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Seasonality in Bay Area Real Estate Markets

All San Francisco Bay Area markets see significant seasonal ebbs and flows in supply and demand

A common dynamic early in the new year is for buyers to jump back into the market faster than sellers with new listings. This disparity of increasing demand versus an inadequate supply of listings can continue all the way through the spring, often making these months the most heated selling season of the year. When summer begins, demand usually softens with vacations and school holidays, just as the number of active listings normally hits its annual high point. However, markets with large second-home markets can see strong demand during their main tourism seasons. Some counties see a short, sharp increase in autumn activity, before new listings and sales plummet during the mid-winter holidays.

Homes are listed and sell in every month of the year, and slow-activity months such as December can offer buyers opportunities to negotiate more aggressively. Even with the effects of seasonality, homes that are well-prepared, priced correctly, and marketed effectively can sell quickly with multiple offers at any time, and overpriced, poorly prepared listings may be ignored by buyers even in an overheated market. Economic conditions – such as changes in interest rates and stock markets – can override or super-charge seasonal effects. Each sale reflects a unique combination of the condition and circumstances of the home, local market dynamics, and the specific period in which it is listed. This report focuses on the broad effects of seasonality on San Francisco Bay Area supply and demand dynamics, as illustrated by a wide range of standard indicators.

Supply & Demand Defines the Market

Market conditions are determined by the balance (or imbalance) between buyer demand and the supply of homes for sale. When demand exceeds supply, *buyers compete for listings*, and the market heats up: Homes sell faster, and multiple offers and bidding wars become common, pushing prices higher. When the supply of listings exceeds demand, *sellers compete for buyers*, and market conditions cool: Time on market lengthens, overbidding plunges, buyers negotiate more aggressively, and prices flatten or decline. The balance between supply and demand is continually shifting, sometimes subtly and sometimes dramatically, due to a number of considerations, including market seasonality.

There are many factors underlying the dynamics of supply and demand: Interest rates, financial markets, employment, inflation, consumer confidence, housing affordability, population migration and changing demographics, the frequency at which homeowners sell, the impact of investors buying up homes, new-home construction, tax law, local and national politics, economic booms and crashes, international conflict, natural disasters, the cost of insurance, and so on. These factors can change slowly and gradually or suddenly and dramatically, swinging the market in either positive or negative directions for shorter or longer periods.

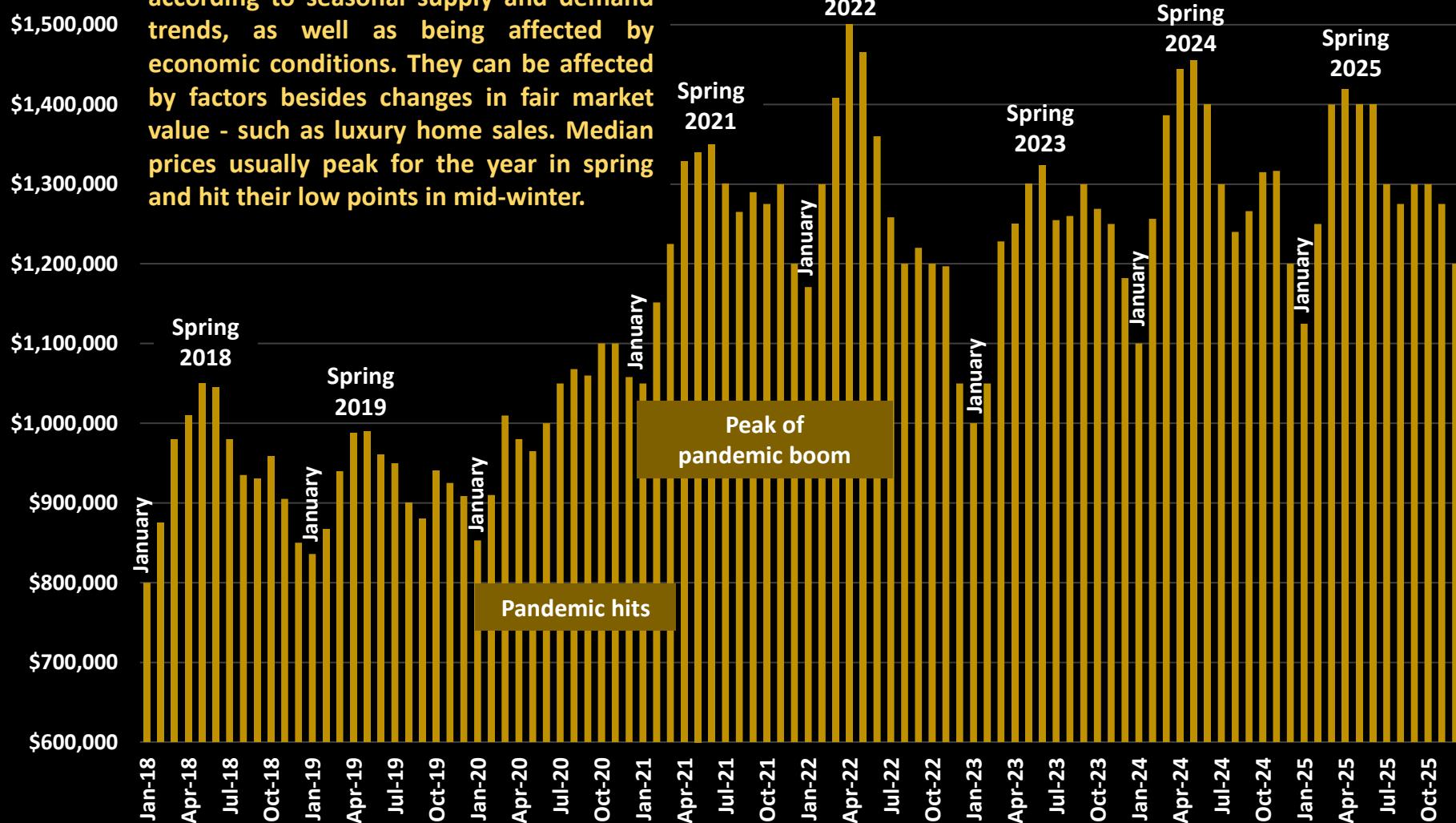
After new listings first come on market, there is typically *at least* a 1 to 3 week interval before they go into contract to allow for the marketing and showing period. After an offer is negotiated and accepted, 3 to 6 weeks normally pass before the sale closes due to the escrow, due diligence and financing processes. Closed sales, and the statistics based on closed sales, mostly reflect market conditions in the *previous* month.

