Your Local Market Update

PASADENA, CA 91106

- 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

October 31, 2011

- Presented by Pickford Escrow - Los Angeles

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This Week

- The median list price in PASADENA, CA this week is $599,000. The 399 properties have been on the market for an average of 116 days.

Demand measured by the Market Action Index is increasing and days-on-market is holding steady. With more properties coming available, conditions are mildly positive.

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		Trend
Median List Price	$ 599,000	⬅➡
Average List Price	$ 970,483	
Asking Price Per Square Foot	$ 359	⬇⬇
Average Days on Market (DoM)	116	⬅➡
Inventory of Properties Listed	399	⬆⬆
Most Expensive Listing	$ 16,500,000	
Least Expensive Listing	$ 120,000	
Average Age of Listing	70	
Percent of Properties with Price Decrease	42 %	
Percent Relisted (reset DOM)	12 %	
Percent Flip (price increased)	5 %	
Median House Size (sq ft)	1639	
Median Lot Size	8,001 - 10,000 sqft	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	2.0	

Altos Research Value Statistics

Market Action Index	Strong Buyer's	20.2	⬆⬆

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.

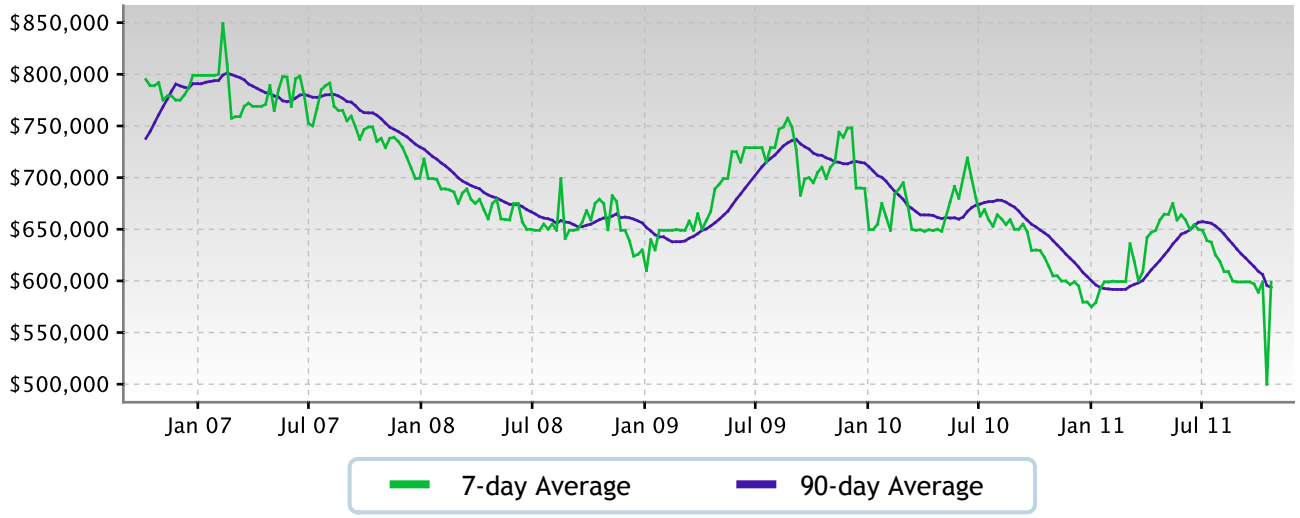
Trend Key: ⬆⬆ Strong upward trend ⬇⬇ Strong downward trend ⬅➡ No change ⬆ Slight upward trend ⬇ Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	$ 1,550,000	3632	0.25 - 0.50 acre	4.0	3.5	58	99	5	58	119	Most expensive 25% of properties
Upper/Second	$ 729,000	1967	8,001 - 10,000 sqft	3.0	2.0	70	100	10	101	101	Upper-middle 25% of properties
Lower/Third	$ 502,000	1417	6,501 - 8,000 sqft	3.0	1.5	83	100	2	97	126	Lower-middle 25% of properties
Bottom/Fourth	$ 349,000	1102	6,501 - 8,000 sqft	2.0	1.0	86	100	10	124	119	Least expensive 25% of properties

