

Palo Alto Rental Property Newsletter – October, 2007 ©



Leon Leong, Realtor
 California DRE License #01432446
 Office: 650-224-4574
 E-Mail: lleong@cashin.com

Cashin Company Realtors
 400 Hamilton Ave – Suite 130
 Palo Alto, CA 94301
www.cashin.com



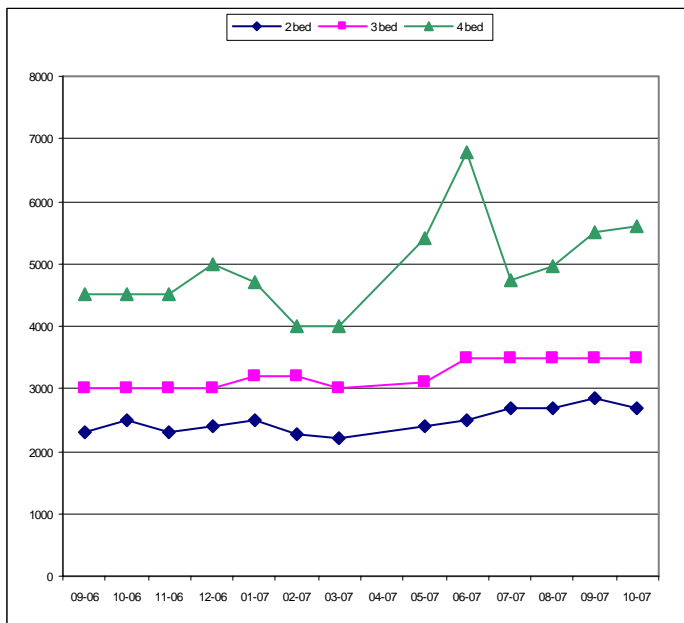
Neighborhood Rental Rates

I counted over 51 single family & condominium rentals in September, down from the 71 advertised in August. The median advertised prices:

- Of the 2 bedroom homes, the median price is \$2,700/month, with 2/3rd priced above \$2,500.
- Of the 3 bedroom homes, the median rental price is \$3,500, with 2/3rd priced above \$3,000.
- Of 4 bedroom homes, the median rental price is \$5,600 with 2/3rd priced above \$4,250.

The demographics of demand changes after August, which is when school starts. Prior to the school year starting, I found that the majority of calls were families, looking to move to Palo Alto for the schools. In September, although I found that the majority of calls were more Stanford affiliated & professional couples.

The following chart show the median prices for 2, 3 & 4 bedroom houses/condos for the past year. There is no data for April (I was on vacation during that month and could not gather accurate statistics). As you can see, the rental rates have jumped up quite a bit this year.



Property Sales.

The second busiest time of the year in real estate is between Labor Day through Halloween (the busiest time is of the year is in the spring). As buyers and sellers come back from their summer vacations, we see a pickup in activity, from more listings coming onto the market, to more buyers coming through open houses.

We can get a sense of which price points are highest in demand by looking at the average ratio between Sales Price & List Price. A ratio over 1.00 indicates stronger demand, as multiple offers push up the sales price over the list price. A ration less than 1.00 indicates weaker demand, and with less buyers competing in that price range.

Here's where we see the price breaks in the Palo Alto real estate market:

List Price Range	Average Sales/List Price
Less than \$1,000,000	1.16
\$1,000,000 - \$1,299,999	1.11
\$1,300,000 - \$1,599,999	1.07
\$1,600,000 - \$1,999,999	1.04
\$2,000,000 - \$2,499,999	1.02
Above \$2,500,000	0.97

The ratio is an **average** of all single family homes listed & sold in 2007. Any particular sale may vary from the ratio depending on location, condition, and list price.

Our local market in Palo Alto is very different than what you read about in the rest of the country. A correctly priced property under \$2,000,000 continues to be in high demand in our area (the key though, is to correctly price the property). Strong jobs growth, and a smaller than usual inventory level has helped to appreciate property values in our highly desirable city.

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

Palo Alto Rental Property Newsletter – October, 2007 ©

Leon Leong, Realtor
 California DRE License #01432446
 Office: 650-224-4574
 E-Mail: lleong@cashin.com

Cashin Company Realtors
 400 Hamilton Ave – Ste 130
 Palo Alto, CA 94301
 www.cashin.com



Rental Rates by Neighborhood © - Single Family Homes/Condos

Neighborhood	2 Bedroom	3 Bedroom	4+ Bedroom
Barron Park, Green Acres	Range: \$1600-3200 Average: \$2,146	Range: \$1800-5950 Average: \$2,999	Range: \$2800-6750 Average: \$4,089
College Terrace, Evergreen Park, Southgate	Range: \$1400-3500 Average: \$2,137	Range: \$2000-3850 Average: \$2,805	Range: \$2900-7000 Average: \$4,615
Crescent Park	Range: \$1550-6250 Average: \$2,956	Range: \$2000-8000 Average: \$4,309	Range: \$4200-15000 Average: \$6,897
Downtown North/University South	Range: \$1500-6000 Average: \$2,616	Range: \$1695-6500 Average: \$3,337	Range: \$2900-7500 Average: \$5,050
Duveneck, Triple El, Community Center	Range: \$1600-3500 Average: \$2,351	Range: \$2000-6000 Average: \$3,383	Range: \$2400-7900 Average: \$4,493
Fairmeadow, Meadow Park, Charleston Gardens	Range: \$1500-2100 Average: \$1,800	Range: \$1800-5500 Average: \$2,807	Range: \$2250-4800 Average: \$3,486
Green Meadow	Range: \$1295-2700 Average: \$1,855	Range: \$1899-4500 Average: \$2,603	Range: \$2600-3675 Average: 3,169
Midtown	Range: \$1350-3600 Average: \$2,148	Range: \$1595-4800 Average: \$2,687	Range: \$2250-9500 Average: \$3,692
Old Palo Alto, Leland Manor	Range: \$1400-3500 Average: \$2,334	Range: \$1995-8000 Average: \$3,576	Range: \$2400-12000 Average: \$5,171
Palo Verde, South of Midtown	Range: \$1395-2195 Average: \$1,765	Range: \$1975-7500 Average: \$2,738	Range: \$2750-6850 Average: \$4,189
Ventura, Charleston Meadows	Range: \$1500-2600 Average: \$1,973	Range: \$1600-5450 Average: \$2,641	Range: \$1995-6200 Average: \$3,308

Data Points: 1539

Sample Property Sales: Jul - Sep, 2007

Neighborhood	Street	Type	Bed	Bath	Sales Price
Barron Park/Green Acres	Driscoll Pl	Townhouse	3	3.5	\$950,000
Barron Park/Green Acres	Matadero	House	5	3	\$1,755,000
College Terrace	Yale	Townhouse	2	2.5	\$841,500
Fairmeadow	Roosevelt Cir	House	3	2	\$1,190,000
Green Gables	Stanley Way	House	3	2	\$1,726,000
Meadow Park	Gailen Ct	House	3	2	\$1,298,000
Midtown	David	House	3	2	\$1,162,000
Midtown	Wellsbury	House	3	2	\$1,639,000
South Midtown	Ramona	House	3	2	\$1,275,000
South Midtown	Saint Michael Dr	House	4	2	\$1,657,000
Southgate	Madrono	House	3	1.5	\$1,365,000
University South	Forest Ave	Condo	2	2	\$700,000
University South	Channing Ave	Townhouse	3	2	\$935,000

To receive this newsletter by e-mail, please send your e-mail address to lleong@cashin.com