

YOUR LOCAL MARKET'S MARKET UPDATE

SOLANA BEACH, CA

- **Current Real Estate Market Conditions for Single Family Homes**
- **Trends in Pricing**
- **Current Levels of Supply and Demand**
- **Value Metrics**

- **Report for the week of
April 24, 2017**

This Week

- The median list price in SOLANA BEACH, CA this week is \$1,635,000. The 22 properties have been on the market for an average of 115 days.

Inventory has been lightening lately and the Market Action Index has been trending up. Though days-on-market is increasing, these are mildly positive indications for the market.

Supply and Demand

- In the last few weeks, the market has been at a stasis point in terms of sales to inventory. However, prices seem to continue to fall a bit. Technically supply levels indicate this is a Seller's market so it is likely that the downward pricing pressure will be light or variable. Watch for an up-shift in the MAI before price stability is achieved.

Real-Time Market Profile

Median List Price	\$ 1,635,000	↓↓
Average List Price	\$ 2,438,082	
Asking Price Per Square Foot	\$ 640	↓
Average Days on Market (DoM)	115	↑↑
Inventory of Properties Listed	22	↓↓
Most Expensive Listing	\$ 10,950,000	
Least Expensive Listing	\$ 700,000	
Average Age of Listing	41	
Percent of Properties with Price Decrease	36 %	
Percent Relisted (reset DOM)	23 %	
Percent Flip (price increased)	0 %	
Median House Size (sq ft)	2446	
Median Lot Size	8,001 - 10,000 sqft	
Median Number of Bedrooms	4.0	
Median Number of Bathrooms	2.8	

Trend

Altos Research Value Statistics

Market Action Index	Seller's Advantage	30.4	↔
The Market Action Index answers the question "How's the Market?" by measuring the current rate of sale versus the amount of the inventory. Index above 30 implies a seller's advantage. Below 30, conditions give the advantage to the buyer.			

Trend Key: ↑↑ Strong upward trend ↓↓ Strong downward trend
 ↔ No change ↑ Slight upward trend ↓ Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM
Top/First	\$ 5,495,000	4690	6,501 - 8,000 sqft	3.0	3.5	23	5	0	0	258
Upper/Second	\$ 1,895,000	2600	8,001 - 10,000 sqft	3.0	3.0	56	5	0	0	85
Lower/Third	\$ 1,522,450	2988	8,001 - 10,000 sqft	4.0	2.5	38	6	0	1	92
Bottom/Fourth	\$ 1,245,000	2188	0.25 - 0.50 acre	4.0	2.5	39	6	0	0	44

Most expensive 25% of properties

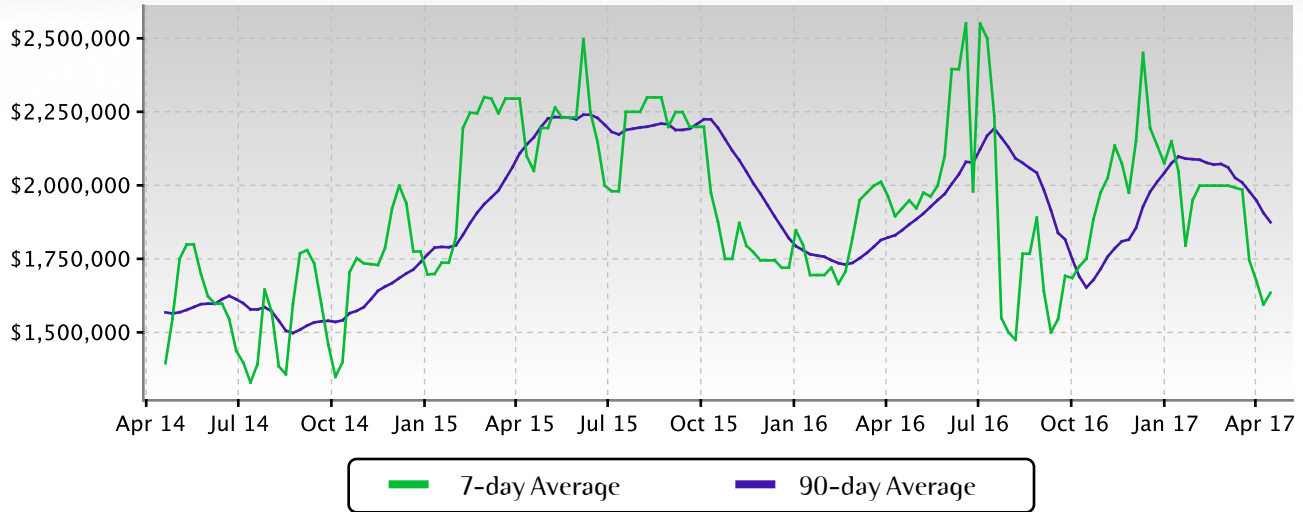
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

