

# Bay Area Housing Market Analysis

 Real Estate

Tosha Club



# Outline

01

## Bay Area Macro Analysis

Demographics: Population, Ethnicity, Education, Household Income, Age  
Economy, Employment, Safety/Crime Rate, Transportation, Community

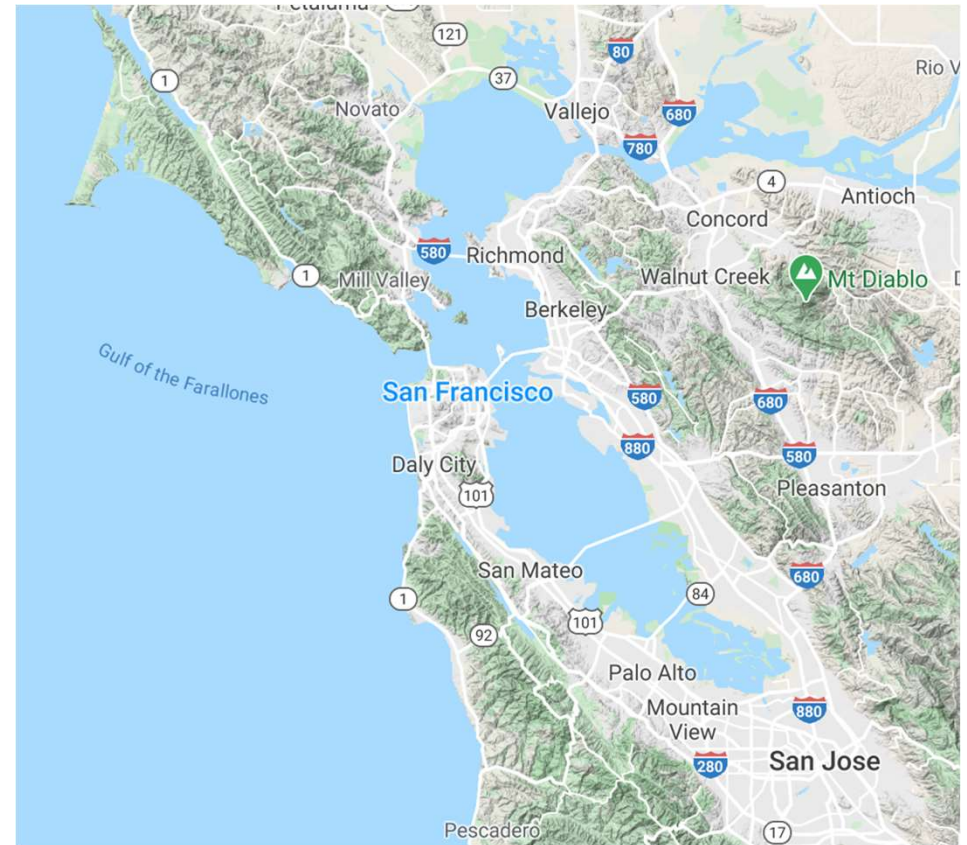
02

## Bay Area Housing Data

Housing Price Trend, Rental Trend

Supply/Demand: Days on Market, Sale to List Price Ratio, Inventory

# Bay Area Counties





# Bay Area Macro analysis



# Population: 7.75 Million (2019)



	<b>Contra Costa County</b>	<b>Alameda County</b>	<b>San Francisco County</b>	<b>Santa Clara County</b>	<b>San Mateo County</b>
<b>Population 2019</b>	1,153,526	1,671,329	881,549	1,927,852	766,573
<b>Population 2010</b>	1,049,025	1,510,271	805,235	1,781,642	718,451
<b>Population growth 2010-2019</b>	<b>9.90%</b>	<b>10.70%</b>	<b>9.50%</b>	<b>8.20%</b>	<b>6.70%</b>

<https://worldpopulationreview.com/us-counties/ca/san-mateo-county-population>

<https://www.census.gov/quickfacts/fact/table/santaclaracountycalifornia,sanmateocountycalifornia/PST045219>

Data sourced from US census.gov

# Population: 7.75 Million (2019)



	Growth 2010-2019
<b>Texas</b>	15.3%
<b>California</b>	6.1%
<b>New York</b>	0.4%
<b>US Average</b>	6.3%

*VS*

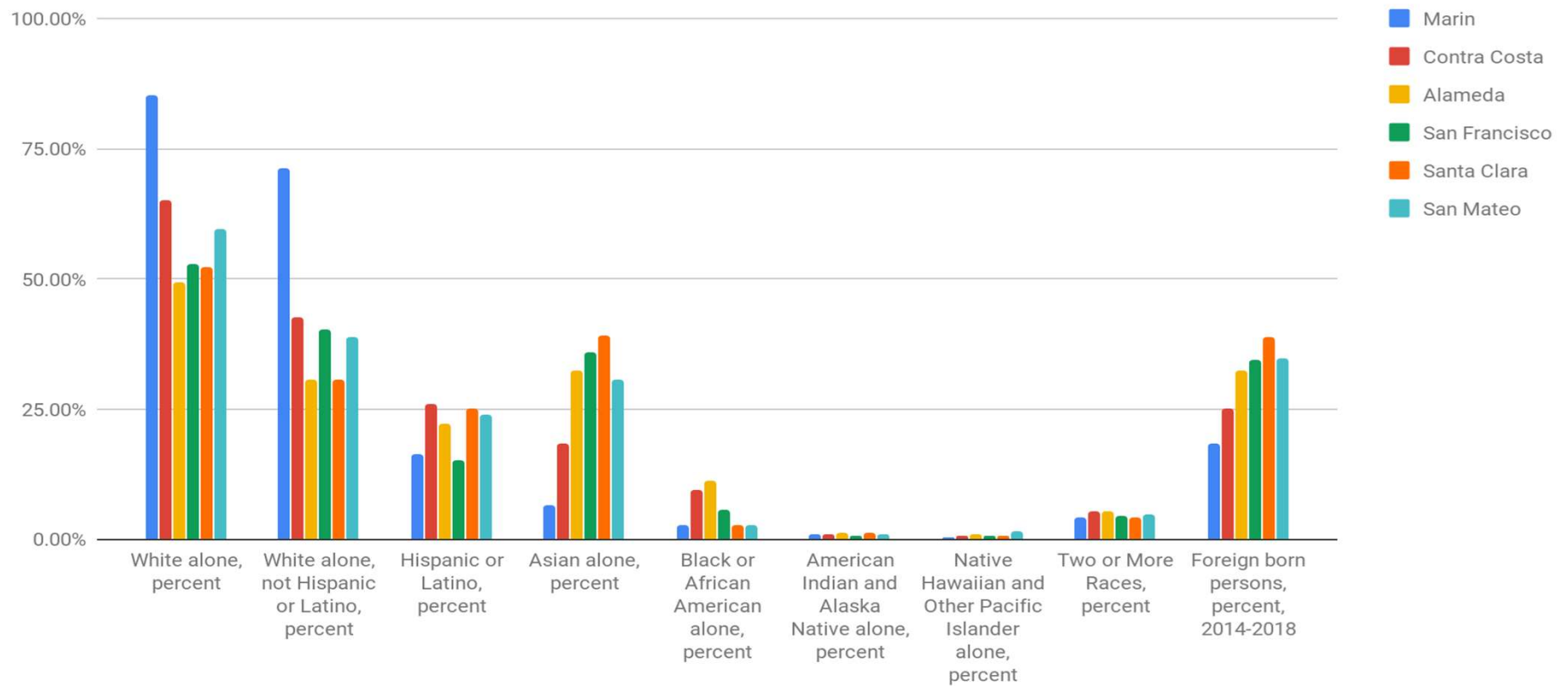
	Growth 2010-2019
<b>Contra Costa County</b>	9.90%
<b>Alameda County</b>	10.70%
<b>San Francisco County</b>	9.50%
<b>Santa Clara County</b>	8.20%
<b>San Mateo County</b>	6.70%

