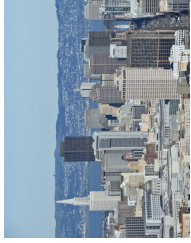




MarketWATCH



**A summary of market activity for
single family home sales in
San Mateo County**



Phone: 650-655-2500 Fax: 1- 888-739-8184
Department of Real Estate #: 00657178

On behalf of The RayChel Realty Group, I am pleased to present the September 2009 edition of our MarketWATCH Report, a guide to San Mateo County real estate prices published on a monthly basis.

How's the San Mateo County real estate market? The quick answer is it's improving - slowly and steadily. Newly initiated sales of single family homes in September 2009 climbed to 790 reflecting a 51% increase in the number of pending sales when compared to September 2008. 790 newly initiated single family home sales represent the largest number of pending sales San Mateo County has seen since January 2006. More good news: the average price continues to climb and more San Mateo County homes were sold in September 2009 (380) than in September 2008 (298).

Compared to national statistics, The San Mateo County real estate market is showing very favorable numbers. The National Association of REALTORS® (NAR) reported that August 2009 home sales fell to a seasonally adjusted annual rate of 5.1 million units, down from 5.24 million in July. Yet, San Mateo County home sales continue to trend upwards.

Even with historically low mortgage interest rates and the \$8,000 tax credit for first time home buyers, much of the U.S. is burdened with huge inventory backlogs and unprecedented unemployment. San Mateo County is fortunate that none of these factors burden the area and consequently the current inventory of unsold single family homes (1,544) is modest at best. At the current sell through rate, San Mateo County has less than two months inventory available for purchase.

When we compare the number of new listings vs. the number of new sales under contract (aka pending sales), we see a growing positive divergence with pending sales exceeding new listings by 178 units. Generally, a market becomes stronger and more favorable to sellers as the delta between pending sales and new listings grows.

Without a doubt, current figures pale when compared with the boom times of 2005-2006, but with every boom comes a bust. All real estate markets are cyclical and San Mateo County is no exception.

Currently, the San Mateo County home resale market is more balanced than at any time this decade. While the average price now exceeds \$950,000, the median price hovers slightly less than \$700,000 (actual \$698,500). These prices reflect strong activity in the lowest price quartile - the least costly homes on the market - where home buyers compete vigorously with investors seeking bargains.

It's important to note that San Mateo market activity is not indicative of any other part of the state or the country. A unique set of circumstances exist here that don't exist in other areas. That said, it is most likely that San Mateo County will begin to see various segments of the market exhibit a variety of levels of strength and weakness.

Remember that selling a home is part beauty contest and part price war. Home buyers in San Mateo County are among the most savvy and aware consumers in America and they are expecting value for their money. Take advantage of the resources and information readily available to price your home accordingly.

Thank you for reading our report. Should you be interested in more information or have questions, please don't hesitate to contact us.

Sincerely,

Raymond Stoklosa
Co-Owner and Managing Broker, The RayChel Realty Group

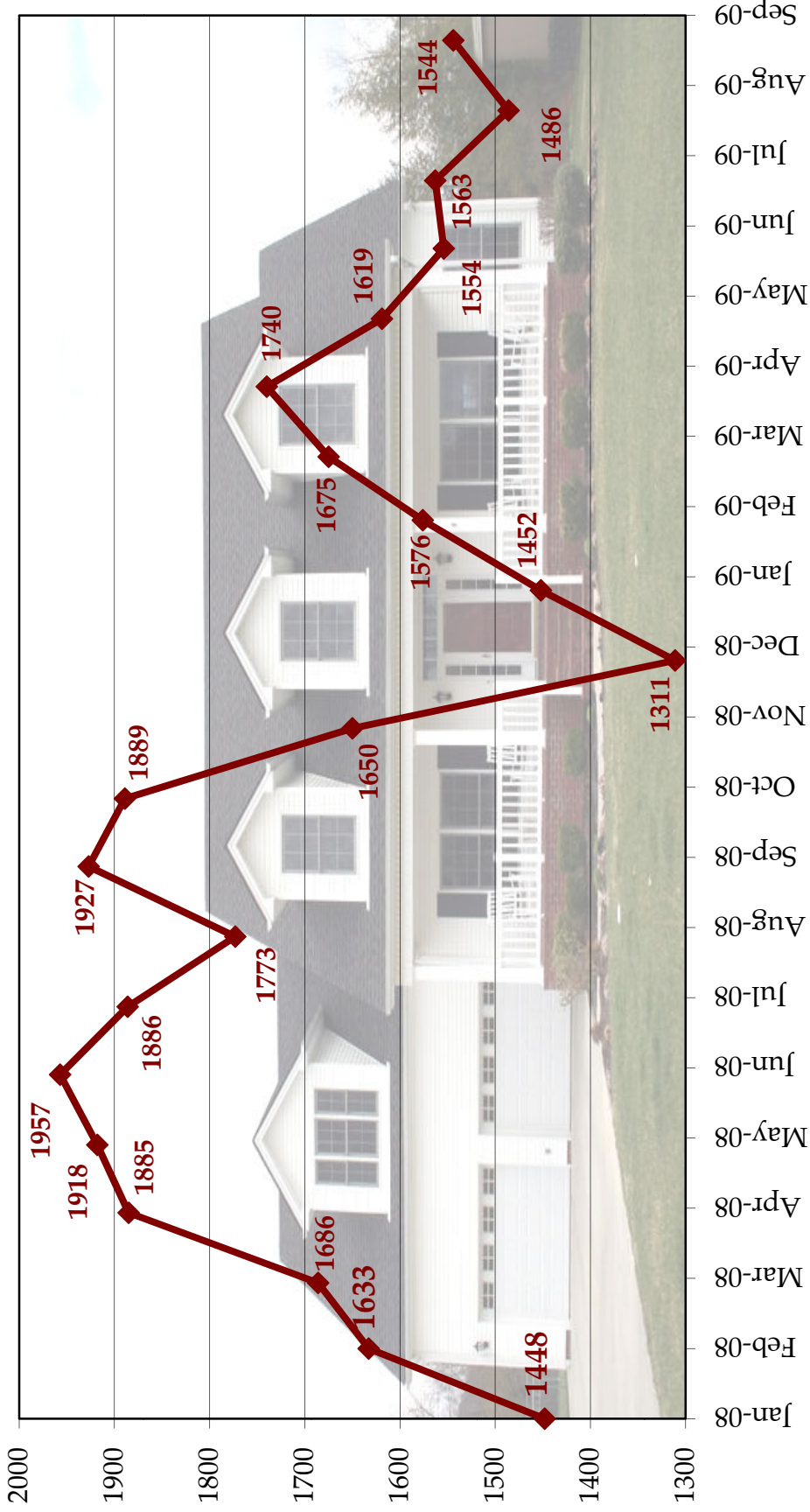
Market Report for September 2009 Single Family Homes in San Mateo County

