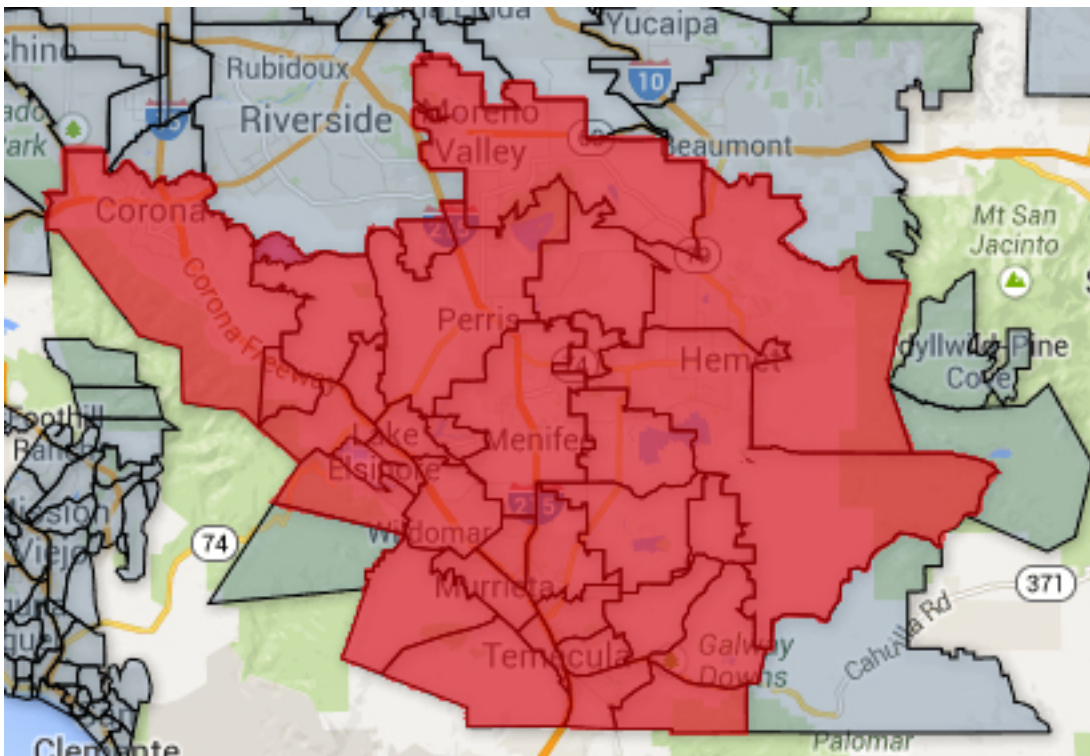




# Real Estate Market Report July 2014



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

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

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July, 2014

In July,

The average price of homes fell 1.8% to \$311,612 from \$317,470. The number of homes that sold in July fell .6% from last month. The number of homes that are for sale did rise from June. The number of homes for sale in July is up to 5,042 up 21.5% from June at 4,149.

Even with all the change in prices of homes the Real Estate Market for Southwest Riverside County did change to a Normal Sellers Market from an Extreme Sellers Market. This is changing due to the amount of homes that are coming on the market. With almost 1,000 more homes on the market in a month home buyers have more to choice from and do not have to give the sellers everything they want. Home sellers are getting 90.9% of the list price of the home. It still ranges in the area that the homes are being sold as well with the range of list price to sales price ranging from 56.5% to 111.6% over the County.

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 July

**1480** Homes Sold

**6.68%** 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

**5042** Homes *for Sale*

### Month's of Inventory

**3.41** Month's Inventory

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

### Average Sold Price

**\$311,612** average price of homes

### Days on Market

**67 Days** – Average Days on Market

### Cash Buyers in July

**20.5%** of sales *Cash*

### Financing Type

**27.0%** of sales *FHA*

**35.3%** of sales *Conventional*

**12.9%** of sales *VA Loan*

**Top selling Region = Corona**

Distressed Property and Investor Market – **13.2%** of all sales in July 2014 were in a distressed situation

What Are Sellers Getting for Their Home? – Sellers are getting **90.9%** of asking price.

