

## Home Price Trends

### Home Price Data

Prices of existing homes are a major economic indicator and are closely associated with trends in assessed property values. This article will discuss how home prices are reported, analyze trends before and after the Great Recession, and review 2015 metropolitan area and county data.

### CAR Median Home Prices

Median home prices published by the California Association of Realtors (CAR), are one measure of home prices. The median price of existing detached single-family homes is an amount at which fifty percent of homes were sold at higher prices and fifty percent of homes were sold at lower prices. As defined, median home prices would decline if a greater proportion of lower-priced homes were sold than in the previous month. Therefore, median home prices are an imperfect measure of the current value of any individual home. Nevertheless, median home prices provide important information regarding the overall health of residential real estate markets. BOE staff tabulated and analyzed the monthly CAR median home prices on an annual calendar year basis for 2000 to 2015.

### Summary

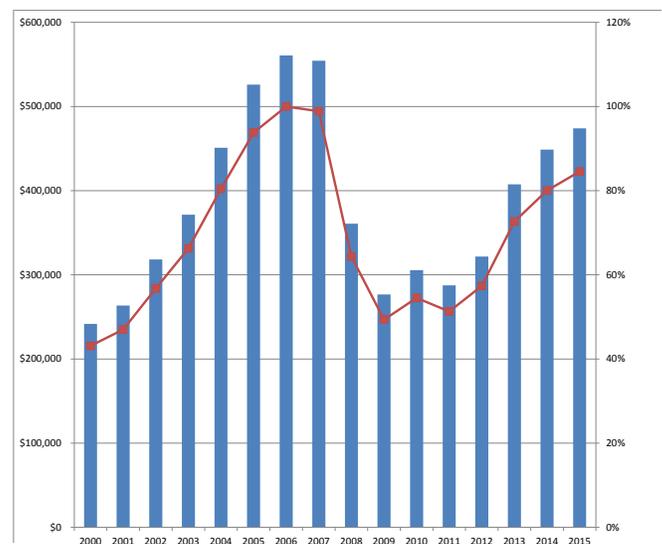
BOE research staff found:

- Annual California median home prices have not yet returned to pre-recession values.
- San Francisco Bay Area median home prices are above pre-recession levels.
- The San Francisco Bay Area is the only region of the state where home prices are greater than pre-recession figures.

### Statewide Median Home Price Trends

As shown in Chart 1, annual California median home prices reached their peak in 2006 at \$560,641. In 2015 they averaged \$473,995, 85 percent of their 2006 peak.

**Chart 1**  
**California Median Home Prices**

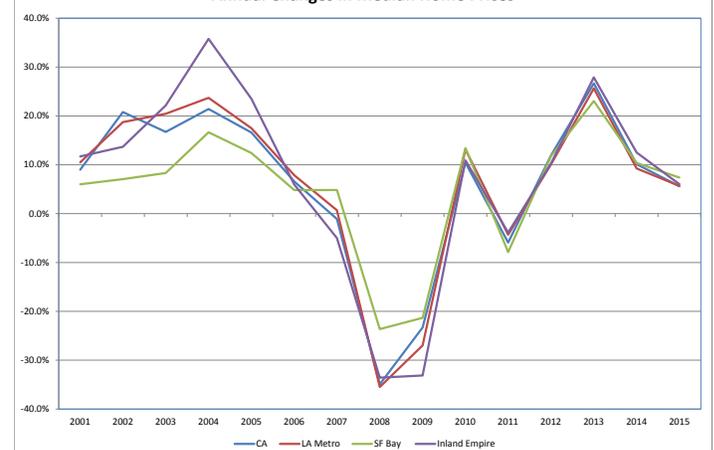


### Regional Price Trends

Major regions within California have fared quite differently since 2000. Chart 2 shows annual changes in median home prices for California and three major regions of the state<sup>1</sup>. Prior to the recession, median prices rose fastest in the Inland Empire, rising as much as 36 percent in 2004. Price growth in the San Francisco Bay Area lagged the other regions and the statewide average prior to the recession. However, prices during the recession fell much less in the San Francisco Bay Area. All three regions came out of the recession with prices growing at similar rates.