Bay Area Median House Sales Price Trends

2018 – Present: Market Dynamics & Seasonality*

Sales prices in one month mostly reflect accepted offers negotiated in the *previous* month.

Median sales prices typically rise and fall according to seasonal supply and demand trends, as well as being affected by economic conditions. They can be affected by factors besides changes in fair market value - such as luxury home sales. Median prices usually peak for the year in spring and hit their low points in mid-winter.



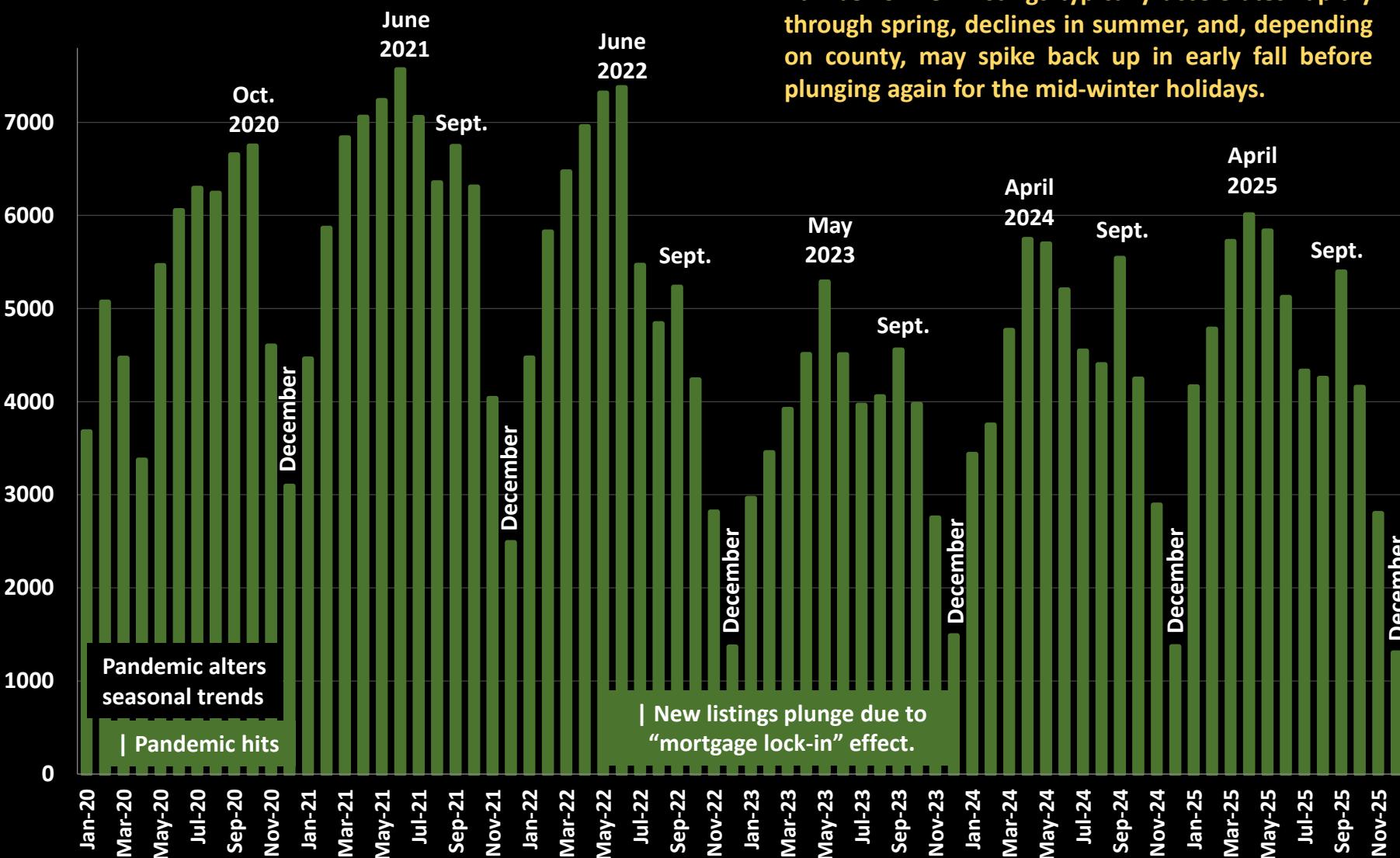
*Existing single family dwelling sales for 9 Bay Area Counties, per CA Association of Realtors. Median sales price is that price where half the homes sold for more and half for less. It can be affected by other factors besides changes in fair market value. All numbers approximate and subject to revision.

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New Listings Coming on Market

Bay Area Market Seasonality by Month*

After hitting its lowest count in December, the number of new listings typically accelerates rapidly through spring, declines in summer, and, depending on county, may spike back up in early fall before plunging again for the mid-winter holidays.



*7 Bay Area Counties in San Francisco and San Jose Metro Areas, per Realtor.com Research, <https://www.realtor.com/research/data/> - residential listings posted to site. Data from sources deemed reliable but may contain errors and subject to revision. All numbers are approximate.

