Marin Sales Meeting, August 24, 2021
Selected Angles on the Market

Presented by Patrick Carlisle
Compass Chief Market Analyst, Bay Area

1989–2021: agent, sales manager, designated broker, director of training, VP of business development, chief market analyst – Pacific Union, Paragon, Compass

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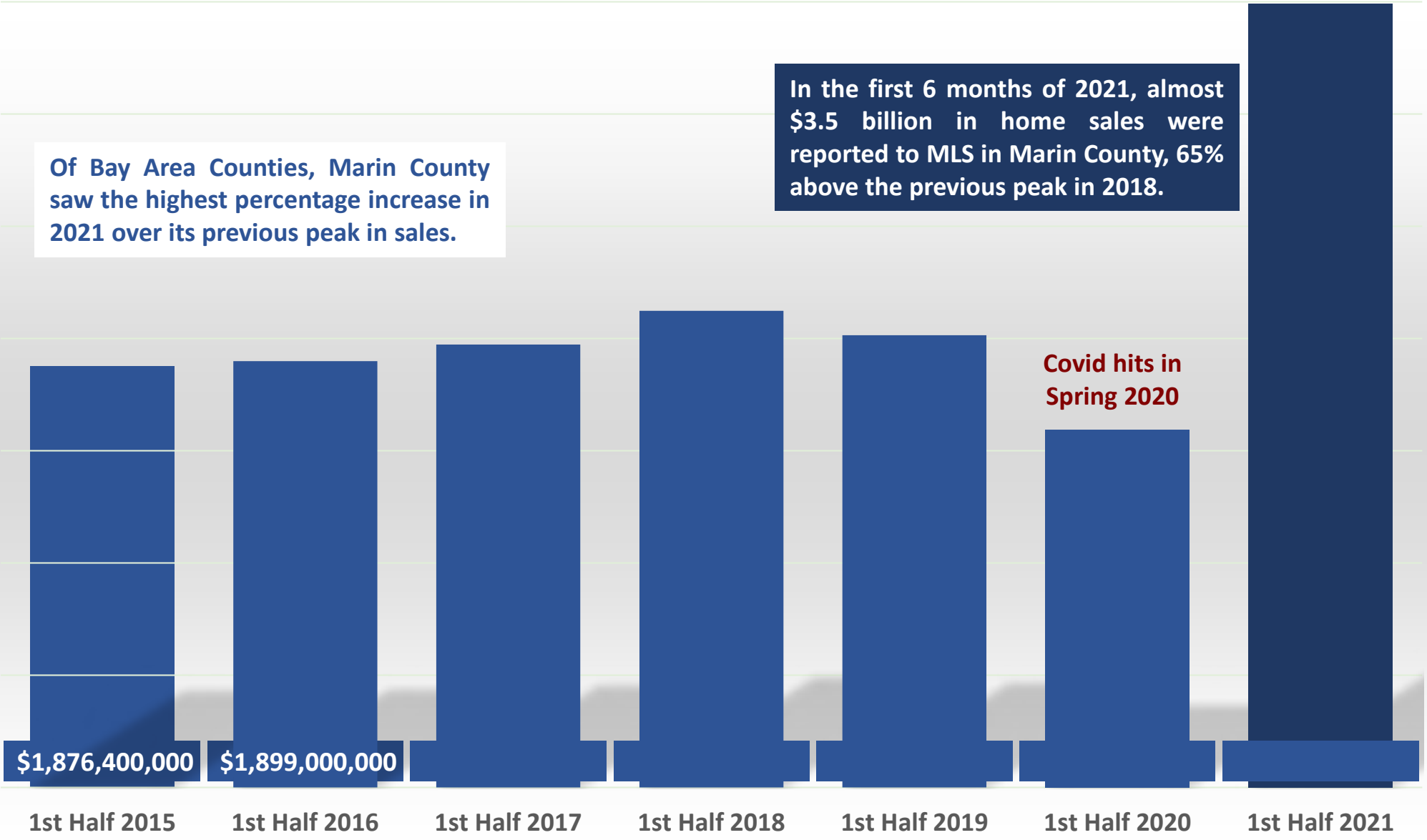
1st Half, Dollar-Volume Home Sales

Marin County, Sales Reported to MLS since 2015*

House, condo, co-op, townhouse, TIC, halfplex sales reported to NorCal Regional MLS, January 1 through June 30 of each year.

Of Bay Area Counties, Marin County saw the highest percentage increase in 2021 over its previous peak in sales.

In the first 6 months of 2021, almost $3.5 billion in home sales were reported to MLS in Marin County, 65% above the previous peak in 2018.



* As reported to NorCal Regional MLS. Data from sources deemed reliable but may contain errors and subject to revision. All numbers are approximate and rounded. We estimate, very approximately, that 10% - 12% of sales are not reported to MLS and thus not reflected in this analysis.

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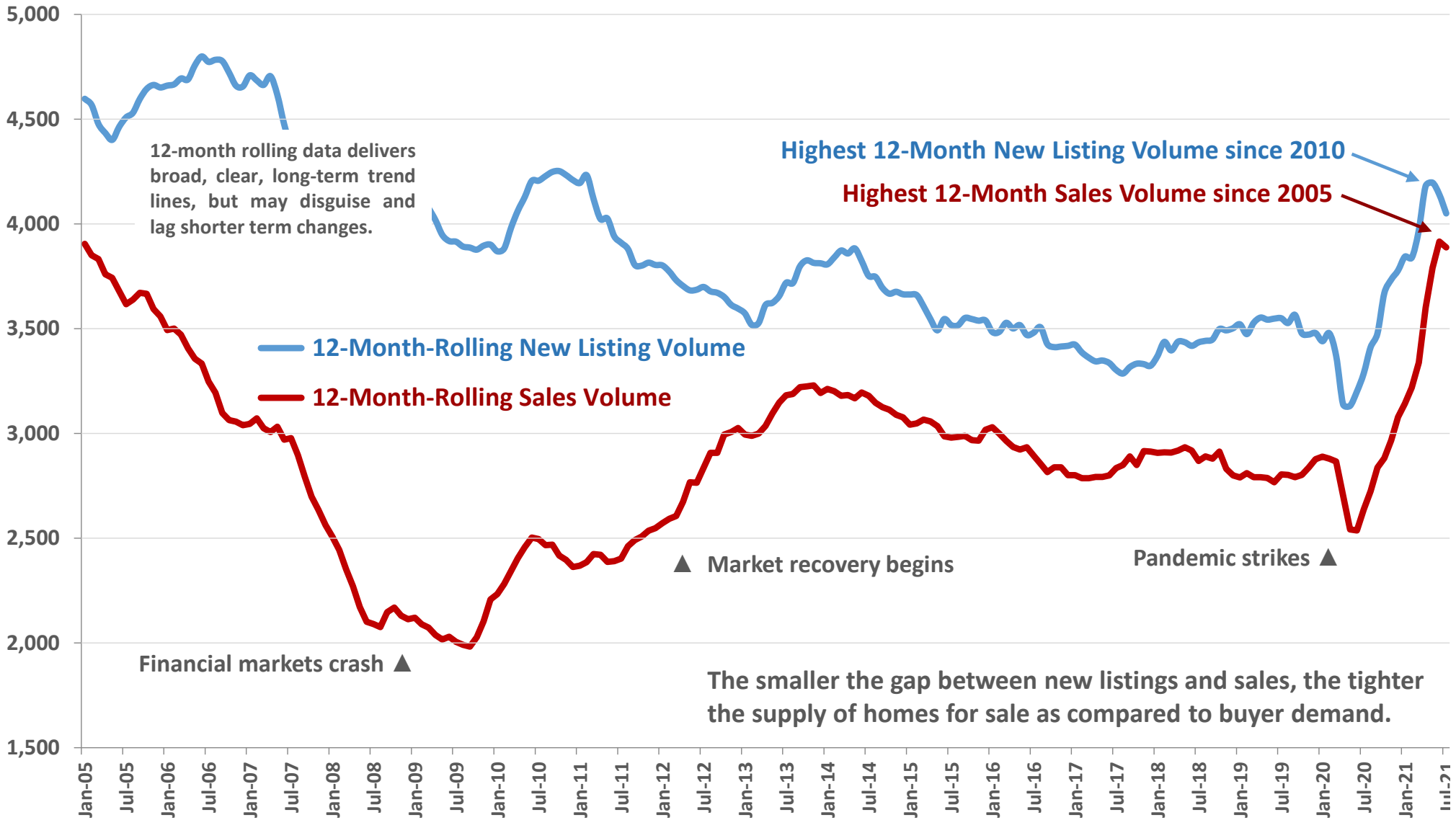
New Listing & Sales Volumes, Longer-Term Trends since 2005

Marin County, 12-Month Rolling Data*

Updated through July 2021



* Each data point reflects the total of 12 months of activity for houses, condos, co-ops and townhouses. 1/12 of these numbers = an average month within the 12 month period. Sales reported to MLS, per NorCal Regional MLS, per Infosparks. Last month data estimated from data available in early August. Data from sources deemed reliable, but may contain errors and subject to revision. Numbers are approximate.

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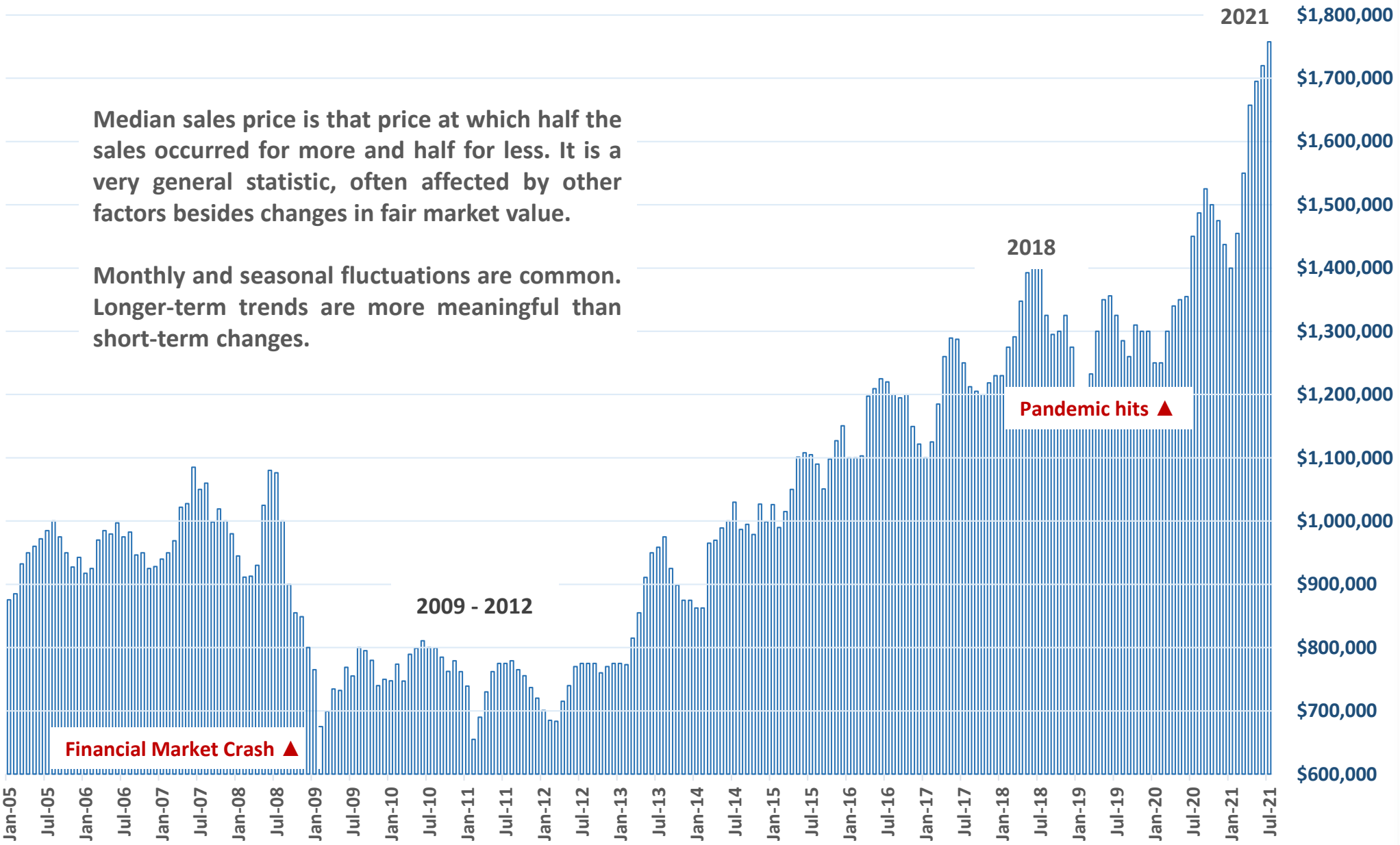
Marin County Home Price Trends since 2005

Monthly Median House Sales Prices, 3-Month Rolling



Median sales price is that price at which half the sales occurred for more and half for less. It is a very general statistic, often affected by other factors besides changes in fair market value.

