

ARLENE BAXTER'S MARKET UPDATE

OAKLAND, CA 94618

- **Current Real Estate Market Conditions for Single Family Homes**
- **Trends in Pricing**
- **Current Levels of Supply and Demand**
- **Value Metrics**

- **Report for the week of
November 11, 2013**

- **Presented by Arlene Baxter**
McGuire Real Estate
abaxter@mcguire.com
510.717.1799

This Week

- The median list price in OAKLAND, CA this week is \$389,000. The 427 properties have been on the market for an average of 53 days.

With inventory and days-on-market basically unchanged and the Market Action Index increasing, the market is not sending strong directional signal for the near-term outlook.

Supply and Demand

- In the last few weeks, the market has been at a stasis point in terms of sales to inventory. However, prices seem to continue to fall a bit. Technically supply levels indicate this is a Seller's market so it is likely that the downward pricing pressure will be light or variable. Watch for an up-shift in the MAI before price stability is achieved.

Real-Time Market Profile

		Trend
Median List Price	\$ 389,000	↓↓
Average List Price	\$ 474,336	
Asking Price Per Square Foot	\$ 271	↓↓
Average Days on Market (DoM)	53	↔
Inventory of Properties Listed	427	↔
Most Expensive Listing	\$ 2,900,000	
Least Expensive Listing	\$ 110,000	
Average Age of Listing	78	
Percent of Properties with Price Decrease	29 %	
Percent Relisted (reset DOM)	8 %	
Percent Flip (price increased)	4 %	
Median House Size (sq ft)	1344	
Median Lot Size	Less than 4,500 sqft	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	2.0	

Altos Research Value Statistics

Market Action Index	Strong Seller's	51.8	↔
The Market Action Index answers the question "How's the Market?" by measuring the current rate of sale versus the amount of the inventory. Index above 30 implies a seller's advantage. Below 30, conditions give the advantage to the buyer.			

Trend Key: ↑↑ Strong upward trend ↓↓ Strong downward trend
 ↔ No change ↑ Slight upward trend ↓ Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM
Top/First	\$ 796,500	2356	6,501 - 8,000 sqft	4.0	2.5	57	106	17	21	45
Upper/Second	\$ 475,000	1502	4,501 - 6,500 sqft	3.0	2.0	89	107	14	22	52
Lower/Third	\$ 299,888	1214	Less than 4,500 sqft	3.0	1.0	89	107	18	21	62
Bottom/Fourth	\$ 199,000	984	Less than 4,500 sqft	2.0	1.0	88	107	16	15	52

Most expensive 25% of properties

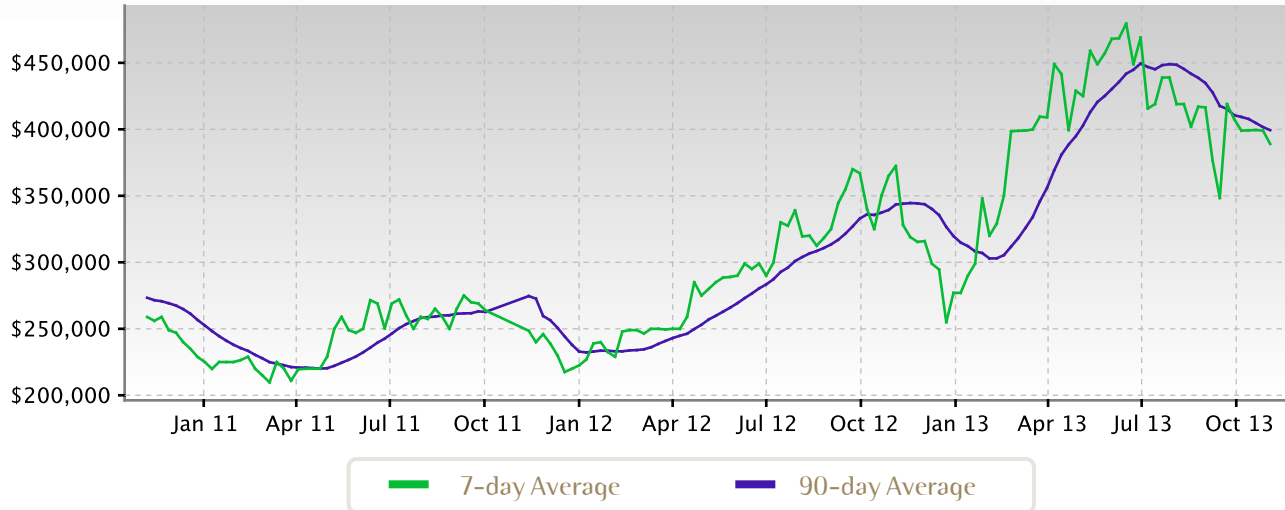
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

