

COMPASS

July 2026 Napa County Market Outlook

Data through June 2026

Market
Research
COMPASS INTERNATIONAL HOLDINGS

July 2026

Housing Market Report

The Bay Area housing market is the center of national attention this summer. AI-driven wealth has offset persistently higher mortgage rates, pushing demand in a handful of neighborhoods to dramatic levels.

The most intense competition is concentrated in San Francisco itself. In June, 44 homes in the city sold for at least \$1 million over asking (see charts, next page). Sales in San Francisco, San Mateo, and Marin are running well above last year's pace.

Other parts of the Bay Area are more exposed to AI's other edge: jobs, inflation, and rates. Most buyers need a mortgage, and rates have stayed elevated — though still below last year's level. Nationally, inflation remains well above what policymakers and bond markets are comfortable with, driven by energy costs, government spending, and quite possibly the AI investment boom itself. Mortgage rates spent another month near 6.5%.

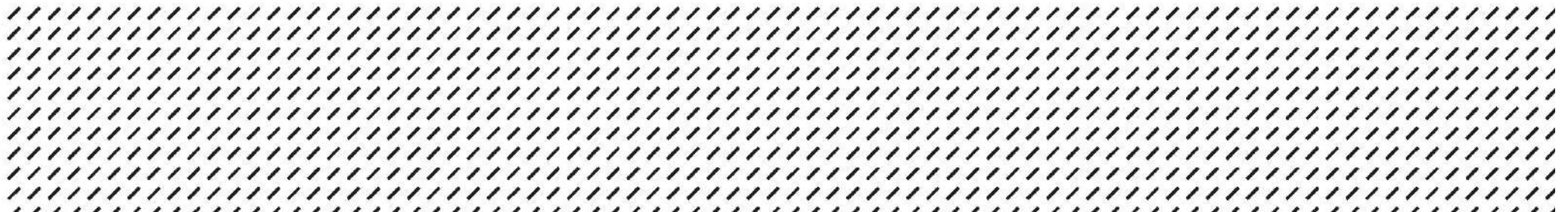
Santa Clara County is feeling a different edge: Bay Area tech companies have cut 58,000 jobs so far in 2026, and in the South Bay, inventory is climbing while average sale prices trail last year.

In many ways, the Bay Area is leading the nation's housing story in both directions — new wealth pulling the top of the market to record heights, while job insecurity and high rates weigh on buyers further down. It's always worth watching the Bay Area markets closely as we often signal where the rest of the country is headed next.

Mike Simonsen

Chief Economist, Compass International Holdings

The first section of this report are select macro-economic and demographic data for the country and the Bay Area. In the second half of the report, we share all the details of the housing market.



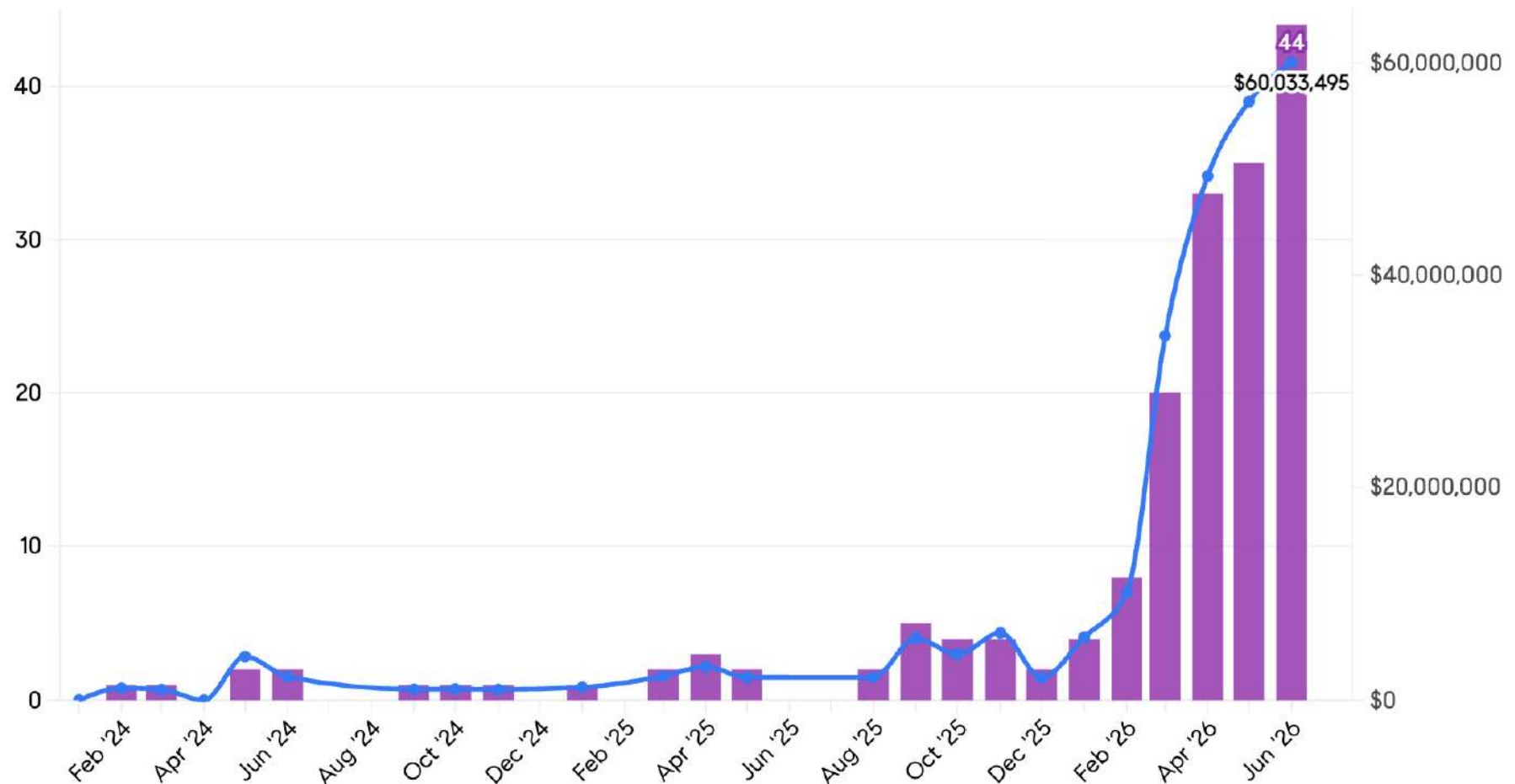
AI Boom Hits San Francisco Home Sales

In June, 44 transactions in San Francisco closed at least \$1 million above the final ask price.

■ Dollar Volume ■ Transaction Count

Total Sales

Total Dollars Over Ask

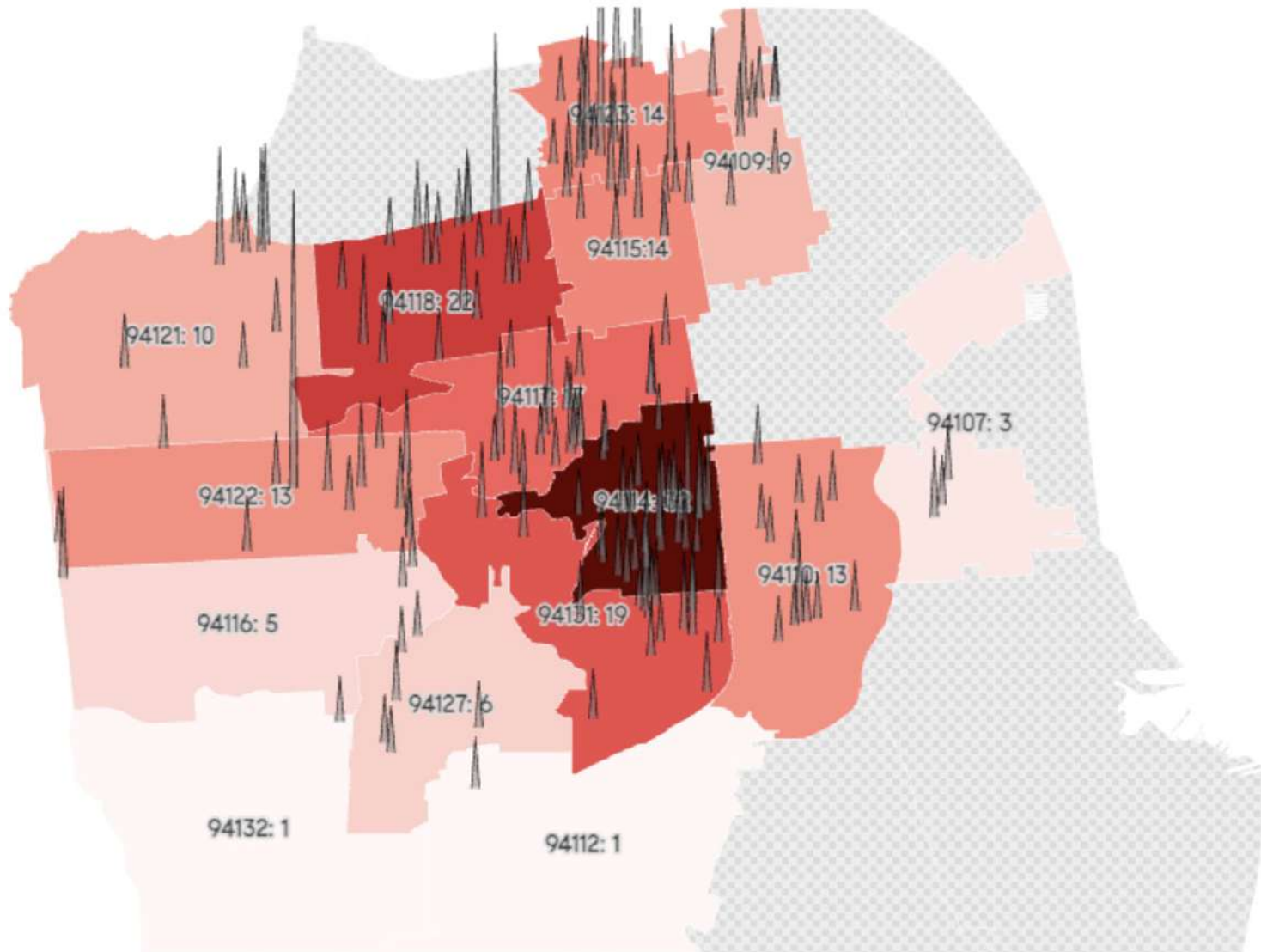


Source: Compass via MLS Data • Home sales where sale price exceeded the final list price by at least \$1 million.

