

MARKET UPDATE

SOUTH PASADENA, CA

- **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 28, 2016**

- **Presented by .**

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This Week

- The median list price in SOUTH PASADENA, CA this week is \$1,390,000. The 22 properties have been on the market for an average of 89 days.

Demand measured by the Market Action Index is increasing and days-on-market is trending downward. Even as more properties come available, these are positive trends for the market.

Supply and Demand

- The market has been cooling over time and prices have recently flattened. Despite the consistent decrease in Market Action Index (MAI), we're in a Seller's Market (where significant demand leaves little inventory available). If the MAI begins to climb, prices will likely follow suit. If the MAI drops consistently or falls into the Buyer's zone, watch for downward pressure

Real-Time Market Profile		Trend
Median List Price	\$ 1,390,000	↔↔
Average List Price	\$ 1,559,077	↓
Asking Price Per Square Foot	\$ 601	↓
Average Days on Market (DOM)	89	↑↑
Inventory of Properties Listed	22	↑↑
Most Expensive Listing	\$ 3,500,000	
Least Expensive Listing	\$ 799,000	
Average Age of Listing	56	
Percent of Properties with Price Decrease	41 %	
Percent Relisted (reset DOM)	9 %	
Percent Flip (price increased)	5 %	
Median House Size (sq ft)	2281	
Median Lot Size	6,501 - 8,000 sqft	
Median Number of Bedrooms	4.0	
Median Number of Bathrooms	3.0	

Altos Research Value Statistics

Market Action Index	Seller's Advantage	40.2	↓↓
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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.

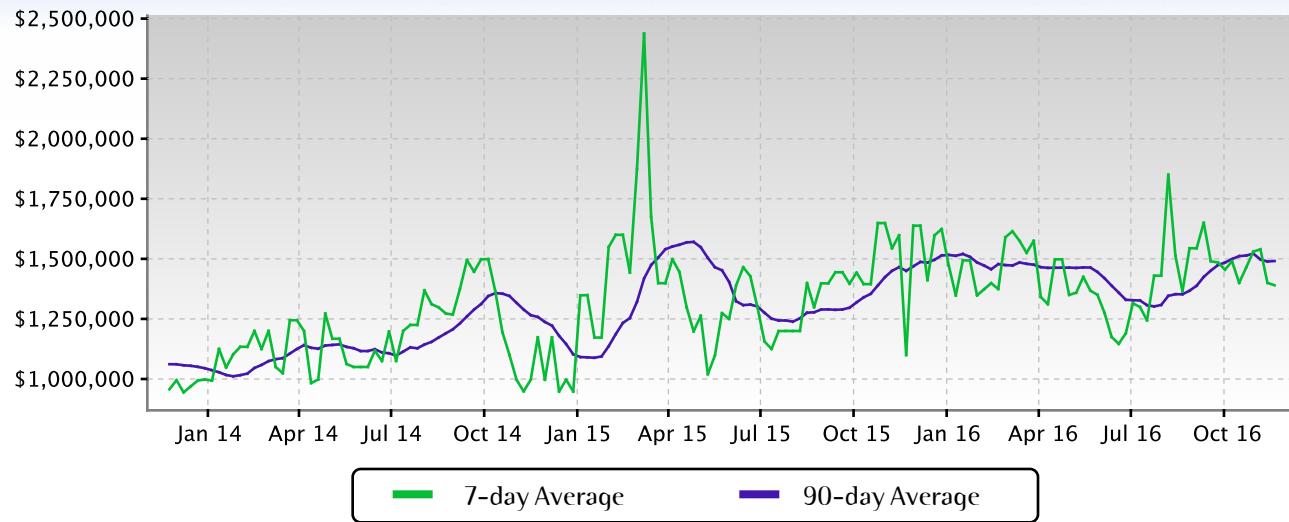
Trend Key: ↑↑ Strong upward trend ↓↓ Strong downward trend
 ↑ No change ↑ Slight upward trend ↓ Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	\$ 2,800,000	3929	0.25 - 0.50 acre	4.0	3.0	33	5	0	2	95	Most expensive 25% of properties
Upper/Second	\$ 1,530,000	2752	8,001 - 10,000 sqft	4.0	4.0	35	5	0	1	88	Upper-middle 25% of properties
Lower/Third	\$ 1,324,500	2173	8,001 - 10,000 sqft	3.5	3.0	52	6	0	1	99	Lower-middle 25% of properties
Bottom/Fourth	\$ 955,000	1414	4,501 - 6,500 sqft	3.0	2.0	74	6	0	2	74	Least expensive 25% of properties

