

SANJOSETEAM.COM MARKET UPDATE

CUPERTINO, CA

- **Current Real Estate Market Conditions for Single Family Homes**
- **Trends in Pricing**
- **Current Levels of Supply and Demand**
- **Value Metrics**

- **Report for the week of
October 12, 2009**

- **Presented by Danielle Contreras**
Keller Williams
SanJoseTeam.com
408.850.7994



This Week

- The median list price in CUPERTINO, CA this week is \$1,225,000. The 109 properties have been on the market for an average of 145 days.

Inventory has been tightening and days-on-market increasing recently. The Market Action Index has been basically flat, not providing strong indication for market conditions.

Supply and Demand

- The market has shown some evidence of slowing recently. Both prices and inventory levels are relatively unchanged in recent weeks. Watch the Market Action Index for changes as it can be a leading indicator for price changes.

Real-Time Market Profile

Real-Time Market Profile		Trend
Median List Price	\$ 1,225,000	↑↑
Average List Price	\$ 1,344,017	
Asking Price Per Square Foot	\$ 558	↓↓
Average Days on Market (DoM)	145	↑↑
Inventory of Properties Listed	109	↓↓
Most Expensive Listing	\$ 4,200,000	
Least Expensive Listing	\$ 499,000	
Average Age of Listing	42	
Percent of Properties with Price Decrease	46 %	
Percent Relisted (reset DOM)	95 %	
Percent Flip (price increased)	1 %	
Median House Size (sq ft)	2110	
Median Lot Size	6,501 - 8,000 sqft	
Median Number of Bedrooms	4.0	
Median Number of Bathrooms	2.5	

Altos Research Value Statistics

Market Action	Strong Buyer's	20.2	↔
The Market Action Index answers the question "How's the Market?" By measuring the current rate of sale versus the amount of the inventory. Index above 30 implies a seller's advantage. Below 30, conditions give the advantage to the buyer.			

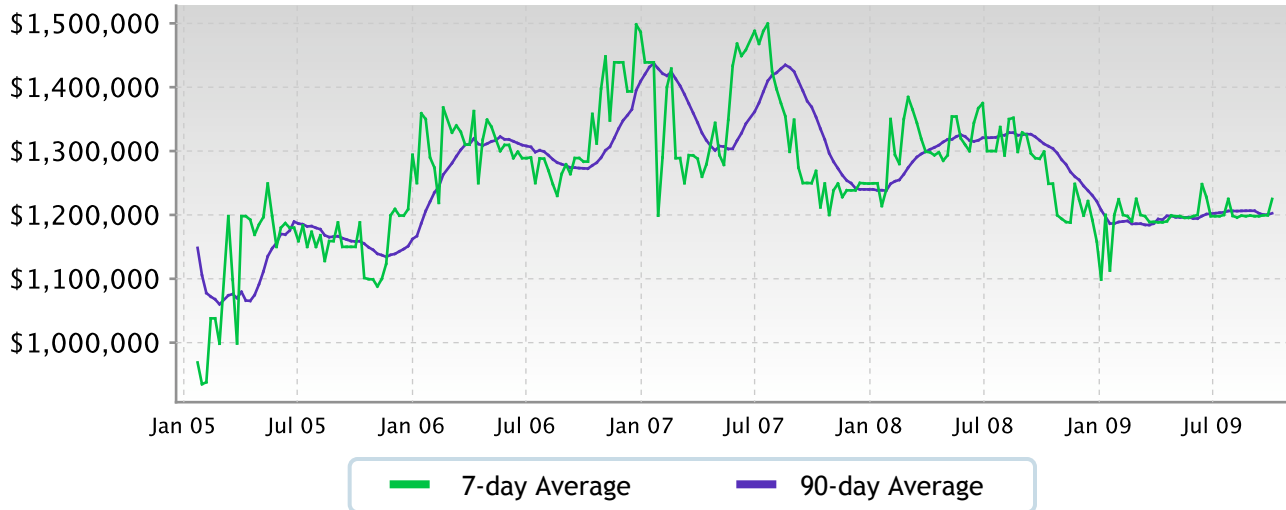
Trend Key: ↑↑ Strong upward ↓↓ Strong downward
 ↔ No change ↑ Slight upward ↓ Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	\$ 1,898,000	3381	0.25 - 0.50 acre	4.0	3.5	29	27	1	4	128	Most expensive 25% of properties
Upper/Second	\$ 1,448,000	2611	8,001 - 10,000 sqft	4.0	3.0	42	27	3	2	120	Upper-middle 25% of properties
Lower/Third	\$ 1,149,500	1890	4,501 - 6,500 sqft	4.0	2.5	46	27	0	5	208	Lower-middle 25% of properties
Bottom/Fourth	\$ 783,444	1276	4,501 - 6,500 sqft	3.0	2.0	54	28	2	2	124	Least expensive 25% of properties

