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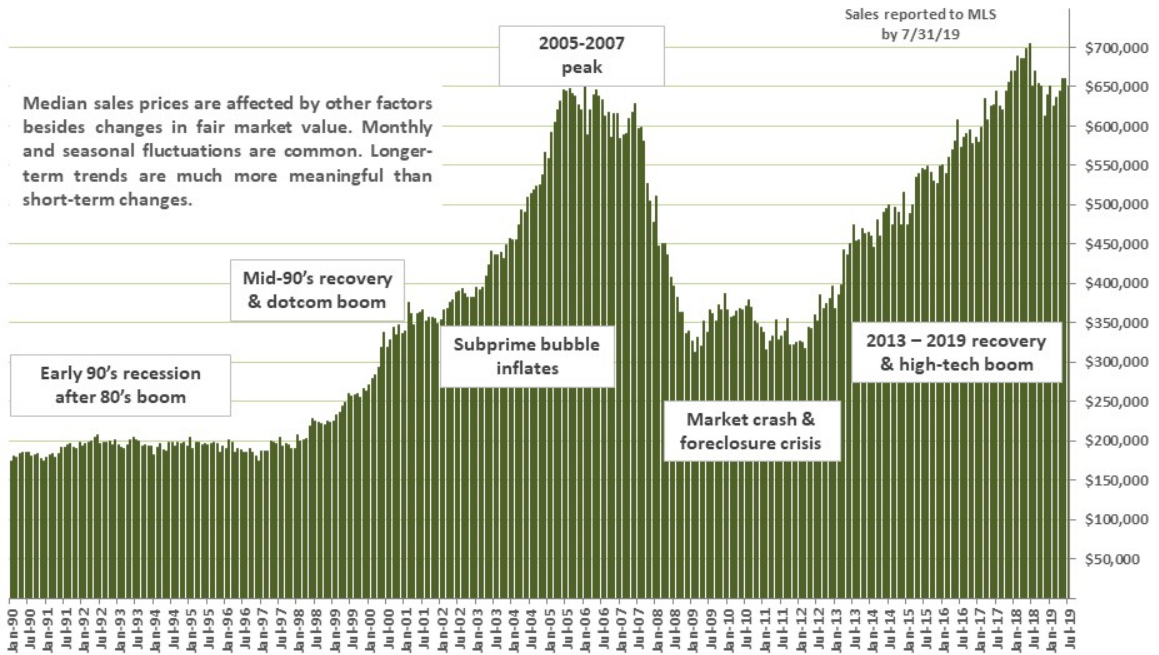
Sonoma County Real Estate

**Sales & Values by City, Price Segment & Lot Size;
Luxury Home Sales; Market Seasonality; Market
Indicators by City & Price Segment; Foreign
Homebuyers in America**

August 2019 Report

Sonoma County Home Price Appreciation Median House Sales Prices, 1990 – Present, by Month

Median sales prices for existing houses per MLS & CA Association of Realtors.



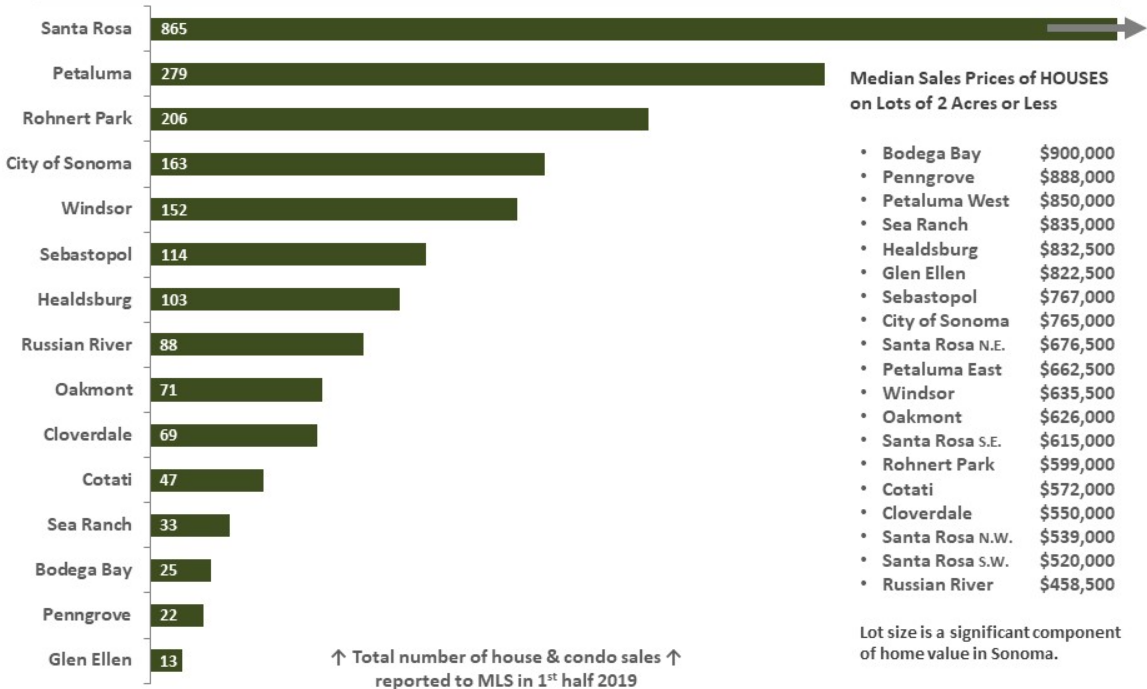
Monthly median sales prices for "existing" houses since 1990, per CA Association of Realtors, and MLS. Analysis may contain errors and subject to revision. All numbers are approximate.

