

BHHS CALIFORNIA PROPERTIES MARKET UPDATE

PASADENA, CA 91104

- **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
January 08, 2018**

- **Presented by .**

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This Week

- The median list price in PASADENA, CA this week is \$1,474,500. The 134 properties have been on the market for an average of 123 days.

Inventory has been lightening lately and the Market Action Index has been trending up. Though days-on-market is increasing, these are mildly positive indications for the market.

Supply and Demand

- Market conditions have been consistently cooling in the past several weeks. Because we're still in the Seller's zone, prices have not yet begun to drop. It may take a few more weeks of slack demand for prices to reflect and begin to fall. Expect prices to fall if the index persistently falls to the Buyer's zone.

Real-Time Market Profile

		Trend
Median List Price	\$ 1,474,500	↑↑
Average List Price	\$ 2,517,495	
Asking Price Per Square Foot	\$ 604	↑
Average Days on Market (DoM)	123	↑↑
Inventory of Properties Listed	134	↓↓
Most Expensive Listing	\$ 28,000,000	
Least Expensive Listing	\$ 475,000	
Average Age of Listing	74	
Percent of Properties with Price Decrease	29 %	
Percent Relisted (reset DOM)	10 %	
Percent Flip (price increased)	4 %	
Median House Size (sq ft)	2872	
Median Lot Size	0.25 - 0.50 acre	
Median Number of Bedrooms	4.0	
Median Number of Bathrooms	3.0	

Altos Research Value Statistics

Market Action Index	Seller's Advantage	39.3	↓↓
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	\$ 3,998,000	5460	0.50 - 1.0 acre	5.0	5.0	72	33	2	5	188
Upper/Second	\$ 2,073,691	3405	0.25 - 0.50 acre	4.0	3.5	65	33	3	3	135
Lower/Third	\$ 1,188,500	2074	8,001 - 10,000 sqft	4.0	2.0	81	34	5	3	80
Bottom/Fourth	\$ 692,450	1224	4,501 - 6,500 sqft	3.0	1.5	88	34	2	8	93

Most expensive 25% of properties

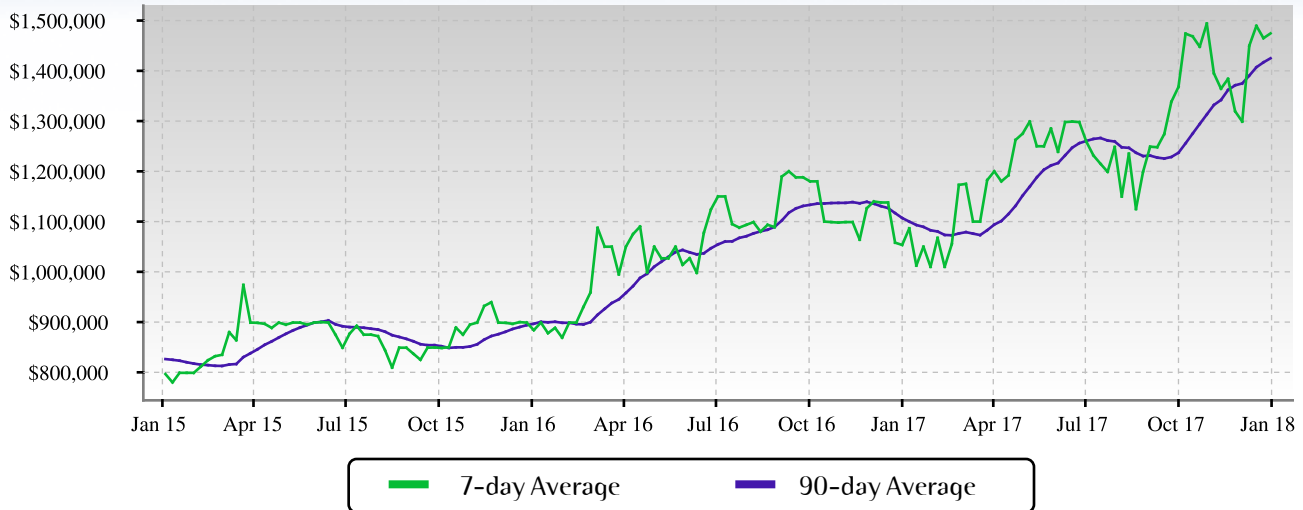
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

