

DISTRIBUTION: AUGUST 2011
EVALUATION: JUNE-JULY 2011

**MARKET CONDITION REPORT
PROVIDED BY ESCROW JUNCTION**

AUGUST 2011
VICTOR VALLEY AREA

VICTOR VALLEY SFR MARKET HISTORY

DATE	MEDIAN PRICE SCALE CLOSE PRICE	CHANGE	AVERAGE PRICE SCALE CLOSE PRICE	CHANGE	REO	SHORT SALE	STANDARD	TOTAL CLOSINGS EVALUATED	PERCENT SELLING	REO	SHORT SALE	STANDARD
Jul-10	\$120,000		\$126,546		321	48	108	477	70%	67%	10%	23%
Aug-10	\$125,000	\$5,000	\$132,972	\$6,426	305	52	114	471	67%	65%	11%	24%
Sep-10	\$113,000	-\$12,000	\$123,254	-\$9,718	256	50	126	432	63%	59%	12%	29%
Oct-10	\$117,215	\$4,215	\$121,142	-\$2,111	268	55	109	432	63%	62%	13%	25%
Nov-10	\$116,500	-\$715	\$121,199	\$57	249	42	130	421	62%	59%	10%	31%
Dec-10	\$118,000	\$1,500	\$123,508	\$2,309	300	62	116	478	58%	63%	13%	24%
Jan-11	\$111,500	-\$6,500	\$121,569	-\$1,940	284	49	88	421	100%	67%	12%	21%
Feb-11	\$110,000	-\$1,500	\$119,092	-\$2,477	292	56	95	443	56%	66%	13%	21%
Mar-11	\$112,700	\$2,700	\$116,904	-\$2,188	327	52	133	512	59%	64%	10%	26%
Apr-11	\$110,000	-\$2,700	\$119,323	\$2,419	305	57	120	482	59%	63%	12%	25%
May-11	\$106,000	-\$4,000	\$114,619	-\$4,704	309	72	131	512	59%	60%	14%	26%
Jun-11	\$108,000	\$2,000	\$114,839	\$220	298	60	149	507	66%	59%	12%	29%
Jul-11	\$109,250	\$1,250	\$117,161	\$2,322	310	55	161	526	70%	59%	10%	31%

ESCROW JUNCTION SUMMARY OF KEY MARKET INDICATORS

Monthly Average	\$113,628		\$120,933		294	55	122	470	66%	63%	12%	26%
TREND PER MONTH	-\$1,180		-\$1,099		2.0	+1.0	+2.9	+6.0	-.2%	-.3%	+0.07%	+0.25%

To determine the direction of price (short term), review the last 2-3 months of average/median price.

Historical information for Jul-2011 is a close estimate only. All estimates subject to future revision.

SINGLE FAMILY RESIDENCE (ALL)

AREA	ON MARKET (SUPPLY)	CLOSED MONTH (DEMAND)	FAIL MONTH	IN ESCROW	PERCENT SELLING	DOM (CLOSED)	WEEKS OF SUPPLY GIVEN DEMAND	MARKET SPEED INDEX	MEDIAN ASK PRICE	MEDIAN IN ESCROW PRICE	MEDIAN CLOSE PRICE
Adelanto	140	45	13	110	78%	54	24	AVERAGE	\$95	\$87	\$80
Apple Valley	381	123	54	251	70%	65	22	AVERAGE	\$135	\$120	\$110
Helendale	76	10	11	40	49%	53	50	SLOW	\$157	\$159	\$126
Hesperia	218	114	34	317	77%	52	20	FAST	\$110	\$110	\$108
Lucerne Valley	37	9	5	21	67%	61	28	SLOW	\$80	\$66	\$39
Oak Hills	59	16	7	38	71%	51	26	AVERAGE	\$245	\$200	\$175
Phelan	51	28	9	77	75%	59	20	FAST	\$130	\$114	\$109
Pinon Hills	26	12	3	24	79%	45	19	AVERAGE	\$140	\$95	\$98
Spring Valley Lake	55	18	10	33	65%	59	21	AVERAGE	\$260	\$145	\$160
Victorville	381	168	57	466	75%	58	22	AVERAGE	\$120	\$115	\$110
Wrightwood	63	10	7	24	61%	52	38	SLOW	\$195	\$167	\$149
TOTALS	1,487	552	207	1,401	73%	58	23	AVERAGE	\$125	\$115	\$110

The **Market Speed Index** measures the rate of conversion of listings to closings. "Very fast" areas are the quickest in converting listings to closings. All other things being equal, very fast areas are preferred by buyers. "Weeks of Supply Given Demand" is the Absorption Rate (the number of weeks required to exhaust current supply given current demand).

Note from the history table the median price scale is declining at the rate of \$-1,180 per month, while the average price scale is declining at \$-1,099. Both scales confirm the negative trend in price at about \$40 per day during the time period. Note that demand (total closings) has increased from July 2010. Note the excessive absorption rates for short sales. These rates are an expression of the unpredictable and tortuous closing process. Expect price declines to continue, but at a slower pace and in smaller increments per month. The market is at or near a price plateau (see June-July positive outcomes). More outcomes are required to verify the market has bottomed in terms of price.

