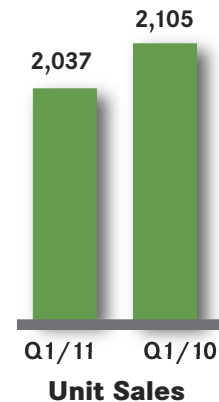


First-Time Homebuyers Find Favorable Prices

Winter Weather Fails to Deter Bargain-Hunters

FIRST QUARTER 2011



ALAMEDA COUNTY

Priced to sell short-sale and bank-owned homes in Alameda County's most affordable communities continued to draw first-time homebuyers and investors during the first quarter of 2011, despite one of the most memorable winters on record, according to a report by the research division of Better Homes and Gardens Mason-McDuffie Real Estate based on an analysis of MLS data.

Countywide, 2,037 existing, single-family detached homes were sold during the first quarter, down 12 percent from 2,306 homes sold during the previous quarter and a 3 percent decline from 2,105 homes sold during the first quarter of 2010. The pace of sales increased on a quarterly basis in traditional first-time homebuyer communities, such as Union City (+22%), Newark (+12%) Castro Valley (+3%) and San Lorenzo (+2%), and on an annualized basis in mid- to higher-priced communities, including Piedmont (+45%), Berkeley (+43%), Pleasanton (+9%) and Albany (unchanged).

Homebuyers willing to get their feet wet found lower prices in the majority of Alameda County communities compared with both the fourth quarter and year-ago periods. Countywide, the median price of a home sold during the first quarter was \$392,735, down 9 percent from \$429,699 in the last quar-

ter of 2010. A year ago, the median-priced home sold for \$399,401, a modest 2 percent difference.

Piedmont (+4%) and Livermore (+2%) were the only communities to experience quarter-over-quarter improvement in the median sales price. Three areas showed year-over-year increases in the median sales price of a home: Oakland (+13%), Dublin (+11%) and Newark (+.1%).

The average number of days an Alameda County home was on the market before sale increased to 55 days in the first quarter of 2011, up from 48 days in the fourth quarter of 2010 and 45 days during last year's first quarter. Homes were on the market an average of only 29 days in Albany, compared with a countywide high of 70 days in Dublin.

Entering the peak spring/summer homebuying season, many renters may find it is more affordable to buy a home than to rent in some Alameda County communities. That said, buyers can expect to face multiple offers at the entry level, with home sellers continuing to favor all-cash offers from investors. Everyone will be keeping a close eye on job growth and mortgage interest rates. Any significant upward movement in either could stimulate additional homebuying activity in the months to come.

ALAMEDA COUNTY YEAR-TO-YEAR MARKET COMPARISON

City	Homes Sold Q1/11	Homes Sold Q1/10	% Change	Avg DOM* Q1/11	Avg DOM* Q1/10	Change (days)	Median Price Q1/11	Median Price Q1/10	% Change
Alameda	52	54	-4	54	61	-7	\$585,000	\$616,000	-5
Albany	13	13	0	29	48	-19	\$475,999	\$510,000	-7
Berkeley	106	74	43	56	47	9	\$564,500	\$625,000	-10
Castro Valley	88	90	-2	53	53	0	\$408,750	\$452,500	-10
Dublin	72	76	-5	70	35	35	\$644,500	\$579,000	11
Fremont	267	270	-1	49	38	11	\$547,000	\$599,500	-9
Hayward	270	307	-12	56	46	10	\$262,000	\$300,000	-13
Livermore	157	168	-7	64	46	18	\$430,000	\$434,000	-1
Newark	66	72	-8	59	57	2	\$385,000	\$384,500	.1
Oakland	540	555	-3	51	48	3	\$220,000	\$195,000	13
Piedmont	16	11	45	46	25	21	\$1,232,500	\$1,256,000	-2
Pleasanton	118	108	9	63	48	15	\$684,000	\$726,250	-6
San Leandro	126	147	-14	60	50	10	\$297,000	\$338,000	-12
San Lorenzo	58	61	-5	62	31	31	\$282,500	\$323,000	-13
Union City	88	99	-11	52	37	15	\$436,750	\$459,000	-5

* 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 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.



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