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San Mateo County

The Real Estate Market Trends Report

Reading the Graphs

We get asked occasionally, o.k., maybe a little more than that, about how to read the graphs.

Graphs are a way to provide a visual interpretation of mass quantities of data.

A well-crafted graph will condense large amounts of statistical data into an easy to understand visual. Or at least that's the theory.

Let's take the graph below, our Absorption Rate & Median Price graph. This graph was designed to show what direction the local market is trending: does it favor buyers or sellers.

Looking at the graph, it has two main axes: the X axis, which shows the time frame we are considering, in this case from January 2001 to April 2016. The second is the Y axis, of which we have two. These are the axes we use to graph the statistics.

The graph tracks two statistics: the absorption rate, which shows how long it would take to sell all homes for sale at the current rate of sales. You could view the absorption rate by days, weeks, or months. If you use one month, then simply find the number of homes available vs the number of

homes sold in the last 30 days. If the available inventory is 90, and 60 homes sell, the 90 divided by 60 is 1.5 - so one and a half months of inventory.

We used a three-month moving average to smooth out month-to-month fluctuations in the data, yet still retain seasonal fluctuations. You can see this in the data where prices rise in the spring and peak in the summer before falling to their low point of the year in January. Absorption rate is charted on the Y₁ axis. That is the left hand side axis and the absorption rate is colored in light blue.

The smaller the absorption rate number, the more of a sellers' market it is. A balanced market, according to the National Association of Realtors, is about six months of inventory. In Silicon Valley, though, normal is more like 3-4 months of inventory.

The second statistic is median price, which is tracked by the Y₂ axis, the axis on the right and the median price data is graphed in black.

The higher the median price number, the more of a sellers' market it is.

Trends at a Glance

(Single-family Homes)

	Apr 16	Mar 16	Apr 15
Median Price:	\$1,325,000	\$1,200,000	\$1,285,000
Average Price:	\$1,816,080	\$1,647,640	\$1,607,660
Home Sales:	319	289	407
Pending Sales:	322	298	376
Active Listings:	479	358	445
SP/LP Ratio	107.9%	106.3%	109.6%
Days on Market:	22	23	22
Days of Inventory:	44	37	32

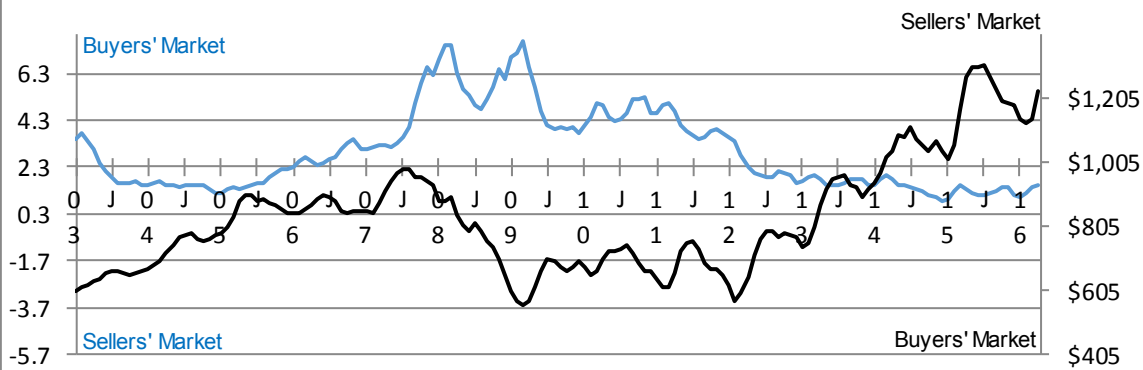
(Townhomes/Condos)

	Apr 16	Mar 16	Apr 15
Median Price:	\$817,000	\$729,000	\$637,500
Average Price:	\$885,853	\$769,286	\$722,048
Home Sales:	117	108	142
Pending Sales:	97	110	103
Active Listings:	113	88	95
SP/LP Ratio	106.8%	105.9%	108.4%
Days on Market:	16	19	17
Days of Inventory:	28	24	19

As you can see, the San Mateo County real estate market is firmly in a sellers' market. Some pockets are hotter or cooler, but the county as a whole remains a strong seller's market.

We will explain the remaining graphs next month.

SMC SFR: Absorption Rate & Median Price - 3-month moving average, prices in \$,1000s



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for a free on-line market analysis of your property. You can also perform your own personal search of properties for sale.

Is NOW a good time to buy your Silicon Valley Home?

