



MARCH 2007 MONTHLY ANALYSIS

East Bay Economic Development Alliance
The bright side of the San Francisco Bay



Prepared by the East Bay Economic Development Alliance (East Bay EDA).

The **East Bay Monthly Analysis** augments the **East Bay Quarterly Forecast** authored by the UCLA Anderson Forecast.

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SNAPSHOT: THE EAST BAY IN FEBRUARY 2007

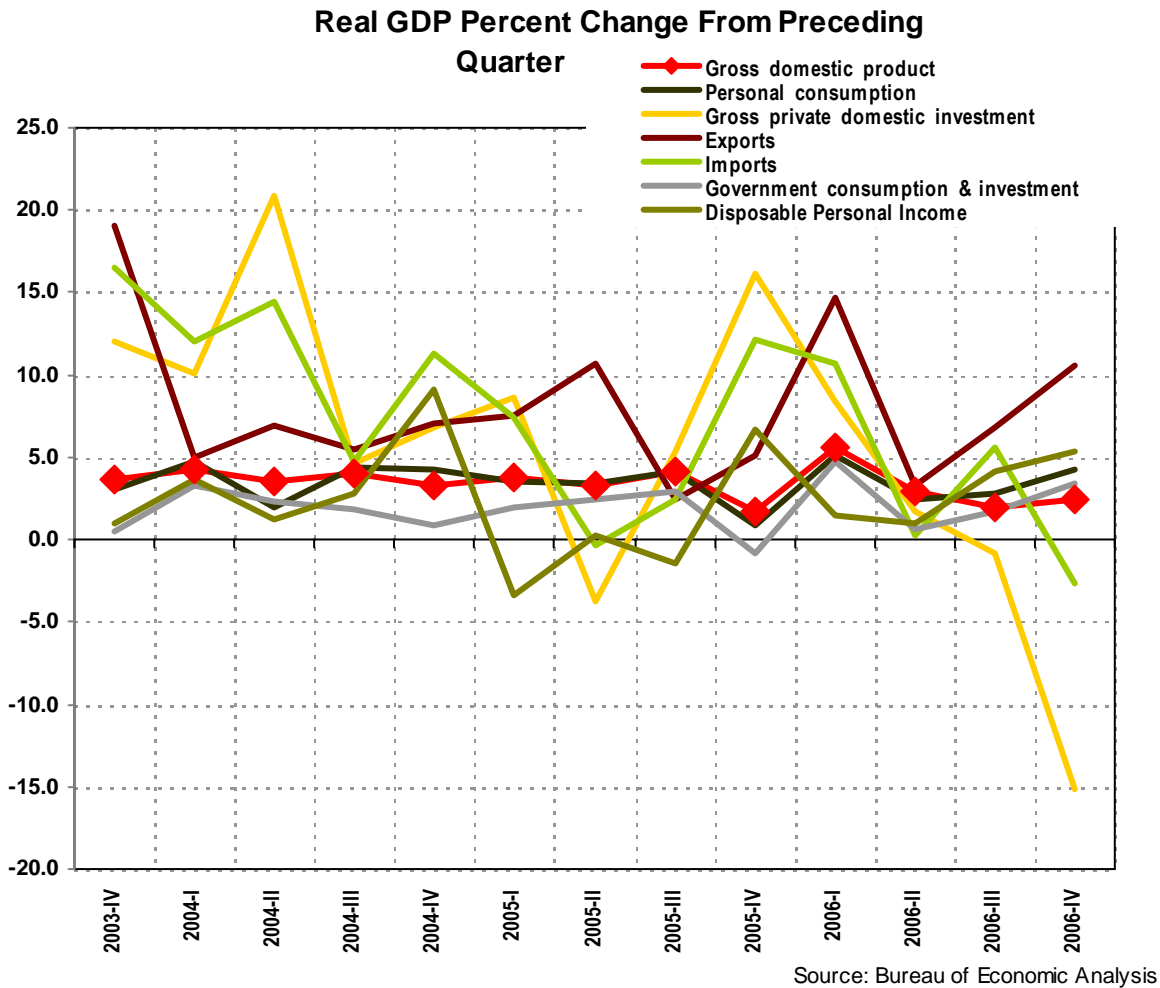
- The East Bay's **unemployment rate was 4.5% in February**, down from 4.6 percent in January.
- The East Bay's **manufacturing sector continued its moderate growth, adding 1,400 payroll jobs** when compared with February 2006.
- When compared with February 2006, the **number of homes sold continued to decrease** in both Alameda and Contra Costa Counties, and the **median home sale value was virtually unchanged in Alameda County and fell slightly in Contra Costa County**.
- East Bay **multi-family permits increased in a year-over-year comparison, while single family permits decreased**.
- East Bay **residential permit values decreased in a year-over-year comparison, while commercial and industrial permit values increased**.

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*Serving the East Bay, the **Bright** Side of the San Francisco Bay*

GDP SUMMARY

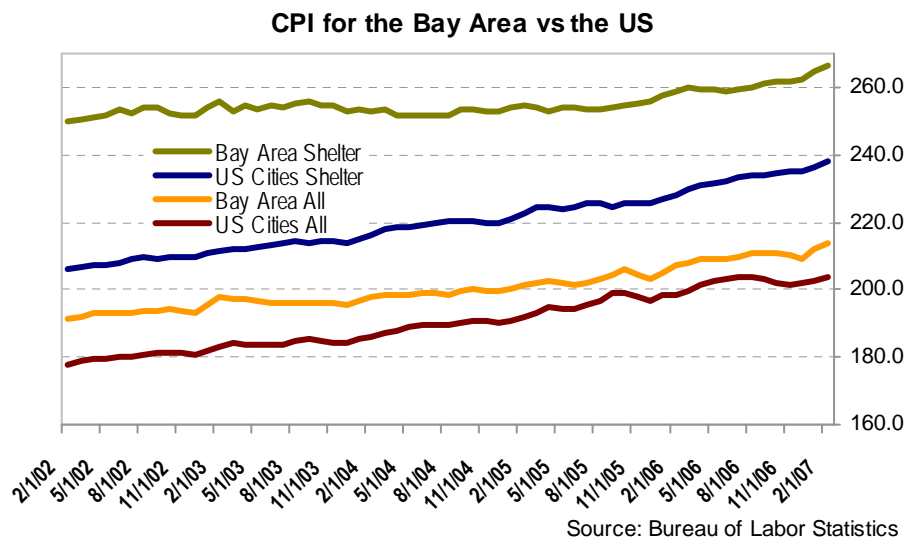
Real gross domestic product -- the output of goods and services produced by labor and property located in the United States -- increased at an annual rate of 2.5 percent in the fourth quarter of 2006, according to final estimates released by the Bureau of Economic Analysis. In the third quarter, real GDP increased 2.0 percent.



COST OF LIVING

In February 2007, shelter costs in the Bay Area were up 2.8 percent from February 2006, compared with a 1.8 percent annual increase in February 2006.

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.5 percent in February, before seasonal adjustment, as reported by the Bureau of Labor Statistics of the U.S. Department of Labor. The February level of 203.499 (1982-84=100) was 2.4 percent higher than in February 2006.



	Feb 2006	Mar 2006	Apr 2006	May 2006	Jun 2006	Jul 2006	Aug 06	Sep 2006	Oct 2006	Nov 2006	Dec 2006	Jan 2007	Feb 2007
US All Cities - All	198.7	199.8	201.5	202.5	202.9	203.5	203.9	202.9	201.8	201.5	201.8	201.6	203.5
US All Cities Shelter	228.3	229.9	230.7	231.3	232.2	233.6	234.2	233.9	234.8	234.9	235.1	232.1	238.0
Bay Area - All	207.1	208.0	208.9	209	209.1	209.9	210.7	210.7	211.0	210.4	210.4	209.2	213.7
Bay Area - All Less Shelter	186.9	188.2	189.5	190	190	191	192.0	191.7	191.3	190.7	190.1	189.7	193.4
Bay Area - Shelter	259.0	259.7	259.2	259.4	258.5	259.2	259.7	261.0	262.0	261.9	262.6	260	266.2

In February 2007 the annualized percent change in the Bay Area CPI decreased, while the US Cities Average annual percent change rose from 2.07 percent in January 2007 to 2.42 percent in February.

% Change in Annualized CPI	Feb 06	Mar 06	Apr 06	May 06	Jun 06	Jul 06	Aug 06	Sep 06	Oct 06	Nov 06	Dec 06	Jan 07	Feb 07
US City Annual % Chg	3.60%	3.40%	3.50%	4.20%	4.32%	3.93%	3.82%	2.06%	1.31%	1.97%	2.54%	2.07%	2.42%
Bay Area Annual % Chg	2.90%	3.10%	3.20%	3.54%	3.93%	3.86%	3.79%	3.13%	2.48%	2.96	3.44%	3.31%	3.18%

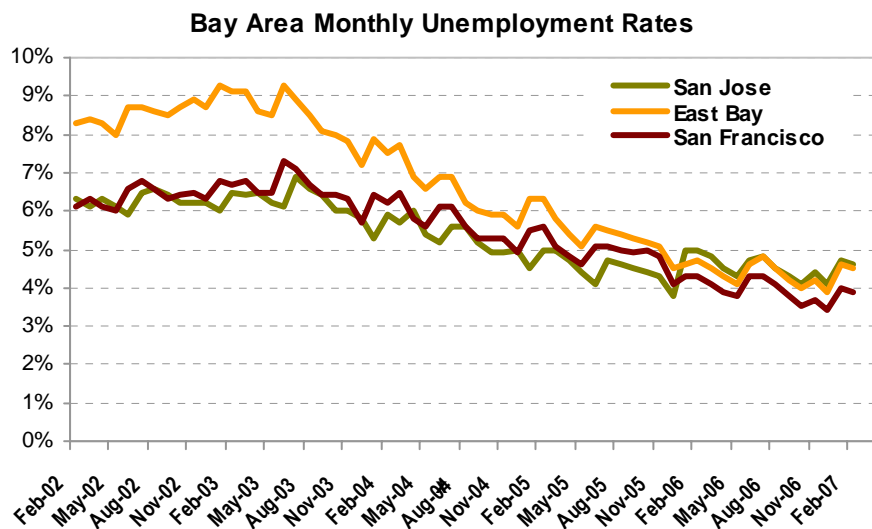
BAY AREA LABOR FORCE, UNEMPLOYMENT & EMPLOYED RESIDENTS

NOTE: Labor Force and Industry data contained in this release differ from previous information due to the U.S. Department of Labor's annual revision process. For more information on these changes visit: <http://www.labormarketinfo.edd.ca.gov/article.asp?PAGEID=&SUBID=&ARTICLEID=637&SEGMENTID>

The unemployment rate in the Oakland-Fremont-Hayward Metropolitan District (MD) was 4.5 percent in February 2007, down from 4.6 percent in January 2007, and below the year-ago estimate of 4.7 percent. This compares with an unadjusted unemployment rate of 5.2 percent for California and 4.9 percent for the nation during the same period.