Year	Month	Current Inventory	New Listings	Sales Under Contract	Absorption Rate	Closed Sales	%LP Rec'd	Average DOM	Average Price	Median Price	Total Volume
2009	Sept	1544	612	790	1.95	380	97.57	76	950,474	698,500	360,229,855
2009	Aug	1486	566	761	1.95	365	97.8	79	848,571	682,500	308,879,963
2009	July	1563	590	768	2.04	393	95.78	80	938,315	765,000	368,757,897
2009	June	1554	585	774	2.01	420	96.72	89	945,717	765,000	396,255,718
2009	May	1619	568	749	2.16	321	96.6	85	933,698	728,000	299,717,071
2009	Apr	1740	648	683	2.55	294	96.15	89	847,016	610,000	248,175,897
2009	Mar	1675	634	557	3.01	250	96.08	97	788,931	576,940	197,232,785
2009	Feb	1576	557	453	3.48	208	99.1	104	763,741	574,950	158,858,190
2009	Jan	1452	530	427	3.40	163	97.2	96	683,900	553,750	110,791,806
2008	Dec	1311	281	410	3.20	262	96.24	88	729,547	603,500	191,141,327
2008	Nov	1650	400	460	3.59	266	96.33	84	851,747	666,000	226,564,877
2008	Oct	1889	658	523	3.61	347	97.53	80	859,675	710,000	298,307,366
2008	Sep	1927	751	566	3.40	298	97.15	86	923,853	755,000	274,384,451
2008	Aug	1773	588	561	3.16	376	96.6	84	985,614	795,000	370,591,052
2008	July	1886	639	627	3.01	428	98.34	86	1,040,623	800,000	444,346,117
2008	June	1957	735	622	3.15	376	98.16	76	1,157,966	890,000	434,237,331
2008	May	1918	789	556	3.45	354	97.44	73	1,185,043	852,500	419,505,295
2008	Apr	1885	776	492	3.83	346	98.51	77	1,183,377	875,000	408,265,191
2008	Mar	1686	709	439	3.84	274	98.15	81	1,158,731	910,000	317,492,419
2008	Feb	1633	669	350	4.67	212	98.61	84	1,444,267		304,378,290
2008	Jan	1448	561	273	5.30	152	96.79	76	1,206,153		183,335,371





Market Trends - San Mateo County Current Inventory



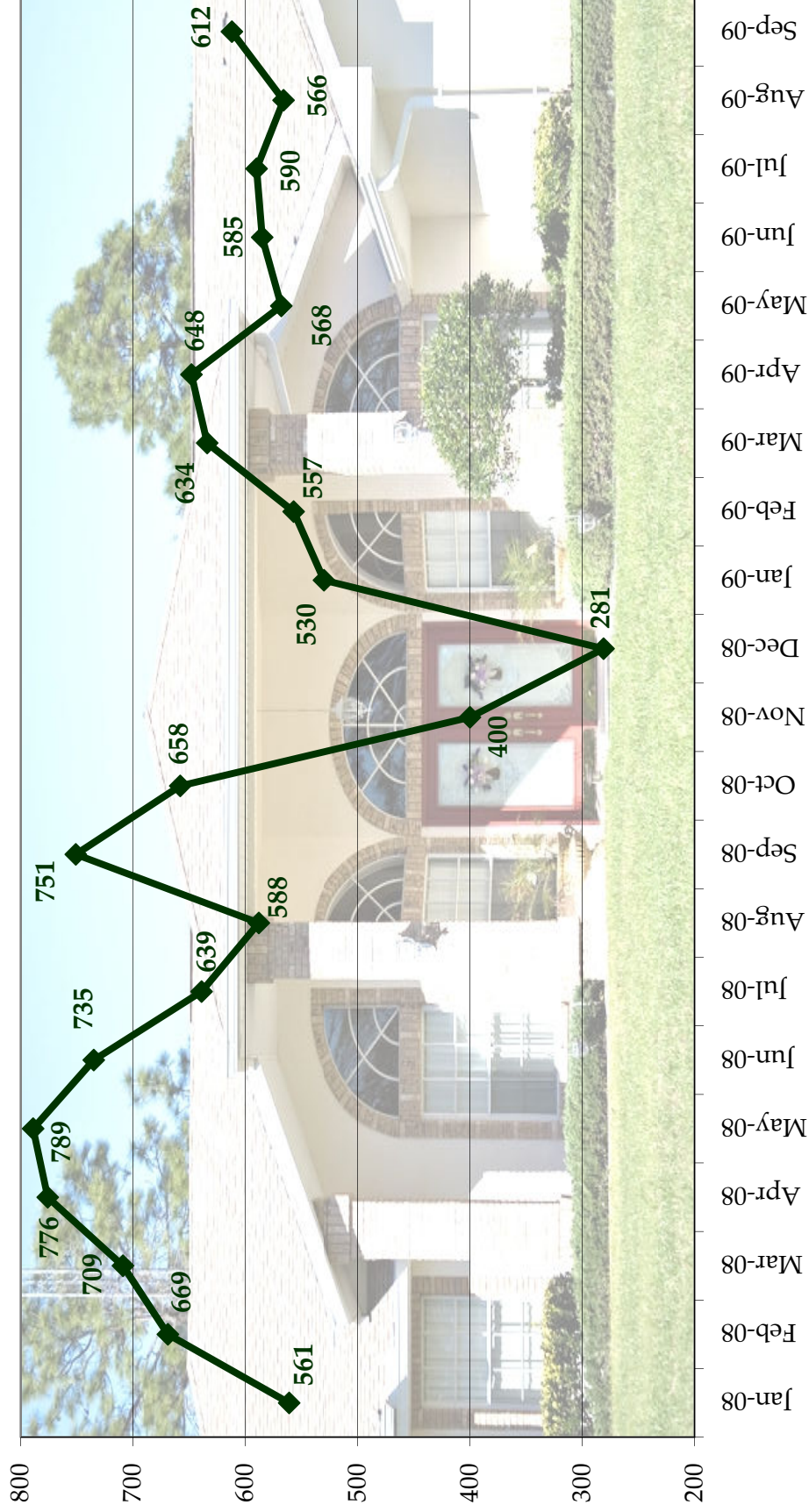
Prepared by:
Raymond Stoklosa
(650) 655-2500

