



CALIFORNIA DESERT
Association of
REALTORS®

Our Partnership With CDAR

And How It Benefits CDAR Members

- RDS provides a quarterly comprehensive statistical analysis on all desert markets, in PDF file format, and available to you FREE at www.caldesertrealtors.com.
- RDS works closely with The Desert Sun staff to service their unique editorial and statistical needs, and to provide important context on MLS data they use in coverage of your local market and industry.

About Real Data Strategies, Inc.

- The nation's leading analysts of Multiple Listing Service data:
 - 21 year history in objective, factual service to leading (and competing) real estate brands, firms and agents.
 - Considered the “*JD Power*” of real estate.
 - In over 325 US and Canadian MLSs and about 240 major metro markets.
 - Frequently quoted as objective market experts in local and national business publications.
 - Learn more about our methods and read our press at www.realdatastrategies.com.

About Me

- Licensed California Real Estate Broker since 1988.
- Life-long resident of Orange County, and lover of all things desert.
- Failed Algebra A in high school.
 - This is all about *understanding*....not math or statistics.
- Loving my vacation home, even though it's in Laguna Beach instead of the desert.

Your Competitive Landscape

Percent of Licenses Active

Desert Area MLS

January 1, 2011 through December 31, 2011

Active /
2,306 76%

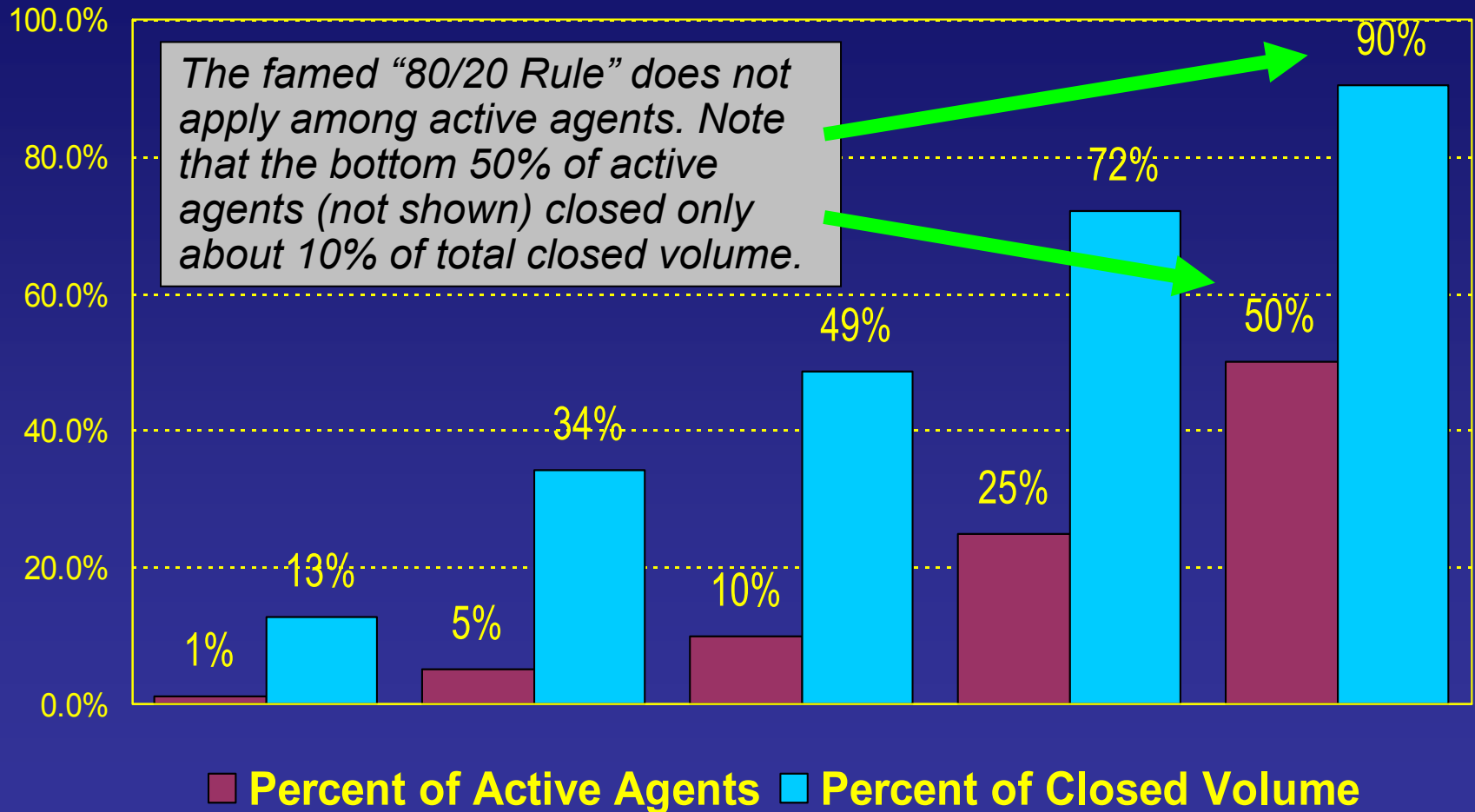
An additional 546 individuals (15%) belong to the MLS, but are not affiliated with active offices and are not included in this chart. Who are they and why do they pay MLS dues?

An active agent closed one or more sellers or buyers during the analysis period. Some inactive agents are also members of teams, which the MLS cannot identify.

Inactive /
746 24%

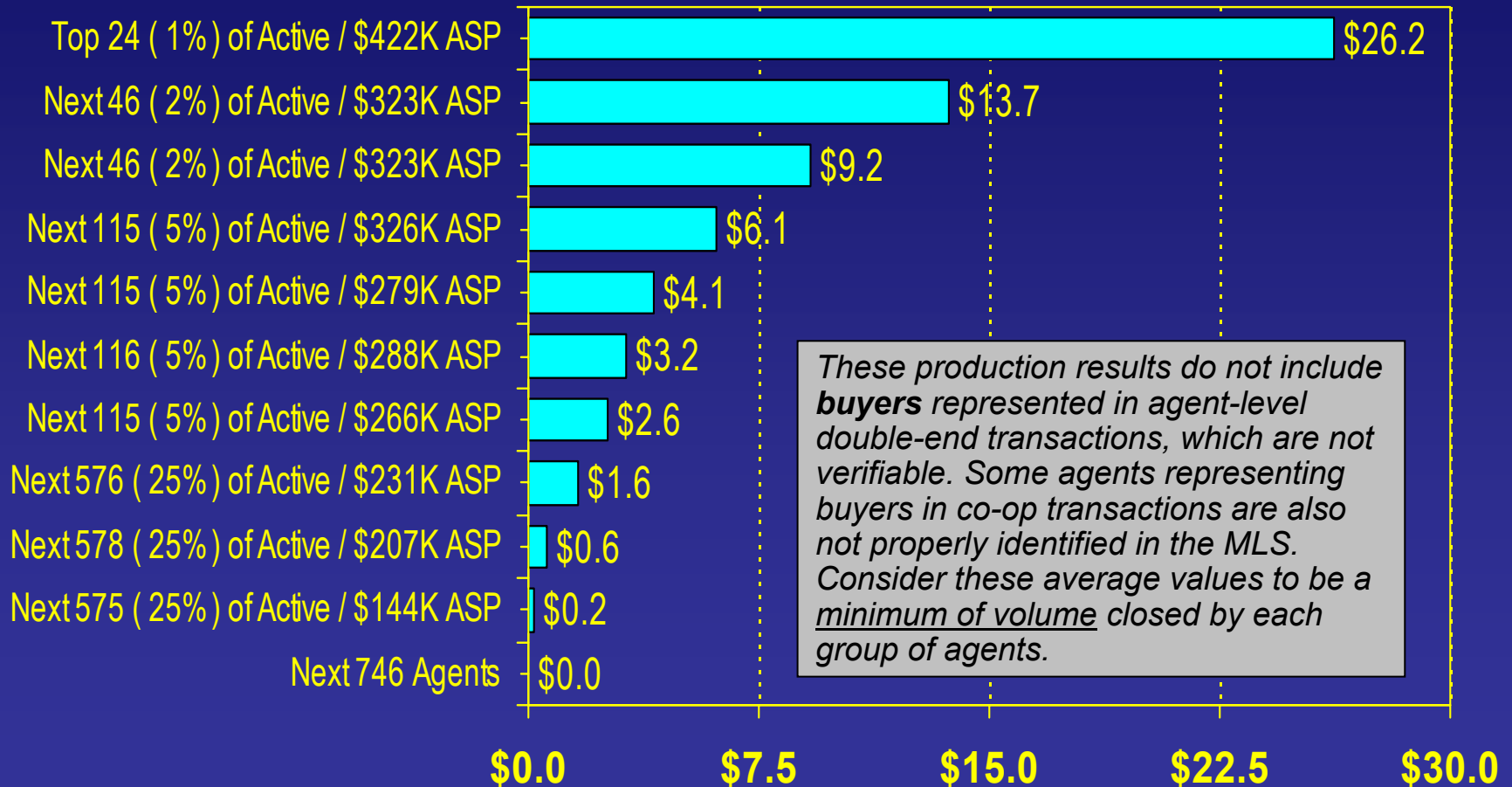
Total Closed Volume by Active Agents In Desert Area MLS

January 1, 2011 through December 31, 2011



Total Closed Volume by Active Agents In Desert Area MLS

January 1, 2011 through December 31, 2011



Based on data supplied by Desert Area MLS and its member Association(s) of REALTORS, who are not responsible for its accuracy.

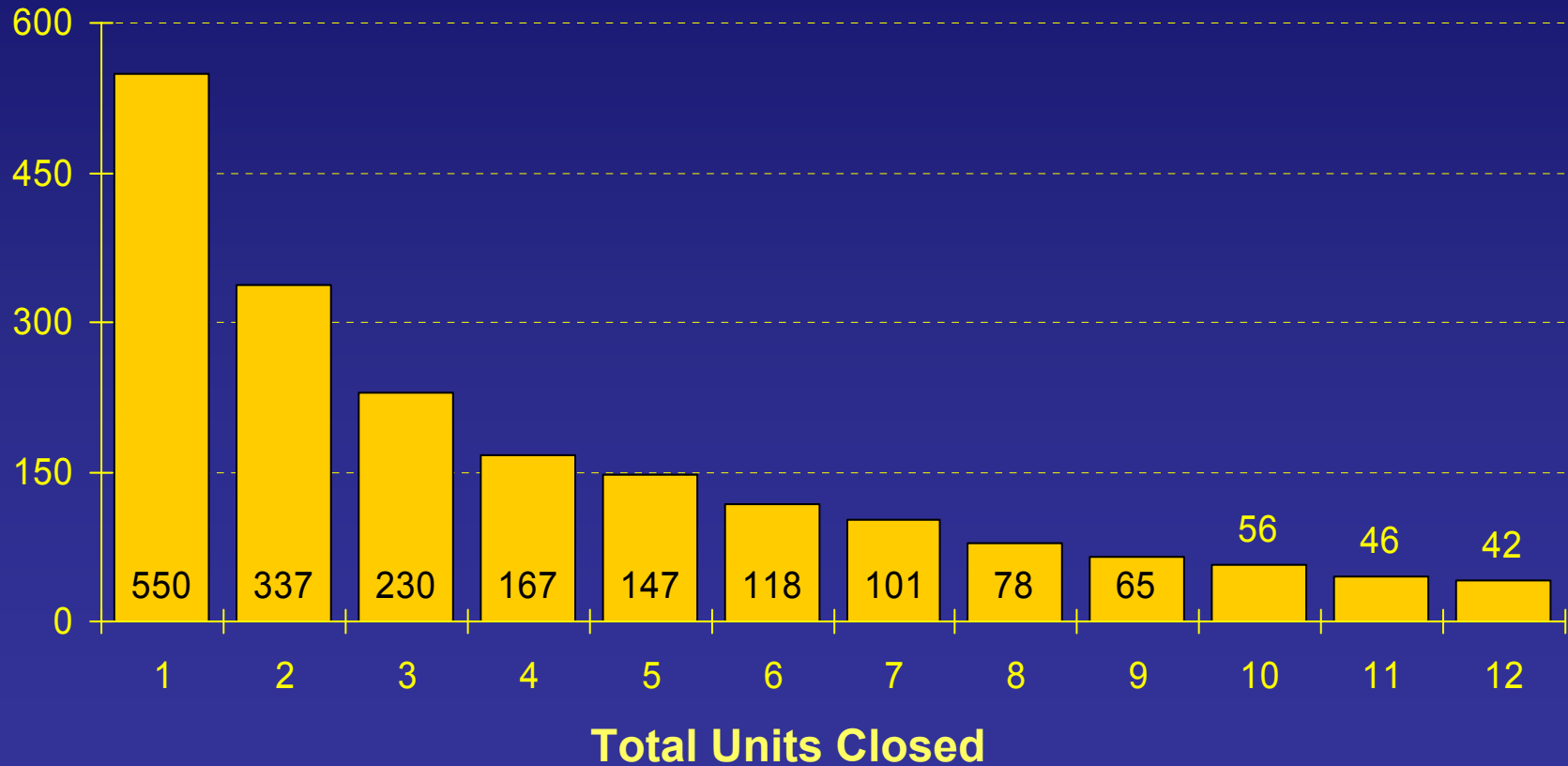
Analysis dates are January 1, 2011 through December 31, 2011. Does not reflect all activity in the marketplace.

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Verifiable Total Units Closed By Count of Producing Agents

