



Marin County Real Estate
February 2023 Report

COMPASS

Early 2023 Data Suggests Buyers Are Beginning to Jump Back In

December is typically the month that sees the year's lowest level of deal-making activity – i.e. listings accepting offers (going into contract) – which leads to January usually posting the lowest monthly number of closed sales. (Sales typically close 3 to 6 weeks after going into contract.) In the 11-county, greater Bay Area, accepted-offer activity in December 2022 and closed sales volume in January 2023 generally hit their lowest monthly points in 15 years.

Typically, after the long holiday slowdown, the market just begins to wake up in mid-January before accelerating into spring. That being said, inflation has dropped substantially since June and interest rates since November, home prices are well down from last spring, stock markets are up 8% (S&P) to 15% (Nasdaq) YTD as of 2/3/23 (albeit with continuing volatility), and despite escalating layoffs in high tech, early indications in 2023 point to rebounding buyer demand. Open house traffic has jumped, more buyers are requesting listing disclosure packages, and there have been increasing reports of multiple offers and (often unexpected) overbidding of asking price. Based on this preliminary data (much of it still anecdotal*), it appears that buyer demand severely repressed by economic conditions in the 2nd half of 2022 has begun to bounce back.

A similar rebound began in mid-late summer 2022 for similar reasons – a significant drop in mortgage rates and a large rise in stock markets – which then quickly faded when positive economic developments went into reverse. Market activity then slowed further through the rest of 2022. There are currently considerable hopes for a more lasting economic recovery in 2023.

During the long high-tech and pandemic housing boom – which peaked in April/May 2022 – as each new year began, the classic dynamic was for buyers to jump back into the market much more

quickly than sellers, creating an immediate imbalance between supply and demand. Too few new listings compared to the quantity of motivated buyers sparked often ferocious bidding wars, leading to considerable home price gains virtually every spring. It is too early to conclude, after the general price declines and steep drops in market activity seen in the 2nd half of 2022, that a sustained recovery in market conditions is now underway, and if it is, how quickly it will develop and its impact on prices in 2023. Many economic conditions remain challenging – with critical indicators still much weaker on a year-over-year basis – and forecasts by economists and analysts vary widely. Hopefully, economic conditions will continue to improve, providing the foundation for the recovery in real estate. In the meantime, preliminary indicators are surprisingly positive, and the CEO of Compass recently stated his belief that Q4 2022 saw the bottom of the market.

The “spring market,” which can begin as early as February in the Bay Area, is typically the biggest selling season of the year, especially for luxury homes, and more data regarding new listings coming on market, listings going into contract, sales volumes, speed of sale, overbidding and sales prices will soon become available.*

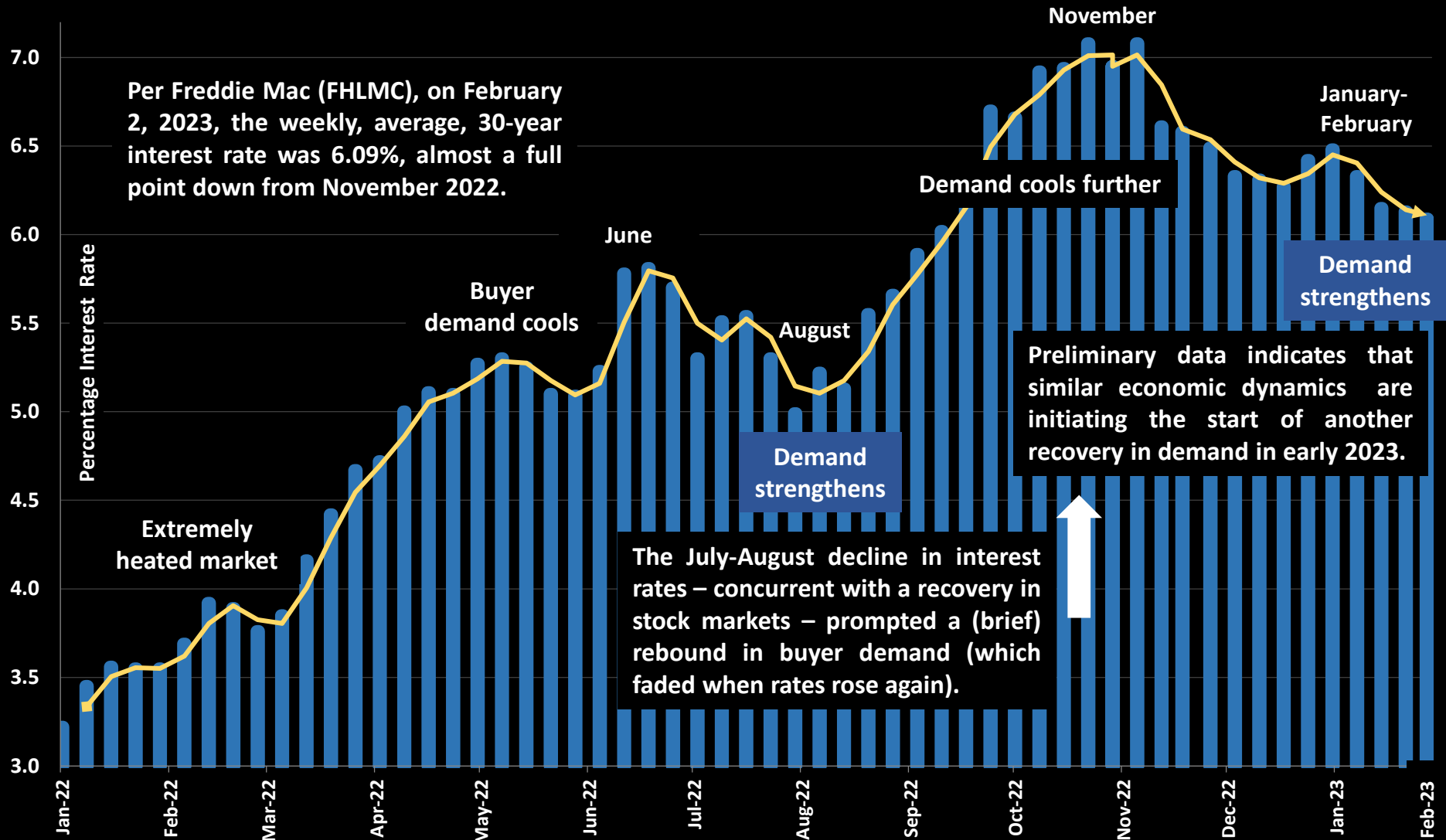
* Most “hard” data in real estate is based on closed, recorded sales, a *lagging indicator* which generally reflects deal-making activity in the *previous* month, when offers were negotiated. January sales, the basis for many analyses in this report, mostly reflect the December 2022 market when new listing activity and buyer demand were typically at their lowest ebb in years. February and March listing and sales data will begin to better reflect early 2023 conditions.

Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and may change with late-reported activity.



Mortgage Interest Rates, 2022 - 2023 YTD

30-Year Conforming Fixed-Rate Loans, Weekly Average Readings

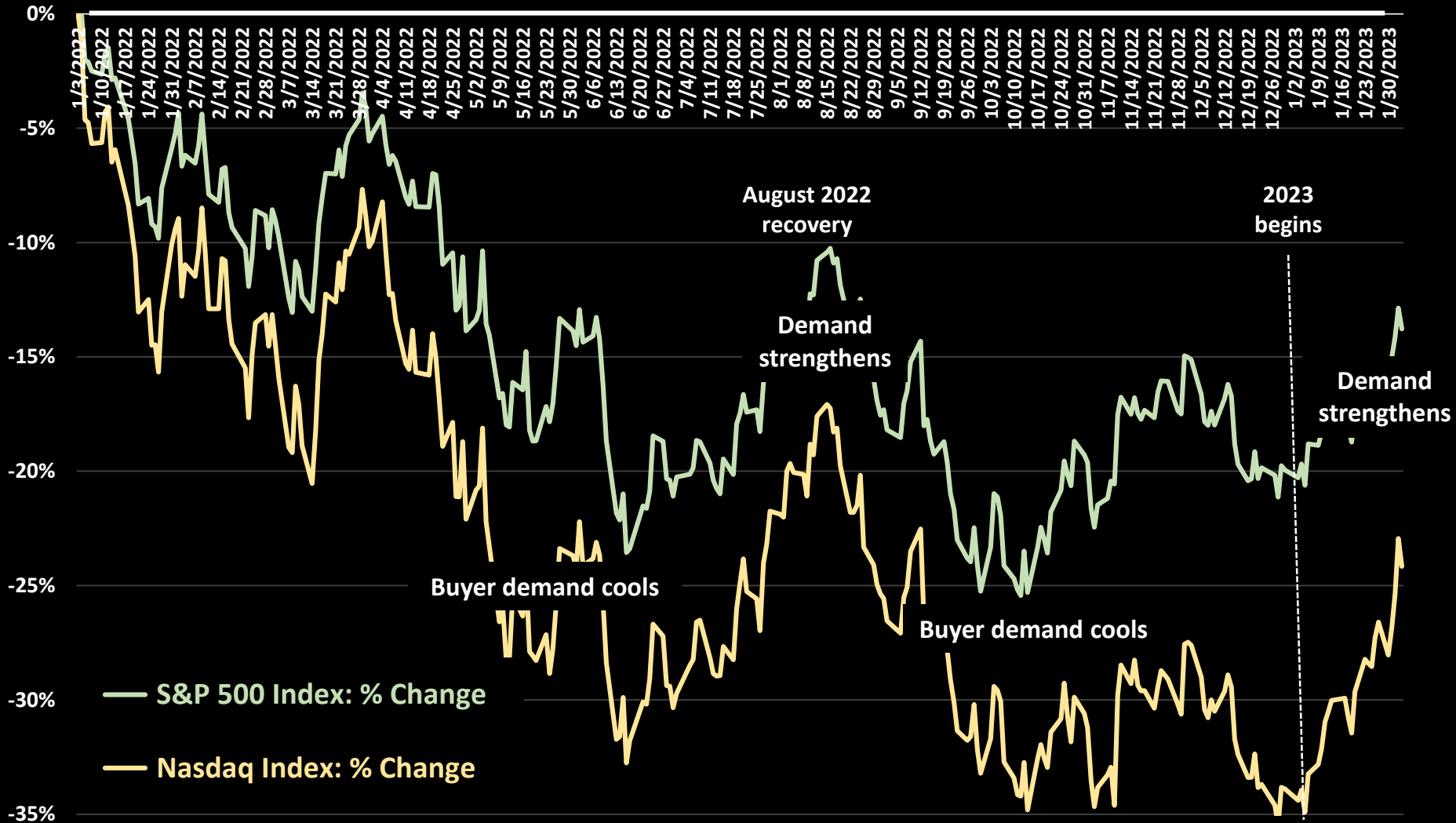


2-month moving trend line. Freddie Mac, 30-Year Fixed Rate Mortgage Average in the United States, retrieved from Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/MORTGAGE30US>. Data from sources deemed reliable but not guaranteed. All numbers approximate.

Financial Markets since 2022 Began

Percentage Declines, January 3, 2022 – February 3, 2023

The market has seen high volatility with several fast, large reversals of direction over the past 13 months.



