

YOUR LOCAL MARKET'S MARKET UPDATE

SOLANA BEACH, CA

- **Current Real Estate Market Conditions for Condos & Townhomes**
- **Trends in Pricing**
- **Current Levels of Supply and Demand**
- **Value Metrics**

- **Report for the week of
October 30, 2017**

This Week

- The median list price in SOLANA BEACH, CA this week is \$1,007,000. The 28 properties have been on the market for an average of 63 days.

The Market Action Index has been trending down lately, while inventory and days-on-market are climbing. The trends imply a weakening market.

Supply and Demand

- The market has been cooling over time and prices have recently flattened. Despite the consistent decrease in Market Action Index (MAI), we're in a Seller's Market (where significant demand leaves little inventory available). If the MAI begins to climb, prices will likely follow suit. If the MAI drops consistently or falls into the Buyer's zone, watch for downward pressure

Real-Time Market Profile		Trend
Median List Price	\$ 1,007,000	↔
Average List Price	\$ 1,222,818	
Asking Price Per Square Foot	\$ 790	↔
Average Days on Market (DoM)	63	↑
Inventory of Properties Listed	28	↑↑
Most Expensive Listing	\$ 3,988,000	
Least Expensive Listing	\$ 525,000	
Average Age of Listing	40	
Percent of Properties with Price Decrease	32 %	
Percent Relisted (reset DOM)	7 %	
Percent Flip (price increased)	11 %	
Median House Size (sq ft)	1293	
Median Number of Bedrooms	2.0	
Median Number of Bathrooms	2.5	

Altos Research Value Statistics		
Market Action Index	Seller's Advantage	36.1 ↓↓
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.		

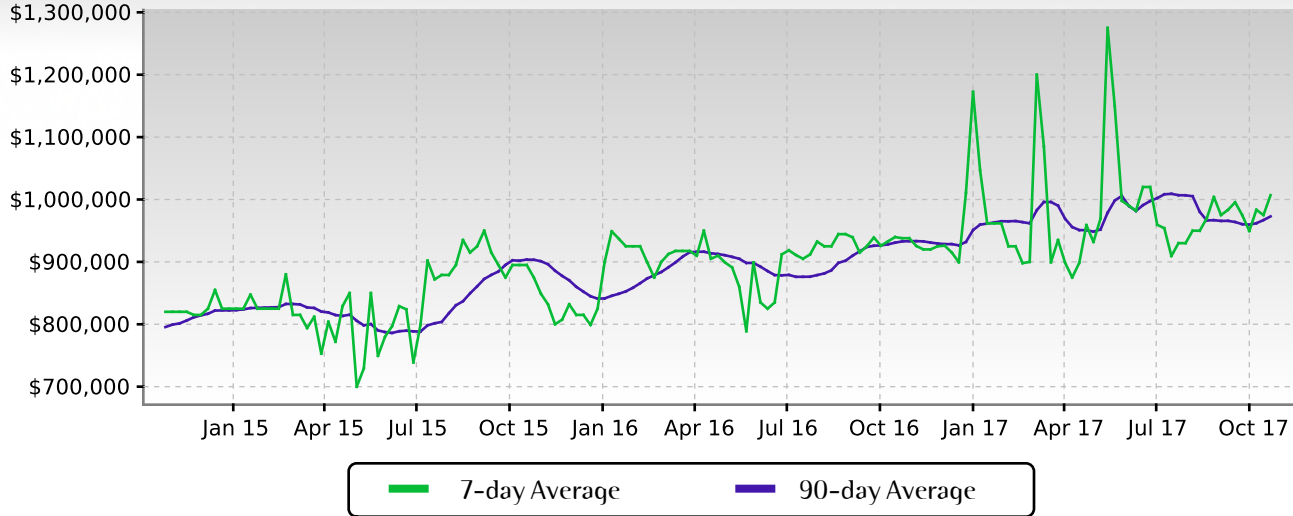
Trend Key: ↑↑ Strong upward trend ↓↓ Strong downward trend
 ↔ No change ↑ Slight upward trend ↓ Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	\$ 1,899,000	1470	2.0	2.5	43	7	0	0	131	Most expensive 25% of properties
Upper/Second	\$ 1,239,000	1336	2.0	2.5	40	7	2	0	30	Upper-middle 25% of properties
Lower/Third	\$ 949,000	1218	2.0	2.5	40	7	0	1	56	Lower-middle 25% of properties
Bottom/Fourth	\$ 619,000	1242	2.0	2.0	38	7	1	1	36	Least expensive 25% of properties