Top Producers In Desert Area MLS
January 1, 2011 through December 31, 2011

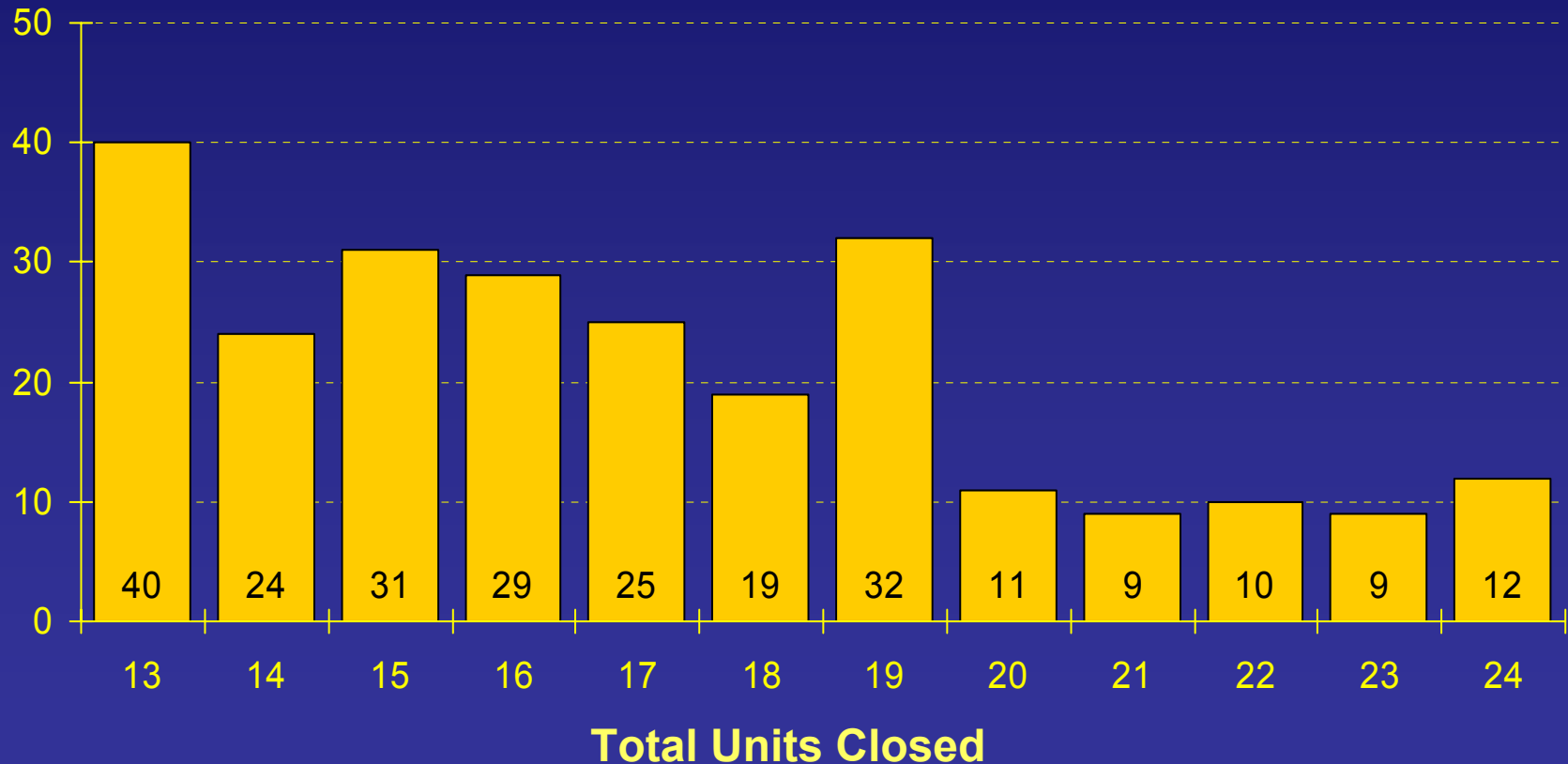
Agent Count



Verifiable Total Units Closed By Count of Producing Agents

Top Producers In Desert Area MLS
January 1, 2011 through December 31, 2011

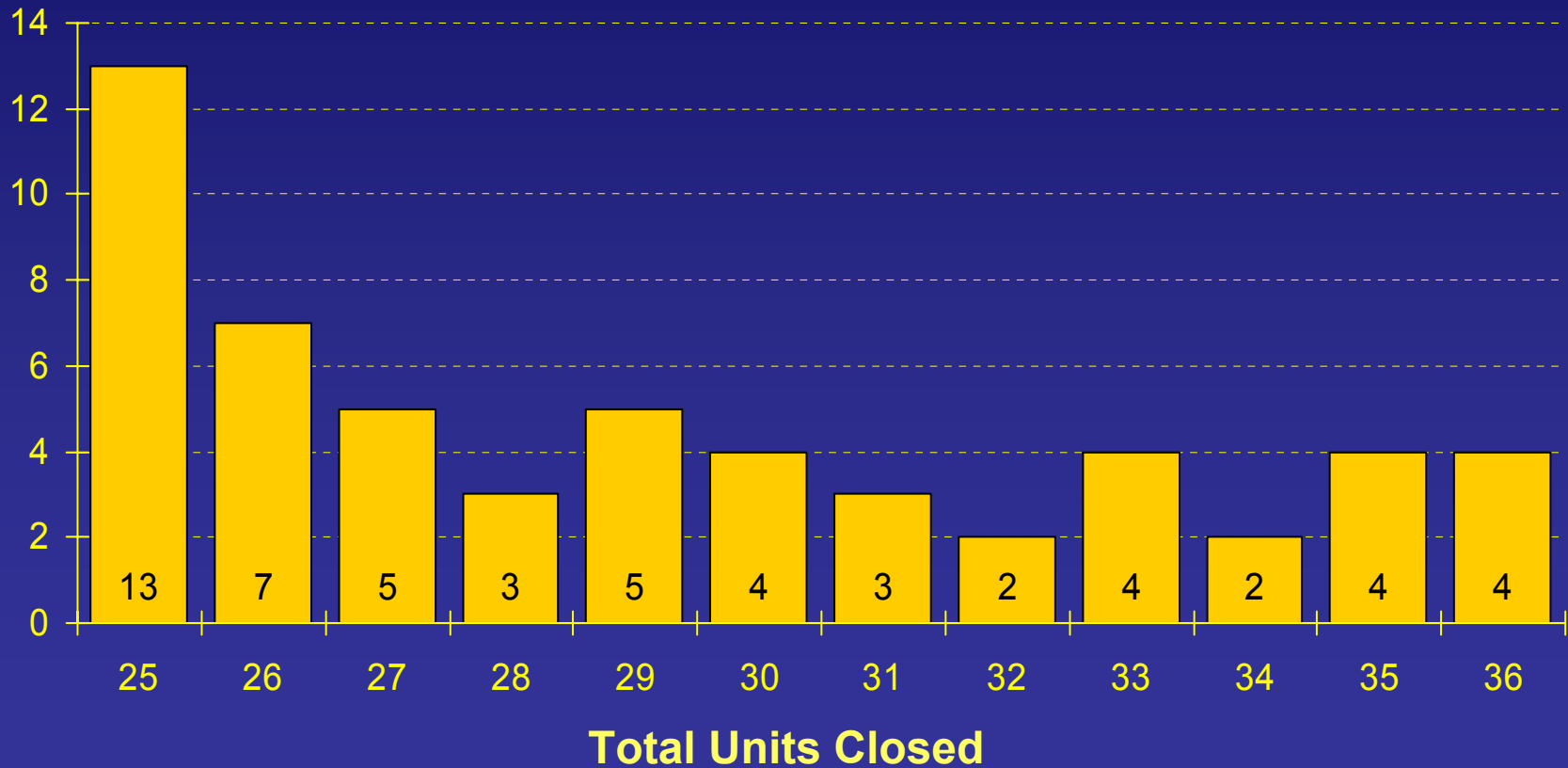
Agent Count



Verifiable Total Units Closed By Count of Producing Agents

Top Producers In Desert Area MLS
January 1, 2011 through December 31, 2011

Agent Count



Observations On Our Business

The New Normal in Our Business

- Foreclosures.
 - Banks finally getting serious about pricing and improving their disposition systems.
- Lending.
 - Mortgages will be easier to come by than in recent past.
- Interest rates.
 - Will stay near current record lows due to FED policy and manipulation.

The New Normal in Our Business

- The RE business.
 - Firms that have survived this long have adapted and will likely remain in business.
 - They will get smaller in the near term because agents will continue to leave the business.
 - Firms can no longer rely exclusively on their branding as a value proposition. They must compete with services that agents and consumers want in this demanding market.

The New Normal in Our Business

- RE agents.
 - Still too many of them. Fewer getting into the business, but too many remaining.
 - Digital marketing and directed business allow for no brick and mortar presence.
 - Many are going solo. 294 active agents in your MLS are the ONLY agents in their firms. (1 agent had 187 verifiable closed sides!)
 - Only 13 active offices in your MLS have 50 or more agents.

The New Normal in Our Business

- The RE market
 - Property values:
 - Have bottomed out at entry level.
 - Have begun to stabilize at move-up levels.
 - Will fall a little further in the upscale levels.
 - Are a mystery at luxury price levels. (Values of these very unique homes are determined entirely by willing and capable buyers.)
 - Inventories
 - Will remain at current levels.

The New Normal in Our Business

- Best opportunities
 - Sellers should move up NOW.
 - Take a five percent price reduction sale to save 10 or 15 percent on the home they are purchasing.
 - Buyers should buy NOW, if:
 - They are buying an entry-level home.
 - Find the perfect home at any price (assuming they plan to stay there for the foreseeable future.)
 - Investors:
 - See the opportunity and are out in force, buying and borrowing cheap, & seeing positive cash flow.

Success Strategies for 2012

- Work harder.
 - The business is not going to find *you*. It is there to be found and earned by you. (And there is PLENTY to be found and earned.)
- Work smarter.
 - Use data for intelligence. Consider pre-foreclosure owners, divorces, deaths and other data mining strategies.
- Know and communicate your value proposition.
 - What makes you unique among a sea of “average” real estate agents?

Local Market Trends

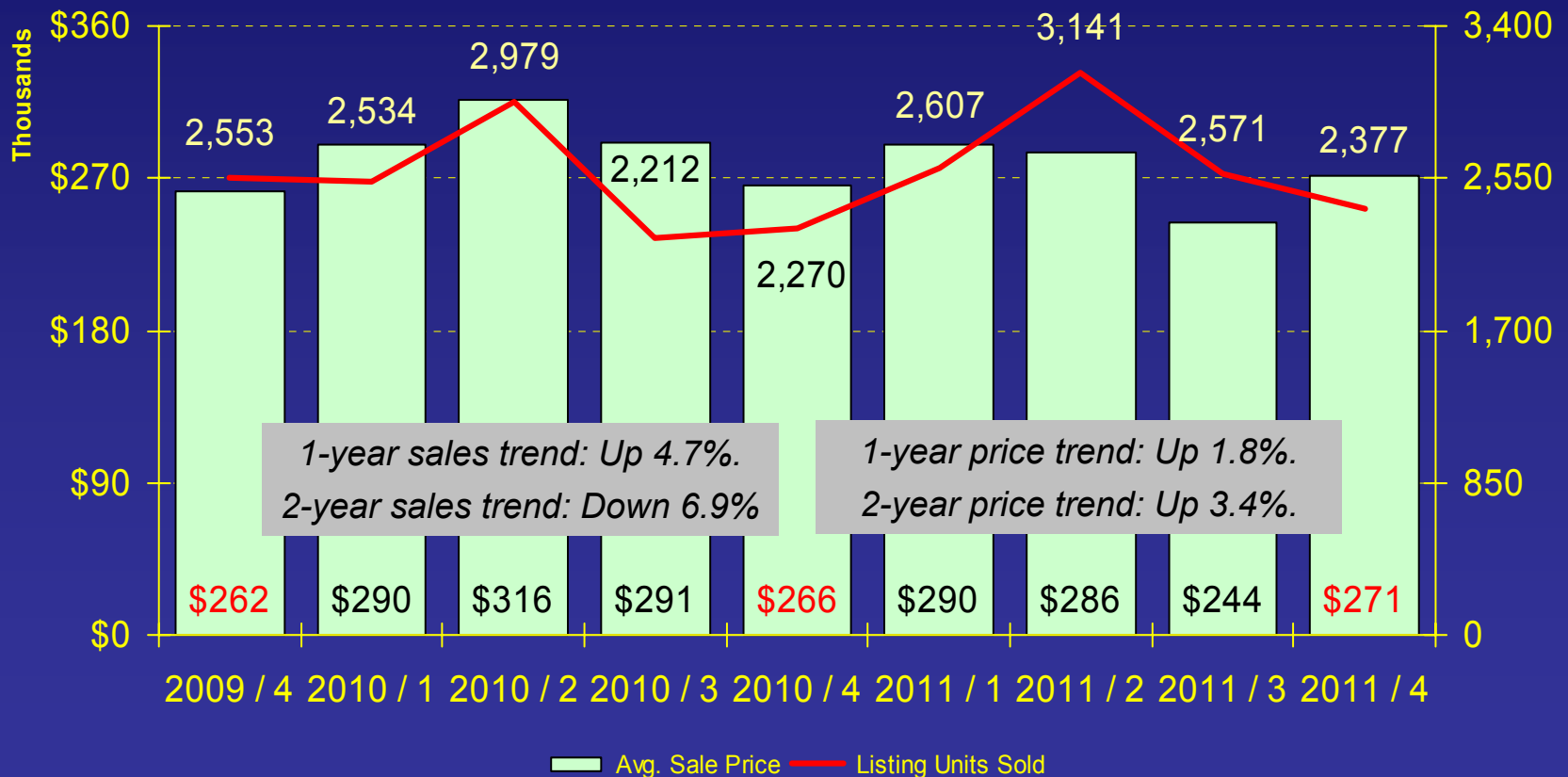
9-Quarter Sales & Price History

- Use these to compare recent market activity to that of the past.
 - Effectively ground sellers in current pricing reality and competitive environment.
 - Provide better pricing counsel to buyers.
- Why use 9 quarters on these graphs?
 - Real estate is a seasonal business. 9 quarters compares of most recent quarter to the two previous seasonal calendar quarters, both 1 year and 2 years in history.

9 Quarter Trend of Home Sales & Average Sale Prices

In Desert Area MLS

October 1, 2009 through December 31, 2011



9 Quarter Trend of Home Sales & Average Sale Prices

Bermuda Dunes ZIP Code 92203
 October 1, 2009 through December 31, 2011



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9 Quarter Trend of Home Sales & Average Sale Prices

Cathedral City ZIP Code 92234

October 1, 2009 through December 31, 2011



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9 Quarter Trend of Home Sales & Average Sale Prices

Coachella ZIP Code 92236

October 1, 2009 through December 31, 2011



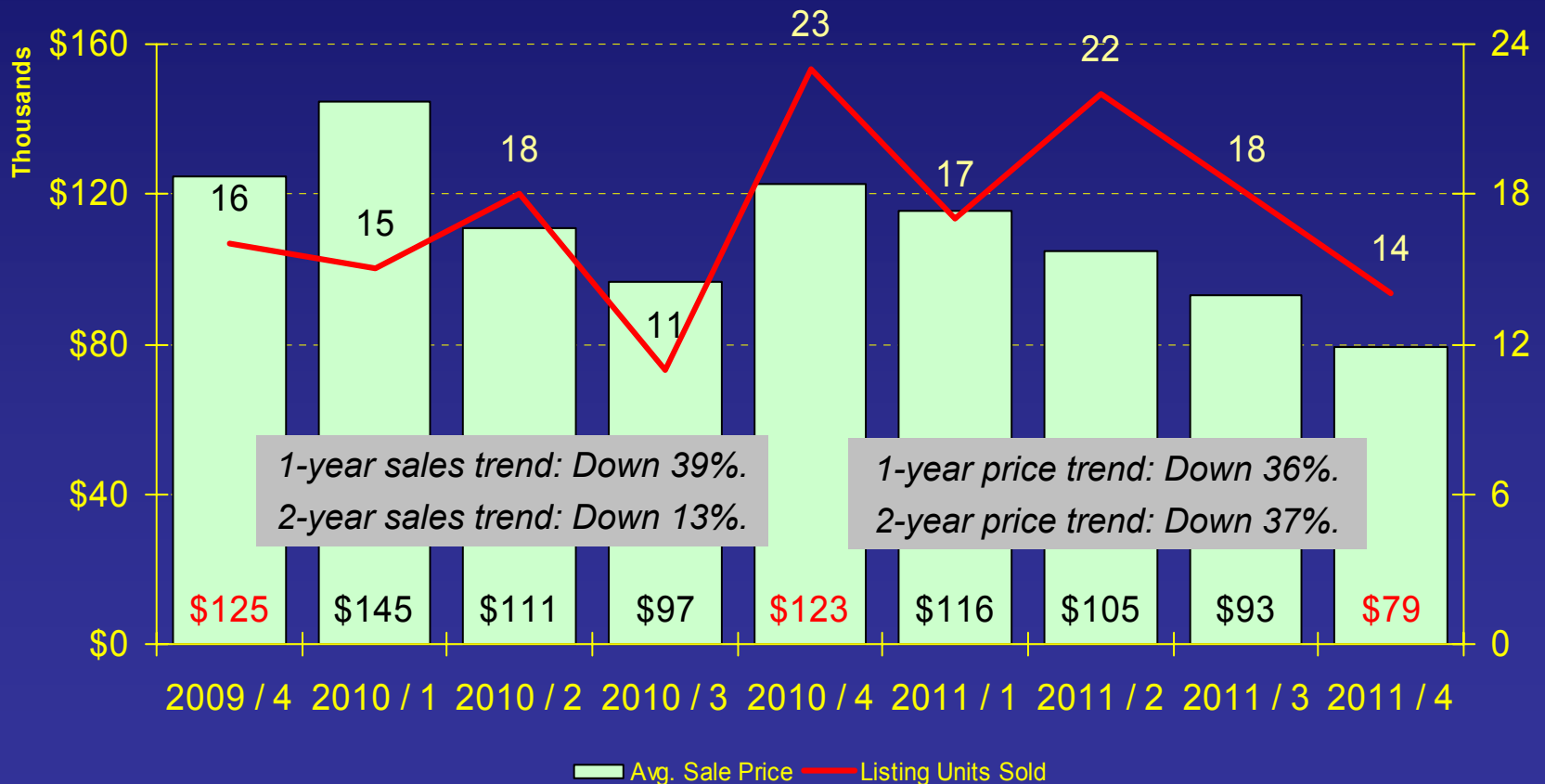
9 Quarter Trend of Home Sales & Average Sale Prices

