

# The 3 Oceans Market Report

## market update

**SAN CARLOS**

Current prices for homes on the market

Trends in pricing

Current levels of supply and demand

Value metrics

Report for the week of  
2008-12-19

Presented by Kevin Boer

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# City Overview

Real-Time Market Profile		Trend
Median List Price	\$ 1,196,500	↑ ↑
Average List Price	\$ 1,218,206	
Least Expensive Listing	\$ 485,989	
Most Expensive Listing	\$ 3,780,000	
Asking Price per Square Foot	\$ 566	↓ ↓
Average Days on Market	75	↑ ↑
Total Inventory	64	↑ ↑
Absorbed This Week*	14	
Percent of Properties with Price Decrease	56 %	
Percent Relisted (reset DOM)	19 %	
Percent Flip (price increased)	0 %	
Median House Size (sq ft)	2,118	
Median Lot Size	6,501 - 8,000 sq ft	
Median Number of Bedrooms	3.5	
Median Number of Bathrooms	2.0	
Median Age	57	

Altos Research Value Statistics	
Market Action Index	<b>Cold! Buyer's</b> 17 ← →

Altos Research calculates the Market Action Index which measures available supply relative to the current level of demand. Index value above 30 indicates conditions favor the seller. See the section below for full details.

Trend Key

Last Month's Trend  
 Last Quarter's  
 No Clear Monthly/Quarterly

\*Metric "Absorbed this Week" covers properties sold and those taken off the market for other reasons. Since sales sometimes take months to close, it is impossible to discern in real-time exactly which properties sold.

## Characteristics per Quartile

Quart	Median Price	Med. Sqft.	Med. Lot Size	Bed	Bath	Med. Age	Inven.	New	Ab-sorbed	Avg. DoM
1	\$ 1,604,000	2,805	8,001 - 10,000 sq ft	4.0	3.0	33	16	0	2	82
2	\$ 1,272,000	2,631	8,001 - 10,000 sq ft	4.0	2.0	47	16	1	3	79
3	\$ 1,058,475	1,960	4,501 - 6500 sq ft	3.0	2.0	57	16	1	5	70
4	\$ 673,950	1,150	4,501 - 6500 sq ft	2.0	1.0	60	16	1	4	72

## SAN CARLOS

### THIS WEEK

The median single family home price in SAN CARLOS this week is \$1,196,500. The 64 homes have been on the market for an average of 75 days.

Inventory and days-on-market are climbing, while the Market Action Index has been flat recently. The trends point to a weakening market.

### QUARTILES

To get a tightly targeted understanding of homes in the market, we break each locale into quartiles. Each quartile is 25% of the homes listed.