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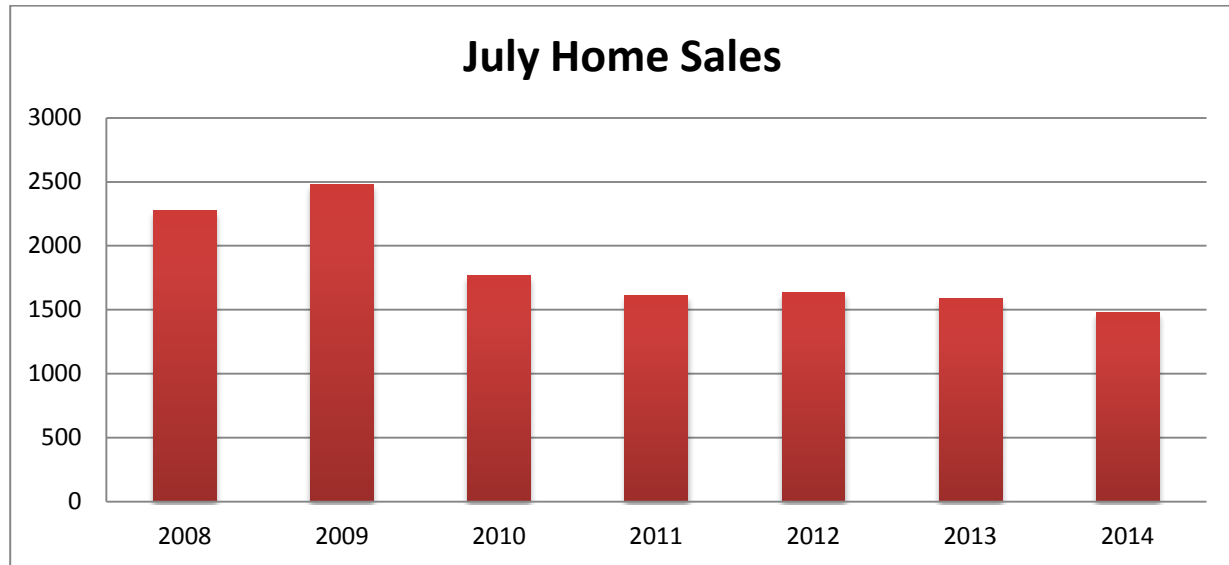
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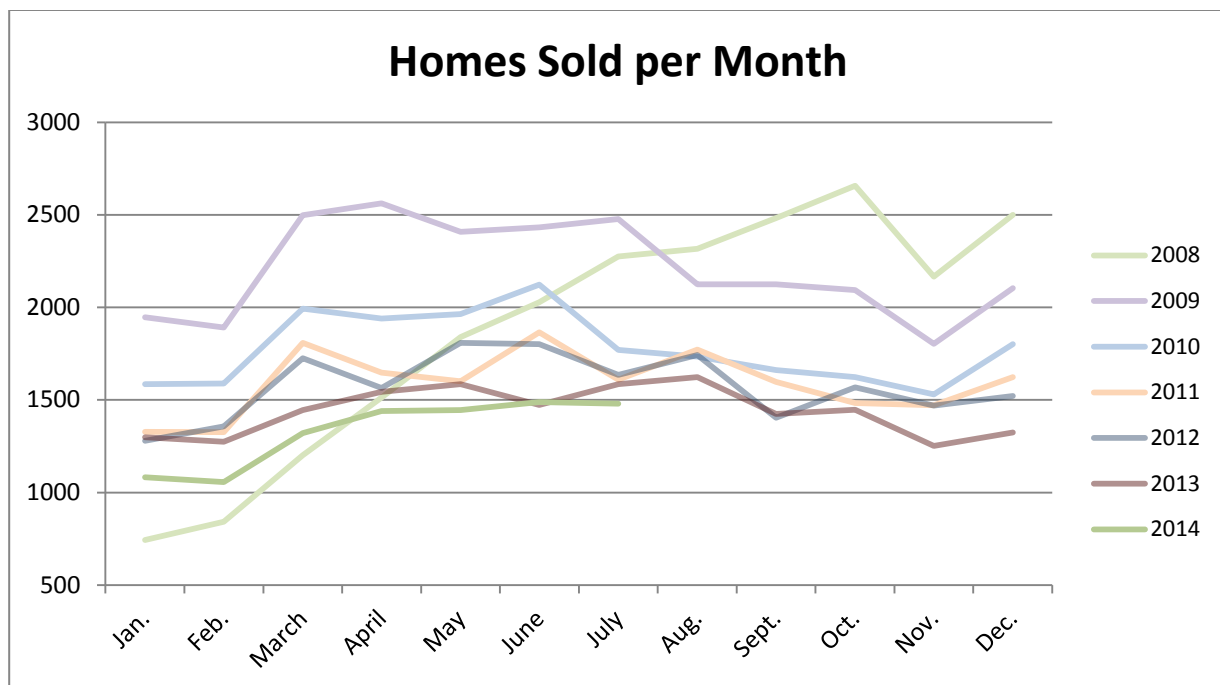
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Sales are on the decline for the month of July. After hitting an all time high in 2009, sales at the beginning of this year have lost steam.



The chart below follows the trends of number of sold homes during any given month. In July **1480** homes sold in Southwest Riverside County. This is a **6.68% decrease** in sold homes since this month last year.



