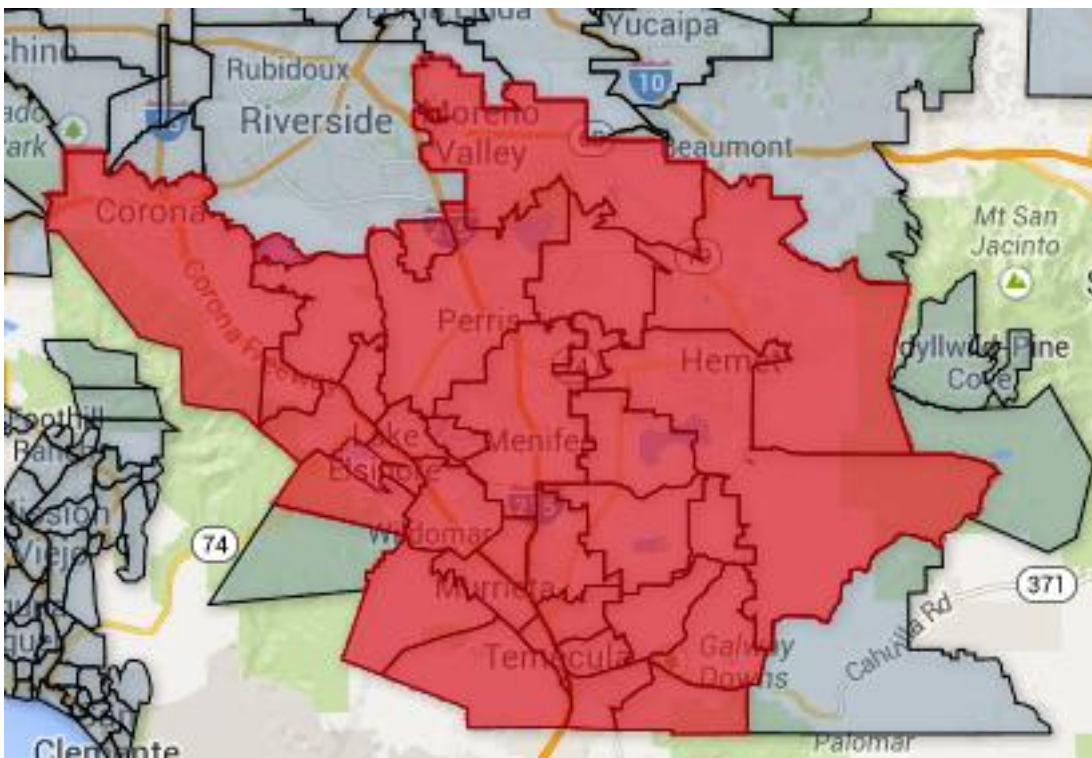




Real Estate Market Report June 2014



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

www.SWRiversideCountyHomes.com

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June, 2014

In June,

The number of homes sold is up 1.02% over this month last year with 1489 homes being sold. The average price of homes is up to \$317,470, which is also up 9.39% from this time last year. The price of homes continues to rise up 4.93% from last month and up 7.75% from the beginning of the year.

Within Southwest Riverside County sellers are getting on average 88.5% of the asking price for the home. It varies depending on location of the home as well. Were sellers in West Murrieta are getting on average 64% of asking price while in Menifee sellers are getting on average 102% of the asking price.

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,

Tom Olsewski

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Summary of the SW Riverside County Market

Home Sales in June

1489 Homes Sold

1.02% decrease from last year



Market Inventories in different Price Ranges

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

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

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

Homes for Sale

4149 Homes *for Sale*

Month's of Inventory

2.82 Month's Inventory

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

Average Sold Price

\$317,470 average price of homes

Days on Market

60 Days – Average Days on Market

Cash Buyers in June

20.5% of sales *Cash*

Financing Type

25.1% of sales *FHA*

36.5% of sales *Conventional*

13.7% of sales *VA Loan*

Top selling Region = Corona

Distressed Property and Investor Market – **12.9%** of all sales in June 2014 were in a distressed situation

What Are Sellers Getting for Their Home? – Sellers are getting **88.5%** of asking price.

