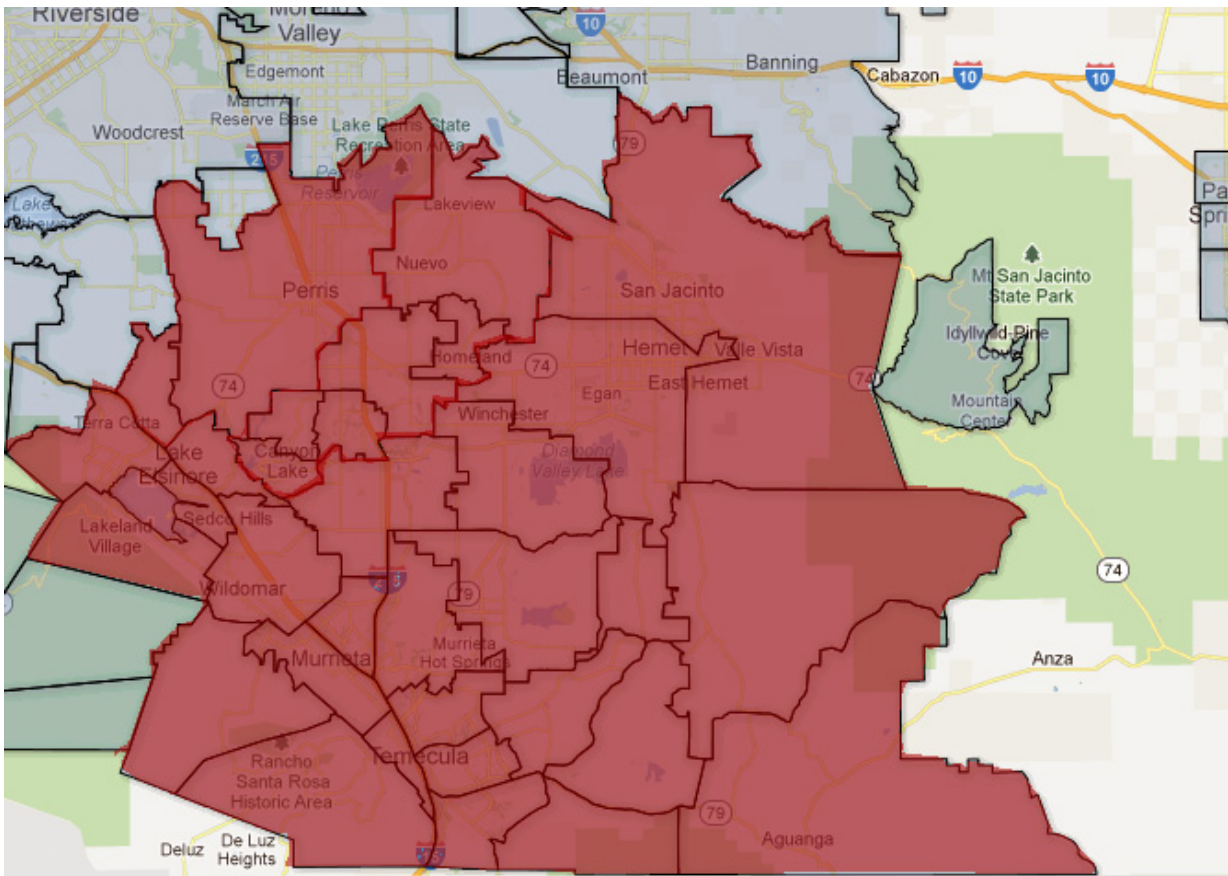




# Real Estate Market Report March 2013



A comprehensive report on the  
SW Riverside County real estate market.

**[www.SWRiversideCountyHomes.com](http://www.SWRiversideCountyHomes.com)**

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March, 2013

In March,

Home sales are up! The number of homes that sold in March are up 28.6% over February. March over the last 10 years has always had higher sales than the month before. This is the start of the busy season for buying and selling homes.

Riverside County's foreclosure rate edged up last month, mirroring a reversal of activity throughout the state. A total 1,698 mortgage default notices, auction sale notices and bank repossessions were recorded countywide in March, translating to 1 in 468 households in some stage of foreclosure, according to Irvine-based RealtyTrac.

Riverside County had the eighth highest foreclosure rate in the state last month, while neighboring San Bernardino County had the third-highest rate. The balance of the top ten was comprised of Northern California counties. In Riverside County, the number of filings was up 2.3 percent from February -- but down 61 percent compared to a year ago, figures showed.

The number of distressed sales also went up in March, up 28% over the number of distressed sales in February.

We hope this Southwest Riverside County Market Report with detailed information by price range; zip codes and area help you make the best decisions for you and your family. It is our pleasure to deliver it to you so together we can spot the trends.

