

## Real Estate Service With My Personal Guarantee



**Avi Urban**

EE, Real Estate Consultant

DRE #: 01485729

650.305.1111

[avi@650and408homes.com](mailto:avi@650and408homes.com)

[www.650and408homes.com](http://www.650and408homes.com)

**the One-Stop Realtor for busy professionals™**

**JUNE/JULY 2015**

Inside This Issue

- > LOCAL MARKET TRENDS . . . . . 1
- > MORTGAGE RATE OUTLOOK . . . . . 2
- > HOME STATISTICS . . . . . 2
- > FORECLOSURE STATS . . . . . 3
- > CONDO STATISTICS . . . . . 3
- > HOME SALES & PENDING CHART . . . 4
- > INVESTORS CORNER . . . . . 4

KELLERWILLIAMS.

**SAN MATEO COUNTY**

# The Real Estate Report

## Silicon Valley market trends report

### Home Prices at All-time Highs, Again

The median price for single-family, re-sale homes stayed over \$1,000,000 for the fifth month in a row and fourteen of the past fifteen months.

Sales of single-family, re-sale homes fell, year-over-year, and were lower than the month before, which is unusual.

Active listings continue to be anemic, down by double-digits for the eleventh month in a row. Pending sales showed double-digit losses for the ninth month in a row.

Anecdotally, we've been hearing that multiple offers are declining. Rather than eight to ten offers on a home, many homes are selling with less than three offers.

This could be a result of buyers' exhaustion, and could portend a slowing of the market.

Although, with a sales price to list price ratio of 111.1% last month, which is a record high, demand seems to be strong.

The sales price to list price ratio has been over 100% for thirty-seven months in a row.

#### MAY MARKET STATISTICS

##### Year-Over-Year

- Median home prices increased by 17.8% year-over-year to \$1,325,000 from \$1,125,000.

- The average home sales price rose by 7.4% year-over-year to \$1,659,460 from \$1,544,650.
- Home sales fell by 14.1% year-over-year to 385 from 448.
- Total inventory\* fell 31.8% year-over-year to 765 from 1,122.
- Sales price vs. list price ratio rose by 4.2% year-over-year to 111.1% from 106.7%.

##### Month-Over-Month

- Median home prices improved by 2.1% to \$1,325,000 from \$1,297,500.
- The average home sales price rose by 2.5% to \$1,659,460 from \$1,619,040.
- Home sales down by 2.3% to 385 from 394.
- Total inventory\* increased 5.8% to 765 from 723.
- Sales price vs. list price ratio increased by 1.2% to 111.1% from 109.8%.

##### CONDOMINIUMS

##### Year-Over-Year

- Median condo prices increased by 15.1% year-over-year to \$722,500 from \$627,500.
- The average condo sales price rose by 20.4% year-over-year to \$778,789 from \$646,836.
- Condo sales fell by 18.9% year-over-year to 120 from 148.
- Total inventory\* fell 37.8% year-over-year to 181 from 291.

Trends at a Glance (Single-family Homes)			
	May 15	Apr 15	May 14
Median Price:	\$1,325,000	\$1,297,500	\$1,125,000
Average Price:	\$1,659,460	\$1,619,040	\$1,544,650
Home Sales:	385	394	448
Pending Sales:	375	346	440
Active Listings:	390	377	682
Sale/List Price Ratio:	111.1%	109.8%	106.7%
Days on Market:	17	22	27
Days of Inventory:	30	28	46

#### San Mateo County Price Differences from January 2013 & Peak & Trough

##### Homes: detached

	YTD	Peak %	Trough %	Peak	Trough
3-month	77%	0%	134%	Jul-14	Mar-09
12-month	61%	0%	72%	Feb-15	Oct-09

