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Marin County Real Estate

September 2021 Report

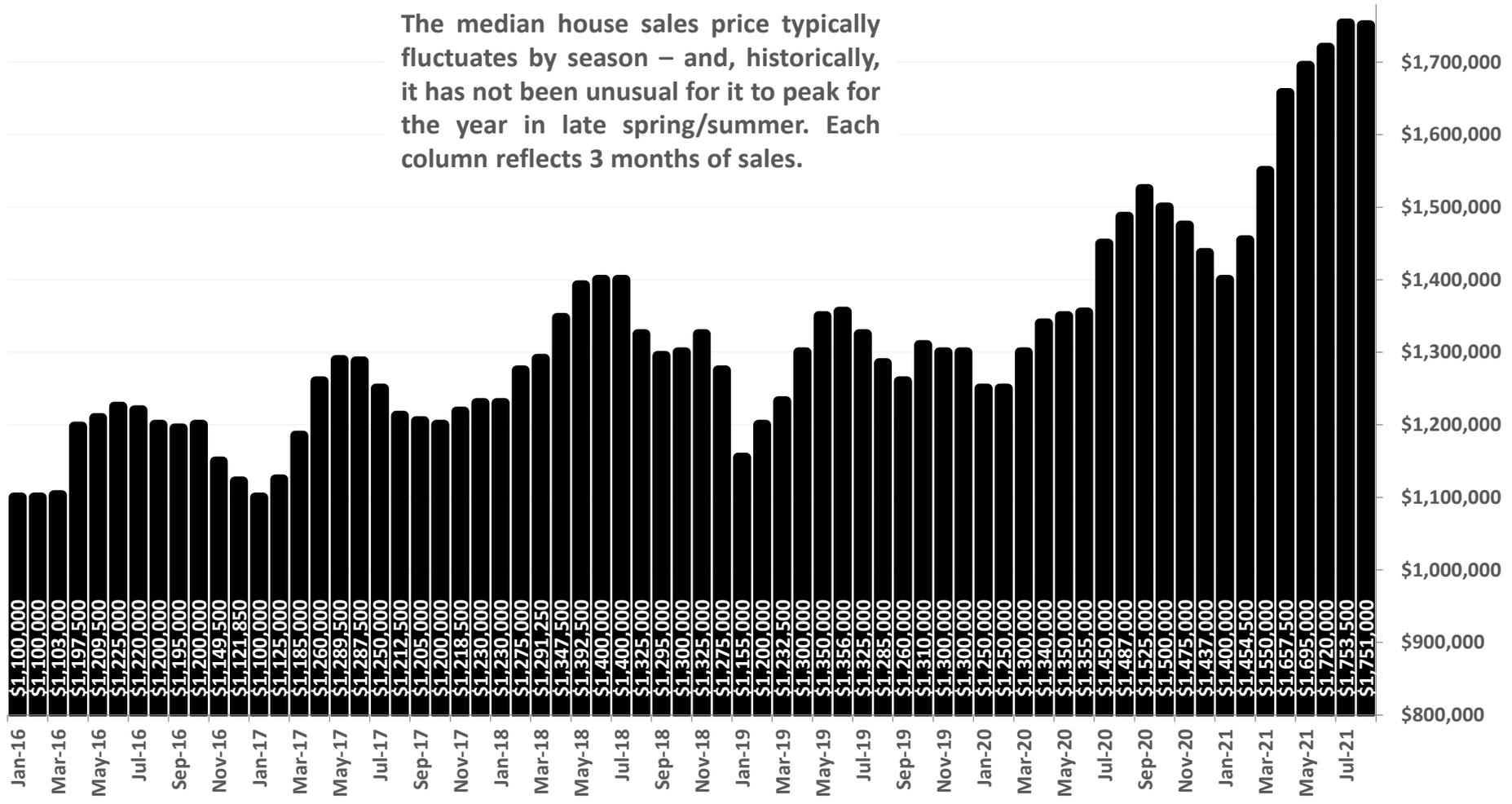
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Marin County Median House Sales Price

3-Month-Rolling Median House Price since 2016

House sales reported to NorCal Regional MLS, per Infosparks

The median house sales price typically fluctuates by season – and, historically, it has not been unusual for it to peak for the year in late spring/summer. Each column reflects 3 months of sales.



Median Prices can be affected by other factors besides changes in fair market value, such as seasonal trends and changes in the luxury segment. Sales prices in one month generally reflect deals negotiated in the prior month or two. This analysis was performed in good faith with data derived from sources deemed reliable, but may contain errors and is subject to revision. Late reported sales may alter the last entry. All numbers approximate.

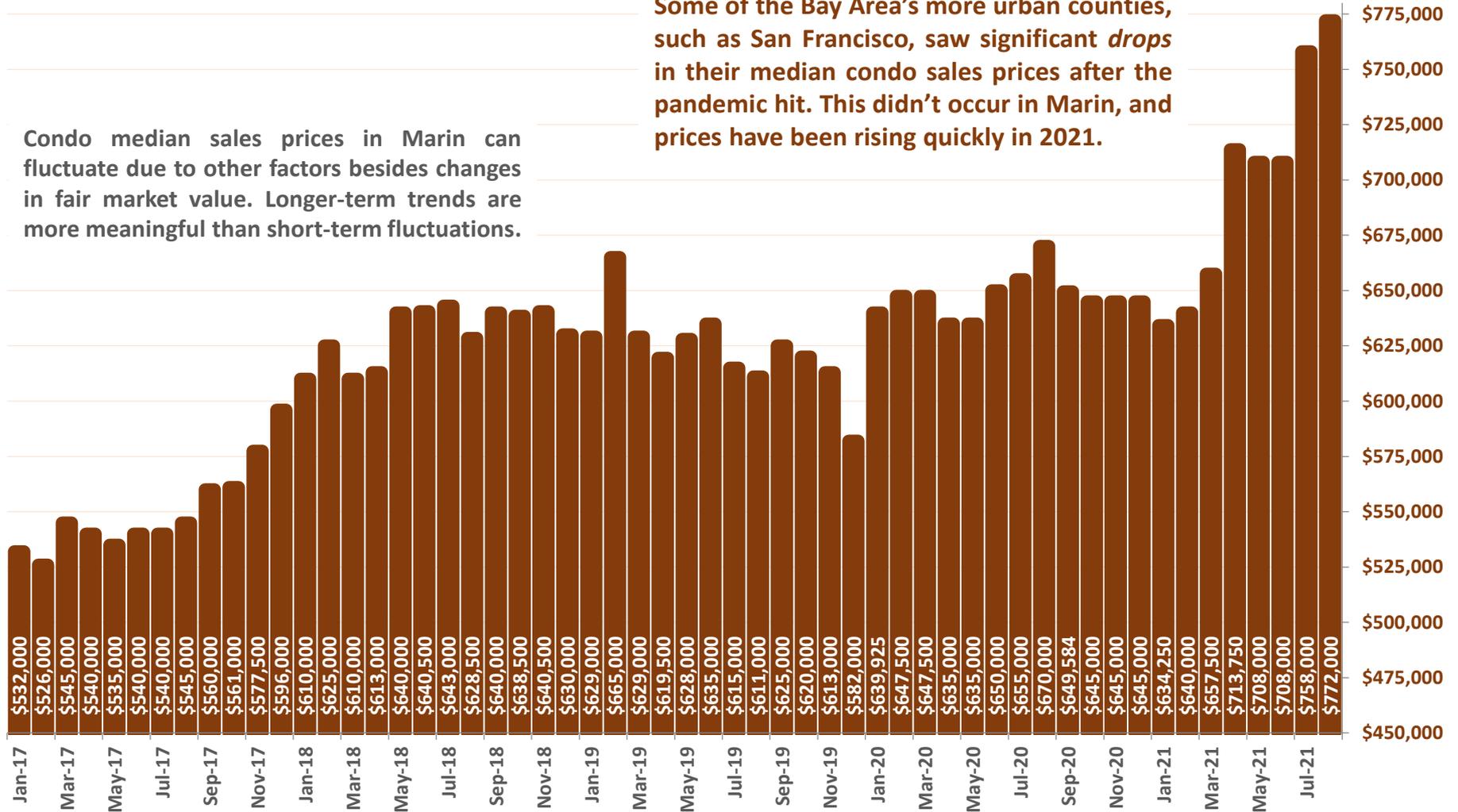


Marin County Median 2-Bedroom Condo Sales Prices

6-Month Rolling Condo Sales, since 2017

Condo median sales prices in Marin can fluctuate due to other factors besides changes in fair market value. Longer-term trends are more meaningful than short-term fluctuations.

Some of the Bay Area's more urban counties, such as San Francisco, saw significant *drops* in their median condo sales prices after the pandemic hit. This didn't occur in Marin, and prices have been rising quickly in 2021.



