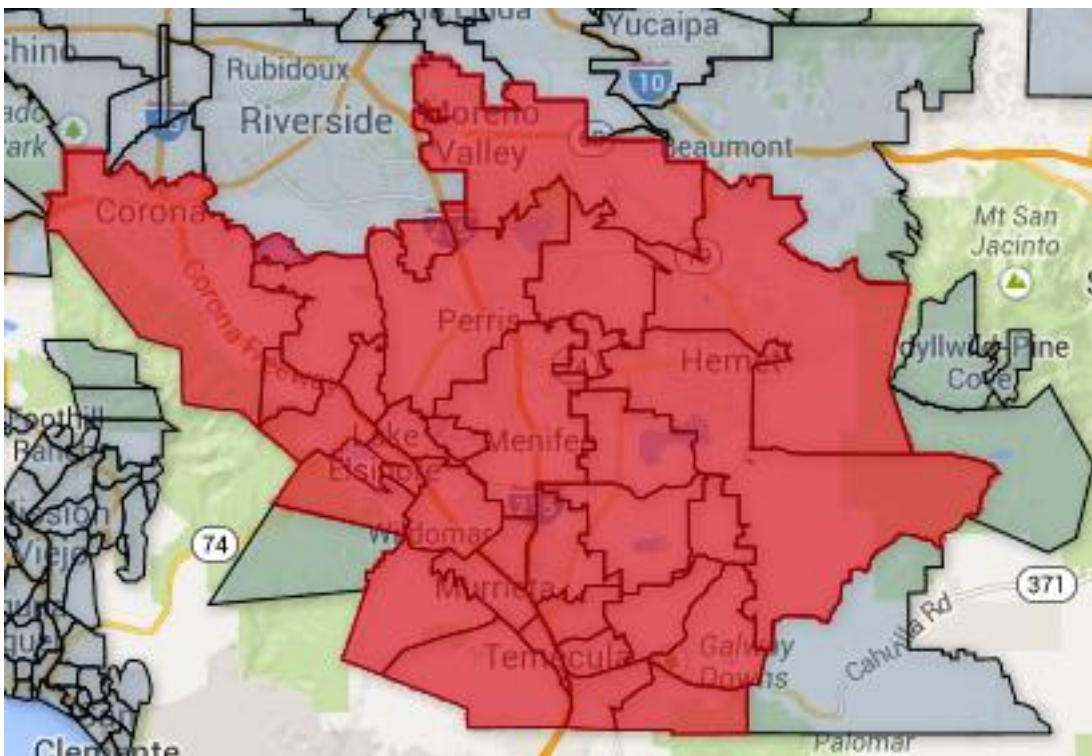




Real Estate Market Report May 2015



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

www.SWRiversideCountyHomes.com

KELLER WILLIAMS® REALTY

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May, 2015

In May,

The number of homes sold continues to grow for the fourth month in a row. Home sales are up 14.7% from this time last year and up 3.2% from last month. Also up this month are the numbers of homes for sale. The inventory of homes has risen 4.9% from last month and 7.1% from the beginning of the year.

With interest rates on the rise and the number of homes available starting to climb there is no better time than right now to buy a home. Rates and homes available appear to be on the rise so it is time to take advantage of the market.

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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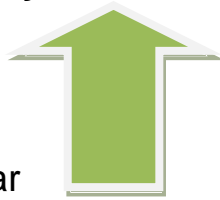


Summary of the SW Riverside County Market

Home Sales in May

1659 Homes Sold

14.7% increase from last year



Market Inventories in different Price Ranges

Below \$400k = Normal Seller's Market

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

\$500K & Up = Balanced Market

Homes for Sale

4737 Homes for Sale

Month's of Inventory

2.81 Month's Inventory

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



Average Sold Price

\$315,388 average price of homes

Days on Market

70 Days – Average Days on Market

Cash Buyers in December

15.9% of sales *Cash*

Financing Type

31.1% of sales *FHA*

34.7% of sales *Conventional*

12.0% of sales *VA Loan*

Top selling Region = Corona

Distressed Property and Investor Market – **13.8%** of all sales in May 2015 were in a distressed situation

What Are Sellers Getting for Their Home? – Sellers are getting **85.5%** of asking price.

