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## Sonoma County Real Estate

March 2026 Report

with market data through February

COMPASS

## **The Market Begins to Accelerate**

**Moving into spring, rising buyer demand vs. an inadequate supply of homes for sale is heating up the Sonoma County housing market. The number of sales and accepted-offer activity are increasing, homes are selling faster and the number of sales over asking price is growing.**

**The upcoming months are typically the most active of the year and on current trends, conditions are expected to generate upward pressure on home values. Median home sales prices often hit their calendar-year highs in spring or summer.**

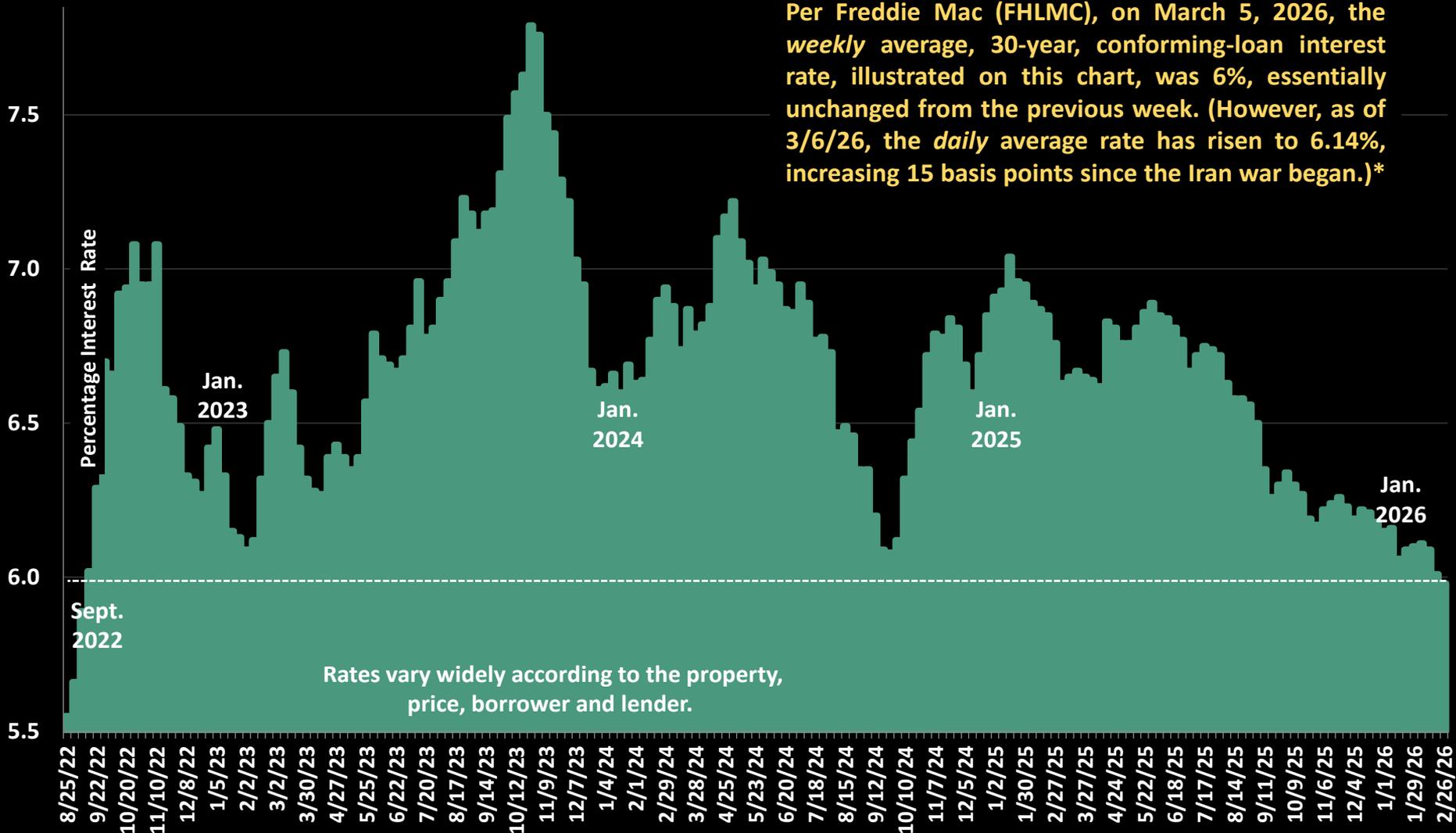
**The wild card in coming months is what sustained effects, if any, the Iran war may have on inflation, interest rates, financial markets and consumer confidence. There may be no significant impact on housing, unlike the tariff shock which caused an abrupt slowdown in last year's spring market.**

**Report created in good faith using data from sources deemed reliable but may contain errors and subject to revision. Last period figures are preliminary estimates based on data available early in the following month. All numbers approximate and may change with late-reported activity.**

# Mortgage Interest Rates, August 2022 to 2026 YTD

## 30-Year Conforming Fixed-Rate Loans, Weekly Average Readings\*

Per Freddie Mac (FHLMC), on March 5, 2026, the weekly average, 30-year, conforming-loan interest rate, illustrated on this chart, was 6%, essentially unchanged from the previous week. (However, as of 3/6/26, the daily average rate has risen to 6.14%, increasing 15 basis points since the Iran war began.)\*



\*Freddie Mac (FHLMC), 30-Year Fixed Rate Mortgage Weekly Average: <https://www.freddiemac.com/pmms>. Data from sources deemed reliable. Different sources of mortgage data sometimes vary in their determinations of daily and weekly rates. Daily Average Rate from Mortgage News Daily. All numbers approximate.

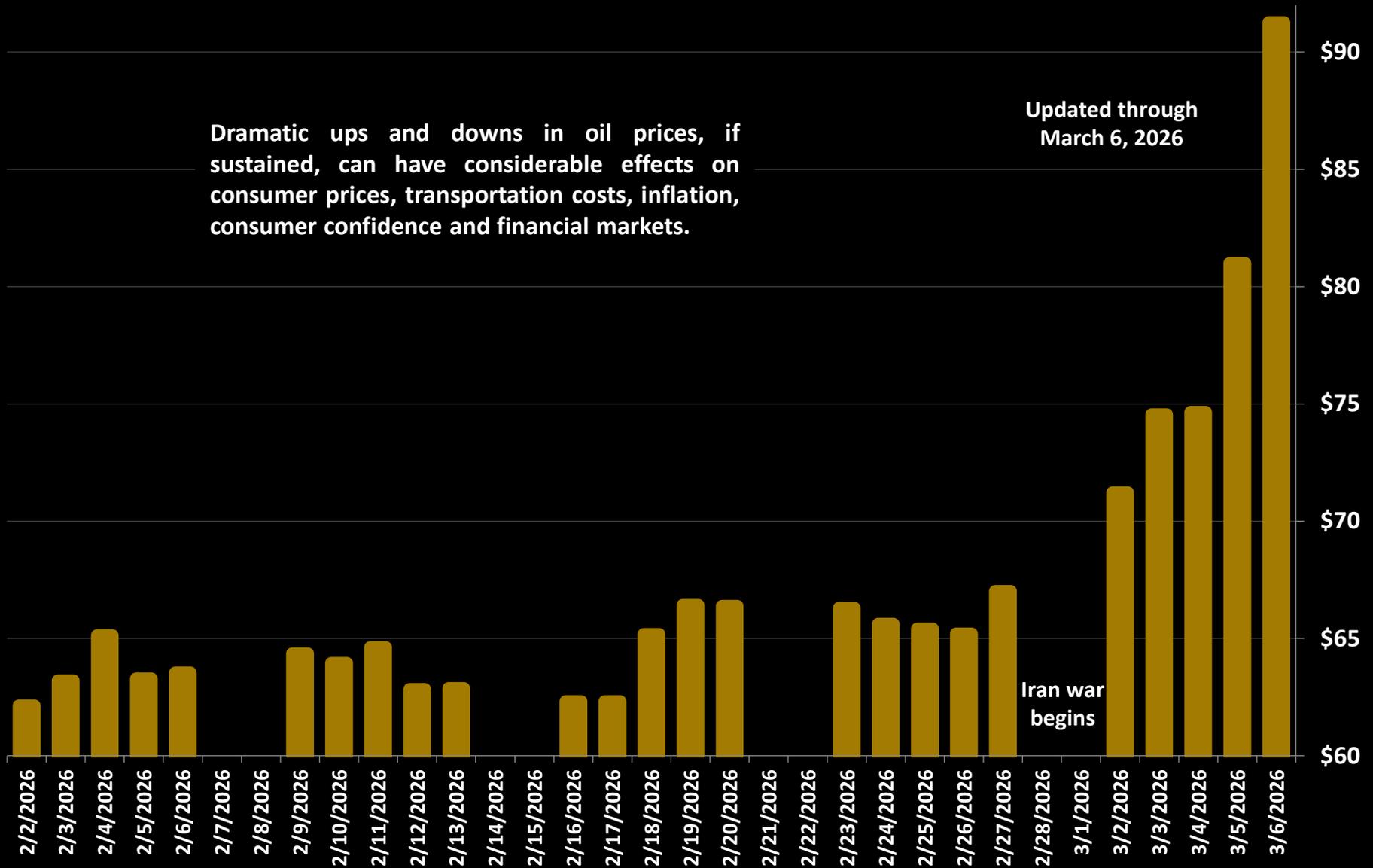


# Crude Oil, Price per Barrel

Since February 2, 2026\*

Dramatic ups and downs in oil prices, if sustained, can have considerable effects on consumer prices, transportation costs, inflation, consumer confidence and financial markets.

