

the One Stop Realtor for busy professionals
Silicon Valley homes & investments nationwide



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June/July 2016
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Santa Clara County

The Real Estate Market Trends Report

Prices Set Record Highs, Again

Sale prices for both single-family and condo resale properties hit record highs in May. Not only were record highs set for the month, they were set for our 3-month and 12-month moving averages.

Home sales were off from the year before for the fourth month in a row. Condo sales were up for the third month in a row.

READING THE GRAPHS

We changed our absorption rate graph from a 3-month moving average to a 12-month moving average to remove seasonal variation.

Whichever way you look at it, the raging sellers' market continues.

Our **Prices & Sales** graph charts the median and average prices along with unit sales on a 3-month moving average. Using the average smooths out month-to-month variations, while still showing seasonal differences.

As you can see, and probably very well know, sales start increasing in the spring and peak in late summer.

This increase in demand pushes up prices.

The **Sales Breakdown** graph is mostly irrelevant at this time. It is used to track how much of the active inventory is bank-owned or listed as a short sale.

When this graph becomes relevant, we will be in a buyers' market.

Days of Inventory graphs the ratio of properties for sale divided by the number of properties that have sold.

Nationally, the average DOI is 180. But, as you know, real estate is very localized. The average days of inventory for Silicon Valley since 2000 is about 100 days.

The last time we were even close to that figure was February 2012.

Days of Inventory has been between 29 and 48 since March 2014.

Our 4-page printable newsletter has a few more graphs: **Pending & Existing Home Sales** and **Sales Price to List Price Ratio**.

Trends at a Glance

(Single-family Homes)

	May 16	Apr 16	May 15
Median Price:	\$1,117,900	\$1,080,000	\$1,000,000
Average Price:	\$1,419,890	\$1,342,830	\$1,298,990
Home Sales:	962	936	1,027
Pending Sales:	963	969	1,056
Active Listings:	1,290	1,194	1,162
Sale/List Price Ratio:	104.4%	104.8%	107.7%
Days on Market:	19	20	18
Days of Inventory:	40	37	34

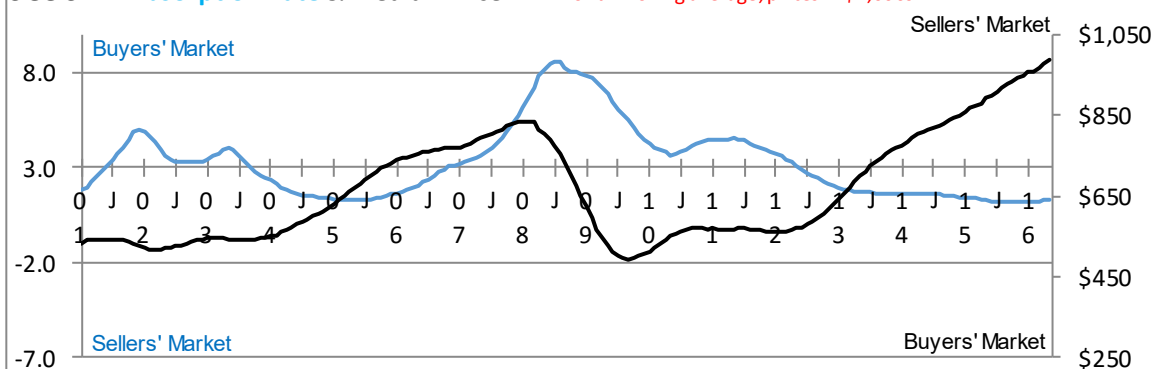
(Townhomes/Condos)

	May 16	Apr 16	May 15
Median Price:	\$695,000	\$662,500	\$620,000
Average Price:	\$778,407	\$740,476	\$679,810
Home Sales:	386	420	385
Pending Sales:	339	350	405
Active Listings:	391	341	273
Sale/List Price Ratio:	105.3%	105.6%	108.6%
Days on Market:	16	15	15
Days of Inventory:	30	24	21

You can get a more information at:

http://avi.rereport.com/market_reports

SCC SFR: Absorption Rate & Median Price - 12-month moving average, prices in \$1,000s



