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San Mateo County Real Estate
December 2022 Report

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The changes in market dynamics that began in late spring/early summer 2022 generally continued in autumn due to the ongoing economic headwinds, including high inflation and interest rates, reduced consumer confidence, and volatile stock markets, though all have fluctuated significantly over the period, and some readings have recently improved. The great majority of indicators – home prices and appreciation rates, sales volumes, overbidding, days-on-market, months supply of inventory, and so on – continue to describe a market that has substantially cooled and “corrected” since spring 2022, when it appears that a long, dramatic, 10-year market upcycle peaked. (Note that a “correction” is not remotely similar to a crash, such as was seen during the subprime loan/foreclosure crisis.) In recent months, luxury home sales have seen larger year-over-year percentage declines than the general market. But thousands of Bay Area homes continue to sell, some very quickly at over asking price: With the shifts in market conditions, pricing correctly has become an imperative for sellers.

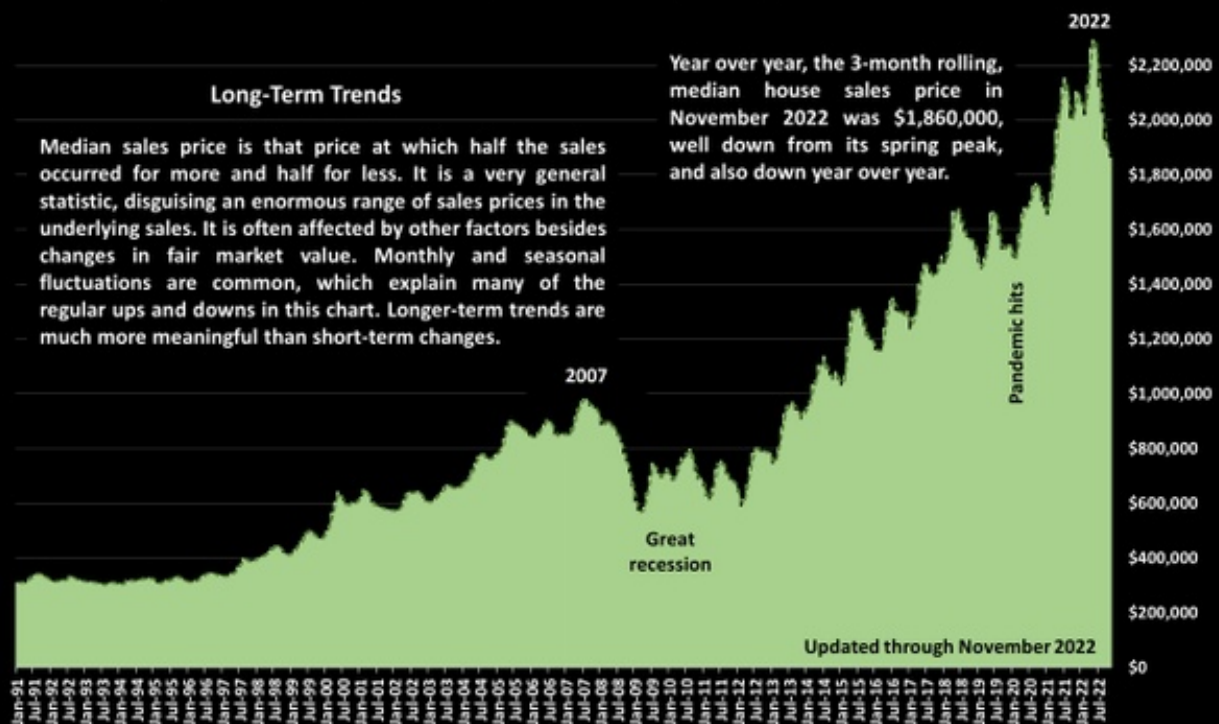
December typically sees the low point of new-listing and sales activity – with an increasing number of homes taken off the market to await the new year – but listing, buying and selling continues. This can be an excellent time for buyers to aggressively negotiate prices, though the supply of listings to choose from declines. The market usually begins to wake up in mid-January and then quickly accelerates in early spring: In the Bay Area, depending on the weather and economic conditions, the “early spring” market can begin as soon as February.

The single, most closely watched factor will be interest rates, since they have such an outsized impact on monthly housing costs and affordability, as well as on stock markets and consumer confidence. At the end of this report is a link to our extended review of macroeconomic issues.

Our reports are not intended to convince you regarding a course of action or to predict the future, but to provide, to the best of our ability, straightforward information and good-faith analysis to assist you in making your own informed decisions. Statistics should be considered very general indicators, and all numbers should be considered approximate. How they apply to any particular property is unknown without a specific comparative market analysis.

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San Mateo County Home Price Trends since 1991 Monthly Median House Sales Prices, 3-Month Rolling Average



