

# LAURIE WOOLNER'S MARKET UPDATE

LOS ANGELES, CA  
90066

- 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  
March 14, 2016

- Presented by Laurie Woolner  
Woolner Group  
[www.WoolnerGroup.com](http://www.WoolnerGroup.com) - [Laurie@woolnergroupp.com](mailto:Laurie@woolnergroupp.com)  
310.699.0980



[Laurie@WoolnerGroup.com](mailto:Laurie@WoolnerGroup.com)



310.699.0980

### This Week

- The median list price in LOS ANGELES, CA this week is \$764,950. The 1598 properties have been on the market for an average of 91 days.

Inventory is tightening and days-on-market is falling. But demand as measured by the Market Action Index is also trending down. The market is not giving strong up or down signals from these data.

### Supply and Demand

- Home sales continue to outstrip supply and the Market Action Index has been moving higher for several weeks. This is a Seller's market so watch for upward pricing pressure in the near future if the trend continues.

#### Real-Time Market Profile

Metric	Value	Trend
Median List Price	\$ 764,950	↔
Average List Price	\$ 1,578,503	
Asking Price Per Square Foot	\$ 465	↑↑
Average Days on Market (DoM)	91	↓↓
Inventory of Properties Listed	1598	↓↓
Most Expensive Listing	\$ 65,000,000	
Least Expensive Listing	\$ 140,000	
Average Age of Listing	70	
Percent of Properties with Price Decrease	25 %	
Percent Relisted (reset DOM)	12 %	
Percent Flip (price increased)	5 %	
Median House Size (sq ft)	1653	
Median Lot Size	4,501 - 6,500 sqft	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	2.0	

#### Altos Research Value Statistics

Market Action Index	Seller's Advantage	40.2	↑↑
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	\$ 2,850,000	3693	8,001 - 10,000 sqft	4.0	4.5	55	399	45	49	117
Upper/Second	\$ 1,175,000	1976	4,501 - 6,500 sqft	3.0	2.0	76	399	69	70	74
Lower/Third	\$ 530,636	1418	4,501 - 6,500 sqft	3.0	2.0	90	400	77	69	72
Bottom/Fourth	\$ 320,000	1068	4,501 - 6,500 sqft	3.0	1.0	90	400	55	64	102

Most expensive 25% of properties

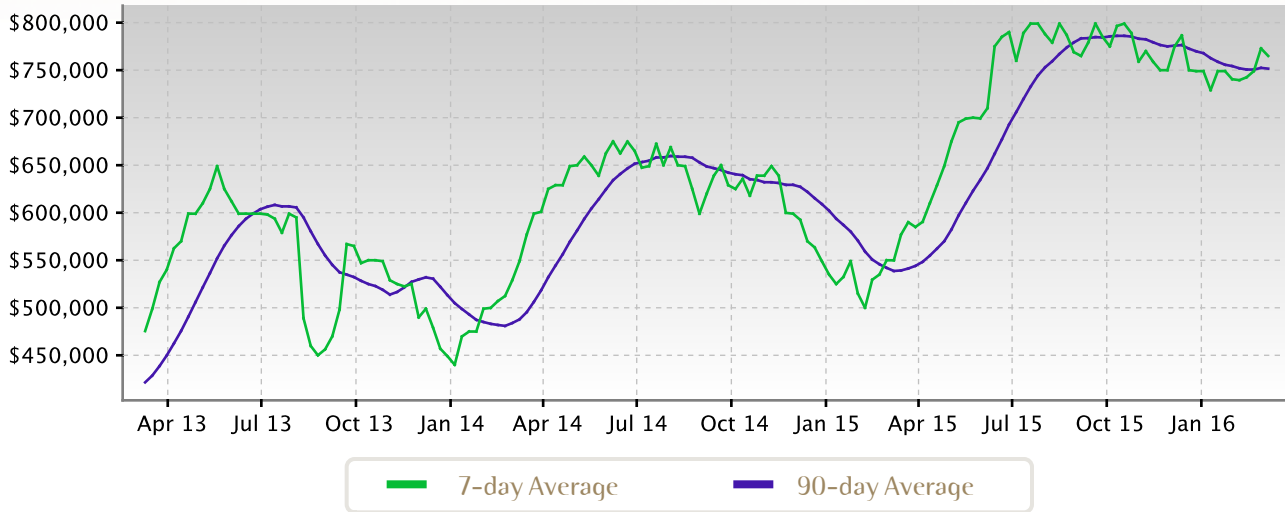
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