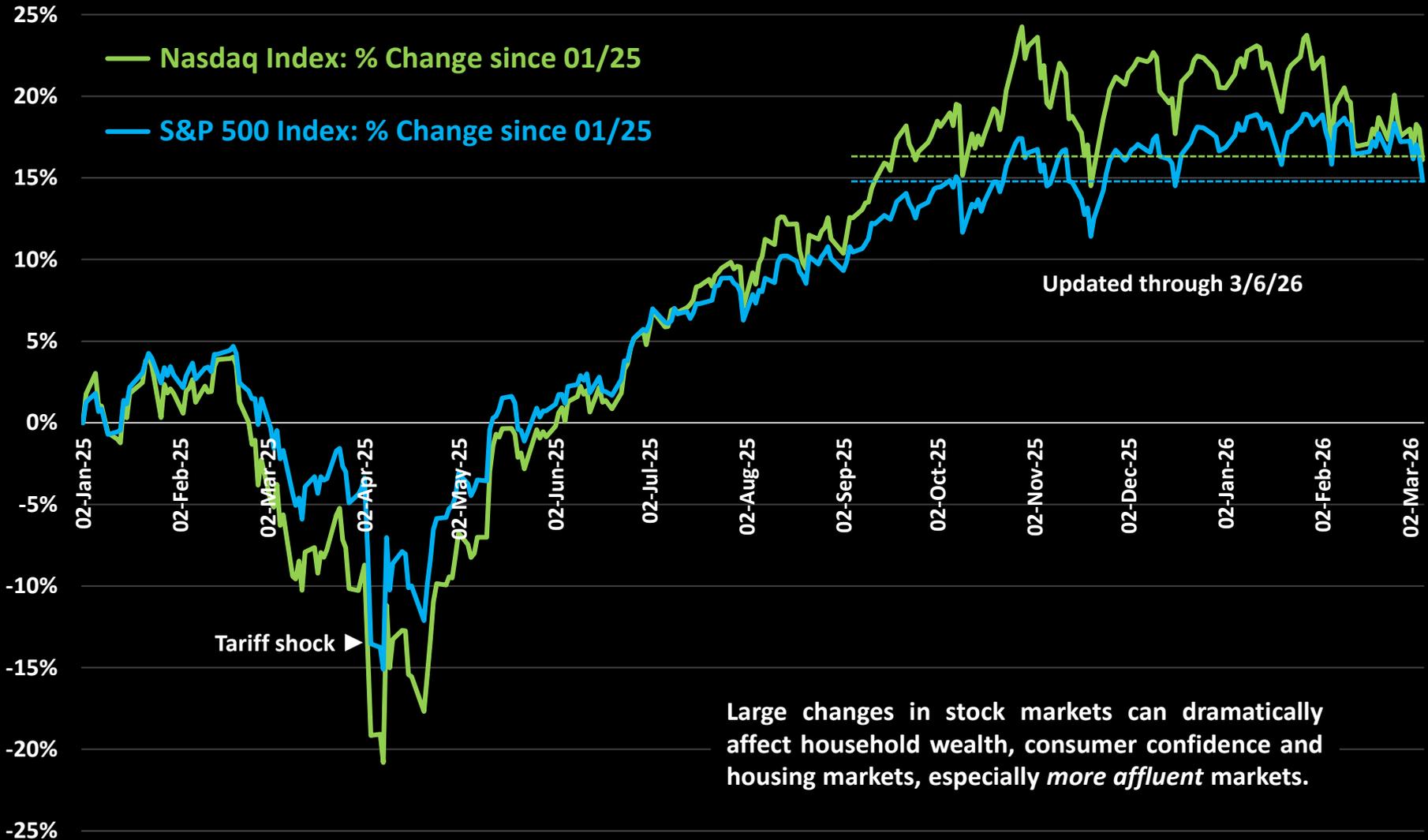
Updated through  
March 6, 2026



\*Per Yahoo! Finance, <https://finance.yahoo.com/quote/CL%3DF/history/>. Data from sources deemed reliable but may contain errors. All numbers should be considered approximate.

# Financial Markets, 2025 – 2026 YTD

Percentage Increases in S&P 500 & Nasdaq since 1/2/25



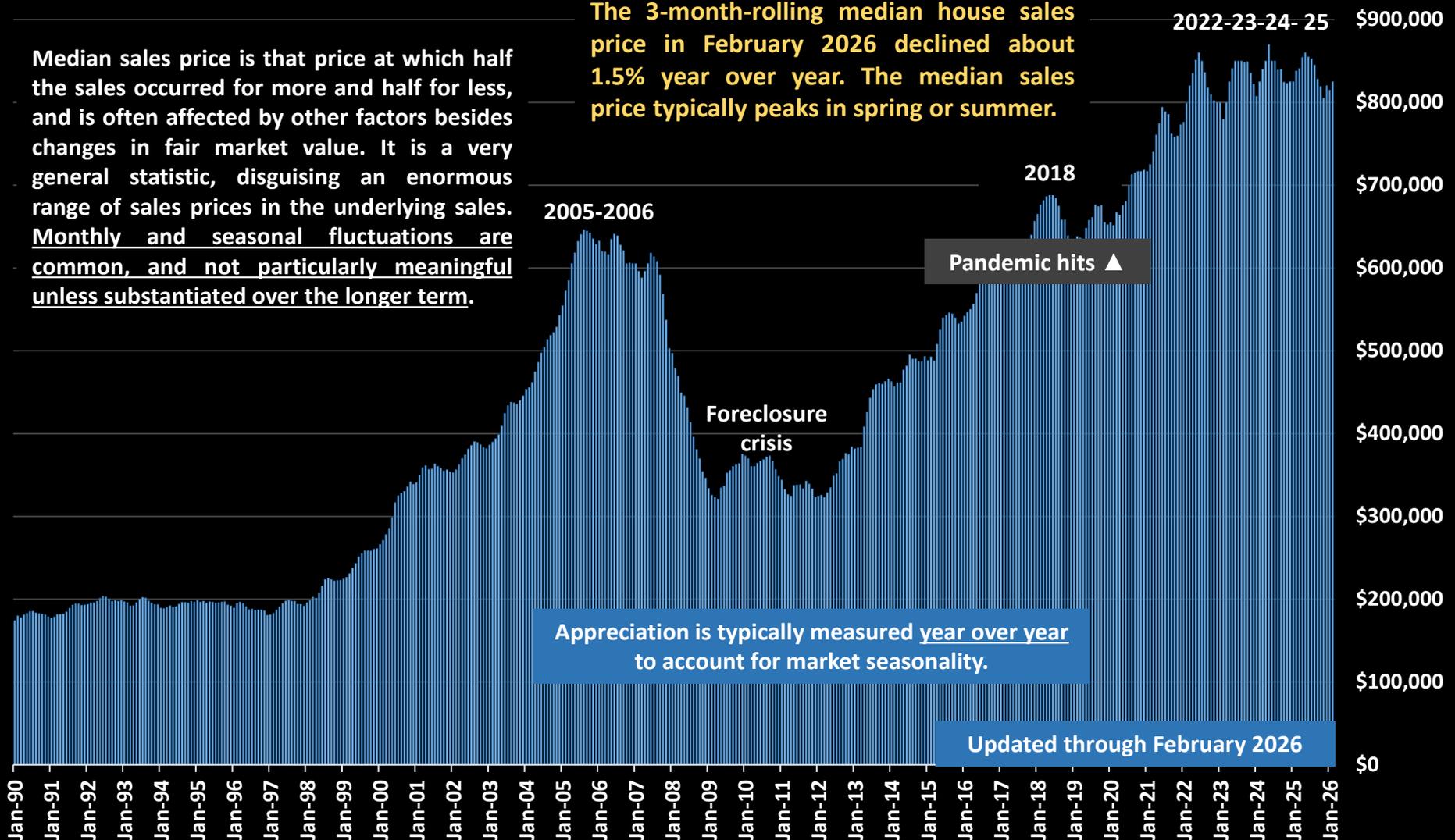
Data per MarketWatch.com, <https://www.marketwatch.com/investing/index/comp/download-data> and <https://www.marketwatch.com/investing/index/spx/download-data>. Data from source deemed reliable but may contain errors and subject to revision. Financial market values change constantly and all numbers to be considered approximate.

# Sonoma County House Price Trends since 1990

## Monthly Median House Sales Prices, 3-Month Rolling

Median sales price is that price at which half the sales occurred for more and half for less, and is often affected by other factors besides changes in fair market value. It is a very general statistic, disguising an enormous range of sales prices in the underlying sales. Monthly and seasonal fluctuations are common, and not particularly meaningful unless substantiated over the longer term.

The 3-month-rolling median house sales price in February 2026 declined about 1.5% year over year. The median sales price typically peaks in spring or summer.



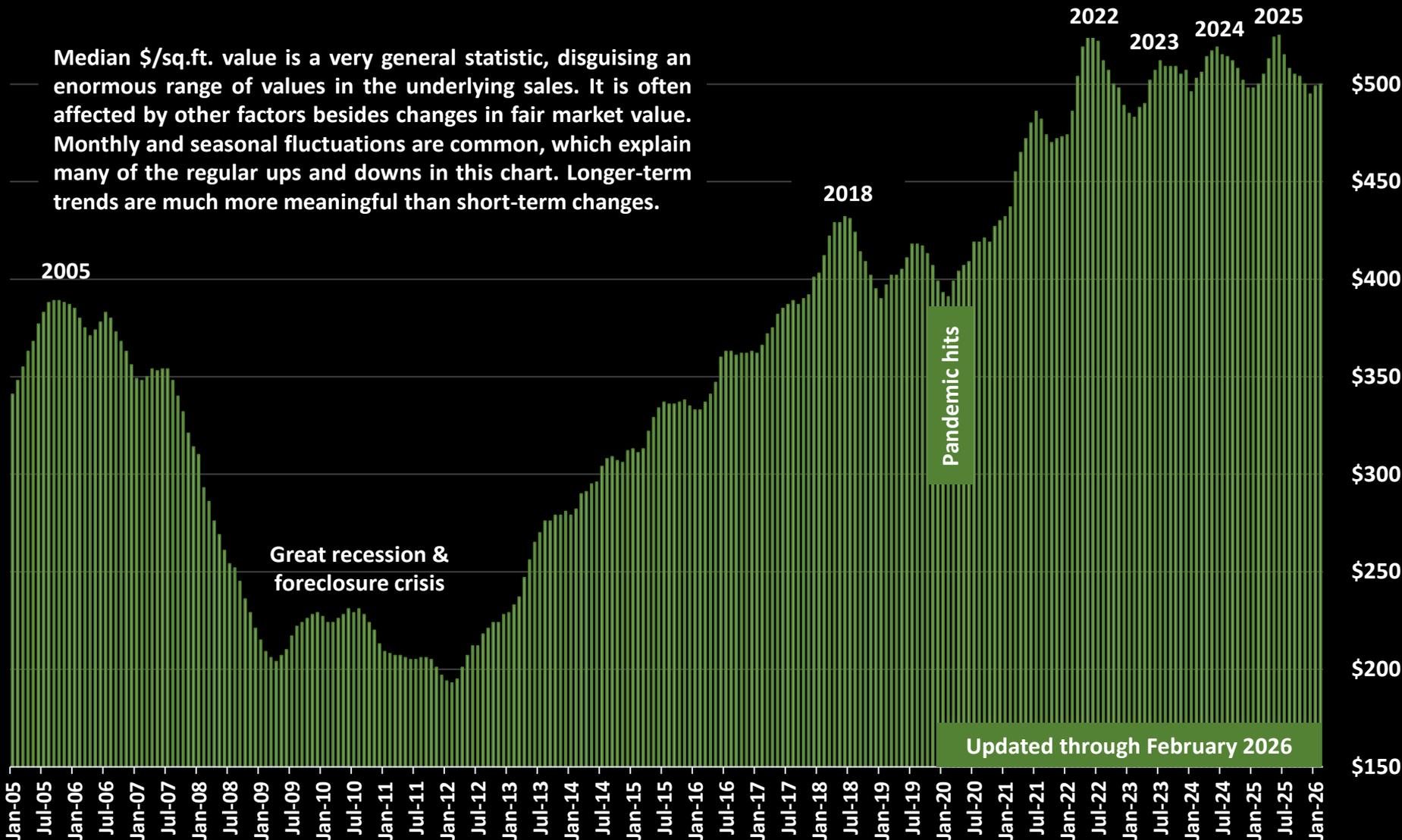
3-month rolling, monthly median house sales prices, per CA Association of Realtors or NorCal MLS Alliance. Analysis may contain errors and is subject to revision. All numbers approximate and may change with late-reported sales.