Monthly and seasonal fluctuations are common. Longer-term trends are more meaningful than short-term changes.

3-month rolling sales reported to NorCal Regional MLS, per Infosparks. Analysis may contain errors and subject to revision. All numbers are approximate.

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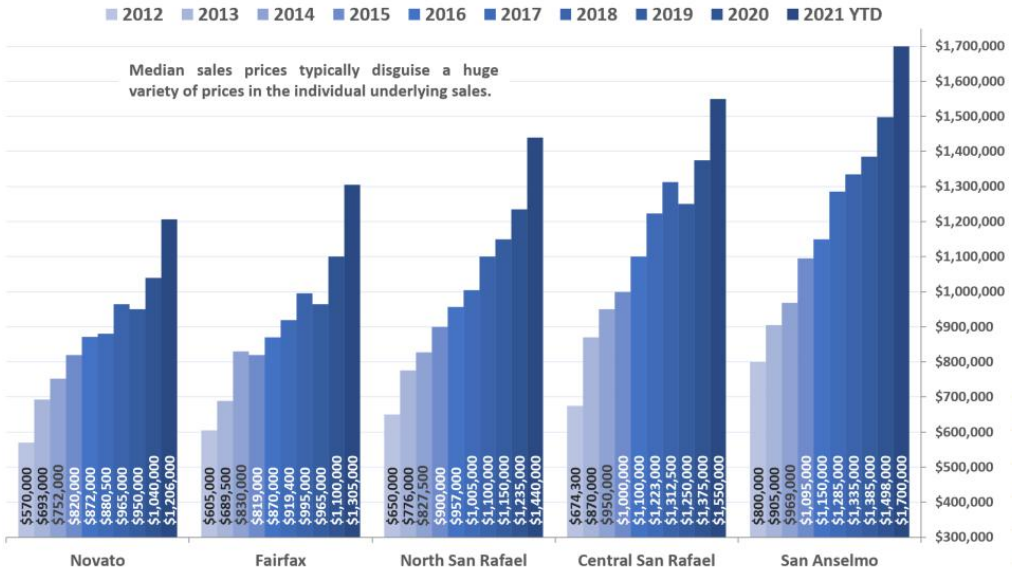
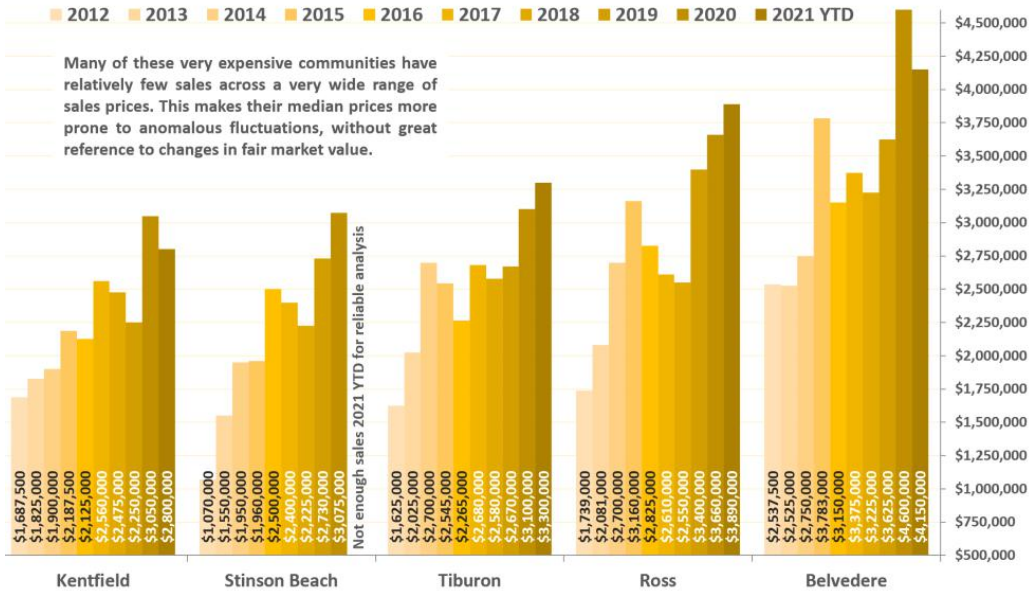
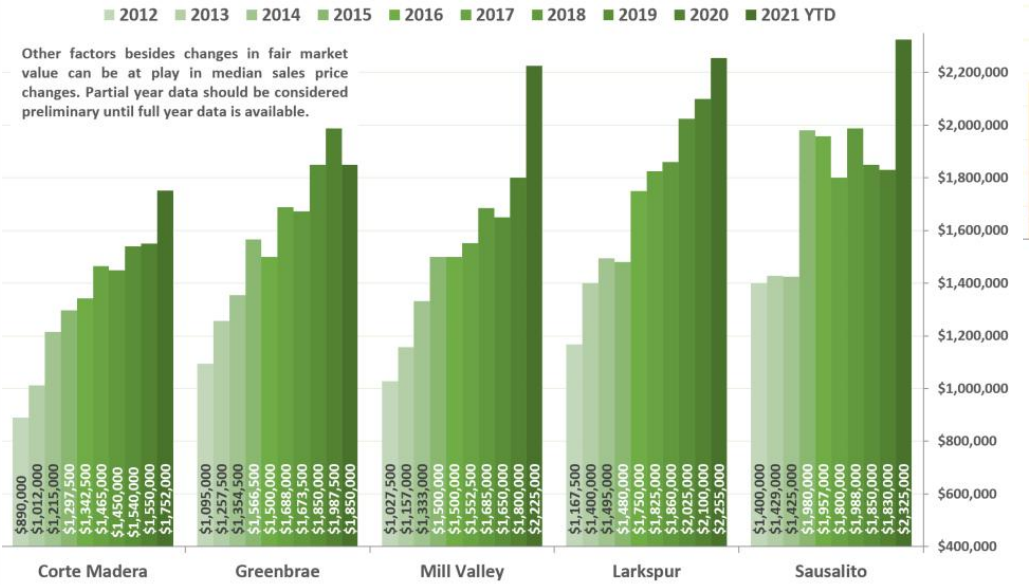

2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 YTD
Median sales prices typically disguise a huge variety of prices in the individual underlying sales.
$570,000 $693,000 $752,000 $820,000 $872,000 $880,500 $965,000 $950,000 $1,040,000 $1,206,000
$605,000 $689,500 $830,000 $819,000 $870,000 $919,400 $995,000 $965,000 $1,100,000 $1,305,000
$650,000 $776,000 $827,500 $900,000 $957,000 $1,005,000 $1,100,000 $1,150,000 $1,235,000 $1,440,000
$674,300 $870,000 $950,000 $1,000,000 $1,100,000 $1,223,000 $1,312,500 $1,250,000 $1,375,000 $1,550,000
$800,000 $905,000 $969,000 $1,095,000 $1,150,000 $1,285,000 $1,335,000 $1,385,000 $1,498,000 $1,700,000
$1,700,000 $1,600,000 $1,500,000 $1,400,000 $1,300,000 $1,200,000 $1,100,000 $1,000,000 $900,000 $800,000 $700,000 $600,000 $500,000 $400,000 $300,000
Novato
Fairfax
North San Rafael
Central San Rafael
San Anselmo


2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 YTD
Many of these very expensive communities have relatively few sales across a very wide range of sales prices. This makes their median prices more prone to anomalous fluctuations, without great reference to changes in fair market value.
$1,687,500 $1,825,000 $1,900,000 $2,187,500 $2,125,000 $2,560,000 $2,475,000 $2,250,000 $3,050,000 $2,800,000
$1,070,000 $1,550,000 $1,950,000 $1,960,000 $2,500,000 $2,400,000 $2,225,000 $2,730,000 $3,075,000
Not enough sales 2021 YTD for reliable analysis
$1,625,000 $2,025,000 $2,700,000 $2,545,000 $2,265,000 $2,680,000 $2,580,000 $2,670,000 $3,100,000 $3,300,000
$1,739,000 $2,081,000 $2,700,000 $3,160,000 $2,825,000 $2,610,000 $2,550,000 $3,400,000 $3,660,000 $3,890,000
$2,537,500 $2,525,000 $2,750,000 $3,783,000 $3,150,000 $3,375,000 $3,225,000 $3,625,000 $4,600,000 $4,150,000
$4,500,000 $4,250,000 $4,000,000 $3,750,000 $3,500,000 $3,250,000 $3,000,000 $2,750,000 $2,500,000 $2,250,000 $2,000,000 $1,750,000 $1,500,000 $1,250,000 $1,000,000 $750,000 $500,000
Kentfield
Stinson Beach
Tiburon
Ross
Belvedere


2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 YTD
Other factors besides changes in fair market value can be at play in median sales price changes. Partial year data should be considered preliminary until full year data is available.
$890,000 $1,012,000 $1,215,000 $1,297,500 $1,342,500 $1,465,000 $1,450,000 $1,540,000 $1,550,000 $1,752,000
$1,095,000 $1,257,500 $1,354,500 $1,566,500 $1,500,000 $1,688,000 $1,673,500 $1,850,000 $1,987,500 $1,850,000
$1,027,500 $1,157,000 $1,333,000 $1,500,000 $1,500,000 $1,552,500 $1,685,000 $1,650,000 $1,800,000 $2,225,000
$1,167,500 $1,400,000 $1,495,000 $1,480,000 $1,750,000 $1,825,000 $1,860,000 $2,025,000 $2,100,000 $2,255,000
$1,400,000 $1,429,000 $1,425,000 $1,980,000 $1,957,000 $1,800,000 $1,988,000 $1,850,000 $1,830,000 $2,325,000
$2,200,000 $2,000,000 $1,800,000 $1,600,000 $1,400,000 $1,200,000 $1,000,000 $800,000 $600,000 $400,000
Corte Madera
Greenbrae
Mill Valley
Larkspur
Sausalito

