



Santa Clara County Real Estate

January 2022 Report

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Santa Clara County Real Estate, 2017 - 2021

Year-over-Year Comparisons: Selected Market Indicators

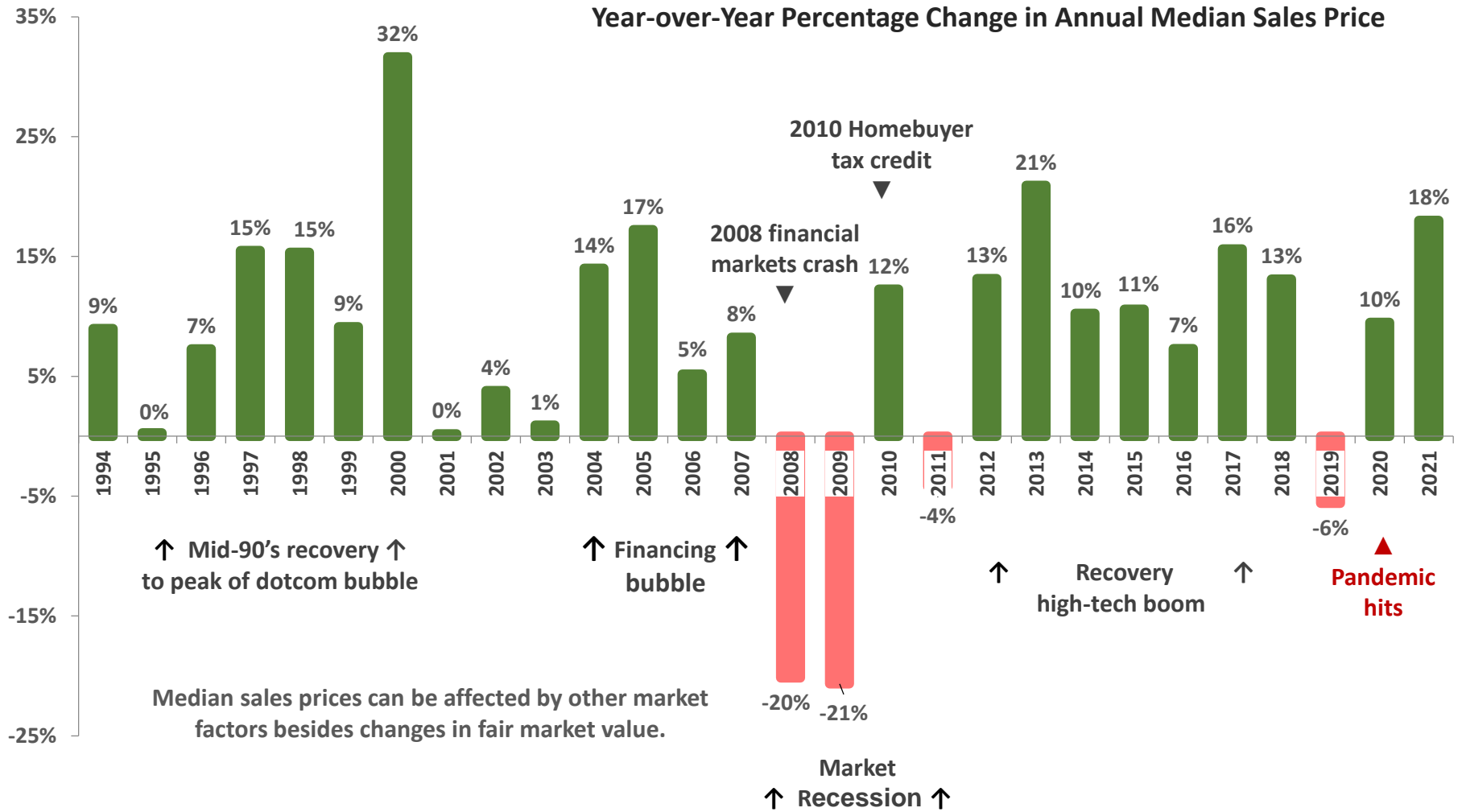
Statistic	2017	2018	2019	2020	2021
Median House Price	\$1,170,000	\$1,325,000	\$1,250,000	\$1,371,000	\$1,620,000
Median House \$/Sq.Ft.	\$671	\$774	\$738/sq.ft.	\$792/sq.ft.	\$936/sq.ft.
Median Condo Price	\$631,000	\$760,000	\$720,000	\$701,000	\$738,000
Median Townhouse Sales Price	\$900,000	\$1,100,000	\$950,000	\$975,000	\$1,125,000
Avg. Days on Market	20 days	20 days	30 days	24 days	17 days
Sales Price to Orig. LP %	105% of LP	106%	99% of LP	101% of LP	107% of LP
Avg. Months Supply of Inventory	1.3 months	1.8 months	2.5 months	2.1 months	1.3 months
# Home Sales	15,349	14,103	13,536 sales	13,765 sales	18,524 sales
Dollar Volume Sales	\$19.28 billion	\$20.09 billion	\$18.34 billion	\$19.93 billion	\$31 billion
# Home Sales, \$3 Million+	624 sales	797	709 sales	863 sales	1887 sales
# Home Sales, \$5 Million+	109 sales	137	100 sales	137 sales	341 sales

Sales reported to MLS, per Broker Metrics, Infosparks, NorCal MLS Alliance or CA Association of Realtors. Houses, condos, townhouses unless specified otherwise. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and may change with late reported activity. Not all listings and sales are reported to MLS.

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Santa Clara County Median House Price Changes Since 1994

Annual % Change, Comparing Annual Median Sales Price to Previous Year

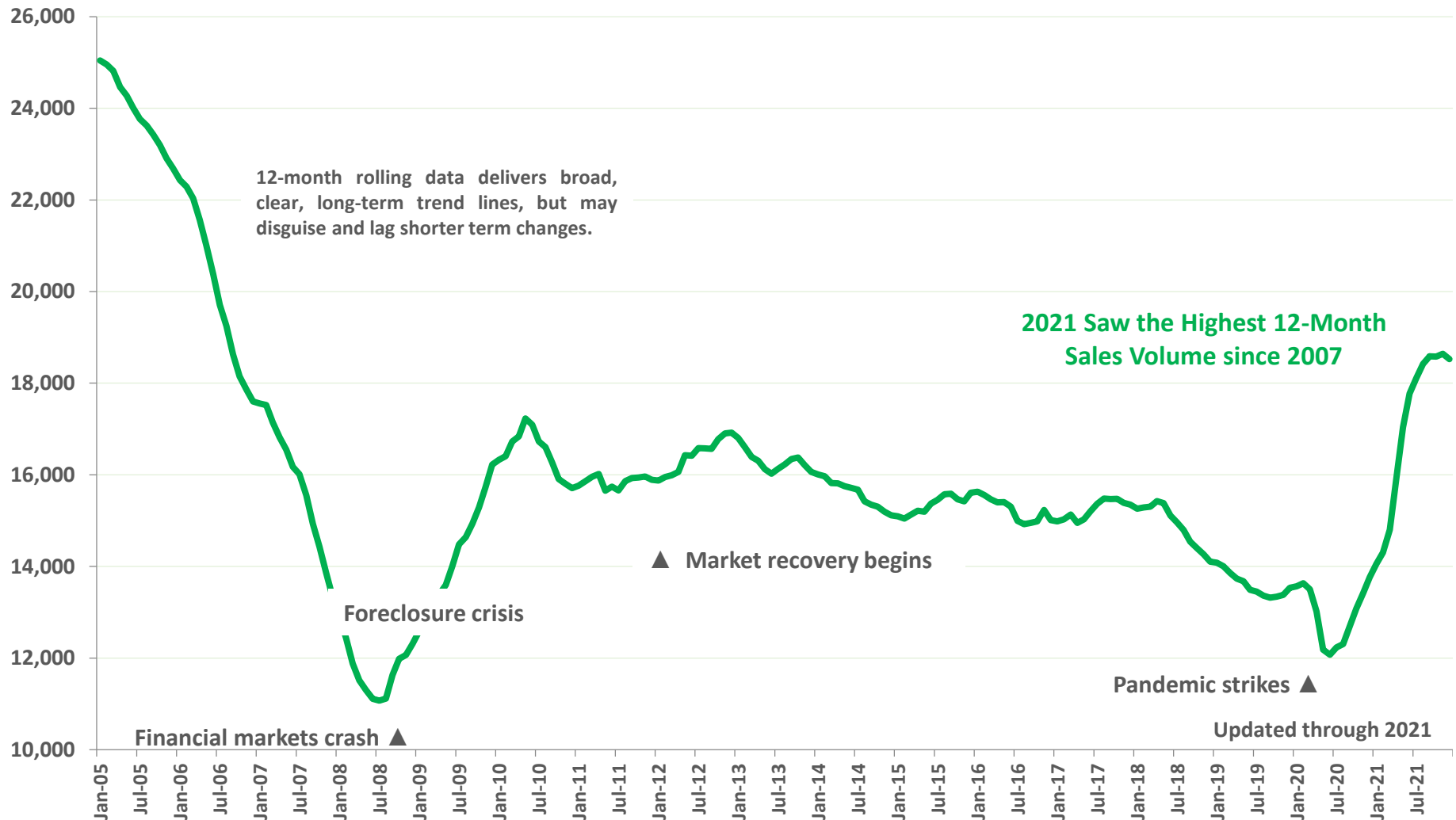


For Santa Clara County, per CA Association of Realtors or NorCal MLS Alliance. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate, and may change with late reported sales.

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Home Sales Volumes, Longer-Term Trends since 2005

Santa Clara County, 12-Month Rolling Sales Data*



* Each data point reflects the total of 12 months of activity for houses, condos, co-ops and townhouses. 1/12 of these numbers = an average month within the 12 month period. Sales reported to MLS, per NorCal Regional MLS, per Infosparks. Last month data estimated from data available in early January 2022. Data from sources deemed reliable, but may contain errors and subject to revision. Numbers are approximate.

