

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
May 30, 2016**

- **Presented by Pickford Escrow - Los Angeles**
Melissa Isler
misler@pickfordescrow.com
310.487.6405

This Week

- The median list price in PASADENA, CA this week is \$1,050,000. The 215 properties have been on the market for an average of 73 days.

The Market Action Index has been trending down lately, while inventory and days-on-market are climbing. The trends imply a weakening market.

Supply and Demand

- The market continues to get hotter. More sales demand and fewer homes listed have contributed to a relatively long run of increasing prices

Real-Time Market Profile

Metric	Value	Trend
Median List Price	\$ 1,050,000	↑↑
Average List Price	\$ 1,634,598	↔
Asking Price Per Square Foot	\$ 532	↔
Average Days on Market (DoM)	73	↑
Inventory of Properties Listed	215	↑↑
Most Expensive Listing	\$ 14,980,000	
Least Expensive Listing	\$ 380,000	
Average Age of Listing	73	
Percent of Properties with Price Decrease	37 %	
Percent Relisted (reset DOM)	10 %	
Percent Flip (price increased)	3 %	
Median House Size (sq ft)	2234	
Median Lot Size	8,001 - 10,000 sqft	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	2.5	

Trend

Altos Research Value Statistics

Market Action Index Seller's Advantage 40.7 ↑

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	\$ 3,088,000	4556	0.50 - 1.0 acre	4.0	5.0	65	53	7	2	133
Upper/Second	\$ 1,399,500	2536	0.25 - 0.50 acre	3.0	3.0	65	54	7	5	65
Lower/Third	\$ 899,000	1821	6,501 - 8,000 sqft	3.0	2.5	89	54	11	12	45
Bottom/Fourth	\$ 683,500	1280	6,501 - 8,000 sqft	3.0	2.0	90	54	11	10	51

Most expensive 25% of properties

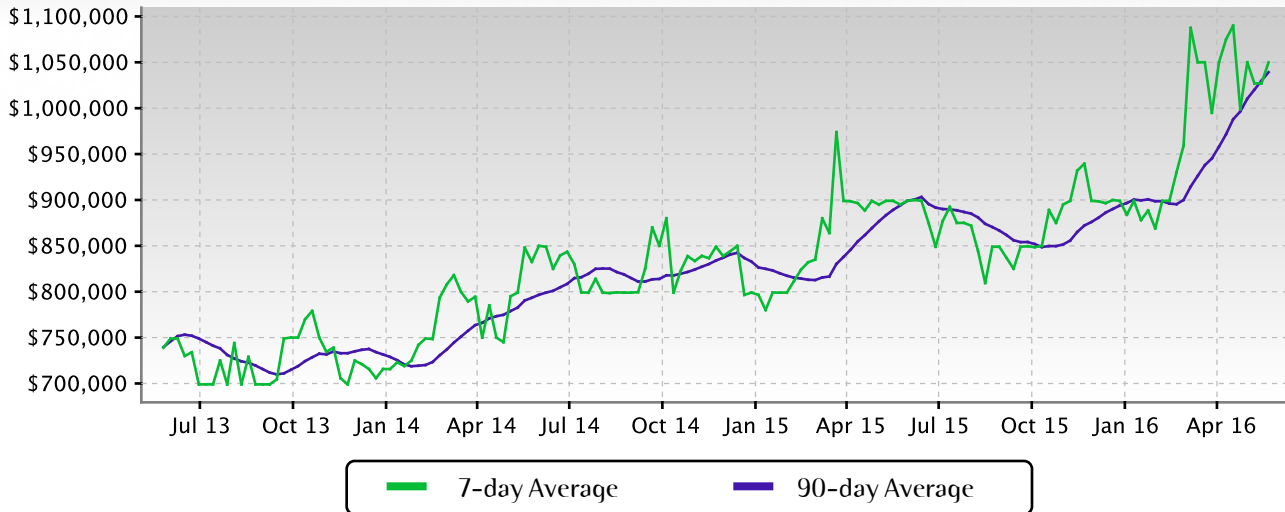
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