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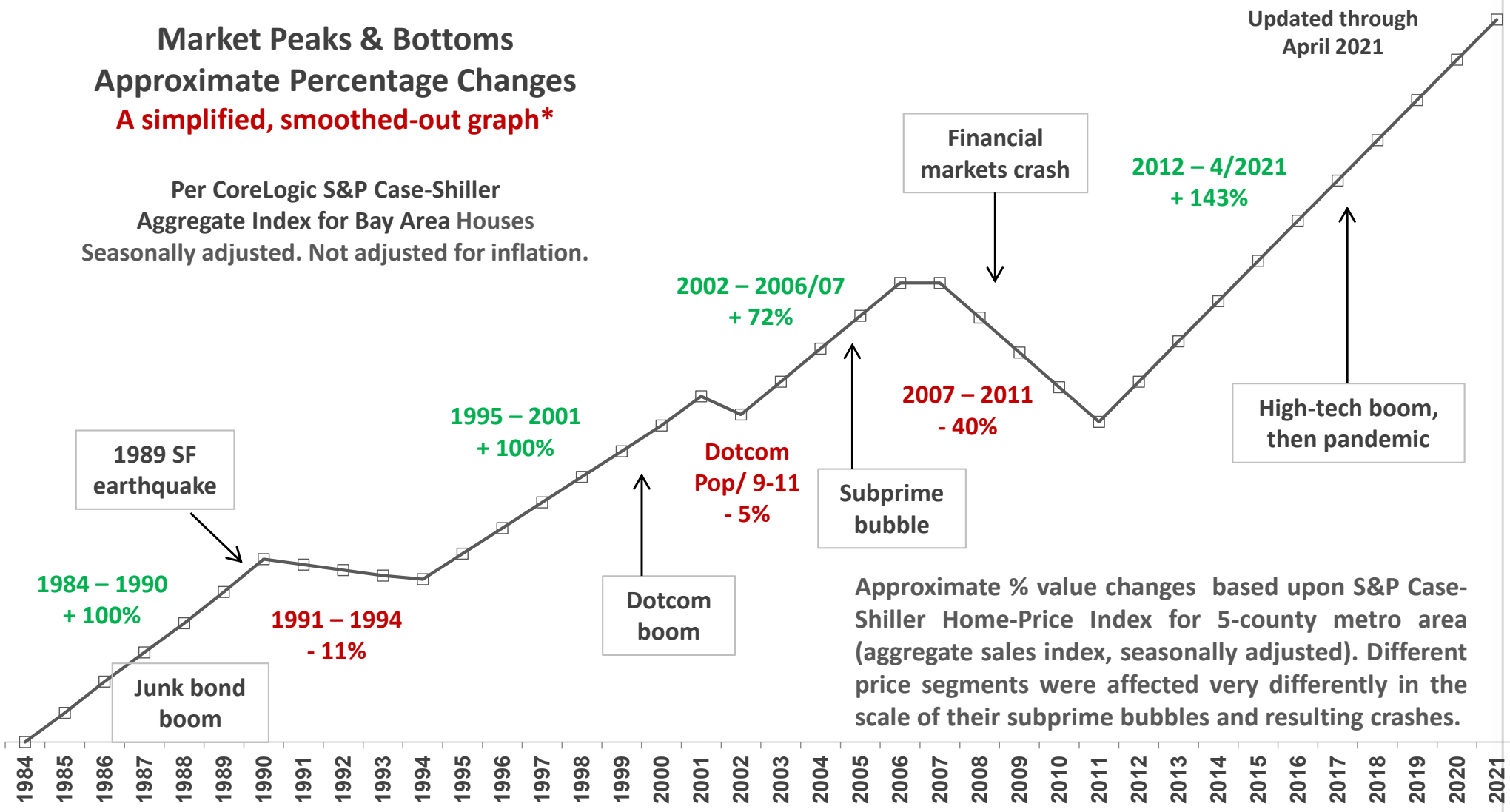
San Francisco Bay Area Real Estate Market Cycles

Home Price Increases & Declines, by Percentage, 1984 – 2021*

https://www.spglobal.com/spdji/en/indices/indicators/sp-corelogic-case-shiller-san-francisco-home-price-nsa-index/#overview



* The years between market peaks and bottoms *are not accurately represented*, but entered as straight lines between high and low points to illustrate percentage changes over time. *Shorter-term fluctuations are not reflected on this chart.* All numbers are very approximate and subject to revision.

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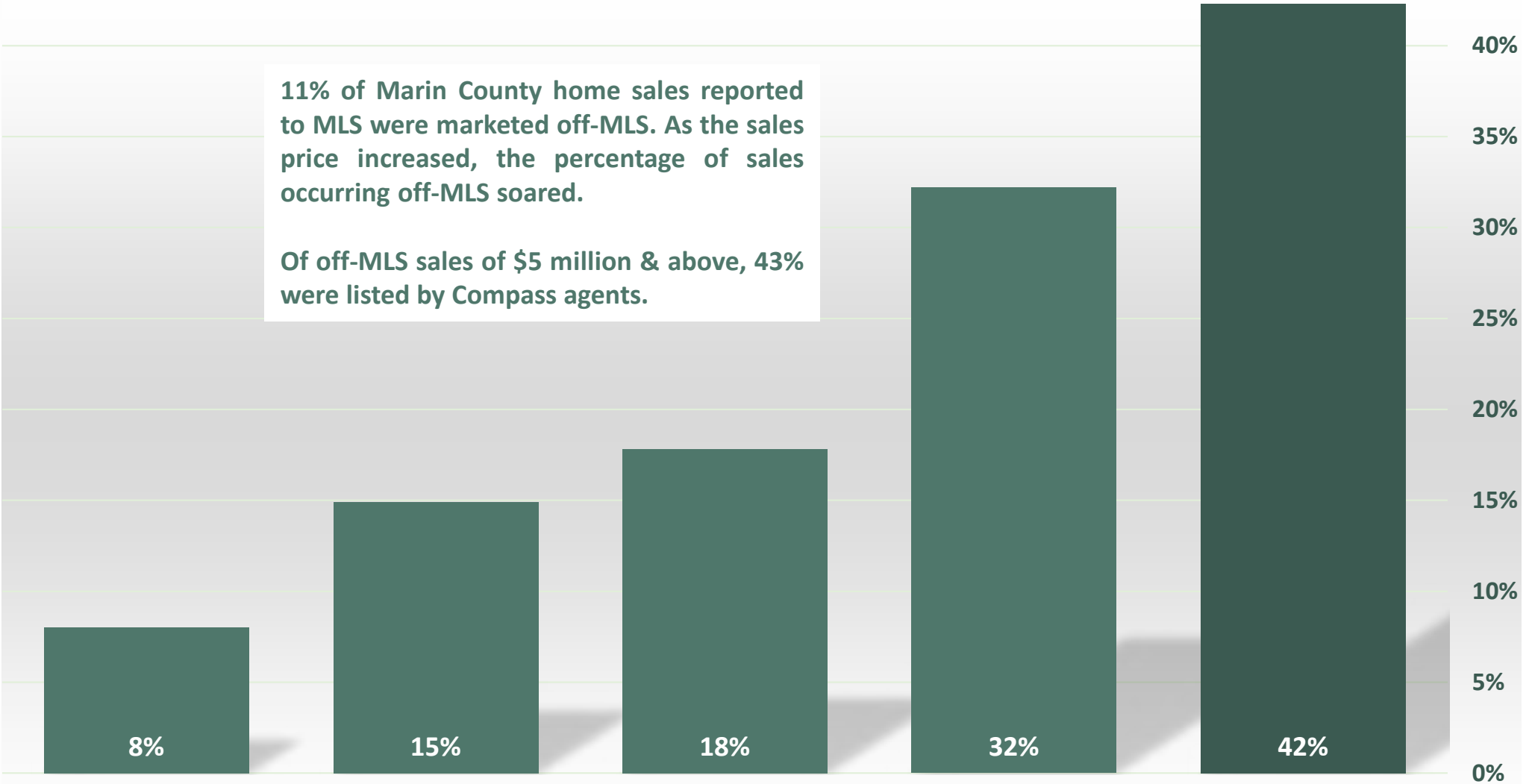
Percentage of Off-MLS Sales by Price Segment

Marin County, Sales Reported to MLS, 2021 YTD

House, condo, townhouse, sales reported to NorCal Regional MLS, 1/1/21 – 8/10/21

11% of Marin County home sales reported to MLS were marketed off-MLS. As the sales price increased, the percentage of sales occurring off-MLS soared.

Of off-MLS sales of $5 million & above, 43% were listed by Compass agents.



* As reported to NorCal Regional MLS. Data from sources deemed reliable but may contain errors and subject to revision. Not all off-MLS sales are reported to MLS.

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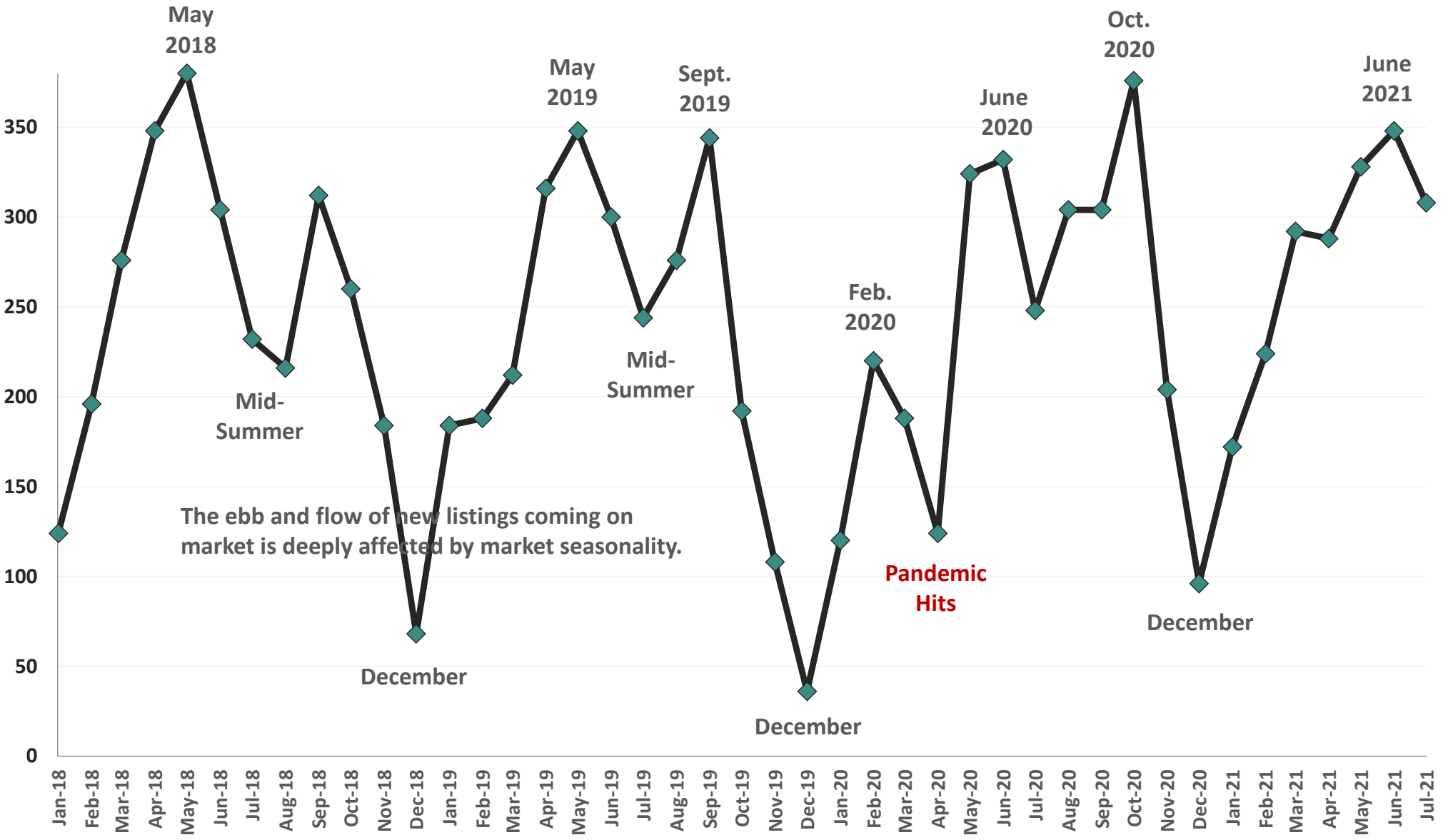
New Listings Coming on Market

Marin County Market Dynamics & Seasonality by Month



Per Realtor.com Research: https://www.realtor.com/research/data/, listings posted on site. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers should be considered approximate.