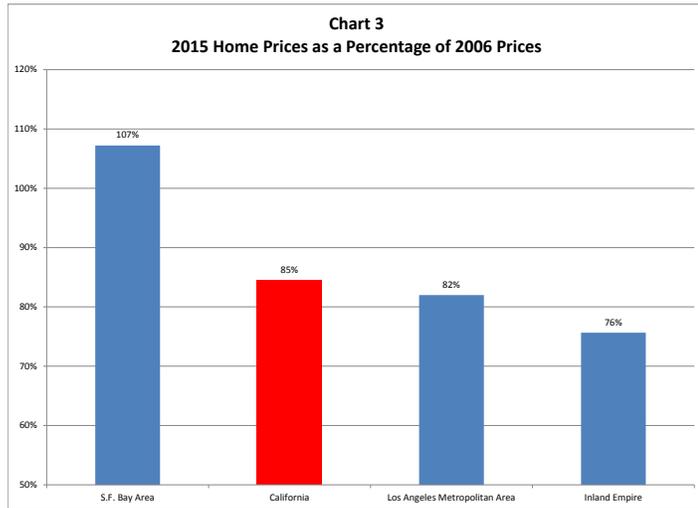
<sup>1</sup>The regions reported by the California Association of Realtors are: (1) Los Angeles Metro: Counties include Los Angeles, Orange, Riverside, San Bernardino, and Ventura; (2) San Francisco Bay Area: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma; (3) Inland Empire: Riverside and San Bernardino counties.

**Chart 2**  
**Annual Changes in Median Home Prices**



### Regional Comparisons to 2006 Peak

Because of these growth patterns, median home prices in the San Francisco Bay Area in 2015 stood at 107 percent of 2006 prices (Chart 3). Los Angeles metro prices were at 82 percent of 2006 prices, and Inland Empire prices lagged at 76 percent. Statewide median prices in 2015 were 85 percent of 2006 prices, still far from recovery. California median prices in 2015 were close to what they were in 2004, more than ten years prior.



### CAR County Prices

Currently CAR reports median home prices for 50 of the 58 California counties<sup>2</sup>. These monthly prices were tabulated to calendar years, yielding variation in both prices and growth rates for individual California counties.

### 2015 County Median Prices

Table 1 and Chart 4 (page 5) show 2015 median home prices for 50 counties, ranked from high to low. San Francisco has the highest median price, well over a million dollars at \$1,254,784. San Francisco median prices are 265 percent of the state median of \$473,995. Six of the top ten counties are in the San Francisco Bay Area.

County	Median Home Prices	Percent of California Median Price
San Francisco	\$1,254,784	265%
San Mateo	\$1,227,907	259%
Marin	\$1,109,288	234%
Santa Clara	\$944,519	199%
Alameda	\$747,628	158%
Santa Cruz	\$718,891	152%
Orange	\$705,102	149%
Santa Barbara	\$676,494	143%
Napa	\$606,494	128%
Ventura	\$606,156	128%
Contra Costa	\$544,635	115%
Sonoma	\$543,755	115%
San Diego	\$538,828	114%
San Luis Obispo	\$519,044	110%
Monterey	\$487,125	103%
<b>California</b>	<b>\$473,995</b>	<b>100%</b>
Los Angeles	\$465,163	98%
San Benito	\$464,782	98%
El Dorado	\$398,888	84%
Placer	\$392,408	83%
Yolo	\$375,821	79%
Solano	\$351,740	74%
Nevada	\$337,483	71%
Riverside	\$332,522	70%
Mendocino	\$328,150	69%
Sacramento	\$287,598	61%
San Joaquin	\$283,134	60%
Humboldt	\$263,806	56%
Mariposa	\$260,416	55%
Amador	\$256,855	54%
Calaveras	\$255,934	54%
Butte	\$252,275	53%
Stanislaus	\$246,707	52%
Plumas	\$245,879	52%
Tuolumne	\$239,370	51%
Sutter	\$234,157	49%
Shasta	\$230,075	49%
San Bernardino	\$224,983	47%
Fresno	\$217,998	46%
Madera	\$217,598	46%
Yuba	\$216,224	46%
Kern	\$215,488	45%
Lake	\$212,603	45%
Merced	\$196,906	42%
Glenn	\$195,468	41%
Del Norte	\$194,945	41%
Kings	\$187,988	40%
Tulare	\$185,815	39%
Tehama	\$175,413	37%
Siskiyou	\$164,085	35%