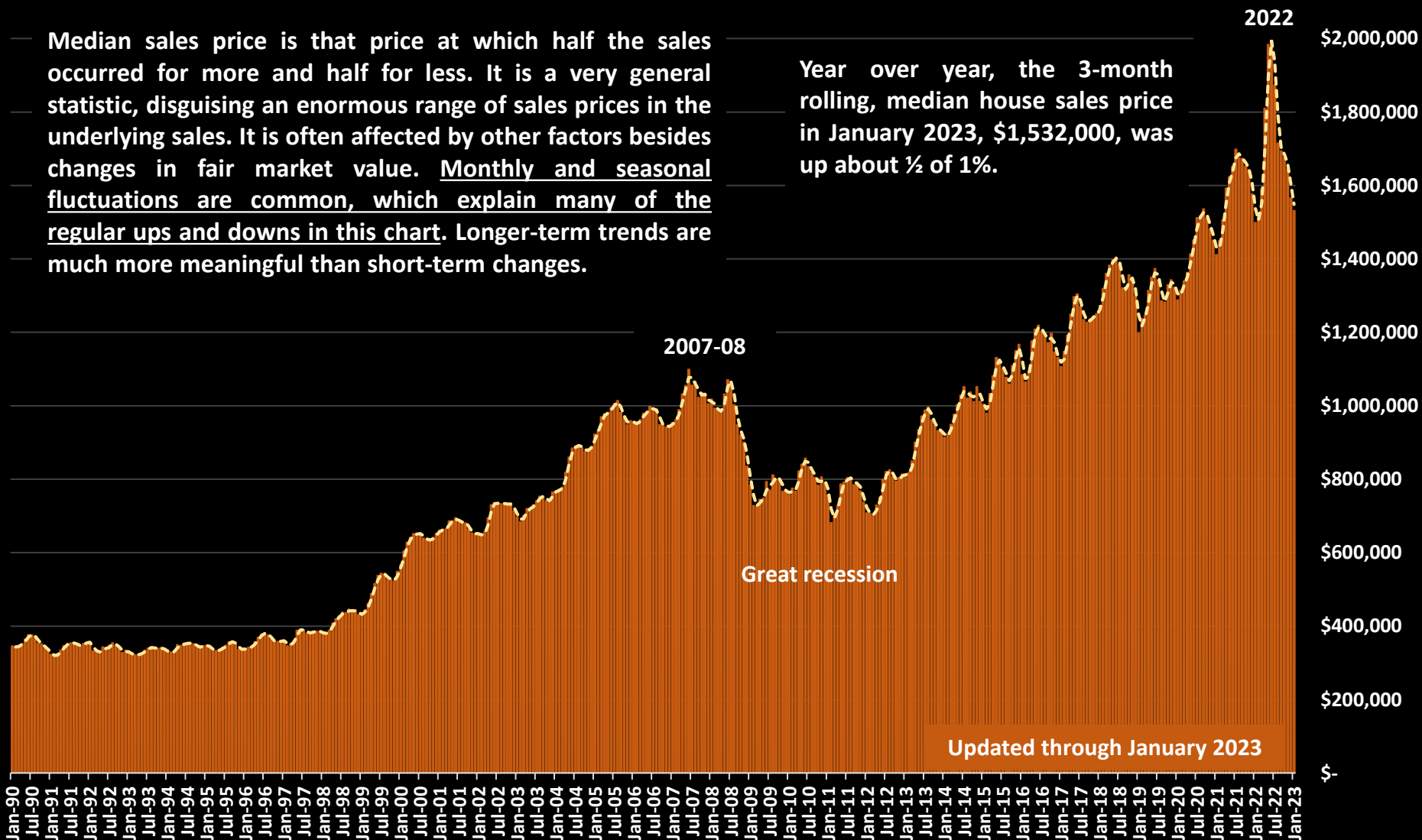
Last reading, end of day 2/3/23. Data per MarketWatch.com, daily closing prices. Data from source deemed reliable, but may contain errors and subject to revision. Financial market values change constantly and all numbers should be considered approximate.

Marin County Home Price Trends since 1990

Monthly Median House Sales Prices, 3-Month Rolling Average

Median sales price is that price at which half the sales occurred for more and half for less. It is a very general statistic, disguising an enormous range of sales prices 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.

Year over year, the 3-month rolling, median house sales price in January 2023, \$1,532,000, was up about ½ of 1%.



3-month rolling average of monthly median sales prices for “existing” houses, per CA Association of Realtors or NorCal MLS Alliance. 2-period moving trend line. Analysis may contain errors and subject to revision. All numbers approximate, and may change with late-reported sales.



Marin County Condo Price Trends since 2005

3-Month Rolling Median Condo Sales Prices

Median sales price is that price at which half the sales occurred for more and half for less. It is a very general statistic, often affected by other factors besides changes in fair market value. Monthly and seasonal fluctuations are common – especially in Marin – and longer-term trends are more meaningful than short-term changes.

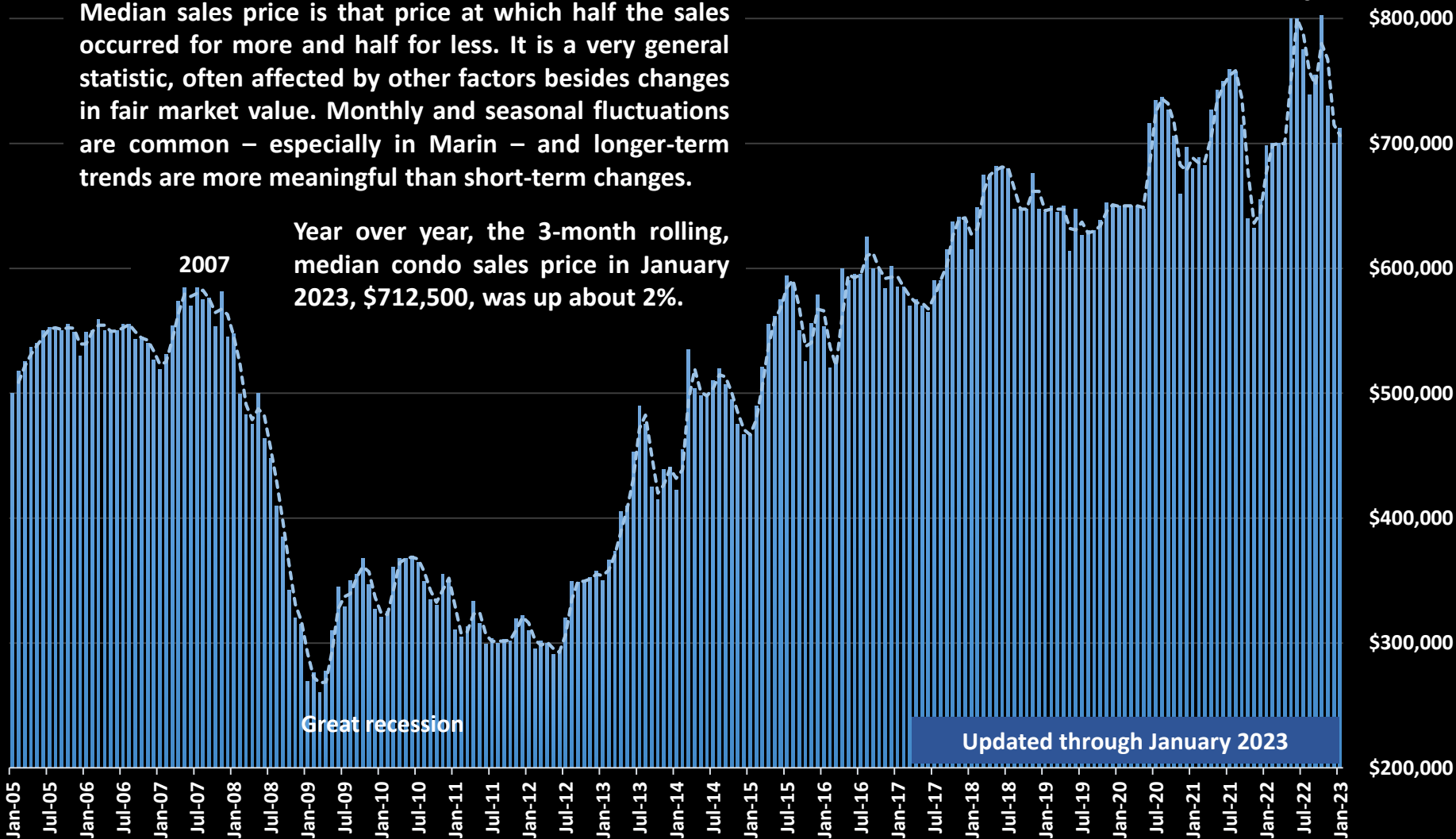
Year over year, the 3-month rolling, median condo sales price in January 2023, \$712,500, was up about 2%.

2007

Great recession

Updated through January 2023

2022



3-month rolling median condo sales prices reported to NorCal MLS Alliance, per Infosparks. 2-period moving trend line. Analysis may contain errors and subject to revision. All numbers approximate, and may change with late-reported sales.

Marin County

Median Home Sales Prices by Bedroom Count*

Early 2023 Update

City in Alphabetical Order	2-Bedroom Condo	2-Bedroom House	3-Bedroom House	4-Bedroom House	5-Bedroom House
Belvedere			\$3,009,000 (only 3 sales)	\$4,650,000 (1 sale)	\$7,800,000 (only 2 sales)
Corte Madera	\$862,250		\$1,695,000	\$2,312,500	\$3,262,500 (only 2 sales)
Fairfax		\$945,000	\$1,195,000	\$1,300,000	
Greenbrae	Blank fields signify too few sales		\$1,825,000	\$2,950,000 (only 5 sales)	
Kentfield			\$2,175,000 (only 5 sales)	\$3,350,000	\$3,310,000 (only 5 sales)
Larkspur	\$735,000		\$2,561,500	\$3,100,000	\$5,600,000 (1 sale)
Mill Valley	\$1,190,000	\$1,650,000	\$1,887,500	\$2,125,000	\$3,700,000
Novato	\$495,000		\$1,050,000	\$1,333,000	\$1,645,000
Ross	Blank fields signify too few sales		\$3,147,500 (only 2 sales)	\$3,950,000 (only 2 sales)	\$6,300,000 (1 sale)
San Anselmo		\$1,170,000	\$1,337,500	\$1,835,000	\$2,380,000 (only 4 sales)

Median sales prices are generalities and many factors besides bedroom count play roles in home values. The size of homes of the same bedroom count can vary widely within and between cities. Many of these communities see relatively low sales volumes, especially within these defined segments, which can make their median sales prices prone to anomalous fluctuation.

* Sales reported to NorCal MLS Alliance in the 6 months through mid-late 01/23. Data from sources deemed reliable, but may contain errors and subject to revision. **How these prices apply to any particular home is unknown without a specific comparative market analysis.** All numbers approximate, and may change with late-reported sales.



Marin County

Median Home Sales Prices by Bedroom Count*

Early 2023 Update

City in Alphabetical Order	2-Bedroom Condo	2-Bedroom House	3-Bedroom House	4-Bedroom House	5-Bedroom House
San Geronimo Valley		\$735,000	\$1,210,000	\$2,315,000 (only 5 sales)	
San Rafael - Central	\$550,000	\$1,200,000	\$1,500,000	\$1,910,000	\$2,167,000
San Rafael - North	\$632,500		\$1,240,000	\$1,695,000	\$2,150,000
Sausalito	\$902,500	\$1,800,000	\$2,500,000	\$3,550,000	\$3,763,500 (only 2 sales)
Stinson Beach		\$2,805,000 (only 4 sales)			
Tiburon	\$1,200,000		\$2,410,000	\$3,350,000	\$4,925,000

Blank fields signify too few sales for reliable calculations. Some of Marin’s communities – including Bolinas, Inverness, Pt. Reyes, Dillon Beach, Muir Beach, Nicasio – had too few sales for meaningful analysis. Many others included in these charts had *very low* numbers of sales within a particular segment of sales. This makes their median sales prices more prone to anomalous fluctuations.

How these prices apply to any particular home is unknown without a specific comparative market analysis.

Median sales price is that price at which half the sales occurred for more and half for less. Many factors besides bedroom count affect home values. Median sales prices are generalities, and often fluctuate due to a variety of market factors. The size of homes of the same bedroom count can vary widely within and between cities.