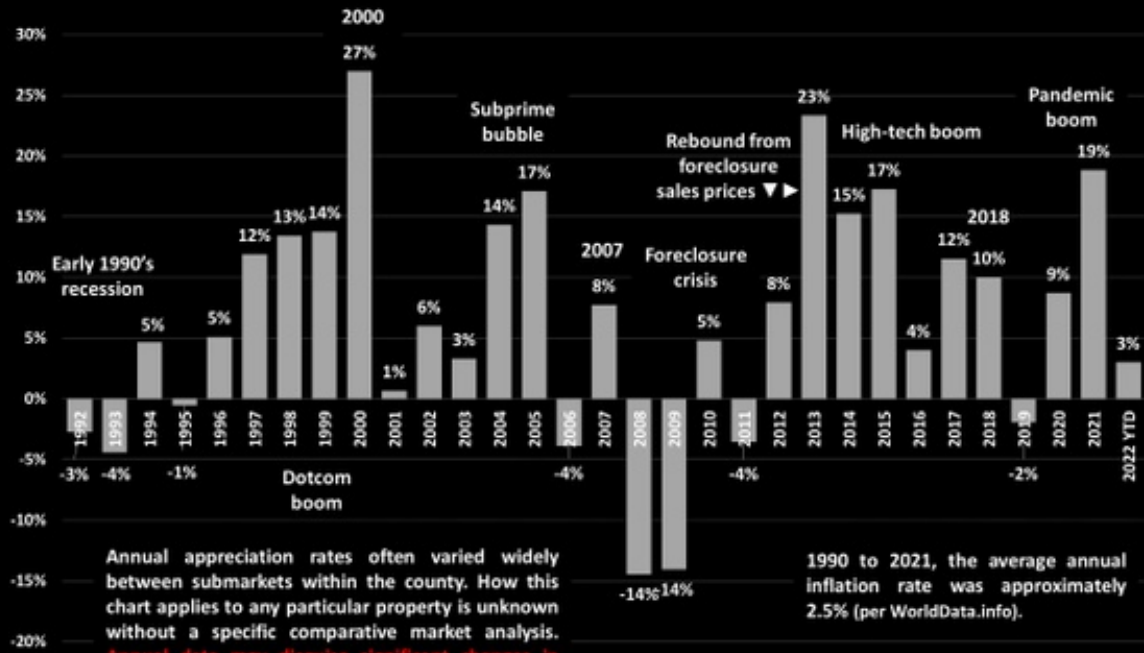
3-month rolling average of monthly median sales prices for “existing” houses, per CA Association of Realtors or NorCal MLS Alliance. 2-period moving trend line. Analysis may contain errors and subject to revision. All numbers approximate, and may change with late-reported sales.

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San Mateo County Year-over-Year Appreciation Rates since 1991

Y-o-Y Percentage Change in Annual Median HOUSE Sales Price*

2022 through late November 2022



Annual appreciation rates often varied widely between submarkets within the county. How this chart applies to any particular property is unknown without a specific comparative market analysis.
 Annual data may disguise significant changes in price appreciation trends within the calendar year.

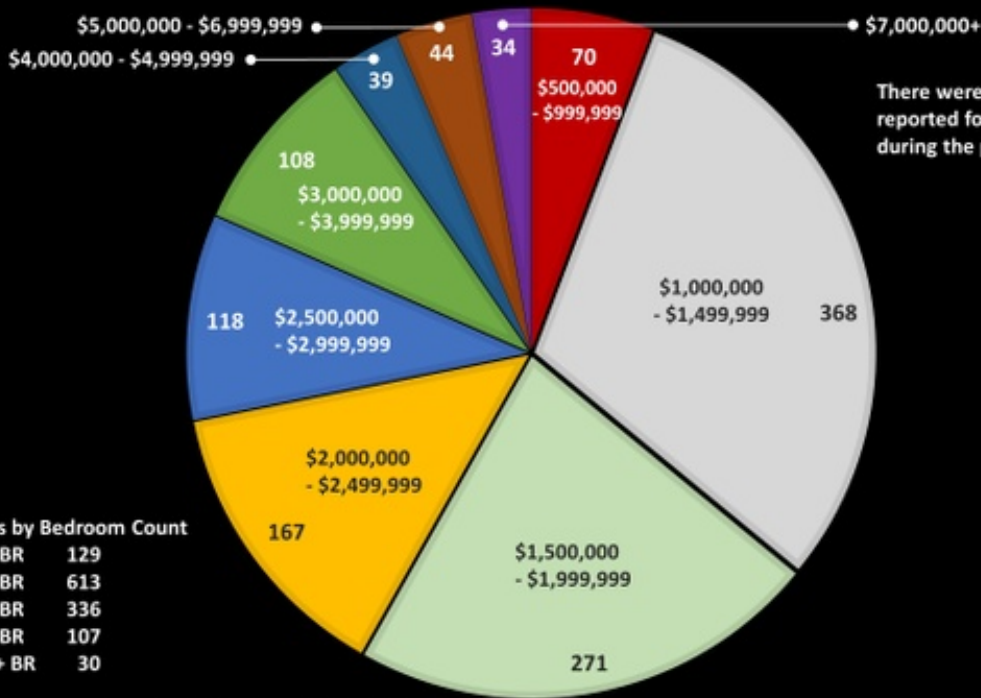
1990 to 2021, the average annual inflation rate was approximately 2.5% (per WorldData.info).

*Sales reported to MLS; year-over-year median house sales price appreciation rates, per CA Association of Realtors historical survey. 2022 YTD data per NorCal MLS Alliance, per Infosparks. All numbers approximate, may contain errors and subject to revision. Past performance is not a guarantee of future results.



San Mateo County House Market August – November 2022 House Sales by Price Segment*

This analysis does not include 402 condo and townhouse sales, which typically sell within the lower price segments.