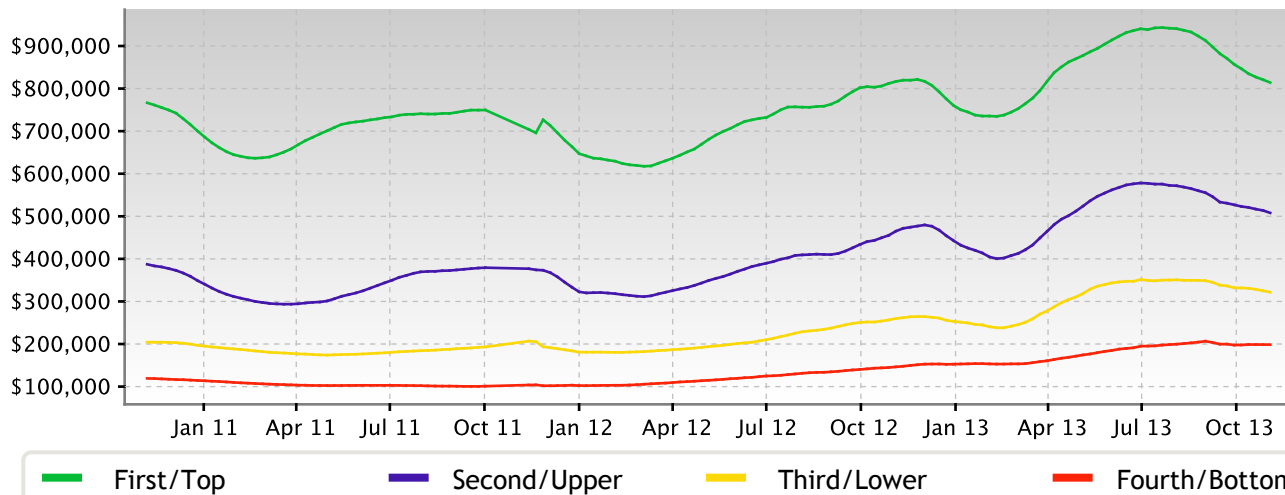
Median Price

Again this week we see a downward notch for prices. Pricing has been weak in recent weeks and versus their absolute-high levels. The Market Action Index is a good leading indicator for the durability of this trend.



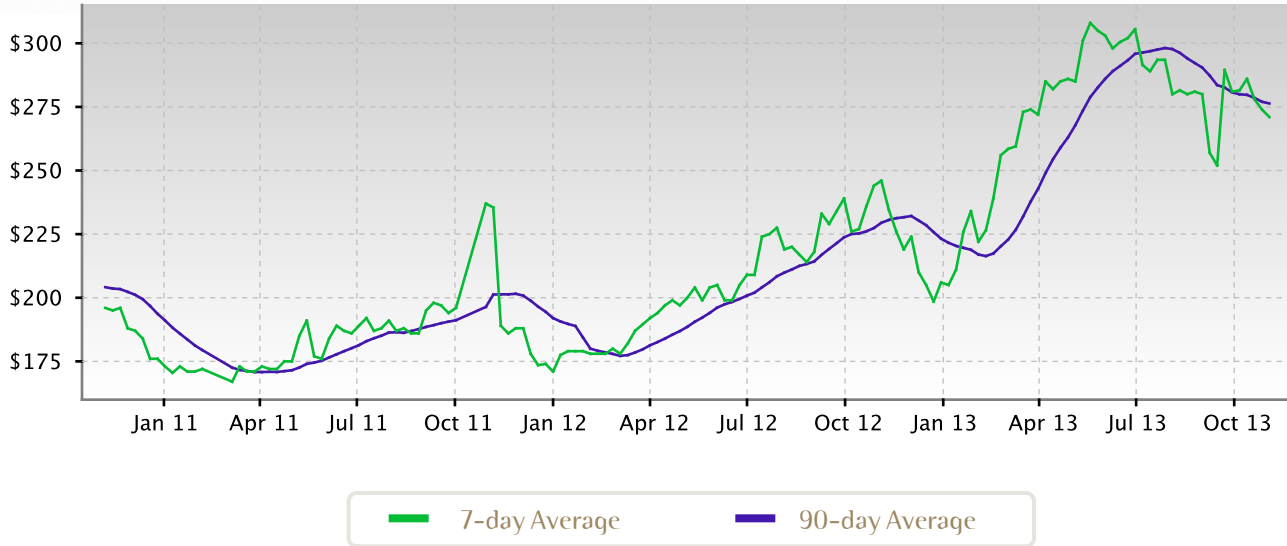
Quartile Prices

Price weakness is visible almost across the board. Prices in Quartile 4 have been mixed recently, while the rest of the market is trending downward. Look to a strong, persistent up shift in the Market Action Index as a leading indicator of the trough in the market.



