



## Late Spring Report:

- ✓ California Rental Report
- ✓ Sacramento Real Estate Report

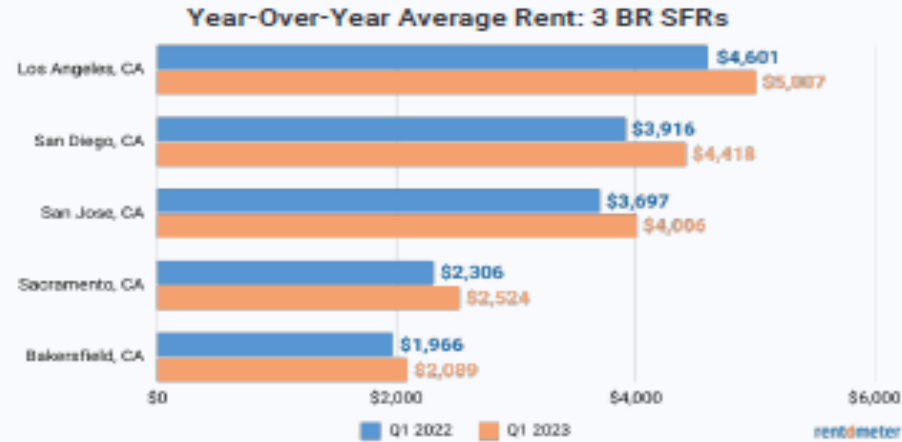
## California Snap shot



### Summary

This rental market report highlights the average rent prices of three-bedroom (3-BR) single-family rentals (SFRs) for Q1 2023 in these five California cities: **Bakersfield, Los Angeles, Sacramento, San Diego, and San Jose.**

According to our data, San Diego had the largest year-over-year rent increase of 13%, while Bakersfield had the smallest increase of 6%.



### Year-Over-Year Change in Average Rent: 3-BR SFRs

City	Q1 2022 Avg. Rent	Q1 2023 Avg. Rent	YoY % Change
San Diego, CA	\$3,916	\$4,418	13% ▲
Sacramento, CA	\$2,306	\$2,524	9% ▲
Los Angeles, CA	\$4,601	\$5,007	9% ▲
San Jose, CA	\$3,697	\$4,006	8% ▲
Bakersfield, CA	\$1,966	\$2,089	6% ▲

Key: ▲ Rent Increase ▼ Rent Decrease — No Significant Change in Rent

### Methodology

**Geography:** This report analyzes rents in Rentometer's five most analyzed SFR markets in California during Q1 2023.

**Property type:** 3-BR SFRs with all bathroom counts.

**Analysis:** Rent data was analyzed year-over-year for each city.

**Data:** New rents collected at the beginning and end of each quarter reported, excluding outliers below \$500 and above \$10,000.



## Summary

This rental market report analyzes Q1 2023 data for three-bedroom (3-BR) single-family rental (SFR) properties in these five California cities: **Fresno, La Quinta, Lancaster, Palm Desert, and Palmdale.**

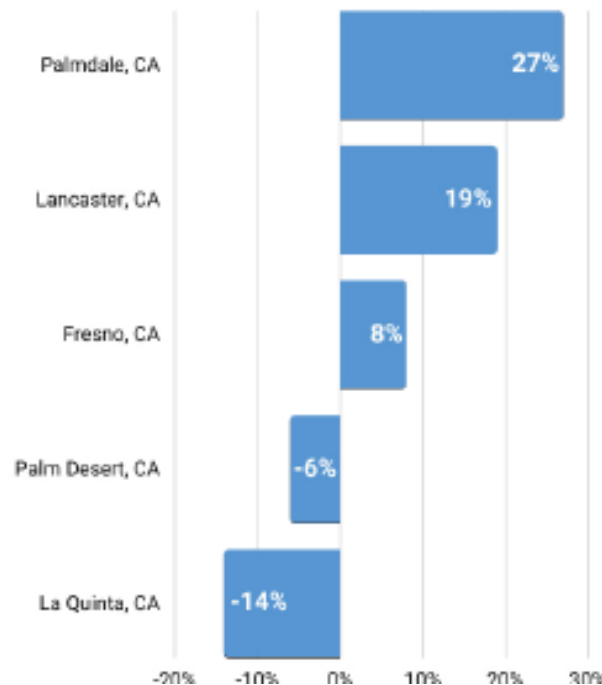
Considering home prices, the California city with the lowest gross rent multiplier (GRM) was Palm Desert, CA with a GRM of 10.

## Rental Market GRM Analysis

City	Q1 2023 Avg. Home Price	Q1 2023 Avg. Rent Price	GRM
<b>Palm Desert, CA</b>	\$566,035	\$4,545	10
<b>La Quinta, CA</b>	\$740,479	\$4,780	13
<b>Palmdale, CA</b>	\$475,603	\$2,982	13
<b>Fresno, CA</b>	\$358,615	\$2,230	13
<b>Lancaster, CA</b>	\$441,432	\$2,638	14

rentometer

## Year-Over-Year Rent Change Analysis



## Methodology

**Geography:** The scope of this analysis is five cities in the state of California with the lowest GRMs.

**Property type:** 3-BR SFRs with all bathroom counts.

**Analysis:** Rent data and home price data for Q1 2022 and 2023 were analyzed. The GRMs were calculated by dividing the Q1 2023 average home price by the annualized Q1 2023 average rent price.