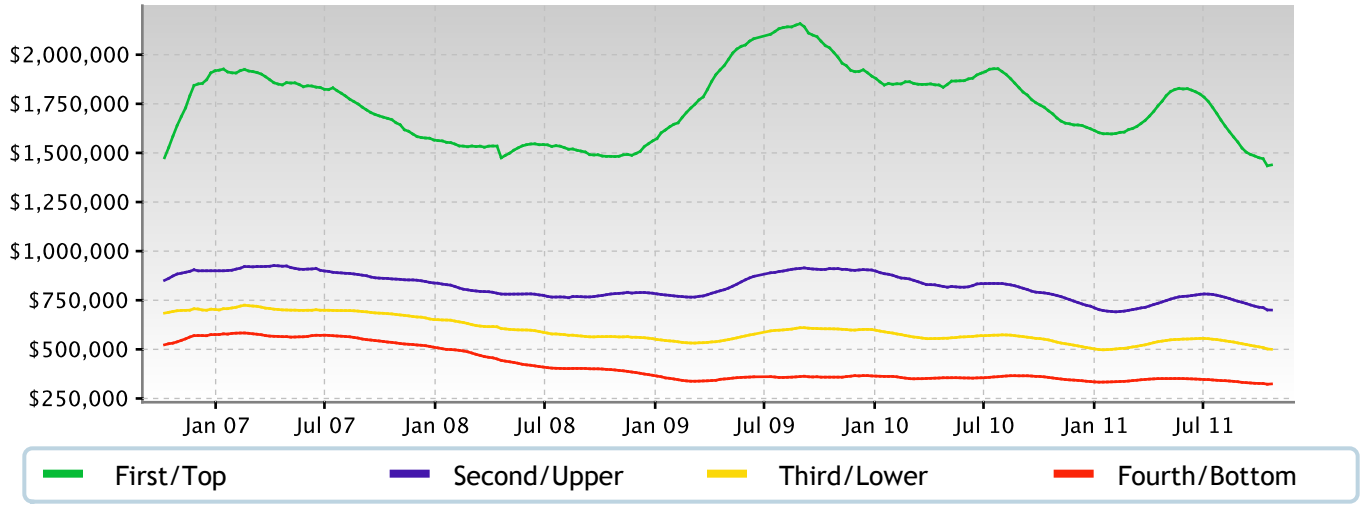
Median Price

- Despite this week's up tic, the market seems to have paused around this plateau. The Market Action Index is a good leading indicator for the durability of this shift.



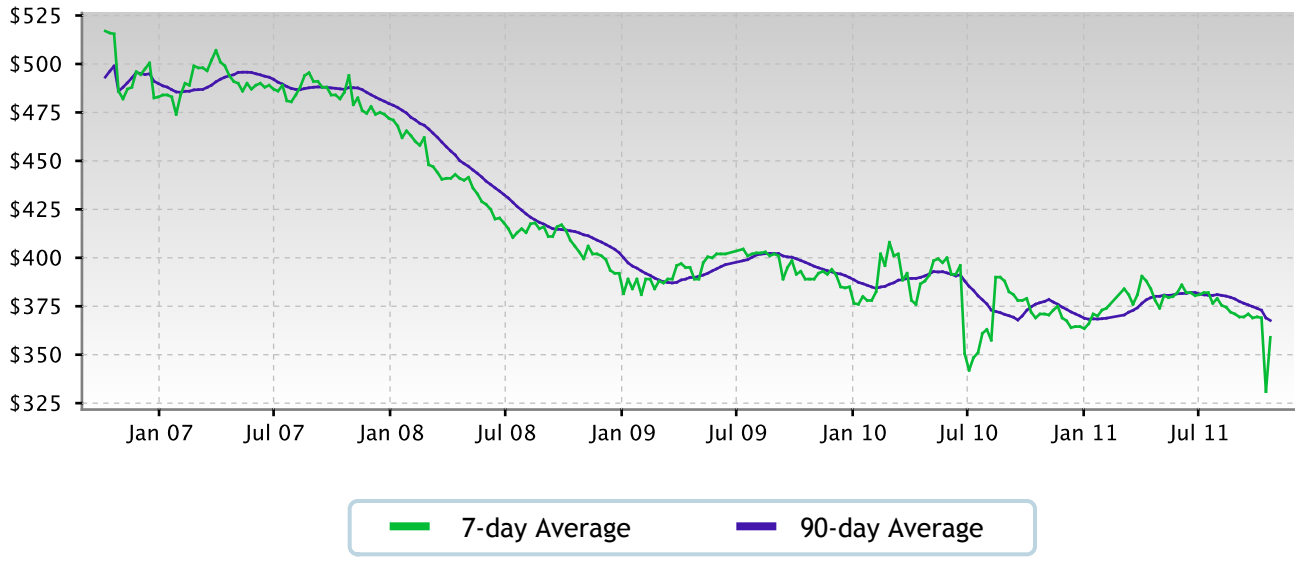
Quartile Prices

- 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.