Sales by Bedroom Count

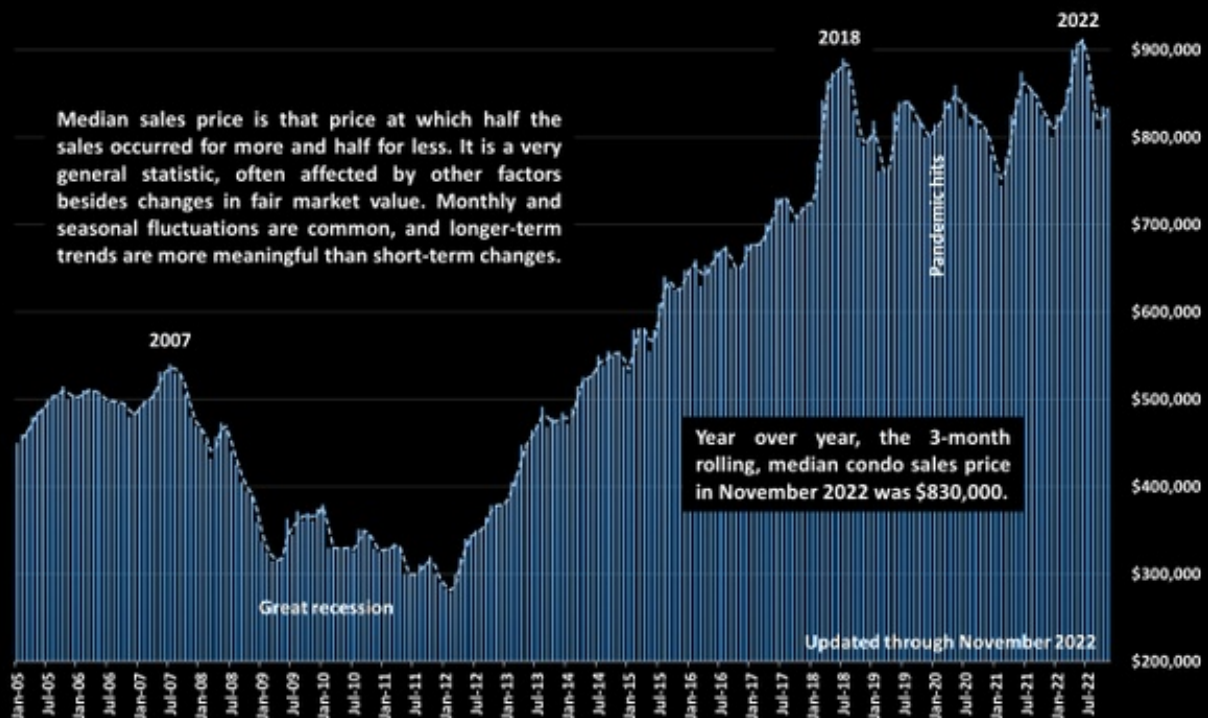
- 2 BR 129
- 3 BR 613
- 4 BR 336
- 5 BR 107
- 6+ BR 30

*House sales reported to NorCal MLS Alliance by 11/25/22. Not all sales are reported to MLS. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and may change with late-reported sales.

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San Mateo County Condo Price Trends since 2005 3-Month Rolling Median Condo Sales Prices

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, and longer-term trends are more meaningful than short-term changes.



3-month rolling median condo sales prices reported to NorCal MLS Alliance, per Infosparks. 2-period moving trend line. Analysis may contain errors and subject to revision. All numbers approximate, and may change with late-reported sales.

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Bay Area Median Large House Values by County August – November 2022 Sales, 5+ Bedroom/4+ Bath Count*

Generally speaking, the largest homes are more likely to be found in more expensive neighborhoods.

5+ Bedroom, 4+ Bath Houses, 2400+ sq.ft.						
County	Median Sales Price	Median Square Footage	Median Dollar per Square Foot	Median Lot Size (Acres)	Median Year Built	Highest Sale in Period*
San Mateo County	\$4,950,000	3965 sq.ft.	\$1200/sq.ft.	.44 acre	1981	\$30,250,000
Monterey County	\$4,300,000	4509 sq.ft.	\$893/sq.ft.	1 acre	1990	\$28,000,000
San Francisco	\$4,275,000	4022 sq.ft.	\$1001/sq.ft.	.09 acre	1912	\$17,000,000
Marin County	\$3,395,000	3800 sq.ft.	\$909/sq.ft.	.43 acre	1964	\$15,900,000
Santa Clara County	\$3,287,500	3607 sq.ft.	\$934/sq.ft.	.24 acre	2001	\$10,750,000
Santa Cruz County	\$2,625,000	4190 sq.ft.	\$571/sq.ft.	1.47 acres	1989	\$3,675,000
Alameda County	\$2,308,000	3661 sq.ft.	\$624/sq.ft.	.23 acre	1998	\$9,250,000
Napa County	\$2,240,000	3484 sq.ft.	\$677/sq.ft.	.30 acre	1998	\$34,000,000
Contra Costa	\$1,933,500	3620 sq.ft.	\$561/sq.ft.	.25 acre	2003	\$9,000,000
Sonoma County	\$1,660,000	3519 sq.ft.	\$421/sq.ft.	.45 acre	2000	\$7,250,000
Solano County	\$869,000	3415 sq.ft.	\$260/sq.ft.	.19 acre	2006	\$1,795,000

*Sales reported to NorCal MLS Alliance by 11/21/22. Excluding "fixer uppers." Counties contain submarkets of widely varying values. Median values fluctuate for reasons besides changes in fair market value. Data from sources deemed reliable, but may contain errors and subject to revision. Numbers approximate, and may change with late reported sales. Not all sales are reported to MLS. Santa Cruz only had 7 sales meeting the criteria in the period.

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Bay Area Median House Values by County August – November 2022 Sales, by Bedroom/Bath Count*

County	3 Bedroom, 2 Bath Houses			4 Bedroom, 3 Bath Houses		
	Median Sales Price	Median Square Footage	Median Dollar per Square Foot	Median Sales Price	Median Square Footage	Median Dollar per Square Foot
San Mateo County	\$1,600,000	1490 sq.ft.	\$1092/sq.ft.	\$2,350,000	2350 sq.ft.	\$986/sq.ft.
San Francisco	\$1,592,500	1595 sq.ft.	\$1002/sq.ft.	\$1,960,000	2144 sq.ft.	\$933/sq.ft.
Santa Clara County	\$1,460,000	1394 sq.ft.	\$1058/sq.ft.	\$1,875,000	2176 sq.ft.	\$856/sq.ft.
Marin County	\$1,350,000	1578 sq.ft.	\$860/sq.ft.	\$1,875,000	2438 sq.ft.	\$789/sq.ft.
Santa Cruz County	\$1,200,000	1556 sq.ft.	\$725/sq.ft.	\$1,528,500	2341 sq.ft.	\$651/sq.ft.
Alameda County	\$1,005,000	1388 sq.ft.	\$743/sq.ft.	\$1,505,000	2227 sq.ft.	\$674/sq.ft.
Napa County	\$830,000	1434 sq.ft.	\$604/sq.ft.	\$1,102,500	2416 sq.ft.	\$503/sq.ft.
Sonoma County	\$770,000	1461 sq.ft.	\$539/sq.ft.	\$937,500	2234 sq.ft.	\$422/sq.ft.
Monterey County	\$769,000	1459 sq.ft.	\$527/sq.ft.	\$857,500	2340 sq.ft.	\$418/sq.ft.
Contra Costa	\$745,000	1430 sq.ft.	\$541/sq.ft.	\$1,000,000	2340 sq.ft.	\$448/sq.ft.
Solano County	\$550,000	1383 sq.ft.	\$395/sq.ft.	\$689,000	2188 sq.ft.	\$314/sq.ft.