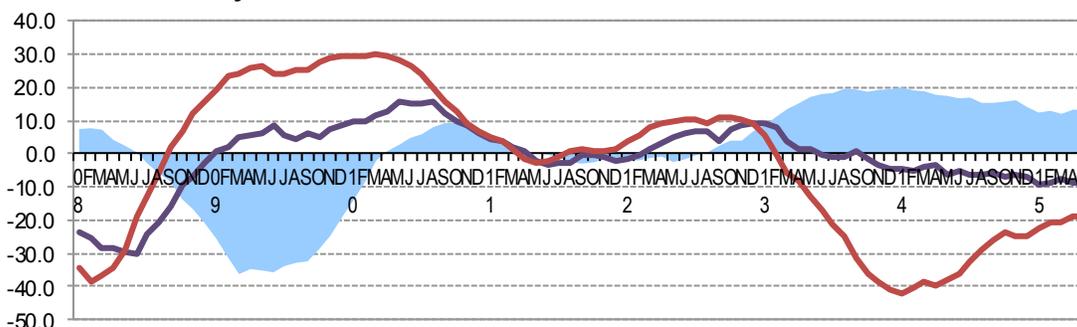
##### Homes: attached

3-month	52%	0%	108%	Feb-14	Jan-12
12-month	75%	0%	81%	Feb-14	Feb-12

- Sales price vs. list price ratio rose by 5.4% year-over-year to 110.5% from 104.8%.

\* Total inventory is active listings plus contingent or pending listings. Active listings do not include contingent listings.

#### San Mateo County Homes: Momentum



**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.

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

For more information go to the "Seminars" tab on my web site

<http://www.650and408homes.com>

### MORTGAGE RATE OUTLOOK

#### Mortgage Rates Firming: Blame the Fed

May 29, 2015 -- HSH.com's broad-market mortgage tracker -- our weekly Fixed-Rate Mortgage Indicator (FRMI) -- found that the overall average rate for 30-year fixed-rate mortgages eased by a single basis point (0.01%) this week to an average of 3.97%. The FRMI's 15-year companion moved in reverse of that, climbing by one basis point to an average interest rate of 3.27%. Rates on fully-insured FHA-backed 30-year FRMs remain considerably below their conforming counterparts but were at a standstill this week, holding at an average 3.73%. Meanwhile, the overall 5/1 Hybrid ARM added a single basis point to bump up to an average 2.98%. HSH's FRMIs include both conforming and jumbo rates, providing borrowers with a broader view of mortgage conditions.

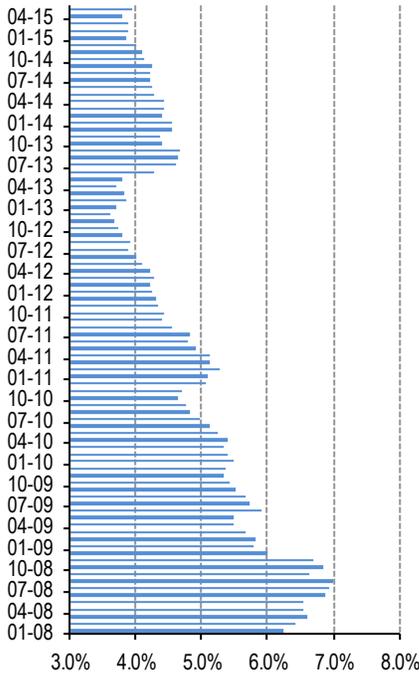
The downtrend in mortgage rates in April helped sales of new homes to improve. The Census Bureau reported sales of newly-built homes rose by 6.8% for the month, climbing to a 517,000 annualized rate of sale. Inventory levels here are somewhat more elastic; that is, more new homes can be built to meet demand. According to the report, there is about 4.8 months of built and ready-to-sell stock available; this is thinner than optimal at about 205,000 units. Builders continue to express caution about adding to stock even as the housing market continues on

an overall path of slow improvement. The 5.3% month-over-month rise in prices may see a little more enthusiasm for that, though -- it was the first increase in prices seen since last November.

Long-term interest rates (and mortgage rates) are of course forward-looking by their nature. Soft economic patches aside, interest rates have nudged higher this spring not because the current climate is much to write home about, but rather that the prospects for more widespread growth (here and abroad, especially in the Eurozone) are improving. That said, it seems as though it will be more of a slowly rising tide lifting all boats for this go-round, rather than the U.S. pulling hard to help keep afloat many other economies.

Also, no panic here and certainly less over there seems to have softened the conditions which produced recent lows for rates, which are likely to be sticky around these levels, give or take a little. If everything goes according to expectations (a process not likely, or at least not smoothly) we may be soon be at or near the start of a long and gradual upturn for rates. Before then, we will need to take the first step, probably in September, and see where we'll go from there.

### 30-Year Fixed Mortgage Rates



The chart above shows the National monthly average for 30-year fixed rate mortgages as compiled by HSH.com. The average includes mortgages of all sizes, including conforming, "expanded conforming," and jumbo.