# Sonoma County House Value Trends since 2005

## 3-Month-Rolling Median Dollar per Square Foot Values\*

The 3-month-rolling median house \$/sq.ft. value in February 2026 was unchanged year over year.

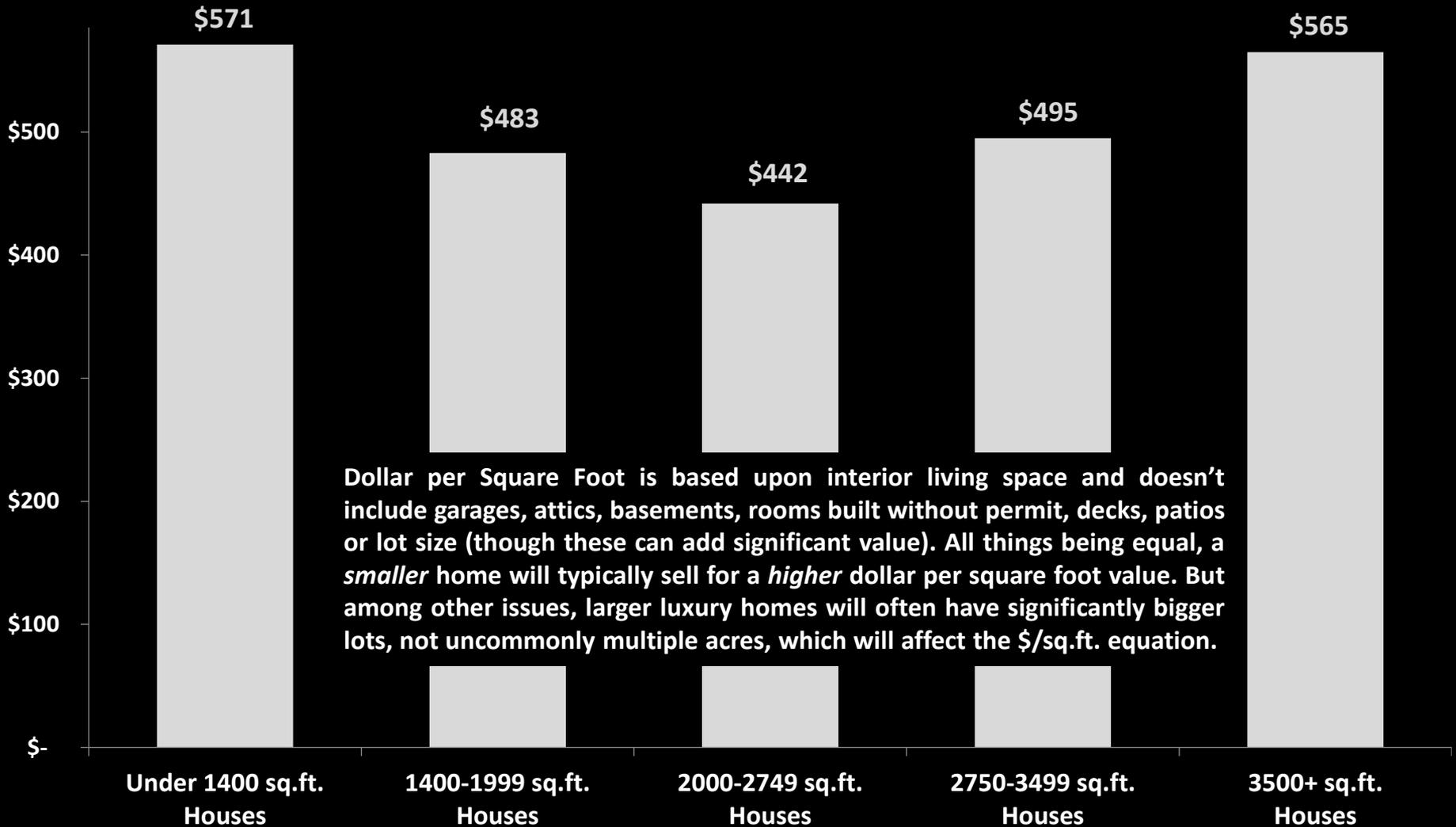
Median \$/sq.ft. value is a very general statistic, disguising an enormous range of values in the underlying sales. It is often affected by other factors besides changes in fair market value. Monthly and seasonal fluctuations are common, which explain many of the regular ups and downs in this chart. Longer-term trends are much more meaningful than short-term changes.



\*3-month rolling median house sales values reported to NorCal MLS Alliance, per Infosparks. Analysis may contain errors and subject to revision. All numbers approximate and may change with late-reported sales.

# Median Dollar per Square Foot Value by Home Size

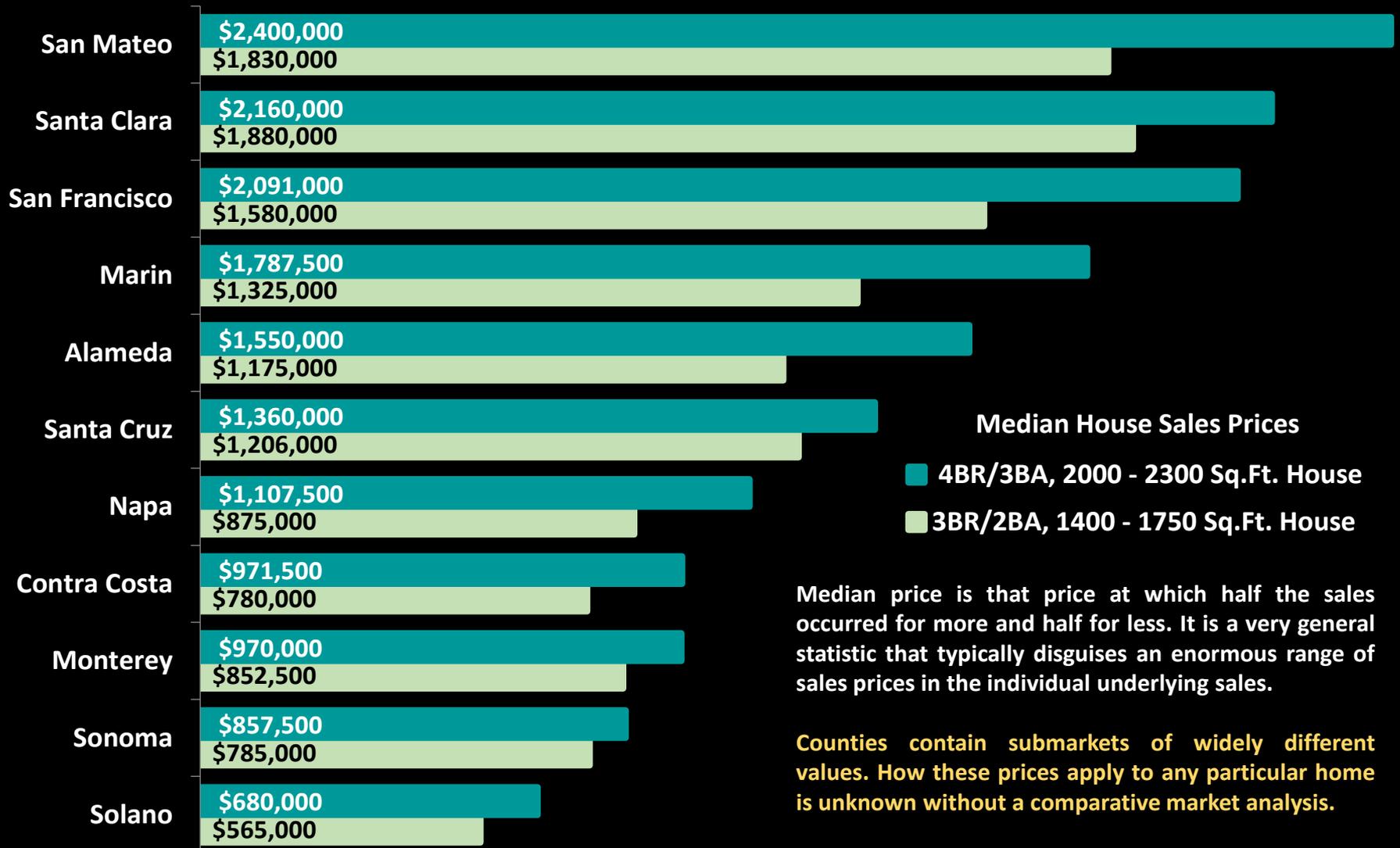
Sonoma County 2025 Sales\*



Dollar per Square Foot is based upon interior living space and doesn't include garages, attics, basements, rooms built without permit, decks, patios or lot size (though these can add significant value). All things being equal, a *smaller* home will typically sell for a *higher* dollar per square foot value. But among other issues, larger luxury homes will often have significantly bigger lots, not uncommonly multiple acres, which will affect the \$/sq.ft. equation.

\*Sales reported to NorCal Alliance. How these values apply to any specific home is unknown without a comparative market analysis. Data derived from sources deemed reliable but may contain errors and is subject to revision. All numbers approximate.

# Median House Sales Prices: 3-Bedroom & 4-Bedroom Homes by Greater Bay Area County, 12 Months Sales\*



Median price is that price at which half the sales occurred for more and half for less. It is a very general statistic that typically disguises an enormous range of sales prices in the individual underlying sales.