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Market Trends - San Mateo County New Listings



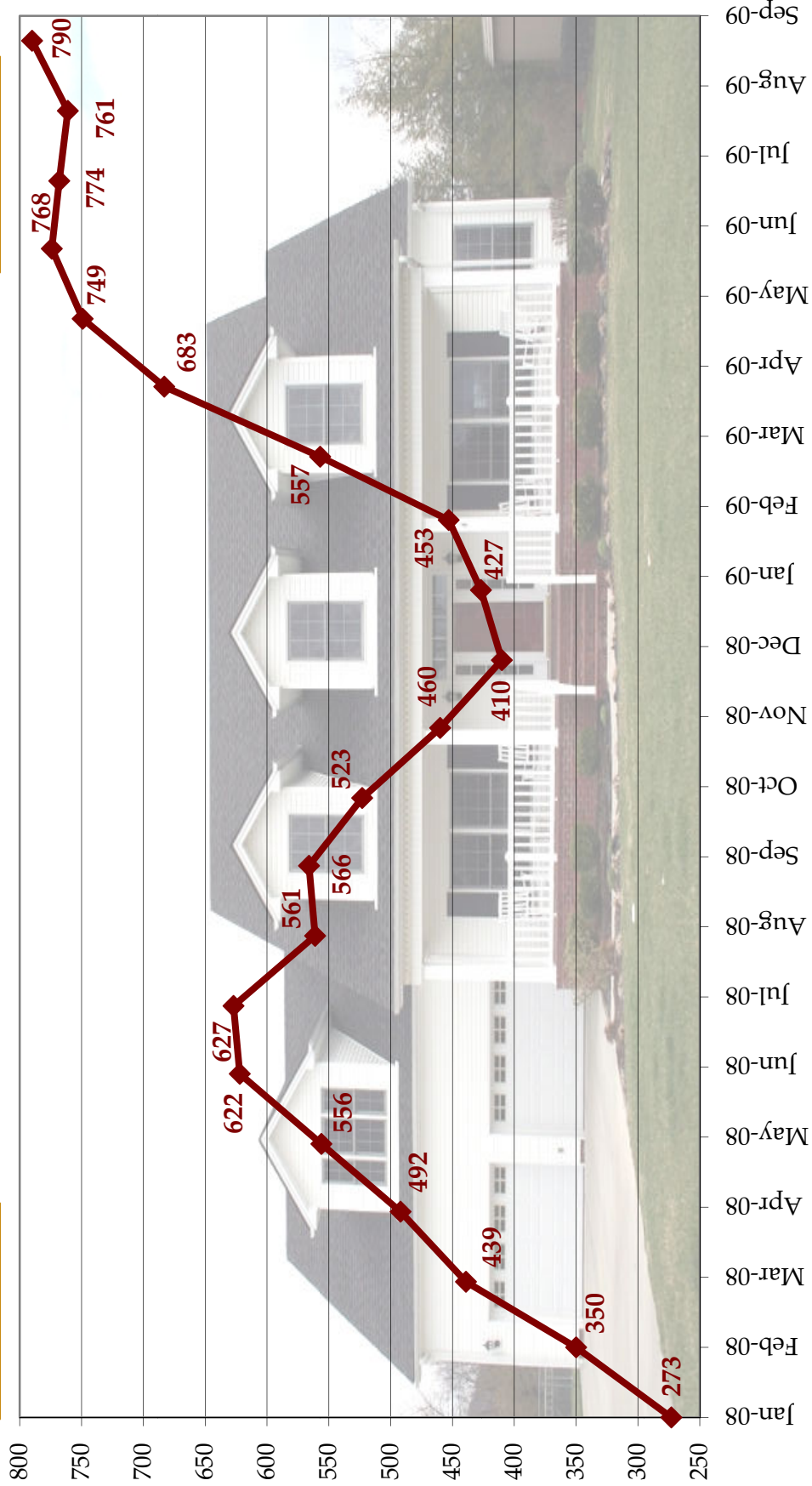
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Market Trends - San Mateo County Under Contract