Please, call us if we can provide you any additional information.

Regards,

A handwritten signature in black ink that reads "Tom Olsewski". The signature is written in a cursive, flowing style.

Tom Olsewski



## Summary of the SW Riverside County Market

### Home Sales in March

1069 Homes Sold

8.24% decrease from last year



### Average Sold Price

\$260,696 average price of homes

### Days on Market

60 Days – Average Days on Market

### Market Inventories in different Price Ranges

Below \$400k = **Extreme Seller's Market**

\$400K-\$500K = **Extreme Seller's Market**

\$500K & Up = **Normal Buyers Market**

### Cash Buyers in March

38.1% of sales *Cash*

### Financing Type

20.1% of sales *FHA*

29.4% of sales *Conventional*

8.0% of sales *VA Loan*

### Homes for Sale

881 Homes *for Sale*

### Month's of Inventory

0.82 Month's Inventory

Type of Market: **Extreme Seller's Market**

Top selling **Region** = Hemet

Distressed Property and Investor Market – **37.1%** of all sales in March 2013 were in a distressed situation

What Are Sellers Getting for Their Home? – Sellers are getting **97.9%** of asking price.

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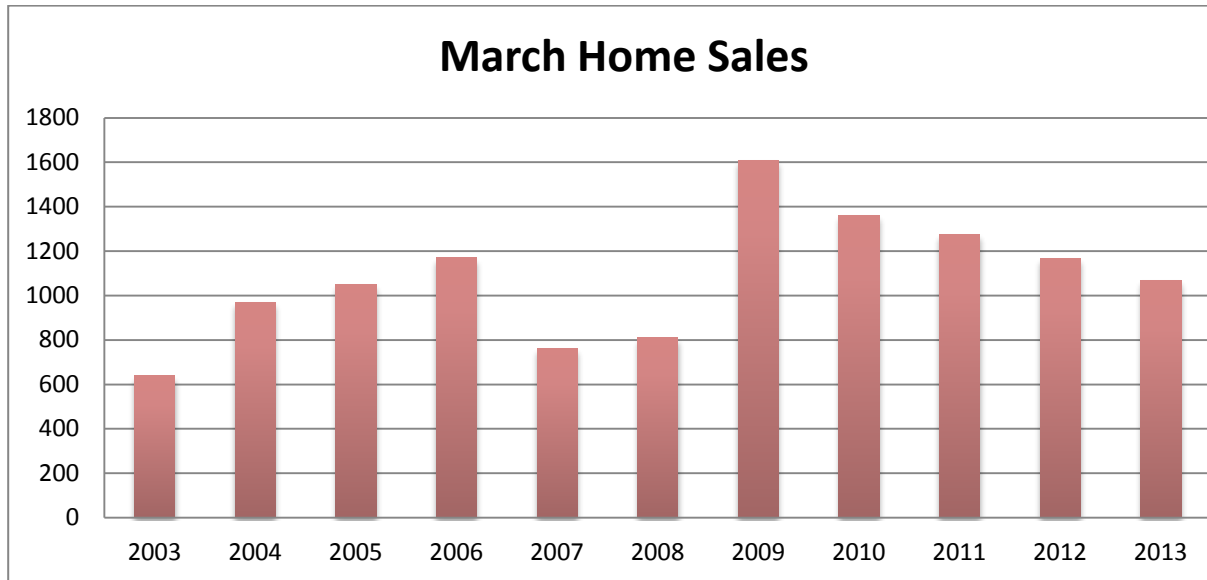
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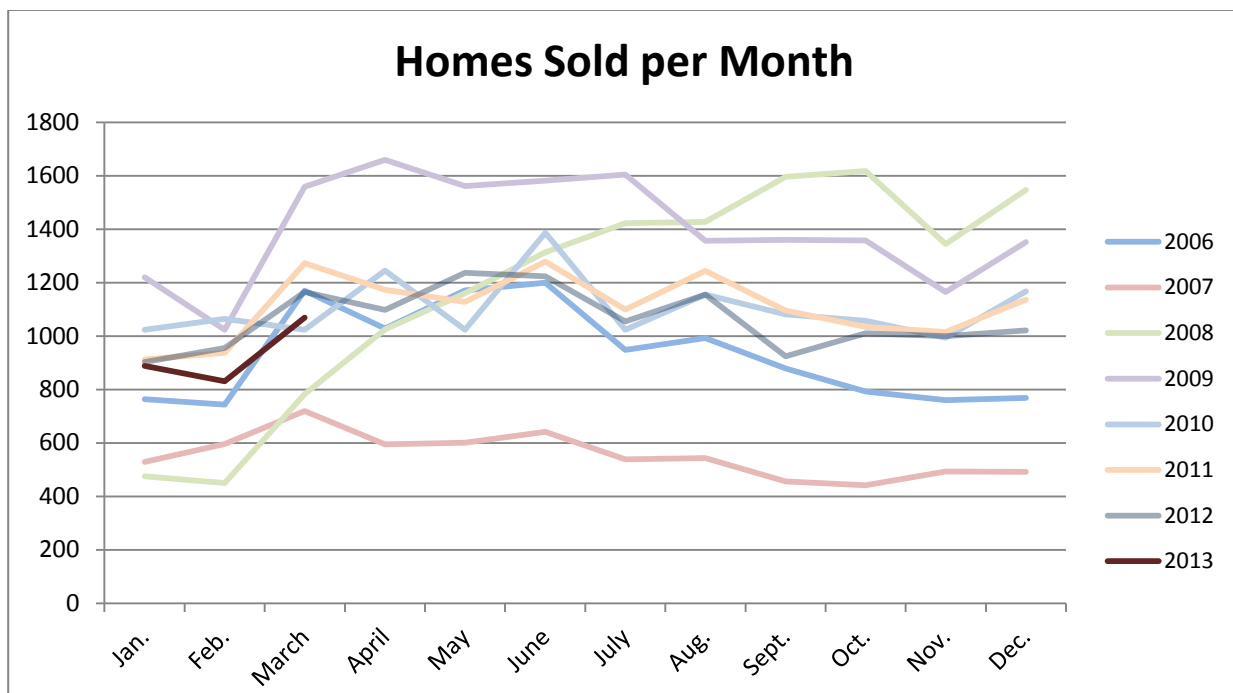
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Sales are on the decline for the month of March. After hitting an all time high in 2009, sales at the beginning of this year have lost steam.