<sup>2</sup>The CAR has varied over the years in numbers of counties for which they report median home prices. Prior to 2007 they reported data for 42 counties.

At the other end of the spectrum, median prices in 2015 were \$164,085 in Siskiyou County, only 35 percent of the state median. Several other rural and Central Valley counties had similarly low median prices. Large counties with relatively low median prices include San Bernardino (47 percent of the statewide median price), Fresno (46 percent of the statewide median price), and Kern (45 percent of the statewide median price). Sacramento and Riverside also had lower than average median prices (61 percent and 70 percent, respectively).

### 2015 County Annual Growth

Annual growth in 2015 home prices varied widely, with both small rural counties and San Francisco Bay Area counties among the fastest growing (Table 2 and Chart 5). Lake and Glenn had the fastest growing prices in 2015 (23.1 and 22.2 percent). SF Bay Area counties of San Francisco, San Mateo, Santa Clara, Solano, and Contra Costa all had double-digit gains while, California median prices rose 5.6 percent.

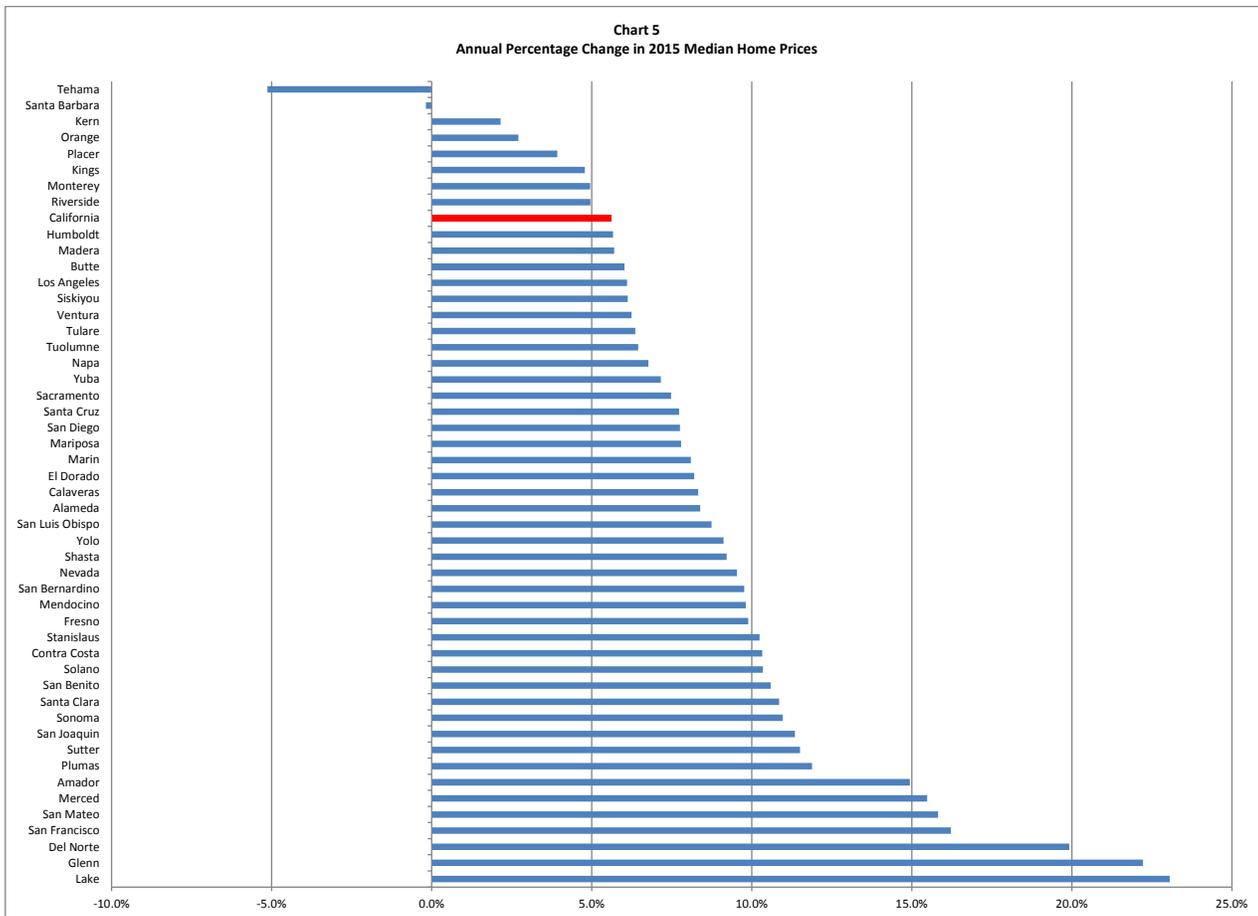
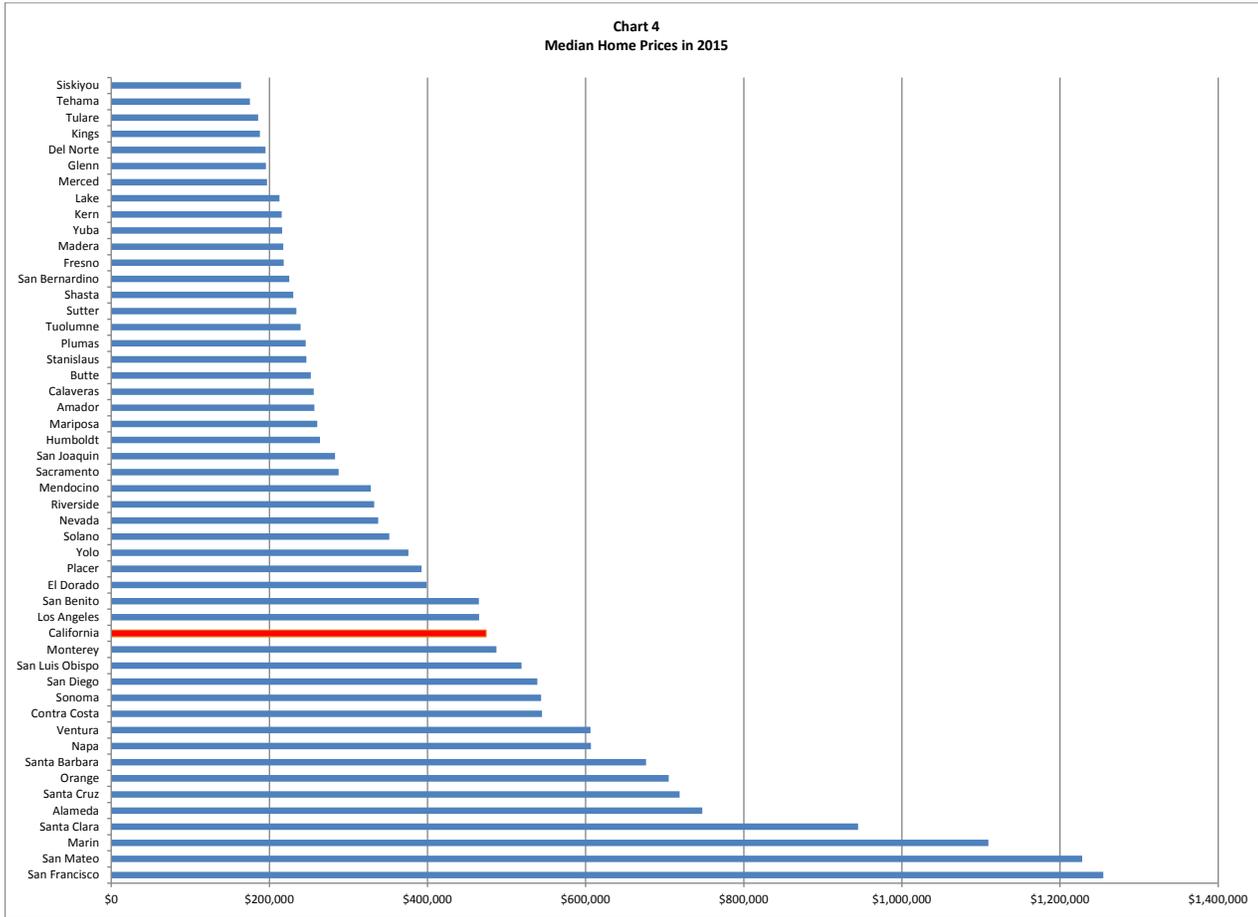
County	Annual Percentage Change in 2015 Median Home Prices
Lake	23.1%
Glenn	22.2%
Del Norte	19.9%
San Francisco	16.2%
San Mateo	15.8%
Merced	15.5%
Amador	14.9%
Plumas	11.9%
Sutter	11.5%
San Joaquin	11.3%
Sonoma	11.0%
Santa Clara	10.9%
San Benito	10.6%
Solano	10.3%
Contra Costa	10.3%
Stanislaus	10.2%
Fresno	9.9%
Mendocino	9.8%
San Bernardino	9.8%
Nevada	9.5%
Shasta	9.2%
Yolo	9.1%
San Luis Obispo	8.7%
Alameda	8.4%
Calaveras	8.3%
El Dorado	8.2%
Marin	8.1%
Mariposa	7.8%
San Diego	7.8%
Santa Cruz	7.7%
Sacramento	7.5%
Yuba	7.2%
Napa	6.8%
Tuolumne	6.4%
Tulare	6.4%
Ventura	6.2%
Siskiyou	6.1%
Los Angeles	6.1%
Butte	6.0%
Madera	5.7%
Humboldt	5.7%
California	5.6%
Riverside	5.0%
Monterey	5.0%
Kings	4.8%
Placer	3.9%
Orange	2.7%
Kern	2.2%
Santa Barbara	-0.2%
Tehama	-5.1%

