

# Metro San Francisco

## CALIFORNIA

September 2023



Historically, properties in this market sell at a 13.7% premium. Today's premium is 76.0%. This market is 62.3% overvalued.

# HOUSING REPORT

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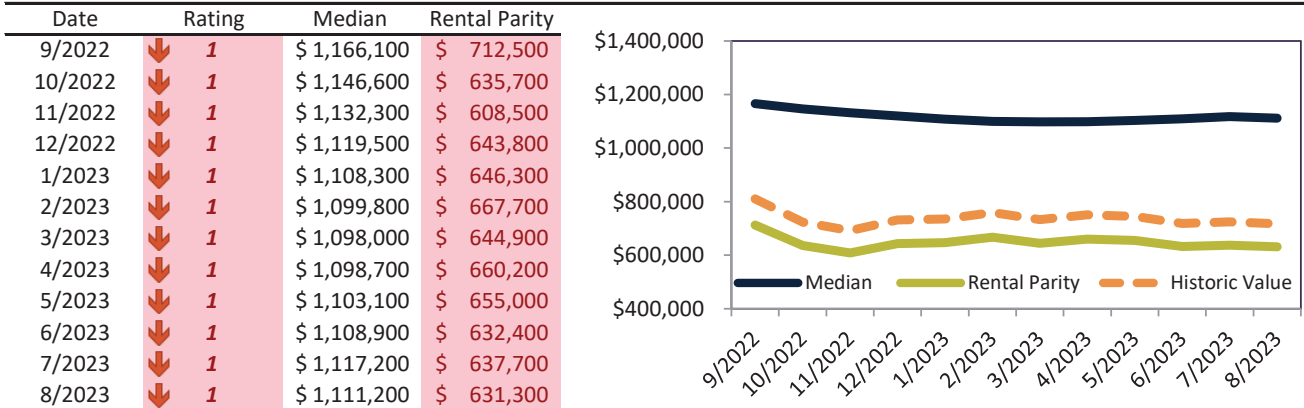


### San Francisco Metro, CA Housing Market Value & Trends Update

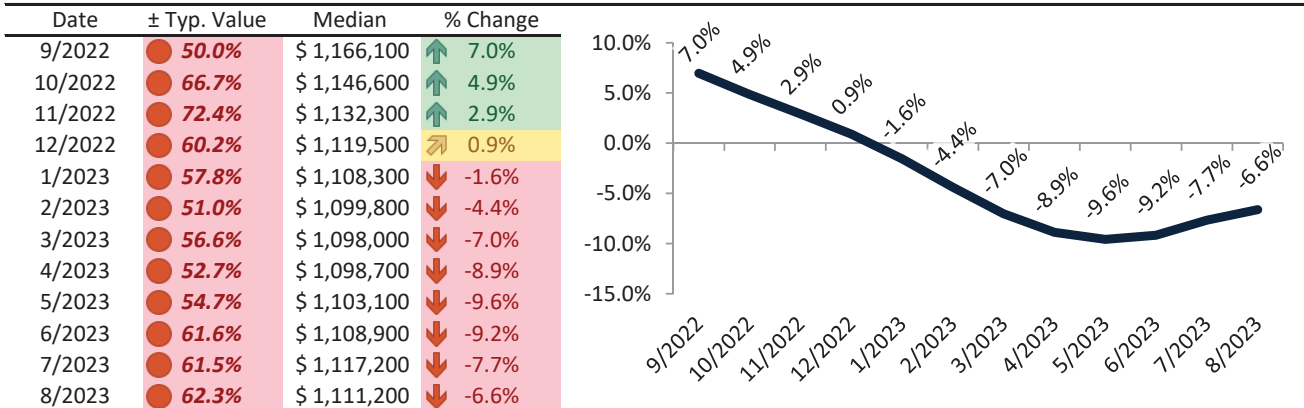
Historically, properties in this market sell at a 13.7% premium. Today's premium is 76.0%. This market is 62.3% overvalued.  
 Median home price is \$1,111,200. Prices fell 6.6% year-over-year.  
 Monthly cost of ownership is \$6,841, and rents average \$3,886, making owning \$2,954 per month more costly than renting.  
 Rents rose 1.6% year-over-year. The current capitalization rate (rent/price) is 3.4%.

Market rating = 1

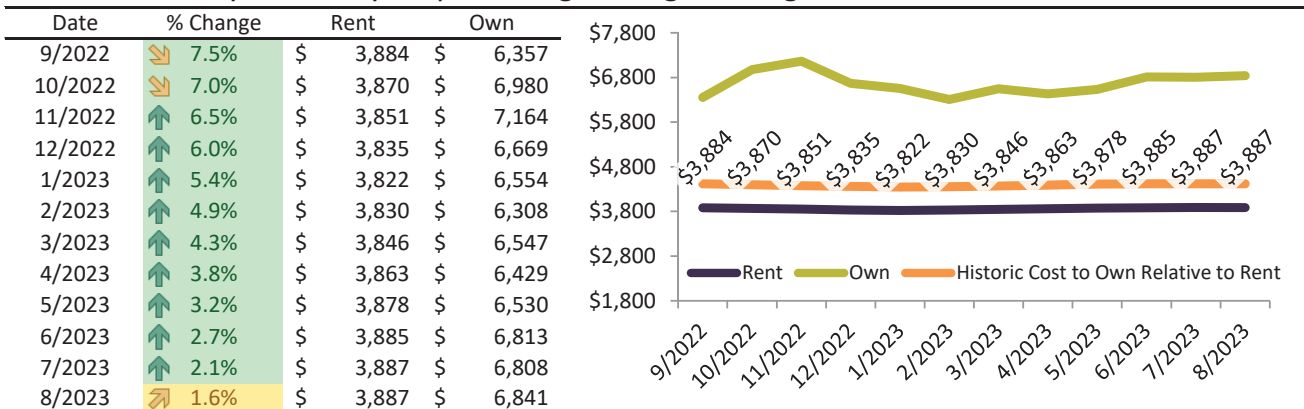
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months

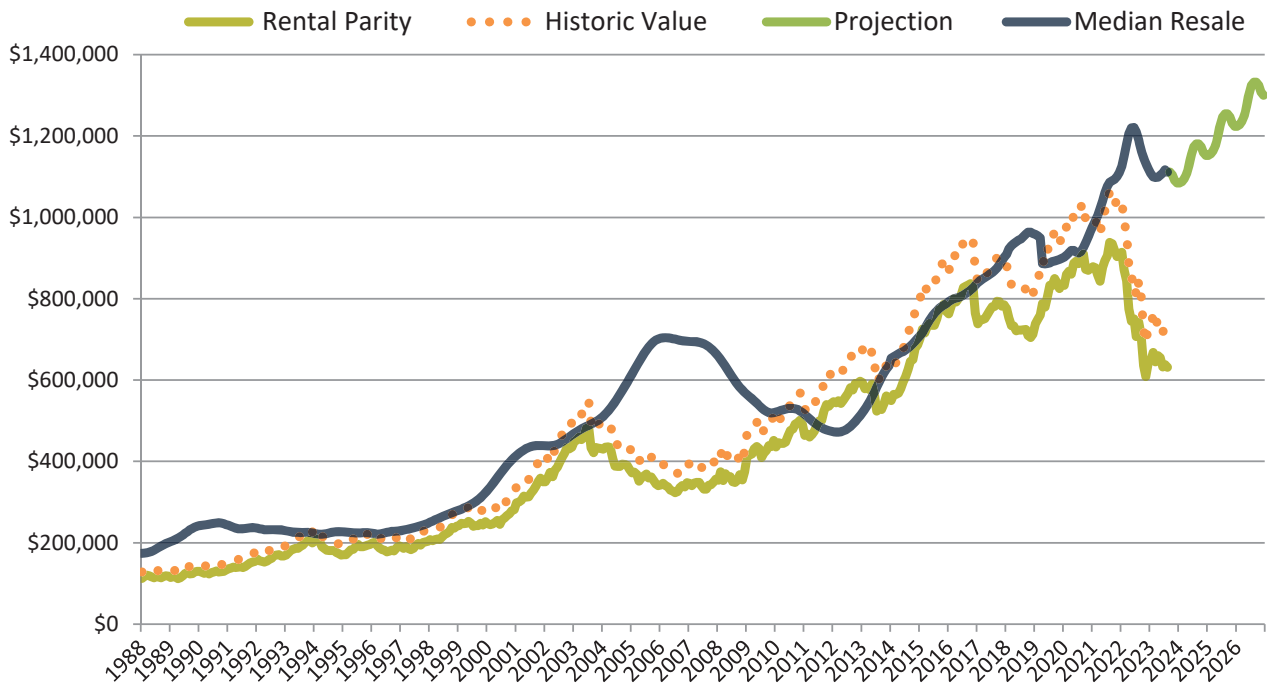


#### Rental rate and year-over-year percentage change trailing twelve months

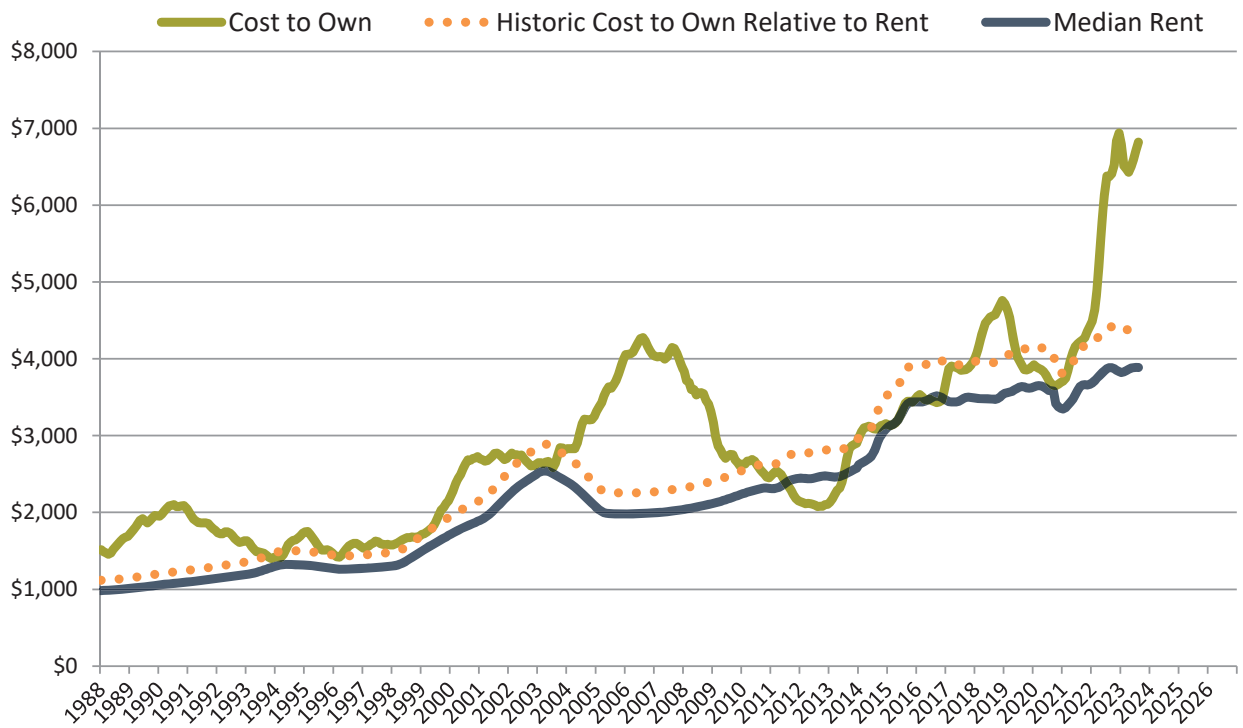




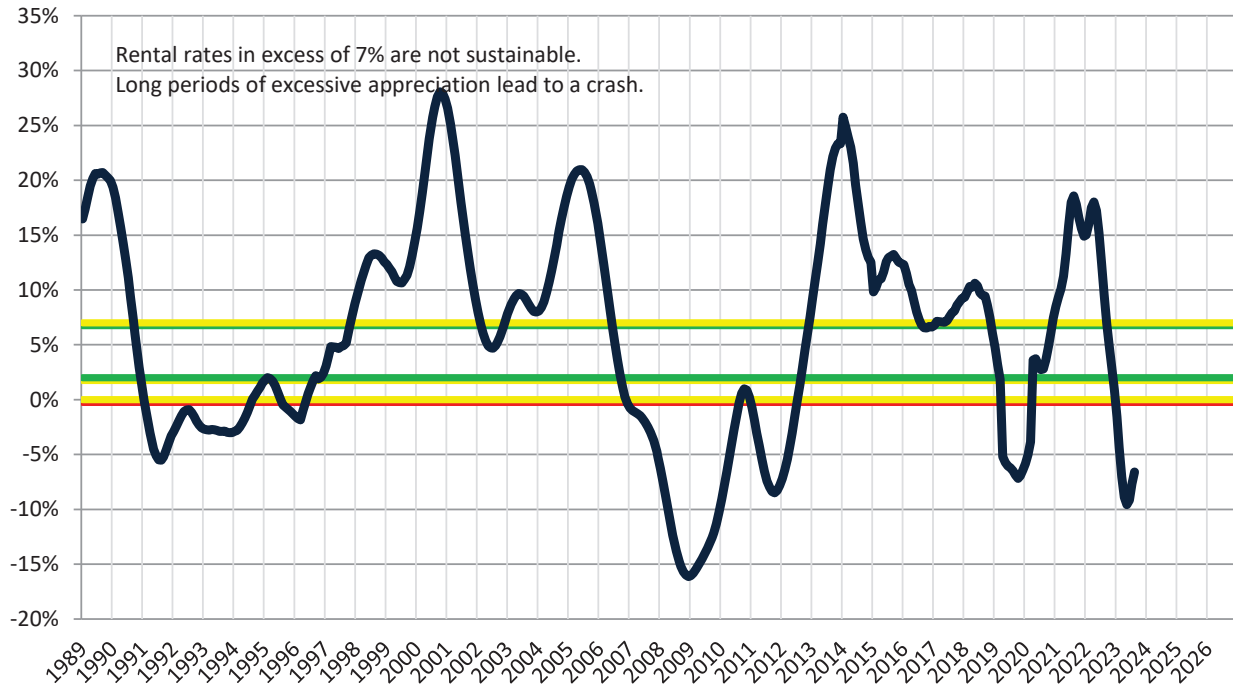
San Francisco Metro, CA median home price since January 1988



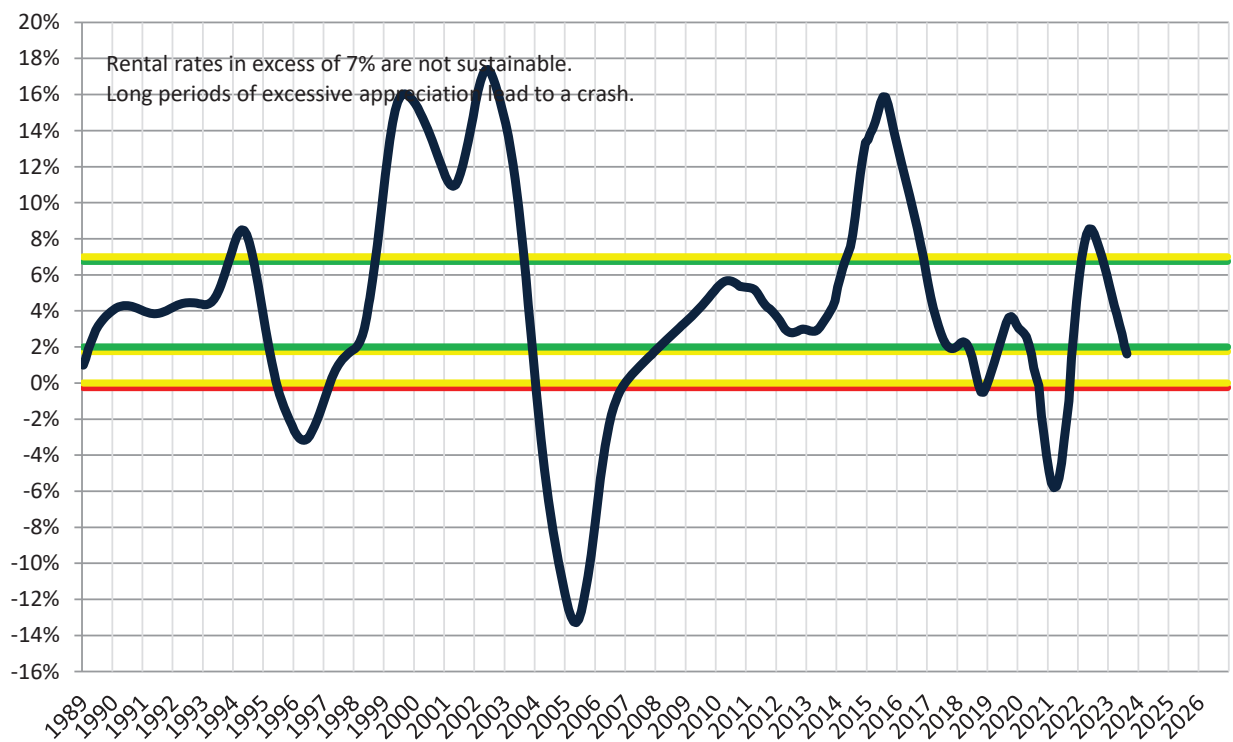
San Francisco Metro, CA median rent and monthly cost of ownership since January 1988



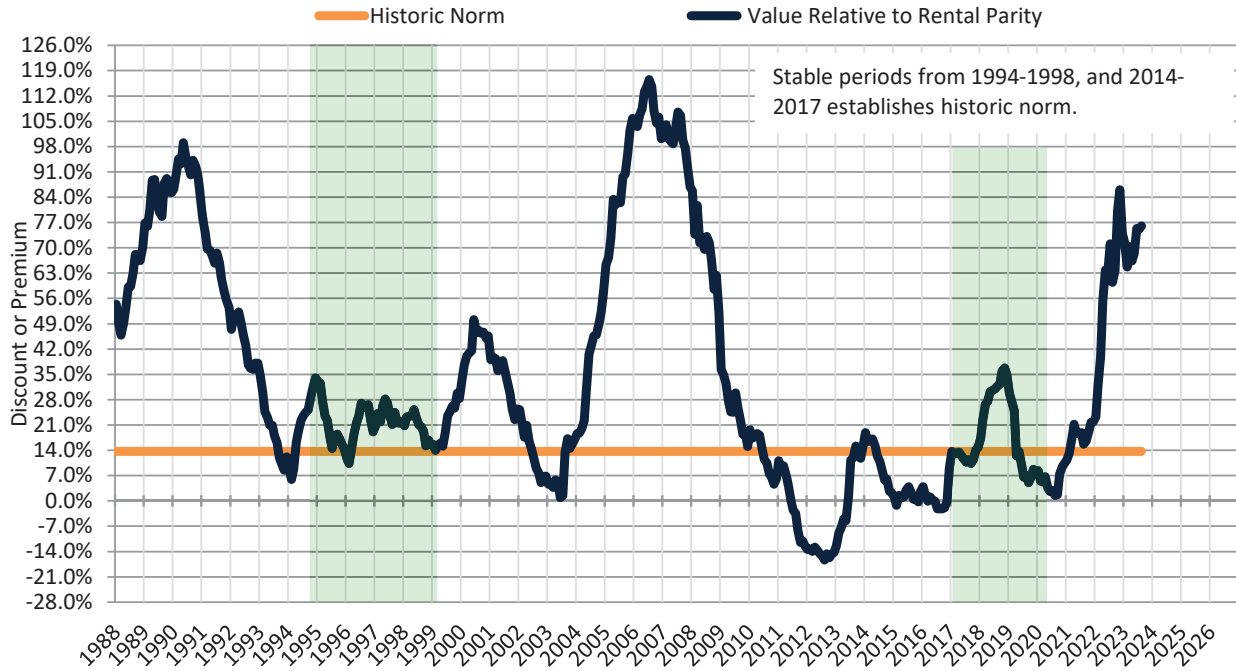
### Resale \$/SF Year-over-Year Percentage Change: San Francisco Metro, CA since January 1989



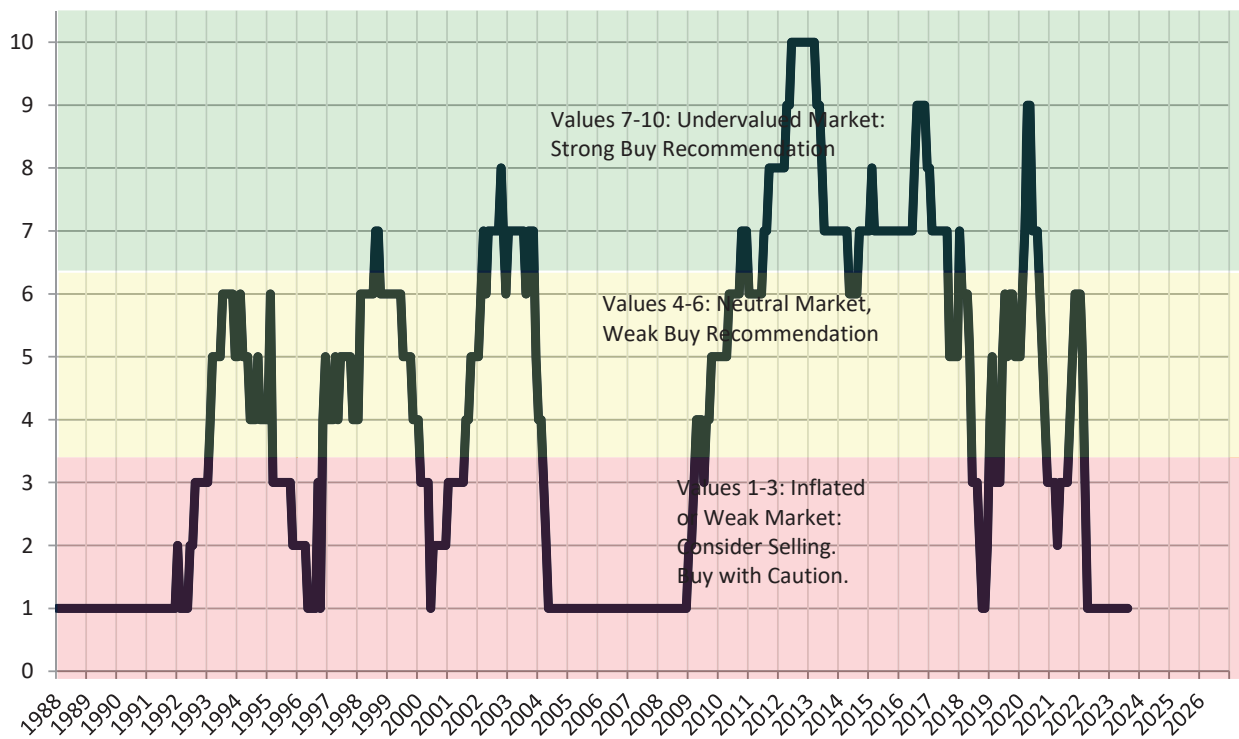
### Rental \$/SF Year-over-Year Percentage Change: San Francisco Metro, CA since January 1989



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

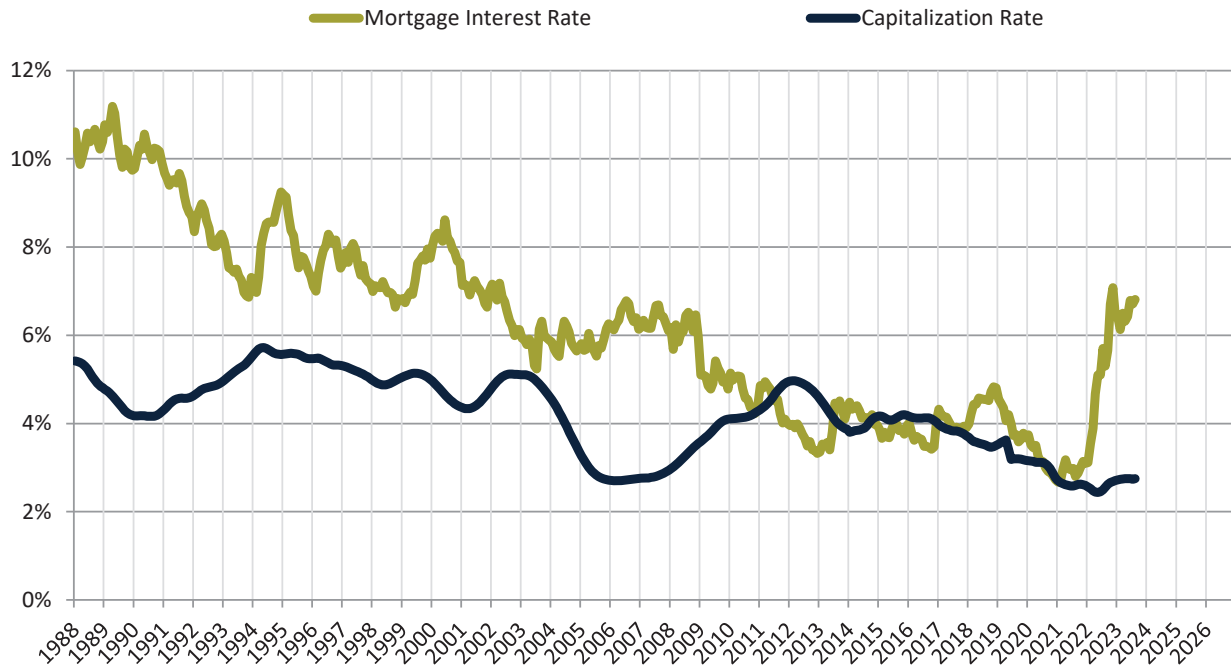


TAIT Housing Report® Market Timing System Rating: San Francisco Metro, CA since January 1988

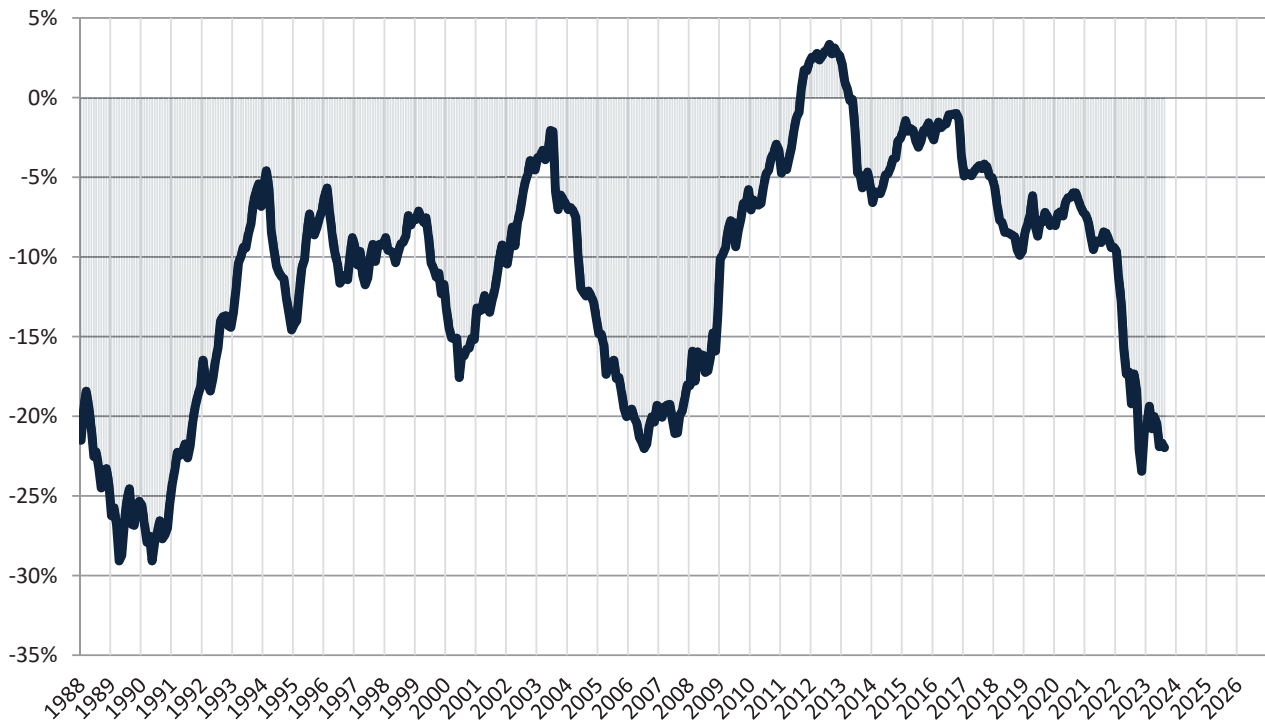




Cash Investor Capitalization Rate: San Francisco Metro, CA since January 1988



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



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

Study Area	Median Resale \$	Resale % Change YoY	Median Resale \$	Rent % Change YoY	Median Rent \$	Cost of Ownership	Ownership Prem./Disc.	Cap Rate
San Francisco Metro, CA	\$ 1,111,200	↓ -6.6%	\$ 1,111,200	↔ 1.6%	\$ 3,887	\$ 6,841	\$ 2,954	3.4%
Alameda County	\$ 1,059,600	↓ -7.2%	\$ 1,059,600	↔ 1.0%	\$ 3,560	\$ 6,523	\$ 2,963	3.2%
Contra Costa County	\$ 797,200	↓ -6.2%	\$ 797,200	↔ 1.7%	\$ 3,404	\$ 4,908	\$ 1,504	4.1%
Marin County	\$ 1,460,300	↓ -5.3%	\$ 1,460,300	↔ 1.2%	\$ 5,376	\$ 8,990	\$ 3,614	3.5%
San Francisco County	\$ 1,257,400	↓ -10.4%	\$ 1,257,400	↔ 1.0%	\$ 4,215	\$ 7,741	\$ 3,526	3.2%
San Mateo County	\$ 1,479,000	↓ -7.3%	\$ 1,479,000	↔ 1.5%	\$ 4,493	\$ 9,105	\$ 4,612	2.9%
Alameda	\$ 1,179,800	↓ -8.7%	\$ 1,179,800	↑ 2.9%	\$ 3,960	\$ 7,263	\$ 3,304	3.2%
Albany	\$ 1,177,800	↓ -7.3%	\$ 1,177,800	↑ 3.3%	\$ 3,905	\$ 7,251	\$ 3,346	3.2%
Antioch	\$ 606,500	↓ -6.5%	\$ 606,500	↔ 1.7%	\$ 3,006	\$ 3,734	\$ 728	4.8%
Belmont	\$ 2,033,300	↓ -6.7%	\$ 2,033,300	↔ 1.5%	\$ 5,084	\$ 12,518	\$ 7,434	2.4%
Berkeley	\$ 1,389,500	↓ -8.2%	\$ 1,389,500	↔ 1.8%	\$ 4,199	\$ 8,554	\$ 4,355	2.9%
Brentwood	\$ 795,600	↓ -6.5%	\$ 795,600	↔ 1.8%	\$ 3,341	\$ 4,898	\$ 1,557	4.0%
Burlingame	\$ 2,482,000	↓ -5.3%	\$ 2,482,000	↔ 1.7%	\$ 5,721	\$ 15,280	\$ 9,559	2.2%
Castro Valley	\$ 1,110,200	↓ -7.1%	\$ 1,110,200	↑ 3.1%	\$ 3,771	\$ 6,835	\$ 3,064	3.3%
Concord	\$ 746,500	↓ -6.4%	\$ 746,500	↑ 2.2%	\$ 3,297	\$ 4,596	\$ 1,298	4.2%
Daly City	\$ 1,120,100	↓ -4.1%	\$ 1,120,100	↑ 3.2%	\$ 3,936	\$ 6,896	\$ 2,960	3.4%
Danville	\$ 1,840,200	↓ -7.3%	\$ 1,840,200	↔ 0.5%	\$ 5,199	\$ 11,329	\$ 6,130	2.7%
Dublin	\$ 1,252,900	↓ -11.1%	\$ 1,252,900	↔ 0.7%	\$ 3,922	\$ 7,714	\$ 3,792	3.0%
East Palo Alto	\$ 923,300	↓ -11.1%	\$ 923,300	↑ 5.8%	\$ 4,777	\$ 5,684	\$ 908	5.0%
El Cerrito	\$ 1,151,500	↓ -3.8%	\$ 1,151,500	↑ 2.9%	\$ 4,115	\$ 7,089	\$ 2,974	3.4%
El Sobrante	\$ 696,600	↓ -5.8%	\$ 696,600	↔ 9.8%	\$ 3,492	\$ 4,289	\$ 797	4.8%
Foster City	\$ 1,766,400	↓ -4.4%	\$ 1,766,400	↑ 2.7%	\$ 5,193	\$ 10,875	\$ 5,682	2.8%
Fremont	\$ 1,361,100	↓ -9.0%	\$ 1,361,100	↔ 1.4%	\$ 3,794	\$ 8,380	\$ 4,586	2.7%
Hayward	\$ 834,200	↓ -7.3%	\$ 834,200	↔ 2.0%	\$ 3,315	\$ 5,136	\$ 1,821	3.8%
Lafayette	\$ 1,941,100	↓ -5.6%	\$ 1,941,100	↑ 3.7%	\$ 5,792	\$ 11,950	\$ 6,159	2.9%
Livermore	\$ 1,059,800	↓ -7.9%	\$ 1,059,800	↑ 2.2%	\$ 3,721	\$ 6,525	\$ 2,804	3.4%

**Market Performance and Trends: San Francisco 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
Martinez	\$ 770,200	↓ -6.8%	\$ 770,200	↔ 0.7%	\$ 3,428	\$ 4,742	\$ 1,313	4.3%
Menlo Park	\$ 2,503,300	↓ -4.6%	\$ 2,503,300	↔ 1.5%	\$ 6,150	\$ 15,412	\$ 9,262	2.4%
Mill Valley	\$ 2,010,500	↓ -5.0%	\$ 2,010,500	↑ 2.7%	\$ 6,552	\$ 12,378	\$ 5,826	3.1%
Millbrae	\$ 1,893,800	↓ -5.5%	\$ 1,893,800	↑ 3.1%	\$ 3,921	\$ 11,659	\$ 7,738	2.0%
Newark	\$ 1,143,000	↓ -6.9%	\$ 1,143,000	↑ 3.3%	\$ 3,546	\$ 7,037	\$ 3,491	3.0%
Novato	\$ 1,081,600	↓ -3.0%	\$ 1,081,600	↔ 0.2%	\$ 4,599	\$ 6,659	\$ 2,060	4.1%
Oakland	\$ 795,700	↓ -9.5%	\$ 795,700	↓ -0.1%	\$ 3,295	\$ 4,899	\$ 1,604	4.0%
Oakley	\$ 660,100	↓ -5.6%	\$ 660,100	↑ 4.8%	\$ 3,376	\$ 4,064	\$ 688	4.9%
Pacifica	\$ 1,238,100	↓ -7.7%	\$ 1,238,100	↑ 2.9%	\$ 4,174	\$ 7,622	\$ 3,449	3.2%
Pittsburg	\$ 571,000	↓ -6.7%	\$ 571,000	↑ 3.5%	\$ 2,932	\$ 3,515	\$ 584	4.9%
Pleasant Hill	\$ 983,600	↓ -6.5%	\$ 983,600	↔ 0.2%	\$ 3,772	\$ 6,056	\$ 2,283	3.7%
Pleasanton	\$ 1,527,300	↓ -7.9%	\$ 1,527,300	↔ 0.6%	\$ 4,124	\$ 9,403	\$ 5,279	2.6%
Redwood City	\$ 1,652,200	↓ -5.6%	\$ 1,652,200	↔ 0.3%	\$ 4,730	\$ 10,172	\$ 5,442	2.7%
Richmond	\$ 622,300	↓ -6.5%	\$ 622,300	↑ 3.8%	\$ 3,078	\$ 3,831	\$ 753	4.7%
San Bruno	\$ 1,235,200	↓ -3.5%	\$ 1,235,200	↑ 2.8%	\$ 4,085	\$ 7,605	\$ 3,520	3.2%
San Carlos	\$ 2,150,300	↓ -6.2%	\$ 2,150,300	↑ 3.6%	\$ 5,535	\$ 13,238	\$ 7,703	2.5%
San Francisco	\$ 1,258,400	↓ -10.4%	\$ 1,258,400	↔ 1.0%	\$ 4,215	\$ 7,747	\$ 3,532	3.2%
San Leandro	\$ 823,700	↓ -7.5%	\$ 823,700	↔ 1.9%	\$ 3,339	\$ 5,071	\$ 1,732	3.9%
San Lorenzo	\$ 818,400	↓ -6.1%	\$ 818,400	↑ 3.7%	\$ 3,367	\$ 5,038	\$ 1,671	4.0%
San Mateo	\$ 1,468,300	↓ -8.6%	\$ 1,468,300	↔ 0.5%	\$ 4,490	\$ 9,040	\$ 4,550	2.9%
San Rafael	\$ 1,343,200	↓ -5.2%	\$ 1,343,200	↔ 0.9%	\$ 5,032	\$ 8,269	\$ 3,238	3.6%
San Ramon	\$ 1,515,900	↓ -7.3%	\$ 1,515,900	↔ 1.1%	\$ 4,444	\$ 9,333	\$ 4,889	2.8%
South San Francisco	\$ 1,183,400	↓ -7.9%	\$ 1,183,400	↑ 2.1%	\$ 4,157	\$ 7,286	\$ 3,128	3.4%
Union City	\$ 1,155,100	↓ -5.5%	\$ 1,155,100	↔ 1.9%	\$ 2,877	\$ 7,111	\$ 4,235	2.4%
Walnut Creek	\$ 1,073,900	↓ -2.6%	\$ 1,073,900	↓ 0.0%	\$ 2,739	\$ 6,611	\$ 3,873	2.4%



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

Study Area	Rating	Median	Rental Parity	% Over/Under Rental Parity	Historic Premium	% Over/Under Historic Prem.
San Francisco Metro, CA	↓ 1	\$ 1,111,200	\$ 631,300	● 76.0%	13.7%	● 62.3%
Alameda County	↓ 1	\$ 1,059,600	\$ 578,300	● 82.4%	11.7%	● 70.7%
Contra Costa County	↓ 1	\$ 797,200	\$ 552,900	● 44.2%	2.3%	● 41.9%
Marin County	↓ 1	\$ 1,460,300	\$ 873,200	● 67.3%	14.2%	● 53.1%
San Francisco County	↓ 1	\$ 1,257,400	\$ 684,600	● 83.6%	21.4%	● 62.2%
San Mateo County	↓ 1	\$ 1,479,000	\$ 729,800	● 102.6%	22.2%	● 80.4%
Alameda	↓ 1	\$ 1,179,800	\$ 643,200	● 83.4%	16.0%	● 67.4%
Albany	↓ 1	\$ 1,177,800	\$ 634,300	● 85.7%	16.6%	● 69.1%
Antioch	↓ 1	\$ 606,500	\$ 488,300	● 24.2%	-5.4%	● 29.6%
Belmont	↓ 1	\$ 2,033,300	\$ 825,800	● 146.2%	44.4%	● 101.8%
Berkeley	↓ 1	\$ 1,389,500	\$ 682,000	● 103.7%	23.7%	● 80.0%
Brentwood	↓ 1	\$ 795,600	\$ 542,600	● 46.6%	16.4%	● 30.2%
Burlingame	↓ 1	\$ 2,482,000	\$ 929,200	● 167.1%	53.4%	● 113.7%
Castro Valley	↓ 1	\$ 1,110,200	\$ 612,400	● 81.3%	17.5%	● 63.8%
Concord	↓ 1	\$ 746,500	\$ 535,600	● 39.4%	-2.9%	● 42.3%
Daly City	↓ 1	\$ 1,120,100	\$ 639,300	● 75.2%	13.1%	● 62.1%
Danville	↓ 1	\$ 1,840,200	\$ 844,400	● 118.0%	21.0%	● 97.0%
Dublin	↓ 1	\$ 1,252,900	\$ 636,900	● 96.7%	18.4%	● 78.3%
East Palo Alto	↓ 2	\$ 923,300	\$ 775,800	● 19.1%	-8.1%	● 27.2%
El Cerrito	↓ 1	\$ 1,151,500	\$ 668,400	● 72.2%	19.8%	● 52.4%
El Sobrante	↓ 1	\$ 696,600	\$ 567,100	● 22.8%	-3.1%	● 25.9%
Foster City	↓ 1	\$ 1,766,400	\$ 843,400	● 109.5%	31.5%	● 78.0%
Fremont	↓ 1	\$ 1,361,100	\$ 616,200	● 120.9%	25.7%	● 95.2%
Hayward	↓ 1	\$ 834,200	\$ 538,400	● 54.9%	1.7%	● 53.2%
Lafayette	↓ 1	\$ 1,941,100	\$ 940,700	● 106.3%	17.2%	● 89.1%
Livermore	↓ 1	\$ 1,059,800	\$ 604,300	● 75.3%	14.1%	● 61.2%

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

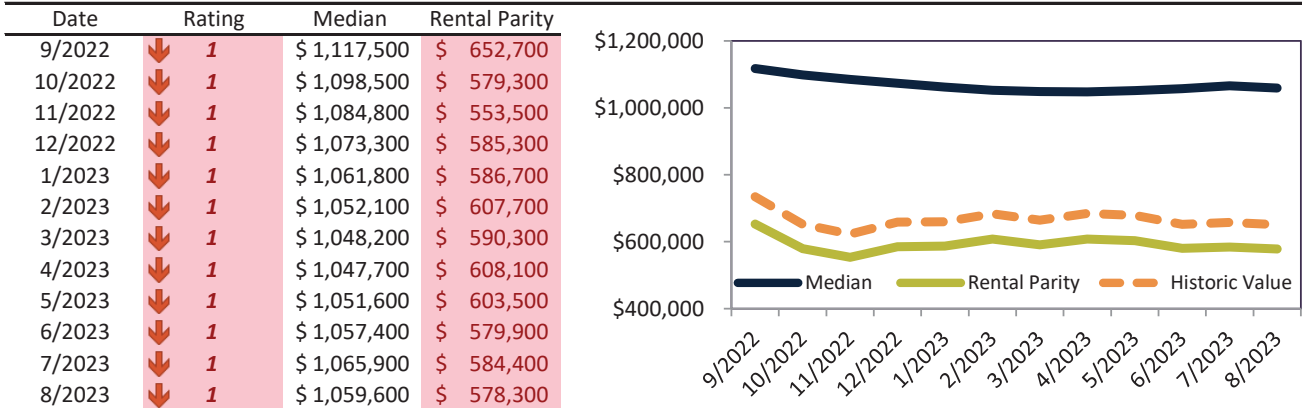
Study Area	Rating	Median	Rental Parity	% Over/Under Rental Parity	Historic Premium	% Over/Under Historic Prem.
Martinez	↓ 1	\$ 770,200	\$ 556,800	● 38.3%	-1.4%	● 39.7%
Menlo Park	↓ 1	\$ 2,503,300	\$ 998,900	● 150.6%	50.4%	● 100.2%
Mill Valley	↓ 1	\$ 2,010,500	\$ 1,064,100	● 89.0%	18.1%	● 70.9%
Millbrae	↓ 1	\$ 1,893,800	\$ 636,900	● 197.4%	2.3%	● 154.9%
Newark	↓ 1	\$ 1,143,000	\$ 575,900	● 98.4%	13.7%	● 84.7%
Novato	↓ 1	\$ 1,081,600	\$ 746,900	● 44.8%	7.0%	● 37.8%
Oakland	↓ 1	\$ 795,700	\$ 535,100	● 48.7%	-5.3%	● 54.0%
Oakley	↓ 2	\$ 660,100	\$ 548,300	● 20.4%	-5.5%	● 25.9%
Pacifica	↓ 1	\$ 1,238,100	\$ 677,900	● 82.6%	14.5%	● 68.1%
Pittsburg	↓ 1	\$ 571,000	\$ 476,100	● 19.9%	-13.3%	● 33.2%
Pleasant Hill	↓ 1	\$ 983,600	\$ 612,700	● 60.5%	3.7%	● 56.8%
Pleasanton	↓ 1	\$ 1,527,300	\$ 669,800	● 128.0%	30.5%	● 97.5%
Redwood City	↓ 1	\$ 1,652,200	\$ 768,200	● 115.1%	32.1%	● 83.0%
Richmond	↓ 2	\$ 622,300	\$ 499,900	● 24.5%	-0.5%	● 25.0%
San Bruno	↓ 1	\$ 1,235,200	\$ 663,400	● 86.2%	17.2%	● 69.0%
San Carlos	↓ 1	\$ 2,150,300	\$ 899,000	● 139.2%	42.7%	● 96.5%
San Francisco	↓ 1	\$ 1,258,400	\$ 684,600	● 83.8%	21.4%	● 62.4%
San Leandro	↓ 1	\$ 823,700	\$ 542,300	● 51.9%	0.7%	● 51.2%
San Lorenzo	↓ 1	\$ 818,400	\$ 546,900	● 49.6%	2.9%	● 46.7%
San Mateo	↓ 1	\$ 1,468,300	\$ 729,300	● 101.3%	23.5%	● 77.8%
San Rafael	↓ 1	\$ 1,343,200	\$ 817,200	● 64.3%	14.6%	● 49.7%
San Ramon	↓ 1	\$ 1,515,900	\$ 721,800	● 110.0%	15.3%	● 94.7%
South San Francisco	↓ 1	\$ 1,183,400	\$ 675,200	● 75.2%	13.3%	● 61.9%
Union City	↓ 1	\$ 1,155,100	\$ 467,200	● 147.2%	14.5%	● 132.7%
Walnut Creek	↓ 1	\$ 1,073,900	\$ 444,800	● 141.5%	3.4%	● 138.1%

## Alameda County Housing Market Value & Trends Update

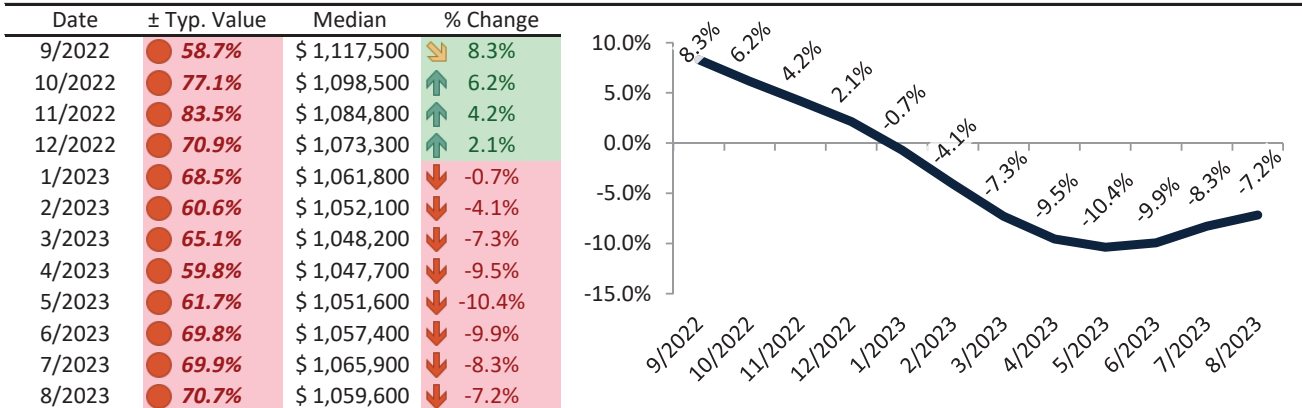
Historically, properties in this market sell at a 11.7% premium. Today's premium is 82.4%. This market is 70.7% overvalued. Median home price is \$1,059,600. Prices fell 7.2% year-over-year. Monthly cost of ownership is \$6,523, and rents average \$3,560, making owning \$2,963 per month more costly than renting. Rents rose 1.0% year-over-year. The current capitalization rate (rent/price) is 3.2%.