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Where The Money is Concentrating

San Francisco home sales at least \$1 million over the asking price. The pace of those closing at least \$1 million over ask illustrates the most desirable neighborhoods.

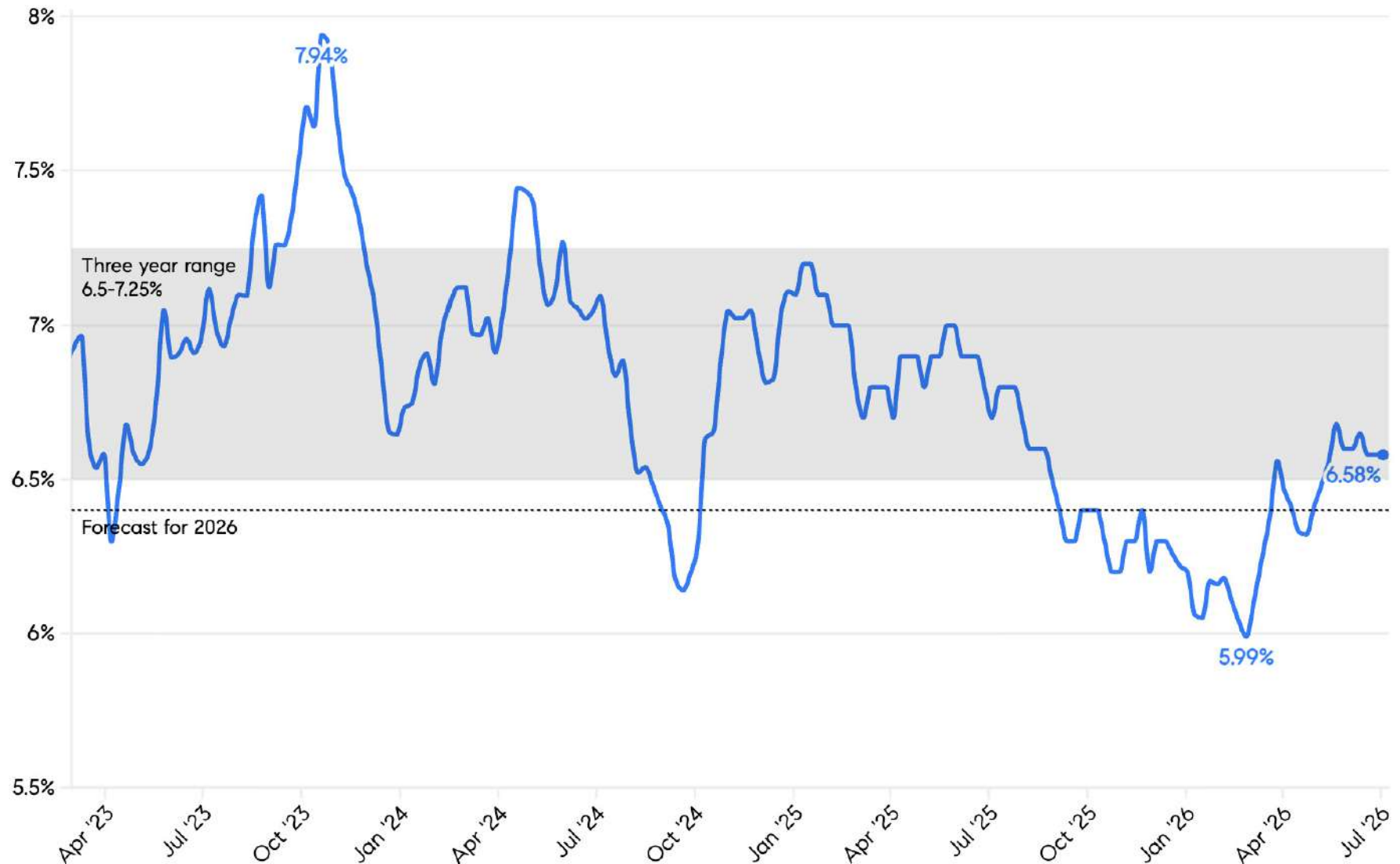


Source: Compass via MLS data • Home sales where sale price was at least \$1 million over the final ask price. The height of each spike represents the total dollars over asking.

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Mortgage Rates Stay In The Mid-6s

Interest have stayed elevated due persistent inflation news and recently improved jobs data. Still at the low-end of the range over the past three years, any push into the upper 6s is likely to slow home purchase demand again.



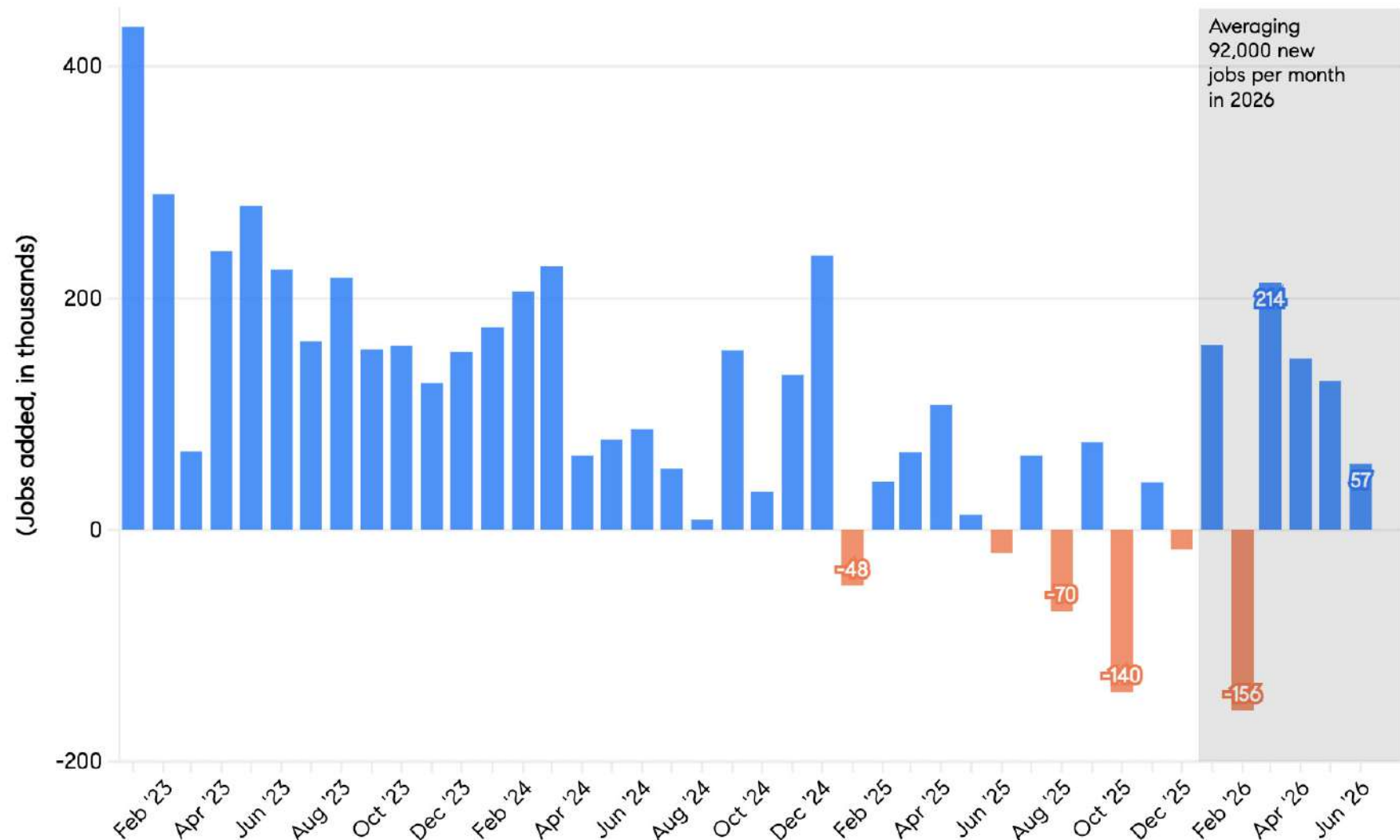
Inflation Accelerates in June

Tariffs, oil, and government spending are all contributing to re-accelerating inflation. Recently falling oil prices are not yet visible in the inflation data. Inflation has forced interest rates higher, adding to affordability challenges with real estate.



