



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

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San Mateo County Real Estate Trends Report

Sale Prices Set New Highs in May

Sale prices of both single-family, re-sale homes and condos set new highs last month.

The median sales price for single-family, re-sale homes rose 25.5% compared to last year. That's the twelfth month in a row the median sales price has been higher than the year before.

The average sales price for single-family, re-sale homes was up 16.1% year-over-year. That's the eighteenth month in a row the average sales price has been higher than the year before.

The sales price to list price ratio fell to 109.3% from 109.7%.

Sales of single-family, re-sale homes in San Mateo County were up for the eleventh month in a row, year-over-year, in May. They jumped 92.5% year-over-year. There were 435 homes sold in San Mateo County last month. The average since 2000 is 398.

Inventory of single-family, re-sale homes was down 37.7% compared to last year. As of June 5th, there were 292 homes for sale in San Mateo County. The average since January 2000 is 1,287.

Days of Inventory, or the amount of time it would take to sell all homes for sale divided by how many homes have sold, dropped to twenty from twenty-one days.

It took nineteen days, on average, to sell a home last month. That is the time from when a home is listed to when it goes into contract.

The median sales price for re-sale condos rose 18.1% year-over-year.

Year-over-year, the average sales price rose 14.2%.

Condo sales were up 138.9% year-over-year. There were 129 condos sold last month. The average since January 2003 is 122.

Inventory was down 7.9% year-over-year.

As of June 5th, there were 129 condos for sale in San Mateo County. The average since January 2003 is 350.

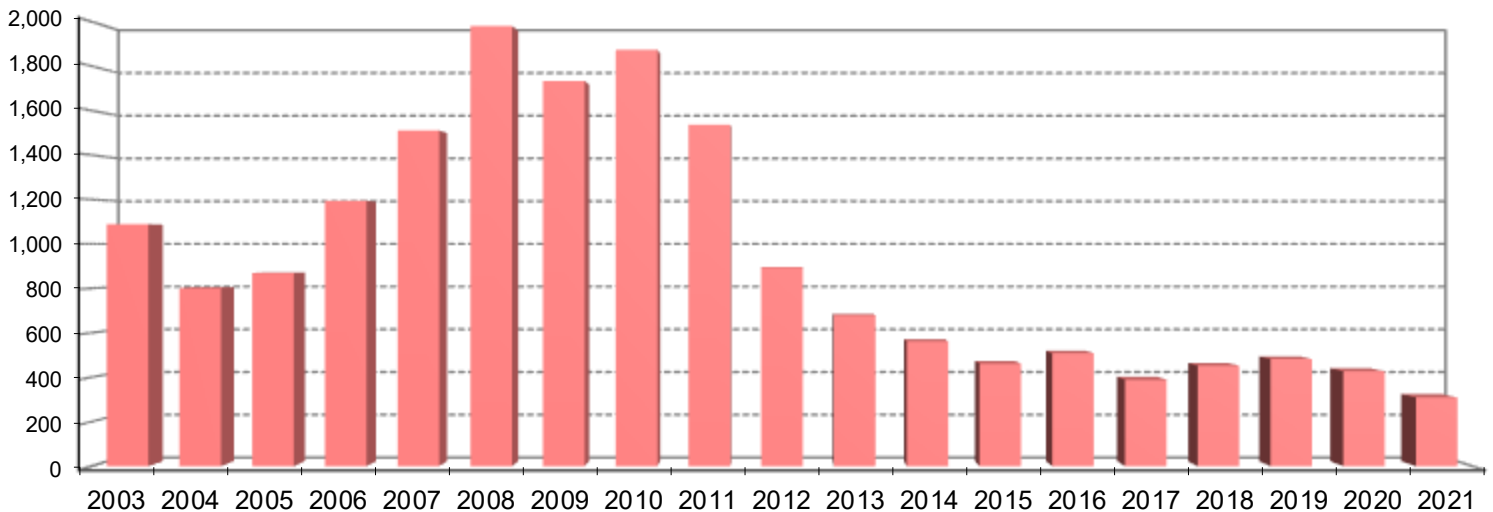
Days of inventory rose to thirty from twenty-eight. It took an average of nineteen days to sell a condo last month.

