

Bret Churchman's 2017 Real Estate Market Report Truckee & North Lake Tahoe

Residential Properties – Single Family Homes and Condominiums

2017 Year End Summary

Residential Sales Summary 2017

Total Residential Sales: 2017 was another great year for real estate sales in the North Lake Tahoe and Truckee region. After a slow start because of the above average winter, sales caught fire in the latter half of the year.

For 2017, a total of 1,564 residential properties sold as compared to 1,461 in calendar year 2016 which is a year over year increase in sales of 7%. Of the total sales in the market this year, 1,160 were single family homes, while 404 or 25% of the sales were condominiums. In 2016 there were 1,104 single family homes sold and 357 condominiums sold which represented 24% of the sales.

Coldwell Banker Ranked #1 Among All Brokerages: Coldwell Banker Residential Brokerage ended 2017 as the market leader in overall units sold with 749 sales sides closed with a total sales volume of \$422 million. This is the seventh year in a row where Coldwell Banker finished as the #1 real estate brokerage in the North Lake Tahoe and Truckee market.

REO and Short Sales: Distressed properties, REO's and Short Sales, were non-existent in terms of sales in the market. This trend has followed suit with California and nationally with the rebounding of the housing market. For 2017, there were only 3 closed short sales as compared to 12 closed short sales in 2016 which is a (75%) reduction. REO properties closed in 2017 went up 28% with 18 properties closed in 2017 as compared to 14 properties closed in 2016. Overall, distressed property sales, (REO and Short Sales) represented 1.2% of the sales in 2017 which is slightly less than the 1.8% in 2016.

Median and Average Sales Prices: The median sales price for residential properties ended the year at \$603,000 which was up over 6% from 2016 where the median sales price was \$565,000. Similarly, for 2017, the average sales price went up over 2% to \$887,322 as compared to last year's average price of \$866,537.

Sales by Price Range or Market Segment: For the year, there were 517 residential properties sold at a price below \$500,000, 725 properties sold between \$500,000 and \$1,000,000 and 322 properties sold over \$1,000,000.

Sales Under \$500,000: The lower end of the market, homes priced under \$500,000, as is typical, had the highest number of sales with 517 properties sold in this price range which represented 33% of total sales. In 2016 for the same period, there were 604 properties sold in this price range which represented over 41% of the sales.

Mid-Range Market Sales \$500,000 to \$999,999: For 2017, this segment of the market had a whopping 25% increase in sales from 2016 to 2017 and was a very active price point for the year. There was a total of 725 properties sold at a price between \$500,000 and \$1,000,000 representing almost 47% of total sales. For the same period in 2016, there were 577 properties sold in this price range which represented just over 39% of total sales.

Luxury Home Sales Over \$1.0 Million: Luxury sales for properties priced above \$1,000,000 had another solid increase in total sales of 15%. For 2017, there were 322 luxury properties sold as compared to 280 sold in 2016. The median sales price for luxury properties in 2017 ended at \$1,500,000 as compared to a median sales price of \$1,536,875 in 2016 which is an overall decrease of just under (3%). The average sales price of luxury homes in 2017 ended at \$2,188,848 as compared to \$2,317,255 in 2016 which is an overall decrease of just over (5%).

Active Residential Inventory Summary:

Active Listings: For 2017, residential inventory began the year with 500 properties listed for sale, reached the high point for the year in mid-August of 737 properties and ended the year with 370 properties for sale. At year end, inventory for 2017 was roughly (28%) lower than the inventory level for the same period in 2016.

2018 Opportunities Await: 2018 is projected to be another good year for real estate in California in terms of units sold and sales prices per the California Association of Realtors Market Forecast. However, we will still be challenged with lower than historical inventory levels. As we begin the year in the North Lake Tahoe and Truckee market, current inventory levels are starting out at lower than historical levels with 370 residential properties. As is typically the case, inventory will rise significantly as Spring approaches. With the current and future inventory of available homes coupled with still favorable interest rates, 2018 should be another good year for savvy real estate investors looking to acquire homes in many of the North Lake Tahoe and Truckee resort communities.

Note: Data here is based on information from the Tahoe Sierra Board of Realtors, MLS. Due to MLS reporting methods and allowable reporting policy, this data is only informational and may not be completely accurate. Therefore, Bret Churchman does not guarantee the data's accuracy. Data maintained by the MLS may not reflect all real estate activity in the market. CA-BRE License # 01209725