

The **East Bay Monthly Analysis** is prepared by the East Bay Economic Development Alliance (East Bay EDA) and augments the **East Bay Quarterly Forecast** authored by the UCLA Anderson Forecast.

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East Bay EDA welcomes your comments and suggestions. Send your comments, questions or suggestions to [stephanie@eastbayeda.org](mailto:stephanie@eastbayeda.org) or call (510) 272-6843.

#### SNAPSHOT: THE EAST BAY IN APRIL 2007

- Year-over-year **job increases continued, with the East Bay gaining 16,800 jobs** since April 2006.
- The East Bay's **manufacturing sector gained 1,100 payroll jobs** when compared with April 2006.
- The **median home sale price in Contra Costa County increased in a year-over-year comparison**, while median home sale prices in Alameda County fell.
- 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 dramatically.**

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

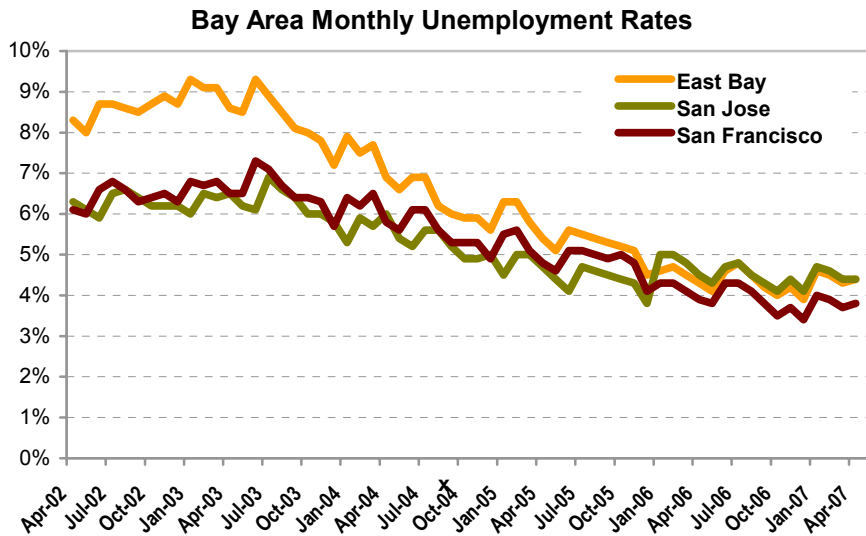
**NOTE:** This edition of the East Bay Monthly Analysis will differ from previous editions. In an effort to bring our readers the most relevant and up-to-date economic information we have moved GDP, CPI and Hotel Vacancy data to our **Quarterly Indicators Sheet**. The **Quarterly Indicators Sheet** will accompany the East Bay EDA Quarterly Forecast, authored by UCLA. The First Quarter 2007 edition can be downloaded from our website at [http://www.eastbayeda.org/research\\_facts\\_figures/Indicators-Quarterly/Q107Indicators.pdf](http://www.eastbayeda.org/research_facts_figures/Indicators-Quarterly/Q107Indicators.pdf)

If you have any questions regarding this change to the East Bay Monthly Analysis, or would like to request any of these data please contact us.

# EMPLOYMENT

As reported by the California Employment Department, the unemployment rate in the Oakland-Fremont-Hayward MD was 4.4 percent in April 2007, virtually unchanged from the estimate of 4.3 percent in March 2007. The East Bay's unemployment rate resembled the nation's rate of 4.3 percent and was lower than the California estimate of 5.0 percent. The unemployment rate was 4.4 percent in both Alameda and Contra Costa Counties.

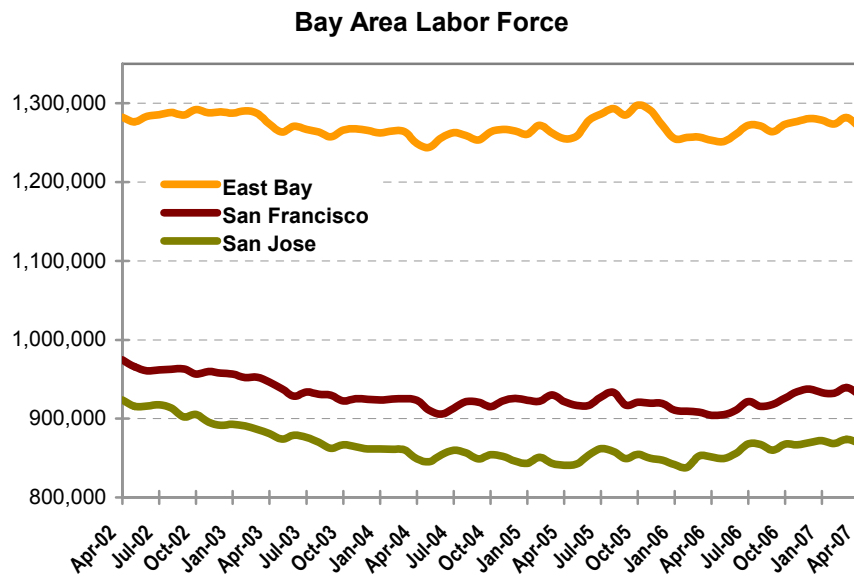
The unemployment rate in the San Francisco MD was 3.8 percent in April, a minor increase from the March estimate of 3.7 percent. In the San Jose MSA, the unemployment rate was unchanged between March and April 2007, holding at 4.4 percent – a minor decrease when compared with the April 2006 estimate of 4.5 percent.



Source: CA Employment Development Dept.

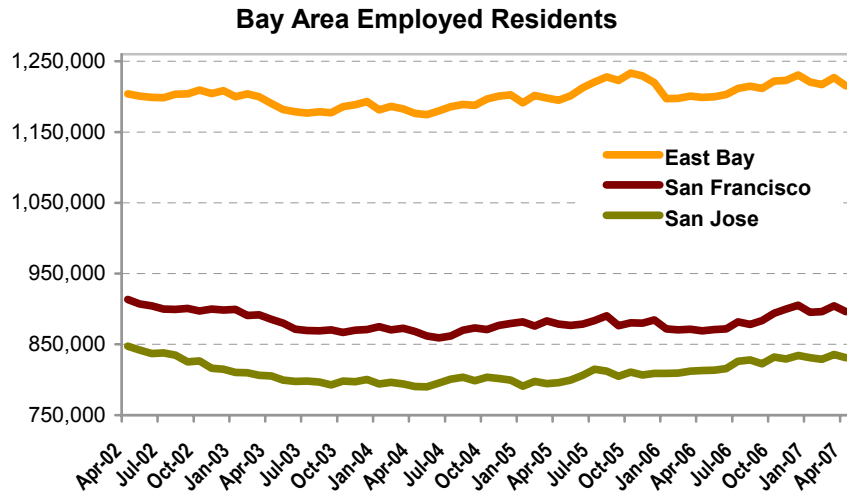
In a month-over-month comparison, all three Bay Area regions saw losses in labor force (number of individuals who are currently employed or actively seeking employment). The East Bay lost 11,300 workers between March and April 2007, San Francisco lost 8,700 workers and San Jose lost 4,400.

In a year-over-year comparison with April 2006, large gains were made, with the East Bay gaining 17,400, San Francisco 26,800 and San Jose 18,200.



Source: CA Employment Development Dept.

