



A unique "Whole-istic" approach to real estate ownership  
Silicon Valley homes & investments nationwide

**May 2018** *Inside This Issue*

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# Sant Mateo County Real Estate Report

## Prices Set New Highs, Again

Median and average prices for both single-family, re-sale homes and condos set new all-time highs in April, for the third month in a row.

The median price for homes has been higher than the year before by double-digits eight months in a row. The average price was up by double-digits for the sixth month in a row.

The median price for homes was up 20.0% over last April to \$1,770,000. That is a \$155,000 gain over the record high set in March.

This is also the 25th month in a row the median price has been higher than the year before.

The average price for homes, which set a new record in February, was up 10.9%, year-over-year.

The median price for condos jumped 32.5%. The average price for condos was up 26.2% over last April.

Multiple offers continue to be the norm. The sales price to list price ratio, or what buyers are paying over what sellers are asking remains in the triple digits: 112.0% for homes and 113.6% for condos.

The ratio has been over 100% for homes since April 2012 and for condos since June 2012.

Homes and condos are flying off the shelf. It is taking only sixteen days to sell a home, on average. Condos are taking twelve days.

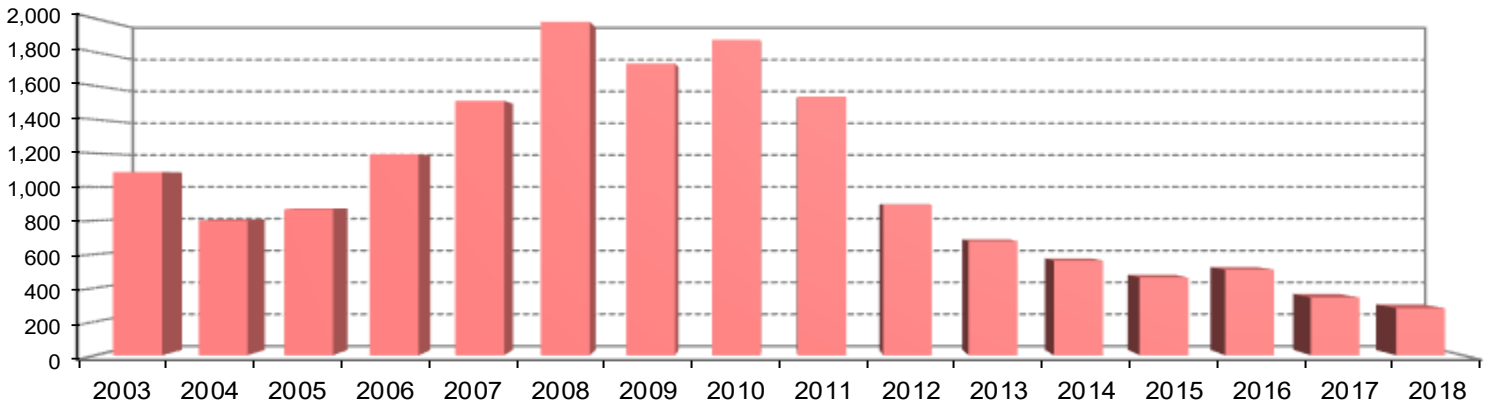
All this is due to an incredible lack of inventory. Since January 2003, San Mateo County has averaged 83 days of inventory. Last month it was thirty-five.

Condos have averaged 92 days since 2000. Last month it was twelve.

As of May 7th, there were 400 homes and 74 condos for sale in San Mateo County.

**San Mateo County**  
Average Monthly Active Listings SFR

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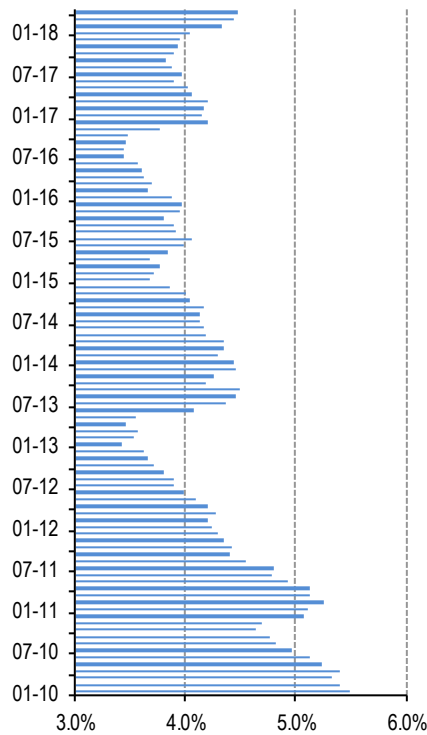
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30-Year Fixed Mortgage Rates



The chart above shows the National monthly average for 30-year fixed rate mortgages as compiled by <http://www.freddiemac.com/>.

