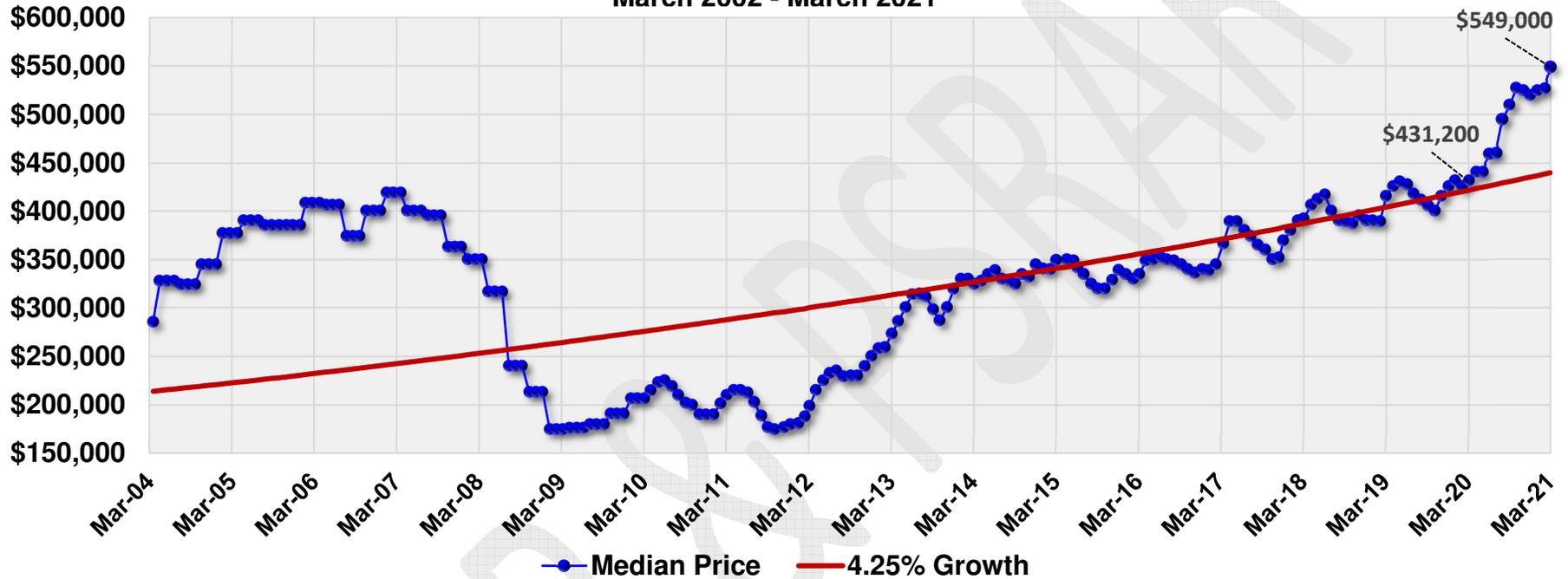


## Coachella Valley Median Detached Home Price

March 2002 - March 2021



### Summary

The median price for a Valley detached home in March was \$549,000, which is 27.3% above last year. The attached home median price in March was \$345,000, up 15.4% over the last twelve months. We think prices will continue to move higher by following the seasonal pattern of reaching highs in the month of May before pulling back. Seven cities now have median price increases for detached homes over 20%, with two up more than 30%. It should also be noted that five cities have exceeded the historic price highs they made in the year 2006, with two more only fractional percentage points away. The three-month average of total sales is now averaging 1,129 units a month, which is 39% above last year. Due to seasonal forces, we believe this average will reach 1,200 units, or higher, over the next two months and are very encouraged that sales continue to stay in this high range. Inventory continues to decline and on April 1st stood at 742 units for sale. Then compares to 3,043 units one year ago. Continued high sales and lower inventory has again driven the “month of sales” ratio to new historic lows. It is now just 4/5 of a month, or just a little over three weeks. A year ago, the ratio was 3.7 months. This lack of supply is causing bidding wars amongst the many homebuyers and is the force driving home prices much higher.

Produced for Valley agents through the sponsorship and cooperation of PSRAR and CDAR by Market Watch LLC

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## Coachella Valley Median Attached Price

