

Sep 2014 - Observations from this Month's Report

Inland Valleys Region

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Mark Dowling, Chief Executive Officer



Welcome to the Inland Valleys Association of REALTORS (IVAR) monthly housing update. As a member benefit, IVAR produces monthly and quarterly housing reports to help members and area leaders better understand what's going on in the regional housing market.

When reviewing the latest housing data from the region, there are a few noticeable trends emerging through the first half of 2014:

- Cash buyers continue their downward trend from 34% last year to approximately 19% in July, 2014. This decrease has slowed the demand for housing, which is reflected in an increase in "Days on Market".
- Aggressive cash buyers in 2013 helped drive-up median sales prices 25% in 2013. Although median sales prices started to stabilize earlier in the year around \$285,000, the last few months have seen the median sales price increase to \$310,000.
- Standard Sales continue to dominate the "Sales Type", with nearly 90% of all regional sales represented as Standard Sales .
- Although the total number of Closed sales have been trending down for 2014 when compared to 2013, New Listings continue to demonstrate year-over-year monthly increases. July New Listings numbers were up 2% month-over-year and Pending Sales were up 6%.

Given the significant increase in housing prices over the last year, a new home buying dilemma has sprouted-up as many potential first-time home buyers are finding themselves priced out of the market. According to C.A.R., since 2012, the minimum income required to purchase a house in the Inland Empire has increased 57%. This issue has impacted all of California, and is reflected in the average age of current California homebuyers which is now 48.

REGIONAL SUMMARY - PAGE 1

A OBSERVATION: New listings are steady in 2014. Although not dramatic, the small increase is still noticeable.
CONCLUSION: The remainder of 2014 looks positive, if this gradual increase continues. Jobs and the economy this summer will determine where we go from here.

REGIONAL SUMMARY - PAGE 1

E OBSERVATION: Median Sales Price has been slowly dropping, but it remains above \$300K.
CONCLUSION: This indicates we may have reached an equilibrium.

REGIONAL SUMMARY - PAGE 1

B OBSERVATION: Closed listings are moving in the positive direction.
CONCLUSION: The median sales price above \$300K, combined with a steady trend of more closed sales is encouraging.

SALES VOLUME PER CITY - PAGE 3

F OBSERVATION: The combined Sales Volume of the top 5 communities (approx. \$374M) is equivalent to the combined volume of the bottom 27 .

REGIONAL SUMMARY - PAGE 1

C OBSERVATION: For **four** straight months we've seen New Listings improve year-over-year.
CONCLUSION: This means more inventory coming into the market. This helps encourage closed sales next month.

COMMUNITIES WITH NEW LISTINGS - PAGE 4

G OBSERVATION: Two communities achieved a year-over-year growth in New Listings of 50% or more (Sun City and Norco).

REGIONAL SUMMARY - PAGE 1

D OBSERVATION: Sold Transactions are down from 1 year ago.
CONCLUSION: The market was in a recovery phase last year at this time. It's not necessarily bad news for sales to be down compared to these previous numbers. A market with steady sales is preferable to lots of market volatility.

COMMUNITIES WITH NEW LISTINGS - PAGE 4


H OBSERVATION: 17 communities had a year-over-year drop or no-change in New Listings. Eastvalue had been a "high-flyer" for several months, but now this city is back to normal growth in new listings.