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

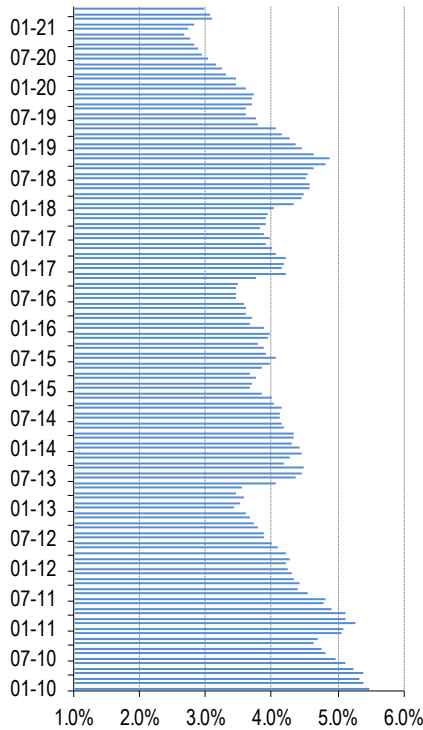
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and historical market
trends**
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San Mateo County
Average Monthly Active Listings SFR

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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/>.

Housing: Not So Fast

May 28, 2021 -- The increasingly unfavorable conditions facing housing markets are starting to have the expected effects: sales of new and existing houses are slowing down. Softening sales aren't a result of a lack of demand, at least for the most part, but rather a lack of supply, and most especially, a lack of supply that is desirable and affordable to wide swaths of the homebuying audience.

We learned last week that sales of existing homes throttled back for a third consecutive month, falling another 2.7% in April. Actually, sales have been flat to falling now for about six months after hitting a recovery high of 6.73 million units at an annualized rate of sale last October; April's 5.85 million rate was about 13% below that mark. The culprit(s) for tempering sales? Some would blame firmer mortgage rates, but they are only running perhaps a third of a percentage point above all-time bottoms, so that's not really the issue. However, home prices rising by

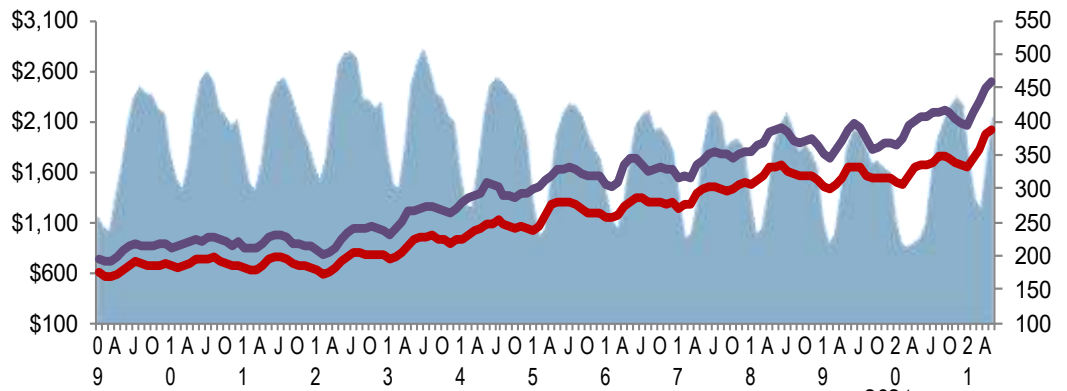
double-digits compared to a year ago -- and at nearly a 20% year-over-year clip in April -- is enough to put some buyers on the sidelines.

Perhaps the greatest issue is that there aren't many homes even to look at on the market, let alone purchase, as "for sale" inventories of existing homes remain razor thin (if improved somewhat from the tightest levels of the winter). Just 2.4 months of homes for sale at the present sales pace were available in April and potential buyers face bidding wars, cash competition and need to make near-instant decisions whether to buy or not just to have a chance to buy. In addition, there's little time to even consider options, since listings are coming off the market in an average of slightly more than two weeks' time.

