

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
September 05, 2016**

• **Presented by Pickford Escrow - Los Angeles**
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This Week

- The median list price in PASADENA, CA this week is \$1,089,000. The 217 properties have been on the market for an average of 90 days.

The Market Action Index has been trending down lately, indicating demand falling along with supply. Conditions point to mildly negative trends for the market.

Supply and Demand

- In the last few weeks the market has achieved a relative stasis point in terms of sales to inventory. However, inventory is sufficiently low to keep us in the Seller's Market zone so watch changes in the MAI. If the market heats up, prices are likely to resume an upward climb.

Real-Time Market Profile

		Trend
Median List Price	\$ 1,089,000	↔↔
Average List Price	\$ 1,616,990	↔↔
Asking Price Per Square Foot	\$ 522	↔↔
Average Days on Market (DOM)	90	↔↔
Inventory of Properties Listed	217	↓↓
Most Expensive Listing	\$ 14,980,000	
Least Expensive Listing	\$ 230,000	
Average Age of Listing	73	
Percent of Properties with Price Decrease	34 %	
Percent Relisted (reset DOM)	12 %	
Percent Flip (price increased)	2 %	
Median House Size (sq ft)	2353	
Median Lot Size	8,001 - 10,000 sqft	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	2.5	

Altos Research Value Statistics

Market Action Index	Seller's Advantage	42.5	↔↔
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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

↑↑ Strong upward trend

↓↓ Strong downward trend

↔↔ No change

↑ Slight upward trend

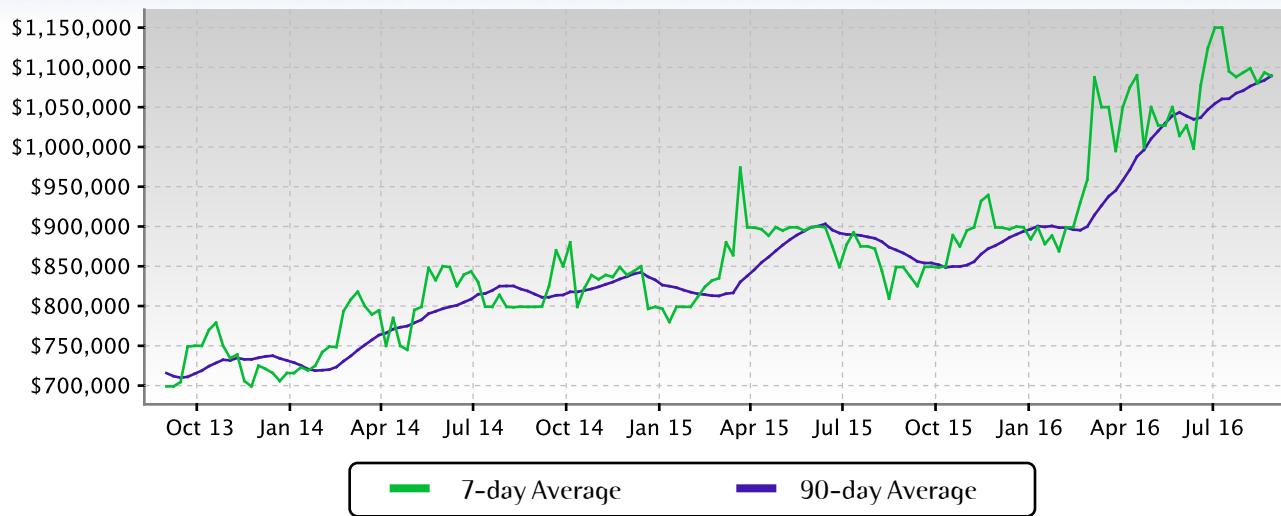
↓ Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	\$ 2,794,500	3898	0.50 - 1.0 acre	4.0	4.0	68	54	4	5	109	Most expensive 25% of properties
Upper/Second	\$ 1,425,000	2724	0.25 - 0.50 acre	4.0	3.5	66	54	2	5	97	Upper-middle 25% of properties
Lower/Third	\$ 878,500	1885	6,501 - 8,000 sqft	3.0	2.0	80	54	3	8	92	Lower-middle 25% of properties
Bottom/Fourth	\$ 599,000	1256	6,501 - 8,000 sqft	3.0	2.0	91	55	10	10	61	Least expensive 25% of properties

