



EAST BAY MONTHLY ANALYSIS

DECEMBER 2009 EDITION

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 or call (510) 272-6843.

SNAPSHOT: THE EAST BAY IN NOVEMBER 2009

- Median home values and sales continued to post annual increases
- Unemployment fell to 11.2 percent
- Job losses were concentrated in Construction, Professional & Business Services and Retail
- Residential, commercial and industrial construction permit values continued to post year-over-year declines

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For more information on the East Bay, click on www.eastbayeda.org

EAST BAY EDA

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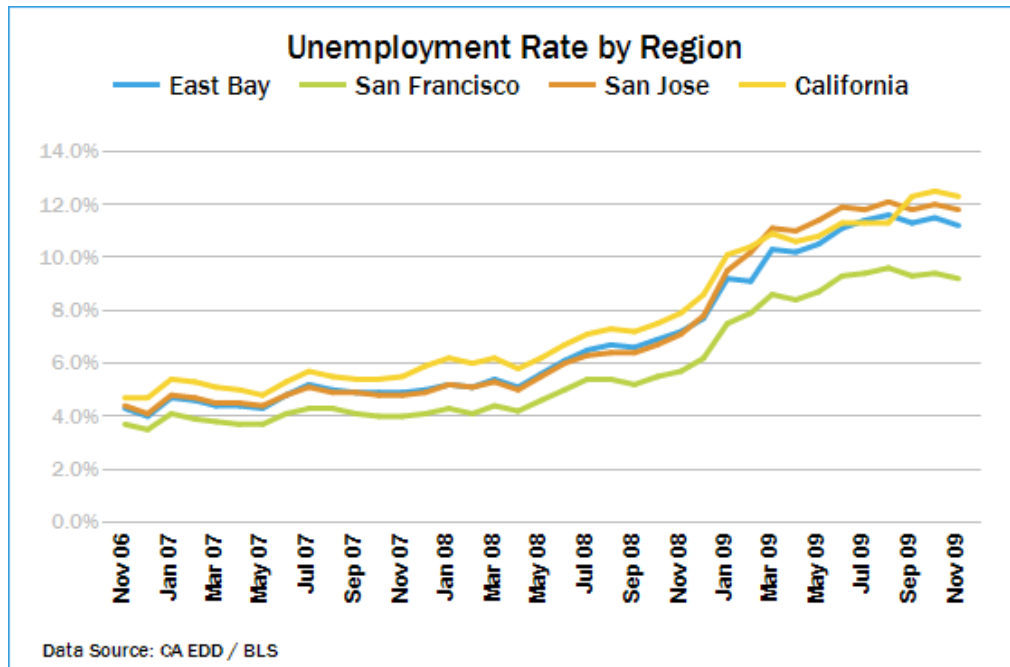


BAY AREA EMPLOYMENT

BAY AREA UNEMPLOYMENT

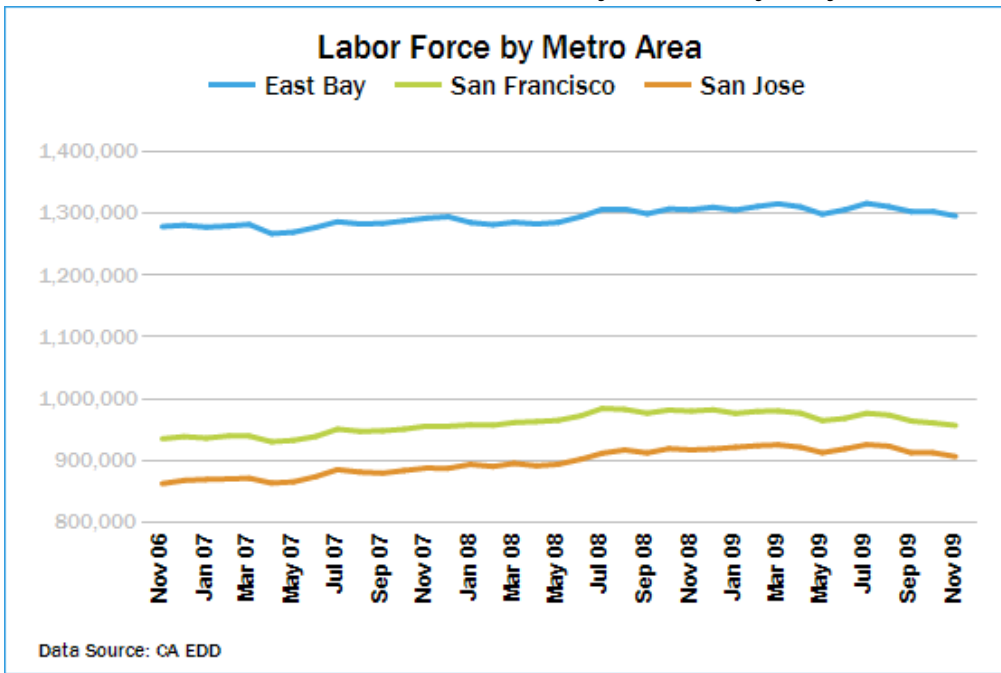
The unemployment rate in the East Bay was 11.2 percent in November 2009, down from a revised 11.5 percent in October 2009, and above the year-ago estimate of 7.2 percent. This compares with an unadjusted unemployment rate of 12.2 percent for California and 9.4 percent for the nation during the same period. The unemployment rate was 11.2 percent in Alameda County, and 11.2 percent in Contra Costa County.

San Francisco's unemployment rate was 9.2 percent in November – down from 9.4 percent in October, but significantly higher than the November 2008 estimate of 5.7 percent. The unemployment rate in San Jose fell to 11.8 percent in November, down from from a revised 12.0 percent in October, and up from 7.1 percent in November 2008.



