

ALTOS RESEARCH

market update

HUNTERSVILLE

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

Report for the week of
2008-11-07

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City Overview

Real-Time Market Profile		Trend
Median List Price	\$ 299,000	← →
Average List Price	\$ 362,284	
Least Expensive Listing	\$ 27,000	
Most Expensive Listing	\$ 2,870,000	
Asking Price per Square Foot	\$ 111	← →
Average Days on Market	161	↑ ↑
Total Inventory	706	↓ ↓
Absorbed This Week*	48	
Percent of Properties with Price Decrease	49 %	
Percent Relisted (reset DOM)	13 %	
Percent Flip (price increased)	5 %	
Median House Size (sq ft)	2,760	
Median Lot Size	0.25 - 0.50 acre	
Median Number of Bedrooms	4.0	
Median Number of Bathrooms	2.5	
Median Age	8	

Altos Research Value Statistics		
Market Action Index	Cold! Buyer's	15 ↑ ↑

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	\$ 554,938	4,042	0.25 - 0.50 acre	4.0	4.0	7	176	4	5	209
2	\$ 345,450	2,992	0.25 - 0.50 acre	4.0	2.5	8	176	6	11	142
3	\$ 257,900	2,467	8,001 - 10,000 sq ft	4.0	2.5	8	177	14	15	163
4	\$ 185,000	1,837	6,501 - 8,000 sq ft	3.0	2.5	8	177	9	17	131

HUNTERSVILLE

THIS WEEK

The median single family home price in HUNTERSVILLE this week is \$299,000. The 706 homes have been on the market for an average of 161 days.

Inventory has been lightening lately and the Market Action Index has been trending up. Though days-on-market is increasing, these are mildly positive indications for the 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.