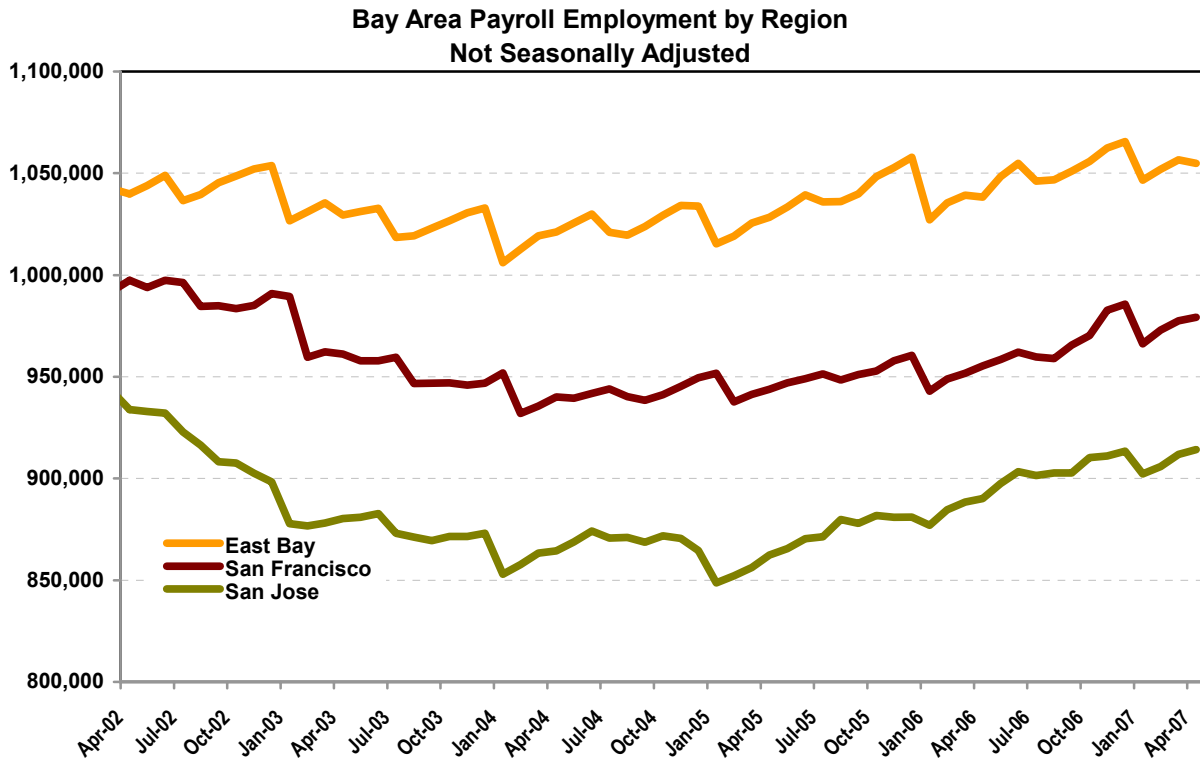
Between March and April 2007, all three Bay Area regions saw losses in the number of employed residents (residents who are employed, but not necessarily within the region). In the East Bay there were 11,900 fewer residents employed in April than in March, in San Francisco 8,400 fewer, and 4,800 fewer in San Jose



Source: CA Employment Development Dept.

Between March and April 2007, the total number of payroll jobs (jobs located within the region) in Alameda and Contra Costa Counties fell by 1,600 jobs to reach 1,055,000. All major non-farm industries declined except for natural resources and mining. During the same period San Francisco lost 19,600 jobs and San Jose lost 11,000.

In a year-over-year comparison with April 2006, the East Bay gained 16,800 payroll jobs, San Francisco gained 23,900 jobs and San Jose gained 24,100.



Source: CA Employment Development Dept.

# EAST BAY PAYROLL EMPLOYMENT

Between March and April 2007 in the East Bay:

- Construction payrolls fell by 900 jobs, mainly in specialty trade contractors (down 500 jobs). The average for the prior 17 years between March and April was a gain of 800 jobs.
- Government lost 900 jobs, primarily in state schools (down 600 jobs).
- Manufacturing decreased by 400 jobs, largely in durable goods (down 300 jobs).
- Trade, transportation and utilities, health care and other services each increased by 200 jobs.

East Bay Primary Industry Sectors	April 2007	1 Month Change	12 Month Change	24 Month Change
	Professional and Business Services	158,600	-100	<b>5,200</b>
Government	186,600	-900	<b>3,800</b>	4,300
Educational and Health Services	125,600	200	<b>3,300</b>	7,200
Retail Trade	112,000	200	<b>2,100</b>	2,100
Construction	70,400	-900	<b>1,500</b>	-700
Manufacturing	97,300	-400	<b>1,100</b>	2,000
Leisure and Hospitality	85,700	100	<b>1,100</b>	3,400
Other Services	36,300	200	<b>600</b>	400
Natural Resources and Mining	1,300	0	<b>200</b>	200
Wholesale Trade	48,600	100	<b>100</b>	-200
Trans, Warehousing & Utilities	34,100	-100	<b>100</b>	-100
Financial Activities	68,300	-100	<b>-800</b>	-1,000
Information	28,900	100	<b>-1,400</b>	-2,000

**Source: CA Employment Development Dept.**

Between April 2006 and April 2007, industry employment in the East Bay advanced by 16,800, or 1.6 percent.

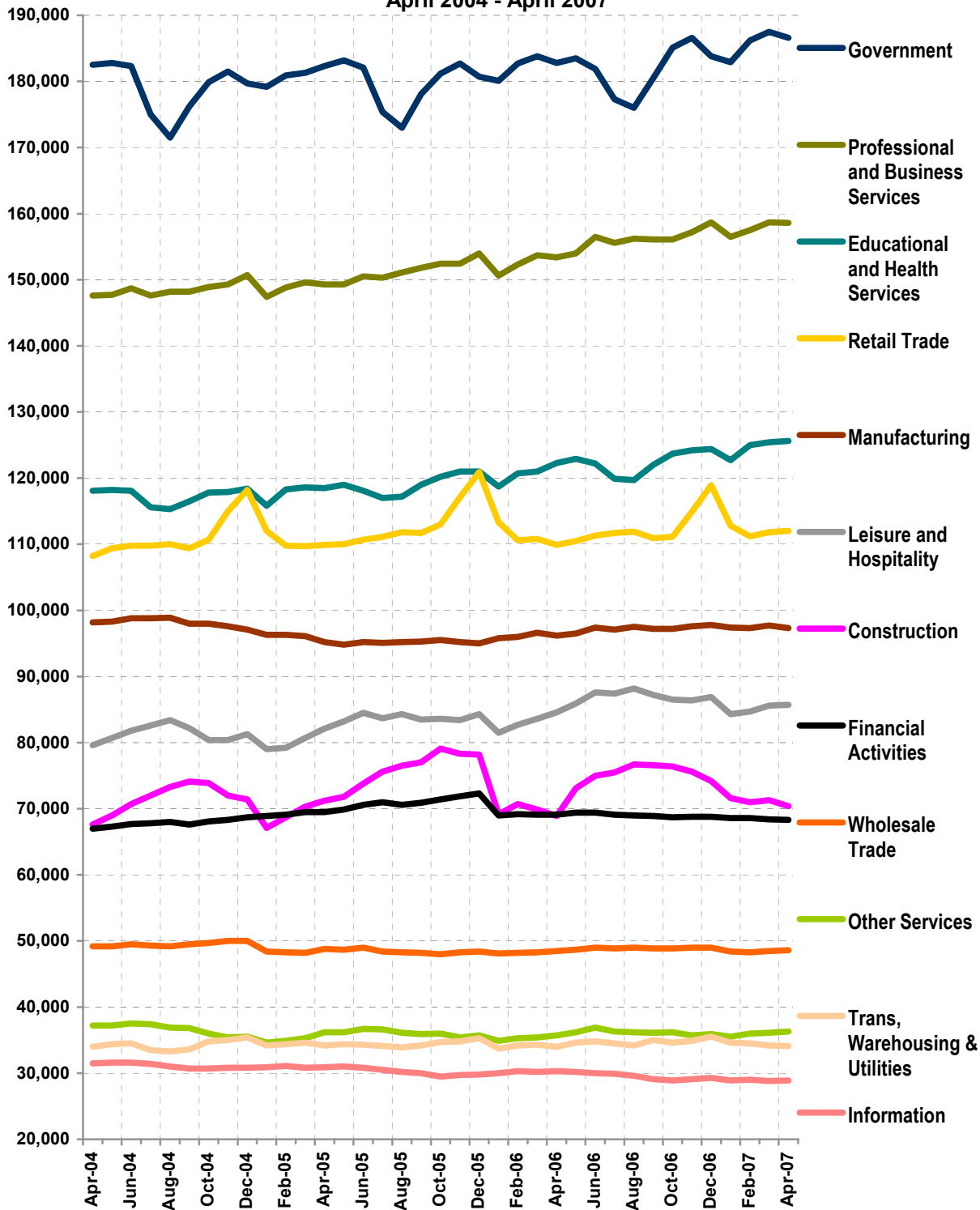
- Professional and business services reported the 40<sup>th</sup> consecutive month of year-over gains by adding 5,200 jobs. Professional, scientific and technical services (up 3,300 jobs) accounted for the bulk of the gain.
- Government gained 3,800 jobs, largely in local public schools (up 3,200 jobs).
- Educational and health services posted a gain of 3,300 jobs, primarily in health care (up 2,300 jobs).
- Trade, transportation and utilities expanded by 2,300 jobs, mainly in retail trade, while construction added 1,500 jobs.
- Information continued to reduce payrolls by 1,400 jobs; half of the losses were in telecommunications (down 700 jobs).

