

# MCCANN TEAM'S MARKET UPDATE

PHILADELPHIA, PA  
19123

- **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  
September 23, 2013**

- **Presented by The McCann Team  
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### This Week

- The median list price in PHILADELPHIA, PA this week is \$279,900. The 1145 properties have been on the market for an average of 105 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

- 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

Real-Time Market Profile	Trend
Median List Price	\$ 279,900
Average List Price	\$ 1,021,252
Asking Price Per Square Foot	\$ 154
Average Days on Market (DoM)	105
Inventory of Properties Listed	1145
Most Expensive Listing	\$ 25,000,000
Least Expensive Listing	\$ 15,000
Average Age of Listing	97
Percent of Properties with Price Decrease	32 %
Percent Relisted (reset DOM)	n/a
Percent Flip (price increased)	2 %
Median House Size (sq ft)	1899
Median Lot Size	4,501 - 6,500 sqft
Median Number of Bedrooms	4.0
Median Number of Bathrooms	2.5

#### Altos Research Value Statistics

Market Action Index	Strong Seller's	47.4	
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	\$ 2,699,500	7701	5.0 - 10 acres	5.0	6.0	24	286	265	19	15
Upper/Second	\$ 390,000	2314	6,501 - 8,000 sqft	4.0	3.0	60	286	14	16	117
Lower/Third	\$ 220,000	1500	4,501 - 6,500 sqft	3.0	2.0	60	286	11	35	132
Bottom/Fourth	\$ 119,900	1300	Less than 4,500 sqft	3.0	1.5	75	287	16	17	157

Most expensive 25% of properties

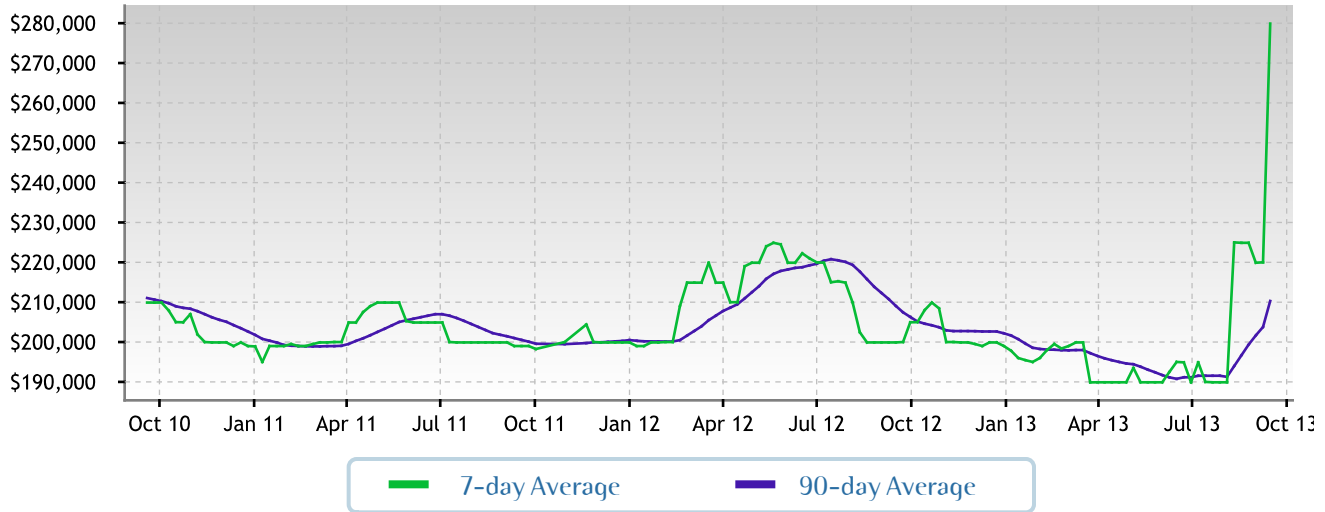
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

