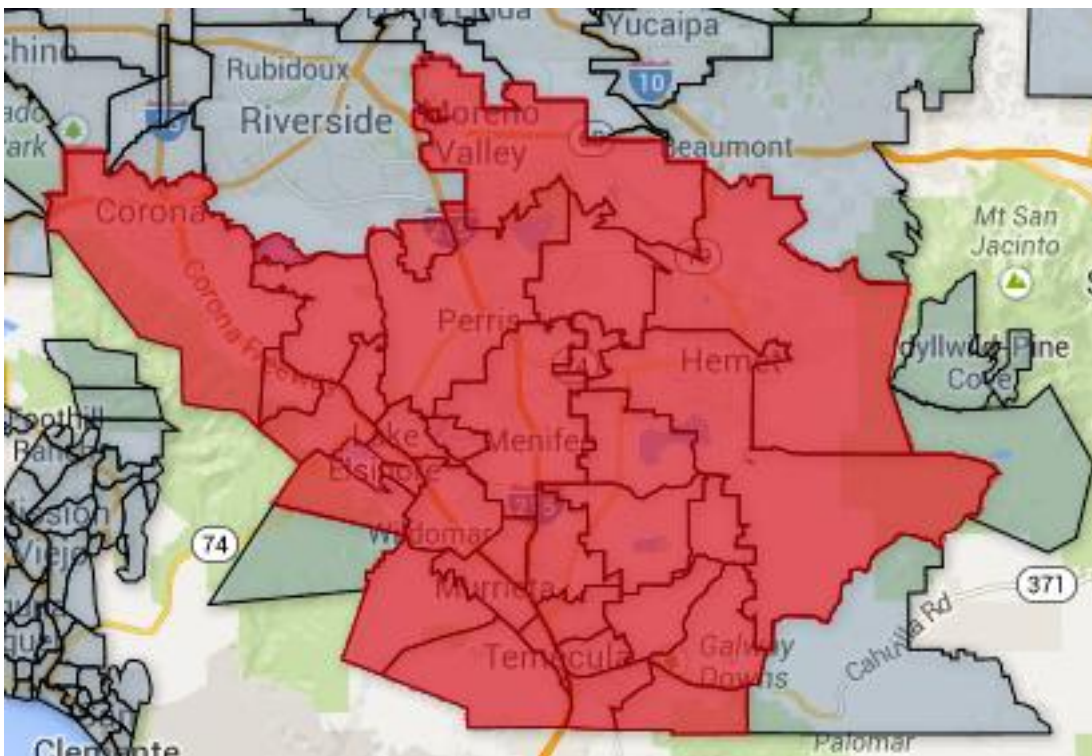




Real Estate Market Report March 2014



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

www.SWRiversideCountyHomes.com

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March, 2014

In March,

Home sales are up 25% over February. While the number of homes sold was up the number of homes on the market is down. The number of homes on the market is down 17.5% to 2628 homes available on the market.

While homes sales are up the average price of homes sold dropped 1.5% to an average sales price of \$293,442 over the region. Home prices are not expected to continue to drop in the upcoming months. Home prices are up 12.5% from this time last year and up 18.7% from two years ago. This all varies depending on the area; such as in Winchester, homes prices are up 13.4% from last month while in Corona homes prices are down 3.4% from last month.

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

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Summary of the SW Riverside County Market

Home Sales in March

1321 Homes Sold

8.6% decrease 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

2628 Homes *for Sale*

Month's of Inventory

1.99 Month's Inventory

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

Average Sold Price

\$293,442 average price of homes

Days on Market

61 Days – Average Days on Market

Cash Buyers in March

26.6% of sales *Cash*

Financing Type

24.7% of sales *FHA*

33.7% of sales *Conventional*

11.2% of sales *VA Loan*

Top selling **Region** = Corona

Distressed Property and Investor Market – **13.4%** of all sales in March 2014 were in a distressed situation

What Are Sellers Getting for Their Home? – Sellers are getting **93.3%** of asking price.