A year-over-year comparison of the East Bay's manufacturing sector showed an overall improvement of 1,100 jobs. Durable Goods and Residual-Miscellaneous Manufacturing each gained 1,200 jobs since April of 2006. Nondurable Goods, Chemical Manufacturing and Computer and Electronic Product Manufacturing saw small losses when compared with April of 2006.

Between March and April 2007 the East Bay's manufacturing sector lost 400 jobs overall, with Residual-Miscellaneous and Food Manufacturing losing 300 and 100 jobs, respectively.

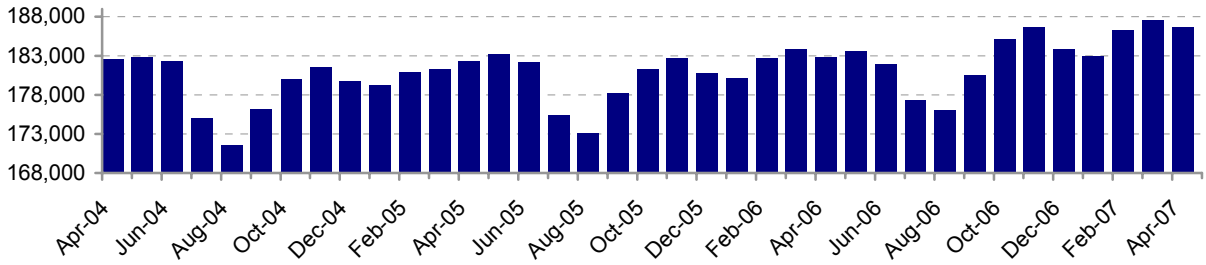
<b>East Bay Manufacturing Sector</b>	<b>4/2007 Employment</b>	<b>1 Month Change</b>	<b>12 Month Change</b>	<b>24 Month Change</b>
<b>Residual-Miscellaneous Manufacturing</b>	33,600	-300	<b>1,200</b>	2,300
<b>Petroleum and Coal Products Manufacturing</b>	7,100	0	<b>500</b>	600
<b>Transportation Equipment Manufacturing</b>	7,800	0	<b>100</b>	200
<b>Computer and Electronic Product Manufacturing</b>	21,500	0	<b>-100</b>	-300
<b>Chemical Manufacturing</b>	7,000	0	<b>-100</b>	0
<b>Residual- Food Manufacturing</b>	20,300	-100	<b>-500</b>	<b>-800</b>
<b>Manufacturing</b>	<b>97,300</b>	<b>-400</b>	<b>1,100</b>	<b>2,000</b>

## East Bay Payroll Employment Not Seasonally Adjusted April 2004 - April 2007

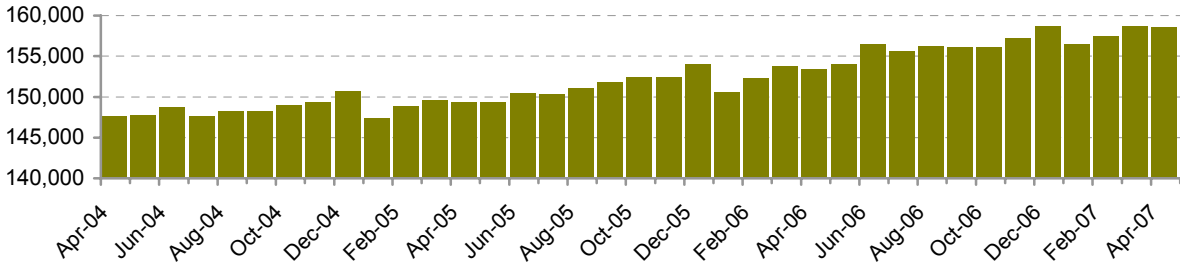


Source: CA Employment Development Dept.

