



Home Sales Report

DECEMBER 2023 SALES REPORT

For Immediate Release -- January 11, 2024

Strong December Pushes Year's New Home Sales to 6,453, North State BIA Reports

New home sales in the greater Sacramento region finished 2023 with another strong month that pushed the year's total to 6,453, the North State Building Industry Association reported today.

A total of 400 sales were reported in December by BIA member builders, which is 26% above the monthly average. December sales were 8% higher than December 2022 and except for the two pandemic years, it was the best showing for the month since 2004. While sales were 20% lower than November's total, that was a five-week month. On a weekly basis, sales were exactly even during the two months.

On an annual basis, sales in the region were the highest since 2005, except for the two pandemic years which saw new home sales explode.

Chris Norem, the BIA's political director and senior policy advisor, said the continued strength of the market during the fourth quarter bodes well for continued solid numbers in 2024.

"Although mortgage interest rates are gradually coming down, they are not expected to be anywhere near the 3% and 4% rates available during the pandemic," Norem said. "That means many homeowners will remain reluctant to sell, so existing inventory is expected to remain tight. Because new homes are available and many homebuilders can provide incentives that make a new home more affordable, we expect 2024 will be another solid year for sales."

Norem added that several factors prevent builders from meeting the demand for new homes in the region, including high government fees and other constraints, and a persistent workforce shortage. He noted that builders are hopeful the U.S. Supreme Court will rule in an El Dorado County case heard Tuesday that many local government fees are excessive. Bringing fees under control could spur more housing production and more affordability.

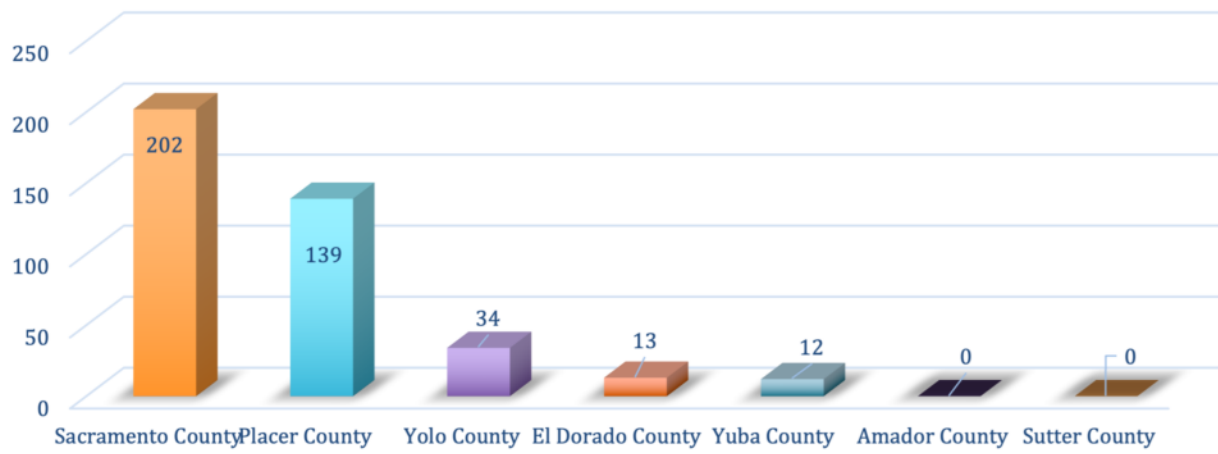
For the year, the most sales were reported in Sacramento County jurisdictions, followed closely by Placer County communities. Roseville saw the most sales of any city, followed by Folsom and Elk Grove. (See an assortment of graphs below that document sales in December and the year as a whole. Note that submarket numbers are not available for January and February.)

The BIA's sales figures cover Sacramento, Placer, Yolo, Yuba, El Dorado, Sutter, Nevada, and Amador counties.

