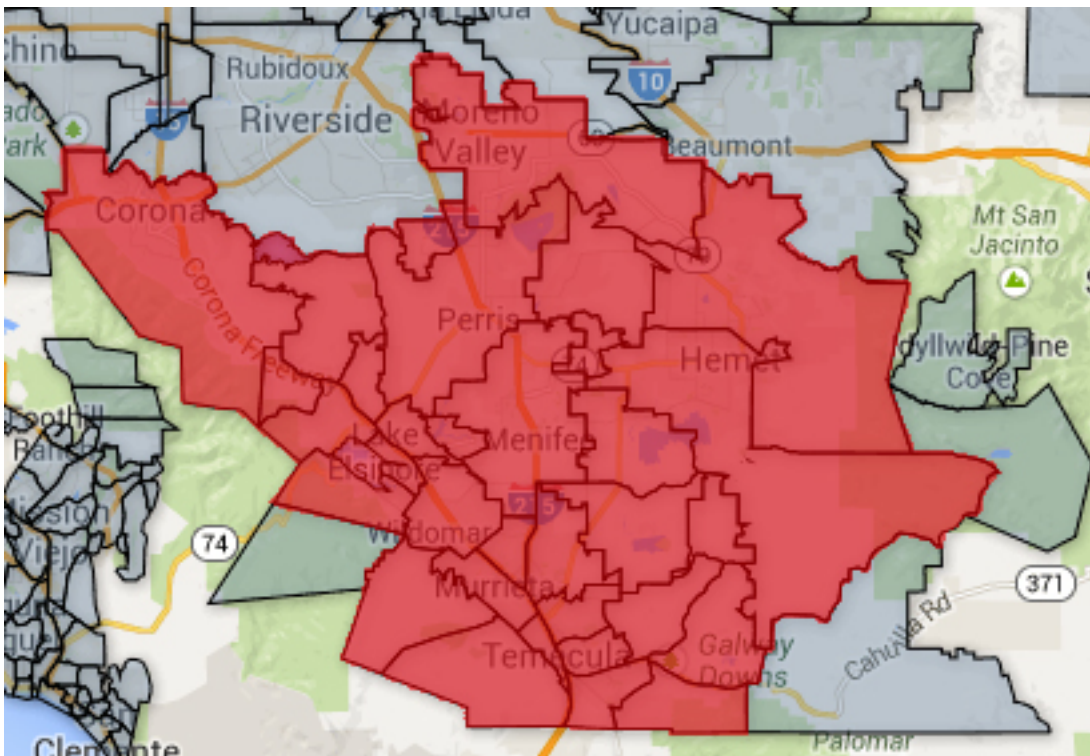




Real Estate Market Report December 2014



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

www.SWRiversideCountyHomes.com

KELLER WILLIAMS® REALTY

27290 Madison Ave #200 • Temecula, CA 92590 • (951)506-5744 • (888)386-4035

www.besttemeculahomes.com or www.teamolsewski.com

Each Keller Williams Office is Independently Owned and Operated
CA Lic #01442461



December, 2014

In December,

The Real Estate Market in Southwest Riverside County finished strong. The market sold 4.4% more homes this year than this time last year. The strong market is predicted to continue right into 2015 and continue to get stronger. Home sales were also up 27.3% from last month.

While the number of homes for sale went up the average sales price of homes also went up 2.6% from last month and up 8.5% from this time last year. Sales prices are predicted to hold steady with little fluctuation throughout 2015.

Whether you are buying or selling now is the time to do so! Are you ready to take the next step to buy your dream home? Are you ready to make the move, if so Contact Us and we will help you accomplish your goals.

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

KELLER WILLIAMS® REALTY

27290 Madison Ave #200 • Temecula, CA 92590 • (951)506-5744 • (888)386-4035

www.besttemeculahomes.com or www.teamolsewski.com

Each Keller Williams Office is Independently Owned and Operated

CA Lic #01442461



Summary of the SW Riverside County Market

Home Sales in December

1383 Homes Sold

4.4% increase from last year



Market Inventories in different Price Ranges

Below \$400k = Extreme Seller's Market

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

\$500K & Up = Normal Seller's Market

Homes for Sale

4260 Homes *for Sale*

Month's of Inventory

3.08 Month's Inventory

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

Average Sold Price

\$306,500 average price of homes

Days on Market

75 Days – Average Days on Market

Cash Buyers in December

17.7% of sales *Cash*

Financing Type

28.4% of sales *FHA*

35.1% of sales *Conventional*

12.9% of sales *VA Loan*

Top selling Region = Corona

Distressed Property and Investor Market – **11.6%** of all sales in December 2014 were in a distressed situation

What Are Sellers Getting for Their Home? – Sellers are getting **94.3%** of asking price.