**VISIT**

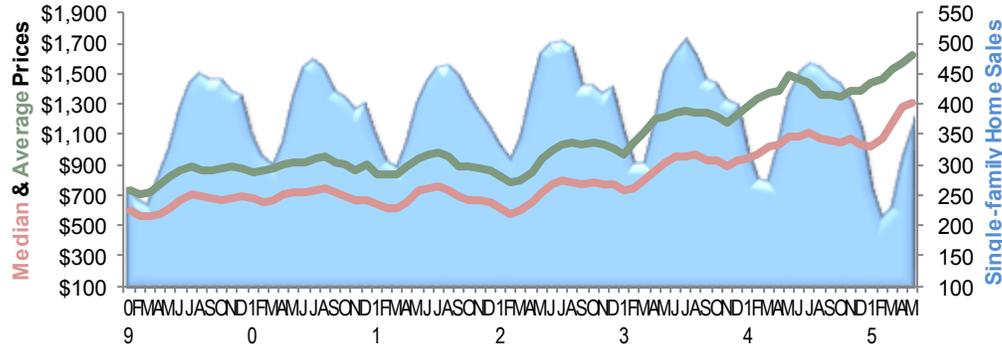
<http://avi.rereport.com/>

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 - May 2015												
Single-Family Homes									% Change from Year Before			
Prices									Prices			
Cities	Median	Average	Sales	Pend	Inven	DOI	SP/LP	Med	Ave	Sales	Pend'	Inven'
SMC	\$ 1,325,000	\$ 1,659,460	385	375	390	30	111.1%	17.8%	7.4%	-14.1%	-14.8%	-42.8%
Atherton	\$ 3,720,000	\$ 5,482,140	7	8	17	73	98.6%	-10.9%	-8.1%	-50.0%	0.0%	-41.4%
Belmont	\$ 1,550,000	\$ 1,597,630	23	15	9	12	115.1%	19.2%	17.2%	9.5%	0.0%	-66.7%
Brisbane	\$ 850,000	\$ 773,183	3	3	4	40	104.6%	0.8%	4.0%	-24.0%	-31.3%	-51.9%
Burlingame	\$ 1,825,000	\$ 1,939,280	19	11	13	21	112.3%	7.0%	8.4%	-7.1%	0.0%	-54.9%
Daly City	\$ 739,500	\$ 753,111	26	32	23	27	111.3%	16.7%	9.5%	0.0%	-77.8%	-47.1%
El Granada	\$ 1,043,500	\$ 1,043,620	8	2	9	34	108.1%	50.2%	34.8%	-61.5%	6.7%	-13.3%
East Palo Alto	\$ 751,000	\$ 680,200	5	16	13	78	110.3%	31.0%	32.4%	-12.5%	-10.0%	-30.0%
Foster City	\$ 1,675,000	\$ 1,704,540	7	9	7	30	113.7%	9.0%	-0.6%	-65.0%	-31.6%	-34.9%
Hillsborough	\$ 3,750,000	\$ 4,184,770	7	13	28	120	104.1%	0.5%	-9.6%	-30.8%	-41.2%	-36.8%
Half Moon Bay	\$ 1,000,000	\$ 1,082,340	9	10	24	80	104.2%	20.0%	23.2%	-15.4%	7.1%	-26.7%
Millbrae	\$ 1,452,000	\$ 1,580,360	11	15	11	30	107.6%	6.7%	7.4%	17.2%	-15.2%	-33.3%
Menlo Park	\$ 2,001,500	\$ 2,486,310	34	28	28	25	111.2%	29.6%	13.7%	-33.3%	n/a	-36.4%
Montara	\$ 1,044,500	\$ 1,044,500	2	0	7	105	101.3%	-17.9%	25.6%	100.0%	-75.0%	16.7%
Moss Beach	\$ 1,017,780	\$ 1,557,640	4	2	7	53	100.1%	25.5%	20.8%	-24.1%	-34.3%	6.9%
Pacifica	\$ 829,000	\$ 880,227	22	23	31	42	109.5%	26.5%	27.2%	-12.5%	-36.4%	-50.0%
Portola Valley	\$ 2,640,000	\$ 3,423,570	7	7	9	39	107.9%	25.3%	33.8%	22.9%	-12.8%	-40.9%
Redwood City	\$ 1,475,000	\$ 1,593,030	59	41	39	20	114.0%	14.5%	14.3%	-33.3%	16.7%	-75.0%
Redwood Shores	\$ 1,735,000	\$ 1,735,000	2	7	1	15	112.8%	1.4%	7.7%	0.0%	-26.9%	-66.7%
San Bruno	\$ 850,000	\$ 870,911	21	19	9	13	109.7%	11.9%	18.9%	-29.0%	0.0%	-75.9%
San Carlos	\$ 1,597,500	\$ 1,685,980	22	22	7	10	116.0%	15.5%	13.8%	-23.9%	13.2%	-43.6%
San Mateo	\$ 1,250,000	\$ 1,374,080	51	60	31	18	115.3%	24.3%	25.8%	9.5%	-32.0%	-46.2%
S. San Francisco	\$ 832,500	\$ 885,533	23	17	21	27	108.1%	31.4%	20.0%	50.0%	-28.6%	-40.0%
Woodside	\$ 3,037,500	\$ 3,721,850	12	10	30	75	102.2%	17.8%	7.4%	-14.1%	-14.8%	-42.8%