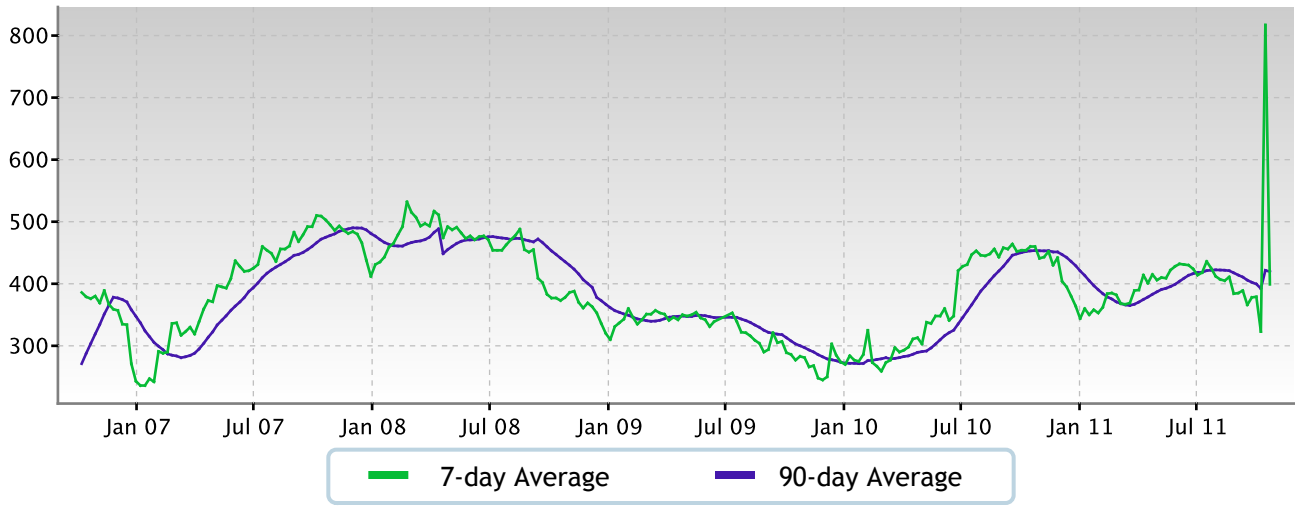
Price per Square Foot

While prices have been basically flat, the price per square foot has been heading downward. While not a sign of broad strength in a market, larger homes are coming more available and buyers are tending to get more home for their money.



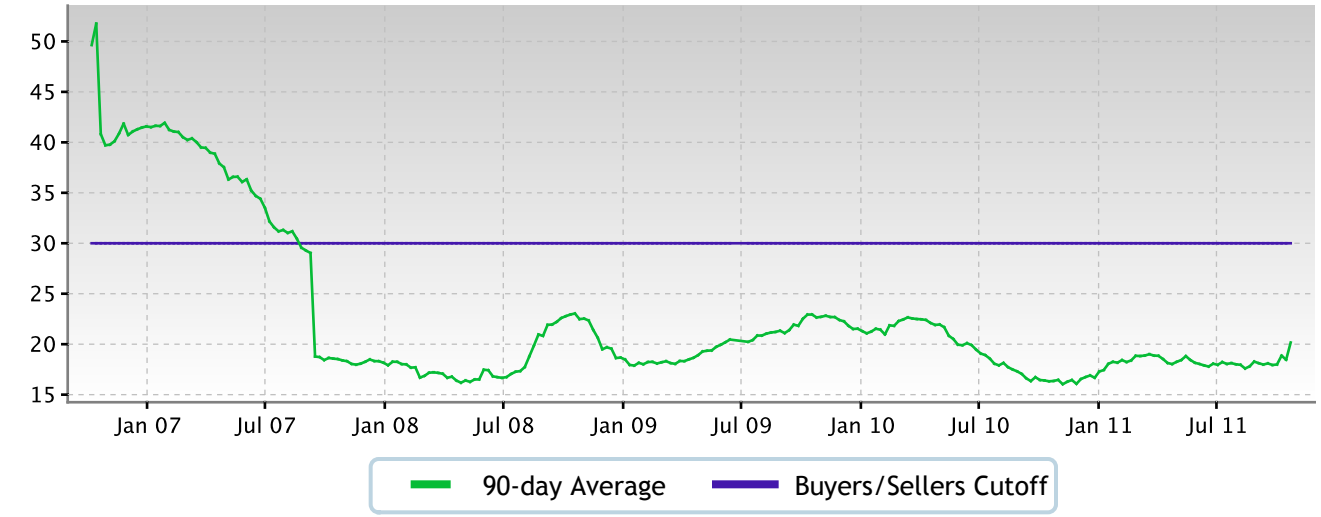
Inventory of Properties Listed for Sale

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 PASADENA market is currently quite strongly in the Buyer's Advantage zone (below 30). The 90-day Market Action Index stands at 20.17. With several months of inventory available at the current sales rate, buyers should find ample choice.



