Sunday February 3, 2008

The Market Action index has been trending down lately, while days-on -market is climbing, providing mostly bearish signs for the market.

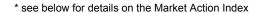
Again this week in this zip code we see a downward notch for prices. We continue to pull back from the market's highs. At this point, we will be looking for a persistent upward shift in the Market Action Index as a leading indicator for a trough in prices.

THIS WEEK

The median single family home price in SAN DIEGO 92109 this week is \$1050000.

PRICE

Trend Real-Time Market Profile Median List Price \$ 1,050,000 Asking Price per Square Foot \$ 640 Average Days on Market 92 Percent of Properties with Price Decrease 47 % Percent Relisted (reset DOM) 19 % Percent Flip (price increased) 6 % Median House Size (sq ft) 1,764 Median Lot Size 4,501 - 6500 Sq. Feet Median Number of Bedrooms 3.0



Median Number of Bathrooms

Market Action Index*



Cool. Buyer's

2.1

20

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 Seller's Market conditions. Below 30, conditions favor the buyer.

SUPPLY AND DEMAND

Local conditions are currently quite strongly in the Buyer's Market zone (below 30). The 90-day Market Action Index stands at 20. With several months of inventory available at the current sales rate, buyers should find ample choice.

Characteristics per Quartile

| Median Price | Med. Sqft | Med. Lot Size | Bed | Bath | Med. Age | Inven. | New | Ab- sorbed | Avg. | |
|--------------|--------------------------------------------|--------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| \$ 1,575,000 | 2,542 | 4,501 - 6,500 sq ft | 3.5 | 3.0 | 40 | 24 | 2 | 1 | 104 | |
| \$ 1,225,000 | 2,000 | 4,501 - 6,500 sq ft | 3.0 | 2.5 | 55 | 24 | 1 | 2 | 99 | 1 |
| \$ 962,450 | 1,330 | Less than 4,500 sq ft | 2.5 | 2.0 | 45 | 24 | 4 | 1 | 80 |] |
| \$ 744,450 | 1,328 | Less than 4,500 sq ft | 3.0 | 2.0 | 55 | 24 | 3 | 1 | 86 |] |
| | \$ 1,575,000 \$ 1,225,000 \$ 962,450 | Median Price Sqft \$ 1,575,000 2,542 \$ 1,225,000 2,000 \$ 962,450 1,330 | Median Price Sqft Med. Lot Size \$ 1,575,000 2,542 4,501 - 6,500 sq ft \$ 1,225,000 2,000 sq ft \$ 962,450 1,330 Less than 4,500 sq ft Less than Less than | Median Price Sqft Med. Lot Size Bed \$ 1,575,000 2,542 4,501 - 6,500 sq ft 3.5 \$ 1,225,000 2,000 sq ft 3.0 \$ 962,450 1,330 Less than 4,500 sq ft 2.5 Less than Less than 4,501 - 6,500 sq ft 2.5 | Median Price Sqft Med. Lot Size Bed Bath \$ 1,575,000 2,542 4,501 - 6,500 sq ft 3.5 3.0 \$ 1,225,000 2,000 sq ft 3.0 2.5 \$ 962,450 1,330 Less than 4,500 sq ft 2.5 2.0 Less than Less than 4,500 sq ft 2.5 2.0 | Median Price Sqft Med. Lot Size Bed Bath Age \$ 1,575,000 2,542 4,501 - 6,500 sq ft 3.5 3.0 40 \$ 1,225,000 2,000 sq ft 3.0 2.5 55 \$ 962,450 1,330 Less than 4,500 sq ft 2.5 2.0 45 Less than Less than 4,501 sq ft 2.5 2.0 45 | Median Price Sqft Med. Lot Size Bed Bath Age Inven. \$ 1,575,000 2,542 4,501 - 6,500 sq ft 3.5 3.0 40 24 \$ 1,225,000 2,000 sq ft sq ft 3.0 2.5 55 24 \$ 962,450 1,330 Less than 4,500 sq ft 2.5 2.0 45 24 Less than Less than 4,500 sq ft 2.5 2.0 45 24 | Median Price Sqft Med. Lot Size Bed Bath Age Inven. New \$ 1,575,000 2,542 4,501 - 6,500 sq ft 3.5 3.0 40 24 2 \$ 1,225,000 2,000 sq ft 3.0 2.5 55 24 1 \$ 962,450 1,330 Less than 4,500 sq ft 2.5 2.0 45 24 4 Less than Less than | Median Price Sqft Med. Lot Size Bed Bath Age Inven. New sorbed \$ 1,575,000 2,542 4,501 - 6,500 sq ft 3.5 3.0 40 24 2 1 \$ 1,225,000 2,000 sq ft 3.0 2.5 55 24 1 2 \$ 962,450 1,330 Less than 4,500 sq ft 2.5 2.0 45 24 4 1 Less than Less than 2.5 2.0 45 24 4 1 | Median Price Sqft Med. Lot Size Bed Bath Age Inven. New Sorbed DoM \$ 1,575,000 2,542 4,501 - 6,500 sq ft 3.5 3.0 40 24 2 1 104 \$ 1,225,000 2,000 sq ft 3.0 2.5 55 24 1 2 99 \$ 962,450 1,330 4,500 sq ft 2.5 2.0 45 24 4 1 80 Less than Less than |

QUARTILES

Investigate the market in quartiles—where each quartile is 25% of the homes

Most expensive 25% of homes

Upper-middle 25% of homes

Lower-middle 25% of homes

Least expensive 25% of homes

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 through services like the local mulptiple lising service. 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.

For more information www.altosresearch.com