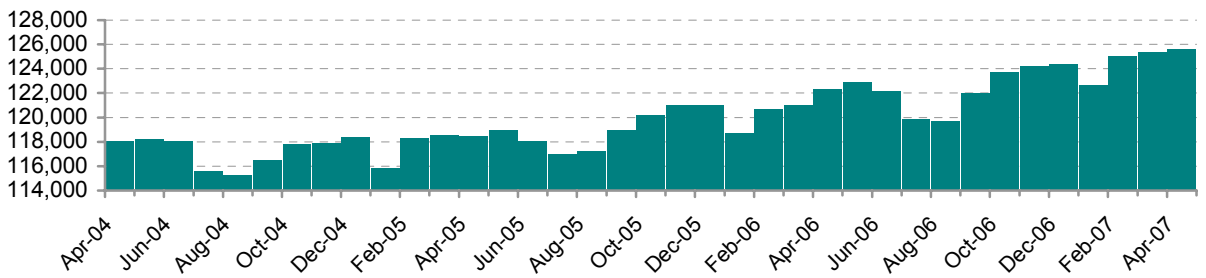
### Government



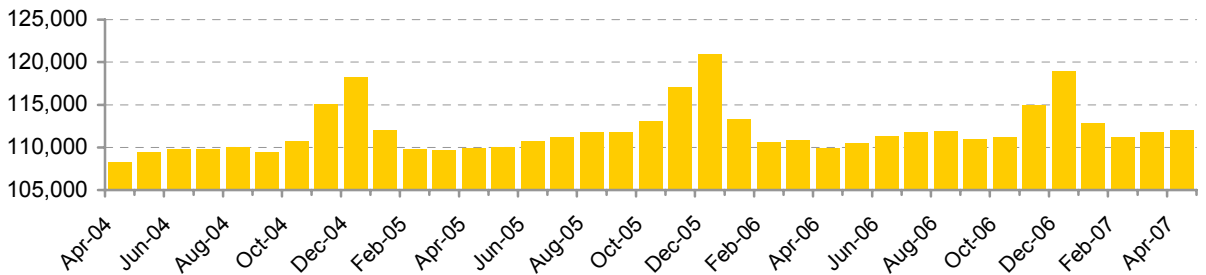
### Professional and Business Services



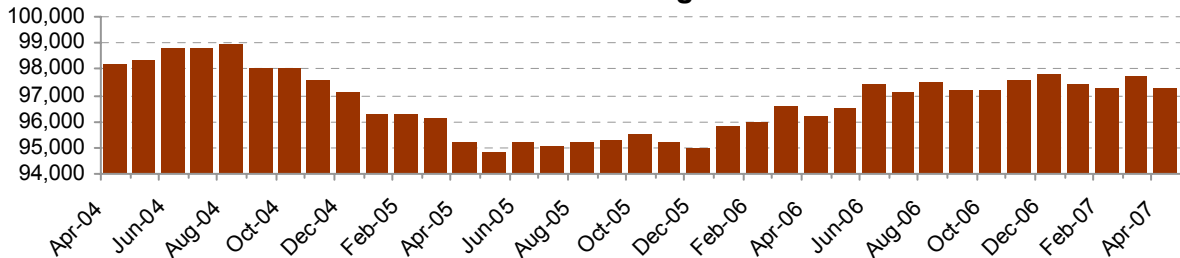
### Education and Health Services



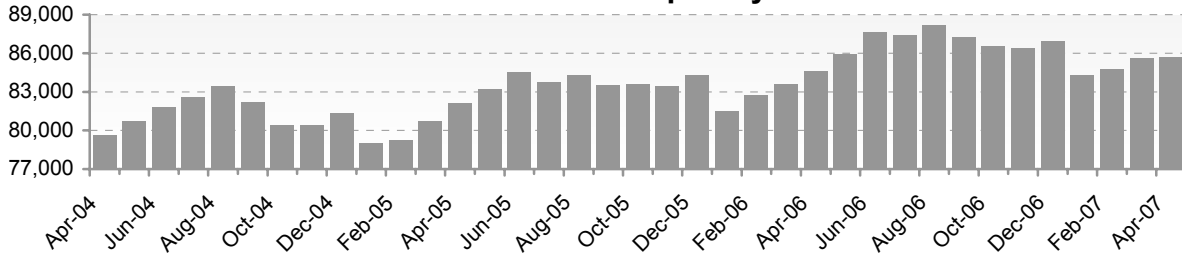
### Retail Trade



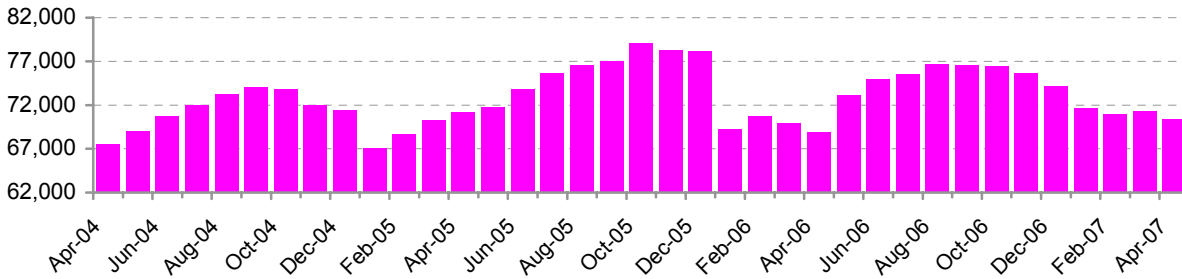
### Manufacturing



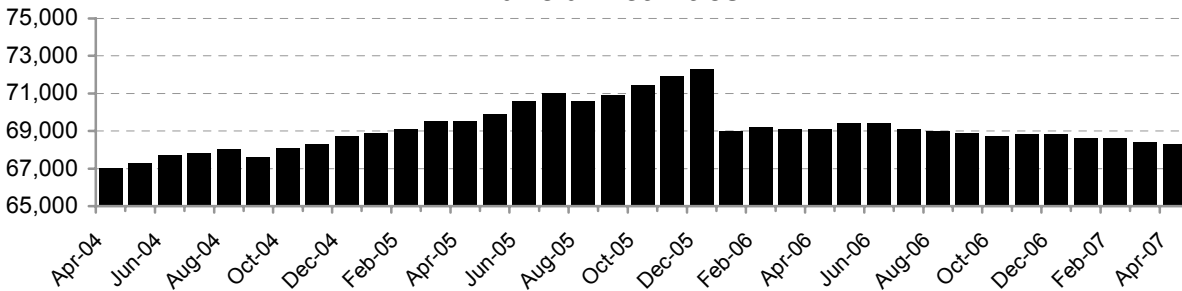
### Leisure and Hospitality



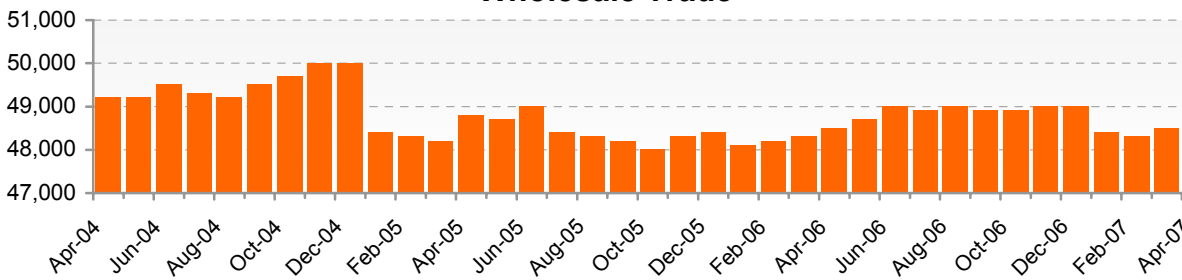
### Construction



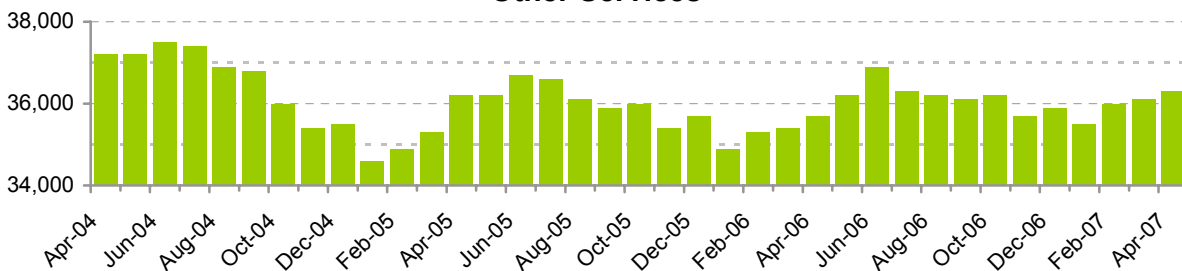
### Financial Activities



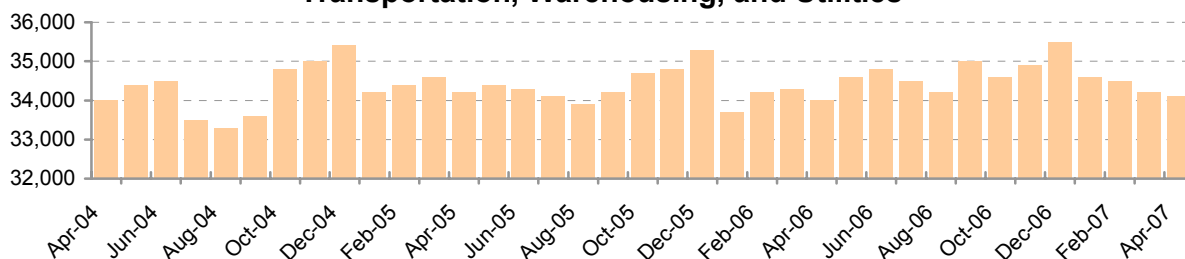
### Wholesale Trade



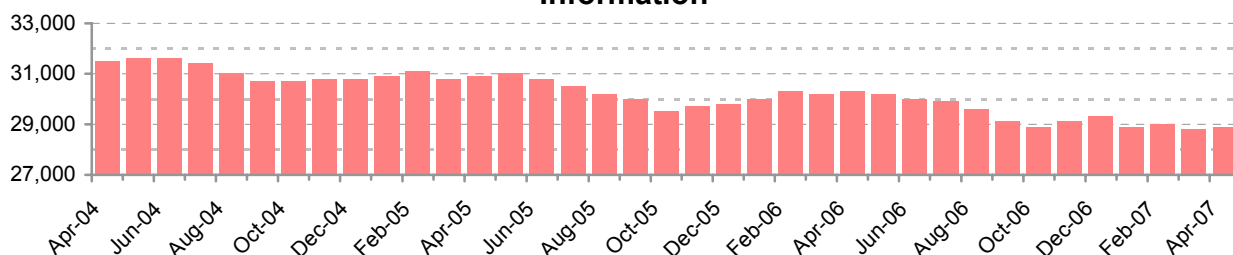
### Other Services



### Transportation, Warehousing, and Utilities



### Information



## HOUSING

Bay Area homes sold at the slowest pace in 12 years last month, the result of a continued buyer-seller standoff as well as very slow sales in some lower-cost neighborhoods in the East Bay. Prices increased for the third month in a row to a new record, according to Data Quick Information Systems.

A total of 7,447 new and resale houses and condos were sold in the nine-county Bay Area last month. That was down 10.5 percent from 8,317 in March, and down 18.4 percent from 9,129 for April last year. Sales have decreased on a year-over-year basis the last 27 months. Last month's sales count was the lowest since April 1995, when 5,636 homes were sold. The strongest April in DataQuick's statistics, which go back to 1988, was in 2004 when 14,430 homes were sold. The April average is 9,614.

The median price paid for a home in Alameda County was \$586,500 in April 2007, down 2.10 percent from April 2006. In Contra Costa County the median home price was \$600,000, a 4.30 percent increase over April 2006.

The typical monthly mortgage payment that Bay Area buyers committed themselves to paying was \$3,074 in April 2007, up from \$2,944 in March and down from \$3,082 in April 2006.

All Homes by County	Number Sold April 2007	Annual Pct. Chg	Median April 2007	Median Annual Pct. Chg
Alameda	1,555	-12.90%	\$586,500	-2.10%
Contra Costa	1,246	-28.20%	\$600,000	4.30%
Marin	313	-8.20%	\$925,000	8.80%
Napa	109	-20.40%	\$563,000	-7.70%
San Francisco	2,009	-17.10%	\$709,000	5.00%
San Mateo	568	-3.90%	\$790,000	1.40%
Santa Clara	681	-13.70%	\$810,000	7.30%
Solano	440	-37.20%	\$428,000	-7.00%
Sonoma	526	-15.80%	\$519,000	-8.50%
<b>Bay Area</b>	<b>7,447</b>	<b>-18.40%</b>	<b>\$659,000</b>	<b>3.80%</b>

Source: Data Quick Information Systems

# EAST BAY HOME SALES

In April 2007 the median home sale price in Alameda County was \$591,000 – a 2.31 percent, or \$14,000, decrease compared with April 2006. In Contra Costa County the median home sale price was \$600,000 in April 2007 - a 4.35 percent, or \$25,000, decrease compared to April 2006.