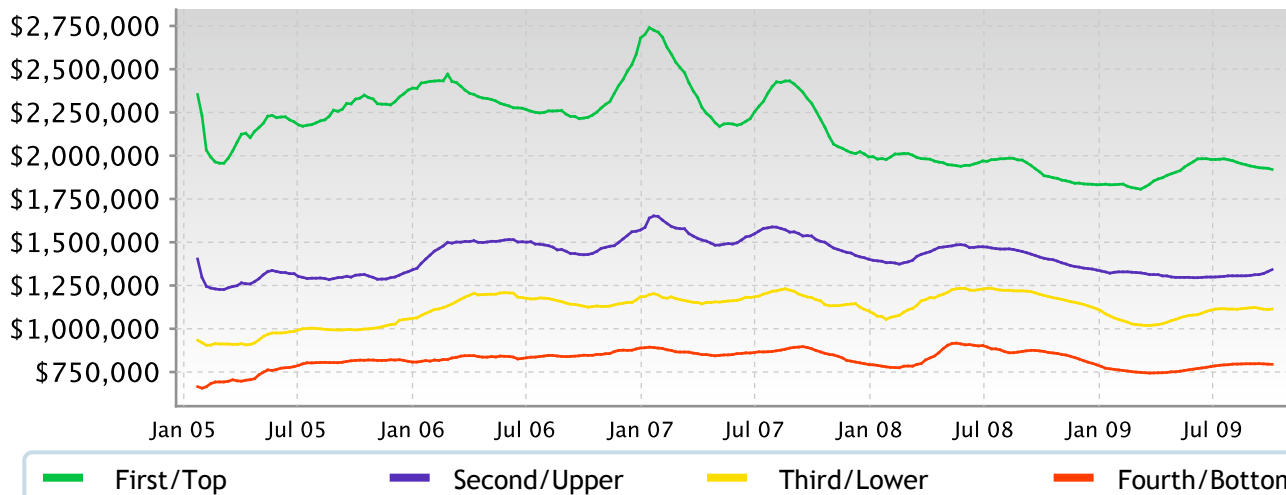
Median Price

The market for this zip code continues its bounce again this week. We're a long way from the market's high point so watch the Market Action Index to predict how long this trend will last.