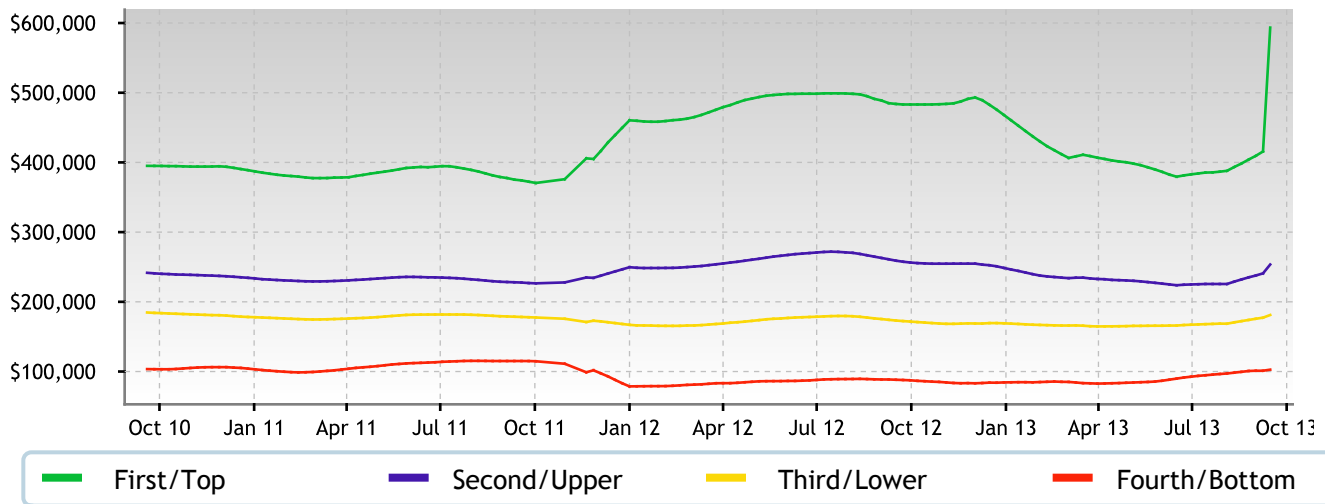
### Median Price

Prices hit another all time high this week. Given current conditions, prices continue to march higher. A persistent drop of the Market Action Index into the Buyer's zone will be a leading indicator of the price strength subsiding.



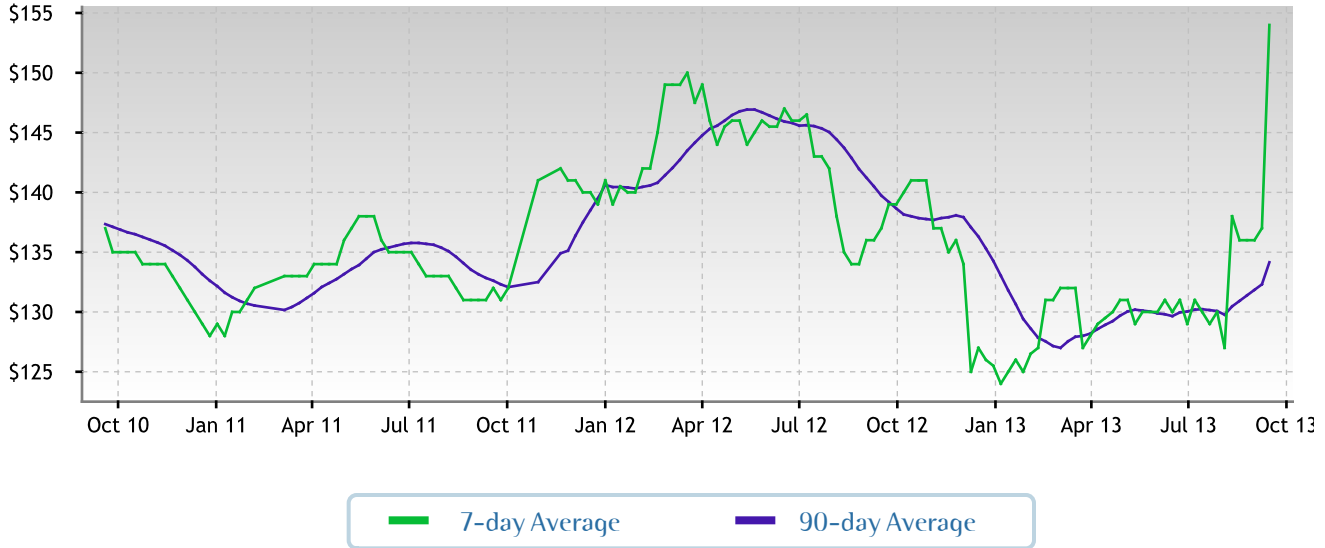
### Quartile Prices

Not surprisingly, given the condition of the overall market, all quartiles have shown price strength in recent weeks. All have been increasing in price lately.



