

Lucy Kelts's market update

RANCHO SANTA FE
92067

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

Report for the week of
2009-05-29

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City Overview

Real-Time Market Profile		Trend
Median List Price	\$ 3,385,000	↑ ↑
Average List Price	\$ 4,572,080	
Least Expensive Listing	\$ 495,000	
Most Expensive Listing	\$ 35,000,000	
Asking Price per Square Foot	\$ 621	← →
Average Days on Market	192	↑ ↑
Total Inventory	336	↑ ↑
Absorbed This Week*	10	
Percent of Properties with Price Decrease	41 %	
Percent Relisted (reset DOM)	13 %	
Percent Flip (price increased)	1 %	
Median House Size (sq ft)	4,784	
Median Lot Size	1.0 - 2.5 acres	
Median Number of Bedrooms	5.0	
Median Number of Bathrooms	5.5	
Median Age	18	

Altos Research Value Statistics		
Market Action Index	Cold! Buyer's	7 ↓ ↓

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
 No Clear Monthly/Quarterly

*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	\$ 7,925,000	8,500	2.5 - 5.0 acres	6.0	7.0	10	84	0	1	240
2	\$ 3,985,000	6,500	1.0 - 2.5 acres	5.0	5.5	16	84	2	0	168
3	\$ 2,697,000	4,900	1.0 - 2.5 acres	5.0	5.0	20	84	3	3	187
4	\$ 1,795,000	3,366	1.0 - 2.5 acres	4.0	3.5	23	84	3	6	177

RANCHO SANTA FE

THIS WEEK

The median single family home price in RANCHO SANTA FE this week is \$3,385,000. The 336 homes have been on the market for an average of 192 days.

The Market Action Index has been trending down lately, while inventory and days-on-market are climbing. The trends imply a weakening market.

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.

