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Avi Urban
EE, Real Estate Consultant
CalBRE #: 0148572
The Urban Group

650.305.1111
avi@urban.realtor
www.urban.realtor



505 Hamilton Ave. Suite 100
Palo Alto, CA 94301

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Santa Clara County

The Real Estate Market Trends Report

New Residential Building in Silicon Valley

In an area where resistance to affordable housing is epic, the tide is turning.

The city of Mountain View is looking to increase its housing stock by as much as 50 percent — including as many as 10,000 units in the area around Google's main campus, in the North Bayshore area.

Also, the city council has approved about 2,000 new units elsewhere in town. In all, Mountain View is studying how to add a total of 17,000 units.

Sunnyvale, where Yahoo is based, is looking to transform an older industrial area near one of its rail stations into a new development that would include offices and housing. Menlo Park is studying how to allow for up to 4,500 housing units to be built on industrial land near Facebook's headquarters.

In San Mateo, a defunct horse-racing track is being redeveloped into a mixed-use project that sits along a train stop and will eventually

comprise five office buildings and 1,000 houses, apartments and condos.

Facebook Jumps into the Fray

Facebook is putting up \$20 million toward a community investment program designed to address the severe housing crunch in its own backyard, where the tech boom stoked by the latest generation of Internet superstars is making it difficult for many working class families to live.

It is partnering with Envision Transform Build-East Palo Alto (ETB), a coalition of Silicon Valley community groups, and the neighboring cities of East Palo Alto and Menlo Park to create affordable housing, provide economic opportunities in the form of job training and expand legal relief to tenants.

"There is a housing crisis in Silicon Valley. There is a traffic crisis in Silicon Valley," says Elliot Schrage, vice president of global communications, marketing and public policy at Facebook. "We want to keep tech jobs in Silicon Valley."

Trends at a Glance

(Single-family Homes)

	Nov 16	Oct 16	Nov 15
Median Price:	\$1,010,000	\$1,050,000	\$970,000
Average Price:	\$1,297,260	\$1,283,920	\$1,220,730
Home Sales:	850	906	684
Pending Sales:	697	817	838
Active Listings:	834	1,174	818
Sale/List Price Ratio:	101.6%	101.8%	102.5%
Days on Market:	31	31	28
Days of Inventory:	28	39	35

(Town homes/Condos)

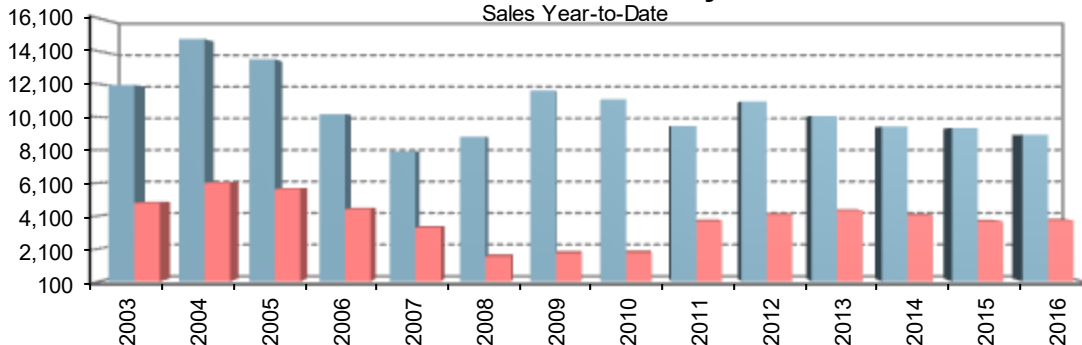
	Nov 16	Oct 16	Nov 15
Median Price:	\$661,000	\$650,000	\$630,000
Average Price:	\$732,436	\$719,413	\$695,679
Home Sales:	348	347	289
Pending Sales:	232	323	304
Active Listings:	270	365	197
Sale/List Price Ratio:	101.7%	102.0%	103.9%
Days on Market:	28	25	21
Days of Inventory:	23	32	20

Also, three county measures that would raise hundreds of millions of dollars for affordable housing throughout Silicon Valley passed convincingly last month.