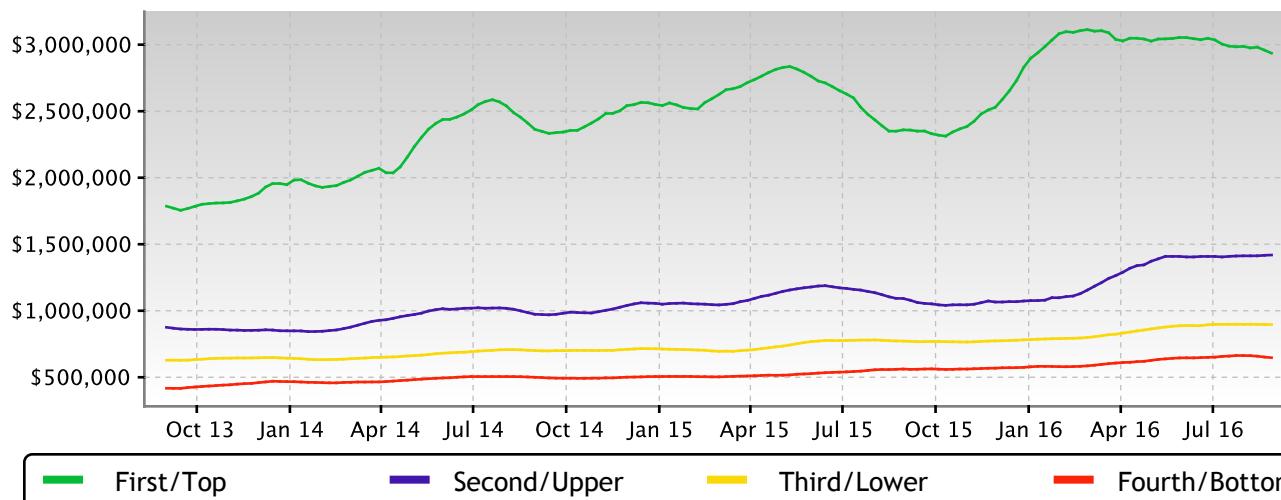
Median Price

- The market seems to have paused around this plateau. The Market Action Index is a good leading indicator for the durability of this trend.



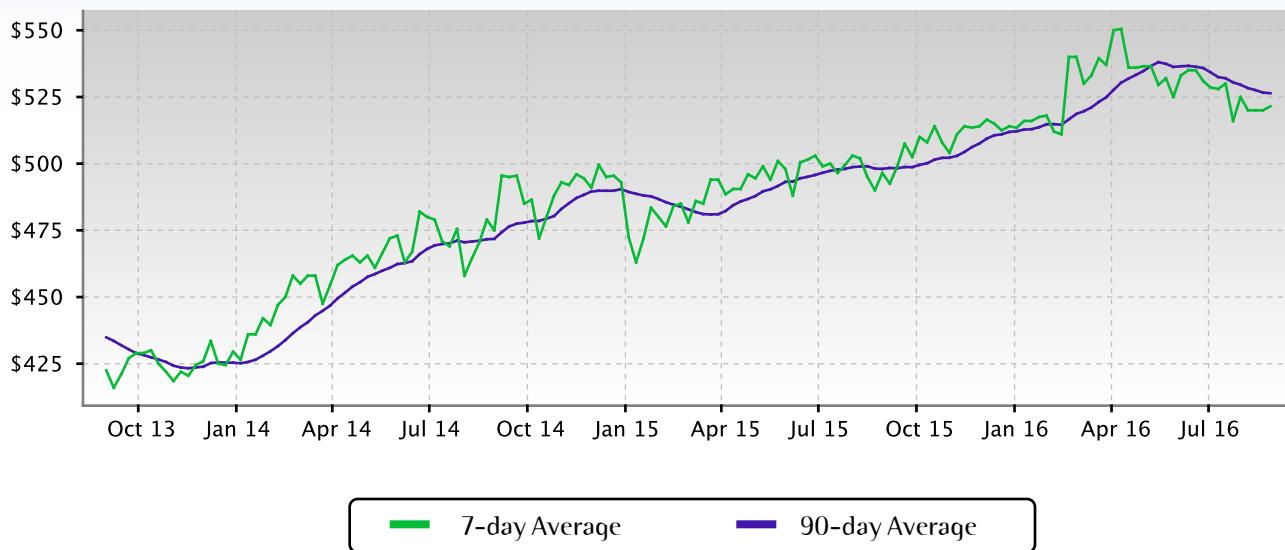
Quartile Prices

- Prices have settled at a price plateau across the board. Prices in all four quartiles are basically mixed. Look for a persistent shift (up or down) in the Market Action Index before prices move from these current levels.