*Sales reported to NorCal MLS Alliance by 11/21/22. Excluding "fixer uppers." Counties contain submarkets of widely varying values. Median values fluctuate for reasons besides changes in fair market value. Data from sources deemed reliable, but may contain errors and subject to revision. Numbers approximate, and may change with late reported sales.

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Bay Area Median Home Values by County August – November 2022 Sales, by Bedroom/Bath Count*

San Francisco has by far the largest luxury condo market in the Bay Area, one factor behind its much higher median condo values.

County	2 Bedroom, 2 Bath Condos			3 Bedroom, 2-3 Bath Townhouses		
	Median Sales Price	Median Square Footage	Median Dollar per Square Foot	Median Sales Price	Median Square Footage	Median Dollar per Square Foot
San Francisco	\$1,250,000	1223 sq.ft.	\$1088/sq.ft.	Too few sales		
San Mateo County	\$896,500	1181 sq.ft.	\$764/sq.ft.	\$1,415,000	1605 sq.ft.	\$875/sq.ft.
Marin County	\$852,500	1178 sq.ft.	\$689/sq.ft.	Too few sales		
Santa Clara County	\$760,000	1104 sq.ft.	\$681/sq.ft.	\$1,250,000	1572 sq.ft.	\$771/sq.ft.
Santa Cruz County	Too few sales			\$929,000	1534 sq.ft.	\$623/sq.ft.
Monterey County	\$749,000	1088 sq.ft.	\$612/sq.ft.	Too few sales		
Alameda County	\$650,000	1097 sq.ft.	\$591/sq.ft.	\$918,000	1543 sq.ft.	\$613/sq.ft.
Contra Costa	\$617,500	1081 sq.ft.	\$545/sq.ft.	\$797,500	1564 sq.ft.	\$517/sq.ft.
Sonoma County	\$422,000	1010 sq.ft.	\$415/sq.ft.	Too few sales		
Solano County	\$401,000	1014 sq.ft.	\$374/sq.ft.	Too few sales		

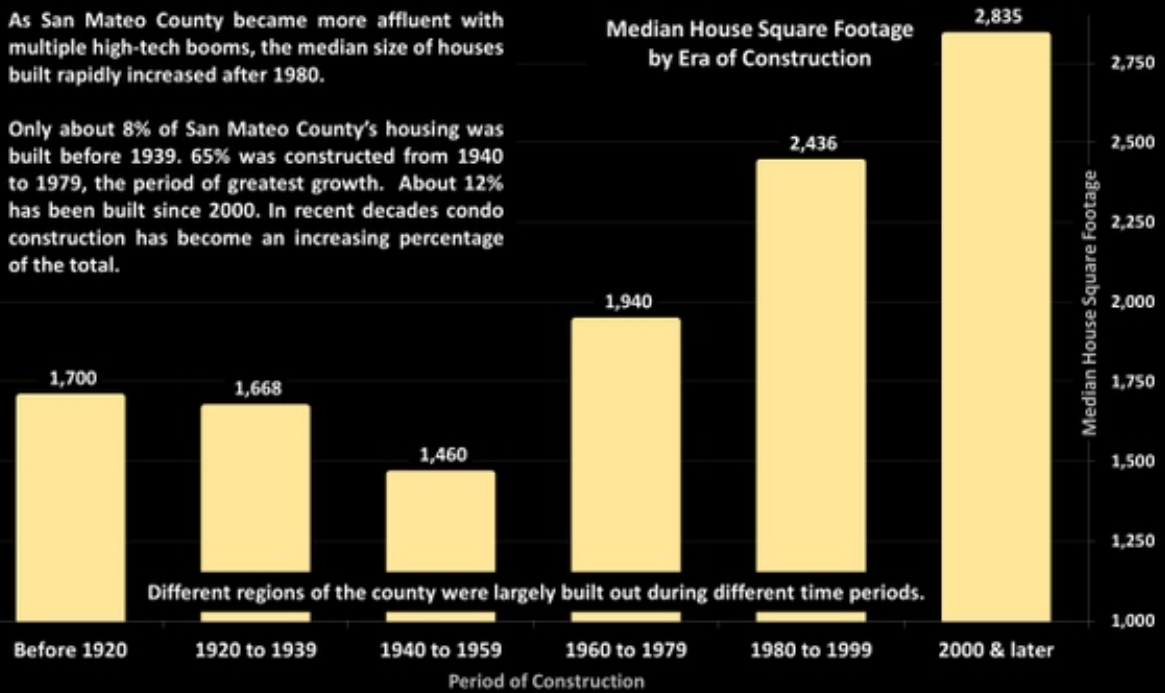
*Sales reported to NorCal MLS Alliance by 11/21/22. Excluding "fixer uppers." Counties contain submarkets of widely varying values. Median values fluctuate for reasons besides changes in fair market value. Data from sources deemed reliable, but may contain errors and subject to revision. Numbers approximate, and may change with late reported sales.

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San Mateo County Home Size by Era of Construction Median House Square Footage*

As San Mateo County became more affluent with multiple high-tech booms, the median size of houses built rapidly increased after 1980.