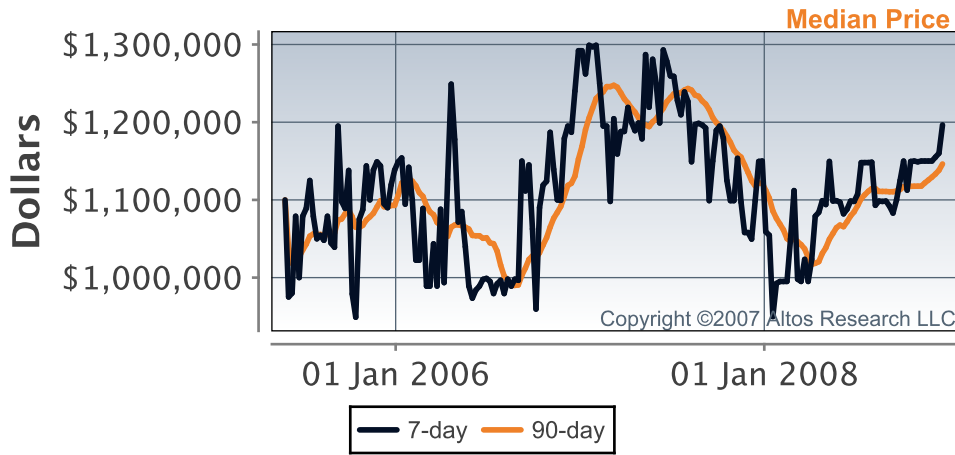
Most expensive 25% of homes

Upper-middle 25% of homes

Lower-middle 25% of homes

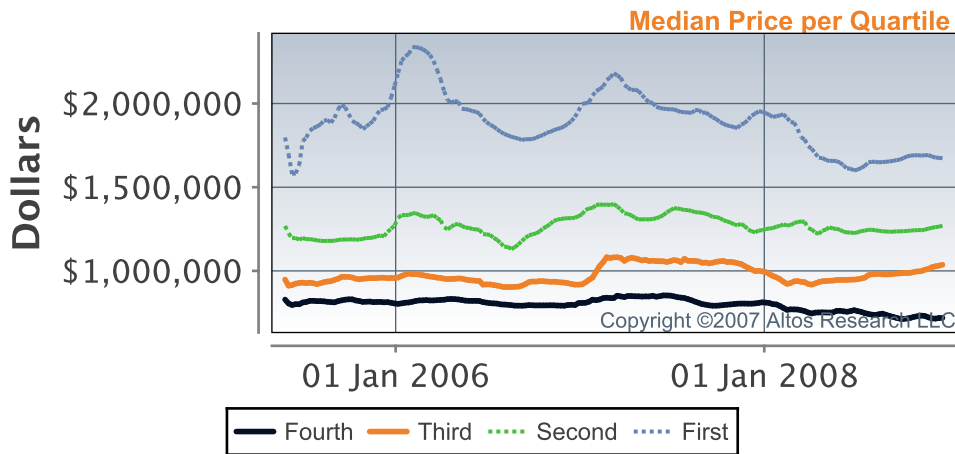
Least expensive 25% of homes

We'll refer to the quartiles in the trend graphs below.



### PRICE

Price trends continued their recent uptrend this week. While still below the market's price high-point, we've seen a nice run recently.



### QUARTILE PRICES

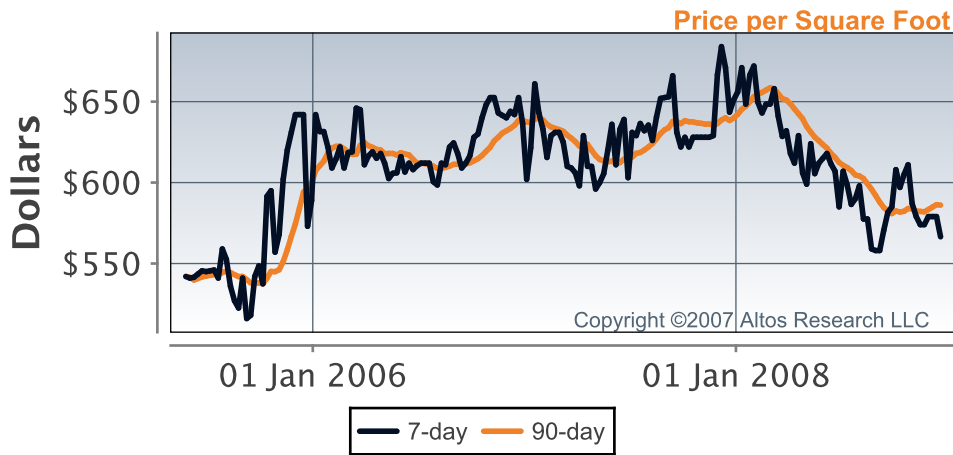
Often, we find insights by watching pricing trends within the quartile segments. Pricing in the middle of the market is in an up trend lately, while Quartiles 1 and 4 are mixed. The Market Action Index for Quartiles 1 and 4 can tell us whether they are about to resume an upward price trend or whether we're at the beginning of a decline.