<https://worldpopulationreview.com/us-counties/ca/san-mateo-county-population>

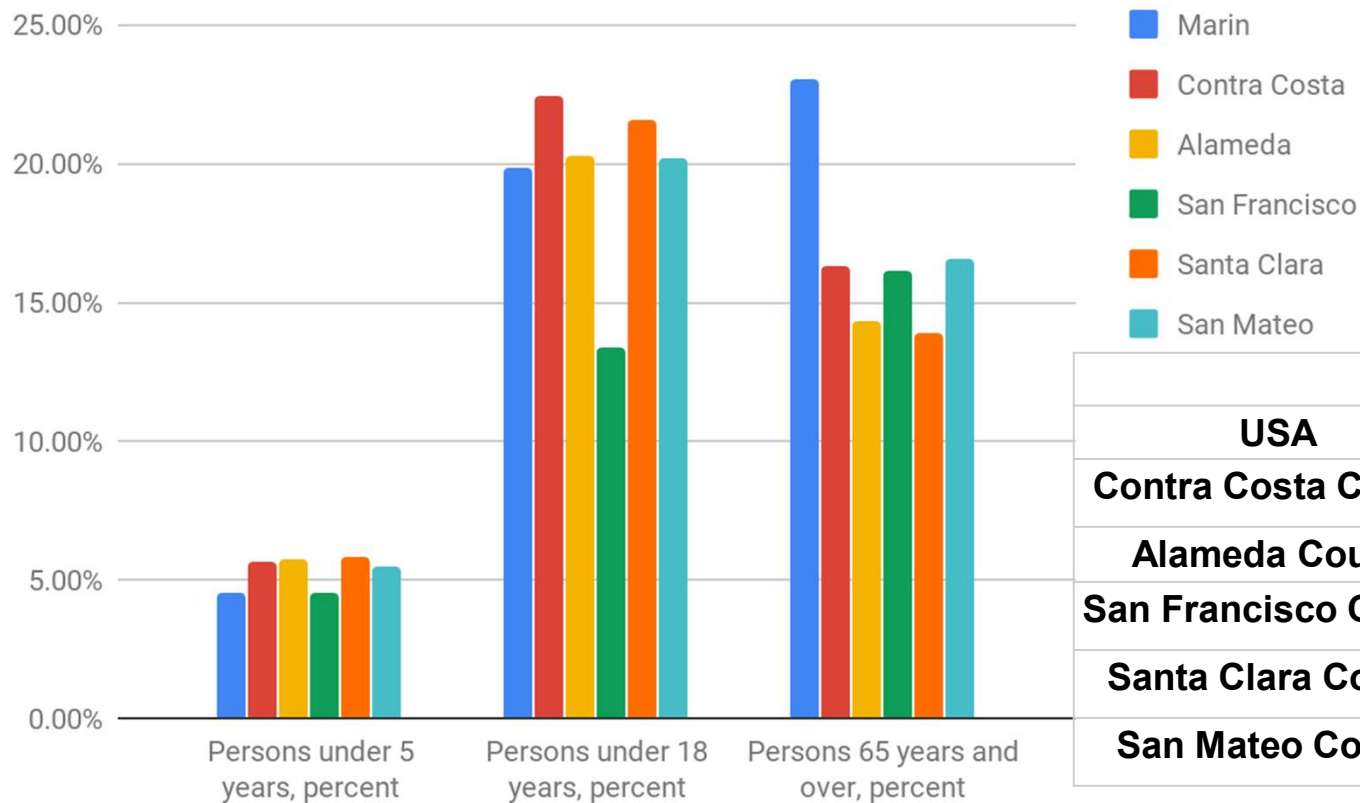
<https://www.census.gov/quickfacts/fact/table/santaclaracountycalifornia,sanmateocountycalifornia/PST045219>

Data sourced from US census.gov

# Ethnicity



# Age Distribution



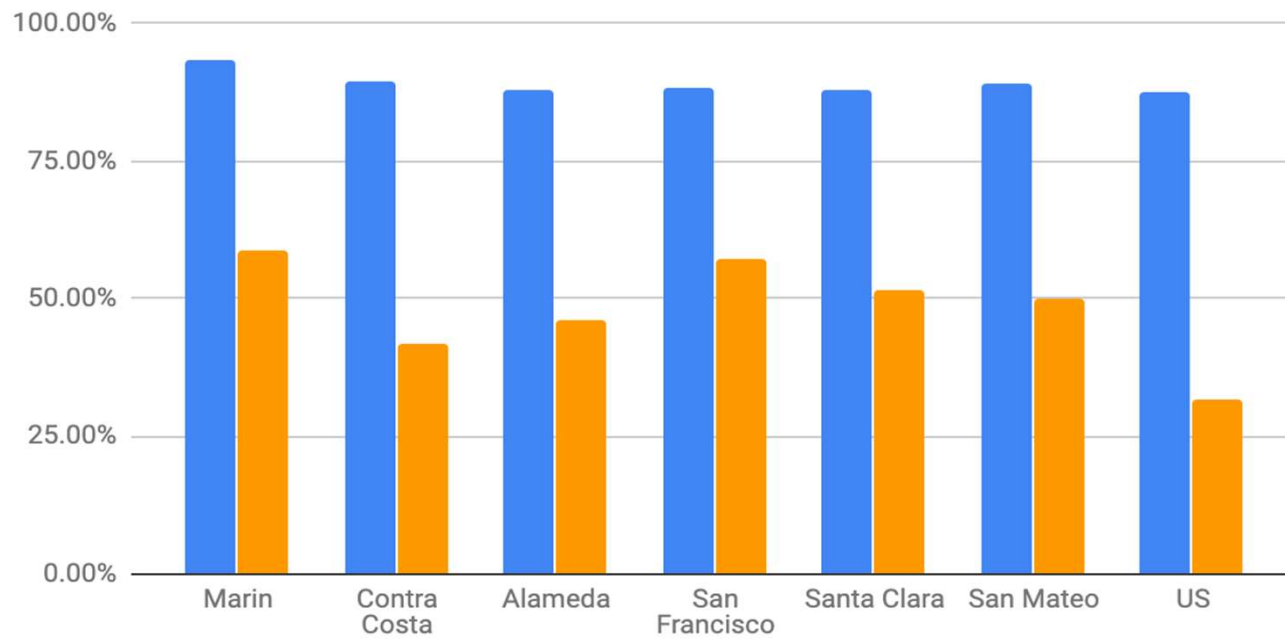
	Medium Age
<b>USA</b>	38.2
<b>Contra Costa County</b>	39.4
<b>Alameda County</b>	37.6
<b>San Francisco County</b>	38.2
<b>Santa Clara County</b>	37
<b>San Mateo County</b>	39.6



# Education



■ High school graduate or higher, percent of persons age 25 years+, 2014-2018  
■ Bachelor's degree or higher, percent of persons age 25 years+, 2014-2018



	Bachelor +
USA	31.5%
Contra Costa County	41.7%
Alameda County	46%
San Francisco County	57.1%
Santa Clara County	51.3%
San Mateo County	49.9%

# Education



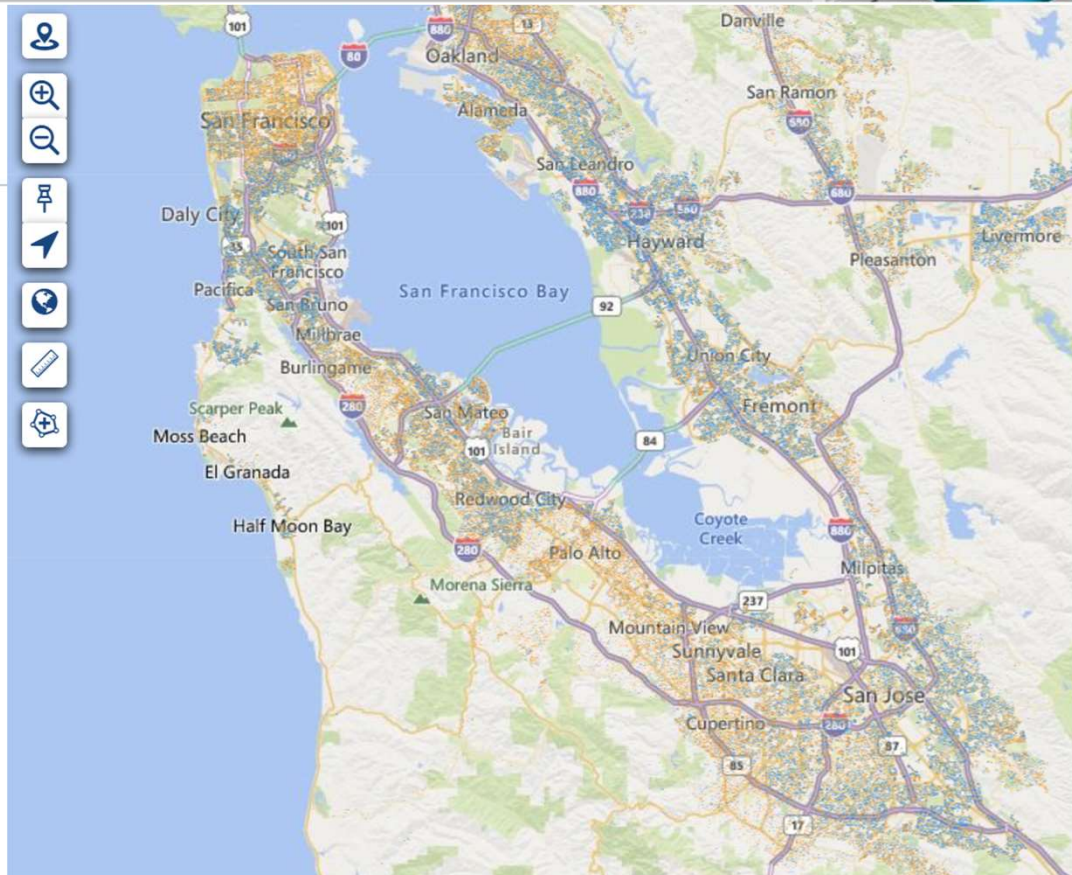
☒ Heatmap: Owner Education

☐ Boundary: Municipalities

## Owner Education

Education level of primary owner.

