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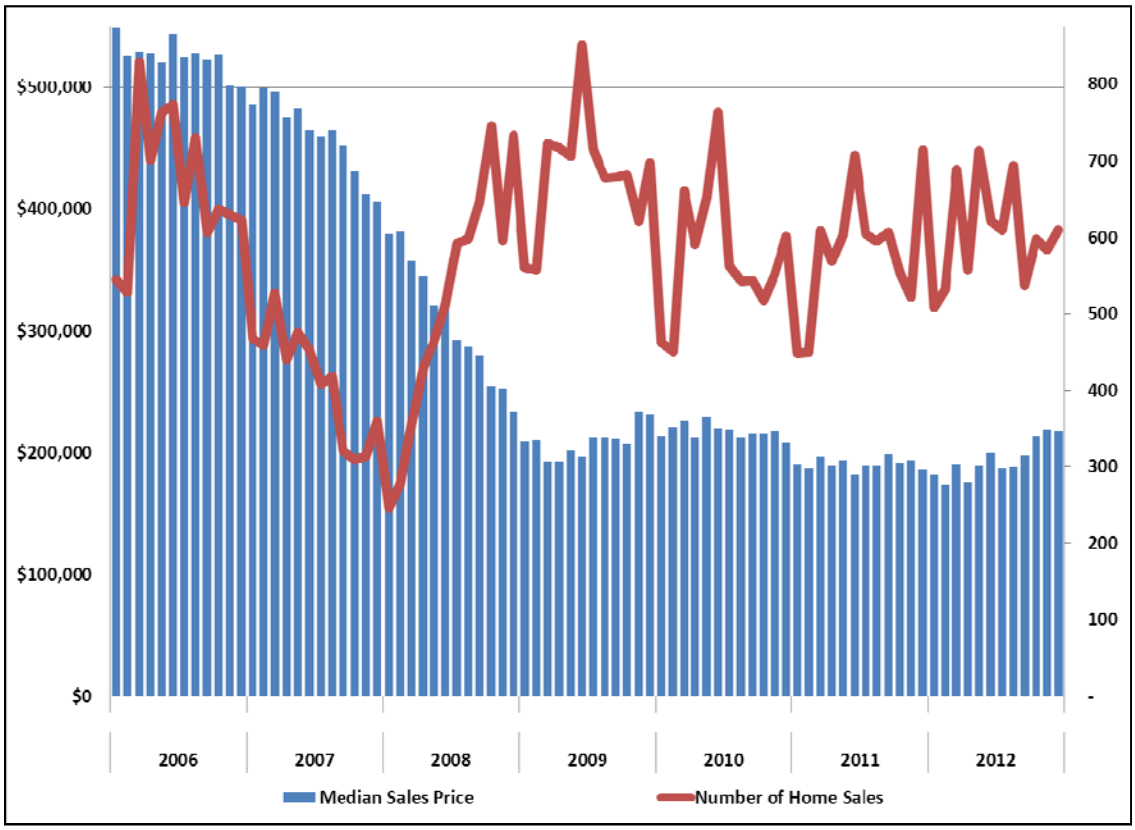
Trends in Home Sales in Solano County

Median Sale Price and Number of Home Sales

2006 to 2012 (in constant 2012 dollars)

After adjusting for inflation, the median sales price for homes in Solano County was $218,000 in December 2012, up $31,701 or 17 percent from December 2011. The month marked the third consecutive month of year-over-year gains in the median home price.

The median home sales price edged back up over the $200,000 mark in October 2012, ending 21 straight months of home prices bouncing below that threshold, falling to a low of $174,432 in February 2012.



Source: MDA DataQuick Information Systems, Bay Area Home Sales, www.dqnews.com, Jan. 16, 2013; California Association of Realtors Traditional Housing Affordability Index, www.car.org,.

The housing market in Solano County peaked in June 2006 at $544,133 in today's dollars, a decline of $326,133 or 59.9 percent from June 2006 to December 2012.

The number of home sales in December 2012 was 610, down 104 or 14.6 percent from December 2011. The number of home sales in 2012 was 7,251, which is up 274 homes or 3.9 percent over 2011. Compared to 2006, the sales volume is down 749 homes or 9.4 percent.

Solano County's housing market is showing positive signs of continued improvement; however, it trails the pace of recovery that the overall Bay Area is experiencing. The Bay Area has had 18 consecutive months of year-over-year gains in the median home price; the Bay Area's median home price rose at its fastest rate in more than 25 years, according to DataQuick. The median home price in December 2012 for the entire Bay Area was $442,750, up $99,796 or 29 percent from December 2011 after adjusting for inflation.

As a result, Solano County is the most affordable county in the Bay Area for home ownership with 77 percent of home buyers able to afford a median-priced, existing single family home, according to the California Association of Realtors Traditional Housing Affordability Index. For the third quarter of 2012, the Bay Area was at 35 percent, statewide at 49 percent and United States at 67 percent.

What does this mean?

Affordable housing is attractive to prospective employers, but is offset by reduced community services paid with declining tax revenues.