Within the East Bay, the unemployment rate was 4.5 percent in both Alameda and Contra Costa Counties in February 2007.

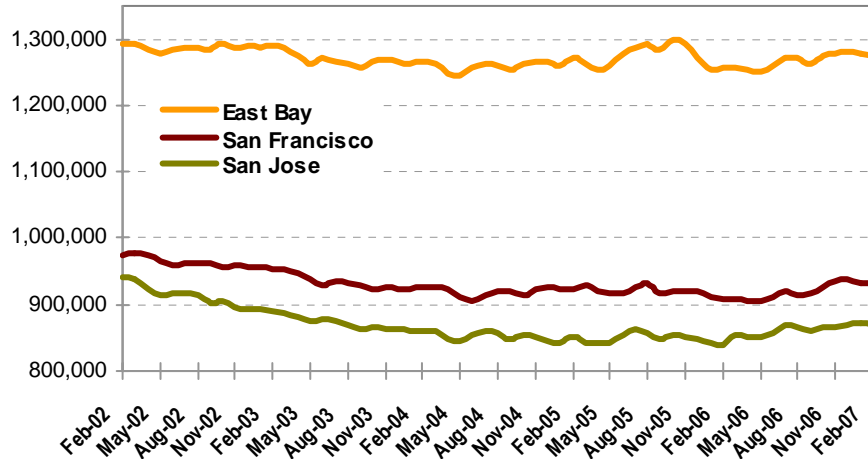
The unemployment rate in the San Francisco MD was 3.9 percent in February, down from 4.0 percent in January 2007. In the San Jose Metropolitan Statistical Area, the unemployment rate was 4.6 percent in February 2007, down from 4.7 percent in January.



Source: CA Employment Development Dept.

All three Bay Area regions experienced losses in workers between January and February 2007, with the East Bay losing 4,900 workers, San Francisco 800, and San Jose 3,500. However, in a year-over-year comparison all three regions saw substantial increases in labor force numbers. San Jose saw the largest increase, with 30,400 more workers than February 2006. In the same comparison, the San Francisco labor force had 22,900 more workers and the East Bay 17,300 more workers (an increase of 1.4 percent).

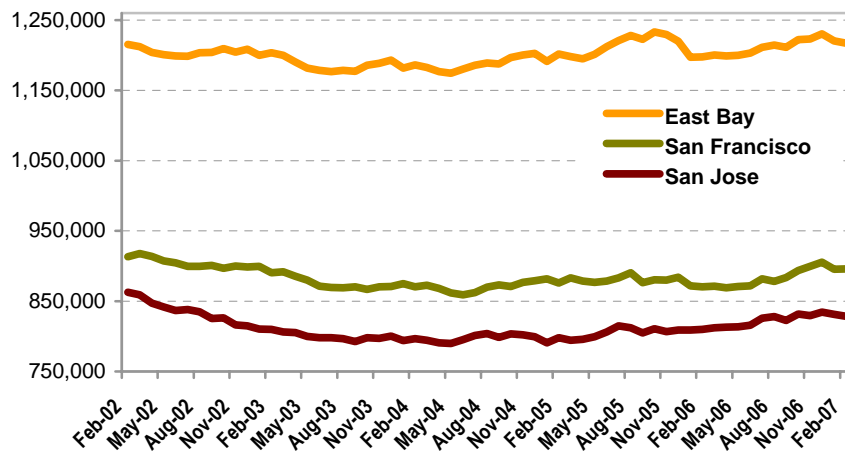
Bay Area Labor Force



Source: CA Employment Development Dept.

Between January and February 2007, the East Bay and San Jose both saw losses in the number of employed residents. In the East Bay there were 3,500 fewer employed residents than in January and in San Jose there were 2,600 fewer. San Francisco saw an increase of 700 in employed residents during the same period.

Bay Area Employed Residents

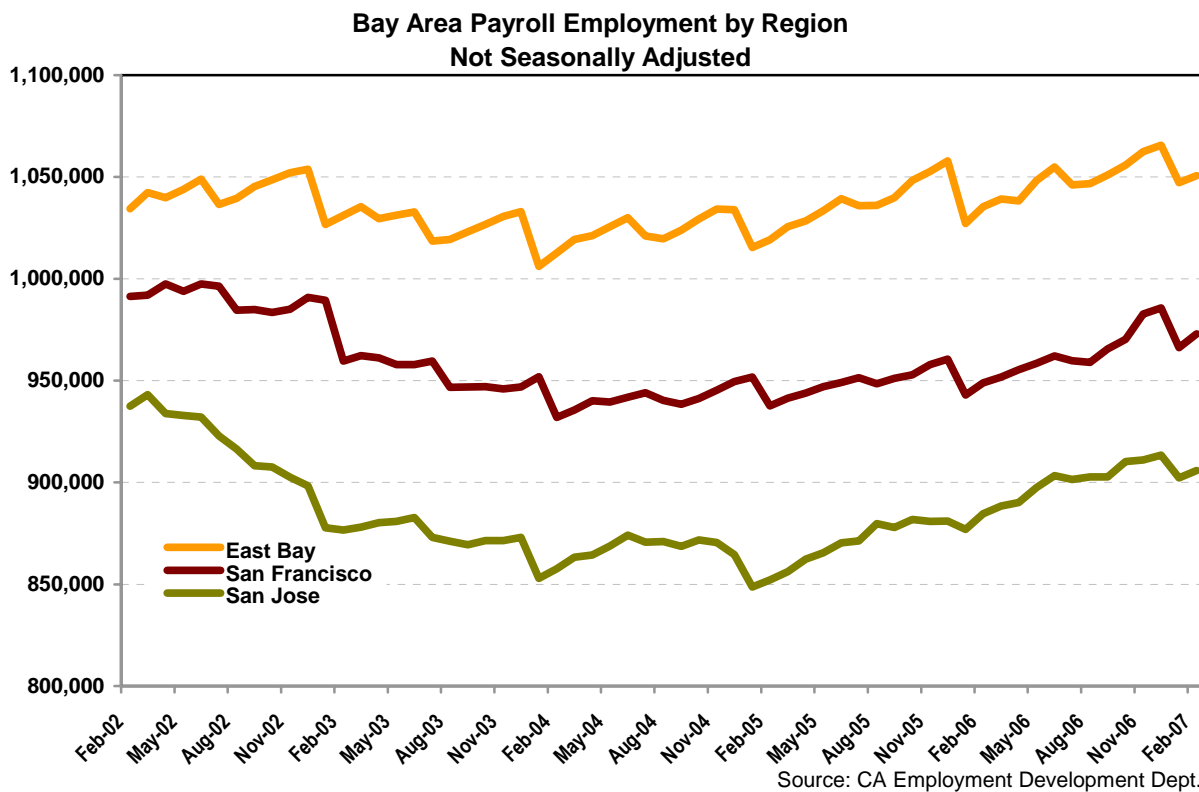


Source: CA Employment Development Dept.

In a year-over-year comparison, there were 19,500 more employed residents in the East Bay in February 2007 than in February 2006. In San Francisco and San Jose the year-over-year comparisons also showed substantial increases of 25,800 and 18,100, respectively.

(Note: Industry employment data dating back to January 2006 were revised downward, causing a drop from previously published data included in the following analyses. Industry employment data dating January 2001-December 2005 that reflects these changes will be released in May 2007.)

All three Bay Area regions saw gains in payroll employment between January and February 2007, with the East Bay gaining 4,100 jobs to reach a total of 1,050,700



Between January and February 2007 in the East Bay...

- Government bolstered payrolls seasonally by 3,100 jobs, largely in local public schools (up 1,900 jobs).
- Educational and health services grew by 1,800 jobs, mainly in private schools (up 1,400 jobs).
- Professional and business services rose by 1,100 jobs, primarily in professional, scientific and technical services (up 800 jobs).
- In contrast, the winter holiday season layoffs continued in the trade, transportation and utilities industry. Retail trade accounted for 1,800 of the total decrease of 2,000 jobs.

EAST BAY PAYROLL EMPLOYMENT BY SECTOR

East Bay Primary Industry Sectors	February 2007	1 Month Change	12 Month Change	24 Month Change
Professional and Business Services	157,600	1,100	5,300	8,800
Educational and Health Services	124,500	1,800	3,800	6,200
Government	186,000	3,100	3,300	5,100
Leisure and Hospitality	84,600	300	1,900	5,400
Manufacturing	97,400	0	1,400	1,100
Other Services	35,800	300	500	900
Retail Trade	111,000	-1,800	400	1,200
Construction	71,000	-600	300	2,300
Trans, Warehousing & Utilities	34,500	-100	300	100
Natural Resources and Mining	1,300	0	200	100
Wholesale Trade	48,300	-100	100	0
Financial Activities	68,600	0	-600	-500
Information	28,800	-100	-1,500	-2,300
Total Payroll Employment (Non Farm)	1,049,400	3,900	15,400	28,400

Source: CA Employment Development Dept.