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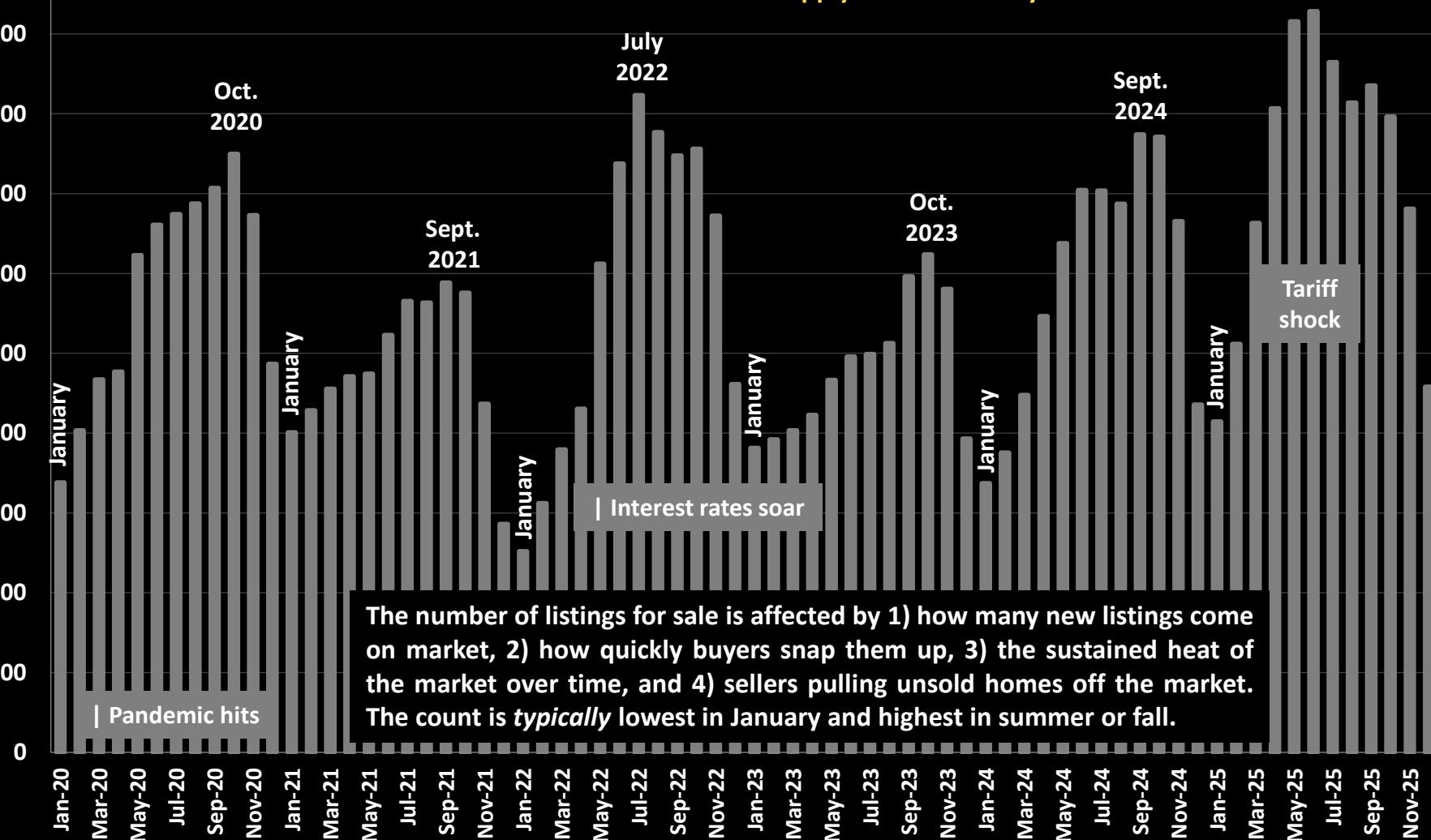
Homes for Sale

Bay Area Market Trends & Seasonality*

Sample Illustration*

A snapshot measure of how many active listings can be expected *on any given day* of the specified month. The number of homes buyers have to choose from deeply impacts market supply and demand dynamics.

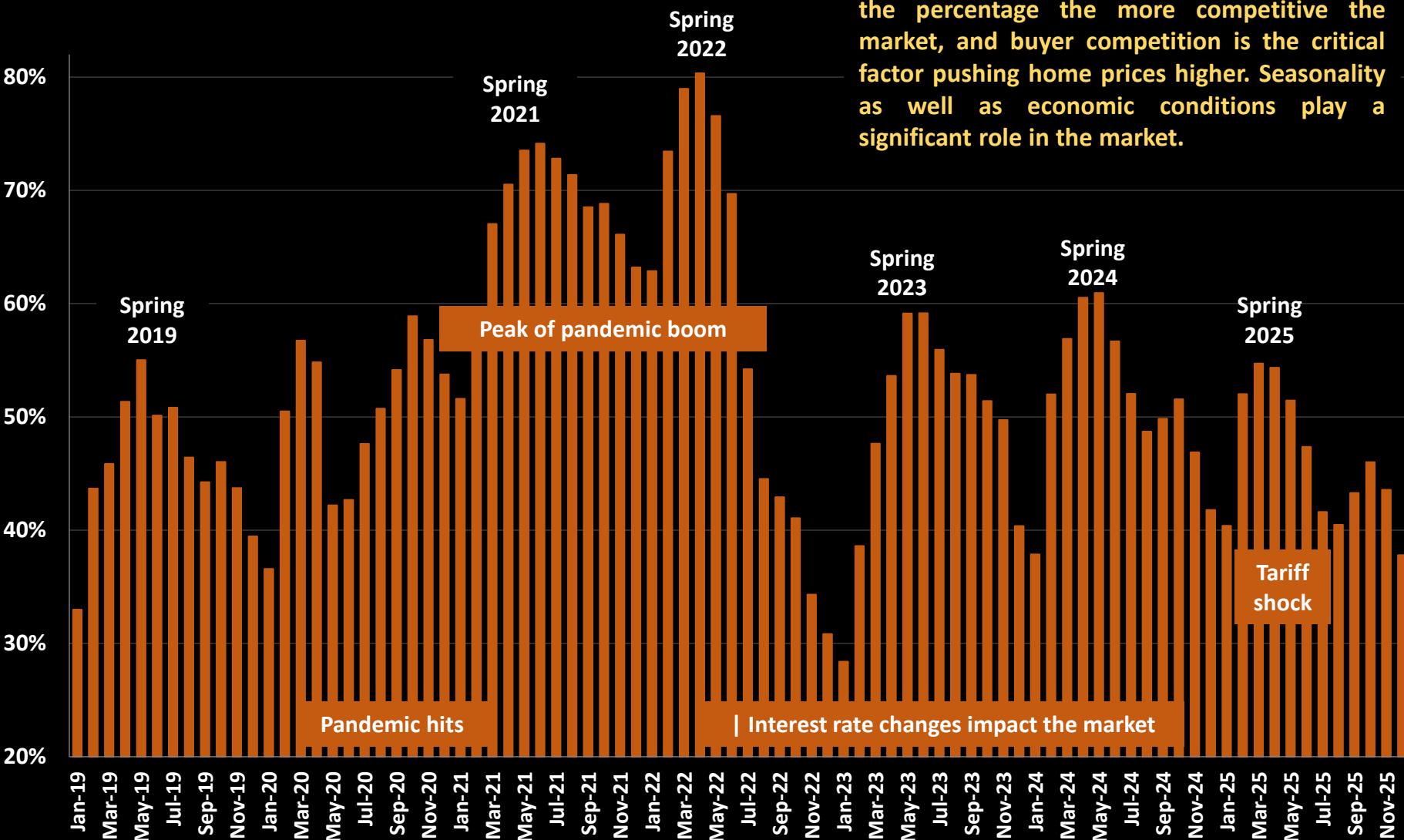
June 2025



*7 Bay Area Counties in San Francisco and San Jose Metro Areas, per Realtor.com Research, <https://www.realtor.com/research/data/> - residential listings posted to site. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate.