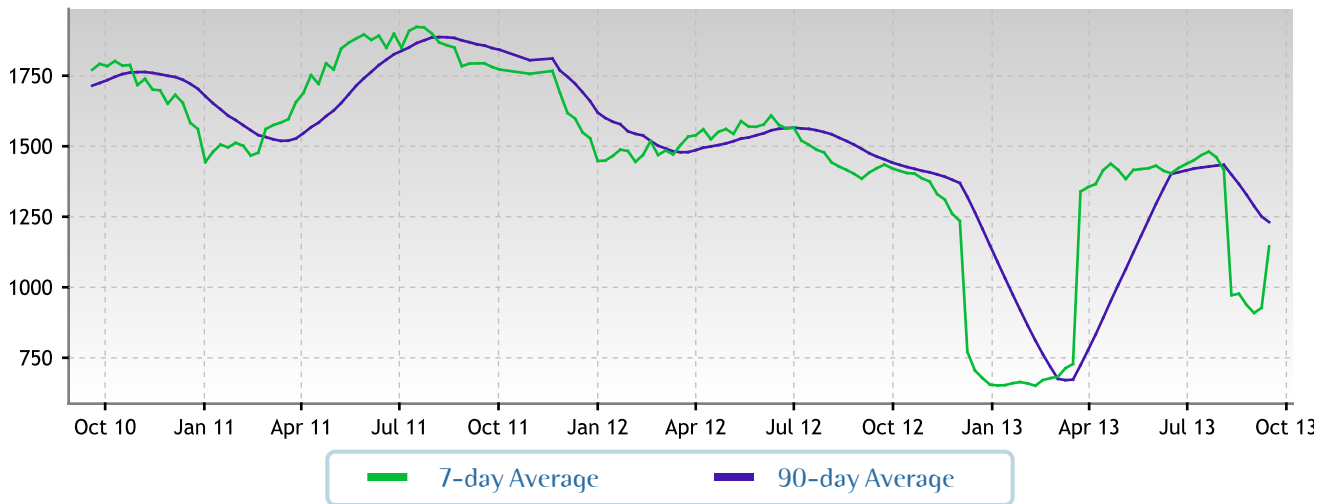
### Price per Square Foot

The market appears to be placing an increasing premium on homes. When list prices and price per square foot consistently increase in tandem, as they're doing now, you can often find short-term investment opportunities. Watch the Market Action Index for persistent changes as a leading indicator for these trends to flatten or drop.



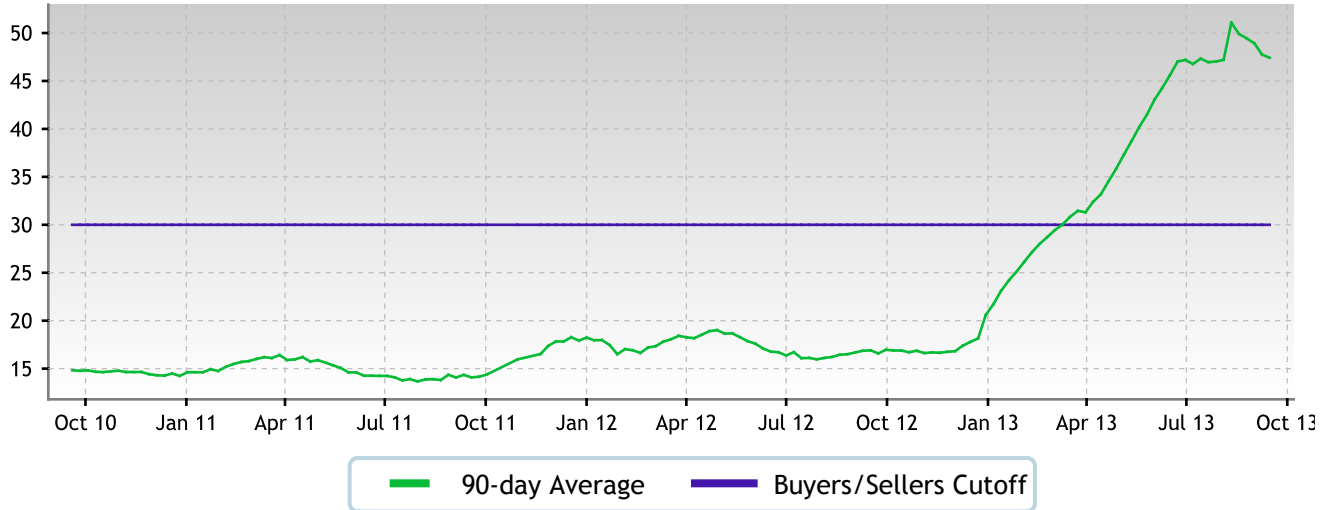
### Inventory of Properties Listed for Sale

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.



