

Reports on HOUSING

Your Local Real Estate Snapshot



Orange County Winter Housing Update

A winter landscape featuring snow-covered evergreen trees in the foreground and middle ground. The background shows a range of mountains under a clear blue sky. The scene is brightly lit, suggesting a sunny day.

Winter Fun Photos

MY 2021 REAL ESTATE YEAR IN REVIEW

\$5,000,000

TOTAL VOLUME

45

HOMES SOLD

10,000

OFFERS WRITTEN

65

HAPPY CLIENTS

750

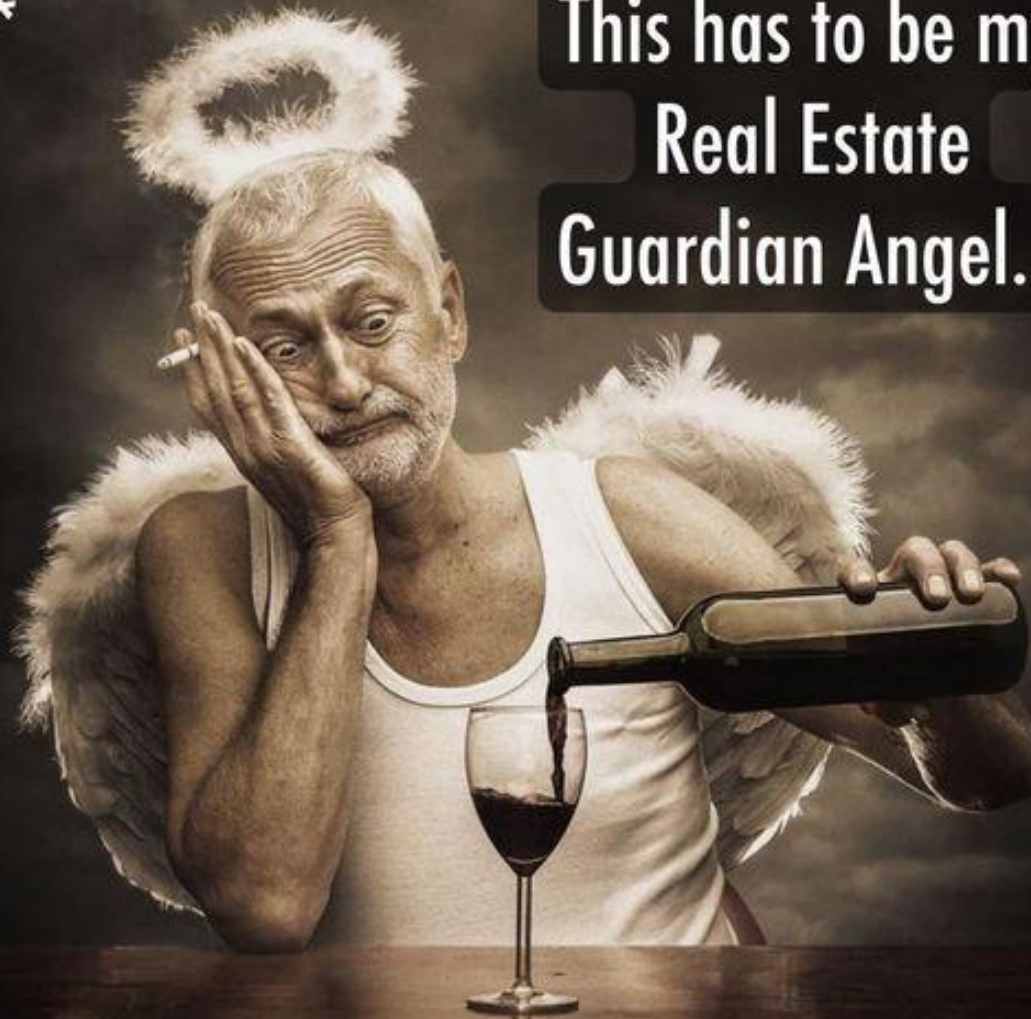
WINE GLASSES CHUGGED

500

PANIC ATTACKS



This has to be my
Real Estate
Guardian Angel...



Clients: We'd like to submit an offer on the property we saw 2 weeks ago.

Me: Fantastic. Get in!





*What do you mean Best
& Final by 7pm?! my
showing is at 6:30!!!!!!*

**How listing agents look at all
buyer's agents in this market.**



**“Bring me your highest and
best peasants!”**



**ALL I SAID WAS I NEED A REALTOR
TO HELP ME SELL MY HOUSE**



The Real Estate Market





Reports on HOUSING
Your Local Real Estate Snapshot

Introduction

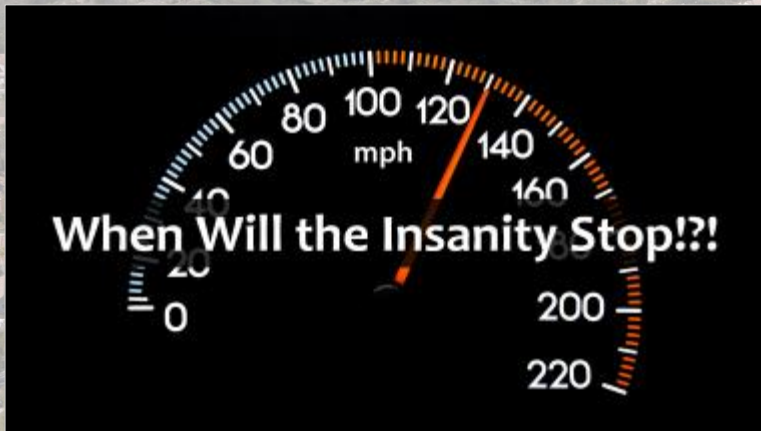
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec



Where Are Rates Headed?



The Housing Market



When Will the Insanity Stop!?!



FORBEARANCE



Affordability



Sacramento, Oakland, San Francisco, San Jose, Carson City, Sierra Nevada, Las Vegas, CALIFORNIA, Atascadero, Santa Maria, Los Angeles, Pasadena, Mojave Desert, Mt. Whitney 4,418m.

A California Exodus



How Will 2022 Play Out?



Reports on HOUSING

Your Local Real Estate Snapshot



Introduction

My Background

- **Quantitative Economics & Decision Sciences**
 - **UCSD**
- **30 Years in Business**
- **OC Native**
- **Capo Valley HS Grad**
- **9 kids!**





The Thomas Bunch



Forbes

Bloomberg



FORTUNE

The New York Times



THE WALL STREET JOURNAL.

Los Angeles Times



inmanNEWS

ORANGE COUNTY BUSINESS JOURNAL



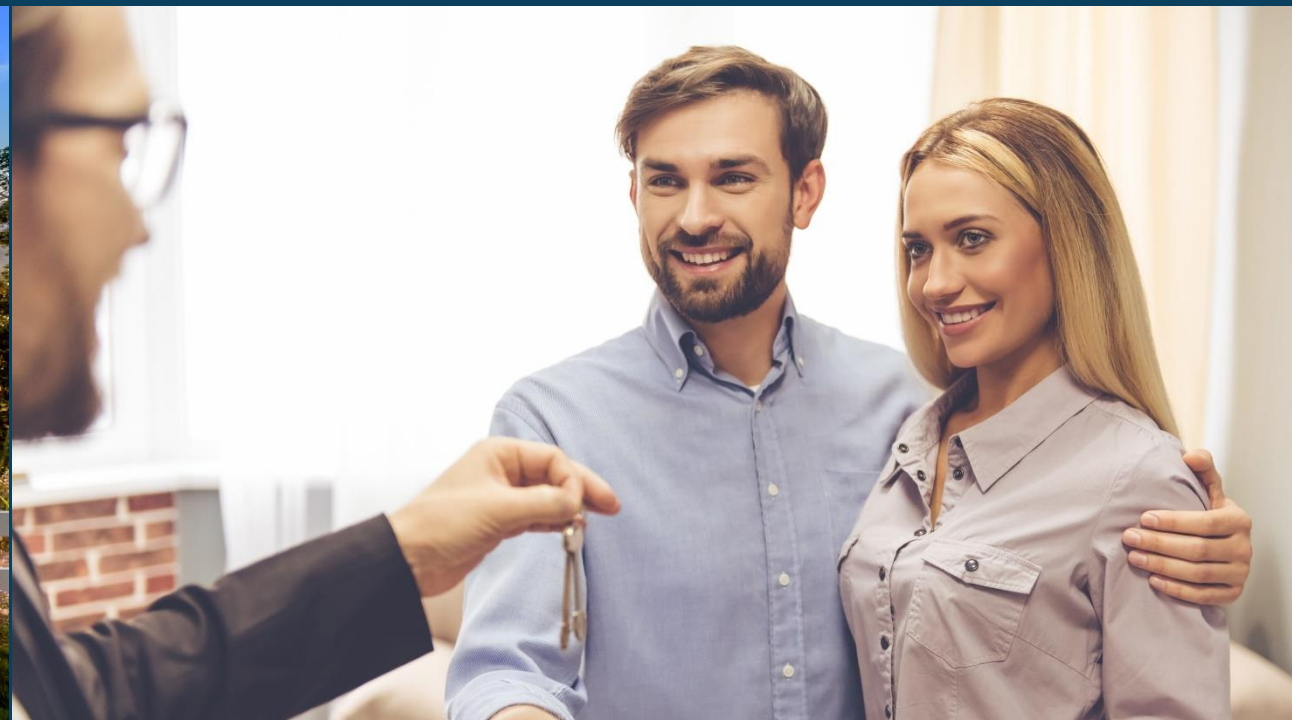
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HOUSING

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Expectations



THE LOS ANGELES HOUSING REPORT

Reports on HOUSING
Your Local Real Estate Snapshot

It's THE Right Time
By Steven Thomas
Quantitative Economics and Decision Sciences, B.A.
April 22, 2019

THE SAN DIEGO HOUSING REPORT

Reports on HOUSING
Your Local Real Estate Snapshot

Over the Peak
By Steven Thomas
Quantitative Economics and Decision Sciences, B.A.
September 9, 2019



THE Riverside County HOUSING REPORT

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Your Local Real Estate Snapshot

The Price is Right
By Steven Thomas
Quantitative Economics and Decision Sciences, B.A.
May 27, 2019



THE Orange County HOUSING REPORT

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Your Local Real Estate Snapshot

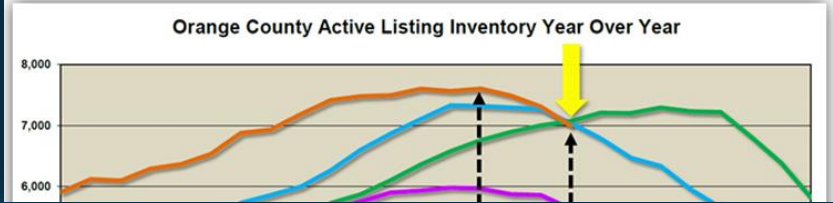
Green Shoots
By Steven Thomas
Quantitative Economics and Decision Sciences, B.A.
September 9, 2019

Even though the housing market has been in a downturn for several prior years, trends have begun to show that it is starting to heat up.