Percentage of Sales Selling Over List Price

Bay Area Overbidding Trends by Month*



*Average percentage for 8 Bay Area counties, residential sales reported to NorCal MLS Alliance, per Infosparks. Data from sources deemed reliable but may contain errors and subject to revision. Overbidding can be affected by *underpricing* strategies. All numbers approximate and may change with late reported sales.

Overbidding is mostly due to buyers competing for an inadequate supply of listings. The higher the percentage the more competitive the market, and buyer competition is the critical factor pushing home prices higher. Seasonality as well as economic conditions play a significant role in the market.

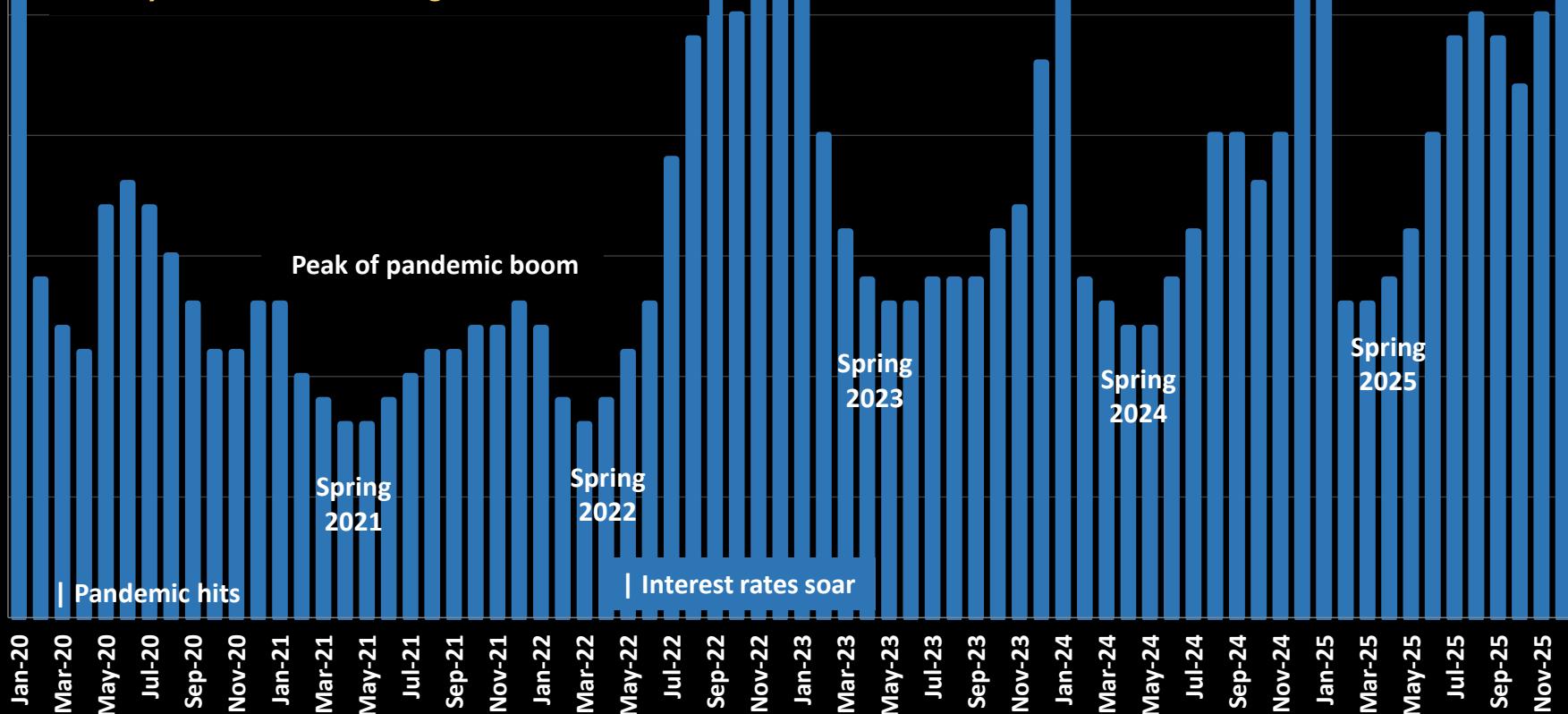
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Median Days on Market – Speed of Sale

Bay Area Market Seasonality by Month*

Sample Illustration*

Measuring the median time between a listing coming on market and offer acceptance. Spring is typically the period of strongest buyer demand and fastest sale amid a rush of new listings. Mid-winter usually has the highest days-on-market reading as demand slows, new listing activity falls, and older listings dominate sales.