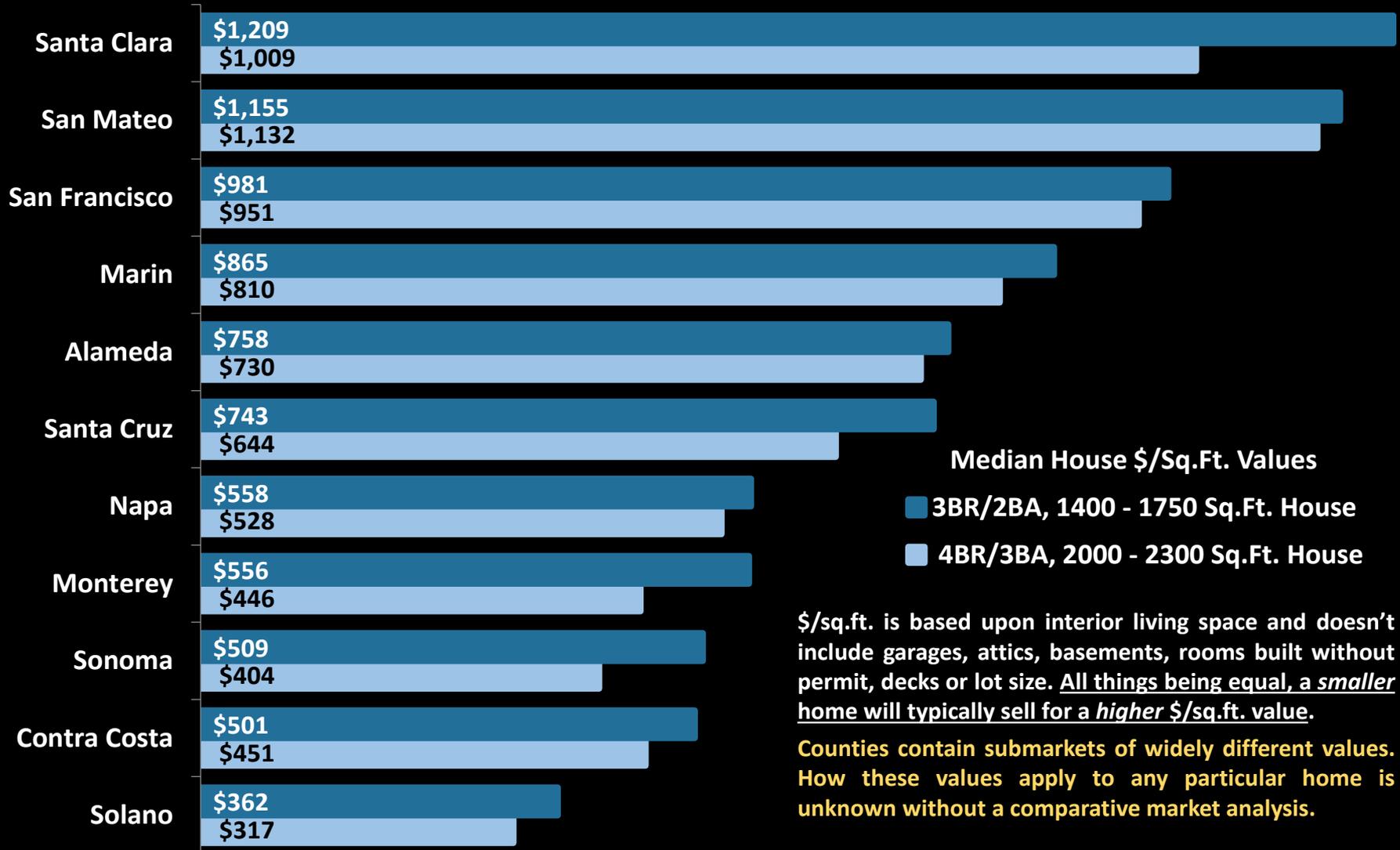
Counties contain submarkets of widely different values. How these prices apply to any particular home is unknown without a comparative market analysis.

Sales reported to NorCal MLS Alliance in the 12 months through 2/28/26. Data from sources deemed reliable but may contain errors and subject to revision. Not all sales are reported to MLS. All numbers approximate and may change with late-reported sales.



# Median House Dollar per Square Foot Values

## by Greater Bay Area County, 12 Months Sales\*



Median House \$/Sq.Ft. Values

- 3BR/2BA, 1400 - 1750 Sq.Ft. House
- 4BR/3BA, 2000 - 2300 Sq.Ft. House

\$/sq.ft. is based upon interior living space and doesn't include garages, attics, basements, rooms built without permit, decks or lot size. All things being equal, a smaller home will typically sell for a higher \$/sq.ft. value.

Counties contain submarkets of widely different values. How these values apply to any particular home is unknown without a comparative market analysis.

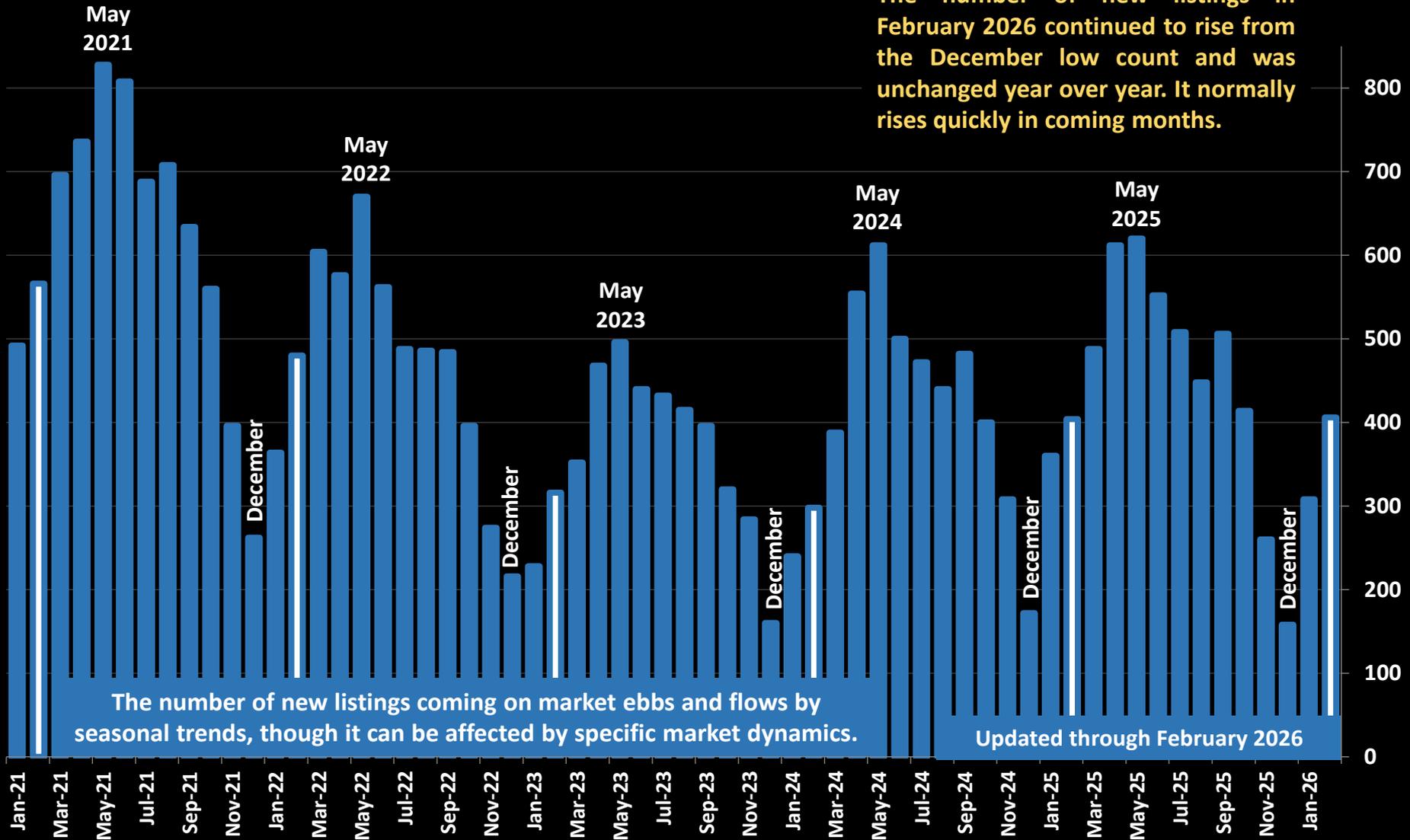
Sales reported to NorCal MLS Alliance in the 12 months through 2/28/26. Data from sources deemed reliable but may contain errors and subject to revision. Not all sales are reported to MLS. All numbers approximate and may change with late-reported sales.



# New Listings Coming on Market

## Sonoma County Market Dynamics & Seasonality

The number of new listings in February 2026 continued to rise from the December low count and was unchanged year over year. It normally rises quickly in coming months.



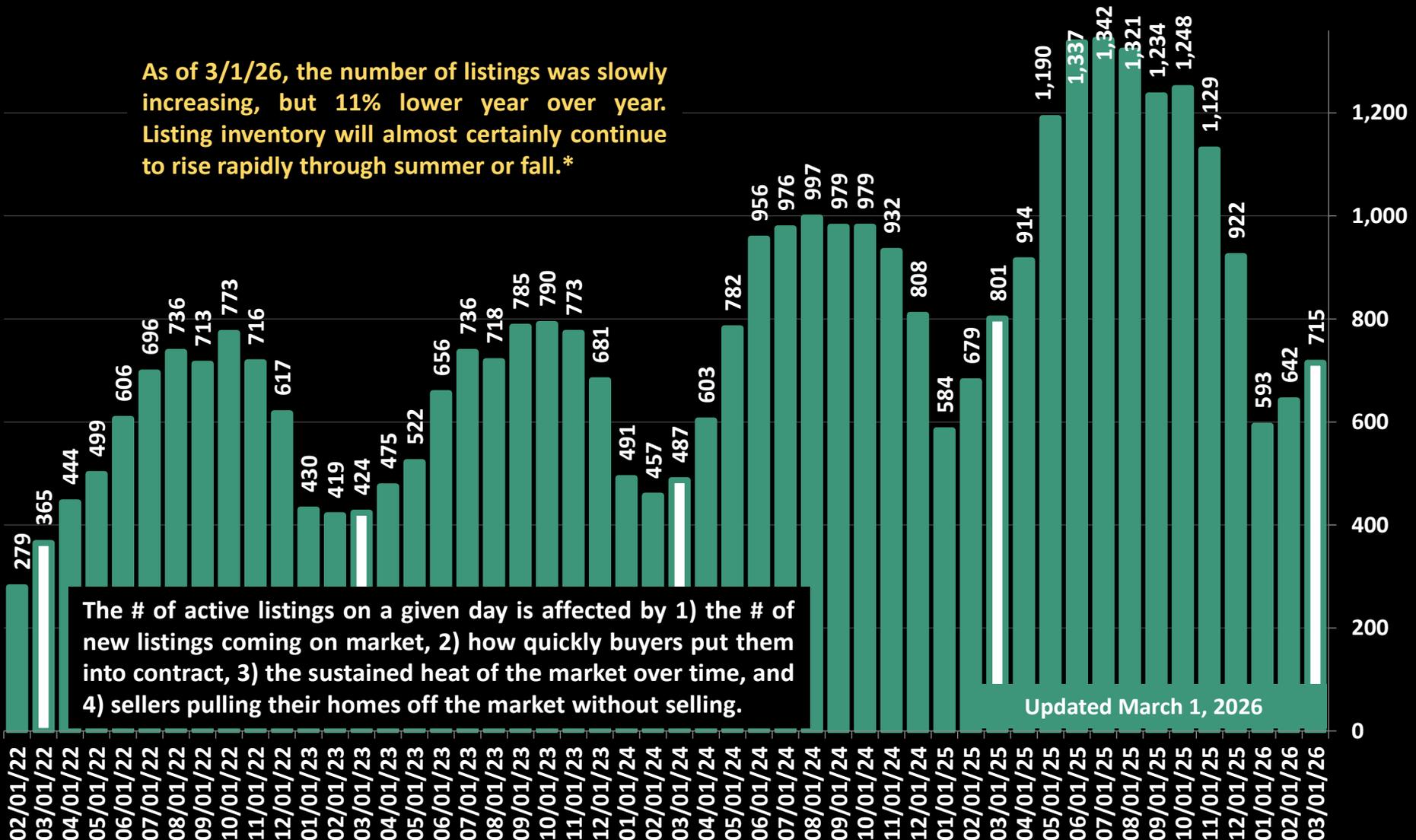
Per Realtor.com Research: <https://www.realtor.com/research/data/>, listings posted on site. Data from sources deemed reliable but may contain errors and subject to revision. May not include "coming-soon" listings. All numbers are approximate.



