

PICKFORD ESCROW MARKET UPDATE

PASADENA, CA 91106

- Current Real Estate Market Conditions for Single Family Homes
- Trends in Pricing
- Current Levels of Supply and Demand
- Value Metrics

- Report for the week of
November 30, 2015

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PICKFORD ESCROW COMPANY

This Week

- The median list price in PASADENA, CA this week is \$939,500. The 198 properties have been on the market for an average of 96 days.

Inventory has been lightening lately and the Market Action Index has been trending up. Though days-on-market is increasing, these are mildly positive indications for the market.

Supply and Demand

- While the Market Action Index shows some strengthening in the last few weeks, prices have not seemed to move from their plateau. Should the upward trend in sales relative to inventory continue, expect prices to resume an upward climb in tandem with the MAI.

Real-Time Market Profile

Median List Price	\$ 939,500	↔
Average List Price	\$ 1,731,404	↔
Asking Price Per Square Foot	\$ 514	↕
Average Days on Market (DoM)	96	↕
Inventory of Properties Listed	198	↕
Most Expensive Listing	\$ 30,000,000	
Least Expensive Listing	\$ 434,900	
Average Age of Listing	69	
Percent of Properties with Price Decrease	24 %	
Percent Relisted (reset DOM)	14 %	
Percent Flip (price increased)	5 %	
Median House Size (sq ft)	1980	
Median Lot Size	8,001 - 10,000 sqft	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	2.0	

Trend

Altos Research Value Statistics

Market Action Index Seller's Advantage 34.5 ↑

The Market Action Index answers the question "How's the Market?" by measuring the current rate of sale versus the amount of the inventory. Index above 30 implies a seller's advantage. Below 30, conditions give the advantage to the buyer.

Trend Key:

↕ Strong upward trend ↕ Strong downward trend
↔ No change ↑ Slight upward trend ↓ Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM
Top/First	\$ 2,883,000	4712	0.50 - 1.0 acre	5.0	4.0	49	49	1	4	134
Upper/Second	\$ 1,160,000	2400	8,001 - 10,000 sqft	4.0	3.0	66	49	6	8	76
Lower/Third	\$ 799,000	1760	6,501 - 8,000 sqft	3.0	2.0	68	50	5	5	86
Bottom/Fourth	\$ 599,000	1242	4,501 - 6,500 sqft	3.0	2.0	90	50	3	12	91

Most expensive 25% of properties

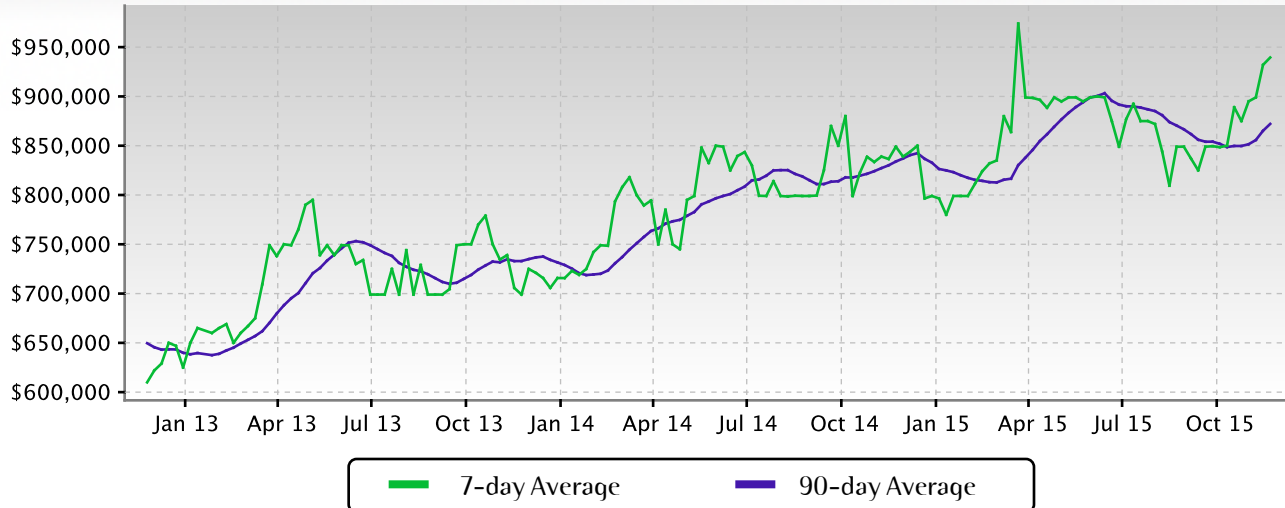
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