The largest year-to-year percentage increase in the East Bay was in Moraga, where the median price was up 34.91 percent from April 2006, an increase of \$240,000.

Aside from Rodeo, where only 2 homes were sold in April, the largest year-to-year decrease was in the Contra Costa City of Byron, where home prices decreased over 24 percent when compared with April 2006.

Within Alameda County, Pleasanton had the highest median home sale price of \$810,000 where 61 homes were sold. Emeryville had the lowest median home price, at \$451,000, where 35 homes were sold – many of which were multi-family units.

In Contra Costa County, Orinda had the highest median home sale price of \$1,278,000, a 6.37 percent decrease from April 2006, while Pittsburg had the lowest median sale price - \$435,750, a decrease of 6.39 percent from April 2006.

*NOTE: Beginning with January 2007, DataQuick has revised the formula used to determine median home sale price. For more information visit [www.dqnews.com](http://www.dqnews.com). 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.*

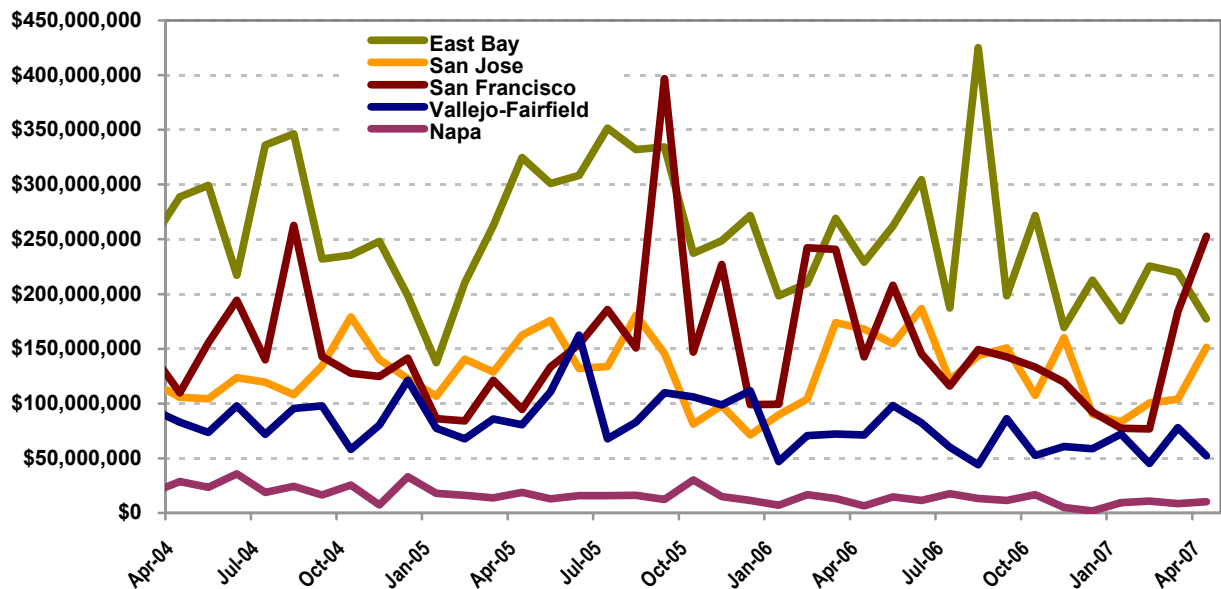
County/City/Area	# Sold	April 2007	April 2006	% Change Yr-To-Yr
<b>Alameda County</b>	<b>870</b>	<b>\$591,000</b>	<b>\$605,000</b>	<b>-2.31%</b>
Alameda	43	\$624,000	\$720,000	-13.33%
Albany	15	\$599,000	\$655,000	-8.55%
Berkeley	37	\$670,000	\$765,000	-12.42%
Castro Valley	32	\$594,500	\$660,250	-9.96%
Dublin	38	\$598,500	\$642,500	-6.85%
Emeryville	35	\$451,000	\$435,000	3.68%
Fremont	159	\$665,000	\$640,000	3.91%
Hayward	63	\$515,000	\$585,000	-11.97%
Livermore	79	\$600,000	\$615,000	-2.44%
Newark	17	\$550,000	\$636,000	-13.52%
Oakland	200	\$555,000	\$505,000	9.90%
Pleasanton	61	\$810,000	\$788,000	2.79%
San Leandro	39	\$545,000	\$574,500	-5.13%
San Lorenzo	12	\$517,500	\$534,000	-3.09%
Union City	40	\$575,000	\$641,000	-10.30%
<b>CONTRA COSTA</b>	<b>1,108</b>	<b>\$600,000</b>	<b>\$575,000</b>	<b>4.35%</b>
Alamo	14	\$1,622,750	\$1,688,000	-3.87%
Antioch	72	\$477,000	\$490,000	-2.65%
Brentwood	63	\$600,000	\$613,500	-2.20%
Byron	37	\$602,000	\$800,000	-24.75%
Clayton	14	\$613,500	\$748,000	-17.98%
Concord	114	\$512,500	\$528,000	-2.94%
Crockett	2	\$443,500	\$460,000	-3.59%
Danville	102	\$933,750	\$1,045,000	-10.65%
El Cerrito	23	\$609,000	\$660,000	-7.73%
El Sobrante	17	\$480,000	\$604,000	-20.53%
Hercules	25	\$635,000	\$569,500	11.50%
Lafayette	28	\$1,197,500	\$1,137,500	5.27%
Martinez	44	\$532,000	\$587,000	-9.37%
Moraga	20	\$927,500	\$687,500	34.91%
Oakley	52	\$511,750	\$533,000	-3.99%
Orinda	17	\$1,278,000	\$1,365,000	-6.37%
Pinole	4	\$562,500	\$525,500	7.04%
Pittsburg	62	\$435,750	\$465,500	-6.39%
Pleasant Hill	42	\$663,000	\$627,000	5.74%
Richmond	68	\$440,000	\$440,000	0.00%
Rodeo	2	\$398,750	\$542,000	-26.43%
San Pablo	44	\$477,500	\$475,000	0.53%
San Ramon	144	\$811,500	\$850,000	-4.53%
Walnut Creek	93	\$750,000	\$660,000	13.64%