# Sonoma County Homes Market

## Active & Coming-Soon Listings on 1<sup>st</sup> of Month\*

As of 3/1/26, the number of listings was slowly increasing, but 11% lower year over year. Listing inventory will almost certainly continue to rise rapidly through summer or fall.\*



The # of active listings on a given day is affected by 1) the # of new listings coming on market, 2) how quickly buyers put them into contract, 3) the sustained heat of the market over time, and 4) sellers pulling their homes off the market without selling.

Updated March 1, 2026

\* Active/Coming-Soon listings posted to NorCal MLS Alliance. Data from sources deemed reliable but may contain errors and subject to revision. Not all listings are posted to MLS. All numbers approximate. The number of active listings constantly changes.



# Sonoma County: Supply vs. Demand

# of Listings on Market vs. Average Monthly Sales\*

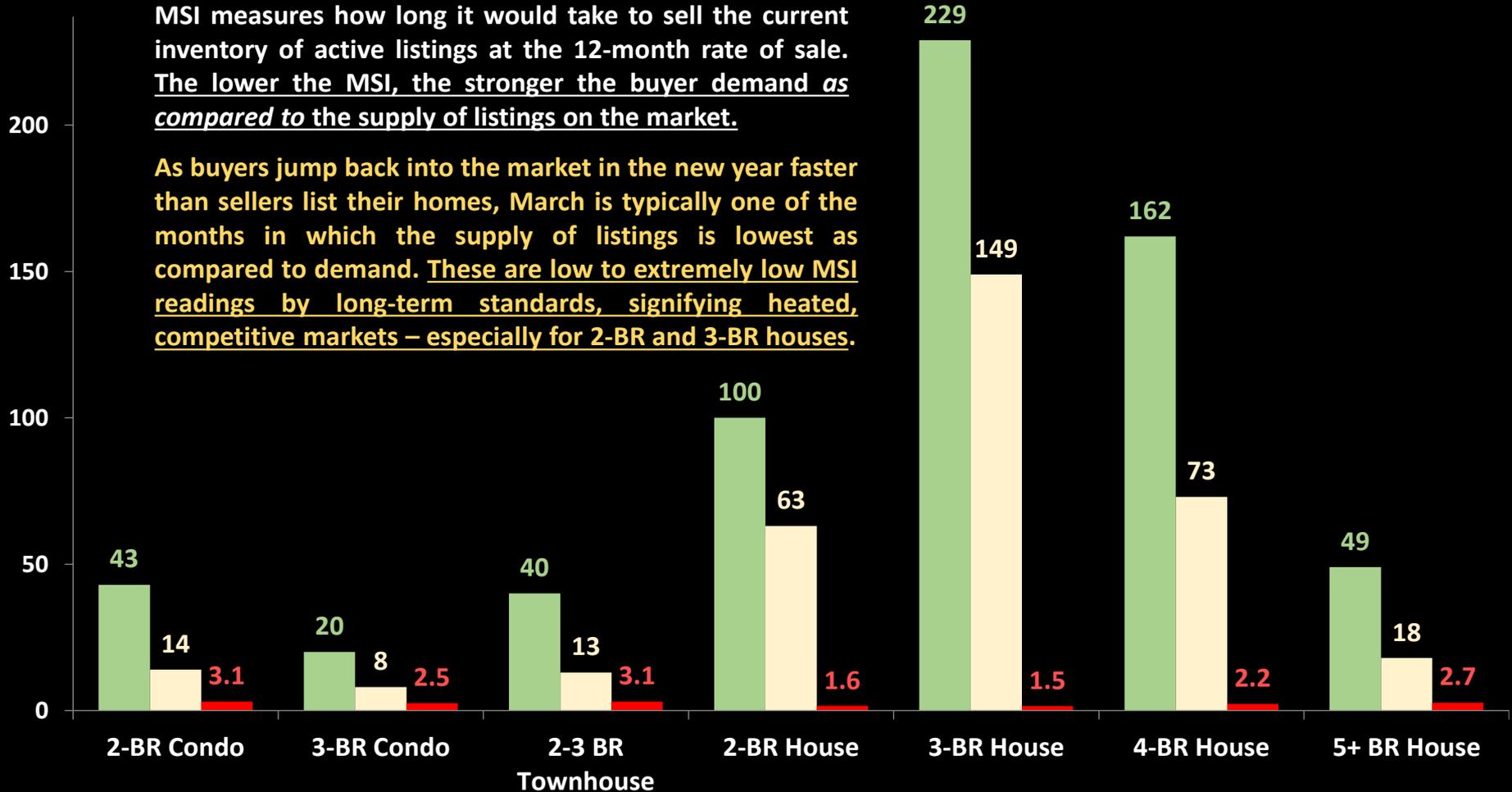
■ Active Listings

■ Average Monthly Sales

■ Months Supply of Inventory (MSI)

MSI measures how long it would take to sell the current inventory of active listings at the 12-month rate of sale. The lower the MSI, the stronger the buyer demand as compared to the supply of listings on the market.

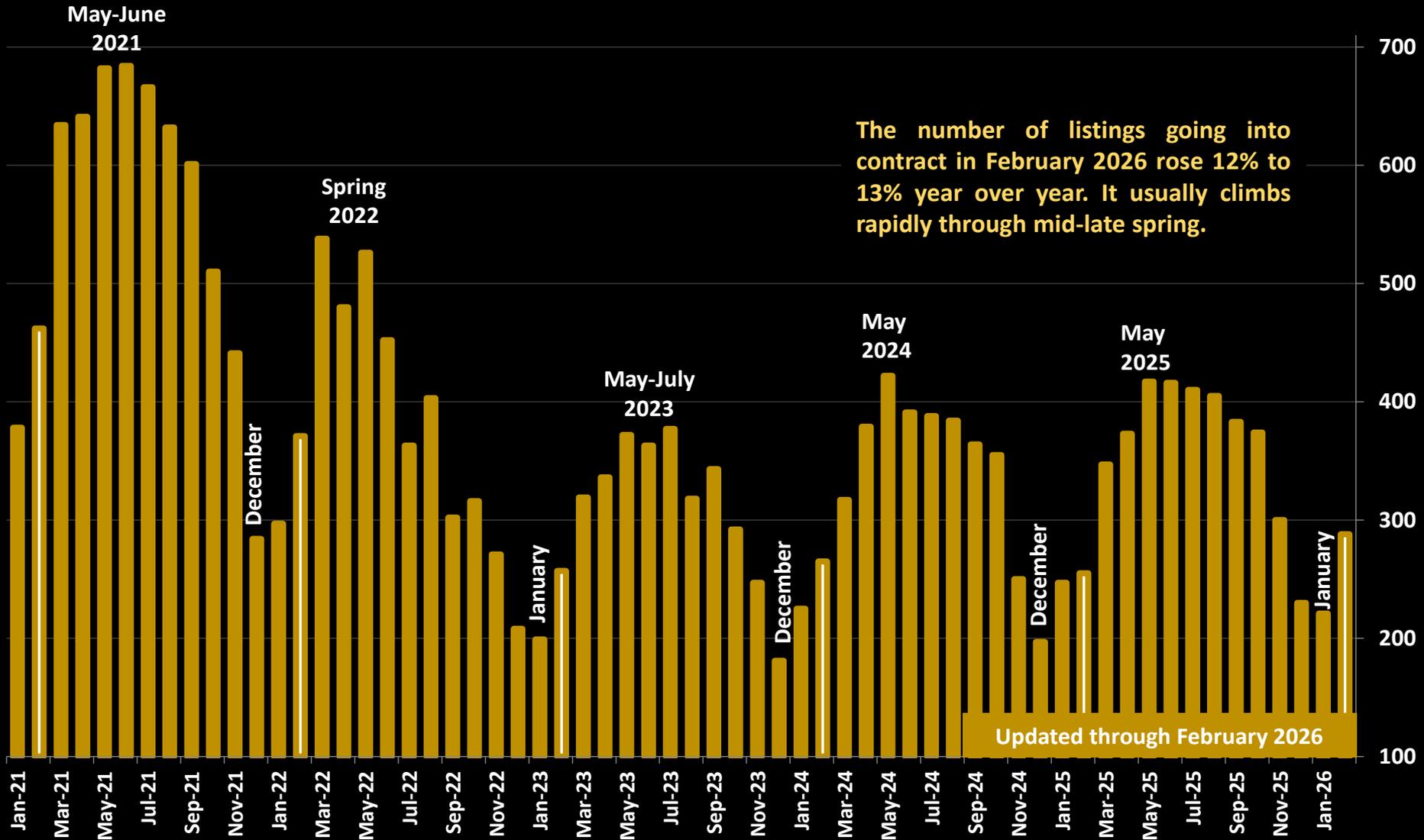
**As buyers jump back into the market in the new year faster than sellers list their homes, March is typically one of the months in which the supply of listings is lowest as compared to demand. These are low to extremely low MSI readings by long-term standards, signifying heated, competitive markets – especially for 2-BR and 3-BR houses.**



Active/coming-soon listings posted to NorCal Alliance on 2/27/26 and average monthly number of sales in the 12 months through 2/15/26. Months Supply of Inventory = Listing Count/Avg. Monthly Sales. Not all listings and sales are reported to MLS. Data derived from sources deemed reliable but may contain errors and is subject to revision. Listing and sales counts change constantly. All numbers are approximate.

