

# 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  
July 24, 2017**

### This Week

- The median list price in SOLANA BEACH, CA this week is \$1,495,000. The 28 properties have been on the market for an average of 68 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 started cooling and prices have recently plateaued. Since we're in the Seller's zone, watch for changes in MAI. If the MAI resumes its climb, prices will likely follow suit. If the MAI drops consistently or falls into the Buyer's zone, watch for downward pressure on prices.

#### Real-Time Market Profile

Median List Price	\$ 1,495,000	↔
Average List Price	\$ 1,912,428	
Asking Price Per Square Foot	\$ 949	↑↑
Average Days on Market (DoM)	68	↑
Inventory of Properties Listed	28	↑↑
Most Expensive Listing	\$ 3,995,000	
Least Expensive Listing	\$ 1,050,000	
Average Age of Listing	44	
Percent of Properties with Price Decrease	43 %	
Percent Relisted (reset DOM)	14 %	
Percent Flip (price increased)	7 %	
Median House Size (sq ft)	2241	
Median Lot Size	0.25 - 0.50 acre	
Median Number of Bedrooms	4.0	
Median Number of Bathrooms	3.0	

#### Trend

#### Altos Research Value Statistics

Market Action Index Seller's Advantage 38.0 ↓

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	\$ 2,795,000	2273	0.25 - 0.50 acre	4.0	3.0	59	7	1	0	30
Upper/Second	\$ 1,845,000	2604	0.25 - 0.50 acre	4.0	3.0	59	7	0	0	84
Lower/Third	\$ 1,449,995	2259	0.25 - 0.50 acre	4.0	3.5	24	7	0	0	91
Bottom/Fourth	\$ 1,299,000	1350	8,001 - 10,000 sqft	3.0	2.0	51	7	0	1	65

Most expensive 25% of properties

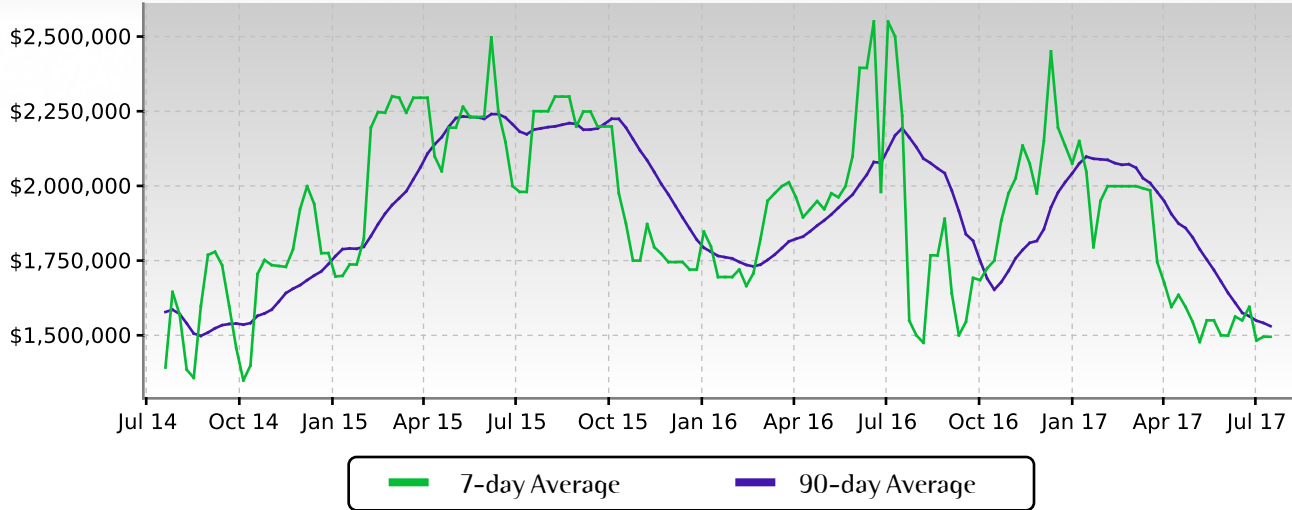
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

