

# ADAM BRETT - ERIC URBAN MARKET UPDATE

PLACENTIA, 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  
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## This Week

- The median list price in PLACENTIA, CA this week is \$461,600. The 127 properties have been on the market for an average of 142 days.

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

## Supply and Demand

- 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.

### Real-Time Market Profile

Median List Price	\$ 461,600	↔
Average List Price	\$ 450,487	
Asking Price Per Square Foot	\$ 228	↔
Average Days on Market (DoM)	142	↑↑
Inventory of Properties Listed	127	↓↓
Most Expensive Listing	\$ 759,000	
Least Expensive Listing	\$ 26,900	
Average Age of Listing	31	
Percent of Properties with Price Decrease	39 %	
Percent Relisted (reset DOM)	n/a	
Percent Flip (price increased)	15 %	
Median House Size (sq ft)	2000	
Median Lot Size	4,501 - 6,500 sqft	
Median Number of Bedrooms	4.0	
Median Number of Bathrooms	2.0	

### Trend

### Altos Research Value Statistics

Market Action Index	Strong Buyer's	19.6	↔
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:

↔	No change	↑↑	Strong upward trend	↓↓	Strong downward trend
		↑	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	\$ 629,000	2694	6,501 - 8,000 sqft	4.0	2.5	14	31	1	1	138
Upper/Second	\$ 505,000	2000	6,501 - 8,000 sqft	4.0	2.0	35	32	0	2	150
Lower/Third	\$ 429,000	1928	4,501 - 6,500 sqft	4.0	2.0	40	32	1	2	145
Bottom/Fourth	\$ 268,200	1424	Less than 4,500 sqft	3.0	2.0	34	32	0	3	137

Most expensive 25% of properties

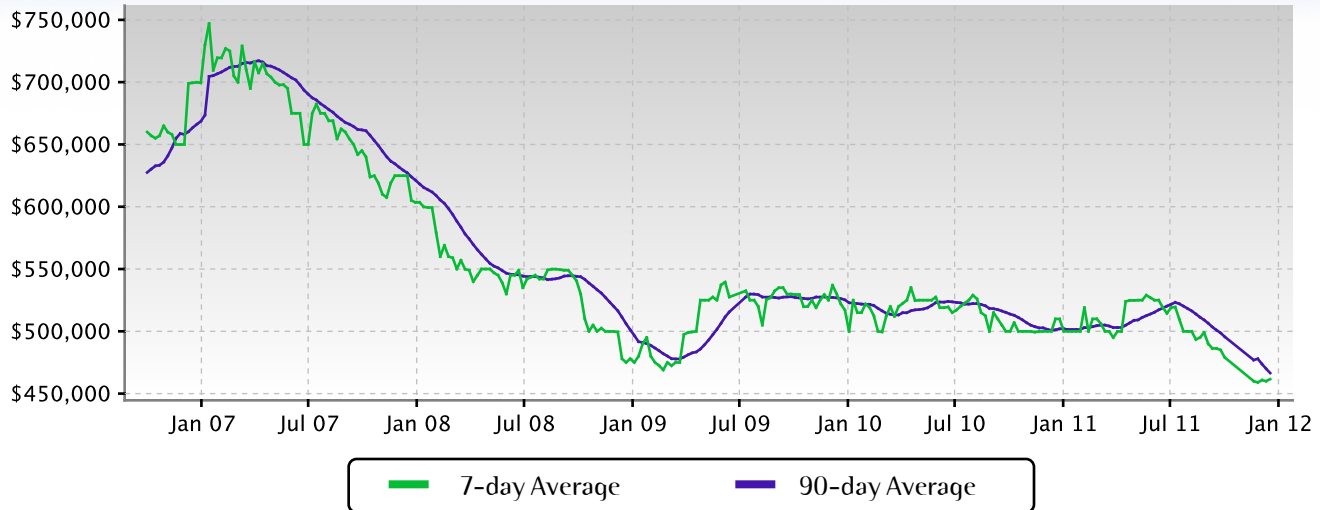
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

