

COMPASS

October 2026 Sonoma County Market Outlook

Data through September 2026

Market
Research
COMPASS INTERNATIONAL HOLDINGS

Regional Price Changes in Northern California

San Francisco leads regional price growth at +17%, while Solano County posts the largest decline at -6%, highlighting a wide range of performance across Northern California counties.

YoY Price Depreciation  YoY Price Appreciation
-6.5% 0% 17%



October 2026

Northern California Housing Market Report

In September, county real estate markets across Northern California diverged based on available inventory. Regions with significant year-over-year declines in listings experienced increased competition and stronger pricing, whereas areas with inventory growth saw elevated buyer leverage and more frequent price reductions.

Markets that tightened significantly included San Francisco, San Mateo, Marin, Alameda, and Sonoma. San Francisco led the region in competitiveness, with 92% of single-family homes selling above list price and year-over-year median prices rising 17% for single-family homes and 23% for condominiums. In San Mateo, the median price increased 9%, supported by 63% of sales closing above list.

Contra Costa, Monterey, and Santa Cruz presented mixed conditions. Monterey recorded a 22% increase in closed sales alongside a 12% rise in active listings and a 2% minor contraction in median price. In Santa Cruz, sales volume held steady, though nearly half of all single-family listings underwent price reductions.

Softer market performance was observed in Santa Clara, Sacramento, Placer, El Dorado, Solano, and Napa. While Santa Clara maintained strong transaction velocity, active listings expanded by 15%, price cuts rose by 49%, and the single-family median dropped 4%. In the greater Sacramento region, moderating transaction volumes coincided with expanding inventory, driving price reduction increases of 34% in Sacramento, 37% in Placer, and 32% in El Dorado (where supply expanded to 4 months).

Condominium market performance generally lagged single-family properties across most counties. San Francisco stood out as a notable exception, where the share of condos selling above list rose 27 percentage points to 66%; condo market conditions also improved in Alameda and San Mateo.

October Outlook: Seasonal fall inventory is entering the market, including in high-demand areas. Month-over-month new single-family listings increased 62% in San Francisco and 17% in San Mateo from August. The rate at which buyers absorb this new inventory will determine if recent momentum carries into the fourth quarter. In softer markets, the ongoing frequency of price cuts will indicate whether sellers are successfully adjusting expectations to align with shifting buyer leverage.

Note: September figures are preliminary; late MLS reporting typically adjusts closing tallies for approximately two weeks following month-end. Source: Compass



Sonoma County Market

Report created in good faith using public and proprietary data from sources deemed reliable but may contain errors and is subject to revision. Data is pulled at the end of the month, and last-period figures may still be preliminary due to late-reported activity. All numbers are approximate and may change, including Private Exclusive sales and other transactions not publicly reported at the time of publication.



How to Read This Report:

County and Submarket Guidance

This October 2026 report is one of 19 markets in Northern California covering 14 counties and five submarkets. Each report includes a summary comparing September 2026 with September 2025 (YoY) and August 2026 (MoM).

This report is organized by property type, with single-family and condo metrics presented separately. Single-family median sale price and closed sales time-series charts have been formatted for easier reading.

- Source: Compass via MLS; data exported 10/6/2026, with data through 10/5/2026.
- Please note, data for September is preliminary: Late MLS reporting may add closings for approximately two weeks after month-end.
- Small samples: Results for markets with fewer than 30 closings per year should be interpreted with caution.

Report contents

- Market Summary & Map
 - Single-Family Market Metrics
 - Single-Family Competition
 - Condo Market Metrics
 - Inventory & Supply
 - Price Reductions
 - Market Metrics by Price Segment
 - Market Tables
 - Forward-Looking Macro Trends
 - Bay Area Macro Overview
 - National Market Trends
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Sonoma Market Recap

Overall Market Sentiment

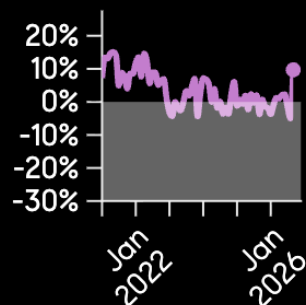
Sonoma County's single-family market strengthened modestly in September. With active listings down 7% from a year ago, homes sold faster and more often above list, and the median rose 10%. Sales volume was slightly lower, so this is firmer pricing on fewer transactions rather than a broad pickup; condos were softer.

- Sales: 319 single-family homes closed in September, down 4% YoY and down 9% from August. Condo closings fell 14% YoY to 32.
- Prices: The single-family median rose 10% YoY to \$880,000. The condo median fell 2% YoY to \$497,500.
- Competition: 31% of single-family sales closed above list, up 8 points YoY. Condo overbidding was 22%, up 6 points.
- Inventory: Active single-family listings fell 7% YoY to 1,167, while new listings were flat at 467. Condo active listings rose 11% to 125.
- Single family: Days on market fell to 59 days from 70 a year ago, while months of supply was 4. Price reductions fell 5% YoY, with the reduction rate at 36%.
- Condos: Condo supply rose 28% to 4 months as active listings grew 11% and closings fell 14% to 32.
- MoM: The single-family median rose 11% from August while closings fell 9%. Condo overbidding rose 9 points.
- Bottom line: Single-family is firming on lower inventory; condos are loosening.

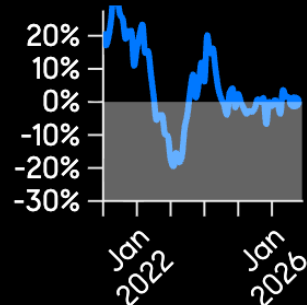
Home Price Changes Over Time

Median sales prices in Sonoma County increased by 9.7% from September last year.

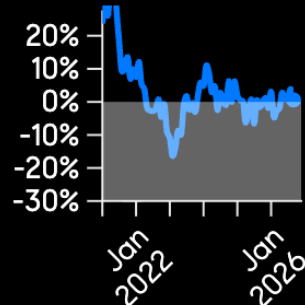
Sonoma



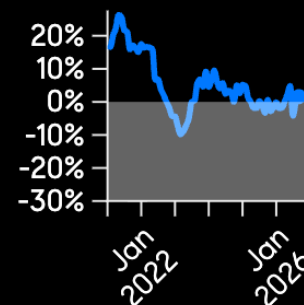
Alameda



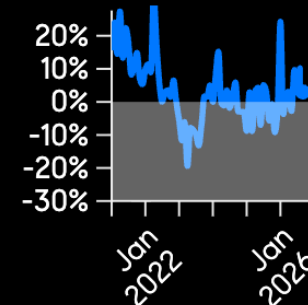
Contra Costa



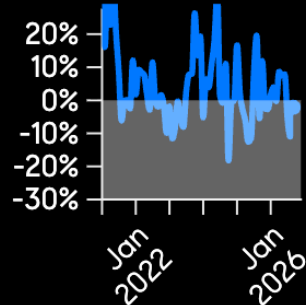
El Dorado



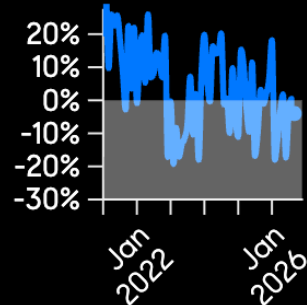
Marin



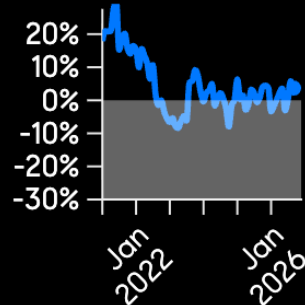
Monterey



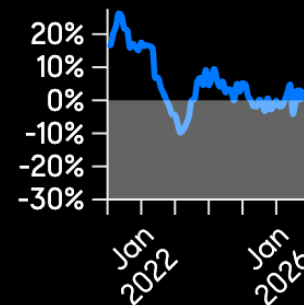
Napa



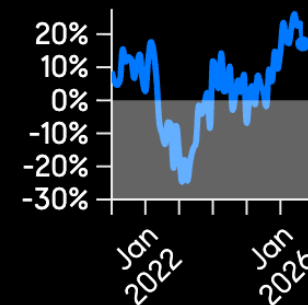
Placer



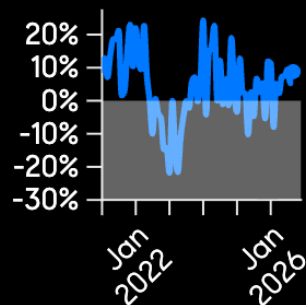
Sacramento



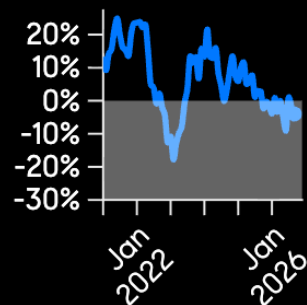
San Francisco



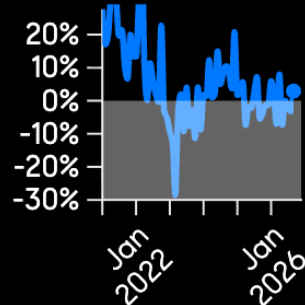
San Mateo



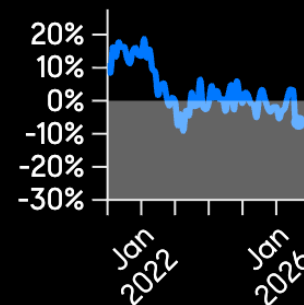
Santa Clara



Santa Cruz



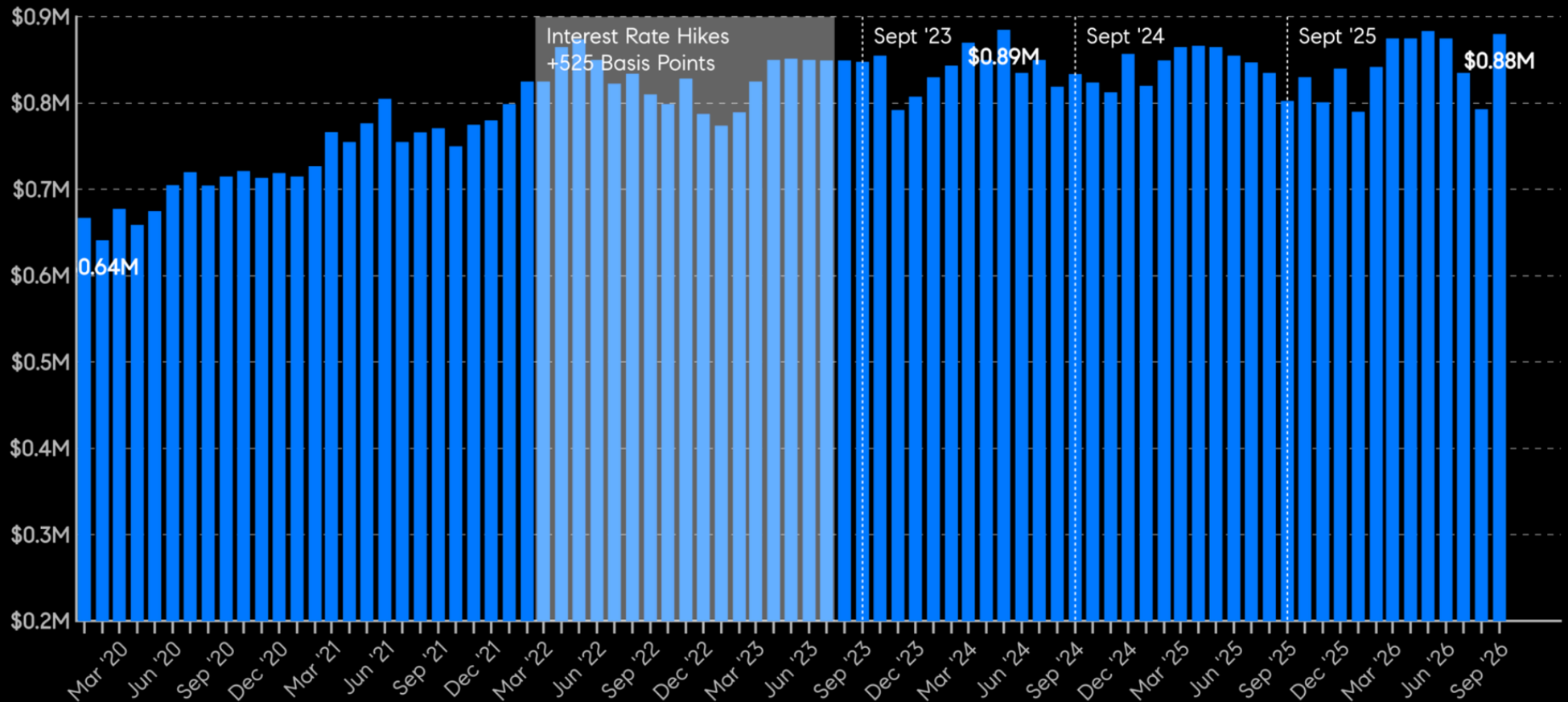
Solano



Median Sale Price

Single Family Homes

Sonoma County



Source: Compass via MLS · Single Family Homes · Data through September 30, 2026 (reported as of 10/5/2026)

Median Sale Price: The sale price at the 50th percentile of all closed transactions during the month, meaning half of homes sold for more and half sold for less. A low number of transactions can skew the median dramatically

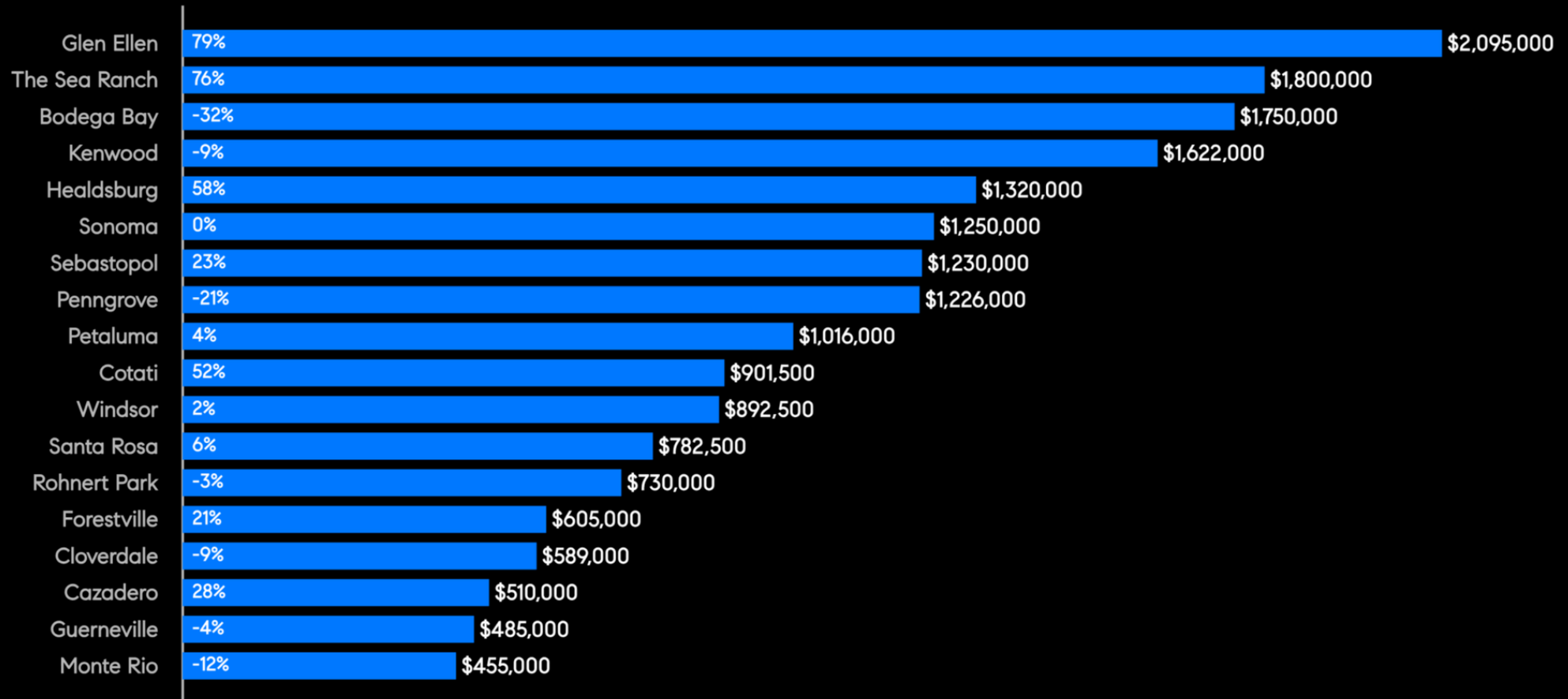
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September Median Sale Price

Single Family Homes

Sonoma County ▾

Year over Year % Change



Source: Compass via MLS · Single Family Homes · Data through September 30, 2026
(reported as of 10/5/2026)