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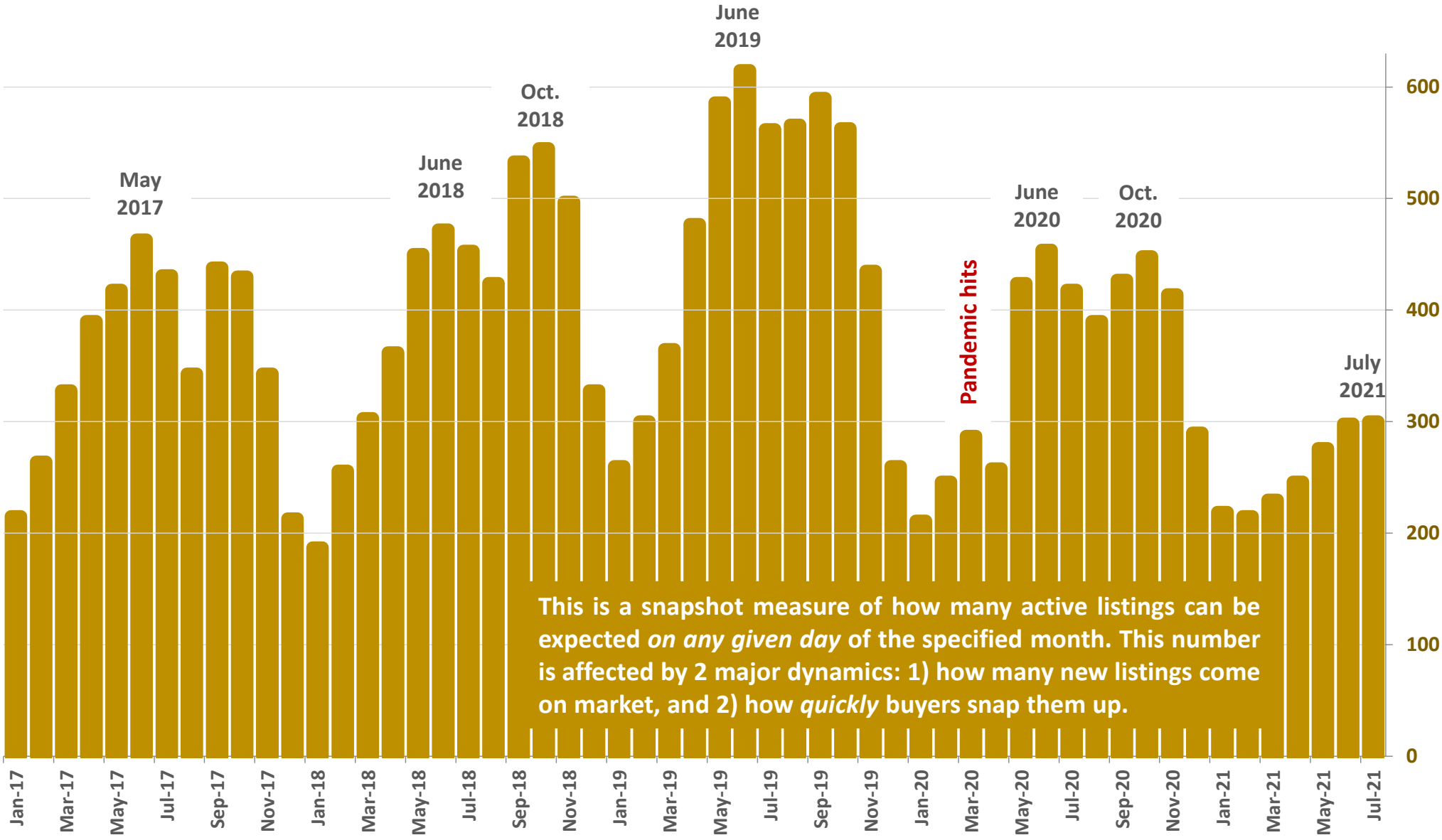
Active Listings on Market

Marin County Real Estate Market Dynamics & Seasonality

For houses and condos



Per Realtor.com Research: https://www.realtor.com/research/data/, listings posted on site. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers should be considered approximate.

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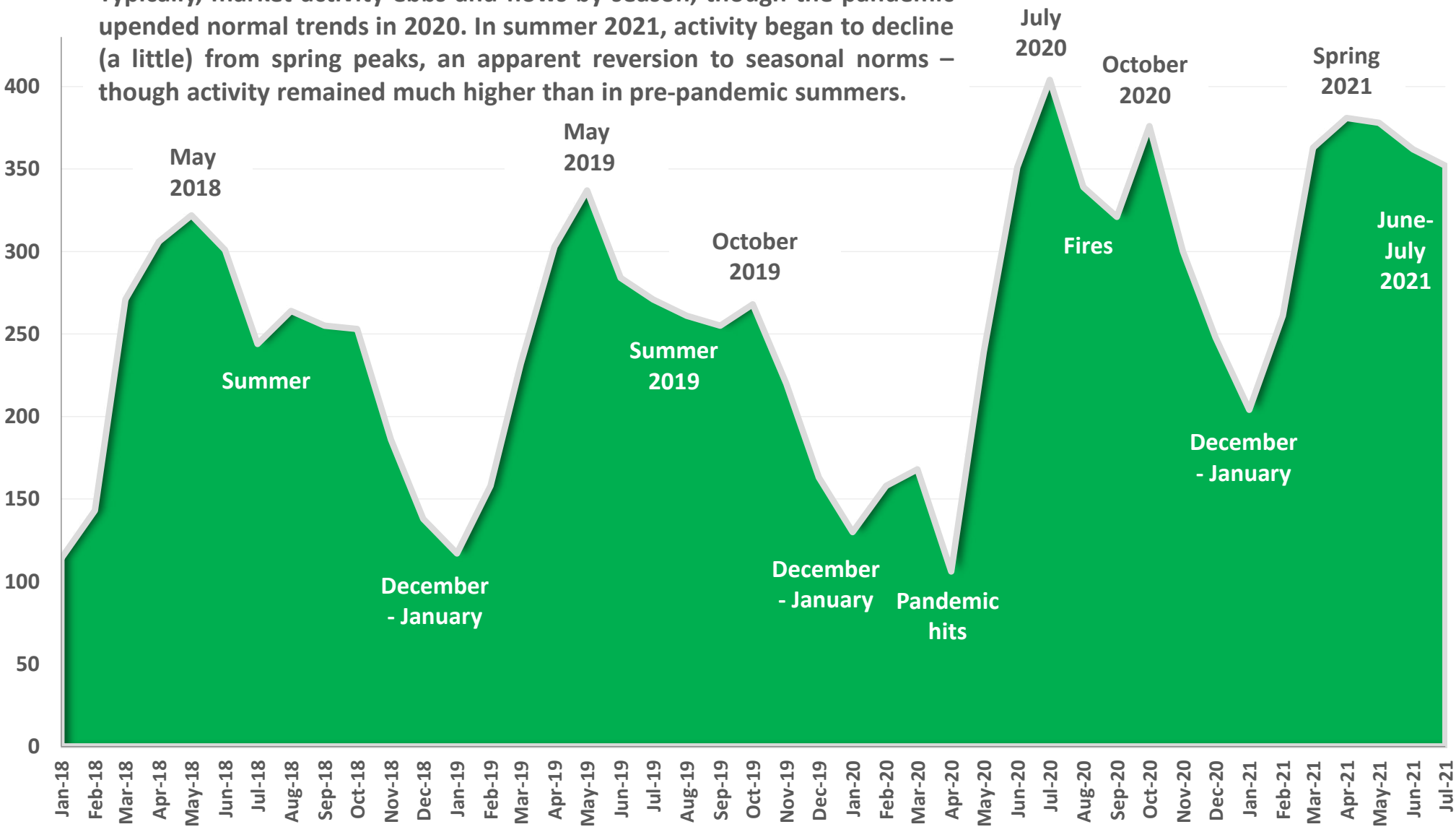
Marin County Short-Term Market Dynamics & Seasonality

Listings Accepting Offers (Going into Contract) by Month

Houses, condos, co-ops, townhouses as listed in MLS

Typically, market activity ebbs and flows by season, though the pandemic upended normal trends in 2020. In summer 2021, activity began to decline (a little) from spring peaks, an apparent reversion to seasonal norms – though activity remained much higher than in pre-pandemic summers.



As reported to NorCal Regional MLS, per Infosparks. Does not include activity unreported to MLS. Last month's number estimated from data available in early August. Data from sources deemed reliable but may contain errors and subject to revision. All numbers to be considered approximate.

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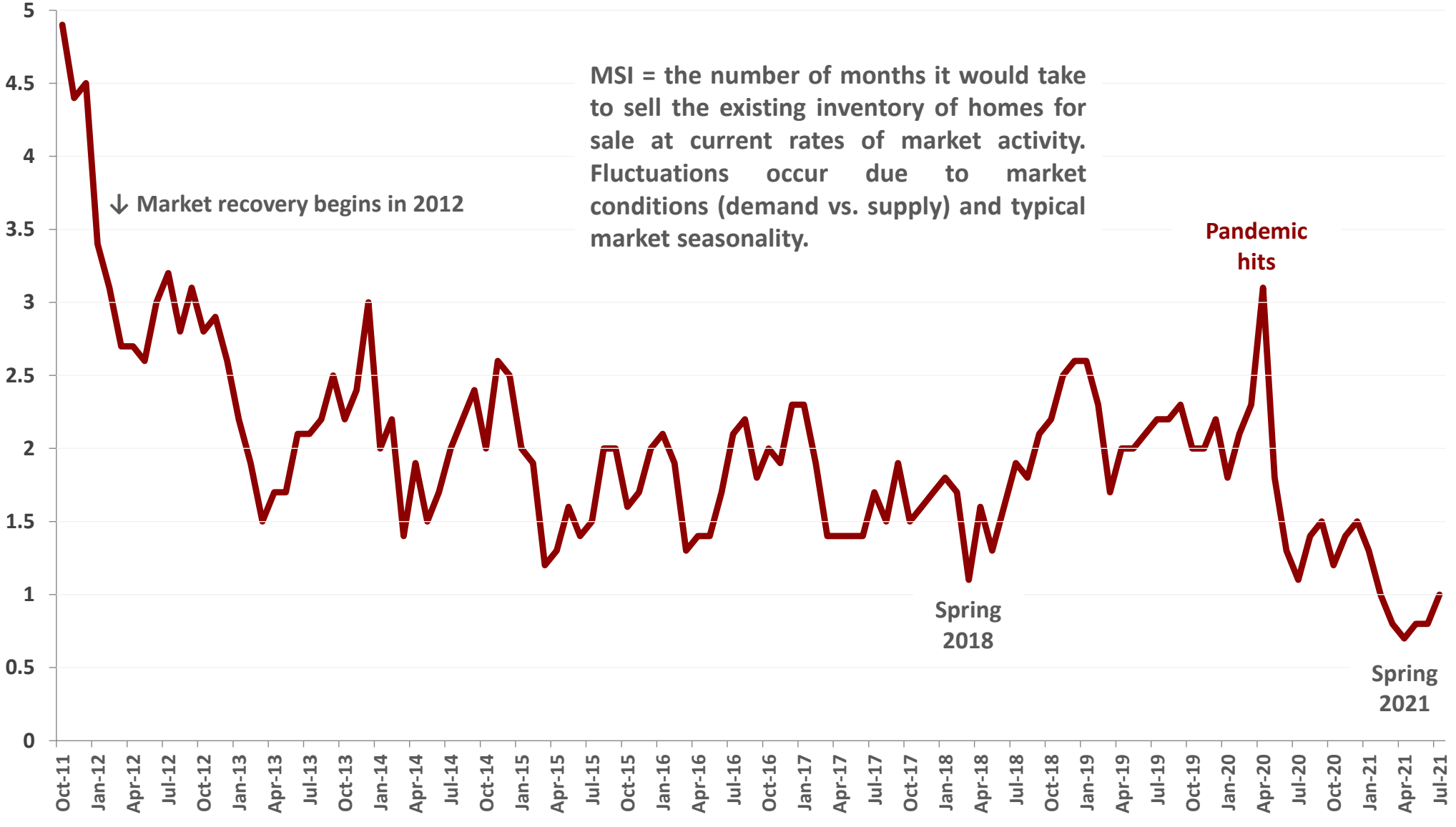
Months Supply of Inventory (MSI)

Marin County Real Estate Market since 2011

Based upon accepted-offer activity for Marin houses, condos and townhouses reported to Bareis MLS per Broker Metrics



Data from sources deemed reliable, but may contain errors and subject to revision.
All numbers approximate. Late reported activity may alter last month's reading.

