



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

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# Santa Clara County Real Estate Trends Report

## Home Prices Stabilize

Although prices for single-family, re-sale homes are down year-over-year, they are showing signs of picking up. The median sales price was flat in April compared to March. The average sales price was up 8.3% over March. It is now at its highest since June of last year.

The sales price to list price ratio, which had a peak last spring of 112.4%, had dropped ten months in a row before bottoming out at 99.5% in January. It has risen every month since then. Last month it was up to 102%.

Home sales were down, year-over-year, for the twelfth month in a row. There were 706 homes sold in Santa Clara County last month. The average since 2000 is 987.

Inventory continues to expand. It has been higher than the year before eleven months in a row. Last month, it was up 71.7% over last year.

Days of Inventory, or how long it would take to sell all homes listed for sale at the current rate of sales, was down to 53 days. The average since 2003 is 89.

As of May 5th, there were 1,293 homes for sale in Santa Clara County. The average since January 2000 is 2,778.

It is taking twenty-five days to sell a home. That is the time from when a home is listed to when it goes into contract.

Prices for re-sale condos were up last month from the month before but were down year-over-year.

The sales price to list price ratio was 101.4%.

Condo sales were down 27.7% year-over-year.

Inventory continues to expand. It has been higher than the year before eleven months in a row.

As of May 5th, there were 546 condos for sale in Santa Clara County. The average since January 2000 is 757.

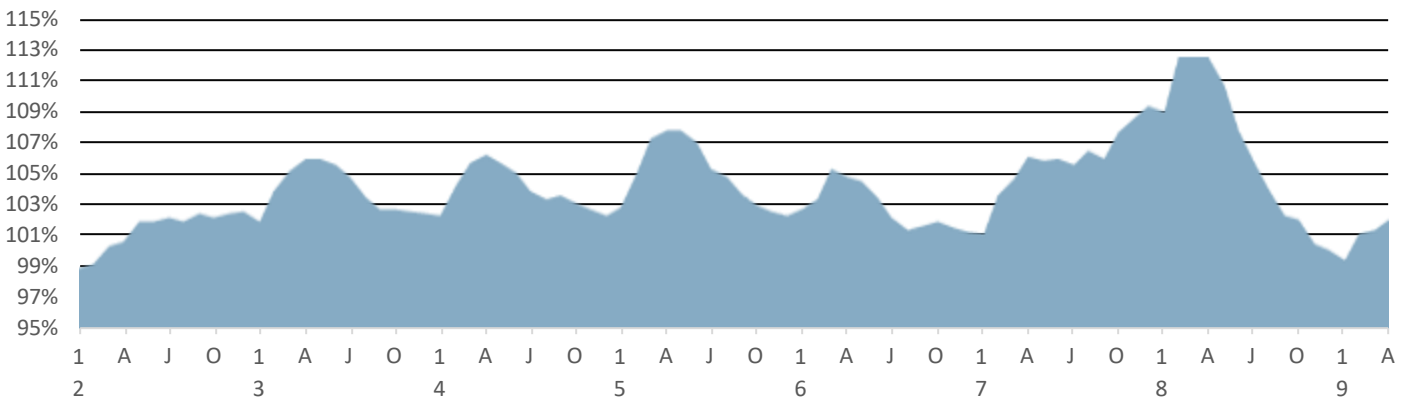
Days of inventory dropped to fifty-seven.

It took twenty-seven days to sell a condo last month.

If you are planning on selling your property, call me for a free comparative market analysis.

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**focused review** (your city,  
your neighborhood) **of current  
and historical market  
trends**  
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**Santa Clara County Homes: Sales Price/Listing Price Ratio**



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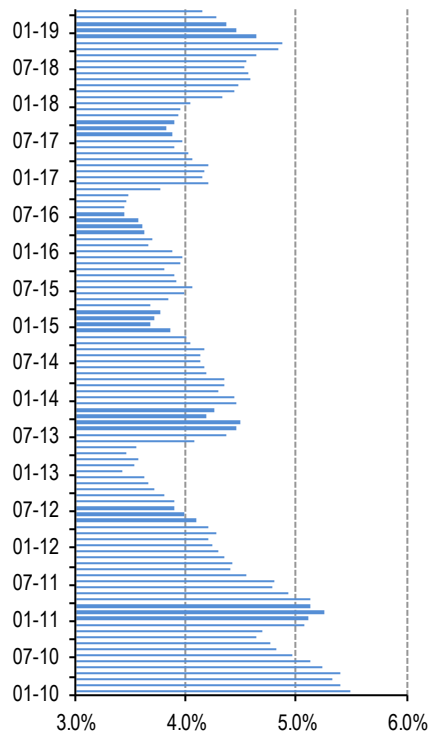
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30-Year Fixed Mortgage Rates



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

# Growth Strong, Rates Low. What Gives?

April 26, 2019 -- At the end of last year, rising short- and long-term rates and tightening financial market conditions threatened to bring economic growth to a standstill. Then, to start 2019, we got a partial shutdown of the federal government, which muddled, delayed and distorted the normal stream of economic data needed by the Fed and others to ascertain the recent and current economic climate.

