

Adam Brett - Eric Urban market update

BREA

Current prices for homes on the market
Trends in pricing
Current levels of supply and demand
Value metrics

Report for the week of
Sunday March 13, 2011

Presented by Adam Brett - Eric Urban
714.496.8116 - 714.749.7427
RE/MAX
www.HomeSoldTeam.com



Powered by Altos Research LLC Copyright 2005-2010. All Rights Reserved

www.altosresearch.com

City Overview

Real-Time Market Profile		Trend
Median List Price	\$ 479,000	↔
Average List Price	\$ 496,333	
Least Expensive Listing	\$ 250,000	
Most Expensive Listing	\$ 925,000	
Asking Price per Square Foot	\$ 266	↔
Average Days on Market	132	↓ ↓
Total Inventory	111	↓ ↓
Absorbed This Week*	9	
Percent of Properties with Price Decrease	46 %	
Percent Relisted (reset DOM)	14 %	
Percent Flip (price increased)	6 %	
Median House Size (sq ft)	1,765	
Median Lot Size	4,501 - 6500 sq ft	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	2.4	
Median Age	36	

Altos Research Value Statistics		
Market Action Index	Cold! Buyer's Market	18 ↔

Altos Research calculates the Market Action Index which measures available supply relative to the current level of demand. Index value above 30 indicates conditions favor the seller. See the section below for full details.

Trend Key

Last Month's Trend
 Last Quarter's Trend
 No Clear Monthly/Quarterly Trend

*Metric "Absorbed this Week" covers properties sold and those taken off the market for other reasons. Since sales sometimes take months to close, it is impossible to discern in real-time exactly which properties sold.

Characteristics per Quartile

Quart	Median Price	Med. Sqft.	Med. Lot Size	Bed	Bath	Med. Age	Inven.	New	Ab-sorbed	Avg. DoM
1	\$ 650,000	2,722	6,501 - 8,000 sq ft	4.0	3.0	9	27	3	1	96
2	\$ 525,000	2,009	4,501 - 6500 sq ft	3.0	3.0	15	28	2	2	139
3	\$ 434,000	1,491	6,501 - 8,000 sq ft	3.0	2.0	46	28	0	3	135
4	\$ 349,450	1,264	4,501 - 6500 sq ft	3.0	2.0	51	28	1	3	158

BREA

THIS WEEK

The median single family home price in BREA this week is \$479,000. The 111 homes have been on the market for an average of 132 days.

Inventory has been tightening and days-on-market decreasing recently. The Market Action Index has been basically flat, not providing strong indication for market conditions.

QUARTILES

To get a tightly targeted understanding of homes in the market, we break each locale into quartiles. Each quartile is 25% of the homes listed.