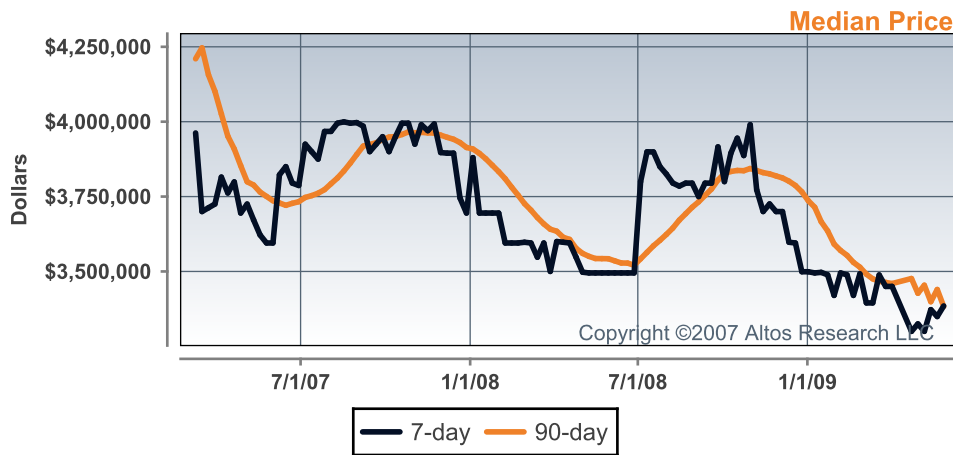
Most expensive 25% of homes

Upper-middle 25% of homes

Lower-middle 25% of homes

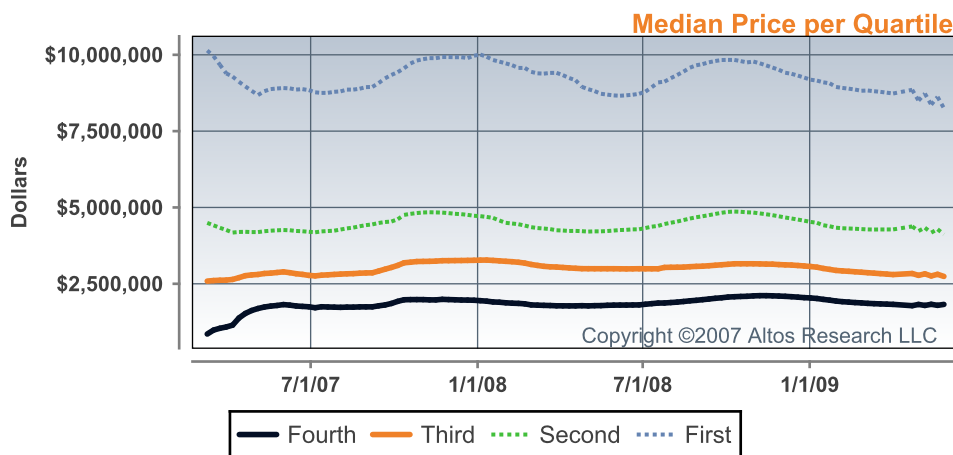
Least expensive 25% of homes

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



PRICE

Prices continue their climb again this week. We're a long way from the market's price high-point so watch the Market Action Index as an indicator of how long this trend will last.

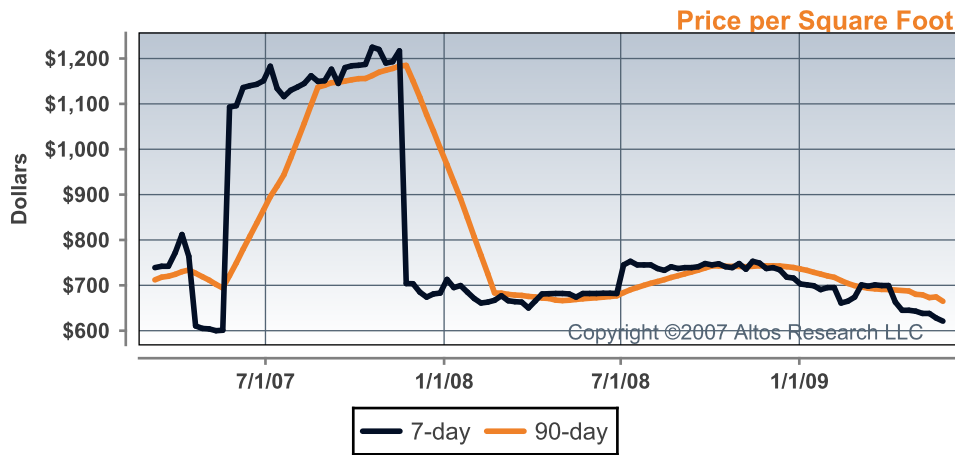


QUARTILE PRICES

Often, we find insights by watching pricing trends within the quartile segments. Price weakness is visible almost across the board. Prices in Quartile 4 have been mixed recently, while the rest of the market is trending downward. Look to a strong, persistent up shift in the Market Action Index as a leading indicator of the trough in the market.

PRICE AND VALUE

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.



INVENTORY

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.



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.



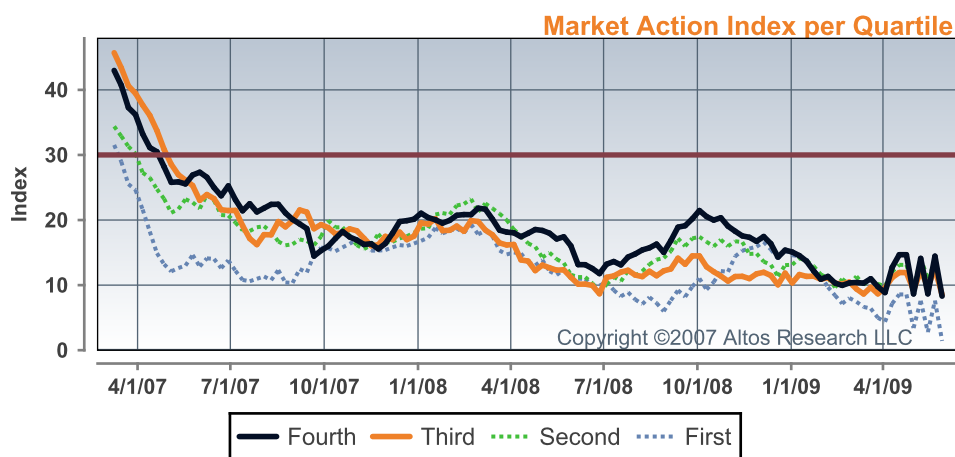
The Market Action Index (MAI) illustrates the balance between supply and demand using a statistical function of the current rate of sale versus current inventory.

