



**FOR IMMEDIATE RELEASE**

**Media Contact:** Rod Hughes  
(610) 559-7585  
[rhughes@kimballpr.com](mailto:rhughes@kimballpr.com)

## **\$61 Billion in 2016 Real Estate Closings Across 8 Northern CA Counties**

*Alain Pinel Realtors analyzes market data, predicts continued bifurcated market in 2017*

**SARATOGA, Calif., Jan. 11, 2017** – At the close of 2016, Northern California again demonstrated the power of its economic engine by closing out a strong real estate market. In the eight counties where Alain Pinel Realtors operates, including Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, Sonoma and Monterey, closed residential real estate transactions for the region accounted for nearly \$61.7 billion; a slight decrease from 2015 of approximately \$100 million.

“We had an exceptionally strong year in 2015, followed by a normalization of the real estate market in 2016,” said David Bellamy, chief financial officer of APR. “What we’re seeing in current market trends is a stabilizing of the market following years of unprecedented growth, largely driven by the Bay Area’s tech and business innovation boom, and the state’s job growth which is nearly double the U.S. national average.”

At the close of 2016, the average home price across all eight Northern California counties where APR operates was about \$973,000, with an average of 40 days on market for most listings.

According to Bellamy, Northern California’s strong economic engine and job growth, coupled with relatively low interest rates, were also contributing factors to recent area market trends. However, Bellamy cautions that the same factors that led to the boom might also contribute to challenges in 2017, such as continued reliance on growth in the region’s tech sector and affordability in key markets.

Across all of the eight counties in which APR operates, the number of housing units closed in 2016 was down, except in Monterey County where a slight increase in the number of units sold was noted compared to 2015. Several factors account for the decline, according to Bellamy, including reduced inventory during much of the year, consumer concerns regarding longer-term economic policy during the U.S. presidential election cycle, rising listing prices and general concerns regarding the global economy.

County	Unit Sales	Closed Sales	Current Unit Inventory	Current Inventory in Dollars	Average DOM	Sold/List Price
Alameda	-6.5%	1.2%	-10.1%	-1.6%	-3.8%	-0.4%
Contra Costa	-4.1%	1.2%	-2.5%	8.7%	-6.3%	-0.5%
Marin	-13%	-12.7%	8.6%	27.9%	0%	-0.9%
Monterey	1.6%	5.6%	0.3%	6.5%	-10.3%	0.1%
San Francisco	-4.4%	-1.8%	29.4%	49.4%	13.9%	-3.3%
San Mateo	-3.4%	0.9%	-8%	-14.4%	14.3%	-2.7%
Santa Clara	-3.7%	0.4%	2.3%	-1.1%	13.6%	-2.5%
Sonoma	-8%	-1.8%	-1%	1.7%	-3%	-0.2%

(\*Above data courtesy of Trendgraphix Inc.)

However, despite a smaller number of closings in 2016, on average, those dollar transactions were mostly above 2015 comparables. Two of Northern California's hottest markets, Marin and San Francisco counties were the exception, having to compete with double digit growth in years prior.

"We're in a bifurcated market now," said Bellamy. "At the lower end of the market, there is huge demand while coping with reduced inventory, both of which will contribute to a steady rise in prices and, therefore, affordability concerns. At the upper end of the market, buying and selling is more discretionary. Buyers are starting to be more patient, and sellers are holding out for ideal, perhaps overly optimistic, sales scenarios."

However, Bellamy predicted continued growth of Northern California's luxury home market in 2017, albeit at a more modest pace than in years past. He added that the higher end of the market is still primed for multiple offers, but likely in fewer numbers than most real estate professionals in Northern California have become accustomed to.

#### **About Alain Pinel Realtors®**

Alain Pinel Realtors (APR) is the sixth largest residential real estate firm in the United States and the largest privately owned residential real estate company in Northern California based on its closed-sales volume. The firm has 1,400 agents in more than 30 offices throughout Northern California. APR was founded in 1990 by CEO and President Paul L. Hulme, and is based in Saratoga, Calif. Visit us at [apr.com](http://apr.com), [china.apr.com](http://china.apr.com), [facebook.com/AlainPinelRealtors](https://facebook.com/AlainPinelRealtors), and [@AlainPinel](https://twitter.com/AlainPinel).