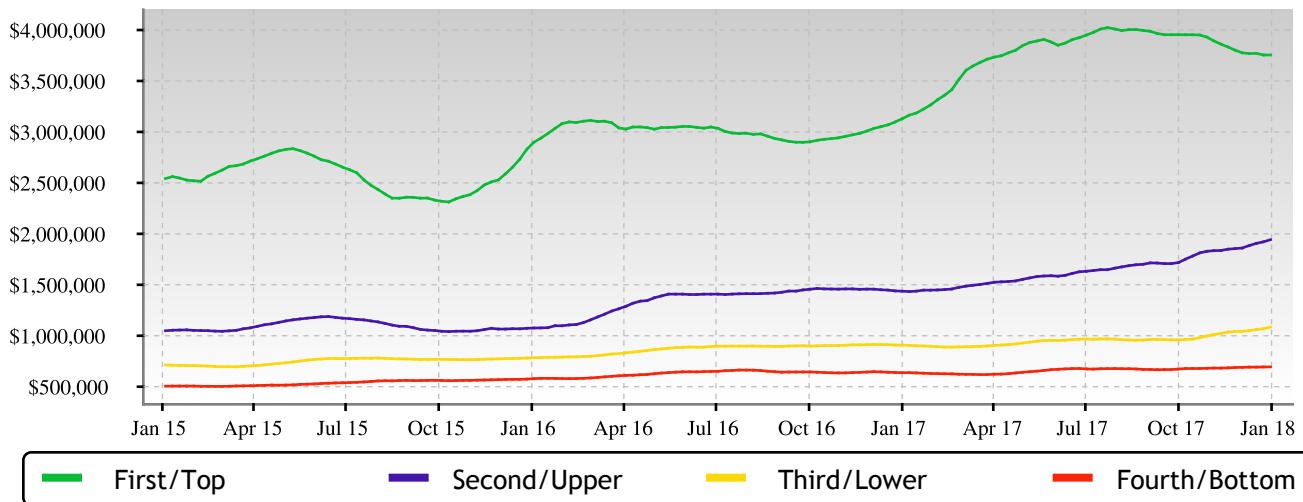
Median Price

While this week the median price didn't fluctuate much, we are relatively close to the market's high price point and have had an upward price trend over the last few weeks. A persistent drop of the Market Action Index into the Buyer's zone will be a leading indicator of the price strength subsiding.



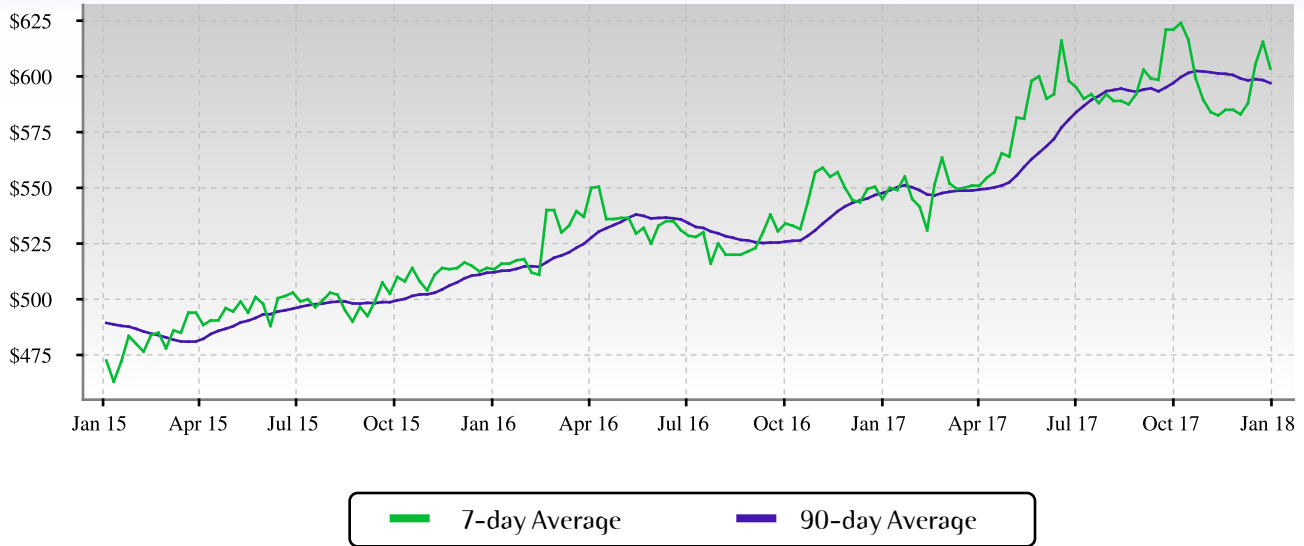
Quartile Prices

Pricing in the middle of the market is in an up trend lately, while Quartiles 1 and 4 are mixed. The Market Action Index for Quartiles 1 and 4 can tell us whether they are about to resume an upward price trend or whether we're at the beginning of a decline.



