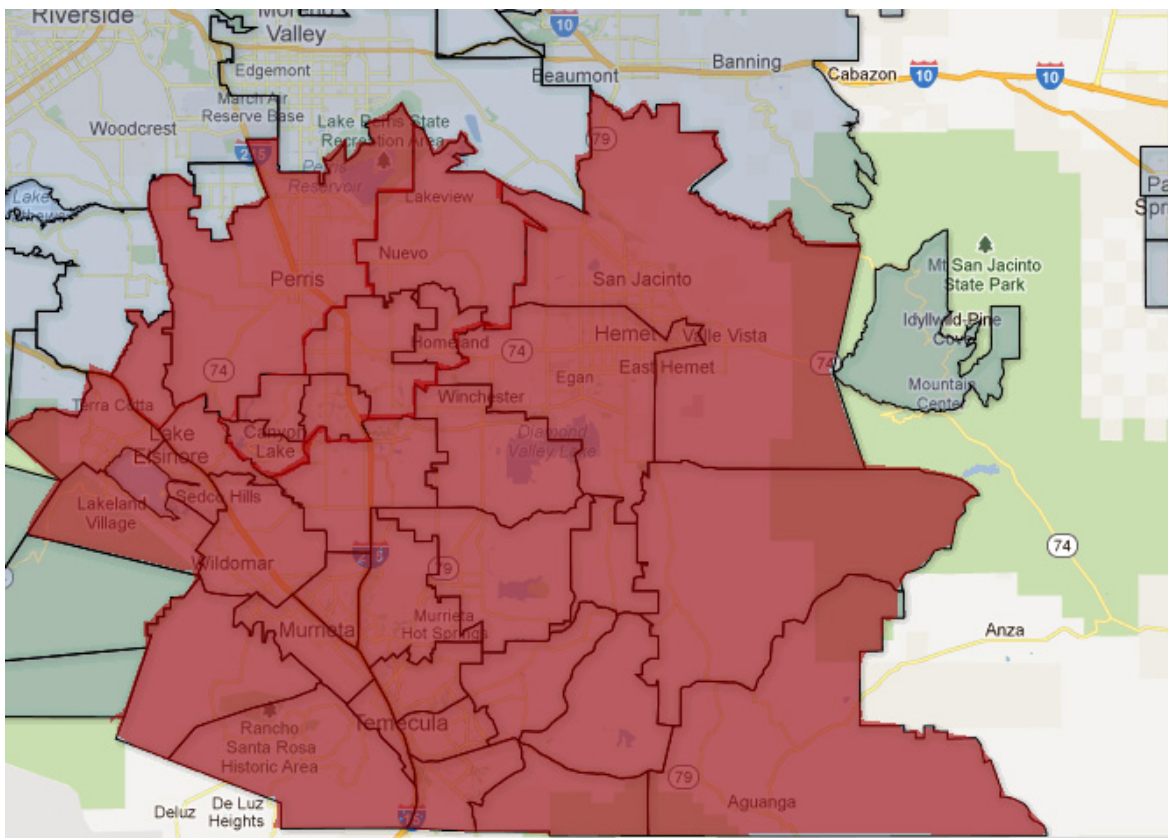




# Real Estate Market Report June 2013



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

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

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June, 2013

In June,

The number of homes that sold from May went down 5.8%. The number of homes sold also went down from this time last year by 10.9%. Even with the number of homes being sold down, the number of homes on the market is up. The number of homes available is up 14.5%.

The price of homes is also on the rise. This started when the number of homes on the market was down, along with increase of buyers on the market. The price of homes rose 8.1% from May 2013, and 32% from June of 2012. Interest rates have also started to rise pushing more buyers out to the market to buy a home and lock in the interest rate before it rises.

With the higher selling prices of homes the value of homes has also risen. "Assessed property values in Riverside County are going to rise for the 2013-14 tax year, a gain not seen in five years," Assessor-County Clerk-Recorder Larry Ward announced Tuesday, July 2.

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 style with a large initial "T" and "O".

