Home Prices & Sales Continue to be Weak

The median sales price for single-family, re-sale homes in June was down for the fifth month in a row and seven of the past eight months, year-over-year. It fell 4.1%. The average sales price was down for the eighth month a row. It fell 4.5%.

The sales price to list price ratio dropped to 101.6% from 102.2%.

Home sales dropped 17.6% from May, and they were down, year-over-year, for the fourteenth month in a row: 16.4%. There were 817 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 thirteen months in a row. Last month, it was up 42% 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, gained ten days to 54 days compared to May. The average since 2003 is 89.

As of July 5th, there were 697 condos for sale in Santa Clara County. The average since January 2000 is 757.

Days of inventory rose to sixty-eight.

It took an average of twenty-eight days to sell a condo last month.

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

As of July 5th, there were 1,514 homes for sale in Santa Clara County. The average since January 2000 is 2,778.

It is taking twenty-four 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. Sales prices for condos have been lower than the year before seven months in a row.

The sales price to list price ratio was 101.3%.

Condo sales were down 21.2% year-over-year.

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

Santa Clara County Homes: Sales Price/Listing Price Ratio

For a focused review (your city, your neighborhood) of current and historical market trends go to http://avi.rereport.com/market_reports
Summer Simmer For Rates, Markets

June 28, 2019 -- As the calendar page turns this coming week, we close the books on the first half of 2019, which was certainly an eventful period. Typically, around the Independence Day holiday, markets seem to become much quieter, and often settle in to the doldrums for a while until the Labor Day wake up call to resume normal activity.

That seems less likely to be the case this year, as there is a rather pronounced expectation that the Fed will be cutting short-term interest rates at its July 31 meeting. However, we may have at least a couple of weeks of mellowier activity, and perhaps saw the first inkling of this in the last couple of days, as both equity markets and bond markets held fairly stable. Provided the economic news that is due out over the next couple of days isn’t too far outside of the range of expectations, we might see a more settled period run for a couple of weeks until we begin to close in on the next Fed meeting.

That would be good, given that major equity indexes just completed their best June in about 80 years and also that mortgage rates are presently at about 2.5 year lows -- and both arguably because the Fed has stood pat this year despite being pressured politically, by a changing economic climate, challenged by low inflation and ever-changing trade and tariff policies that may disturb expected trends to unknown degrees.

Sales of new homes continued were lackluster in May with a muted annual sales pace of 626,000. Weakness in the Northeast and especially the West pulled sales down by 7.8% compared to April (itself a decline from March). Although higher interest rates certainly don’t help housing sales, the reality is that lower rates aren’t a cure-all for them either -- the issue is more about the availability of desirable, affordable homes to buy in markets that need them than the price of mortgage money. For existing homes, it’s a lack of inventory and high prices; for new homes, it’s more likely that typically higher prices and new stock being built outside of the most desirable areas or at a greater commuting distance from center-city jobs that are keeping sales from gaining traction. In turn, this is keeping builders from starting homes at a more rapid pace, and in May there were an actual 333,000 units built and ready for sale, good enough to cover needs for 6.4 months at the current level of demand, so its unlikely that housing starts will flare higher anytime soon.

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

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.

Santa Clara County - June 2019

<table>
<thead>
<tr>
<th>Cities</th>
<th>Median</th>
<th>Average</th>
<th>Sales</th>
<th>Pend</th>
<th>Inven</th>
<th>DOI</th>
<th>SP/LP</th>
<th>Med</th>
<th>Ave</th>
<th>Sales</th>
<th>Pend°</th>
<th>Inven°</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCC</td>
<td>$1,350,000</td>
<td>$1,580,240</td>
<td>817</td>
<td>984</td>
<td>1,514</td>
<td>54</td>
<td>100.1%</td>
<td>-4.1%</td>
<td>-4.5%</td>
<td>-16.4%</td>
<td>5.8%</td>
<td>42.0%</td>
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<td>-7.1%</td>
<td>-3.6%</td>
<td>-20.7%</td>
<td>-7.7%</td>
<td>53.1%</td>
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<td>Cuperinio</td>
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<td>$2,341,530</td>
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<td>26</td>
<td>29</td>
<td>35</td>
<td>102.1%</td>
<td>-6.4%</td>
<td>-7.3%</td>
<td>-14.3%</td>
<td>-3.6%</td>
<td>-20.7%</td>
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<tr>
<td>Gilroy</td>
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<td>$930,126</td>
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<td>69</td>
<td>100</td>
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<td>-16.7%</td>
<td>-6.4%</td>
<td>-7.3%</td>
<td>60.0%</td>
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<td>-7.3%</td>
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<td>Monte Sereno</td>
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<td>-1.2%</td>
<td>50.0%</td>
<td>-16.7%</td>
<td>60.0%</td>
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<td>Morgan Hill</td>
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<td>$1,151,690</td>
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<td>105</td>
<td>65</td>
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<td>-0.5%</td>
<td>0.9%</td>
<td>4.4%</td>
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<td>78.0%</td>
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<tr>
<td>Mountain View</td>
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<td>$2,307,840</td>
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<td>33</td>
<td>53</td>
<td>101.1%</td>
<td>5.5%</td>
<td>-6.0%</td>
<td>-16.3%</td>
<td>0.0%</td>
<td>32.0%</td>
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<tr>
<td>Palo Alto</td>
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<td>-46.3%</td>
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<td>$1,250,950</td>
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<td>489</td>
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<td>101.4%</td>
<td>-5.6%</td>
<td>-5.6%</td>
<td>-18.5%</td>
<td>3.4%</td>
<td>39.8%</td>
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<tr>
<td>Santa Clara</td>
<td>$1,370,000</td>
<td>$1,433,130</td>
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<td>53</td>
<td>70</td>
<td>50</td>
<td>103.6%</td>
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<td>-10.0%</td>
<td>-33.9%</td>
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<td>29.6%</td>
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<tr>
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<td>-3.6%</td>
<td>3.7%</td>
<td>-2.6%</td>
<td>30.4%</td>
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</tbody>
</table>
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.

