

# The 2005 Annual Real Estate Report

Local market trends



## Real Estate Service With My Personal Guarantee

January 2006

### Median Home Price Gains 17.7% for the Year, Sales Fall

The Santa Clara County real estate market started 2005 off strong and then faded down the stretch.

Year-over-year appreciation was in the high teens and low twenties for the first eight months of the year before falling into the low teens the last four months.

The median price for single-family homes for the year was \$739,000, a gain of 17.7% over 2004. The average price gained 18% to \$894,788.

Condo prices fared better with the median price up 21.8% to \$475,000 over 2004 and the average price up 20.5% to \$499,984.

Increasing inventory and buyer reluctance put a brake on sales. Single-family home sales were off 12.5% and condo sales were down 7%.

#### 2006 Forecast

Let's start by examining last year's predictions.

The National Association of Realtors said:

- national sales to drop 2.5%, 2005 will still be second best year ever,
- median home price to increase by 5.3%, and

- mortgage rates to increase, will be 6.5% at the end of 2005.

Well, home sales set another new record, up 4.7%, the median national home price rose 12.7% to \$208,800 and 30-year fixed mortgage rates ended the year under 6.5%.

Next, the California Association of Realtors:

- California sales to decline by 2.5%,
- median home price to increase by 15%, and
- mortgage rates to approach 7% by the end of the year.

Sales rose 1.8% and the median price of a California home gained 16%.

The Real Estate Report said about Santa Clara County:

- sales will decline by 5%,
- the median home price will gain 10%, and
- mortgage rates will go over 7%.

Home sales fell 12.5% and the median home price gained 17.7%, and mortgage rates ended the year under 6.5%.

So let's see what everyone is predicting for this year.

First, the National Association of Realtors:

- national sales to drop 3.7%, 2006 to be second best year ever,
- median home price to increase by 6.1%, and
- mortgage rates to increase, will be 6.6% at the end of 2006.

Next, the California Association of Realtors:

- California sales to decline by 2% in 2006,
- median home price to increase by 10%, and
- mortgage rates to be in the low- to mid-7%.

Now, what do we think is going to happen in Santa Clara County this year:

- sales will decline by 5%,
- the median home price will gain less than 10%, and
- mortgage rates will approach 7%.

Demand is weakening and inventory is climbing, exactly the opposite of the situation at the end of 2004. This combination will push us into a buyers' market this year.

#### Inside this issue are Annual statistics for:

- Santa Clara County
- Campbell
- Cupertino
- Gilroy
- Los Altos
- Los Altos Hills
- Los Gatos
- Milpitas
- Monte Sereno
- Morgan Hill
- Mountain View
- Palo Alto
- San Jose
- Santa Clara
- Saratoga
- Sunnyvale

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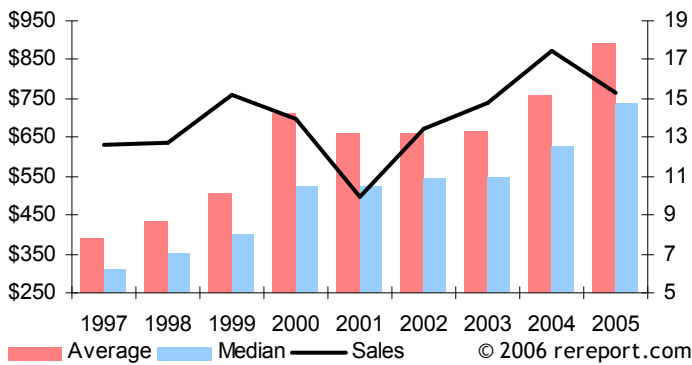
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# Santa Clara County Statistics

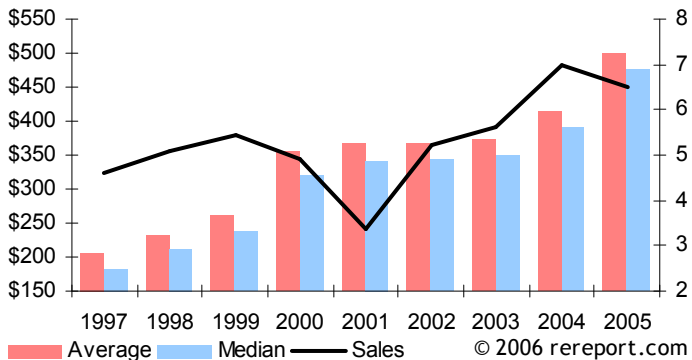
SINGLE-FAMILY HOMES							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
SCC	1997	12,619	\$313,650	\$389,169	43	17,442				
SCC	1998	12,726	\$355,000	\$436,662	39	20,807	0.8%	13.2%	12.2%	19.3%
SCC	1999	15,207	\$399,000	\$508,222	43	18,975	19.5%	12.4%	16.4%	-8.8%
SCC	2000	14,002	\$525,000	\$710,713	28	18,905	-7.9%	31.6%	39.8%	-0.4%
SCC	2001	9,917	\$525,000	\$661,889	54	24,146	-29.2%	0.0%	-6.9%	27.7%
SCC	2002	13,415	\$545,000	\$660,030	51	23,611	35.3%	3.8%	-0.3%	-2.2%
SCC	2003	14,818	\$550,000	\$665,222	58	23,628	10.5%	0.9%	0.8%	0.1%
SCC	2004	17,464	\$628,000	\$758,089	34	23,367	17.9%	14.2%	14.0%	-1.1%
SCC	2005	15,281	\$739,000	\$894,788	29	22,962	-12.5%	17.7%	18.0%	-1.7%

County Homes - Prices vs. Sales (000's)



CONDOS							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
SCC	1997	4,581	\$183,500	\$205,818	35	5,886				
SCC	1998	5,086	\$212,000	\$232,781	31	6,779	11.0%	15.5%	13.1%	15.2%
SCC	1999	5,454	\$239,000	\$262,807	31	5,788	7.2%	12.7%	12.9%	-14.6%
SCC	2000	4,895	\$320,000	\$354,628	20	5,876	-10.2%	33.9%	34.9%	1.5%
SCC	2001	3,387	\$340,000	\$367,007	47	7,934	-30.8%	6.3%	3.5%	35.0%
SCC	2002	5,238	\$345,000	\$366,638	47	8,140	54.7%	1.5%	-0.1%	2.6%
SCC	2003	5,634	\$350,000	\$374,347	57	8,304	7.6%	1.4%	2.1%	2.0%
SCC	2004	6,994	\$390,000	\$415,059	27	8,028	24.1%	11.4%	10.9%	-3.3%
SCC	2005	6,501	\$475,000	\$499,984	21	8,668	-7.0%	21.8%	20.5%	8.0%

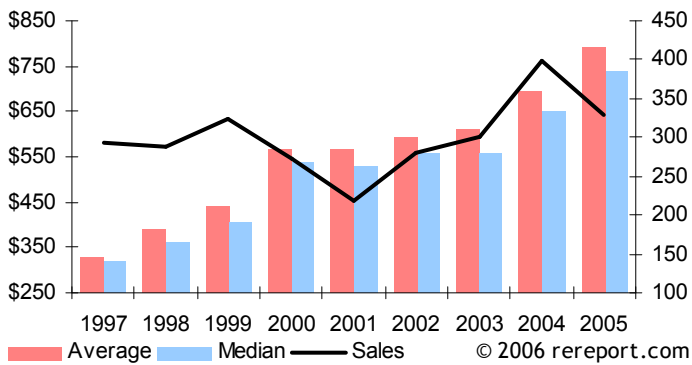
County Condos - Prices vs. Sales (000's)