Market Action Index per Quartile

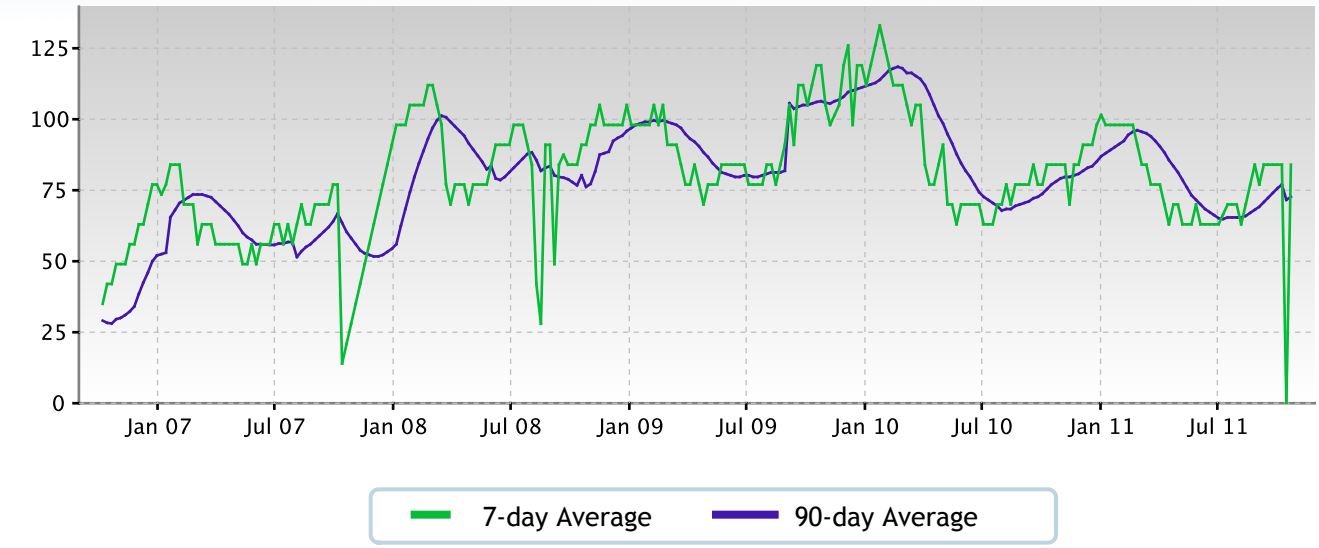
Not surprisingly given the overall Market Action Index, all quartiles are in the Buyer's Market zone with several months of inventory given the current rate of demand for homes in the quartile. Watch the quartile for changes before the overall market shifts. Often one end of the market (e.g. the low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

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

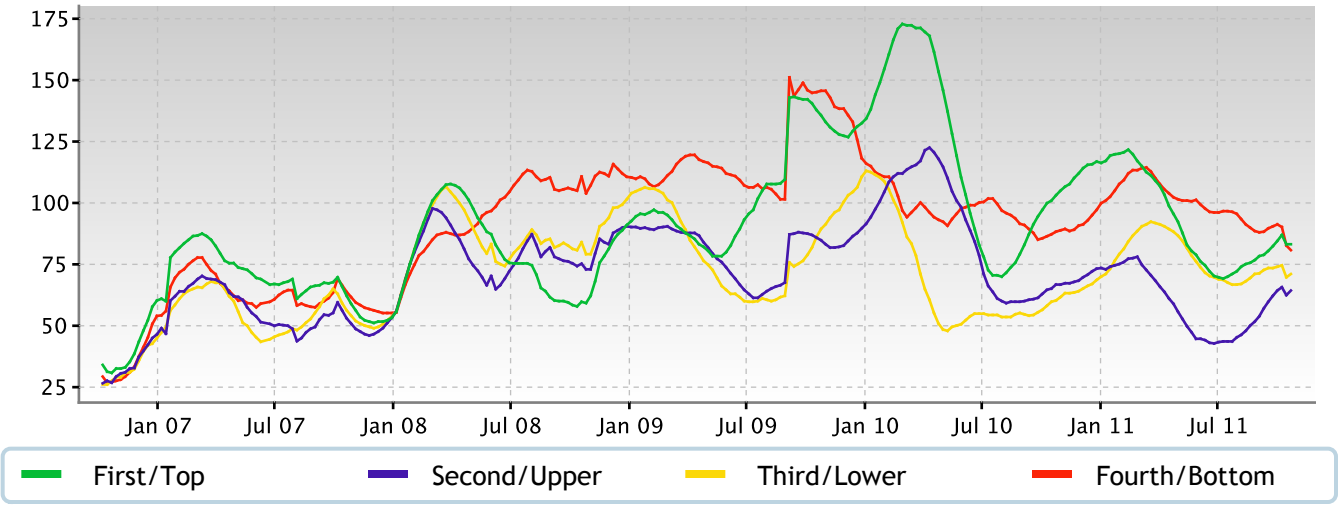
Days on Market

The properties have been on the market for an average of 116 days. Half of the listings have come newly on the market in the past 84 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 91106 this week is $729,000. The 37 properties have been on the market for an average of 96 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 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		Trend
Median List Price	$ 729,000	↓↓
Average List Price	$ 1,918,841	
Asking Price Per Square Foot	$ 342	↓↓
Average Days on Market (DoM)	96	↓↓
Inventory of Properties Listed	37	↑↑
Most Expensive Listing	$ 16,500,000	
Least Expensive Listing	$ 299,000	
Average Age of Listing	74	
Percent of Properties with Price Decrease	30 %	
Percent Relisted (reset DOM)	14 %	
Percent Flip (price increased)	8 %	
Median House Size (sq ft)	1809	
Median Lot Size	8,001 - 10,000 sqft	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	2.0	

Altos Research Value Statistics

Market Action Index	Strong Buyer's	19.9	↑↑

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.

