

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
May 29, 2017

This Week

- The median list price in SOLANA BEACH, CA this week is \$1,550,000. The 31 properties have been on the market for an average of 67 days.

Demand measured by the Market Action Index is increasing and days-on-market is trending downward. Even as more properties come available, these are positive trends for the market.

Supply and Demand

- Home sales have been exceeding new inventory for several weeks. However prices have not yet stopped falling. Since the market is already in the Seller's zone, expect prices to level off very soon. Should the sales trend continue expect that prices could climb from there.

Real-Time Market Profile

	Trend
Median List Price	\$ 1,550,000
Average List Price	\$ 1,766,445
Asking Price Per Square Foot	\$ 679
Average Days on Market (DOM)	67
Inventory of Properties Listed	31
Most Expensive Listing	\$ 3,749,000
Least Expensive Listing	\$ 700,000
Average Age of Listing	44
Percent of Properties with Price Decrease	19 %
Percent Relisted (reset DOM)	10 %
Percent Flip (price increased)	0 %
Median House Size (sq ft)	2117
Median Lot Size	0.25 - 0.50 acre
Median Number of Bedrooms	4.0
Median Number of Bathrooms	2.5

Altos Research Value Statistics

Market Action Index	Seller's Advantage	34.9	↑↑
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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

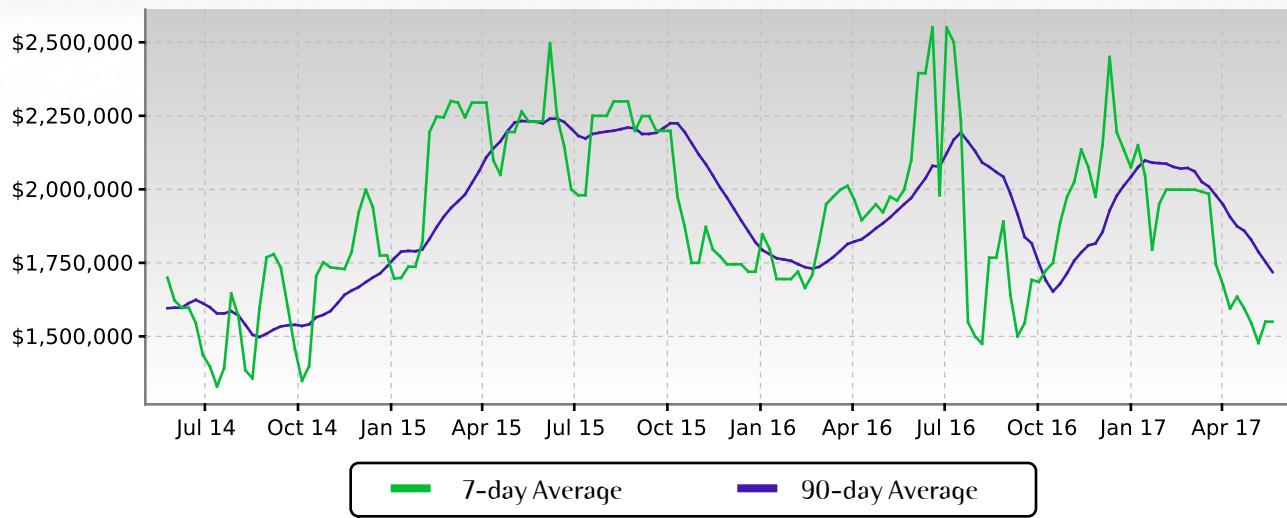
↑ Slight upward trend ↓ Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	\$ 2,695,000	2165	0.25 - 0.50 acre	3.0	2.5	42	7	0	2	86	Most expensive 25% of properties
Upper/Second	\$ 1,749,950	2302	0.25 - 0.50 acre	4.0	2.8	49	8	1	0	49	Upper-middle 25% of properties
Lower/Third	\$ 1,454,500	2685	0.25 - 0.50 acre	4.0	3.2	42	8	0	1	61	Lower-middle 25% of properties
Bottom/Fourth	\$ 1,049,450	1862	0.25 - 0.50 acre	3.0	2.0	42	8	1	1	74	Least expensive 25% of properties

