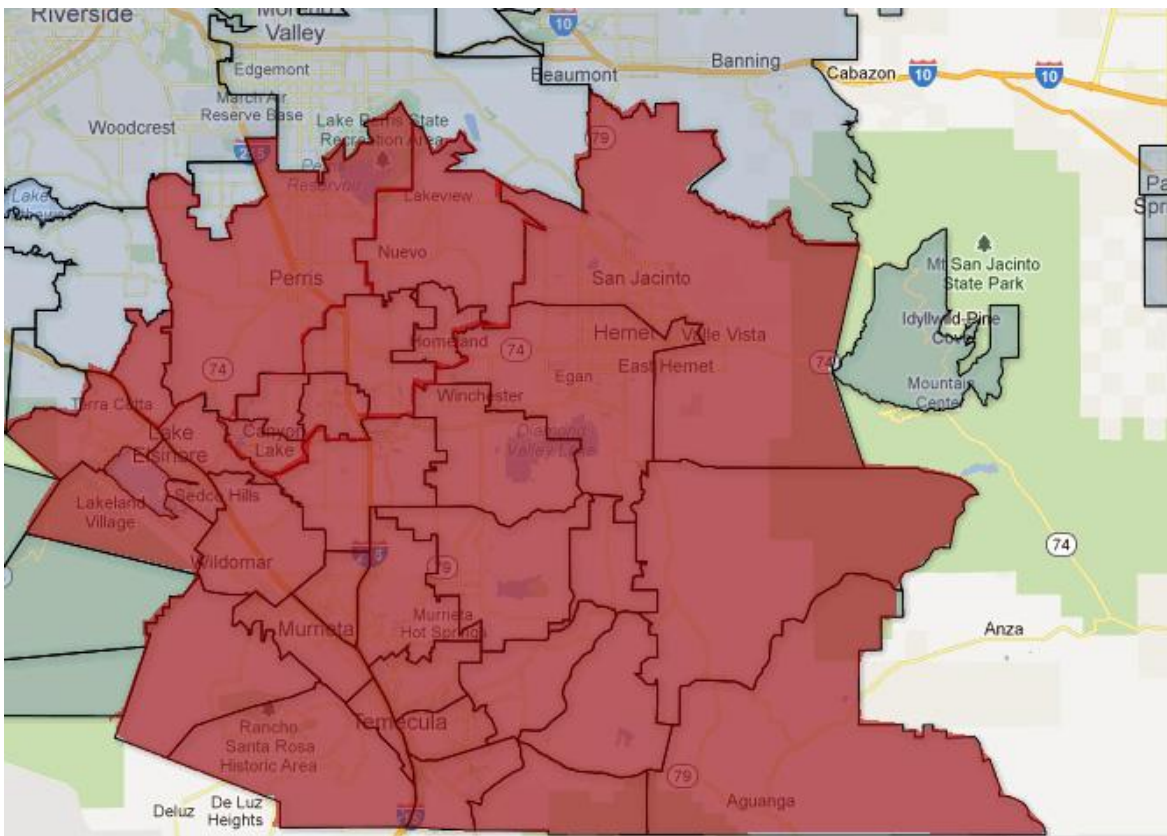




Real Estate Market Report July 2013



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

www.SWRiversideCountyHomes.com

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July, 2013

In July,

Homes sales are up! Not only from the number of homes sold last month but also from this time last year, going up 11.2%. Along with homes sales being up, inventory is also up. The number of homes for sale is up 21% from last month.

The average price of homes sold did drop a little from June to July but the days on the market dropped 15.1%. Homes are selling faster and not staying on the market as long. Even with the slight price drop from last month home prices are still up 25.5% from this time last year.

The cities of Menifee and Hemet continue to be the top selling areas in the market. Hemet continues to have the most homes sold for the month as well as the most homes available for sale in Southwest Riverside County. Menifee does not have the most or even the second most homes available but the low prices of homes in the city continue to make Menifee one of the fastest growing cities in Southwest Riverside County. Both cities average home price is well below the average price for the entire Southwest Riverside County making them both great areas for investors or first time buyers.