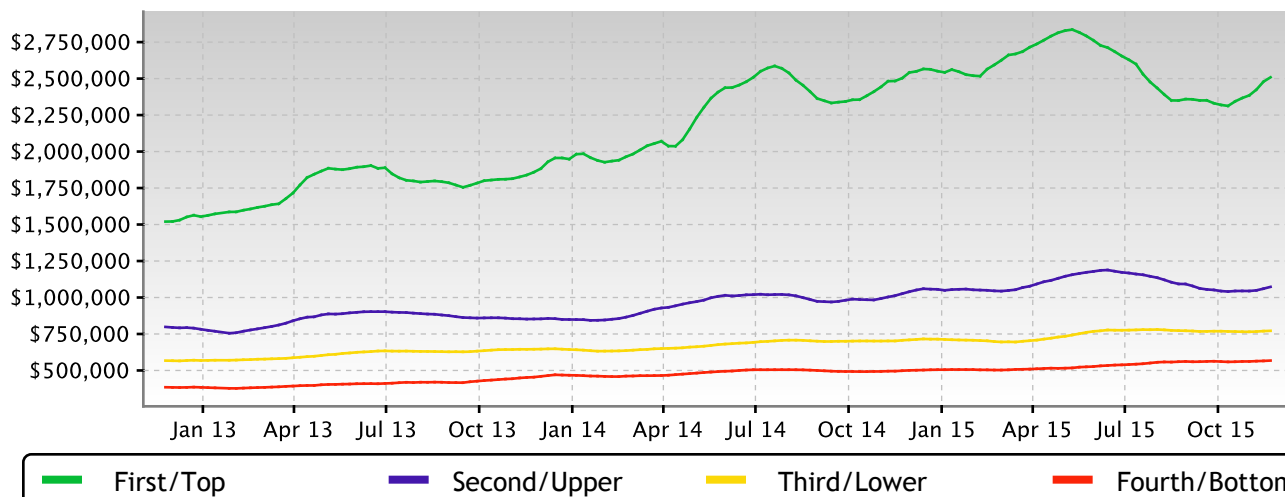
Median Price

While this week the median didn't fluctuate much, we are relatively close to the market's price high-point. A persistent drop of the Market Action Index into the Buyer's zone will be a leading indicator of the price strength subsiding.



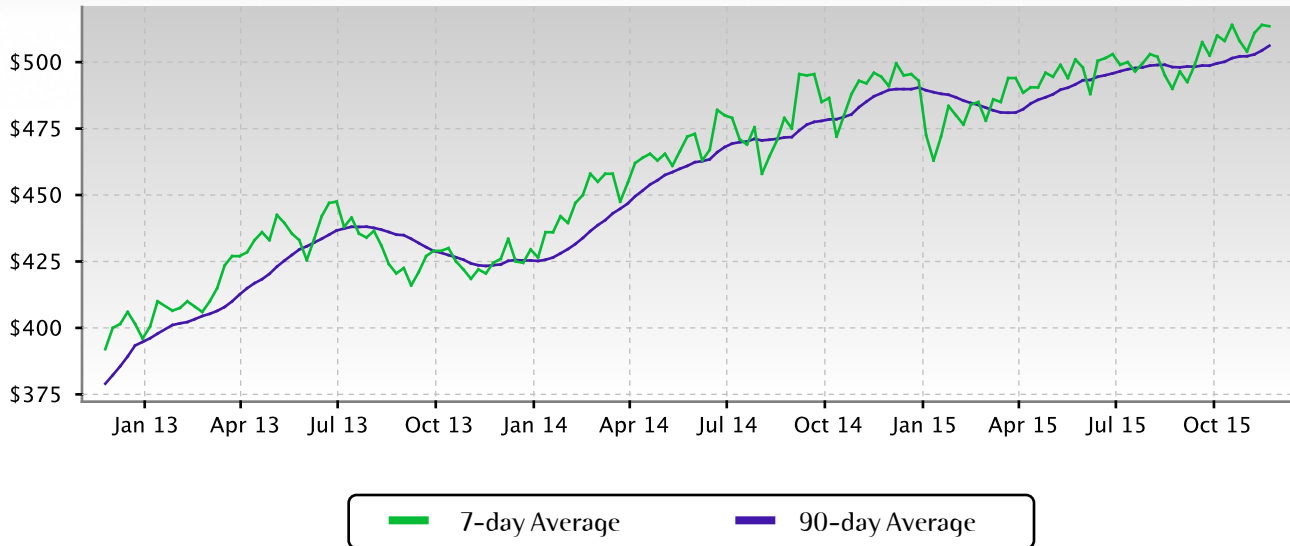
Quartile Prices

Prices have generally settled at a plateau, although Quartile 1 is on a bit of an up trend in recent weeks. We'll need to see a persistent shift in the Market Action Index before we see prices across the board move from these levels.



