

# INTERO

Willow Glen - Lincoln Avenue

## HAPPY NEW YEAR Real Estate Views

www.TheMitloGroup.com

January 2019



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### Mortgage Rates\*

30-year Fixed (Zero Points, \$484,350, 4.480 APR)	4.375%
15-year Fixed (Zero Points, \$484,350, 4.038 APR)	3.875%

\* As of Jan 4, 2019. For reference only.

### Alameda County

#### Market Snapshot\* December 2018

# of Listings (Single Family Homes)	773
Average selling price	\$959,816
% of asking price	102.2%
Avg. number of days on market	45
Number of Homes Sold	626

\* MLSListings.com



Last year's dramatic shift in the market, from overwhelmingly favoring sellers to buyers now seemingly having the advantage, has led a lot of people to wonder what's in store for 2019. While it seems to me many Realtors® are hesitant to express any of their own opinions, possibly for fear they might be incorrect or be held responsible for decisions people might make, I'm going to offer my thoughts with the confidence that all who read this understand it's my view of the market. I don't suggest or recommend anybody make important decisions based on this alone and always encourage consultation with licensed professionals in relevant fields.

#### **Opinion #1: Normal seasonal patterns return this year**

For the last couple of years, sales activity was brisk in January and early February as buyers aggressively gobbled up limited inventory. With higher inventory levels this year, buyers have more choices and less pressure to make quick offers. Because of this, I think sales activity will noticeably pick up mid to late February, which is the normal seasonal pattern. The seasonal patterns are likely throughout the year.

#### **Opinion #2: Sales prices not likely to increase on year-over-year basis**

I believe the market will try to establish a new "norm" on pricing for the next few months. During the last few months of 2018, inventory increased while unit sales decreased. I believe a big reason for that was sellers priced their home based on how much they wanted instead of what the market was willing to pay. They wanted prices from earlier in the year even though the market was no longer making offers at those levels. I don't have any reasons to believe demand will return to push prices aggressively back up this year. Hence, I believe prices will have a hard time matching or exceeding numbers for the same time last year.

#### **Opinion #3: "Balance" during the latter part of the year**

Once sellers adjust and accept market prices, the flow of sales will be more in rhythm with inventory. I believe demand is still strong enough to support a healthy transaction rate once prices reach the right balance point.

**Final Thought:** If the interest rate environment becomes more favorable, which I suspect it will, demand should stay strong enough to support fair prices. The absence of wild swings in the market could prove to be good for both buyers and sellers. Follow my posts throughout the year to see how everything unfolds. It should be fun year!