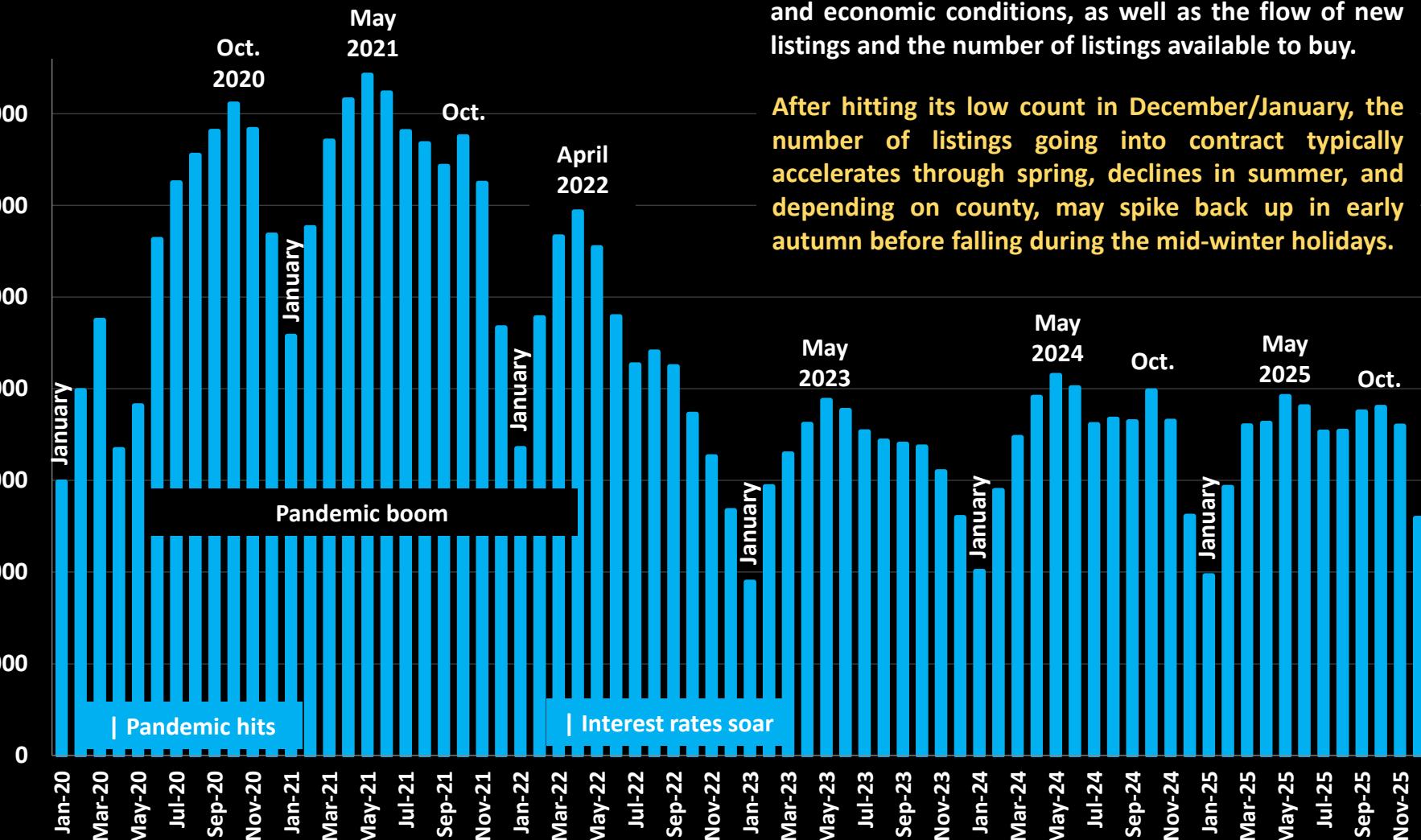
*Existing single family dwelling sales for 9 Bay Area Counties, per CA Association of Realtors. Metric may skew low due to "coming-soon" marketing, and other property types often take longer to sell. Statistic varies widely between different regional markets. All numbers approximate and subject to revision.

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Listings Pending Sale (in Contract)

Bay Area Market Dynamics & Seasonality*

This is a snapshot measure of how many listings can be expected to be pending sale *on any given day* of the specified month.



In this measure of pending-sale activity (offer-acceptance/listings going into contract), higher readings signify more active markets.

Pending-sale numbers are affected by buyer demand and economic conditions, as well as the flow of new listings and the number of listings available to buy.

After hitting its low count in December/January, the number of listings going into contract typically accelerates through spring, declines in summer, and depending on county, may spike back up in early autumn before falling during the mid-winter holidays.

*7 Bay Area Counties in San Francisco and San Jose Metro Areas, per Realtor.com Research, <https://www.realtor.com/research/data/> - residential listings posted to site. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate.

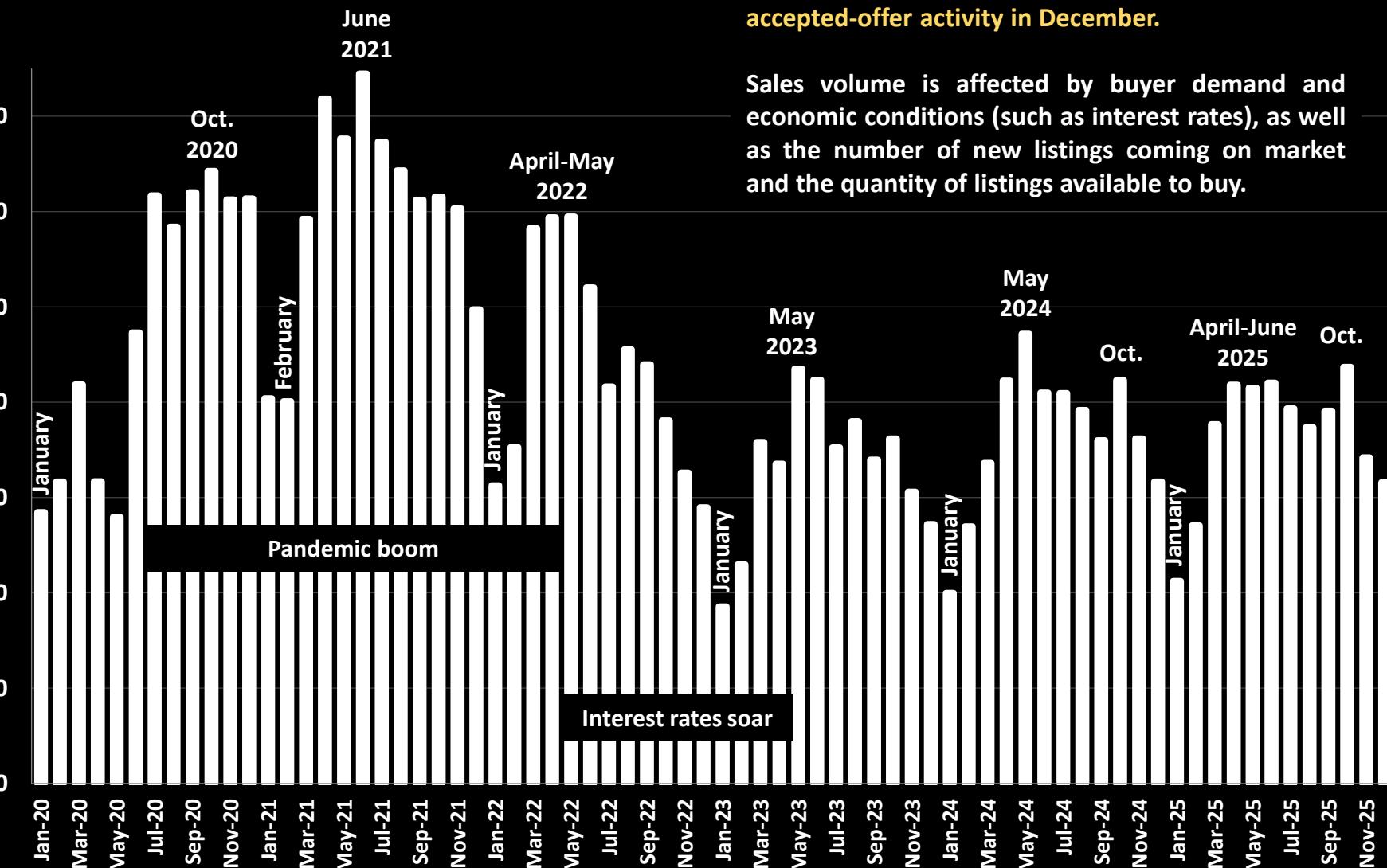
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Number of Home Sales