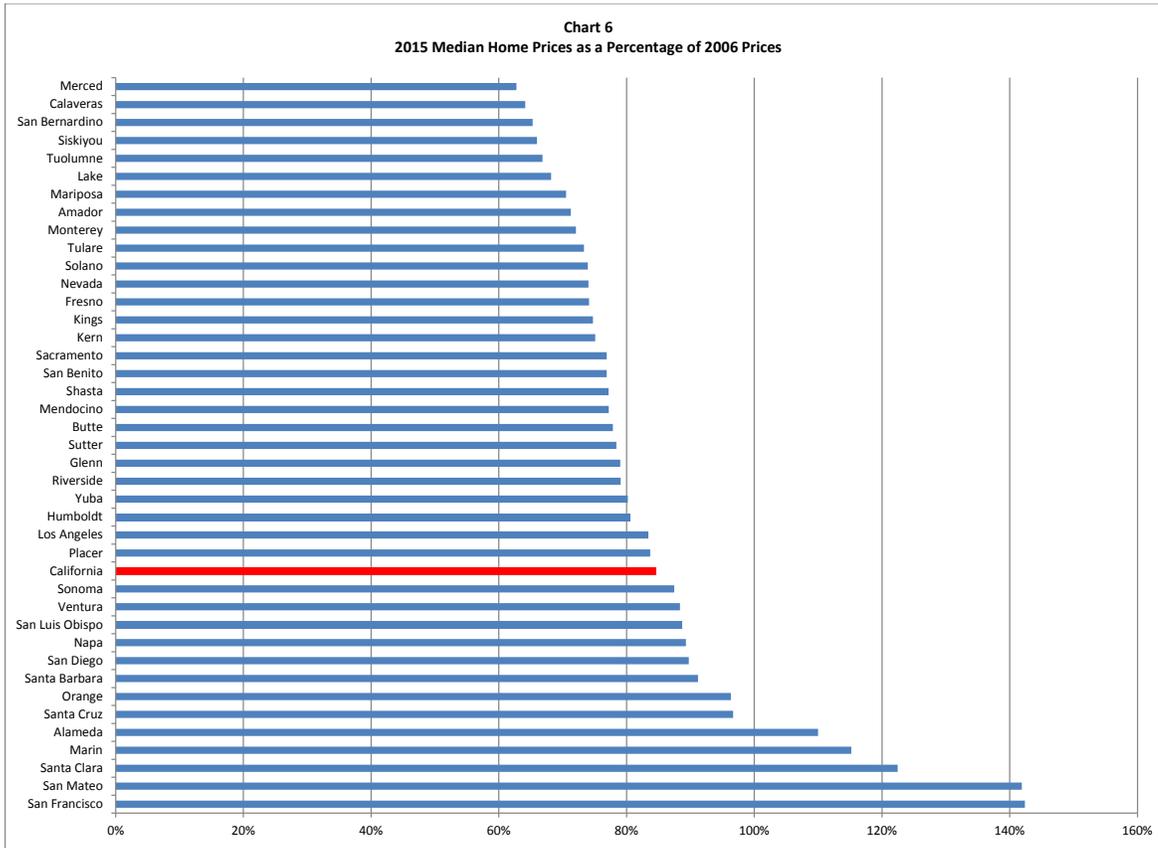
### County Comparisons to 2006

Five counties (all of the SF Bay Area counties) had 2015 median home prices greater than their respective 2006 prices. (Table 3 and Chart 6)<sup>3</sup>. San Francisco and San Mateo prices in 2015 were 142 percent of 2006 prices. Merced was lowest, with 2015 prices only 63 percent of their 2006 prices. This implies that 2015 prices of a Merced County home are close to 2003 prices. Many other small rural counties have similarly low percentages. San Bernardino and Fresno are large counties still far off from price recovery, at 65 percent and 74 percent respectively. The statewide average for 2015 was 85 percent of 2006 prices.

County	2015 Home Prices as a Percentage of 2006 Prices
San Francisco	142%
San Mateo	142%
Santa Clara	122%
Marin	115%
Alameda	110%
Santa Cruz	97%
Orange	96%
Santa Barbara	91%
San Diego	90%
Napa	89%
San Luis Obispo	89%
Ventura	88%
Sonoma	87%
California	85%
Placer	84%
Los Angeles	83%
Humboldt	81%
Yuba	80%
Riverside	79%
Glenn	79%
Sutter	78%
Butte	78%
Mendocino	77%
Shasta	77%
San Benito	77%
Sacramento	77%
Kern	75%
Kings	75%
Fresno	74%
Nevada	74%
Solano	74%
Tulare	73%
Monterey	72%
Amador	71%
Mariposa	71%
Lake	68%
Tuolumne	67%
Siskiyou	66%
San Bernardino	65%
Calaveras	64%
Merced	63%

<sup>3</sup>The year 2006 was chosen as a benchmark year because that was the year California prices reached their highest level.





**Contact Us**

Please contact us if you have questions or comments.

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Current and past issues of this publication are on our website:  
[www.boe.ca.gov/legdiv/legresearch.htm](http://www.boe.ca.gov/legdiv/legresearch.htm)

**Online Resources**

For more information about topics covered in this publication and previous issues, please visit any of the websites listed below.

California Association of Realtors:  
[www.car.org/marketdata/data/housingdata/%20](http://www.car.org/marketdata/data/housingdata/%20)

Construction Industry Research Board  
[www.mychf.org/cirb.html](http://www.mychf.org/cirb.html)

U.S. Bureau of Economic Analysis  
[www.bea.gov](http://www.bea.gov)

U.S. Census Bureau  
[www.census.gov](http://www.census.gov)