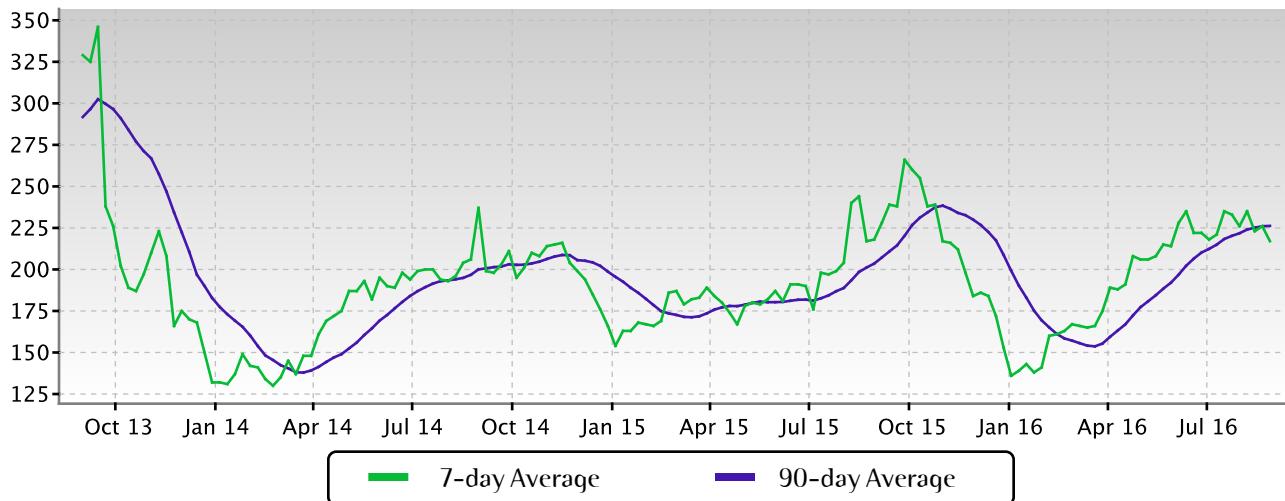
Price per Square Foot

- The market plateau is seen across the price and value. The price per square foot and median list price have both been reasonably stagnant. Watch the Market Action Index for persistent changes as a leading indicator before the market moves from these levels.



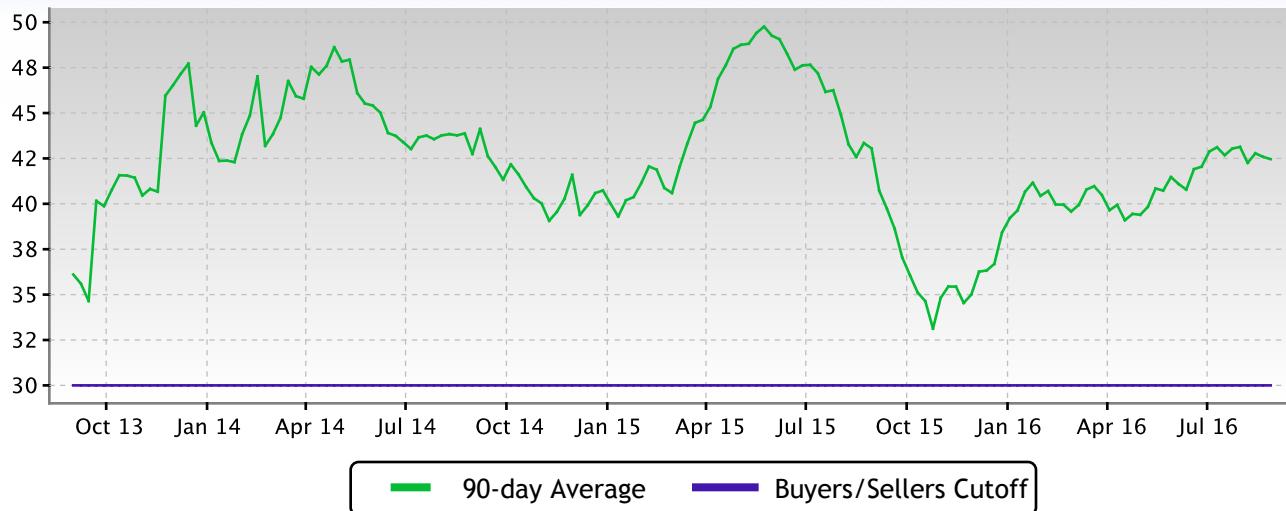
Inventory of Properties Listed for Sale

- 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.