Bay Area Market Dynamics & Seasonality*

Sales in one month mostly reflect accepted offers in the previous month, so January's low is mostly due to the dramatic slowdown in new listings and accepted-offer activity in December.

Sales volume is affected by buyer demand and economic conditions (such as interest rates), as well as the number of new listings coming on market and the quantity of listings available to buy.



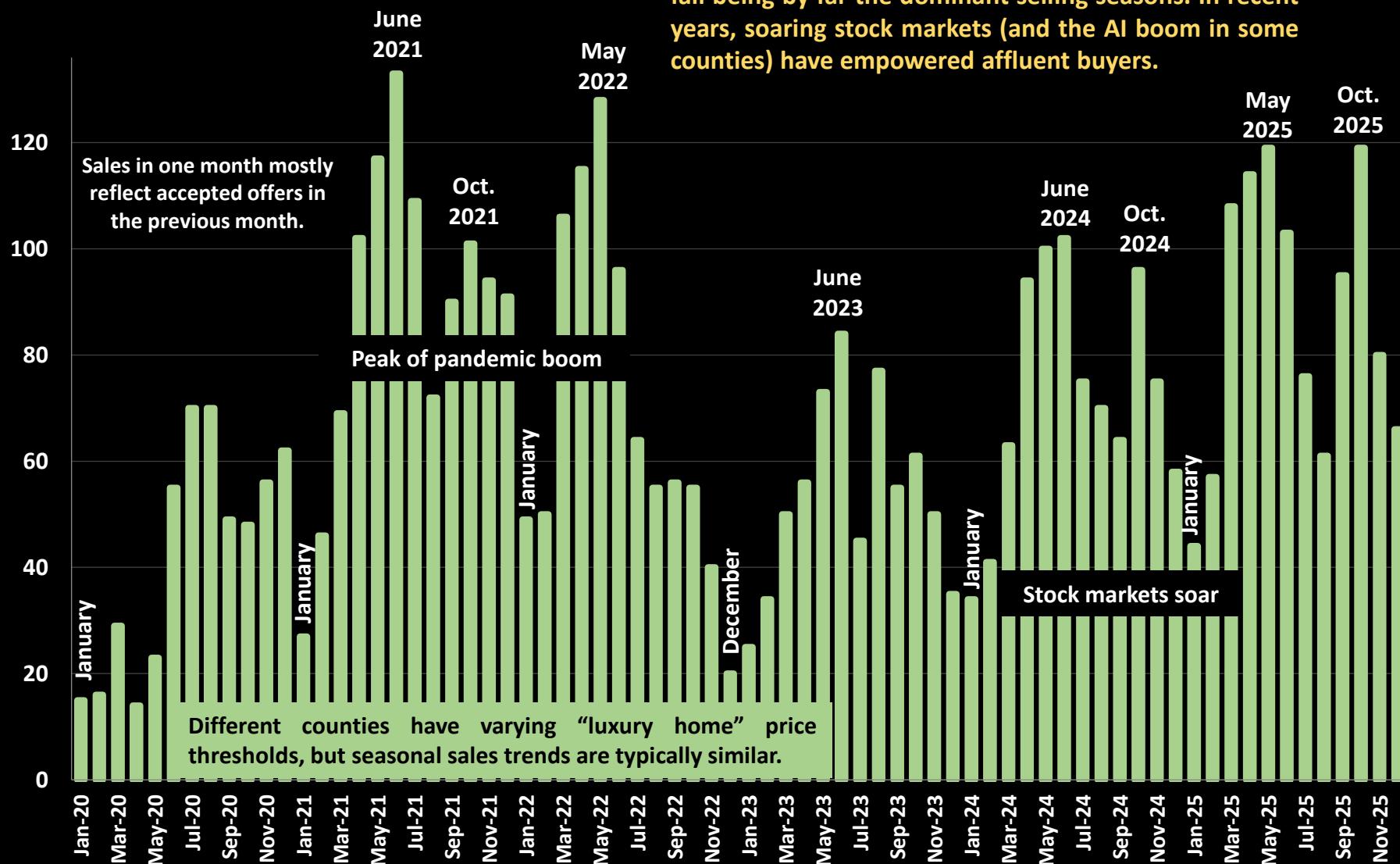
*7 Bay Area Counties in San Francisco and San Jose Metro Areas, sales reported to NorCal MLS Alliance, per Infosparks. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate and may change with late-reported sales.

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Luxury Home Sales

Bay Area Market Dynamics & Seasonality*

Luxury home sales are even more dramatically affected by seasonality than the general market, with spring and fall being by far the dominant selling seasons. In recent years, soaring stock markets (and the AI boom in some counties) have empowered affluent buyers.

