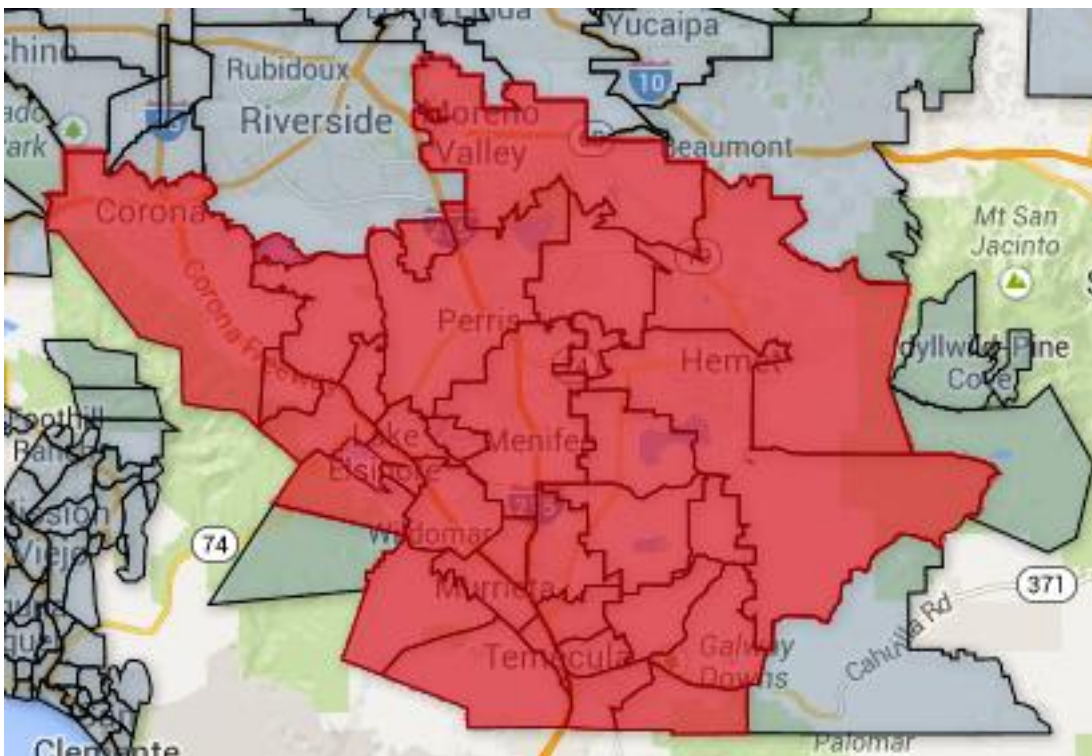




# Real Estate Market Report January 2015



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

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

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January, 2015

In January,

The year began a little slow. The number of homes sold compared to this time last year is down 9.69% from January 2014. With the year getting off to a slow start, the average price of homes sold has dropped as well. The average sales price is \$294,484 in Southwest Riverside County.

The market has started to balance back out, as most of the areas are Normal Seller's Markets or Balanced Markets. Even with the low number of homes sold the number of current available homes on the market has increased. The number of active homes on the market is up to 4,424 homes which is an increase of 3.8% 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'.

Tom Olsewski



## Summary of the SW Riverside County Market

### Home Sales in January

**978** Homes Sold

**9.69%** 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

**4424** Homes *for Sale*

### Month's of Inventory

**4.52** Month's Inventory

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

### Average Sold Price

**\$294,484** average price of homes

### Days on Market

**79 Days** – Average Days on Market

### Cash Buyers in December

**18.8%** of sales *Cash*

### Financing Type

**24.5%** of sales *FHA*

**36.2%** of sales *Conventional*

**13.2%** of sales *VA Loan*

**Top selling Region = Corona**

Distressed Property and Investor Market – **11.6%** of all sales in January 2015 were in a distressed situation

What Are Sellers Getting for Their Home? – Sellers are getting **84.5%** of asking price.

