

# Palo Alto Rental Property Newsletter – May, 2011 ©



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## Neighborhood Rental Rates

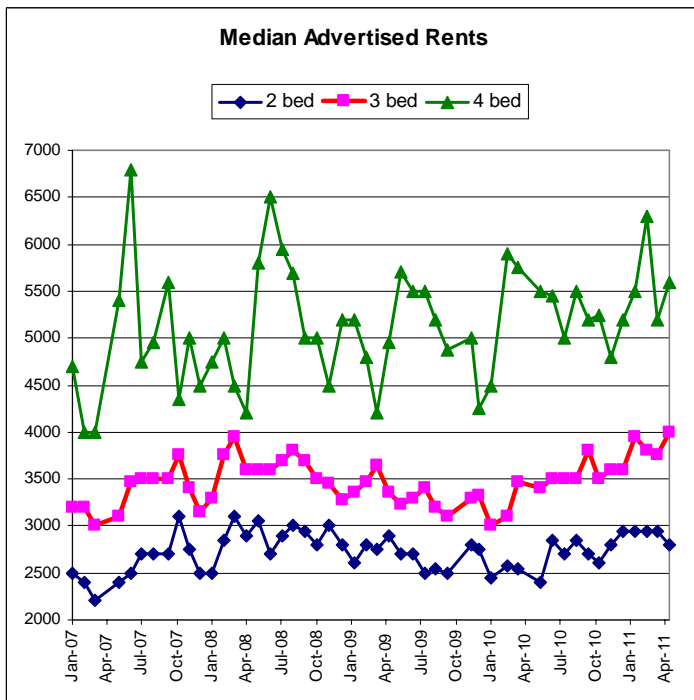
I counted over 91 single family & condominium rentals that advertised in April, an increase over the previous month – this is to be expected as people prepare for moving after the school term ends. Advertised prices this month were:

- Of the 2 bedroom homes, the median advertised price is \$2,800/month, with 2/3<sup>rd</sup> priced above \$2,650.
- Of the 3 bedroom homes, the median advertised price is \$3,995, with 2/3<sup>rd</sup> priced above \$3,490.
- Of 4+ bedroom homes, the median advertised price is \$5,600 with 2/3<sup>rd</sup> priced above \$4,950.

About 14% of the rentals have advertised for longer than 30 days. Of the rentals that have been advertising longer than 30 days, the most are priced above the median.

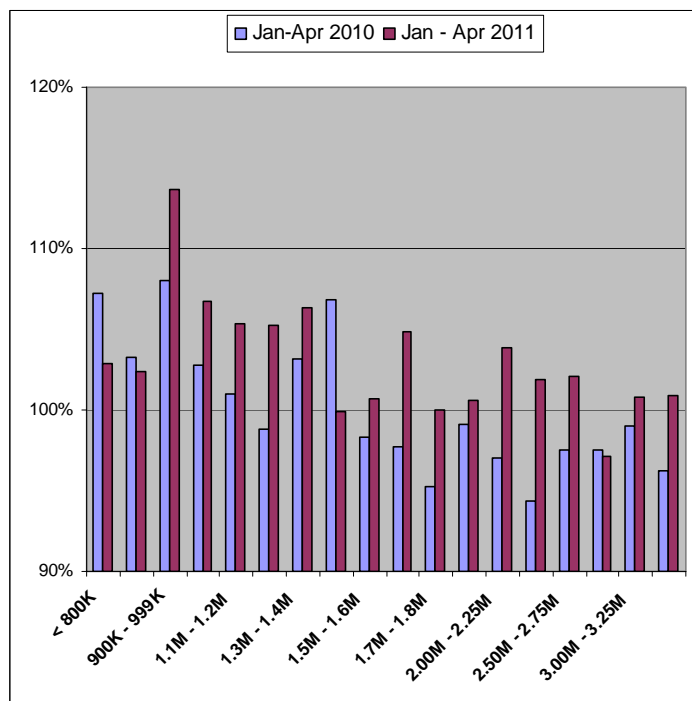
. Commercial office complexes in Silicon Valley are seeing their vacancy rates decline, and their rents go up – a good indication of job growth in our local market which will translate into demand for rentals & purchase of homes. For example, Moffett Towers in Sunnyvale, which has 1.6 million square feet of commercial space, was only 13% occupied 2 years ago. Today, they have leased out 80% of their space.