Sales reported to NorCal Regional MLS, per Infosparks. Each data point reflects 6 months of sales. Analysis may contain errors and subject to revision. All numbers approximate. Latest month data may change due to late-reported sales.



Major Market Factors since Spring 2020

Abnormally high household movement occurred due to pandemic-related reasons, housing and living costs, family and quality of life issues, and new wealth – moves greatly enabled by work-from-home. There was a considerable increase in the number of buyers for first homes, larger homes, luxury homes and second homes.

New wealth: Federal and state governments shoveled trillions of dollars to businesses and households, many of which were in no financial distress. Financial markets soared, dramatically increasing the personal wealth of middle class and more affluent households. And home values soared. These factors contributed to the sense of being *wealthier than ever*, which helped supercharge the housing market. The households which suffered unemployment, illness and financial hardship were generally less affluent, and more likely to be tenants than homeowners or homebuyers.

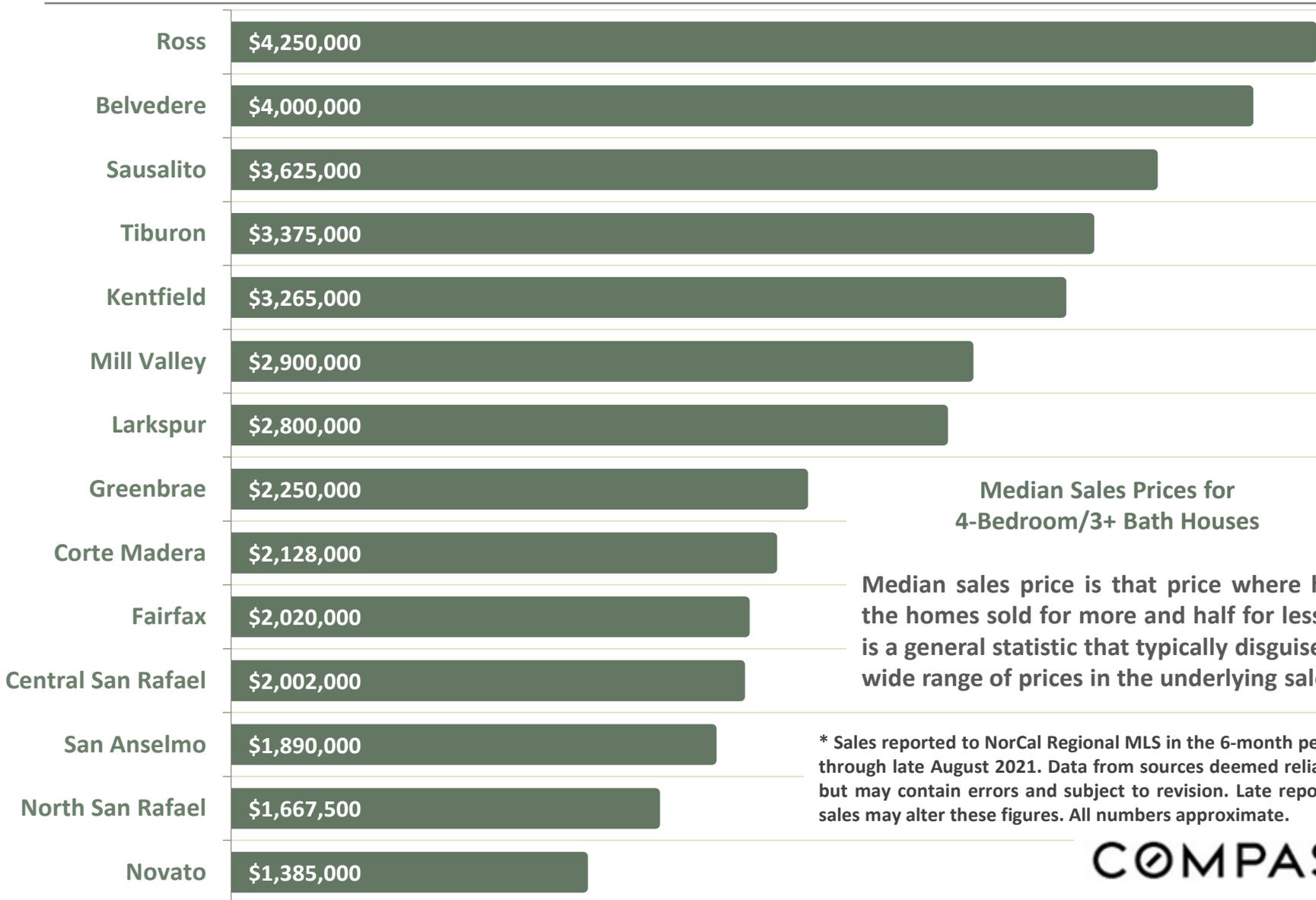
Interest rates: The Fed implemented policies that brought mortgage interest rates down to historic lows, significantly lowering housing costs, and motivating prospective homebuyers to buy sooner than later. (The risk is that if interest rates jump, perhaps due to inflationary pressures – and we are not saying they will – it could have pronounced cooling effect on the market, as it did in mid-late 2018.)

Optimism boosts housing and financial markets: Markets typically move in cycles characterized by pervasive economic optimism, uncertainty or pessimism, and today, optimism generally prevails among those with financial resources. Because there are so many economic, political and ecological factors at play at any given time, it is extremely difficult to predict the timing, duration or magnitude of market cycles up or down.

Demographic shifts: According to census data, many more less-affluent/less-educated residents have *left* CA than have arrived in the 10 years through 2019, but more higher-income/more-educated residents *arrived* than departed. This dynamic prevailed in the Bay Area as well, and out-migration of the less affluent accelerated in the Bay Area since Covid hit. Affluent, suburban Marin, with its gracious towns and enormous parklands (and good schools), saw a *further* influx of affluent and very affluent buyers – mostly from densely populated (and more *expensive*) San Francisco, also dealing with a number of negative urban issues – competing for an inadequate supply of Marin homes for sale.

Marin County: 4-Bedroom/3+ Bath House Values

2021 Median House Sales Prices – 6 Months Sales*



Median Sales Prices for 4-Bedroom/3+ Bath Houses

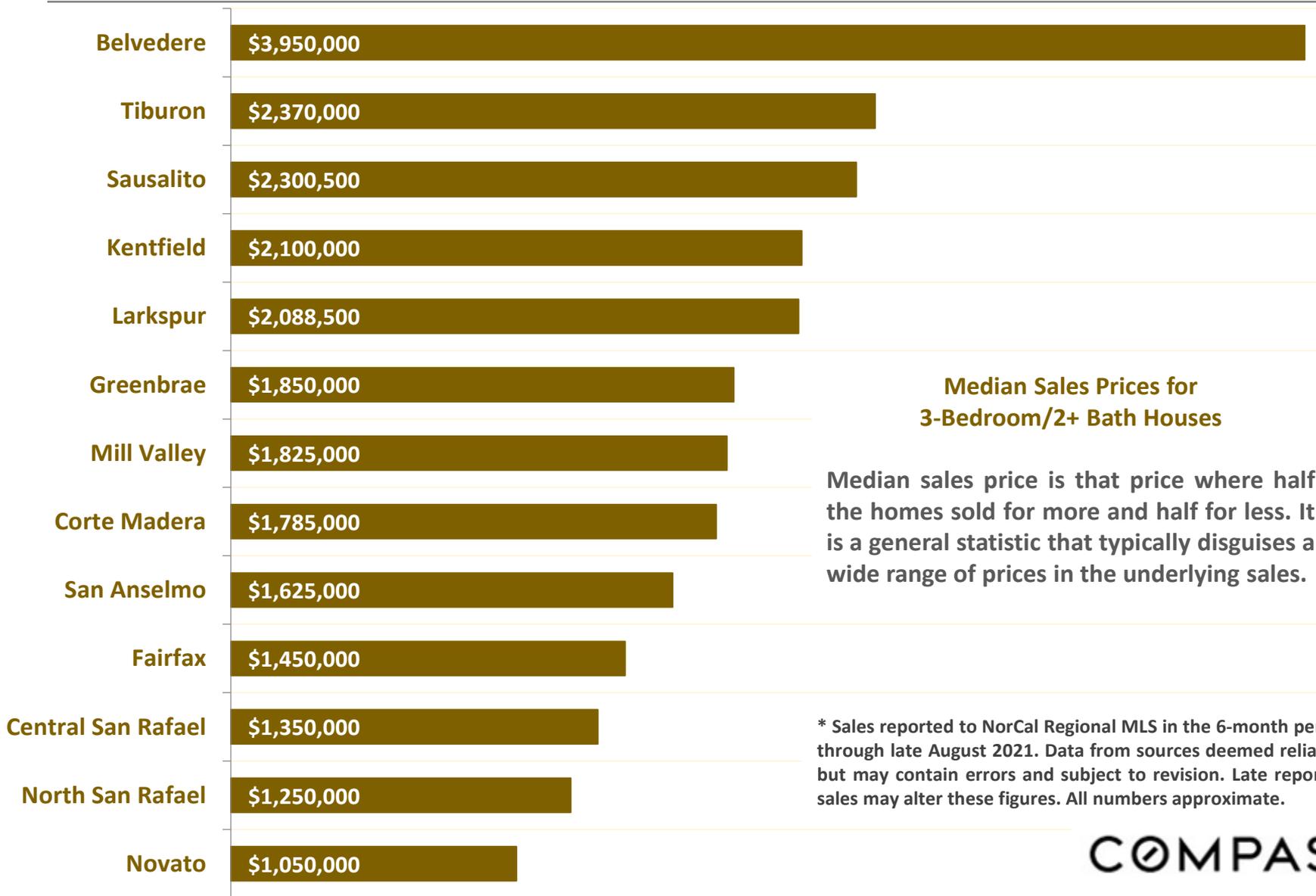
Median sales price is that price where half the homes sold for more and half for less. It is a general statistic that typically disguises a wide range of prices in the underlying sales.