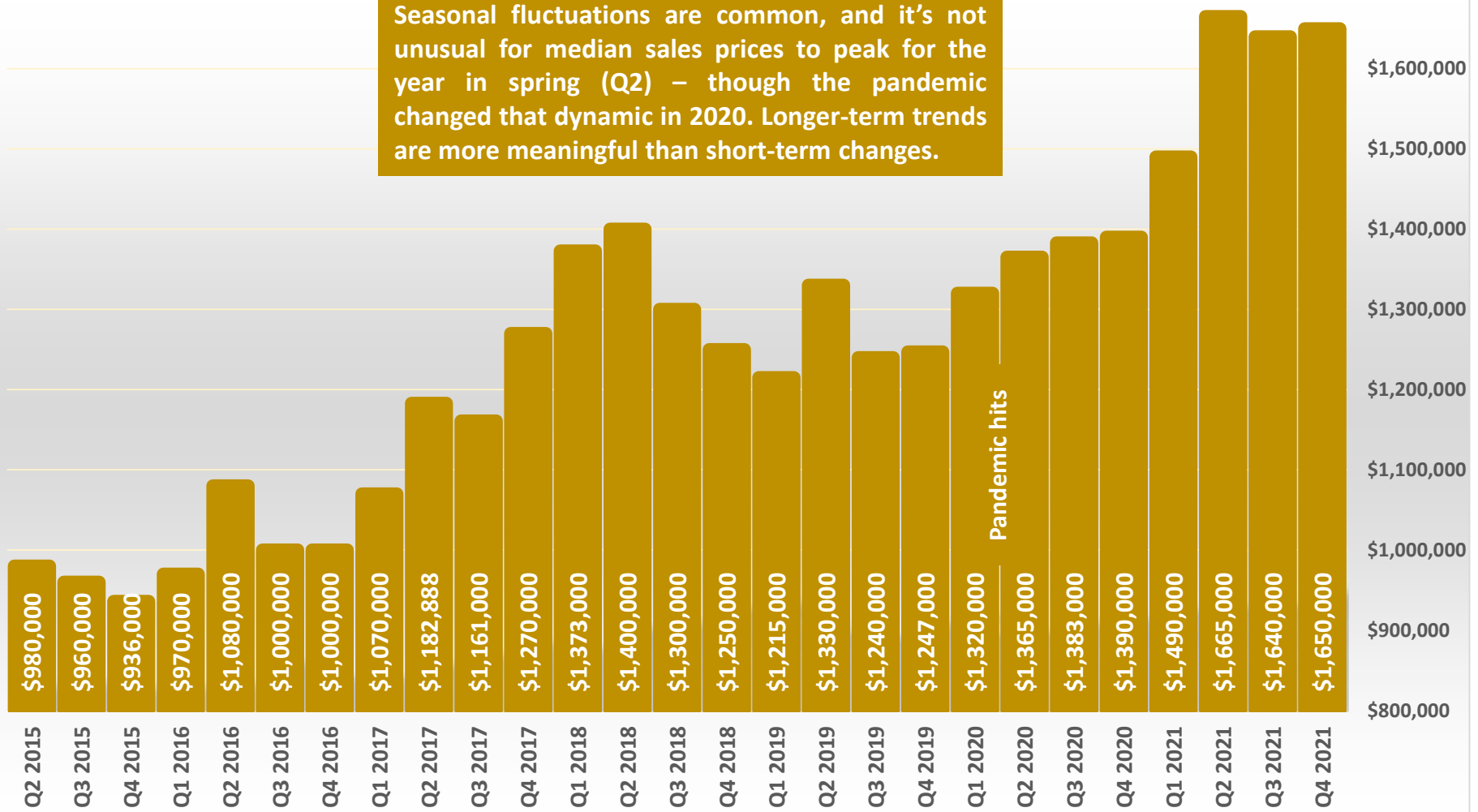
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Santa Clara County House Price Trend

Median House Sales Prices, 2015 – Present, by Quarter

As reported to NorCal MLS
Alliance, per Infosparks

Seasonal fluctuations are common, and it's not unusual for median sales prices to peak for the year in spring (Q2) – though the pandemic changed that dynamic in 2020. Longer-term trends are more meaningful than short-term changes.

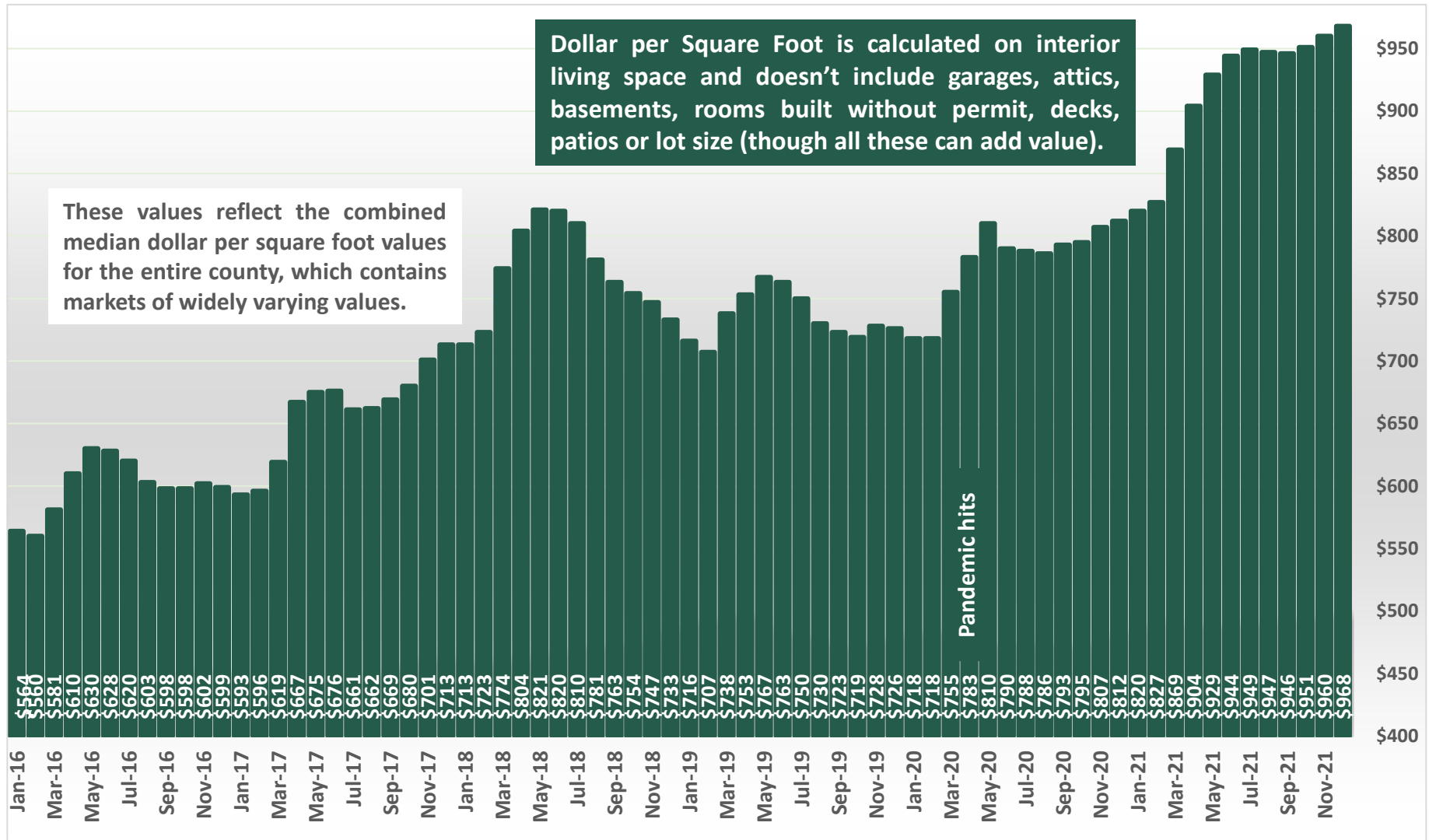


Median sales price is that price at which half the sales occurred for more and half for less. It is a very general statistic that can be affected by other factors besides changes in fair market value. All numbers are approximate and subject to revision. Last quarter may change due to late reported sales.

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Santa Clara County House Values since 2016