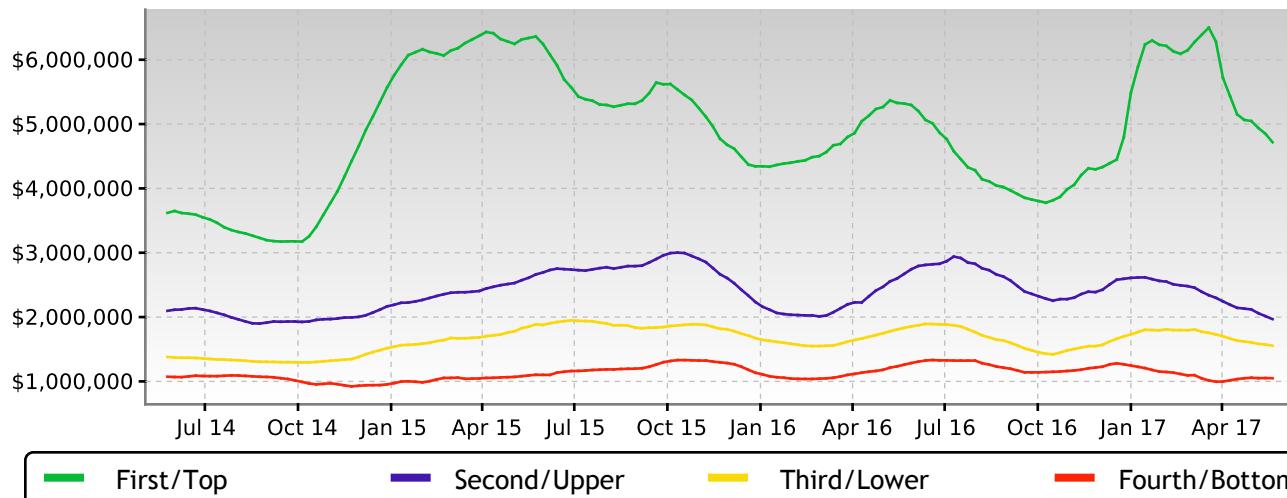
Median Price

- The market seems to have paused around this plateau. The Market Action Index is a good leading indicator for the durability of this trend.



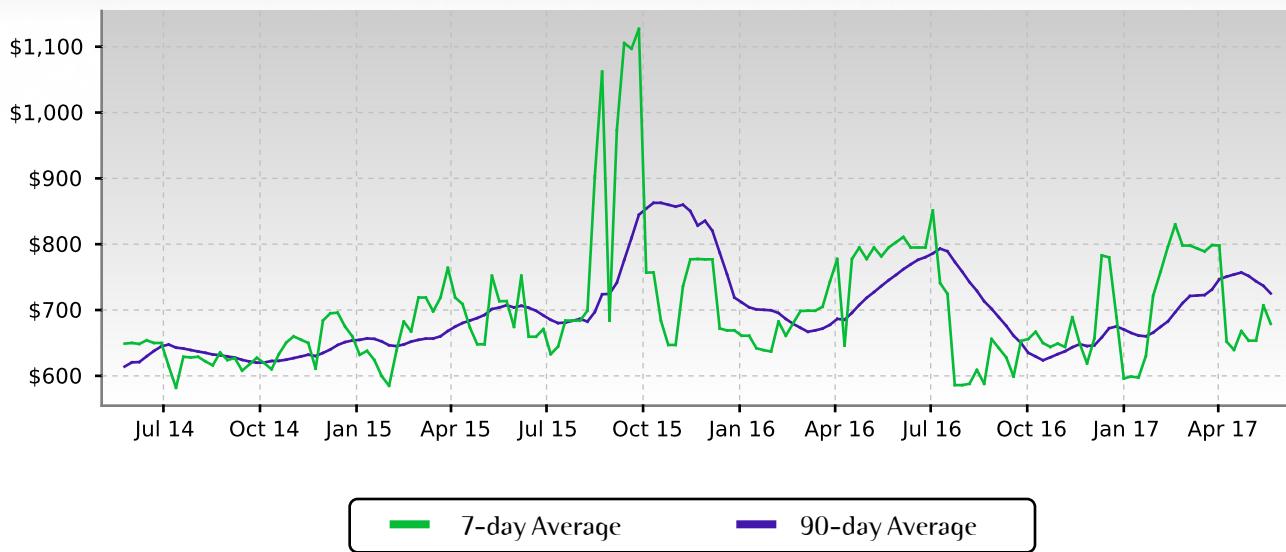
Quartile Prices

- 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.