Green Shoots: Trends are beginning to heat up. Headlines are the same, but it's a lot longer to sell a home than a couple of years ago. Inventory is considerably higher than when rates unexpectedly fell.

Ever since the housing market comparison to the hot market of limited inventory and sales, it's been boosted by falling mortgage rates dipping below 4% in January, the lowest level since October 2010.

As a result of the return to historically low mortgage rates, trends have surfaced that highlight a marketplace that is heating up.



Los Angeles, Orange County, Riverside, San Bernardino, and San Diego Reports

THE San Bernardino HOUSING REPORT

Reports on HOUSING
Your Local Real Estate Snapshot

Sellers have until now had to wait for homes into escrow. It's better to be right.

Pricing: Expired listings are a year to avoid because of the market. Spring is in the air and successful sellers are getting better offers.

The Price is Right



pricing is this... why behind a... sessions, they... the sale, the first... onal belongings... of uninterested... wave of initial... erate to sell, the... age and attic.

frequently ignore... or what they need... ntenance, lack of

upgrades, an inferior location, or a small lot size, when a seller is living LIFE in it. Home is where the children are raised. First steps, first time riding a bike, first tooth for the Tooth Fairy, first day of school, first dance, there are a lot of "firsts" in a home, a collection of memories that tug at our heartstrings.

Expired Listings			
January through April			
	2019	2018	YOY
Los Angeles County	9,516	6,551	+45%

JANUARY 10 2022

Reports on
HOUSING
Your Local Real Estate Snapshot

THE
LOS ANGELES COUNTY
HOUSING REPORT

UNPRECEDENTED START

WRITTEN BY
STEVEN THOMAS

EVEN WITH A RISING MORTGAGE INTEREST RATE ENVIRONMENT, IT IS THE HOTTEST START TO A YEAR SINCE TRACKING BEGAN IN 2004 BY A LANDSLIDE.



INSANELY HOT SELLER'S MARKET

WITH A RIDICULOUSLY RECORD LOW SUPPLY OF HOMES AVAILABLE TO PURCHASE MATCHED WITH STRONG DEMAND, THE HOUSING MARKET IS WHITE HOT.

The COVID-19 pandemic has severely disrupted the supply of goods and commodities. Initially, back in March 2020, there was a relentless run on toilet paper when people stood in long lines for hours as new shipments arrived. As the pandemic evolved, so did the impact on the supply of computer chips, which ultimately hit the automobile industry the hardest. Flash forward to today and new car lots are empty, there is a COVID premium on the sticker price, and many must wait weeks or months for delivery. It is just as challenging to obtain a used car and prices have gone through the roof. It boils down to supply and demand. Even when demand levels do not change much, yet inventories drop substantially, prices soar.

That is precisely what is occurring in the Los Angeles County housing market today. The supply of homes available to purchase today is at a staggering, mind blowing, record low level, and it is matched with strong demand that is not much different than prior to the pandemic. As a result, the market has been white hot, insane, from day one of 2022. It is an unprecedented start to the year that is without comparison. On January 3, 2013, according to the Primary Mortgage Market Survey conducted by Freddie Mac for the past 51-years, mortgage rates were at 3.34%, slightly higher than the record low, at the time, of 3.31% achieved on November 21, 2012. On January 7, 2021, mortgage rates hit a 17th record low since the start of the pandemic, dropping to 2.65%. That rate remains the record today, a year later. On January 6, 2022, mortgage rates had risen to 3.22%, the highest level since May 2020. Even with higher, rising mortgage rates, the housing market already has exceptionally strong momentum.

As the inventory dropped, housing has grown hotter and hotter. Today, there are only 4,732 homes available to purchase, an unmatched, ultra-low supply of homes that shattered the prior record low achieved in January 2021, at 7,688 homes. Last year's start beat the 2013 record start of 8,017 homes. The active inventory had been dropping prior to COVID, but the pandemic further disrupted housing and intensified the inventory crisis. The crisis had evolved into a catastrophe by the end of 2021 as the fewest number of homes come on the market in December and the second fewest occurs in November. That set up the unprecedented start to this year.

Expected Market Time & Mortgage Rates to Start the Year

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Active Listing Inventory	4,732	7,688	8,418	12,434	8,402	10,050	10,879	11,323	11,110	8,017
Expected Market Time	38 Days	53 Days	80 Days	135 Days	79 Days	85 Days	96 Days	99 Days	92 Days	53 Days
Mortgage Rates	2.65%	2.65%	3.72%	4.51%	3.95%	4.20%	3.97%	3.73%	4.53%	3.34%

When the inventory is this low, just about everything that is placed on the market is

RISING RATES vs NO INVENTORY

WRITTEN BY
STEVEN THOMAS

THERE ARE TWO OPPOSING ECONOMIC FORCES IMPACTING THE HOUSING MARKET RIGHT NOW, RISING MORTGAGE RATES AND A RECORD LOW SUPPLY OF HOMES AVAILABLE TO PURCHASE.



OPPOSING FORCES

THERE SIMPLY ARE NOT ENOUGH HOMES AVAILABLE FOR BUYERS AND RISING RATES HAVE NOT YET HAD AN IMPACT ON THE INSANELY HOT HOUSING MARKET.

The supply chain problems have been well documented across the United States and around the globe. One of the hardest hit industries is new cars. The supply of available new cars has dwindled down to record lows. As a result, dealers are adding a "market adjustment fee," a line-item cost above the MSRP. The fee adds anywhere from a few thousand dollars to as much as \$20,000 more for a popular model. It has everything to do with supply and demand. Consumers looking for a new car are confronted with very few options and rising car prices. To get their hands on one, many are willing to pay the surcharge.

Housing feels like it too is suffering from the supply chain problem with seemingly nothing available to purchase. Last year the inventory in Orange County started the year at an all-time low with 2,633 available homes. It hit 2,214 on June 10th, rose and peaked in June, and then continued to plunge until only 954 homes were on the market on January 1st of this year, just a few weeks ago. Today, there are only 1,080 homes, adding only 126 during the first few weeks of the year. The difference between this year and last year's record low is striking. There are 1,547 fewer homes today, 59% less. Every price range has been similarly impacted.

Inventory Comparison

Price Range	YOY Inventory Change	Percent Change	Price Range	Today vs. 3-Year Average*	Percent Change
\$0 - \$500k	-338	↓ -69%	\$0 - \$500k	-667	↓ -82%
\$500k - \$750k	-236	↓ -61%	\$500k - \$750k	-994	↓ -87%
\$750k - \$1m	-230	↓ -54%	\$750k - \$1m	-638	↓ -77%
\$1m - \$2m	-346	↓ -58%	\$1m - \$2m	-840	↓ -77%
\$2m+	-397	↓ -54%	\$2m+	-527	↓ -61%
Overall	-1,547	↓ -59%	Overall	-3,667	↓ -77%

*2017 through 2019

Comparing today to the 3-year average between 2017 to 2019, prior to the pandemic, is mind blowing. There are 3,667 fewer homes available, an impressive 77% less. That means there were over four times as many homes on the market prior to COVID-19. Today, there are far fewer homes in every price range, especially below \$750,000.

FEBRUARY 7 2022

Reports on
HOUSING
Your Local Real Estate Snapshot

THE
LOS ANGELES COUNTY
HOUSING REPORT

GOING, GOING, GONE!

WRITTEN BY
STEVEN THOMAS

WHEN A RECORD LOW NUMBER OF AVAILABLE HOMES IS MATCHED WITH FIERCE PENT-UP DEMAND, IT RESULTS IN AN AUCTION WHERE HOMES SELL IMMEDIATELY AND FOR MORE THAN THEIR ASKING PRICES.



SELLING ABOVE THE ASKING PRICE

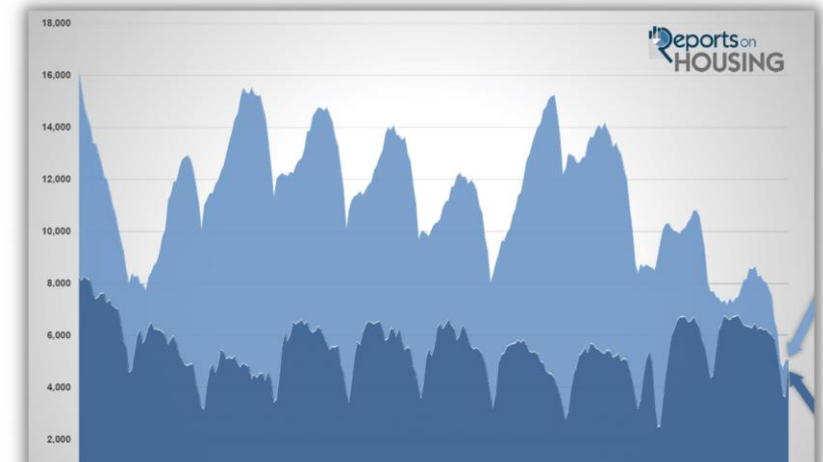
IT IS COMMON FOR HOMES THAT ARE JUST PLACED ONTO THE MARKET TO RECEIVE DOZENS OF OFFERS TO PURCHASE, PUSHING UP HOME VALUES AT A RAPID PACE.

For over a century, the predominate way to sell a home in Australia has been by auction. The appeal of an auction is that homeowners believe they can get a higher price by forcing buyers to compete against each other in a bidding war. An auctioneer is hired to conduct the bidding process. The more that participate, the higher the price. It has been argued that the auction system has resulted in sky-rocketing housing prices.

In the United States, for the most part, homes are not sold by auction. Yet, talk to any buyer over the past couple of years and they would argue that the real estate purchasing process feels more like an auction than the conventional way of buying a home. There once was a time when homes generated only one or two offers and the overall temperature of the market was much different than today. With today's extremely limited inventory and throngs of buyers interested in every home that comes to market, a bidding war develops. The asking price can be seen as the "reserve price," the minimum bid acceptable to a seller. Often, offers that come in at the asking price do not excite many sellers, resulting in delays in response times until "better" offers come along.

Initially, record low mortgage rates paved the way for white hot demand. An unbelievable 17 record lows were achieved after the country slipped into a pandemic back in March 2020. The lowest rate was reached during the first week of January 2021 at 2.65%, according to Freddie Mac's Primary Mortgage Market Survey®, which dates to 1971. But recently, rates have dramatically climbed from 3.05% on December 23rd of last year to 3.55% as of February 3rd. That's a half of a percent in a very short period, and they are poised to rise further as the U.S. economy continues to improve.