# Listing Accepting Offers (Going into Contract)

## Sonoma County Market Dynamics & Seasonality



The number of listings going into contract in February 2026 rose 12% to 13% year over year. It usually climbs rapidly through mid-late spring.

Updated through February 2026

House, townhouse and condo activity reported to Bareis MLS, per Broker Metrics. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate and may change with late-reported activity.



# Months Supply of Inventory (MSI) – of Listings on Market

## Sonoma County Real Estate Market, 3-Month Rolling Average

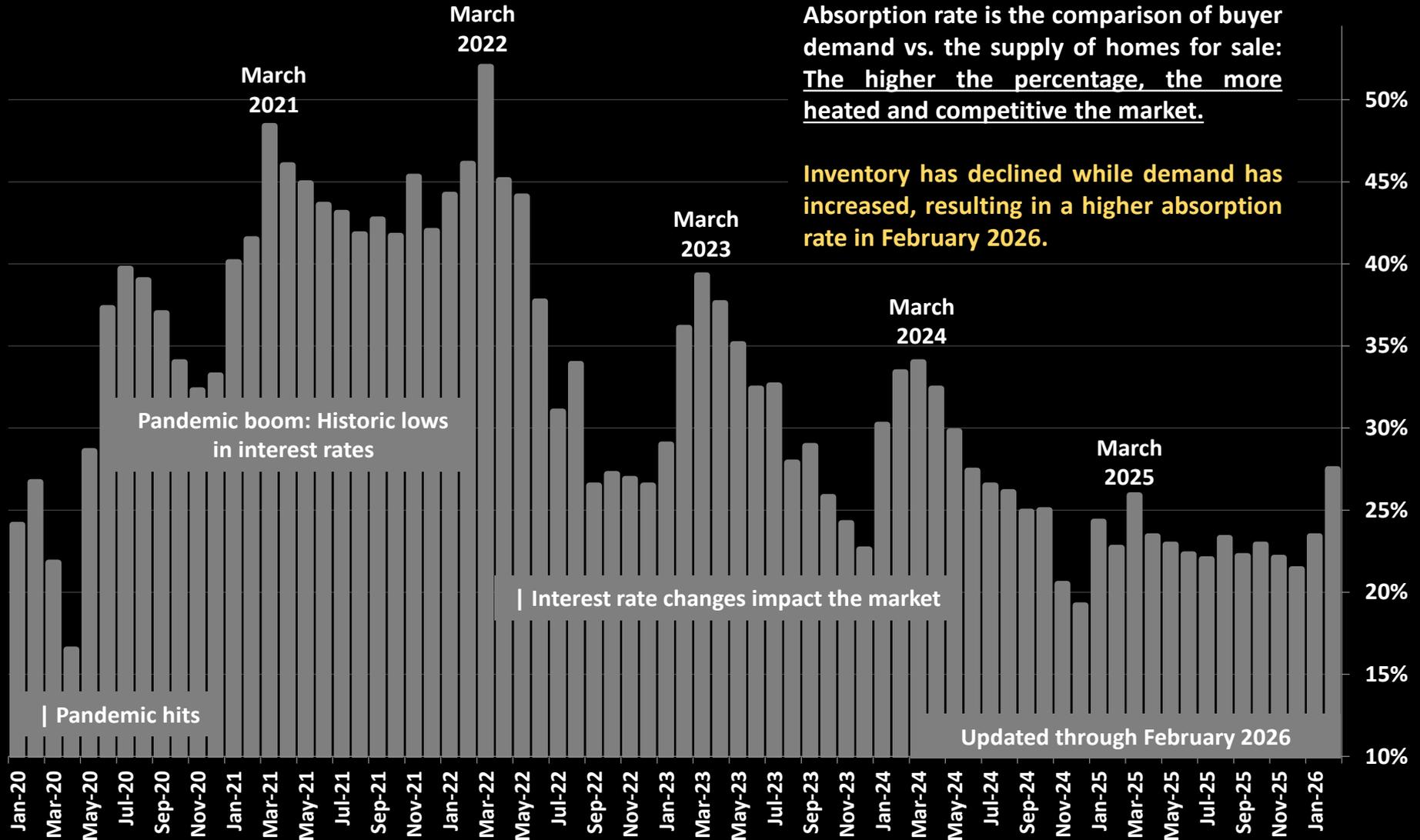
By national norms, the current MSI reading would be considered to indicate a low supply of listings for sale and is running lower year over year. MSI readings are lower in more affordable price segments, and higher for luxury homes.



3-month rolling average monthly data for residential transactions reported to Bareis MLS, per Broker Metrics. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate and may change with late-reported activity.

# Percentage of Listings Accepting Offers (Going into Contract)

## Sonoma County: Absorption Rate by Month



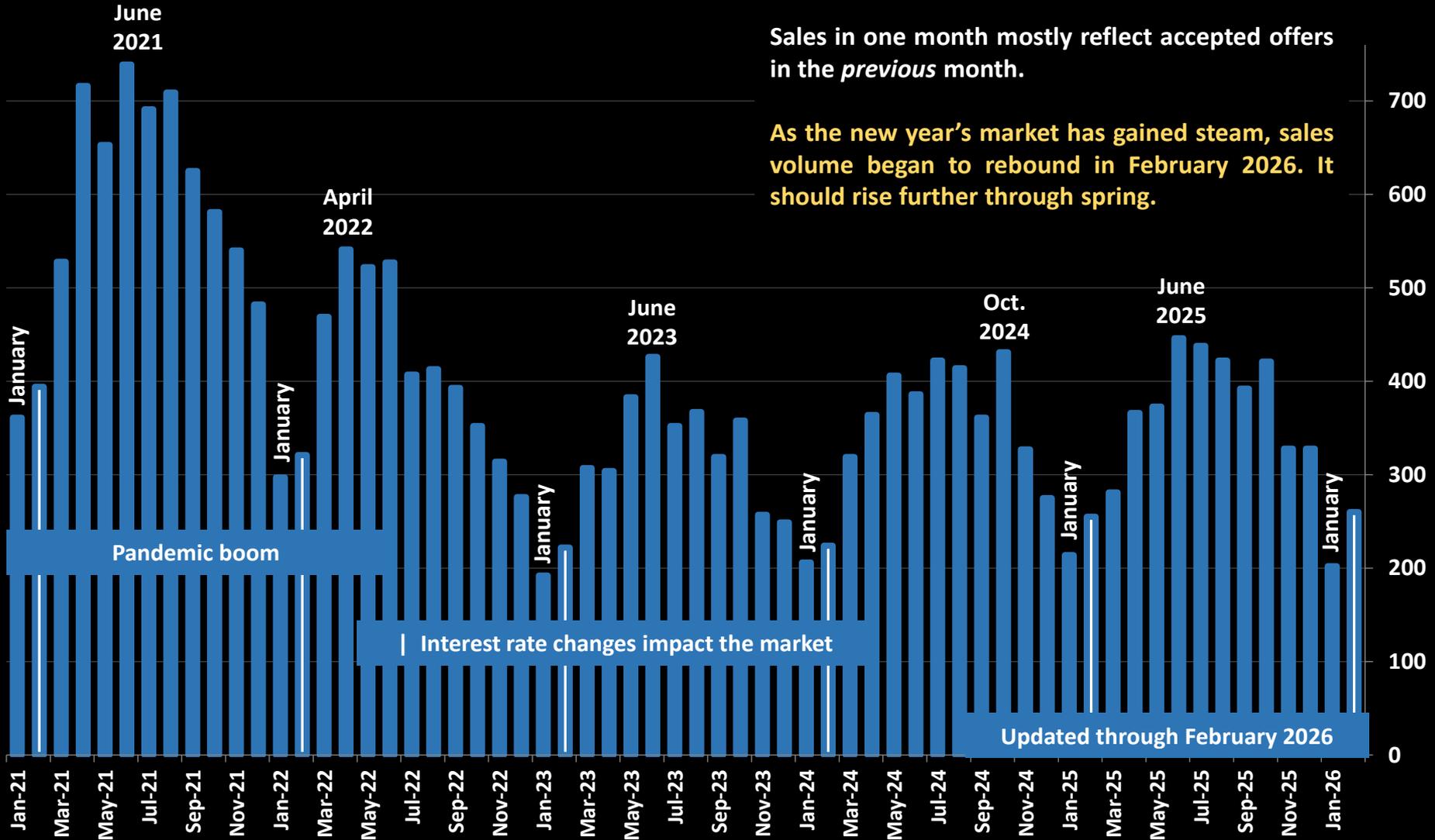
Absorption rate is the comparison of buyer demand vs. the supply of homes for sale: The higher the percentage, the more heated and competitive the market.

Inventory has declined while demand has increased, resulting in a higher absorption rate in February 2026.

Bareis MLS reported data for houses, condos and townhouses, per Broker Metrics. Last month's data estimated using available data, may change with late reported activity. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate.