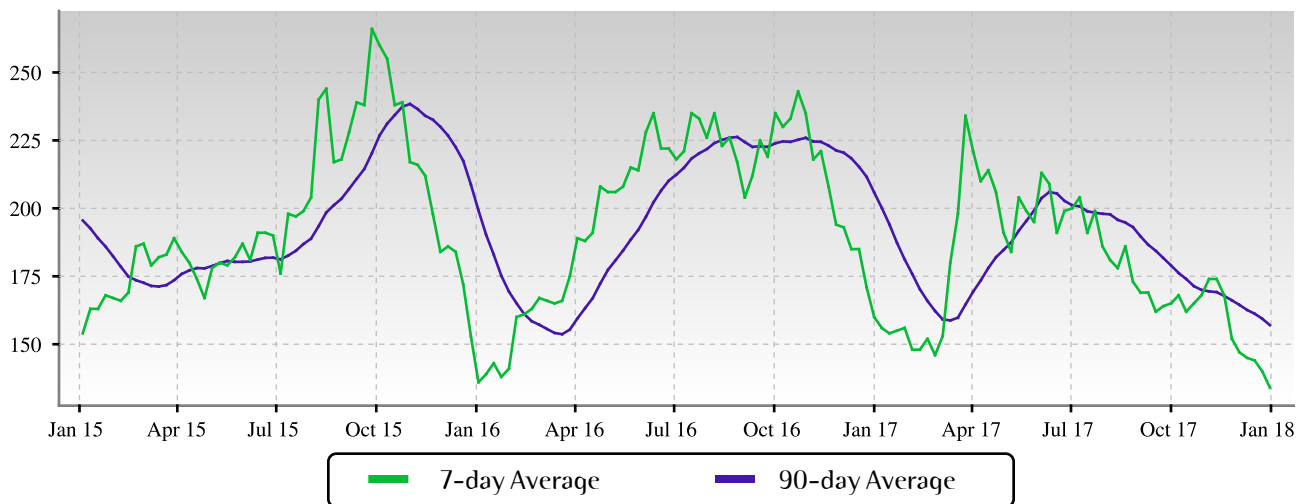
Price per Square Foot

The price per square foot is increasing a bit recently and overall price trends haven't shown a consistent upwardly push. This can imply that investment conditions are opportunistic. Watch the Remodel Index for a more detailed analysis of the investment opportunity in the area.



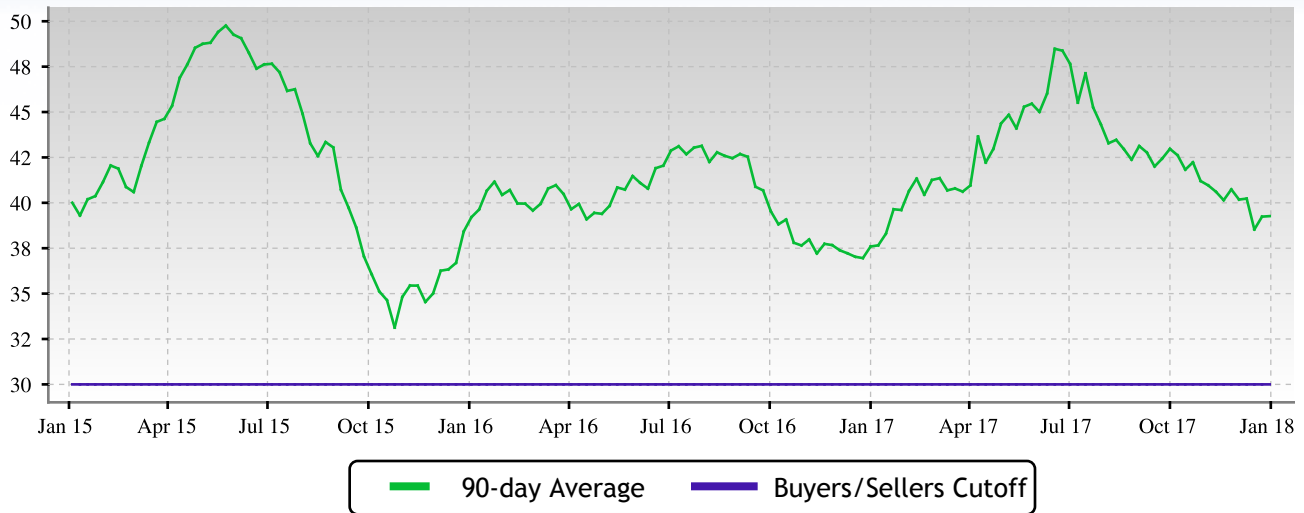
Inventory of Properties Listed for Sale

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.