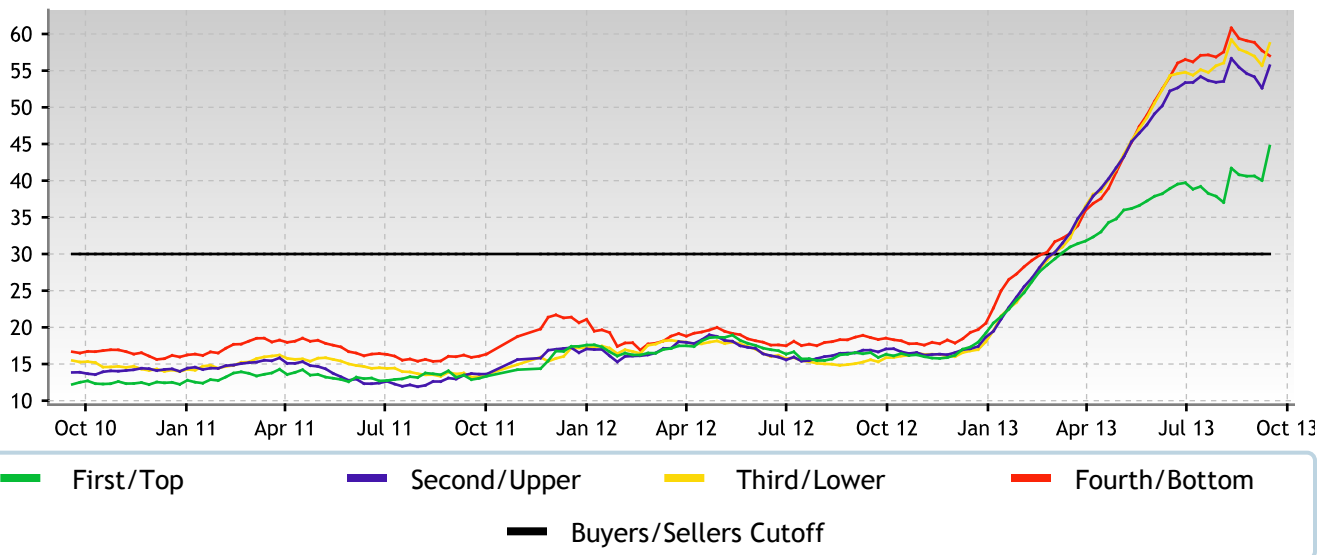
### Market Action Index

The PHILADELPHIA market is currently quite strongly in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 47.42; indicating very little supply relative to the demand.



### Market Action Index per Quartile

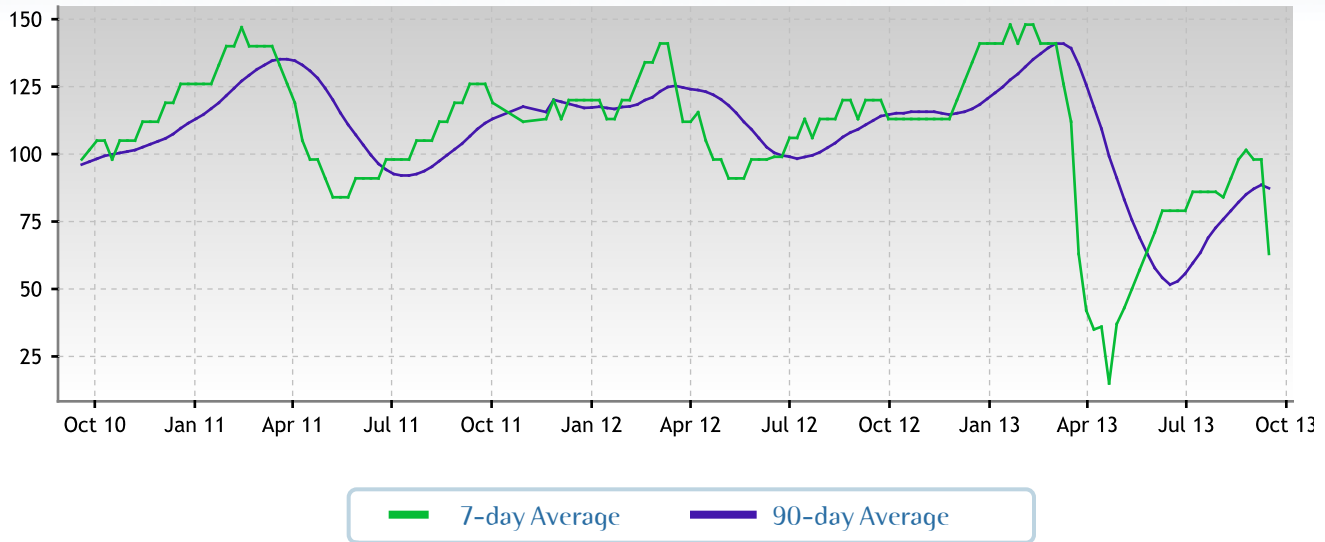
Not surprisingly, all segments in the market are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



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.

