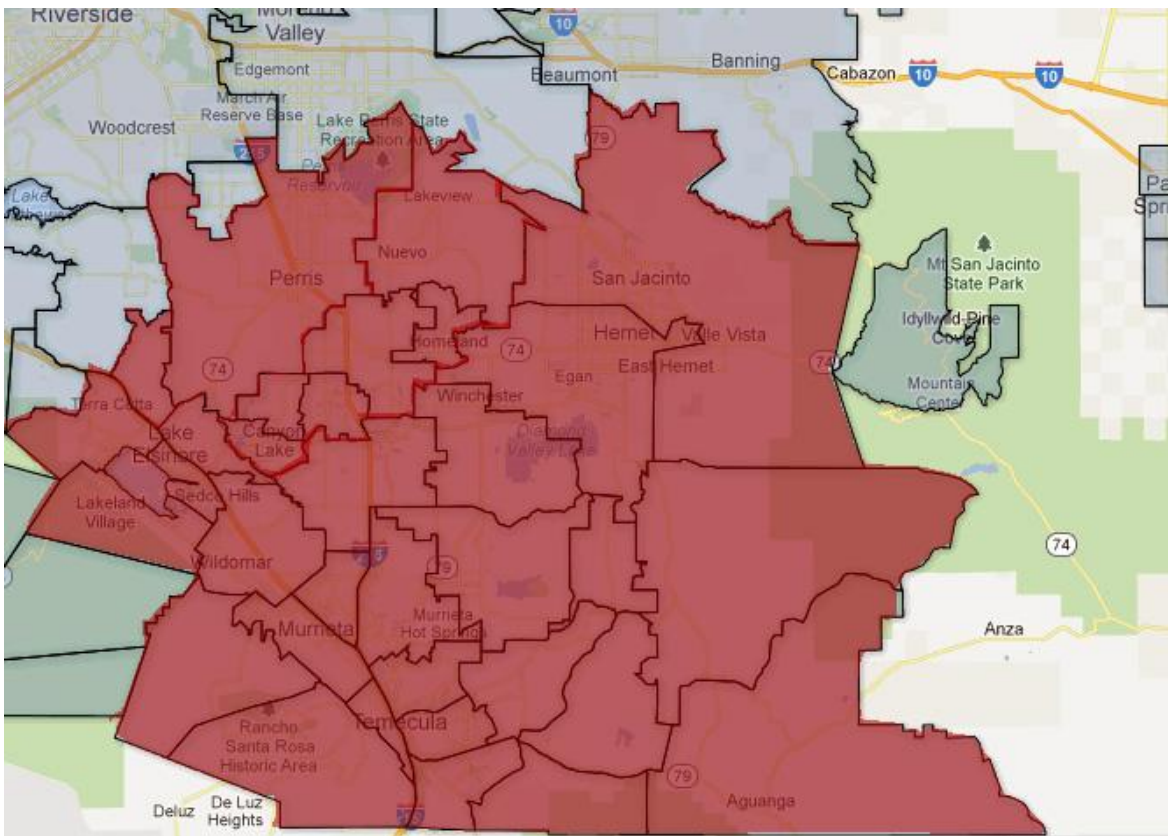




Real Estate Market Report November 2013



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

www.SWRiversideCountyHomes.com

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November, 2013

In November,

The number of homes that sold since this time last year dropped 10.1% and dropped 14.5% since last month. Even with the decrease in the number of homes the price of homes rose 3.3% since last month, 12.5% since November 2012 and 37.9% since November 2011. The number of homes sold in the month of November may have been down but the number of homes available also rose 18.3% since last month.

Distressed properties have continued to drop in November, while the number of standard sale's rise. Distressed sales are down 23% since last month to 143 total sales in November. That number is down 70.6% from 487 this time last year to only 143 sales this November.

Are you working with a Qualified Lender? It is highly important to work with a qualified lender when buying a home. We have seen more and more buyers fall out of escrow because their lender is overlooking the details in getting them pre-approved. We work with lenders that make sure everything is covered and nothing is over looked. For lender information please feel free to contact us!

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 November

899 Homes Sold

10.1% decrease from last year



Market Inventories in different Price Ranges

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

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

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

Homes for Sale

2300 Homes *for Sale*

Month's of Inventory

2.56 Month's Inventory

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

Average Sold Price

\$281,264 average price of homes

Days on Market

52 Days – Average Days on Market

Cash Buyers in November

29.5% of sales *Cash*

Financing Type

22.2% of sales *FHA*

31.6% of sales *Conventional*

12.0% of sales *VA Loan*

Top selling **Region** = **Hemet**

Distressed Property and Investor Market – **15.9%** of all sales in November 2013 were in a distressed situation

What Are Sellers Getting for Their Home? – Sellers are getting **95.6%** of asking price.