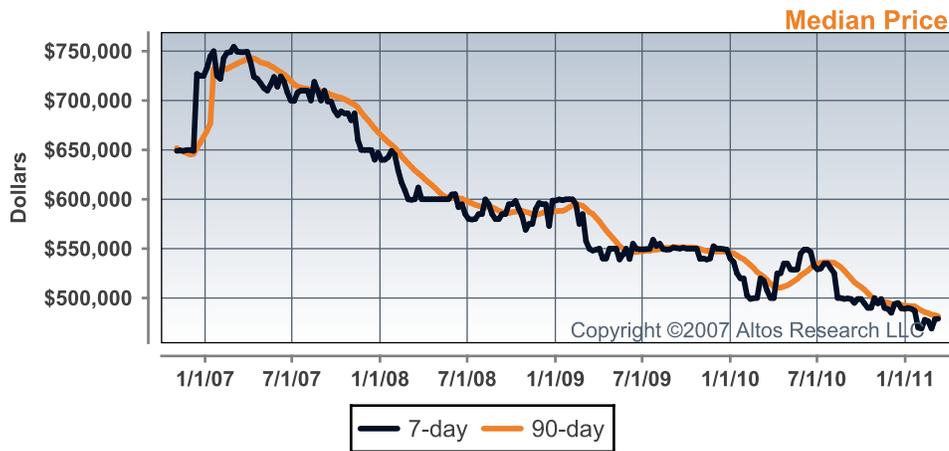
Most expensive 25% of homes

Upper-middle 25% of homes

Lower-middle 25% of homes

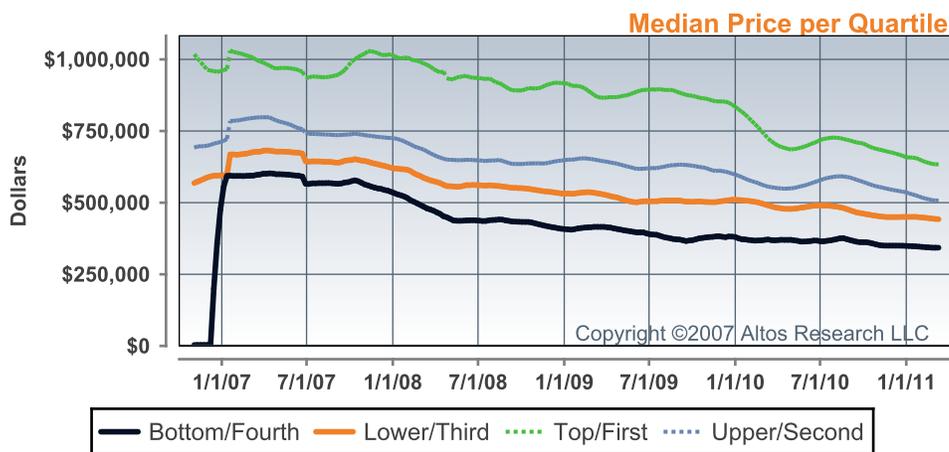
Least expensive 25% of homes

We'll refer to the quartiles in the trend graphs below.



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

Often, we find insights by watching pricing trends within the quartile segments. 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 AND VALUE

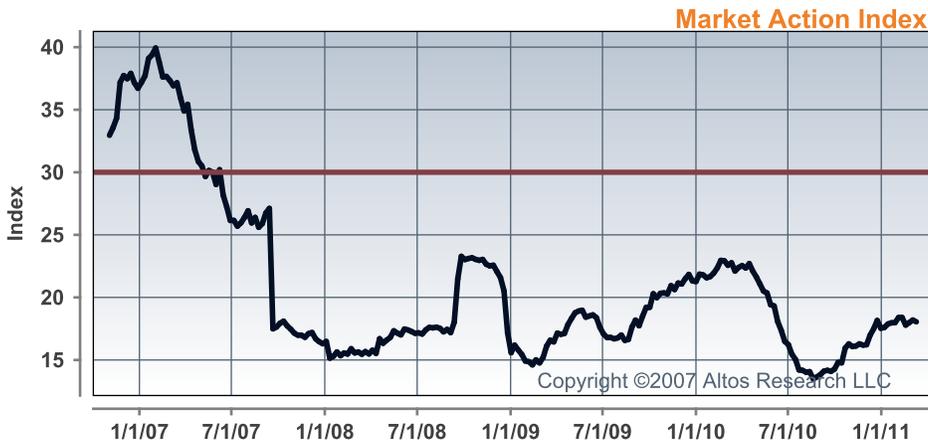
The market plateau is seen across the price and value. The price per square foot and median list price have both been reasonably stagnant. Watch the Market Action Index for persistent changes as a leading indicator before the market moves from these levels.

INVENTORY

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.



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 Market zone for a long period, prices are likely in for a downward correction.



The Market Action Index (MAI) illustrates the balance between supply and demand using a statistical function of the current rate of sale versus current inventory.

An MAI value greater than 30 typically indicates a "Seller's Market" (a.k.a. "Hot Market") because demand is high enough to quickly gobble up available supply. A hot market will typically cause prices to rise. MAI values below 30 indicate a "Buyer's Market" (a.k.a. "Cold Market") where the inventory of already-listed homes is sufficient to last several months at the current rate of sales. A cold market will typically cause prices to fall.

MARKET ACTION INDEX

The BREA market is currently quite strongly in the Buyer's Market zone (below 30). The 90-day Market Action Index stands at 18. With several months of inventory available at the current sales rate, buyers should find ample choice.