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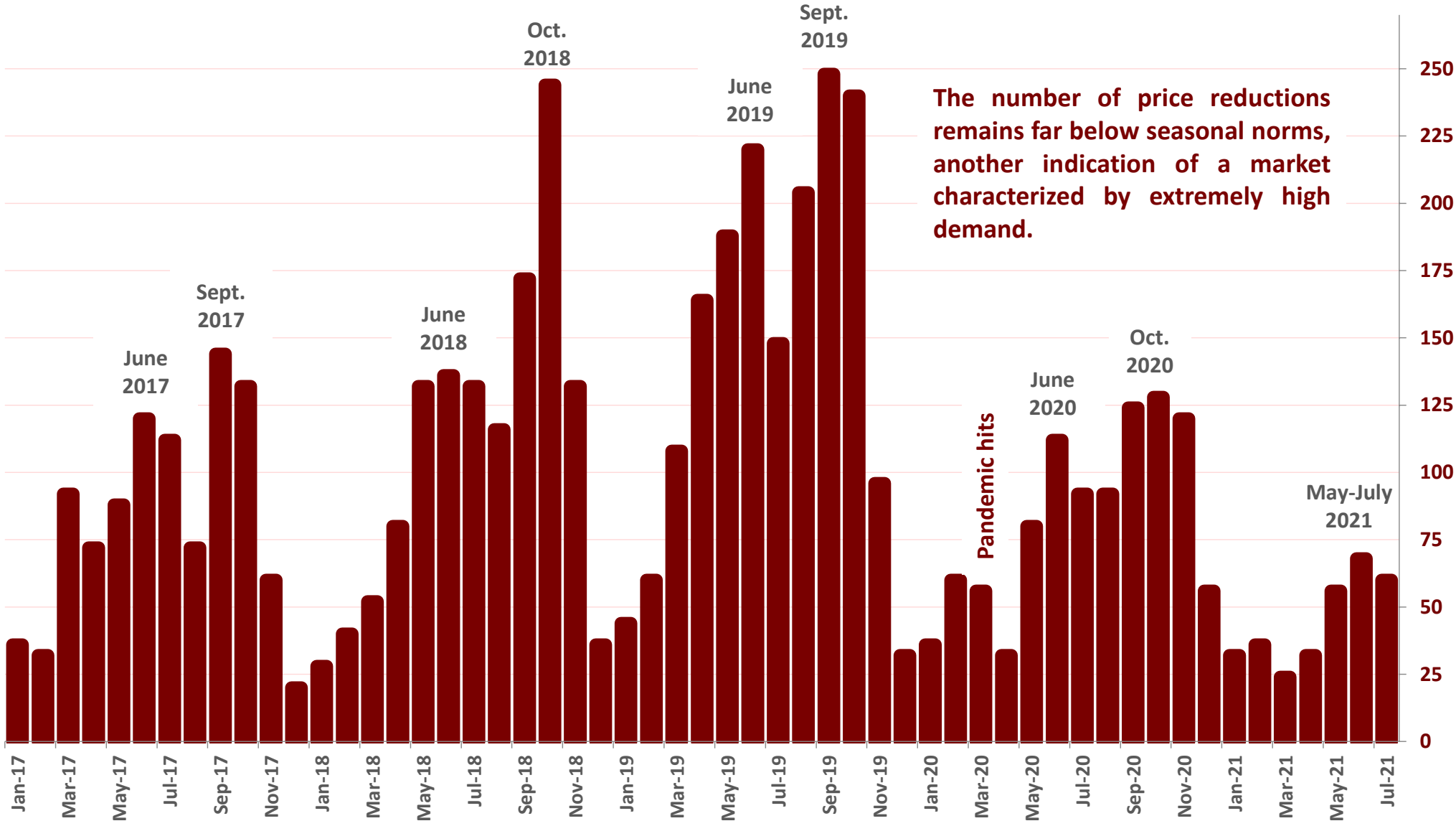
Price Reductions on Active Listings

Marin County Real Estate Market Dynamics

For houses and condos



Per Realtor.com Research: https://www.realtor.com/research/data/, activity on website. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers to be considered approximate.

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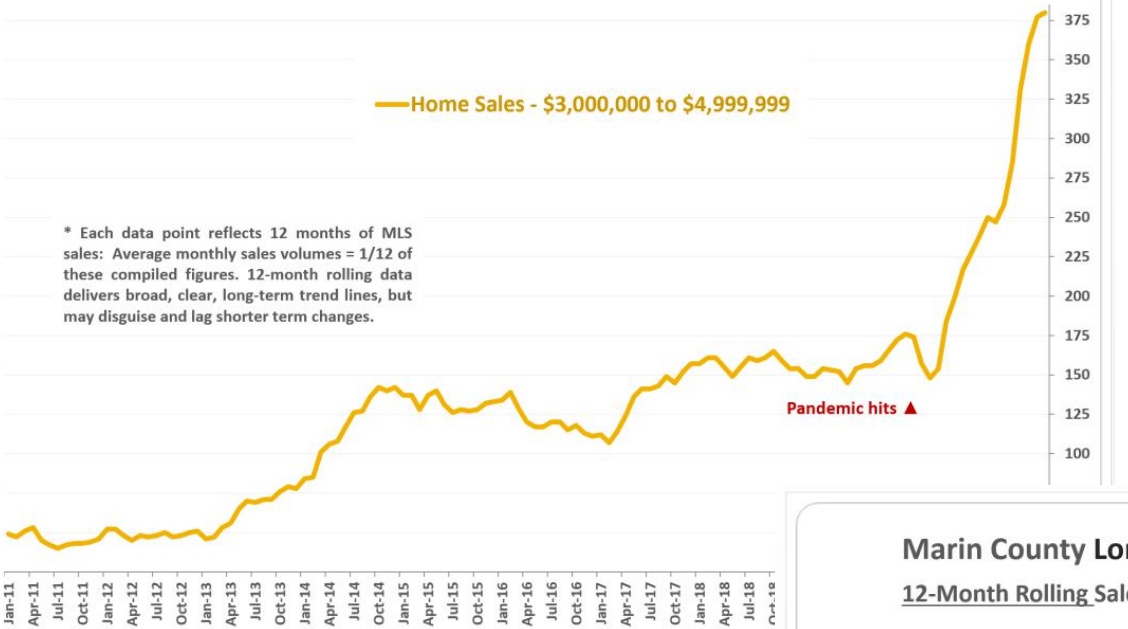
Marin County **Long-Term** Luxury Home Sales

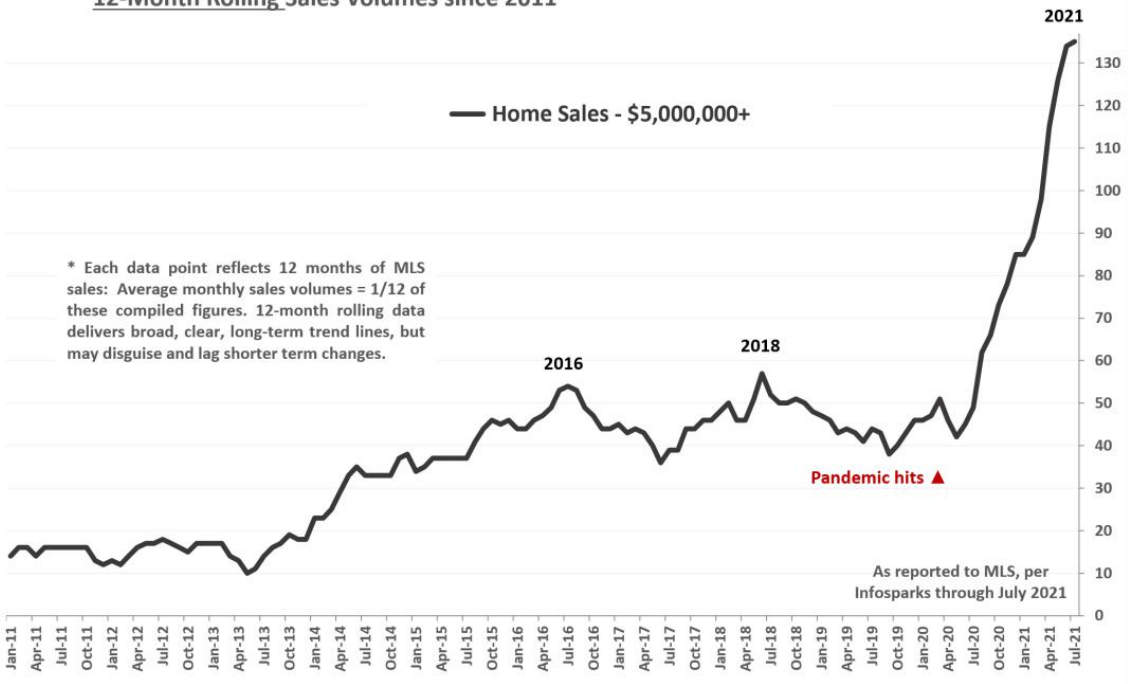
12-Month Rolling Sales Volumes since 2011*



House, condo, co-op, townhouse sales reported to NorCal Regional MLS, per Infosparks. Does not include acti
unreported to MLS. Last month's number estimated from data available in early August. Data from sources deer
reliable but may contain errors and subject to revision. All numbers to be considered approximate.

Marin County **Long-Term** Ultra-Luxury Home Sales

12-Month Rolling Sales Volumes since 2011*



House, condo, co-op, townhouse sales reported to NorCal Regional MLS, per Infosparks. Does not include activity unreported to MLS. Last month's number estimated from data available in early August. Data from sources deemed reliable but may contain errors and subject to revision. All numbers to be considered approximate.

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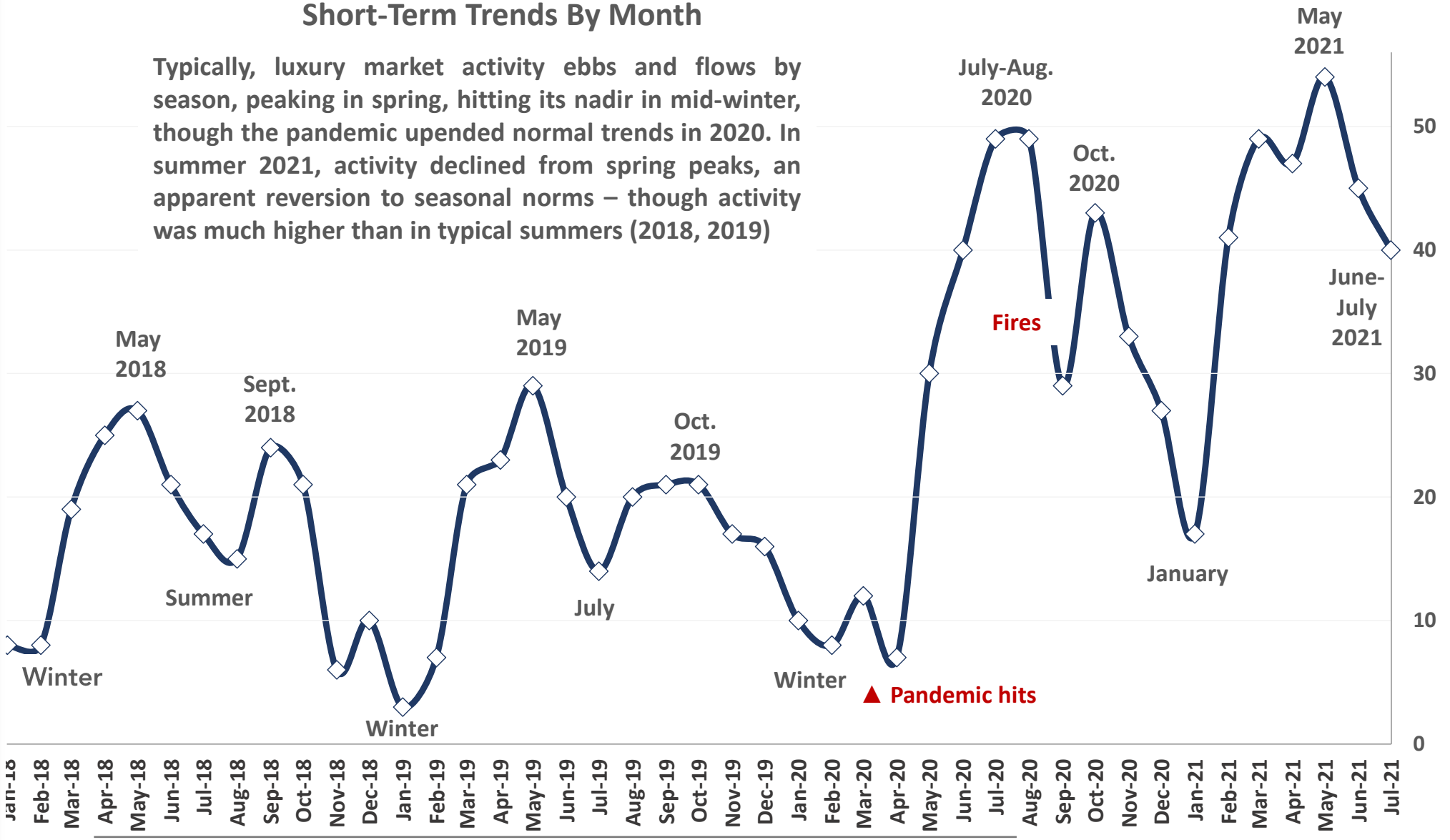
Luxury Homes – Listings Accepting Offers by Month