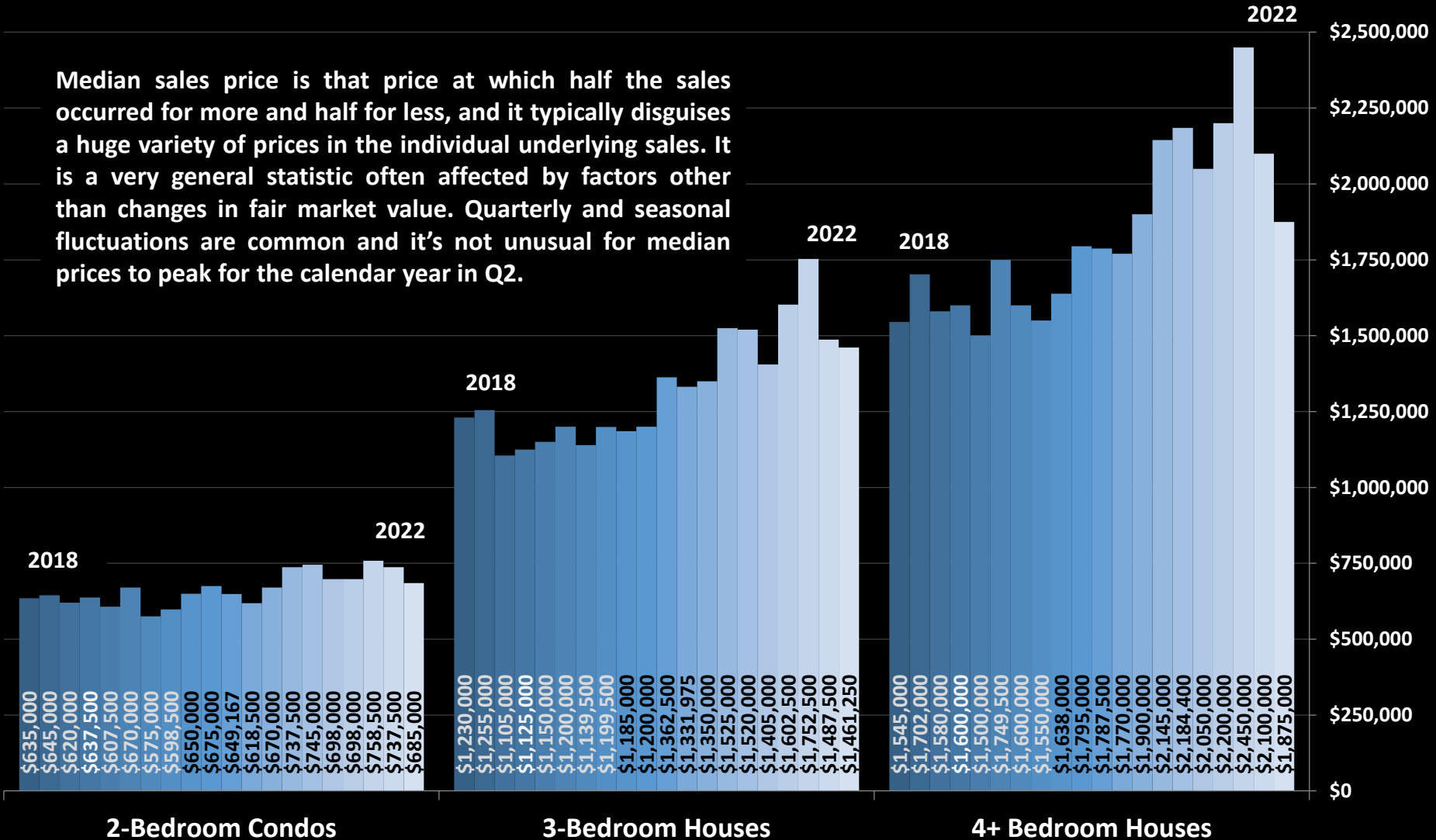
* Sales reported to NorCal MLS Alliance in the 6 months through mid-late 01/23. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and may change with late-reported sales.

Marin County Home Price Trends – by Bedroom Count

Median Sales Prices, by Quarter, Q1 2018 – Q4 2022

By Quarter

Median sales price is that price at which half the sales occurred for more and half for less, and it typically disguises a huge variety of prices in the individual underlying sales. It is a very general statistic often affected by factors other than changes in fair market value. Quarterly and seasonal fluctuations are common and it's not unusual for median prices to peak for the calendar year in Q2.

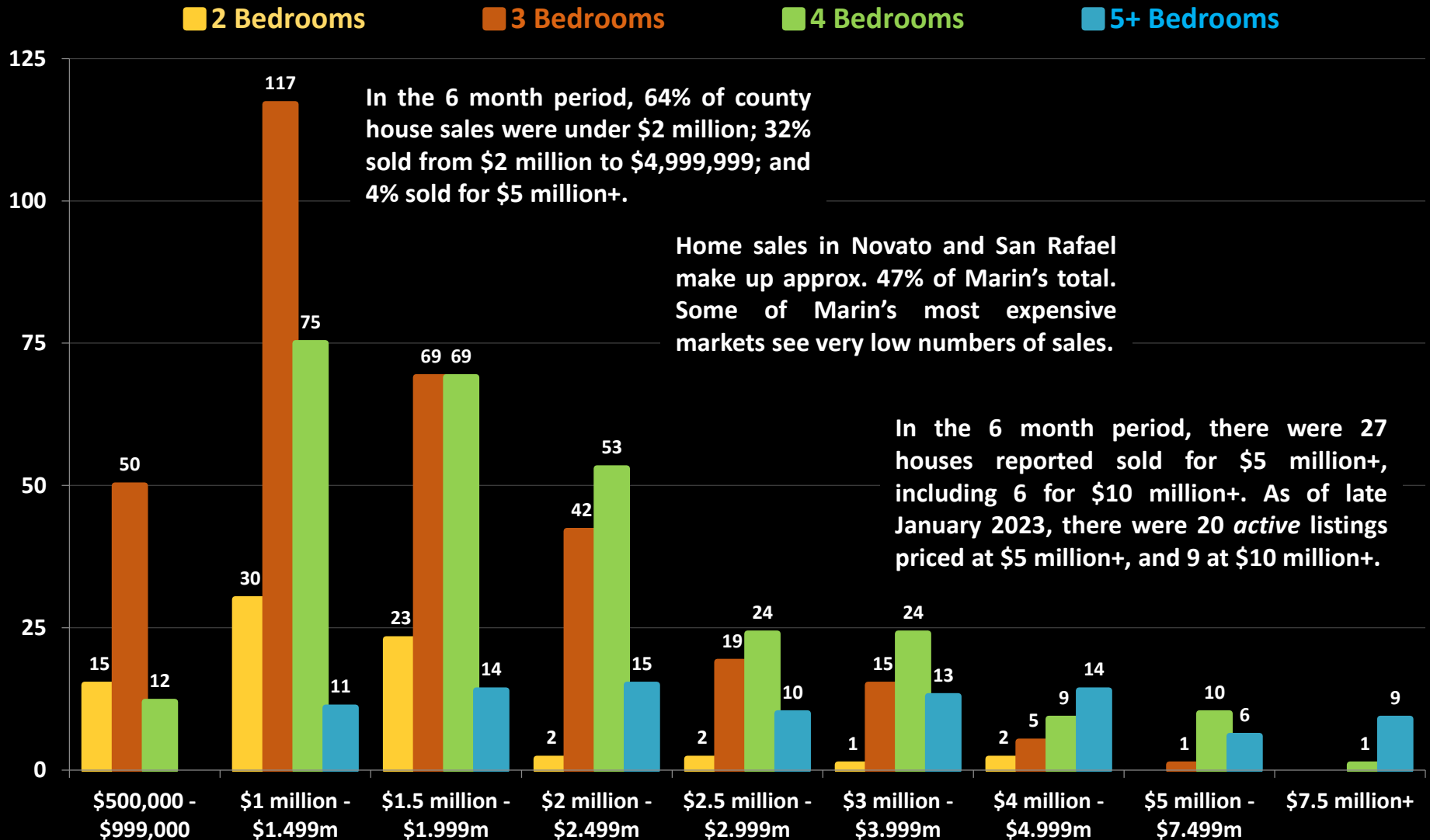


Sales reported to NorCal MLS Alliance, per Infosparks. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate, and may change with late reported sales. Quarterly sales volumes can fluctuate, affecting median sales price calculations.



Marin County 2+ Bedroom House Sales

6 Months Sales by Price Segment & Bedroom Count



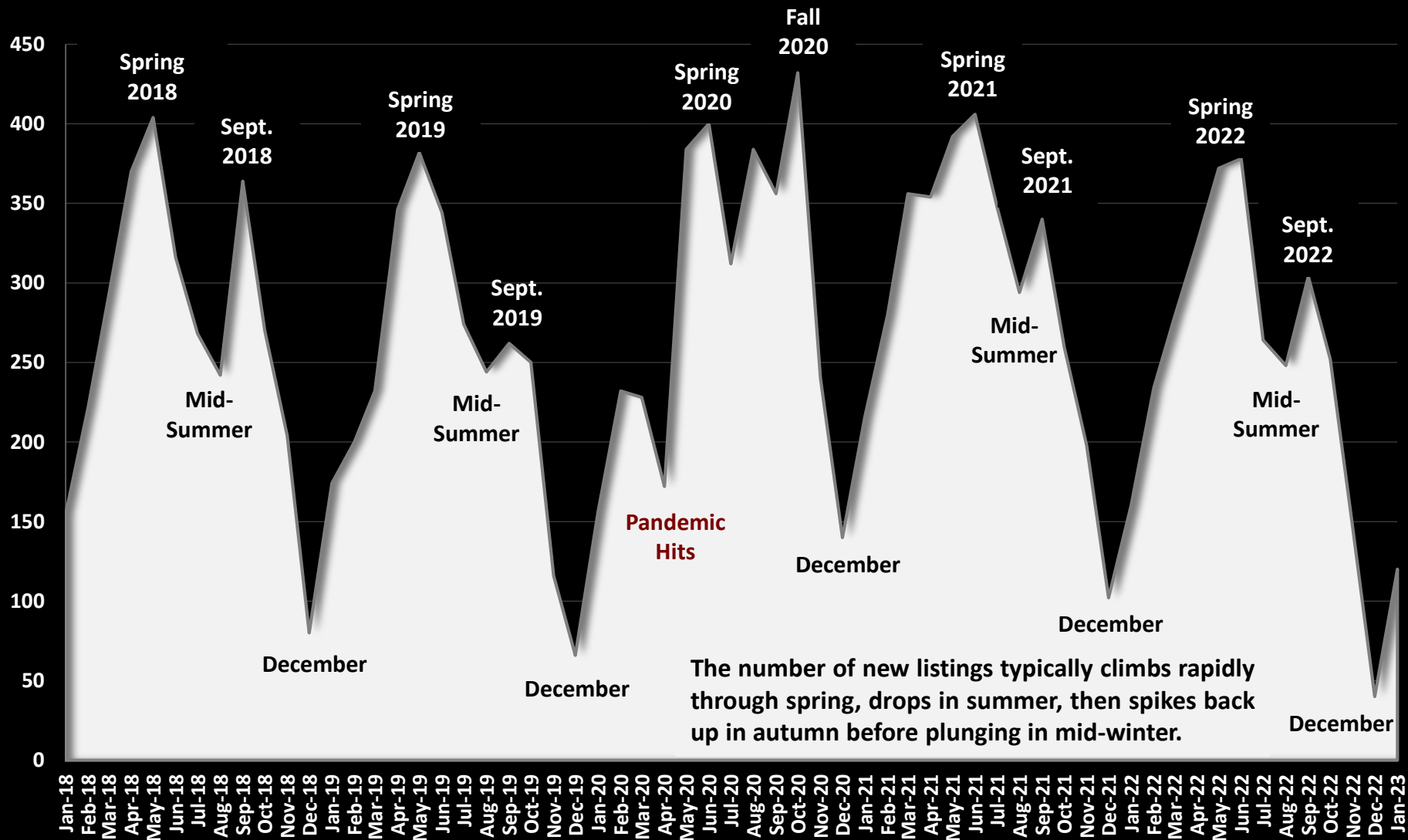
6 months Bareis-MLS sales through late January 2023, per Broker Metrics. Data derived from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and change constantly as new activity is reported. Not all sales are reported to MLS.