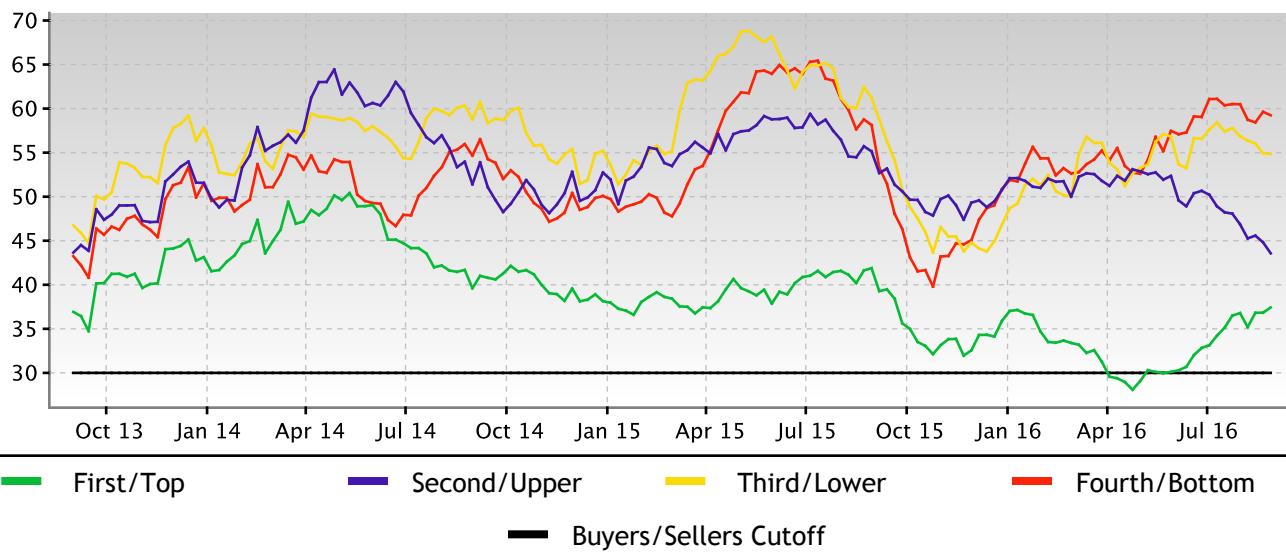
Market Action Index

- The PASADENA market is currently in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 42.46 which indicates that demand is strong and available supply of homes gets snapped up relatively quickly.



Market Action Index per Quartile

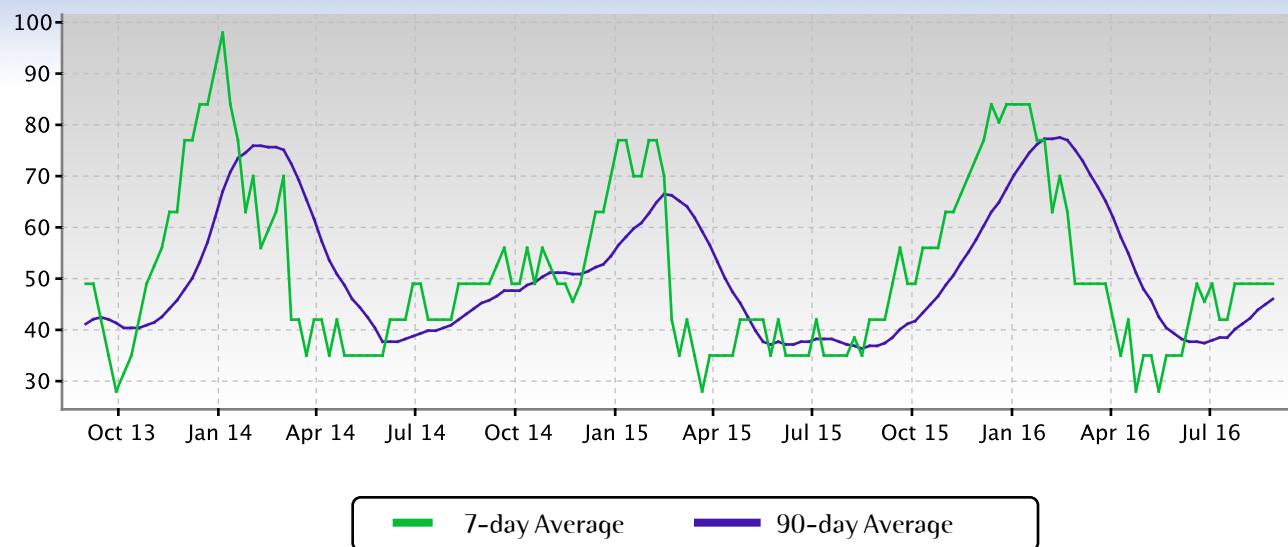
- Not surprisingly, all segments in the market are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



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.