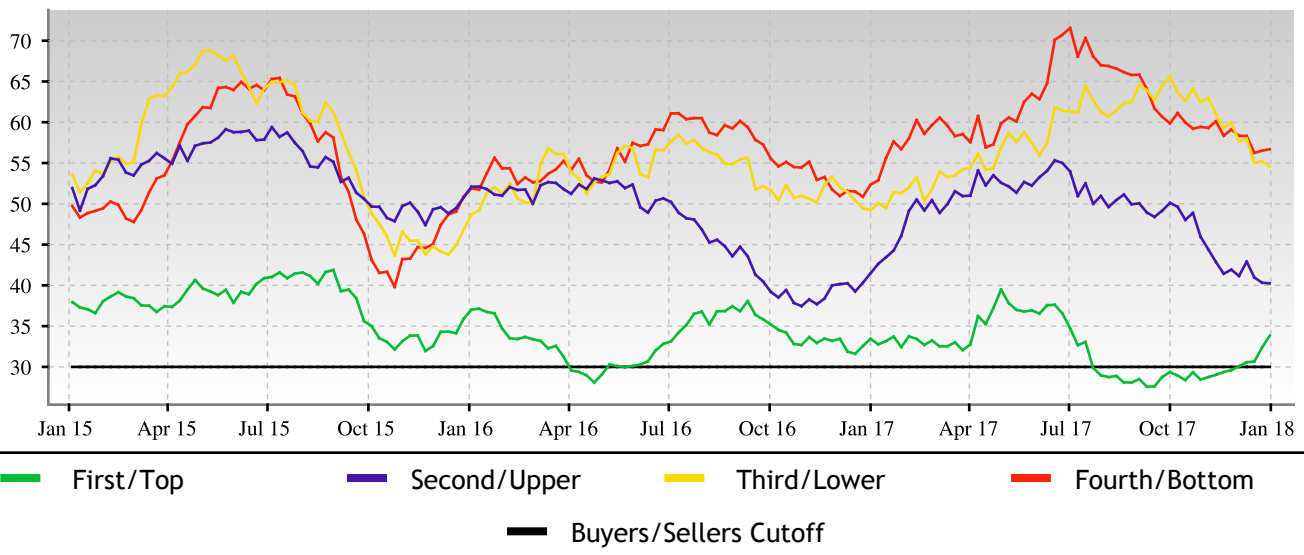
Market Action Index

The PASADENA market is currently in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 39.27 which indicates that demand is strong and available supply of homes gets snapped up relatively quickly.



Market Action Index per Quartile

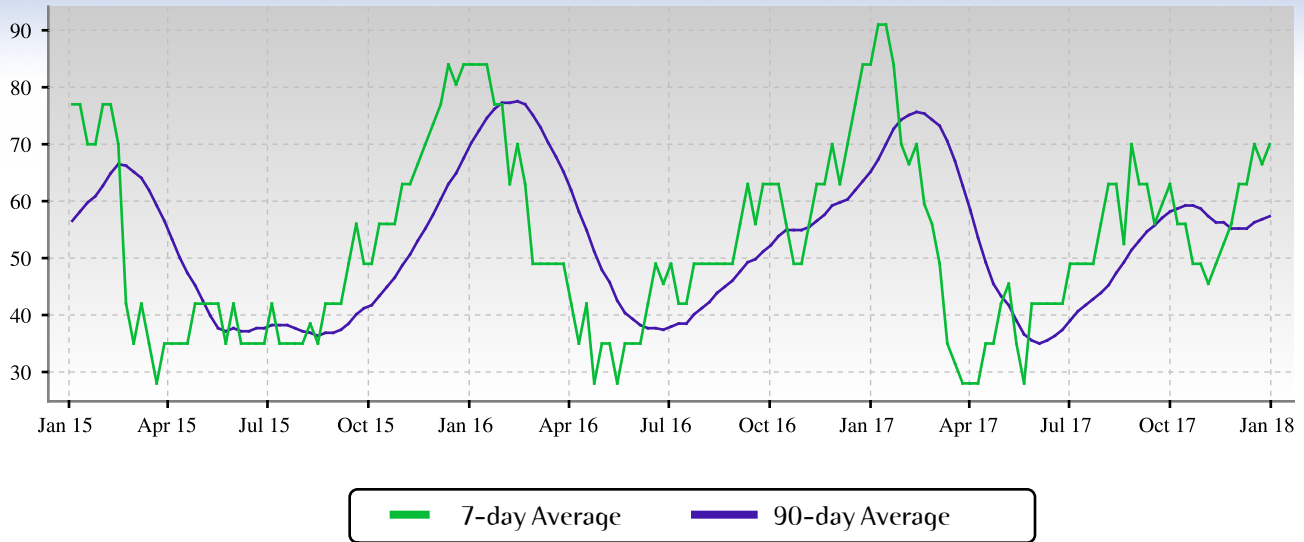
Not surprisingly, all segments in the market are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



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.

