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HOUSING REPORT

SAN JOSE METRO
SEPTEMBER 2020

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San Jose Metro, CA Housing Market Value & Trends Update

Historically, properties in this market sell at a 27.8% premium. Today's premium is 28.3%. This market is 0.5% overvalued.

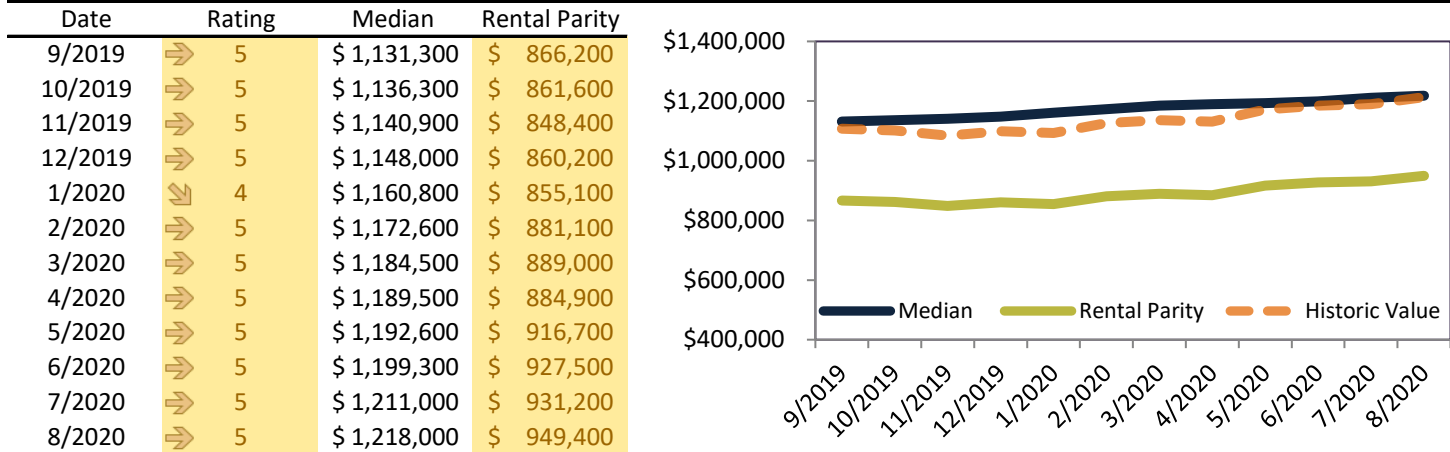
Median home price is \$1,218,000, and resale \$/SF is \$657/SF. Prices fell 8.1% year-over-year.

Monthly cost of ownership is \$4,838, and rents average \$3,771, making owning \$1,066 per month more costly than renting.

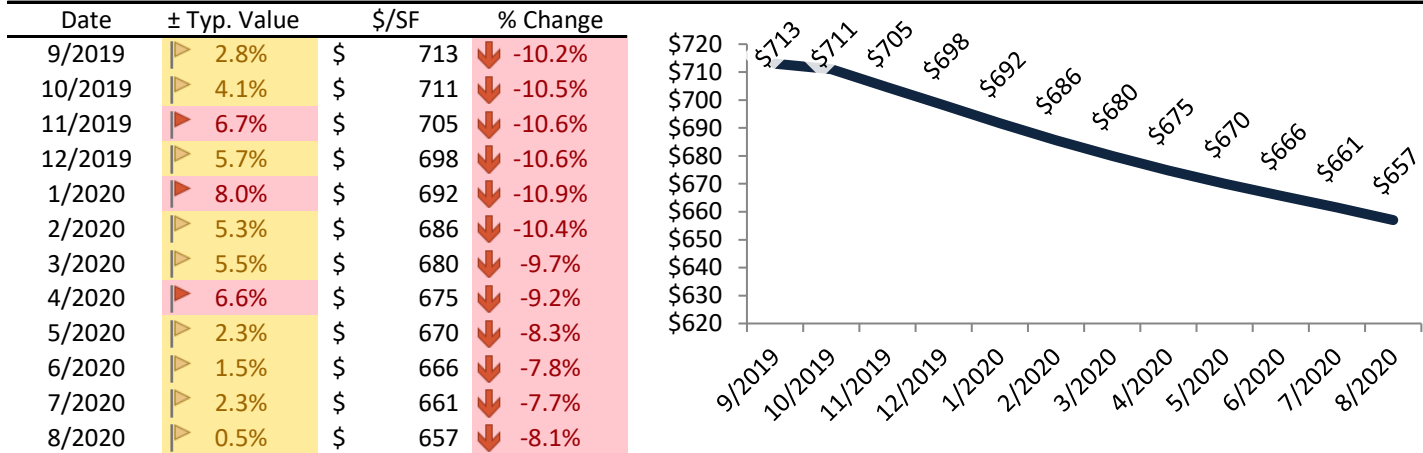
Rents rose 2.0% year-over-year. The current capitalization rate (rent/price) is 3.0%.

Market rating = 5

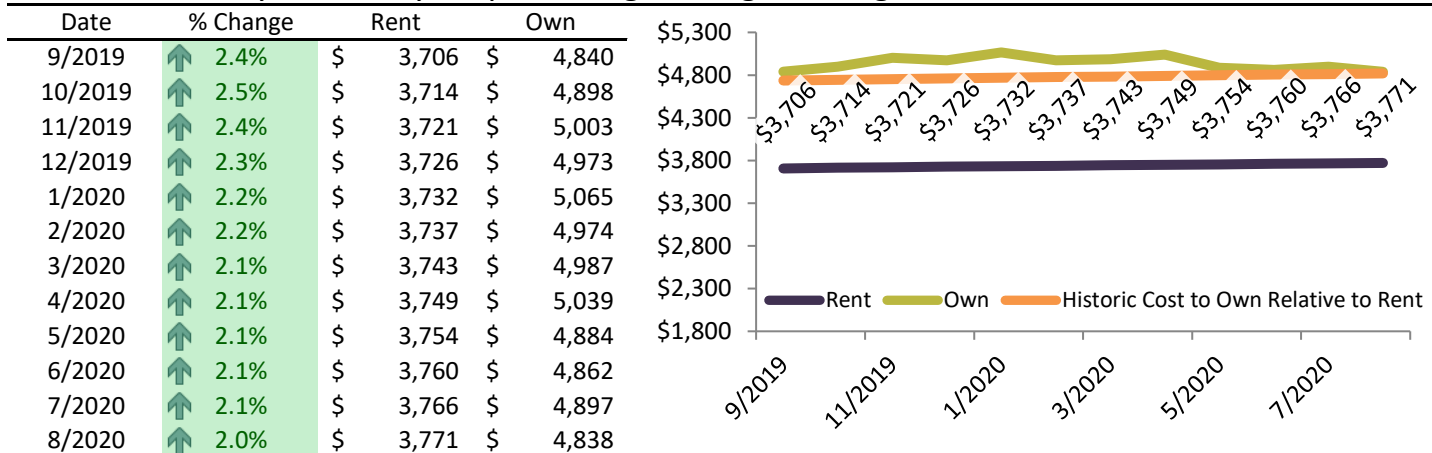
Median Home Price and Rental Parity trailing twelve months



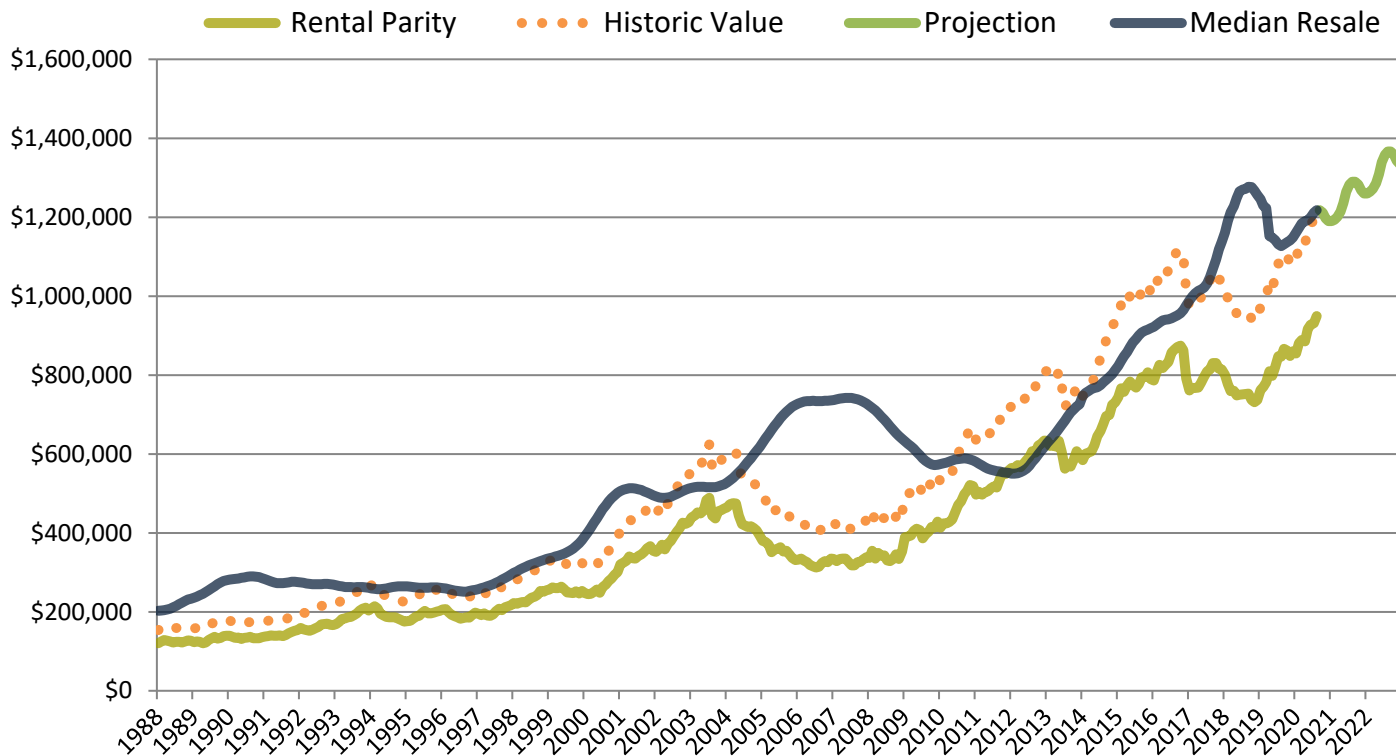
Resale \$/SF and year-over-year percentage change trailing twelve months



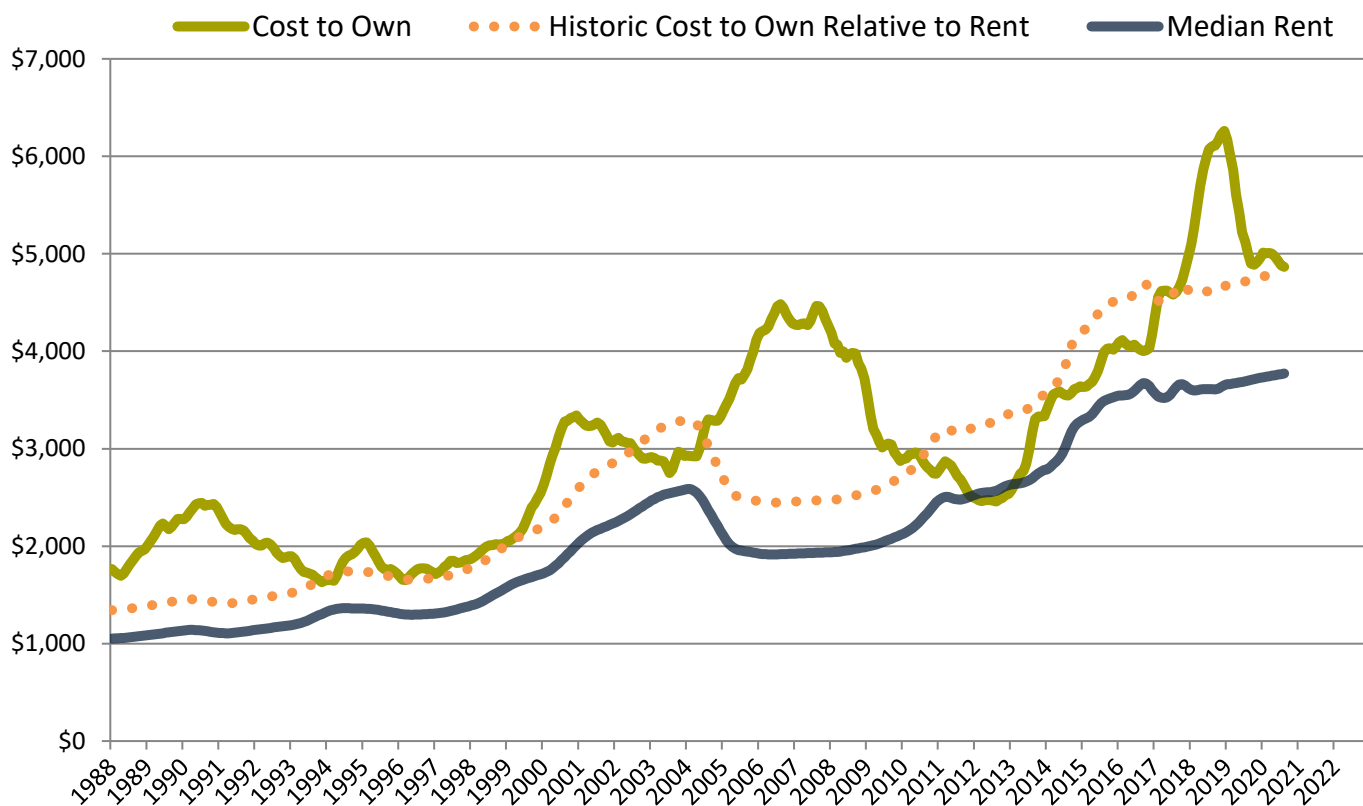
Rental rate and year-over-year percentage change trailing twelve months



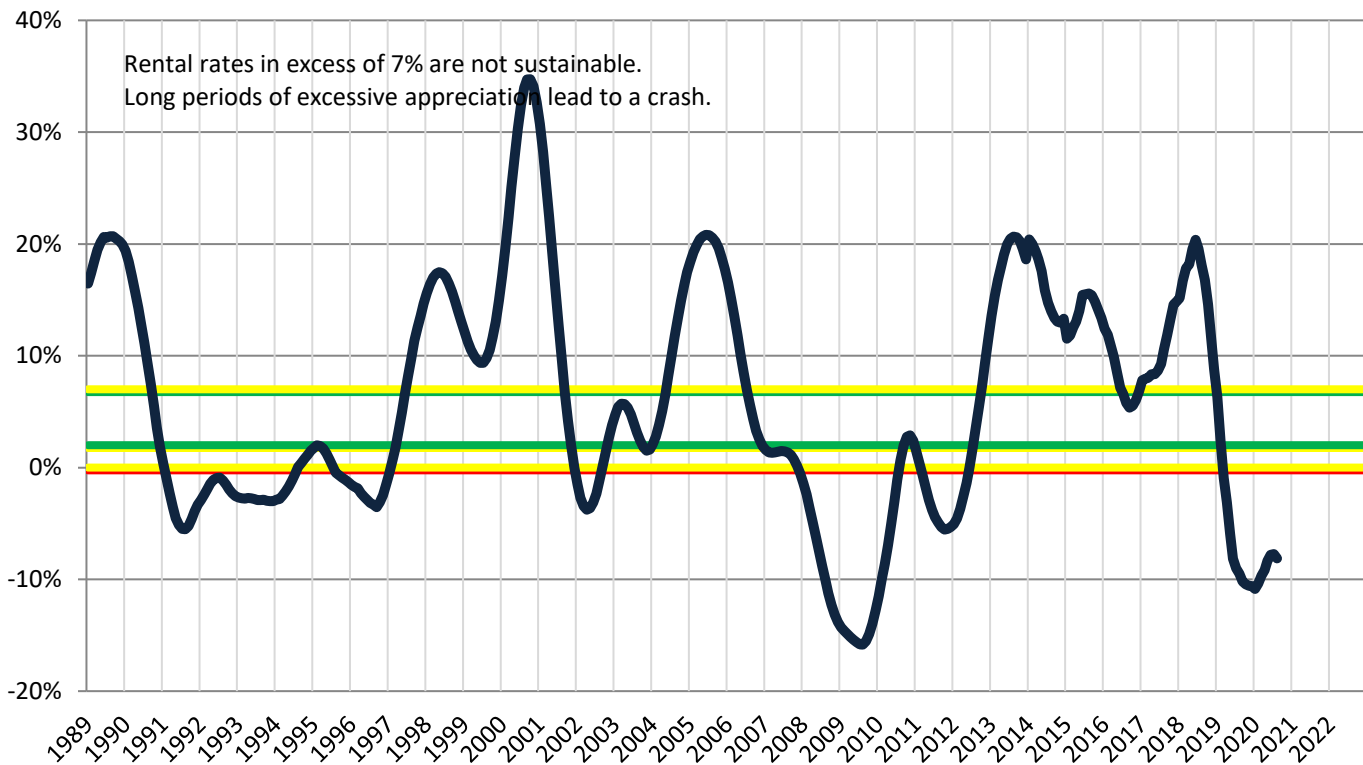
San Jose Metro, CA median home price since January 1988



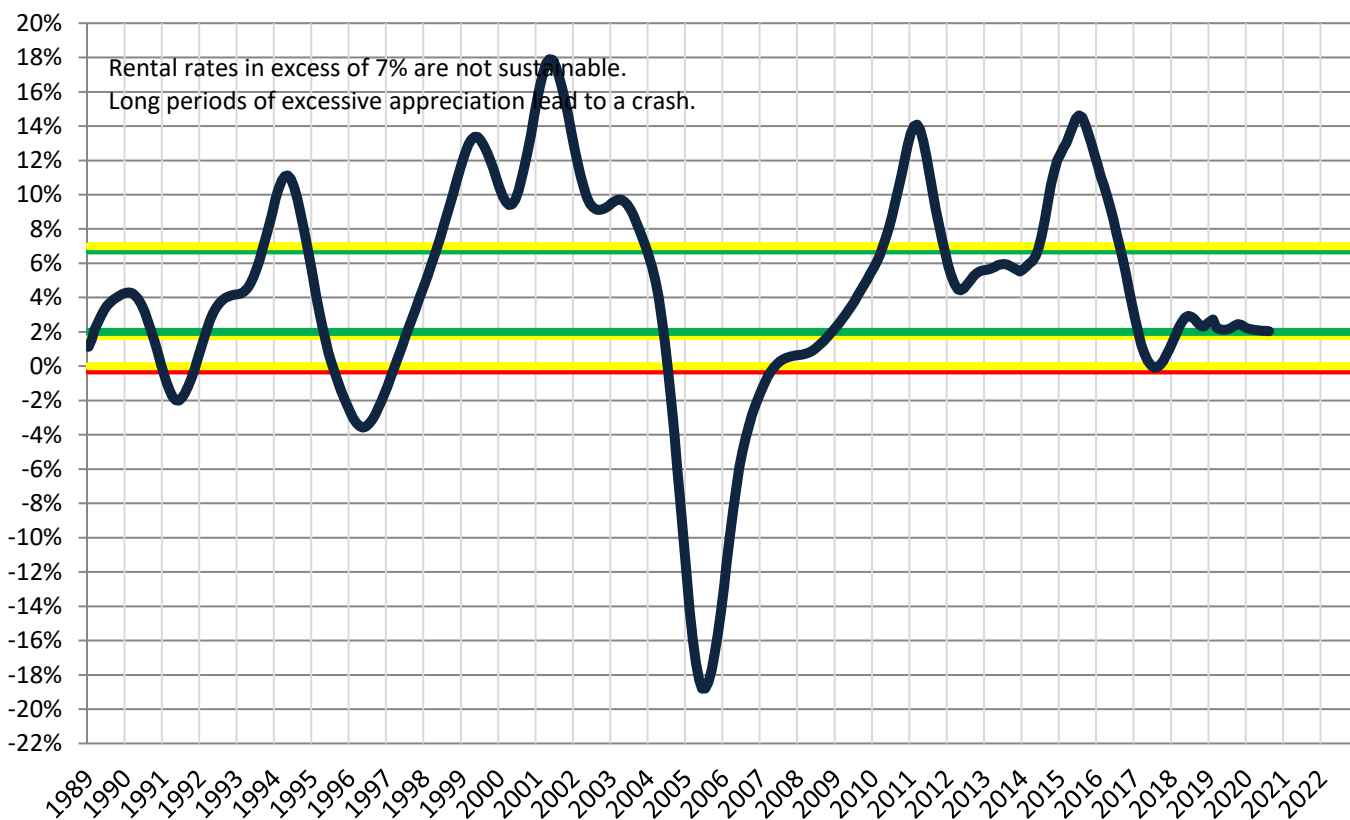
San Jose Metro, CA median rent and monthly cost of ownership since January 1988



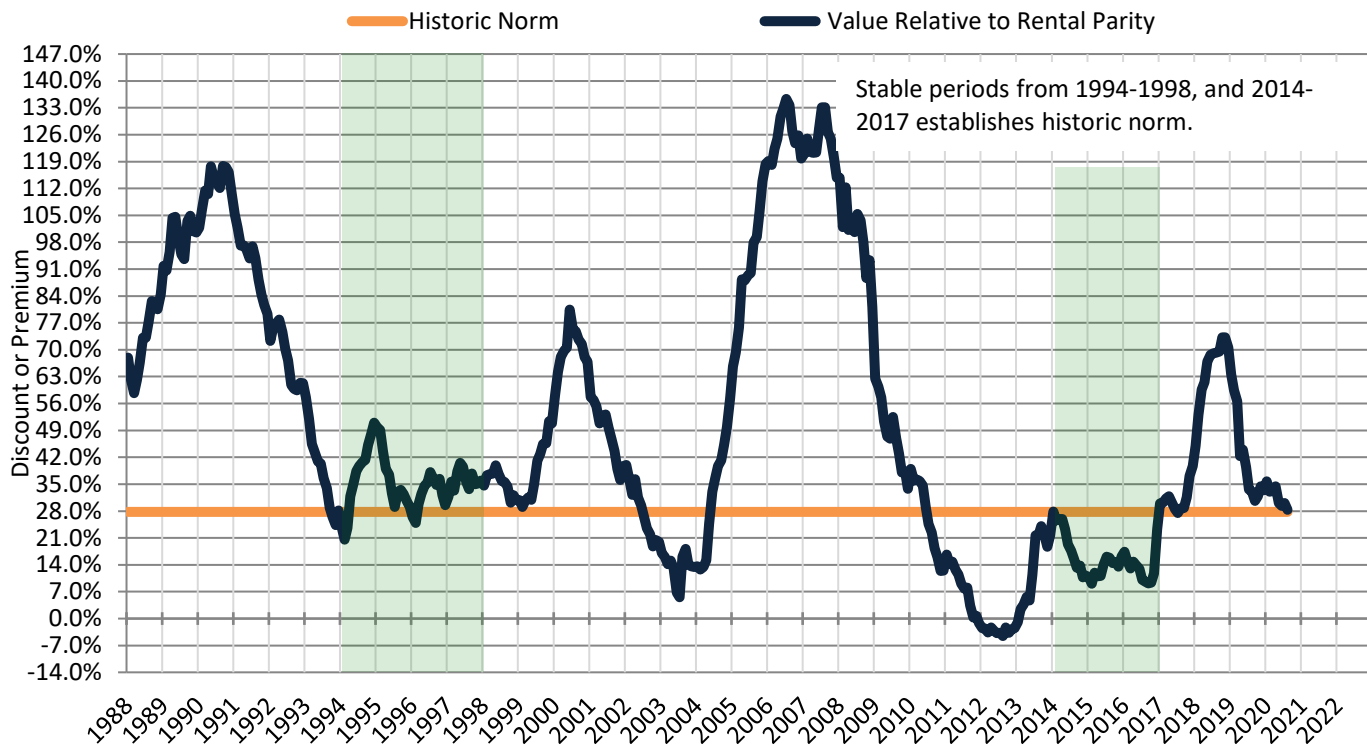
Resale \$/SF Year-over-Year Percentage Change: San Jose Metro, CA since January 1989



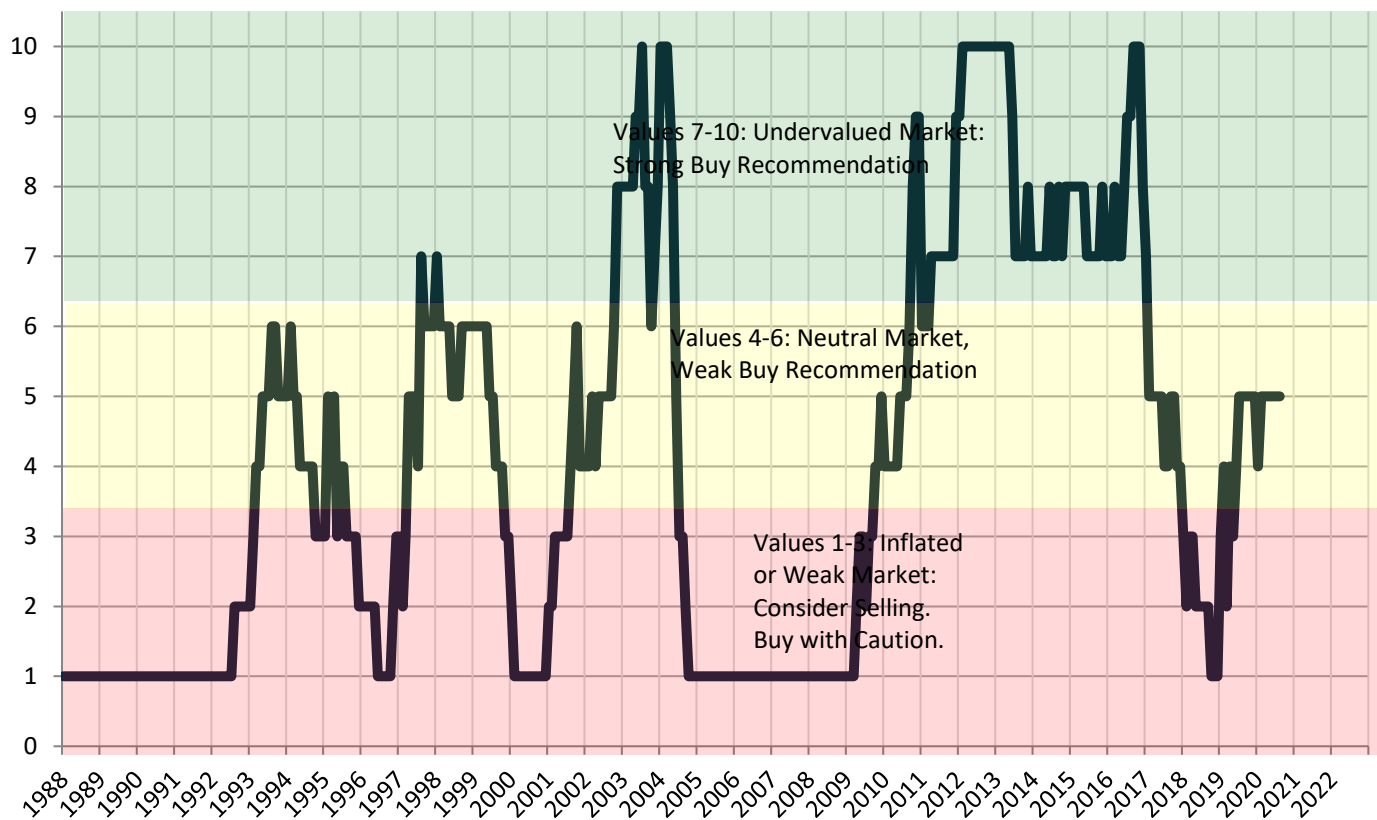
Rental \$/SF Year-over-Year Percentage Change: San Jose Metro, CA since January 1989



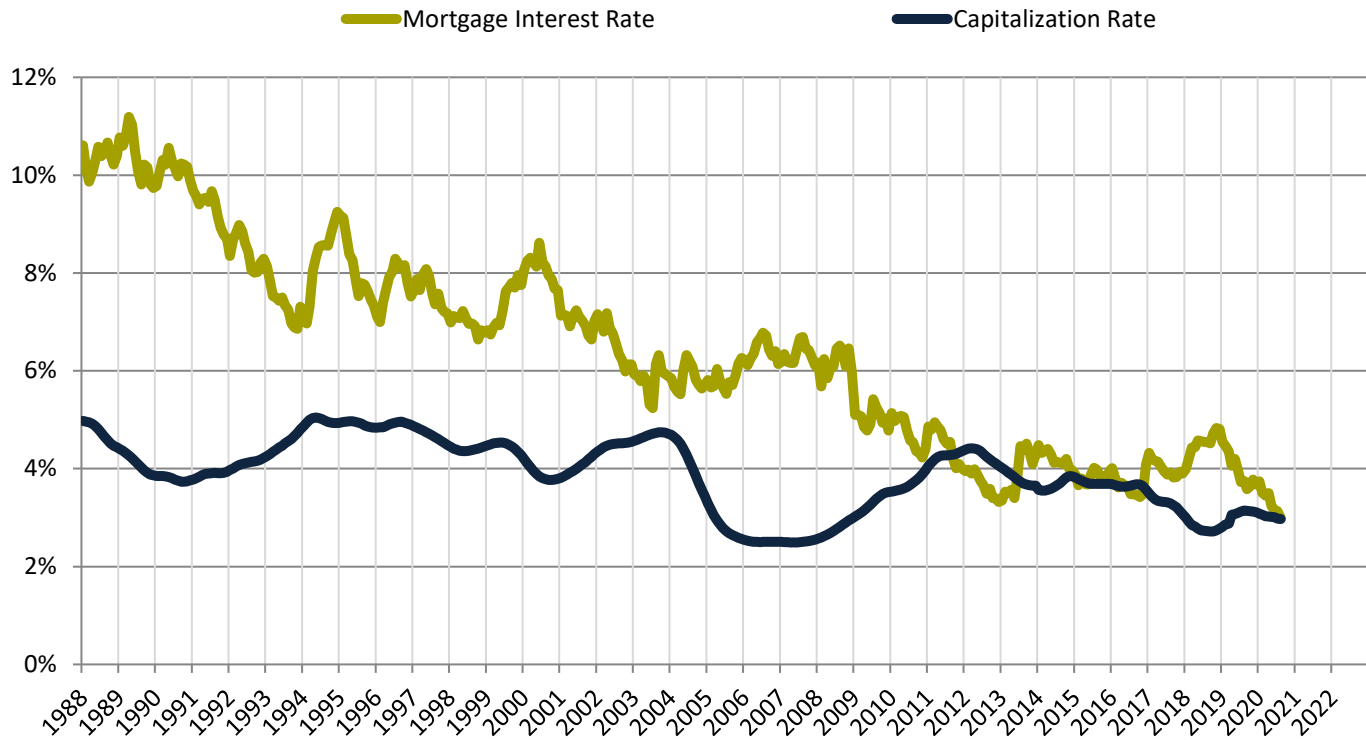
Historic Median Home Price Relative to Rental Parity: San Jose Metro, CA since January 1988



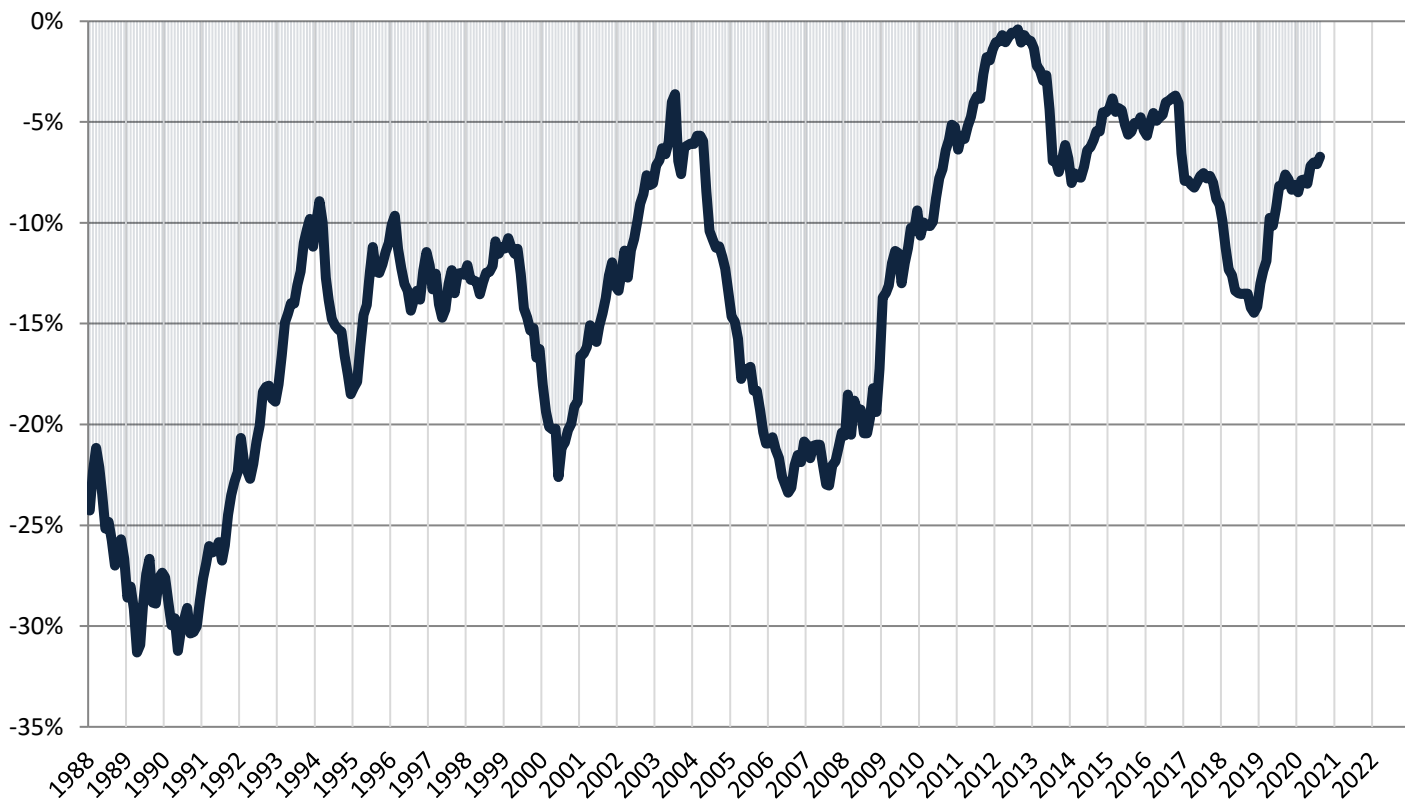
TAIT Housing Report® Market Timing System Rating: San Jose Metro, CA since January 1988



Cash Investor Capitalization Rate: San Jose Metro, CA since January 1988



Financed Investor Cash-on-Cash Return: San Jose Metro, CA since January 1988



Market Performance and Trends: San Jose Metro, CA and Major Cities and Zips

Study Area	Median Resale \$	Resale % Change YoY	Resale \$/SF	Rent % Change YoY	Median Rent \$	Cost of Ownership	Ownership Prem./Disc.	Cap Rate
San Jose Metro, CA	\$ 1,218,000	↓ -8.1%	\$ 657	↑ 2.0%	\$ 3,771	\$ 4,838	\$ 1,067	3.0%
San Benito County	\$ 650,300	↓ -0.3%	\$ 314	↔ 1.4%	\$ 2,516	\$ 2,583	\$ 68	3.7%
Santa Clara County	\$ 1,220,300	↓ -7.7%	\$ 664	↑ 4.5%	\$ 3,959	\$ 4,847	\$ 888	3.1%
Alum Rock	\$ 767,000	↓ -4.6%	\$ 561	↓ -3.4%	\$ 3,037	\$ 3,047	\$ 10	3.8%
Burbank	\$ 866,900	↔ 1.2%	\$ 571	↑ 6.1%	\$ 3,648	\$ 3,444	\$ (204)	4.0%
Cambrian Park	\$ 1,425,700	↓ -11.1%	\$ 692	↑ 2.2%	\$ 3,933	\$ 5,663	\$ 1,730	2.6%
Campbell	\$ 1,326,600	↓ -8.0%	\$ 715	↑ 3.7%	\$ 3,986	\$ 5,270	\$ 1,284	2.9%
Cupertino	\$ 2,174,600	↓ -7.4%	\$ 1,002	↔ 0.4%	\$ 5,074	\$ 8,638	\$ 3,565	2.2%
East Foothills	\$ 1,015,300	↓ -4.4%	\$ 509	↑ 2.0%	\$ 3,570	\$ 4,033	\$ 463	3.4%
Gilroy	\$ 783,200	↓ -3.0%	\$ 378	↔ 0.2%	\$ 3,289	\$ 3,111	\$ (178)	4.0%
Hollister	\$ 655,700	↔ 0.3%	\$ 315	↑ 3.2%	\$ 2,543	\$ 2,605	\$ 62	3.7%
Lexington Hills	\$ 937,800	↓ -9.7%	\$ 564	↔ 0.1%	\$ 3,478	\$ 3,725	\$ 247	3.6%
Los Gatos	\$ 1,926,100	↓ -8.8%	\$ 843	↑ 5.7%	\$ 5,345	\$ 7,651	\$ 2,306	2.7%
Milpitas	\$ 1,077,700	↓ -6.4%	\$ 609	↑ 2.2%	\$ 3,597	\$ 4,281	\$ 684	3.2%
Morgan Hill	\$ 980,600	↓ -2.7%	\$ 426	↑ 4.3%	\$ 3,766	\$ 3,895	\$ 129	3.7%
Mountain View	\$ 1,761,700	↓ -9.7%	\$ 986	↔ 12.3%	\$ 5,563	\$ 6,998	\$ 1,435	3.0%
San Jose	\$ 1,043,200	↓ -6.5%	\$ 589	↑ 3.5%	\$ 3,723	\$ 4,144	\$ 421	3.4%
East San Jose	\$ 788,300	↓ -5.4%	\$ 512	↔ 0.8%	\$ 3,408	\$ 3,131	\$ (276)	4.1%
West San Jose	\$ 1,482,400	↓ -7.9%	\$ 853	↑ 5.7%	\$ 4,244	\$ 5,889	\$ 1,645	2.7%
Downtown	\$ 887,500	↓ -7.1%	\$ 606	↔ 1.5%	\$ 3,421	\$ 3,525	\$ 105	3.7%
North Valley	\$ 934,600	↔ 0.0%	\$ 577	↑ 2.1%	\$ 3,546	\$ 3,713	\$ 166	3.6%
Evergreen	\$ 1,113,300	↓ -3.5%	\$ 548	↑ 5.9%	\$ 4,018	\$ 4,422	\$ 405	3.5%
Willow Glen	\$ 1,283,600	↓ -7.6%	\$ 687	↑ 3.6%	\$ 3,940	\$ 5,099	\$ 1,159	2.9%
Blossom Valley	\$ 963,300	↓ -8.2%	\$ 512	↑ 2.8%	\$ 3,639	\$ 3,827	\$ 188	3.6%
Cambrian Park	\$ 1,241,400	↓ -8.3%	\$ 697	↑ 3.1%	\$ 3,818	\$ 4,931	\$ 1,113	3.0%

Market Performance and Trends: San Jose Metro, CA and Major Cities and Zips

Study Area	Median Resale \$	Resale % Change YoY	Resale \$/SF	Rent % Change YoY	Median Rent \$	Cost of Ownership	Ownership Prem./Disc.	Cap Rate
Fairgrounds	\$ 800,500	↓ -6.2%	\$ 524	↔ 0.7%	\$ 3,361	\$ 3,180	\$ (181)	4.0%
Santa Teresa	\$ 937,200	↓ -7.5%	\$ 506	↑ 2.8%	\$ 3,635	\$ 3,723	\$ 88	3.7%
Almaden Valley	\$ 1,478,400	↓ -7.3%	\$ 621	↑ 3.9%	\$ 4,353	\$ 5,873	\$ 1,520	2.8%
Edenvale - Seven Trees	\$ 812,300	↓ -4.7%	\$ 502	↔ 1.9%	\$ 3,484	\$ 3,227	\$ (257)	4.1%
Berryessa	\$ 1,150,500	↓ -6.8%	\$ 622	↑ 3.0%	\$ 3,657	\$ 4,570	\$ 913	3.1%
Alum Rock-East Foothills	\$ 813,200	↓ -7.2%	\$ 503	↔ 1.9%	\$ 3,515	\$ 3,230	\$ (284)	4.1%
North San Jose	\$ 959,900	↓ -9.2%	\$ 648	↑ 2.9%	\$ 3,531	\$ 3,813	\$ 282	3.5%
Rose Garden	\$ 1,223,500	↓ -10.0%	\$ 705	↑ 4.1%	\$ 3,770	\$ 4,860	\$ 1,090	3.0%
San Juan Bautista	\$ 626,600	↓ -3.7%	\$ 299	↓ -7.4%	\$ 2,329	\$ 2,489	\$ 160	3.6%
San Martin	\$ 1,066,600	↓ -6.7%	\$ 483	↔ 0.8%	\$ 3,565	\$ 4,237	\$ 672	3.2%
Santa Clara	\$ 1,296,000	↓ -10.6%	\$ 751	↑ 4.7%	\$ 3,962	\$ 5,148	\$ 1,187	2.9%
Sunnyvale	\$ 1,669,700	↓ -9.6%	\$ 927	↑ 6.5%	\$ 4,523	\$ 6,633	\$ 2,110	2.6%
Ponderosa	\$ 1,581,800	↓ -13.1%	\$ 779	↑ 6.6%	\$ 4,501	\$ 6,283	\$ 1,782	2.7%
Lakewood	\$ 1,201,700	↓ -9.5%	\$ 807	↑ 4.9%	\$ 3,753	\$ 4,774	\$ 1,020	3.0%
Washington	\$ 1,674,000	↓ -12.7%	\$ 971	↑ 6.3%	\$ 4,330	\$ 6,650	\$ 2,319	2.5%
Ortega	\$ 1,889,200	↓ -7.7%	\$ 961	↑ 4.6%	\$ 4,609	\$ 7,504	\$ 2,896	2.3%
De Anza	\$ 2,024,300	↓ -9.4%	\$ 992	↑ 3.6%	\$ 4,842	\$ 8,041	\$ 3,199	2.3%
Serra	\$ 2,165,900	↓ -10.2%	\$ 1,030	↑ 3.7%	\$ 5,188	\$ 8,604	\$ 3,415	2.3%
Raynor	\$ 1,782,100	↓ -11.7%	\$ 943	↑ 5.9%	\$ 4,444	\$ 7,079	\$ 2,635	2.4%

Market Timing Rating and Valuations: San Jose Metro, CA and Major Cities and Zips

Study Area	Rating	Median	Rental Parity	% Over/Under Rental Parity	Historic Premium	% Over/Under Historic Prem.
San Jose Metro, CA	⇒ 5	\$ 1,218,000	\$ 949,400	● 28.3%	27.8%	▶ 0.5%
San Benito County	↑ 9	\$ 650,300	\$ 633,300	▶ 2.7%	27.4%	● -24.7%
Santa Clara County	⇒ 5	\$ 1,220,300	\$ 996,700	● 22.4%	28.1%	▶ -5.7%
Alum Rock	↓ 2	\$ 767,000	\$ 764,500	▶ 0.3%	4.8%	▶ -4.5%
Burbank	↗ 6	\$ 866,900	\$ 918,300	▶ -5.6%	-2.8%	▶ -2.8%
Cambrian Park	↘ 4	\$ 1,425,700	\$ 990,100	● 44.0%	36.6%	▶ 7.4%
Campbell	⇒ 5	\$ 1,326,600	\$ 1,003,400	● 32.2%	35.6%	▶ -3.4%
Cupertino	↓ 2	\$ 2,174,600	\$ 1,277,200	● 70.3%	60.3%	▶ 10.0%
East Foothills	↗ 7	\$ 1,015,300	\$ 898,800	● 13.0%	23.9%	▶ -10.9%
Gilroy	↗ 6	\$ 783,200	\$ 827,900	▶ -5.4%	11.6%	● -17.0%
Hollister	↑ 9	\$ 655,700	\$ 640,000	▶ 2.5%	26.0%	● -23.5%
Lexington Hills	↗ 7	\$ 937,800	\$ 875,500	▶ 7.1%	40.2%	● -33.1%
Los Gatos	↗ 6	\$ 1,926,100	\$ 1,345,600	● 43.1%	50.5%	▶ -7.4%
Milpitas	⇒ 5	\$ 1,077,700	\$ 905,600	● 19.0%	18.7%	▶ 0.3%
Morgan Hill	↑ 9	\$ 980,600	\$ 948,100	▶ 3.4%	27.7%	● -24.3%
Mountain View	⇒ 5	\$ 1,761,700	\$ 1,400,300	● 25.8%	35.7%	▶ -9.9%
San Jose	↗ 6	\$ 1,043,200	\$ 937,100	▶ 11.3%	19.6%	▶ -8.3%
East San Jose	↘ 4	\$ 788,300	\$ 857,800	▶ -8.1%	1.7%	▶ -9.8%
West San Jose	⇒ 5	\$ 1,482,400	\$ 1,068,200	● 38.7%	42.8%	▶ -4.1%
Downtown	↘ 4	\$ 887,500	\$ 861,100	▶ 3.1%	10.3%	▶ -7.2%
North Valley	↗ 6	\$ 934,600	\$ 892,700	▶ 4.7%	12.4%	▶ -7.7%
Evergreen	↗ 7	\$ 1,113,300	\$ 1,011,400	▶ 10.1%	23.3%	● -13.2%
Willow Glen	⇒ 5	\$ 1,283,600	\$ 991,900	● 29.4%	36.0%	▶ -6.6%
Blossom Valley	↗ 6	\$ 963,300	\$ 916,000	▶ 5.2%	16.7%	▶ -11.5%
Cambrian Park	⇒ 5	\$ 1,241,400	\$ 961,200	● 29.2%	30.1%	▶ -0.9%

Market Timing Rating and Valuations: San Jose Metro, CA and Major Cities and Zips

Study Area	Rating	Median	Rental Parity	% Over/Under Rental Parity	Historic Premium	% Over/Under Historic Prem.
Fairgrounds	3	\$ 800,500	\$ 846,000	-5.4%	-0.1%	-5.3%
Santa Teresa	7	\$ 937,200	\$ 914,900	2.5%	17.5%	-15.0%
Almaden Valley	7	\$ 1,478,400	\$ 1,095,700	34.9%	49.4%	-14.5%
Edenvale - Seven Trees	5	\$ 812,300	\$ 876,900	-7.3%	28.1%	-10.3%
Berryessa	5	\$ 1,150,500	\$ 920,700	25.0%	25.6%	-0.6%
Alum Rock-East Foothills	4	\$ 813,200	\$ 884,700	-8.1%	0.8%	-8.9%
North San Jose	6	\$ 959,900	\$ 888,900	8.0%	15.7%	-7.7%
Rose Garden	5	\$ 1,223,500	\$ 949,100	28.9%	28.0%	0.9%
San Juan Bautista	7	\$ 626,600	\$ 586,200	6.9%	42.4%	-35.5%
San Martin	7	\$ 1,066,600	\$ 897,500	18.8%	49.8%	-31.0%
Santa Clara	5	\$ 1,296,000	\$ 997,200	29.9%	29.8%	0.1%
Sunnyvale	5	\$ 1,669,700	\$ 1,138,600	46.6%	49.5%	-2.9%
Ponderosa	6	\$ 1,581,800	\$ 1,133,100	39.6%	49.2%	-9.6%
Lakewood	5	\$ 1,201,700	\$ 944,800	27.2%	25.8%	1.4%
Washington	5	\$ 1,674,000	\$ 1,090,100	53.5%	56.2%	-2.7%
Ortega	5	\$ 1,889,200	\$ 1,160,100	62.8%	64.5%	-1.7%
De Anza	5	\$ 2,024,300	\$ 1,218,900	66.1%	63.3%	2.8%
Serra	5	\$ 2,165,900	\$ 1,306,100	65.8%	71.6%	-5.8%
Raynor	5	\$ 1,782,100	\$ 1,118,700	59.3%	64.9%	-5.6%

San Benito County Housing Market Value & Trends Update

Historically, properties in this market sell at a 27.4% premium. Today's premium is 2.7%. This market is 24.7% undervalued.