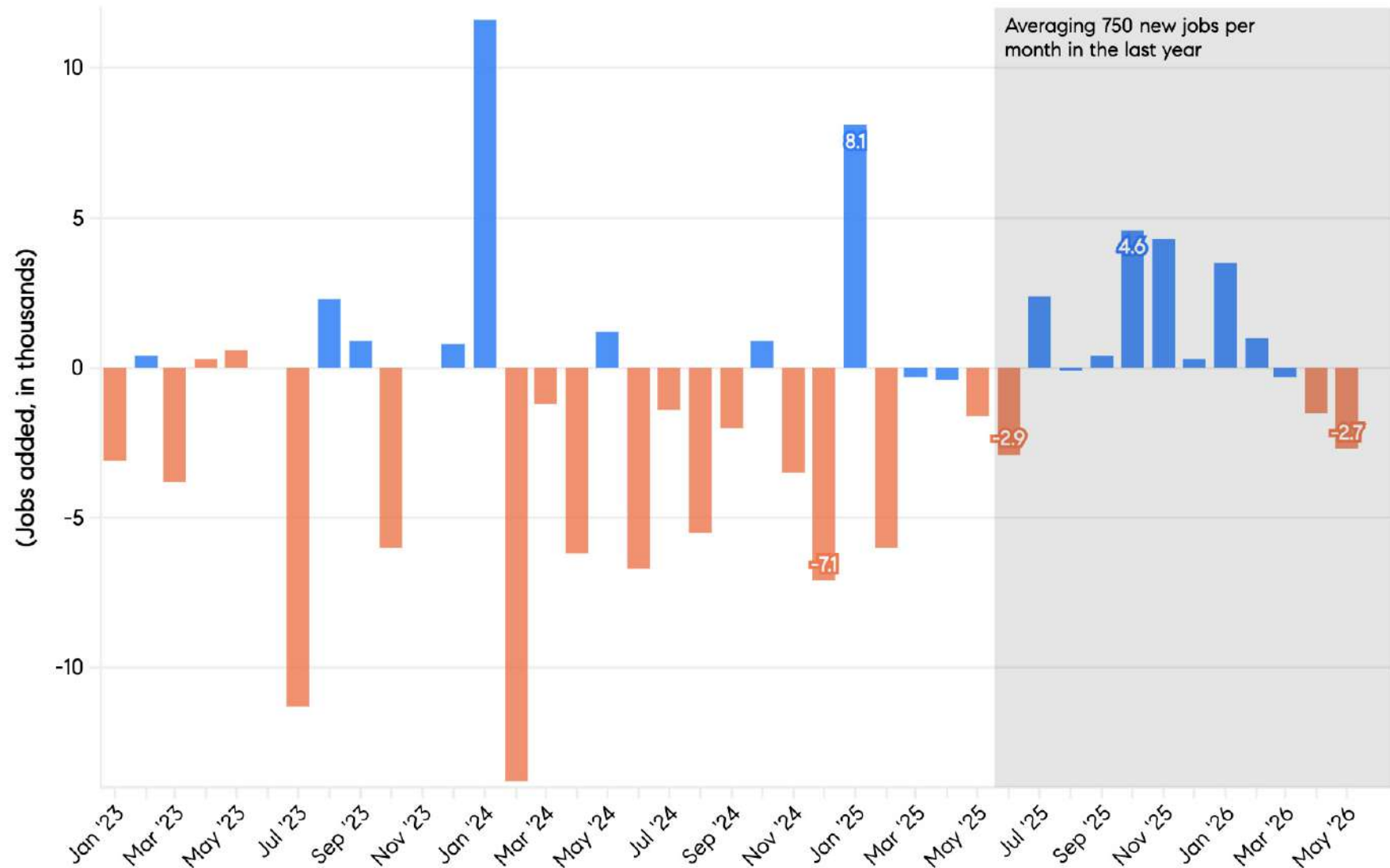
National Employment Grows Slowly

The labor market shows four months of growth after a very weak 2025. Corporate profitability is improving, AI investment is booming, and government spending is unabated, all of which are drivers of continued expansion in 2026. An improving labor market is generally positive for housing.



Bay Area Job Growth Slows Again

While the most recent 12 months have been mildly positive for job growth in the Bay Area, the most recent two months report a weakening job market again.



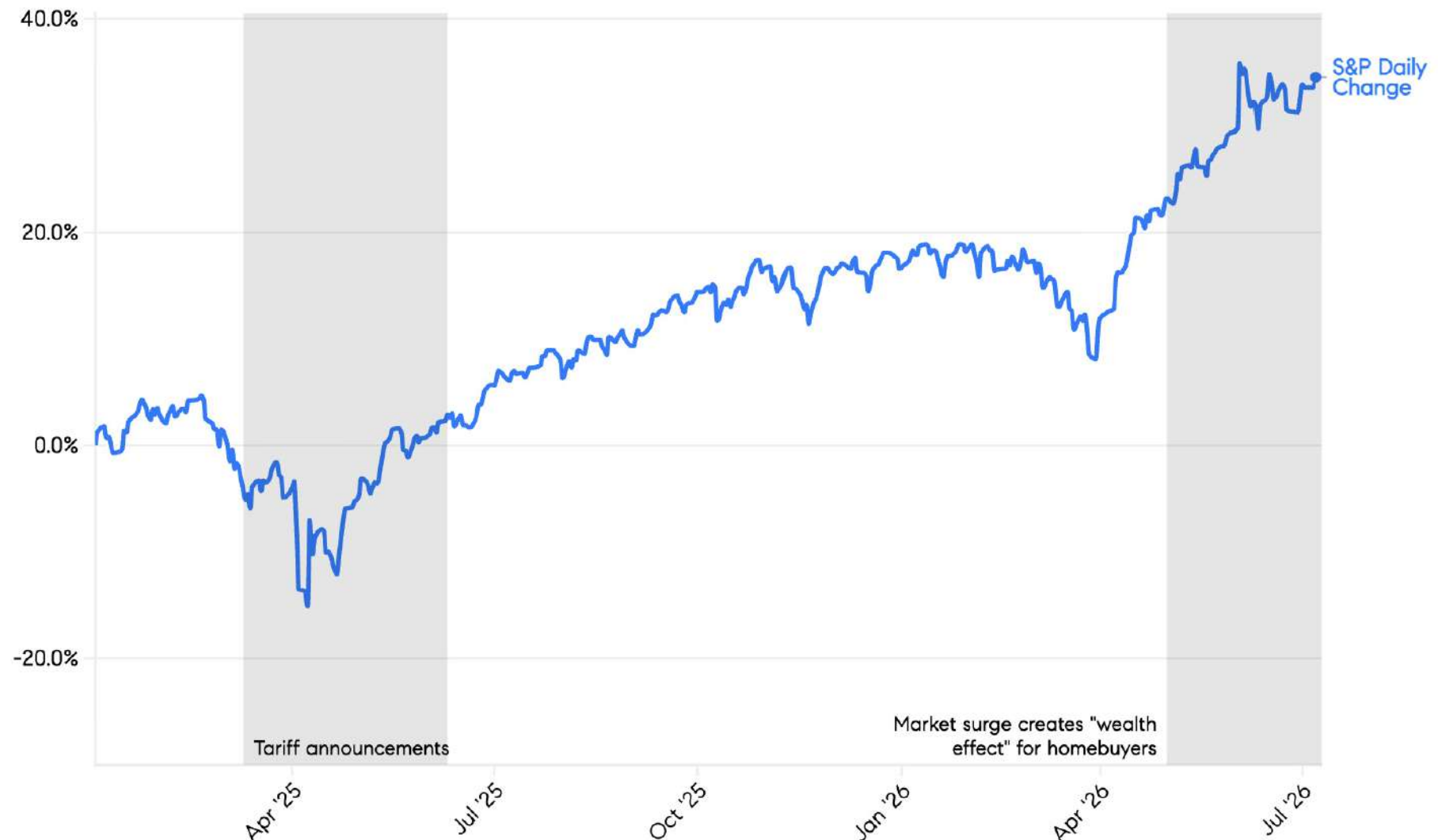
June Unemployment Declined

Headline Unemployment (U3) has moved lower since November. The June numbers defied expectations and dropped to 4.2%. Continued low unemployment implies very few distressed home sales but also generally holds interest rates higher.



Wealth Effect Drives Home Purchase Demand

With stock markets near all time highs, a powerful "wealth effect" is created for potential homebuyers. The opposite effect was felt in 2025 after tariffs slowed the economy and ate up business profits. This wealth effect has had dramatic results in the Bay Area with AI related market boom and IPOs in the pipeline.