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Sonoma County Real Estate – 1st Half 2019

6 Months Unit Home Sales, Median House Sales Prices

6 months sales reported to MLS through 6/30/19



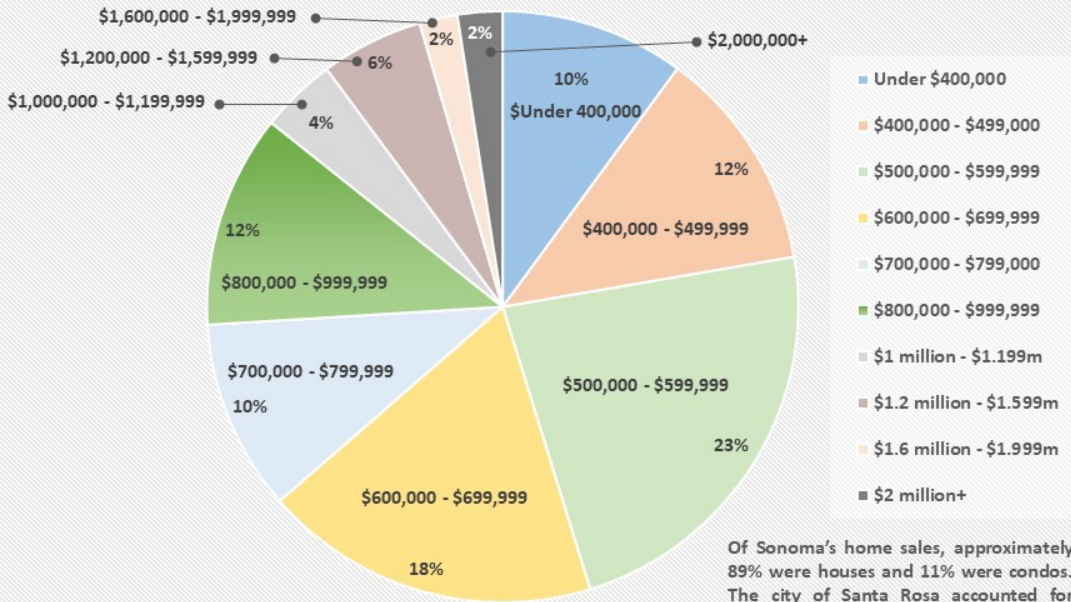
Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate.

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Home Sales by Price Segment

Sonoma County Home Sales

12 Months Sales by Price Segment [7/21/19]



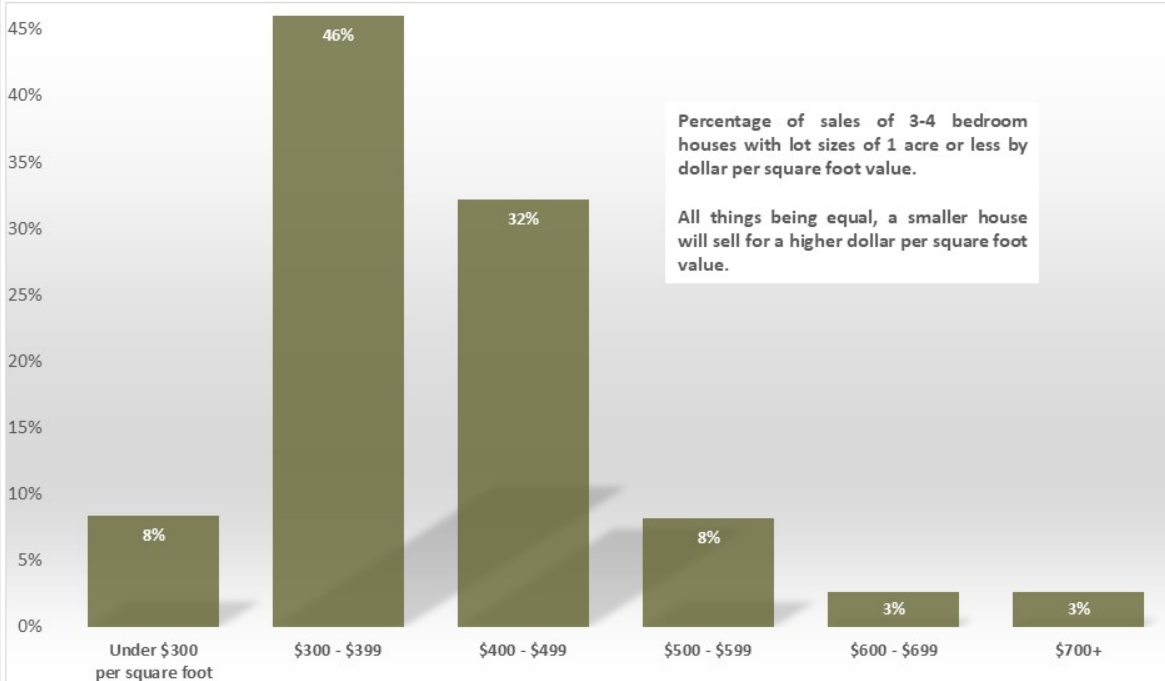
12 months MLS house and condo sales reported through 7/21/19, per Broker Metrics. Data derived from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate.

