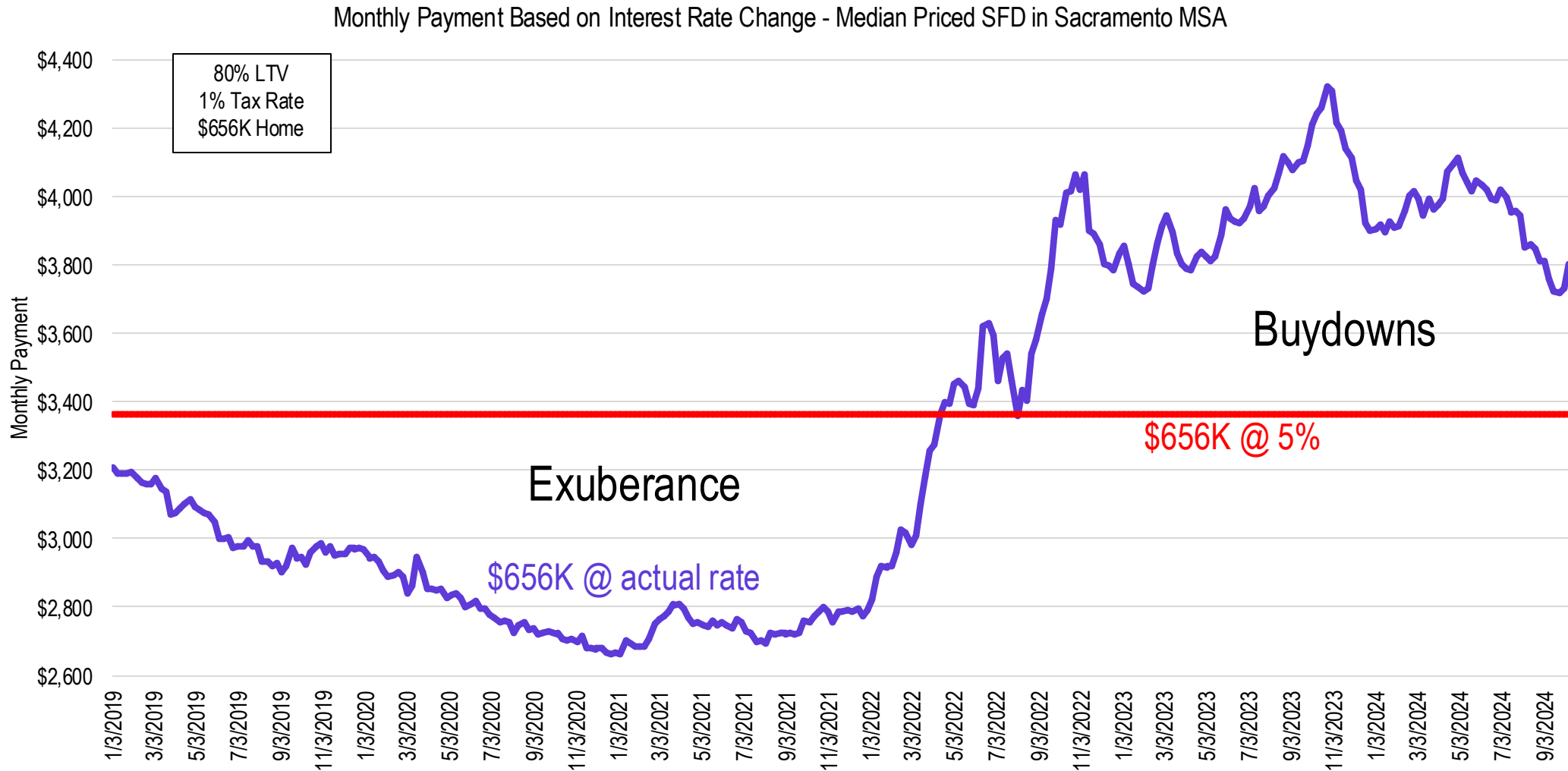
Sales rates plummeted in 2022 when interest rates started to climb but have recovered.



Sales rates plummeted in 2022 when interest rates started to climb but have recovered

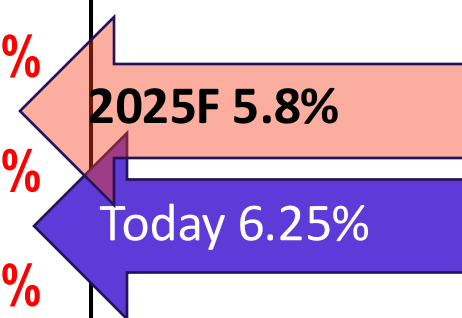


4.5% to 5.5% is the sweet spot for many consumers

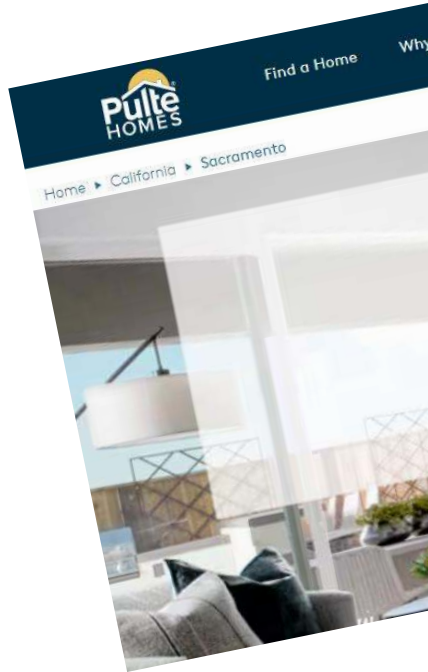


Prices would have to drop 42% to get back to 2020 payments, but that hasn't happened....

Interest Rate	Home Price	Monthly Payment	Price Impact
3%	\$550,000	\$1,855	0%
4%	\$485,700	\$1,855	-12%
5%	\$432,000	\$1,855	-21%
6%	\$386,700	\$1,855	-30%
7%	\$348,500	\$1,855	-37%
8%	\$316,007	\$1,855	-43%



Builders are making rates work with buydowns...



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Toll Brothers
FALL SAVINGS EVENT
3.99% (6.04% APR) First-Year Rate

New Homes for Sale in Sacramento County, California

Preserve at Folsom Ranch
Folsom, CA | Sacramento County
Price: \$2,539-2,788 ask
Master Plan Community including 2 Collections
Regency at Folsom Ranch - Oak Trails
Regency at Folsom Ranch - Sunray Trails

Regency at Folsom Ranch
Folsom, CA | Sacramento County
Price: \$1,398-2,441 ask
Master Plan Community including 3 Collections
Regency at Folsom Ranch - Seasons Collection
Regency at Folsom Ranch - Greenwood Collection
Regency at Folsom Ranch - Menopocino Collection
Regency at Folsom Ranch - Steaks Collection
Regency at Folsom Ranch - Tubee Collection

3.99% (6.04% APR) First-Year Rate
30-Year Fixed Rate with 2/1 Buydown Program
Limited Time Only on Select Homes

For a limited time on select build-to-own homes, Toll Brothers Mortgage Company is offering reduced interest rates for the first two years of your 30-year fixed loan and then a locked interest rate starting with 2024, to take advantage of this great rate now.

YEAR 1	YEAR 2	YEARS 3-30
2.99% (6.04% APR)	4.99% (6.04% APR)	5.99% (6.04% APR)

EXAMPLE: 2/1 BUYDOWN PROGRAM SAVINGS

	RATE	PAYMENT	SAVINGS WITH REDUCED RATE
YEAR 1	2.99% (6.04% APR)	\$2,337.67/mo.	\$534.45/mo. x \$10,352.76/yr (199/1 vs. Year 3-30)
YEAR 2	4.99% (6.04% APR)	\$2,782.47/mo.	\$428.88/mo. x \$5,286.56/yr (199/2 vs. Year 3-30)
YEARS 3-30	5.99% (6.04% APR)	\$4,192.32/mo.	TOTAL SAVINGS = \$18,503.32 (First Two Years)


Interested in learning more?
Please fill out the form below.

First Name
Last Name

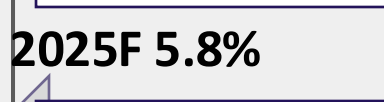
Most builders are offering 4% to 4% buydowns today...

Interest Rate Impact

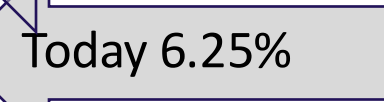
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8%	\$316,007	\$1,855	-43%



Most Builders



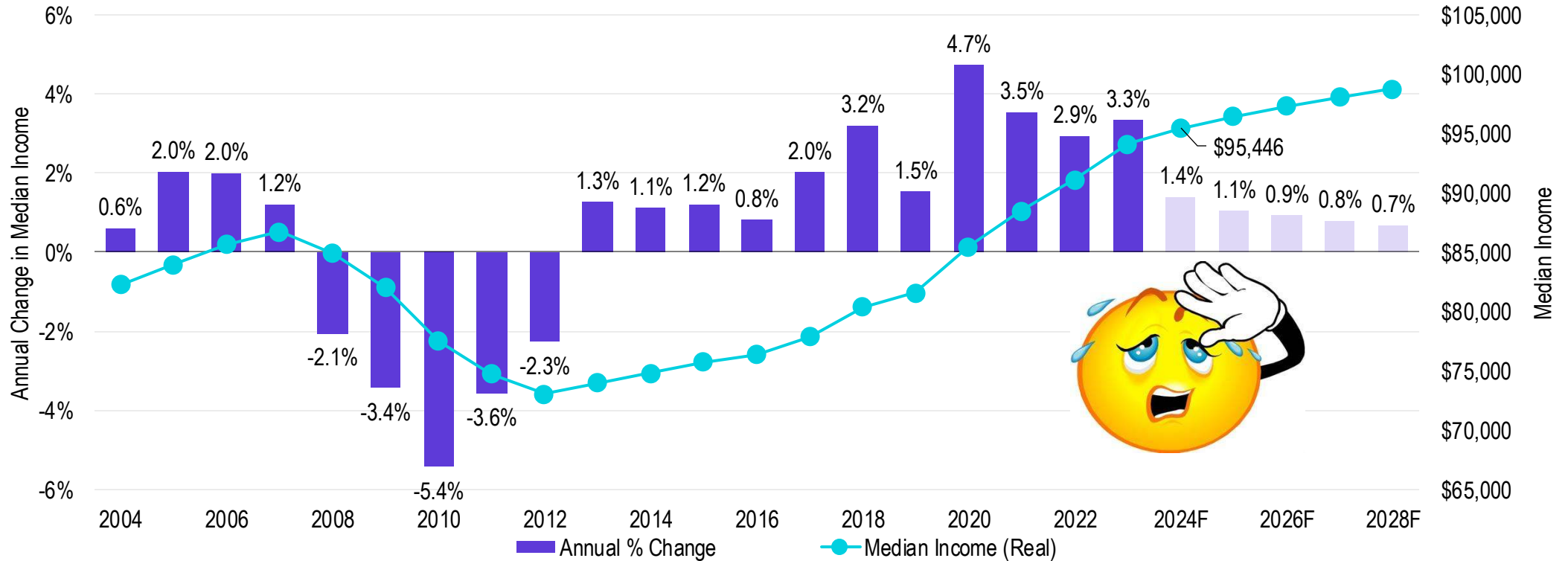
2025F 5.8%



Today 6.25%

Income growth certainly isn't helping...

Prices rose by just over 35% over the last five years while **income only rose by 16%**



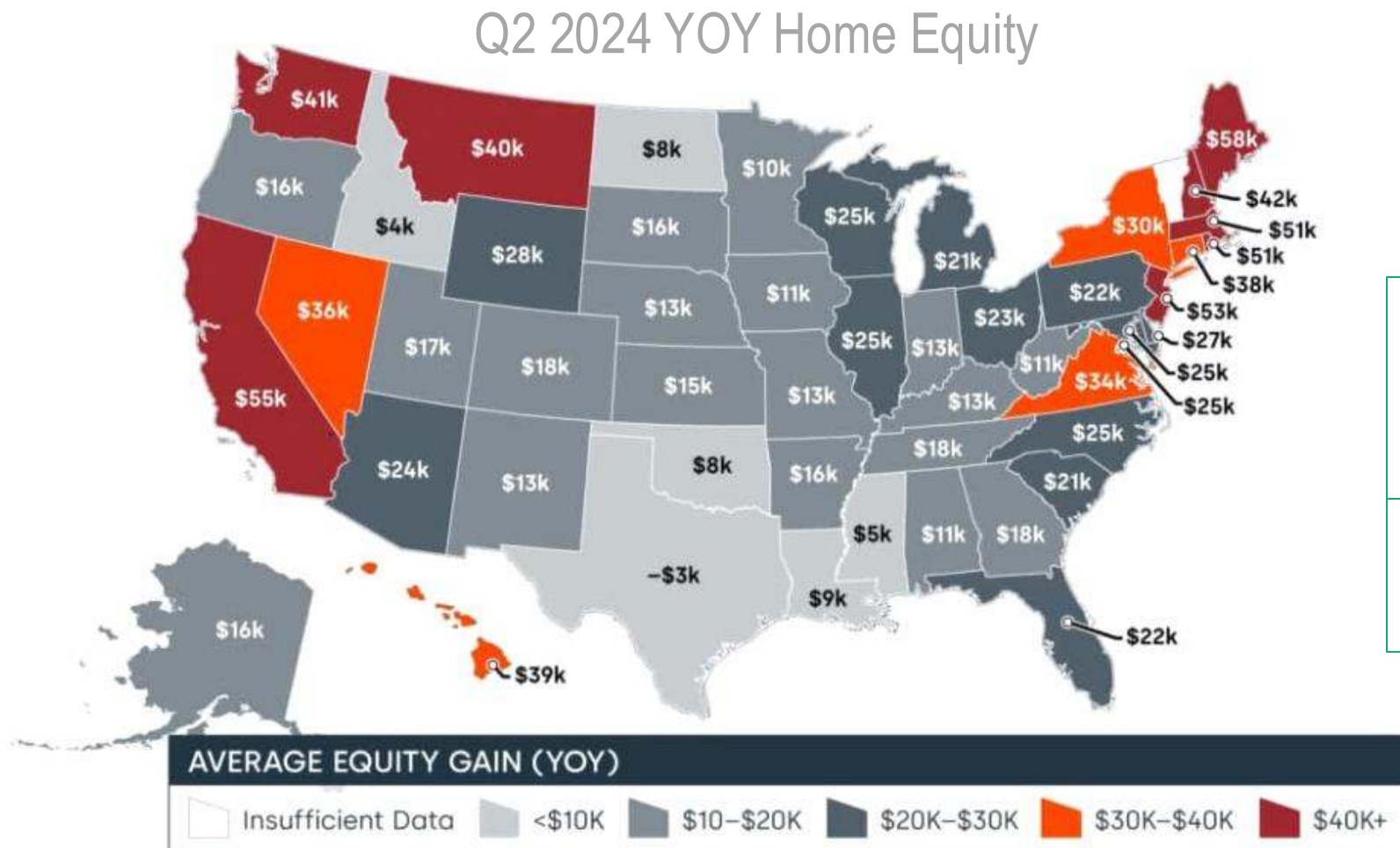
Sacramento--Roseville--Arden-Arcade, CA Metropolitan Statistical Area - Moody's Analytics Five-Year Forecast

Category	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024F	2025F	2026F	2027F	2028F
Median Income (Real)	\$74,810	\$75,713	\$76,339	\$77,879	\$80,376	\$81,601	\$85,463	\$88,488	\$91,089	\$94,127	\$95,446	\$96,451	\$97,341	\$98,113	\$98,788
Annual % Change	1.1%	1.2%	0.8%	2.0%	3.2%	1.5%	4.7%	3.5%	2.9%	3.3%	1.4%	1.1%	0.9%	0.8%	0.7%
Median Income - United States	\$66,956	\$67,790	\$67,749	\$68,731	\$68,586	\$70,093	\$72,059	\$73,400	\$76,307	\$79,824	\$81,449	\$82,621	\$83,587	\$84,419	\$85,177
Annual % Change	0.4%	1.2%	-0.1%	1.5%	-0.2%	2.2%	2.8%	1.9%	4.0%	4.6%	2.0%	1.4%	1.2%	1.0%	0.9%

However, equity is helping!

2024 (Q2) YOY home equity is up **\$55k**

California comes in with the second highest home equity in the country



That's a
\$4,583/Month
Raise This Year!

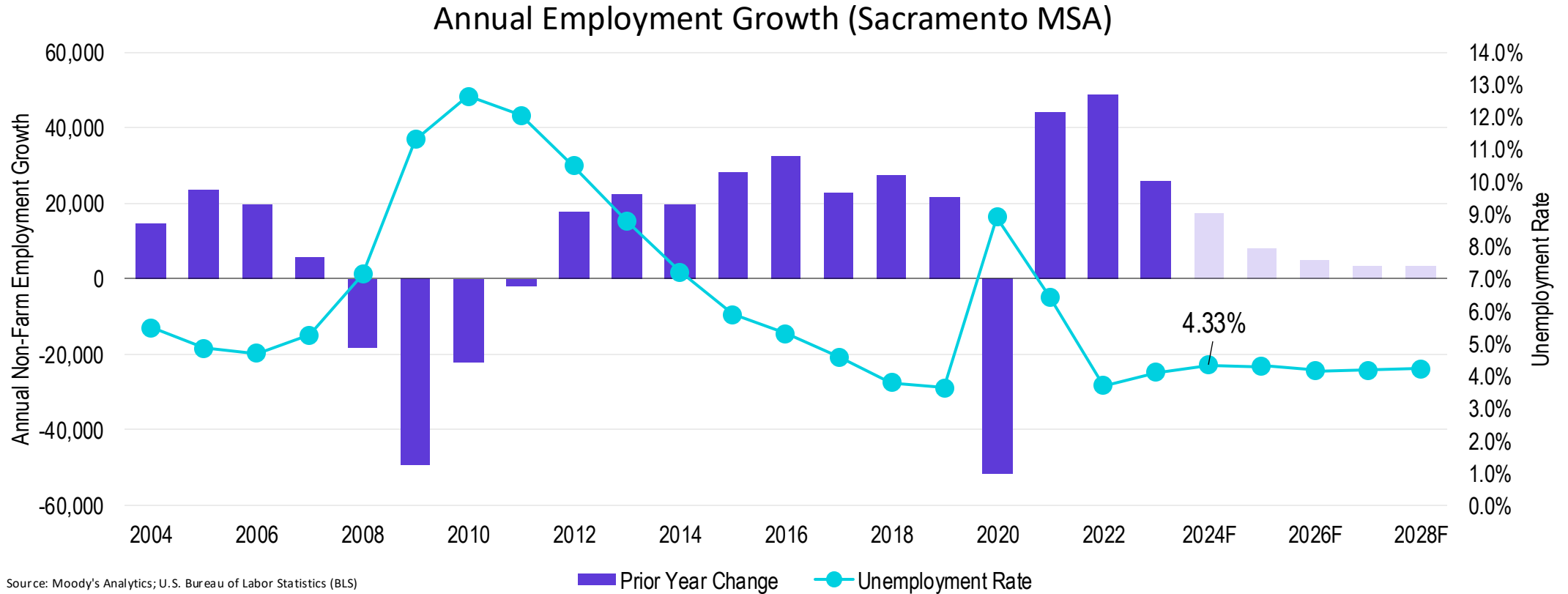
Or, a **40% Raise**

Based \$81,449 income
+\$55,000 = 40% increase

An aerial photograph of a suburban neighborhood, showing a dense arrangement of houses with dark roofs and green trees. In the far distance, a city skyline is visible under a cloudy sky. The overall scene is dimly lit, suggesting dusk or dawn.

Jobs and Housing Growth

Employment growth is softening but unemployment remains near record-lows



Sacramento--Roseville--Arden-Arcade, CA Metropolitan Statistical Area - Moody's Analytics Five-Year Forecast

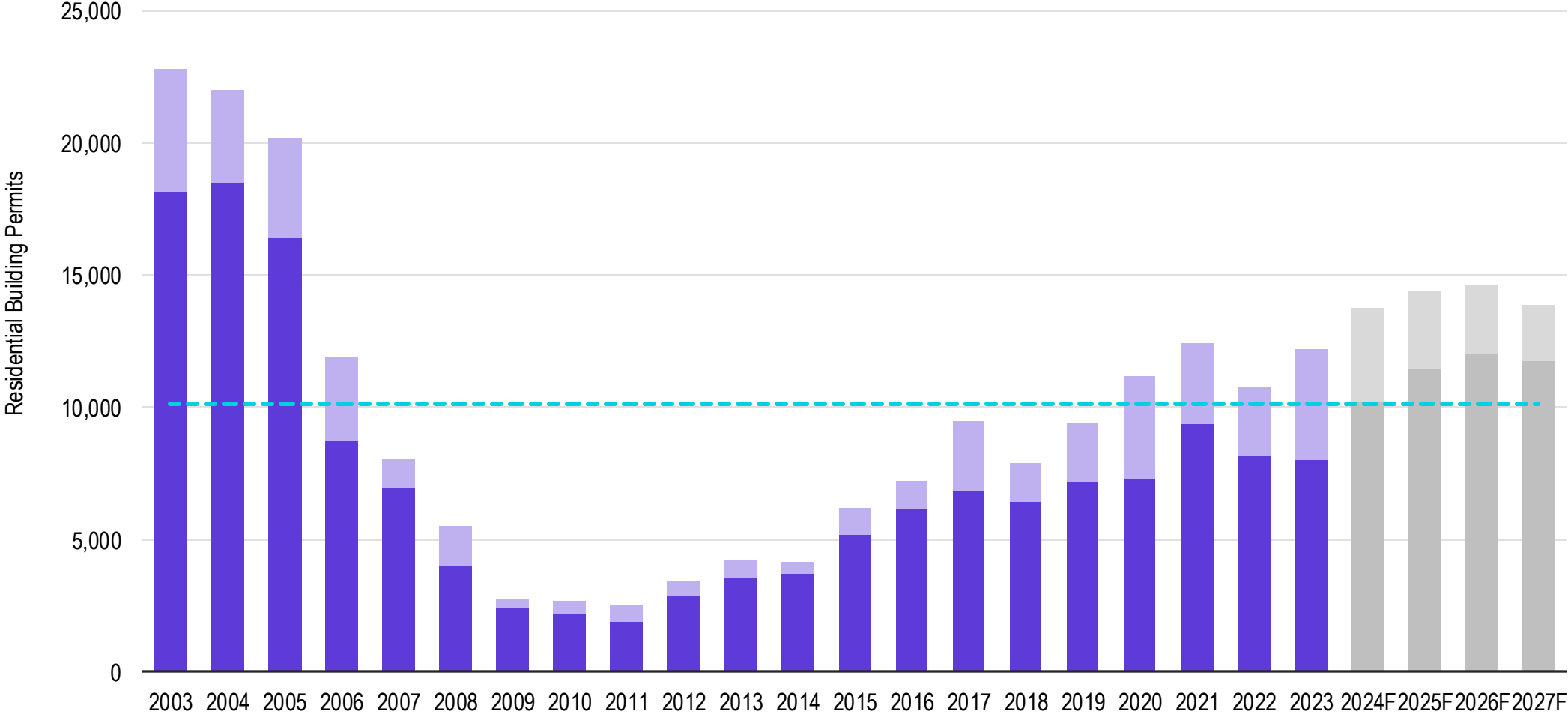
Category	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024F	2025F	2026F	2027F	2028F
Non-Farm Employment	890,425	918,525	950,883	973,675	1,001,308	1,023,017	971,550	1,015,850	1,064,508	1,090,567	1,107,928	1,115,880	1,120,681	1,123,959	1,127,569
Prior Year Change	19,908	28,100	32,358	22,792	27,633	21,708	(51,467)	44,300	48,658	26,058	17,361	7,952	4,801	3,279	3,609
Annual % Change	2.3%	3.2%	3.5%	2.4%	2.8%	2.2%	-5.0%	4.6%	4.8%	2.4%	1.6%	0.7%	0.4%	0.3%	0.3%
Unemployment Rate	7.2%	5.9%	5.3%	4.6%	3.8%	3.6%	8.9%	6.4%	3.7%	4.1%	4.3%	4.3%	4.2%	4.2%	4.2%

Permit activity is on the rise while employment is softening

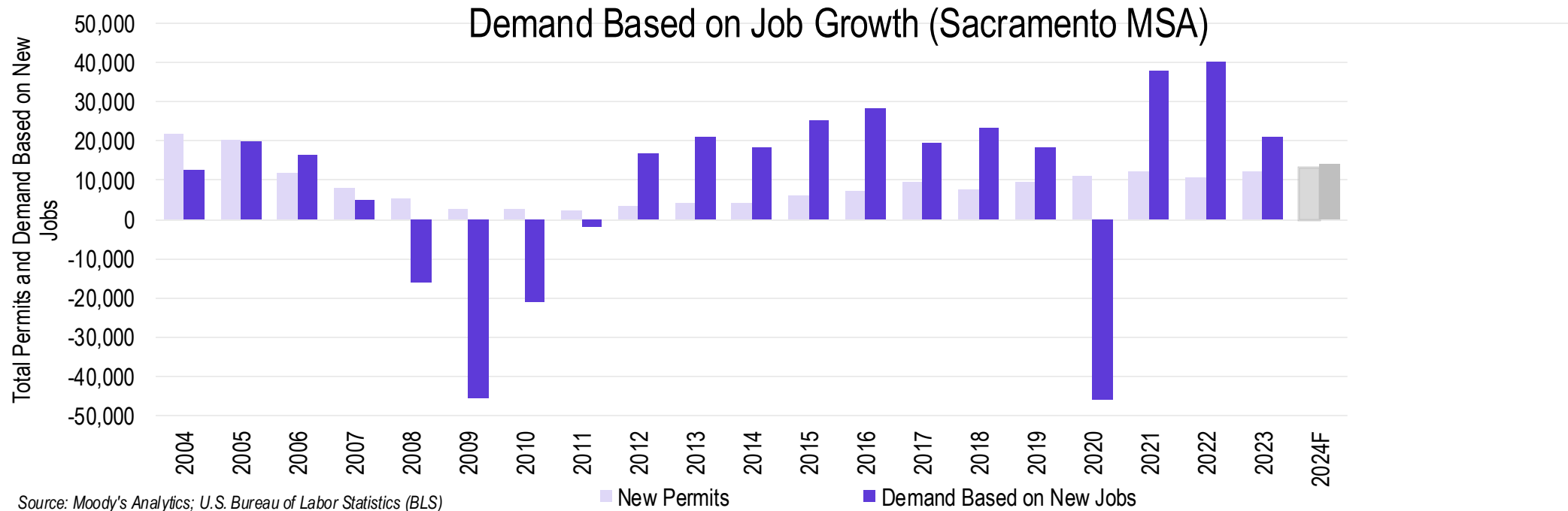
Expect more supply in the coming years

Building Permits (Sacramento MSA)

