



Housing price increases have slowed to their lowest rate in over six years, according to DataQuick Information Systems.

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O.C. home-price gain slips July's median sales price from July 2005's number \$7,000 from June's.

By JEFF COLLINS
The Orange County Register

Orange County home prices increased last month at their slowest pace in 6 ½ years, rising 6.3 percent from July 2005 to a median price of \$639,000, DataQuick Information Systems reported today.

Prices were down \$7,000 from June, the first time since January that Orange County homes sold for less than the month before.

Several industry professionals said they've started to see prices come down as the number of homes listed for sale continues to grow and homes take longer and longer to sell.

"We're seeing pretty substantial price reductions," said top-selling Orange County real estate agent Mac Mackenzie of Coldwell Banker in Irvine. "It's not a seller's market anymore."

The median price of an existing single-family house rose 5.1 percent from last year, to \$699,000; condo prices rose 3.4 percent, to \$450,000; and new home prices fell 3.6 percent, to \$731,000.

The market tracker's latest figures appear to show that home prices are giving way to reduced homebuyer demand following nine years of relentless price increases.

Just 2,779 home sales closed last month, down 36 percent from July 2005, the biggest year-to-year sales drop since March '91.

Last month's sales also were well below the July average, making it the third worst July on record since DataQuick began tabulating Orange County sales 19 years ago.

Sales declined both for existing single-family houses (-36.8 percent) and existing condominiums (-46.4 percent), but increased 22.3 percent from last year for new homes.

The market slowdown has increased pressure on homeowners facing financial difficulties. The number of homes being lost to foreclosure sales increased almost fivefold, from nine in July 2005 to 44 last month, the figures show.

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