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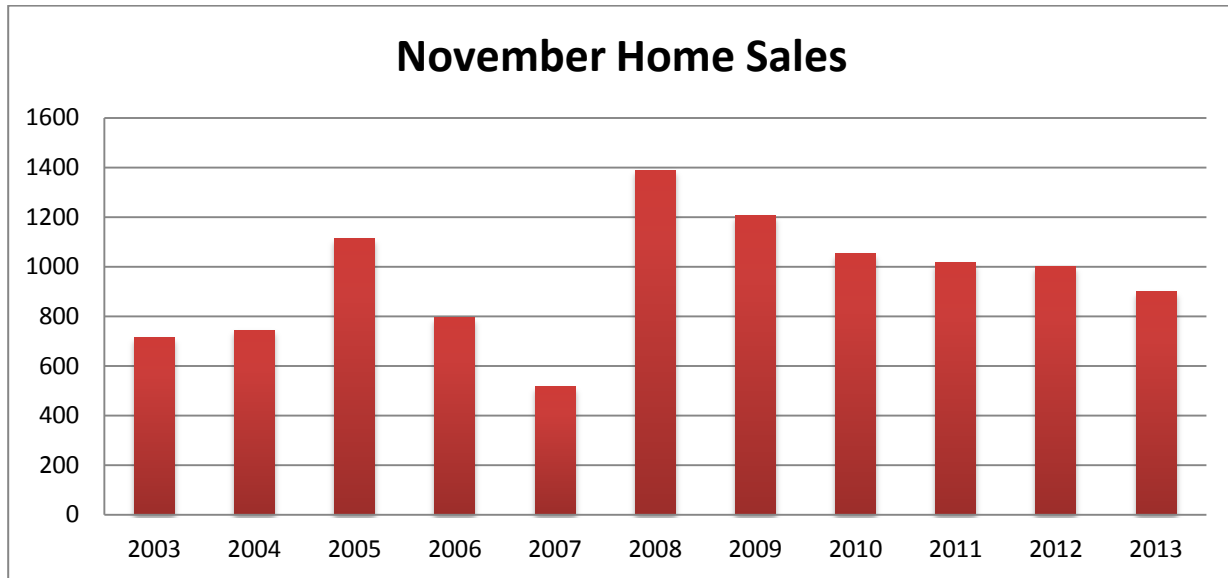
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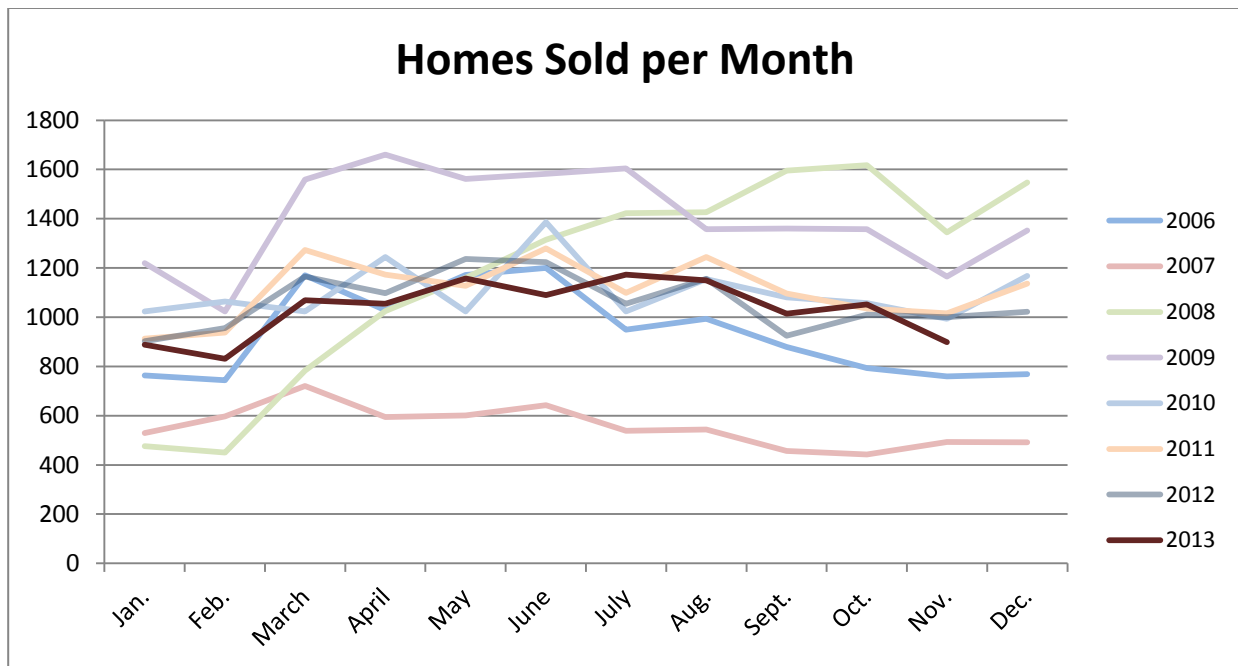
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Sales are on the decline for the month of November. After hitting an all time high in 2008, sales at the beginning of this year have lost steam.



The chart below follows the trends of number of sold homes during any given month. In November **899** homes sold in Southwest Riverside County. This is a **10.1% decrease** in sold homes since this month last year.