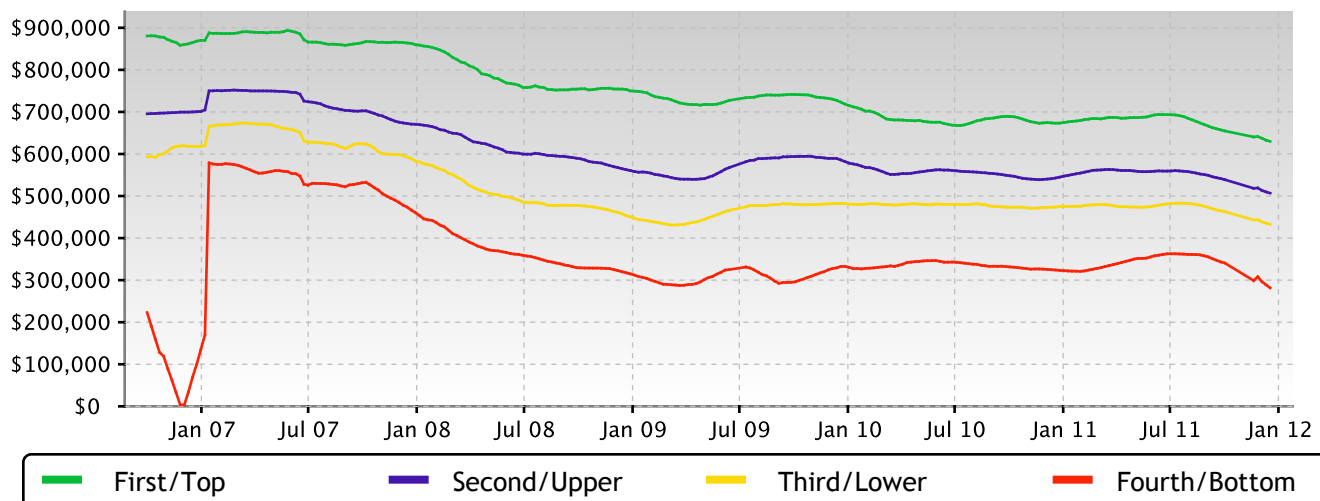
## Median Price

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



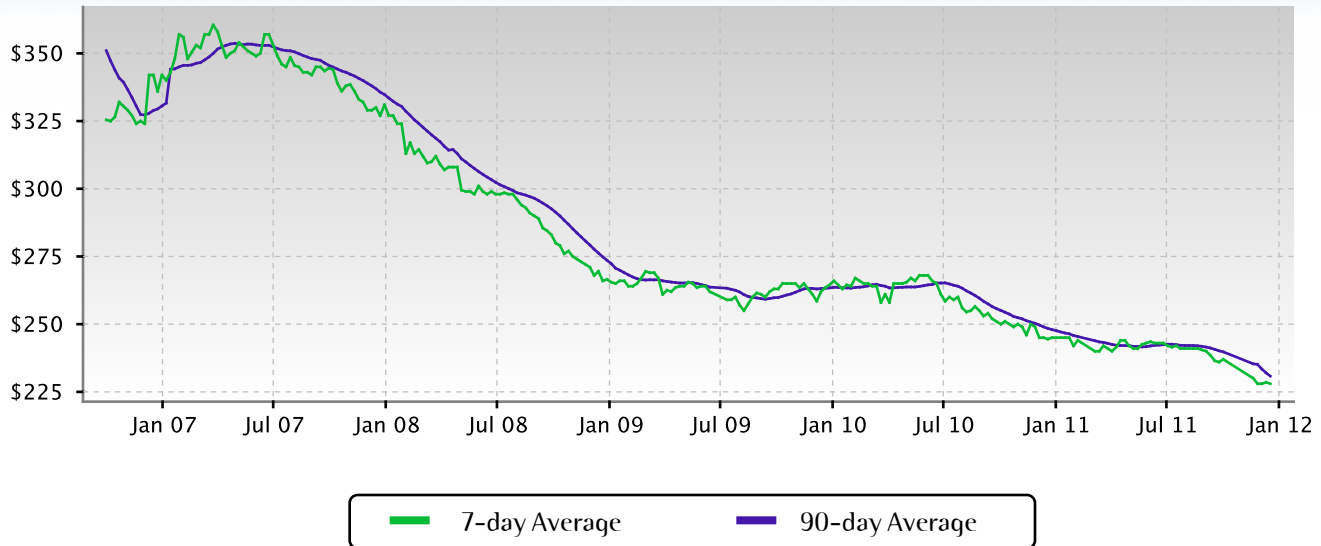
## Quartile Prices

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.



