

NEWS

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New Home Sales Volumes Continue Modest Upward Trend in The Imperial Valley

Imperial Valley, California, March, 2008 - A small glimmer of sunshine may have made its way into the Imperial Valley new home market as new home sales volumes in this submarket rose for the second quarter in a row, according to **Residential Trends** housing market statistics publication. Granted, the 176 new home sales posted during the first quarter of 2008 was slightly lower than 181 sales posted in Q1 2007, and way below the 806 boom volume seen during the second quarter of 2005, however, the current quarter total does reflect an 87 percent improvement over the 94 sales posted during the third quarter of 2007, and a 41 percent increase over the 125 new home sales posted in the fourth of last year, "The trend was upward in a time when everyone thought the trend would be downwards," said Russ Valone, President, Marketpointe Realty Advisors, Inc.

Detached product continues to dominate the Imperial Valley new home market this quarter with 158 of the 176 new homes sold. And with the price point realignment that is going on we anticipate even more softening of the new attached sector as price points between new attached and detached products narrow.

Slowing market conditions in the Imperial Valley has resulted in fewer new home projects opening and smaller releases at existing projects which as brought about modest reductions in inventory levels. In the first quarter of 2008 no new projects entered the market. Combined, the 35 actively selling new home developments in the Imperial Valley represent a total of 237 offered and unsold units of inventory, down 41 percent from the peak of 399 units of offered and unsold inventory seen in the fourth quarter of 2006 and down 28 percent from levels seen last quarter. Although offered and unsold inventory is declining, we do not anticipate any limitations on supply which could trigger substantial price point appreciation in the near future.

MarketPointe Realty Advisors provides new housing market statistics throughout California via its **Residential Trends** new-home database and its **Land Tracker** proposed development database, as well as site specific, tailored consulting services. Comprehensive "**Housing Market Overviews**" detailing market trends are available. MarketPointe can be reached in San Diego at 619-233-3781 or Orange County at 714-528-2554 or Sacramento at 916-710-1398 or at www.marketpointe.com.