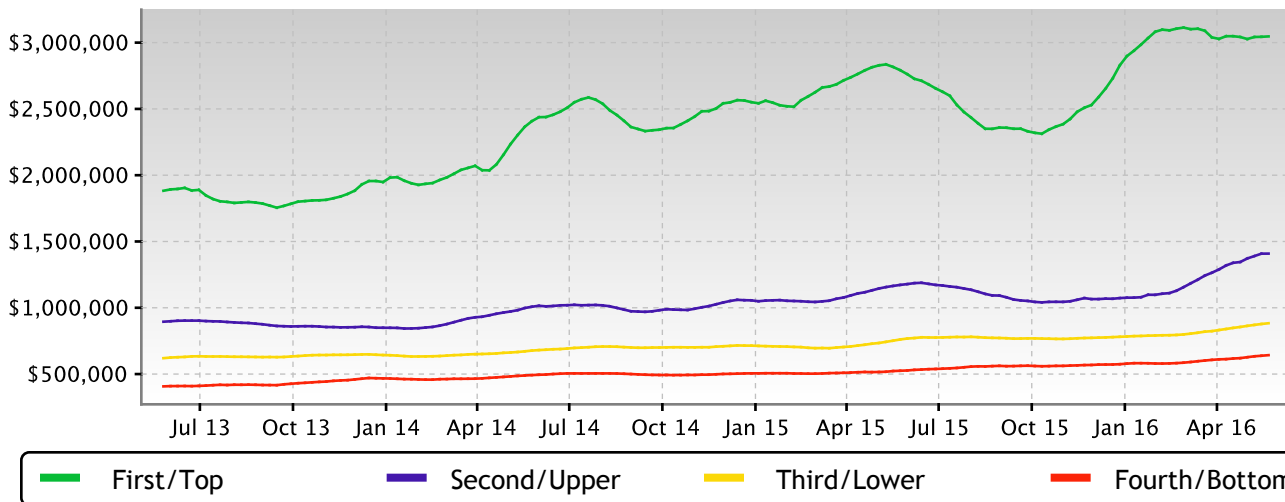
Median Price

Prices are climbing and we're nearing the market's all time high. A persistent drop of the Market Action Index into the Buyer's zone will be a leading indicator of the price strength subsiding.



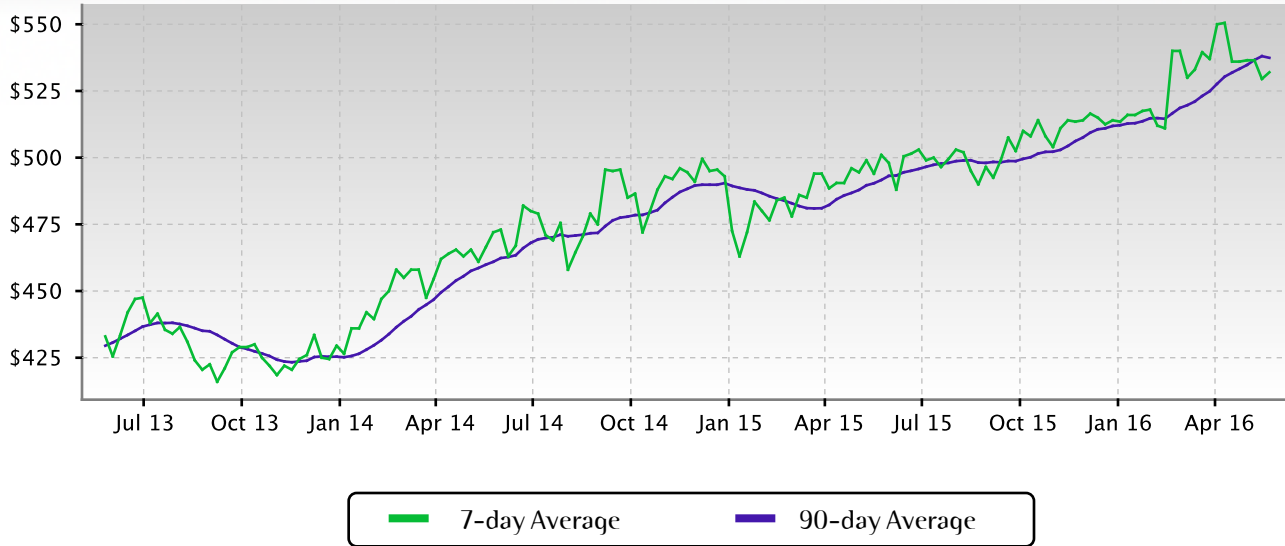
Quartile Prices

Pricing trends have been lacking strong directional indication lately. Quartiles 4 and 2 are up while Quartiles 3 and 1 are basically flat in recent weeks. Watch for persistent shifts in the Market Action Index for a leading indicator of stronger price moves in the market as a whole.