Single-Family Permits Multifamily Permits Historical Average



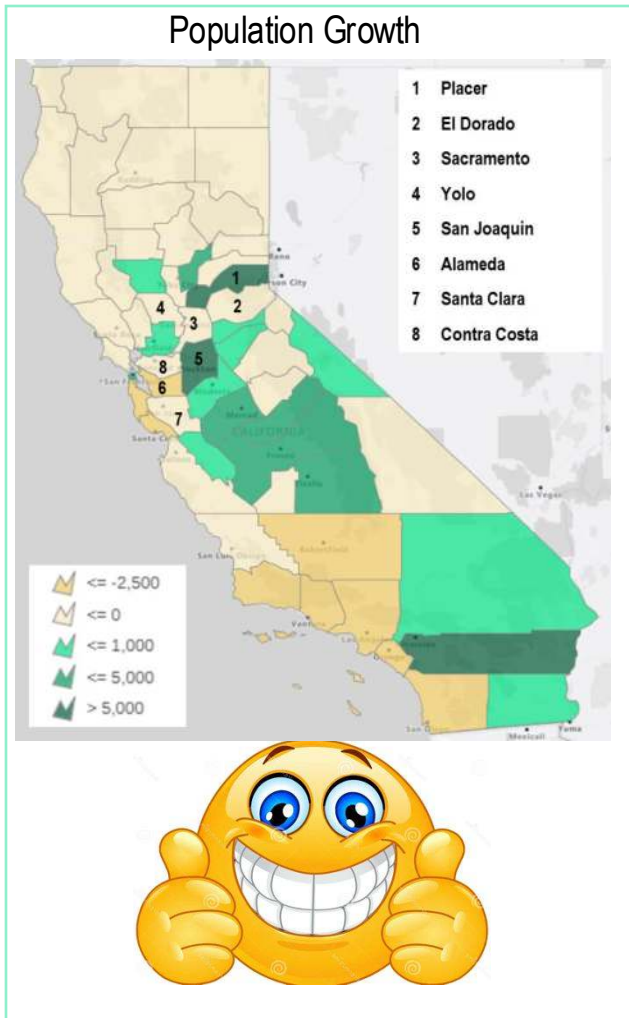
However, the market has not been able to keep with pent-up demand over the last decade



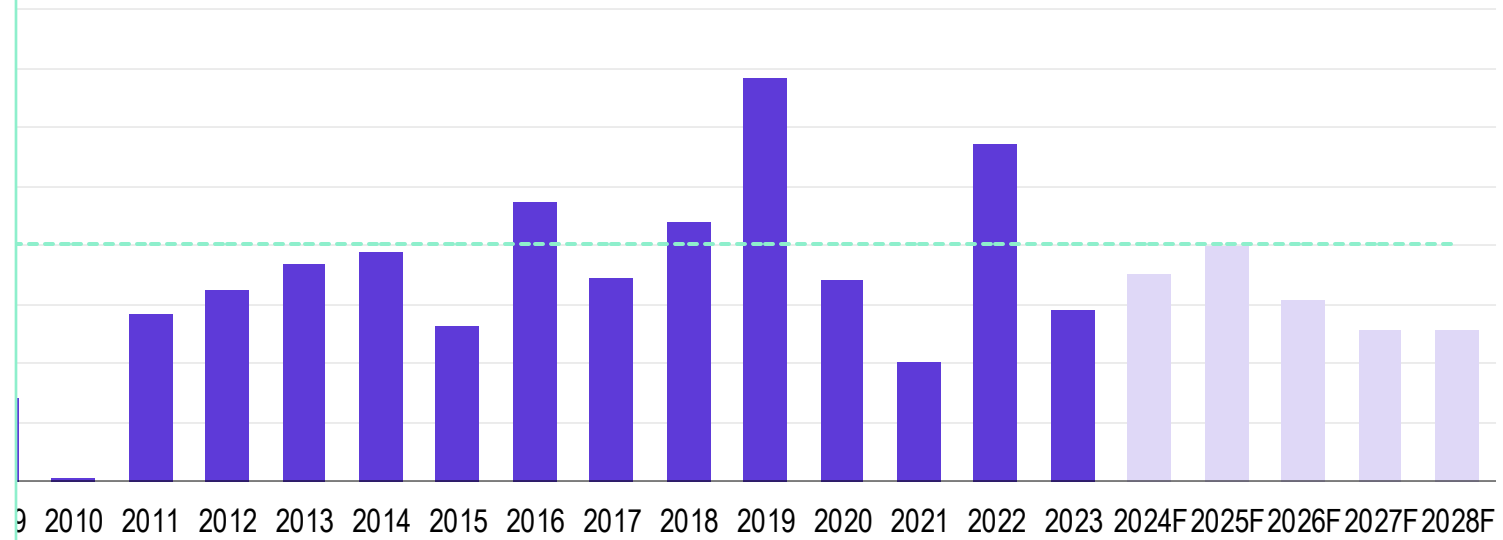
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Category	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024F
New Permits	4,159	6,184	7,204	9,503	7,873	9,431	11,164	12,434	10,800	12,184	13,092
Employed Per HH	1.09	1.12	1.14	1.16	1.18	1.19	1.12	1.16	1.20	1.23	1.24
Demand Based on New Jobs	18,277	25,170	28,321	19,642	23,400	18,283	(46,005)	38,050	40,405	21,259	14,052
Over/Under Supply	(14,118)	(18,986)	(21,117)	(10,139)	(15,527)	(8,852)	57,169	(25,616)	(29,605)	(9,076)	(960)

Household growth is two times demand due to several factors



Sacramento MSA Annual Household Growth



Statistical Area - Moody's Analytics Five-Year Forecast

2016	2017	2018	2019	2020	2021	2022	2023	2024F	2025F	2026F	2027F	2028F
2,230	839,121	847,913	861,603	868,455	872,535	883,950	889,731	896,788	904,757	910,926	916,081	921,186
9,488	6.891	8.792	13.690	6.852	4.080	11.415	5.781	7.058	7.969	6.170	5.154	5.105
3,321	19,642	23,400	18,283	(46,005)	38,050	40,405	21,259	14,052	6,448	3,903	2,672	2,949

Growing single person households, telecommuting, Bay Area job, and retirees seeking affordability

An aerial photograph of a suburban neighborhood, showing a dense collection of houses with dark roofs and green trees. In the far distance, a city skyline is visible under a cloudy sky. The overall scene is dimly lit, suggesting dusk or dawn.

Let's look at the New Home Market

Incentive wars and buy-downs are in BIG play...



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Toll Brothers FALL SAVINGS EVENT
3.99% (6.04% APR) First-Year Rate

3.99% (6.04% APR) First-Year Rate
30-Year Fixed Rate with 2/1 Buydown Program
Limited Time Only on Select Homes

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For a limited time on select build-to-own homes, Toll Brothers Mortgage Company is offering reduced interest rates for the first two years of your 30-year fixed loan and then a locked interest rate starting with 2024, to take advantage of this great rate now.

Discover the Toll Brothers 2/1 Buydown Program and give yourself one more reason to make your next move.

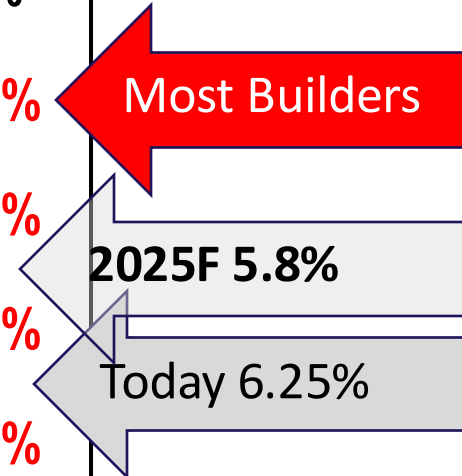
Loan Type: 30-Year Fixed
Loan Rate: 3.99% (6.04% APR)
Loan Amount: \$700,000

Additional text: "Limited-Time Incentives On Select Homes", "30-Year Fixed Rate with 2/1 Buydown Program Limited Time Only on Select Homes", "Discover the Toll Brothers 2/1 Buydown Program and give yourself one more reason to make your next move."

Again, most builders are offering 4% to 5% rates to buy a home...

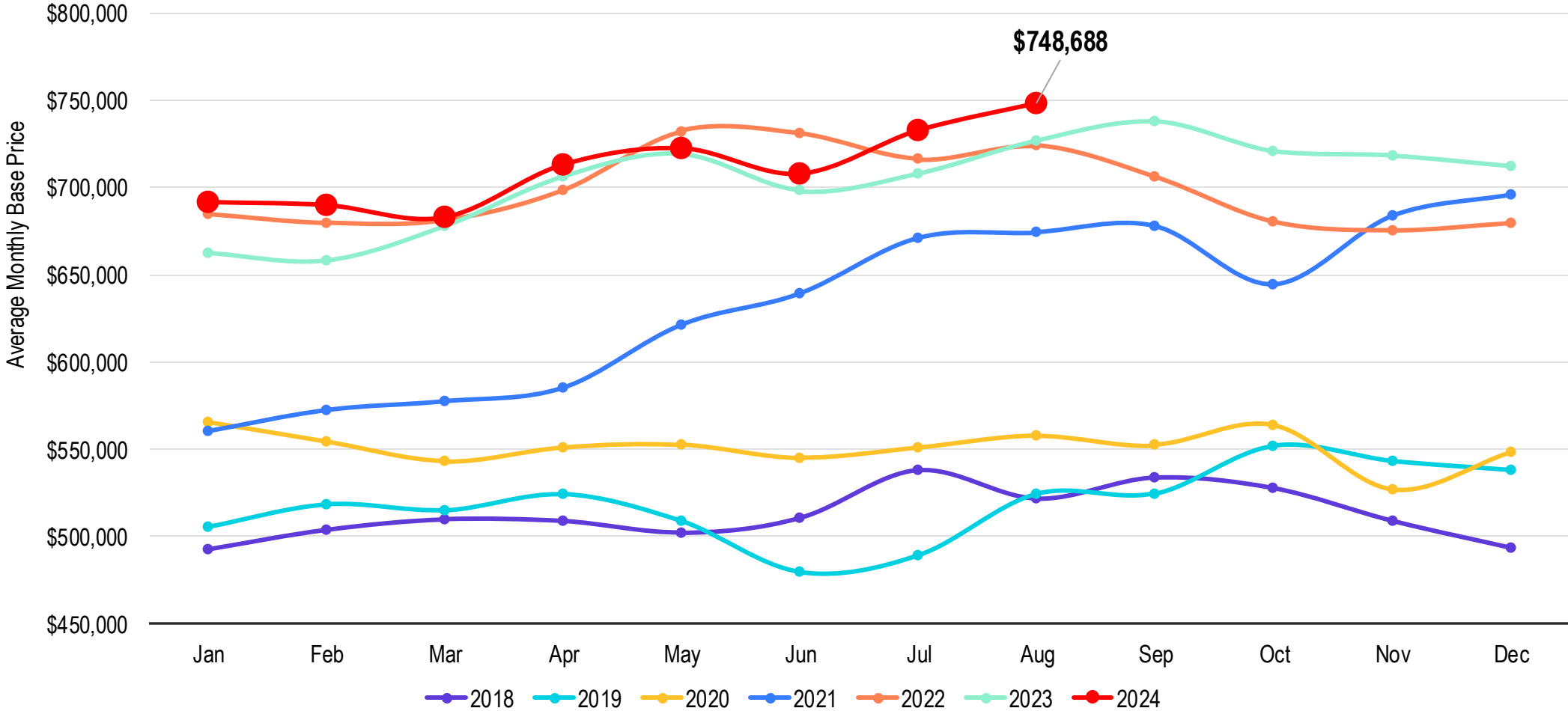
Interest Rate Impact

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6%	\$386,700	\$1,855	-30%
7%	\$348,500	\$1,855	-37%
8%	\$316,007	\$1,855	-43%



Prices are strong...thanks to pent-up demand and builder buydowns

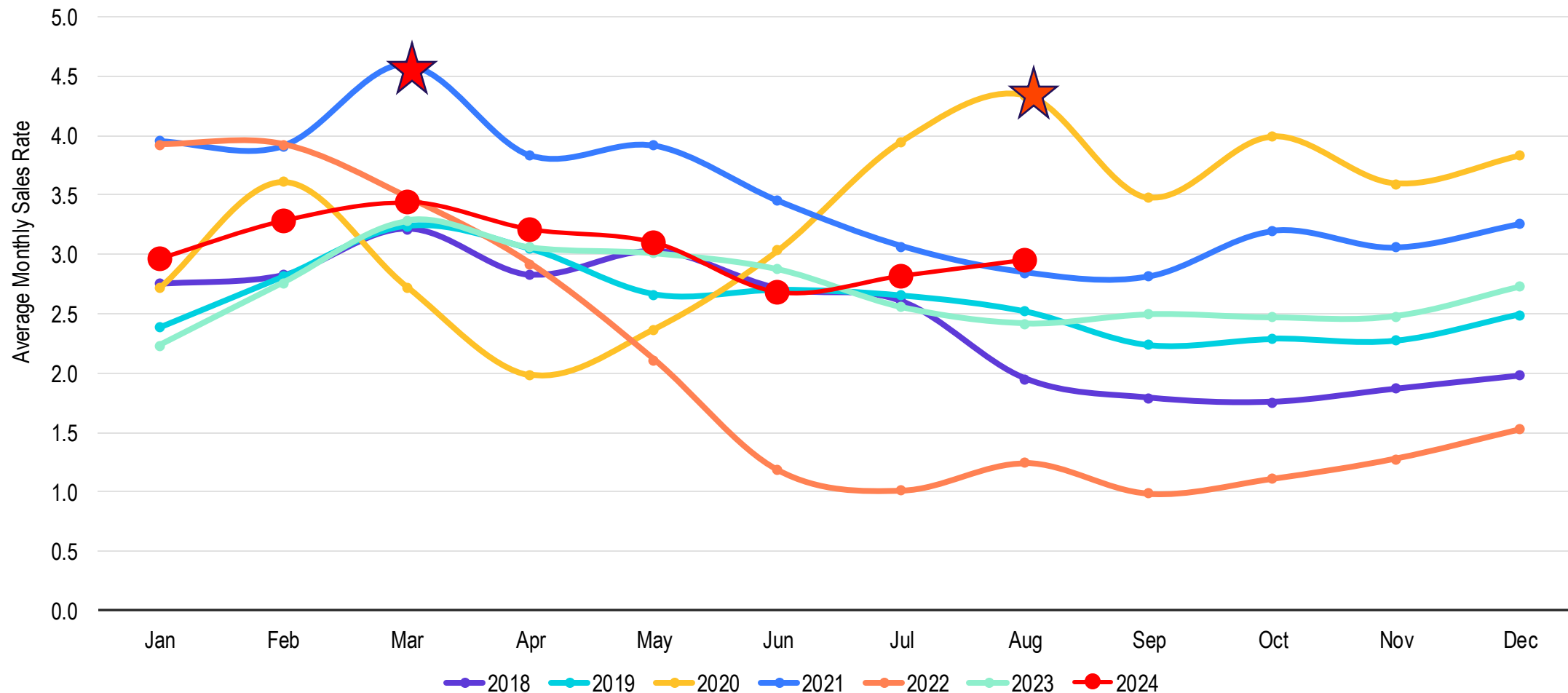
Average Monthly Base Price Sacramento-Roseville-Folsom, CA



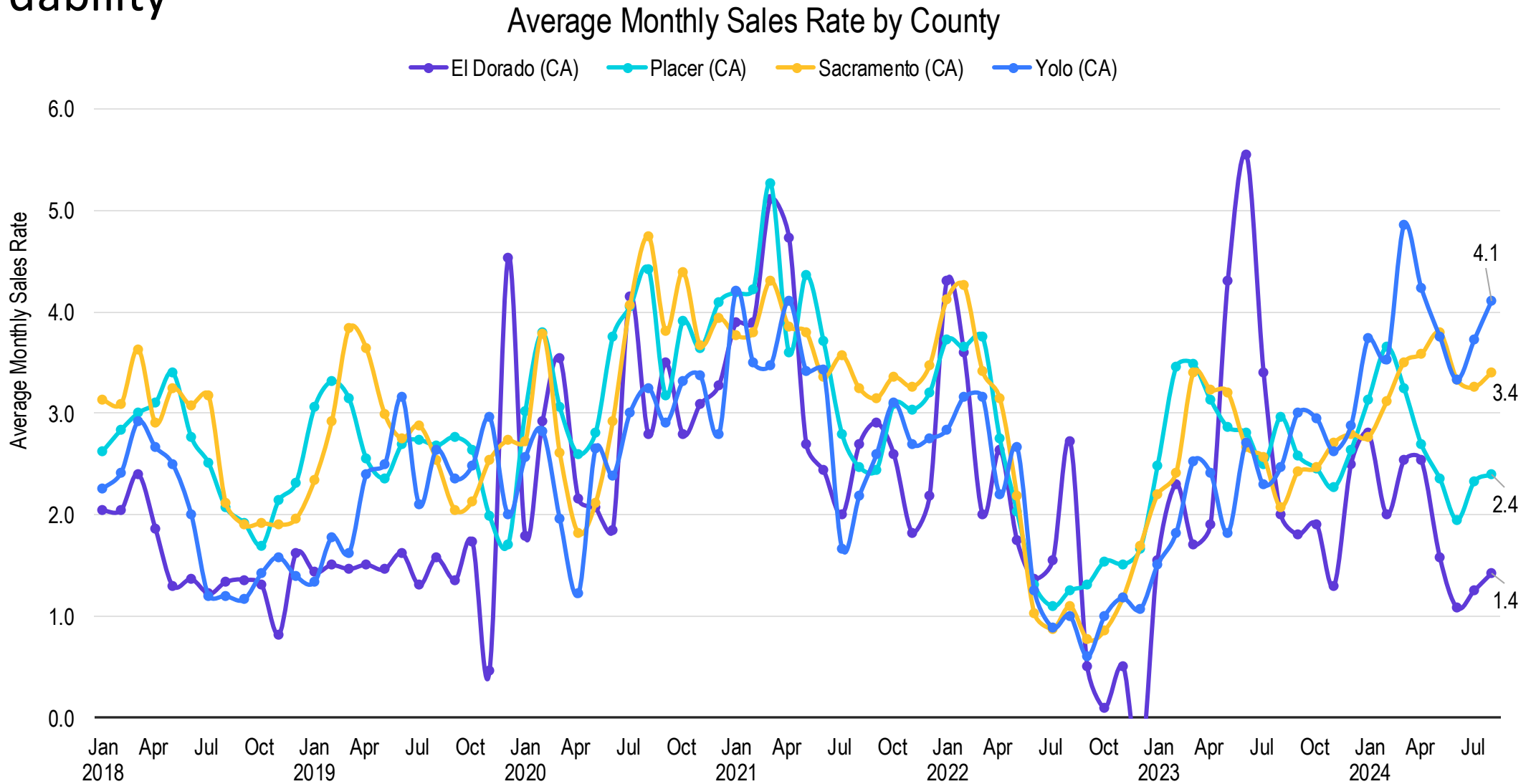
August 2024 was the second-best year for sales rates, only topped by 2020.