Tom Olsewski

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## Summary of the SW Riverside County Market

### Home Sales in June

**1090** Homes Sold

**10.9%** 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

**1359** Homes *for Sale*

### Month's of Inventory

**1.25** Month's Inventory

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

### Average Sold Price

**\$290,211** average price of homes

### Days on Market

**53 Days** – Average Days on Market

### Cash Buyers in June

**35.5%** of sales *Cash*

### Financing Type

**19.8%** of sales *FHA*

**31.7%** of sales *Conventional*

**9.4%** of sales *VA Loan*

**Top selling Region = Hemet**

Distressed Property and Investor Market – **24.7%** of all sales in June 2013 were in a distressed situation

What Are Sellers Getting for Their Home? – Sellers are getting **98.1%** of asking price.

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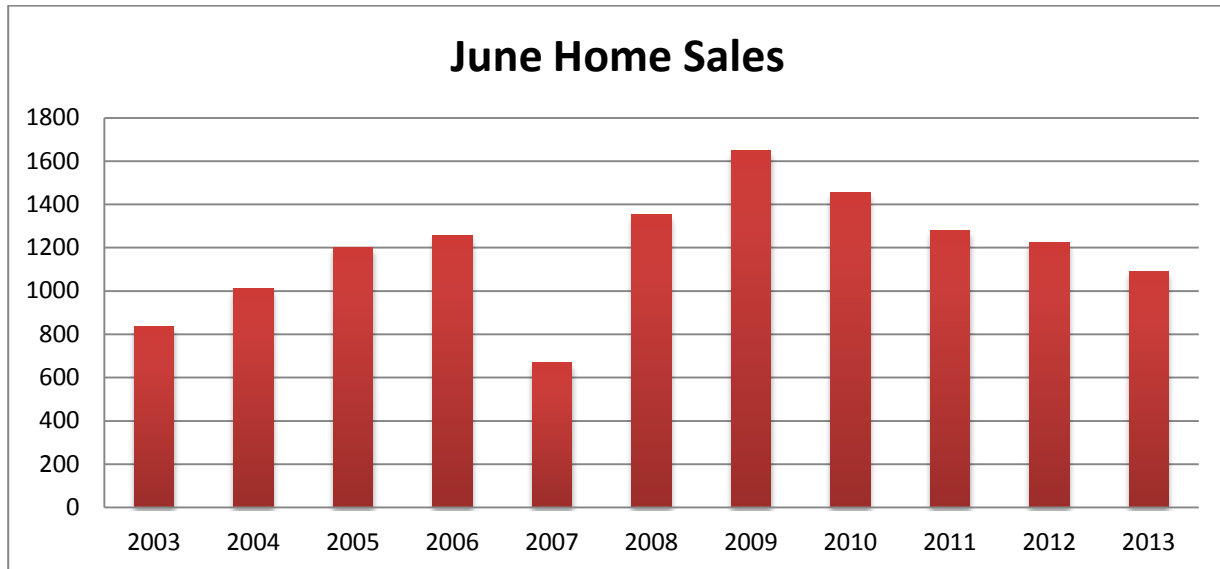
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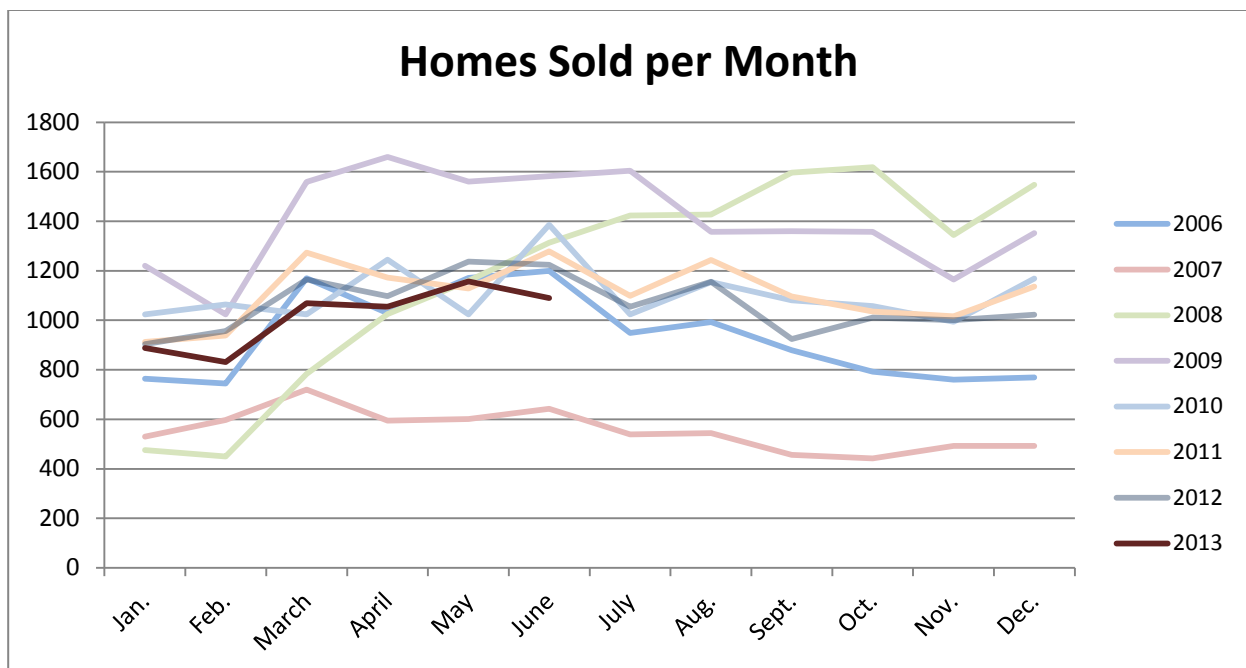
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Sales are on the decline for the month of June. After hitting an all time high in 2009, sales at the beginning of this year have lost steam.