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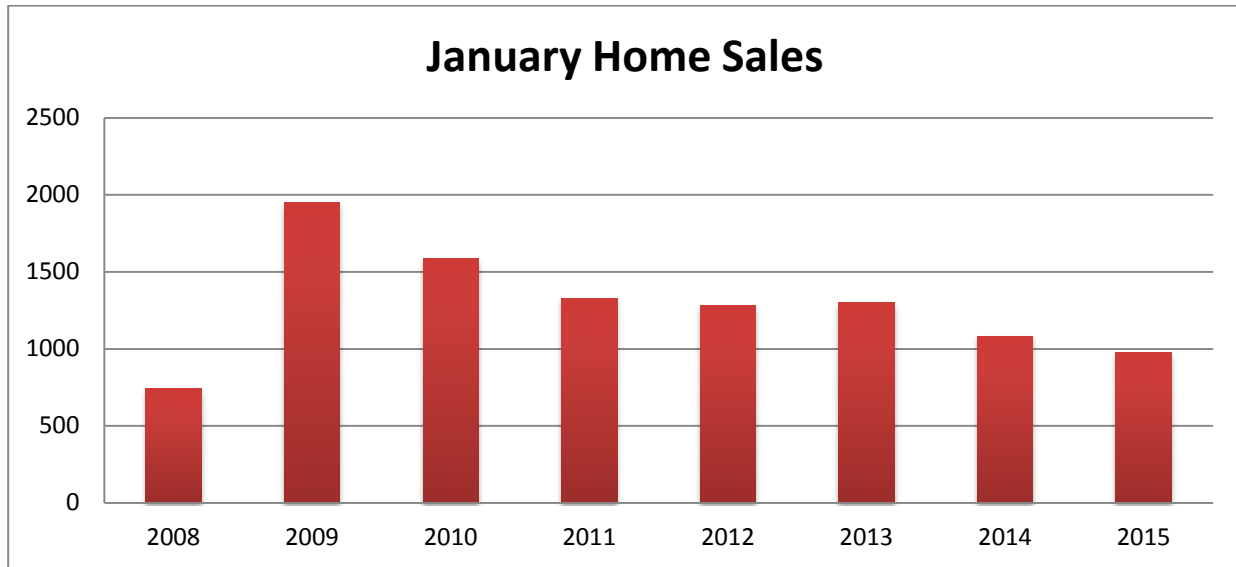
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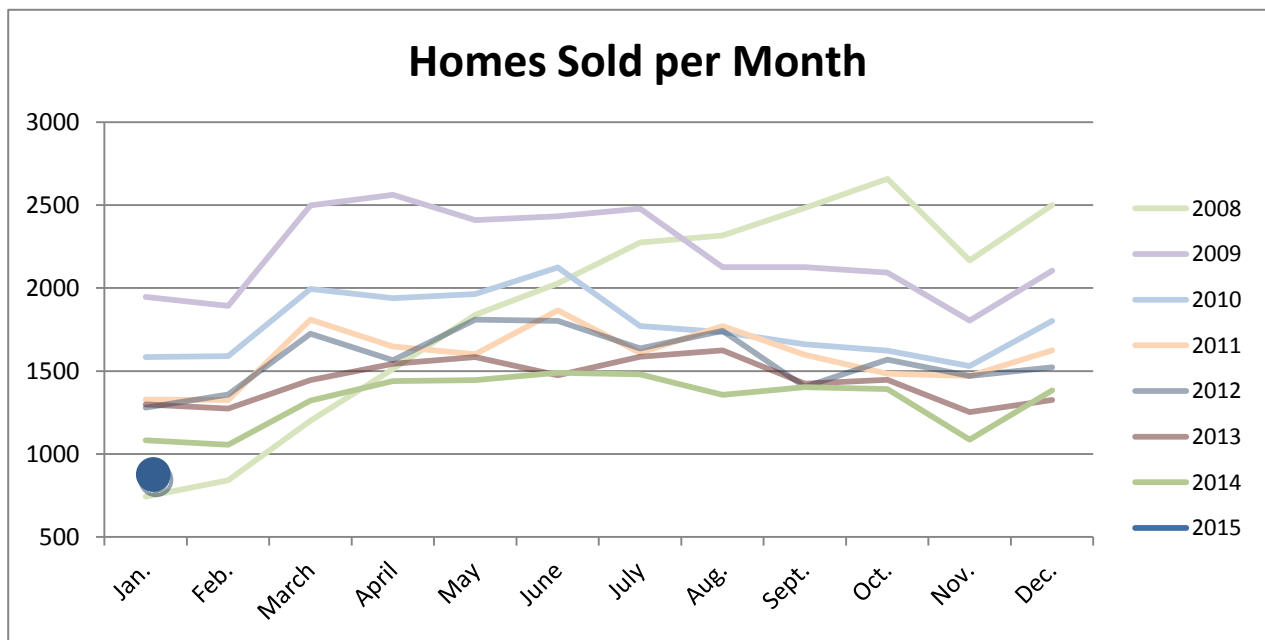
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Sales are on the decline for the month of January. After hitting an all time high in 2008, sales seem to be leveling out.