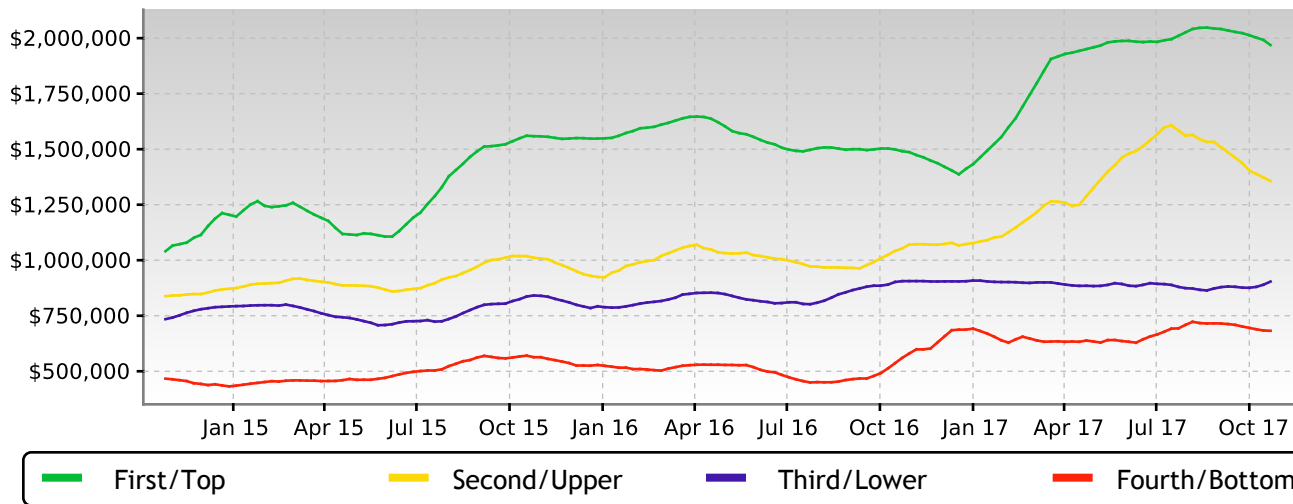
Median Price

Despite this week's up tic, the market seems to have paused around this plateau. The Market Action Index is a good leading indicator for the durability of this shift.