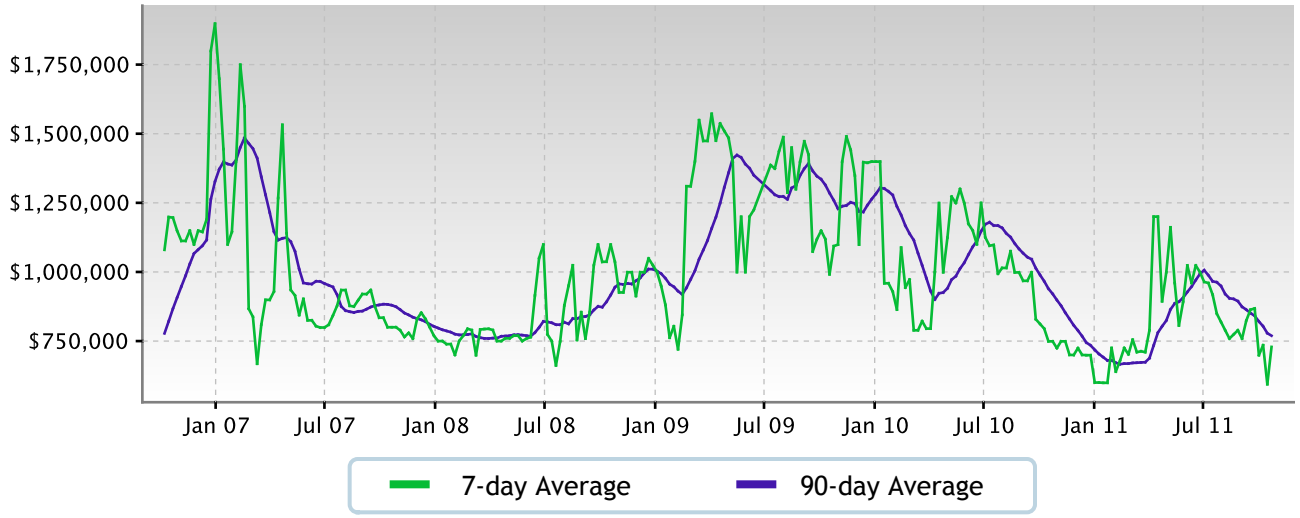
Trend Key: ↑↑ Strong upward trend ↓↓ Strong downward trend ↔ No change ↑ Slight upward trend ↓ Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	$ 4,288,000	12248	1.0 - 2.5 acres	5.0	6.0	62	9	0	5	79	Most expensive 25% of properties
Upper/Second	$ 999,000	2776	0.25 - 0.50 acre	4.0	2.5	84	9	0	9	90	Upper-middle 25% of properties
Lower/Third	$ 599,000	1924	6,501 - 8,000 sqft	3.0	1.2	88	9	0	12	79	Lower-middle 25% of properties
Bottom/Fourth	$ 354,500	1198	8,001 - 10,000 sqft	2.0	1.0	88	10	1	13	130	Least expensive 25% of properties