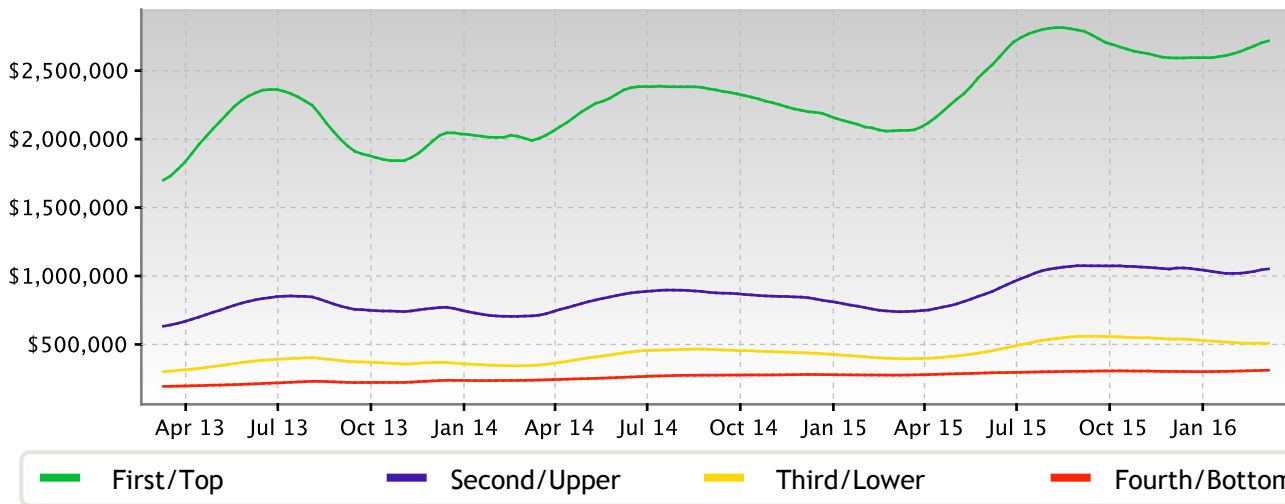
### Median Price

The market appears to be hovering around this plateau. This week prices eased down a bit. The Market Action Index is a good leading indicator for the durability of this shift.



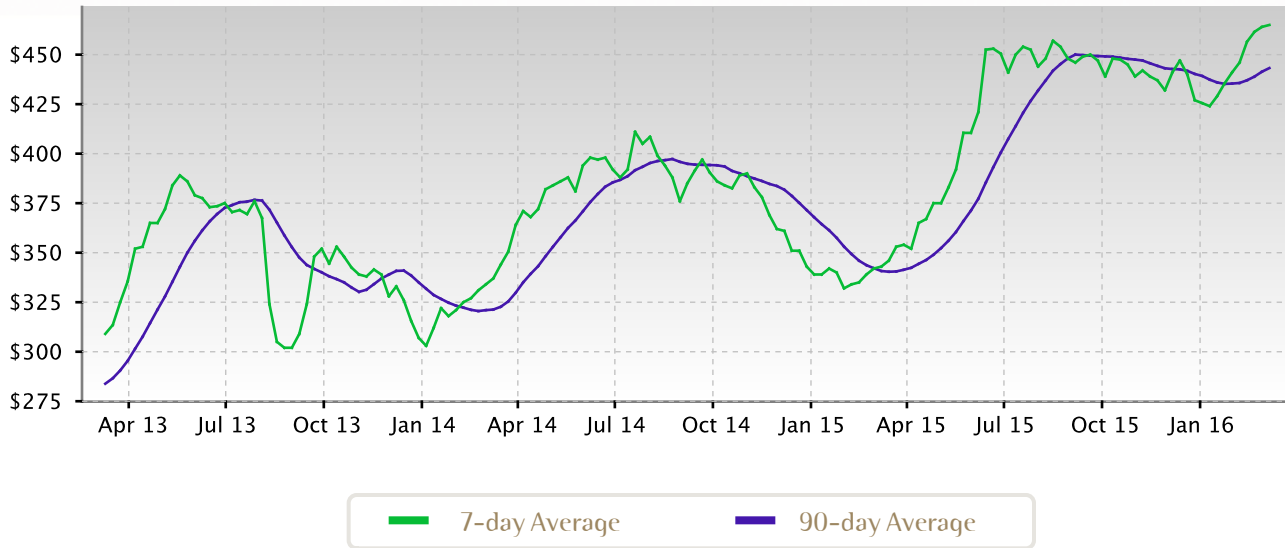
### Quartile Prices

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.