Desert Hot Springs ZIP Code 92240
 October 1, 2009 through December 31, 2011



9 Quarter Trend of Home Sales & Average Sale Prices

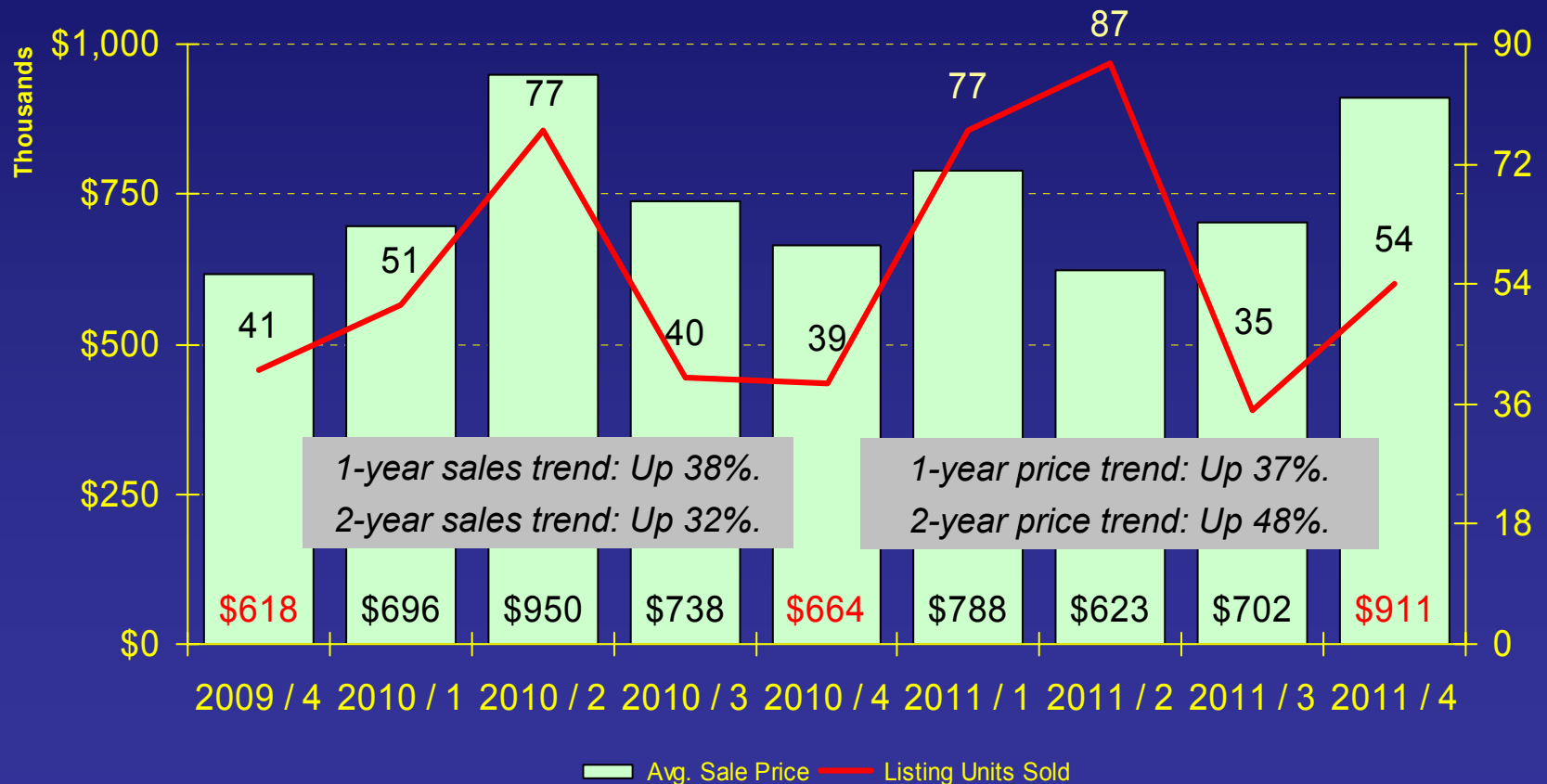
Desert Hot Springs ZIP Code 92241
 October 1, 2009 through December 31, 2011



9 Quarter Trend of Home Sales & Average Sale Prices

Indian Wells ZIP Code 92210

October 1, 2009 through December 31, 2011



9 Quarter Trend of Home Sales & Average Sale Prices

Indio ZIP Code 92201

October 1, 2009 through December 31, 2011



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9 Quarter Trend of Home Sales & Average Sale Prices

Indio ZIP Code 92203

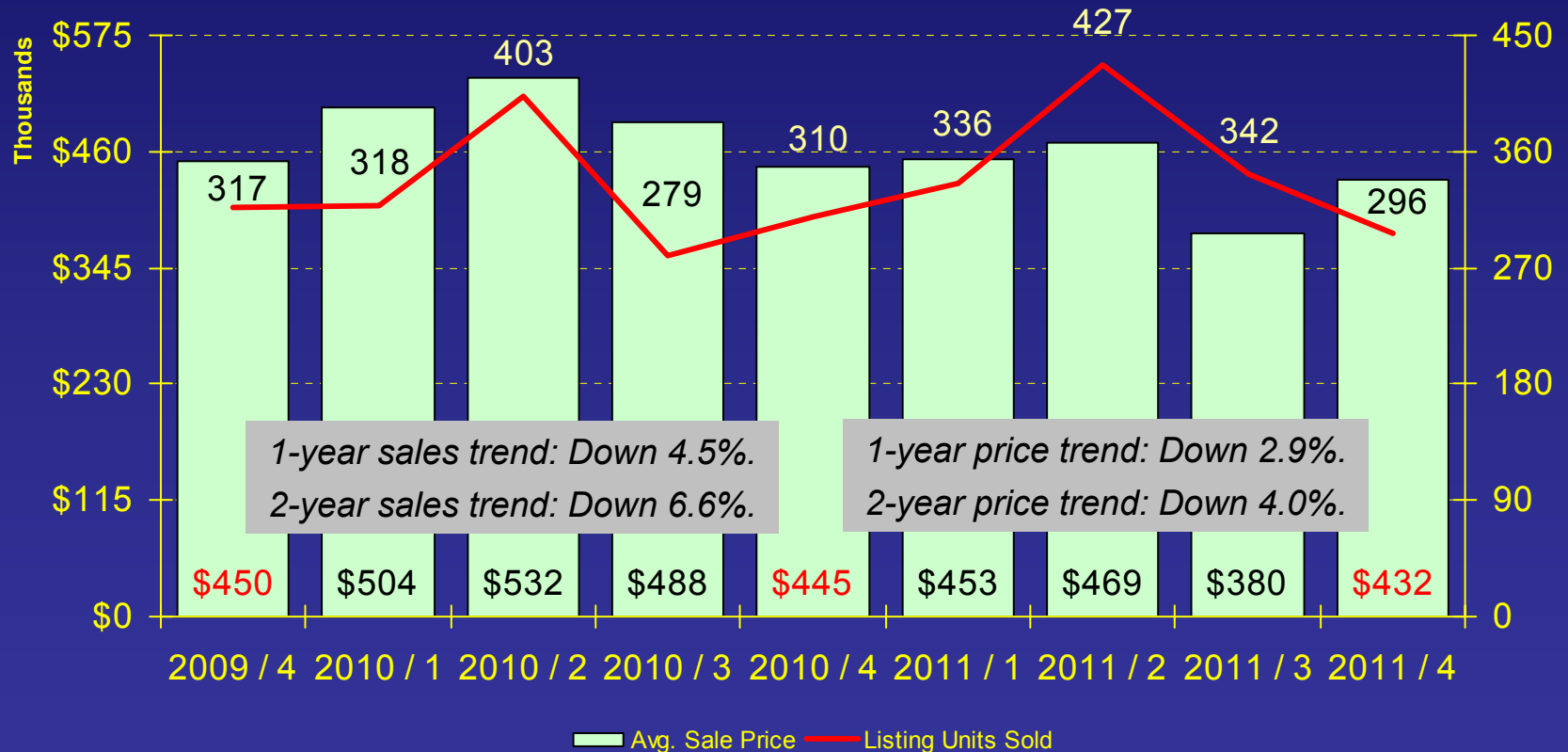
October 1, 2009 through December 31, 2011



9 Quarter Trend of Home Sales & Average Sale Prices

La Quinta ZIP Code 92253

October 1, 2009 through December 31, 2011



9 Quarter Trend of Home Sales & Average Sale Prices

Palm Desert ZIP Code 92211

October 1, 2009 through December 31, 2011



9 Quarter Trend of Home Sales & Average Sale Prices

Palm Desert ZIP Code 92260

October 1, 2009 through December 31, 2011



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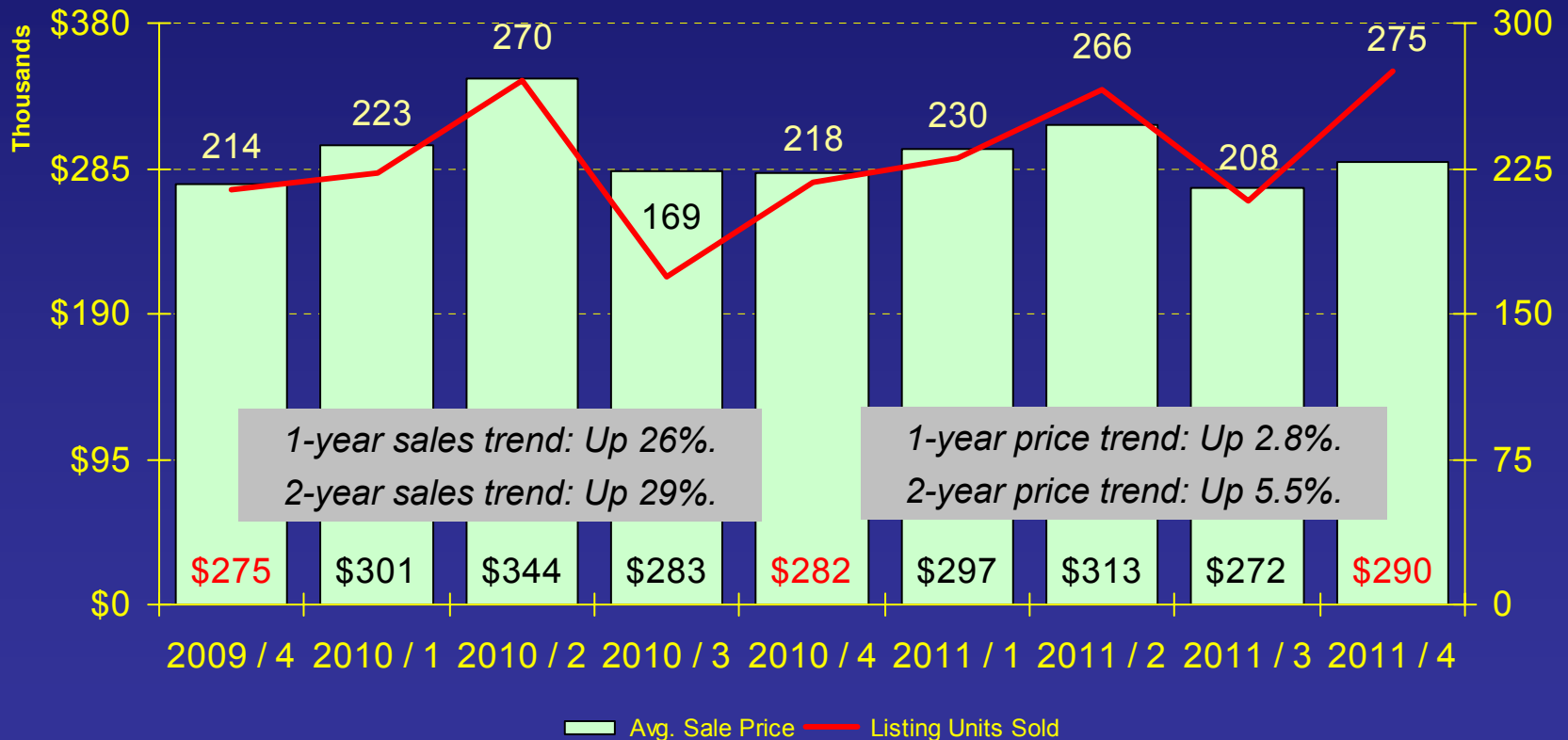
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9 Quarter Trend of Home Sales & Average Sale Prices

Palm Springs ZIP Code 92262

October 1, 2009 through December 31, 2011



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9 Quarter Trend of Home Sales & Average Sale Prices

Palm Springs ZIP Code 92264

October 1, 2009 through December 31, 2011



9 Quarter Trend of Home Sales & Average Sale Prices

Rancho Mirage ZIP Code 92270
 October 1, 2009 through December 31, 2011

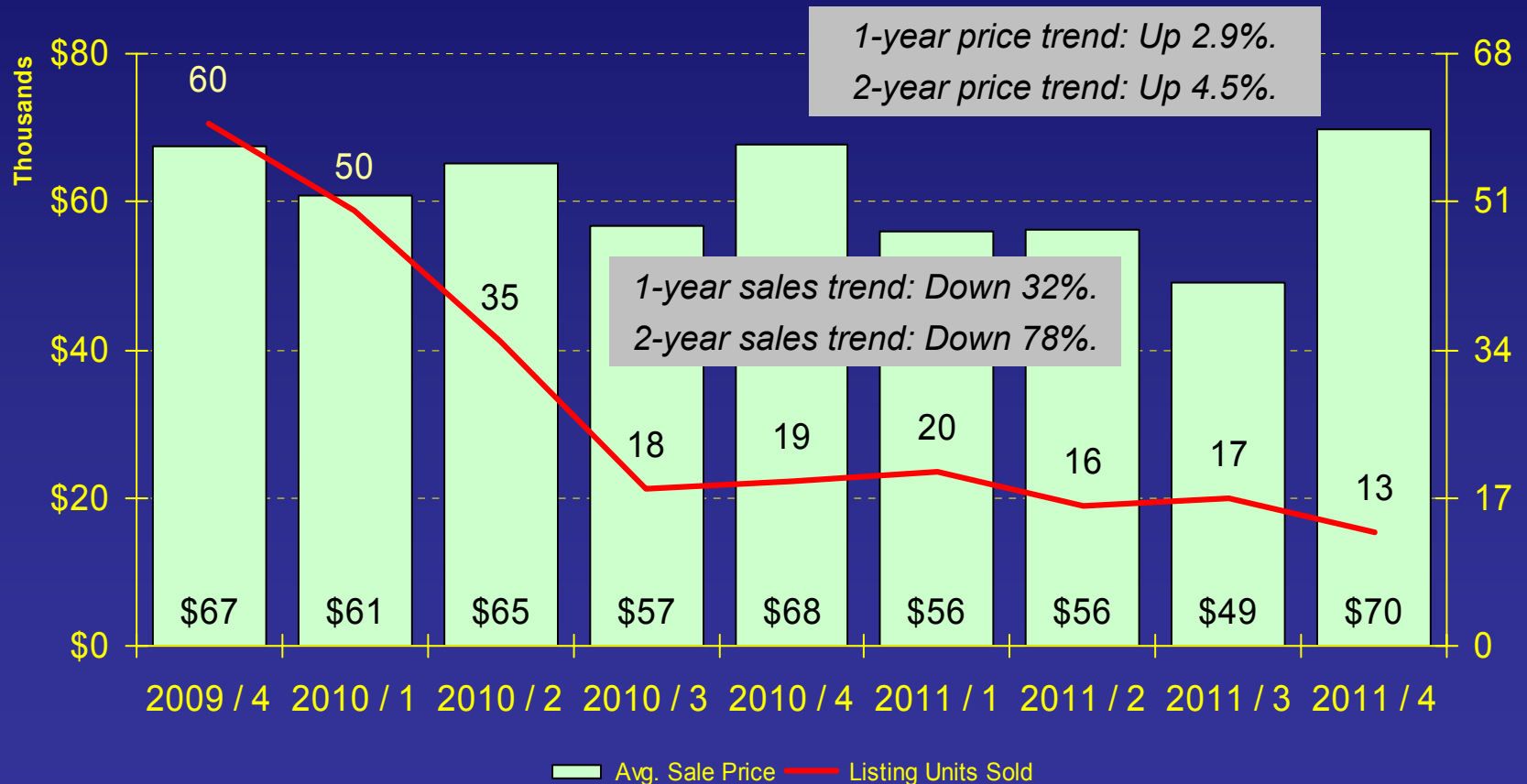


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9 Quarter Trend of Home Sales & Average Sale Prices

