

# ALAMEDA COUNTY

A market overview of single-family detached home sales

Q4  
2008

## UNIT SALES



## MEDIAN PRICE



## Bank-owned Bargains Fuel 71 Percent Jump in Alameda County Home Sales During Fourth Quarter

A dramatic increase in sales of bank-owned properties throughout Alameda County boosted sales of single-family detached homes in the fourth quarter by 71 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.

Investors and first-time buyers alike flocked to Alameda County communities such as foreclosure-heavy Hayward, where home sales skyrocketed from only 93 sales in the last quarter of 2007 to 420 closed sales in the last quarter of 2008 – a 352 percent increase. San Lorenzo (+179%), Newark (+143%), San Leandro (+133%) and Oakland (+97%) also proved popular with buyers attracted by bargain home prices, rock-bottom interest rates and increasingly popular FHA and VA financing programs.

For the county as a whole, the median sales price slid 38 percent in the fourth quarter from \$631,606 a year ago to \$388,641. The most significant median price declines were in Oakland (-62%), Hayward (-39%), Newark (-35%) and Union City (-30%).

At the \$500,000-plus end of the market, the median price of a home sold in Berkeley increased by 2 percent year over year, while Albany was unchanged, and Alameda and Pleasanton declined by 1 percent each from a year ago. In Piedmont, the county's highest-priced community, the median price dropped 21 percent behind a 26 percent decline in sales.

Looking ahead, higher rents and favorable buying conditions should continue to encourage heavy sales activity in the county's most affordable communities. Homebuyers will continue to see favorable pricing as the inventory of foreclosed homes remains steady in the coming months, although the velocity of sales the past two quarters suggests that price erosion may not continue at the same pace. 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 Q4/08	Homes Sold Q4/07	% Change	Avg DOM* Q4/08	Avg DOM Q4/07	Change 08/07 (days)	Median Price ** Q4/08	Median Price Q4/07	% Change
Alameda	66	68	-3	52	44	8	\$649,500	\$657,000	-1
Albany	17	22	-23	22	32	-10	\$665,300	\$667,000	-0.25
Berkeley	114	120	-5	35	32	3	\$737,500	\$725,500	2
CastroValley	92	61	51	66	57	9	\$518,500	\$620,000	-16
Dublin	72	55	31	51	55	-4	\$605,000	\$710,000	-15
Fremont	227	221	3	50	38	12	\$522,000	\$705,000	-26
Hayward	420	93	352	48	63	-15	\$285,000	\$468,350	-39
Kensington	6	15	-60	31	28	3	\$829,750	\$965,000	-14
Livermore	191	115	66	52	56	-4	\$422,750	\$595,000	-29
Newark	85	35	143	52	54	-2	\$393,000	\$605,000	-35
Oakland	714	362	97	53	45	8	\$202,000	\$535,000	-62
Piedmont	17	23	-26	20	25	-5	\$1,030,000	\$1,310,000	-21
Pleasanton	100	108	-7	61	48	13	\$811,000	\$820,000	-1
San Leandro	210	90	133	50	57	-7	\$350,500	\$469,500	-25
San Lorenzo	81	29	179	50	60	-10	\$329,900	\$417,000	-21
Union City	103	55	87	51	59	-8	\$460,500	\$660,000	-30

\* 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.