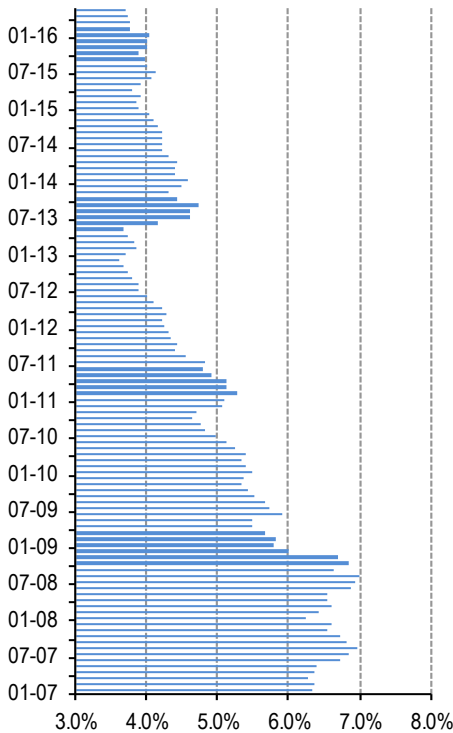
For more information go to the "Seminars" tab on my web site

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Home Prices Reach New Highs, Again

30-Year Fixed Mortgage Rates



The chart above shows the National monthly average for 30-year fixed rate mortgages as compiled by HSH.com. The average includes mortgages of all sizes, including conforming, "expanded conforming," and jumbo.

APRIL SALES STATISTICS

SINGLE-FAMILY HOMES

Year-Over-Year

- Median home prices increased by 3.1% year-over-year to \$1,325,000 from \$1,285,000.
- The average home sales price rose by 13.0% year-over-year to \$1,816,080 from \$1,607,660.
- Home sales fell by 21.6% year-over-year to 319 from 407.
- Total inventory* fell 2.4% year-over-year to 801 from 821.
- Sales price vs. list price ratio fell by 1.6% year-over-year to 107.9% from 109.6%.
- The average days on market rose by 2.0% year-over-year to 22 from 22.

Month-Over-Month

- Median home prices improved by 10.4% to \$1,325,000 from \$1,200,000.
- The average home sales price rose by 10.2% to \$1,816,080 from \$1,647,640.
- Home sales up by 10.4% to 319 from 289.
- Total inventory* increased 22.1% to 801 from 656.
- Sales price vs. list price ratio increased by 1.5% to 107.9% from 106.3%.
- The average days on market dropped by 5.7% to 22 from 23.

CONDOMINIUMS

Year-Over-Year

- Median condo prices increased by 28.2% year-over-year to \$817,000 from \$637,500.
- The average condo sales price rose by 22.7% year-over-year to \$885,853 from \$722,048.

- Condo sales fell by 17.6% year-over-year to 117 from 142.
- Total inventory* rose 6.1% year-over-year to 210 from 198.
- Sales price vs. list price ratio fell by 1.4% year-over-year to 106.8% from 108.4%.
- The average days on market fell by 7.8% year-over-year to 16 from 17.

Month-Over-Month

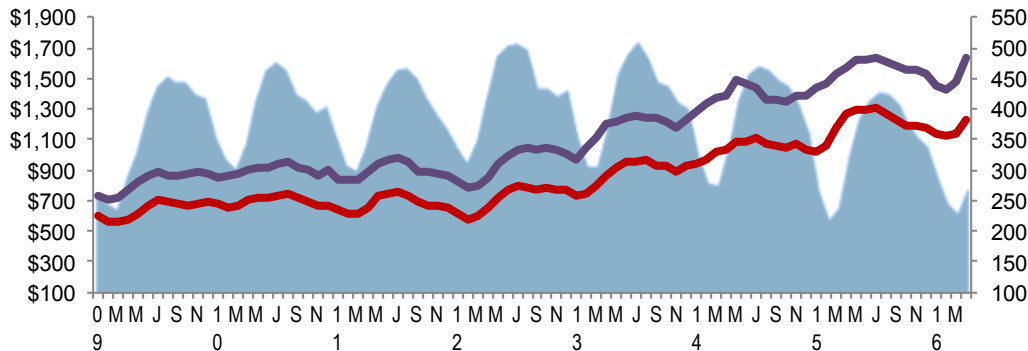
- Median condo prices improved by 12.1% to \$817,000 from \$729,000.
- The average condo sales price rose by 15.2% to \$885,853 from \$769,286.
- Condo sales up by 8.3% to 117 from 108.
- Total inventory* increased 6.1% to 210 from 198.
- Sales price vs. list price ratio increased by 0.8% to 106.8% from 105.9%.
- The average days on market dropped by 13.5% to 16 from 19.

