



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

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Santa Clara County Real Estate Trends Report

Prices Mixed, Sales Down

The median sales price for single-family, re-sale homes fell, month-over-month. It was down 2.5% from June. It was up 2.1% compared to last year.

The average sales price for single-family, re-sale homes was down 4.7%, month-over-month. It was down 4.7% year-over-year.

Sales of single-family, re-sale homes were down for the nineteenth month in a row, year-over-year, in July. Sales fell 8.3%. There were 554 homes sold in Santa Clara County last month. The monthly average since 2000 is 987.

The sales price to list price ratio rose from 105.4% to 105.9%.

Pending sales were down 55.2% year-over-year.

Inventory of single-family, re-sale homes was down for the fourth month in a row. It fell 56.6% compared to last year. As of August

13th, there were 555 homes for sale in Santa Clara County. The average since January 2000 is 2,703.

Days of Inventory, or how long it would take to sell all homes listed for sale at the current rate of sales, rose from 22 days to 30 days. The average since 2003 is 89.

It took seventeen days to sell a home last month. That is the time from when a home is listed for sale to when it goes into contract.

The median sales price for condos was up 1.9% compared to last July. The average sales price fell 0.7% year-over-year.

Condo sales were down 25.3% year-over-year. There were 224 condos sold in July.

The sales price to list price ratio fell from 103.7% to 102.8%.

Condo inventory was down 56.6% compared to last July.

As of August 13th, there were 244 condos for sale in Santa Clara County. The average since January 2000 is 757.

Days of inventory rose from twenty-three to thirty-three.

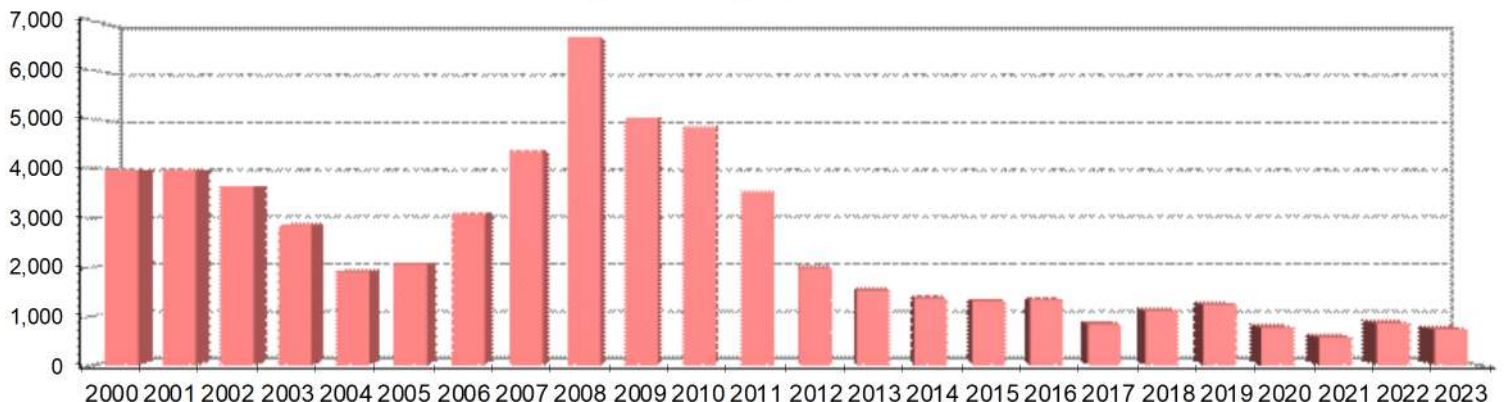
It took an average of twenty-three days to sell a condo last month.