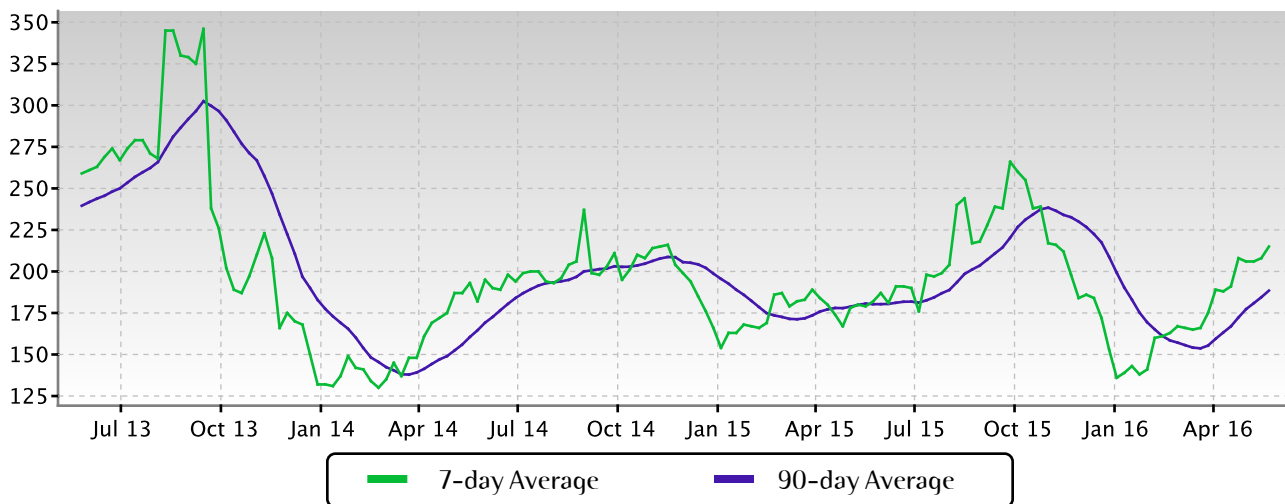
Price per Square Foot

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.



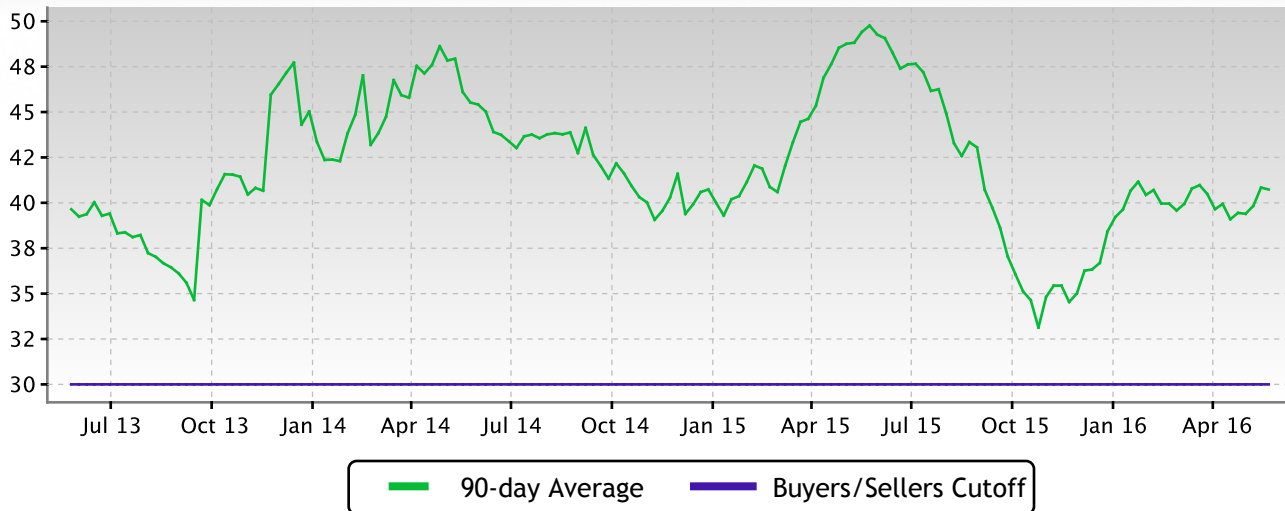
Inventory of Properties Listed for Sale

Inventory has been climbing lately. Note that rising inventory alone does not signal a weakening market. Look to the Market Action Index and Days on Market trends to gauge whether buyer interest is keeping up with available supply.