# Campbell Statistics

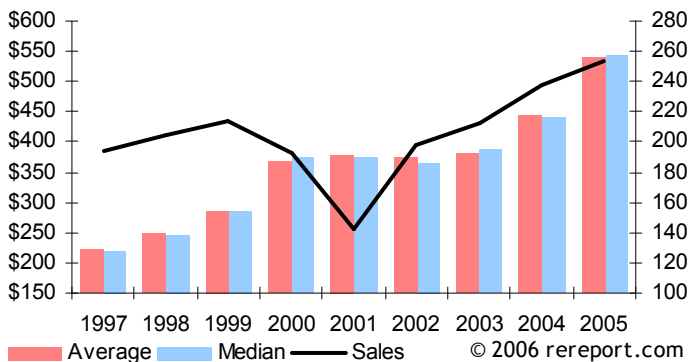
SINGLE-FAMILY HOMES							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
CA	1997	294	\$319,500	\$330,493	33	398				
CA	1998	287	\$360,000	\$389,711	39	543	-2.4%	12.7%	17.9%	36.4%
CA	1999	323	\$405,000	\$438,984	44	450	12.5%	12.5%	12.6%	-17.1%
CA	2000	273	\$535,000	\$566,353	31	400	-15.5%	32.1%	29.0%	-11.1%
CA	2001	219	\$529,000	\$567,957	52	521	-19.8%	-1.1%	0.3%	30.3%
CA	2002	280	\$560,250	\$595,236	45	496	27.9%	5.9%	4.8%	-4.8%
CA	2003	302	\$560,000	\$611,880	53	509	7.9%	0.0%	2.8%	2.6%
CA	2004	398	\$652,000	\$697,231	34	560	31.8%	16.4%	13.9%	10.0%
CA	2005	328	\$740,000	\$791,764	27	471	-17.6%	13.5%	13.6%	-15.9%

**Campbell Homes - Prices vs. Sales (\$000's)**



CONDOS							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
CA	1997	194	\$218,000	\$221,421	31	253				
CA	1998	204	\$245,000	\$247,844	29	290	5.2%	12.4%	11.9%	14.6%
CA	1999	214	\$285,000	\$284,033	36	234	4.9%	16.3%	14.6%	-19.3%
CA	2000	192	\$373,500	\$370,000	18	223	-10.3%	31.1%	30.3%	-4.7%
CA	2001	143	\$375,000	\$377,272	47	317	-25.5%	0.4%	2.0%	42.2%
CA	2002	198	\$366,500	\$373,702	32	292	38.5%	-2.3%	-0.9%	-7.9%
CA	2003	213	\$388,000	\$382,831	46	283	7.6%	5.9%	2.4%	-3.1%
CA	2004	238	\$440,000	\$444,108	21	249	11.7%	13.4%	16.0%	-12.0%
CA	2005	254	\$545,000	\$541,167	18	351	6.7%	23.9%	21.9%	41.0%

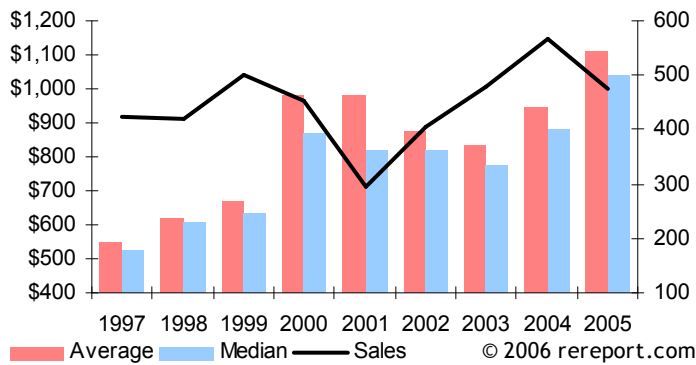
**Campbell Condos - Prices vs. Sales (\$000's)**



# Cupertino Statistics

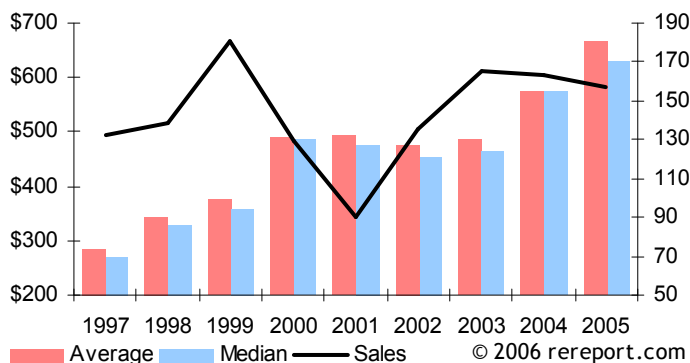
SINGLE-FAMILY HOMES							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
CU	1997	423	\$525,000	\$546,955	36	563				
CU	1998	420	\$608,500	\$620,347	36	745	-0.7%	15.9%	13.4%	32.3%
CU	1999	502	\$634,000	\$670,342	41	642	19.5%	4.2%	8.1%	-13.8%
CU	2000	454	\$871,400	\$979,552	22	608	-9.6%	37.4%	46.1%	-5.3%
CU	2001	296	\$815,500	\$982,984	53	806	-34.8%	-6.4%	0.4%	32.6%
CU	2002	405	\$815,000	\$879,254	52	752	36.8%	-0.1%	-10.6%	-6.7%
CU	2003	480	\$776,000	\$837,488	63	816	18.5%	-4.8%	-4.8%	8.5%
CU	2004	566	\$885,000	\$944,781	31	776	17.9%	14.0%	12.8%	-4.9%
CU	2005	475	\$1,040,000	\$1,113,694	27	752	-16.1%	17.5%	17.9%	-3.1%

**Cupertino Homes - Prices vs. Sales (\$000's)**



CONDOS							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
CU	1997	132	\$270,500	\$284,593	22	166				
CU	1998	139	\$330,000	\$344,647	27	184	5.3%	22.0%	21.1%	10.8%
CU	1999	181	\$357,000	\$378,131	25	184	30.2%	8.2%	9.7%	0.0%
CU	2000	129	\$485,000	\$492,136	15	149	-28.7%	35.9%	30.1%	-19.0%
CU	2001	90	\$476,500	\$495,126	47	216	-30.2%	-1.8%	0.6%	45.0%
CU	2002	135	\$455,000	\$476,700	35	219	50.0%	-4.5%	-3.7%	1.4%
CU	2003	165	\$465,000	\$488,197	47	224	22.2%	2.2%	2.4%	2.3%
CU	2004	163	\$575,000	\$574,296	28	185	-1.2%	23.7%	17.6%	-17.4%
CU	2005	157	\$630,000	\$665,114	21	235	-3.7%	9.6%	15.8%	27.0%

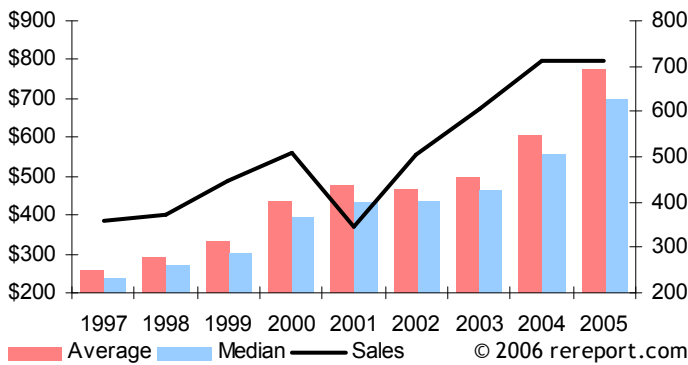
**Cupertino Condos - Prices vs. Sales (\$000's)**



# Gilroy Statistics

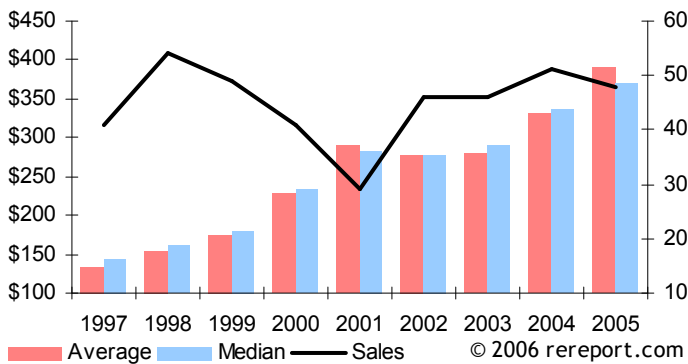
SINGLE-FAMILY HOMES							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
GY	1997	358	\$235,000	\$258,007	84	457				
GY	1998	374	\$270,000	\$292,286	48	579	4.5%	14.9%	13.3%	26.7%
GY	1999	446	\$305,500	\$334,815	66	542	19.3%	13.1%	14.6%	-6.4%
GY	2000	511	\$395,000	\$434,568	40	641	14.6%	29.3%	29.8%	18.3%
GY	2001	347	\$430,000	\$478,904	66	822	-32.1%	8.9%	10.2%	28.2%
GY	2002	504	\$437,000	\$468,884	62	803	45.2%	1.6%	-2.1%	-2.3%
GY	2003	606	\$463,000	\$498,781	59	871	20.2%	5.9%	6.4%	8.5%
GY	2004	713	\$555,000	\$608,219	34	892	0.177	0.1987	21.9%	2.4%
GY	2005	712	\$700,000	\$778,091	29	1,071	-0.1%	26.1%	27.9%	20.1%