- High School
- Vocational
- Bachelor
- Graduate
- No Coverage



# Household Income



	<b>Contra Costa</b>	<b>Alameda</b>	<b>San Francisco</b>	<b>Santa Clara</b>	<b>San Mateo</b>	<b>US</b>
<b>Median household income</b>	<b>\$93,712</b>	<b>\$92,574</b>	<b>\$104,552</b>	<b>\$116,178</b>	<b>\$113,776</b>	<b>\$60,293</b>
<b>Per capita income</b>	\$45,524	\$44,283	\$64,157	\$52,451	\$57,375	\$32,621
<b>Persons in poverty, percent</b>	7.80%	9.00%	10.10%	7.30%	6.80%	11.80%

# Household Income



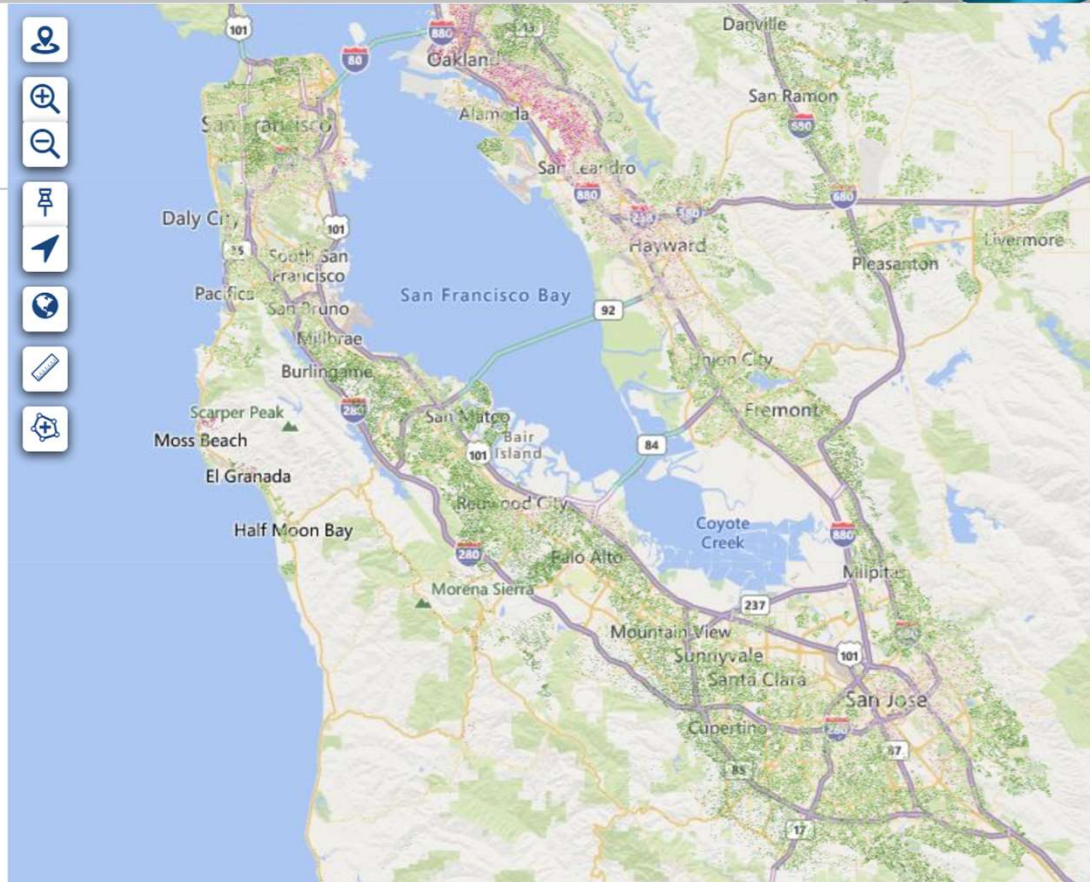
☒ Heatmap: Owner Income

☐ Boundary: Municipalities

## Owner Income

Annual Income level of primary owner.

- \$1k - \$15k
- \$15k - \$25k
- \$25k - \$35k
- \$35k - \$50
- \$50k - \$75k
- \$75 - \$100
- \$100k - \$150k
- \$150k - \$200k
- \$200k - \$250k
- \$250k+
- No Coverage