AREA	ON MARKET (SUPPLY)	CLOSED MONTH (DEMAND)	FAIL MONTH	IN ESCROW	PERCENT SELLING	DOM (CLOSED)	WEEKS OF SUPPLY GIVEN DEMAND	MARKET SPEED INDEX	MEDIAN ASK PRICE	MEDIAN IN ESCROW PRICE	MEDIAN CLOSE PRICE
Adelanto	46	30	1	43	97%	48	13	VERY FAST	\$93	\$83	\$75
Apple Valley	82	63	8	94	89%	51	12	VERY FAST	\$100	\$106	\$97
Helendale	12	3	1	12	75%	57	35	SLOW	\$110	\$155	\$118
Hesperia	69	68	4	117	94%	34	12	VERY FAST	\$90	\$99	\$101
Lucerne Valley	6	7	2	15	76%	65	14	VERY FAST	\$58	\$72	\$40
Oak Hills	18	8	1	13	89%	35	17	FAST	\$212	\$190	\$162
Phelan	21	17	4	26	83%	56	12	VERY FAST	\$110	\$118	\$110
Pinon Hills	8	7	2	7	81%	46	10	VERY FAST	\$104	\$90	\$90
Spring Valley Lake	8	6	1	10	86%	37	13	VERY FAST	\$148	\$135	\$148
Victorville	110	104	11	210	91%	41	13	VERY FAST	\$120	\$110	\$108
Wrightwood	14	6	2	9	80%	60	17	FAST	\$131	\$129	\$120
TOTALS	394	316	35	556	90%	44	13	VERY FAST	\$106	\$107	\$104

SHORT SALE

AREA	ON MARKET (SUPPLY)	CLOSED MONTH (DEMAND)	FAIL MONTH	IN ESCROW	PERCENT SELLING	DOM (CLOSED)	WEEKS OF SUPPLY GIVEN DEMAND	MARKET SPEED INDEX	MEDIAN ASK PRICE	MEDIAN IN ESCROW PRICE	MEDIAN CLOSE PRICE
Adelanto	48	4	10	41	27%	165	110	VERY SLOW	\$85	\$85	\$69
Apple Valley	98	15	19	102	44%	129	60	AVERAGE	\$115	\$149	\$130
Helendale	18	2	3	16	33%	84	98	VERY SLOW	\$120	\$175	\$95
Hesperia	71	14	21	121	40%	127	62	AVERAGE	\$100	\$114	\$103
Lucerne Valley	6	0	2	2	0%	No Sale	No Est.	VERY SLOW	\$84	\$95	No Sale
Oak Hills	12	2	3	15	38%	37	78	AVERAGE	\$266	\$180	\$210
Phelan	12	3	3	25	45%	166	64	AVERAGE	\$123	\$113	\$95
Pinon Hills	6	1	1	12	33%	150	156	VERY SLOW	\$175	\$99	\$55
Spring Valley Lake	4	3	4	13	46%	107	25	FAST	\$147	\$123	\$129
Victorville	142	19	31	156	38%	163	68	AVERAGE	\$111	\$113	\$101
Wrightwood	3	1	2	6	25%	151	78	AVERAGE	\$120	\$223	\$385
TOTALS	420	60	95	509	39%	139	67	SLOW	\$110	\$115	\$103

STANDARD SALE

AREA	ON MARKET (SUPPLY)	CLOSED MONTH (DEMAND)	FAIL MONTH	IN ESCROW	PERCENT SELLING	DOM (CLOSED)	WEEKS OF SUPPLY GIVEN DEMAND	MARKET SPEED INDEX	MEDIAN ASK PRICE	MEDIAN IN ESCROW PRICE	MEDIAN CLOSE PRICE
Adelanto	47	12	3	26	83%	38	26	AVERAGE	\$110	\$100	\$102
Apple Valley	201	46	28	57	63%	64	24	AVERAGE	\$170	\$125	\$128
Helendale	46	6	7	12	46%	43	46	SLOW	\$240	\$180	\$129
Hesperia	78	33	10	80	77%	57	21	FAST	\$127	\$122	\$121
Lucerne Valley	25	3	1	4	71%	49	50	VERY SLOW	\$85	\$42	\$39
Oak Hills	29	7	3	10	68%	75	26	AVERAGE	\$295	\$230	\$176
Phelan	18	9	3	26	78%	38	21	FAST	\$156	\$81	\$83
Pinon Hills	12	5	1	5	90%	33	16	FAST	\$147	\$155	\$130
Spring Valley Lake	43	9	5	10	64%	58	26	AVERAGE	\$300	\$150	\$163
Victorville	130	45	17	100	73%	55	22	FAST	\$130	\$129	\$120
Wrightwood	46	4	4	9	50%	26	68	VERY SLOW	\$270	\$155	\$150
TOTALS	675	177	79	339	69%	55	25	AVERAGE	\$155	\$128	\$129