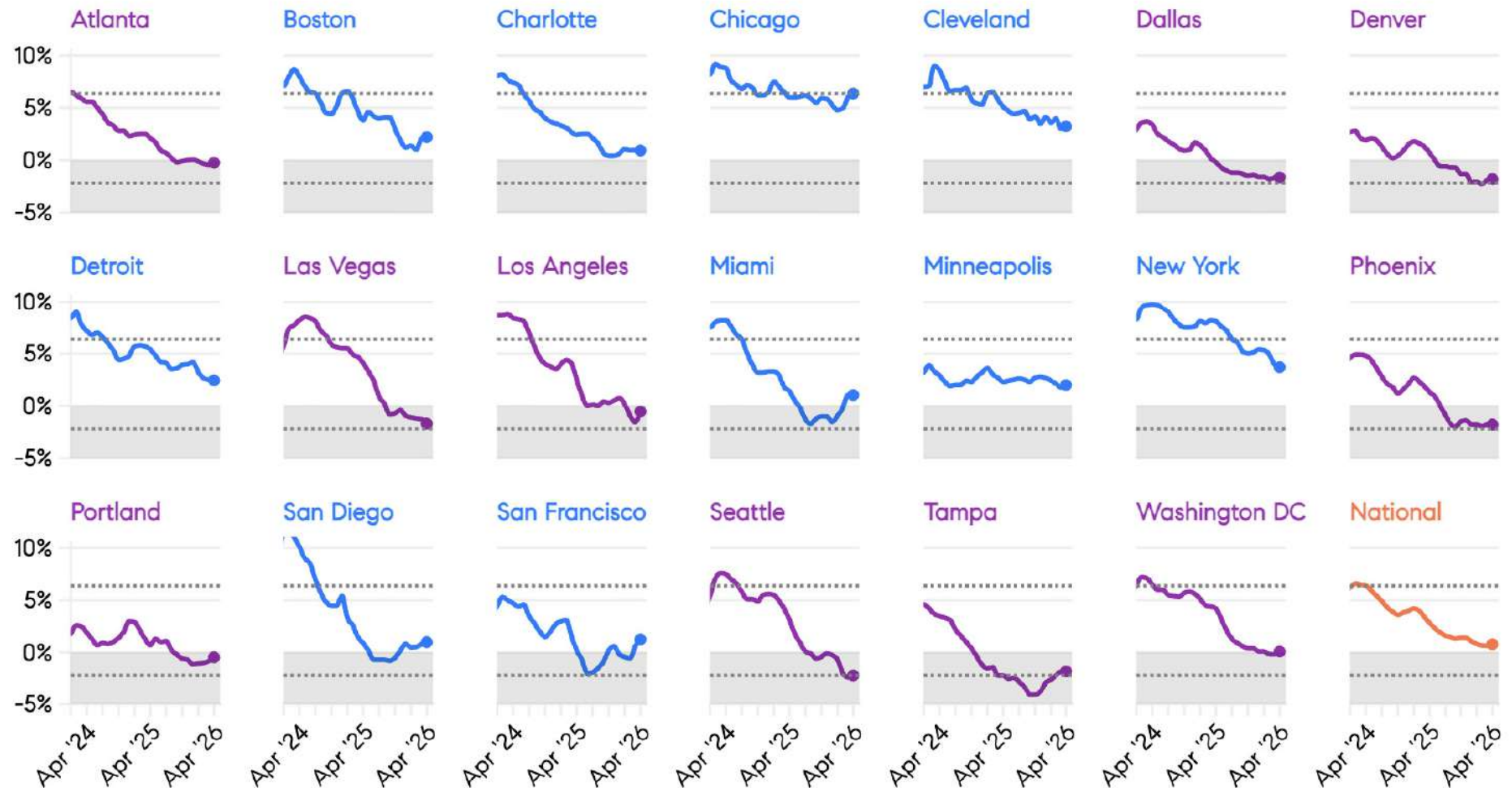


Source: MarketWatch.com
Index change vs. Jan 1, 2025

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Bay Area Sales Price Growth is Accelerating

According to the Case Shiller Index, nationally home prices are only 0.8% above last year. San Francisco prices have recently swung positive while other Western US cities show prices falling compared to last year.



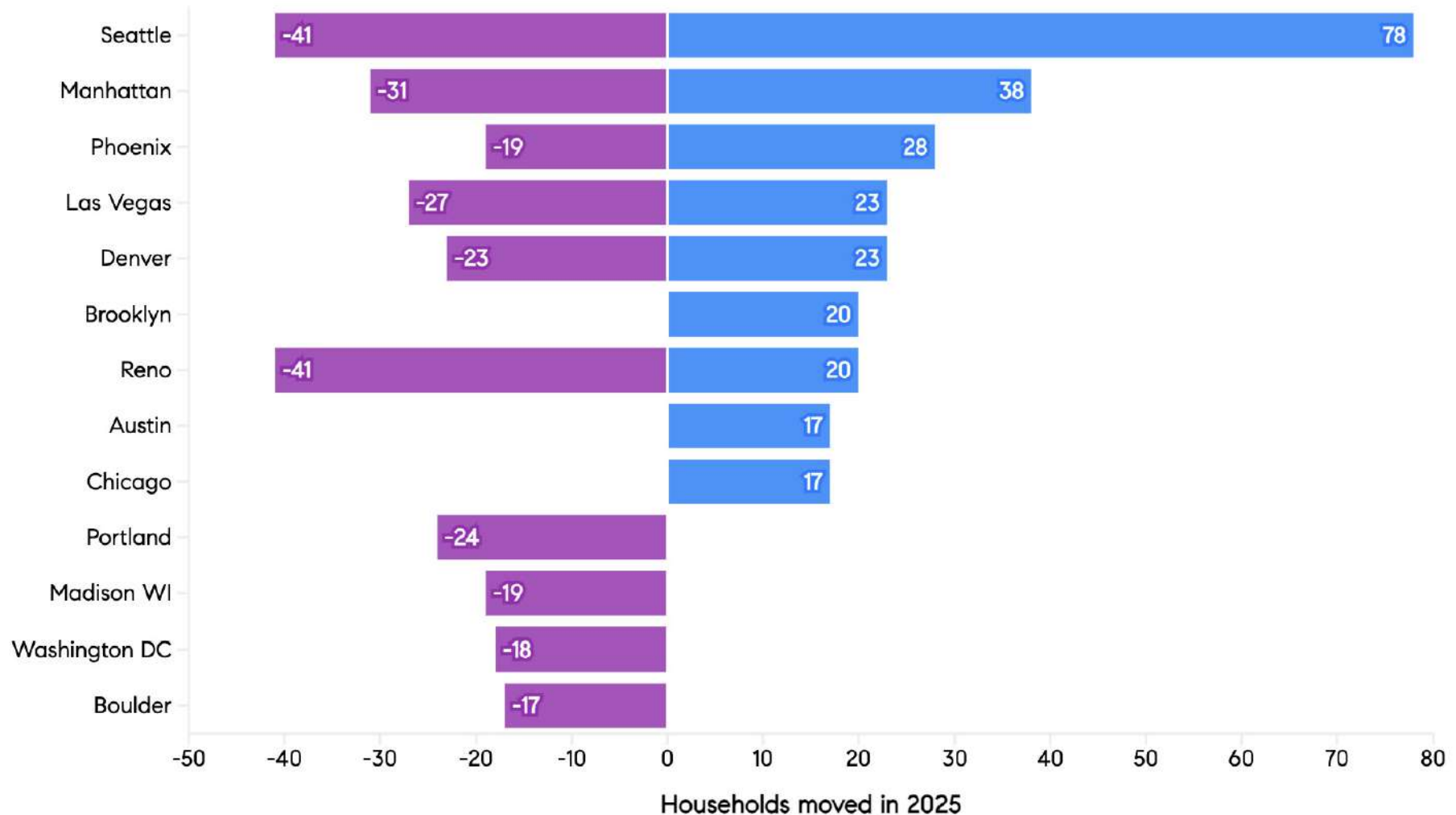
Source: S&P CoreLogic Case-Shiller • Purple cities have home price appreciation vs. March 2025. Orange cities have home price declines from Mar 2025. Dotted lines are top and bottom performing markets. Gray area is below 0%

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Bay Area Migration Sources & Destinations

In 2025, inbound migration to the Bay Area resumed for the first time in many years. Seattle and Austin are net inbound to San Francisco. Lower cost of living cities remain popular destinations for outbound movers.

■ Inbound ■ Outbound



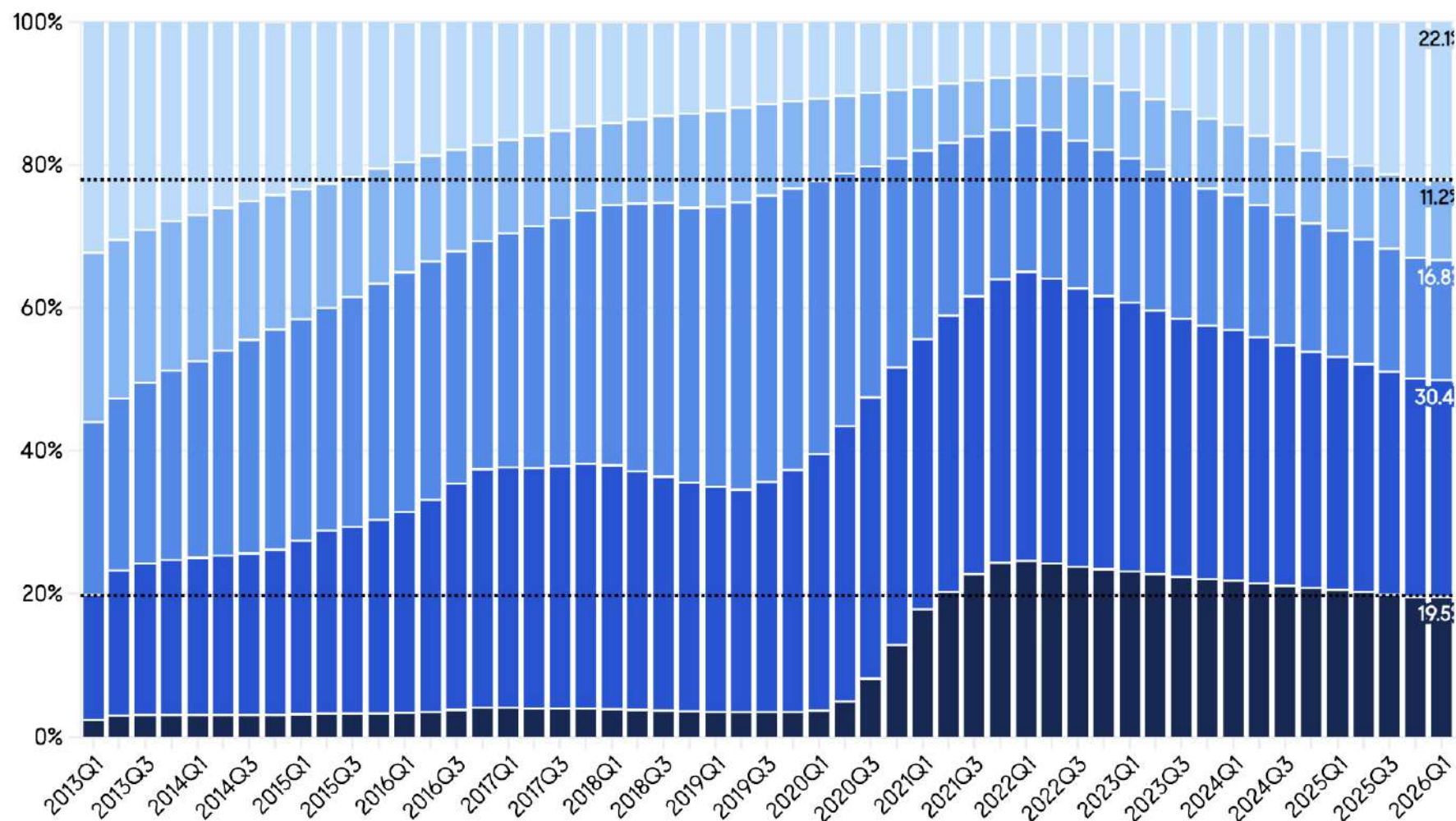
Source: Censai Analytics • Top 10 inbound and outbound counties tracked. Sources include change of address forms and voter registration changes. Likely undercounts students and non-voters.

