

A Lack of Homes for Sale Continues to Keep Prices High

The current state of the housing market has left many homeowners wondering if things are in disarray. Despite mortgage interest rates soaring to 7%, the spring sales season has witnessed a persistent demand for housing in desirable neighborhoods across Los Angeles County, including Glendale. These trends observed in our city align with patterns seen throughout the county and the rest of the country.

Several factors contribute to the ongoing home sales trends in 2023, affecting the availability and dynamics of homes for sale. Simply put, some of these are the low inventory of available homes, borrowing rates that have sharply rebounded from their historic lows, and homeowners who feel unmotivated to move due to secured mortgage deals gained during the pandemic, locking in favorable interest rates.

One-Third of U.S. Homebuyers Are Paying in Cash

A June 2023 report from Redfin showed that one-third of U.S. homeowners made all-cash purchases in April, a 30.7% increase from 2022! All-cash purchases reached their highest level since 2014 for one major reason: Elevated mortgage rates are deterring homebuyers more than they're deterring all-cash-buyers. A surge in home-buying competition is another factor in the jump in cash purchases.

Buyers Are Out in Force This Spring

Buyers have been more willing than sellers to return to the market this spring. Millennials (ages 23 to 38) have reached a point in their lives where they feel the urge to settle down and buy a home. Yet available homes are shockingly low, even during a usually busy spring selling season. Why? Homeowners have little incentive to move because their low fixed rate

mortgage is set for decades. Although the market is more competitive, it's not as frenzied as it was during the pandemic housing boom. Nevertheless, buyers need to act swiftly and be prepared to make competitive offers. Couple this with boomers retiring in large numbers and making changes in how and where they live, millennials have unrelenting challenges in the current housing market.

Baby Boomers Compete with Millennials in the Housing Market

A recent report by the Bank of America (BofA) highlights how baby boomers are dominating the housing market, pushing millennials out of their dream of homeownership. High home prices and interest rates have put millennials at a disadvantage when it comes to purchasing a home. Baby boomers, with their greater financial resources, are better equipped to navigate these

challenging market conditions. Boomers are often downsizing for retirement, using their home equity to secure new homes closer to family and friends. This advantage allows boomers to outbid millennials in the housing market.

Homeowners Insurance Becomes a New Issue in CA Housing

Allstate and State Farm insurance companies decided to stop accepting insurance applications for all business and personal property in California primarily due to high costs. While our state doesn't require homeowners to have insurance, almost all mortgage lenders do. With fewer insurance companies willing to insure homes in high-risk areas, such as designated fire-prone locations, this adds another layer of costs and difficulty in purchasing homes.

The Royal & Greenbriar Canyon Neighborhood Home Sales

Our immediate homeowner community shows a slightly higher-than-usual number of homes sold on the accompanying chart for the past six months. This reflects these trends with many of the home sales initiated by baby boomers downsizing during their retirement years or the death/illness of several long-time homeowners. The neighborhood is thriving with new millennial families! Welcome to the RCPOA family of homes.

ROYAL, GREENBRIAR AND GLEN KNOLL CANYONS RECENT AREA HOME SALES

As of June 15, 2023

CURRENT HOMES FOR SALE

Address	Bedrooms	Baths	Sq. Ft. House	Sq. Ft. Lot	Listing Price	Days on Market	Status
1186 Old Phillips Rd.	4	6	3,698	14,945	\$ 4,199,950	1	Active
1458 Royal Blvd	4	5	3,965	12,348	\$ 2,850,000	1	Active
1331 Torres Dr.	4	3	2,184	8,197	\$ 1,299,000	6	Active

HOMES IN ESCROW OR SOLD SINCE JANUARY 3, 2023

Address	Bedrooms	Baths	Sq. Ft. House	Sq. Ft. Lot	Sold Price	Days on Market	Status
905 Bonnybrook Terrace	3	3	2,044	10,744	\$ 1,565,000	181	SOLD
1360 Greenbriar Rd.	4	5	3,099	8,183	\$ 2,175,000	23	SOLD
1033 Kildonan Dr.	4	3	2,959	28,145	\$ 1,900,000	20	SOLD
1519 Majestic Way	3	3	2,617	8,132	\$ 1,900,000	24	SOLD
1510 Majestic Way	3	4	3,039	18,034	\$ 2,825,000	10	SOLD
815 Moorside Dr.	4	3	3,093	31,972	\$ 3,075,000	88	SOLD
1631 Moreno Dr.	3	2	2,379	7,225	\$ 1,571,000	11	SOLD
1130 Old Phillips Rd.	3	3	2,488	7,870	\$ 2,300,000	49	SOLD
1525 Princes Dr.	2	2	2,166	11,031	\$ 1,300,000	57	SOLD
1461 Royal Blvd	3	2	1,757	9,942	\$ 1,550,000	7	SOLD
915 Stewarton Way	3	2	1,938	11,067	\$ 1,925,000	3	SOLD
1440 Torres Dr.	3	3	2,640	14,135	\$ 1,895,000	15	SOLD
914 Whitehaven	4	3	2,448	14,901	\$ 1,900,000	91	SOLD
1664 Las Flores Dr.	5	5	3,510	10,374	\$ 3,199,000	13	Hold

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Information taken from MLS (Multiple Listing Service)

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