(Continued on page 4)

San Mateo County Homes - Median & Average Prices & Sales

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



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San Mateo County - May 2021												
Single-Family Homes								% Change from Year Before				
Cities	Prices							Prices				
	Median	Average	Sales	Pend	Inven	DOI	SP/LP	Med	Ave	Sales	Pend'	Inven'
SMC	\$ 2,038,000	\$ 2,624,310	435	499	292	20	109.3%	25.5%	16.1%	92.5%	55.5%	-37.7%
Atherton	\$ 7,300,000	\$ 8,138,180	11	10	20	53	97.9%	11.0%	23.8%	1000.0%	233.3%	-20.0%
Belmont	\$ 2,200,000	\$ 2,304,280	29	21	12	12	114.3%	18.9%	25.9%	81.3%	162.5%	-33.3%
Brisbane	\$ 1,250,000	\$ 1,308,430	7	1	1	4	110.3%	3.3%	4.6%	75.0%	100.0%	-50.0%
Burlingame	\$ 3,155,000	\$ 3,174,930	22	27	16	21	108.5%	42.6%	25.7%	120.0%	145.5%	-11.1%
Daly City	\$ 1,250,000	\$ 1,264,400	22	21	12	16	111.8%	8.7%	15.1%	100.0%	50.0%	-57.1%
East Palo Alto	\$ 1,011,000	\$ 1,109,170	6	12	8	39	110.7%	-6.4%	2.7%	500.0%	200.0%	-52.9%
El Granada	\$ 1,450,000	\$ 1,567,000	5	6	2	12	110.4%	3.6%	14.8%	66.7%	50.0%	-66.7%
Foster City	\$ 2,115,000	\$ 2,272,310	8	10	3	11	107.6%	12.5%	20.0%	14.3%	42.9%	-50.0%
Half Moon Bay	\$ 1,642,500	\$ 1,691,170	12	21	6	15	108.4%	39.8%	24.8%	300.0%	90.9%	-66.7%
Hillsborough	\$ 5,420,000	\$ 6,074,360	11	16	29	76	104.2%	82.2%	86.8%	266.7%	300.0%	-14.7%
Menlo Park	\$ 2,850,000	\$ 3,242,170	41	61	39	28	104.2%	2.5%	3.1%	192.9%	335.7%	30.0%
Millbrae	\$ 2,351,890	\$ 2,334,310	9	21	2	6	116.6%	33.1%	20.0%	50.0%	320.0%	-84.6%
Montara	\$ 2,550,000	\$ 2,550,000	2	3	6	87	105.6%	90.7%	90.7%	0.0%	200.0%	-33.3%
Moss Beach	\$ 1,456,000	\$ 1,434,600	5	3	2	12	113.8%	26.4%	24.5%	150.0%	50.0%	-71.4%
Pacifica	\$ 1,350,000	\$ 1,442,920	25	15	10	12	112.9%	3.3%	8.6%	78.6%	7.1%	-50.0%
Portola Valley	\$ 3,350,000	\$ 3,576,790	14	13	15	31	99.7%	19.6%	26.2%	366.7%	160.0%	-11.8%
Redwood City	\$ 2,180,000	\$ 2,221,170	67	60	36	16	110.4%	57.9%	29.7%	168.0%	106.9%	-29.4%
Redwood Shores	\$ 1,910,000	\$ 2,034,720	5	7	2	12	124.7%	-10.7%	-4.9%	150.0%	600.0%	100.0%
S. San Francisco	\$ 1,075,000	\$ 1,149,410	17	18	5	9	104.1%	-2.7%	-3.8%	13.3%	80.0%	-28.6%
San Bruno	\$ 1,470,000	\$ 1,451,680	19	21	8	12	113.5%	22.5%	20.2%	90.0%	61.5%	-60.0%
San Carlos	\$ 2,465,000	\$ 2,569,330	21	30	22	30	112.1%	17.4%	29.3%	90.9%	114.3%	10.0%
San Mateo	\$ 1,815,000	\$ 2,002,210	75	65	18	7	110.7%	8.4%	13.4%	188.5%	80.6%	-56.1%
Woodside	\$ 4,430,000	\$ 4,128,890	9	12	34	110	99.8%	26.6%	-54.7%	80.0%	200.0%	17.2%

VISIT

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Trends at a Glance

(Single-family Homes)