Salton City ZIP Code 92275

October 1, 2009 through December 31, 2011



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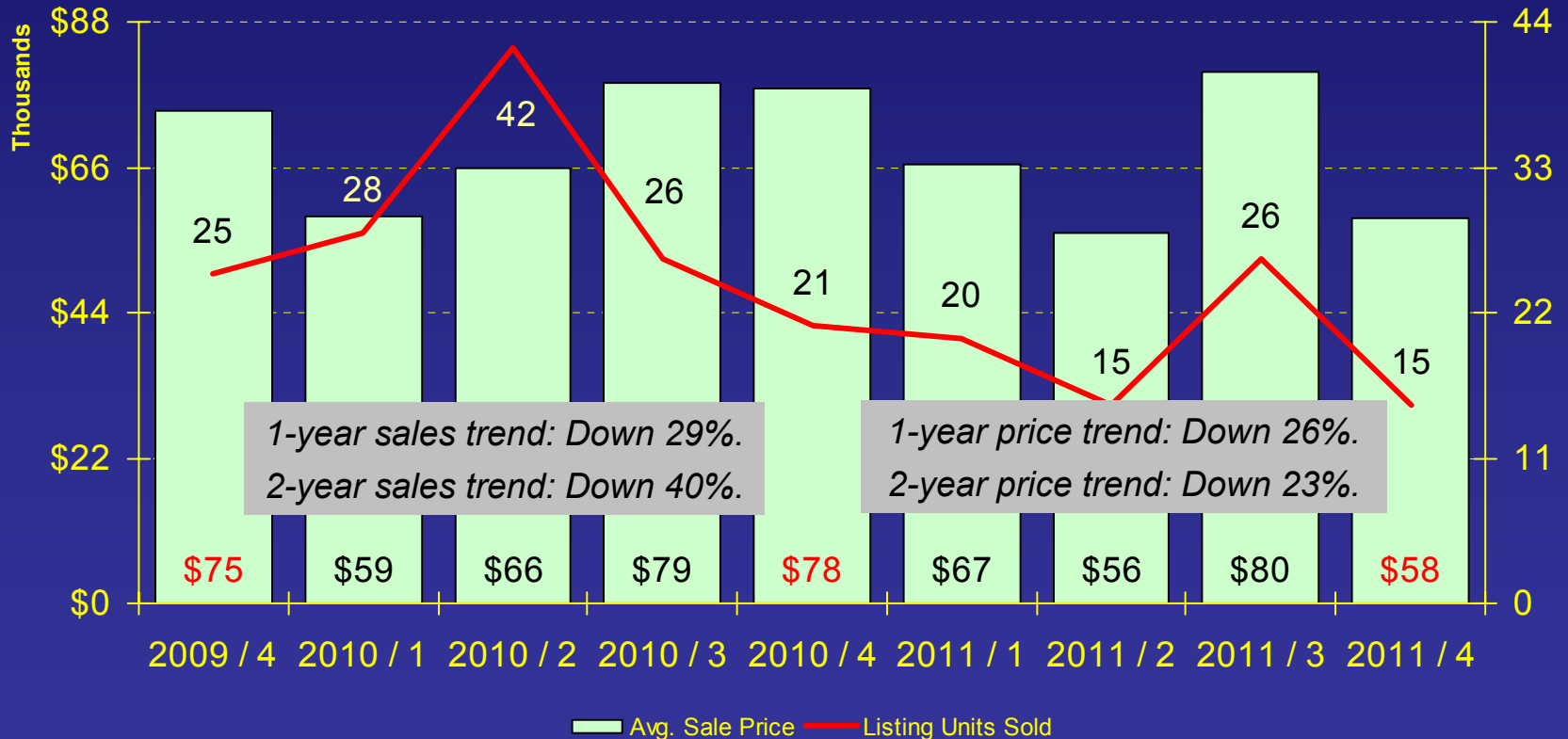
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9 Quarter Trend of Home Sales & Average Sale Prices

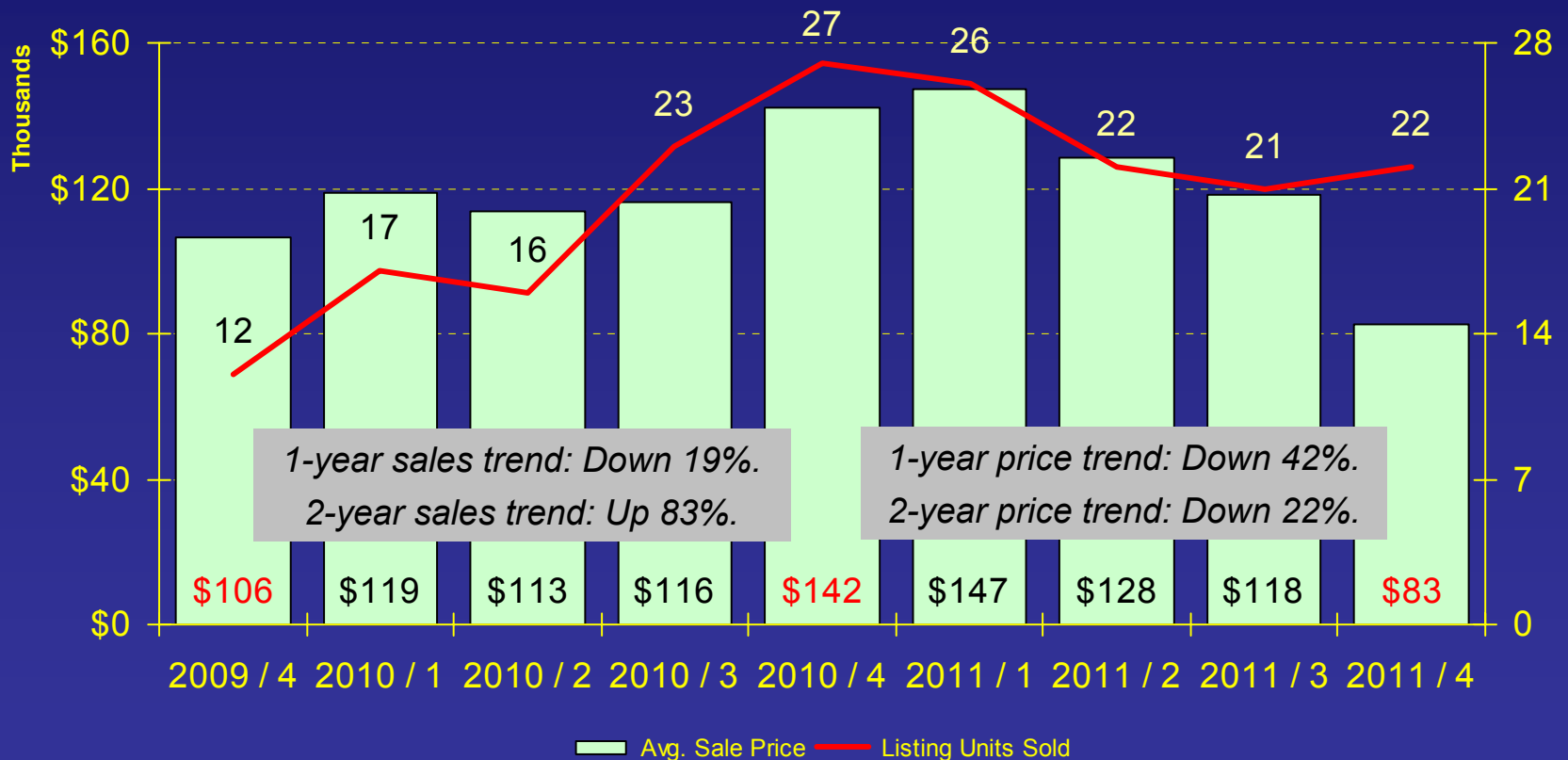
Thermal ZIP Code 92274

October 1, 2009 through December 31, 2011



9 Quarter Trend of Home Sales & Average Sale Prices

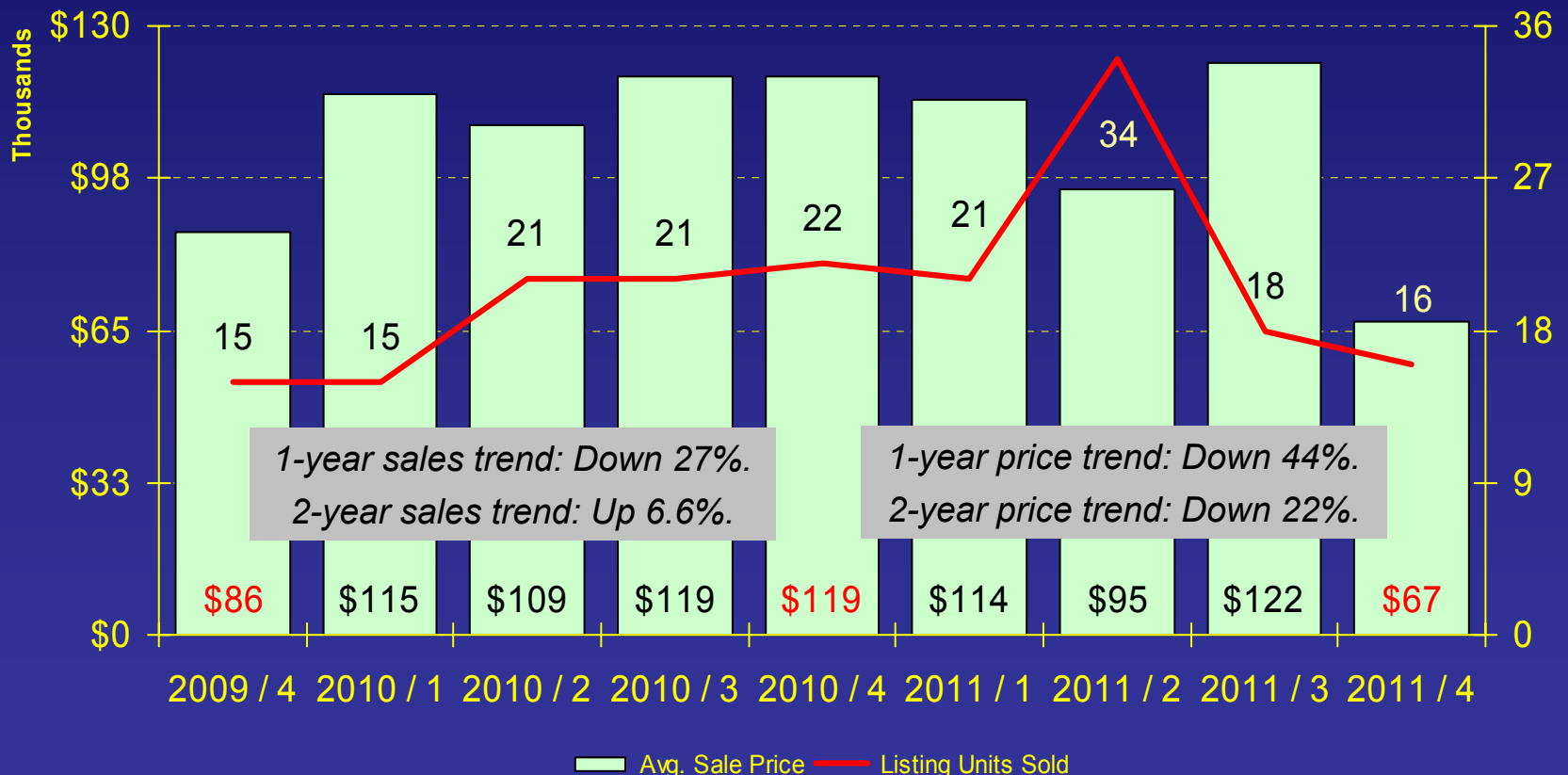
Thousand Palms ZIP Code 92276
 October 1, 2009 through December 31, 2011



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9 Quarter Trend of Home Sales & Average Sale Prices

Twentynine Palms ZIP Code 92277
 October 1, 2009 through December 31, 2011

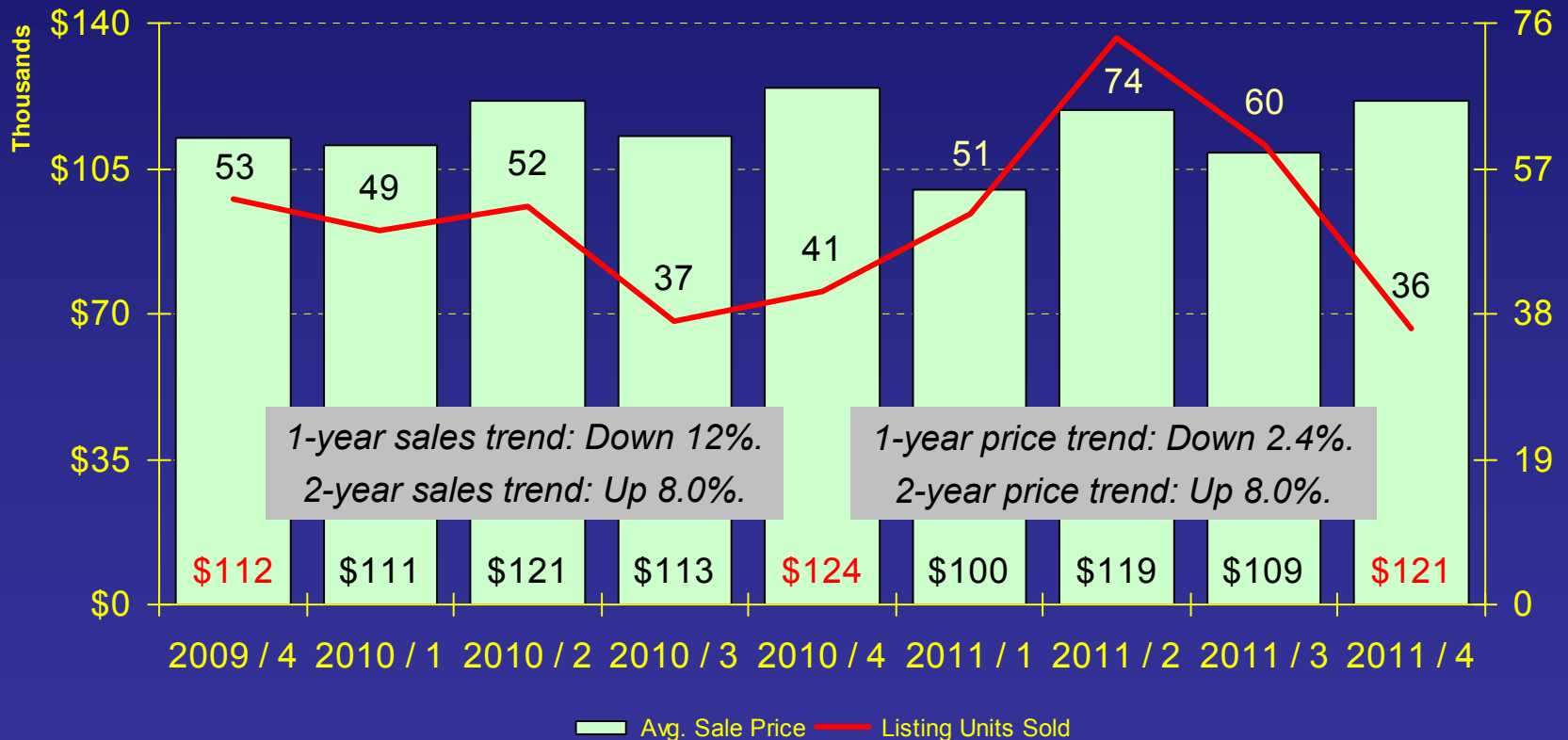


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9 Quarter Trend of Home Sales & Average Sale Prices

Yucca Valley ZIP Code 92284

October 1, 2009 through December 31, 2011



Inventory in Months' Supply

Inventory in Months' Supply

- Use these graphs with sellers to:
 - Communicate how overpricing will result in longer market time and likely price reductions.
 - Understand the market time benefit of pricing at -- or slightly below -- market value.
 - To counter *unreasonably* low offer prices in a tight inventory market segment.
 - To support *reasonably* lower offer prices in relation to realistic list prices received by your seller in a high inventory market segment.