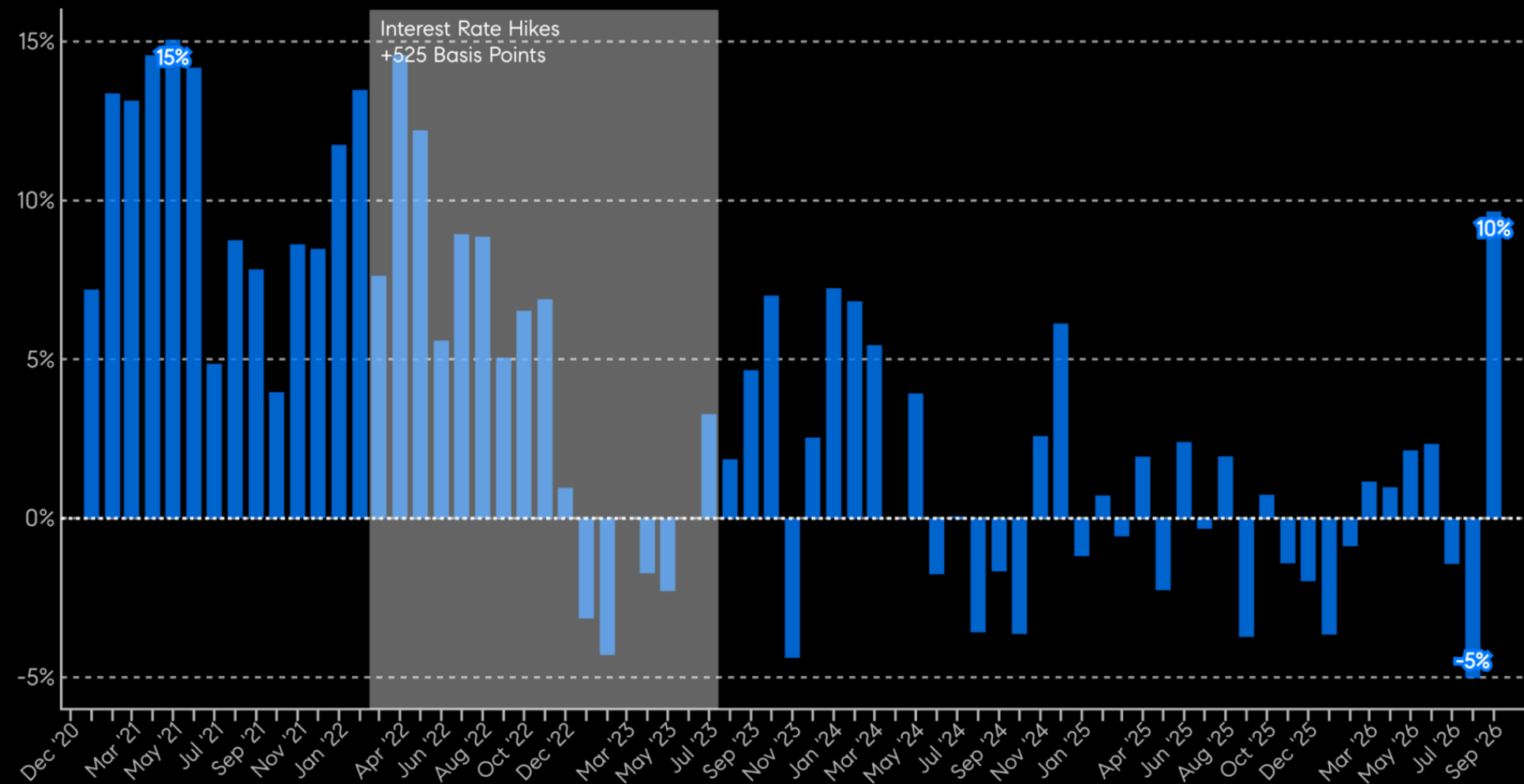
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Median Price Year Over Year Change

Single Family Homes

Sonoma County ▾



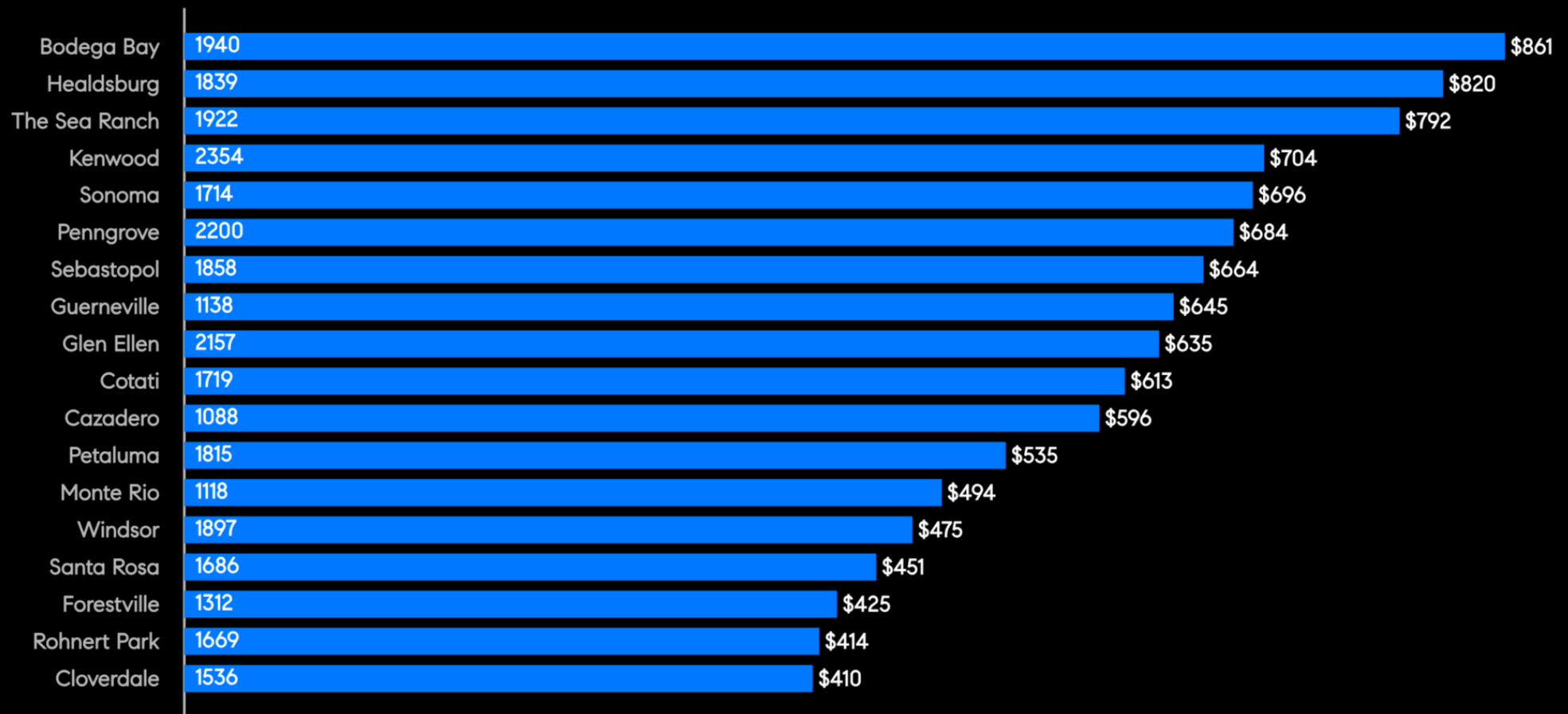
Source: Compass via MLS · Single Family Homes · Data through September 30, 2026
(reported as of 10/5/2026)

September Median Price Per Square Foot

Single Family Homes

Sonoma County ▾

Median Square Feet



Source: Compass via MLS · Single Family Homes · Data through September 30, 2026 (reported as of 10/5/2026)

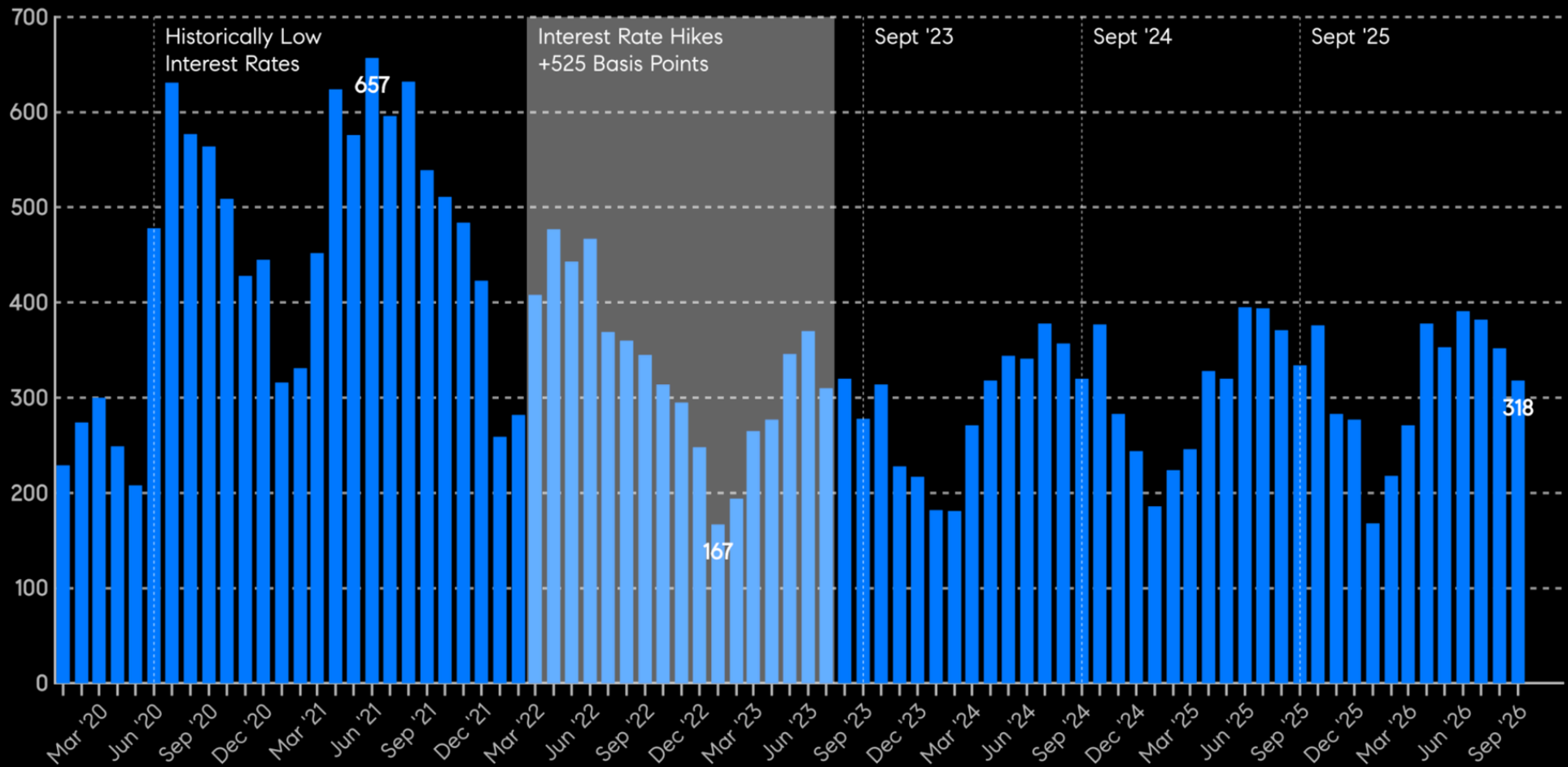
Median Price per Square Foot: The 50th percentile of sale price per square foot across all closed transactions during the month

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Closed Sales

Single Family Homes

Sonoma County



Source: Compass via MLS · Single Family Homes · Data through September 30, 2026
(reported as of 10/5/2026)

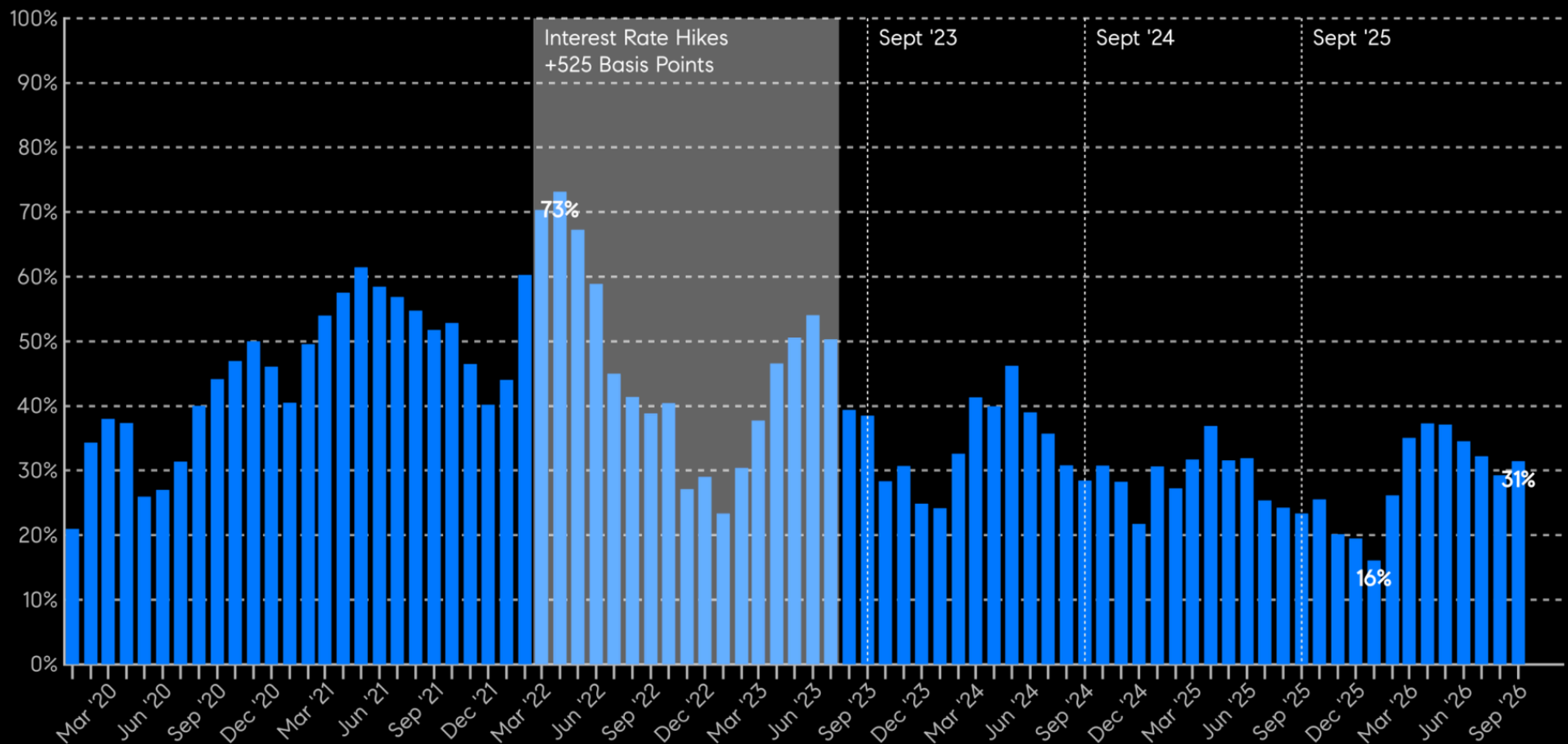
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Overbidding: Sales Price Above List

Single Family Homes

Share of sales closing above list price.

Sonoma County ▾



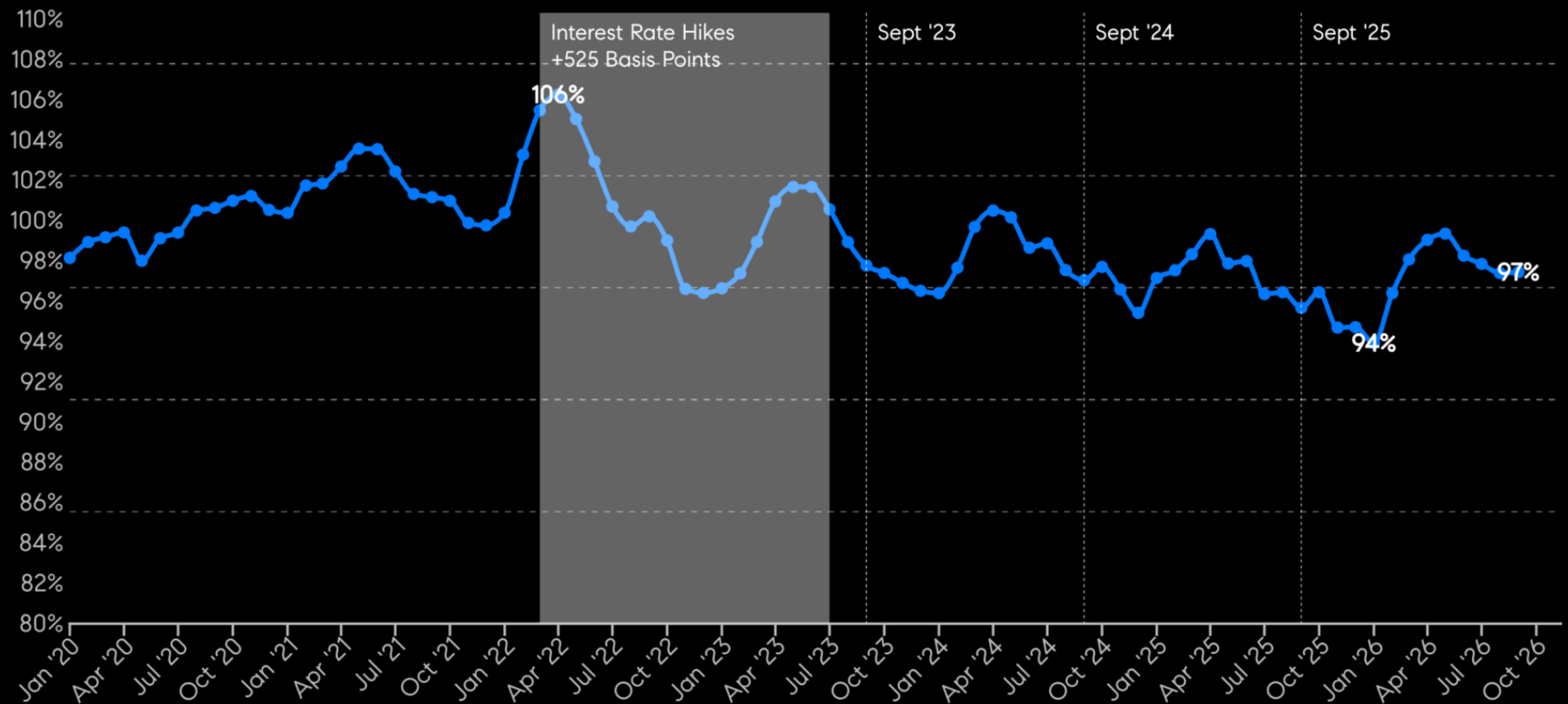
Source: Compass via MLS · Single Family Homes · Reflects the percentage of sales closing at sales prices over the final list prices. · Data through September 30, 2026 (reported as of 10/5/2026)

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Sale-to-list Price Ratio

100% means the average single-family sale price matched the original list price. It can be distorted by marketing strategies.