LOS ANGELES COUNTY LISTING INVENTORY VERSUS DEMAND
(DEMAND IS A 30 DAY SNAPSHOT OF PENDING SALES)





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999 CORPORATE PLAZA, SUITE 100
LADERA RANCH, CA 92694
PHONE | 949.537.1114
INFO@REPORTSONHOUSING.COM



CARDHOLDER INFORMATION

Name: _____

Billing Street Address: _____

City: _____ State: _____ Zip Code: _____

Company: _____

Email: _____

Mobile Phone: (_____) _____-_____

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I authorize a monthly subscription rate of \$15 and the initial month is **FREE**

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Los Angeles Orange Riverside San Bernardino San Diego

CREDIT CARD INFORMATION

Credit Card Type: MasterCard Visa American Express Discover Card

Number: _____

Expiration Month: _____ Expiration Year: _____

Cardholder Signature X _____ Date ____/____/____

Security Code: _____

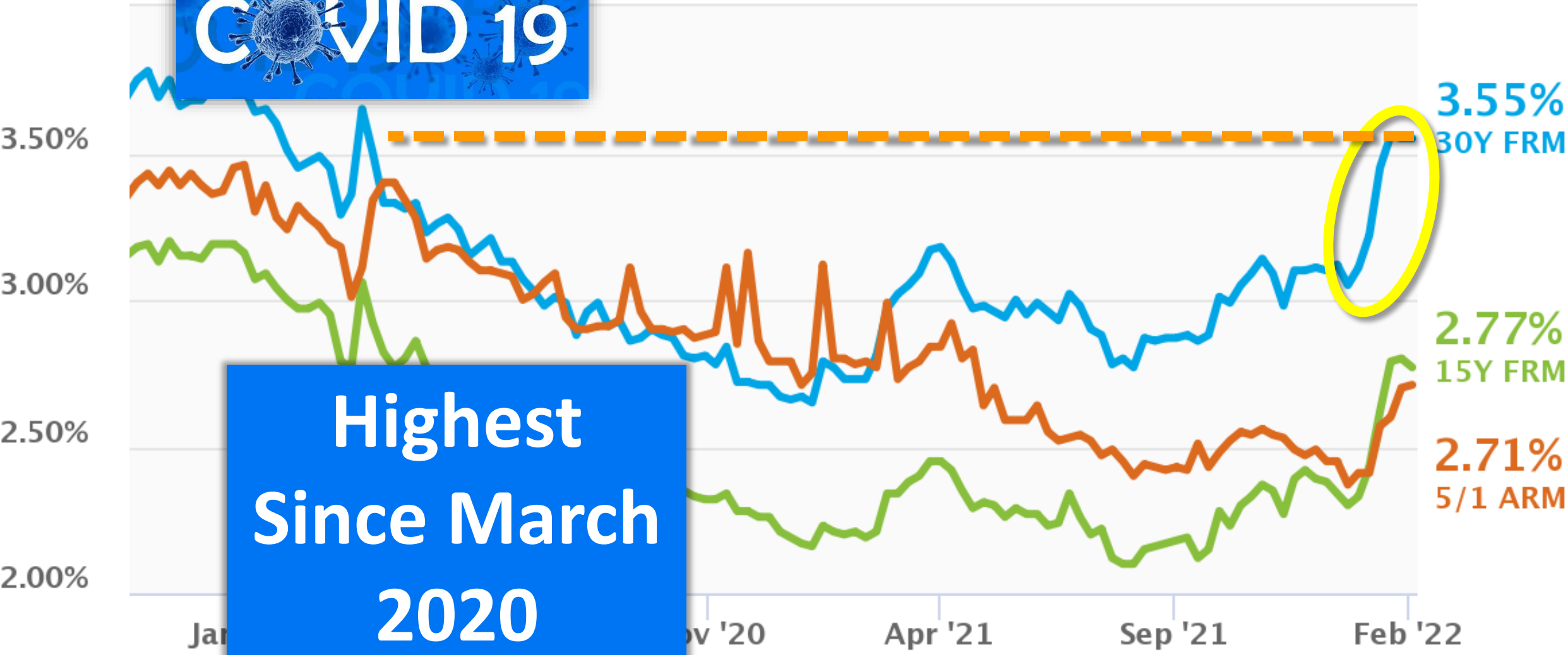


Where Are Rates Headed?

Primary Mortgage Market Survey[®]

U.S. weekly average mortgage rates as of 02/03/2022

COVID 19



**Highest
Since March
2020**



F E E D

Three white wooden blocks are arranged horizontally to spell out the word 'F E E D'. The blocks are set against a background of a newspaper page with visible text columns. The lighting is soft, highlighting the texture of the wood and the ink on the paper.

U.S. 10 Year Treasury

US10Y:Tradeweb

RT Quote | Exchange

Yield | 1:33 AM EST

1.949% ▲ **+0.033**

1D 5D 1M 3M 6M YTD 1Y 5Y ALL

+ Comparison

1D Display Studies Settings





TAKE OUR RETIREMENT SAVINGS QUIZ
Retirement basics

YOUNG INVESTORS
Crypto risk, reward

INVESTIGATION
Corporate diversity

News Sports Entertainment Life



MARKETS BUSINESS INVESTING TECH POLITICS CNBC TV WATCHLIST CRAMER PRO

PERSONAL FINANCE

Wages are rising

Despite higher wages, inflation gave the average worker a 2.4% pay cut last

DOW JONES, A NEWS CORP COMPANY

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S&P 500 4513.22 1.66% ▼

Nasdaq 14033.24 2.67% ▼

U.S. 10 Yr -26/32 Yield 1.832% ▼

Crude Oil 90.05 2.03% ▲

Euro 1.1448 1.26% ▲

THE WALL STREET JOURNAL.

Steven Thomas ▼

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ECONOMY

As Inflation Soars, Central Banks Scramble to Lift Rates

Bank of England raises rates while ECB leaves door open to tighter monetary policy; facing a 'trade-off between strong inflation and weakening growth'

SHARE



Audi Q5

Replay

The 2022 Audi Q5



FEDERAL RESERVE



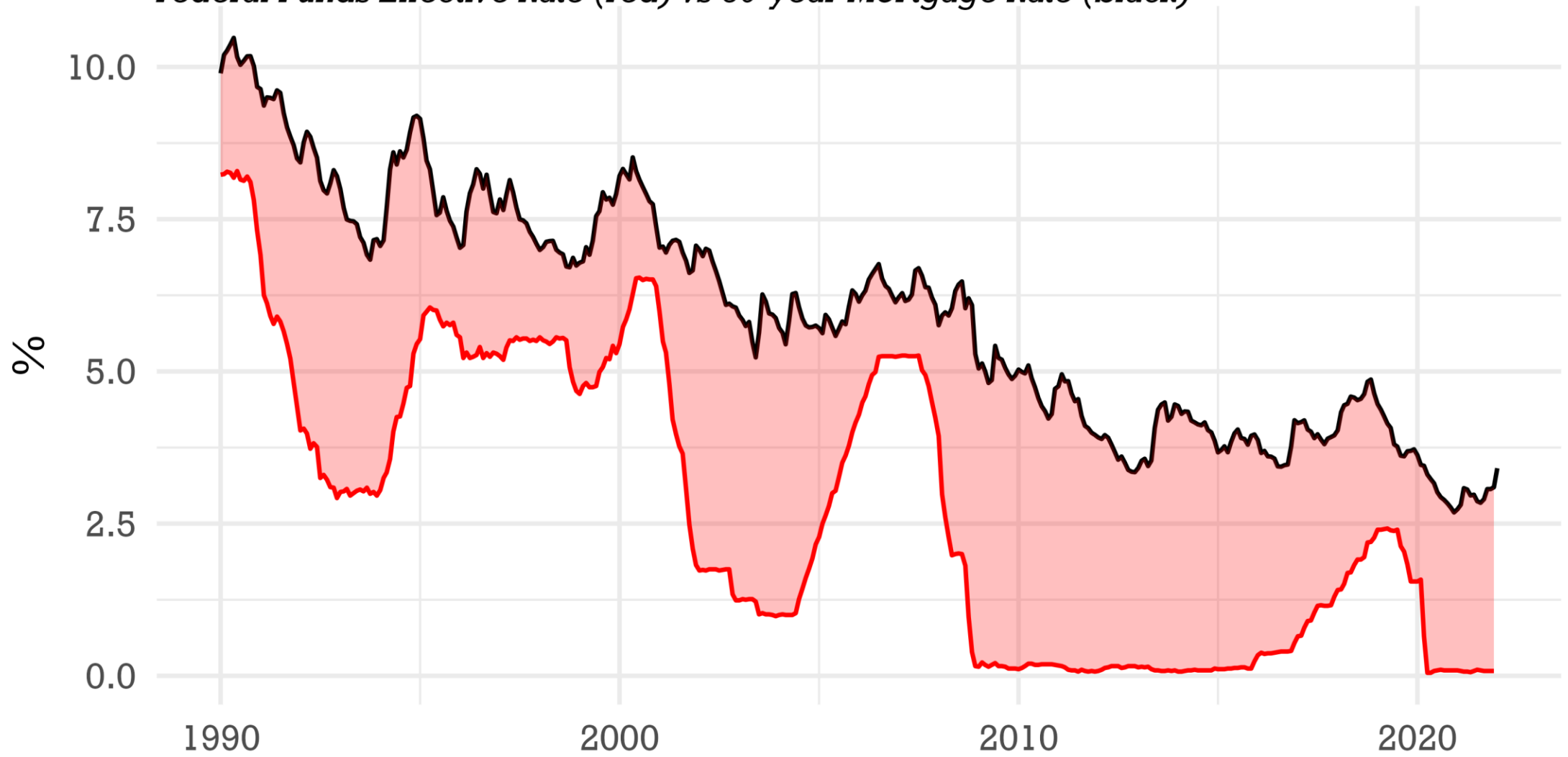


Hurry Up Offense



Liftoff and Mortgage Rates

Federal Funds Effective Rate (red) vs 30-year Mortgage Rate (black)



Fed Tapering

Jan

Feb

Mar

Apr

MBS NEW

Purchases:

\$20b



\$10b



\$0b



\$0b

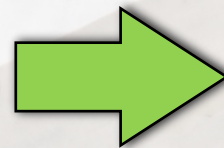
MBS

Reinvestment:

\$60b



\$60b

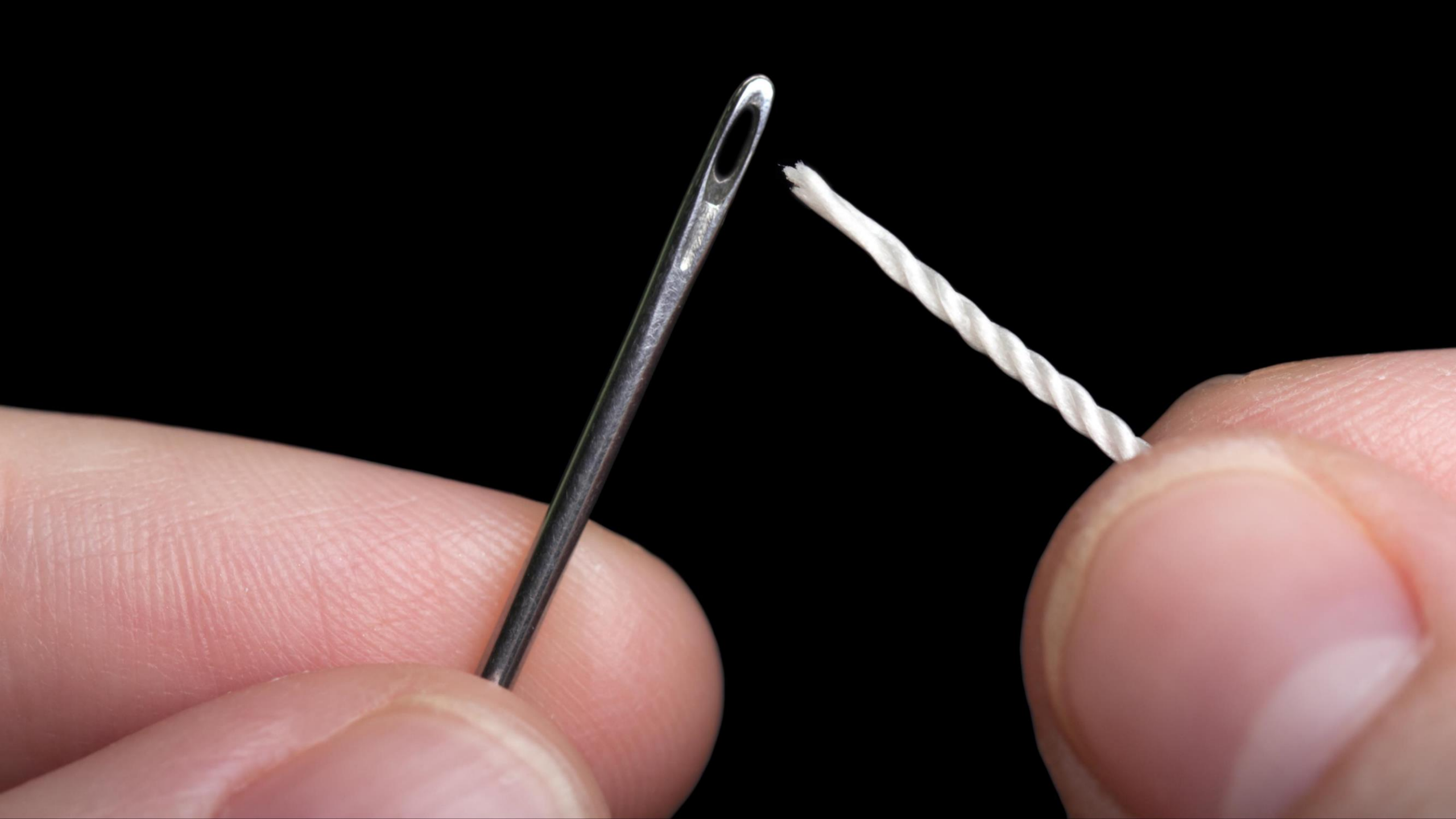


\$60b



\$50b

(DRAIN)



RECESSION





Recessionary Flags

FEDERAL FUNDS

Fed Raises the
Short-Term Rate

Inverted Yield
Curve: 2's & 10's



Recessionary Flags



**Unemployment
Rate Drops
Below 4%**

**Housing Starts
Fall 2 Quarters
Straight**



Recessionary Flags



Leading Economic Indicators Fall for 6-Months Straight

Retail Sales Dropping & Supplies Spike Due to Weaker Demand



11-21 →
WALL ST

1-26 →
BROAD ST





3.25% to 4.0%

**INSANE Seller's
Market**

Seller's Market



An aerial photograph of a suburban neighborhood. The houses are arranged in a grid-like pattern along a winding road. The houses have red-tiled roofs and are surrounded by green lawns and trees. Some houses have swimming pools. The overall scene is a typical suburban residential area.

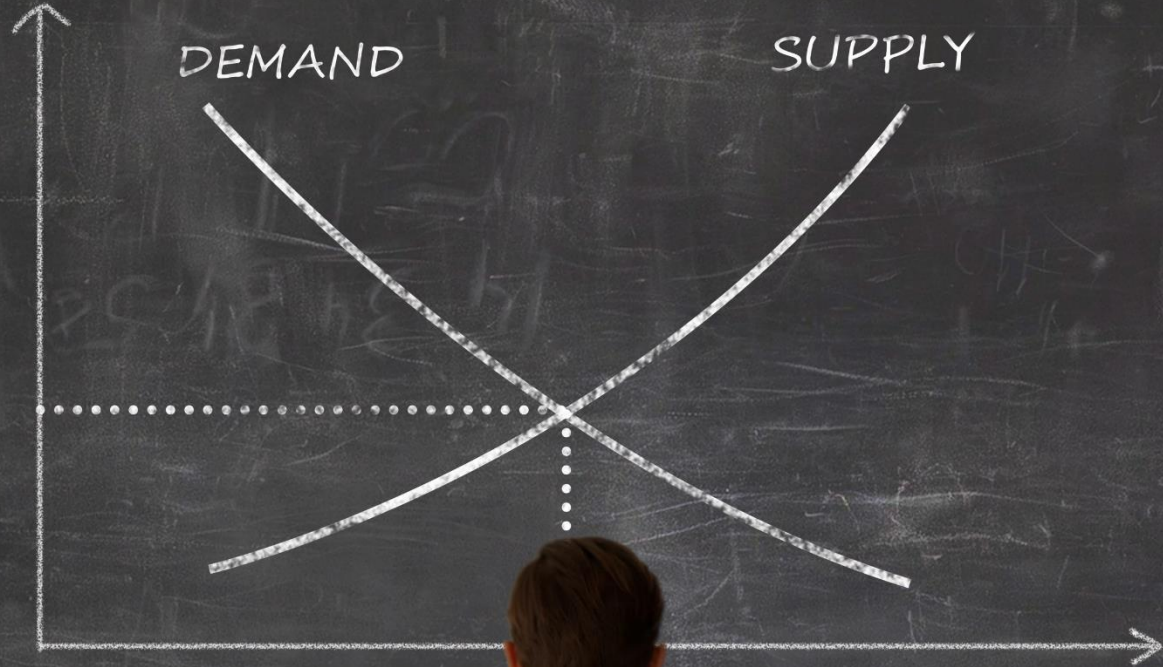
The Housing Market



PRICE

DEMAND

SUPPLY



QUANTITY







A photograph of a two-story house at night, illuminated by warm interior lights. In the foreground, a wooden signpost holds a red sign with the words 'FOR SALE' in white, bold, capital letters. The scene is dark, with the house and sign being the primary light sources.

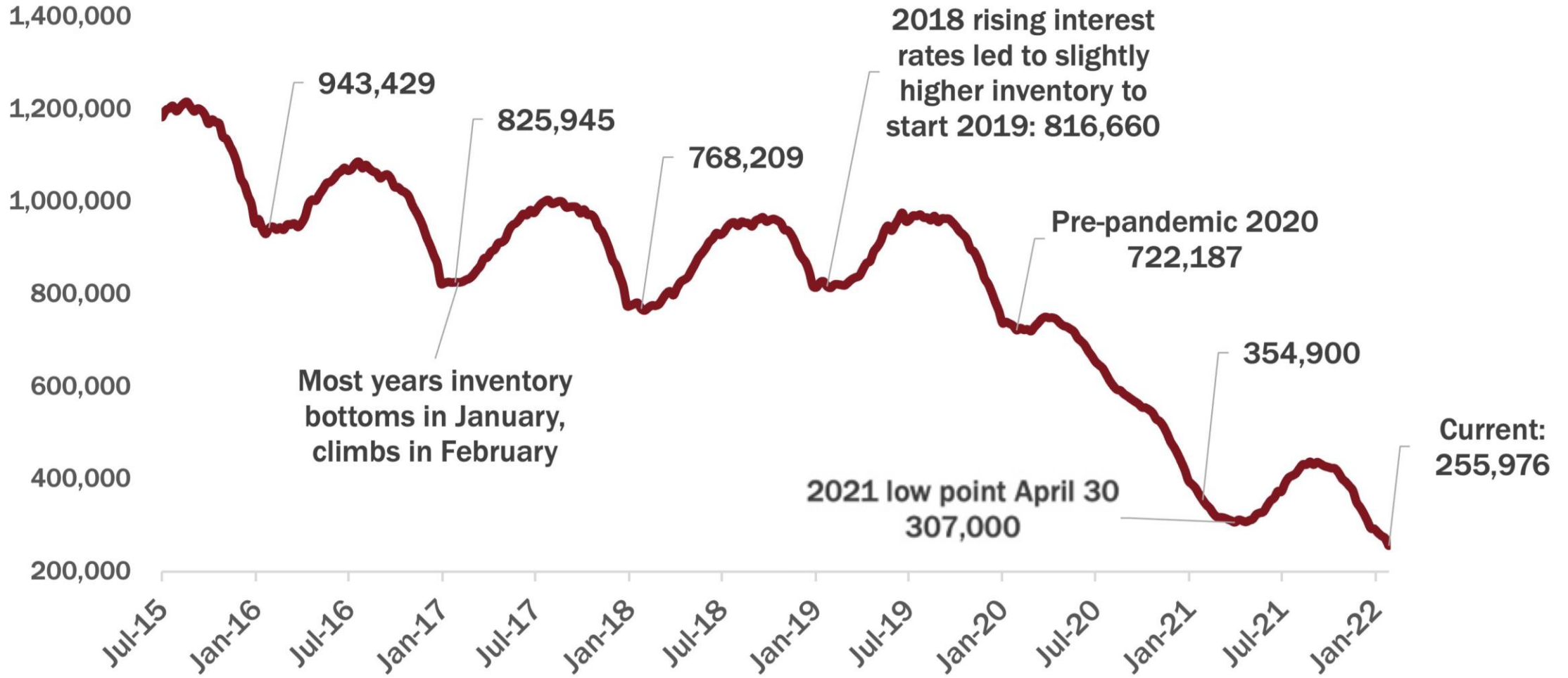
Supply

Catastrophe



Total Inventory Homes for Sale US - Single Family

Source: Altos Research



Seasonality

SPRING

SUMMER

AUTUMN

WINTER



A scenic winter landscape featuring snow-covered evergreen trees in the foreground and middle ground. In the background, there are rolling mountains under a clear blue sky. The scene is brightly lit, suggesting a sunny day.