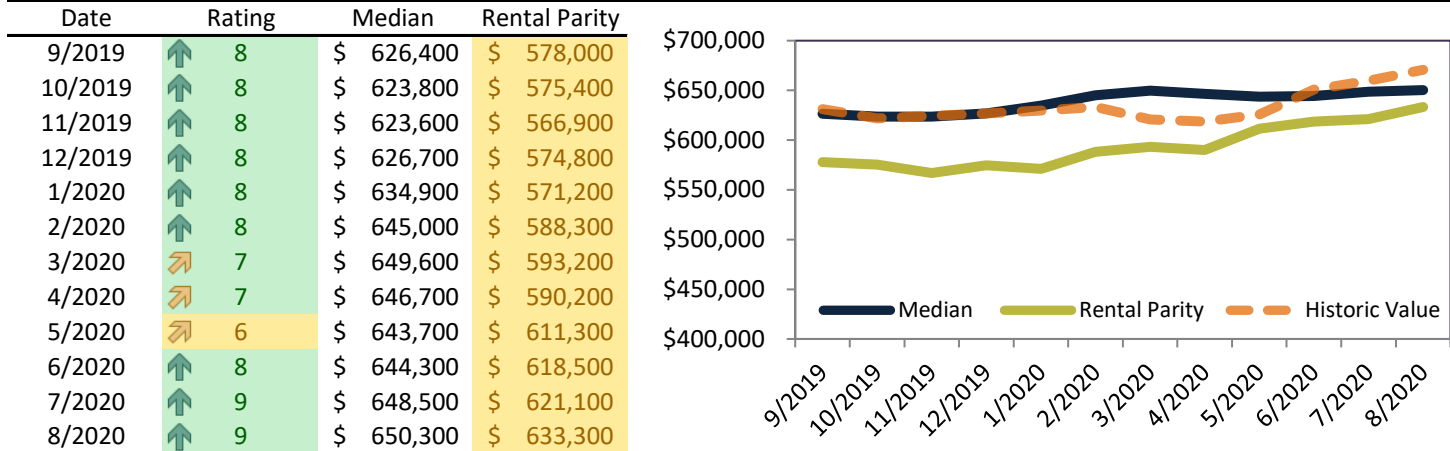
Median home price is \$650,300, and resale \$/SF is \$314/SF. Prices fell 0.3% year-over-year.

Monthly cost of ownership is \$2,583, and rents average \$2,515, making owning \$067 per month more costly than renting.

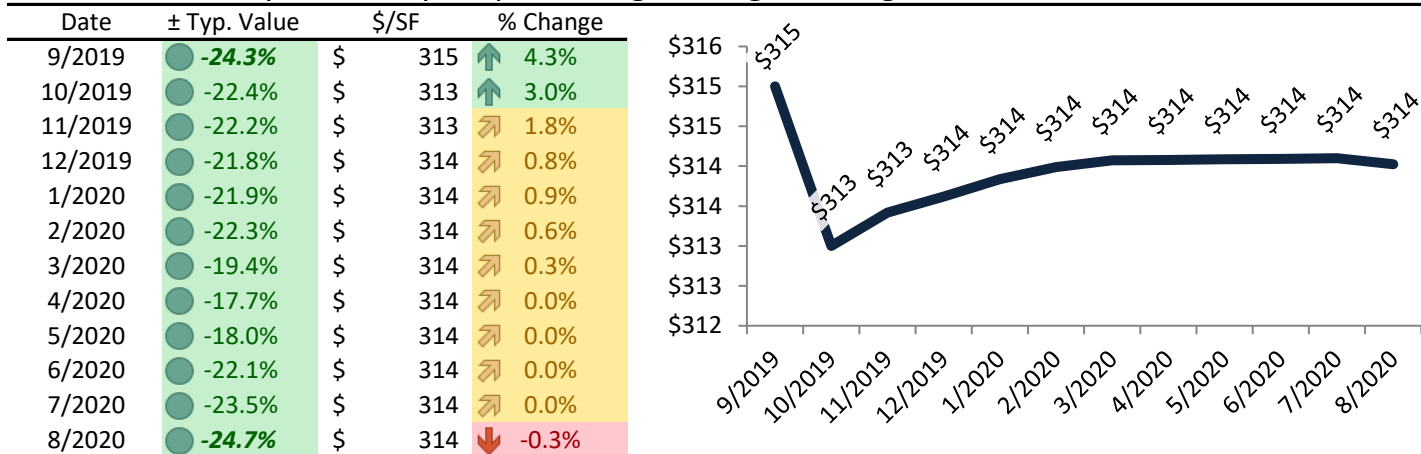
Rents rose 1.4% year-over-year. The current capitalization rate (rent/price) is 4.4%.

Market rating = 9

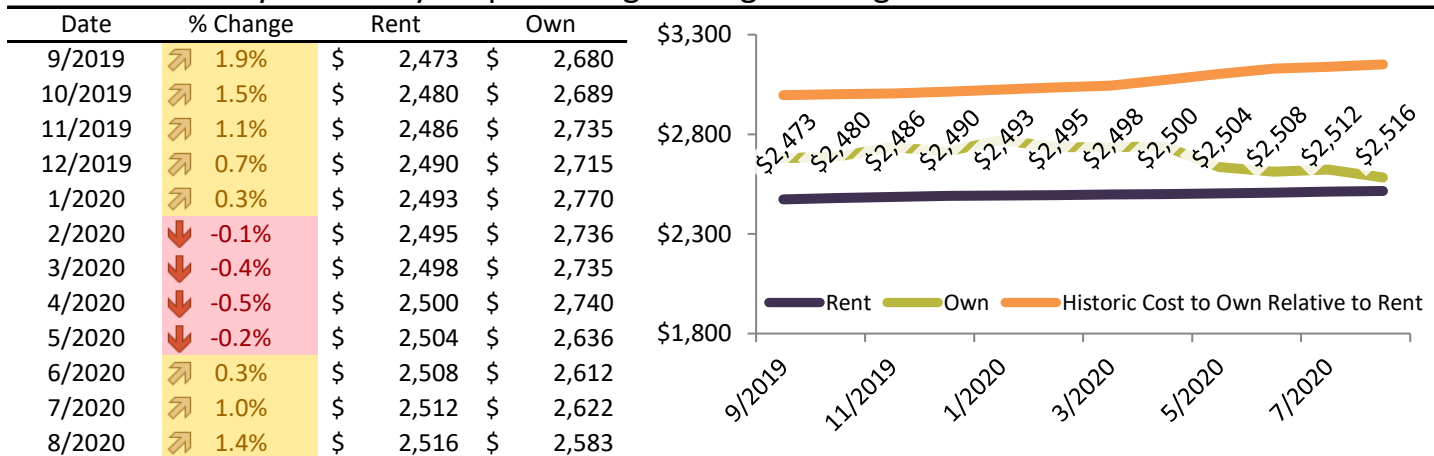
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Santa Clara County Housing Market Value & Trends Update

Historically, properties in this market sell at a 28.1% premium. Today's premium is 22.4%. This market is 5.7% undervalued.

Median home price is \$1,220,300, and resale \$/SF is \$664/SF. Prices fell 7.7% year-over-year.

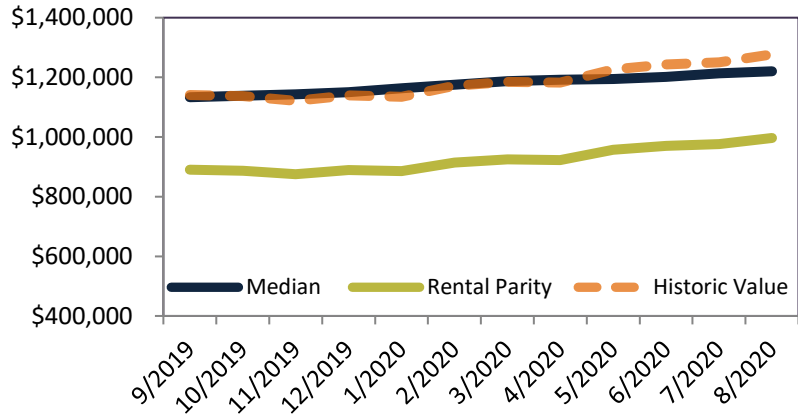
Monthly cost of ownership is \$4,847, and rents average \$3,959, making owning \$887 per month more costly than renting.

Rents rose 4.5% year-over-year. The current capitalization rate (rent/price) is 3.1%.

Market rating = 5

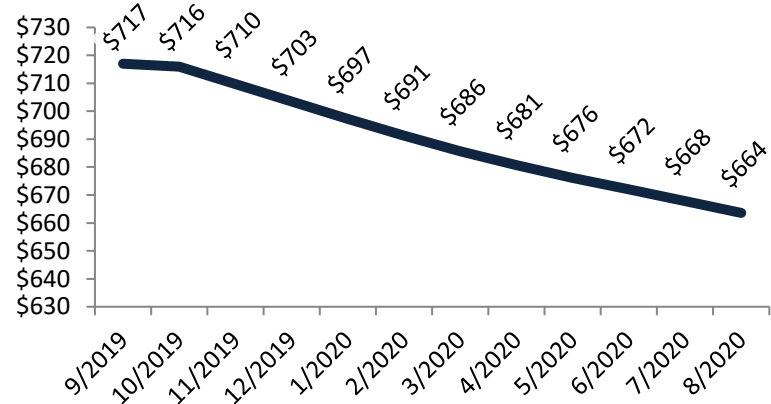
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2019	⇒ 5	\$ 1,133,300	\$ 890,700
10/2019	⇒ 5	\$ 1,138,300	\$ 887,300
11/2019	⇒ 5	\$ 1,143,000	\$ 875,200
12/2019	⇒ 5	\$ 1,150,100	\$ 889,000
1/2020	⇒ 5	\$ 1,162,900	\$ 885,500
2/2020	⇒ 5	\$ 1,174,700	\$ 914,300
3/2020	⇒ 5	\$ 1,186,700	\$ 924,600
4/2020	⇒ 5	\$ 1,191,700	\$ 922,500
5/2020	⇒ 5	\$ 1,194,800	\$ 957,700
6/2020	⇒ 5	\$ 1,201,600	\$ 970,500
7/2020	⇒ 5	\$ 1,213,300	\$ 976,000
8/2020	⇒ 5	\$ 1,220,300	\$ 996,700



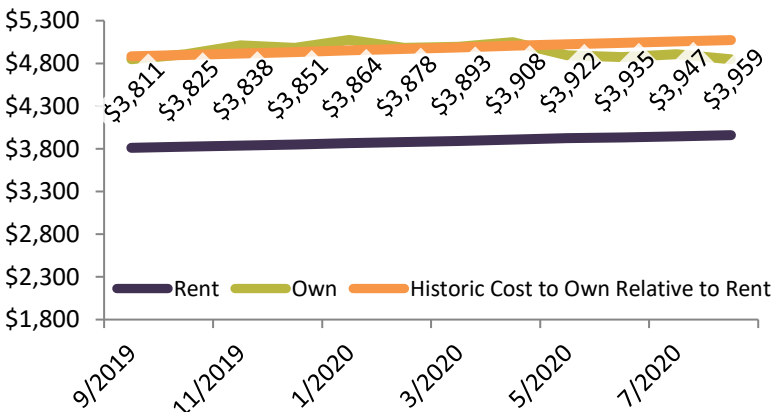
Resale \$/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	\$/SF	% Change
9/2019	▶ -0.9%	\$ 717	↓ -10.0%
10/2019	▶ 0.2%	\$ 716	↓ -10.2%
11/2019	▶ 2.5%	\$ 710	↓ -10.3%
12/2019	▶ 1.3%	\$ 703	↓ -10.4%
1/2020	▶ 3.2%	\$ 697	↓ -10.5%
2/2020	▶ 0.4%	\$ 691	↓ -10.1%
3/2020	▶ 0.2%	\$ 686	↓ -9.4%
4/2020	▶ 1.1%	\$ 681	↓ -8.8%
5/2020	▶ -3.4%	\$ 676	↓ -8.0%
6/2020	▶ -4.3%	\$ 672	↓ -7.4%
7/2020	▶ -3.8%	\$ 668	↓ -7.5%
8/2020	▶ -5.7%	\$ 664	↓ -7.7%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2019	↑ 3.7%	\$ 3,811	\$ 4,849
10/2019	↑ 4.0%	\$ 3,825	\$ 4,906
11/2019	↑ 4.2%	\$ 3,838	\$ 5,012
12/2019	↑ 4.3%	\$ 3,851	\$ 4,982
1/2020	↑ 4.3%	\$ 3,864	\$ 5,075
2/2020	↑ 4.5%	\$ 3,878	\$ 4,983
3/2020	↑ 4.7%	\$ 3,893	\$ 4,996
4/2020	↑ 4.8%	\$ 3,908	\$ 5,048
5/2020	↑ 4.8%	\$ 3,922	\$ 4,893
6/2020	↑ 4.6%	\$ 3,935	\$ 4,871
7/2020	↑ 4.6%	\$ 3,947	\$ 4,906
8/2020	↑ 4.5%	\$ 3,959	\$ 4,847



Alum Rock Housing Market Value & Trends Update

Historically, properties in this market sell at a 4.8% premium. Today's premium is 0.3%. This market is 4.5% undervalued.

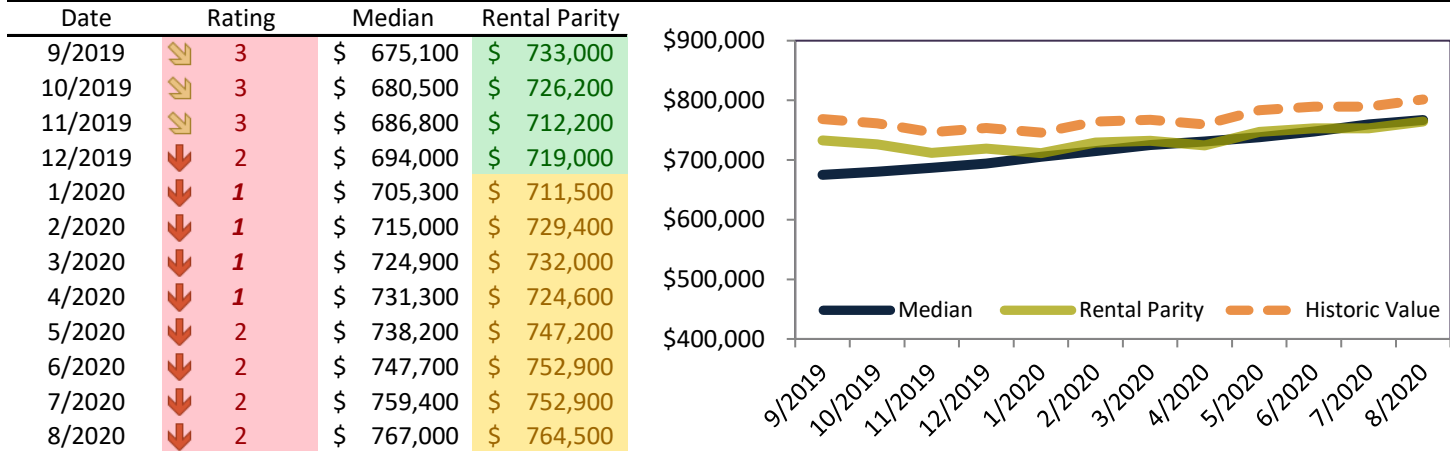
Median home price is \$767,000, and resale \$/SF is \$561/SF. Prices fell 4.6% year-over-year.

Monthly cost of ownership is \$3,046, and rents average \$3,036, making owning \$009 per month more costly than renting.

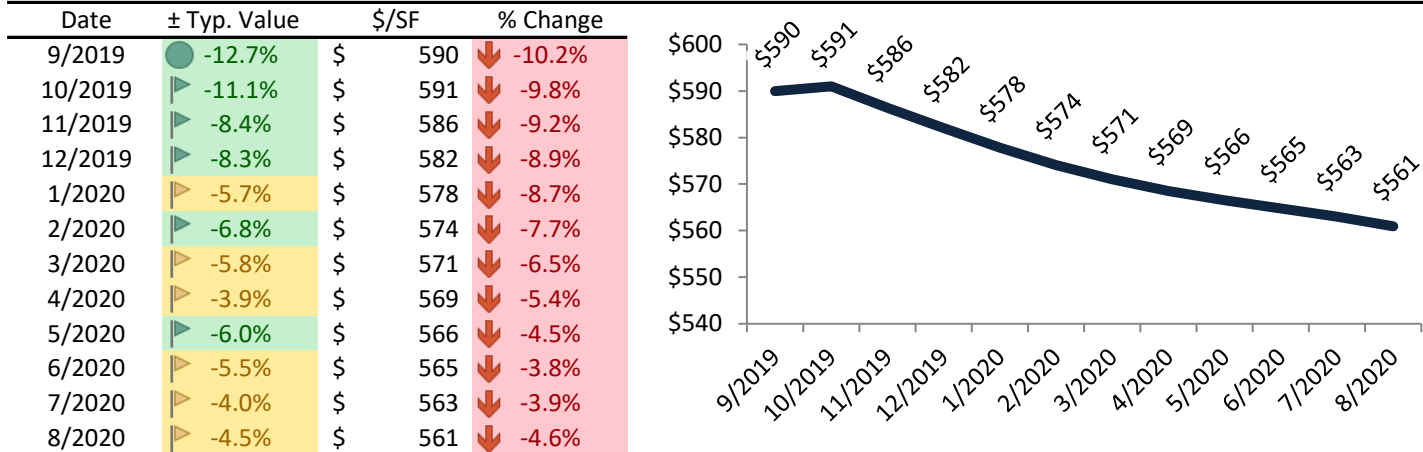
Rents fell 3.4% year-over-year. The current capitalization rate (rent/price) is 3.8%.

Market rating = 2

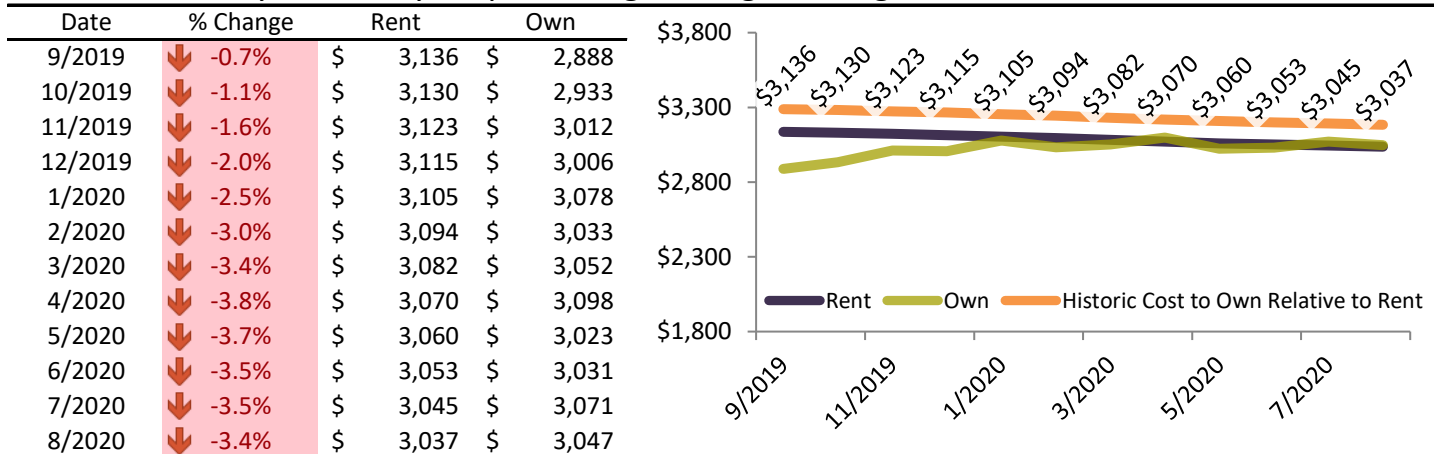
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



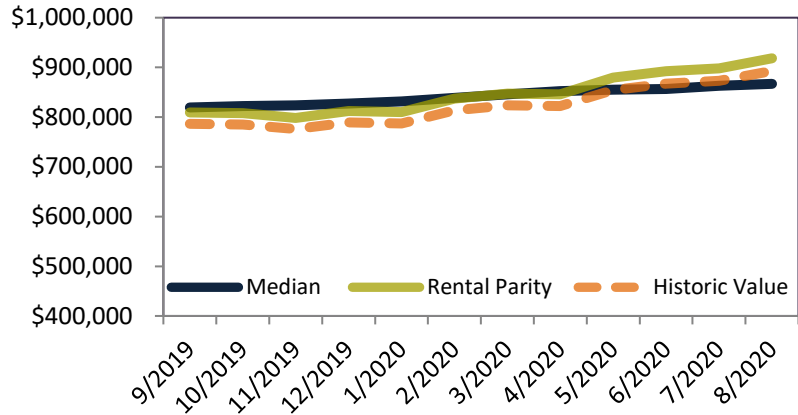
Burbank Housing Market Value & Trends Update

Historically, properties in this market sell at a -2.8% discount. Today's discount is 5.6%. This market is 2.8% undervalued. Median home price is \$866,900, and resale \$/SF is \$571/SF. Prices rose 1.2% year-over-year. Monthly cost of ownership is \$3,443, and rents average \$3,647, making owning \$204 per month less costly than renting. Rents rose 6.1% year-over-year. The current capitalization rate (rent/price) is 4.0%.

Market rating = 6

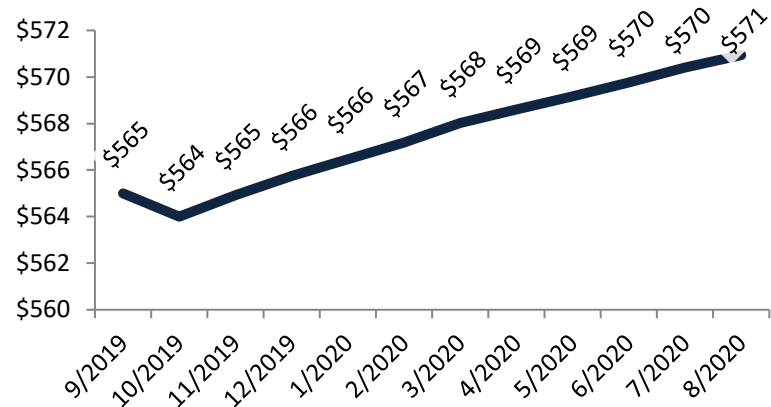
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2019	↑ 8	\$ 819,400	\$ 809,100
10/2019	↑ 8	\$ 822,300	\$ 807,800
11/2019	↑ 8	\$ 823,900	\$ 798,300
12/2019	↔ 6	\$ 827,500	\$ 812,100
1/2020	↔ 6	\$ 831,500	\$ 809,800
2/2020	↔ 6	\$ 838,600	\$ 837,000
3/2020	↔ 6	\$ 845,500	\$ 847,200
4/2020	↔ 6	\$ 852,400	\$ 846,000
5/2020	↔ 6	\$ 854,900	\$ 879,100
6/2020	↔ 6	\$ 856,700	\$ 892,000
7/2020	↔ 6	\$ 863,200	\$ 898,100
8/2020	↔ 6	\$ 866,900	\$ 918,300



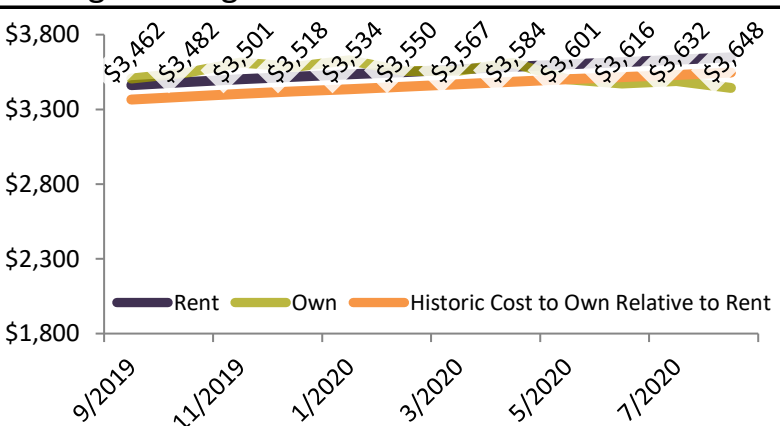
Resale \$/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	\$/SF	% Change
9/2019	▶ 4.1%	\$ 565	↑ 3.7%
10/2019	▶ 4.6%	\$ 564	↑ 2.7%
11/2019	▶ 6.0%	\$ 565	↑ 2.2%
12/2019	▶ 4.7%	\$ 566	↔ 1.9%
1/2020	▶ 5.5%	\$ 566	↔ 1.7%
2/2020	▶ 3.0%	\$ 567	↔ 1.6%
3/2020	▶ 2.6%	\$ 568	↔ 2.0%
4/2020	▶ 3.5%	\$ 569	↔ 1.4%
5/2020	▶ 0.0%	\$ 569	↔ 1.3%
6/2020	▶ -1.2%	\$ 570	↔ 1.4%
7/2020	▶ -1.1%	\$ 570	↔ 1.5%
8/2020	▶ -2.8%	\$ 571	↔ 1.2%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2019	↑ 5.4%	\$ 3,462	\$ 3,506
10/2019	↑ 6.1%	\$ 3,482	\$ 3,544
11/2019	↑ 6.3%	\$ 3,501	\$ 3,613
12/2019	↑ 6.4%	\$ 3,518	\$ 3,584
1/2020	↑ 6.3%	\$ 3,534	\$ 3,628
2/2020	↑ 6.4%	\$ 3,550	\$ 3,557
3/2020	↑ 6.4%	\$ 3,567	\$ 3,560
4/2020	↑ 6.5%	\$ 3,584	\$ 3,611
5/2020	↑ 6.4%	\$ 3,601	\$ 3,501
6/2020	↑ 6.3%	\$ 3,616	\$ 3,473
7/2020	↑ 6.2%	\$ 3,632	\$ 3,491
8/2020	↑ 6.1%	\$ 3,648	\$ 3,444



Cambrian Park Housing Market Value & Trends Update

Historically, properties in this market sell at a 36.6% premium. Today's premium is 44.0%. This market is 7.4% overvalued.

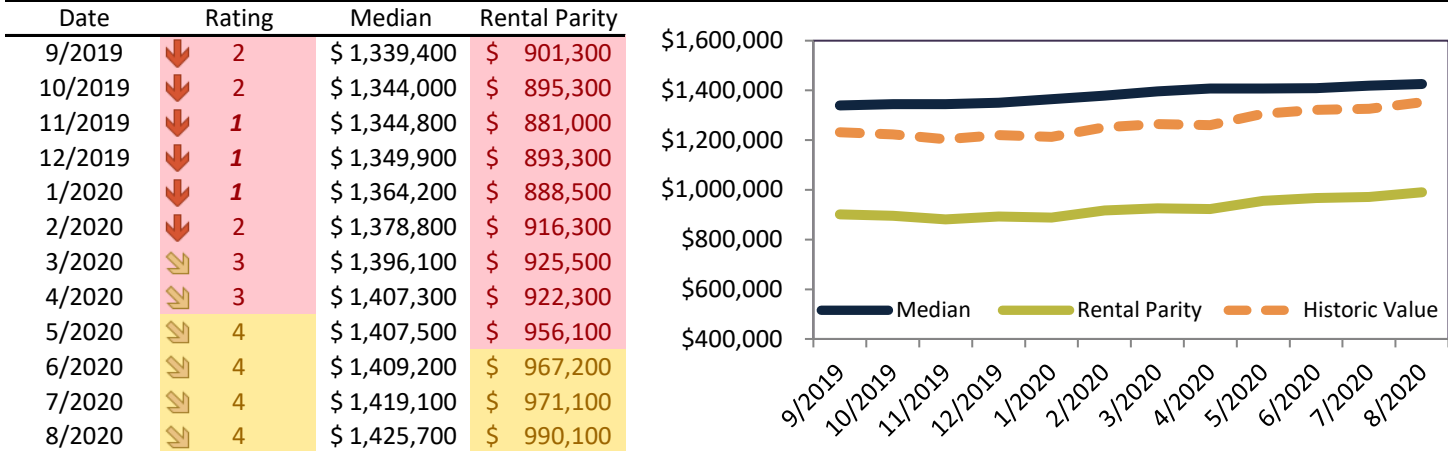
Median home price is \$1,425,700, and resale \$/SF is \$692/SF. Prices fell 11.1% year-over-year.

Monthly cost of ownership is \$5,663, and rents average \$3,933, making owning \$1,730 per month more costly than renting.

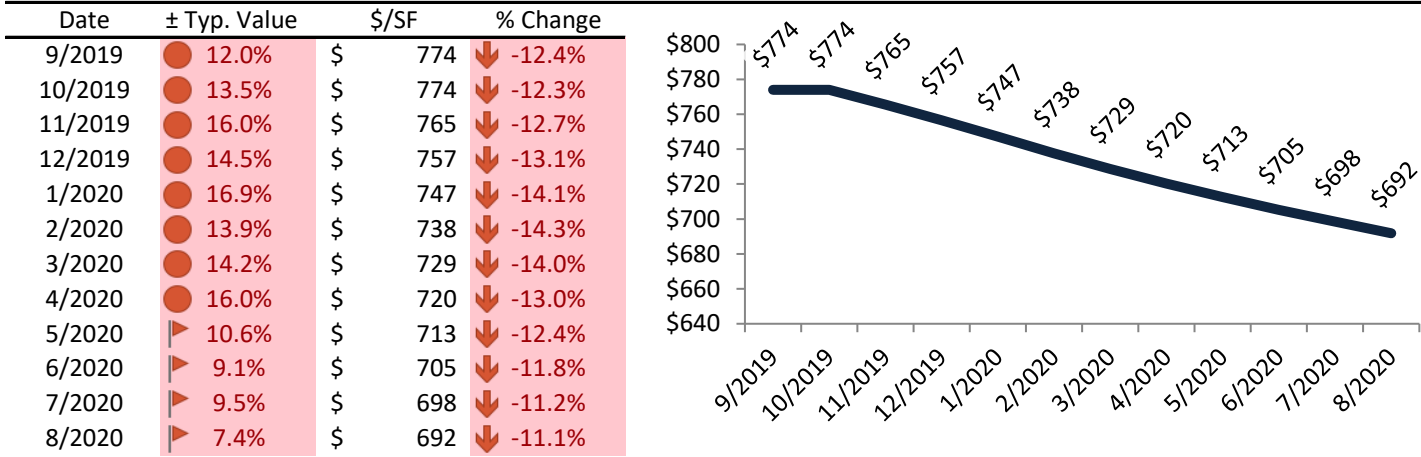
Rents rose 2.2% year-over-year. The current capitalization rate (rent/price) is 2.6%.

Market rating = 4

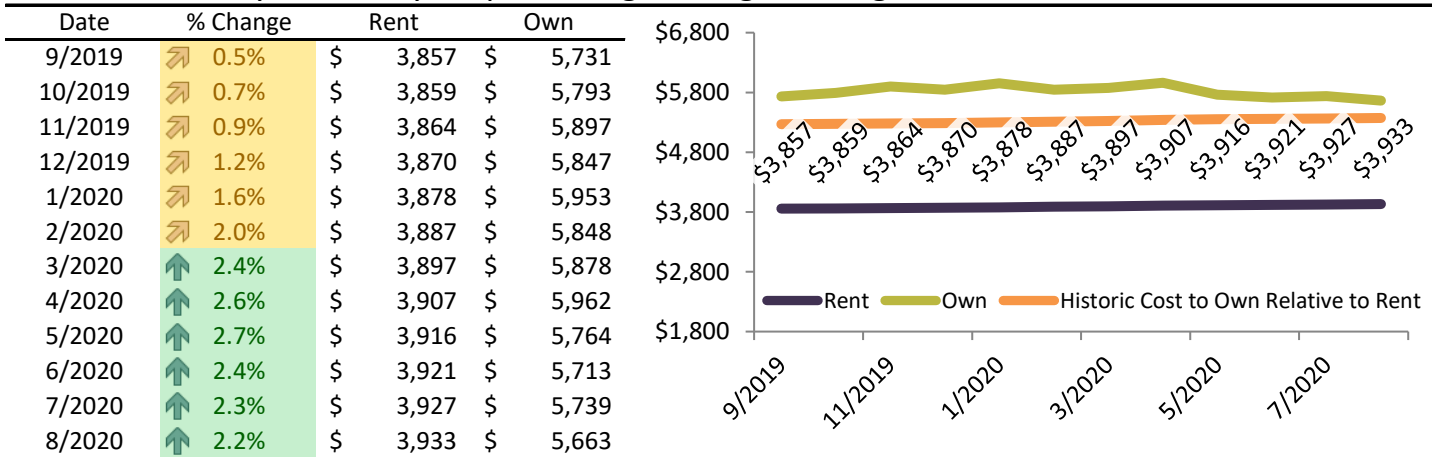
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Campbell Housing Market Value & Trends Update

Historically, properties in this market sell at a 35.6% premium. Today's premium is 32.2%. This market is 3.4% undervalued.

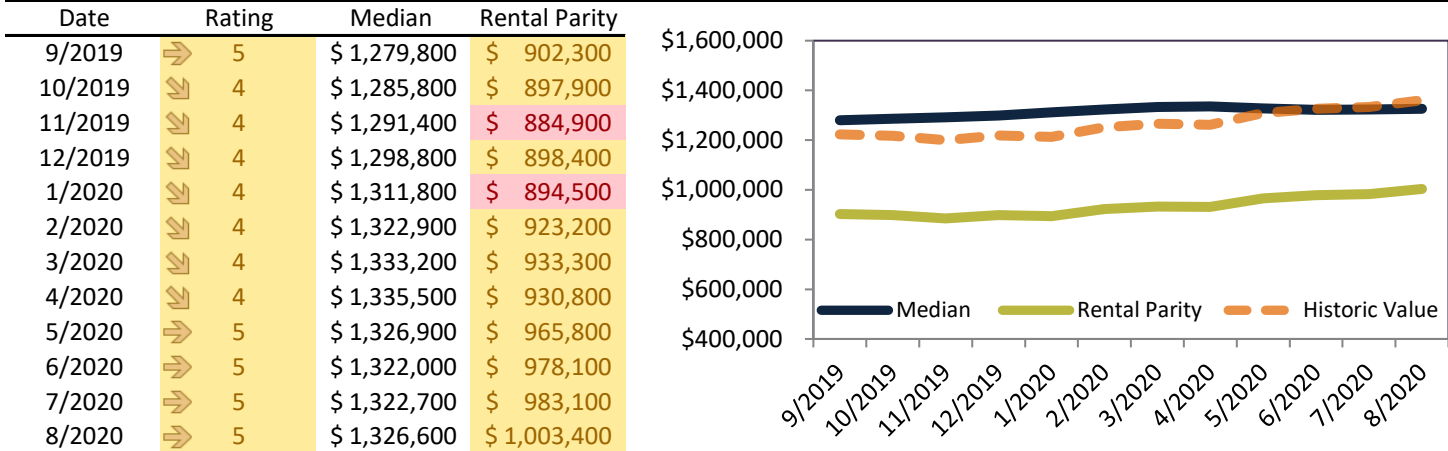
Median home price is \$1,326,600, and resale \$/SF is \$715/SF. Prices fell 8.0% year-over-year.

Monthly cost of ownership is \$5,269, and rents average \$3,986, making owning \$1,283 per month more costly than renting.

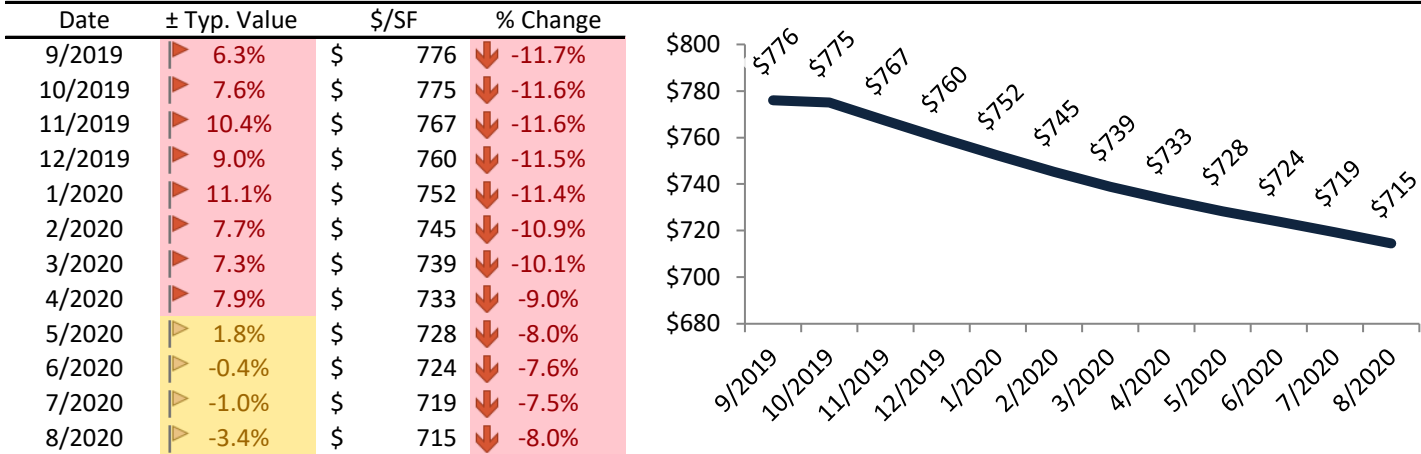
Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 2.9%.

Market rating = 5

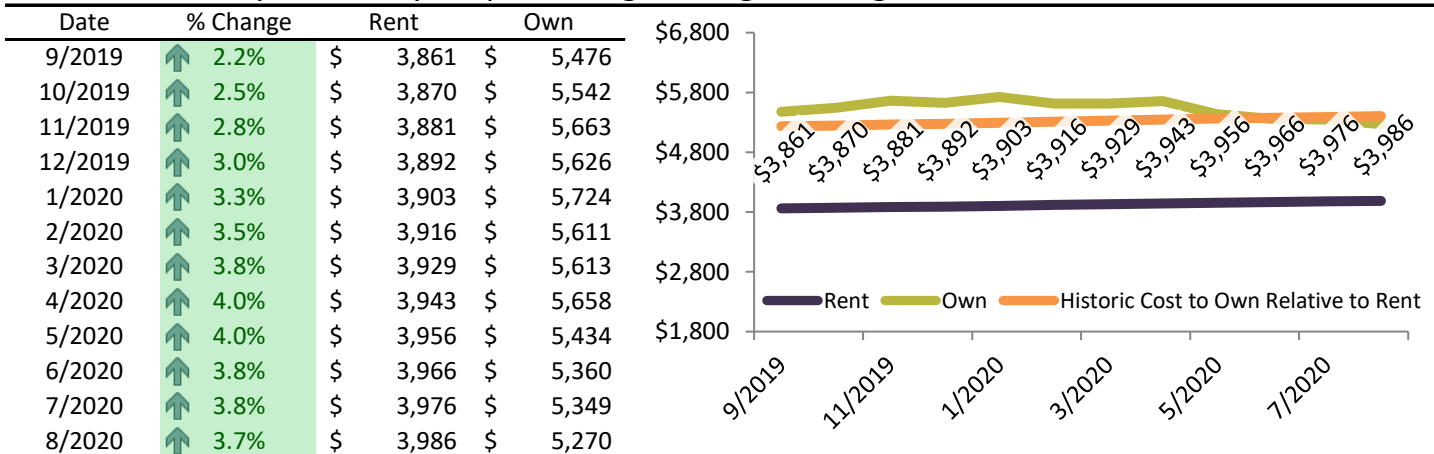
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Cupertino Housing Market Value & Trends Update

Historically, properties in this market sell at a 60.3% premium. Today's premium is 70.3%. This market is 10.0% overvalued.