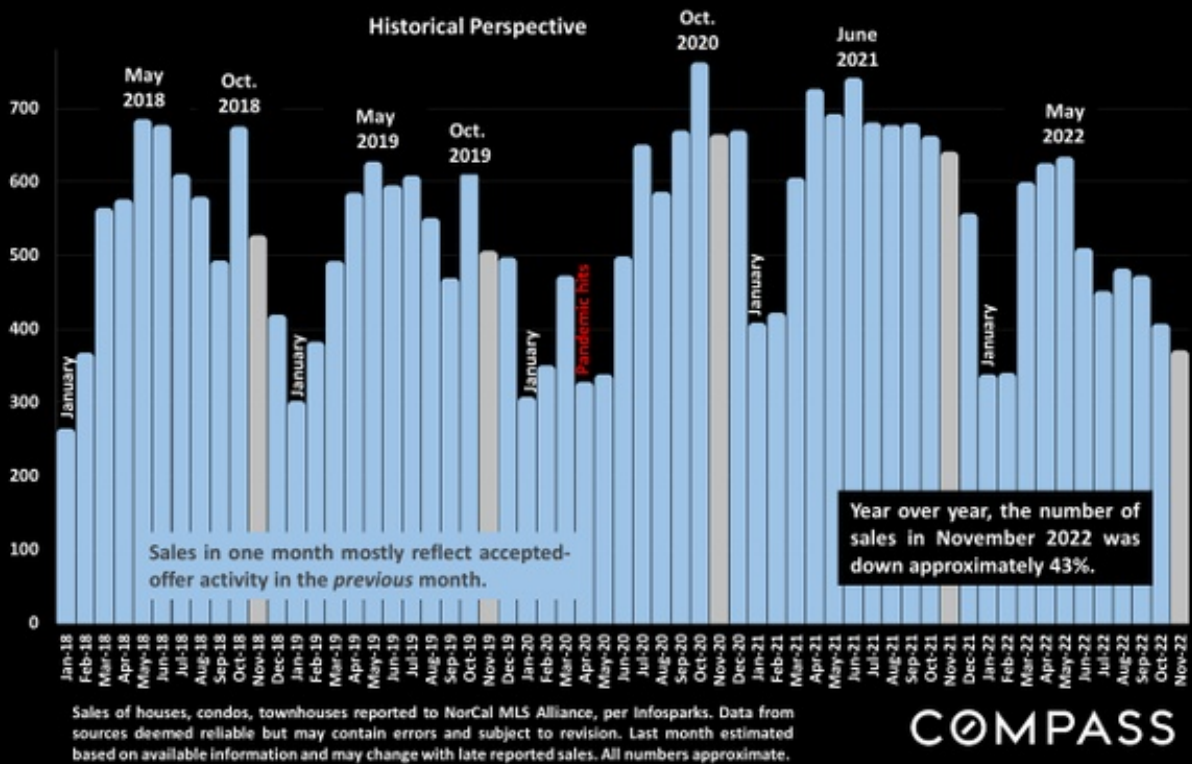
Only about 8% of San Mateo County's housing was built before 1939. 65% was constructed from 1940 to 1979, the period of greatest growth. About 12% has been built since 2000. In recent decades condo construction has become an increasing percentage of the total.



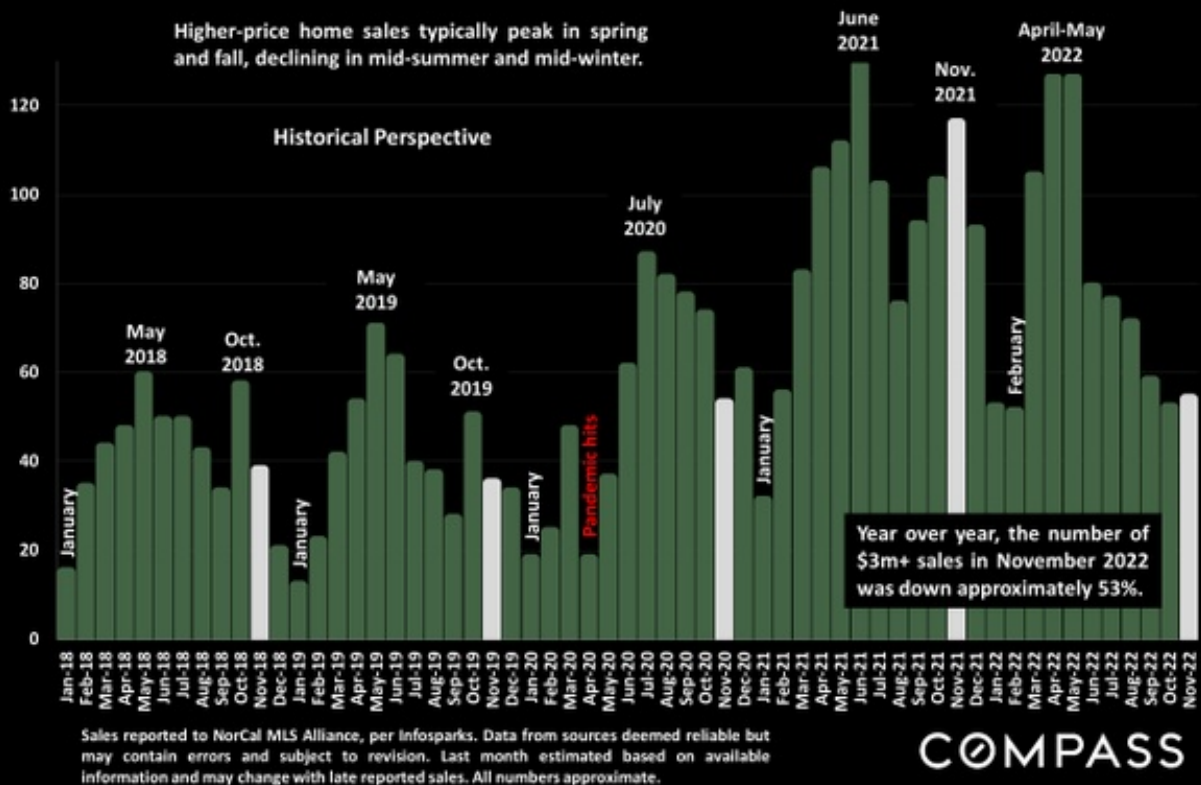
* Analysis of 2018-2022 house sales reported to NorCal MLS Alliance. Data derived from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate. Home construction data - housing of all kinds - from U.S. Census, 2021 ACS 1-year estimates.