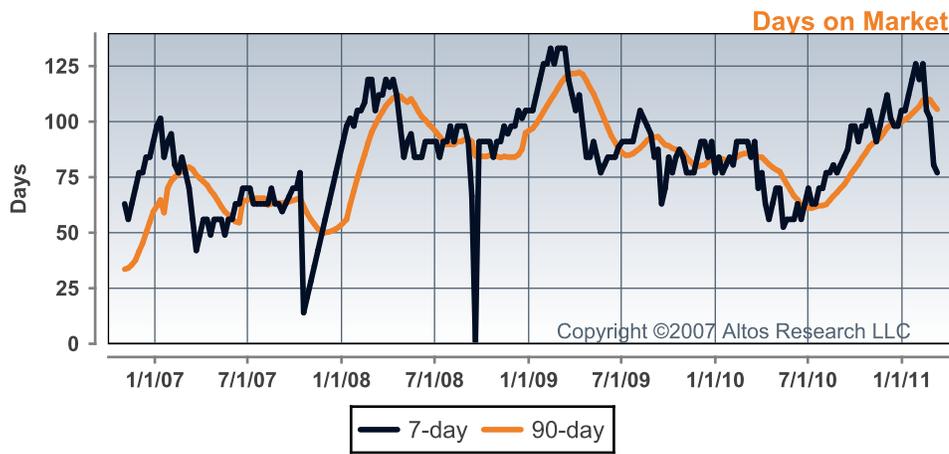
The market has shown some evidence of slowing recently. Both prices and inventory levels are relatively unchanged in recent weeks. Watch the Market Action Index for changes as it can be a leading indicator for price changes.

MARKET ACTION QUARTILES

Not surprisingly given the overall Market Action Index, all quartiles are in the Buyer's Market zone with several months of inventory given the current rate of demand for homes in the quartile. Watch the quartile for changes before the overall market shifts. Often one end of the market (e.g. the low end) will improve and signal a strengthening market before the whole group changes.

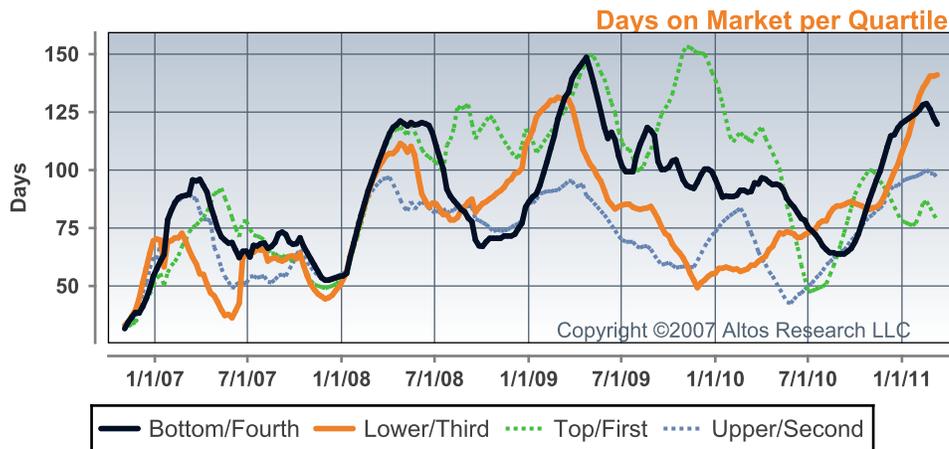


The quartiles can help you answer the question, "How hot is the market for homes in my price range?"



DAYS ON MARKET (DOM)

The properties have been on the market for an average of 132 days. Half of the listings have come newly on the market in the past 77 or so days.



DOM 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.