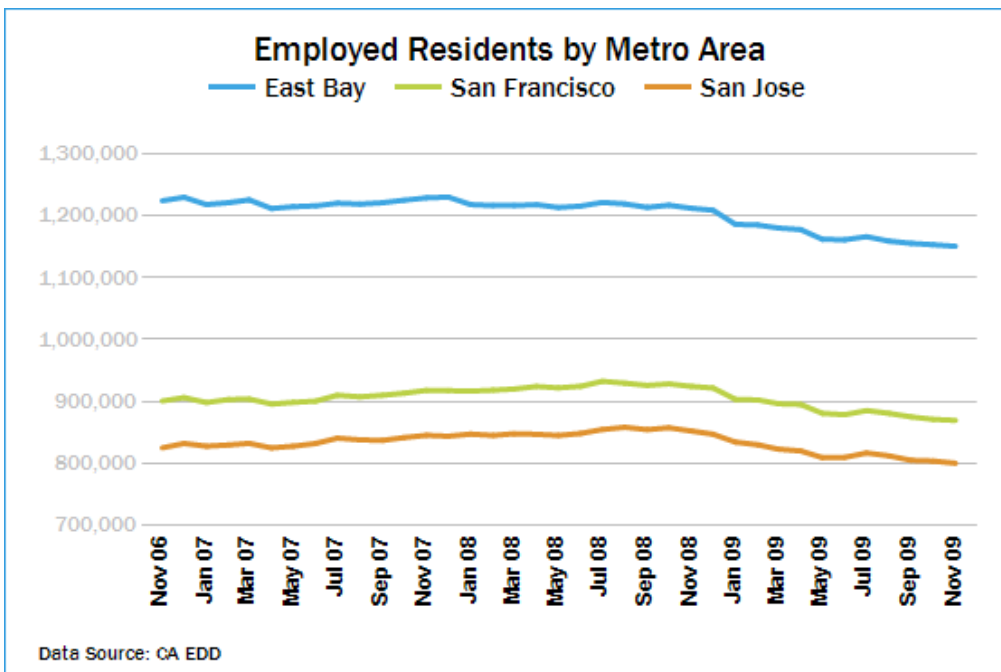
BAY AREA LABOR FORCE

In a month-over-month comparison, the East Bay's labor force (number of individuals currently employed or actively seeking employment) lost 7,200 workers, falling to 1,295,500 in November 2009. San Francisco's labor force lost 3,900 workers, falling to 956,800 and in San Jose the number of workers fell 6,200, to 906,400 in November. In a year-over-year comparison, each of the Bay Area regions saw a decline in the number of workers. The East Bay had 10,200 fewer workers in November 2008 than in November 2009, San Jose lost 10,900 workers and San Francisco lost 23,100 workers.



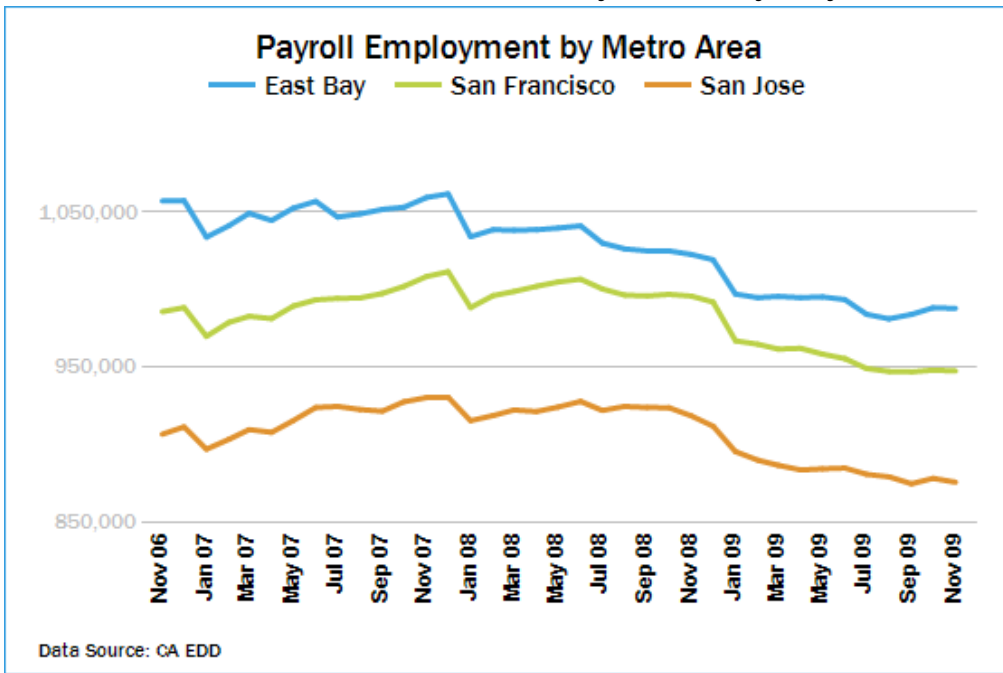
BAY AREA EMPLOYED RESIDENTS

Between October and November 2009, the number of employed residents (employed persons who reside within the region) fell 2,500 in the East Bay, 1,600 in San Francisco, and 3,700 in San Jose. When compared to November 2008, a year-over-year comparison showed the East Bay with 61,400 fewer employed residents, San Francisco with 54,800 fewer and San Jose with 52,200 fewer.



BAY AREA PAYROLL EMPLOYMENT

Between October and November 2009 the East Bay lost 400 payroll jobs (number of jobs located in the specified region, not including those who are self-employed), while San Francisco lost 600 and San Jose lost 2,500. Since November 2008, the East Bay has lost 34,700 jobs, San Francisco has lost 48,200 and San Jose has lost 42,700. A detailed description of East Bay payroll employment by sector follows in the next section.



EAST BAY PAYROLL EMPLOYMENT

MONTHLY COMPARISON

According to the California Employment Development Department's Labor Market report, Between October 2009 and November 2009, the total number of jobs in the East Bay fell by 400 jobs to reach 987,700.

- Construction shed 1,600 jobs seasonally, with specialty trades contractors accounting for the bulk of those cutbacks (down 1,300 jobs).
- Leisure and hospitality experienced a seasonal decline of 400 jobs, largely in arts, entertainment, and recreation.
- Private educational and health services; financial activities; and other services each pared 200 jobs.
- Meanwhile, retail trade ramped up for holiday shoppers, adding 2,700 jobs between October and November. Department stores (up 900 jobs) and clothing stores (up 600 jobs) accounted for most of the increase.

ANNUAL COMPARISON

Between November 2008 and November 2009, the total number of jobs in the East Bay receded by 34,700 or 3.4 percent.

- Trade, transportation, and utilities decreased by 8,500 jobs over the year, with more than half of those losses concentrated in retail trade.
- Construction fell by 6,100 jobs, while government cut back 5,200 jobs.
- Professional and business services recorded a net loss of 4,800 jobs, with the largest cutbacks occurring in employment services (down 1,500 jobs); services to buildings and dwellings (down 900 jobs); and architectural, engineering, and related services (down 800 jobs).
- On the plus side, private schools (up 300 jobs), private health care (up 200 jobs), and farming (up 200 jobs) each expanded over the year.

	Nov-09	1 Month Change	12 Month Change	12 Month % Change	24 Month Change	24 Month % Change
Educational and Health Services	128,700	-200	700	0.5%	2,300	1.8%
Information	26,800	0	-600	-2.2%	-1,400	-5.0%
Other Services	34,300	-200	-1,000	-2.8%	-2,000	-5.5%
Trans, Warehousing & Utilities	34,600	-200	-1,600	-4.4%	-3,600	-9.4%
Wholesale Trade	45,700	-200	-1,900	-4.0%	-3,000	-6.2%
Financial Activities	52,600	-200	-2,500	-4.6%	-8,100	-13.3%
Leisure and Hospitality	84,900	-400	-4,000	-4.6%	-3,100	-3.5%
Government	172,200	0	-4,000	-2.3%	-8,100	-4.5%
Manufacturing	88,400	0	-4,100	-4.5%	-6,700	-7.0%
Retail Trade	106,600	2,700	-5,700	-5.1%	-11,100	-9.4%
Construction	55,800	-1,600	-5,900	-9.5%	-15,500	-21.7%
Professional and Business Services	154,400	-100	-6,200	-3.9%	-11,200	-6.8%
Total, All Industries	987,700	-400	-36,600	-3.6%	-71,400	-6.7%

INDUSTRY EMPLOYMENT DATA SOURCE: California Employment Development Department

EAST BAY CONSTRUCTION EMPLOYMENT

All subsectors of the East Bay's construction sector, with the exception of Nonresidential Building Construction (up 200), posted losses in the year-over-year comparison - adding up to a loss of 6,100 jobs between November 2008 and November 2009.

