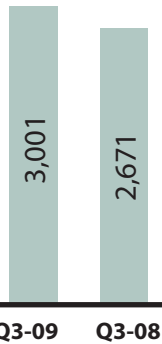


ALAMEDA COUNTY

A market overview of single-family detached home sales

Q3
2009

UNIT SALES



MEDIAN PRICE



Home Sales, Prices Jump Quarter to Quarter Behind Strong First-time Buyer, Investor Demand

The Alameda County housing market showed additional signs of recovery between the second and third quarters of 2009 as continued strong demand from first-time homebuyers and investors pushed sales numbers and purchase prices higher in many communities, according to a report by the research division of Prudential California Realty based on an analysis of MLS data.

The median sales price of a single-family detached home jumped from \$361,178 in the second quarter to \$389,268 in the third quarter – an 8 percent increase but 17 percent lower than the median sales price a year ago. Eleven of 15 Alameda County communities reported higher median sales prices and seven experienced increased sales quarter over quarter as bargain-hunting buyers taking advantage of extremely favorable interest rates and the \$8,000 federal income tax credit for first-time buyers competed on price with investors bearing cash offers. Closed home sales, meanwhile, improved by 12 percent on an annualized basis and by 6 percent quarter over quarter, with most of the action taking place among homes priced below \$500,000. Sales might have

been even stronger if not for a lack of inventory of homes priced below \$300,000.

Sales were dramatically higher year over year in areas where prices were sharply lower. Setting the pace for sales were Pleasanton (+33%), Oakland (+26%), Fremont (+22%), Hayward (+19%) and Castro Valley (+17%). Oakland (-42%) experienced the greatest year-over-year decline in median sales price, followed by Hayward (-18%), Pleasanton (-14%) and Union City (-13%). Higher-priced Piedmont registered the county's only year-over-year median price increase with a 17 percent jump – although the area saw a 25 percent decline in the number of sales over the same period.

In the final quarter of 2009, homebuyers will continue to benefit from extremely low interest rates. However, those seeking purchases in the bottom price ranges may continue to find a limited selection of homes on the market and face competition from all-cash offers. At the middle range of the spectrum (\$500,000 - \$1 million), buyers should benefit from motivated sellers pricing properties for sale.

| M A R K E T C O M P A R I S O N | | | | | | | | | |
|---------------------------------|------------------|------------------|----------|----------------|----------------|---------------------|----------------------|----------------------|----------|
| City | Homes Sold Q3/09 | Homes Sold Q3/08 | % Change | Avg DOM* Q3/09 | Avg DOM* Q3/08 | Change 09/08 (days) | Median** Price Q3/09 | Median** Price Q3/08 | % Change |
| Alameda | 89 | 91 | -2 | 47 | 44 | 3 | \$620,000 | \$645,000 | -4 |
| Albany | 24 | 25 | -4 | 48 | 25 | 23 | \$552,000 | \$615,000 | -10 |
| Berkeley | 113 | 139 | -19 | 39 | 35 | 4 | \$670,000 | \$755,350 | -11 |
| CastroValley | 130 | 111 | 17 | 56 | 53 | 3 | \$463,500 | \$510,000 | -9 |
| Dublin | 104 | 92 | 13 | 41 | 58 | -17 | \$604,000 | \$646,000 | -7 |
| Fremont | 366 | 300 | 22 | 42 | 42 | 0 | \$560,000 | \$625,500 | -10 |
| Hayward | 419 | 352 | 19 | 48 | 54 | -6 | \$262,800 | \$320,000 | -18 |
| Livermore | 232 | 207 | 12 | 48 | 60 | -12 | \$450,000 | \$485,000 | -7 |
| Newark | 88 | 81 | 9 | 37 | 53 | -16 | \$395,000 | \$435,000 | -9 |
| Oakland | 828 | 657 | 26 | 48 | 46 | 2 | \$175,000 | \$300,000 | -42 |
| Piedmont | 21 | 28 | -25 | 35 | 30 | 5 | \$1,400,000 | \$1,200,000 | 17 |
| Pleasanton | 187 | 141 | 33 | 52 | 53 | -1 | \$690,000 | \$800,888 | -14 |
| San Leandro | 195 | 239 | -18 | 45 | 53 | -8 | \$328,000 | \$363,800 | -10 |
| San Lorenzo | 73 | 82 | -11 | 43 | 55 | -12 | \$320,000 | \$336,500 | -5 |
| Union City | 132 | 126 | 5 | 57 | 47 | 10 | \$425,000 | \$490,500 | -13 |

* 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.