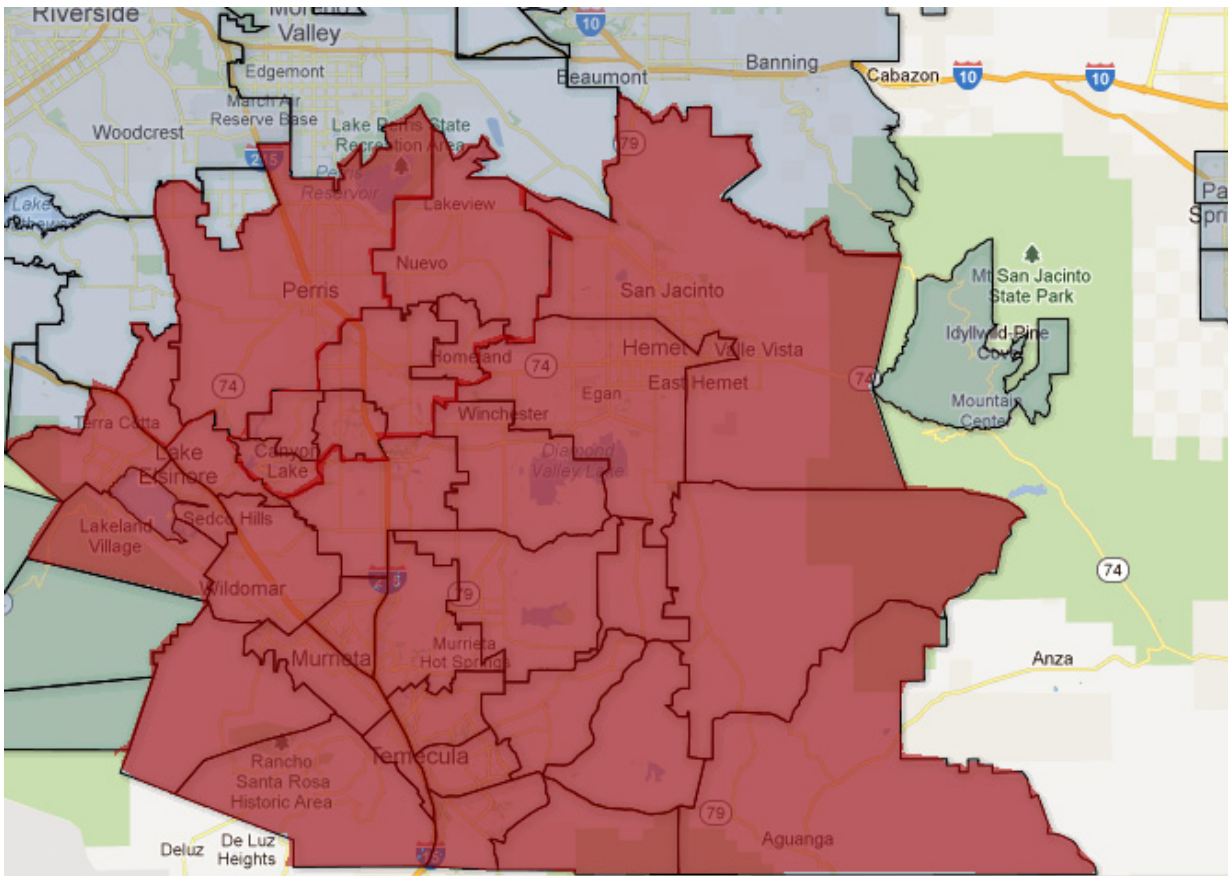




Real Estate Market Report April 2013



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

www.SWRiversideCountyHomes.com

KELLER WILLIAMS® REALTY

27290 Madison Ave #200 • Temecula, CA 92590 • (951)506-5744 • (888)386-4035

www.besttemeculahomes.com or www.teamolsewski.com

Each Keller Williams Office is Independently Owned and Operated

CA Lic #01442461



April, 2013

In April,

The tides have turned; April marks the first month in over 6 months where the number of homes for sale has increased over the month prior. The number of homes for sale is up 28.1% from last month. The time of year when most people sell and buy is approaching. Kids are getting ready to get out of school and many families start the moving process.

