

Southern California Home Sales in August: Strong sales, record prices

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San Diego Market Focus

The Southern California real estate market rounded out the summer buying season with record prices and a near-record sales pace, ignoring the many longstanding predictions of its imminent slowdown, a real estate information service reported.

A total of 34,292 new and resale homes were sold in Los Angeles, Riverside, San Diego, Ventura, San Bernardino and Orange counties last month. That was up 10.4 percent from 31,069 in July, and up 10.2 percent from 31,131 for August last year, according to DataQuick Information Systems.

Last month's sales count made it the third strongest August in DataQuick's records, which go back to 1988. Sales in August 2003 were 34,437 and in August 1988 they totaled 35,339.

"Interest rates haven't really gone anywhere. Demand still appears to be strong. There are more homes on the market now than last spring. As an investment, home ownership still looks pretty good compared to the alternatives. So while we're certainly closer to the end of the cycle, the market is still balanced and stable," said Marshall Prentice, DataQuick president.

The median price paid for a Southern California home was \$476,000 last month, another record, the seventh of the last seven months. That was

up 1.5 percent from \$469,000 in July, and up 17.0 percent from \$407,000 for August 2004.

The median for resale houses was \$501,000, passing the \$500,000 mark for the first time. The median for resale condos was \$403,000, passing the \$400,000 mark for the first time.

DataQuick, a subsidiary of Vancouver-based MacDonald Dettwiler and Associates, monitors real estate activity nationwide and provides information to consumers, educational institutions, public agencies, lending institutions, title companies and industry analysts.

	No Sold Aug-04	No Sold Aug-05	Pct. Chg	Median Aug-04	Median Aug-05	Pct. Chg
All Homes	10,710	11,653	8.8%	\$407K	\$494K	21.4%
Los Angeles	3,745	4,708	25.7%	\$543K	\$617K	13.6%
Orange County	5,580	5,379	-3.6%	\$483K	\$493K	2.1%
San Diego	5,579	6,452	15.6%	\$334K	\$388K	16.2%
Riverside	4,319	4,522	4.7%	\$261K	\$344K	31.8%
San Bernardino	1,198	1,578	31.7%	\$514K	\$592K	15.2%
Ventura	31,131	34,292	10.2%	\$407K	\$476K	17.0%
So. California						

The typical monthly mortgage payment that Southern California buyers committed themselves

to paying was \$2,138 last month, up from \$2,052 for the previous month, and up from \$1,832 for August a year ago. Adjusted for inflation, current payments are about 3 percent below their peak in the spring of 1989.

Indicators of market distress are still largely absent. Foreclosure activity has bottomed out, but is still low. Down payment sizes are stable, as are flipping rates and non-owner occupied buying activity, DataQuick reported.

Source: www.dqnews.com
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