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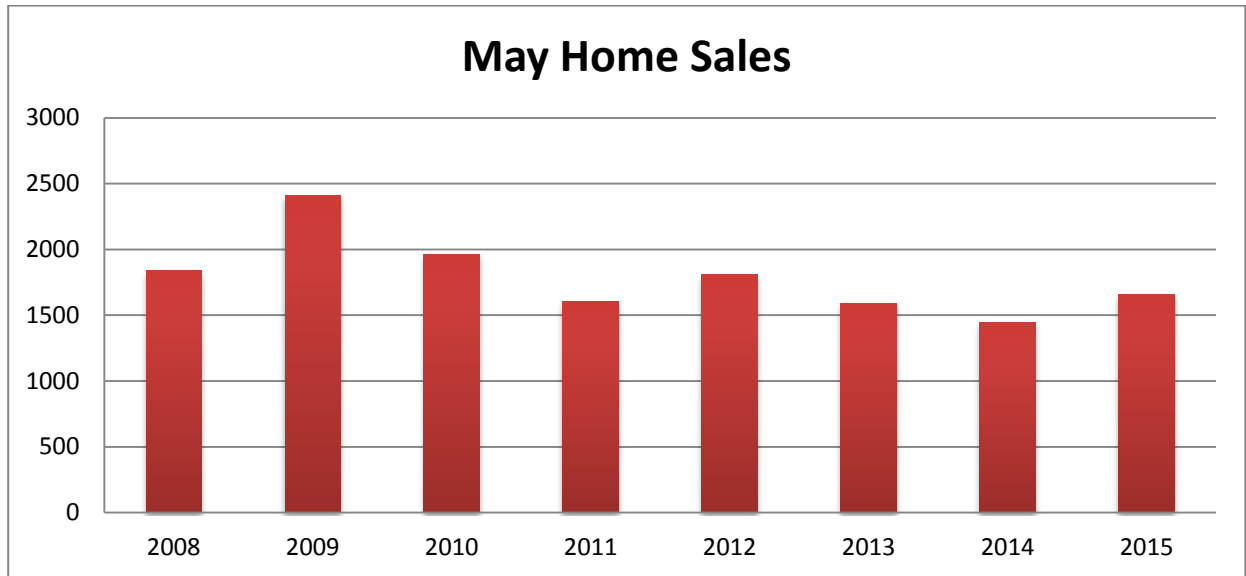
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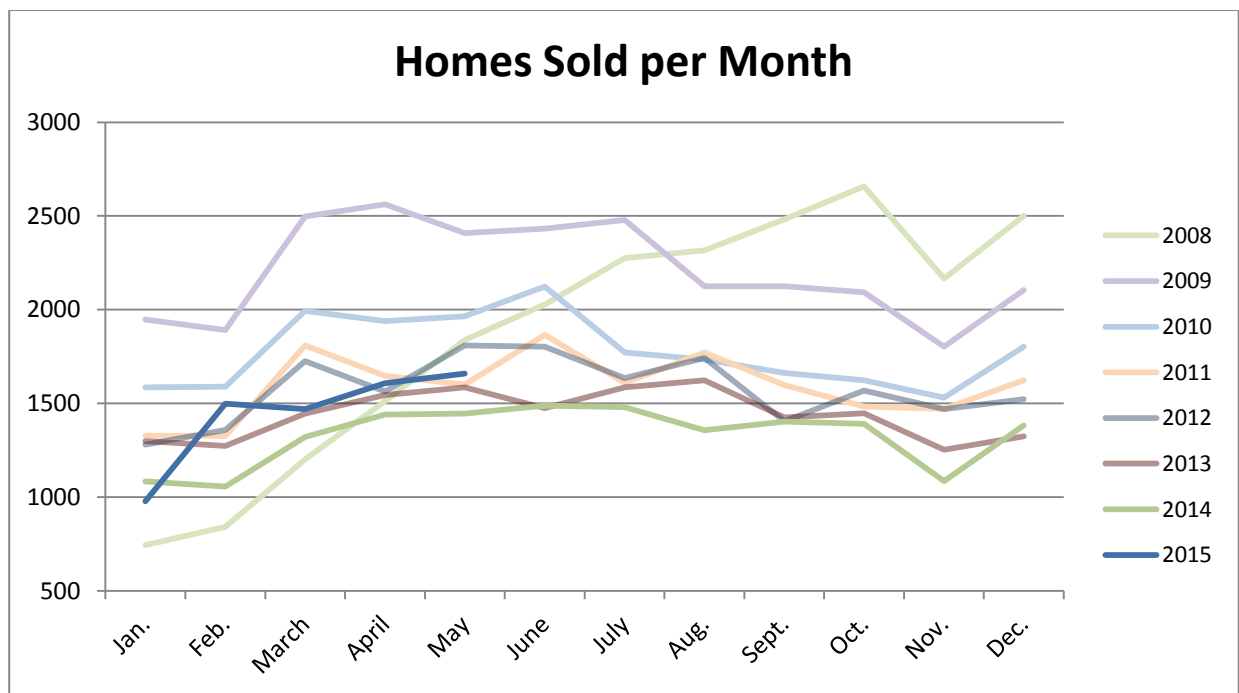
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Sales are on the increase for the month of May. After hitting an all time high in 2009, sales seem to be leveling out.