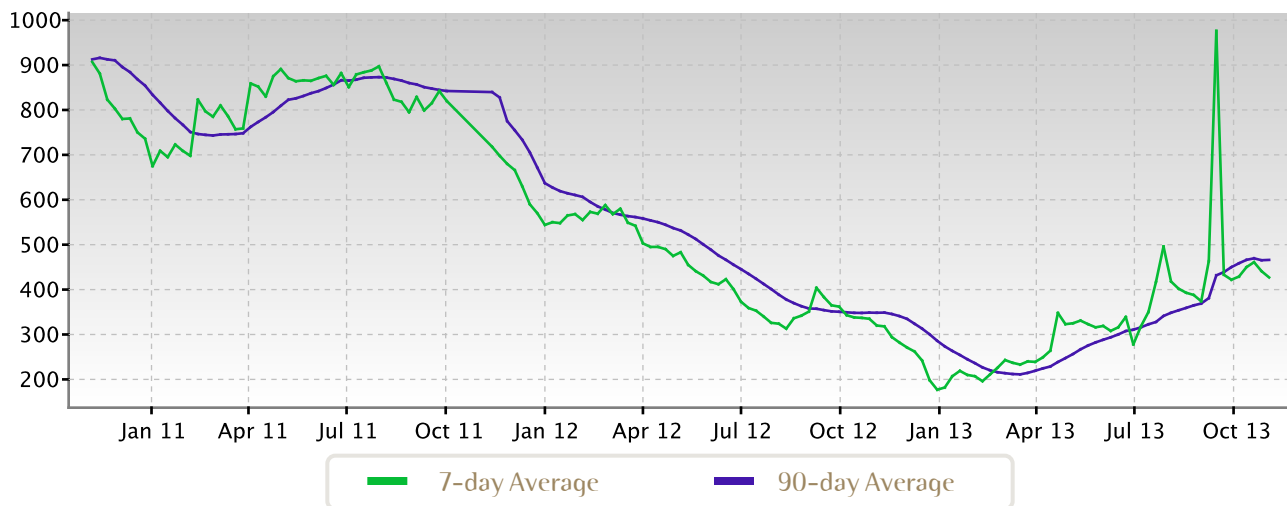
Price per Square Foot

The market's downward trends are shared across both price and value. People are recently placing less value on homes (you can see the recent declines in price per square foot as evidence.) Look for significant changes in the Market Action Index as a precursor to price and value changes, possibly as inflection points for good investment opportunities.



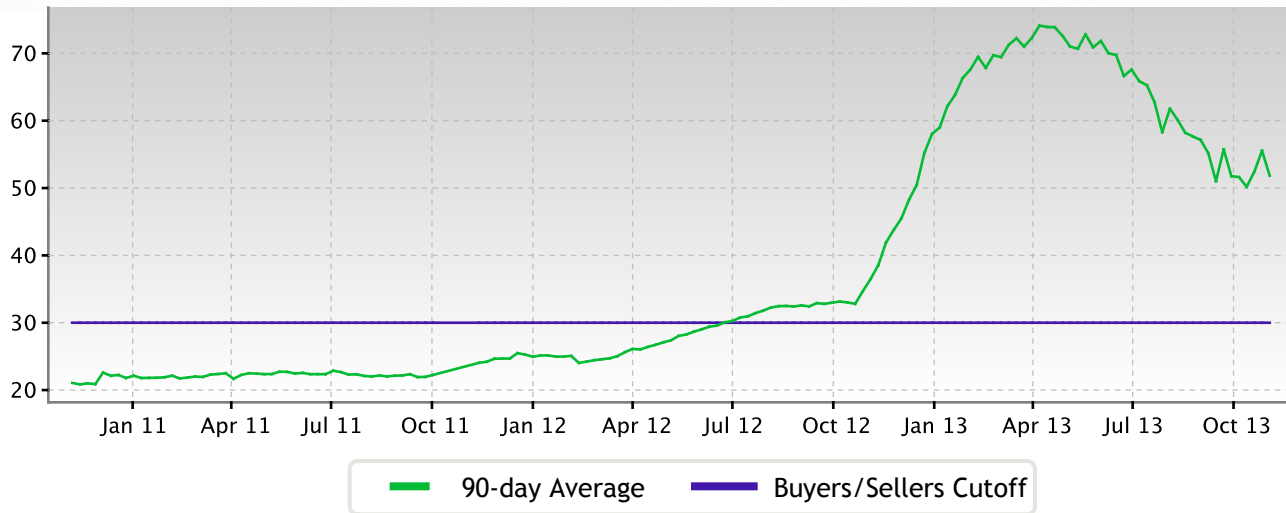
Inventory of Properties Listed for Sale

Inventory has been relatively steady around these levels in recent weeks.