March 2002 - March 2021

Median Price

\$400,000

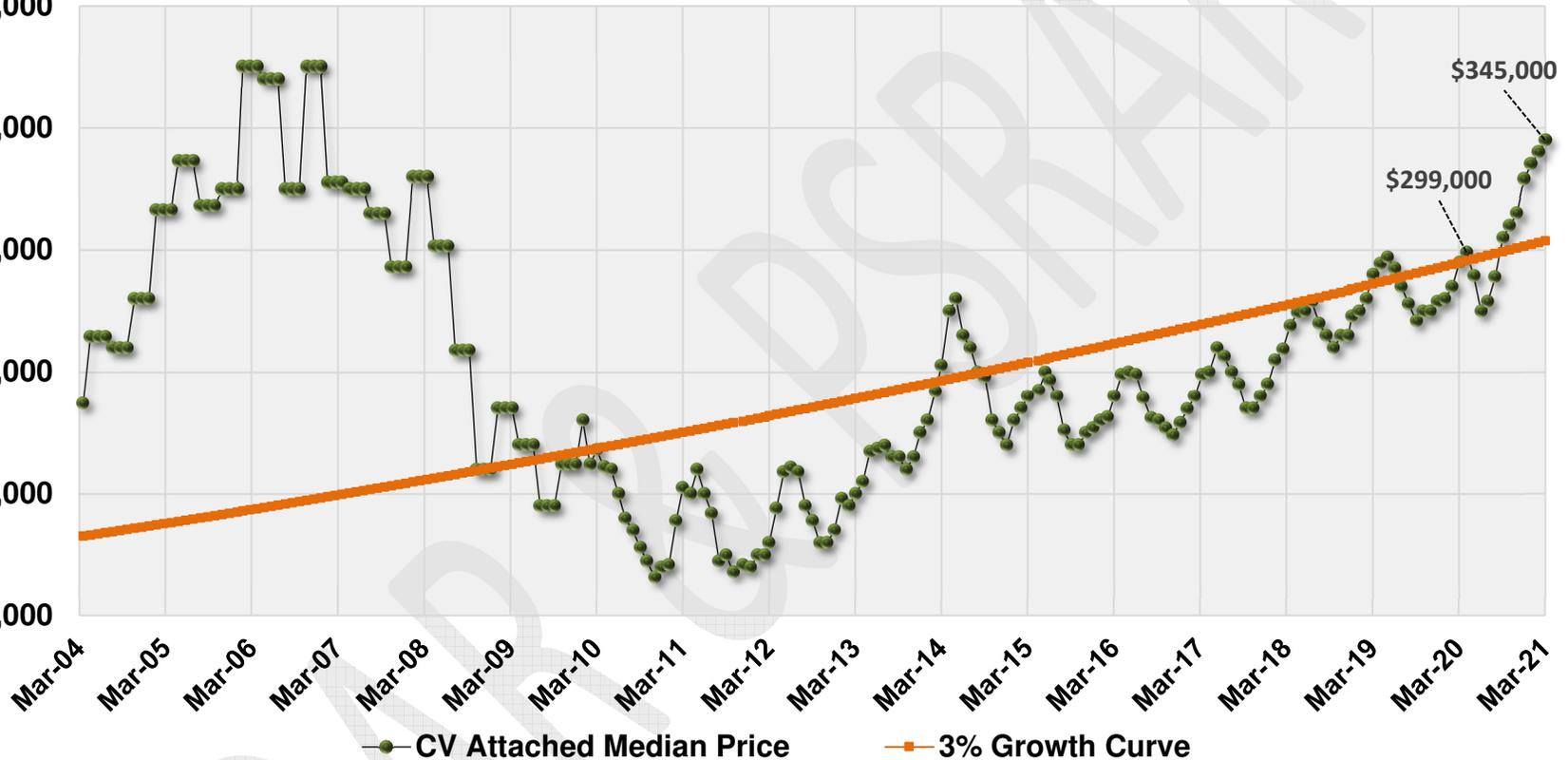
\$350,000

\$300,000

\$250,000

\$200,000

\$150,000



## Coachella Valley Attached Median Price

It is clear from the chart that attached prices continue to show a strong, upward movement and have broken through the restraints of the last few years (notice the current price above the orange line). The median attached price in March was \$345,000, up 15.4%. We think prices will follow the seasonal pattern and continue to move higher into the month of May before pulling back. Attached homes are helping to fill the supply void for detached home in the lower price ranges.