Feeling its way through the murk, the Federal Reserve pulled an about-face in terms of policy, essentially telling the markets that it was likely done with increasing interest rates and that its active portfolio reduction would soon come to an end. Soothed, markets reacted very positively to this change, and as the quarter wended its way to a close and the smoke began to clear, the picture revealed was a pretty good one, and one good enough to quell talk of impending recession.

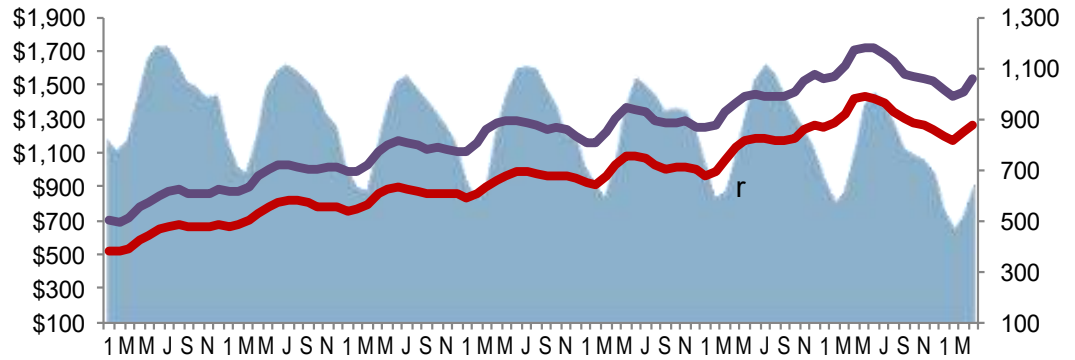
Home sales have been mixed-to-positive in the early part of 2019. The latest figures covering sales of existing homes in March was a little disappointing, as a 4.9% drop in sales from February occurred, leaving the annual rate of sale at 5.1 million units. Even with the decline, this is still the second

strongest figure since last November, and so might be considered fair. It's also worth remembering that sales in March are actually reflective of demand conditions 45 to 60 days prior, so back as far as perhaps early February, and before a meaningful decline in mortgage rates happened. It's also worth noting as we have on many occasions that what's holding back sales has less to do with high interest rates than with severely depleted inventories of homes available to buy, and those at inflated prices. Stockpiles have improved somewhat in recent months, but the present 3.9 months of supply relative to current sales remains well below optimal levels of about 6 months. As well, although price gains have moderated, costs of homes are still rising at a 3.8% annual clip and continue to outstrip income growth.

With limited supplies of existing homes to buy, at least some folks have taken to the new home market, where conditions are much looser. Sales of new homes rose continued on an upward trajectory in March, rising by 4.5% to an annualized 692,000 homes sold, the highest such figure since November 2017. Unlike existing homes, supply here both more

(Continued on page 4)

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



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Santa Clara County - April 2019										% Change from Year Before				
Single-Family Homes										Prices				
	Prices		Sales	Pend	Inven	DOI	SP/LP	Med	Ave	Sales	Pend'	Inven'		
Cities	Median	Average												
SCC	\$ 1,300,000	\$ 1,641,690	706	890	1,293	53	102.0%	-8.5%	-4.7%	-24.4%	-7.4%	71.7%		
Campbell	\$ 1,307,500	\$ 1,351,500	12	21	25	60	99.8%	-15.9%	-16.8%	-40.0%	-30.0%	8.7%		
Cupertino	\$ 2,325,000	\$ 2,514,930	23	24	27	34	102.8%	-7.2%	1.3%	4.5%	0.0%	92.9%		
Gilroy	\$ 763,750	\$ 803,637	30	68	88	85	99.4%	1.8%	-2.6%	-28.6%	1.5%	72.5%		
Los Altos	\$ 3,100,000	\$ 3,533,260	21	30	30	41	101.7%	-7.9%	-4.3%	-19.2%	25.0%	50.0%		
Los Altos Hills	\$ 5,670,000	\$ 5,246,670	6	4	21	102	96.4%	21.3%	9.0%	-40.0%	-55.6%	0.0%		
Los Gatos	\$ 2,400,000	\$ 2,281,000	29	48	103	103	98.5%	4.1%	-4.8%	-23.7%	-4.0%	17.0%		
Milpitas	\$ 1,204,000	\$ 1,288,070	14	27	28	58	105.5%	-7.4%	1.4%	-44.0%	35.0%	75.0%		
Monte Sereno	\$ 2,850,000	\$ 2,850,000	1	4	15	435	98.3%	-29.0%	-29.0%	-50.0%	33.3%	50.0%		
Morgan Hill	\$ 975,000	\$ 1,149,390	33	51	90	79	99.5%	-11.4%	2.4%	-29.8%	-16.4%	95.7%		
Mountain View	\$ 2,138,000	\$ 2,252,930	15	27	32	62	102.5%	-2.8%	-0.4%	0.0%	3.8%	146.2%		
Palo Alto	\$ 3,119,100	\$ 3,649,140	30	23	53	51	103.1%	-17.7%	-20.5%	-11.8%	-30.3%	60.6%		
San Jose	\$ 1,150,000	\$ 1,237,130	372	426	588	46	102.2%	-9.1%	-7.4%	-28.6%	-12.3%	94.1%		
Santa Clara	\$ 1,385,000	\$ 1,444,210	34	49	49	42	106.5%	-14.8%	-12.0%	-30.6%	8.9%	19.5%		
Saratoga	\$ 3,110,000	\$ 3,369,950	22	33	74	98	101.5%	6.5%	12.6%	-15.4%	32.0%	76.2%		
Sunnyvale	\$ 1,800,000	\$ 1,778,010	48	43	53	32	103.6%	-10.9%	-12.0%	-15.8%	-25.9%	65.6%		