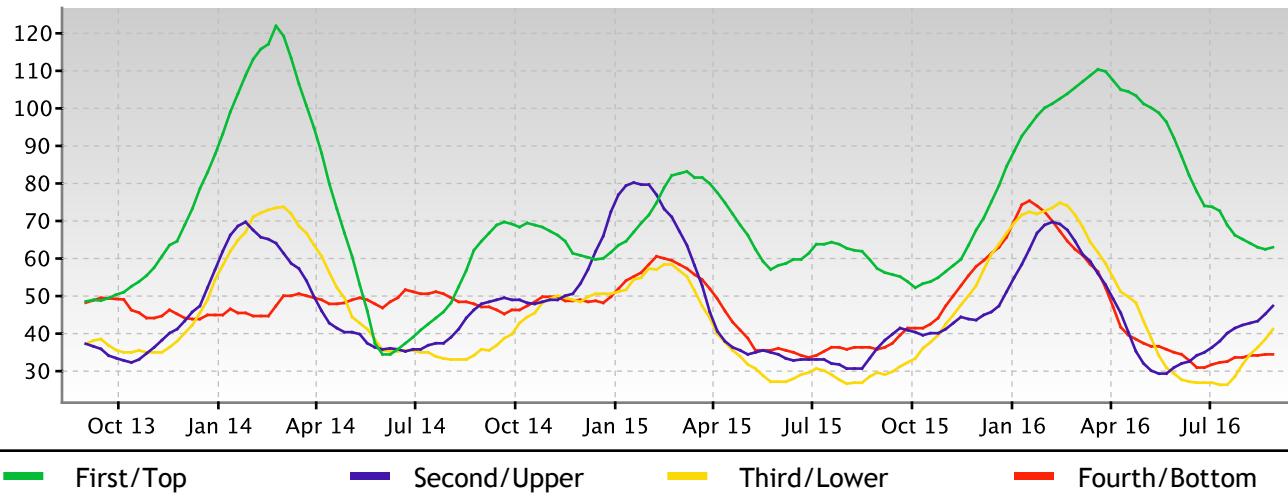
Days on Market

- The properties have been on the market for an average of 90 days. Half of the listings have come newly on the market in the past 49 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 \$2,400,000. The 19 properties have been on the market for an average of 71 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

- Market appears to have begun to cool. As we're still notably in the Seller's zone, prices have not yet adjusted. If the market continues to cool, then expect prices to follow lower. It may take a few more weeks of slack demand for prices to reflect and begin to fall. Expect this condition if the index falls to the Buyer's zone.

Real-Time Market Profile		Trend
Median List Price	\$ 2,400,000	↑↑
Average List Price	\$ 3,035,263	↔↔
Asking Price Per Square Foot	\$ 716	↔↔
Average Days on Market (DOM)	71	↑
Inventory of Properties Listed	19	↑
Most Expensive Listing	\$ 12,950,000	↑↑
Least Expensive Listing	\$ 230,000	↔↔
Average Age of Listing	81	↑↑
Percent of Properties with Price Decrease	26 %	↔↔
Percent Relisted (reset DOM)	0 %	↔↔
Percent Flip (price increased)	0 %	↔↔
Median House Size (sq ft)	3317	↔↔
Median Lot Size	0.25 - 0.50 acre	↔↔
Median Number of Bedrooms	3.0	↔↔
Median Number of Bathrooms	4.0	↔↔

Altos Research Value Statistics

Market Action Index	Strong Seller's	45.5	↓
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.			

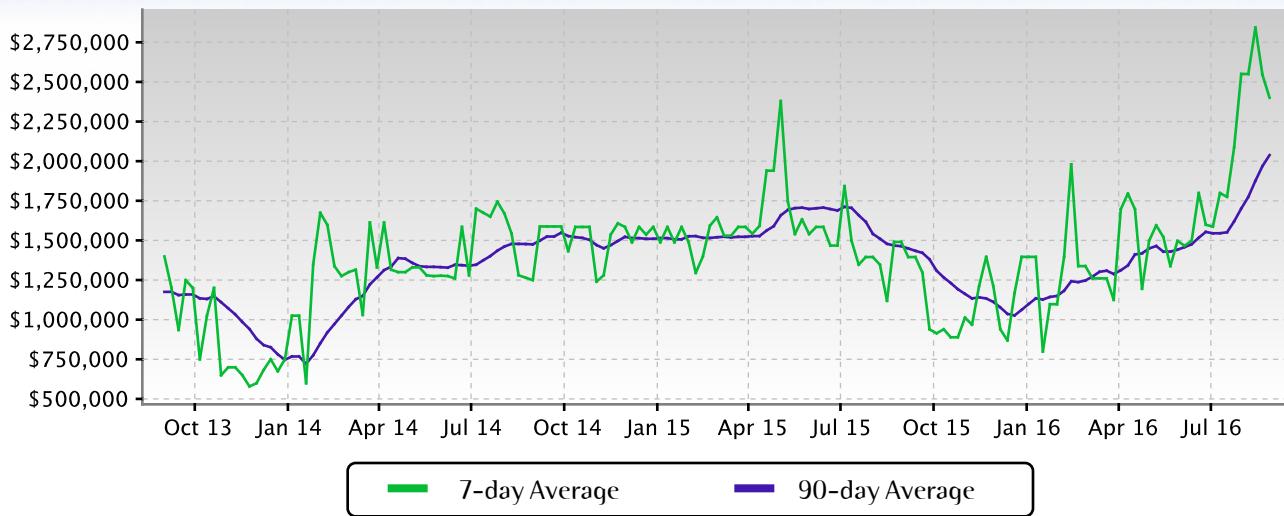
Trend Key: Strong upward trend Strong downward trend
 No change Slight upward trend Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	\$ 6,194,000	6682	0.50 - 1.0 acre	6.5	6.5	105	4	0	0	124	Most expensive 25% of properties
Upper/Second	\$ 3,500,000	3742	0.25 - 0.50 acre	4.0	4.0	90	5	0	0	98	Upper-middle 25% of properties
Lower/Third	\$ 999,000	2056	0.25 - 0.50 acre	3.0	2.0	93	5	1	2	22	Lower-middle 25% of properties
Bottom/Fourth	\$ 689,000	1560	6,501 - 8,000 sqft	3.0	2.0	92	5	2	0	49	Least expensive 25% of properties