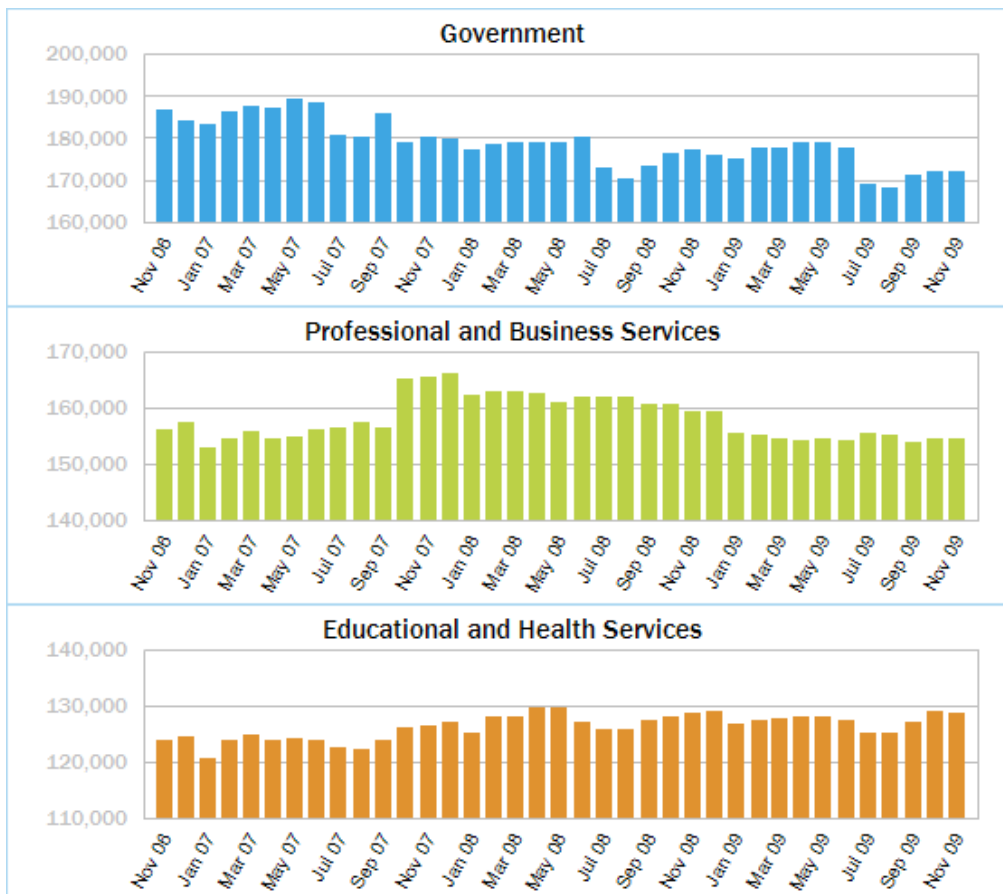
	Nov-09	1 Month Change	12 Month Change	12 Month % Change	24 Month Change	24 Month % Change
Nonresidential Building Construction	5,600	0	200	3.7%	-100	-1.8%
Highway, Street, and Bridge Const	3,400	0	-100	-2.9%	-100	-2.9%
Residual-Other Heavy and Civil Engineer	3,800	-100	-700	-15.6%	-1,600	-29.6%
Building Equipment Contractors	13,400	-200	-900	-6.3%	-1,800	-11.8%

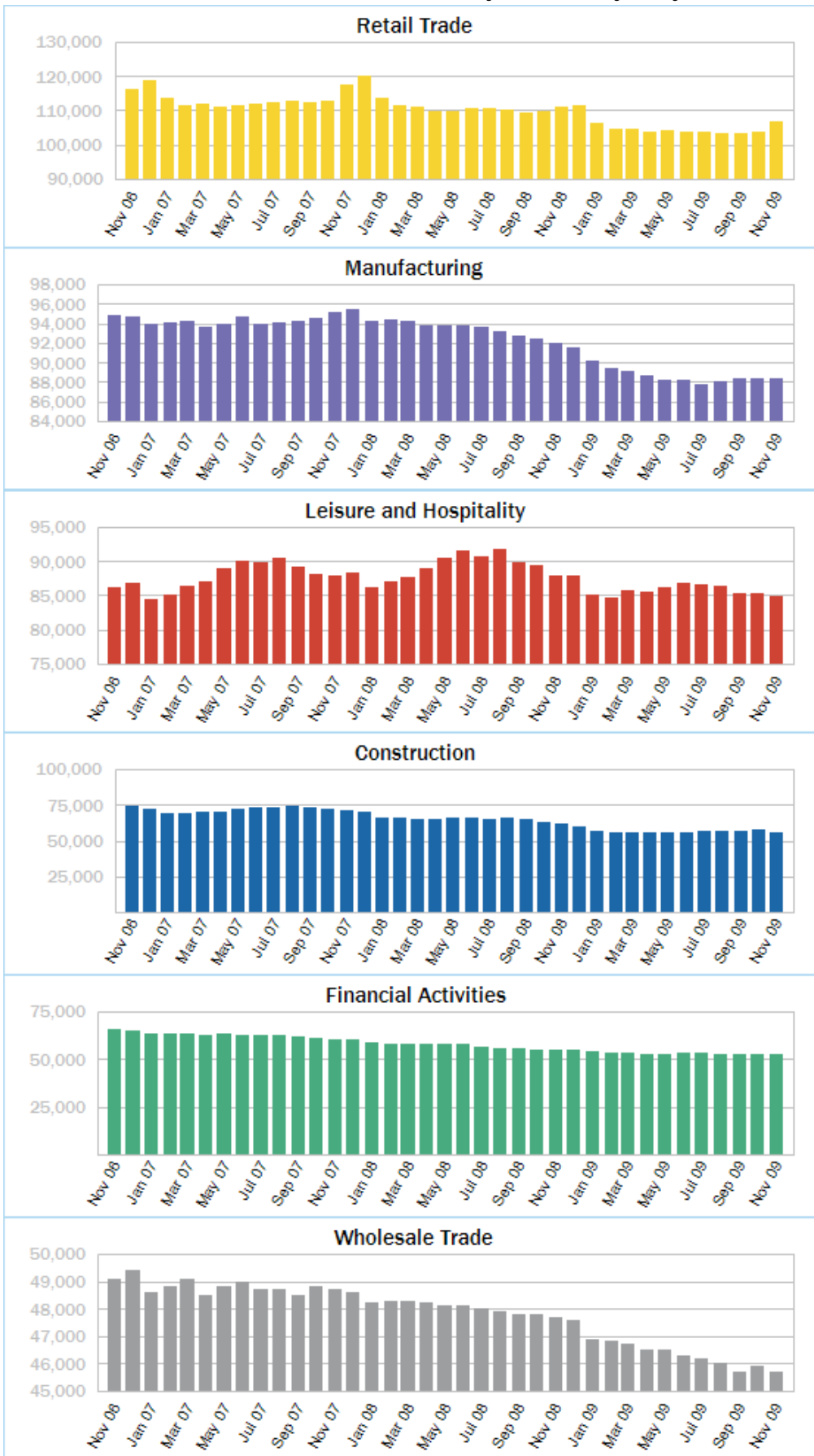
Building Foundation and Exterior Contractors	8,100	-100	-900	-10.0%	-2,400	-22.9%
Residential Building Construction	7,600	-200	-1,700	-18.3%	-3,700	-32.7%
Other Specialty Trade Contract	13,900	-1,000	-2,000	-12.6%	-5,800	-29.4%
Construction of Buildings	13,200	-200	-1,500	-10.2%	-3,800	-22.4%
Heavy and Civil Engineering Construction	7,200	-100	-800	-10.0%	-1,700	-19.1%
Specialty Trade Contractors	35,400	-1,300	-3,800	-9.7%	-10,000	-22.0%
Construction	55,800	-1,600	-6,100	-9.9%	-15,500	-21.7%