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Expensive and Cheap Mortgages

More mortgages now carry a 6-plus% rate than under 3%. Homeowners with very cheap mortgage payments are reluctant to ever sell, so inventory remains tight and sales are fewer than normal. Over time, fewer homeowners are locked-in to ultra low rates and home sales will grow.

■ <3% Interest Rate ■ 3-4% ■ 4-5% ■ 5-6% ■ >6% Rate



Napa Market

Report created in good faith using public and proprietary data from sources deemed reliable but may contain errors and is subject to revision. Data is pulled at the end of the month, and last-period figures may still be preliminary due to late-reported activity. All numbers are approximate and may change, including Private Exclusive sales and other transactions not publicly reported at the time of publication.



Napa Market Recap

Napa County's housing market showed signs of deceleration in June. The median sale price for single-family homes declined to \$910,000, 17.3% lower than the \$1.1 million recorded in June 2025. The seasonal trend also shows median prices trending downward.

Despite softer pricing, sales activity improved from last year. There were 74 closed single-family home sales in June, 27.6% higher than the 58 sales recorded in June 2025. However, sales remain well below peak market levels, with June 2026 closed sales 40.3% lower than the 124 sales recorded in June 2022.

Inventory continues to build while pending sales remain relatively subdued. On the last day of June, Napa County had 591 active listings and 79 homes under contract, resulting in an absorption rate of 13% and 7.4 months of inventory. These metrics indicate a market that continues to favor buyers.

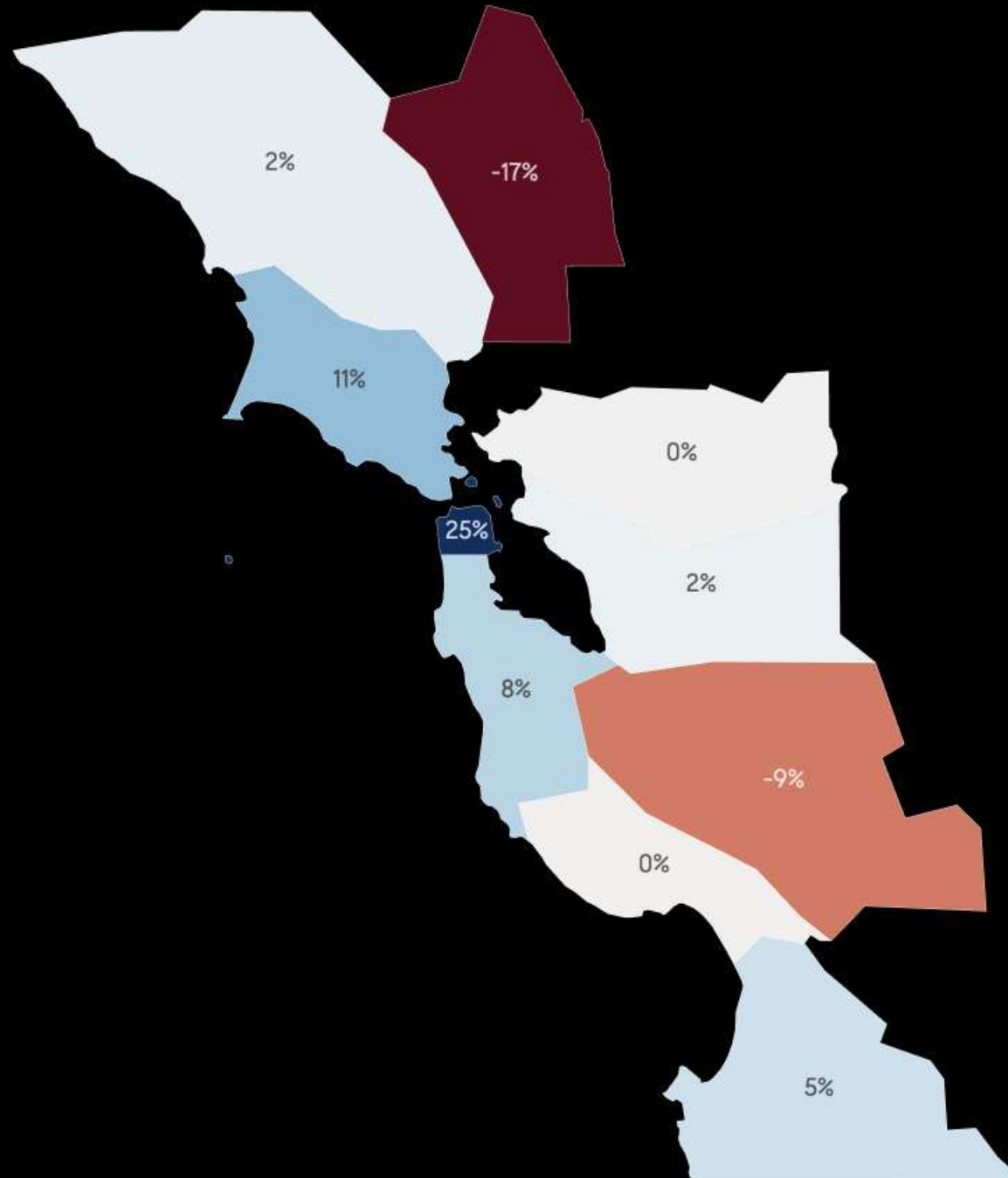
Home values also softened on a price-per-square-foot basis. The median price per square foot was \$570, compared with \$645 in June 2025, representing an 11.6% year-over-year decline. The median home sold measured approximately 1,900 square feet.

Negotiating conditions have also shifted in buyers' favor. The sale-to-list price ratio continued its downward trend that began in mid-2022, reaching 97.7% in June. This means the typical home sold for slightly below its asking price. Sellers have responded by increasing price reductions. There were 101 price reductions during June, essentially unchanged from the 99 reductions recorded one year earlier. The highest level in the current cycle occurred in July 2025, when 110 listings reduced their asking prices. Overall, price reductions continue to trend upward while the sale-to-list price ratio trends downward.

One encouraging sign is that homes are selling more quickly. Average days on market declined to 60 days in June, an 18.9% decrease from 74 days a year earlier. For much of the past year, beginning around July 2025, average marketing times were consistently near or above 100 days, peaking at approximately 122 days in March 2026. Compared with just three months ago, today's market is moving nearly twice as fast.

Overall, Napa County remains in a buyer-favored market characterized by rising inventory, increased negotiating leverage, and moderating home prices, although sales activity has improved from last year's levels.

Home Price Change vs 2025

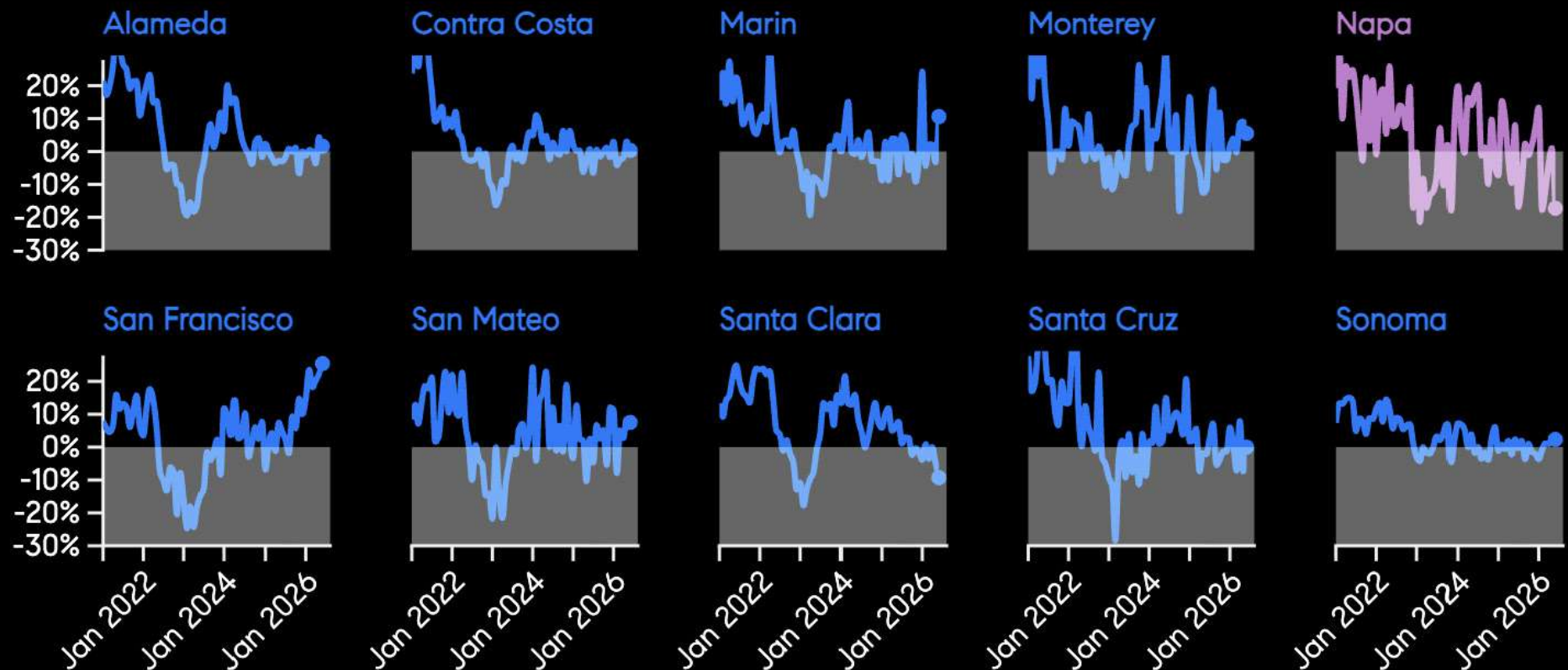


Source: Compass via MLS data • Median sales price single family homes

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Home Price Changes Over Time

Median sales prices in Napa experienced one of the largest year-over-year decreases for the region, declining 17.3%.