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November 2013 Homes Sales By Price Band

Price Range	# of Sold	Active Listings	Month's of Inventory	Market
\$0-\$100K	43	109	2.53	Extreme Seller's Market
\$100K-\$200k	226	443	1.96	Extreme Seller's Market
\$200K-\$300K	292	555	1.90	Extreme Seller's Market
\$300K-\$400K	239	623	2.61	Extreme Seller's Market
\$400K-\$500K	69	223	3.23	Normal Seller's Market
\$500K-\$600K	8	100	12.50	Extreme Buyer's Market
\$600K-\$700K	8	47	5.88	Normal Seller's Market
\$700K-\$800K	2	37	18.50	Extreme Buyer's Market
\$800K-\$900K	4	29	7.25	Balanced Market
\$900K-\$1M	1	16	16.00	Extreme Buyer's Market
\$1M-\$2M	5	84	16.80	Extreme Buyer's Market
\$2M-\$3M	1	21	21.00	Extreme Buyer's Market
\$3M<	1	13	13.00	Extreme Buyer's Market
Overall MKT	899	2300	2.56	Extreme Seller's Market
12+ months of inventory				Extreme Buyer's Market
9-12 months of inventory				Normal Buyer's Market
6-9 months of inventory				Balanced Market
3-6 months of inventory				Normal Seller's Market
0-3 months of inventory				Extreme Seller's Market
				High Depreciation
				Moderation Depreciation
				Flat or Moderate Depreciation
				Moderate to High Appreciation
				High Appreciation

Southwest Riverside County has seen a drop in the number of sales in the lower price ranges in November. 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 a **Normal Seller's Market**, while the \$500K and up is a **Normal Buyer's Market**.



November 2013 Homes Sales By Region

Region	# of Sold	Active Listings	Month's of Inventory	Avg. Sale Price	Avg. DOM
Temecula South	56	178	3.18	\$375,316	48
Temecula North	81	240	2.96	\$378,900	52
Temecula West	5	40	8.00	\$473,800	96
Murrieta North	58	120	2.07	\$310,063	45
Murrieta West	39	133	3.41	\$520,976	71
Murrieta East	85	207	2.44	\$298,204	52
Winchester	29	88	3.03	\$315,519	58
Wildomar	29	110	3.79	\$268,353	53
Menifee	105	274	2.61	\$278,256	53
Hemet	140	467	3.34	\$188,714	42
San Jacinto	57	161	2.82	\$177,380	49
Perris	79	216	2.73	\$209,271	44
Lake Elsinore	77	281	3.65	\$281,945	68
Canyon Lake	22	120	5.45	\$354,855	77
Quail Valley	0	7	N/A	\$0	0
Sun City	21	63	3.00	\$165,024	35
Romoland	10	17	1.70	\$255,520	45
Homeland	6	23	3.83	\$138,627	101
Nuevo	9	25	2.78	\$187,144	55

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. Sale Price	Avg. List Price	% of Listing Price
Temecula South	\$375,316	\$373,937	100.4%
Temecula North	\$378,900	\$396,801	95.5%
Temecula West	\$473,800	\$995,725	47.6%
Murrieta North	\$310,063	\$330,939	93.7%
Murrieta West	\$520,976	\$617,067	84.4%
Murrieta East	\$298,204	\$341,790	87.2%
Winchester	\$315,519	\$342,334	92.2%
Wildomar	\$268,353	\$296,803	90.4%
Menifee	\$278,256	\$289,215	96.2%
Hemet	\$188,714	\$176,620	106.8%
San Jacinto	\$177,380	\$186,829	94.9%
Perris	\$209,271	\$244,109	85.7%
Lake Elsinore	\$281,945	\$272,743	103.4%
Canyon Lake	\$354,855	\$424,985	83.5%
Quail Valley	\$0	\$159,900	0.0%
Sun City	\$165,024	\$190,837	86.5%
Romoland	\$255,520	\$224,250	113.9%
Homeland	\$138,627	\$102,300	135.5%
Nuevo	\$187,144	\$276,856	67.6%
TOTAL MKT	\$281,264	\$294,178	95.6%

This chart shows that for the month of November home sellers are getting **95.6%** of their asking price. The days of buyer's coming in and offering well below the asking price are no longer here.

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Distressed Property and Investor Market

With about **15.9%** 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	%	November 2013 Sales	%
REO Sales	4,886	38.21%	2,848	21.73%	30	3.3%
Short Sales	3,433	26.84%	4,252	32.44%	113	12.6%
Total Distressed Sales	8,319	65.05%	7,100	54.17%	143	15.9%
Total Sales (Normal Resale and Distressed)	12,788		13,108		899	

Strong Performing Areas – for Investors

Hemet	
Month's of Inventory	3.34
Low Selling Price	\$22,500
Average Selling Price	\$188,714
Average Rent	\$1,359
Estimated Cap Rate	8.64%
Estimated Cash on Cash Return (25% down)	34.57%

Menifee	
Month's of Inventory	2.61
Low Selling Price	\$110,000
Average Selling Price	\$278,256
Average Rent	\$1,594
Estimated Cap Rate	6.87%
Estimated Cash on Cash Return (25% down)	27.50%

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 4.24%

15 Yr Fixed 3.30%

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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