* Total inventory is active listings plus contingent or pending listings. Active listings do not include contingent listings.

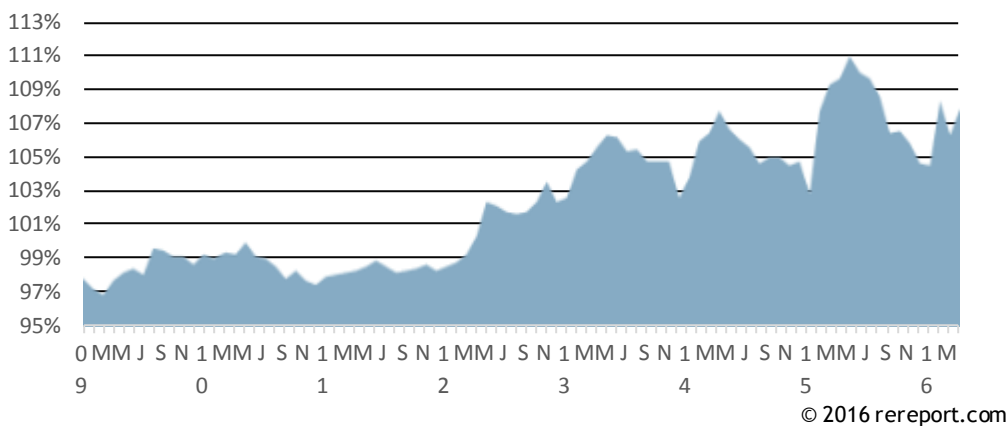
San Mateo County - April 2016													
Single-Family Homes									% Change from Year Before				
Prices									Prices				
Cities	Median	Average	Sales	Pend	Inven	DOI	SP/LP		Med	Ave	Sales	Pend'	Inven'
SMC	\$ 1,325,000	\$ 1,816,080	319	322	479	44	107.9%		3.1%	13.0%	-21.6%	-14.4%	7.6%
Atherton	\$ 6,325,000	\$ 7,556,330	9	9	28	90	98.7%		-4.2%	-2.0%	-18.2%	80.0%	64.7%
Belmont	\$ 1,525,000	\$ 1,596,630	19	16	18	27	115.8%		0.0%	-2.2%	0.0%	-11.1%	80.0%
Brisbane	\$ 977,500	\$ 977,500	2	0	4	58	100.4%		-0.3%	-8.8%	20.0%	-6.7%	-26.7%
Burlingame	\$ 1,995,000	\$ 2,015,390	18	14	11	18	108.3%		26.8%	25.7%	-30.4%	-16.7%	50.0%
Daly City	\$ 887,500	\$ 885,742	16	25	27	49	109.5%		5.1%	7.3%	-33.3%	-50.0%	0.0%
El Granada	\$ 1,125,000	\$ 1,154,750	4	4	7	51	101.7%		12.7%	21.2%	36.4%	50.0%	-50.0%
East Palo Alto	\$ 727,000	\$ 785,933	15	12	7	14	107.2%		-3.2%	9.5%	16.7%	50.0%	20.0%
Foster City	\$ 1,490,000	\$ 1,639,290	7	9	6	25	103.0%		-8.8%	-1.6%	83.3%	44.4%	23.1%
Hillsborough	\$ 3,998,000	\$ 4,285,500	11	13	32	84	102.3%		-21.6%	-14.8%	-64.7%	-14.3%	47.8%
Half Moon Bay	\$ 1,015,000	\$ 1,055,420	6	6	34	164	99.4%		30.7%	19.2%	-68.4%	30.0%	-25.0%
Millbrae	\$ 1,699,000	\$ 1,611,500	6	13	12	58	110.9%		19.2%	16.8%	0.0%	-20.8%	30.8%
Menlo Park	\$ 2,300,000	\$ 2,287,850	27	19	34	37	107.6%		50.1%	36.0%	-50.0%	n/a	-57.1%
Montara	\$ 1,130,500	\$ 1,130,500	2	0	3	44	103.3%		20.4%	20.4%	-50.0%	50.0%	50.0%
Moss Beach	\$ 1,250,000	\$ 1,250,000	1	3	6	174	90.1%		21.5%	20.6%	-37.9%	-21.7%	50.0%
Pacifica	\$ 947,500	\$ 1,005,690	18	18	30	48	106.6%		9.2%	-13.4%	-61.5%	-16.7%	150.0%
Portola Valley	\$ 2,867,000	\$ 2,969,740	5	5	20	116	97.7%		1.7%	5.8%	-18.4%	-2.0%	69.4%
Redwood City	\$ 1,375,000	\$ 1,579,310	40	48	61	44	108.4%		25.4%	34.1%	150.0%	0.0%	-50.0%
Redwood Shores	\$ 1,760,000	\$ 1,883,000	5	3	1	6	105.1%		2.2%	2.9%	-34.8%	-8.3%	26.7%
San Bruno	\$ 940,000	\$ 966,267	15	22	19	37	109.4%		13.6%	11.3%	5.3%	-5.6%	92.3%
San Carlos	\$ 1,647,500	\$ 1,737,750	20	17	25	36	109.4%		-4.5%	-4.9%	-18.0%	-17.8%	27.0%
San Mateo	\$ 1,318,000	\$ 1,425,930	41	37	47	33	110.6%		3.8%	1.9%	7.7%	40.0%	22.2%
S. San Francisco	\$ 859,000	\$ 921,331	28	21	22	23	109.8%		0.0%	0.0%	0.0%	0.0%	-29.6%
Woodside	\$ 8,500,000	\$ 8,307,000	4	5	19	138	99.2%		3.1%	13.0%	-21.6%	-14.4%	7.6%