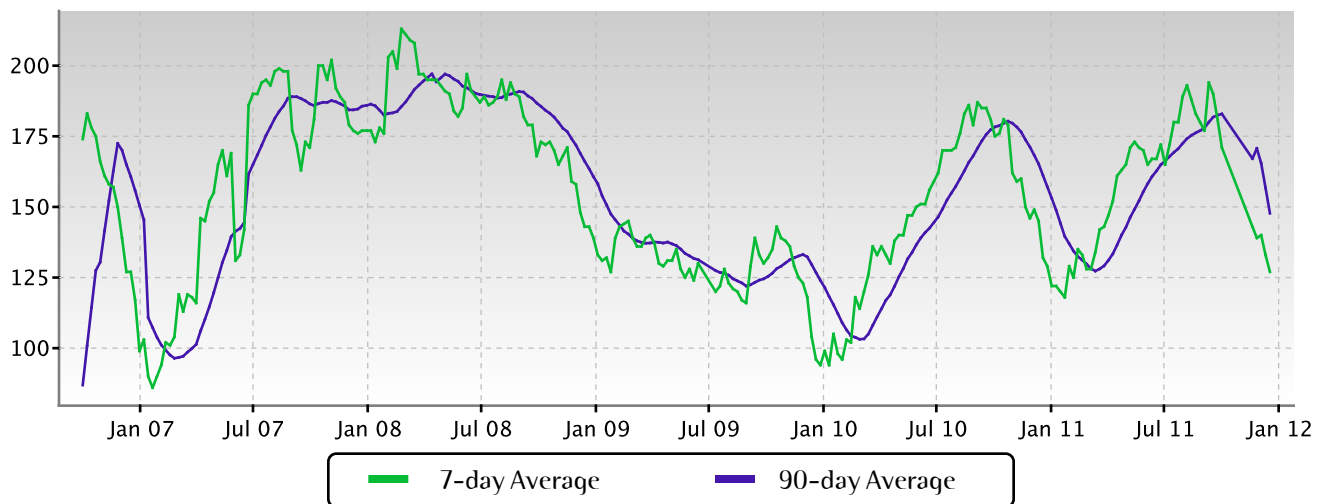
## Price per Square Foot

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.



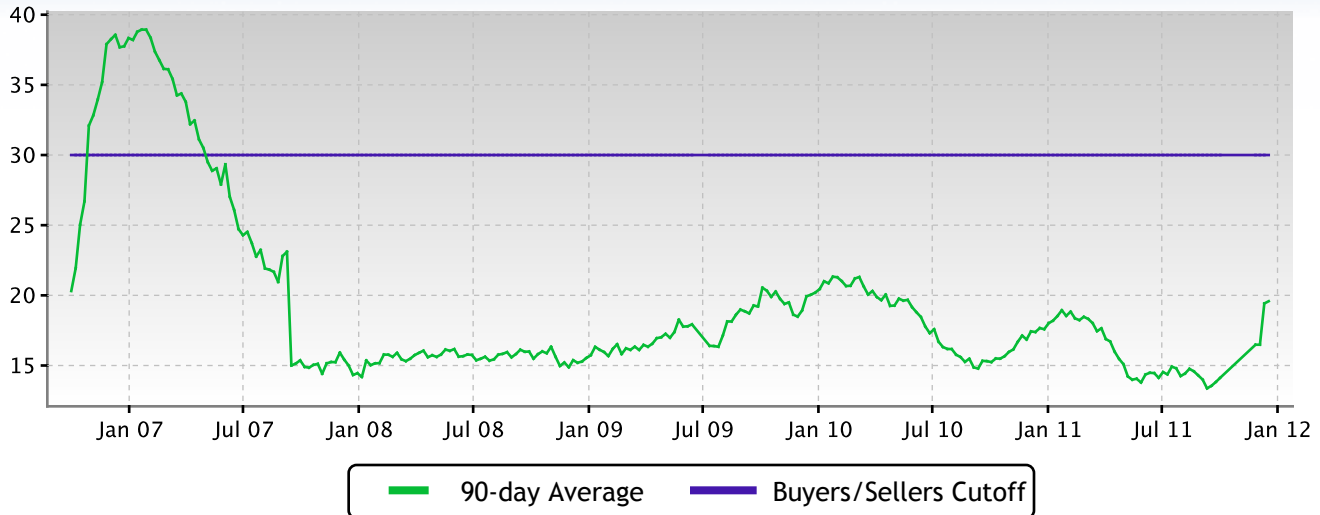
## Inventory of Properties Listed for Sale

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.