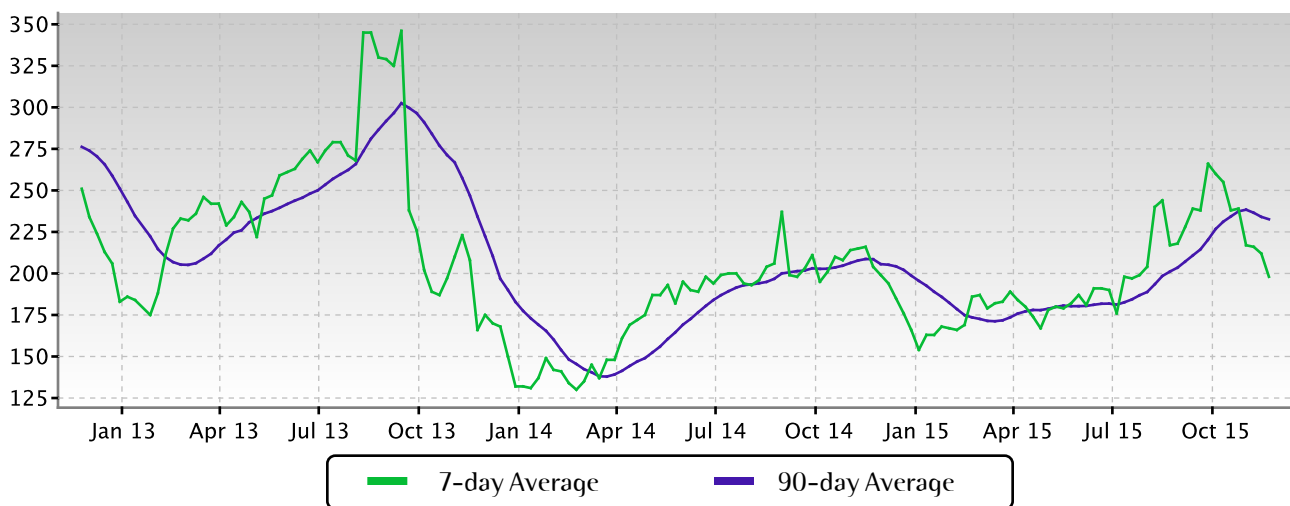
Price per Square Foot

In a market where prices are rising fairly consistently, price per square foot is essentially flat. This often implies that new homes coming on the market are pricier, and also larger than older homes. As a result the value one can buy stays the same.



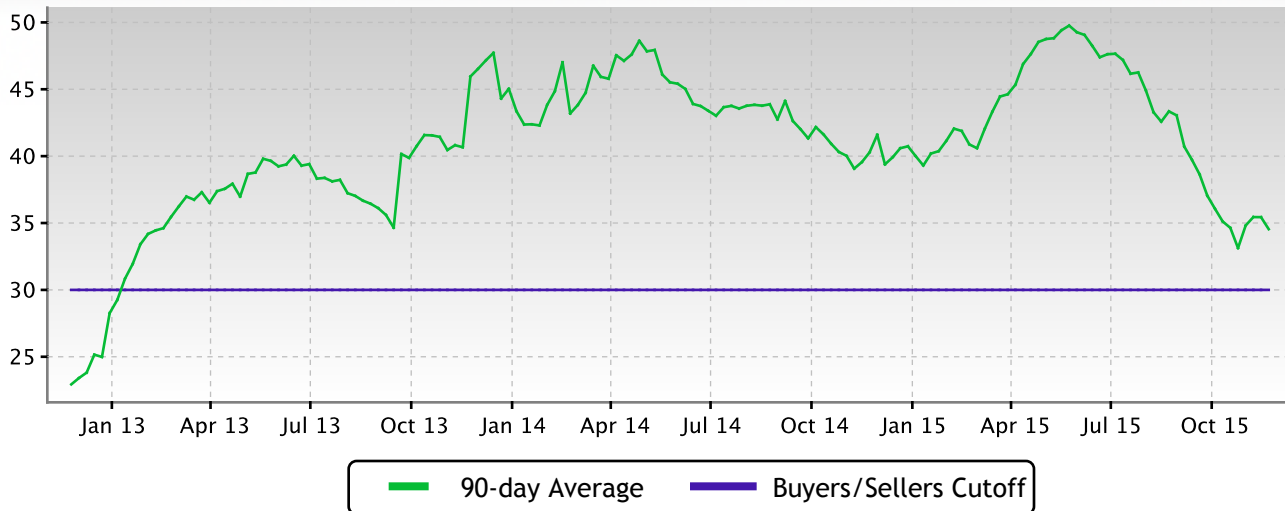
Inventory of Properties Listed for Sale

Inventory has been falling in recent weeks. Note that declining inventory alone does not signal a strengthening market. Look to the Market Action Index and Days on Market trends to gauge whether buyer interest is changing with the available supply.