* Sales reported to NorCal Regional MLS in the 6-month period through late August 2021. Data from sources deemed reliable, but may contain errors and subject to revision. Late reported sales may alter these figures. All numbers approximate.



Marin County: 3-Bedroom/2+ Bath House Values

2021 Median House Sales Prices – 6 Months Sales*



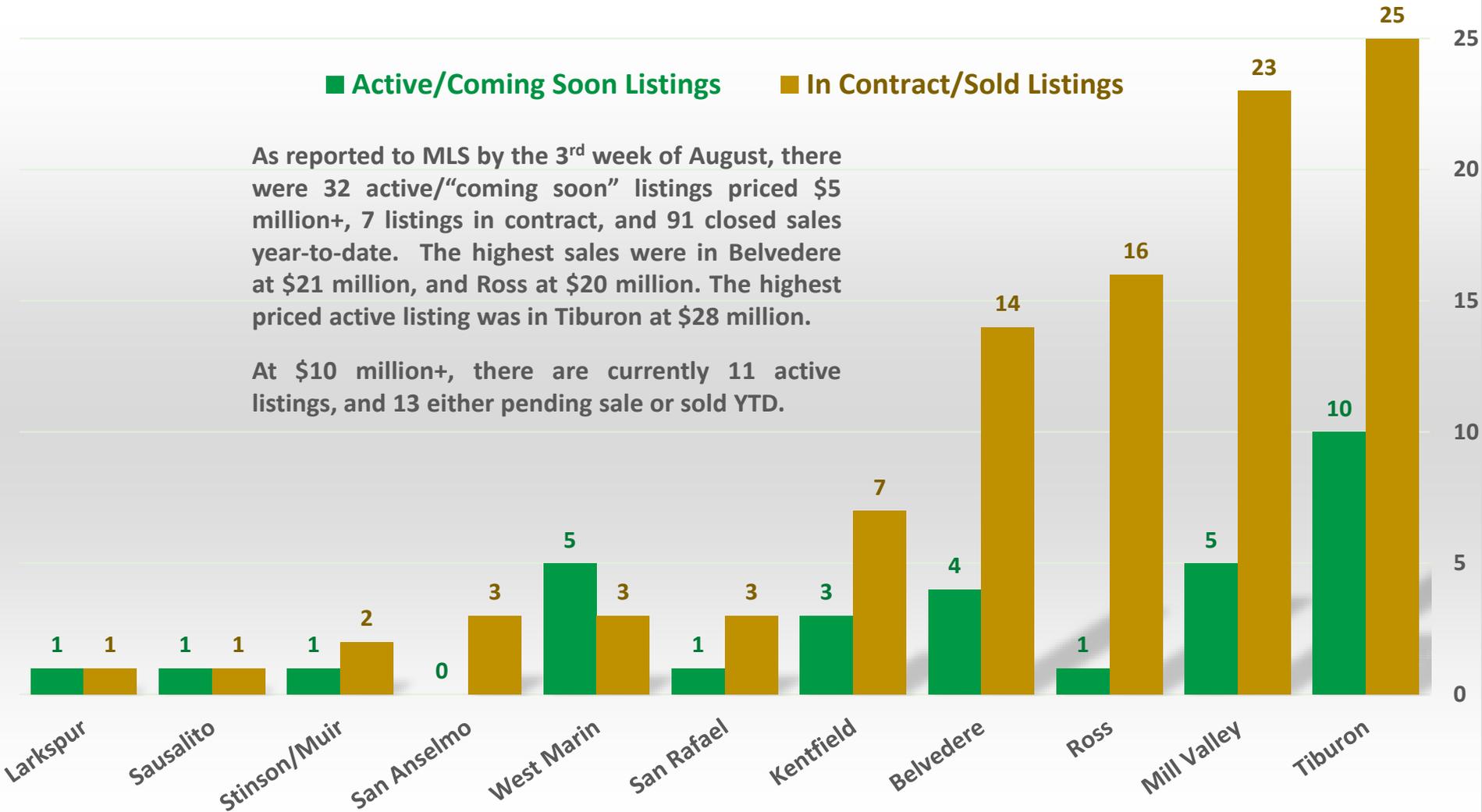
Marin County Ultra-Luxury Home Market

By City/Region, 2021 YTD, \$5 Million & Above*

■ Active/Coming Soon Listings ■ In Contract/Sold Listings

As reported to MLS by the 3rd week of August, there were 32 active/“coming soon” listings priced \$5 million+, 7 listings in contract, and 91 closed sales year-to-date. The highest sales were in Belvedere at \$21 million, and Ross at \$20 million. The highest priced active listing was in Tiburon at \$28 million.

At \$10 million+, there are currently 11 active listings, and 13 either pending sale or sold YTD.