Between February 2006 and February 2007 in the East Bay, payroll employment grew by 15,300 jobs or 1.5 percent.

- Professional and business services led the year-over gains by adding 5,300 jobs. Professional, scientific and technical services (up 3,500 jobs) accounted for the bulk of the gain.
- Educational and health services gained 3,800 jobs, mostly in health care (up 2,800 jobs).
- Government posted a net increase of 3,300 jobs, largely in local public schools (up 3,100 jobs)
- Leisure and hospitality increased payrolls by 1,900 jobs; accommodation and food services accounted for all the gains.
- Information lost 1,500 jobs, mostly in telecommunications (down 900 jobs).

There was little activity in the East Bay's Manufacturing sector between January and February 2007, with a small gain of 100 jobs in Residual-Food manufacturing being offset by a loss of 100 in the Residual-Miscellaneous sub-sector.

A year-over-year comparison of the East Bay's manufacturing sector showed an overall improvement of 1,400 jobs overall. The largest increase was seen in the Residual-Miscellaneous sub-sector which has gained 1,200 jobs since February 2006. The Petroleum and Coal Products manufacturing sub-sector also saw gains during the same period, adding 500 jobs since February 2006. The Chemical and Residual-Food sub-sectors saw losses of 100 and 400, respectively.

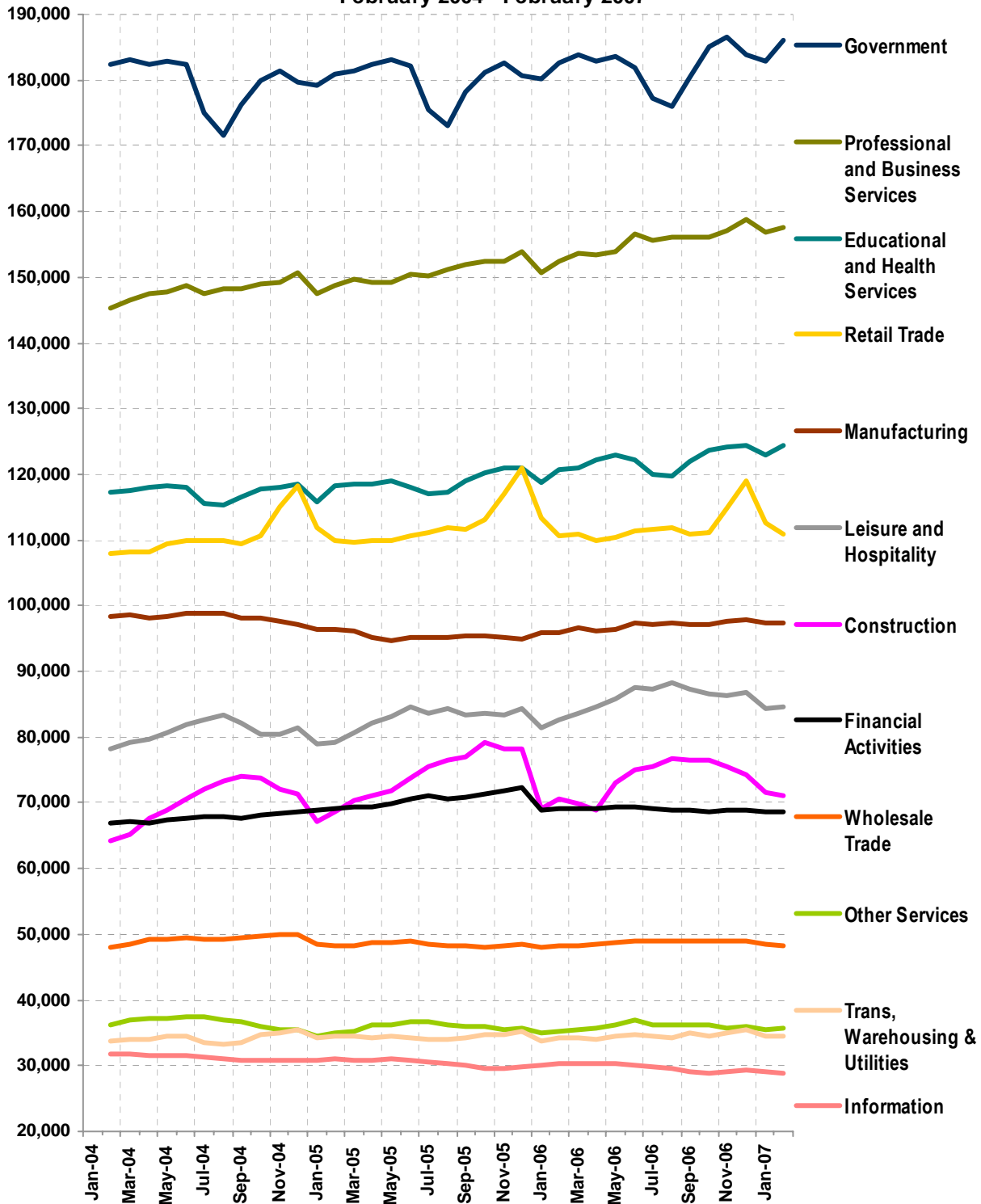
East Bay Manufacturing Sub-Sector	February 2007	1 Month Change	12 Month Change	24 Month Change
Residual-Miscellaneous	33,700	-100	1,200	2,100
Petroleum and Coal Products	7,100	0	500	300
Computer and Electronic Product	21,500	0	100	-400
Transportation Equipment	7,800	0	100	200
Chemical	7,000	0	-100	-100
Residual-Food	20,300	100	-400	-1,000
Total Manufacturing	97,400	0	1,400	1,100

Source: California Employment Development Department

East Bay Sector Employment Summary

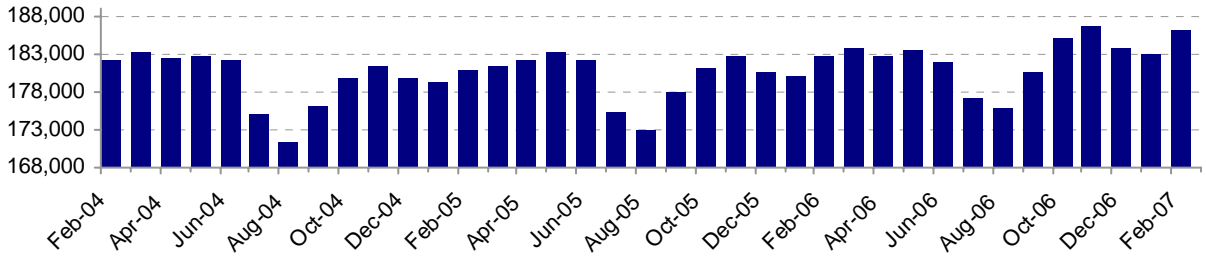
Not Seasonally Adjusted

February 2004 - February 2007

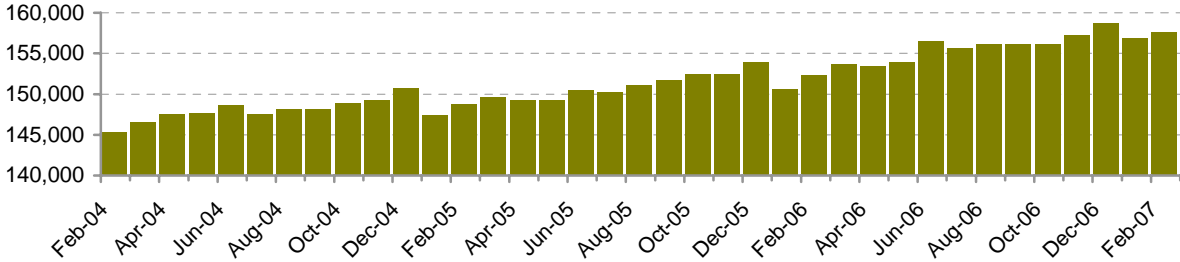


Source: CA Employment Development Dept.