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Sonoma County Home Sales

Percentage of Sales by Dollar per Square Foot Value

12 months MLS sales reported through 7/15/19



12 months sales reported to MLS through 7/15/19. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate.

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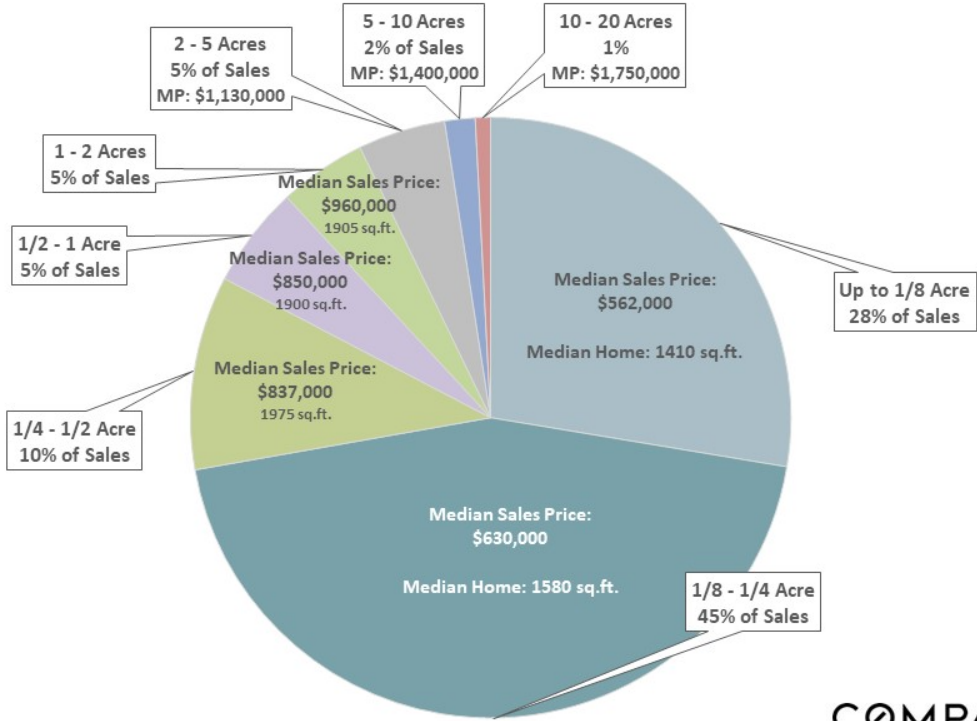
Sales & Median Sales Prices by Lot Size

In San Francisco, houses selling for \$8 million and houses selling for \$800,000 can both be found on lots under 1/8 of an acre. In Sonoma County, lot size is a major factor in home size and price.

Sonoma County: Lot Size and Home Values

Percentage of Sales & Median Home Sales Prices by Lot Size

House sales reported to
MLS 7/1/18 - 6/30/19



12 months MLS sales through 6/30/19. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate.

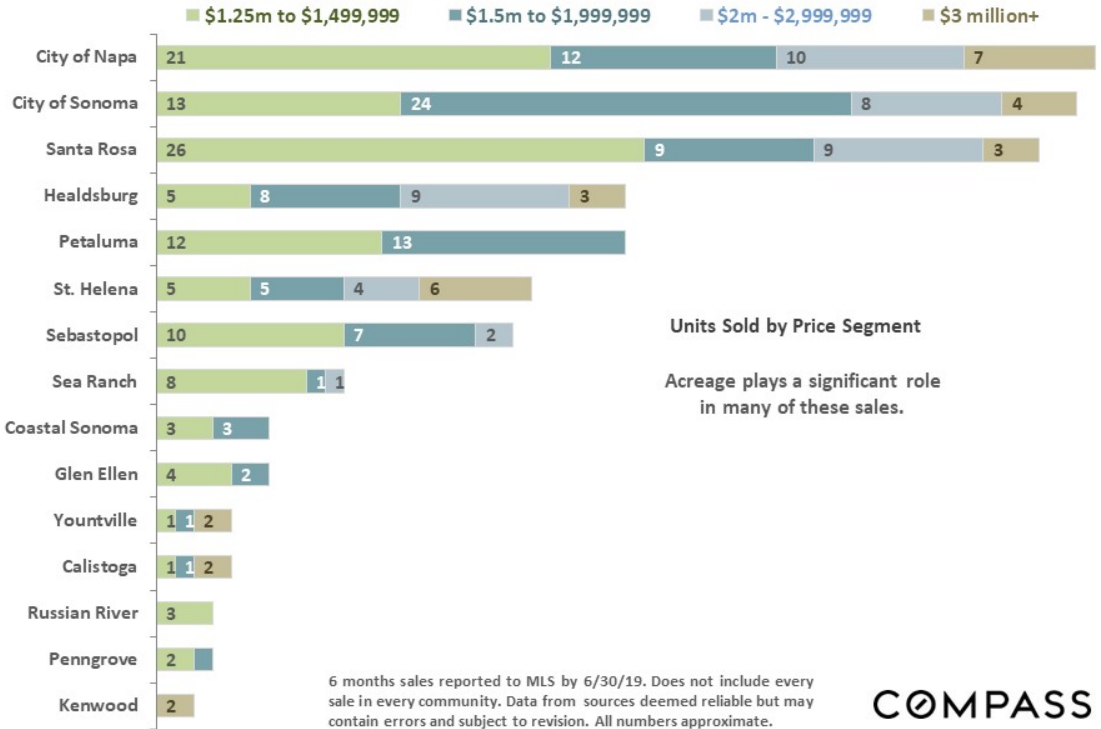
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Higher-Price Home Sales