Sonoma County



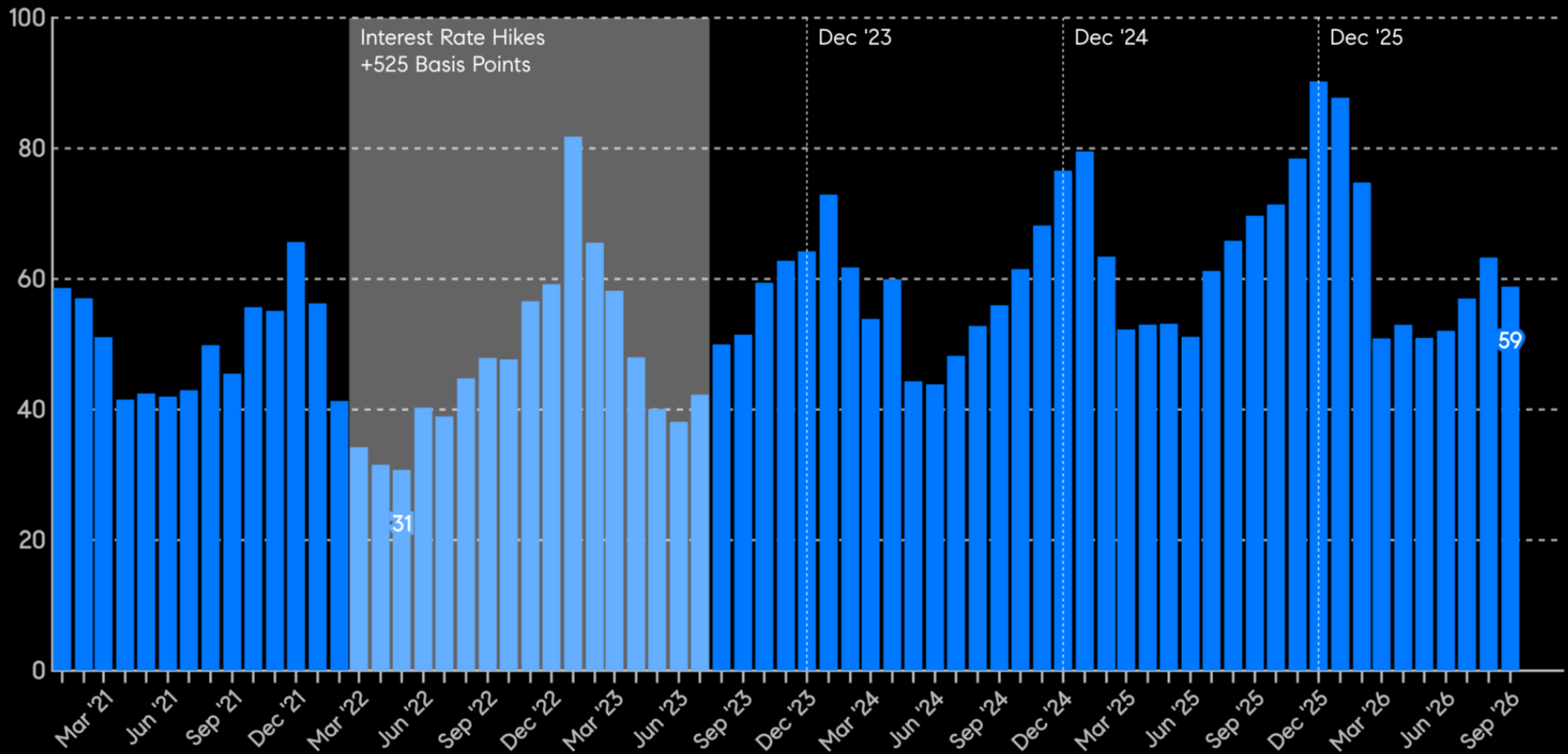
Source: Compass via MLS · Single Family Homes · Data through September 30, 2026
(reported as of 10/5/2026)

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Average Days on Market

Measures how long sold listings take to accept an offer.
Homes typically sell fastest in spring and early fall.

Sonoma County



Local Sonoma County Communities

Single Family Homes (Part 1)

City	Median Sales Price		Median Sq Ft		Median \$/SQFT		Days on Market	
	Value	YoY %	Value	YoY %	Value	YoY %	Value	YoY %
Bodega Bay	\$1,750,000	-32.2%	2,182	-17.6%	\$861	+4.7%	97	—
Cloverdale	\$589,000	-9.4%	1,419	-24.7%	\$410	+8.3%	44	-70.8%
Cotati	\$901,500	+51.5%	1,586	+10.8%	\$613	+21.2%	33	+63.7%
Forestville	\$605,000	+21.0%	1,200	+5.5%	\$425	-12.7%	55	-30.1%
Glen Ellen	\$2,095,000	+79.1%	3,275	+45.2%	\$635	+3.7%	114	+108.6%
Guerneville	\$485,000	-4.0%	1,146	+14.6%	\$645	+36.7%	95	-24.7%
Healdsburg	\$1,235,000	+47.8%	2,152	+33.1%	\$710	+16.2%	92	+32.4%
Petaluma	\$1,008,000	+3.4%	1,790	-4.9%	\$532	-1.2%	39	-23.1%
Rohnert Park	\$720,000	-4.6%	1,652	-8.7%	\$415	+2.8%	39	-40.8%
Santa Rosa	\$782,500	+5.5%	1,754	-0.9%	\$451	-1.5%	53	-18.9%
Sebastopol	\$1,230,000	+23.0%	1,882	-9.5%	\$664	-4.8%	37	-51.5%
Sonoma	\$1,250,000	-0.4%	1,813	+1.5%	\$696	+0.1%	64	+1.8%

Local Sonoma County Communities

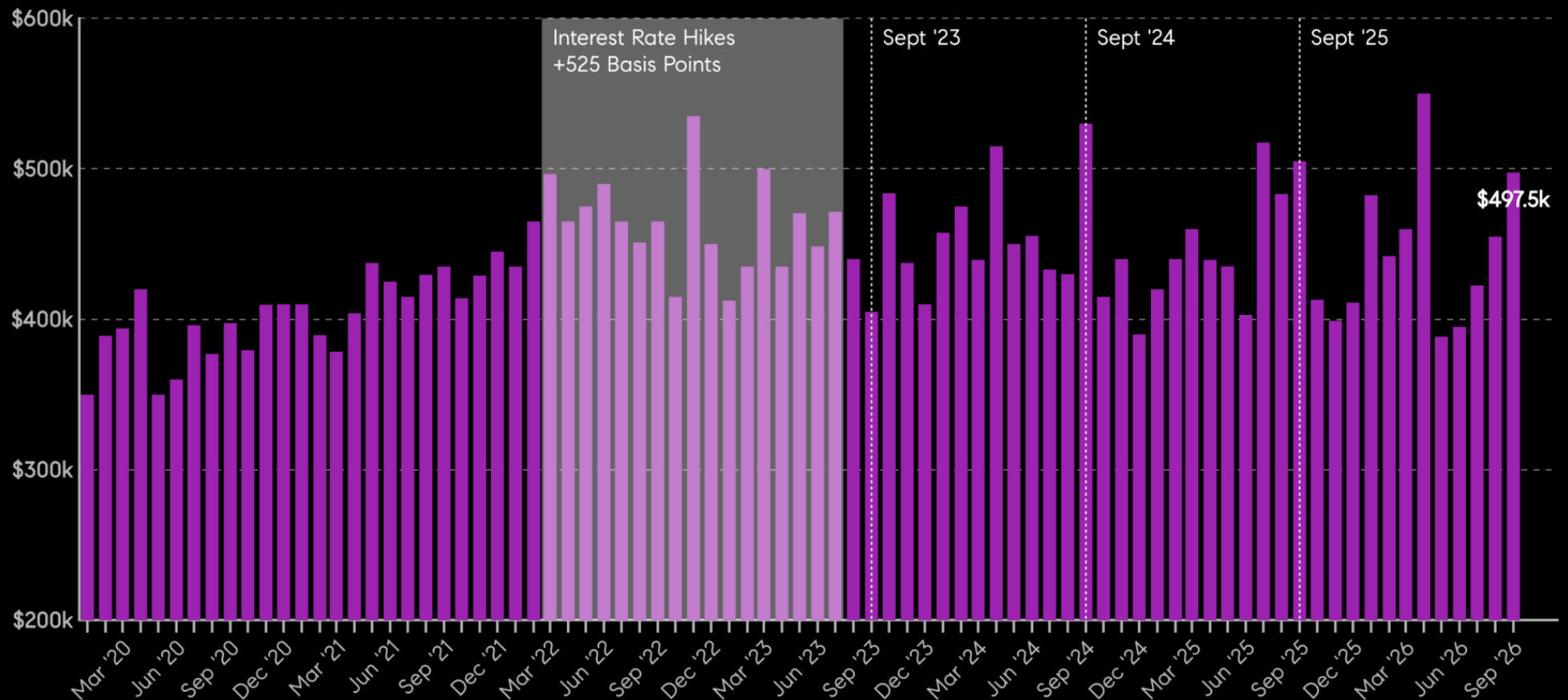
Single Family Homes (Part 2)

City	Median Sales Price		Median Sq Ft		Median \$/SQFT		Days on Market	
	Value	YoY %	Value	YoY %	Value	YoY %	Value	YoY %
The Sea Ranch	\$1,800,000	+75.6%	1,614	-18.8%	\$792	+59.6%	144	+34.5%
Windsor	\$892,500	+1.7%	1,998	+1.9%	\$475	+4.3%	60	+20.1%

Median Sale Price

Condos

Sonoma County



Source: Compass via MLS · Condos · Data through September 30, 2026 (reported as of 10/5/2026)

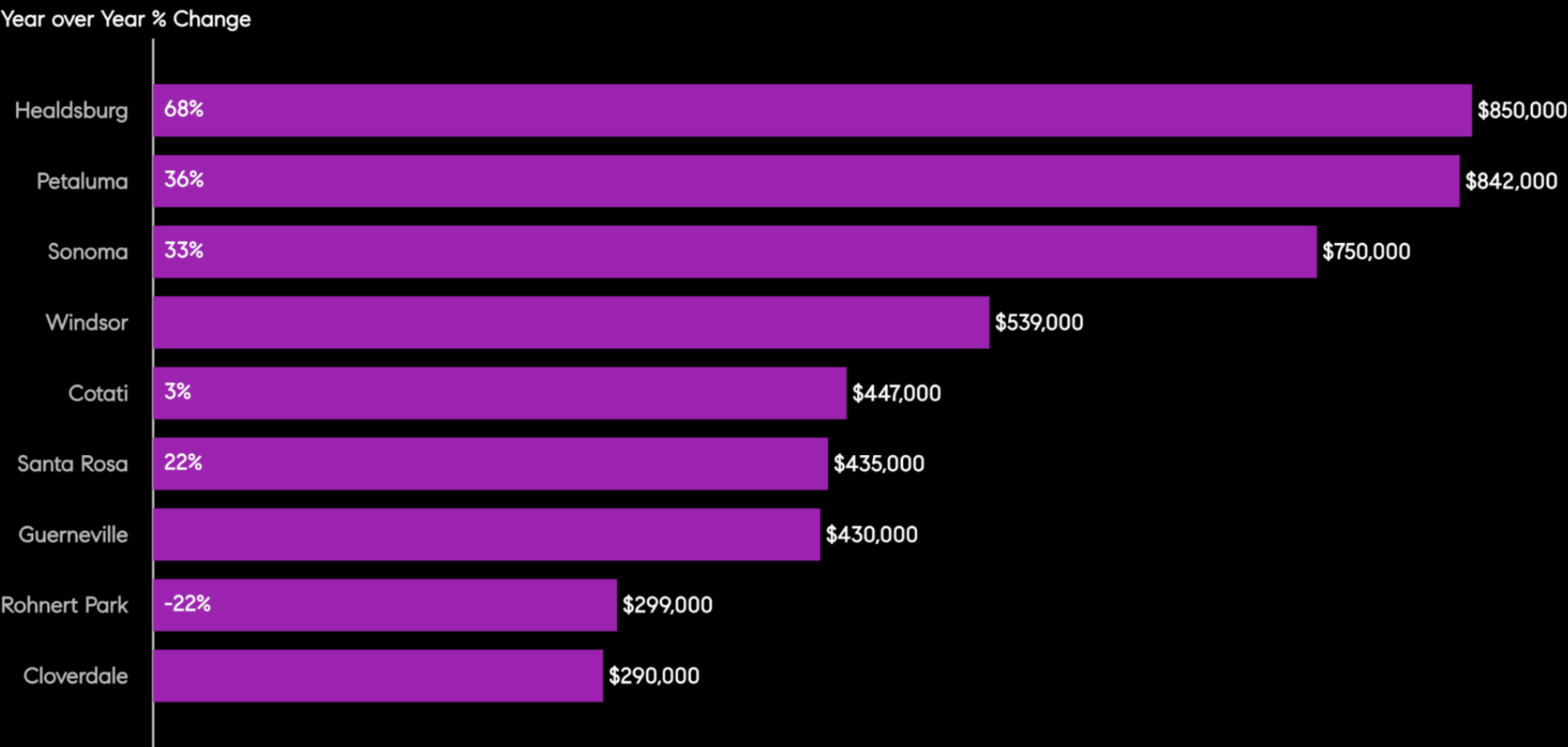
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September Median Sale Price

Condos

Sonoma County ▾

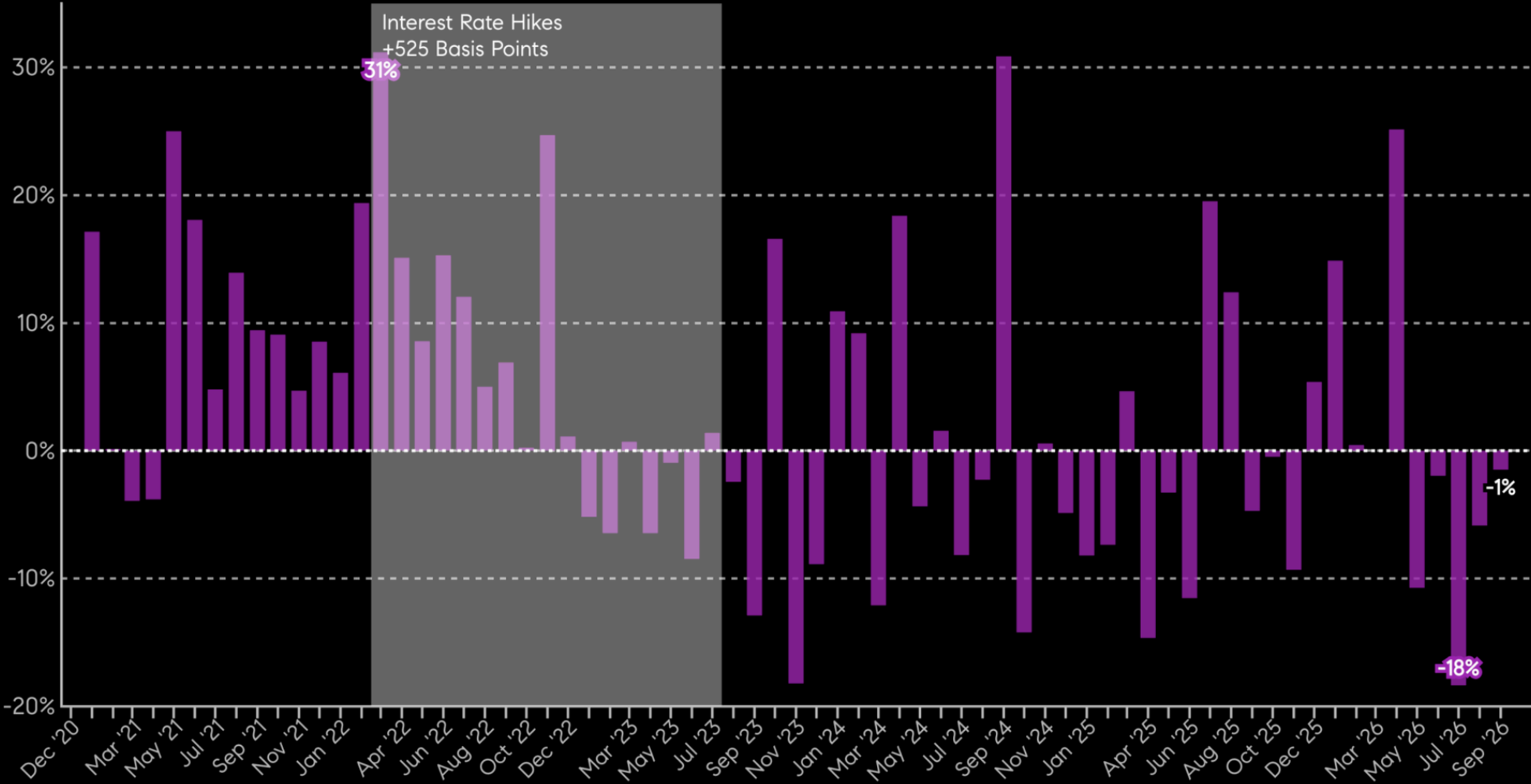


Source: Compass via MLS · Condos · Data through September 30, 2026 (reported as of 10/5/2026)
Median Sale Price: The sale price at the 50th percentile of all closed transactions during the month, meaning half of homes sold for more and half sold for less. A low number of transactions can skew the median dramatically.