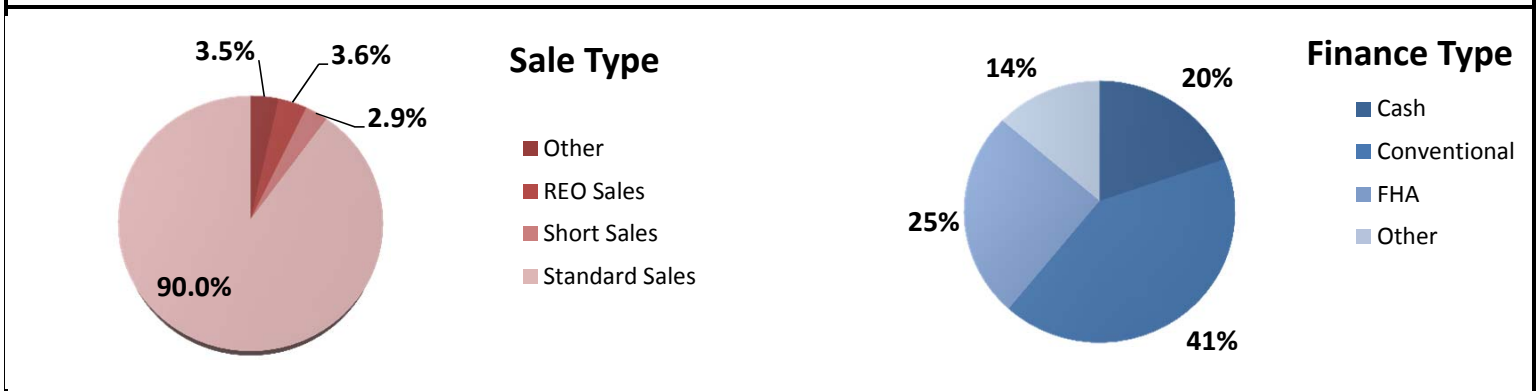
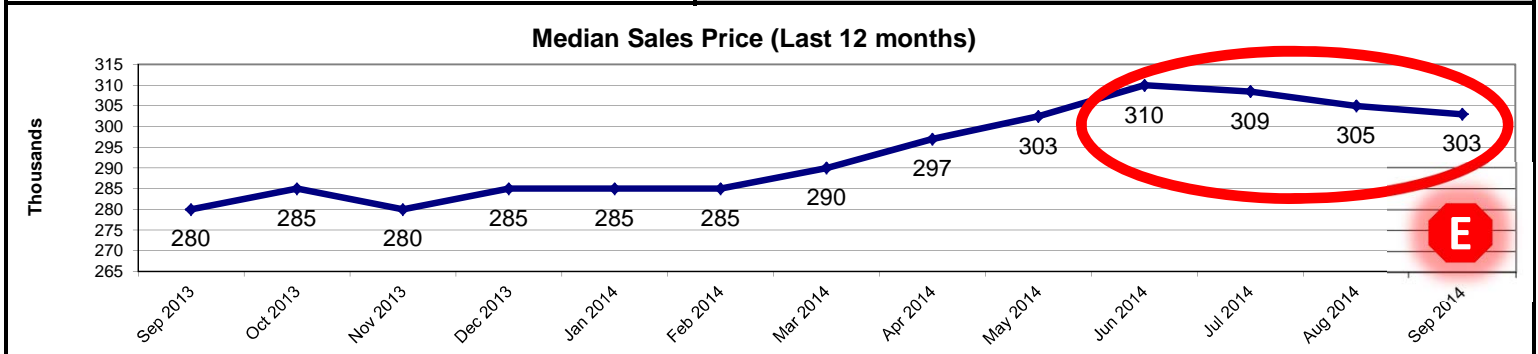
RATIO OF SELL VS. ORIGINAL LIST - PAGE 5

I OBSERVATION: For two months, there has been increased pressure on lowered expectations between original list and final sell price.
CONCLUSION: The regional market is finding a "new normal". The key for agents is to look for the hot-spots

Sep 2014 - Monthly Report

Inland Valleys Regional Summary

	Sep-2013	Sep-2014	Annual Change
New Listings (Last 12 Months) A			
New Listings C	4,562	4,818	↑ 5%
Pending Sales	3,043	3,523	↑ 14%
Sold Listings D	3,389	3,219	↓ -5%
Median Sales Price	\$280,000	\$303,000	↑ 8%
Sales Volume (\$M)	\$1,059	\$1,084	↑ 2%
Price/Sq.Ft.	\$157	\$173	↑ 9%
Sold \$/List \$	100.00%	98.11%	↓ -2%
Days on Market	26	45	↑ 42%
Cumm DOM	35	54	↑ 35%
<p>All data used to generate these reports comes from the California Regional Multiple Listing Service, Inc. If you have any questions about the data, please call the CRMLS Customer Service Department between the hours of 8:30am to 9:00pm Monday thru Friday or 10:00am to 3:00pm Saturday and Sunday at 800-925-1525 or 909-859-2040.</p> 			



