
NEWS

Contact:

Robert D. Martinez, Director of Research
619-233-3781 x17

FOR IMMEDIATE RELEASE

Imperial County New Home Market Pumping Up the Sales

Beginning in the second quarter of 2008, three consecutive quarters set net sales records in the Imperial Valley new home market. Unfortunately, all of those were record lows. On the bright side, the first quarter of 2009 responded with quite a surge, gaining an impressive 270 percent from last quarter to 170 total net sales, reported by MarketPointeTM Residential TrendsTM Publication. The attached sector took no credit for this quarter's gain as the sector posted a net negative sales total, the worst attached performance since the fourth quarter of 2006. "The detached sector, the cornerstone of the Imperial Valley, did the heavy lifting this quarter," said Robert Martinez, Director of Research, MarketPointeTM Realty Advisors, "posting a 278 percent increase from last quarter to 274 net sales, the highest total since the fourth quarter of 2006" said Martinez.

The overall weighted average price in the region increased 7 percent this quarter, the first price increase since the second quarter of 2007. In the attached sector, the weighted average price fell for the fourth consecutive quarter, dropping more than 11 percent. The detached sector saw a 9 percent weighted average price increase from last quarter. This price increase came despite a 4 percent drop in the weighted average detached home size. The price increase coupled with the decrease in home size resulted in a 14 percent increase in the detached value ratio. This second consecutive quarterly increase in detached price per square foot and indicates a possible market bottom for detached home value.

Another bright spot in the region is the drop in inventory. This quarter's 937 units of total inventory represent a 79 percent decline. The bulk of this decline is due to nearly 2,500 lots at a single project in Salton City that have been removed from the market. The supply of homes that have been offered for sale yet remain unsold dropped 61 percent this quarter and consists of 24 attached and 59 detached homes. At current sales rates, this currently available supply would last 18 months in the attached sector and roughly eight weeks in the detached.

MarketPointeTM Realty Advisors provides new housing market statistics throughout California via its **Residential Trends**TM new-home database and its **LandTracker**TM proposed development database, as well as site specific, tailored housing market research and consulting services. Comprehensive "Housing Market Overviews" providing new home sales, pricing, housing inventory trends, future housing supply, and new and leading developments are available for regions across California by going to www.marketpointe.com/landing. Phone San Diego at 619-233-3781, Orange County at 714-528-2554, Sacramento at 916-710-1396; url:www.marketpointe.com.