New Listings Coming on Market

Marin County Market Dynamics & Seasonality

Longer-Term Perspective

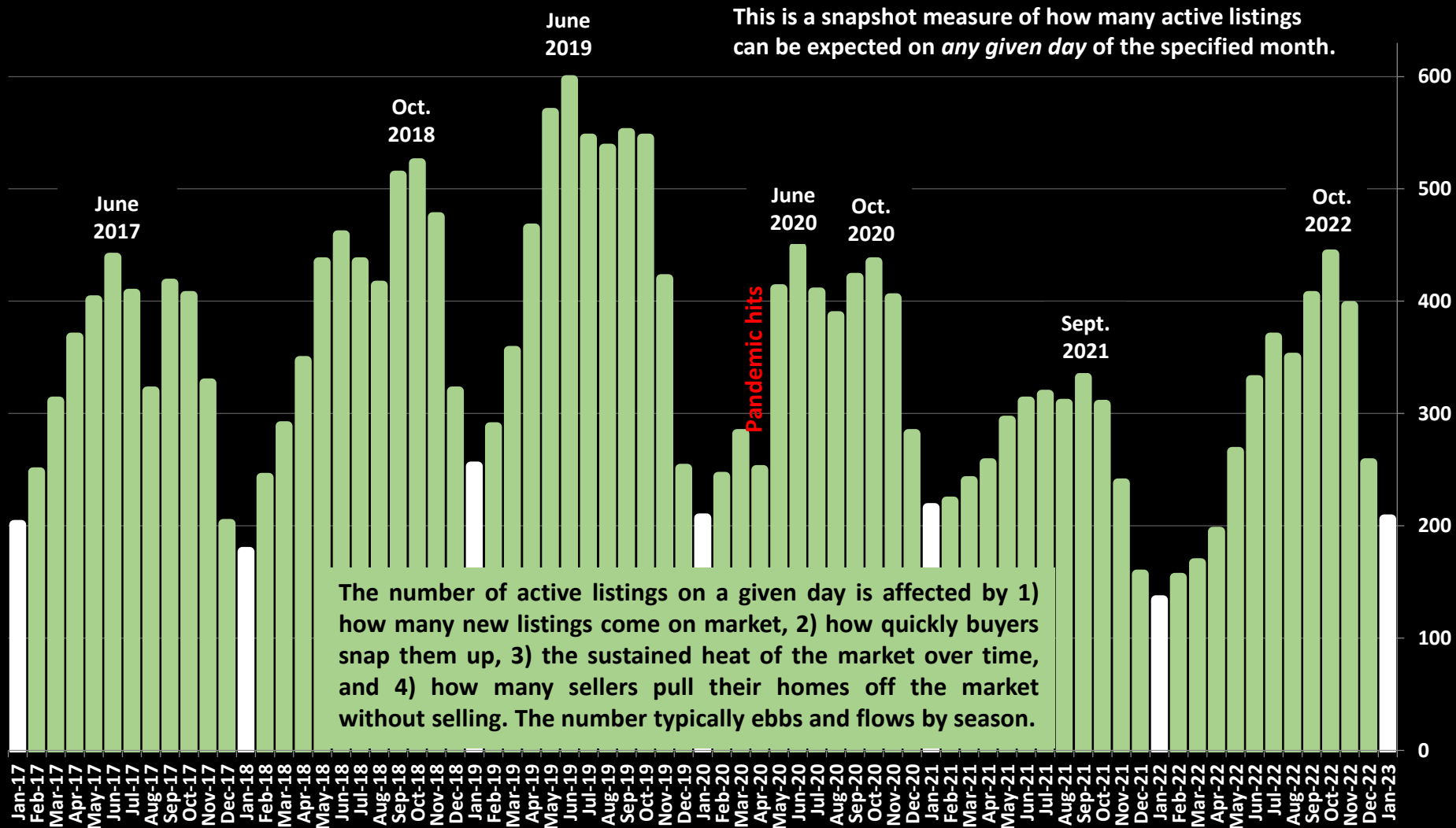


Per Realtor.com Research: <https://www.realtor.com/research/data/>, listings posted on site. Data from sources deemed reliable, but may contain errors and subject to revision. May not include "coming soon" listings. All numbers should be considered approximate.



Active Listings on Market

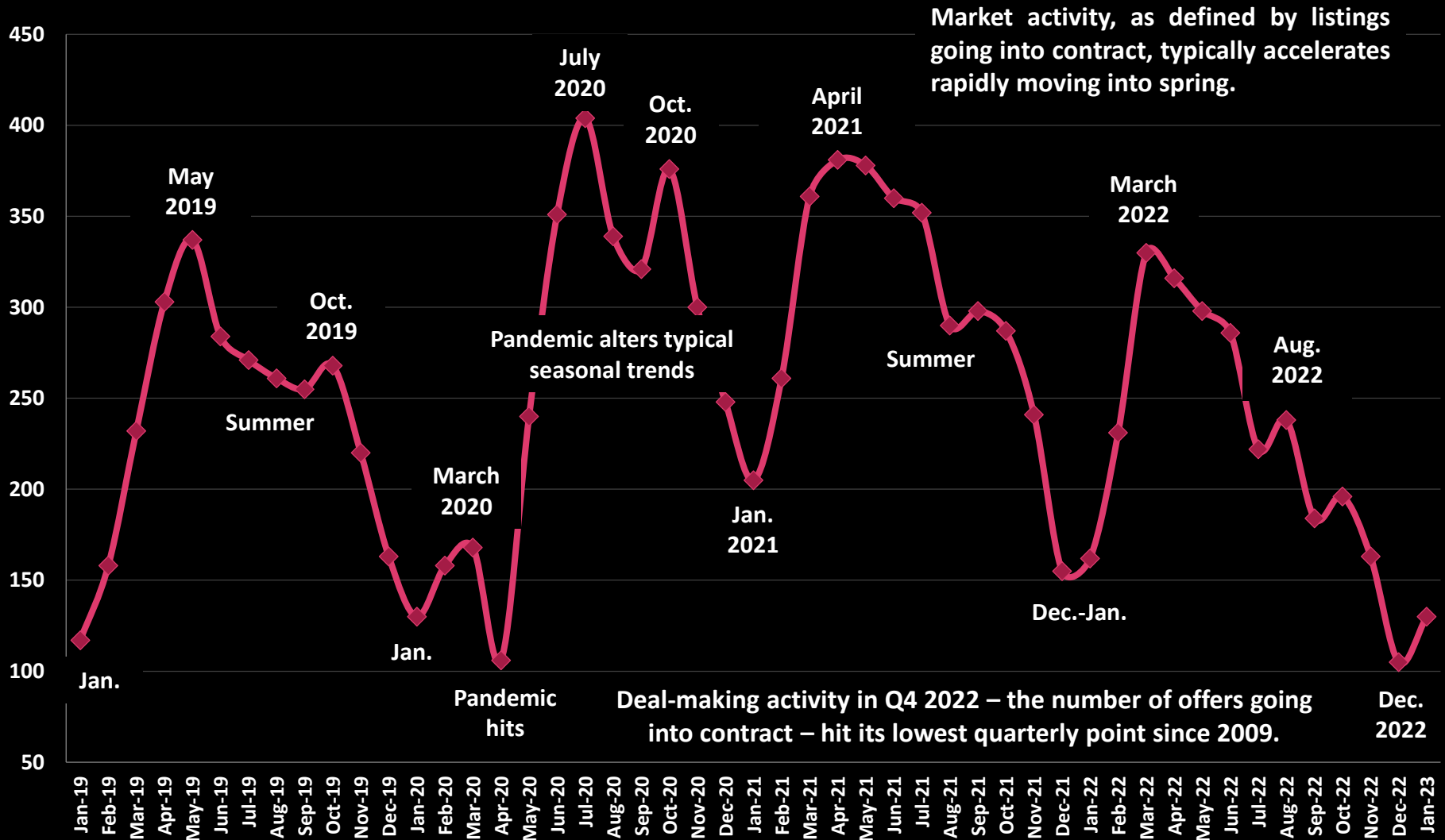
Marin County Real Estate Market Dynamics & Seasonality



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

Listings Accepting Offers (Going into Contract)

Marin County Market Dynamics & Seasonality

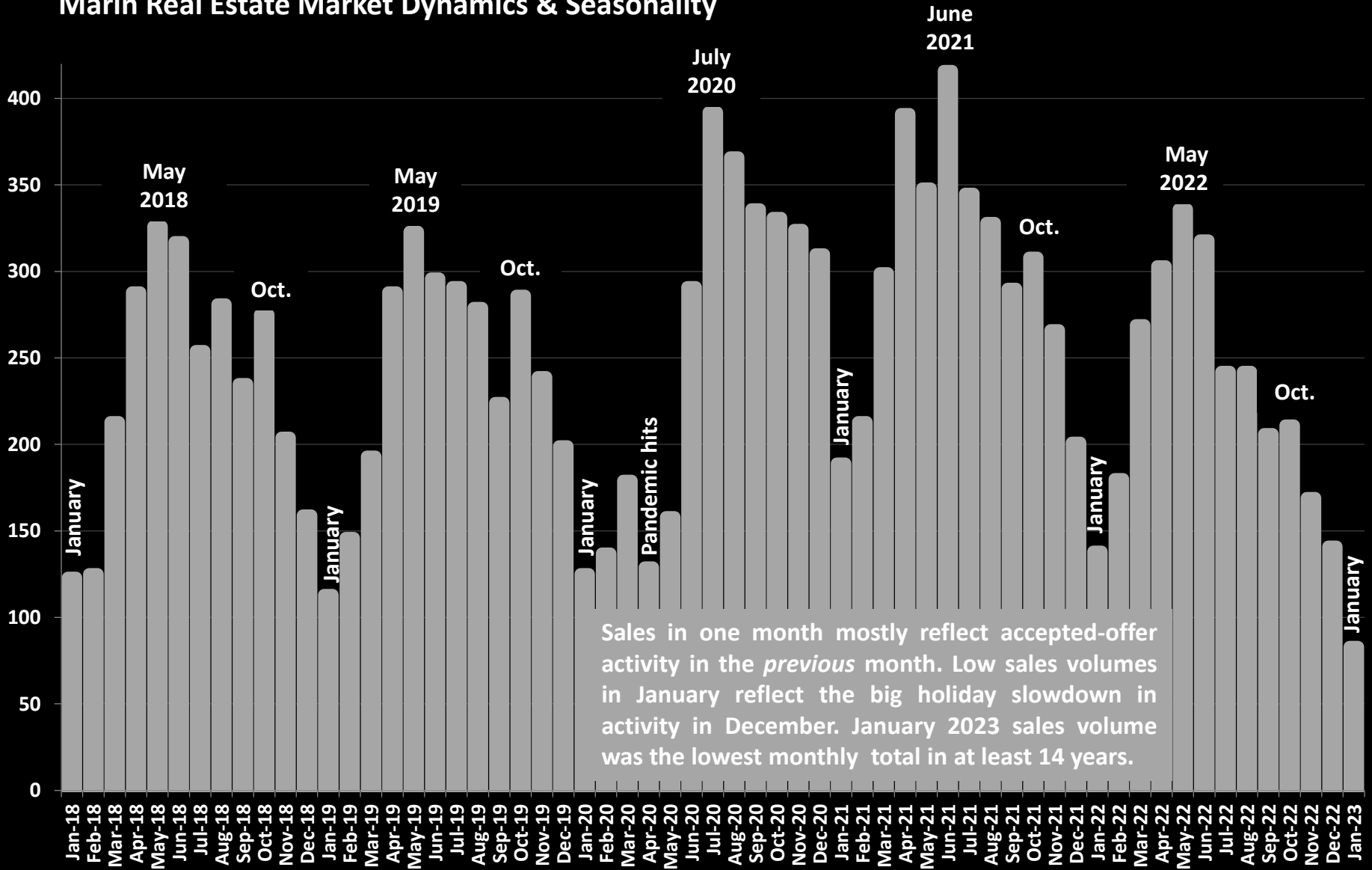


House, condo, townhouse listings reported to NorCal MLS Alliance, per Infosparks. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate. Last month number estimated based on available data, and may change with late reported activity.