Inventory in Months' Supply

- Use these graphs with buyers to:
 - Target properties with a lot of competition, and which also may be owned by more highly motivated sellers.
 - Establish realistic expectations about offer prices relative to supply-and-demand within the prospect's purchase market segment.
 - Support *reasonable* low offer prices relative to a seller's list price, considering competing inventory and a seller's likely time on market.

Inventory in Months' Supply

- Every property is unique and has its own unique value to possible buyers.
Remember that use of this *aggregated* data to measure inventory assumes:
 - No new listings will come to market before the supply is absorbed.
 - Buyer activity levels of the preceding 12 months will remain constant before the supply is absorbed.
 - All homes are equal in their appeal.

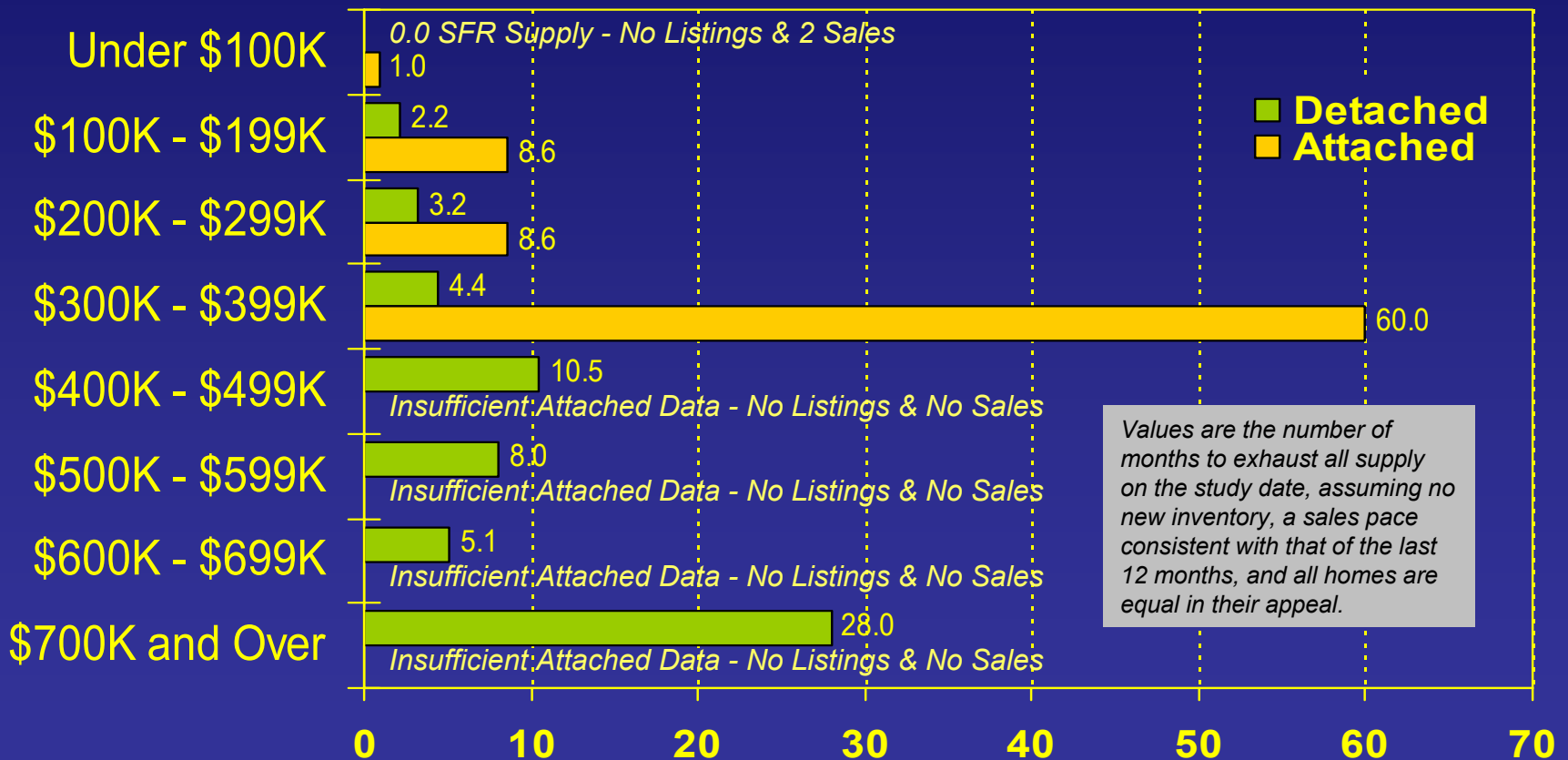
Available & Absorbed MLS Status

MLS Status	Inventory Status
Active	Available
Contingent – Other	Absorbed
Hold	Available
Pending	Absorbed
Sold	Absorbed

Inventory in Months' Supply

Bermuda Dunes / 92203

Using Inventory Available on January 7, 2012,
And Pending & Sales Activity for Previous 12 Months



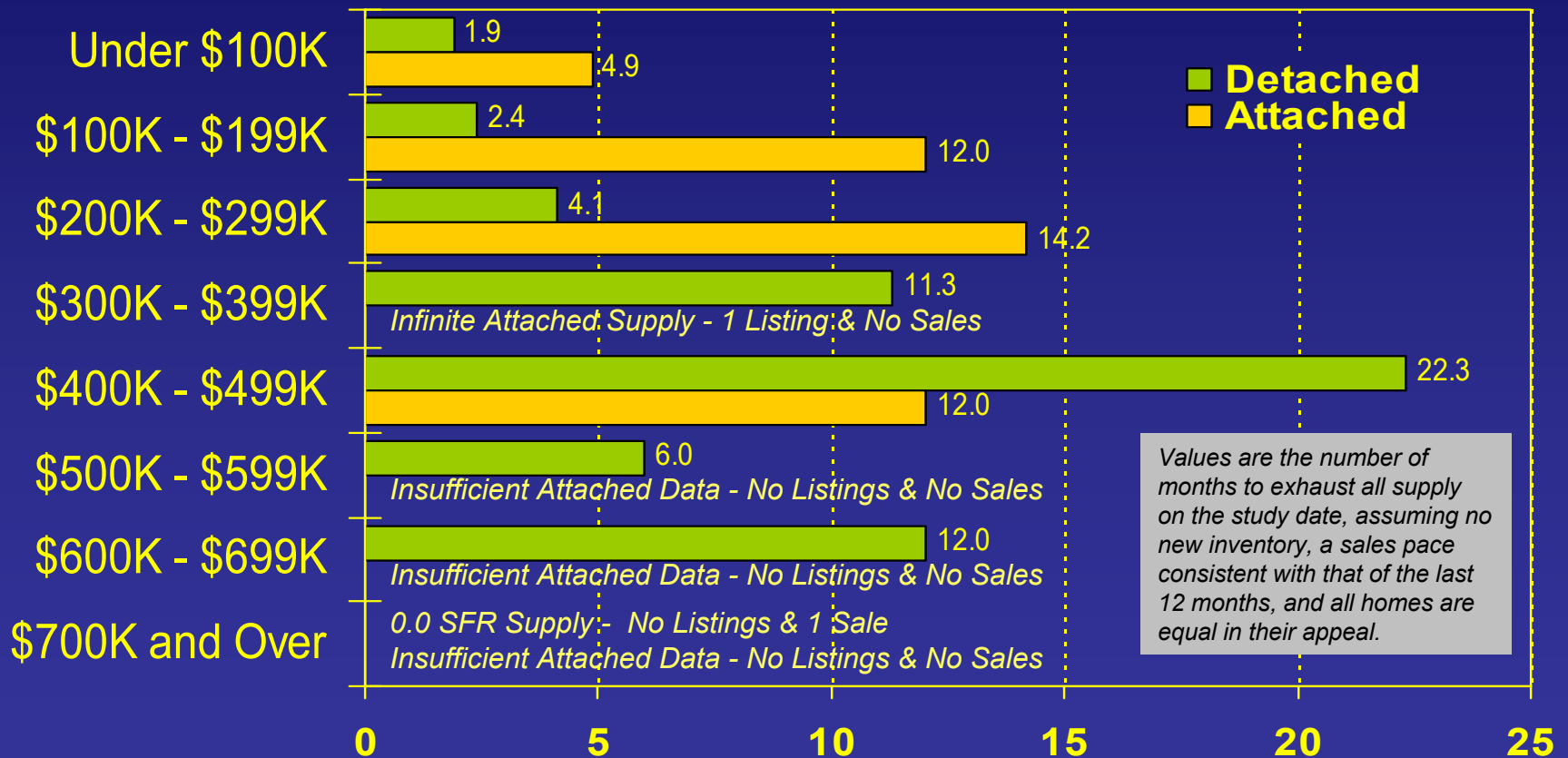
Based on data supplied by Desert Area MLS and its member Association(s) of REALTORS®, who are not responsible for its accuracy. Values are estimated months to absorb all available inventory, assuming no additional listings, and that annualized sales activity remains constant.

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Inventory in Months' Supply

Cathedral City / 92234

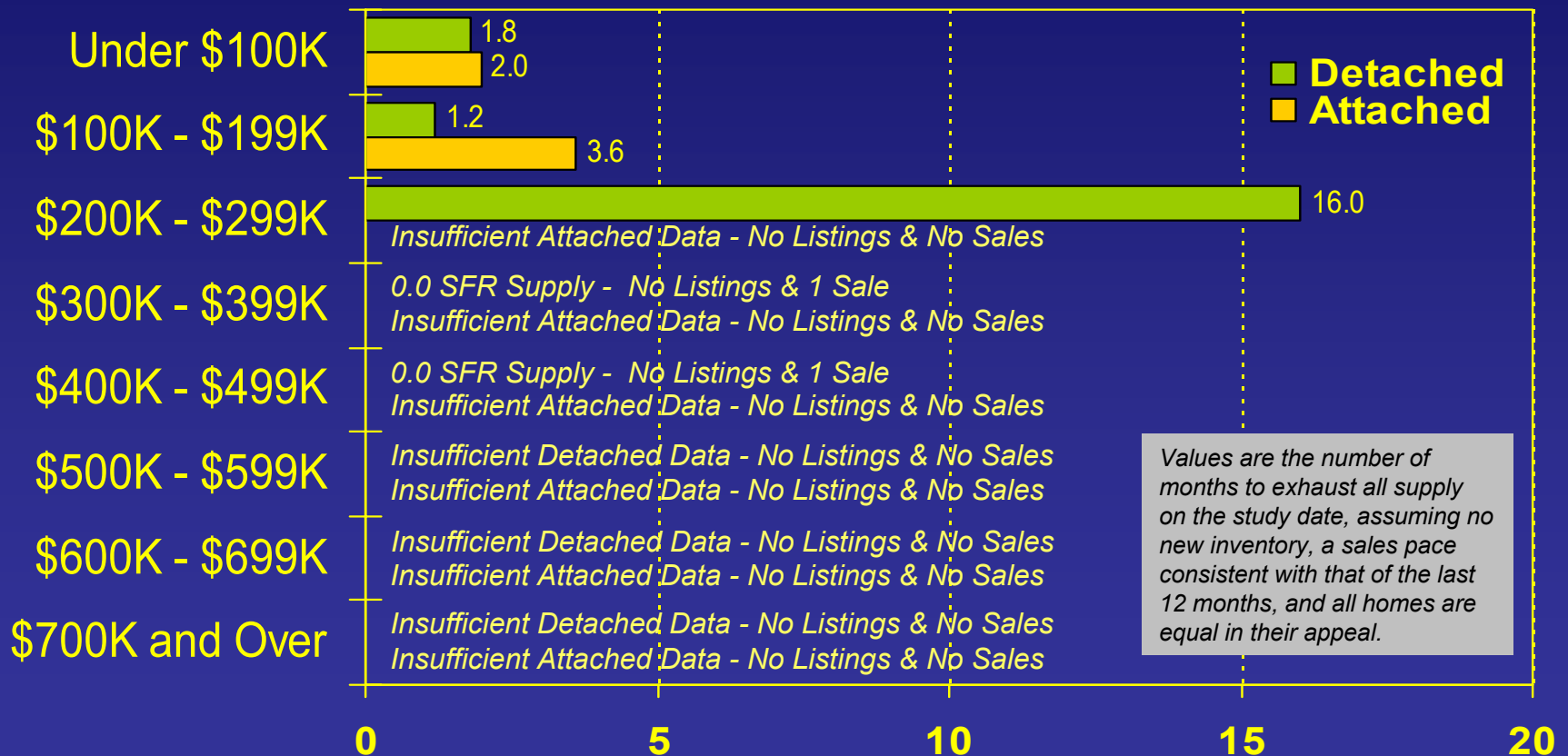
Using Inventory Available on January 7, 2012,
And Pending & Sales Activity for Previous 12 Months



Inventory in Months' Supply

Coachella / 92236

Using Inventory Available on January 7, 2012,
And Pending & Sales Activity for Previous 12 Months



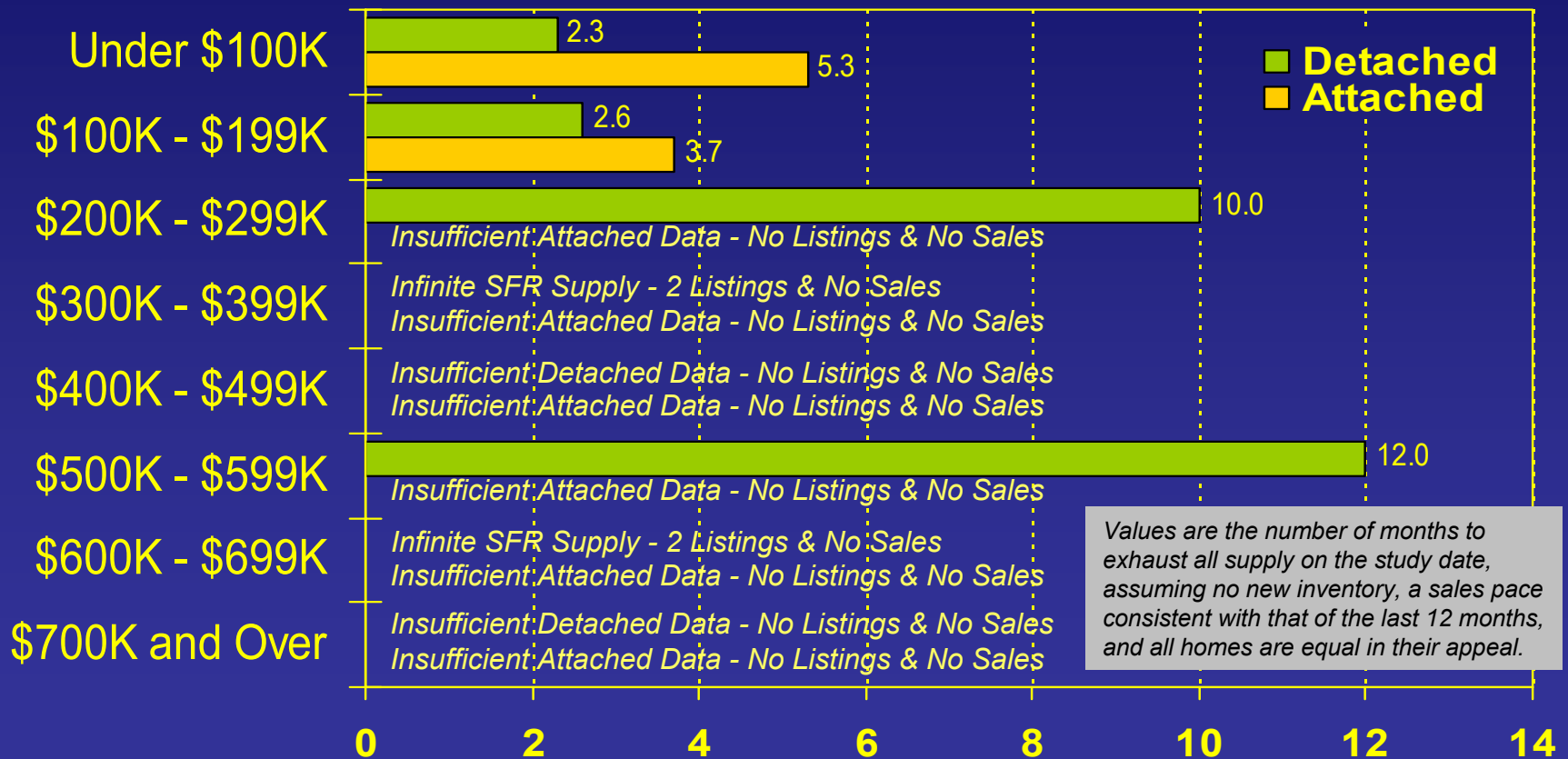
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Inventory in Months' Supply