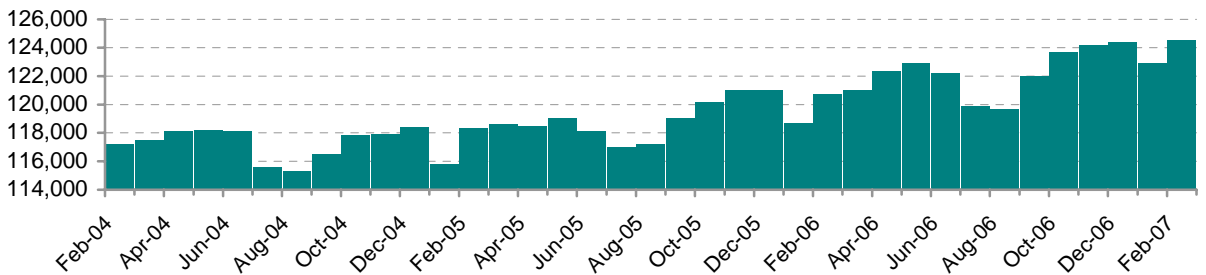
Government



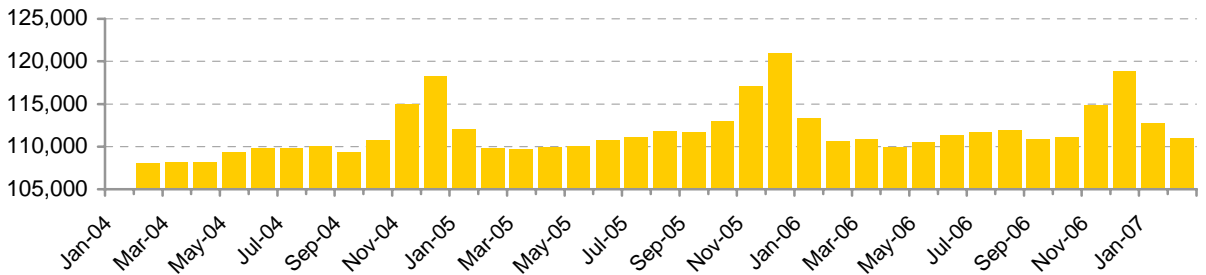
Professional and Business Services



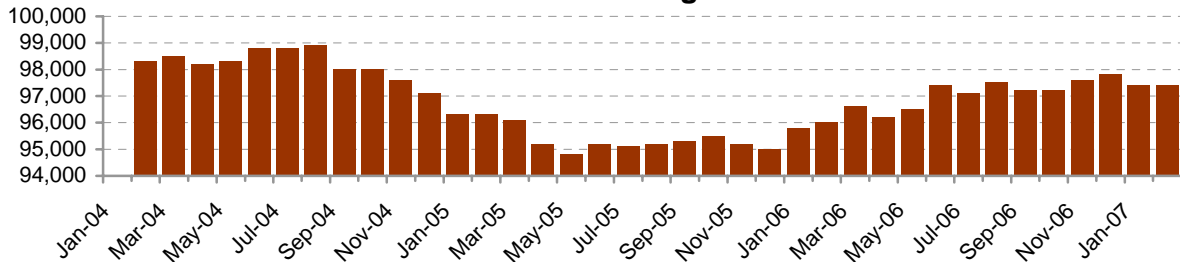
Education and Health Services



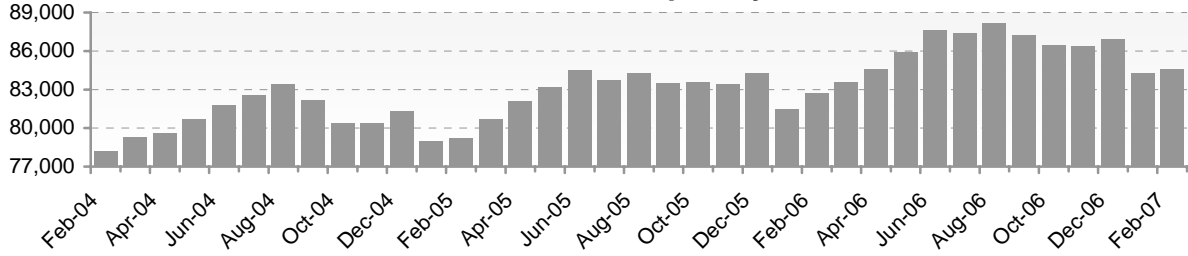
Retail Trade



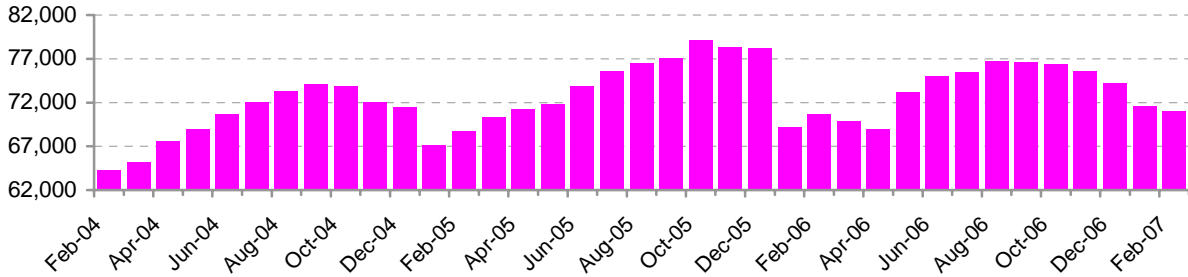
Manufacturing



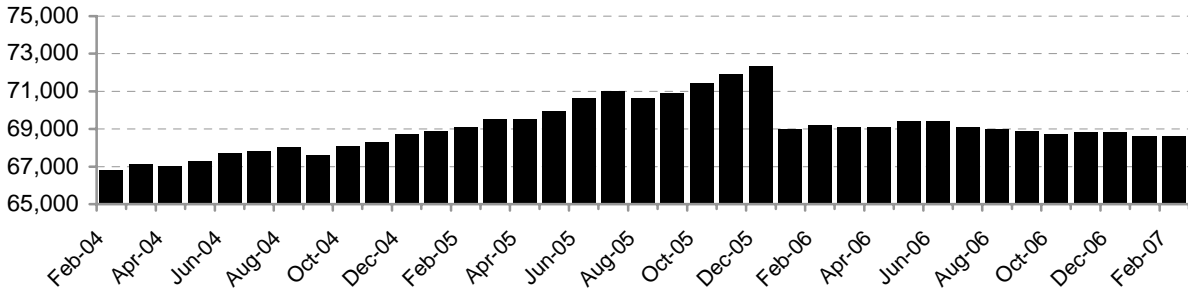
Leisure and Hospitality



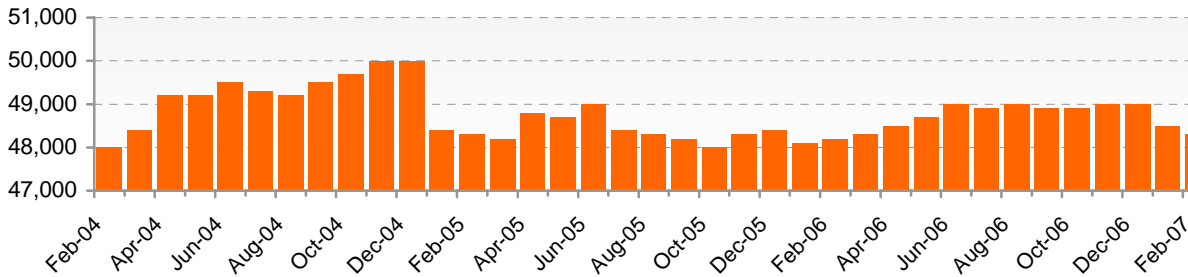
Construction



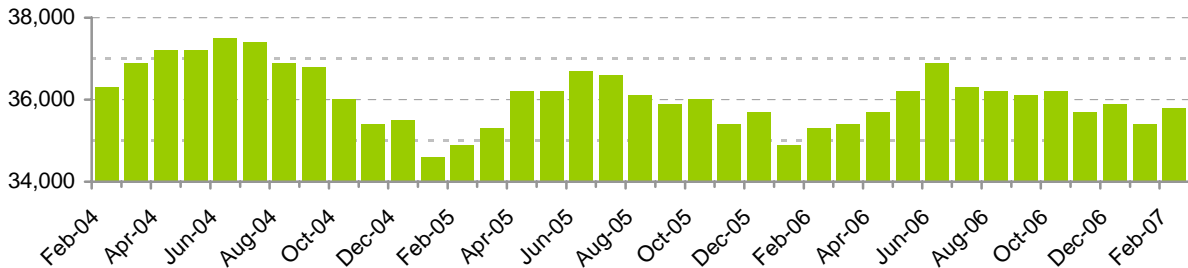
Financial Activities



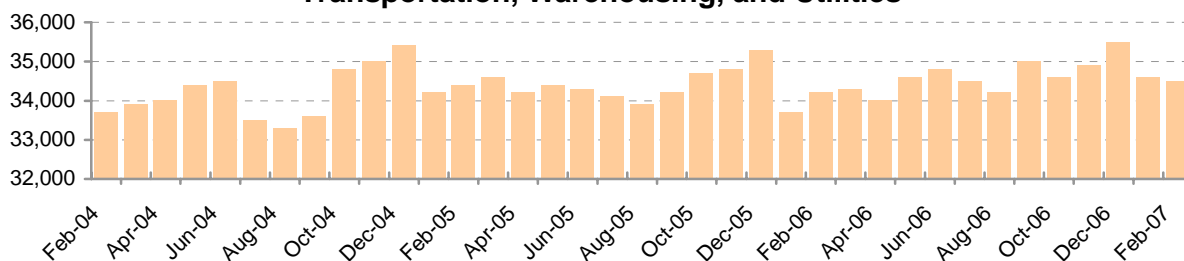
Wholesale Trade



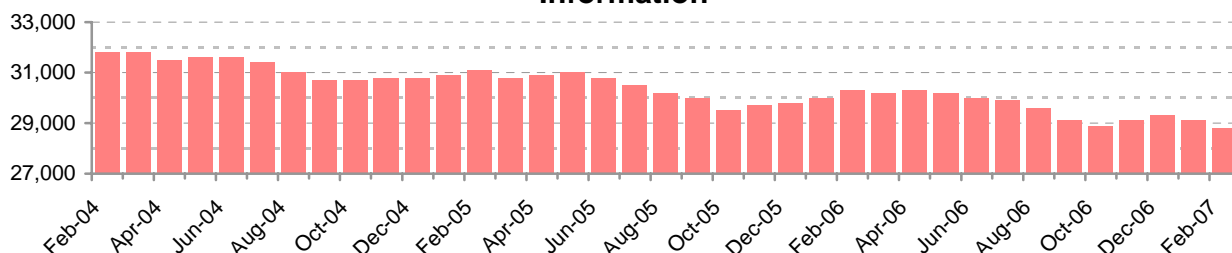
Other Services



Transportation, Warehousing, and Utilities



Information



HOUSING

Bay Area homes continued selling at an 11-year low in February as the region logged its seventh month without significant price appreciation, according to DataQuick Information Systems.

A total of 6,305 new and resale houses and condos sold in the nine-county Bay Area last month. That was up 2.2 percent from 6,168 in January, and down 7.9 percent from 6,844 in February last year, according to DataQuick Information Systems.

On a year-over-year basis, Bay Area sales have fallen for 25 consecutive months. The declines have generally eased each month since sales fell 32.4 percent last July. In the East Bay, Alameda County saw a 3.7 percent year-over-year increase in the number of homes sold, while the number of homes sold decreased 18.7 percent in Contra Costa County – the largest decrease in the Bay Area region in February.

The median price paid for a Bay Area home was \$620,000 last month, up 3.2 percent from \$601,000 in January, and up 0.3 percent from \$618,000 in February last year. The Bay Area median peaked last June at \$648,000. Since August the year-over-year change in the median has hovered near zero, ranging from a decline of 1.5 percent to a gain of 1.6 percent.