The chart below follows the trends of number of sold homes during any given month. In May **1659** homes sold in Southwest Riverside County. This is a **14.7% increase** in sold homes since this month last year.



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May 2015 Homes Sales By Price Band

Price Range	# of Sold	Active Listings	Month's of Inventory	Market
\$0-\$100K	36	107	2.97	Extreme Seller's Market
\$100K-\$200k	247	722	2.92	Extreme Seller's Market
\$200K-\$300K	519	1555	3.00	Extreme Seller's Market
\$300K-\$400K	547	1540	2.82	Extreme Seller's Market
\$400K-\$500K	190	799	4.21	Normal Seller's Market
\$500K-\$600K	68	314	4.62	Normal Seller's Market
\$600K-\$700K	27	171	6.33	Balanced Market
\$700K-\$800K	12	82	6.83	Balanced Market
\$800K-\$900K	4	71	17.75	Extreme Buyer's Market
\$900K-\$1M	6	48	8.00	Balanced Market
\$1M-\$2M	6	181	30.17	Extreme Buyer's Market
\$2M-\$3M	2	25	12.50	Extreme Buyer's Market
\$3M<	0	14	N/A	Extreme Buyer's Market
Overall MKT	1659	4737	2.86	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 May. 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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May 2015 Homes Sales By Region

Region	# of Sold	Active Listings	Month's of Inventory	Avg. Sale Price	Avg. DOM
Temecula South	86	215	2.50	\$391,465	53
Temecula North	120	387	3.23	\$470,375	71
Temecula West	5	49	9.80	\$852,200	259
Murrieta North	67	163	2.43	\$321,833	58
Murrieta West	35	222	6.34	\$455,808	81
Murrieta East	118	250	2.12	\$332,133	59
Winchester	46	137	2.98	\$355,067	67
Wildomar	49	122	2.49	\$323,197	63
Menifee	177	333	1.88	\$296,139	51
Hemet	178	481	2.70	\$188,410	71
San Jacinto	64	193	3.02	\$183,985	55
Perris	81	226	2.79	\$250,222	65
Lake Elsinore	95	348	3.66	\$274,756	78
Canyon Lake	25	168	6.72	\$411,016	111
Quail Valley	1	7	7.00	\$130,000	19
Sun City	35	81	2.31	\$190,295	73
Romoland	9	21	2.33	\$258,111	102
Homeland	9	22	2.44	\$223,344	59
Nuevo	7	30	4.29	\$241,500	157
Corona	253	746	2.95	\$432,864	64
Gavilan Hills	1	8	8.00	\$75,000	90
Moreno Valley	192	486	2.53	\$257,840	51
Sage	6	44	7.33	\$286,383	109
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	
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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	\$391,465	\$469,793	83.3%
Temecula North	\$470,375	\$541,130	86.9%
Temecula West	\$852,200	\$1,892,185	45.0%
Murrieta North	\$321,833	\$375,286	85.8%
Murrieta West	\$455,808	\$828,560	55.0%
Murrieta East	\$332,133	\$345,346	96.2%
Winchester	\$355,067	\$360,236	98.6%
Wildomar	\$323,197	\$331,244	97.6%
Menifee	\$296,139	\$310,397	95.4%
Hemet	\$188,410	\$197,694	95.3%
San Jacinto	\$183,985	\$221,831	82.9%
Perris	\$250,222	\$252,990	98.9%
Lake Elsinore	\$274,756	\$339,813	80.9%
Canyon Lake	\$411,016	\$525,934	78.1%
Quail Valley	\$130,000	\$209,999	61.9%
Sun City	\$190,295	\$202,784	93.8%
Romoland	\$258,111	\$247,350	104.4%
Homeland	\$223,344	\$228,004	98.0%
Nuevo	\$241,500	\$396,275	60.9%
Corona	\$432,864	\$475,411	91.1%
Gavilan Hills	\$75,000	\$850,000	8.8%
Moreno Valley	\$257,840	\$277,963	92.8%
Sage	\$286,383	\$256,895	111.5%
TOTAL MKT	\$320,223	\$374,627	85.5%