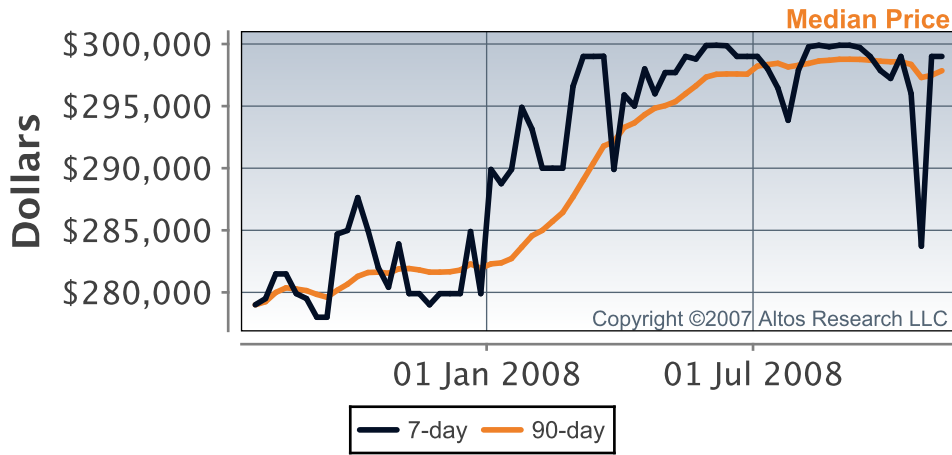
Most expensive 25% of homes

Upper-middle 25% of homes

Lower-middle 25% of homes

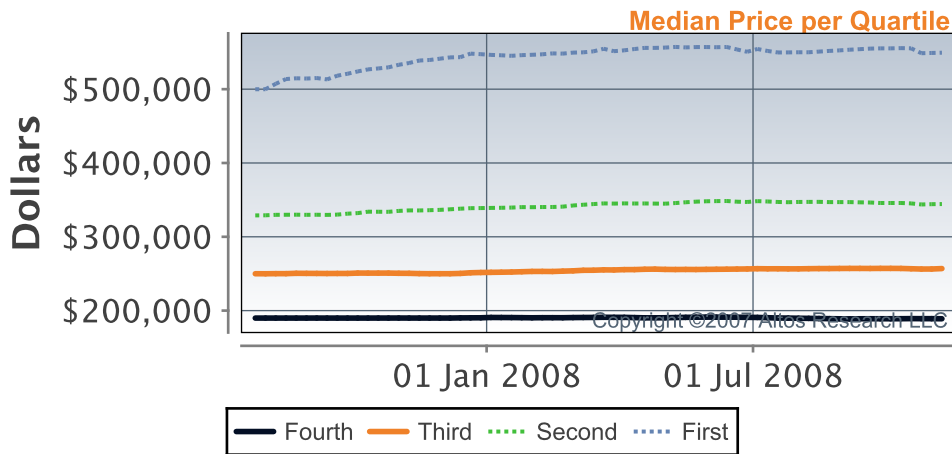
Least expensive 25% of homes

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



PRICE

The market seems to have paused around its high point. The Market Action Index is a good leading indicator for the durability of this trend.



QUARTILE PRICES

Often, we find insights by watching pricing trends within the quartile segments.

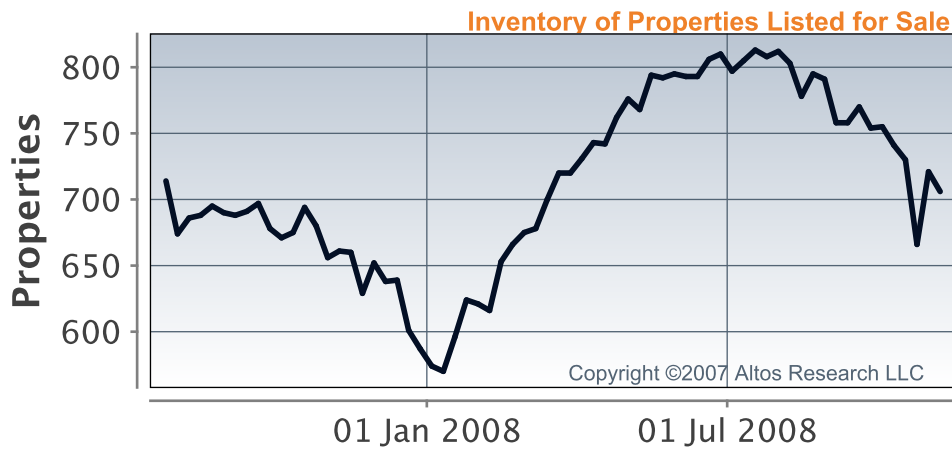
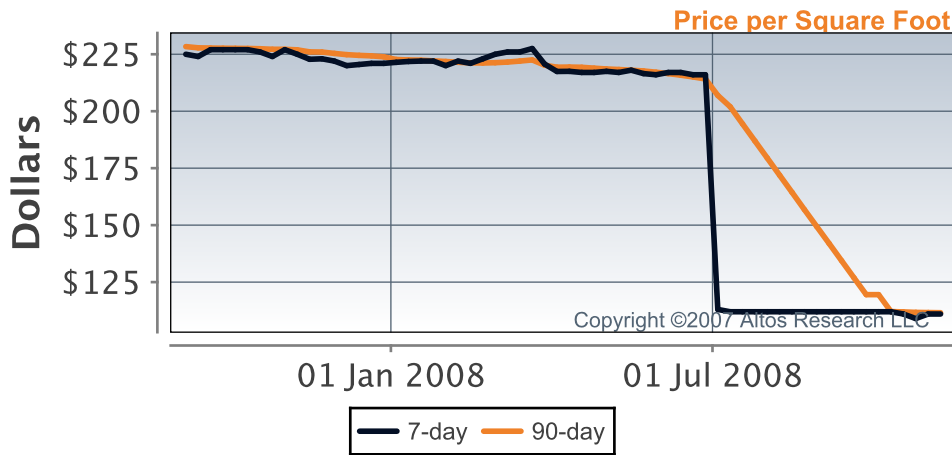
Price weakness is visible almost across the board. Prices in Quartile 4 have been mixed recently, while the rest of the market is trending downward. Look to a strong, persistent up shift in the Market Action Index as a leading indicator of the trough in the market.

PRICE AND VALUE

Despite recently falling prices, the price per square foot has stayed reasonably flat. This implies that there's a portion of the market being priced at a premium. You can investigate this condition in the quartile details.

INVENTORY

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.



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.



