

REAL ESTATE

Napa County home prices hit 10-year high

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The average sold price of a Napa County home rose to \$796,551 in 2016 – a 10-year high.

According to Bay Area Real Estate Information Services (BAREIS), the last time prices topped that figure was in 2007, when the average sold price was \$864,297.

The median sales price also hit a decade-long record of \$580,000, compared to \$550,000 in 2015. That means that in 2016 half of all Napa County homes sold above \$580,000 and half sold below that figure.

The number of homes sold stayed even year over year, BAREIS reported. A total of 1,566 homes were sold in 2016 compared to 1,588 in 2015.

The 10-year record is a good sign, said Randy Gularte, president of Heritage Sotheby's International Realty in Napa.

"We're finally almost back to where we were before the Great Recession," he said, describing the period as "the lost decade."

As a result of homes regaining value, the people who bought in the downturn most likely have significant equity now, said Logan Songer, general manager of Coldwell Banker Brokers of the Valley.

"Home values are probably close to what they paid for at that time. Now they have equity or the ability to be able to sell," said Songer.

Lack of inventory is an issue throughout the Bay Area, with only 2.85 months of supply in Napa County, according to BAREIS.

In a news release, [Ellen Politz of Terra Firma Global Partners in Napa](#) said she attributes the lack of inventory to broader ownership trends with lower turnover, citing a California Association of Realtors report that homeowners are staying in their homes for an average of 10 years instead of five to seven years.

["Marriage is down, and the millennials aren't pursuing the American Dream of getting married, buying homes and having kids the way previous generations have,"](#) said Politz.

["Instead, they are looking to experience life and travel. So housing is not turning over at the same rate as the households are not changing as they once did,"](#) Politz wrote.

"We're not building very many houses in Napa," noted Songer. "That affects affordability but also contributes to price appreciation.

["Another factor affecting inventory is fear ... sellers who are concerned that they won't be able to find a replacement property so they don't want to sell their home,"](#) wrote Terra Firma Senior Associate [Trish McLean](#).

Similarly, ["there are a lot of sellers on the fence about downsizing, not knowing where they are going to go, plus as a general rule they have fear about downsizing and making a mistake,"](#) Terra Firma Global Partners' Senior Associate [Jaime Pera](#) wrote.

Affordability remains a problem throughout the Bay Area, Songer said.