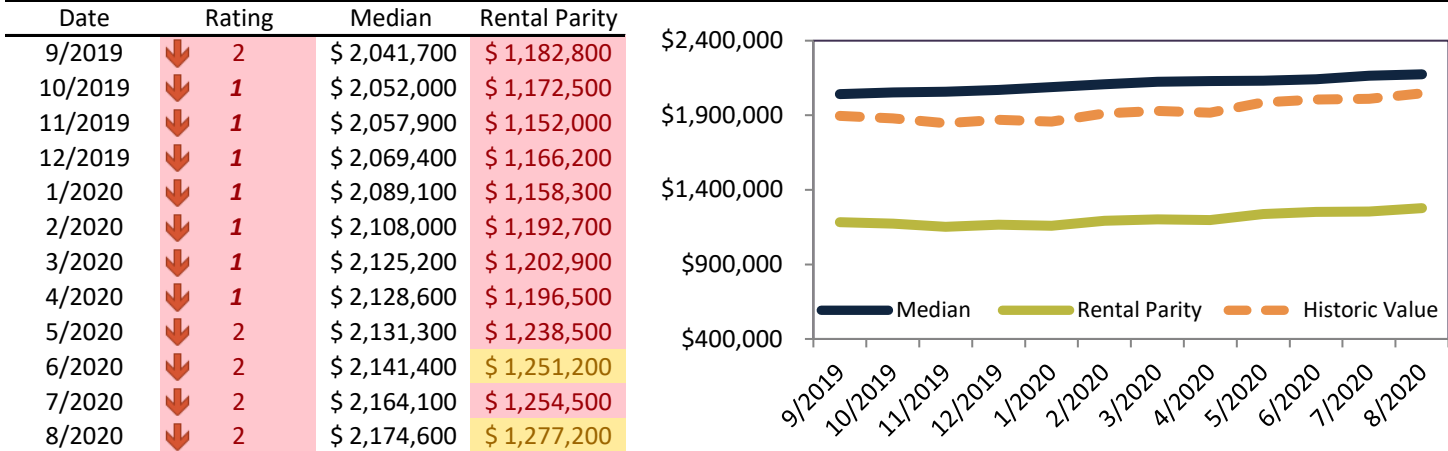
Median home price is \$2,174,600, and resale \$/SF is \$1002/SF. Prices fell 7.4% year-over-year.

Monthly cost of ownership is \$8,638, and rents average \$5,073, making owning \$3,564 per month more costly than renting.

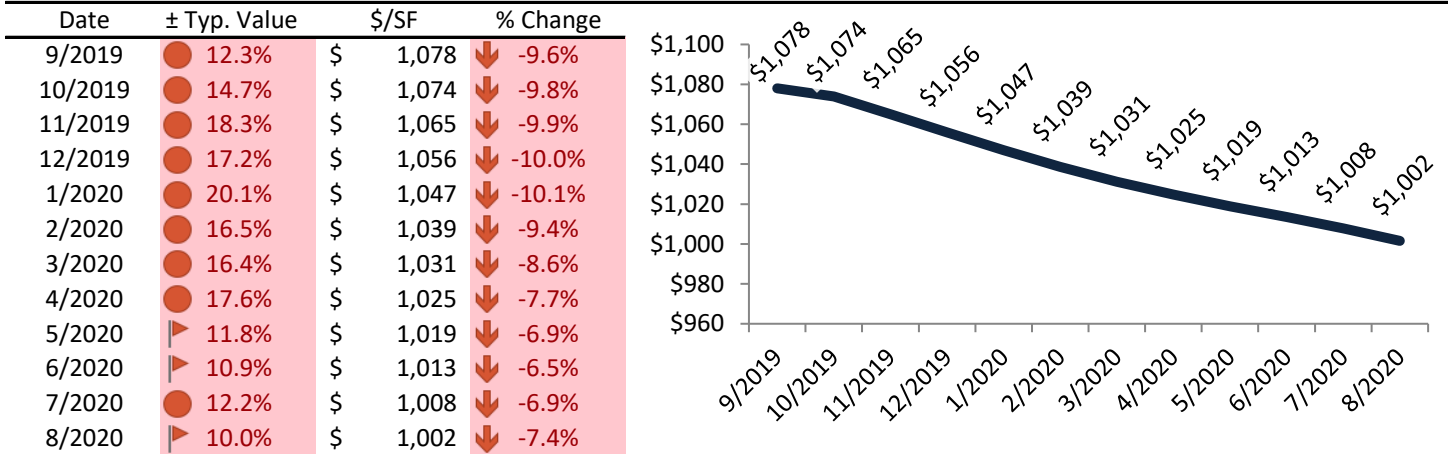
Rents rose 0.4% year-over-year. The current capitalization rate (rent/price) is 2.2%.

Market rating = 2

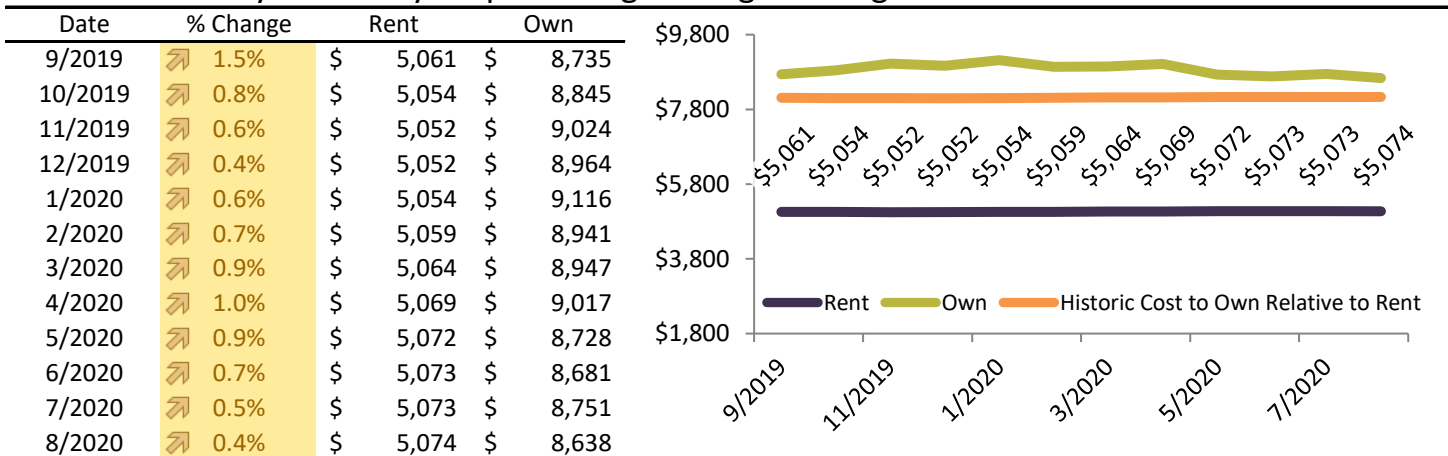
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months

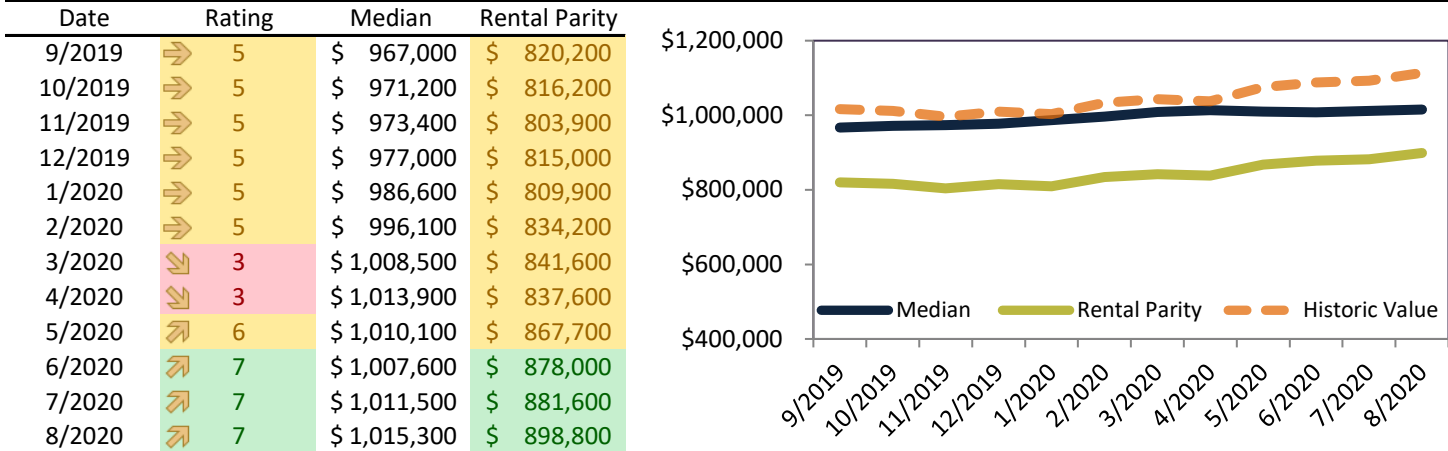


East Foothills Housing Market Value & Trends Update

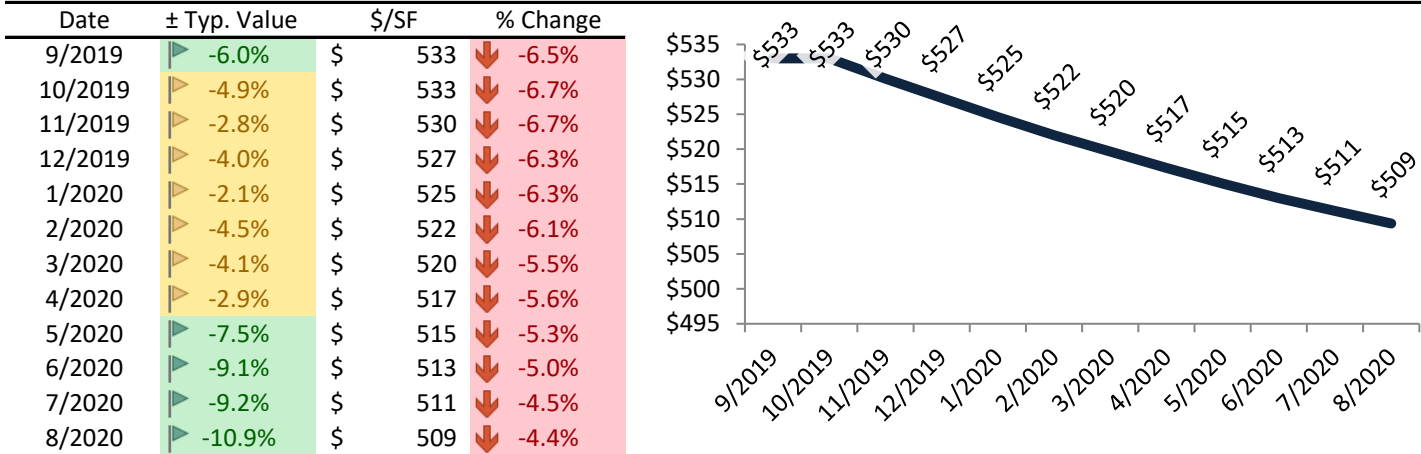
Historically, properties in this market sell at a 23.9% premium. Today's premium is 13.0%. This market is 10.9% undervalued. Median home price is \$1,015,300, and resale \$/SF is \$509/SF. Prices fell 4.4% year-over-year. Monthly cost of ownership is \$4,033, and rents average \$3,570, making owning \$462 per month more costly than renting. Rents rose 2.0% year-over-year. The current capitalization rate (rent/price) is 3.4%.

Market rating = 7

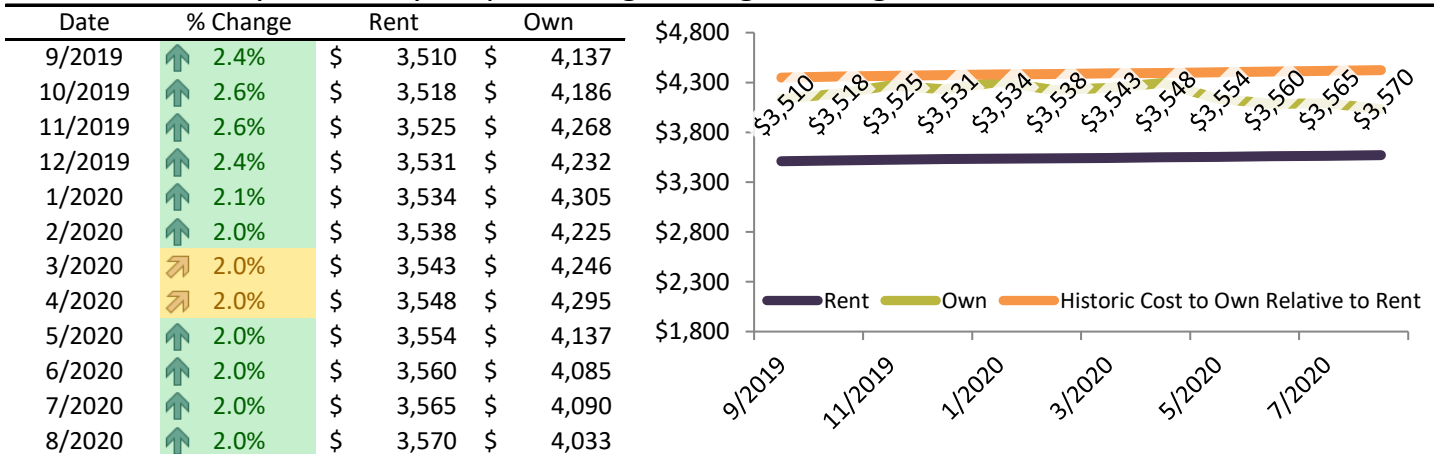
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Gilroy Housing Market Value & Trends Update

Historically, properties in this market sell at a 11.6% premium. Today's discount is 5.4%. This market is 17.0% undervalued.

Median home price is \$783,200, and resale \$/SF is \$378/SF. Prices fell 3.0% year-over-year.

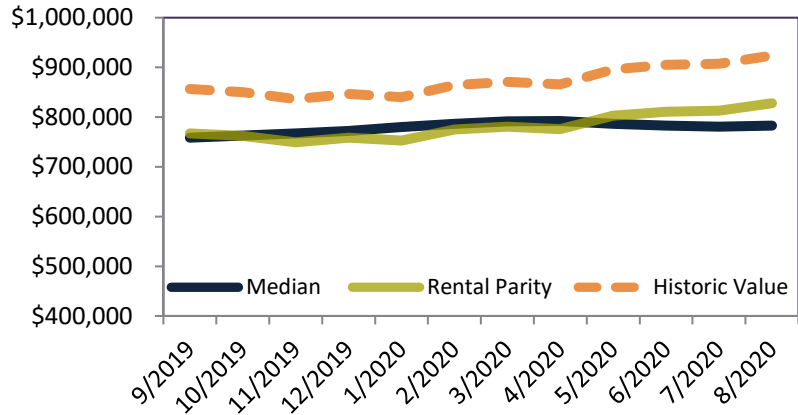
Monthly cost of ownership is \$3,111, and rents average \$3,289, making owning \$177 per month less costly than renting.

Rents rose 0.2% year-over-year. The current capitalization rate (rent/price) is 4.0%.

Market rating = 6

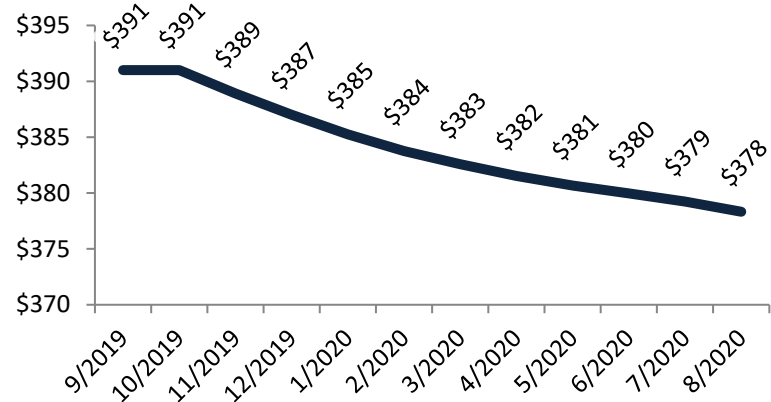
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2019	4	\$ 758,600	\$ 767,400
10/2019	4	\$ 763,000	\$ 762,100
11/2019	4	\$ 767,200	\$ 749,300
12/2019	4	\$ 772,300	\$ 758,700
1/2020	4	\$ 780,000	\$ 753,100
2/2020	5	\$ 786,500	\$ 774,800
3/2020	5	\$ 791,700	\$ 780,600
4/2020	5	\$ 792,200	\$ 775,700
5/2020	5	\$ 786,500	\$ 802,600
6/2020	6	\$ 782,700	\$ 810,900
7/2020	6	\$ 780,900	\$ 813,200
8/2020	6	\$ 783,200	\$ 827,900



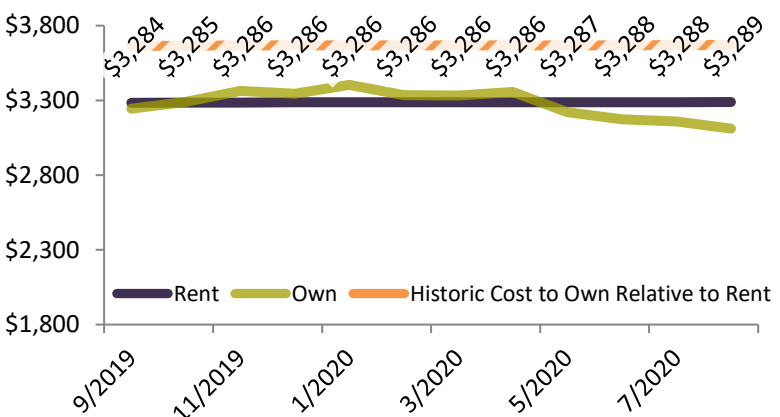
Resale \$/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	\$/SF	% Change
9/2019	-12.7%	\$ 391	-7.6%
10/2019	-11.5%	\$ 391	-7.1%
11/2019	-9.2%	\$ 389	-6.5%
12/2019	-9.8%	\$ 387	-6.1%
1/2020	-8.0%	\$ 385	-5.6%
2/2020	-10.1%	\$ 384	-4.8%
3/2020	-10.2%	\$ 383	-3.9%
4/2020	-9.5%	\$ 382	-3.4%
5/2020	-13.6%	\$ 381	-2.9%
6/2020	-15.1%	\$ 380	-2.3%
7/2020	-15.6%	\$ 379	-2.5%
8/2020	-17.0%	\$ 378	-3.0%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2019	1.0%	\$ 3,284	\$ 3,246
10/2019	0.9%	\$ 3,285	\$ 3,289
11/2019	0.7%	\$ 3,286	\$ 3,364
12/2019	0.6%	\$ 3,286	\$ 3,345
1/2020	0.4%	\$ 3,286	\$ 3,404
2/2020	0.3%	\$ 3,286	\$ 3,336
3/2020	0.3%	\$ 3,286	\$ 3,333
4/2020	0.2%	\$ 3,286	\$ 3,356
5/2020	0.2%	\$ 3,287	\$ 3,221
6/2020	0.2%	\$ 3,288	\$ 3,173
7/2020	0.2%	\$ 3,288	\$ 3,158
8/2020	0.2%	\$ 3,289	\$ 3,111

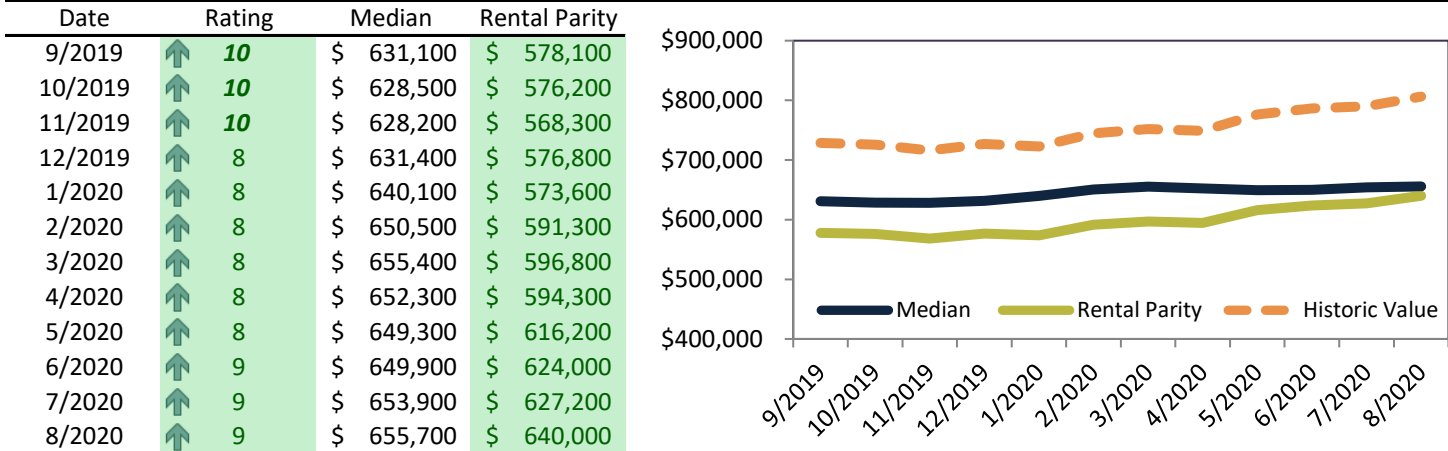


Hollister Housing Market Value & Trends Update

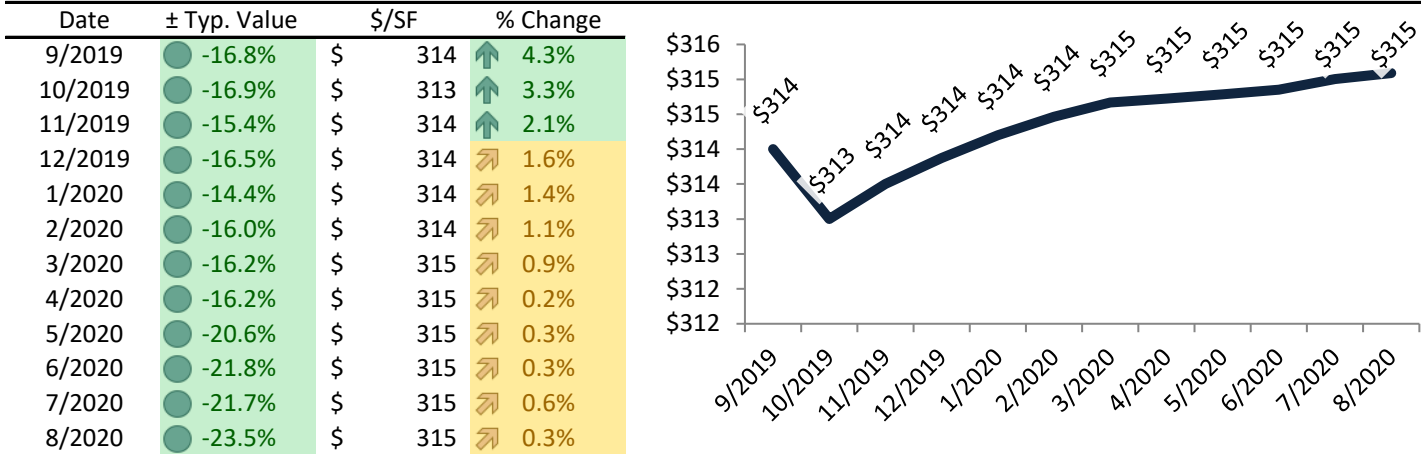
Historically, properties in this market sell at a 26.0% premium. Today's premium is 2.5%. This market is 23.5% undervalued. Median home price is \$655,700, and resale \$/SF is \$315/SF. Prices rose 0.3% year-over-year. Monthly cost of ownership is \$2,604, and rents average \$2,542, making owning \$062 per month more costly than renting. Rents rose 3.2% year-over-year. The current capitalization rate (rent/price) is 3.7%.

Market rating = 9

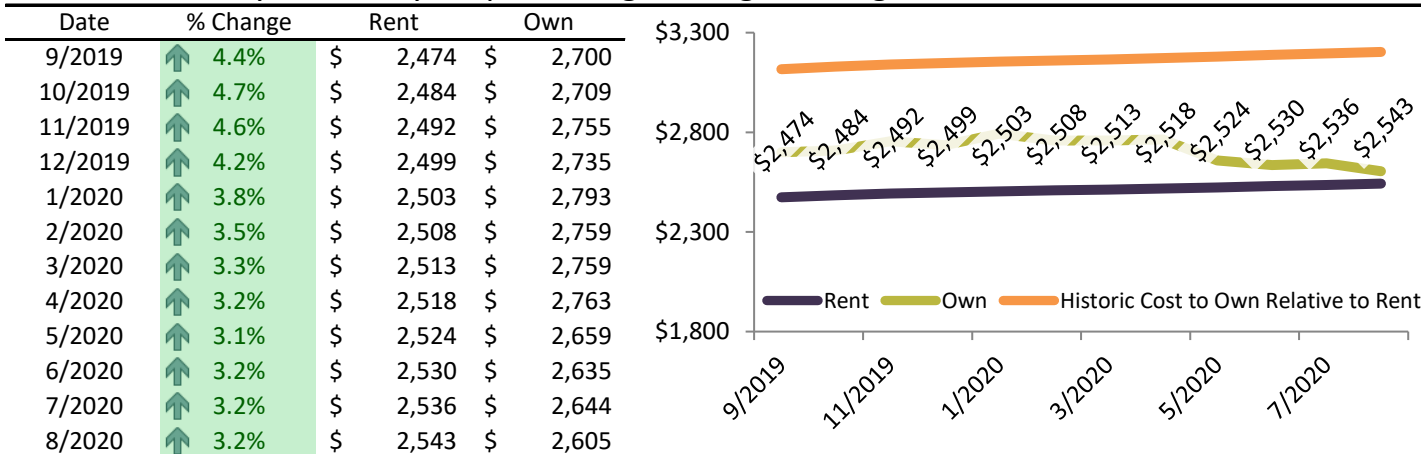
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Lexington Hills Housing Market Value & Trends Update

Historically, properties in this market sell at a 40.2% premium. Today's premium is 7.1%. This market is 33.1% undervalued.

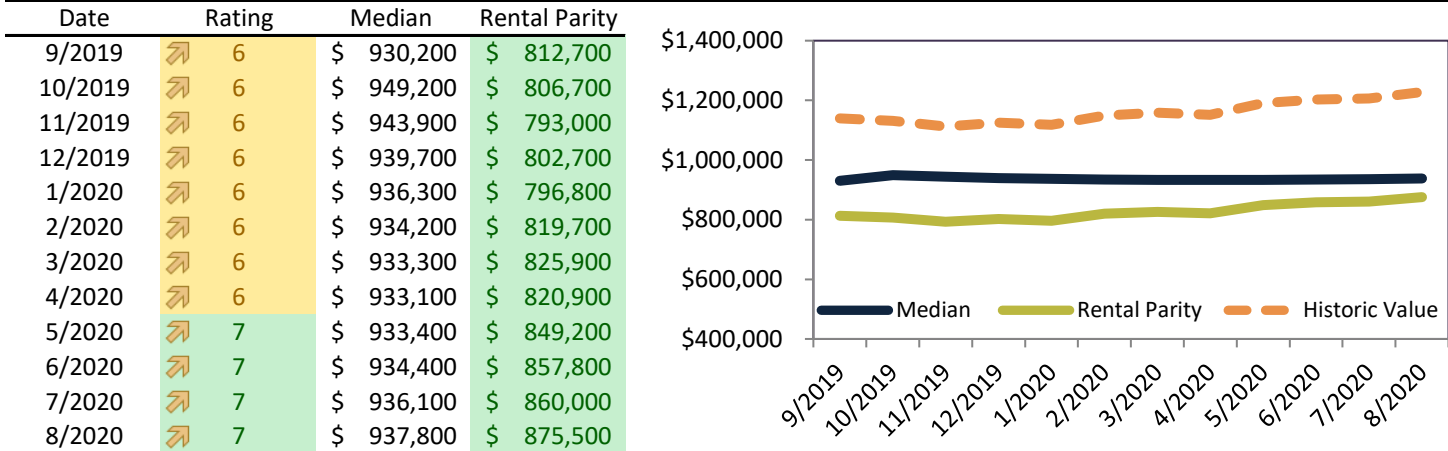
Median home price is \$937,800, and resale \$/SF is \$564/SF. Prices fell 9.7% year-over-year.

Monthly cost of ownership is \$3,725, and rents average \$3,477, making owning \$247 per month more costly than renting.

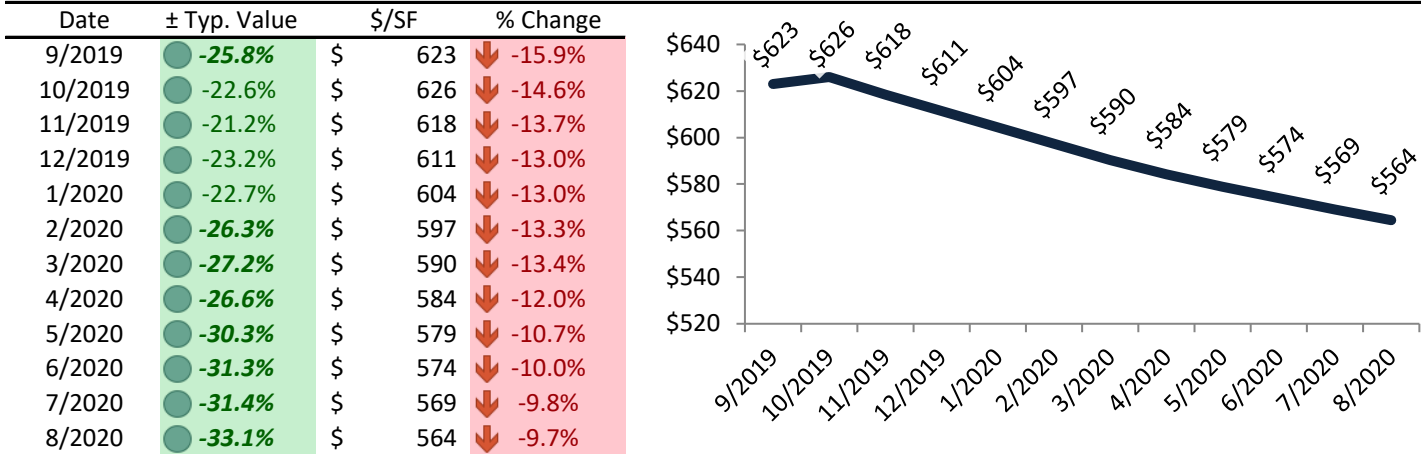
Rents rose 0.1% year-over-year. The current capitalization rate (rent/price) is 3.6%.

Market rating = 7

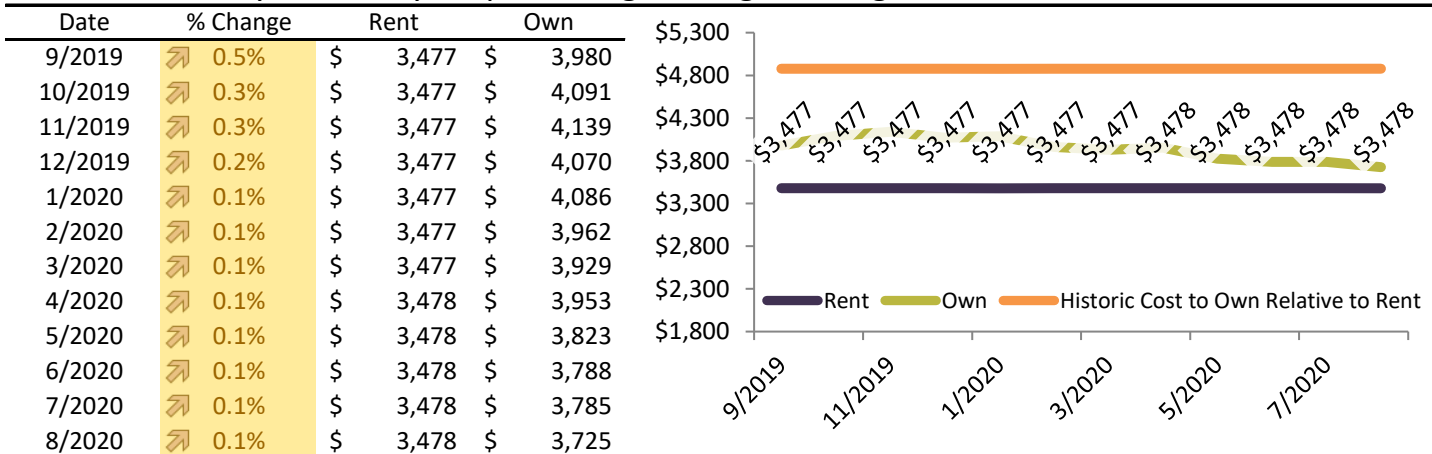
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Los Gatos Housing Market Value & Trends Update

Historically, properties in this market sell at a 50.5% premium. Today's premium is 43.1%. This market is 7.4% undervalued.

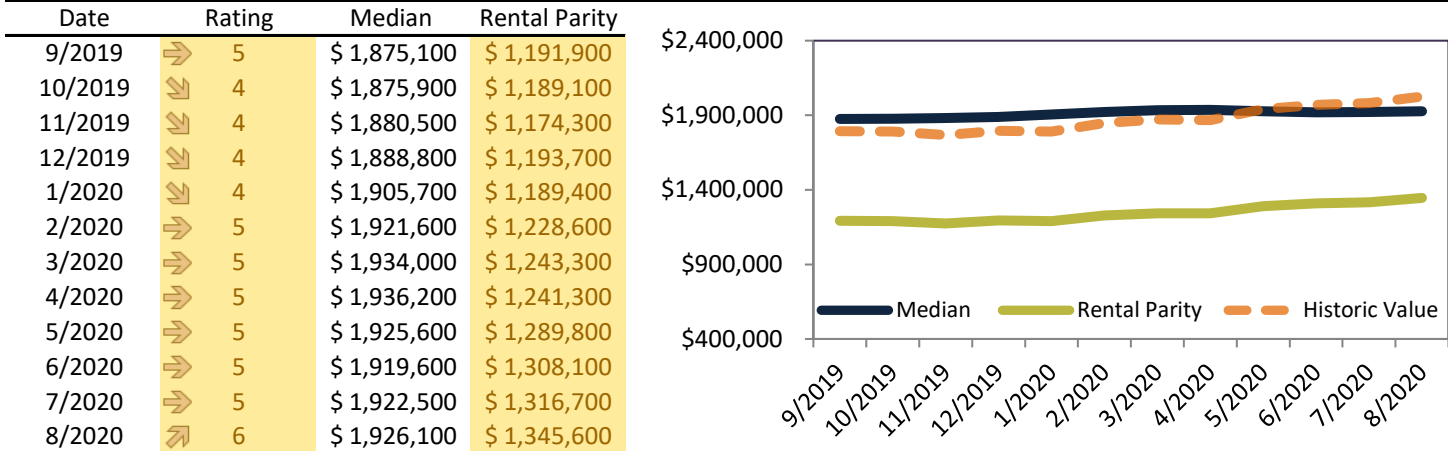
Median home price is \$1,926,100, and resale \$/SF is \$843/SF. Prices fell 8.8% year-over-year.

Monthly cost of ownership is \$7,651, and rents average \$5,345, making owning \$2,305 per month more costly than renting.

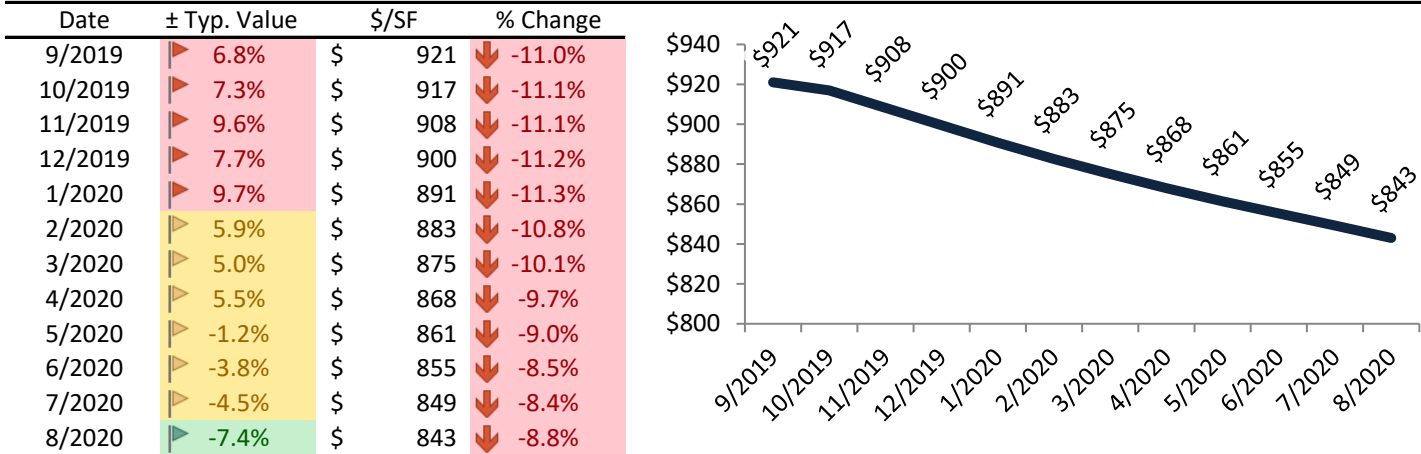
Rents rose 5.7% year-over-year. The current capitalization rate (rent/price) is 2.7%.

Market rating = 6

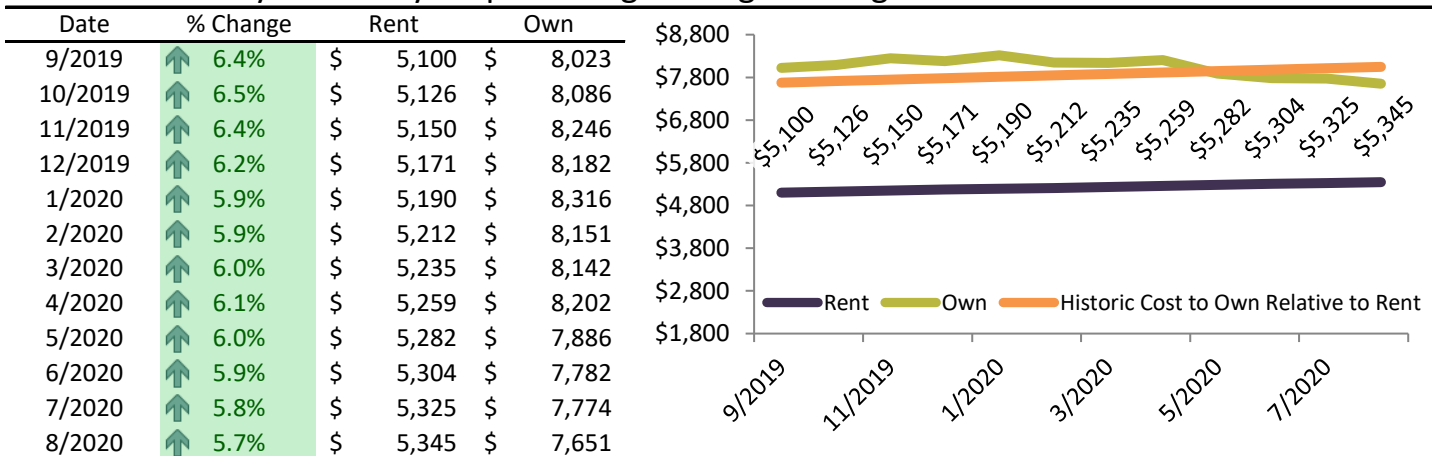
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months

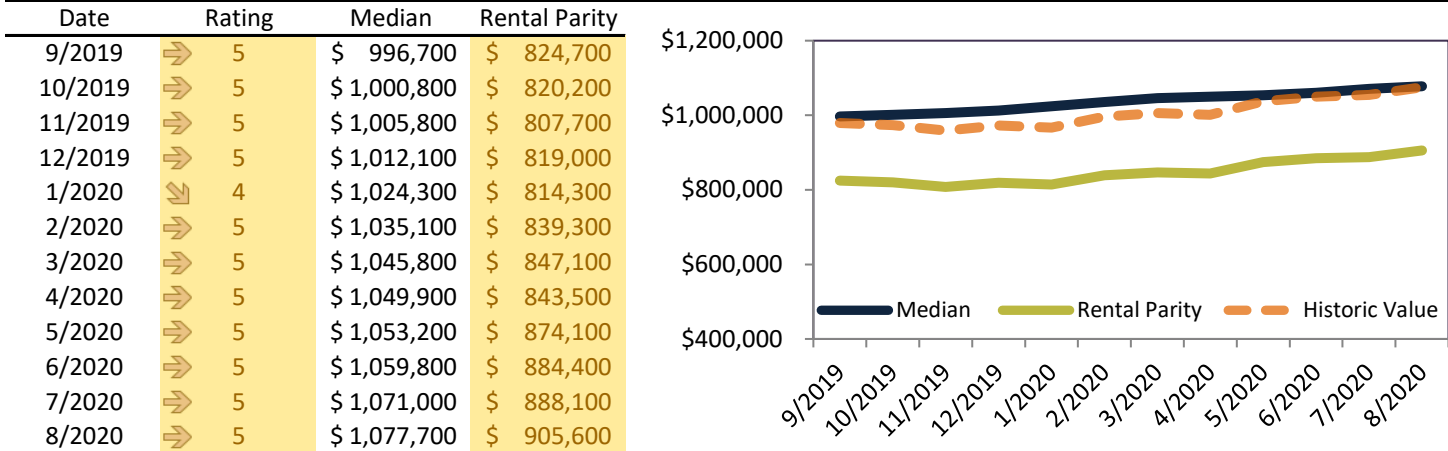


Milpitas Housing Market Value & Trends Update

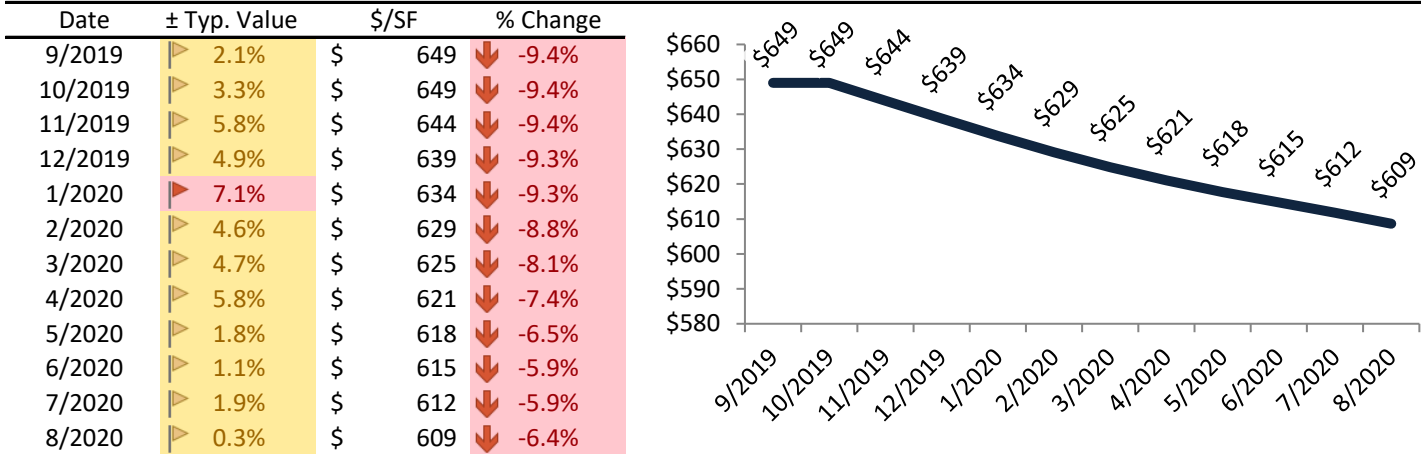
Historically, properties in this market sell at a 18.7% premium. Today's premium is 19.0%. This market is 0.3% overvalued. Median home price is \$1,077,700, and resale \$/SF is \$609/SF. Prices fell 6.4% year-over-year. Monthly cost of ownership is \$4,280, and rents average \$3,597, making owning \$683 per month more costly than renting. Rents rose 2.2% year-over-year. The current capitalization rate (rent/price) is 3.2%.

