

Detached Market Overview

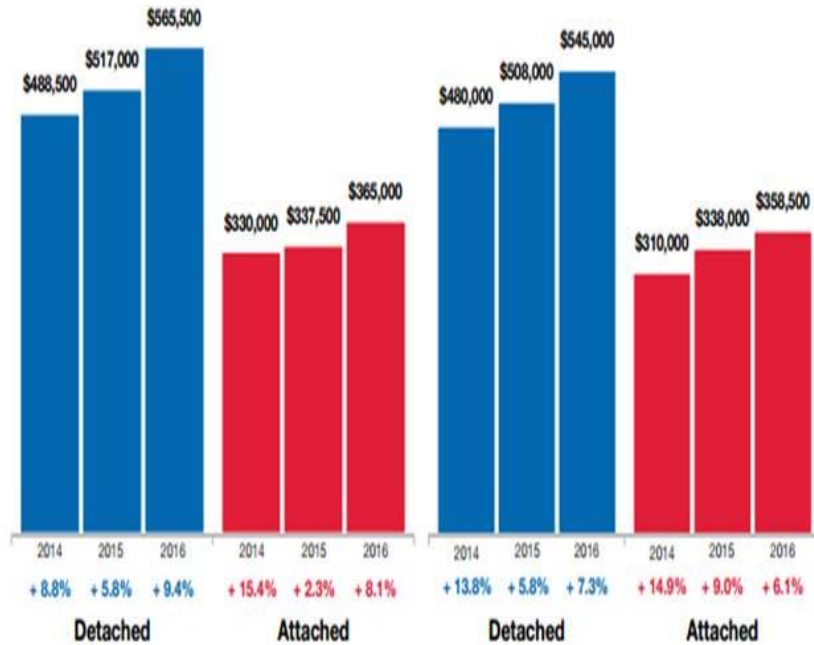
Key metrics by report month and for year-to-date (YTD) starting from the first of the year. **Detached homes only.**

Key Metrics	Historical Sparkbars			4-2015	4-2016	Percent Change	YTD 2015	YTD 2016	Percent Change
	04-2014	04-2015	04-2016						
New Listings		3,323	3,182	- 4.2%	12,206	12,018	- 1.5%		
Pending Sales		2,364	2,589	+ 9.5%	8,535	8,636	+ 1.2%		
Closed Sales		2,364	2,064	- 12.7%	7,238	6,844	- 5.4%		
Median Sales Price		\$517,000	\$565,500	+ 9.4%	\$508,000	\$545,000	+ 7.3%		
Average Sales Price		\$653,399	\$727,820	+ 11.4%	\$665,748	\$698,425	+ 4.9%		
\$ Volume of Closed Sales (in millions)		\$1,545	\$1,502	- 2.8%	\$4,829	\$4,784	- 0.9%		
Pct. of Orig. Price Received		97.1%	97.5%	+ 0.4%	96.4%	97.0%	+ 0.6%		
Days on Market Until Sale		40	32	- 20.0%	46	38	- 17.4%		
Housing Affordability Index		68	63	- 7.4%	70	66	- 5.7%		
Inventory of Homes for Sale		5,620	4,726	- 15.9%	--	--	--		
Months Supply of Inventory		2.9	2.3	- 20.7%	--	--	--		

Median Sales Price

Point at which half of the sales sold for more and half sold for less, not accounting for seller concessions, in a given month.