**Gilroy Homes - Prices vs. Sales (\$000's)**



CONDOS							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
GY	1997	41	\$143,000	\$134,430	113	60				
GY	1998	54	\$162,150	\$155,012	34	69	31.7%	13.4%	15.3%	15.0%
GY	1999	49	\$180,000	\$175,744	45	47	-9.3%	11.0%	13.4%	-31.9%
GY	2000	41	\$235,000	\$228,998	20	51	-16.3%	30.6%	30.3%	8.5%
GY	2001	29	\$283,000	\$291,705	38	47	-29.3%	20.4%	27.4%	-7.8%
GY	2002	46	\$277,000	\$276,785	55	60	58.6%	-2.1%	-5.1%	27.7%
GY	2003	46	\$290,000	\$279,247	65	65	0.0%	4.7%	0.9%	8.3%
GY	2004	51	\$337,000	\$331,092	23	52	10.9%	16.2%	18.6%	-20.0%
GY	2005	48	\$370,000	\$390,417	20	59	-5.9%	9.8%	17.9%	13.5%

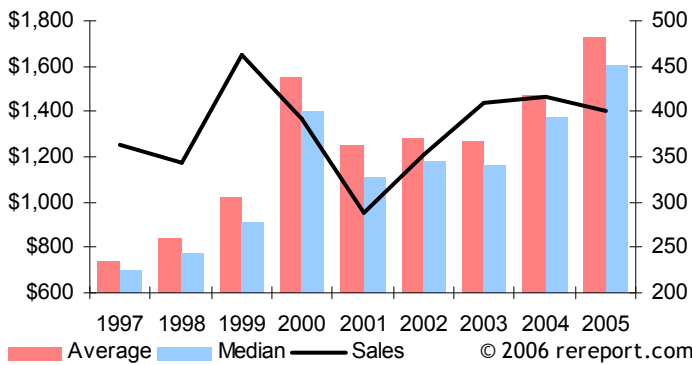
**Gilroy Condos - Prices vs. Sales (\$000's)**



# Los Altos Statistics

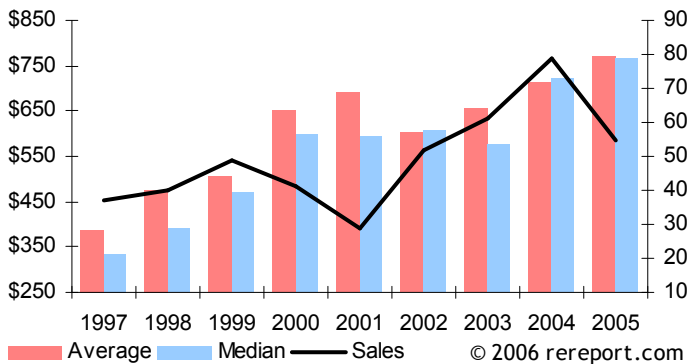
SINGLE-FAMILY HOMES							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
LA	1997	363	\$698,000	\$743,358	32	432				
LA	1998	343	\$780,000	\$842,623	33	552	-5.5%	11.7%	13.4%	27.8%
LA	1999	462	\$908,000	\$1,023,786	35	524	34.7%	16.4%	21.5%	-5.1%
LA	2000	392	\$1,402,000	\$1,556,909	21	481	-15.2%	54.4%	52.1%	-8.2%
LA	2001	289	\$1,110,000	\$1,252,362	56	573	-26.3%	-20.8%	-19.6%	19.1%
LA	2002	352	\$1,186,500	\$1,281,937	49	554	21.8%	6.9%	2.4%	-3.3%
LA	2003	410	\$1,169,000	\$1,273,768	61	548	16.5%	-1.5%	-0.6%	-1.1%
LA	2004	417	\$1,375,000	\$1,476,103	28	540	1.7%	17.6%	15.9%	-1.5%
LA	2005	400	\$1,602,000	\$1,730,539	32	590	-4.1%	16.5%	17.2%	9.3%

Los Altos Homes - Prices vs. Sales (\$000's)



CONDOS							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
LA	1997	37	\$335,000	\$386,956	37	41				
LA	1998	40	\$392,000	\$474,607	28	59	8.1%	17.0%	22.7%	43.9%
LA	1999	49	\$470,000	\$506,132	43	63	22.5%	19.9%	6.6%	6.8%
LA	2000	41	\$600,000	\$652,475	16	49	-16.3%	27.7%	28.9%	-22.2%
LA	2001	29	\$596,000	\$692,862	49	73	-29.3%	-0.7%	6.2%	49.0%
LA	2002	52	\$609,500	\$603,768	71	78	79.3%	2.3%	-12.9%	6.8%
LA	2003	61	\$575,000	\$656,847	98	116	17.3%	-5.7%	8.8%	48.7%
LA	2004	79	\$719,900	\$714,910	65	92	29.5%	25.2%	8.8%	-20.7%
LA	2005	55	\$764,000	\$771,151	33	76	-30.4%	6.1%	7.9%	-17.4%

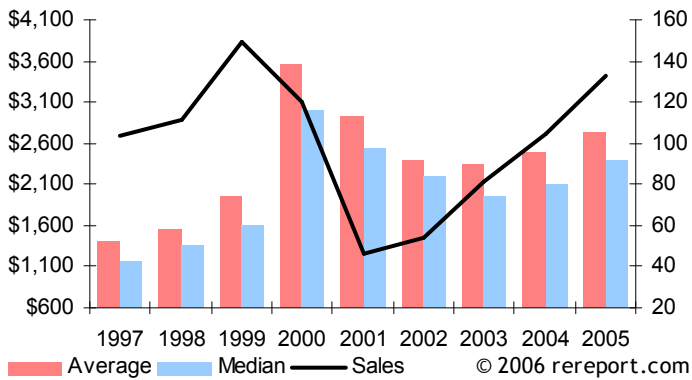
Los Altos Condos - Prices vs. Sales (\$000's)



# Los Altos Hills Statistics

SINGLE-FAMILY HOMES							% Change from Year Before			
Area	Year	Sales	Median	Average	DOM	New	Median		Average	New
			Price	Price		Listings	Price	Price	Listings	
LAH	1997	104	\$1,163,750	\$1,393,400	91	140				
LAH	1998	111	\$1,342,500	\$1,543,509	70	210	6.7%	15.4%	10.8%	50.0%
LAH	1999	149	\$1,600,000	\$1,969,513	68	188	34.2%	19.2%	27.6%	-10.5%
LAH	2000	120	\$2,996,500	\$3,570,489	32	171	-19.5%	87.3%	81.3%	-9.0%
LAH	2001	46	\$2,547,500	\$2,925,456	94	145	-61.7%	-15.0%	-18.1%	-15.2%
LAH	2002	54	\$2,200,000	\$2,393,037	106	175	17.4%	-13.6%	-18.2%	20.7%
LAH	2003	81	\$1,955,000	\$2,345,925	100	163	50.0%	-11.1%	-2.0%	-6.9%
LAH	2004	105	\$2,110,000	\$2,503,365	81	249	29.6%	7.9%	6.7%	52.8%
LAH	2005	133	\$2,400,000	\$2,746,940	94	280	26.7%	13.7%	9.7%	12.4%