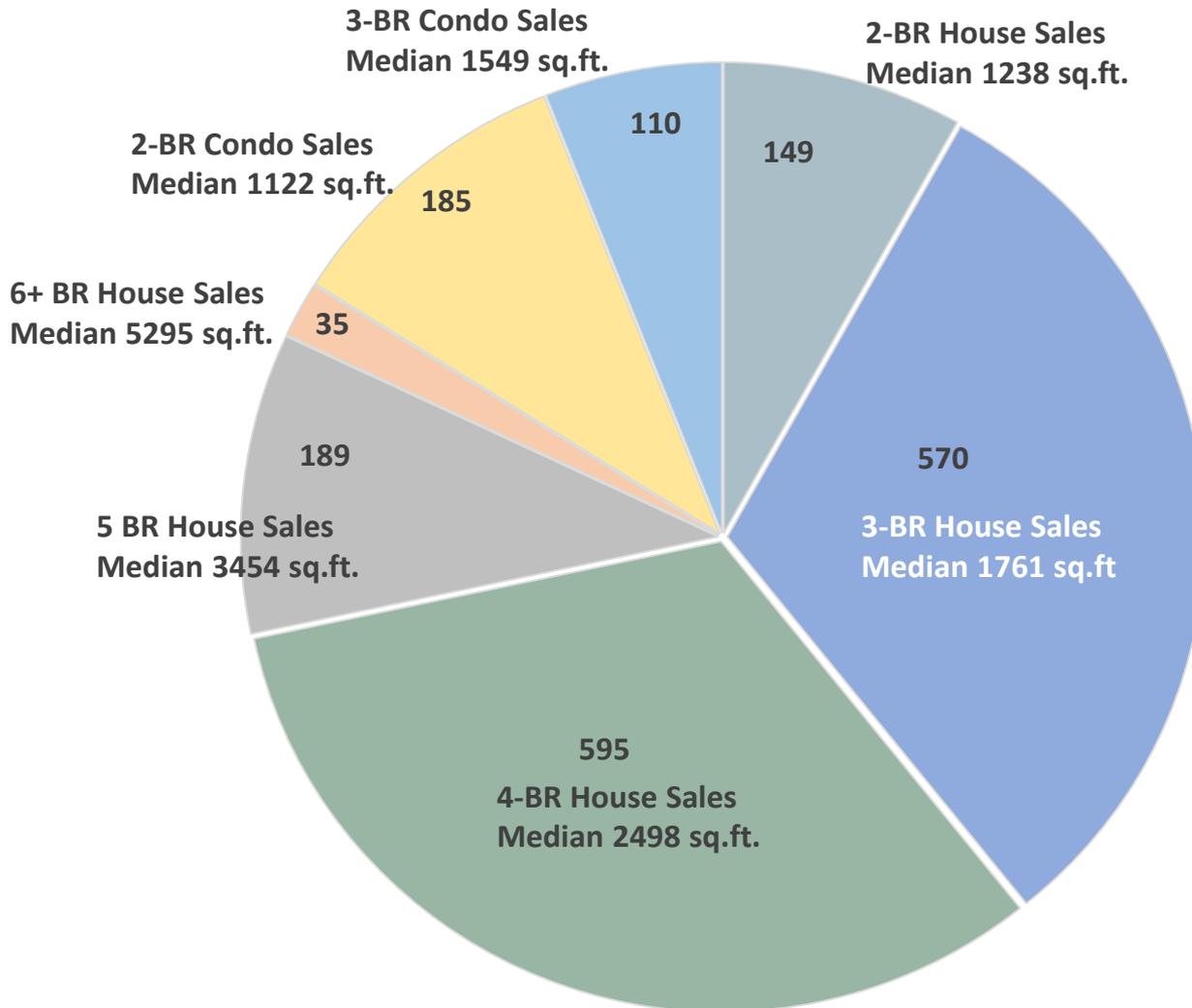


* Activity reported to NorCal Regional MLS in 2021 by 8/21/21. Data from sources deemed reliable, but may contain errors and subject to revision. Not all listings and sales are reported to MLS, and late-reported activity may alter these numbers. Numbers can change on a daily basis. All numbers are approximate.

Marin County Home Sales Breakdown

6 Months Sales by Number of Bedrooms

6 months sales reported to NorCal
Regional MLS through 8/15/21



Median Sales Prices & Median \$/Sq.Ft.

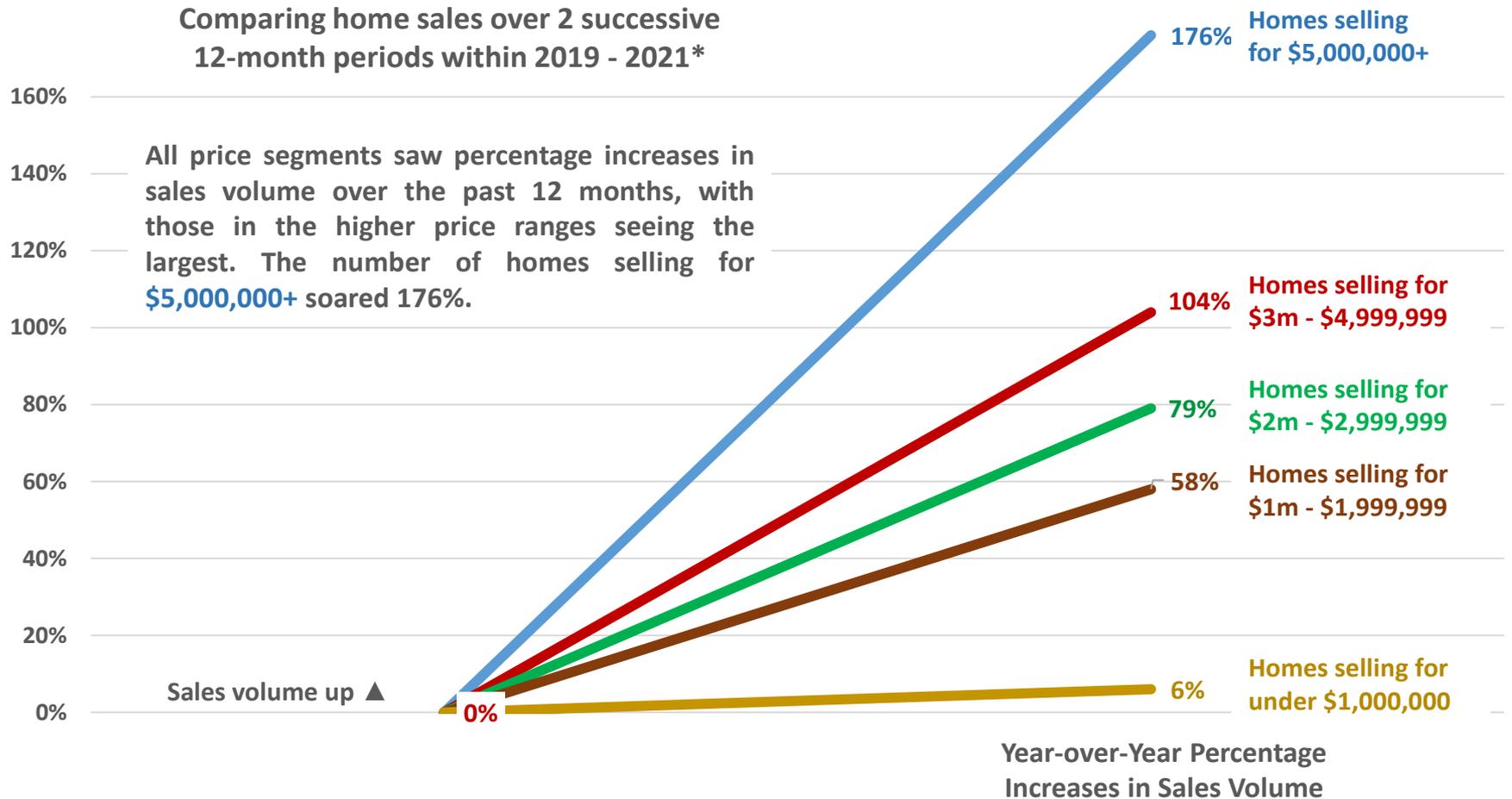
- 2-BR Houses - \$1,300,000, \$996/sq.ft.
- 3-BR Houses - \$1,520,000, \$851/sq.ft.
- 4-BR Houses - \$1,950,000, \$806/sq.ft.
- 5-BR Houses - \$3,050,000, \$851/sq.ft.
- 6+ BR Houses - \$4,700,000, \$914/sq.ft.
- 2-BR Condos - \$725,000, \$634/sq.ft.
- 3-BR Condos - \$831,000, \$540/sq.ft.

Sales reported to MLS. 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 Home Sales Change