Monthly Home Sales Volume – Longer-Term Trends

Marin Real Estate Market Dynamics & Seasonality



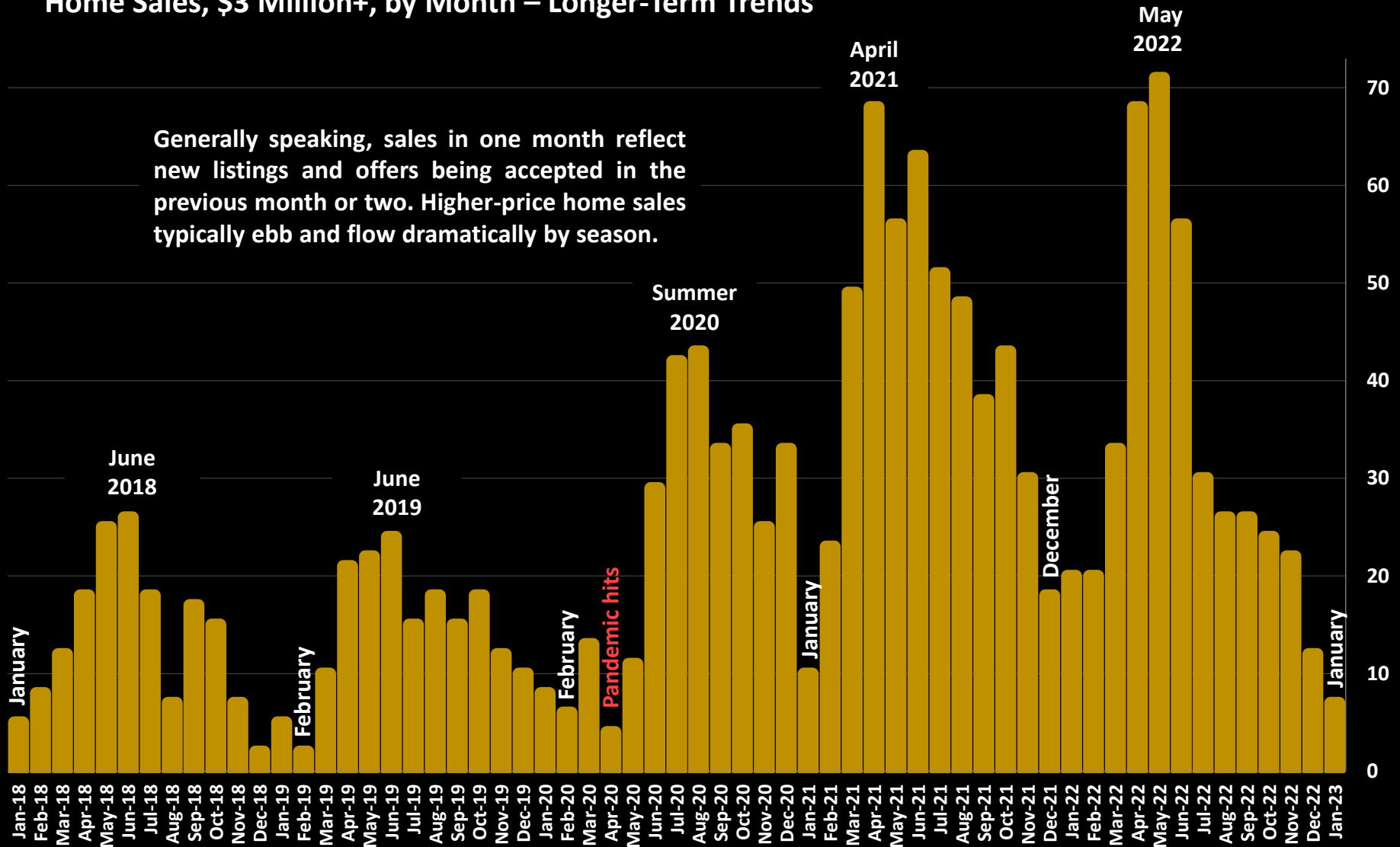
House, condo, townhouse sales reported to NorCal MLS Alliance, per Infosparks. Last month estimated and may change with late reported sales. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate.



Marin County Higher-Price Home Market

Home Sales, \$3 Million+, by Month – Longer-Term Trends

Generally speaking, sales in one month reflect new listings and offers being accepted in the previous month or two. Higher-price home sales typically ebb and flow dramatically by season.

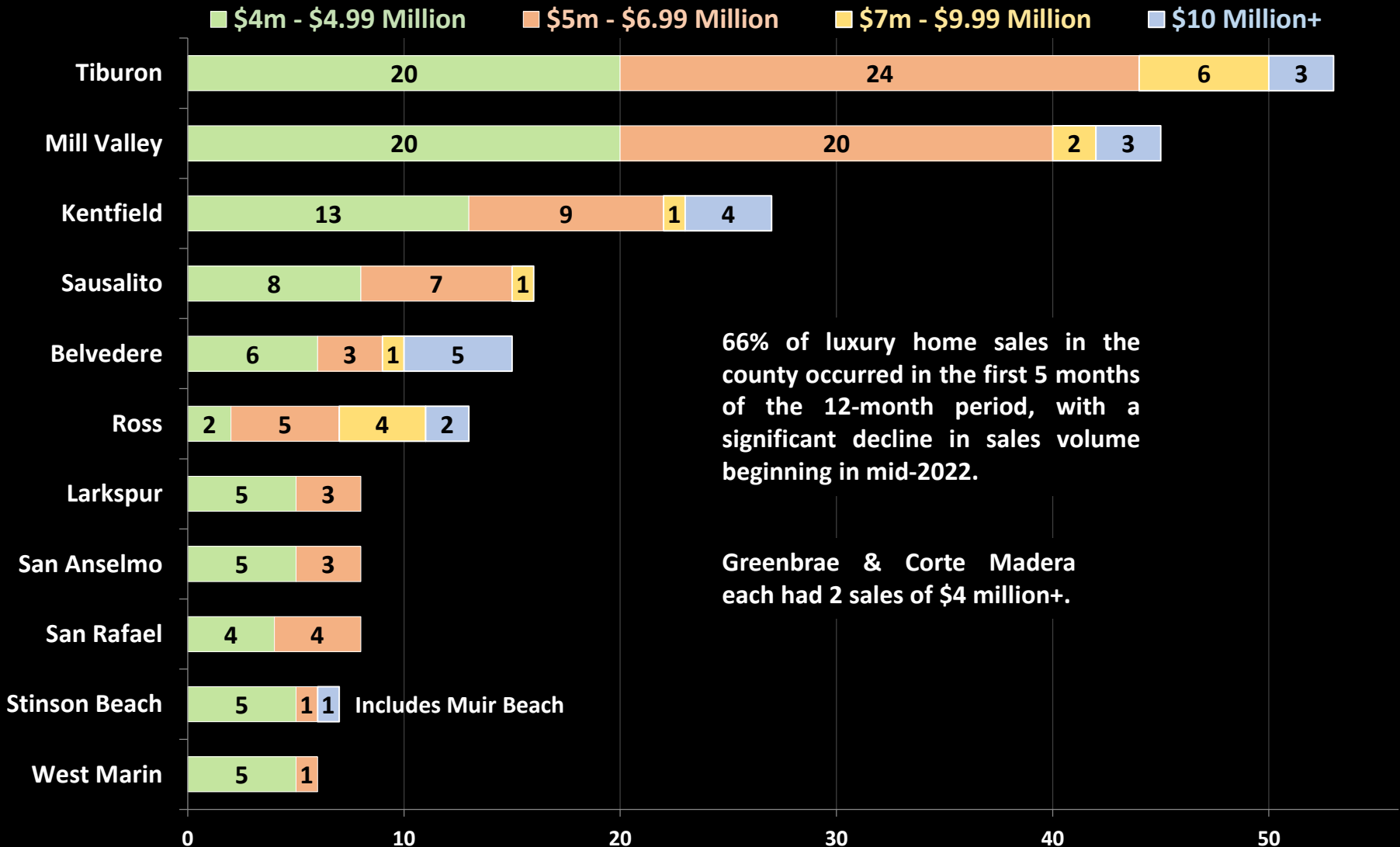


Sales reported to NorCal MLS Alliance, per Infosparks. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate, and may change with late-reported sales. Different data sources sometimes reports slightly different numbers.

Marin Luxury Home Market

Homes Selling for \$4,000,000+, 12 Months Sales

Early 2023 Report



66% of luxury home sales in the county occurred in the first 5 months of the 12-month period, with a significant decline in sales volume beginning in mid-2022.

Greenbrae & Corte Madera each had 2 sales of \$4 million+.

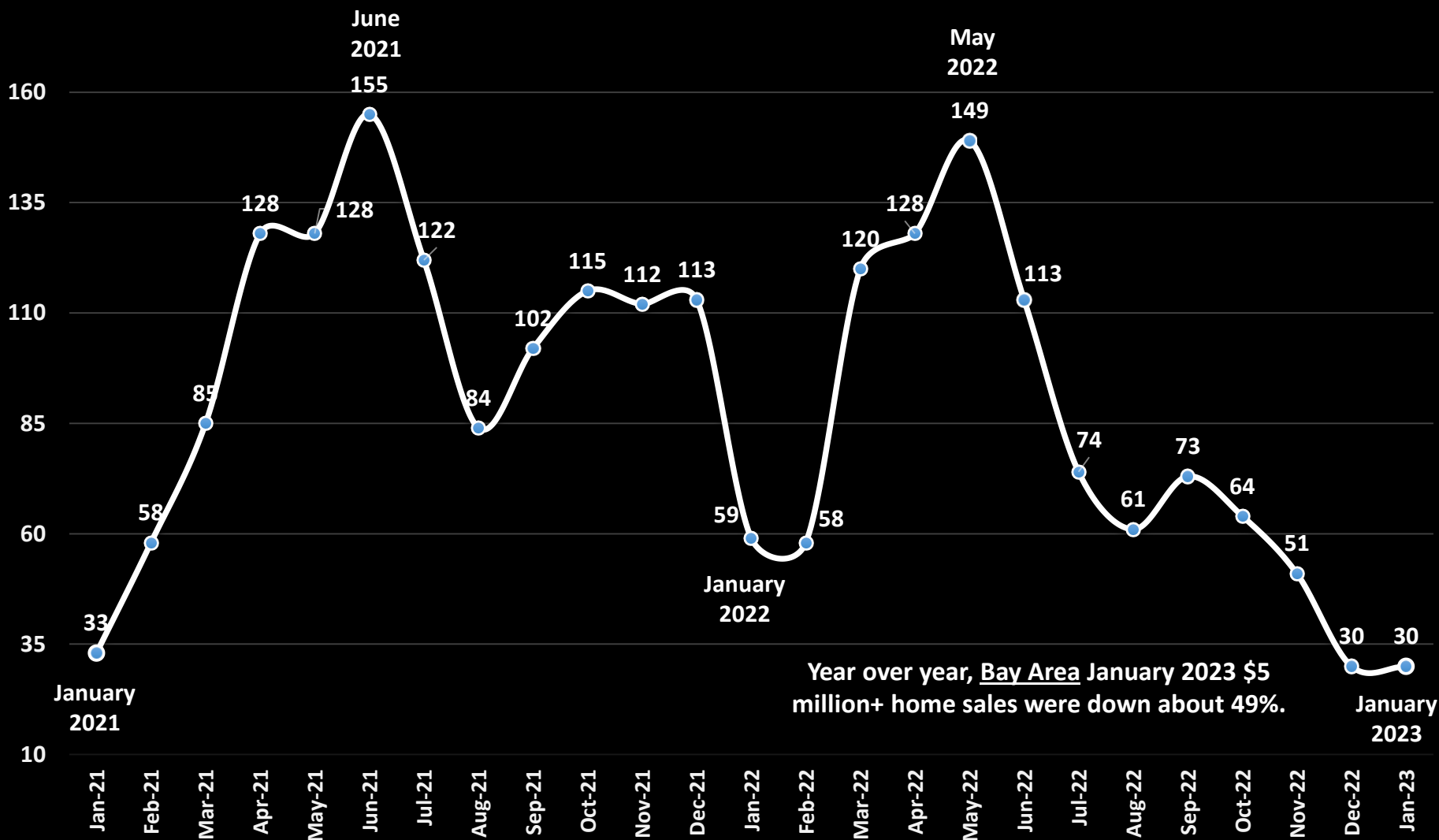
Includes Muir Beach

12 months sales reported to NorCal MLS Alliance through late January 2023. Not all sales are reported. Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate. Numbers can change on a daily basis. West Marin includes Bolinas, Inverness, Pt. Reyes Station, San Geronimo Vly and Nicasio.