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

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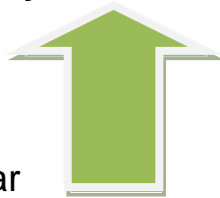


Summary of the SW Riverside County Market

Home Sales in July

1173 Homes Sold

11.2% increase from last year



Market Inventories in different Price Ranges

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

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

\$500K & Up = **Balanced Market**

Homes for Sale

1646 Homes *for Sale*

Month's of Inventory

1.40 Month's Inventory

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

Average Sold Price

\$275,398 average price of homes

Days on Market

45 Days – Average Days on Market

Cash Buyers in July

32.3% of sales *Cash*

Financing Type

20.7% of sales *FHA*

34.4% of sales *Conventional*

9.0% of sales *VA Loan*

Top selling Region = Hemet

Distressed Property and Investor Market – **24.2%** of all sales in July 2013 were in a distressed situation

What Are Sellers Getting for Their Home? – Sellers are getting **84.8%** of asking price.

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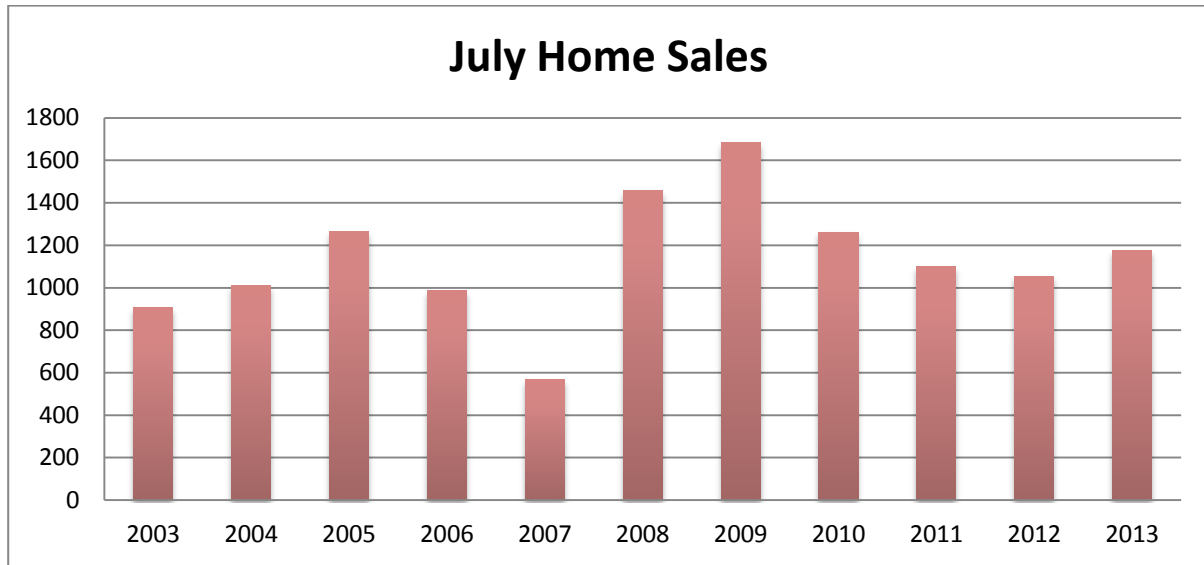
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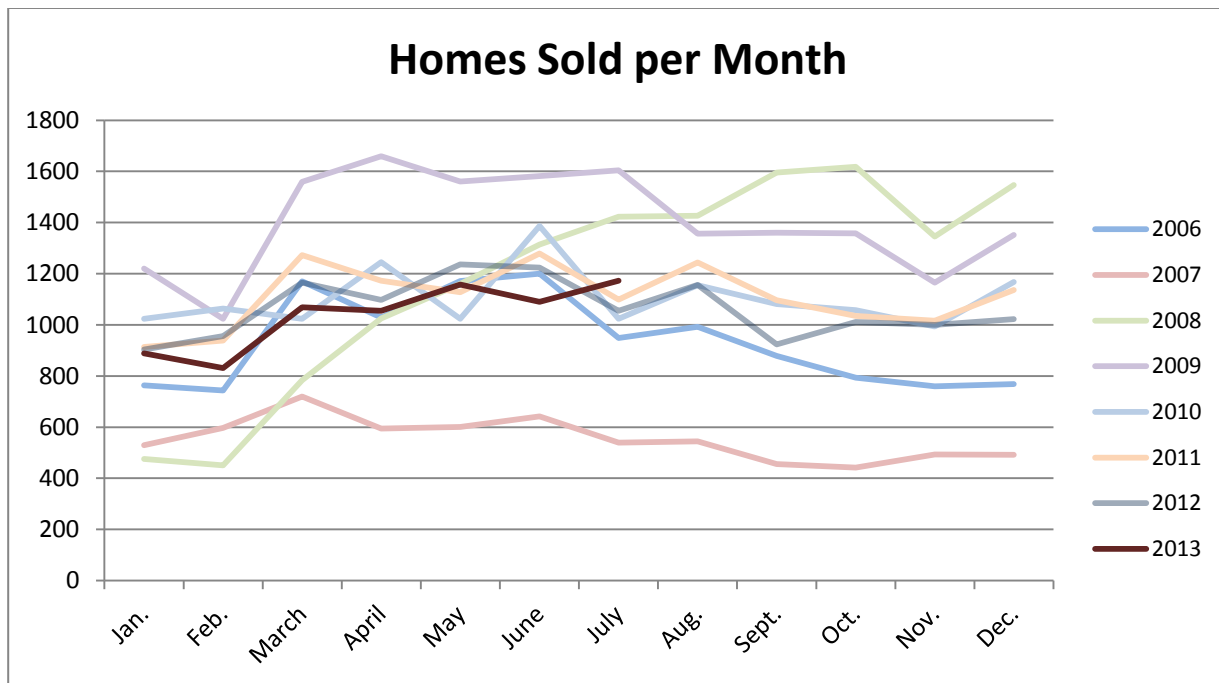
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Sales are on the decline for the month of July. After hitting an all time high in 2009, sales at the beginning of this year have lost steam.