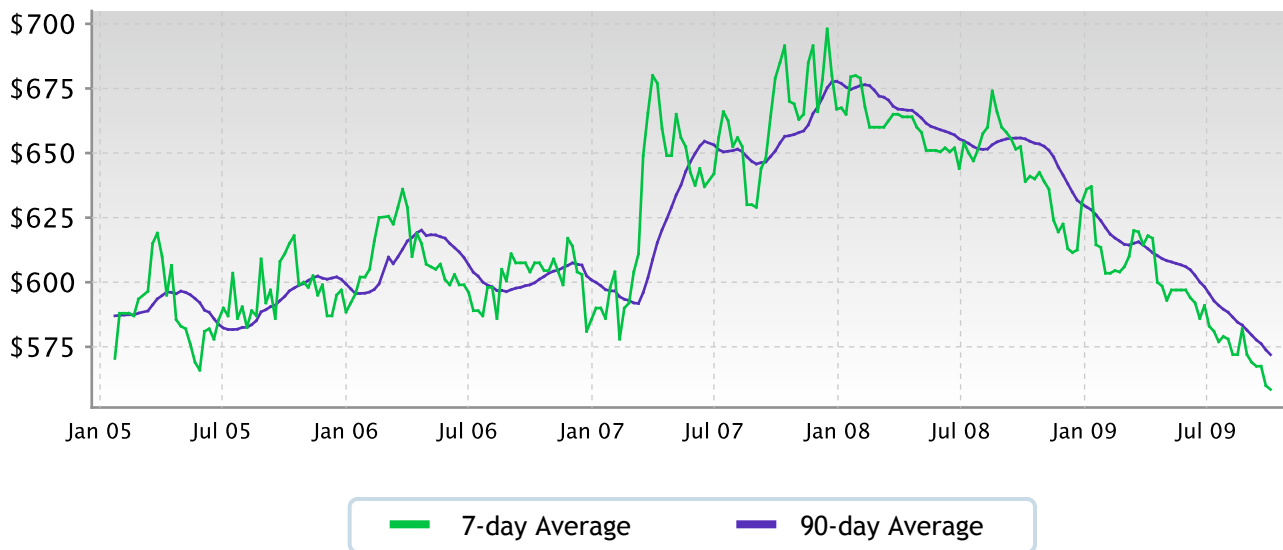
Quartile Prices

In the quartile market segments, we see prices in this zip code without strong directional indication lately. Quartiles 1 and 4 are mixed, while Quartile 3 is up and Quartile 2 is down. Look to persistent shifts in the Market Action Index as a leading indicator for strong moves (up or down) in the market as a whole.



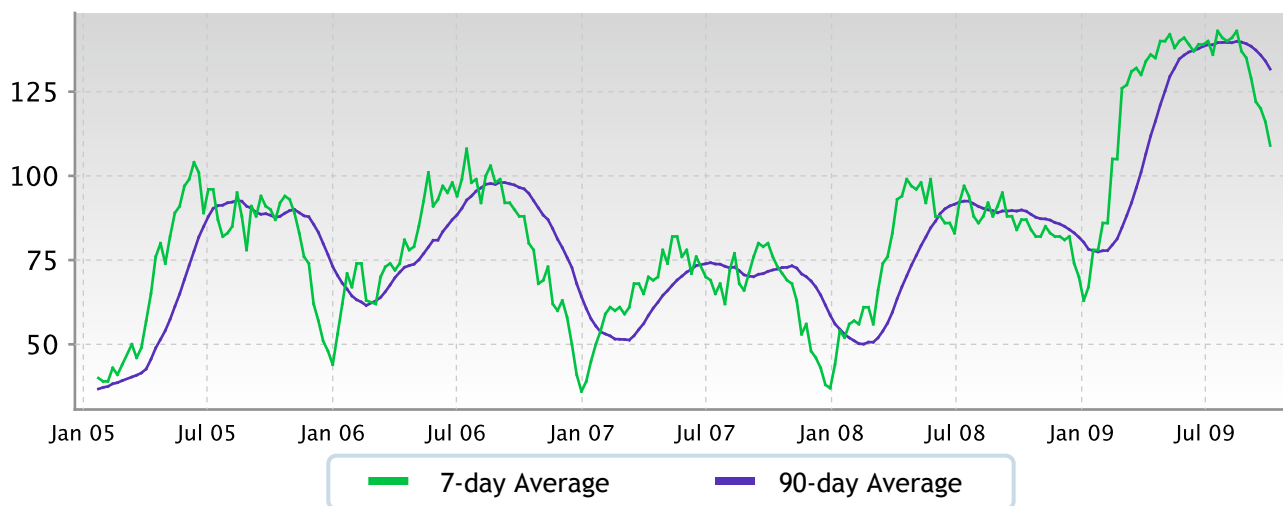
Price per Square Foot

This is a market where watching the value metrics (like price per square foot) can provide insight that you don't get at first glance. Despite the fact that home prices are rising fairly consistently, the price per square foot of homes listed is declining. Often this can be attributed to new and remodeled homes on the market. Buyers in the area are paying more but also getting more for their money.