Year-over-Year Percentage Increases, 12 Months Sales by Price Segment

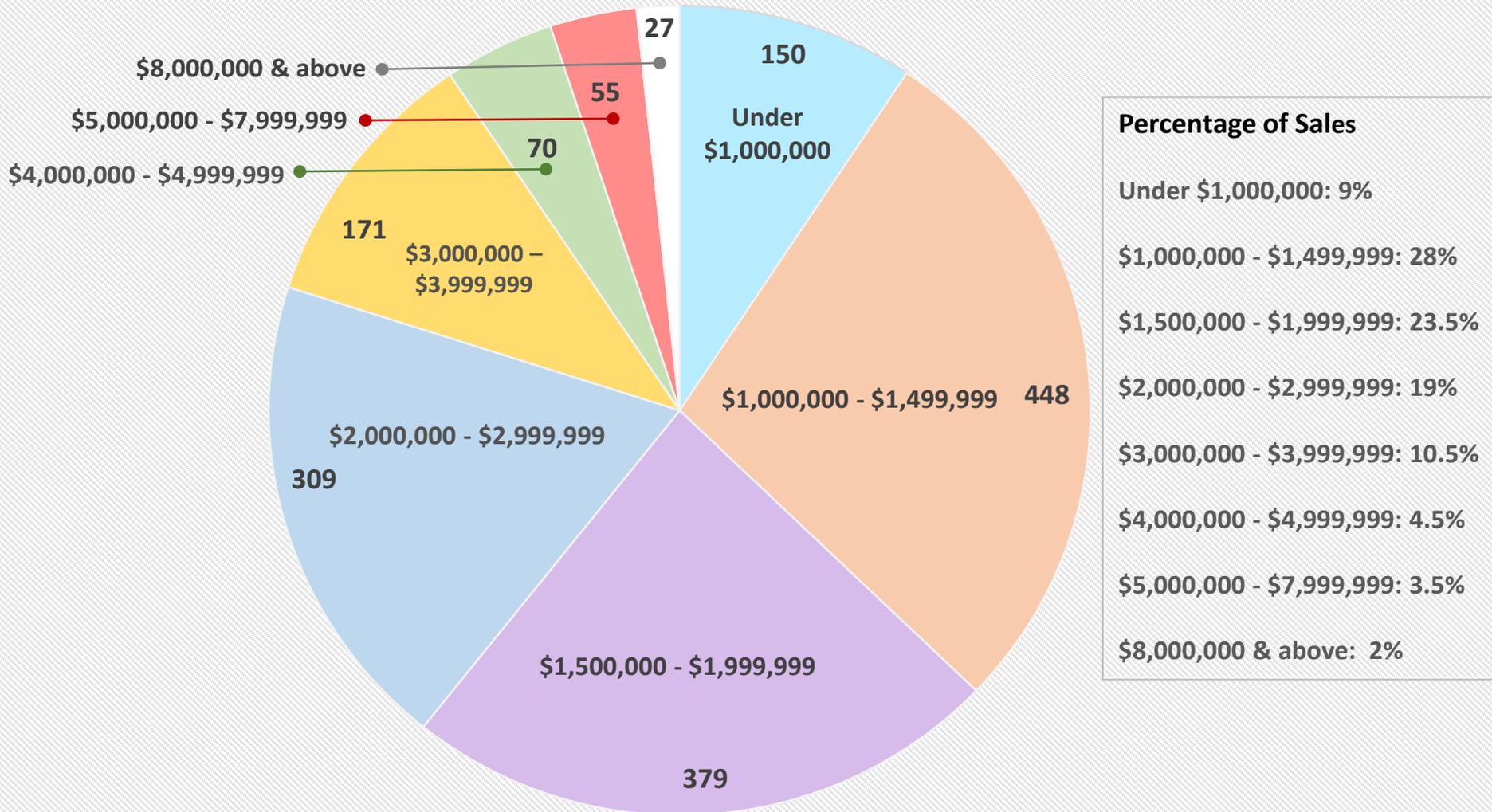


*Residential – house, condo, townhouse – sales reported to NorCal Regional MLS, August through July of 2 successive 12-month periods within 2019-2021, per Infosparks. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate.

Marin County House Sales

6 Months Sales by Price Segment*

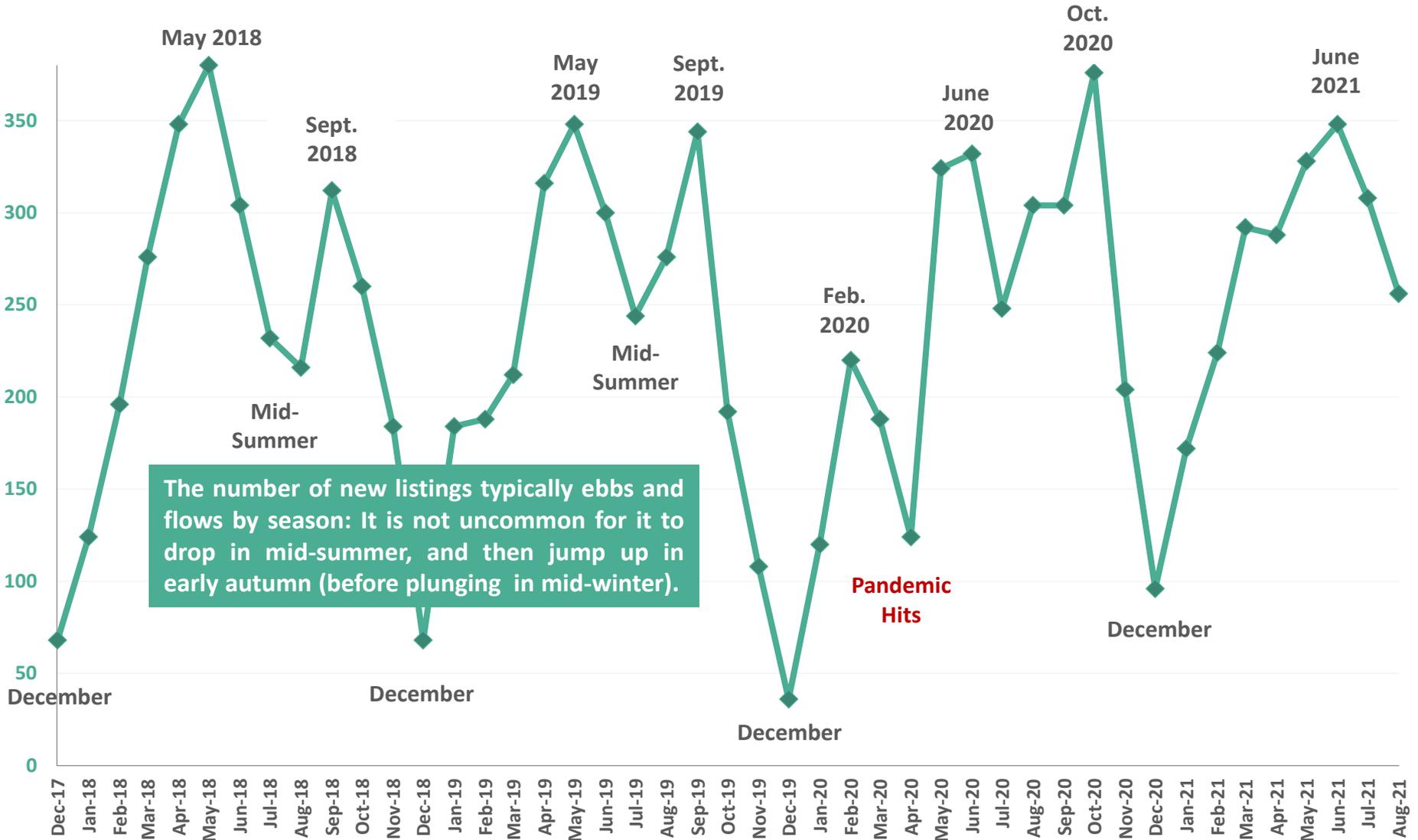
This analysis does not include condo and townhouse sales, which typically sold within the lower price segments.



* 6 months NorCal Regional MLS house sales reported through 8/15/21. Data derived from sources deemed reliable, but may contain errors and subject to revision. Not all sales are reported to MLS. Percentages are rounded. All numbers approximate.

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.

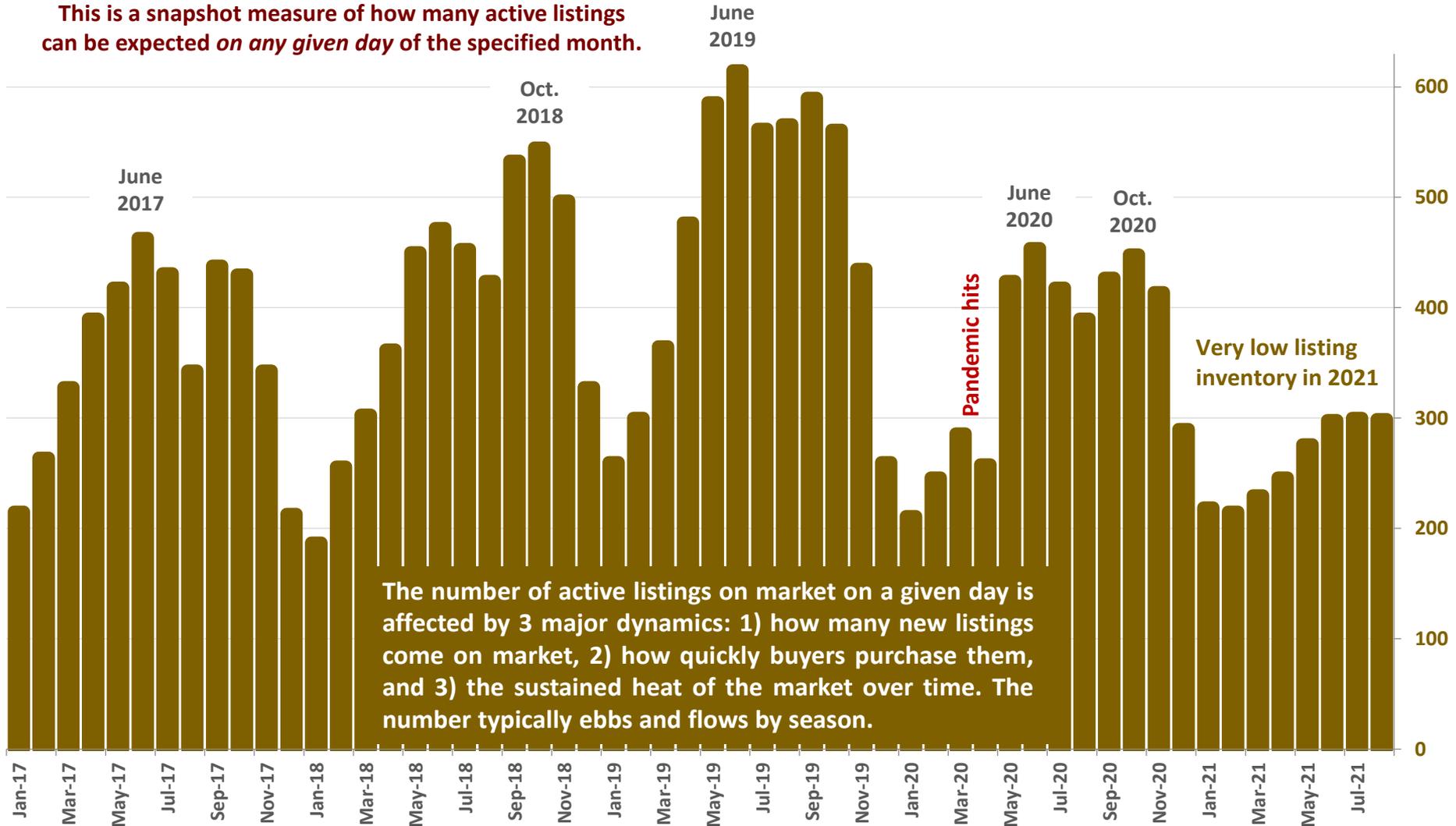


Active Listings on Market

Marin County Real Estate Market Dynamics & Seasonality

For houses and condos

This is a snapshot measure of how many active listings can be expected on any given day of the specified 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.