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 RANCHO SANTA FE market is currently quite strongly in the Buyer's Market zone (below 30). The 90-day Market Action Index stands at 7. With several months of inventory available at the current sales rate, buyers should find ample choice.

The market has been consistently cool for several weeks. Demand level are low relative to the available inventory. It's a Buyer's market and prices continue to fall. Look for a persistent shift in Market Action before prices plateau or begin to rise again.



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

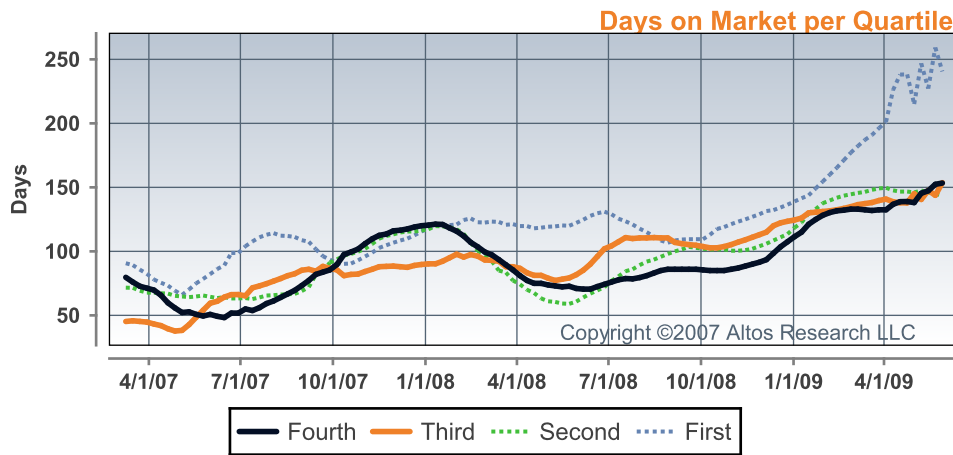
MARKET ACTION

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.



DAYS ON MARKET (DOM)

The properties have been on the market for an average of 192 days. Half of the listings have come newly on the market in the past 199 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

RANCHO SANTA FE 92067

Real-Time Market Profile		Trend
Median List Price	\$ 3,437,500	↑ ↑
Average List Price	\$ 4,780,250	
Least Expensive Listing	\$ 950,000	
Most Expensive Listing	\$ 35,000,000	
Asking Price per Square Foot	\$ 631	
Average Days on Market	198	↑ ↑
Total Inventory	296	
Absorbed This Week	10	
Median House Size (sq ft)	4,950	
Median Lot Size	1.0 - 2.5 acres	
Median Number of Bedrooms	5.0	
Median Number of Bathrooms	5.5	
Median Age	18	
Altos Research Value Statistics		
Market Action Index	Cold! Buyer's	7 ← →

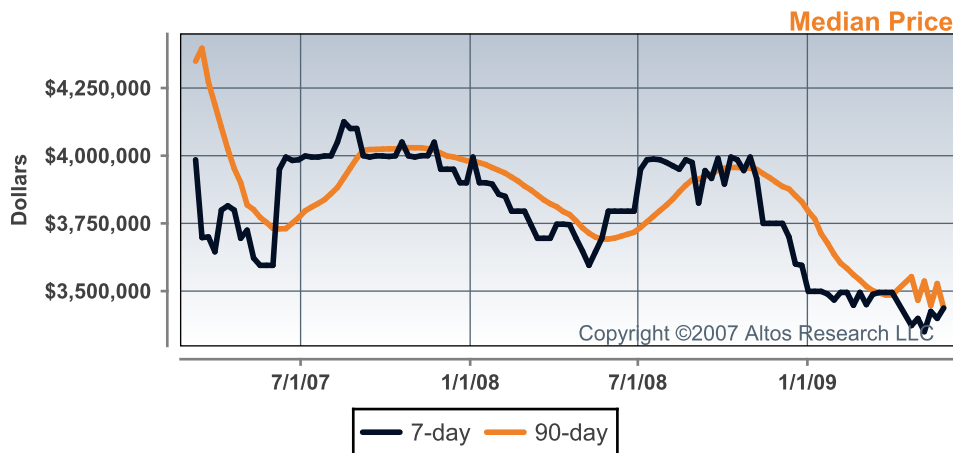
THIS WEEK

The median single family home price in RANCHO SANTA FE 92067 this week is \$3,437,500.