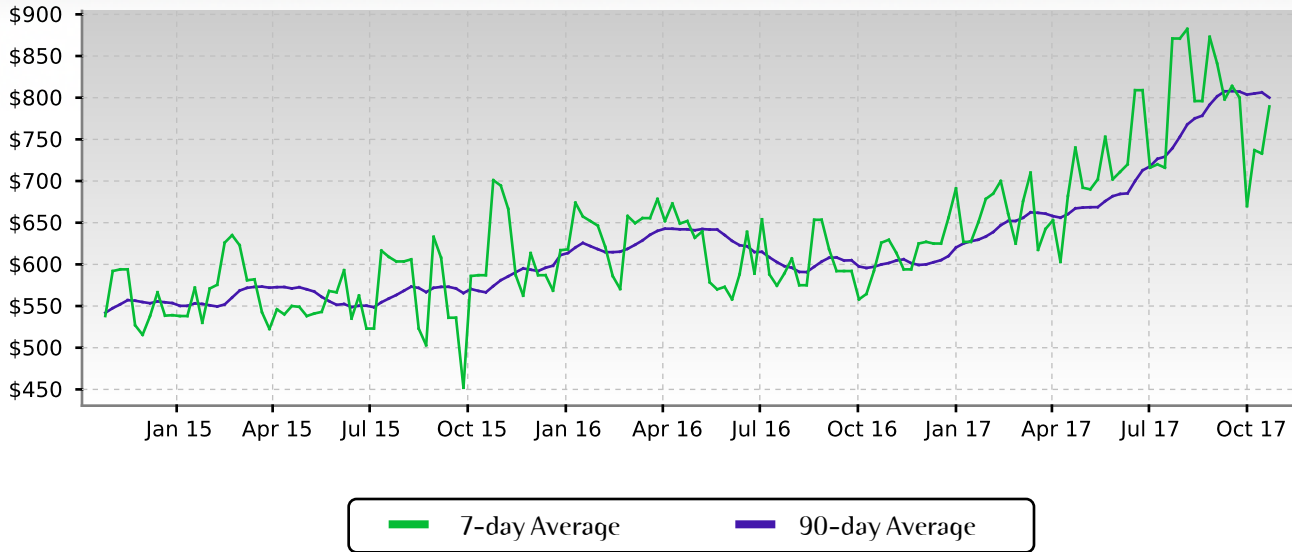
Quartile Prices

Prices have generally settled at a plateau, although Quartile 2 has been trending a bit downward in recent weeks. We'll need to see a persistent shift in the Market Action Index before we see prices across the board move from these levels.



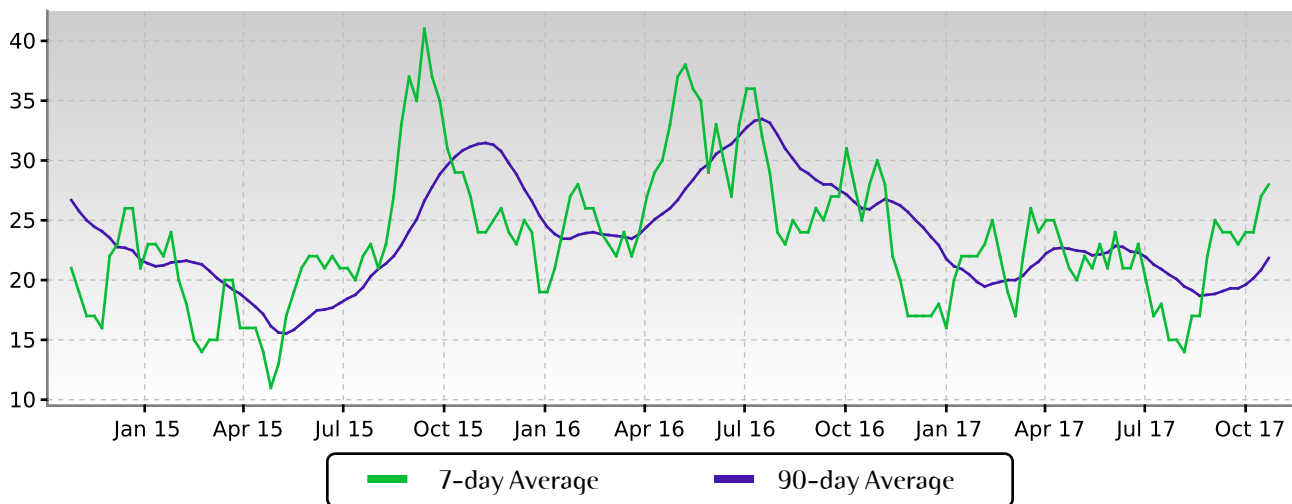
Price per Square Foot

The market plateau is seen across the price and value. The price per square foot and median list price have both been reasonably stagnant. Watch the Market Action Index for persistent changes as a leading indicator before the market moves from these levels.