This chart shows that for the month of May home sellers are getting **85.5%** 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 **13.8%** 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	%	May 2015	%
REO Sales	1,277	7.39%	874	5.48%	96	5.8%
Short Sales	3,423	19.81%	1,166	7.32%	133	8.0%
Total Distressed Sales	4,700	27.20%	2,040	12.80%	229	13.8%
Total Sales (Normal Resale and Distressed)	17,281		15,935		1,659	

Strong Performing Areas – for Investors

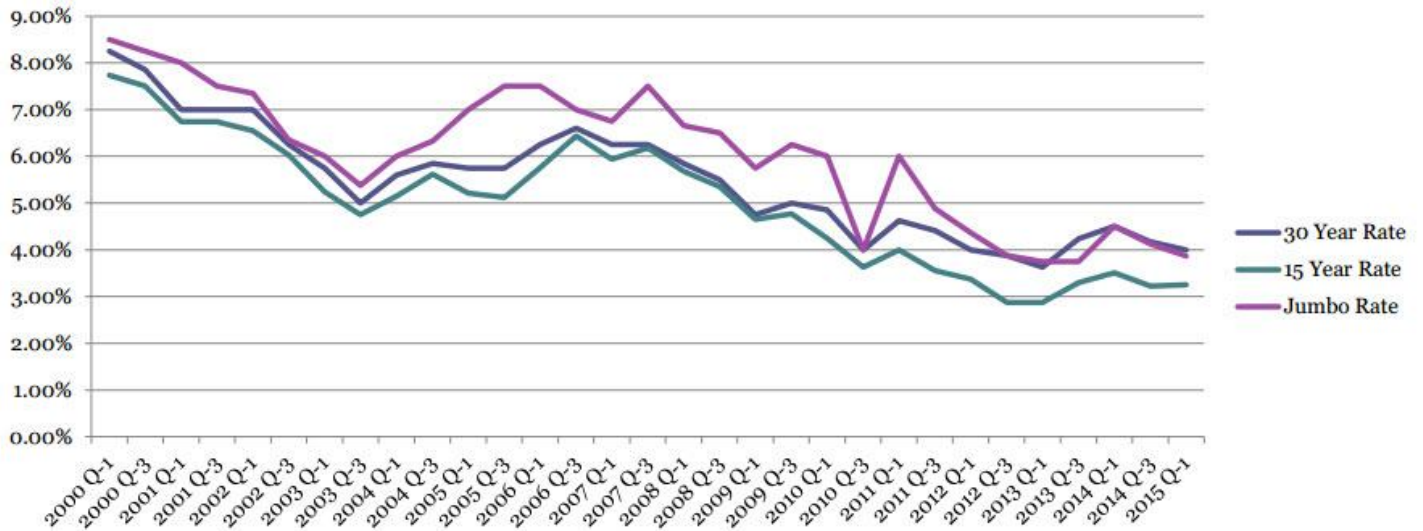
Corona	
Month's of Inventory	2.95
Low Selling Price	\$130,000
Average Selling Price	\$432,864
Average Rent	\$2,247
Estimated Cap Rate	6.23%
Estimated Cash on Cash Return (25% down)	24.92%

Moreno Valley	
Month's of Inventory	2.53
Low Selling Price	\$84,200
Average Selling Price	\$257,840
Average Rent	\$1,691
Estimated Cap Rate	7.87%
Estimated Cash on Cash Return (25% down)	31.48%

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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