Inventory and days-on-market are climbing, while the Market Action Index has been flat recently. The trends point to a weakening market.

PRICE

The market for this zip code continues its bounce again this week. We're a long way from the market's high point so watch the Market Action Index to predict how long this trend will last.



PRICE PER QUARTILE

In the quartile market segments, we see the market's price weakness almost across the board. Prices in Quartile 4 have been mixed recently, while the rest of the market is trending downward. Look for a strong, persistent up shift in the Market Action Index as a leading indicator of the trough in the market.

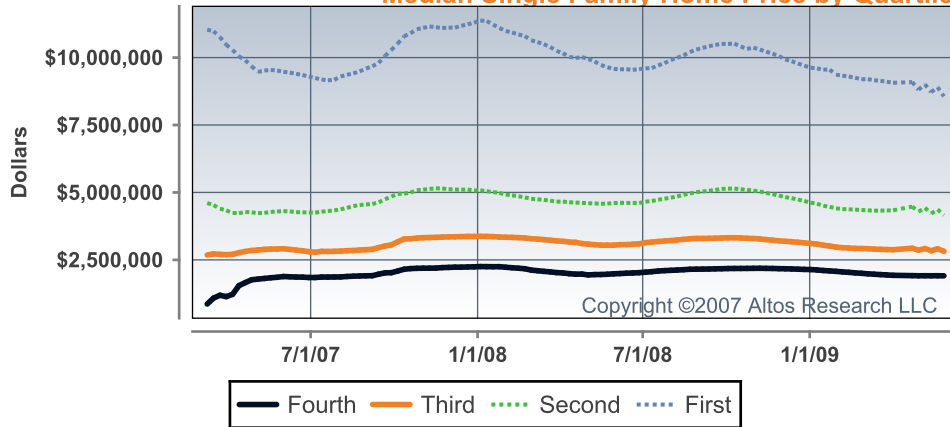
QUARTILES

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

PRICE AND VALUE

In a market where prices are rising fairly consistently, price per square foot is essentially flat. This often implies that new homes coming on the market are pricier, and also larger than older homes. As a result the value one can buy stays the same.

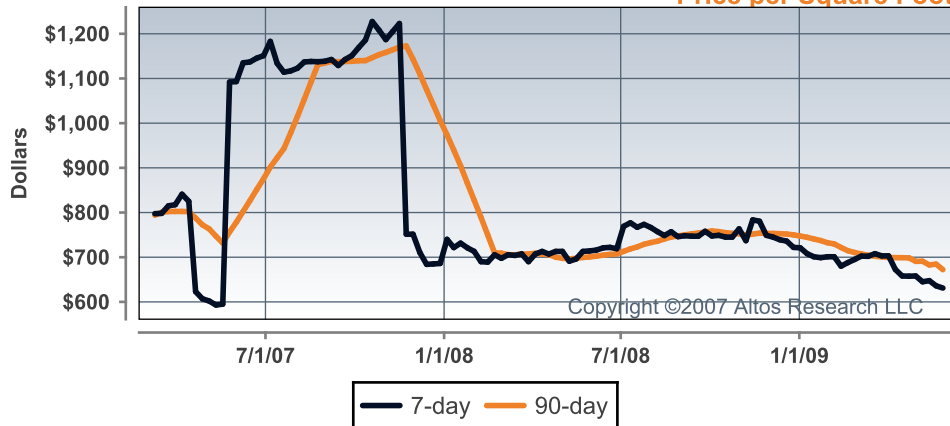
Median Single Family Home Price by Quartile



Characteristics per Quartile

Quart	Median Price	Med. Sqft	Med. Lot Size	Bed	Bath	Med. Age	Inven.	New	Ab-sorbed	Avg. DoM
1	\$ 7,997,500	8,500	2.5 - 5.0 acres	6.0	7.0	10	74	0	1	246
2	\$ 3,995,000	6,546	1.0 - 2.5 acres	5.0	5.5	16	74	2	0	173
3	\$ 2,790,000	5,155	1.0 - 2.5 acres	5.0	5.0	20	74	2	3	178
4	\$ 1,890,000	3,651	1.0 - 2.5 acres	4.0	3.5	24	74	3	6	195

Price per Square Foot



INVENTORY

Inventory has been climbing lately with 296 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.