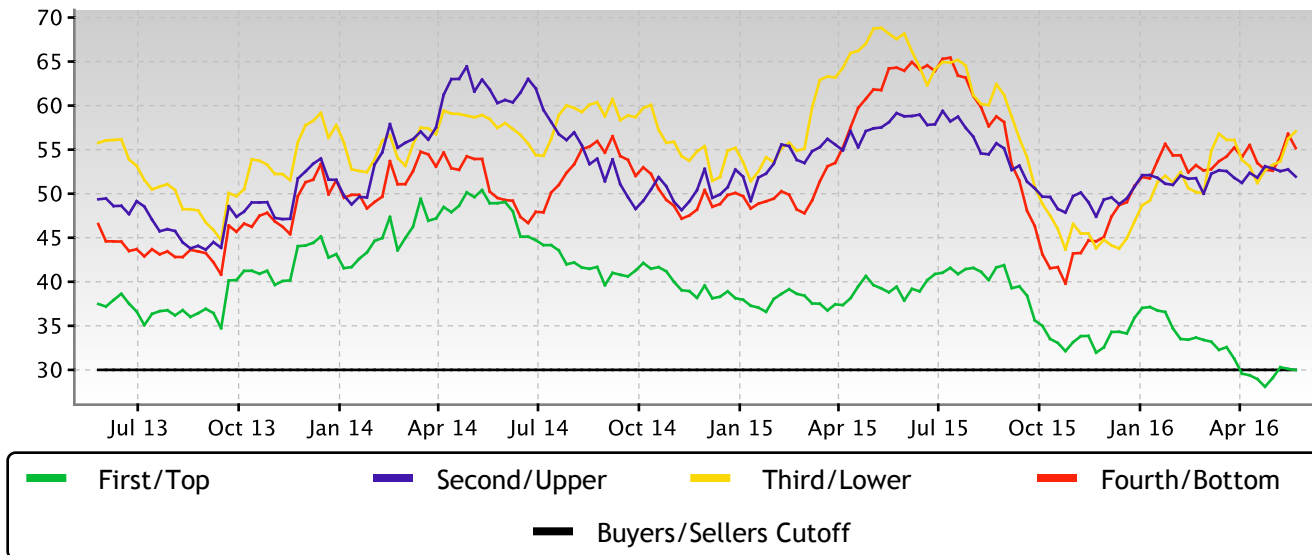
Market Action Index

The PASADENA market is currently in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 40.73 which indicates that demand is strong and available supply of homes gets snapped up relatively quickly.



Market Action Index per Quartile

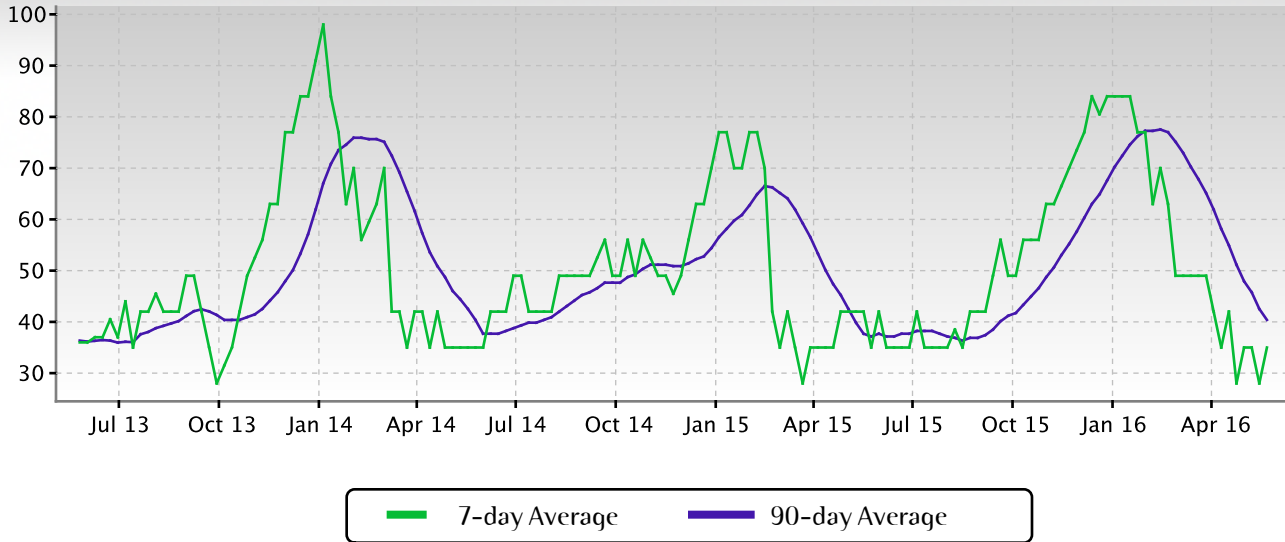
Three of the four quartiles of the market are in the Seller's Market zone with relatively low amounts of inventory given the current rate of demand for homes in the quartile. Notice that Quartile 1 (the highest-end price group) is showing weaker demand than the others. It's not uncommon that the premium segment of the market takes longer to sell than the rest of the 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.