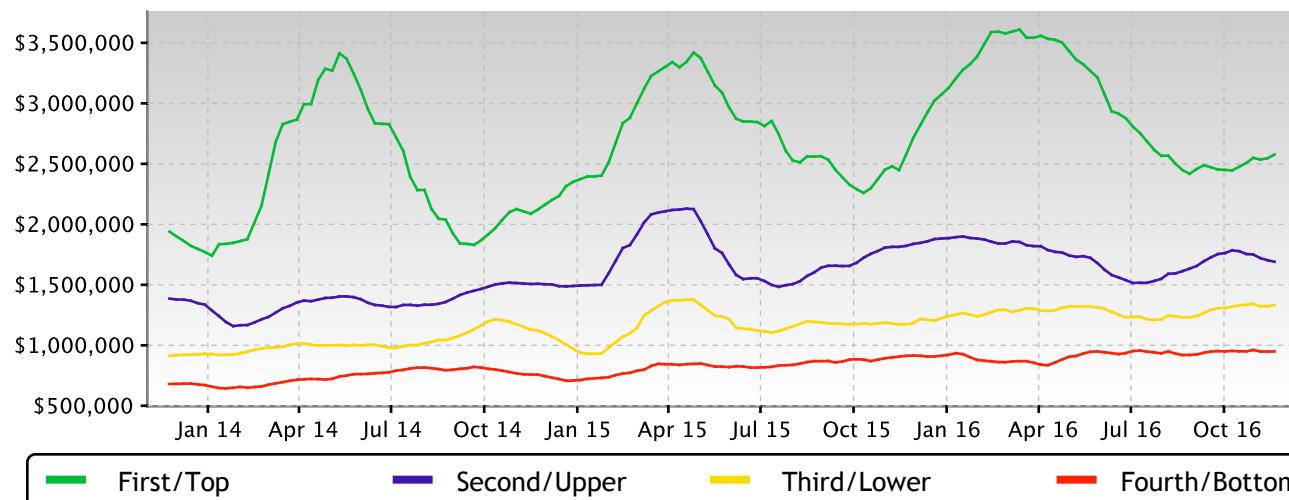
Median Price

- The market has been on a downward trend recently and this week, while essentially flat, doesn't break us out of that cycle.



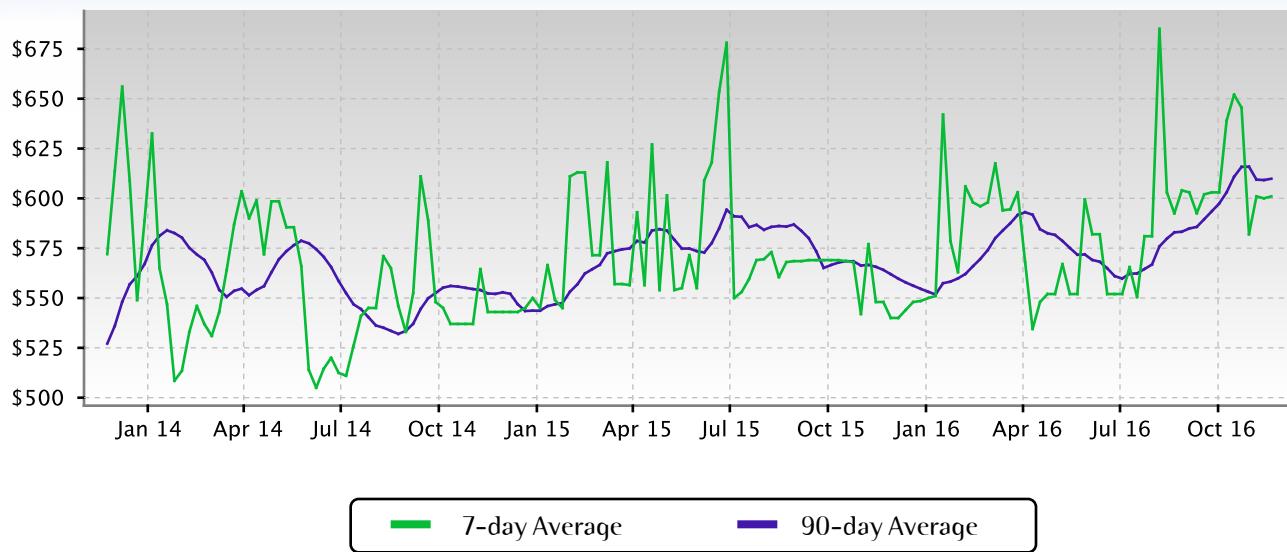
Quartile Prices

- Prices have generally settled at a plateau, although Quartile 2 has been trending a bit downward 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.