The chart below follows the trends of number of sold homes during any given month. In January **978** homes sold in Southwest Riverside County. This is a **9.69% decrease** in sold homes since this month last year.



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January 2015 Homes Sales By Price Band				
Price Range	# of Sold	Active Listings	Month's of Inventory	Market
\$0-\$100K	32	83	2.59	Extreme Seller's Market
\$100K-\$200k	172	470	2.73	Extreme Seller's Market
\$200K-\$300K	354	926	2.62	Extreme Seller's Market
\$300K-\$400K	266	913	3.43	Normal Seller's Market
\$400K-\$500K	98	415	4.23	Normal Seller's Market
\$500K-\$600K	38	196	5.16	Normal Seller's Market
\$600K-\$700K	7	95	13.57	Extreme Buyer's Market
\$700K-\$800K	5	44	8.80	Balanced Market
\$800K-\$900K	0	33	N/A	Extreme Buyer's Market
\$900K-\$1M	3	27	9.00	Normal Buyer's Market
\$1M-\$2M	1	116	116.00	Extreme Buyer's Market
\$2M-\$3M	0	25	N/A	Extreme Buyer's Market
\$3M<	0	8	N/A	Extreme Buyer's Market
<b>Overall MKT</b>	<b>978</b>	<b>4424</b>	<b>4.52</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 January. 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 Buyer's Market**.



## January 2015 Homes Sales By Region

Region	# of Sold	Active Listings	Month's of Inventory	Avg. Sale Price	Avg. DOM
Temecula South	54	202	3.74	\$405,871	85
Temecula North	57	308	5.40	\$391,728	85
Temecula West	0	33	N/A	\$0	0
Murrieta North	45	145	3.22	\$314,092	88
Murrieta West	22	162	7.36	\$455,341	107
Murrieta East	60	253	4.22	\$340,228	75
Winchester	26	132	5.08	\$331,690	79
Wildomar	27	122	4.52	\$295,270	70
Menifee	76	311	4.09	\$276,992	64
Hemet	127	532	4.19	\$183,015	79
San Jacinto	43	192	4.47	\$204,939	76
Perris	58	250	4.31	\$254,856	73
Lake Elsinore	73	337	4.62	\$269,727	91
Canyon Lake	15	124	8.27	\$298,426	70
Quail Valley	2	6	3.00	\$132,500	25
Sun City	13	70	5.38	\$177,674	96
Romoland	2	19	9.50	\$237,500	45
Homeland	3	15	5.00	\$175,625	81
Nuevo	3	25	8.33	\$225,667	77
Corona	136	640	4.71	\$391,720	80
Gavilan Hills	3	7	2.33	\$257,333	80
Moreno Valley	126	518	4.11	\$242,881	78
Sage	5	34	6.80	\$151,400	57
<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>	

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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	\$405,871	\$432,532	93.8%
Temecula North	\$391,728	\$602,515	65.0%
Temecula West	\$0	\$924,967	0.0%
Murrieta North	\$314,092	\$347,739	90.3%
Murrieta West	\$455,341	\$627,120	72.6%
Murrieta East	\$340,228	\$322,802	105.4%
Winchester	\$331,690	\$353,809	93.7%
Wildomar	\$295,270	\$329,143	89.7%
Menifee	\$276,992	\$314,257	88.1%
Hemet	\$183,015	\$200,765	91.2%
San Jacinto	\$204,939	\$200,138	102.4%
Perris	\$254,856	\$242,369	105.2%
Lake Elsinore	\$269,727	\$317,313	85.0%
Canyon Lake	\$298,426	\$503,354	59.3%
Quail Valley	\$132,500	\$167,450	79.1%
Sun City	\$177,674	\$190,871	93.1%
Romoland	\$237,500	\$290,700	81.7%
Homeland	\$175,625	\$196,815	89.2%
Nuevo	\$225,667	\$237,993	94.8%
Corona	\$391,720	\$457,728	85.6%
Gavilan Hills	\$257,333	\$424,900	60.6%
Moreno Valley	\$242,881	\$258,001	94.1%
Sage	\$151,400	\$201,418	75.2%
<b>TOTAL MKT</b>	<b>\$294,484</b>	<b>\$348,403</b>	<b>84.5%</b>