All Homes by County	Number Sold February 2007	Annual Pct. Chg	Median February 2007	Median Annual Pct. Chg
Alameda	1,356	3.7%	\$585,000	0.9%
Contra Costa	1,160	-18.7%	\$537,000	-5.5%
Marin	228	4.1%	\$829,000	3.8%
Napa	93	-6.1%	\$612,500	-1.2%
San Francisco	1,654	-6.9%	\$677,000	1.5%
San Mateo	375	-12.6%	\$757,500	2.4%
Santa Clara	528	-7.0%	\$720,000	-2.0%
Solano	458	-13.3%	\$445,000	-2.2%
Sonoma	453	-7.9%	\$515,000	-2.7%
Bay Area	6,305	-7.9%	\$620,000	0.3%

Source: Data Quick Information Systems

The median price paid for a home in Alameda County was \$585,000 in February, up slightly (0.90 percent) from \$580,000 in February 2006. In Contra Costa County the median home price was \$537,000 February 2007, 5.5 percent decline from \$568,000 in February 2006.

The typical monthly mortgage payment that Bay Area buyers committed themselves to paying was \$2,884 in February, up from \$2,804 in January and down from \$2,898 in February 2006.

EAST BAY HOME SALES

In February 2007 the median home sale price in Alameda County was \$590,000 – a 0.94 percent, or \$5,500, increase compared to February 2006. In Contra Costa County the median home sale price was \$540,000 in February 2007 - a 4.42 percent, or \$25,000, decrease compared to February 2006.

The largest year-to-year percentage increase in the East Bay was in Orinda, where the median price was up 13.31 percent from February 2006, an increase of \$132,000.

The East Bay's largest year-to-year decrease in median sale price was in Brentwood where 60 homes were sold and the median home price fell 25.2 percent, or \$176,250.

Within Alameda County, Pleasanton had the highest median home sale price of \$745,000 where 56 homes were sold. Emeryville had the lowest median home price, at \$451,750, where 26 homes were sold – many of which were multi-family units.

In Contra Costa County, Alamo had the highest median home sale price of \$1,250,000, an 3.5 percent decrease from February 2006, and Richmond had the lowest median sale price - \$420,000, where 69 homes were sold in February 2007, many of which were multi-family units.

NOTE: The housing costs provided by DataQuick include all home sales – new and existing, condos and single-family. Data at the city level will vary from county level data due to collection methods.

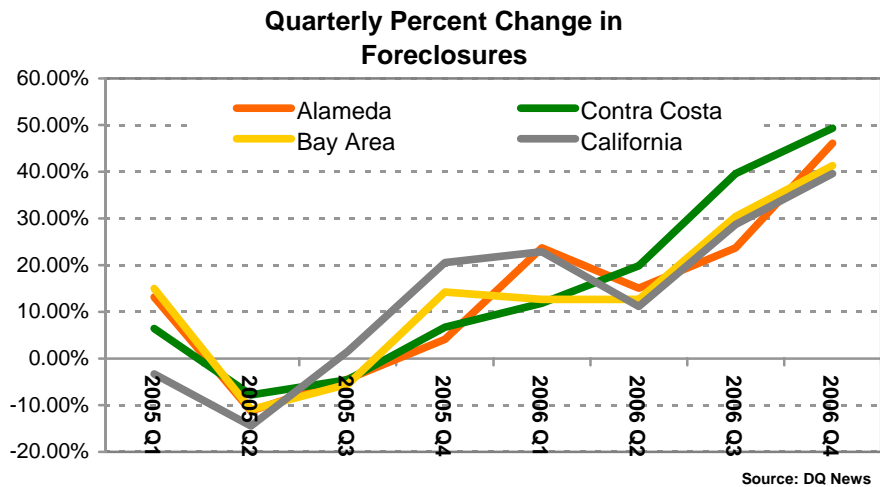
FEBRUARY 2007 EAST BAY HOME SALES

County/City/Area	# Sold	February 2007	February 2006	% Change Yr-To-Yr
Alameda County	861	\$590,000	\$584,500	0.94%
ALAMEDA	41	\$660,000	\$640,000	3.13%
ALBANY	8	\$487,500	\$520,000	-6.25%
BERKELEY	27	\$615,000	\$775,000	-20.65%
CASTRO VALLEY	42	\$629,500	\$649,750	-3.12%
DUBLIN	38	\$669,500	\$639,750	4.65%
EMERYVILLE	26	\$451,750	\$475,000	-4.89%
FREMONT	149	\$627,500	\$628,500	-0.16%
HAYWARD	79	\$535,000	\$580,000	-7.76%
LIVERMORE	68	\$616,000	\$600,000	2.67%
NEWARK	33	\$625,000	\$595,500	4.95%
OAKLAND	186	\$502,500	\$465,000	8.06%
PLEASANTON	56	\$745,000	\$775,000	-3.87%
SAN LEANDRO	42	\$527,500	\$550,000	-4.09%
SAN LORENZO	16	\$540,000	\$532,500	1.41%
UNION CITY	50	\$636,750	\$640,000	-0.51%
Contra Costa	998	\$540,000	\$565,000	-4.42%
ALAMO	11	\$1,250,000	\$1,300,000	-3.85%
ANTIOCH	82	\$500,000	\$480,000	4.17%
BRENTWOOD	60	\$523,250	\$699,500	-25.20%
BYRON	27	\$550,000	\$667,500	-17.60%
CLAYTON	12	\$599,500	\$799,000	-24.97%
CONCORD	108	\$510,000	\$528,000	-3.41%
CROCKETT	2	\$518,750	\$495,000	4.80%
DANVILLE	74	\$951,750	\$875,000	8.77%
EL CERRITO	21	\$550,000	\$637,500	-13.73%
EL SOBRANTE	19	\$535,000	\$510,000	4.90%
HERCULES	16	\$570,000	\$636,500	-10.45%
LAFAYETTE	18	\$915,000	\$982,500	-6.87%
MARTINEZ	44	\$531,000	\$599,500	-11.43%
MORAGA	12	\$826,500	\$779,000	6.10%
OAKLEY	55	\$499,500	\$494,500	1.01%
ORINDA	13	\$1,124,000	\$992,000	13.31%
PINOLE	10	\$525,000	\$535,000	-1.87%
PITTSBURG	59	\$449,000	\$449,500	-0.11%
PLEASANT HILL	28	\$627,500	\$627,500	0.00%
RICHMOND	69	\$420,000	\$460,000	-8.70%
RODEO	2	\$534,500	\$563,500	-5.15%
SAN PABLO	38	\$461,500	\$462,000	-0.11%
SAN RAMON	121	\$741,000	\$834,500	-11.20%

Source: DataQuick

Foreclosures

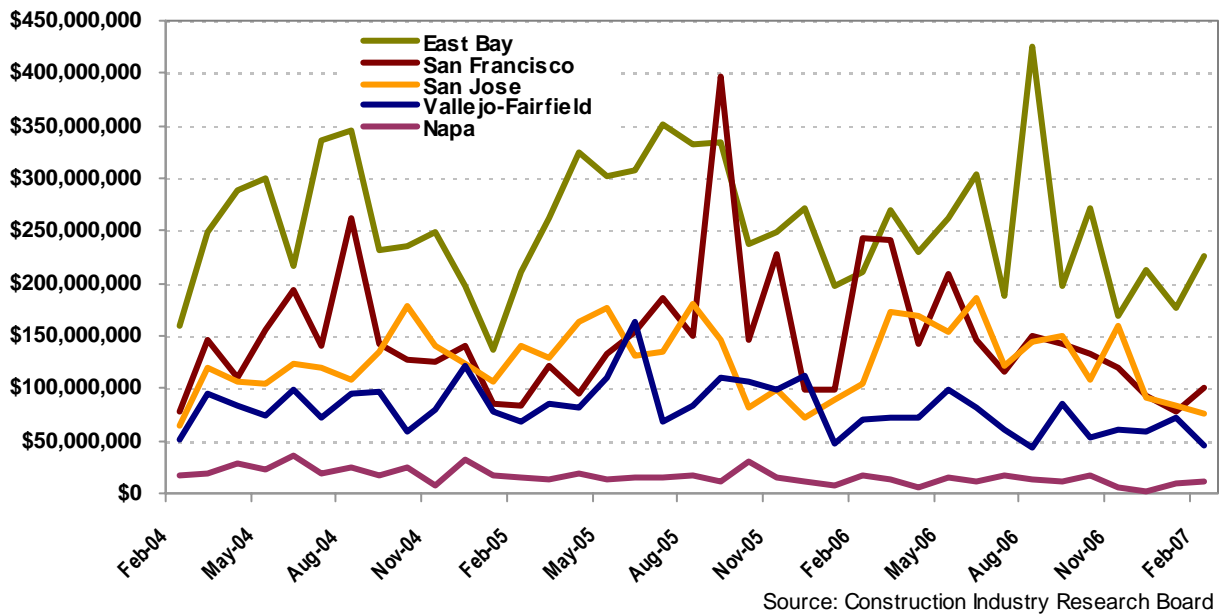
On a quarterly basis, foreclosure rates in the East Bay have been on the rise since the second quarter of 2006. Between the third and fourth quarters of 2006, both Alameda and Contra Costa Counties saw foreclosure rates increase at a much higher rate than that of the state as a whole – with Alameda County seeing an increase of over 49 percent and Contra Costa County an increase of over 46 percent.



CONSTRUCTION PERMITS

The following two charts of residential and non-residential permit values issued in each of the Bay Area's regions since February 2004 provide a quick comparative view of activity. Data follows in subsequent tables.