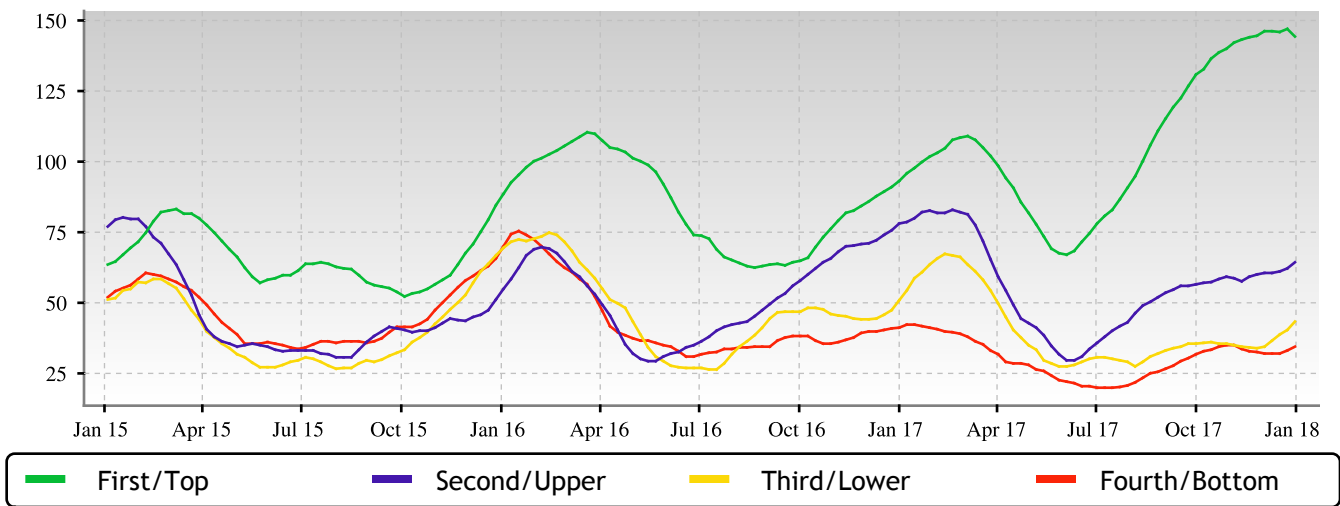
Days on Market

The properties have been on the market for an average of 123 days. Half of the listings have come newly on the market in the past 70 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 91104 this week is \$885,000. The 21 properties have been on the market for an average of 115 days.

Inventory has been lightening lately and the Market Action Index has been trending up. Though days-on-market is increasing, these are mildly positive indications for the market.

Supply and Demand

- The market has been cooling over time and prices plateaued for a while. Despite the consistent decrease in MAI, we're in the Seller's zone. Watch for changes in MAI. If the MAI resumes its climb, prices will likely follow suit. If the MAI drops consistently or falls into the Buyer's zone, watch for downward pressure on prices.

Real-Time Market Profile

		Trend
Median List Price	\$ 885,000	↔
Average List Price	\$ 878,557	
Asking Price Per Square Foot	\$ 496	↑
Average Days on Market (DoM)	115	↑↑
Inventory of Properties Listed	21	↓↓
Most Expensive Listing	\$ 1,450,000	
Least Expensive Listing	\$ 540,000	
Average Age of Listing	96	
Percent of Properties with Price Decrease	52 %	
Percent Relisted (reset DOM)	33 %	
Percent Flip (price increased)	10 %	
Median House Size (sq ft)	1828	
Median Lot Size	6,501 - 8,000 sqft	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	2.0	

Altos Research Value Statistics

Market Action Index	Strong Seller's	45.6	↓↓
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Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM
Top/First	\$ 1,150,000	2262	8,001 - 10,000 sqft	4.0	1.5	94	5	1	1	120
Upper/Second	\$ 899,999	2051	6,501 - 8,000 sqft	3.0	3.0	107	5	0	1	88
Lower/Third	\$ 799,000	1590	6,501 - 8,000 sqft	3.0	2.0	96	5	1	1	139
Bottom/Fourth	\$ 662,500	937	4,501 - 6,500 sqft	2.0	1.2	94	6	1	2	112