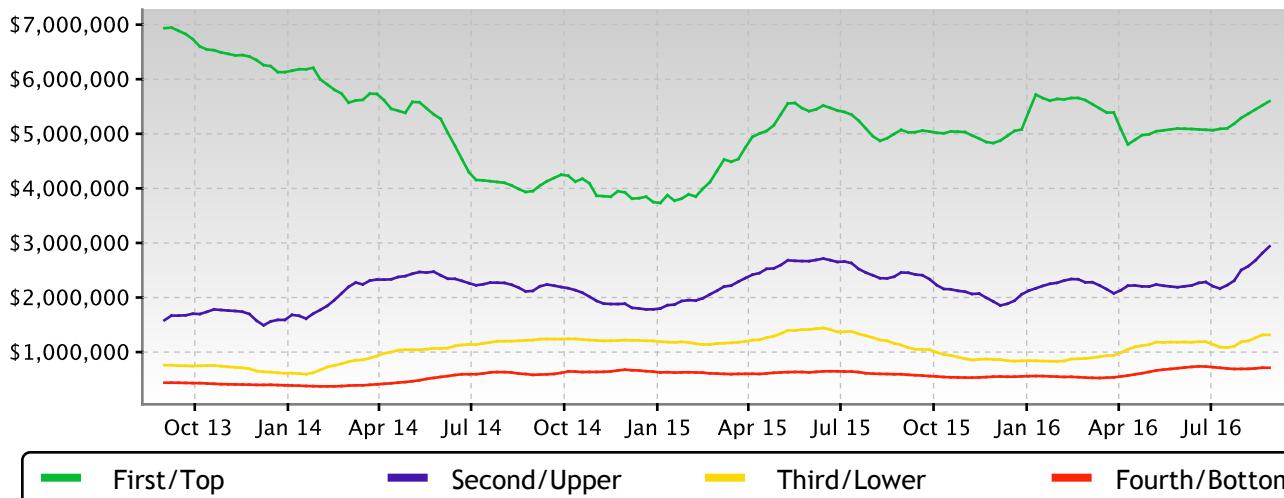
Median Price

- Again this week we see a downward notch for prices in this zip code. Pricing has been weak recently and versus their absolute-high level. At this point, we will be looking for a persistent upward shift in the Market Action Index as a leading indicator for a trough in prices.



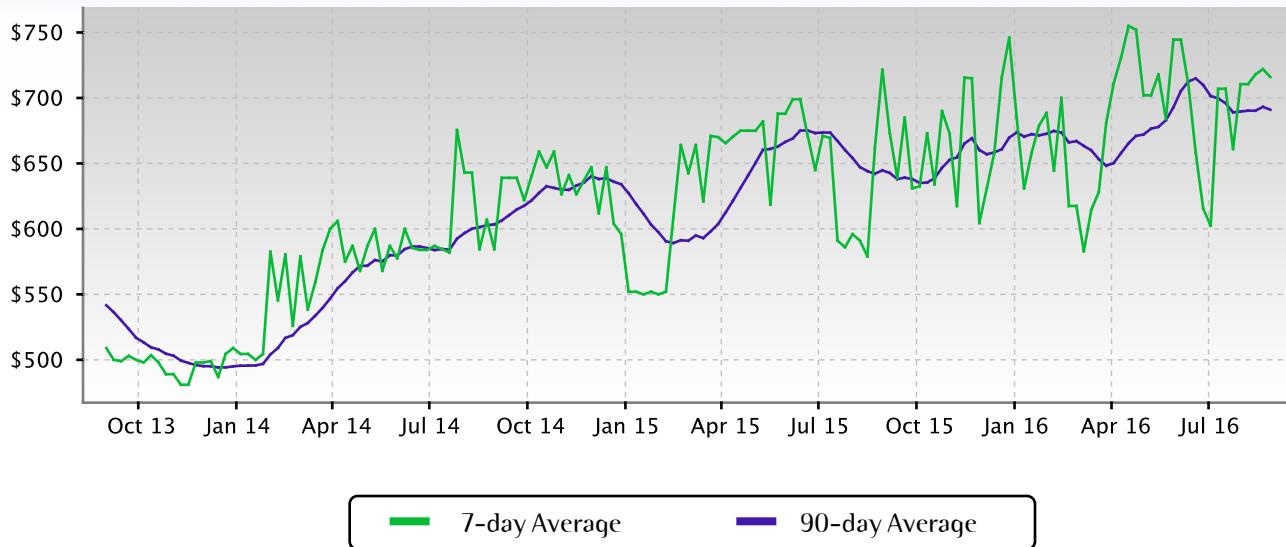
Quartile Prices

- In the quartile market segments, we see pricing across most of the zip code relatively strong recently. While Quartile 4 is basically flat, all other segments are in an up trend period. Unless the Market Action Index has a persistent downward shift, expect that Quartile 4 will assume a similar trend with the other groups.