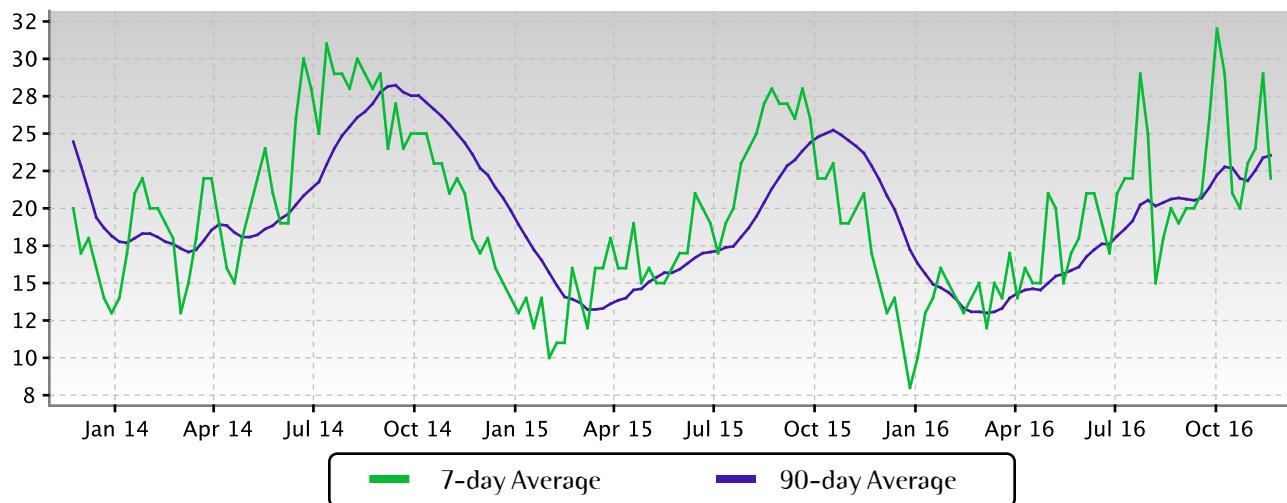
Price per Square Foot

- The market's downward trends are shared across both price and value. People are recently placing less value on homes (you can see the recent declines in price per square foot as evidence.) Look for significant changes in the Market Action Index as a precursor to price and value changes, possibly as inflection points for good investment opportunities.



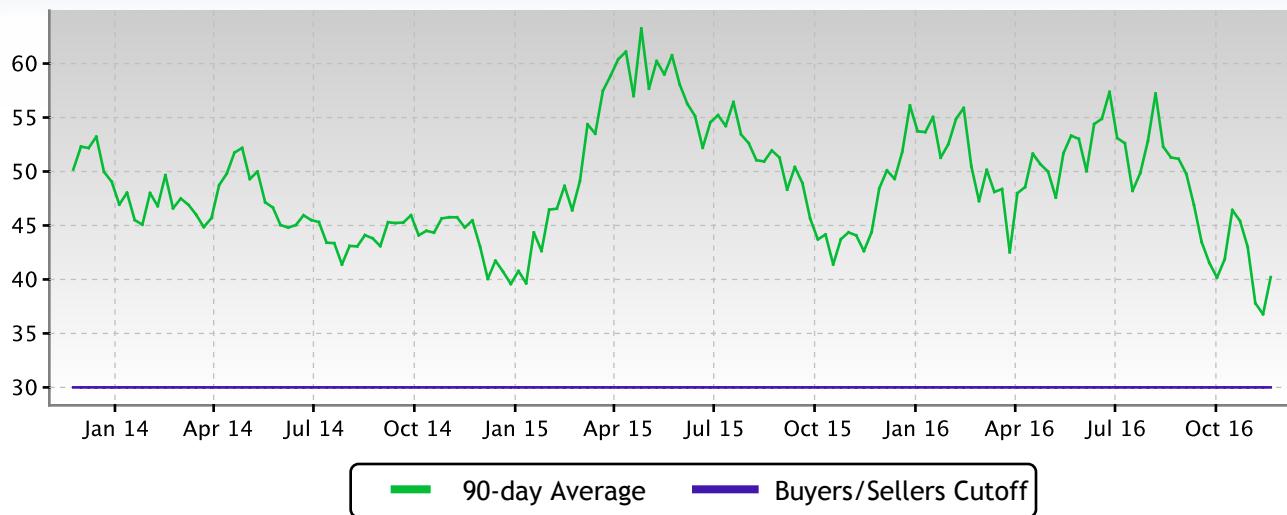
Inventory of Properties Listed for Sale

- 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.