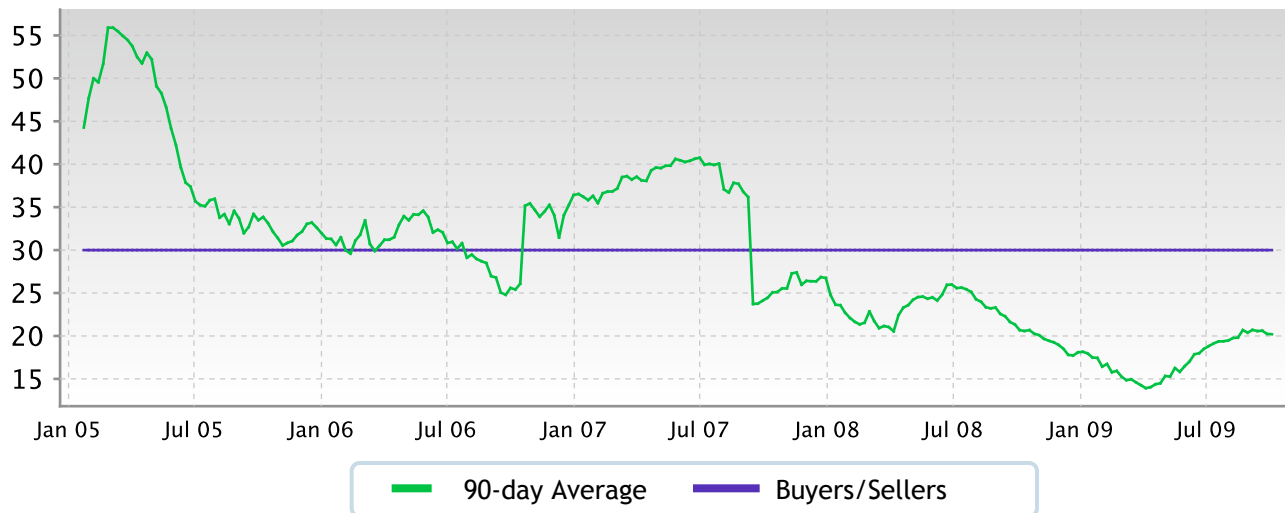
Inventory of Properties Listed for Sale

Inventory has been falling in recent weeks. Note that declining inventory alone does not signal a strengthening market. Look to the Market Action Index and Days on Market trends to gauge whether buyer interest is changing with the available supply.