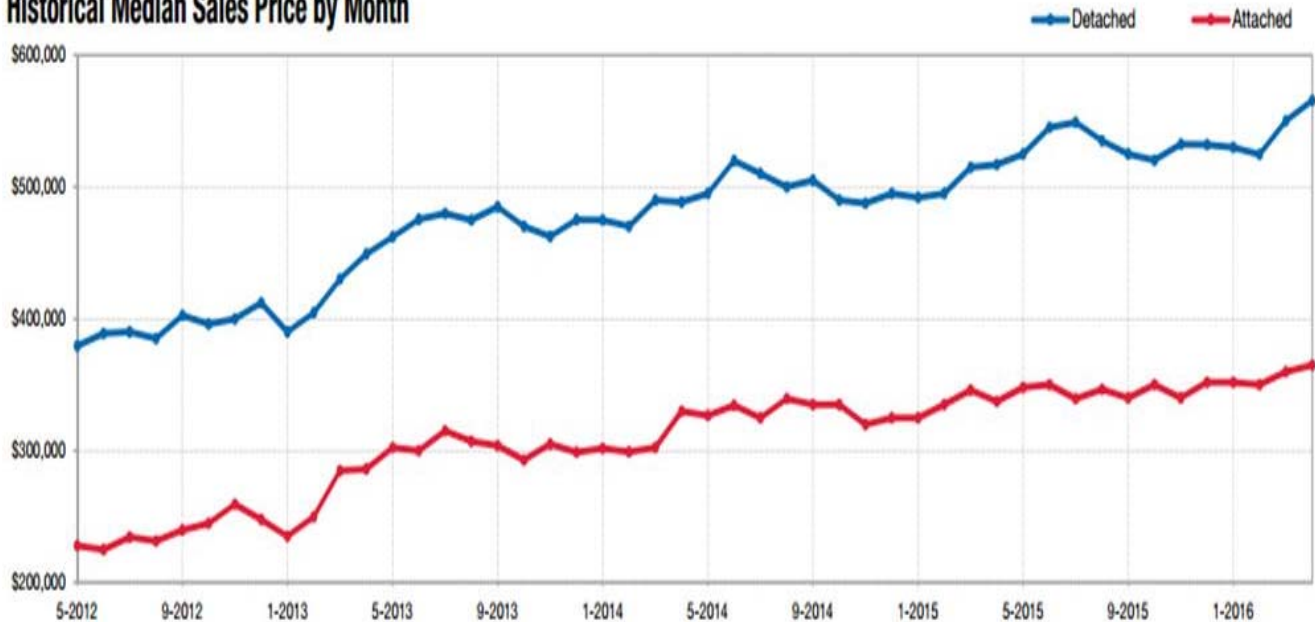
April



Median Sales Price	Detached	Year-Over-Year Change	Attached	Year-Over-Year Change
May-2015	\$525,000	+6.1%	\$348,000	+6.5%
Jun-2015	\$545,000	+4.8%	\$350,000	+4.6%
Jul-2015	\$549,000	+7.6%	\$339,500	+4.5%
Aug-2015	\$535,000	+7.0%	\$346,625	+2.1%
Sep-2015	\$525,000	+4.0%	\$340,000	+1.5%
Oct-2015	\$520,250	+6.2%	\$350,000	+4.5%
Nov-2015	\$532,250	+9.2%	\$340,000	+6.3%
Dec-2015	\$532,000	+7.5%	\$352,000	+8.3%
Jan-2016	\$530,000	+7.7%	\$351,950	+8.3%
Feb-2016	\$524,500	+6.0%	\$350,000	+4.5%
Mar-2016	\$550,000	+6.8%	\$360,000	+4.0%
Apr-2016	\$565,500	+9.4%	\$365,000	+8.1%
12-Month Avg*	\$502,000	+7.1%	\$333,000	+5.1%

* Median Sales Price for all properties from May 2015 through April 2016. This is not the average of the individual figures above.

Historical Median Sales Price by Month

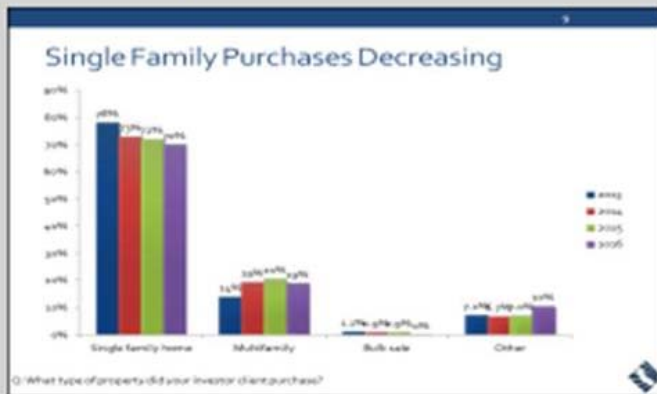


Market Snapshot

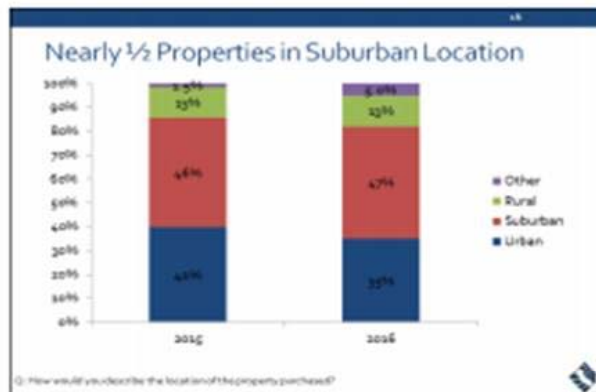
California Real Estate Investors in 2016

Real estate investors are having to get more creative and expand their horizons in their search for good returns. The low hanging fruit has been picked and investors are now getting out their ladders to get to the remaining pickings. They are not only buying fewer single family/multi-family homes, but they are buying fewer properties in urban and suburban areas. Investors are even thinking outside the box in terms of how they will use those properties to make money.

C.A.R.'s 2016 California Investor Survey revealed that single family home purchases by investors has been on the decline since 2013, when 78 percent of investors purchased them. In 2016, the percentage of single family purchases shrank to 70 percent. Similarly, the proportion of multi-family purchases dipped from 21 percent in 2015 to 19 percent in 2016. Meanwhile, the percentage of other types of properties—such as commercial, land, and mobile homes—has been increasing since 2014. The Survey found that 10 percent of real estate investors purchased other types of properties in this year, up from 6.7 percent in 2014. This is due to fewer deals being available as home prices have continued rising in recent years, creating a more competitive environment for investors.



Further evidence that the investment climate in California has gotten more competitive includes the listing price and final sale price being nearly equal, the number of days the property was on the market declining, and a larger share of investment properties being located outside of the urban and suburban markets they typically dominate. Investors are thinking more outside the box in terms of location and exploring niche market opportunities in other areas, including industrial, beach, mountains, and other resort locations.



The increasingly competitive climate has driven investors to be more innovative in generating income from their properties. C.A.R.'s 2016 California Investor Survey showed that the proportion of investors flipping their properties remained unchanged at 26 percent since last year, the percentage renting their properties declined from 65 percent in 2015 to 62 percent this year, but there was an increase in other uses for the property. In 2015, 9.7 percent of investors used their properties to make money in other ways, which include keeping it vacant, converting it into a vacation rental, and subdividing the lot, among other things. In 2016, that percentage increased to 12, reflecting the need to find other ways of gaining profit from real estate investments.

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