Ostensibly, the new housing is meant for workers at the tech companies in the Valley. Let's hope the cities and counties start building affordable housing for the people who serve the communities: police officers, firefighters, teachers, nurses, postal workers, etc...

Santa Clara County

Sales Year-to-Date



	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Homes	12,048	14,848	13,605	10,274	8,005	8,894	11,708	11,180	9,555	11,046	10,170	9,520	9,432	9,021
Condos	4,874	6,108	5,729	4,494	3,364	1,607	1,807	1,838	3,769	4,173	4,404	4,142	3,751	3,816

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 <http://urban.realtor/home-buyers-seminar/>

10 Essential Questions To Ask When Buying A Home (That You May Have Missed)

By: Lisa Johnson Mandell

You've finally found it: a home you're swooning over and dying to own. From the exposed ceiling beams to the hardwood floors, this feels like the place. So what's next? Don't just stand there dumbstruck; it's time to dig deeper and ask questions—and not just the kind that randomly pop into your head, either. You need to hit all of the necessary topics head-on, and some of them are not so obvious.

But you're in luck: We've pulled together a checklist of some of the most important initial questions to ask when buying a home:

What is the home's sales history?

When was the last time the house sold, and how much did the current owners pay for it? This is essential intel, and you don't even have to ask the seller or your real estate agent about it, because it's posted on every MLS listing. All you have to do is scroll down to find it. But make sure you know it.

When buying a home, the previous sale price will give you a sense of what the sellers might expect you to pay—but keep in mind that a home's true market

value is based more on what comparable homes are selling for now rather than what it went for in the past, says Los Angeles Realtor® Jennifer Niman of Berkshire Hathaway HomeServices. Sales history will also show you whether the home's price has been trending up or down over time, which can help you hone your negotiating stance.

Did the sellers make any major renovations or additions?

If they've overhauled the kitchen, added a bedroom, or finished the basement, you'll want to know that—and, ideally, see receipts from contractors to get a sense of what they paid for these upgrades.

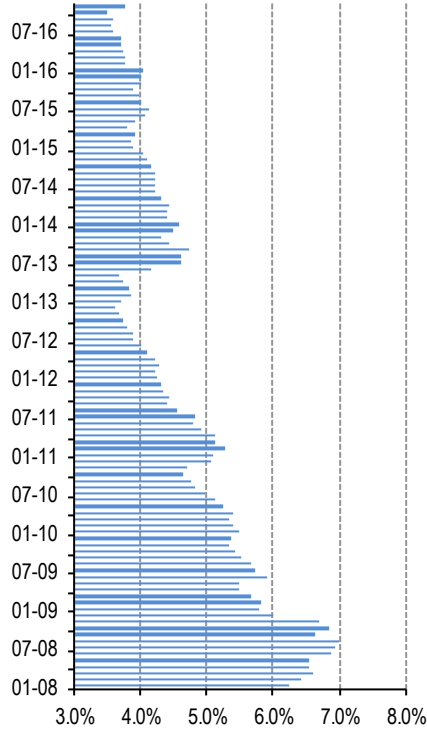
In general, this will give you a ballpark notion of how much money they've sunk into the home—and what they hope to get out. That said, don't assume you have to fork over as much cash as they put in; home improvements generally reap only a 64% return on average. And that return on investment varies widely based on which renovation is done.

How much are the property taxes?