Sonoma & Napa Counties: High-Price Homes Market

Home Sales of \$1,250,000+ in 1st Half 2019

6 months sales as reported to MLS



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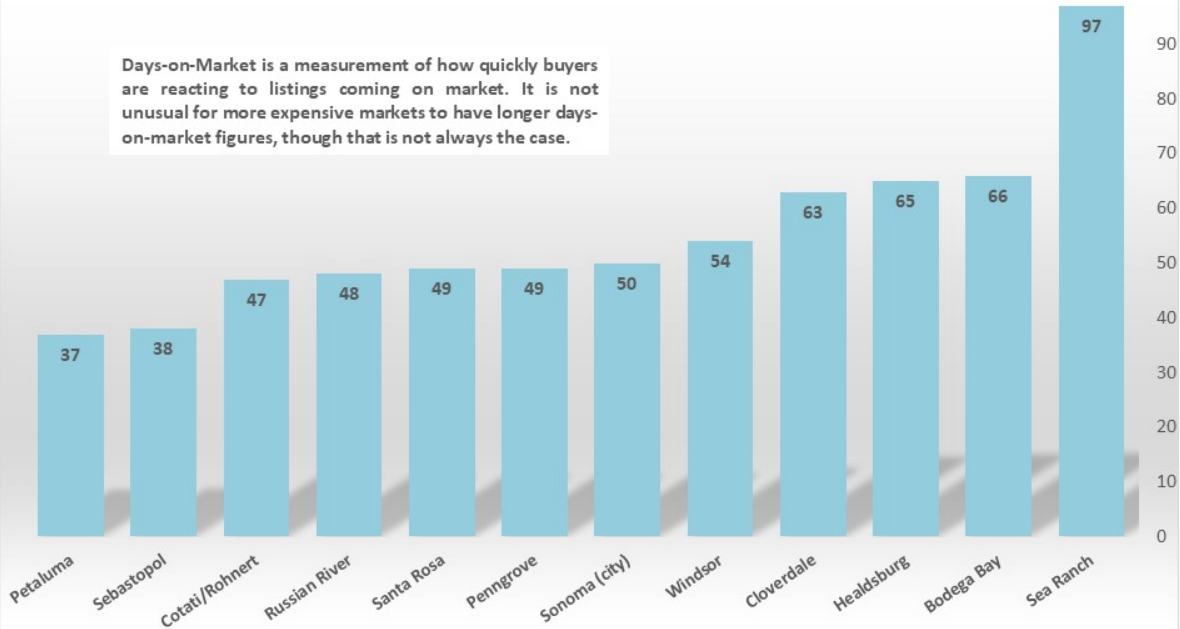
Market Indicators by City

A number of factors impact demand as measured by the standard statistics illustrated in the next 2 charts: price, ease of the commute south, whether the city is primarily a first or second-home market, as well as all the different characteristics that make up a particular community. It is not unusual for more expensive markets and big second-home markets to have softer dynamics.

Average Days on Market Prior to Acceptance of Offer Sonoma County Market by City or Region, Q2 2019

House & condo sales up to \$2 million reported to MLS, per Broker Metrics

Days-on-Market is a measurement of how quickly buyers are reacting to listings coming on market. It is not unusual for more expensive markets to have longer days-on-market figures, though that is not always the case.