# The Desert Housing Report

March 2021



## Detached Homes

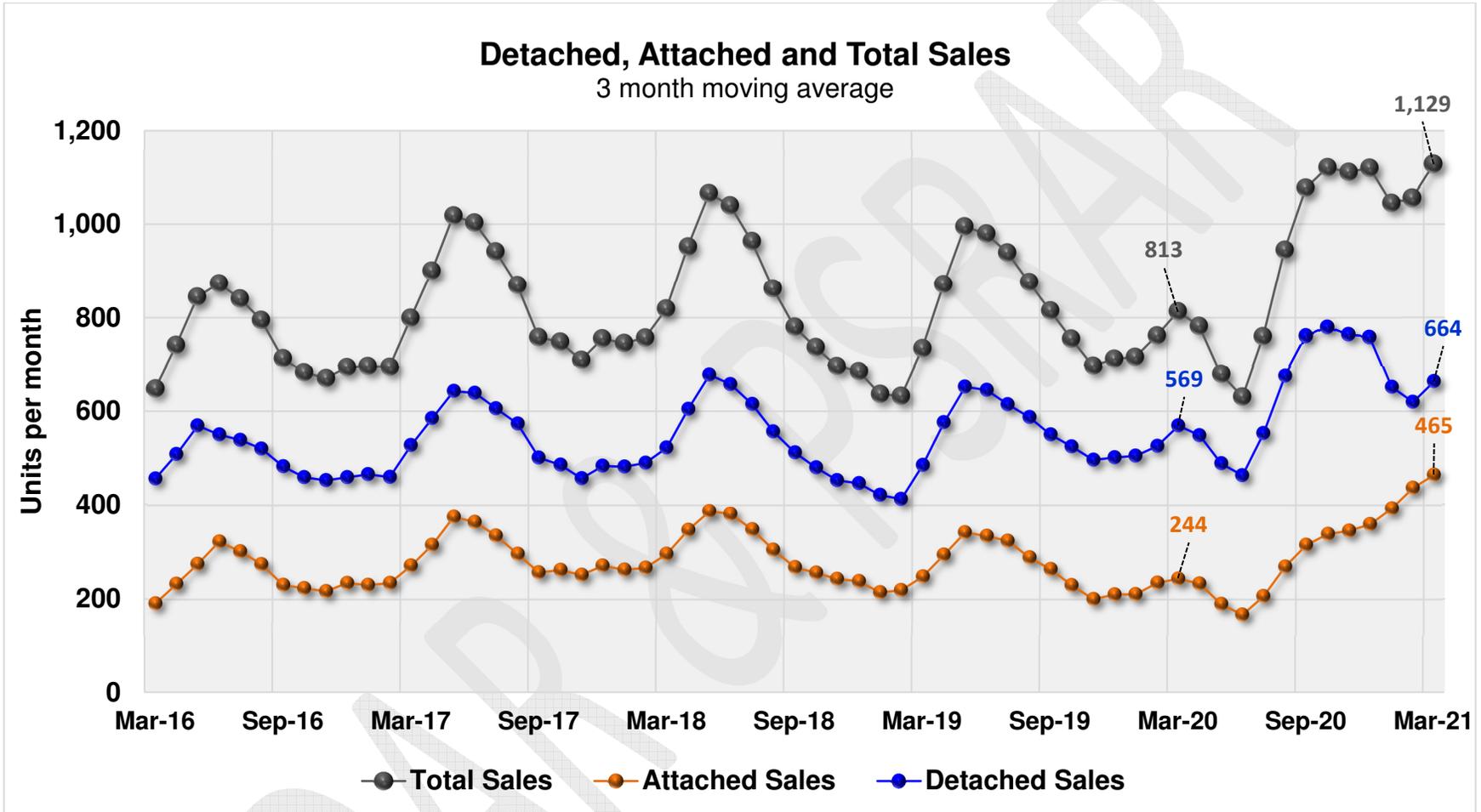
City	Mar-21	Year Ago	12 mo change	2011 Low	Gain off 2011 Low	2006 High	% from High
Indian Wells	\$1,197,500	\$867,500	38.0%	\$540,000	121.8%	\$1,205,000	-0.6%
Palm Springs	\$904,750	\$680,000	33.1%	\$335,000	170.1%	\$600,000	50.8%
Rancho Mirage	\$849,500	\$655,000	29.7%	\$423,000	100.8%	\$950,000	-10.6%
Desert Hot Springs	\$320,000	\$250,000	28.0%	\$85,000	276.5%	\$295,000	8.5%
La Quinta	\$703,000	\$550,000	27.8%	\$245,000	186.9%	\$682,020	3.1%
Palm Desert	\$539,000	\$430,450	25.2%	\$287,000	87.8%	\$543,000	-0.7%
Cathedral City	\$429,950	\$354,500	21.3%	\$139,000	209.3%	\$395,000	8.8%
Indio	\$402,500	\$342,900	17.4%	\$158,500	153.9%	\$380,500	5.8%
City of Coachella	\$300,000	\$291,775	2.8%	\$121,950	146.0%	\$335,000	-10.4%

## Attached Homes

City	Mar-21	Year Ago	12 Month Change	2011 Low	Gain off 2011 Low	2006 High	% from High
Indian Wells	\$494,000	\$380,000	30.0%	\$321,500	53.7%	\$557,500	-11.4%
Rancho Mirage	\$385,000	\$329,194	17.0%	\$260,000	48.1%	\$510,000	-24.5%
La Quinta	\$429,500	\$372,000	15.5%	\$265,000	62.1%	\$532,500	-19.3%
Indio	\$210,000	\$182,000	15.4%	\$75,000	180.0%	\$279,000	-24.7%
Palm Desert	\$350,000	\$305,500	14.6%	\$175,000	100.0%	\$410,000	-14.6%
Cathedral City	\$210,000	\$187,250	12.1%	\$107,500	95.3%	\$270,500	-22.4%
Palm Springs	\$312,000	\$279,000	11.8%	\$150,000	108.0%	\$350,000	-10.9%
Desert Hot Springs	N/A	N/A	N/A	N/A	N/A	N/A	N/A
City of Coachella	N/A	N/A	N/A	N/A	N/A	N/A	N/A

## 12 Month Change in City Median Prices

Every Valley city is participating in this strong price movement for detached homes, but some more than others. Seven cities now have median price increases for detached homes over 20%, with two cities up more than 30%. It should also be noted that five cities have exceeded their historic highs made in the year 2006, with two more cities only a fractional percentage point away. Attached homes have similar but slightly lower percentage changes, with no city near the highs made in 2006.