Market rating = 5

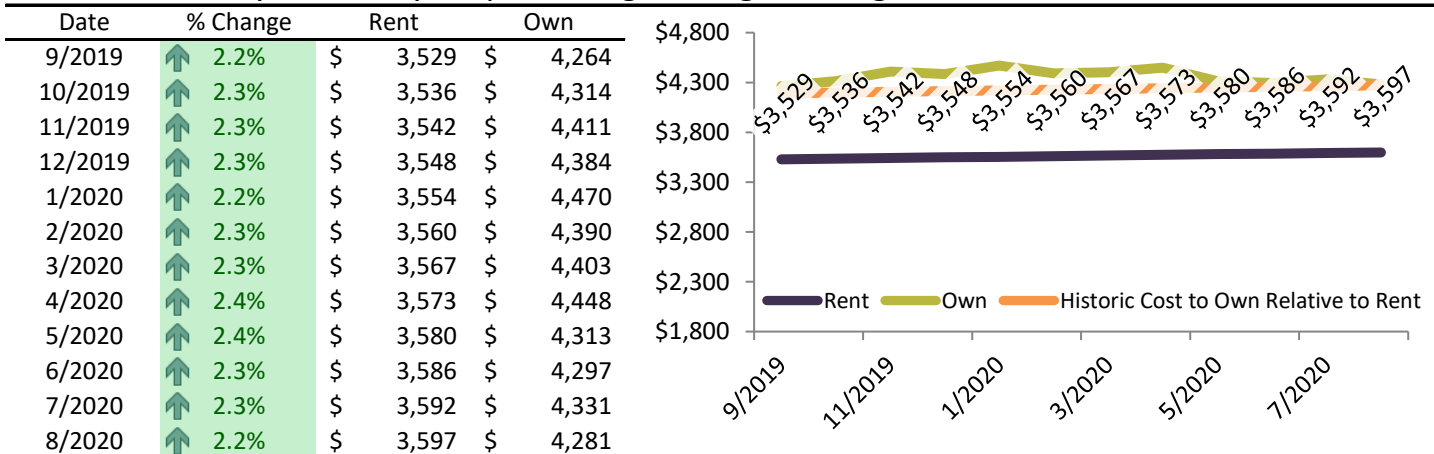
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months

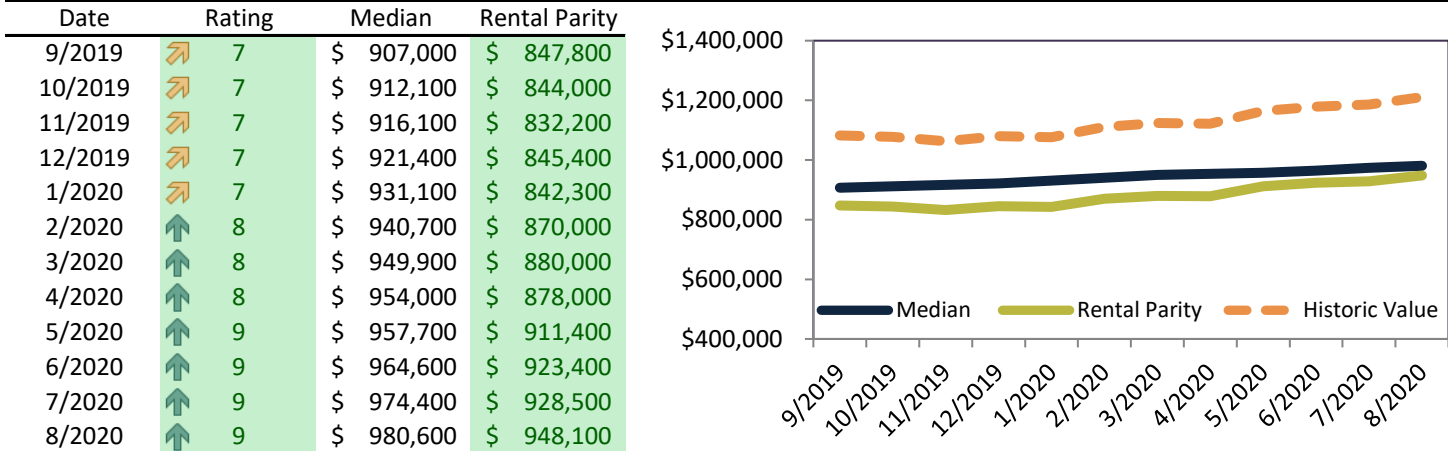


Morgan Hill Housing Market Value & Trends Update

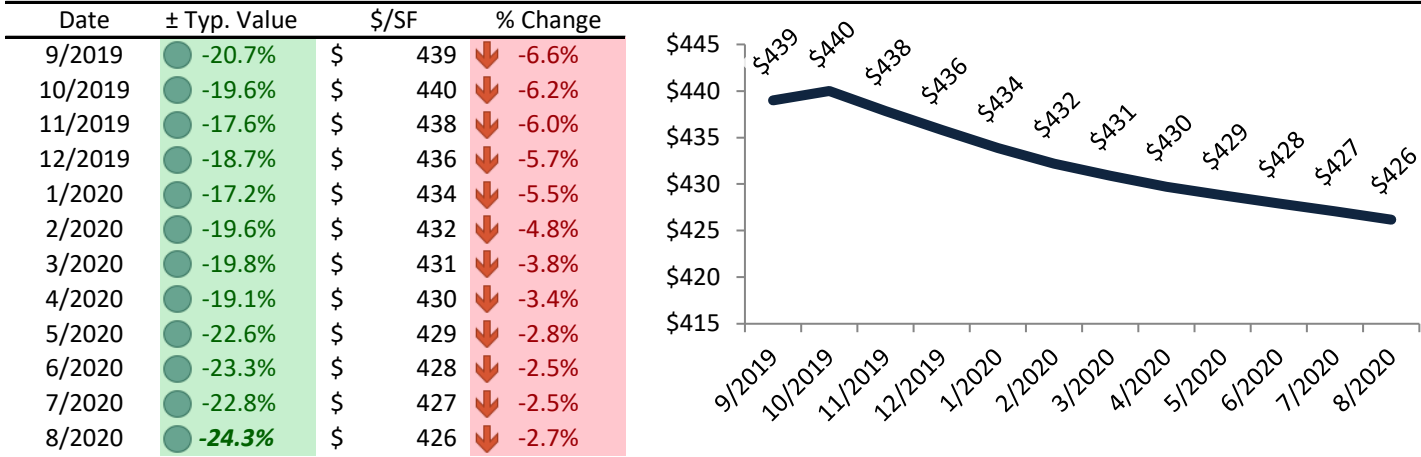
Historically, properties in this market sell at a 27.7% premium. Today's premium is 3.4%. This market is 24.3% undervalued. Median home price is \$980,600, and resale \$/SF is \$426/SF. Prices fell 2.7% year-over-year. Monthly cost of ownership is \$3,895, and rents average \$3,766, making owning \$128 per month more costly than renting. Rents rose 4.3% year-over-year. The current capitalization rate (rent/price) is 3.7%.

Market rating = 9

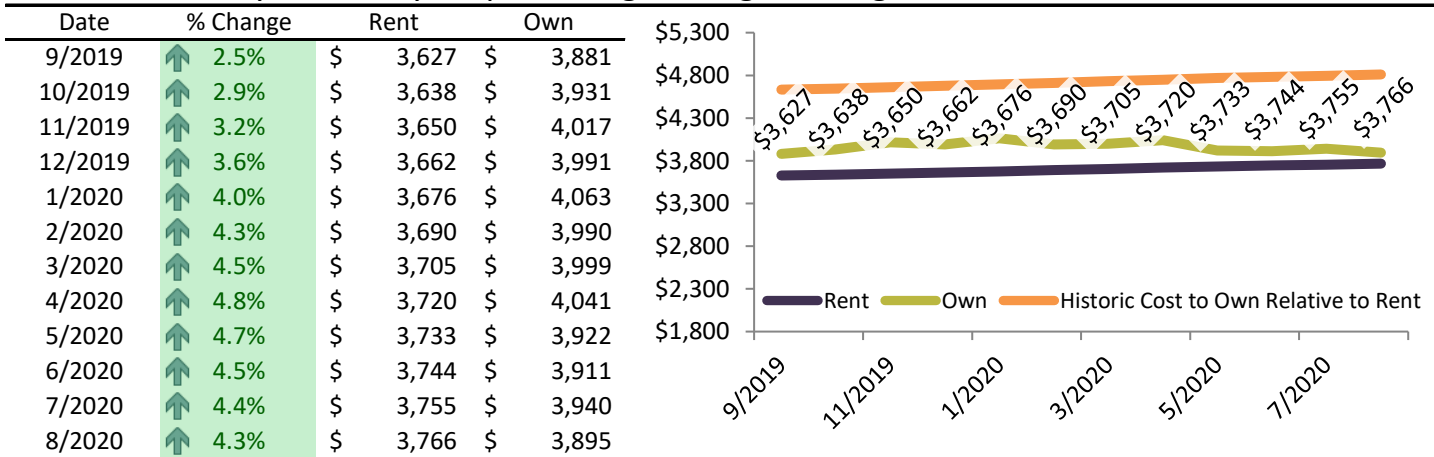
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Mountain View Housing Market Value & Trends Update

Historically, properties in this market sell at a 35.7% premium. Today's premium is 25.8%. This market is 9.9% undervalued.

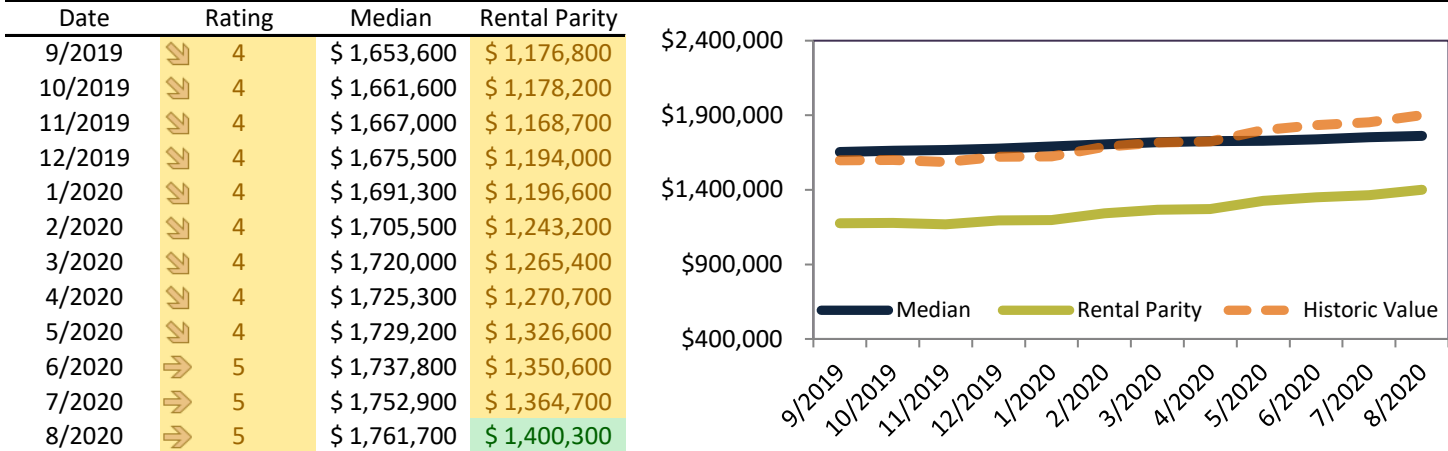
Median home price is \$1,761,700, and resale \$/SF is \$986/SF. Prices fell 9.7% year-over-year.

Monthly cost of ownership is \$6,998, and rents average \$5,562, making owning \$1,435 per month more costly than renting.

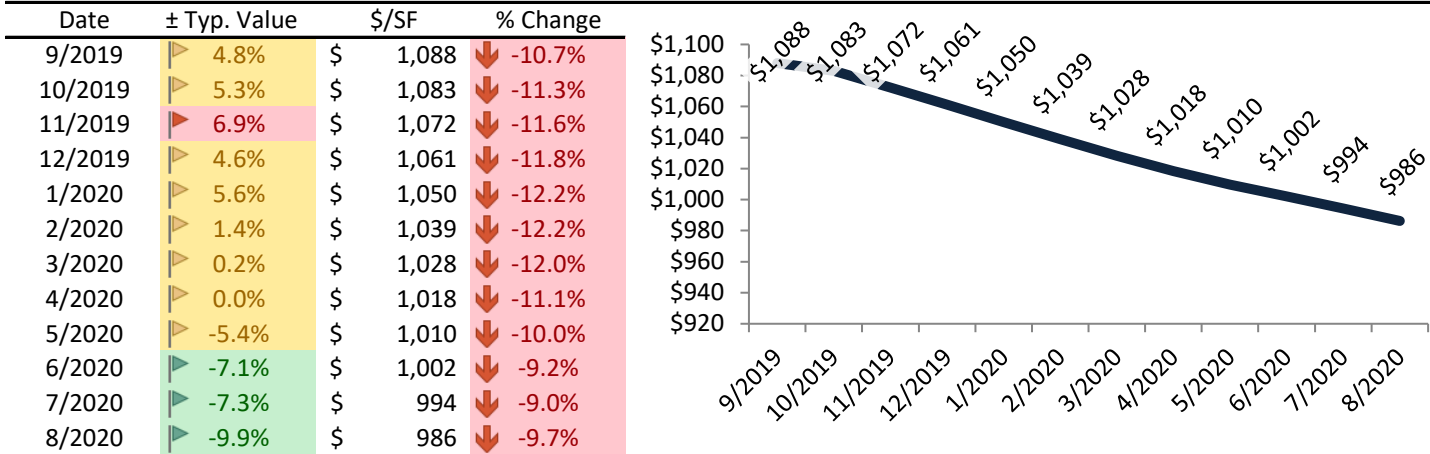
Rents rose 12.3% year-over-year. The current capitalization rate (rent/price) is 3.0%.

Market rating = 5

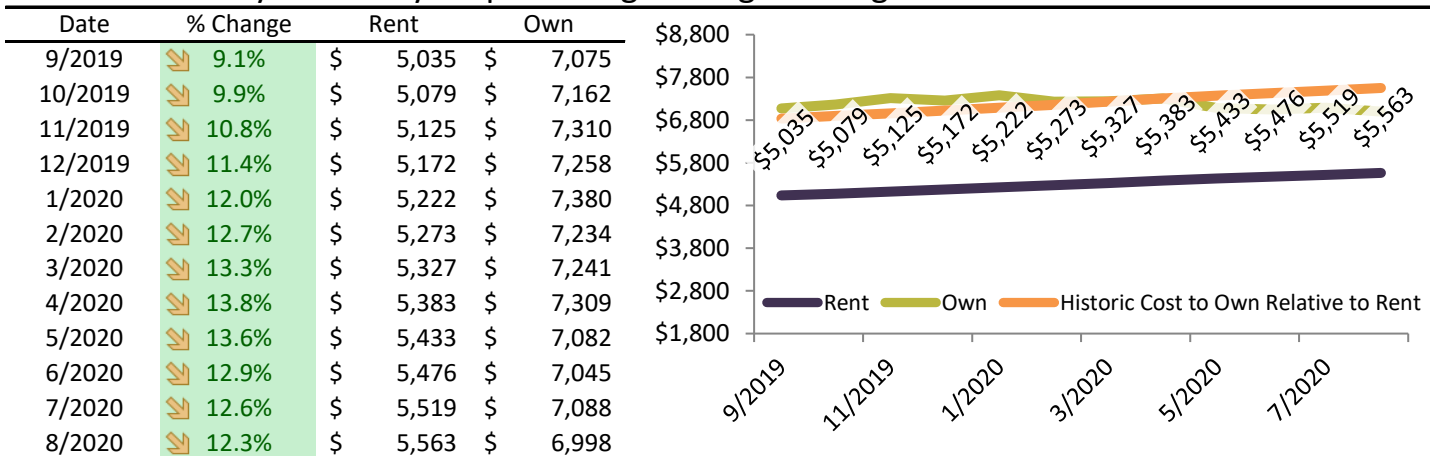
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



San Jose Housing Market Value & Trends Update

Historically, properties in this market sell at a 19.6% premium. Today's premium is 11.3%. This market is 8.3% undervalued.

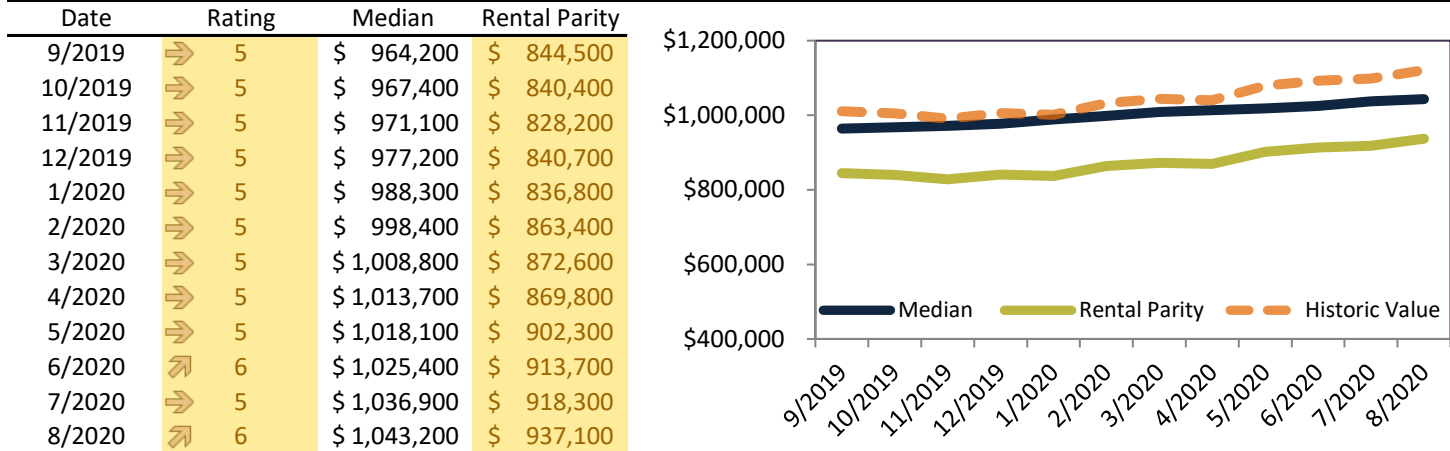
Median home price is \$1,043,200, and resale \$/SF is \$589/SF. Prices fell 6.5% year-over-year.

Monthly cost of ownership is \$4,143, and rents average \$3,722, making owning \$421 per month more costly than renting.

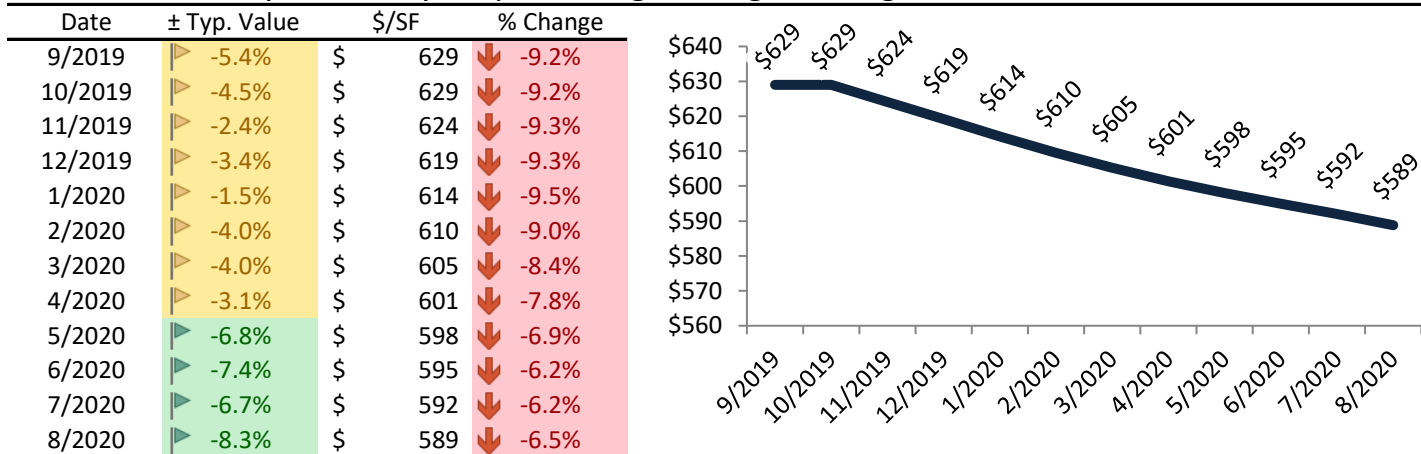
Rents rose 3.5% year-over-year. The current capitalization rate (rent/price) is 3.4%.

Market rating = 6

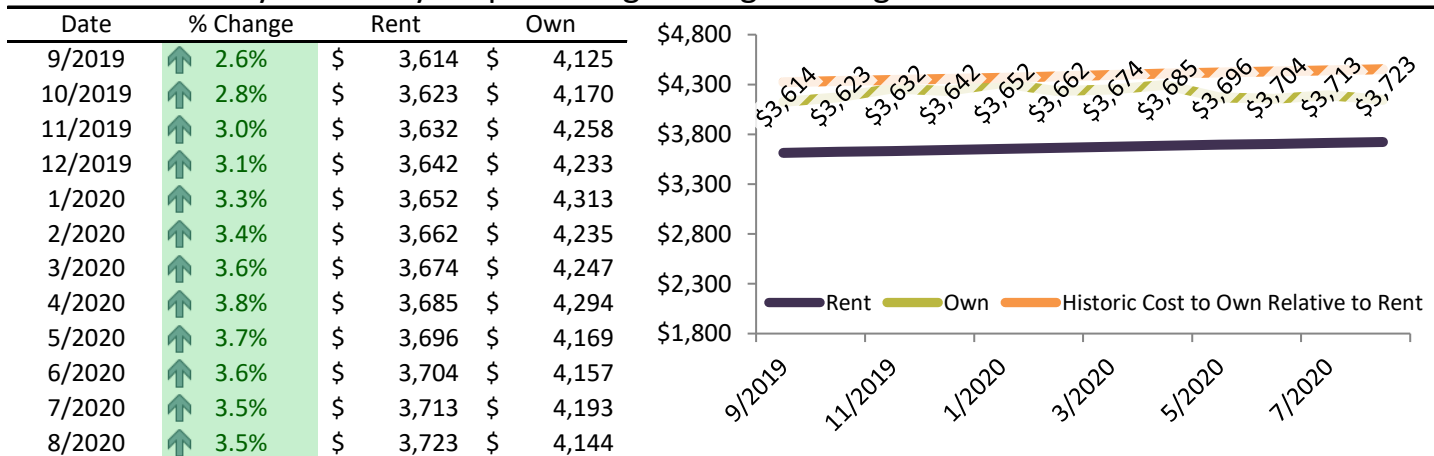
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months

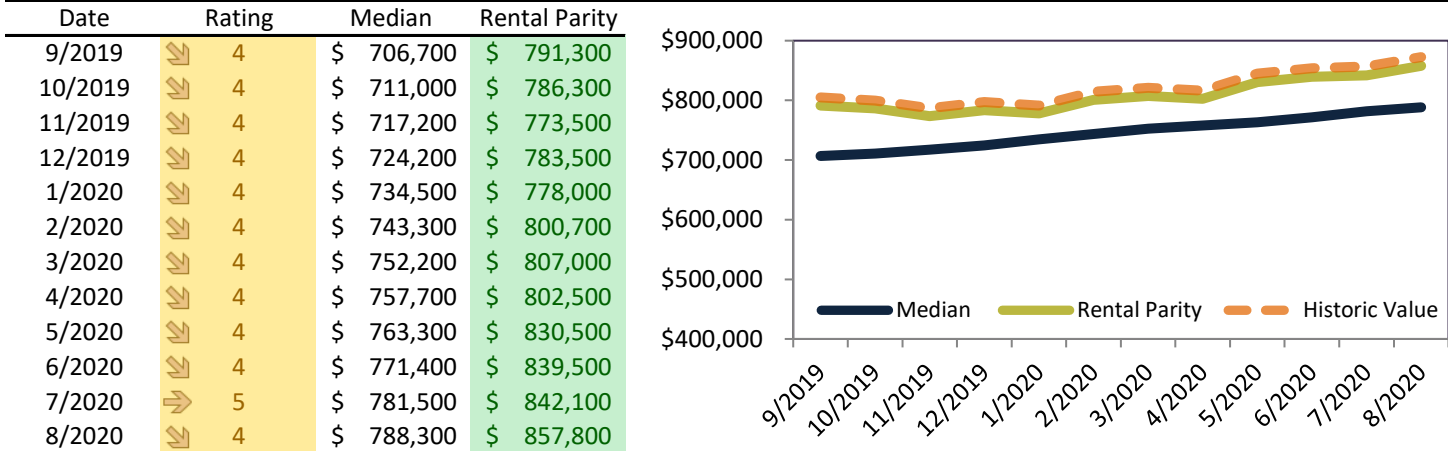


East San Jose Housing Market Value & Trends Update

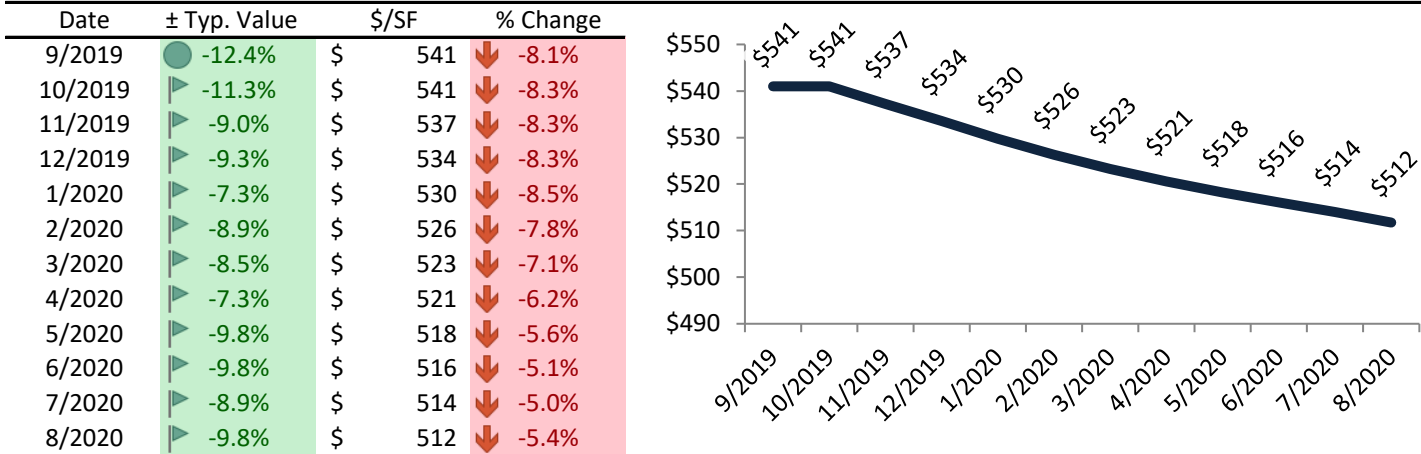
Historically, properties in this market sell at a 1.7% premium. Today's discount is 8.1%. This market is 9.8% undervalued. Median home price is \$788,300, and resale \$/SF is \$512/SF. Prices fell 5.4% year-over-year. Monthly cost of ownership is \$3,131, and rents average \$3,407, making owning \$276 per month less costly than renting. Rents rose 0.8% year-over-year. The current capitalization rate (rent/price) is 4.1%.

Market rating = 4

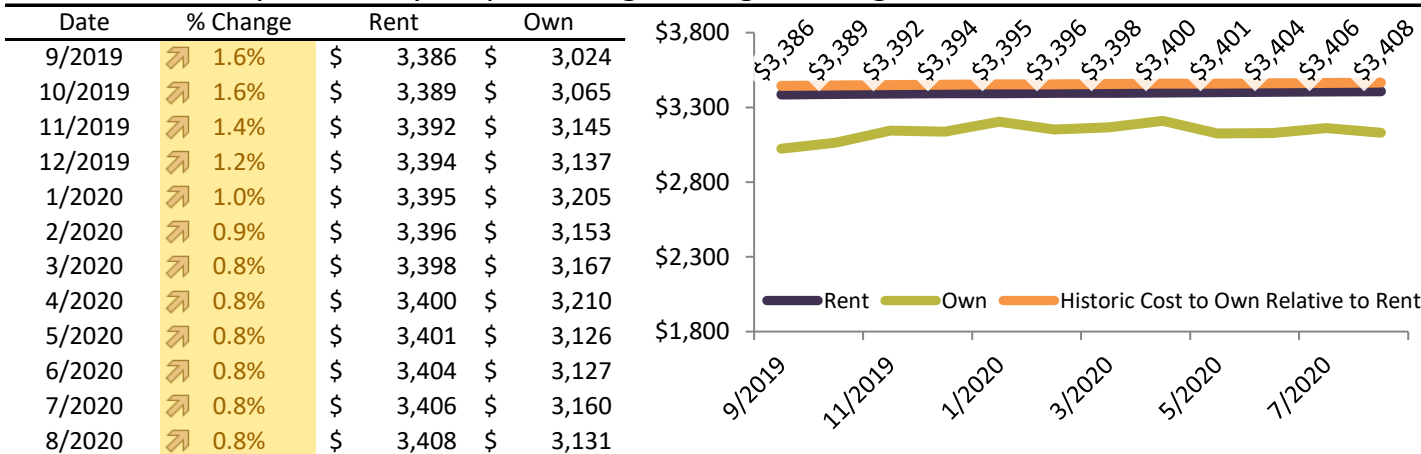
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



West San Jose Housing Market Value & Trends Update

Historically, properties in this market sell at a 42.8% premium. Today's premium is 38.7%. This market is 4.1% undervalued.

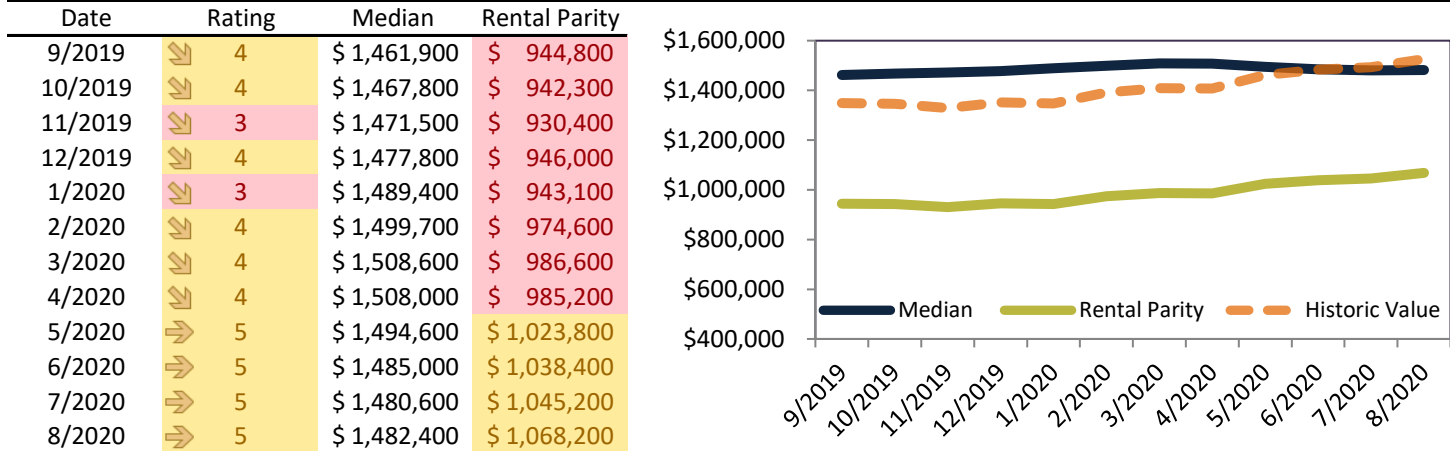
Median home price is \$1,482,400, and resale \$/SF is \$853/SF. Prices fell 7.9% year-over-year.

Monthly cost of ownership is \$5,888, and rents average \$4,243, making owning \$1,644 per month more costly than renting.

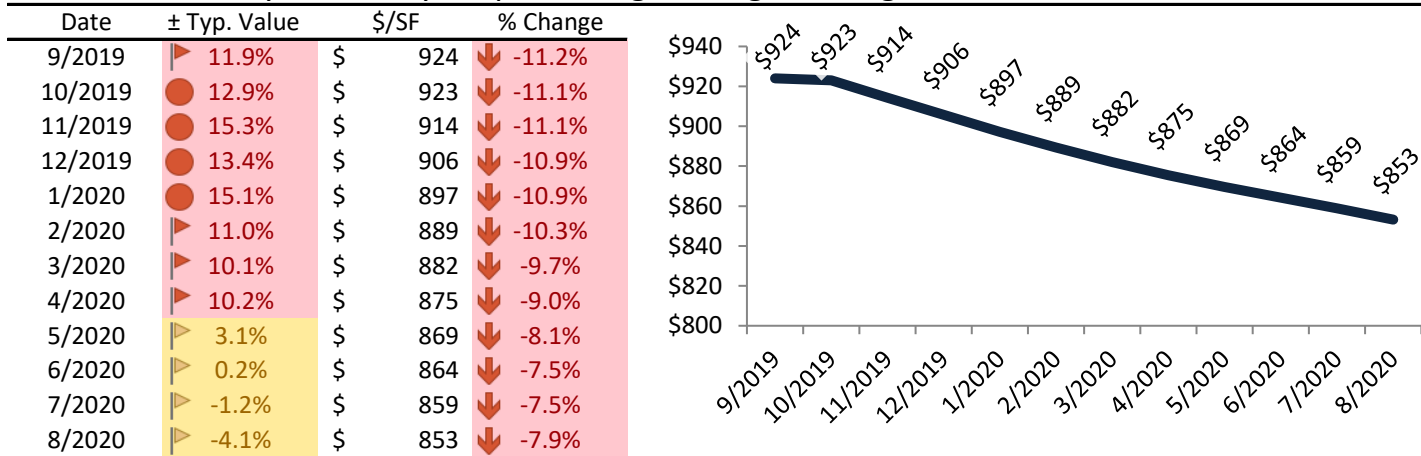
Rents rose 5.7% year-over-year. The current capitalization rate (rent/price) is 2.7%.

Market rating = 5

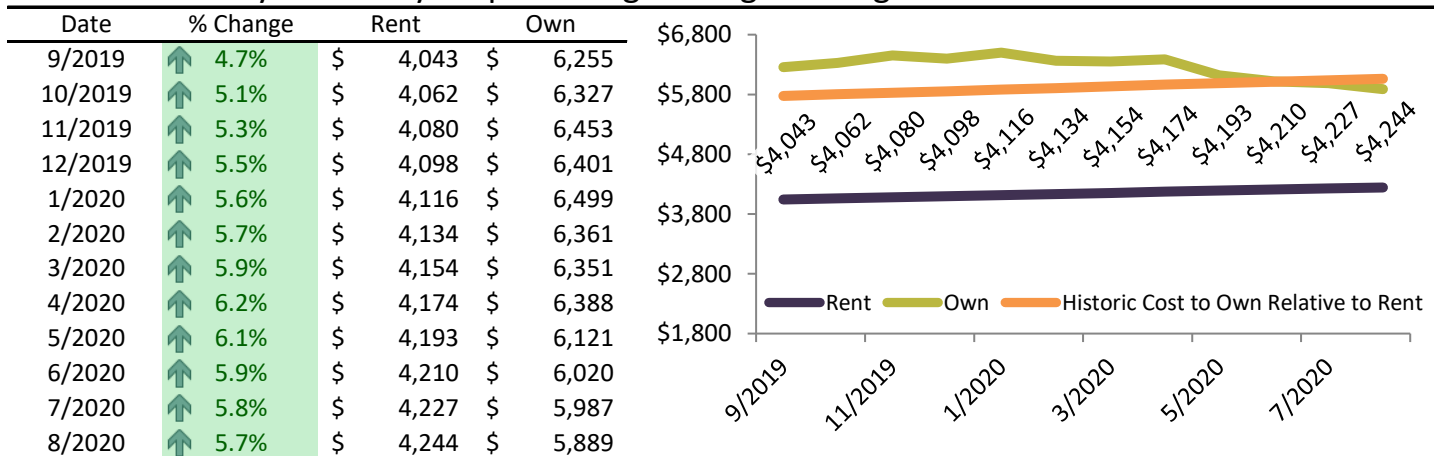
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



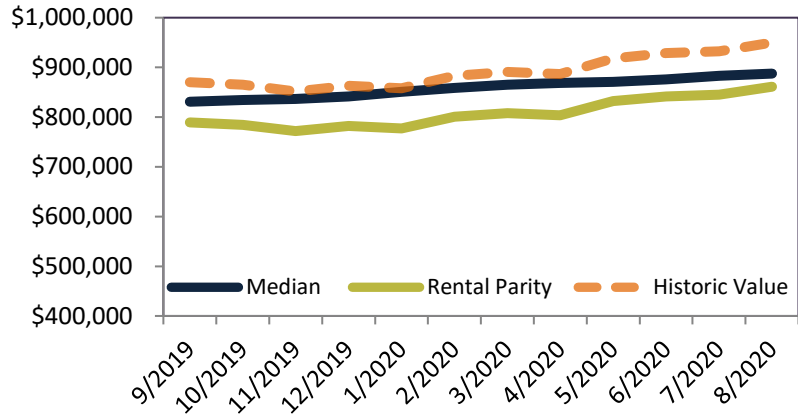
Downtown Housing Market Value & Trends Update

Historically, properties in this market sell at a 10.3% premium. Today's premium is 3.1%. This market is 7.2% undervalued. Median home price is \$887,500, and resale \$/SF is \$606/SF. Prices fell 7.1% year-over-year. Monthly cost of ownership is \$3,525, and rents average \$3,420, making owning \$104 per month more costly than renting. Rents rose 1.5% year-over-year. The current capitalization rate (rent/price) is 3.7%.

Market rating = 4

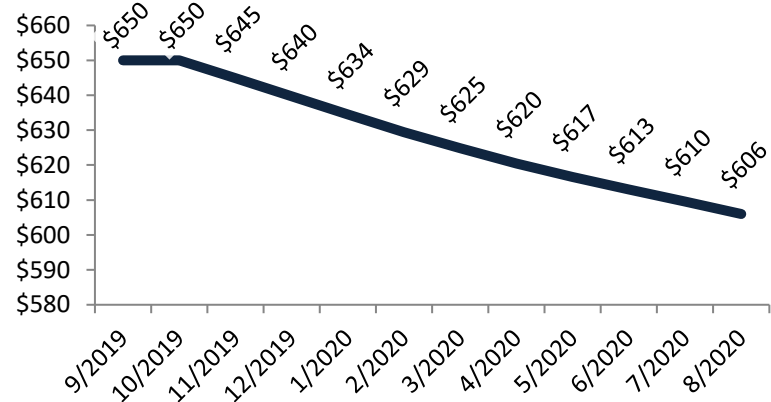
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2019	3	\$ 830,900	\$ 789,100
10/2019	3	\$ 834,100	\$ 784,300
11/2019	3	\$ 836,800	\$ 771,900
12/2019	3	\$ 841,600	\$ 782,300
1/2020	3	\$ 850,700	\$ 777,500
2/2020	3	\$ 858,400	\$ 800,800
3/2020	3	\$ 865,500	\$ 807,800
4/2020	3	\$ 868,700	\$ 803,900
5/2020	3	\$ 871,000	\$ 832,500
6/2020	3	\$ 875,800	\$ 841,900
7/2020	3	\$ 882,900	\$ 845,000
8/2020	4	\$ 887,500	\$ 861,100



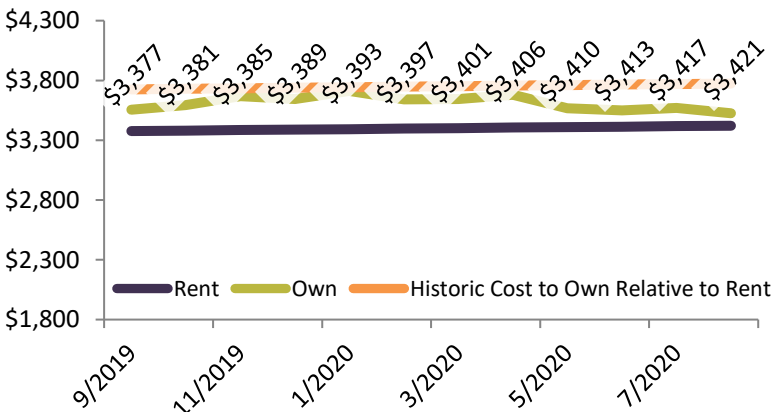
Resale \$/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	\$/SF	% Change
9/2019	-5.0%	\$ 650	-8.7%
10/2019	-4.0%	\$ 650	-9.1%
11/2019	-1.9%	\$ 645	-9.3%
12/2019	-2.7%	\$ 640	-9.5%
1/2020	-0.9%	\$ 634	-9.7%
2/2020	-3.1%	\$ 629	-9.4%
3/2020	-3.2%	\$ 625	-8.8%
4/2020	-2.3%	\$ 620	-8.4%
5/2020	-5.7%	\$ 617	-7.6%
6/2020	-6.3%	\$ 613	-7.0%
7/2020	-5.8%	\$ 610	-6.9%
8/2020	-7.2%	\$ 606	-7.1%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2019	1.5%	\$ 3,377	\$ 3,555
10/2019	1.6%	\$ 3,381	\$ 3,595
11/2019	1.6%	\$ 3,385	\$ 3,669
12/2019	1.6%	\$ 3,389	\$ 3,645
1/2020	1.5%	\$ 3,393	\$ 3,712
2/2020	1.6%	\$ 3,397	\$ 3,641
3/2020	1.6%	\$ 3,401	\$ 3,644
4/2020	1.6%	\$ 3,406	\$ 3,680
5/2020	1.6%	\$ 3,410	\$ 3,567
6/2020	1.6%	\$ 3,413	\$ 3,551
7/2020	1.5%	\$ 3,417	\$ 3,570
8/2020	1.5%	\$ 3,421	\$ 3,525

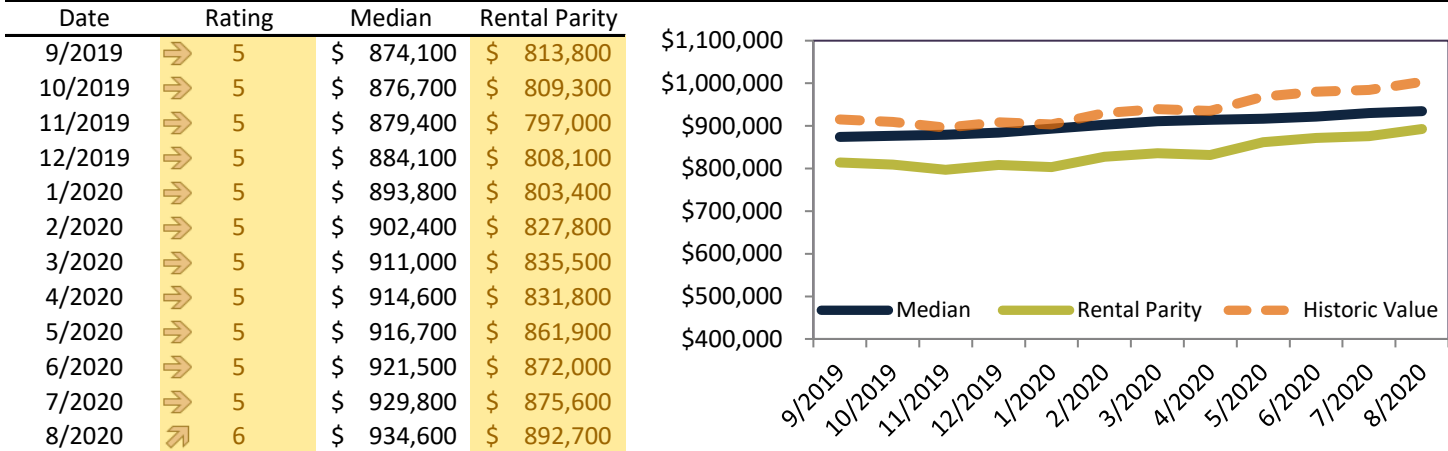


North Valley Housing Market Value & Trends Update

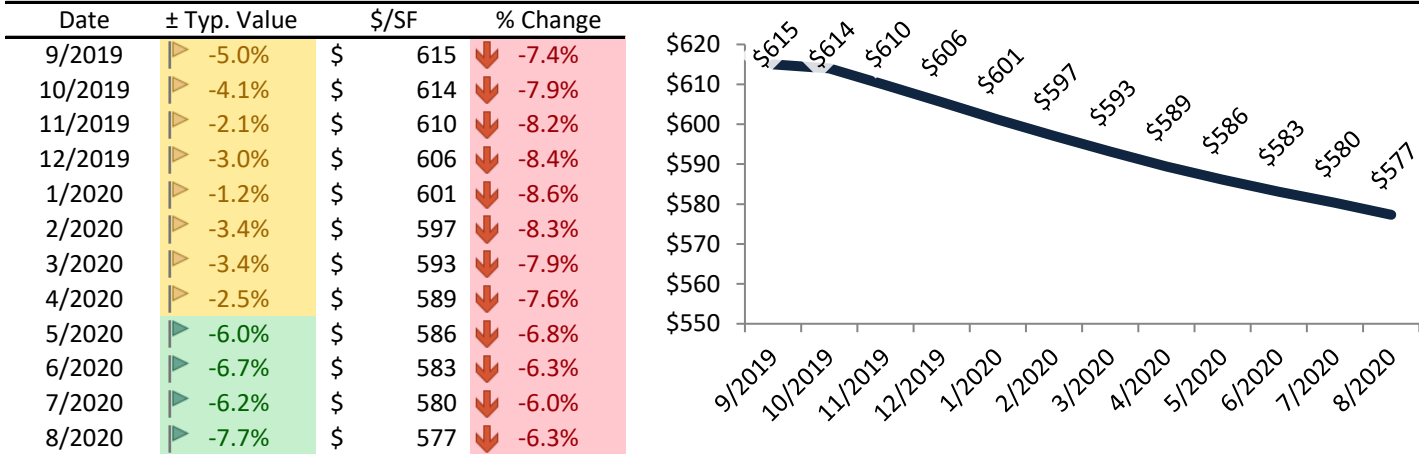
Historically, properties in this market sell at a 12.4% premium. Today's premium is 4.7%. This market is 7.7% undervalued. Median home price is \$934,600, and resale \$/SF is \$577/SF. Prices fell 6.3% year-over-year. Monthly cost of ownership is \$3,712, and rents average \$3,546, making owning \$166 per month more costly than renting. Rents rose 2.1% year-over-year. The current capitalization rate (rent/price) is 3.6%.