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

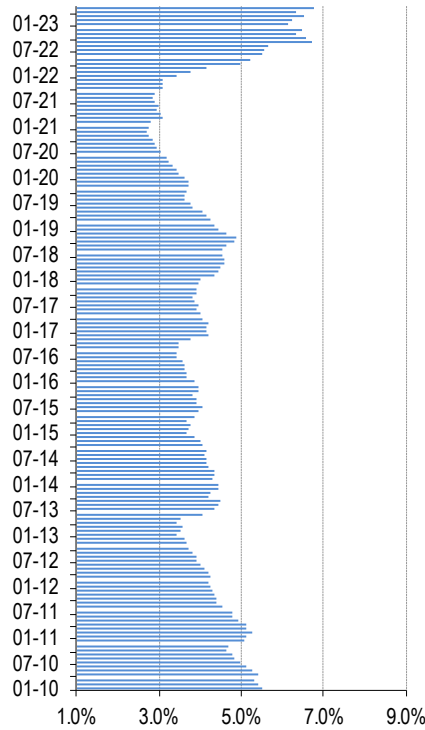
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Santa Clara County
Average Active Listings SFR YTD

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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/>.

Favorable Evidence Accumulating

Aug 4, 2023 -- Mortgage and other interest rates powered higher again this week, but the proximate cause wasn't a spike of inflation, more tightness in the labor market or a sudden surge in economic activity. Rather, the increases were caused by concerns about good old supply and demand, with those compounded to a degree by a considered opinion about America's ability to manage its debt.

With significant budget deficits to cover, the Treasury announced its quarterly refunding needs this week, and the expected borrowing for the July-September quarter was pegged at one trillion dollars, up by \$274 billion from the previous quarter. Supplies of new bonds were already running at very high levels, and even if there is enthusiastic demand for the increase in supply, it is likely too much for investors to want to readily absorb. More bond supply into uncertain demand is a recipe for higher yields, and higher yields we got.

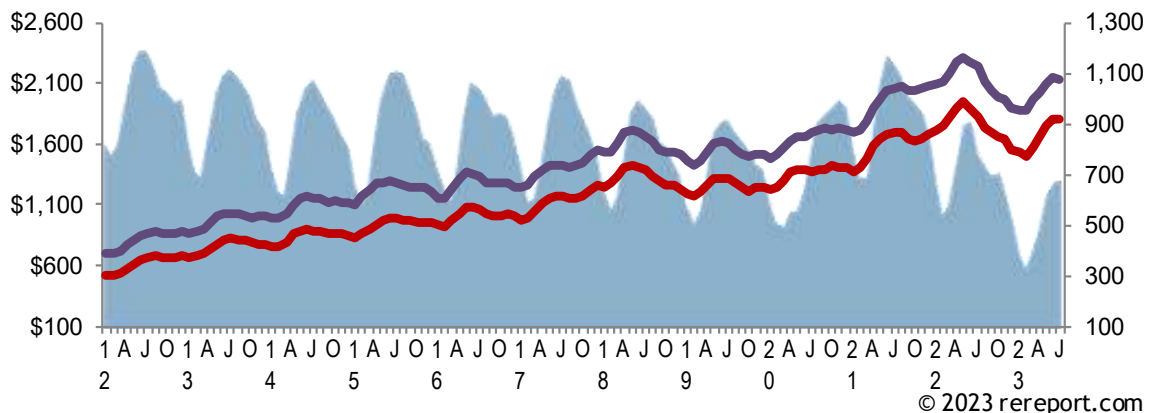
Just a day after the Treasury announcement, Fitch Ratings downgraded the U.S. credit rating from AAA to AA+, noting that America's fiscal house is rather a mess. In an interview with CNN, Richard

Francis, the lead analyst on US sovereign ratings for Fitch Ratings, said "We do feel like governance has deteriorated steadily over the last 20 years" and "Because of that, we have less confidence that the government can tackle [these] fiscal challenges." While the downgrade doesn't significantly alter the outlook for U.S. borrowing, it may have added a bit of firmness to yields this week. As far as mortgage-rate effects, the ratings service also downgraded the debt issued by Fannie Mae and Freddie Mac to AA+; while these issuances to raise funds to buy mortgages from lenders are essentially now fully guaranteed by the U.S., it could have an effect on the GSE's borrowing costs, and that would translate into somewhat firmer mortgage rates than would otherwise be the case absent the downgrade.