The chart below follows the trends of number of sold homes during any given month. In March **1069** homes sold in Southwest Riverside County. This is a **8.24% decrease** in sold homes since this month last year.



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### March 2013 Homes Sales By Price Band

Price Range	# of Sold	Active Listings	Month's of Inventory	Market
\$0-\$100K	81	99	1.22	Extreme Seller's Market
\$100K-\$200k	361	199	0.55	Extreme Seller's Market
\$200K-\$300K	378	163	0.43	Extreme Seller's Market
\$300K-\$400K	186	126	0.68	Extreme Seller's Market
\$400K-\$500K	35	72	2.06	Extreme Seller's Market
\$500K-\$600K	11	41	3.73	Normal Seller's Market
\$600K-\$700K	6	28	4.67	Normal Seller's Market
\$700K-\$800K	4	24	6.00	Balanced Market
\$800K-\$900K	0	21	N/A	Extreme Buyer's Market
\$900K-\$1M	2	14	7.00	Balanced Market
\$1M-\$2M	5	69	13.80	Extreme Buyer's Market
\$2M-\$3M	0	18	N/A	Extreme Buyer's Market
\$3M<	0	7	N/A	Extreme Buyer's Market
<b>Overall MKT</b>	<b>1069</b>	<b>881</b>	<b>0.82</b>	<b>Extreme Seller's Market</b>
12+ months of inventory	Extreme Buyer's Market		High Depreciation	
9-12 months of inventory	Normal Buyer's Market		Moderation Depreciation	
6-9 months of inventory	Balanced Market		Flat or Moderate Depreciation	
3-6 months of inventory	Normal Seller's Market		Moderate to High Appreciation	
0-3 months of inventory	Extreme Seller's Market		High Appreciation	

Southwest Riverside County has seen a drop in the number of sales in the lower price ranges in March. That combined with the lower number of homes for sale has created an **Extreme Seller's Market**. Although it shows an **Extreme Seller's Market** we have to take into consideration the approximate 50% drop in home value over the last 3 to 4 years.

The \$400K-\$500K ranges, is a **Extreme Seller's Market**, while the \$500K and up is a **Normal Buyers Market**.