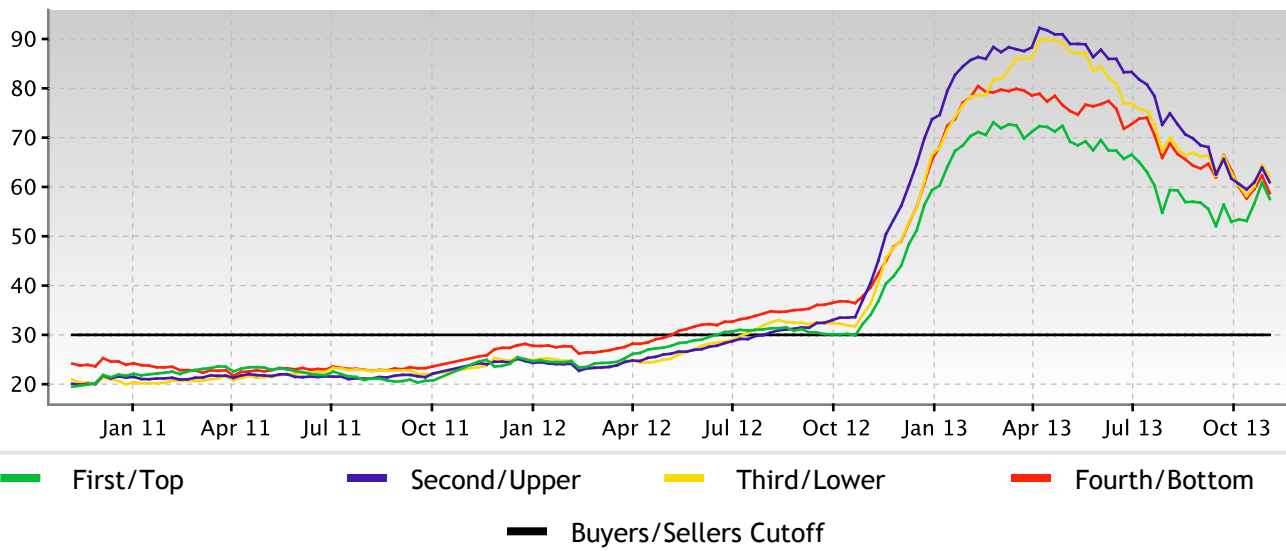
Market Action Index

The OAKLAND market is currently quite strongly in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 51.83; indicating very little supply relative to the demand.



Market Action Index per Quartile

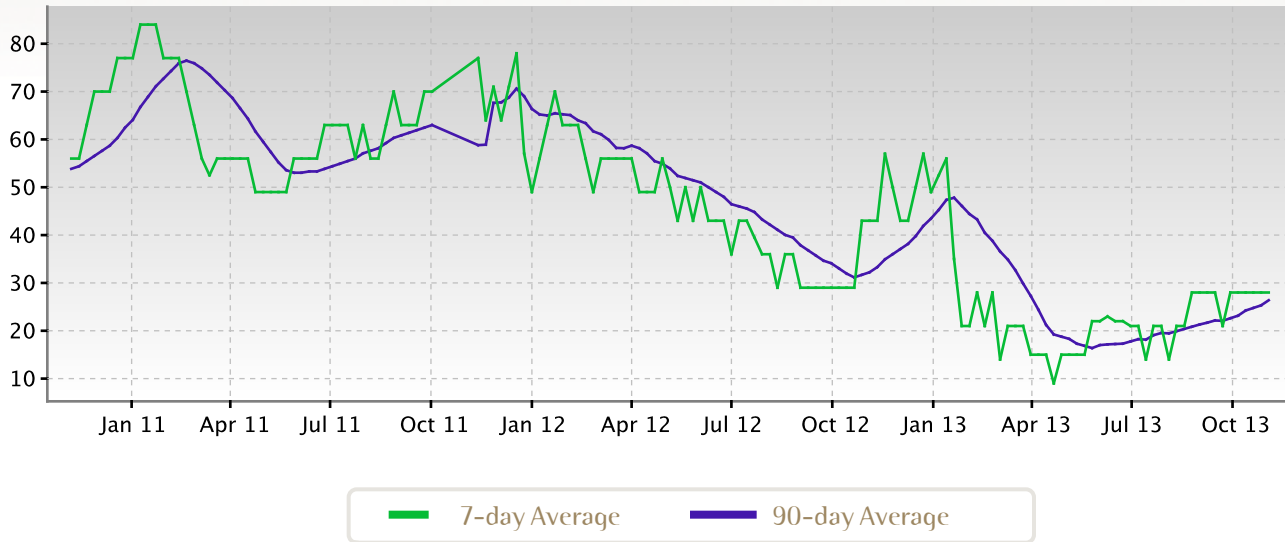
Not surprisingly, all segments in the market are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



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 Advantage zone (below 30) for a long period, prices are likely in for a downward correction.