Market rating = 1

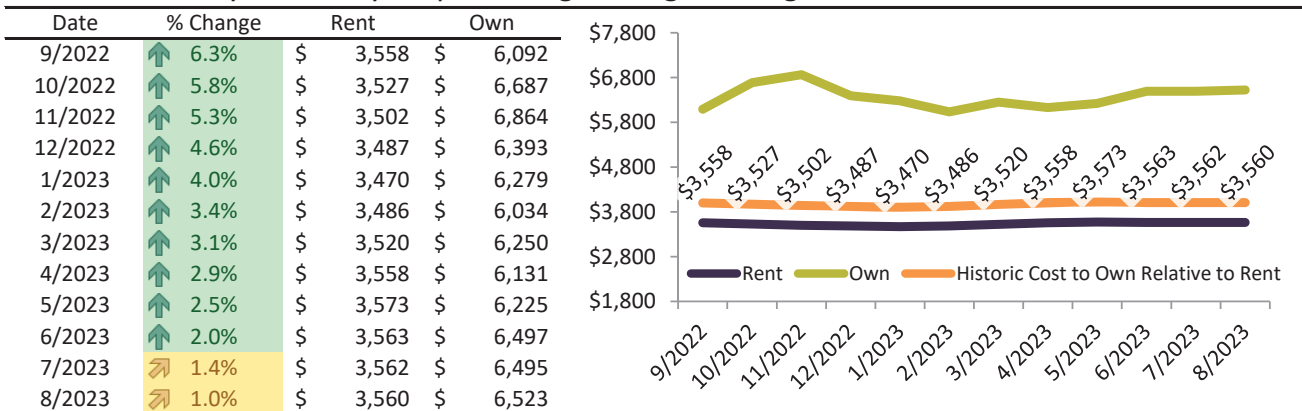
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



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



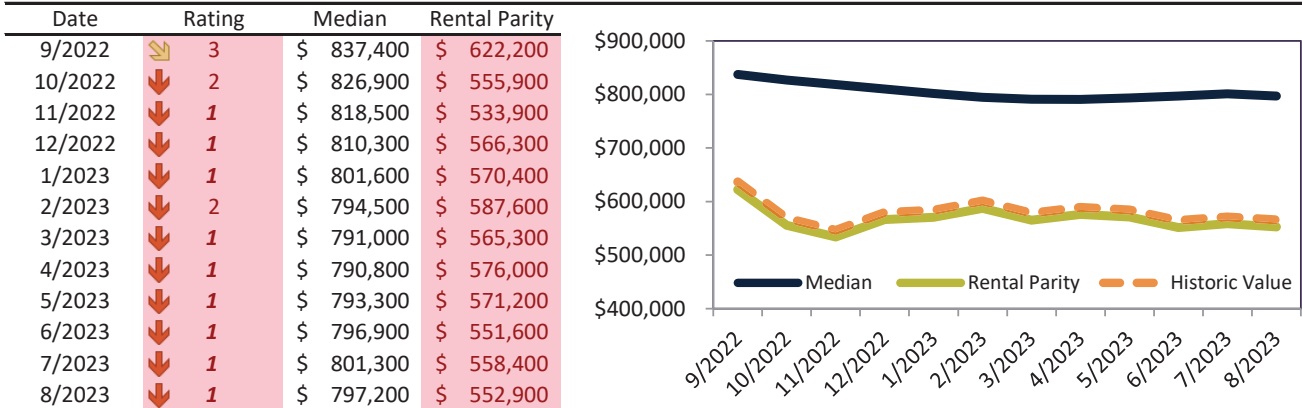


## Contra Costa County Housing Market Value & Trends Update

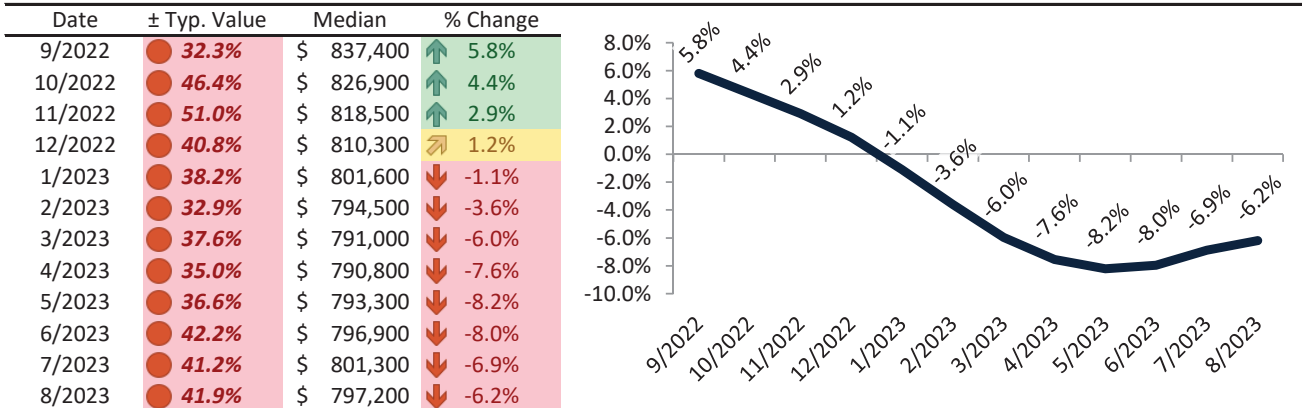
Historically, properties in this market sell at a 2.3% premium. Today's premium is 44.2%. This market is 41.9% overvalued. Median home price is \$797,200. Prices fell 6.2% year-over-year. Monthly cost of ownership is \$4,907, and rents average \$3,403, making owning \$1,504 per month more costly than renting. Rents rose 1.7% year-over-year. The current capitalization rate (rent/price) is 4.1%.

Market rating = 1

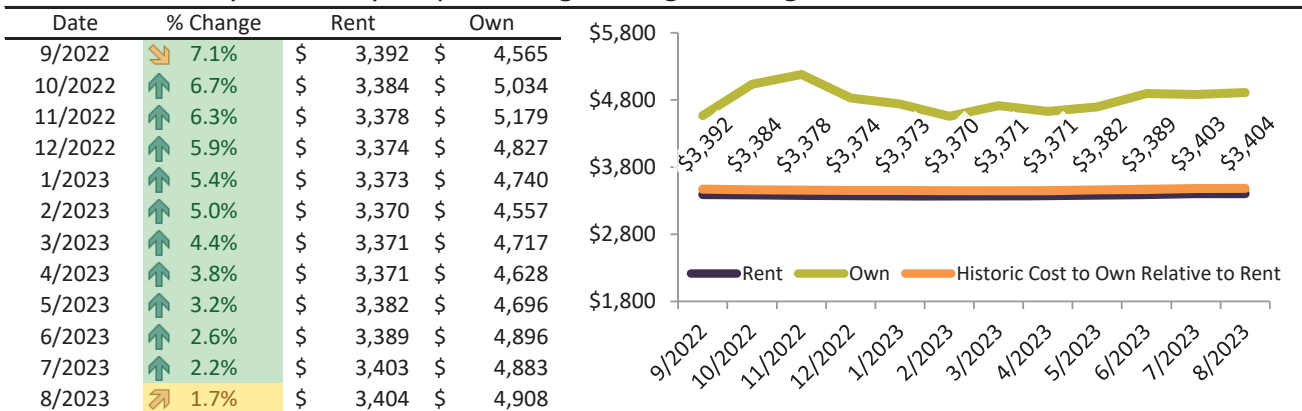
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



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

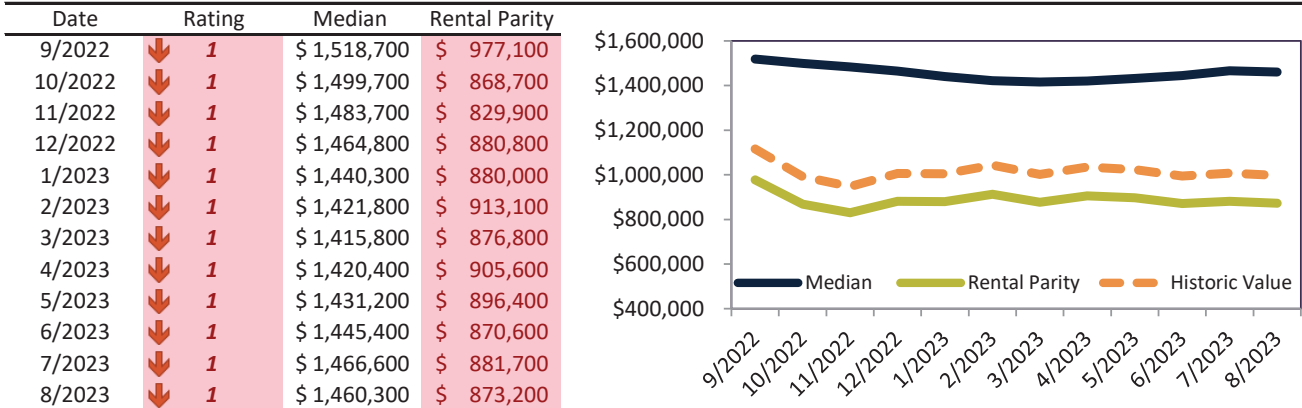


## Marin County Housing Market Value & Trends Update

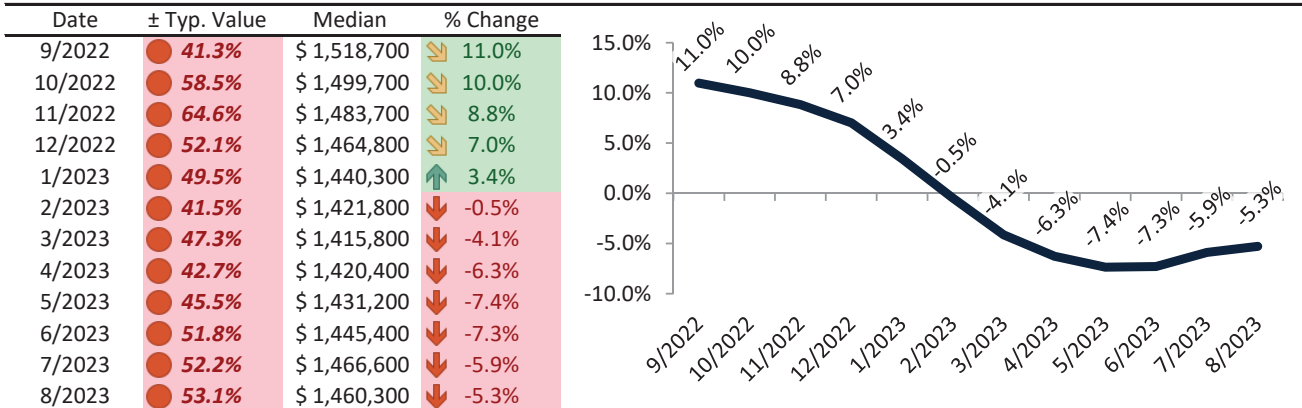
Historically, properties in this market sell at a 14.2% premium. Today's premium is 67.3%. This market is 53.1% overvalued. Median home price is \$1,460,300. Prices fell 5.3% year-over-year. Monthly cost of ownership is \$8,990, and rents average \$5,376, making owning \$3,614 per month more costly than renting. Rents rose 1.2% year-over-year. The current capitalization rate (rent/price) is 3.5%.

Market rating = 1

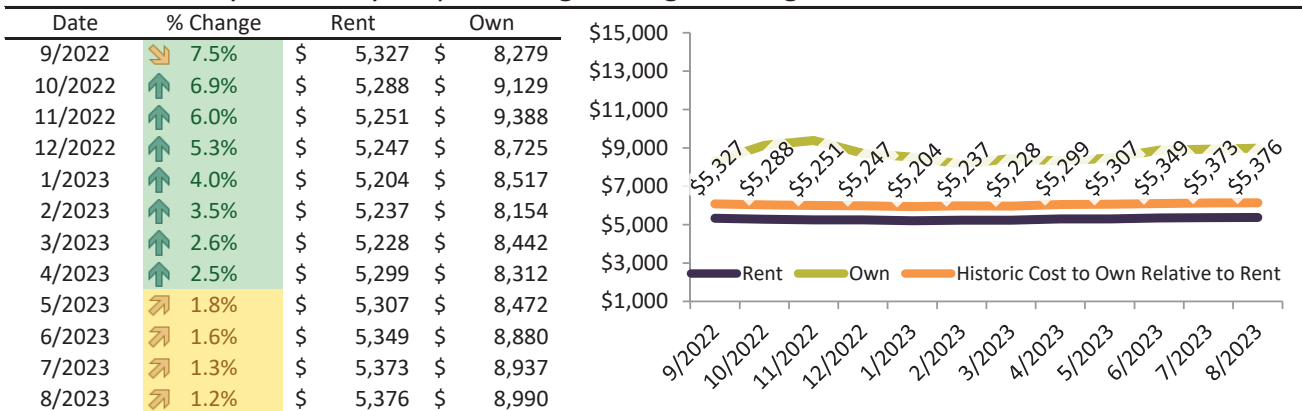
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



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

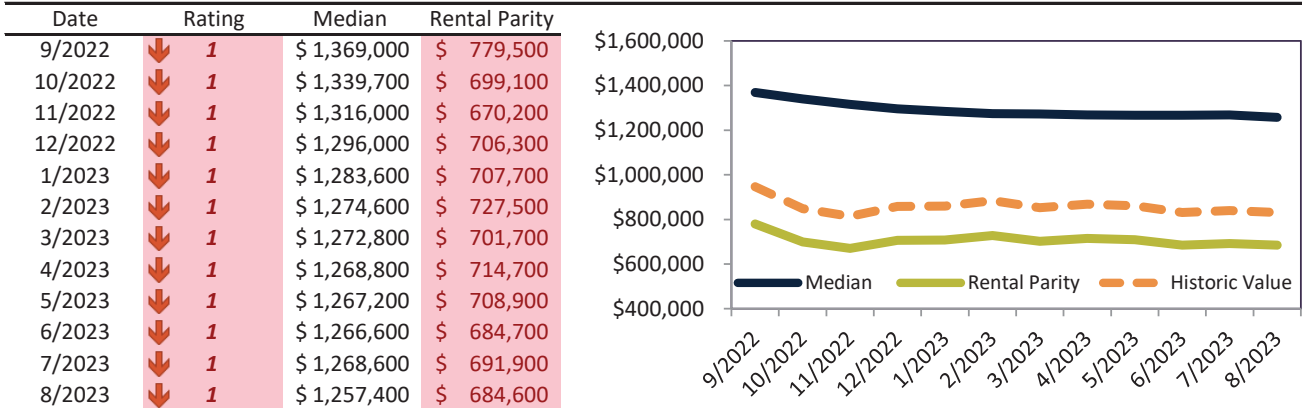


## San Francisco County Housing Market Value & Trends Update

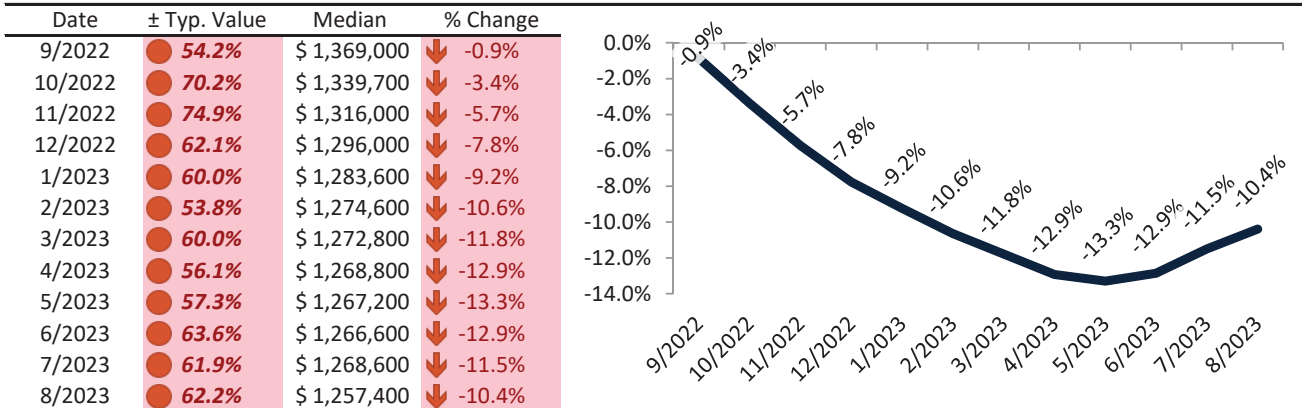
Historically, properties in this market sell at a 21.4% premium. Today's premium is 83.6%. This market is 62.2% overvalued. Median home price is \$1,257,400. Prices fell 10.4% year-over-year. Monthly cost of ownership is \$7,741, and rents average \$4,215, making owning \$3,525 per month more costly than renting. Rents rose 1.0% year-over-year. The current capitalization rate (rent/price) is 3.2%.

Market rating = 1

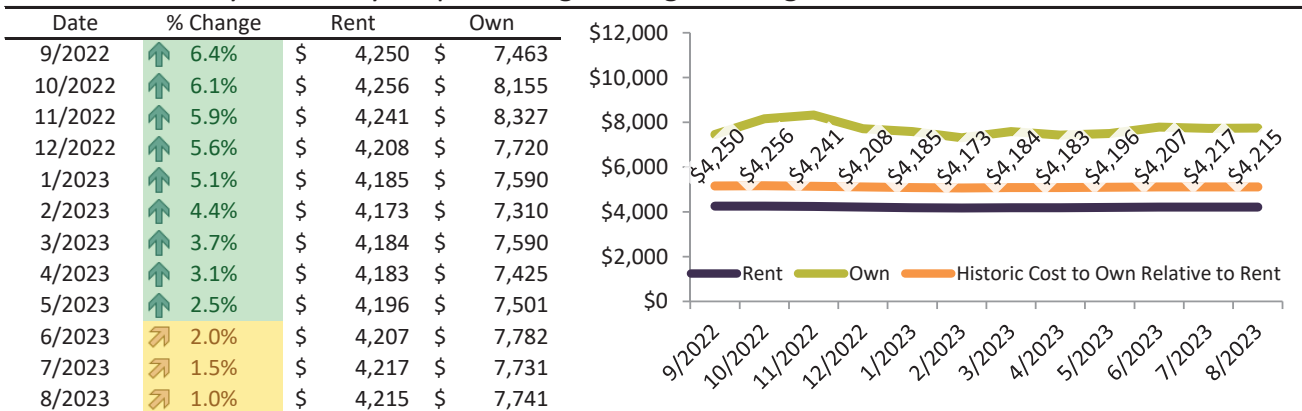
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



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



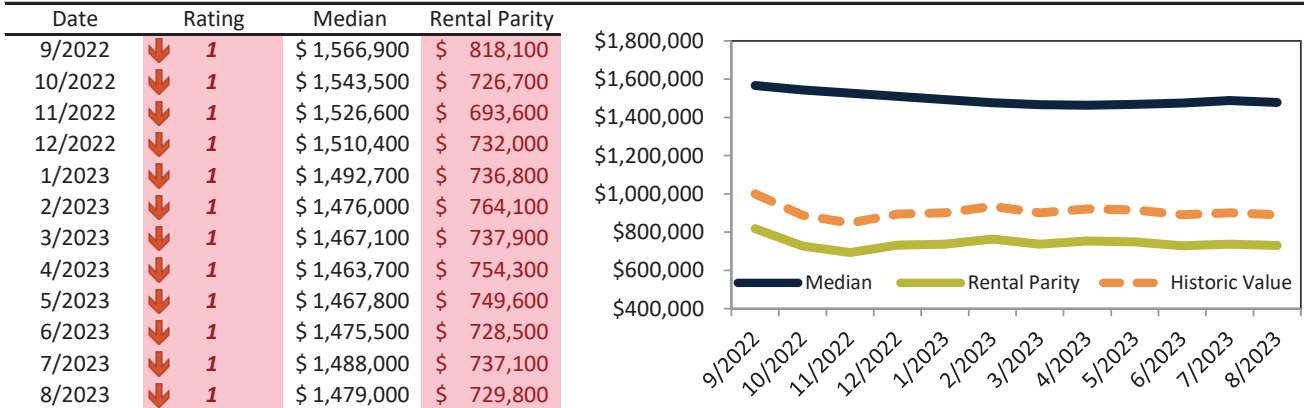


### San Mateo County Housing Market Value & Trends Update

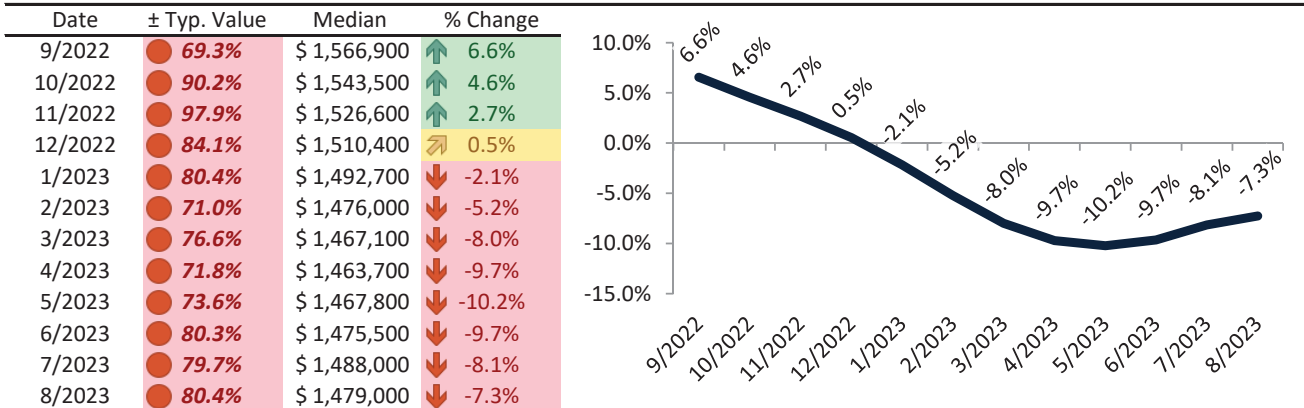
Historically, properties in this market sell at a 22.2% premium. Today's premium is 102.6%. This market is 80.4% overvalued. Median home price is \$1,479,000. Prices fell 7.3% year-over-year. Monthly cost of ownership is \$9,105, and rents average \$4,493, making owning \$4,612 per month more costly than renting. Rents rose 1.5% year-over-year. The current capitalization rate (rent/price) is 2.9%.

Market rating = 1

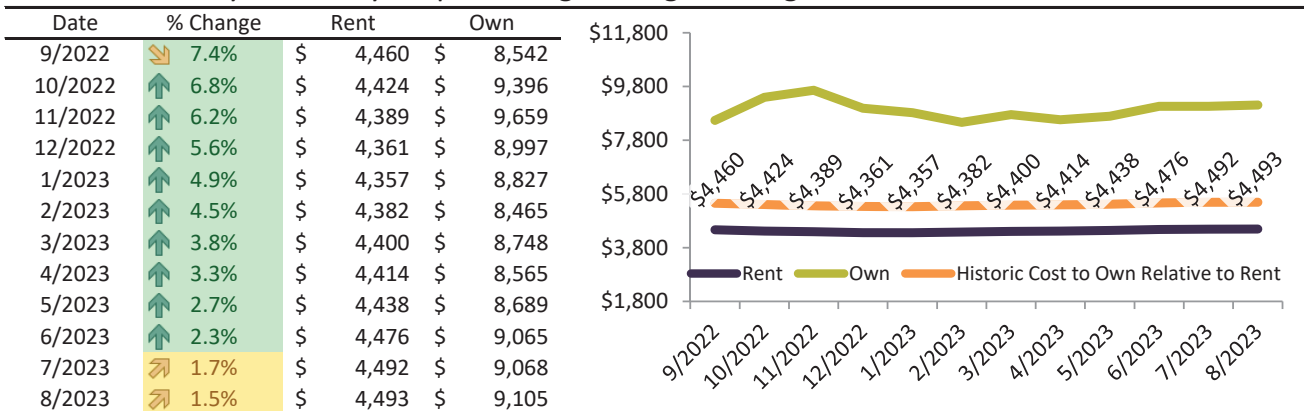
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

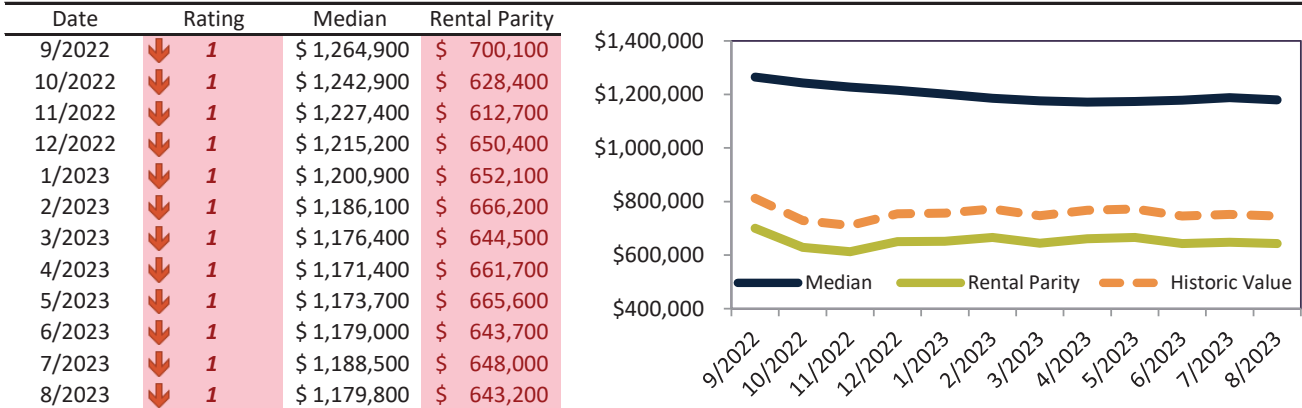


### Alameda Housing Market Value & Trends Update

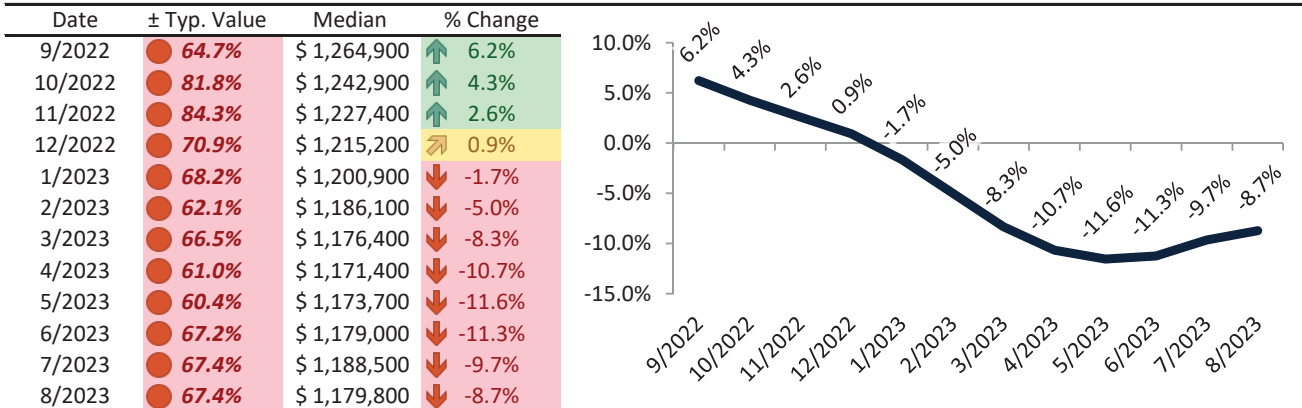
Historically, properties in this market sell at a 16.0% premium. Today's premium is 83.4%. This market is 67.4% overvalued. Median home price is \$1,179,800. Prices fell 8.7% year-over-year. Monthly cost of ownership is \$7,263, and rents average \$3,959, making owning \$3,303 per month more costly than renting. Rents rose 2.9% year-over-year. The current capitalization rate (rent/price) is 3.2%.

Market rating = 1

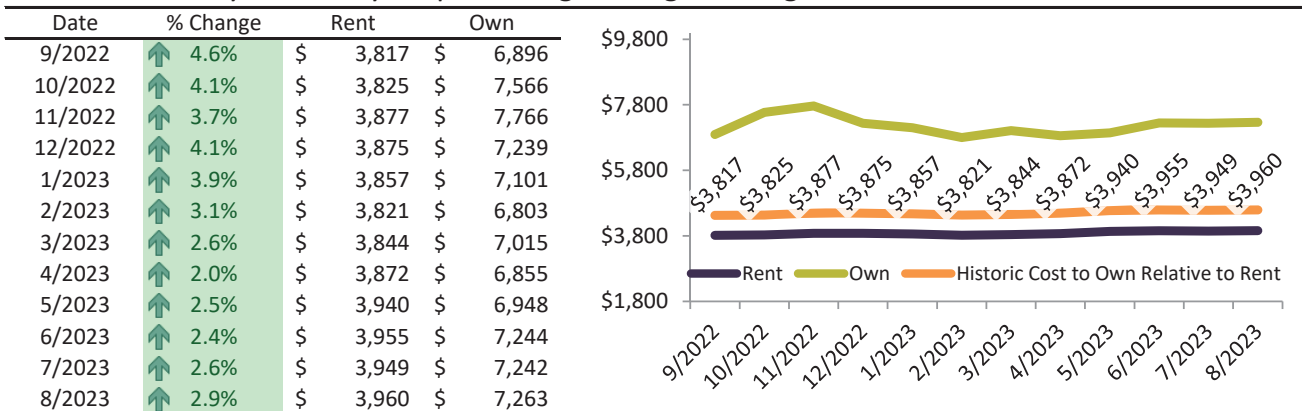
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

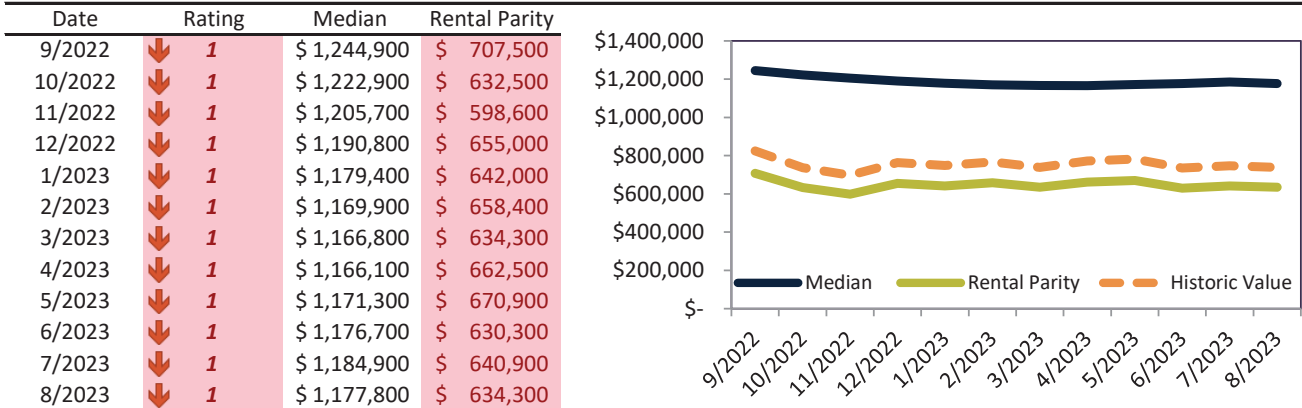


### Albany Housing Market Value & Trends Update

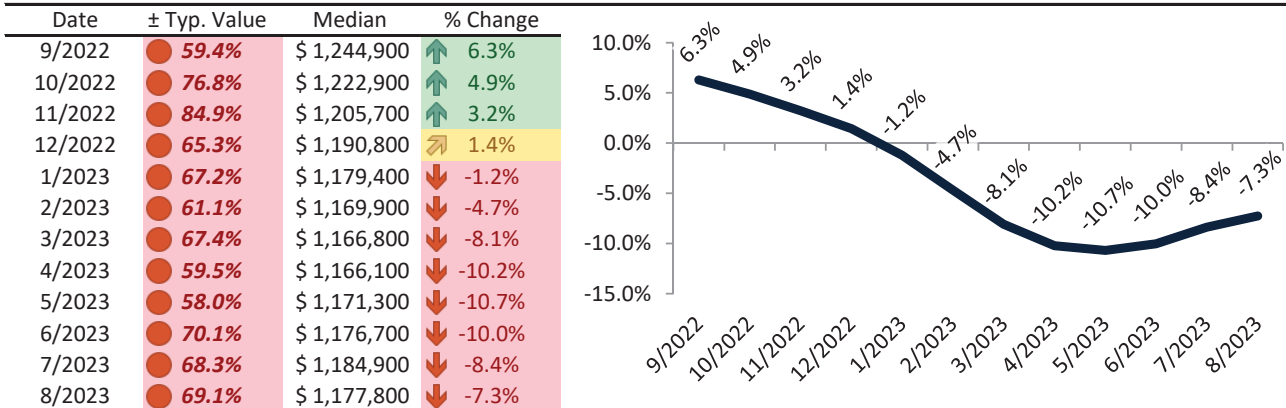
Historically, properties in this market sell at a 16.6% premium. Today's premium is 85.7%. This market is 69.1% overvalued. Median home price is \$1,177,800. Prices fell 7.3% year-over-year. Monthly cost of ownership is \$7,251, and rents average \$3,905, making owning \$3,345 per month more costly than renting. Rents rose 3.3% year-over-year. The current capitalization rate (rent/price) is 3.2%.

Market rating = 1

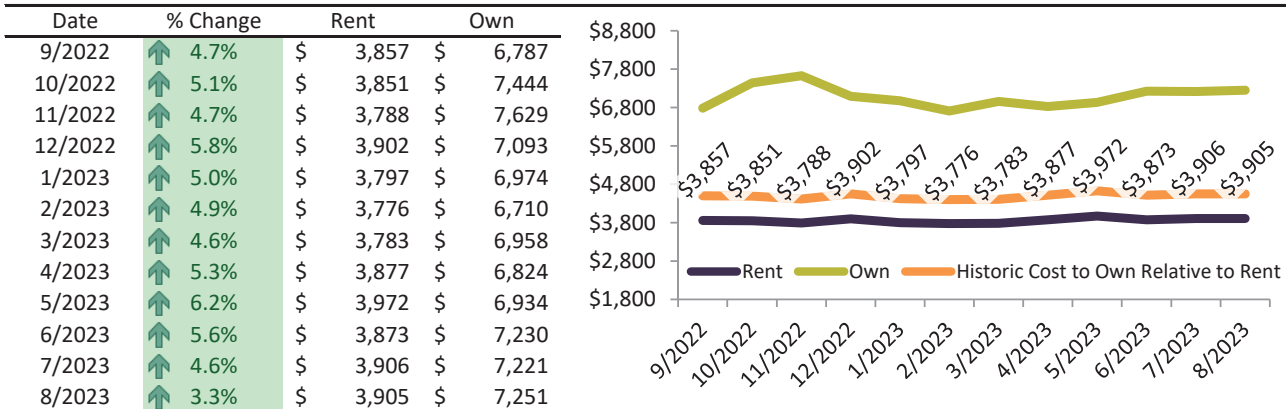
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

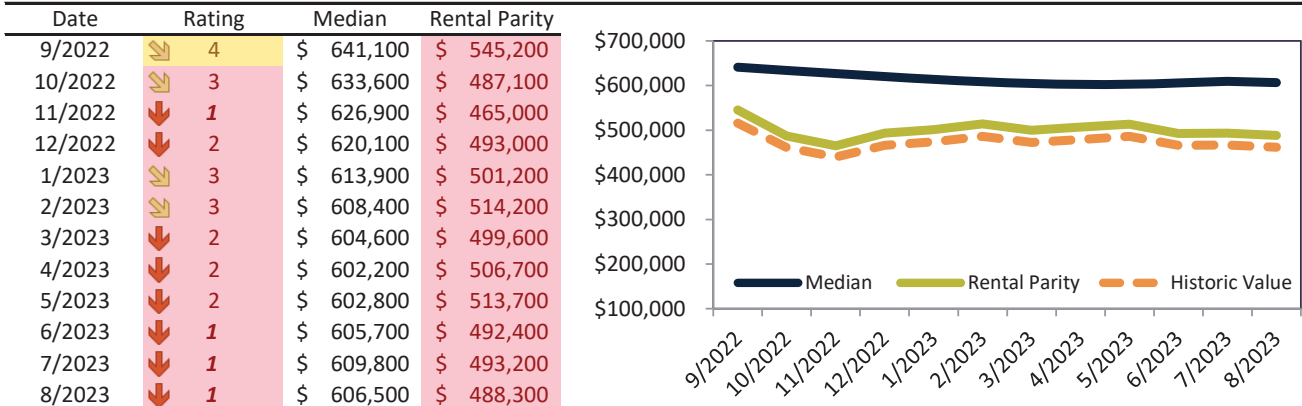


### Antioch Housing Market Value & Trends Update

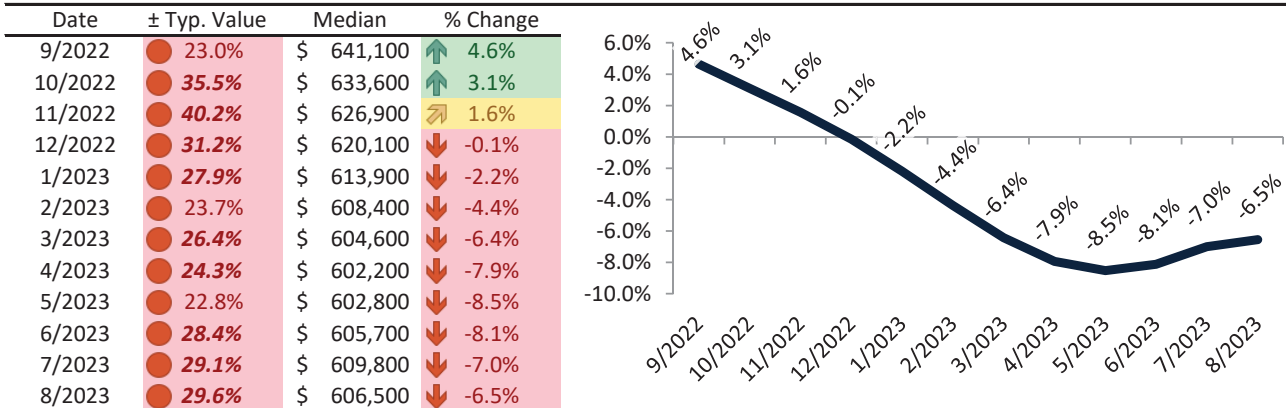
Historically, properties in this market sell at a -5.4% discount. Today's premium is 24.2%. This market is 29.6% overvalued. Median home price is \$606,500. Prices fell 6.5% year-over-year. Monthly cost of ownership is \$3,733, and rents average \$3,006, making owning \$727 per month more costly than renting. Rents rose 1.7% year-over-year. The current capitalization rate (rent/price) is 4.8%.