Market rating = 6

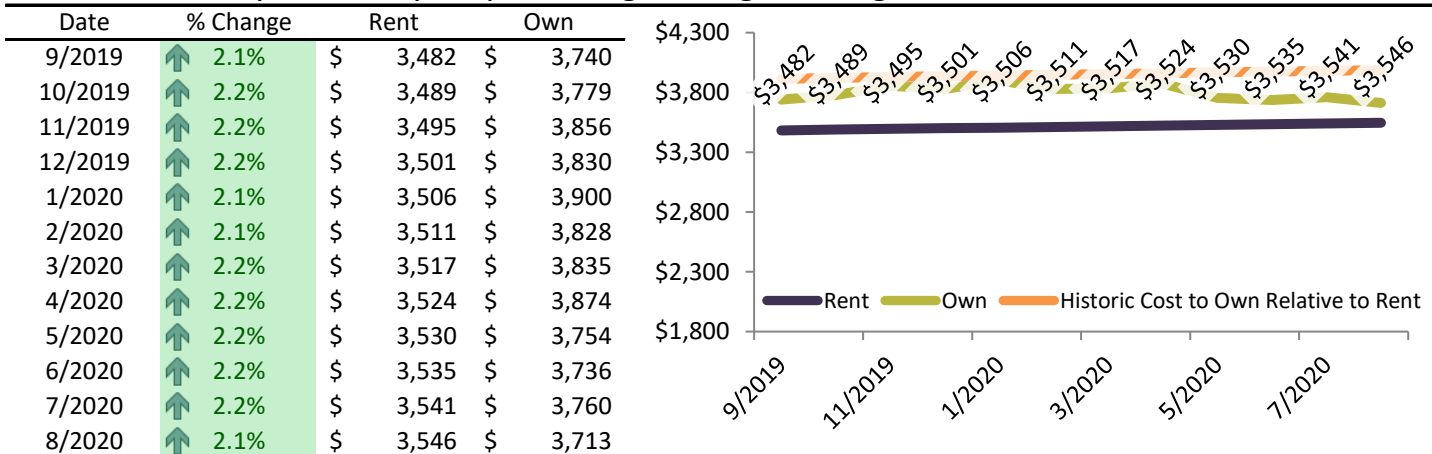
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Evergreen Housing Market Value & Trends Update

Historically, properties in this market sell at a 23.3% premium. Today's premium is 10.1%. This market is 13.2% undervalued.

Median home price is \$1,113,300, and resale \$/SF is \$548/SF. Prices fell 3.5% year-over-year.

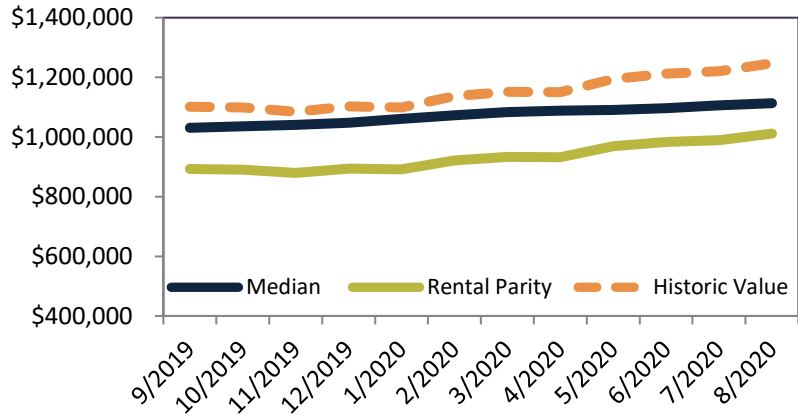
Monthly cost of ownership is \$4,422, and rents average \$4,017, making owning \$404 per month more costly than renting.

Rents rose 5.9% year-over-year. The current capitalization rate (rent/price) is 3.5%.

Market rating = 7

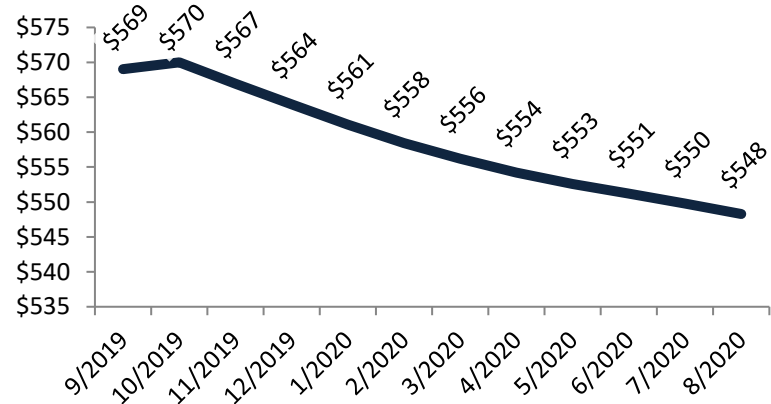
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2019	↗ 6	\$ 1,030,700	\$ 893,200
10/2019	↗ 6	\$ 1,035,200	\$ 890,800
11/2019	→ 5	\$ 1,040,100	\$ 879,500
12/2019	→ 5	\$ 1,047,800	\$ 894,200
1/2020	→ 5	\$ 1,060,400	\$ 891,600
2/2020	→ 5	\$ 1,072,400	\$ 921,700
3/2020	↗ 7	\$ 1,083,500	\$ 933,400
4/2020	↗ 6	\$ 1,087,900	\$ 932,400
5/2020	↗ 7	\$ 1,090,800	\$ 969,000
6/2020	↗ 7	\$ 1,096,500	\$ 982,900
7/2020	↗ 7	\$ 1,106,600	\$ 989,500
8/2020	↗ 7	\$ 1,113,300	\$ 1,011,400



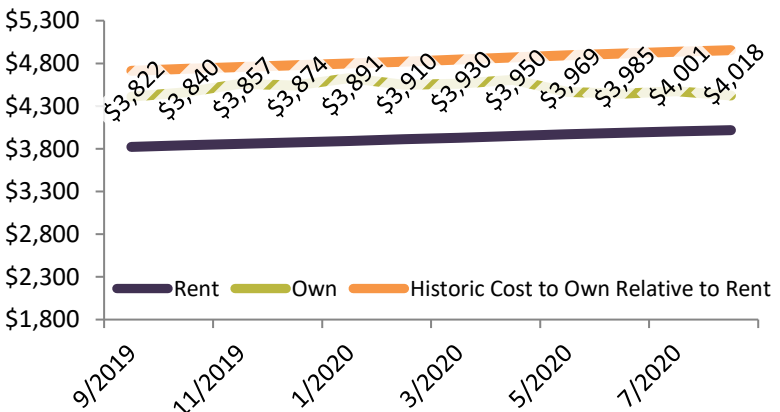
Resale \$/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	\$/SF	% Change
9/2019	▶ -7.9%	\$ 569	↓ -7.0%
10/2019	▶ -7.1%	\$ 570	↓ -6.9%
11/2019	▶ -5.0%	\$ 567	↓ -6.6%
12/2019	▶ -6.1%	\$ 564	↓ -6.3%
1/2020	▶ -4.4%	\$ 561	↓ -6.3%
2/2020	▶ -7.0%	\$ 558	↓ -5.8%
3/2020	▶ -7.2%	\$ 556	↓ -4.9%
4/2020	▶ -6.6%	\$ 554	↓ -4.4%
5/2020	▶ -10.7%	\$ 553	↓ -3.7%
6/2020	▶ -11.8%	\$ 551	↓ -3.1%
7/2020	▶ -11.5%	\$ 550	↓ -3.2%
8/2020	● -13.2%	\$ 548	↓ -3.5%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2019	↑ 4.4%	\$ 3,822	\$ 4,410
10/2019	↑ 4.9%	\$ 3,840	\$ 4,462
11/2019	↑ 5.1%	\$ 3,857	\$ 4,561
12/2019	↑ 5.3%	\$ 3,874	\$ 4,539
1/2020	↑ 5.5%	\$ 3,891	\$ 4,627
2/2020	↑ 5.9%	\$ 3,910	\$ 4,549
3/2020	↑ 6.2%	\$ 3,930	\$ 4,562
4/2020	↑ 6.4%	\$ 3,950	\$ 4,609
5/2020	↑ 6.4%	\$ 3,969	\$ 4,467
6/2020	↑ 6.1%	\$ 3,985	\$ 4,445
7/2020	↑ 6.0%	\$ 4,001	\$ 4,475
8/2020	↑ 5.9%	\$ 4,018	\$ 4,422



Willow Glen Housing Market Value & Trends Update

Historically, properties in this market sell at a 36.0% premium. Today's premium is 29.4%. This market is 6.6% undervalued.

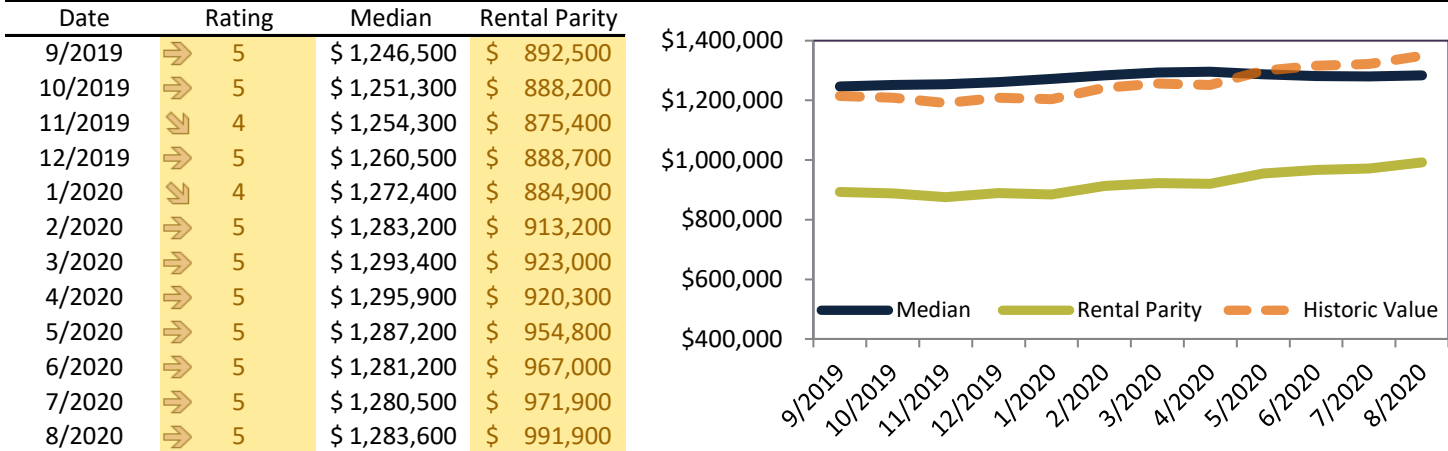
Median home price is \$1,283,600, and resale \$/SF is \$687/SF. Prices fell 7.6% year-over-year.

Monthly cost of ownership is \$5,098, and rents average \$3,940, making owning \$1,158 per month more costly than renting.

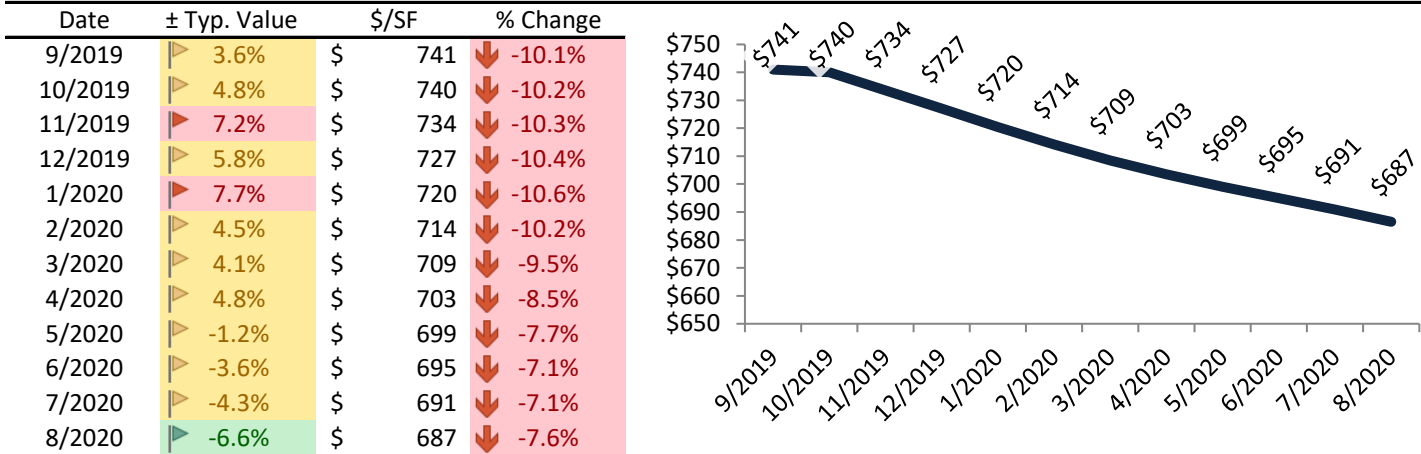
Rents rose 3.6% year-over-year. The current capitalization rate (rent/price) is 2.9%.

Market rating = 5

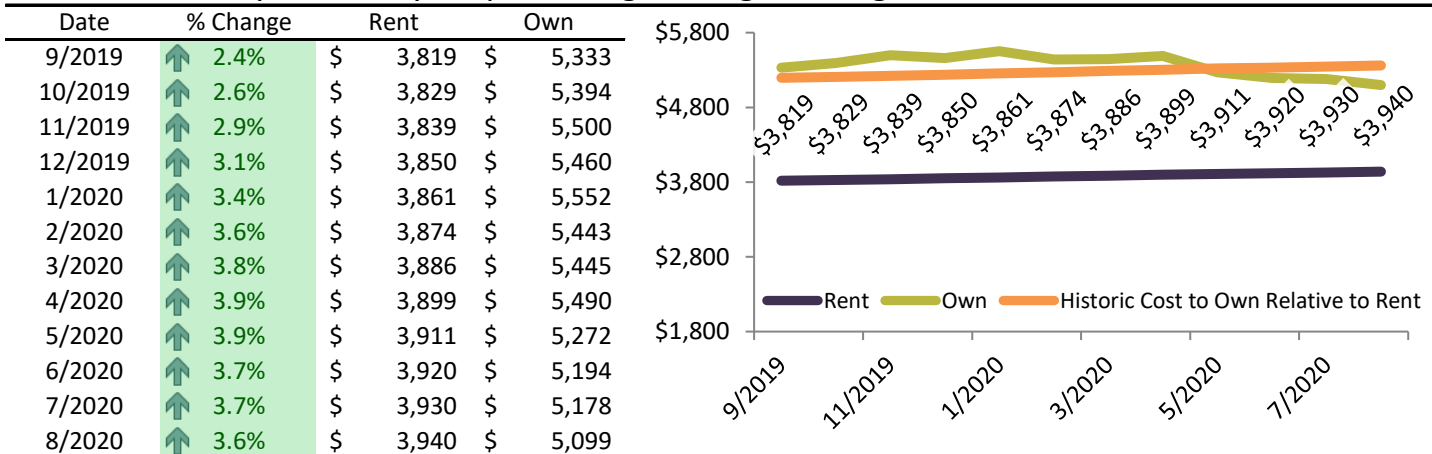
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Blossom Valley Housing Market Value & Trends Update

Historically, properties in this market sell at a 16.7% premium. Today's premium is 5.2%. This market is 11.5% undervalued.

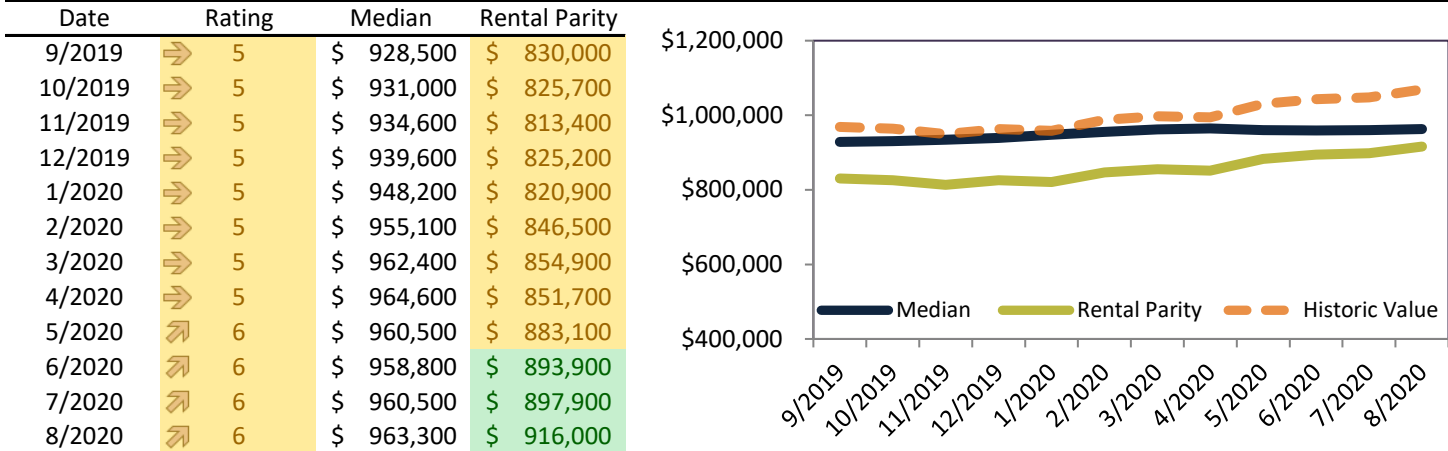
Median home price is \$963,300, and resale \$/SF is \$512/SF. Prices fell 8.2% year-over-year.

Monthly cost of ownership is \$3,826, and rents average \$3,638, making owning \$187 per month more costly than renting.

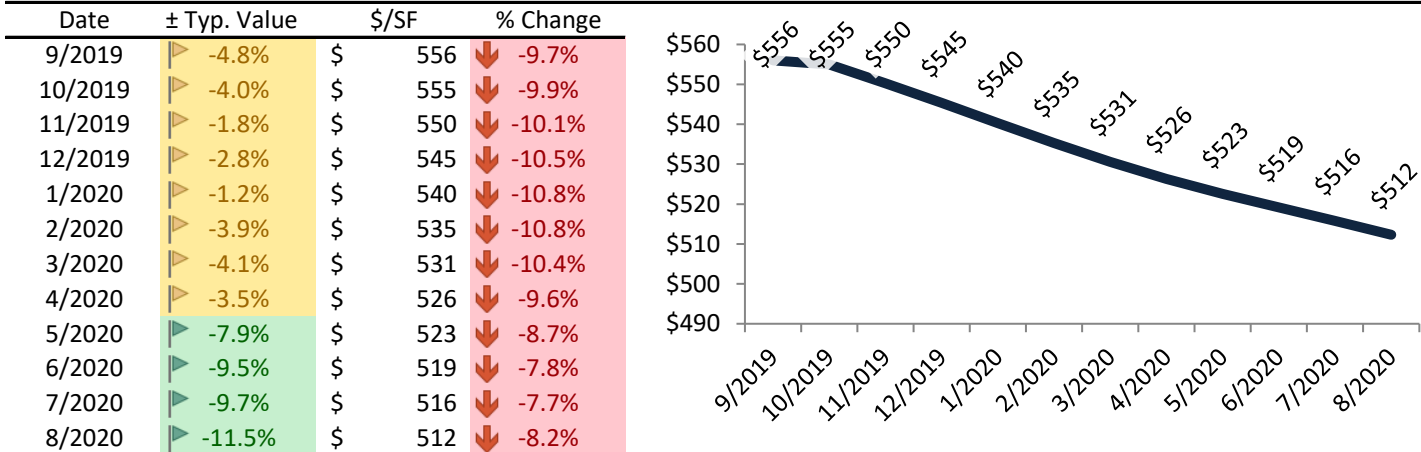
Rents rose 2.8% year-over-year. The current capitalization rate (rent/price) is 3.6%.

Market rating = 6

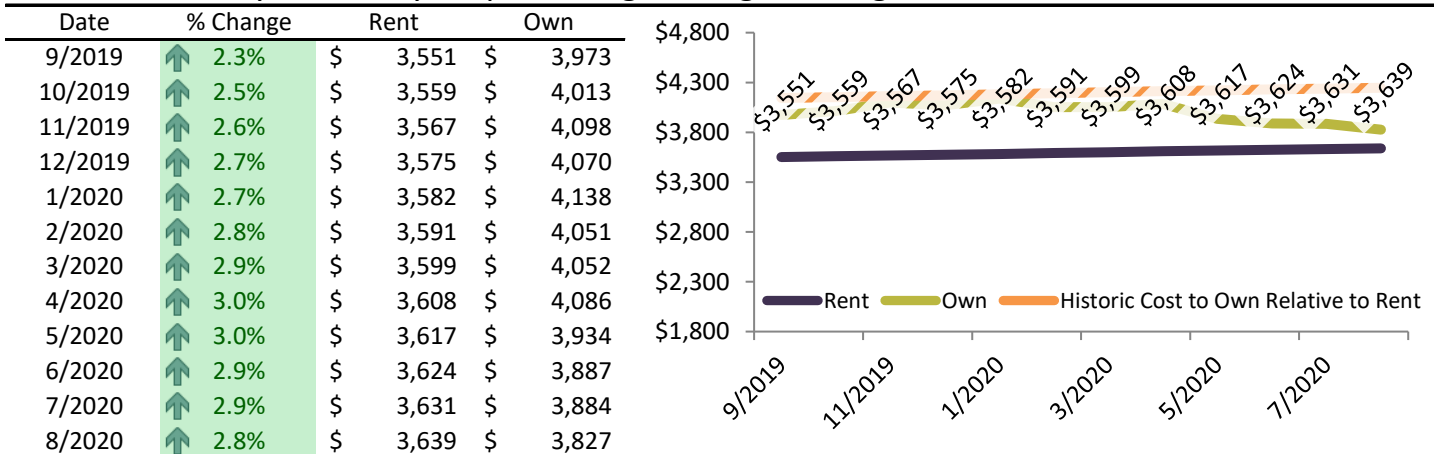
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Cambrian Park Housing Market Value & Trends Update

Historically, properties in this market sell at a 30.1% premium. Today's premium is 29.2%. This market is 0.9% undervalued.

Median home price is \$1,241,400, and resale \$/SF is \$697/SF. Prices fell 8.3% year-over-year.

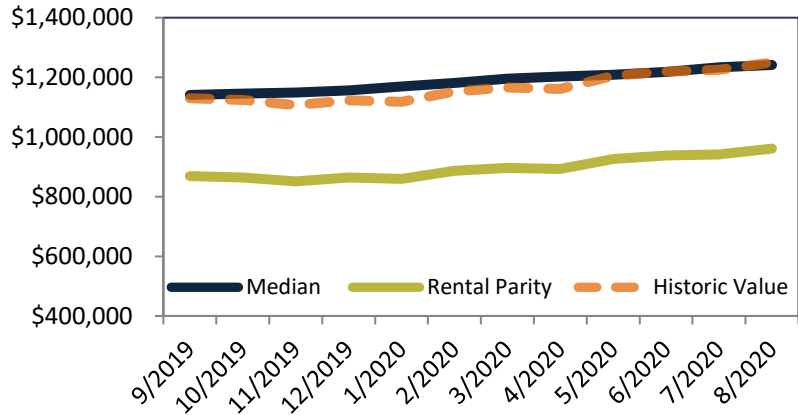
Monthly cost of ownership is \$4,931, and rents average \$3,818, making owning \$1,112 per month more costly than renting.

Rents rose 3.1% year-over-year. The current capitalization rate (rent/price) is 3.0%.

Market rating = 5

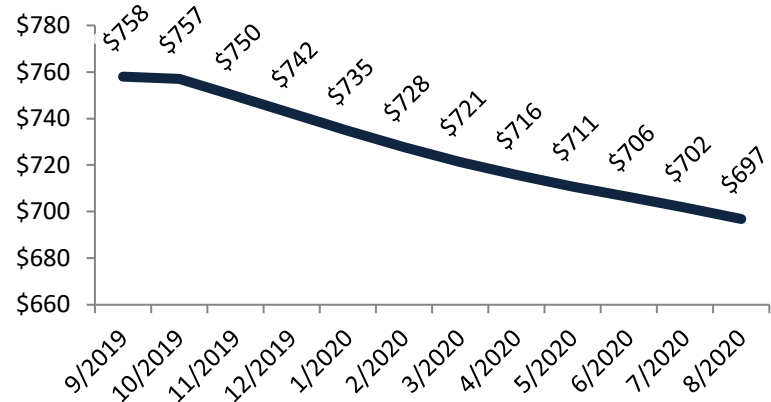
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2019	➔ 5	\$ 1,141,000	\$ 868,800
10/2019	➔ 5	\$ 1,145,300	\$ 864,100
11/2019	➔ 5	\$ 1,149,600	\$ 851,200
12/2019	➔ 5	\$ 1,156,600	\$ 863,600
1/2020	➔ 5	\$ 1,168,700	\$ 859,400
2/2020	➔ 5	\$ 1,181,500	\$ 886,600
3/2020	➔ 5	\$ 1,195,300	\$ 895,900
4/2020	➔ 5	\$ 1,202,600	\$ 893,000
5/2020	➔ 5	\$ 1,208,200	\$ 926,200
6/2020	➔ 5	\$ 1,218,300	\$ 937,700
7/2020	➔ 5	\$ 1,233,400	\$ 942,100
8/2020	➔ 5	\$ 1,241,400	\$ 961,200



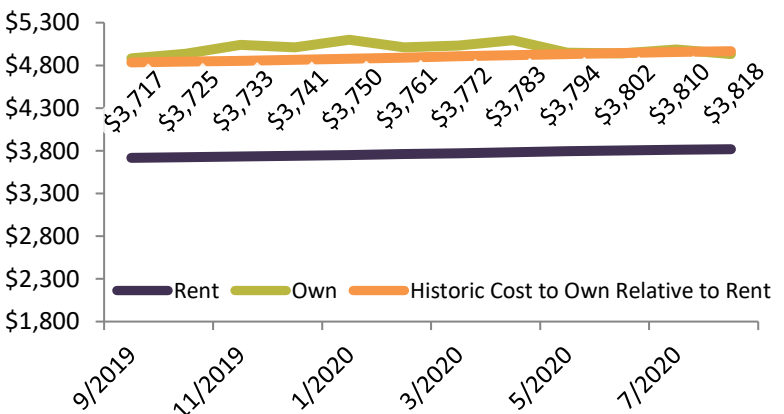
Resale \$/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	\$/SF	% Change
9/2019	▶ 1.3%	\$ 758	↓ -11.1%
10/2019	▶ 2.5%	\$ 757	↓ -11.2%
11/2019	▶ 5.0%	\$ 750	↓ -11.3%
12/2019	▶ 3.9%	\$ 742	↓ -11.5%
1/2020	▶ 5.9%	\$ 735	↓ -11.7%
2/2020	▶ 3.2%	\$ 728	↓ -11.1%
3/2020	▶ 3.4%	\$ 721	↓ -10.3%
4/2020	▶ 4.6%	\$ 716	↓ -9.3%
5/2020	▶ 0.4%	\$ 711	↓ -8.3%
6/2020	▶ -0.1%	\$ 706	↓ -7.7%
7/2020	▶ 0.9%	\$ 702	↓ -7.8%
8/2020	▶ -0.9%	\$ 697	↓ -8.3%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2019	↑ 2.1%	\$ 3,717	\$ 4,882
10/2019	↑ 2.2%	\$ 3,725	\$ 4,937
11/2019	↑ 2.4%	\$ 3,733	\$ 5,041
12/2019	↑ 2.6%	\$ 3,741	\$ 5,010
1/2020	↑ 2.8%	\$ 3,750	\$ 5,100
2/2020	↑ 3.0%	\$ 3,761	\$ 5,011
3/2020	↑ 3.2%	\$ 3,772	\$ 5,032
4/2020	↑ 3.4%	\$ 3,783	\$ 5,095
5/2020	↑ 3.4%	\$ 3,794	\$ 4,948
6/2020	↑ 3.3%	\$ 3,802	\$ 4,939
7/2020	↑ 3.2%	\$ 3,810	\$ 4,988
8/2020	↑ 3.1%	\$ 3,818	\$ 4,931

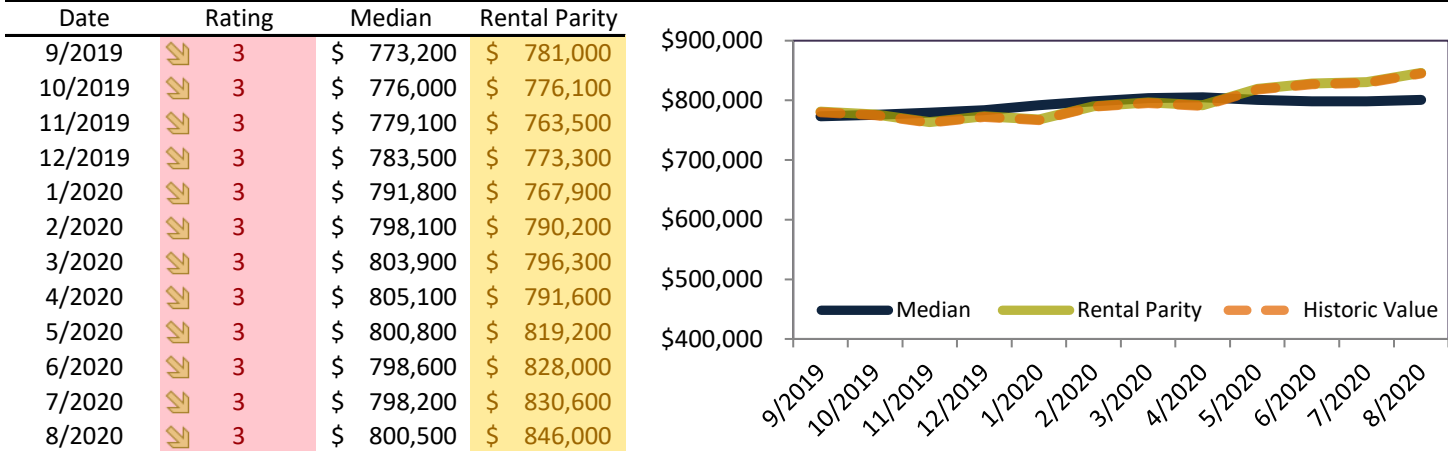


Fairgrounds Housing Market Value & Trends Update

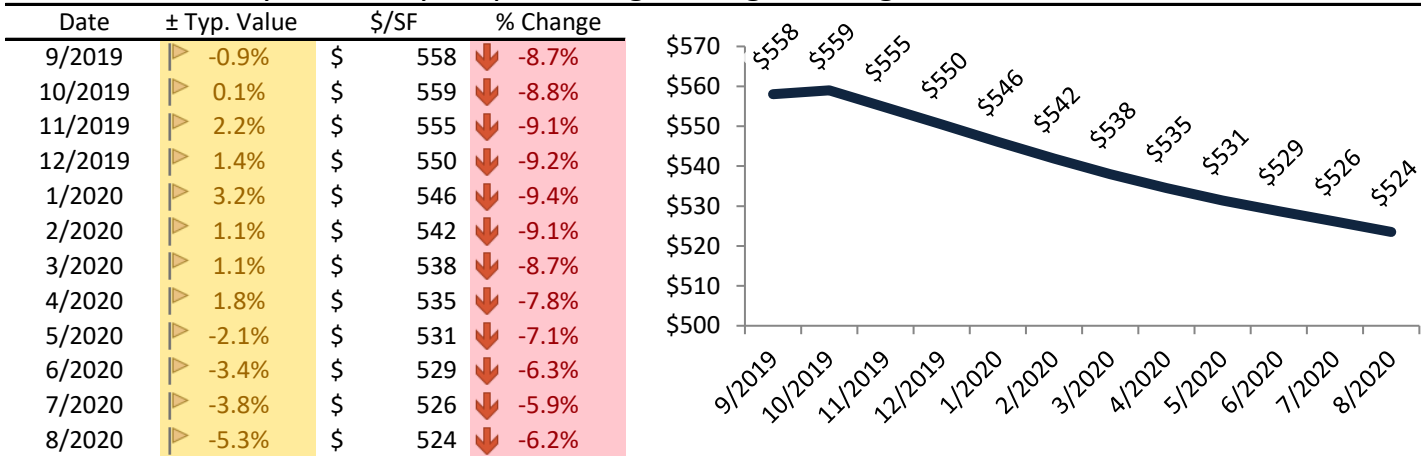
Historically, properties in this market sell at a -0.1% discount. Today's discount is 5.4%. This market is 5.3% undervalued. Median home price is \$800,500, and resale \$/SF is \$524/SF. Prices fell 6.2% year-over-year. Monthly cost of ownership is \$3,179, and rents average \$3,360, making owning \$180 per month less costly than renting. Rents rose 0.7% year-over-year. The current capitalization rate (rent/price) is 4.0%.

Market rating = 3

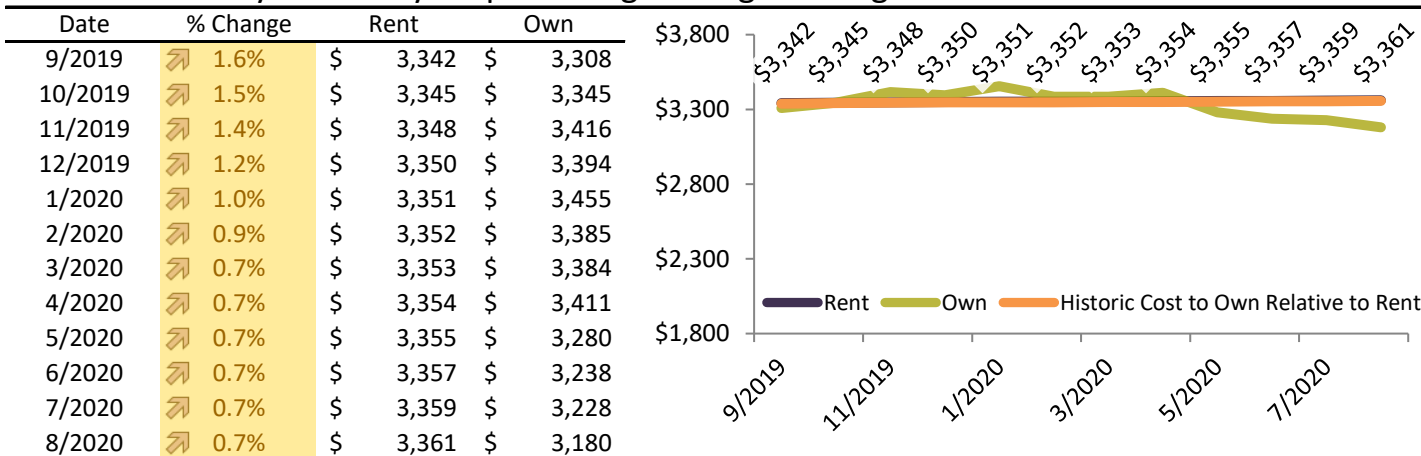
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Santa Teresa Housing Market Value & Trends Update

Historically, properties in this market sell at a 17.5% premium. Today's premium is 2.5%. This market is 15.0% undervalued.

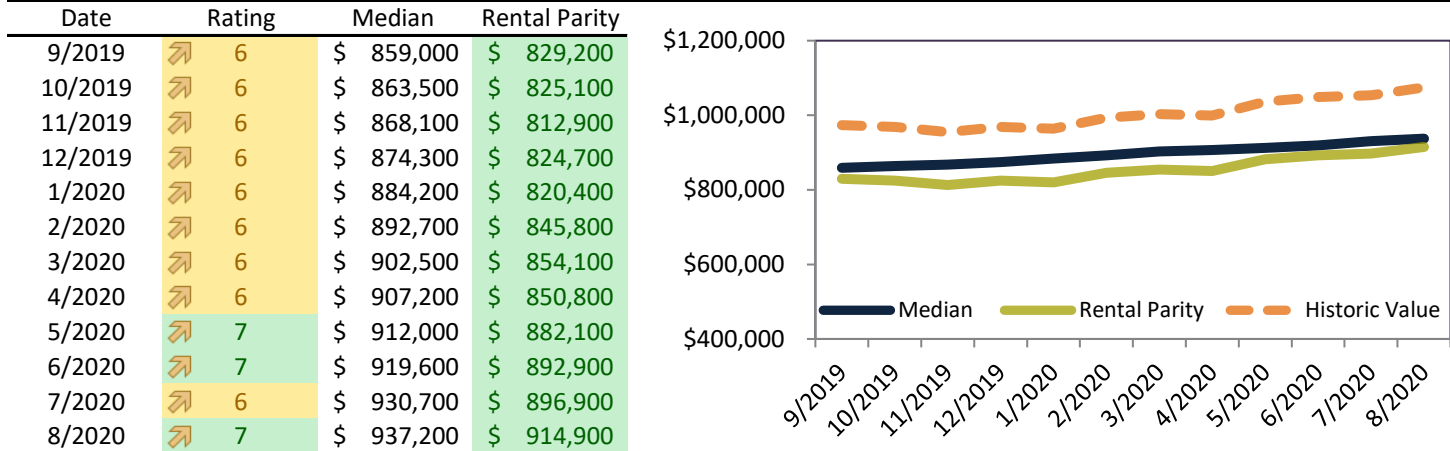
Median home price is \$937,200, and resale \$/SF is \$506/SF. Prices fell 7.5% year-over-year.

Monthly cost of ownership is \$3,722, and rents average \$3,634, making owning \$088 per month more costly than renting.

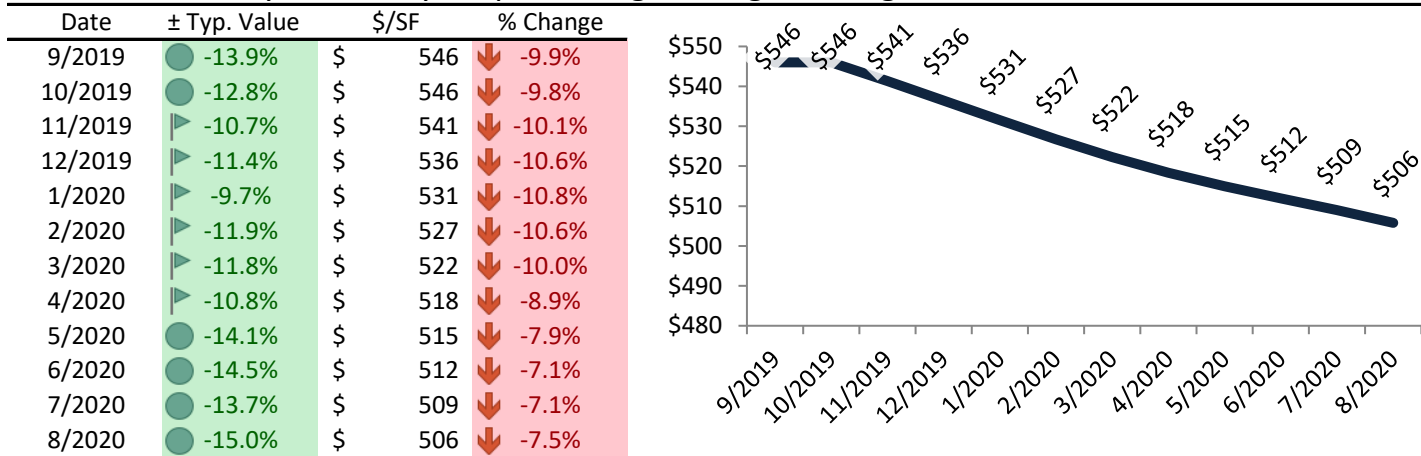
Rents rose 2.8% year-over-year. The current capitalization rate (rent/price) is 3.7%.

Market rating = 7

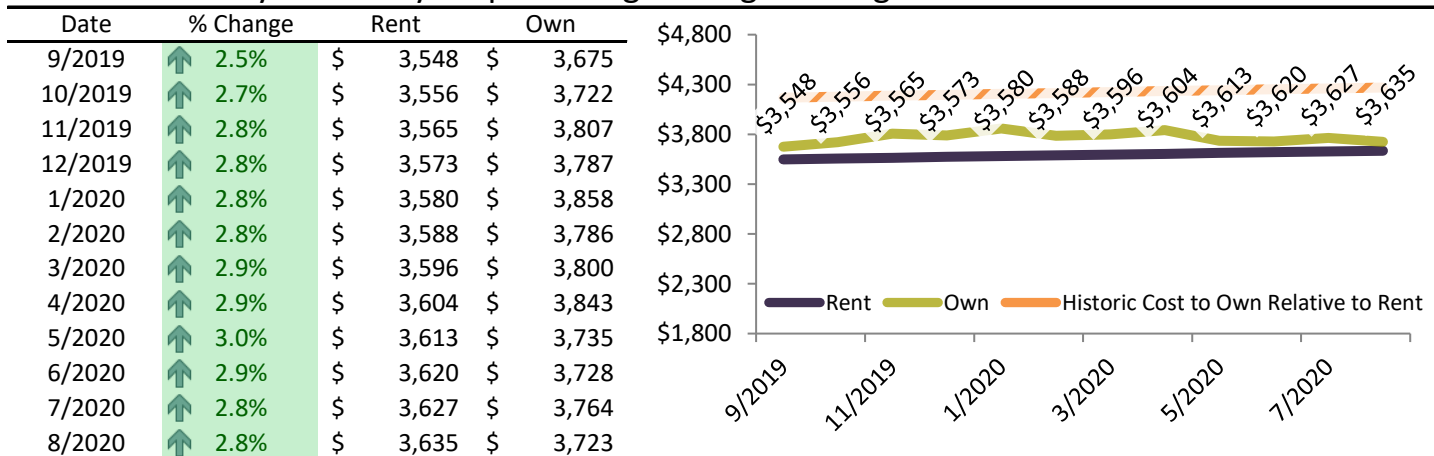
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months

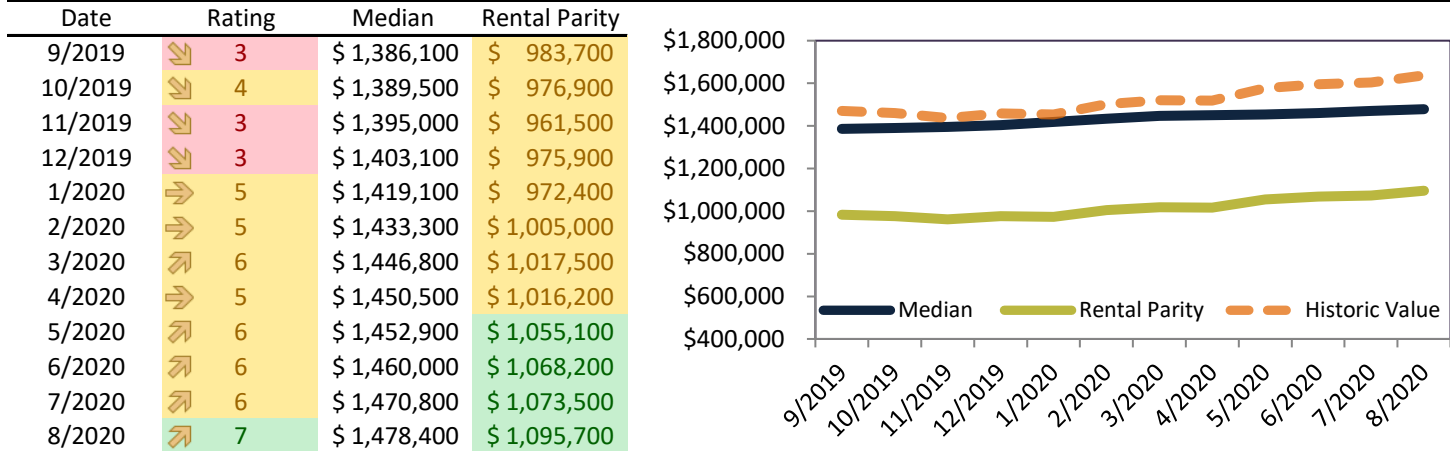


Almaden Valley Housing Market Value & Trends Update

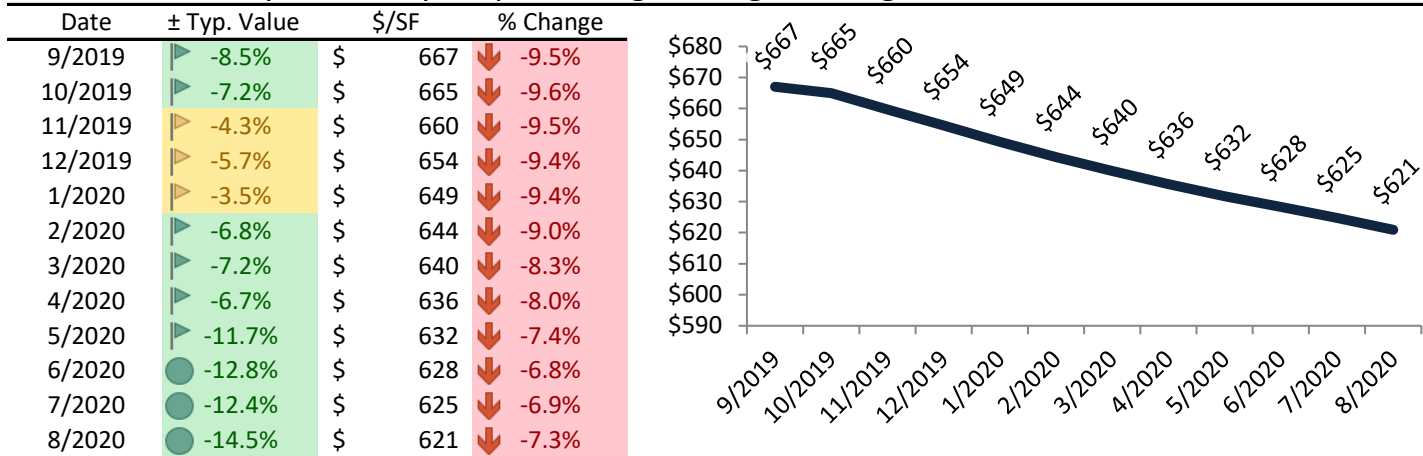
Historically, properties in this market sell at a 49.4% premium. Today's premium is 34.9%. This market is 14.5% undervalued. Median home price is \$1,478,400, and resale \$/SF is \$621/SF. Prices fell 7.3% year-over-year. Monthly cost of ownership is \$5,872, and rents average \$4,352, making owning \$1,520 per month more costly than renting. Rents rose 3.9% year-over-year. The current capitalization rate (rent/price) is 2.8%.