The chart below follows the trends of number of sold homes during any given month. In June **1090** homes sold in Southwest Riverside County. This is a **10.9% decrease** in sold homes since this month last year.



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### June 2013 Homes Sales By Price Band

Price Range	# of Sold	Active Listings	Month's of Inventory	Market
\$0-\$100K	71	123	1.73	Extreme Seller's Market
\$100K-\$200k	276	275	1.00	Extreme Seller's Market
\$200K-\$300K	366	239	0.65	Extreme Seller's Market
\$300K-\$400K	246	289	1.17	Extreme Seller's Market
\$400K-\$500K	73	140	1.92	Extreme Seller's Market
\$500K-\$600K	26	67	2.58	Extreme Seller's Market
\$600K-\$700K	11	38	3.45	Normal Seller's Market
\$700K-\$800K	6	35	5.83	Normal Seller's Market
\$800K-\$900K	4	23	5.75	Normal Seller's Market
\$900K-\$1M	0	20	N/A	Extreme Buyer's Market
\$1M-\$2M	11	83	7.55	Extreme Buyer's Market
\$2M-\$3M	0	20	N/A	Extreme Buyer's Market
\$3M<	0	7	N/A	Extreme Buyer's Market
<b>Overall MKT</b>	<b>1090</b>	<b>1359</b>	<b>1.25</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 June. 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 low number of homes on the market.

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



## June 2013 Homes Sales By Region

Region	# of Sold	Active Listings	Month's of Inventory	Avg. Sale Price	Avg. DOM
Temecula South	77	78	1.01	\$383,167	39
Temecula North	121	120	0.99	\$401,406	42
Temecula West	5	38	7.60	\$796,500	88
Murrieta North	71	41	0.58	\$304,084	42
Murrieta West	45	98	2.18	\$468,973	88
Murrieta East	88	68	0.77	\$295,280	56
Winchester	32	47	1.47	\$300,159	48
Wildomar	40	39	0.98	\$290,960	41
Menifee	126	100	0.79	\$250,259	35
Hemet	158	284	1.80	\$159,052	61
San Jacinto	63	76	1.21	\$174,626	42
Perris	66	112	1.70	\$187,420	51
Lake Elsinore	98	124	1.27	\$235,137	39
Canyon Lake	36	73	2.03	\$379,645	104
Quail Valley	4	3	0.75	\$200,000	45
Sun City	28	26	0.93	\$156,921	45
Romoland	12	13	1.08	\$235,080	69
Homeland	9	14	1.56	\$142,711	46
Nuevo	11	5	0.45	\$152,626	29