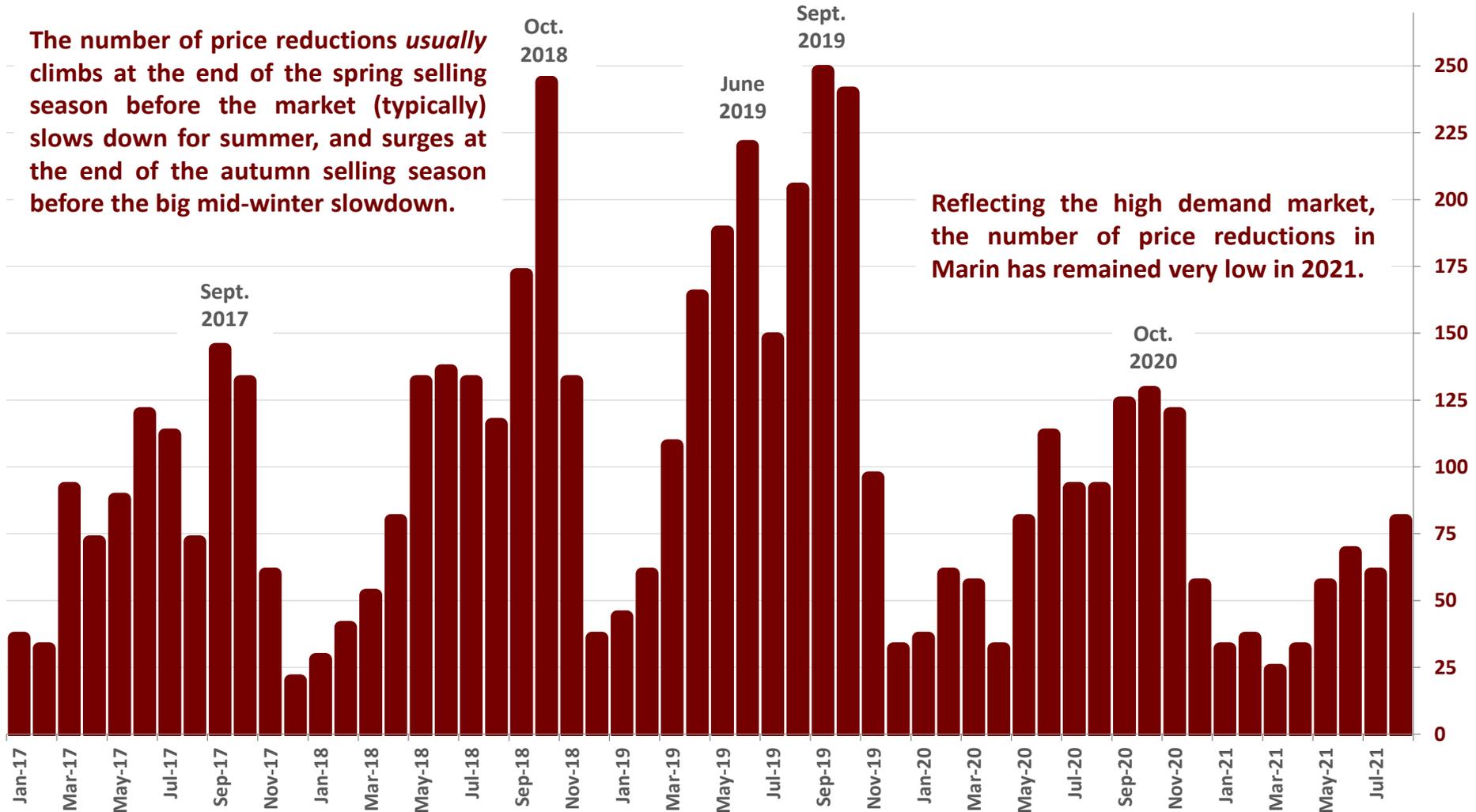
Price Reductions on Active Listings

Marin County Real Estate Market Dynamics

For houses and condos

The number of price reductions *usually* climbs at the end of the spring selling season before the market (typically) slows down for summer, and surges at the end of the autumn selling season before the big mid-winter slowdown.

Reflecting the high demand market, the number of price reductions in Marin has remained very low in 2021.



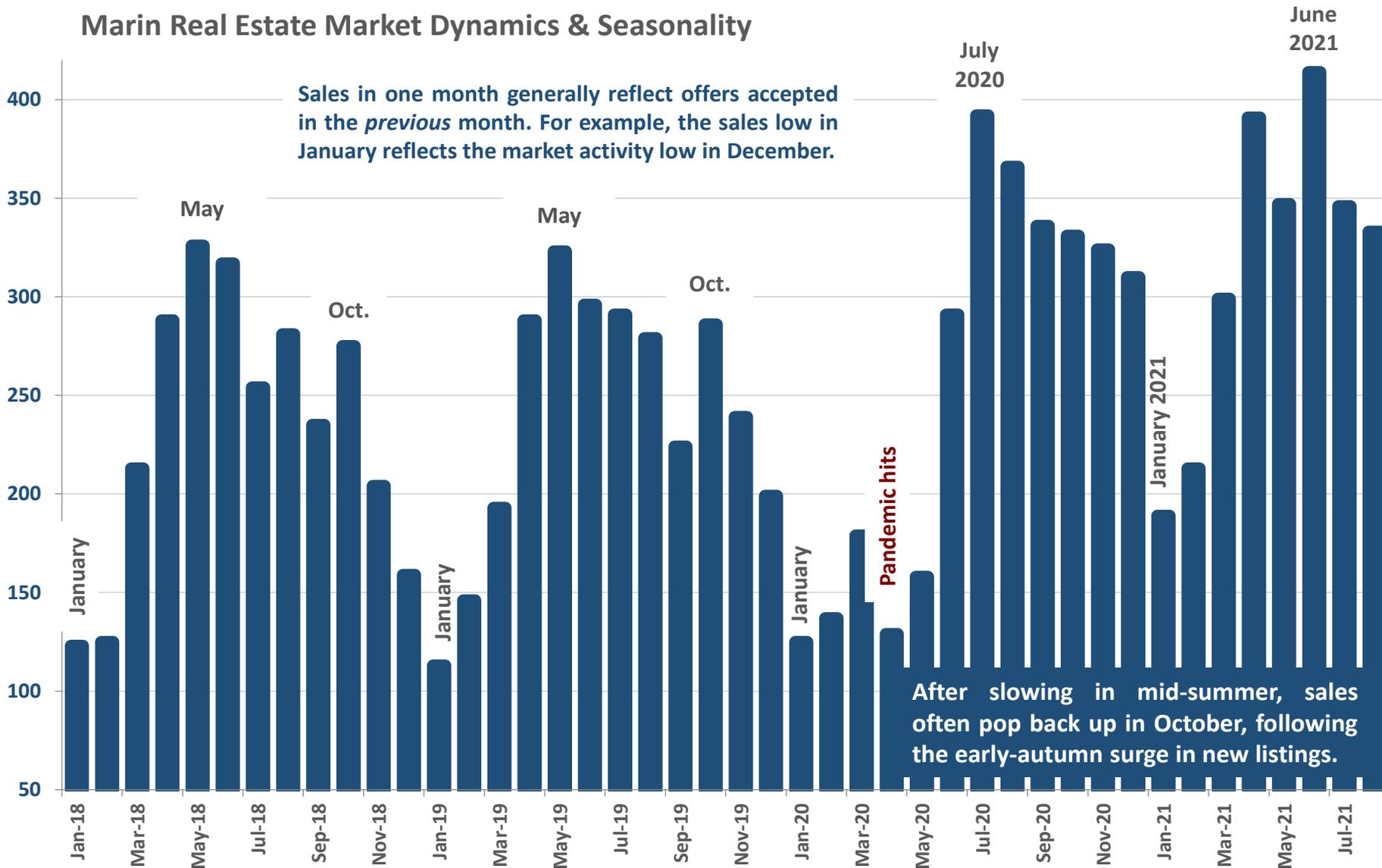
Per Realtor.com Research: <https://www.realtor.com/research/data/>, activity on website. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers to be considered approximate.