KELLER WILLIAMS® REALTY

27290 Madison Ave #200 • Temecula, CA 92590 • (951)506-5744 • (888)386-4035

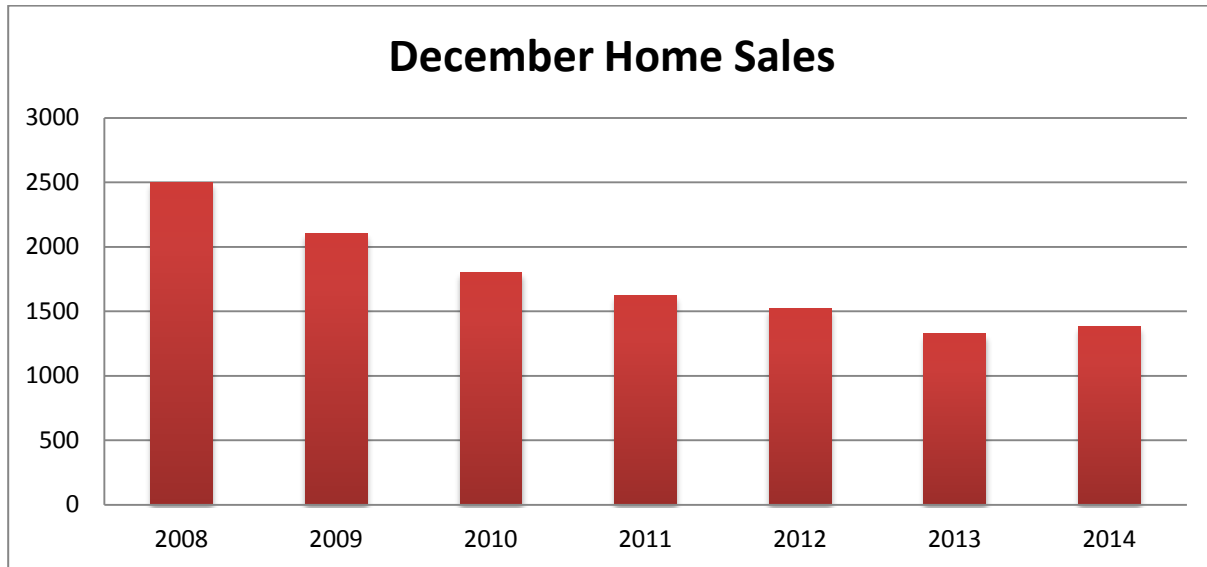
www.besttemeculahomes.com or www.teamolsewski.com