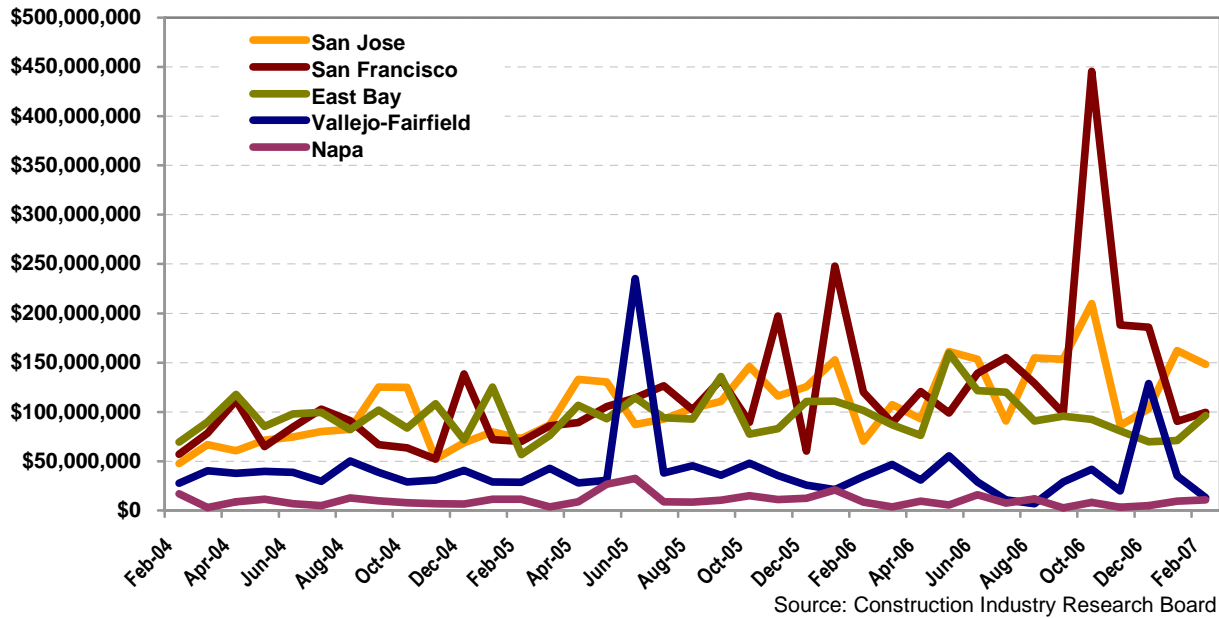
Dollar Value of Bay Area Residential Permits Issued by Region



In February 2007 the East Bay, Napa and San Francisco Metropolitan Statistical Areas (MSA) experienced moderate increases in the value of residential construction permits issued. The East Bay saw a 49 million dollar increase over January 2007, the largest month-over-month increase throughout the five MSAs.

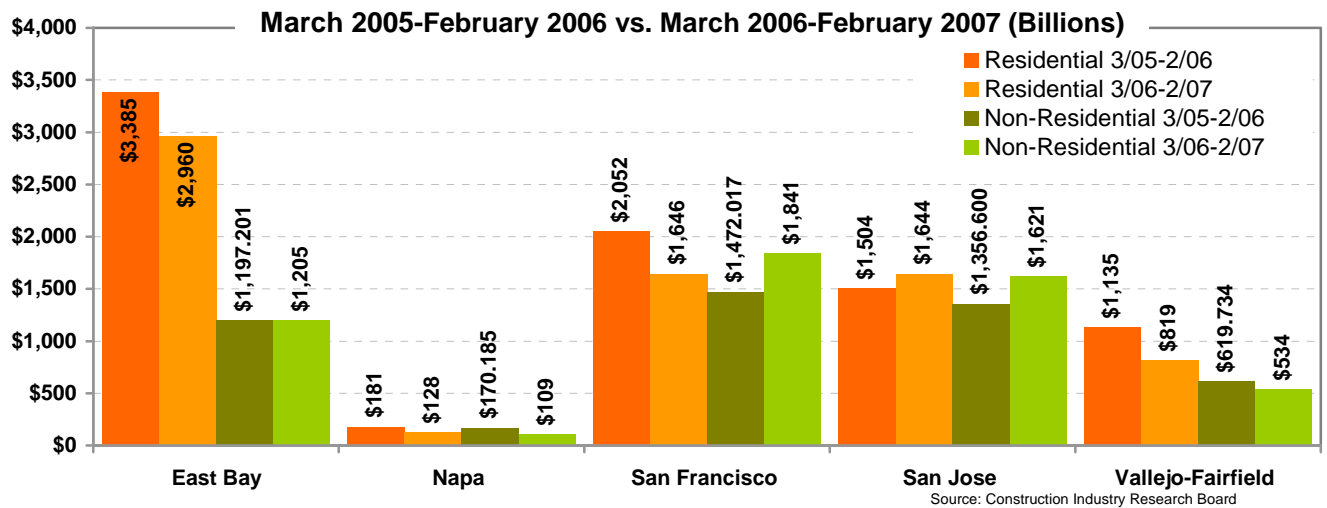
Non-residential permits showed a similar trend in February, with the East Bay, San Francisco and Napa MSAs seeing increases over January. Permit values in the San Francisco MSA had been decreasing steadily since a spike in October of 2006, when permit values reached an astonishing \$450 million. In the San Jose and Vallejo-Fairfield MSAs, month-over-month declines were moderate.

Dollar Value of Bay Area Non-Residential Permits Issued by Region



When comparing the two previous twelve-month periods of March 2005-February 2006 and March 2006-February 2007, the San Jose region was the only Bay Area region to see an increase in the value of residential permits. In the East Bay, the value of residential permits issued was roughly \$425 million less, or 12.6 percent lower, in the period ending February 2007 than in the previous period ending February 2006. The East Bay saw a slight increase in non-residential permit values, while the San Francisco and San Jose regions both saw large increases in non-residential permits during the same period.

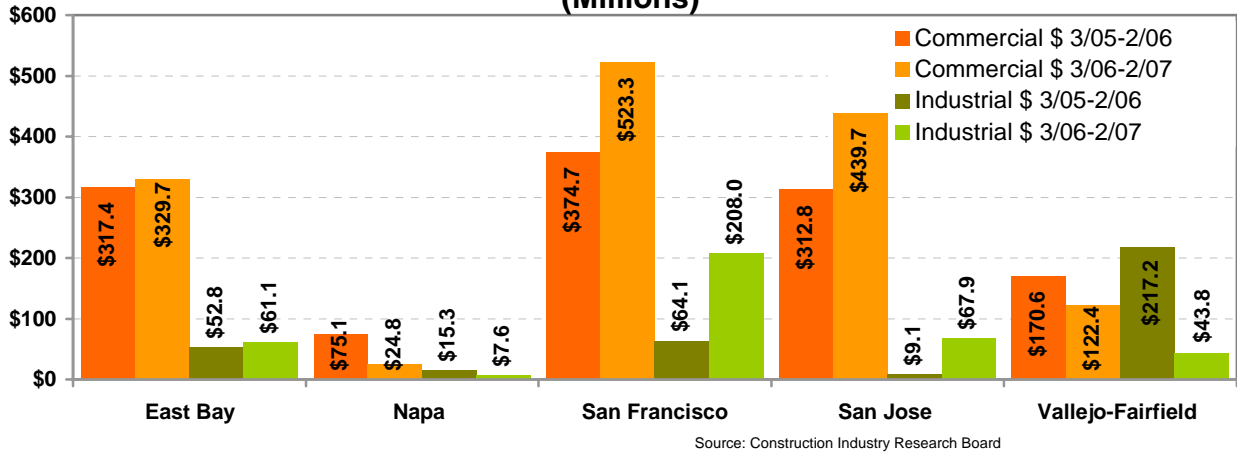
Value of Bay Area Construction Permits Issued by Region, Residential and Non-Residential



A comparison of commercial and industrial permits for the same two twelve-month periods shows commercial permit values in the East Bay, San Francisco, and San Jose regions between March 2006 and February 2007, were higher than in the previous twelve-month period. In San Francisco, roughly \$148 million more in commercial permits were issued than in the previous twelve-month period.

Value of Bay Area Construction Permits Issued by Region Commercial and Industrial

March 2005-February 2006 vs. March 2006- February 2007
(Millions)

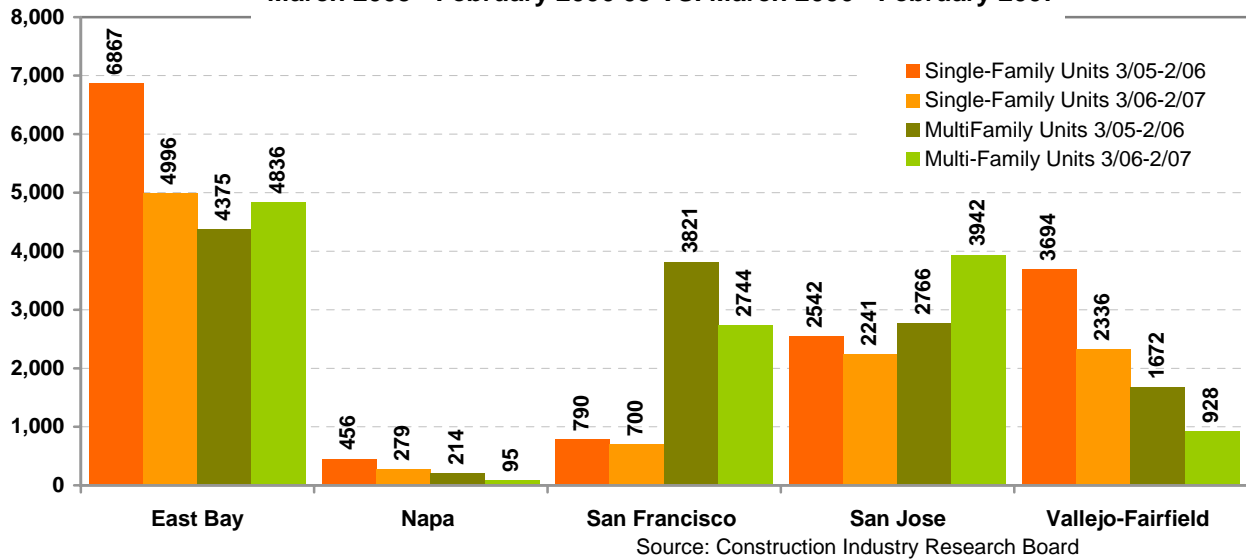


In terms of industrial permits, the East Bay, San Francisco and San Jose regions saw permit value increases. Industrial permit values were up roughly \$12 million in the East Bay. San Francisco saw a significant increase of \$143 million in the second twelve-month period, and in San Jose the increase in the dollar value of industrial permits was roughly \$58 million.