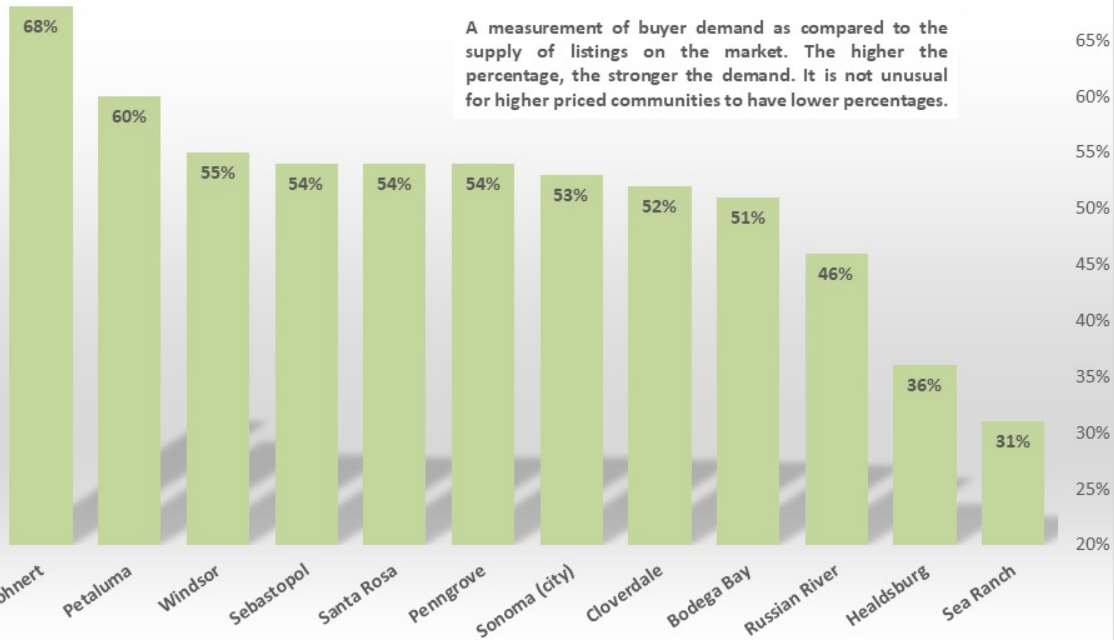
Sales up to \$2 million. Data derived from sources deemed reliable, but may contain errors and subject to revision. Adjusted for outlier sales data: sales with days on market over 250 were excluded. All numbers to be considered approximate.

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Percentage of Listings Accepting Offers

Sonoma County Real Estate Market, Q2 2019

House and condo listings up to \$2 million, as reported to MLS



Per Broker Metrics, sales up to \$2 million. Data derived from sources deemed reliable, but may contain errors and subject to revision. All numbers to be considered approximate.

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Supply, Demand & Market Seasonality

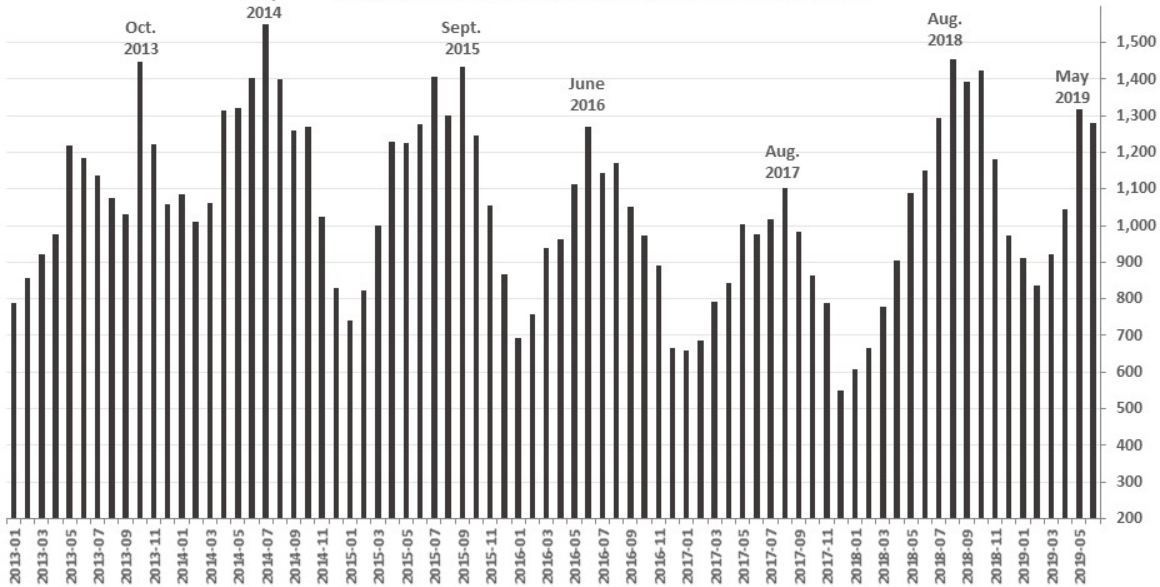
The ebb and flow of inventory and demand is very dramatic in real estate markets around the Bay Area. However, unlike county markets further south where activity typically slows down considerably in summer to pick up again in fall, in Sonoma, with its substantial second-home market, activity - as measured by homes going into contract - usually remains strong through late summer/early autumn, and then begins to decline until hitting its low point in mid-winter.

Inventory has been higher on a year-over-year basis in the last 12 months, but in 2019, it has not been particularly high by historical measures.

Active Listings on Market during Month

Sonoma County Market Supply & Seasonality

The number of active listings is affected by 3 major dynamics: 1) how many new listings come on market, 2) how quickly buyers purchase them, and 3) sellers pulling their listings off market without sale.