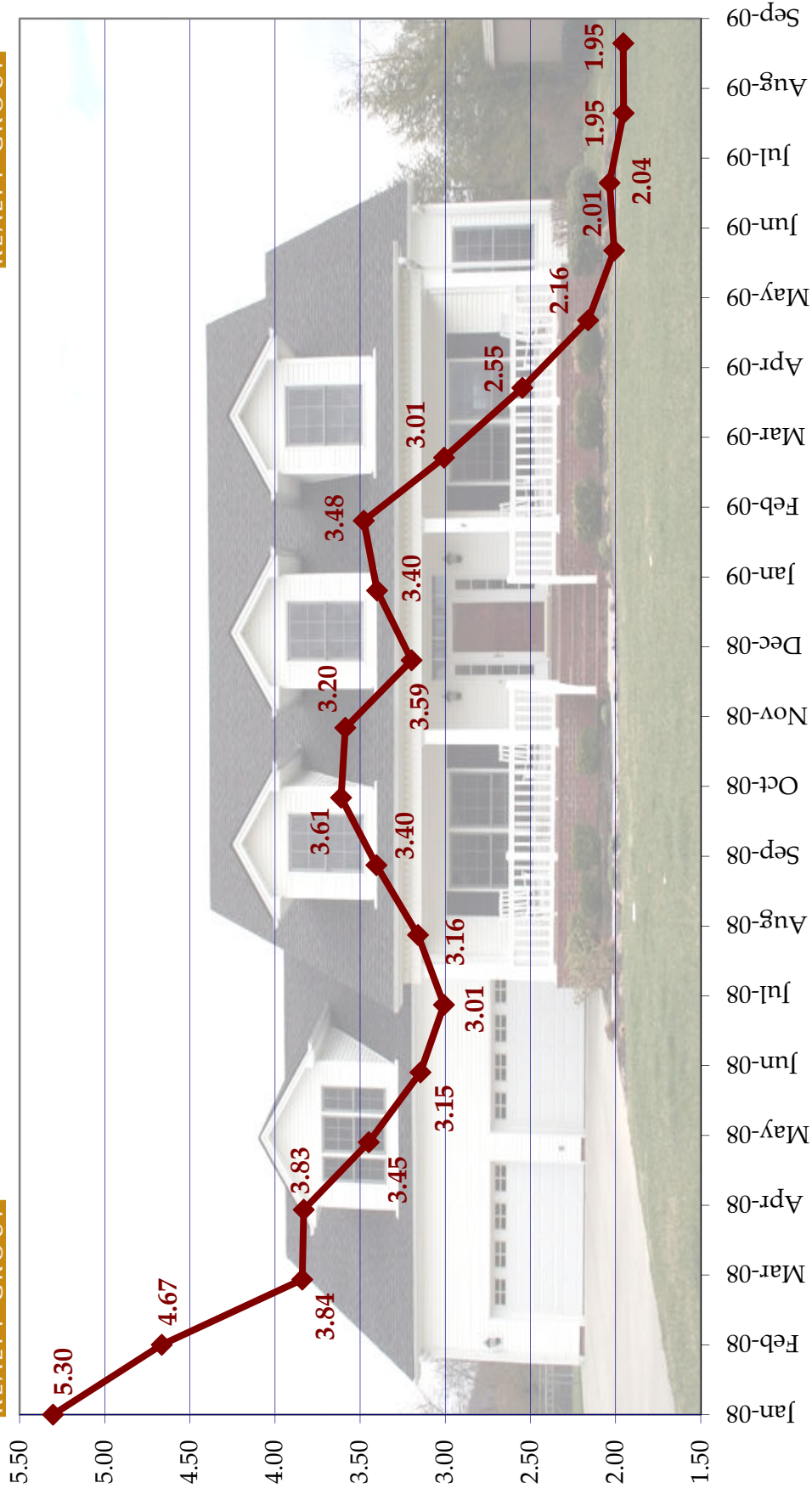
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Market Trends - San Mateo County Absorption Rate Index