	May 21	Apr 21	May 20
Median Price:	\$2,038,000	\$1,988,500	\$1,623,500
Average Price:	\$2,624,310	\$2,450,670	\$2,259,650
Home Sales:	435	443	226
Pending Sales:	499	487	321
Active Listings:	292	317	469
SP/LP Ratio	109.3%	109.7%	100.7%
Days on Market:	19	19	22
Days of Inventory:	20	21	62

(Condominiums)

	May 21	Apr 21	May 20
Median Price:	\$1,050,000	\$957,000	\$888,750
Average Price:	\$1,147,750	\$1,044,310	\$1,005,460
Home Sales:	129	149	54
Pending Sales:	187	163	98
Active Listings:	129	143	140
SP/LP Ratio	103.9%	103.1%	99.8%
Days on Market:	19	23	16
Days of Inventory:	30	28	78

Get straight answers to your real estate questions?
 Call 650-305-1111
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 to schedule a complimentary and confidential meeting.

San Mateo County Condos - Median & Average Prices & Sales

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

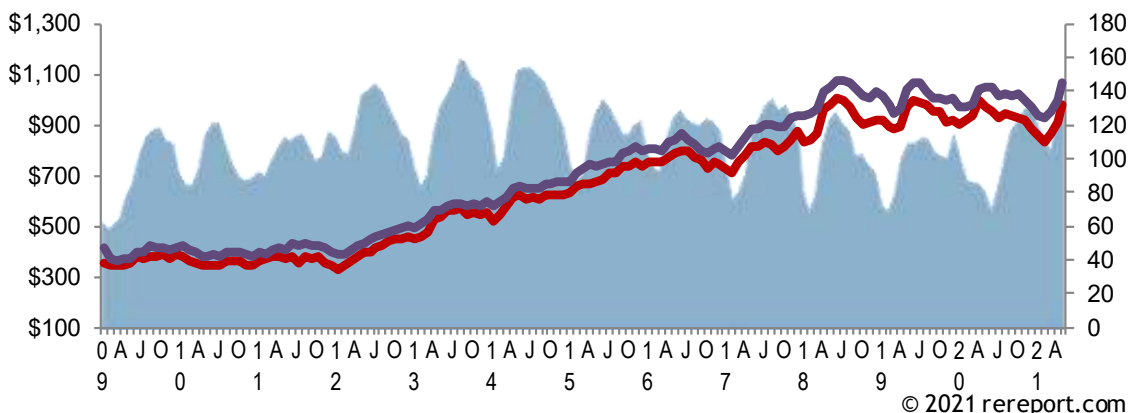


Table Definitions

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.

San Mateo County - May 2021

Condominiums								% Change from Year Before				
Prices								Prices				
Cities	Median	Average	Sales	Pend	Inven	DOI	SP/LP	Med	Ave	Sales	Pend'	Inven'
SMC	\$ 1,050,000	\$ 1,147,750	129	187	129	30	103.9%	18.1%	14.2%	138.9%	90.8%	-7.9%
Belmont	\$ 653,500	\$ 741,833	6	3	2	10	99.4%	-42.7%	-34.9%	500.0%	200.0%	-33.3%
Burlingame	\$ 1,377,500	\$ 1,304,170	6	7	9	44	99.0%	11.4%	8.1%	50.0%	600.0%	125.0%
Daly City	\$ 825,000	\$ 747,455	11	11	6	16	102.6%	6.5%	-6.4%	22.2%	120.0%	-25.0%
Foster City	\$ 970,000	\$ 1,093,820	19	18	11	17	104.6%	-26.4%	-18.5%	111.1%	350.0%	-21.4%
Menlo Park	\$ 1,627,500	\$ 1,644,800	10	15	17	49	100.0%	42.8%	43.5%	100.0%	275.0%	70.0%
Pacifica	\$ 821,120	\$ 875,424	5	2	0	0	109.1%	12.0%	8.2%	66.7%	300.0%	0.0%
Redwood City	\$ 1,130,000	\$ 1,105,750	13	19	13	29	107.1%	5.1%	0.1%	85.7%	280.0%	8.3%
Redwood Shores	\$ 1,110,000	\$ 1,144,220	9	9	5	16	102.2%	-16.2%	-13.6%	350.0%	200.0%	66.7%
San Bruno	\$ 512,500	\$ 509,375	8	11	9	33	101.8%	-8.5%	-9.0%	700.0%	266.7%	80.0%
San Carlos	\$ 1,257,500	\$ 1,291,500	12	13	9	22	103.4%	-20.2%	-17.2%	50.0%	-60.6%	-10.0%
San Mateo	\$ 1,045,000	\$ 1,096,930	30	32	53	51	101.7%	13.9%	9.9%	87.5%	190.9%	76.7%
S. San Francisco	\$ 713,000	\$ 779,555	12	3	15	38	100.0%	-0.1%	1.0%	50.0%	0.0%	650.0%