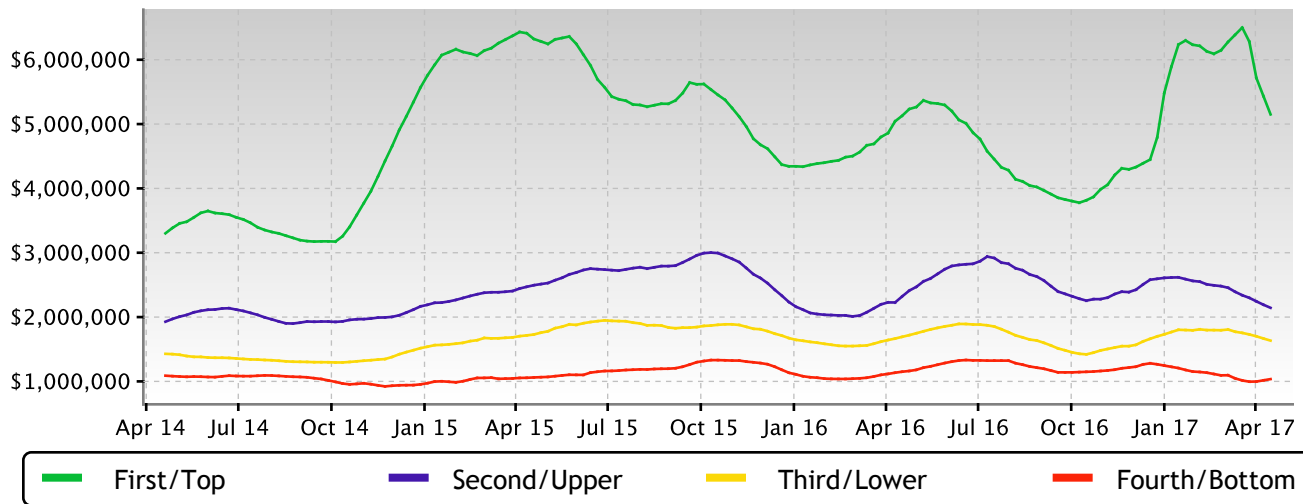
Median Price

This week prices bumped up a bit but the trend of recent weeks is generally downward. A pickup in demand will be reflected in the Market Action Index, so watch that chart to try to identify a change in the market.