Average Monthly Sales Rate

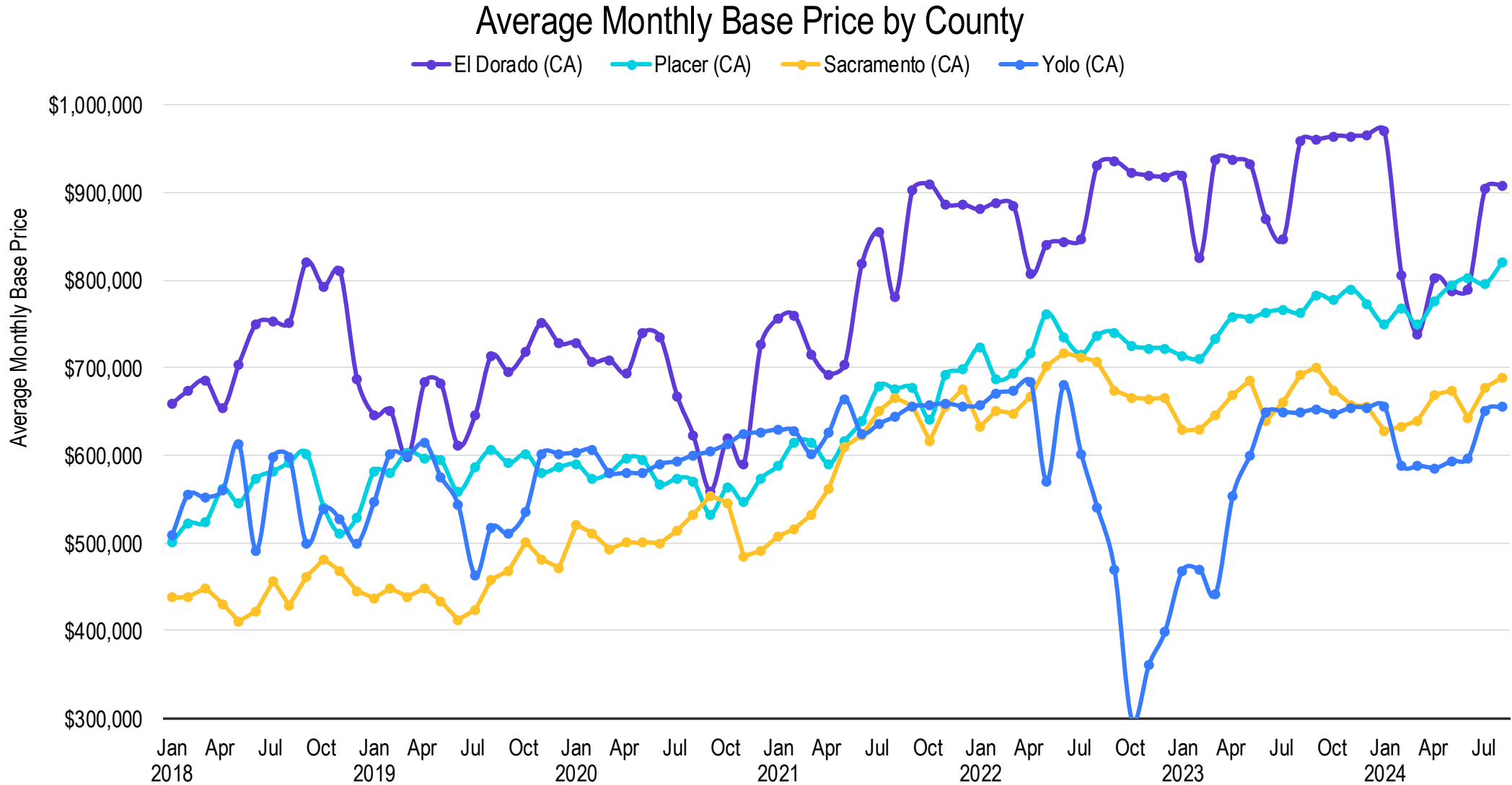
Sacramento-Roseville-Folsom, CA



Yolo and Sacramento have the highest sales rates driven by affordability

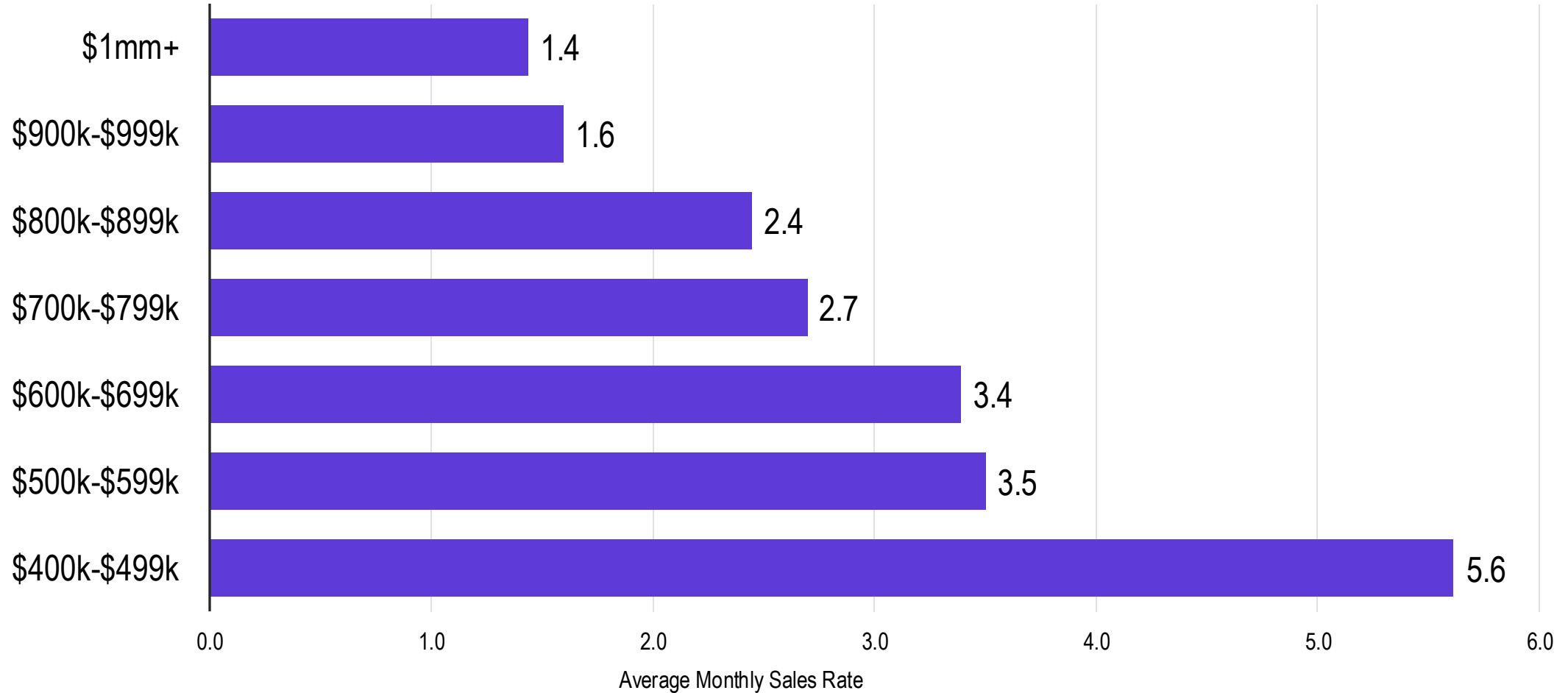


El Dorado and Placer have lower rates... but the highest prices

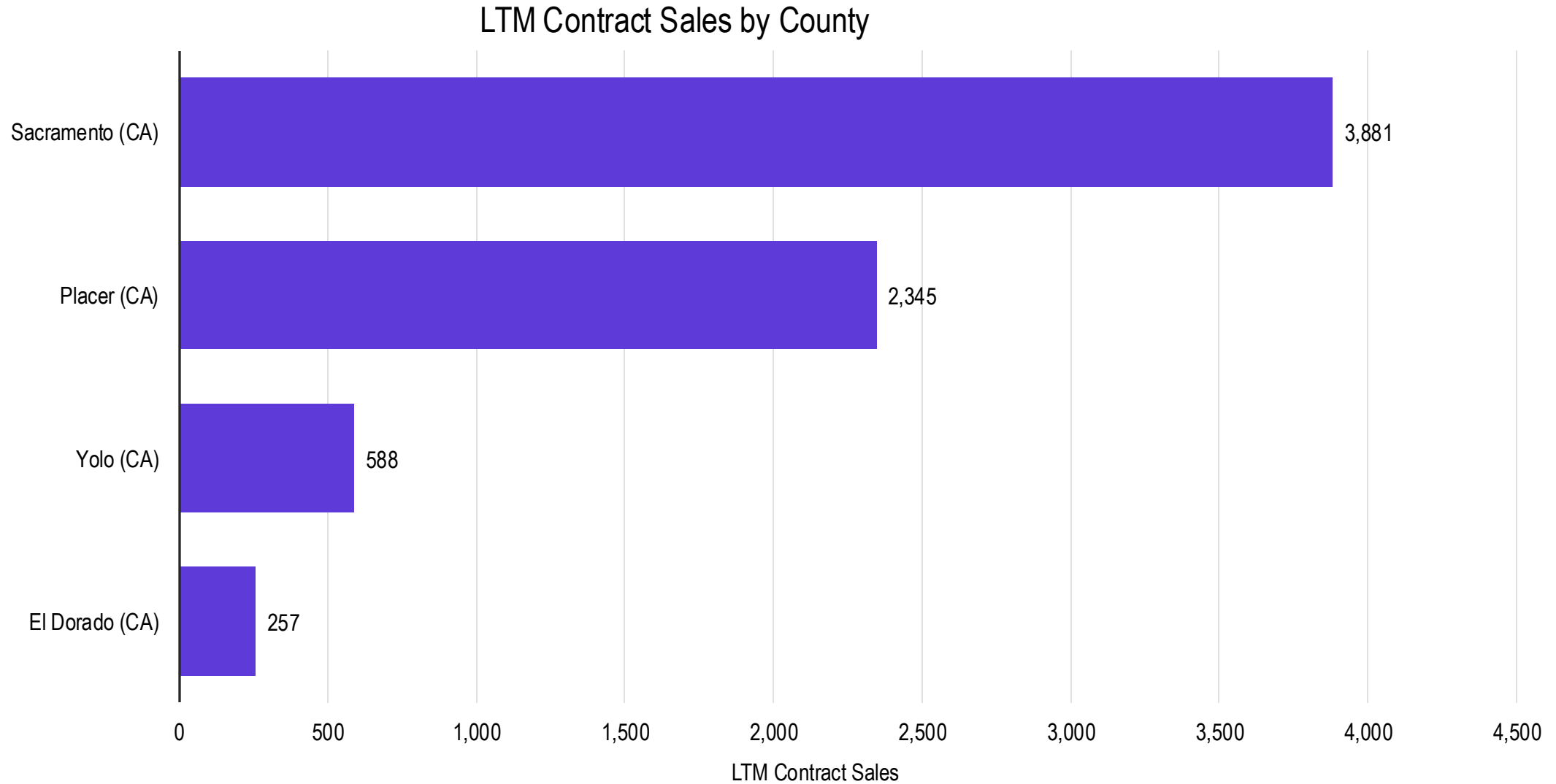


Of course, the most affordable communities are selling fastest

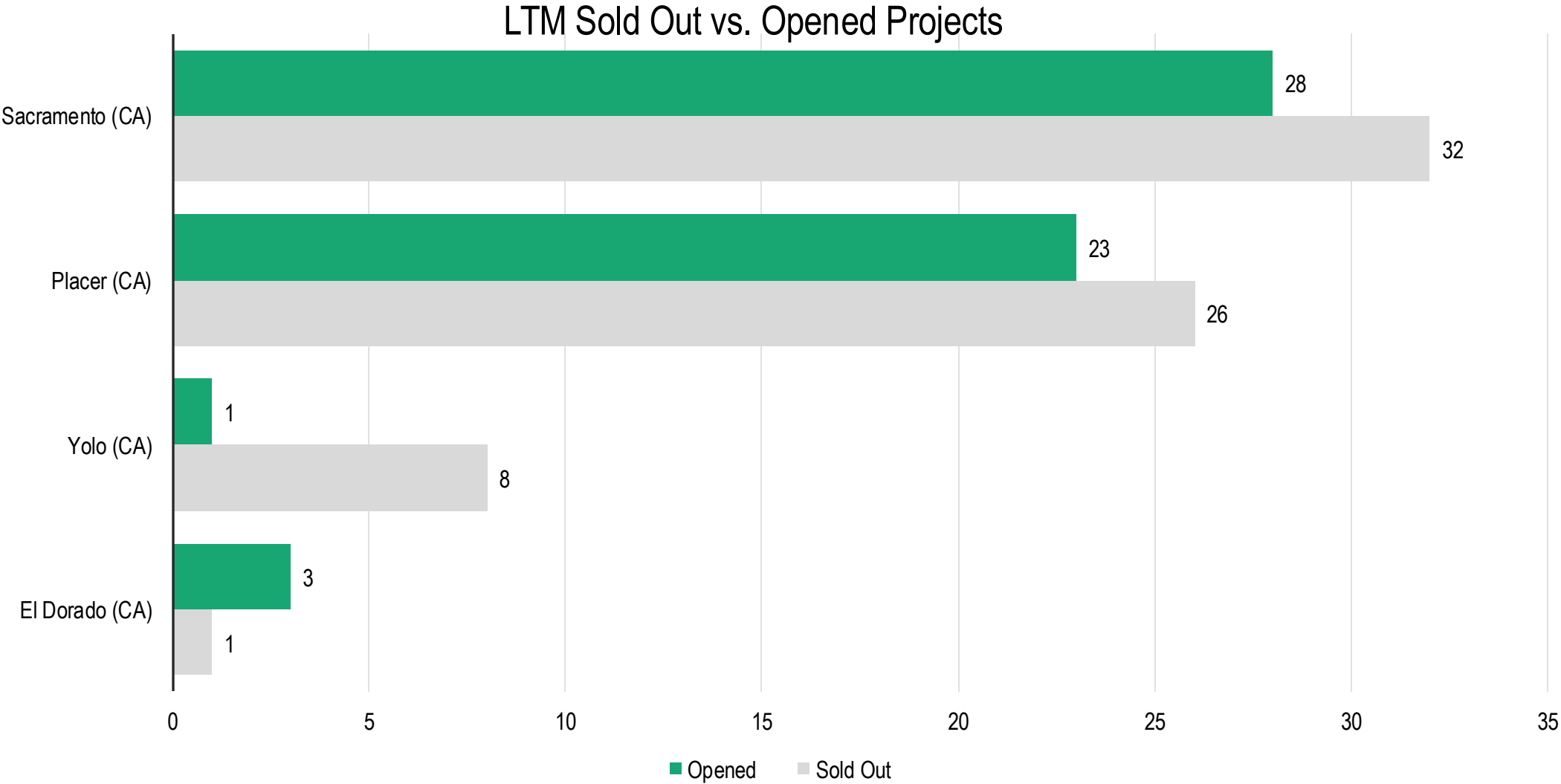
LTM Average Sales Rates by Base Price
Sacramento-Roseville-Folsom, CA



Sacramento and Placer have accounted for 88% of sales over the last 12 months!



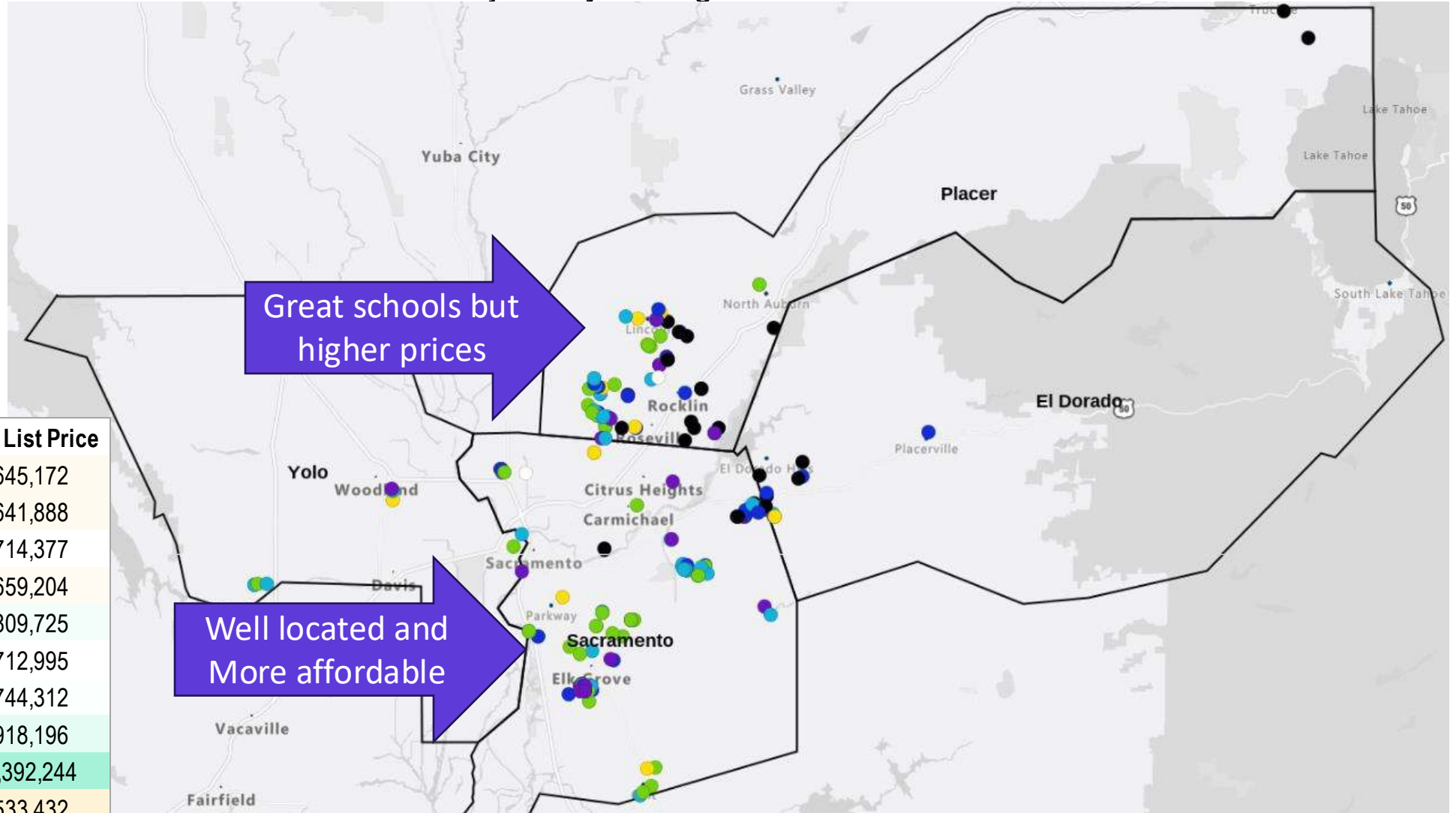
All but El Dorado have sold out more projects than opened new ones. More pressure on pricing?



Roseville, Sacramento, Elk Grove, Rancho Cordova, Folsom, and Lincoln have the most projects.

Active Projects by Average List Price

	<\$400K
Yellow	\$400K to \$500K
Green	\$500K to \$600K
Cyan	\$600K to \$700K
Blue	\$700K to \$800K
Purple	\$800K to \$900K
Black	\$900K+

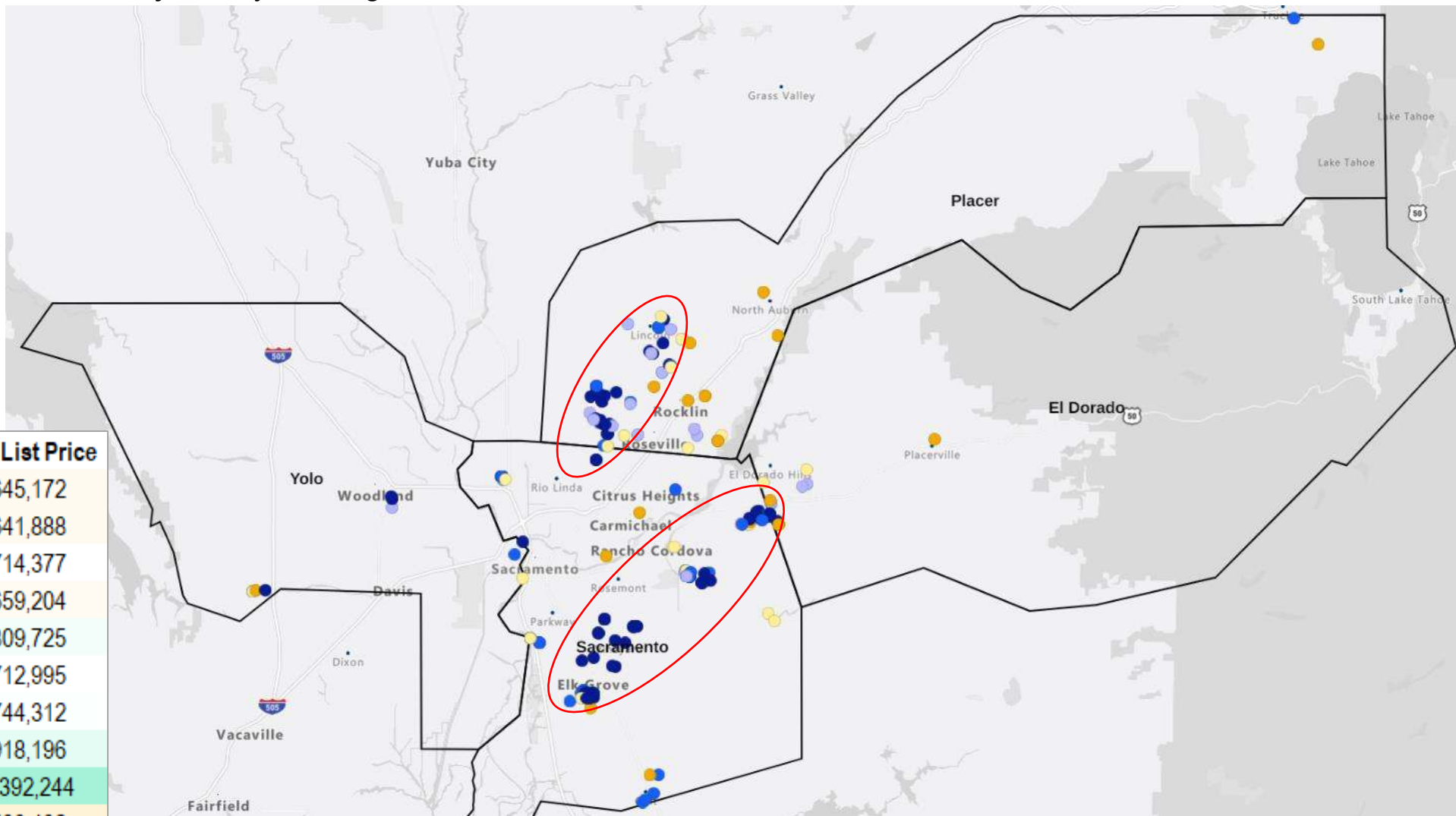


City	Active Projects	Avg. List Price
Roseville	30	\$645,172
Sacramento	27	\$641,888
Elk Grove	24	\$714,377
Rancho Cordova	24	\$659,204
Folsom	20	\$809,725
Lincoln	19	\$712,995
El Dorado Hills	10	\$744,312
Rocklin	8	\$918,196
Granite Bay	6	\$1,392,244
Galt	6	\$533,432

Here it is again...affordability is key to sales

Active Projects by Average Sales Rate

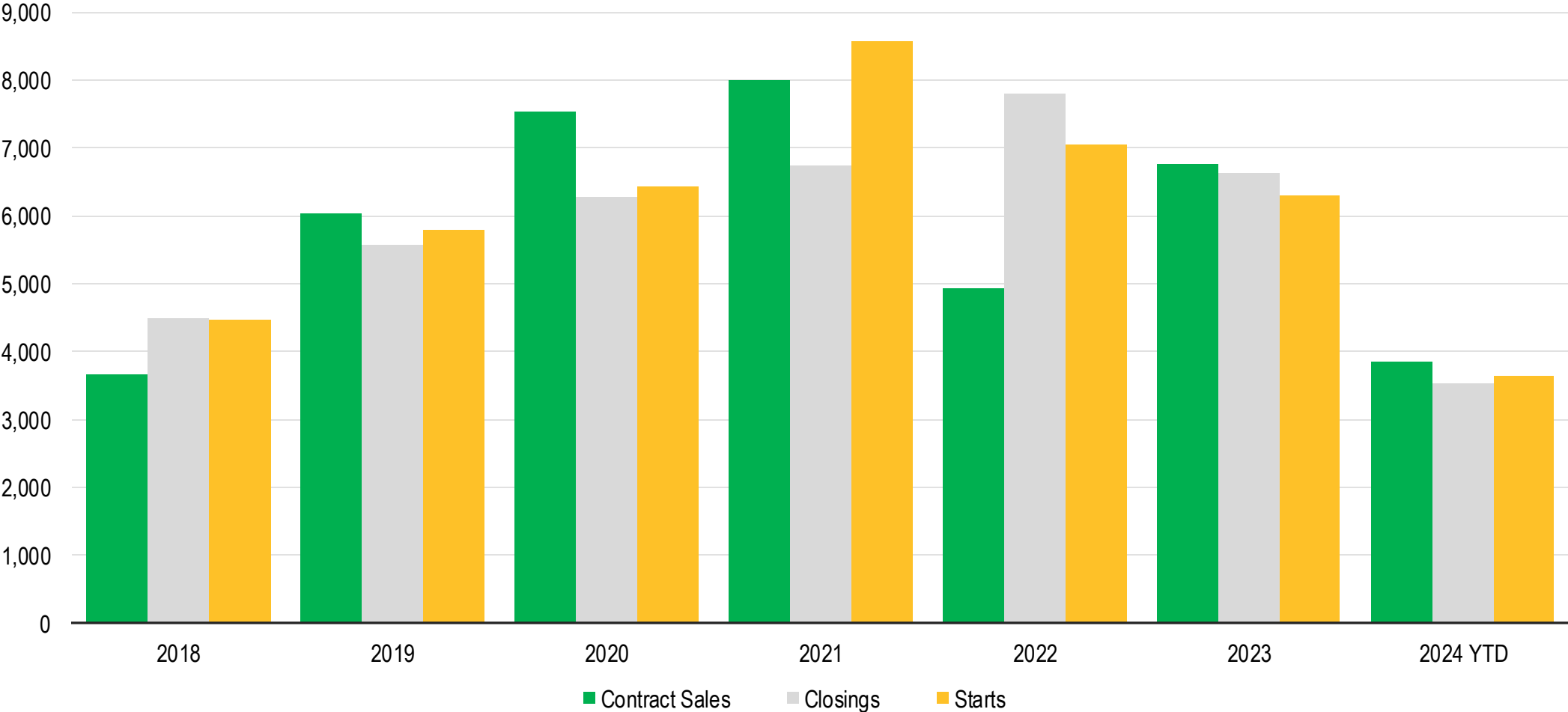
	<1/Mo.
	1 to 1.75/Mo.
	1.75 to 2.5/Mo.
	2.5 to 3.25/Mo.
	>3.25/Mo.



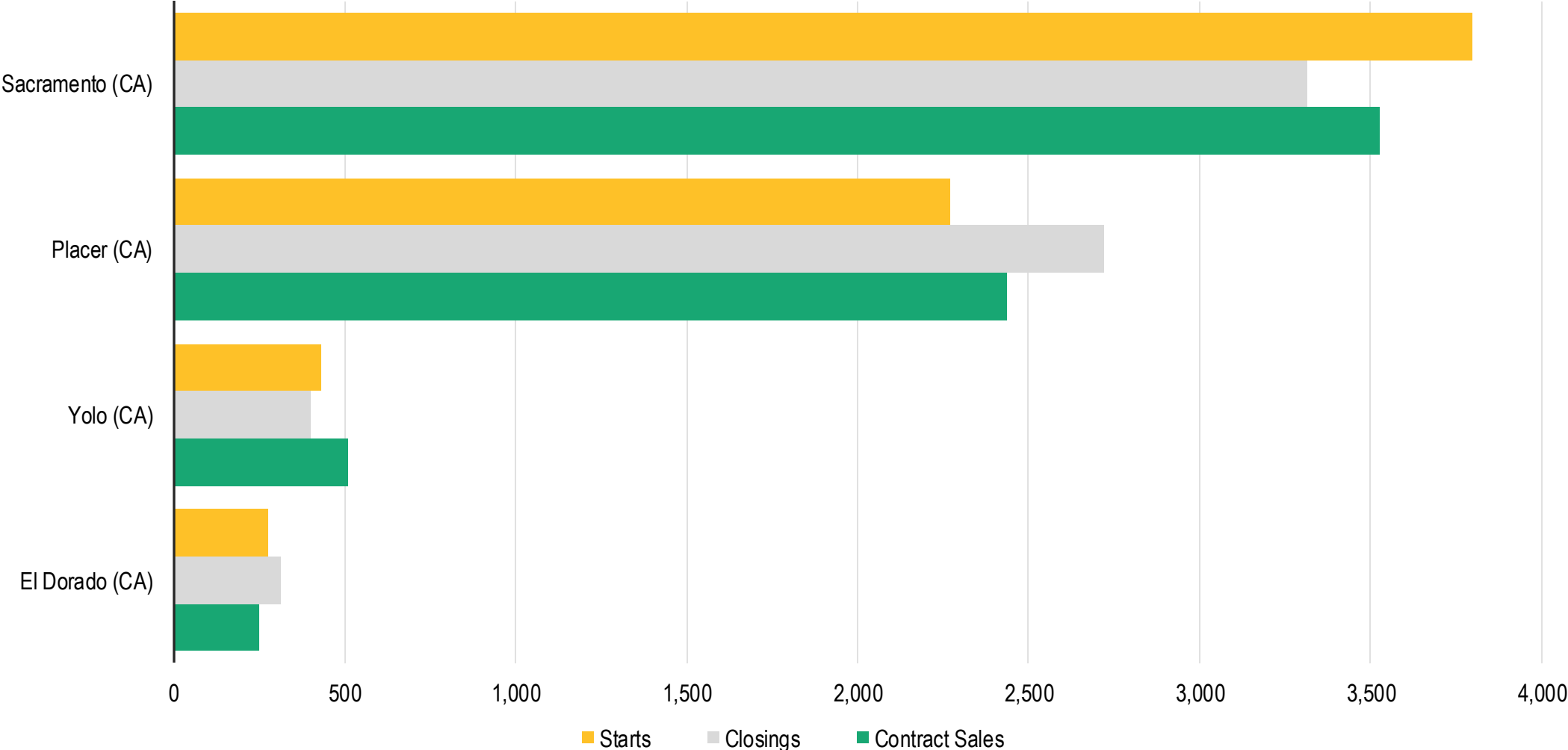
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Elk Grove	3.8	\$714,377
Rancho Cordova	2.8	\$659,204
Folsom	2.9	\$809,725
Lincoln	2.7	\$712,995
El Dorado Hills	2.0	\$744,312
Rocklin	1.0	\$918,196
Granite Bay	1.3	\$1,392,244
Galt	2.3	\$533,432