Source: DataQuick

# CONSTRUCTION PERMITS

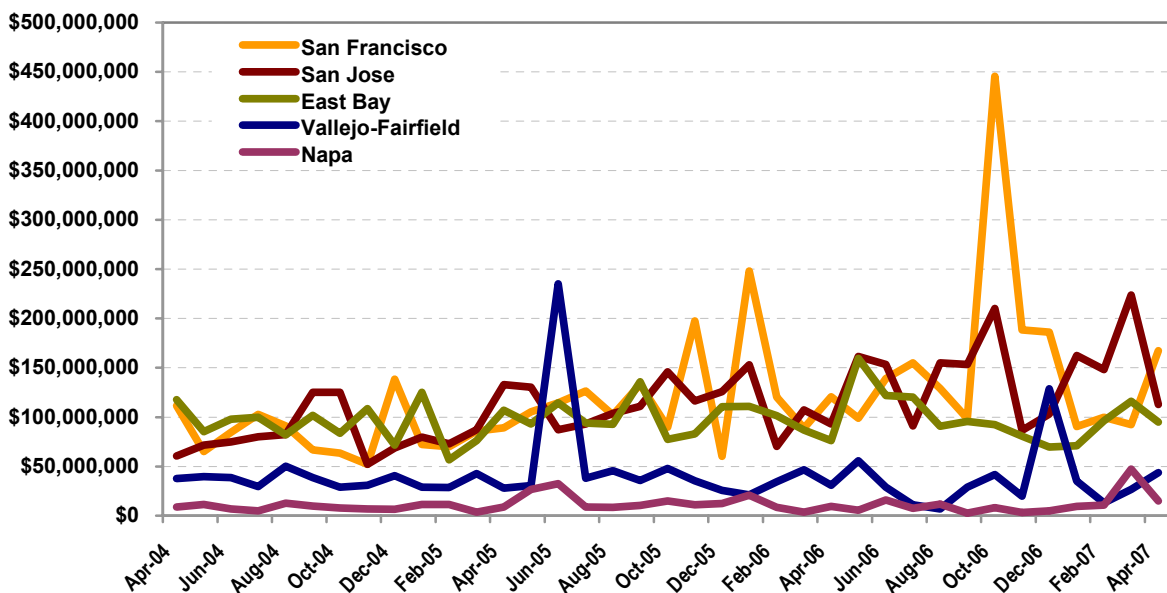
The following two charts of residential and non-residential permit values issued in each of the Bay Area's regions since April 2004 provide a quick comparative view of activity. Data follows in subsequent tables.

**Dollar Value of Bay Area Residential Permits Issued by Region**



Source: Construction Industry Research Board

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



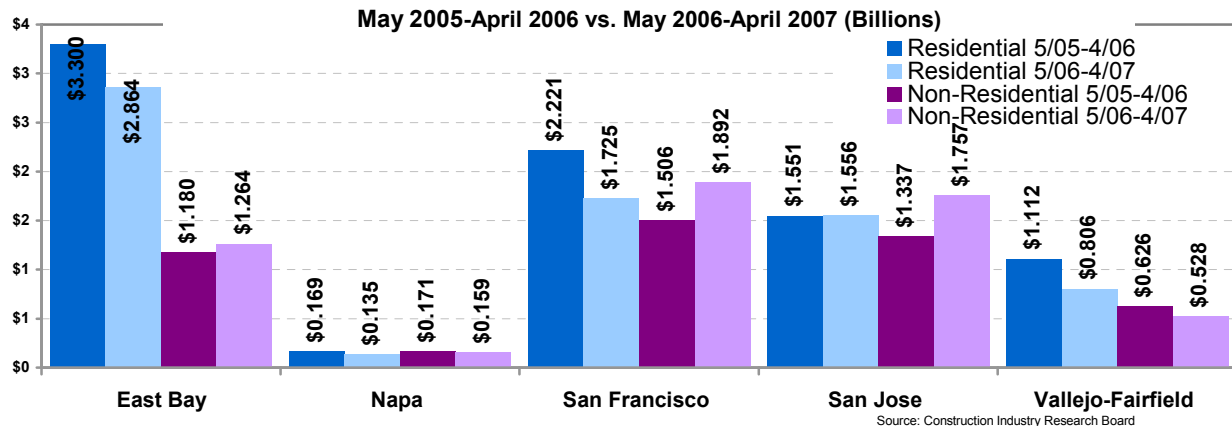
Source: Construction Industry Research Board

In April 2007, the dollar value of residential permits issued in the East Bay was down from the previous month, dropping from \$219 million in March to \$177 million in April. Residential permits continued to increase dramatically in the San Francisco region, increasing over \$80 million dollars between March and April. Non-residential permit values were down in the East Bay, where \$94 million in permits were issued in April, compared with \$155 million in March. Non-residential permits also declined in the San Jose and Napa MSAs, while increases were seen in the San Francisco and Vallejo-Fairfield MSAs.

In a month-over-month comparison of April 2007 with April 2006, the total value of construction permits issued, which include residential (single-family and multi-family) and non-residential, increased 25 percent in the East Bay.