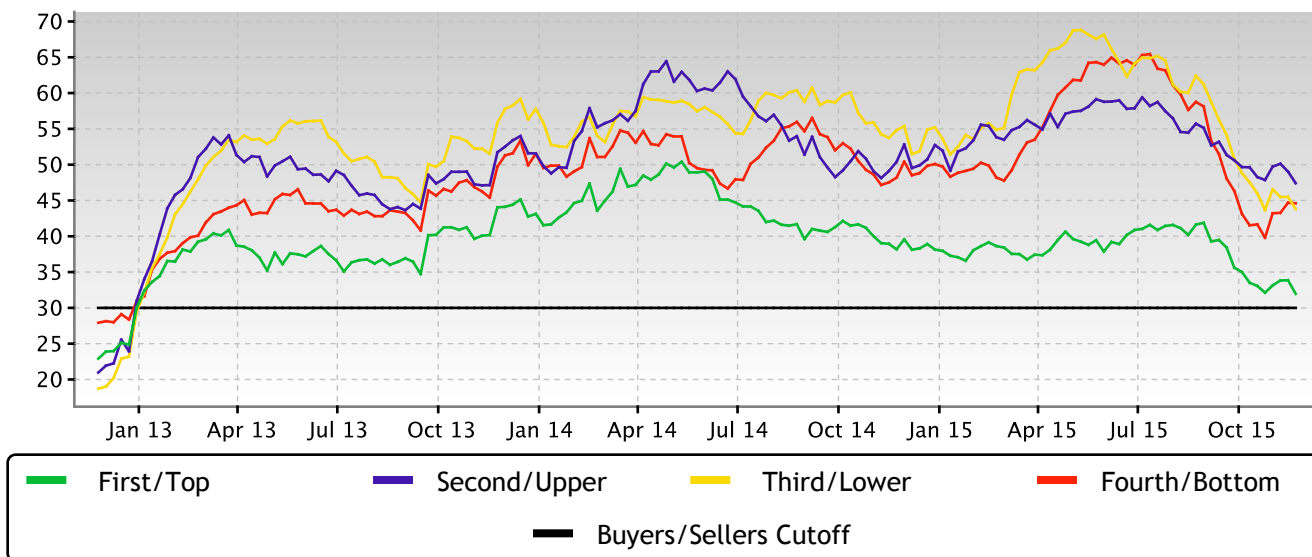
Market Action Index

The PASADENA market is currently in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 34.54 which indicates that demand is strong and available supply of homes gets snapped up relatively quickly.



Market Action Index per Quartile

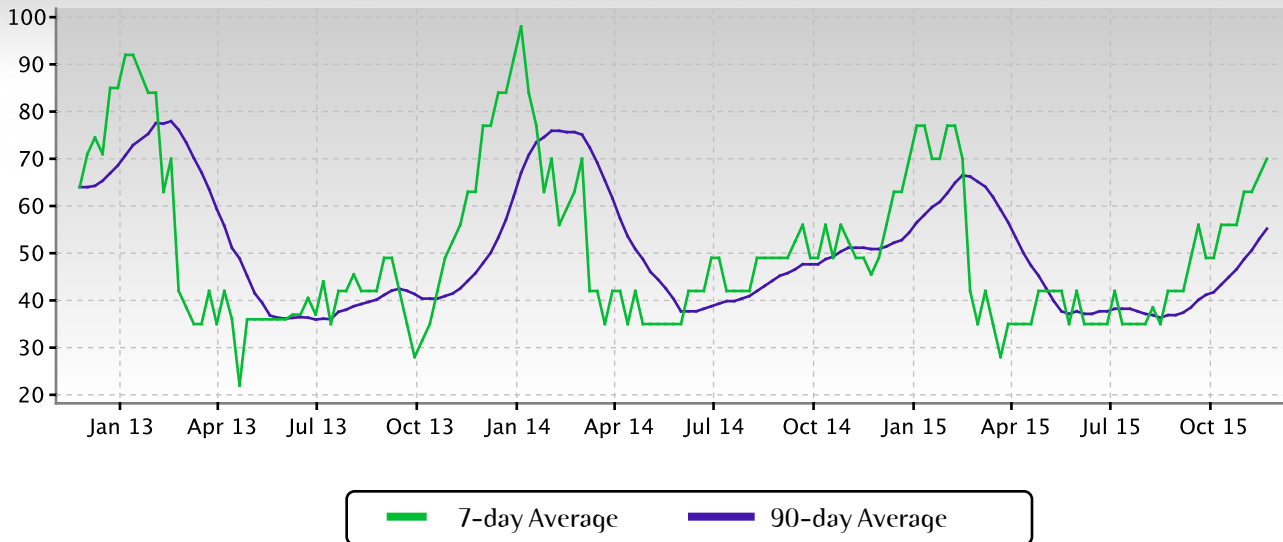
Not surprisingly, all segments in the market are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



Residential house prices are a function of supply and demand, and market conditions can be characterized by analyzing those factors. Watch this index for sustained changes: if the index falls into the Buyer's Advantage zone (below 30) for a long period, prices are likely in for a downward correction.

