
NEWS

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FOR IMMEDIATE RELEASE**MarketPointeTM Reports LA Basin New Home Sales Improve, While Value Ratio Declines**

The new home market in the Los Angeles Basin posted the largest quarterly net sales increase in more than two years, according to MarketPointe'sTM Residential Trends publication. This quarter's 41 percent surge pushed overall net sales volume back over the 500-unit mark after each of the previous two quarters fell short of that mark. The attached sector was the largest contributor to the overall increase, adding more than 54 percent to last quarter's net sales total. The detached sector saw a second consecutive quarterly increase, gaining better than 12 percent this quarter to 138 net sales. "With roughly one out of every four active projects a detached project and just 5 percent of available supply detached, the attached sector continues to dominate the Los Angeles Basin" said Robert Martinez, Director of Research, MarketPointeTM Realty Advisors.

Weighted average price in the attached sector fell 16 percent this quarter accompanied by a 4 percent decrease in the average attached home size. These two factors resulted in a 12 percent decrease in the weighted average value ratio, the true measure of value, and the lowest price per square foot since the fourth quarter of 2002. In the detached sector, the weighted average price decreased 20 percent from last quarter's average. Average detached home size dropped nearly 16 percent and when coupled with the price decline, resulted in a more than 5 percent drop in the average value ratio per square foot, the lowest value ratio since the second quarter of 2003.

With 18 projects entering the marketplace this quarter, overall total inventory increased more than 1 percent to 4,251 units. Seventeen of the 18 new projects are attached projects and served to increase overall inventory in the sector by more than 4 percent to 3,680 units. Of those units, 2,464 represented available supply and constitute slightly more than 17 months of supply at current sales rates. In the detached sector, a 15 percent total inventory drop pushed the level under 600 units of inventory. At current sales rates, these 571 units represent roughly a year of supply. However, the 133 units of released and unsold detached inventory represent less than three months of immediate supply.

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.