Los Altos Hills Homes - Prices vs. Sales (\$000's)



This information is brought to you by Avi Urban

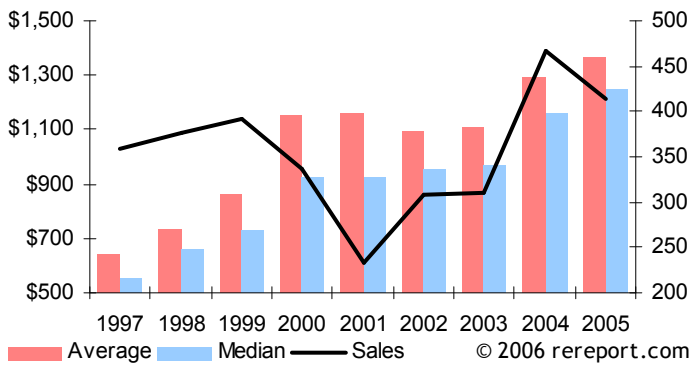
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# Los Gatos Statistics

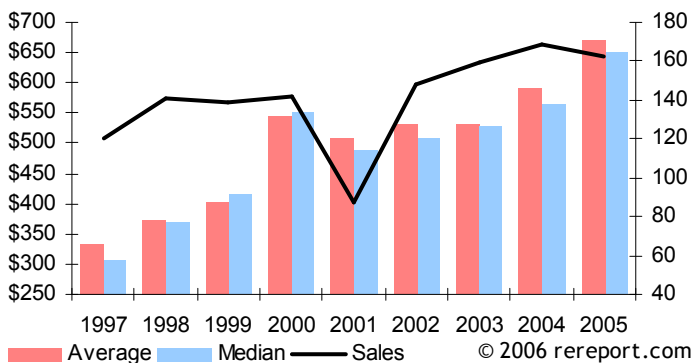
SINGLE-FAMILY HOMES							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
LG	1997	359	\$550,000	\$641,487	66	611				
LG	1998	376	\$660,000	\$735,738	55	687	4.7%	20.0%	14.7%	12.4%
LG	1999	391	\$730,000	\$863,248	66	575	4.0%	10.6%	17.3%	-16.3%
LG	2000	337	\$925,000	\$1,157,133	40	538	-13.8%	26.7%	34.0%	-6.4%
LG	2001	232	\$925,000	\$1,164,241	65	731	-31.2%	0.0%	0.6%	35.9%
LG	2002	309	\$955,000	\$1,096,678	71	706	33.2%	3.2%	-5.8%	-3.4%
LG	2003	310	\$970,000	\$1,113,078	90	717	0.3%	1.6%	1.5%	1.6%
LG	2004	466	\$1,165,000	\$1,294,057	61	905	50.3%	20.1%	16.3%	26.2%
LG	2005	413	\$1,251,000	\$1,366,305	56	823	-11.4%	7.4%	5.6%	-9.1%

Los Gatos Homes - Prices vs. Sales (\$000's)



CONDOS							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
LG	1997	120	\$307,500	\$331,610	38	172				
LG	1998	141	\$369,500	\$371,263	38	202	17.5%	20.2%	12.0%	17.4%
LG	1999	139	\$415,000	\$401,278	41	185	-1.4%	12.3%	8.1%	-8.4%
LG	2000	142	\$549,500	\$546,117	27	168	2.2%	32.4%	36.1%	-9.2%
LG	2001	87	\$487,500	\$508,365	63	243	-38.7%	-11.3%	-6.9%	44.6%
LG	2002	148	\$507,500	\$532,005	65	280	70.1%	4.1%	4.7%	15.2%
LG	2003	159	\$529,000	\$531,194	90	277	7.4%	4.2%	-0.2%	-1.1%
LG	2004	169	\$563,000	\$590,146	41	248	6.3%	6.4%	11.1%	-10.5%
LG	2005	163	\$650,000	\$670,409	36	222	-3.6%	15.5%	13.6%	-10.5%

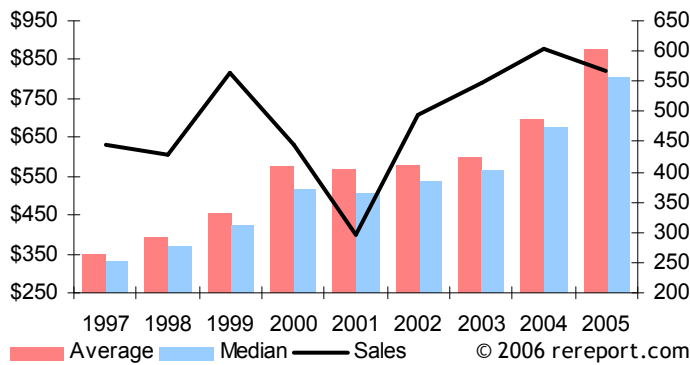
Los Gatos Condos - Prices vs. Sales (\$000's)



# Morgan Hill Statistics

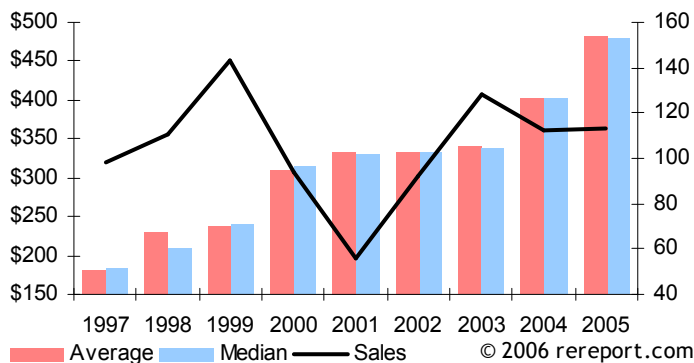
SINGLE-FAMILY HOMES							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
MH	1997	445	\$330,000	\$348,918	73	564				
MH	1998	427	\$366,500	\$396,146	52	700	-4.0%	11.1%	13.5%	24.1%
MH	1999	565	\$424,950	\$453,637	69	683	32.3%	15.9%	14.5%	-2.4%
MH	2000	444	\$519,000	\$572,876	34	569	-21.4%	22.1%	26.3%	-16.7%
MH	2001	297	\$507,000	\$571,309	62	910	-33.1%	-2.3%	-0.3%	59.9%
MH	2002	494	\$539,725	\$580,224	85	850	66.3%	6.5%	1.6%	-6.6%
MH	2003	546	\$565,000	\$598,947	81	903	10.5%	4.7%	3.2%	6.2%
MH	2004	603	\$675,000	\$698,715	42	814	10.4%	19.5%	16.7%	-9.9%
MH	2005	568	\$804,000	\$876,104	42	901	-5.8%	19.1%	25.4%	10.7%

**Morgan Hill Homes - Prices vs. Sales (\$000's)**



CONDOS							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
MH	1997	98	\$182,250	\$182,022	54	112				
MH	1998	111	\$209,500	\$229,403	30	150	13.3%	15.0%	26.0%	33.9%
MH	1999	143	\$240,000	\$237,292	39	148	28.8%	14.6%	3.4%	-1.3%
MH	2000	94	\$314,800	\$309,610	18	128	-34.3%	31.2%	30.5%	-13.5%
MH	2001	56	\$329,999	\$331,444	51	120	-40.4%	4.8%	7.1%	-6.3%
MH	2002	92	\$333,500	\$332,096	62	154	64.3%	1.1%	0.2%	28.3%
MH	2003	128	\$338,000	\$340,255	60	155	39.1%	1.3%	2.5%	0.6%
MH	2004	112	\$401,000	\$402,224	20	134	-12.5%	18.6%	18.2%	-13.5%
MH	2005	113	\$480,000	\$482,540	18	138	0.9%	19.7%	20.0%	3.0%