Ultra-Luxury Home Sales, \$5 Million+*

Bay Area Luxury Home Market since January 2021



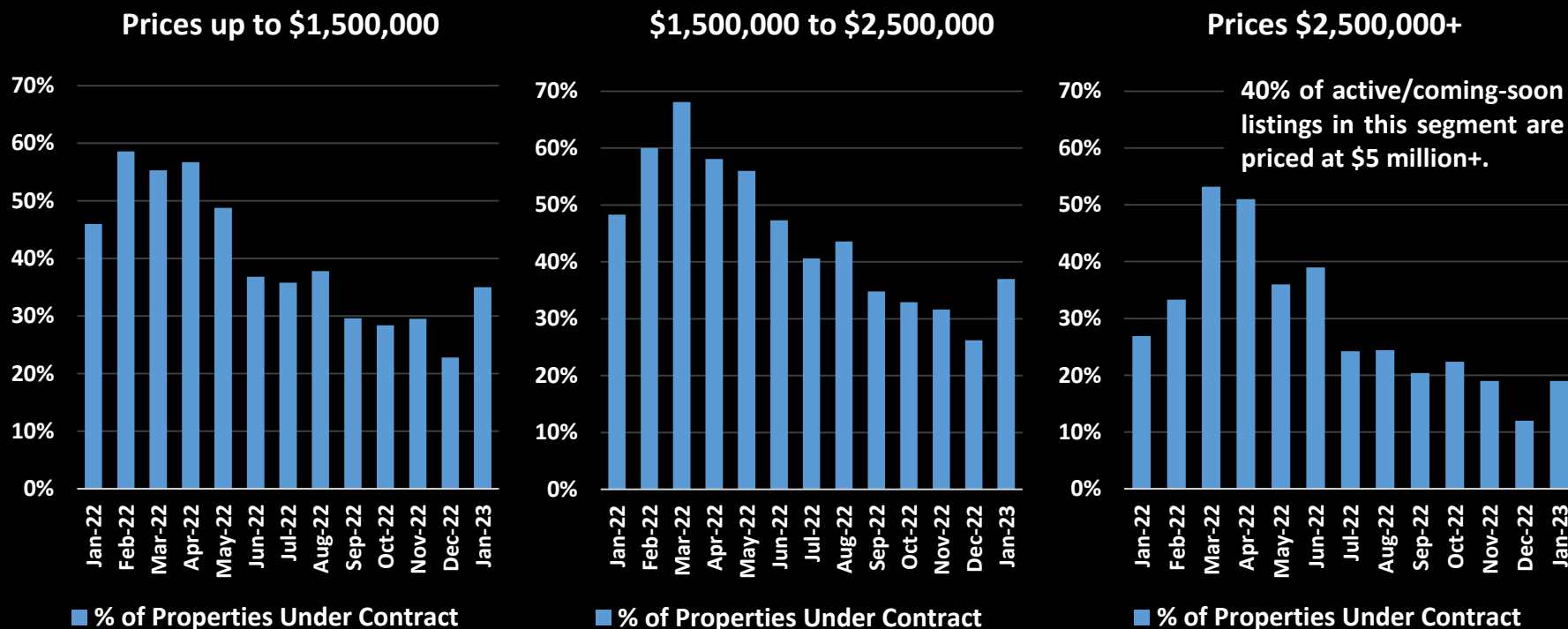
*Per residential sales reported to NorCal MLS Alliance for 10 Bay Area Counties, Napa to Monterey (excluding Solano), per Infosparks. Data from sources deemed reliable, but may contain errors and subject to revision. Last month estimated from data available early the following month. All numbers approximate, and may change with late-reported sales. Not all luxury sales are reported to MLS.



Market Demand by Price Segment

Marin County, Percentage of Listings Going into Contract

The percentage of listings going under contract (accepting offers) within the month, also known as the absorption rate, measures the level of buyer demand as compared to the supply of available listings: The higher the percentage, the stronger the market. All 3 price segments below hit very high percentages during the first quarter of 2022, then plunged in the face of changing economic conditions. In the second half of 2022, demand weakened most in the highest price segment. (The luxury market typically slows more dramatically during the mid-winter holidays.) Percentages began climbing in January 2023: Market seasonality is usually a major factor in demand. What occurs during the early spring market will be the next major indicator of market direction.

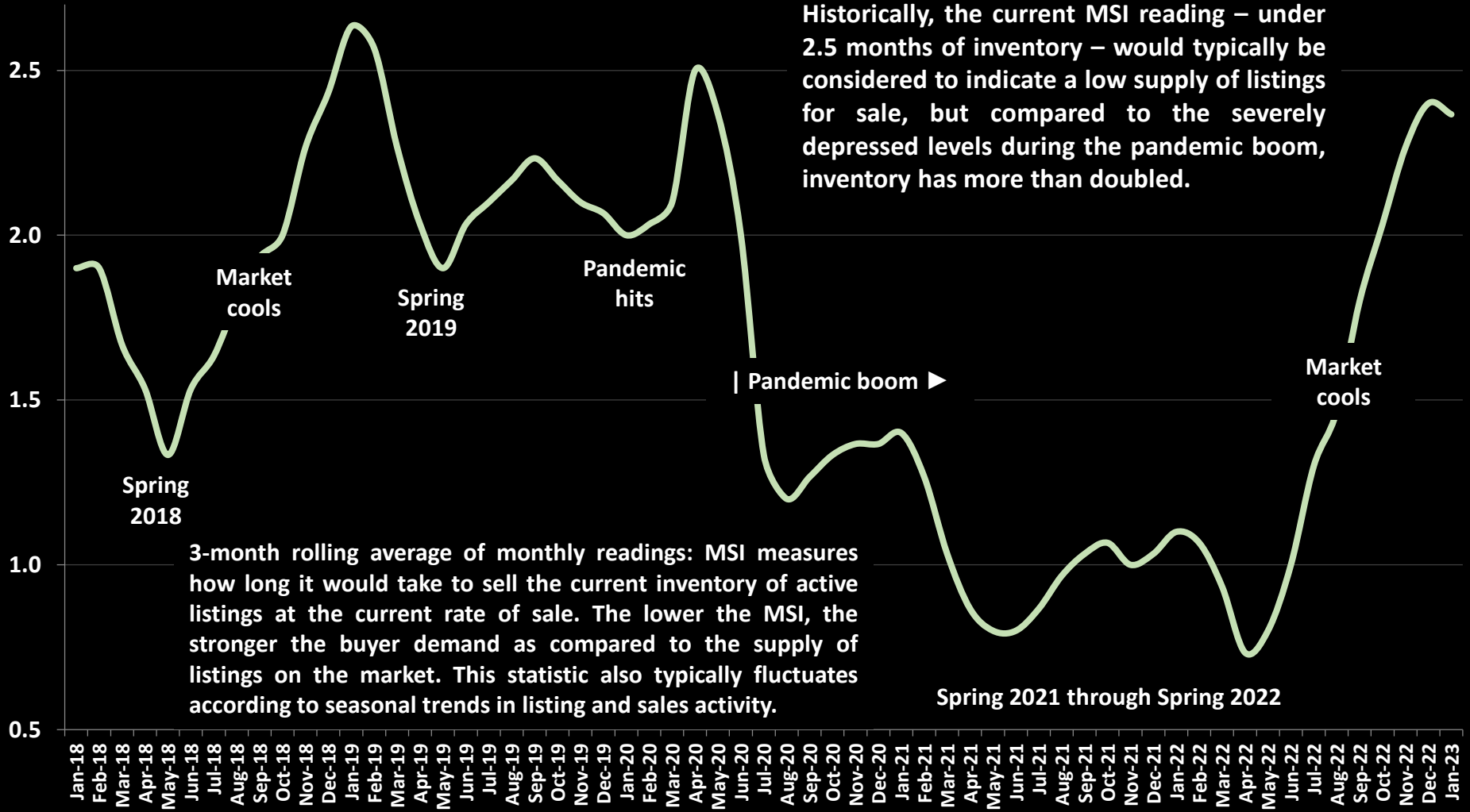


Residential activity reported to local MLS Associations, per Broker Metrics. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and may change with late reported activity.



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

Marin County Real Estate Market since 2018

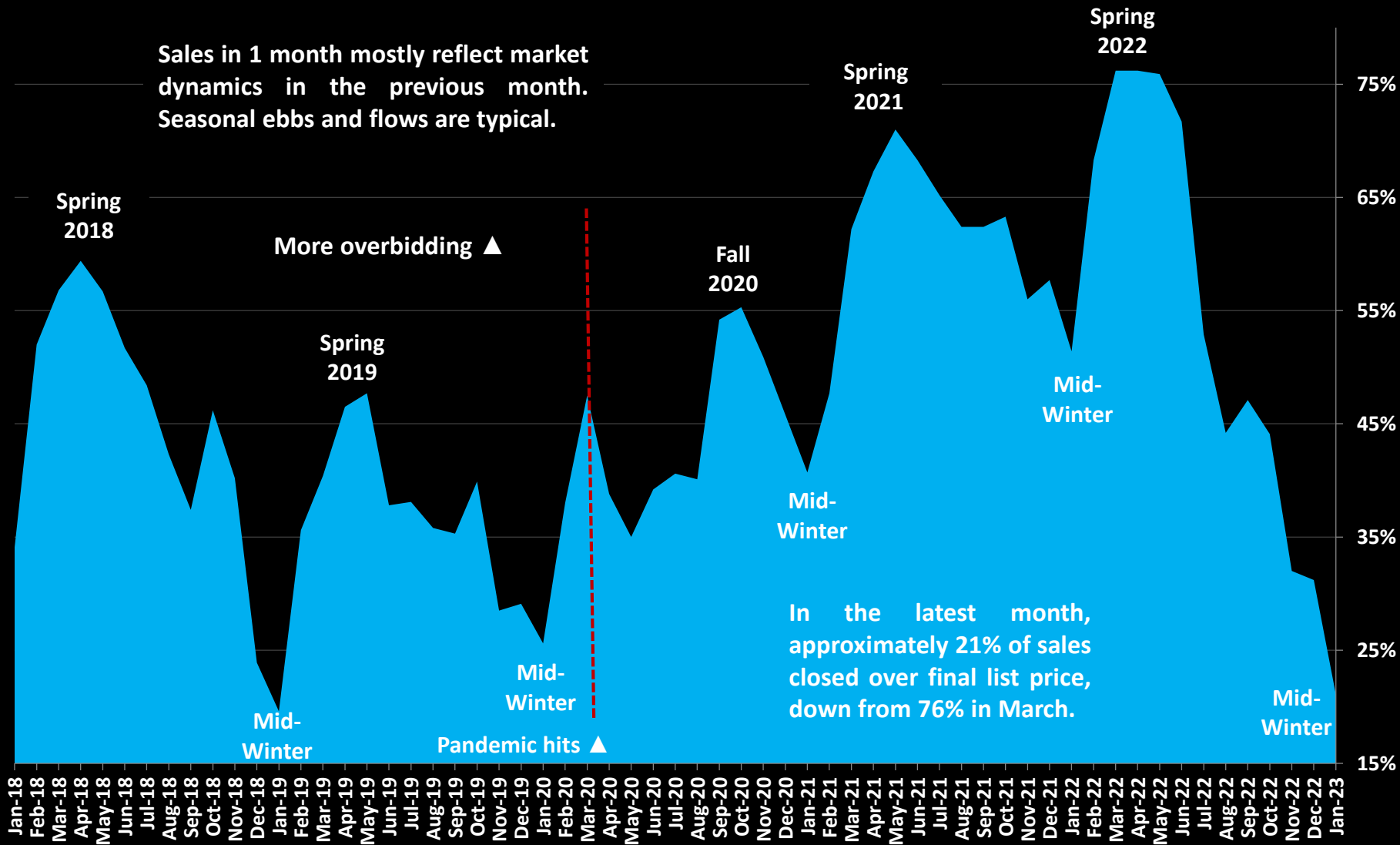


3-month rolling average monthly data for residential transactions reported to Bareis MLS, per Broker Metrics. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and may change with late-reported activity.