That rates were firming up this week is rather unfortunate, as the overall tenor for the fresh economic data out this week was just the kind of evidence that the Fed is hoping to see as it looks to contain inflation. In

(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 - July 2023												
Single-Family Homes								% Change from Year Before				
Prices								Prices				
Cities	Median	Average	Sales	Pend	Inven	DOI	SP/LP	Med	Ave	Sales	Pend'	Inven'
SCC	\$ 1,784,000	\$ 2,083,120	554	543	555	30	105.9%	2.1%	-4.7%	-8.3%	-55.2%	-56.6%
Campbell	\$ 1,902,780	\$ 1,932,830	13	22	16	37	109.0%	10.0%	-1.4%	-35.0%	-24.1%	-51.5%
Cupertino	\$ 3,094,000	\$ 3,276,000	18	15	20	33	105.4%	13.3%	12.1%	-14.3%	-69.4%	-33.3%
Gilroy	\$ 1,150,000	\$ 1,213,030	33	33	35	32	101.8%	2.0%	-0.9%	3.1%	-41.1%	-57.8%
Los Altos	\$ 4,061,150	\$ 4,165,280	18	17	19	32	104.7%	4.8%	-1.6%	-47.1%	-56.4%	-44.1%
Los Altos Hills	\$ -	\$ -	0	3	15	0	0.0%	-12.2%	-20.0%	-12.5%	-62.5%	-11.8%
Los Gatos	\$ 2,237,500	\$ 2,699,620	28	38	55	59	101.3%	-2.7%	6.5%	47.4%	-44.9%	-32.9%
Milpitas	\$ 1,412,500	\$ 1,526,330	16	16	9	17	105.1%	-14.4%	-6.4%	128.6%	-38.5%	-72.7%
Monte Sereno	\$ 3,532,500	\$ 3,532,500	2	3	4	60	94.7%	-19.7%	-17.9%	-60.0%	-62.5%	-42.9%
Morgan Hill	\$ 1,490,000	\$ 1,483,780	26	17	46	53	101.9%	-0.7%	-20.5%	-36.6%	-70.7%	-27.0%
Mountain View	\$ 2,460,000	\$ 2,572,380	21	19	11	16	104.3%	-1.6%	-2.6%	-16.0%	-53.7%	-63.3%
Palo Alto	\$ 3,300,000	\$ 4,310,010	21	22	44	63	100.6%	1.3%	-4.4%	-16.0%	-68.1%	-26.7%
San Jose	\$ 1,620,000	\$ 1,701,140	267	258	213	24	107.2%	9.5%	6.1%	-4.3%	-55.1%	-68.1%
Santa Clara	\$ 1,640,000	\$ 1,790,600	33	22	18	16	110.6%	0.6%	12.2%	6.5%	-62.1%	-60.9%
Saratoga	\$ 3,700,000	\$ 3,572,380	13	17	23	53	102.1%	20.3%	1.4%	-18.8%	-63.0%	-43.9%
Sunnyvale	\$ 2,372,500	\$ 2,401,510	40	34	17	13	108.1%	2.0%	2.6%	0.0%	-56.4%	-68.5%

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)

	Jul 23	Month %	Jun 23	Year %	Jul 22
Median Price:	\$1,784,000	-2.5%	\$1,830,000	2.1%	\$1,747,500
Average Price:	\$2,083,120	-4.7%	\$2,186,720	-4.7%	\$2,186,310
Home Sales:	554	-22.7%	717	-8.3%	604
Pending Sales:	543	-30.6%	782	-55.2%	1,211
Active Listings:	555	3.0%	539	-56.6%	1,278
Sale/List Price Ratio:	105.9%	0.5%	105.4%	4.6%	101.2%
Days on Market:	17	5.7%	16	-20.7%	22
Days of Inventory:	30	37.9%	22	-52.7%	63

	Jul 23	Month %	Jun 23	Year %	Jul 22
Median Price:	\$967,500	-7.4%	\$1,045,000	1.9%	\$949,000
Average Price:	\$1,039,550	-3.5%	\$1,077,060	-0.7%	\$1,046,370
Home Sales:	224	-20.6%	282	-25.3%	300
Pending Sales:	240	-20.8%	303	-42.3%	416
Active Listings:	244	8.0%	226	-56.6%	562
Sale/List Price Ratio:	102.8%	-0.9%	103.7%	0.8%	102.0%
Days on Market:	23	32.3%	17	7.4%	21
Days of Inventory:	33	40.6%	23	-41.9%	56