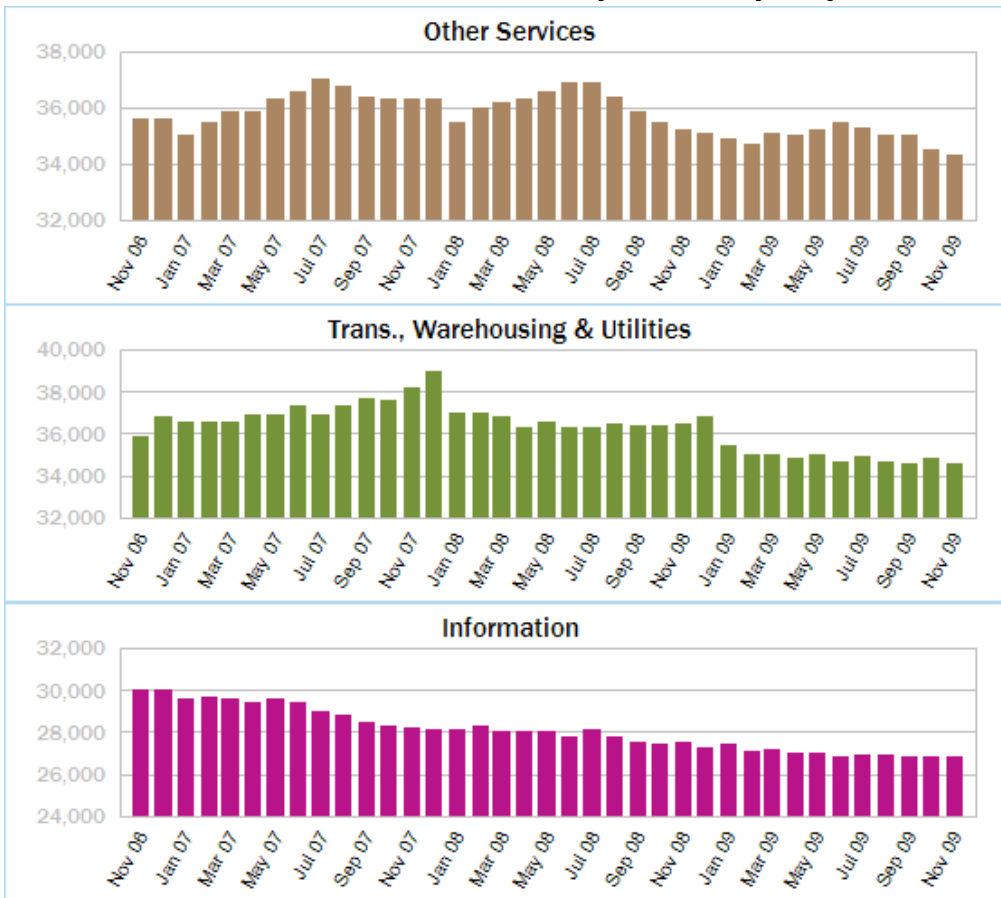
EAST BAY MANUFACTURING PAYROLL EMPLOYMENT

The East Bay's manufacturing sector showed an overall loss of 3,500 jobs between November 2008 and November 2009 with most losses occurring in Residual-Miscellaneous Manufacturing.

	Nov-09	1 Month Change	12 Month Change	12 Month % Change	24 Month Change	24 Month % Change
Petroleum and Coal Products Manufacturing	8,100	-100	0	0.0%	600	8.0%
Transportation Equipment Manufacturing	7,000	0	-100	-1.4%	-700	-9.1%
Chemical Manufacturing	6,900	0	-100	-1.4%	-400	-5.5%
Residual-Food Manufacturing	19,700	-100	-200	-1.0%	-900	-4.4%
Computer and Electronic Product Manufacturing	17,900	0	-1,400	-7.3%	-2,100	-10.5%
Residual-Miscellaneous Manufacturing	28,800	200	-1,700	-5.6%	-3,200	-10.0%
Durable Goods	53,700	200	-3,200	-5.6%	-6,000	-10.1%
Nondurable Goods	34,700	-200	-300	-0.9%	-700	-2.0%
Manufacturing	88,400	0	-3,500	-3.8%	-6,700	-7.0%







BAY AREA HOME SALES

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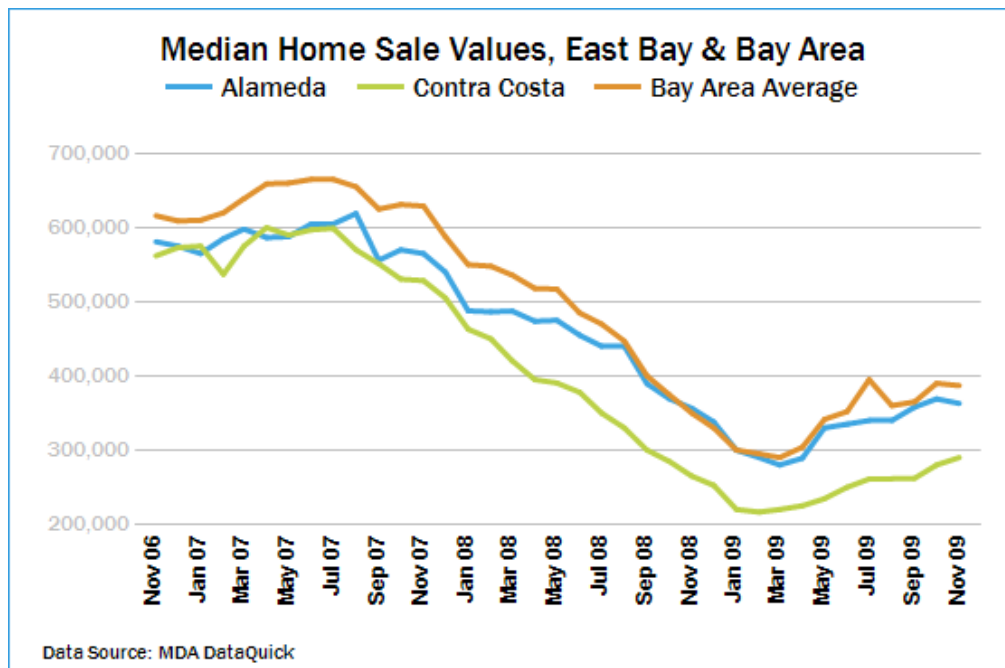
According to MDA DataQuick, the median price paid for a Bay Area home rose above the year-ago level for the second consecutive month, a reflection of widening price stability, fewer foreclosures selling and more activity in pricier areas. Sales dipped below October but were higher than a year earlier for the 15th consecutive month, a real estate information service reported. The median price paid for all new and resale houses and condos that closed escrow in the nine-county Bay Area last month was \$387,000. That was down 0.8 percent from \$390,000 in October but up 10.6 percent from \$350,000 in November 2008.