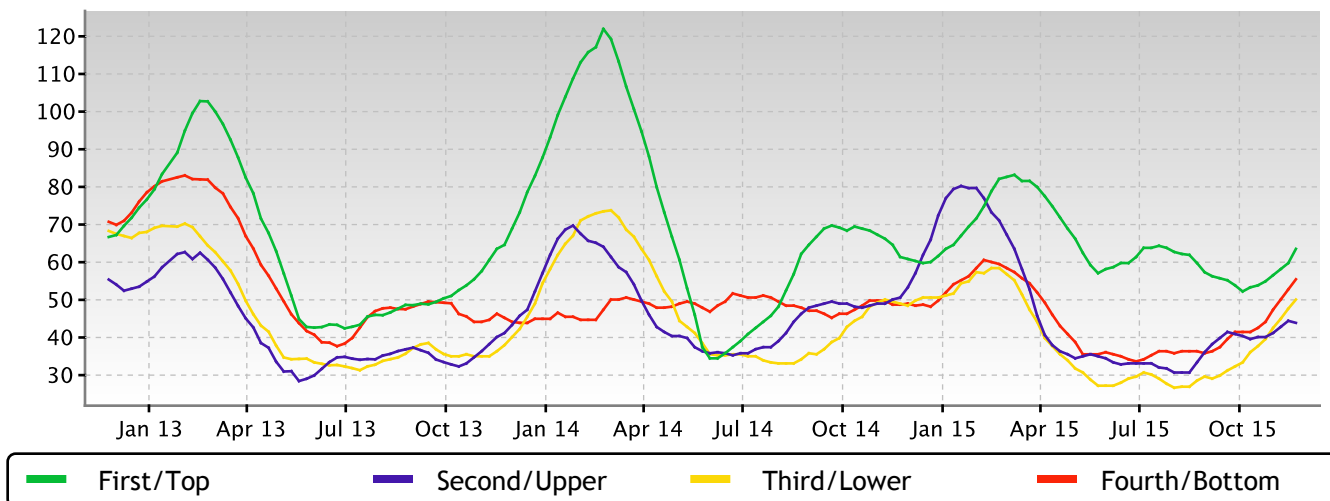
Days on Market

The properties have been on the market for an average of 96 days. Half of the listings have come newly on the market in the past 70 or so days.



Days on Market per Quartile

It is not uncommon for the higher priced homes in an area to take longer to sell than those in the lower quartiles.



This Week

- The median list price in PASADENA, CA 91106 this week is \$1,396,000. The 23 properties have been on the market for an average of 85 days.

Inventory has been lightening lately and the Market Action Index has been trending up. Though days-on-market is increasing, these are mildly positive indications for the market.

Supply and Demand

- The market has been cooling off a bit in recent weeks, as more homes are available and demand is less. We're already seeing prices move lower as a result. Expect this trend to continue especially if the index falls to the Buyer's zone. Watch for a persistent up-turn in Market Action to signal prices rising again.

Real-Time Market Profile

Median List Price	\$ 1,396,000	↓↓
Average List Price	\$ 2,173,721	
Asking Price Per Square Foot	\$ 715	↑
Average Days on Market (DoM)	85	↑↑
Inventory of Properties Listed	23	↓
Most Expensive Listing	\$ 6,950,000	
Least Expensive Listing	\$ 434,900	
Average Age of Listing	76	
Percent of Properties with Price Decrease	30 %	
Percent Relisted (reset DOM)	17 %	
Percent Flip (price increased)	9 %	
Median House Size (sq ft)	1979	
Median Lot Size	8,001 - 10,000 sqft	
Median Number of Bedrooms	4.0	
Median Number of Bathrooms	3.0	

Trend

Altos Research Value Statistics

Market Action Index Seller's Advantage 31.2 ↓↓

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Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM
Top/First	\$ 4,980,000	5631	0.50 - 1.0 acre	5.0	4.0	93	5	0	1	112
Upper/Second	\$ 2,125,000	3094	0.25 - 0.50 acre	4.0	3.2	86	6	1	1	55
Lower/Third	\$ 968,500	1724	6,501 - 8,000 sqft	3.5	2.0	90	6	0	1	78
Bottom/Fourth	\$ 614,450	1286	4,501 - 6,500 sqft	3.0	2.5	93	6	0	1	100