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VISIT

<http://avi.rereport.com/>

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

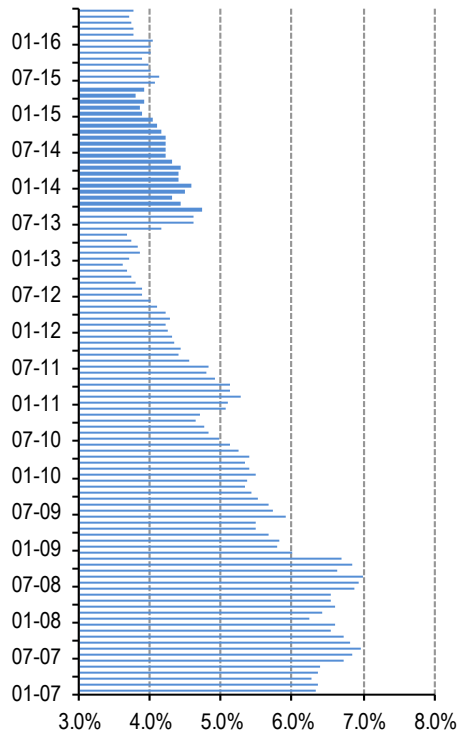
Is NOW a good time to buy your Silicon Valley Home?

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

<http://www.650and408homes.com>

May Statistics—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.

SINGLE-FAMILY HOMES

Year-Over-Year

- Median home prices increased by 12.7% year-over-year to \$1,117,900 from \$991,500.
- The average home sales price rose by 9.8% year-over-year to \$1,419,890 from \$1,293,250.
- Home sales fell by 7.9% year-over-year to 962 from 1,044.
- Total inventory* fell 9.1% year-over-year to 2,253 from 2,478.
- Sales price vs. list price ratio fell by 3.1% year-over-year to 104.4% from 107.7%.

Compared To Last Month

- Median home prices improved by 3.5% to \$1,117,900 from \$1,080,000.
- The average home sales price rose by 5.7% to \$1,419,890 from \$1,342,830.
- Home sales up by 2.8% to 962 from 936.
- Total inventory* increased 4.2% to 2,253 from 2,163.
- Sales price vs. list price ratio dropped by 0.4% to 104.4% from 104.8%.

CONDOMINIUMS

Year-Over-Year

- Median condo prices increased by 13.5% year-over-year to \$695,000 from \$612,500.
- The average condo sales price rose by 14.4% year-over-year to \$778,407 from \$680,226.
- Condo sales fell by 3% year-over-year to 386 from 398.
- Total inventory* fell 3.1% year-over-year to 730 from 753.
- Sales price vs. list price ratio fell by 2.9% year-over-year to 105.3% from 108.5%.

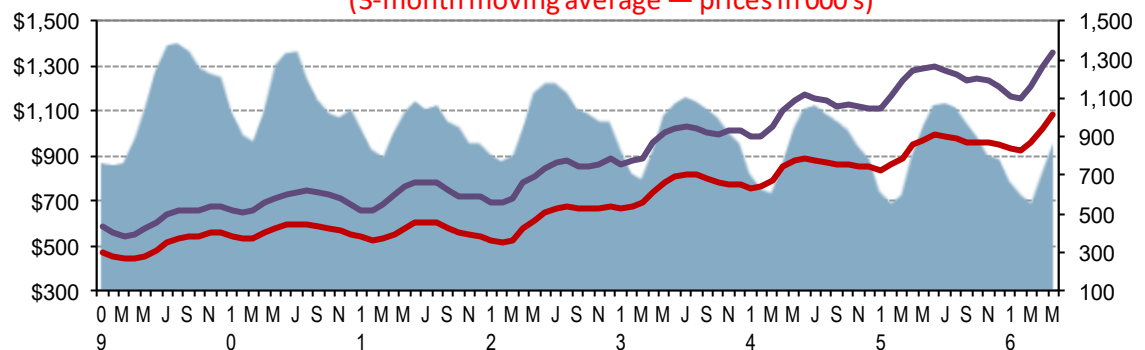
Compared To Last Month

- Median condo prices improved by 4.9% to \$695,000 from \$662,500.
- The average condo sales price rose by 5.1% to \$778,407 from \$740,476.
- Condo sales down by 8.1% to 386 from 420.
- Total inventory* increased 5.6% to 730 from 691.
- Sales price vs. list price ratio dropped by 0.2% to 105.3% from 105.6%.