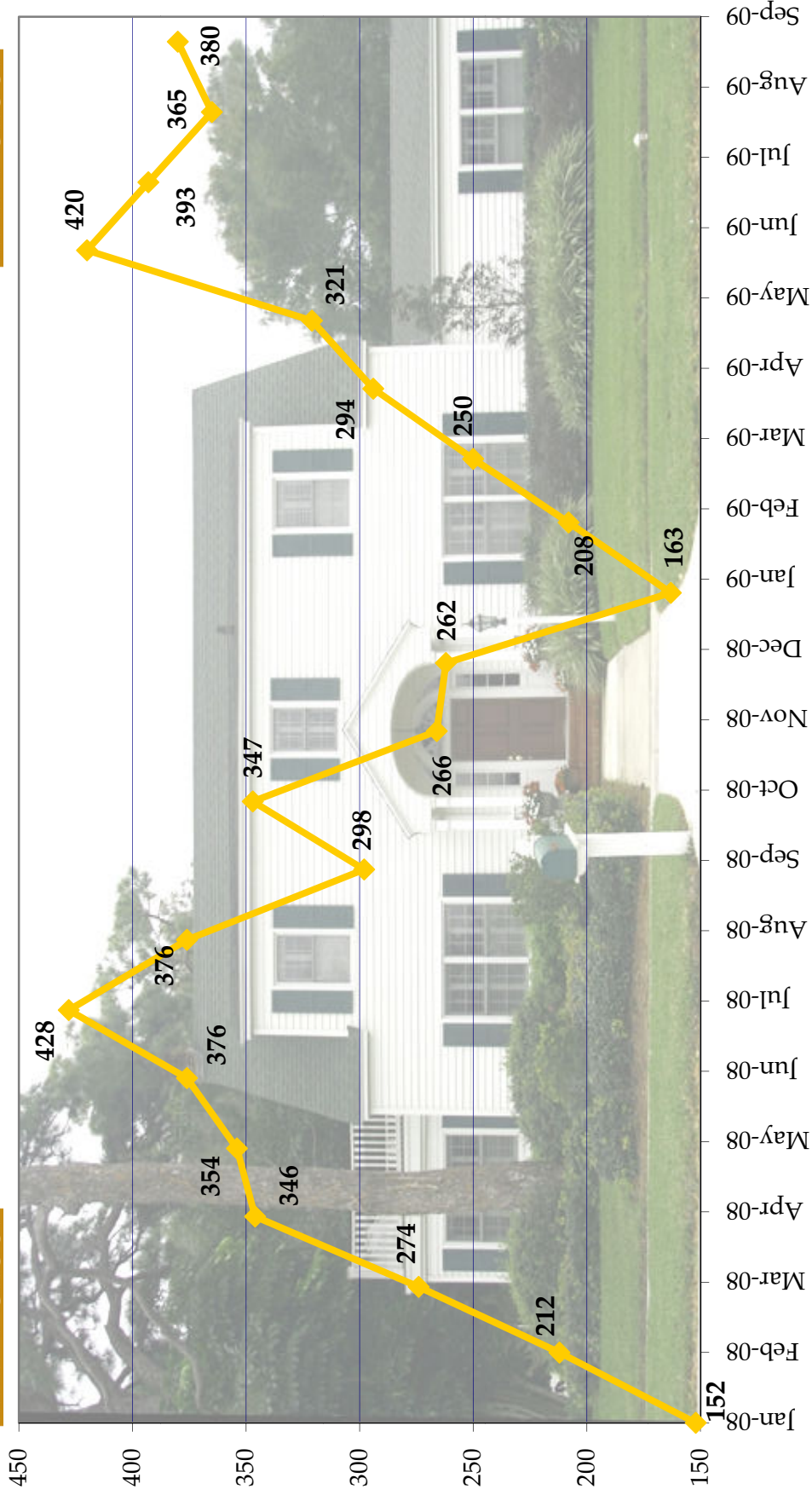
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Market Trends - San Mateo County Closed Sales



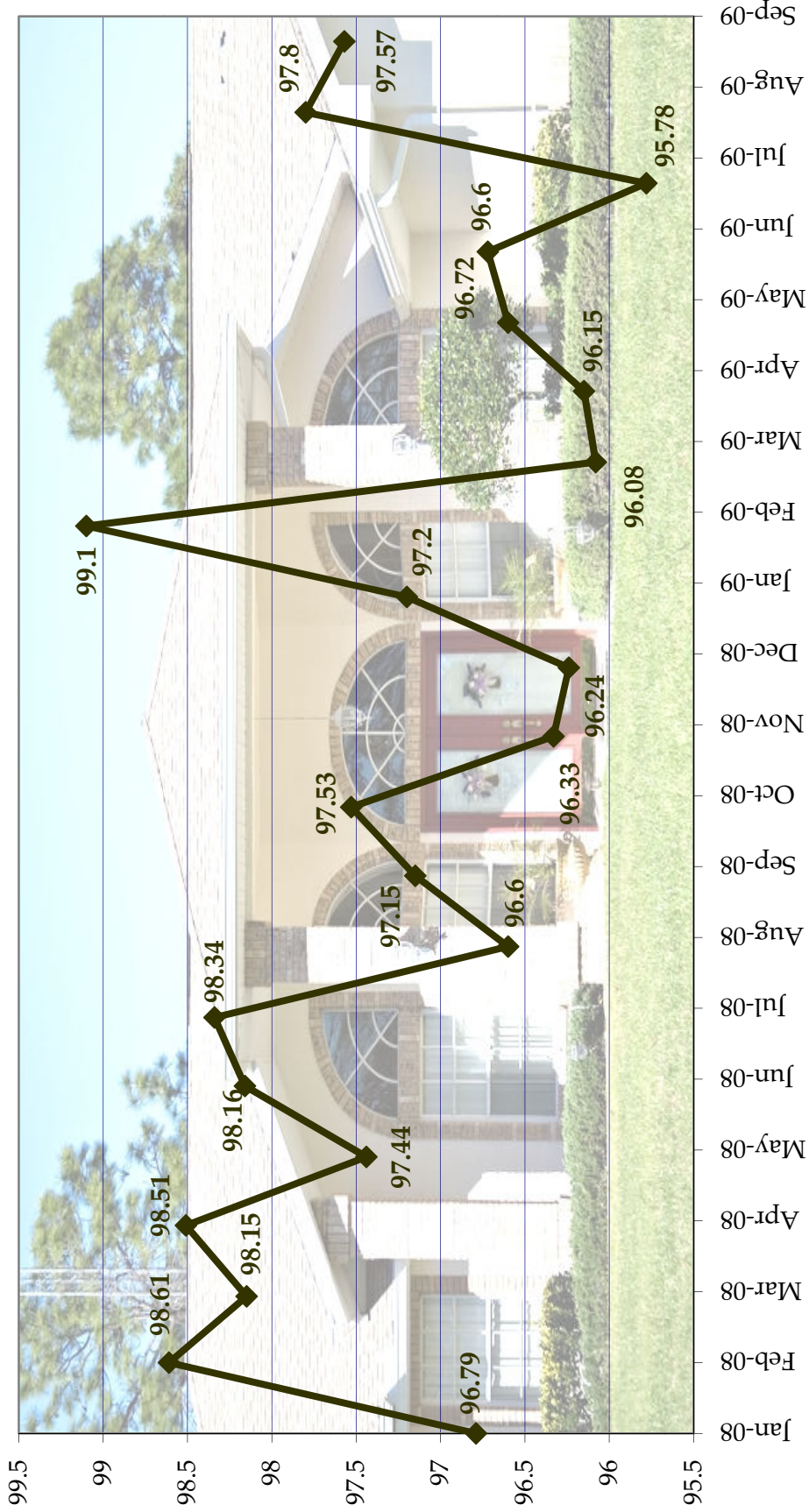
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Market Trends - San Mateo County % Sales Price vs. List Price