In the twelve-month period ending February 2007, the East Bay saw a substantial decrease in the number of single-family unit permits issued, while the number of multi-family permits increased. The San Francisco, Napa and Vallejo-Fairfield regions saw decreases in both single and multi-family permits issued, while San Jose saw a moderate decrease in single-family permits and a significant increase in multi-family permits.

Bay Area Single Family and Multi-Family Permits Issued by Region

March 2005 - February 2006 VS. March 2006 - February 2007



The following tables examine these permit categories for the same comparative time periods for Alameda and Contra Costa Counties.

In Alameda County the most remarkable change occurred in the value of industrial permits issued, which was up over 44 percent over the previous 12-month period. Alameda County commercial permit values decreased 18.2 percent during the second 12-month period, while residential permit values were virtually unchanged, increasing less than 1 percent. In Contra Costa County, the story was quite different. Commercial permit values increased substantially, and were over 64 percent higher than in the previous 12-month period, while residential and industrial permit values were significantly lower in the same comparison.

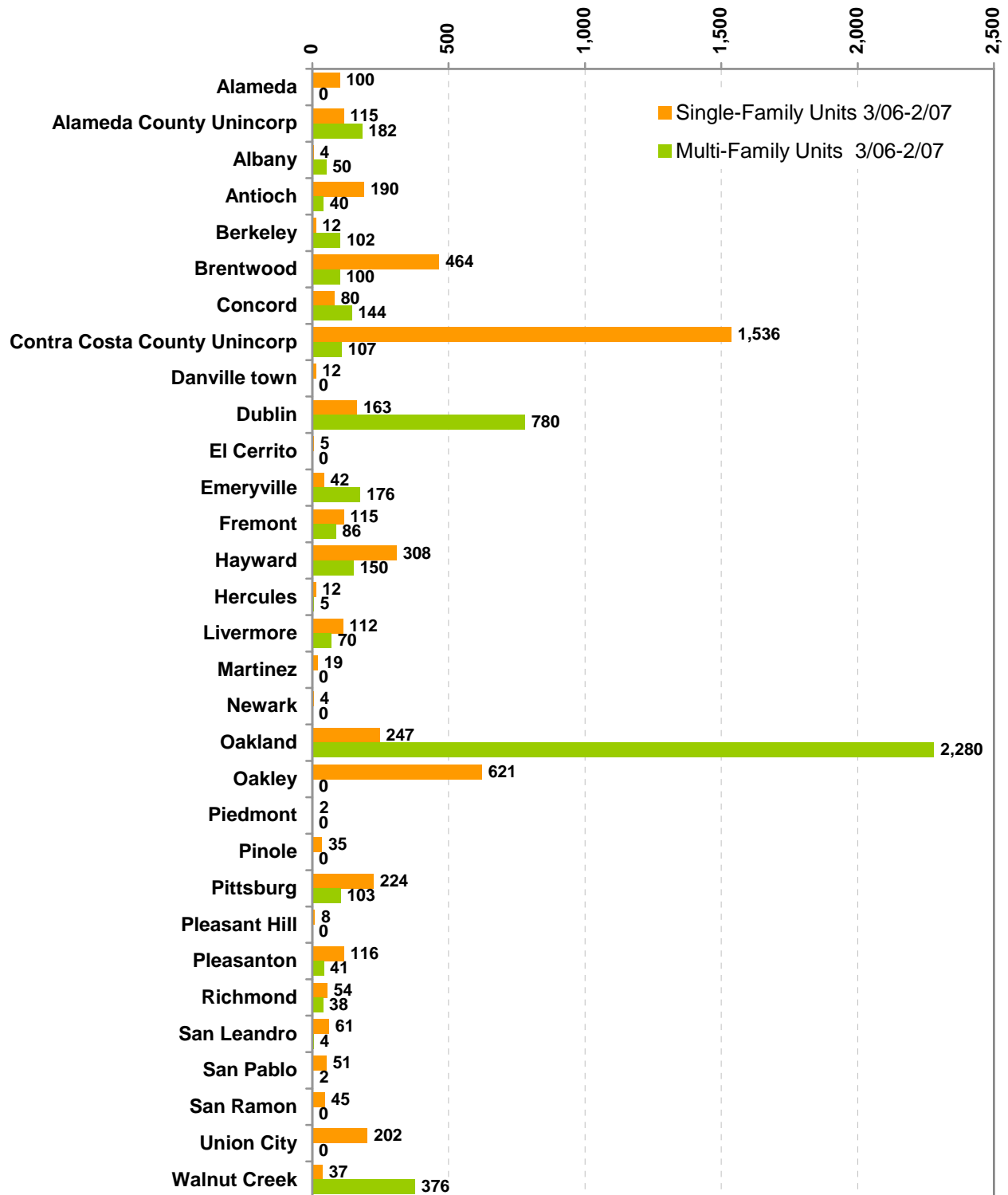
Construction Permit Values	March 2005 – February 2006	March 2006 – February 2007	Change	% Change
Alameda County Residential	\$1,491,077,711	\$1,500,926,015	\$9,848,304	0.7%
Alameda County Non-Res	\$827,340,097	\$747,176,279	-\$80,163,818	-9.7%
Alameda County Commercial	\$231,526,660	\$189,394,043	-\$42,132,617	-18.2%
Alameda County Industrial	\$32,293,973	\$46,592,108	\$14,298,135	44.3%
Contra Costa County Residential	\$1,894,393,172	\$1,458,879,814	-\$435,513,358	-23.0%
Contra Costa County Non-Res	\$369,861,049	\$457,939,395	\$88,078,346	23.8%
Contra Costa County Commercial	\$85,904,285	\$140,283,584	\$54,379,299	63.3%
Contra Costa County Industrial	\$20,475,897	\$14,529,412	-\$5,946,485	-29.0%

In the same comparison, both Alameda and Contra Costa Counties saw decreases in the number of Single-Family construction permits issued. Multi-family permits increased in Alameda County, and decreased slightly in Contra Costa County.

Housing Unit Permit Comparison	March 2005- February 2006	March 2006- February 2007	Change	% Change
Alameda County Single-Family Units	1610	1603	-7	-0.4%
Contra Costa County Single-Family Units	5257	3393	-1864	-35.5%
Alameda County Multi-Family Units	3449	3921	472	13.7%
Contra Costa County Multi-Family Units	926	915	-11	-1.2%

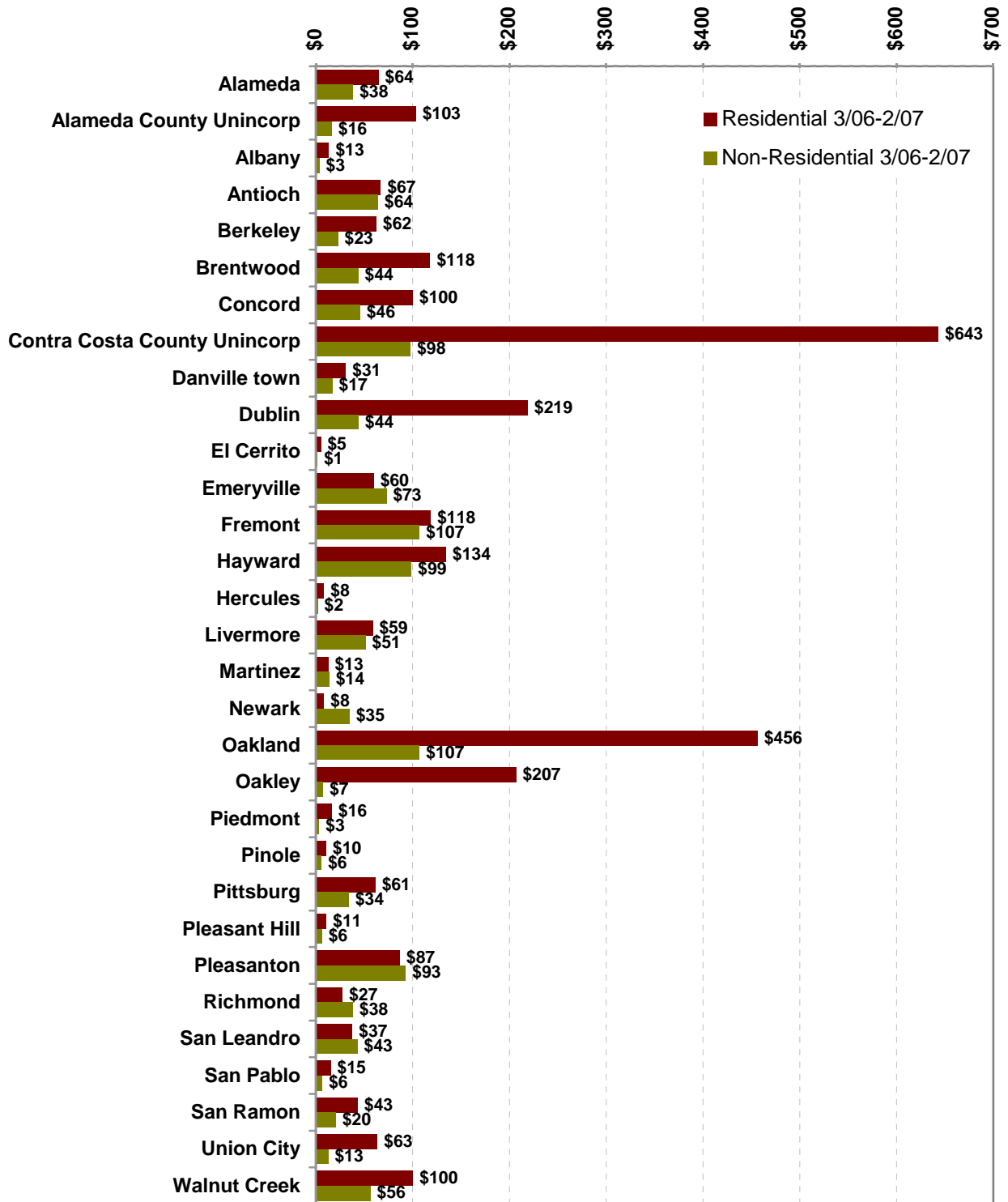
The following charts show the number and value of single, multi-family, residential and non-residential construction permits issued in East Bay cities for the twelve-month period ending February 2007.