Desert Hot Springs / 92240

Using Inventory Available on January 7, 2012,
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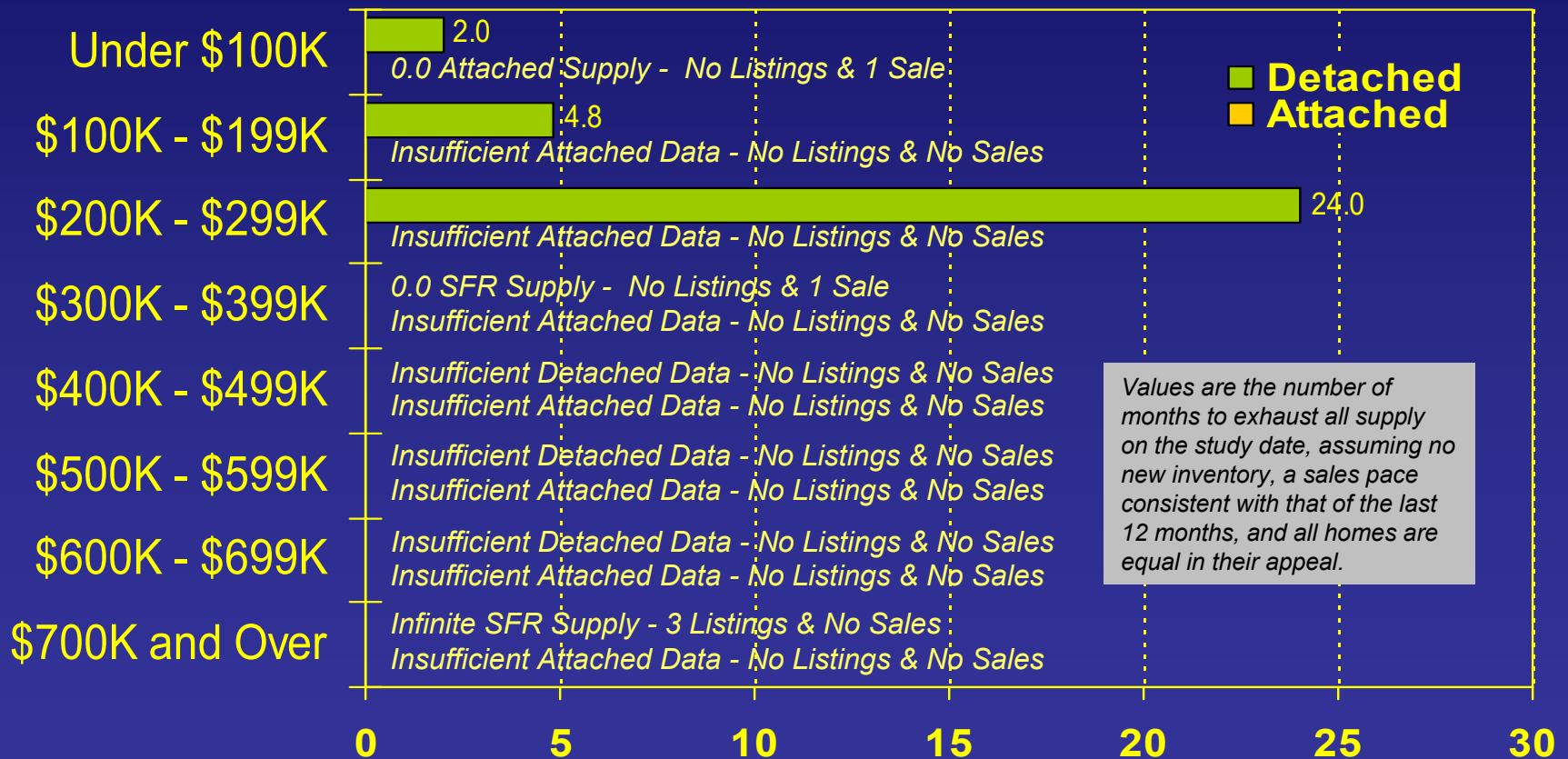
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Inventory in Months' Supply

Desert Hot Springs / 92241

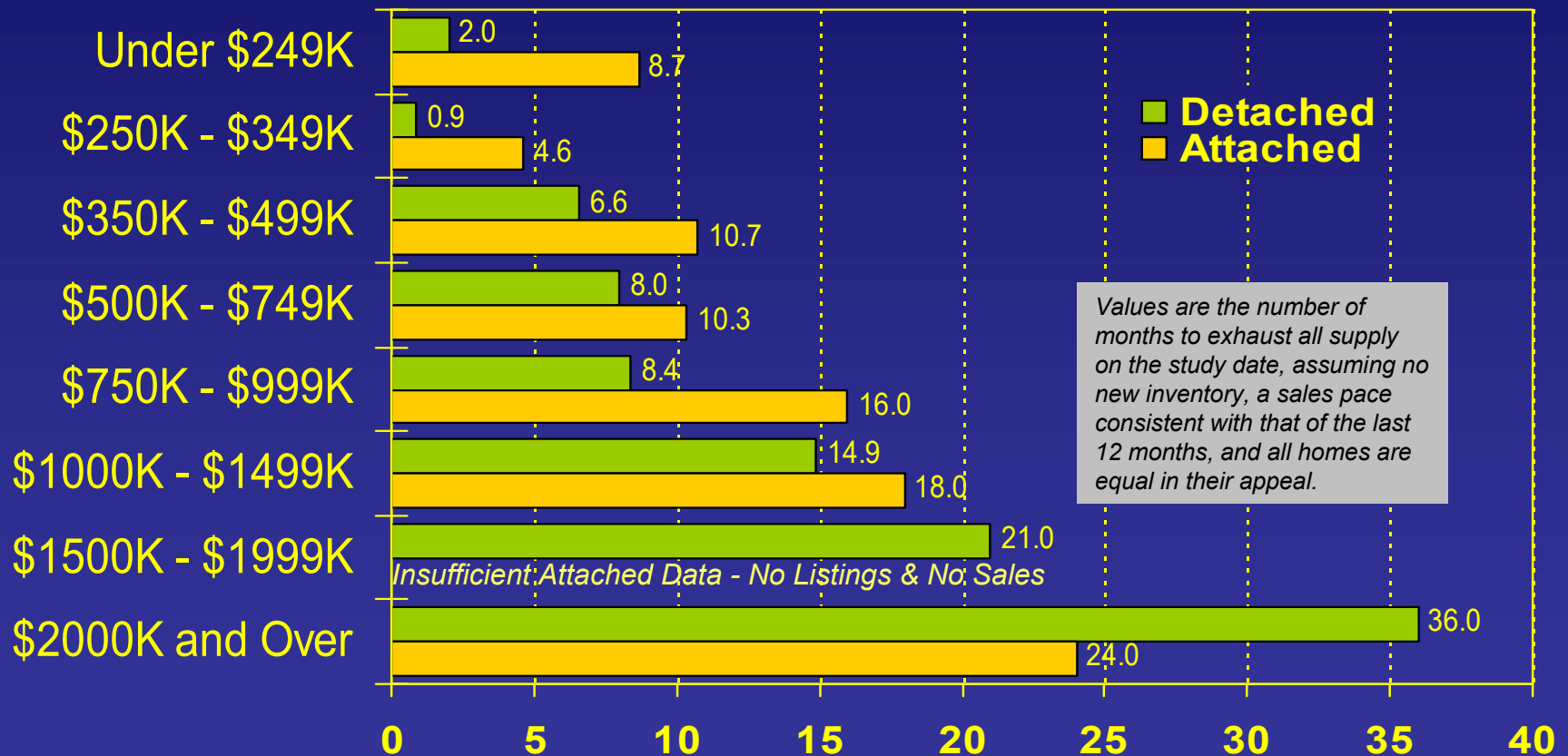
Using Inventory Available on January 7, 2012,
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Inventory in Months' Supply

Indian Wells / 92210

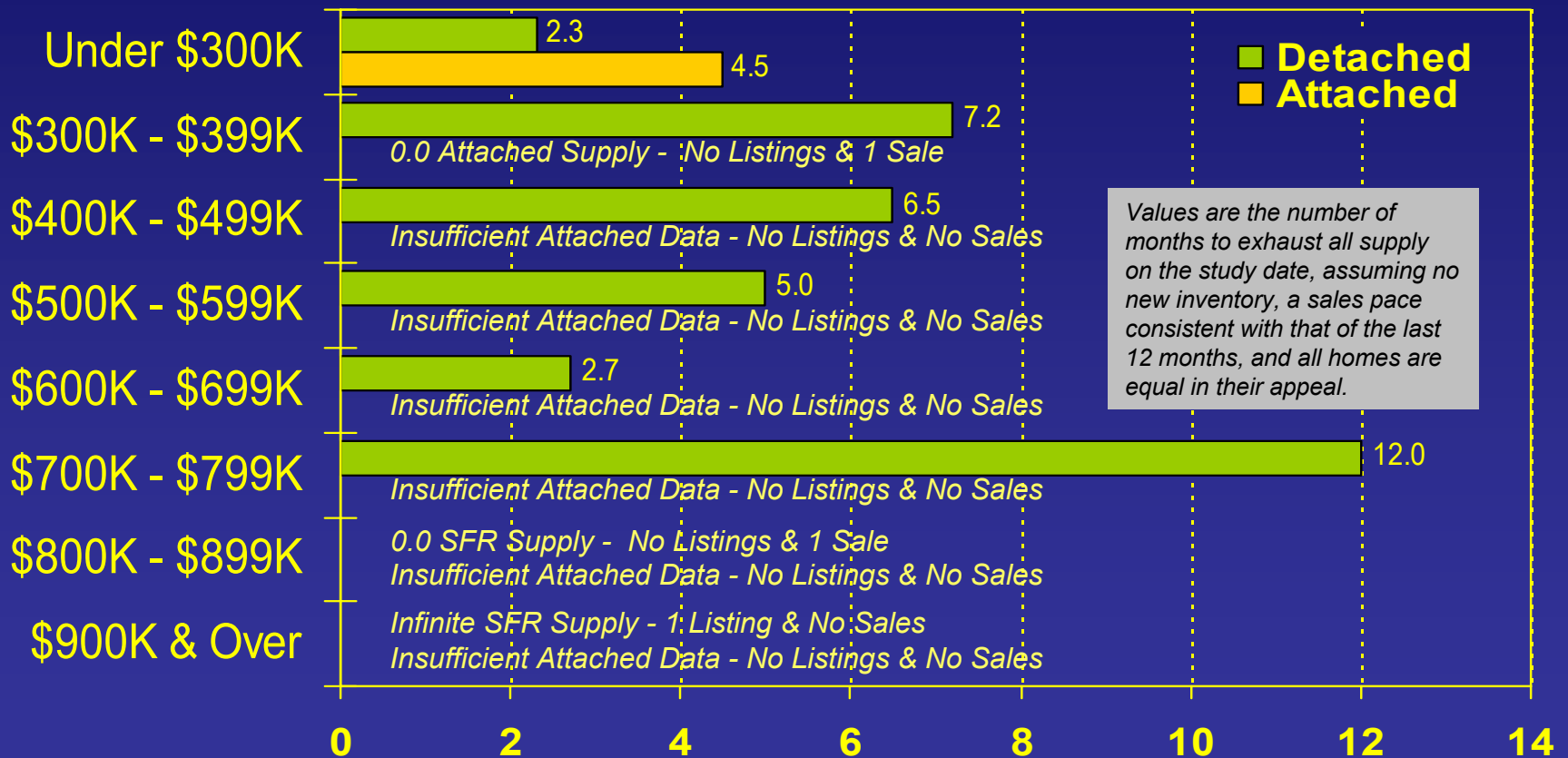
Using Inventory Available on January 7, 2012,
And Pending & Sales Activity for Previous 12 Months



Inventory in Months' Supply

Indio / 92201

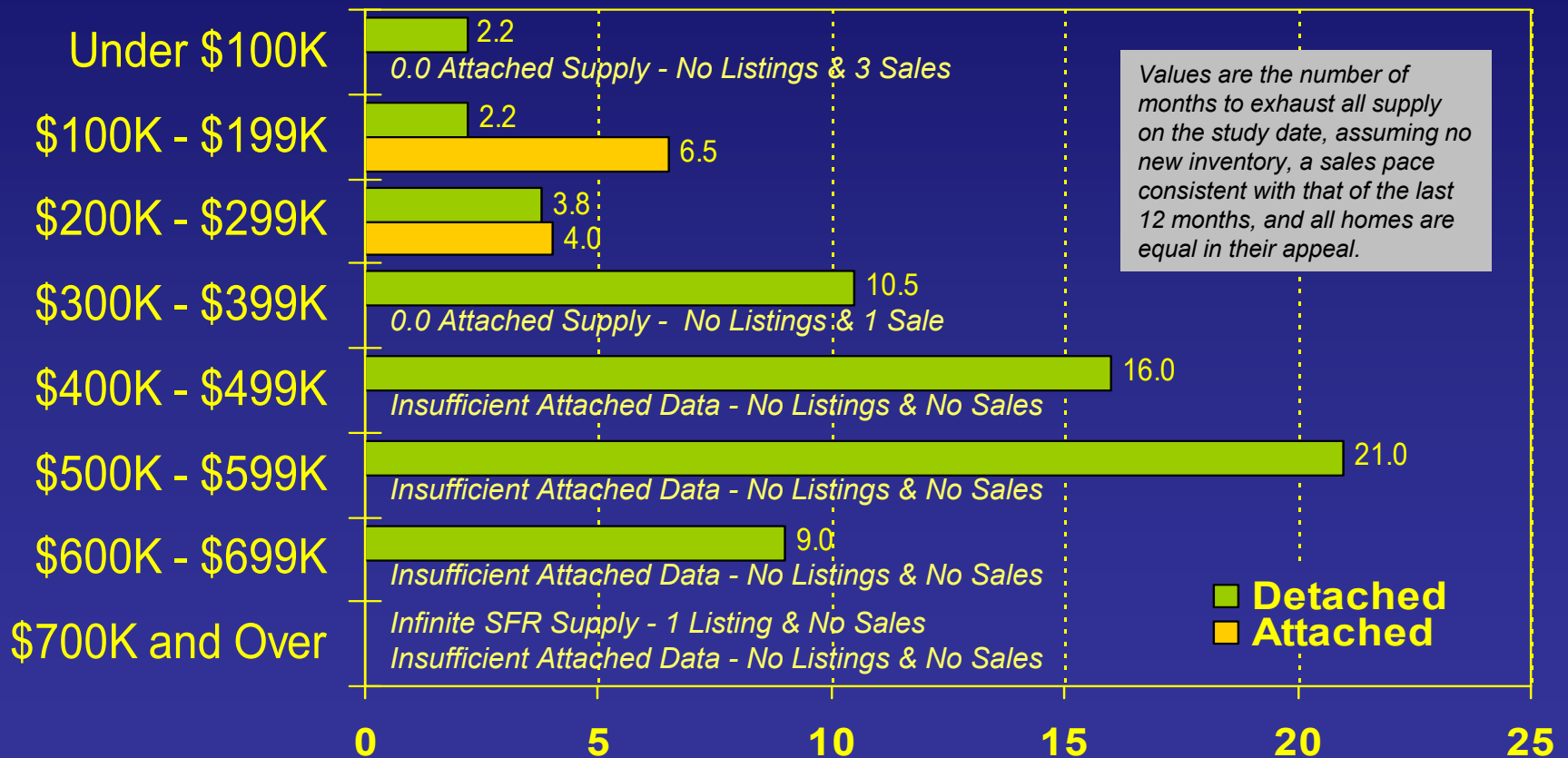
Using Inventory Available on January 7, 2012,
And Pending & Sales Activity for Previous 12 Months