Property tax history is also typically available right on

(Continued on page 4)

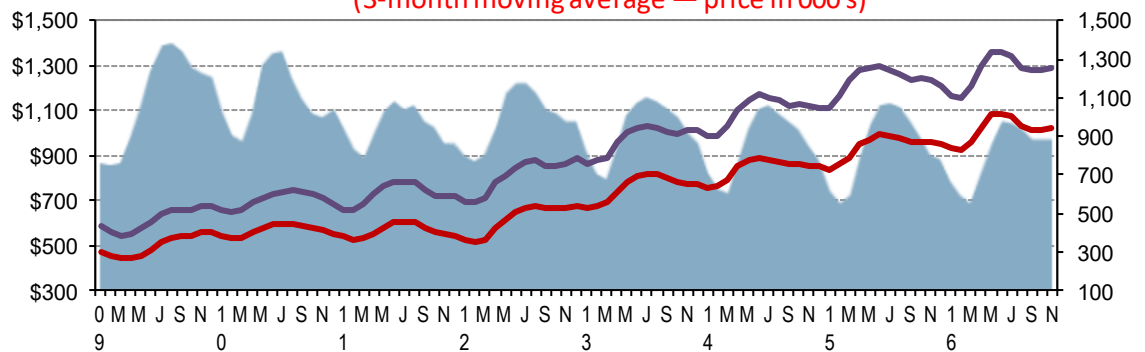
30-Year Fixed Mortgage Rates



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.

Santa Clara County Homes: Median & Average Prices and Sales

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



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Santa Clara County - November 2016													
Single-Family Homes								% Change from Year Before					
Cities	Prices			Sales	Pend	Inven	DOI	SP/LP	Prices				
	Median	Average							Med	Ave	Sales	Pend'	Inven'
SCC	\$ 1,010,000	\$ 1,297,260		850	697	834	28	101.6%	4.1%	6.3%	24.3%	-16.8%	2.0%
Campbell	\$ 1,150,000	\$ 1,242,040		23	19	23	29	102.0%	-3.2%	-3.1%	43.8%	-32.1%	15.0%
Cupertino	\$ 1,818,000	\$ 2,099,300		23	11	18	23	102.7%	2.3%	18.9%	27.8%	-54.2%	157.1%
Gilroy	\$ 715,000	\$ 761,138		43	41	91	61	98.8%	10.0%	10.0%	48.3%	-18.0%	4.6%
Los Altos	\$ 2,715,000	\$ 2,922,760		25	16	13	15	101.7%	3.9%	6.2%	13.6%	-5.9%	333.3%
Los Altos Hills	\$ 4,000,000	\$ 3,856,100		5	5	25	145	99.7%	17.5%	11.6%	-16.7%	-16.7%	-30.6%
Los Gatos	\$ 1,405,000	\$ 1,621,470		30	31	83	80	99.4%	-19.7%	-11.1%	11.1%	-13.9%	5.1%
Milpitas	\$ 820,000	\$ 881,880		25	23	11	13	103.1%	-2.4%	2.2%	19.0%	-11.5%	-59.3%
Monte Sereno	\$ 2,401,000	\$ 2,415,330		3	1	12	116	89.4%	26.4%	7.9%	-40.0%	-66.7%	140.0%
Morgan Hill	\$ 884,500	\$ 986,611		50	35	59	34	99.3%	8.7%	15.7%	56.3%	0.0%	9.3%
Mountain View	\$ 1,875,000	\$ 1,930,670		21	21	10	14	103.8%	7.1%	10.7%	0.0%	40.0%	66.7%
Palo Alto	\$ 2,510,000	\$ 2,700,470		36	20	23	19	106.0%	0.4%	-15.9%	100.0%	5.3%	-14.8%
San Jose	\$ 879,500	\$ 962,180		440	375	386	25	101.3%	5.1%	5.1%	21.5%	-19.2%	0.0%
Santa Clara	\$ 986,500	\$ 1,070,430		43	32	21	14	103.0%	-0.9%	4.8%	-6.5%	-45.8%	-8.7%
Saratoga	\$ 2,450,000	\$ 2,758,230		35	22	38	32	99.7%	21.6%	14.3%	105.9%	15.8%	-15.6%
Sunnyvale	\$ 1,500,000	\$ 1,453,950		48	45	21	13	105.9%	6.6%	3.8%	9.1%	4.7%	23.5%

November Statistics

SINGLE-FAMILY HOMES

Year-Over-Year

- Median home prices increased by 5.2% year-over-year to \$1,010,000 from \$960,500.
- The average home sales price rose by 7.1% year-over-year to \$1,297,260 from \$1,211,630.
- Home sales rose by 21.1% year-over-year to 850 from 702.
- Total inventory* fell 22.1% year-over-year to 1,531 from 1,965.
- Sales price vs. list price ratio fell by 0.9% year-over-year to 101.6% from 102.5%.
- The average days on market rose by 9.2% year-over-year to 31 from 28.