This chart shows that for the month of January home sellers are getting **84.5%** 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 **13.9%** 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.

	2013 Sales	%	2014 Sales	%	January 2015	%
REO Sales	1,277	7.39%	874	5.48%	70	7.2%
Short Sales	3,423	19.81%	1,166	7.32%	66	6.7%
<b>Total Distressed Sales</b>	<b>4,700</b>	<b>27.20%</b>	<b>2,040</b>	<b>12.80%</b>	<b>136</b>	<b>13.9%</b>
Total Sales (Normal Resale and Distressed)	17,281		15,935		978	

## Strong Performing Areas – for Investors

Corona	
Month's of Inventory	4.71
Low Selling Price	\$135,000
Average Selling Price	\$391,720
Average Rent	\$2,053
Estimated Cap Rate	6.29%
Estimated Cash on Cash Return (25% down)	25.16%

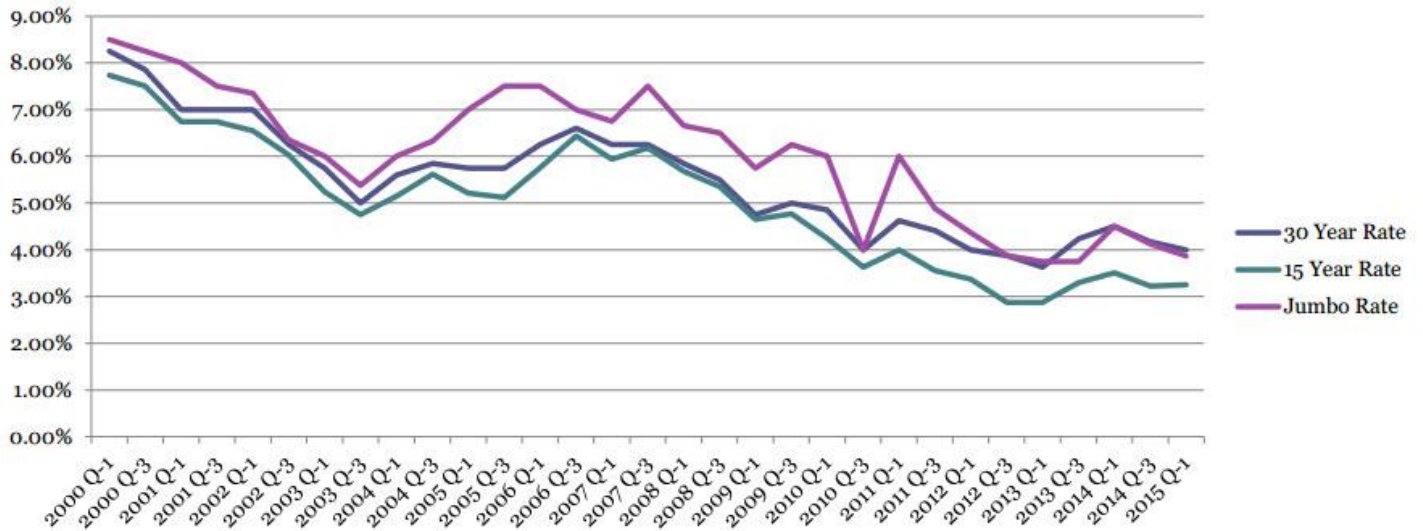
Hemet	
Month's of Inventory	4.19
Low Selling Price	\$29,900
Average Selling Price	\$183,015
Average Rent	\$1,281
Estimated Cap Rate	8.40%
Estimated Cash on Cash Return (25% down)	33.60%

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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