Marin County: Homes Priced $3,000,000+ Going into Contract

Residential listings posted in MLS, per Infosparks

Short-Term Trends By Month

Typically, luxury market activity ebbs and flows by season, peaking in spring, hitting its nadir in mid-winter, though the pandemic upended normal trends in 2020. In summer 2021, activity declined from spring peaks, an apparent reversion to seasonal norms – though activity was much higher than in typical summers (2018, 2019)



House, condo, co-op, townhouse activity reported to NorCal Regional MLS, per Infosparks. Does not include activity unreported to MLS. Last month's number estimated from data available in early August. Data from sources deemed reliable but may contain errors and subject to revision. All numbers are approximate.

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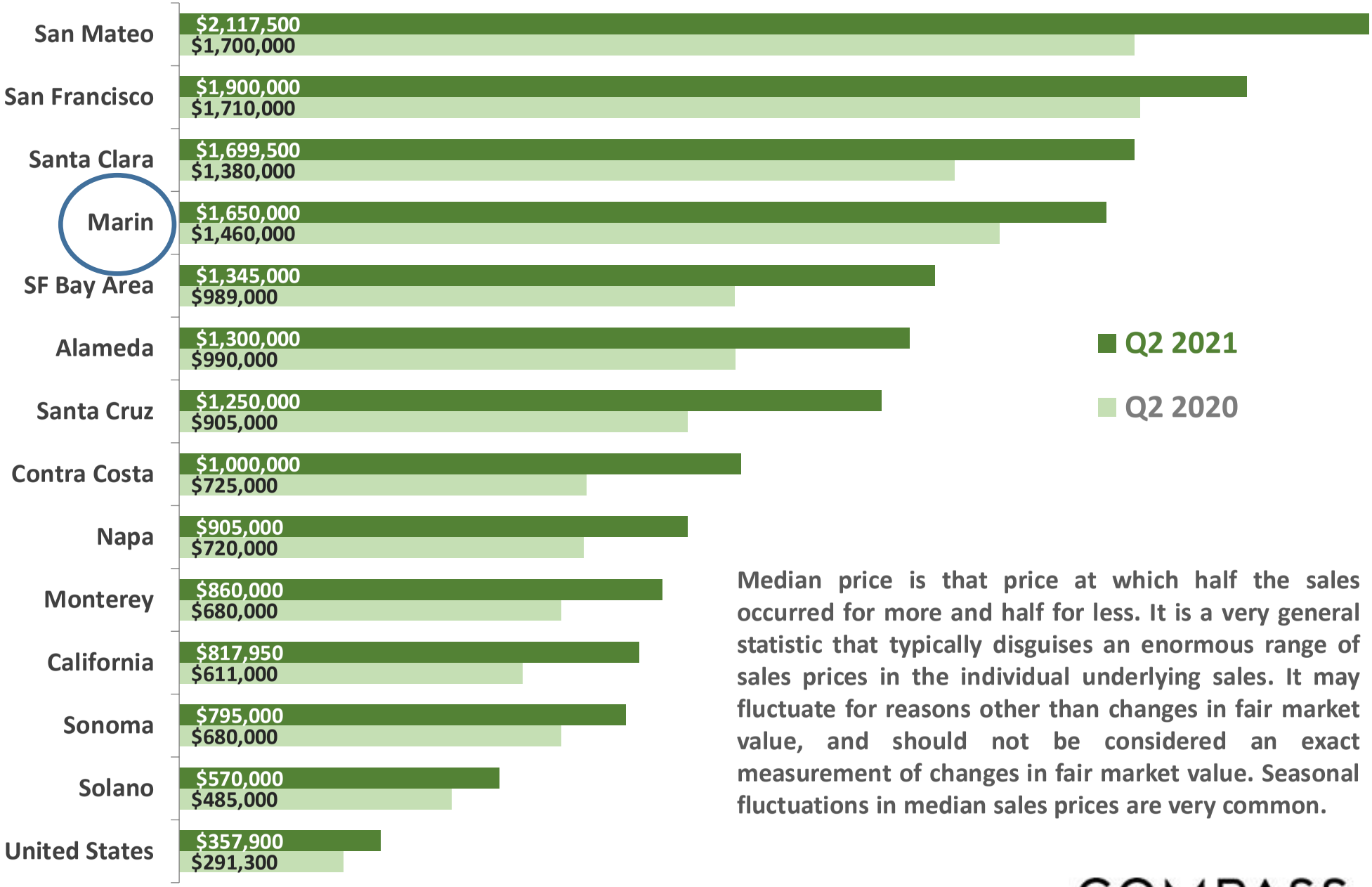
Year-over-Year Median House Sales Price Increases

by Bay Area County, Q2 2021 vs. Q2 2020

Per CAR Housing Affordability Index calculations



Median price is that price at which half the sales occurred for more and half for less. It is a very general statistic that typically disguises an enormous range of sales prices in the individual underlying sales. It may fluctuate for reasons other than changes in fair market value, and should not be considered an exact measurement of changes in fair market value. Seasonal fluctuations in median sales prices are very common.

Data per California Association of Realtors: "C.A.R.'s Traditional Housing Affordability Index (HAI). Methodology can be found on www.CAR.org, Market Data section. "SF Bay Area" includes 9 counties, Napa to Santa Clara.

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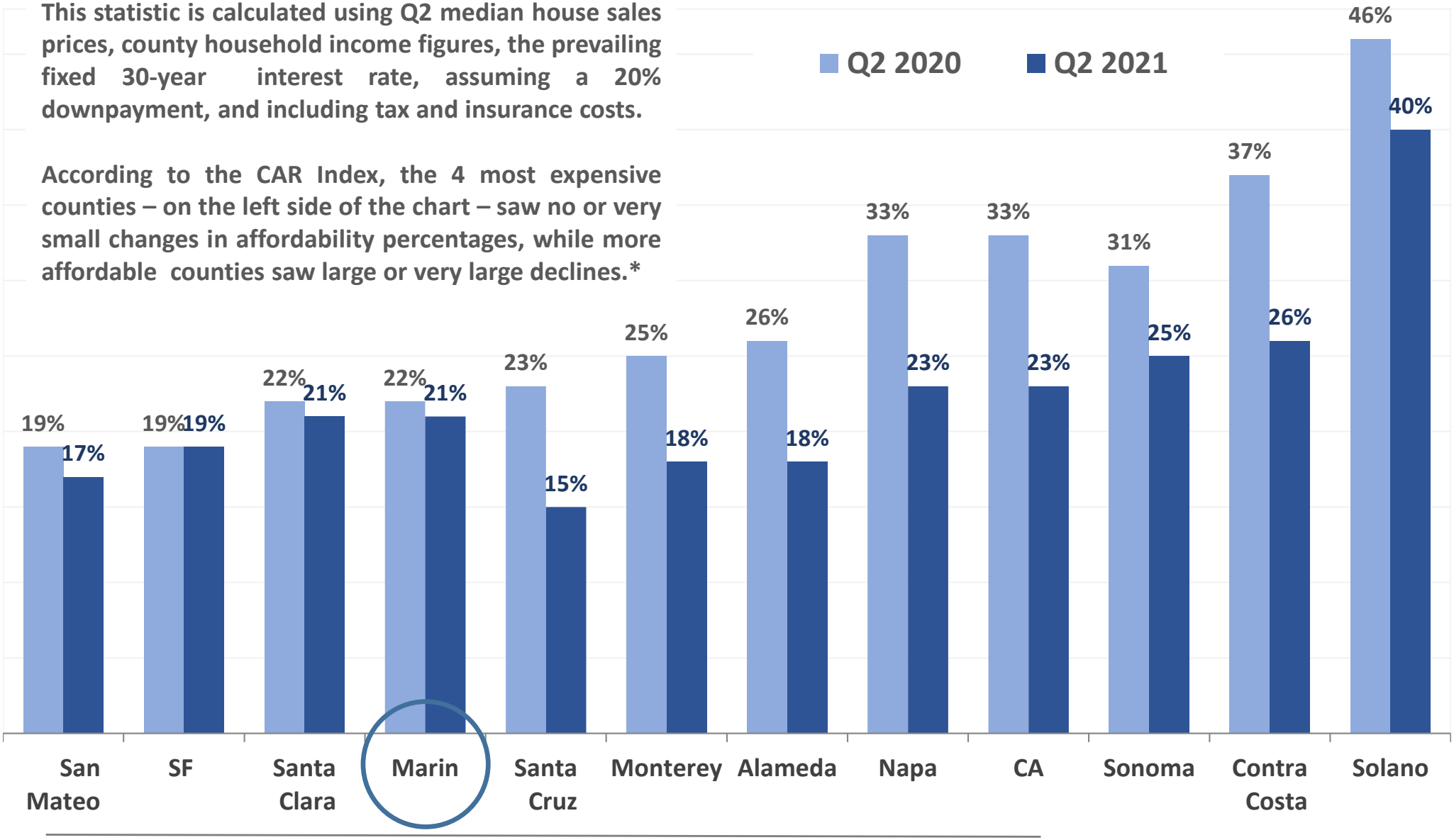
Percentage of Households Able to Afford Median Priced House

by San Francisco Bay Area County, Q2 2020 to Q2 2021

Per CAR Housing Affordability Index

This statistic is calculated using Q2 median house sales prices, county household income figures, the prevailing fixed 30-year interest rate, assuming a 20% downpayment, and including tax and insurance costs.

According to the CAR Index, the 4 most expensive counties – on the left side of the chart – saw no or very small changes in affordability percentages, while more affordable counties saw large or very large declines.*



Calculation per California Association of Realtors: C.A.R.'s Traditional Housing Affordability Index (HAI). Methodology can be found on www.CAR.org, Market Data section.

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Estimated Migration of Bay Area Households in 2020

Bay Area County	# Households Moving In (2020)	# Households Moving Out (2020)	Change in # Households	Total # of Households	% Change in Households
Alameda	50,000	67,000	- 17,000	577,177	- 2.9%
Contra Costa	35,000	32,000	+ 3,000	394,769	+ .8%
Marin	9,050	7,000	+ 2,050	105,432	+ 1.9%
Monterey	5,400	5,050	+ 350	127,155	+ .3%
Napa	3,300	2,550	+ 750	48,705	+ 1.5%
San Francisco	27,500	68,000	- 40,500	362,354	- 11%
San Mateo	24,000	34,000	- 10,000	263,543	- 3.8%
Santa Clara	42,000	67,000	- 25,000	640,215	- 3.9%
Santa Cruz	6,050	6,000	+ 50	95,818	-
Solano	12,000	10,650	+ 1,350	149,865	+ .9%
Sonoma	10,900	8,800	+ 2,100	189,374	+ 1.1%

Household numbers are *estimates* extrapolated from *The Wall Street Journal* article, "Americans Up & Moved During the Pandemic," based on "permanent," change-of-address filings in 2020. The term "household" can signify one or many persons. The general dynamic in the Bay Area was net out-migration from more urban regions, and net in-migration into more suburban/rural areas. **Of counties seeing negative changes, relocating tenants (paying very high rents) – the newly unemployed, office employees changed to work-from-home, or students at closed universities – were almost certainly the dominant component in out-migration.** Trends may change with the opening of offices, universities, urban amenities. Even in non-pandemic years, significant population movements are normal.

