

# Playing The Markets



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This week the "No Fun League" will be hosting its annual rite of passage – Draft Day. On this day, and the following two, there will be 253 college football players chosen by hopeful teams to join their new football family. Players, franchises, sport analysts and the like have already been discussing this lauded event and creating scripts about who will end up where and when - all guesses - some more educated than others. The frenzy is fueled by media coverage from every angle and outlet. There will be obvious decisions, back room deals and last minute adjustments at each selection slot.

Similarly, the real estate markets have their own draft day - though it occurs every day – where sellers determine their next move that requires the sale of a home while buyers and their agents plot their scenarios for acquisition of each new listing. Navigating the corridors of the real estate markets takes significant time, effort, and understanding to harness the acumen required for success in this endeavor and though some decisions are obvious many have multi-faceted approaches as well as outcomes. Along the way, if one pays close enough attention, you will encounter many "off-market" deals being made, especially in the compressed inventory markets of late.

According to BAREIS MLS, Sonoma County had exactly 541 single-family homes for sale as March fell into the record books, 351 of which were new to the market – still 32 percent fewer than last year when March recorded the arrival of 519 new listings. Sonoma County saw 391 properties receive accepted offers during the month while 321 homes formally traded hands, leaving the county with a months' supply of inventory (MSI) of 1.7.

MSI is the metric that indicates the number of months it would take to sell the current inventory at the current rate of sales. An MSI ranging from 4.0 to 6.0 is generally indicative of a balanced market, with lower numbers increasingly favoring sellers and vice versa.

Getting down to the details in the town of Sonoma, which submarket includes the hamlets of Kenwood and Glen Ellen, there were 84 homes reported for sale as the month concluded. This region experienced the

addition of 41 new properties during the period – 39 percent less than the prior March. Sonoma buyers moved forward on contracting with sellers on 45 new agreements – challenging last July for the highest level over the preceding 24 months - while another 32 new homeowners were handed their keys. Demand remains high in the Valley of the Moon reporting an MSI of 2.6.

As March's data filled in the charts, Healdsburg buyers placed only seven homes into contract while leaving 69 properties to greet buyers in April – newly listed dwellings on the market accounted for 16 of these. This submarket formally transferred new deeds on 21 homes leaving this region with an MSI of 3.3 – placing this submarket back into the control of sellers.

As the month closed in Petaluma, residents of the city's Westside had 30 available homes to select from – 19 of which were introduced to the market during the period. Buyers managed to place contracts on 30 new homes while sellers concluded sales of 29 properties sending the MSI further into the direction of seller control with a measure of 1.0.

The Eastside of Petaluma continued in chaos – if you are a buyer. As March wrapped up there were just 14 available homes to select from even though 18 new listings came to market in the period. Home seekers managed to get control of 23 new deals while sellers completed 32 more transactions compressing the MSI further to 0.4 – the toughest market for buyers to find success within the borders of Sonoma County.

Traveling up the Highway 101 corridor, the coalesced markets of Rohnert Park and Cotati ended March with the same fervor it started with as just 13 single-family homes remained for sale – inclusive of the 26 new properties introduced during the same period. Buyers managed to absorb 25 units in new contracts while sales were completed on an additional 18 dwellings, leaving this submarket with an MSI of 0.7 – which may insinuate that this will be next month's hottest.

Sebastopol checked in with an availability of 39 single family homes by months end and that included the 23 that were freshly delivered during the month. Sellers ratified 21 new purchase agreements with buyers while 11 escrows closed allowing the MSI to creep upwards to 3.5 - though expect that to retrench significantly in April.

"There is no "I" in team". "Nobody is a self-made success". "You will find the harder you work the more luck you will seem to have". Real estate is a team sport; make sure you form your team wisely!