Riverside Office:
 3690 Elizabeth Street
 Riverside, CA 92506

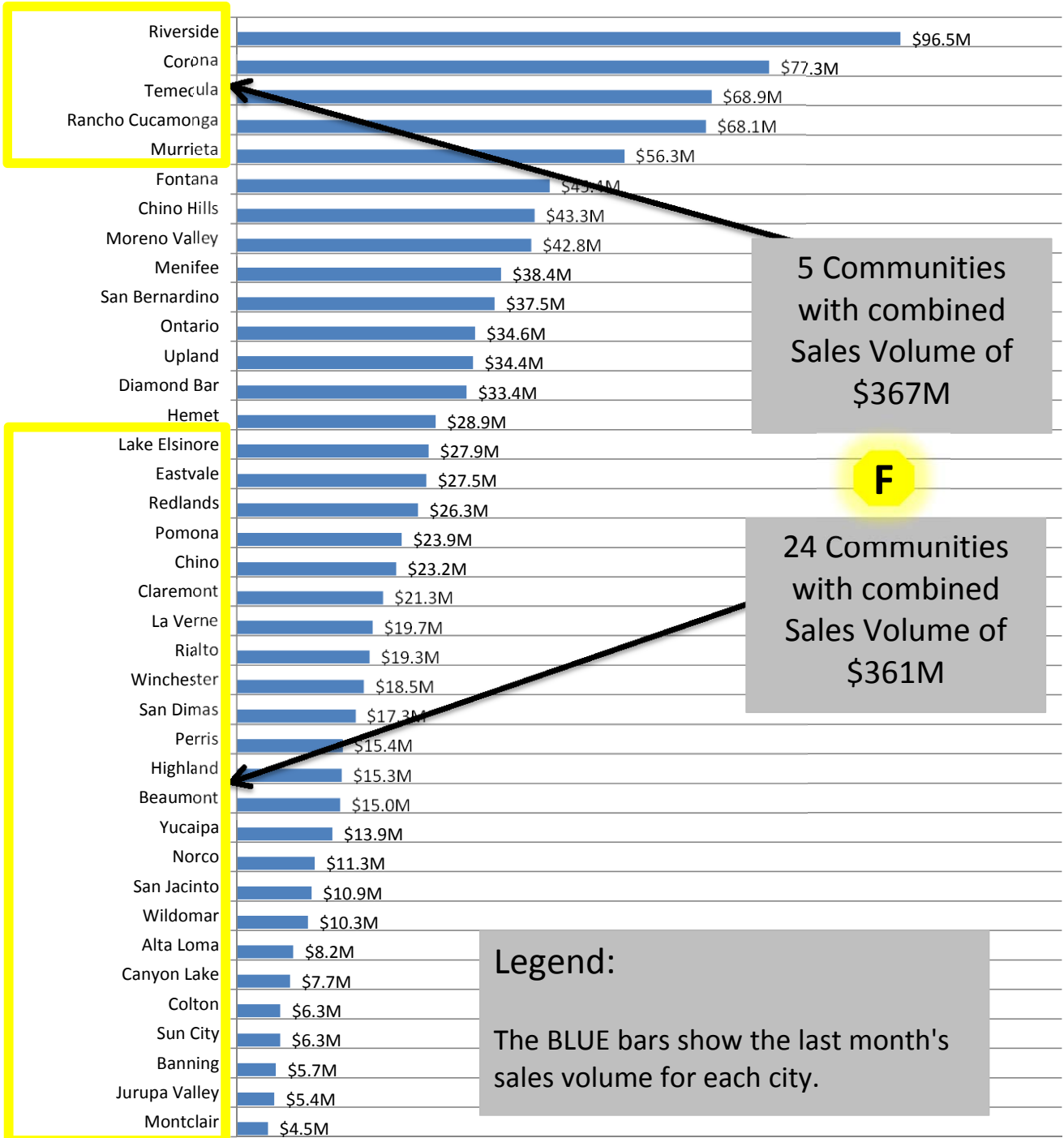
Rancho Cucamonga Office:
 8711 Monroe Court, Suite B
 Rancho Cucamonga, CA 91730



Sep 2014 - Sales Volume per City

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As a service and convenience to our members, IVAR is pleased to offer several "Quick Look" reports. This is one more way for IVAR members to stay informed with minimal effort.