Overbidding List Prices in Marin County

Percentage of Home Sales Closing over List Price, since 2018

Sales in 1 month mostly reflect market dynamics in the previous month. Seasonal ebbs and flows are typical.

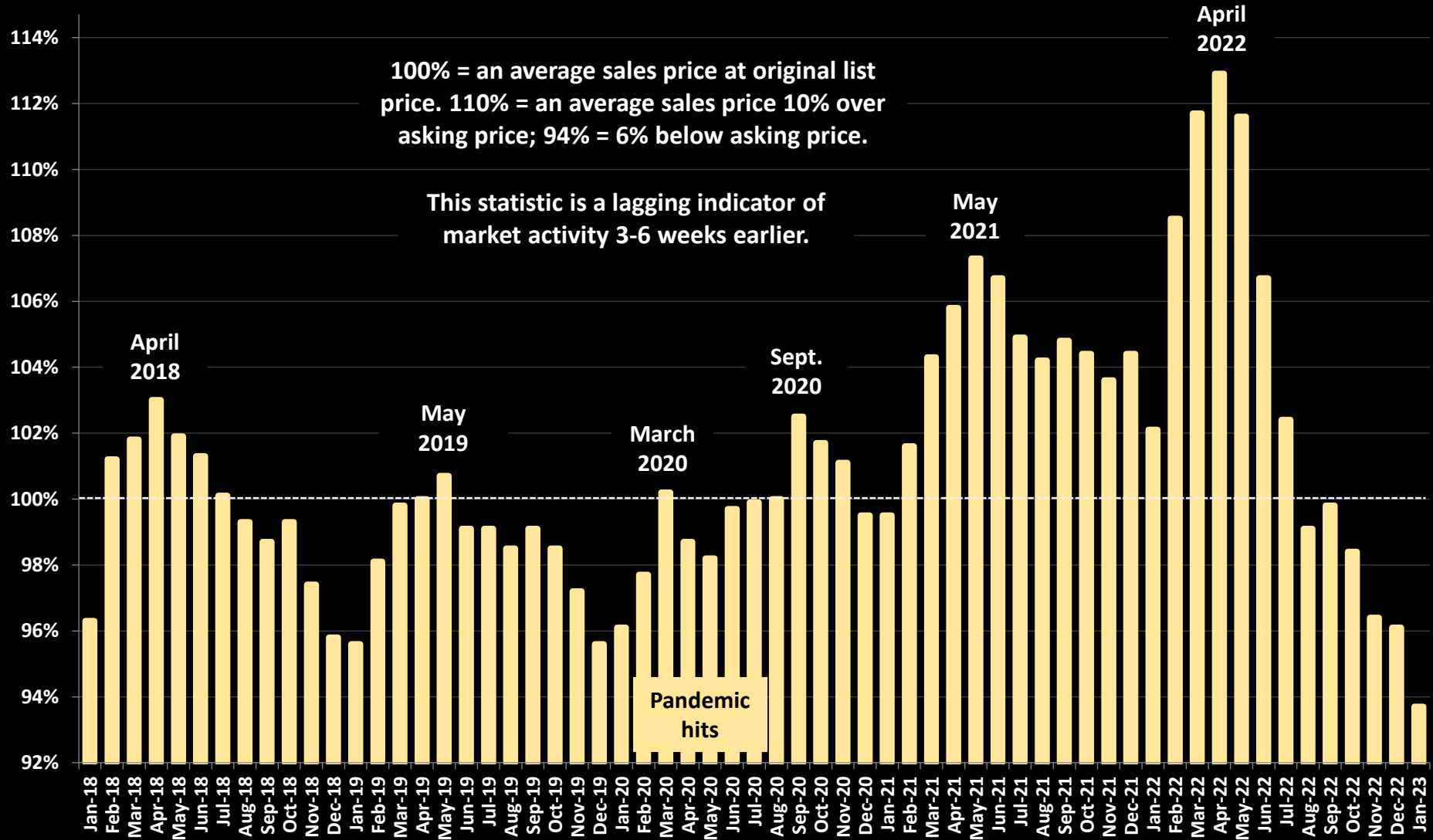


Sales data reported to NORCAL MLS® ALLIANCE, per Infosparks. Reflecting the percentage of sales closing at sales prices over the final list prices. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate, and may change with late-reported sales.



Average Sales Price to Original List Price Percentage

Marin County Over/Under Bidding: Market Dynamics & Seasonality



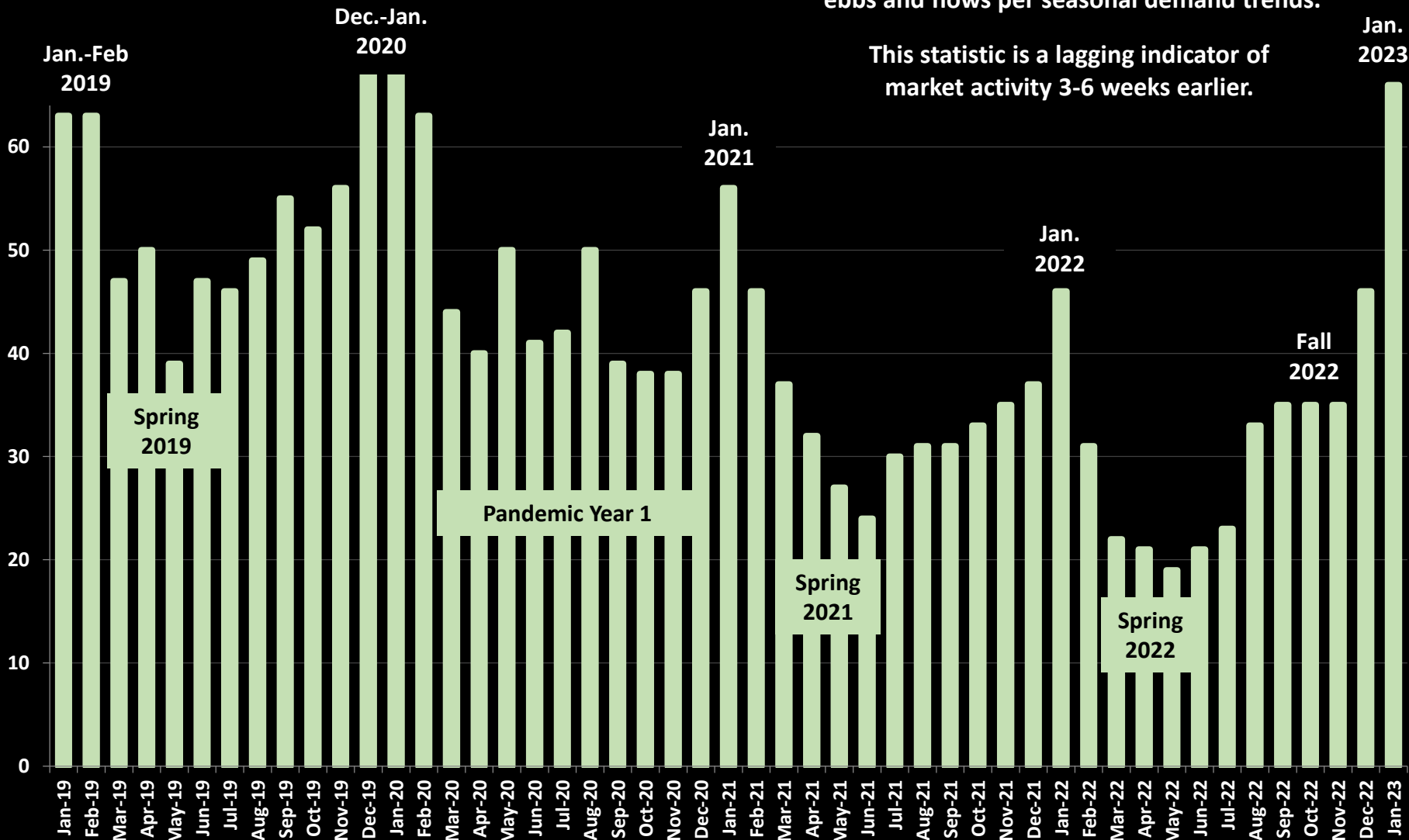
Sales of houses, condos, townhouses reported to NorCal MLS Alliance, per Infosparks. Data derived from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and may change with late-reported sales.



Average Days on Market – Sold Listings

Marin County: Market Dynamics & Seasonality

A measurement of how quickly the listings which sell go into contract, this statistic typically ebbs and flows per seasonal demand trends.

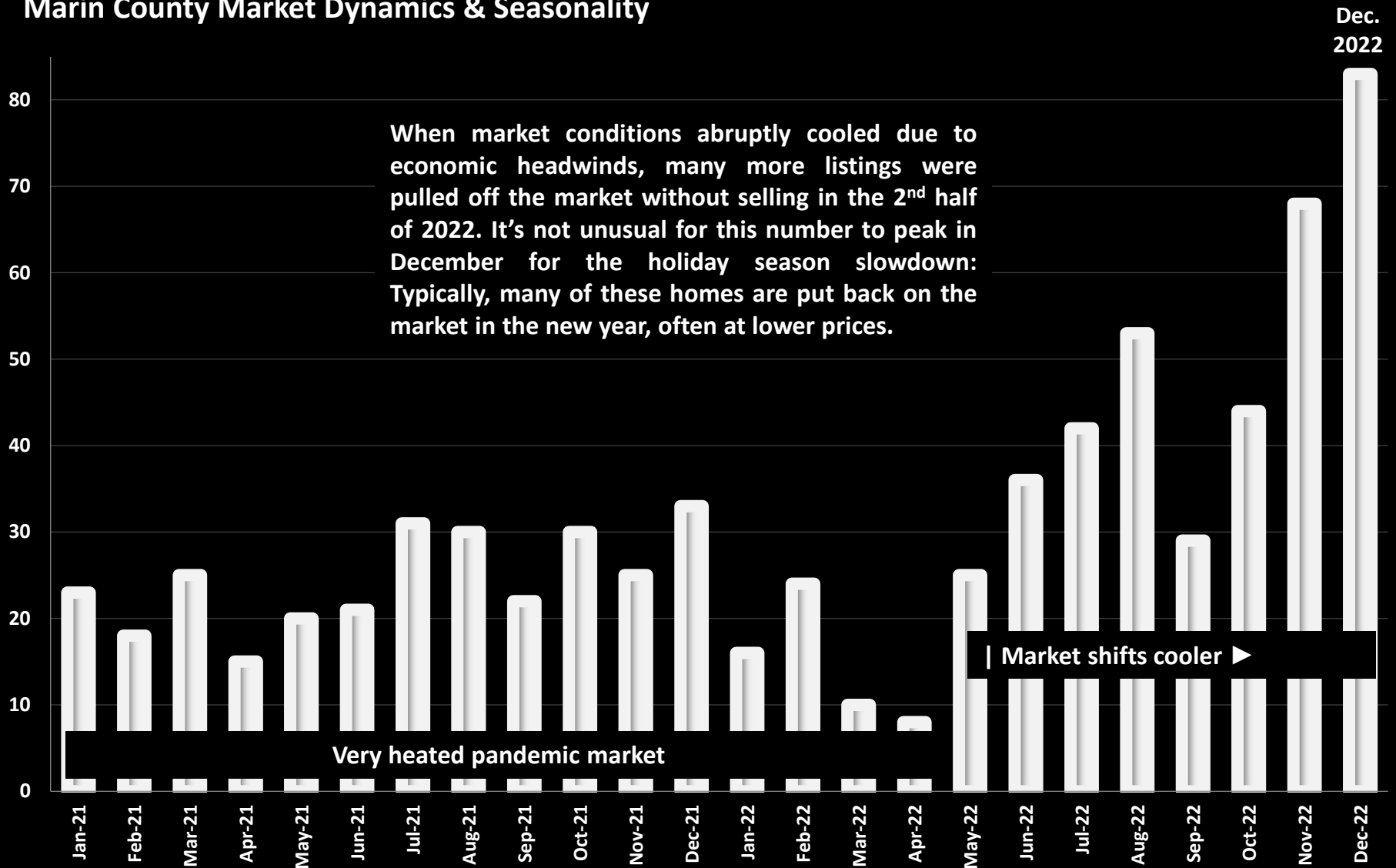


Sales of houses, condos, townhouses reported to NorCal MLS Alliance, per Infosparks, or per Broker Metrics Bareis MLS data. Data derived from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and may change with late-reported sales.