Neighborhood Detail

BREA
92823

Real-Time Market Profile		Trend
Median List Price	\$ 535,000	↓ ↓
Average List Price	\$ 599,770	
Least Expensive Listing	\$ 389,000	
Most Expensive Listing	\$ 925,000	
Asking Price per Square Foot	\$ 266	
Average Days on Market	131	↑ ↑
Total Inventory	23	
Absorbed This Week	2	
Median House Size (sq ft)	2,027	
Median Lot Size	4,501 - 6500 sq ft	
Median Number of Bedrooms	3.1	
Median Number of Bathrooms	3.0	
Median Age	9	
Altos Research Value Statistics		
Market Action Index	Cold! Buyer's Market	13 ↑ ↑

THIS WEEK

The median single family home price in BREA 92823 this week is \$535,000.

Even though the days-on-market is trending higher, so is the Market Action Index at these inventory levels, providing a neutral outlook for the market.

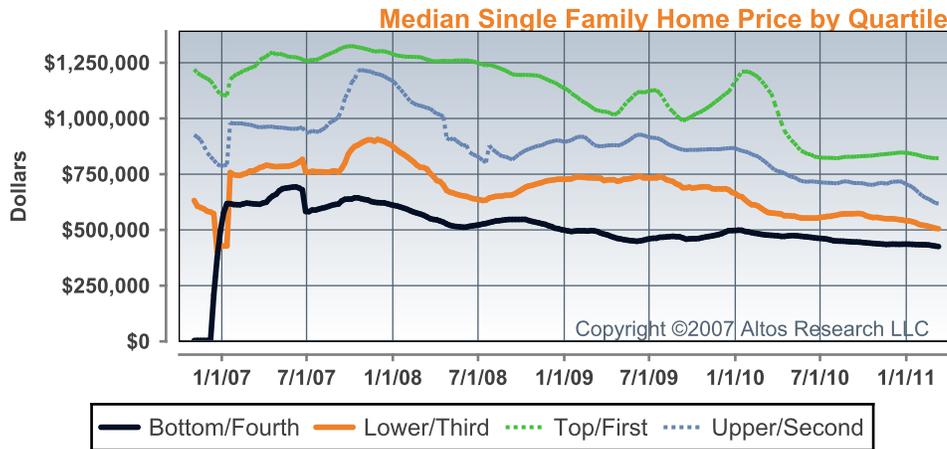
PRICE

Prices in this zip code have been on a downward trend recently and this week, while essentially flat, doesn't break us out of that cycle.



PRICE PER QUARTILE

In the quartile market segments, we see prices in this zip code 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.



Characteristics per Quartile

Quart	Median Price	Med. Sqft	Med. Lot Size	Bed	Bath	Med. Age	Inven.	New	Ab-sorbed	Avg. DoM
1	\$ 859,000	3,574	8,001 - 10,000 sq ft	5.0	4.0	8	5	1	0	155
2	\$ 637,500	2,492	Less than 4,500 sq ft	4.0	3.0	9	6	0	1	96
3	\$ 493,950	1,910	Less than 4,500 sq ft	3.0	2.5	8	6	1	0	173
4	\$ 409,450	1,216	Less than 4,500 sq ft	3.0	2.0	8	6	0	1	104

QUARTILES

- Most expensive 25% of homes
- Upper-middle 25% of homes
- Lower-middle 25% of homes
- Least expensive 25% of homes

PRICE AND VALUE

We're seeing fairly unusual market conditions as prices have been in a downward trend but price per square foot is actually increasing. (Buyers are paying less and getting less home for their money.) Anomalies like these can be attributed to micro-location variables.