Each Keller Williams Office is Independently Owned and Operated

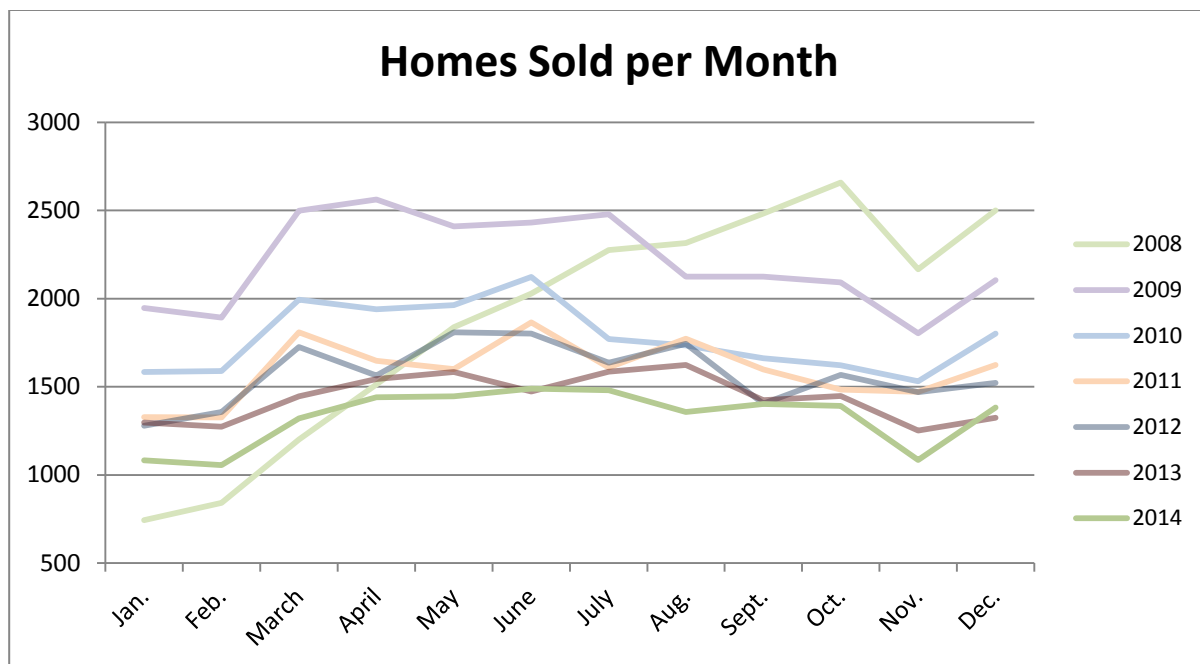
CA Lic #01442461



Sales are on the decline for the month of December. After hitting an all time high in 2008, sales seem to be leveling out.



The chart below follows the trends of number of sold homes during any given month. In December **1383** homes sold in Southwest Riverside County. This is a **4.4% increase** in sold homes since this month last year.



KELLER WILLIAMS® REALTY

27290 Madison Ave #200 • Temecula, CA 92590 • (951)506-5744 • (888)386-4035

www.besttemeculahomes.com or www.teamolsewski.com

Each Keller Williams Office is Independently Owned and Operated

CA Lic #01442461



December 2014 Homes Sales By Price Band

Price Range	# of Sold	Active Listings	Month's of Inventory	Market
\$0-\$100K	25	110	4.40	Normal Seller's Market
\$100K-\$200k	249	474	1.90	Extreme Seller's Market
\$200K-\$300K	480	977	2.04	Extreme Seller's Market
\$300K-\$400K	407	975	2.40	Extreme Seller's Market
\$400K-\$500K	133	404	3.04	Normal Seller's Market
\$500K-\$600K	51	180	3.53	Normal Seller's Market
\$600K-\$700K	16	93	5.81	Normal Seller's Market
\$700K-\$800K	6	44	7.33	Balanced Market
\$800K-\$900K	2	38	19.00	Extreme Buyer's Market
\$900K-\$1M	4	22	5.50	Normal Seller's Market
\$1M-\$2M	10	102	10.20	Extreme Buyer's Market
\$2M-\$3M	0	21	N/A	Extreme Buyer's Market
\$3M<	0	7	N/A	Extreme Buyer's Market
Overall MKT	1383	4260	3.08	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 December. That combined with the lower number of homes for sale has created a **Normal Seller's Market**. Although it shows a **Normal 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 Seller's Market**.