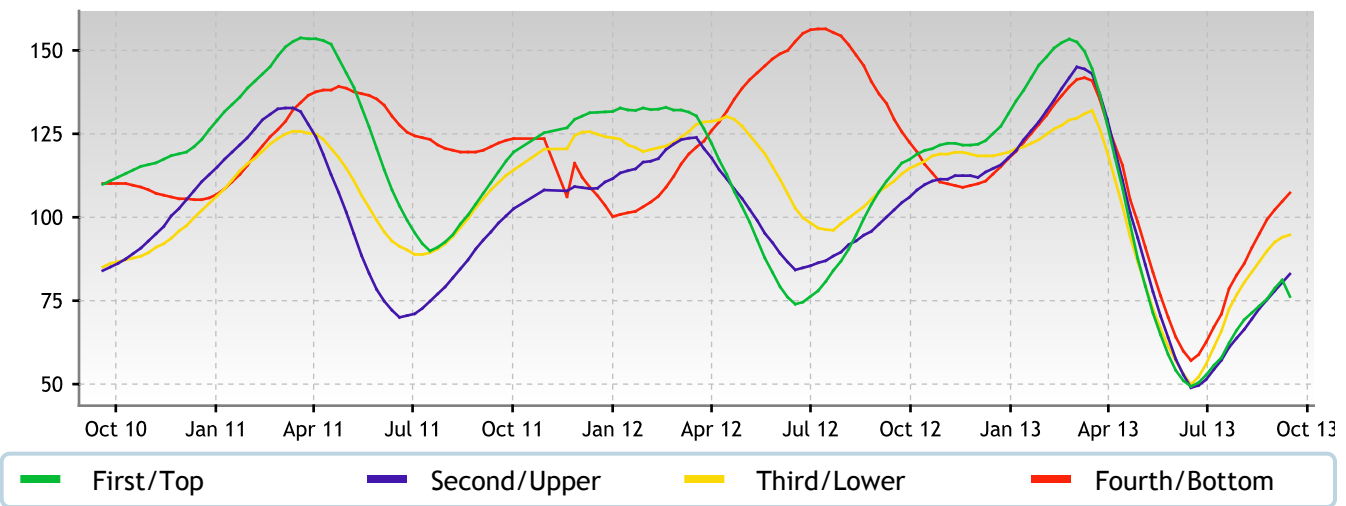
### Days on Market

The properties have been on the market for an average of 105 days. Half of the listings have come newly on the market in the past 63 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 PHILADELPHIA, PA 19123 this week is \$239,900. The 7 properties have been on the market for an average of 140 days.

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

### 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

Real-Time Market Profile		Trend
Median List Price	\$ 239,900	↔
Average List Price	\$ 229,100	
Asking Price Per Square Foot	\$ 153	↓↓
Average Days on Market (DoM)	140	↑↑
Inventory of Properties Listed	7	↑↑
Most Expensive Listing	\$ 329,900	
Least Expensive Listing	\$ 84,000	
Average Age of Listing	5	
Percent of Properties with Price Decrease	43 %	
Percent Relisted (reset DOM)	n/a	
Percent Flip (price increased)	14 %	
Median House Size (sq ft)	1287	
Median Lot Size	Less than 4,500 sqft	
Median Number of Bedrooms	2.0	
Median Number of Bathrooms	2.0	

#### Altos Research Value Statistics

Market Action Index Strong Seller's 50.3 ↑↑

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	\$ 329,900	1258	not available	2.0	2.0	5	1	0	0	126
Upper/Second	\$ 280,000	1287	Less than 4,500 sqft	2.5	1.5	0	2	0	0	140
Lower/Third	\$ 227,400	1600	Less than 4,500 sqft	2.0	2.0	0	2	0	0	144
Bottom/Fourth	\$ 129,500	1170	Less than 4,500 sqft	3.0	1.0	0	2	0	0	144