Most expensive 25% of properties

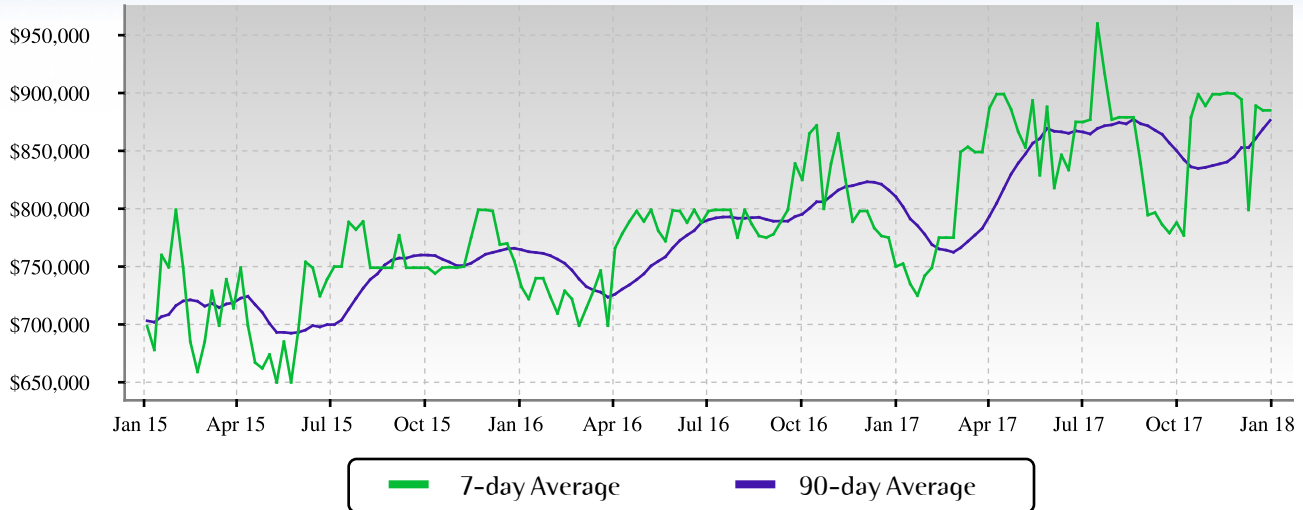
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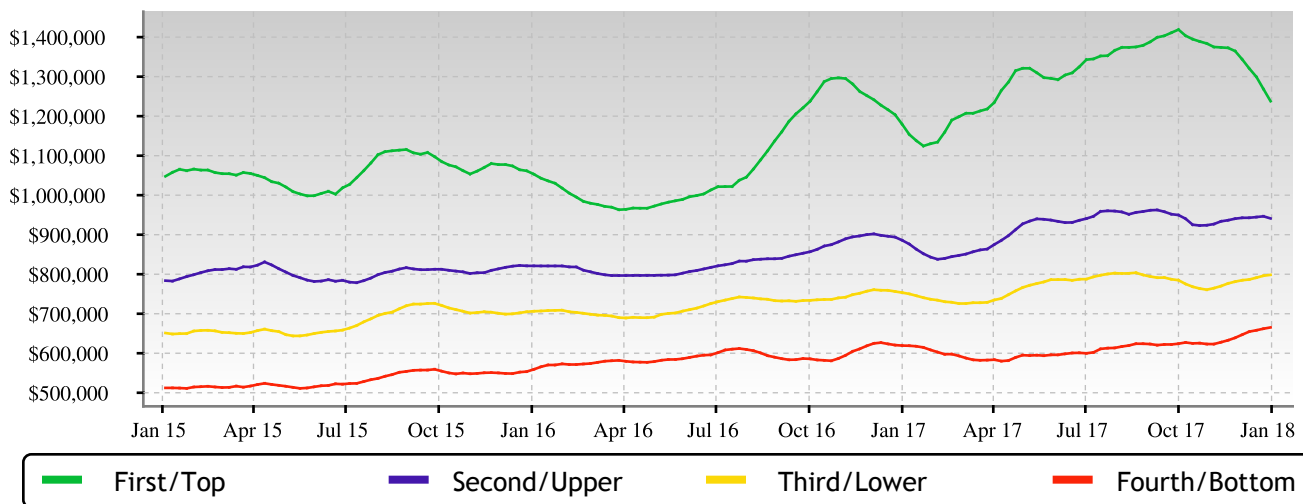
Median Price

In the last few weeks we've seen prices in this zip code bouncing around this plateau. Look for a persistent down-shift in the Market Action Index before we see prices deviate from these levels.



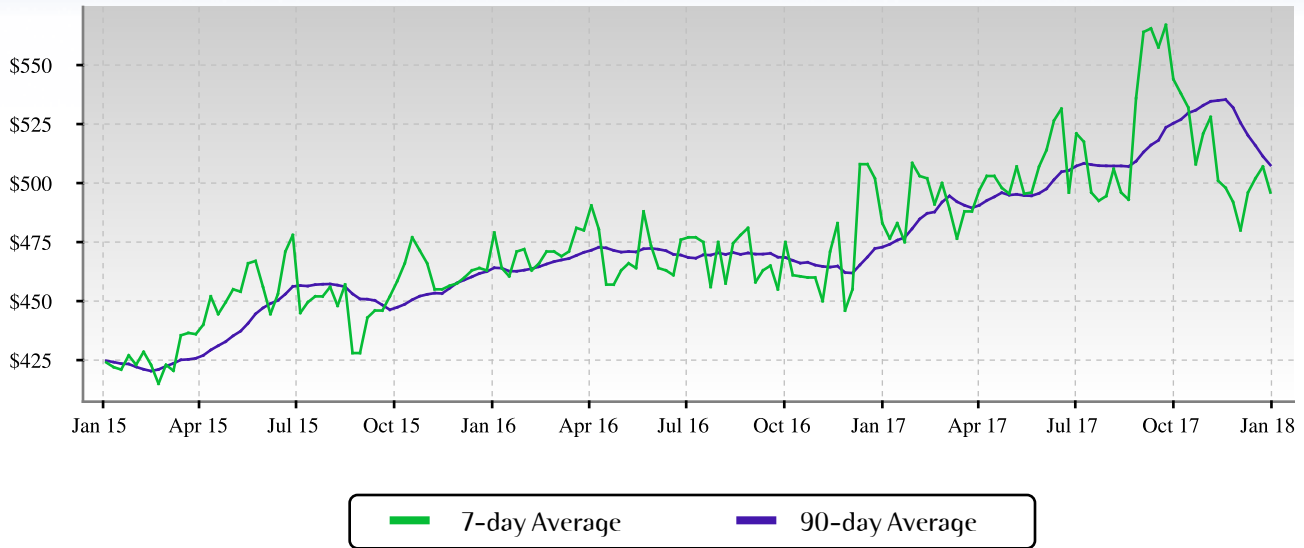
Quartile Prices

In the quartile market segments, we see prices in this zip code have generally settled at a plateau, although Quartile 1 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.