Median Price Year Over Year Change

Condos

Sonoma County ▾

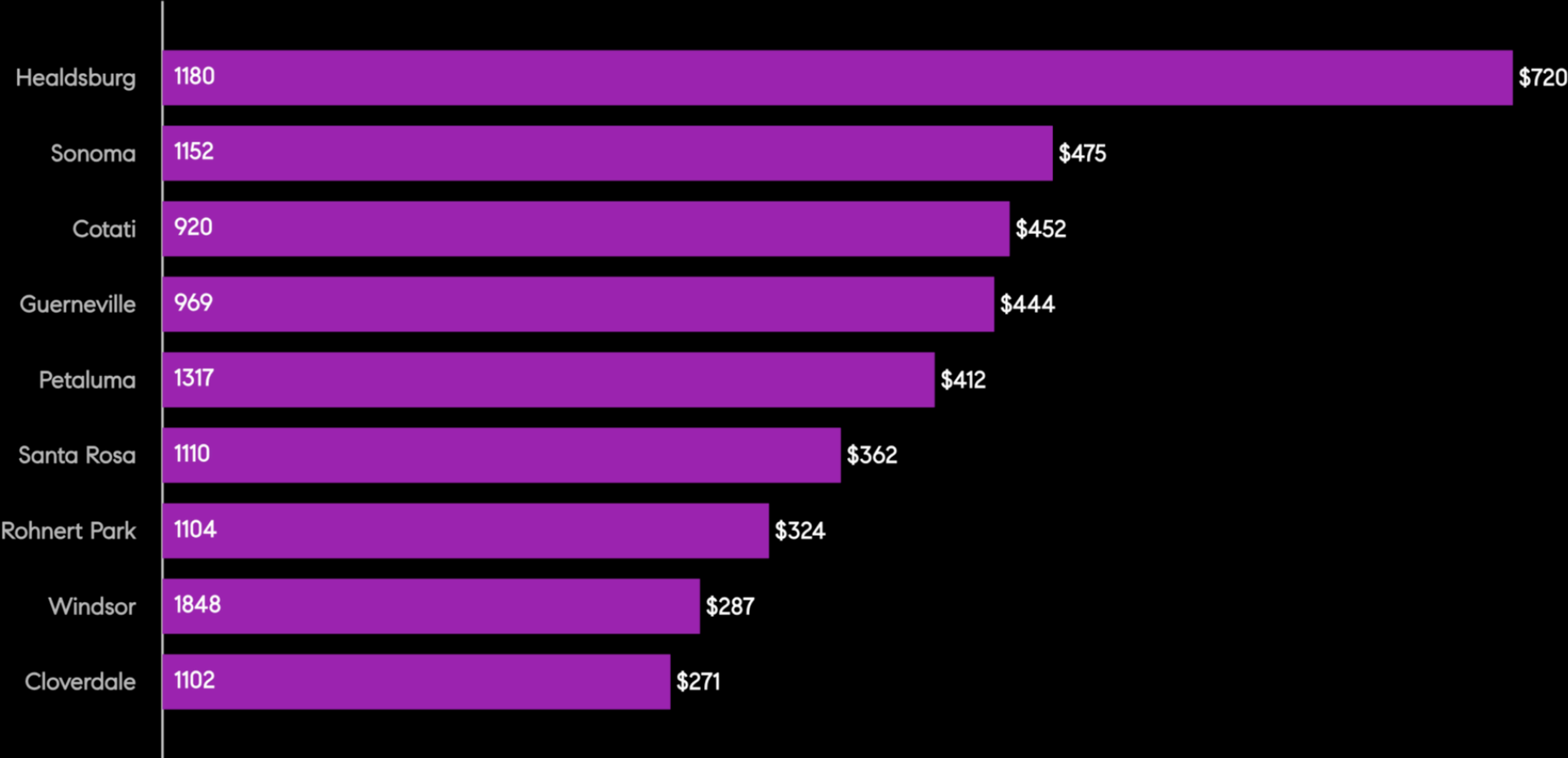


September Median Price Per Square Foot

Condos

Sonoma County ▾

Median Square Feet

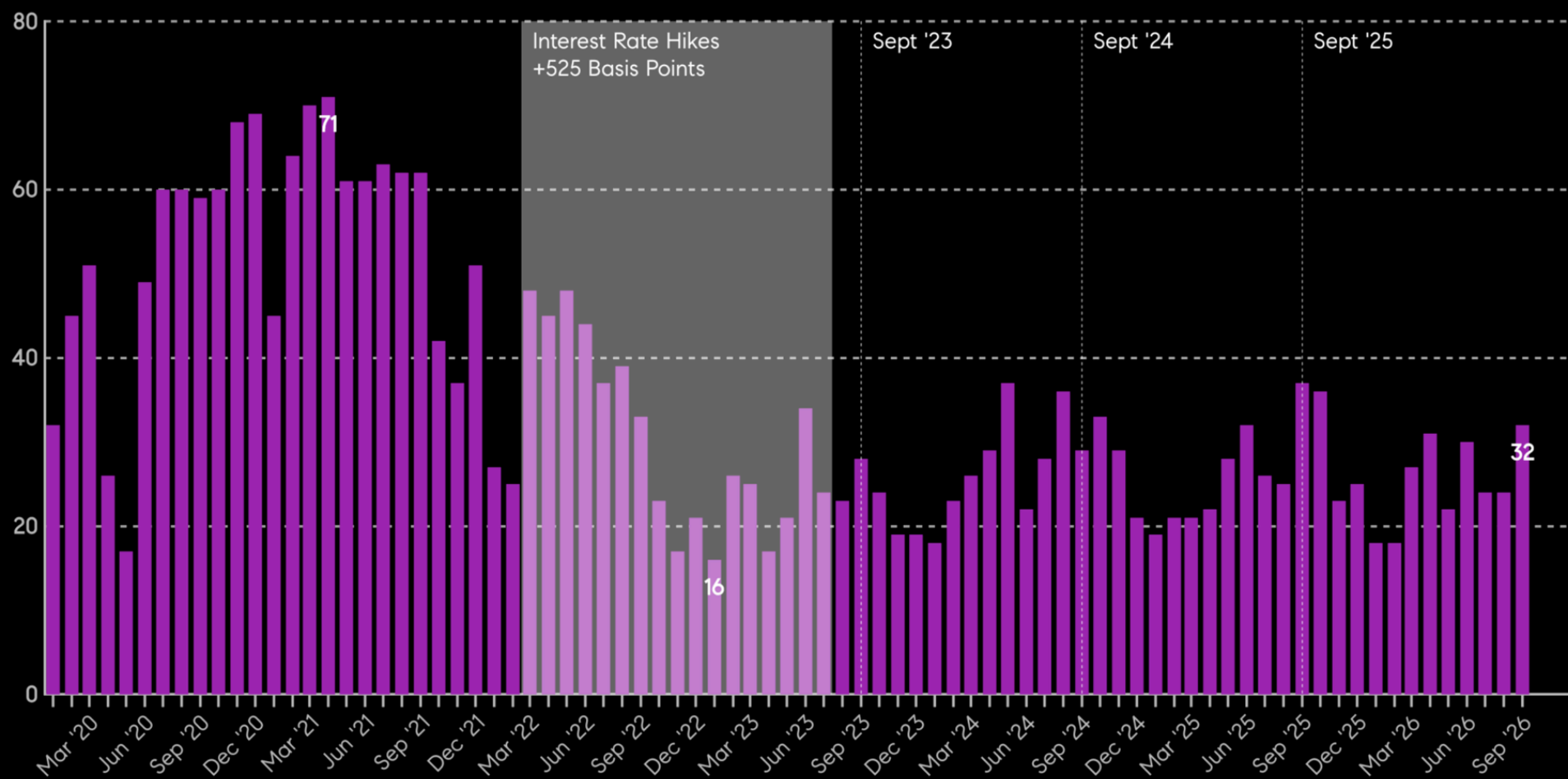


Source: Compass via MLS · Condos · Data through September 30, 2026 (reported as of 10/5/2026)
Median Price per Square Foot: The 50th percentile of sale price per square foot across all closed transactions during the month

Closed Sales

Condos

Sonoma County ▾



Source: Compass via MLS · Condos · Data through September 30, 2026 (reported as of 10/5/2026)

Local Sonoma County Communities

Condos

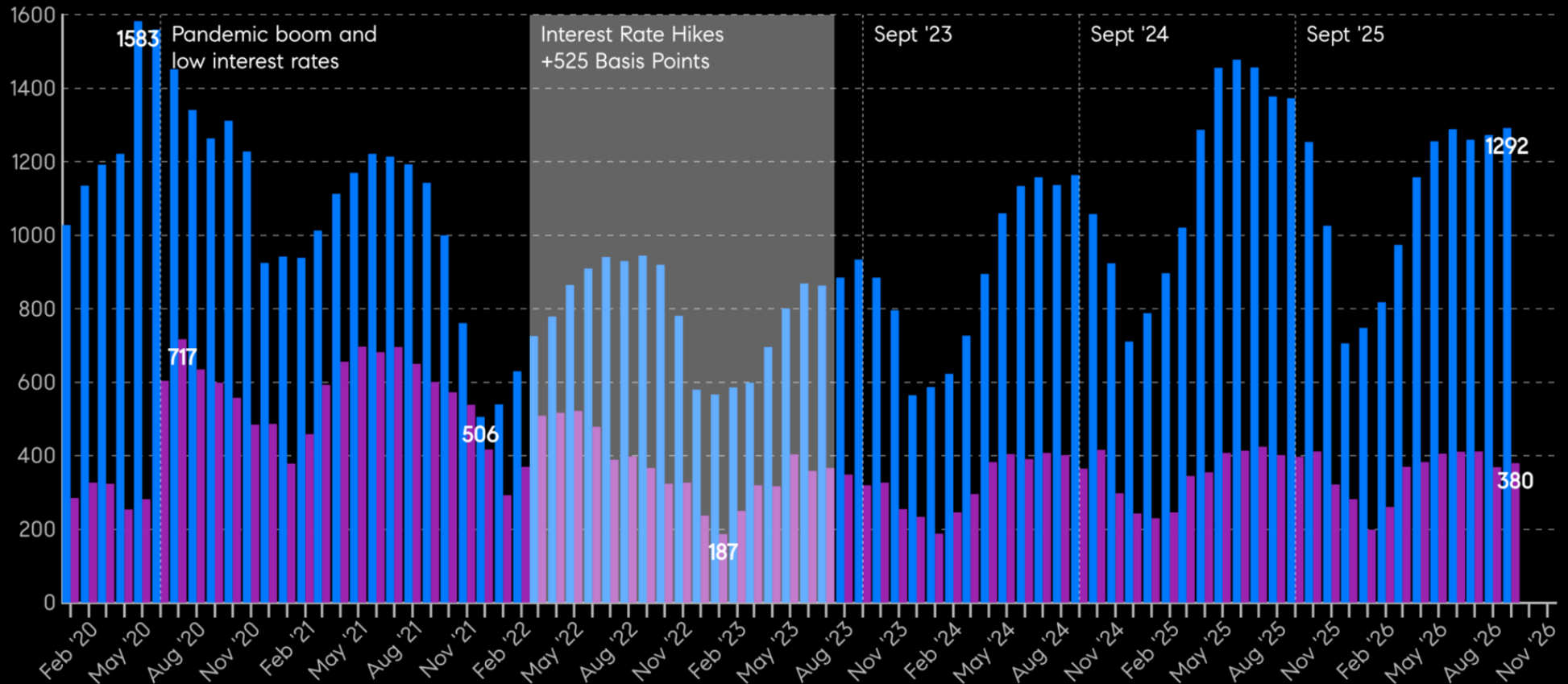
City	Median Sales Price		Median Sq Ft		Median \$/SQFT		Days on Market	
	Value	YoY %	Value	YoY %	Value	YoY %	Value	YoY %
Rohnert Park	\$299,000	-21.8%	1,103	-3.5%	\$324	-17.9%	46	-24.0%
Santa Rosa	\$435,000	+22.0%	1,188	-1.7%	\$362	-4.4%	112	+14.5%
Sonoma	\$750,000	+32.5%	1,230	+46.3%	\$475	+7.3%	124	+30.6%

Active & In Contract Listings

Compares active and in-contract listings at month-end. A smaller gap indicates stronger demand.

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Active Listings - All Listings In Contract - All



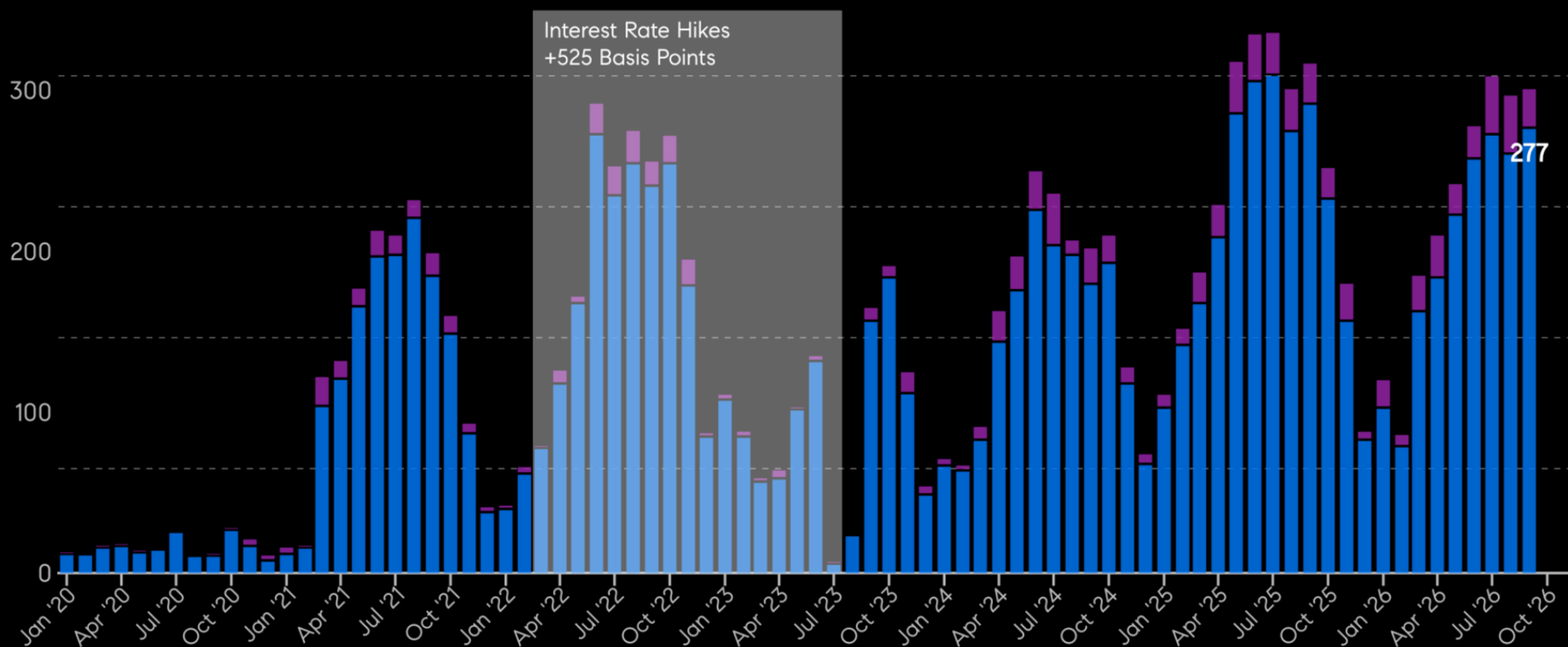
Price Reductions

Price reductions vary seasonally and with market conditions. They typically peak in fall before the winter.