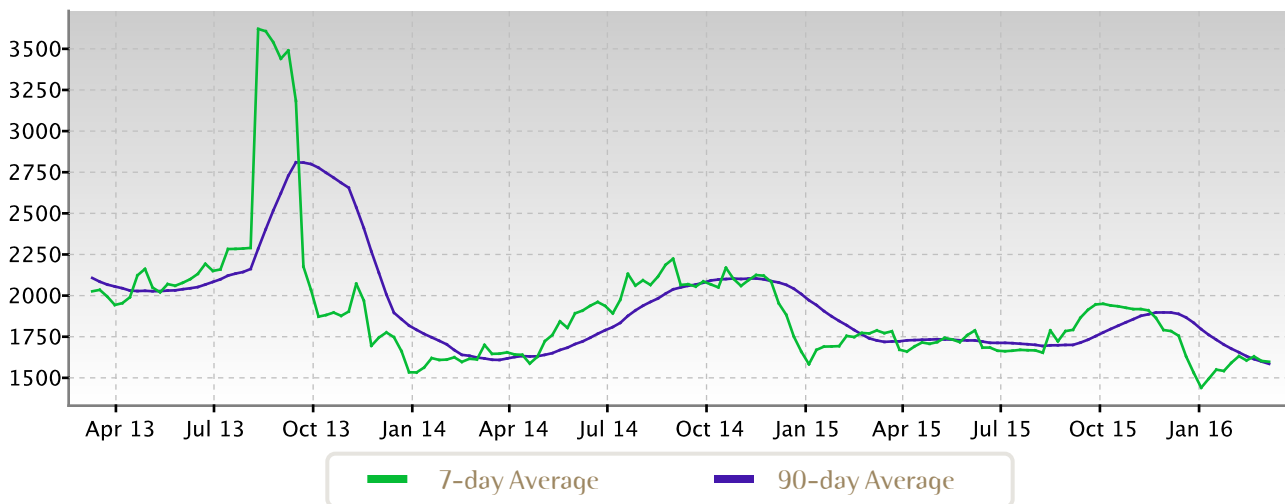
## Price per Square Foot

The value placed on homes continues to increase, despite the fact that prices in general have remained basically flat. These conditions can arise when inventory is light and more, smaller homes have more influence on overall prices.



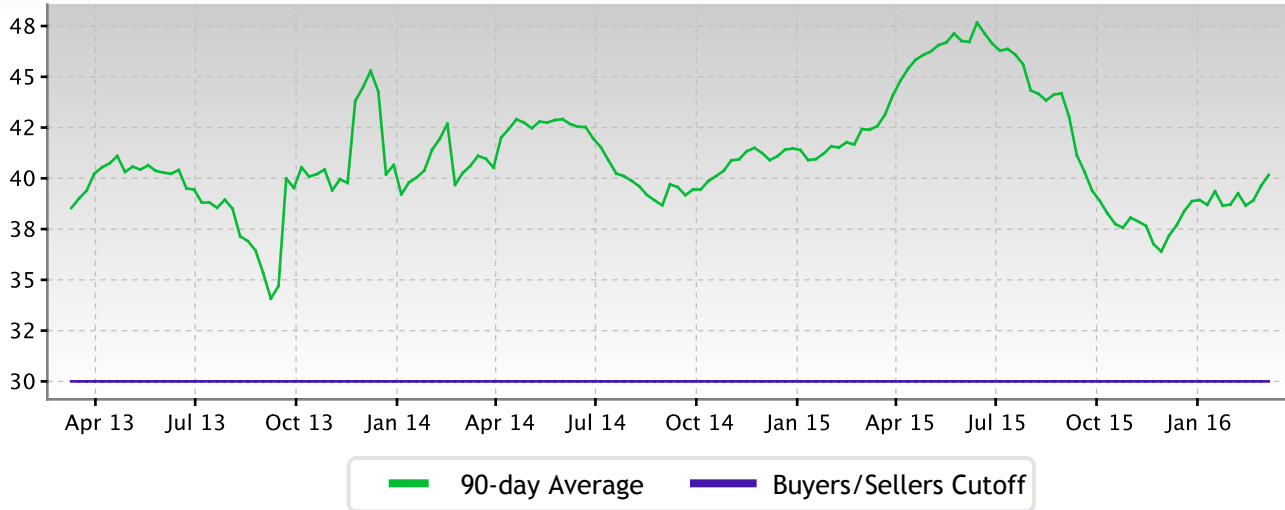
## Inventory of Properties Listed for Sale

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.