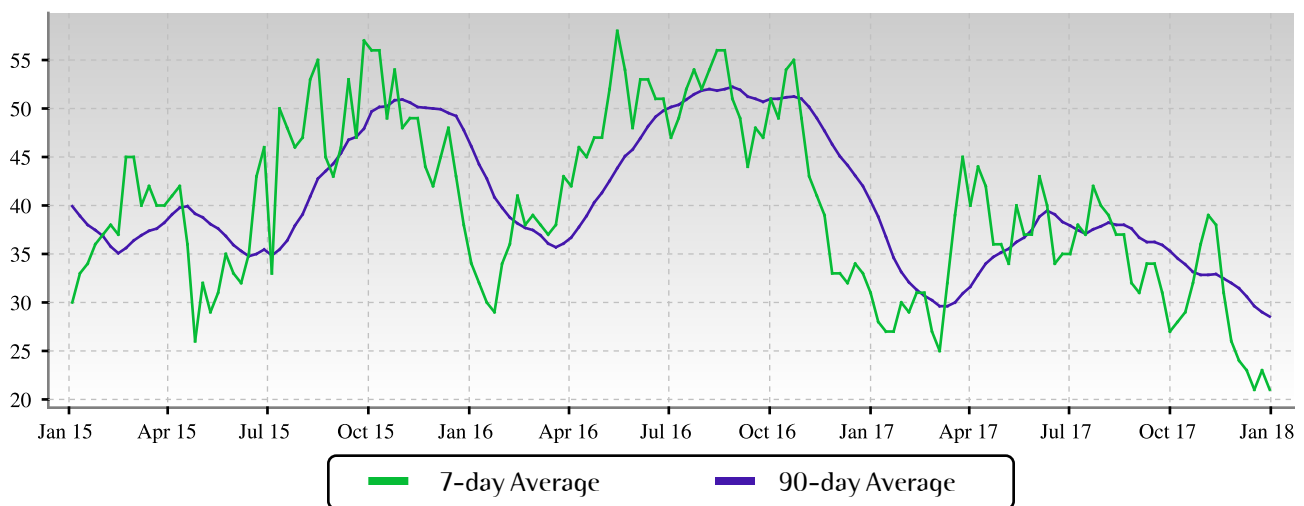
Price per Square Foot

The value placed on homes seems to be trending up, despite the fact that prices in general have remained basically flat. These conditions can arise when inventory is light and a greater number of smaller homes have more influence on overall prices.