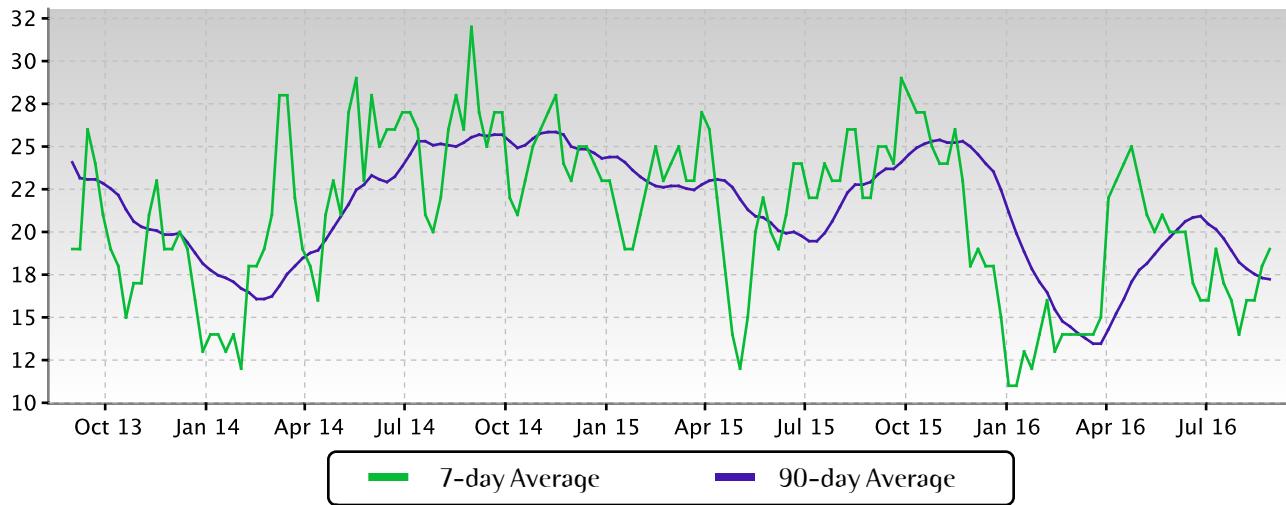
Price per Square Foot

- Despite recently falling prices, the price per square foot has stayed reasonably flat. This implies that there's a portion of the market being priced at a premium. You can investigate this condition in the quartile details.



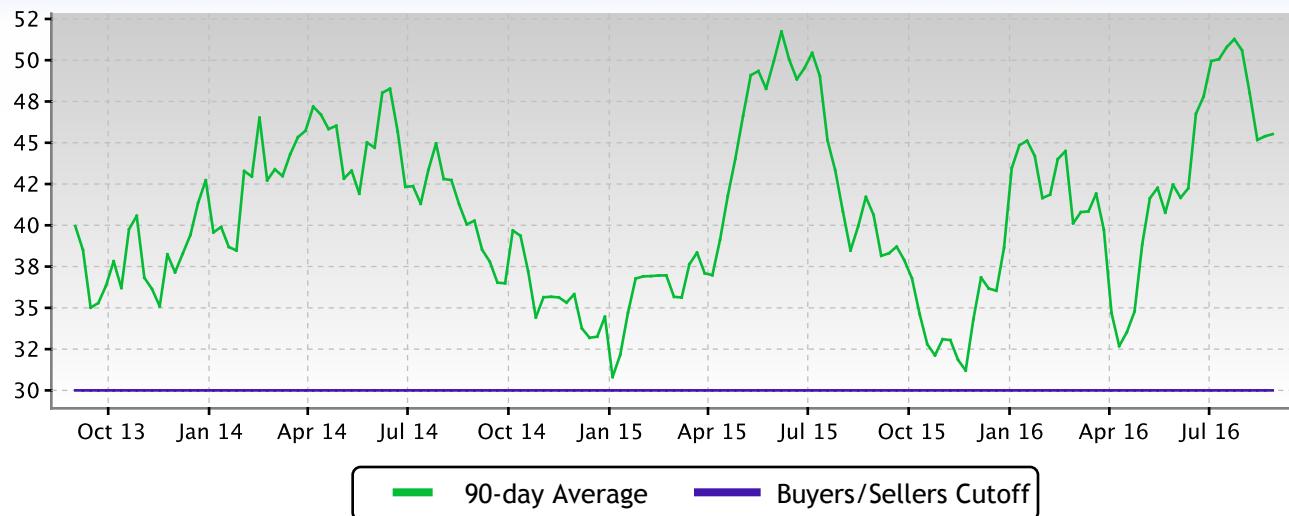
Inventory of Properties Listed for Sale

- 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.