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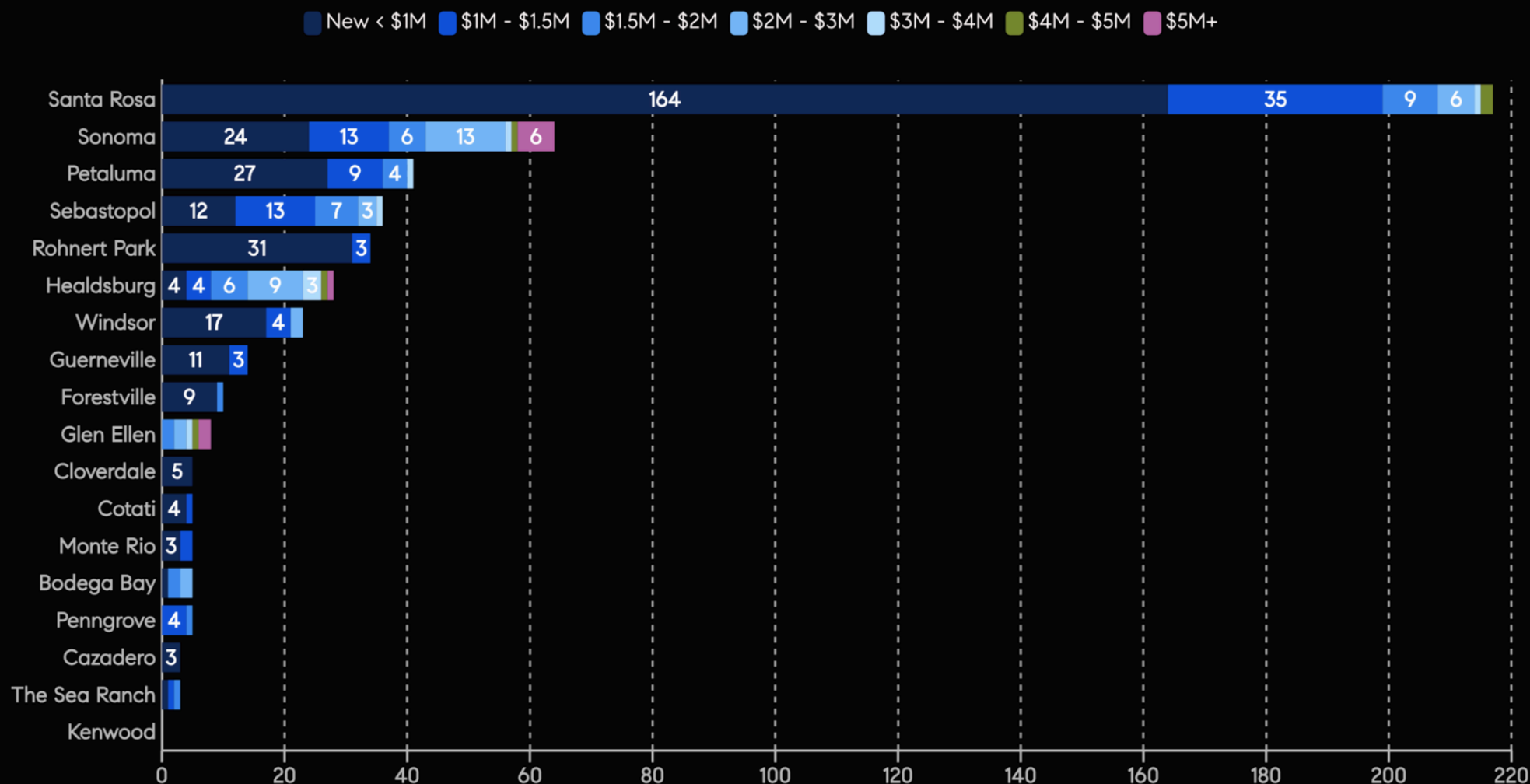
Price Reductions - SF Price Reductions - Condo



September New Listings by Price Segment

Single Family Homes and Condos

Sonoma County



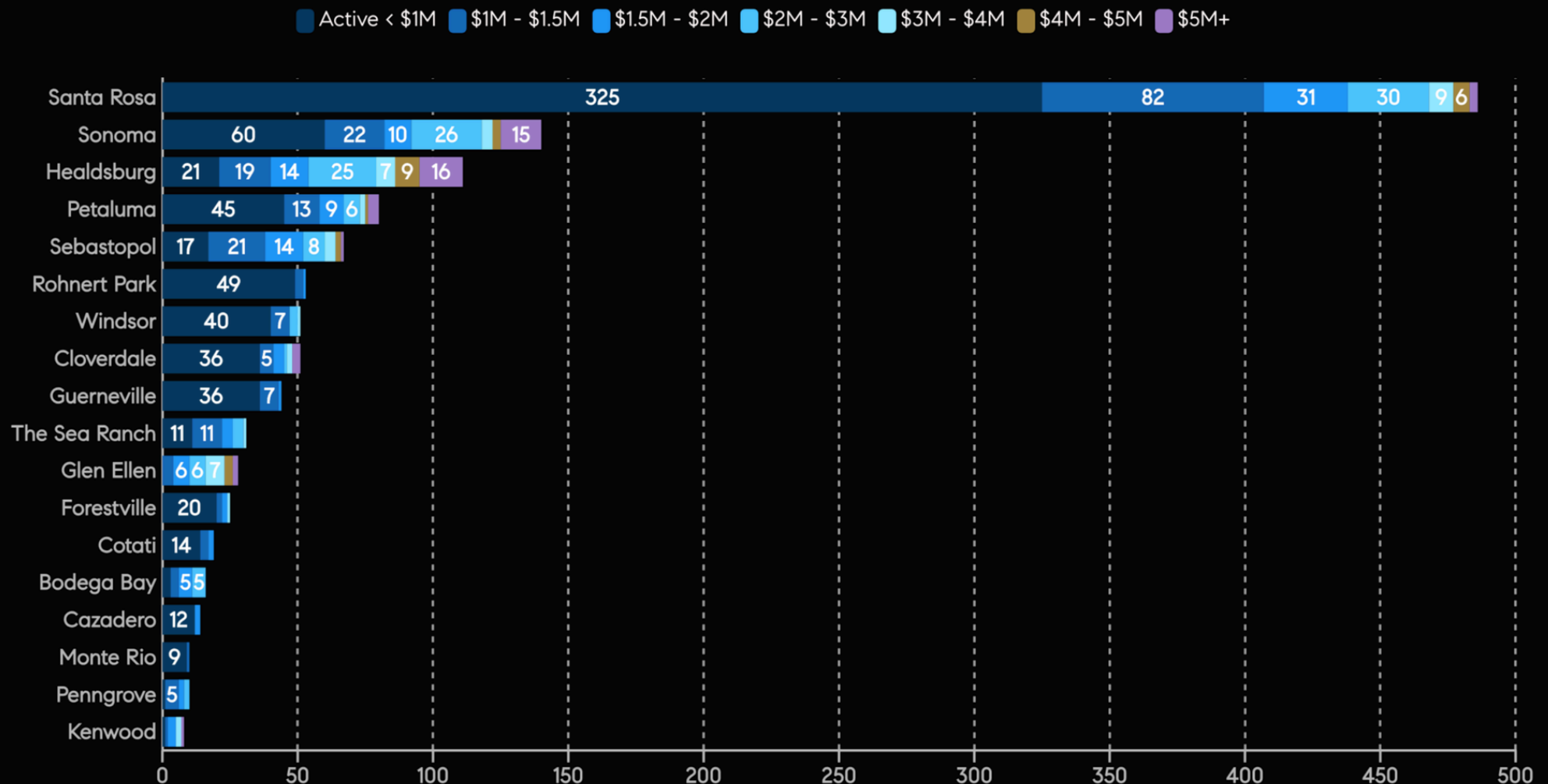
Source: Compass via MLS · Single Family Homes and Condos · Data through September 30, 2026 (reported as of 10/5/2026)

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September Active Listings by Price Segment

Single Family Homes and Condos

Sonoma County ▾



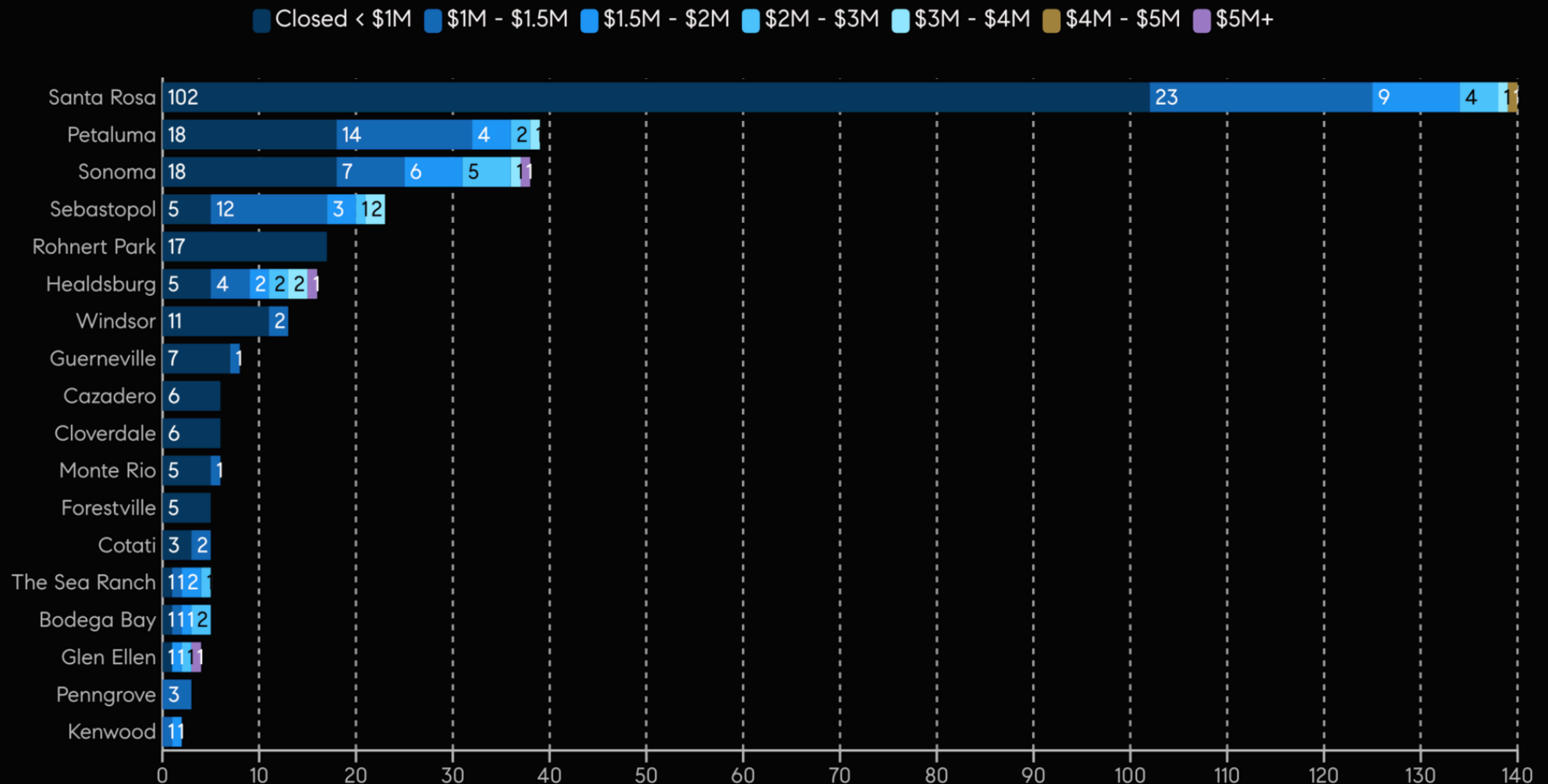
Source: Compass via MLS · Single Family Homes and Condos · Data through September 30, 2026 (reported as of 10/5/2026)

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September Closed Sales by Price Segment

Single Family Homes and Condos

Sonoma County



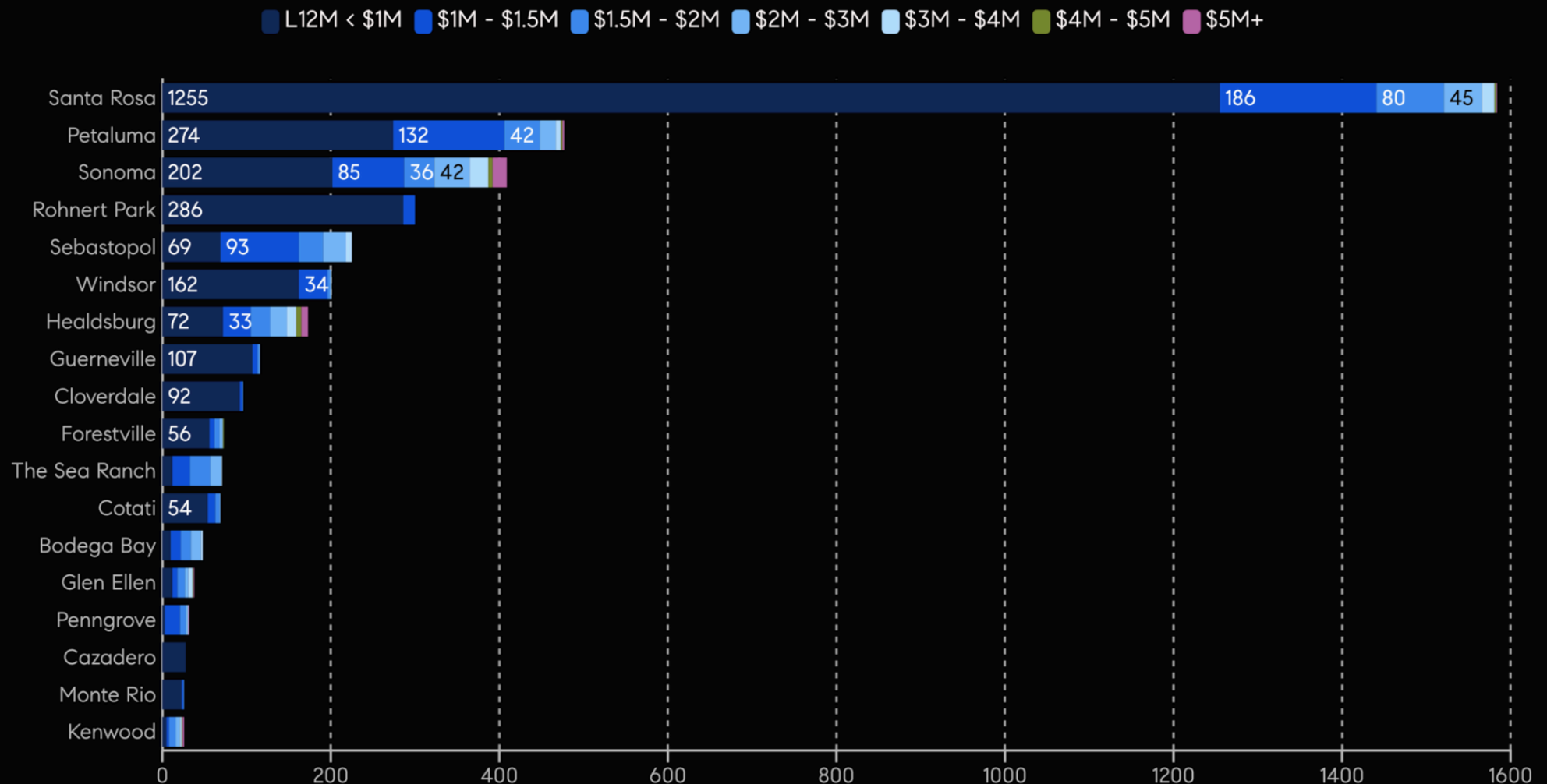
Source: Compass via MLS · Single Family Homes and Condos · Data through September 30, 2026 (reported as of 10/5/2026)

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Last 12 Months Closed Sales by Price Segment

Single Family Homes and Condos

Sonoma County ▾



Source: Compass via MLS · Single Family Homes and Condos · Data through September 30, 2026 (reported as of 10/5/2026)

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October 2026

Economic Outlook

This following section is a look at the macroeconomic factors that drive the national and Northern California housing markets in September and into October.

The forces that have been driving interest rates higher in recent months actually accelerated in September leaving the yield on the 10-year Treasury at 25-year highs. Mortgage rates jumped another 70 basis points during the month. That affordability challenge has hit housing demand across the country.

Inflation remains above target rates and other economic signals like jobs and profit growth show a strengthening, rather than weakening economy. Until something in the data changes meaningfully, the signals continue to point at elevated interest rates.

As equity markets continue to trade near all-time highs, some buyer demand is helped by the resulting wealth-effect. Nationally and locally, we can see a bigger slowdown in demand at lower price points while buyers who are more interest-rate sensitive.

Locally, the tech economy continues to shift from the pandemic-era hiring boom. The industry has fewer jobs now, but the concentration of jobs is shifting to even-higher compensation. For the real estate market, that means fewer buyers with far more purchasing power.