**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.

## Market Statistics

### Trends at a Glance

(Single-family Homes)

	Apr 19	Month %	Mar 19	Year %	Apr 18
Median Price:	\$1,300,000	0.0%	\$1,300,000	-8.5%	\$1,420,000
Average Price:	\$1,641,690	8.3%	\$1,515,290	-4.7%	\$1,722,370
Home Sales:	706	-0.4%	709	-24.4%	934
Pending Sales:	890	4.0%	856	-7.4%	961
Active Listings:	1,293	24.1%	1,042	71.7%	753
Sale/List Price Ratio:	102.0%	0.7%	101.3%	-9.2%	112.4%
Days on Market:	25	-7.7%	27	68.8%	15
Days of Inventory:	53	20.5%	44	127.2%	23

(Condominiums)

	Apr 19	Month %	Mar 19	Year %	Apr 18
Median Price:	\$850,000	0.0%	\$850,000	-7.1%	\$915,444
Average Price:	\$902,290	0.6%	\$896,876	-6.7%	\$966,725
Home Sales:	276	10.4%	250	-27.7%	382
Pending Sales:	372	-1.6%	378	7.8%	345
Active Listings:	546	14.5%	477	138.4%	229
Sale/List Price Ratio:	101.4%	0.7%	100.6%	-11.7%	114.8%
Days on Market:	27	-6.8%	30	196.3%	9
Days of Inventory:	57	0.2%	57	230.0%	17

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to schedule

a complementary and confidential meeting.

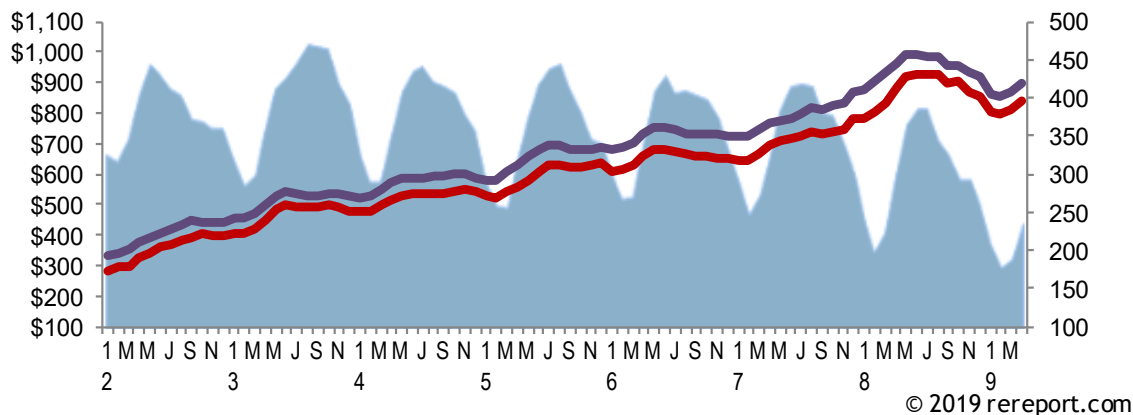
If your property is listed with a real estate broker, please disregard. It is not our intention to solicit the offerings of other real estate brokers. We are happy to work with them and cooperate fully.

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.