# Monthly Sales Volume

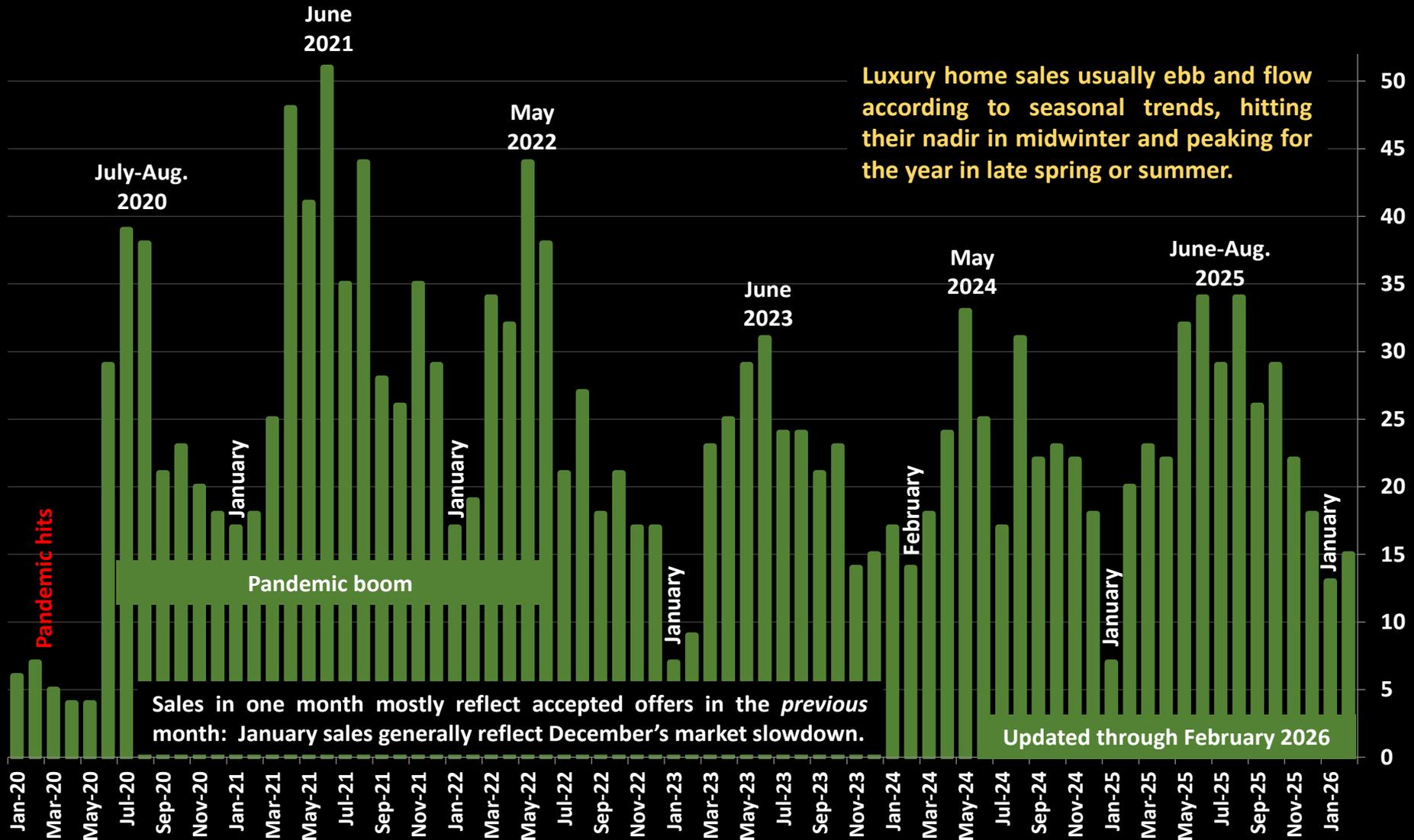
## Sonoma County Market Dynamics & Seasonality



Sales of houses, condos, townhouses reported to NorCal MLS Alliance, per Infosparks. Data from sources deemed reliable but may contain errors and subject to revision. Last month estimated based on available information and may change with late reported sales. All numbers approximate.

# Higher-Price & Luxury Home Sales, \$2 Million+

## Sonoma County Market Dynamics & Seasonality



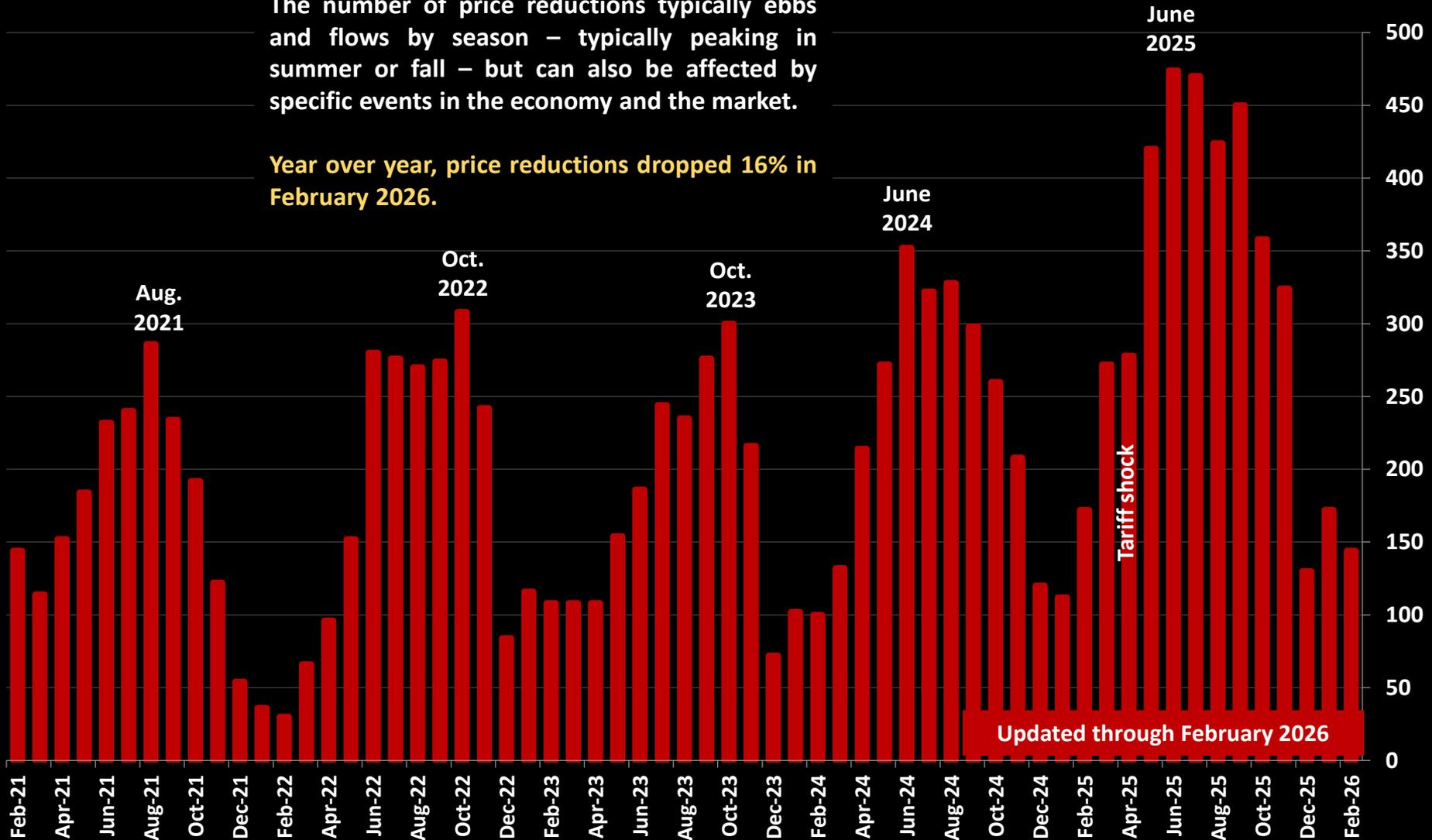
Sales of houses, condos, townhouses reported to NorCal MLS Alliance, per Infosparks. Data from sources deemed reliable but may contain errors and subject to revision. Last month estimated based on available information and may change with late reported sales. All numbers approximate.

# Price Reductions on Active Listings

## Sonoma County Market Dynamics & Seasonality

The number of price reductions typically ebbs and flows by season – typically peaking in summer or fall – but can also be affected by specific events in the economy and the market.

Year over year, price reductions dropped 16% in February 2026.



Per Realtor.com Research: <https://www.realtor.com/research/data/>, listings posted to site. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate.

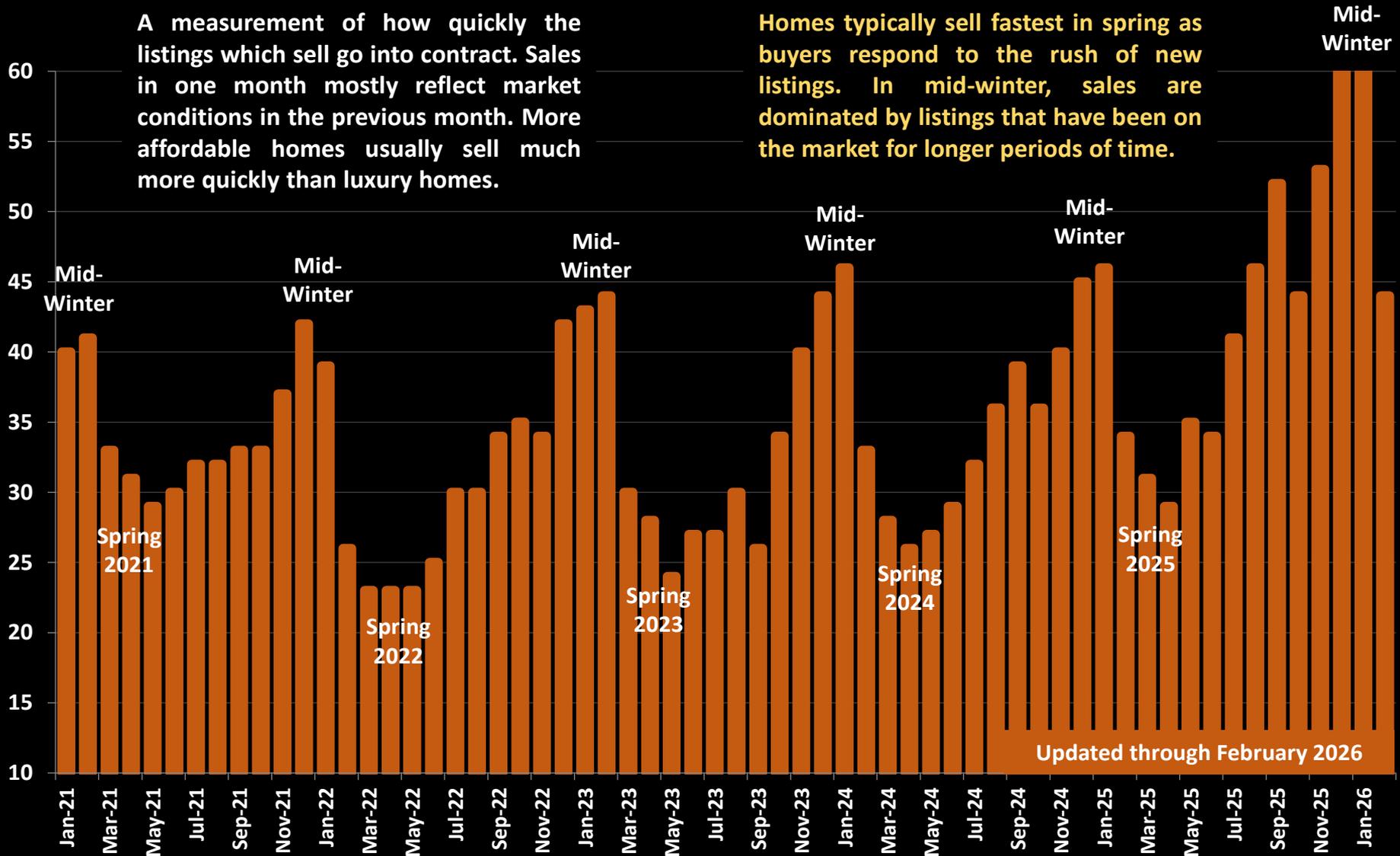


# Median Days on Market – Speed of Sale

## Sonoma County: Market Dynamics & Seasonality by Month

A measurement of how quickly the listings which sell go into contract. Sales in one month mostly reflect market conditions in the previous month. More affordable homes usually sell much more quickly than luxury homes.