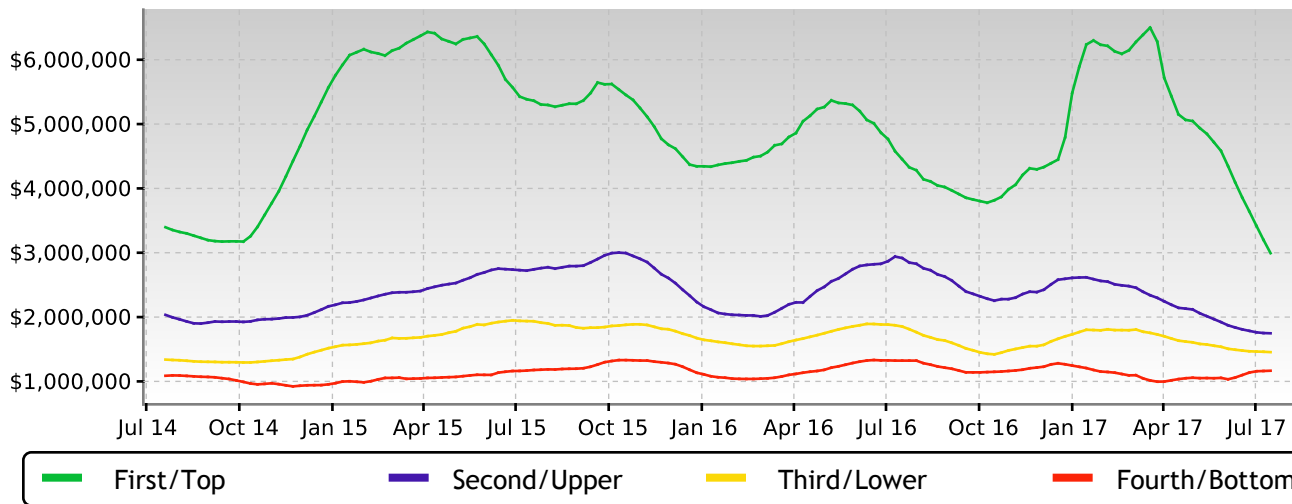
## Median Price

The market has been on a downward trend recently and this week, while essentially flat, doesn't break us out of that cycle.



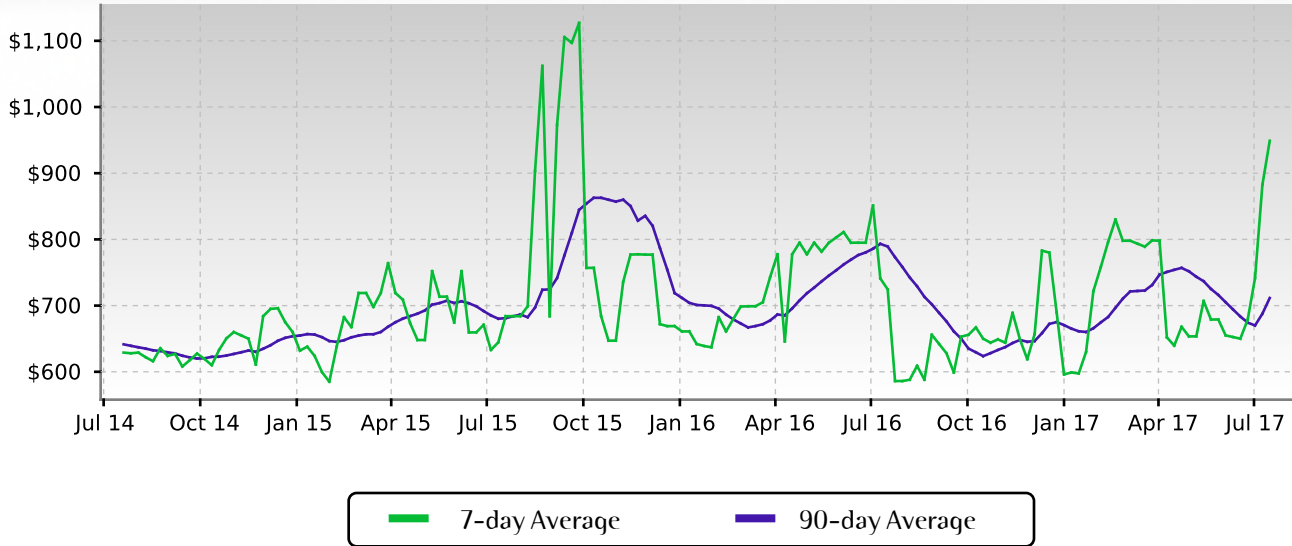
## Quartile Prices

Segmented into quartiles, We see the market showing mild price weakness. Quartiles 2 and 3 are basically flat while Quartile 1 is down in recent weeks. Notice however, that Quartile 4 at the low-end of the market is still on an up-trend. Buyers are focusing on the lowest price homes in the area.