**PRICE AND VALUE**

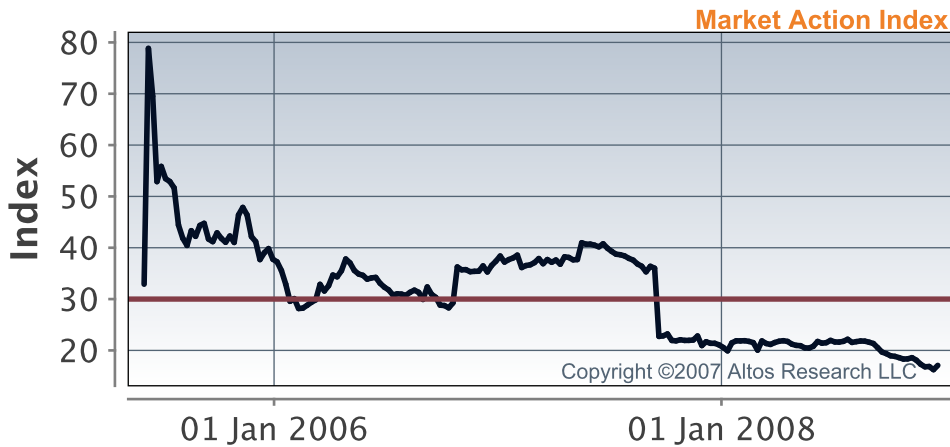
The market appears to be placing an increasing premium on homes. When list prices and price per square foot consistently increase in tandem, as they're doing now, you can often find short-term investment opportunities. Watch the Market Action Index for persistent changes as a leading indicator for these trends to flatten or drop.

**INVENTORY**

Inventory has been climbing lately. Note that rising inventory alone does not signal a weakening market. Look to the Market Action Index and Days on Market trends to gauge whether buyer interest is keeping up with available supply.



Residential house prices are a function of supply and demand, and market conditions can be characterized by analyzing those factors. Watch this index for sustained changes: if the index falls into the Buyer's Market zone for a long period, prices are likely in for a downward correction.



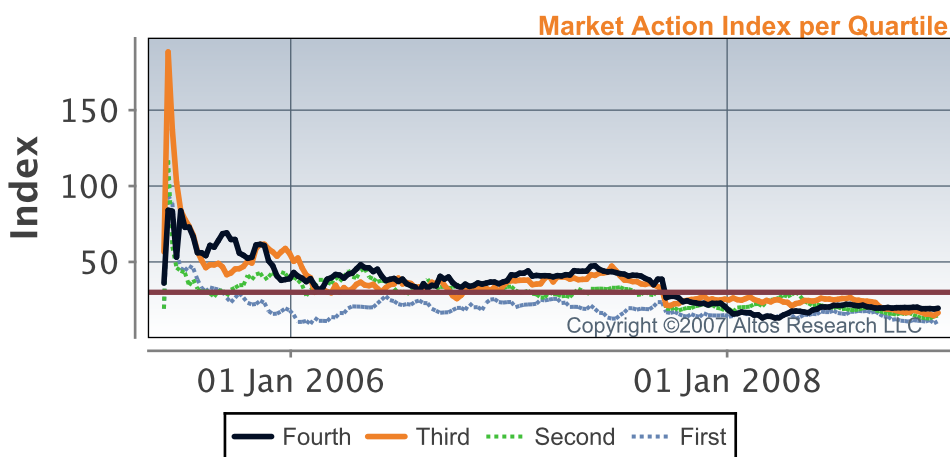
The Market Action Index (MAI) illustrates the balance between supply and demand using a statistical function of the current rate of sale versus current inventory.

An MAI value greater than 30 typically indicates a "Seller's Market" (a.k.a. "Hot Market") because demand is high enough to quickly gobble up available supply. A hot market will typically cause prices to rise. MAI values below 30 indicate a "Buyer's Market" (a.k.a. "Cold Market") where the inventory of already-listed homes is sufficient to last several months at the current rate of sales. A cold market will typically cause prices to fall.

### MARKET ACTION INDEX

The SAN CARLOS market is currently quite strongly in the Buyer's Market zone (below 30). The 90-day Market Action Index stands at 17. With several months of inventory available at the current sales rate, buyers should find ample choice.

