

Clear and Sunny...Chance of Homes in the Forecast!



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A year ago, our markets
and our communities
were in upheaval

deep within the midst of calamity while sorting the wounds from the firestorms we were living through. Today the effects of those times still bare many scars and the emotions for many are still very raw. The fortitude some have mustered to heal and move forward has been impressive and the process for most is daunting though people have been staring it down and taking pride in owning their new future - the one they get to create.

According to BAREIS MLS, heavily influenced by its county seat in Santa Rosa, Sonoma County is deep into the process of finding its rhythm since the firestorms of last October. The region typically sees definitive growth in inventory as each new year unfolds with peaks typically showing in spring and summer months while valleys appear in fall and winter. In the midst of autumn, we see Sonoma County buyers successfully contracted to purchase 425 homes in September - 11 percent more than the prior year. Encouraging events considering sellers introduced only 333 new properties during the month - a hearty 21 percent decline from September of 2017. Transactions

were completed on 320 dwellings during the period - 23 percent fewer than last year - leaving 1095 homes to carry over into October while also representing a modest drop in inventory from just the prior month. The cumulative effect still indicates an elevated absorption rate of 29 percent.

The absorption rate is calculated by dividing the total number of homes sold in a month by the total number of homes available for sale at the end of the same month. A high absorption rate - 20 percent and above - indicates that the supply of available homes will shrink rapidly, thereby increasing the odds that an owner will sell a property in a shorter period of time. Conversely, an absorption rate below 15 percent is indicative of a buyer's market, meaning homes are selling more slowly.

Marin County felt its markets take a dramatic shift in September as inventory spiked to 445 homes available for sale - a level not seen since this same period four years ago. Buyers have been taking more time to evaluate and plot out their next move which may be giving rise to this new availability not felt for years, though for the month the data patterns for sales and new contracts are staying in line with the prior twelve months metrics as buyers placed 192 homes into contract during the month - seven percent more than a year ago. Sellers continue to show up lightly as they introduced 184 new

properties to the marketplace during the period - 12 percent less than last year's deliveries - while another 170 dwellings formally changed hands. As the period concluded, Marin's absorption rate dropped to 38 percent - still signaling a seller's market though with an eye trending towards balance.

Napa County's markets were very steady though less frantic than last year with sellers delivering 107 new homes to the market - 10 percent fewer than in 2017. Buyers managed to contract for 108 new deals during the month - 15 percent more than the prior year - while completed transactions for the month tipped the scales at 92 single family homes - 19 percent fewer than last September. Activity during the period allowed October to open with an availability of 387 homes - a 14 percent improvement in the available supply for buyers to select from causing the absorption rate to fall to 24 percent.

For those hindered by only being able to see the now or immediate future you will do yourselves well to find a trusted advisor with a broad long-term vision - one that can walk you down the road to help you visualize what you cannot. The ability to look past the present to peer deeper into the tomorrows is a gift that allows you to get past the angst of now and have great hope for what is to come. The future is unveiling itself now, take a walk with me!