



HUGH CORNISH

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Top 1% Internationally
- Coldwell Banker

Ranked #131 Nationally
by The Wall Street Journal, 2016

Over \$1.9 Billion in Sales

MARKET UPDATE January 2017

[Click here to read the 2016 Real Estate Review](#) for Atherton, Menlo Park, Woodside, and Portola Valley



2016 REAL ESTATE REVIEW

For the past seventeen years, I have put together a Real Estate Review, summarizing the sales statistics for Atherton, Menlo Park, Portola Valley, and Woodside. This has proven to be a useful tool for property owners in these communities, enabling them to better understand market trends and residential property values.

Looking Forward to 2017

There are two factors that could potentially affect the balance of the local housing market from a continuing seller's market or to a more balanced buying and selling environment.

1. A potentially record-setting year for local Initial Public Offerings (IPOs). Social media firm Snap Inc., better known as Snapchat, may be the highest profile tech IPO planned for 2017, with the potential to raise billions according to Reuters. In addition, more than a dozen expected stock offerings of relatively obscure software firms targeting business customers, little-known names such as Apttus, Tintri and Okta, could be just as important in thawing a long-frozen IPO market, according to investment bankers and advisers who work on IPOs. Greg Becker, chief executive of Silicon Valley Bank, a lender to venture capital-backed companies, predicted that between 30 to 45 venture capital-backed technology companies could go public in 2017, compared to 15 in 2016.

There are more than 170 private "unicorn" companies valued at \$1 billion or more, according to CB Insights. While many of them raised significant capital in 2015, they can't last forever and many will need to raise capital in 2017. At the same time, late stage private financing sources have pulled back from the frothiness of 2015, so many large private companies will be forced to tap the public markets for the additional capital. The projected IPO market and strong local economy could make 2017 another great year to sell or purchase real estate.

2. Higher interest rates. The Federal Reserve increased its key interest rate by 0.25% in December. This signified the Fed's confidence in the improving U.S. economy. Rising rates will affect millions of Americans. In addition, the incoming Republican president and the Republican-controlled Congress have influenced banks to raise mortgage rates. The beginning of this year marks the first time since 2004 that 30-year mortgage rates have exceeded 4% interest.

The increase in mortgage rates affects the purchasing power of buyers looking to get into a new home. Given that the mortgage rates have only risen approximately .75% in the past year, I think the increase in mortgage rates will have more impact on re-financing a home than a new purchase. If mortgage rates stay under 5%, I do not see them having a dramatic effect on the local housing market. If mortgage rates exceed 5% this coming year, the balance of our current housing market could change.

In summary

The proximity to San Francisco and Silicon Valley, the excellent weather, and the quality of our community life continue to make Atherton, Portola Valley, Menlo Park, and Woodside exceedingly desirable places to call home. I believe there are no better places to live in the world.

If you are thinking of buying or selling your home, market knowledge and a proven track record are invaluable. Please let my 25 years of experience and results work for you. Feel free to contact me with any questions or to set up a confidential appointment.

Sincerely,

HUGH CORNISH

MONTHLY SALES DATA for December 2016

ATHERTON

Number of Homes Sold: **11**
Average Sale Price: **\$9,981,636**
Average Days on Market: **87**

WOODSIDE

Number of Homes Sold: **4**
Average Sale Price: **\$2,612,000**
Average Days on Market: **47**

MENLO PARK

Number of Homes Sold: **21**
Average Sale Price: **\$2,154,557**
Average Days on Market: **29**

PORTOLA VALLEY

Number of Homes Sold: **6**
Average Sale Price: **\$2,758,833**
Average Days on Market: **25**

MORTGAGE RATES as of 1/26/2017*

CONFORMING LOANS

15-year fixed rate: **3.500%** (APR 3.566%)
30-year fixed rate: **4.250%** (APR 4.288%)

JUMBO LOANS

15-year fixed rate: **4.000%** (APR 4.067%)
30-year fixed rate: **4.250%** (APR 4.288%)
7-year ARM: **3.625%** (APR 3.662%)

*All above rates are with no points to the borrower. Certain loan to value, credit score, and loan amount premiums may apply.

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For Sale

Rare Opportunity - 13+ Acres



12 ARASTRADERO ROAD
PORTOLA VALLEY

PRICE UPON REQUEST

12Arastradero.com

For Sale

19 Acres



EXCEPTIONAL ESTATE*
WOODSIDE

OFFERED AT \$12,995,000

ExceptionalWoodsideEstate.com

* Co-list with Erika Demma

For Sale

Desirable Lindenwood



40 DE BELL DRIVE
ATHERTON

OFFERED AT \$4,475,000

40DeBell.com

Pending

Garden Setting



90 MACBAIN AVENUE*
ATHERTON

OFFERED AT \$4,495,000

90MacBain.com

* Co-list with Karin Klint Riley

Sold

Quiet Cul-De-Sac



93 COGHLAN LANE
ATHERTON

OFFERED AT \$7,850,000

93Coghlan.com

Sold

Desirable Woodside Glens



48 RIDGECOURT
WOODSIDE

OFFERED AT \$1,395,000

48RidgECourt.com

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Information deemed reliable, but not guaranteed.

*Co-list with Valerie Soltau