Compared To Last Month

- Median home prices slipped by 3.8% to \$1,010,000 from \$1,050,000.
- The average home sales price rose by 1.0% to \$1,297,260 from \$1,283,920.
- Home sales down by 6.2% to 850 from 906.
- Total inventory* dropped 23.1% to 1,531 from 1,991.
- Sales price vs. list price ratio dropped by 0.2% to 101.6% from 101.8%.
- The average days on market dropped by 1.4% to 31 from 31.

CONDOMINIUMS

Year-Over-Year

- Median condo prices increased by 5.8% year-over-year to \$661,000 from \$625,000.
- The average condo sales price rose by 6.3% year-over-year to \$732,436 from \$689,242.
- Condo sales rose by 16.0% year-over-year to 348 from 300.
- Total inventory* fell 18.4% year-over-year to 502 from 615.
- Sales price vs. list price ratio fell by 2.1% year-over-year to 101.7% from 103.9%.
- The average days on market rose by 31.8% year-over-year to 28 from 21.

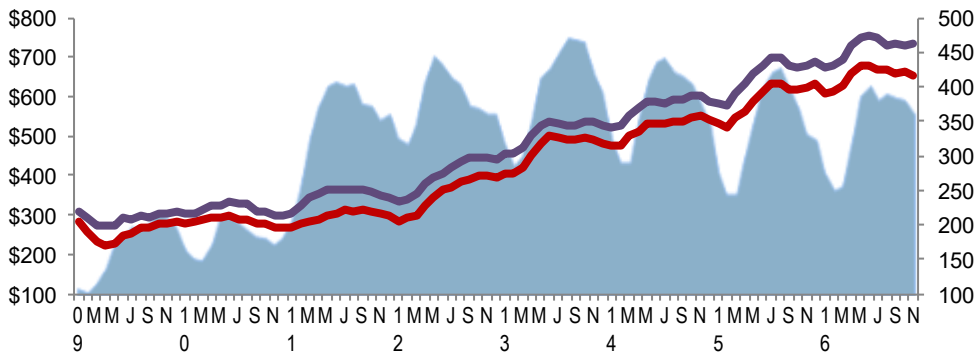
Compared To Last Month

- Median condo prices improved by 1.7% to \$661,000 from \$650,000.
- The average condo sales price rose by 1.8% to \$732,436 from \$719,413.
- Condo sales up by 0.3% to 348 from 347.
- Total inventory* dropped 27% to 502 from 688.
- Sales price vs. list price ratio dropped by 0.3% to 101.7% from 102.0%.
- The average days on market increased by 11.1% to 28 from 25.

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

Santa Clara County Condos - Median & Average Prices & Sales

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



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to schedule

a complementary and confidential meeting.