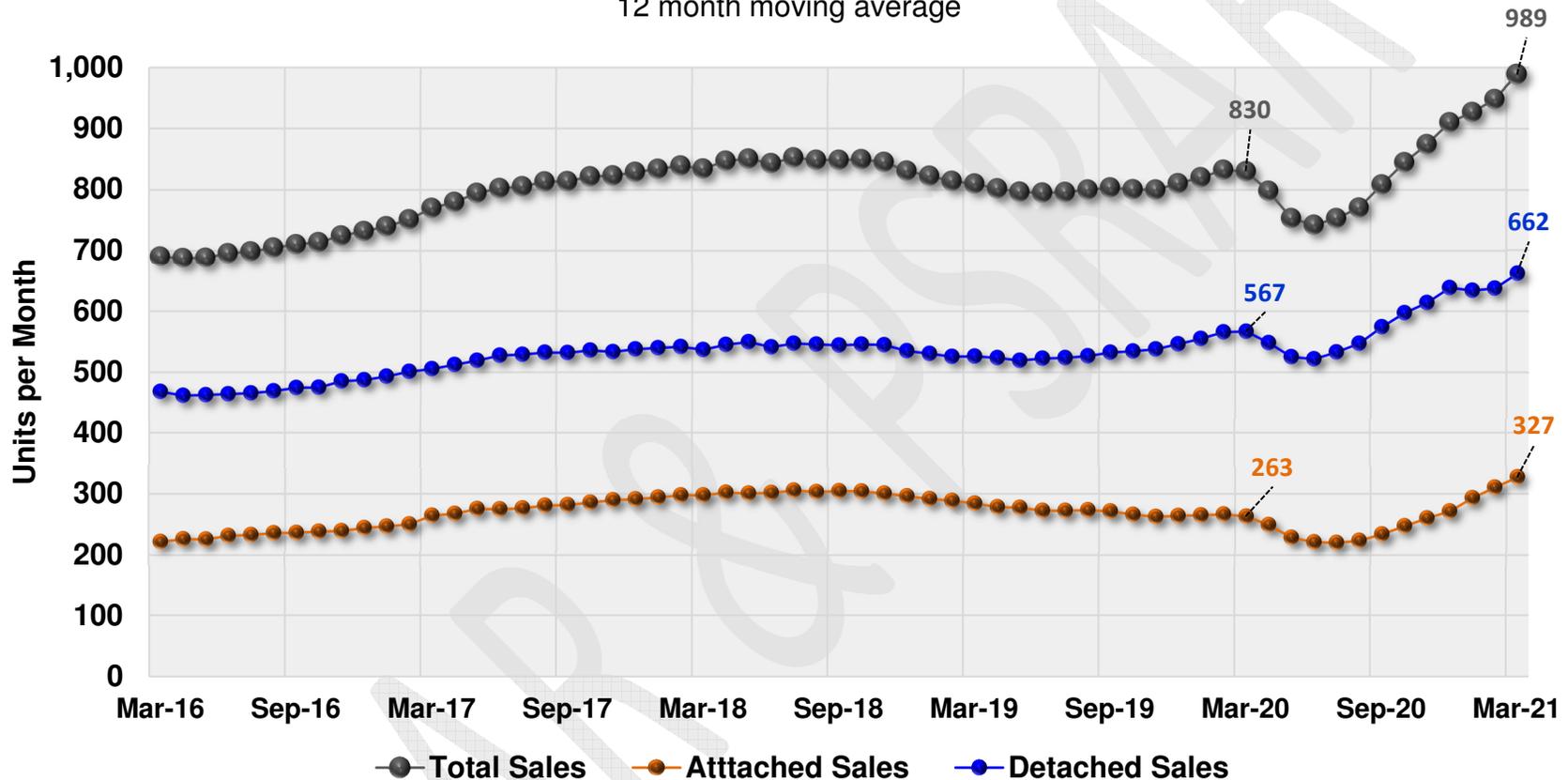


### Monthly Sales – 3-month trailing avg.

The three-month average of total sales is now averaging 1,129 units a month, which is 39% above last year. Due to seasonal forces, we believe this average will reach 1,200 units, or higher, over the next two months, providing there is increased supply, and are very encouraged that sales continue to stay in this high range. This is especially true of attached homes where sales are now 90% above the pre-pandemic, year ago numbers.