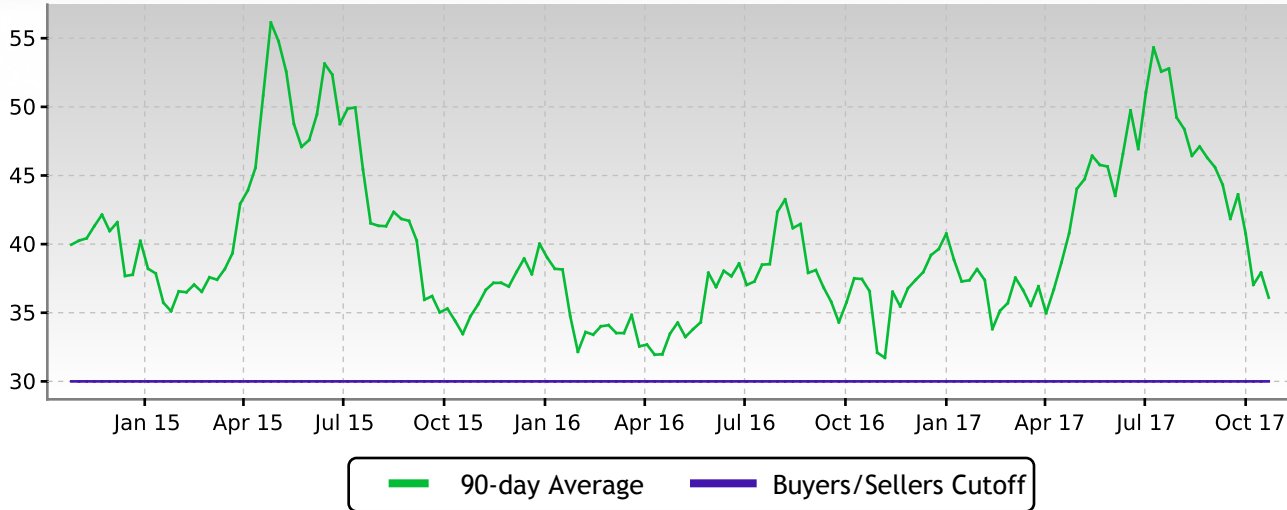
Inventory of Properties Listed for Sale

Inventory has been climbing lately. Note that rising inventory alone does not signal a weakening market. Look to the Market Action Index and Days on Market trends to gauge whether buyer interest is keeping up with available supply.