KELLER WILLIAMS® REALTY

27290 Madison Ave #200 • Temecula, CA 92590 • (951)506-5744 • (888)386-4035

www.besttemeculahomes.com or www.teamolsewski.com

Each Keller Williams Office is Independently Owned and Operated

CA Lic #01442461



December 2014 Homes Sales By Region

Region	# of Sold	Active Listings	Month's of Inventory	Avg. Sale Price	Avg. DOM
Temecula South	64	171	2.67	\$385,572	79
Temecula North	100	296	2.96	\$434,627	88
Temecula West	11	38	3.45	\$470,908	57
Murrieta North	54	159	2.94	\$331,048	70
Murrieta West	42	139	3.31	\$548,178	121
Murrieta East	64	262	4.09	\$308,271	71
Winchester	32	99	3.09	\$350,349	79
Wildomar	39	105	2.69	\$301,894	65
Menifee	121	272	2.25	\$293,617	61
Hemet	173	554	3.20	\$191,105	65
San Jacinto	42	196	4.67	\$195,870	70
Perris	75	243	3.24	\$215,403	65
Lake Elsinore	100	317	3.17	\$283,929	92
Canyon Lake	23	132	5.74	\$378,609	109
Quail Valley	2	6	3.00	\$204,500	87
Sun City	30	57	1.90	\$186,513	80
Romoland	7	26	3.71	\$235,714	80
Homeland	8	16	2.00	\$126,850	56
Nuevo	8	21	2.63	\$201,675	69
Corona	200	630	3.15	\$399,486	85
Gavilan Hills	1	10	10.00	\$419,250	122
Moreno Valley	182	489	2.69	\$248,527	61
Sage	6	30	5.00	\$230,667	76
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	

KELLER WILLIAMS® REALTY

27290 Madison Ave #200 • Temecula, CA 92590 • (951)506-5744 • (888)386-4035

www.besttemeculahomes.com or www.teamolsewski.com

Each Keller Williams Office is Independently Owned and Operated

CA Lic #01442461



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	\$385,572	\$440,989	87.4%
Temecula North	\$434,627	\$450,323	96.5%
Temecula West	\$470,908	\$754,175	62.4%
Murrieta North	\$331,048	\$331,486	99.9%
Murrieta West	\$548,178	\$620,127	88.4%
Murrieta East	\$308,271	\$344,392	89.5%
Winchester	\$350,349	\$347,882	100.7%
Wildomar	\$301,894	\$297,761	101.4%
Menifee	\$293,617	\$291,494	100.7%
Hemet	\$191,105	\$182,944	104.5%
San Jacinto	\$195,870	\$202,436	96.8%
Perris	\$215,403	\$252,588	85.3%
Lake Elsinore	\$283,929	\$309,741	91.7%
Canyon Lake	\$378,609	\$481,248	78.7%
Quail Valley	\$204,500	\$304,999	67.0%
Sun City	\$186,513	\$216,980	86.0%
Romoland	\$235,714	\$286,263	82.3%
Homeland	\$126,850	\$176,300	72.0%
Nuevo	\$201,675	\$289,700	69.6%
Corona	\$399,486	\$423,013	94.4%
Gavilan Hills	\$419,250	\$616,633	68.0%
Moreno Valley	\$248,527	\$261,769	94.9%
Sage	\$230,667	\$284,483	81.1%
TOTAL MKT	\$306,500	\$324,866	94.3%

This chart shows that for the month of December home sellers are getting **94.3%** of their asking price. The days of buyer's coming in and offering well below the asking price are no longer here.

KELLER WILLIAMS® REALTY

27290 Madison Ave #200 • Temecula, CA 92590 • (951)506-5744 • (888)386-4035

www.besttemeculahomes.com or www.teamolsewski.com

Each Keller Williams Office is Independently Owned and Operated

CA Lic #01442461



Distressed Property and Investor Market

With about **11.6%** 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	%	December 2014 Sales	%
REO Sales	4,146	21.96%	1,277	7.39%	79	5.7%
Short Sales	6,394	33.86%	3,423	19.81%	81	5.9%
Total Distressed Sales	10,540	55.82%	4,700	27.20%	160	11.6%
Total Sales (Normal Resale and Distressed)	18,881		17,281		1,383	

Strong Performing Areas – for Investors

Corona	
Month's of Inventory	3.15
Low Selling Price	\$142,000
Average Selling Price	\$399,486
Average Rent	\$2,154
Estimated Cap Rate	6.47%
Estimated Cash on Cash Return (25% down)	25.88%

Moreno Valley	
Month's of Inventory	2.69
Low Selling Price	\$30,000
Average Selling Price	\$248,527
Average Rent	\$1,489
Estimated Cap Rate	7.19%
Estimated Cash on Cash Return (25% down)	28.76%

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.

KELLER WILLIAMS® REALTY

27290 Madison Ave #200 • Temecula, CA 92590 • (951)506-5744 • (888)386-4035

www.besttemeculahomes.com or www.teamolsewski.com

Each Keller Williams Office is Independently Owned and Operated

CA Lic #01442461