## Detached, Attached and Total Sales

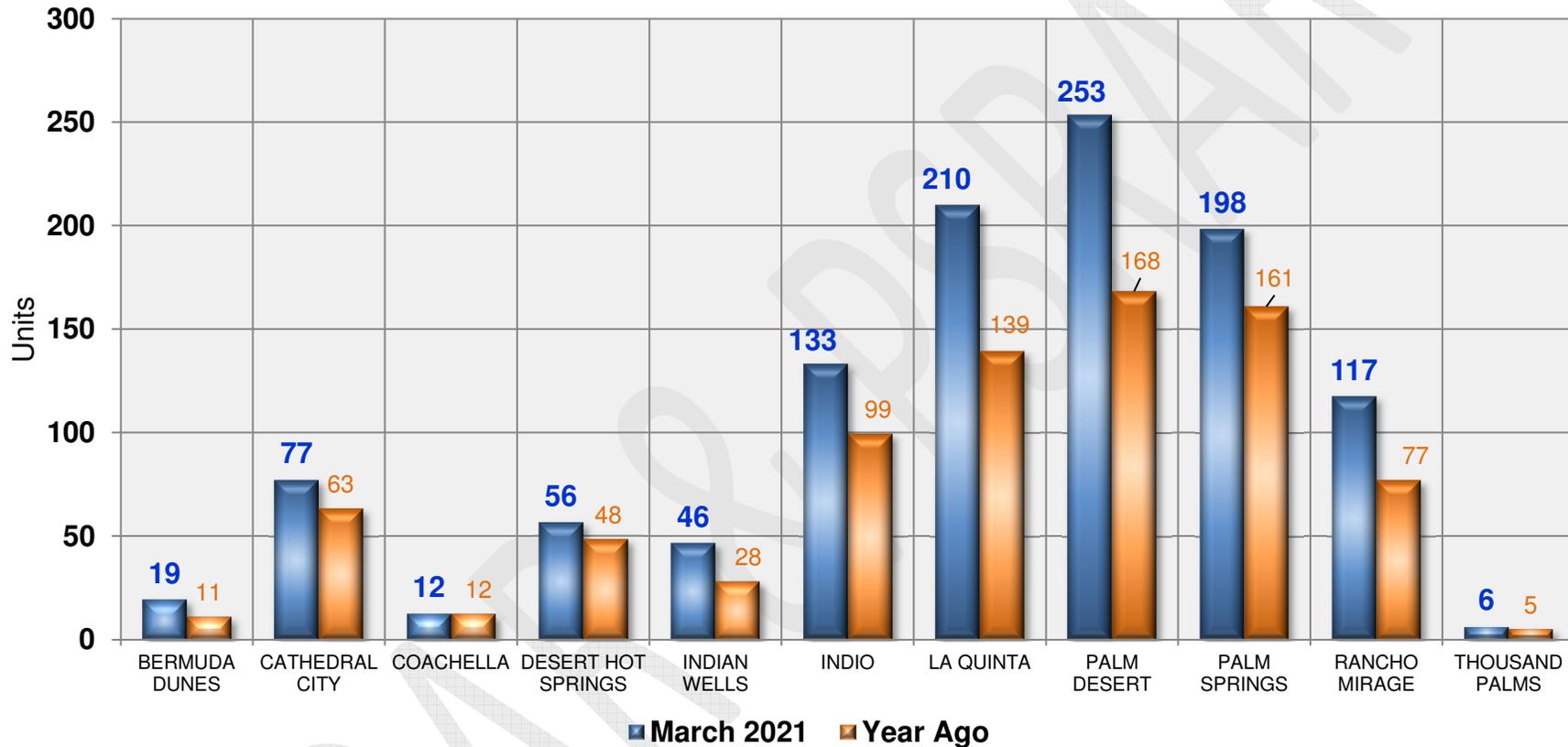
12 month moving average



### Monthly Sales – 12-month trailing avg.

The 12-month average of sales takes out the seasonal pattern and shows the true, long-term sales trend. It's clear from the graph that after the four-month sag in sales due to the outbreak of the pandemic, sales have been surging for both detached and attached homes. Long-term total sales are higher by 20%, while detached sales are up 16.7% and attach sales higher by 24%. Demand currently exceeds supply. With increased supply, sales could be much higher.

## Home Sales by City 3 month avg sales



## Home Sales by City

The largest sales increases are in the cities of Palm Desert and La Quinta, with sales increases of 85 and 71 units respectively. Percentagewise the largest increase is in Indian Wells, with a 64% sales increase. The working cities of Cathedral City, Coachella, Desert Hot Springs and Indio continue to show smaller sales increases over year ago levels.