Inventory Flat

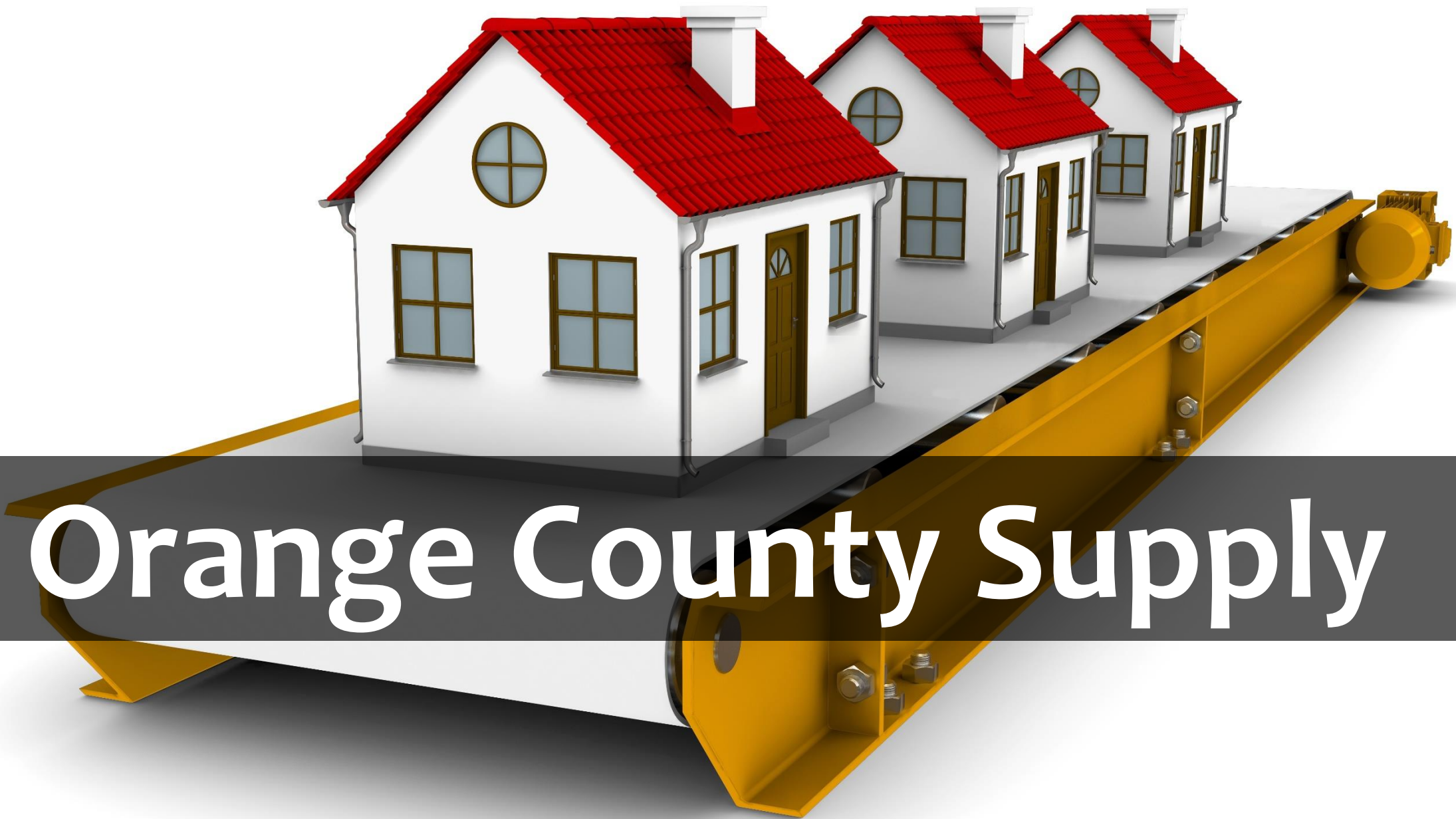
Demand

Climbs

Orange County Homes Coming on the Market

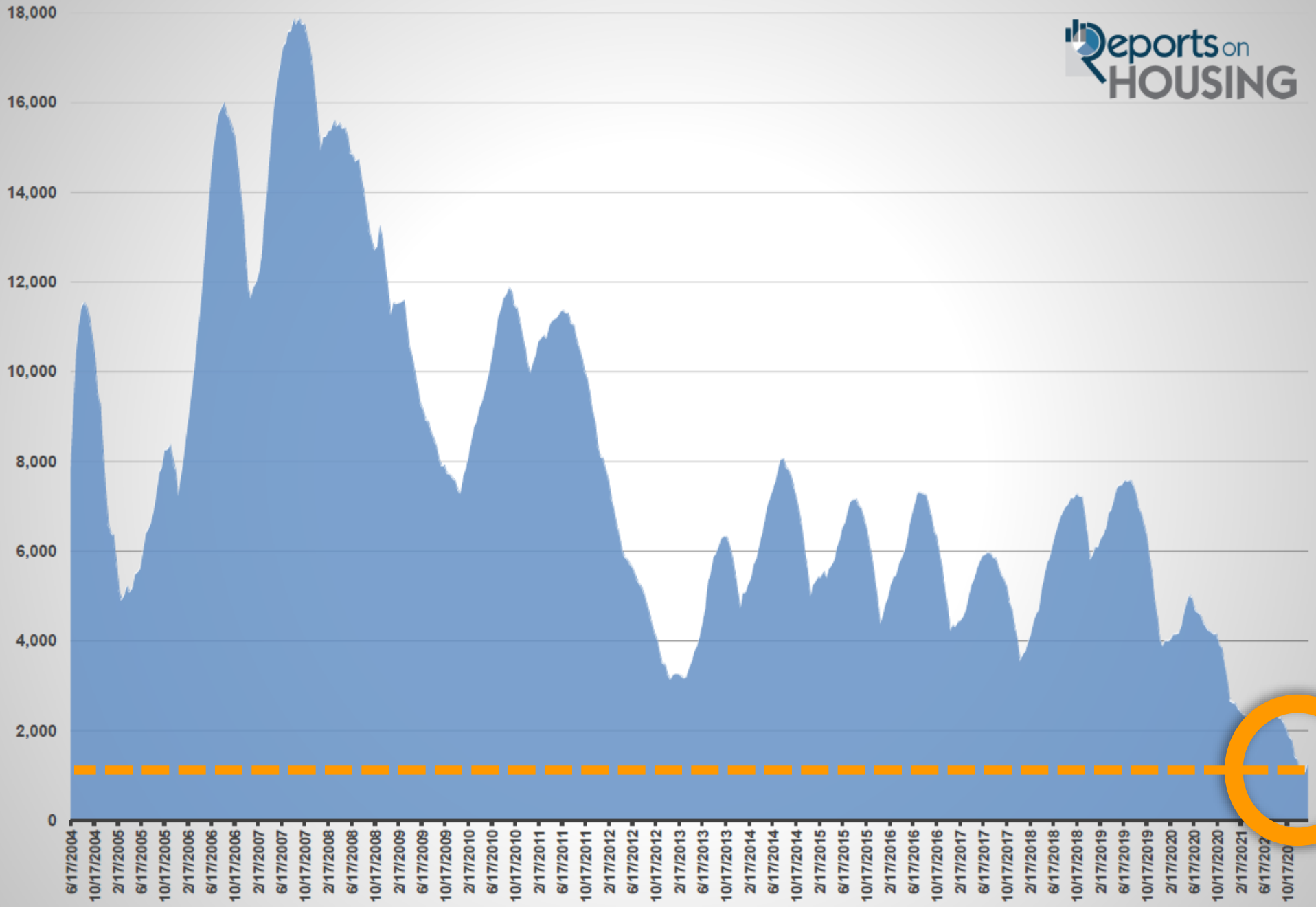
3-Year Average*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Homes Placed on Market	3,054	3,132	3,908	4,020	4,165	3,861	3,707	3,537	3,029	3,003	2,254	1,494
% of Annual Homes Placed on Market	7.8%	8.0%	10.0%	10.3%	10.6%	9.9%	9.5%	9.0%	7.7%	7.7%	5.8%	3.8%
Month Rank	#8	#7	#3	#2	#1	#4	#5	#6	#9	#10	#11	#12