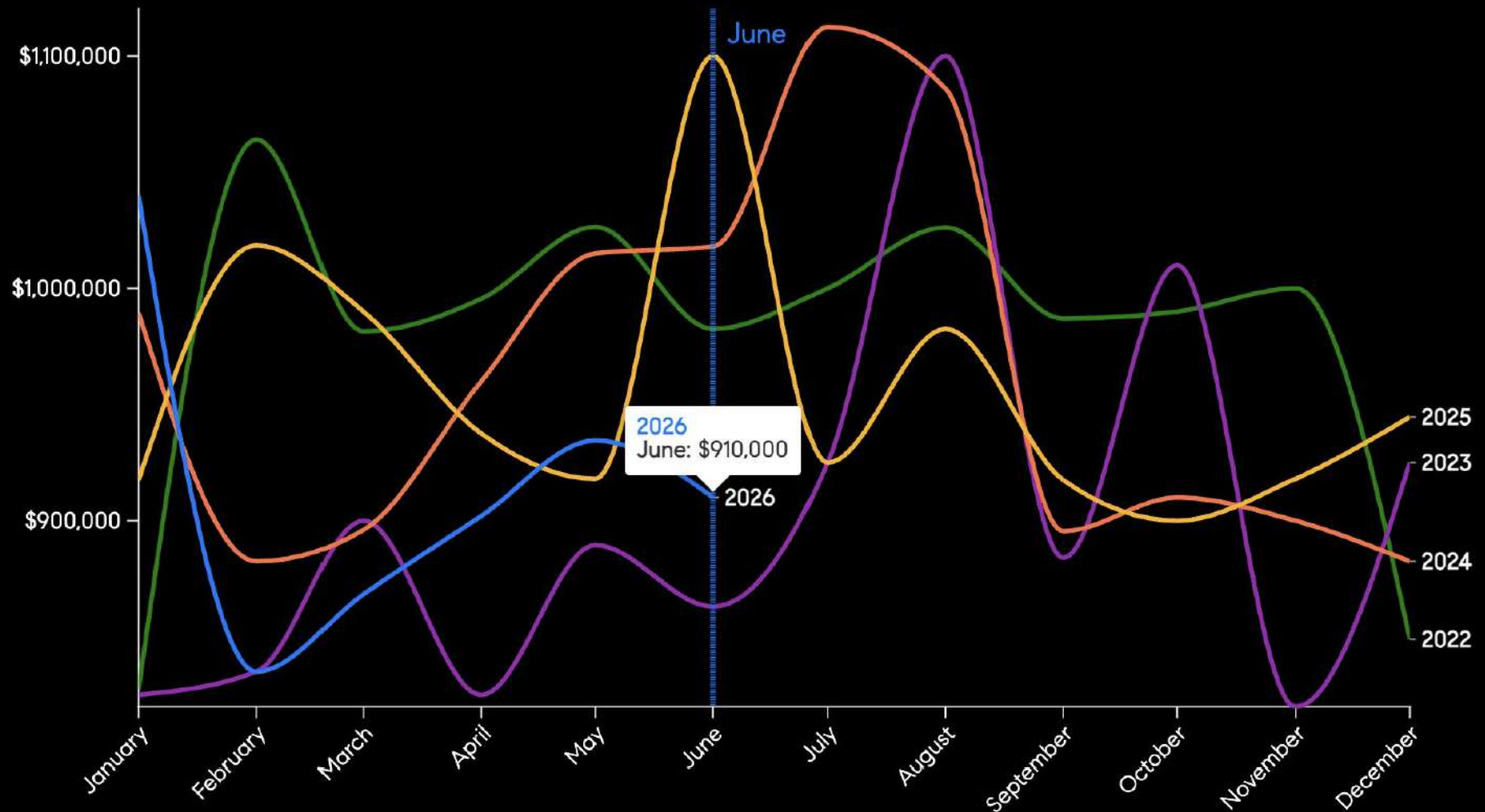
Source: Compass via MLS data • Median sales price for single family homes, change vs same month 1 year prior