Inventory in Months' Supply

Indio / 92203

Using Inventory Available on January 7, 2012,
And Pending & Sales Activity for Previous 12 Months

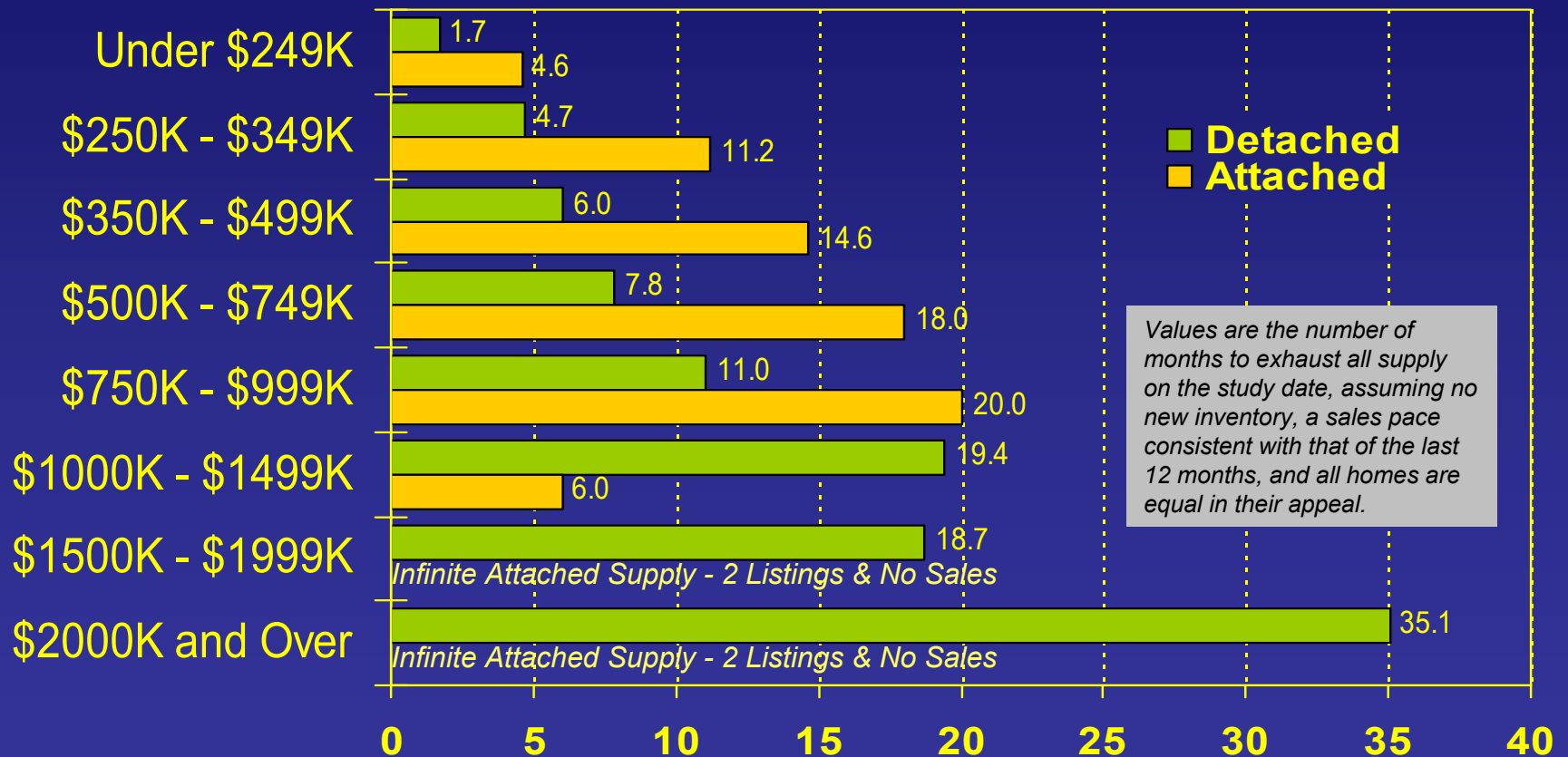


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Inventory in Months' Supply

La Quinta / 92253

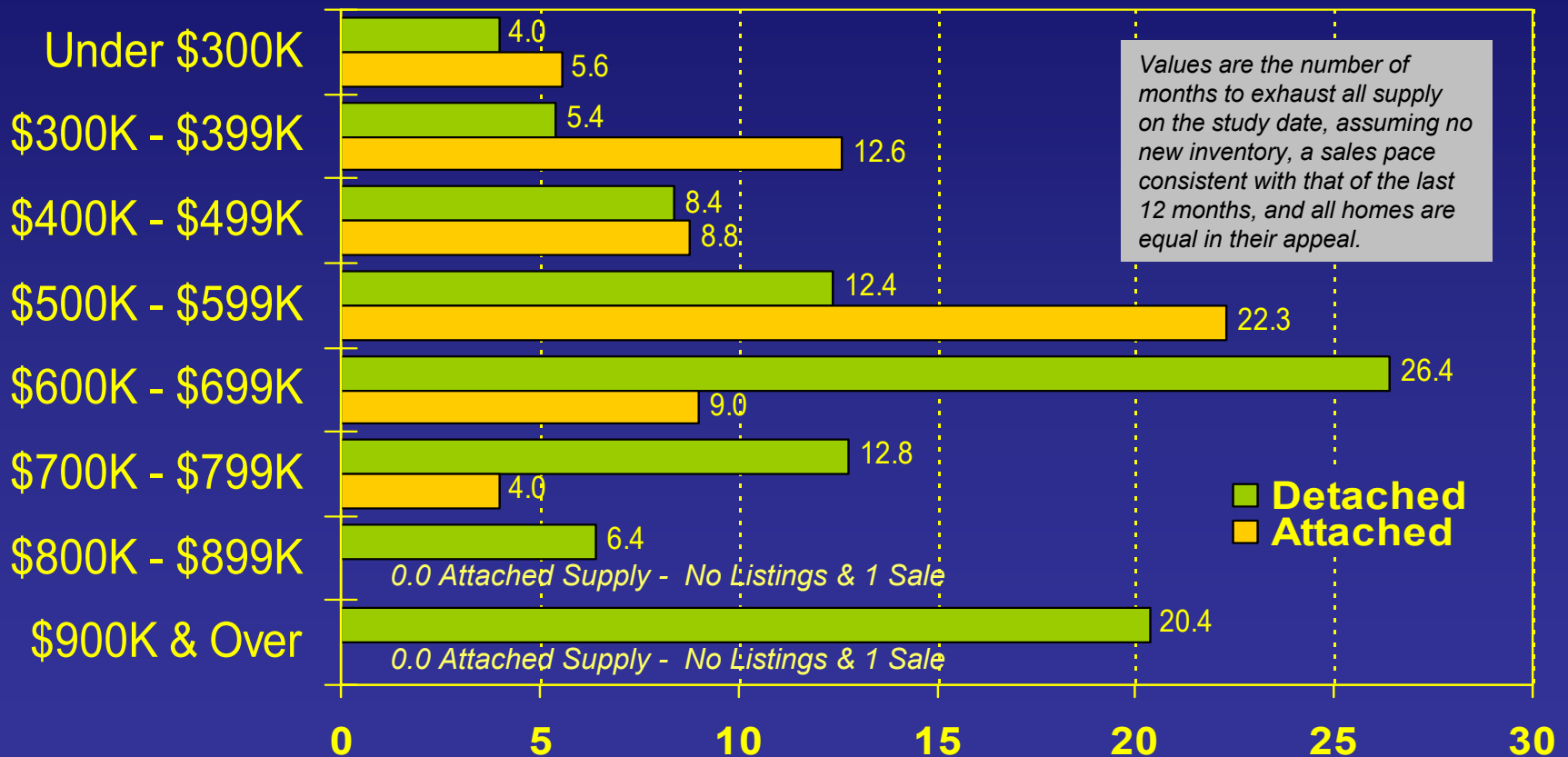
Using Inventory Available on January 7, 2012,
And Pending & Sales Activity for Previous 12 Months



Inventory in Months' Supply

Palm Desert / 92211

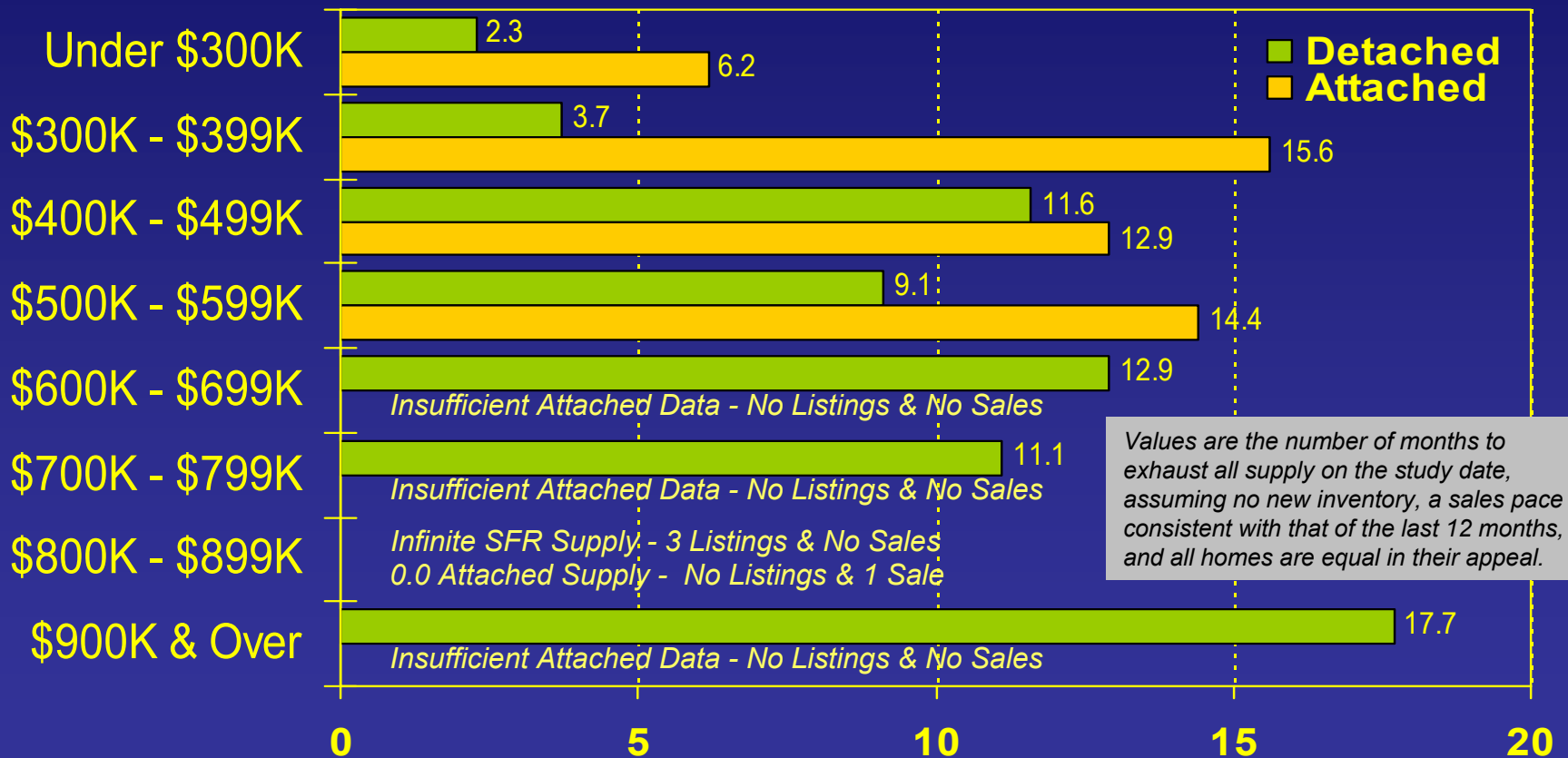
Using Inventory Available on January 7, 2012,
And Pending & Sales Activity for Previous 12 Months



Inventory in Months' Supply

Palm Desert / 92260

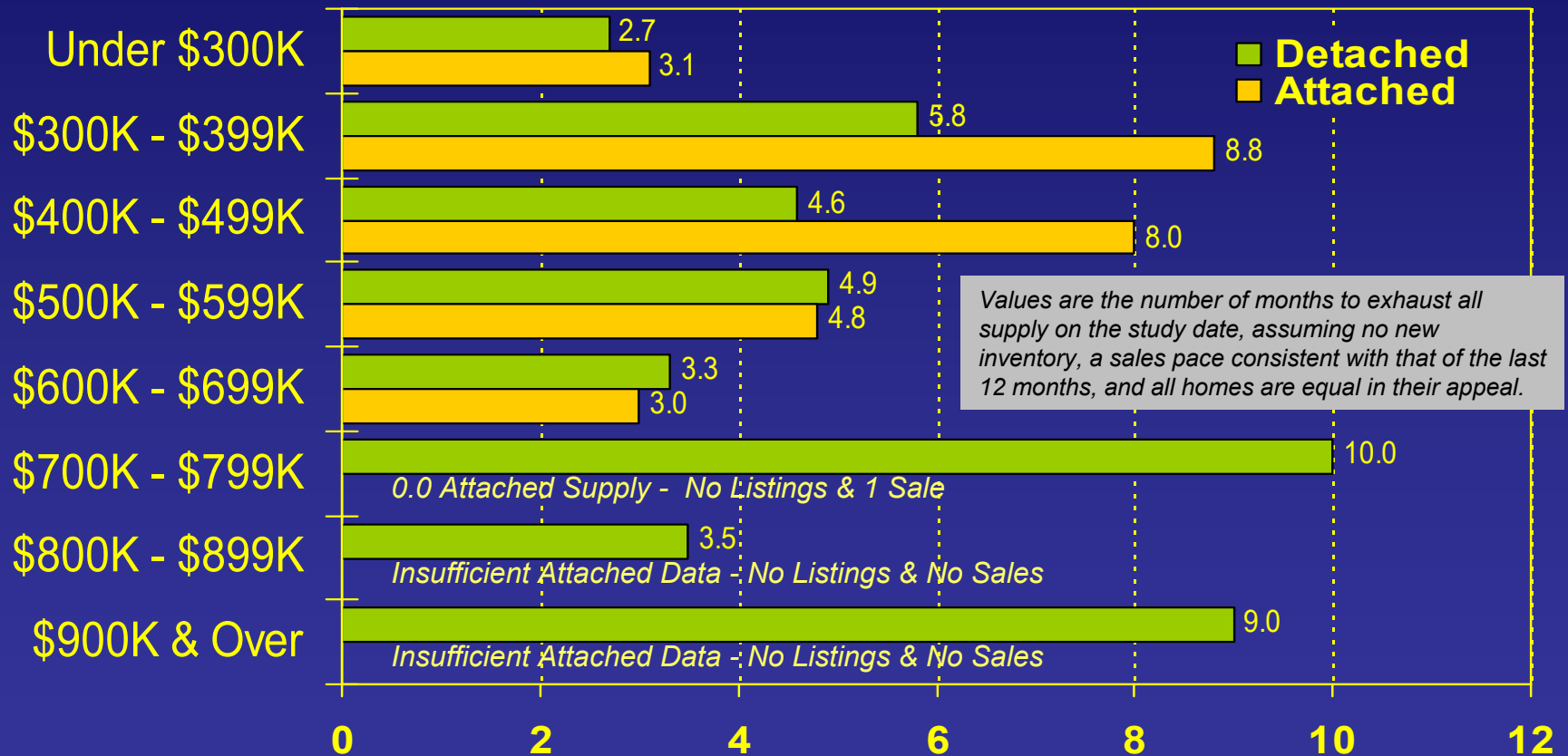
Using Inventory Available on January 7, 2012,
And Pending & Sales Activity for Previous 12 Months