Region	Total Permit Change 4/06 vs. 4/07	Percent Change
East Bay	\$18,844,371	25%
Napa	\$46,837,201	39%
San Francisco	\$19,901,667	21%
San Jose	\$13,170,527	43%
Vallejo Fairfield	\$5,312,154	56%

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



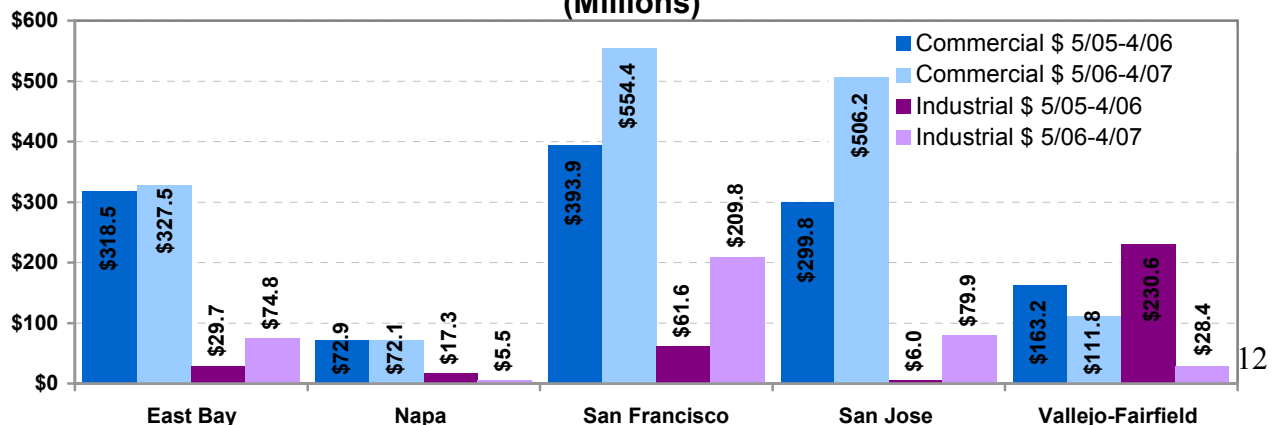
When comparing the two previous twelve month periods of May 2005 - April 2006 and May 2006-April 2007, the San Jose region was the only Bay Area region to not see a decrease in the value of residential permits issued. In the East Bay, the value of residential permits issued was roughly \$430 million less, or 13 percent lower, in the period ending April 2007 than in the previous period ending April 2006. The East Bay saw a moderate increase in non-residential permit values, while the San Francisco and San Jose regions both saw significant increases in non-residential permits during the same period.

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 May 2006 and April 2007, were higher than in the previous twelve-month period. In San Francisco, roughly \$160 million more in commercial permits were issued than in the previous twelve-month period.

In terms of industrial permits, the East Bay, San Francisco and San Jose regions saw permit value increases. The Vallejo-Fairfield area saw a significant decrease of \$200 million in the same comparison. Industrial permits in the East Bay were up \$45 million over the previous period.

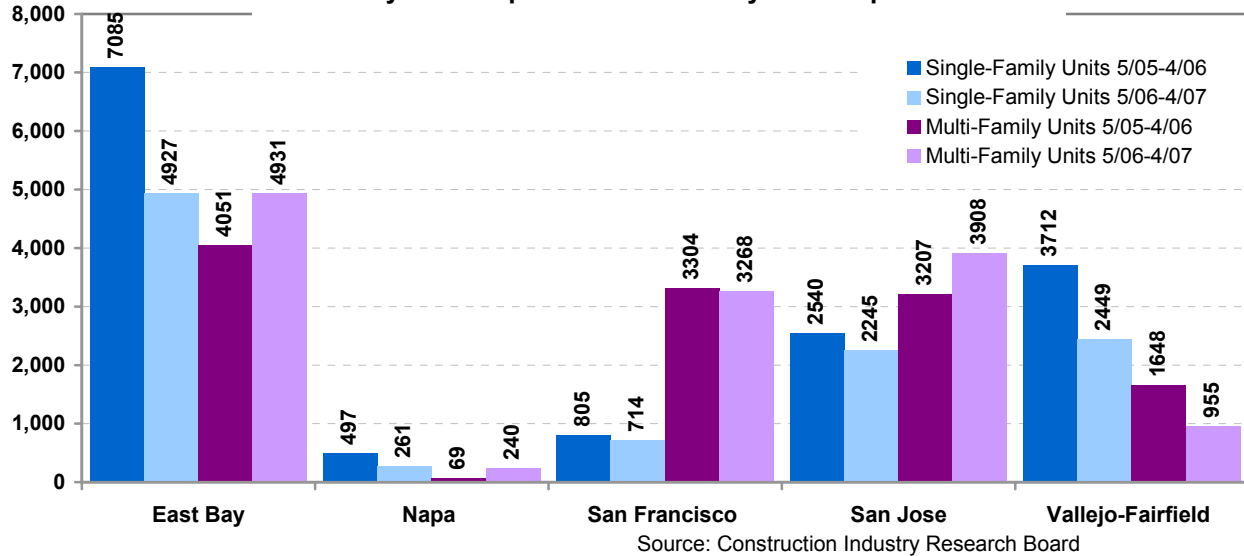
### Value of Bay Area Construction Permits Issued by Region Commercial and Industrial

May 2005-April 2006 vs. May 2006- April 2007 (Millions)



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

May 2005 - April 2006 05 VS. May 2006 - April 2007



When compared with the twelve month period ending in April 2007, the number of single-family permits was down in all of the Bay Area MSAs. The number of multi-family permits issued increased in all MSAs with the exception of San Francisco and Vallejo-Fairfield.

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

When compared with the twelve-month period ending in 2006, Alameda County saw an exceptional increase in industrial permit values, and saw decreases in non residential and commercial, as well as a small increase in residential permits issued. In the same comparison, Contra Costa County permit values for residential and industrial construction declined in the second twelve-month period.