2023 and 2024 have been more balanced than 2020 through 2022

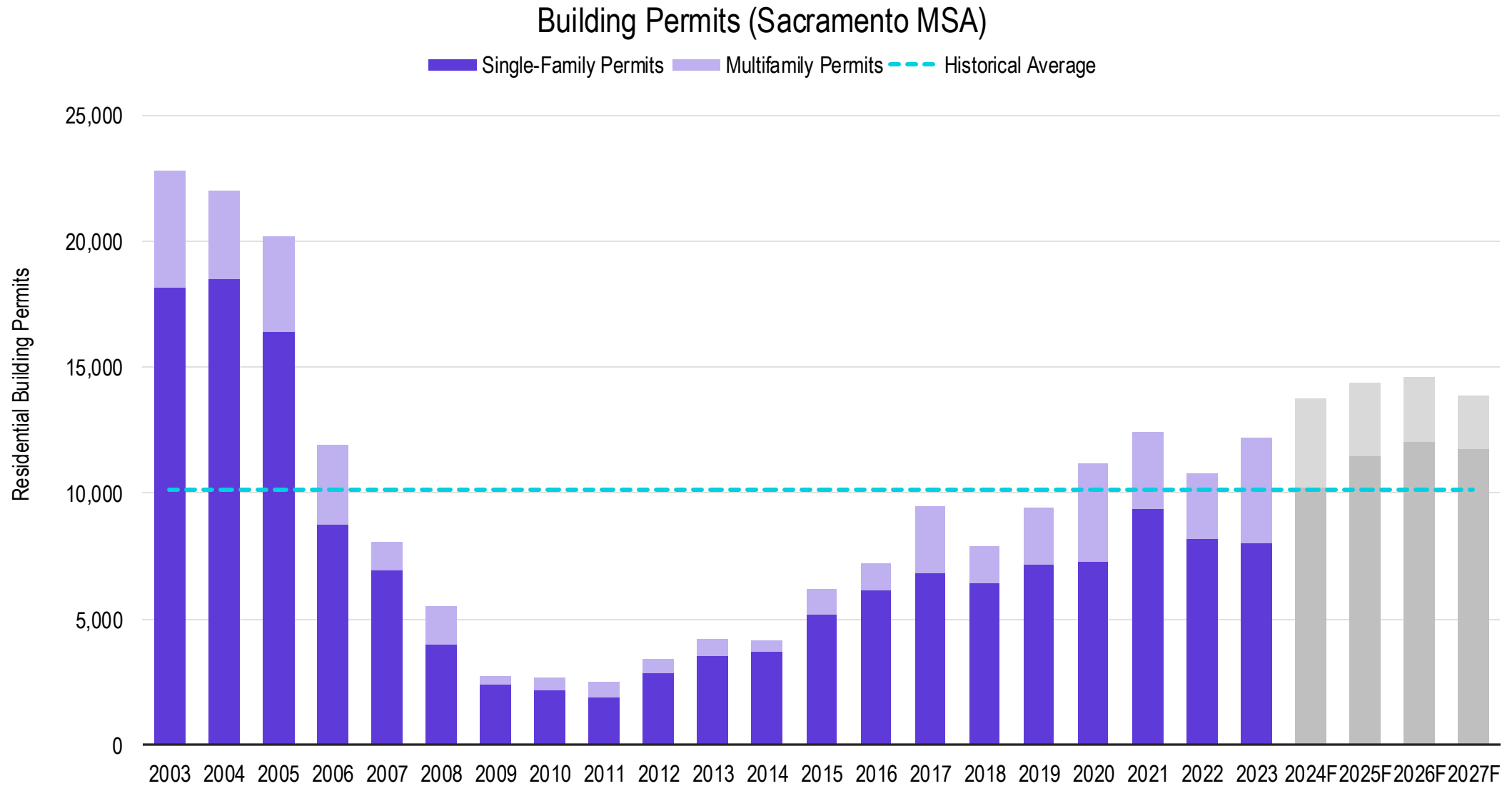
Sales, Starts, and Closings Sacramento-Roseville-Folsom, CA



Sales, Starts, and Closings by County



Again, expect more supply in the coming years

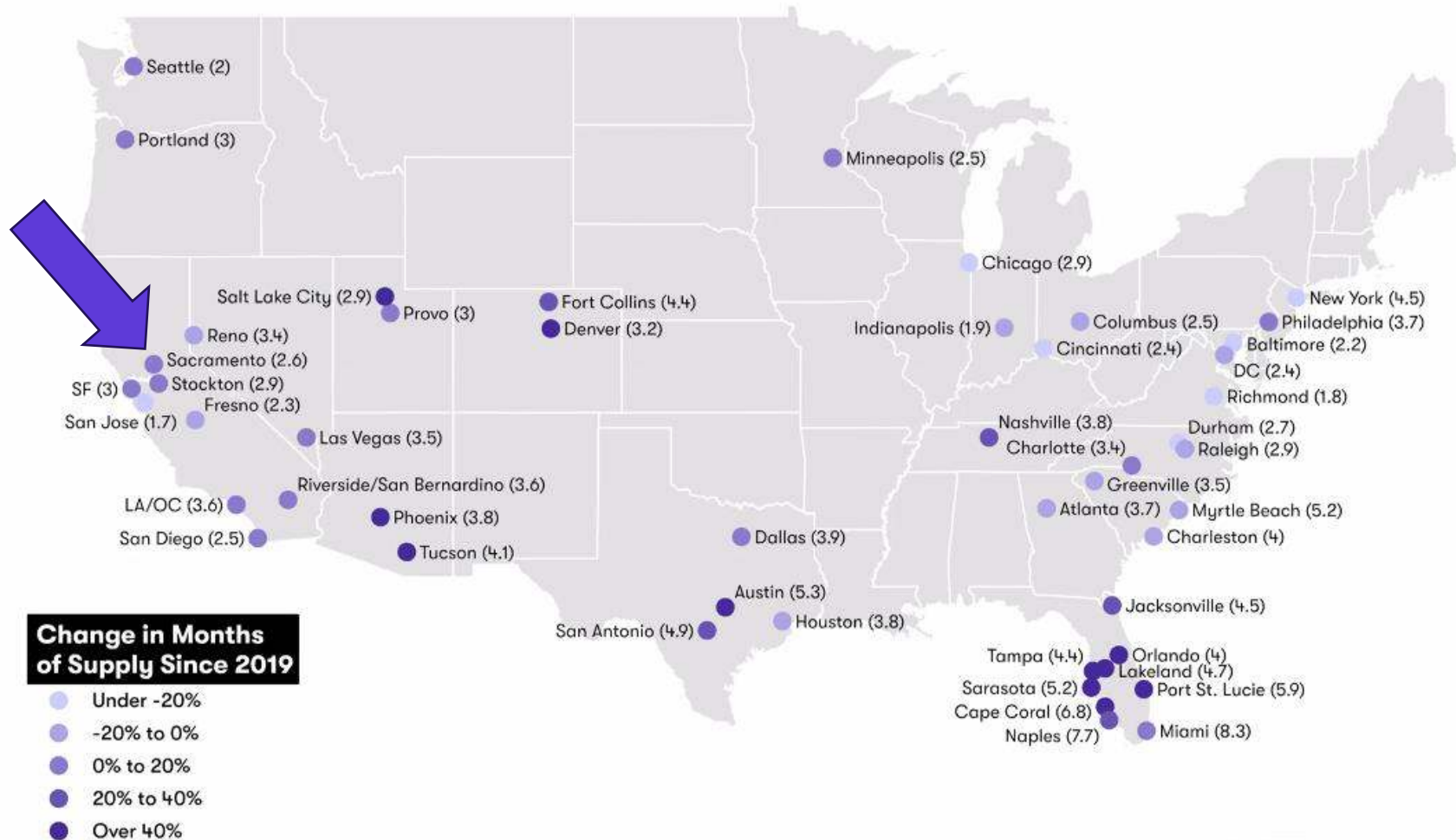


An aerial photograph of a densely populated residential neighborhood. The houses are mostly two-story structures with dark roofs, interspersed with green trees. In the far distance, a city skyline is visible against a hazy, overcast sky. The overall lighting is dim, suggesting an overcast day or dusk.

Let's look at the Used Market

Months of supply up modestly. Currently 2.6 months

Listings Change and Months of Supply

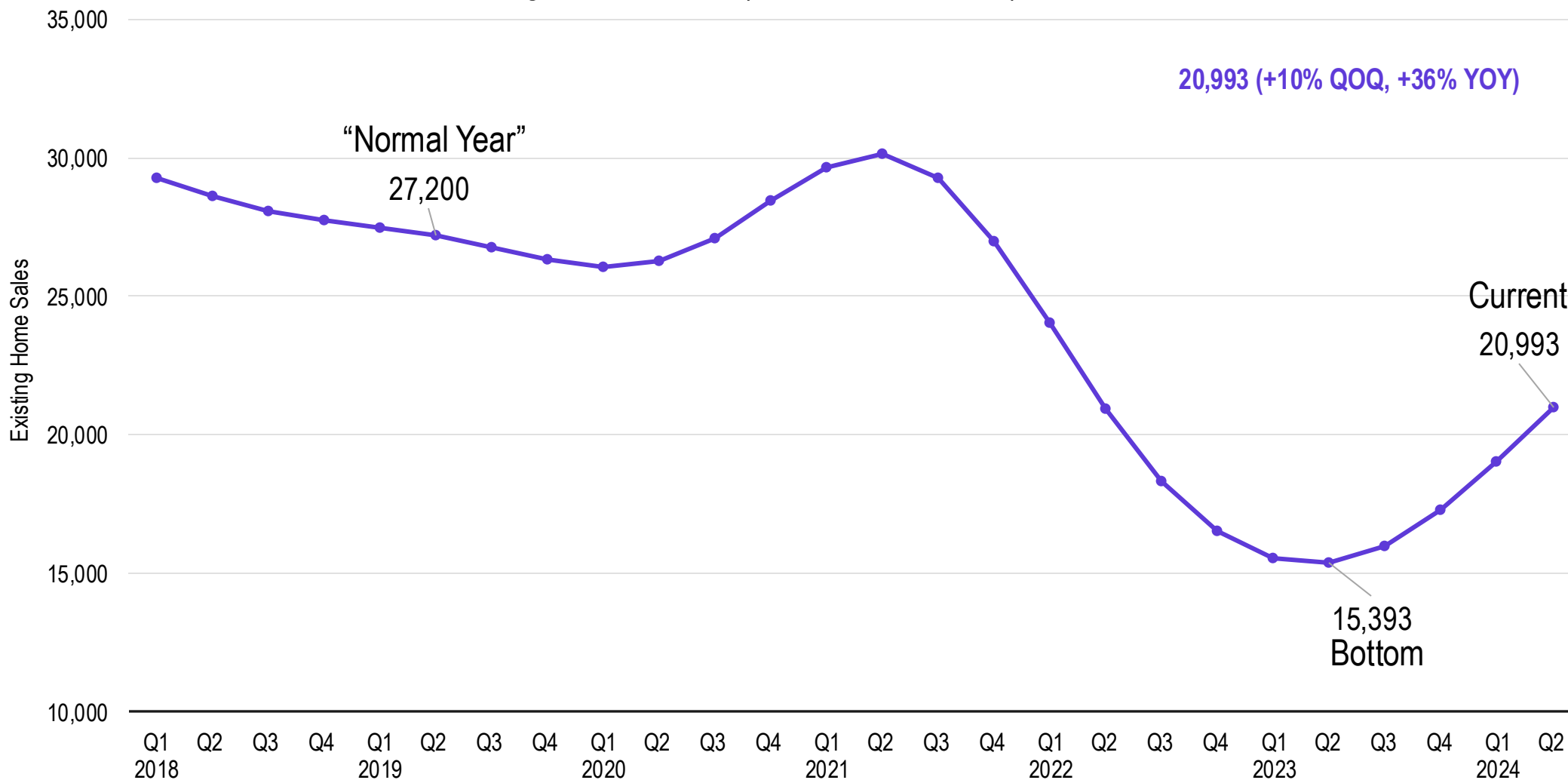


Note: Label displays current months of supply, a calculation of the number of months it would take the current inventory to sell at the current sales pace. Columbia and Colorado Springs are not included in analysis. Data is as of September.

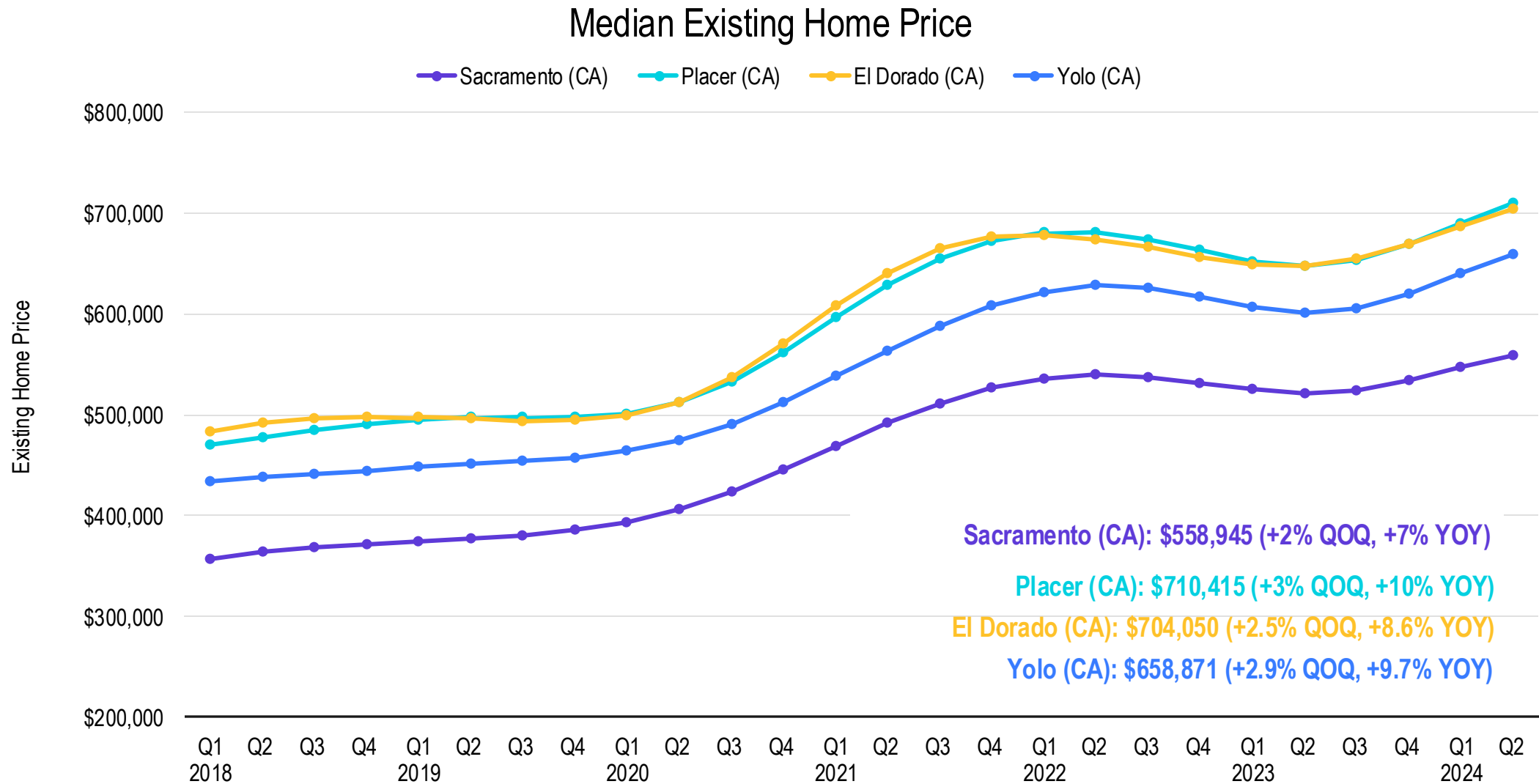
Source: Redfin; Zonda

Existing home sales up 36% YOY but still well below normal. Expect increased competition from the existing home market.

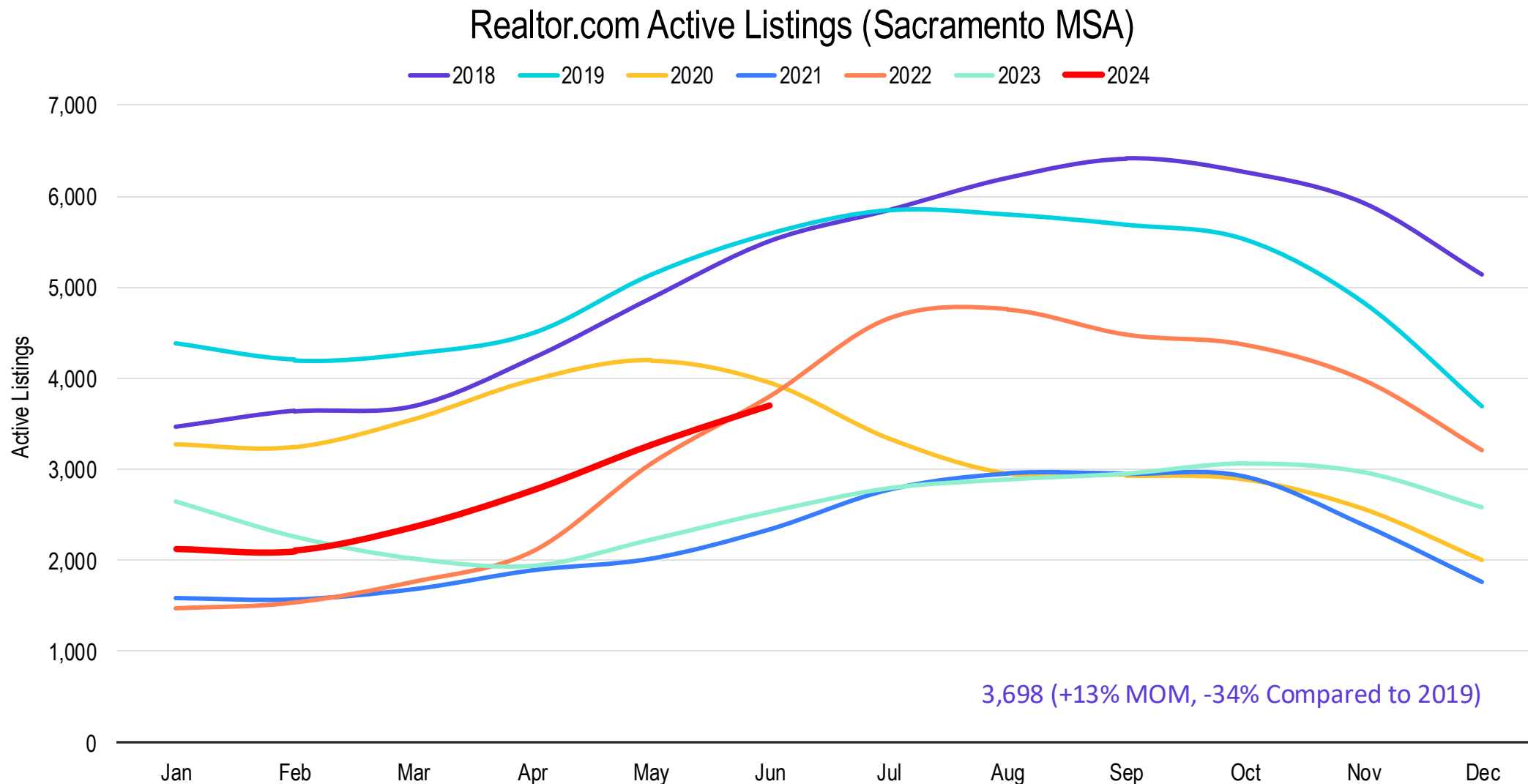
Existing Home Sales (Sacramento MSA)



Existing home prices are up nearly double-digits YOY and are up most in Placer County

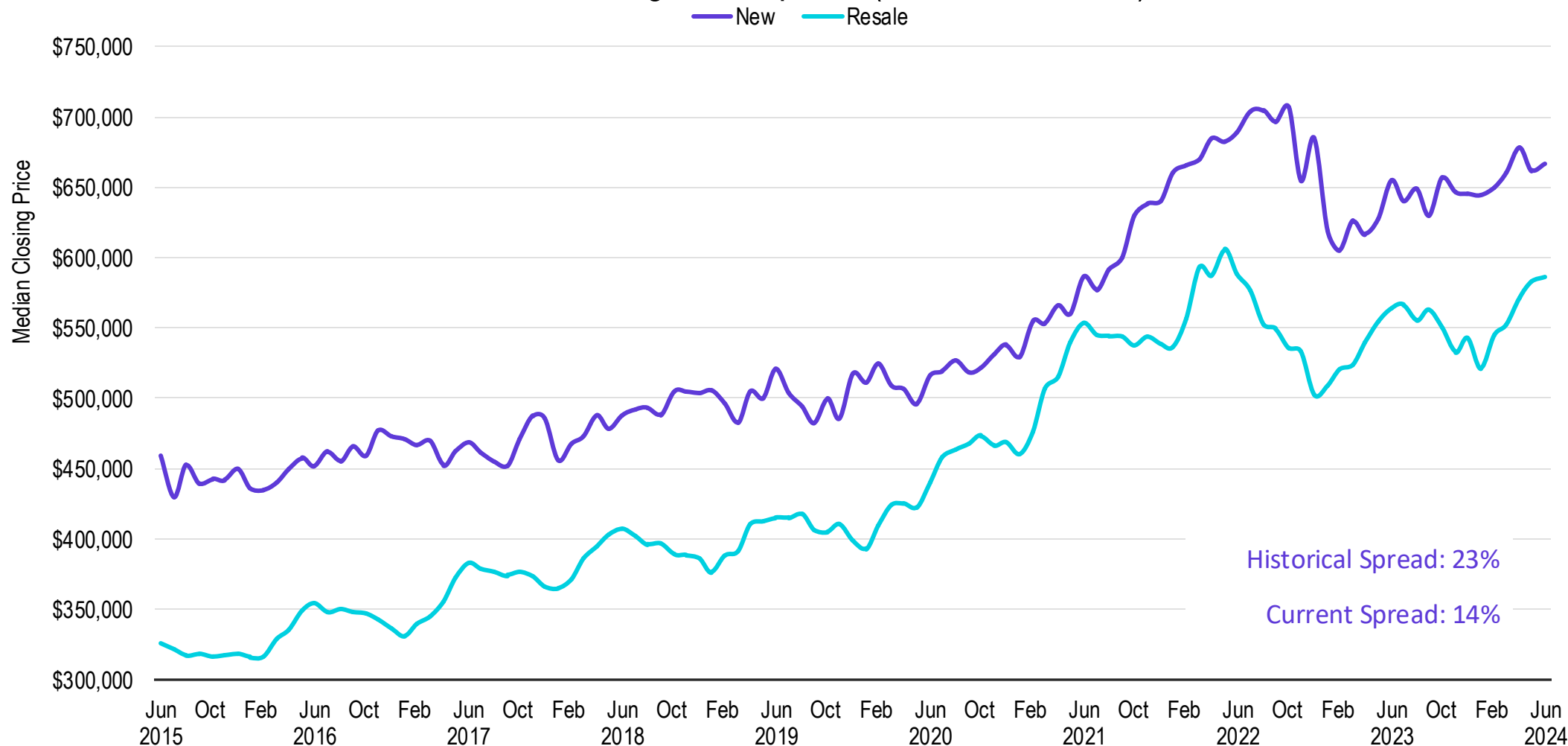


Active Listings are up 13% MOM but are 34% below 2019



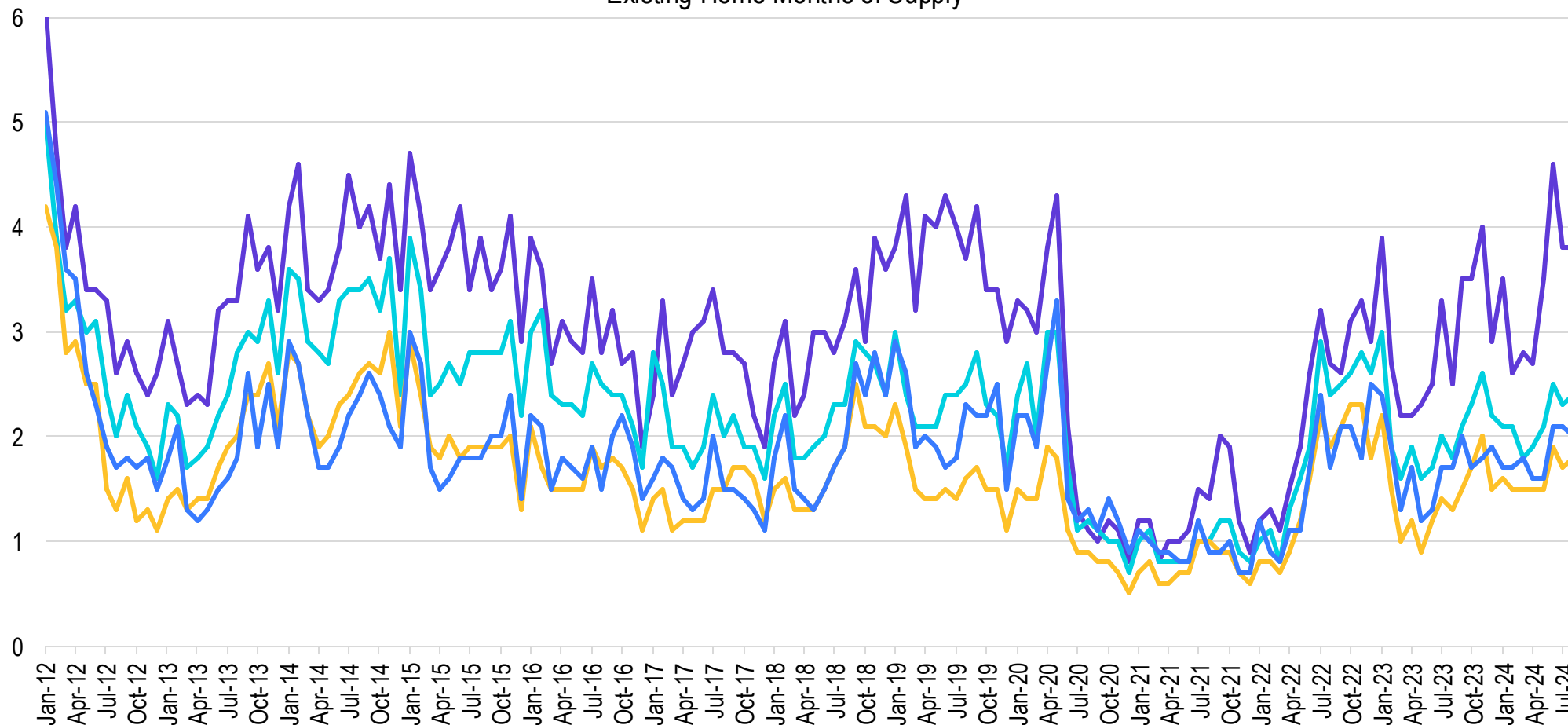
New homes are only selling at a 14% premium to existing homes