Mike Simonsen

Chief Economist

Compass International Holdings

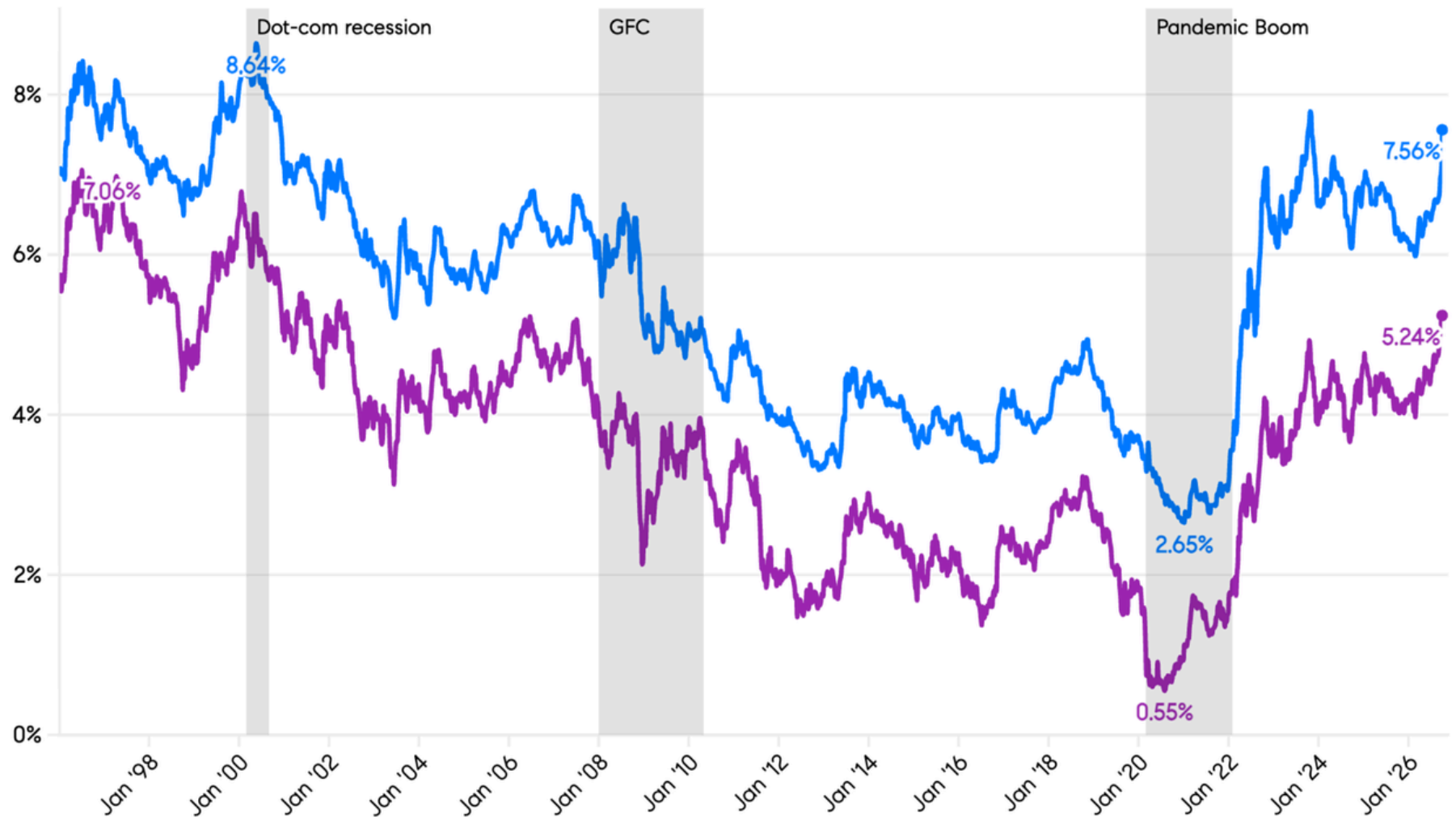
The section of this report are select macro-economic and demographic data for the country and the Bay Area.



30 Years of Mortgage History

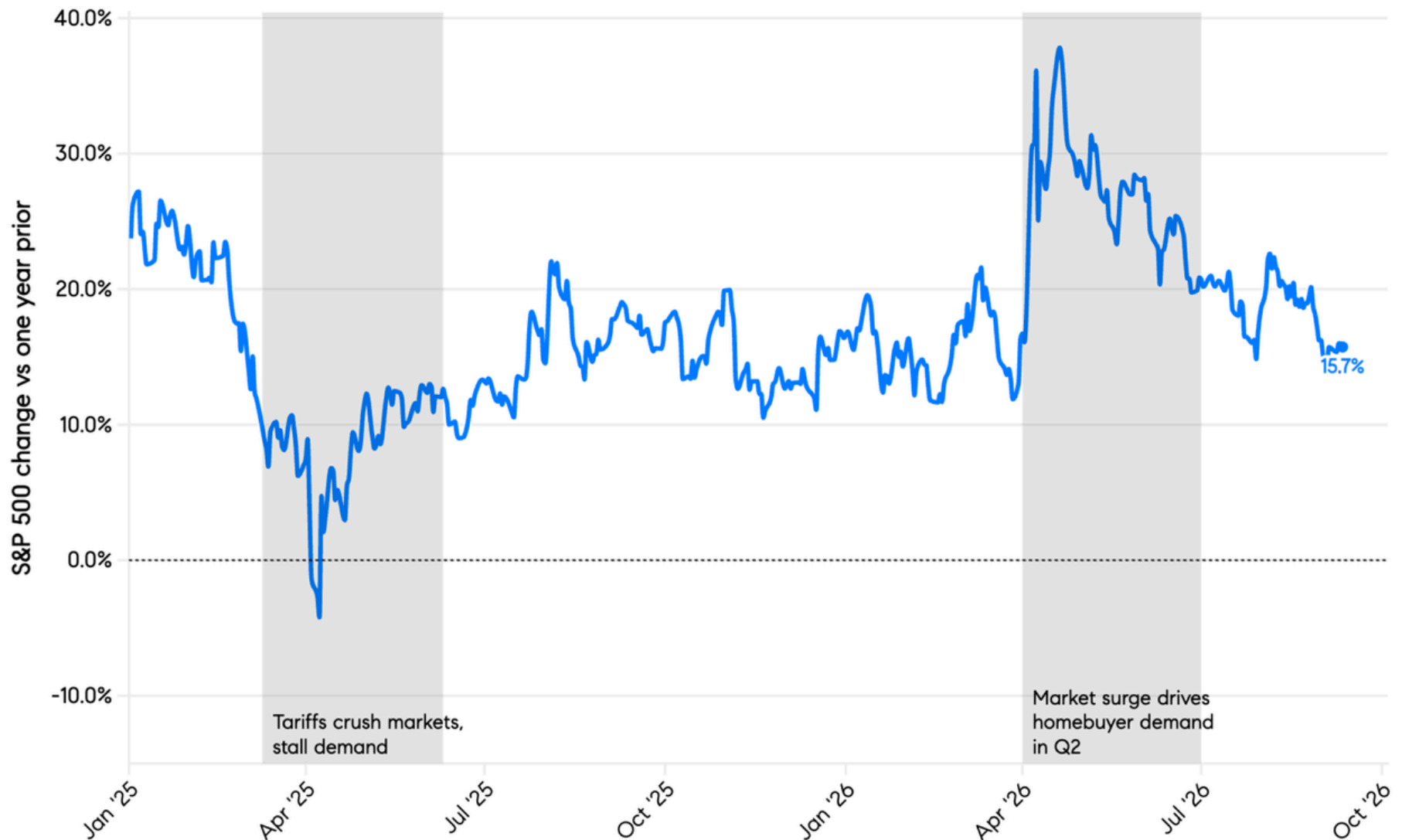
Mortgage rates are largely driven by the 10-year Treasury yield, which is rising due to high government spending, international conflict and inflation fears. A wide spread between the two indicates markets believe homebuyers will refinance their mortgages soon.

■ 30-Year Fixed Mortgage Rate ■ 10-Year Treasury Yield



Wealth Effect Helps Purchase Demand

When stock markets reach all time highs and 16% above 2025 levels, a "wealth effect" is created for potential homebuyers in contrast to rising interest rates. This wealth effect demand is measurable especially in luxury markets across the country where sales are outperforming the lower-price points.

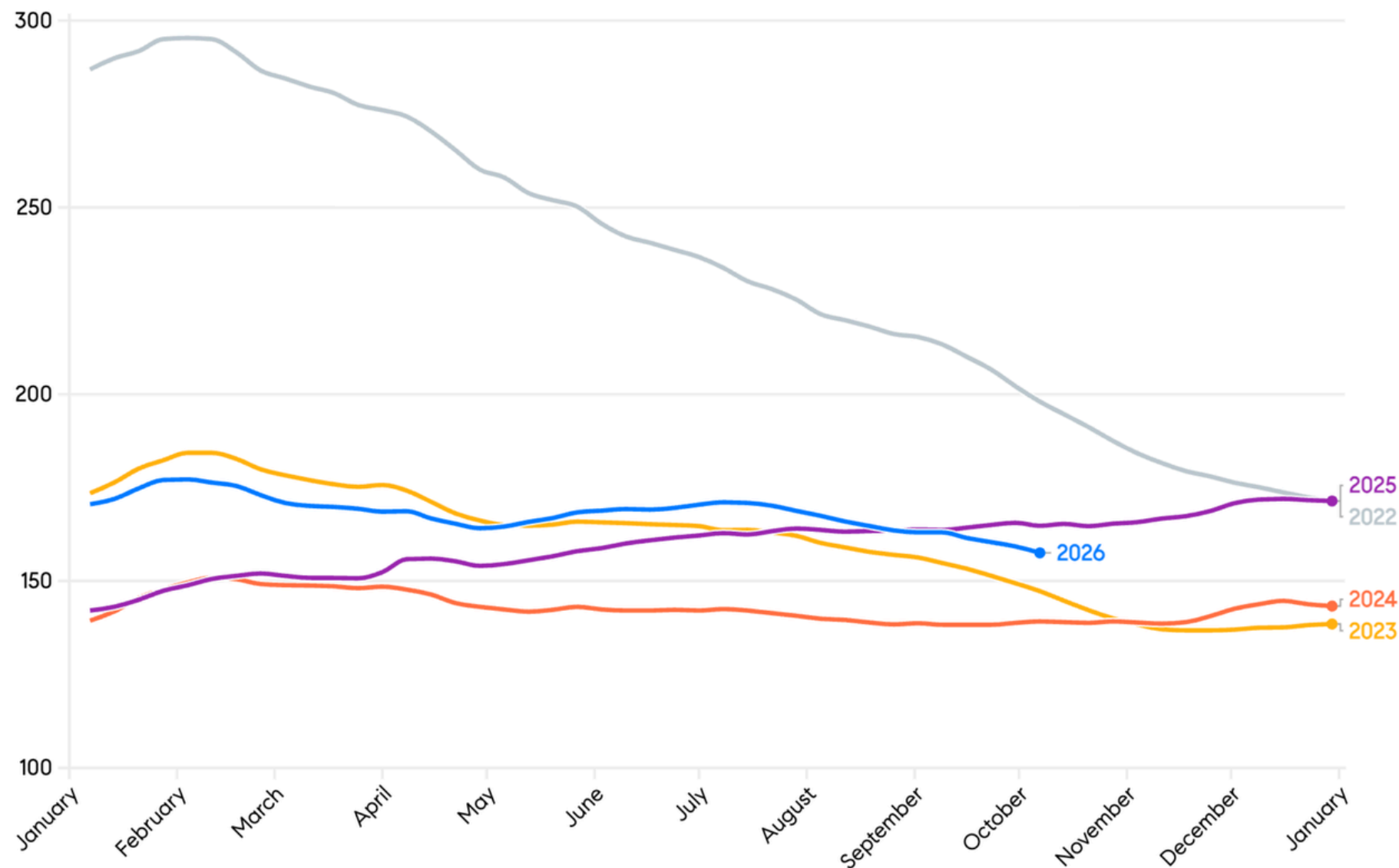


Source: MarketWatch.com
Index change vs one year prior

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Home Purchase Mortgage Applications

Applications for mortgages are running below 2025. This index is a reliable indicator of home purchase demand across the country. As interest rates have jumped since June, home purchase demand has declined.



Source: Mortgage Bankers Assoc. Purchase Mortgage Applications Index, Compass
• 13-week rolling average

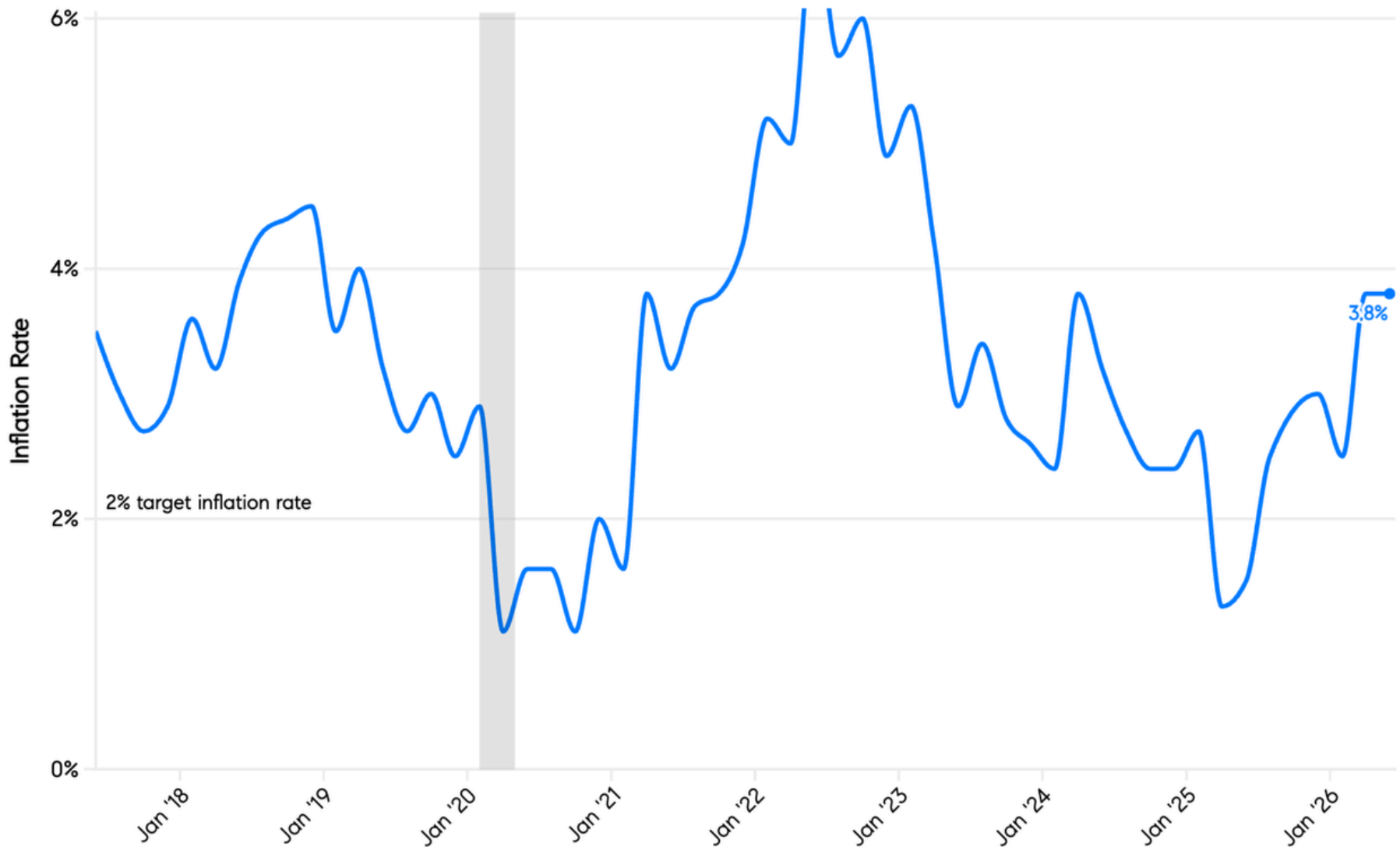
Still-Too-High Inflation

Inflation data in July and August moved higher again and is well above policy maker's target levels. Volatile energy markets and government spending keep inflation fears persistent.



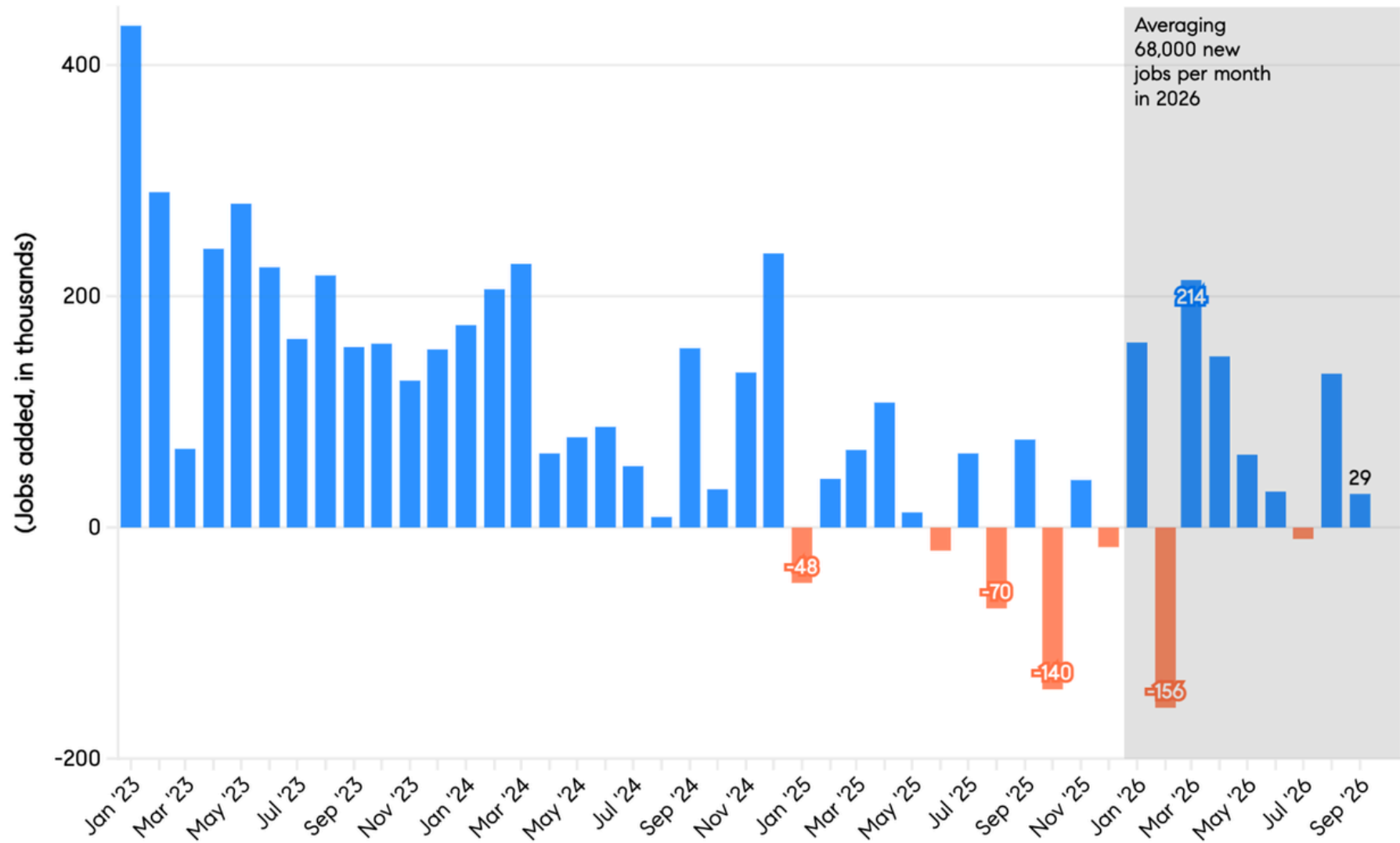
Bay Area Inflation Resumes

For a couple years post-pandemic, home price and rent declines in the San Francisco Bay Area kept inflation in the region below the national averages. Home price appreciation resumed recently and that has driven local inflation back up.