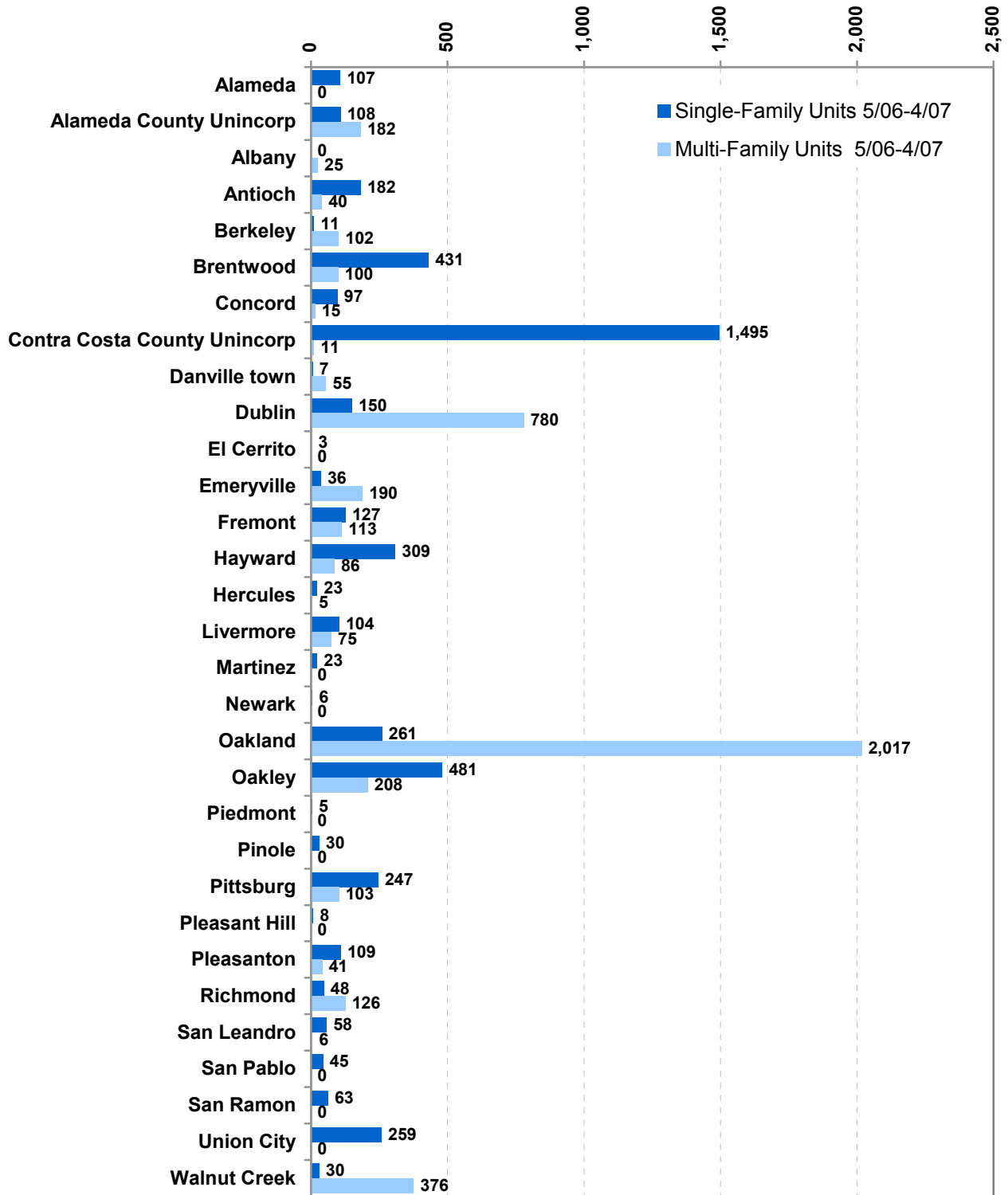
Construction Permit Values	February 2005 – January 2006	February 2006 – January 2007	Change	% Change
Alameda County Residential	\$1,402,294,268	\$1,465,761,565	\$63,467,297	4.5%
Alameda County Non-Res	\$800,946,459	\$785,950,144	-\$14,996,315	-1.9%
Alameda County Commercial	\$231,765,703	\$186,097,347	-\$45,668,356	-19.7%
Alameda County Industrial	\$12,432,995	\$59,754,411	\$47,321,416	380.6%
Contra Costa County Residential	\$1,897,610,588	\$1,398,669,551	-\$498,941,037	-26.3%
Contra Costa County Non-Res	\$378,801,406	\$478,379,145	\$99,577,739	26.3%
Contra Costa County Commercial	\$86,772,738	\$141,411,164	\$54,638,426	63.0%
Contra Costa County Industrial	\$17,295,051	\$15,029,412	-\$2,265,639	-13.1%

Both Alameda and Contra Costa Counties saw decreases in the number of Single-Family construction permits issued, while multi-family permits increased substantially.

Housing Unit Permit Comparison	February 2005- January 2006	February 2006- January 2007	Change	% Change
Alameda County Single-Family Units	1619	1599	-20	-1.2%
Contra Costa County Single-Family Units	5466	3328	-2138	-39.1%
Alameda County Multi-Family Units	3181	3890	709	22.3%
Contra Costa County Multi-Family Units	870	1041	171	19.7%

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 April 2007.

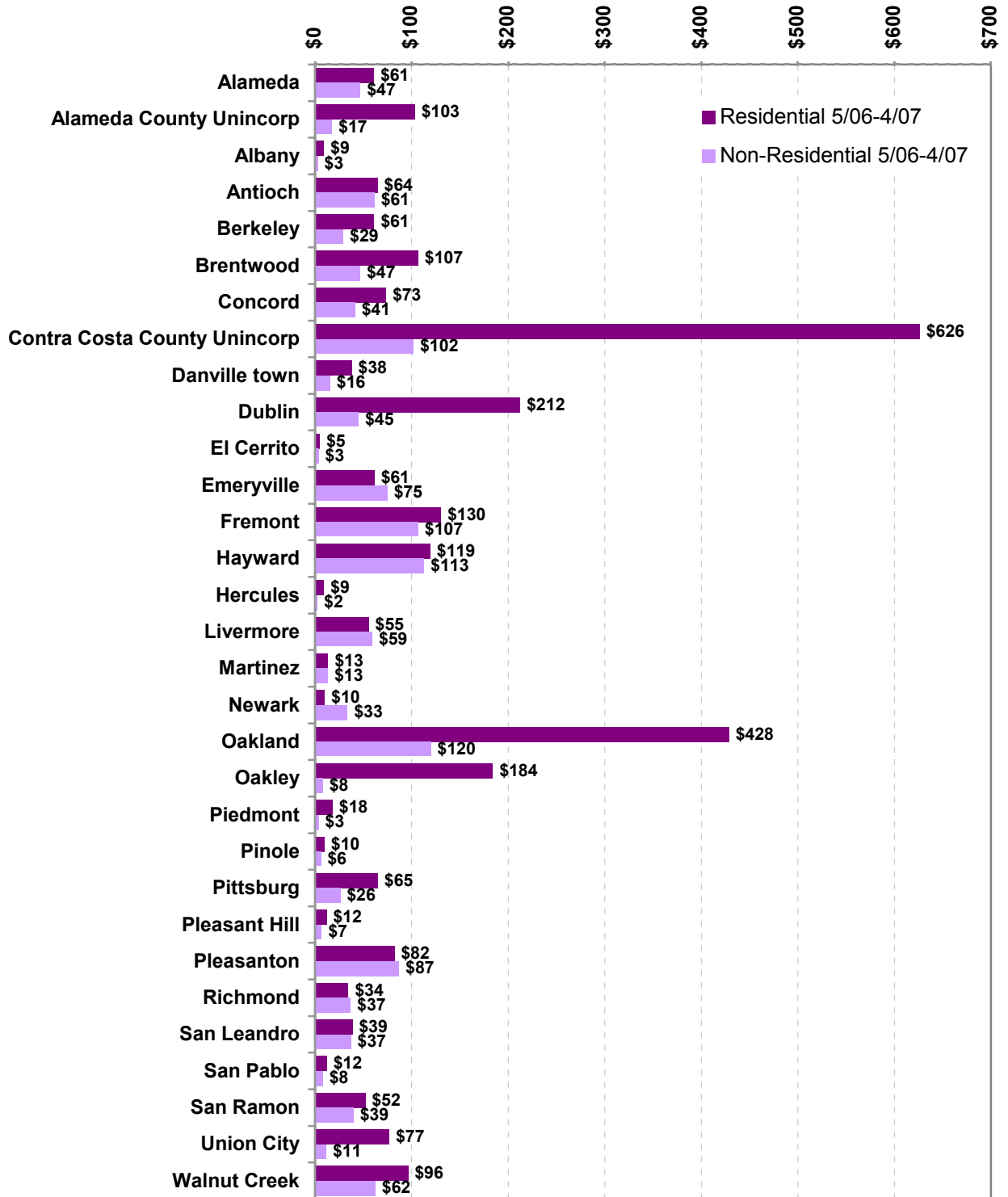
### Number of East Bay Residential Unit Permits Issued by City May 2006 - April 2007



Source: Construction Industry Research Board

## Value of East Bay Residential and Non-Residential Permits Issued by City

May 2006 - April 2007  
(Millions)



Source: Construction Industry Research Board