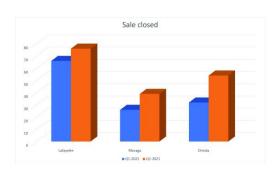


Published April 27th, 2022 The Real Estate Quarter in Review

By Conrad Bassett, CRP, GMS-T; Licensed Real Estate Broker



The first quarter of 2022 began with a continued fast pace in activity on the residential side of Lamorinda real estate. The closings that occurred, for the most part, came from properties that went under contract in late November to late February.

The average sales price has skyrocketed so far this year in Lafayette, Moraga and Orinda. The days on market remained short and the homes that had multiple offers were plentiful.

Per Contra Costa Association of Realtors statistics reported from Jan. 1 through March 31, 66 single-family homes closed in Lafayette - less than the 76 in the first quarter of 2021. Sales prices ranged from \$975,000 to \$12 million and the average number of days on market was 19. The average sales price was \$2,954,570! In the first quarter of last year, it was \$2,062,932. In 2018 it

was \$1,469,744 in the first quarter. This change can be due to a larger sample size and more homes selling at the high end of the range. However, this points to a 100% increase in value in four years!

The median sales price was \$2.45 million. A year ago it was nearly \$1.85 million . far exceeding 2020's \$1.65 million.

In Moraga the number of single-family closings was 26, a drop below the 39 in the year ago first quarter. Prices so far this year have ranged from \$1.36 million to \$3.625 million. The average sale price was \$2,350,269 - the first quarter ever where the average was above \$2 million in Moraga. In 1Q2021 it was \$1,800,433. In 1Q2020 it was \$1,578,476 and \$1,436,733 in 2019. It was \$1,534,007 in 2018. In 2017 it was \$1,381,452, and in 1Q2016 it was \$1,278,575. The average marketing time was six days, versus 15 days a year ago.

In Orinda, the number of single-family closings was 32. In 2021 it was 54. Sales prices ranged from \$1.305 million to \$6.75 million with an average price of \$2,268,258. A year ago, it was \$2,021,192. It was \$1,783,674 in 2020. It took an average of 16 days on the market to sell a home in Orinda where a year ago it was 28 days on the market.

This would also be the first time that in a separate quarter the average sales price of a home in Moraga exceeded that of one in Orinda.

In the first quarter of 2022, Lafayette homes sold at an average of \$989.08 per square foot - a huge increase from \$737.02 a square foot in 2021. Moraga came in at \$901.87 per square foot. This is way up from \$703.47 in 2021 and \$594.32 in 2020. Orinda was at \$858.59. One year ago it was \$703.56 - up from \$635.02 in 1Q2020.

In the condominium/town home category, Lafayette had two closings reported to the MLS. They were at \$1.25 million and \$1,988,795. Moraga again had 15 ranging from \$340,000 to \$1.825 million. This is also the first time a townhome in Miramonte Gardens closed above \$1 million. Orinda had three - two on Brookwood Road at \$460,000 and \$515,000 and one on The Glade that traded at the price of \$2.25 million.

As of April 12, there were 94 homes under contract per the MLS in the three combined communities (a year ago it was 132) with asking prices of \$565,000 to \$4.5 million.

Inventory is at 60, comparable to the 62 a year ago.

There are 22 Lafayette properties currently on the market versus 27 properties on the market in April, 2021. Asking prices in Lafayette currently range from \$624,753 for a Below Market Rate listing to \$11.95 million. In Moraga, buyers have their choice of 14 homes, down from 18 homes at this time in 2021. The price range is \$550,000 to \$2.995 million.

In Orinda there are 23 homes on the market. A year ago there were 17. The list prices range from \$450,000 for a condominium on Brookfield to \$7.2 million.

There are no distressed (bank-owned or a short sale) sales available in Lamorinda.

As is the case nearly every quarter, the most active price range is in the more "affordable" price ranges. At

the high end, 21 homes sold above \$3 million in the three communities combined. The affordability factor is subject to a lot of interpretation. There are 25 currently available above this amount in Lamorinda.

Interest rates have increased a lot in the last few weeks which have pushed some buyers either out of the market or to lower priced homes or out of Lamorinda. Relocation from the corporate side has continued to be slow as many companies continue to have their people work remotely and as such, many of those buyers are on the sidelines at their departure locations before making housing decisions.

Lamorinda continues to be attractive with BART access and highly rated schools. The real estate markets in Oakland, Berkeley and Piedmont have continued to be active so there has been some spillover effect where buyers are willing to make longer commutes in order to find more "affordable housing." We also continue to see a lot of buyers in Lamorinda being represented by agents based in San Francisco and the Peninsula. Prices there have been higher for many years so many have sold there and bought more house for less money in Lamorinda.

Lastly, it is important to look at what homes are selling for versus their list prices. On occasion, homes come on the market at unrealistic prices and they do not sell. We also are seeing more homes listed well below true values so that it may encourage bidding wars that sellers hope might generate a higher overall sales price. In the first quarter of this year many homes have had multiple offers and have sold at or above the list price.

Of the 66 single-family home sales that closed in Lafayette in the first quarter of 2022, 62 sold at or above the list price. In Moraga, all but one of the 26 sales were at or above the asking price and in Orinda, 26 of the 32 sold at or above the final listing price.

This will typically happen when a house goes pending in the first two weeks on the market. Of the 94 currently pending sales in the three Lamorinda communities combined, 75 went pending in 14 days or less. The actual average days on the market would be markedly lower but many agents are setting up marketing plans where they market the home to the public and to brokers and follow with an offer date in a week or so after exposing the property to the market - pointing to a high likelihood of a continued trend in homes selling above the asking price.

In the detached home category in the first quarter of 2021, the average sale price in Lafayette was 103% of the asking price. In 2022, it went to 111%. In Moraga it was 105.6% last winter and this last quarter it was 119% and in Orinda it changed from 104% to 109.4% of the final asking price.

Reach the reporter at: info@lamorindaweekly.com

back_ Copyright ^O Lamorinda Weekly, Moraga CA