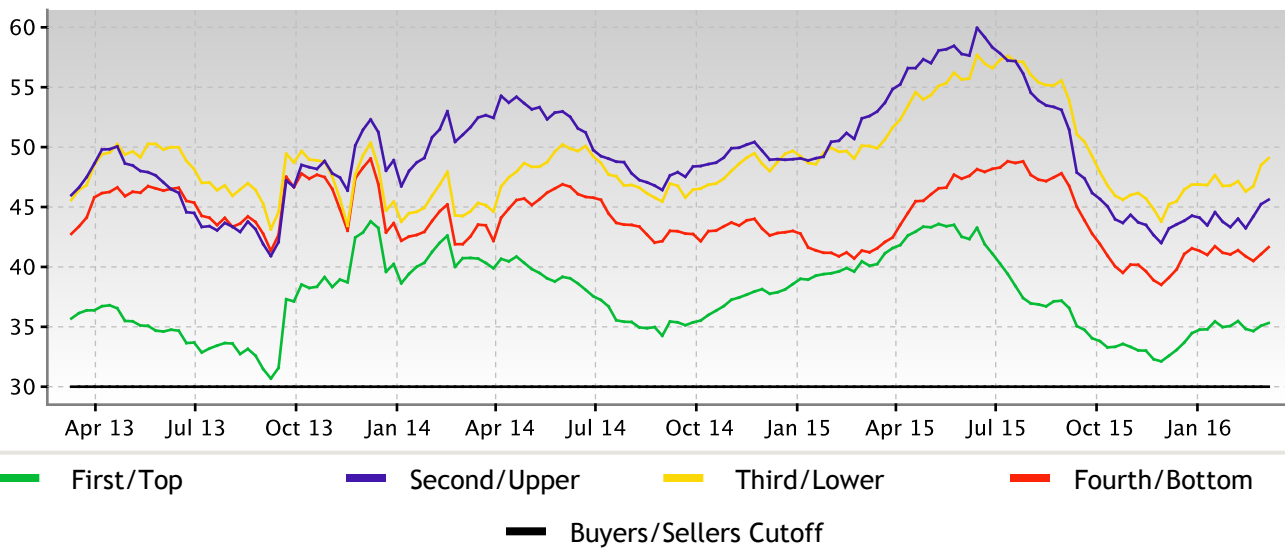
### Market Action Index

The LOS ANGELES market is currently in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 40.17 which indicates that demand is strong and available supply of homes gets snapped up relatively quickly.



### Market Action Index per Quartile

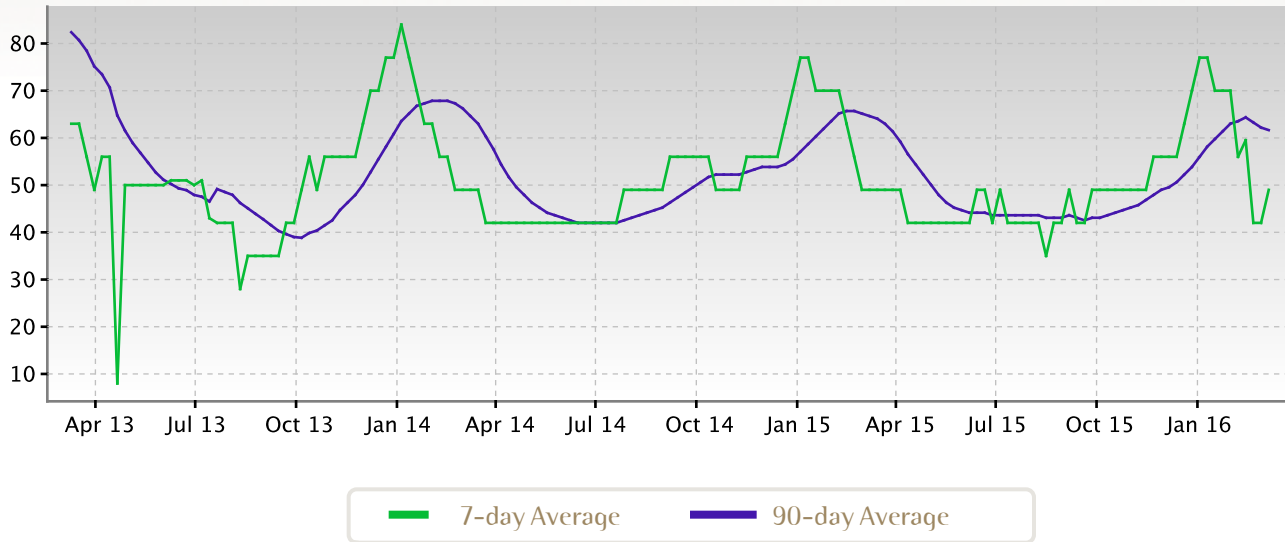
Not surprisingly, all segments in the market are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



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.