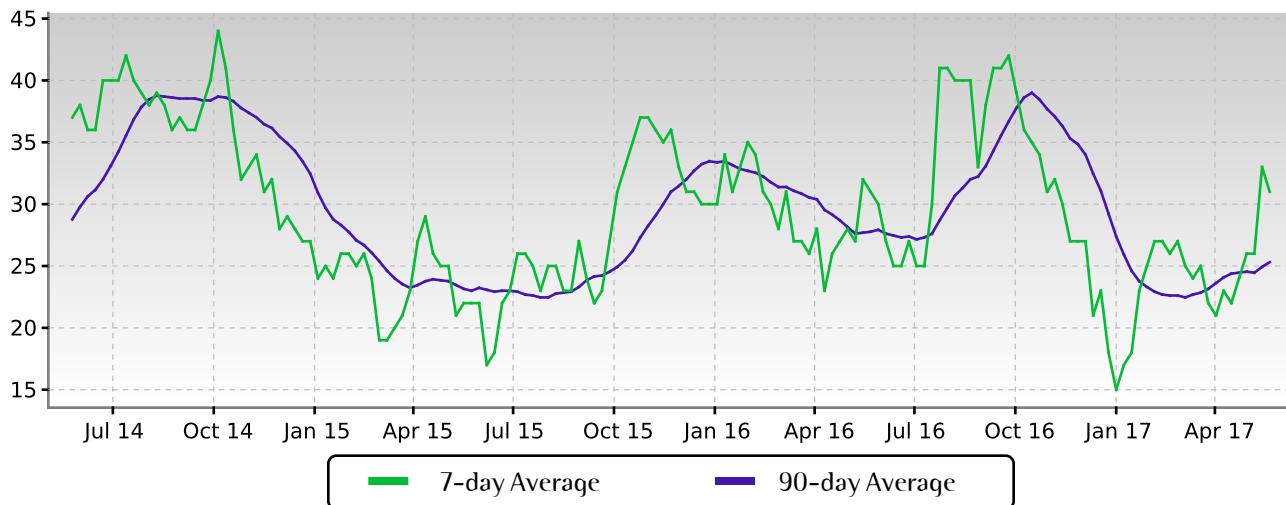
Price per Square Foot

- The market 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.



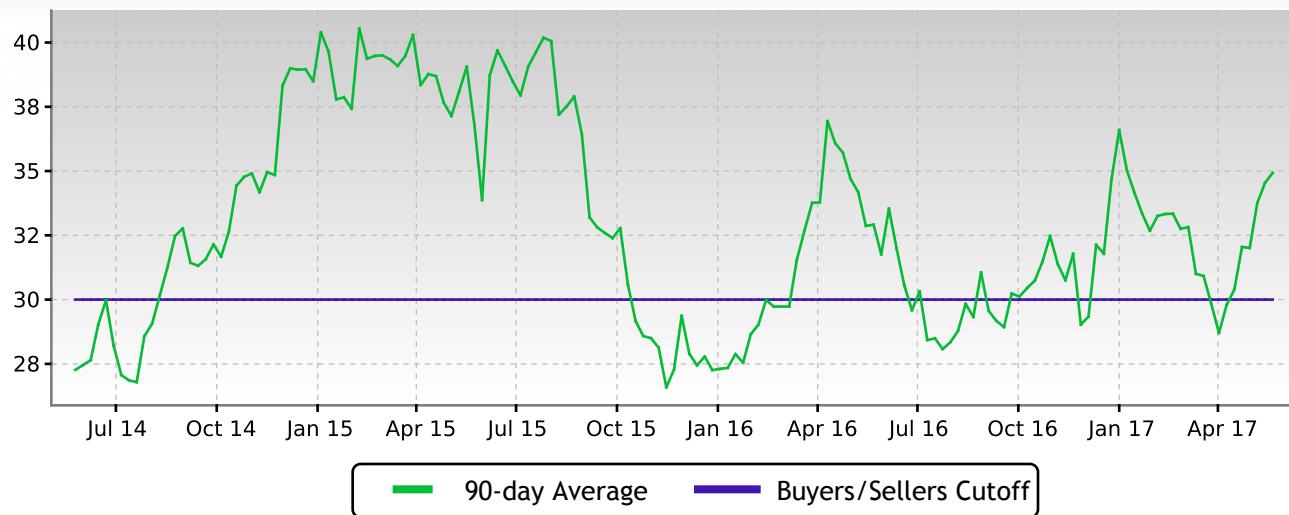
Inventory of Properties Listed for Sale

- 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.