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 - November 2016												
Condos/Townhomes								% Change from Year Before				
Prices								Prices				
Cities	Median	Average	Sales	Pend	Inven	DOI	SP/LP	Med	Ave	Sales	Pend'	Inven'
SCC	\$ 661,000	\$ 732,436	348	232	270	23	101.7%	4.9%	5.3%	20.4%	-23.7%	37.1%
Campbell	\$ 654,500	\$ 685,167	6	8	12	58	99.8%	-4.5%	-3.0%	0.0%	0.0%	300.0%
Cupertino	\$ 1,335,000	\$ 1,340,170	6	4	2	10	109.2%	35.1%	27.3%	0.0%	-42.9%	-60.0%
Gilroy	\$ 465,000	\$ 435,000	3	1	4	39	102.2%	-4.1%	-8.4%	0.0%	-66.7%	300.0%
Los Altos	\$ 1,696,500	\$ 1,829,500	4	5	3	22	105.5%	14.0%	26.6%	0.0%	150.0%	50.0%
Los Gatos	\$ 755,500	\$ 877,750	12	2	8	19	100.6%	-23.5%	-10.9%	140.0%	-71.4%	166.7%
Milpitas	\$ 652,500	\$ 659,148	16	13	7	13	101.0%	1.6%	5.5%	33.3%	-18.8%	-12.5%
Morgan Hill	\$ 602,500	\$ 574,158	6	3	6	29	97.3%	-1.5%	1.4%	50.0%	-50.0%	20.0%
Mountain View	\$ 1,080,000	\$ 1,041,220	33	18	8	7	105.3%	7.5%	0.2%	37.5%	-25.0%	-20.0%
Palo Alto	\$ 1,330,000	\$ 1,422,290	7	6	7	29	96.8%	-14.8%	-12.2%	75.0%	-50.0%	-22.2%
San Jose	\$ 580,000	\$ 600,390	207	128	175	25	101.0%	3.8%	2.8%	23.2%	-25.6%	36.7%
Santa Clara	\$ 700,000	\$ 700,440	19	15	20	31	101.9%	20.1%	11.6%	-20.8%	-21.1%	66.7%
Saratoga	\$ 800,000	\$ 866,838	8	2	2	7	101.2%	-32.7%	-27.0%	300.0%	0.0%	100.0%
Sunnyvale	\$ 1,010,000	\$ 988,017	21	27	16	22	104.2%	24.7%	23.3%	-22.2%	-3.6%	60.0%

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



the listing detail page. If you can't find it, ask the seller. You'll want to find out what previous owners paid, but understand that the property tax, since it's based on a percentage of the value of the house, will probably be affected by your purchase price. This could be a huge additional expense, and you'll need to budget for that when putting together your offer.

What are the monthly maintenance and utility costs?

Is there any type of homeowners association fee? Find out. Also learn what kind of power the house uses, be it gas, oil, electric, or a combination, and ask what the average monthly bill for each is. Also inquire about water, waste removal, and any other utility costs that are applicable.

Has there ever been a broken pipe? Sewer backup?

This may sound trivial (not to mention unpleasant), but according to the Insurance Information Institute, broken pipes account for an estimated 22% of all home insurance losses. If the homeowner doesn't 'fess up, a good home inspector can probably find evidence of either one of these situations, so you might want to put these on your list of questions to ask your inspector, too.

How old is the roof?

The 2015 Remodeling Impact Report from the NATIONAL ASSOCIATION OF REALTORS® says the national median cost of an asphalt roofing replacement is about \$7,600. It would be good to know how soon you might need to lay out that substantial amount of cash.

Have there ever been any pest infestations?

If there was an infestation, when were pest control procedures undertaken? No, this won't necessarily mean the house is pest-free at the time you're buying it, but it's a good starting point to know the history. Many buyers require that termite treatment be included in the price; it's easiest to tent for pest removal when the house is empty, between owners.

Are there warranties on the appliances, HVAC system, garage door, etc.?

And if so, can the homeowner provide the documentation? Ask for it. This can establish how old these features are, and give you an idea of when they might need to be replaced and how expensive it could be. It will also help you decide whether or not to buy a home warranty.

Investors Corner

THE S&P CORELOGIC CASE-SHILLER NATIONAL INDEX REACHES NEW HIGH AS HOME PRICE GAINS CONTINUE

NEW YORK, November 29, 2016 – S&P Dow Jones Indices today released the latest results for the S&P CoreLogic Case-Shiller Indices, the leading measure of U.S. home prices. Data released today for September 2016 shows that home prices continued their rise across the country over the last 12 months. More than 27 years of history ... Read more goo.gl/PTUjn0

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