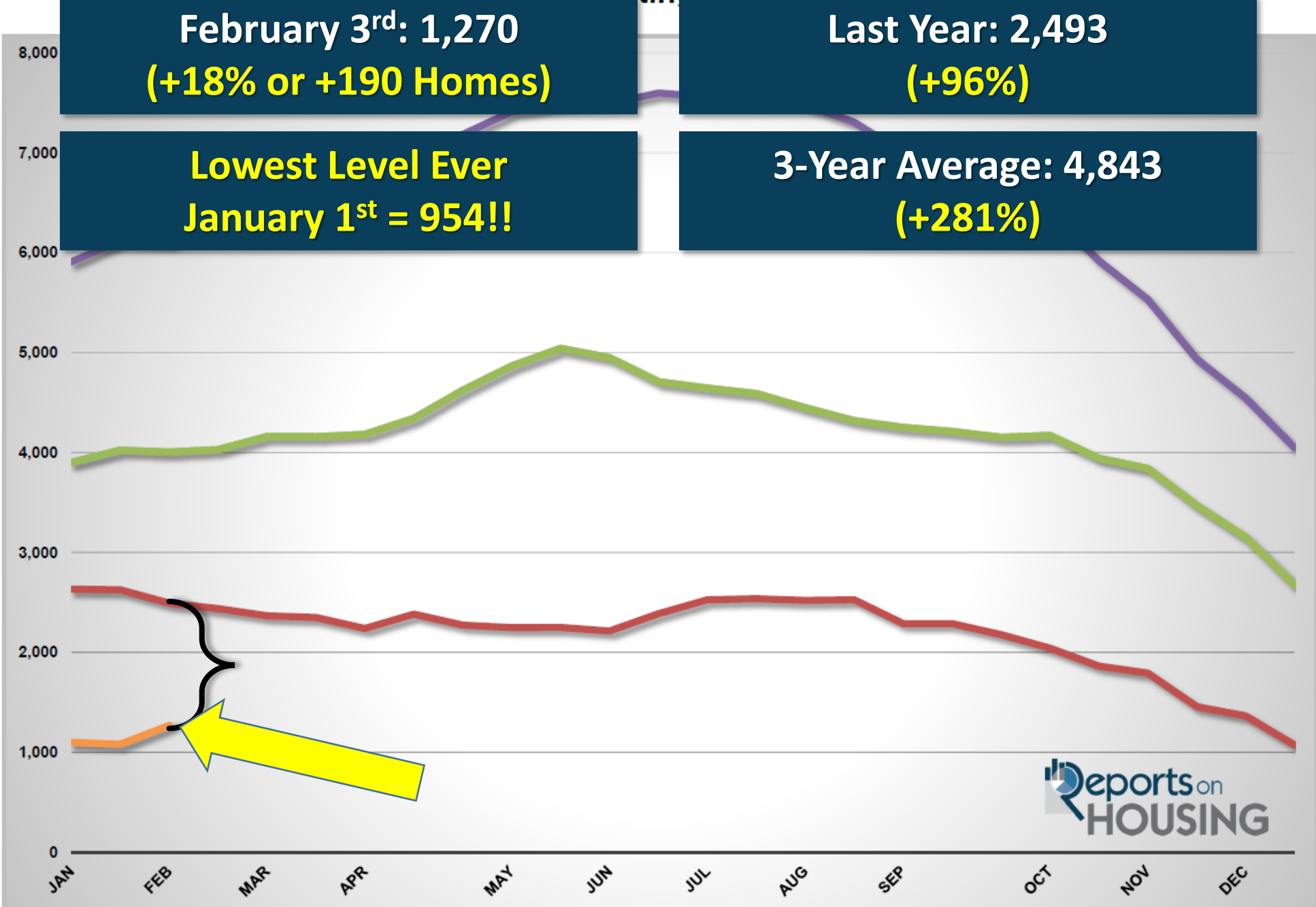


Orange County Supply

Orange County Active Listing Inventory



Orange County Active Listing Inventory Year Over Year



February 3rd: 1,270
(+18% or +190 Homes)

Last Year: 2,493
(+96%)

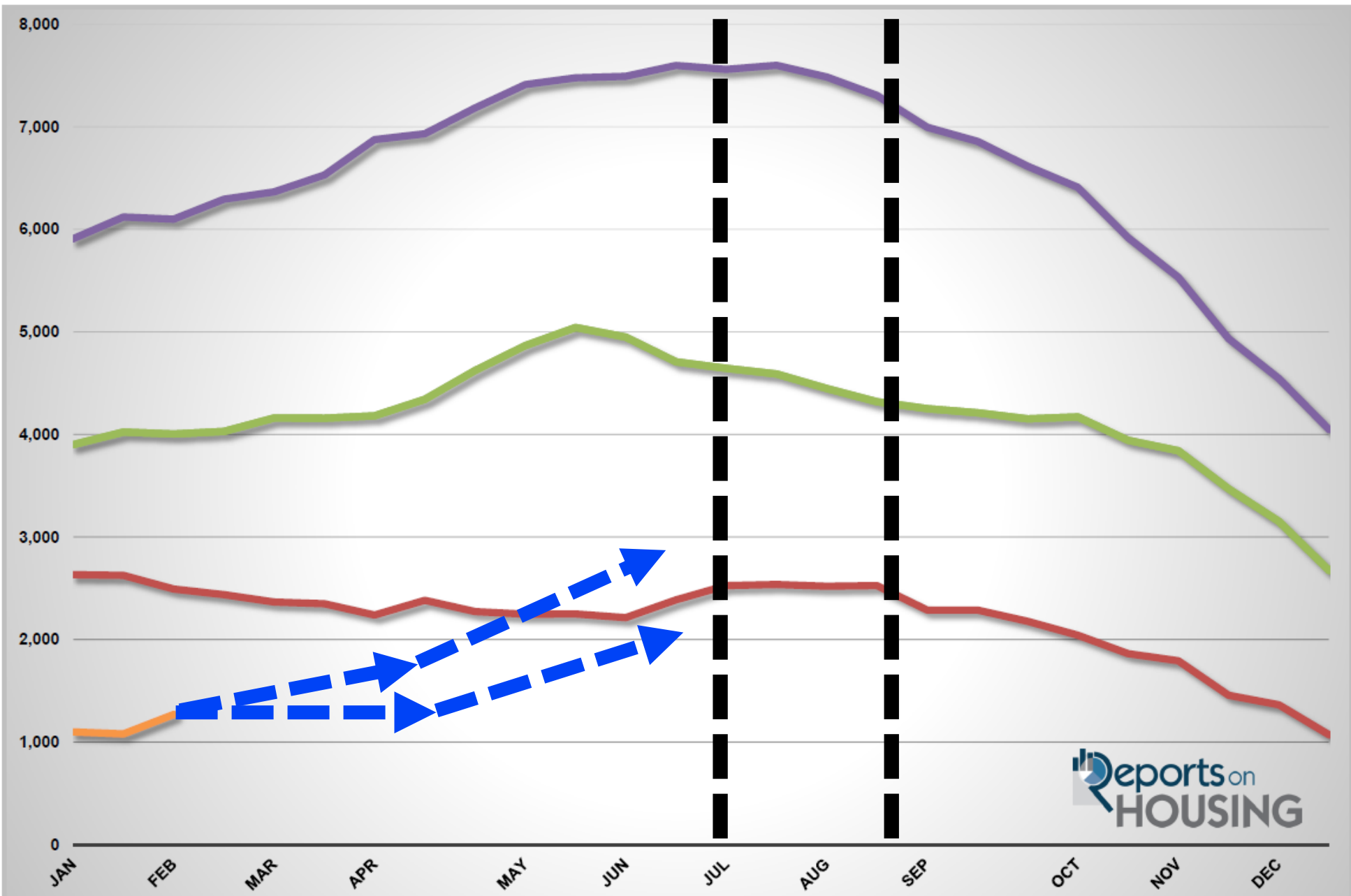
Lowest Level Ever
January 1st = 954!!

3-Year Average: 4,843
(+281%)



— 2019 Listings — 2020 Listings — 2021 Listings — 2022 Listings

Orange County Active Listing Inventory Year Over Year



— 2019 Listings — 2020 Listings — 2021 Listings — 2022 Listings



of New FOR-SALE Signs Compared to 3-Year AVG Pre-COVID

Orange County

2020 & 2021

-7% or -5,150 Homes

January 2022

-20% or -617 Homes

**Most Missing Signs
Since May 2020**





**“Where Will
I Go?”**

Tahoe COTTAGE INN

MOTEL

NO VACANCY



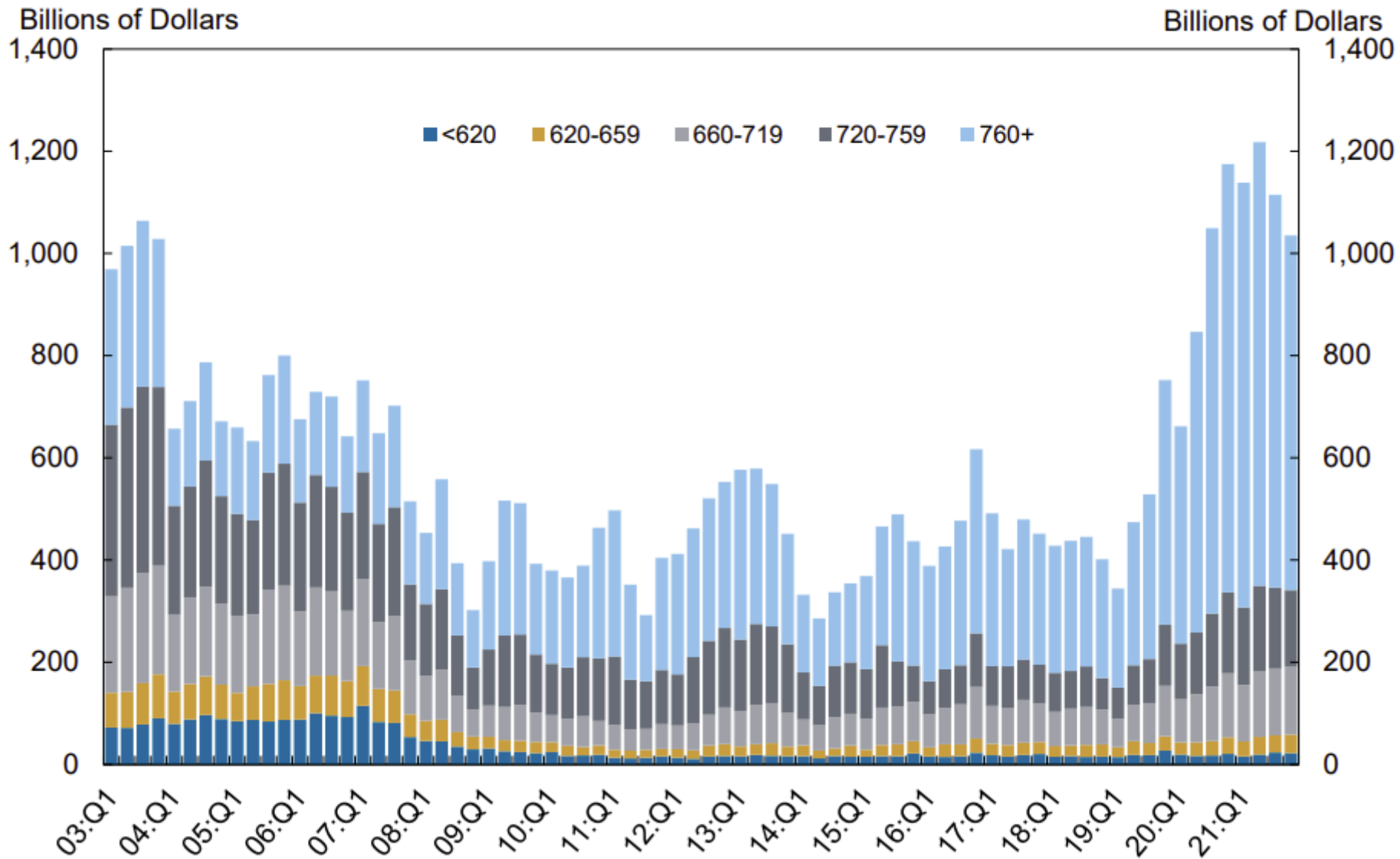
A man in a dark suit and tie is sitting in a black office chair, leaning back with his feet propped up on a large, round, black clock. The clock face is white with black numbers and hands. The man is looking upwards and to the right with a thoughtful expression. The background is a dark, textured surface, possibly a wall or ceiling, with numerous US dollar bills (20 and 50 denominations) falling or floating around him. The text is overlaid on the image in three horizontal bands.