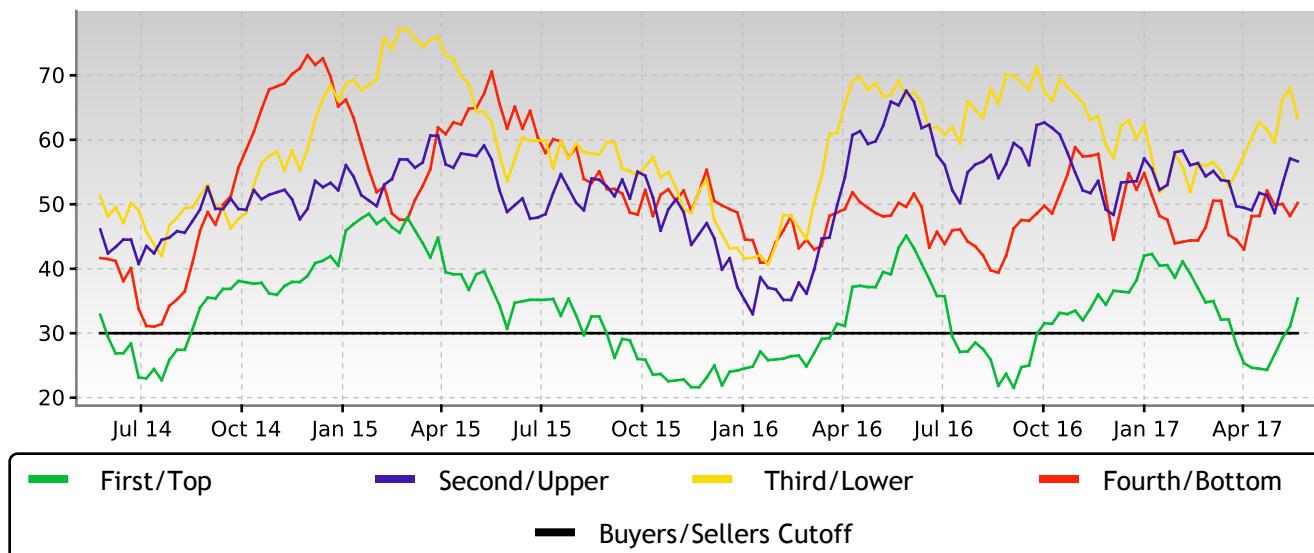
Market Action Index

The SOLANA BEACH market is currently in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 34.93 which indicates that demand is strong and available supply of homes gets snapped up relatively quickly.



Market Action Index per Quartile

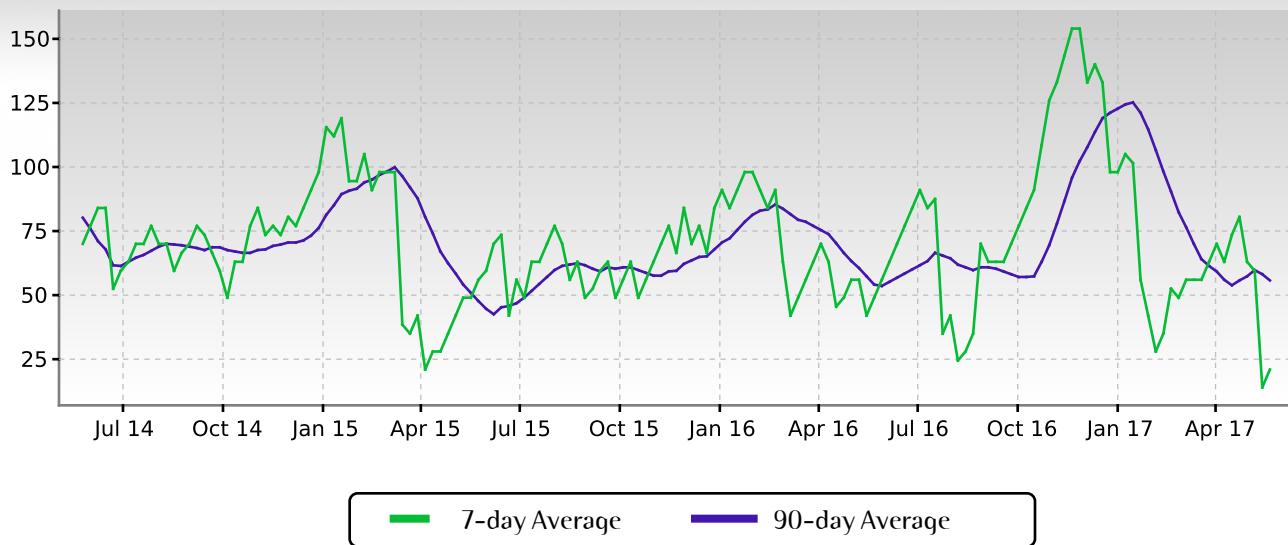
Not surprisingly, all segments in the market are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



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 67 days. Half of the listings have come newly on the market in the past 21 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.