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### July 2014 Homes Sales By Price Band

Price Range	# of Sold	Active Listings	Month's of Inventory	Market
\$0-\$100K	48	119	2.48	Extreme Seller's Market
\$100K-\$200k	254	471	1.85	Extreme Seller's Market
\$200K-\$300K	481	1049	2.18	Extreme Seller's Market
\$300K-\$400K	449	1259	2.80	Extreme Seller's Market
\$400K-\$500K	155	617	3.98	Normal Seller's Market
\$500K-\$600K	43	276	6.42	Balanced Market
\$600K-\$700K	26	119	4.58	Normal Seller's Market
\$700K-\$800K	6	70	11.67	Normal Buyer's Market
\$800K-\$900K	6	55	9.17	Normal Buyer's Market
\$900K-\$1M	4	33	8.25	Balanced Market
\$1M-\$2M	5	141	28.20	Extreme Buyer's Market
\$2M-\$3M	0	17	N/A	Extreme Buyer's Market
\$3M<	2	12	6.00	Balanced Market
<b>Overall MKT</b>	<b>1480</b>	<b>5042</b>	<b>3.41</b>	<b>Normal 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 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 a **Normal Seller's Market**, while the \$500K and up is a **Balanced Market**.

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## July 2014 Homes Sales By Region

Region	# of Sold	Active Listings	Month's of Inventory	Avg. Sale Price	Avg. DOM
Temecula South	71	267	3.76	\$406,071	72
Temecula North	115	396	3.44	\$431,824	68
Temecula West	5	52	10.40	\$831,300	56
Murrieta North	56	194	3.46	\$349,145	63
Murrieta West	41	203	4.95	\$477,812	92
Murrieta East	93	316	3.40	\$364,407	63
Winchester	43	146	3.40	\$334,092	69
Wildomar	28	134	4.79	\$300,764	58
Menifee	139	368	2.65	\$274,279	56
Hemet	151	563	3.73	\$184,345	80
San Jacinto	64	188	2.94	\$192,101	69
Perris	81	238	2.94	\$223,583	69
Lake Elsinore	124	360	2.90	\$276,354	68
Canyon Lake	28	178	6.36	\$409,939	86
Quail Valley	0	4	NA	N/A	N/A
Sun City	24	51	2.13	\$170,979	55
Romoland	11	18	1.64	\$200,964	71
Homeland	5	13	2.60	\$145,000	62
Nuevo	4	33	8.25	\$256,312	41
Corona	218	783	3.59	\$407,492	74
Gavilan Hills	0	6	N/A	N/A	N/A
Moreno Valley	173	511	2.95	\$244,761	50
Sage	4	26	6.50	\$185,750	66
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	\$406,071	\$419,604	96.8%
Temecula North	\$431,824	\$482,168	89.6%
Temecula West	\$831,300	\$1,209,377	68.7%
Murrieta North	\$349,145	\$342,348	102.0%
Murrieta West	\$477,812	\$580,411	82.3%
Murrieta East	\$364,407	\$326,548	111.6%
Winchester	\$334,092	\$402,725	83.0%
Wildomar	\$300,764	\$297,212	101.2%
Menifee	\$274,279	\$288,676	95.0%
Hemet	\$184,345	\$202,364	91.1%
San Jacinto	\$192,101	\$207,634	92.5%
Perris	\$223,583	\$252,227	88.6%
Lake Elsinore	\$276,354	\$314,024	88.0%
Canyon Lake	\$409,939	\$512,211	80.0%
Quail Valley	N/A	N/A	N/A
Sun City	\$170,979	\$208,884	81.9%
Romoland	\$200,964	\$249,890	80.4%
Homeland	\$145,000	\$181,300	80.0%
Nuevo	\$256,312	\$294,292	87.1%
Corona	\$407,492	\$453,978	89.8%
Gavilan Hills	N/A	\$484,497	N/A
Moreno Valley	\$244,761	\$270,348	90.5%
Sage	\$185,750	\$328,975	56.5%
<b>TOTAL MKT</b>	<b>\$311,612</b>	<b>\$342,731</b>	<b>90.9%</b>

This chart shows that for the month of July home sellers are getting **90.9%** 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 **13.2%** 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.

	2012 Sales	%	2013 Sales	%	July 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%	112	7.6%
<b>Total Distressed Sales</b>	<b>10,540</b>	<b>55.82%</b>	<b>4,700</b>	<b>27.20%</b>	<b>195</b>	<b>13.2%</b>
Total Sales (Normal Resale and Distressed)	18,881		17,281		1,480	

## Strong Performing Areas – for Investors

Corona	
Month's of Inventory	3.59
Low Selling Price	\$151,000
Average Selling Price	\$407,492
Average Rent	\$2,127
Estimated Cap Rate	6.26%
Estimated Cash on Cash Return (25% down)	25.05%

Moreno Valley	
Month's of Inventory	2.95
Low Selling Price	\$80,000
Average Selling Price	\$244,761
Average Rent	\$1,550
Estimated Cap Rate	7.60%
Estimated Cash on Cash Return (25% down)	30.40%

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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