

# CA home sales perk up in July

Special to the Tribune

The lowest mortgage interest rates in nearly three years helped jump start California's housing market to post the first year-over-year sales gain and highest sales level in 15 months, the California Association of Realtors (C.A.R.) said recently.

Closed escrow sales of existing, single-family detached homes in California totaled a seasonally adjusted annualized rate of 411,630 units in July, according to information collected by C.A.R. from more than 90 local Realtor associations and MLSs statewide. The statewide annualized sales figure represents what would be the total number of homes sold during 2019 if sales maintained the July pace throughout the year. It is adjusted to account for seasonal factors that typically influence home sales.

July's sales figure was up 5.6% from the 389,730 level in June and up 1.1% from home sales in July 2018 of 407,030.

"Mortgage rates that dipped to the lowest level in nearly three years have helped reduce monthly mortgage payments for the past five consecutive months, giving buyers more purchasing power," said C.A.R. President Jared Martin. "The boost in demand gave the housing market its first yearly gain since April 2018."

After setting record prices for the past three months straight, the median price pulled back from June's \$610,720 but still registered higher than the previous year. July's median price was \$607,990, down 0.4% from June and up 2.8% from \$591,230 in July 2018, marking the fourth straight month that the median price remained above \$600,000.

"While it's encouraging that home sales crept higher in July, the market will continue to be challenged by an overarching affordability issue, especially in high cost areas such as the Bay Area, which requires a minimum annual income well into the six figures to purchase a home," said C.A.R. Senior Vice President and Chief Economist Leslie Appleton-Young.

Other key points from C.A.R.'s July 2019 resale housing report include:

■ At the regional level, non-seasonally adjusted sales increased from a year ago in all major regions, except the San Francisco Bay Area, which experienced a 0.6% decline. The Central Valley recorded the largest gain at 5.2%, followed by the Central Coast region, which grew 5%. The Los Angeles Metro region posted a 4% increase, and sales in the Inland Empire improved by 2.4%.

■ In the San Francisco Bay Area, Alameda County recorded the largest drop in non-seasonally adjusted sales from a year ago at 10.5%, followed by Contra Costa County (-5%) and San Mateo County (-3%). On the other hand, Marin, San Francisco and Sonoma counties posted double-digit sales gains from a year ago. Sales in the three remaining counties grew in the single digits.

■ Non-seasonally adjusted sales rose in every county in Southern California, with Orange County rising the most at 6.7%, followed by San Bernardino (5%), Los Angeles County (4.7%), San Diego (3.4%), Ventura (2.1%) and Riverside (0.8%).

■ Median home prices at the regional level continued to inch up in

**SALES, 24**

## Late summer price reductions hitting the market

There are many different philosophies when it comes to marketing and selling properties at Lake Tahoe. But when the end of August arrives one issue that all sellers of unsold properties contemplate is the asking price.

Price is not always the overriding factor when it comes to getting a property sold. There are many other issues such as the condition, upgrades, location, floor plan, view, amenities, driveway slope, etc. that will affect how long a property sits on the market until a willing buyer comes along.

However, if a property has not been getting showings or if the feedback from the people who have seen the property is that the price is significantly too high, now is the time for sellers to adjust the asking price before it's too late. Waiting much longer will result in missed showings and lost opportunities.

It is important to look at the comparable sales most directly affecting your property and also the places you are competing with. If the asking price is significantly higher than the most direct competition and you do not have some other special feature such as great remodeling or a fabulous view, then a price reduction could be the best strategy.

A significant number of buyers especially from Northern California, will be returning to Lake Tahoe in September and October for second or third looks and to make their purchase decisions. If a property has been on the market during the summer and has received very few showings and no offers it's essential to determine if the asking price is too high or if there are some other issues that need to be addressed.

Maybe the asking price looks reasonable compared to other similar properties but there are cosmetic or structural issues that are scaring buyers away. The vast majority of buyers in Incline Village and Crystal Bay are not interested in doing significant amounts of updating or repairs. Having a property that is move-in ready is much more appealing to our typical demographic.

Sometimes simple cosmetic work such as touching



**Don Kanare & Sabrina Belleci**  
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up paint, fixing a decaying fascia board or replacing the torn bathroom linoleum with some nice new tile will be enough to dress up the property and make it more appealing.

You may not recover the cost of the improvements, but the updating will make your property more attractive to most buyers and could provide for an easier sale, especially if it makes your place look better than the competition.

Whether to make improvements, reduce the price or hold the line on price and change the marketing strategy is a decision that each seller will have to make based on the nature of their property and their own personal circumstances. Just making a big price reduction so that you are well below the most direct competition is no guarantee that your property will get sold if there are other weaknesses that are making buyers shy away.

You can have a great floor plan, beautiful interior and nice amenities. But if the location is not desirable, then reducing the asking price is not necessarily the answer. Some properties are appealing to a very limited pool of buyers and it is a question of marketing the property in a way to attract that special buyer.

*Don Kanare is the founder and Sabrina Belleci is the owner and broker of RE/MAX North Lake in Incline Village. You can follow their blog at [www.INSIDEINCLINE.COM](http://www.INSIDEINCLINE.COM).*

### WEEKLY REAL ESTATE UPDATE

	Houses	Condos	PUDs
For Sale	140	67	16
Under \$1 million	26	41	11
Median Price For Sale	\$1,698,000	\$654,000	\$722,000
YTD Sales 2019	127	97	33
YTD Sales 2018	50	117	35
Total New Listings	14		
Total In Escrow	18		
Total Closed Escrow	23		
Range going in Escrow	\$350,000 – \$14,250,000		

*These statistics are based on information from the Incline Village Board of Realtors or its Multiple Listing Service as of Aug. 19.*



**TAHOE ISLAND PARK#4** Steps to School Bus Stop, Meadow & River., Access to Tahoe Keys Beach & Pier. Remodel started & Buyers can finish to their taste. Two good sized bedrooms & large Master Bedroom/Bath; & Guest Bath. Roof is good; newer double pane windows, Heated Double Garage w/Auto opener.  
**NOW \$399,000**



**QUIET** Old Tahoe neighborhood walking distance to the Lake, Restaurants. Shopping & more! Family used & owned for 35+ yrs. Well-maintained & fireplace chimney cleaned every year. Fireplace has a heat-a-lator for efficient warming; Lots of closet space & storage for our 4 seasons! Hand-hewn beams from Old Tahoe Estate property; Bedrooms are all large, one on 1st level; 2 Baths (one w/shower/ one with tub/shower; both with tile floors. Roof is newer composition in good condition. Tile floor in kitchen/eating area. **\$439,000**



**SOLD**

### FEATURED LISTING

#### Ready to Build Lot

Building permit included and most fees paid for, including Architect's floorplans & additional coverage paid for. Near meadow & the college.

**Listing \$150,000**



**PRIME LOCATION** @ stoplight of AI Tahoe Blvd. & Hwy 50; Modern Passive Solar Commercial Building w/6 suites/4 baths, 2 lobby's & storage rooms. Owners may finance qualified Buyer. Call Davey for pricing.

### INCOME & LAND LISTINGS

Well Established Alterations business, great lease \$60,000

**\$289,000 HALF ACRE COMMERCIAL/MIXED USE parcel. SITE ASSESSMENT & CITY BLDG DEPT DETAILS IN FILE.** Flat, with not many trees. Depending on your planned use, City may have floor area available.

Near Meadow; Ready to build lot in town; includes Allocation & most fees paid \$150,000



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