The number of homes that sold is still down 3.9% from last year and down only 1.3% from last month. Sales of homes will continue to grow over the upcoming months. Sales on average for the last 10 years have increased 4.1% from April to May.

April also has continued a yearlong drop in the number of distressed homes that sold. In April 2012 53.8% of all sales were distressed, while in April 2013 31.8% of sales were distressed, a drop of 41%.

With the growing number of homes for sale the average price that seller's are receiving for their home has dropped to 97.1% of asking price. This does vary on the area for both buyers and sellers. The area with the largest percentage is Wildomar where sellers are getting 102.3% of their asking price, while in Murrieta North sellers are only getting 90.4%.

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,

Tom Olsewski



Summary of the SW Riverside County Market

Home Sales in April

1055 Homes Sold

3.9% decrease from last year



Market Inventories in different Price Ranges

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

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

\$500K & Up = **Normal Seller's Market**

Homes for Sale

1129 Homes *for Sale*

Month's of Inventory

1.07 Month's Inventory

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

Average Sold Price

\$264,036 average price of homes

Days on Market

59 Days – Average Days on Market

Cash Buyers in April

39.5% of sales *Cash*

Financing Type

20.4% of sales *FHA*

29.4% of sales *Conventional*

7.4% of sales *VA Loan*

Top selling Region = Hemet

Distressed Property and Investor Market – **31.8%** of all sales in April 2013 were in a distressed situation

What Are Sellers Getting for Their Home? – Sellers are getting **97.1%** of asking price.

KELLER WILLIAMS® REALTY

27290 Madison Ave #200 • Temecula, CA 92590 • (951)506-5744 • (888)386-4035

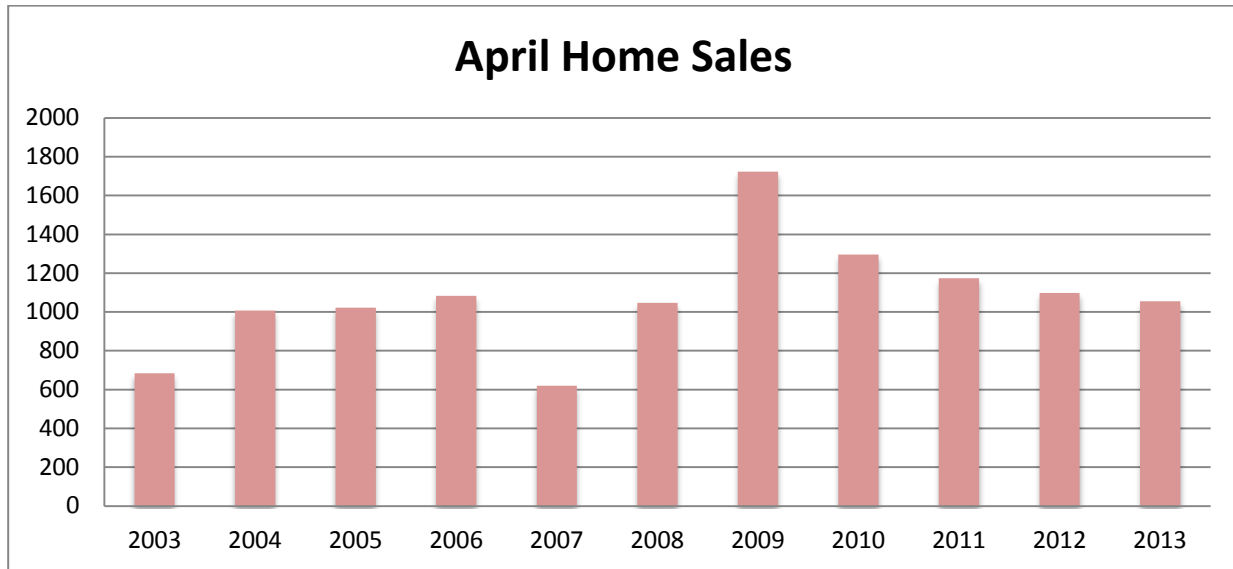
www.besttemeculahomes.com or www.teamolsewski.com