Most expensive 25% of properties

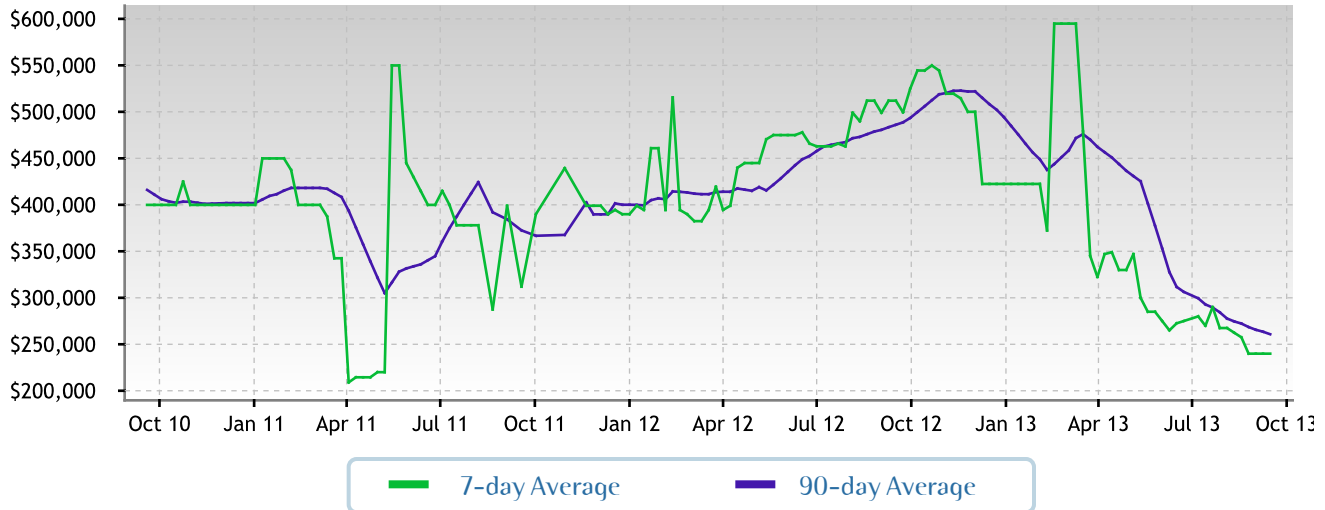
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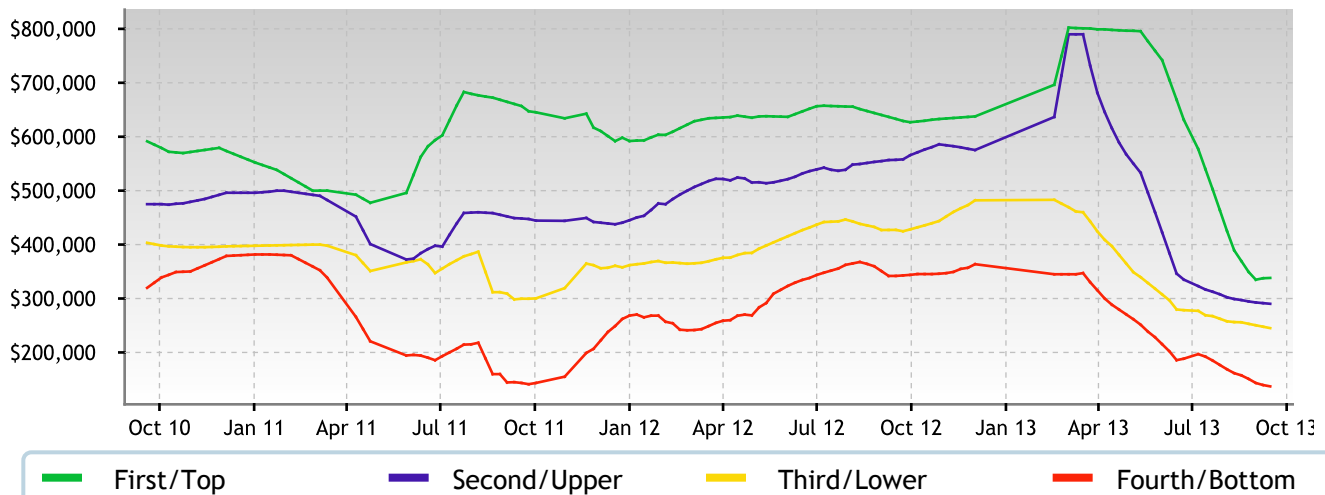
## Median Price

Prices in this zip code have been on a downward trend recently and this week, while essentially flat, doesn't break us out of that cycle.



## Quartile Prices

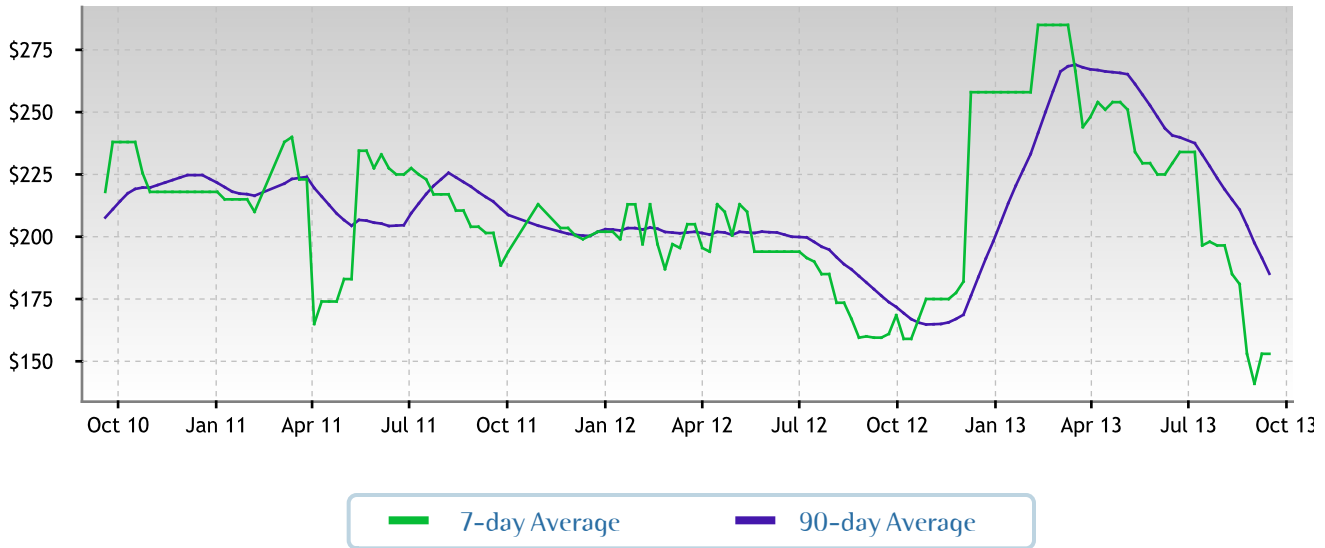
In the quartile market segments, we see prices in this zip code have not established strong directional correlation across the quartiles. Quartiles 1 and 4 have been in price decline in recent weeks, with Quartiles 2 and 3 remaining basically flat. Look to the Market Action Index as a leading indicator of the bottom of the market.