Number of East Bay Residential Unit Permits Issued by Type March 2006 - February 2007



Source: Construction Industry Research Board

Value of East Bay Residential and Non-Residential Permits Issued by City March 2006 - February 2007 (Millions)



Source: Construction Industry Research Board

HOTEL OCCUPANCY

The PKF Consulting report on hotel trends for January 2007 showed an 8.7 percent increase in room rates throughout Northern California compared with January 2006. Mild weather during the month helped The East Bay's average daily room to climb to \$113.27 in January 2007 - a 7.6 percent increase over January 2006. Hotels throughout northern California saw year-over-year increases in room rates in January 2007, with hotels in Napa seeing a 21.8 percent increase in room rates over January 2006.

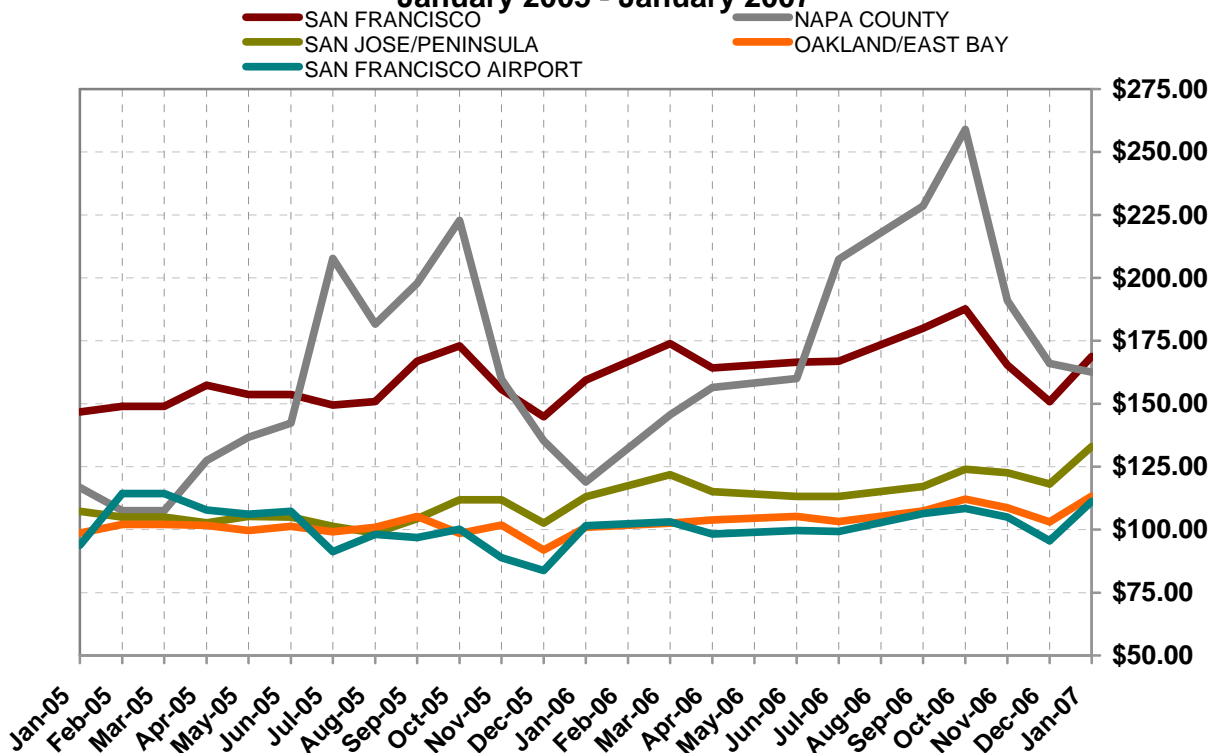
	AVERAGE DAILY ROOM RATE			OCCUPANCY PERCENT		
	January 2007	January 2006	% Change	Jan 2007	Jan 2006	% Change
MONTEREY/CARMEL	\$174.39	\$155.77	12.0%	50.6%	51.6%	-1.9%
SAN FRANCISCO	\$168.82	\$158.56	6.5%	61.8%	62.1%	-0.5%
NAPA COUNTY	\$162.54	\$133.40	21.8%	47.5%	57.7%	-17.7%
MARIN COUNTY	\$140.72	\$134.16	4.9%	68.6%	67.0%	2.4%
SAN JOSE/PENINSULA	\$133.04	\$116.97	13.7%	67.4%	65.3%	3.2%
OAKLAND/EAST BAY	\$113.27	\$105.25	7.6%	60.9%	58.3%	4.5%
SFO AIRPORT	\$111.27	\$101.07	10.1%	61.2%	67.7%	-9.6%
SACRAMENTO	\$107.61	\$99.55	8.1%	64.7%	66.0%	-2.0%
SONOMA COUNTY	\$105.31	\$103.49	1.8%	51.1%	54.3%	-5.9%
OTHER NOR. CAL	\$90.57	\$87.85	3.1%	54.0%	61.0%	-11.5%
CENTRAL VALLEY	\$73.92	\$68.57	7.8%	62.8%	66.1%	-5.0%
OVERALL AVERAGE	\$131.02	\$120.55	8.7%	61.8%	62.4%	-1.0%

Source: PKF Consulting

The East Bay's Average Daily Room Rate remained steady in January 2007, experiencing an increase following the seasonal drop in rates during the holiday season – a trend also found in similar business-travel markets such as the San Francisco Airport and San Jose/Peninsula regions. Room rates in the

Bay Area Hotel Average Daily Room Rate

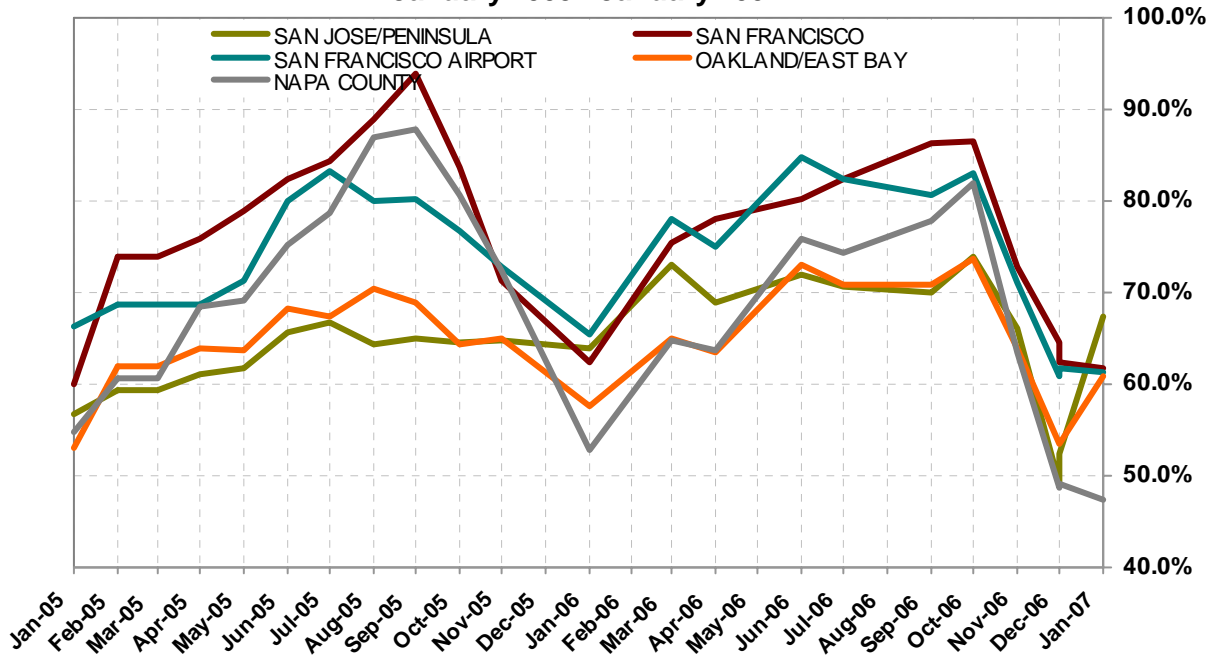
January 2005 - January 2007



Source: PKF Consulting

Napa market continued to fall following the record-setting highs set in October 2006. This pattern in the region's room rates is seasonal in a market catering primarily to tourists, such as Napa. In San Francisco, a market which caters to tourists and business travelers alike, rates bounced back in January following the holiday downturn, and were 6.5 percent higher than January 2006.

Bay Area Hotel Occupancy January 2005 - January 2007



Source: PKF Consulting

Hotel occupancy rates were a mixed bag in January 2007. The East Bay and San Jose regions experienced steep increased occupancy over December 2006, while the Napa, San Francisco and San Francisco Airport markets all experienced decreased occupancy. Napa's decrease can be attributed to the seasonal downturn, and though fairly sharp, the region's decrease following the annual peak season of September-October was less severe than between October 2005 and January 2006. The decreases in the San Francisco and San Francisco Airport markets during the late fall and early winter months can be attributed to severe weather in other parts of the country, limiting travel to popular Winter destinations, as well as to the seasonal holiday downturn.