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October home sales show 3% increase countywide

By **JEN LEBRON KUHNEY**, The Daily Transcript
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Home sales and the median price of attached and detached homes sold in San Diego County remained virtually flat from September to October.

There was a total of 2,793 homes sold throughout the county in October, which was a 3 percent increase from the prior month.

The North San Diego County Association of Realtor's monthly HomeDex report showed the median price of a detached home sold in the county dipped to \$380,000 in October 2009 from \$385,000 in September -- a 1.3 percent decrease.

The attached median price increased 4.4 percent to \$214,000 last month from \$204,900 in September.

Both the attached and detached prices were slightly higher compared to October 2008.

"I see us starting to enter a more normalized market," said Rick Hoffman, president and chief operating officer of the **Coldwell Banker Residential Brokerage** in greater San Diego, Temecula Valley and desert regions.

Hoffman and San Diego State professor of real estate Leonard Baron both said they think the market has reached bottom and is making a comeback.

"People are not scared of housing anymore," said Baron, who also invests in and rents out properties. "In lower-priced areas of San Diego, sometimes there are 30 interested buyers on one property in three days."

Despite the positive news for prices, 2009 is on pace to have the highest number of notices of default in a single year in San Diego County.

However, both Hoffman and Baron said they think banks are taking a "more conservative" approach when releasing properties on the market as foreclosures.

Rather than letting a tsunami of bank-owned homes hit the market, banks are releasing inventory more slowly -- something Hoffman said he has seen first-hand.

Even though 2009 home sales are outpacing 2008 by 20 percent with nearly 26,000 homes sold in the county this year, the monthly year-over-year percentage increases have been slight over the past few months.

Inventory levels are down compared to 2008, which is driving up competition for aggressively priced homes.

When median prices were at their lowest points since the downturn began in March 2009, the prices of median attached and detached homes sold in San Diego County were \$175,750 and \$325,000, respectively.

Since then, both sectors of housing have slowly seen median prices rise.

For the last two months, detached median home prices have been higher than the same months the year prior.

October 2009 was the first month since the downturn began where the median price of an attached home sold was higher than it was in 2008.

Send your comments to Jennifer.Lebtron@sddt.com