Homes typically sell fastest in spring as buyers respond to the rush of new listings. In mid-winter, sales are dominated by listings that have been on the market for longer periods of time.



Sales of houses, condos, townhouses reported to NorCal MLS Alliance, per Infosparks. Data derived from sources deemed reliable but may contain errors and subject to revision. All numbers approximate and may change with late-reported sales.

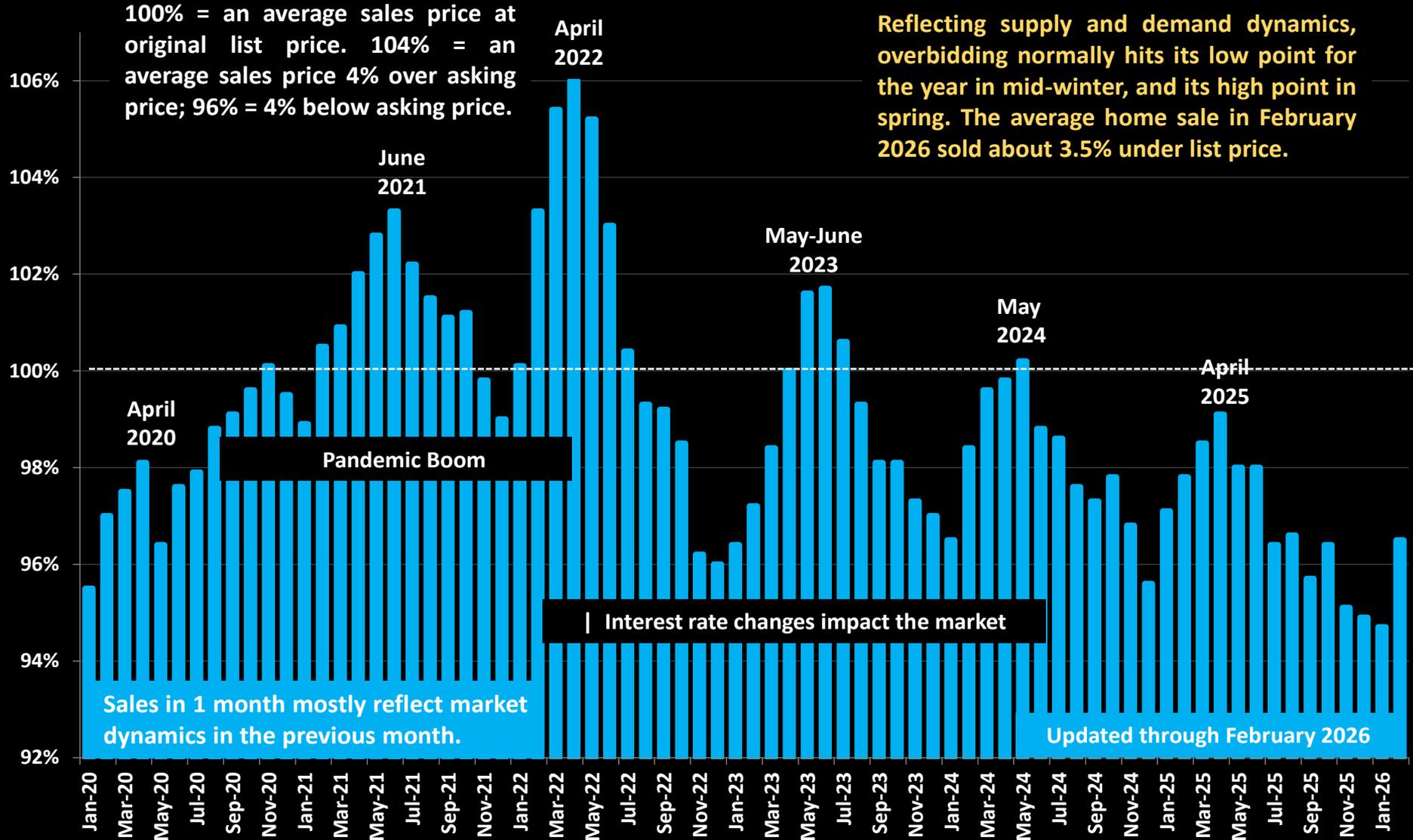


# Average Sales Price to Original List Price Percentage (SP/LP %)

## Sonoma County Over/Under Bidding: Market Dynamics & Seasonality

100% = an average sales price at original list price. 104% = an average sales price 4% over asking price; 96% = 4% below asking price.

Reflecting supply and demand dynamics, overbidding normally hits its low point for the year in mid-winter, and its high point in spring. The average home sale in February 2026 sold about 3.5% under list price.



Sales of houses, condos, townhouses reported to NorCal MLS Alliance, per Infosparks, or Broker Metrics. Data derived from sources deemed reliable but may contain errors and subject to revision. All numbers approximate.



## **Additional Economic Data**



# S&P 500 Cyclically-Adjusted Price to Earnings (CAPE) Ratio\*

By Month since January 1985

The CAPE ratio is a stock market valuation measure created by economist Robert Shiller. It is defined as the current price of the S&P 500 divided by the moving-average of 10 years of inflation-adjusted earnings and is principally used to assess likely future returns over longer periods. A higher CAPE ratio can suggest investors are expecting higher future growth, or that the stock market is overvalued.



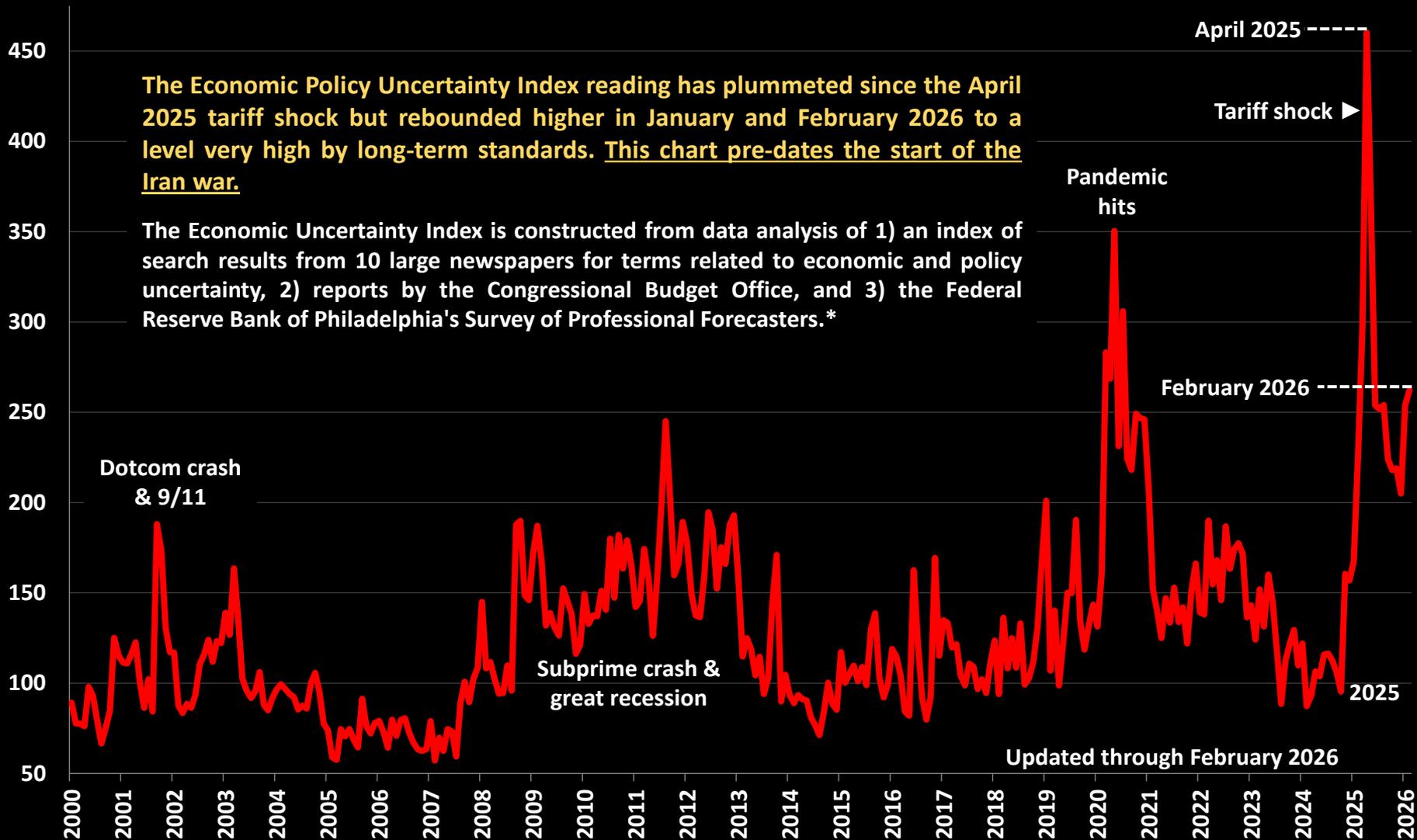
\*Source: Robert Shiller, <https://shillerdata.com/>. Reading are sometimes subsequently revised. Data from sources deemed reliable but not guaranteed and should be considered approximate.

# Economic Policy Uncertainty Index\*

By Month since January 2000

The Economic Policy Uncertainty Index reading has plummeted since the April 2025 tariff shock but rebounded higher in January and February 2026 to a level very high by long-term standards. This chart pre-dates the start of the Iran war.

The Economic Uncertainty Index is constructed from data analysis of 1) an index of search results from 10 large newspapers for terms related to economic and policy uncertainty, 2) reports by the Congressional Budget Office, and 3) the Federal Reserve Bank of Philadelphia's Survey of Professional Forecasters.\*



\*Source: 'Measuring Economic Policy Uncertainty' by Scott Baker, Nicholas Bloom and Steven J. Davis, 3-component index, [www.PolicyUncertainty.com](http://www.PolicyUncertainty.com), [https://www.policyuncertainty.com/us\\_monthly.html](https://www.policyuncertainty.com/us_monthly.html). Data from sources deemed reliable, but numbers to be considered approximate and subject to revision.

# U.S. Jobs Report\*

Monthly Change in Number of Jobs, in Thousands\*

Monthly Change in U.S. Non-Farm Employment, in Thousands



Note: BLS often revises its monthly estimates, *sometimes very substantially*.

\*U.S. Bureau of Labor Statistics, "All employees, thousands, total nonfarm, seasonally adjusted": [https://data.bls.gov/timeseries/CES0000000001&output\\_view=net\\_1mth](https://data.bls.gov/timeseries/CES0000000001&output_view=net_1mth). Last 2 readings are labeled "preliminary" and often substantially revised. Data from sources deemed reliable but may contain errors.



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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