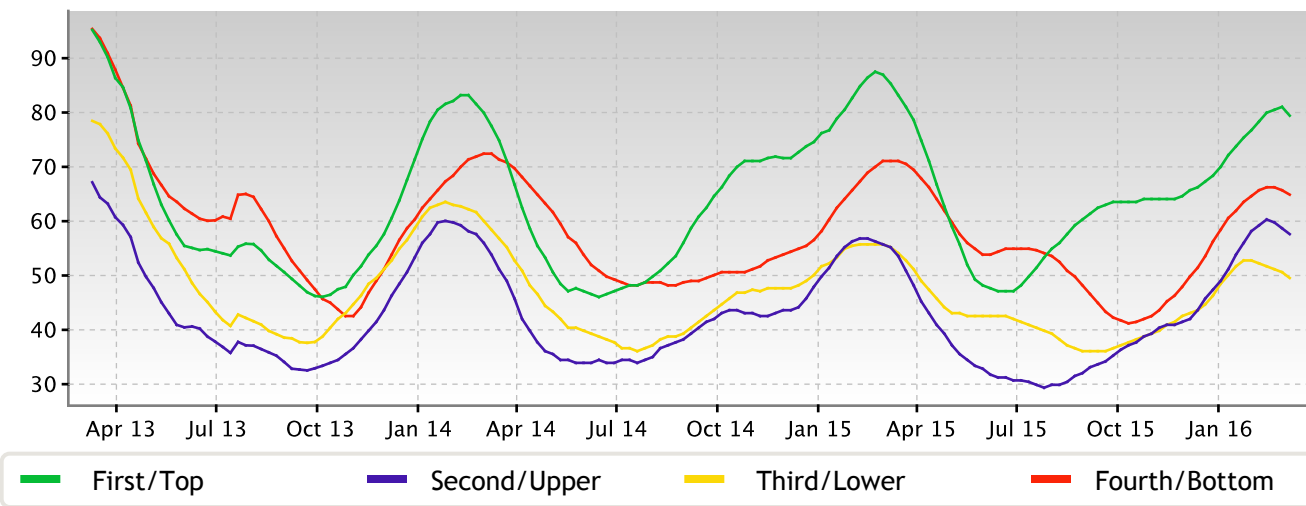
### Days on Market

The properties have been on the market for an average of 91 days. Half of the listings have come newly on the market in the past 49 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 LOS ANGELES, CA 90066 this week is \$1,450,000. The 33 properties have been on the market for an average of 57 days.

Inventory is tightening and days-on-market is falling. The Market Action Index shows demand heating up. These are relatively bullish signs for prices.

### Supply and Demand

- Home sales have been exceeding new inventory for several weeks. However prices have not yet stopped falling. Since the market is already in the Seller's zone, expect prices to level off very soon. Should the sales trend continue expect that prices could climb from there.

#### Real-Time Market Profile

Real-Time Market Profile		Trend
Median List Price	\$ 1,450,000	↓
Average List Price	\$ 1,529,940	
Asking Price Per Square Foot	\$ 754	↑
Average Days on Market (DoM)	57	↓↓
Inventory of Properties Listed	33	↓↓
Most Expensive Listing	\$ 3,495,000	
Least Expensive Listing	\$ 561,115	
Average Age of Listing	47	
Percent of Properties with Price Decrease	30 %	
Percent Relisted (reset DOM)	15 %	
Percent Flip (price increased)	3 %	
Median House Size (sq ft)	2174	
Median Lot Size	4,501 - 6,500 sqft	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	3.0	

#### Altos Research Value Statistics

Market Action Index Strong Seller's 50.9 ↑↑

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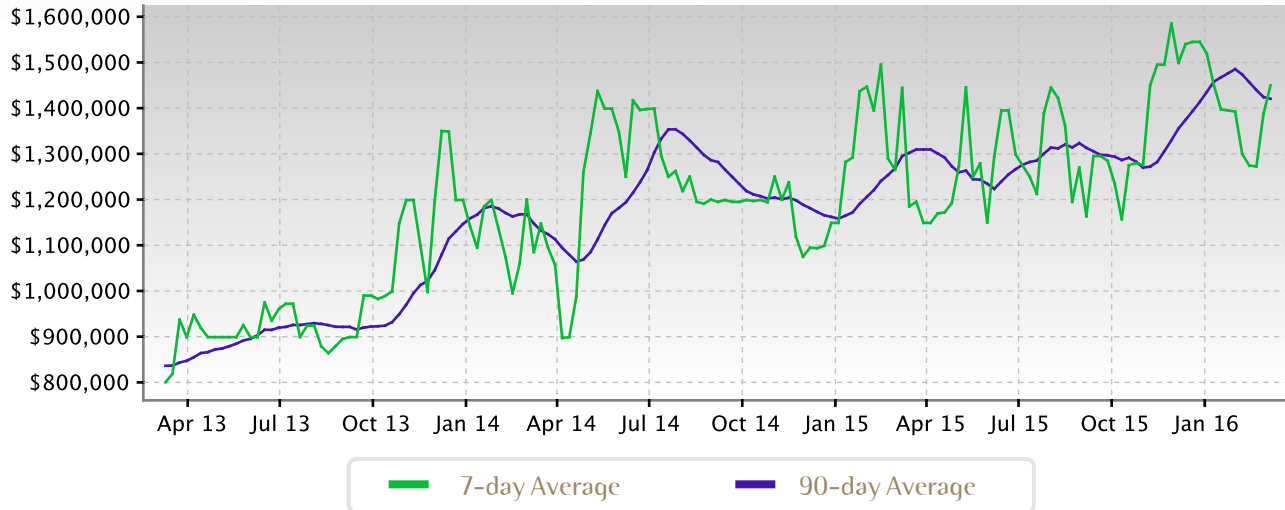
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### Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	\$ 2,164,700	3118	4,501 - 6,500 sqft	4.0	4.5	8	8	2	2	37	Most expensive 25% of properties
Upper/Second	\$ 1,563,000	2140	4,501 - 6,500 sqft	3.5	3.0	67	8	2	0	95	Upper-middle 25% of properties
Lower/Third	\$ 1,297,500	2157	6,501 - 8,000 sqft	3.0	3.2	66	8	3	3	20	Lower-middle 25% of properties
Bottom/Fourth	\$ 1,050,000	1141	4,501 - 6,500 sqft	3.0	2.0	67	9	2	3	75	Least expensive 25% of properties