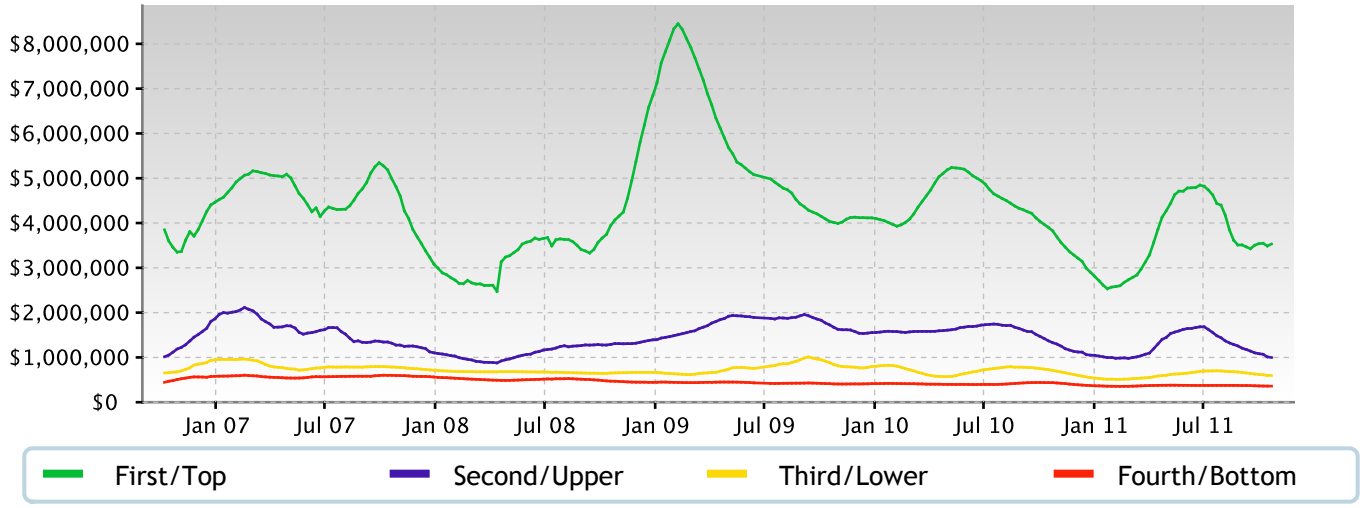
Median Price

This week prices in this zip code bumped up a bit but the trend of recent weeks is generally downward. A pickup in demand will be reflected in the Market Action Index, so watch that chart to try to identify a trough in the market.



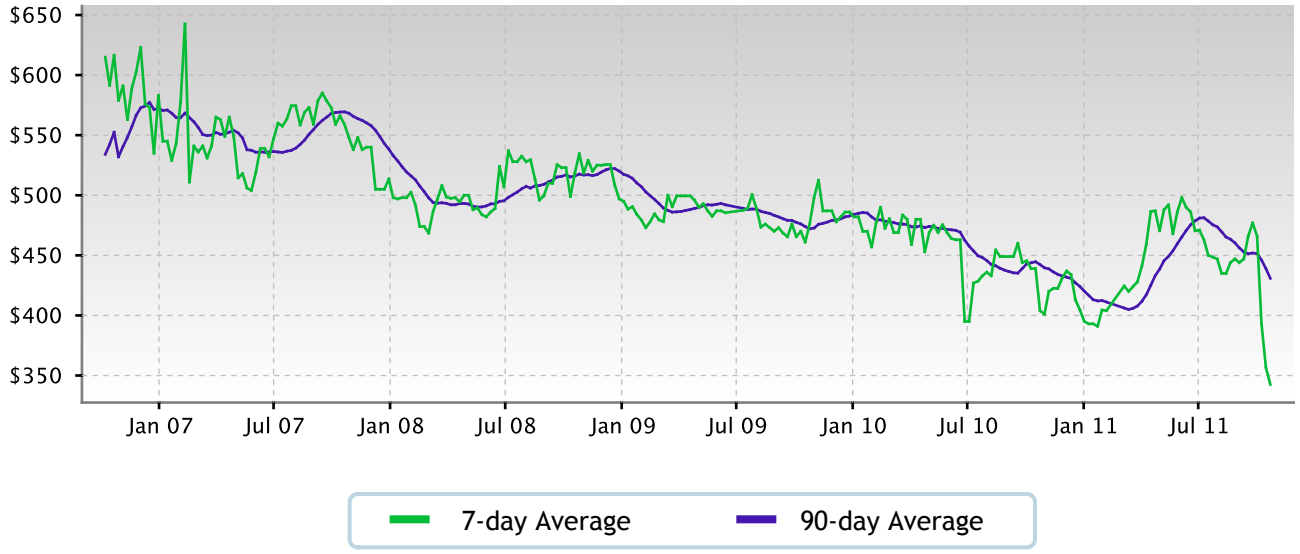
Quartile Prices

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.



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.



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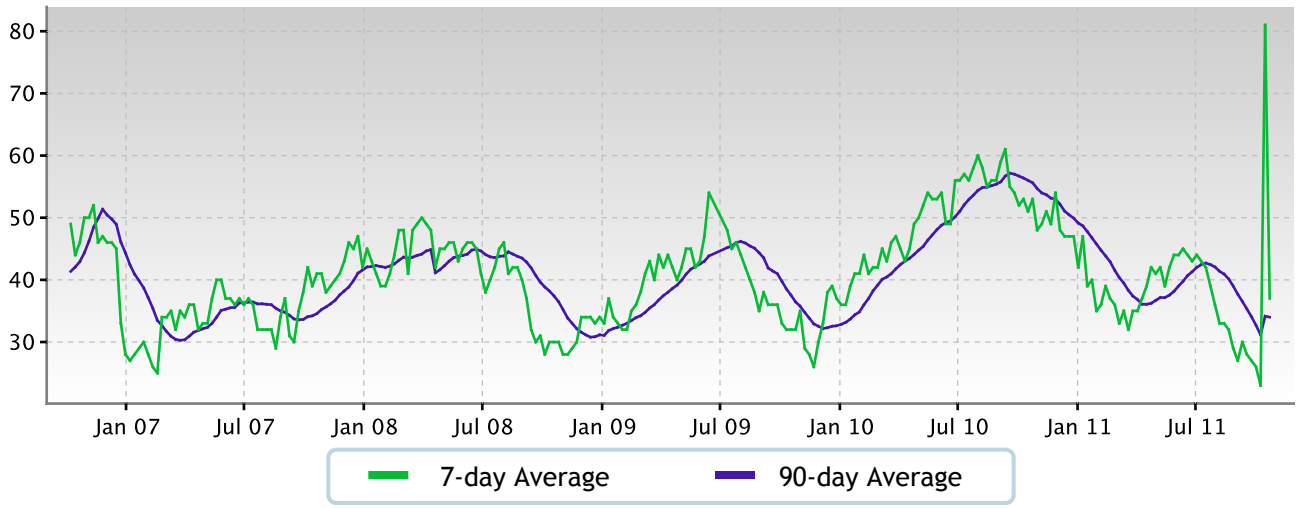