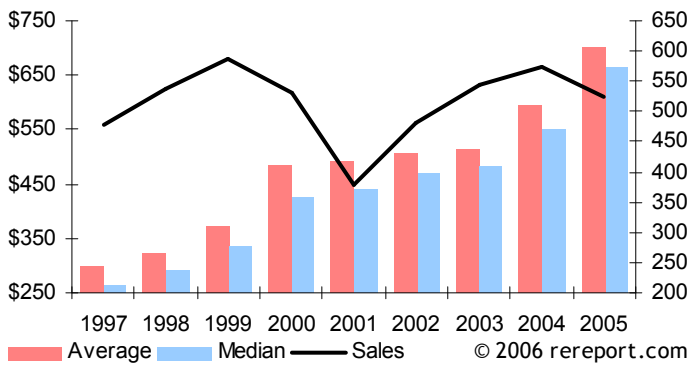
**Morgan Hill Condos - Prices vs. Sales (\$000's)**



# Milpitas Statistics

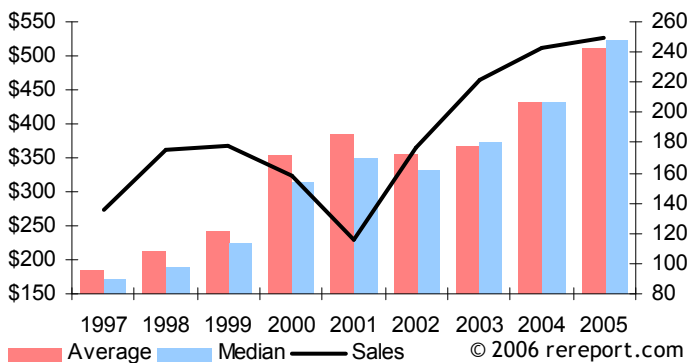
SINGLE-FAMILY HOMES							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
MI	1997	478	\$266,200	\$297,757	34	679				
MI	1998	538	\$290,000	\$322,949	34	802	12.6%	8.9%	8.5%	18.1%
MI	1999	588	\$335,000	\$369,950	34	723	9.3%	15.5%	14.6%	-9.9%
MI	2000	531	\$425,000	\$483,774	22	656	-9.7%	26.9%	30.8%	-9.3%
MI	2001	380	\$440,000	\$491,395	53	839	-28.4%	3.5%	1.6%	27.9%
MI	2002	482	\$470,000	\$508,365	40	840	26.8%	6.8%	3.5%	0.1%
MI	2003	545	\$480,000	\$513,063	51	755	13.1%	2.1%	0.9%	-10.1%
MI	2004	574	\$553,000	\$597,308	25	687	5.3%	15.2%	16.4%	-9.0%
MI	2005	523	\$666,750	\$701,811	21	693	-8.9%	20.6%	17.5%	0.9%

Milpitas Homes - Prices vs. Sales (\$000's)



CONDOS							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
MI	1997	135	\$170,000	\$185,871	27	180				
MI	1998	175	\$189,000	\$210,774	28	234	29.6%	11.2%	13.4%	30.0%
MI	1999	178	\$224,250	\$240,739	22	190	1.7%	18.7%	14.2%	-18.8%
MI	2000	158	\$314,000	\$351,881	14	194	-11.2%	40.0%	46.2%	2.1%
MI	2001	116	\$350,444	\$384,937	35	279	-26.6%	11.6%	9.4%	43.8%
MI	2002	176	\$333,000	\$354,857	47	280	51.7%	-5.0%	-7.8%	0.4%
MI	2003	221	\$372,500	\$369,110	53	282	25.6%	11.9%	4.0%	0.7%
MI	2004	243	\$432,000	\$433,535	21	289	10.0%	16.0%	17.5%	2.5%
MI	2005	249	\$524,000	\$512,588	22	308	2.5%	21.3%	18.2%	6.6%

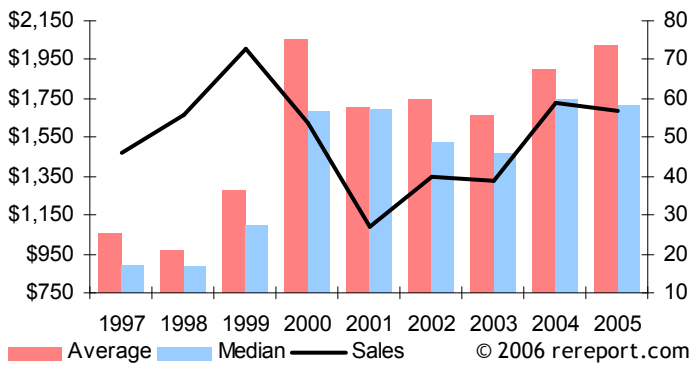
Milpitas Condos - Prices vs. Sales (\$000's)



# Monte Sereno Statistics

SINGLE-FAMILY HOMES							% Change from Year Before			
Area	Year	Sales	Median	Average	New DOM	New Listings				
			Price	Price			Sales	Price	Price	Listings
MS	1997	46	\$899,000	\$1,061,457	87	75				
MS	1998	56	\$880,000	\$969,531	63	102	21.7%	-2.1%	-8.7%	36.0%
MS	1999	73	\$1,100,000	\$1,274,928	63	112	30.4%	25.0%	31.5%	9.8%
MS	2000	54	\$1,682,500	\$2,056,902	40	106	-26.0%	53.0%	61.3%	-5.4%
MS	2001	27	\$1,700,000	\$1,711,595	95	105	-50.0%	1.0%	-16.8%	-0.9%
MS	2002	40	\$1,525,000	\$1,747,638	97	113	48.1%	-10.3%	2.1%	7.6%
MS	2003	39	\$1,470,500	\$1,670,109	93	100	-2.5%	-3.6%	-4.4%	-11.5%
MS	2004	59	\$1,749,950	\$1,901,879	76	137	51.3%	19.0%	13.9%	37.0%
MS	2005	57	\$1,720,000	\$2,021,513	66	124	-3.4%	-1.7%	6.3%	-9.5%

Monte Sereno Homes - Prices vs. Sales (\$000's)



This information is brought to you by Avi Urban

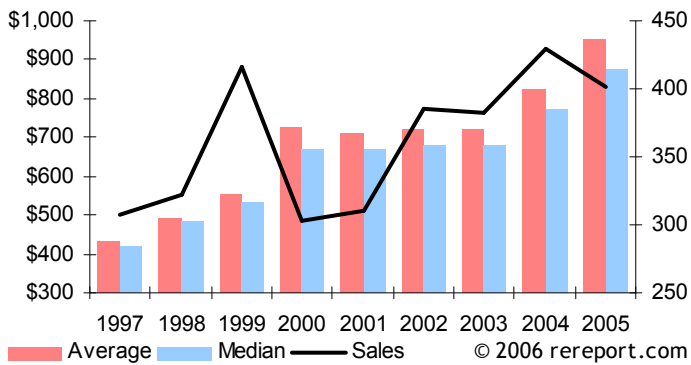
*my success rests on your success™*



# Mountain View Statistics

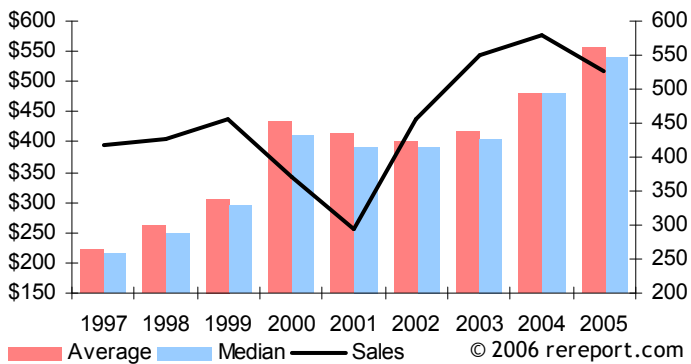
SINGLE-FAMILY HOMES							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
MV	1997	307	\$419,500	\$435,187	29	376				
MV	1998	322	\$483,000	\$490,181	26	434	4.9%	15.1%	12.6%	15.4%
MV	1999	416	\$530,000	\$553,245	27	455	29.2%	9.7%	12.9%	4.8%
MV	2000	303	\$670,000	\$729,146	19	386	-27.2%	26.4%	31.8%	-15.2%
MV	2001	310	\$670,000	\$709,889	41	530	2.3%	0.0%	-2.6%	37.3%
MV	2002	385	\$681,000	\$723,002	40	485	24.2%	1.6%	1.8%	-8.5%
MV	2003	382	\$679,500	\$719,669	41	501	-0.8%	-0.2%	-0.5%	3.3%
MV	2004	430	\$775,000	\$825,518	21	514	12.6%	14.1%	14.7%	2.6%
MV	2005	402	\$875,000	\$954,405	19	494	-6.5%	12.9%	15.6%	-3.9%