### March 2013 Homes Sales By Region

Region	# of Sold	Active Listings	Month's of Inventory	Avg. Sale Price	Avg. DOM
Temecula South	63	44	0.70	\$344,552	55
Temecula North	97	84	0.87	\$357,516	64
Temecula West	6	36	6.00	\$720,648	102
Murrieta North	64	22	0.34	\$283,770	41
Murrieta West	33	84	2.55	\$346,508	84
Murrieta East	87	39	0.45	\$280,500	57
Winchester	55	15	0.27	\$263,545	63
Wildomar	41	19	0.46	\$233,066	71
Menifee	120	50	0.42	\$224,908	49
Hemet	142	190	1.34	\$135,542	63
San Jacinto	58	56	0.97	\$155,632	68
Perris	87	58	0.67	\$182,928	71
Lake Elsinore	120	54	0.45	\$223,075	63
Canyon Lake	31	63	2.03	\$314,342	63
Quail Valley	5	4	0.80	\$157,400	72
Sun City	36	18	0.50	\$140,631	44
Romoland	16	16	1.00	\$202,872	53
Homeland	1	14	14.00	\$170,000	35
Nuevo	7	5	0.71	\$215,786	32
<i>12+ months of inventory</i>		<i>Extreme Buyer's Market</i>		<i>High Depreciation</i>	
<i>9-12 months of inventory</i>		<i>Normal Buyer's Market</i>		<i>Moderation Depreciation</i>	
<i>6-9 months of inventory</i>		<i>Balanced Market</i>		<i>Flat or Moderate Depreciation</i>	
<i>3-6 months of inventory</i>		<i>Normal Seller's Market</i>		<i>Moderate to High Appreciation</i>	
<i>0-3 months of inventory</i>		<i>Extreme Seller's Market</i>		<i>High Appreciation</i>	

### Sales by Region

The above chart provides detail of how well each region of Southwest Riverside County are selling. **Hemet** and **Lake Elsinore** continue to outperform the rest of the market. The demand is driven by a great location, and low cost of ownership.



## What are Sellers Getting for Their Home?

This section shows the percentage of the listing price that the sellers are actually receiving in each of the following areas as well as for the entire market.

Percentage of Listing Price			
Region	Avg. Sell Price	Avg. List Price	% of Listing Price
Temecula South	\$344,552	\$348,602	98.8%
Temecula North	\$357,516	\$356,308	100.3%
Temecula West	\$720,648	\$779,500	92.5%
Murrieta North	\$283,770	\$282,194	100.6%
Murrieta West	\$346,508	\$356,624	97.2%
Murrieta East	\$280,500	\$279,618	100.3%
Winchester	\$263,545	\$265,879	99.1%
Wildomar	\$233,066	\$240,460	96.9%
Menifee	\$224,908	\$224,930	100.0%
Hemet	\$135,542	\$137,573	98.5%
San Jacinto	\$155,632	\$159,045	97.9%
Perris	\$182,928	\$179,099	102.1%
Lake Elsinore	\$223,075	\$223,268	99.9%
Canyon Lake	\$314,342	\$325,735	96.5%
Quail Valley	\$157,400	\$166,900	94.3%
Sun City	\$140,631	\$145,370	96.7%
Romoland	\$202,872	\$199,206	101.8%
Homeland	\$170,000	\$169,900	100.1%
Nuevo	\$215,786	\$220,557	97.8%
<b>TOTAL MKT</b>	<b>\$260,696</b>	<b>\$266,356</b>	<b>97.9%</b>

This chart shows that for the month of March home sellers are getting **97.9%** of their asking price. The days of buyer's coming in and offering well below the asking price are no longer here.



## Distressed Property and Investor Market

With about **37.1%** of all sales being Foreclosure and Short Sales, Southwest Riverside County market is prime for investors to help turn it around and make strong returns. This insert outlines short sales and foreclosure sales best areas to invest in, and estimated cash flows and cap rate.

	2011 Sales	%	2012 Sales	%	March 2013 Sales	%
REO Sales	4,886	38.21%	2,848	21.73%	132	12.3%
Short Sales	3,433	26.84%	4,252	32.44%	265	24.8%
<b>Total Distressed Sales</b>	<b>8,319</b>	<b>65.05%</b>	<b>7,100</b>	<b>54.17%</b>	<b>397</b>	<b>37.1%</b>
Total Sales (Normal Resale and Distressed)	12,788		13,108		1,069	

## Strong Performing Areas – for Investors

Hemet	
Month's of Inventory	1.34
Low Selling Price	\$35,000
Average Selling Price	\$135,542
Average Rent	\$1,156
Estimated Cap Rate	10.23%
Estimated Cash on Cash Return (25% down)	40.94%

Lake Elsinore	
Month's of Inventory	0.45
Low Selling Price	\$223,075
Average Selling Price	\$206,931
Average Rent	\$1,421
Estimated Cap Rate	8.24%
Estimated Cash on Cash Return (25% down)	32.96%

All information presented above is estimated and in no way represents the actual returns of individual properties. Data pulled from CRMLS. Strong performing areas are based on single family homes.





## Mortgage Rates – 12 Year Summary



The above chart tracks mortgage rates for the past 12 years. As you can see, mortgage rates are at close to their lowest levels.

### CONFORMING

30 Yr Fixed 3.625%

15 Yr Fixed 2.876%

### JUMBO (over \$417K loan amount)

30 Yr Fixed 3.75%

I can provide you with a more specific analysis for either your home or your buying price range. Please contact us for more information.

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