Median Dollar per Square Foot Values, 3-Month-Rolling

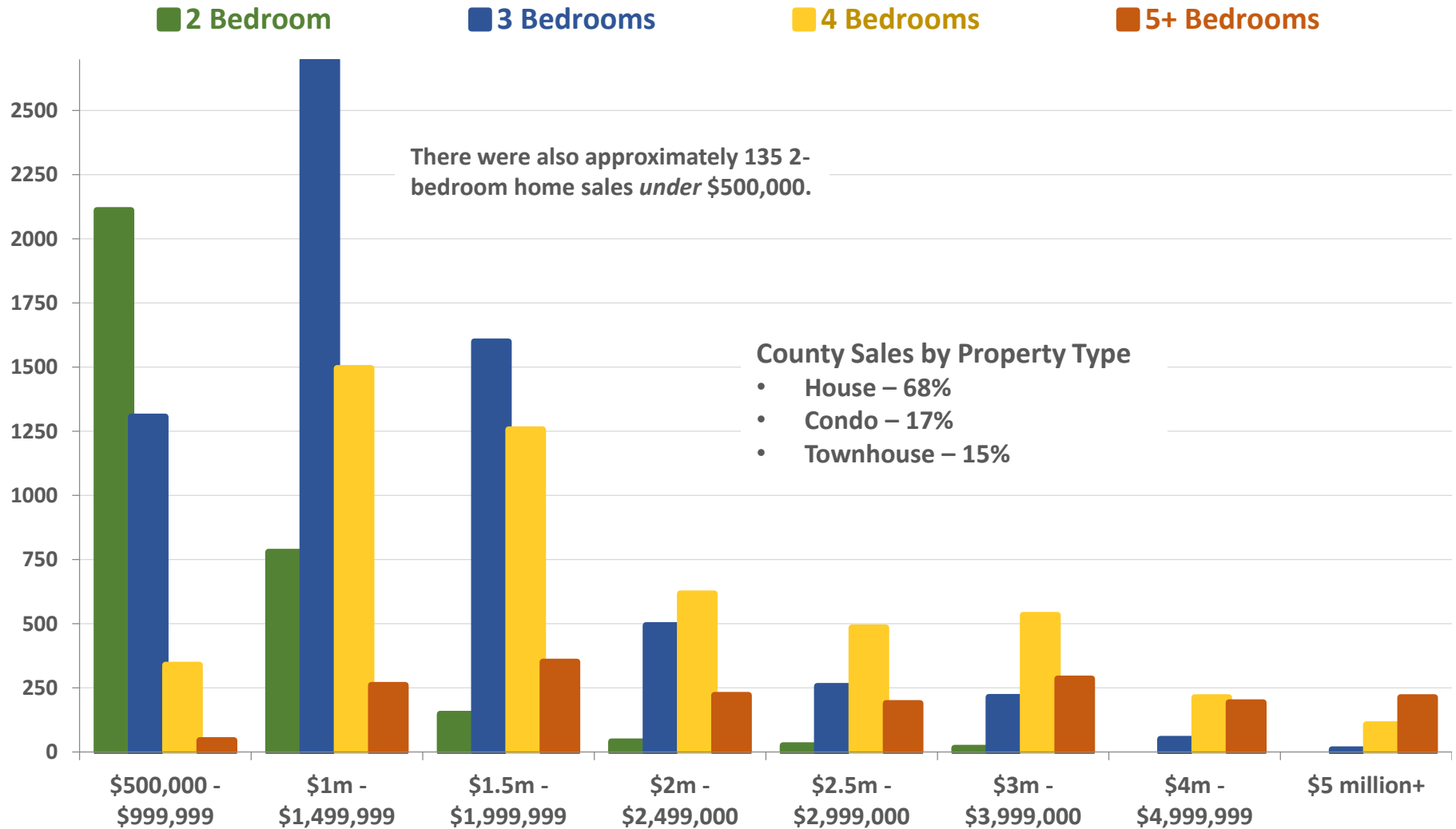


3-month-rolling house sales data per NorCal MLS Alliance, per Infosparks: deemed reliable but may contain errors and is subject to revision. All numbers approximate. Late-reported sales may change last period's reading.

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Santa Clara County: 2+ Bedroom Home Sales

2021 Sales by Price Segment & Bedroom Count*



* 12 months sales of houses, condos, townhouses reported to MLSLISTINGS through late December 2021, per Broker Metrics. Less than 4 sales in a segment were not charted. Data derived from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate.

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Santa Clara County: HOUSE Market Snapshot

Statistics by City, September-December 2021 Sales*

Within compilations of sales, gradations in quality of location, construction, condition, amenities, home & lot size are almost infinite.

City in alphabetical order	Median House Sales Price	Median Dollar per Sq.Ft.	Median House Sq. Ft.	Median Lot Size in Acres	Median Days on Market	Sales Price to List Price %*	Highest Sale in Period
Campbell	\$1,715,000	\$1029/sq.ft.	1607 sq.ft.	.16 acre	8 days	112% of LP	\$4,000,000
Cupertino	\$2,885,000	\$1420	1970	.17	7	114%	\$5,300,000
Gilroy	\$985,000	\$487	2085	.16	9	105%	\$3,500,000
Los Altos	\$4,387,500	\$1678	2566	.27	8	110%	\$8,500,000
Los Altos Hills	\$5,275,000	\$1450	4066	1.16	10	110%	\$11,500,000
Los Gatos/ Monte Sereno	\$2,975,000	\$1206	2483	.24	10	106%	\$11,000,000
Milpitas	\$1,410,000	\$879	1608	.13	9	109%	\$3,605,000
Morgan Hill	\$1,352,500	\$603	2336	.19	8	106%	\$4,400,000
Mountain View	\$2,505,000	\$1522	1734	.14	8	114%	\$4,600,000
Palo Alto	\$3,700,000	\$1874	1978	.16	8	110%	\$14,000,000

*Pertaining to sales reported to NorCal MLS Alliance, September through mid-late December 2021. Sales price to LP % refers to homes which sold within 30 days. Statistics are broad generalities summarizing disparate data. Data derived 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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Santa Clara County: HOUSE Market Snapshot

Statistics by City, September-December 2021 Sales*

Within compilations of sales, gradations in quality of location, construction, condition, amenities, home & lot size are almost infinite.

City in alphabetical order	Median House Sales Price	Median \$ per Sq.Ft.	Median House Sq. Ft.	Median Lot Size in Acres	Median Days on Market	Sales Price to List Price %*	Highest Sale in Period
San Martin	\$1,044,500	\$644/sq.ft.	1683 sq.ft.	1.31 acres	6 days	101% of LP	\$2,800,000
Santa Clara City	\$1,665,000	\$1141	1508	.14	8	113%	\$3,010,000
Saratoga	\$3,650,000	\$1360	2570	.28	8	110%	\$10,750,000
Sunnyvale	\$2,330,000	\$1374	1675	.15	8	116%	\$3,550,000
County CONDOS	\$751,000	\$698	1072	---	13	103%	\$2,798,000
County TOWNHOUSES	\$1,150,000	\$753	1520	---	8	106%	\$2,788,000
San Jose Neighborhood	Median House Sales Price	Median \$ per Sq.Ft.	Median House Sq. Ft.	Median Lot Size in Acres	Median Days on Market	Sales Price to List Price %*	Highest Sale in Period
Almaden Valley	\$2,037,500	\$907	2291	.19	8	108%	\$3,760,000
Alum Rock	\$940,000	\$735	1276	.14	11	107%	\$2,650,000

*Pertaining to sales reported to NorCal MLS Alliance, September through mid-late December 2021. Sales price to LP % refers to homes which sold within 30 days. Statistics are broad generalities summarizing disparate data. Data derived 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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Santa Clara County: San Jose HOUSE Market Snapshot

Statistics by Neighborhood, September-December 2021 Sales*

Within compilations of sales, gradations in quality of location, construction, condition, amenities, home & lot size are almost infinite.

San Jose Neighborhood	Median House Sales Price	Median Dollar per Sq.Ft.	Median House Sq. Ft.	Median Lot Size in Acres	Median Days on Market	Sales Price to List Price %*	Highest Sale in Period
Berryessa	\$1,440,000	\$841/sq.ft.	1636 sq.ft.	.14 acre	8 days	112% of LP	\$3,315,000
Blossom Valley	\$1,325,000	\$807	1624	.14	7	111%	\$2,170,000
Cambrian	\$1,590,000	\$1036	1554	.15	8	112%	\$3,200,000
Central San Jose	\$1,200,000	\$873	1376	.13	10	108%	\$3,500,000
Evergreen	\$1,639,500	\$832	2010	.16	8	108%	\$4,587,000
Santa Teresa	\$1,331,000	\$741	1804	.14	8	111%	\$1,900,000
South San Jose	\$1,007,500	\$719	1405	.13	9	106%	\$2,165,000
Willow Glen	\$1,757,000	\$993	1741	.15	8	108%	\$3,999,000
San Jose CONDOS	\$661,500	\$638	1012	---	12	103%	\$2,015,000
San Jose TOWNHOUSES	\$950,000	\$658	1452	---	8	107%	\$2,150,000

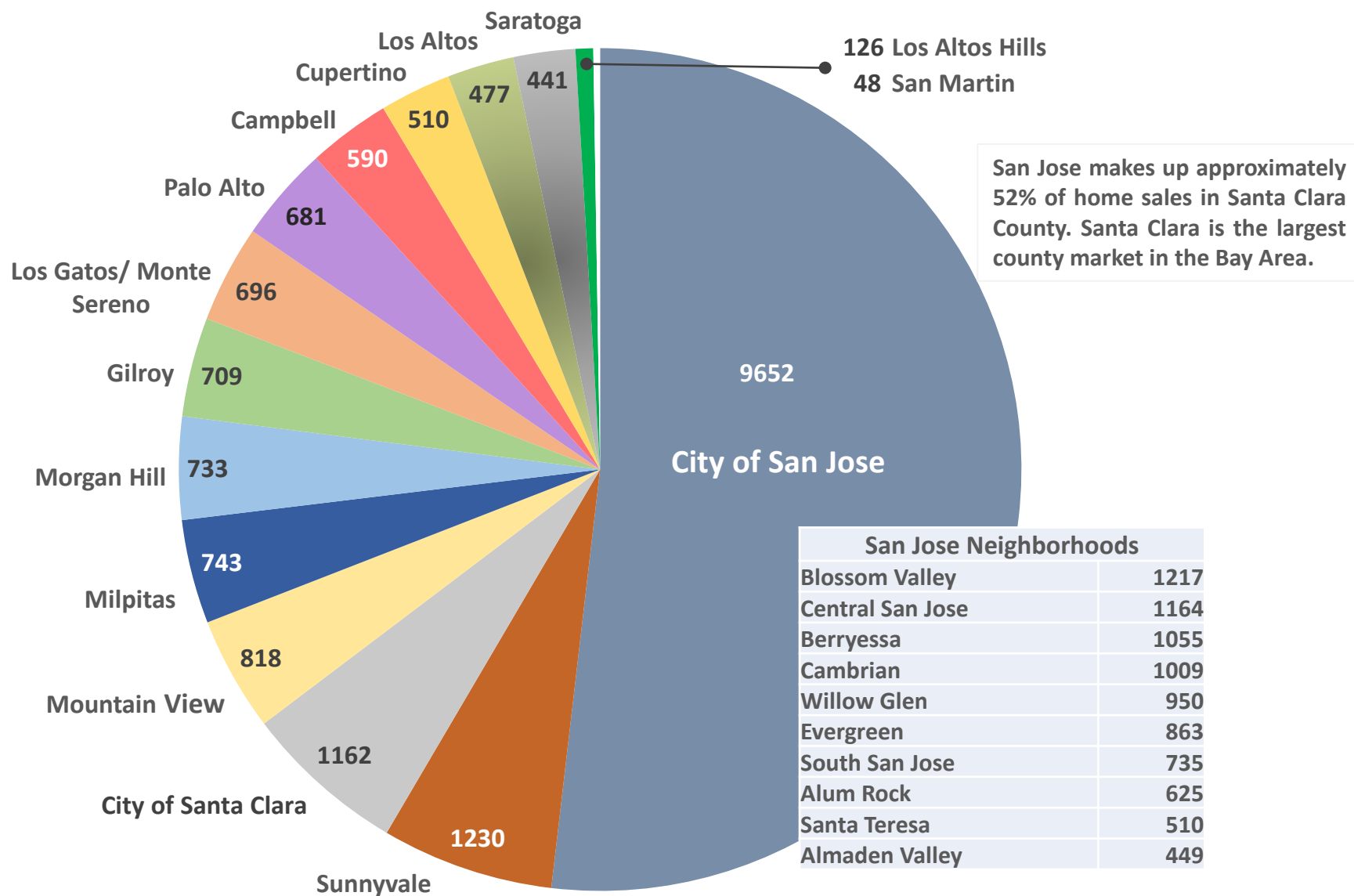
*Pertaining to sales reported to NorCal MLS Alliance, September through mid-late December 2021. Sales price to LP % refers to homes which sold within 30 days. Statistics are broad generalities summarizing disparate data. Data derived from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and may change with late-reported sales.