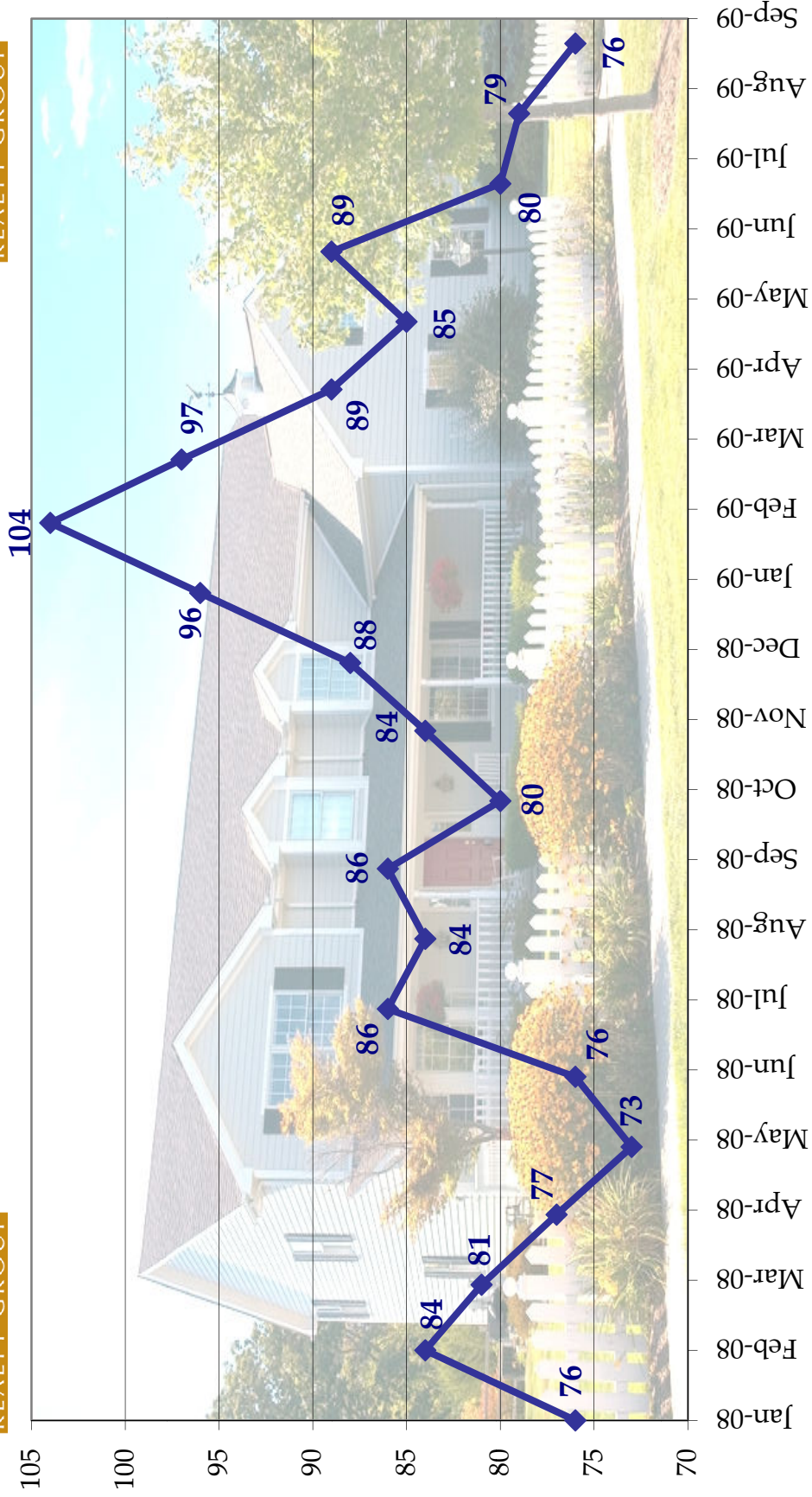
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Market Trends - San Mateo County Average Days on Market