In the East Bay, Alameda County's median value was \$363,000 in November – a 1.6 percent decrease from October and a 1.8 percent increase when compared to November 2008. In Contra Costa County the median home value was \$290,000 – a 3.6 percent increase over October and a 9.4 percent decrease when compared to November 2008.

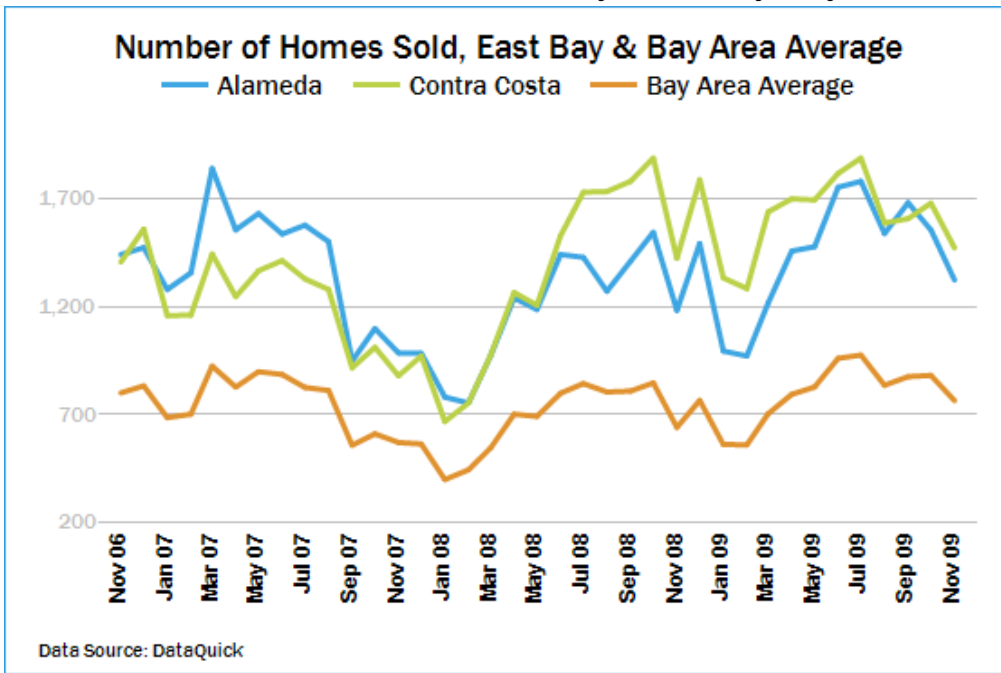
A total of 6,878 new and resale houses and condos closed escrow in the nine-county Bay Area last month. That was down 13.3 percent from 7,933 sales in October but up 19.5 percent from 5,756 sales in November 2008. A decline in sales between October and November is normal. Last month's sales were the highest for a November since 2006 but were still 14.6 percent lower than the November sales average of 8,050 since 1988, when DataQuick's stats begin. November sales have ranged from a low of 5,127 in 2007 to a high of 11,906 in 2004. On average since 1988, sales have dropped 8.3 percent between October and November.

All Homes by County	Number Sold Nov 2009	Sales Annual Pct. Change	Median Nov 2009	Median Annual Pct. Change
Alameda	1,323	11.90%	\$363,000	1.80%
Contra Costa	1,472	3.40%	\$290,000	9.40%
Marin	237	52.90%	\$600,000	-4.00%
Napa	104	11.80%	\$380,750	-6.30%
San Francisco	499	46.80%	\$650,000	0.30%
San Mateo	525	31.90%	\$587,550	1.20%
Santa Clara	1,649	47.20%	\$494,500	9.90%
Solano	621	4.20%	\$220,000	-6.20%
Sonoma	448	-0.20%	\$325,050	4.90%
Bay Area	6,878	19.50%	\$387,000	10.60%

Source: MDA DataQuick



Data Source: MDA DataQuick



EAST BAY HOME SALES

County/City/Area	# Sold	Nov-09	Nov-08	% Change
ALAMEDA COUNTY	1,349	\$370,000	\$359,000	3.06%
ALAMEDA	41	\$523,000	\$635,500	-17.70%
ALBANY	13	\$610,000	\$468,000	30.34%
BERKELEY	46	\$624,091	\$690,000	-9.55%
CASTRO VALLEY	54	\$400,000	\$475,000	-15.79%
DUBLIN	64	\$452,500	\$557,500	-18.83%
EMERYVILLE	41	\$300,000	\$280,000	7.14%
FREMONT	196	\$465,500	\$457,000	1.86%
HAYWARD	177	\$275,000	\$280,000	-1.79%
LIVERMORE	102	\$405,000	\$396,000	2.27%
NEWARK	47	\$330,000	\$368,000	-10.33%
OAKLAND	318	\$260,000	\$227,500	14.29%
PLEASANTON	65	\$625,000	\$570,000	9.65%
SAN LEANDRO	74	\$317,500	\$340,000	-6.62%
SAN LORENZO	31	\$310,000	\$320,000	-3.13%
UNION CITY	80	\$365,000	\$400,000	-8.75%
CONTRA COSTA COUNTY	1,432	\$285,000	\$260,000	9.62%
ALAMO	17	\$1,000,000	\$1,280,500	-21.91%
ANTIOCH	200	\$200,000	\$215,000	-6.98%
BRENTWOOD	124	\$300,000	\$320,000	-6.25%
CLAYTON	16	\$530,000	\$616,500	-14.03%
CONCORD	150	\$274,500	\$264,000	3.98%
CROCKETT	5	\$371,500	n/a	n/a

DANVILLE	59	\$815,000	\$790,000	3.16%
DISCOVERY BAY	31	\$310,000	\$365,000	-15.07%
EL CERRITO	23	\$555,000	\$571,500	-2.89%
EL SOBRANTE	21	\$310,000	\$274,500	12.93%
HERCULES	38	\$325,000	\$283,500	14.64%
LAFAYETTE	16	\$992,500	\$872,500	13.75%
MARTINEZ	41	\$325,000	\$400,000	-18.75%
MORAGA	16	\$731,500	\$977,500	-25.17%
OAKLEY	88	\$240,000	\$262,500	-8.57%
ORINDA	14	\$945,000	\$1,173,000	-19.44%
PINOLE	21	\$300,000	\$293,000	2.39%
PITTSBURG	129	\$185,000	\$170,000	8.82%
PLEASANT HILL	33	\$475,000	\$408,000	16.42%
RICHMOND	116	\$134,750	\$145,000	-7.07%
RODEO	6	\$325,500	\$193,000	68.65%
SAN PABLO	62	\$178,250	\$191,500	-6.92%
SAN RAMON	97	\$675,000	\$800,000	-15.63%
WALNUT CREEK	99	\$419,000	\$558,000	-24.91%
Source: DataQuick / SF Chronicle				