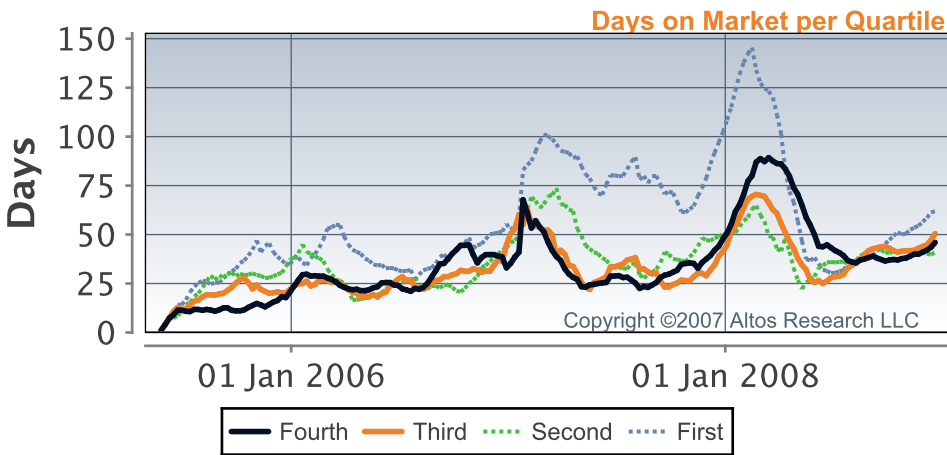
Inventory levels have been relatively consistent relative to sales. Despite the fact that there is a relatively high amount of available inventory, this Buyer's market is still seeing prices move higher. Given inventory levels, these price conditions are relatively fragile. If the market cools off further, the price trend is likely to reverse.



The quartiles can help you answer the question, "How hot is the market for homes in my price range?"

### MARKET ACTION

Not surprisingly given the overall Market Action Index, all quartiles are in the Buyer's Market zone with several months of inventory given the current rate of demand for homes in the quartile. Watch the quartile for changes before the overall market shifts. Often one end of the market (e.g. the low end) will improve and signal a strengthening market before the whole group changes.



### DAYS ON MARKET (DOM)

The properties have been on the market for an average of 75 days. Half of the listings have come newly on the market in the past 66 or so days.

### DOM PER QUARTILE

It is not uncommon for the higher priced homes in an area to take longer to sell than those in the lower quartiles.

# Neighborhood Detail

**SAN CARLOS**  
**94070**

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Altos Research Value Statistics		
Market Action Index	<span style="border: 1px solid blue; padding: 2px;">Cold! Buyer's</span>	17 ← →

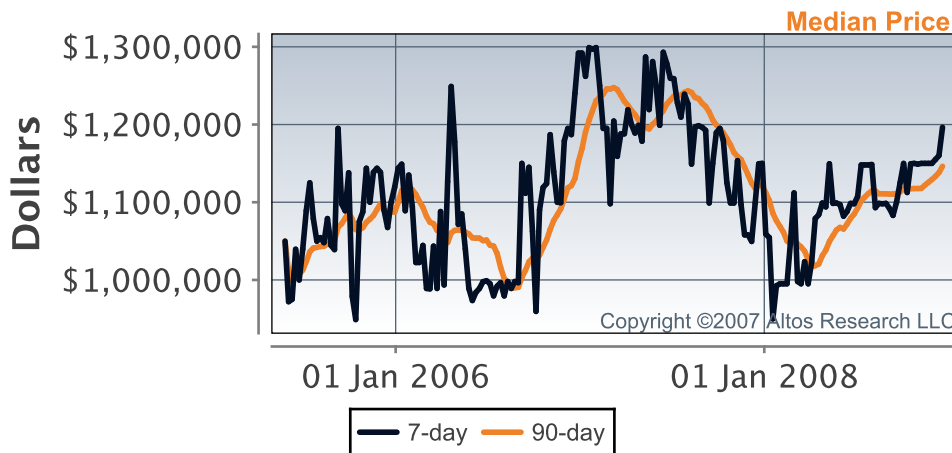
## THIS WEEK

The median single family home price in SAN CARLOS 94070 this week is \$1,196,500.

Inventory and days-on-market are climbing, while the Market Action Index has been flat recently. The trends point to a weakening market.