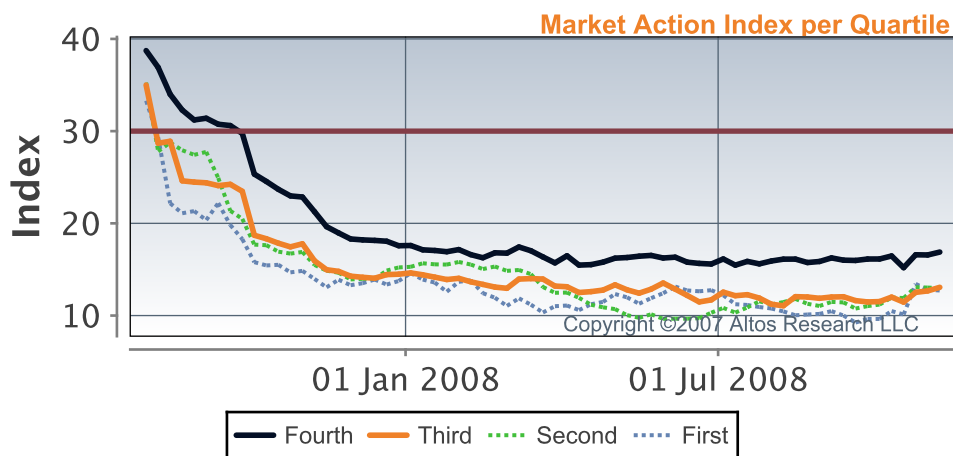
The Market Action Index (MAI) illustrates the balance between supply and demand using a statistical function of the current rate of sale versus current inventory.

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 HUNTERSVILLE market is currently quite strongly in the Buyer's Market zone (below 30). The 90-day Market Action Index stands at 15. With several months of inventory available at the current sales rate, buyers should find ample choice.

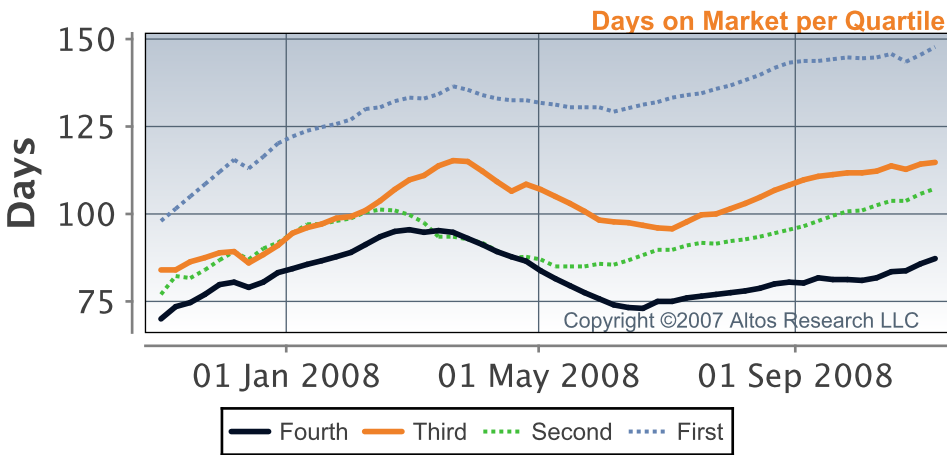
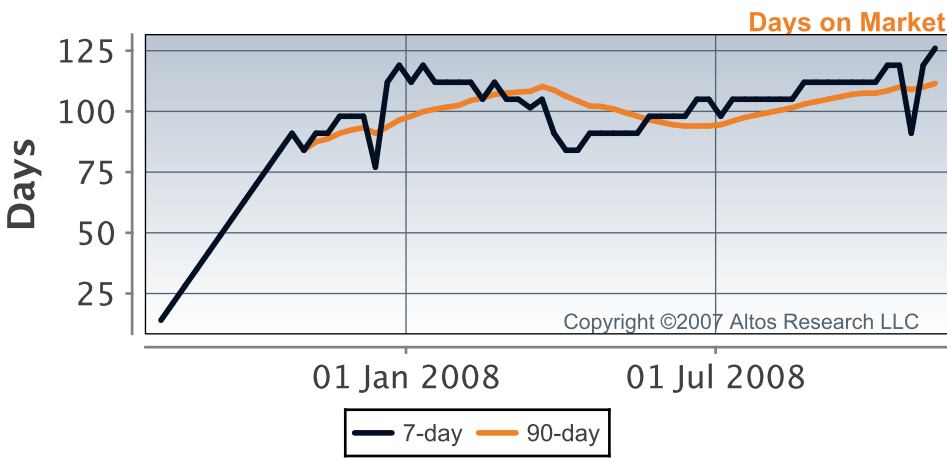
Home sales have been exceeding new inventory for several weeks. However because of excess inventory, prices have not yet stopped falling. Should the sales trend continue, expect prices to level off soon and potentially to resume their climb from there. Watch prices as the market transitions from a Buyer's market to a Seller's market.