Market rating = 7

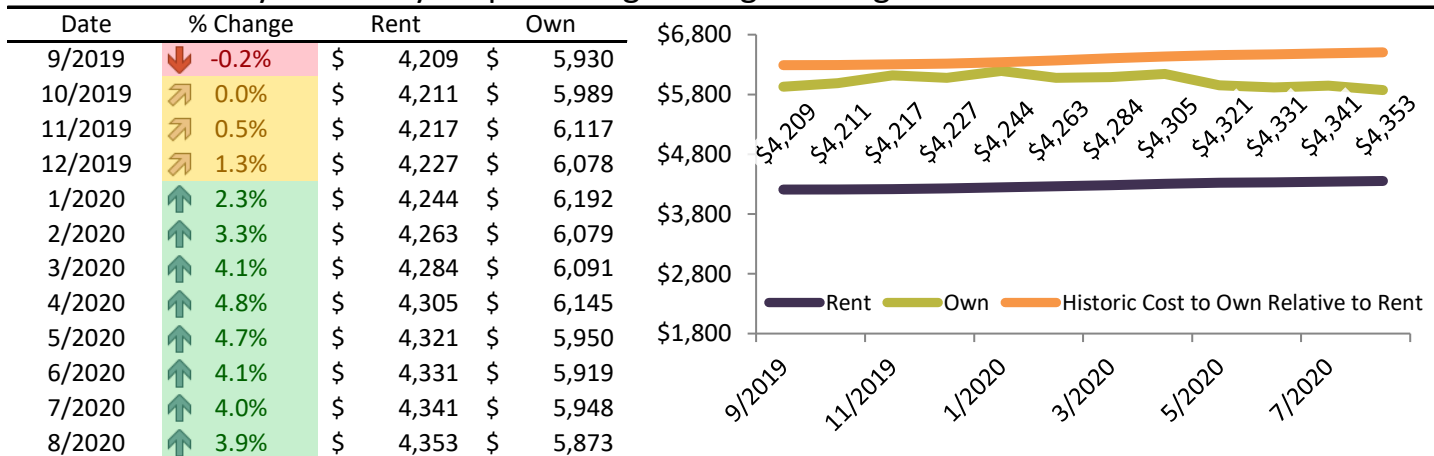
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Edenvale - Seven Trees Housing Market Value & Trends Update

Historically, properties in this market sell at a 3.0% premium. Today's discount is 7.3%. This market is 10.3% undervalued.

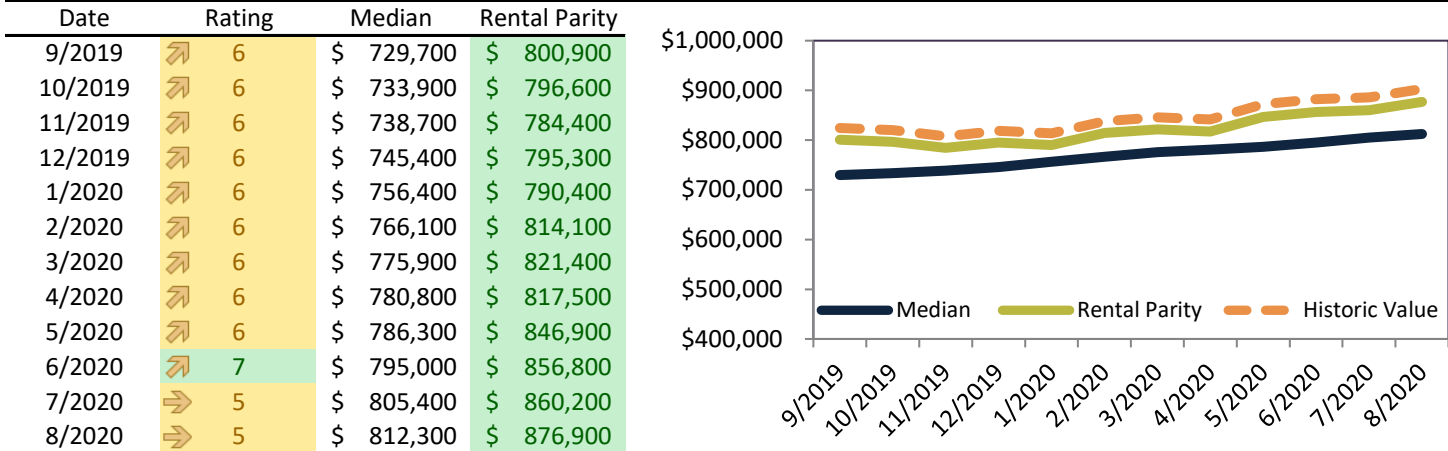
Median home price is \$812,300, and resale \$/SF is \$502/SF. Prices fell 4.7% year-over-year.

Monthly cost of ownership is \$3,226, and rents average \$3,483, making owning \$256 per month less costly than renting.

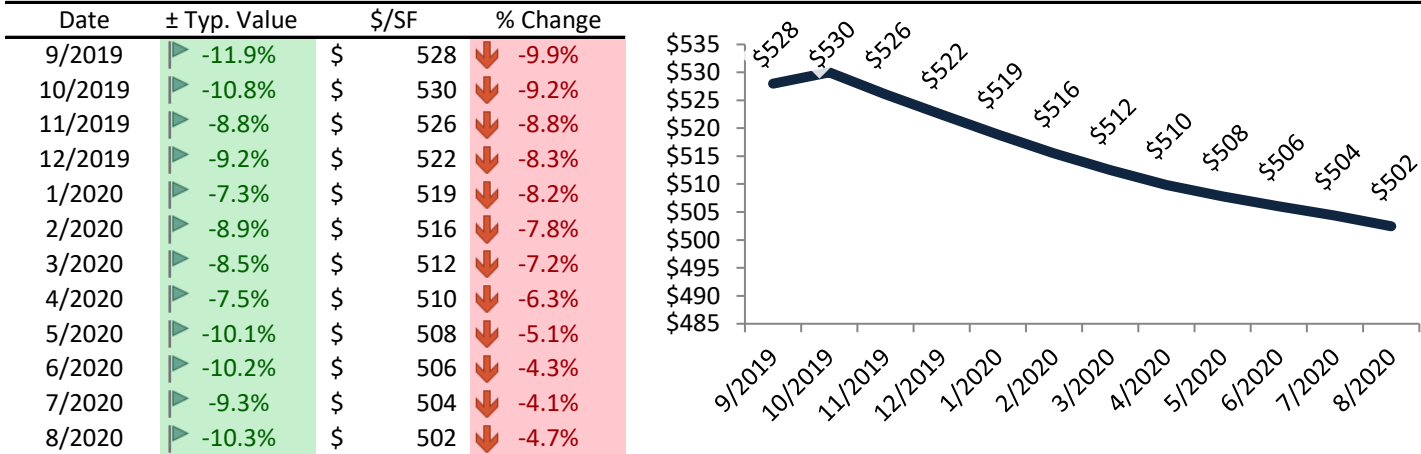
Rents rose 1.9% year-over-year. The current capitalization rate (rent/price) is 4.1%.

Market rating = 5

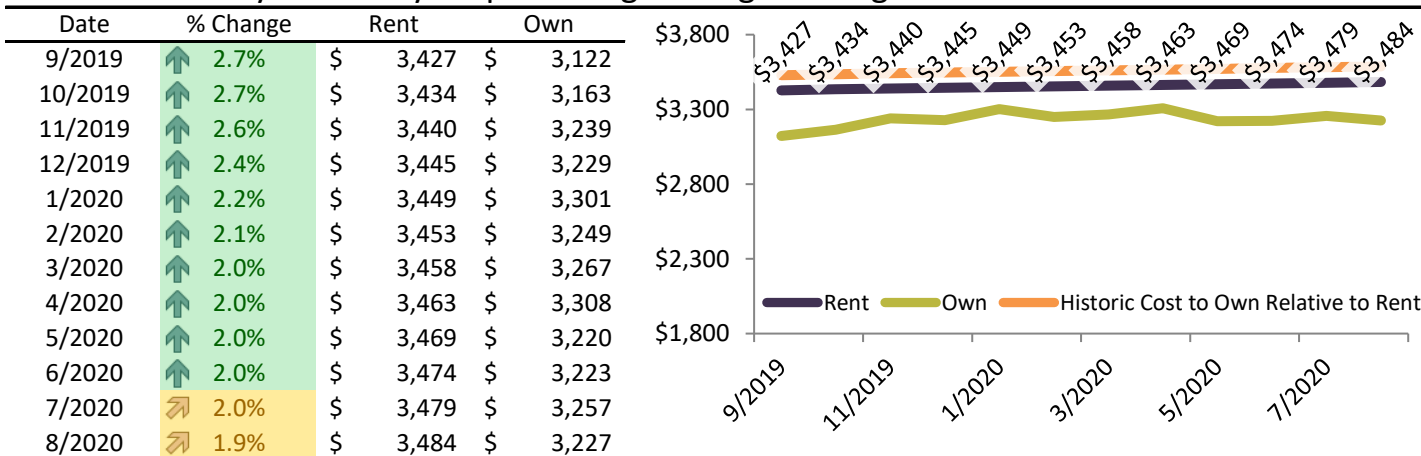
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Berryessa Housing Market Value & Trends Update

Historically, properties in this market sell at a 25.6% premium. Today's premium is 25.0%. This market is 0.6% undervalued.

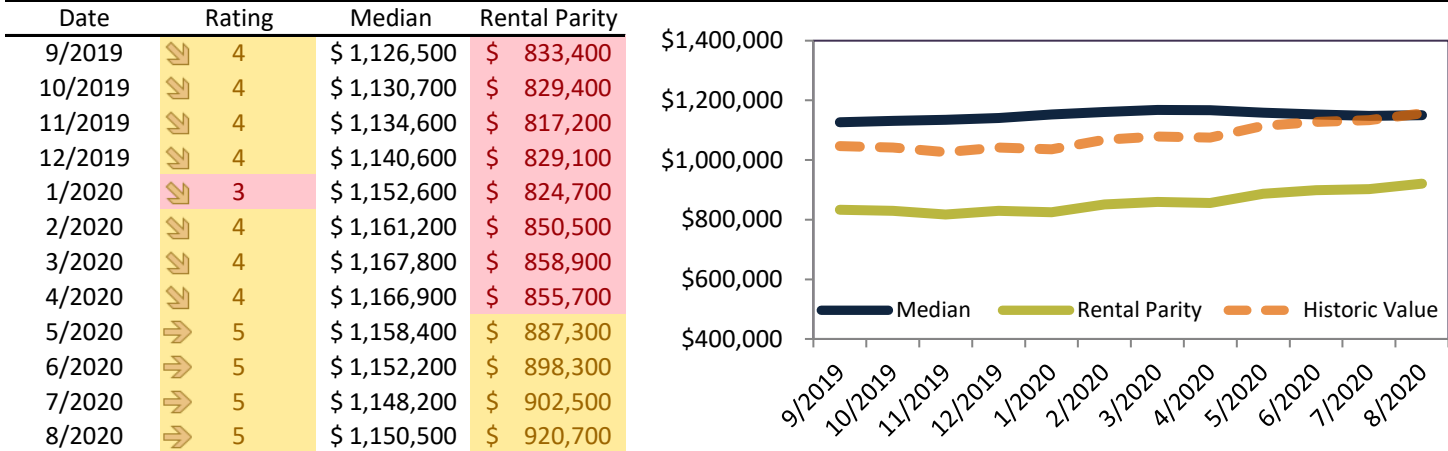
Median home price is \$1,150,500, and resale \$/SF is \$622/SF. Prices fell 6.8% year-over-year.

Monthly cost of ownership is \$4,570, and rents average \$3,657, making owning \$912 per month more costly than renting.

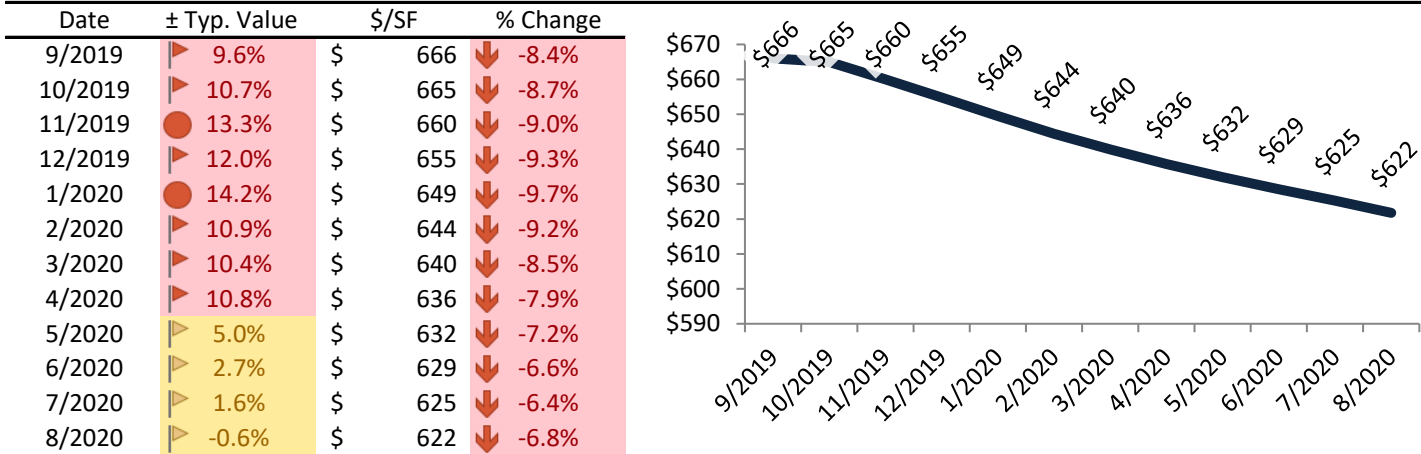
Rents rose 3.0% year-over-year. The current capitalization rate (rent/price) is 3.1%.

Market rating = 5

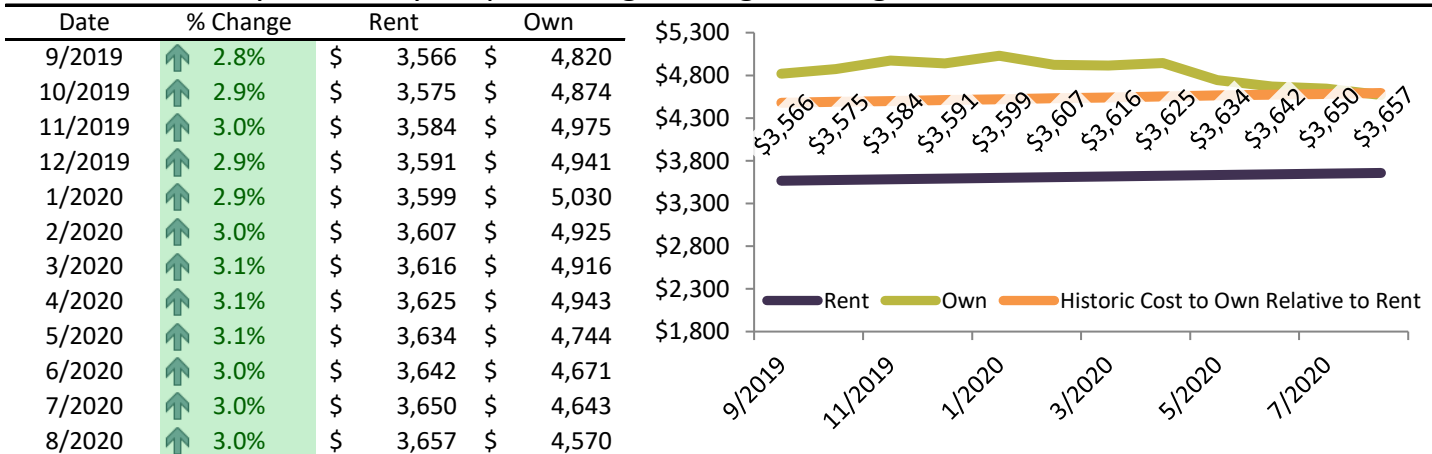
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Alum Rock-East Foothills Housing Market Value & Trends Update

Historically, properties in this market sell at a 0.8% premium. Today's discount is 8.1%. This market is 8.9% undervalued.

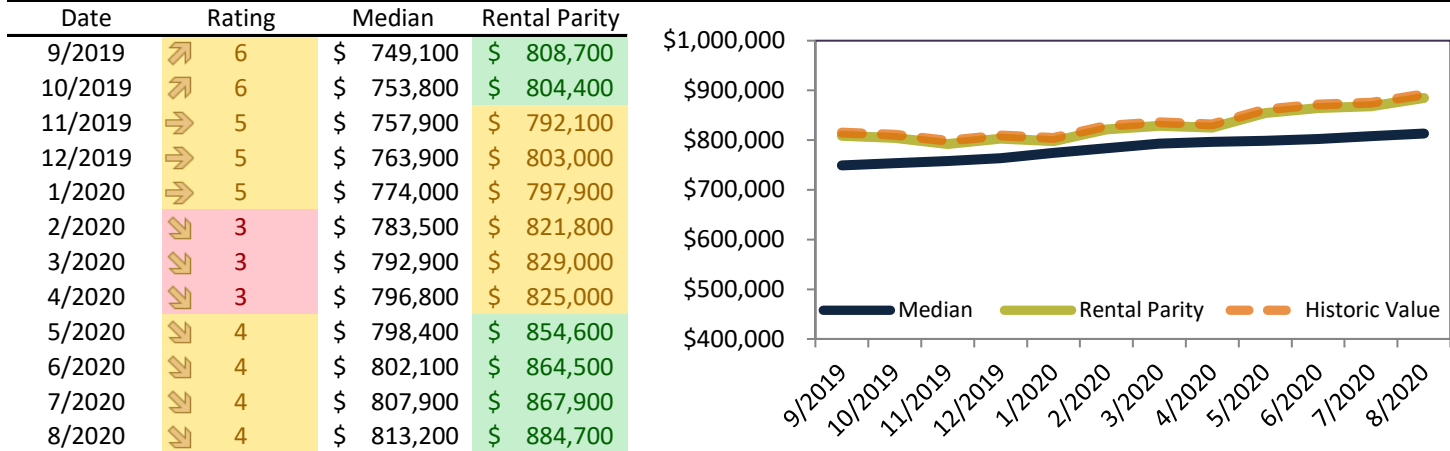
Median home price is \$813,200, and resale \$/SF is \$503/SF. Prices fell 7.2% year-over-year.

Monthly cost of ownership is \$3,230, and rents average \$3,514, making owning \$284 per month less costly than renting.

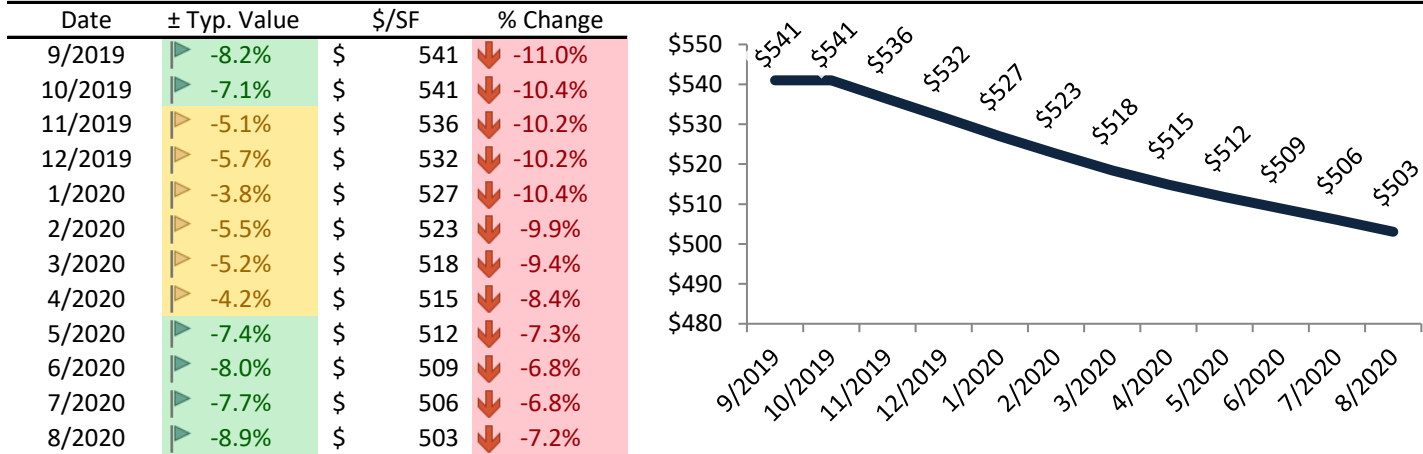
Rents rose 1.9% year-over-year. The current capitalization rate (rent/price) is 4.1%.

Market rating = 4

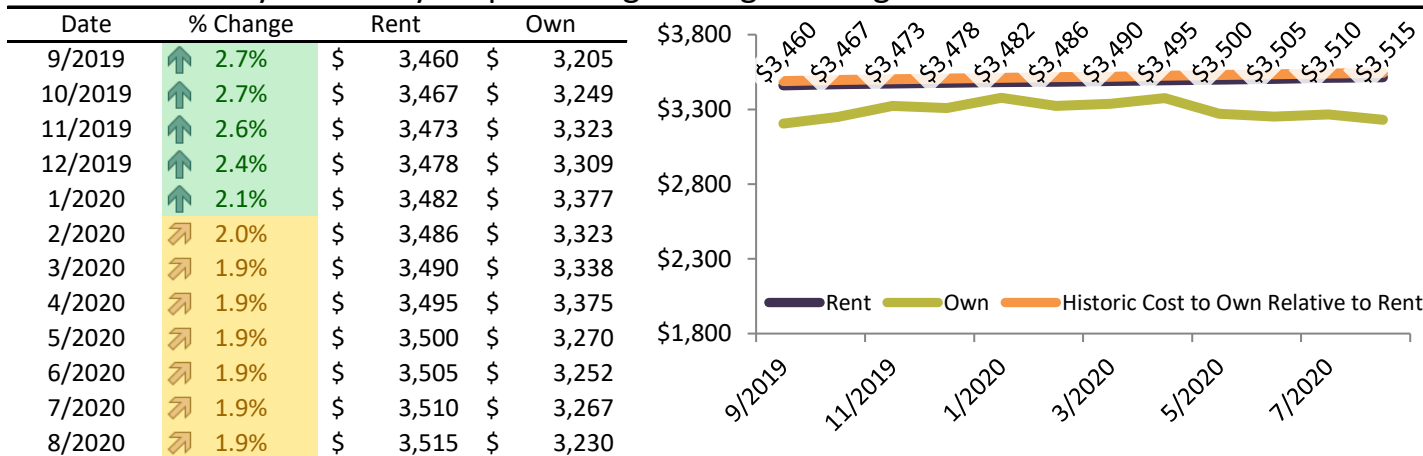
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months

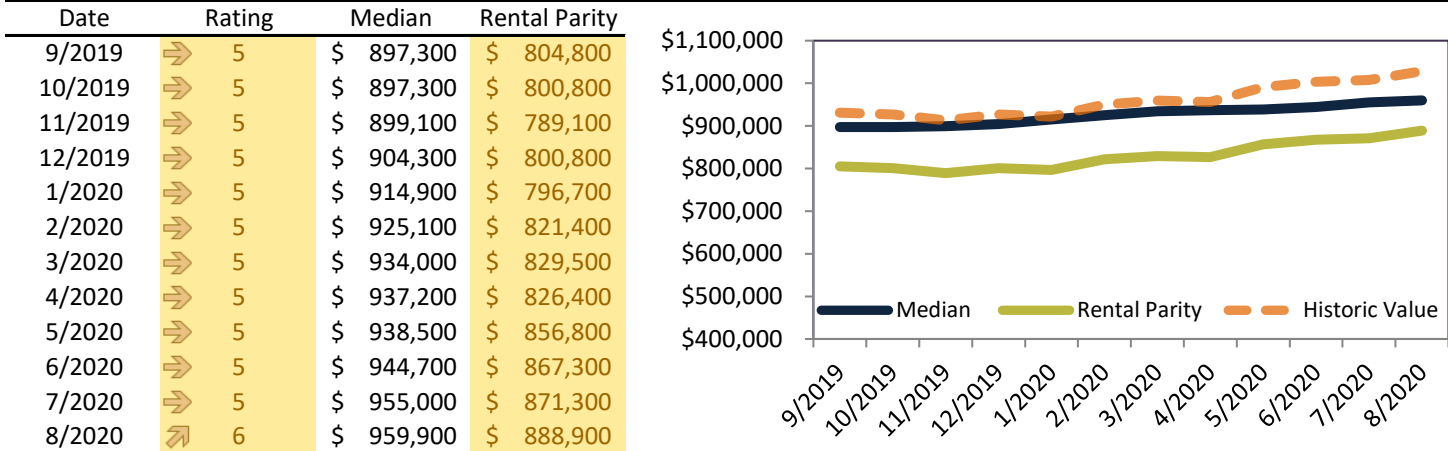


North San Jose Housing Market Value & Trends Update

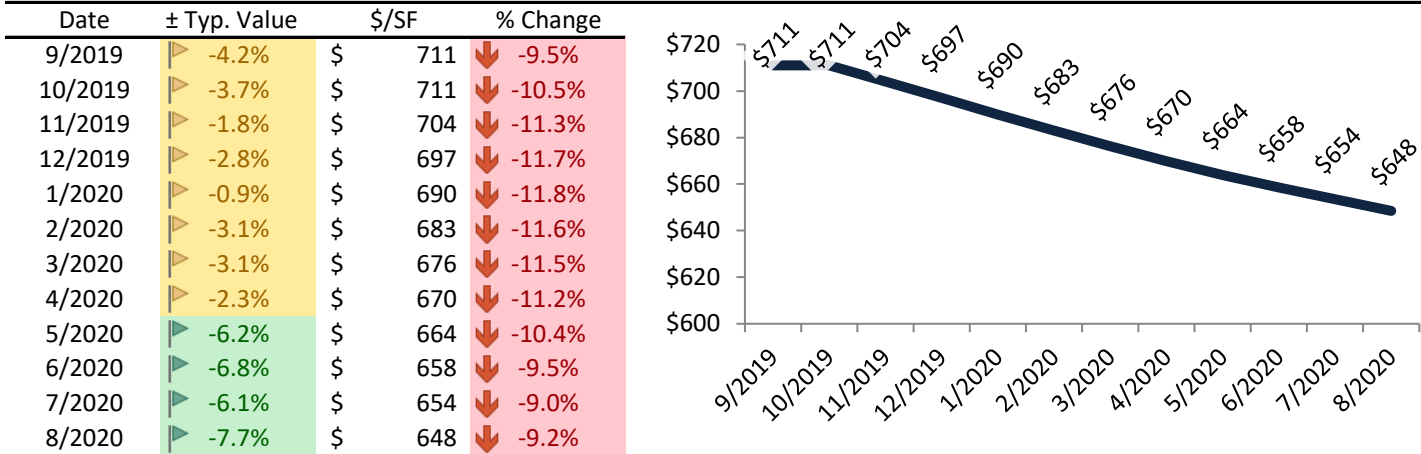
Historically, properties in this market sell at a 15.7% premium. Today's premium is 8.0%. This market is 7.7% undervalued. Median home price is \$959,900, and resale \$/SF is \$648/SF. Prices fell 9.2% year-over-year. Monthly cost of ownership is \$3,813, and rents average \$3,531, making owning \$281 per month more costly than renting. Rents rose 2.9% year-over-year. The current capitalization rate (rent/price) is 3.5%.

Market rating = 6

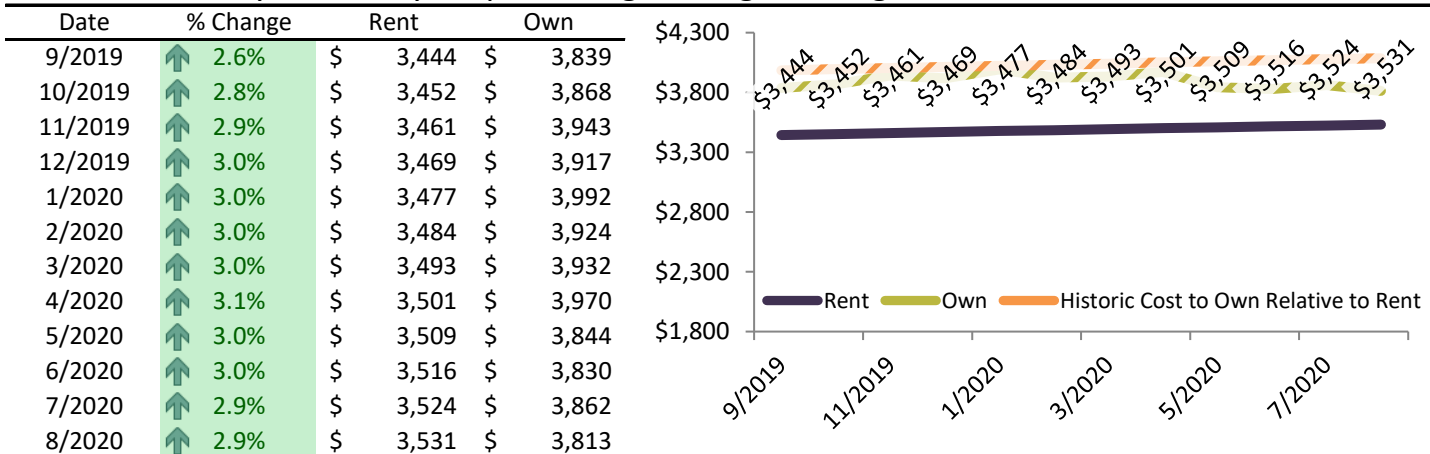
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Rose Garden Housing Market Value & Trends Update

Historically, properties in this market sell at a 28.0% premium. Today's premium is 28.9%. This market is 0.9% overvalued.

Median home price is \$1,223,500, and resale \$/SF is \$705/SF. Prices fell 10.0% year-over-year.

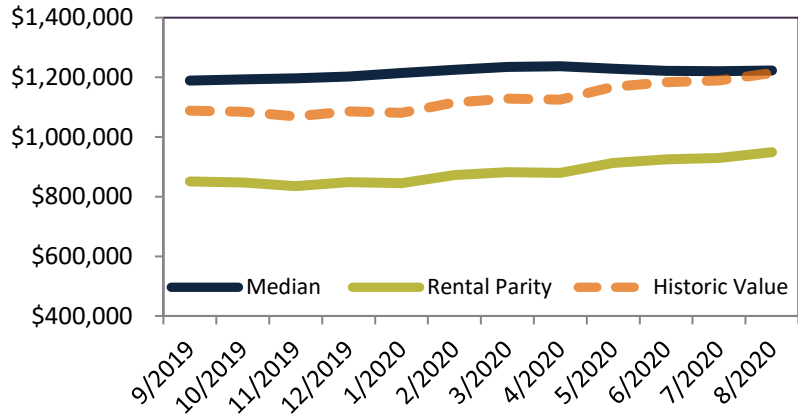
Monthly cost of ownership is \$4,860, and rents average \$3,770, making owning \$1,089 per month more costly than renting.

Rents rose 4.1% year-over-year. The current capitalization rate (rent/price) is 3.0%.

Market rating = 5

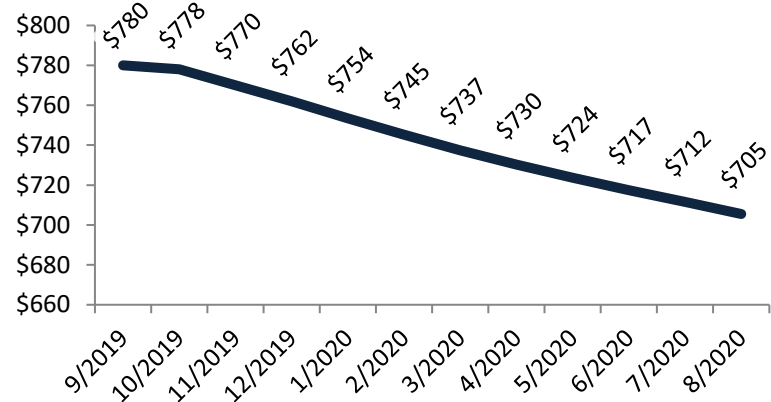
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2019	4	\$ 1,189,100	\$ 850,800
10/2019	4	\$ 1,193,500	\$ 847,200
11/2019	3	\$ 1,197,200	\$ 835,300
12/2019	4	\$ 1,202,800	\$ 848,200
1/2020	3	\$ 1,214,200	\$ 844,600
2/2020	4	\$ 1,224,800	\$ 871,900
3/2020	4	\$ 1,234,500	\$ 881,600
4/2020	4	\$ 1,237,200	\$ 879,400
5/2020	5	\$ 1,229,000	\$ 912,700
6/2020	5	\$ 1,222,300	\$ 924,600
7/2020	5	\$ 1,220,700	\$ 929,600
8/2020	5	\$ 1,223,500	\$ 949,100



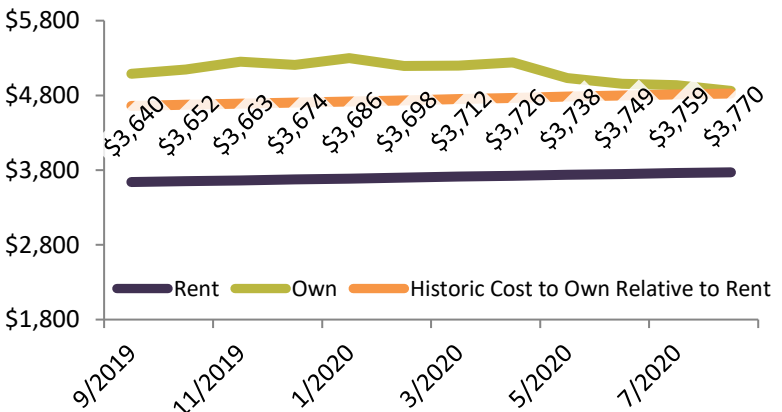
Resale \$/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	\$/SF	% Change
9/2019	11.8%	\$ 780	-10.1%
10/2019	12.9%	\$ 778	-11.2%
11/2019	15.4%	\$ 770	-11.8%
12/2019	13.8%	\$ 762	-12.2%
1/2020	15.8%	\$ 754	-12.7%
2/2020	12.5%	\$ 745	-12.6%
3/2020	12.1%	\$ 737	-12.1%
4/2020	12.7%	\$ 730	-11.4%
5/2020	6.7%	\$ 724	-10.6%
6/2020	4.2%	\$ 717	-10.0%
7/2020	3.3%	\$ 712	-9.8%
8/2020	0.9%	\$ 705	-10.0%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2019	3.2%	\$ 3,640	\$ 5,088
10/2019	3.5%	\$ 3,652	\$ 5,144
11/2019	3.6%	\$ 3,663	\$ 5,250
12/2019	3.7%	\$ 3,674	\$ 5,210
1/2020	3.9%	\$ 3,686	\$ 5,298
2/2020	4.1%	\$ 3,698	\$ 5,195
3/2020	4.3%	\$ 3,712	\$ 5,197
4/2020	4.5%	\$ 3,726	\$ 5,241
5/2020	4.4%	\$ 3,738	\$ 5,033
6/2020	4.2%	\$ 3,749	\$ 4,955
7/2020	4.2%	\$ 3,759	\$ 4,936
8/2020	4.1%	\$ 3,770	\$ 4,860



San Juan Bautista Housing Market Value & Trends Update

Historically, properties in this market sell at a 42.4% premium. Today's premium is 6.9%. This market is 35.5% undervalued.

Median home price is \$626,600, and resale \$/SF is \$299/SF. Prices fell 3.7% year-over-year.

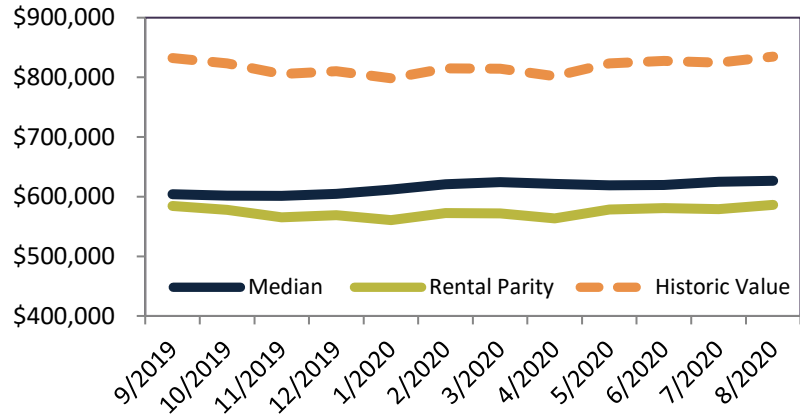
Monthly cost of ownership is \$2,489, and rents average \$2,328, making owning \$160 per month more costly than renting.

Rents fell 7.4% year-over-year. The current capitalization rate (rent/price) is 3.6%.

Market rating = 7

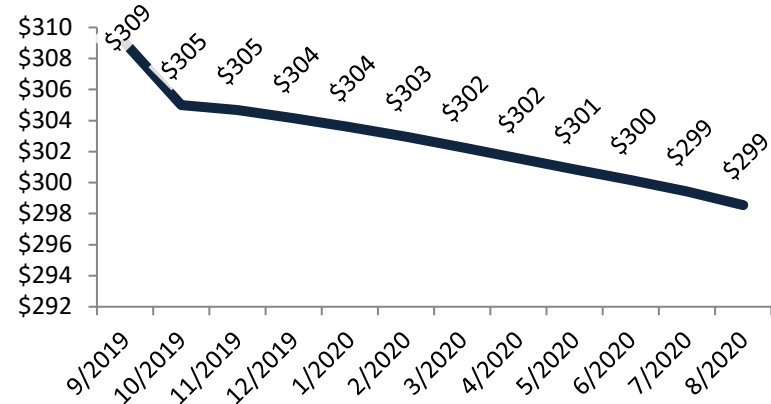
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2019	7	\$ 604,000	\$ 584,500
10/2019	7	\$ 601,500	\$ 578,100
11/2019	7	\$ 601,300	\$ 565,500
12/2019	7	\$ 604,600	\$ 568,900
1/2020	6	\$ 611,900	\$ 560,700
2/2020	6	\$ 621,000	\$ 572,300
3/2020	6	\$ 624,500	\$ 571,800
4/2020	6	\$ 621,300	\$ 563,300
5/2020	7	\$ 618,700	\$ 578,300
6/2020	7	\$ 619,400	\$ 581,000
7/2020	6	\$ 625,000	\$ 579,200
8/2020	7	\$ 626,600	\$ 586,200



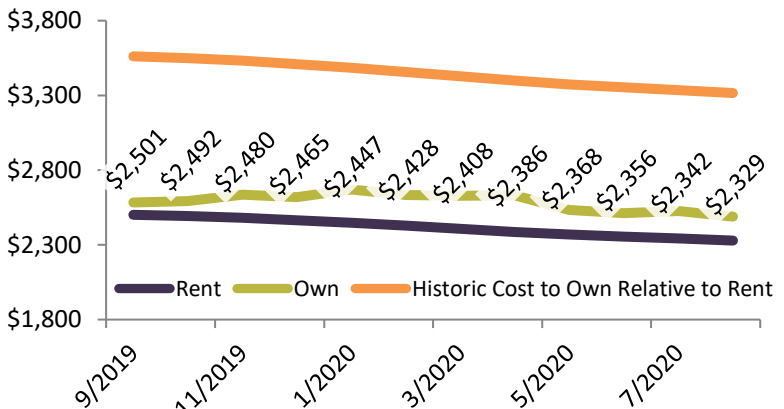
Resale \$/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	\$/SF	% Change
9/2019	-39.1%	\$ 309	1.6%
10/2019	-38.3%	\$ 305	-0.3%
11/2019	-36.1%	\$ 305	-1.4%
12/2019	-36.1%	\$ 304	-2.2%
1/2020	-33.3%	\$ 304	-2.4%
2/2020	-33.9%	\$ 303	-2.6%
3/2020	-33.2%	\$ 302	-2.8%
4/2020	-32.1%	\$ 302	-3.0%
5/2020	-35.4%	\$ 301	-3.0%
6/2020	-35.8%	\$ 300	-2.9%
7/2020	-34.5%	\$ 299	-3.1%
8/2020	-35.5%	\$ 299	-3.7%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2019	-2.1%	\$ 2,501	\$ 2,584
10/2019	-2.7%	\$ 2,492	\$ 2,593
11/2019	-3.6%	\$ 2,480	\$ 2,637
12/2019	-4.6%	\$ 2,465	\$ 2,619
1/2020	-5.6%	\$ 2,447	\$ 2,670
2/2020	-6.5%	\$ 2,428	\$ 2,634
3/2020	-7.3%	\$ 2,408	\$ 2,629
4/2020	-8.0%	\$ 2,386	\$ 2,632
5/2020	-8.1%	\$ 2,368	\$ 2,534
6/2020	-7.6%	\$ 2,356	\$ 2,511
7/2020	-7.5%	\$ 2,342	\$ 2,527
8/2020	-7.4%	\$ 2,329	\$ 2,489



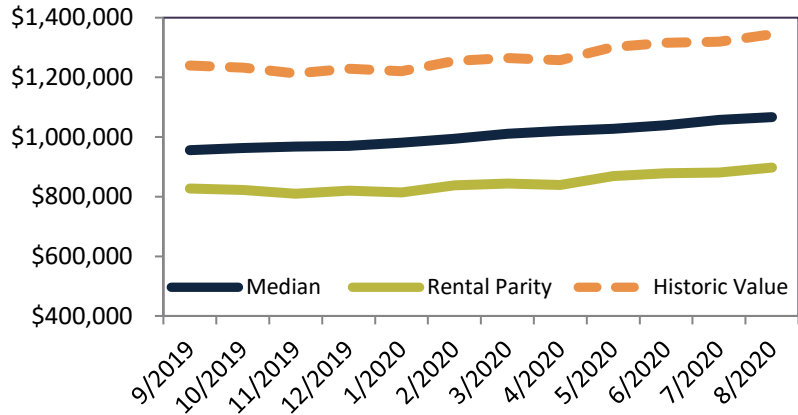
San Martin Housing Market Value & Trends Update

Historically, properties in this market sell at a 49.8% premium. Today's premium is 18.8%. This market is 31.0% undervalued. Median home price is \$1,066,600, and resale \$/SF is \$483/SF. Prices fell 6.7% year-over-year. Monthly cost of ownership is \$4,236, and rents average \$3,565, making owning \$671 per month more costly than renting. Rents rose 0.8% year-over-year. The current capitalization rate (rent/price) is 3.2%.