Market rating = 1

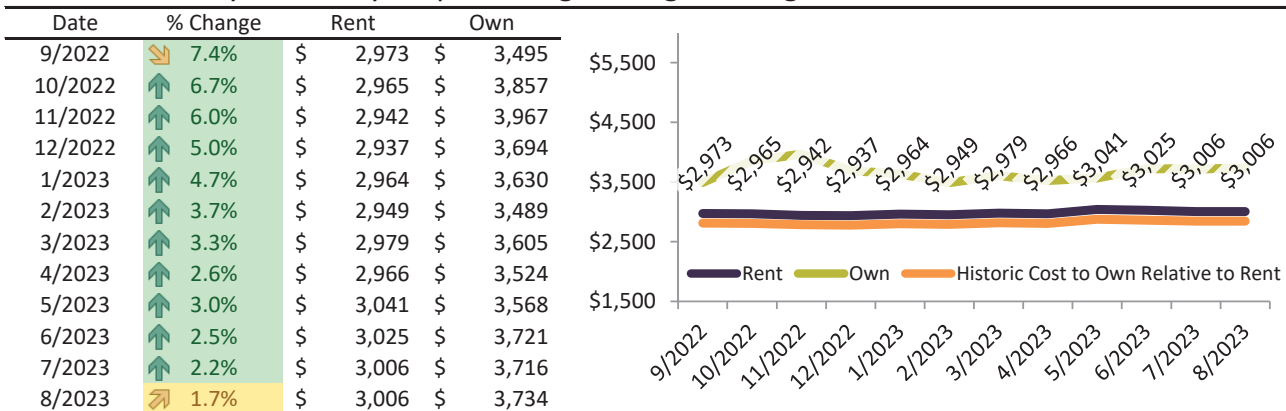
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

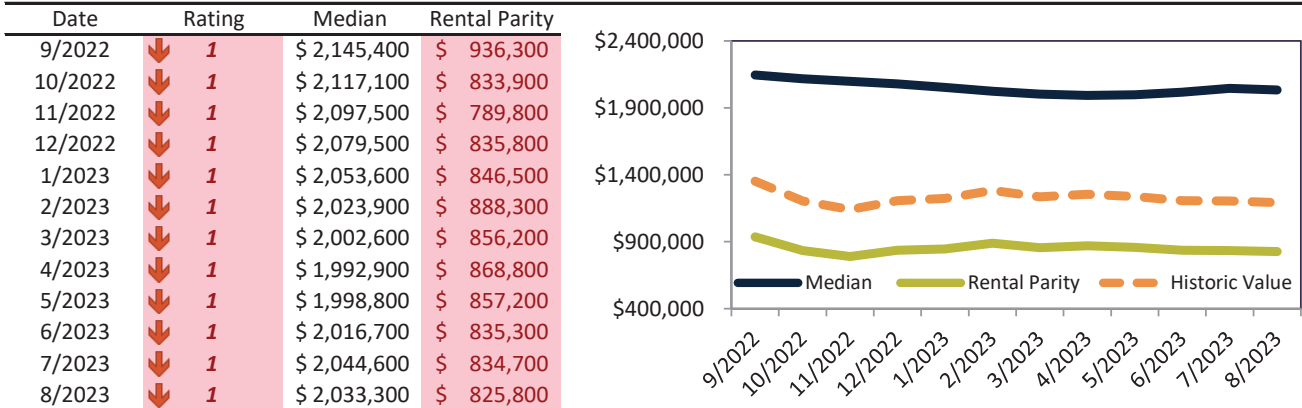


### Belmont Housing Market Value & Trends Update

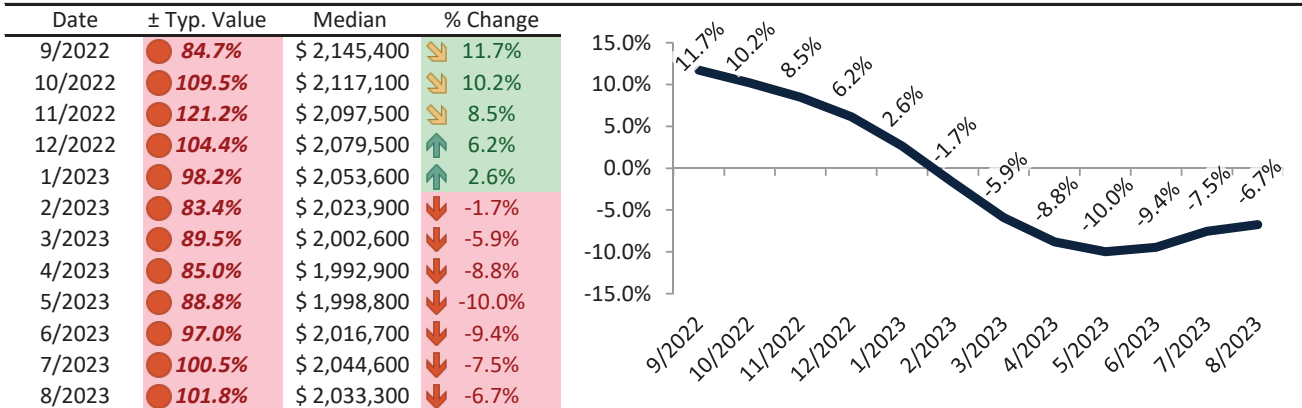
Historically, properties in this market sell at a 44.4% premium. Today's premium is 146.2%. This market is 101.8% overvalued. Median home price is \$2,033,300. Prices fell 6.7% year-over-year. Monthly cost of ownership is \$12,518, and rents average \$5,084, making owning \$7,433 per month more costly than renting. Rents rose 1.5% year-over-year. The current capitalization rate (rent/price) is 2.4%.

Market rating = 1

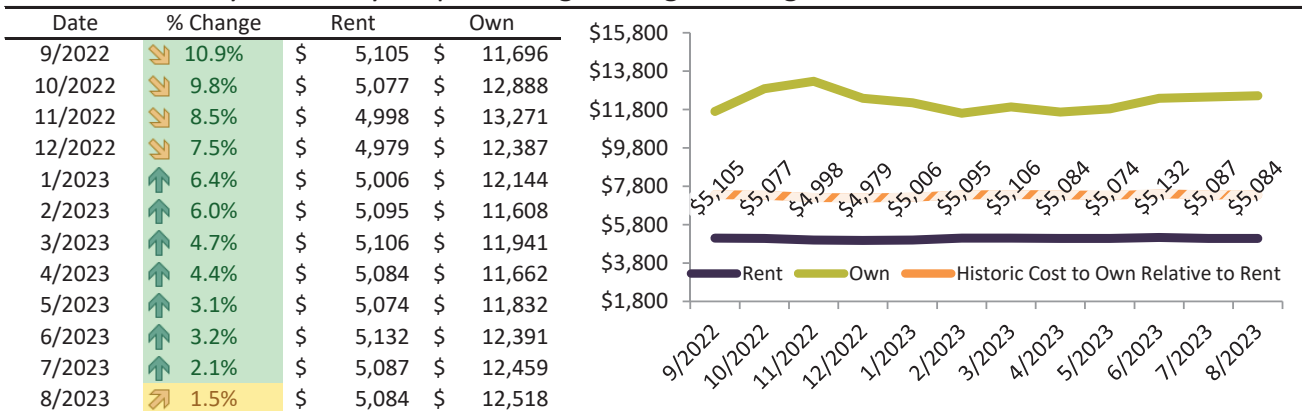
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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



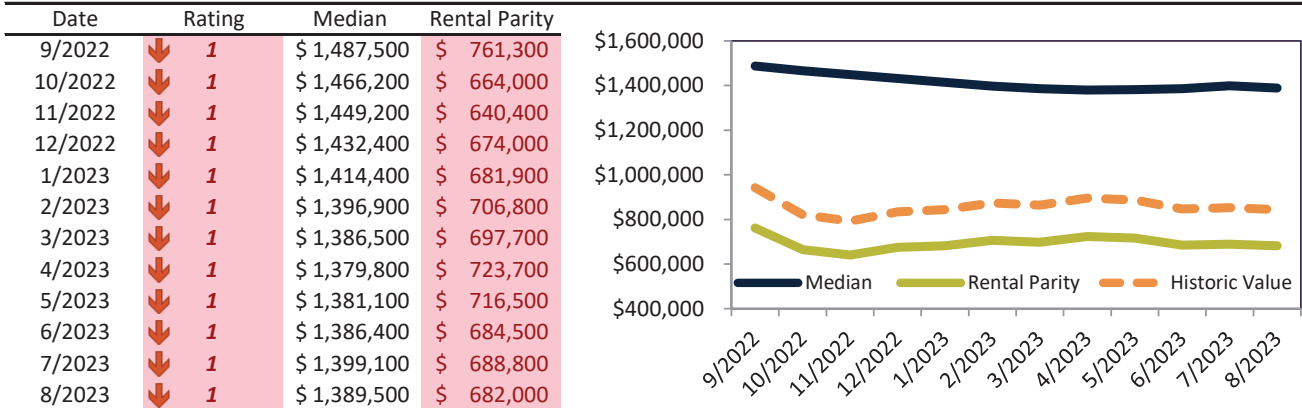


### Berkeley Housing Market Value & Trends Update

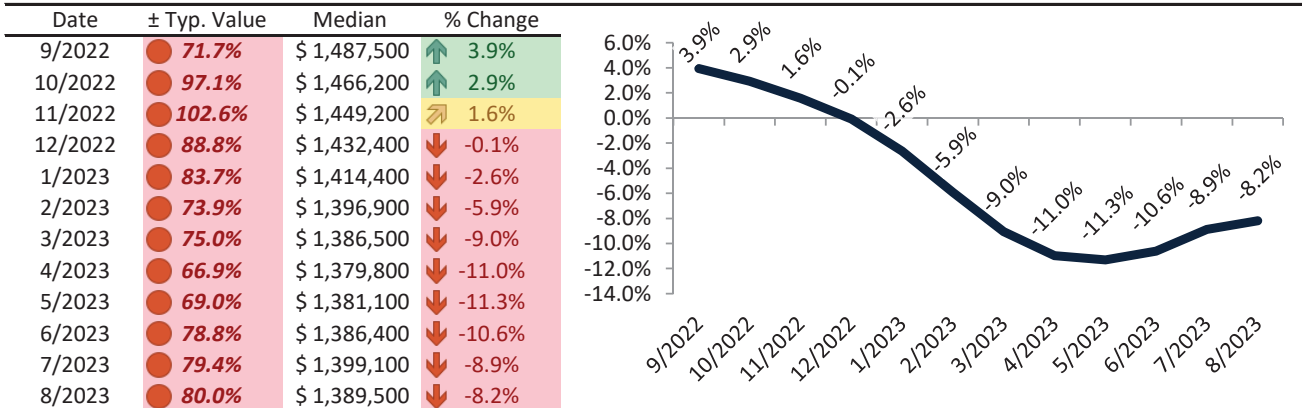
Historically, properties in this market sell at a 23.7% premium. Today's premium is 103.7%. This market is 80.0% overvalued. Median home price is \$1,389,500. Prices fell 8.2% year-over-year. Monthly cost of ownership is \$8,554, and rents average \$4,199, making owning \$4,355 per month more costly than renting. Rents rose 1.8% year-over-year. The current capitalization rate (rent/price) is 2.9%.

Market rating = 1

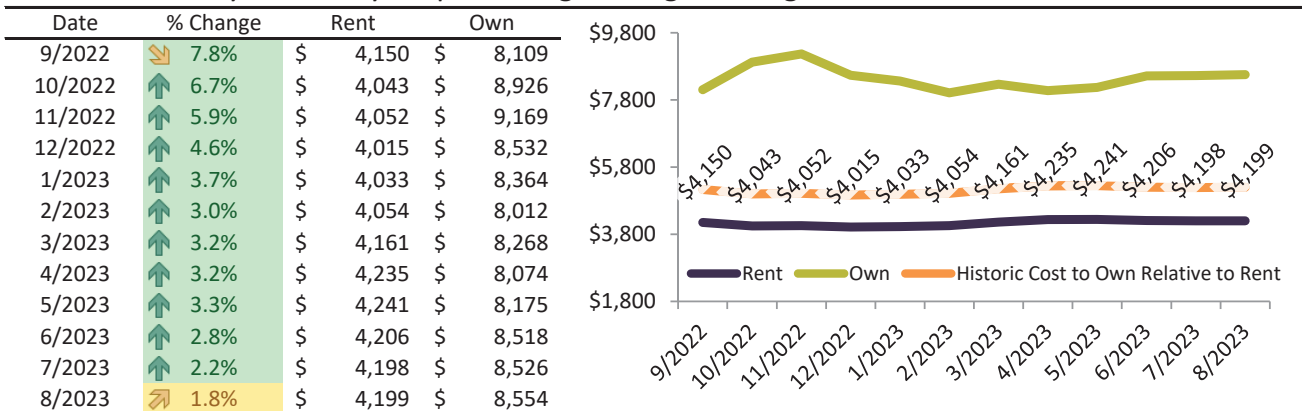
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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



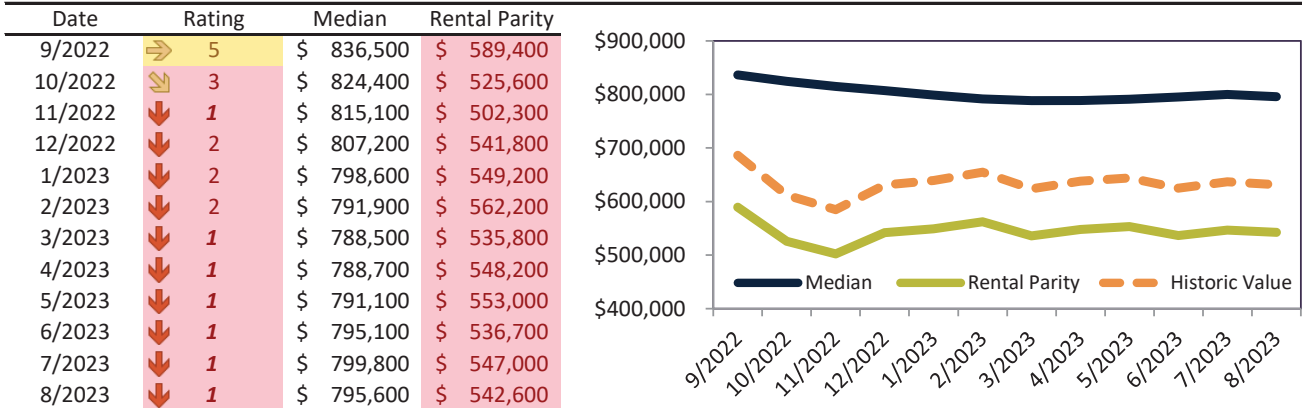


### Brentwood Housing Market Value & Trends Update

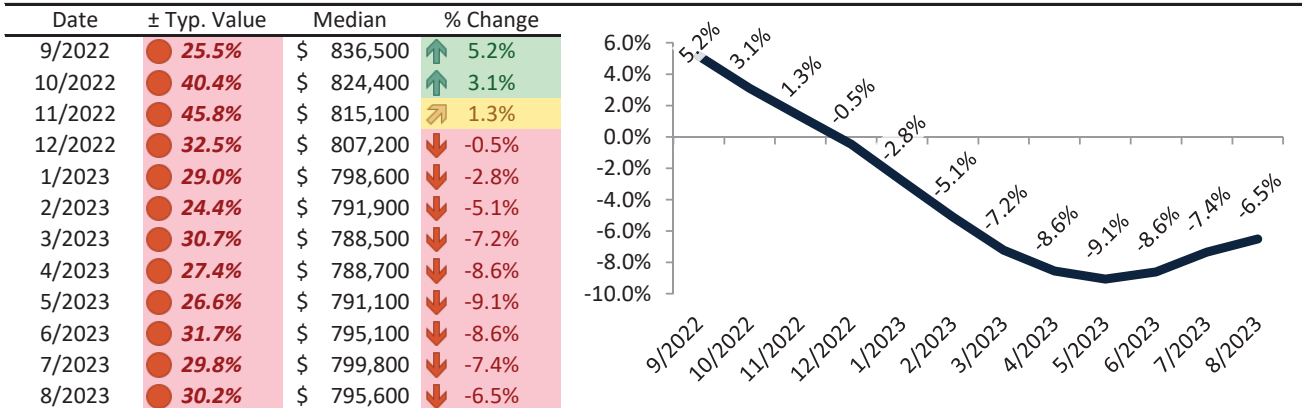
Historically, properties in this market sell at a 16.4% premium. Today's premium is 46.6%. This market is 30.2% overvalued. Median home price is \$795,600. Prices fell 6.5% year-over-year. Monthly cost of ownership is \$4,898, and rents average \$3,341, making owning \$1,556 per month more costly than renting. Rents rose 1.8% year-over-year. The current capitalization rate (rent/price) is 4.0%.

Market rating = 1

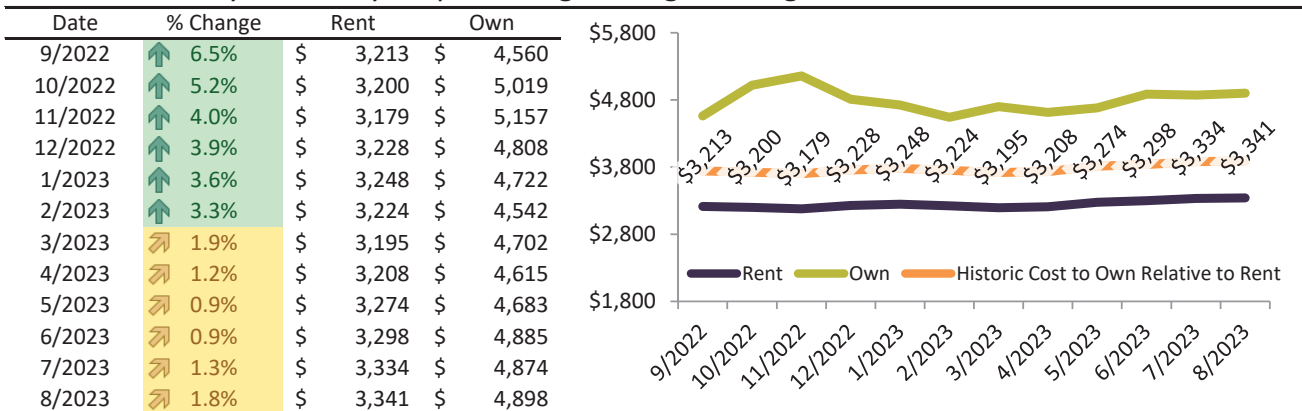
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

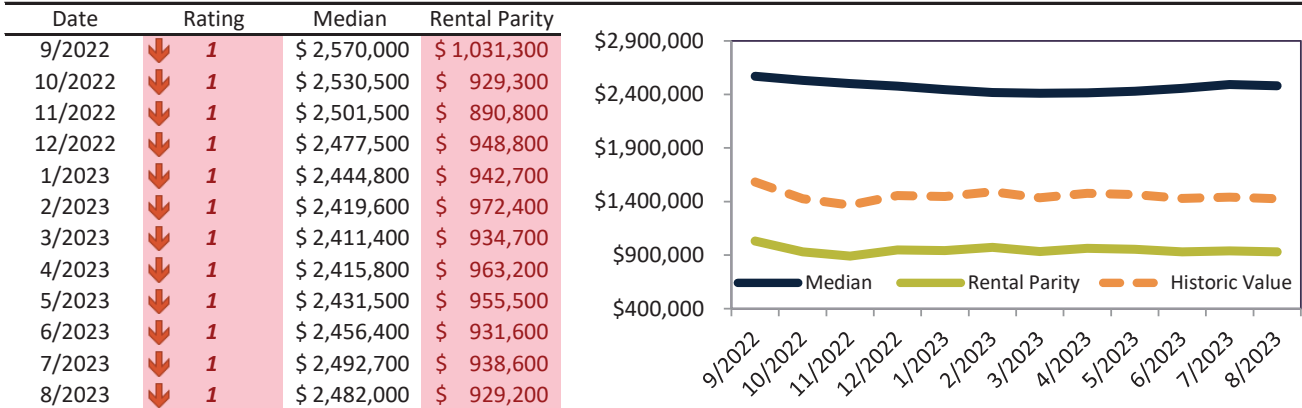


### Burlingame Housing Market Value & Trends Update

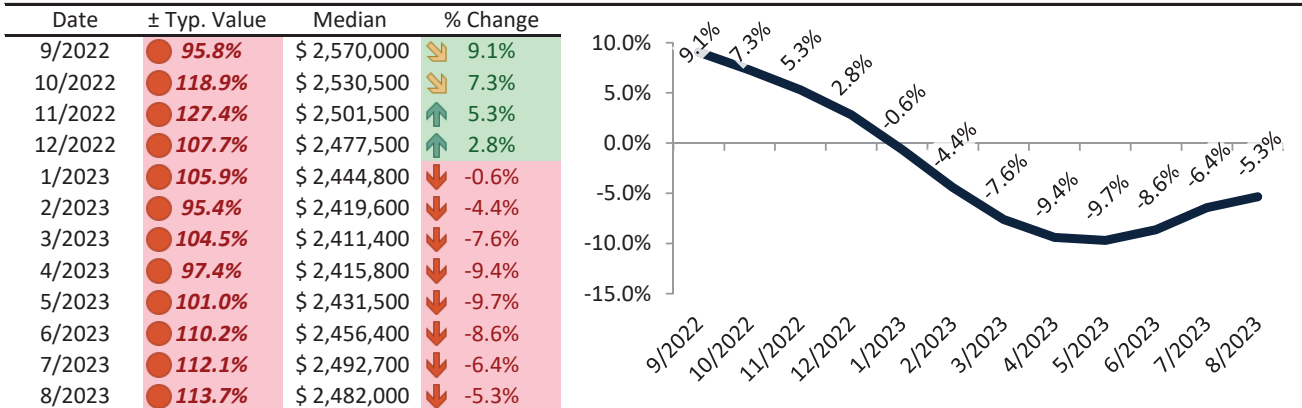
Historically, properties in this market sell at a 53.4% premium. Today's premium is 167.1%. This market is 113.7% overvalued. Median home price is \$2,482,000. Prices fell 5.3% year-over-year. Monthly cost of ownership is \$15,280, and rents average \$5,721, making owning \$9,559 per month more costly than renting. Rents rose 1.7% year-over-year. The current capitalization rate (rent/price) is 2.2%.

Market rating = 1

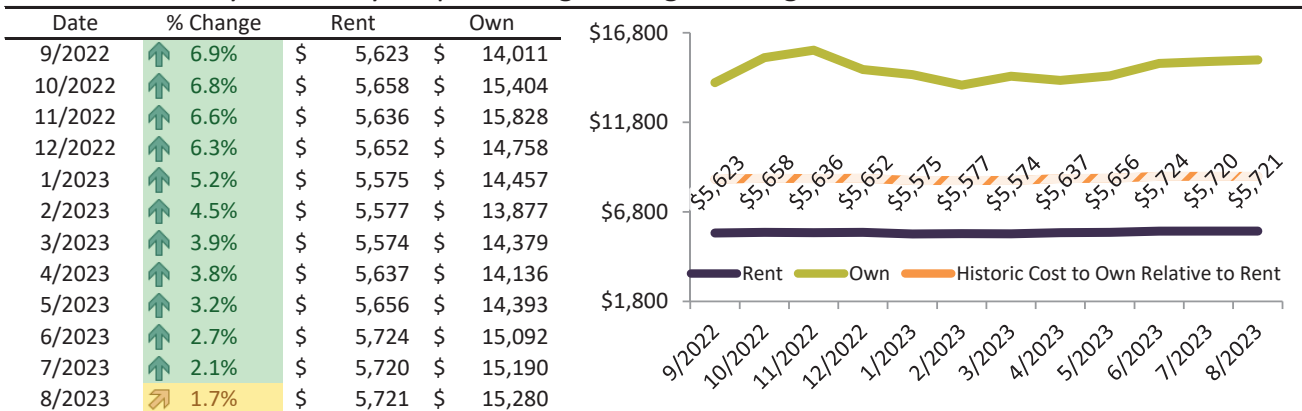
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

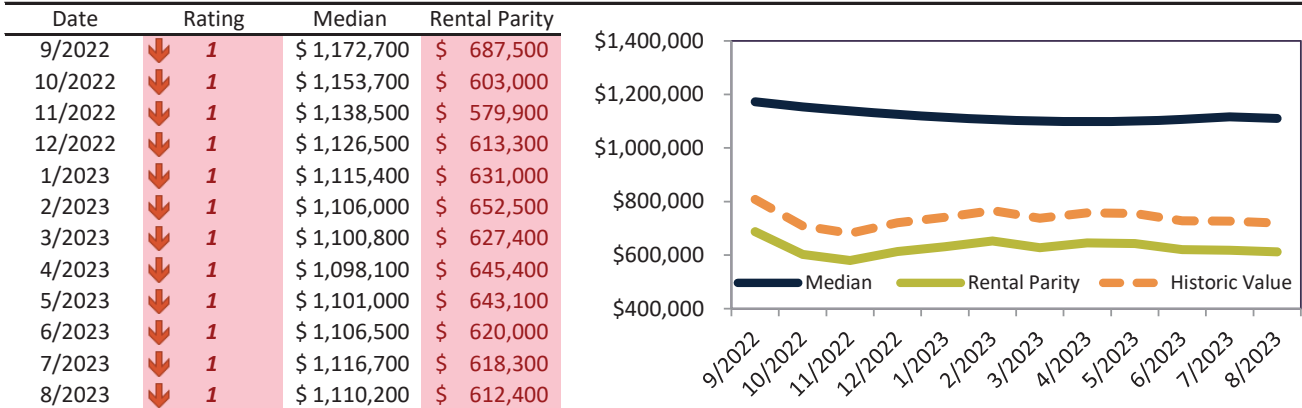


### Castro Valley Housing Market Value & Trends Update

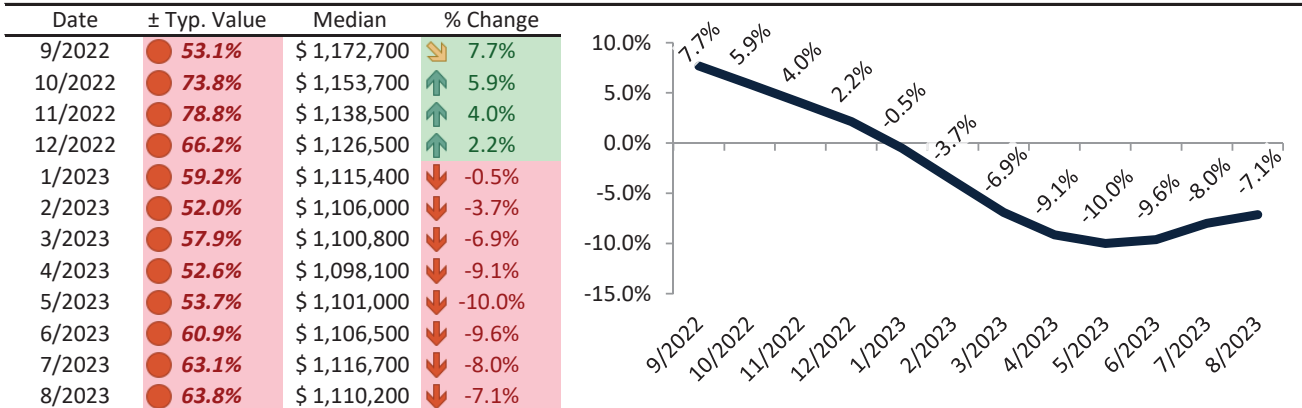
Historically, properties in this market sell at a 17.5% premium. Today's premium is 81.3%. This market is 63.8% overvalued. Median home price is \$1,110,200. Prices fell 7.1% year-over-year. Monthly cost of ownership is \$6,834, and rents average \$3,770, making owning \$3,064 per month more costly than renting. Rents rose 3.1% year-over-year. The current capitalization rate (rent/price) is 3.3%.

Market rating = 1

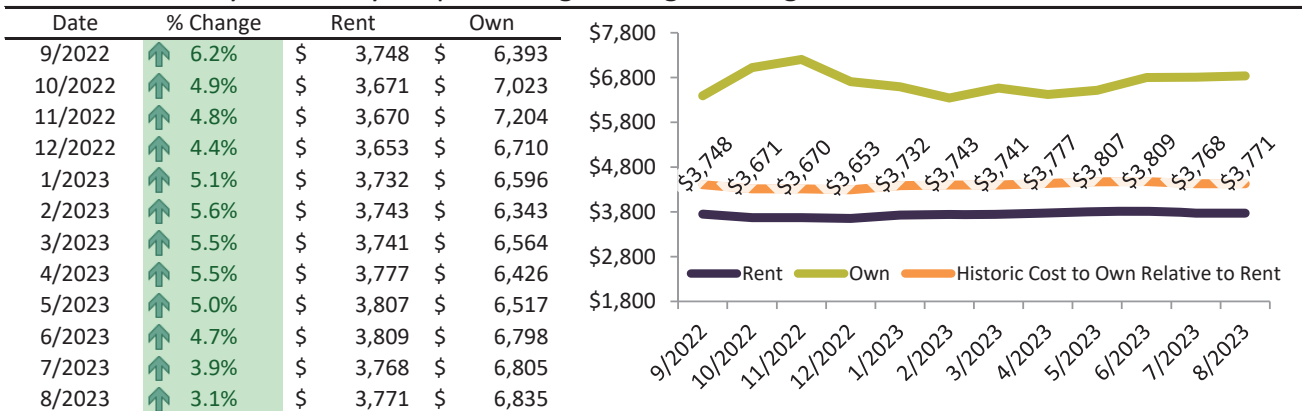
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

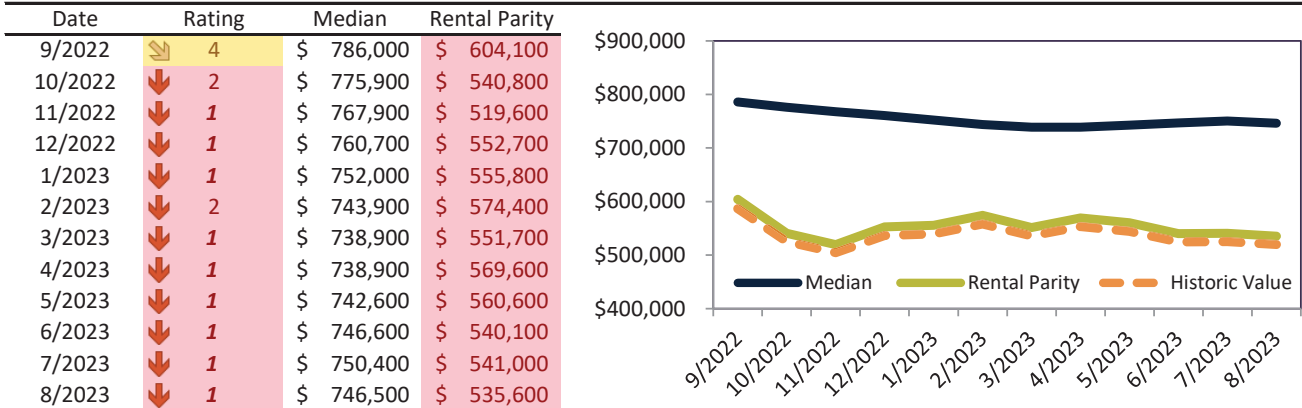


### Concord Housing Market Value & Trends Update

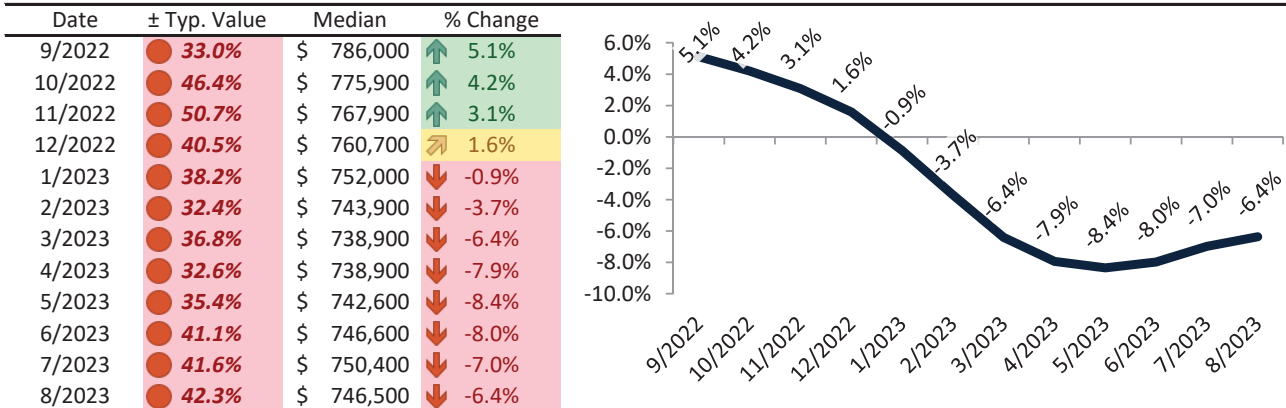
Historically, properties in this market sell at a -2.9% discount. Today's premium is 39.4%. This market is 42.3% overvalued. Median home price is \$746,500. Prices fell 6.4% year-over-year. Monthly cost of ownership is \$4,595, and rents average \$3,297, making owning \$1,298 per month more costly than renting. Rents rose 2.2% year-over-year. The current capitalization rate (rent/price) is 4.2%.

Market rating = 1

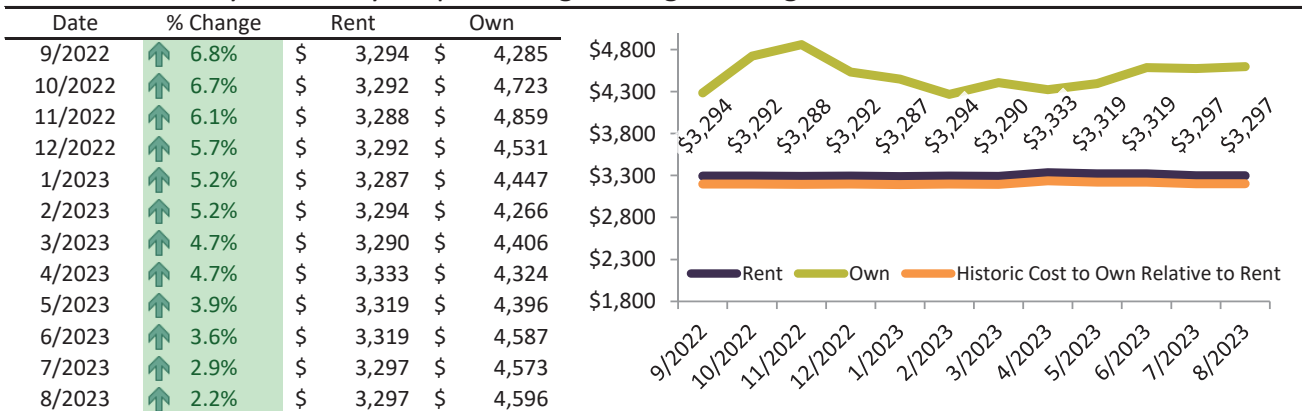
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

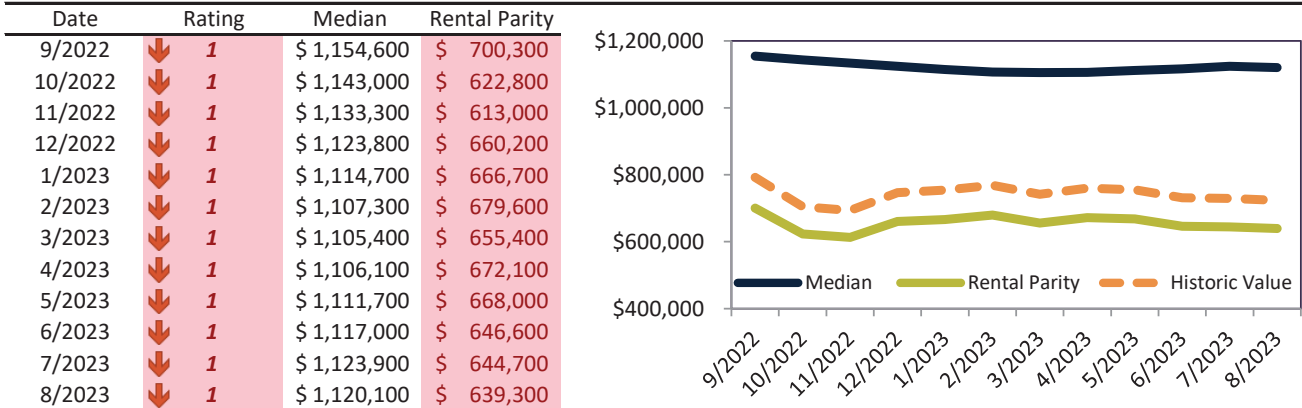


### Daly City Housing Market Value & Trends Update

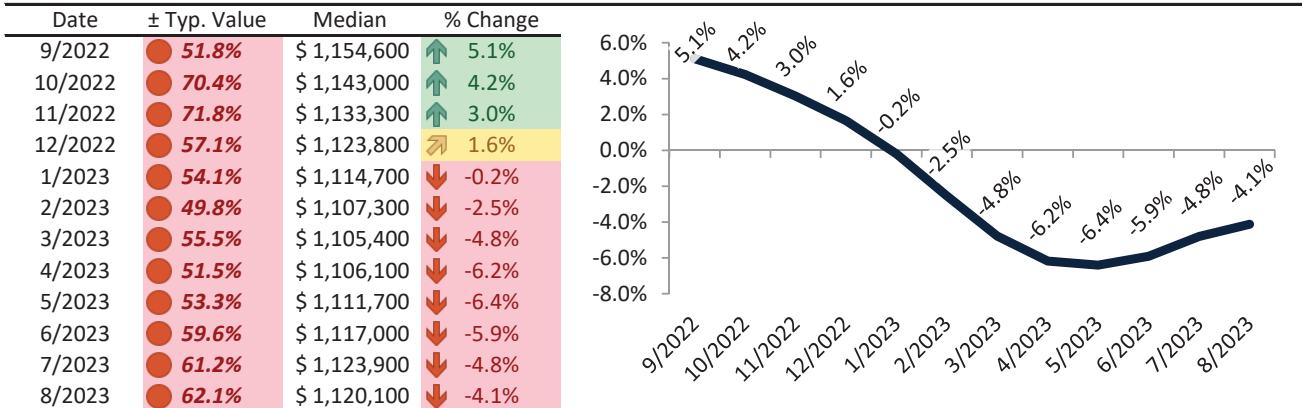
Historically, properties in this market sell at a 13.1% premium. Today's premium is 75.2%. This market is 62.1% overvalued. Median home price is \$1,120,100. Prices fell 4.1% year-over-year. Monthly cost of ownership is \$6,895, and rents average \$3,936, making owning \$2,959 per month more costly than renting. Rents rose 3.2% year-over-year. The current capitalization rate (rent/price) is 3.4%.