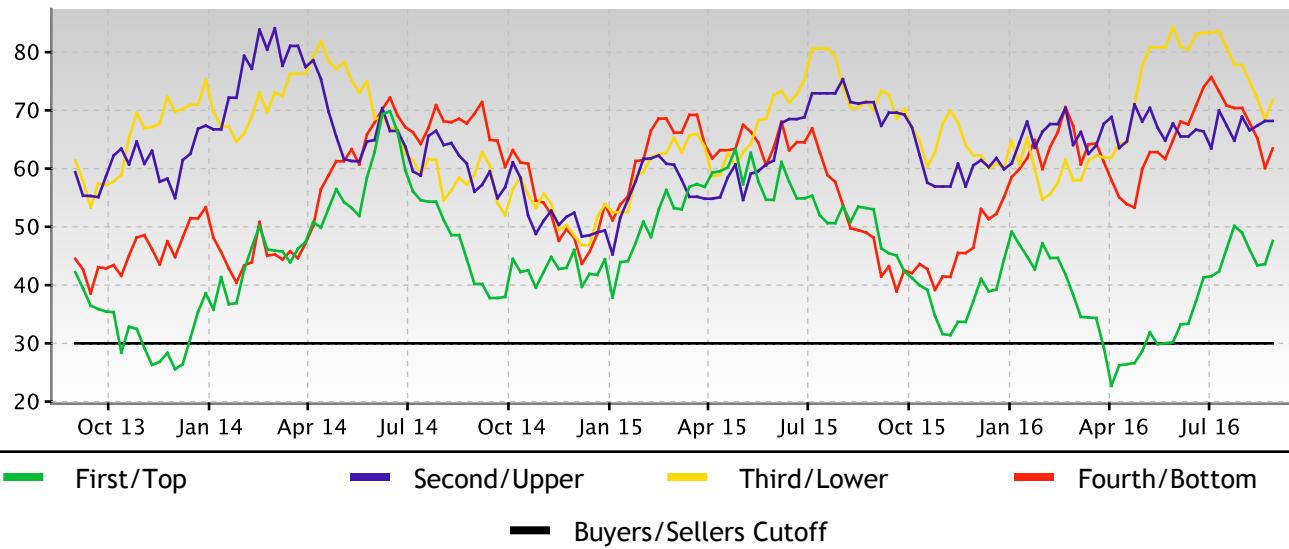
Market Action Index

- The PASADENA, 91106 market is currently quite strongly in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 45.52; indicating very little supply relative to the demand.



Market Action Index per Quartile

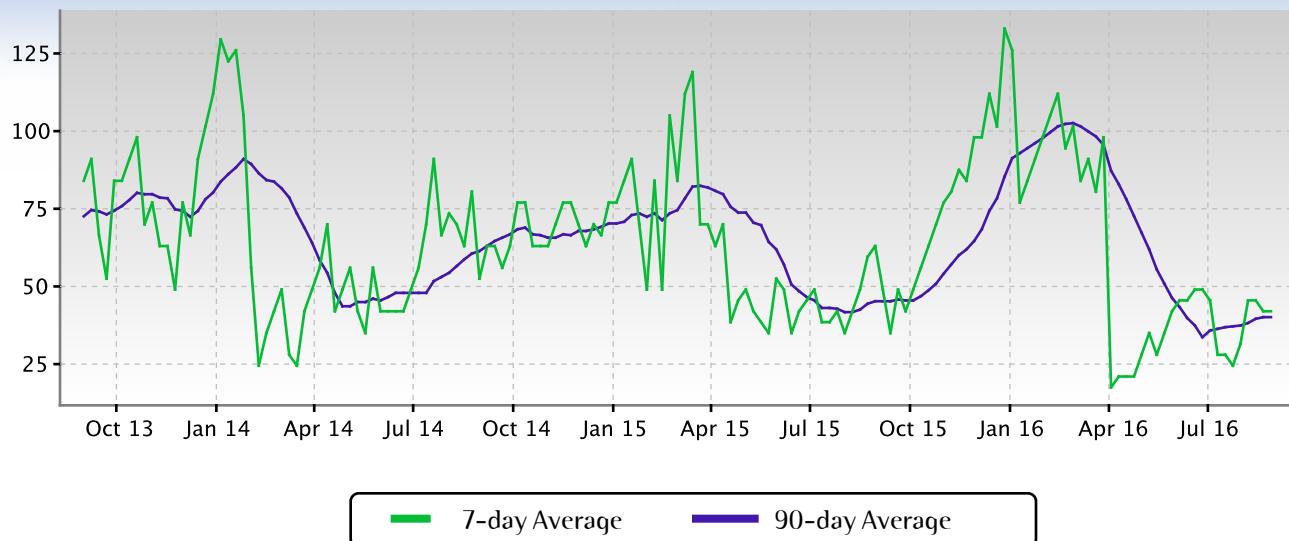
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