New vs. Existing Price Spread (Sacramento MSA)



Existing home market is softest in El Dorado County with nearly 4 months of supply

Existing Home Months of Supply

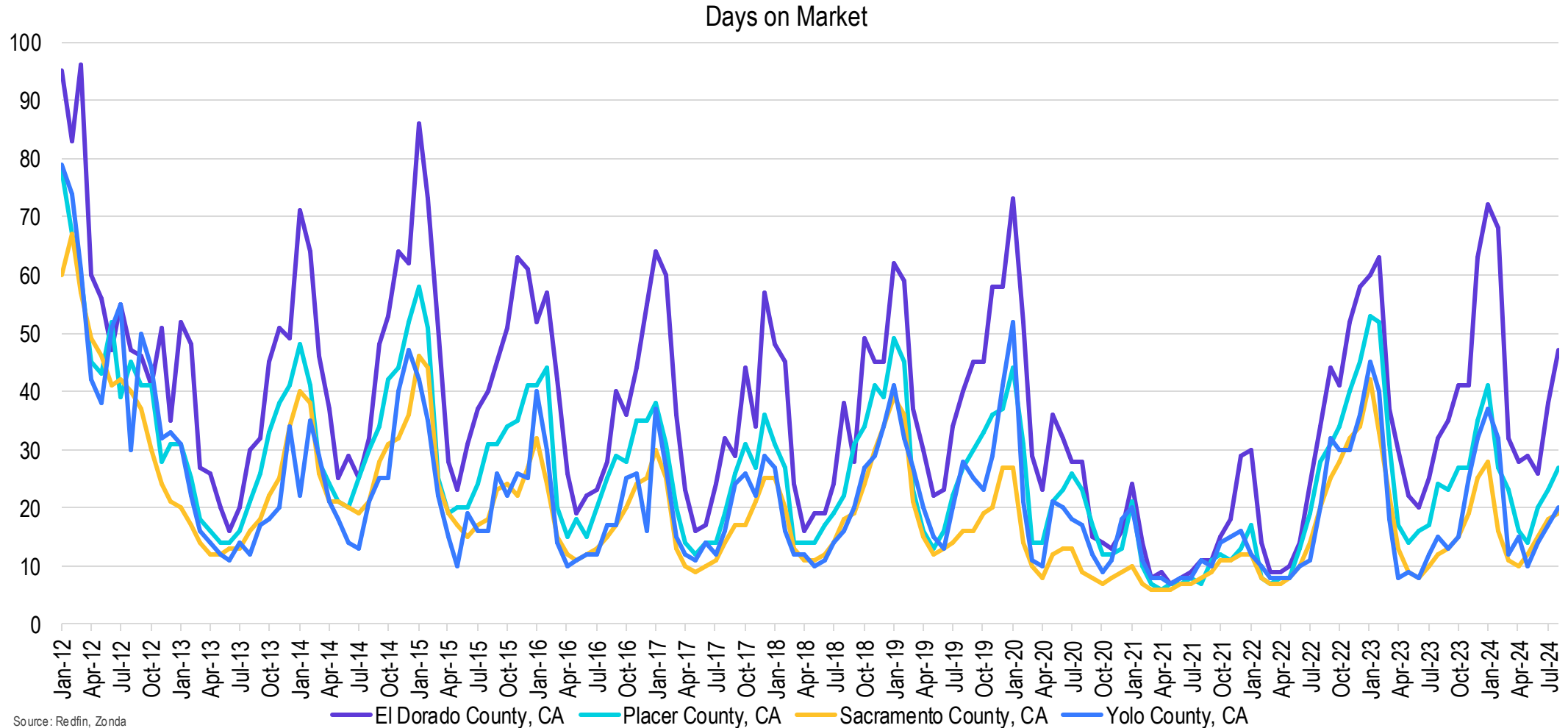


Source: Redfin, Zonda

— El Dorado County, CA — Placer County, CA — Sacramento County, CA — Yolo County, CA

Days on market is also highest in El Dorado

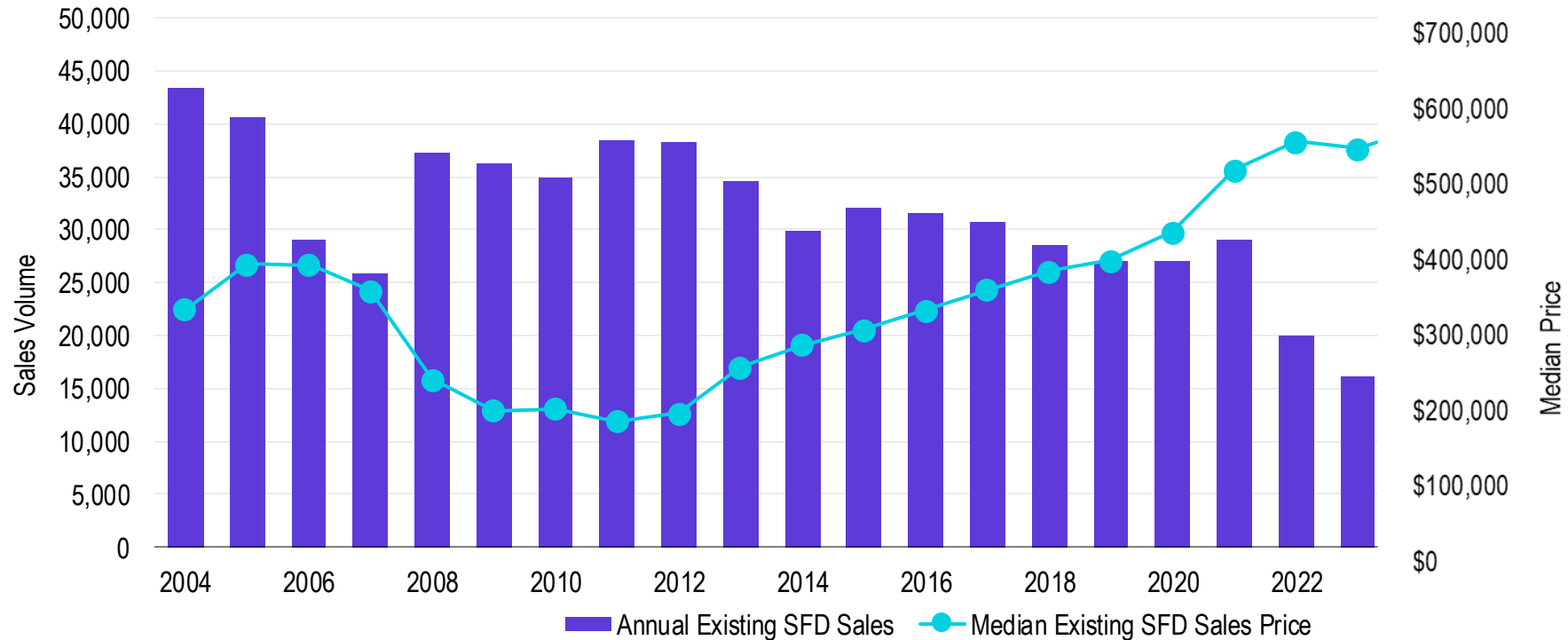
Yolo and Sacramento are under 20 days on market with affordability driving sales



Source: Redfin, Zonda

Resales expected to rise significantly while pricing relatively flat over the next several years


Existing Home Sales and Price



Source: National Association of Realtors (NAR); Zonda Price Forecast; Moody's Analytics Sales Forecast

Sacramento--Roseville--Arden-Arcade, CA Metropolitan Statistical Area - Moody's Analytics Five-Year Forecast

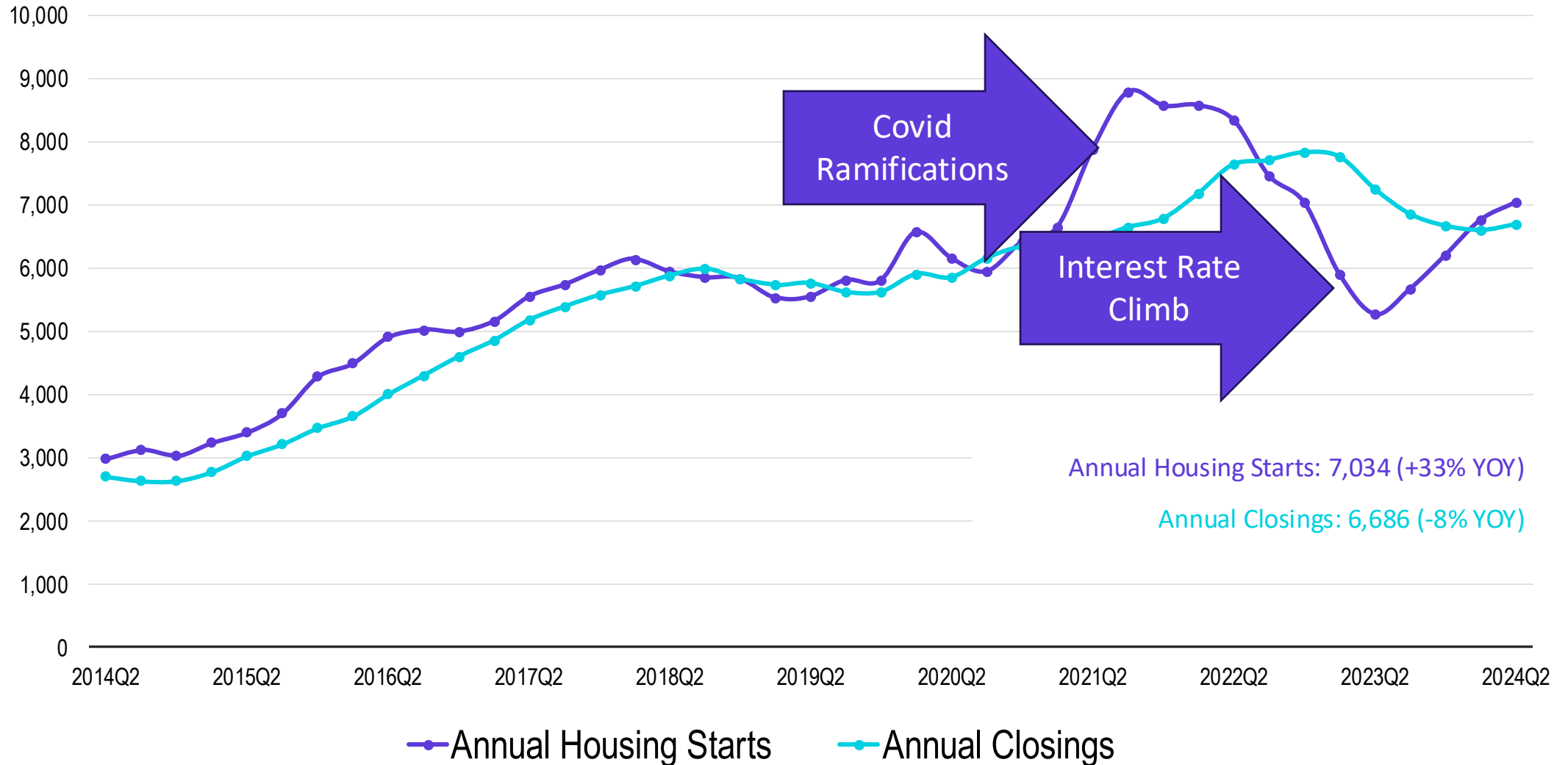
Category	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024F
Annual Existing SFD Sales	29,857	31,940	31,490	30,638	28,419	26,942	26,978	29,016	19,921	16,057	23,545
Annual % Change	-13.6%	7.0%	-1.4%	-2.7%	-7.2%	-5.2%	0.1%	7.6%	-31.3%	-19.4%	46.6%
Median Existing SFD Sales Price	\$267,675	\$288,077	\$313,500	\$339,977	\$365,548	\$379,584	\$417,363	\$499,415	\$536,201	\$526,903	\$552,969
Annual % Change	12.5%	7.6%	8.8%	8.4%	7.5%	3.8%	10.0%	19.7%	7.4%	-1.7%	4.9%

An aerial photograph of a suburban neighborhood, densely packed with houses and trees. The houses have dark roofs and are interspersed with green foliage. In the far distance, a city skyline is visible against a hazy, overcast sky. The overall lighting is dim, suggesting a late afternoon or early morning setting.

Let's look at Supply

Starts and closings have returned to equilibrium

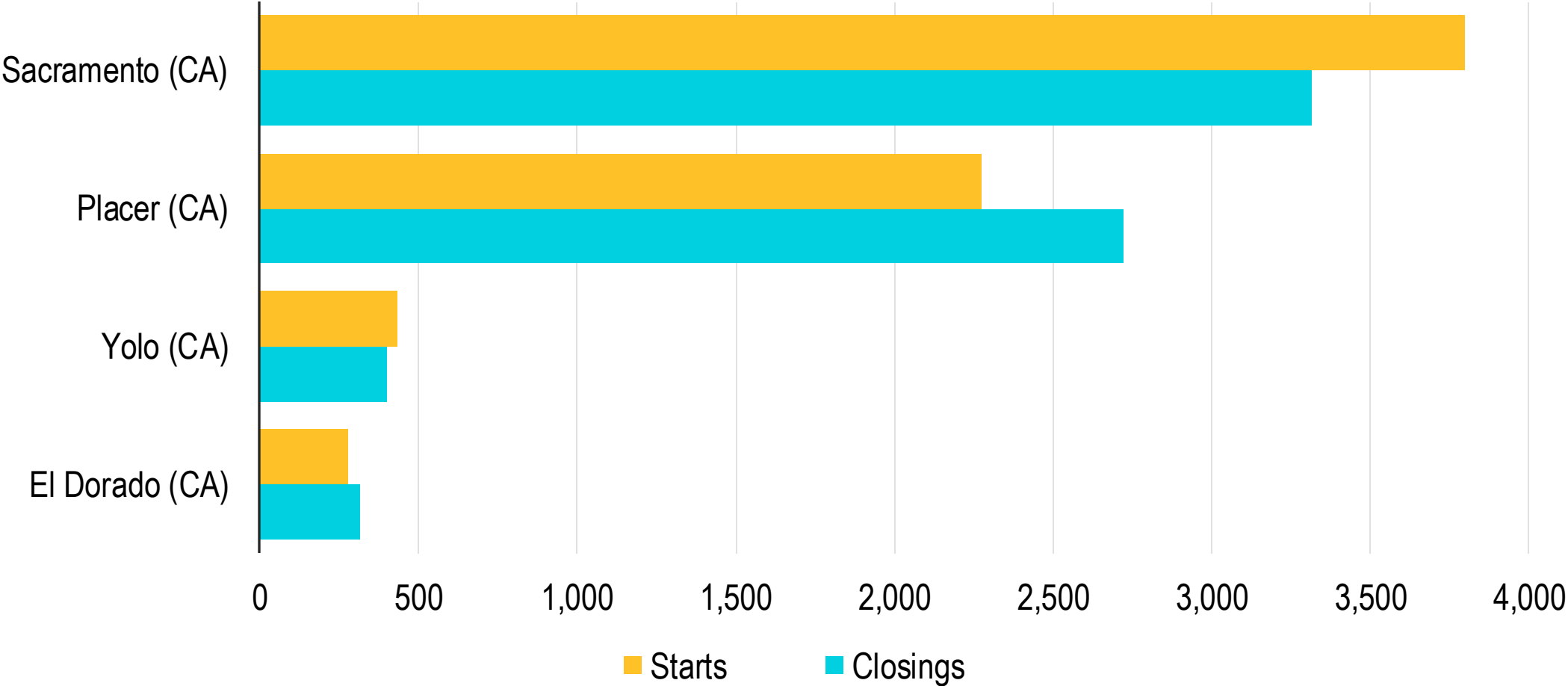
Starts vs. Closings (Sacramento MSA)



Overall, starts and closings are at an equilibrium

There's more pressure on supply with **more closings than starts in Placers and more starts than closings in Sacramento**

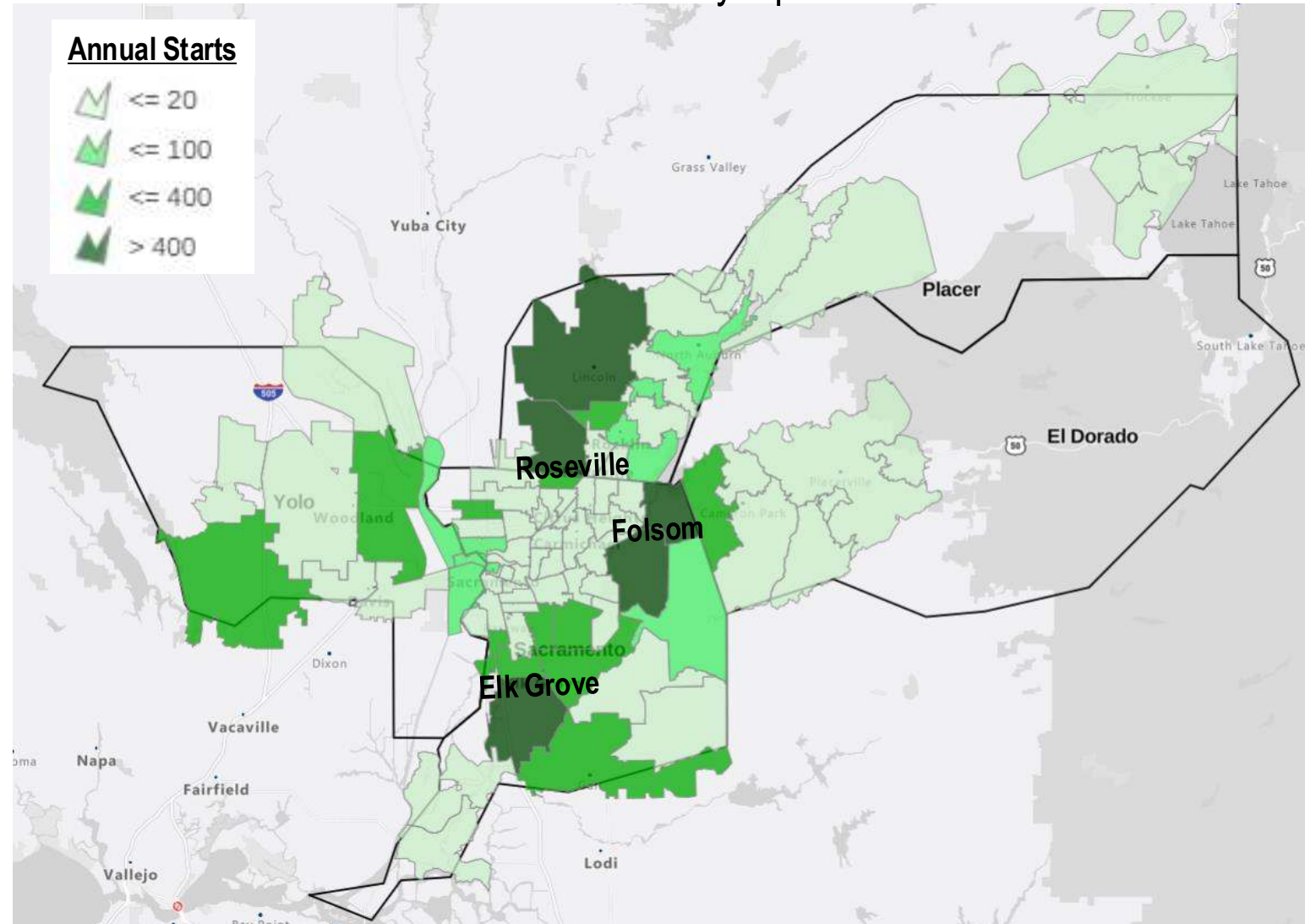
Sales, Starts, and Closings by County



Sacramento and Placer Counties account for 89% of starts

Annual Starts by Zip Code

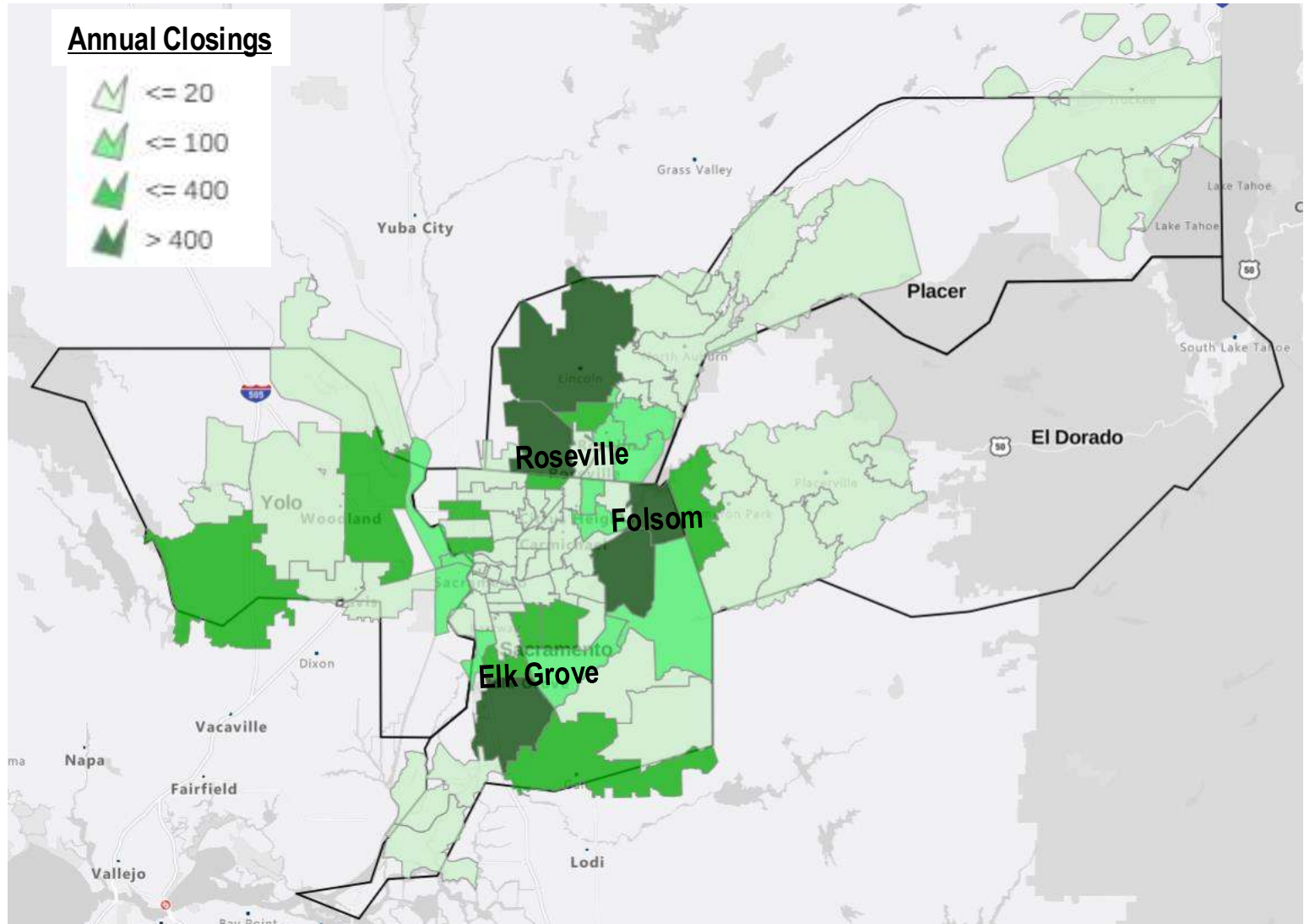
County	City	Zip Code	Annual Starts
Placer	Roseville	95747	1,488
Sacramento	Rancho Cordova	95742	897
Sacramento	Folsom	95630	881
Sacramento	Elk Grove	95757	675
Placer	Lincoln	95648	496
Sacramento	Sacramento	95828	354
Sacramento	Sacramento	95829	327
El Dorado	El Dorado Hills	95762	300
Yolo	Woodland	95776	226
Sacramento	Elk Grove	95758	193
Sacramento	Sacramento	95835	190
Sacramento	Galt	95632	188
Sacramento	Elk Grove	95624	150
Yolo	Winters	95694	140
Placer	Rocklin	95765	123
Sacramento	Sacramento	95832	122
Sacramento	Antelope	95843	116
Yolo	West Sacramento	95605	96
Sacramento	Sacramento	95814	87



Placer and Sacramento Counties also dominate in closings, led by Roseville and Folsom