Each Keller Williams Office is Independently Owned and Operated

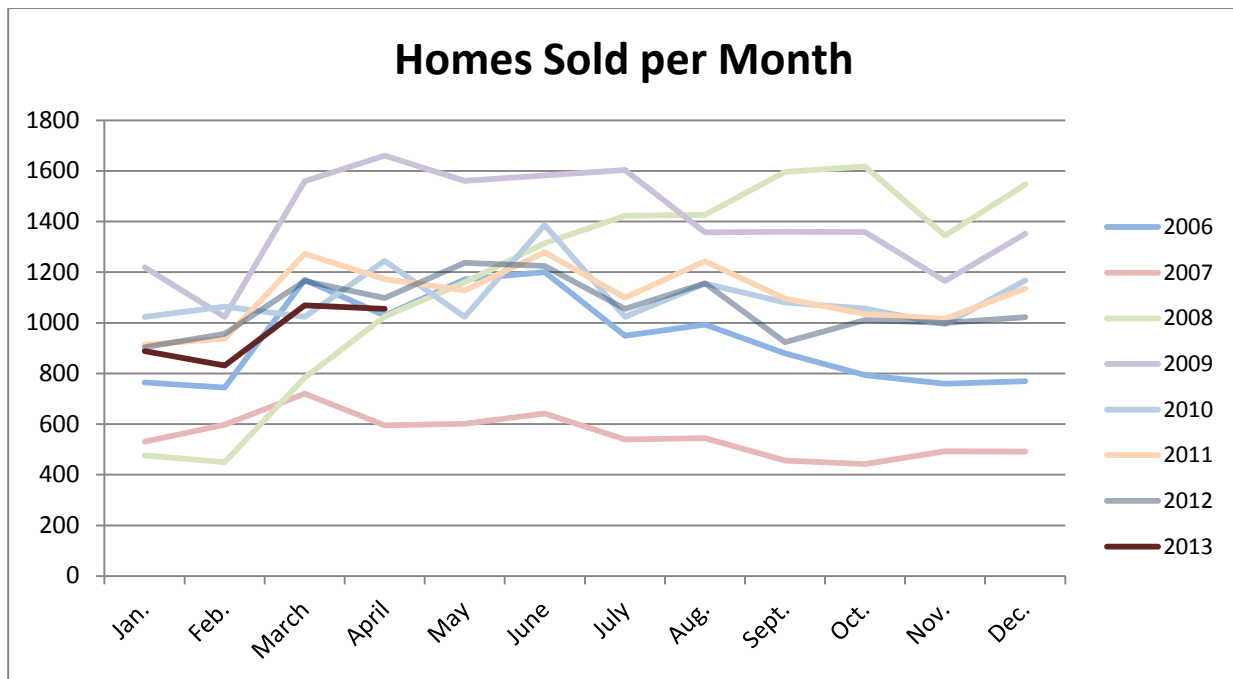
CA Lic #01442461



Sales are on the decline for the month of April. 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 April **1055** homes sold in Southwest Riverside County. This is a **3.9% decrease** in sold homes since this month last year.



KELLER WILLIAMS® REALTY

27290 Madison Ave #200 • Temecula, CA 92590 • (951)506-5744 • (888)386-4035

www.besttemeculahomes.com or www.teamolsewski.com

Each Keller Williams Office is Independently Owned and Operated

CA Lic #01442461



April 2013 Homes Sales By Price Band

Price Range	# of Sold	Active Listings	Month's of Inventory	Market
\$0-\$100K	85	108	1.27	Extreme Seller's Market
\$100K-\$200k	343	273	0.80	Extreme Seller's Market
\$200K-\$300K	358	204	0.57	Extreme Seller's Market
\$300K-\$400K	177	184	1.04	Extreme Seller's Market
\$400K-\$500K	56	109	1.95	Extreme Seller's Market
\$500K-\$600K	12	58	4.83	Normal Seller's Market
\$600K-\$700K	12	40	3.33	Normal Seller's Market
\$700K-\$800K	5	23	4.60	Normal Seller's Market
\$800K-\$900K	4	25	6.25	Balanced Market
\$900K-\$1M	5	17	3.40	Normal Seller's Market
\$1M-\$2M	5	70	14.00	Extreme Buyer's Market
\$2M-\$3M	1	17	17.00	Extreme Buyer's Market
\$3M<	0	7	N/A	Extreme Buyer's Market
Overall MKT	1055	1129	1.07	Extreme Seller's Market
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 April. 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 Seller's Market**.