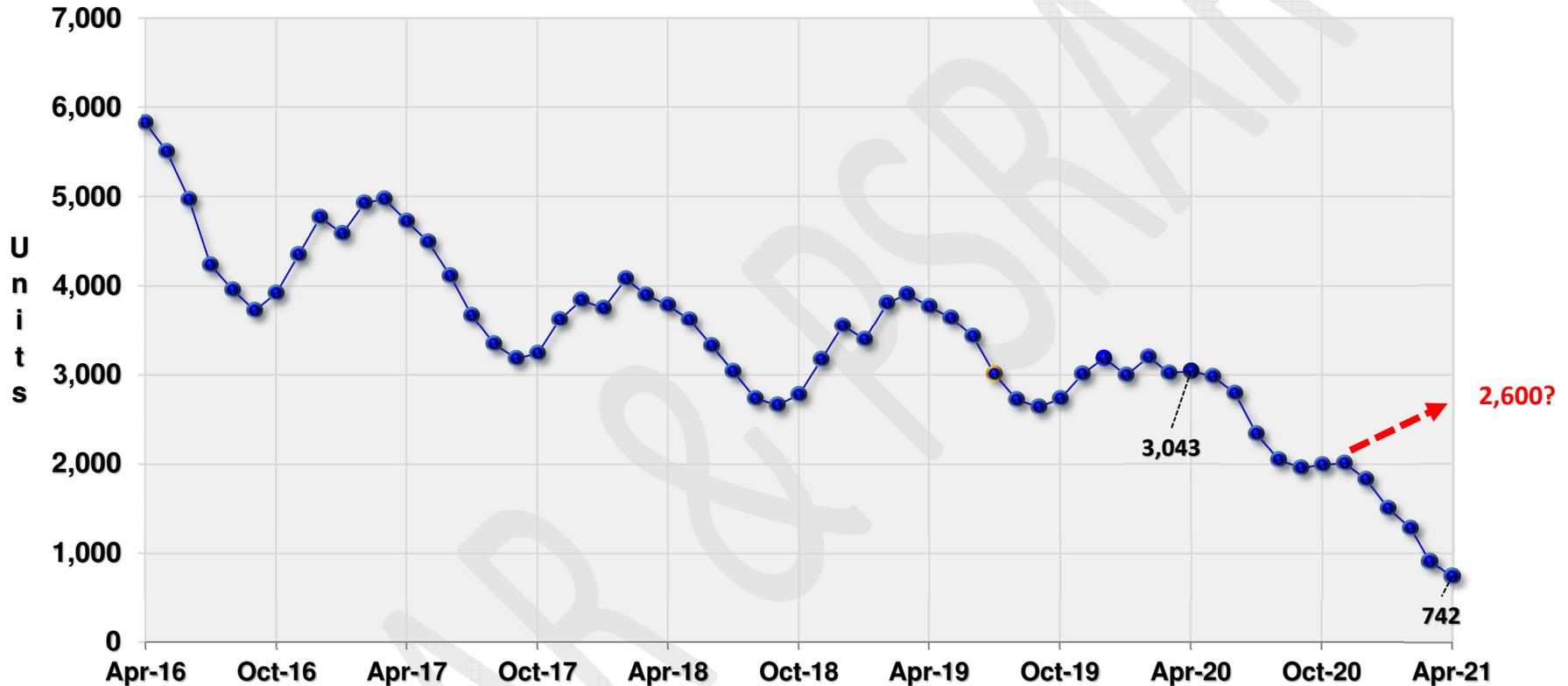
## Home Sales by Price Range 3 mos avg



## Home Sales by Price Range

When we measure sales in the different price brackets, we continue to find the largest sales increases in the middle to higher price brackets. What is particularly interesting is that sales of homes under \$300,000 are declining while condominium sales, which are generally homes in this price range, are growing. This is because there are fewer and fewer homes in these lower price ranges due to the overall price increase. Sales are being shifted to the higher brackets. The largest percentage sales increase is the million-dollar and over price bracket somewhat due to the same reason.