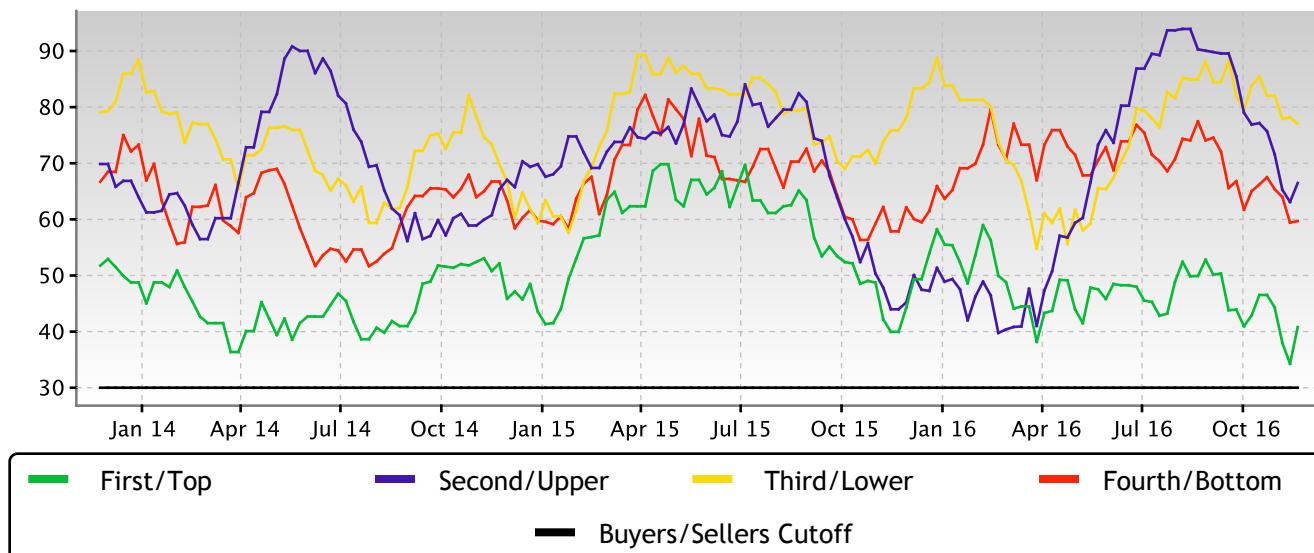
Market Action Index

- The SOUTH PASADENA market is currently in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 40.22 which indicates that demand is strong and available supply of homes gets snapped up relatively quickly.



Market Action Index per Quartile

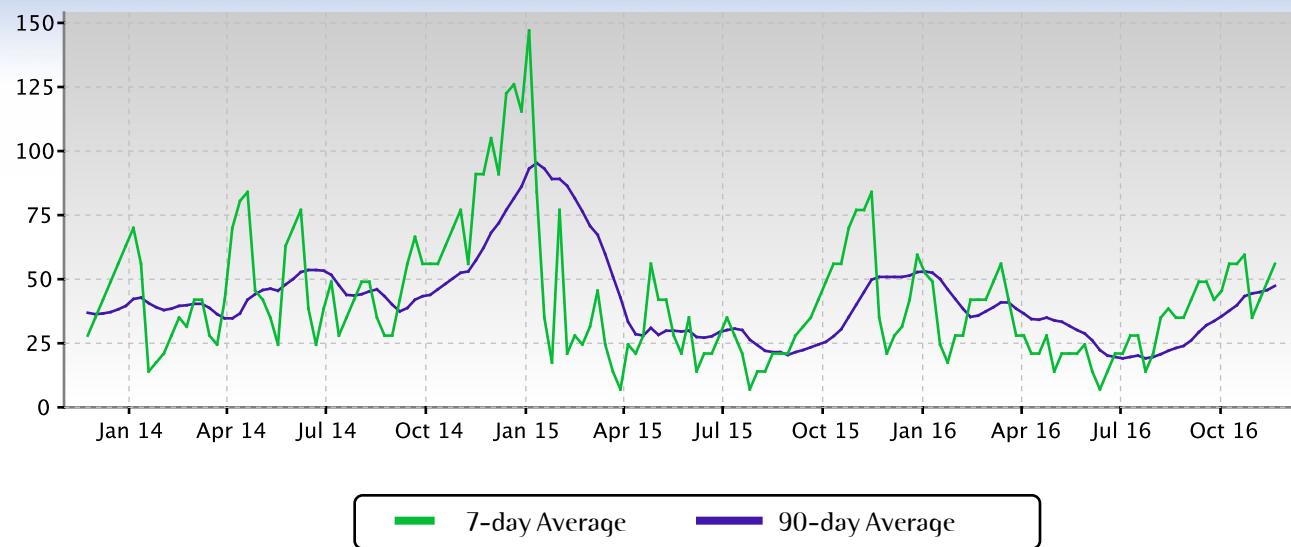
- Not surprisingly, all segments in the market are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



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