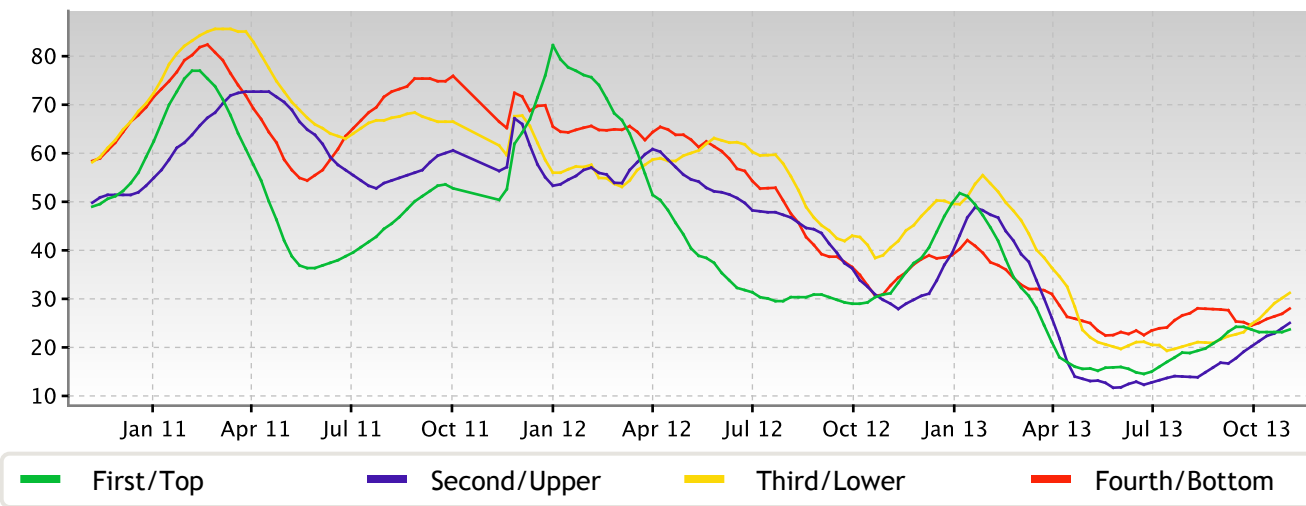
Days on Market

The properties have been on the market for an average of 53 days. Half of the listings have come newly on the market in the past 28 or so days.



Days on Market 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.



This Week

- The median list price in OAKLAND, CA 94618 this week is \$772,000. The 6 properties have been on the market for an average of 23 days.

Inventory has been lightening lately and the Market Action Index has been trending up. These are mildly positive indications for the market.

Supply and Demand

- Home sales continue to outstrip supply and the Market Action Index has been moving higher for several weeks. This is a Seller's market so watch for upward pricing pressure in the near future if the trend continues.

Real-Time Market Profile

		Trend
Median List Price	\$ 772,000	↔
Average List Price	\$ 890,333	
Asking Price Per Square Foot	\$ 552	↑↑
Average Days on Market (DoM)	23	↔
Inventory of Properties Listed	6	↓↓
Most Expensive Listing	\$ 1,500,000	
Least Expensive Listing	\$ 599,000	
Average Age of Listing	70	
Percent of Properties with Price Decrease	17 %	
Percent Relisted (reset DOM)	0 %	
Percent Flip (price increased)	17 %	
Median House Size (sq ft)	1389	
Median Lot Size	Less than 4,500 sqft	
Median Number of Bedrooms	2.5	
Median Number of Bathrooms	1.5	

Altos Research Value Statistics

Market Action Index Strong Seller's 71.1 ↑↑

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Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM
Top/First	\$ 1,500,000	3201	8,001 - 10,000 sqft	4.0	4.0	20	1	0	0	42
Upper/Second	\$ 1,050,000	2553	8,001 - 10,000 sqft	3.0	3.0	19	1	0	1	42
Lower/Third	\$ 772,000	1098	Less than 4,500 sqft	2.0	1.0	96	2	0	1	14
Bottom/Fourth	\$ 624,000	1320	Less than 4,500 sqft	2.5	1.5	96	2	0	0	14