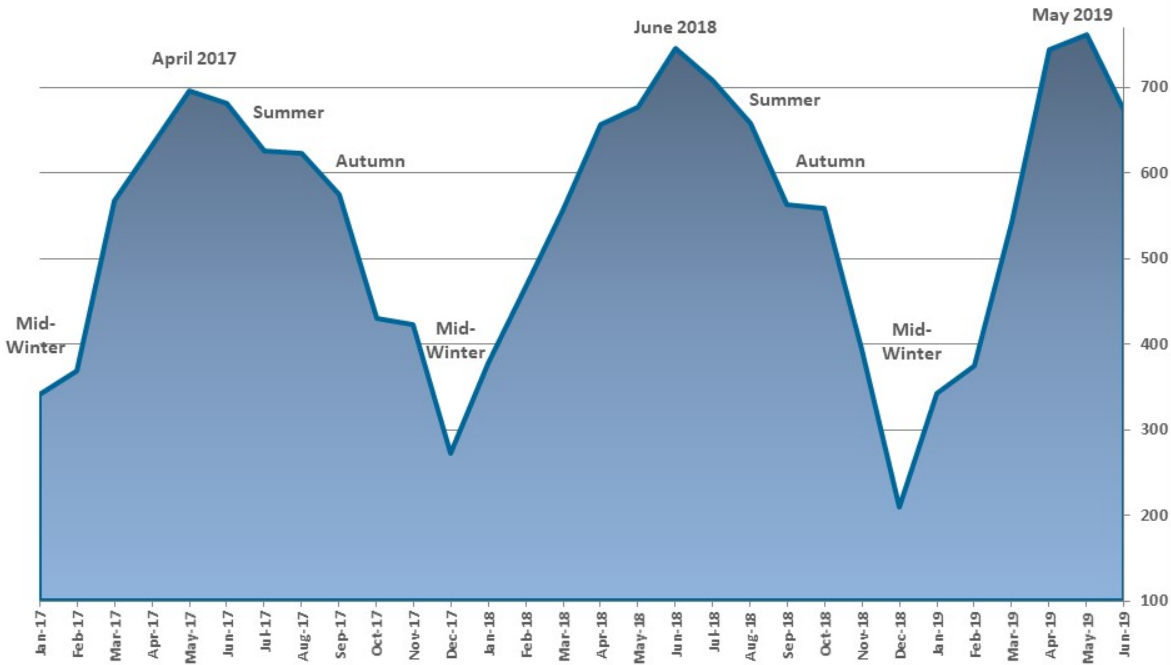
The count of unique house, condo and co-op listings that were active at any time in a given month. Per Zillow Research: <https://www.zillow.com/research/data/>. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate.



New Listings Coming on Market

Seasonality & the Sonoma County Homes Market

MLS house and condo listing activity, per Broker Metrics.



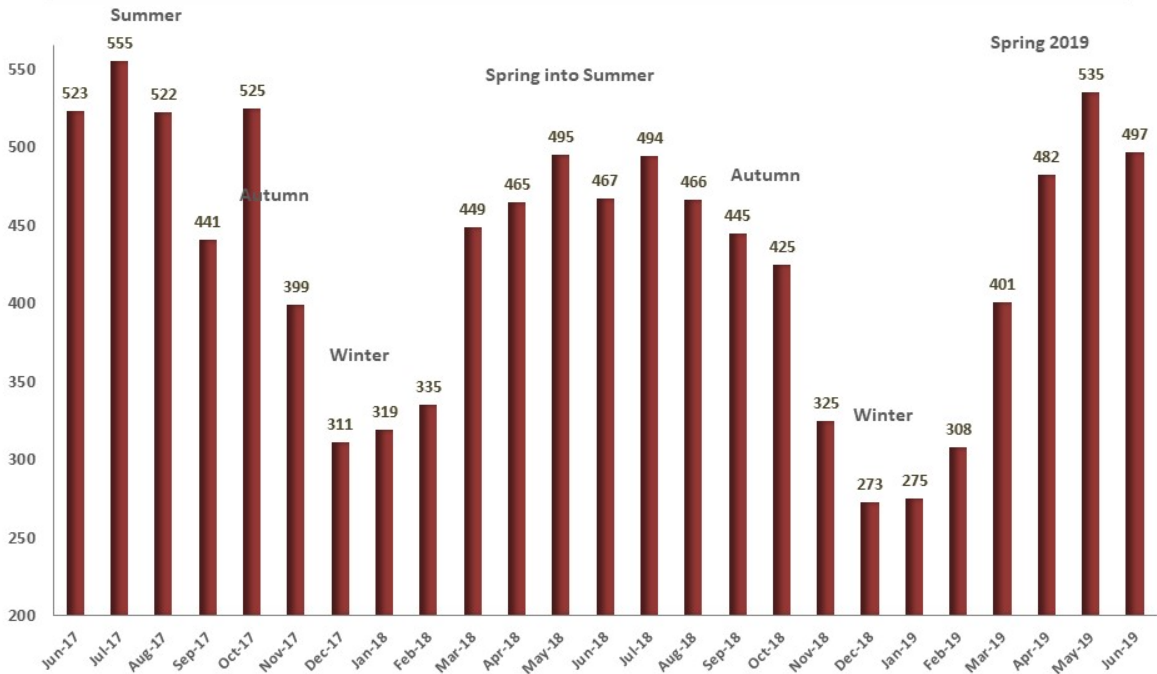
Data from sources deemed reliable, but may contain errors and subject to revision.
Based upon MLS activity. All numbers approximate.



Sonoma County: Listings Accepting Offers by Month

Market Dynamics & Seasonality: Listings Going into Contract

Sales of houses and condos reported to MLS, per Broker Metrics



House and condo activity reported to MLS, per Broker Metrics. Data from sources deemed reliable but may contain errors and subject to revision. All numbers are approximate.

