

REAL ESTATE

## California home values continue soaring: report

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*California houses seven of the top 10 metropolitan areas for \$1 million-plus homes. Image credit: Luxury Property International*

By KATIE TAMOLA

Home values across the United States are hitting new records, coming in at nearly double pre-pandemic shares, according to Redfin.

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As of February 2022, a **record 8.2 percent of U.S. homes** were valued at \$1 million or more, with popular areas in California housing several record-breaking properties. A surge in home prices and buyer competition ostensibly is continuing, with prices increasing as housing demand continues to outpace supply.

"The surge in housing values has turned many homeowners into millionaires, but has pushed homeownership out of reach for a lot of other Americans," said Taylor Marr, deputy chief economist at **Redfin**, in a statement.

"Incomes have increased, but not as fast as home prices, which means many people are stuck renting or have to move somewhere more affordable if they want to buy a home."

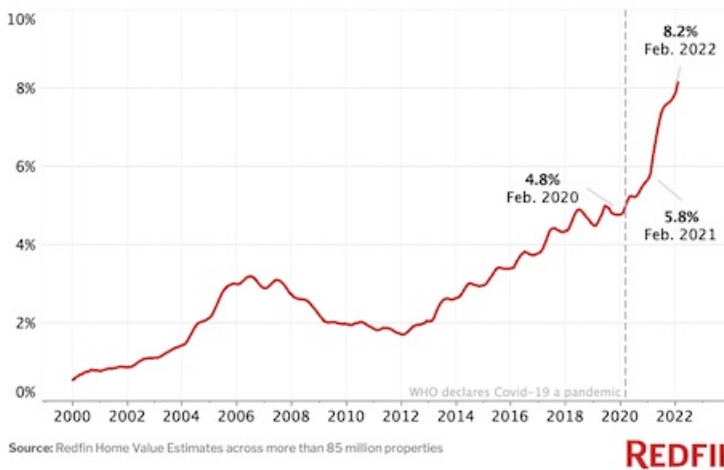
### California rule

During the four weeks ending Feb. 27, the number of homes for sale fell 50 percent from two years prior to an all-time low of 456,000. This aided in fueling a 33 percent rise in the median U.S. home-sale price, which then hit a record high of \$363,975.

Six million homes in the U.S. are currently valued at \$1 million, a 4.8 percent increase from 3.5 million homes two years ago.

## A Record 8% of U.S. Homes Are Worth \$1 Million or More

Share of U.S. homes valued at \$1 million or above



More than 8 percent of U.S. homes were valued at \$1 million or more in February 2022. Image credit: Redfin

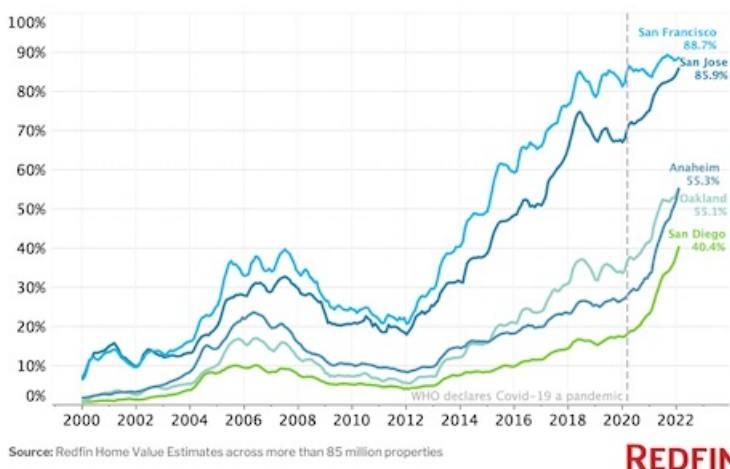
Several markets in California are logging homes worth \$1 million or more, with seven of the top 10 metropolitan areas for \$1 million-plus properties.

Anaheim recorded a mammoth jump, with 55 percent of homes were worth \$1 million or more in February a 27 percent increase from two years ago.

The Bay Area is also filled with high-priced homes, as nearly nine out of 10 properties in both San Francisco and San Jose are in the \$1 million-plus category. This area is among the most expensive place to buy a home in the U.S. and has become less affordable during the COVID-19 pandemic.

## More Than Half of Bay Area Homes Are Worth at Least \$1 Million

Share of U.S. homes valued at \$1 million or above



A whopping 88.7 percent of homes in San Francisco are worth \$1 million or more. Image credit: Redfin

In San Francisco, 88.7 percent of homes were worth at least \$1 million in February, the highest share among 100 most populous metropolitan areas in the country.

Behind San Francisco is San Jose with 85.9 percent, Anaheim with 55.3 percent, Oakland with 55.1 percent, San Diego with 40.4 percent and Los Angeles with 38.5 percent.

Rounding out the top 10 were Honolulu at 37.1 percent, Seattle at 36.5 percent, New York with 32.1 percent and Oxnard at 31.2 percent.

Both Anaheim and Oakland passed the threshold of housing 50 percent of \$1 million-plus properties for the first time in 2021, while Los Angeles, San Diego and Honolulu passed the 33 percent benchmark for the first time. Seattle crossed the one-third threshold for the first time in January 2022.

## Seller's market

The ongoing real estate landscape continues to prove that U.S. homebuyers are currently living in the midst of a seller's market.

In December 2021, Redfin reported that U.S. median home sale prices rose 14.6 percent year-over-year, reaching an all-time high of \$361,171 in the four-week period ending Dec. 26.

Pending home sales were up 4.2 percent compared to 2020 and up 55.2 percent compared to the same period in 2019. New listings of homes for sale were down 6.4 percent from a year earlier, but up 15.6 percent from 2019 ([see story](#)).

In 2021, a record 146 U.S. cities were added to the "million-dollar cities" list, according to the latest data from Zillow.

There are now 481 U.S. cities in which the average home is worth at least \$1 million, and if the current appreciation rates remain, another 49 could join the list by this June. The number of cities that crossed the \$1 million mark in 2021 is nearly triple that of 2020 which reflects the 19.6 percent increase in home value ([see story](#)).

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