Most expensive 25% of properties

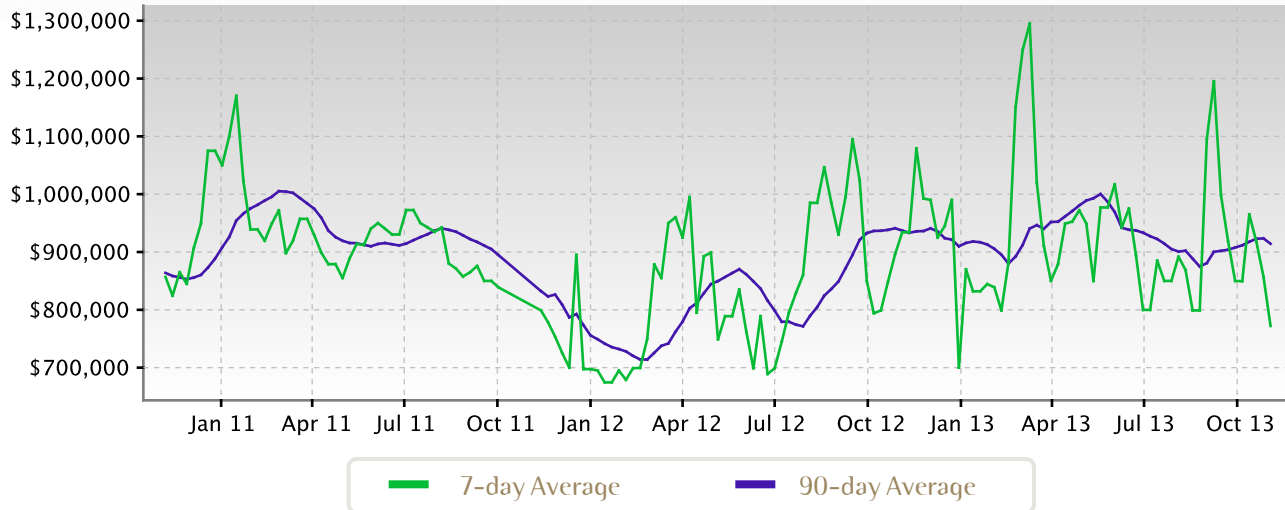
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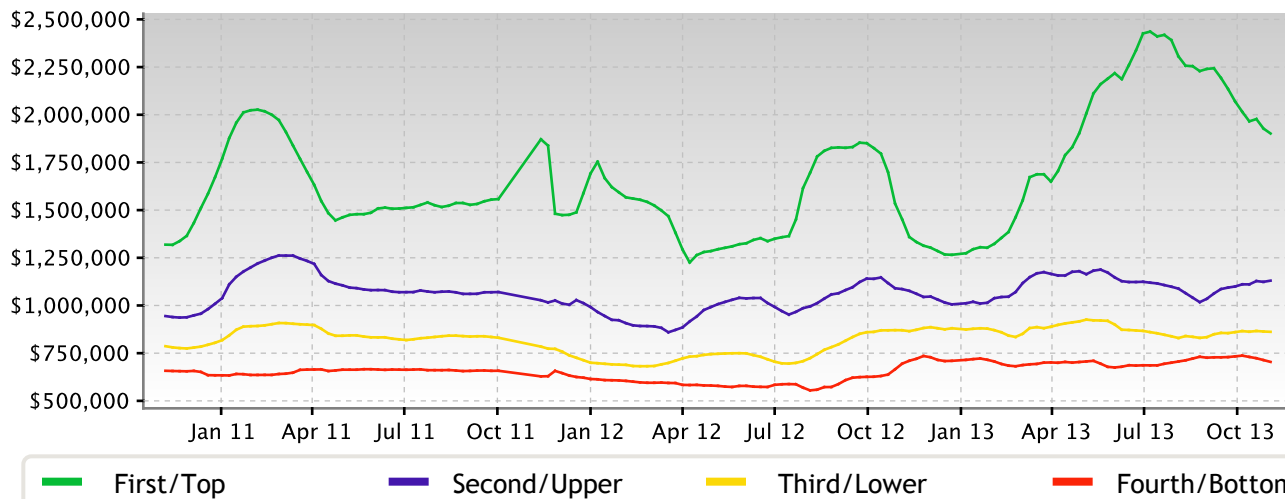
Median Price

Again this week in this zip code we see a downward notch for prices. Pricing has been weak in recent weeks and versus their absolute-high level. At this point, we will be looking for a persistent upward shift in the Market Action Index as a leading indicator for a trough in prices.



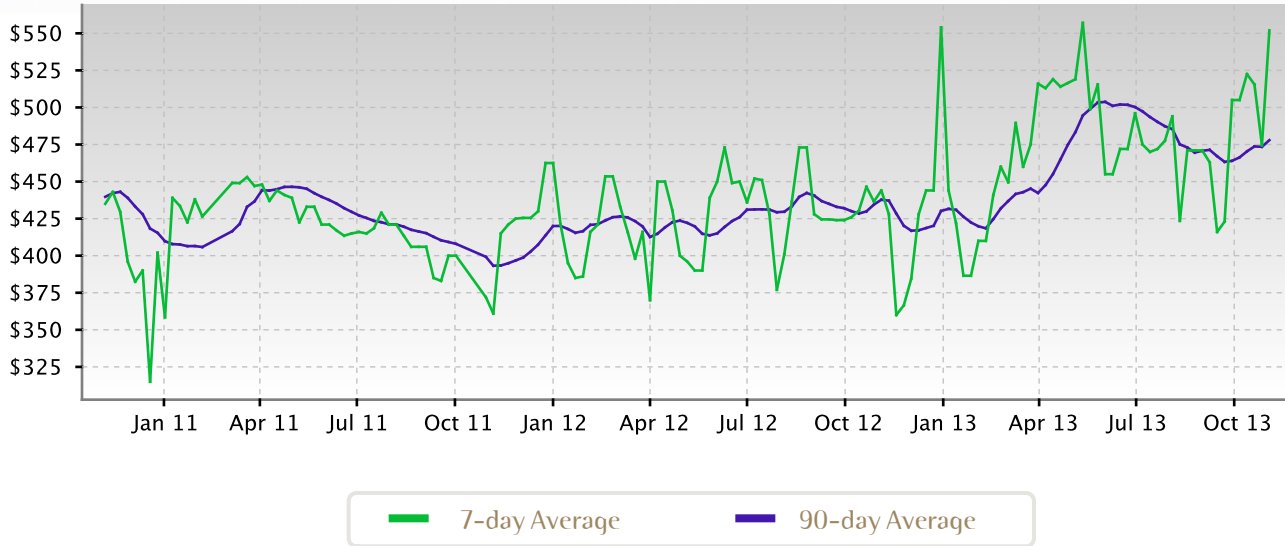
Quartile Prices

In the quartile market segments, we see price for this zip code in general with price stagnation in recent weeks. Quartile 4 is down, while the rest of the market is basically flat. Look to the Market Action Index to determine if this plateau is the stage for a prolonged price decline.