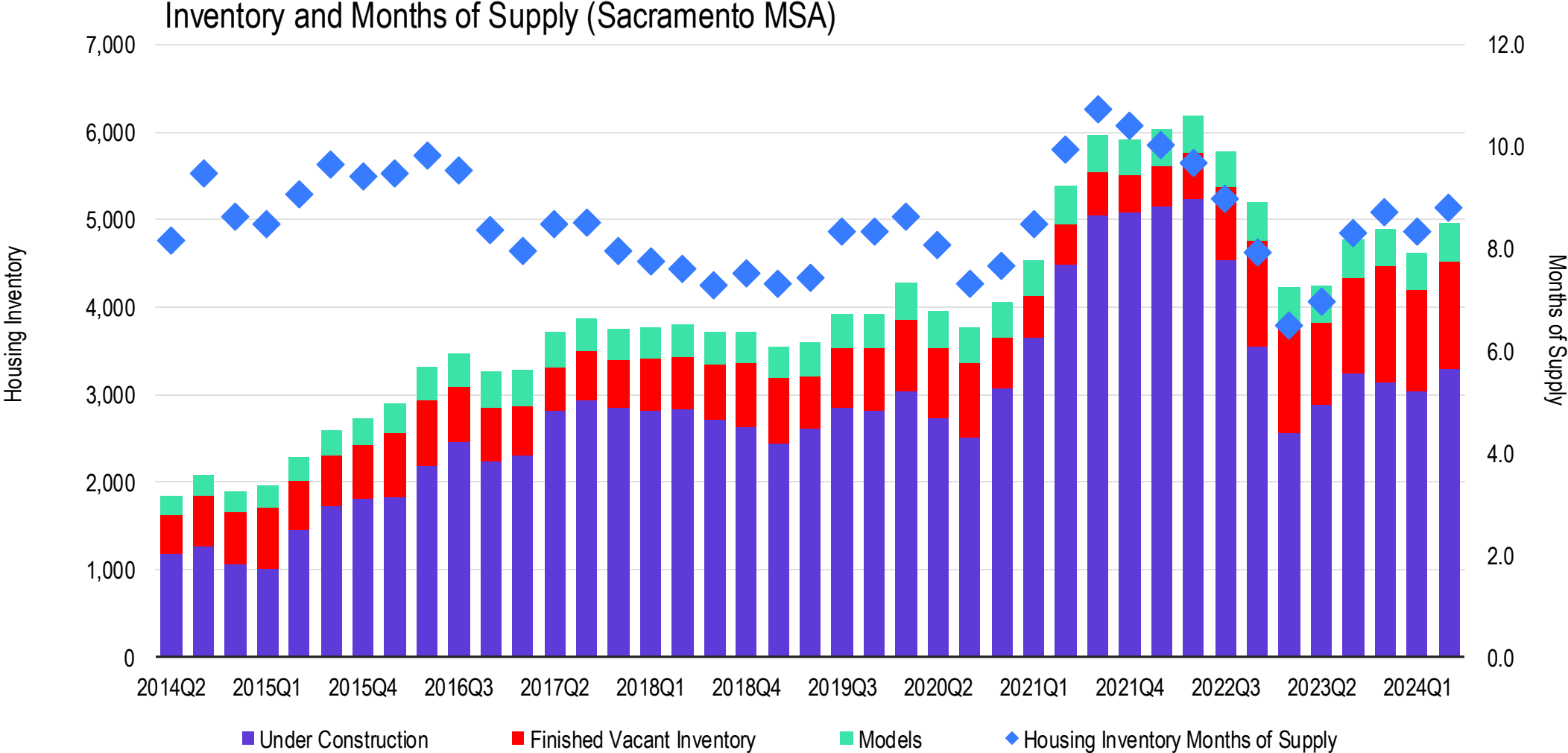
Annual Closings by Zip Code

County	City	Zip Code	Annual Closings
Placer	Roseville	95747	1,773
Sacramento	Folsom	95630	845
Sacramento	Rancho Cordova	95742	555
Placer	Lincoln	95648	454
Sacramento	Elk Grove	95757	420
Yolo	Woodland	95776	338
El Dorado	El Dorado Hills	95762	325
Sacramento	Sacramento	95835	249
Sacramento	Elk Grove	95758	218
Sacramento	Sacramento	95829	207
Sacramento	Antelope	95843	161
Sacramento	Sacramento	95828	155
Sacramento	Galt	95632	155
Yolo	Winters	95694	138
Placer	Rocklin	95765	119
Sacramento	Sacramento	95833	109
Sacramento	Elk Grove	95624	88
Yolo	West Sacramento	95605	70
Placer	Granite Bay	95746	65
Sacramento	Sacramento	95832	54



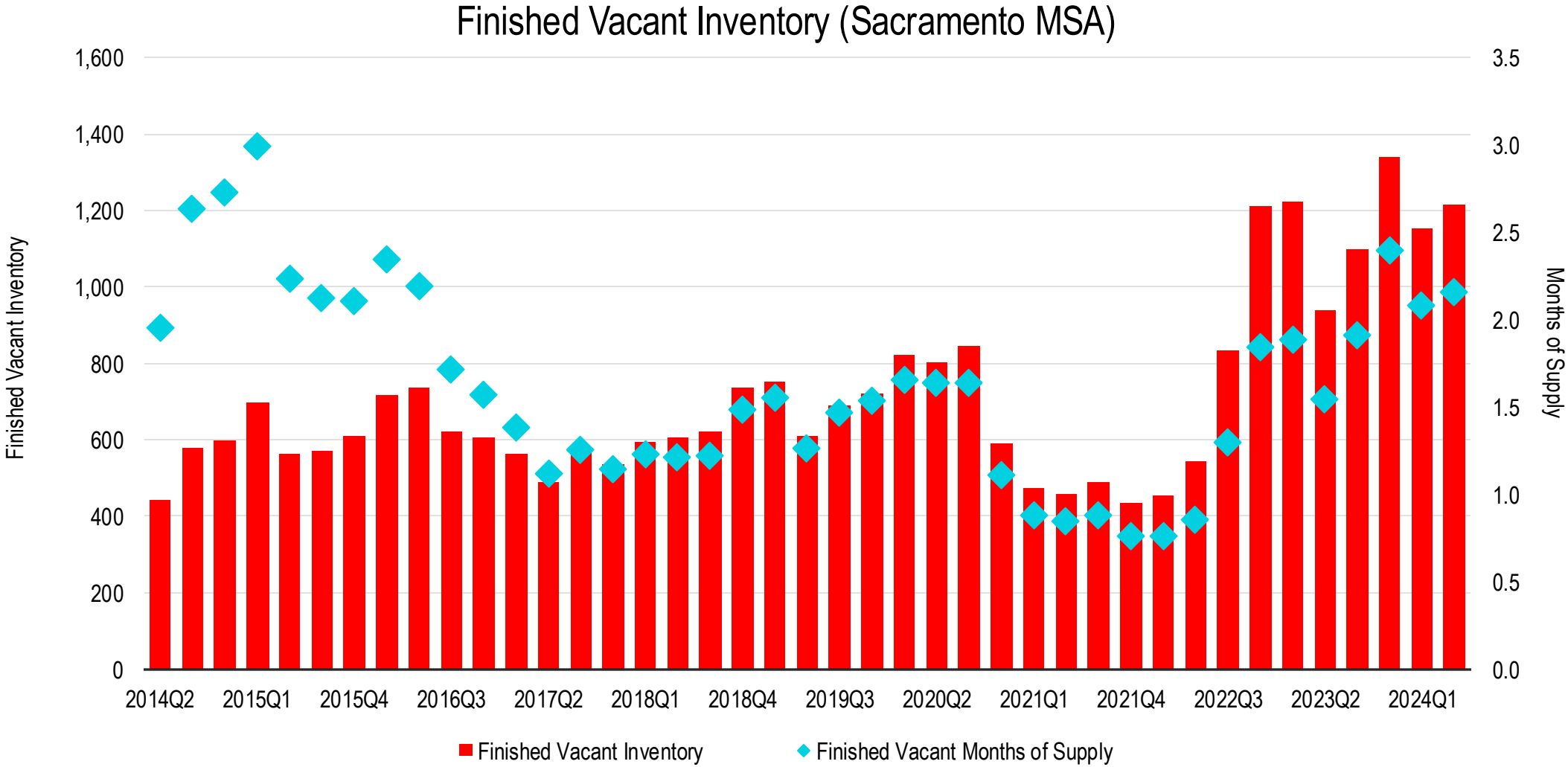
Months of supply is healthy with 8 months of supply today

Finished inventory is a little higher given a bigger spec play strategy



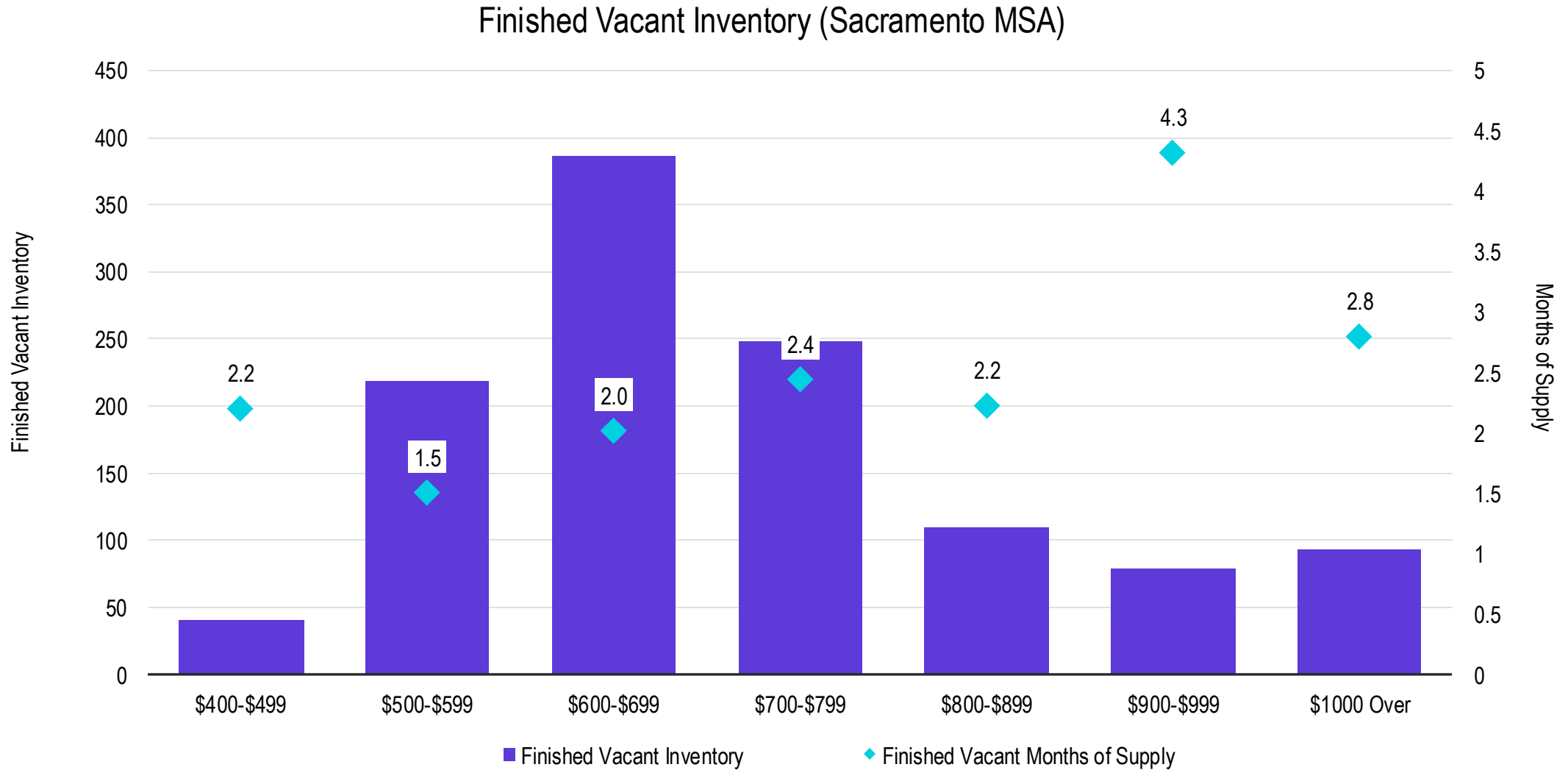
A closer look on Finished Inventory with higher levels

Builders capitalize on limited resale inventory with more spec sales resulting in higher finished vacant inventory

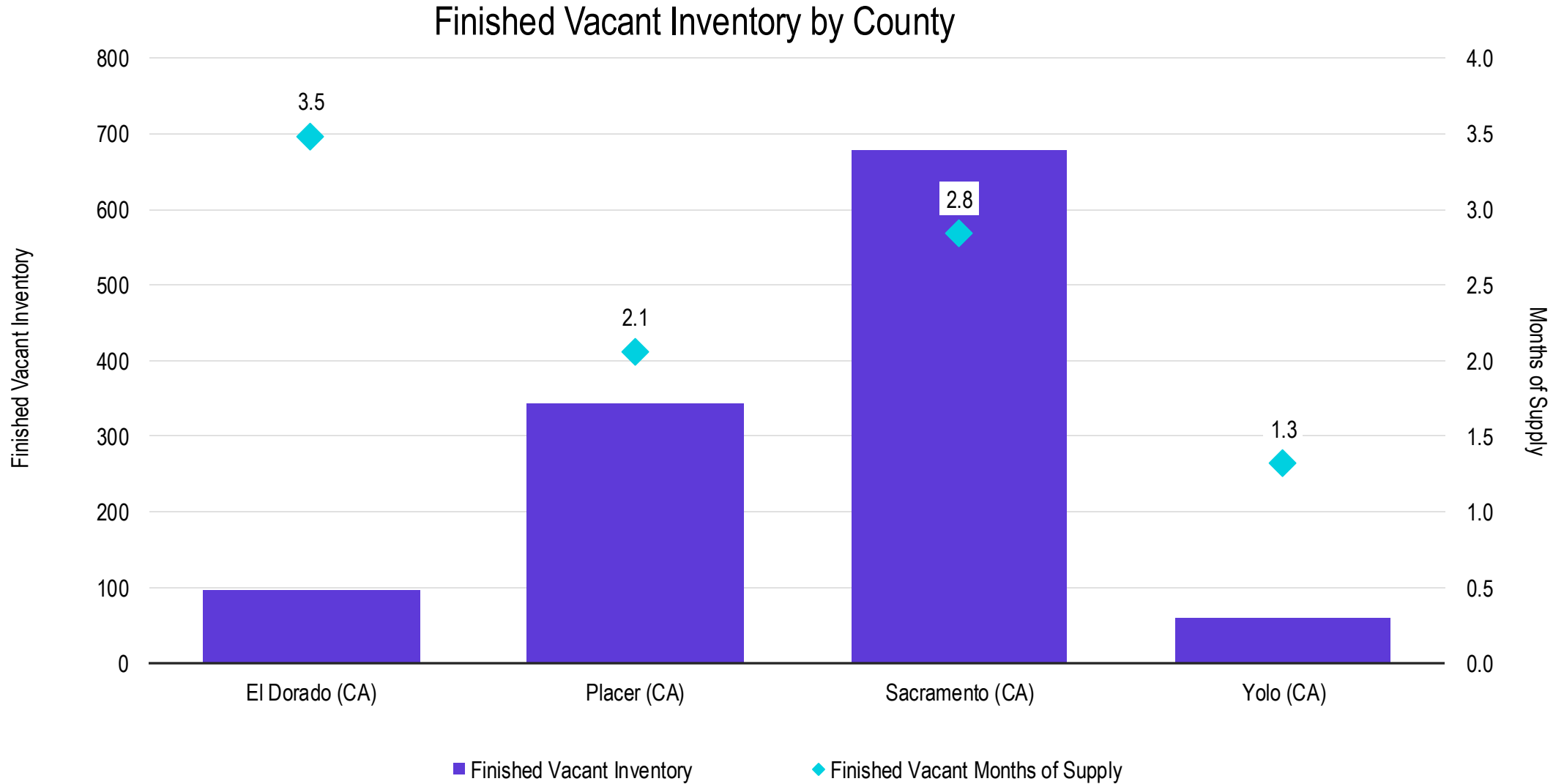


Most inventory is \$500K to \$799K, at the heart of the market

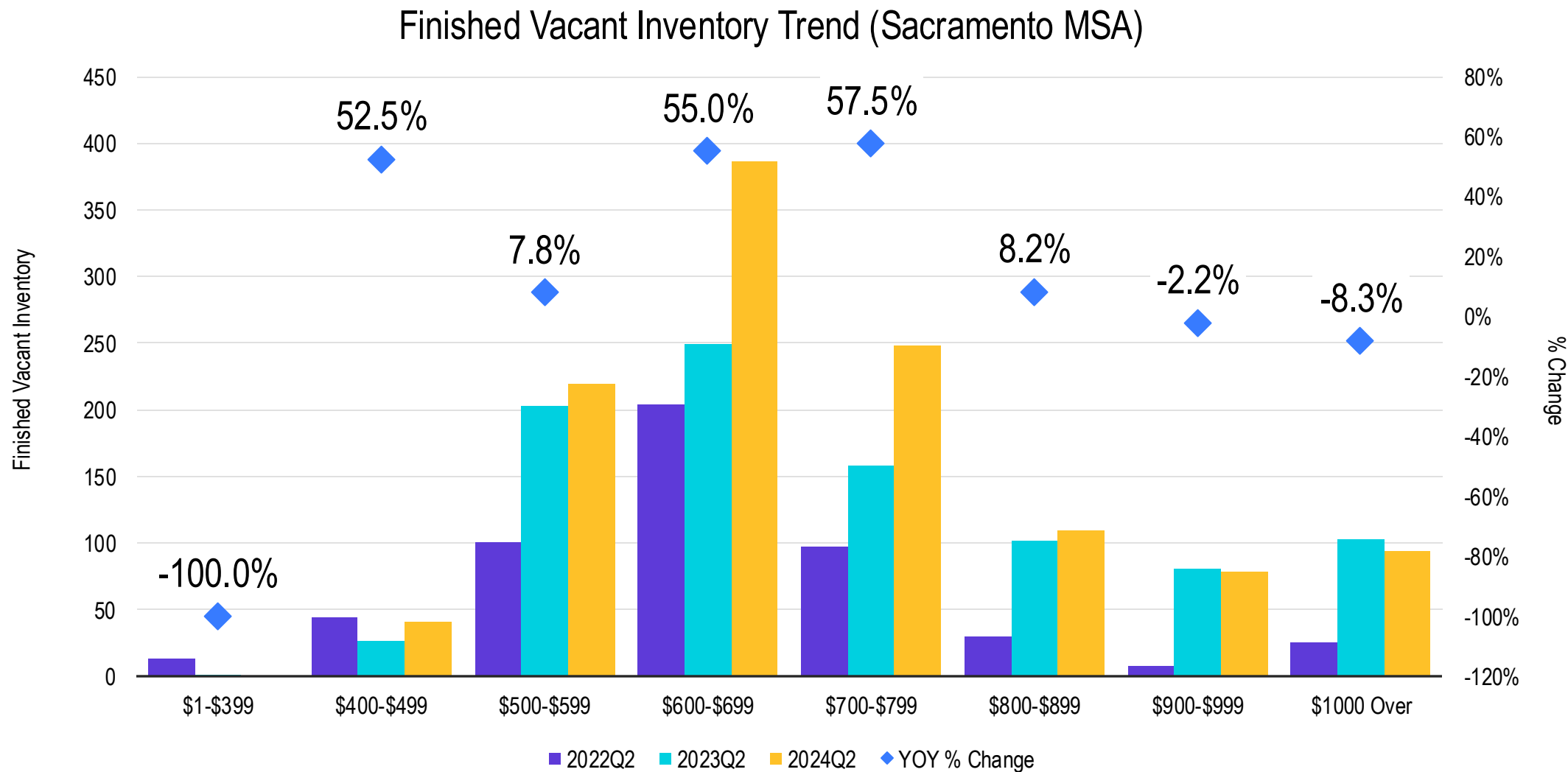
Recommended specs under \$700k here with more choice in the higher price points



El Dorado has the highest months of supply of finished vacant



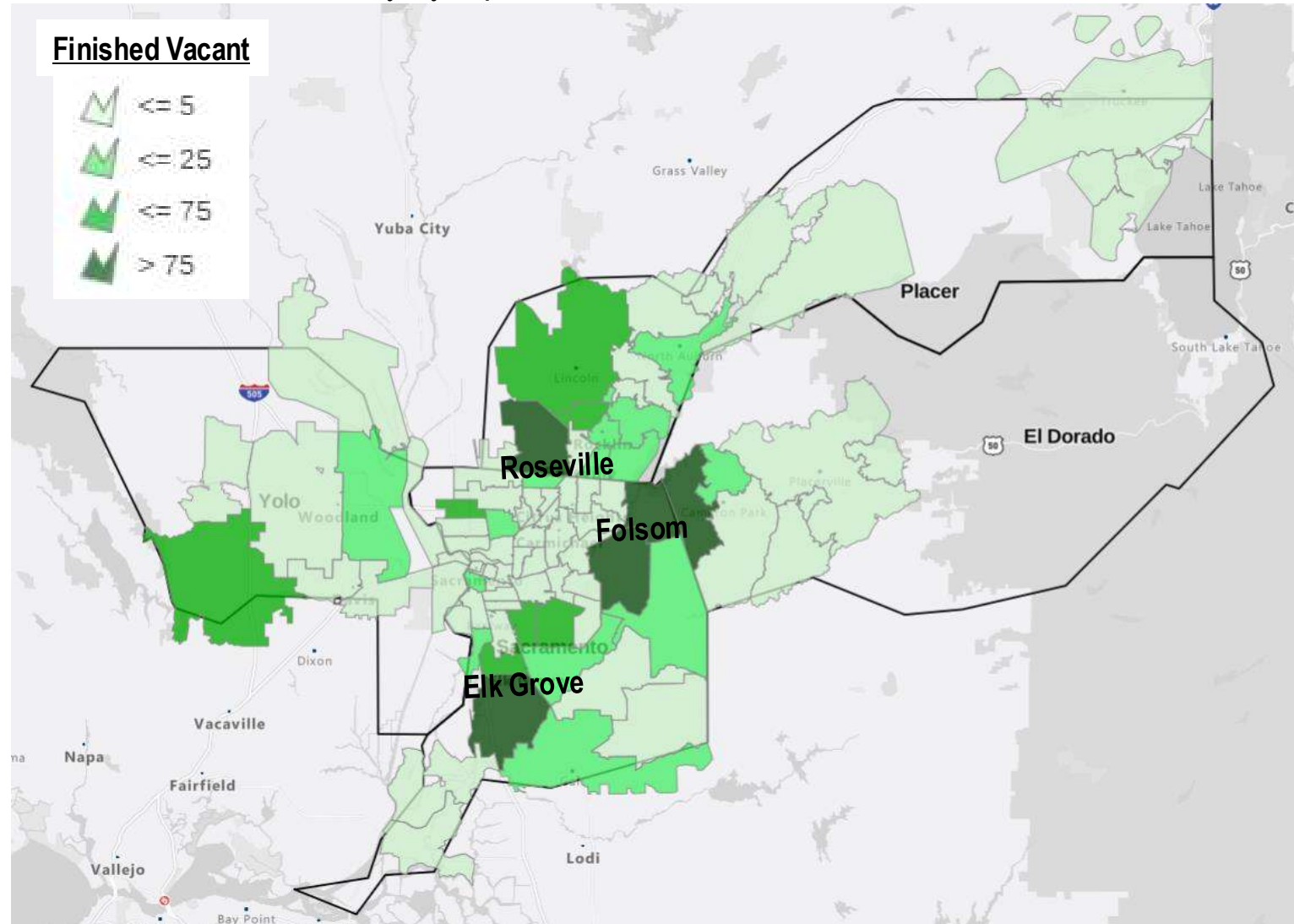
Builders are trying to meet affordability demands by pushing below the \$900k price points as rates increase – **Smart!**



Roseville, Rancho Cordova, Folsom, and Elk Grove have the most finished inventory

