

SAN MATEO COUNTY

A market overview of single-family detached home sales

Q3
2009

UNIT SALES



Q3-09 Q3-08

MEDIAN PRICE



Q3-09 Q3-08

Home Sales, Prices Increase in Third Quarter as Central Peninsula Shows Signs of Improvement

A tighter inventory of foreclosed homes on the market in San Mateo County during the third quarter of 2009 combined with increased buyer interest to spur a modest increase in the number of existing single-family detached homes sold and the median price of those homes, according to a report by the research division of Prudential California Realty based on an analysis of MLS data.

Countywide, 1,086 existing detached homes changed hands during the third quarter, up 8 percent from 1,006 homes sold in the second quarter and 2 percent higher than in the third quarter a year ago. The median price of a detached home improved by 2 percent, rising from \$842,645 in the second quarter to \$862,432 in the third quarter. A year ago, the median sales price was 8 percent higher at \$932,379. The quarter-over-quarter increase in median price might have been greater were it not for continued weakness in the upper price ranges, where sales have slowed considerably from a year ago and securing bank financing remains problematic.

Countywide, 12 of 19 communities recorded a jump in home sales between the second and third quarters, while

nine markets reported year-over-year increases. Ten local markets experienced an increase in the median sales price quarter to quarter, while only two markets, Burlingame and Woodside, noted year-over-year improvement in the median sales price.

With fewer low-end distressed properties available in foreclosure-dominated communities, homebuyers increasingly turned to the central Peninsula. San Mateo led the pace with 165 homes sold, followed by Redwood City (134 sales), Daly City (90 sales), South San Francisco (79 sales) and Menlo Park (74 sales). Atherton reported 27 sales in the third quarter, up from 17 sales in the second quarter and 16 a year ago – a 69 percent year-over-year increase as pent-up buyer demand intersected with more realistic sellers.

Looking ahead, lenders appear to be more willing to consider short sale offers. Even so, buyers will need a thick skin and a good measure of patience due to the continued presence of multiple offers and investors with large down payments or all-cash bids. Buyers will need to act quickly on a property that meets their needs and be prepared to jump through hoops when qualifying for a mortgage loan.

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
Atherton	27	16	69	73	43	30	\$2,750,000	\$3,925,000	-30
Belmont	56	47	19	62	27	35	\$837,500	\$881,000	-5
Brisbane	4	5	-20	200	72	128	\$490,000	\$860,000	-43
Burlingame	61	56	9	46	34	12	\$1,250,000	\$1,233,500	1
Daly City	90	91	-1	52	57	-5	\$540,000	\$570,000	-5
East Palo Alto	53	54	-2	82	65	17	\$245,000	\$315,000	-22
Foster City	40	33	21	52	41	11	\$967,500	\$1,088,000	-11
Half Moon Bay	17	19	-11	121	74	47	\$740,000	\$810,000	-9
Hillsborough	30	21	43	43	38	5	\$2,240,000	\$2,337,500	-4
Menlo Park	74	77	-4	51	44	7	\$1,122,500	\$1,350,000	-17
Millbrae	29	32	-9	36	48	-12	\$950,000	\$986,125	-4
Pacificia	72	56	29	48	74	-26	\$535,000	\$575,000	-7
Portola Valley	20	17	18	47	70	-23	\$1,747,500	\$2,050,000	-15
Redwood City	134	156	-14	53	48	5	\$735,750	\$867,500	-15
San Bruno	62	77	-20	68	43	25	\$549,000	\$599,000	-8
San Carlos	63	80	-21	44	34	10	\$868,000	\$1,019,500	-15
San Mateo	165	155	6	50	49	1	\$740,000	\$825,000	-10
South San Francisco	79	64	23	54	59	-5	\$515,000	\$577,500	-11
Woodside	10	11	-9	117	62	55	\$2,299,375	\$1,600,000	44

* 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 San Mateo 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.