Selecting the Right Mortgage

Selecting the type of mortgage that best suits your needs is not a simple undertaking. The right mortgage will depend on many factors, including your financial situation and how you expect it to change in the future, how long you'd like to keep your house, and how comfortable you are with the possibility of your mortgage payment changing.

The best way to find the right mortgage for you is to discuss your finances, plans and preferences with a mortgage professional.

FIXED-RATE MORTGAGES

Fixed-rate mortgages, the most common type of mortgage, offer consistently stable monthly payments. Your property taxes and homeowner's insurance may increase, but your monthly payments typically won't fluctuate.

With fixed-rate mortgages, you have the option of choosing a 30-year, 20-year, 15-year or 10-year repayment plan. You may shorten the loan through a

biweekly mortgage, allowing you to make the equivalent of an extra month's payment per year. In selecting the length of your repayment, remember that a shorter loan carries higher payments but accrues less interest and allows you to build equity quicker.

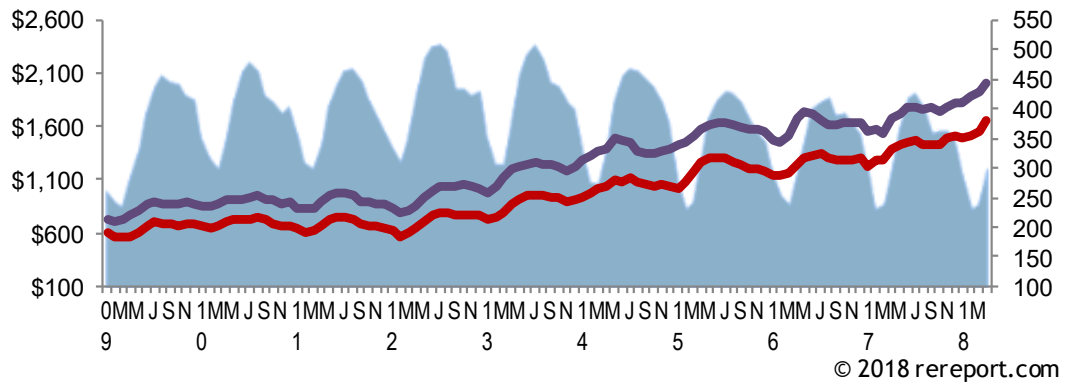
ADJUSTABLE-RATE MORTGAGES

The interest rate on an adjustable-rate mortgage (ARM) is dictated by changing market rates. When interest rates rise, your monthly payments will go up, and when interest rates decrease, your monthly payments will go down accordingly.

ARMs often provide a lower initial interest rate than fixed-rate mortgages, attracting people who need lower payments early in the loan in order to qualify for a mortgage. ARMs also can benefit people who plan to move or refinance in the near future or those who expect their incomes to increase.

(Continued on page 4)

San Mateo County Homes - Median & Average Prices & Sales (3-month moving average—prices in \$000's)



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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.