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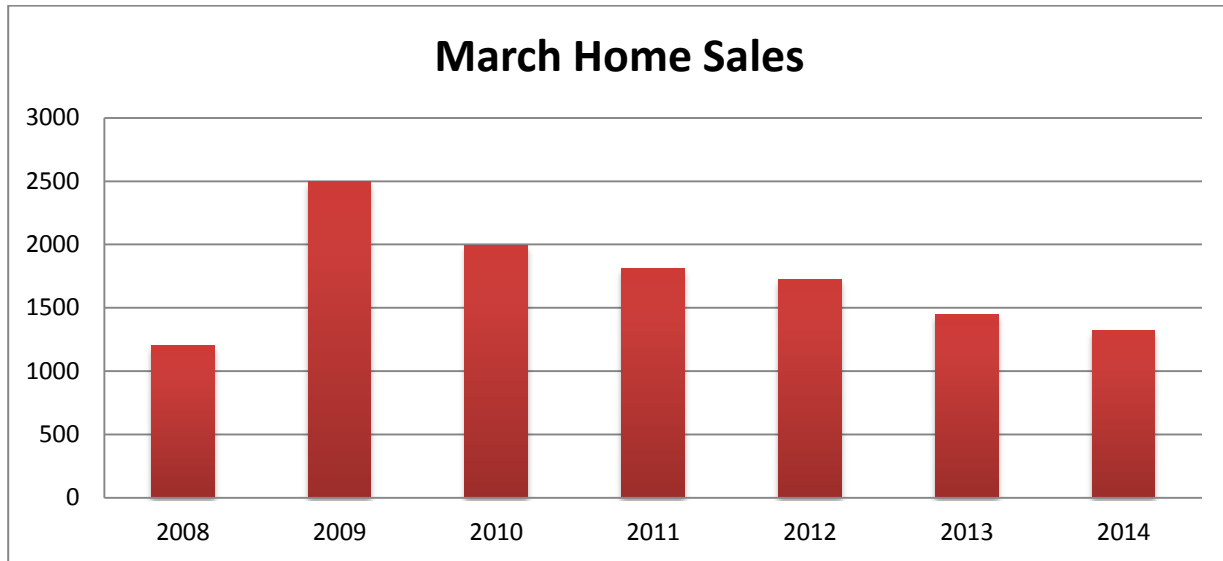
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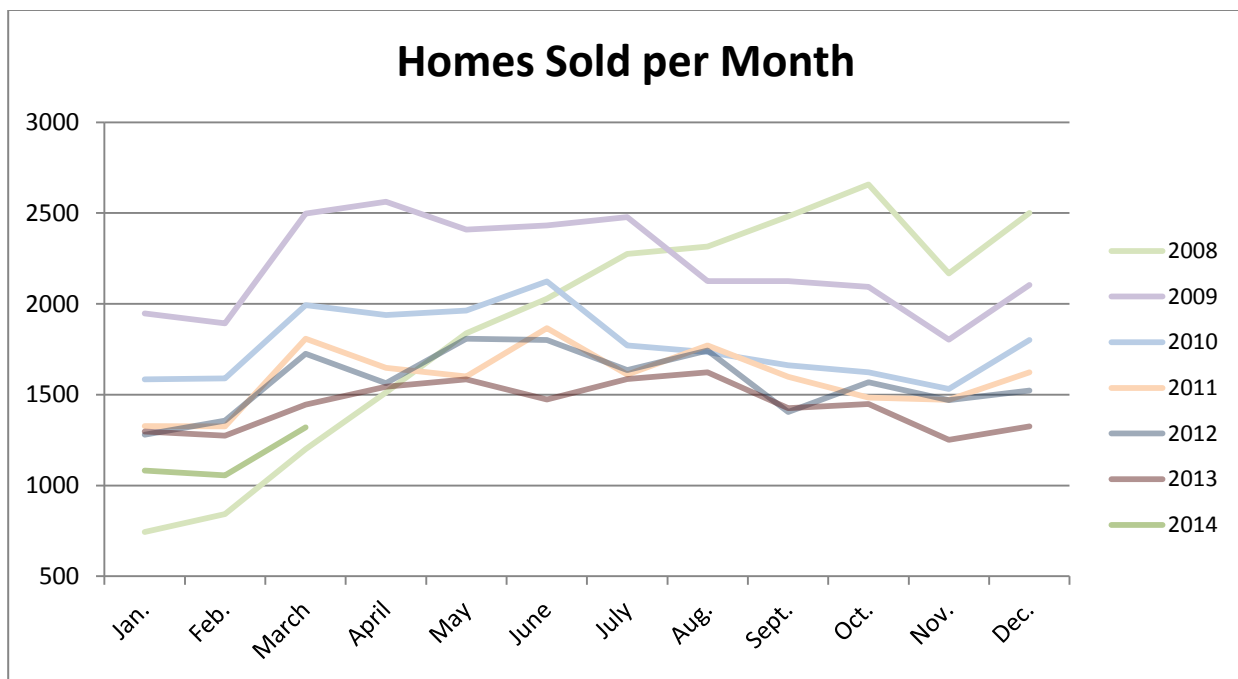
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Sales are on the decline for the month of March. After hitting an all time high in 2009, sales at the beginning of this year have lost steam.