Market rating = 1

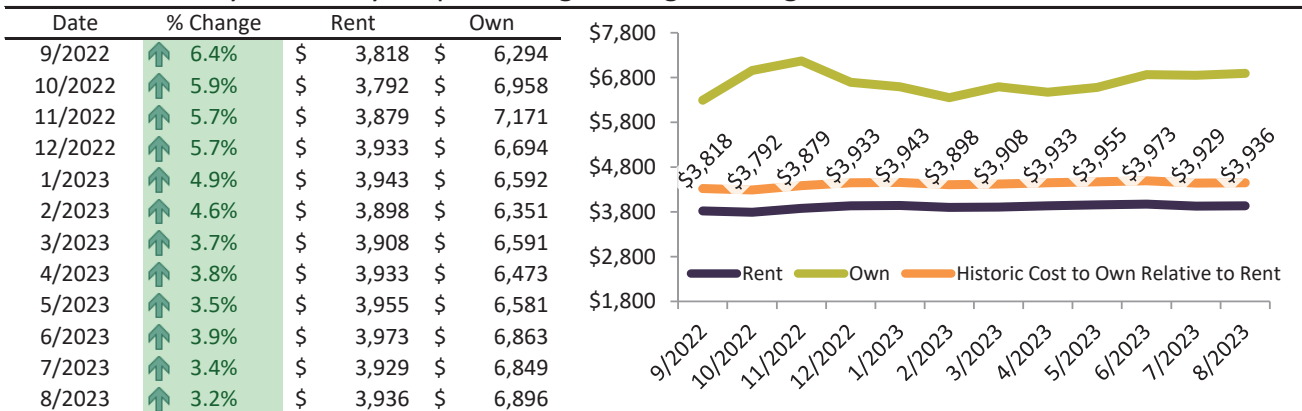
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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



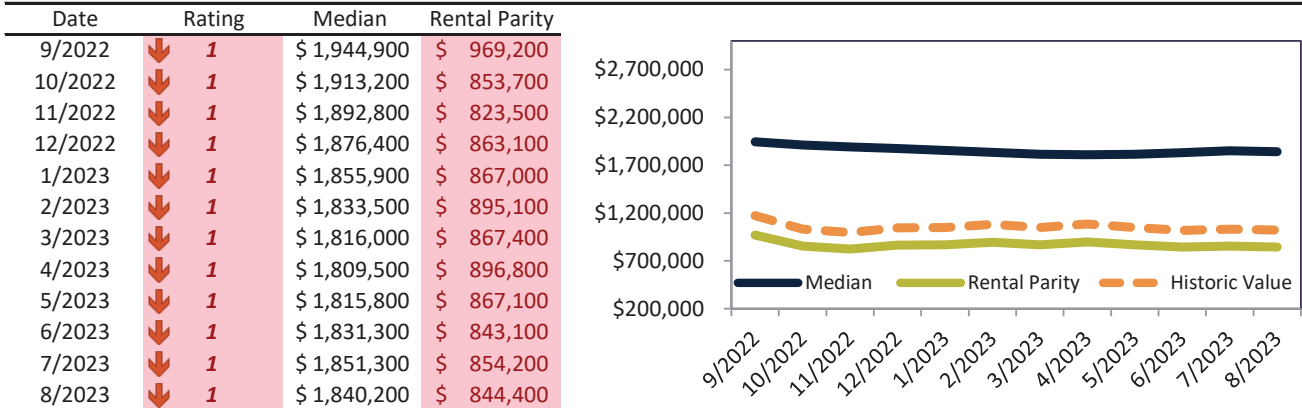


### Danville Housing Market Value & Trends Update

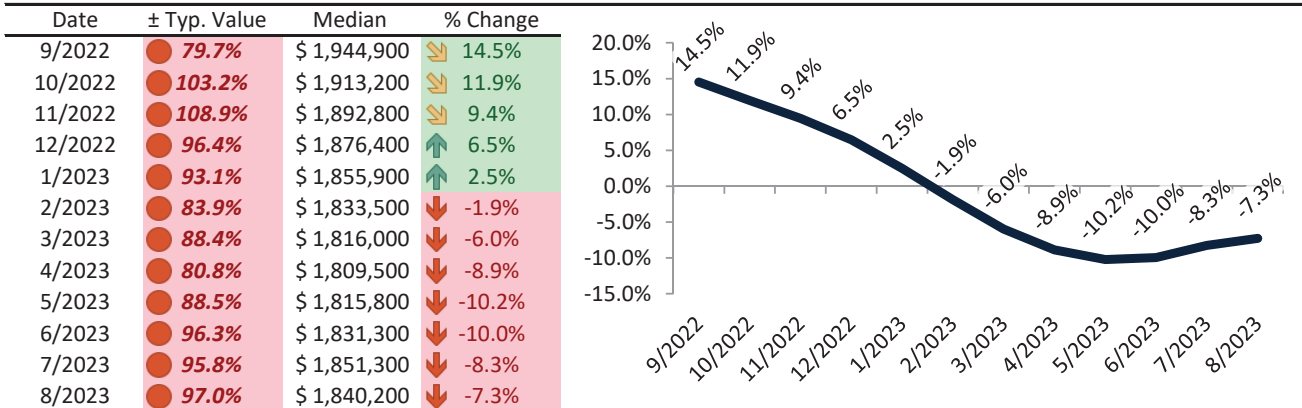
Historically, properties in this market sell at a 21.0% premium. Today's premium is 118.0%. This market is 97.0% overvalued. Median home price is \$1,840,200. Prices fell 7.3% year-over-year. Monthly cost of ownership is \$11,329, and rents average \$5,198, making owning \$6,130 per month more costly than renting. Rents rose 0.5% year-over-year. The current capitalization rate (rent/price) is 2.7%.

Market rating = 1

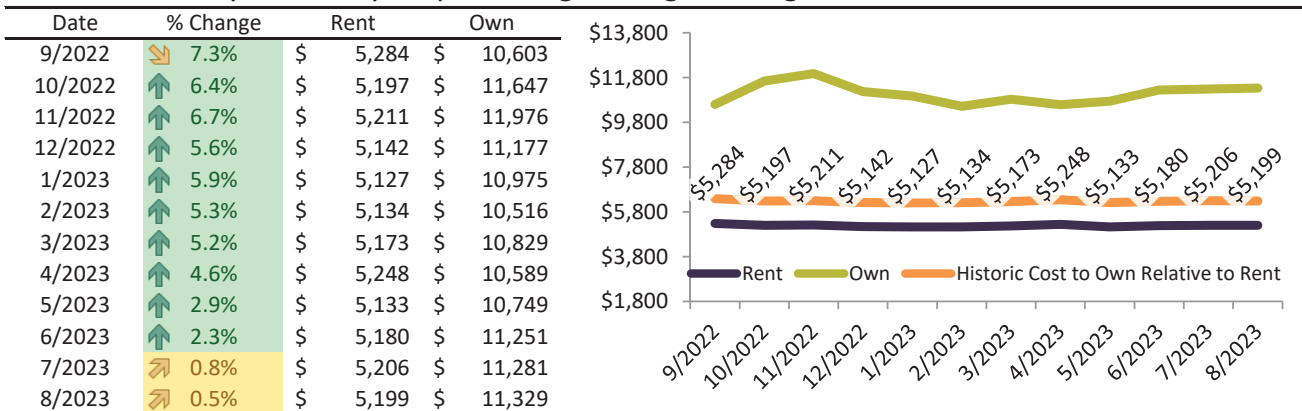
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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



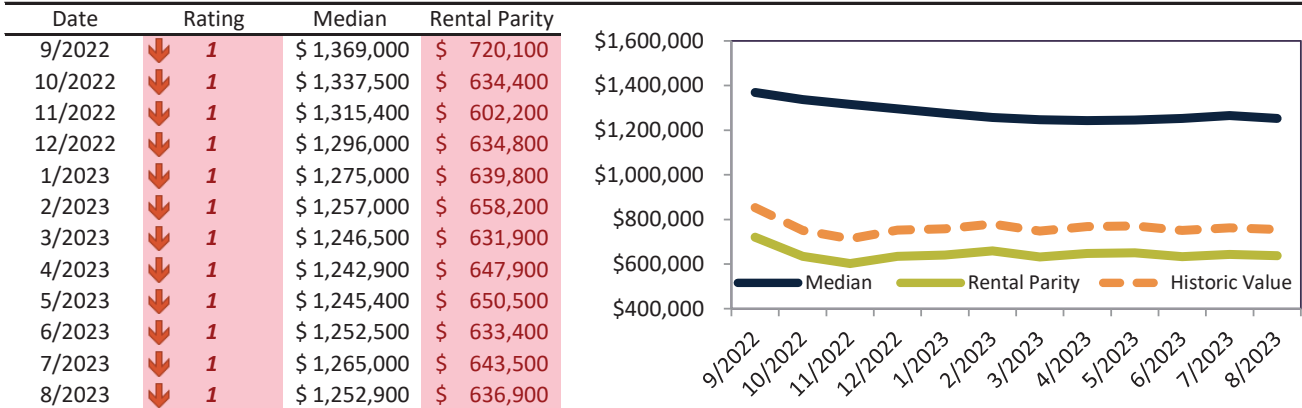


### Dublin Housing Market Value & Trends Update

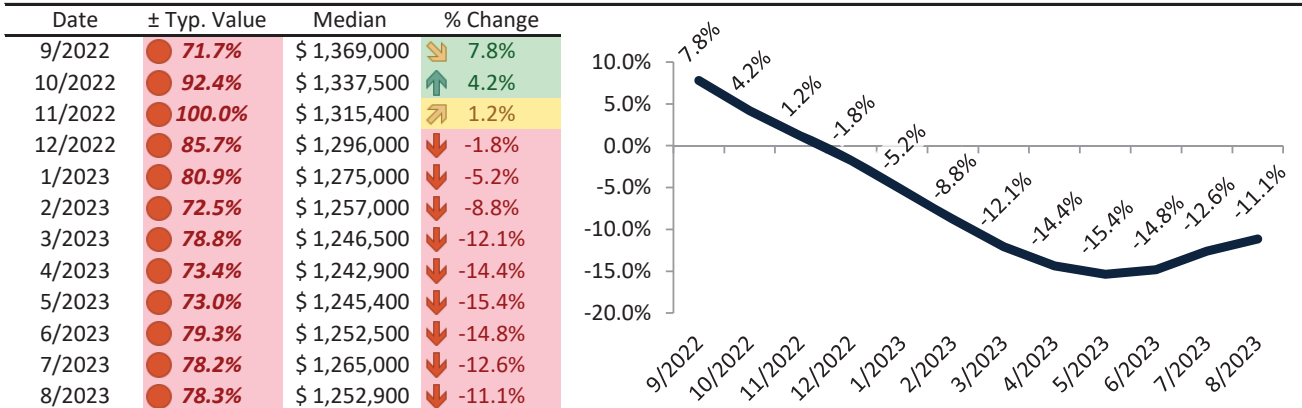
Historically, properties in this market sell at a 18.4% premium. Today's premium is 96.7%. This market is 78.3% overvalued. Median home price is \$1,252,900. Prices fell 11.1% year-over-year. Monthly cost of ownership is \$7,713, and rents average \$3,921, making owning \$3,791 per month more costly than renting. Rents rose 0.7% year-over-year. The current capitalization rate (rent/price) is 3.0%.

Market rating = 1

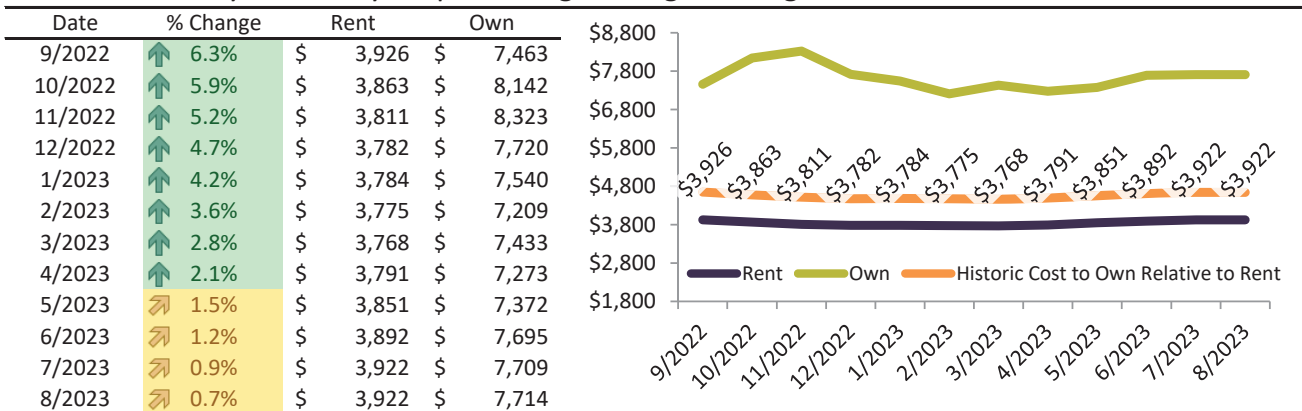
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

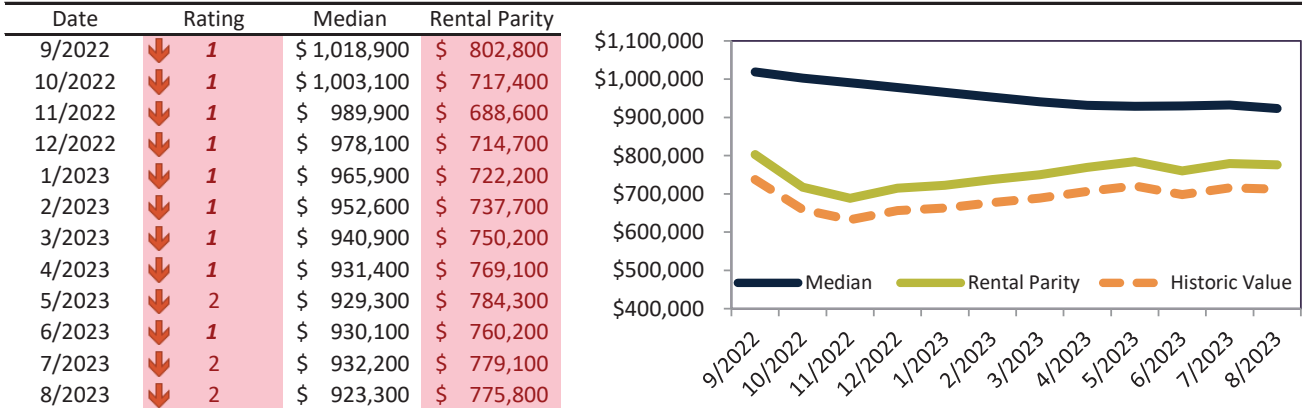


### East Palo Alto Housing Market Value & Trends Update

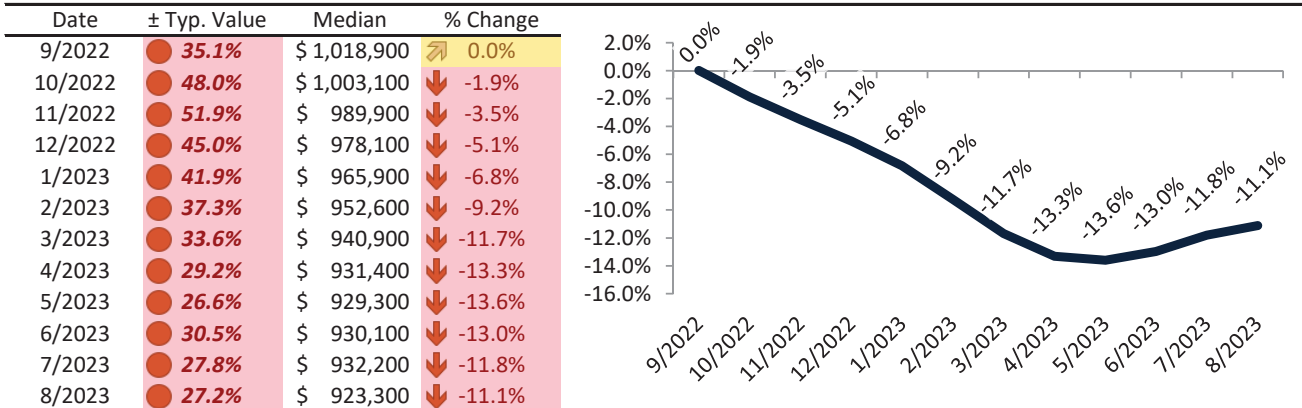
Historically, properties in this market sell at a -8.1% discount. Today's premium is 19.1%. This market is 27.2% overvalued. Median home price is \$923,300. Prices fell 11.1% year-over-year. Monthly cost of ownership is \$5,684, and rents average \$4,776, making owning \$907 per month more costly than renting. Rents rose 5.8% year-over-year. The current capitalization rate (rent/price) is 5.0%.

Market rating = 2

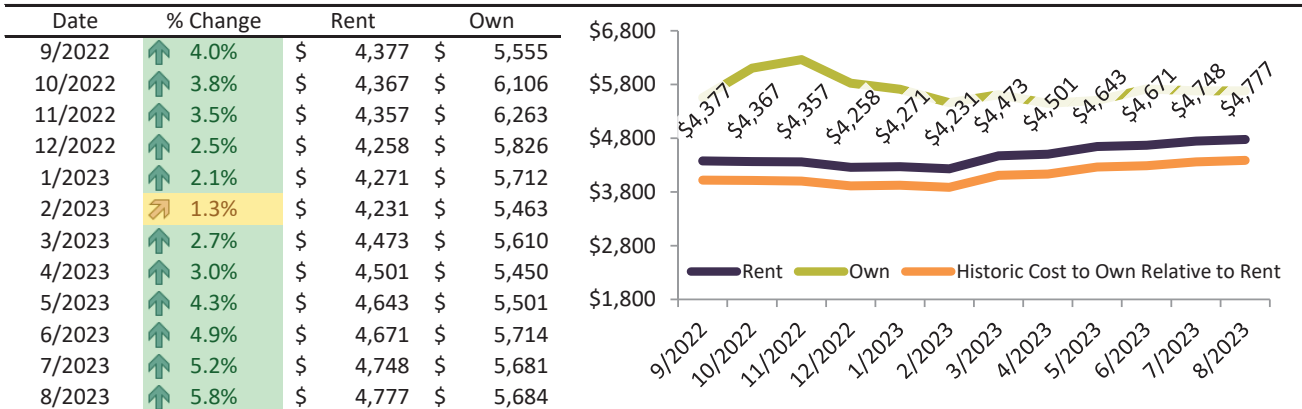
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

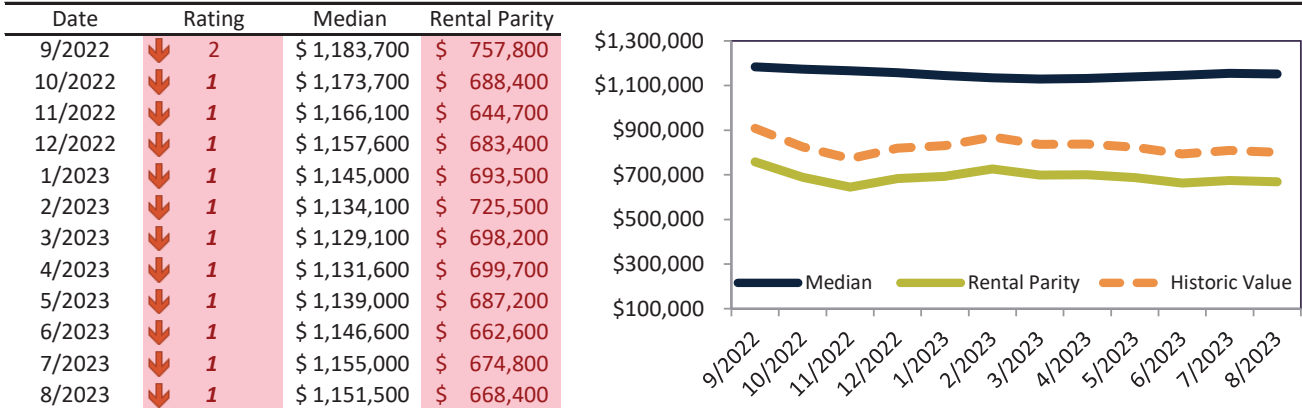


### El Cerrito Housing Market Value & Trends Update

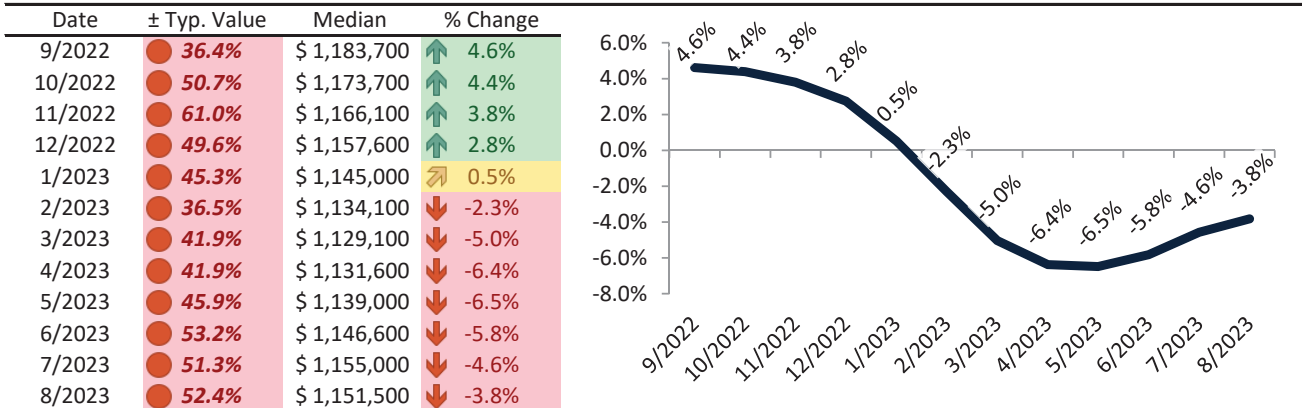
Historically, properties in this market sell at a 19.8% premium. Today's premium is 72.2%. This market is 52.4% overvalued. Median home price is \$1,151,500. Prices fell 3.8% year-over-year. Monthly cost of ownership is \$7,089, and rents average \$4,115, making owning \$2,974 per month more costly than renting. Rents rose 2.9% year-over-year. The current capitalization rate (rent/price) is 3.4%.

Market rating = 1

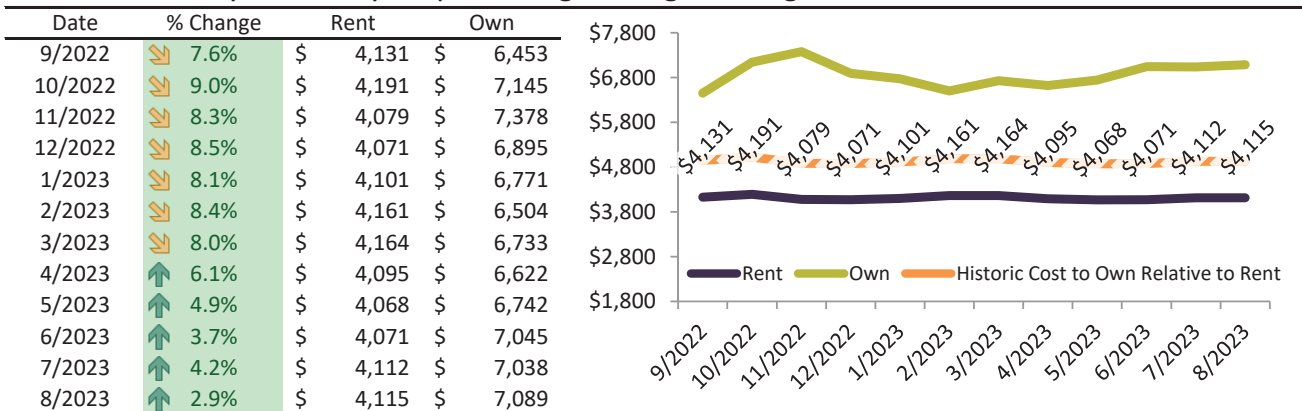
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

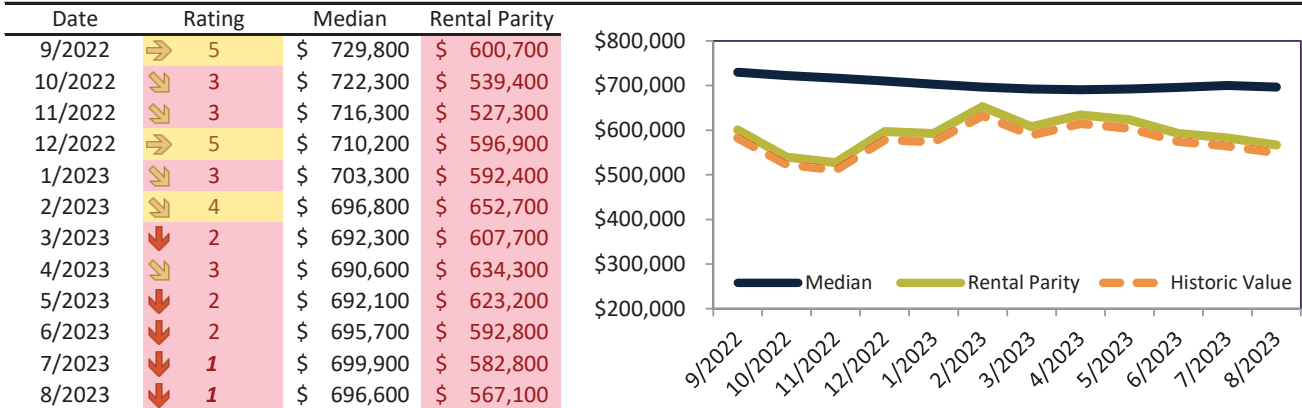


## El Sobrante Housing Market Value & Trends Update

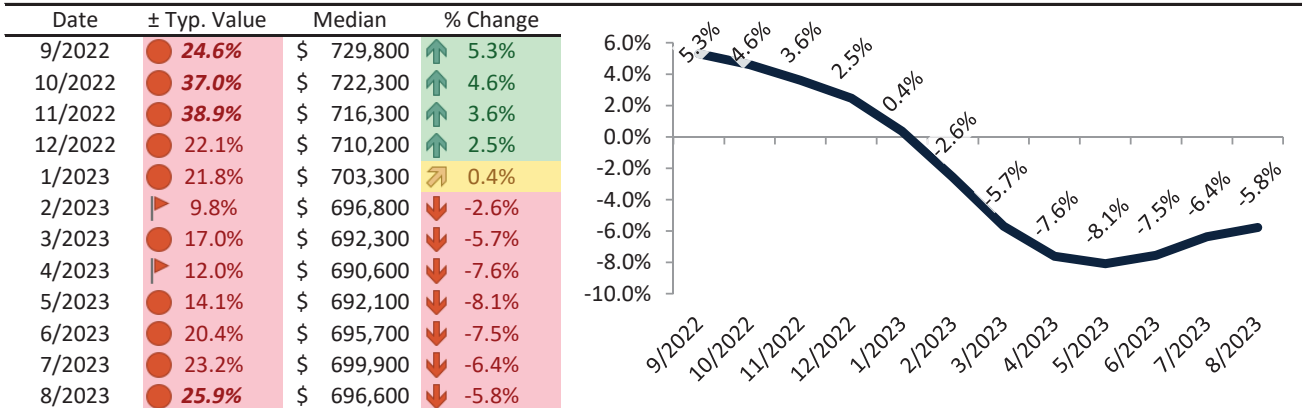
Historically, properties in this market sell at a -3.1% discount. Today's premium is 22.8%. This market is 25.9% overvalued. Median home price is \$696,600. Prices fell 5.8% year-over-year. Monthly cost of ownership is \$4,288, and rents average \$3,491, making owning \$797 per month more costly than renting. Rents rose 9.8% year-over-year. The current capitalization rate (rent/price) is 4.8%.

Market rating = 1

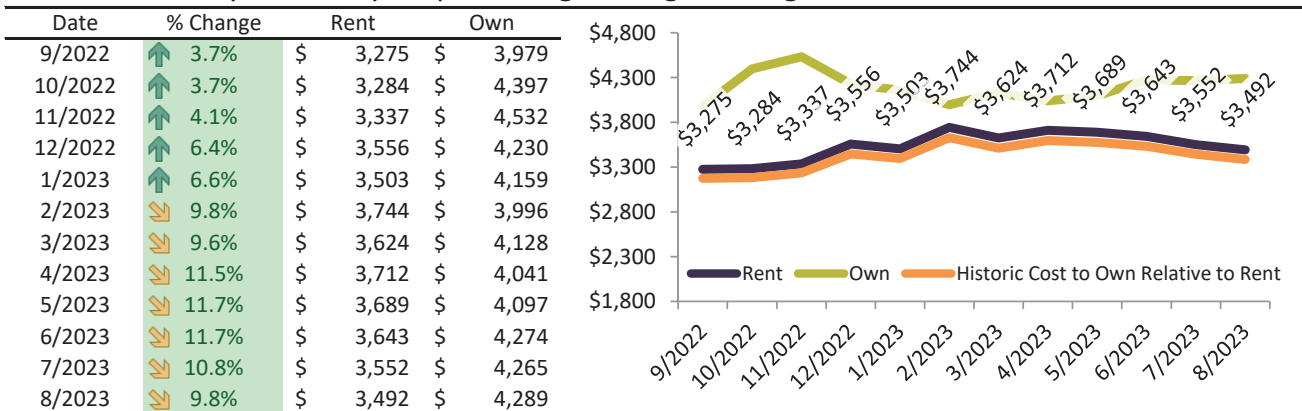
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



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

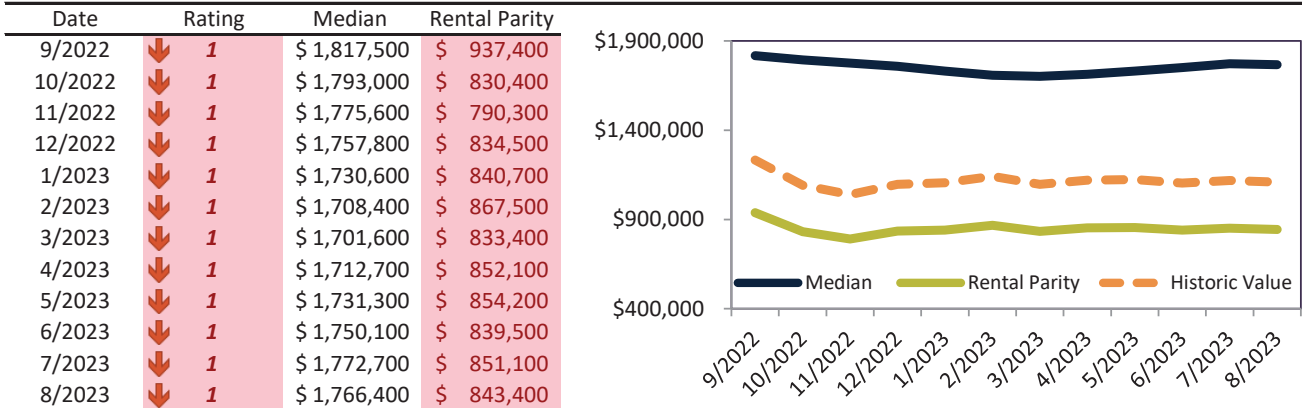


### Foster City Housing Market Value & Trends Update

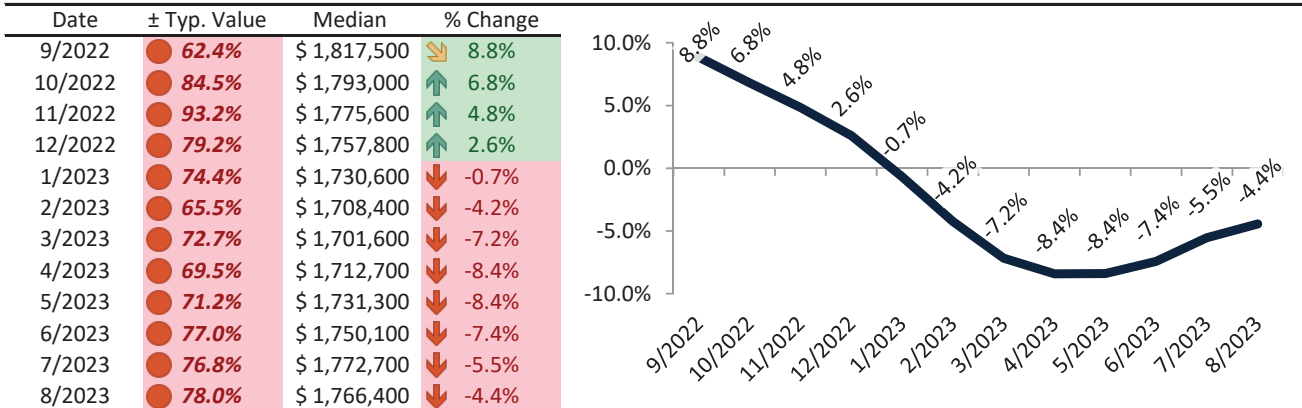
Historically, properties in this market sell at a 31.5% premium. Today's premium is 109.5%. This market is 78.0% overvalued. Median home price is \$1,766,400. Prices fell 4.4% year-over-year. Monthly cost of ownership is \$10,874, and rents average \$5,192, making owning \$5,682 per month more costly than renting. Rents rose 2.7% year-over-year. The current capitalization rate (rent/price) is 2.8%.

Market rating = 1

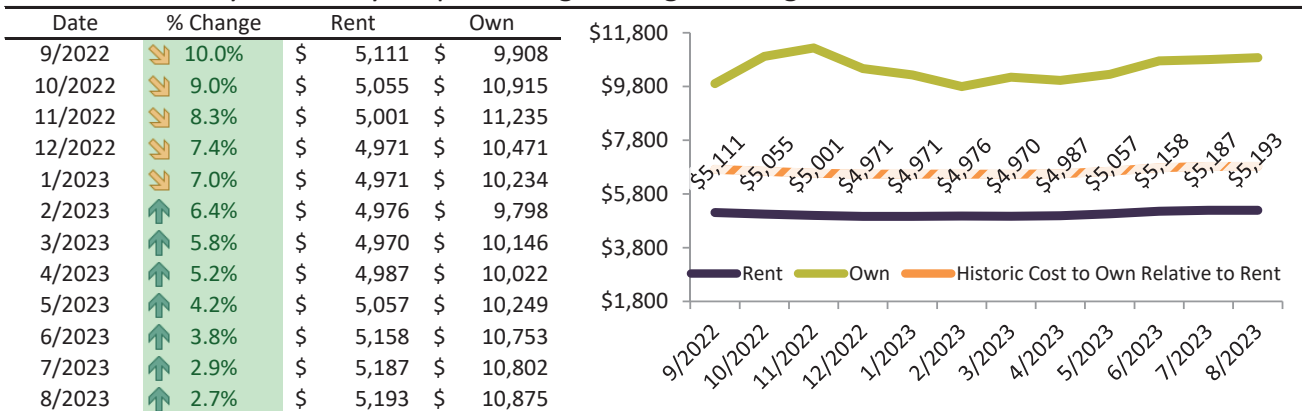
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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



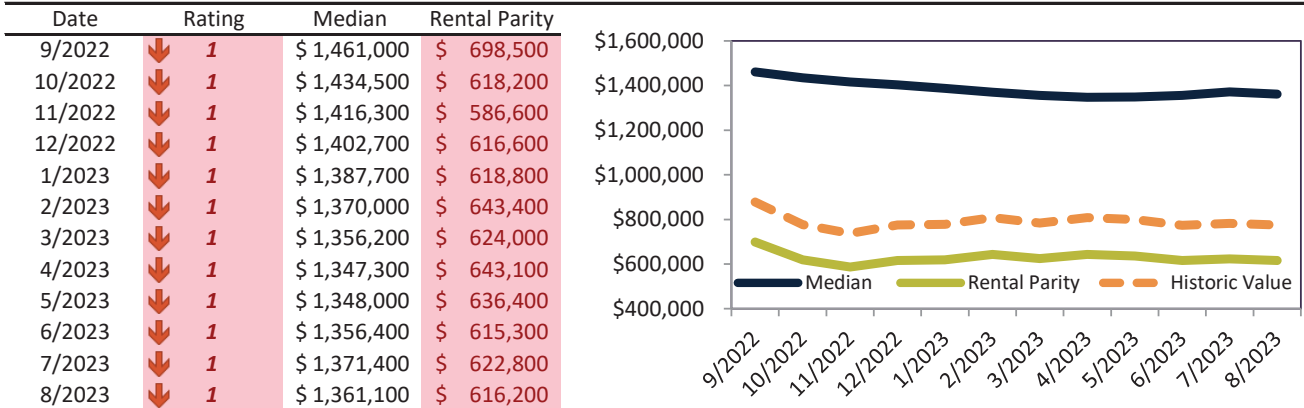


### Fremont Housing Market Value & Trends Update

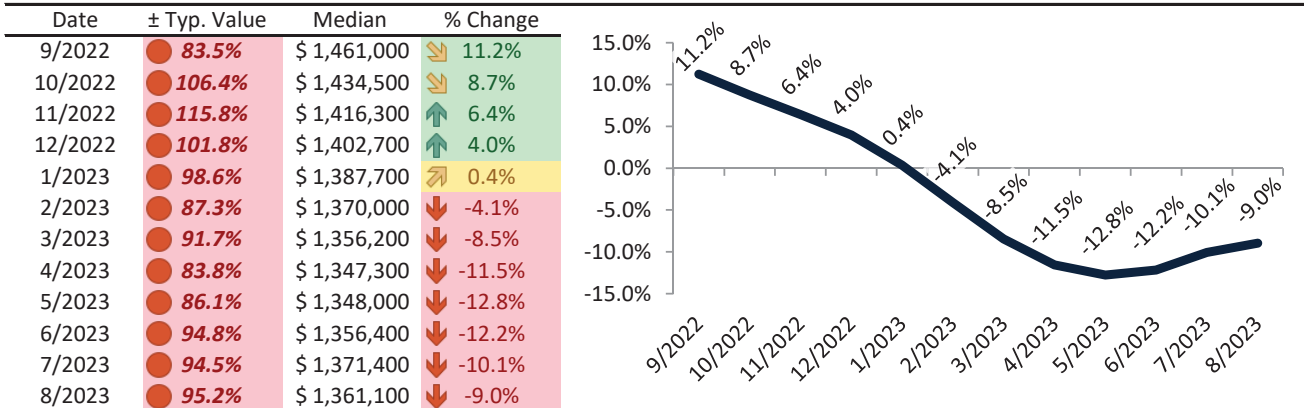
Historically, properties in this market sell at a 25.7% premium. Today's premium is 120.9%. This market is 95.2% overvalued. Median home price is \$1,361,100. Prices fell 9.0% year-over-year. Monthly cost of ownership is \$8,379, and rents average \$3,793, making owning \$4,585 per month more costly than renting. Rents rose 1.4% year-over-year. The current capitalization rate (rent/price) is 2.7%.

Market rating = 1

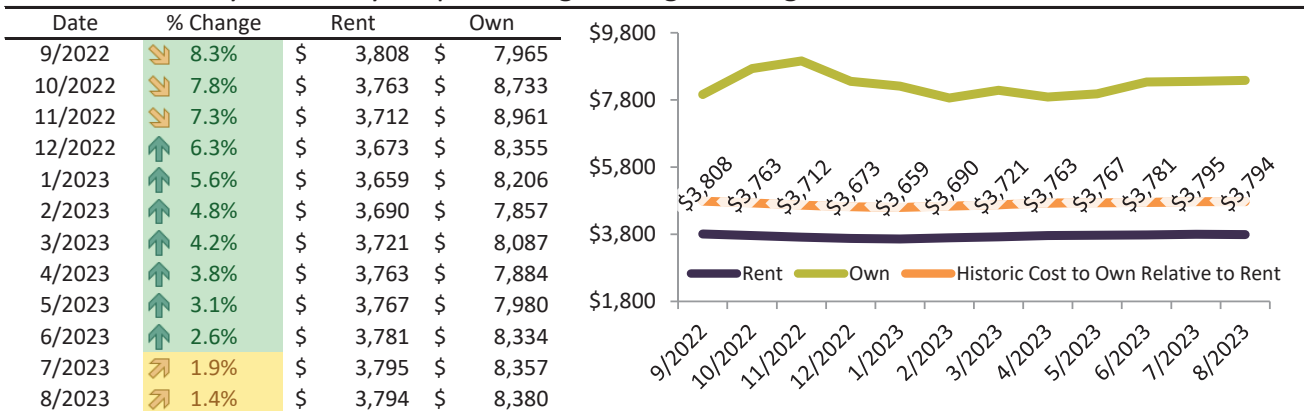
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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



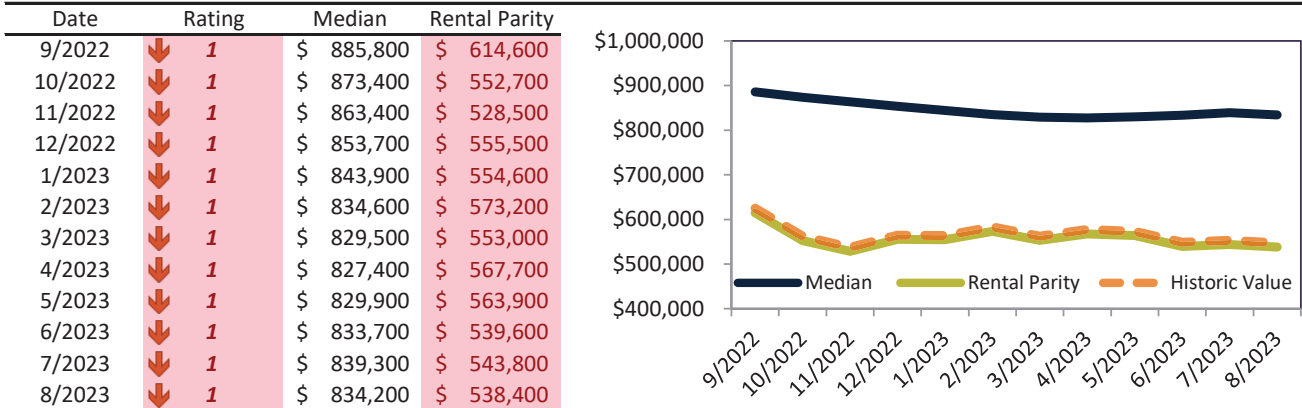


### Hayward Housing Market Value & Trends Update

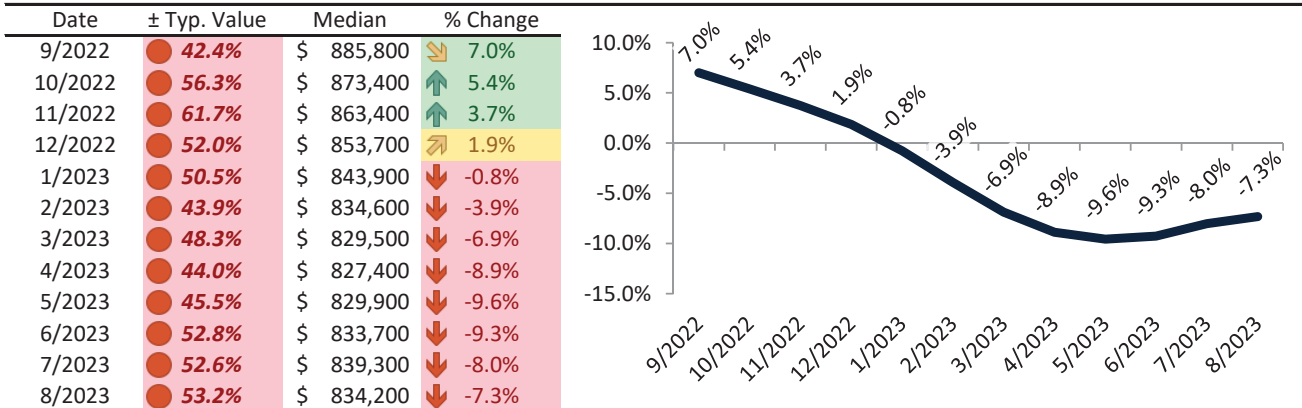
Historically, properties in this market sell at a 1.7% premium. Today's premium is 54.9%. This market is 53.2% overvalued. Median home price is \$834,200. Prices fell 7.3% year-over-year. Monthly cost of ownership is \$5,135, and rents average \$3,315, making owning \$1,820 per month more costly than renting. Rents rose 2.0% year-over-year. The current capitalization rate (rent/price) is 3.8%.