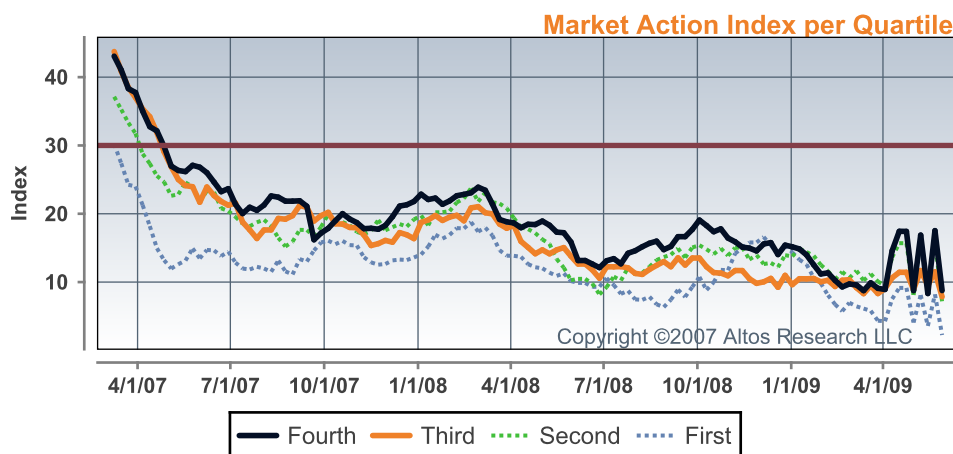
MARKET ACTION INDEX

The RANCHO SANTA FE 92067 is quite strongly in the Buyer's Market zone. The 90-day Market Action Index stands at 7. With several months of inventory available at the current sales rate, buyers should find ample choice.



MARKET ACTION

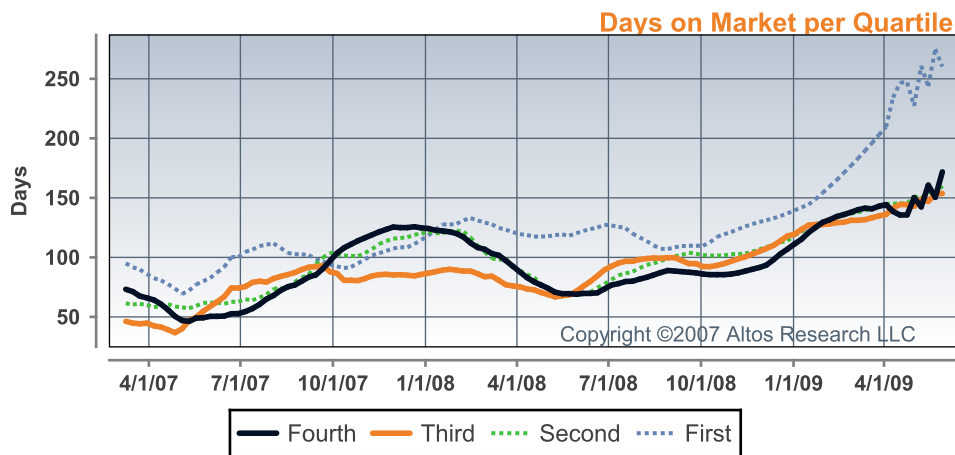
Not surprisingly, all quartiles are in the Buyer's Market zone with several months of inventory given the current levels of demand. Watch the quartiles for changes before the overall market shifts.





DAYS ON MARKET

The properties have been on the market for an average of 197 days. Half of the listings have come newly on the market in the past 217 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.