



**NORTH STATE
BUILDING INDUSTRY
ASSOCIATION**

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Sacramento-Area New Home Sales Continue Surge with 633 Homes Sold -- Best August Since 2004, the North State BIA Reports

Continuing the strong recovery of the Sacramento area's new home market, area builders sold 633 new homes during August, the highest tally for the month since August 2004, the North State Building Industry Association reported today.

"August marks the third straight month in which new home sales were higher than in 2019, and the strong showing puts our year-to-date sales at 4,538, which is 19.9% higher than last year," said Michael Strech, the BIA's President and CEO. "In the wake of the drop-off when the COVID-19 pandemic hit, that is truly a remarkable figure.

"As expected, sales in August were less than the record-breaking 888 reported in July, but the continued sales strength shows that the demand for new homes in the region remains strong and with interest rates remaining at historical lows, we are optimistic that 2020 could be the best year for sales in our region since the Great Recession."

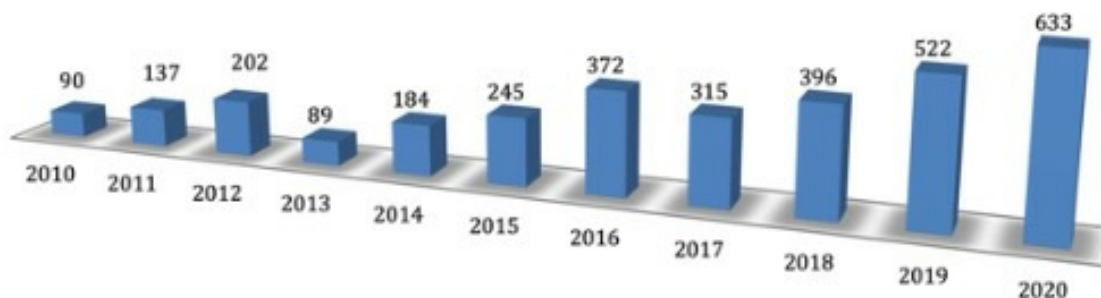
The report covers sales between August 3 and August 30 at 164 new-home communities. During that time, a total of 345 new homes were sold in Sacramento County while 180 were sold in Placer County. The remainder were sold in communities in Yolo, El Dorado, Yuba and Sutter counties (see graphic below.)

Despite the encouraging sales reports, Strech noted that the region, along with the rest of California, remains in a severe housing crisis due to many years of underproduction coupled with the high costs and numerous challenges associated with building homes in the state. He expressed disappointment that the Legislature failed to enact promised reforms in the recently concluded session and added he hoped lawmakers will focus on easing the housing crisis next year as the COVID-19 pandemic begins to recede.

Historical August Sales Review

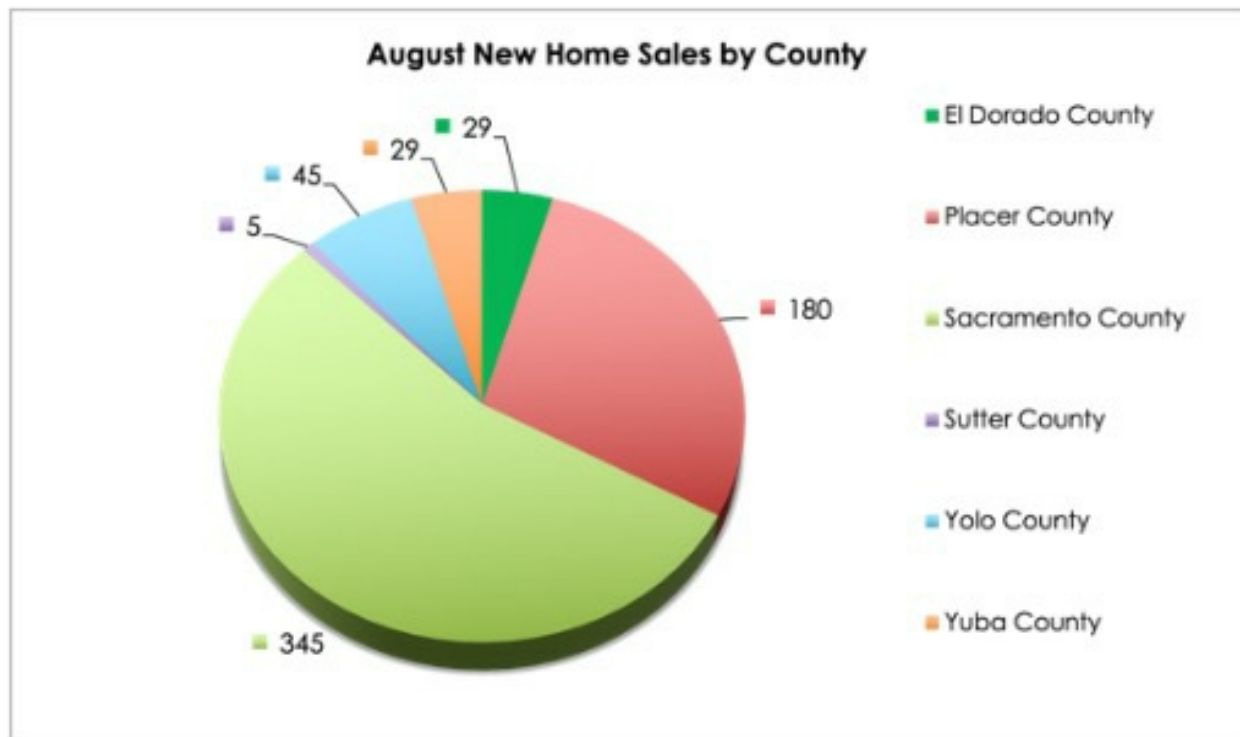
The chart below offers a 10-year look-back on sales in the month of August.

August New Home Sales 2010 - 2020



New Home Sales by County

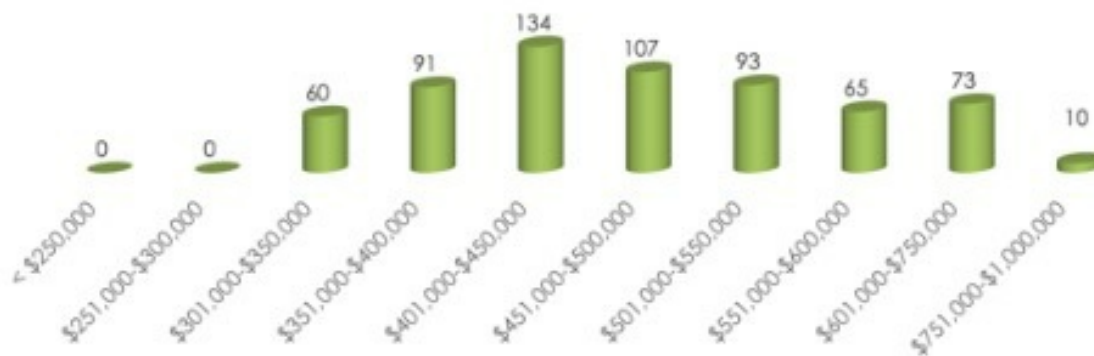
The North State BIA's sales report is compiled through a collaborative effort between association staff and homebuilders, who provide regular reports based on escrow closings. The chart below breaks down regional sales for August.



Price Point Data

As part of its monthly sales analysis, the North State BIA also records the price points for new homes sold. The August price points for new home sales can be seen in the chart below.

August 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 530 members, including 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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