The chart below follows the trends of number of sold homes during any given month. In March **1321** homes sold in Southwest Riverside County. This is a **17.1% decrease** in sold homes since this month last year.



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March 2014 Homes Sales By Price Band

Price Range	# of Sold	Active Listings	Month's of Inventory	Market
\$0-\$100K	49	125	2.55	Extreme Seller's Market
\$100K-\$200k	242	515	2.13	Extreme Seller's Market
\$200K-\$300K	346	822	2.38	Extreme Seller's Market
\$300K-\$400K	267	862	3.23	Normal Seller's Market
\$400K-\$500K	91	375	4.12	Normal Seller's Market
\$500K-\$600K	34	172	5.06	Normal Seller's Market
\$600K-\$700K	9	90	10.00	Normal Buyer's Market
\$700K-\$800K	8	33	4.13	Normal Seller's Market
\$800K-\$900K	4	34	8.50	Balanced Market
\$900K-\$1M	0	31	N/A	Extreme Buyer's Market
\$1M-\$2M	4	99	24.75	Extreme Buyer's Market
\$2M-\$3M	1	20	20.00	Extreme Buyer's Market
\$3M<	1	11	11.00	Normal Buyer's Market
Overall MKT	1056	3189	3.02	Normal 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 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 low number of homes on the market.

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



March 2014 Homes Sales By Region

Region	# of Sold	Active Listings	Month's of Inventory	Avg. Sale Price	Avg. DOM
Temecula South	28	209	7.46	\$401,771	60
Temecula North	93	298	3.20	\$393,489	49
Temecula West	3	42	14.00	\$1,083,333	283
Murrieta North	51	159	3.12	\$328,103	57
Murrieta West	29	150	5.17	\$507,669	88
Murrieta East	78	264	3.38	\$319,865	53
Winchester	39	117	3.00	\$334,726	70
Wildomar	39	123	3.15	\$271,452	62
Menifee	108	358	3.31	\$276,183	73
Hemet	150	533	3.55	\$171,133	62
San Jacinto	58	201	3.47	\$190,841	48
Perris	78	257	3.29	\$220,289	58
Lake Elsinore	85	322	3.79	\$267,000	74
Canyon Lake	19	133	7.00	\$419,653	108
Quail Valley	4	4	1.00	\$171,250	83
Sun City	34	71	2.09	\$170,782	71
Romoland	16	15	0.94	\$243,763	56
Homeland	4	19	4.75	\$149,000	42
Nuevo	3	27	9.00	\$211,167	117
Corona	203	610	3.00	\$394,905	59
Gavilan Hills	3	12	4.00	\$293,667	16
Moreno Valley	161	438	2.72	\$228,636	46
Sage	7	25	3.57	\$162,143	49
<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>	