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 **Menifee** 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	\$383,167	\$382,619	100.1%
Temecula North	\$401,406	\$407,036	98.6%
Temecula West	\$796,500	\$893,980	89.1%
Murrieta North	\$304,084	\$301,827	100.7%
Murrieta West	\$468,973	\$476,977	98.3%
Murrieta East	\$295,280	\$293,499	100.6%
Winchester	\$300,159	\$296,924	101.1%
Wildomar	\$290,960	\$287,873	101.1%
Menifee	\$250,259	\$245,267	102.0%
Hemet	\$159,052	\$163,500	97.3%
San Jacinto	\$174,626	\$173,210	100.8%
Perris	\$187,420	\$201,333	93.1%
Lake Elsinore	\$235,137	\$232,400	101.2%
Canyon Lake	\$379,645	\$387,336	98.0%
Quail Valley	\$200,000	\$183,000	109.3%
Sun City	\$156,921	\$155,495	100.9%
Romoland	\$235,080	\$237,467	99.0%
Homeland	\$142,711	\$151,522	94.2%
Nuevo	\$152,626	\$151,650	100.6%
<b>TOTAL MKT</b>	<b>\$290,211</b>	<b>\$295,943</b>	<b>98.1%</b>

This chart shows that for the month of June home sellers are getting **98.1%** 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 **24.7%** 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	%	June 2013 Sales	%
REO Sales	4,886	38.21%	2,848	21.73%	67	6.1%
Short Sales	3,433	26.84%	4,252	32.44%	202	18.5%
<b>Total Distressed Sales</b>	<b>8,319</b>	<b>65.05%</b>	<b>7,100</b>	<b>54.17%</b>	<b>269</b>	<b>24.7%</b>
Total Sales (Normal Resale and Distressed)	12,788		13,108		1,090	

## Strong Performing Areas – for Investors

Hemet	
Month's of Inventory	1.80
Low Selling Price	\$28,500
Average Selling Price	\$159,052
Average Rent	\$1,132
Estimated Cap Rate	8.54%
Estimated Cash on Cash Return (25% down)	34.16%

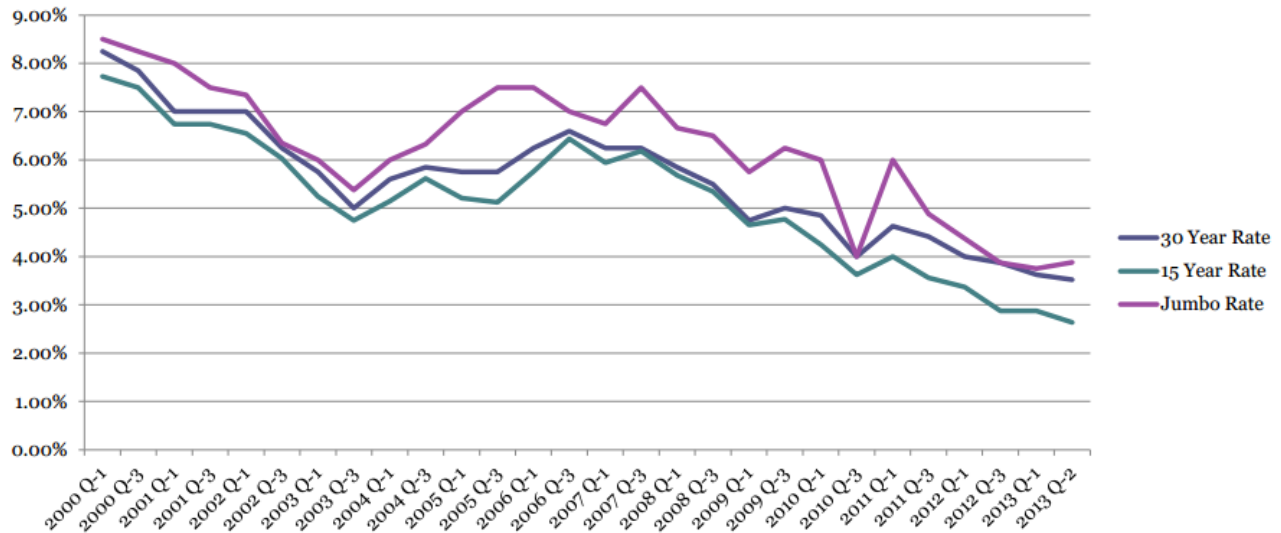
Menifee	
Month's of Inventory	0.79
Low Selling Price	\$21,000
Average Selling Price	\$250,259
Average Rent	\$1,483
Estimated Cap Rate	7.11%
Estimated Cash on Cash Return (25% down)	28.44%

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 4.16%

15 Yr Fixed 3.32%

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

30 Yr Fixed 4.25%

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