Most expensive 25% of properties

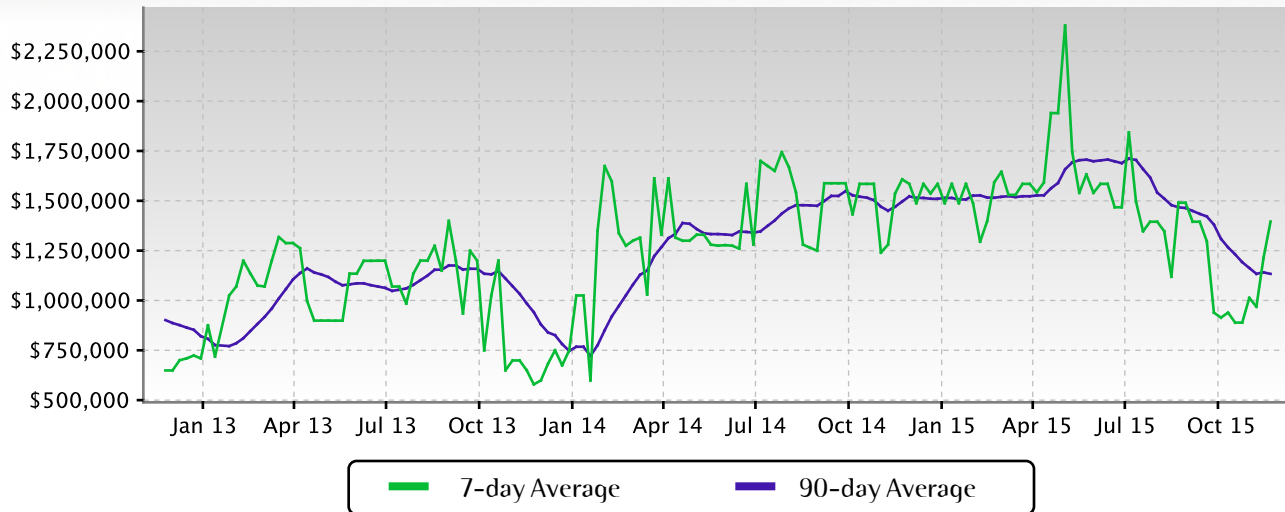
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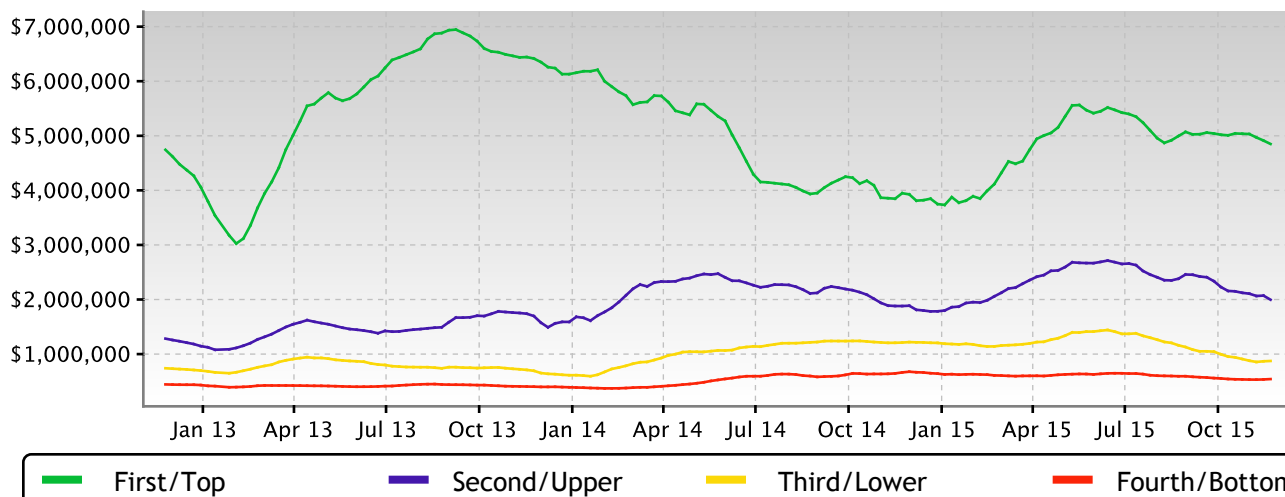
Median Price

The market for this zip code continues its bounce again this week. We're a long way from the market's high point so watch the Market Action Index to predict how long this trend will last.



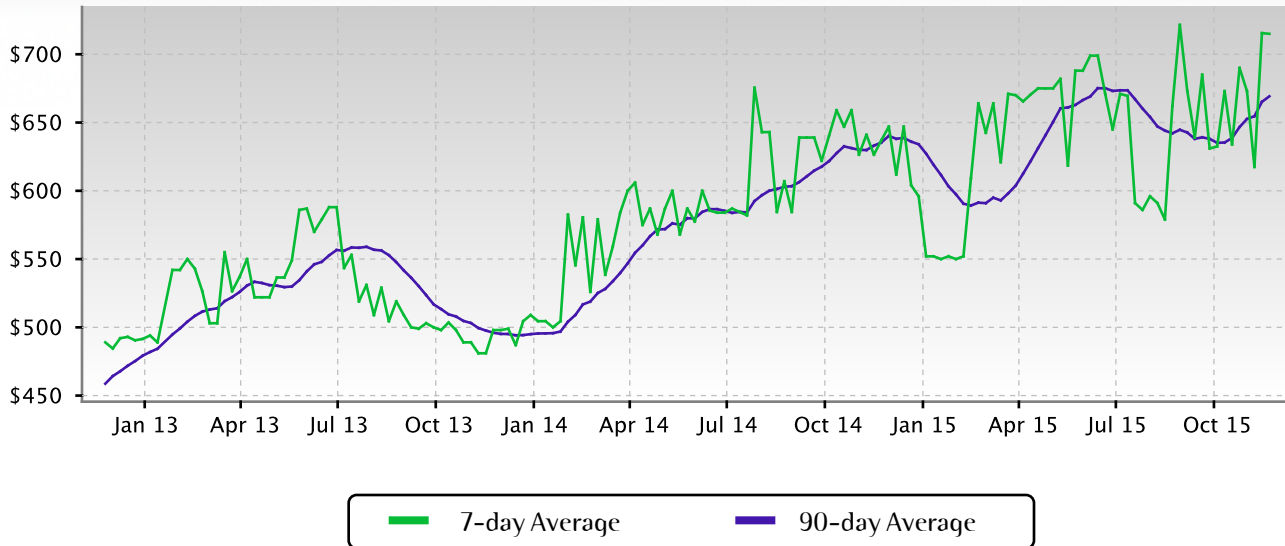
Quartile Prices

In the quartile market segments, we see the market's price weakness almost across the board. Prices in Quartile 4 have been mixed recently, while the rest of the market is trending downward. Look for a strong, persistent up shift in the Market Action Index as a leading indicator of the trough in the market.