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)

After some weeks or months of trying and having no success, some potential homebuyers simply become discouraged and step back from the market, hoping for more favorable conditions to emerge.

In some markets, new construction can help pick up the slack for a lack of existing homes to buy, but not everywhere. Locations where new homes can be built more than one at a time are often a greater distance from city centers, amenities and job markets. Work-from-home opportunities have attenuated the last issue to a degree, but only to a degree, and with pandemic restrictions fading and more companies talking about a return to the office, the waters are a little muddy when it comes to potential future commuting. This changing climate may give some buyers who might consider a brand-new home pause.

But the new construction market is now starting to suffer from surging prices, too. Rising costs for lumber and other materials is inflating the cost of a new home, and supplies of labor and fixtures and more remain an issue due to the effects of the pandemic and perhaps those stemming from attempts to ameliorate the effects of the pandemic, too). As recently as March, the median cost of a brand-new house (\$334,200) was nearly the same as that for an existing home (\$326,300), and prices for new stock were in a comparatively flat pattern relative to existing home prices.

That's no longer the case, with new home prices shooting up by 11.4% on a month-to-month basis (\$372,400) and about 20% higher than they were last April. Pandemic effects play a role to a degree in the size of the annual jump, but just a little. So with prices leaping for new homes almost as fast as existing, it's reasonable to expect sales to temper, and they did, falling 5.9% to an 863,000 annual rate of sale. Unlike the existing market, homes available to buy aren't much of an issue, as there reasonable levels of inventory available -- about 4.4 months at the present sales pace -- with the 316,000 units available the highest number in a year's time.

Where existing home sales reflect demand anywhere from a month or two prior to the month in which they are reported (e.g. April's sales reflect demand in February and March), sales of new homes are recorded in the month when the contract is signed, so demand for new homes cooled in April. The National Association of Realtors has a similar as-contracted tally for existing homes called the Pending Home Sales Index; April's 4.4% decline in the PHSI to a level last seen a year ago in May suggests that sales of existing homes will likely be sluggish in May and June. Often, once the "spring homebuying season" passes, home sales tend to tail off a bit for the summer, but more likely this year is that they'll only flatten out a bit more from where we are at the moment. Even if they should, there's really nothing especially concerning about home sales in the 5.5 million or so range, even if this number is considerably lower than it could be in more favorable inventory and price conditions.

So even as the rest of the economy comes up to full (or fuller) recovery speed, the housing market may not be able to produce much by way of gains, but 2021 will turn out to be a very solid year even if it can only hold present levels. While there's no immediate indication that the Fed will be making any moves anytime soon, the more time moves forward, the closer to the day we get when they will start making changes. As we approach this shift (whenever it may be) this at least for a time will produce higher interest rates, and that may temper sales a bit more.

So housing markets are settling after a strong set of gains. Odds favor that sales will pick up again once inventory levels improve (existing) or lumber and materials inflation subside (new construction) and home price increases throttle back again. It would be better if these things happened sooner than later, because later at some point will come with higher mortgage rates, although they won't be high enough (perhaps a 4% level or higher) to do any kind of real damage to demand for an extended period yet.

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

S&P CORELOGIC CASE-SHILLER INDEX REPORTS 12.0% ANNUAL HOME PRICE GAIN CLIMBED TO 13.2% IN MARCH

NEW YORK, MAY 25, 2021: S&P Dow Jones Indices (S&P DJI) 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 March 2021 show that home prices continue to increase across the U.S. More than 27 years of history are available for the data series, and can be accessed in full by going to [CLICK HEAR](#)

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