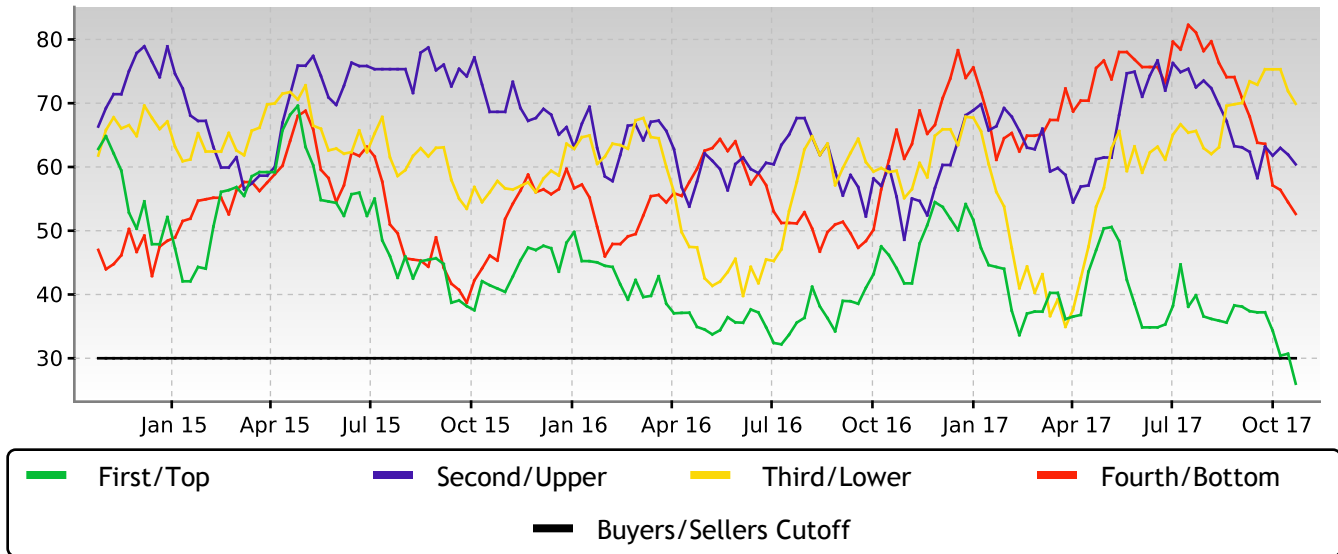
Market Action Index

The SOLANA BEACH market is currently in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 36.10 which indicates that demand is strong and available supply of homes gets snapped up relatively quickly.



Market Action Index per Quartile

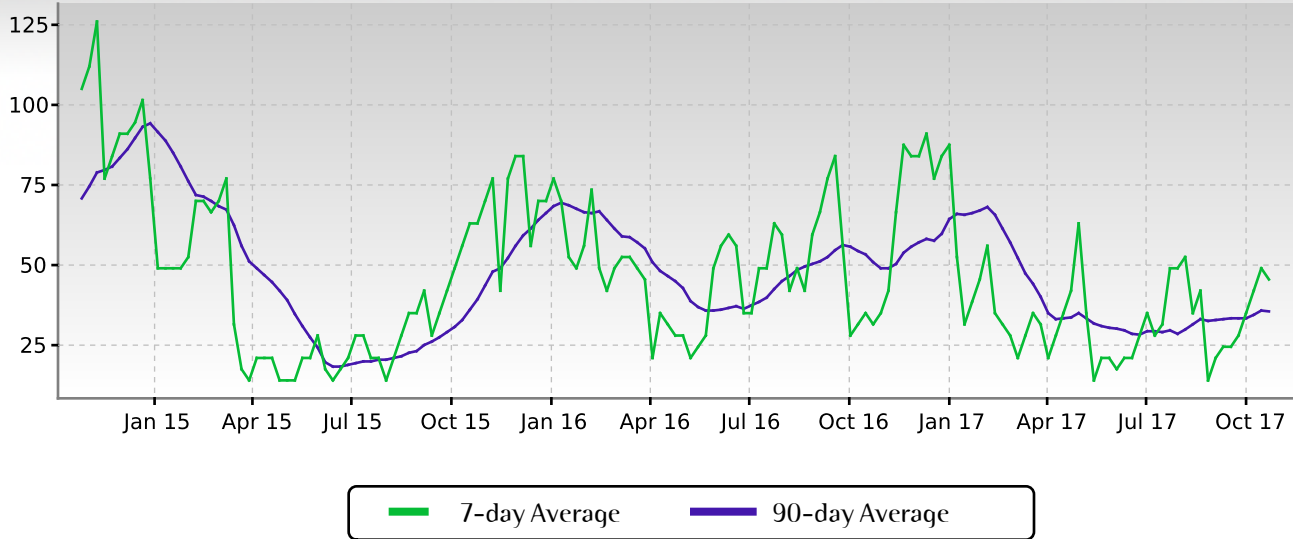
Three of the four quartiles of the market are in the Seller's Market zone with relatively low amounts of inventory given the current rate of demand for homes in the quartile. Notice that Quartile 1 (the highest-end price group) is showing weaker demand than the others. It's not uncommon that the premium 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 63 days. Half of the listings have come newly on the market in the past 46 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.