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 161 days. Half of the listings have come newly on the market in the past 126 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

HUNTERSVILLE 28078

Real-Time Market Profile		Trend
Median List Price	\$ 299,000	← →
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Least Expensive Listing	\$ 40,000	
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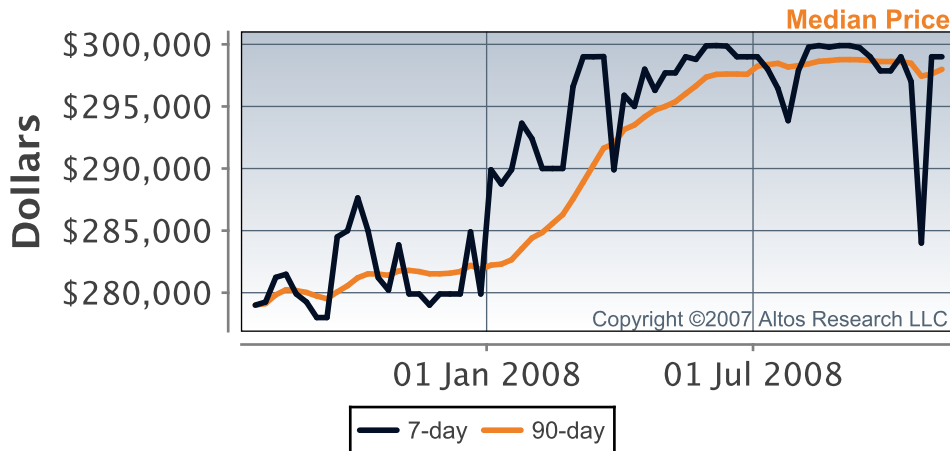
THIS WEEK

The median single family home price in HUNTERSVILLE 28078 this week is \$299,000.

Inventory has been lightening lately and the Market Action Index has been trending up. Though days-on-market is increasing, these are mildly positive indications for the market.

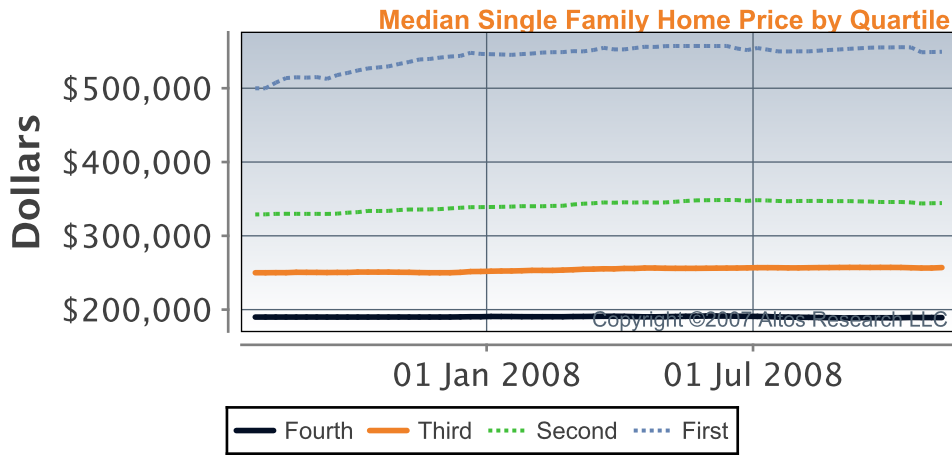
PRICE

We continue to see prices in this zip code hovering around their high point. Look for a persistent down-shift in the Market Action Index before we see prices deviate from these levels.