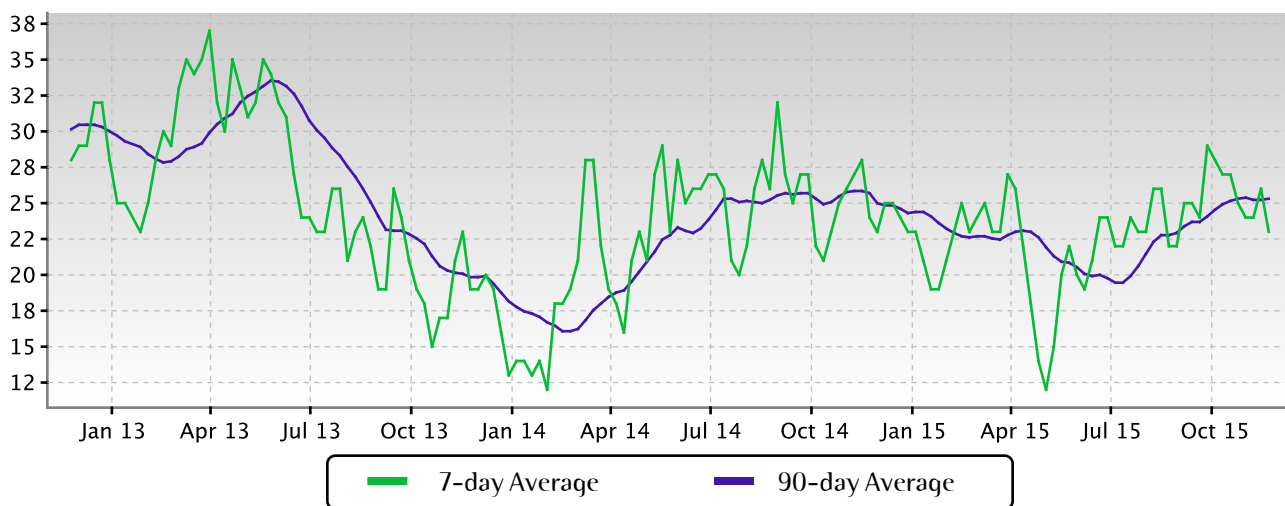
Price per Square Foot

The price per square foot is increasing a bit recently and overall price trends haven't shown a consistent upwardly push. This can imply that investment conditions are opportunistic. Watch the Remodel Index for a more detailed analysis of the investment opportunity in the area.