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Santa Clara County Unit Home Sales

2021 House, Condo & Townhouse Sales by City

Approximate 12-month sales volumes



12 months sales reported to NorCal MLS Alliance through late December 2021. Data based upon sources deemed reliable, but may contain errors and subject to revision. All numbers approximate. Not all sales are reported to MLS.

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California Association of Realtors®

2021 CA Housing Market Survey - Highlights



61% of CA homes sold above asking price, the highest % in at least 30 years. Both the share of sales with multiple offers and the average number of offers received reached their highest levels since 2013. 2021 saw the shortest median time-on-market in at least 35 years: 8 days. 60% of accepted offers were non-contingent (not subject to appraisal, financing, inspections, etc.). 20% of buyers paid all cash.



Most CA REALTORS® noticed at least one of the following changes in buyer preferences since the pandemic: Opting for bigger home (22%); less concerned about commute (22%); buying house instead of condo/townhome (21%); opting for suburban instead of city location (19%); choosing rural instead of urban or suburban location (13%)



29% of CA sellers planned to buy again in same county (lowest % in at least 16 years); 35% planned to buy in another state (highest % in at least 16 years)



Primary reason to move *out of county*: Housing affordability (26%), quality of life (15%), closer to family (12%), 2nd home (12%), commute (6%), retirement (6%), ability to work from home (5%)



Single most important reason to buy: 1st time buyers - tired of renting (56%); repeat buyers - larger home (23%), better location (20%), investment or taxes (13%)



Vacation/2nd home sales reached highest level in 9 years: 7% of sales. Homes purchased for investment/rental: 9.5%. Sales to international buyers hit highest % since 2014: 5% of sales.



Housing affordability – the % of CA households able to afford median priced house – hit its lowest percentage since 2008 (despite historically low interest rates): 23% - 24% in Q2 & Q3 2021.

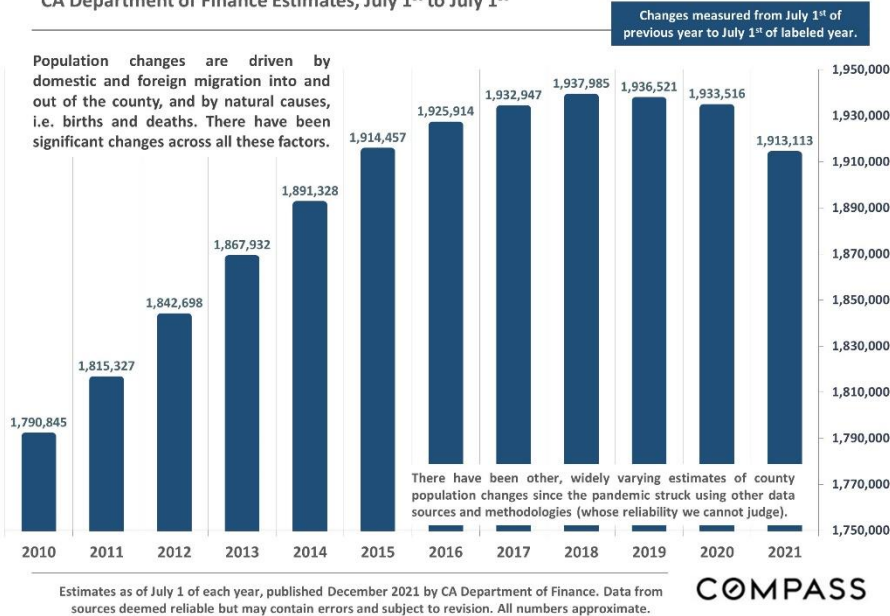


Survey sent to a random sample of 39,567 CA REALTORS®, geographically distributed across state. 1,908 valid survey responses = response rate of 4.8%. Margin of error for survey was +/- 2.2% at a 95% confidence level.

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Santa Clara County Population Trends since 2010

CA Department of Finance Estimates, July 1st to July 1st



County Population Changes

Since 2019, the county population has declined about 1.2% (top chart). Populations dropped in almost every Bay Area County since the pandemic hit, with San Francisco seeing the largest percentage decline (2%).

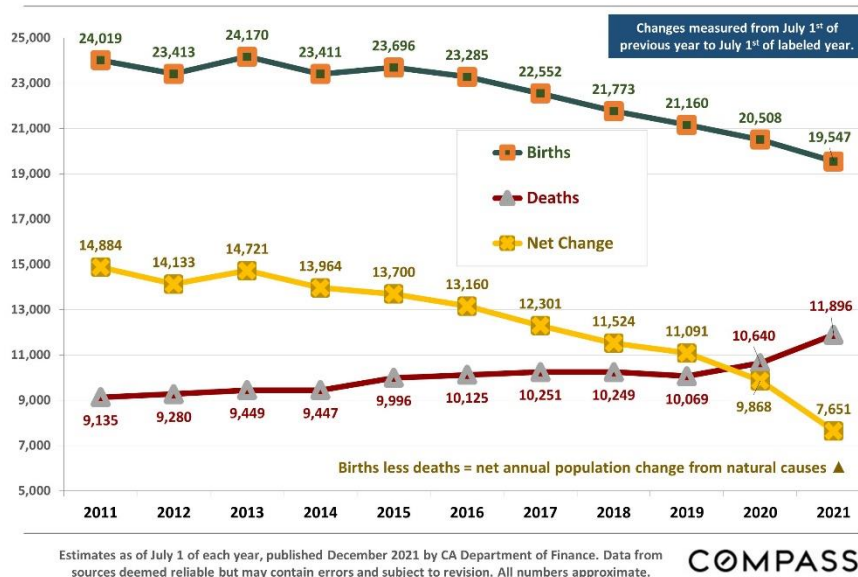
Over the same period, the **number of births** in the county dropped 8%, continuing a decline that began in 2015, and the **number of deaths** increased by 18%, resulting in a 31% decline in population increase due to **natural causes** (bottom chart).

Changes measured from July 1 of the previous year to July 1 of the labeled year, as published December 2021 by the CA Department of Finance. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate.

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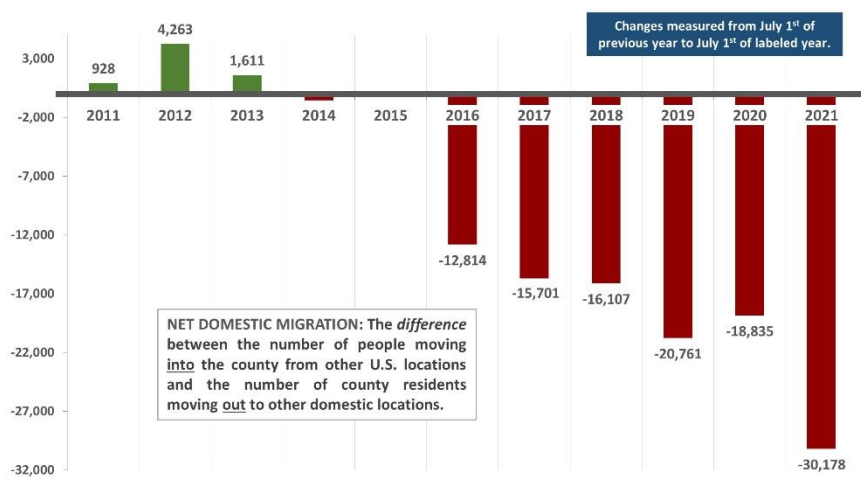
"Natural Cause" Effects on Santa Clara County Population

Births, Deaths, Net Change: 2011 – 2021



Santa Clara County: Net DOMESTIC Migration, 2011 – 2021

Resident Movement between Santa Clara County & Other U.S. Locations



Estimates as of July 1 of each year, published December 2021 by CA Department of Finance. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate.

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Domestic & Foreign Migration

Since 2019, **net domestic out-migration** – the difference between the number of residents moving out to other U.S. locations and people moving into the county from other U.S. locations – increased by 45% (top chart). Recent net domestic out-migration was probably skewed more toward the tenant population. (Rents have generally dropped.)