PRICE PER QUARTILE

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.



Characteristics per Quartile

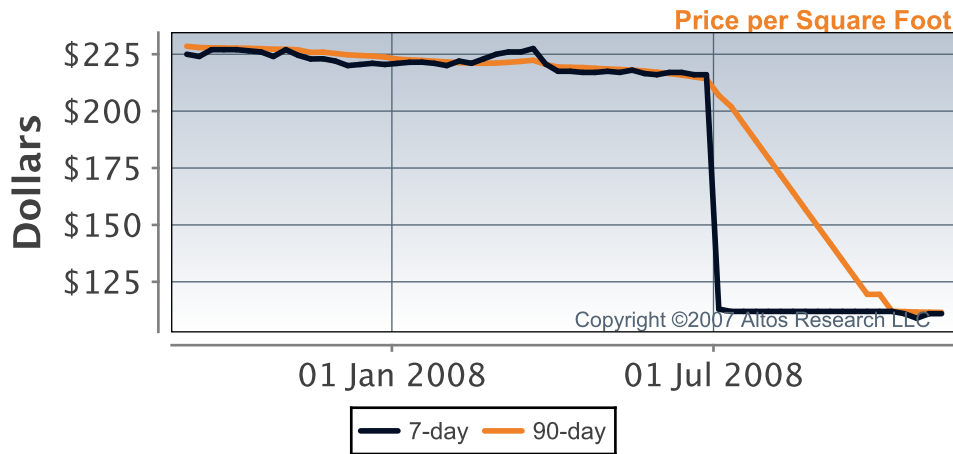
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 Lower-middle 25% of homes
 Least expensive 25% of homes

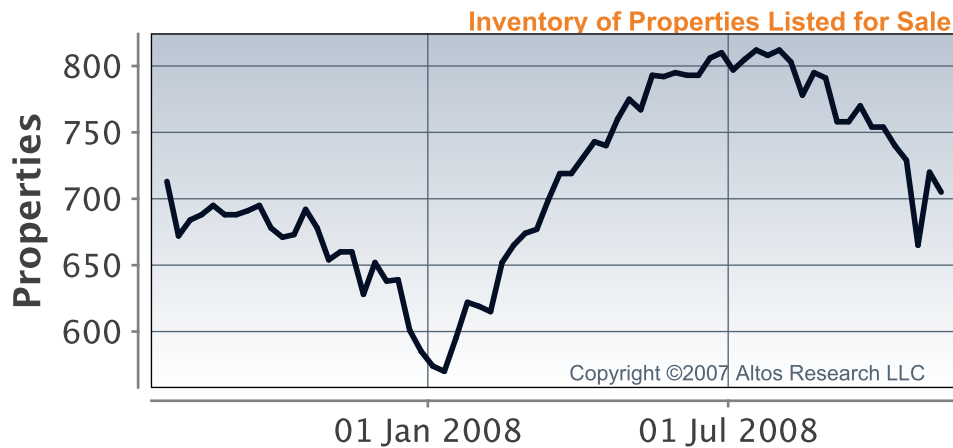
PRICE AND VALUE

The market plateau is seen across the price and value. The price per square foot and median list price have both been reasonably stagnant. Watch the Market Action Index for persistent changes as a leading indicator before the market moves from these levels.



INVENTORY

Inventory has been climbing lately with 705 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 HUNTERSVILLE 28078 is quite strongly in the Buyer's Market zone. The 90-day Market Action Index stands at 15. With several months of inventory available at the current sales rate, buyers should find ample choice.



