

# Hottest housing market in years

Median home price climbs to \$510,000 for Bay Area

By Carolyn Said

Eager Bay Area buyers propelled the region's median home price above a half-million dollars in April — its highest point in almost five years — reflecting a market continuing to rebound, according to a real estate report released Wednesday.

The \$510,000 median for the nine-county Bay Area represents a jump of 30.8 percent from a year ago and a record increase 17 percent above March's median price, said DataQuick, a San Diego real estate service that produced the report.

"The Bay Area is getting back to normal, fast," said Andrew LePage, a DataQuick analyst. "We've had just the right ingredients for big increases in the median and other price measures. We've got drum-tight inventory of homes for sale, an unprecedented level of investors chasing homes, interest rates lower than most of us alive have ever seen, and changes in the types of homes selling and where they're selling."

Steve Berkowitz, CEO of online listing company Move Inc., said the region "is seeing a real stabilization and a really positive market trend. There is a very solid market in all the Bay Area

*Housing continues on A8*

FROM THE COVER

# Housing market picking up steam

Housing from page A1

counties.”

The median represents a midpoint, meaning half of Bay Area homes sold for more than \$510,000 and half sold for less. It is influenced both by actual appreciation in home values and by a changing mix of homes sold.

### Regaining losses

The Bay Area median peaked at \$665,000 in the summer of 2007. During the real estate downturn, bargain-basement foreclosures and short sales helped drag the median down to a nadir of \$375,000 in March 2009. Now, with far fewer distress sales and more high-end homes changing hands, a similar dynamic is buoying it. Data-Quick said the median has regained 59 percent of its losses.

“We’re seeing a more-normal distribution of sales in the region across the price spectrum,” LePage said. “We’re quickly moving away from the long period where much of the activity was stacked up at the bottom of the market.”

Distress sales continue to dwindle. Foreclosures accounted for 8.5 percent of resales in April, down from a peak of 52 percent in February 2009. Short sales were 15 percent of resales, down from 22.1 percent

that lift prices, as demand outstrips supply.

The number of homes for sale is down by almost half in Alameda, Contra Costa and Santa Clara counties compared with last year, according to data from Realtor.com, the official listing site for the National Association of Realtors. San Francisco, Marin and San Mateo inventories are down by 21, 32 and 37 percent, respectively. Homes are selling much more quickly than in the past, averaging just two weeks on the market in Alameda and Contra Costa counties, and less than 30 days in the other four close-in counties.

“The inventory that comes on is moving quickly,” said Berkowitz, whose Move Inc. operates Realtor.com. “I live and breathe it as I drive through my neighborhood in Alamo. I watch homes go pending in one day after they go on the market.”

The same is true in Silicon Valley. “Inventory can’t build because it evaporates so quickly,” said Eric Boyenga of Intero Real Estate in Cupertino.

### New inventory?

Agents said they’re starting to see inklings that the inventory crunch may slowly be dissipating.

“We’ve had a five-fold increase in seller inquiries and a



Mathew Sumner / Special to The Chronicle

Achim Albrecht (left), Mamata Kene and Whitney Davis attend an open house on Stanford Heights Avenue in San Francisco. Tight inventory in the Bay Area is pushing home prices up.

## More upscale homes sold in Bay Area in April

The median price paid for a Bay Area home in April moved above \$500,000 for the first time in almost five years, reflecting both growing appreciation and a changing market mix with more high-end homes being sold. Sales were down in most areas, as tight inventory continued to challenge buyers.

County	NUMBER SOLD		MEDIAN PRICE	
	April 2013	Change from April 2012	April 2013	Change from April 2012
Alameda	1,471	-3.4%	\$448,250	33.8%
Contra Costa	1,482	-4.1%	397,500	37.7%
Marin	345	18.2%	799,000	29.3%
Napa	136	13.3%	385,000	21.3%
San Francisco	615	16.3%	815,000	16.4%
San Mateo	609	-14.0%	726,000	32.0%
Santa Clara	1,788	-4.0%	645,000	25.6%
Solano	564	1.3%	238,000	36.0%
Sonoma	611	15.3%	376,000	23.5%
<b>Bay Area</b>	<b>7,621</b>	<b>-0.6%</b>	<b>\$510,000</b>	<b>30.8%</b>

Source: DataQuick

Todd Trumbull / The Chronicle

be holding out for prices to rise still more, they may be uncertain about their jobs and the economy, or they may worry about how they’ll find a new

\$225,000. With their children now grown, the retired San Francisco Health Department workers are moving to Santa Rosa. “It’s much less expensive

the house at the lower end of current comparable sales and expected a bidding war.

Redfin shows that San Francisco homes drew the most