# Household Income

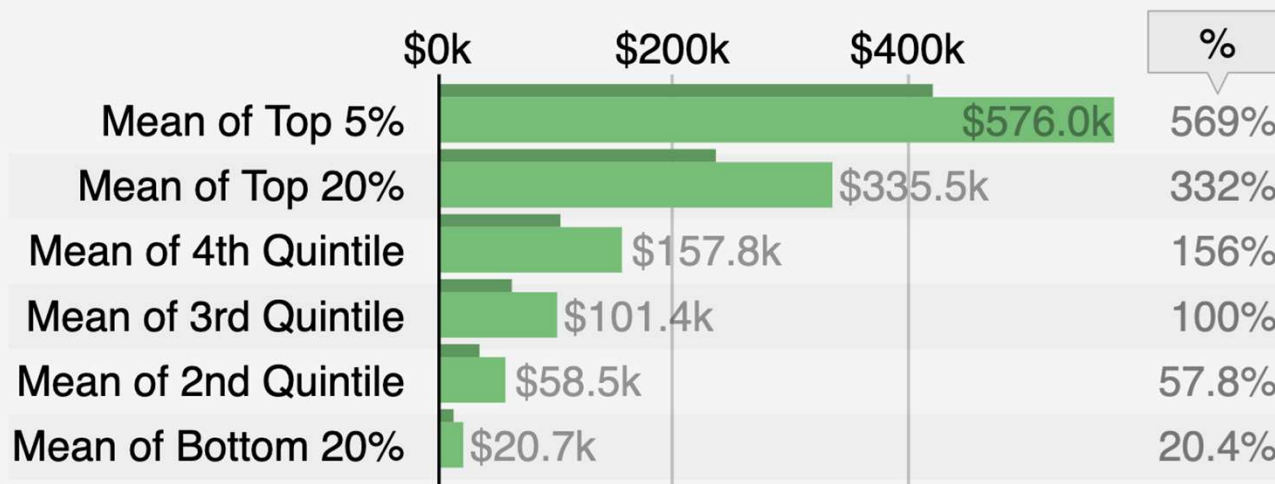


## Household Income Interval Means

#3

*Scope: households in California and Santa Clara County*

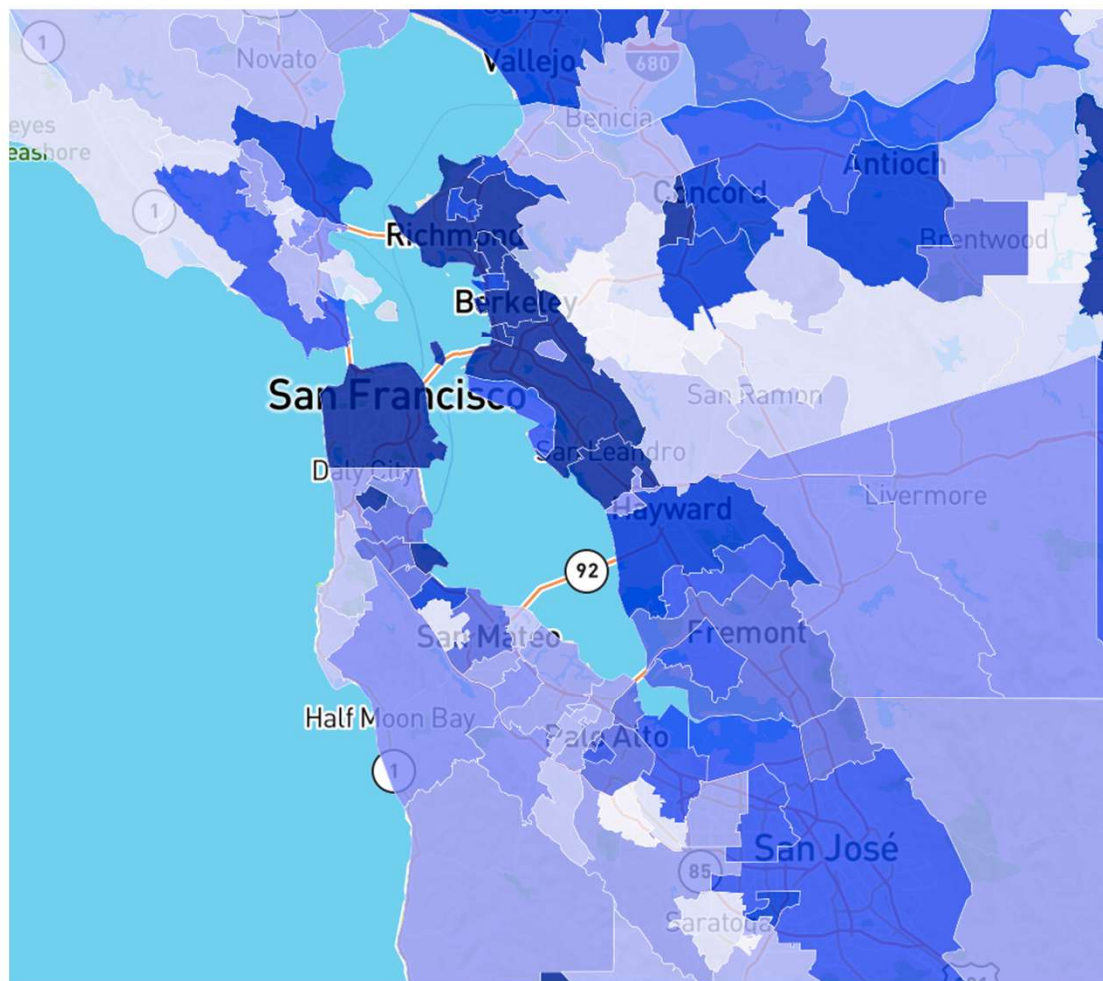
 Santa Clara County    California



 as percentage of median household income



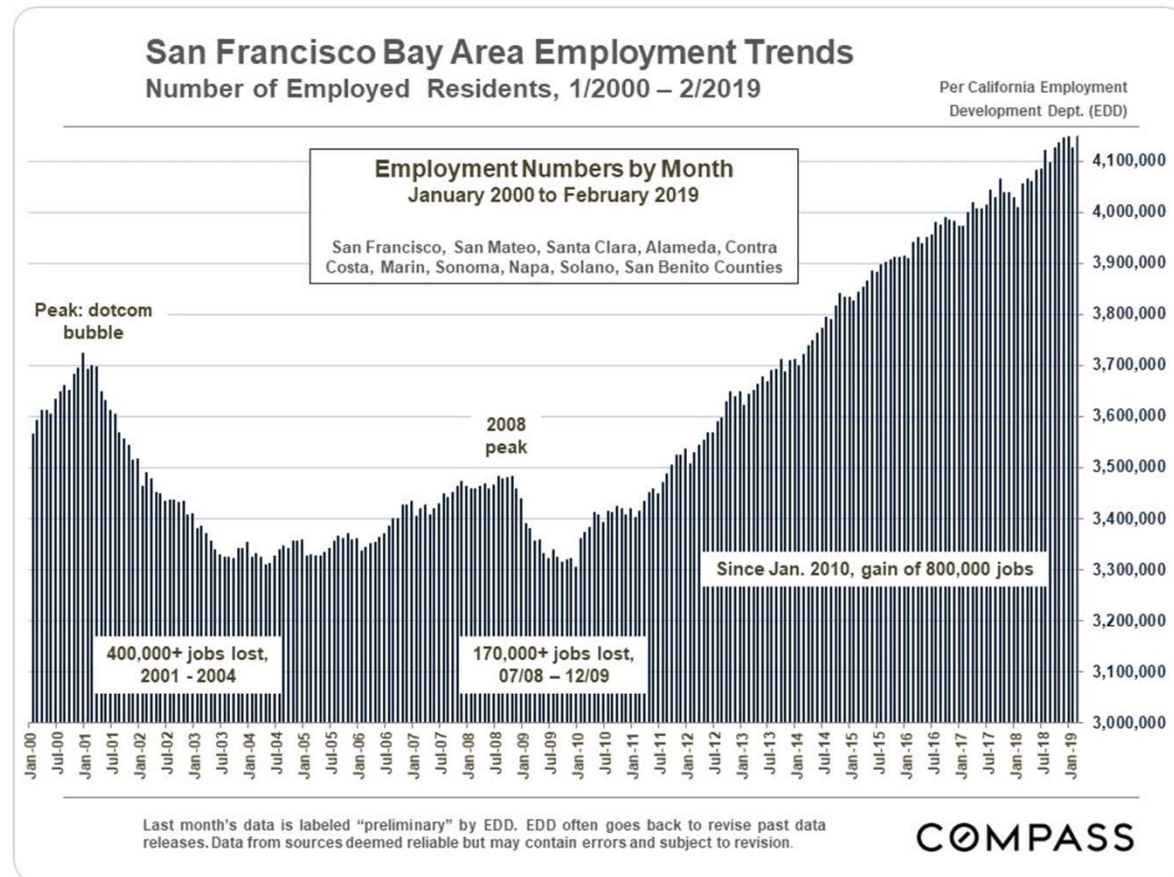
# Crime



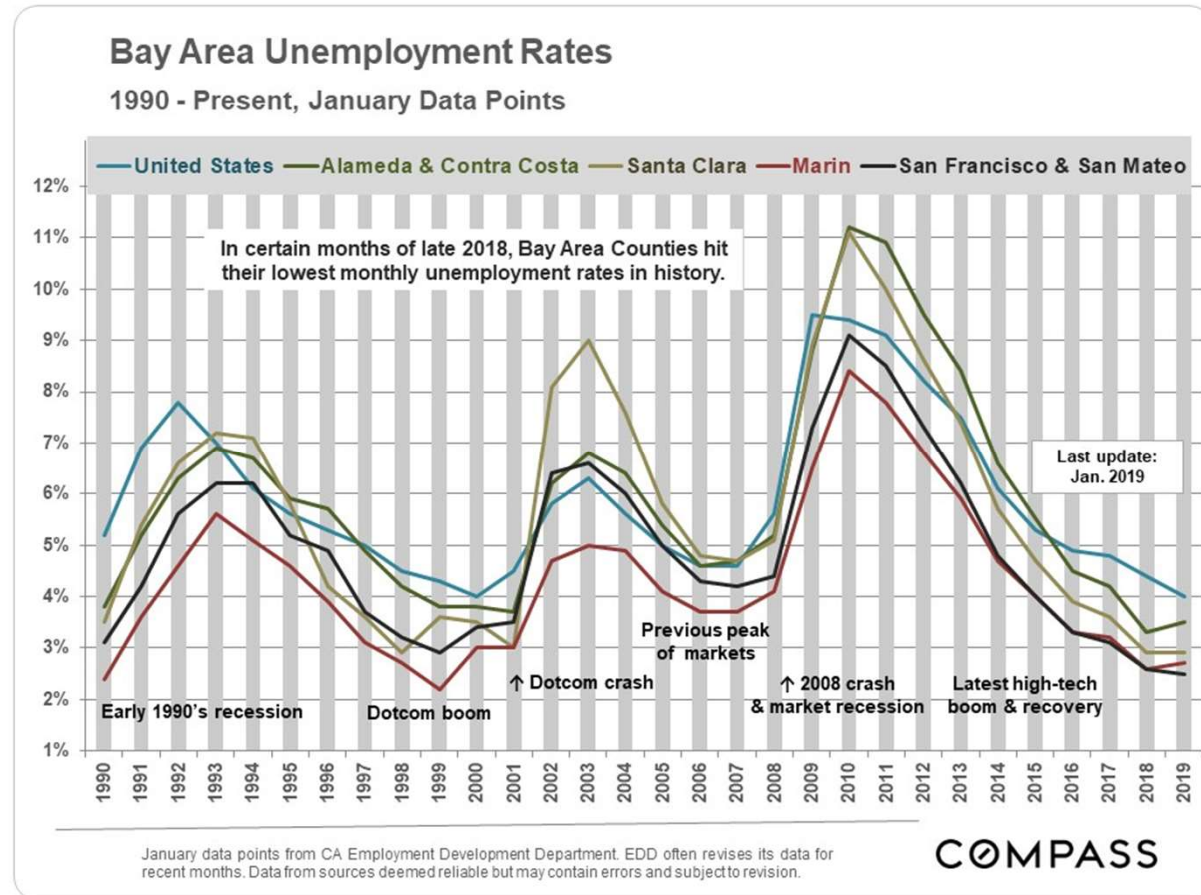
<https://www.neighborhoodscout.com/ca/crime>