San Mateo County - April 2018													
Single-Family Homes									% Change from Year Before				
Prices									Prices				
Cities	Median	Average	Sales	Pend	Inven	DOI	SP/LP	Med	Ave	Sales	Pend'	Inven'	
SMC	\$ 1,770,000	\$ 2,049,600	333	361	400	35	112.0%	20.0%	10.9%	0.6%	1.4%	-9.1%	
Atherton	\$ 6,600,000	\$ 6,927,140	7	6	27	112	98.7%	30.7%	28.0%	-12.5%	-14.3%	-27.0%	
Belmont	\$ 1,880,000	\$ 1,935,670	15	10	11	21	120.0%	7.1%	10.6%	-6.3%	-54.5%	-31.3%	
Brisbane	\$ 1,200,000	\$ 1,173,200	5	1	1	6	102.8%	46.4%	30.0%	66.7%	0.0%	-66.7%	
Burlingame	\$ 2,512,500	\$ 2,681,000	10	15	14	41	113.0%	15.0%	30.1%	-47.4%	50.0%	-22.2%	
Daly City	\$ 1,000,000	\$ 1,046,140	21	31	20	28	116.3%	10.5%	15.3%	-12.5%	34.8%	-31.0%	
East Palo Alto	\$ 980,500	\$ 1,032,470	14	14	10	21	114.6%	19.6%	24.8%	250.0%	27.3%	-9.1%	
El Granada	\$ 1,178,000	\$ 1,181,600	5	3	6	35	100.1%	8.4%	5.4%	-16.7%	-70.0%	-40.0%	
Foster City	\$ 1,910,000	\$ 1,942,320	12	11	2	5	113.1%	7.3%	12.5%	33.3%	-26.7%	-71.4%	
Half Moon Bay	\$ 1,565,000	\$ 1,497,500	6	18	15	73	100.4%	42.7%	29.5%	-40.0%	80.0%	-31.8%	
Hillsborough	\$ 4,316,000	\$ 4,909,410	11	15	28	74	97.6%	2.8%	10.7%	-15.4%	66.7%	-15.2%	
Menlo Park	\$ 2,950,000	\$ 2,921,750	32	26	40	36	108.5%	20.4%	-1.1%	3.2%	-10.3%	53.8%	
Millbrae	\$ 1,825,000	\$ 1,828,800	10	11	6	17	112.2%	1.7%	-8.2%	11.1%	0.0%	-53.8%	
Montara	\$ 1,180,000	\$ 1,228,330	3	7	3	29	112.3%	10.3%	13.4%	-25.0%	75.0%	-25.0%	
Moss Beach	\$ 905,000	\$ 905,000	1	3	4	116	130.2%	13.1%	13.1%	0.0%	-25.0%	100.0%	
Pacifica	\$ 1,075,000	\$ 1,122,890	22	25	16	21	112.6%	3.9%	0.5%	22.2%	47.1%	-30.4%	
Portola Valley	\$ 3,152,500	\$ 3,271,250	4	10	16	116	112.9%	-13.6%	-6.0%	-20.0%	42.9%	128.6%	
Redwood City	\$ 1,875,000	\$ 1,907,840	45	35	33	21	114.1%	10.3%	3.3%	15.4%	-14.6%	-19.5%	
Redwood Shores	\$ 1,675,000	\$ 1,675,000	2	0	0	0	106.6%	5.6%	5.6%	0.0%	-33.3%	200.0%	
S. San Francisco	\$ 949,000	\$ 968,911	36	27	8	6	110.7%	6.0%	3.0%	44.0%	8.0%	-71.4%	
San Bruno	\$ 1,250,000	\$ 1,199,770	9	25	12	39	107.2%	22.5%	12.6%	-40.0%	-7.4%	-29.4%	
San Carlos	\$ 2,260,000	\$ 2,184,400	30	19	21	20	114.2%	41.3%	32.9%	25.0%	-26.9%	90.9%	
San Mateo	\$ 1,601,000	\$ 1,938,780	41	46	50	35	116.9%	15.8%	25.5%	-18.0%	0.0%	51.5%	
Woodside	\$ 2,725,000	\$ 3,209,170	6	5	28	135	101.2%	116.7%	155.2%	200.0%	25.0%	-24.3%	

**Trends at a Glance**

(Single-family Homes)