Market Action Index

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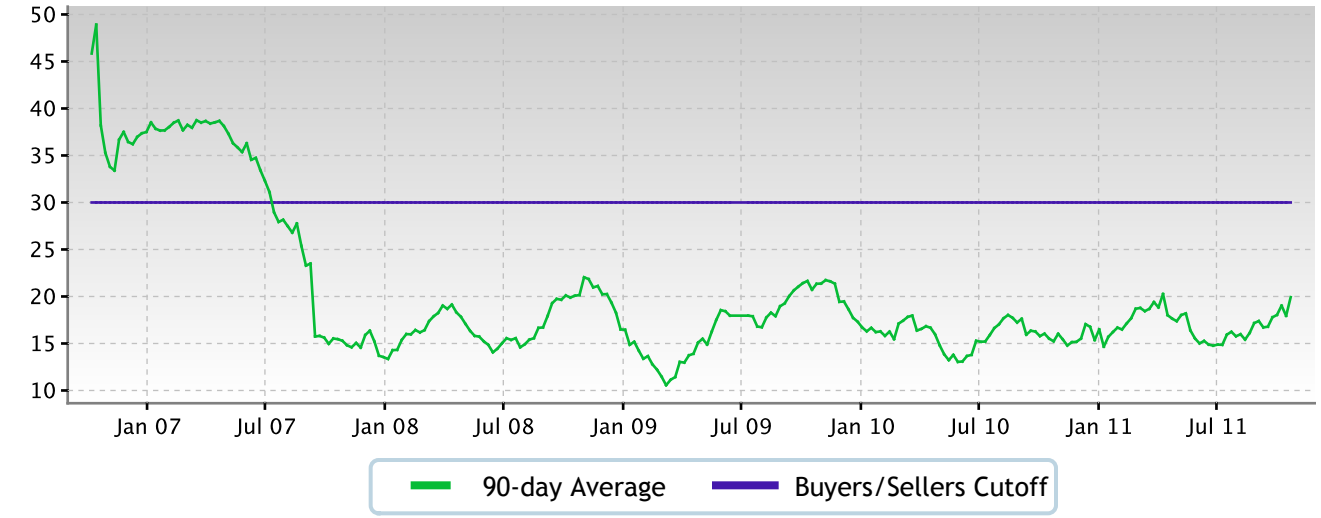

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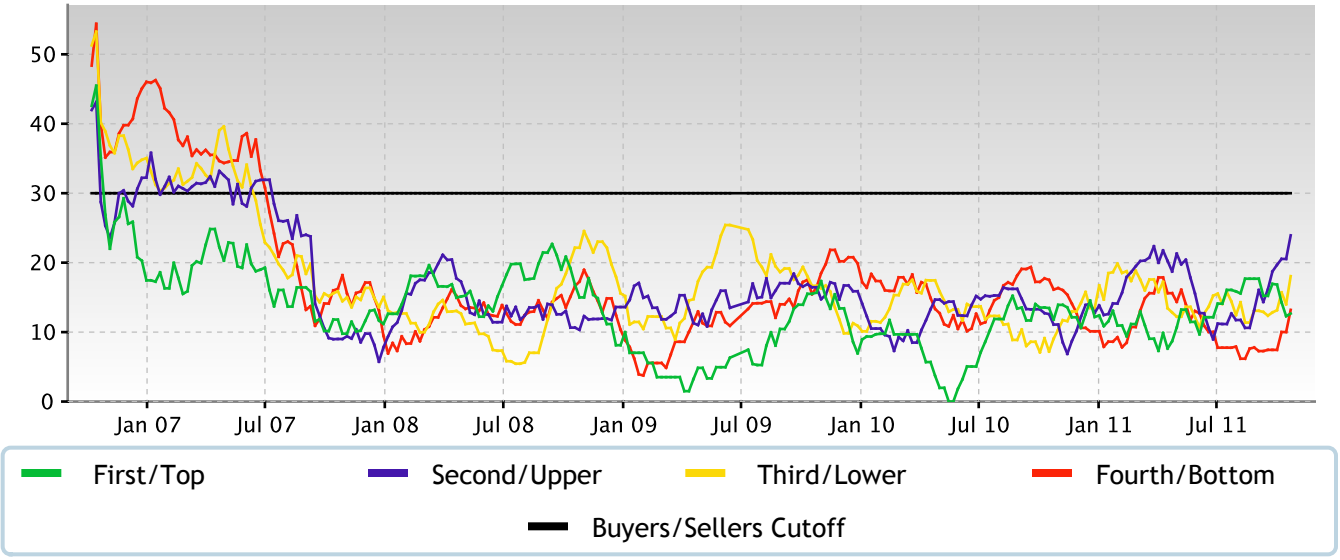