# Employment Trends: High Tech Boom



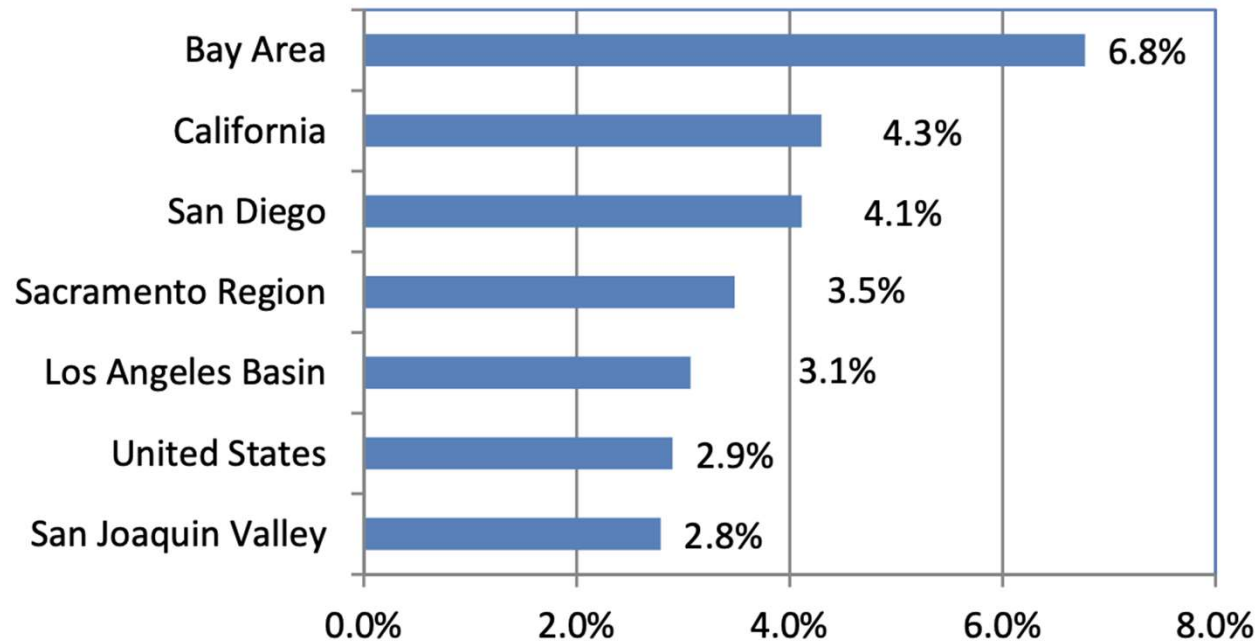
# Unemployment Rate



# Economy

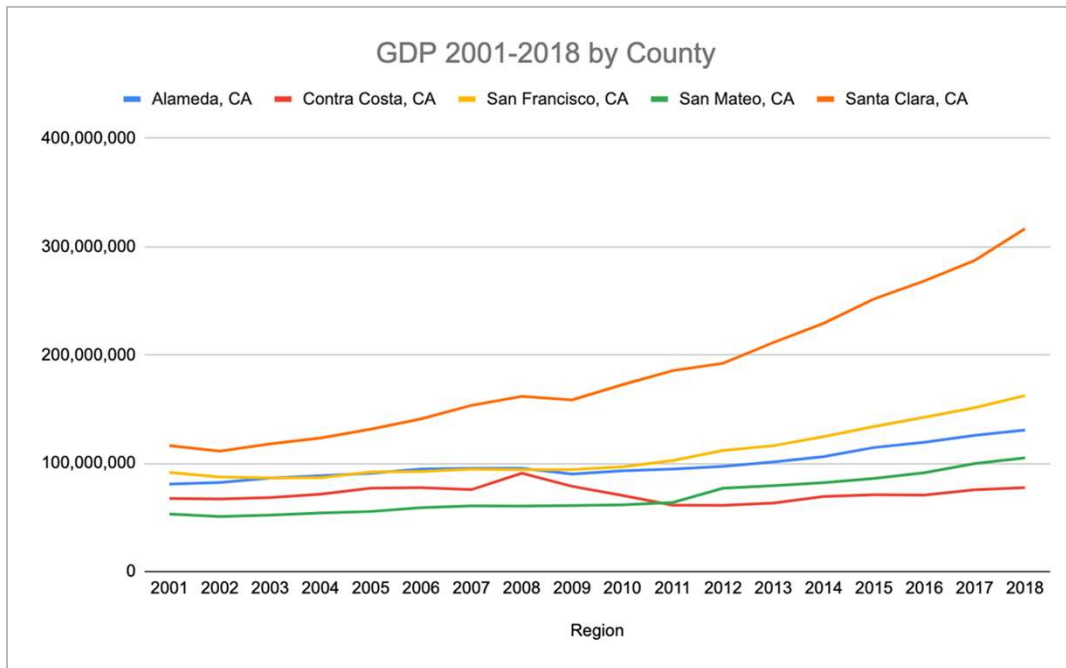


## Real GDP Growth in 2018



[https://www.ccsce.com/PDF/Numbers-Jan2020\\_2018-California-Regional-Economy-Rankings.pdf](https://www.ccsce.com/PDF/Numbers-Jan2020_2018-California-Regional-Economy-Rankings.pdf)

# Economy



Real GDP from 2001 to 2018:

Santa Clara County almost tripled,  
outperforms all other counties;

San Mateo County doubled, followed by San  
Francisco County and Alameda County;

Contra Costa County remained unchanged.

# Gentrification

## Displacement Typology

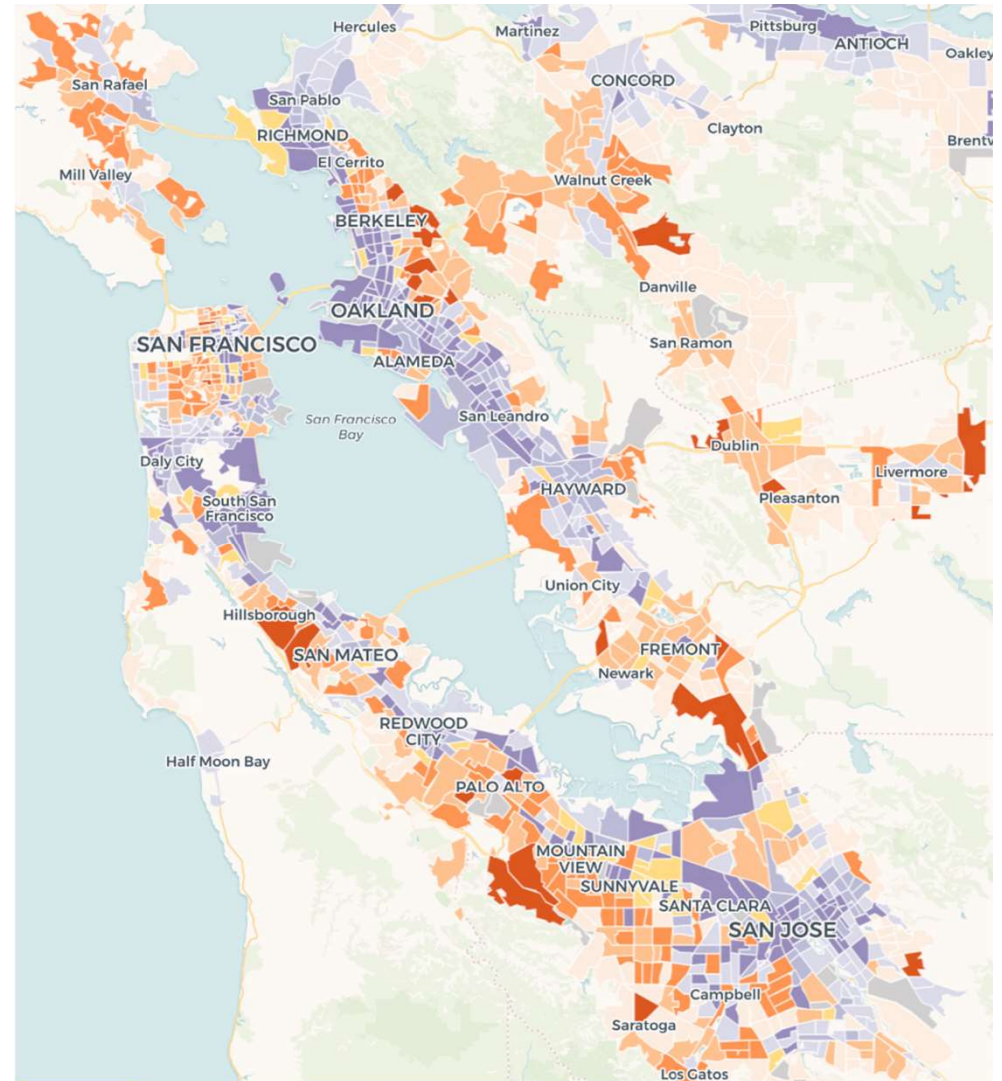
### Lower income (LI) tracts

- Not Losing Low Income Households
- At Risk of Gentrification and/or Displacement
- Ongoing Gentrification and/or Displacement