BAY AREA CONSTRUCTION PERMITS

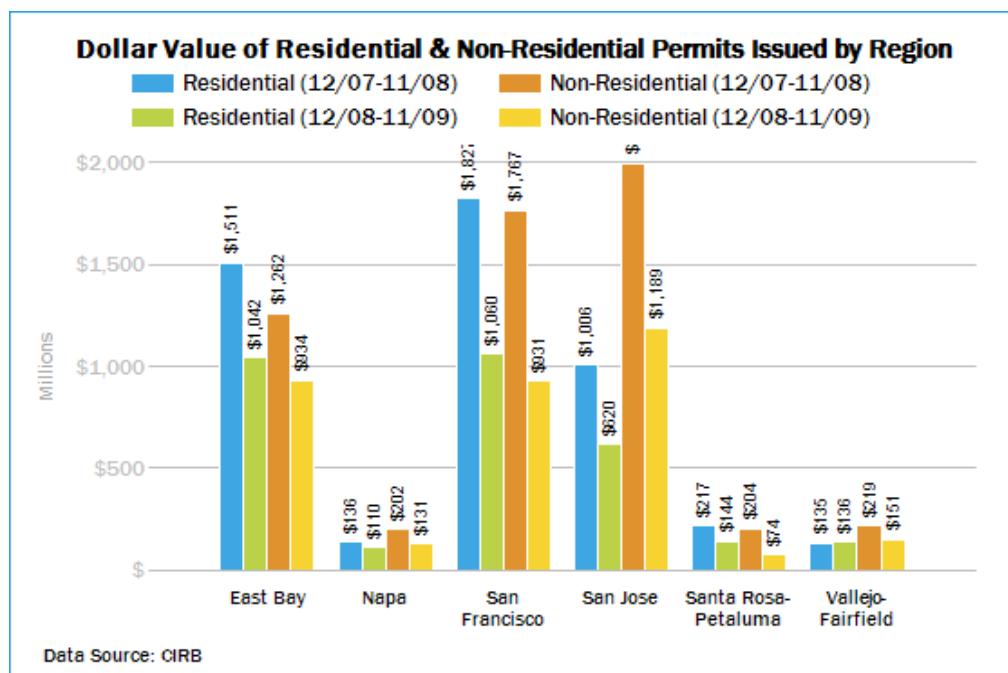
Region	Total Value of Construction Permits 12/08 – 11/09	Annual Change in Total Value of Construction Permits 12/07-11/08 vs. 12/08-11/09	Annual Percent Change
East Bay	\$1,975,786,191	(\$796,537,834)	-28.73%
Napa	\$241,674,508	(\$95,989,592)	-28.43%
San Francisco	\$1,990,615,408	(\$1,603,520,380)	-44.61%
San Jose	\$1,809,331,992	(\$1,196,019,670)	-39.80%
Vallejo-Fairfield	\$504,555,307	(\$271,072,755)	-34.95%

The following tables and graphs compare the 12-month periods of December 2007 to November 2008 and December 2008 to November 2009.

In a comparison of these two twelve-month periods, the East Bay showed a decrease in construction permit values, falling 28.7 percent from the previous period. All other Bay Area regions posted losses during this period as well, with San Francisco showing the sharpest decrease of over 44 percent over the previous 12-month period.

RESIDENTIAL & NON-RESIDENTIAL PERMITS

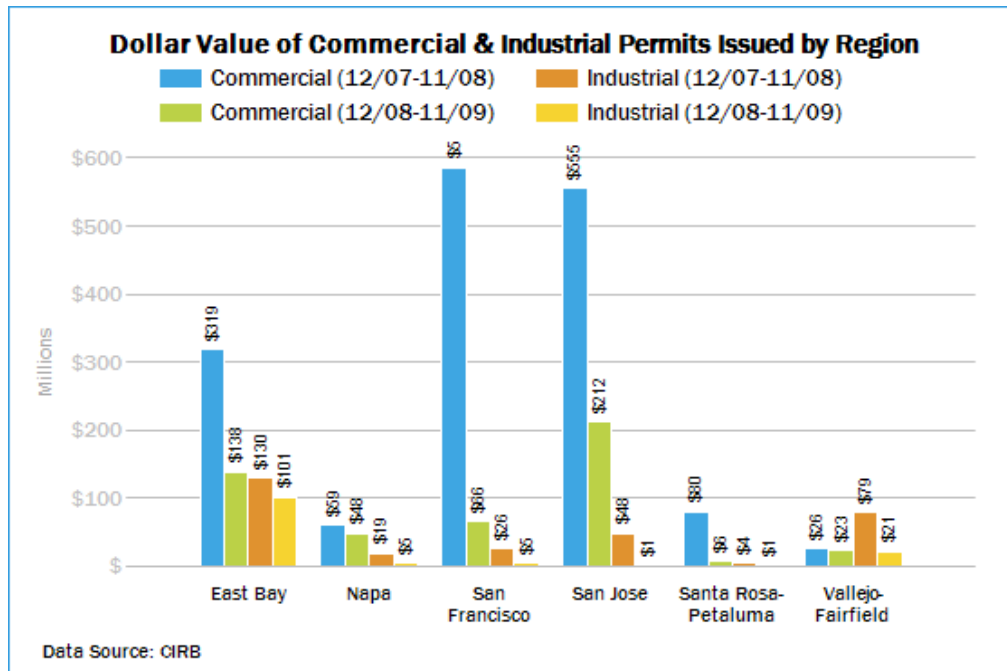
When comparing the two previous 12-month periods of December 2007 to November 2008 and December 2008 to November 2009, residential permit values fell throughout the Bay Area with the steepest declines occurring in the San Francisco (down 42.0 percent) and San Jose (down 38.4 percent) regions. In the East Bay, residential construction fell 26.0 percent. Non-residential construction permit values also declined in all Bay Area regions during this period, falling 33.7 percent in the East Bay and over 47 percent in the San Francisco region.