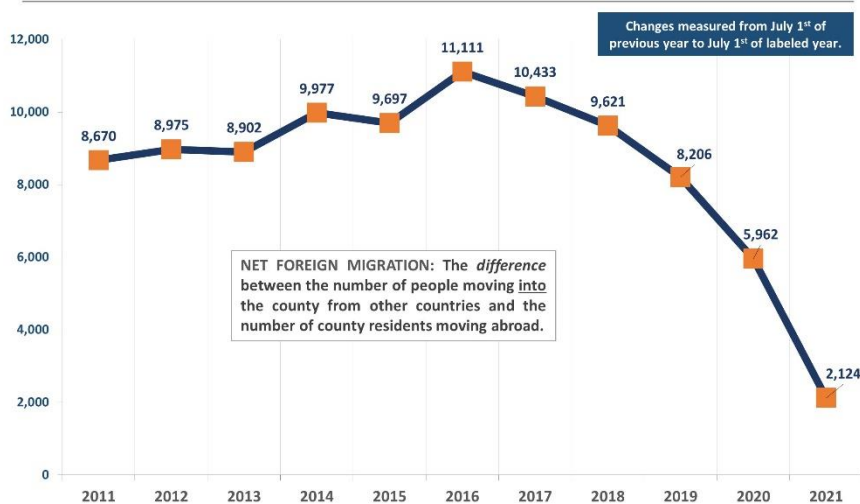
Over the period, **net foreign in-migration** – the difference between the number of people moving into the county from abroad and county residents moving to foreign countries – dropped by 74% (bottom chart).

Both these, generally Bay-Area-wide trends – increased domestic out-migration and declining foreign in-migration – go back to 2016 or earlier.

Changes measured from July 1 of the previous year to July 1 of the labeled year, as published December 2021 by the CA Department of Finance. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate.

Santa Clara County: Net FOREIGN Migration, 2011 – 2021

Resident Movement between Santa Clara County & Other Countries



Estimates as of July 1 of each year, published December 2021 by CA Department of Finance. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate.

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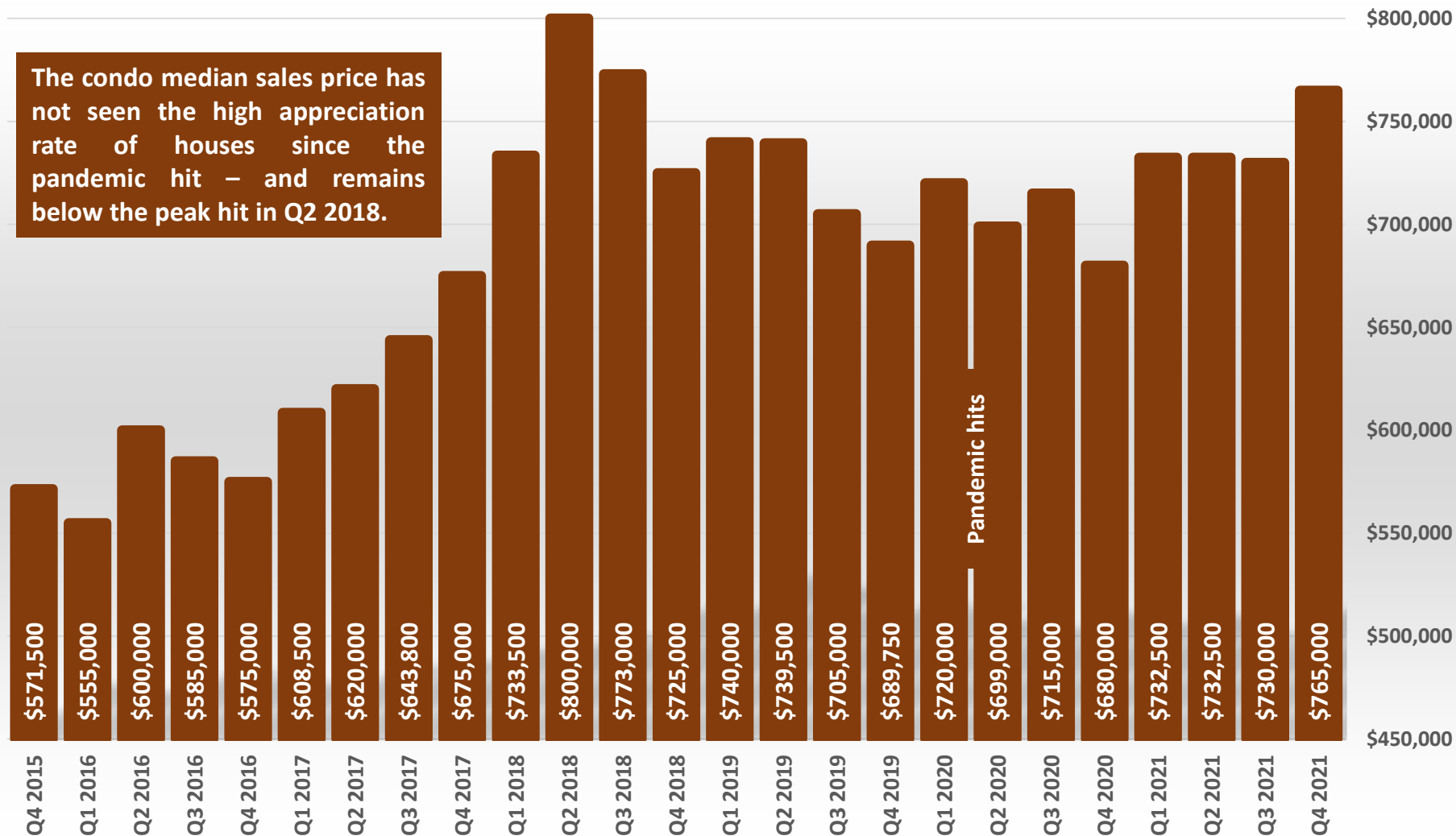
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Santa Clara County Condo Price Appreciation

Median Condo Sales Prices, 2015 – Present, by Quarter

As reported to NorCal MLS Alliance, per Infosparks

The condo median sales price has not seen the high appreciation rate of houses since the pandemic hit – and remains below the peak hit in Q2 2018.

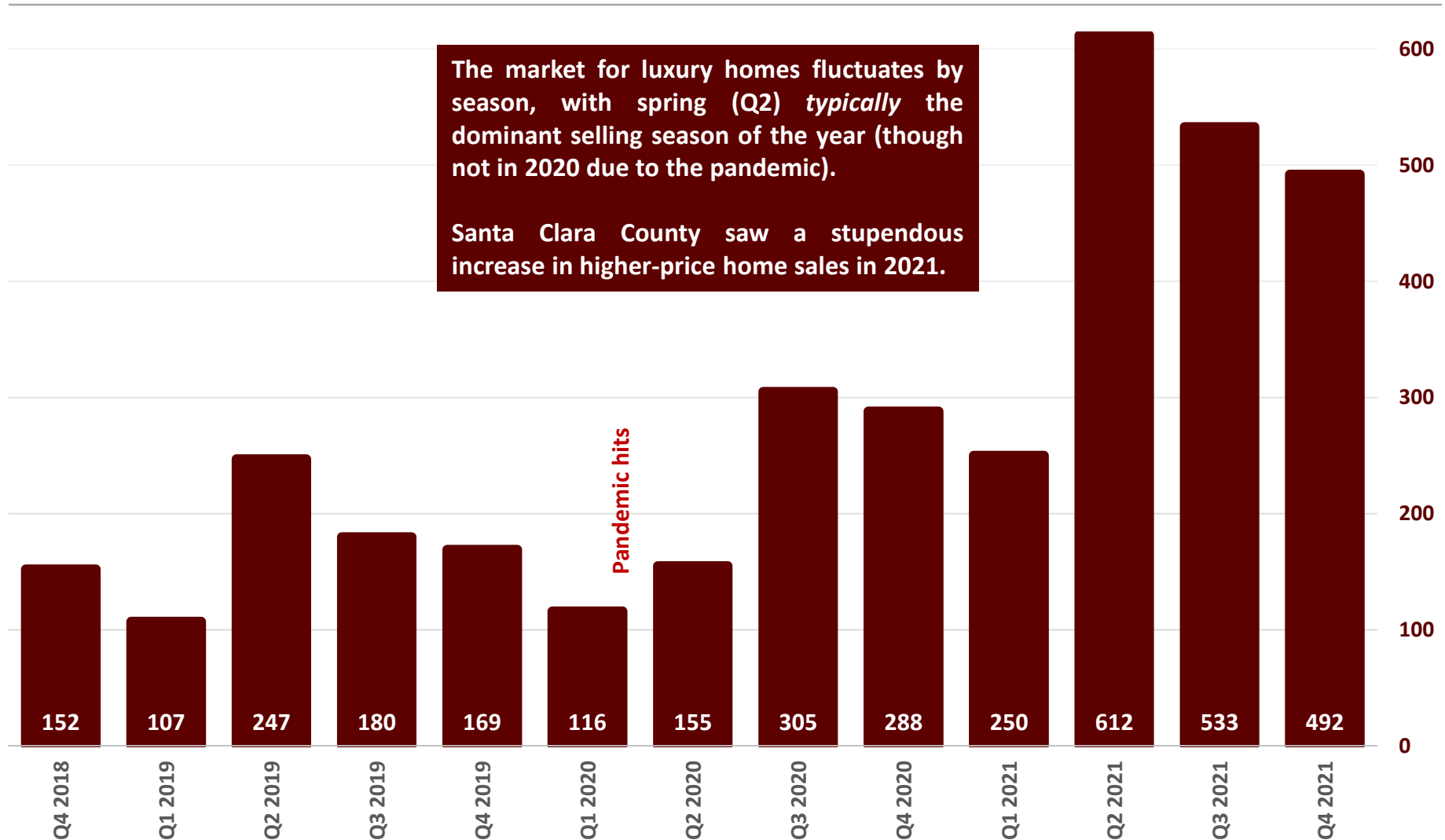


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Santa Clara County Luxury Home Sales