### Moderate to high income (MHI) tracts

- Advanced Gentrification
- Not Losing Low Income Households
- At Risk of Exclusion
- Ongoing Exclusion
- Advanced Exclusion

<https://www.urbandisplacement.org/map/sf>

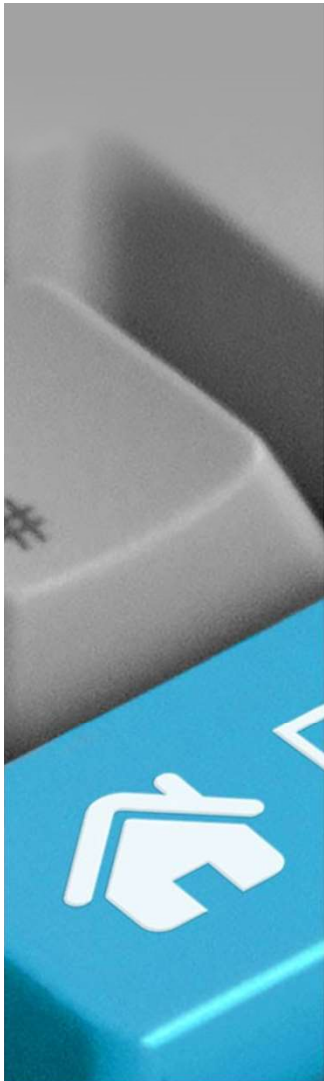






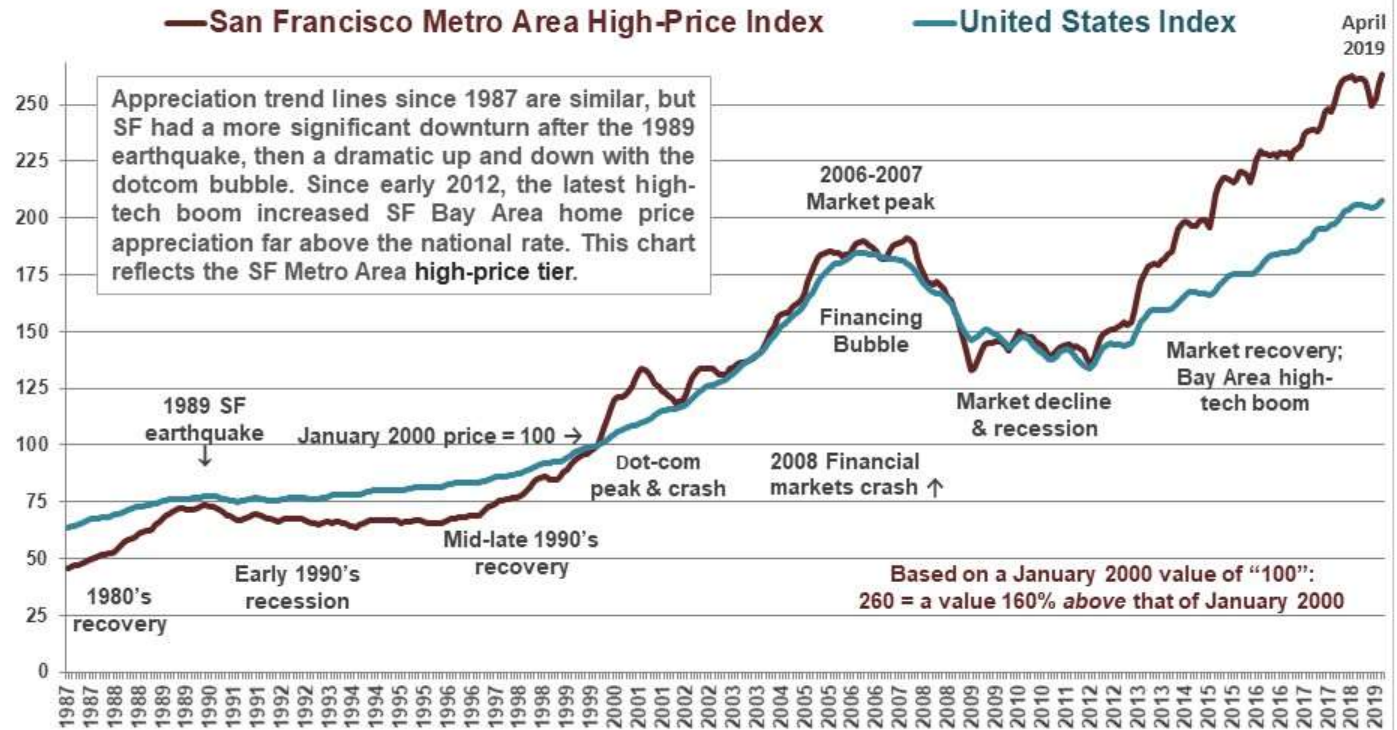
# Bay Area Housing Data





## CoreLogic S&P Case-Shiller Home Price Index: Appreciation since 1987 United States vs. San Francisco Metro-Area High-Price-Tier Index

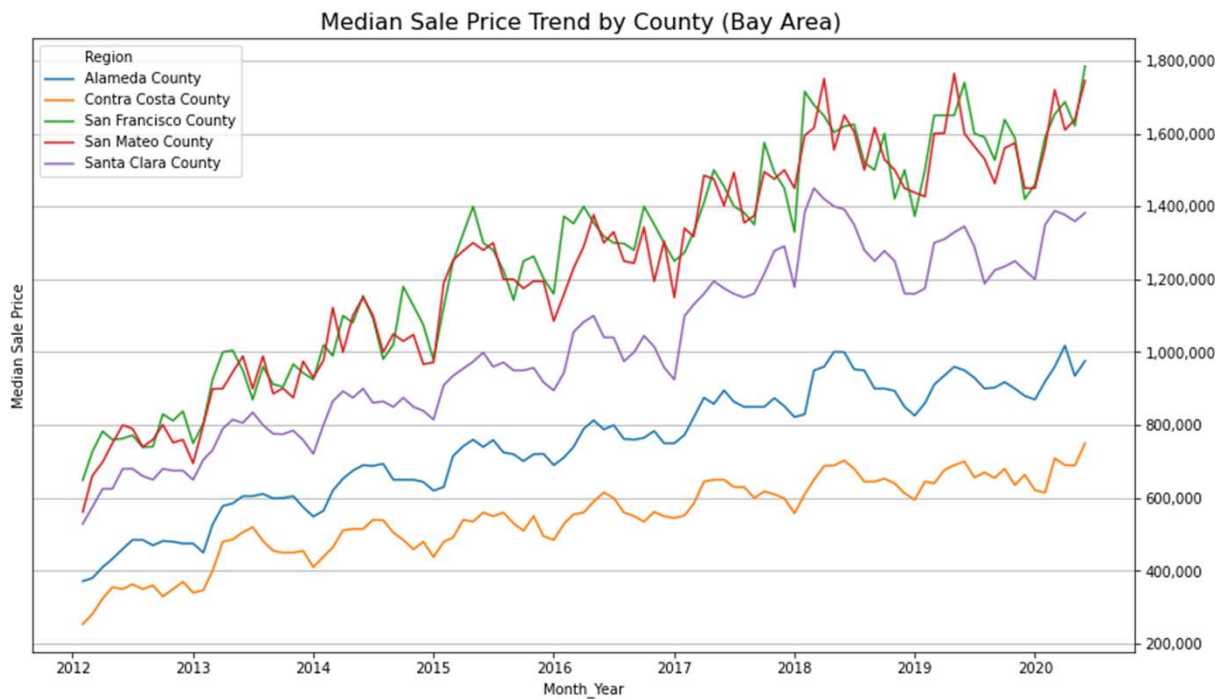
Not seasonally adjusted



\*The C-S Index 5-county San Francisco Metro Statistical Area includes San Francisco, Marin, San Mateo, Alameda and Contra Costa counties. The Index is published 2 months after the month specified and reflects a 3-month rolling average. The high-price tier reflects the top third of home sales in the SF metro area, which applies to the city of San Francisco better than other tiers. <https://my.spindices.com/index-family/real-estate/sp-corelogic-case-shiller>

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# Median Sale Price Trend



All counties show similar trends and great appreciation from 2012-2020. Appreciation percentage is far above the national rate.