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Market Dynamics by Price Range

Market dynamics within the county are significantly influenced by home price segment, as illustrated in the 3 charts below. By some criteria, the dynamics don't change much until prices hit the \$2 million mark. By others, the statistics indicate increasingly softer demand as prices increase. In the highest price segment, homes on average sell for much further below list price, take far longer to sell, and a much greater percentage of listings expire without selling at all.

Needless to say, there are fewer buyers for the most expensive homes, but overpricing is also a more common issue with such properties. Still, there are very high-price properties that sell very quickly.

Sales Price to List Price % & Ratio of Expired to Sold Listings

Sonoma County Real Estate Market by Price Segment, Q2 2019

Sales Price to Original List Price Percentage by Price Segment



Ratio of Expired (No Sale) Listings to Sold Listings

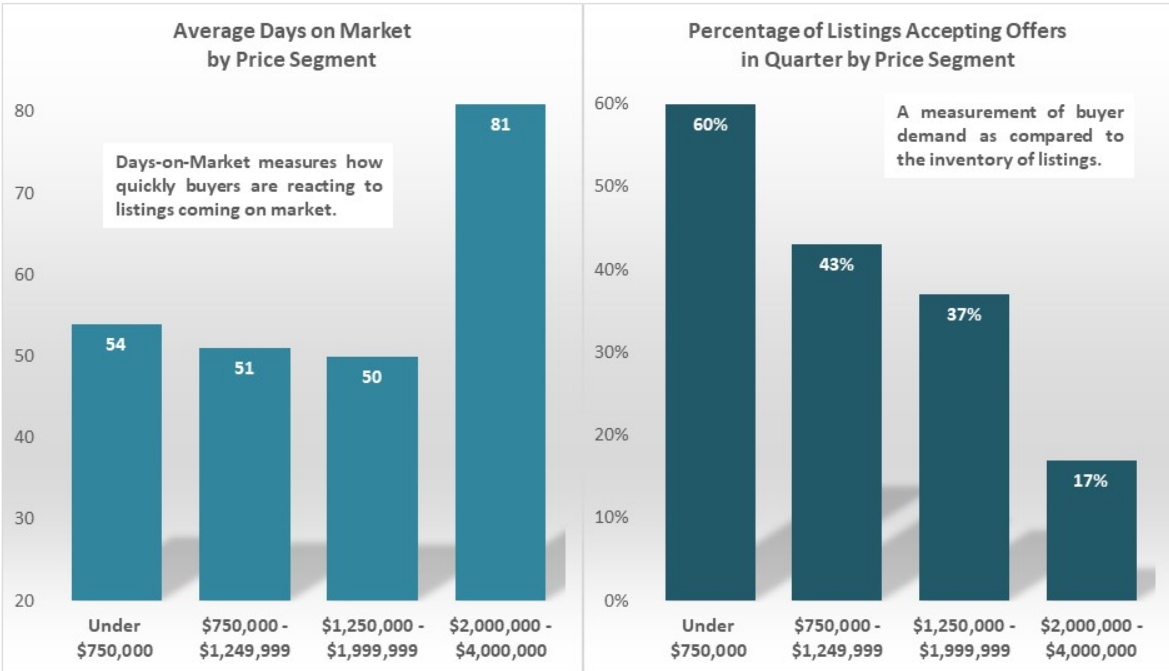


Residential sales reported to MLS, per Broker Metrics. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate.

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Days on Market & Percentage of Listings Accepting Offers in Quarter

Sonoma County Real Estate Market by Price Segment, Q2 2019



Residential sales reported to MLS, per Broker Metrics. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate.

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Foreign National Home Buying Tumbles

According to a new report by the National Association of Realtors - based on a survey of its member agents - the purchase of U.S. homes by foreign nationals plunged in the 12 months through March 2019. California, and the Bay Area in particular, have been top destinations for international homebuyers.