Market rating = 7

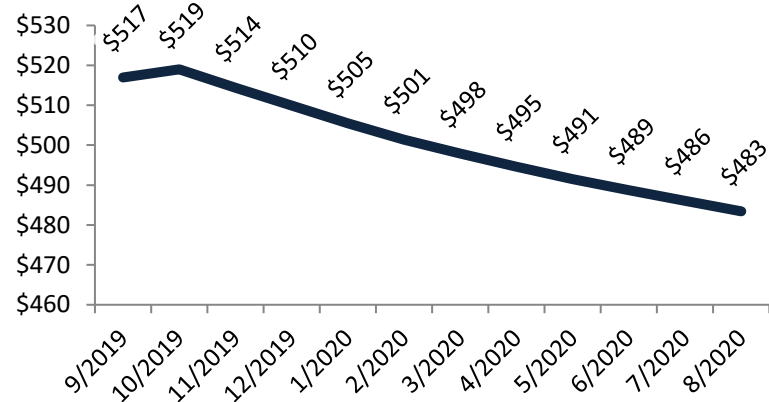
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2019	↗ 7	\$ 955,800	\$ 827,500
10/2019	↗ 7	\$ 963,400	\$ 822,800
11/2019	↗ 7	\$ 967,300	\$ 809,800
12/2019	↗ 7	\$ 970,400	\$ 820,400
1/2020	↗ 7	\$ 980,900	\$ 814,500
2/2020	↗ 7	\$ 994,200	\$ 838,000
3/2020	↗ 7	\$ 1,011,100	\$ 844,300
4/2020	↗ 7	\$ 1,020,100	\$ 839,200
5/2020	↗ 7	\$ 1,027,100	\$ 868,600
6/2020	↗ 7	\$ 1,039,200	\$ 878,200
7/2020	↗ 7	\$ 1,057,500	\$ 881,000
8/2020	↗ 7	\$ 1,066,600	\$ 897,500



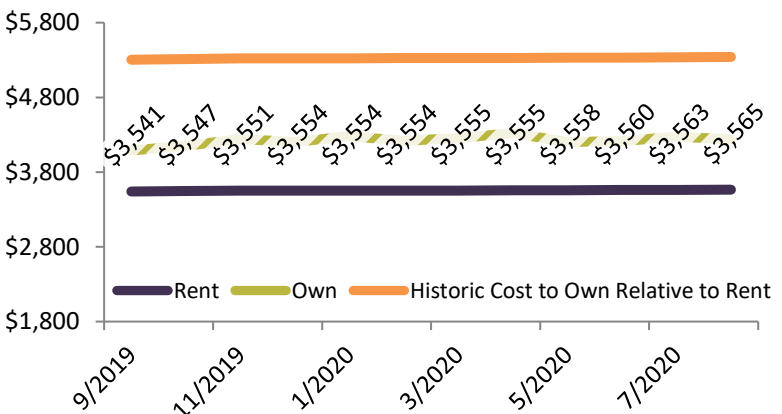
Resale \$/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	\$/SF	% Change
9/2019	● -34.3%	\$ 517	↓ -10.9%
10/2019	● -32.7%	\$ 519	↓ -10.7%
11/2019	● -30.3%	\$ 514	↓ -10.4%
12/2019	● -31.5%	\$ 510	↓ -10.2%
1/2020	● -29.4%	\$ 505	↓ -10.4%
2/2020	● -31.2%	\$ 501	↓ -9.5%
3/2020	● -30.0%	\$ 498	↓ -8.3%
4/2020	● -28.2%	\$ 495	↓ -8.1%
5/2020	● -31.5%	\$ 491	↓ -7.6%
6/2020	● -31.5%	\$ 489	↓ -6.9%
7/2020	● -29.8%	\$ 486	↓ -6.5%
8/2020	● -31.0%	\$ 483	↓ -6.7%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2019	↗ 1.9%	\$ 3,541	\$ 4,089
10/2019	↗ 2.0%	\$ 3,547	\$ 4,153
11/2019	↗ 1.9%	\$ 3,551	\$ 4,242
12/2019	↗ 1.6%	\$ 3,554	\$ 4,203
1/2020	↗ 1.2%	\$ 3,554	\$ 4,280
2/2020	↗ 1.0%	\$ 3,554	\$ 4,217
3/2020	↗ 0.7%	\$ 3,555	\$ 4,257
4/2020	↗ 0.7%	\$ 3,555	\$ 4,321
5/2020	↗ 0.7%	\$ 3,558	\$ 4,206
6/2020	↗ 0.8%	\$ 3,560	\$ 4,213
7/2020	↗ 0.8%	\$ 3,563	\$ 4,276
8/2020	↗ 0.8%	\$ 3,565	\$ 4,237



Santa Clara Housing Market Value & Trends Update

Historically, properties in this market sell at a 29.8% premium. Today's premium is 29.9%. This market is 0.1% overvalued.

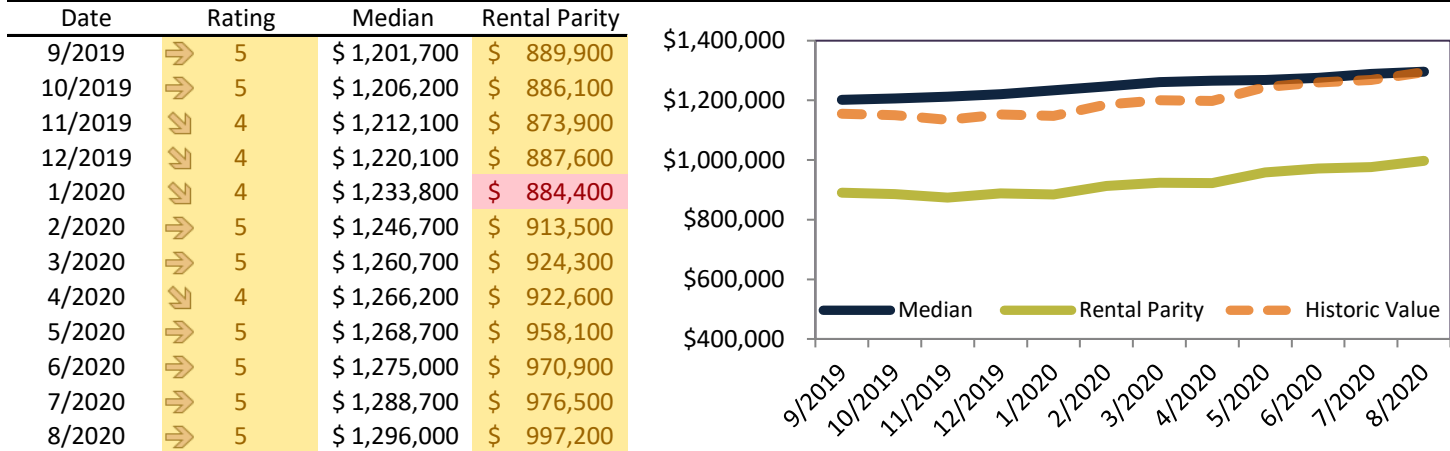
Median home price is \$1,296,000, and resale \$/SF is \$751/SF. Prices fell 10.6% year-over-year.

Monthly cost of ownership is \$5,148, and rents average \$3,961, making owning \$1,186 per month more costly than renting.

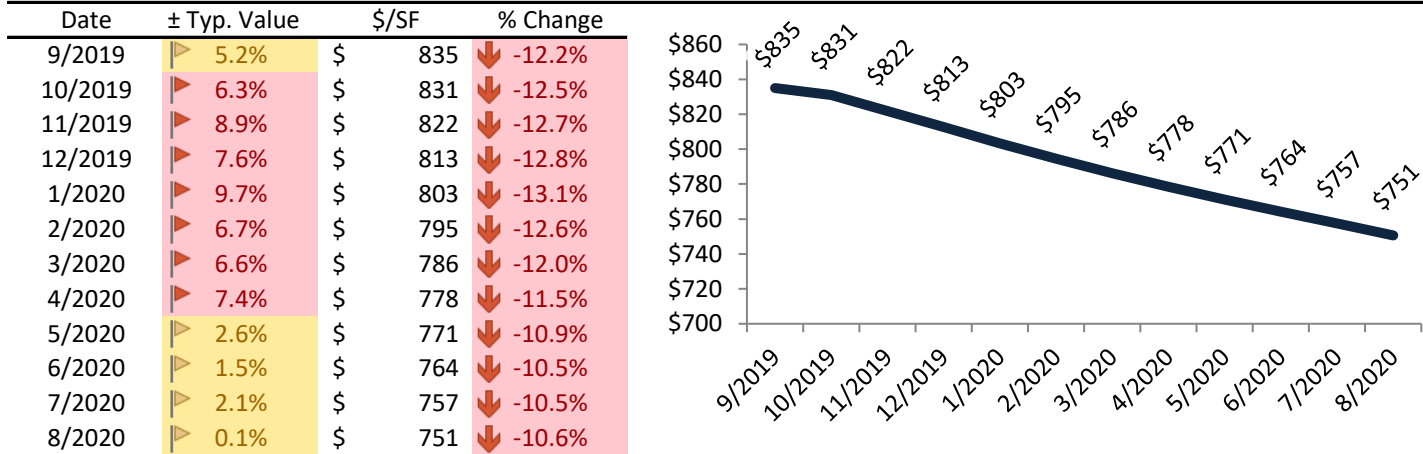
Rents rose 4.7% year-over-year. The current capitalization rate (rent/price) is 2.9%.

Market rating = 5

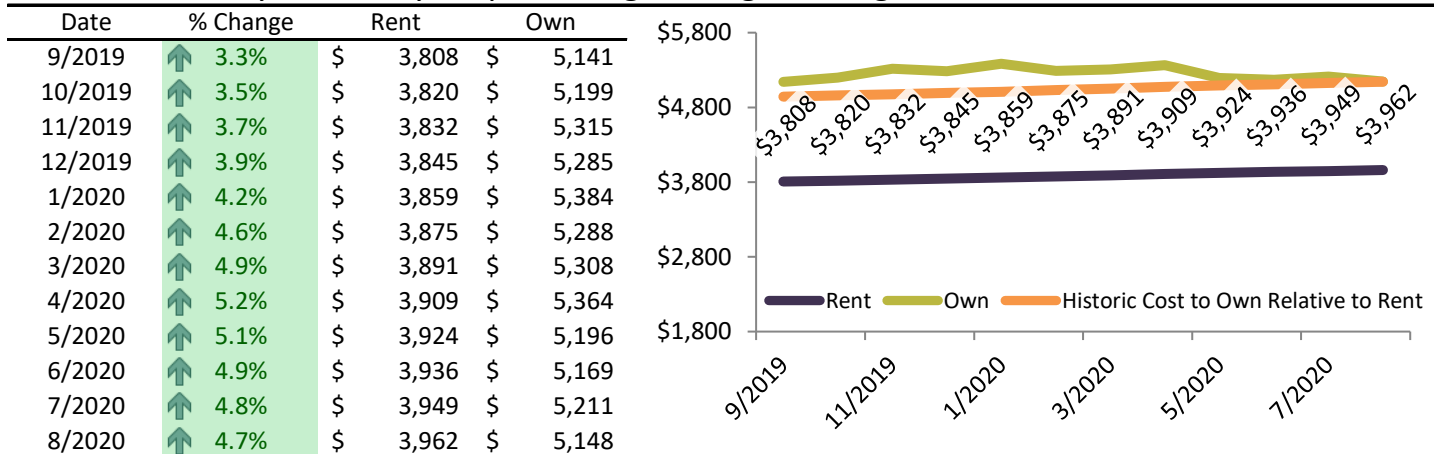
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Sunnyvale Housing Market Value & Trends Update

Historically, properties in this market sell at a 49.5% premium. Today's premium is 46.6%. This market is 2.9% undervalued.

Median home price is \$1,669,700, and resale \$/SF is \$927/SF. Prices fell 9.6% year-over-year.

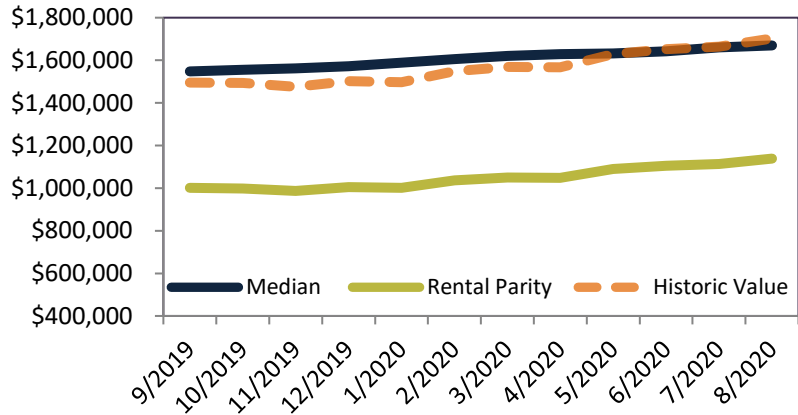
Monthly cost of ownership is \$6,632, and rents average \$4,522, making owning \$2,109 per month more costly than renting.

Rents rose 6.5% year-over-year. The current capitalization rate (rent/price) is 2.6%.

Market rating = 5

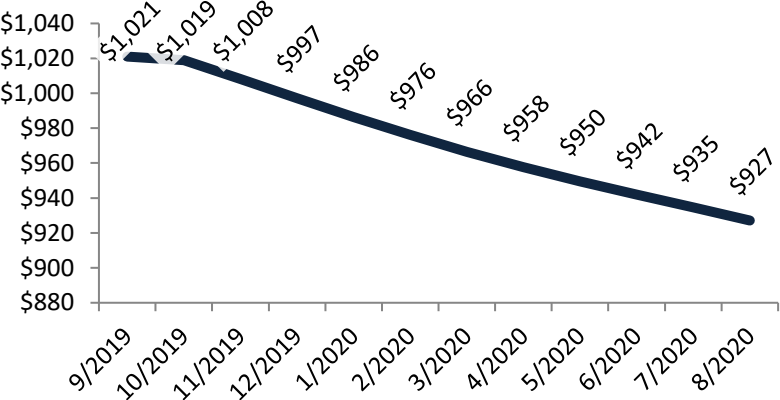
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2019	➔ 5	\$ 1,547,800	\$ 1,000,700
10/2019	➔ 5	\$ 1,556,100	\$ 998,700
11/2019	⬇ 4	\$ 1,562,600	\$ 986,900
12/2019	⬇ 4	\$ 1,572,300	\$ 1,004,200
1/2020	⬇ 4	\$ 1,588,800	\$ 1,001,800
2/2020	➔ 5	\$ 1,604,800	\$ 1,035,800
3/2020	➔ 5	\$ 1,621,300	\$ 1,049,100
4/2020	➔ 5	\$ 1,628,100	\$ 1,048,100
5/2020	➔ 5	\$ 1,632,200	\$ 1,089,600
6/2020	➔ 5	\$ 1,641,800	\$ 1,105,600
7/2020	➔ 5	\$ 1,660,000	\$ 1,113,400
8/2020	➔ 5	\$ 1,669,700	\$ 1,138,600



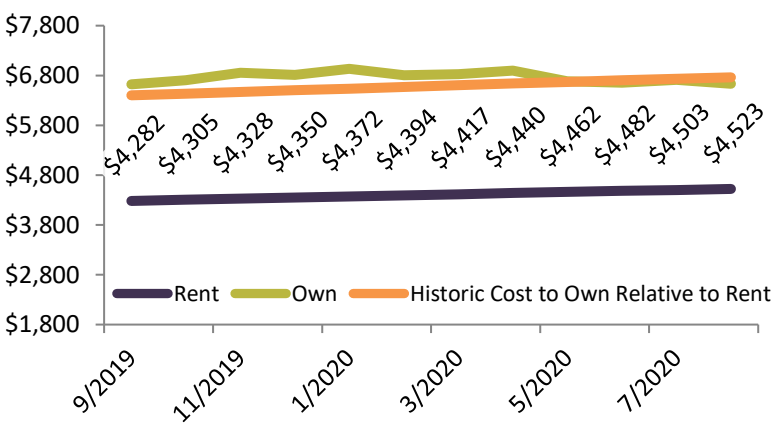
Resale \$/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	\$/SF	% Change
9/2019	▶ 5.2%	\$ 1,021	⬇ -12.2%
10/2019	▶ 6.3%	\$ 1,019	⬇ -12.2%
11/2019	▶ 8.8%	\$ 1,008	⬇ -12.3%
12/2019	▶ 7.1%	\$ 997	⬇ -12.4%
1/2020	▶ 9.1%	\$ 986	⬇ -12.5%
2/2020	▶ 5.4%	\$ 976	⬇ -12.1%
3/2020	▶ 5.0%	\$ 966	⬇ -11.5%
4/2020	▶ 5.8%	\$ 958	⬇ -10.8%
5/2020	▶ 0.3%	\$ 950	⬇ -9.9%
6/2020	▶ -1.0%	\$ 942	⬇ -9.4%
7/2020	▶ -0.4%	\$ 935	⬇ -9.3%
8/2020	▶ -2.9%	\$ 927	⬇ -9.6%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2019	⬆ 5.5%	\$ 4,282	\$ 6,622
10/2019	⬆ 6.0%	\$ 4,305	\$ 6,707
11/2019	⬆ 6.3%	\$ 4,328	\$ 6,852
12/2019	⬆ 6.5%	\$ 4,350	\$ 6,811
1/2020	⬆ 6.6%	\$ 4,372	\$ 6,933
2/2020	⬆ 6.7%	\$ 4,394	\$ 6,807
3/2020	⬆ 6.8%	\$ 4,417	\$ 6,826
4/2020	⬆ 7.0%	\$ 4,440	\$ 6,897
5/2020	⬆ 6.9%	\$ 4,462	\$ 6,684
6/2020	⬆ 6.7%	\$ 4,482	\$ 6,656
7/2020	⬆ 6.6%	\$ 4,503	\$ 6,713
8/2020	⬆ 6.5%	\$ 4,523	\$ 6,633



Ponderosa Housing Market Value & Trends Update

Historically, properties in this market sell at a 49.2% premium. Today's premium is 39.6%. This market is 9.6% undervalued.

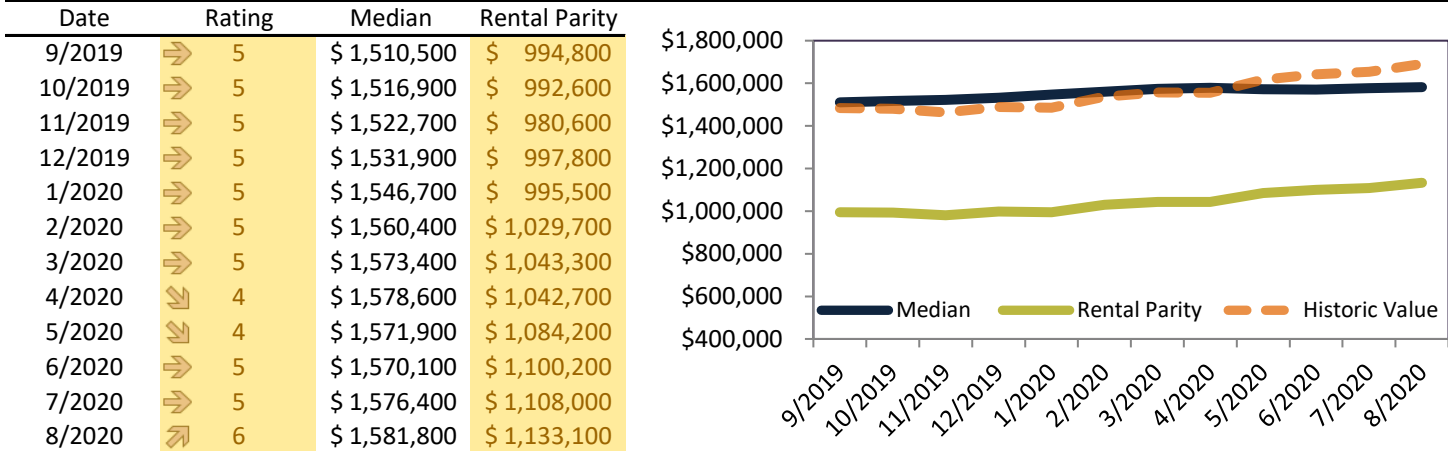
Median home price is \$1,581,800, and resale \$/SF is \$779/SF. Prices fell 13.1% year-over-year.

Monthly cost of ownership is \$6,283, and rents average \$4,501, making owning \$1,782 per month more costly than renting.

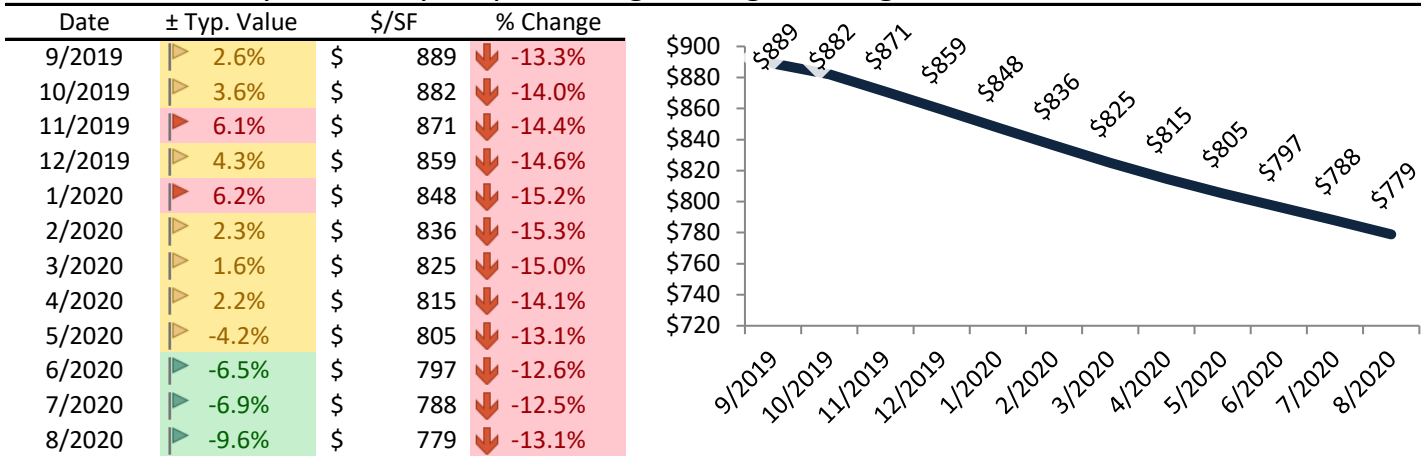
Rents rose 6.6% year-over-year. The current capitalization rate (rent/price) is 2.7%.

Market rating = 6

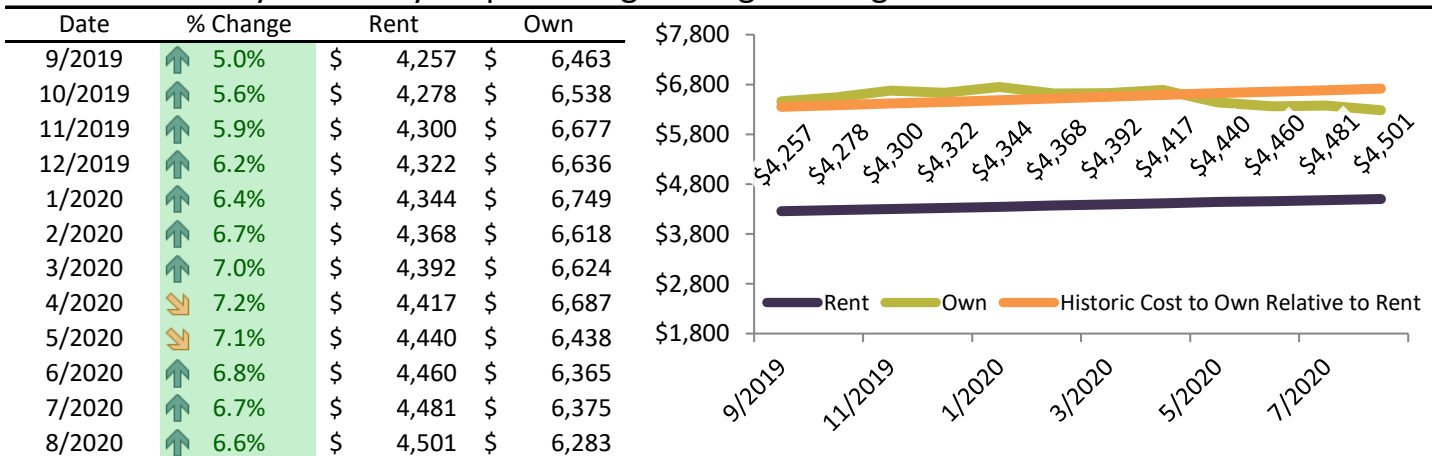
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Lakewood Housing Market Value & Trends Update

Historically, properties in this market sell at a 25.8% premium. Today's premium is 27.2%. This market is 1.4% overvalued.

Median home price is \$1,201,700, and resale \$/SF is \$807/SF. Prices fell 9.5% year-over-year.

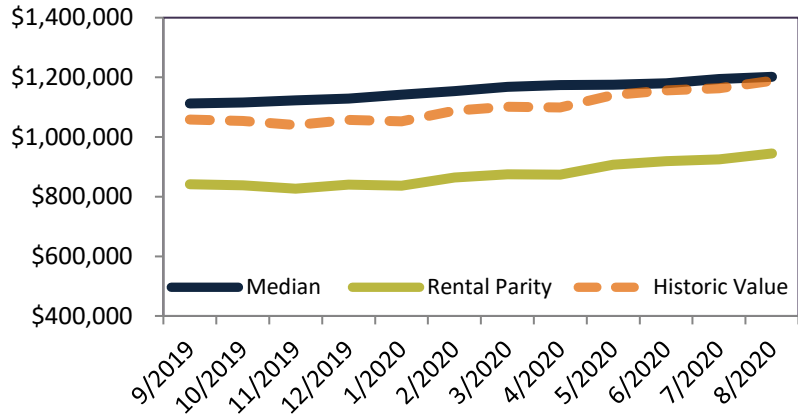
Monthly cost of ownership is \$4,773, and rents average \$3,753, making owning \$1,020 per month more costly than renting.

Rents rose 4.9% year-over-year. The current capitalization rate (rent/price) is 3.0%.

Market rating = 5

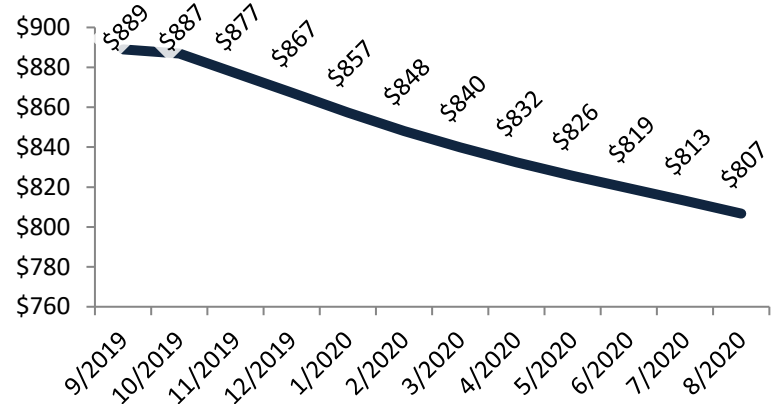
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2019	→ 5	\$ 1,112,400	\$ 841,200
10/2019	↘ 4	\$ 1,116,100	\$ 838,000
11/2019	↘ 4	\$ 1,122,500	\$ 826,700
12/2019	↘ 4	\$ 1,128,700	\$ 840,000
1/2020	↘ 4	\$ 1,142,300	\$ 837,000
2/2020	↘ 4	\$ 1,154,100	\$ 864,700
3/2020	↘ 4	\$ 1,168,400	\$ 875,000
4/2020	↘ 4	\$ 1,173,500	\$ 873,500
5/2020	→ 5	\$ 1,174,700	\$ 907,200
6/2020	→ 5	\$ 1,180,400	\$ 919,500
7/2020	→ 5	\$ 1,194,800	\$ 924,900
8/2020	→ 5	\$ 1,201,700	\$ 944,800



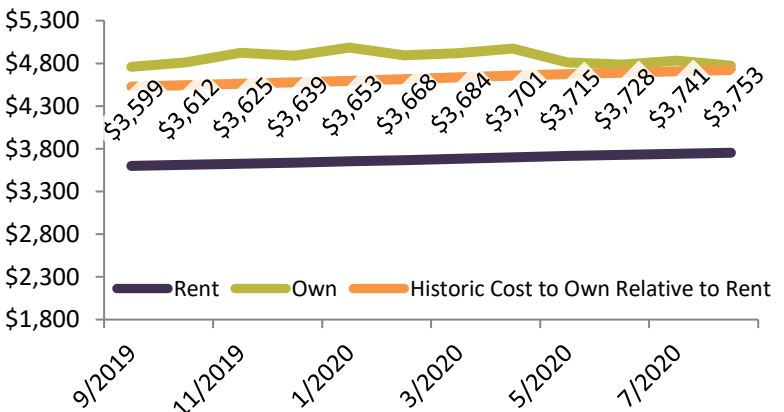
Resale \$/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	\$/SF	% Change
9/2019	▶ 6.4%	\$ 889	↘ -12.1%
10/2019	▶ 7.4%	\$ 887	↘ -12.4%
11/2019	▶ 10.0%	\$ 877	↘ -12.7%
12/2019	▶ 8.6%	\$ 867	↘ -12.9%
1/2020	▶ 10.7%	\$ 857	↘ -13.0%
2/2020	▶ 7.7%	\$ 848	↘ -12.4%
3/2020	▶ 7.7%	\$ 840	↘ -11.4%
4/2020	▶ 8.5%	\$ 832	↘ -10.4%
5/2020	▶ 3.7%	\$ 826	↘ -9.7%
6/2020	▶ 2.6%	\$ 819	↘ -9.1%
7/2020	▶ 3.4%	\$ 813	↘ -8.9%
8/2020	▶ 1.4%	\$ 807	↘ -9.5%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2019	↑ 3.7%	\$ 3,599	\$ 4,759
10/2019	↑ 4.0%	\$ 3,612	\$ 4,811
11/2019	↑ 4.2%	\$ 3,625	\$ 4,922
12/2019	↑ 4.4%	\$ 3,639	\$ 4,889
1/2020	↑ 4.6%	\$ 3,653	\$ 4,985
2/2020	↑ 4.9%	\$ 3,668	\$ 4,895
3/2020	↑ 5.2%	\$ 3,684	\$ 4,919
4/2020	↑ 5.4%	\$ 3,701	\$ 4,971
5/2020	↑ 5.3%	\$ 3,715	\$ 4,811
6/2020	↑ 5.1%	\$ 3,728	\$ 4,785
7/2020	↑ 5.0%	\$ 3,741	\$ 4,832
8/2020	↑ 4.9%	\$ 3,753	\$ 4,774



Washington Housing Market Value & Trends Update

Historically, properties in this market sell at a 56.2% premium. Today's premium is 53.5%. This market is 2.7% undervalued.

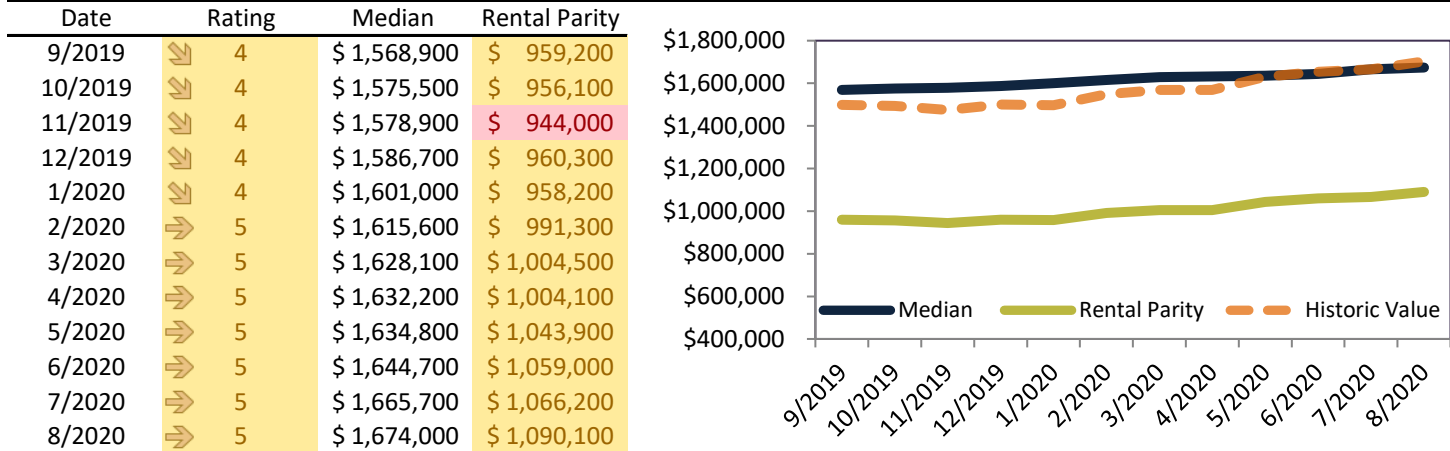
Median home price is \$1,674,000, and resale \$/SF is \$971/SF. Prices fell 12.7% year-over-year.

Monthly cost of ownership is \$6,649, and rents average \$4,330, making owning \$2,319 per month more costly than renting.

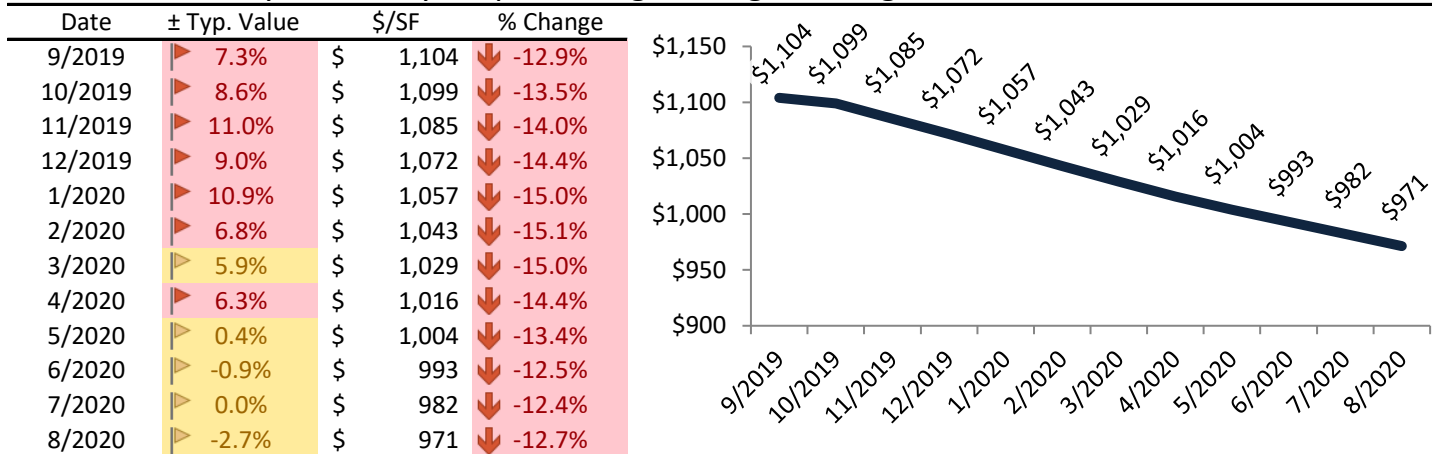
Rents rose 6.3% year-over-year. The current capitalization rate (rent/price) is 2.5%.

Market rating = 5

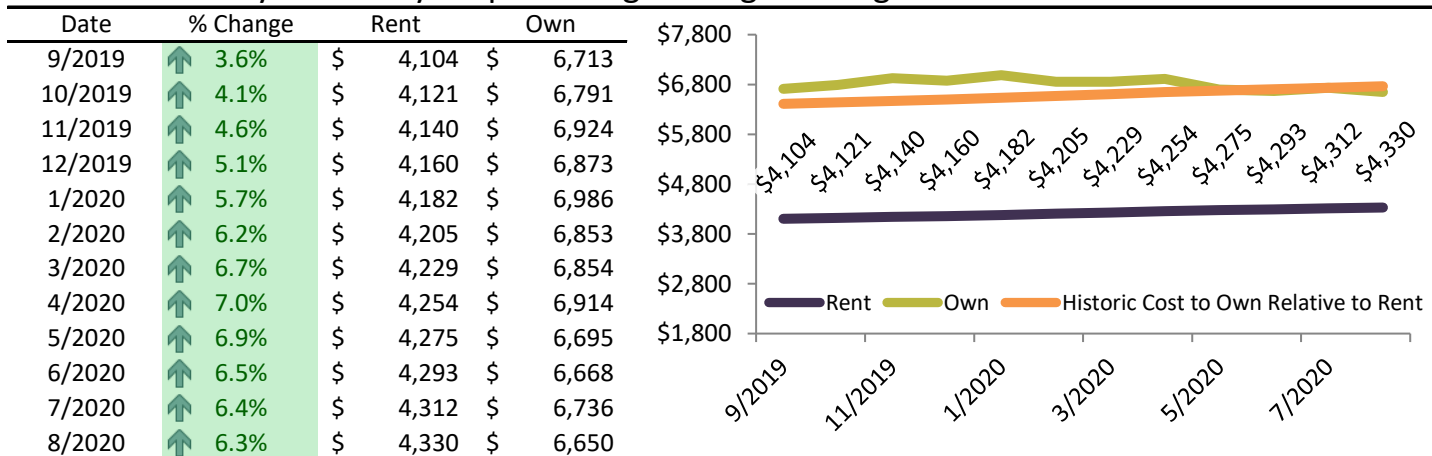
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Ortega Housing Market Value & Trends Update

Historically, properties in this market sell at a 64.5% premium. Today's premium is 62.8%. This market is 1.7% undervalued.

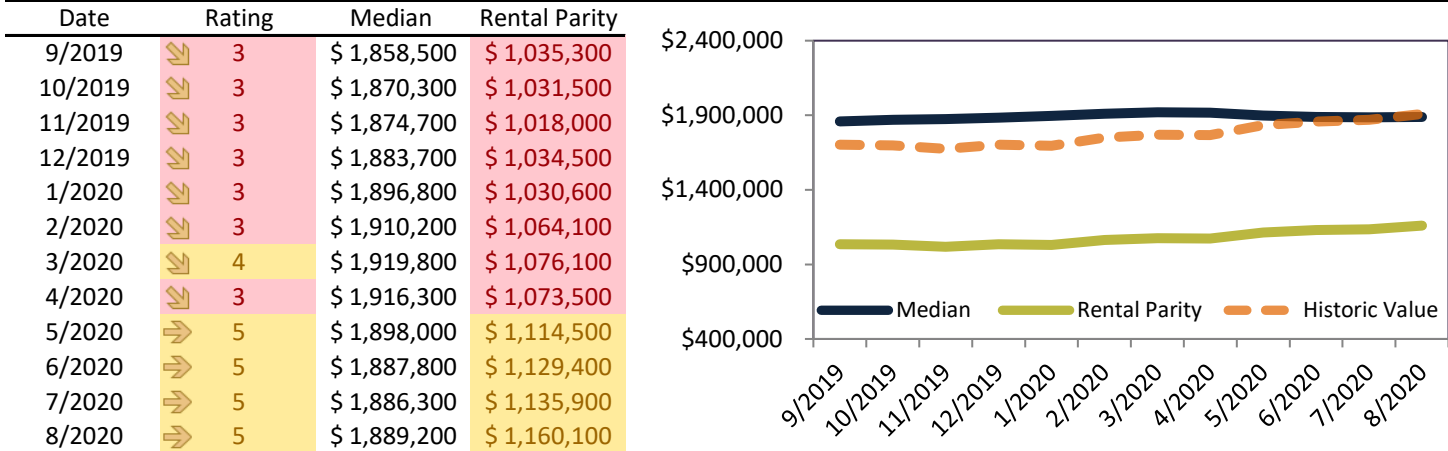
Median home price is \$1,889,200, and resale \$/SF is \$961/SF. Prices fell 7.7% year-over-year.

Monthly cost of ownership is \$7,504, and rents average \$4,608, making owning \$2,895 per month more costly than renting.

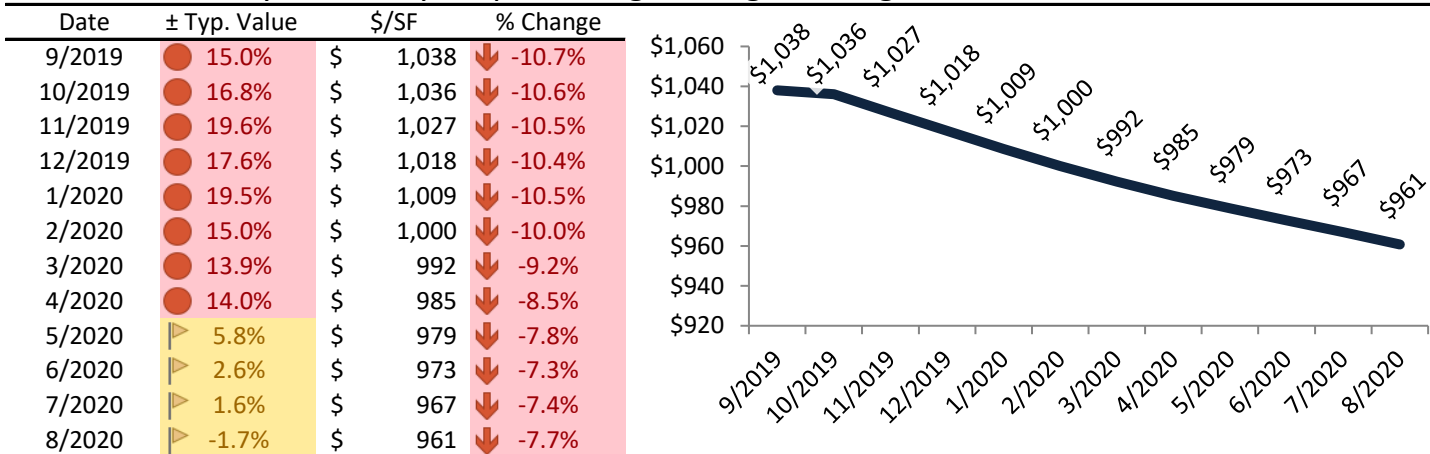
Rents rose 4.6% year-over-year. The current capitalization rate (rent/price) is 2.3%.