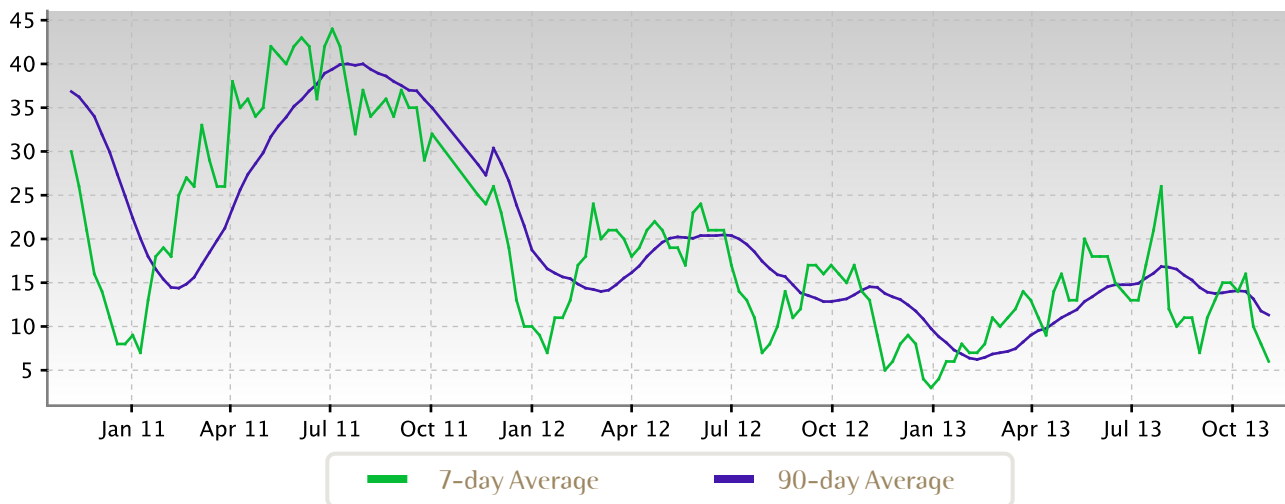
Price per Square Foot

We're seeing fairly unusual market conditions as prices have been in a downward trend but price per square foot is actually increasing. (Buyers are paying less and getting less home for their money.) Anomalies like these can be attributed to micro-location variables.



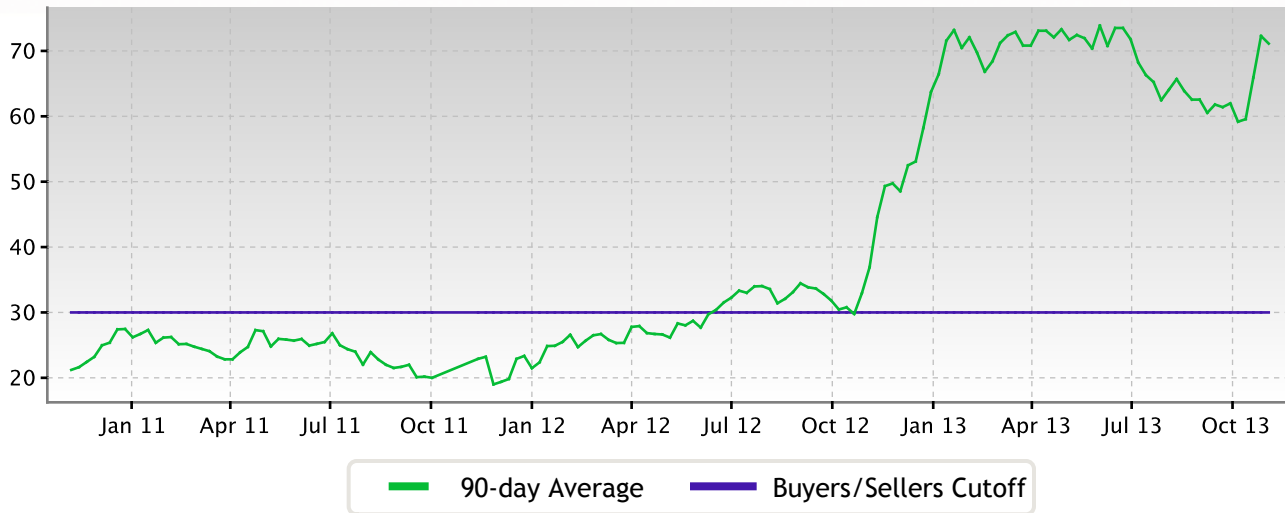
Inventory of Properties Listed for Sale

Inventory has been falling in recent weeks. Note that declining inventory alone does not signal a strengthening market. Look to the Market Action Index and Days on Market trends to gauge whether buyer interest is changing with the available supply.