The chart below follows the trends of number of sold homes during any given month. In July **1173** homes sold in Southwest Riverside County. This is an **11.2% increase** in sold homes since this month last year.



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July 2013 Homes Sales By Price Band

Price Range	# of Sold	Active Listings	Month's of Inventory	Market
\$0-\$100K	55	115	2.09	Extreme Seller's Market
\$100K-\$200k	323	310	0.96	Extreme Seller's Market
\$200K-\$300K	369	278	0.75	Extreme Seller's Market
\$300K-\$400K	287	419	1.46	Extreme Seller's Market
\$400K-\$500K	82	186	2.27	Extreme Seller's Market
\$500K-\$600K	27	85	3.15	Normal Seller's Market
\$600K-\$700K	13	50	3.85	Normal Seller's Market
\$700K-\$800K	4	32	8.00	Balanced Market
\$800K-\$900K	6	23	3.83	Normal Seller's Market
\$900K-\$1M	3	22	7.33	Balanced Market
\$1M-\$2M	4	93	23.25	Extreme Buyer's Market
\$2M-\$3M	0	20	N/A	Extreme Buyer's Market
\$3M<	0	12	N/A	Extreme Buyer's Market
Overall MKT	1173	1646	1.40	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 July. 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 **Balanced Market**.

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July 2013 Homes Sales By Region

Region	# of Sold	Active Listings	Month's of Inventory	Avg. Sale Price	Avg. DOM
Temecula South	81	117	1.44	\$388,724	47
Temecula North	125	145	1.16	\$386,123	40
Temecula West	5	39	7.80	\$732,600	144
Murrieta North	78	54	0.69	\$316,404	38
Murrieta West	58	129	2.22	\$471,178	67
Murrieta East	110	100	0.91	\$293,806	34
Winchester	52	60	1.15	\$303,397	54
Wildomar	44	48	1.09	\$258,853	37
Menifee	129	137	1.06	\$245,705	39
Hemet	157	316	2.01	\$171,955	38
San Jacinto	61	87	1.43	\$170,435	54
Perris	78	115	1.47	\$188,165	41
Lake Elsinore	104	150	1.44	\$235,925	48
Canyon Lake	28	86	3.07	\$352,296	72
Quail Valley	3	6	2.00	\$191,667	37
Sun City	34	19	0.56	\$138,583	41
Romoland	15	9	0.60	\$197,257	74
Homeland	5	11	2.20	\$173,600	75
Nuevo	6	10	1.67	\$238,500	136

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.