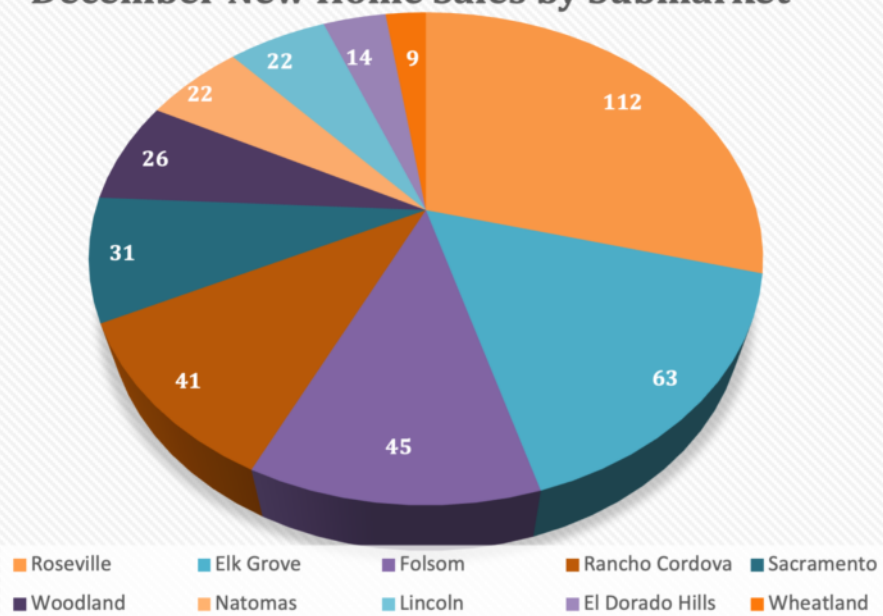
December New Home Sales at a Glance



December New Home Sales by County



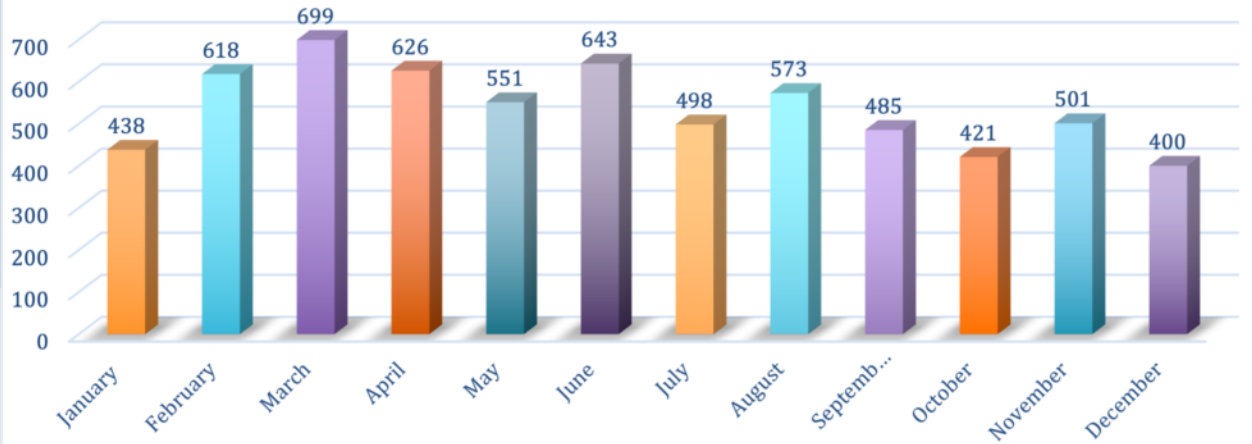
December New Home Sales by Submarket



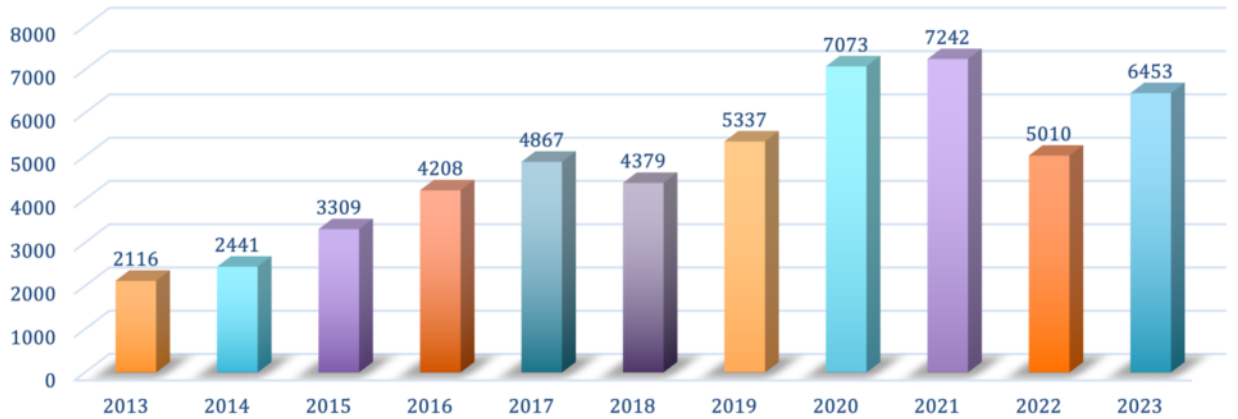
December New Home Sales Price Points



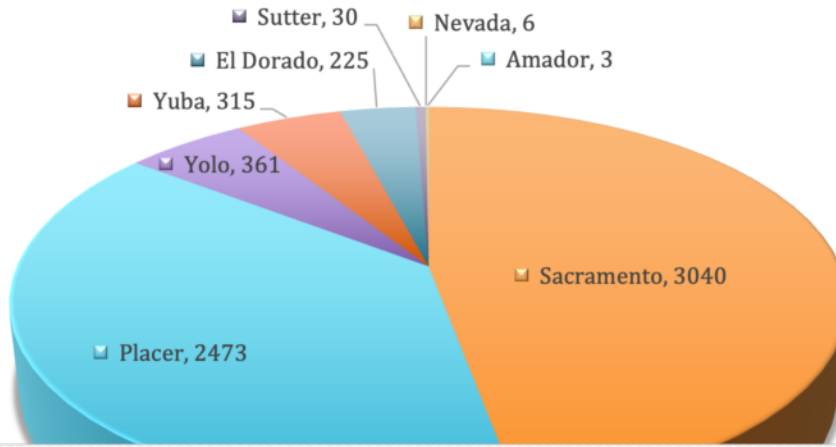
Monthly New Home Sales 2023



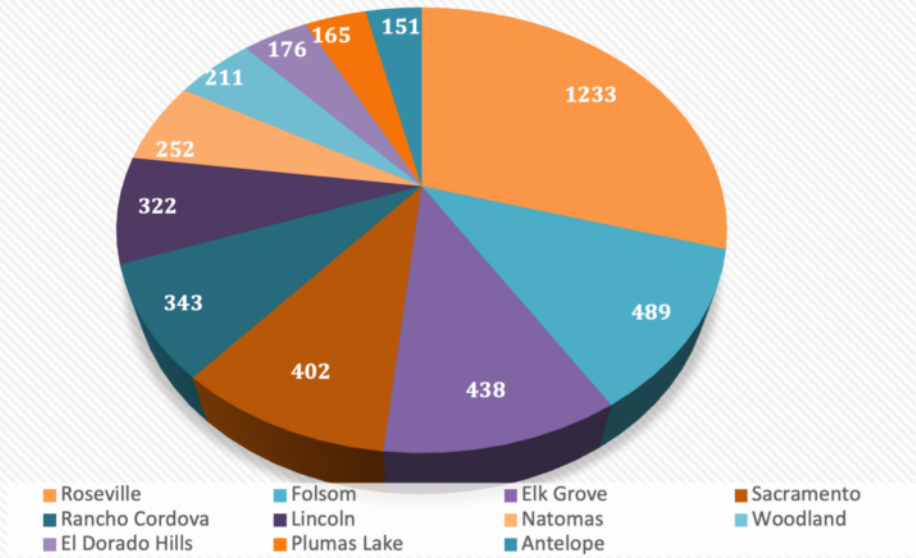