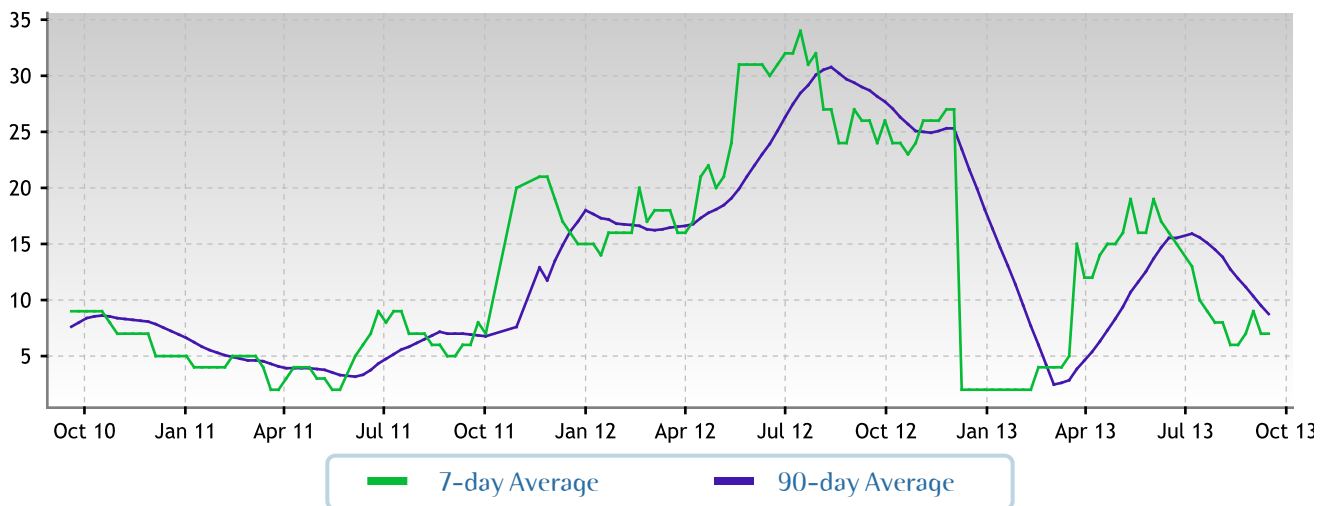
## Price per Square Foot

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.



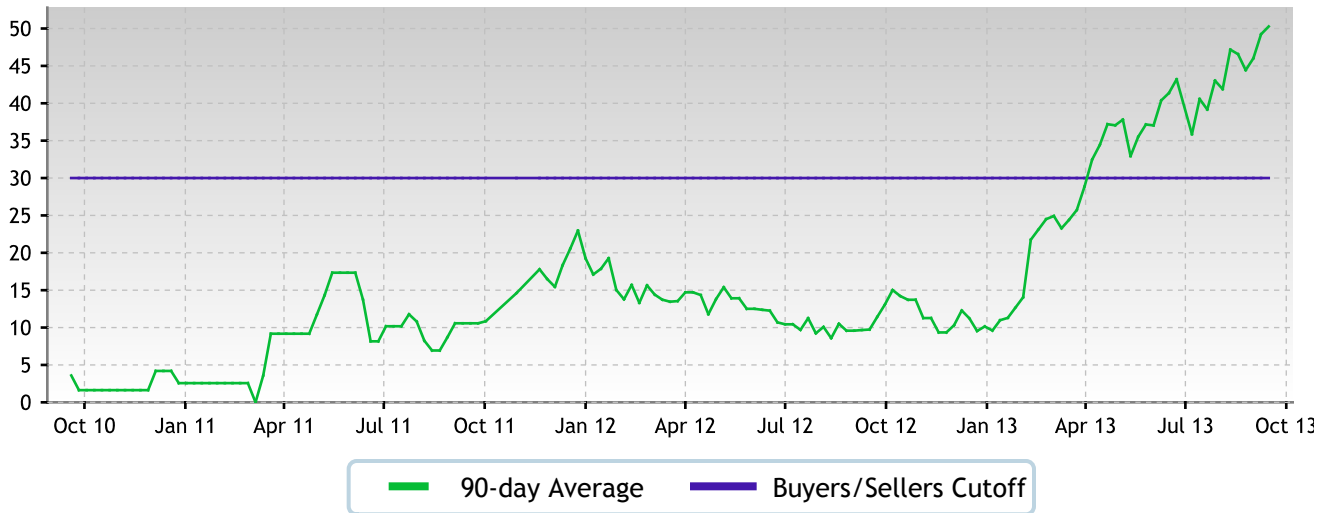
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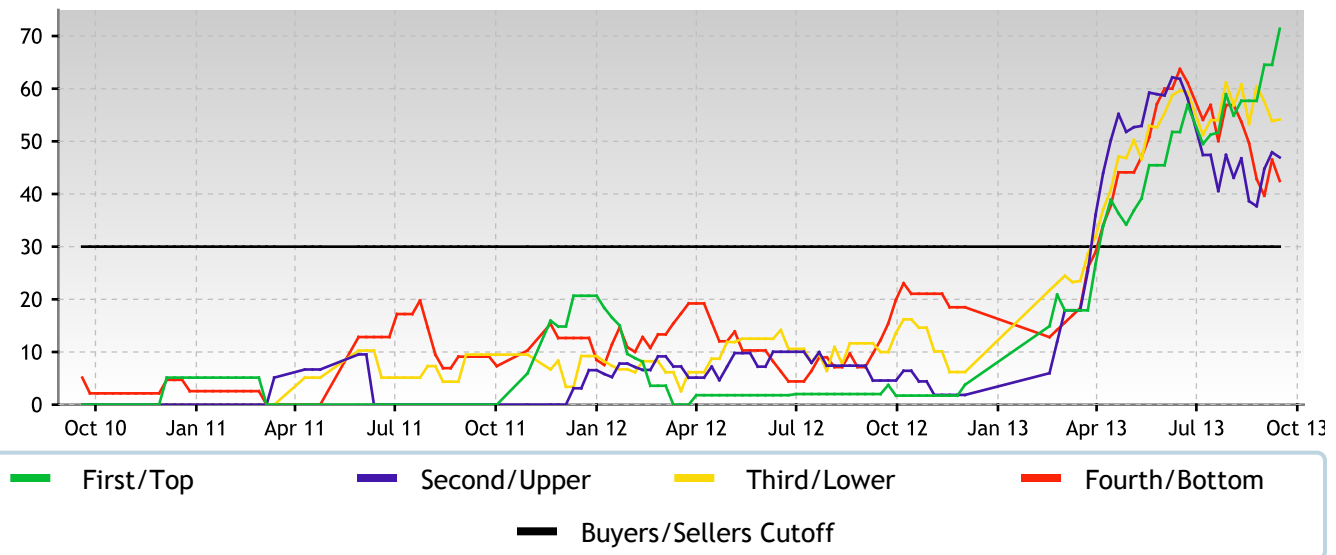
## Market Action Index

