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What changed since last month: financing tightened again, while Willow Glen's strongest homes and its dated or overreaching listings continued to produce very different outcomes. 95125 single-family: \$1.938M median, 36 closings, 18 median days, 101% of list; 95125 townhomes and condos: \$0.829M median, 10 closings, 17 median days, 101% of list.

The \$1.938M primary benchmark is not a valuation for every home in Willow Glen. Street setting, school assignment, lot utility, condition, permits, HOA structure, and the specific competing set can move an individual result materially. The most surprising readings - 95125 single-family (-11.9% year over year) - come from one month of sales and are treated as results that can be distorted by which homes happened to sell, not uniform changes in value. The decision-useful question is not whether the entire area is strong or weak. It is which homes are earning urgency, which have become alternatives, and whether the reported monthly sample actually resembles the property being evaluated.

What this means:

- **Homeowners and sellers:** Compare the home with recent sales and current listings on the same street or nearby streets with similar lot size, school area, condition, and verified square footage. The 95125 median is too broad by itself.

- **Buyers:** Townhome-and-condo supply was 2.5 months versus 1.6 for houses. Watch competitors for a price change, and confirm the seller's timing before changing price or terms.

- *Tim & Faye*



Search Willow Glen Homes for Sale



Find Out What Your Willow Glen Home Is Worth

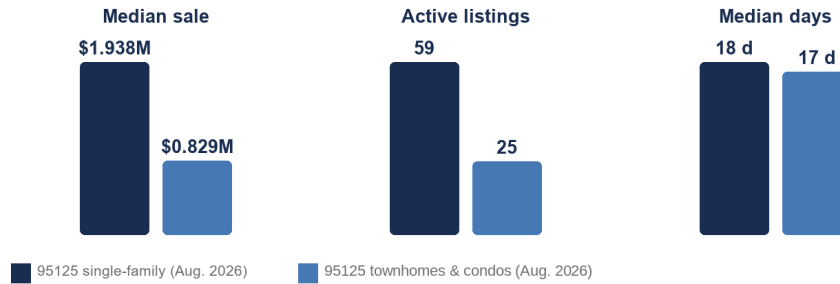
WILLOW GLEN MARKET

The Local Pulse

AUGUST 2026 AT A GLANCE

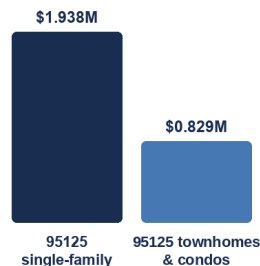
- **Primary benchmark:** 95125 single-family: \$1.938M median; 36 closings; 18 median days; 101% sale-to-list; 1.6 months of inventory.
- **Comparison signal:** 95125 townhomes and condos: \$0.829M median; 10 closings; 17 median days; 101% sale-to-list; 2.5 months of inventory.
- **Selection and pace:** Sample and selection: 46 closings across the shown market segments and 84 active listings; medians can be distorted when only a few homes sold or the mix of homes changed.
- **Financing:** the national 30-year fixed average was 7.28% on October 1. At that rate, 20% down on the \$1.938M benchmark implies roughly \$10,610 per month in principal and interest before taxes, insurance, and other costs. Pricing can differ by loan and borrower.

WILLOW GLEN: LATEST PUBLIC MARKET BENCHMARKS



Source: MLSListings/Aculist, August 2026. ZIP and property-type segments are shown separately.

WILLOW GLEN: HEADLINES NEED LOCAL CONTEXT



August 2026 medians are separate market segments; small samples and property mix can move a monthly reading materially.

FINANCING & AFFORDABILITY

What the October Rate Picture Means

Freddie Mac's national 30-year fixed average was **7.28% on October 1**. With 20% down on the \$1.938M benchmark, the illustrative principal-and-interest payment is about **\$10,610 per month**, before property tax, insurance or other obligations. This is a planning illustration rather than a loan quote; pricing, points and borrower profiles can differ materially. The Federal Reserve raised its target range by one-quarter point on September 16; mortgage rates do not move one-for-one with that policy rate, so buyers should compare the actual fixed-rate, adjustable-rate, and buydown quotes available for their loan size.

C.A.R.'s second-quarter affordability index found that 22% of Santa Clara County households could afford the county's \$2.05 million median single-family home. Its model required about \$510,800 in annual income at a 6.54% effective rate. Willow Glen's townhomes, conventional houses, and luxury or custom homes attract buyers with different budgets, down payments, and financing options; one regional employment headline cannot explain demand for all of them.

Many buyers are using adjustable-rate mortgages or temporary buydowns to reduce the initial payment while preserving the opportunity to refinance if fixed rates improve. That can be practical for a buyer with strong liquidity, expected income growth, or a defined holding period, but the adjustment schedule, rate caps, and future payment range should be compared with a fixed-rate option before offer day.

A targeted seller credit can sometimes address payment pressure more efficiently than a broad price reduction. Buyers should compare that benefit with the property's immediate repair, insurance, and ownership costs.

MARKET BEHAVIOR

What Is Moving

Entry-priced condo — 1427 Alma Loop. The two-bedroom, two-bath, 1,054-square-foot condo closed August 14 for \$560,000. It shows a Willow Glen ownership entry point well below the single-family headline, but property type, HOA obligations, size, and condition remain essential to the comparison.