Inventory in Months' Supply

Palm Springs / 92262

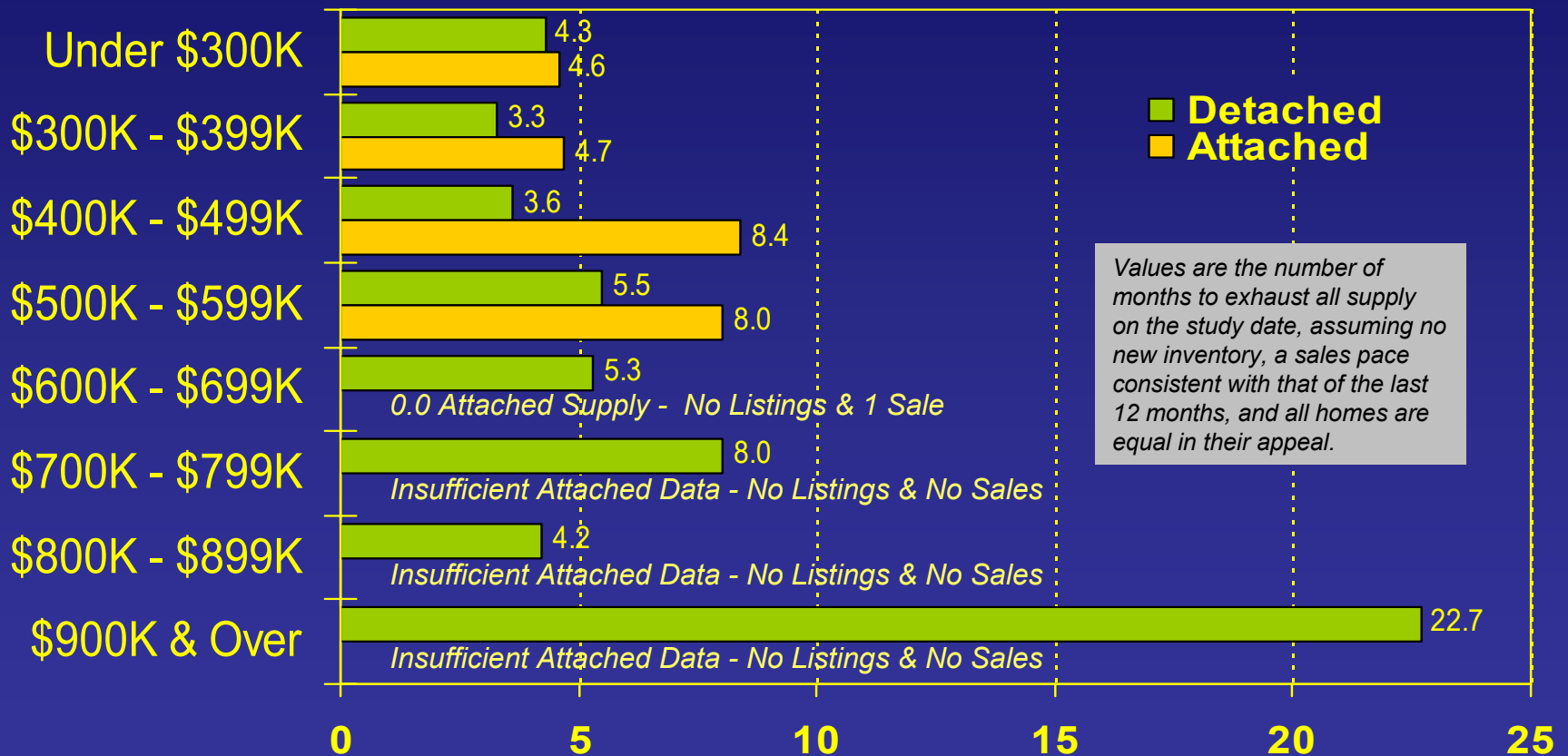
Using Inventory Available on January 7, 2012,
And Pending & Sales Activity for Previous 12 Months



Inventory in Months' Supply

Palm Springs / 92264

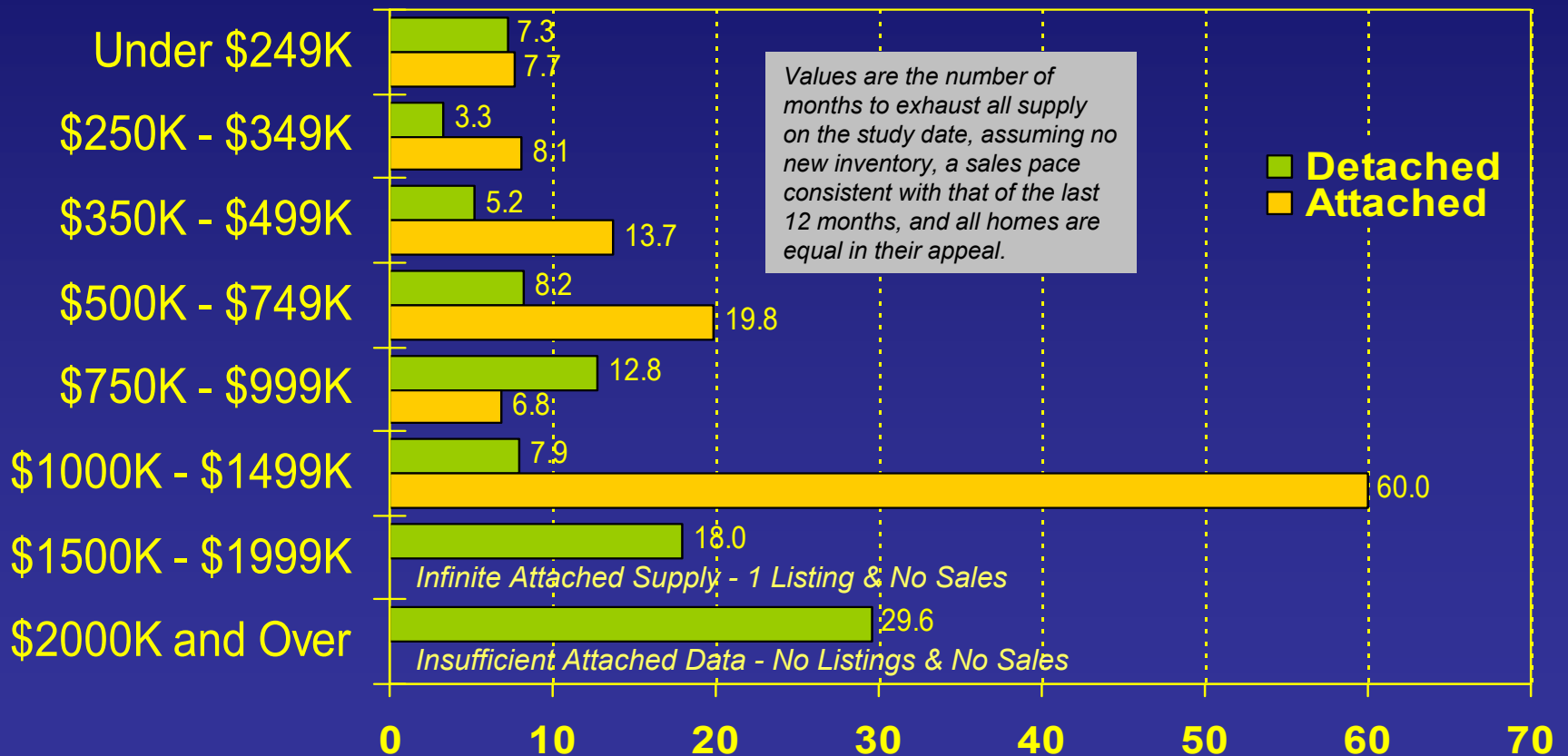
Using Inventory Available on January 7, 2012,
And Pending & Sales Activity for Previous 12 Months



Inventory in Months' Supply

Rancho Mirage / 92270

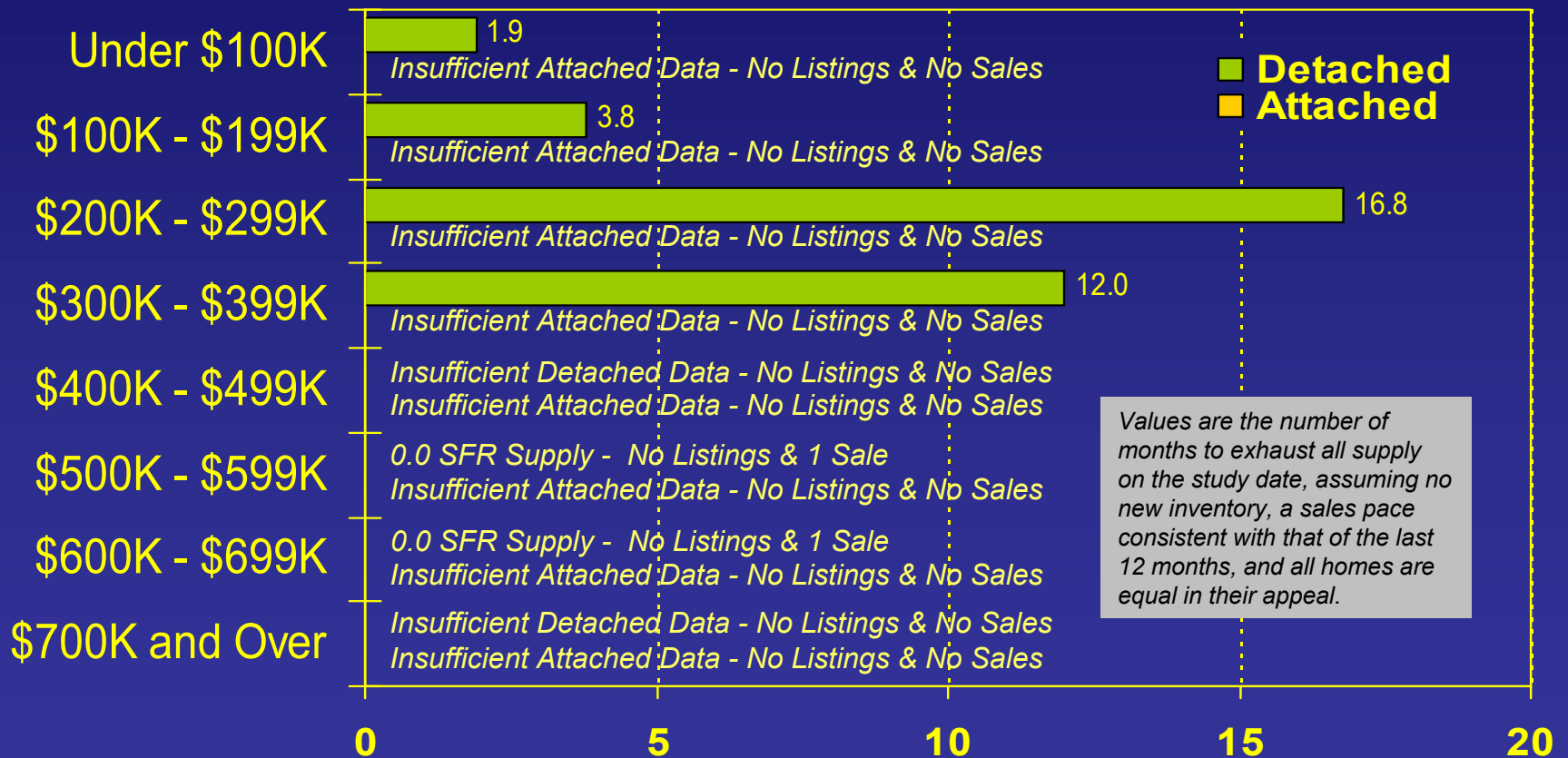
Using Inventory Available on January 7, 2012,
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Inventory in Months' Supply

Thousand Palms / 92276

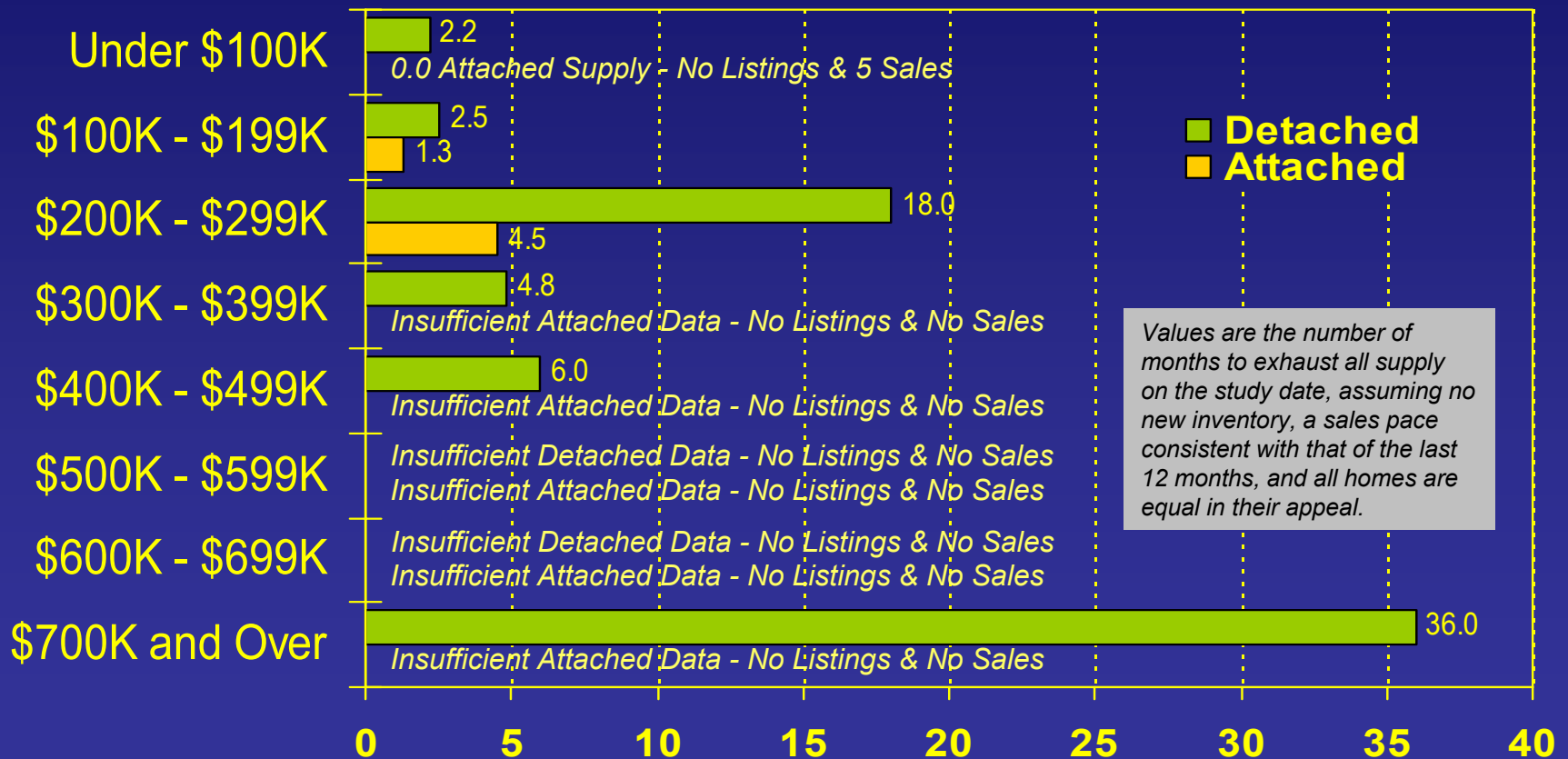
Using Inventory Available on January 7, 2012,
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Inventory in Months' Supply

Yucca Valley / 92284

Using Inventory Available on January 7, 2012,
And Pending & Sales Activity for Previous 12 Months





***REAL
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