Get straight answers to your real estate questions?
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 to schedule a complimentary 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)

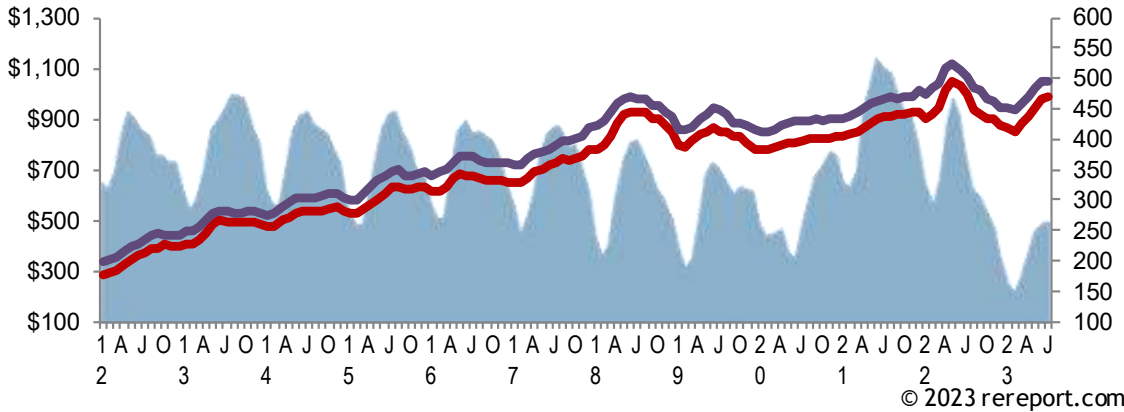


Table Definitions

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

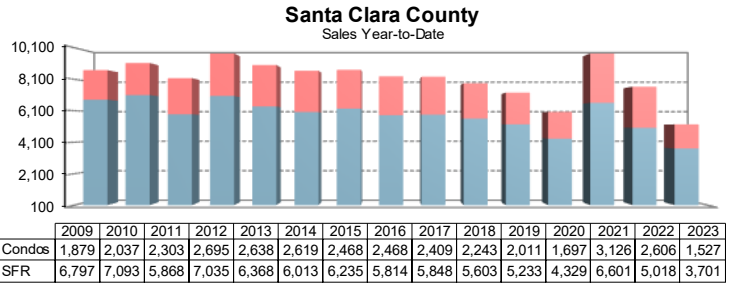
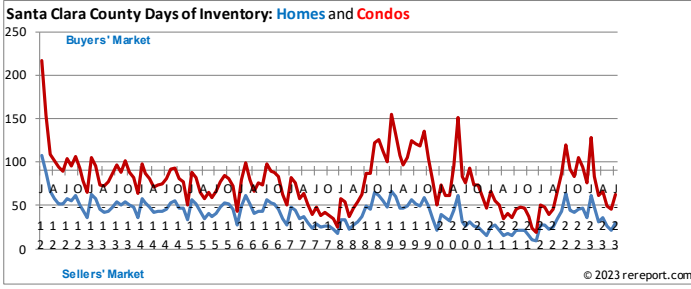
Number of properties actively for sale as of the last day of the month.