Mtn. View Homes - Prices vs. Sales (\$000's)



CONDOS							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
MV	1997	419	\$215,000	\$221,338	22	484				
MV	1998	426	\$248,500	\$262,280	25	507	1.7%	15.6%	18.5%	4.8%
MV	1999	457	\$295,000	\$306,342	27	451	7.3%	18.7%	16.8%	-11.0%
MV	2000	371	\$410,000	\$435,950	14	416	-18.8%	39.0%	42.3%	-7.8%
MV	2001	293	\$390,000	\$415,064	46	644	-21.0%	-4.9%	-4.8%	54.8%
MV	2002	456	\$390,000	\$401,669	42	631	55.6%	0.0%	-3.2%	-2.0%
MV	2003	550	\$406,000	\$418,102	42	678	20.6%	4.1%	4.1%	7.4%
MV	2004	578	\$480,000	\$480,370	17	618	5.1%	18.2%	14.9%	-8.8%
MV	2005	525	\$540,000	\$556,911	18	675	-9.2%	12.5%	15.9%	9.2%

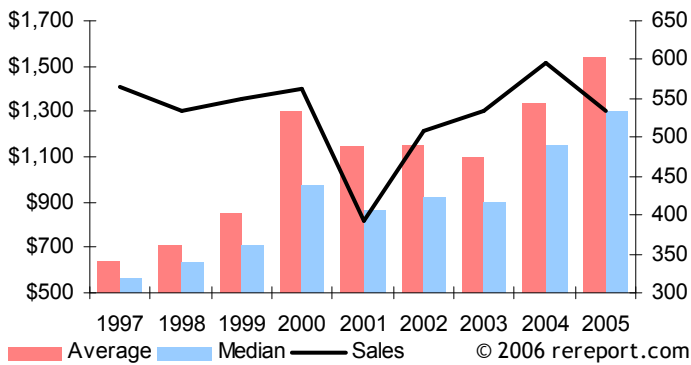
Mtn. View Condos - Prices vs. Sales (\$000's)



# Palo Alto Statistics

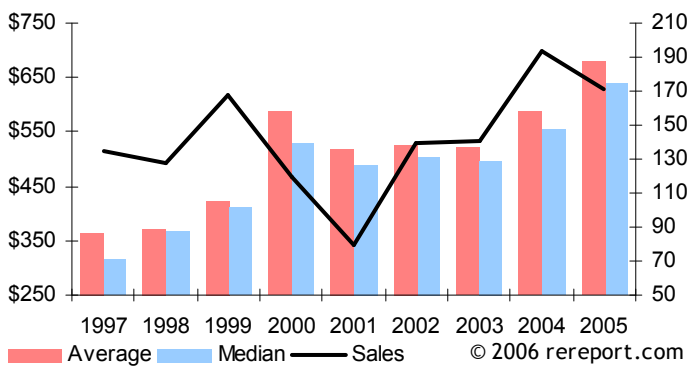
SINGLE-FAMILY HOMES							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
PA	1997	566	\$561,000	\$637,523	28	657				
PA	1998	535	\$628,000	\$712,252	29	664	-5.5%	11.9%	11.7%	1.1%
PA	1999	549	\$715,000	\$852,118	27	644	2.6%	13.9%	19.6%	-3.0%
PA	2000	562	\$977,000	\$1,305,935	23	695	2.4%	36.6%	53.3%	7.9%
PA	2001	393	\$860,000	\$1,144,776	47	724	-30.1%	-12.0%	-12.3%	4.2%
PA	2002	509	\$925,000	\$1,152,922	43	760	29.5%	7.6%	0.7%	5.0%
PA	2003	535	\$900,000	\$1,096,579	44	721	5.1%	-2.7%	-4.9%	-5.1%
PA	2004	595	\$1,150,000	\$1,339,274	30	725	11.2%	27.8%	22.1%	0.6%
PA	2005	533	\$1,300,000	\$1,538,318	24	714	-10.4%	13.0%	14.9%	-1.5%

**Palo Alto Homes - Prices vs. Sales (\$000's)**



CONDOS							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
PA	1997	135	\$315,000	\$365,443	29	179				
PA	1998	128	\$366,000	\$371,097	26	176	-5.2%	16.2%	1.5%	-1.7%
PA	1999	168	\$410,000	\$423,855	27	175	31.3%	12.0%	14.2%	-0.6%
PA	2000	119	\$530,000	\$586,669	18	131	-29.2%	29.3%	38.4%	-25.1%
PA	2001	79	\$490,000	\$519,550	40	169	-33.6%	-7.5%	-11.4%	29.0%
PA	2002	139	\$505,000	\$524,158	50	209	75.9%	3.1%	0.9%	23.7%
PA	2003	141	\$495,000	\$523,495	50	183	1.4%	-2.0%	-0.1%	-12.4%
PA	2004	194	\$554,000	\$589,907	27	228	37.6%	11.9%	12.7%	24.6%
PA	2005	171	\$640,000	\$679,141	22	208	-11.9%	15.5%	15.1%	-8.8%

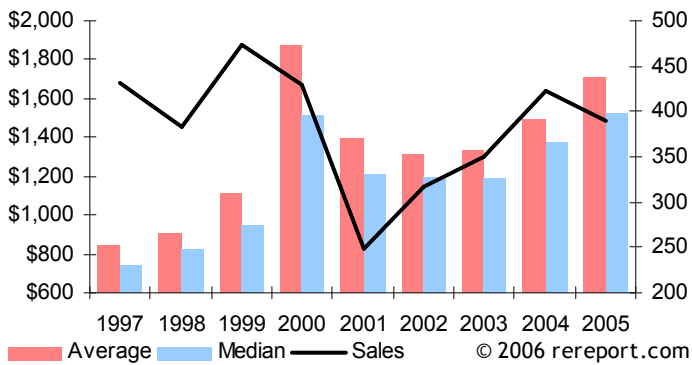
**Palo Alto Condos - Prices vs. Sales (\$000's)**



# Saratoga Statistics

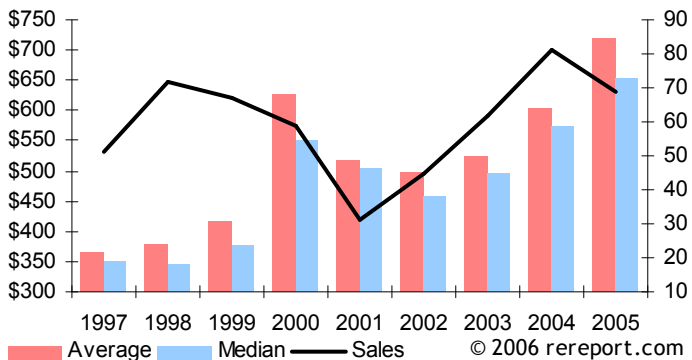
SINGLE-FAMILY HOMES							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
SA	1997	432	\$739,000	\$846,408	47	650				
SA	1998	382	\$825,000	\$906,472	48	658	-11.6%	11.6%	7.1%	1.2%
SA	1999	473	\$951,000	\$1,114,806	51	639	23.8%	15.3%	23.0%	-2.9%
SA	2000	429	\$1,515,000	\$1,875,961	28	690	-9.3%	59.3%	68.3%	8.0%
SA	2001	248	\$1,212,500	\$1,394,316	66	782	-42.2%	-20.0%	-25.7%	13.3%
SA	2002	317	\$1,195,000	\$1,308,475	53	729	27.8%	-1.4%	-6.2%	-6.8%
SA	2003	350	\$1,190,000	\$1,331,479	81	783	10.4%	-0.4%	1.8%	7.4%
SA	2004	423	\$1,369,000	\$1,494,044	50	852	20.9%	15.0%	12.2%	8.8%
SA	2005	389	\$1,525,000	\$1,706,989	56	848	-8.0%	11.4%	14.3%	-0.5%