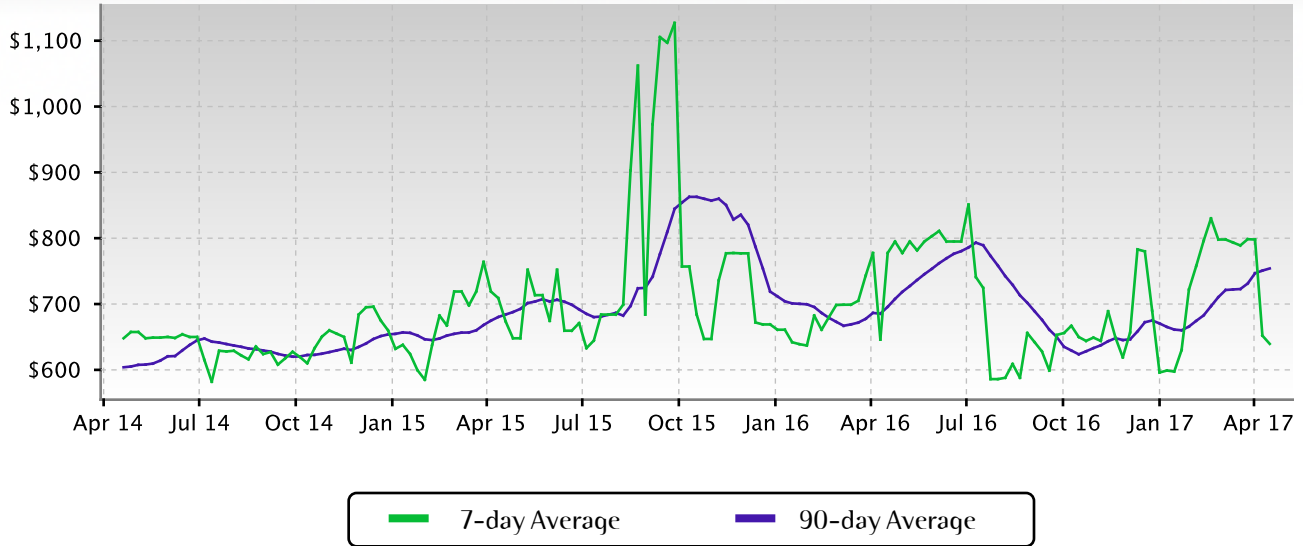
Quartile Prices

Price weakness is visible almost across the board. Prices in Quartile 4 have been mixed recently, while the rest of the market is trending downward. Look to a strong, persistent up shift in the Market Action Index as a leading indicator of the trough in the market.



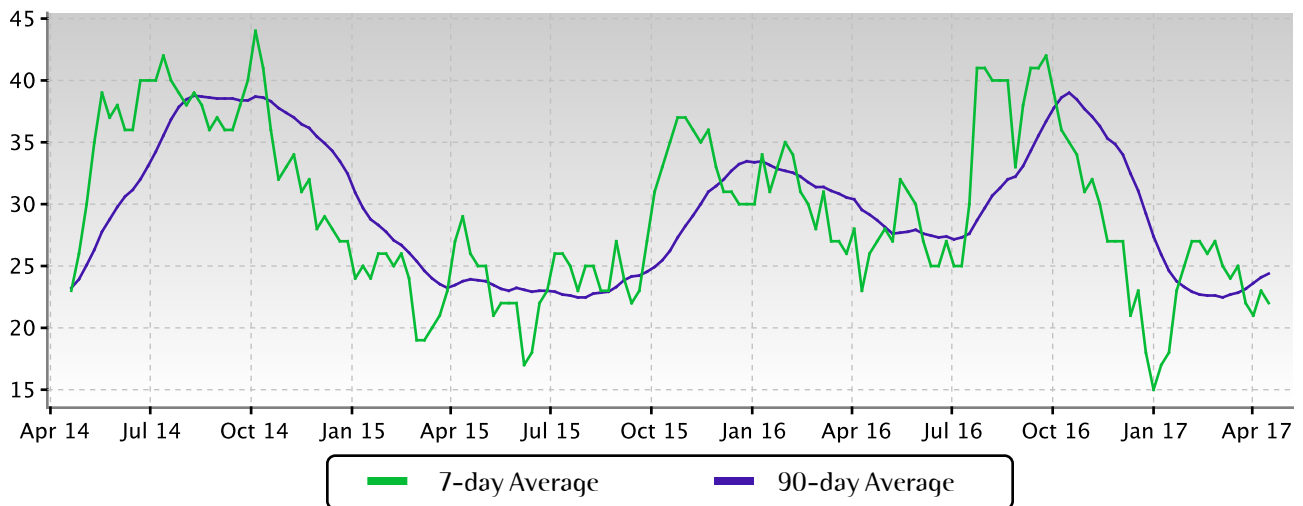
Price per Square Foot

The market's downward trends are shared across both price and value. People are recently placing less value on homes (you can see the recent declines in price per square foot as evidence.) Look for significant changes in the Market Action Index as a precursor to price and value changes, possibly as inflection points for good investment opportunities.