All numbers are approximate. WSJ article published 5/11/21: Methodology/data not validated by Compass. Other sources have published different conclusions on migration. Total household data per U.S. Census 2019 ACS survey estimates. Compiled in good faith, but may contain errors, and subject to revision.

COMPASS

Steep U.S. Decline in Foreign National Homebuyers

Estimated Dollar Volume Sales in Billions, Top 5 Countries

National Association of Realtors estimates

International Homebuyer Purchases in Billions of Dollars

2013 2014 2015 2016 2017 2018 2019 2020 2021

Years designated reflect estimated sales from April of the previous year through March of the year specified: Purchases by resident and non-resident foreign nationals.

TOP STATES WHERE FOREIGN BUYERS PURCHASED RESIDENTIAL PROPERTY*
(107,000 PROPERTIES)

*Source: 2021 NAR International Transactions in U.S. Residential Real Estate

Billions of Dollars: 0, 5, 10, 15, 20, 25, 30

| 86% decline, 2017 - 2021 |

| 78% decline, 2017 - 2021 |

| 60% decline, 2017 - 2021 |

| 69% decline, 2017 - 2021 |

| 72% decline, 2017 - 2021 |

	2013	2014	2015	2016	2017	2018	2019	2020	2021
China	$12.8	$22	$28.1	$27.3	$31.7	$30.4	$13.4	$11.5	$4.5
Canada	$11.8	$13.8	$11.4	$8.9	$19	$10.5	$8	$9.5	$4.2
India	$3.9	$5.8	$7.9	$6.1	$7.8	$7.2	$6.9	$5.4	$3.1
Mexico	$3.6	$4.5	$4.9	$4.8	$9.3	$4.2	$2.3	$5.8	$2.9
United Kingdom	$4.2	$5.8	$3.9	$5.5	$9.6	$7.3	$3.8	$1.4	$2.7

Estimates from the "**2021 Profile of International Transactions in U.S. Residential Real Estate**" published by the National Association of Realtors in July 2021, based upon a survey of Realtors. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers to be considered approximate, good-faith estimates. China includes the People's Republic, Hong Kong and Taiwan.

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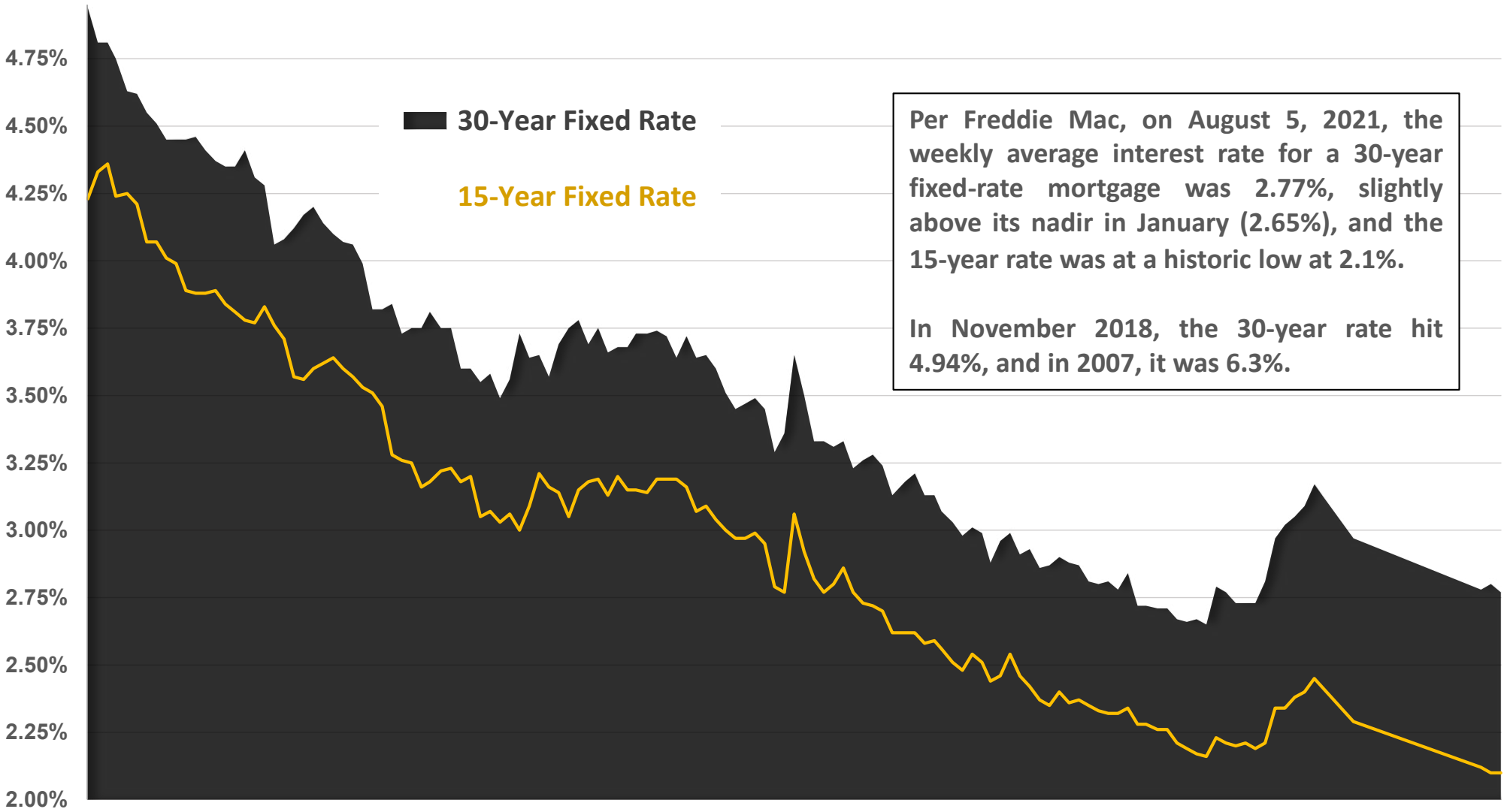
Mortgage Interest Rate Trends, November 2018 – Present

30-Year & 15-Year Conforming Fixed Rate Loans, Weekly Average Readings

Rates published by the FHLMC



Per Freddie Mac, on August 5, 2021, the weekly average interest rate for a 30-year fixed-rate mortgage was 2.77%, slightly above its nadir in January (2.65%), and the 15-year rate was at a historic low at 2.1%.

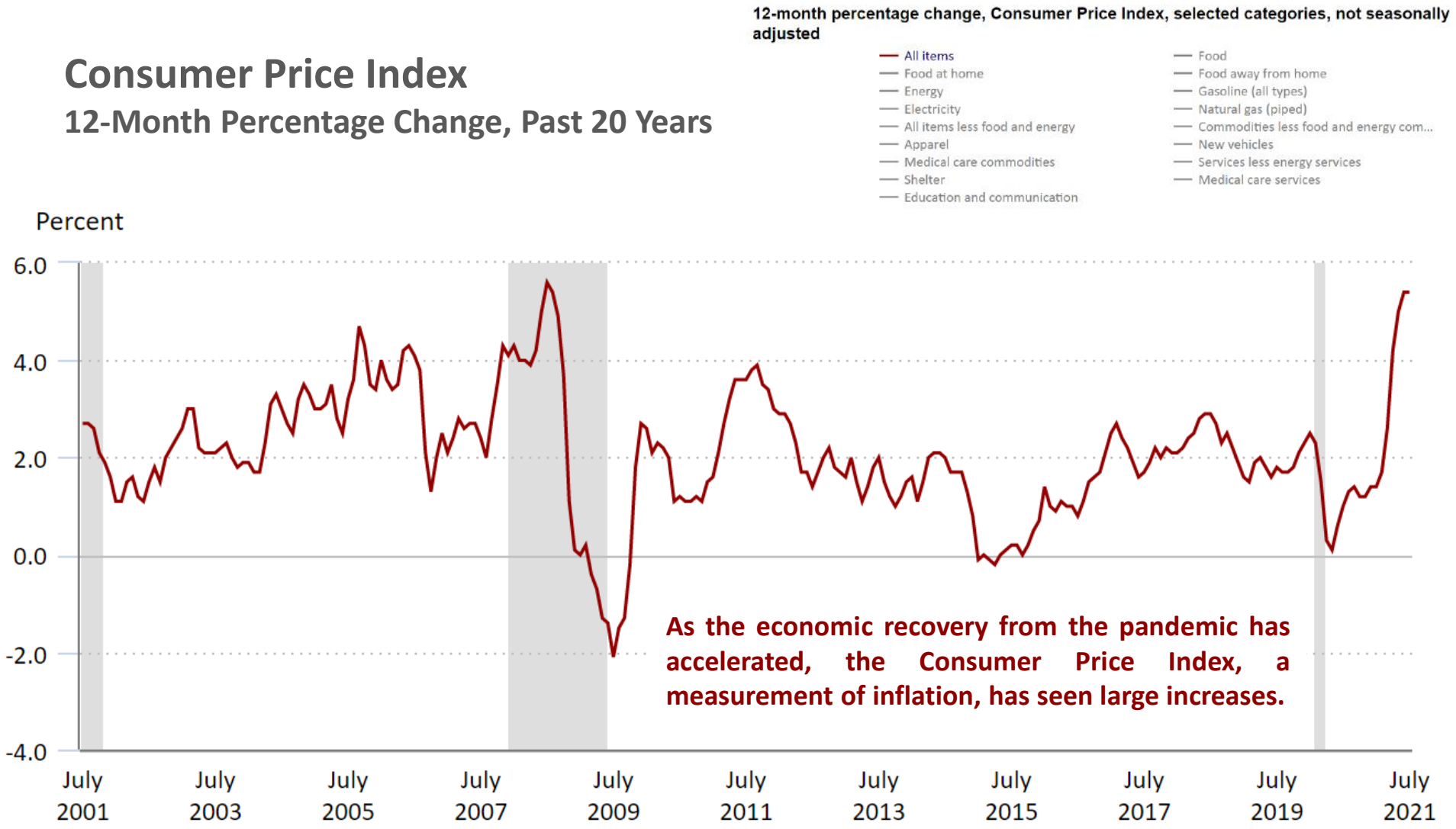
In November 2018, the 30-year rate hit 4.94%, and in 2007, it was 6.3%.

Interest rates may fluctuate suddenly and dramatically, and it is very difficult to predict rate changes. Data from sources deemed reliable but not guaranteed. Anyone interested in residential home loans should consult with a qualified mortgage professional and their accountant.

COMPASS

Consumer Price Index

12-Month Percentage Change, Past 20 Years



Historically, the standard remedy for surging inflation is to raise interest rates, however there are many opinions as to whether higher-than-normal inflation rates will persist and become a significant economic issue requiring response by the Federal Reserve Bank in the near future. Predicting interest rate changes is extremely difficult. Certainly, this is an economic indicator to watch in coming months.

Chart from U.S. Bureau of Labor Statistics, published mid-August 2021:
https://www.bls.gov/charts/consumer-price-index/consumer-price-index-by-category-line-chart.htm.
Data from sources deemed reliable, but may contain errors and subject to revision.