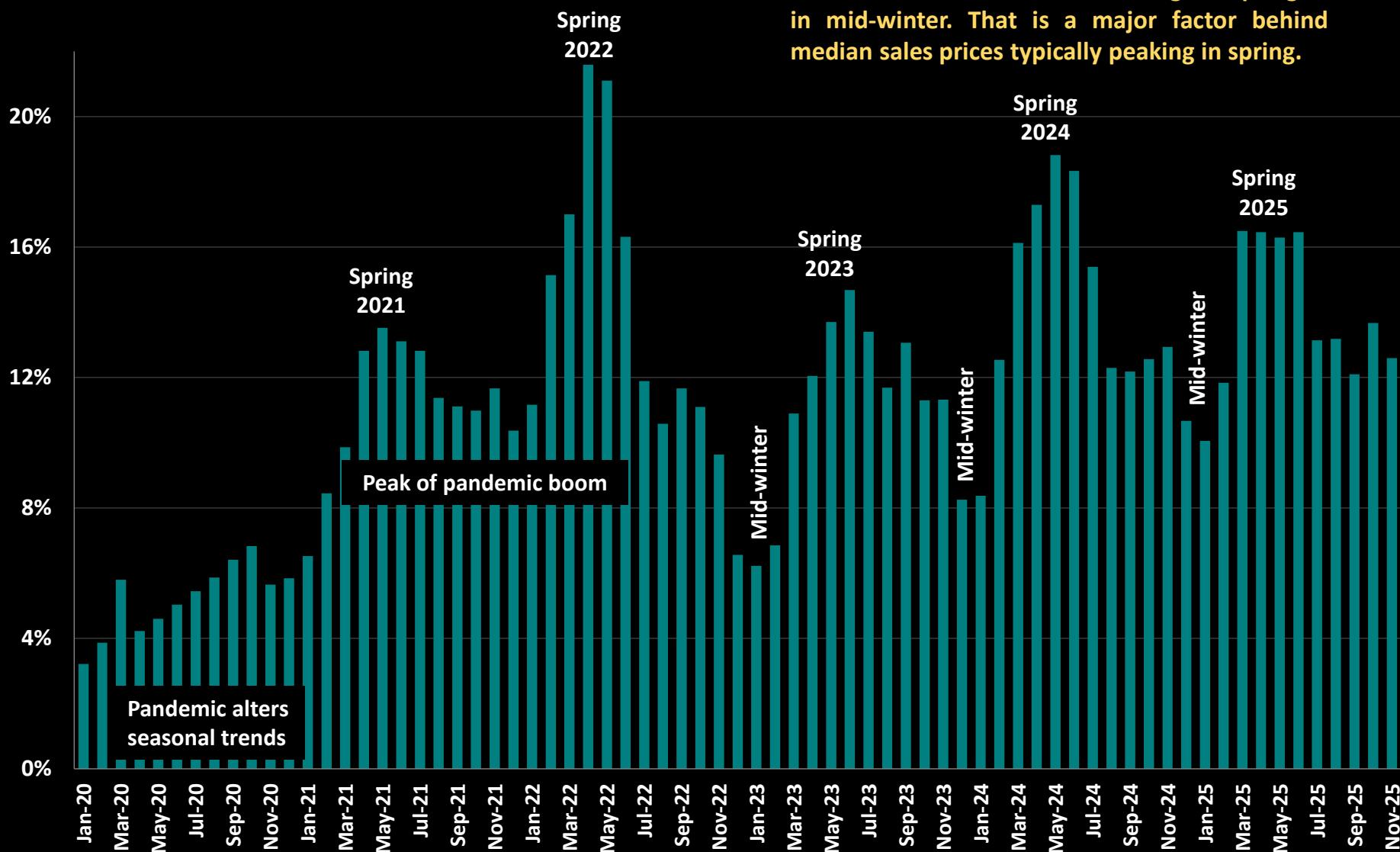


*\$5 million+ home sales in 7 Bay Area Counties in San Francisco and San Jose Metro Areas as reported to NorCal MLS Alliance. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate and may change with late-reported sales.

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Percentage of Higher-Price Home Sales