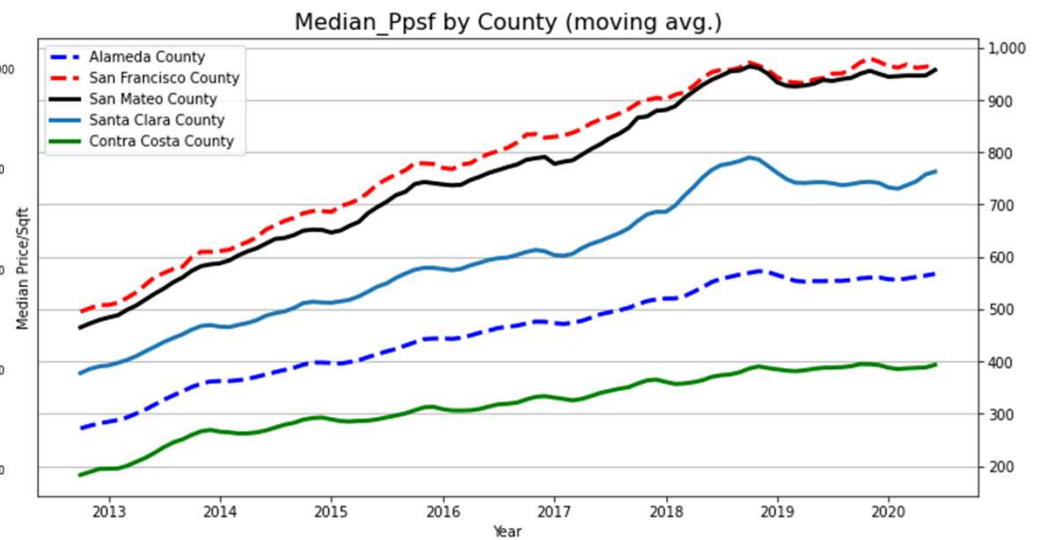
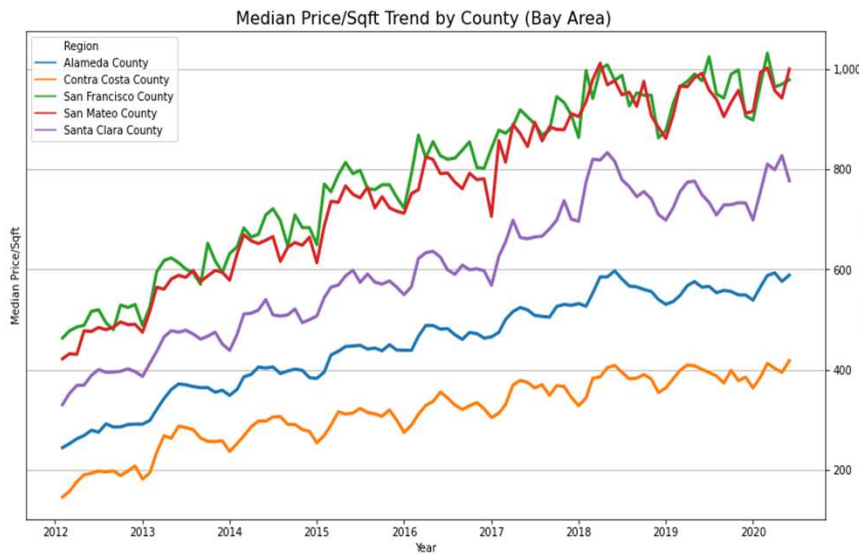
Seasonal effect in all counties: Price increases in Spring, peaks in summer, and decreases in Fall.

Sale price in San Francisco County and San Mateo County are highest ~\$1.75M, followed by Santa Clara County ~\$1.4M, Alameda County ~\$1M, Contra Costa \$750K.

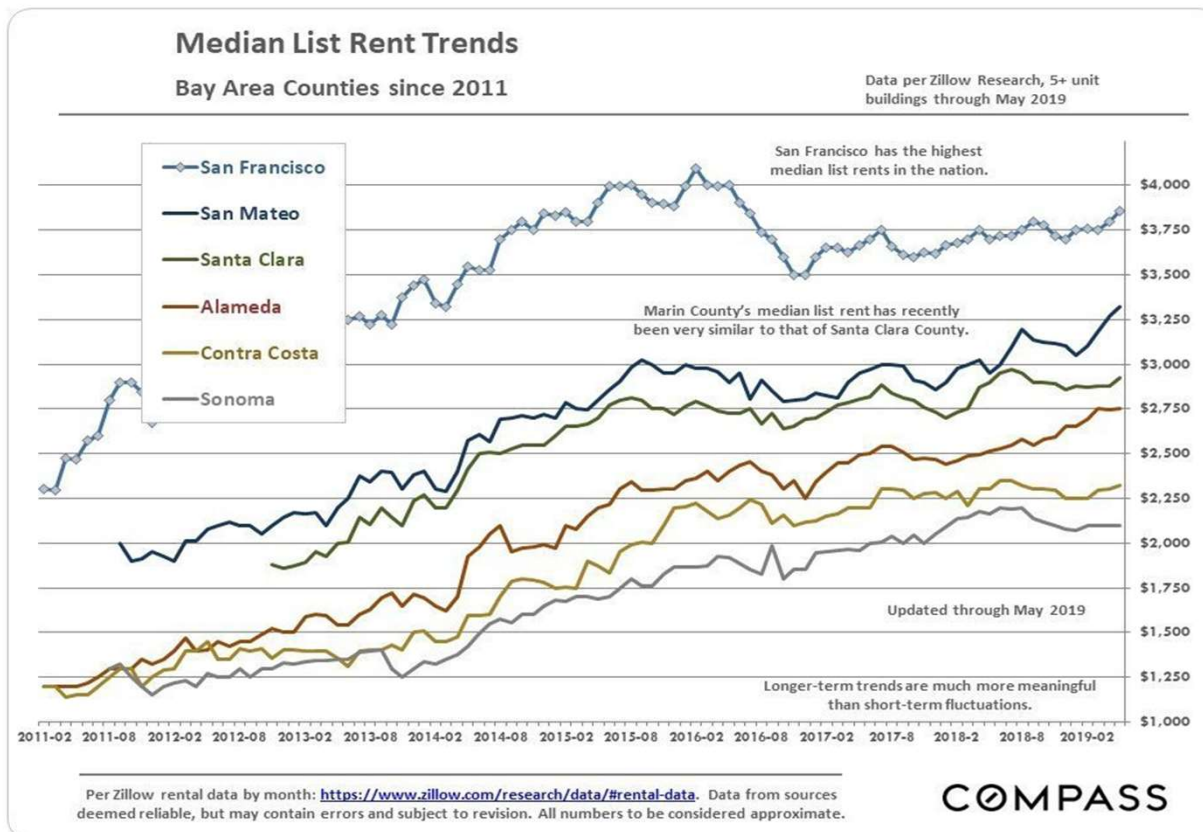
# Price/SqFt Ratio



San Francisco and San Mateo counties' median price/sqft is ~\$1000/sqft, higher than than other counties.  
Santa Clara County: ~\$800/sqft, Alameda County: ~\$600/sqft, Contra Costa County: ~\$400/sqft



# Rental Trend



Rent in all counties show overall increase in the recent 10 years.