COMMERCIAL & INDUSTRIAL PERMITS

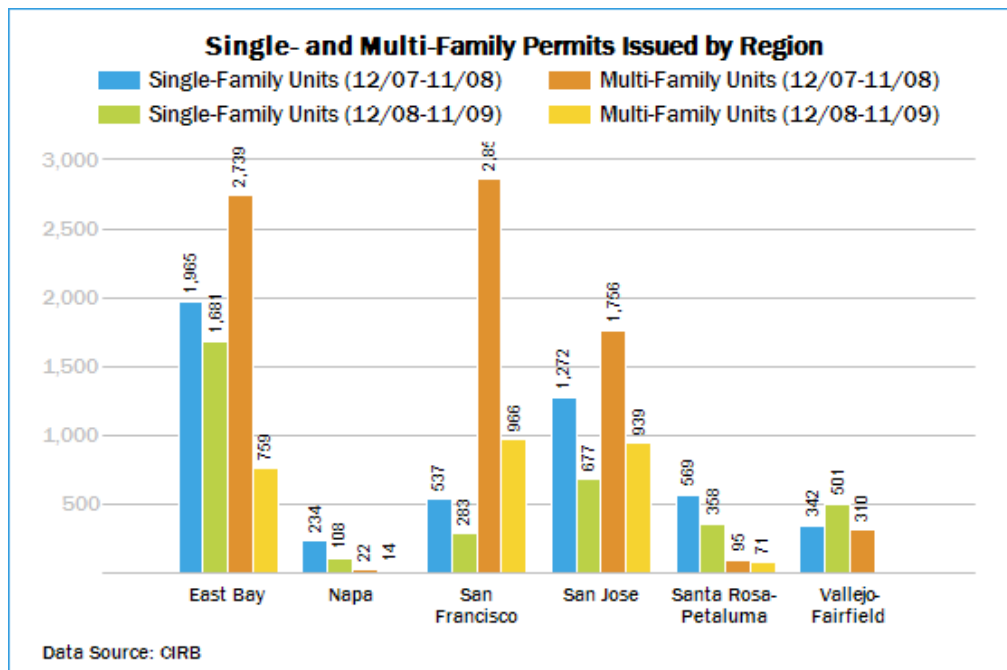
In a comparison of commercial and industrial construction permits issued during the same two 12-month periods, the dollar value of commercial permits issued in the East Bay fell 56.6 percent when compared with the previous period. Commercial building permit values declined throughout the Bay Area during this period, falling most sharply in the San Francisco region (down 88.7 percent).

Industrial permit values were also down during this period, falling 22 percent in the East Bay.