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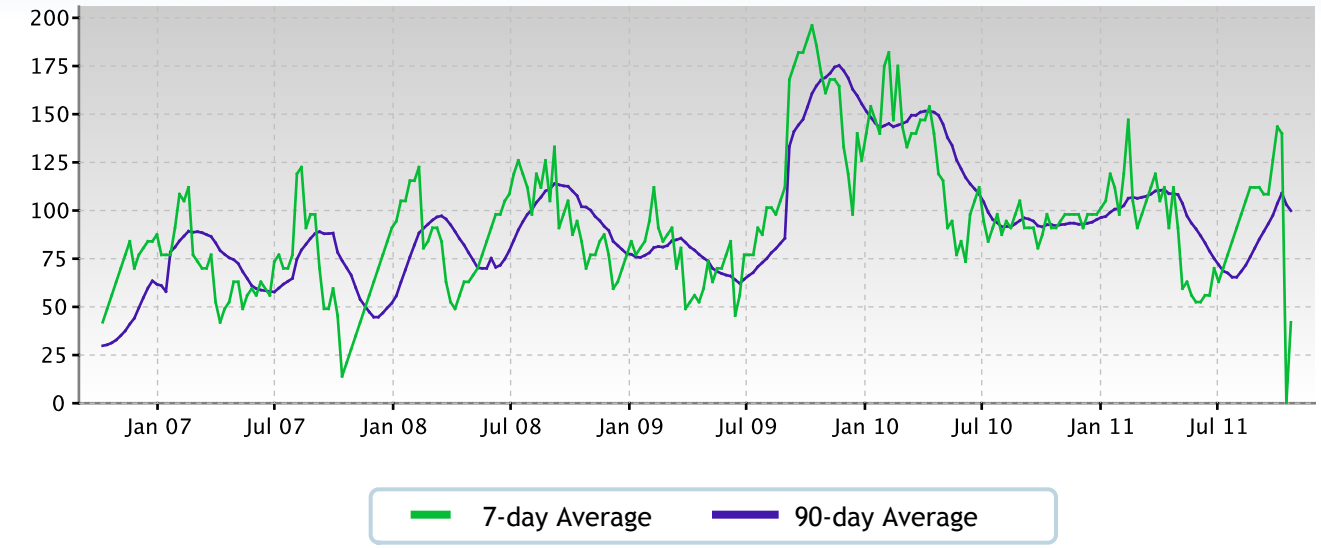

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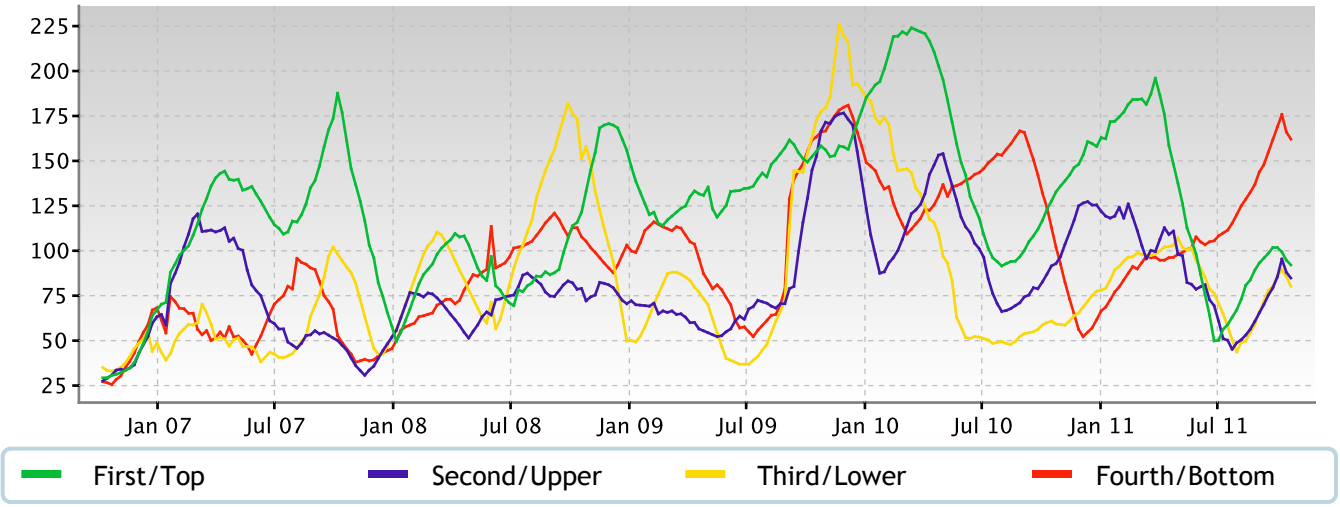
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