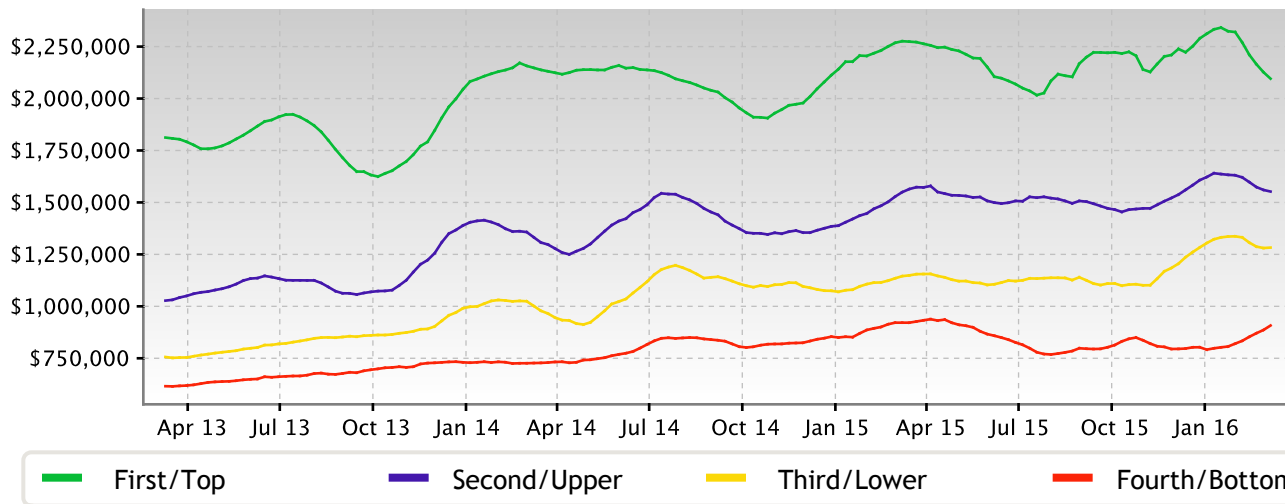
## Median Price

Price trends in this zip code continued their recent uptrend this week. While still below the market's high point, we may be seeing the start of a good price stretch here. We'll look at the Market Action Index later in the report to gauge the leading indicators.



## Quartile Prices

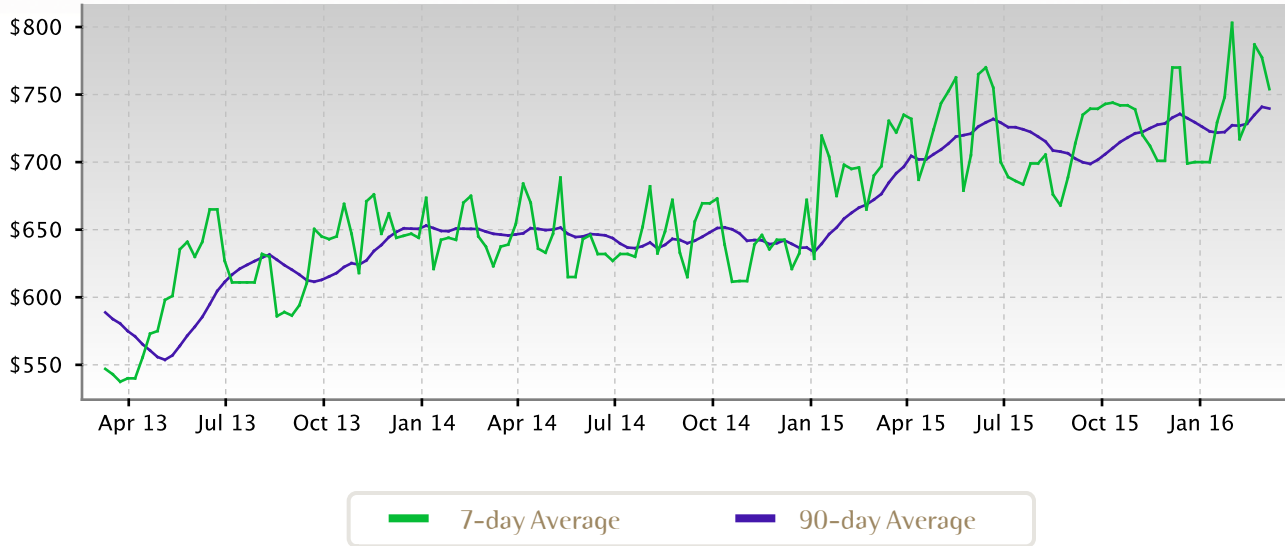
In the quartile market segments, we see most of the market for this zip code showing price weakness lately. Notice however, that Quartile 4 at the low-end of the market is still on an up-trend. Often this condition happens in markets where demand has fallen (for example, due to micro-location variables) but supply is still relatively short. Buyers are focusing on the lowest price homes in the area.