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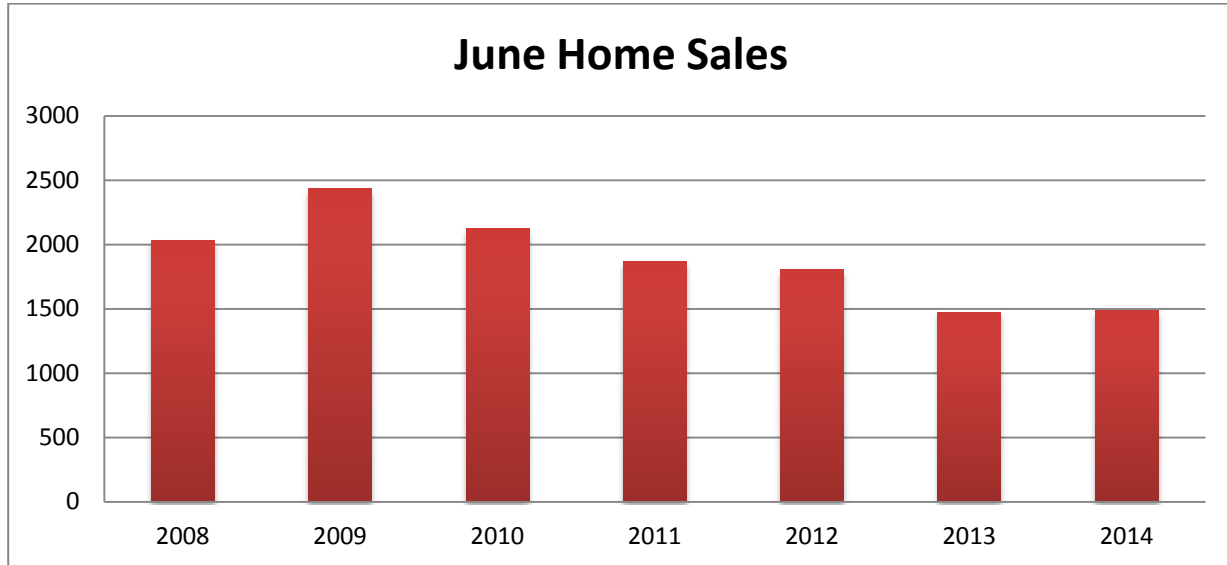
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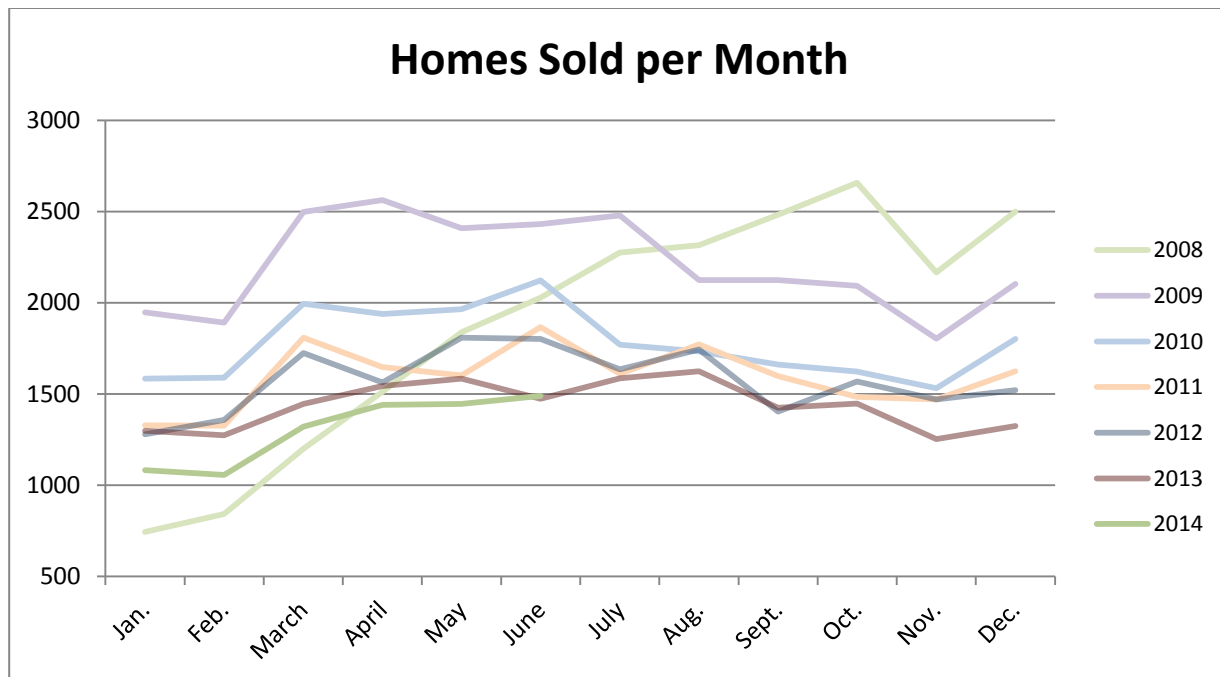
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Sales are on the decline for the month of June. After hitting an all time high in 2009, sales at the beginning of this year have lost steam.



The chart below follows the trends of number of sold homes during any given month. In June **1489** homes sold in Southwest Riverside County. This is a **1.02% increase** in sold homes since this month last year.