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

Santa Clara County Homes: Median & Average Prices and Sales

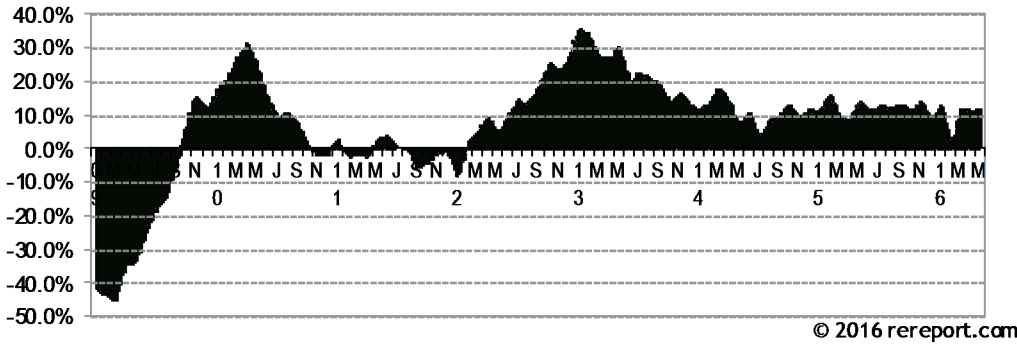
(3-month moving average — prices in 000's)



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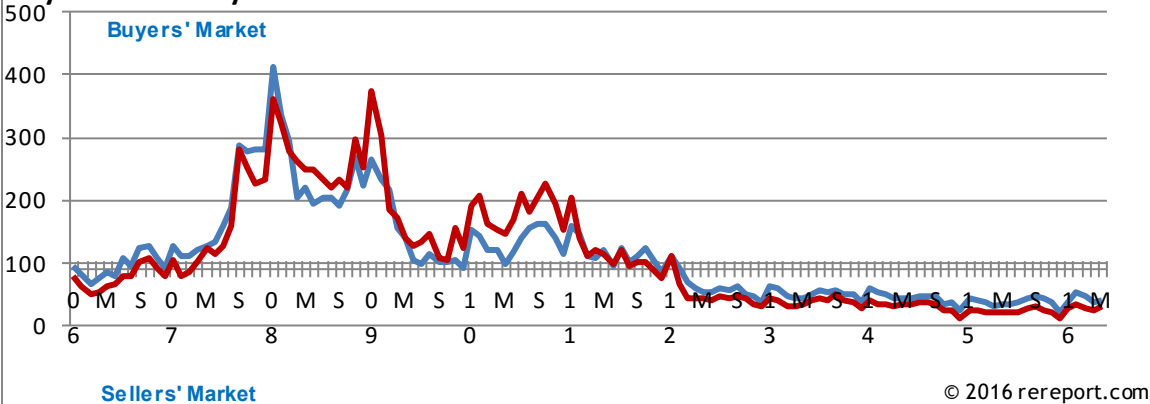
Santa Clara County - May 2016														
Single-Family Homes								% Change from Year Before					% Change	
Prices								Prices					Median Price	
Cities	Median	Average	Sales	Pend	Inven	DOI	SP/LP	Med	Ave	Sales	Pend'	Inven'	Peak	Trough
SCC	\$ 1,117,900	\$ 1,419,890	962	963	1,290	40	104.4%	11.8%	9.3%	-6.3%	-8.8%	11.0%	28.7%	151.9%
Campbell	\$ 1,308,000	\$ 1,413,440	27	21	28	31	102.9%	19.9%	17.9%	3.8%	-34.4%	16.7%	26.1%	137.8%
Cupertino	\$ 1,840,000	\$ 1,886,460	30	29	24	24	106.3%	-2.4%	-1.2%	3.4%	11.5%	4.3%	2.2%	97.8%
Gilroy	\$ 657,500	\$ 763,732	52	52	99	57	100.6%	0.4%	7.0%	2.0%	-32.5%	28.6%	-19.3%	108.7%
Los Altos	\$ 3,050,000	\$ 3,219,410	27	31	36	40	106.1%	17.1%	15.8%	-27.0%	63.2%	44.0%	21.8%	160.7%
Los Altos Hills	\$ 3,614,000	\$ 4,800,000	12	13	29	73	98.6%	41.6%	68.3%	71.4%	30.0%	52.6%	-28.6%	109.5%
Los Gatos	\$ 1,736,500	\$ 1,866,310	46	30	120	78	101.5%	5.6%	-4.7%	9.5%	-36.2%	8.1%	-10.9%	84.2%
Milpitas	\$ 947,500	\$ 957,965	22	28	33	45	104.6%	3.9%	4.0%	-4.3%	-24.3%	6.5%	14.8%	128.3%
Monte Sereno	\$ 2,402,500	\$ 3,005,830	6	2	10	50	95.9%	-6.6%	8.3%	0.0%	-77.8%	0.0%	-64.8%	184.3%
Morgan Hill	\$ 825,000	\$ 923,467	48	46	89	56	101.6%	4.1%	9.6%	9.1%	-19.3%	11.3%	-17.5%	86.0%
Mountain View	\$ 1,973,000	\$ 1,864,870	18	33	17	28	111.3%	6.1%	-5.4%	-33.3%	22.2%	6.3%	21.4%	167.3%
Palo Alto	\$ 2,650,190	\$ 3,300,750	42	35	46	33	104.1%	-3.6%	5.8%	16.7%	45.8%	35.3%	-14.4%	122.7%
San Jose	\$ 927,500	\$ 1,024,290	494	513	614	37	104.5%	9.1%	7.5%	-7.8%	-8.2%	8.3%	17.0%	129.0%
Santa Clara	\$ 1,212,000	\$ 1,220,310	41	57	50	37	107.6%	22.1%	16.3%	-18.0%	21.3%	61.3%	35.0%	133.1%
Saratoga	\$ 2,552,500	\$ 2,925,060	32	25	56	53	104.0%	6.4%	17.9%	-20.0%	-30.6%	-20.0%	13.2%	197.5%
Sunnyvale	\$ 1,450,000	\$ 1,474,230	65	48	39	18	108.3%	0.6%	3.7%	-4.4%	9.1%	0.0%	13.3%	178.8%