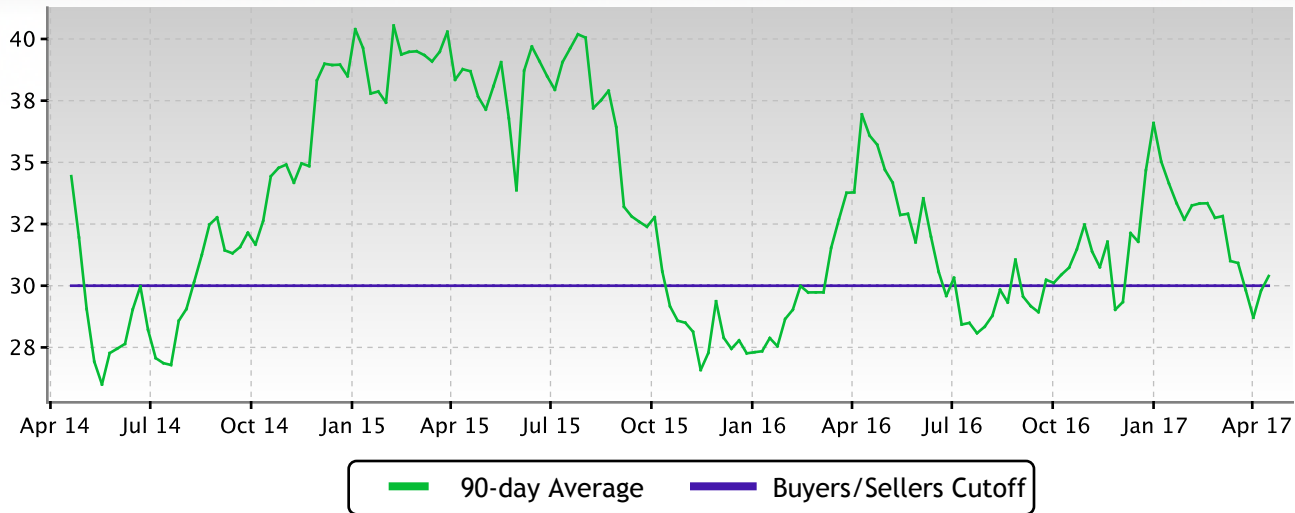
Inventory of Properties Listed for Sale

Inventory has been falling in recent weeks. Note that declining inventory alone does not signal a strengthening market. Look to the Market Action Index and Days on Market trends to gauge whether buyer interest is changing with the available supply.