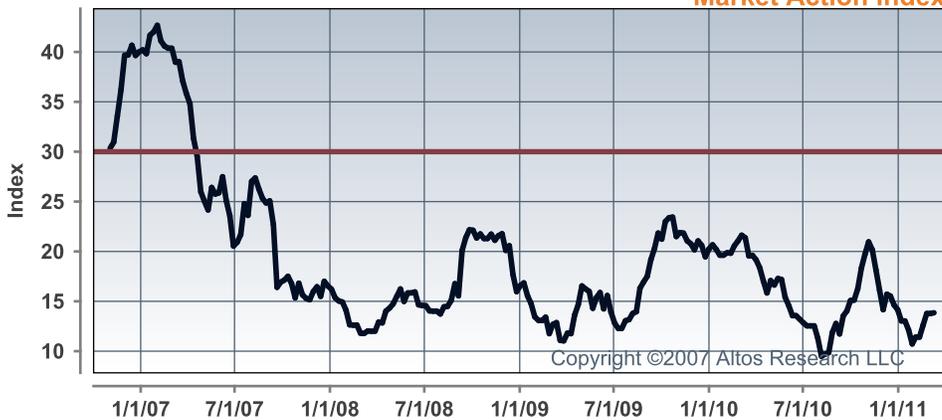
Inventory of Properties Listed for Sale



INVENTORY

Inventory has been climbing lately with 23 properties available this week. Note that rising inventory alone does not signal a weakening market. Look to the Market Action Index to gauge whether buyer interest is keeping up with available supply.

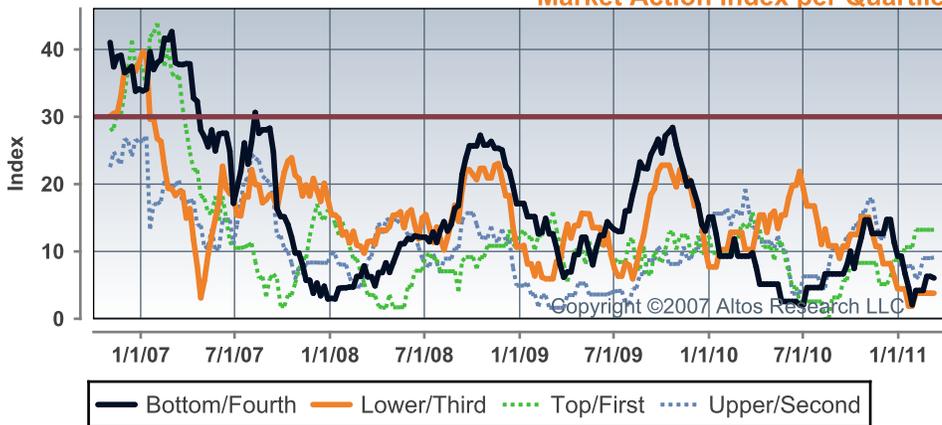
Market Action Index



MARKET ACTION INDEX

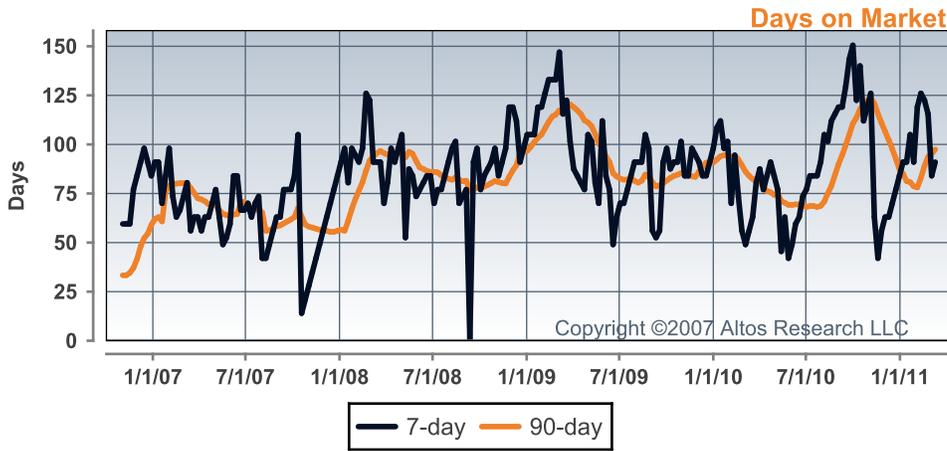
The BREA 92823 is quite strongly in the Buyer's Market zone. The 90-day Market Action Index stands at 13. With several months of inventory available at the current sales rate, buyers should find ample choice.