Market rating = 1

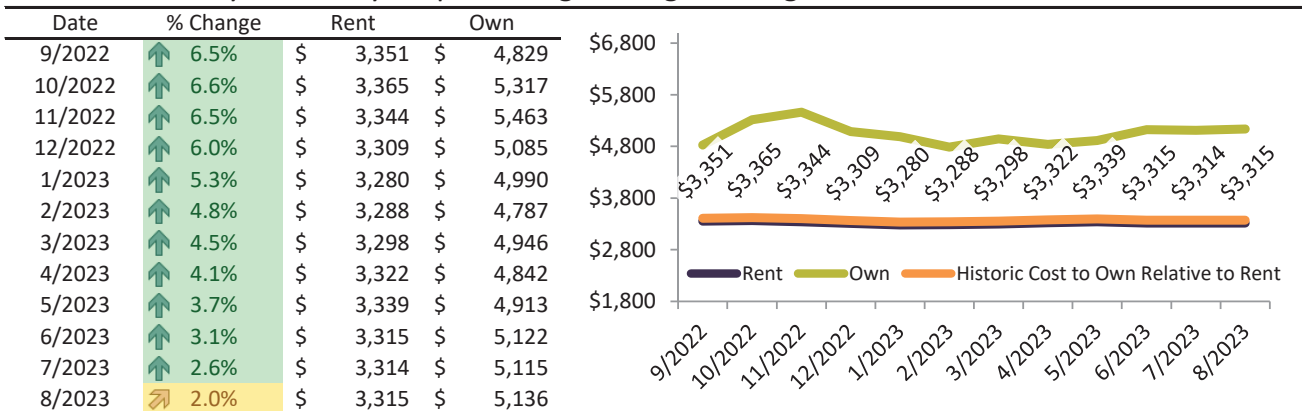
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

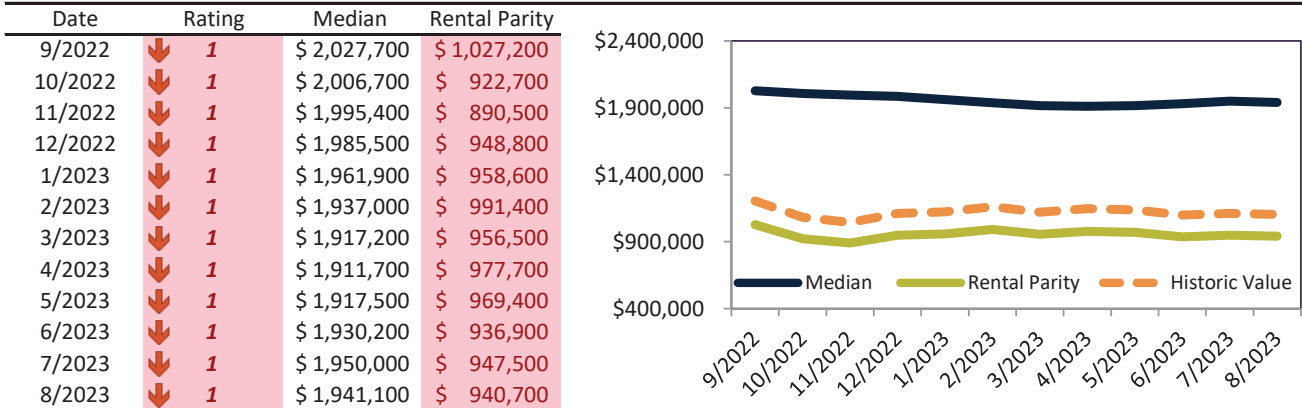


### Lafayette Housing Market Value & Trends Update

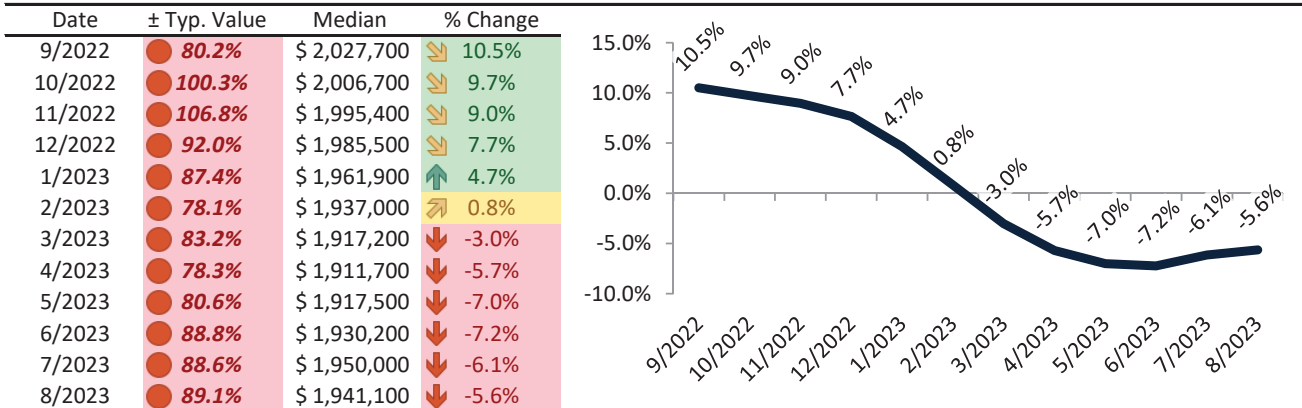
Historically, properties in this market sell at a 17.2% premium. Today's premium is 106.3%. This market is 89.1% overvalued. Median home price is \$1,941,100. Prices fell 5.6% year-over-year. Monthly cost of ownership is \$11,950, and rents average \$5,791, making owning \$6,158 per month more costly than renting. Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 2.9%.

Market rating = 1

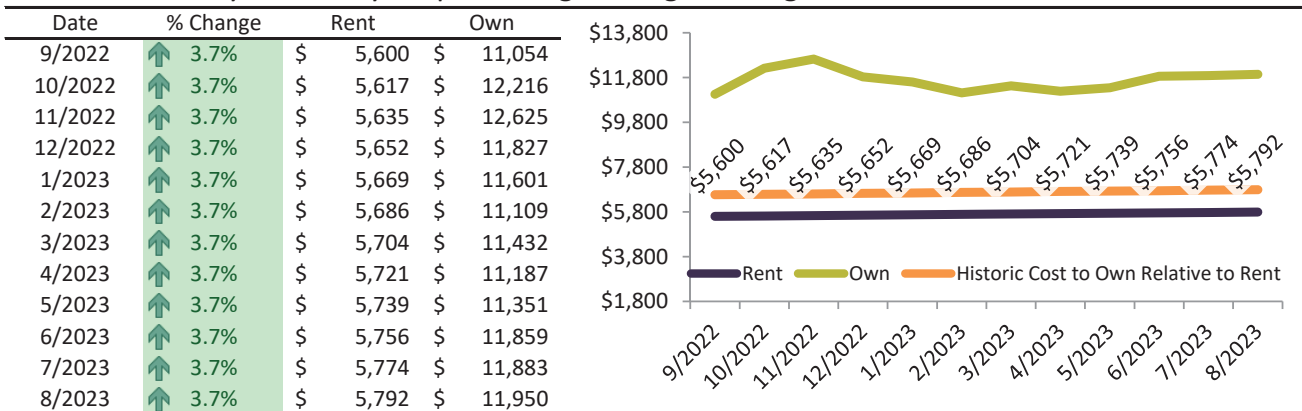
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

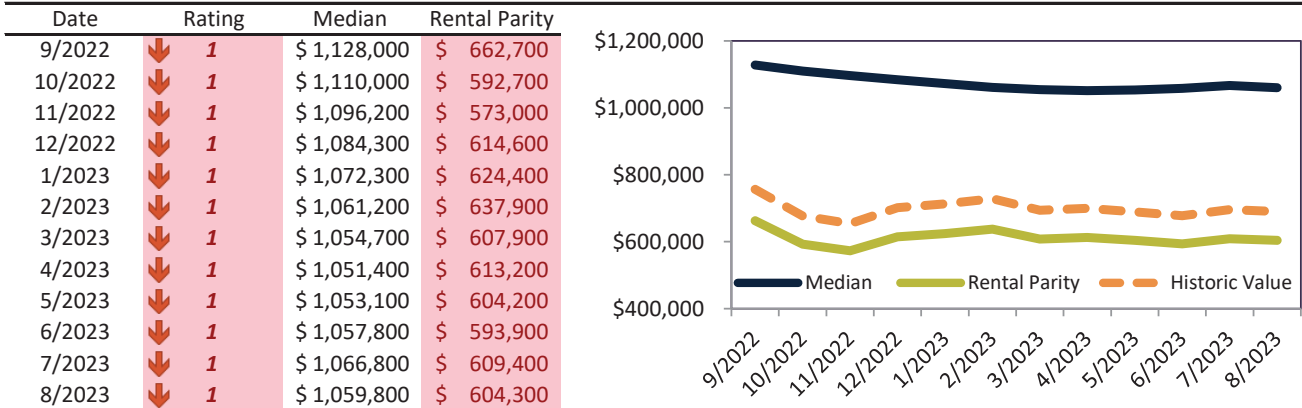


### Livermore Housing Market Value & Trends Update

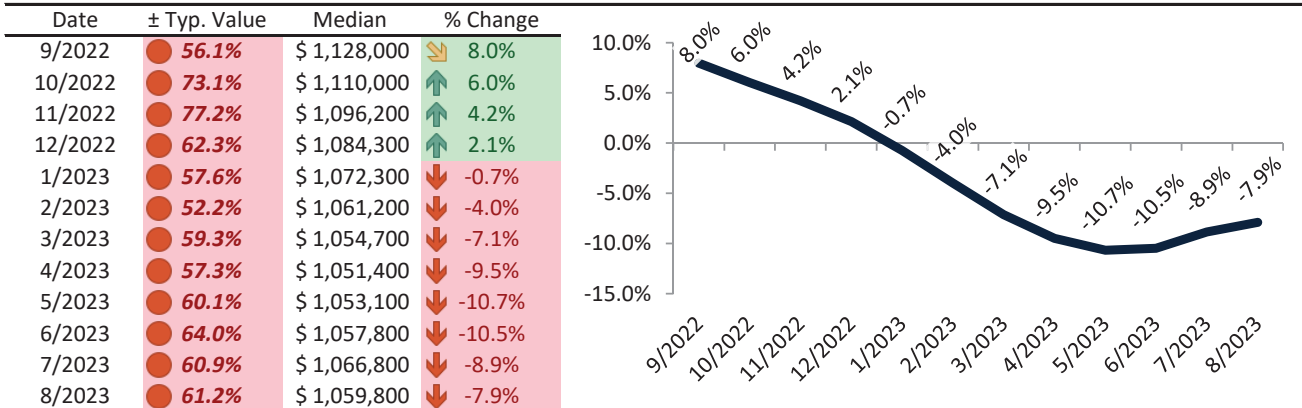
Historically, properties in this market sell at a 14.1% premium. Today's premium is 75.3%. This market is 61.2% overvalued. Median home price is \$1,059,800. Prices fell 7.9% year-over-year. Monthly cost of ownership is \$6,524, and rents average \$3,720, making owning \$2,803 per month more costly than renting. Rents rose 2.2% year-over-year. The current capitalization rate (rent/price) is 3.4%.

Market rating = 1

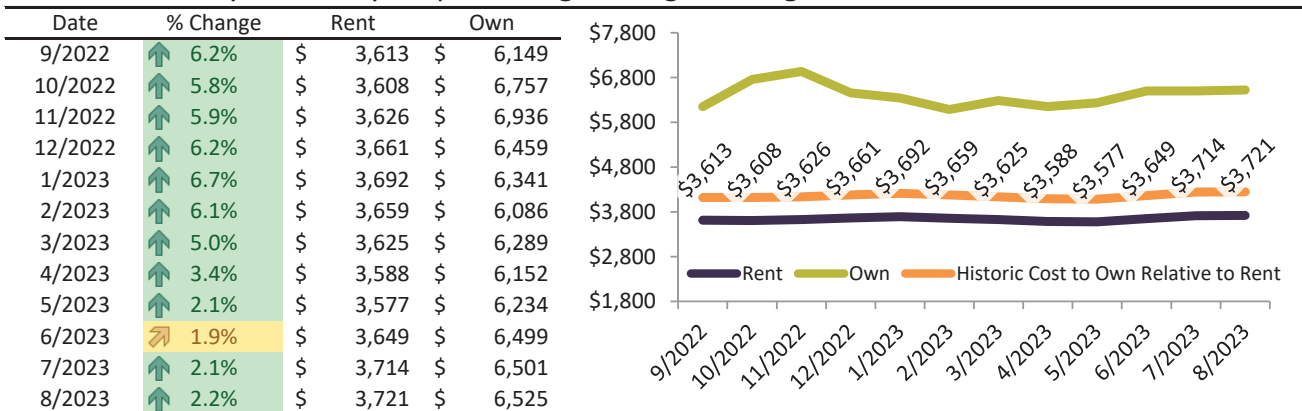
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

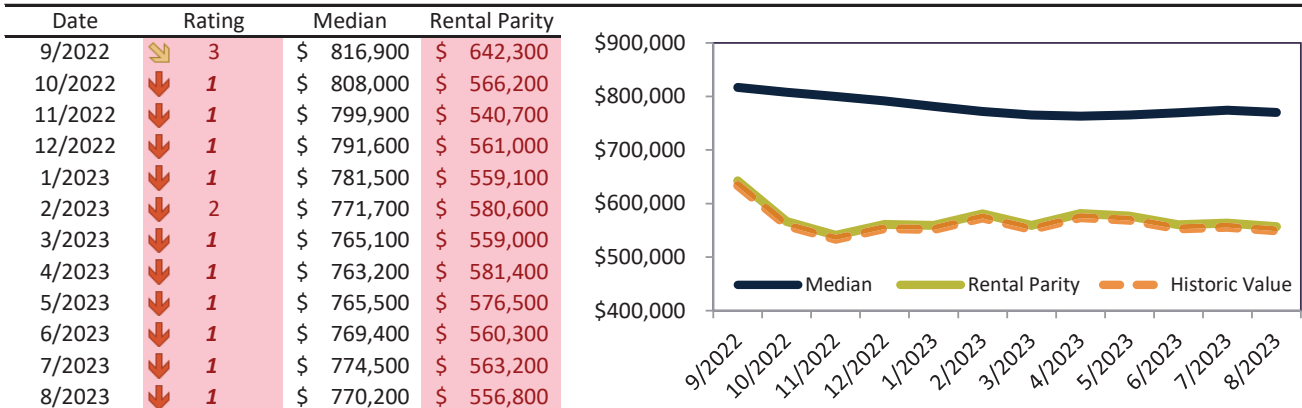


### Martinez Housing Market Value & Trends Update

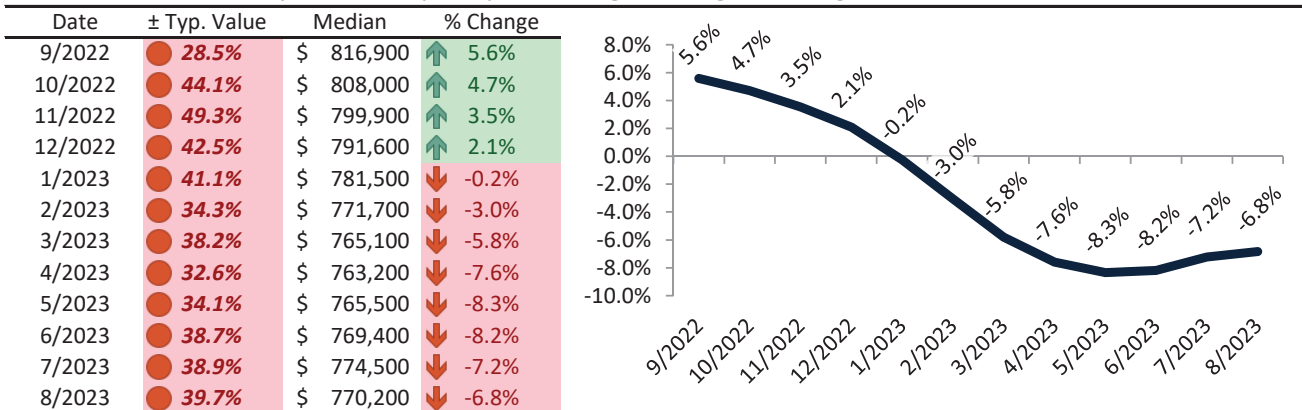
Historically, properties in this market sell at a -1.4% discount. Today's premium is 38.3%. This market is 39.7% overvalued. Median home price is \$770,200. Prices fell 6.8% year-over-year. Monthly cost of ownership is \$4,741, and rents average \$3,428, making owning \$1,313 per month more costly than renting. Rents rose 0.7% year-over-year. The current capitalization rate (rent/price) is 4.3%.

Market rating = 1

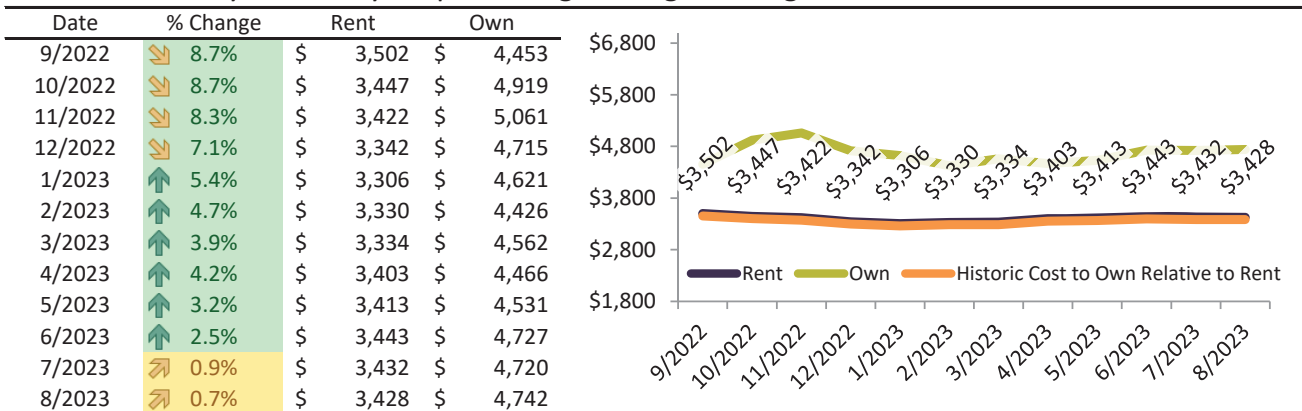
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

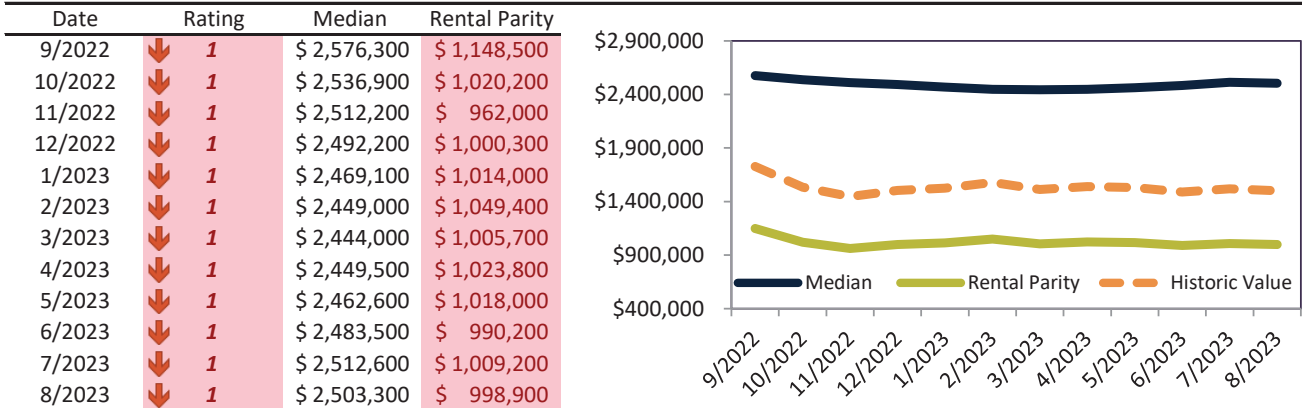


## Menlo Park Housing Market Value & Trends Update

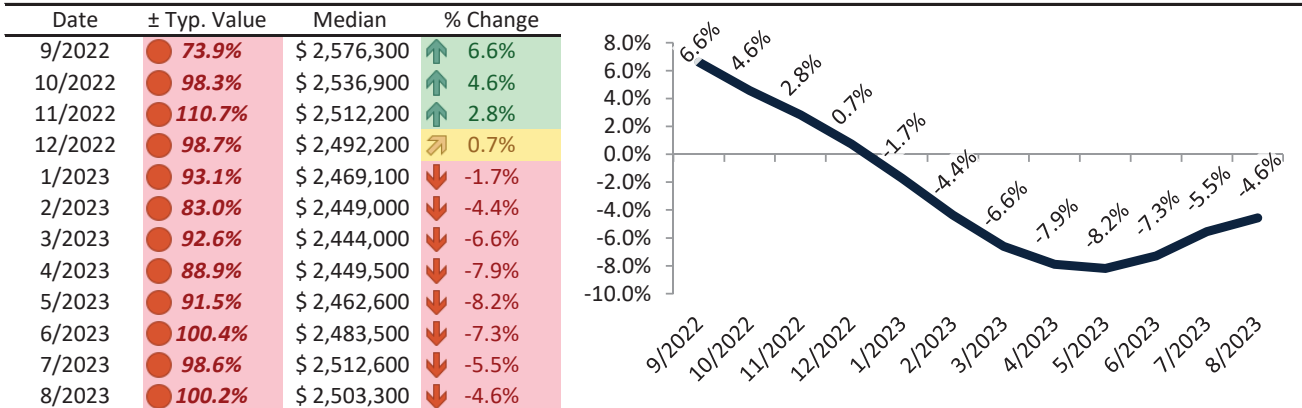
Historically, properties in this market sell at a 50.4% premium. Today's premium is 150.6%. This market is 100.2% overvalued. Median home price is \$2,503,300. Prices fell 4.6% year-over-year. Monthly cost of ownership is \$15,411, and rents average \$6,149, making owning \$9,261 per month more costly than renting. Rents rose 1.5% year-over-year. The current capitalization rate (rent/price) is 2.4%.

Market rating = 1

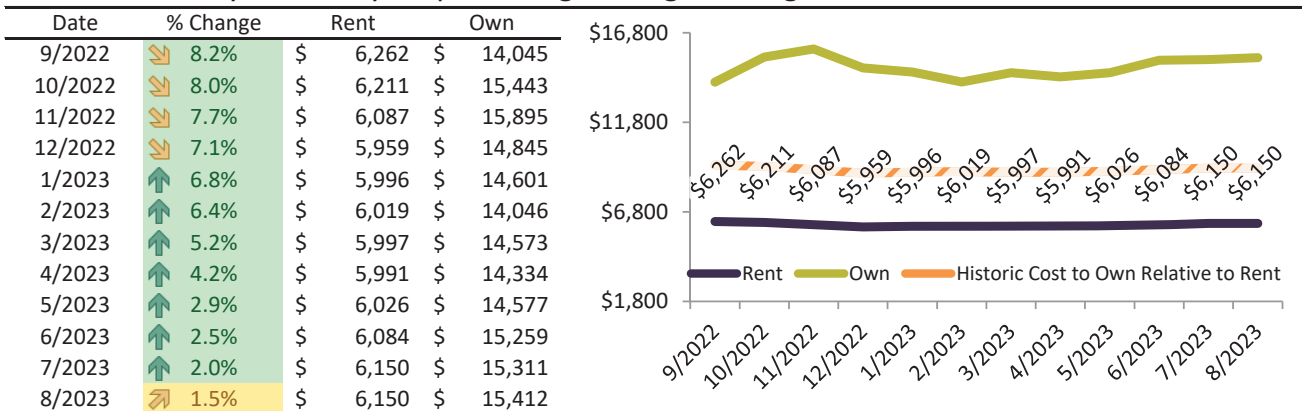
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



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



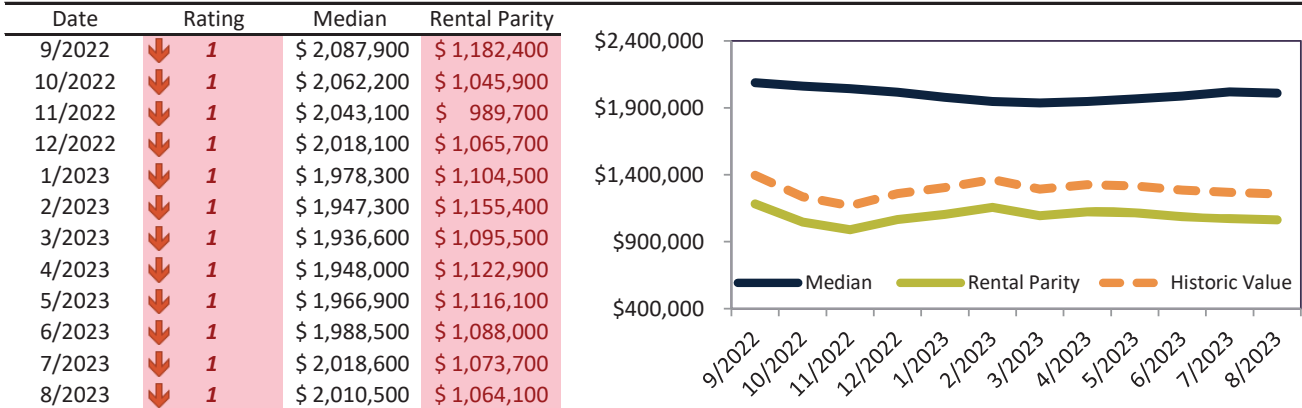


### Mill Valley Housing Market Value & Trends Update

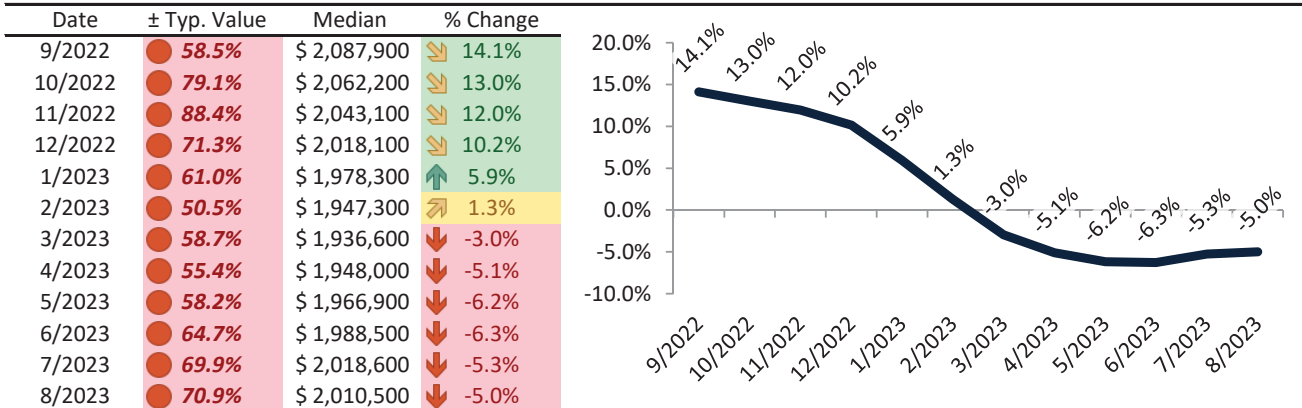
Historically, properties in this market sell at a 18.1% premium. Today's premium is 89.0%. This market is 70.9% overvalued. Median home price is \$2,010,500. Prices fell 5.0% year-over-year. Monthly cost of ownership is \$12,377, and rents average \$6,551, making owning \$5,826 per month more costly than renting. Rents rose 2.7% year-over-year. The current capitalization rate (rent/price) is 3.1%.

Market rating = 1

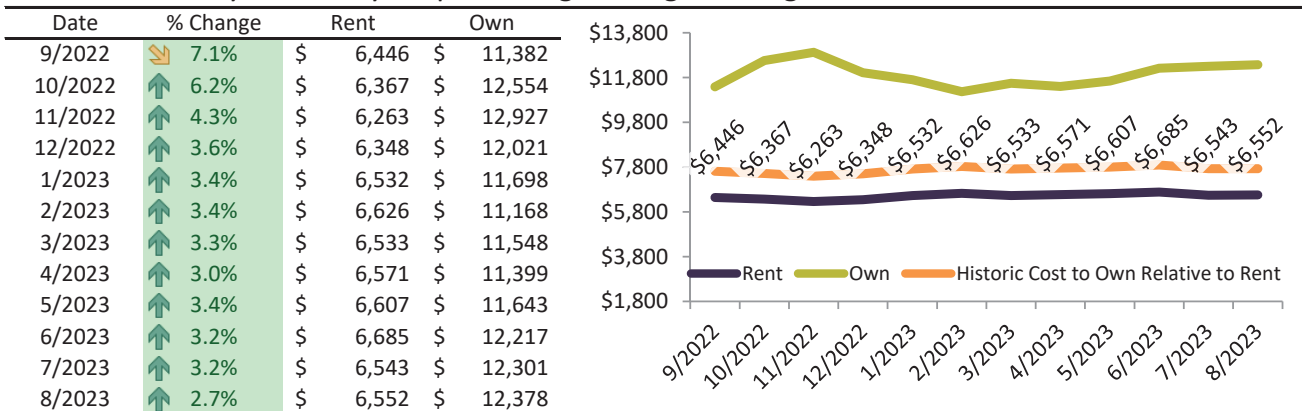
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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



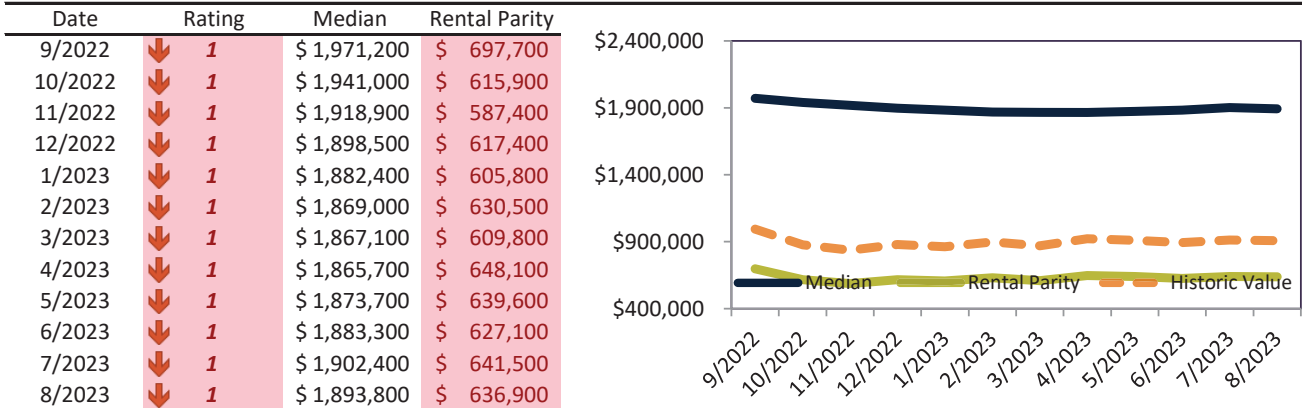


### Millbrae Housing Market Value & Trends Update

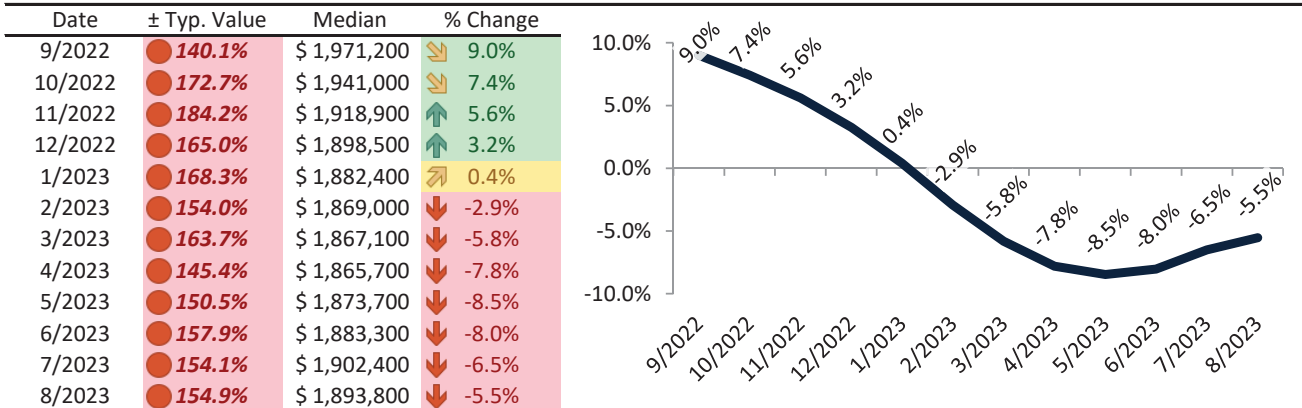
Historically, properties in this market sell at a 42.5% premium. Today's premium is 197.4%. This market is 154.9% overvalued. Median home price is \$1,893,800. Prices fell 5.5% year-over-year. Monthly cost of ownership is \$11,659, and rents average \$3,921, making owning \$7,737 per month more costly than renting. Rents rose 3.1% year-over-year. The current capitalization rate (rent/price) is 2.0%.

Market rating = 1

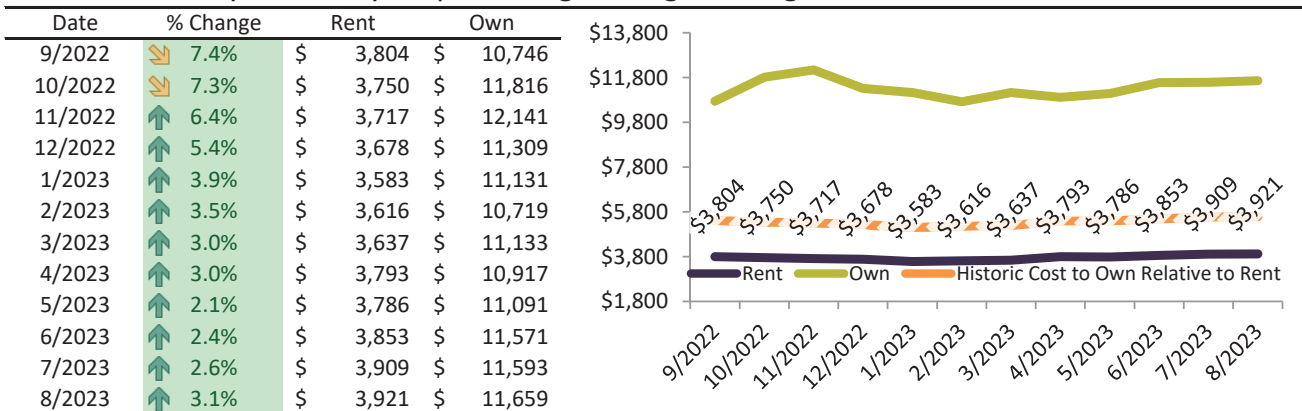
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

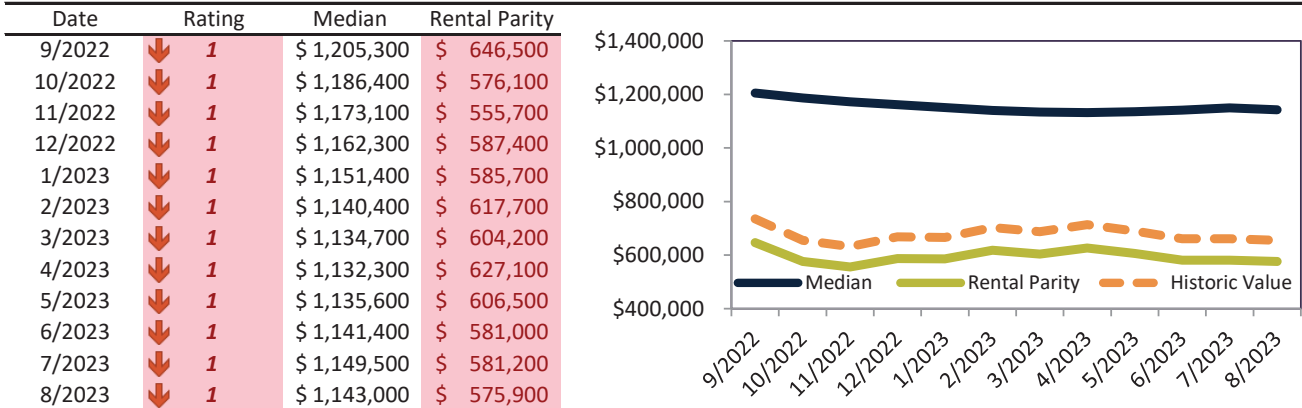


### Newark Housing Market Value & Trends Update

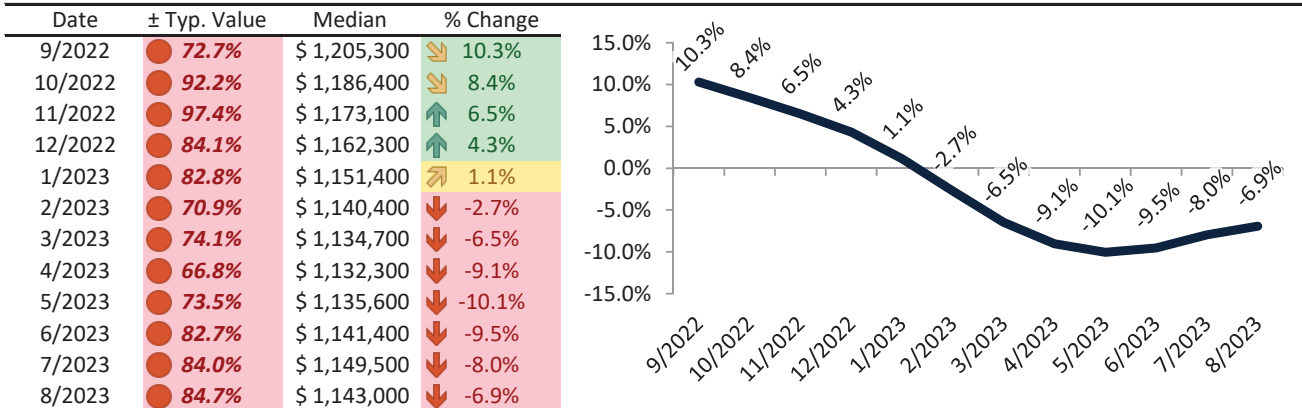
Historically, properties in this market sell at a 13.7% premium. Today's premium is 98.4%. This market is 84.7% overvalued. Median home price is \$1,143,000. Prices fell 6.9% year-over-year. Monthly cost of ownership is \$7,036, and rents average \$3,545, making owning \$3,491 per month more costly than renting. Rents rose 3.3% year-over-year. The current capitalization rate (rent/price) is 3.0%.