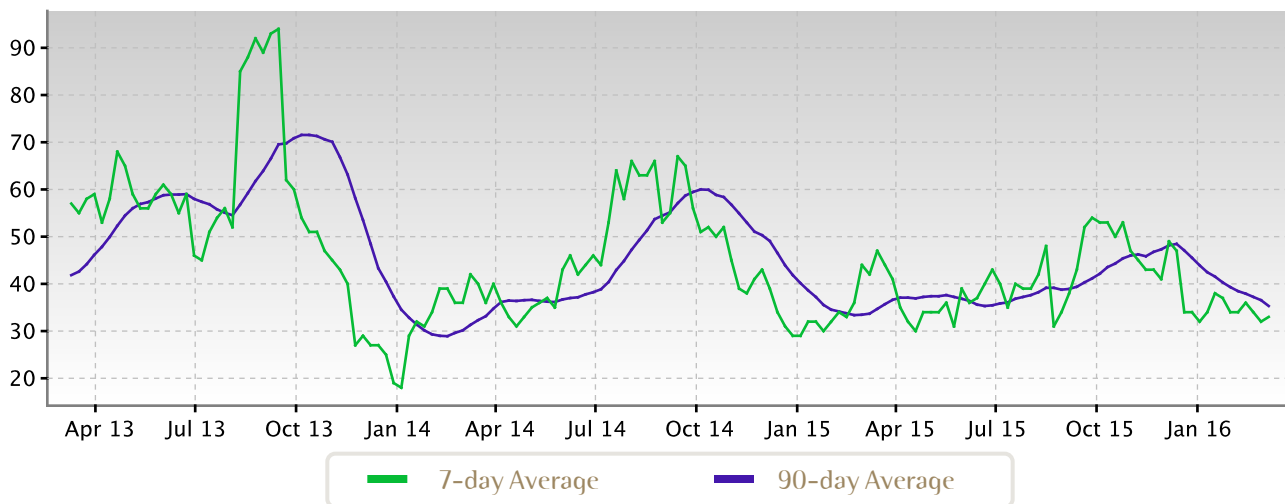
## Price per Square Foot

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.