Rising Home Prices

**Homeowners Current
Low Rate**

Rising Mortgage Rates

Mortgage Originations by Credit Score*



Source: New York Fed Consumer Credit Panel/Equifax

* Credit Score is Equifax Riskscore 3.0





H O M E
L O A N



Orange County Demand



FOR
SALE



PLEASE
Take A
Number

J48





A photograph of a car dealership showroom. Several cars are parked in a row, facing away from the camera towards a large glass window. The cars are mostly silver and white, with a red car partially visible on the left. The window looks out onto a bright, green outdoor area. The text "Market Adjustment Fee" is overlaid in the center of the image.

Market Adjustment Fee

FHFA: Government to back mortgages up to \$970,800 in 2022

Baseline conforming limit rises 18% to \$647,200

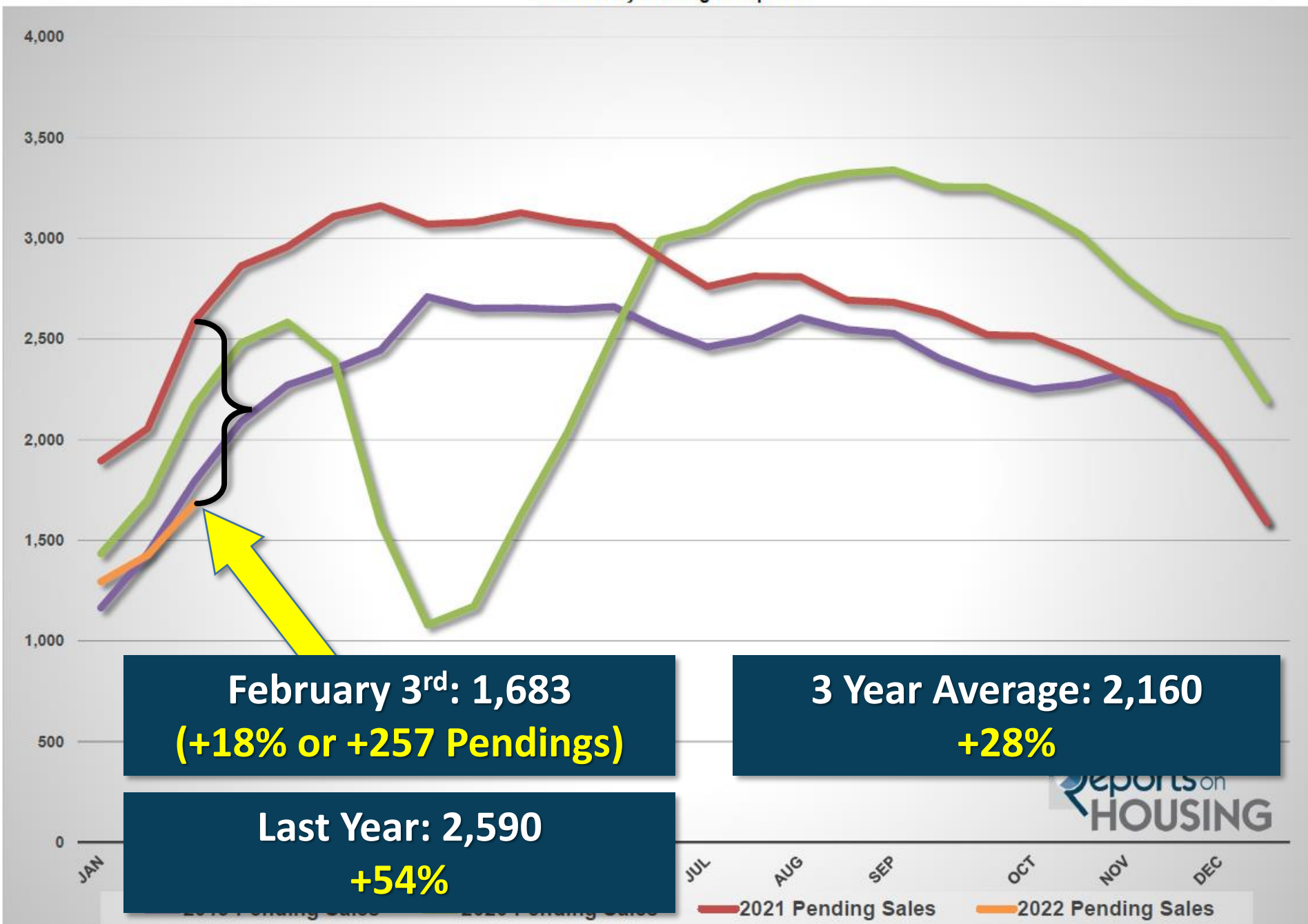


California – December 2021 - # Sales Above List



Orange County Demand Year Over Year

Prior 30 Day Pending Sales Snapshot



February 3rd: 1,683
(+18% or +257 Pendings)

3 Year Average: 2,160
+28%

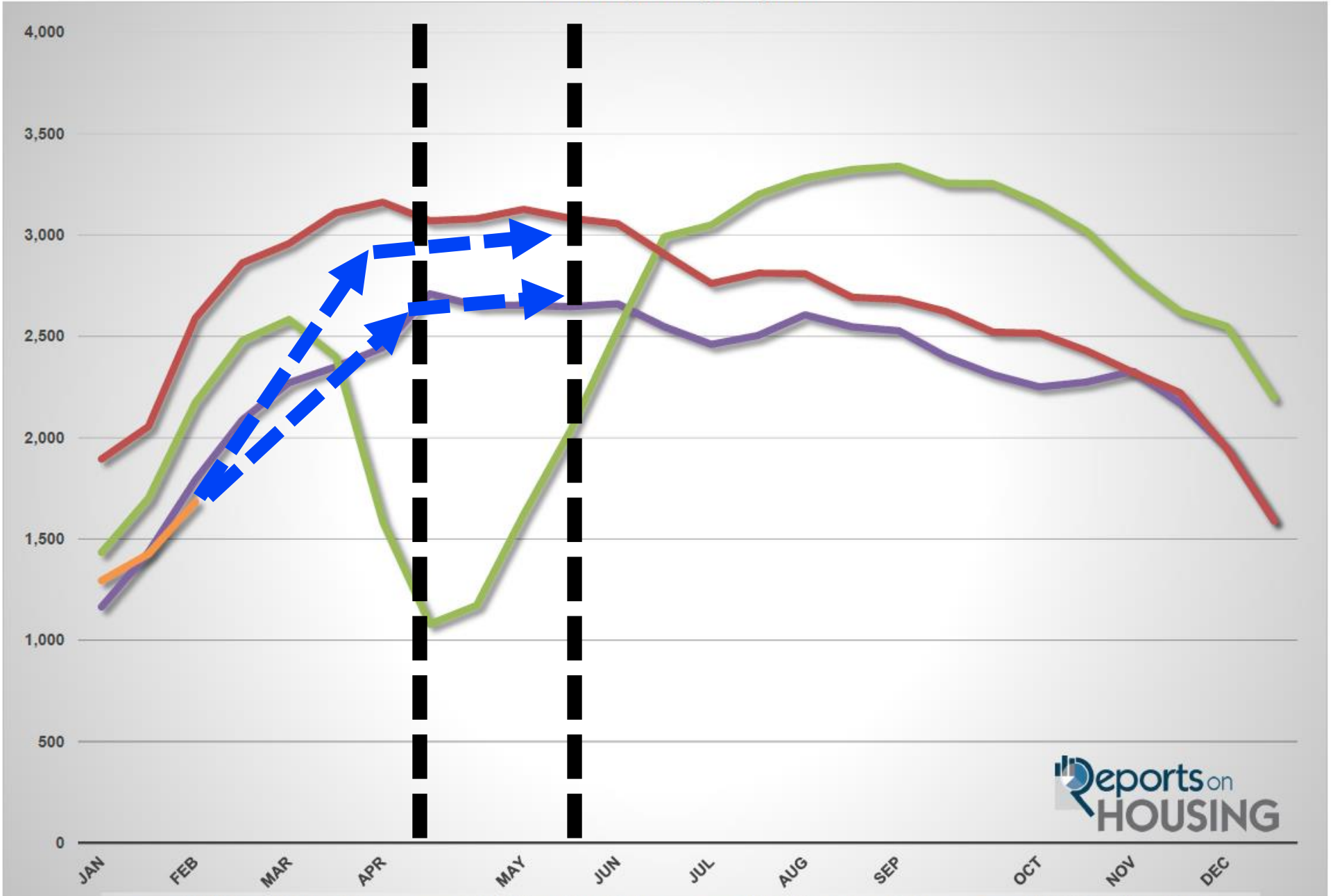
Last Year: 2,590
+54%

reports on
HOUSING

— 2021 Pending Sales — 2022 Pending Sales

Orange County Demand Year Over Year

Prior 30 Day Pending Sales Snapshot



— 2019 Pending Sales — 2020 Pending Sales — 2021 Pending Sales — 2022 Pending Sales



How Fast is the Market?

February 3rd:

