

BROKERS

OF THE VALLEY

REAL ESTATE MARKET REPORT
SONOMA VALLEY & COUNTY
2022 VS 2021



COLDWELL BANKER

SONOMA VALLEY

<u>JAN-DEC 2021</u>	<u>JAN-DEC 2022</u>	<u>DIFFERENCE</u>
SOLD LISTINGS		
661	431	⬇️ -34%
MEDIAN SOLD PRICE		
\$970,000	\$1,100,000	⬆️ +13%
AVG. DAYS ON MARKET		
49	45	⬇️ -8%
MEDIAN PRICE PER SQ. FT.		
\$623	\$655	⬆️ +7%

SONOMA VALLEY MILLION PLUS

<u>JAN-DEC 2021</u>	<u>JAN-DEC 2022</u>	<u>DIFFERENCE</u>
SOLD LISTINGS		
322	234	⬇️ -27%
MEDIAN SOLD PRICE		
\$1,880,000	\$1,723,500	⬇️ -8%
AVG. DAYS ON MARKET		
58	44	⬇️ -24%
MEDIAN PRICE PER SQ. FT.		
\$796	\$826	⬆️ +4%

SONOMA VALLEY

1 ACRE +

<u>JAN-DEC 2021</u>	<u>JAN-DEC 2022</u>	<u>DIFFERENCE</u>
SOLD LISTINGS		
150	97	⬇️ -35%
MEDIAN SOLD PRICE		
\$2,413,750	\$2,500,000	⬆️ +4%
AVG. DAYS ON MARKET		
72	61	⬇️ -15%
MEDIAN PRICE PER SQ. FT.		
\$858	\$945	⬆️ +10%

MONEY MARKET UPDATE

The Federal Reserve continued to hold its policy stance in recent months to address rising inflation. Through aggressive rates hikes in 2022, the Federal Reserve has increased the Federal Funds rate an additional 3% during the 6 months ending 2022 to a total of 4.5%. Inflation, which peaked in June 2022 at 9.1%, has been trending in a downward direction each month since, coming in at 6.5% in December 2022.

U.S. home equity increased to a record \$29.5 trillion in the third quarter of 2022.

Freddie Mac reports that mortgage interest rates for owner occupied mortgages hit highs surpassing 7% in October 2022 but improved to end the year at approximately 6.3%. Due to the increases in mortgage rates since experiencing record lows in 2021, originations were down 22 percent in Q3 of 2022 and 46 percent annually.

Inflation retreated to 6.5% in December 2022, after hitting a 40-year high of 9.1% in June 2022.

The Federal Reserve reported that Americans have more equity in their homes than ever before, as the total U.S. home equity figure increased to \$29.5 trillion in the third quarter of 2022.