## Santa Clara 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.

### Santa Clara County - April 2019

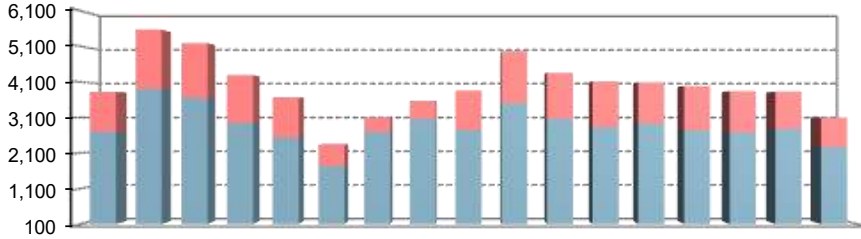
Condominiums	Prices							% Change from Year Before				
	Cities	Median	Average	Sales	Pend	Inven	DOI	SP/LP	Med	Ave	Sales	Pend'
SCC	\$ 850,000	\$ 902,290	276	372	546	57	101.4%	-7.1%	-6.7%	-27.7%	7.8%	138.4%
Campbell	\$ 1,111,000	\$ 1,152,000	7	8	28	116	99.6%	9.8%	23.2%	-36.4%	9.1%	400.0%
Cupertino	\$ 1,326,500	\$ 1,340,750	4	10	11	80	105.8%	-6.3%	-7.5%	-50.0%	-63.6%	350.0%
Gilroy	\$ 440,000	\$ 470,500	7	3	5	21	98.3%	15.9%	-13.5%	25.0%	133.3%	100.0%
Los Altos	\$ 2,250,000	\$ 2,189,330	3	4	1	10	101.2%	-27.4%	8.9%	300.0%	100.0%	-66.7%
Los Gatos	\$ 1,159,000	\$ 1,093,880	11	11	11	29	99.9%	19.6%	-14.6%	-22.2%	0.0%	16.7%
Milpitas	\$ 912,500	\$ 837,431	8	26	49	178	100.7%	-22.3%	-6.6%	28.6%	-34.5%	291.7%
Morgan Hill	\$ 715,000	\$ 668,050	10	13	13	38	99.8%	-13.5%	-3.7%	-25.0%	9.1%	500.0%
Mountain View	\$ 1,250,000	\$ 1,237,730	19	45	30	46	105.7%	-6.4%	-5.7%	-48.3%	88.0%	154.5%
Palo Alto	\$ 1,350,000	\$ 1,320,290	6	7	6	29	103.8%	-43.9%	-21.0%	-50.0%	40.0%	250.0%
San Jose	\$ 728,000	\$ 756,902	151	175	297	57	100.6%	1.1%	-8.6%	-12.6%	-7.0%	327.0%
Santa Clara	\$ 950,000	\$ 935,694	21	36	46	64	102.6%	3.1%	-9.1%	-34.6%	33.3%	344.4%
Saratoga	\$ 1,399,900	\$ 1,376,950	4	6	7	51	98.2%	-100.0%	4.1%	50.0%	0.0%	100.0%
Sunnyvale	\$ 1,185,000	\$ 1,177,700	25	28	40	46	103.7%	-5.5%	-11.2%	-11.1%	14.8%	211.1%

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

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

## Santa Clara County

Sales Year-to-Date



	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Condos	1,12	1,66	1,54	1,34	1,14	597	409	517	1,10	1,45	1,29	1,29	1,15	1,25	1,17	1,05	842
Homes	2,69	3,90	3,64	2,95	2,52	1,73	2,69	3,05	2,75	3,50	3,05	2,82	2,93	2,72	2,66	2,77	2,25

(Continued from page 2)

plentiful and elastic; after all builders can add more as demand warrants. Currently, though, with supply levels at an adequate 6 months, they probably won't be in a big hurry to add more stock, and given a 5.3% decline in prices, it appears as though there was a little bit of a sale on new homes last month to help move product out the door.

As they are tallied when a contract is signed, the bump in sales of new homes may also be more reflective of the decline in mortgage rate at the end of March which may have spurred demand a bit. Of course, one other interesting tidbit to consider is that with the dip in prices for new homes and smaller increases in costs for existing, the differential in monthly payment between the two (30-year FRM, 4.25%, 10% down for each) is just \$179 per month, making the leap to a new home arguably more palatable for a number of borrowers.

After a refi-fueled spurt, applications for mortgages have again tailed off, with the Mortgage Bankers Association of America reporting a 7.3% decline in the week ending April 19. Refinance applications have petered out now for the last three weeks, but this week were also joined by a slump in applications for purchase-money mortgages, too. Even with the recent slides, activity overall remains close to about two year highs, but even slightly firmer mortgage rates have been sufficient to curtail refinancing activity on a number of occasions this cycle.

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 INDEX SHOWS ANNUAL GAINS CONTINUE TO DECLINE

**APRIL 30, 2019 – 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 2019 shows that the rate of home price increases across the U.S. has continued to slow. More than 27 years of history for these data series is available, and can be accessed in full by going to <https://bit.ly/2JnRTeR>**

### Is it time to seriously consider investing in real estate?

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