## PRICE

Price trends in this zip code continued their recent uptrend this week. While still below the market's high point, we've seen a nice run recently.



### PRICE PER QUARTILE

In the quartile market segments, we see the top end of the market in this zip code showing weakness in the last few weeks and prices in Quartile 4 are basically flat. Without a strong directional indicator from prices, look to the Market Action Index for a leading indicator of where prices across the board are heading.

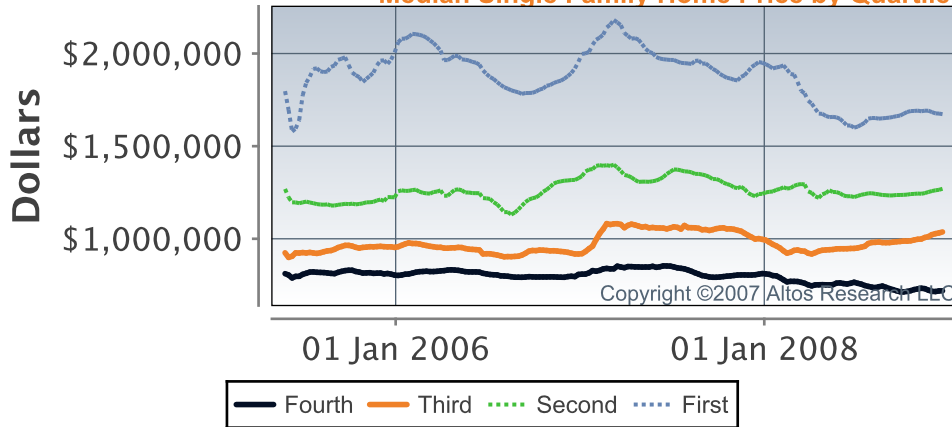
### QUARTILES

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- Least expensive 25% of homes

### PRICE AND VALUE

This is a market where watching the value metrics (like price per square foot) can provide insight that you don't get at first glance. Despite the fact that home prices are rising fairly consistently, the price per square foot of homes listed is declining. Often this can be attributed to new and remodeled homes on the market. Buyers in the area are paying more but also getting more for their money.

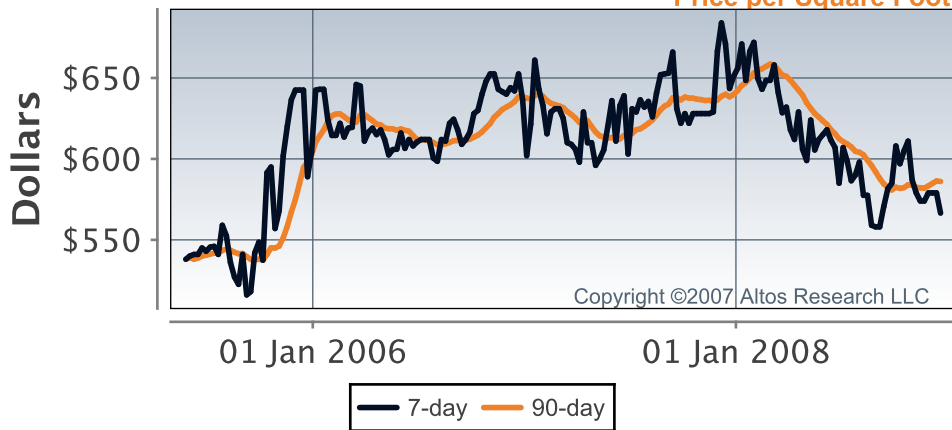
Median Single Family Home Price by Quartile



