



**NORTH STATE
BUILDING INDUSTRY
ASSOCIATION**

JULY 2021 NORTH STATE BIA SALES REPORT

For Immediate Release
August 10, 2021

July New Home Sales Reflect Continued Strong Demand but Also a Shift Towards a More Normal Market, the North State BIA Reports

Sacramento-area new home sales continued moving toward more normal patterns in July but still reflect continued strong demand, the North State Building Industry Association reported today.

Area builders reported selling 501 homes during the month in the seven-county region. That was the lowest number reported so far this year and appears to reflect that the market is continuing to shift into its normal pattern – sales peak in the spring, plateau during the summer and then continue drifting lower during the rest of the year.

But sales are still robust compared to historical averages. The average number of sales during July since the BIA began keeping records in 1997 is just 366, and July's total was the second-highest recorded in the region since 2007. It was eclipsed only by the massive 888 sales that took place in July 2020 as the market rebounded from the huge drop-off in sales that spring due to the onset of the COVID-19 restrictions.

Michael Strech, the BIA's president and CEO, said the gradual movement towards a more normal market is welcome but that builders will continue working to meet the strong demand shown by area buyers.

"There continues to be a strong demand for new homes in the region as buyers look for homes that have been designed with today's needs for space and flexibility in mind," Strech said. "Despite serious supply chain issues that are causing construction delays, our members continue to work hard to find solutions and complete construction as quickly as possible.

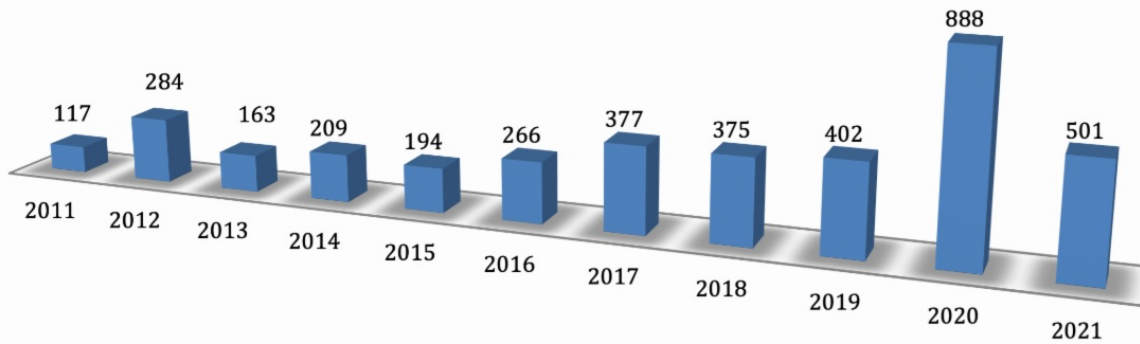
"The continued strong market for new and existing homes also provides even more proof that the supply of housing in the region does not meet the demand. Local governments need to work with builders to reduce fees and other costs and to allow the construction of more new housing to begin closing the gap."

The report reflects sales in El Dorado, Nevada, Placer, Sacramento, Sutter, Yolo and Yuba counties.

July Sales Second Highest for Month Since 2007

While July sales were significantly lower than last year's tentpole month, they were still the second-highest reported for the month during the past decade and beyond.

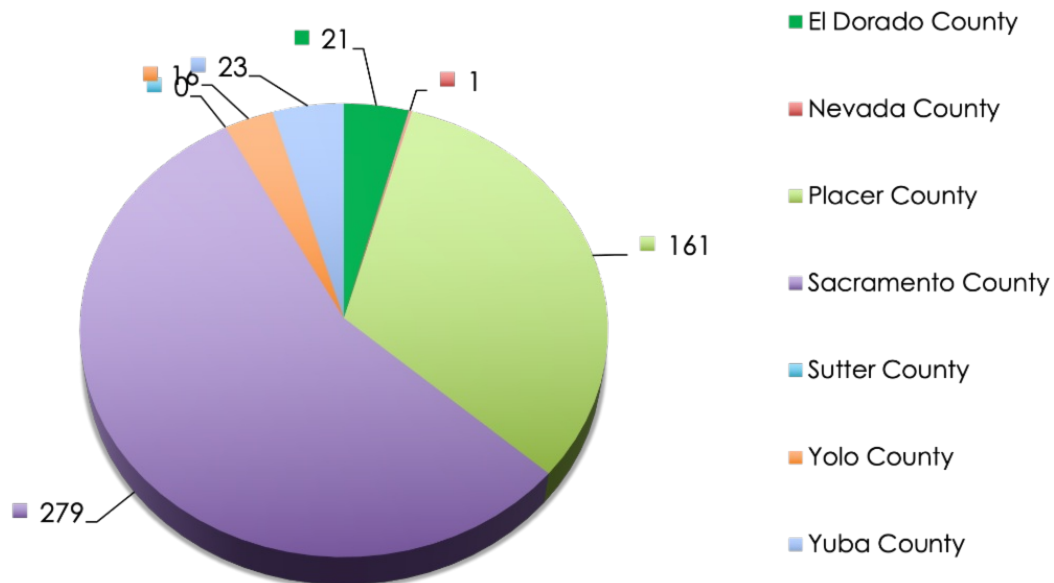
July New Home Sales 2011 - 2021



Majority of July Sales Take Place in Sacramento County

In July, 56% of new home sales occurred in Sacramento County communities while sales in Placer County communities dipped to 32% of the total.

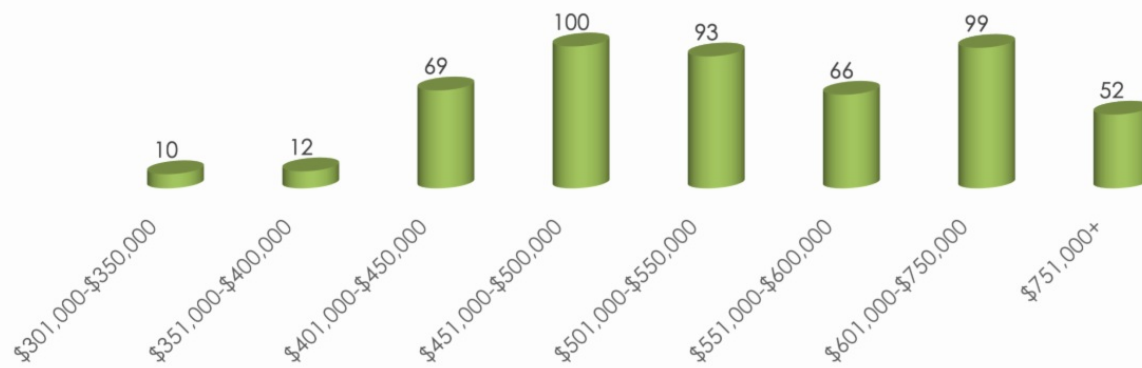
July New Home Sales by County



Buyers Continue to Purchase Higher-Priced Homes

Virtually all homes sold during the month were \$400,000 and above, reflecting the strong demand for all types of housing in the region.

July 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 500 members who provide 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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