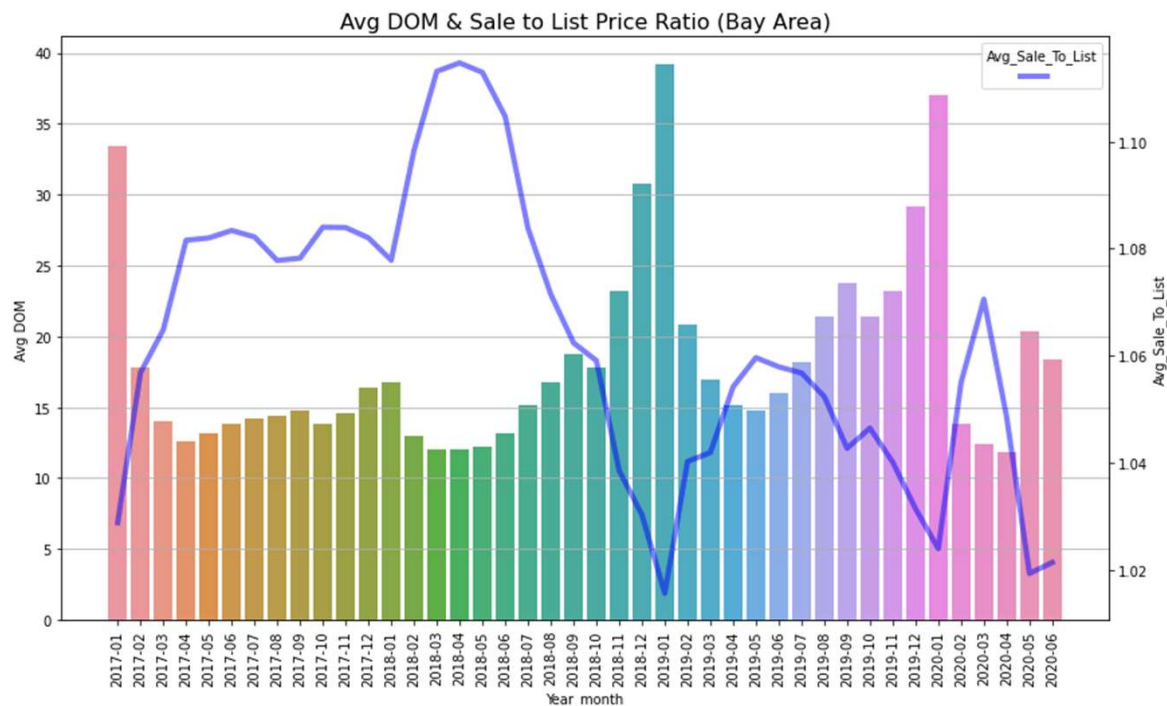
San Francisco has the highest rent among all cities in the US.

Alameda demonstrates the largest increase in rent, more than 100% in 10 years. Rent in other counties increases for 50~85% in 10 years.

Rent increases rapidly from 2011 to 2016, then stay relatively flat in San Mateo, Santa Clara & Alameda counties;

Rent dips in San Francisco in 2016, corresponding to the housing price plateau

# Avg DOM & Sale to List Price Ratio



Sales to list price ratio climbs as days on market decreases. Short DOM and high Sale to Price ratio indicates a seller market: the listed houses are going into contract relatively quickly.

For most of the time, days on market are below 15 days, indicating a very strong demand; In 2019 down trend, days on market climb to nearly 40 days in winter, but within 15 days in summer. In certain counties like Santa Clara, days on market are 7 days in 2018.

sale to list price ratio is always larger than 1 indicating bidding wars, sale price is sometimes going over 10% above the listing price. In some counties, 20% over listing is normal.

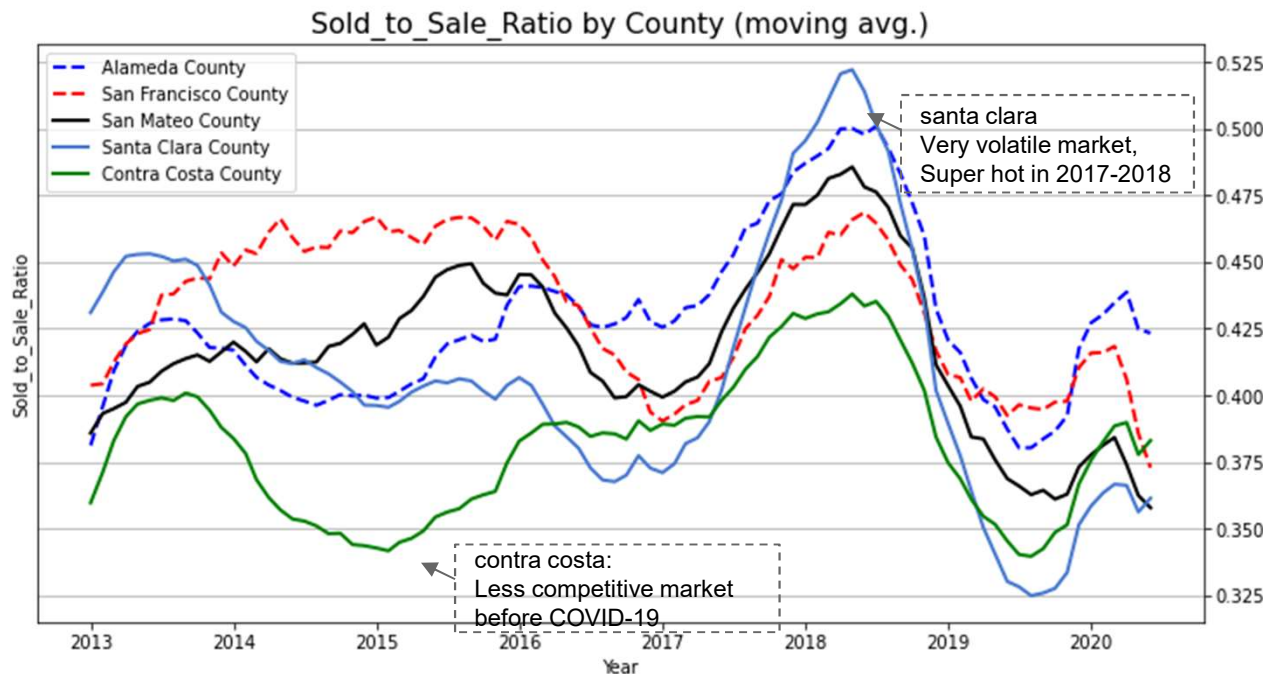


# Number of Homes For Sale vs Sold



Number of Homes for Sale: Supply  
Number of Homes Sold: Demand

Demand vs supply:  
Larger ratio indicates stronger demand and hotter market.



Between 2014 and 2016, San Francisco & San Mateo counties demonstrate strongest demand, corresponding to fastest appreciation in price.

Santa Clara shows sharp increase in demand in 2017-2018 then sharp decrease in demand in 2018-2019.

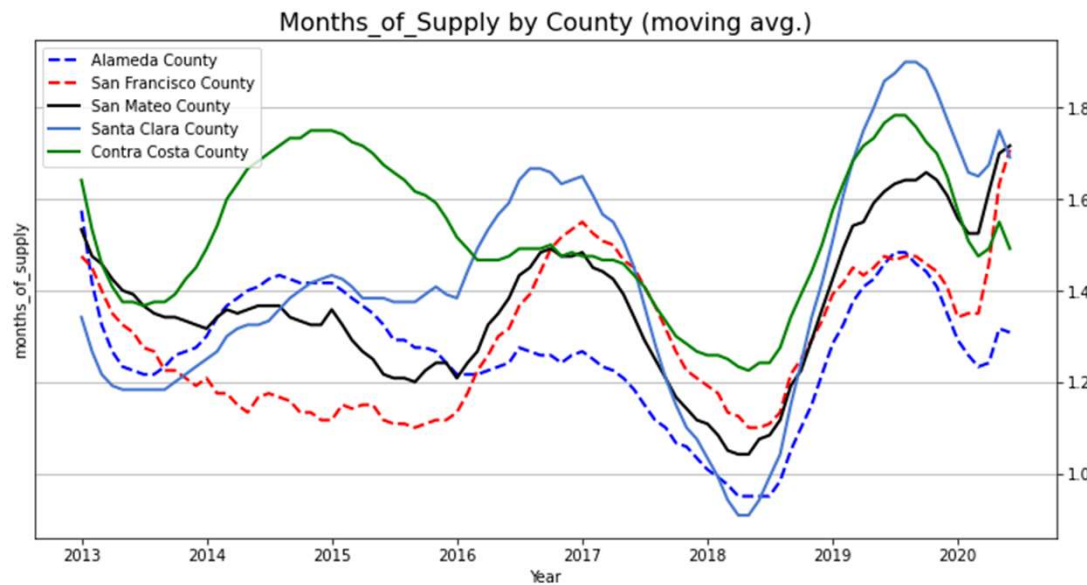
Contra Costa shows lowest ratio among 5 counties in most of the time, but starts to pick up very quickly after COVID-19 pandemic as a result of WFH because people are moving out of city to suburban area.



# Months of Inventory



0-4 months of inventory is considered a seller's market because houses will be sold very quickly.



Months of inventory curves & For sale vs Sold ratio curves are almost reversed.

Inventory in bay area is always low, 6 months moving area is always below 2 months, even below 1 month during 2018 in Santa Clara & Alameda.

San Francisco inventory is usually low but starts to increase rapidly as a result of COVID-19 effect in 2020