Listings Expired or Withdrawn from Market (No Sale)

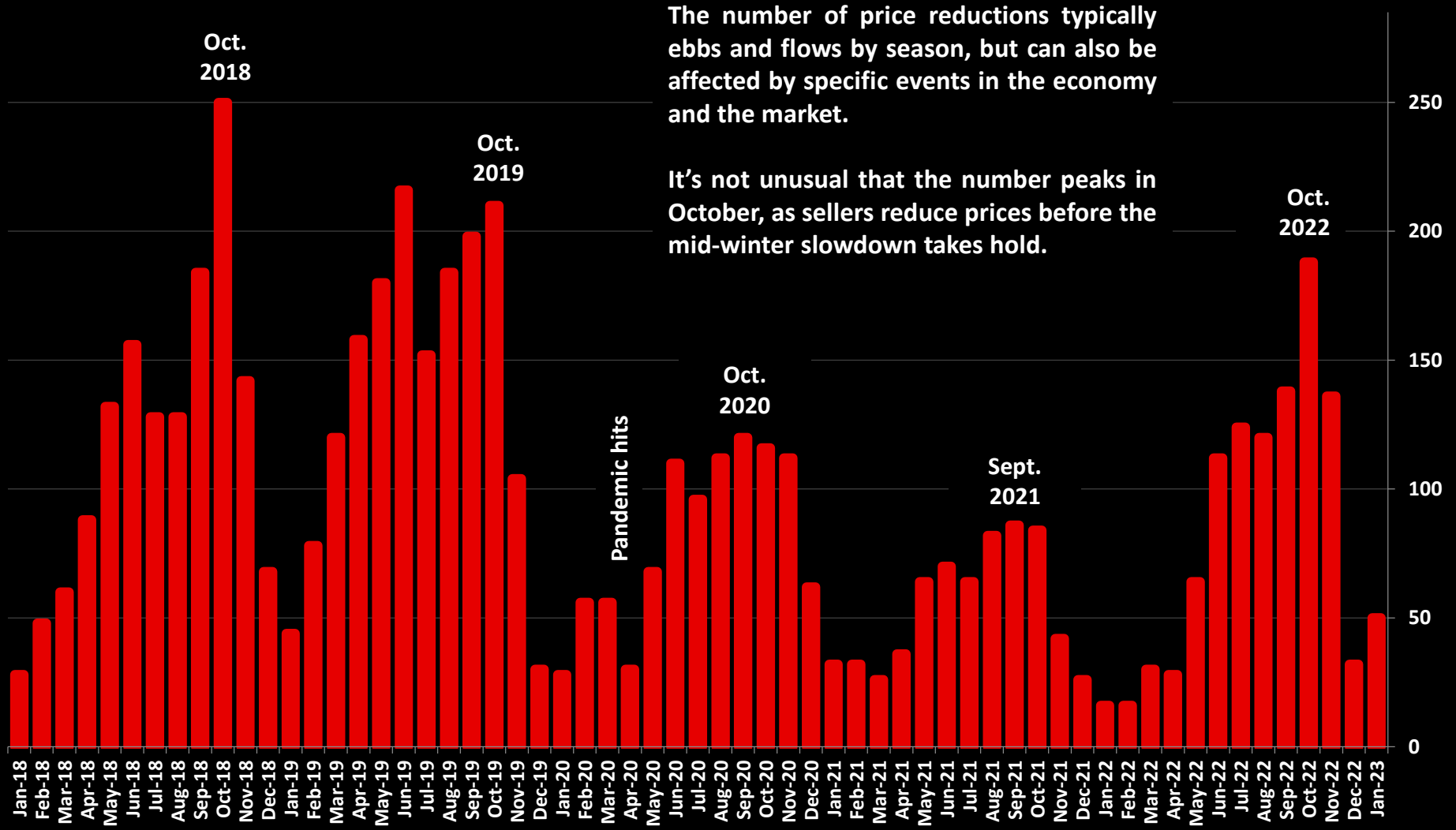
Marin County Market Dynamics & Seasonality



House, condo, townhouse activity reported to Bareis MLS, per Broker Metrics. Data from sources deemed reliable but may contain errors and subject to revision. All numbers are approximate. Reliable January 2023 data not yet available.

Price Reductions on Active Listings

Marin County Market Dynamics & Seasonality



The number of price reductions typically ebbs and flows by season, but can also be affected by specific events in the economy and the market.

It's not unusual that the number peaks in October, as sellers reduce prices before the mid-winter slowdown takes hold.

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.



San Francisco Bay Area Population & Migration

Updated Population Data for the Greater Bay Area

In late January 2023, the California Department of Finance released updated county population estimates. The attached charts illustrate annual population figures through July 1st 2022, as well as estimated data on net domestic migration, net foreign migration, and natural cause changes (births and deaths).*

[Click Here
to Access Full Report](#)

Photo by the European Space Agency, Creative Commons License

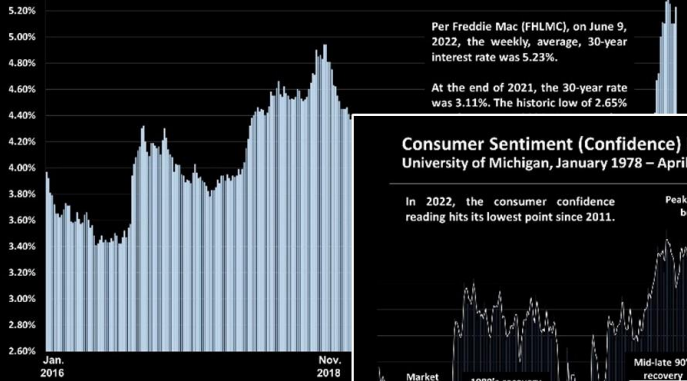


COMPASS

Mortgage Interest Rate Trends, 2016 – Present

30-Year Conforming Fixed-Rate Loans, Weekly Average Readings

Rates published by the FHLMC



Per Freddie Mac (FHLMC), on June 9, 2022, the weekly, average, 30-year interest rate was 5.23%.

At the end of 2021, the 30-year rate was 3.11%. The historic low of 2.65%

Interest rates may fluctuate suddenly and dramatically, and changes. Data from sources deemed reliable but not guaranteed. Home loans should consult with a qualified mortgage professional.

Consumer Sentiment (Confidence) Index

University of Michigan, January 1978 – April 2022

As published by the Federal Reserve Bank of St. Louis

In 2022, the consumer confidence reading hits its lowest point since 2011.

Peak: dotcom bubble

2012-2020 recovery & high-tech boom

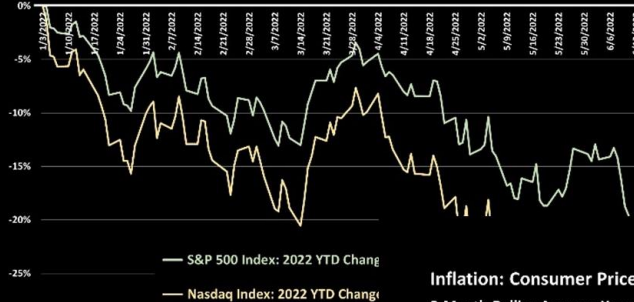


2-month rolling trend line. University of Michigan. Consumer Sentiment Index. Federal Reserve Bank of St. Louis. <https://fred.stlouisfed.org/series/UCS>

Click Here for Review of Selected Macroeconomic Trends

Financial Markets in 2022

Percentage Declines since January 3, 2022



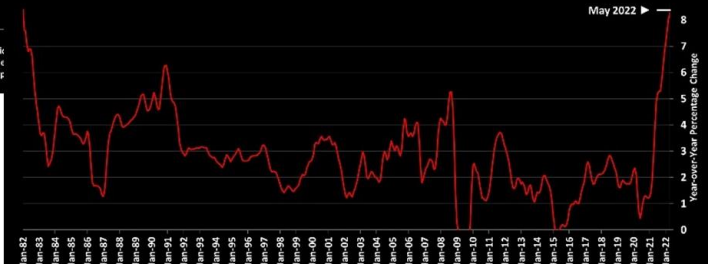
— S&P 500 Index: 2022 YTD Change

— Nasdaq Index: 2022 YTD Change

Last reading as of 6/13/22 AM. Data per MarketWatch.com, daily closing price reading. Data from source deemed reliable, but may contain errors and subject to revision. Financial markets change constantly and all numbers should be considered as approximate.

Inflation: Consumer Price Index, 1982 – 2022*

3-Month-Rolling Average, Year-over-Year % Change



*3-month rolling average of Consumer Price Index for All Urban Consumers: All Items in U.S. City Average (CPIAUCSL), retrieved from FRED, Federal Reserve Bank of St. Louis. <https://fred.stlouisfed.org/series/CPIAUCSL>, June 2022. Data from U.S. Bureau of Labor Statistics. All Items (CPIAUCSL) is a price index of a basket of goods and services paid for by urban consumers. This particular index includes roughly 88 percent of the total population. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate.

Factors in Bay Area Real Estate Markets

Many of these factors can swing both positive and negative; sometimes effects are deeply counter-intuitive (e.g. a pandemic causing a fierce housing boom). Economic, political, social and ecological dynamics constantly change and interact in difficult-to-predict ways. Market-changing developments can percolate gradually, or arise quickly and unexpectedly. The impact of specific factors can vary by market segment.

Local economic conditions: High-tech booms, employment, housing affordability & development, venture capital & foreign investment, pro/anti-business sentiment, etc.

Interest rates Stock markets Inflation Consumer confidence

Household wealth; personal, corporate, govt. debt levels Massive, governmental economic interventions (including by the Fed); post 9/11/2001, post 9/2008, post 3/2020

Natural disasters such as COVID, 1989 earthquake, 2017-21 fires, drought

Domestic & foreign migration; federal immigration policy; demographic changes

Tax law e.g. real estate tax benefits & credits, 2017 SALT-deduction limitation Rental market dynamics State income tax disparities

International economic/political events, e.g. large oil price swings, military/economic conflict, foreign economic crises, 9/11, 2015 Chinese stock market crash

Local, state & national politics Social and quality of life issues: Crime, homelessness, cost of living, economic inequality, partisan politics, etc.

Financial industry manipulation, fraud, engineering, recklessness, e.g. junk bonds, S&L collapse, predatory lending, abandonment of risk mgmt. & underwriting standards, CDOs & rating-agency deceit, insider trading, over-leveraged investing; irrational exuberance

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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