

**The Stricker / TenBroeck Team's
Real Estate Market Snapshot
3rd Quarter 2009**

◆ Compared to 1 year, 5 years, & 10 years ago ◆

City	No. of Homes for Sale on 9/30				Closed Sales in Q3			
	2009	2008	2004	1999	2009	2008	2004	1999
<i>(north to south)</i>								
Atherton	43	33	35	8	27	16	22	36
Menlo Park	125	120	46	54	77	77	145	157
Portola Valley	32	26	33	13	20	17	30	23
Palo Alto	122	80	77	59	111	99	164	157
Los Altos	86	78	83	57	87	68	120	130
Los Altos Hills	70	51	56	23	19	18	25	25
Mountain View	72	75	38	28	82	72	130	130
Cupertino	111	77	80	54	115	95	164	148
Sunnyvale	154	164	119	103	186	175	285	255
Average	91	78	63	44	80	71	121	118

Market Commentary

In the charts above and below, the average sales statistics for these nine Mid- and South-Peninsula cities show a pretty clear pattern. While slightly better than last year, sales are down significantly compared to five and ten years ago. Standing inventory of homes for sale is high. **Median sales prices are down by 18%, on average, from a year ago.** And the average percentage of list price received by sellers in the 3rd quarter of this year is down substantially from previous years.

Given the current state of the economy none of this comes as a surprise, but it could be much worse. In our market area there haven't been nearly as many foreclosures and bank owned properties for sale as in other regions of California and the U.S. However, this could change if layoffs continue or if refinancing remains difficult for those who purchased in the last several years with adjustable rate mortgages.

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Q3 Market Snapshot, cont.

Many local buyers purchased their \$1m+ homes in the last several years with “80-10-10” mortgages. Meaning they put 10% down, received a standard 80% first mortgage plus a 10% second mortgage. Since home values are back to ‘04/’05 levels many owners may have to sell when their mortgages reset and payments rise beyond their ability to pay. And they may owe more than their home is worth.

City	Median Selling Price				% of List Price Received in Q3			
	2009	2008	2004	1999	2009	2008	2004	1999
<i>north to south</i>								
Atherton	\$2,750,000	\$3,925,000	\$2,357,000	\$2,000,000	93.4%	95.7%	94.5%	102.5%
Menlo Park	\$1,115,000	\$1,340,000	\$1,039,000	\$690,000	97.0%	98.9%	103.6%	102.5%
Portola Valley	\$1,748,000	\$2,050,000	\$1,813,000	\$1,325,000	95.9%	98.3%	97.0%	101.5%
Palo Alto	\$1,298,000	\$1,700,000	\$1,105,000	\$740,000	96.8%	101.1%	102.4%	102.2%
Los Altos	\$1,606,000	\$1,950,000	\$1,351,000	\$940,000	96.1%	99.0%	99.1%	102.7%
Los Altos Hills	\$2,255,000	\$2,425,000	\$2,388,000	\$1,950,000	92.7%	94.2%	95.7%	97.1%
Mountain View	\$863,000	\$964,000	\$785,000	\$525,000	97.0%	100.5%	102.5%	102.0%
Cupertino	\$1,060,000	\$1,180,000	\$921,000	\$655,000	96.7%	98.5%	100.4%	99.1%
Sunnyvale	\$777,000	\$875,000	\$702,000	\$490,000	98.4%	99.4%	102.1%	100.6%
Average	\$1,497,000	\$1,823,000	\$1,385,000	\$1,035,000	96.0%	98.4%	99.7%	101.1%

ADVICE FOR SELLERS

If you need to sell your home in the near future, our strong advice is to sell as soon as possible. Prices are very likely to continue to fall for two or more years. Accurate pricing is extremely important now. Pre-sale planning and home preparation will pay off handsomely. The sooner you start the process the better.

ADVICE FOR BUYERS

This may be the right time for you to buy while there is a great selection of homes for sale, flexible asking prices, and 5 year low interest rates. Locking in a low 30 year fixed rate mortgage could prove to be exceptionally profitable. Buying strategy, home selection, and holding long term are always critical to success, of course.

For more information or if we can assist you in any way, simply call or email: JeffAndSteve@apr.com

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