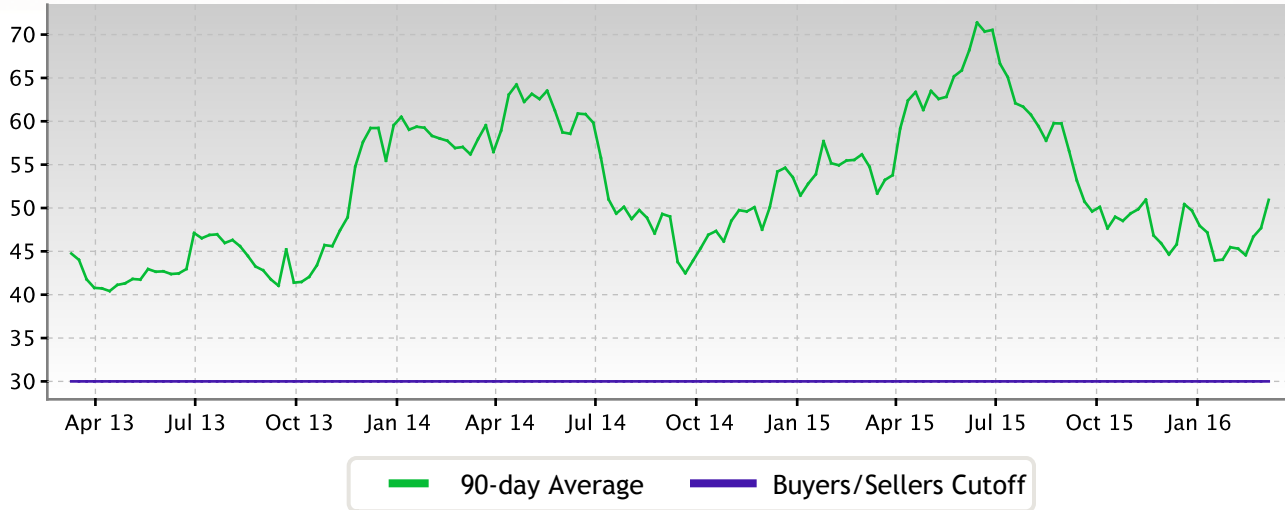
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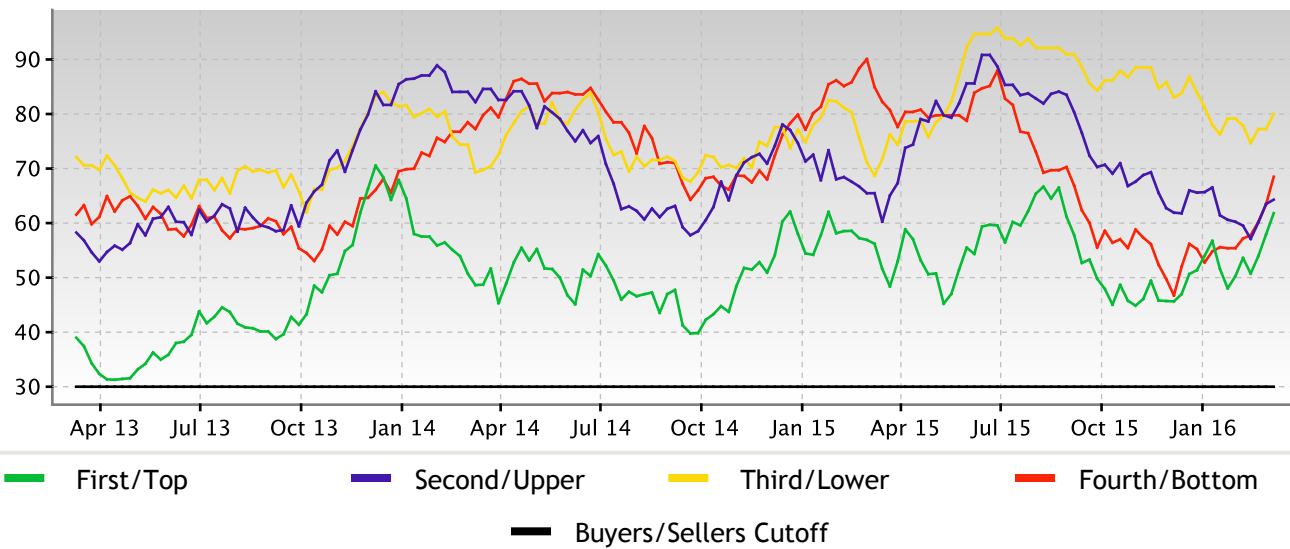
## Market Action Index

The LOS ANGELES, 90066 market is currently quite strongly in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 50.94; indicating very little supply relative to the demand.



## Market Action Index per Quartile

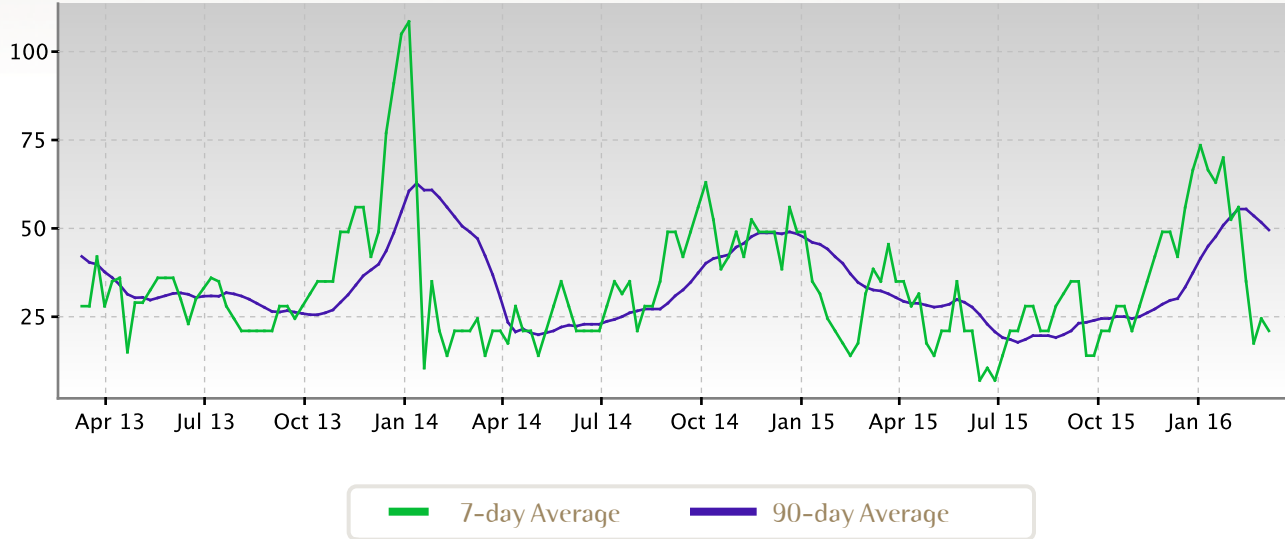
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The properties have been on the market for an average of 57 days. Half of the listings have come newly on the market in the past 21 or so days.



## Days on Market per Quartile

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