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Monthly Sales Volume – Longer-Term Trends San Mateo County Market Dynamics & Seasonality



Higher-Price Home Sales San Mateo County: Sales Prices of \$3 Million & Above



Percentage of All-Cash Home Purchases California Sales, by Year, since 1998*

All-cash purchases in CA soared during the foreclosure crisis when large institutional investors entered the single-family buy-to-rent market, buying thousands of homes at foreclosure-sale prices, but all-cash buyers can also be smaller, rental-property investors, "flippers," international buyers, and owner-occupiers. Soaring interest rates were presumably a factor in the 2022 CA % increase in all-cash purchases.



* Data provided in November 2022 by the CA Association of Realtors (CAR), exact methodology not delineated. All numbers approximate, may contain errors and subject to revision. Percentages rounded to nearest full percentage point. The "Bay Area" includes 9 counties from Napa to Santa Clara.

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Overbidding List Prices in San Mateo County Percentage of Home Sales Closing over List Price, since 2018



Sales data reported to NORCAL MLS® ALLIANCE, per Infosparks. Reflecting the percentage of sales closing at sales prices over the final list prices. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate, and may change with late-reported sales.

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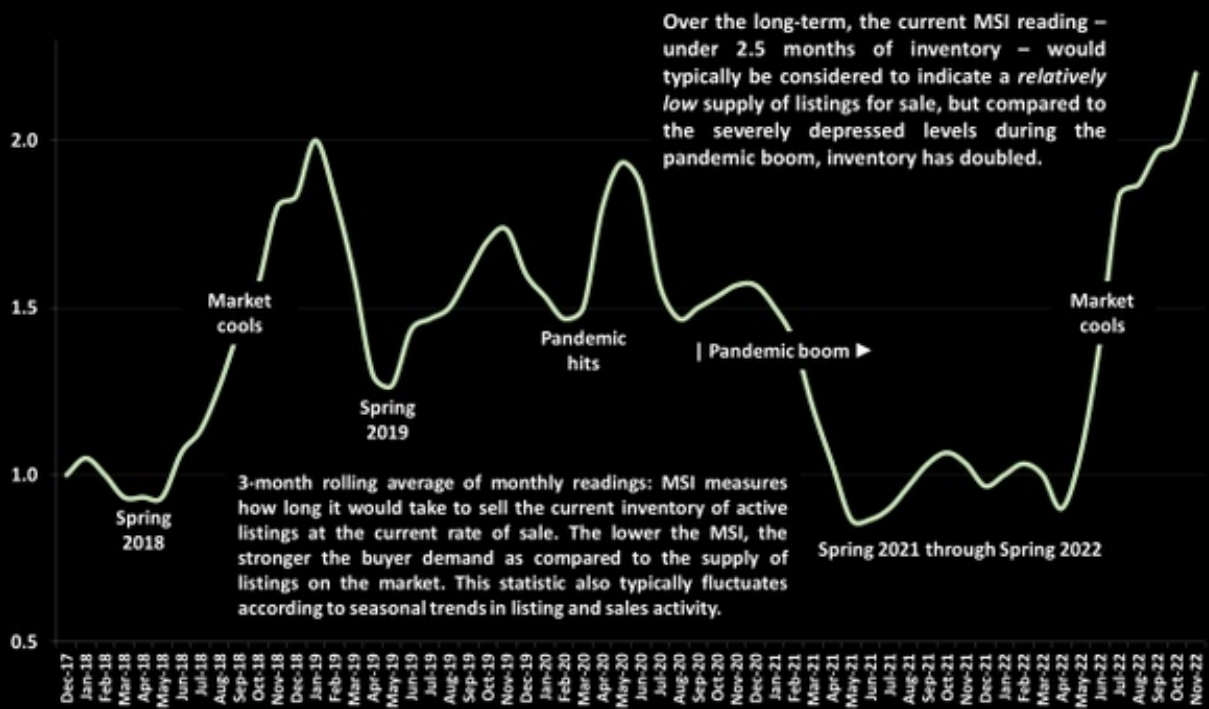
Average Sales Price to Original List Price Percentage San Mateo County Overbidding: Market Dynamics & Seasonality



Sales of houses, condos, townhouses reported to NorCal MLS Alliance, per Infosparks. Data derived from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate and may change with late reported sales.

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Months Supply of Inventory (MSI) – of Active Listings on Market San Mateo County Real Estate Market since 2018

