

Palo Alto Rental Property Newsletter – May, 2007 ©



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I was on vacation from the last week of March through the 10 days of April; because of this I didn't send out the April newsletter.

Neighborhood Rental Rates

I counted over 65 single family/condominium properties advertised for rent in March (before I left on vacation), as compared to 47 in February. I don't have good statistics for April, as I'm missing data for 1/3rd of the month while I was on vacation.

From the advertisements for March/April that I've seen:

- Of the 2 bedroom homes, the median price is \$2,400/month, with 2/3rd priced above \$2,200.
- of the 3 bedroom homes, the median rental price is \$3,100, with 2/3rd priced above \$2,850
- of 4 bedroom homes, the median rental price is \$5,400, with 2/3rd priced above \$4,300

See Page 2 for neighborhood rental rates.

Property Sales

Palo Alto continues to be one of most desirable locations to own a home in Silicon Valley. The lower inventory conditions we saw in February, have continued into March and April. For 2007, we have seen 182 listings for single family homes come on the market vs 242 for the same period of time in 2006 - about 75% of normal. From what I can tell, however, the demand is just as great as in 2006. Lower supply, but same demand has driven prices up from 2006.

For existing condominium units, we've seen the same pattern as single family housing – 48 new listings so far this year versus 65 for the same period of 2006. But these figures are distorted with the new condominium projects that are being developed and on sale at the old Rickey's Hyatt Hotel & East Meadow Circle, which are adding over 200 units to the supply. The new developments have been popular; with 99% of what's been released so far having been sold.

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

When a rental has been abandoned ...

This excerpt is from the California Association of Realtor's web site:

The owner of an apartment building decides to visit a tenant whose rent was two weeks late and, while passing by the front window of the unit, notices that the apartment appears to be vacant. Can the owner just assume that the tenant abandoned the property, change the locks, and re-rent the apartment? **No.**

California law provides a procedure that the owner or the property manager of the rental real property must follow before assuming that the rented property has been vacated. The focus of this legal article is on this procedure for regaining possession of abandoned real property. A copy of the notice that the owner must send to the tenant is included. However, this article does not address the issue of recovery of damages by the owner.

Q 1. If a landlord believes the rental property has been abandoned, what is the notice that the landlord must provide to the tenant?

A The Notice of Belief of Abandonment ("Notice")

Q 2. Under what circumstances may a landlord give the tenant the Notice in Question 1?

A The landlord may give the Notice only if two conditions have been met: (1) the rent on the property has been due and unpaid for at least 14 consecutive days and (2) the landlord reasonably believes that the tenant has abandoned the property (Cal. Civ. Code § 1951.3(b)).

Q 3. What if the landlord doesn't want to wait the 14-day requirement mentioned in Question 2?

A If a landlord wishes faster action, the landlord may use the unlawful detainer remedy. See California Code of Civil Procedure Sections 1161-1179a. See also, the C.A.R. legal article, Unlawful Detainer: The Eviction Process in California.

To be continued in the next newsletter

If you have any questions, please feel free to give me a call.

To receive this newsletter by e-mail, please send your e-mail address to 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	Range: \$1495-3200 Average: \$2,068	Range: \$1800-5950 Average: \$2,955	Range: \$2800-6800 Average: \$4,132
College Terrace, Evergreen Park, Southgate	Range: \$1400-3500 Average: \$2,095	Range: \$2000-3850 Average: \$2,751	Range: \$2900-7000 Average: \$4,567
Crescent Park	Range: \$1550-6250 Average: \$2,864	Range: \$2000-8000 Average: \$4,226	Range: \$4200-9900 Average: \$6,298
Downtown North/University South	Range: \$1500-5500 Average: \$2,498	Range: \$1695-6500 Average: \$3,261	Range: \$2900-7500 Average: \$4,915
Duveneck, Triple El, Community Center	Range: \$1600-3500 Average: \$2,310	Range: \$2000-5900 Average: \$3,234	Range: \$2400-7900 Average: \$4,338
Fairmeadow, Meadow Park, Charleston Gardens	Range: \$1500 Average: \$1,500	Range: \$1800-5500 Average: \$2,697	Range: \$2250-4800 Average: \$3,448
Green Meadow	Range: \$1295-2700 Average: \$1,796	Range: \$1899-3250 Average: \$2,556	Range: \$3400-3675 Average: 3,039
Midtown	Range: \$1350-3600 Average: \$2,095	Range: \$1595-4700 Average: \$2,592	Range: \$2250-7500 Average: \$3,475
Old Palo Alto, Leland Manor	Range: \$1400-3500 Average: \$2,273	Range: \$1995-8000 Average: \$3,534	Range: \$2400-6950 Average: \$4,779
Palo Verde, South of Midtown	Range: \$1395-2195 Average: \$1,765	Range: \$1975-4100 Average: \$2,589	Range: \$2750-5495 Average: \$4,039
Ventura, Charleston Meadows	Range: \$1500-2600 Average: \$1,964	Range: \$1600-5300 Average: \$2,414	Range: \$1995-6200 Average: \$3,345

Data Points: 1418

Sample Property Sales: Jan, 2007 – Mar, 2007

Neighborhood	Street	Type	Bed	Bath	Sales Price
Barron Park/Green Acres	Thain Way	Condo	2	2	\$815,000
Barron Park	Encina Grande	House	4	2	\$1,750,000
Community Center	Wilson St	House	4	2	\$2,450,000
Crescent Park	Arcadia Pl	House	3	2	\$2,000,000
Downtown North	Everett	Condo	2	2	\$715,000
Green Gables	Iris Way	House	4	2	\$1,600,000
Green Gables	Santa Ana	House	3	2	\$1,298,000
Greenmeadow	El Capitan	House	3	2	\$1,411,000
Greenmeadow	Greenmeadow	Condo	2	2	\$635,000
Midtown	Maddux	House	3	1	\$1,020,000
Midtown	Bryant	House	3	1	\$1,405,000
Midtown	Middlefield	Condo	3	2	\$705,000
Southgate	Castilleja	House	3	2	\$1,583,000

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