San Mateo County Homes - Median & Average Prices & Sales

(3-month moving average—prices in \$000's)



San Mateo County Homes: Sales Price/Listing Price Ratio



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San Mateo County Condos - Median & Average Prices & Sales

(3-month moving average—prices in \$000's)

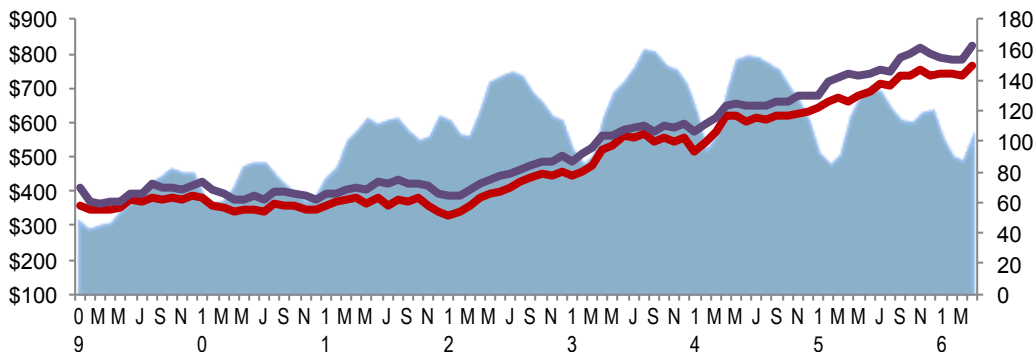


Table Definitions

Median Price

The price at which 50% of prices were higher and 50% were lower.

Average Price

Add all prices and divide by the number of sales.

SP/LP

Sales price to list price ratio or the price paid for the property divided by the asking price.

DOI

Days of Inventory, or how many days it would take to sell all the property for sale at the current rate of sales.

Pend

Property under contract to sell that hasn't closed escrow.

Inven

Number of properties actively for sale as of the last day of the month.

San Mateo County - April 2016

Condos/Townhomes								% Change from Year Before				
Prices								Prices				
Cities	Median	Average	Sales	Pend	Inven	DOI	SP/LP	Med	Ave	Sales	Pend'	Inven'
County	\$ 817,000	\$ 885,853	117	97	113	28	106.8%	28.2%	22.7%	-17.6%	-5.8%	18.9%
Belmont	\$ 555,000	\$ 836,667	3	1	0	0	110.9%	-9.9%	35.8%	50.0%	-66.7%	n/a
Brisbane	\$ 600,000	\$ 600,000	1	0	2	58	120.5%	0.0%	100.0%	0.0%	0.0%	0.0%
Burlingame	\$ 1,145,000	\$ 992,667	3	5	2	19	114.4%	6.5%	-7.7%	200.0%	150.0%	-33.3%
Daly City	\$ 584,000	\$ 563,375	8	10	15	54	104.3%	21.7%	15.6%	-38.5%	-33.3%	200.0%
Foster City	\$ 1,020,000	\$ 1,056,730	11	20	13	34	113.0%	15.6%	26.2%	-31.3%	53.8%	18.2%
Menlo Park	\$ 1,535,000	\$ 1,579,600	10	3	10	29	101.2%	17.5%	27.9%	66.7%	-25.0%	66.7%
Pacifica	\$ 695,000	\$ 695,000	2	3	4	58	105.2%	4.6%	3.7%	-75.0%	50.0%	33.3%
Redwood City	\$ 715,500	\$ 742,000	8	7	7	25	103.6%	-8.5%	-9.8%	-52.9%	16.7%	-12.5%
Redwood Shores	\$ 860,500	\$ 922,750	8	8	4	15	106.8%	-28.7%	-7.0%	60.0%	33.3%	0.0%
San Bruno	\$ 425,444	\$ 455,736	8	5	7	25	103.9%	21.6%	27.3%	-33.3%	-28.6%	-22.2%
San Carlos	\$ 960,000	\$ 1,030,730	11	7	8	21	106.1%	29.7%	41.6%	120.0%	75.0%	700.0%
San Mateo	\$ 837,000	\$ 864,190	31	21	23	22	108.8%	38.9%	32.5%	3.3%	-8.7%	21.1%
S. San Francisco	\$ 642,500	\$ 632,500	6	3	9	44	105.3%	17.2%	5.4%	-45.5%	-57.1%	50.0%