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Median Sale Price

Single Family Homes

Napa County



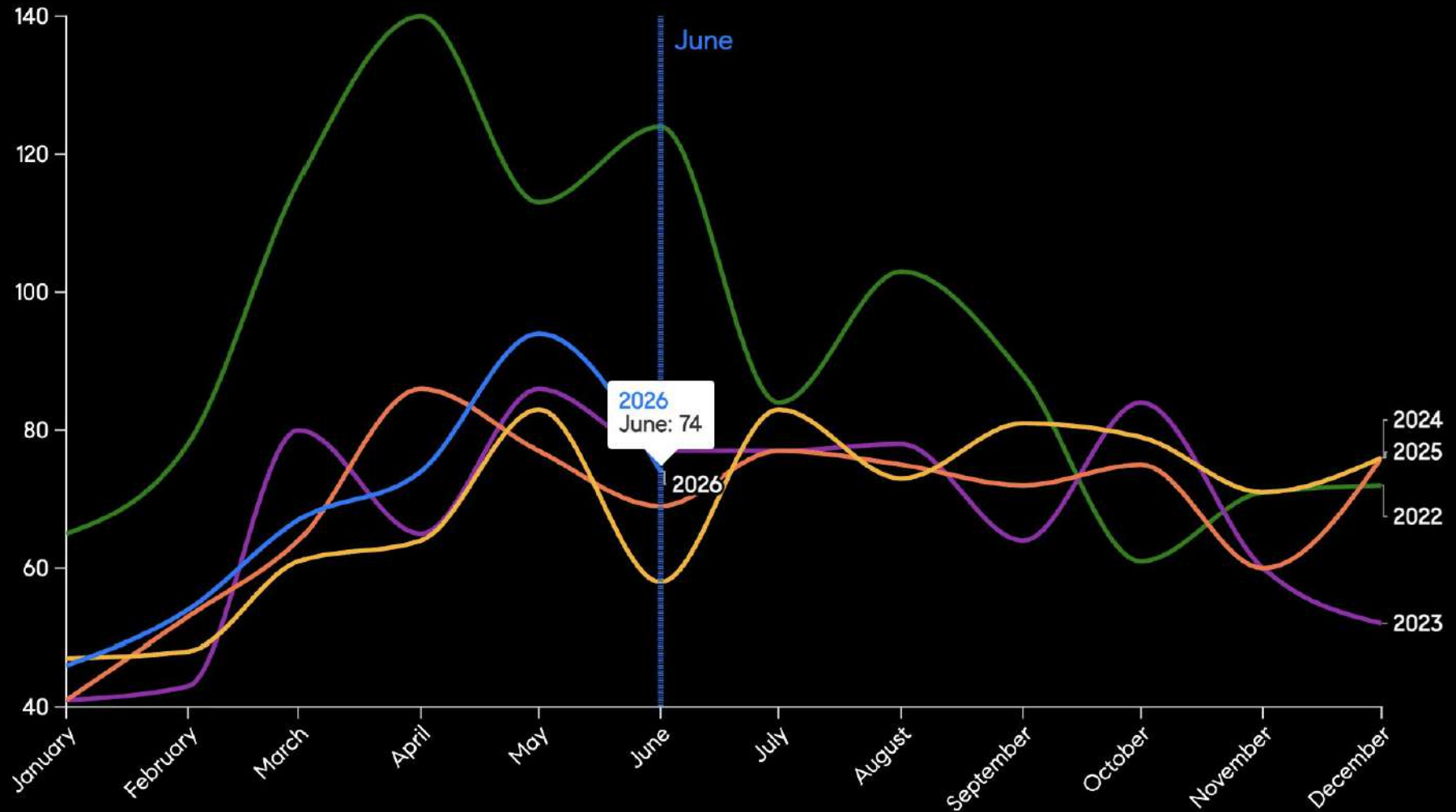
Source: Compass via MLS · Single Family

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Closed Sales

Single Family Homes

Napa County



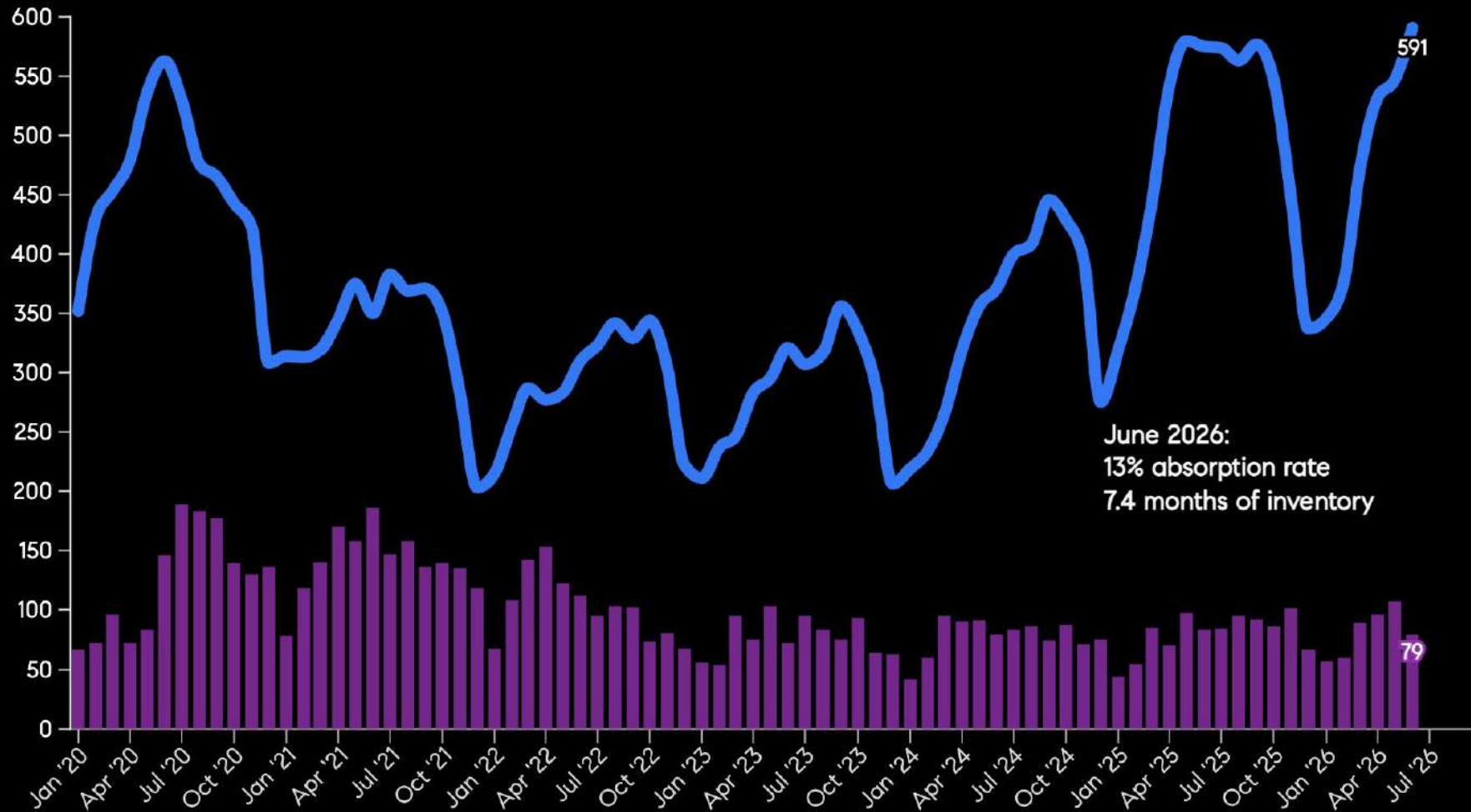
Source: Compass via MLS · Single Family

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Active Listings and Pending Sales

Napa County

Active Pending

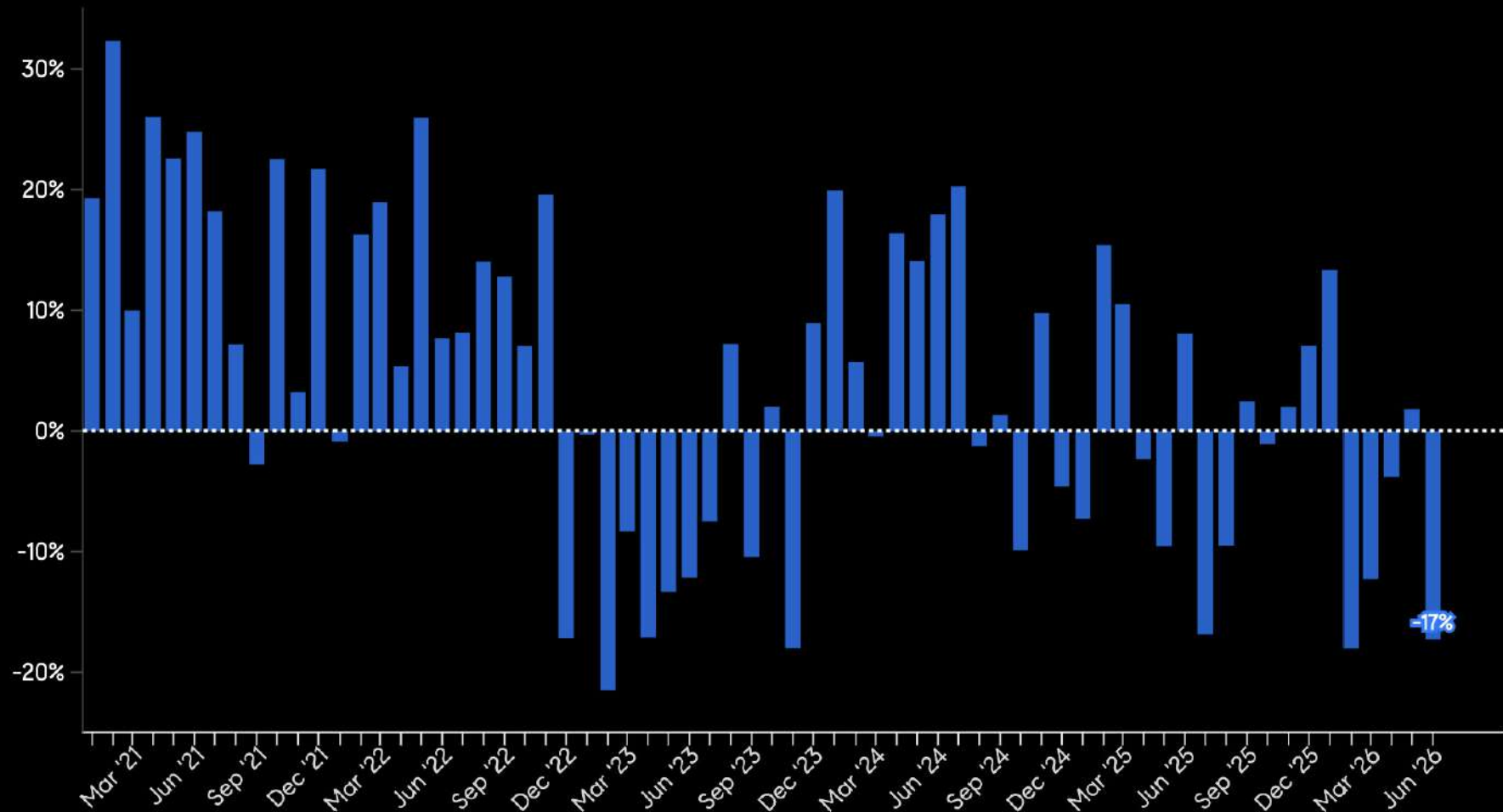


Source: Compass via MLS · Single Family Homes and Condos

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Median Price Year Over Year Change

Napa County

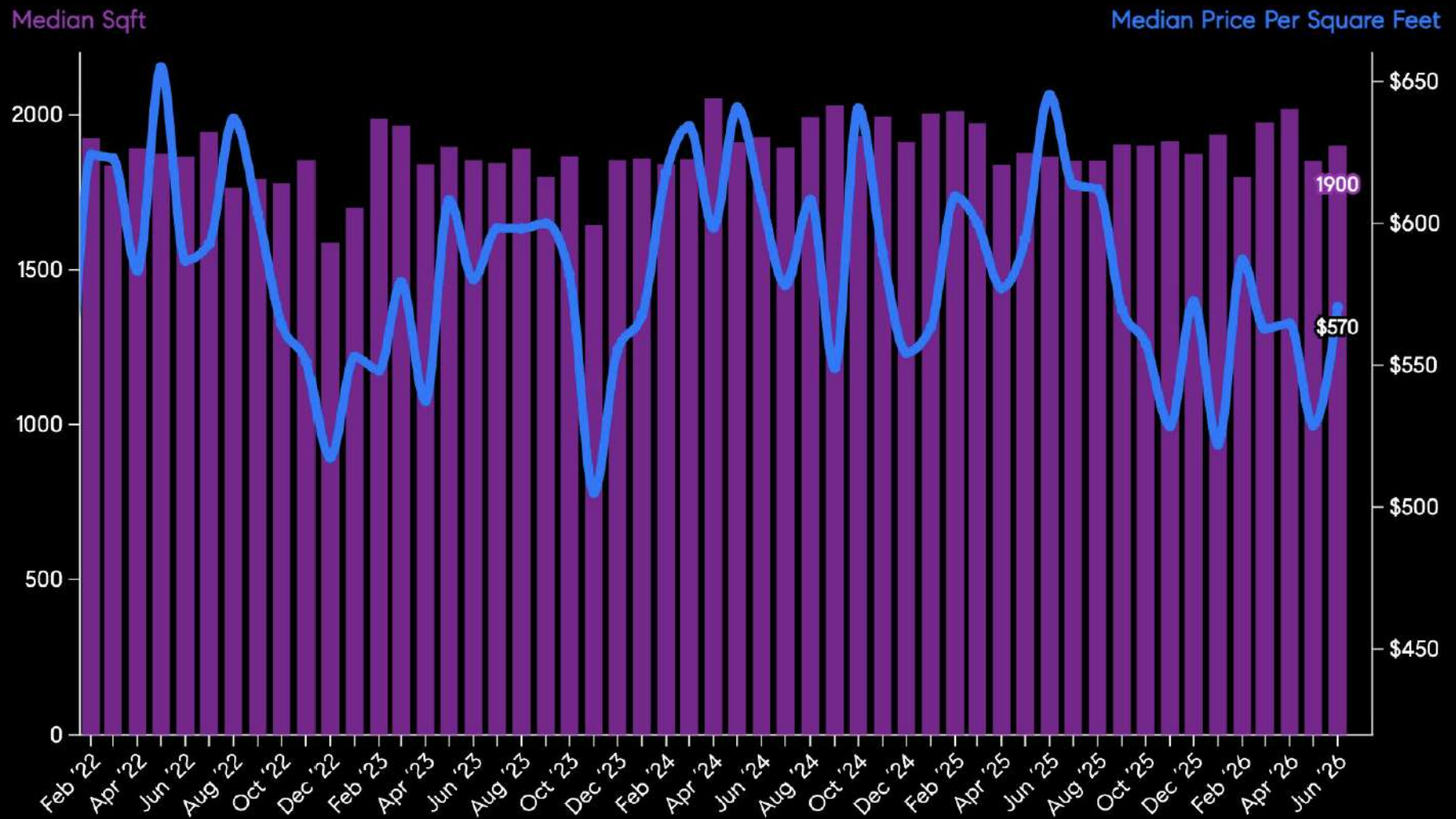


Source: Compass via MLS

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Price Per Square Foot and Median Square Feet