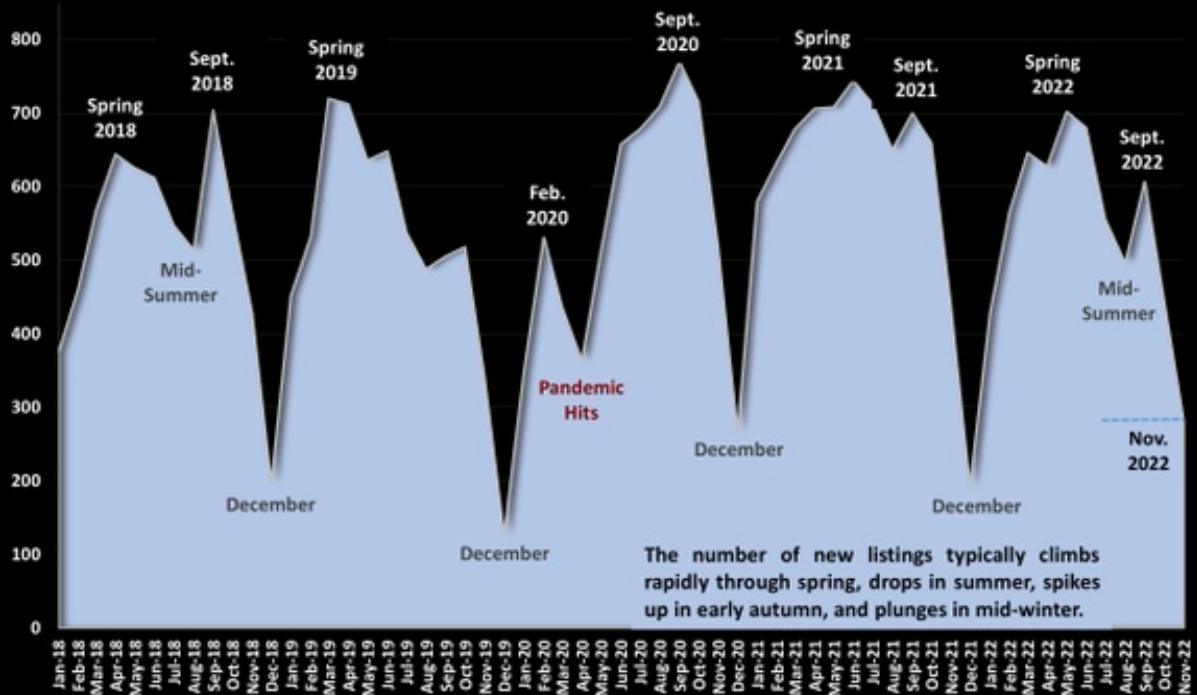


3-month rolling average monthly data for residential transactions reported to MLSLISTINGS, per Broker Metrics. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and may change with late-reported activity.

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New Listings Coming on Market San Mateo County Market Dynamics & Seasonality

Longer-Term Perspective



The number of new listings typically climbs rapidly through spring, drops in summer, spikes up in early autumn, and plunges in mid-winter.

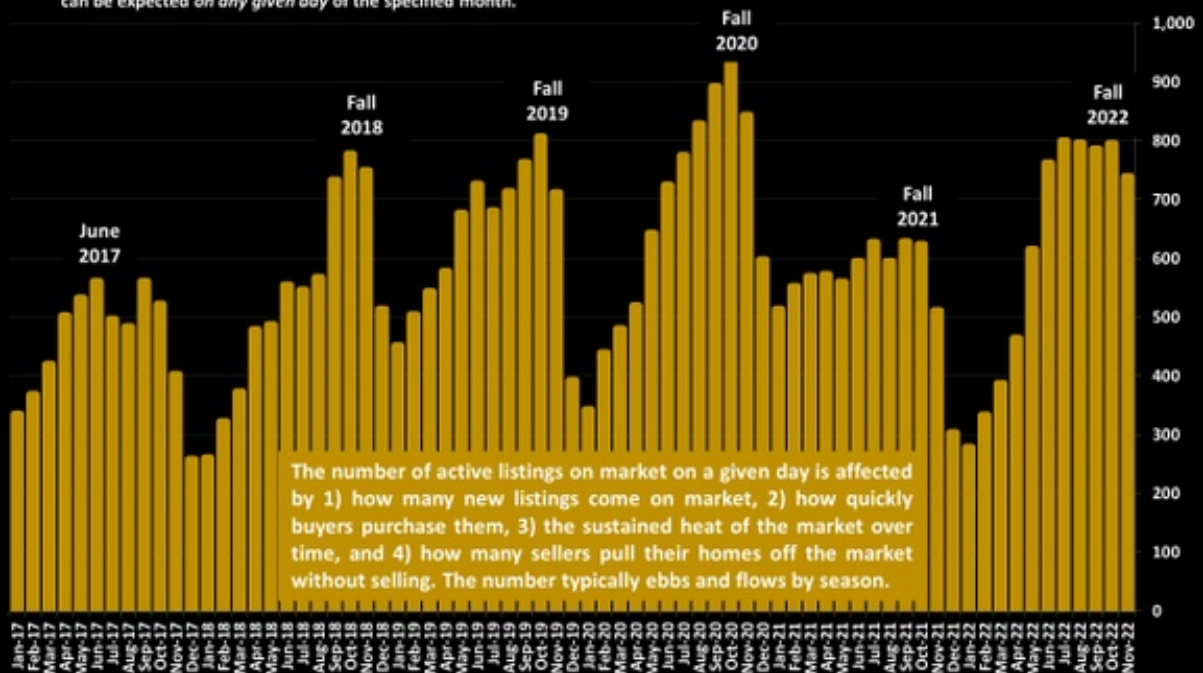
Per Realtor.com Research: <https://www.realtor.com/research/data/>, listings posted on site. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers should be considered approximate.

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Active Listings on Market – Longer-Term Trends San Mateo County Market Dynamics & Seasonality

Historical Perspective on Current Inventory Levels

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



The number of active listings on market on a given day is affected by 1) how many new listings come on market, 2) how quickly buyers purchase them, 3) the sustained heat of the market over time, and 4) how many sellers pull their homes off the market without selling. The number typically ebbs and flows by season.

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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Listings Accepting Offers – Longer-Term Trends San Mateo County Market Dynamics by Month

Year over year, the number of listings accepting offers in November 2022 was down approximately 39%.



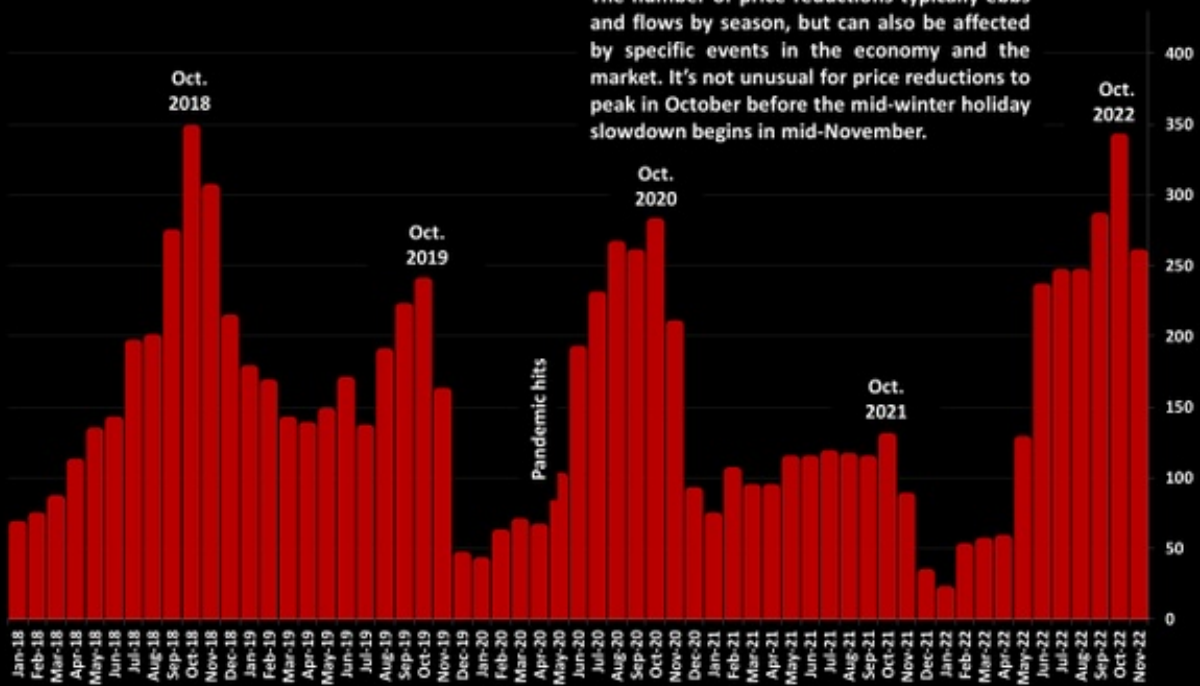
House, condo, townhouse listings reported to NorCal MLS Alliance, per Infosparcs. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate. Last month numbers estimated based on available data, and may change with late reported activity.