Santa Clara County Homes: Year-Over-Year Median Price Change



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 to schedule a complementary and confidential meeting.

Days of Inventory: Homes and Condos



Based on information from MLS Listings, Inc. Due to MLS reporting and allowable reporting policy, this data is only informational and may not be completely accurate. Therefore, we do not guarantee the data accuracy.

Data maintained by the MLS may not reflect all real estate activity in the market.

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.

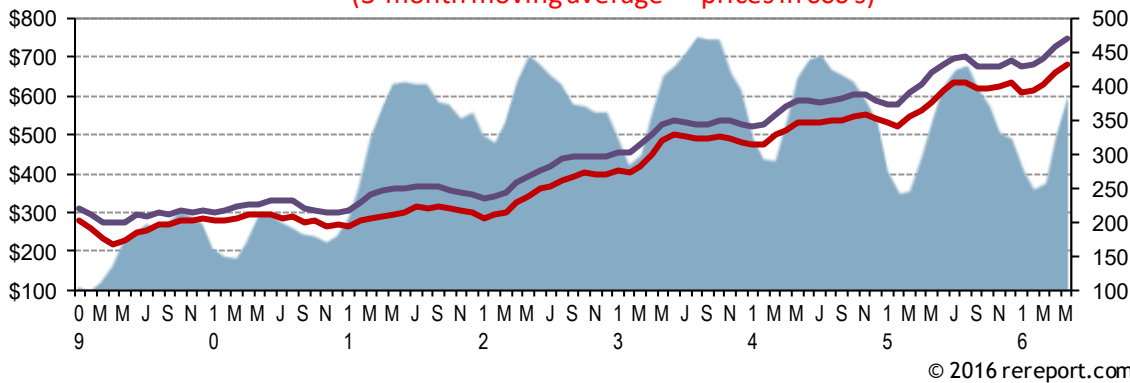
Pend

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.

Santa Clara County Condos: Median & Average Prices and Sales
 (3-month moving average — prices in 000's)