Santa Clara County - July 2023

Condominiums								% Change from Year Before				
Prices								Prices				
Cities	Median	Average	Sales	Pend	Inven	DOI	SP/LP	Med	Ave	Sales	Pend'	Inven'
SCC	\$ 967,500	\$ 1,039,550	224	240	244	33	102.8%	1.9%	-0.7%	-25.3%	-42.3%	-56.6%
Campbell	\$ 990,000	\$ 1,074,210	8	6	9	34	102.5%	-1.5%	-2.7%	-20.0%	-14.3%	-30.8%
Cupertino	\$ 1,107,780	\$ 1,039,260	3	2	3	30	103.0%	-30.5%	-31.4%	-50.0%	-85.7%	-76.9%
Gilroy	\$ -	\$ -	0	4	4	0	0.0%	3.9%	3.9%	0.0%	0.0%	0.0%
Los Altos	\$ 2,050,000	\$ 1,882,800	5	4	6	36	100.5%	-25.8%	-31.8%	150.0%	-20.0%	-25.0%
Los Gatos	\$ 1,420,000	\$ 1,399,550	11	12	11	30	100.0%	-2.1%	-3.8%	22.2%	33.3%	-50.0%
Milpitas	\$ 921,000	\$ 957,000	11	10	8	22	103.8%	-23.9%	-17.6%	-47.6%	-50.0%	-63.6%
Morgan Hill	\$ 935,000	\$ 882,389	9	11	12	40	100.3%	20.7%	15.5%	125.0%	10.0%	-25.0%
Mountain View	\$ 1,210,000	\$ 1,175,470	15	27	18	36	100.9%	-5.6%	-6.1%	-42.3%	-27.0%	-58.1%
Palo Alto	\$ 1,660,000	\$ 1,655,110	9	3	15	50	103.1%	-5.1%	1.0%	-30.8%	-66.7%	-48.3%
San Jose	\$ 804,000	\$ 876,434	112	126	131	35	102.9%	-19.6%	-20.7%	#####	#####	403.8%
Santa Clara	\$ 1,010,000	\$ 1,060,000	19	12	10	16	103.8%	32.9%	16.8%	-36.7%	-65.7%	-79.6%
Saratoga	\$ 1,492,510	\$ 1,442,760	4	1	3	23	103.8%	2.9%	-0.5%	300.0%	-75.0%	50.0%
Sunnyvale	\$ 1,231,000	\$ 1,210,290	17	20	13	23	106.1%	1.0%	0.3%	-52.8%	-51.2%	-74.0%

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

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



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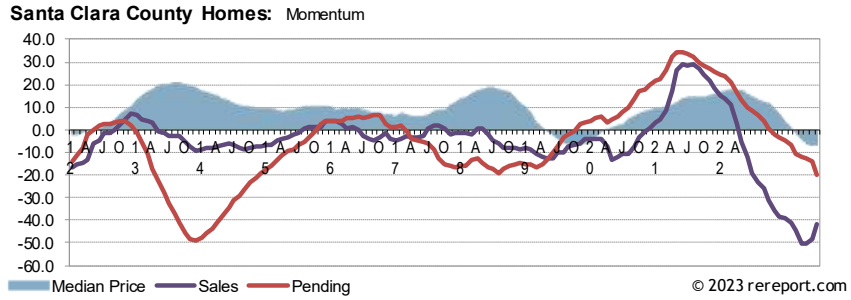
a different week, we might have seen interest rates retreating a bit from recent levels, but all they are likely to do at the moment is retrace some (or perhaps all) of the latest rise.

Spending on construction projects rose by 0.5% in June, a sixth consecutive monthly increase. Outlays for residential construction contributed to the increase, rising 0.9%, a second consecutive gain after 10 months of declines.

With mortgage rates elevated, it's not likely we'll see much by way of routinely increasing demand for home loans anytime soon. Another 3% decline in overall requests for mortgage credit was seen in the week ending July 28, according to the Mortgage Bankers Association. The overall figure was pulled downward by a 3.2% drop in applications for purchase-money mortgages (third weekly decline in a row) and a 2.5% drop in requests for funds to refinance existing mortgages, a second consecutive easing.

Which brings us into the rate outlook for next week. The recent upward pressure on mortgage rates was only partly expressed in Freddie Mac's data this week, as their previous-Thursday-to-this-Wednesday survey week missed the worst of the bond-market selloff. Some of that uptick yet remains, but most of it may wash out of the market by the time next Thursday rolls around and new survey data becomes available. With the CPI and PPI coming out Friday, those reports won't play a role in next week's mortgage rates, at least as far as Freddie's survey is concerned.

Given all that, there's a good chance that there's only a slight residual bump in mortgage rates at most for next week, and if the bond-market rally of Friday can carry, a chance of stable or even slightly lower rates, as well. We'll hedge those possible outcomes, and expect an increase of perhaps a basis point or three in the average offered rate for a conforming 30-year fixed-rate mortgage as reported by Freddie Mac next Thursday at noon.



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 Repeats Gains in May

NEW YORK, JULY 25, 2023: 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 May 2023 show all 20 major metro markets reported month-over-month price increases for the third straight month. More than 27 years of history are available for the data series and can be accessed in full by going to [CLICK HERE](#)

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