**Saratoga Homes - Prices vs. Sales (\$000's)**



CONDOS							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
SA	1997	51	\$350,000	\$366,746	41	78				
SA	1998	72	\$345,000	\$378,856	45	104	41.2%	-1.4%	3.3%	33.3%
SA	1999	67	\$375,000	\$414,487	57	92	-6.9%	8.7%	9.4%	-11.5%
SA	2000	59	\$550,000	\$628,822	33	69	-11.9%	46.7%	51.7%	-25.0%
SA	2001	31	\$505,000	\$518,108	69	85	-47.5%	-8.2%	-17.6%	23.2%
SA	2002	45	\$460,000	\$499,142	53	103	45.2%	-8.9%	-3.7%	21.2%
SA	2003	62	\$495,000	\$523,751	96	122	37.8%	7.6%	4.9%	18.4%
SA	2004	81	\$575,000	\$604,419	70	107	30.6%	16.2%	15.4%	-12.3%
SA	2005	69	\$655,000	\$720,085	48	98	-14.8%	13.9%	19.1%	-8.4%

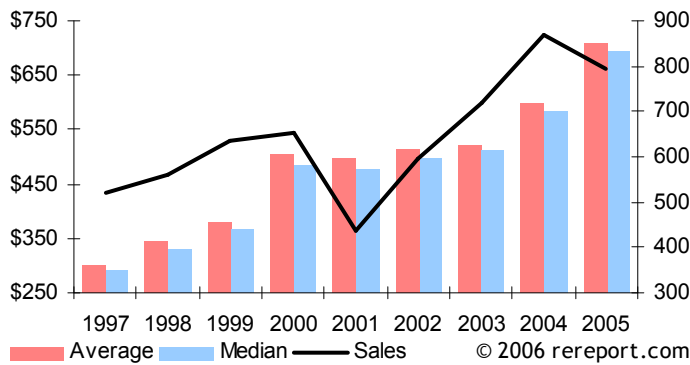
**Saratoga Condos - Prices vs. Sales (\$000's)**



# Santa Clara Statistics

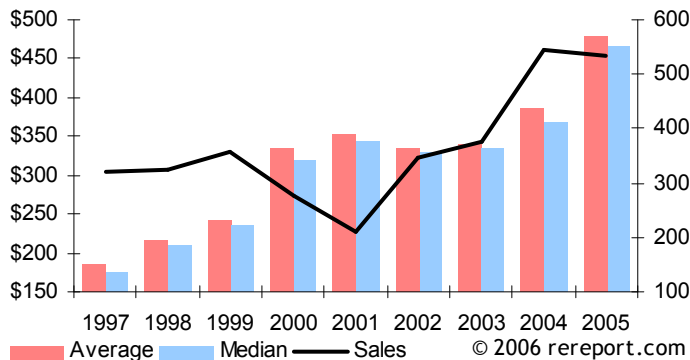
SINGLE-FAMILY HOMES							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
SC	1997	520	\$290,000	\$300,392	35	680				
SC	1998	561	\$330,000	\$345,668	35	939	7.9%	13.8%	15.1%	38.1%
SC	1999	634	\$369,000	\$378,516	39	748	13.0%	11.8%	9.5%	-20.3%
SC	2000	655	\$485,000	\$502,331	24	839	3.3%	31.4%	32.7%	12.2%
SC	2001	438	\$479,500	\$495,955	51	1,011	-33.1%	-1.1%	-1.3%	20.5%
SC	2002	595	\$495,000	\$513,102	46	997	35.8%	3.2%	3.5%	-1.4%
SC	2003	717	\$510,000	\$522,899	50	999	20.5%	3.0%	1.9%	0.2%
SC	2004	867	\$585,000	\$598,887	27	1,027	20.9%	14.7%	14.5%	2.8%
SC	2005	796	\$695,000	\$710,504	21	1,038	-8.2%	18.8%	18.6%	1.1%

**Santa Clara Homes - Prices vs. Sales (\$000's)**



CONDOS							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
SC	1997	322	\$175,000	\$186,608	36	411				
SC	1998	326	\$208,000	\$217,634	29	453	1.2%	18.9%	16.6%	10.2%
SC	1999	356	\$235,000	\$243,533	30	361	9.2%	13.0%	11.9%	-20.3%
SC	2000	275	\$320,000	\$334,636	16	321	-22.8%	36.2%	37.4%	-11.1%
SC	2001	211	\$344,000	\$353,015	43	487	-23.3%	7.5%	5.5%	51.7%
SC	2002	345	\$330,000	\$334,949	42	572	63.5%	-4.1%	-5.1%	17.5%
SC	2003	375	\$335,000	\$341,374	61	590	8.7%	1.5%	1.9%	3.1%
SC	2004	546	\$370,000	\$387,853	27	654	45.6%	10.4%	13.6%	10.8%
SC	2005	534	\$467,500	\$479,277	21	750	-2.2%	26.4%	23.6%	14.7%

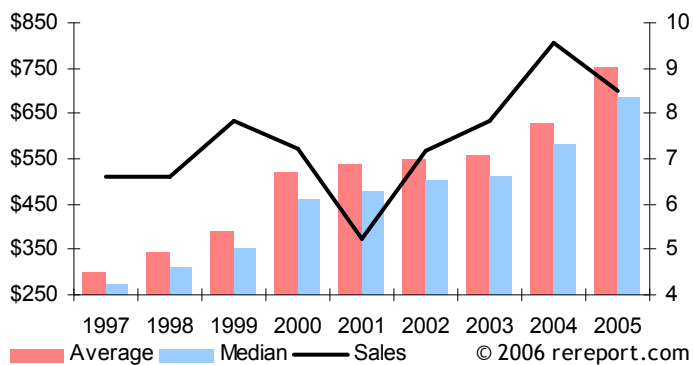
**Santa Clara Condos - Prices vs. Sales (\$000's)**



# San Jose Statistics

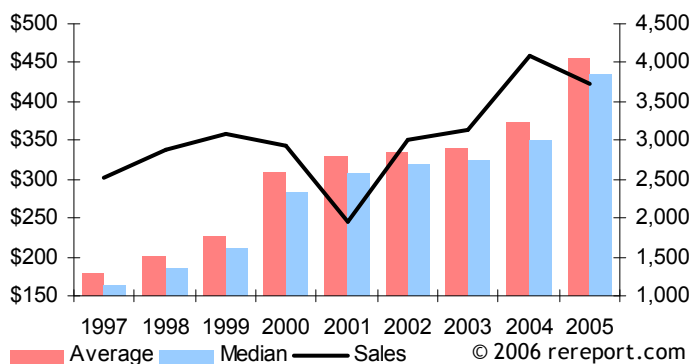
SINGLE-FAMILY HOMES							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
SJ	1997	6,611	\$270,000	\$299,609	43	9,226				
SJ	1998	6,585	\$312,500	\$342,137	39	10,840	-0.4%	15.7%	14.2%	17.5%
SJ	1999	7,854	\$352,000	\$389,701	41	9,771	19.3%	12.6%	13.9%	-9.9%
SJ	2000	7,218	\$460,000	\$519,443	27	9,784	-8.1%	30.7%	33.3%	0.1%
SJ	2001	5,239	\$480,000	\$536,211	52	12,801	-27.4%	4.3%	3.2%	30.8%
SJ	2002	7,185	\$500,000	\$551,590	48	12,518	37.1%	4.2%	2.9%	-2.2%
SJ	2003	7,824	\$510,000	\$559,032	55	12,307	8.9%	2.0%	1.3%	-1.7%
SJ	2004	9,566	\$580,000	\$630,650	30	12,602	22.3%	13.7%	12.8%	2.4%
SJ	2005	8,522	\$685,000	\$752,803	26	12,758	-10.9%	18.1%	19.4%	1.2%

San Jose Homes - Prices vs. Sales (000's)