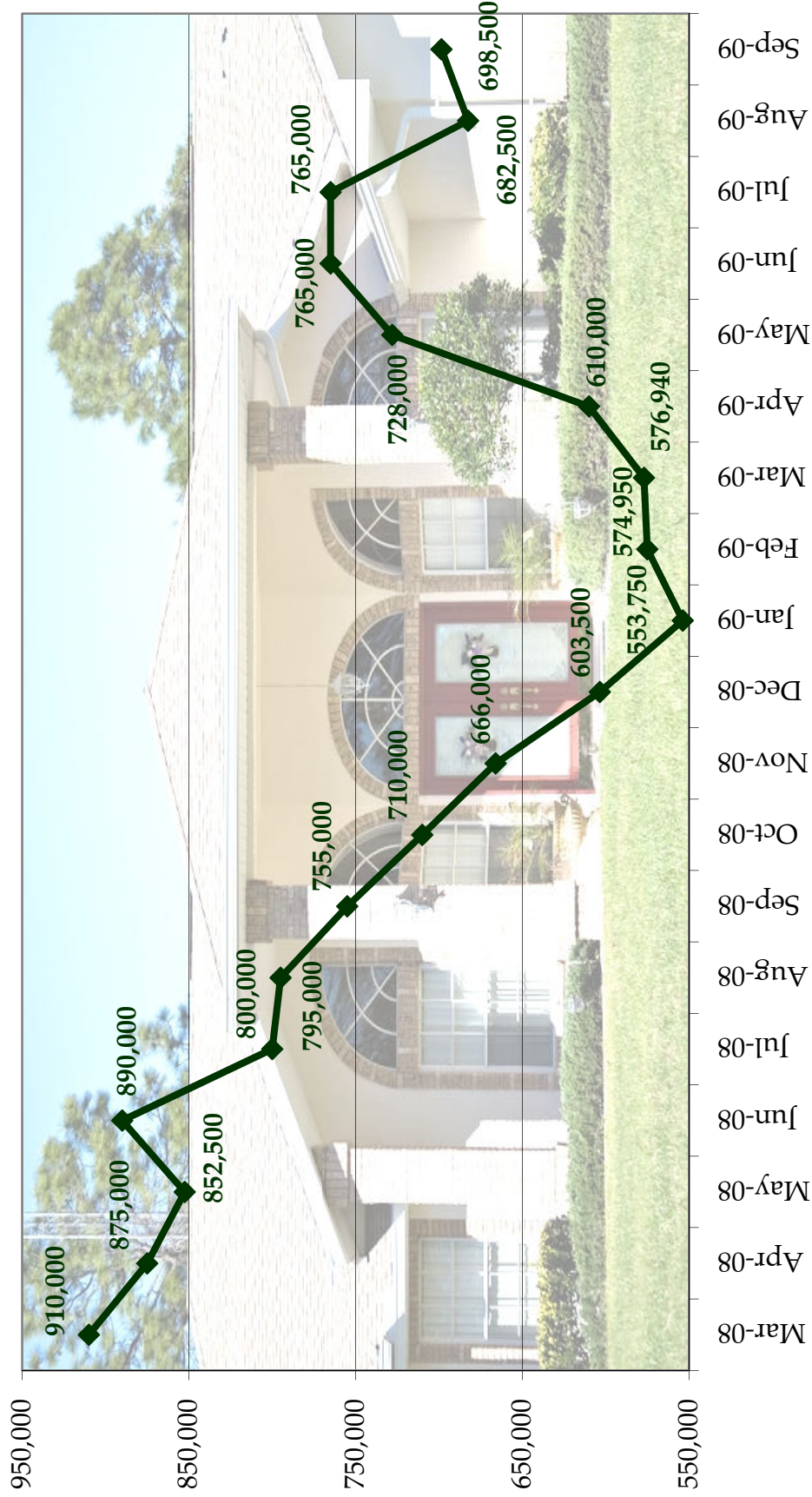
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Market Trends - San Mateo County Median Price



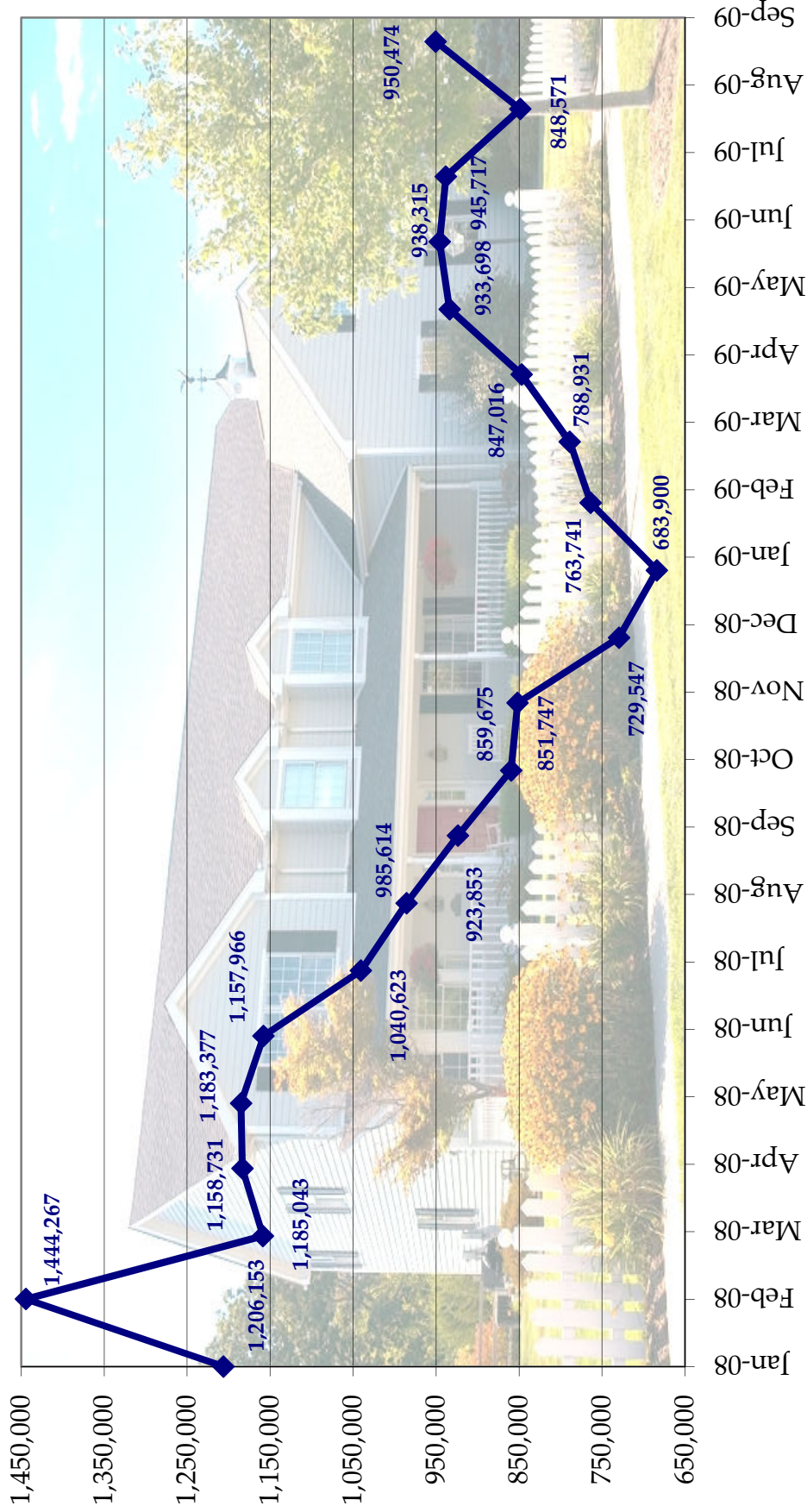
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Market Trends - San Mateo County Average Price