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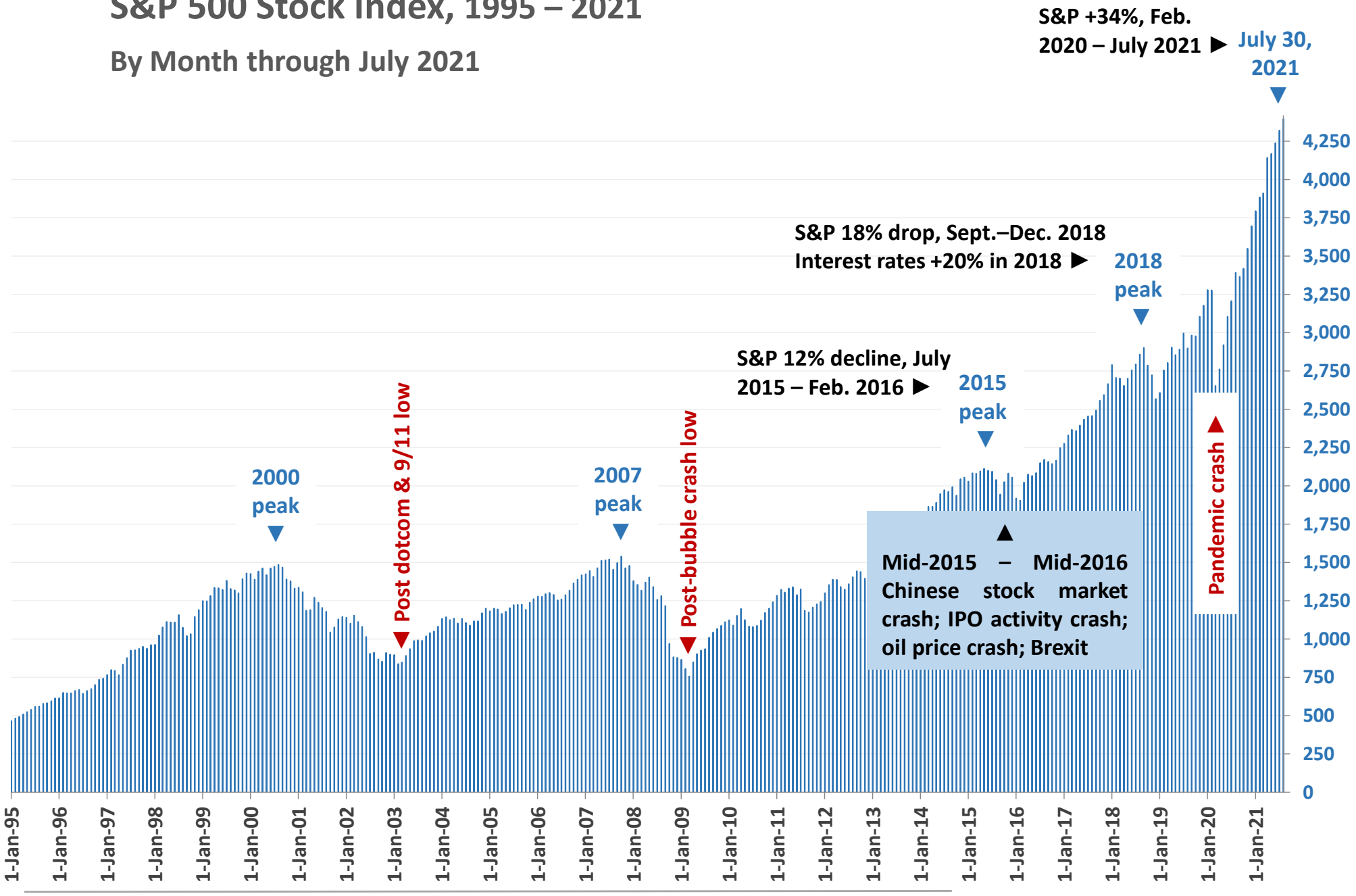
S&P 500 Stock Index, 1995 – 2021

By Month through July 2021

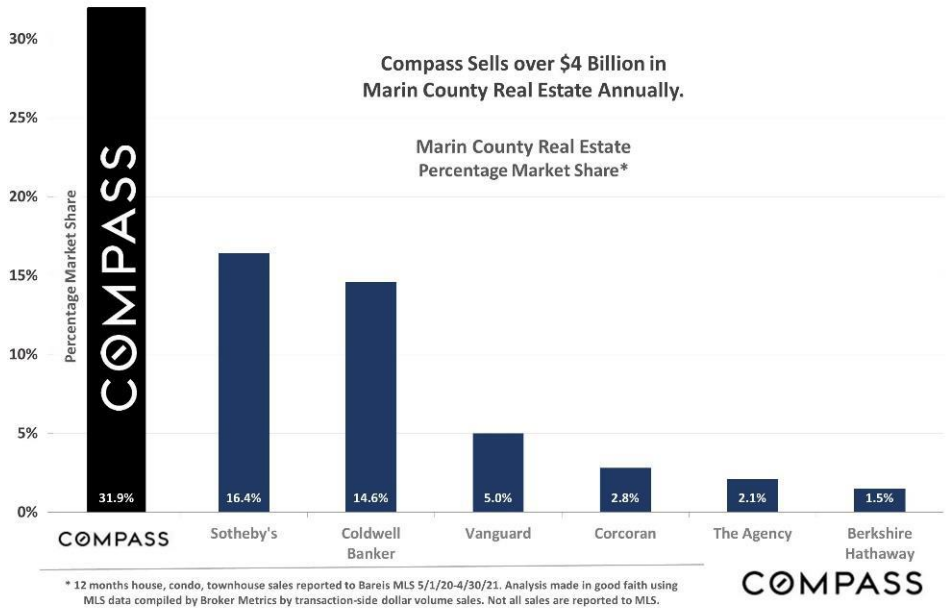


Data from multpl.com and Yahoo! Finance. An approximate illustration only. Data from sources deemed reliable but may contain errors and subject to revision. Financial markets can be prone to significant volatility even on a short-term basis. For general illustration purposes only.

COMPASS

Marin County Home Sales*

Top 7 Brokerages, Percentage Market Share, by Dollar Volume Sales



* 12 months house, condo, townhouse sales reported to Bareis MLS 5/1/20-4/30/21. Analysis made in good faith using MLS data compiled by Broker Metrics by transaction-side dollar volume sales. Not all sales are reported to MLS.

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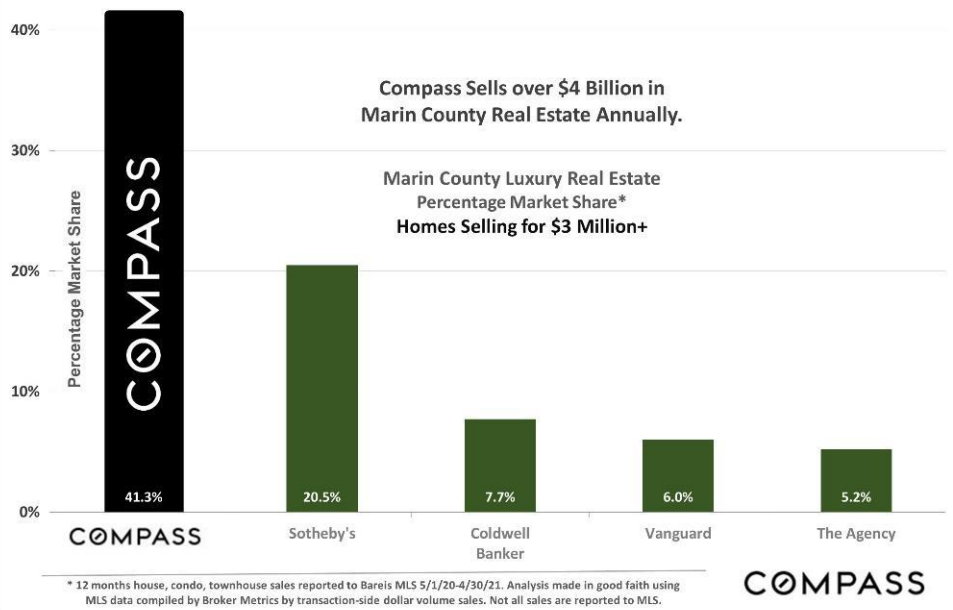
Marin County Luxury Home Sales*

Top 5 Brokerages, Percentage Market Share, by Dollar Volume Sales



* 12 months house, condo, townhouse sales reported to Bareis MLS 5/1/20-4/30/21. Analysis made in good faith using MLS data compiled by Broker Metrics by transaction-side dollar volume sales. Not all sales are reported to MLS.

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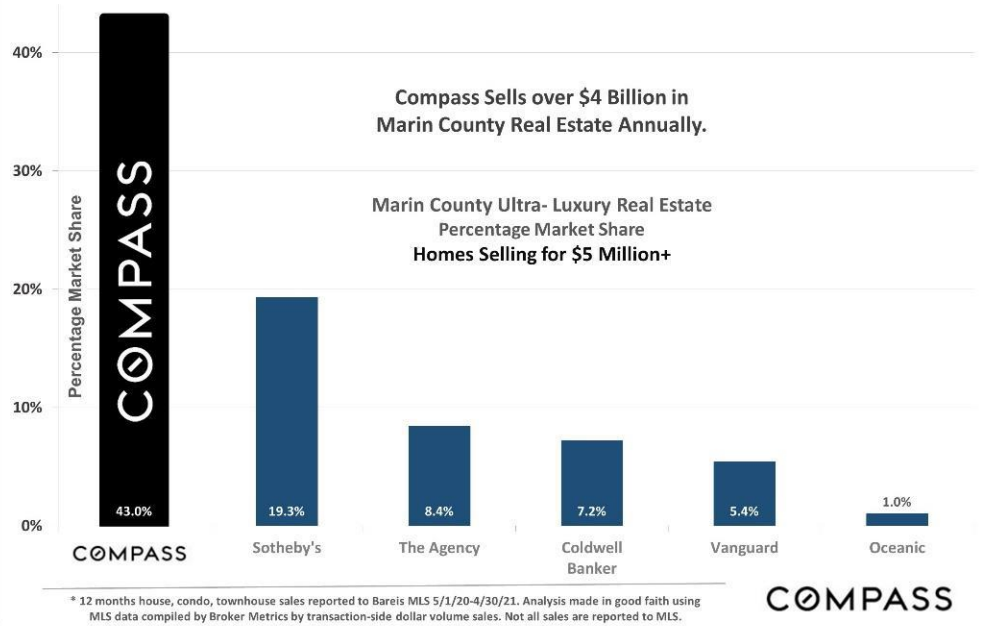
Marin County Ultra-Luxury Home Sales*

Top 6 Brokerages, Percentage Market Share, by Dollar Volume Sales



* 12 months house, condo, townhouse sales reported to Bareis MLS 5/1/20-4/30/21. Analysis made in good faith using MLS data compiled by Broker Metrics by transaction-side dollar volume sales. Not all sales are reported to MLS.

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Editable email newsletters in Marketing Center/ Market Data section

Newsletters in Flippingbook format published monthly

Newsletter pdfs and jpgs (by month, then region):
https://drive.google.com/drive/folders/1kSMZJP6ZPWnFF23ZTrqMMvzzkSjkLjAU?usp=sharing

Market share charts (by region):
https://drive.google.com/drive/folders/1RX6mZKYdQOwB-AthmA0_ox43MbFo2RIU?usp=sharing

Online: https://www.bayareamarketreports.com/

CAR Mid-Year Forecast:
https://www.car.org/en/marketdata/marketforecast

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Statistics are generalities, essentially summaries of widely disparate data generated by dozens or hundreds of unique, individual sales occurring within different time periods. They are best seen not as precise measurements, but as broad, comparative indicators, with reasonable margins of error. Anomalous fluctuations in statistics are not uncommon, especially in smaller, expensive market segments. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate. Data from MLS, but not all listings or sales are reported to MLS.

Median Sales Price is that price at which half the properties sold for more and half for less. It may be affected by seasonality, "unusual" events, or changes in inventory and buying trends, as well as by changes in fair market value. The median sales price for an area will often conceal an enormous variety of sales prices in the underlying individual sales.

Dollar per Square Foot is based upon the home's interior living space and does not include garages, unfinished attics and basements, rooms built without permit, patios, decks or yards (though all those can add value to a home). These figures are usually derived from appraisals or tax records, but are sometimes unreliable (especially for older homes) or unreported altogether. The calculation can only be made on those home sales that reported square footage.

Many aspects of value cannot be adequately reflected in median and average statistics: curb appeal, age, condition, amenities, views, lot size, quality of outdoor space, "bonus" rooms, additional parking, quality of location *within* the neighborhood, and so forth. How these statistics apply to any particular home is unknown without a specific comparative market analysis.

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