## Valley Housing Inventory April 1st 2016 - April 1st 2021

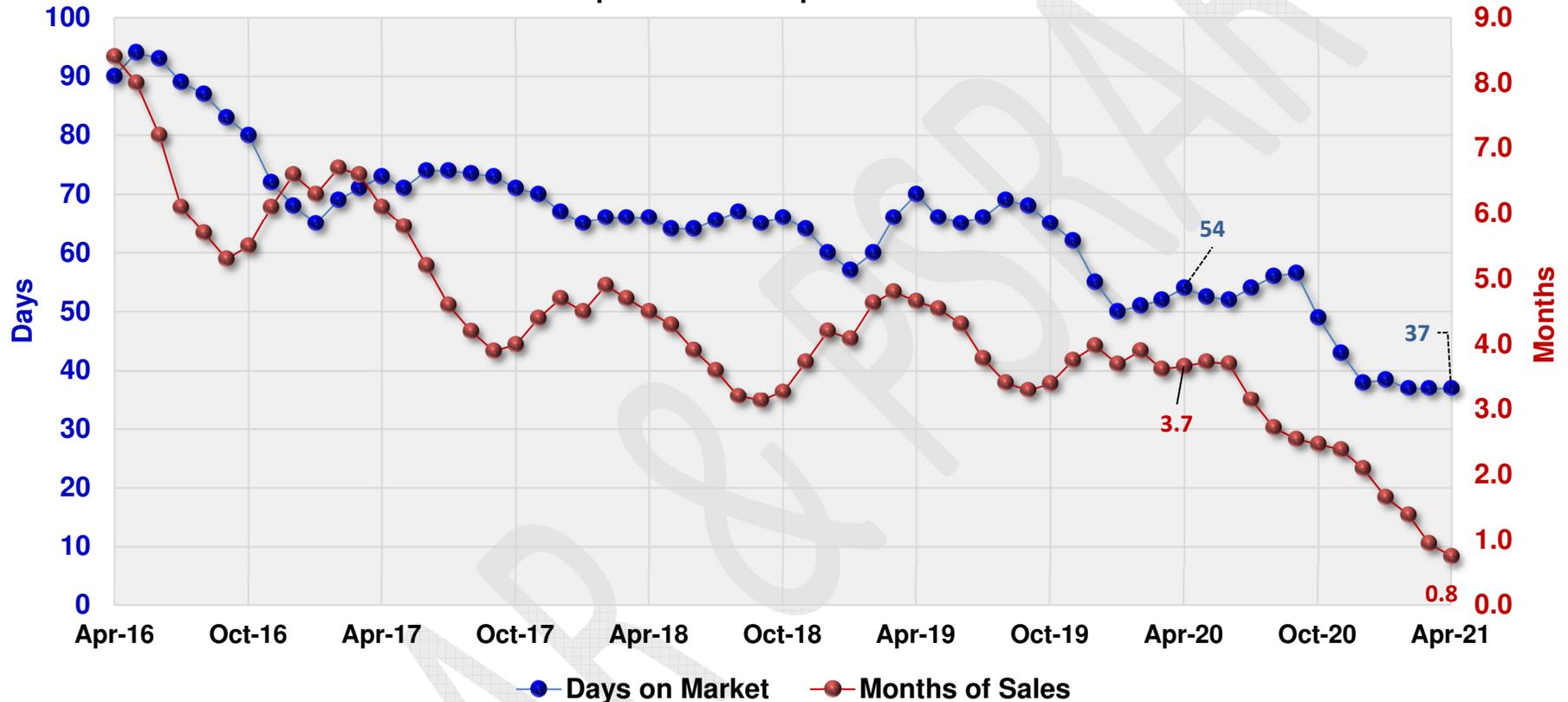


### Coachella Valley Inventory

Inventory continues to decline and on April 1st stood at 742 units for sale. That compares to 3,043 units one year ago. This huge decline appears to be due to two congruent factors - the overall 20% rise in total sales and the decline in new listings below the normal rate because of COVID. Many people are reluctant to list their homes and open it up to traffic during the pandemic. We indicated with a red arrow where we believe listings would be during normal conditions. We further believe that there will be a surge of new listings once the vaccine is widely distributed, and homeowners feel safe again.