Marin Home Sales Volume

Marin Real Estate Market Dynamics & Seasonality

Sales in one month generally reflect offers accepted in the *previous* month. For example, the sales low in January reflects the market activity low in December.



Sales reported to NorCal Regional MLS, per Infosparks. Last month data estimated and may change with late reported sales. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate.

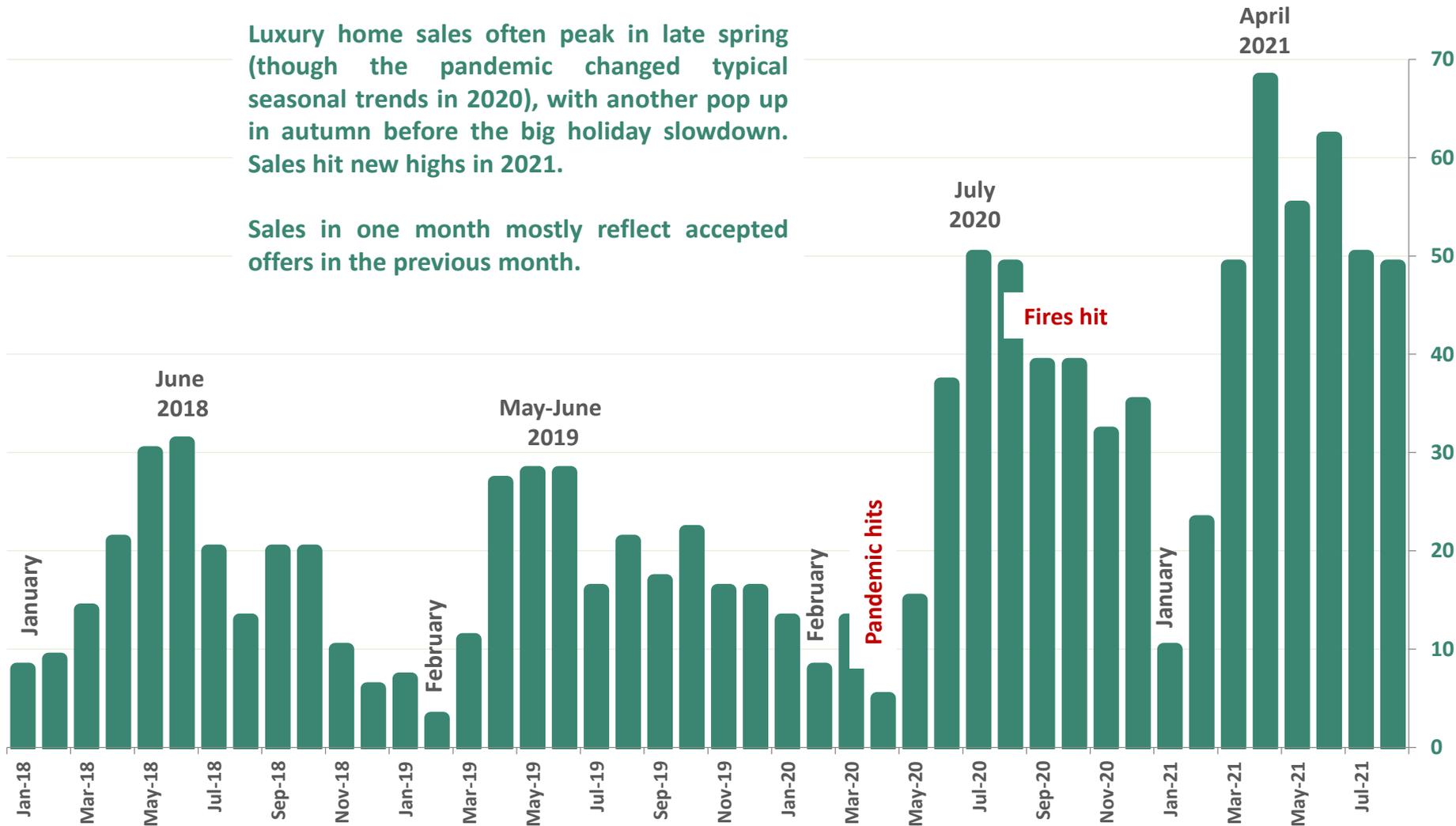


Marin Luxury Home Sales

Closed Sales at \$3,000,000+ by Month

Luxury home sales often peak in late spring (though the pandemic changed typical seasonal trends in 2020), with another pop up in autumn before the big holiday slowdown. Sales hit new highs in 2021.

Sales in one month mostly reflect accepted offers in the previous month.



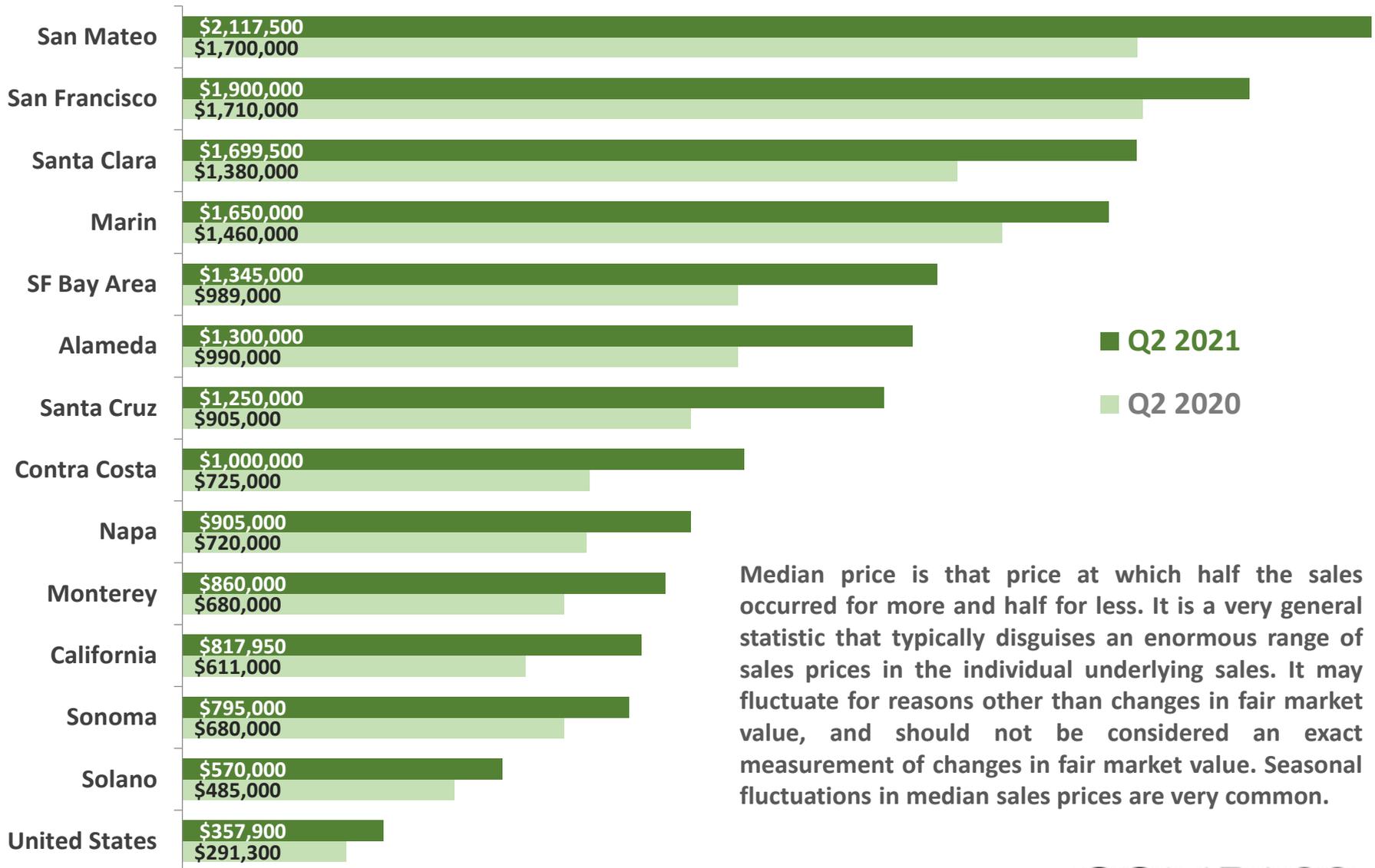
Sales reported to NorCal Regional MLS, per Infosparks. Last month data estimated and may change with late reported sales. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate.