Market Action Index per Quartile



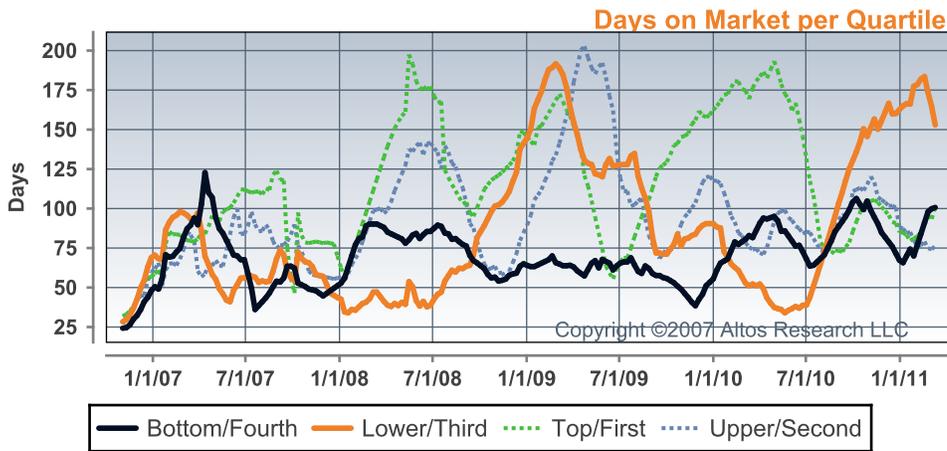
MARKET ACTION QUARTILES

Not surprisingly, all quartiles are in the Buyer's Market zone with several months of inventory given the current levels of demand. Watch the quartiles for changes before the overall market shifts.



DAYS ON MARKET

The properties have been on the market for an average of 130 days. Half of the listings have come newly on the market in the past 91 or so days. Watch the 90-day DOM trend for signals of a changing market.



DAYS ON MARKET

It is not uncommon for the higher priced homes in an area (Quartiles 1 and 2) to take longer to sell than those in the lower quartiles.

Neighborhood Detail

BREA
92821

Real-Time Market Profile		Trend
Median List Price	\$ 453,250	← →
Average List Price	\$ 469,299	
Least Expensive Listing	\$ 250,000	
Most Expensive Listing	\$ 724,900	
Asking Price per Square Foot	\$ 266	
Average Days on Market	133	↓ ↓
Total Inventory	88	
Absorbed This Week	7	
Median House Size (sq ft)	1,723	
Median Lot Size	6,501 - 8,000 sq ft	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	2.0	
Median Age	40	
Altos Research Value Statistics		
Market Action Index	Cold! Buyer's Market	17 ↓ ↓

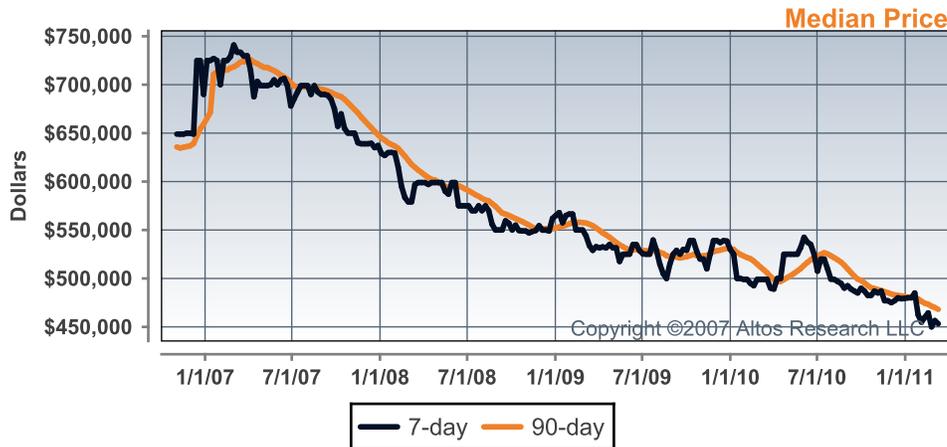
THIS WEEK

The median single family home price in BREA 92821 this week is \$453,250.

Inventory has been trending down and days-on-market is falling. But demand as measured by the Market Action Index is also trending down. The market is not giving strong up or down signals from these data.