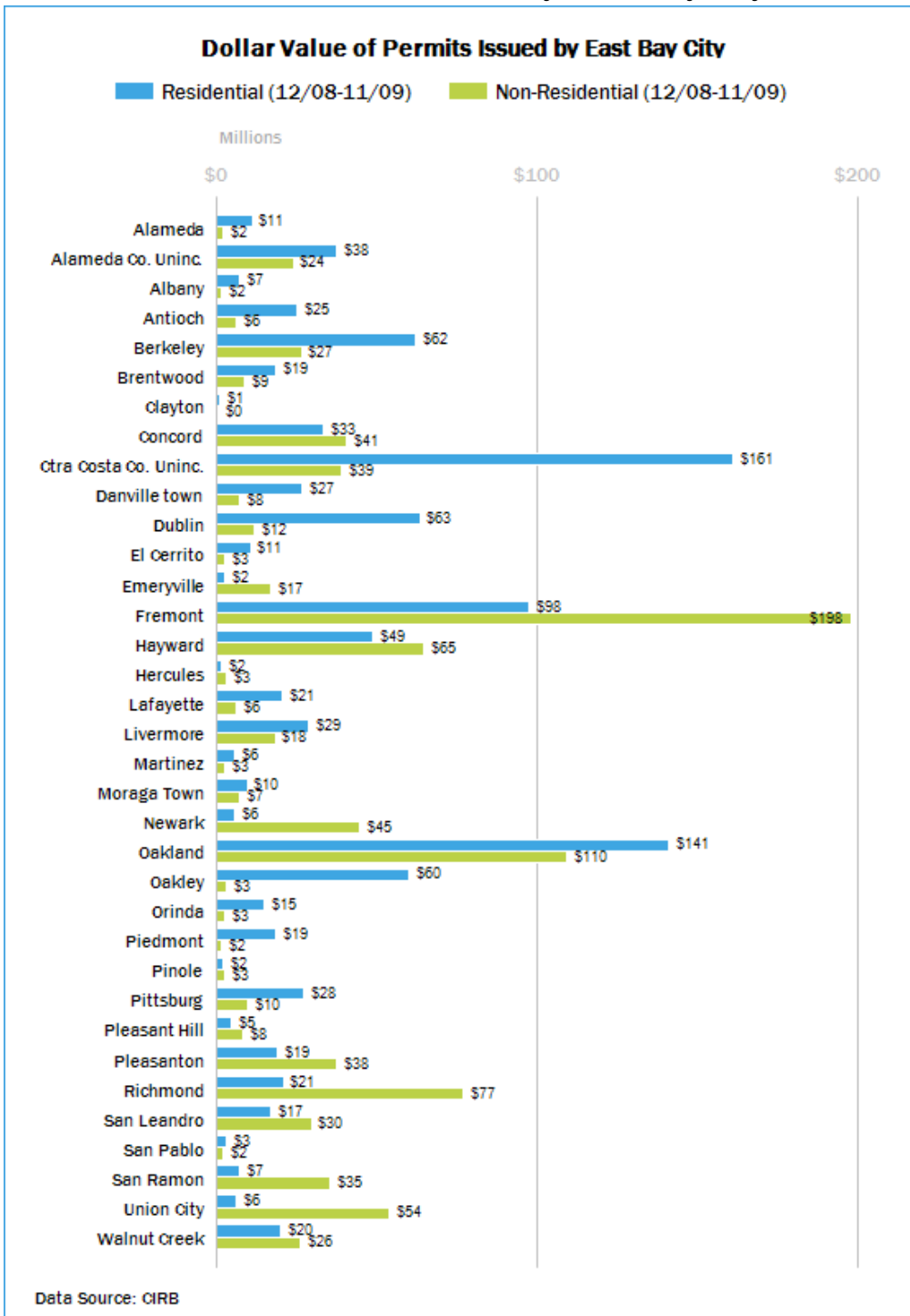
SINGLE AND MULTI-FAMILY PERMITS

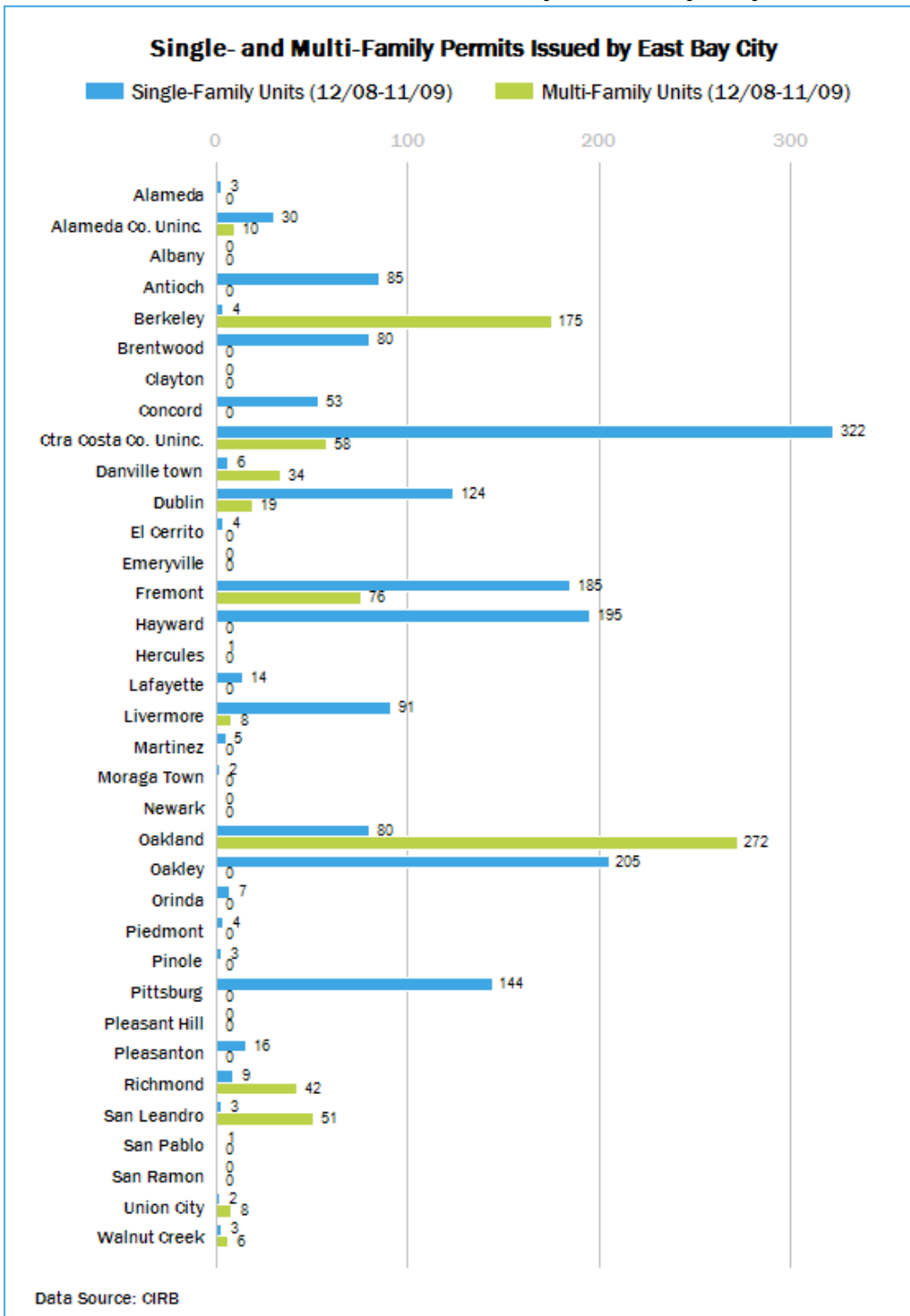
All Bay Area regions saw significant residential construction declines when compared with the previous 12-month period. Single family building permits in the East Bay fell 22.0 percent during this period, while the number of multi-family permits issued fell 170 percent.



EAST BAY CONSTRUCTION

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 October 2009.





BAY AREA HOME SALES

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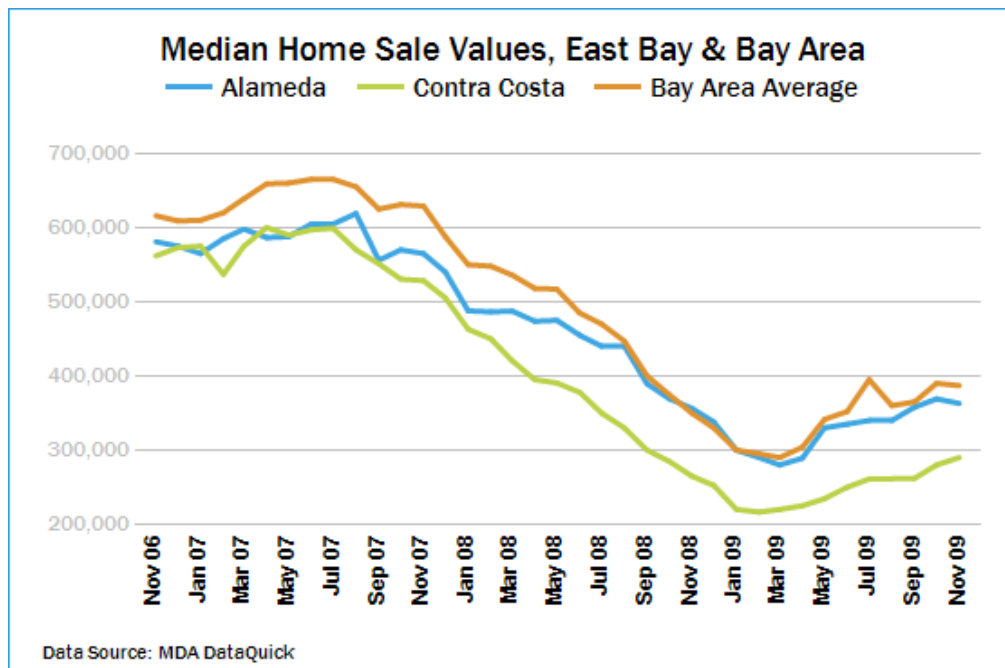
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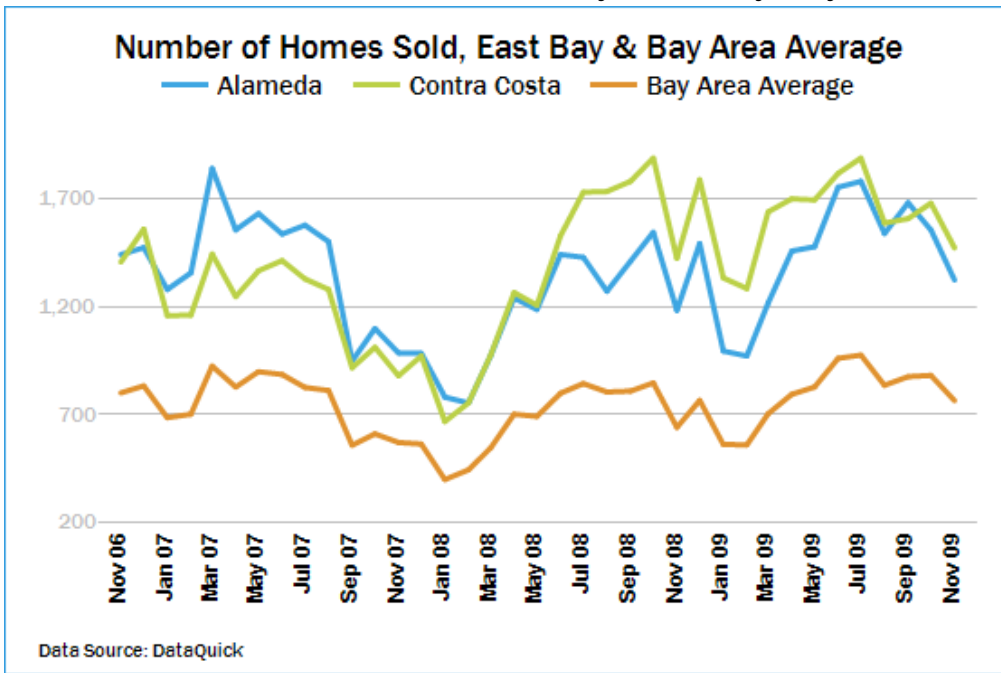
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