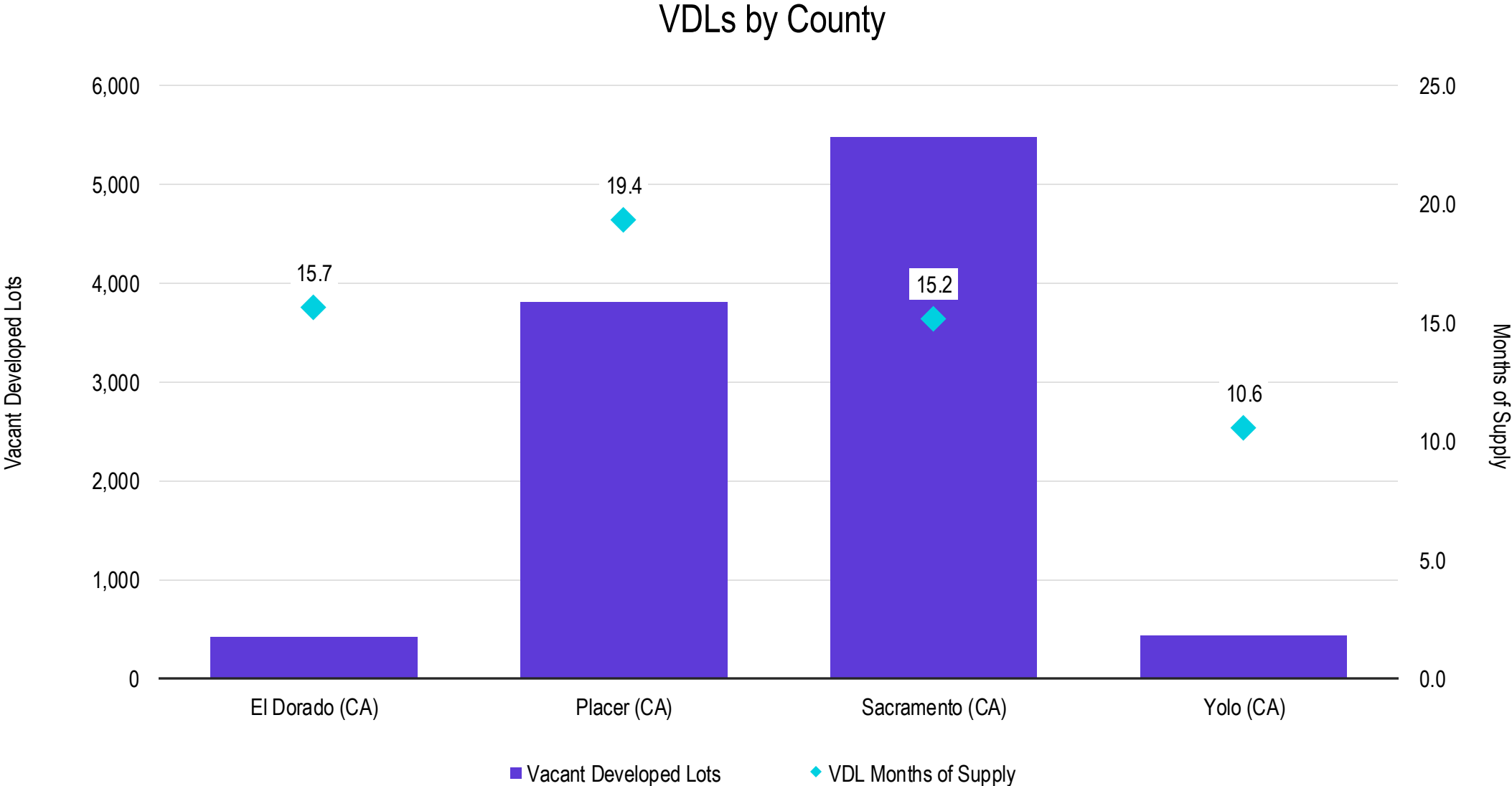
County	City	Zip Code	Finished Vacant
Placer	Roseville	95747	194
Sacramento	Rancho Cordova	95742	179
Sacramento	Folsom	95630	137
Sacramento	Elk Grove	95757	113
El Dorado	El Dorado Hills	95762	88
Placer	Lincoln	95648	68
Sacramento	Sacramento	95829	43
Placer	Rocklin	95765	40
Yolo	Winters	95694	39
Sacramento	Sacramento	95835	33
Sacramento	Sacramento	95828	31
Sacramento	Elk Grove	95758	27
Sacramento	Elk Grove	95624	24
Sacramento	Sacramento	95838	22
Placer	Granite Bay	95746	20
Placer	Rocklin	95677	20
Sacramento	Galt	95632	17
Sacramento	Antelope	95843	16
Sacramento	Sacramento	95832	16
Yolo	Woodland	95776	12

Finished Vacant Inventory by Zip Code



Sacramento has the most supply but selling fast with lower price points

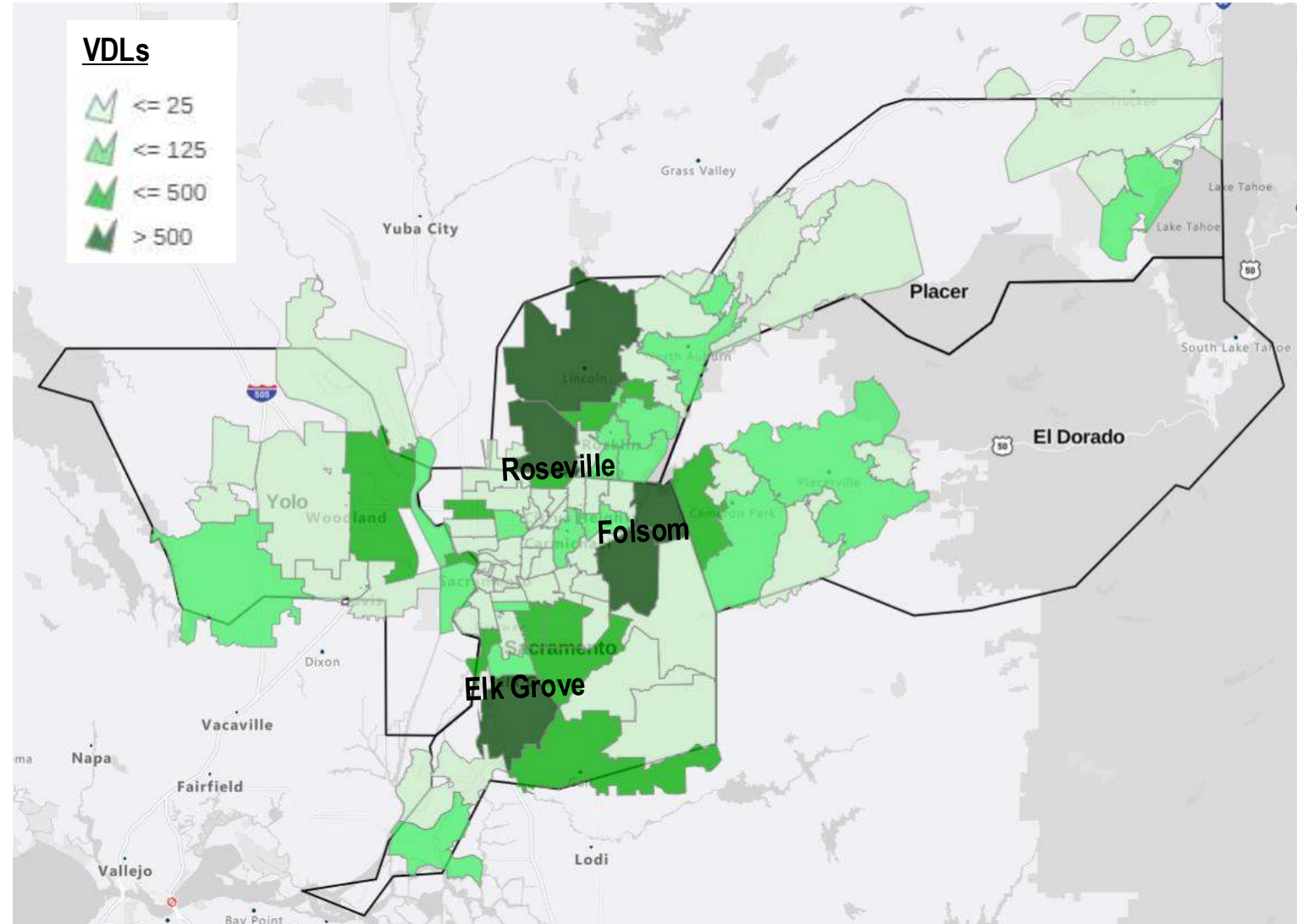
Placer has the highest months of supply of VDLs with slightly less supply



Look to Elk Grove, Rancho Cordova, Roseville, and Lincoln for VDLs

Vacant Developed Lots

County	City	Zip Code	VDLs
Placer	Roseville	95747	1,992
Sacramento	Rancho Cordova	95742	1,305
Sacramento	Elk Grove	95757	1,157
Placer	Lincoln	95648	1,044
Sacramento	Folsom	95630	661
Sacramento	Sacramento	95832	385
El Dorado	El Dorado Hills	95762	330
Sacramento	Galt	95632	321
Sacramento	Sacramento	95829	307
Sacramento	Sacramento	95828	288
Sacramento	Sacramento	95835	231
Sacramento	Elk Grove	95624	231
Yolo	West Sacramento	95605	186
Placer	Penryn	95663	156
Sacramento	Antelope	95843	155
Placer	Rocklin	95765	148
Yolo	Woodland	95776	129
Sacramento	Sacramento	95838	114
Placer	Granite Bay	95746	102
Placer	Rocklin	95677	79

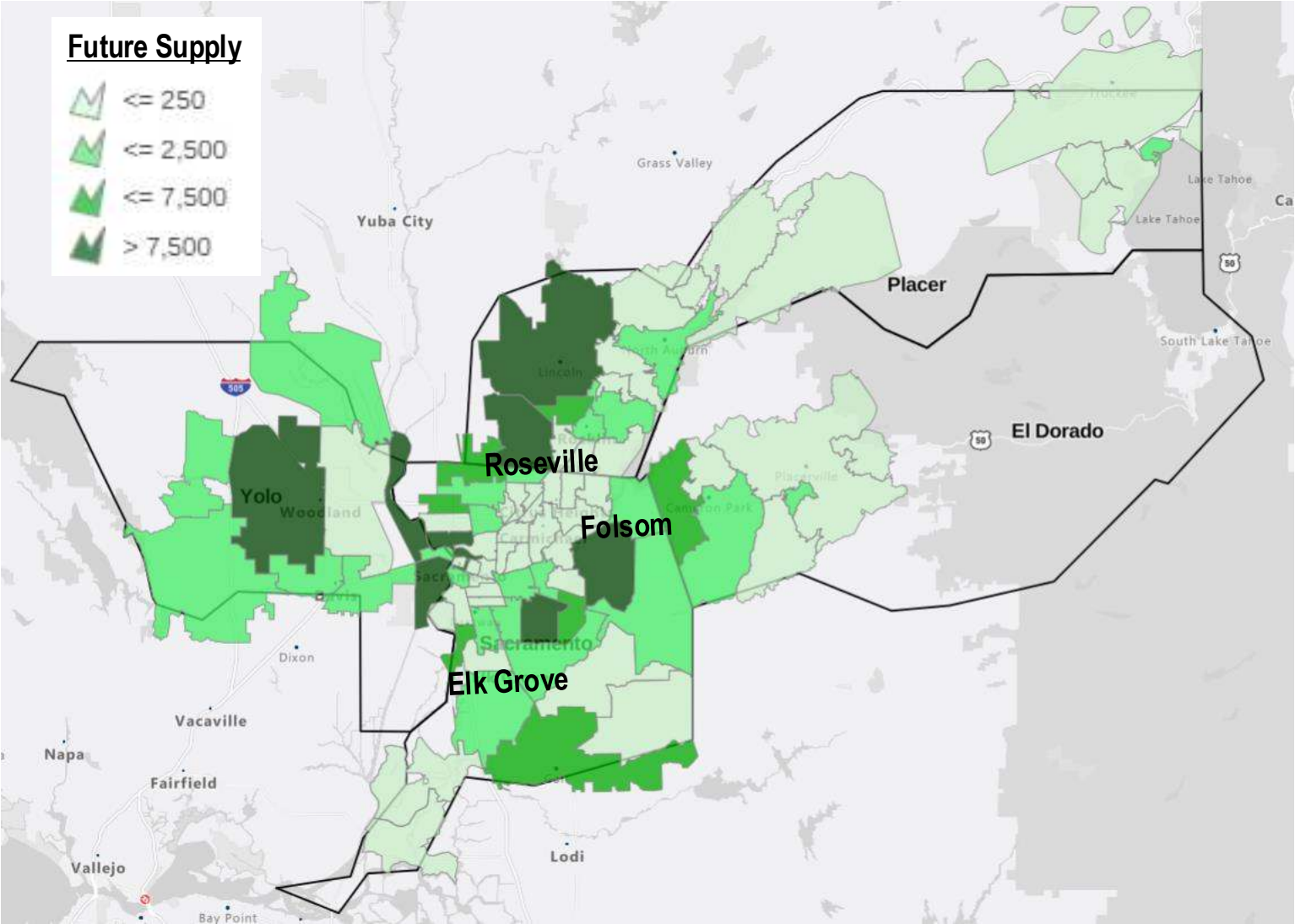


Where's the future? Rancho Cordova, Roseville, and Lincoln have a ton of future supply



County	City	Zip Code	Future Supply
Sacramento	Rancho Cordova	95742	44,496
Placer	Roseville	95747	31,411
Placer	Lincoln	95648	25,874
Sacramento	Sacramento	95811	13,514
Sacramento	Sacramento	95833	10,234
Yolo	West Sacramento	95691	9,788
Sacramento	Sacramento	95829	9,537
Yolo	Woodland	95695	8,291
Sacramento	Elverta	95626	5,069
Sacramento	Sacramento	95832	5,035
El Dorado	El Dorado Hills	95762	5,013
Placer	Rocklin	95765	5,004
Sacramento	Sacramento	95830	3,025
Sacramento	Sacramento	95835	3,004
Sacramento	Galt	95632	2,891
Sacramento	Elk Grove	95757	1,810
El Dorado	Shingle Springs	95682	1,439
Sacramento	Sacramento	95826	1,384
Yolo	Davis	95618	1,365
Sacramento	Elk Grove	95624	1,283

Future Supply



An aerial photograph of a suburban neighborhood, densely packed with houses and trees. The houses have dark roofs and are interspersed with green foliage. In the far distance, a city skyline is visible against a hazy, overcast sky. The overall tone is dark and moody.

Top performers?

Lennar is dominating the Sacramento market with Taylor Morrison behind them with less than 50% of their starts

Top Builders by Annual Starts

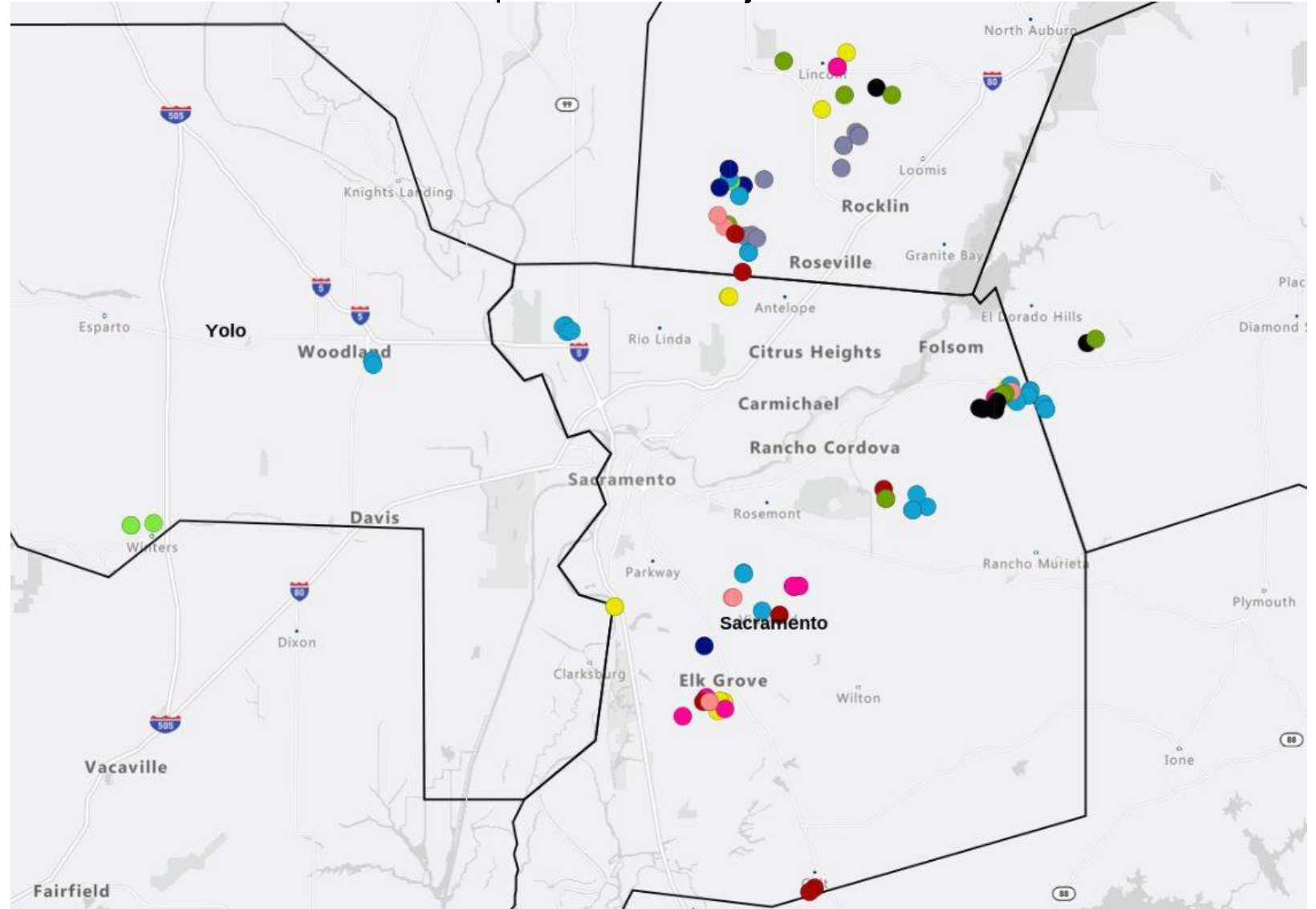
#	BUILDER	ANNUAL HOUSING STARTS	SHARE OF ANNUAL HOUSING STARTS	ANNUAL CLOSINGS	SHARE OF ANNUAL CLOSINGS	FINISHED VACANT INVENTORY	FINISHED VACANT MONTHS OF SUPPLY	VACANT DEVELOPED LOT INVENTORY	VDL MONTHS OF SUPPLY
1	Lennar	1,997	26.7%	2,016	29.8%	259	1.5	1,112	6.7
2	Taylor Morrison	772	10.3%	604	8.9%	120	2.4	1,000	15.5
3	Richmond American Homes-MDC	508	6.8%	486	7.2%	58	1.4	250	5.9
4	KB Home	443	5.9%	258	3.8%	66	3.1	1,100	29.8
5	Tri Pointe Homes	392	5.2%	297	4.4%	29	1.2	425	13.0
6	JMC Homes	376	5.0%	420	6.2%	67	1.9	355	11.3
7	DR Horton	358	4.8%	437	6.5%	58	1.6	368	12.3
8	Toll Brothers	285	3.8%	161	2.4%	58	4.3	389	16.4
9	Meritage Homes	253	3.4%	326	4.8%	36	1.3	33	1.6
10	Beazer Homes	233	3.1%	196	2.9%	28	1.7	362	18.6
11	Tim Lewis Communities	185	2.5%	103	1.5%	26	3.0	190	12.3
12	K Hovnanian	183	2.4%	240	3.5%	50	2.5	93	6.1
13	Woodside Homes	181	2.4%	142	2.1%	32	2.7	535	35.5
14	Elliott Homes	175	2.3%	231	3.4%	97	5.0	801	54.9
15	Cresleigh Homes	159	2.1%	55	0.8%	10	2.2	32	2.4
16	The New Home Company	132	1.8%	94	1.4%	22	2.8	275	25.0
17	Century Communities	118	1.6%	61	0.9%	5	1.0	219	22.3
18	The Pulte Group	100	1.3%	65	1.0%	16	3.0	240	28.8
19	Signature Homes	97	1.3%	54	0.8%	16	3.6	59	7.3
20	LGI Homes	68	0.9%	52	0.8%	15	3.5	80	14.1

Top builders are in the Sacramento, Rocklin, and Roseville areas...

Top 10 Builder Project Locations



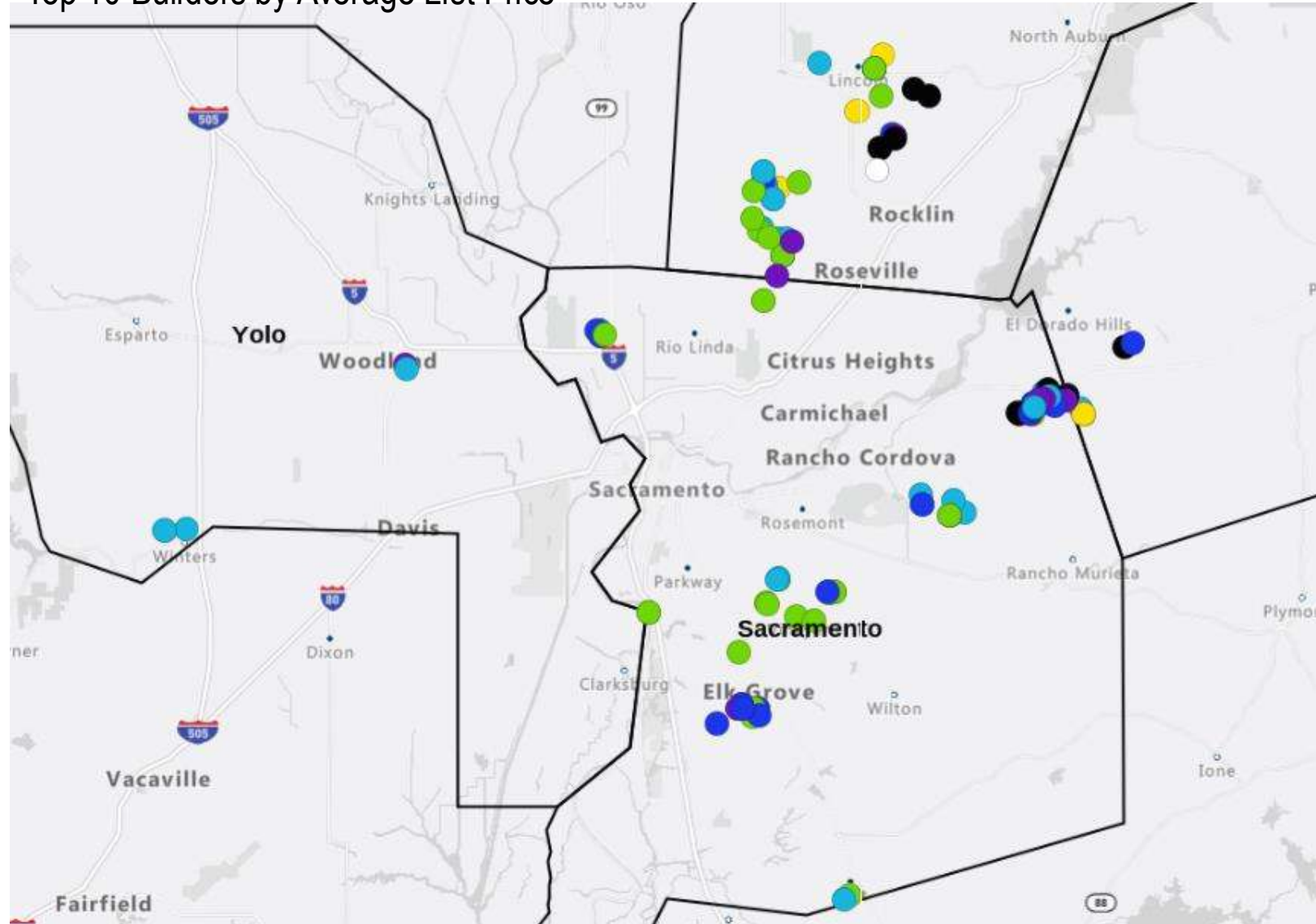
City	Active Projects
Lennar	36
Taylor Morrison	16
Richmond American Homes	7
KB Home	12
TRI Pointe Homes	12
JMC Homes	10
D.R. Horton	5
Toll Brothers	9
Meritage Homes	4
Beazer Homes	7



\$500K to \$700K is the key price segment

	<\$400K
Yellow	\$400K to \$500K
Green	\$500K to \$600K
Cyan	\$600K to \$700K
Blue	\$700K to \$800K
Purple	\$800K to \$900K
Black	\$900K+

Top 10 Builders by Average List Price

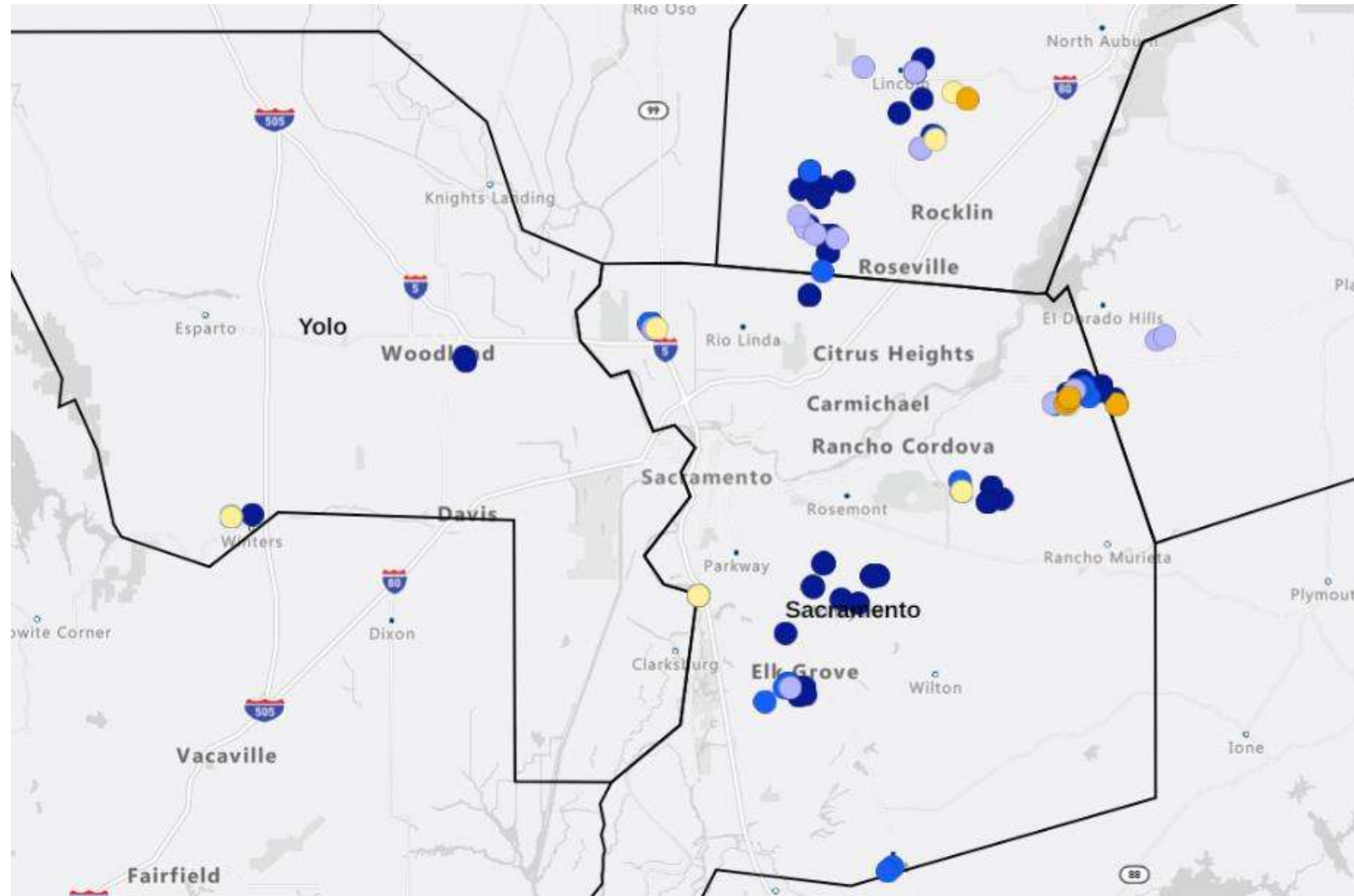
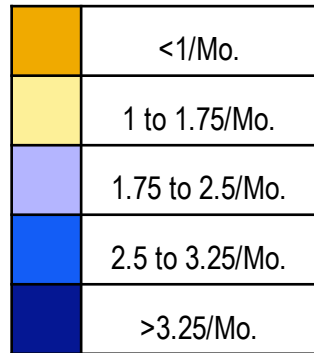