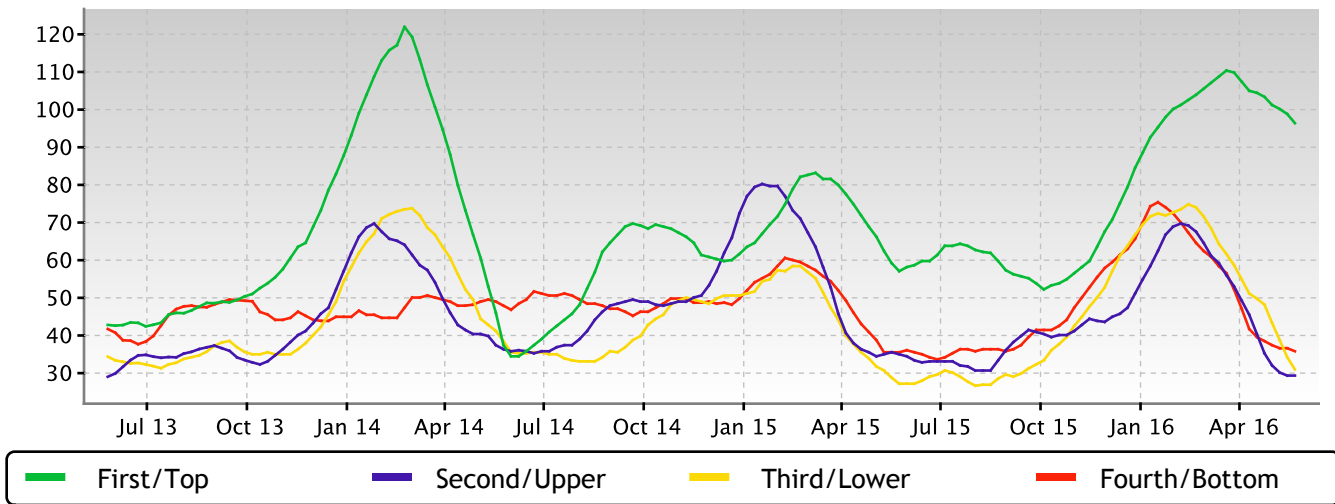
Days on Market

The properties have been on the market for an average of 73 days. Half of the listings have come newly on the market in the past 35 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 \$1,338,000. The 21 properties have been on the market for an average of 56 days.

Inventory has been decreasing lately but the Market Action Index is falling also. With days-on-market climbing, these are relatively negative implications for the market.

Supply and Demand

- While the Market Action Index shows some strengthening in the last few weeks, prices have settled in a bit of a plateau. We currently in a Seller's market so prices will likely resume their climb should this trend persist.

Real-Time Market Profile

		Trend
Median List Price	\$ 1,338,000	↔
Average List Price	\$ 2,495,662	
Asking Price Per Square Foot	\$ 684	↓
Average Days on Market (DoM)	56	↑
Inventory of Properties Listed	21	↓
Most Expensive Listing	\$ 12,950,000	
Least Expensive Listing	\$ 516,000	
Average Age of Listing	86	
Percent of Properties with Price Decrease	33 %	
Percent Relisted (reset DOM)	5 %	
Percent Flip (price increased)	5 %	
Median House Size (sq ft)	2330	
Median Lot Size	0.25 - 0.50 acre	
Median Number of Bedrooms	4.0	
Median Number of Bathrooms	3.0	

Altos Research Value Statistics

Market Action Index Seller's Advantage 40.8 ↑

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	\$ 5,195,000	6342	0.50 - 1.0 acre	6.0	6.0	89	5	0	0	112
Upper/Second	\$ 1,899,000	2890	0.25 - 0.50 acre	4.0	3.5	88	5	0	1	52
Lower/Third	\$ 1,095,000	1515	0.25 - 0.50 acre	2.0	2.2	92	5	0	1	43
Bottom/Fourth	\$ 699,450	1396	4,501 - 6,500 sqft	3.0	2.0	91	6	3	0	24

Most expensive 25% of properties

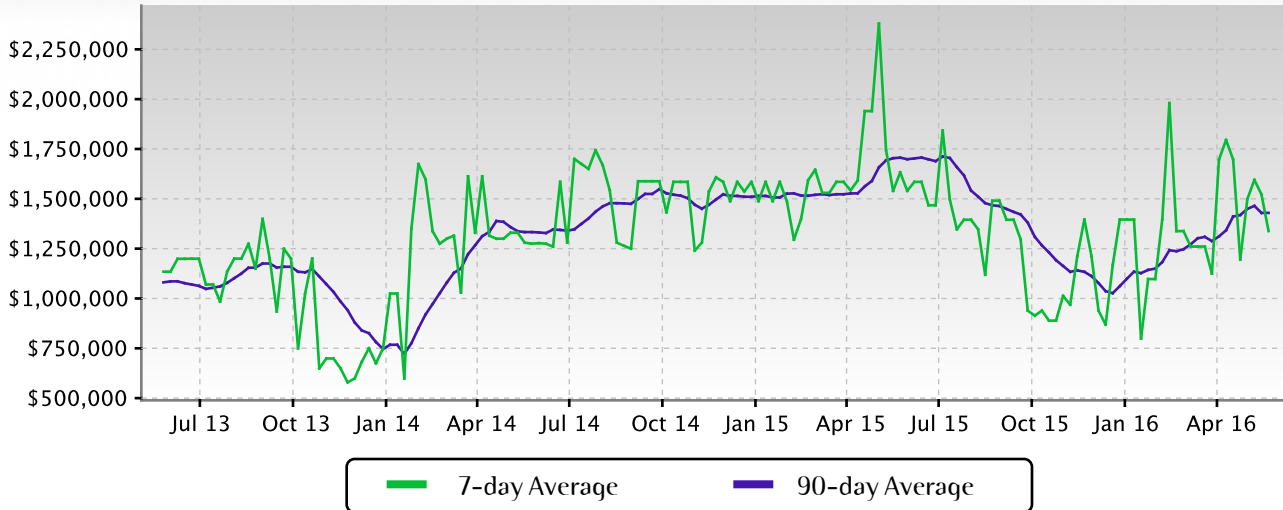
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