MARKET ACTION

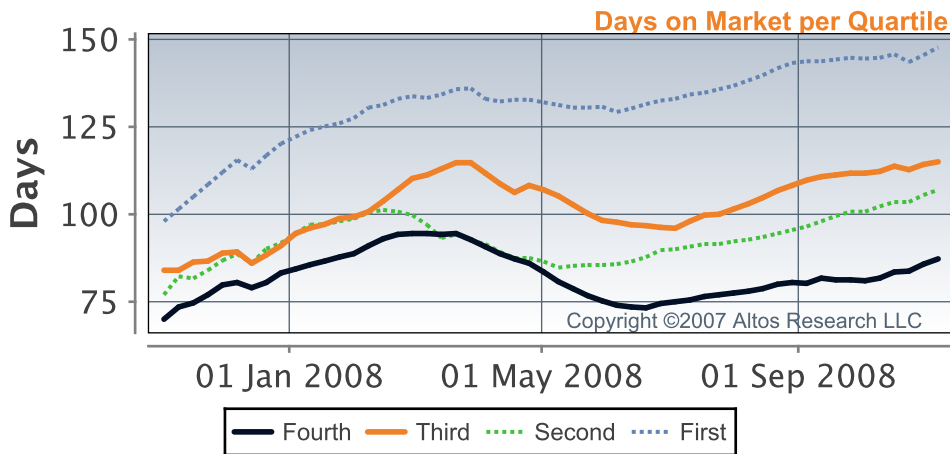
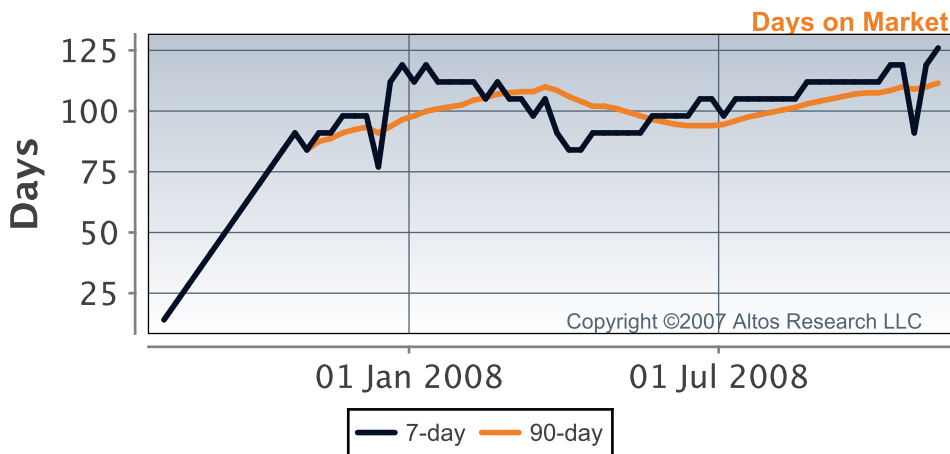
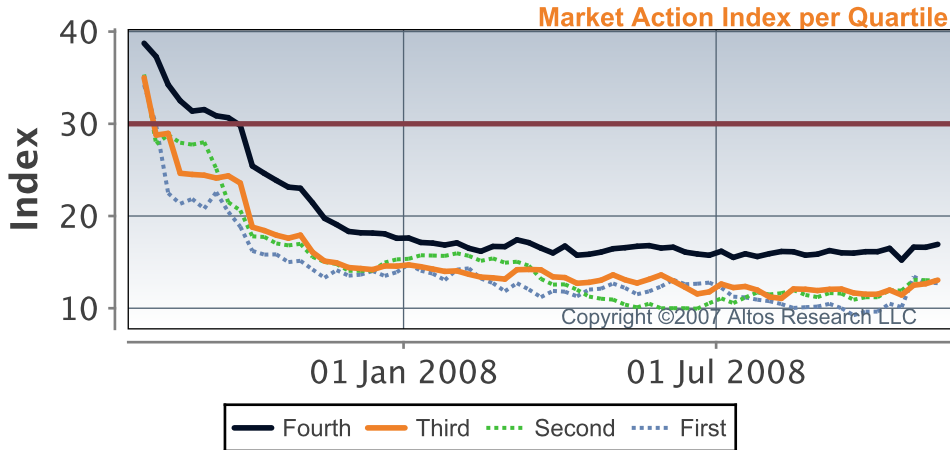
Not surprisingly, all quartiles are in the Buyer's Market zone with several months of inventory given the current levels of demand. Watch the quartiles for changes before the overall market shifts.

DAYS ON MARKET

The properties have been on the market for an average of 161 days. Half of the listings have come newly on the market in the past 126 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

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