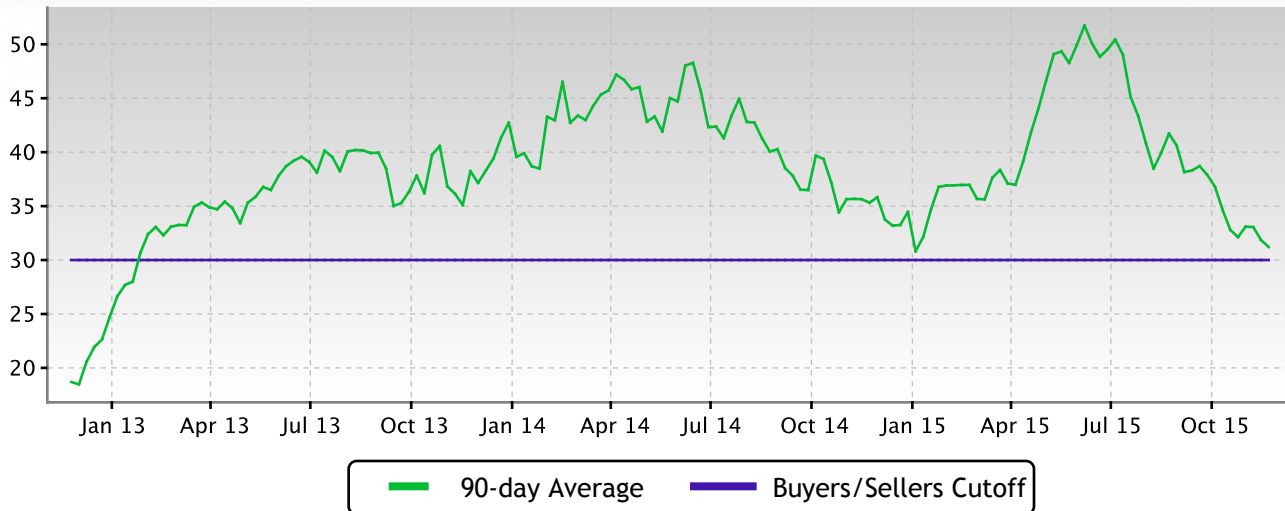
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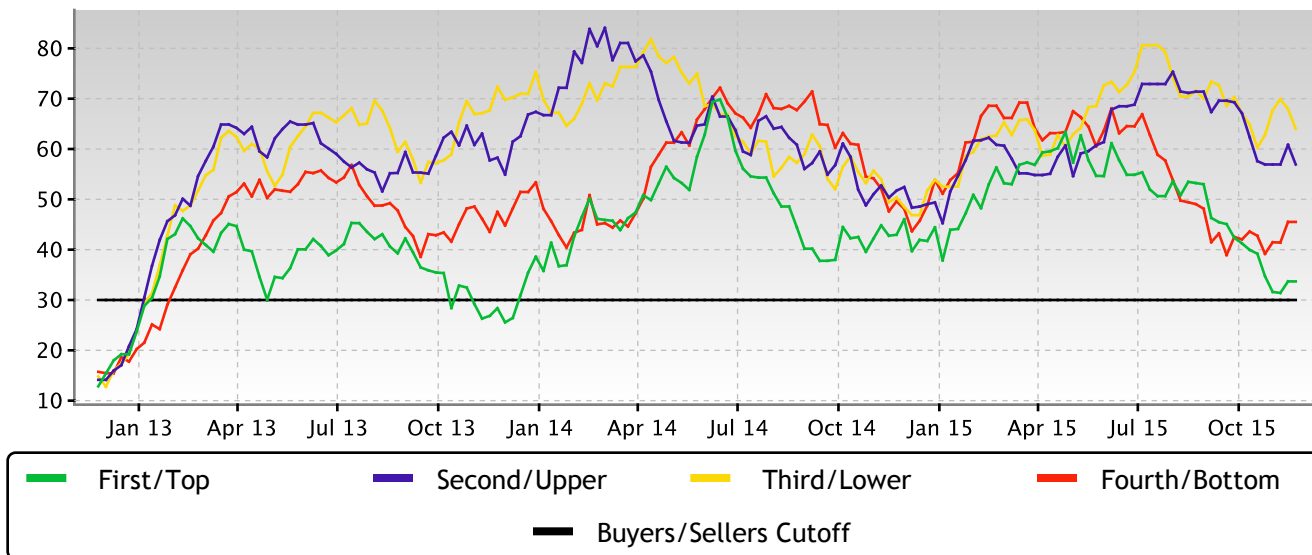
Market Action Index

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Market Action Index per Quartile

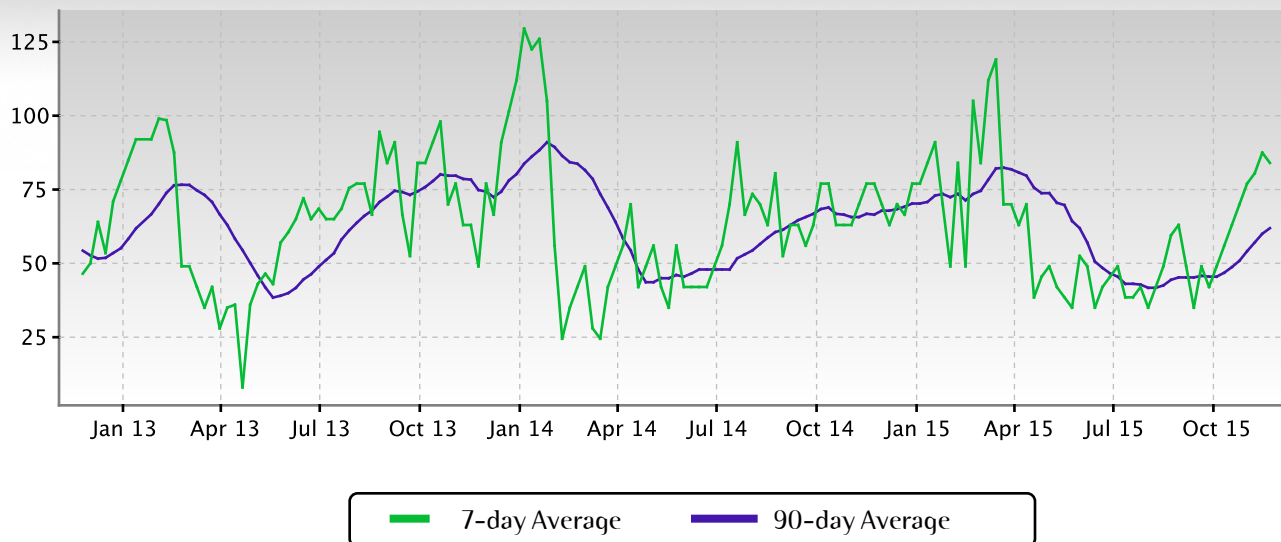
Not surprisingly, all segments in this zip code are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



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