Slower September Jobs Growth

At the national level, the labor market in the September data came in lighter than expected. While good jobs growth is good for the economy and home buyer demand, it also has implications for inflation and creates pressure to keep interest rates higher.

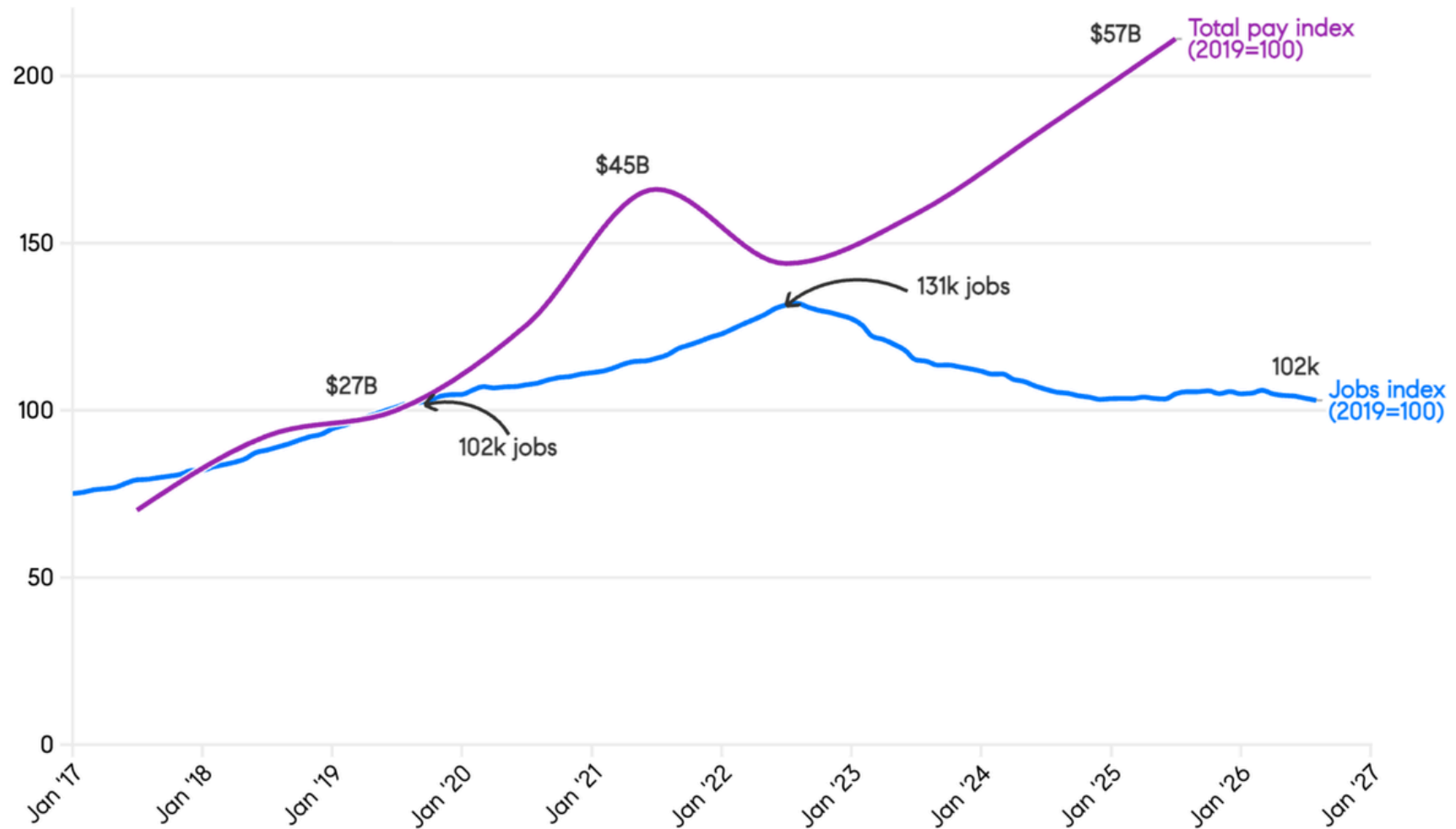


Source: BLS Non-Farm Payrolls, Total jobs, seasonally adjusted

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Tech Jobs vs Tech Payroll

Tech headcount in SF and San Mateo is back to 2019 levels. Tech payrolls are twice as big. For housing, that means fewer buyers with far more purchasing power. This implies continued strength at the high end of the SF and Peninsula market, even without job growth.

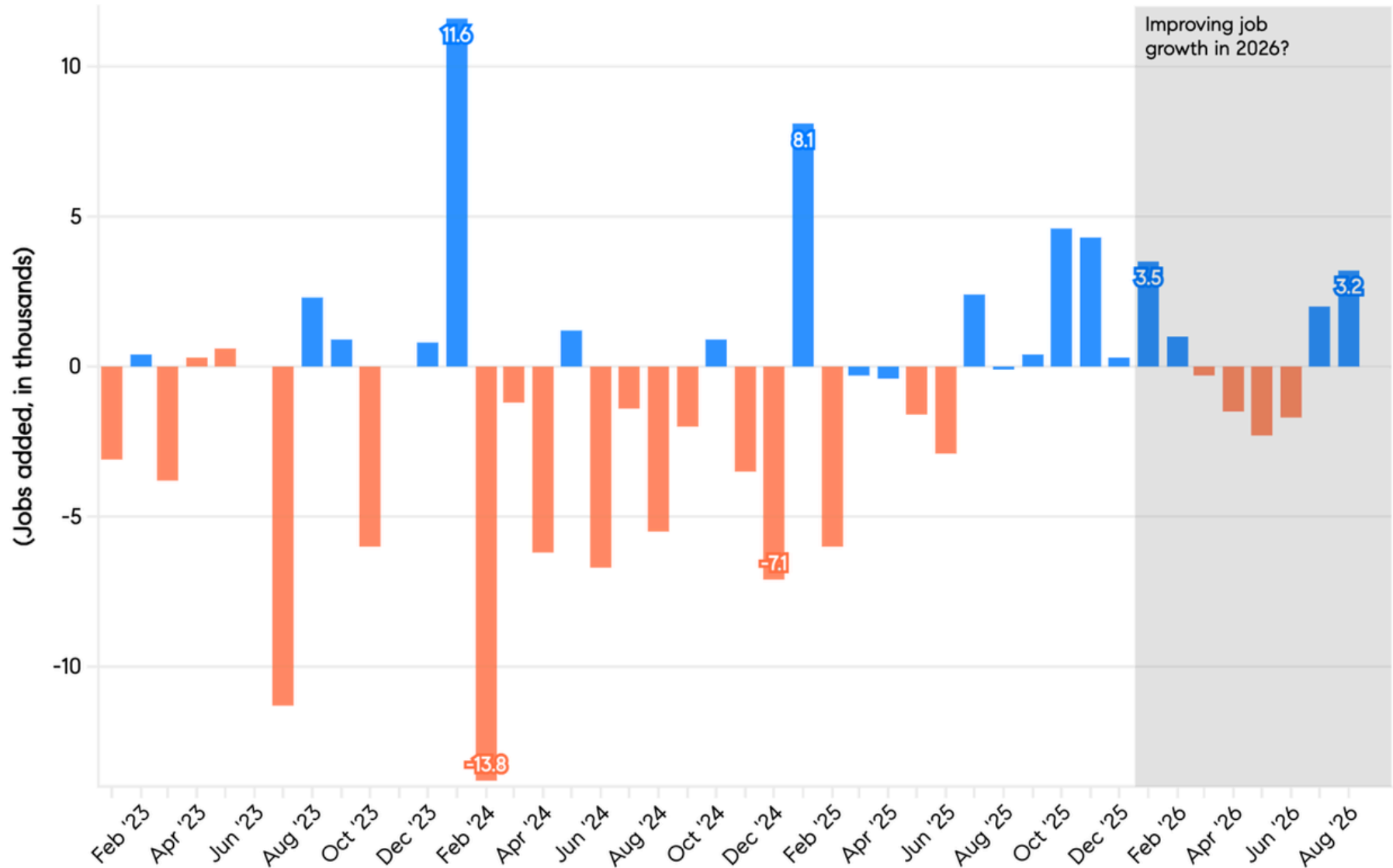


Sources: BLS Current Employment Statistics via FRED, seasonally adjusted); BLS QCEW, private NAICS 51, San Francisco + San Mateo counties, annual total wages (nominal, incl. vested stock). Indexed to 2019 = 100.

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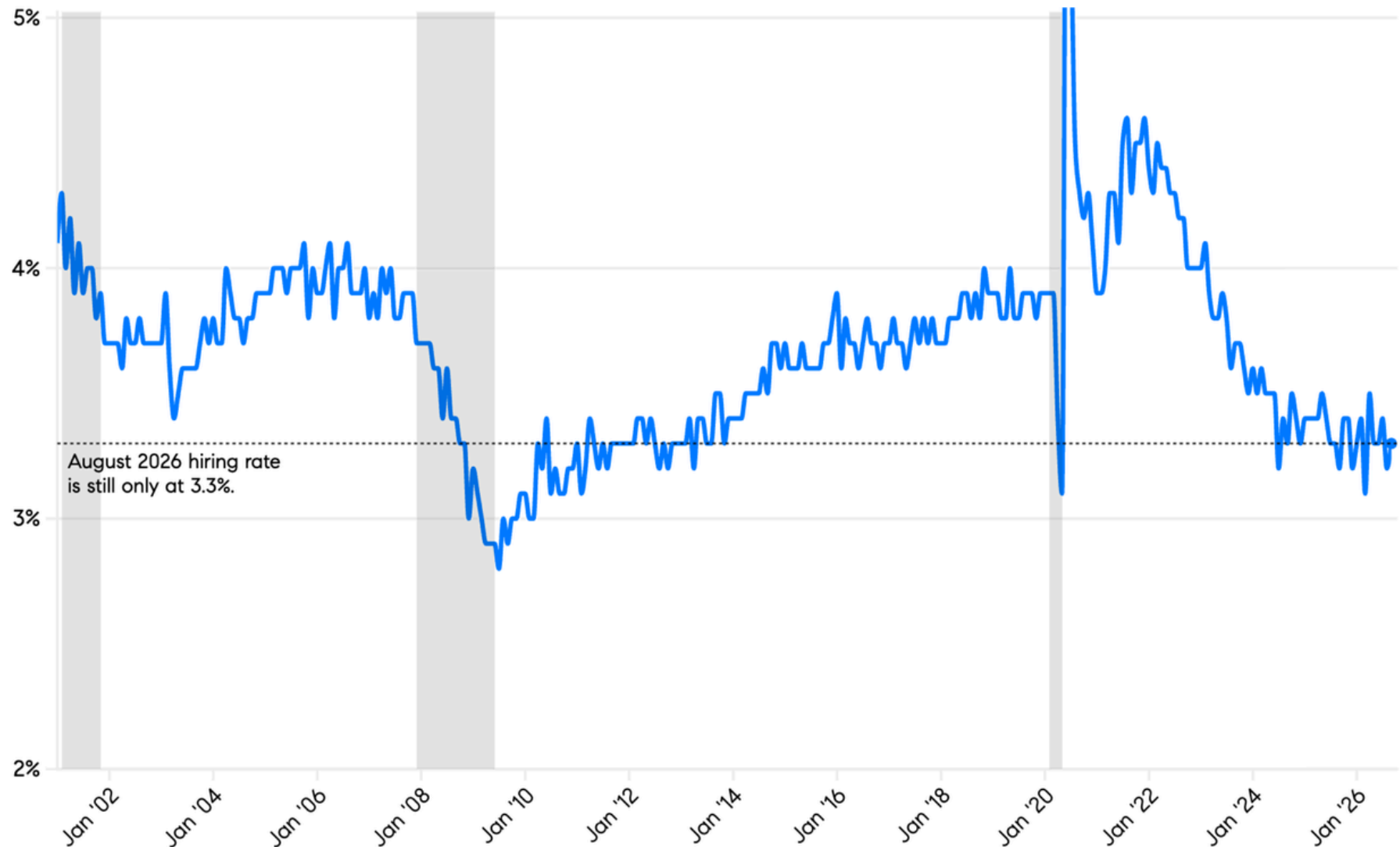
Bay Area Job Growth Picks Up

Total payrolls for the San Francisco Metro area increased this summer after four months of declines. Total employment is up by 3900 jobs in 2026.



Low Hiring Rates Keep Us From Moving

Since relocation for work is a key driver of homebuyer demand, the recent low hiring rate has been a limiter of home sales. Even as unemployment remains low nationally and September job creation seems to be improving, companies are still hiring at the same slow pace for two full years.

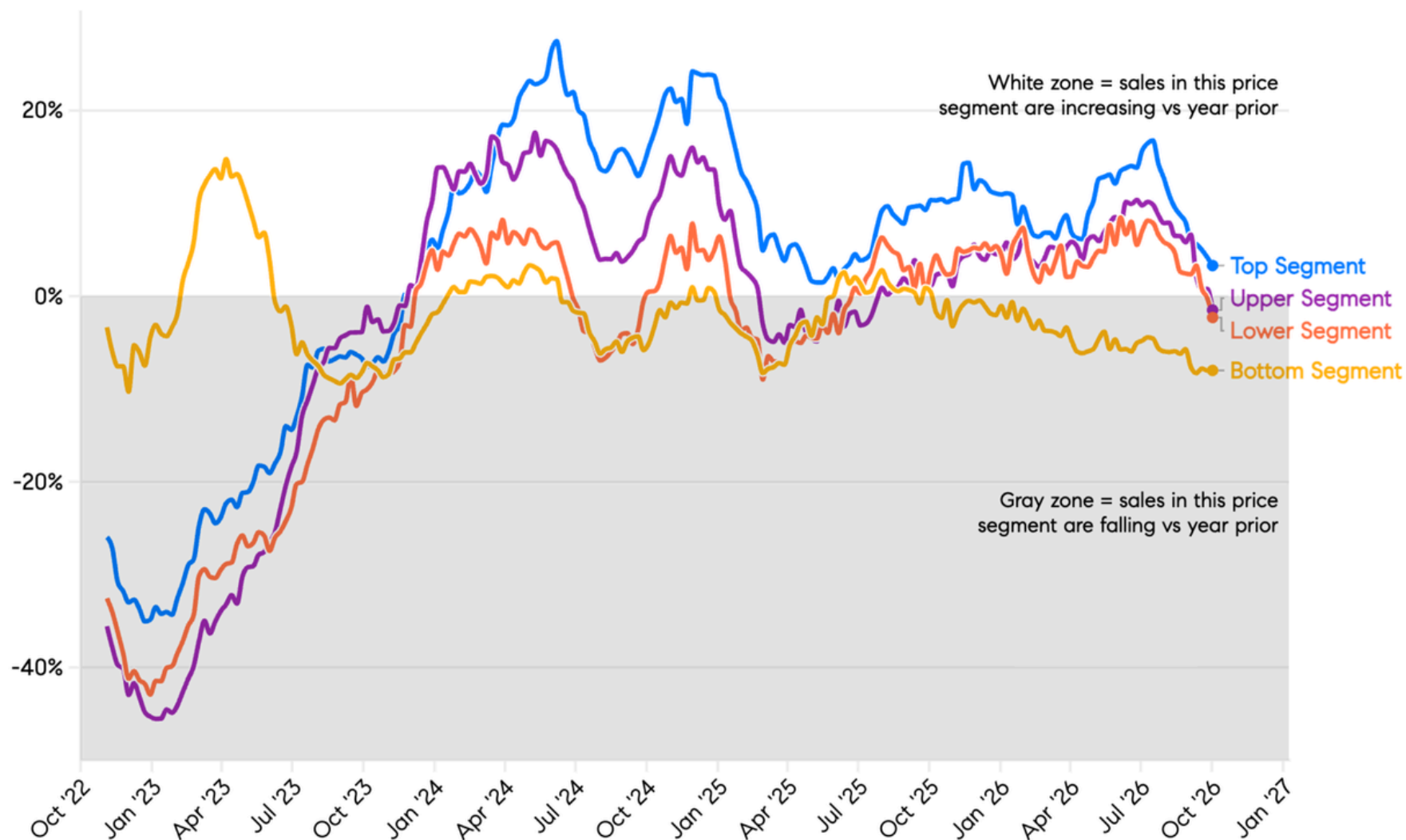


Source: US BLS, JOLTS • Total non-farm hires, seasonally adjusted. Gray areas signify recessions

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Home Sales by Price Segment

Nationally, pending home sales in September 2026 are slowing most notably in the lowest price points. As of October, only the highest-price segment across the country still has more sales than in 2025. This pattern is different now than in 2023 when a weak stock market deterred wealthier buyers more.