Napa County

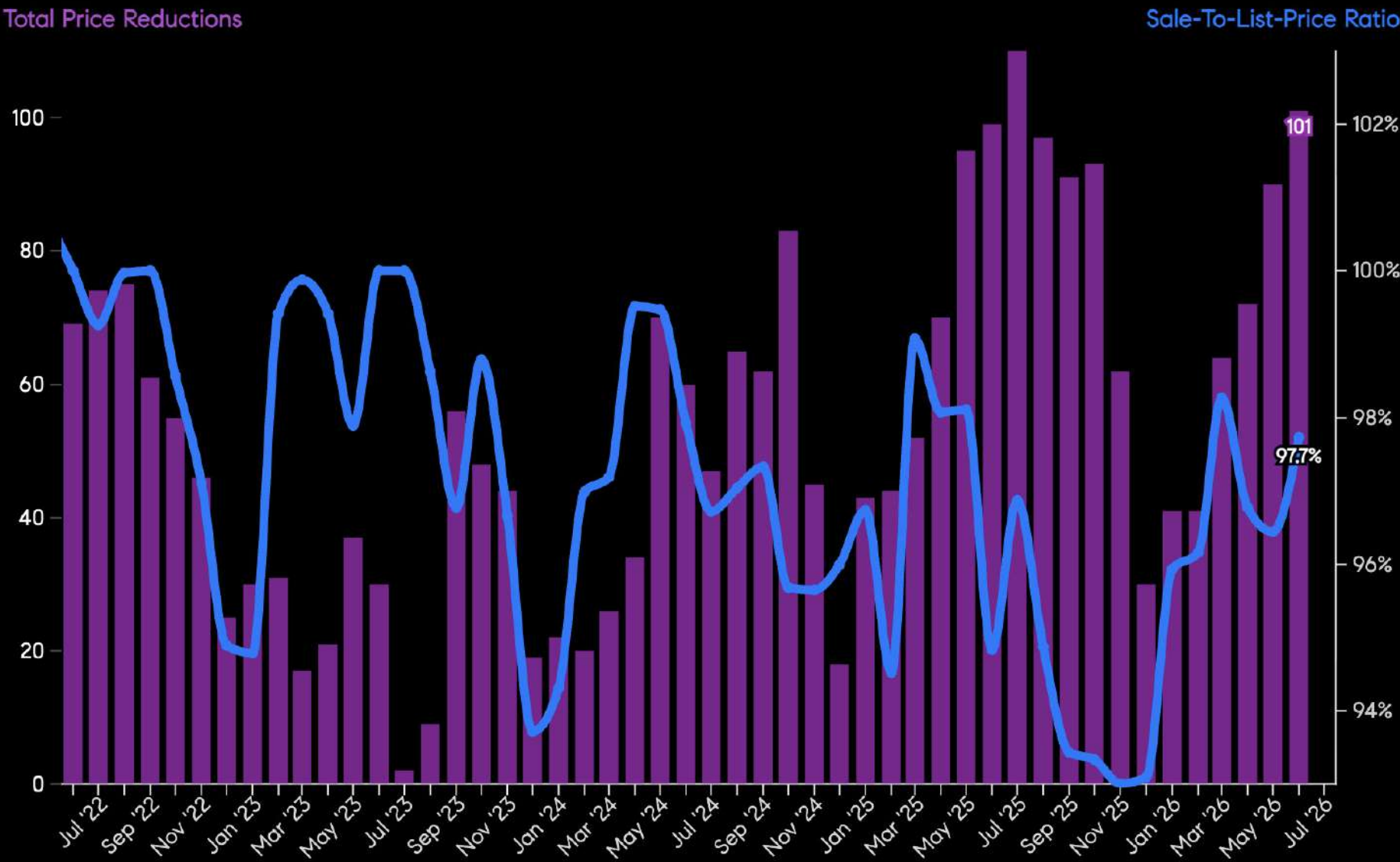


Source: Compass via MLS data · Single Family Homes

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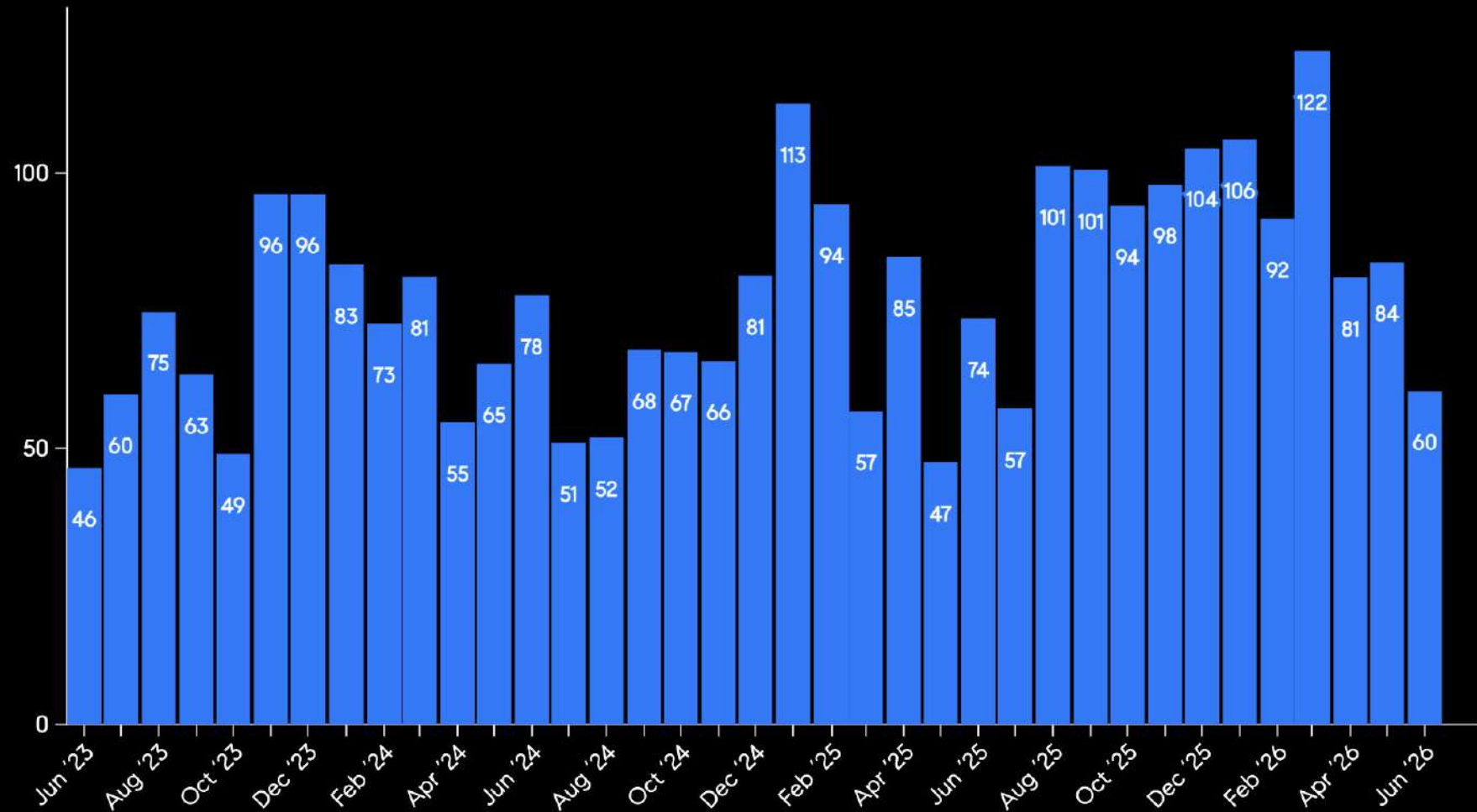
Sale-To-List-Price Ratio

Napa County ▼



Average Days on Market

Napa County



Source: Compass via MLS

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Napa + Nearby Sonoma Neighborhoods

June 12 month rolling average for local single family homes

City	Median Sale Price	MDN % Change	PPSFT	Closed Sales	Closed % Change	Pendings
American Canyon	\$729,000	0.02	\$367	72	-0.12	85
Angwin	\$950,000	0.01	\$475	13	0	13
Calistoga	\$1,470,000	0.11	\$707	44	0.22	47
Napa	\$925,000	-0.04	\$569	650	0.12	658
St. Helena	\$1,950,000	0.09	\$884	81	0.23	85
Yountville	\$1,350,000	-0.09	\$1,023	17	0.21	17



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