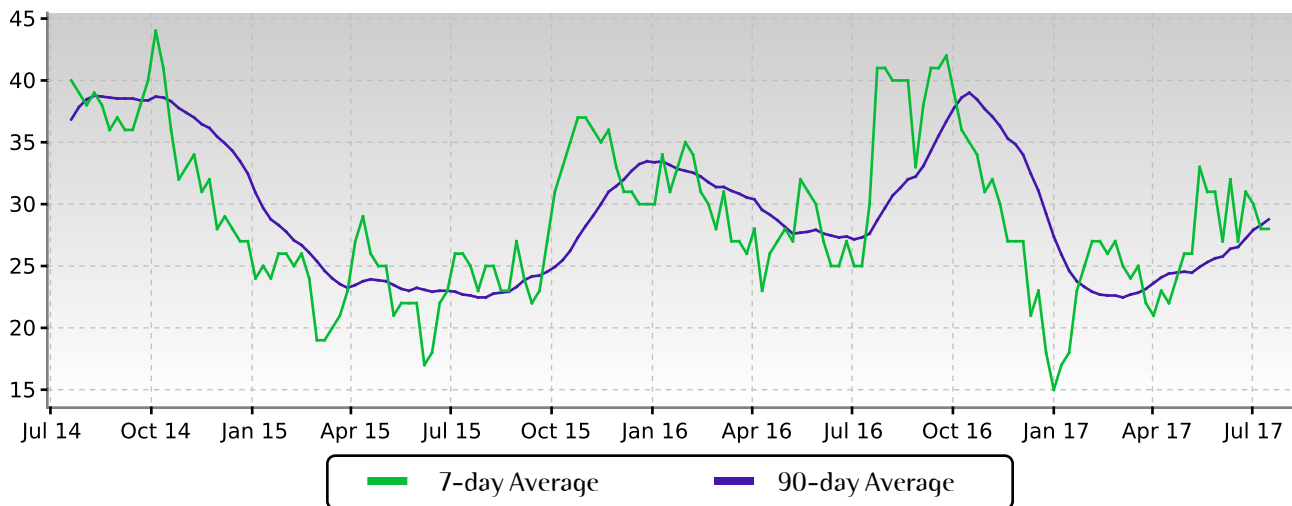
## Price per Square Foot

We're seeing fairly unusual market conditions as prices have been in a downward trend but price per square foot is actually increasing. (Buyers are paying less and getting less home for their money.) Anomalies like these can be attributed to micro-location variables.



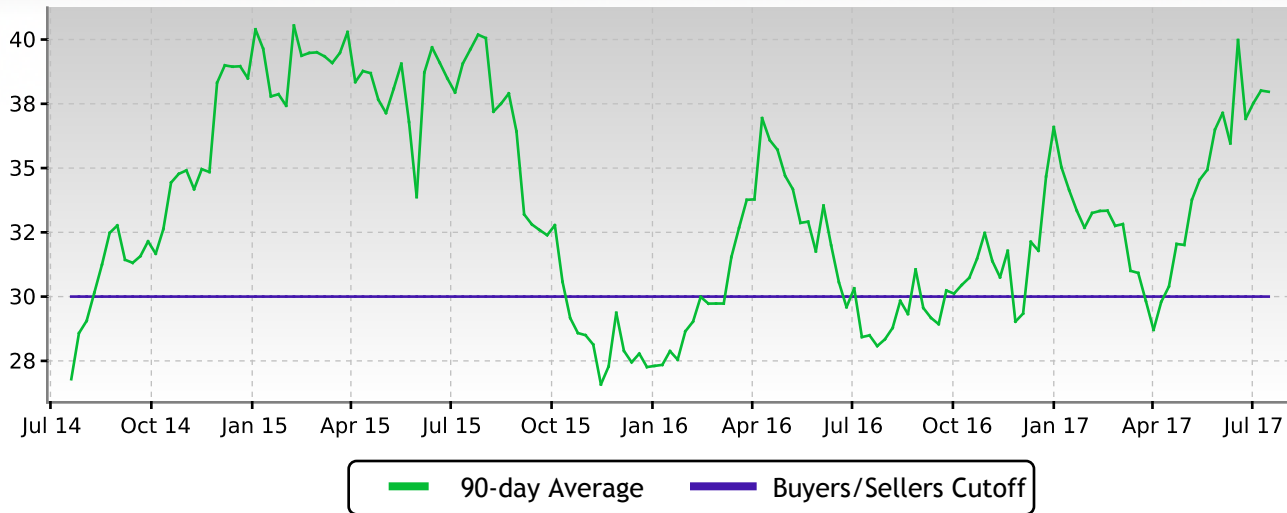
## Inventory of Properties Listed for Sale

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.