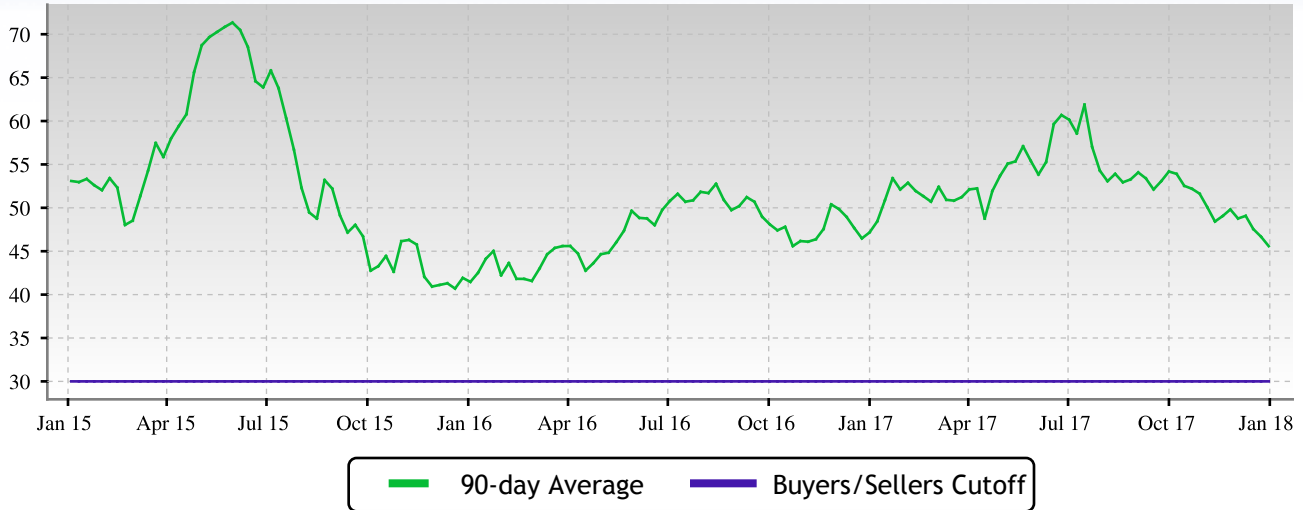
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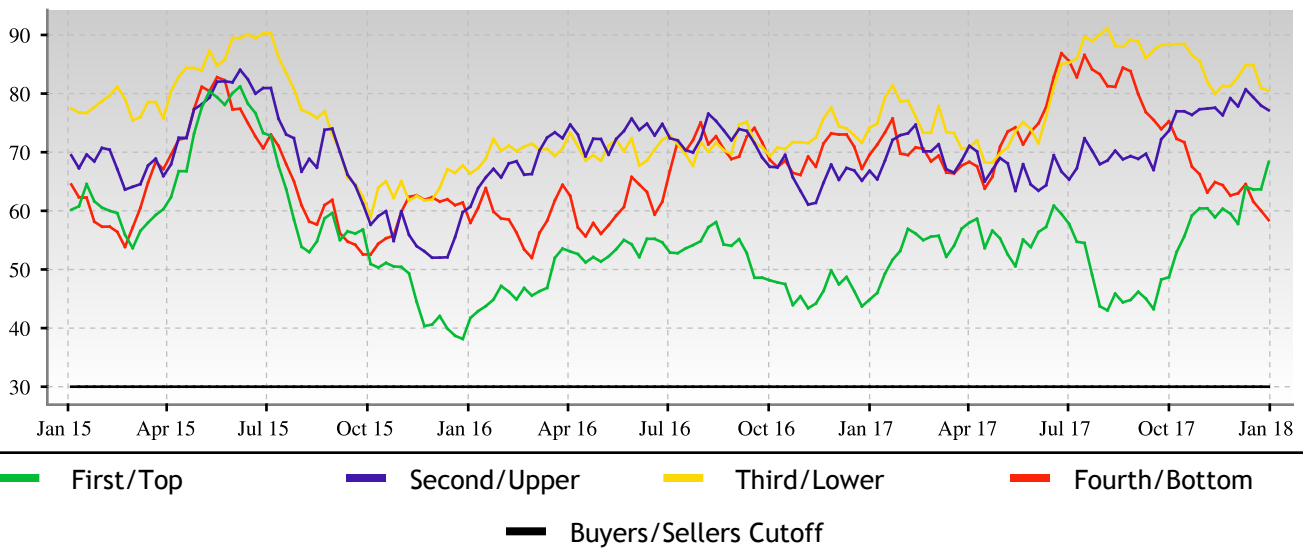
Market Action Index

The PASADENA, 91104 market is currently quite strongly in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 45.58; indicating very little supply relative to the demand.



Market Action Index per Quartile

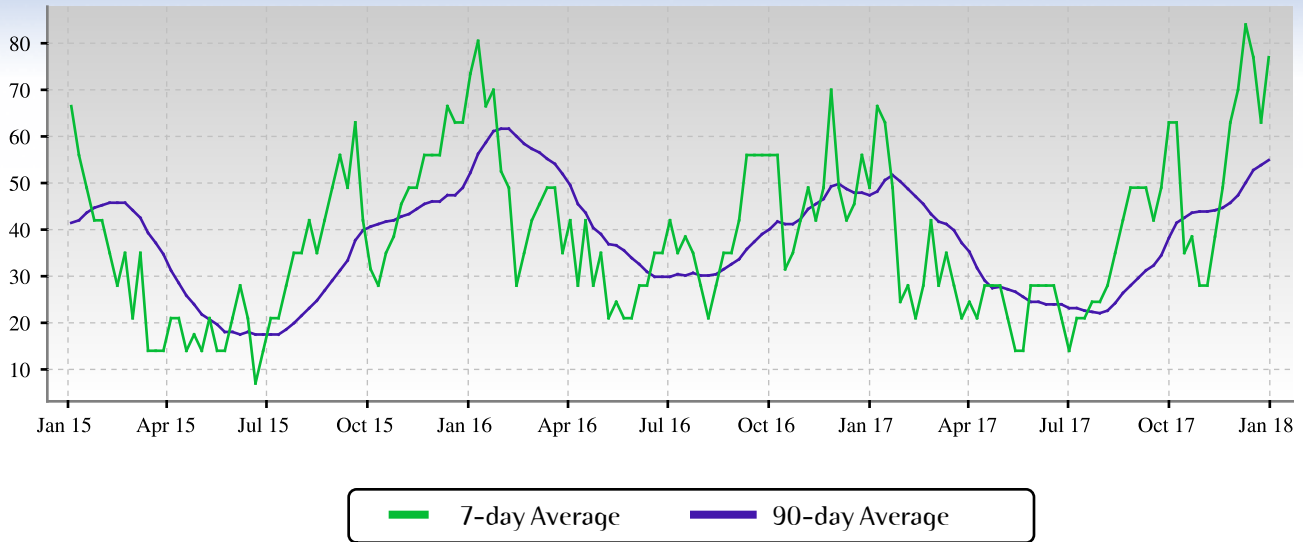
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