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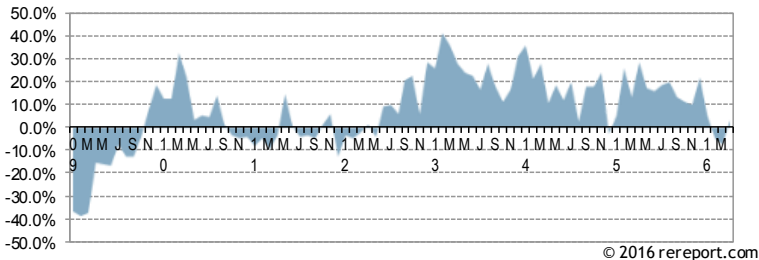
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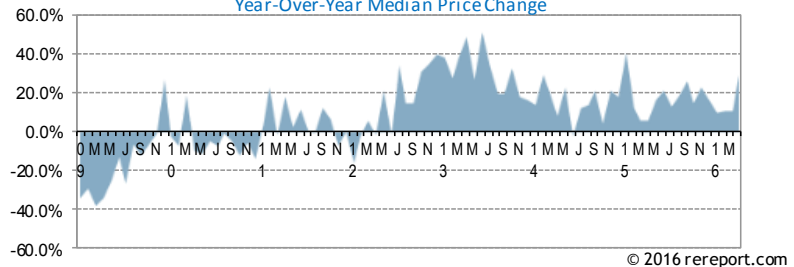
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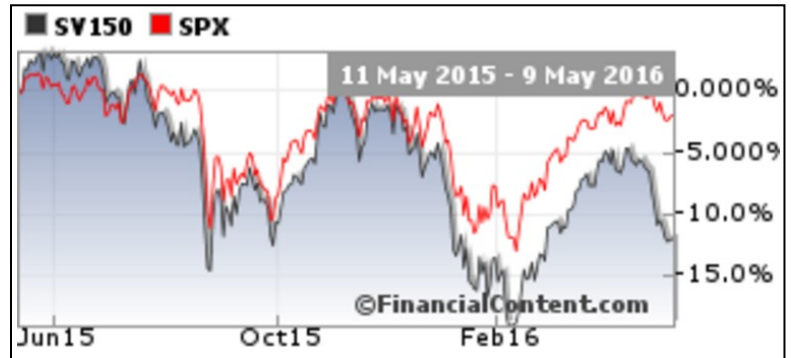
San Mateo County Homes: Year-Over-Year Median Price Change



San Mateo County Townhomes: Year-Over-Year Median Price Change



The Silicon Valley's Real estate market is a derivative of the local economy, it prospers and withers depending on how well the local knowledge-based sector performs. The San Jose Mercury News tracks the largest 150 publicly traded companies headquartered in Silicon Valley via an index called the SV150, which you can lookup at www.mercurynews.com. Stocks are valued based on many criteria, but the most important criterion is a company's future earnings. Therefore, I view the SV150 as a leading indicator for the Silicon Valley's real estate market. View this month's annual index chart



Investors Corner

Home Price Increases Slow Down in February According to the S&P/Case-Shiller Home Price Indices

New York, April 26, 2016 – S&P Dow Jones Indices today released the latest results for the S&P/Case-Shiller Home Price Indices, the leading measure of U.S. home prices. Data released today for February 2016 shows that home prices continued their rise across the country over the last 12 months. More than 27 years of history for these data series is available, and can be accessed in full by going to <https://goo.gl/XEw55K>

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