Market rating = 5

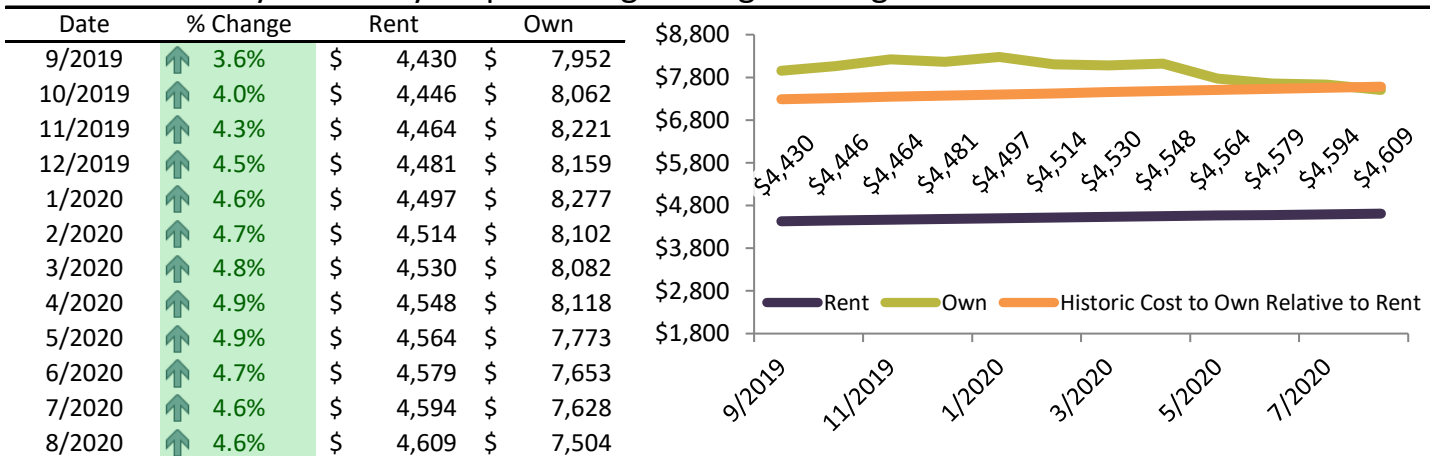
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



De Anza Housing Market Value & Trends Update

Historically, properties in this market sell at a 63.3% premium. Today's premium is 66.1%. This market is 2.8% overvalued.

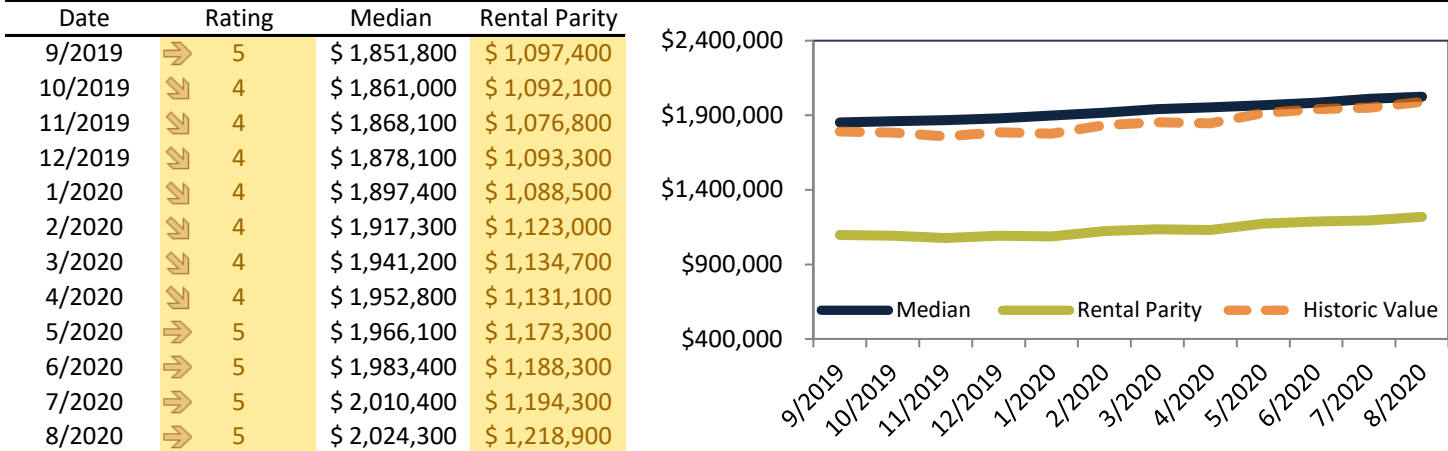
Median home price is \$2,024,300, and resale \$/SF is \$992/SF. Prices fell 9.4% year-over-year.

Monthly cost of ownership is \$8,041, and rents average \$4,842, making owning \$3,199 per month more costly than renting.

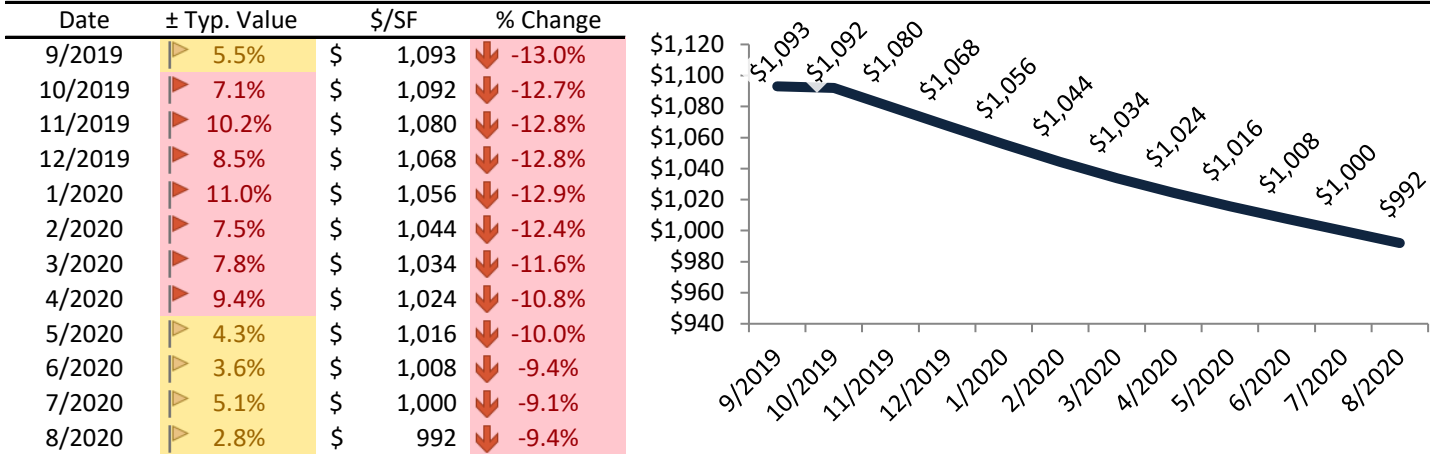
Rents rose 3.6% year-over-year. The current capitalization rate (rent/price) is 2.3%.

Market rating = 5

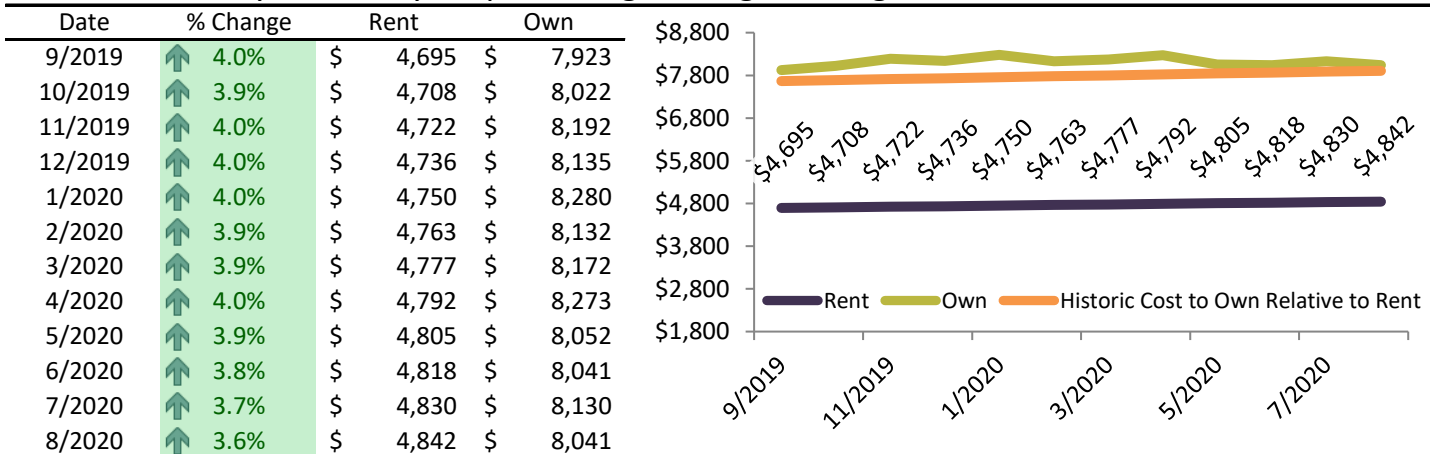
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Serra Housing Market Value & Trends Update

Historically, properties in this market sell at a 71.6% premium. Today's premium is 65.8%. This market is 5.8% undervalued.

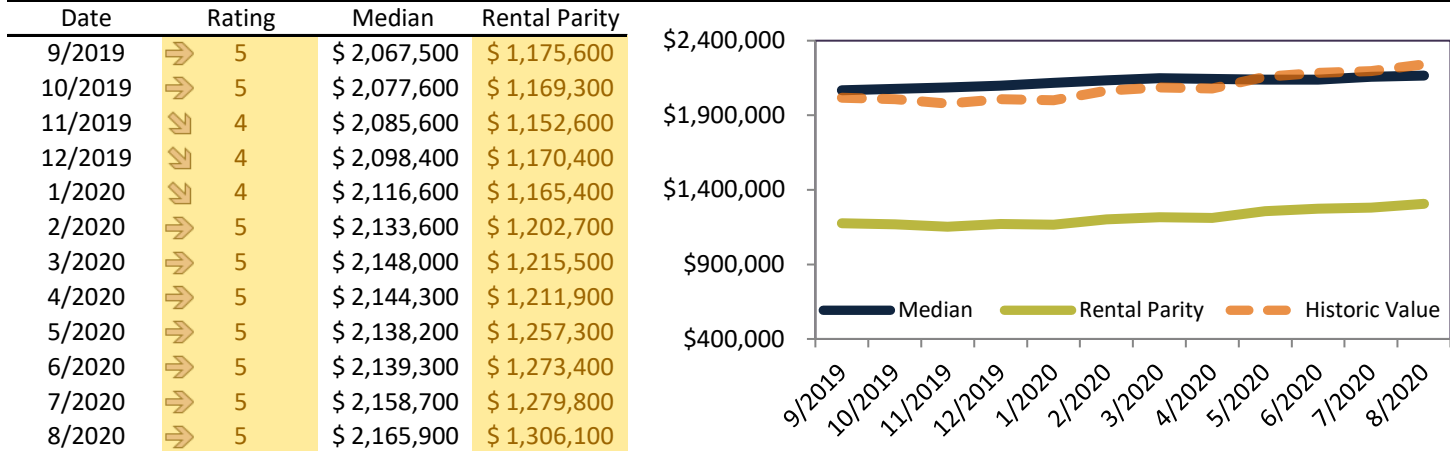
Median home price is \$2,165,900, and resale \$/SF is \$1030/SF. Prices fell 10.2% year-over-year.

Monthly cost of ownership is \$8,603, and rents average \$5,188, making owning \$3,415 per month more costly than renting.

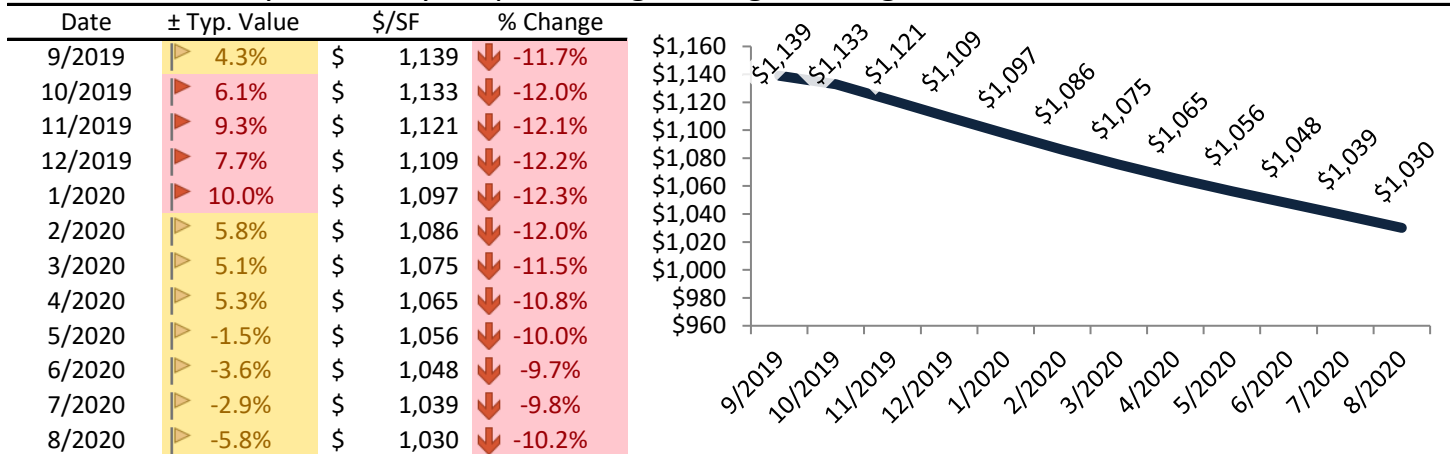
Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 2.3%.

Market rating = 5

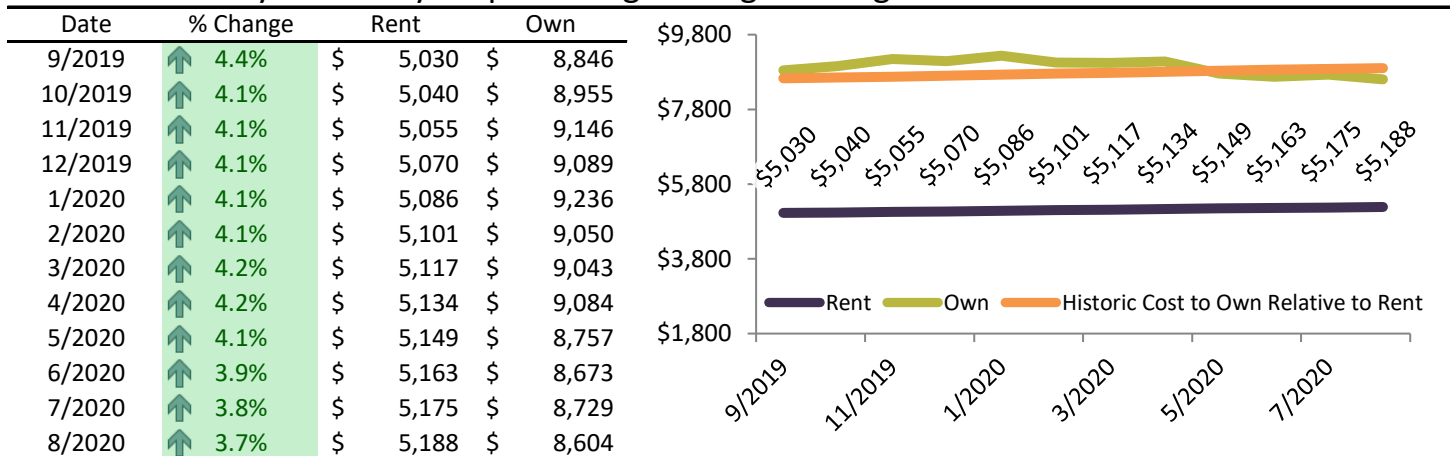
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



Raynor Housing Market Value & Trends Update

Historically, properties in this market sell at a 64.9% premium. Today's premium is 59.3%. This market is 5.6% undervalued.

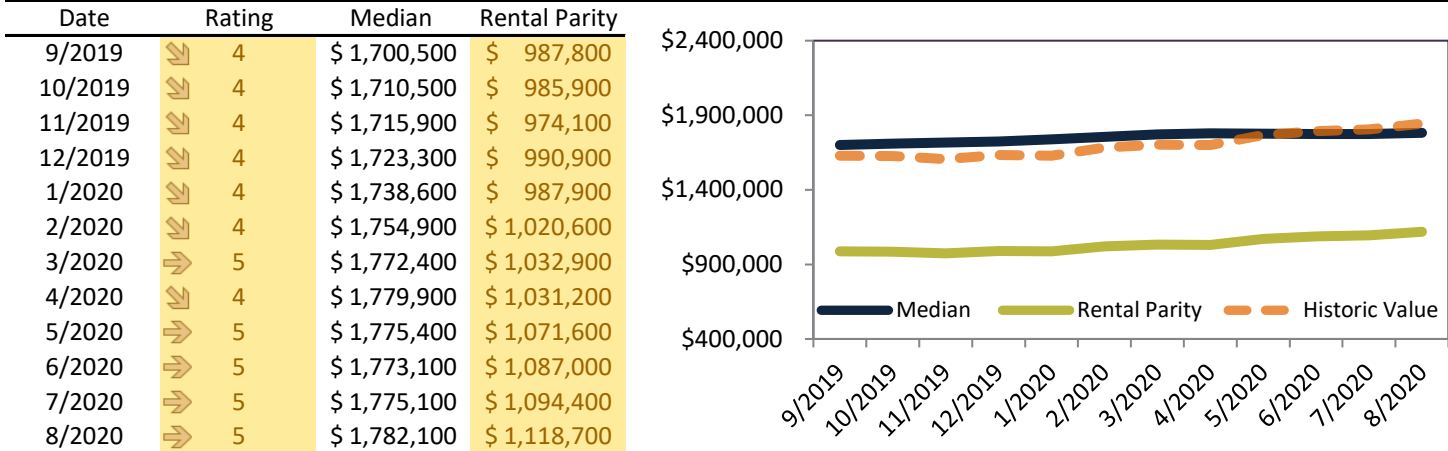
Median home price is \$1,782,100, and resale \$/SF is \$943/SF. Prices fell 11.7% year-over-year.

Monthly cost of ownership is \$7,079, and rents average \$4,444, making owning \$2,634 per month more costly than renting.

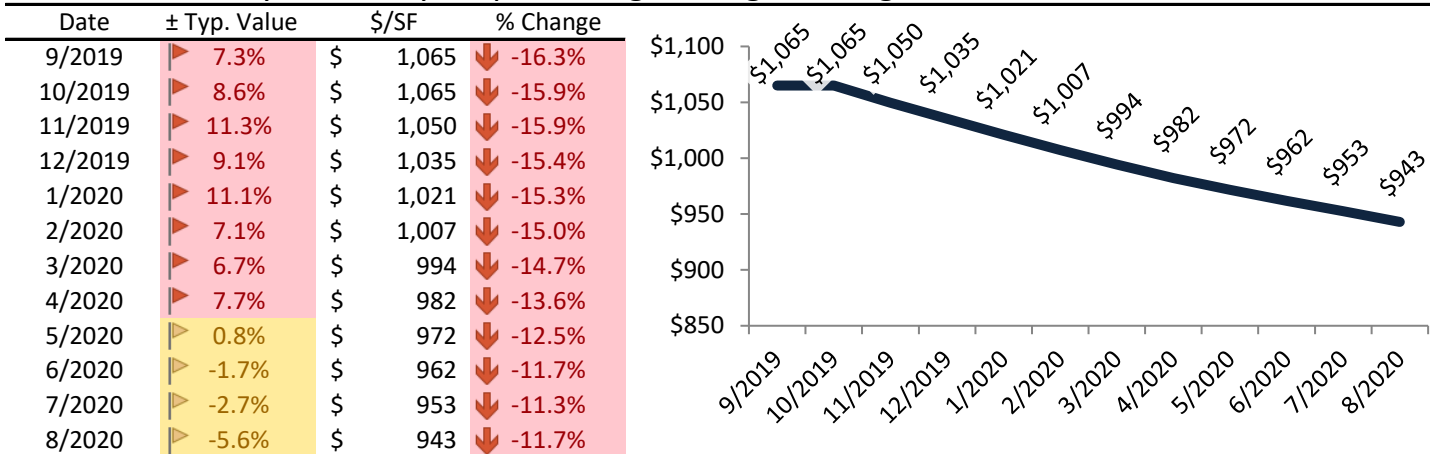
Rents rose 5.9% year-over-year. The current capitalization rate (rent/price) is 2.4%.

Market rating = 5

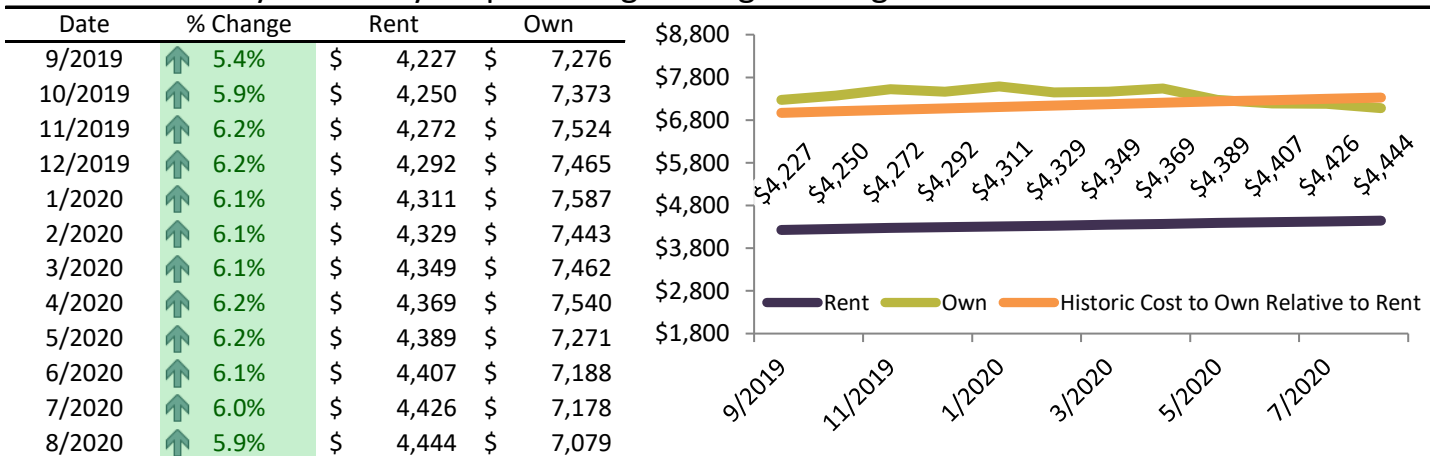
Median Home Price and Rental Parity trailing twelve months



Resale \$/SF and year-over-year percentage change trailing twelve months



Rental rate and year-over-year percentage change trailing twelve months



TAIT Housing Report

TAIT housing report and newsletter provides a clear picture of the health of the housing market. Readers find the information on location, valuation, and price trends, timely and relevant to their decision to buy or sell real estate. The TAIT report answers the most important questions:

- (1) Where should I look for bargains?
- (2) Are current prices over or under valued?
- (3) What direction are prices headed, up or down?

The TAIT monthly market report has distilled the market down to three key pieces of information:

- (1) Resale value relative to rent,
- (2) Yearly change in resale prices, and
- (3) Yearly changes in rents.

The resale value relative to rent, or Rental Parity, is calculated by taking the median rent reported by Zillow and utilizing that value as a payment to calculate the size of the loan that payment would support. **The result is the price someone could pay and their resulting cost of ownership (payment mostly) would equal the cost of renting;** thus the name Rental Parity. The median is the raw median number provided by Zillow. The historic value is what the median "should" be based on the historic relationship between rental parity and the median during periods of market stability (1992-1998 and 2014-2017). This historic value is important because some areas trade below rental parity and some trade above based on how desirable the area is. Whenever the median is above the historic value, the market is overvalued, and whenever the median is below the historic value, it is undervalued. **Without this benchmark, there is no way to determine if the current median is overvalued or undervalued.** The addition of this benchmark is the key innovation of the TAIT Housing Report.

Using and Interpreting the TAIT Monthly Report

The table of contents on the front page of the TAIT monthly report organizes the reports by area. The typical page of an area report breaks down into four parts:

- (1) The news overview,
- (2) Median Home Price and Rental Parity trailing twelve months,
- (3) Resale \$/SF and year-over-year percentage change trailing twelve months,
- (4) Rental rate and year-over-year percentage change trailing twelve months.

NEWS OVERVIEW

The news overview provides concise descriptions of the facts and conditions in the market. The news overview measures the current premium or discount, compares it to the historic premium or discount, and states whether the market is currently overvalued or undervalued. This is an important measure of future financial performance.

Orange County Housing Market Value & Trends Update

Historically, properties in this market sell at a 1.9% premium. Today's discount is 0.7%. This market is 2.6% undervalued.

Median home price is \$730,800, and resale \$/SF is \$429/SF. Prices rose 0.8% year-over-year.

Monthly cost of ownership is \$3,204, and rents average \$3,225, making owning \$020 per month less costly than renting.

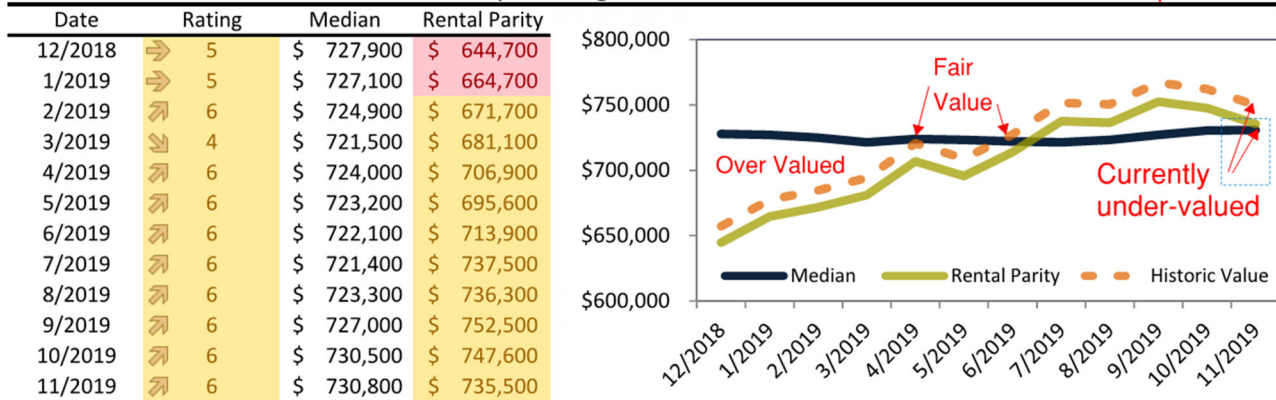
Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 4.2%.

Market rating = 6

MEDIAN HOME PRICE AND RENTAL PARITY TRAILING TWELVE MONTHS

For those who want the bottom line without all the analysis and detail, the market rating is the first row of the first section of data. The rating encapsulates all the conditions of the market into one figure. A rating of 10 is good and a rating of 1 is bad. **A highly rated property or market is a good financial buy.**

Median Home Price and Rental Parity trailing twelve months Premium Market Example



The chart displays three lines that reveal much about the market. The first two lines to note are the parallel green and orange lines, rental parity (green) and historic value (orange). As mentioned previously, some markets trade at a discount and some at a premium to rental parity. If the orange line (historic value) is above the green line (rental parity), the market is a premium market. If the orange line (historic value) is below the green line (rental parity), the market is a discount market. The larger the gap, the greater the premium or discount is.

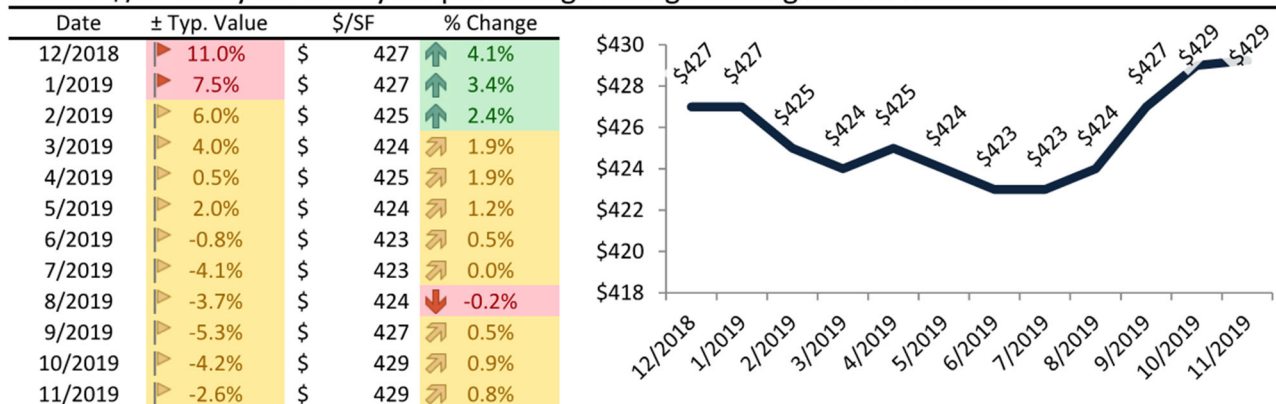
The third line plotted against these two parallel lines is the median resale price for the area. This line reveals whether the market is currently trading at a premium or discount to rental parity and historic value. The more important of these relationships is between median resale price and historic value. Over time, the market has shown a tendency toward trading at historic value. If it trades above for a while, over time it will revert back to this value. That may happen either by an extended period of little or no appreciation or an outright decline in prices. If the market trades below its historic value, it's likely to see a rebound back to this value in the future.

Valuation is more important than price movement. The best markets trade at a discount to historic value.

RESALE \$/SF AND YEAR-OVER-YEAR PERCENTAGE CHANGE TRAILING TWELVE MONTHS

Since the historic value is so important, the first column in next section displays the premium or discount from historic value over the last year. The second column and the chart shows the dollars-per-square-foot resale price in the market. The line on the chart visually shows the general direction of prices, and the third column shows the actual percentage change.

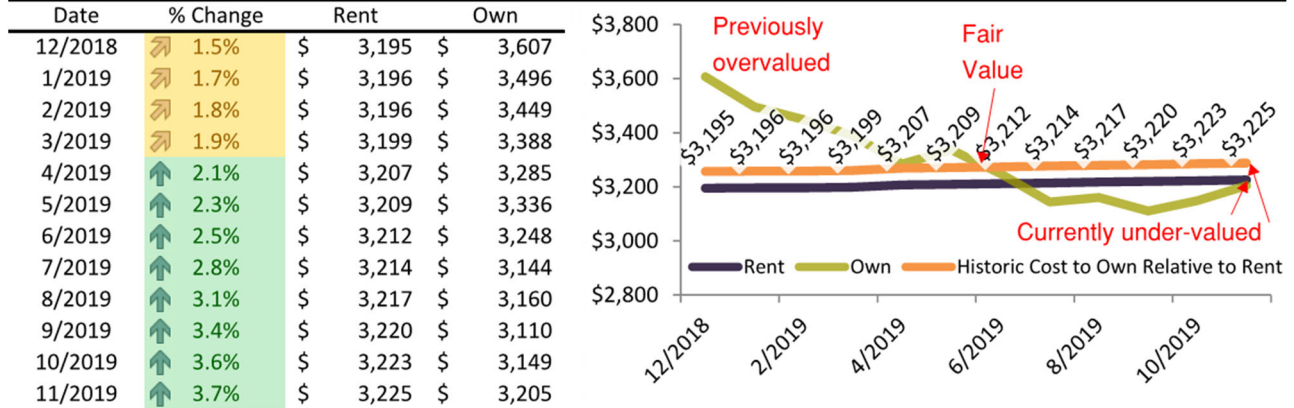
Resale \$/SF and year-over-year percentage change trailing twelve months



RENTAL RATE AND YEAR-OVER-YEAR PERCENTAGE CHANGE TRAILING TWELVE MONTHS

The final table and chart on the page is similar to the first grouping; it displays three lines, two of which are parallel and show current rent and the historic cost of ownership relative to rent, and the third line is the current cost of ownership. The relationships are similar, the charts will look similar, and the interpretations are the same.

Rental rate and year-over-year percentage change trailing twelve months

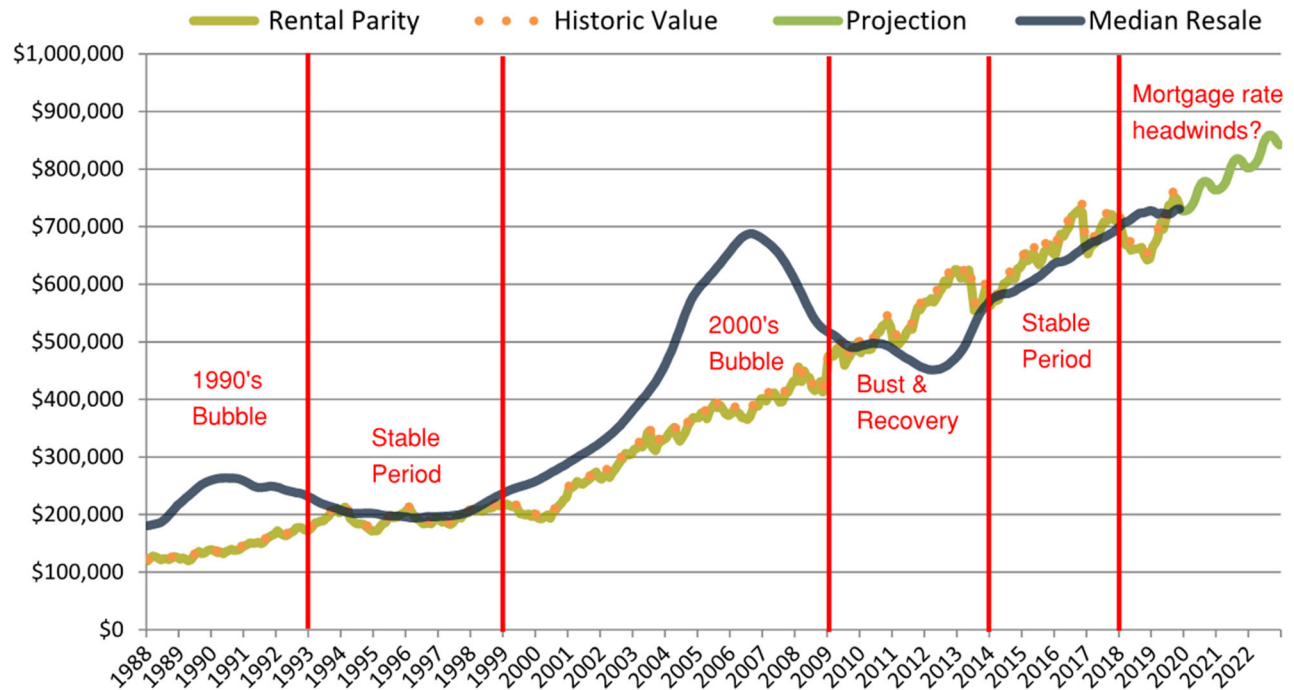


This method of looking at the data is more revealing to those who like to focus on monthly costs rather than purchase price. It reveals how affordable properties are relative to monthly rent, which is what rental parity analysis is all about. The first column of data shows the rate of rent growth over the last year, and the next two columns show the cost of renting and the cost of owning during the same period.

HISTORIC MARKET DATA CHARTS

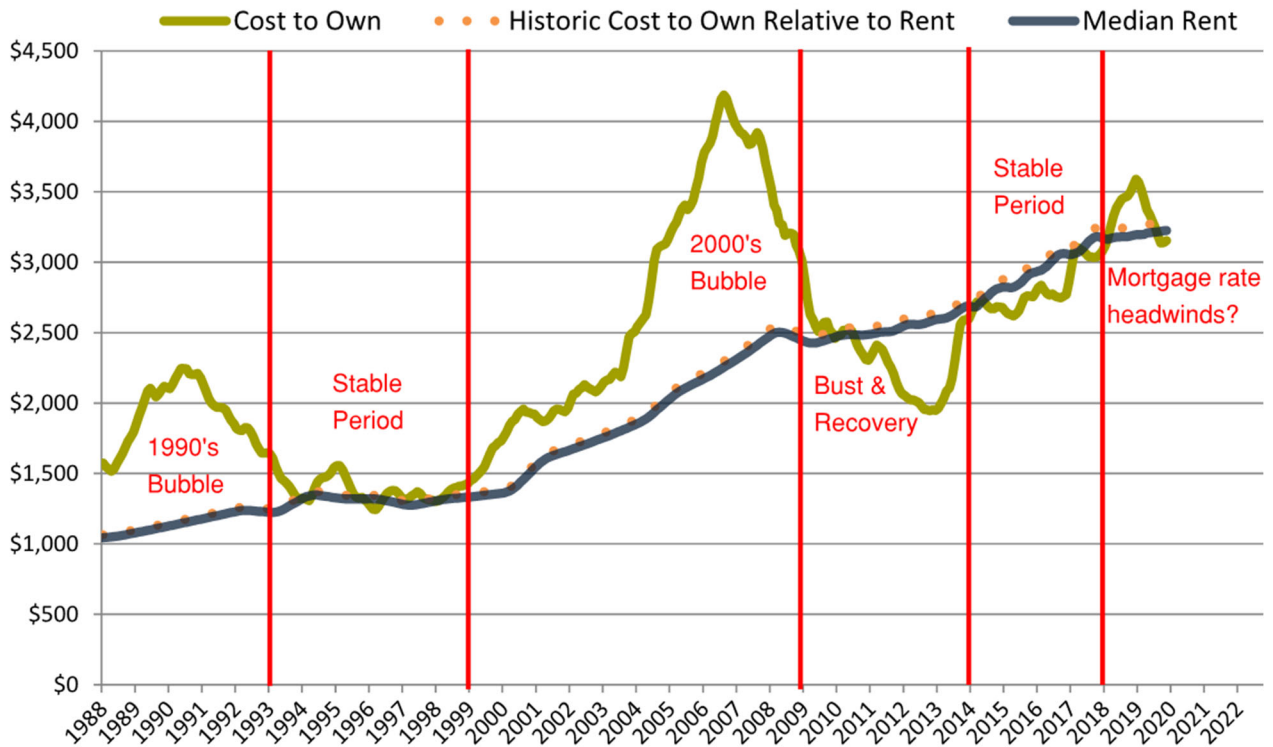
The next page of the report shows two charts: County median home price since January 1988, and County median rent and monthly cost of ownership since January 1988. These charts are designed to put current circumstances in historic context. They answer questions like, “How volatile are prices?” and “How does today’s pricing compare to the fluctuations of the past?” and “How much danger is there in buying today?”

Orange County median home price since January 1988



With the green line for rental parity and the orange line for historic value, it's easy to tell when the market is fairly valued, overvalued, or undervalued.

Orange County median rent and monthly cost of ownership since January 1988



The chart above shows rent and monthly cost of ownership. It looks similar to the rental parity and resale home price chart, as it merely converts that information to a monthly format. For those who have difficulty relating to the large numbers of purchase price, viewing the data in terms of monthly expenses is easier to put into context.

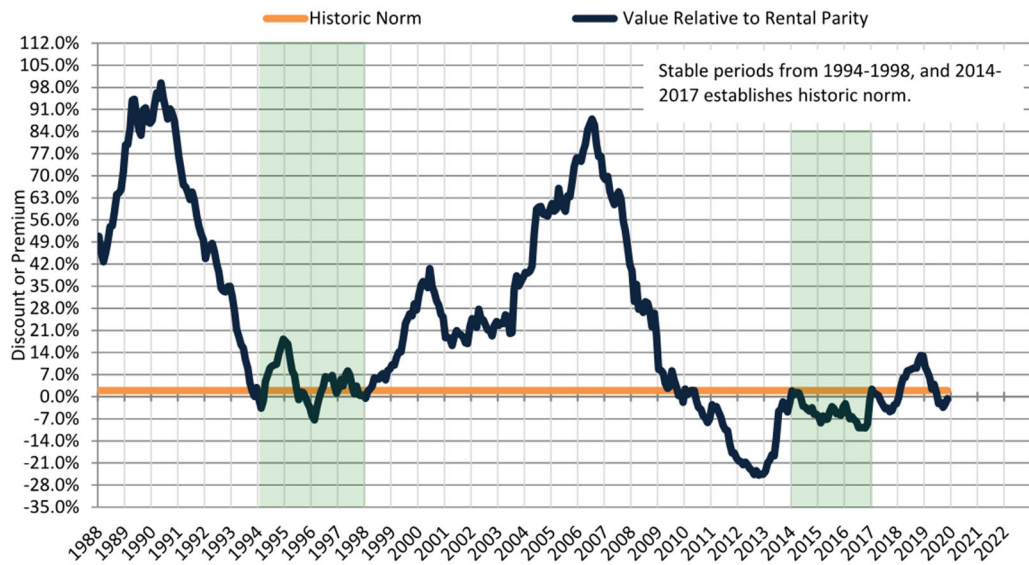
Historic Median Home Price Relative to Rental Parity: Orange County since January 1988

HISTORIC VALUATION

The next page in the report shows two charts: Historic Median Home Price Relative to Rental Parity: County since January 1988, and TAIT Market Timing System Rating: Orange County since January 1988.

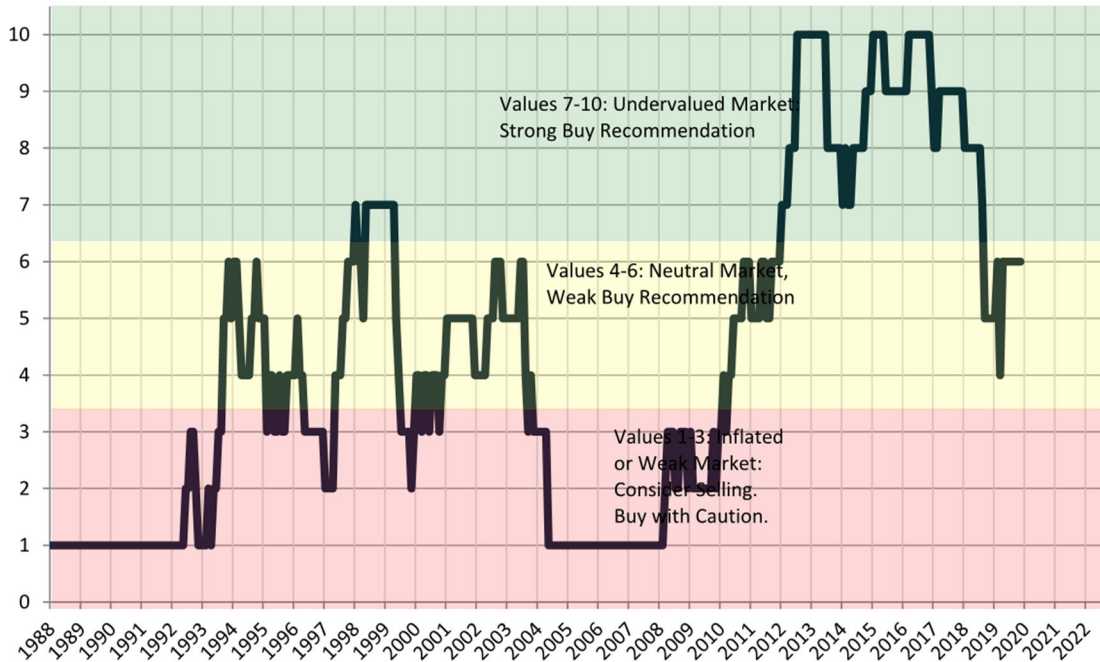
The chart above shows, at a glance, how close the market trades to its historic norm.

The benchmark period is shown in green, and the degree of market volatility can be inferred from the scale to the left. For example, Orange County traded for as much as 25% below rental parity and 100% above it during the 31-year period shown.



TAIT RATING SYSTEM CHART

The market timing rating system mechanically identifies both good and buy dimes to buy based on valuation, resale price change, and rental rate change.



The importance of rental parity

Rental parity is important because it represents the threshold of affordability. When prices are above rental parity, it costs more to own than to rent, so owning is often not a wise financial decision. Owning may still be right for people, and many are willing to pay the premium to own to obtain the emotional benefits of ownership; however, on a purely financial basis, paying more than rental parity is generally not wise because prices will inevitably return to this price level in time.

When prices are below rental parity, it costs less to own than to rent, so owning under these circumstances is generally a wise choice. Since a buyer who pays less than rental parity for a house is saving money, there is a clear financial benefit obtained irrespective of fluctuations in resale price.

When the cost of ownership is less than rental parity, an owner is far less likely to be forced to sell at a loss. The property can always be rented to cover costs rather than sell for a loss. Further, this ability to rent and at least break even provides the owner with flexibility to move if necessary. Mobility to take a new job or buy a different house is denied to those who overpaid and who are stuck paying more in the cost of ownership than they can obtain in rent.

With these advantages, buying at a price below rental parity using fixed-rate financing is critical. Every buyer should consider rental parity in their buying decision.

RENTAL PARITY AS BASIS OF VALUE

Valuation is the least understood, yet most important, aspect of a housing market. Economists look at various ratios including price-to-income, price-to-rent, and other aggregate measures to attempt to establish valuation metrics. Each of these has strengths and weaknesses, but each of them fails because they don't directly connect the actions of an individual buyer to the activity in the broader market. For this reason, I strongly favor rental parity as the best measure of valuation. Rental parity ties together income, rent, interest rates, and financing terms in a way that matches the activities of individual buyers to the overall price activity in the market.