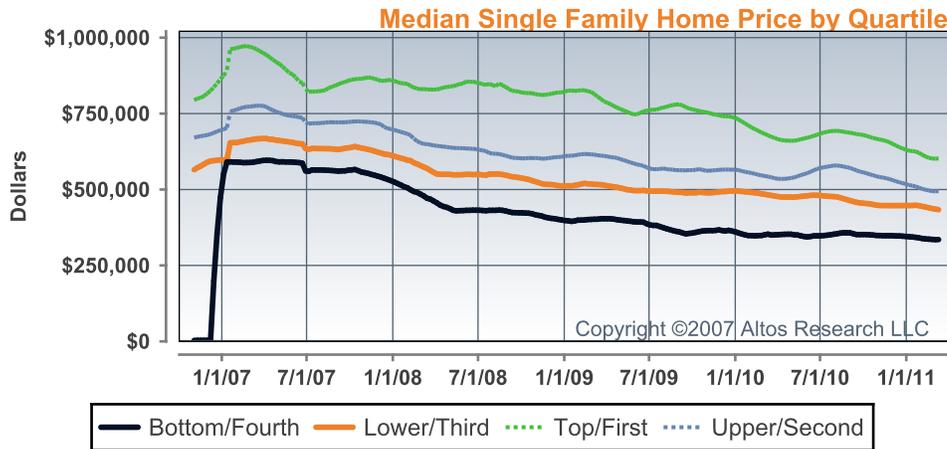
PRICE

We continue to see prices in this zip code bouncing around this plateau. Look for a persistent up-shift in the Market Action Index before we see prices move from these levels.



PRICE PER QUARTILE

In the quartile market segments, we see prices in this zip code 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.



Characteristics per Quartile

QUARTILES

Quart	Median Price	Med. Sqft	Med. Lot Size	Bed	Bath	Med. Age	Inven.	New	Ab-sorbed	Avg. DoM
1	\$ 617,000	2,432	6,501 - 8,000 sq ft	4.0	3.0	27	22	2	0	89
2	\$ 499,450	1,977	4,501 - 6500 sq ft	3.0	3.0	22	22	1	3	129
3	\$ 420,494	1,500	6,501 - 8,000 sq ft	3.0	2.0	54	22	0	2	133
4	\$ 339,900	1,236	4,501 - 6500 sq ft	3.0	2.0	51	22	1	2	180

Most expensive 25% of homes
 Upper-middle 25% of homes
 Lower-middle 25% of homes
 Least expensive 25% of homes

PRICE AND VALUE

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

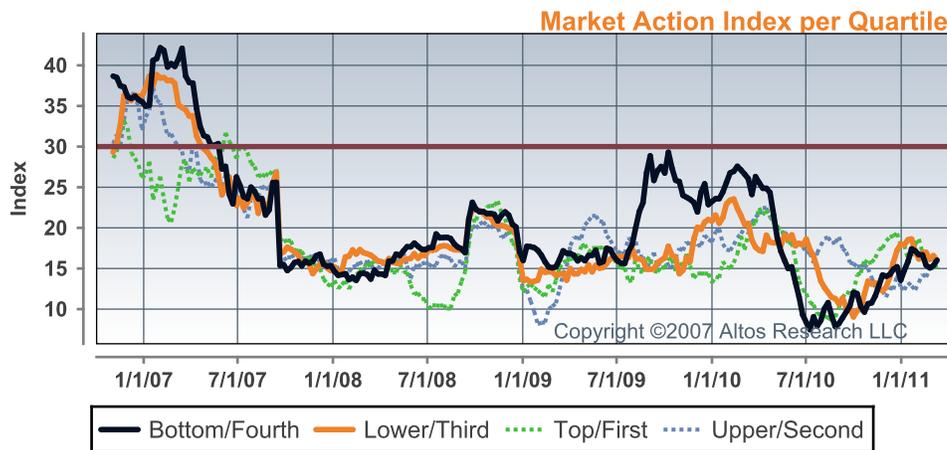
Inventory has been climbing lately with 88 properties available this week. Note that rising inventory alone does not signal a weakening market. Look to the Market Action Index to gauge whether buyer interest is keeping up with available supply.