KELLER WILLIAMS® REALTY

27290 Madison Ave #200 • Temecula, CA 92590 • (951)506-5744 • (888)386-4035

www.besttemeculahomes.com or www.teamolsewski.com

Each Keller Williams Office is Independently Owned and Operated

CA Lic #01442461



April 2013 Homes Sales By Region

Region	# of Sold	Active Listings	Month's of Inventory	Avg. Sale Price	Avg. DOM
Temecula South	71	60	0.85	\$348,472	42
Temecula North	104	108	1.04	\$383,690	56
Temecula West	4	39	9.75	\$616,000	60
Murrieta North	72	38	0.53	\$290,125	40
Murrieta West	36	97	2.69	\$508,849	119
Murrieta East	75	65	0.87	\$270,337	52
Winchester	53	25	0.47	\$279,629	50
Wildomar	51	20	0.39	\$237,466	38
Menifee	96	69	0.72	\$230,665	57
Hemet	155	220	1.42	\$161,416	63
San Jacinto	64	77	1.20	\$157,069	60
Perris	85	68	0.80	\$180,032	57
Lake Elsinore	98	96	0.98	\$225,795	60
Canyon Lake	32	77	2.41	\$329,109	68
Quail Valley	6	5	0.83	\$116,500	35
Sun City	36	20	0.56	\$138,303	50
Romoland	10	17	1.70	\$181,930	26
Homeland	2	14	7.00	\$149,500	98
Nuevo	5	12	2.40	\$211,800	89

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

Sales by Region

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

KELLER WILLIAMS® REALTY

27290 Madison Ave #200 • Temecula, CA 92590 • (951)506-5744 • (888)386-4035

www.besttemeculahomes.com or www.teamolsewski.com

Each Keller Williams Office is Independently Owned and Operated

CA Lic #01442461



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	\$348,472	\$346,060	100.7%
Temecula North	\$383,690	\$393,919	97.4%
Temecula West	\$616,000	\$653,475	94.3%
Murrieta North	\$290,125	\$321,002	90.4%
Murrieta West	\$508,849	\$559,363	91.0%
Murrieta East	\$270,337	\$270,146	100.1%
Winchester	\$279,629	\$279,039	100.2%
Wildomar	\$237,466	\$232,227	102.3%
Menifee	\$230,665	\$229,791	100.4%
Hemet	\$161,416	\$169,426	95.3%
San Jacinto	\$157,069	\$156,398	100.4%
Perris	\$180,032	\$179,306	100.4%
Lake Elsinore	\$225,795	\$222,915	101.3%
Canyon Lake	\$329,109	\$346,512	95.0%
Quail Valley	\$116,500	\$117,325	99.3%
Sun City	\$138,303	\$139,350	99.2%
Romoland	\$181,930	\$182,465	99.7%
Homeland	\$149,500	\$157,438	95.0%
Nuevo	\$211,800	\$209,980	100.9%
TOTAL MKT	\$264,036	\$271,902	97.1%

This chart shows that for the month of April home sellers are getting **97.1%** 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 **31.8%** 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	%	April 2013 Sales	%
REO Sales	4,886	38.21%	2,848	21.73%	102	9.7%
Short Sales	3,433	26.84%	4,252	32.44%	234	22.2%
Total Distressed Sales	8,319	65.05%	7,100	54.17%	336	31.8%
Total Sales (Normal Resale and Distressed)	12,788		13,108		1,055	

Strong Performing Areas – for Investors

Hemet	
Month's of Inventory	1.42
Low Selling Price	\$28,000
Average Selling Price	\$161,416
Average Rent	\$1,232
Estimated Cap Rate	9.16%
Estimated Cash on Cash Return (25% down)	36.64%

Temecula North	
Month's of Inventory	1.04
Low Selling Price	\$112,789
Average Selling Price	\$383,690
Average Rent	\$1,889
Estimated Cap Rate	5.91%
Estimated Cash on Cash Return (25% down)	23.63%

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.

KELLER WILLIAMS® REALTY

27290 Madison Ave #200 • Temecula, CA 92590 • (951)506-5744 • (888)386-4035

www.besttemeculahomes.com or www.teamolsewski.com

Each Keller Williams Office is Independently Owned and Operated

CA Lic #01442461