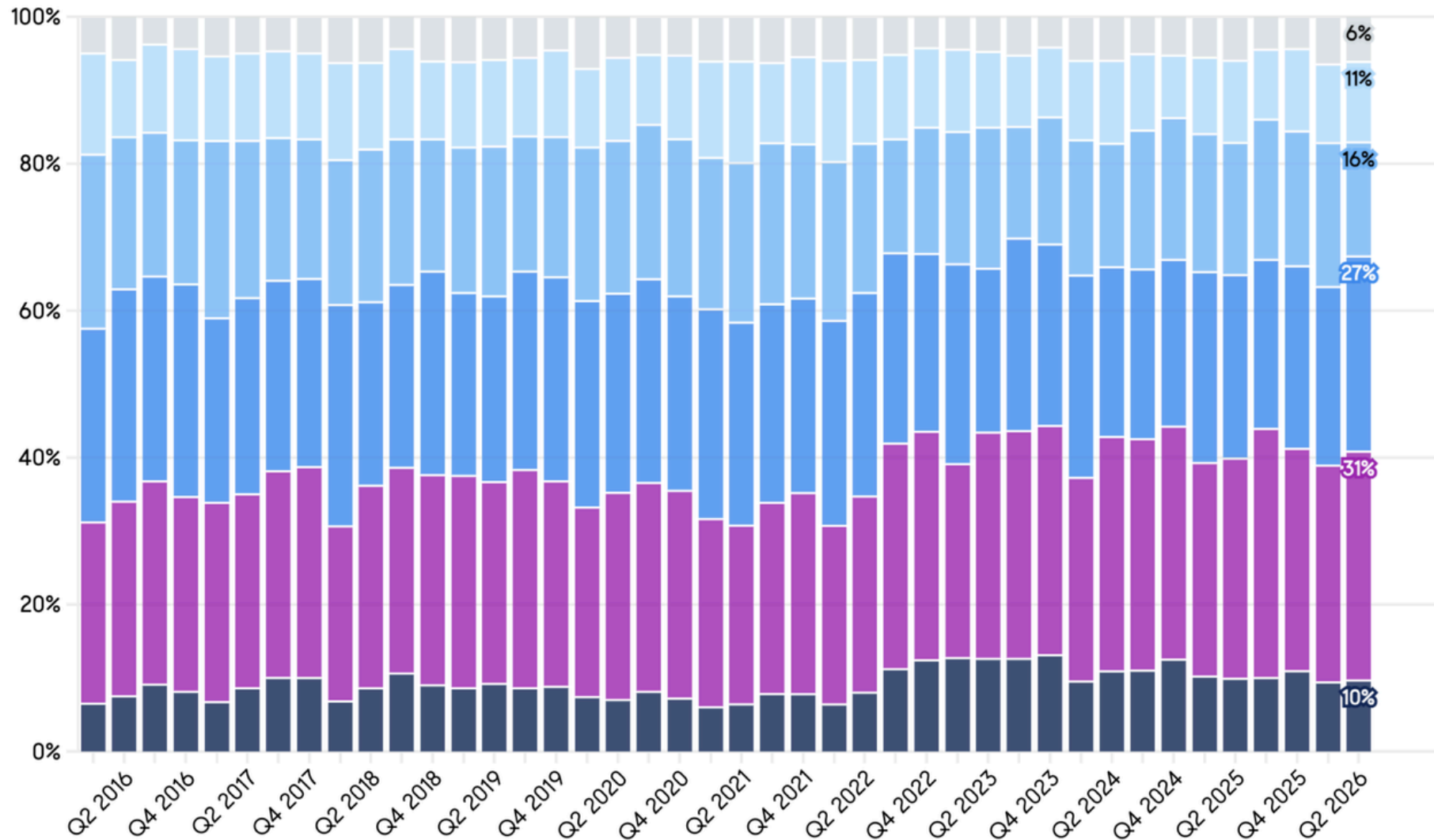
Source: Compass, Altos Research • Weekly pending home sales, 13-week rolling average, percentage change vs the same week a year prior.
Total sales single family + condos. Each segment is 25% of the active market, by price.

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Millennials Dominate Mortgage Borrowing

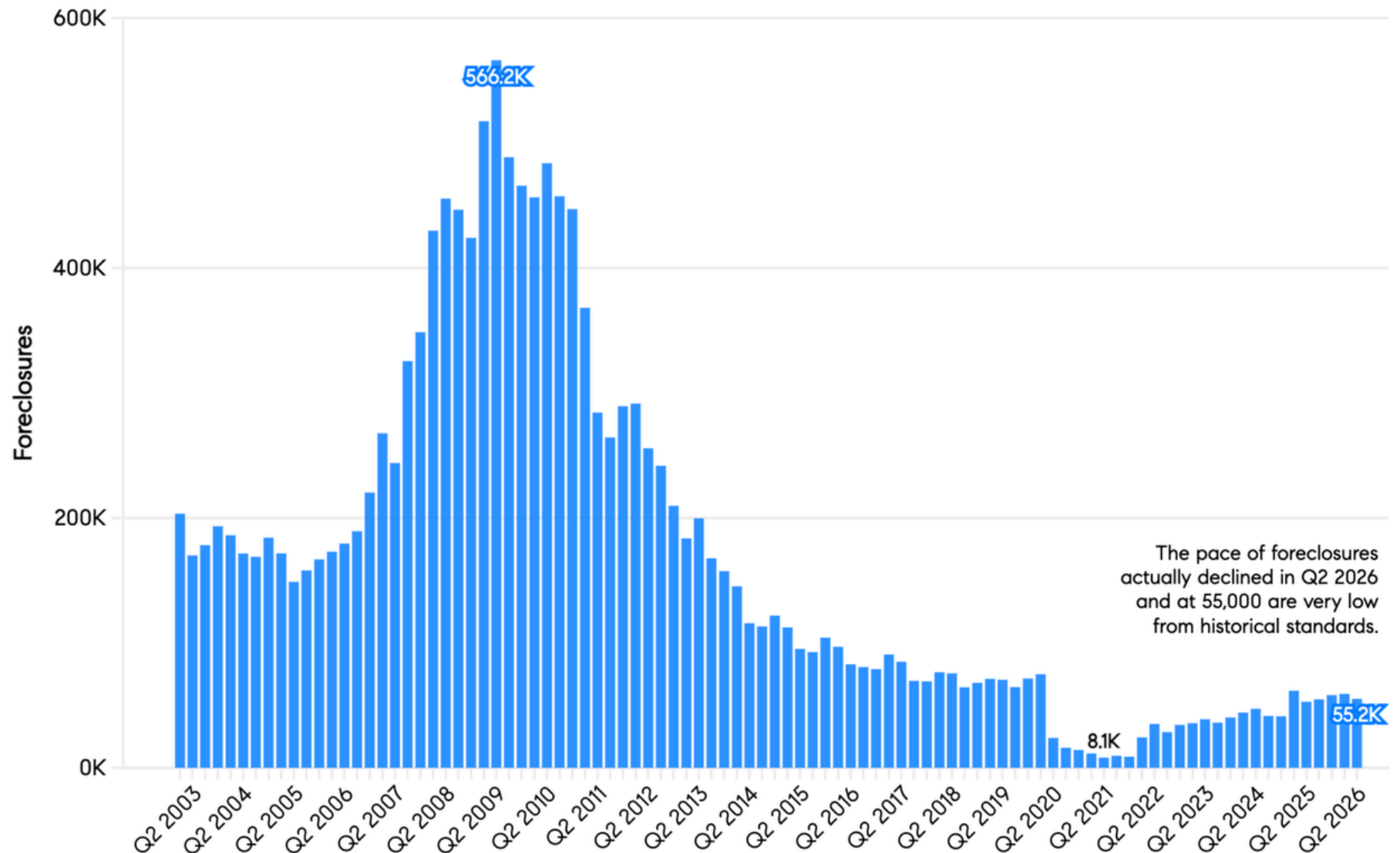
41% of home purchase mortgages are for buyers under 40 years old, slightly more than in the 2010s. This may indicate older buyers more likely to use cash as interest rates have climbed in the last four years.

■ Buyer Age 18-29 ■ 30-39 ■ 40-49 ■ 50-59 ■ 60-69 ■ 70+



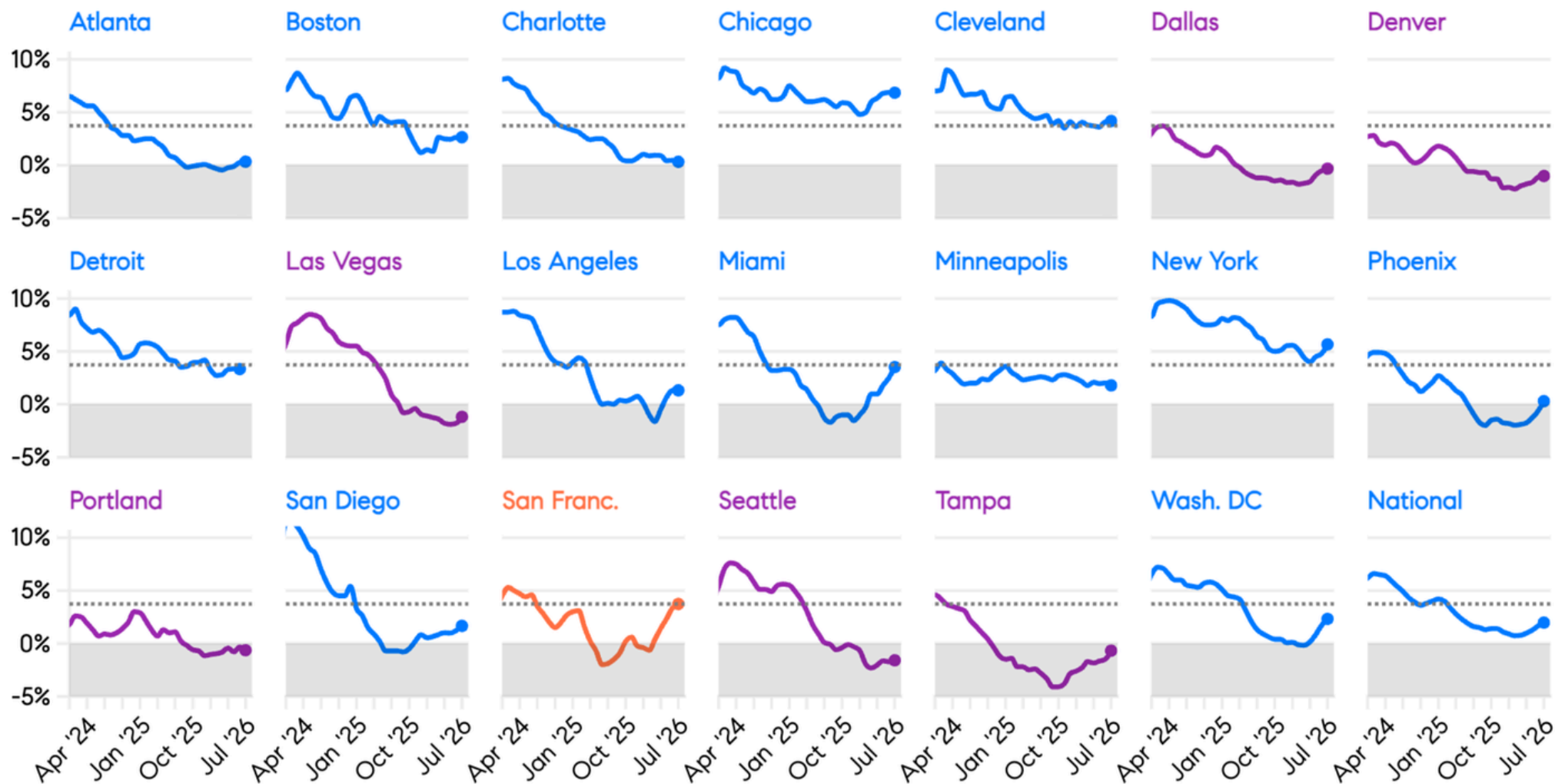
Very Few Foreclosures in 2026

Due to prevalence of high equity, low locked-in mortgage rates, and low unemployment, foreclosures are likely to stay very low into 2027.



National Home Prices Head Higher

Nationally home prices are +2% above last year, while San Francisco metro home prices have climbed 3.7% in that time. After a slight market recovery in Q2 2026, only six of the 20 Case Shiller cities have home prices lower than last year.

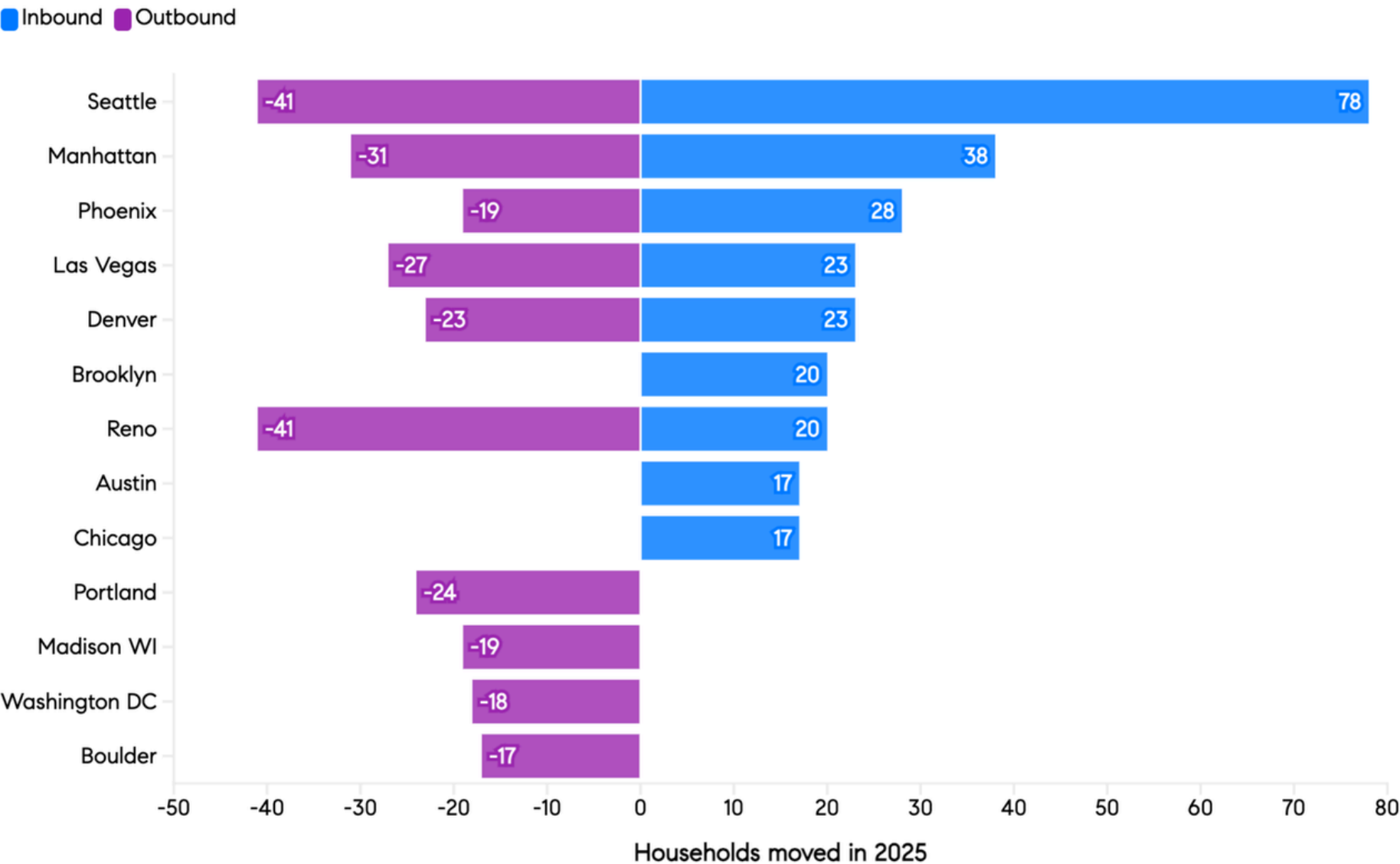


Source: S&P CoreLogic Case-Shiller • Blue cities have home price appreciation vs. July 2025. Purple cities have home price declines from July 2025. Dotted line is San Francisco Metro price change for comparison. Gray area is below 0%

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Bay Area Migration Sources & Destinations

In 2025, inbound migration to the Bay Area resumed for the first time in many years. Seattle and Austin are net inbound to San Francisco. Lower cost of living cities remain popular destinations for outbound movers.





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