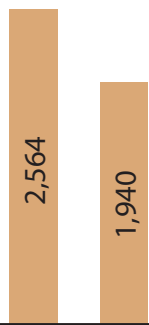


ALAMEDA COUNTY

A market overview of single-family detached home sales

Q3
2008

UNIT SALES



Q3-08 Q3-07

MEDIAN PRICE



Q3-08 Q3-07



Strong Inventory and Favorable Home Prices Motivate Alameda County Buyers in the Third Quarter

A large inventory of bank-owned properties and continued price declines in many communities attracted first-time and investment buyers to Alameda County's lower-priced neighborhoods and boosted sales of single-family detached homes in the third quarter of 2008 by 32 percent compared with the same period in 2007, according to a report by the research division of Prudential California Realty based on an analysis of MLS data.

The traditional Bay Area bedroom communities of Castro Valley, Dublin, Livermore, Newark, San Leandro and Union City recorded double-digit sales increases while home sales in Hayward and San Lorenzo soared 180 percent and 123 percent, respectively. Double-digit price declines fostered by a flood of bank-owned properties on the market continued to boost affordability and encourage a steady stream of qualified first-time homebuyers and investors to these more moderately priced communities, including Oakland, which experienced a 51 percent decline in the median sales price compared to a year ago.

The market remained comparatively stable in Berkeley, where sales and prices were flat from a year ago. In higher-priced Pleasanton, sales rose 12 percent and prices fell 8 percent from the same period a year ago, while Piedmont continued to defy the economic downturn by posting a 40 percent increase in sales year over year and a modest 10 percent decline in the median price.

Looking ahead, upward pressure on rents and favorable mortgage interest rates may motivate more renters to pursue home ownership and encourage investors to purchase single-family properties as rentals. Homebuyers in general will continue to see favorable pricing as the inventory of foreclosed homes remains steady in the coming months. However, mortgage lenders will continue to enforce strict qualifying criteria in the wake of the nation's recent financial crisis. First-time homebuyers and investors with stable employment, good credit and a solid down payment will continue to find tremendous bargains well into the foreseeable future.

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

City	Homes Sold Q3/08	Homes Sold Q3/07	% Change	Avg DOM* Q3/08	Avg DOM Q3/07	Change 08/07 (days)	Median Price ** Q3/08	Median Price Q3/07	% Change
Alameda	89	90	-1	44	25	19	\$650,000	\$722,500	-10
Albany	23	29	-21	26	23	3	\$615,000	\$690,000	-11
Berkeley	137	135	1	35	31	4	\$755,350	\$760,000	-0.61
CastroValley	111	89	25	54	41	13	\$512,000	\$615,000	-17
Dublin	86	78	10	54	37	17	\$652,500	\$691,000	-6
Fremont	293	312	-6	42	26	16	\$630,000	\$754,250	-16
Hayward	331	118	181	54	46	8	\$320,000	\$530,000	-40
Livermore	203	176	15	60	41	19	\$486,000	\$654,750	-26
Newark	81	42	93	53	48	5	\$435,000	\$649,000	-33
Oakland	618	475	30	46	37	9	\$312,500	\$640,000	-51
Piedmont	28	20	40	30	19	11	\$1,200,000	\$1,327,500	-10
Pleasanton	140	159	-12	51	35	16	\$800,000	\$868,000	-8
San Leandro	229	117	96	52	40	12	\$366,189	\$505,000	-27
San Lorenzo	76	34	124	50	51	-1	\$338,000	\$505,000	-33
Union City	119	66	80	45	40	5	\$505,000	\$665,750	-24

* 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 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.