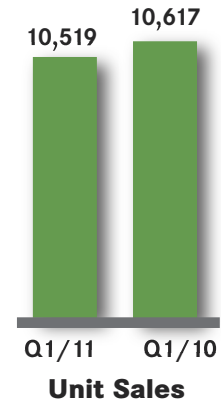


# Bay Area Home Sales, Prices Remain Stable

## Steady Market Bodes Well for Spring Homebuyers

FIRST QUARTER 2011



### BAY AREA

Home sales in the nine-county San Francisco Bay Area continued at a steady pace in the first quarter of 2011 compared with the same period a year ago as homebuyers took advantage of favorable home prices and interest rates, according to an analysis of MLS data issued by the research division of Better Homes and Gardens Mason-McDuffie Real Estate.

In the nine-county Bay Area, 10,519 existing, single-family detached homes changed hands during the first quarter of 2011, a 1 percent decline from 10,617 homes sold during the same period in 2010. The first-quarter figure was down 11 percent on a non-seasonally adjusted basis from 10,753 homes sold in the fourth quarter.

Steady demand for lower-priced homes from investors seeking bargains and renters who discovered it can cost less to own than it does to rent kept home prices relatively stable for yet another quarter. For the region as a whole, the median price of a home sold during the first quarter was \$468,360, down 3 percent from the same period a year ago and 11 percent lower than in the fourth quarter, when the median price rose slightly behind an uptick in sales of higher-priced homes.

Three counties – Alameda, Contra Costa and Santa Clara – each accounted for more than 2,000 home sales during the quarter but experienced slight declines in the number of homes sold on an annualized basis. Meanwhile, the two counties that typically contribute the fewest sales – Napa and Marin – showed the greatest improvement by posting a region-leading 9 percent increase in the number of homes sold compared with

the same period a year ago. Sonoma County registered a 6 percent year-over-year increase in sales, followed by San Francisco County (+3%) and San Mateo County (+2%). Solano County (-6%) experienced the largest annualized decline in sales.

Short sales and bank-owned properties continued to provide excellent opportunities for homebuyers with patience while putting slight downward pressure on home prices. Median sales prices trended slightly lower on an annualized basis in all nine Bay Area counties – although Napa County’s median price was down only .3 percent for the year and five other counties experienced median price declines of 4 percent or less. San Francisco and Sonoma counties recorded the most significant median price declines from the year-ago period at 9 percent.

The average number of days a Bay Area home was on the market prior to sale remained essentially unchanged at 73 days in the first quarter. Locally, average days on market figures ranged from a low of 54 in San Francisco County to a high of 117 in Marin County. A year ago, the low stood at 45 days and the high was 129 days.

Looking ahead to the peak homebuying season, Bay Area homebuyers should continue to benefit from favorable pricing, although many competitively priced properties will draw multiple offers – some of them for all-cash. Both sales activity and median prices should remain steady absent any major changes in the state or national economic outlook or interest rates.

### BAY AREA 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	2,037	2,105	-3	55	45	10	\$392,735	\$399,401	-2
Contra Costa	2,352	2,402	-2	63	48	15	\$332,289	\$347,755	-4
Marin	368	338	9	117	110	7	\$793,910	\$824,491	-4
Napa	286	263	9	93	129	-36	\$354,232	\$355,317	-.3
San Francisco	479	467	3	54	54	0	\$823,547	\$907,835	-9
San Mateo	767	752	2	63	55	8	\$814,123	\$837,150	-3
Santa Clara	2,166	2,197	-1	57	57	0	\$637,053	\$643,295	-1
Solano	1,098	1,180	-7	73	45	28	\$198,104	\$209,664	-6
Sonoma	966	913	6	84	76	8	\$337,568	\$371,162	-9
<b>Bay Area Total</b>	<b>10,519</b>	<b>10,617</b>	<b>-1</b>	<b>73</b>	<b>70</b>	<b>3</b>	<b>\$468,360</b>	<b>\$480,998</b>	<b>-3</b>

\* 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 Bay Area is the mean of median home prices of each of the nine Bay Area counties. Each county’s median home price is the mean of median home prices of each of the cities within that county.

Data are sourced from multiple listing services and are deemed reliable but not guaranteed.  
 All percentages rounded to nearest whole number. Bay Area refers to sales within Alameda County, Contra Costa County, Marin County, Napa County, San Francisco County, San Mateo County, Santa Clara County, Solano County and Sonoma County.