Foreign National Homebuyers in America

Estimated Dollar Volume Sales in Billions, Top 5 Countries

National Association of Realtors estimates

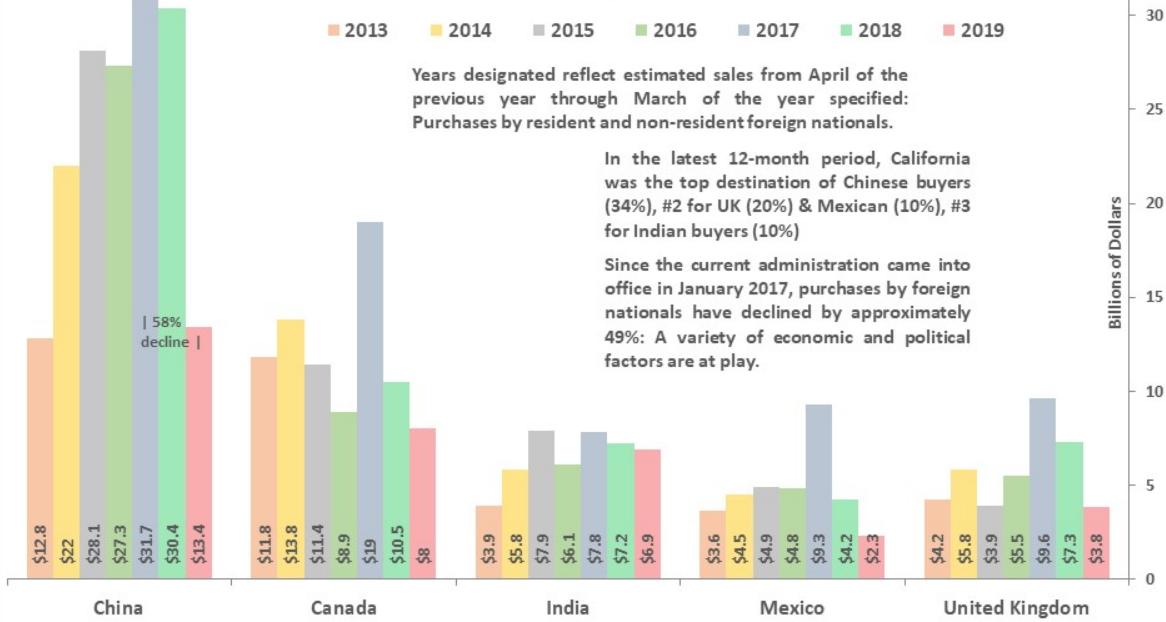
International Homebuyer Purchases in Billions of Dollars

2013 2014 2015 2016 2017 2018 2019

Years designated reflect estimated sales from April of the previous year through March of the year specified: Purchases by resident and non-resident foreign nationals.

In the latest 12-month period, California was the top destination of Chinese buyers (34%), #2 for UK (20%) & Mexican (10%), #3 for Indian buyers (10%)

Since the current administration came into office in January 2017, purchases by foreign nationals have declined by approximately 49%: A variety of economic and political factors are at play.



Estimates from the "Profile of International Transactions in U.S. Residential Real Estate 2019" published by the National Association of Realtors in July 2019, based upon a survey of Realtors. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers should be considered very approximate, good-faith estimates.

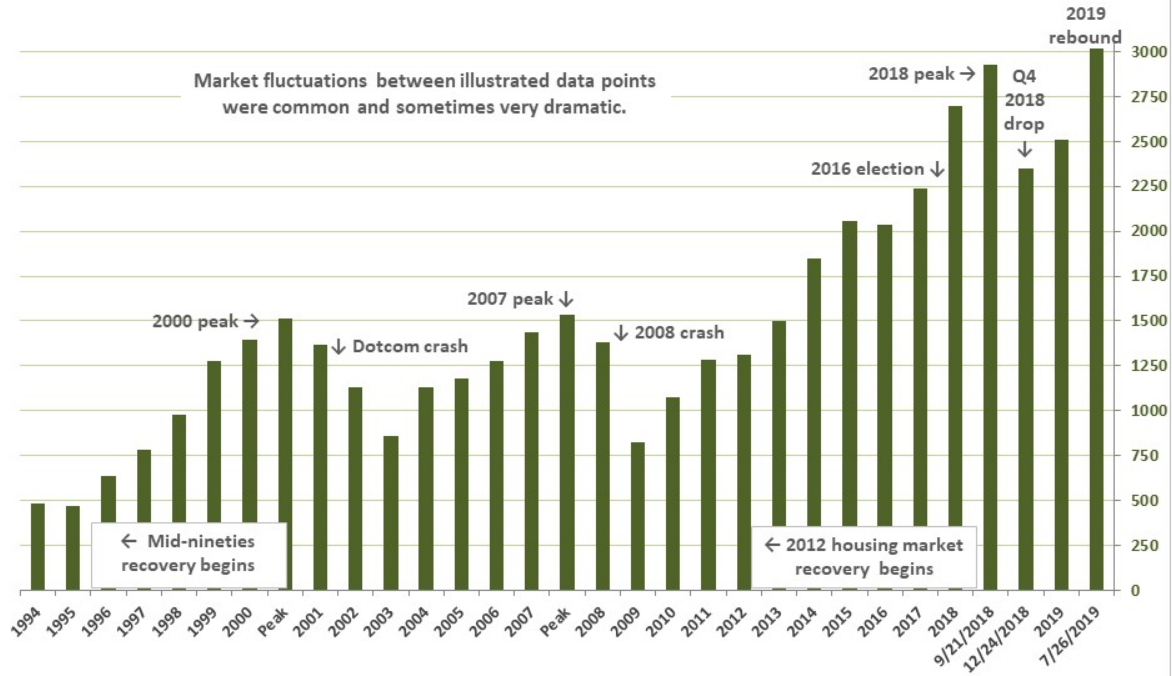
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Stock Markets Hit New Highs

The last 12 months have been an extremely dramatic time for financial markets as illustrated below. The alternating confidence and fear generated by its swings have been considerable factors in real estate markets. A parallel dynamic has occurred with the swings in interest rates.

S&P 500 Stock Index, January 1994 – July 26, 2019

January Opening Values Except as Specified



An approximate illustration only. January opening value data points except as noted in horizontal axis. Data from sources deemed reliable but may contain errors and subject to revision. Financial markets can be prone to significant volatility even on a short-term basis.

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