Sales Prices of \$3,000,000 & Above, by Quarter

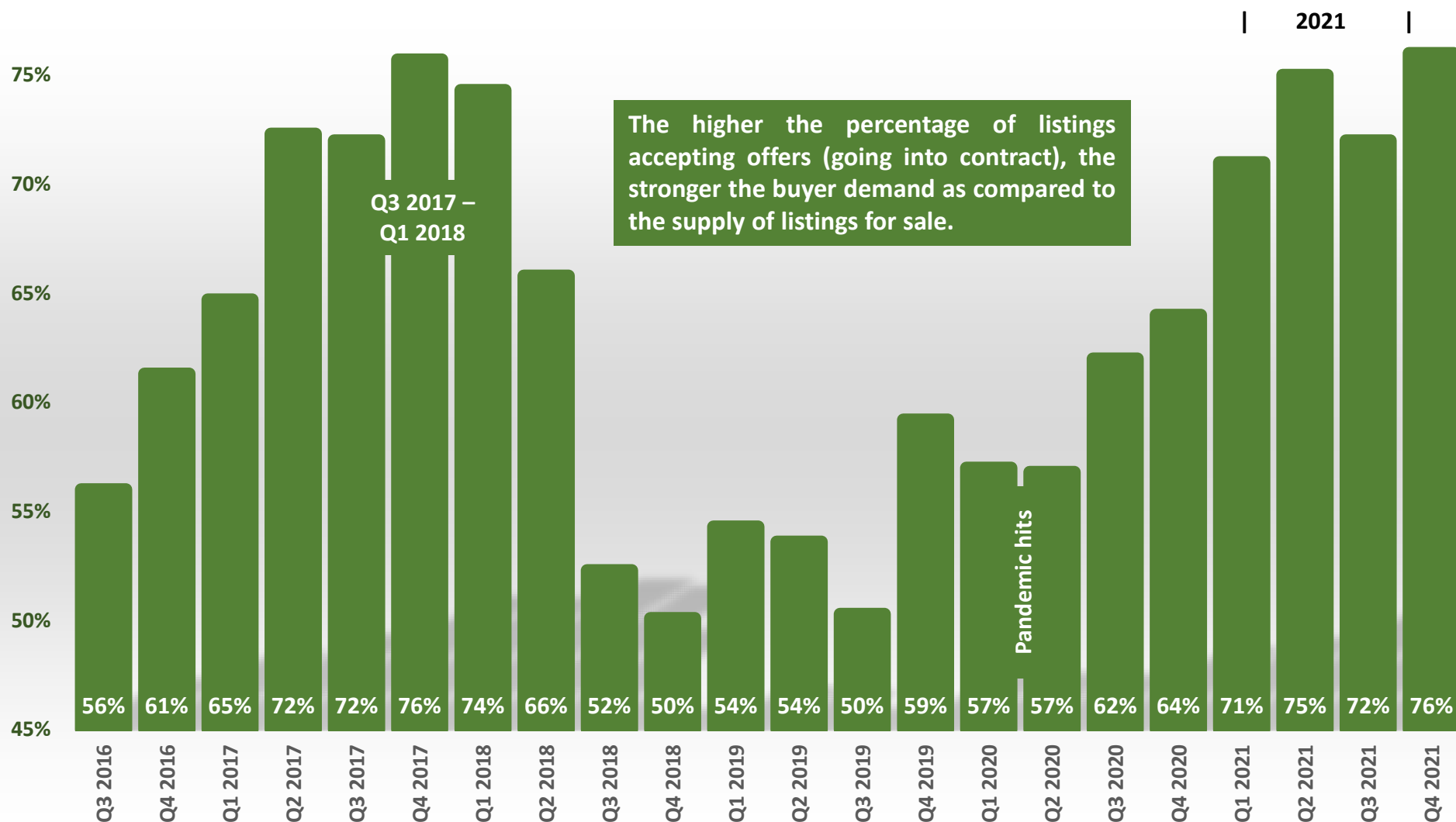


Sales reported to NorCal Regional MLS, per Infospartks. Data from sources deemed reliable, but subject to error and revision. All numbers approximate. Last period reading may change with late-reported sales.

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Percentage of Listings Accepting Offers by Quarter

Santa Clara County Market Dynamics, 2016 to Present

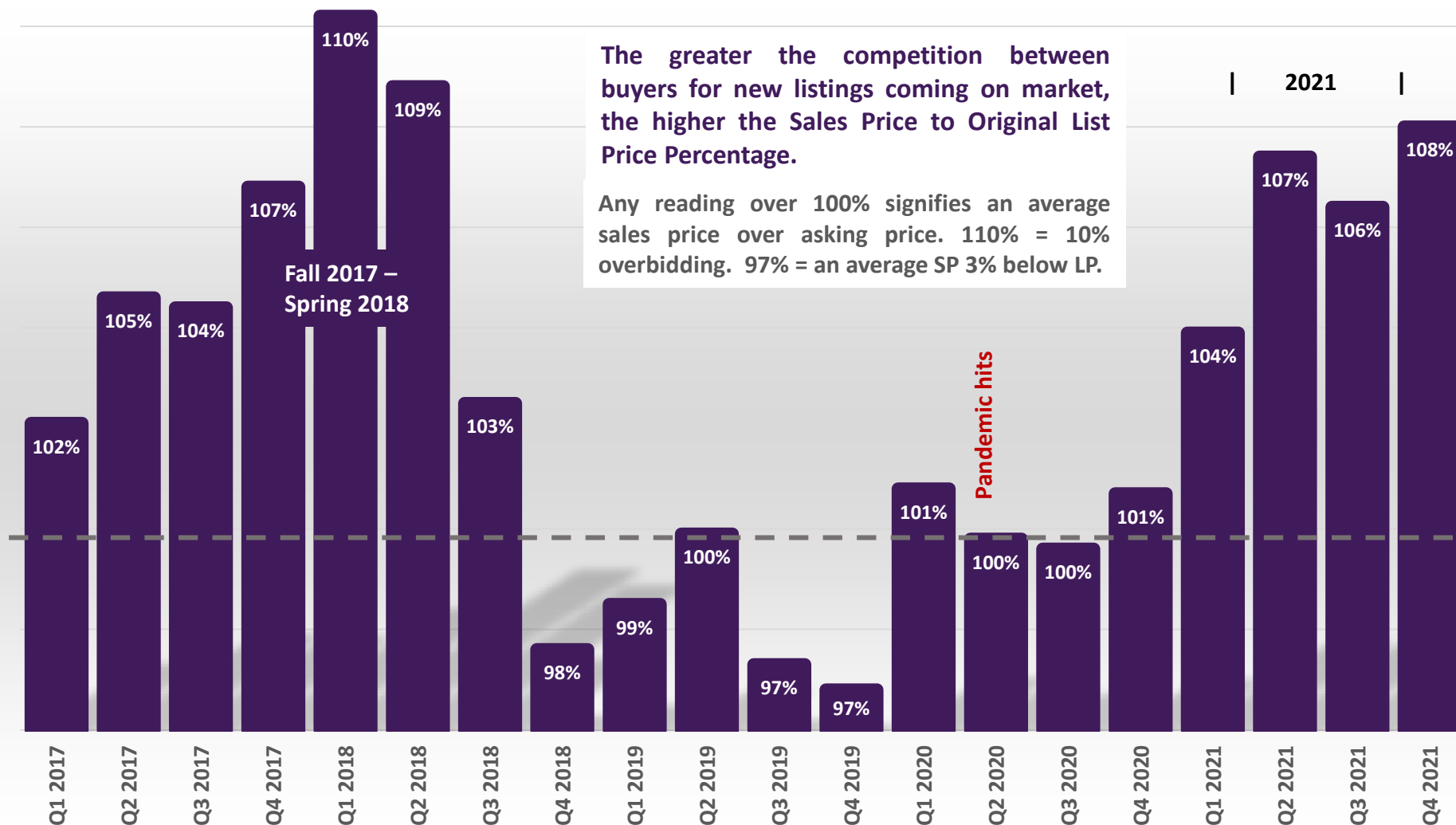


Percentages rounded. Residential activity reported to MLSLISTINGS, per Broker Metrics. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate. Last period may change with late-reported activity.

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Sales Price to Original List Price % by Quarter

Santa Clara County Market Dynamics, 2017 to Present



Percentages rounded to nearest full percent. Residential market activity reported to MLS, per Broker Metrics. Data from sources deemed reliable, but may contain errors and subject to revision. Numbers are approximate and may change with late-reported activity.