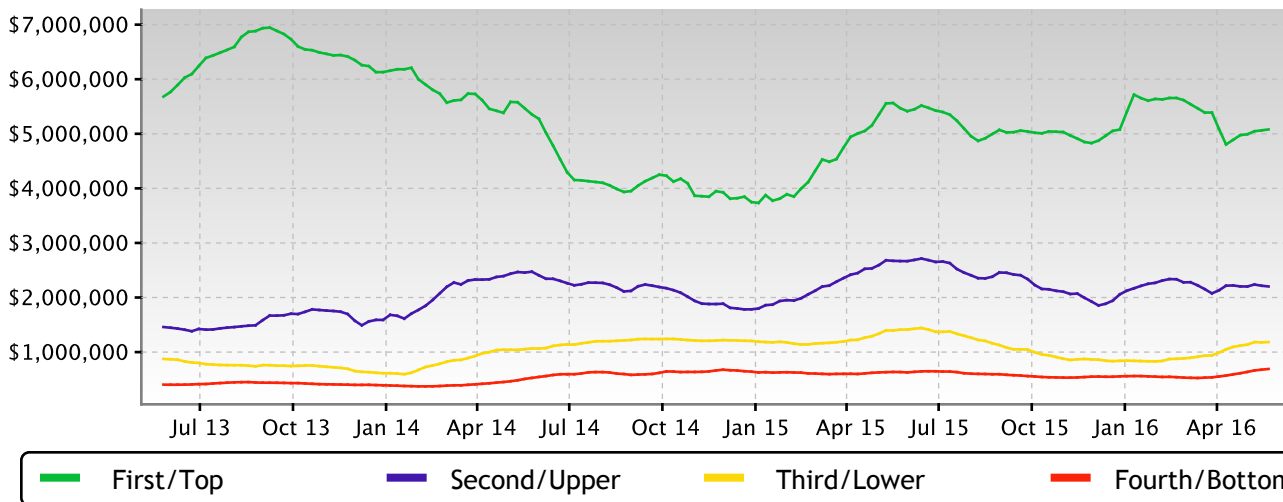
Median Price

Despite this week's down tic, price trends in this zip code have been moving up in the last few weeks. We are below the market's high point, and we'll investigate the Market Action Index later on to see if we expect this week's blip to become a downward trend.



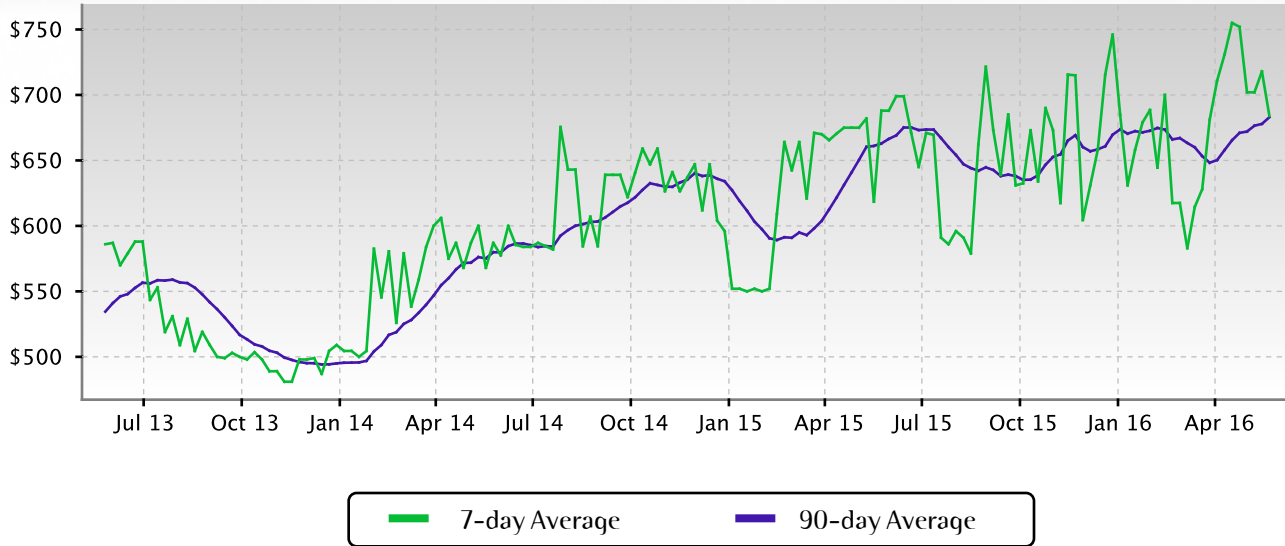
Quartile Prices

In the quartile market segments, we see the upper-half of the market (Quartiles 1 and 2) in this zip code relatively flat recently while the lower-half prices have remained strong. Quartiles 3 and 4 have been increasing in the last few weeks. Look to the Market Action Index Quartile breakdown for a leading indicator on which group will lead the market in the near future.