# San Mateo County Homes - Prices & Sales

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



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

## WHAT IS YOUR HOME WORTH?

### On-line Home Estimate are NOT Accurate

All homes have a price, and sometimes more than one. There's the price owners would like to get, the value buyers would like to offer and a point of agreement which can result in a sale.

In considering home values, several factors are important:

The value of your home relates to local sale prices. The same home, located elsewhere, would likely have a different value.

Sale prices are a product of supply and demand. If you live in a community with an expanding job base, a growing population and a limited housing supply, it is likely prices will rise. Alternatively, it's important to be realistic. If the local community is losing jobs and people are moving out, then you'll likely have a buyer's market.

Owner needs can impact sale values. If owner Smith "must" sell quickly, he will have less leverage in the marketplace. Buyers may think that Smith is willing to trade a quick closing for a lower price -- and they may be right. If Smith has no incentive to sell quickly, he may have more marketplace strength.

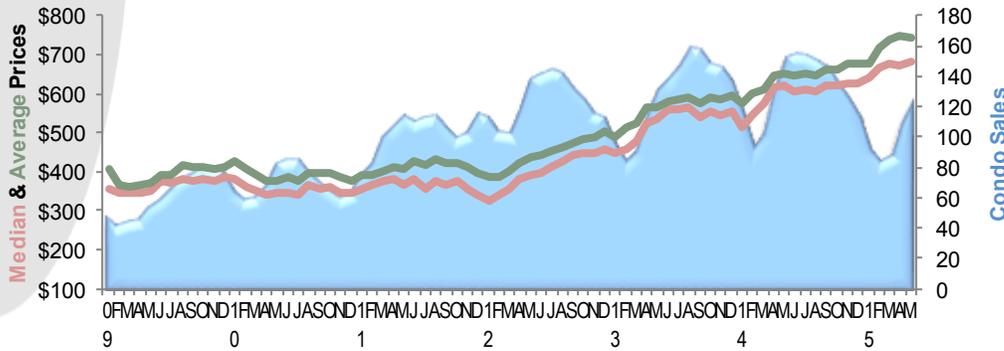
Sale prices are not based on what owners "need." When an owner says, "I must sell for \$300,000 because I need \$100,000 in cash to buy my next home," buyers will quickly ask if \$300,000 is a reasonable price for the property. If similar homes in the same community are selling for \$250,000, the seller will not be successful.

Sale prices are NOT the whole deal. Which would you rather have: A sale price of \$200,000, or a sale price of \$205,000 but where you agree to make a "seller contribution" of \$5,000 to offset the buyer's closing costs, pay

(Continued on page 4)