**Data:** Rentometer rent data and Zillow Home Value Index prices were utilized in this report.

Check rent prices in your market at



## **It was a Seller's Market**

### **Property Sales (Sold)**

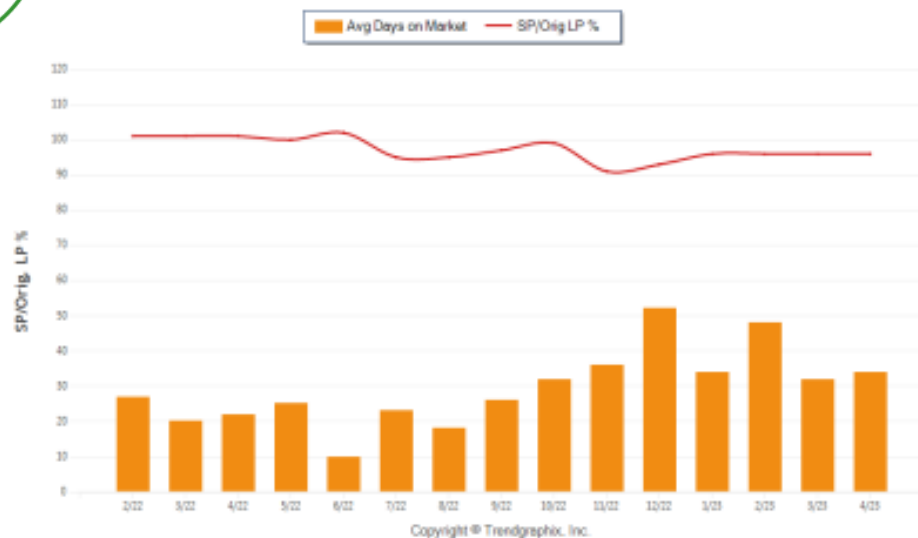
April property sales were 18, down **53.8%** from 39 in April of 2022 and **38.5%** higher than the 13 sales last month.

### **Current Inventory (For Sale)**

Versus last year, the total number of properties available this month was lower by 21 units of **31.8%**. This year's smaller inventory means that buyers who waited to buy may have smaller selection to choose from. The number of current inventory was up **18.4%** compared to the previous month.

### **Property Under Contract (Pended)**

There was an increase of **23.5%** in the pended properties in April, with 21 properties versus 17 last month. This month's pended property sales were **25%** lower than at this time last year.



### **The Days on Market Showed Neutral Trend\***

The average Days on Market (DOM) shows how many days the average property is on the market before it sells. An upward trend in DOM trends to indicate a move towards more of a Buyer's market, a downward trend indicates a move towards more of a Seller's market. The DOM for April 2023 was 34, up **6.3%** from 32 days last month and up **54.5%** from 22 days in April of last year.

### **The Sold/Original List Price Ratio was Rising\*\***

The Sold Price vs. Original List Price reveals the average amount that sellers are agreeing to come down from their original list price. The lower the ratio is below 100% the more of a Buyer's market exists, a ratio at or above 100% indicates more of a Seller's market. This month Sold Price vs. Original List Price of 96% was the same as last month and down from **5%** % in April of last year.

\* Based on 6 month trend – Upward/Downward/Neutral

\*\* Based on 6 month trend – Rising/Falling/Remains Steady



### **The Average For Sale Price was Neutral\***

The Average For Sale Price in April was \$1,174,000, up **8.5%** from \$1,082,000 in April of 2022 and down **6.9%** from \$1,261,000 last month.

### **The Average Sold Price was Appreciating\***

The Average Sold Price in April was \$979,000, down **0.3%** from \$982,000 in April of 2022 and up **65.7%** from \$591,000 last month.

### **The Median Sold Price was Neutral\***

The Median Sold Price in April was \$753,000, up **7.7%** from \$699,000 in April of 2022 and up **26.6%** from \$595,000 last month.

\* Based on 6 month trend – Appreciating/Depreciating/Neutral



## ***It was a Seller's Market\****

Absorption Rate measures the inverse of Months of Inventory and represents how much of the current active listings (as a percentage) are being absorbed each month.

\*Buyer's market: 16.67% and below

Seller's market: 33.33% and above

Neutral market: 16.67% - 33.33%

### **Absorption Rate based on Closed Sales**

The April 2023 Absorption Rate based on Closed Sales of 40 was decreased by **32.3%** compared to last year and up **17%** compared to last month.

### **Absorption Rate based on Pended Sales**

The April 2023 Absorption Rate based on Pended Sales of 46.7 was increased by **10.1%** compared to last year and up **4.5%** compared to last month.