Santa Clara County - May 2016															
Condos/Townhomes									% Change from Year Before					% Change	
Prices									Prices					Median Price	
Cities	Median	Average	Sales	Pend	Inven	DOI	SP/LP		Med	Ave	Sales	Pend'	Inven'	Peak	Trough
SCC	\$ 695,000	\$ 778,407	386	339	391	30	105.3%		12.1%	14.5%	0.3%	-16.3%	43.2%	26.6%	230.2%
Campbell	\$ 801,000	\$ 735,700	9	10	14	47	107.2%		16.9%	4.9%	0.0%	-47.4%	250.0%	0.0%	176.2%
Cupertino	\$ 1,065,000	\$ 1,072,250	8	10	15	56	109.0%		-9.7%	-12.5%	60.0%	-9.1%	66.7%	10.9%	96.2%
Gilroy	\$ 340,000	\$ 340,000	1	3	3	90	106.3%		51.1%	51.1%	0.0%	0.0%	-25.0%	-33.3%	#DIV/0!
Los Altos	\$ 1,350,000	\$ 1,273,670	3	5	4	40	97.7%		25.0%	9.5%	-40.0%	150.0%	33.3%	-41.9%	166.9%
Los Gatos	\$ 1,292,500	\$ 1,376,290	14	8	14	30	102.7%		26.1%	36.0%	27.3%	-33.3%	133.3%	29.2%	282.4%
Milpitas	\$ 775,000	\$ 740,637	17	16	9	16	105.9%		24.4%	17.2%	6.3%	-23.8%	-55.0%	20.0%	285.6%
Morgan Hill	\$ 560,000	\$ 559,917	12	7	4	10	101.5%		4.7%	6.0%	100.0%	-30.0%	100.0%	-4.9%	191.7%
Mountain View	\$ 990,000	\$ 1,017,840	30	33	27	27	107.7%		8.8%	7.1%	-3.2%	57.1%	107.7%	13.8%	152.2%
Palo Alto	\$ 1,730,000	\$ 1,742,060	13	7	15	35	109.7%		5.8%	0.7%	225.0%	-30.0%	200.0%	13.6%	239.2%
San Jose	\$ 610,000	\$ 622,128	208	185	232	33	104.2%		15.1%	10.4%	-10.3%	-17.4%	43.2%	20.6%	229.7%
Santa Clara	\$ 738,000	\$ 784,173	34	30	21	19	107.2%		10.1%	15.0%	-2.9%	-25.0%	5.0%	26.6%	176.9%
Saratoga	\$ 1,344,940	\$ 1,344,940	2	2	9	135	105.7%		9.9%	9.0%	-33.3%	-66.7%	28.6%	26.6%	176.9%
Sunnyvale	\$ 910,000	\$ 874,014	35	23	24	21	108.0%		0.0%	-2.2%	29.6%	-11.5%	33.3%	14.7%	163.8%

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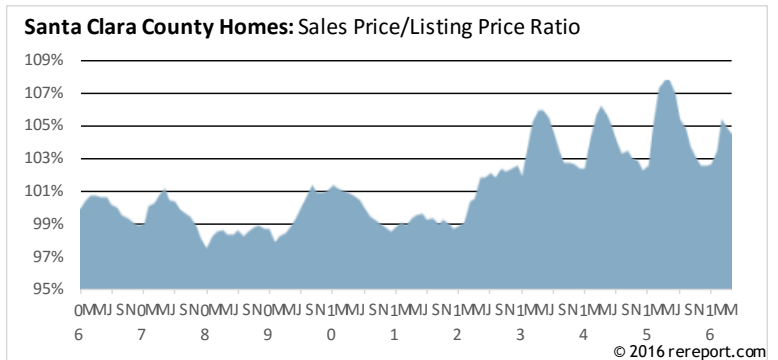
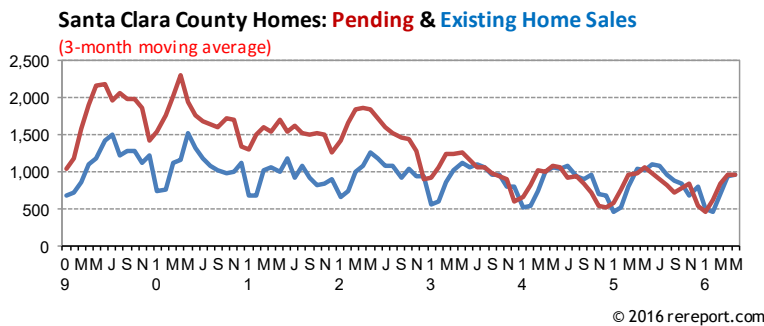
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The Silicon Valley's Real estate market is a derivative of the local economy, it prospers and withers depending on how well the local knowledge-based sector performs. The San Jose Mercury News tracks the largest 150 publicly traded companies headquartered 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 PRICES CONTINUE STEADY GAINS IN MARCH ACCORDING TO THE S&P/CASE-SHILLER HOME PRICE INDICES

NEW YORK, MAY 31, 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 March 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 www.homeprice.spdji.com. Additional content on the housing market can also be found on S&P Dow Jones Indices' housing blog: www.housingviews.com Read more at <https://goo.gl/pRq6ar>

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