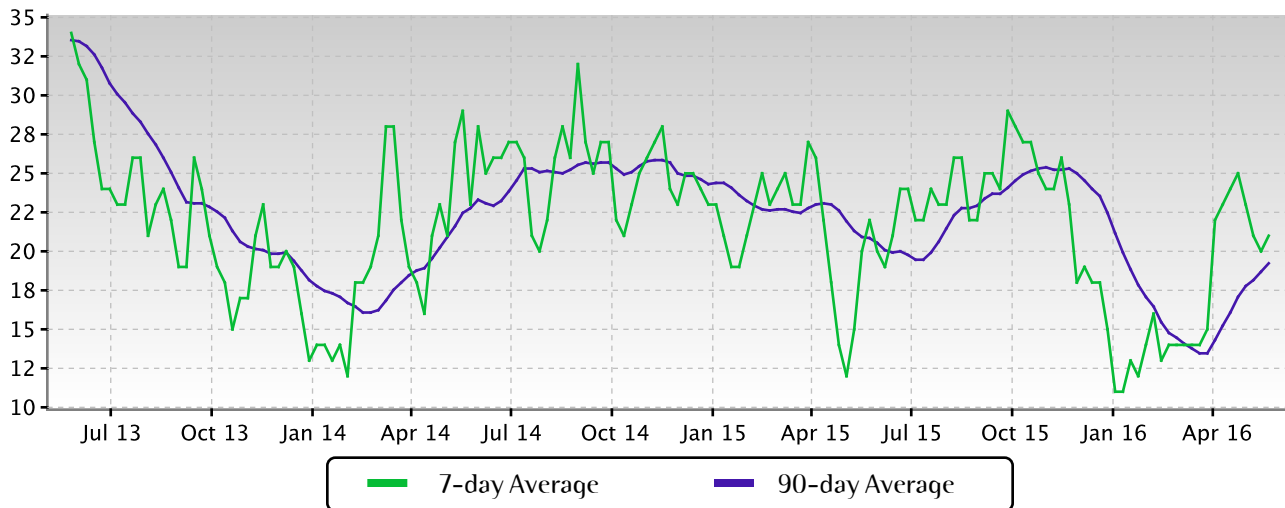
Price per Square Foot

This is a market where watching the value metrics (like price per square foot) can provide insight that you don't get at first glance. Home prices are rising a bit recently and the price per square foot of homes listed is declining a bit. Often this can be attributed to new and remodeled homes on the market. Buyers in the area are paying more but also getting more for their money.



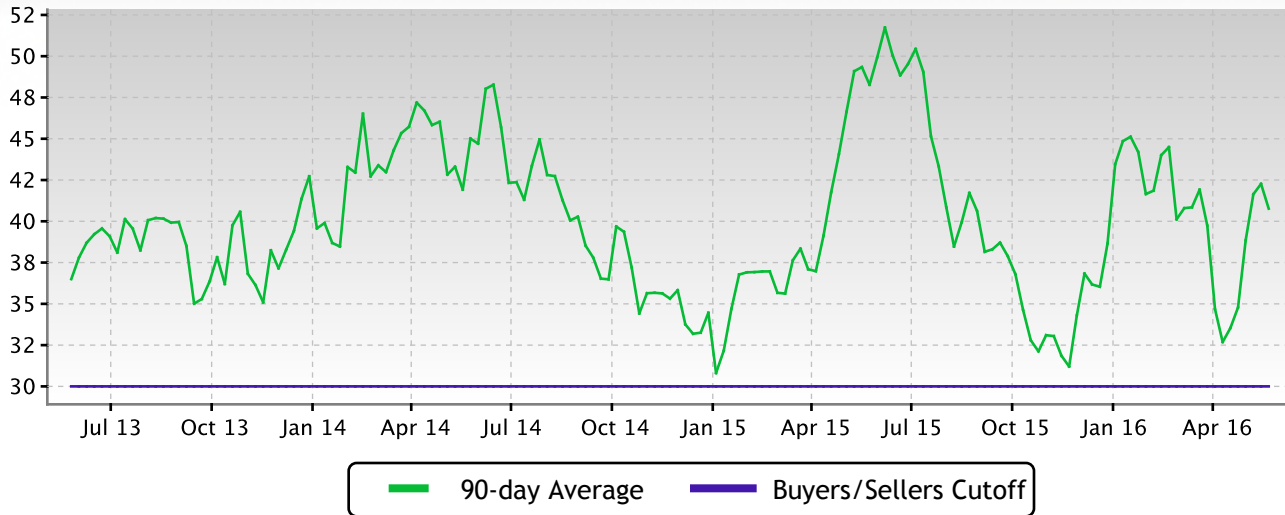
Inventory of Properties Listed for Sale

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.