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	\$401,771	\$424,894	94.6%
Temecula North	\$393,489	\$503,246	78.2%
Temecula West	\$1,083,333	\$1,469,876	73.7%
Murrieta North	\$328,103	\$351,006	93.5%
Murrieta West	\$507,669	\$589,817	86.1%
Murrieta East	\$319,865	\$347,223	92.1%
Winchester	\$334,726	\$335,376	99.8%
Wildomar	\$271,452	\$299,150	90.7%
Menifee	\$276,183	\$303,712	90.9%
Hemet	\$171,133	\$204,157	83.8%
San Jacinto	\$190,841	\$190,570	100.1%
Perris	\$220,289	\$249,464	88.3%
Lake Elsinore	\$267,000	\$289,743	92.2%
Canyon Lake	\$419,653	\$497,081	84.4%
Quail Valley	\$171,250	\$202,967	84.4%
Sun City	\$170,782	\$173,204	98.6%
Romoland	\$243,763	\$226,425	107.7%
Homeland	\$149,000	\$168,733	88.3%
Nuevo	\$211,167	\$263,989	80.0%
Corona	\$394,905	\$460,366	85.8%
Gavilan Hills	\$293,667	\$334,360	87.8%
Moreno Valley	\$228,636	\$244,329	93.6%
Sage	\$162,143	\$267,915	60.5%
TOTAL MKT	\$293,442	\$343,585	85.4%

This chart shows that for the month of March home sellers are getting **85.4%** 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 **13.4%** 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.

	2012 Sales	%	2013 Sales	%	March 2014 Sales	%
REO Sales	4,146	21.96%	1,277	7.39%	62	4.7%
Short Sales	6,394	33.86%	3,423	19.81%	115	8.7%
Total Distressed Sales	10,540	55.82%	4,700	27.20%	177	13.4%
Total Sales (Normal Resale and Distressed)	18,881		17,281		1,321	

Strong Performing Areas – for Investors

Corona	
Month's of Inventory	3.00
Low Selling Price	\$133,000
Average Selling Price	\$394,905
Average Rent	\$2,229
Estimated Cap Rate	6.77%
Estimated Cash on Cash Return (25% down)	27.09%

Moreno Valley	
Month's of Inventory	2.72
Low Selling Price	\$42,000
Average Selling Price	\$228,636
Average Rent	\$1,525
Estimated Cap Rate	8.00%
Estimated Cash on Cash Return (25% down)	32.02%

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.

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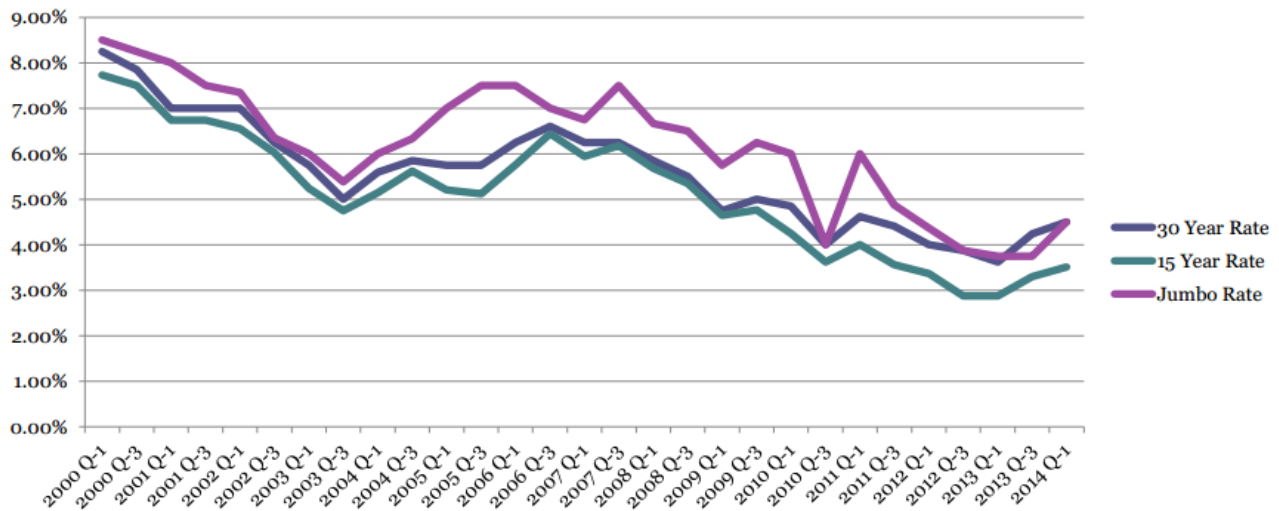
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Mortgage Rates – 12 Year Summary



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 4.28%

15 Yr Fixed 3.31%

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.