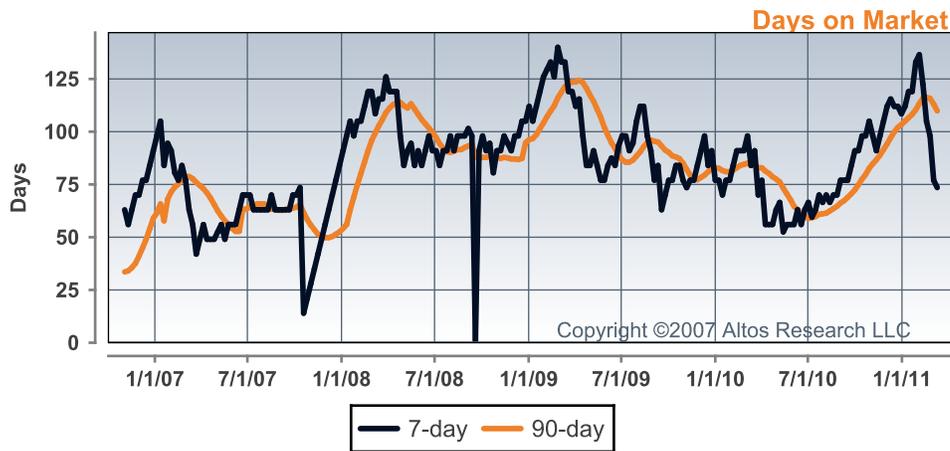
MARKET ACTION INDEX

The BREA 92821 is quite strongly in the Buyer's Market zone. The 90-day Market Action Index stands at 17. With several months of inventory available at the current sales rate, buyers should find ample choice.

MARKET ACTION QUARTILES

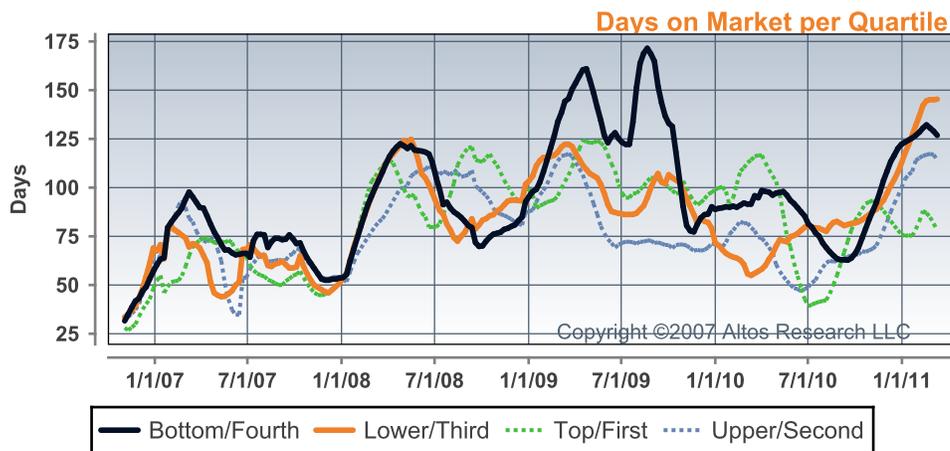
Not surprisingly, all quartiles are in the Buyer's Market zone with several months of inventory given the current levels of demand. Watch the quartiles for changes before the overall market shifts.





DAYS ON MARKET

The properties have been on the market for an average of 132 days. Half of the listings have come newly on the market in the past 73 or so days. Watch the 90-day DOM trend for signals of a changing market.



DAYS ON MARKET

It is not uncommon for the higher priced homes in an area (Quartiles 1 and 2) to take longer to sell than those in the lower quartiles.

About Altos Research Corporation

Altos Research Corp. reports real-time analysis of the residential real estate market in local markets across the country. All information contained herein is based on properties currently listed for sale and available publicly. When evaluating a particular property, make sure you use comparable sales data in addition to the market trend information available in this report. The data presented in this report is accurate to the best of our knowledge, but cannot be guaranteed as such. Use this report as one input in the real estate decision making process, but do not rely on it for accuracy. Nothing in this report or any other Altos Research publication is a recommendation to buy or to sell real estate. We recommend you work with a licensed real estate agent or broker.