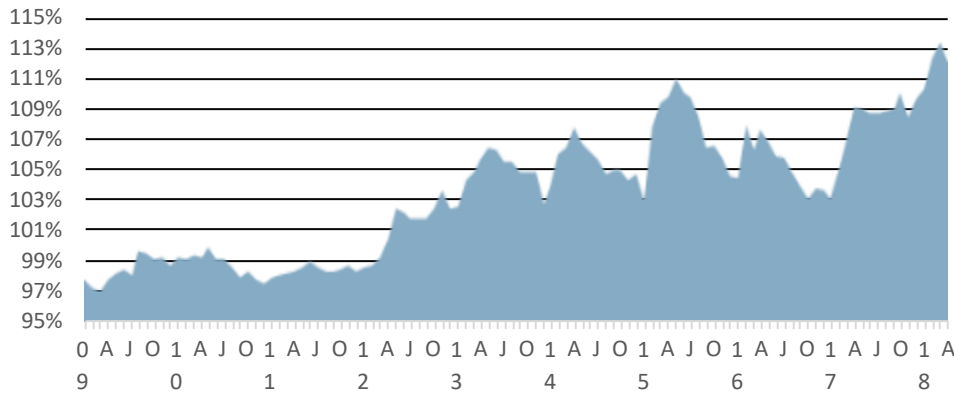
	Apr 18	Month %	Mar 18	Year %	Apr 17
Median Price:	\$1,770,000	9.6%	\$1,615,000	20.0%	\$1,475,000
Average Price:	\$2,049,600	4.8%	\$1,956,650	10.9%	\$1,848,840
Home Sales:	333	-0.9%	336	0.6%	331
Pending Sales:	361	8.7%	332	1.4%	356
Active Listings:	400	52.7%	262	-9.1%	440
SP/LP Ratio	112.0%	-1.2%	113.3%	2.6%	109.1%
Days on Market	16	10.6%	15	-6.3%	17
Days of Inventory:	35	48.9%	23	-9.6%	39

(Condominiums)

	Apr 18	Month %	Mar 18	Year %	Apr 17
Median Price:	\$1,010,000	8.3%	\$933,000	32.5%	\$762,500
Average Price:	\$1,095,760	9.9%	\$996,705	26.2%	\$868,384
Home Sales:	126	6.8%	118	21.2%	104
Pending Sales:	117	-9.3%	129	2.6%	114
Active Listings:	74	27.6%	58	-26.7%	101
SP/LP Ratio	113.6%	1.6%	111.8%	8.5%	104.7%
Days on Market	12	25.6%	9	-48.7%	23
Days of Inventory:	17	15.5%	15	-39.5%	28

**Get straight answers to your real estate questions?**  
 Call 650-305-1111 or [email me](#) to schedule a complementary and confidential meeting.

**San Mateo County Homes: Sales Price/Listing Price Ratio**



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**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 2018**

Condominiums								% Change from Year Before				
Prices								Prices				
Cities	Median	Average	Sales	Pend	Inven	DOI	SP/LP	Med	Ave	Sales	Pend'	Inven'
SMC	\$ 1,010,000	\$ 1,095,760	126	117	74	17	113.6%	32.5%	26.2%	21.2%	2.6%	-26.7%
Belmont	\$ 1,465,000	\$ 1,391,600	5	4	1	6	111.7%	49.5%	43.3%	-16.7%	300.0%	0.0%
Burlingame	\$ 1,114,000	\$ 1,114,000	2	3	1	15	124.0%	37.5%	37.5%	0.0%	200.0%	-80.0%
Daly City	\$ 650,000	\$ 711,769	13	12	5	11	116.4%	-15.0%	-7.6%	116.7%	0.0%	-64.3%
Foster City	\$ 1,350,000	\$ 1,238,830	12	13	9	22	115.9%	20.5%	14.6%	9.1%	-13.3%	12.5%
Menlo Park	\$ 1,585,000	\$ 1,752,600	10	7	5	15	112.4%	15.3%	25.1%	-28.6%	-46.2%	-58.3%
Pacifica	\$ 1,010,000	\$ 965,000	3	5	1	10	113.3%	61.6%	51.8%	0.0%	400.0%	-80.0%
Redwood City	\$ 1,100,000	\$ 1,141,550	11	15	4	11	111.0%	-1.7%	6.6%	83.3%	114.3%	-50.0%
Redwood Shores	\$ 1,431,000	\$ 1,473,860	7	3	4	17	114.8%	45.1%	47.5%	75.0%	-25.0%	33.3%
San Bruno	\$ 535,750	\$ 534,812	8	5	5	18	115.8%	27.0%	32.9%	166.7%	-44.4%	400.0%
San Carlos	\$ 1,700,000	\$ 1,575,750	4	2	4	29	122.4%	87.1%	63.4%	-50.0%	-71.4%	-33.3%
San Mateo	\$ 1,127,000	\$ 1,096,120	32	35	30	27	113.7%	78.9%	44.1%	10.3%	84.2%	-6.3%
S. San Francisco	\$ 650,000	\$ 663,111	9	13	9	29	106.2%	-4.4%	2.5%	0.0%	-23.5%	-30.8%

