

# ALAMEDA COUNTY

A market overview of single-family detached home sales

Q2  
2008

## UNIT SALES



Q2-08 Q2-07

## MEDIAN PRICE



Q2-08 Q2-07



## Unprecedented Opportunities for First-Time Homebuyers in Alameda County as Affordability Rises During Second Quarter

Despite a steady decline in year-over-year median prices (-23%), market activity in Alameda County remained relatively stable during the second quarter of 2008, dropping only three percent for single-family detached homes, according to a report by the research division of Prudential California Realty based on an analysis of MLS data.

As the region-wide slump in median prices continued, comparative affordability coupled with the county's proximity to the stable San Francisco job market attracted many qualified homebuyers and investors during the second quarter. At the same time, burdened by tightening lending conditions and general market uncertainty, many potential buyers resisted making any purchasing decisions, preferring instead to see if further price reductions continued.

The entry-level markets of Hayward and San Lorenzo experienced a strong surge in year-over-year market activity (+82% and +88%, respectively), thanks in

part to competitive listing prices and the volume of available bank-owned inventory in those communities. The softening of median prices for single-family detached homes was evidenced in upper-end communities as well, as Berkeley and Pleasanton also experienced a marked reduction in overall market activity and a subsequent fall in median prices. Remarkably, Piedmont - at the high end of the market - was the only community to show a strong increase in median prices, climbing by 21 percent from the same period last year.

Interestingly, many first-time homebuyers also became first-time investors during the second quarter, as lower purchase prices and higher rental rates have created excellent revenue-generating opportunities for qualified buyers in the area. Moving into the third quarter, first-time homebuyers are expected to continue to drive market activity, while cautious buyers are expected to take a second look at current market opportunities.

## M A R K E T C O M P A R I S O N

City	Homes Sold Q2/08	Homes Sold Q2/07	% Change	Avg DOM* Q2/08	Avg DOM Q2/07	Change 08/07 (days)	Median Price ** Q2/08	Median Price Q2/07	% Change
Alameda	95	97	-2	40	25	+15	\$671,000	\$720,000	-7
Albany	19	40	-53	26	17	+9	\$635,000	\$681,000	-7
Berkeley	133	147	-10	29	20	+9	\$785,000	\$922,000	-15
Castro Valley	102	89	+15	61	35	+26	\$523,125	\$709,000	-26
Dublin	69	93	-26	55	32	+23	\$630,000	\$734,950	-14
Fremont	316	361	-12	38	21	+17	\$640,000	\$725,100	-12
Hayward	239	131	+82	69	39	+30	\$359,000	\$570,000	-37
Livermore	210	219	-4	62	30	+32	\$510,000	\$640,000	-20
Newark	70	59	+19	46	30	+16	\$464,500	\$660,000	-30
Oakland	481	540	-11	46	31	+15	\$430,000	\$625,000	-31
Piedmont	21	47	-55	29	28	+1	\$1,580,000	\$1,310,000	+21
Pleasanton	133	196	-32	50	25	+25	\$810,000	\$855,000	-5
San Leandro	168	136	+24	48	37	+11	\$410,000	\$545,000	-25
San Lorenzo	77	41	+88	61	30	+31	\$365,000	\$549,000	-34
Union City	67	78	-14	54	33	+21	\$535,000	\$673,000	-21

\* Days on market is the number of days a property was listed on the market until it went under contract at its final listing price. This is may not reflect previous listings.  
\*\*The median home price for the entire county is the weighted mean of median home prices of cities within Alameda County.

Data are sourced from multiple listing services and are deemed reliable but not guaranteed. All percentages rounded to nearest whole number.

Produced by the Prudential California Realty Research Division.