**Market rating = 1**

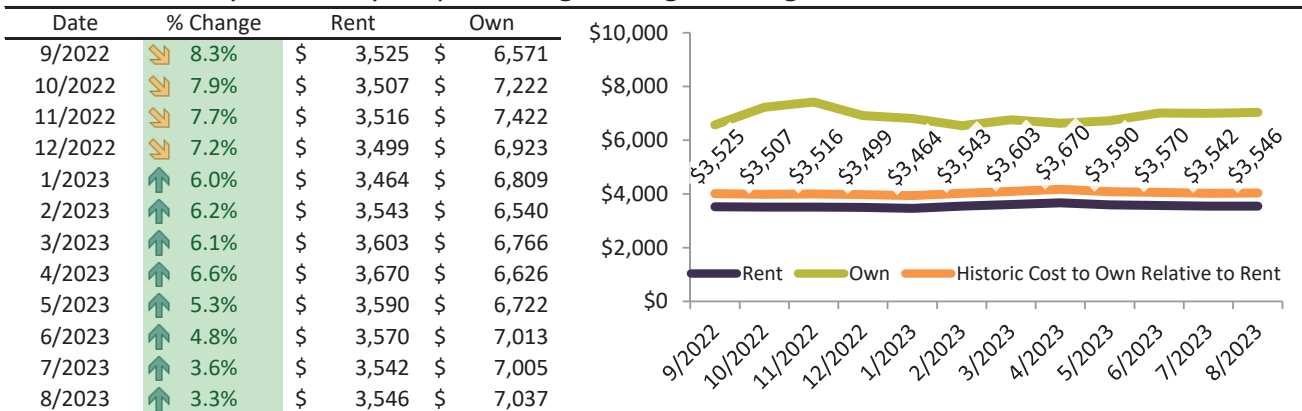
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

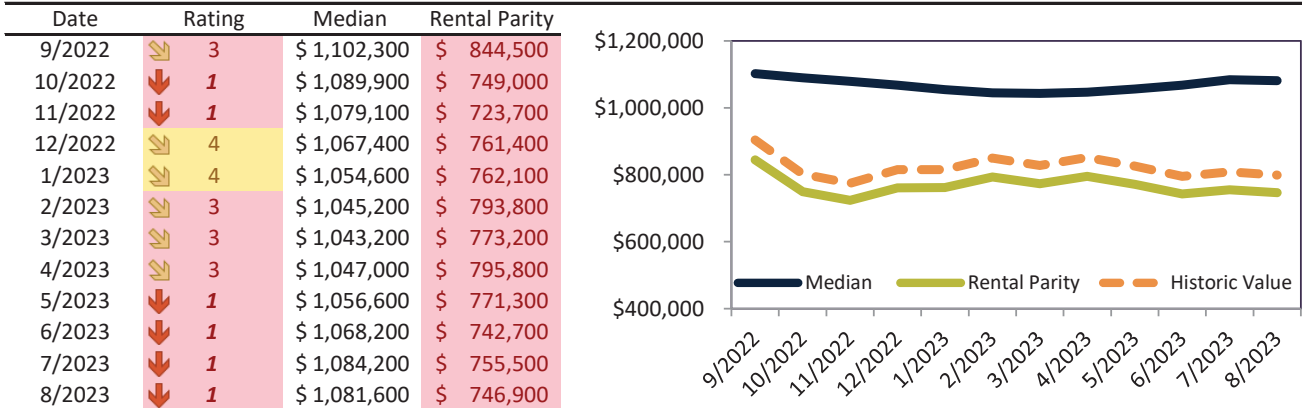


### Novato Housing Market Value & Trends Update

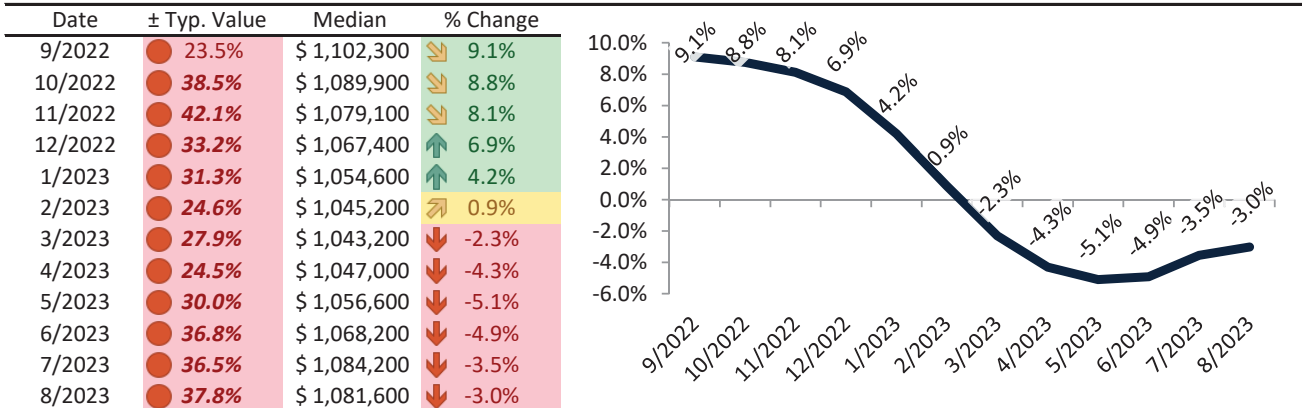
Historically, properties in this market sell at a 7.0% premium. Today's premium is 44.8%. This market is 37.8% overvalued. Median home price is \$1,081,600. Prices fell 3.0% year-over-year. Monthly cost of ownership is \$6,658, and rents average \$4,598, making owning \$2,060 per month more costly than renting. Rents rose 0.2% year-over-year. The current capitalization rate (rent/price) is 4.1%.

Market rating = 1

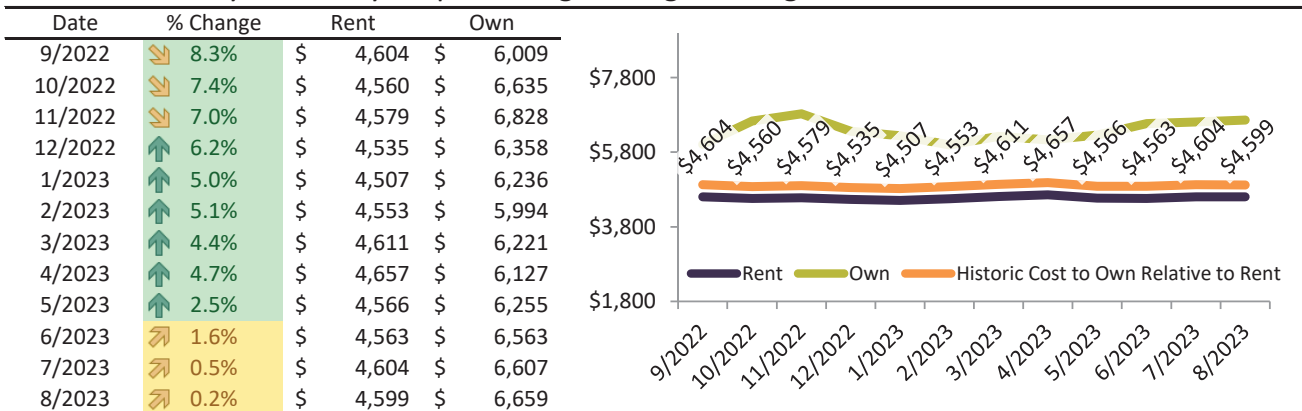
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

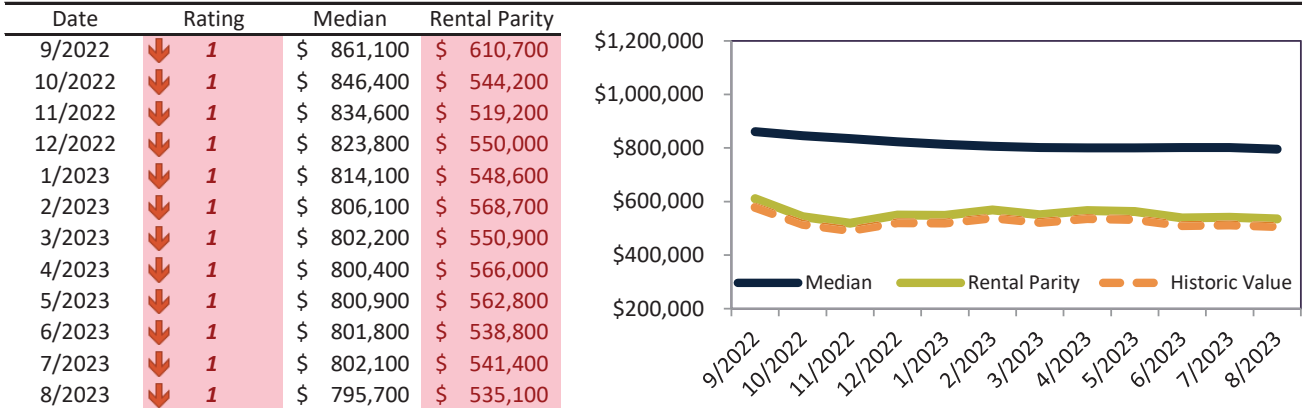


### Oakland Housing Market Value & Trends Update

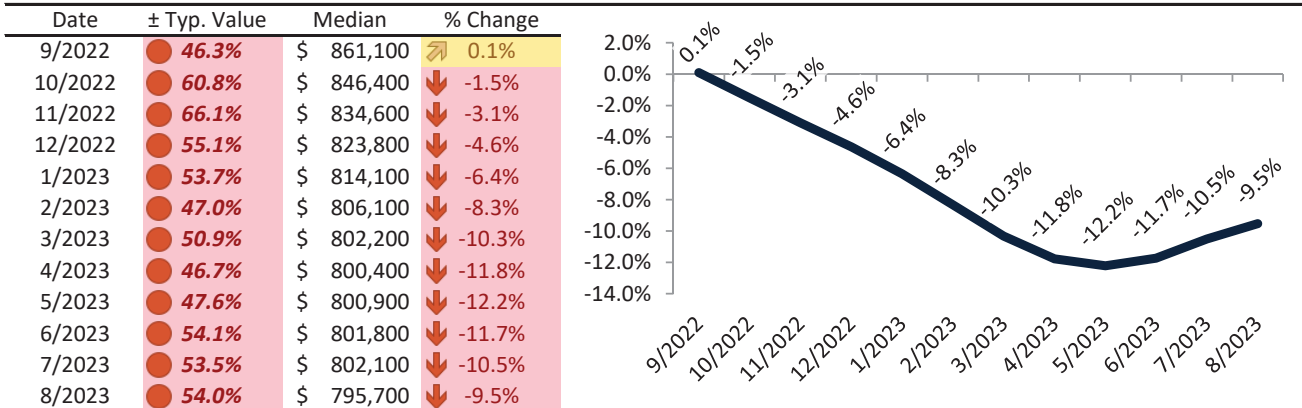
Historically, properties in this market sell at a -5.3% discount. Today's premium is 48.7%. This market is 54.0% overvalued. Median home price is \$795,700. Prices fell 9.5% year-over-year. Monthly cost of ownership is \$4,898, and rents average \$3,294, making owning \$1,603 per month more costly than renting. Rents fell 0.1% year-over-year. The current capitalization rate (rent/price) is 4.0%.

Market rating = 1

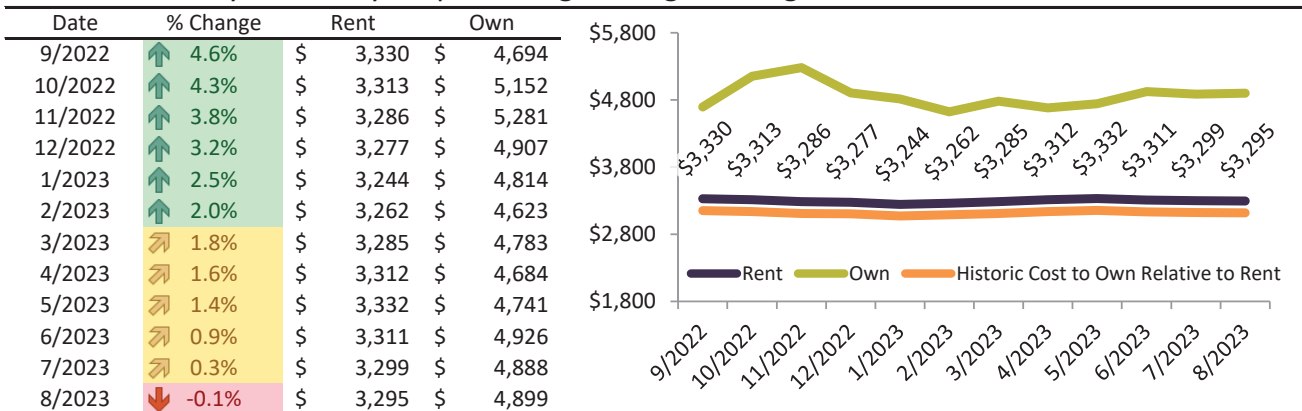
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

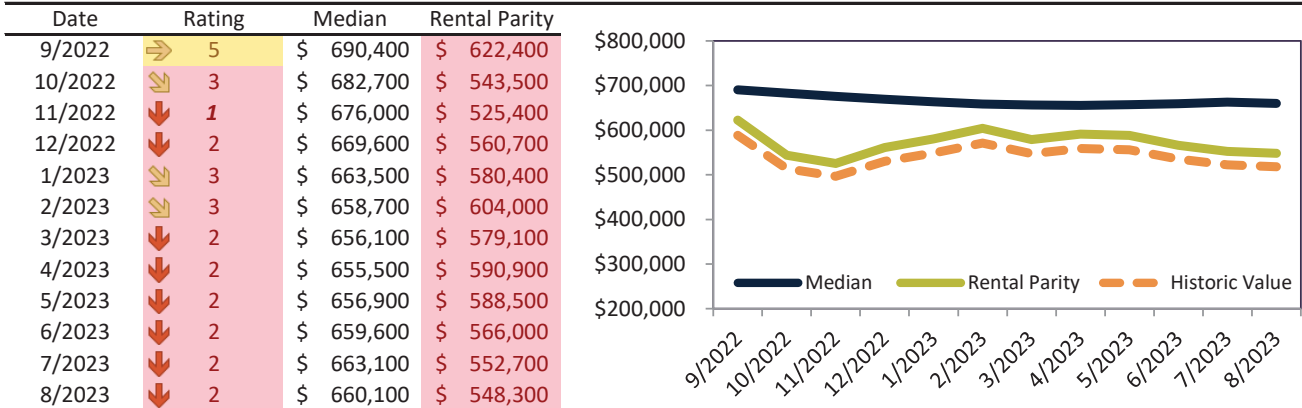


## Oakley Housing Market Value & Trends Update

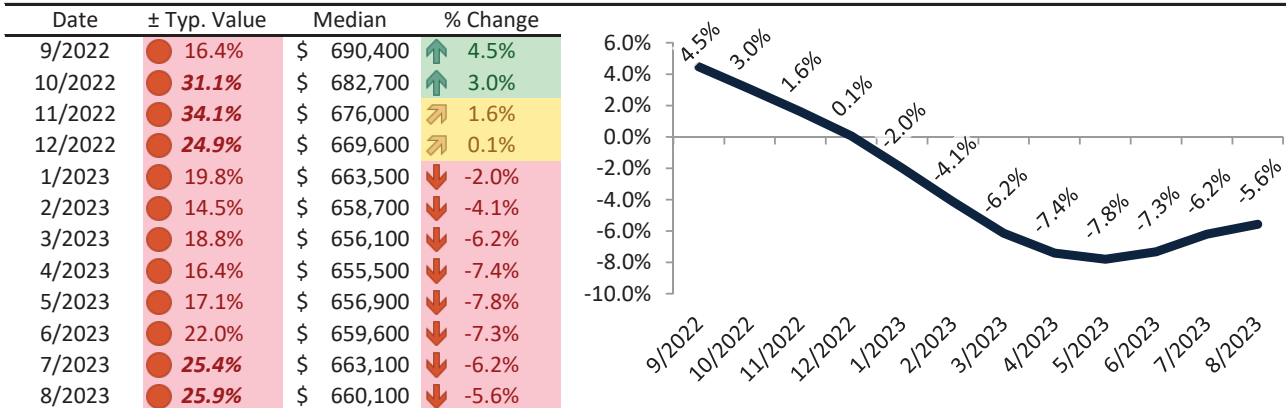
Historically, properties in this market sell at a -5.5% discount. Today's premium is 20.4%. This market is 25.9% overvalued. Median home price is \$660,100. Prices fell 5.6% year-over-year. Monthly cost of ownership is \$4,063, and rents average \$3,375, making owning \$688 per month more costly than renting. Rents rose 4.8% year-over-year. The current capitalization rate (rent/price) is 4.9%.

Market rating = 2

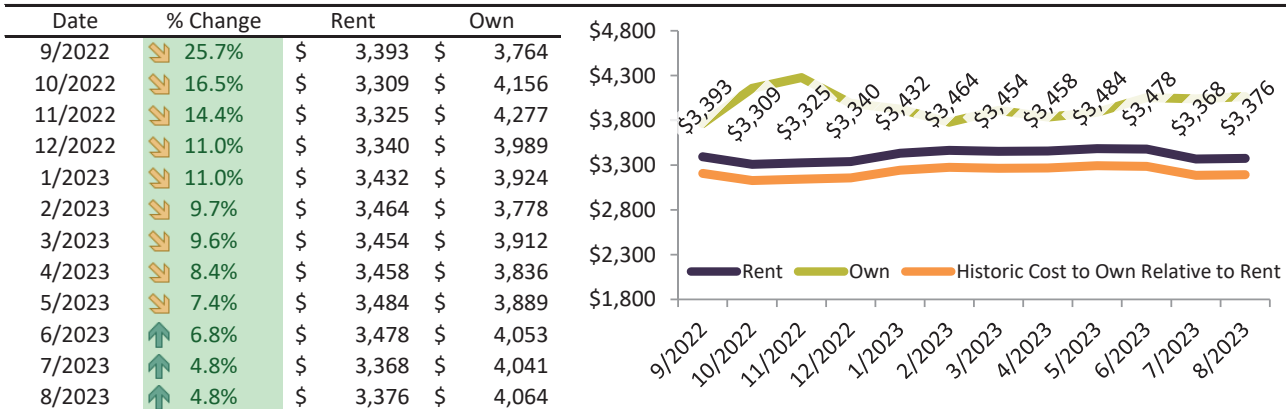
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



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



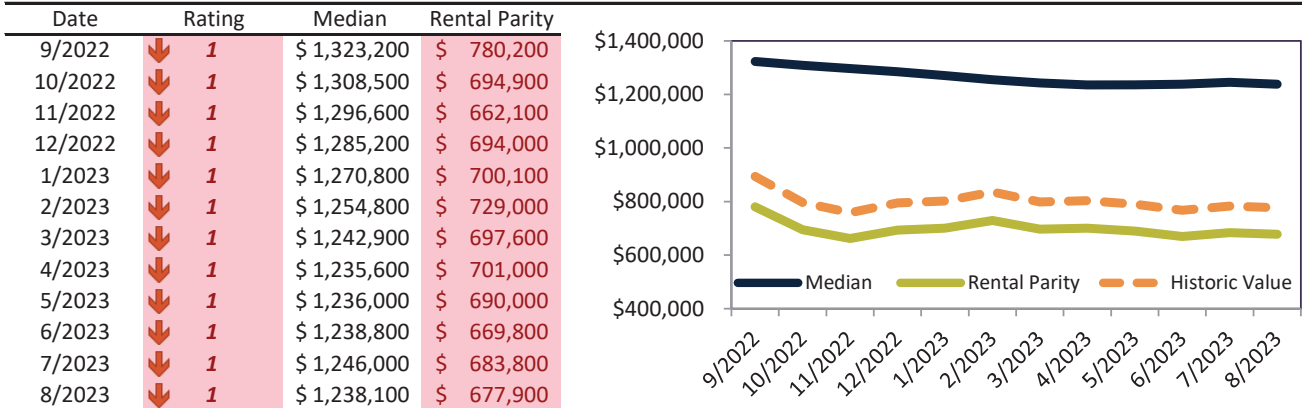


### Pacifica Housing Market Value & Trends Update

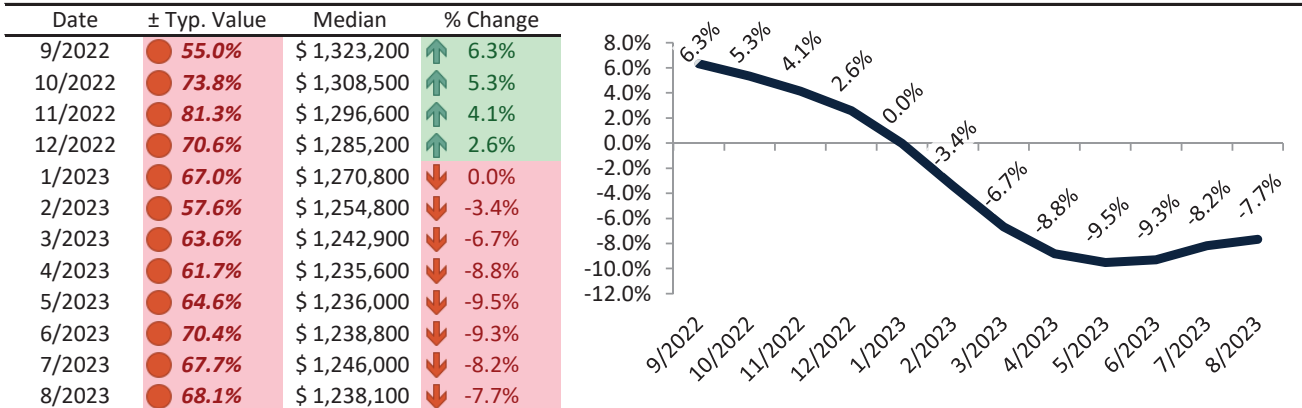
Historically, properties in this market sell at a 14.5% premium. Today's premium is 82.6%. This market is 68.1% overvalued. Median home price is \$1,238,100. Prices fell 7.7% year-over-year. Monthly cost of ownership is \$7,622, and rents average \$4,173, making owning \$3,448 per month more costly than renting. Rents rose 2.9% year-over-year. The current capitalization rate (rent/price) is 3.2%.

Market rating = 1

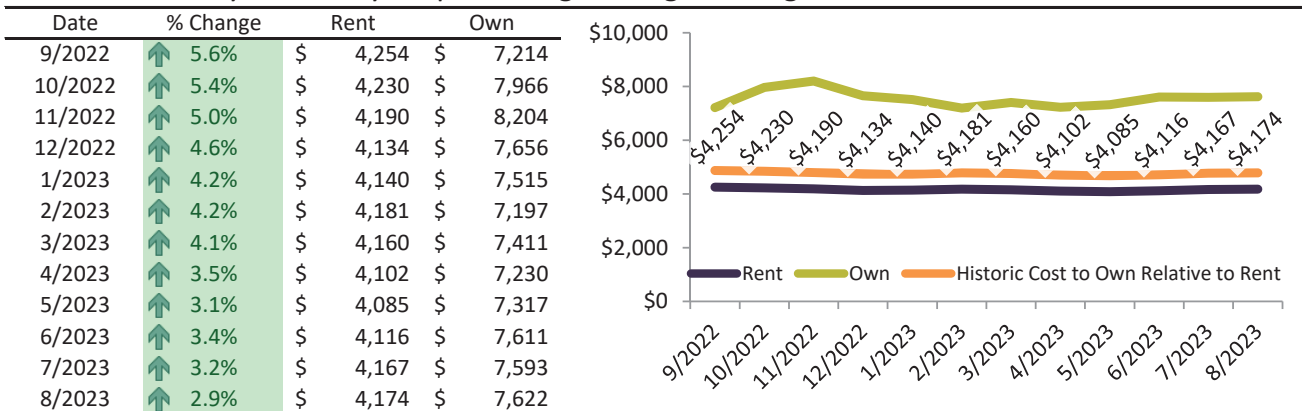
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

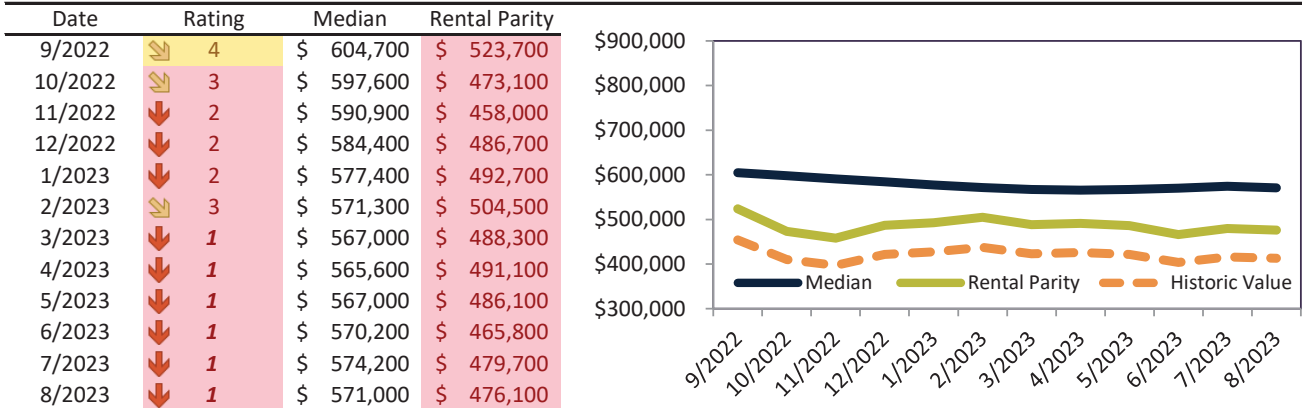


### Pittsburg Housing Market Value & Trends Update

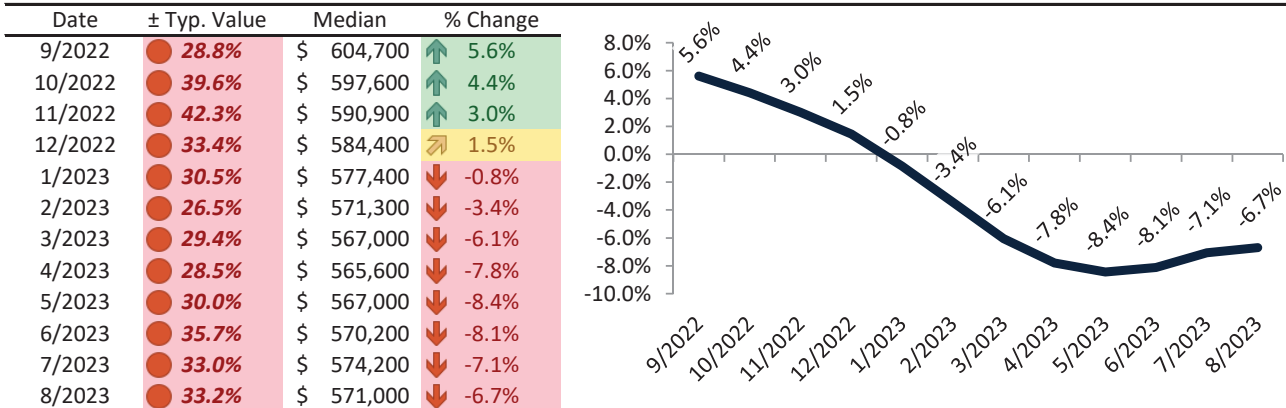
Historically, properties in this market sell at a -13.3% discount. Today's premium is 19.9%. This market is 33.2% overvalued. Median home price is \$571,000. Prices fell 6.7% year-over-year. Monthly cost of ownership is \$3,515, and rents average \$2,931, making owning \$583 per month more costly than renting. Rents rose 3.5% year-over-year. The current capitalization rate (rent/price) is 4.9%.

Market rating = 1

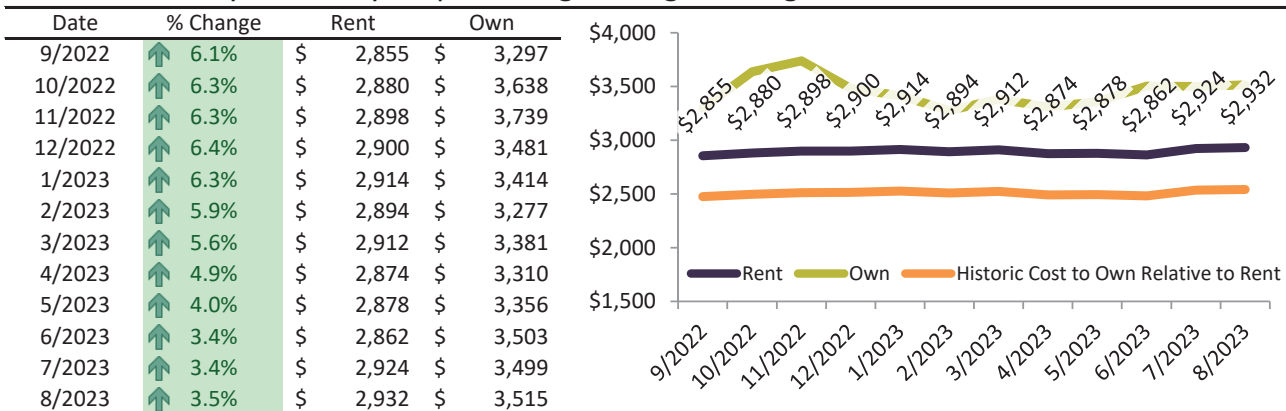
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

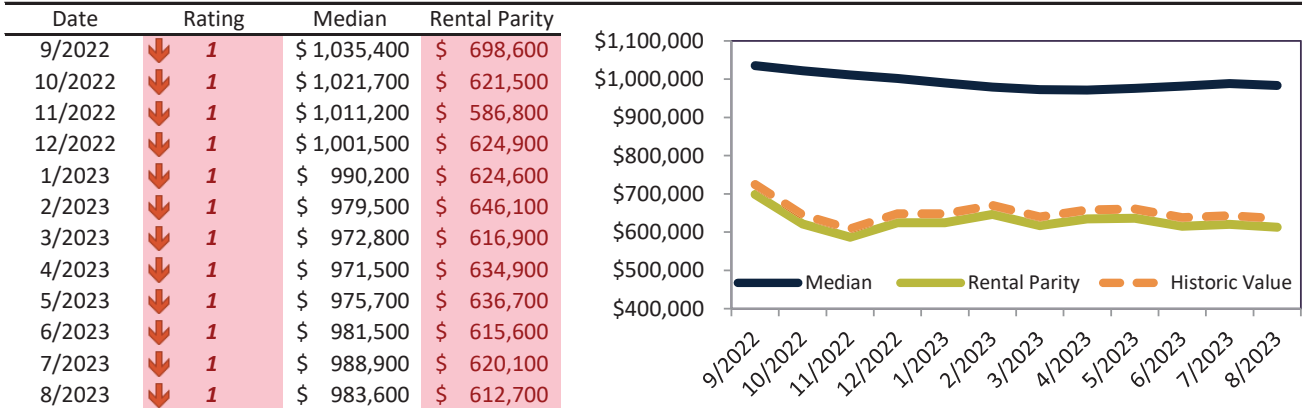


### Pleasant Hill Housing Market Value & Trends Update

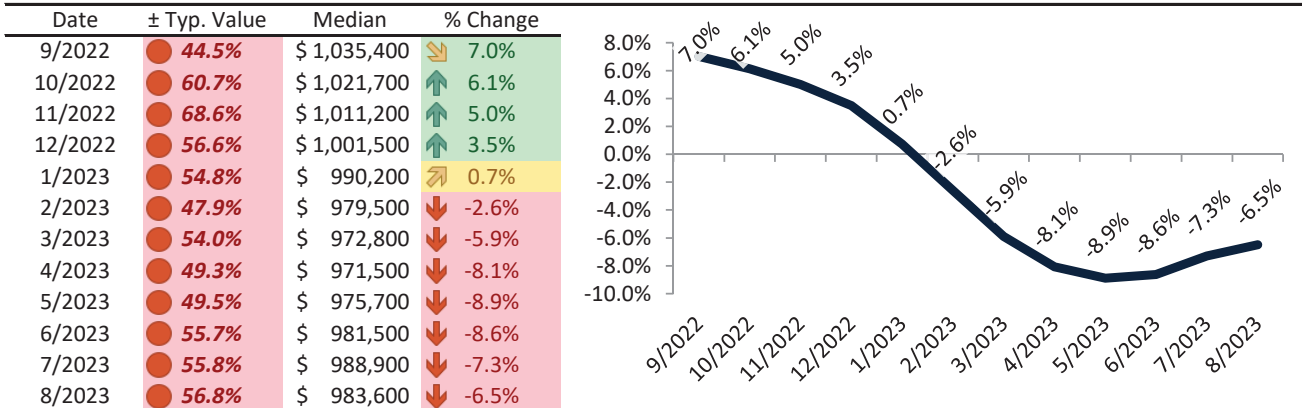
Historically, properties in this market sell at a 3.7% premium. Today's premium is 60.5%. This market is 56.8% overvalued. Median home price is \$983,600. Prices fell 6.5% year-over-year. Monthly cost of ownership is \$6,055, and rents average \$3,772, making owning \$2,283 per month more costly than renting. Rents rose 0.2% year-over-year. The current capitalization rate (rent/price) is 3.7%.

Market rating = 1

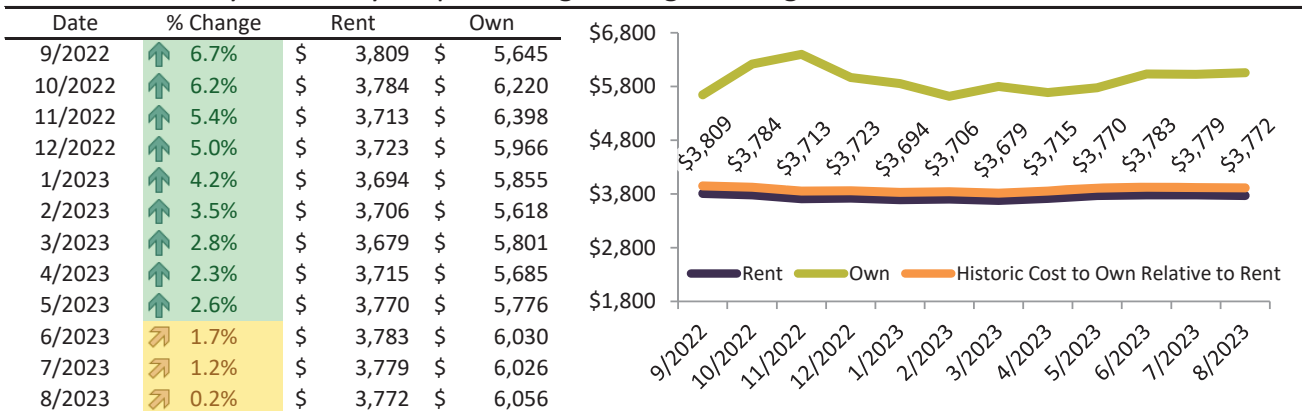
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

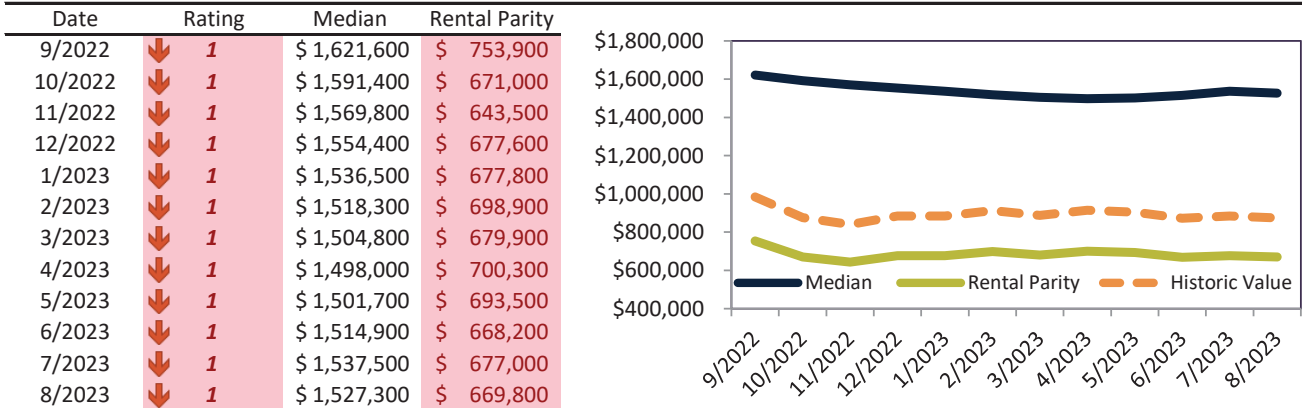


### Pleasanton Housing Market Value & Trends Update

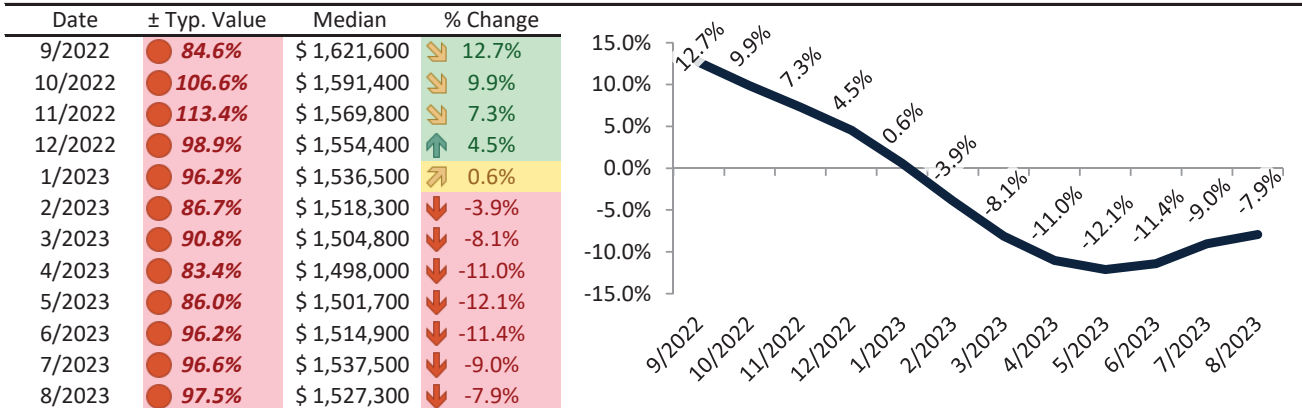
Historically, properties in this market sell at a 30.5% premium. Today's premium is 128.0%. This market is 97.5% overvalued. Median home price is \$1,527,300. Prices fell 7.9% year-over-year. Monthly cost of ownership is \$9,402, and rents average \$4,124, making owning \$5,278 per month more costly than renting. Rents rose 0.6% year-over-year. The current capitalization rate (rent/price) is 2.6%.

Market rating = 1

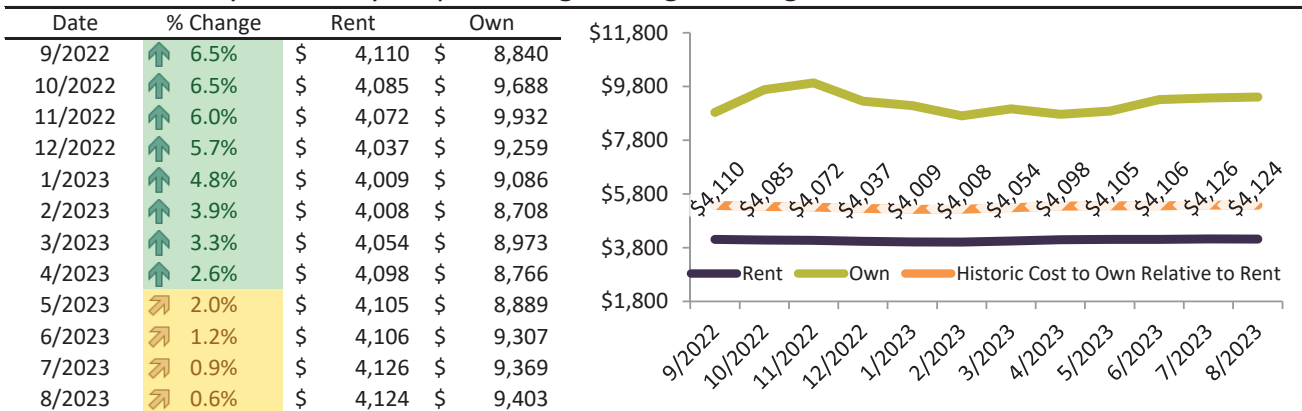
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

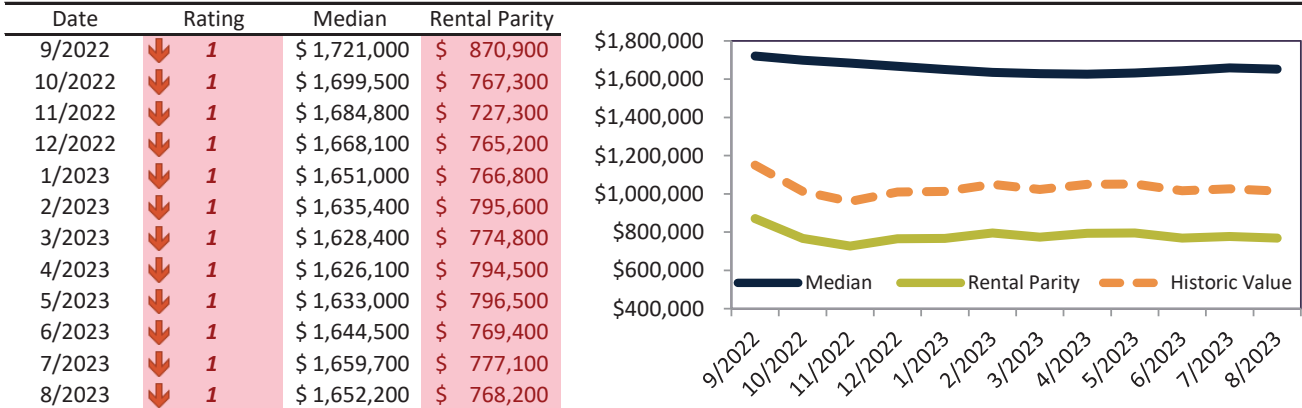


## Redwood City Housing Market Value & Trends Update

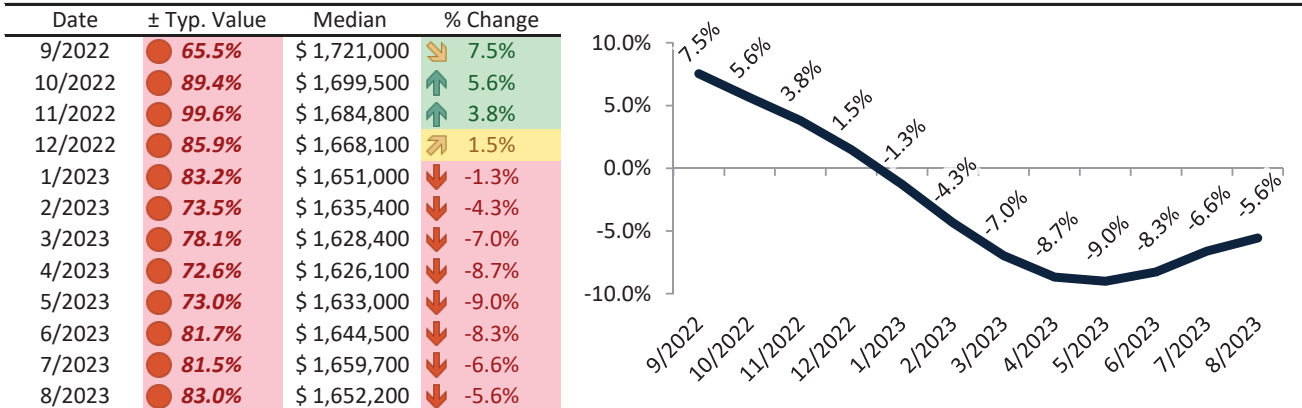
Historically, properties in this market sell at a 32.1% premium. Today's premium is 115.1%. This market is 83.0% overvalued. Median home price is \$1,652,200. Prices fell 5.6% year-over-year. Monthly cost of ownership is \$10,171, and rents average \$4,729, making owning \$5,441 per month more costly than renting. Rents rose 0.3% year-over-year. The current capitalization rate (rent/price) is 2.7%.