# San Mateo County Condos- 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 2015												
Condos/Townhomes								% Change from Year Before				
Prices								Prices				
Cities	Median	Average	Sales	Pend	Inven	DOI	SP/LP	Med	Ave	Sales	Pend'	Inven'
County	\$ 722,500	\$ 778,789	120	112	69	17	110.5%	15.1%	20.4%	-18.9%	-26.8%	-50.0%
Burlingame	\$ 965,000	\$ 1,258,750	4	4	3	23	118.5%	32.2%	33.3%	-42.9%	300.0%	-40.0%
Daly City	\$ 420,000	\$ 436,864	11	10	2	5	105.7%	-15.2%	-5.3%	-15.4%	-23.1%	-86.7%
Foster City	\$ 1,022,500	\$ 942,438	16	8	6	11	114.0%	32.8%	19.5%	-20.0%	0.0%	-33.3%
Menlo Park	\$ 1,050,000	\$ 1,384,860	7	1	5	21	122.1%	-20.3%	5.5%	-22.2%	-80.0%	0.0%
Redwood City	\$ 869,000	\$ 897,875	8	14	8	30	113.3%	26.1%	44.1%	-11.1%	-6.7%	-50.0%
Redwood Shores	\$ 1,360,000	\$ 1,255,940	5	8	2	12	114.1%	81.3%	61.2%	-44.4%	-33.3%	-80.0%
San Bruno	\$ 385,000	\$ 373,462	13	5	5	12	105.2%	17.6%	15.0%	-7.1%	-54.5%	-58.3%
San Carlos	\$ 872,500	\$ 884,188	8	5	4	15	110.9%	24.8%	18.4%	60.0%	-37.5%	33.3%
San Mateo	\$ 688,000	\$ 722,667	27	33	18	20	108.1%	15.8%	19.3%	-28.9%	-17.5%	-47.1%
S. San Francisco	\$ 555,000	\$ 549,714	7	9	6	26	112.3%	23.9%	20.7%	0.0%	12.5%	-45.5%

## Real Estate Service With My Personal Guarantee



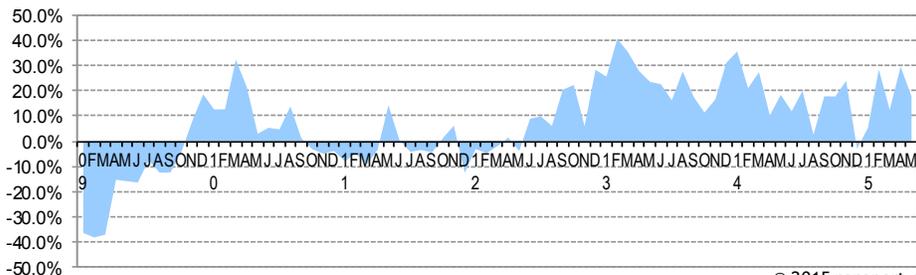
Avi Urban  
EE, Real Estate Consultant  
DRE #: 01485729  
650.305.1111  
[avi@650and408homes.com](mailto:avi@650and408homes.com)  
[www.650and408homes.com](http://www.650and408homes.com)

**the One-Stop Realtor for busy professionals™**

Read what our clients say behind our back



**San Mateo County homes:** Year-Over-Year Median Price Change



© 2015 rereport.com

(Continued from page 3)

a \$2,000 allowance for roof repairs, fund two mortgage points, re-paint the entire house and leave the washer and dryer?

Because all transactions are unique there is flexibility in the marketplace. The amount of flexibility depends on local conditions.

For example, suppose you're selling a townhouse. Suppose also that there have been five recent sales of the model you own and that sale values have ranged between \$200,000 and \$210,000. You now have an idea of how your home might be priced. In a strong market perhaps you can ask for \$210,000 or a little more. If the market has slowed, \$210,000 may be a reasonable asking price, but perhaps more than the final sale price.

Here's another scenario. Imagine that you live in a community of Victorian-style homes, most of which were built in the 1920s. All the homes are differ-

ent in terms of size, condition, modernization, style and features. In such a neighborhood, an average sale price is just a statistic without much practical meaning. On a single block one home may sell for \$400,000 while another is priced at more than \$1 million. The average price may be outrageously high for one home and staggeringly low for another.

In this day and age, on-line home valuation web sites are a dime a dozen. In fact, we have one also. The thing to remember is no online algorithm alone can determine accurate pricing of your home. You need a personalized comparative market analysis done by a real estate agent who has come and seen your home.

In sum, real estate is a very local, and personal, business.

## Investors Corner

### Home Price Gains Accelerate, Led by San Francisco and Denver According to the S&P/Case-Shiller Home Price Indices

**New York, May 26, 2015** – S&P Dow Jones Indices today released the latest results for the S&P/Case-Shiller Home Price Indices, the leading measure of U.S. home prices. Data released today for March 2015 show 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...

Read more at <https://goo.gl/pN4FCr>

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

Signup for my [Real Estate Investment Alerts](#) and you'll receive my real estate investment opportunities

For City by City Trend Report go to the **Market Trends Report** tab on my web site at

[www.650and408homes.com](http://www.650and408homes.com)