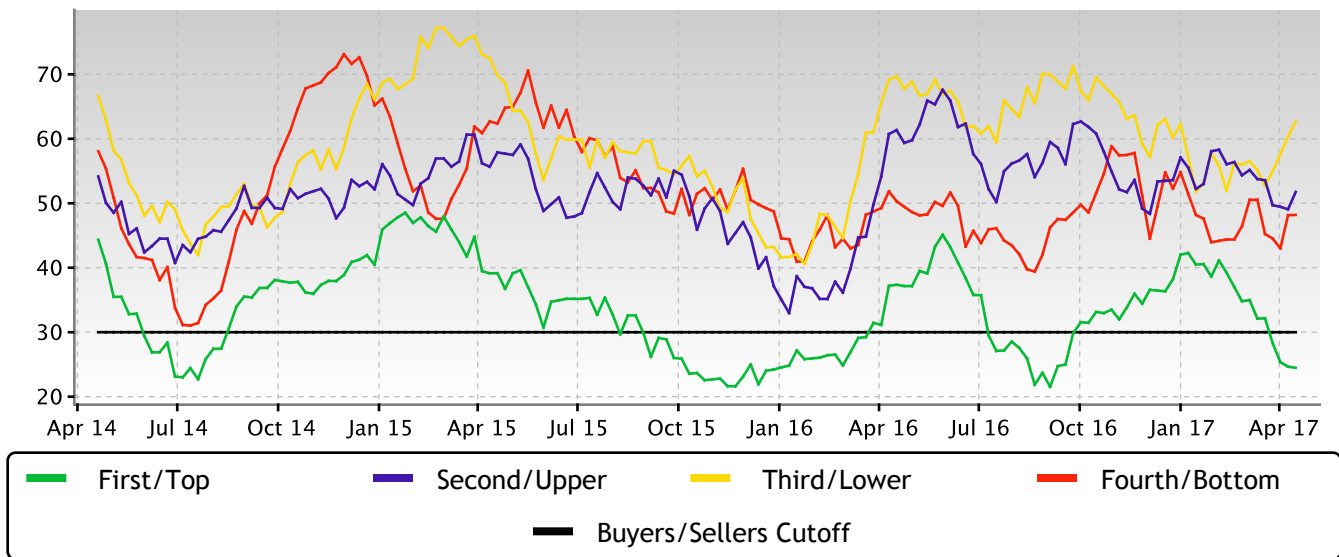
Market Action Index

The SOLANA BEACH market is currently in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 30.39 which indicates that demand is strong and available supply of homes gets snapped up relatively quickly.



Market Action Index per Quartile

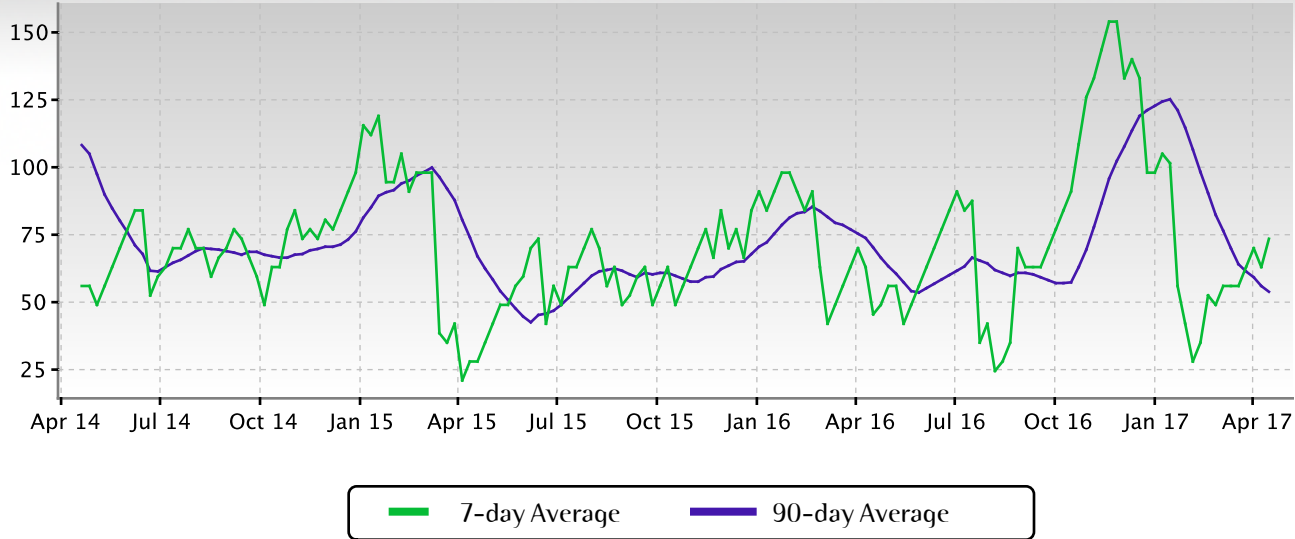
Three of the four quartiles of the market are in the Seller's Market zone with relatively low amounts of inventory given the current rate of demand for homes in the quartile. Notice that Quartile 1 (the highest-end price group) is showing weaker demand than the others. It's not uncommon that the premium segment of the market takes longer to sell than the rest of the group.



Residential house prices are a function of supply and demand, and market conditions can be characterized by analyzing those factors. Watch this index for sustained changes: if the index falls into the Buyer's Advantage zone (below 30) for a long period, prices are likely in for a downward correction.

Days on Market

The properties have been on the market for an average of 115 days. Half of the listings have come newly on the market in the past 74 or so days.



Days on Market per Quartile

It is not uncommon for the higher priced homes in an area to take longer to sell than those in the lower quartiles.