### Market Statistics

#### Trends at a Glance

<table>
<thead>
<tr>
<th>(Single-family Homes)</th>
<th>Jun 19</th>
<th>Month %</th>
<th>May 19</th>
<th>Year %</th>
<th>Jun 18</th>
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</thead>
<tbody>
<tr>
<td>Median Price</td>
<td>$1,345,000</td>
<td>0.5%</td>
<td>$1,338,000</td>
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<td>$1,402,000</td>
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<tr>
<td>Average Price</td>
<td>$1,636,240</td>
<td>-0.4%</td>
<td>$1,642,540</td>
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<td>$1,712,500</td>
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<tr>
<td>Home Sales</td>
<td>817</td>
<td>-17.6%</td>
<td>991</td>
<td>-16.4%</td>
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<tr>
<td>Pending Sales</td>
<td>984</td>
<td>-3.4%</td>
<td>1,019</td>
<td>5.8%</td>
<td>930</td>
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<tr>
<td>Active Listings</td>
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<td>4.4%</td>
<td>1,450</td>
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<tr>
<td>Sale/List Price Ratio</td>
<td>101.6%</td>
<td>-0.5%</td>
<td>102.2%</td>
<td>-5.7%</td>
<td>107.8%</td>
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<tr>
<td>Days on Market</td>
<td>24</td>
<td>4.5%</td>
<td>23</td>
<td>44.4%</td>
<td>17</td>
</tr>
<tr>
<td>Days of Inventory</td>
<td>54</td>
<td>22.4%</td>
<td>44</td>
<td>69.8%</td>
<td>32</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(Condominiums)</th>
<th>Jun 19</th>
<th>Month %</th>
<th>May 19</th>
<th>Year %</th>
<th>Jun 18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median Price</td>
<td>$890,000</td>
<td>4.0%</td>
<td>$855,800</td>
<td>-3.8%</td>
<td>$925,000</td>
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<tr>
<td>Average Price</td>
<td>$995,137</td>
<td>6.9%</td>
<td>$931,174</td>
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<td>$995,291</td>
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<tr>
<td>Home Sales</td>
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<td>383</td>
<td>-21.2%</td>
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</tr>
<tr>
<td>Pending Sales</td>
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<td>5.8%</td>
<td>385</td>
</tr>
<tr>
<td>Active Listings</td>
<td>697</td>
<td>7.6%</td>
<td>648</td>
<td>130.8%</td>
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<tr>
<td>Sale/List Price Ratio</td>
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<td>0.0%</td>
<td>101.3%</td>
<td>-8.1%</td>
<td>110.3%</td>
</tr>
<tr>
<td>Days on Market</td>
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<td>19.5%</td>
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<td>115.0%</td>
<td>13</td>
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<tr>
<td>Days of Inventory</td>
<td>68</td>
<td>34.1%</td>
<td>51</td>
<td>193.0%</td>
<td>23</td>
</tr>
</tbody>
</table>

#### 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 pf properties actively for sale as of the last day of the month.
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 Homes: Days of Inventory

Santa Clara County Sales Year-to-Date

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. 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

ANNUAL HOME PRICE GAINS CONTINUE TO FALL ACCORDING TO S&P CORELOGIC CASE-SHILLER INDEX

NEW YORK, JUNE 25, 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 April 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/2JulPn3

Is it time to seriously consider investing in real estate?
Signup for our Real Estate Investment Alerts and you’ll receive my real estate investment opportunities

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