CONDOS							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
SJ	1997	2,518	\$163,000	\$177,761	37	3,300				
SJ	1998	2,891	\$187,000	\$201,478	33	3,886	14.8%	14.7%	13.3%	17.8%
SJ	1999	3,074	\$212,000	\$226,344	31	3,267	6.3%	13.4%	12.3%	-15.9%
SJ	2000	2,932	\$285,000	\$308,409	21	3,582	-4.6%	34.4%	36.3%	9.6%
SJ	2001	1,958	\$308,000	\$330,503	48	4,708	-33.2%	8.1%	7.2%	31.4%
SJ	2002	3,010	\$320,000	\$336,524	50	4,746	53.7%	3.9%	1.8%	0.8%
SJ	2003	3,140	\$325,000	\$341,400	59	4,834	4.3%	1.6%	1.4%	1.9%
SJ	2004	4,088	\$352,000	\$372,753	29	4,653	30.2%	8.3%	9.2%	-3.7%
SJ	2005	3,722	\$435,000	\$456,975	21	4,971	-9.0%	23.6%	22.6%	6.8%

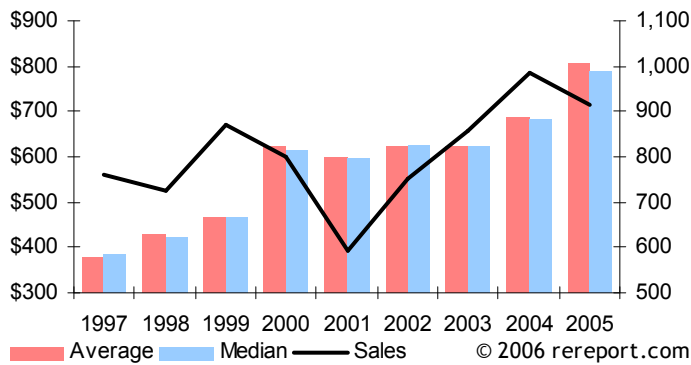
San Jose Condos - Prices vs. Sales (\$000's)



# Sunnyvale Statistics

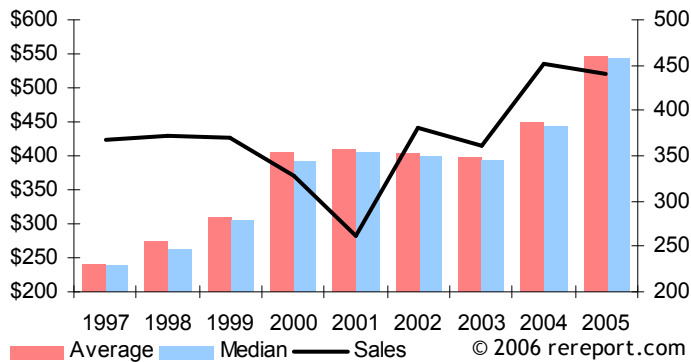
SINGLE-FAMILY HOMES							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
SU	1997	759	\$382,000	\$379,606	29	952				
SU	1998	726	\$425,000	\$427,248	31	1,079	-4.3%	11.3%	12.6%	13.3%
SU	1999	871	\$469,000	\$469,307	29	994	20.0%	10.4%	9.8%	-7.9%
SU	2000	800	\$615,178	\$621,854	19	972	-8.2%	31.2%	32.5%	-2.2%
SU	2001	591	\$595,000	\$600,154	49	1,260	-26.1%	-3.3%	-3.5%	29.6%
SU	2002	750	\$624,500	\$621,745	40	1,208	26.9%	5.0%	3.6%	-4.1%
SU	2003	859	\$623,500	\$624,196	49	1,257	14.5%	-0.2%	0.4%	4.1%
SU	2004	984	\$685,000	\$689,334	24	1,190	14.6%	9.9%	10.4%	-5.3%
SU	2005	913	\$790,000	\$808,983	21	1,145	-7.2%	15.3%	17.4%	-3.8%

**Sunnyvale Homes - Prices vs. Sales (\$000's)**



CONDOS							% Change from Year Before			
Area	Year	Sales	Median Price	Average Price	DOM	New Listings	Sales	Median Price	Average Price	New Listings
SU	1997	367	\$238,000	\$241,466	30	429				
SU	1998	371	\$263,000	\$274,824	24	459	1.1%	10.5%	13.8%	7.0%
SU	1999	369	\$305,000	\$307,575	23	380	-0.5%	16.0%	11.9%	-17.2%
SU	2000	327	\$390,000	\$405,069	15	377	-11.4%	27.9%	31.7%	-0.8%
SU	2001	261	\$406,000	\$408,179	39	537	-20.2%	4.1%	0.8%	42.4%
SU	2002	381	\$400,000	\$403,272	32	492	46.0%	-1.5%	-1.2%	-8.4%
SU	2003	362	\$393,000	\$396,498	45	482	-5.0%	-1.8%	-1.7%	-2.0%
SU	2004	451	\$445,000	\$450,006	19	516	24.6%	13.2%	13.5%	7.1%
SU	2005	441	\$545,000	\$546,330	17	577	-2.2%	22.5%	21.4%	11.8%

**Sunnyvale Condos - Prices vs. Sales (\$000's)**



## Real Estate Service With My Personal Guarantee

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### Buyer Guarantee

Within a year of close of escrow, either you are absolutely happy with your new home or **I'll sell it for FREE.**

You'll be responsible for other normal closing costs, and buyer's agent commission.

### Seller Guarantee

I'll pay you if your house is not under contract **within 90 days.**

You agree to cooperate with my professional recommendations.

You can also cancel listing agreement if not fully satisfied with my service.



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R E A L T O R S

## C.A.R.'s California Housing Market Forecast for 2006

October 2005. The California residential real estate market in 2005 will be one for the record books, eclipsing the annual sales and median home price records set in 2004, according to the California Association of REALTORS®.

Here are some highlights from 2005 and a look ahead to 2006:

- Sales of detached, existing single-family homes are expected to reach 635,000 in 2005, an increase of 1.8% over last year's record sales of 624,700. Sales are anticipated to decline by 2% in 2006.
- 2005 will be a record year for home prices. The median price of a single-family home in California crossed the \$500,000 threshold for the first time in April 2005. The annual median is expected to reach \$523,150 in 2005 and increase 10% to \$573,500 in 2006.
- The median price of a single-family home increased by double-digits for the fourth consecutive year in 2005, though the pace of price appreciation slowed from the 18 to 21% annual gains of the previous three years to 16% in 2005.
- C.A.R.'s Unsold Inventory Index averaged 3.3 months in 2005. Inventory levels are expected to rise moderately in 2006 but will remain low by historic standards, fueling continued price appreciation in the California market.
- The interest rate for a fixed-rate mortgage (FRM) remained below 6% for much of 2005, only surpassing 6% in the last months of the year. For all of 2005, the FRM averaged 5.8%. In 2006, the interest rate for the FRM is projected to increase but remain low by historic standards in the low- to mid-6% range.
- The interest rate for a one-year adjustable-rate mortgage (ARM) averaged 4.5% in 2005, finishing just over 5% at year-end. The interest rate for the one-year ARM is expected to remain within the low- to mid-5% range during 2006.
- With home prices reaching record levels, more homebuyers extended themselves financially in 2005 by utilizing alternative loan products. The share of homebuyers who used adjustable-rate and hybrid loans increased from 11% in 2003 to 43% in 2005, while the share of fixed-rate loans dropped from 89% in 2003 to 57% in 2005. The last time more than 40% of homebuyers used adjustable-rate loans was in 1994.
- Fannie Mae and Freddie Mac increased the single-family conforming mortgage loan limit from \$359,650 this year to \$417,000 in 2006, which could benefit more than 28,590 families in California. However, the increase in the loan limit is still far too low to benefit most homebuyers in California, as the median price of a home in California is 29% higher than the new loan limits. Nineteen counties in California have a median home price above the new limit.
- Internet use by homebuyers and sellers continued to climb in 2005. Based on C.A.R.'s "Internet Versus Traditional Buyers Survey," the percentage of homebuyers using the Internet increased from 56% in 2004 to 62% in 2005.