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.



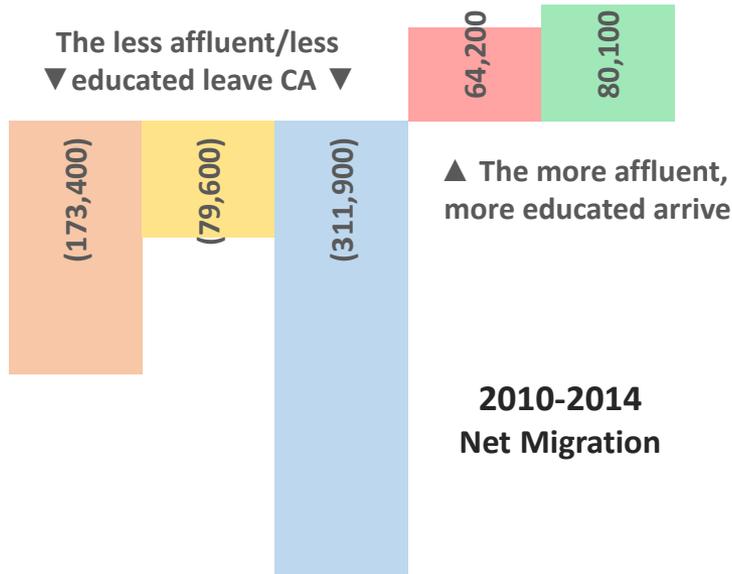
CA Migration by Income & Education

Net Domestic, Inter-State Population Movement, 2010-2019

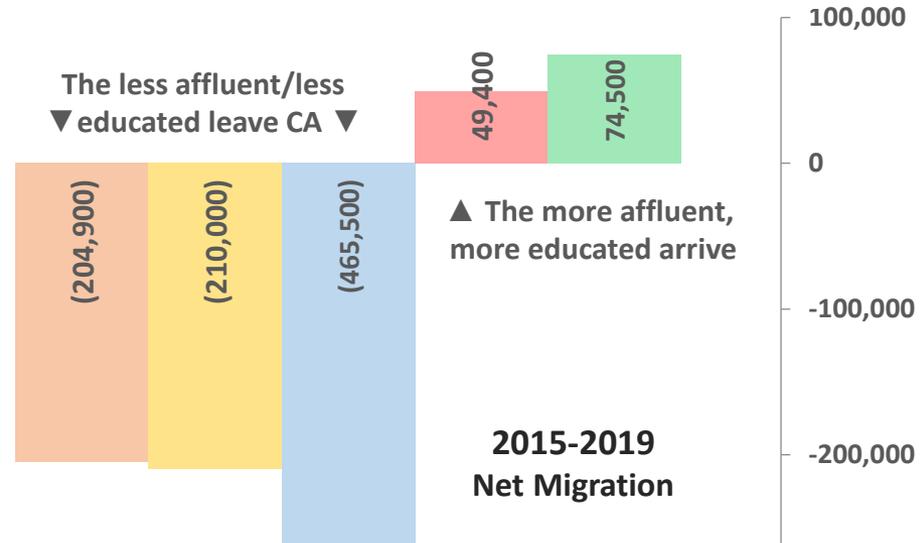
American Community Survey (ACS) estimates: **Does not include foreign immigration, a big factor in CA and Bay Area since 2010.**

The less affluent/less educated have been leaving CA; the more affluent/more educated still arriving. The out-migration of lower income/education residents has almost certainly accelerated since Covid, esp. in more expensive housing markets.

■ Low Income
 ■ Mid-Income
 ■ Less than Bachelor's Degree
 ■ Higher Income
 ■ Bachelor's Degree+



2010-2014. Income: 253,000 more low/mid-income adults *left* CA than arrived. 64,200 more higher-income adults *arrived* than left. Education: 311,900 more adults with less than a bachelor's degree *left* than arrived. 80,100 more adults with Bachelor's degrees+ *arrived* than departed.



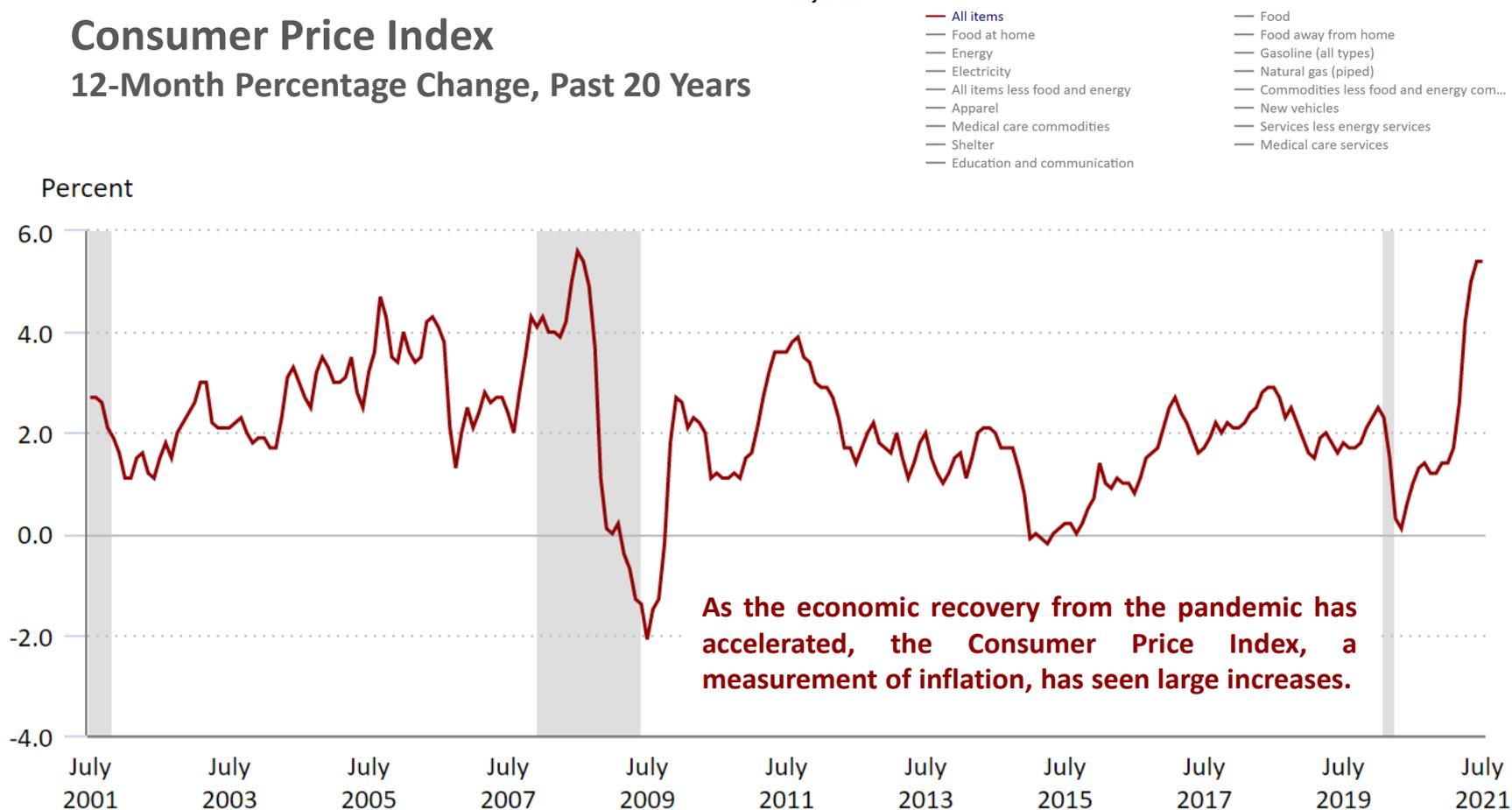
2015-2019. Income: 414,900 more low/mid-income adults *left* CA than arrived. 49,400 more higher-income adults *arrived* than left. Education: 465,500 more adults with less than a bachelor's degree *left* than arrived. 74,500 more adults with Bachelor's degrees+ *arrived* than departed.

Based upon analysis of ACS data by Hans Johnson, Public Policy Institute of CA, May 2021 (does not include foreign immigration figures): <https://www.ppic.org/blog/whos-leaving-california-and-whos-moving-in/>. Adults 20-64 years of age. Low income: up to twice federal poverty level; mid-income: more than 2, up to 5 times poverty level; higher income: more than 5 times poverty level. Data from sources deemed reliable but may contain errors.

Consumer Price Index

12-Month Percentage Change, Past 20 Years

12-month percentage change, Consumer Price Index, selected categories, not seasonally adjusted



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.

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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