Characteristics per Quartile

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Price per Square Foot



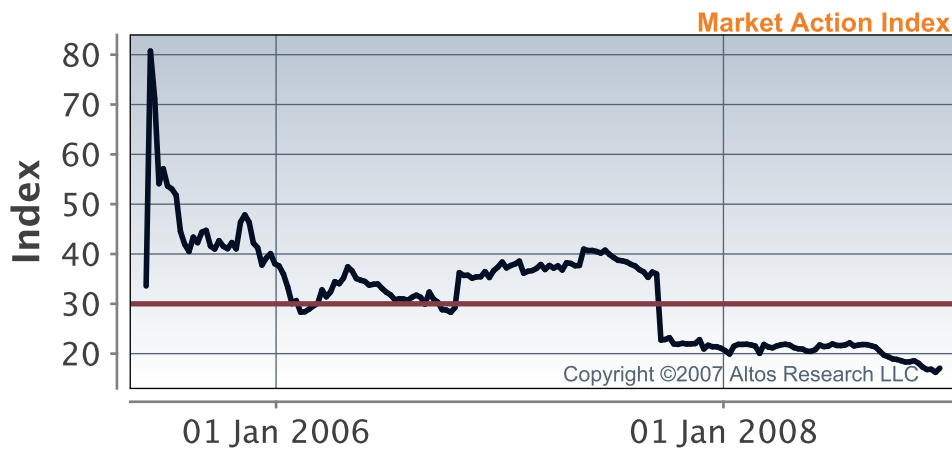
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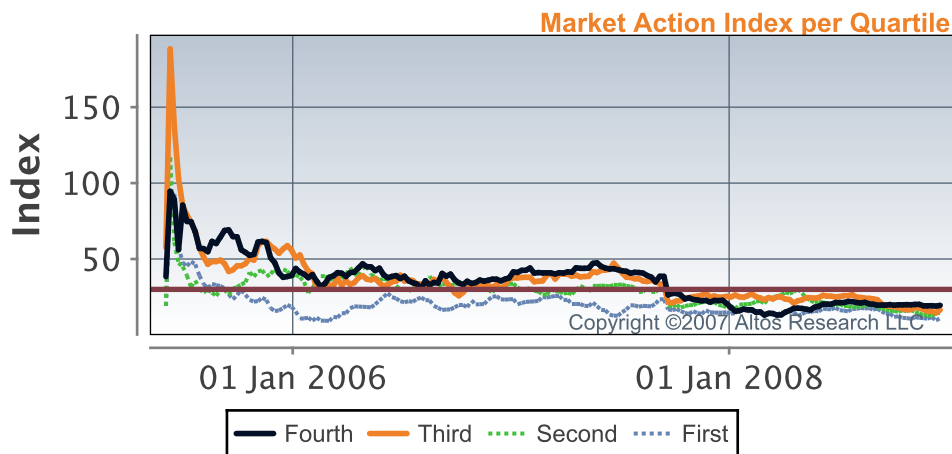
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### MARKET ACTION

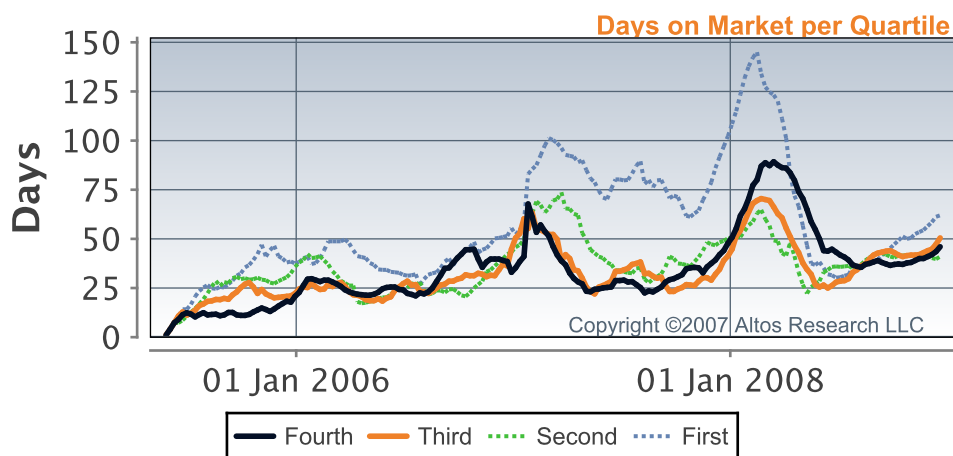
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**DAYS ON MARKET**

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**DAYS ON MARKET**

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**About Altos Research Corporation**

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