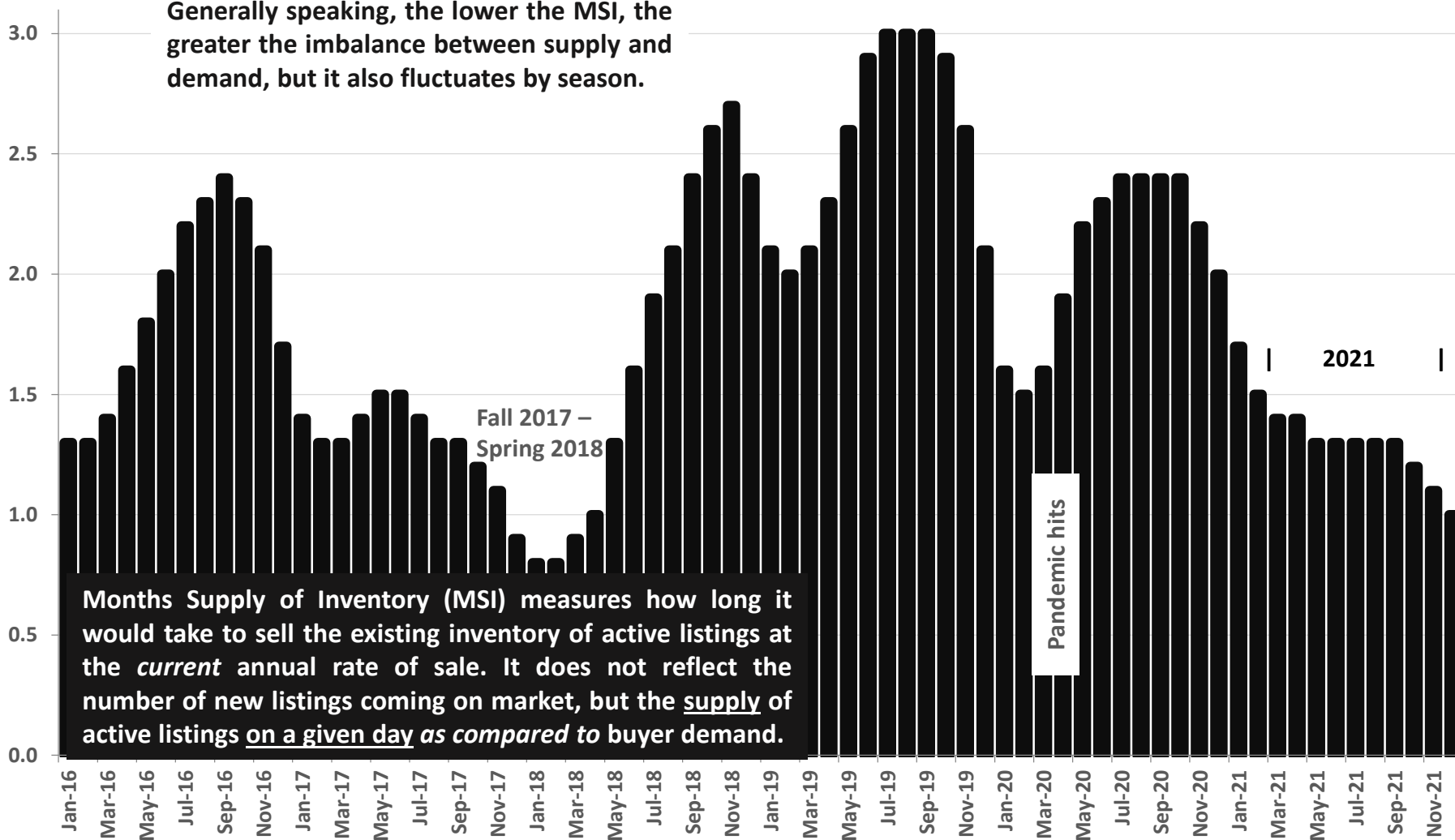
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Months Supply of Inventory (MSI)

Santa Clara County Real Estate Market since 2016

Rolling 3-month average, activity reported to NorCal MLS Alliance, per Infosparks: Updated through 2021

Generally speaking, the lower the MSI, the greater the imbalance between supply and demand, but it also fluctuates by season.



Each data point reflects 3 months of combined MLS data. Data from sources deemed reliable, but may contain errors and subject to revision. Numbers are approximate, and may change with late-reported activity.

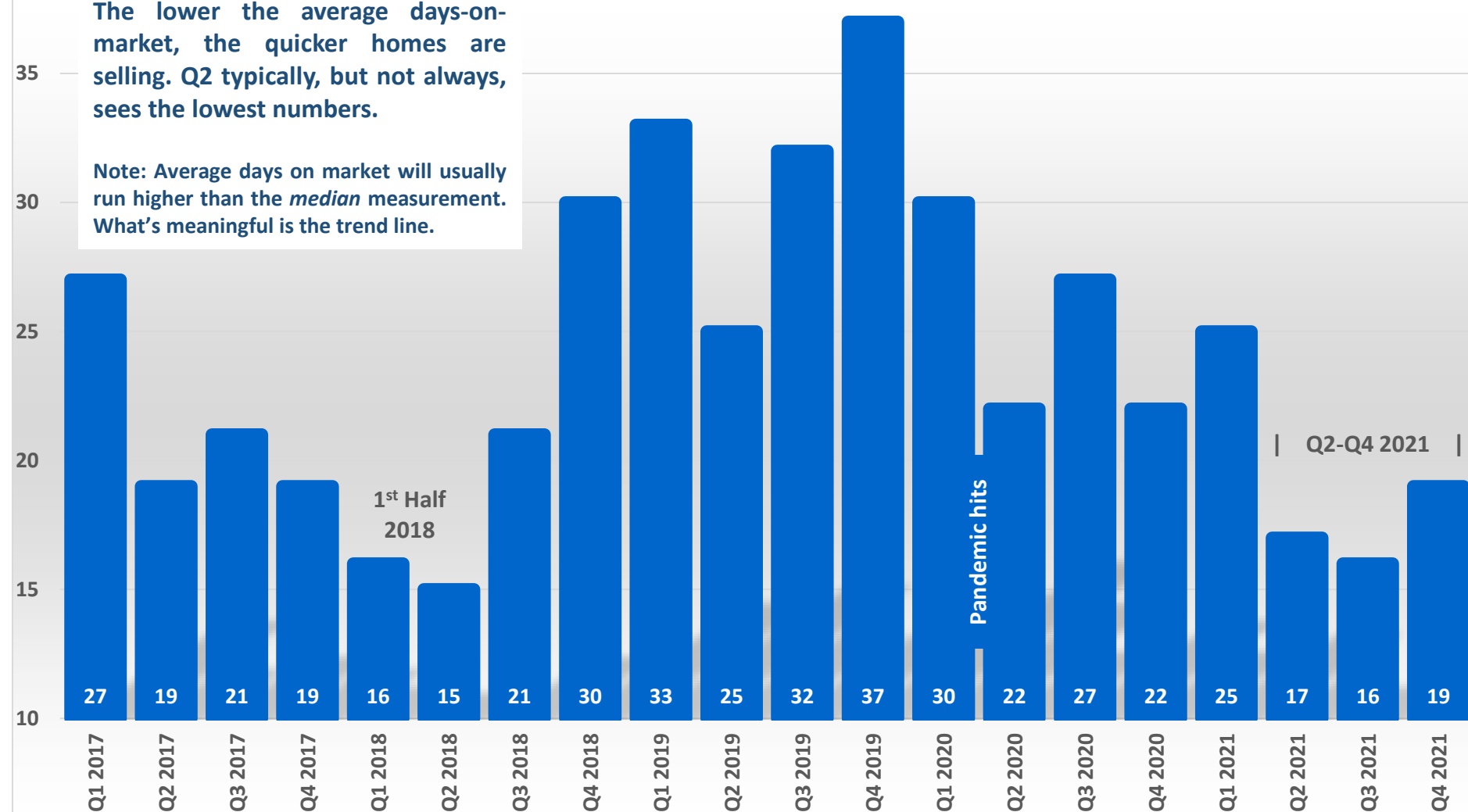
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Average Days on Market by Quarter

Santa Clara County Market Dynamics, 2017 to Present

The lower the average days-on-market, the quicker homes are selling. Q2 typically, but not always, sees the lowest numbers.

Note: Average days on market will usually run higher than the *median* measurement. What's meaningful is the trend line.



Residential market activity reported to MLSLISTINGS, per Broker Metrics. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate, and may change with late-reported activity.

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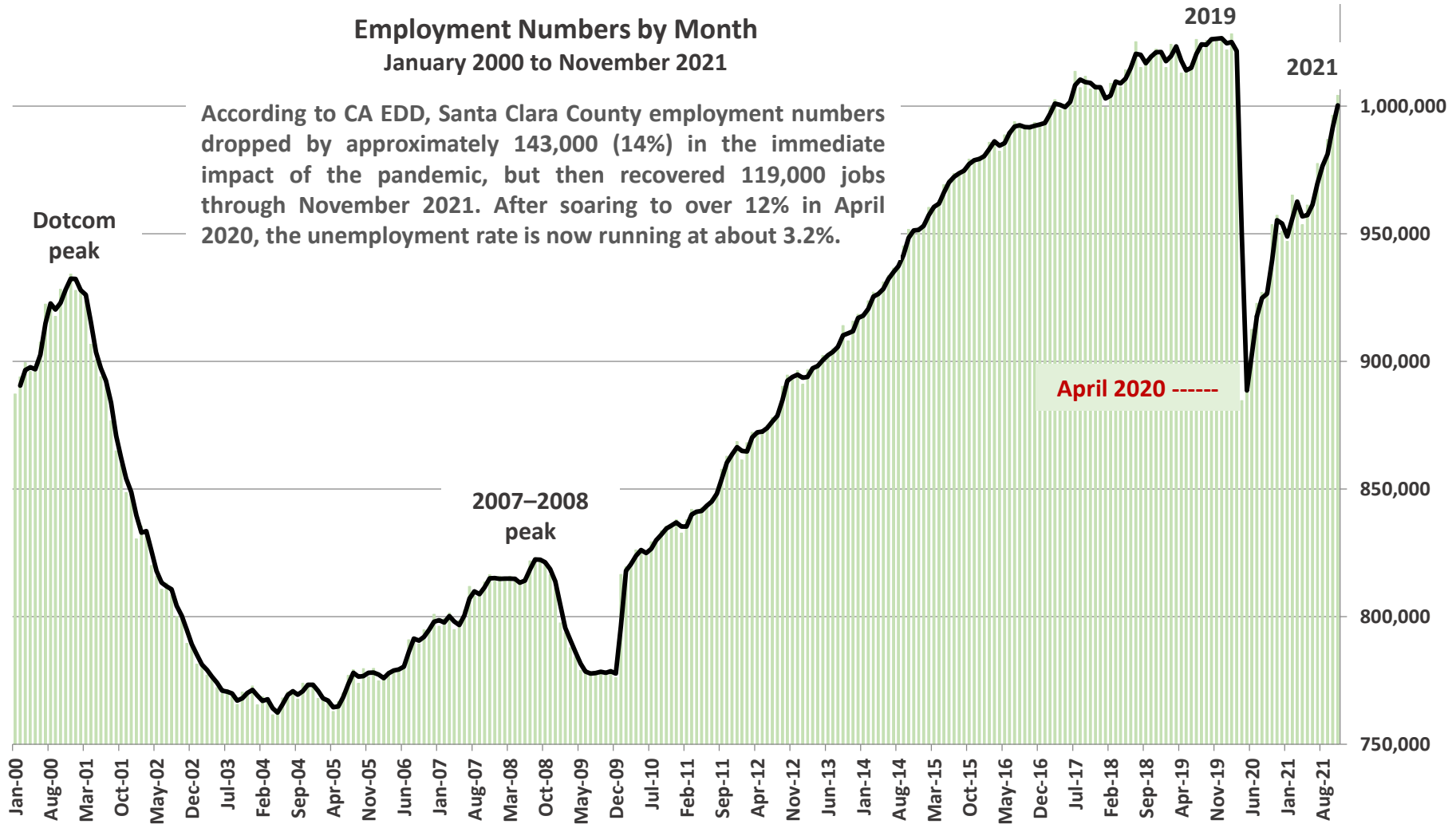
Santa Clara County Employment Trends

Number of Employed Residents since 2000

Per California Employment
Development Dept. (EDD)

Employment Numbers by Month January 2000 to November 2021

According to CA EDD, Santa Clara County employment numbers dropped by approximately 143,000 (14%) in the immediate impact of the pandemic, but then recovered 119,000 jobs through November 2021. After soaring to over 12% in April 2020, the unemployment rate is now running at about 3.2%.