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June 2014 Homes Sales By Price Band

Price Range	# of Sold	Active Listings	Month's of Inventory	Market
\$0-\$100K	49	123	2.51	Extreme Seller's Market
\$100K-\$200K	230	491	2.13	Extreme Seller's Market
\$200K-\$300K	496	999	2.01	Extreme Seller's Market
\$300K-\$400K	434	1209	2.79	Extreme Seller's Market
\$400K-\$500K	164	613	3.74	Normal Seller's Market
\$500K-\$600K	55	236	4.29	Normal Seller's Market
\$600K-\$700K	18	135	7.50	Balanced Market
\$700K-\$800K	3	65	21.67	Extreme Buyer's Market
\$800K-\$900K	6	62	10.33	Normal Buyer's Market
\$900K-\$1M	3	37	12.33	Extreme Buyer's Market
\$1M-\$2M	9	139	15.44	Extreme Buyer's Market
\$2M-\$3M	2	24	12.00	Normal Buyer's Market
\$3M<	3	15	5.00	Normal Seller's Market
Overall MKT	1489	4149	2.82	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 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 a **Normal Seller's Market**, while the \$500K and up is a **Balanced Market**.

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June 2014 Homes Sales By Region

Region	# of Sold	Active Listings	Month's of Inventory	Avg. Sale Price	Avg. DOM
Temecula South	78	248	3.18	\$402,113	54
Temecula North	115	374	3.25	\$498,228	58
Temecula West	5	51	10.20	\$953,800	57
Murrieta North	61	184	3.02	\$335,096	47
Murrieta West	36	187	5.19	\$443,981	89
Murrieta East	110	308	2.80	\$328,117	60
Winchester	52	127	2.44	\$335,731	51
Wildomar	49	129	2.63	\$289,295	60
Menifee	132	359	2.72	\$307,735	58
Hemet	158	545	3.45	\$179,683	66
San Jacinto	51	196	3.84	\$184,777	76
Perris	82	213	2.60	\$236,808	64
Lake Elsinore	90	351	3.90	\$260,687	63
Canyon Lake	30	161	5.37	\$355,950	83
Quail Valley	3	5	1.67	\$201,000	56
Sun City	16	48	3.00	\$159,069	61
Romoland	3	18	6.00	\$230,000	53
Homeland	4	12	3.00	\$158,975	20
Nuevo	11	30	2.73	\$192,810	88
Corona	209	723	3.46	\$431,095	58
Gavilan Hills	5	7	1.40	\$274,460	49
Moreno Valley	167	428	2.56	\$248,800	52
Sage	5	23	4.60	\$255,600	75
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	

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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	\$402,113	\$447,058	89.9%
Temecula North	\$498,228	\$513,282	97.1%
Temecula West	\$953,800	\$1,362,969	70.0%
Murrieta North	\$335,096	\$352,204	95.1%
Murrieta West	\$443,981	\$693,950	64.0%
Murrieta East	\$328,117	\$358,837	91.4%
Winchester	\$335,731	\$358,117	93.7%
Wildomar	\$289,295	\$303,013	95.5%
Menifee	\$307,735	\$301,745	102.0%
Hemet	\$179,683	\$235,656	76.2%
San Jacinto	\$184,777	\$193,733	95.4%
Perris	\$236,808	\$243,038	97.4%
Lake Elsinore	\$260,687	\$304,848	85.5%
Canyon Lake	\$355,950	\$481,051	74.0%
Quail Valley	\$201,000	\$389,900	51.6%
Sun City	\$159,069	\$185,920	85.6%
Romoland	\$230,000	\$208,225	110.5%
Homeland	\$158,975	\$132,267	120.2%
Nuevo	\$192,810	\$275,456	70.0%
Corona	\$431,095	\$479,506	89.9%
Gavilan Hills	\$274,460	\$512,223	53.6%
Moreno Valley	\$248,800	\$258,722	96.2%
Sage	\$255,600	\$212,244	120.4%
TOTAL MKT	\$317,470	\$358,688	88.5%

This chart shows that for the month of June home sellers are getting **88.5%** 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 **12.9%** 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.

	2012 Sales	%	2013 Sales	%	June 2014 Sales	%
REO Sales	4,146	21.96%	1,277	7.39%	83	5.6%
Short Sales	6,394	33.86%	3,423	19.81%	107	7.3%
Total Distressed Sales	10,540	55.82%	4,700	27.20%	190	12.9%
Total Sales (Normal Resale and Distressed)	18,881		17,281		1,489	

Strong Performing Areas – for Investors

Corona	
Month's of Inventory	3.46
Low Selling Price	\$100,000
Average Selling Price	\$431,095
Average Rent	\$2,035
Estimated Cap Rate	5.66%
Estimated Cash on Cash Return (25% down)	22.66%

Moreno Valley	
Month's of Inventory	2.56
Low Selling Price	\$144,509
Average Selling Price	\$248,800
Average Rent	\$1,442
Estimated Cap Rate	6.95%
Estimated Cash on Cash Return (25% down)	27.82%

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 4.19%

15 Yr Fixed 3.24%

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.

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