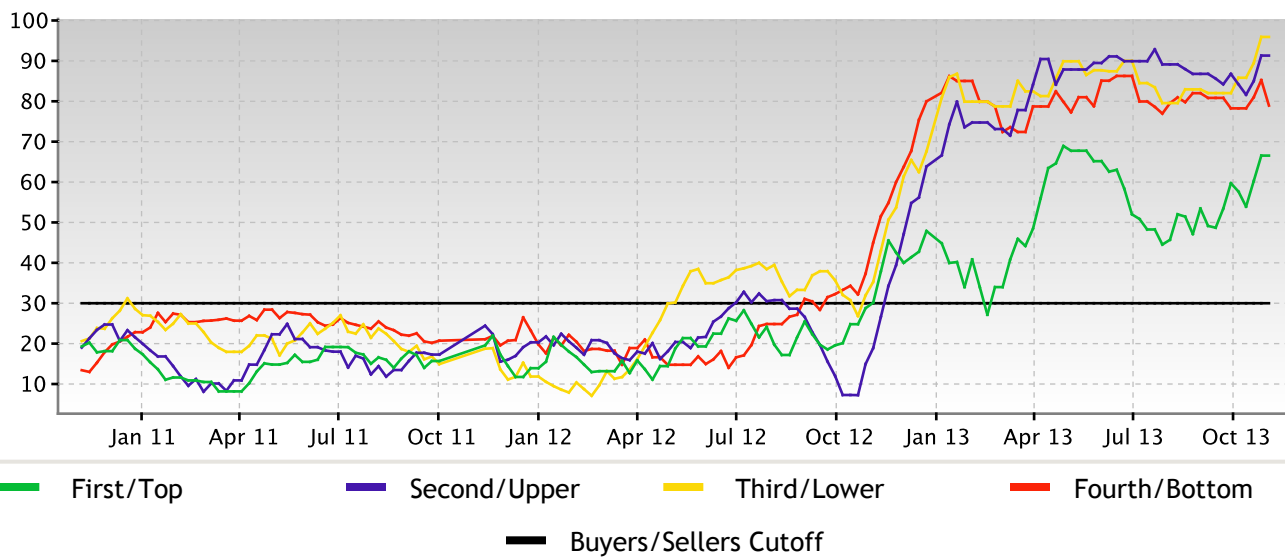
Market Action Index

The OAKLAND, 94618 market is currently quite strongly in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 71.12; indicating very little supply relative to the demand.



Market Action Index per Quartile

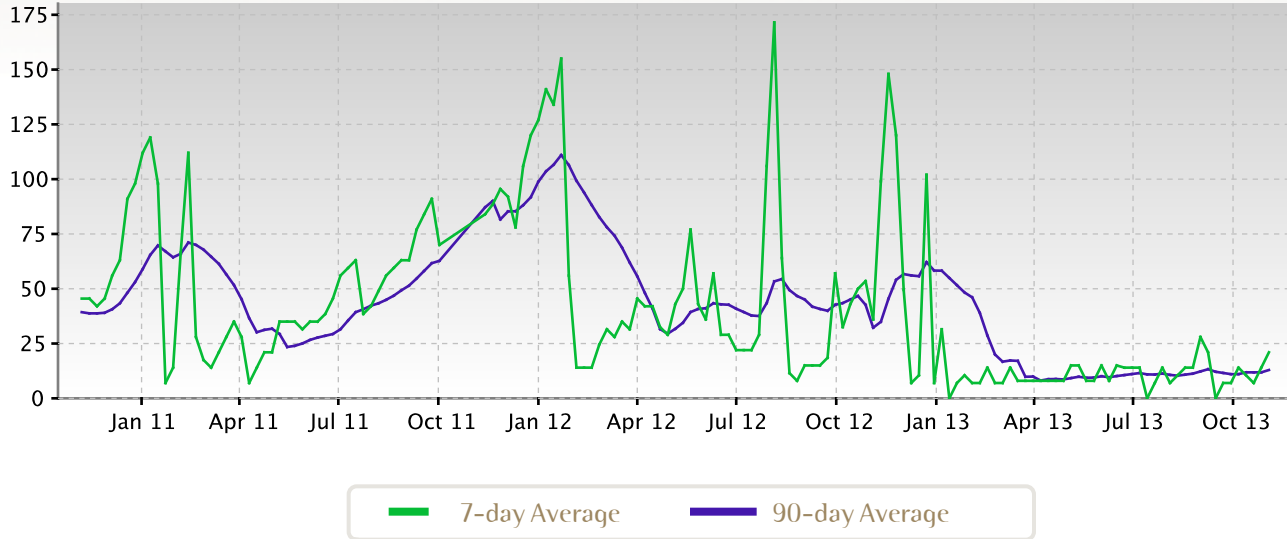
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