

Bay Area home sales edge up in April

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La Jolla, CA.----Bay Area home sales edged up from a seven-month run of record lows last month, indicating that mortgage availability is improving and that an increasing number of fence sitters have decided they like today's lower prices, a real estate information service reported.

A total of 6,310 new and resale houses and condos sold in the nine- county Bay Area in April. That was up 28.8 percent from 4,898 in March, and down 15.3 percent from 7,447 for April 2007, DataQuick Information Systems reported.

The month-to-month jump was the strongest for any March/April in DataQuick's statistics, which go back to 1988. Starting last September and through March, each calendar month was the slowest on record. Last month was the slowest April since 1995 when 5,636 homes were sold.

"The big issue here is that mortgages are becoming obtainable, which will reduce the pile of stacked up pending escrows. It's unclear if the financing is because of policy changes or because mortgage investors are getting more interested in securities. Probably both," said Marshall Prentice, DataQuick president.

The median price paid for a Bay Area home was \$518,000 last month, down 3.4 percent from \$536,000 in March, and down 21.4 percent from \$659,000 in April last year. Last month's median was 22.1 percent lower than the peak median of \$665,000 reached in June and July last year.

Last month's median price would have been closer to \$578,000 if the availability of jumbo home loans had remained stable. A year ago jumbo loans, mortgages above \$417,000, accounted for 63.4 percent of all Bay Area home loans. Last month they were 28.8 percent, DataQuick reported.

Foreclosure property resales accounted for 25.7 percent of last month's Bay Area market. The percentage is higher in outlying areas that absorbed spillover activity during the frenzy. While foreclosure properties were 5.9 percent of San Francisco's resale market and 8.9 percent of Marin's resale market last month, they were 44.7 percent in Contra Costa and 54.2 percent in Solano.

DataQuick, a subsidiary of Vancouver-based MacDonald Dettwiler and Associates, monitors real estate activity nationwide and provides information to consumers, educational institutions, public agencies, lending institutions, title companies and industry analysts. Due to late data availability, the April statistics for Alameda County were extrapolated from the first three weeks of the month.

The typical monthly mortgage payment that Bay Area buyers committed themselves to paying was \$2,309 last month, down from \$2,405 the previous month, and down from \$3,074 a year ago. Adjusted for inflation, current payments are 9.5 percent below typical

payments in the spring of 1989, the peak of the prior real estate cycle. They are 31.9 percent below the current cycle's peak in June 2006.

Indicators of market distress continue to move in different directions. Foreclosure activity is at record levels, financing with adjustable-rate mortgages is at a six-year low. Down payment sizes and flipping rates are stable, non-owner occupied buying activity is increasing, DataQuick reported.

	Sales Volume			Median Price		
	Apr-07	Apr-08	%Chng	Apr-07	Apr-08	%Chng
All homes						
Alameda	1,555	1,240	-20.3%	\$586,500	\$473,750	-19.20%
Contra Costa	1,246	1,265	1.5%	\$600,000	\$395,000	-34.20%
Marin	313	216	-31.0%	\$925,000	\$800,000	-13.50%
Napa	109	100	-8.3%	\$563,000	\$499,000	-11.40%
Santa Clara	2,009	1,440	-28.3%	\$709,000	\$615,000	-13.30%
San Francisco	568	605	6.5%	\$790,000	\$750,000	-5.1%
San Mateo	681	573	-15.9%	\$810,000	\$672,500	-17.00%
Solano	440	429	-2.5%	\$428,000	\$319,500	-25.40%
Sonoma	526	442	-16.0%	\$519,000	\$414,250	-20.20%
Bay Area	7,447	6,310	-15.3%	\$659,000	\$518,000	-21.40%

Source: DataQuick Information Systems, www.DQNews.com Media calls: Andrew LePage (916) 456-7157 or John Karevoll (909) 867-9534

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