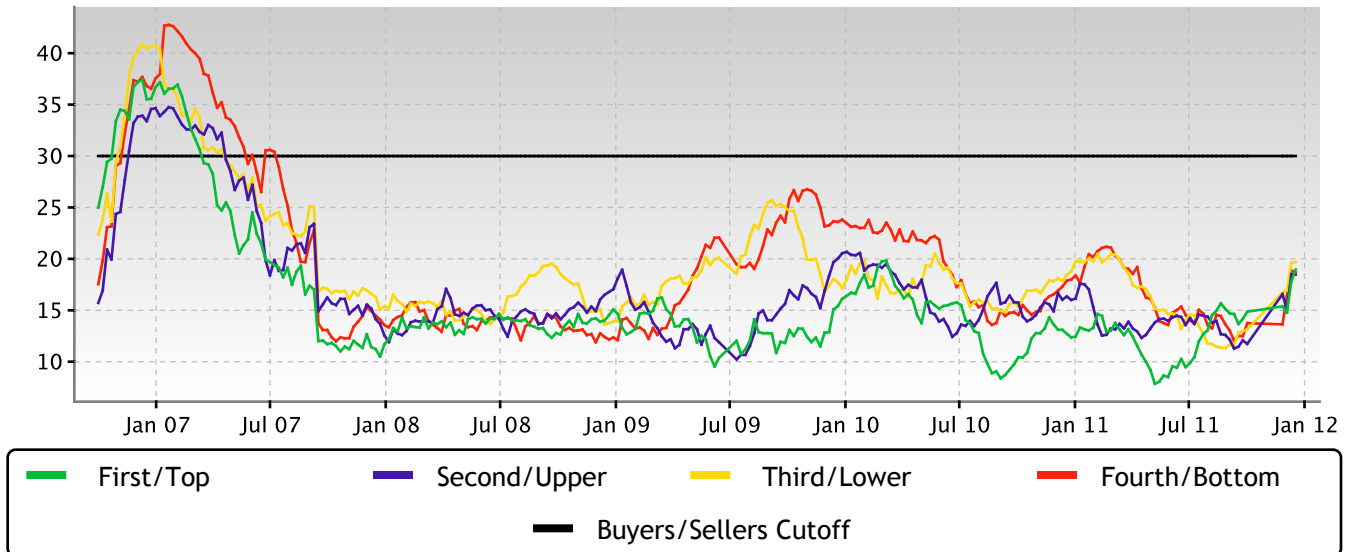
## Market Action Index

The PLACENTIA market is currently quite strongly in the Buyer's Advantage zone (below 30). The 90-day Market Action Index stands at 19.58. With several months of inventory available at the current sales rate, buyers should find ample choice.



## Market Action Index per Quartile

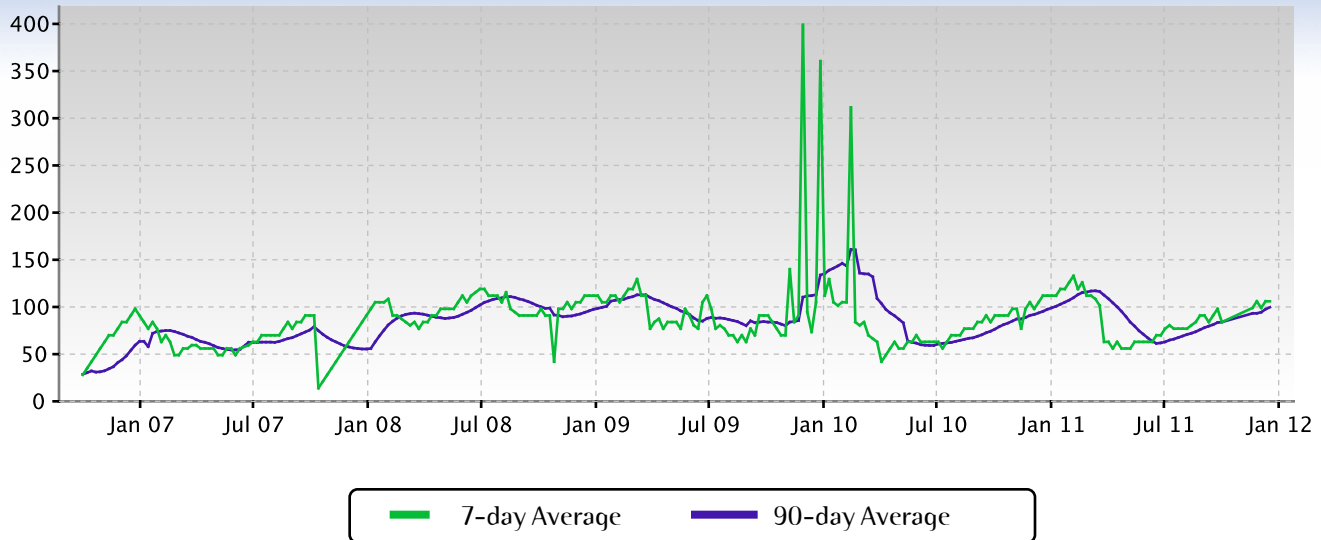
Not surprisingly given the overall Market Action Index, all quartiles are in the Buyer's Market zone with several months of inventory given the current rate of demand for homes in the quartile. Watch the quartile for changes before the overall market shifts. Often one end of the market (e.g. the low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



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 142 days. Half of the listings have come newly on the market in the past 106 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.