City	Avg. List Price
Lennar	\$691,316
Taylor Morrison	\$672,914
Richmond American Homes	\$645,136
KB Home	\$586,956
TRI Pointe Homes	\$709,283
JMC Homes	\$771,387
D.R. Horton	\$557,769
Toll Brothers	\$866,295
Meritage Homes	\$635,633
Beazer Homes	\$640,453

The market is performing the best in top school locations

like Roseville, Rocklin and well-located affordable locations in Sacramento

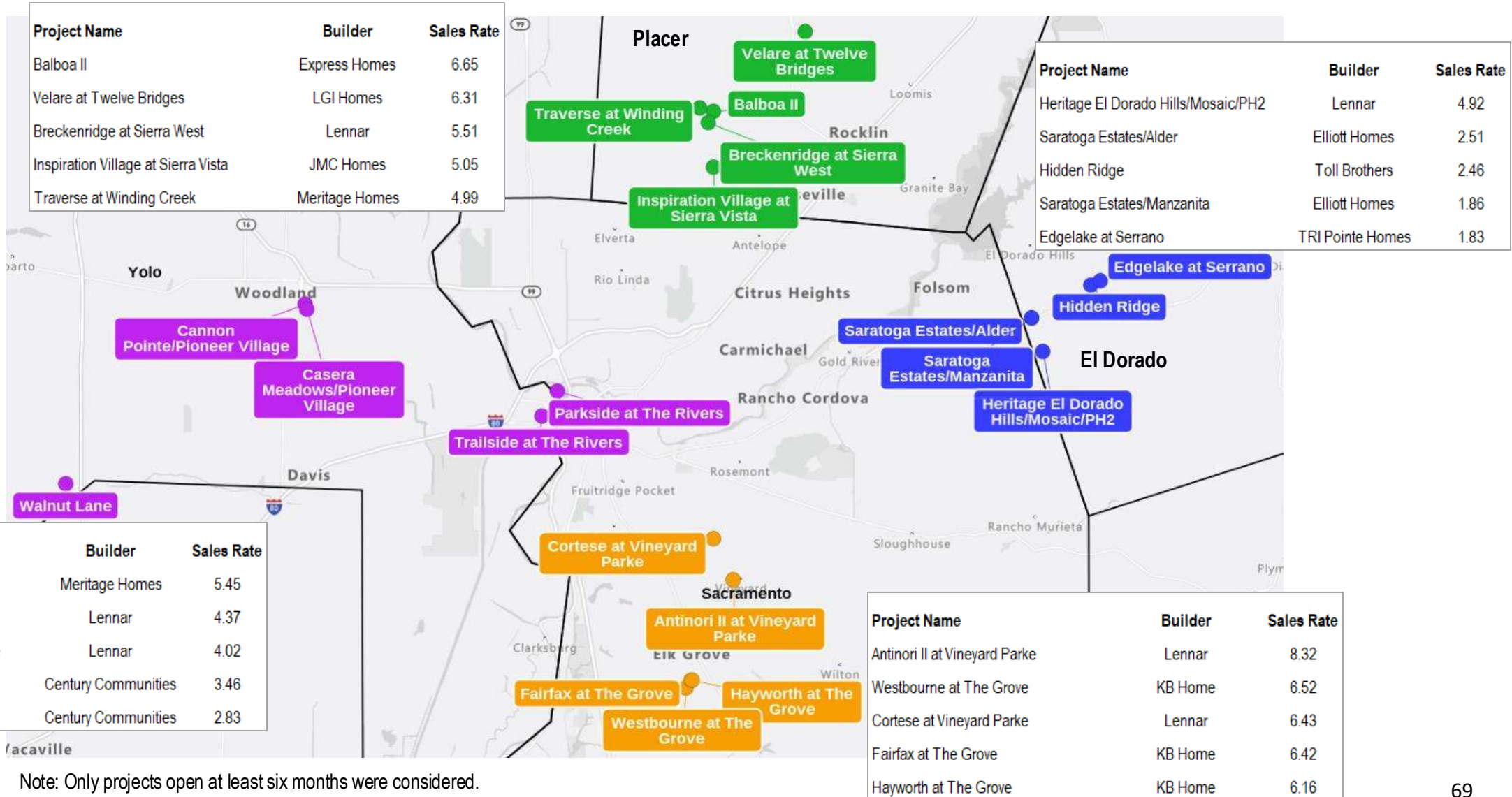
Active Projects by Average Sales Rate



City	Avg. Sales Rate
Lennar	4.1
Taylor Morrison	3.2
Richmond American Homes	2.7
KB Home	4.7
TRI Pointe Homes	2.6
JMC Homes	3.1
D.R. Horton	4.5
Toll Brothers	1.6
Meritage Homes	3.7
Beazer Homes	2.9

Lennar has six (25%+) of the top selling projects

Top 5 Selling Projects by County



Note: Only projects open at least six months were considered.

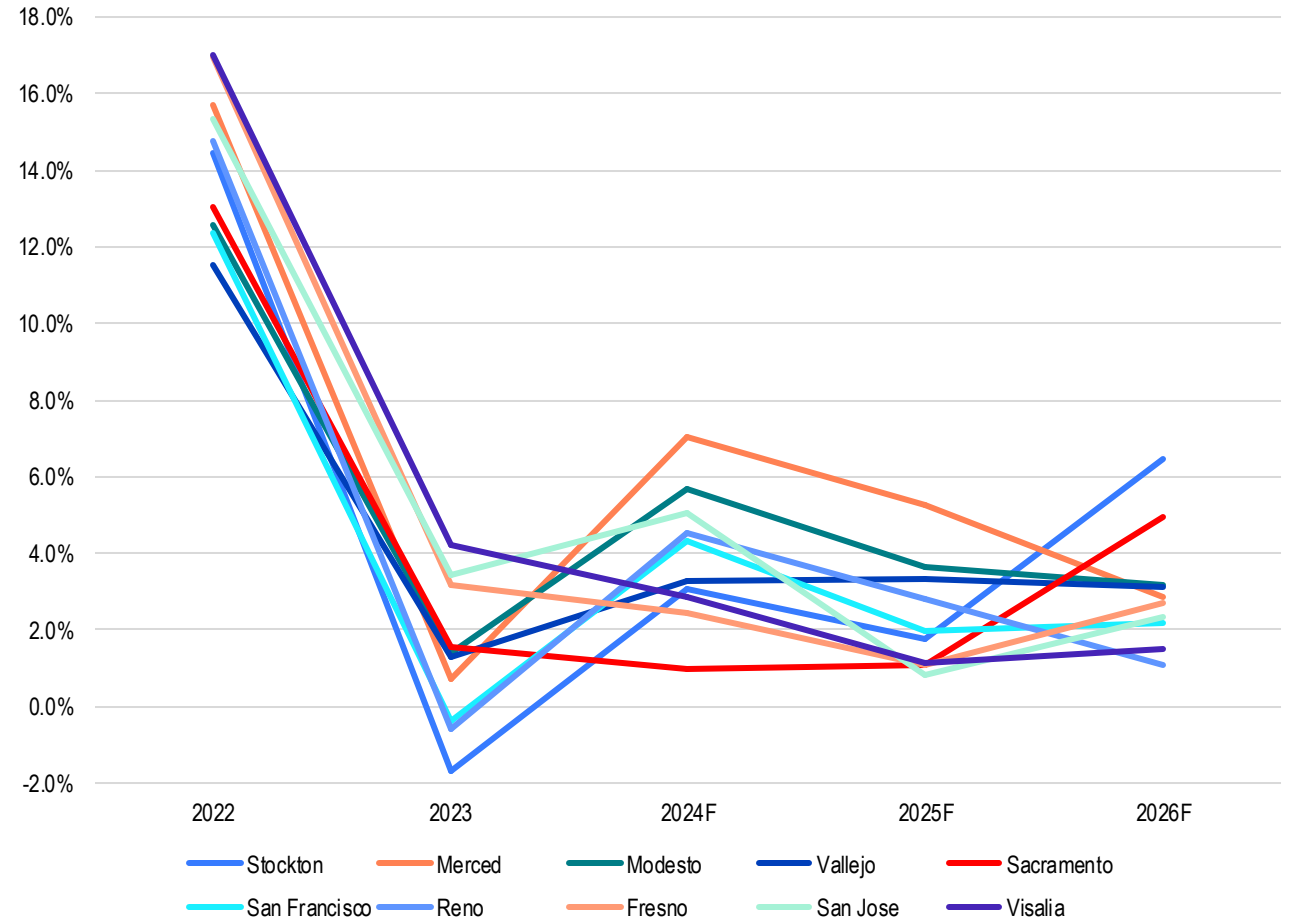
An aerial photograph of a densely populated residential neighborhood. The houses are mostly two-story structures with dark roofs, interspersed with green trees. In the far distance, a city skyline is visible against a hazy, overcast sky. The overall lighting is dim, suggesting a dusk or dawn setting.

Next Year's Price Forecast

Zonda Forecasts all markets positive next year given lower interest rate forecasts

State	Metro	2022	2023	2024F	2025F	2026F	Total
Nevada	Las Vegas	20.7%	0.8%	6.4%	5.2%	4.6%	9.8%
Texas	Dallas	22.3%	3.7%	4.4%	4.7%	4.8%	9.6%
Florida	Tampa	26.7%	7.5%	3.8%	3.6%	5.1%	8.7%
California	Stockton	14.5%	-1.7%	3.0%	1.8%	6.5%	8.2%
California	Merced	15.7%	0.7%	7.0%	5.2%	2.9%	8.1%
Florida	Orlando	23.0%	7.1%	7.1%	4.3%	3.4%	7.7%
Colorado	Denver	15.9%	1.4%	3.7%	3.6%	4.1%	7.7%
California	Modesto	12.6%	1.4%	5.7%	3.6%	3.2%	6.8%
California	Riverside-San Bernardino	19.0%	2.7%	5.2%	2.7%	3.8%	6.6%
California	Vallejo	11.5%	1.3%	3.3%	3.3%	3.1%	6.4%
Arizona	Phoenix	22.6%	0.7%	5.0%	2.4%	4.0%	6.4%
Washington	Seattle	15.4%	0.5%	6.0%	3.0%	1.9%	4.9%
California	San Francisco	12.3%	-0.4%	4.3%	2.0%	2.2%	4.1%
California	Los Angeles-O C	15.9%	3.3%	4.0%	0.3%	3.8%	4.1%
Nevada	Reno	14.7%	-0.6%	4.5%	2.8%	1.1%	3.9%
California	Fresno	16.9%	3.1%	2.5%	1.1%	2.7%	3.8%
California	San Jose	15.3%	3.4%	5.1%	0.8%	2.3%	3.2%
California	Visalia	17.0%	4.2%	2.9%	1.2%	1.5%	2.7%

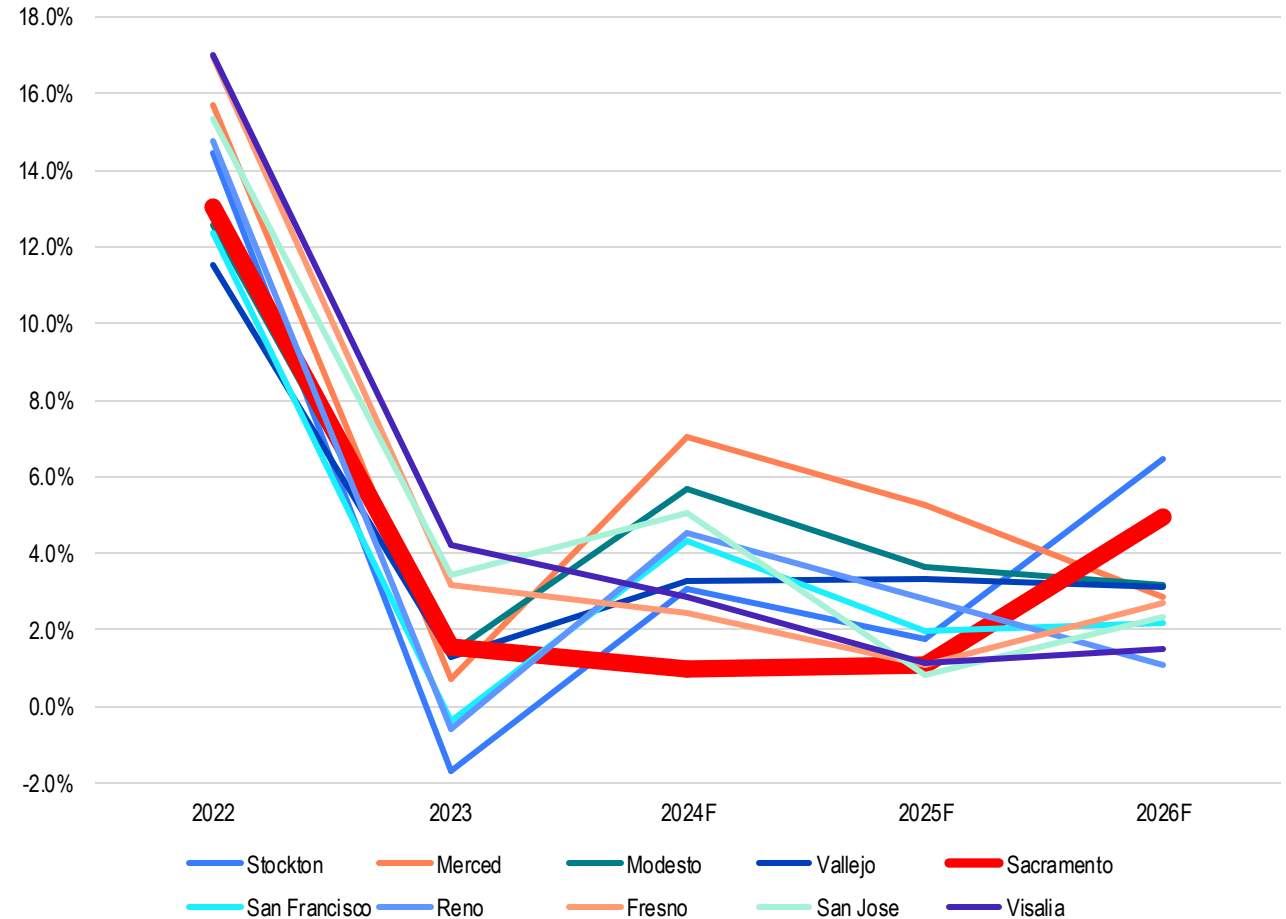
Price Forecast by Market

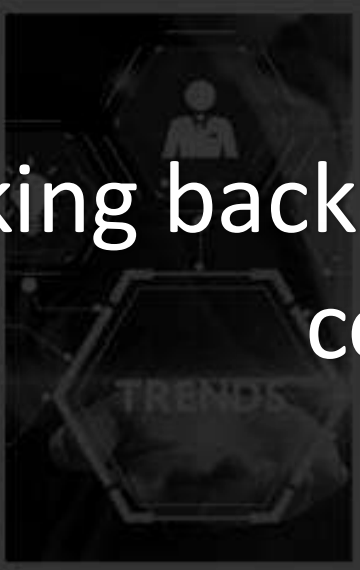


Zonda Forecasts 6.1% price appreciation in 2025 and 2026 for Sacramento – 2nd highest!

State	Metro	2022	2023	2024F	2025F	2026F	Total
Nevada	Las Vegas	20.7%	0.8%	6.4%	5.2%	4.6%	9.8%
Texas	Dallas	22.3%	3.7%	4.4%	4.7%	4.8%	9.6%
Florida	Tampa	26.7%	7.5%	3.8%	3.6%	5.1%	8.7%
California	Stockton	14.5%	-1.7%	3.0%	1.8%	6.5%	8.2%
California	Merced	15.7%	0.7%	7.0%	5.2%	2.9%	8.1%
Florida	Orlando	23.0%	7.1%	7.1%	4.3%	3.4%	7.7%
Colorado	Denver	15.9%	1.4%	3.7%	3.6%	4.1%	7.7%
California	Modesto	12.6%	1.4%	5.7%	3.6%	3.2%	6.8%
California	Riverside-San Bernardino	19.0%	2.7%	5.2%	2.7%	3.8%	6.6%
California	Vallejo	11.5%	1.3%	3.3%	3.3%	3.1%	6.4%
Arizona	Phoenix	22.6%	0.7%	5.0%	2.4%	4.0%	6.4%
California	Sacramento	13.0%	1.6%	1.0%	1.1%	5.0%	6.1%
Washington	Seattle	15.4%	0.5%	6.0%	3.0%	1.9%	4.9%
California	San Francisco	12.3%	-0.4%	4.3%	2.0%	2.2%	4.1%
California	Los Angeles-O C	15.9%	3.3%	4.0%	0.3%	3.8%	4.1%
Nevada	Reno	14.7%	-0.6%	4.5%	2.8%	1.1%	3.9%
California	Fresno	16.9%	3.1%	2.5%	1.1%	2.7%	3.8%
California	San Jose	15.3%	3.4%	5.1%	0.8%	2.3%	3.2%
California	Visalia	17.0%	4.2%	2.9%	1.2%	1.5%	2.7%

Price Forecast by Market





Looking back and looking ahead for today's consumer and today's market...



Life is

Rebalancing...

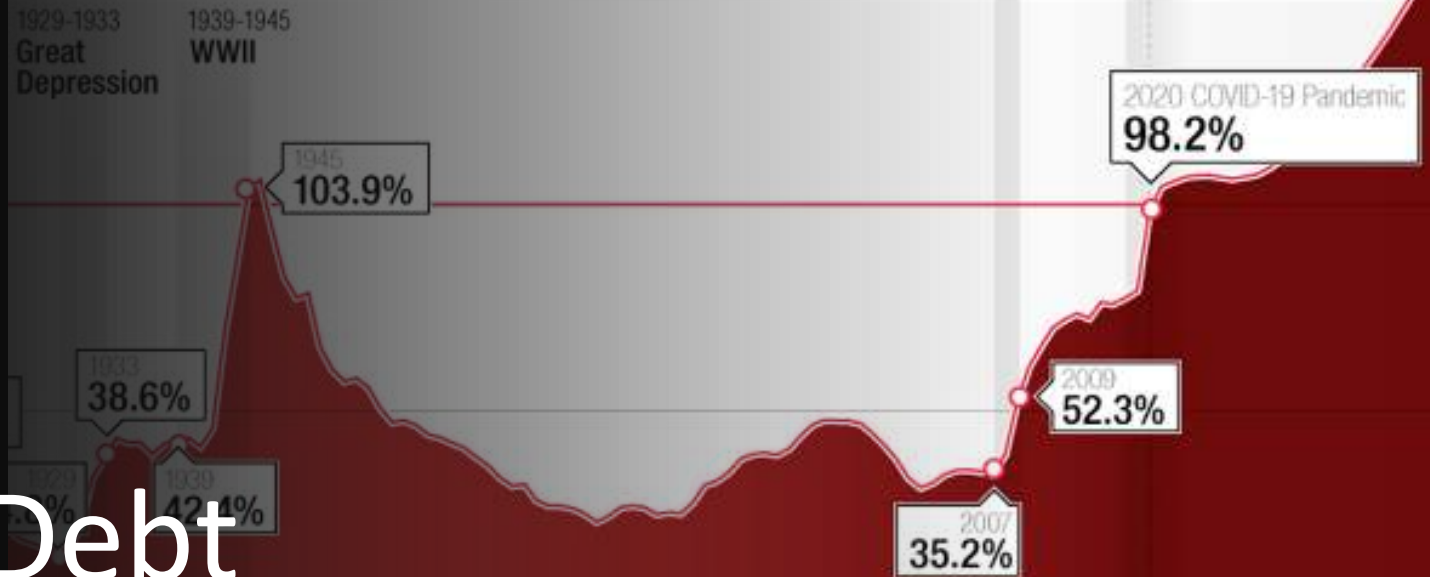
Big trends

impacting community and home design
today



The last 4 years have been a global cluster...

National Debt

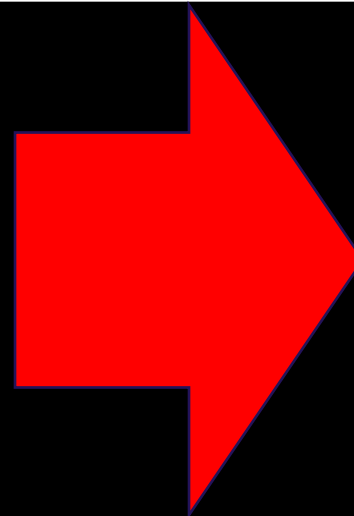


Rising National Debt
Inflation Wars





A shift from
home as “shelter”



...towards privacy,
self interests,
safe place,
work-live,
and “my third place”



Live-Work at Home

Gen X Most Likely to Seek Rural Locations

The Office market is pushing for unique experiences to draw users back



Retailers shifting from need to “experience”






Affordability is a push!
SFD For-Rent & ADU's
offer **new affordability**


More Healthy features in demand



Mental health rivals physical health



Your
mental health
is just as
important
as your
physical health.



CONNECTIONS MATTER

80% OF YEAR-OLDERS IN FOUR NATIONS FEEL 3 YEARS OF LIFE.



CARING INTERACTIONS DEVELOP POSITIVE BRAIN CONNECTIONS THAT IMPROVE:

- Mental and physical health
- Thinking and learning
- Living longer

THRIVING INDIVIDUALS DEVELOP SUPPORTIVE RELATIONSHIPS THAT HELP THEM LIVE LONGER AND HEALTHIER.

AS A RESULT, COMMUNITIES GROW STRONG, SAFE AND SUCCESSFUL.

BUT STILL TODAY

- Many do not have access to mental health services.
- Many do not know where to go for help.
- Many do not know how to ask for help.

WHAT'S YOUR CONNECTION?

CONNECTIONS MATTER



Connections are in higher demand



We are moving from more children to more pets and **NON-FAMILY** households

A flyer for the 'Dog Daze' event. The title 'Dog Daze' is in large white letters on a blue background. Below it, the date and time are 'Saturday, September 9, 2023 - 9 a.m. - 1 p.m.' and the location is 'at The Water Mine'. The text describes the event: 'The Water Mine goes to the dogs with a season-ending event to benefit your parks through the Fairfax County Park Foundation.' It lists activities: 'Dogs-only Swimming', 'Family Fun', and 'Canine Resource Fair'. The price is '\$10 per dog'. A QR code is present. A yellow banner at the bottom says 'Dogs Swim, Humans Don't!'. At the very bottom, it says 'Visit www.fairfaxcounty.gov/parks/dogs for more information' and lists logos for the Water Mine, Fairfax County Park Authority, and Fairfax County. The address is 'The Water Mine at Lake Fairfax Park, 7400 Lake Fairfax Drive, Reston, Va.' and the phone number is '703-224-6983 - 777 Va. Relay 711'.

Staycation, at-home resort, and healthy living are trending high

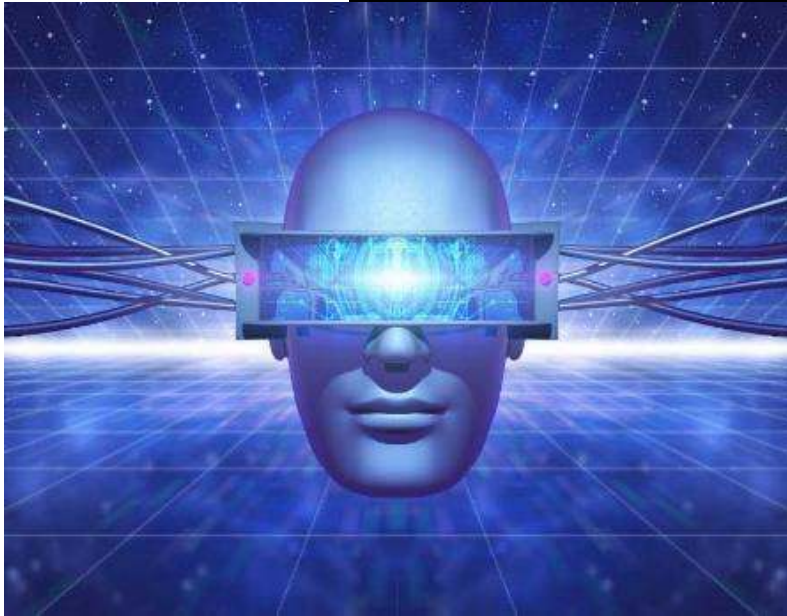


People are seeking more **INDOOR-OUTDOOR** connections



...outdoor experiences are on demand At **ALL PRICE POINTS**





AI and Immersive
Technologies are moving
the way we think...

All of life – including home -- is CHANGING at a faster pace...



GOOD LUCK YEAR-END
AND IN 2025!

THANK YOU

Sharing market trends from a local perspective



Mollie Carmichael
Principal