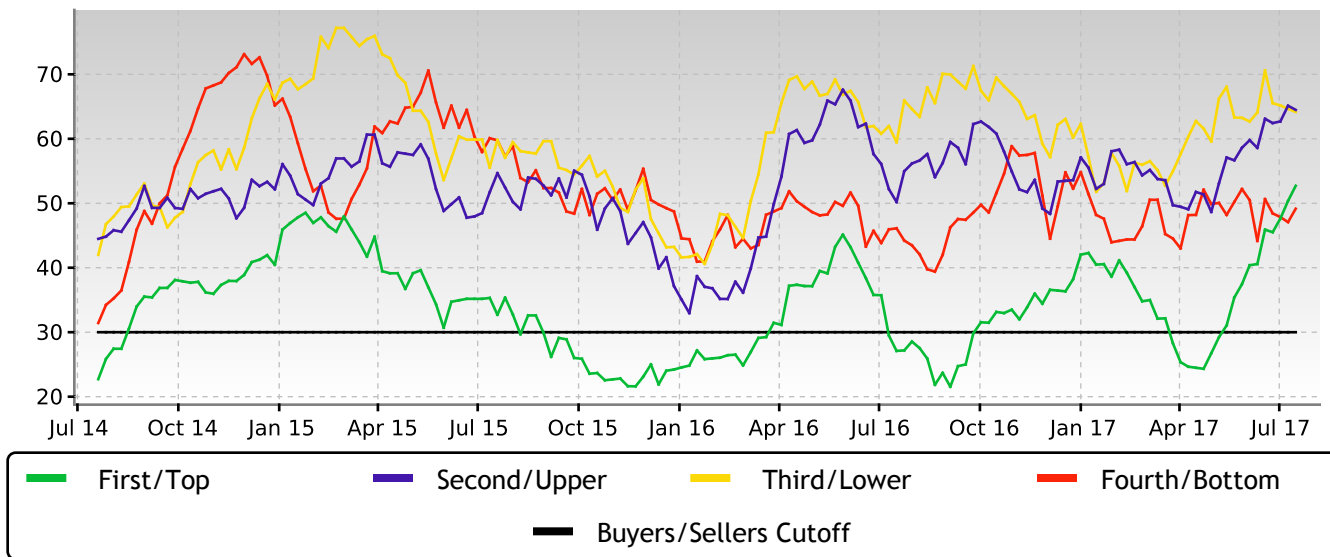
## Market Action Index

The SOLANA BEACH market is currently in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 37.97 which indicates that demand is strong and available supply of homes gets snapped up relatively quickly.



## Market Action Index per Quartile

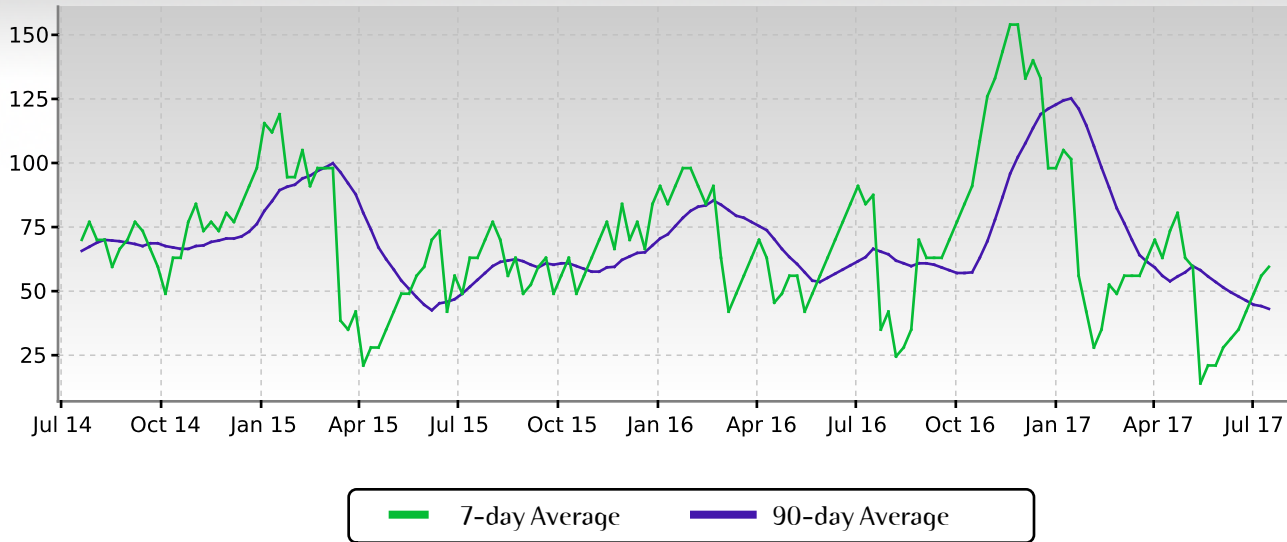
Not surprisingly, all segments in the market are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



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 68 days. Half of the listings have come newly on the market in the past 60 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.