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3690 Elizabeth Street
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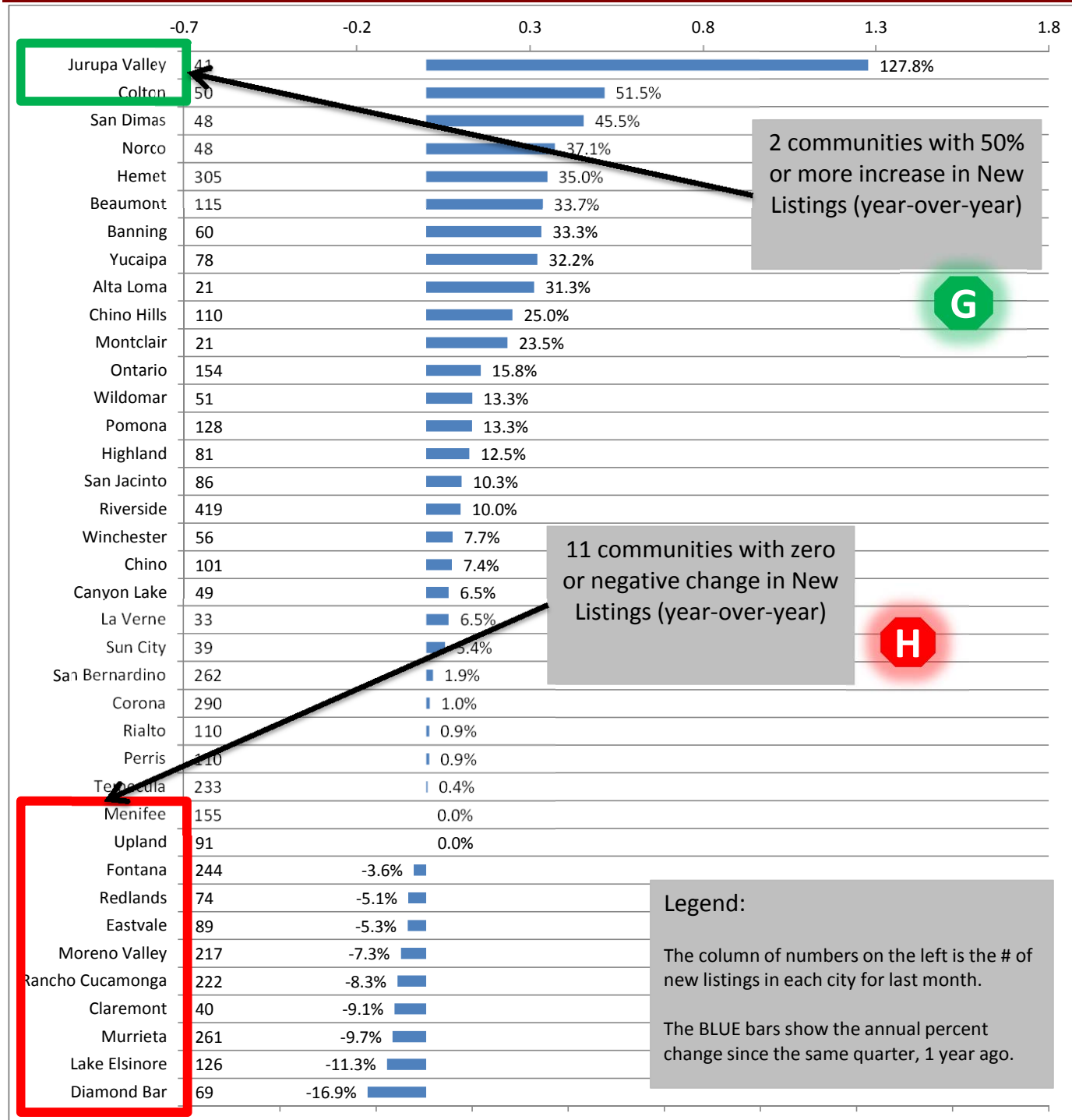
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Sep 2014 - Top Communities with New Listings (year-over-year)

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Sell Price vs Original List Price

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The IVAR team has worked hard to improve services and make IVAR a better business association. IVAR is committed to defining its service and building member relationships not with promotional gimmicks and giveaways, but rather by refining a business-minded approach to serve our members' professional needs with our problem-solving approach. In the last year, IVAR has expanded services to include:

- Free local housing data & customized reports, available online to our members at <https://quicklook.ivaor.com>.
- Two offices located in Riverside & Rancho Cucamonga, Open 5 Days a Week
- Government Affairs supporting property rights and REALTOR business interests at <http://advocacy.ivaor.com>
- Mobile IVAR Member Services staff provide on-site training and customer support directly to your office
- Online reference guides to help members navigate local laws related to real estate
- Increased Affiliate Member promotions
- Expanded education and training opportunities focusing on short-sale techniques, technology applications and business planning

By focusing on value-added services, IVAR is committed to being the board of choice for Inland Empire REALTORS. If you have any questions or suggestions on how IVAR can provide better services, please feel free to contact me at 951.684.1221.

Mark Dowling, Chief Executive Officer