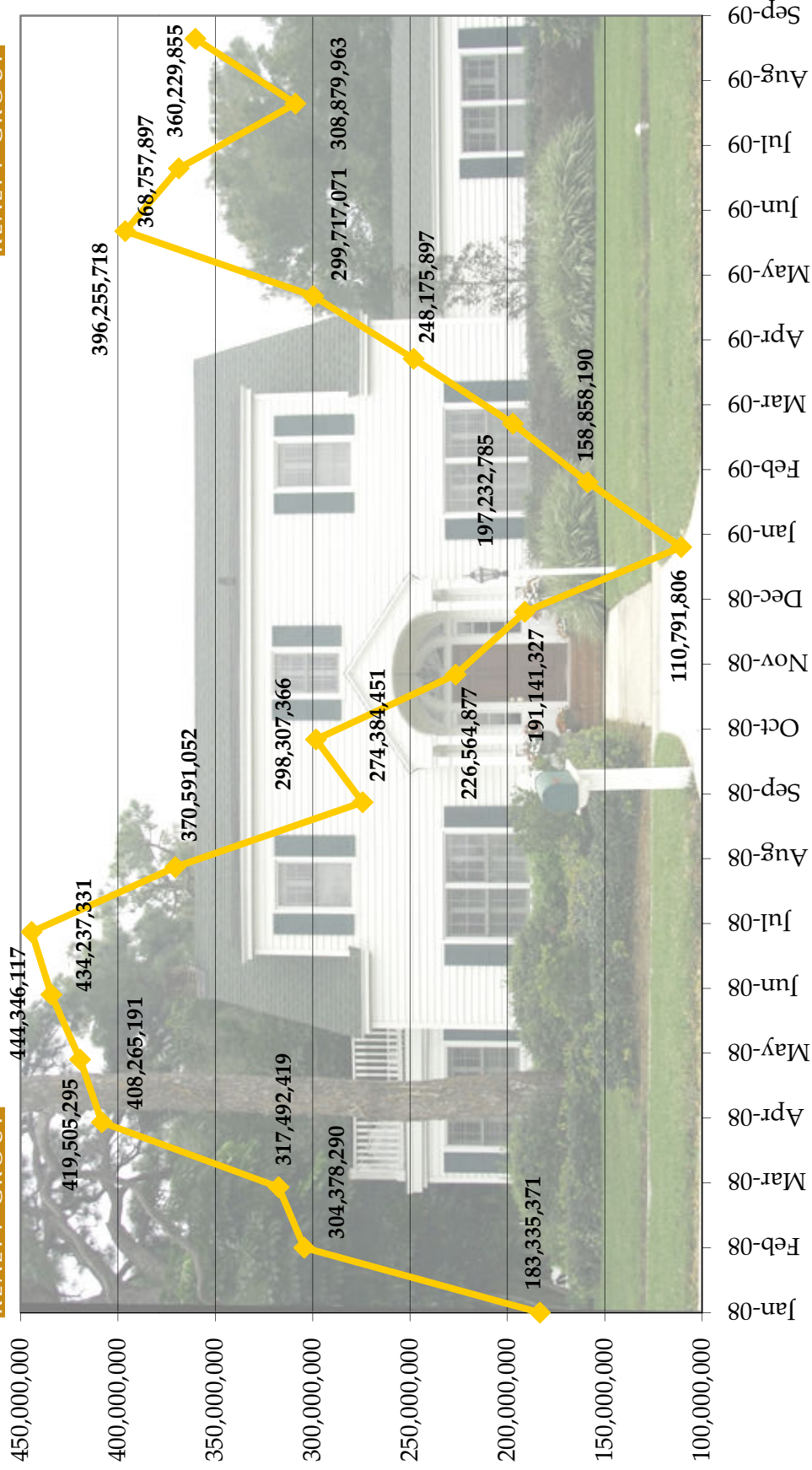
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Market Trends - San Mateo County Total Sales Volume



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(650) 655-2500

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The Ray Chel Realty Group
info@RayChelRealtyGroup.com