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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. Sale Price	Avg. List Price	% of Listing Price
Temecula South	\$388,724	\$402,445	96.6%
Temecula North	\$386,123	\$448,764	86.0%
Temecula West	\$732,600	\$1,382,045	53.0%
Murrieta North	\$316,404	\$328,272	96.4%
Murrieta West	\$471,178	\$712,421	66.1%
Murrieta East	\$293,806	\$334,749	87.8%
Winchester	\$303,397	\$311,503	97.4%
Wildomar	\$258,853	\$273,811	94.5%
Menifee	\$245,705	\$283,012	86.8%
Hemet	\$171,955	\$183,049	93.9%
San Jacinto	\$170,435	\$227,331	75.0%
Perris	\$188,165	\$214,131	87.9%
Lake Elsinore	\$235,925	\$278,449	84.7%
Canyon Lake	\$352,296	\$450,969	78.1%
Quail Valley	\$191,667	\$171,583	111.7%
Sun City	\$138,583	\$162,969	85.0%
Romoland	\$197,257	\$258,446	76.3%
Homeland	\$173,600	\$130,030	133.5%
Nuevo	\$238,500	\$196,827	121.2%
TOTAL MKT	\$275,513	\$325,044	84.8%

This chart shows that for the month of July home sellers are getting **84.8%** 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 **24.2%** 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	%	July 2013 Sales	%
REO Sales	4,886	38.21%	2,848	21.73%	66	5.6%
Short Sales	3,433	26.84%	4,252	32.44%	218	18.6%
Total Distressed Sales	8,319	65.05%	7,100	54.17%	284	24.2%
Total Sales (Normal Resale and Distressed)	12,788		13,108		1,173	

Strong Performing Areas – for Investors

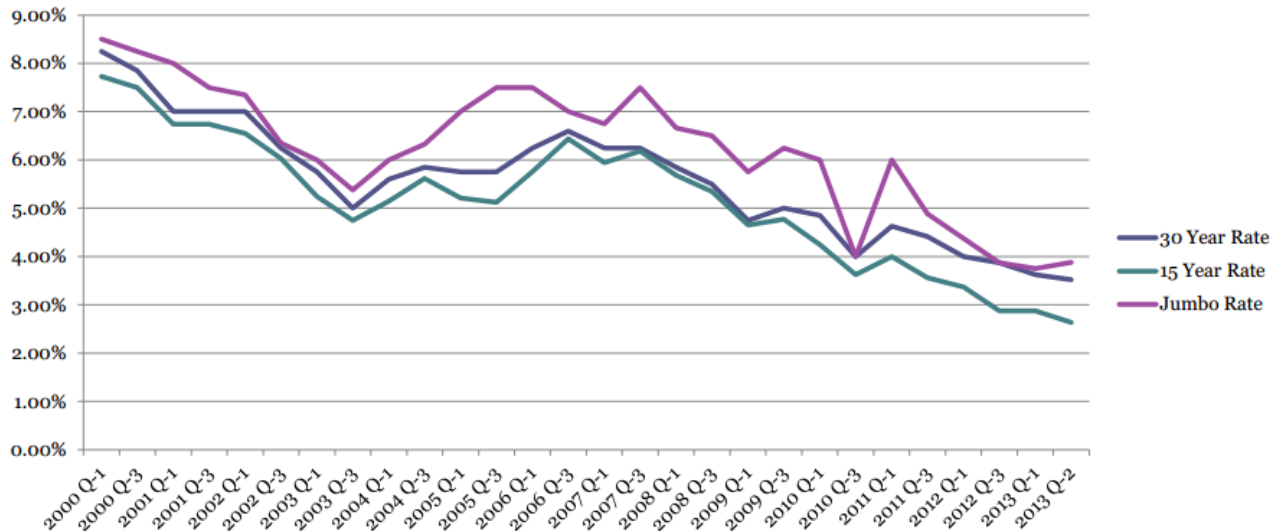
Hemet	
Month's of Inventory	2.01
Low Selling Price	\$50,100
Average Selling Price	\$171,955
Average Rent	\$1,222
Estimated Cap Rate	8.53%
Estimated Cash on Cash Return (25% down)	34.11%

Menifee	
Month's of Inventory	1.06
Low Selling Price	\$24,000
Average Selling Price	\$245,705
Average Rent	\$1,663
Estimated Cap Rate	8.12%
Estimated Cash on Cash Return (25% down)	32.49%

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 4.61%

15 Yr Fixed 3.61%

JUMBO (over \$417K loan amount)

30 Yr Fixed 4.87%

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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