## "Days on the Market" & "Months of Sales"

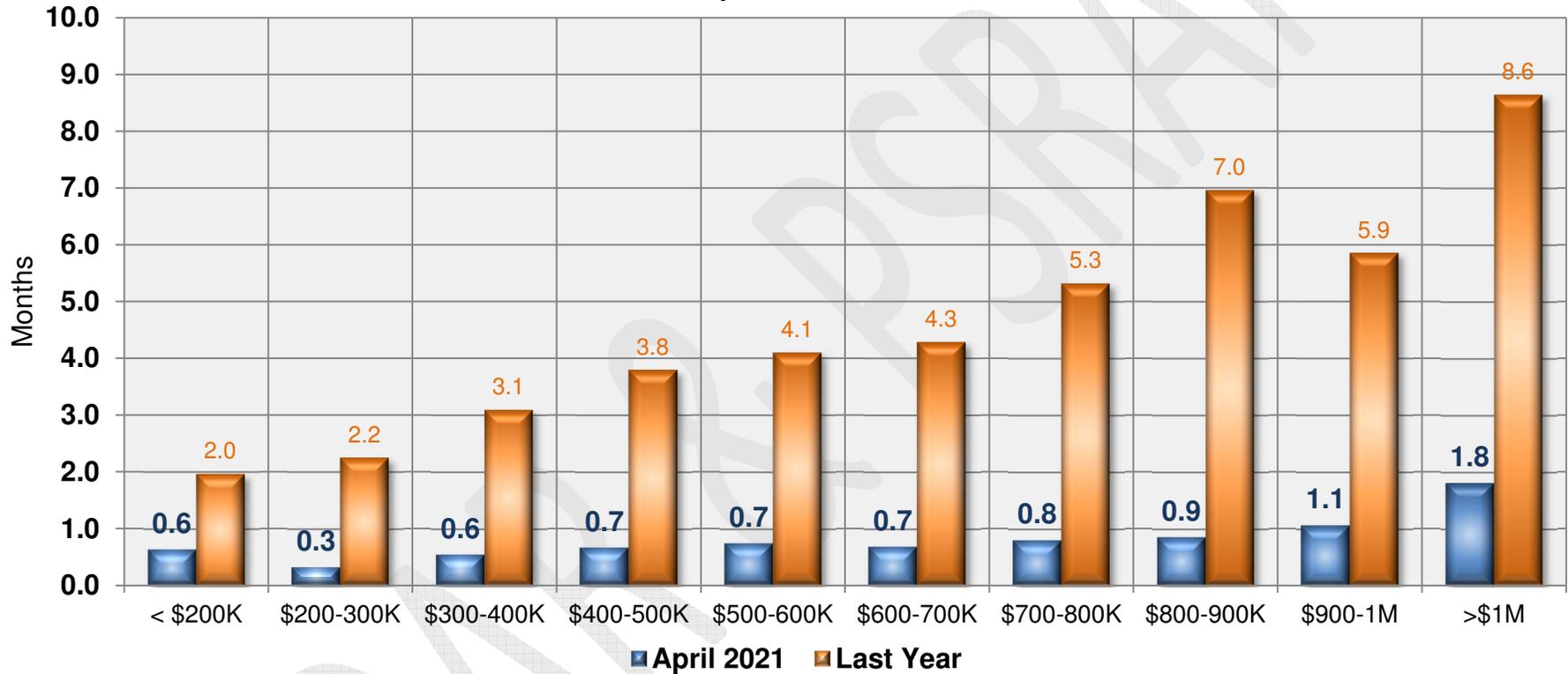
April 1st 2016 - April 1st 2021



## "Days in the Market" and "Months of Sales"

Continued high sales and lower inventory has again driven the month the sales ratio to new lows. It is now just 4/5 of a month, or just a little over three weeks. A year ago, the ratio was 3.7 months. This lack of supply is causing bidding wars amongst the many homebuyers and is the force driving home prices much higher. We believe this is about as low as it will go and if new listings begin to increase again the ratio will probably begin to rise. The median number of "days in the market" is now 37 days compared to 54 days a year ago.

## "Months of Sales" by Price Range uses avg. twelve month sales April 1st 2021



## "Months of Sales" by Price Range

The size contrast between the blue and orange bars in the graph tells the entire story. The month of sales ratio in every price bracket under \$900,000 is now less than one month, with the lowest ratio being 3/10 of a month for homes and condominiums priced between \$200,000 and \$300,000. For homes priced over \$1 million, where the ratio is normally around 10 months, it's now just 1.8 months.

## "Months of Sales" by City city inventory divided by average twelve month sales



## "Months of Sales" by City

On April 1<sup>st</sup> eight cities had their "months of sales" ratio less than one month – the city of Coachella, Cathedral City, Indio, Palm Springs, La Quinta, Palm Desert, Rancho Mirage and Thousand Palms. The city of Indian Wells, which normally has a ratio of 10 months or higher, has a current ratio of just 1.2 months. Bermuda Dunes and Desert Hot Springs also have ratios just over one month.

### Sale Price Discount from List March 2016 to March 2021



### Sale Price Discount from List

The March median value for “Sale Price Discount from List” was 0.0%. This number implies that an average Valley home offered at \$500,000 sold for exactly \$500,000. This number has historically averaged between a 2% and 2.5% discount.



# The Desert Housing Report

March 2021



## Explanation and Description of Market Watch's Graphs and Calculations

**Prices:** Except for our attached price index, all city and regional median prices are for single family detached homes only. All prices are the median value for all transactions over the last three months (except for Indian Wells, which is twelve months due to the small number of monthly sales). For example, the median price for the month of May will be the median value of all sales in March, April and May of detached homes. This longer time period reduces the amount of wide and meaningless variation that one gets taking only the last month's transactions and provides more reliable information. While we do show the median selling price in our city reports, we try to emphasize the median price per sq. ft. in both these and our regional reports. For technical reasons this metric is more reliable than median price and presents us and the reader with fewer statistical anomalies and variations.

**Sales:** Sales numbers are the sum of both attached and detached home sales. We present two sales numbers – three-month average of sales and twelve-month averages. The three-month average measures and shows the seasonal variations of the region. These three-month averages should only be compared against the same three months of previous years. For example, one should never compare three-month sales in spring to that of the fall. The twelve-month average takes out all seasonality and is very useful when trying to assess the long-term growth or contraction of sales in the region and at the city level.

**Inventory and Months of Sales:** When we provide a monthly report for, say, the month of May, all sales and pricing are done using transactions throughout that month and the previous two months. However, when we measure inventory at the end of May, it's the inventory as of June 1<sup>st</sup> the next month. It is the sum of inventory of both attached and detached homes. Remember sales and prices are accumulative while inventory is a momentary snapshot of inventory on a specific date. To avoid confusion, the inventory reported in the May report is for June 1<sup>st</sup>, and our graphs and charts for inventory and months of sales will give this date and not the date of the month of the report.

When calculating "months of sales" we almost always use average sales over the last twelve months and not three months. If we do use three months, we will indicate that we are dividing inventory by three-month sales and not the normal twelve-month average.

**Days on the Market and Sale Price Discount from List Price:** These calculations are also the median value of the metrics reported from the MLS listing and are calculated over the last three months of transactions like price and sales. This is done to help reduce random variation and movements.

**Call Out Numbers:** The two numbers inserted in the charts are the most recent value(s) and the value(s) one year ago. Each number is connected to the point on the chart it refers to by a small thin line.

**Scatter Diagram Value Curve:** In the individual city reports we provide a Scatter Diagram Value Curve which plots the price per sq. ft. of every sale for the last three months versus the square feet of that home. In the graph each small blue circle represents a sale. Then a best fit linear line is calculated through those points using the least square method to arrive at the value curve. The value curve represents the price per sq. ft. that the market is generally giving different size homes. We provide the actual linear equation for people who might want to use it to calculate prices for different sized homes.

To contact Market Watch call Vic Cooper at 714-390-1418