San Mateo County Condos... Median & Average Prices

\$300 \$200 20

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

For more information go to <http://urban.realtor/home-buyers-seminar/>

(Continued from page 2)

Before applying for an ARM, find out how high your monthly payments can go during the life of the loan. An ARM includes two caps or limits on interest rate increases; one cap states the boundary for how high your interest rate can go during each adjustment period, and the other cap sets the maximum total amount of all interest adjustments over the entire term of the loan.

The rates of an ARM typically change once or twice a year, and there is usually a lifetime cap on both the individual rate adjustments and the total amount the rate can change over the life of the loan. By applying the terms of the caps to your mortgage payments, you can anticipate the worst-case scenario prior to applying and determine if this figure is in line with your finances.

## REVERSE MORTGAGES

A reverse mortgage is a loan made to senior homeowners that allows them to convert the equity in their homes to cash for living expenses, home improvements, in-home health care, or other needs.

To obtain a reverse mortgage, you must meet certain criteria that differ greatly from the

qualification requirements for other mortgages. Reverse mortgages are generally limited to borrowers 62 years or older who own their own homes either outright or nearly so. Homes also must be clear of tax liens. And, unlike other mortgages, seniors don't have to meet income or credit requirements to qualify mortgage.

Borrowers typically have the option of receiving the reverse mortgage's proceeds in the form of a lump-sum payment, fixed monthly payments for life, or a line of credit. A reverse mortgage's interest rate is usually an adjustable rate that fluctuates monthly or yearly. However, the size of monthly payments that borrowers receive doesn't change.

## BALLOON MORTGAGES

Balloon loans are short-term mortgages with some of the features of a fixed-rate mortgage, like low interest rates, but without the benefit of full amortization. As opposed to a 30-year fixed-rate mortgage, balloon loan payments only cover part of what you've borrowed during the term of the loan. At the end of the term, you're required to pay off the loan's balance by refinancing or making a lump-sum payment.

Balloon mortgages are typically five-, seven- or 10-year loans, so they can be beneficial to borrowers

who anticipate selling or refinancing their homes in a short period of time.

Many companies offer a conversion feature at the end of the loan's term. For example, the loan may convert to a 30-year fixed loan at the 30-year market rate plus a certain percentage point. To qualify for a conversion, you usually need to be in good standing with the payments on your balloon loan. Balloon mortgage programs with conversion options are also called a 7/23 convertibles or 5/25 convertibles.

## BUY-DOWN MORTGAGES

Today's mortgage lenders have developed variations on the old buy-down method of offering an interest rate that is 2 percent below the fixed rate for the first year and 1 percent below the fixed rate for the second year, followed by 28 years of paying the regular fixed rate. Buy-downs now charge higher interest in the beginning of the loan to cover the future yields.

For example, if the current market rate for a fixed-rate loan is 8.5 percent at a cost of 1.5 points, the buy-down gives the borrower a first-year rate of 6.5 percent, a second-year rate of 7.5 percent and a third- through 30th-year rate of 8.5 percent. The cost would be 4.5 points.

The Silicon Valley's Real estate market is a derivative of the local economy--it prospers and withers depending on how well the local innovation-based sector performs. The San Jose Mercury News tracks the performances of the largest 150 publicly traded companies headquartered in Silicon Valley through an index called the SV150, which may be found at [www.mercurynews.com](http://www.mercurynews.com). Stocks are valued based on several criteria, but one of the more important criteria is a company's future earnings. Therefore, I see the SV150 as a leading indicator for Silicon Valley's real estate market.



## Investors Corner

### S&P CORELOGIC CASE-SHILLER NATIONAL HOME PRICES: CITIES IN THE WEST CONTINUE TO LEAD HOUSING MOMENTUM

**NEW YORK, APRIL 24, 2018** – 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 February 2018 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/2h1N5N>