New Home Sales 2013 - 2023



2023 New Home Sales by County

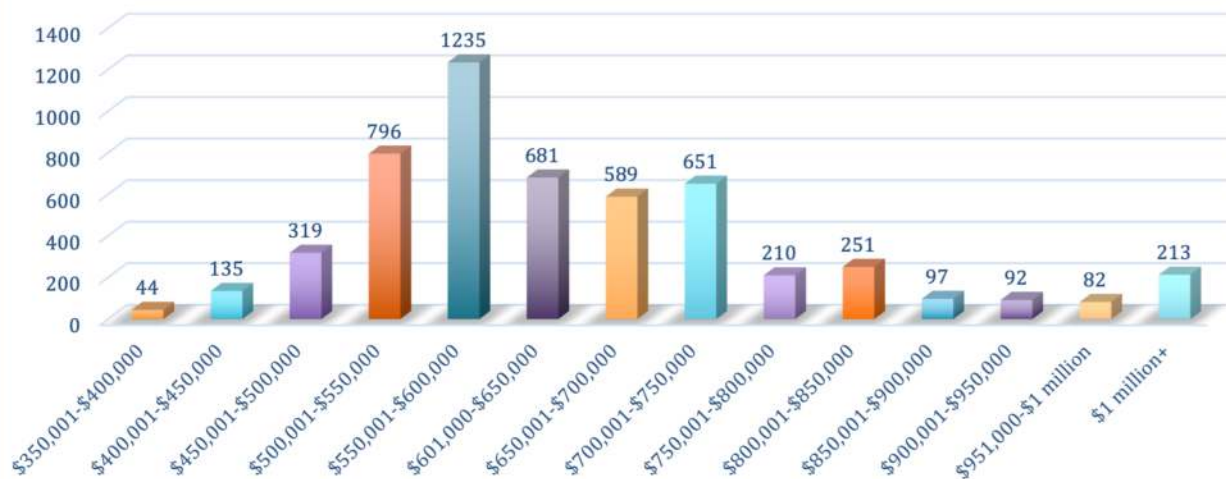


March-Dec 2023 New Home Sales by Submarket



Sales figures for submarkets are not available for January and February.

2023 New Home Sales Price Points



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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