The PHILADELPHIA, 19123 market is currently quite strongly in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 50.28; indicating very little supply relative to the demand.



## Market Action Index per Quartile

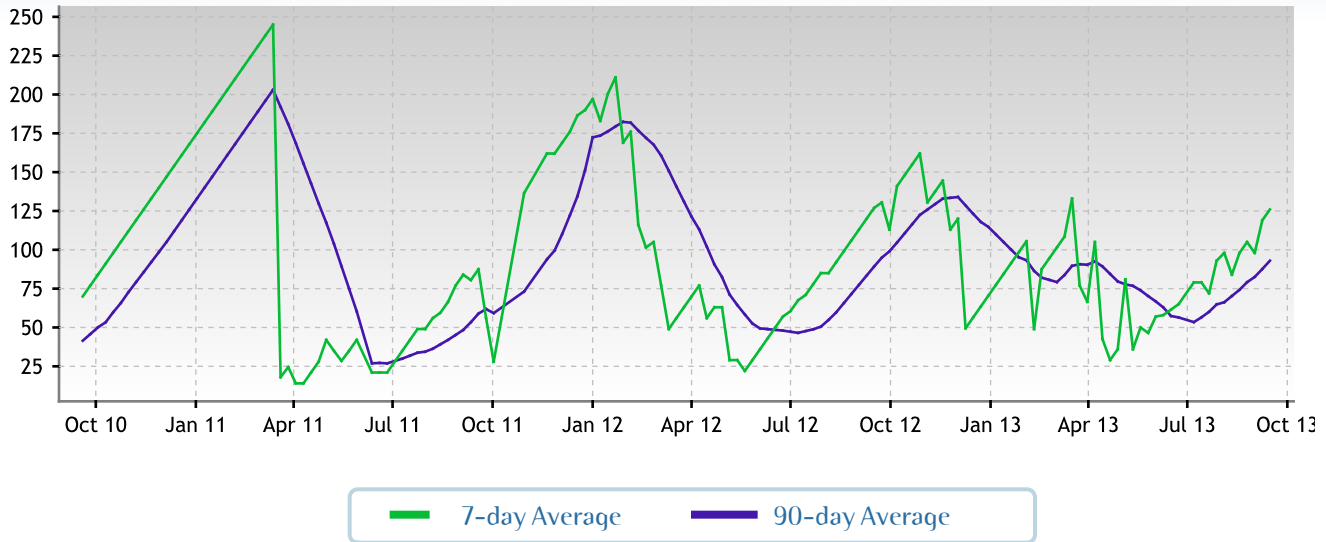
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