Market rating = 1

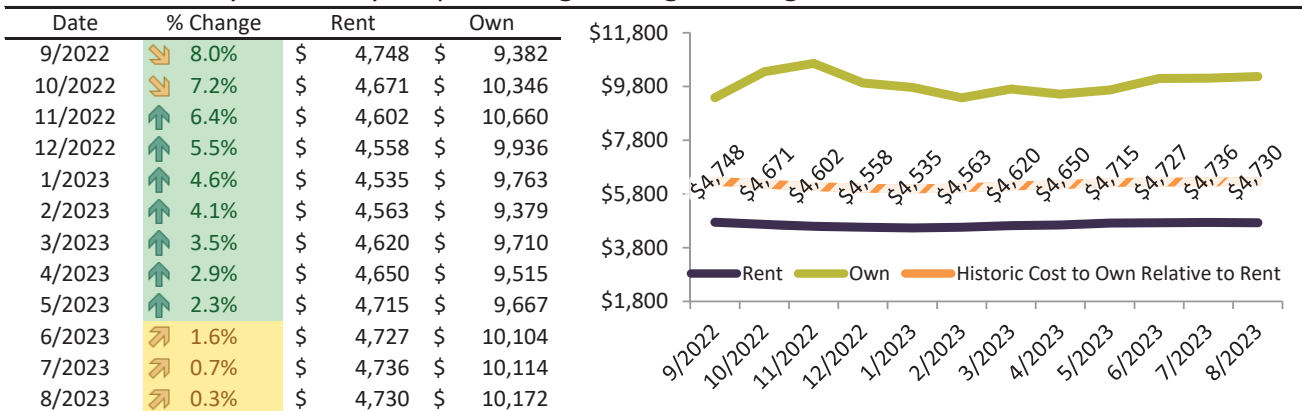
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



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



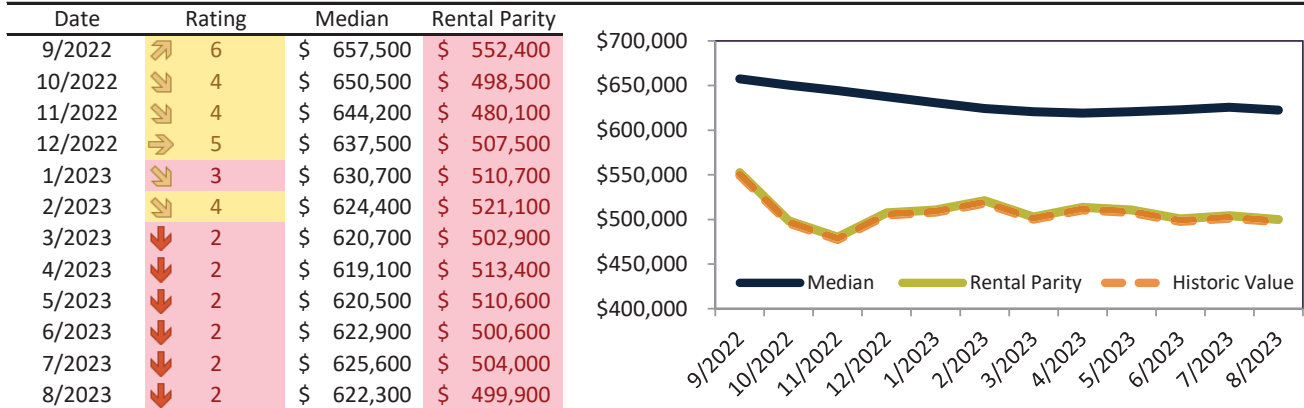


### Richmond Housing Market Value & Trends Update

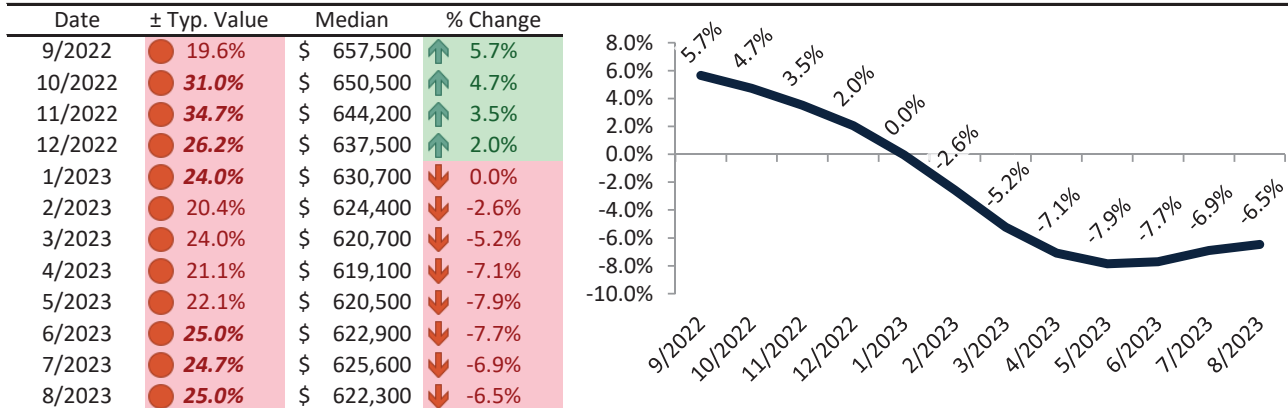
Historically, properties in this market sell at a -0.5% discount. Today's premium is 24.5%. This market is 25.0% overvalued. Median home price is \$622,300. Prices fell 6.5% year-over-year. Monthly cost of ownership is \$3,831, and rents average \$3,078, making owning \$752 per month more costly than renting. Rents rose 3.8% year-over-year. The current capitalization rate (rent/price) is 4.7%.

Market rating = 2

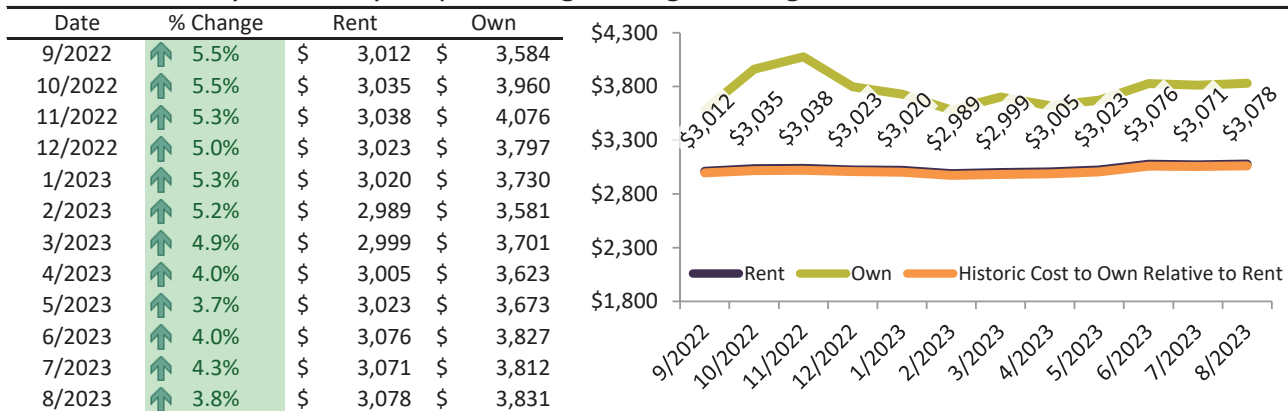
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

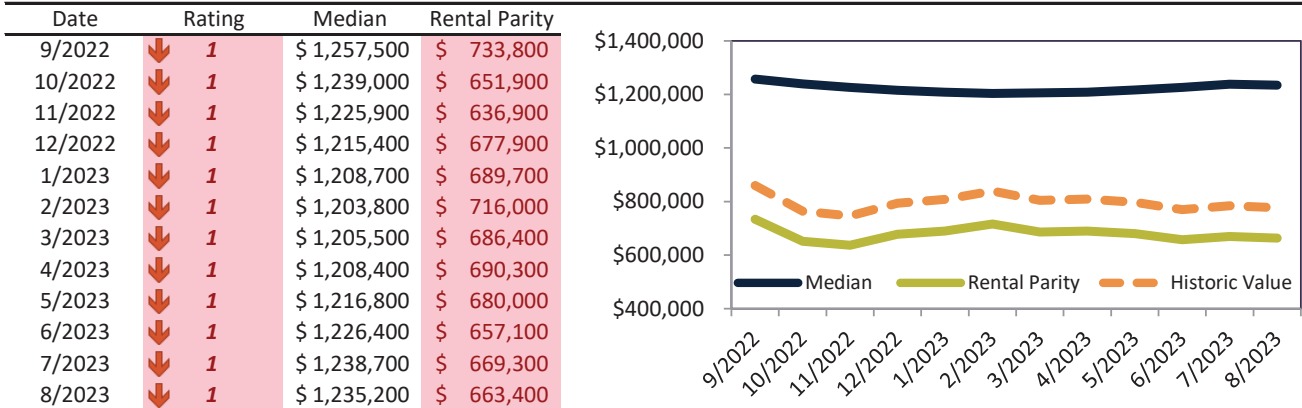


### San Bruno Housing Market Value & Trends Update

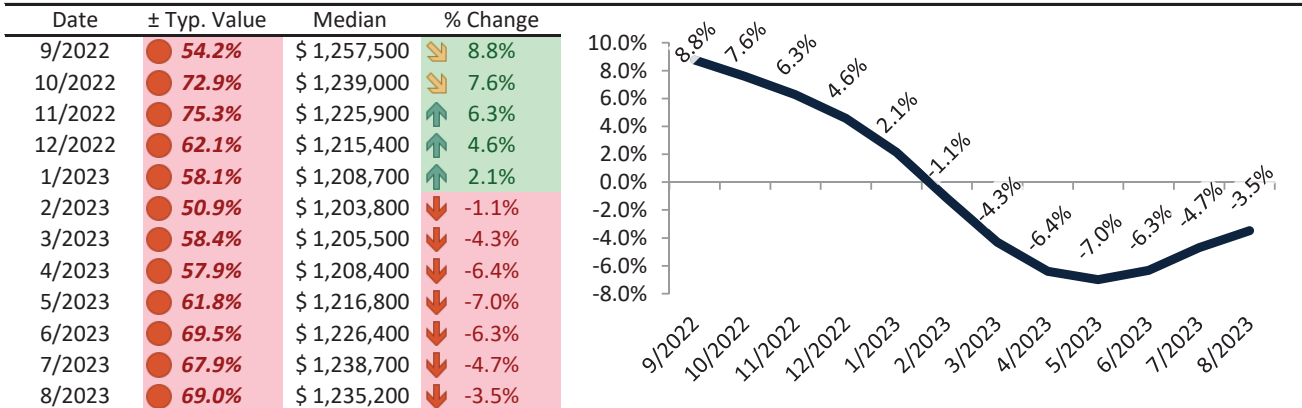
Historically, properties in this market sell at a 17.2% premium. Today's premium is 86.2%. This market is 69.0% overvalued. Median home price is \$1,235,200. Prices fell 3.5% year-over-year. Monthly cost of ownership is \$7,604, and rents average \$4,084, making owning \$3,519 per month more costly than renting. Rents rose 2.8% year-over-year. The current capitalization rate (rent/price) is 3.2%.

Market rating = 1

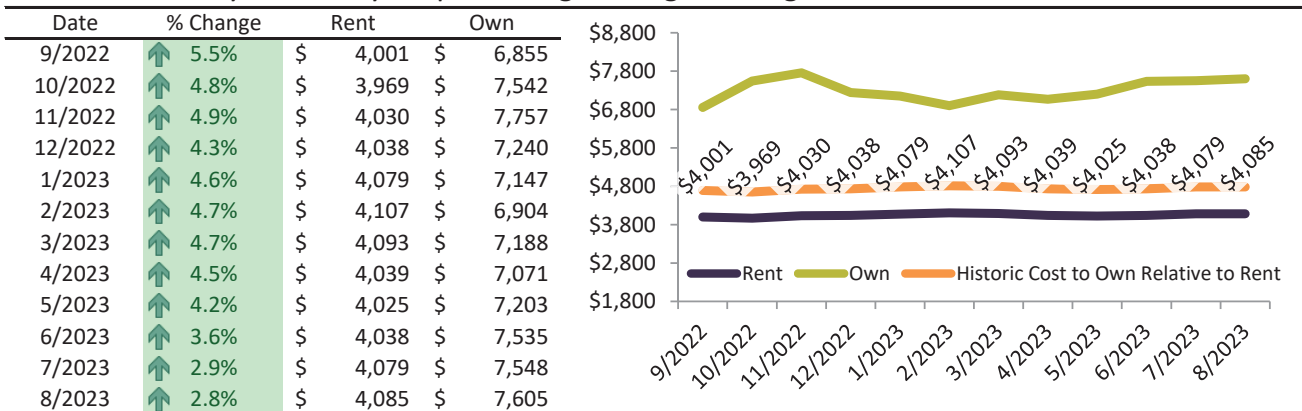
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

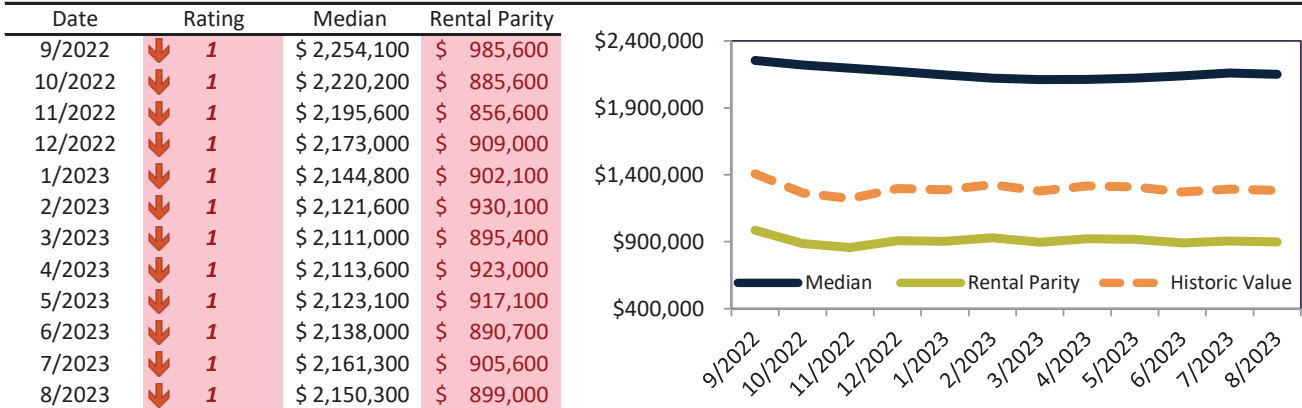


### San Carlos Housing Market Value & Trends Update

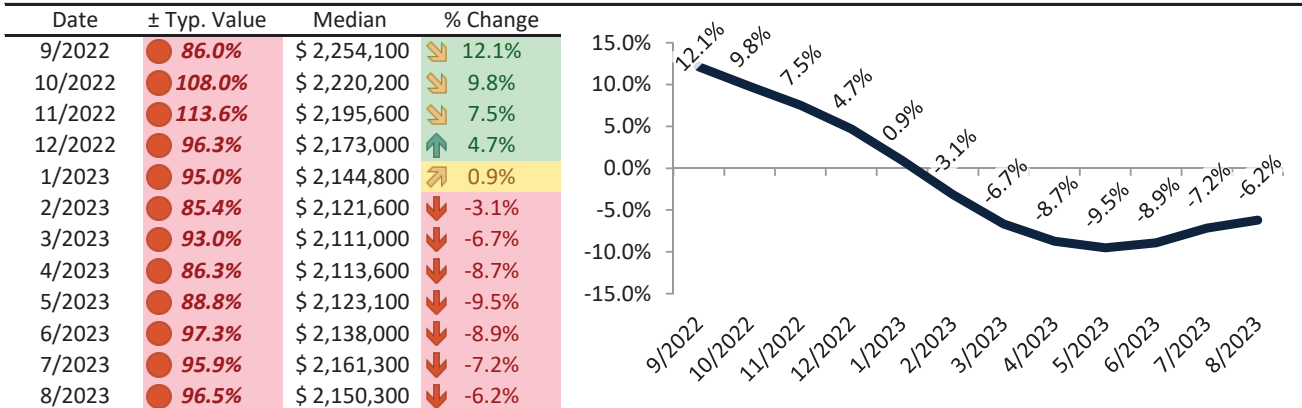
Historically, properties in this market sell at a 42.7% premium. Today's premium is 139.2%. This market is 96.5% overvalued. Median home price is \$2,150,300. Prices fell 6.2% year-over-year. Monthly cost of ownership is \$13,238, and rents average \$5,534, making owning \$7,703 per month more costly than renting. Rents rose 3.6% year-over-year. The current capitalization rate (rent/price) is 2.5%.

Market rating = 1

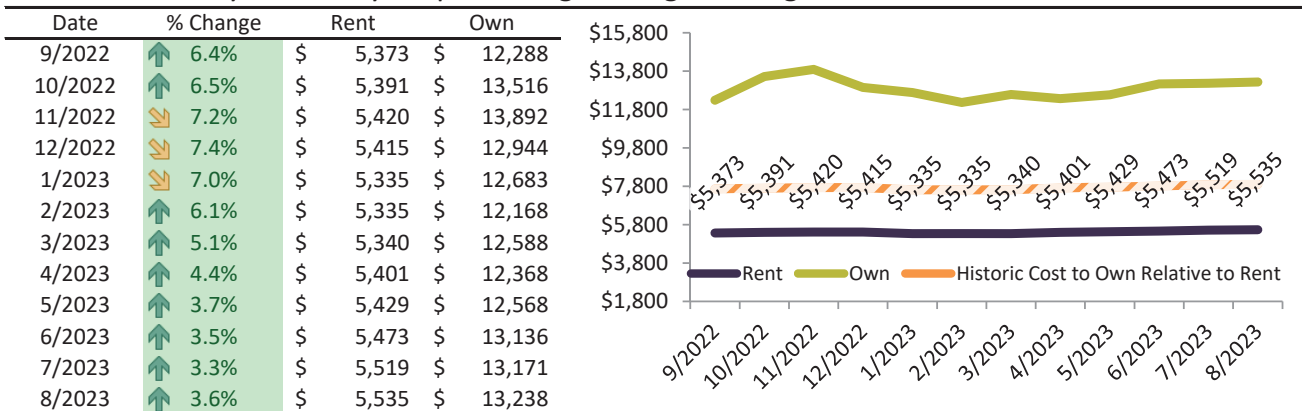
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

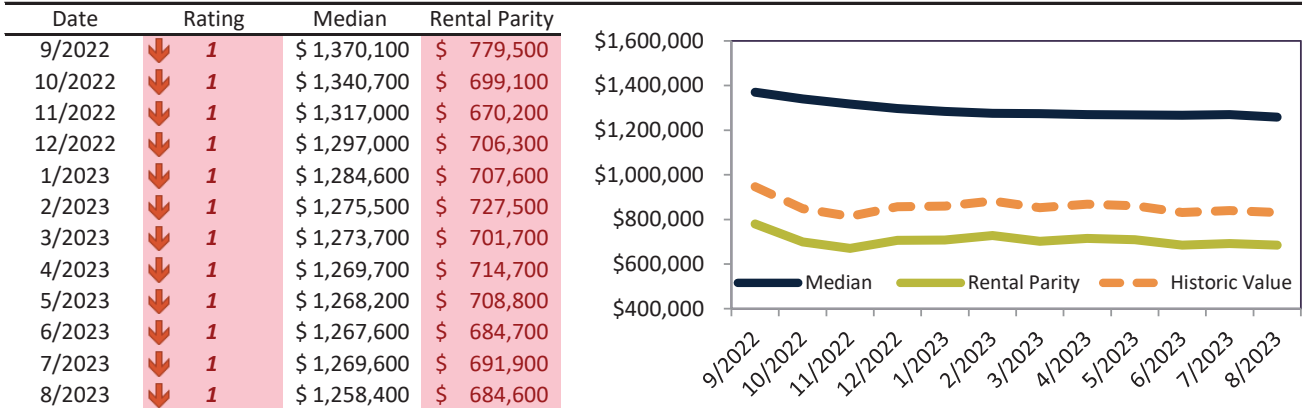


### San Francisco Housing Market Value & Trends Update

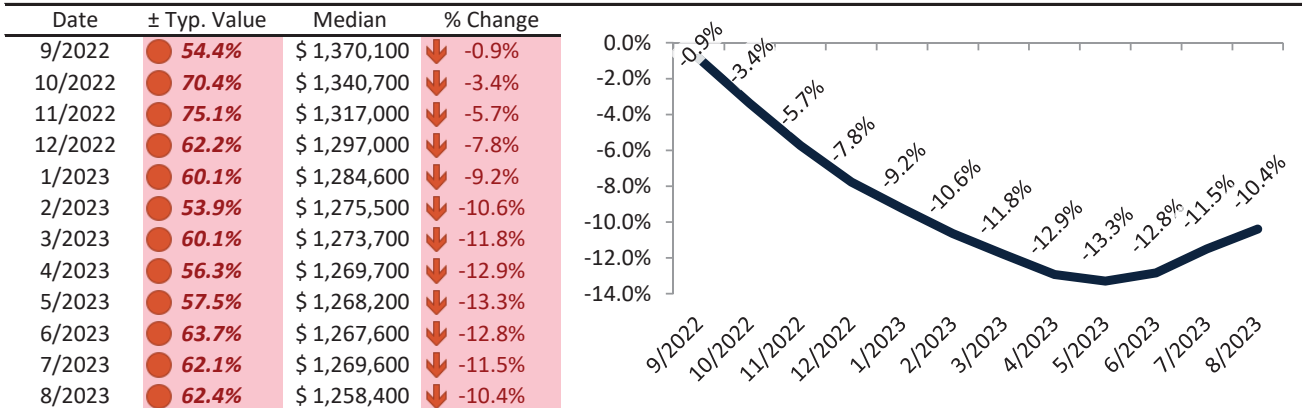
Historically, properties in this market sell at a 21.4% premium. Today's premium is 83.8%. This market is 62.4% overvalued. Median home price is \$1,258,400. Prices fell 10.4% year-over-year. Monthly cost of ownership is \$7,747, and rents average \$4,214, making owning \$3,532 per month more costly than renting. Rents rose 1.0% year-over-year. The current capitalization rate (rent/price) is 3.2%.

Market rating = 1

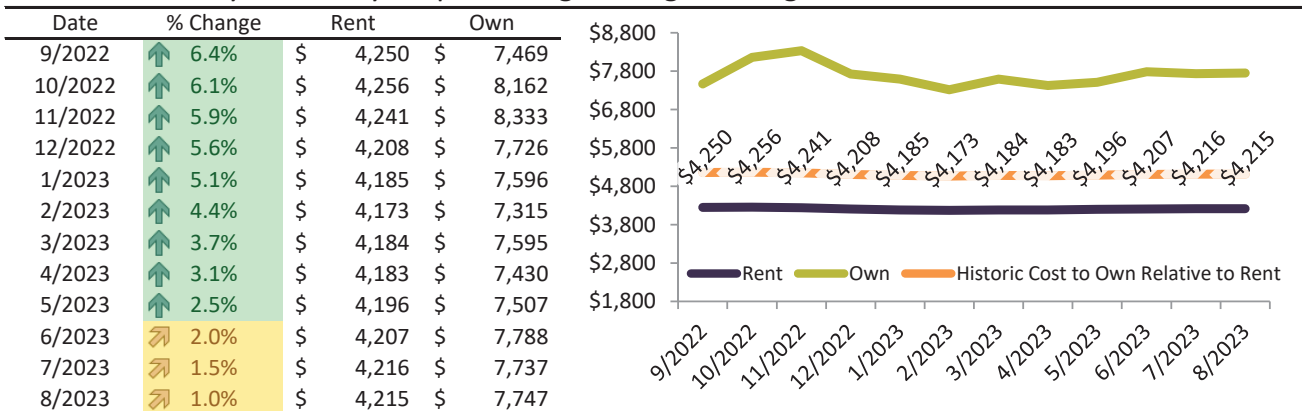
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

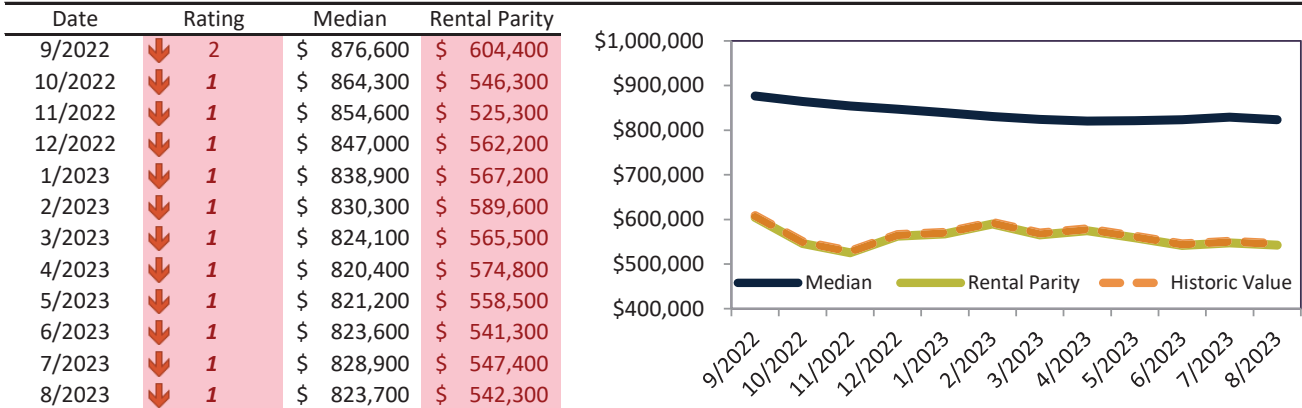


### San Leandro Housing Market Value & Trends Update

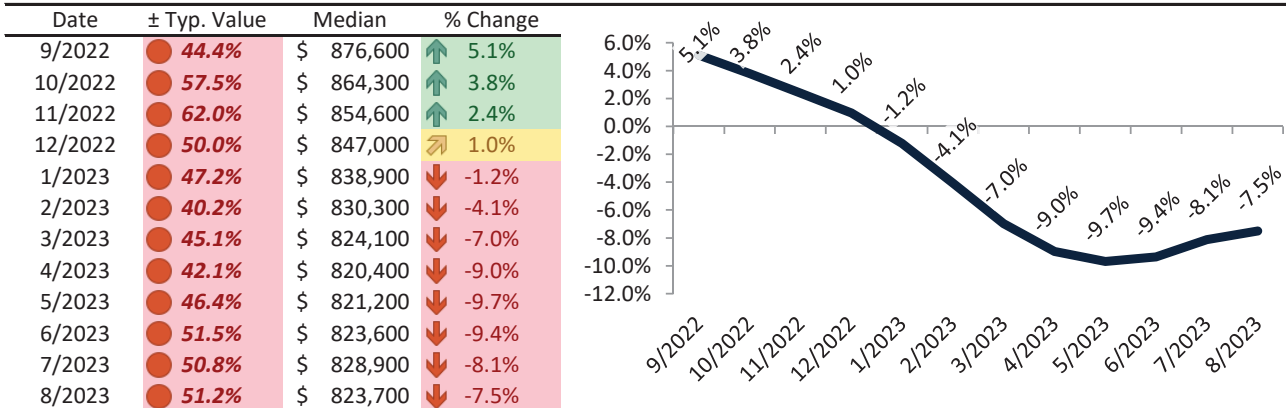
Historically, properties in this market sell at a 0.7% premium. Today's premium is 51.9%. This market is 51.2% overvalued. Median home price is \$823,700. Prices fell 7.5% year-over-year. Monthly cost of ownership is \$5,071, and rents average \$3,338, making owning \$1,732 per month more costly than renting. Rents rose 1.9% year-over-year. The current capitalization rate (rent/price) is 3.9%.

Market rating = 1

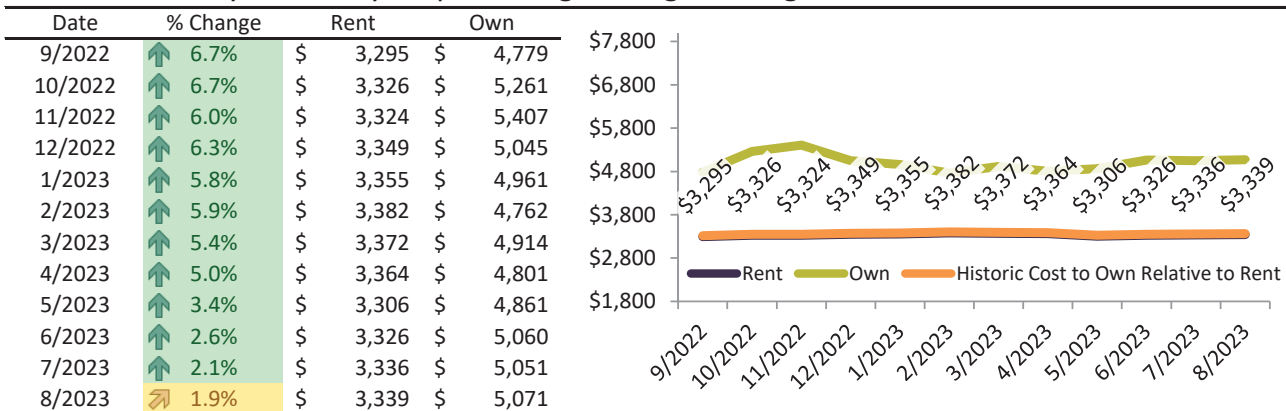
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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



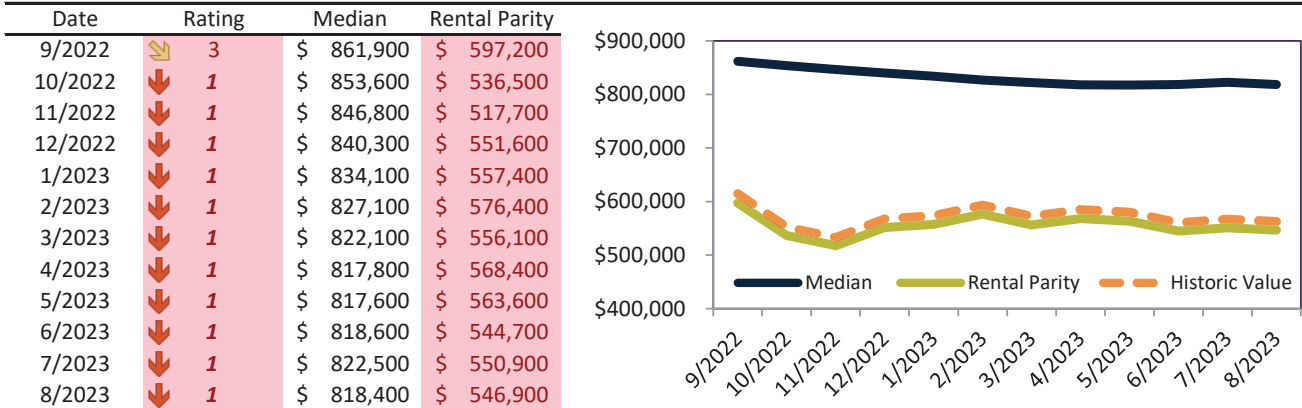


### San Lorenzo Housing Market Value & Trends Update

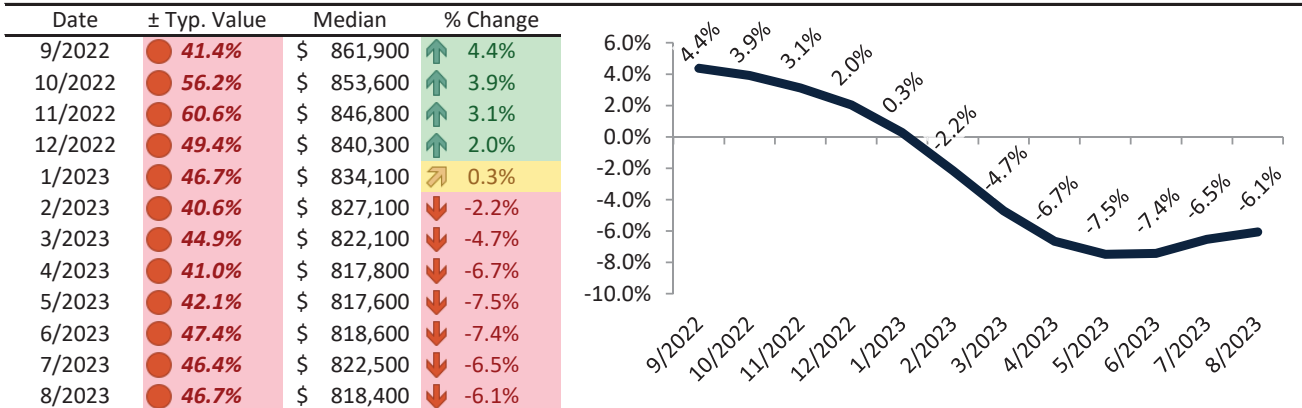
Historically, properties in this market sell at a 2.9% premium. Today's premium is 49.6%. This market is 46.7% overvalued. Median home price is \$818,400. Prices fell 6.1% year-over-year. Monthly cost of ownership is \$5,038, and rents average \$3,367, making owning \$1,671 per month more costly than renting. Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 4.0%.

Market rating = 1

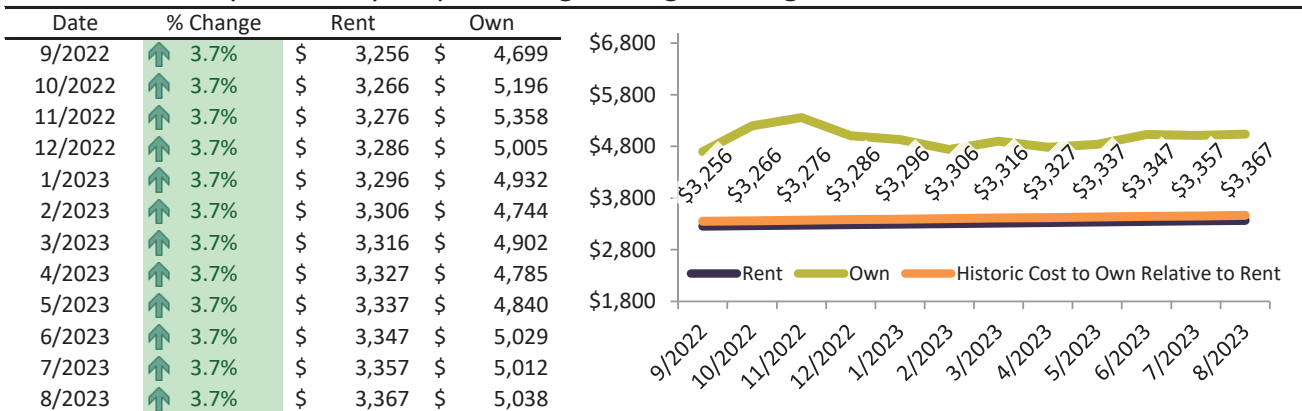
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

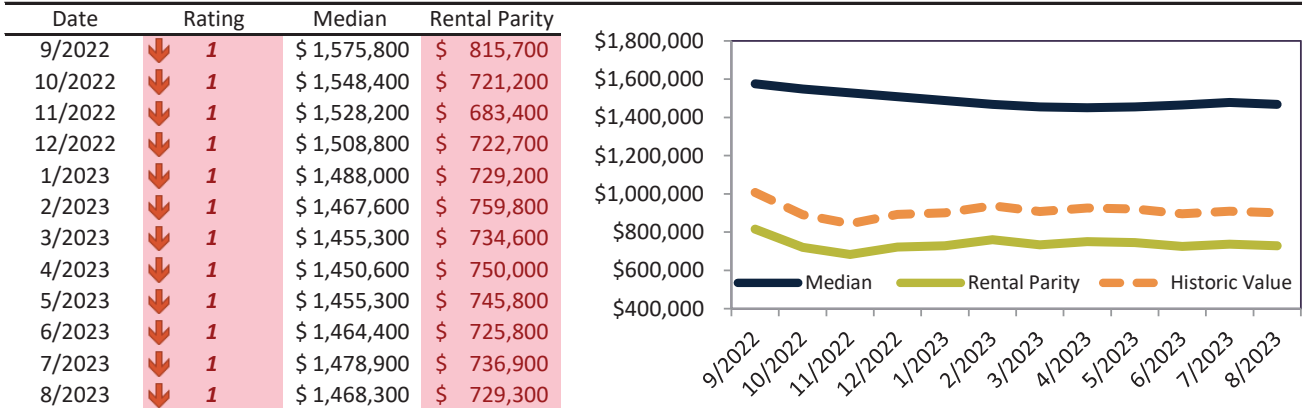


### San Mateo Housing Market Value & Trends Update

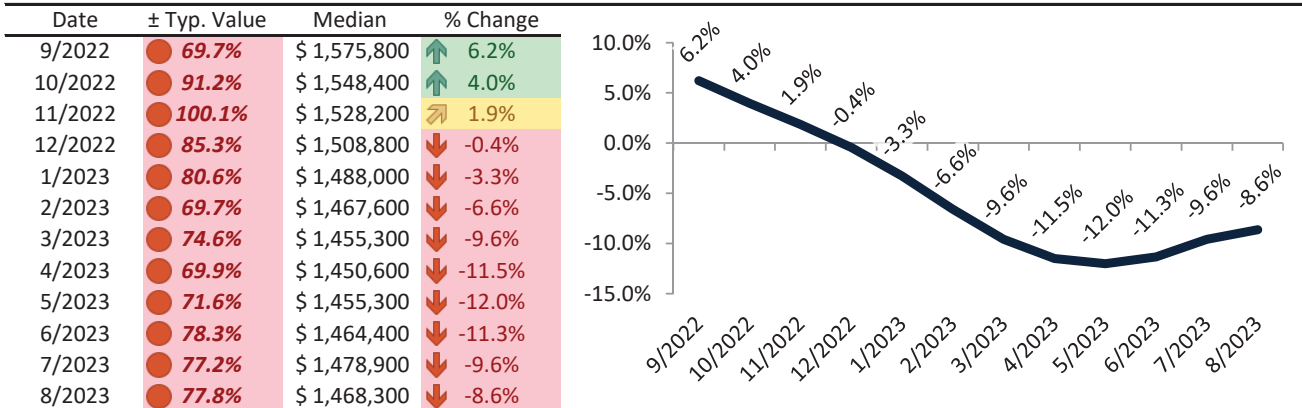
Historically, properties in this market sell at a 23.5% premium. Today's premium is 101.3%. This market is 77.8% overvalued. Median home price is \$1,468,300. Prices fell 8.6% year-over-year. Monthly cost of ownership is \$9,039, and rents average \$4,489, making owning \$4,549 per month more costly than renting. Rents rose 0.5% year-over-year. The current capitalization rate (rent/price) is 2.9%.

Market rating = 1

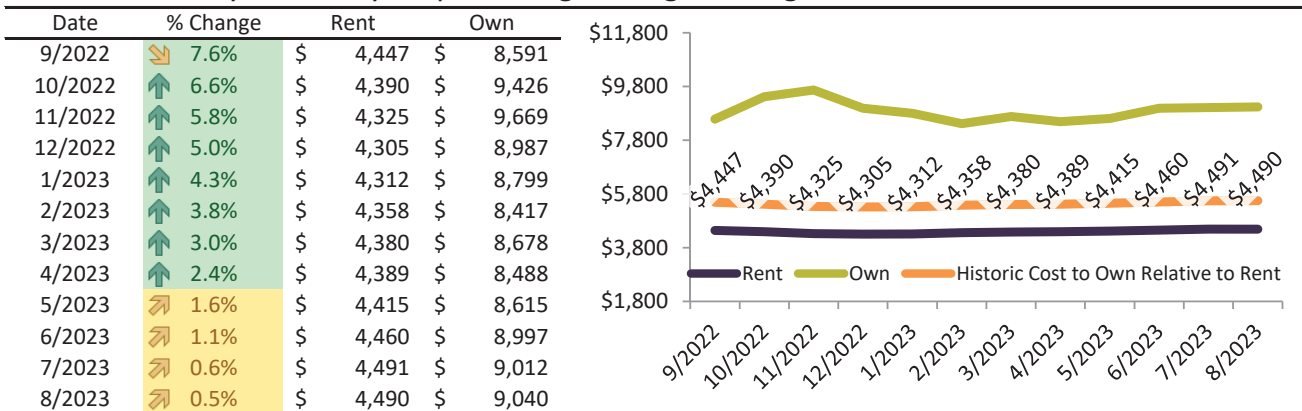
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

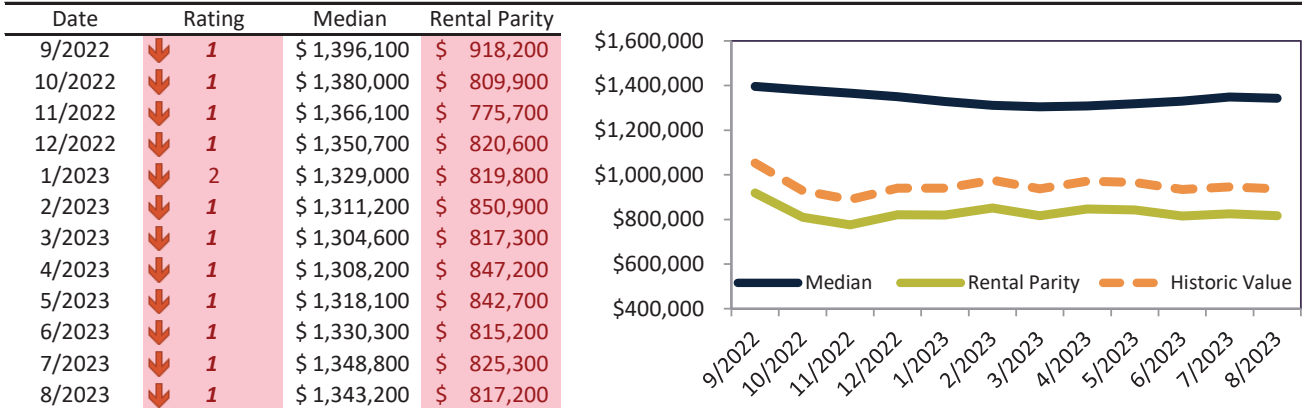


## San Rafael Housing Market Value & Trends Update

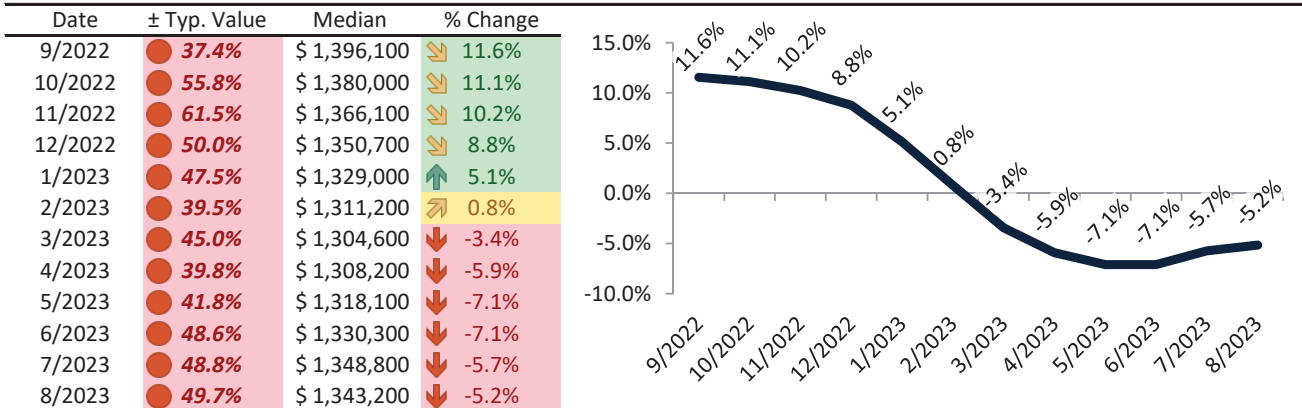
Historically, properties in this market sell at a 14.6% premium. Today's premium is 64.3%. This market is 49.7% overvalued. Median home price is \$1,343,200. Prices fell 5.2% year-over-year. Monthly cost of ownership is \$8,269, and rents average \$5,031, making owning \$3,237 per month more costly than renting. Rents rose 0.9% year-over-year. The current capitalization rate (rent/price) is 3.6%.