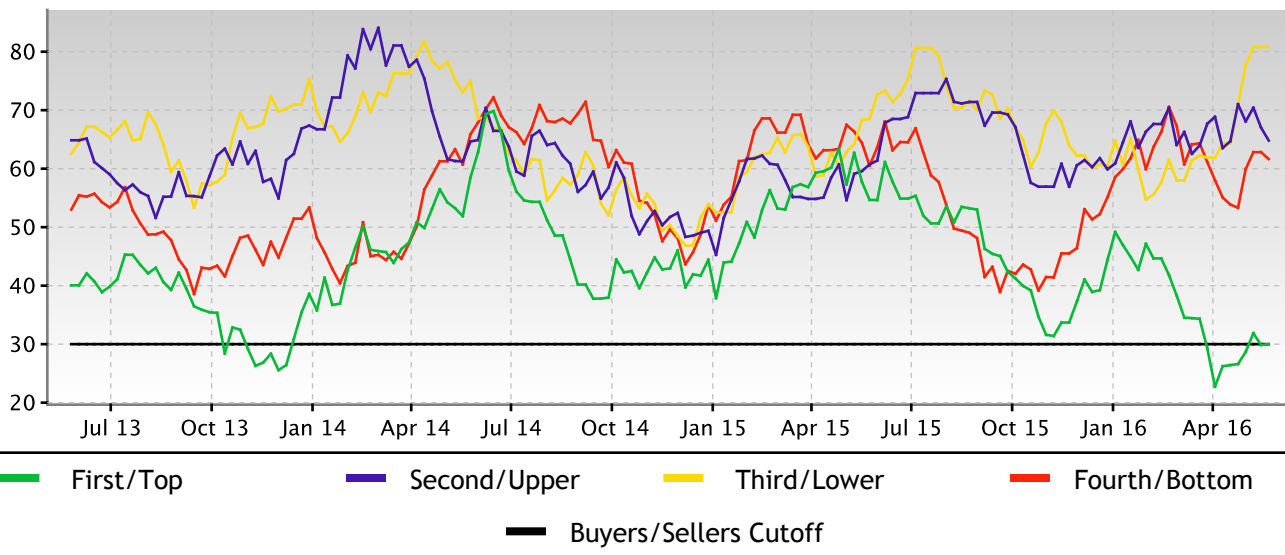
Market Action Index

The PASADENA, 91106 market is currently in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 40.76 which indicates that demand is strong and available supply of homes gets snapped up relatively quickly.



Market Action Index per Quartile

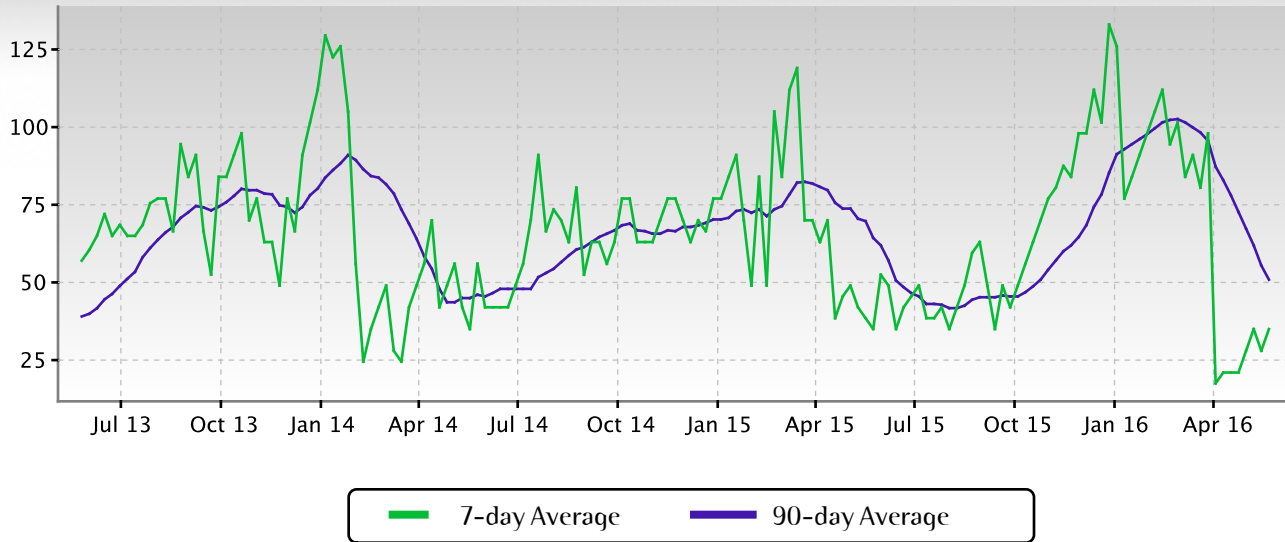
Not surprisingly, all segments in this zip code are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



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 56 days. Half of the listings have come newly on the market in the past 35 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.