EDD data. Last month's data is labeled "preliminary" by EDD. EDD often goes back to revise past data releases. Data from sources deemed reliable but may contain errors and subject to revision. All numbers should be considered approximate.

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20-year chart, U.S. Bureau of Labor Statistics, published December 2021

Consumer Price Index

12-Month Percentage Change, Past 20 Years



In November 2021, the Consumer Price Index, a measurement of year-over-year inflation, **hit 6.8%, its highest point since 1982**. Historically, one of the standard remedies for soaring inflation is to raise interest rates, but there are many economic and political issues currently at play.

Chart from U.S. Bureau of Labor Statistics, published mid-December 2021:
<https://www.bls.gov/charts/consumer-price-index/consumer-price-index-by-category-line-chart.htm>
 Data from sources deemed reliable, but may contain errors and subject to revision.

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Inflation & Mortgage Interest Rates

The Consumer Price Index, a measurement of year-over-year inflation, soared in 2021 to hit 6.8%, its highest point since 1982.

Historically, the standard remedy for surging inflation is to raise interest rates, but there are a variety of economic and political factors currently at play.

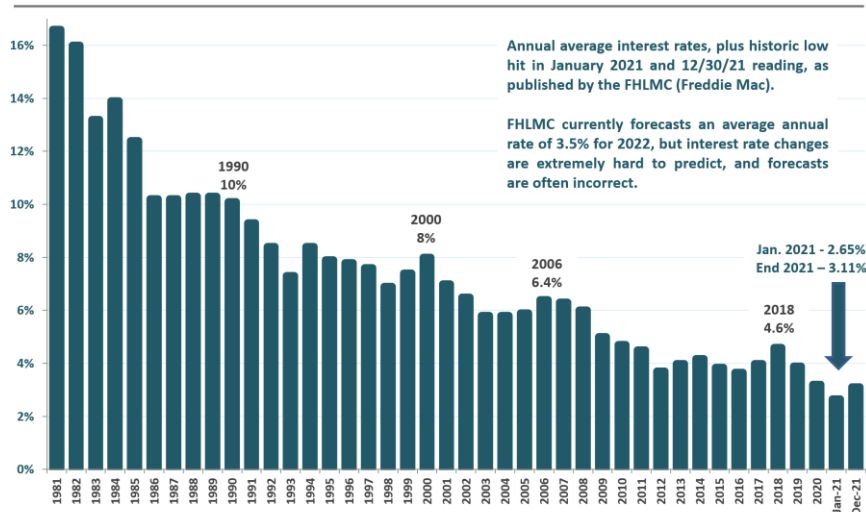
Per Freddie Mac (FHLMC), on December 30, 2021, the weekly average, 30-year mortgage interest rate was 3.11%. The all-time low of 2.65% was reached earlier in the year, in January 2021.

Freddie Mac currently forecasts an average annual 30-year interest rate of 3.5% for 2022, but, historically, interest rate predictions have often been unreliable.

Interest rates may fluctuate suddenly and dramatically, and it is very difficult to accurately predict rate changes. Data from sources deemed reliable, but may contain errors and not guaranteed. Provided for informational purposes only.

Average Annual Interest Rates since 1981

30-Year Conforming Fixed-Rate Loans, by Year



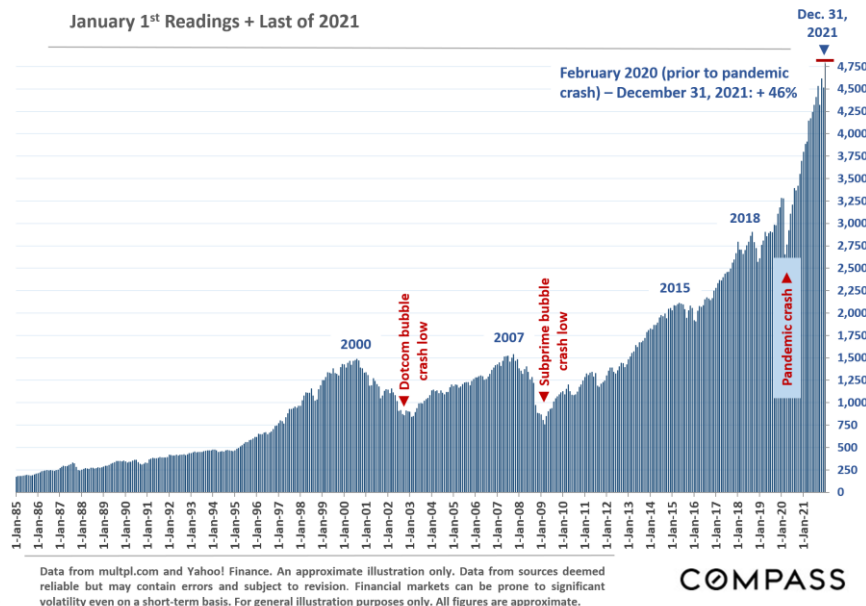
Interest rates may fluctuate suddenly and dramatically. Data from sources deemed reliable but not guaranteed. Anyone interested in residential home loans should consult with a qualified mortgage professional and accountant.

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S&P 500 Stock Index, 1985 – 2021

January 1st Readings + Last of 2021

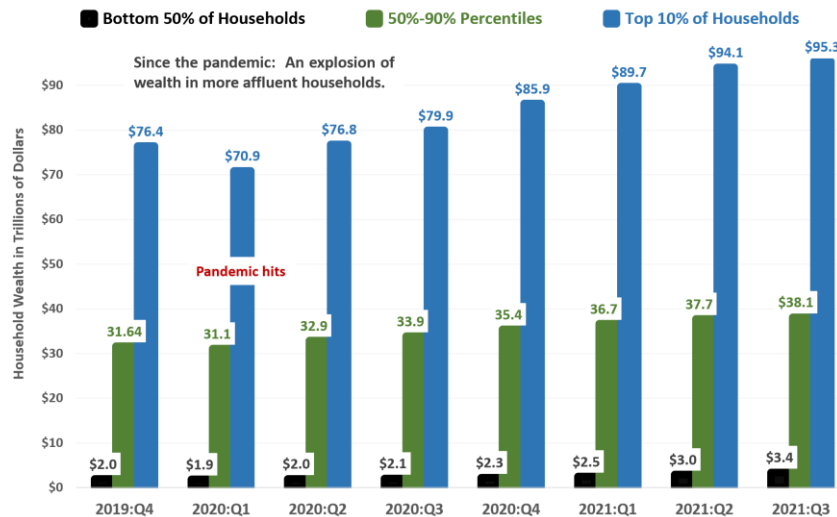


S&P 500 Stock Index

From February 2020 – prior to the initial, pandemic-caused market crash – through the end of 2021, the S&P 500 gained 46%.

Since the pandemic, there has been an explosion of new wealth – in cash, financial markets, real estate, and other assets – concentrated in the already affluent. This is the demographic which dominates Bay Area home buying.

Changes in U.S. Household Wealth, Q4 2020 – Q3 2021 by Wealth Percentile Group, in Trillions of Dollars



Per the Federal Reserve Bank, Distribution of Financial Wealth in the U.S., updated December 17, 2021: <https://www.federalreserve.gov/releases/z1/dataviz/dfa/distribute/table/>. Data from sources deemed reliable but may contain errors and subject to revision. All numbers to be considered approximate.

U.S. Household Wealth

Per the Federal Reserve Bank, from Q4 2019 (before the pandemic struck) to Q3 2021, the wealth of the top 10% of U.S. households skyrocketed by \$18.9 trillion to \$95.3 trillion. For the next 40% of households, the increase was \$6.5 trillion, for a total of \$38.1 trillion. And within the lower 50% of households, + \$1.4 trillion, for a new total of \$3.4 trillion. Q4 2021 will presumably show further gains.

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Statistics are generalities, essentially summaries of widely disparate data generated by dozens, hundreds or thousands of 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 service (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” signifies real-property, single-household housing units: houses, condos, co-ops, townhouses, duets and TICs (but not mobile homes), as applicable to each market. City/town names refer specifically to the named cities and towns, unless otherwise delineated. 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.

Many aspects of value cannot be adequately reflected in median and average statistics: curb appeal, age, condition, amenities, views, lot size, quality of outdoor space, “bonus” rooms, additional parking, quality of location *within* the neighborhood, and so on. How any of these statistics apply to any particular home is unknown without a specific comparative market analysis.

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.

Dollar per Square Foot is based upon the home’s interior living space and does not include garages, unfinished attics and basements, rooms built without permit, patios, decks or yards (though all those can add value to a home). These figures are usually derived from appraisals or tax records, but are sometimes unreliable (especially for older homes) or unreported altogether. The calculation can only be made on those home sales that reported square footage.

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