Market rating = 1

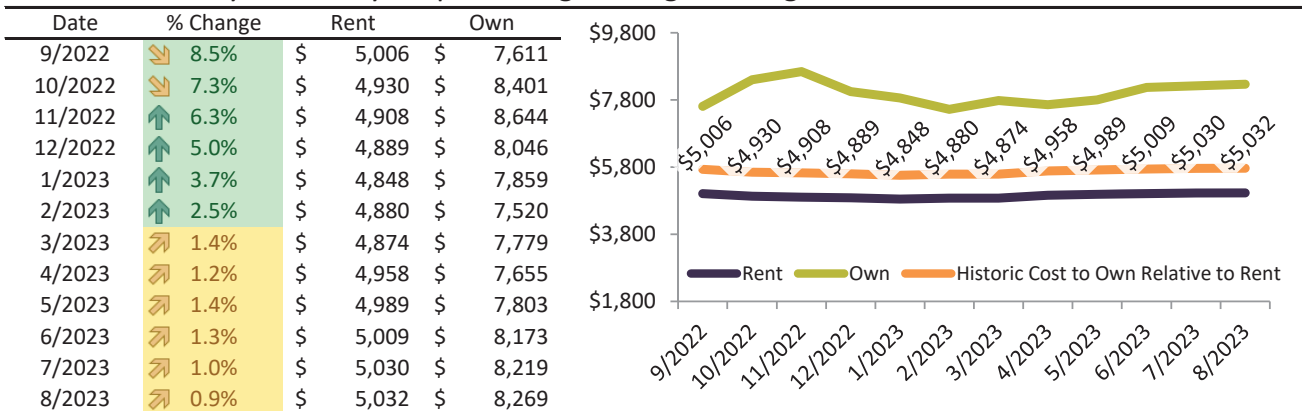
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



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

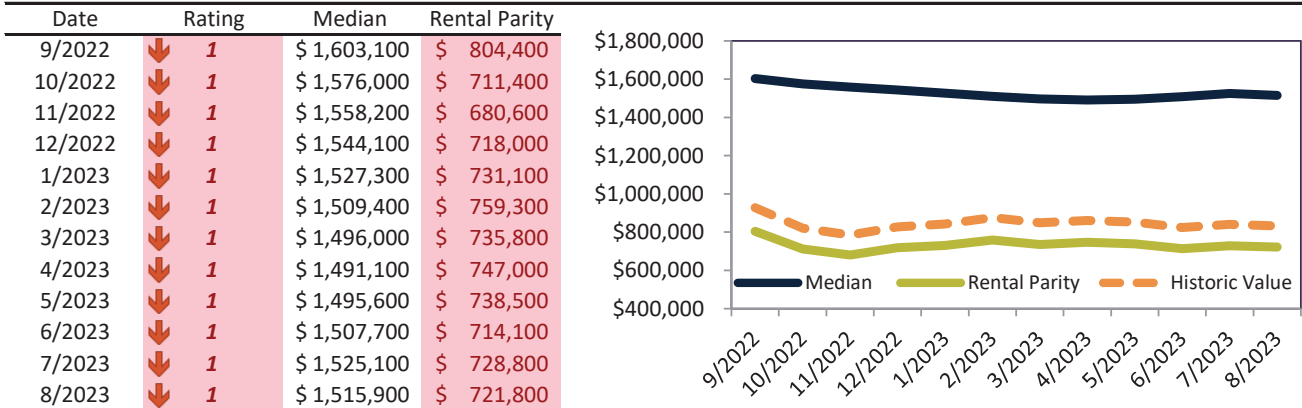


### San Ramon Housing Market Value & Trends Update

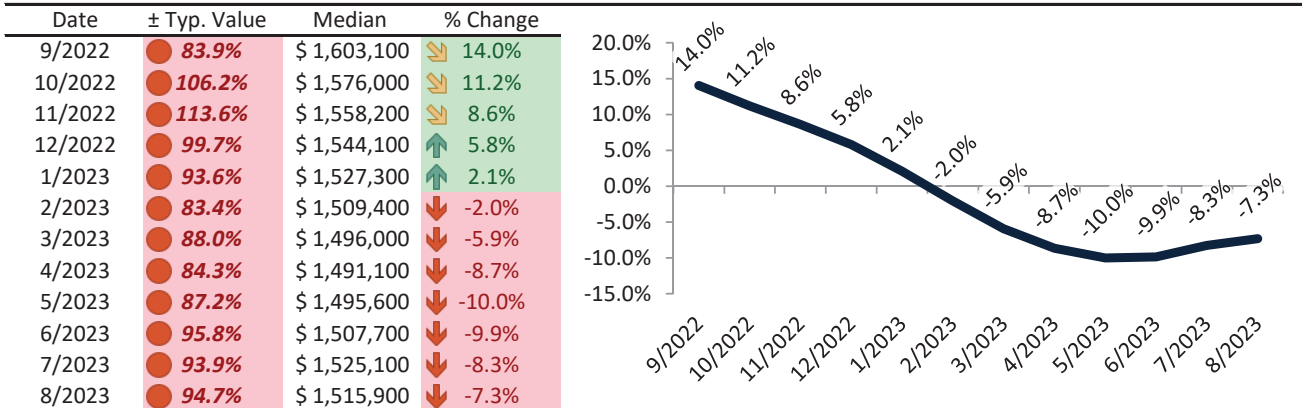
Historically, properties in this market sell at a 15.3% premium. Today's premium is 110.0%. This market is 94.7% overvalued. Median home price is \$1,515,900. Prices fell 7.3% year-over-year. Monthly cost of ownership is \$9,332, and rents average \$4,443, making owning \$4,888 per month more costly than renting. Rents rose 1.1% year-over-year. The current capitalization rate (rent/price) is 2.8%.

Market rating = 1

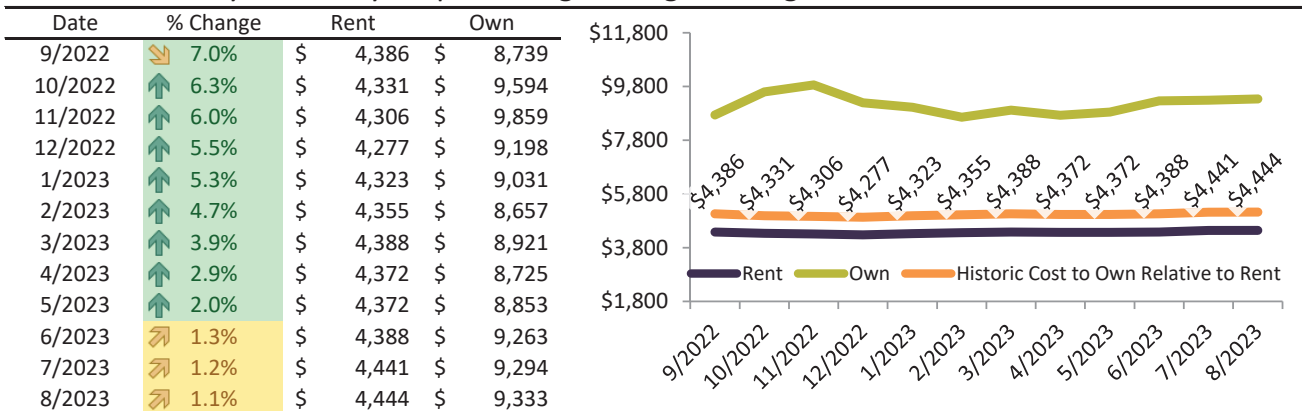
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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



## South San Francisco Housing Market Value & Trends Update

Historically, properties in this market sell at a 13.3% premium. Today's premium is 75.2%. This market is 61.9% overvalued.

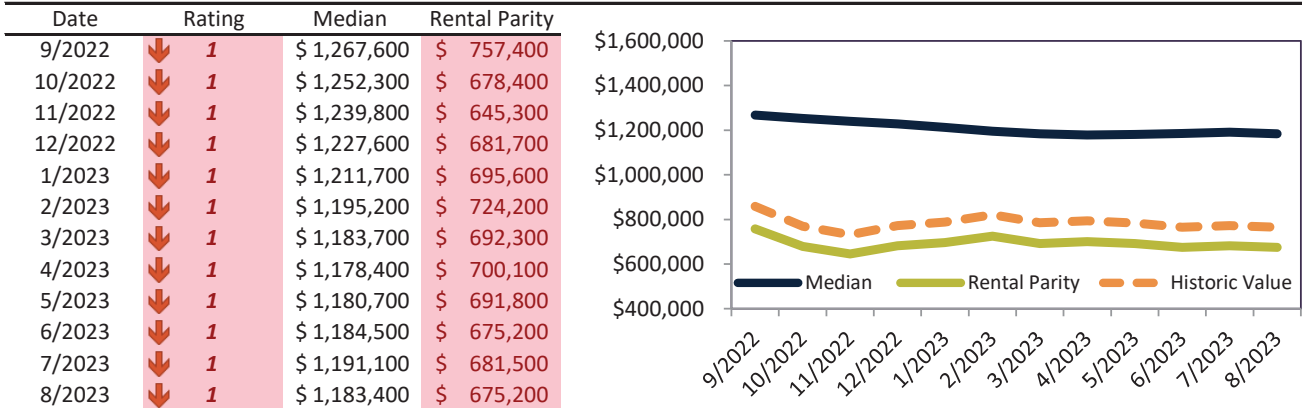
Median home price is \$1,183,400. Prices fell 7.9% year-over-year.

Monthly cost of ownership is \$7,285, and rents average \$4,157, making owning \$3,128 per month more costly than renting.

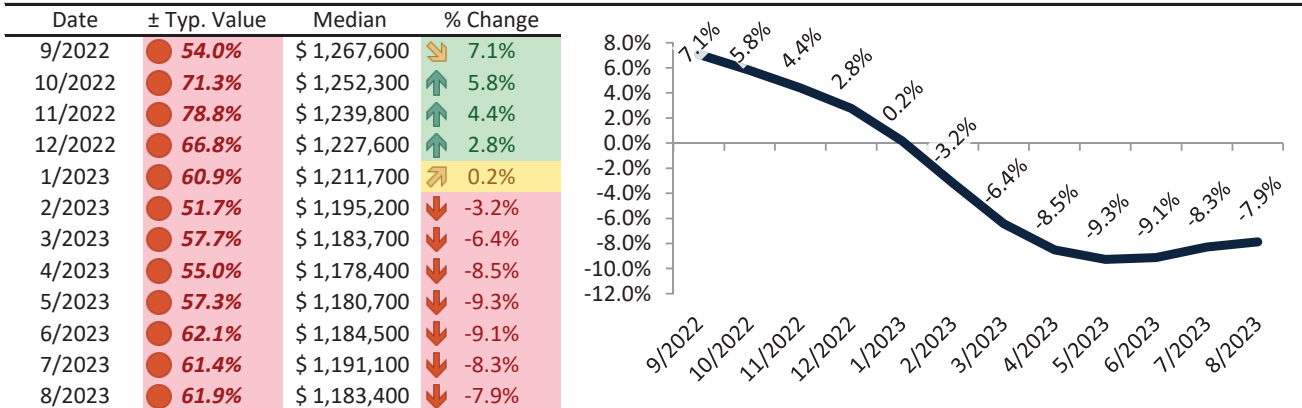
Rents rose 2.1% year-over-year. The current capitalization rate (rent/price) is 3.4%.

**Market rating = 1**

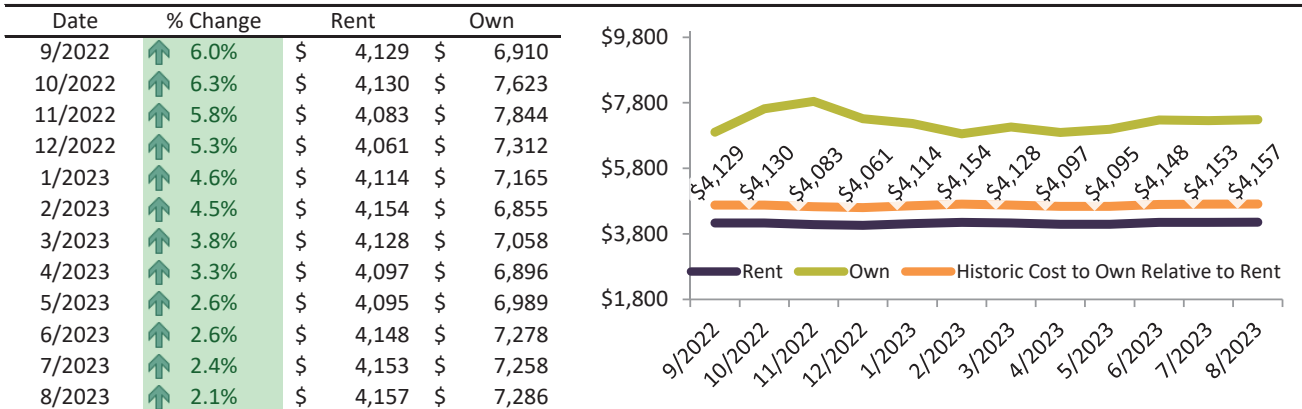
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



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



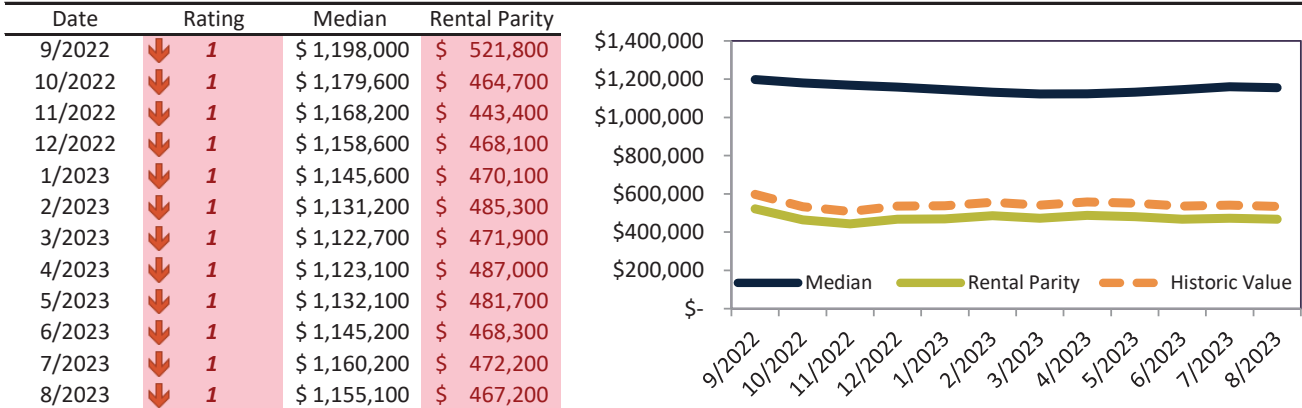


### Union City Housing Market Value & Trends Update

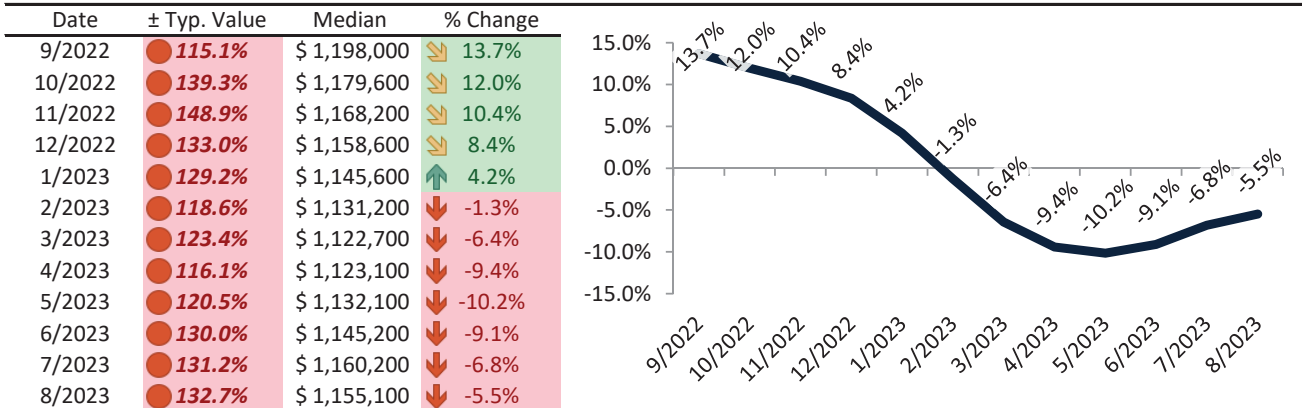
Historically, properties in this market sell at a 14.5% premium. Today's premium is 147.2%. This market is 132.7% overvalued. Median home price is \$1,155,100. Prices fell 5.5% year-over-year. Monthly cost of ownership is \$7,111, and rents average \$2,876, making owning \$4,234 per month more costly than renting. Rents rose 1.9% year-over-year. The current capitalization rate (rent/price) is 2.4%.

Market rating = 1

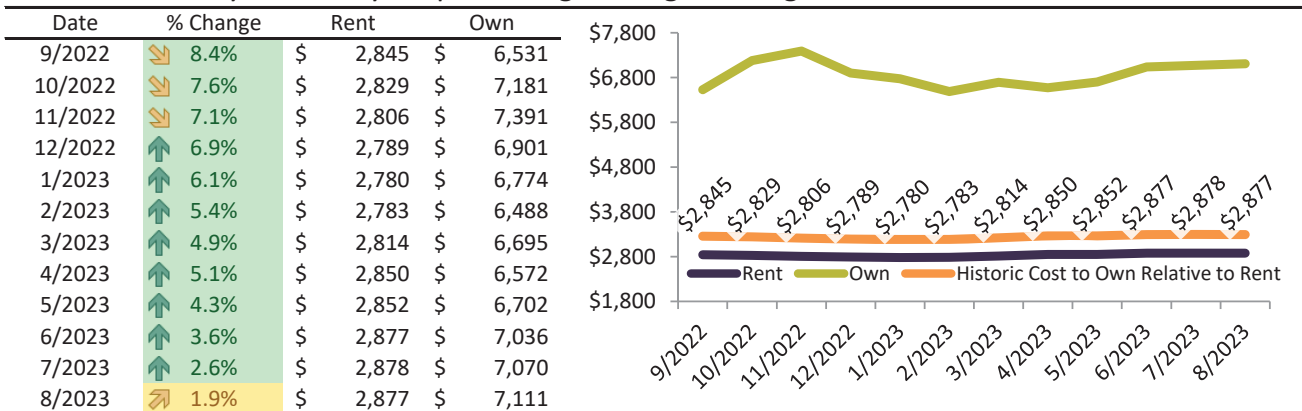
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



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

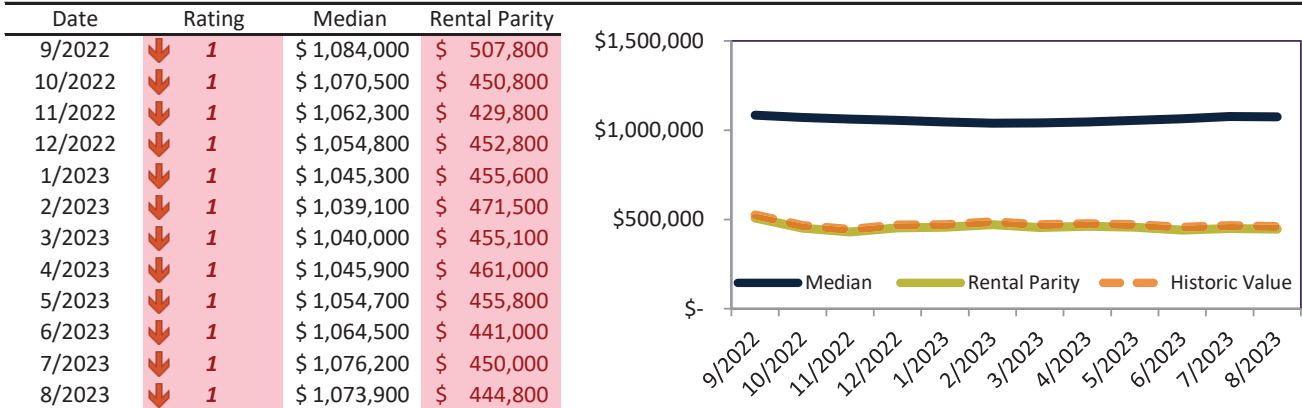


## Walnut Creek Housing Market Value & Trends Update

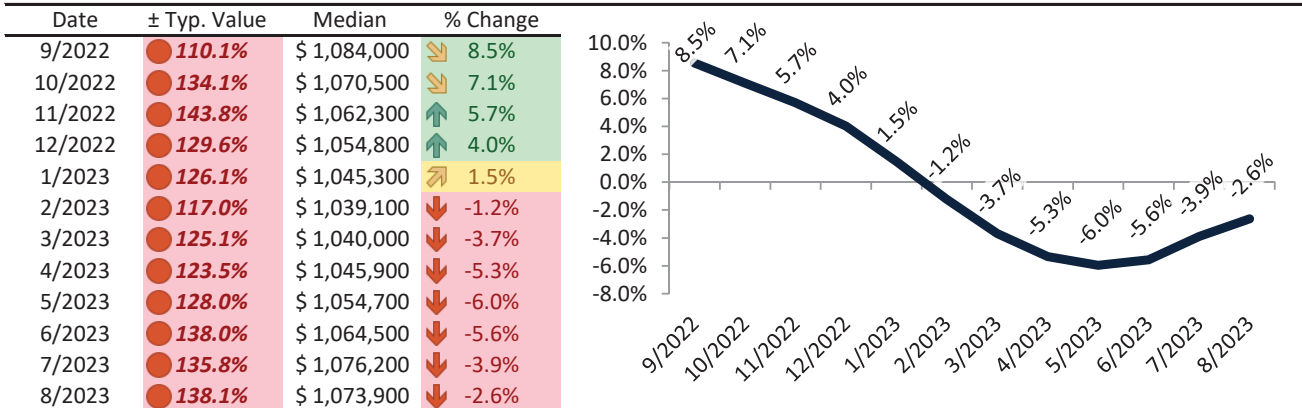
Historically, properties in this market sell at a 3.4% premium. Today's premium is 141.5%. This market is 138.1% overvalued. Median home price is \$1,073,900. Prices fell 2.6% year-over-year. Monthly cost of ownership is \$6,611, and rents average \$2,738, making owning \$3,872 per month more costly than renting. Rents fell 0.0% year-over-year. The current capitalization rate (rent/price) is 2.4%.

Market rating = 1

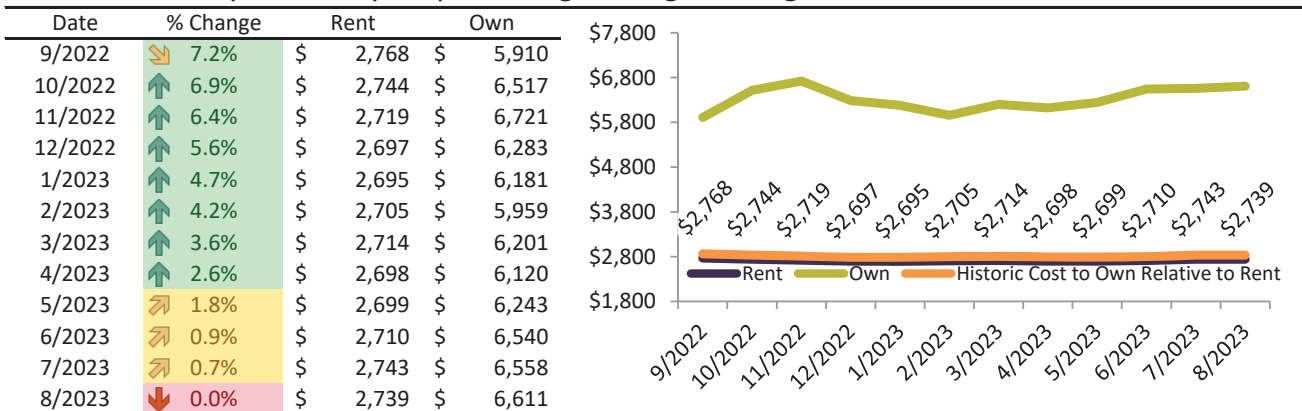
### Median Home Price and Rental Parity trailing twelve months



### Resale Median 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

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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.

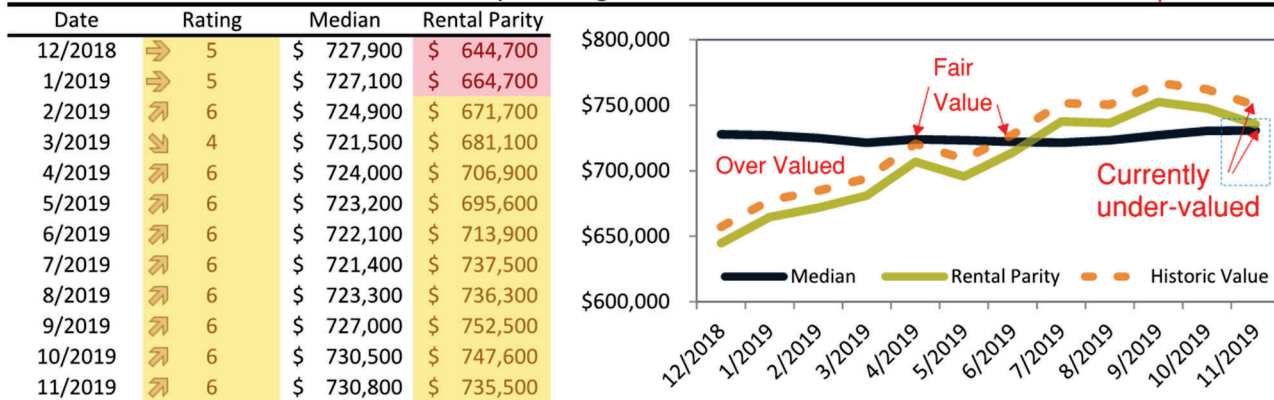
Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 4.2%.

**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.

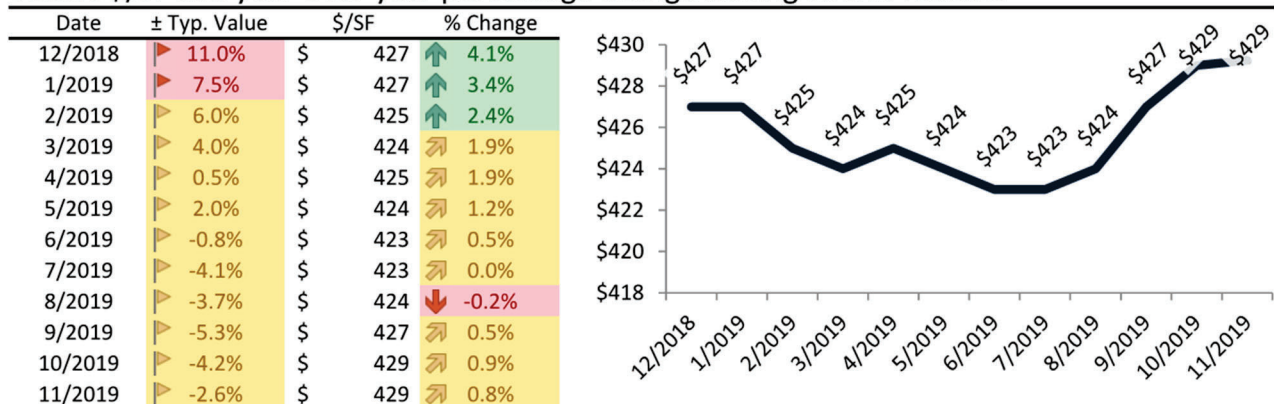
The third line plotted against these two parallel lines is the median resale price for the area. This line reveals whether the market is currently trading at a premium or discount to rental parity and historic value. The more important of these relationships is between median resale price and historic 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

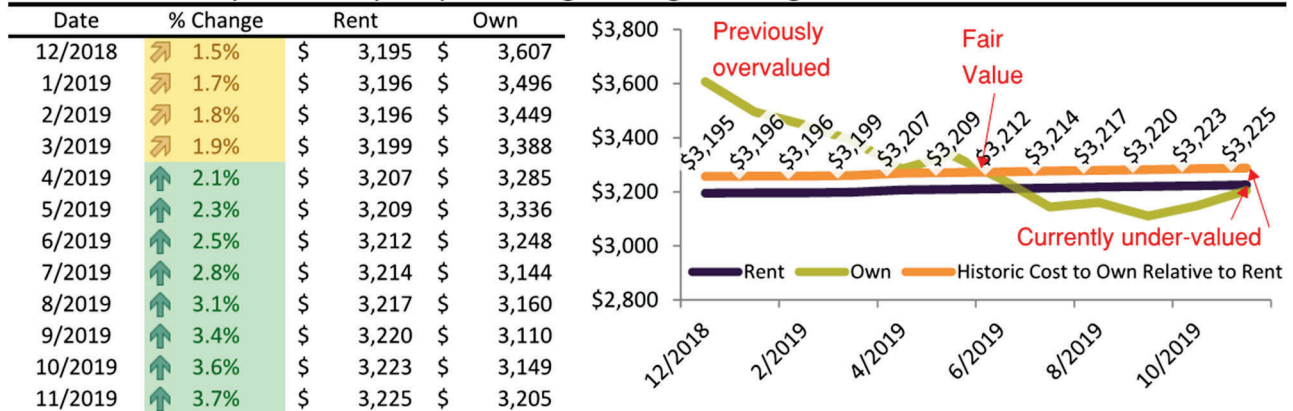




## RENTAL RATE AND YEAR-OVER-YEAR PERCENTAGE CHANGE TRAILING TWELVE MONTHS

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

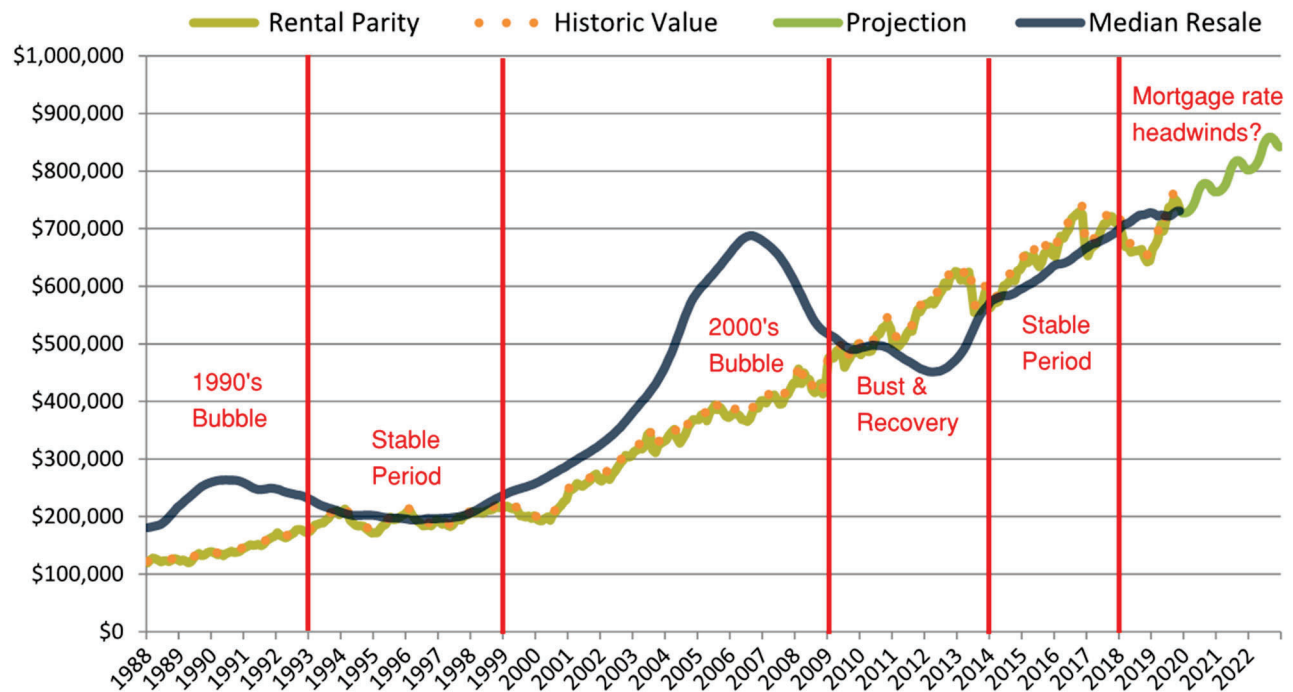


This method of looking at the data is more revealing to those who like to focus on monthly costs rather than purchase price. It reveals how affordable properties are relative to monthly rent, which is what rental parity analysis is all about. The first column of data shows the rate of rent growth over 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?”

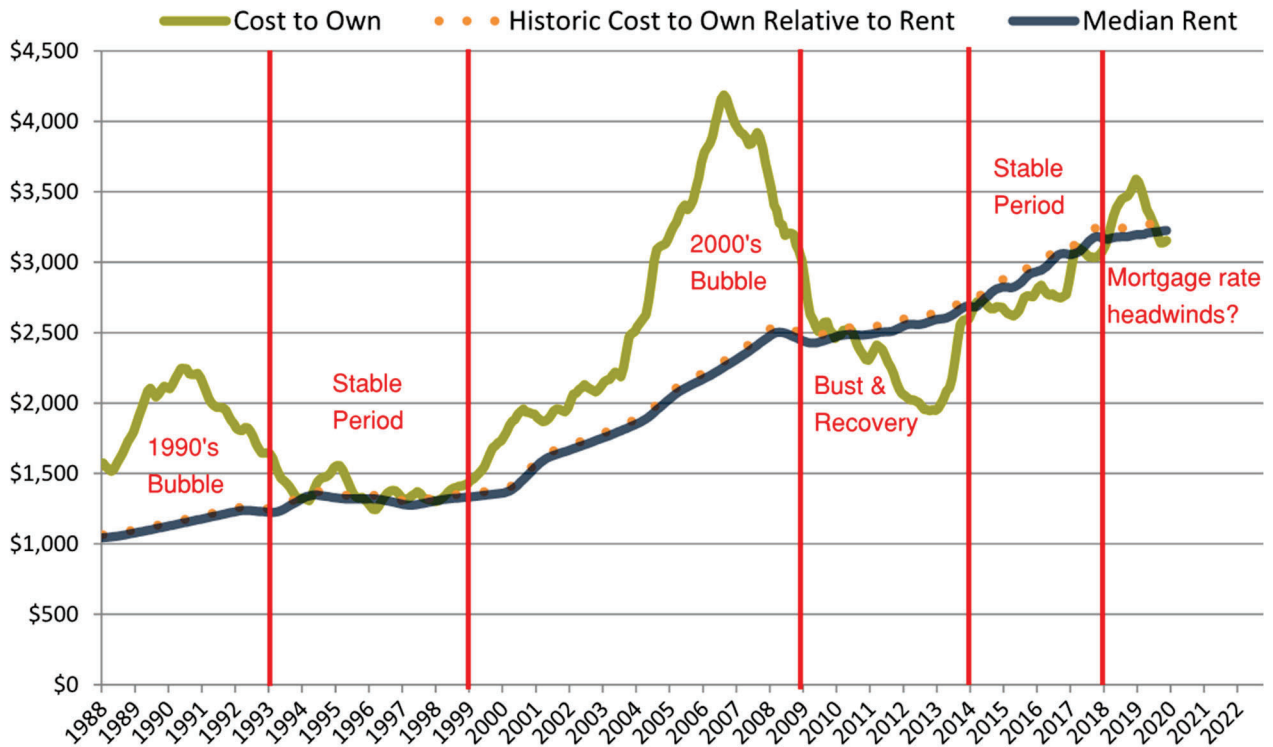
### Orange County median home price since January 1988





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.

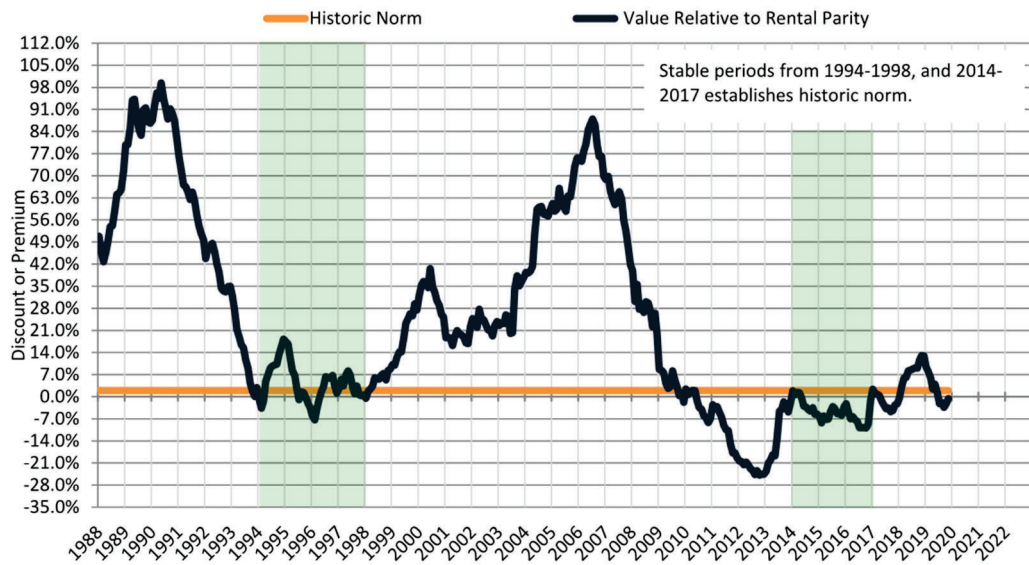
## Historic Median Home Price Relative to Rental Parity: Orange County since January 1988

### 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.

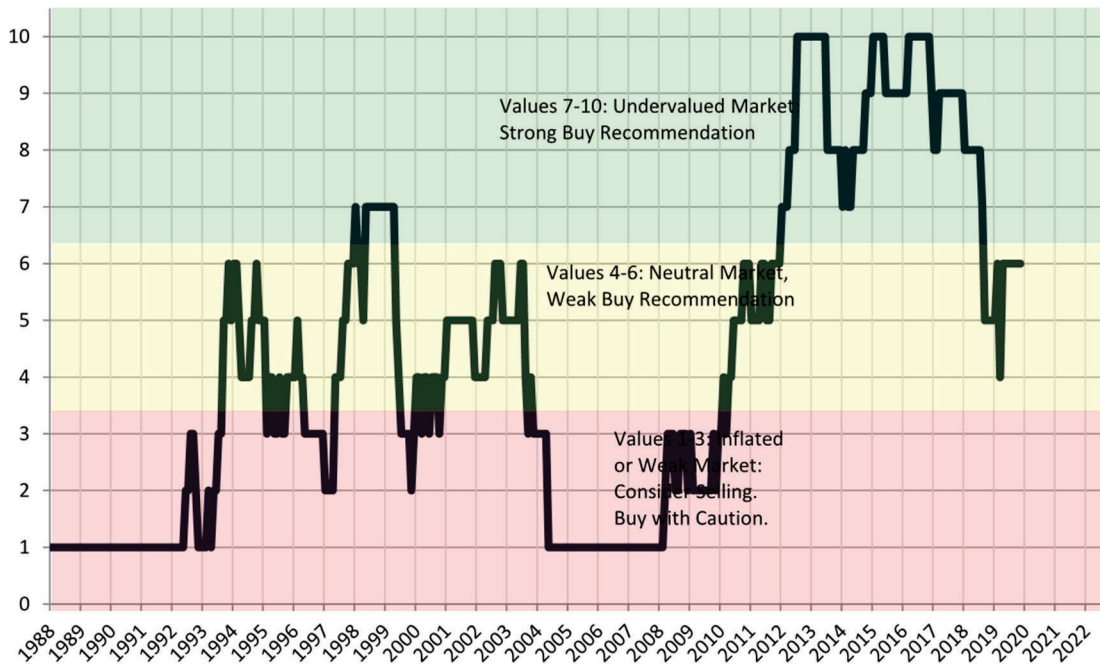
The chart above shows, at a glance, how close the market trades to its historic norm.

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.