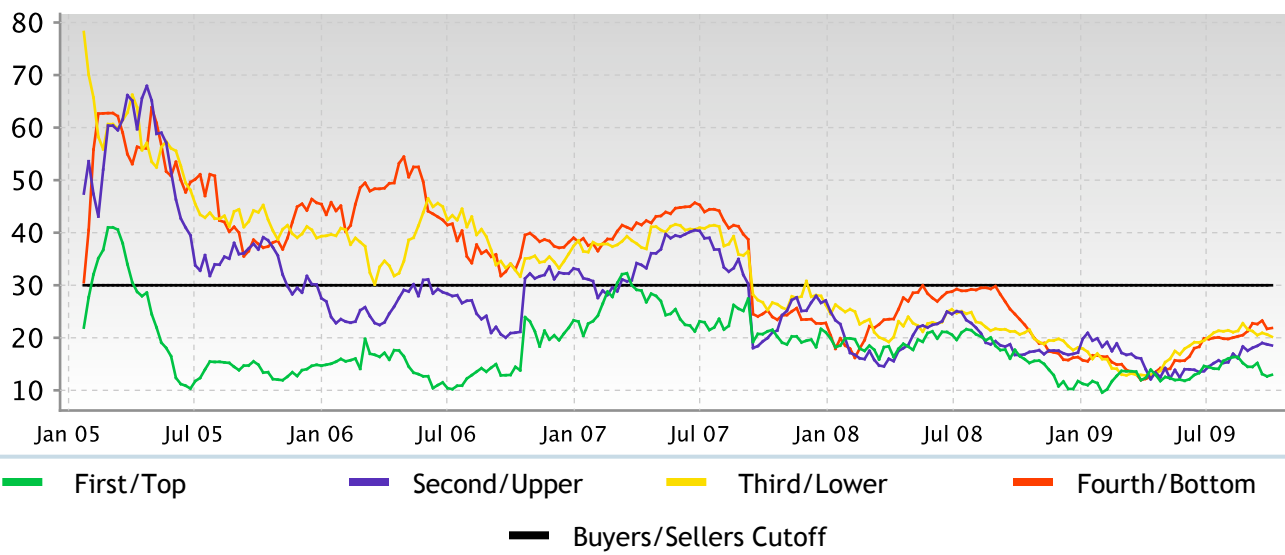
Market Action Index

The CUPERTINO market is currently quite strongly in the Buyer's Advantage zone (below 30). The 90-day Market Action Index stands at 20.20. With several months of inventory available at the current sales rate, buyers should find ample choice.



Market Action Index per Quartile

Not surprisingly, all quartiles are in the Buyer's Market zone with several months of inventory given the current levels of demand. Watch the quartiles for changes before the overall market shifts.

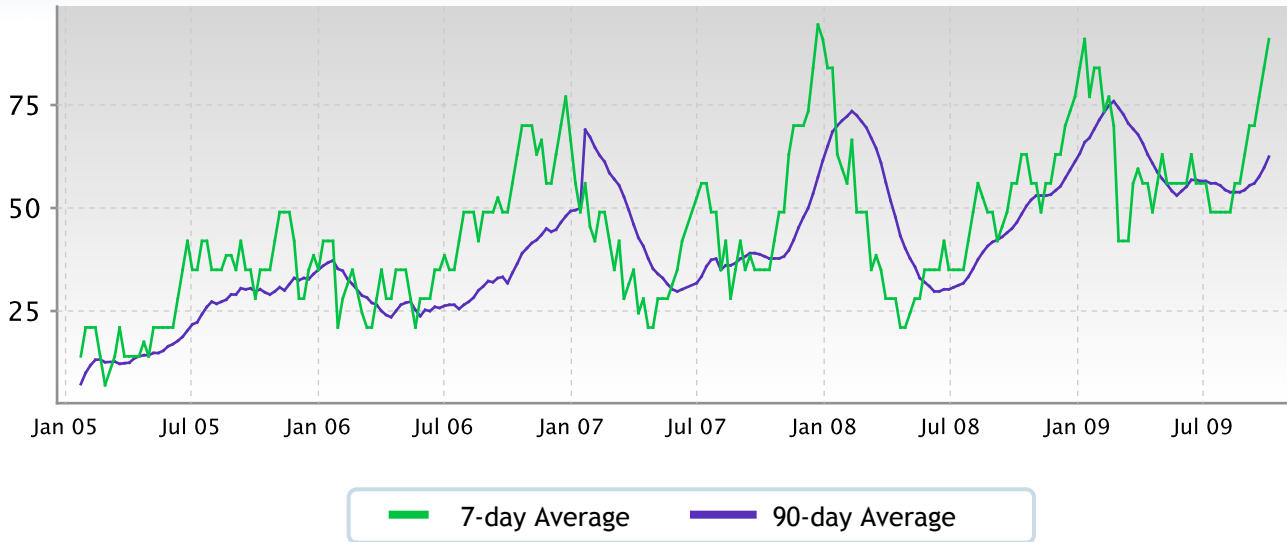


Residential house prices are a function of supply and demand, and market conditions can be characterized by analyzing those factors. Watch this index for sustained changes: if the index falls into the Buyer's Advantage zone (below 30) for a long period, prices are likely in for a downward correction.

The Market Action Index (MAI) illustrates a balance between supply and demand using a statistical function of the current rate of sale versus current inventory.

Days on Market

The properties have been on the market for an average of 145 days. Half of the listings have come newly on the market in the past 91 or so days.



Days on Market per Quartile

It is not uncommon for the higher priced homes in an area to take longer to sell than those in the lower quartiles.