Near the single-family median — 1539 Jenvey Avenue. The four-bedroom, two-bath, 1,750-square-foot home closed August 10 for \$1.95 million, close to August's \$1.938 million 95125 single-family median. It is a useful benchmark, not a substitute for comparing lot, condition, micro-location, and immediate competition.

Upper-market sale — 2027 Meridian Avenue. The five-bedroom, five-bath, 4,285-square-foot home closed August 25 for \$5.6 million. The result shows that a large, distinctive Willow Glen property can attract buyers with different budgets and priorities than a typical resale.

MARKET BEHAVIOR

Where Activity Stalls

Charm priced as perfection. A desirable street does not erase traffic, deferred work, awkward additions, or a compromised lot.

Renovations without a permit story. Buyers and lenders are more cautious when square footage, garage conversions, or structural changes are difficult to verify.

Listings that miss the first three weekends. A home that misses its first three weekends needs a real price or presentation correction—not a cosmetic refresh.

WILLOW GLEN: SUPPLY AND CLOSING DEPTH



REGIONAL COMPARISON

AI Wealth: Relevant, Not the Whole Story

Willow Glen benefits from broad Silicon Valley employment and accumulated homeowner equity, not just one technology cycle. Its central location and recognizable neighborhood identity keep the buyer pool deeper than in many similarly priced areas.

AI-related wealth can strengthen demand for fully renovated or architecturally distinctive homes, but it will not move every property equally. The effect is likely to be concentrated in the best-prepared listings.

Our read: Willow Glen's best-presented single-family homes should remain competitive, while dated, overreaching or documentation-heavy properties will take longer and invite negotiation.

WHAT CHANGES NEXT

Local Community Watch

The Lincoln Avenue business district remains the planning question to watch. San José has been developing standards that would allow residential uses in the Willow Glen Neighborhood Business District while retaining commercial space and the corridor's pedestrian-oriented role.

Why residents should care. Well-designed mixed-use infill could add customers, housing and activity near downtown Willow Glen; poorly resolved parking, height or construction impacts would be felt block by block.

What to watch next. Follow the City's 2025–26 General Plan review and any site-specific applications. This is a long-term main-street and neighborhood-shape issue, not a current resale-supply event.

SIX-MONTH OUTLOOK

Our Base-Case View

Segment	Expected direction	Why
Turnkey character homes	Competitive	Scarce when location, condition, and pricing align.
Renovated family homes	Firm	Broad buyer appeal, but more choice is coming.
Project homes	Selective	Buyers price building and permit risk.
Listings past three weekends	Negotiable	The first three weekends remain decisive.

Prediction: Through early 2027, Willow Glen should remain a segmented seller's market for the best homes and a more balanced market for everything else. Seasonal cooling may reduce bidder counts, while higher inventory gives buyers more leverage on homes with unresolved condition or pricing issues.

This is a market outlook, not a guarantee of future value. Property condition, micro-location, school assignment, lot, architecture, insurance, and financing can materially change an individual result.

RECOMMENDATIONS

What Matters Now

For homeowners:

- value the home using recent sales from the same street or nearby streets with similar lot size, school area, condition, and verified square footage; do not rely on the 95125 median alone.

- Resolve permits and systems before a future sale; 2.5 months of townhome-and-condo supply makes missing evidence more expensive.
- Keep 36 house closings separate from 10 townhome-and-condo sales; similar speed hides the 1.6-to-2.5-month supply gap.

For sellers:

- set the launch price to attract the most likely buyers immediately, and show them clearly how the architecture, outdoor space, and walkability improve daily life.
- If traffic produces no offer by the 18-day house benchmark, correct price or presentation before the listing looks passed over.
- For expanded homes, provide permits, verified square footage and systems reports; 2.5 months of townhome-and-condo supply lets buyers price missing evidence.

For buyers:

- Use the 17-to-18-day pace as context. If the home misses its offer date or trails nearby competitors after a price change, confirm the seller's timing before changing price or terms.
- For 95125, verify school boundary, permits and insurance; street-by-street differences can change price and resale.
- Verify permits and square footage before paying for added living area; unpermitted space can impair financing, insurance and resale.

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All information is deemed reliable but not guaranteed. This is a general market analysis, not an appraisal, financial advice, tax advice, or legal advice.

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Sources: [MLSListings/Aculist - 95125 August 2026](#); [City of San Jose — Envision San Jose 2040 General Plan](#); [City of San Jose — General Plan Four-Year Review](#); [SCCAOR - August 2026 county and city statistics](#); [SCCAOR - Q2 2026 city statistics](#); [Freddie Mac - Primary Mortgage Market Survey, October 1, 2026](#); [C.A.R. - Q2 2026 Housing Affordability](#); [BLS - San Jose metropolitan employment](#); [Federal Reserve - September 16, 2026 FOMC statement](#); [C.A.R. - California housing market reports](#).

Market figures use MLSListings/Aculist August 2026 ZIP-level property-type market segments; ZIPs are transparent proxies and not exact neighborhood or MLS-area exports. Source windows and property-type definitions vary. Predictions are informed opinions based on current conditions and may change.