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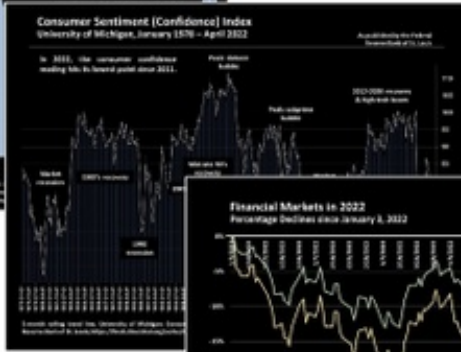
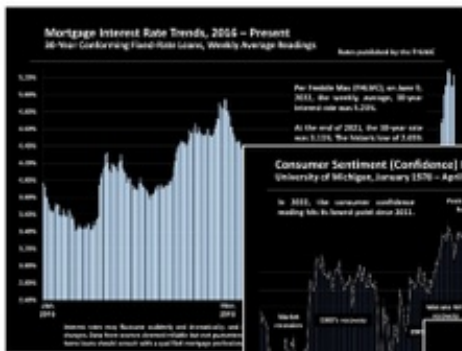
Price Reductions on Active Listings

San Mateo County Market Dynamics & Seasonality

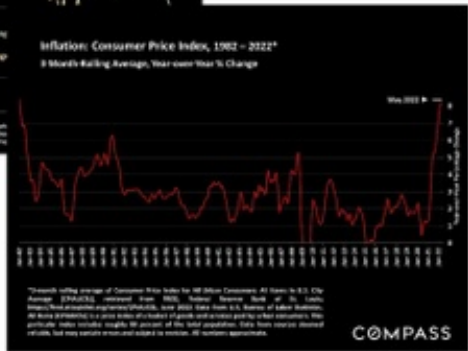
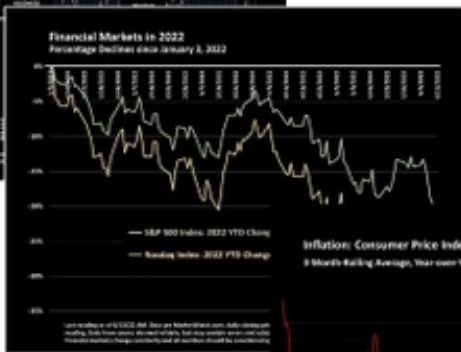
The number of price reductions typically ebbs and flows by season, but can also be affected by specific events in the economy and the market. It's not unusual for price reductions to peak in October before the mid-winter holiday slowdown begins in mid-November.



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



[Click Here for Review of Selected Macroeconomic Trends](#)



Factors in Bay Area Real Estate Markets

Many of these factors affect the way both buyers and sellers view the market, leading to shifts in demand and supply. Key factors include:

- Local economic conditions:** High-tech boom, employment, housing affordability & availability, economic activity, foreign investment, product pipeline, and more.
- Demographics:** Baby boomers, millennials, Gen Z, and the aging population.
- Governmental actions:** Tax incentives, regulatory changes, and more.
- Global economic conditions:** Inflation, interest rates, and more.
- Local and national news:** Social and political events, crises, and more.
- Seasonality:** Traditional buying and selling patterns.
- Market sentiment:** Buyer and seller confidence, and more.
- Supply and demand:** Inventory levels, and more.
- Interest rates:** Mortgage rates, and more.
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- Seasonality:** Traditional buying and selling patterns.
- Market sentiment:** Buyer and seller confidence, and more.
- Supply and demand:** Inventory levels, and more.
- Interest rates:** Mortgage rates, and more.





San Francisco Bay Area Real Estate Survey

[Click Here to Access the Full Report](#)

The focus of this survey is on broad, Bay Area market trends. Though submarkets will often diverge to various degrees, over longer periods of time, general trends in supply and demand typically apply across the region.

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Statistics are generalities, essentially summaries of widely disparate data generated by dozens, hundreds or thousands 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. Last period data should be considered estimates that may change with late-reported data. Different analytics programs sometimes define statistics - such as "active listings," "days on market," and "months supply of inventory" - differently; what is most meaningful are not specific calculations but the trends they illustrate. Most listing and sales data derives from the local or regional multi-listing service (MLS) of the area specified in the analysis, but not all listings or sales are reported to MLS and these won't be reflected in the data. "Homes" signifies real-property, single-household housing units: houses, condos, co-ops, townhouses, duets and TICs (but not mobile homes), as applicable to each market. City/town names refer specifically to the named cities and towns, or their MLS areas, unless otherwise delineated. Multi-county metro areas will be specified as such. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers to be considered approximate.

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 on. How any of these statistics apply to any particular home is unknown without a specific comparative market analysis.

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