Bay Area Purchase Trends by Month*

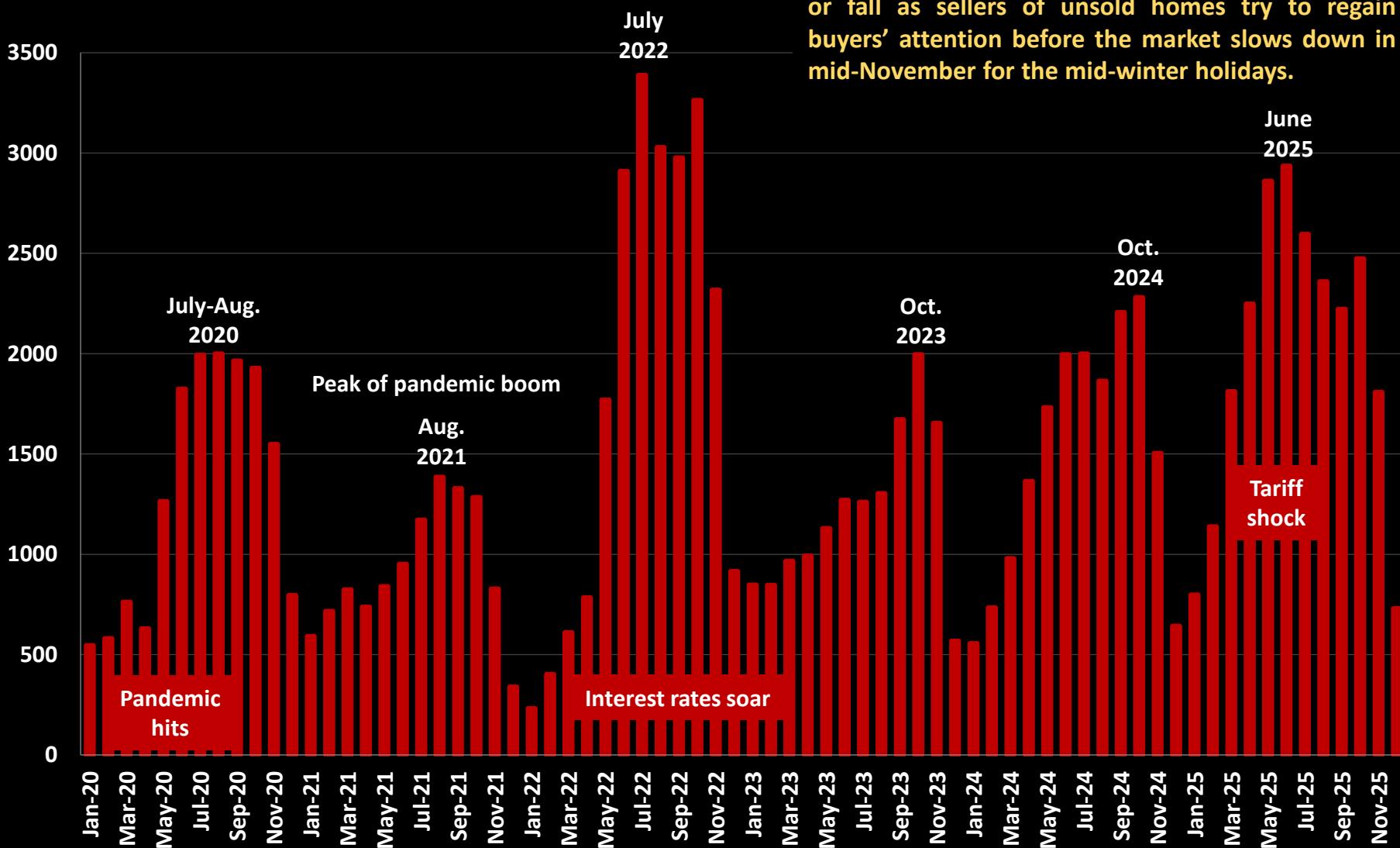


*Percentage for large sample of Bay Area house sales of \$2 million+ sales reported to NorCal MLS Alliance.
Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate.

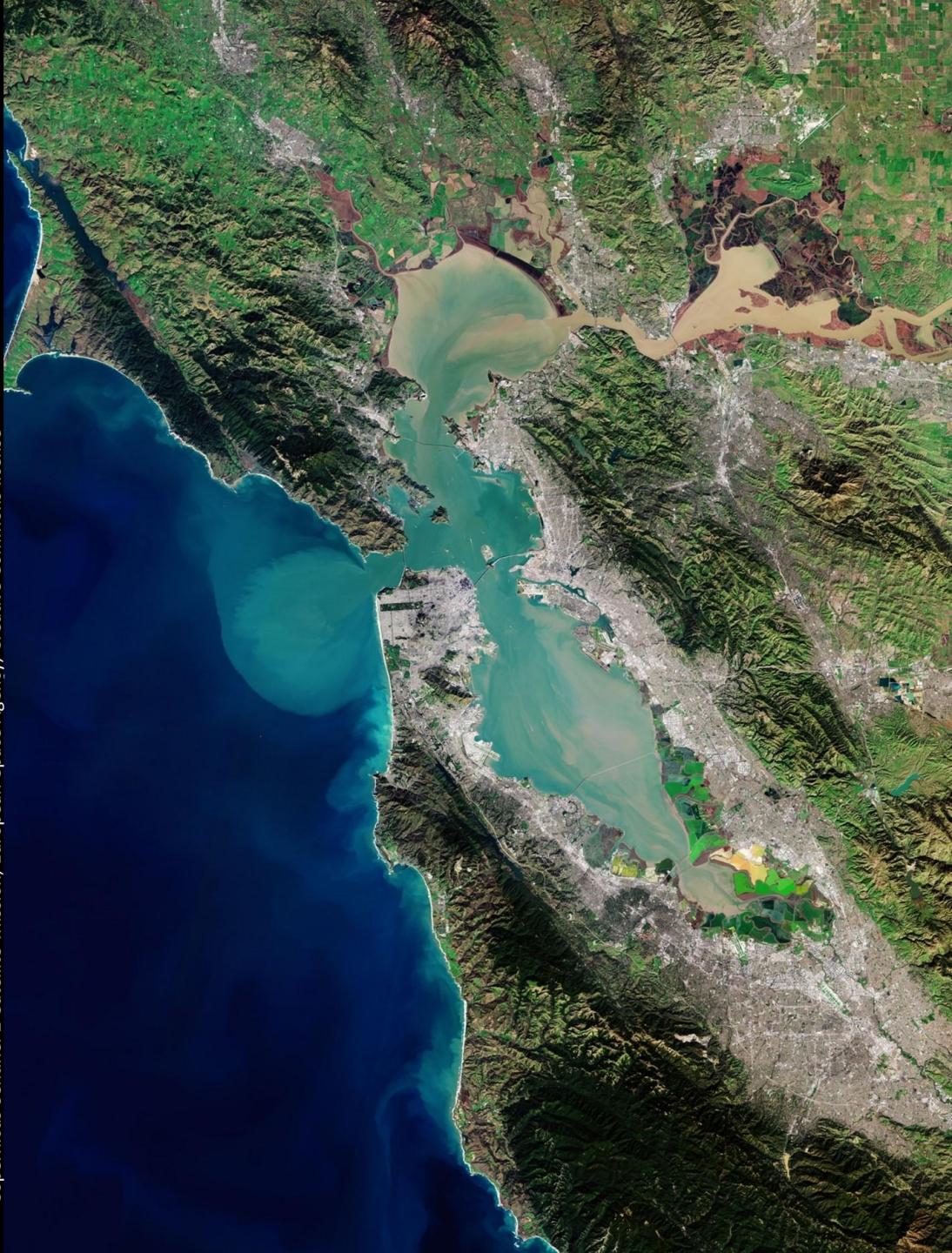
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Price Reductions in Month

Bay Area Market Dynamics & Seasonality since 2020



The number of price reductions is affected by economic factors as well as by seasonality. It's not unusual for price reductions to peak in late summer or fall as sellers of unsold homes try to regain buyers' attention before the market slows down in mid-November for the mid-winter holidays.



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Statistics are generalities, essentially summaries of widely disparate data generated by hundreds or thousands of relatively unique, individual sales occurring within different time periods. They are best seen not as precise measurements, but as broad, comparative indicators, with reasonable margins of error. Anomalous fluctuations in statistics are not uncommon, especially in smaller, expensive market segments. Last period data should be considered estimates that may change with late-reported data. Different analytics programs sometimes define statistics – such as “active listings,” “days on market,” and “months supply of inventory” – differently: what is most meaningful are not specific calculations but the *trends* they illustrate. Most listing and sales data derives from the local or regional multi-listing services (MLS) of the area specified in the analysis, but not all listings or sales are reported to MLS and these won’t be reflected in the data. “Homes” signify real-property, single-household housing units: houses, condos, co-ops, townhouses, duets and TICs (but not mobile homes), as applicable to each market. Multi-county metro areas will be specified as such. Data from sources deemed reliable but may contain errors and subject to revision. All numbers to be considered approximate.

Median Sales Price is that price at which half the properties sold for more and half for less. It may be affected by seasonality, “unusual” events, or changes in inventory and buying trends, as well as by changes in fair market value. The median sales price for an area will often conceal an enormous variety of sales prices in the underlying individual sales.

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