A recent news article in the Wall Street Journal wrote that rents in downtown Palo Alto are up 25% from last year, and vacancy rate of commercial space has dropped to 7%.



## Sales Update – Happy days are here again

One way to gauge demand, especially at different price points, is to compare the Sales Price vs List Price of homes. This chart compares this metric for sales of single family homes from January – April, for this year and last year:



In the year 2010, Palo Alto had strong demand up to the \$1.5 million price range, with multiple offers often pushing the sales price above the list price.

This year (2011), Palo Alto is seeing strong demand across the entire spectrum of price range, with even the multi-million dollar homes averaging sales prices above list prices.

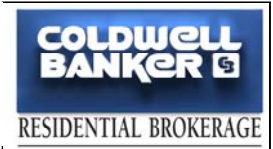
**If you know of anyone who would like help in buying, selling or leasing real estate, have them give me a call.**

To receive this newsletter by e-mail, please send your e-mail address to [lleong@cashin.com](mailto:lleong@cashin.com)

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### Rental Rates by Neighborhood © - Single Family Homes/Condos

Neighborhood	2 Bedroom	3 Bedroom	4+ Bedroom
Barron Park, Green Acres I/II	Range: \$1600-3500 Average: \$2,368	Range: \$1800-5950 Average: \$3,388	Range: \$2800-8000 Average: \$4,916
College Terrace, Evergreen Park, Southgate	Range: \$1400-4700 Average: \$2,562	Range: \$2000-5000 Average: 3,169	Range: \$2900-9000 Average: \$5,156
Crescent Park	Range: \$1550-5900 Average: \$3,132	Range: \$2000-7500 Average: \$4,490	Range: \$4400-15000 Average: \$7,328
Downtown North/University South	Range: \$1645-6500 Average: \$2,972	Range: \$1695-6500 Average: \$3,689	Range: \$2900-8900 Average: \$5,378
Duveneck, Green Gables, Community Center, Triple El	Range: \$1600-4400 Average: \$2,596	Range: \$2000-6000 Average: \$3,558	Range: \$2400-10000 Average: \$5,274
Fairmeadow, Meadow Park, Charleston Gardens	Range: \$2200-3500 Average: \$2,950	Range: \$1800-4500 Average: \$2,995	Range: \$2250-11,500 Average: \$3,808
Green Meadow, Walnut Grove Grendell, Greenhouse	Range: \$1295-3000 Average: \$2,099	Range: \$1900-4500 Average: \$2,861	Range: \$2600-5000 Average: 3,716
Midtown	Range: \$1350-3600 Average: \$2,361	Range: \$1595-5500 Average: \$3,004	Range: \$2250-7500 Average: \$4,160
Old Palo Alto, Leland Manor	Range: \$1400-5000 Average: \$2,576	Range: \$1995-8300 Average: \$3,983	Range: \$2400-15000 Average: \$6,468
Palo Verde, South of Midtown	Range: \$1395-3200 Average: \$2,272	Range: \$1975-6000 Average: \$2,975	Range: \$2375-6900 Average: \$4,427
Ventura, Charleston Meadows	Range: \$1500-3500 Average: \$2,226	Range: \$1600-5800 Average: \$3,321	Range: \$2500-6500 Average: \$4,266

Data Points: 2,523 (Jan, 2004 – Present)

### Sample Property Sales: Feb, 2011 - Apr, 2011

Neighborhood	Street	Type	Bed	Bath	Sales Price
Green Acres	Donald Dr	House	3	2	\$1,610,000
Barron Park	La Para	House	3	1	\$1,482,000
Greenmeadow	Ferne	House	3	2	\$1,230,000
Greenmeadow	Creekside	House	3	2	\$1,300,000
Midtown	Loma Verde	Townhouse	3	2.5	\$869,000
Midtown	Marion	House	2	1.5	\$1,230,000
Palo Verde	Vernon Terrace	House	3	1	\$1,081,000
Evergreen	Park Ave	House	2	2	\$835,000
College	Sheridan	Condo	2	2	\$820,000
Downtown	Forest Ave	Condo	3	2	\$1,050,000
Duveneck	Saint Francis	House	3	2	\$1,237,000
Duveneck	Elsinore	House	4	2	\$1,611,000

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