23 Days (0)



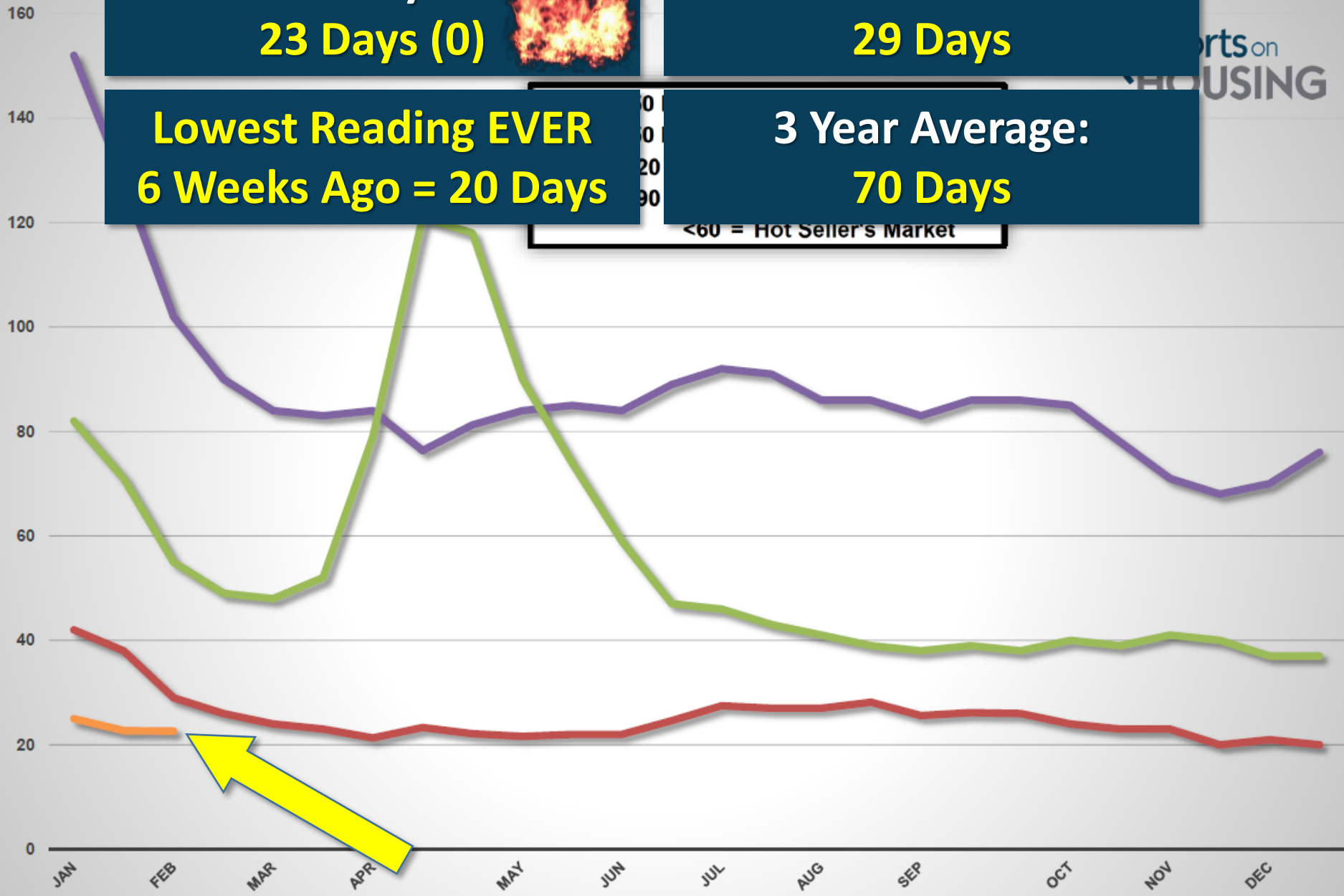
Last Year:

29 Days

Lowest Reading EVER
6 Weeks Ago = 20 Days

3 Year Average:
70 Days

<60 = Hot Seller's Market



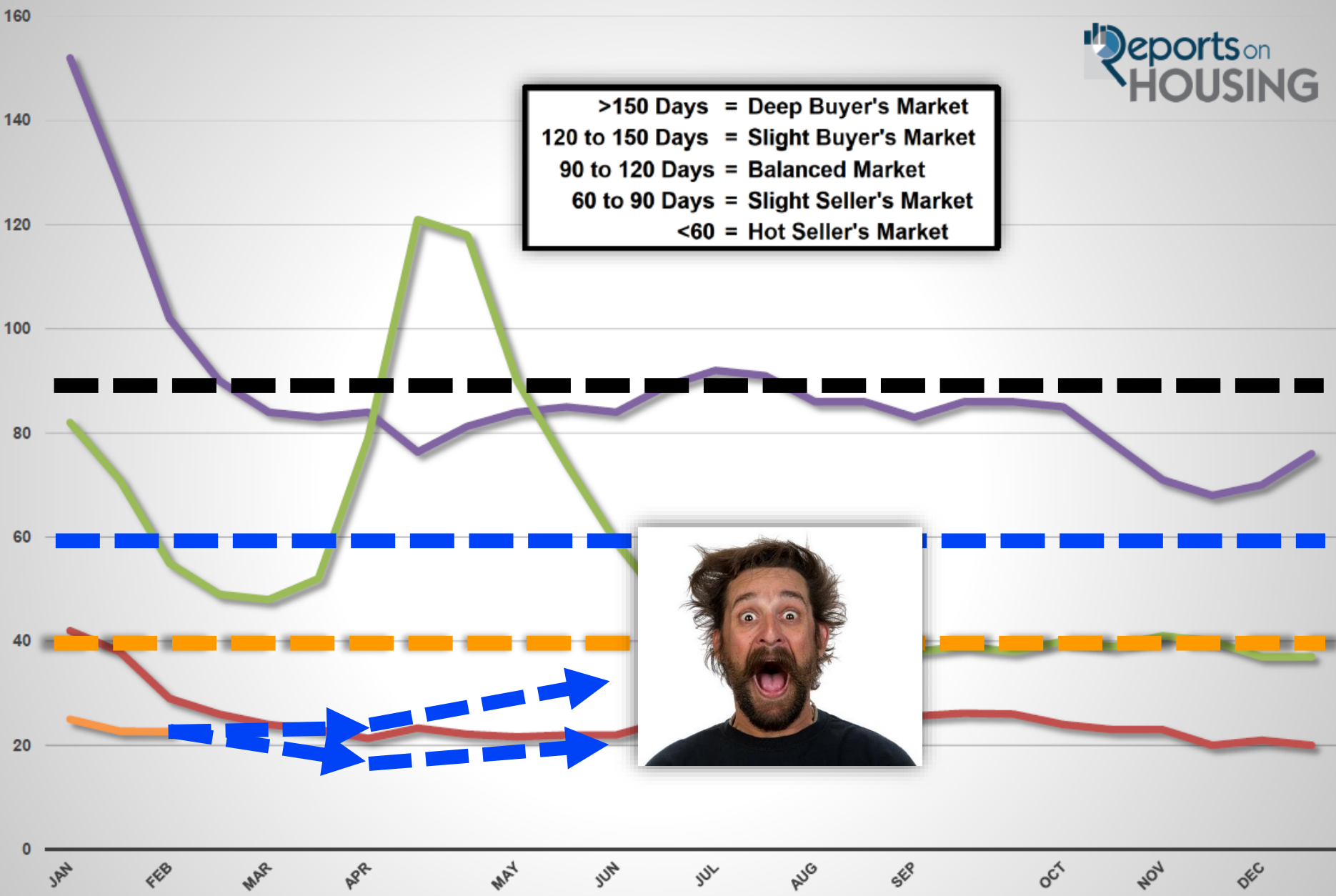
2019 Expected Market Time 2020 Expected Market Time 2021 Expected Market Time 2022 Expected Market Time

Orange County Expected Market Time Year Over Year

In Days



>150 Days = Deep Buyer's Market
120 to 150 Days = Slight Buyer's Market
90 to 120 Days = Balanced Market
60 to 90 Days = Slight Seller's Market
<60 = Hot Seller's Market



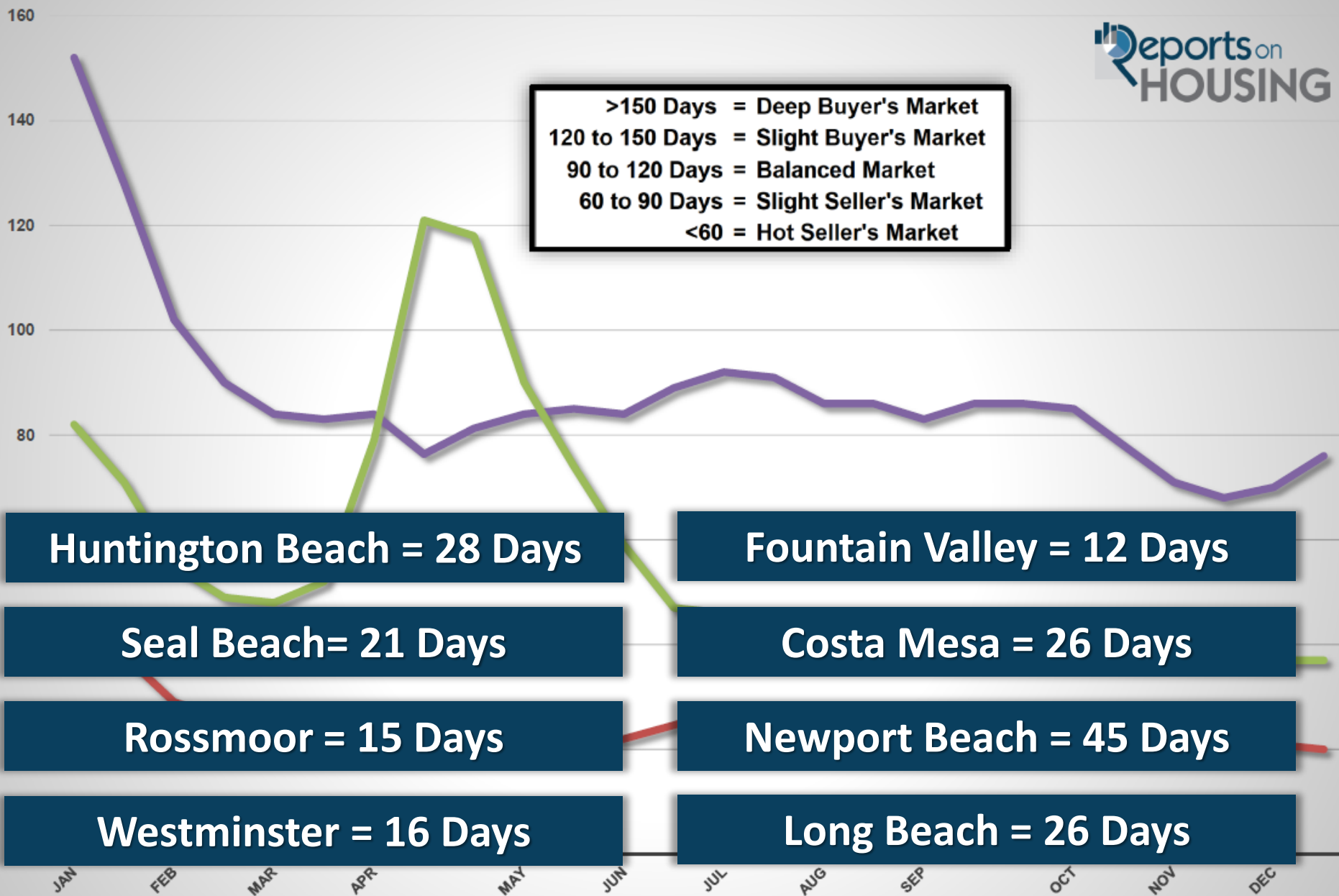
— 2019 Expected Market Time — 2020 Expected Market Time — 2021 Expected Market Time — 2022 Expected Market Time

Orange County Expected Market Time Year Over Year

In Days



>150 Days = Deep Buyer's Market
 120 to 150 Days = Slight Buyer's Market
 90 to 120 Days = Balanced Market
 60 to 90 Days = Slight Seller's Market
 <60 = Hot Seller's Market



— 2019 Expected Market Time
 — 2020 Expected Market Time
 — 2021 Expected Market Time
 — 2022 Expected Market Time

Home Values

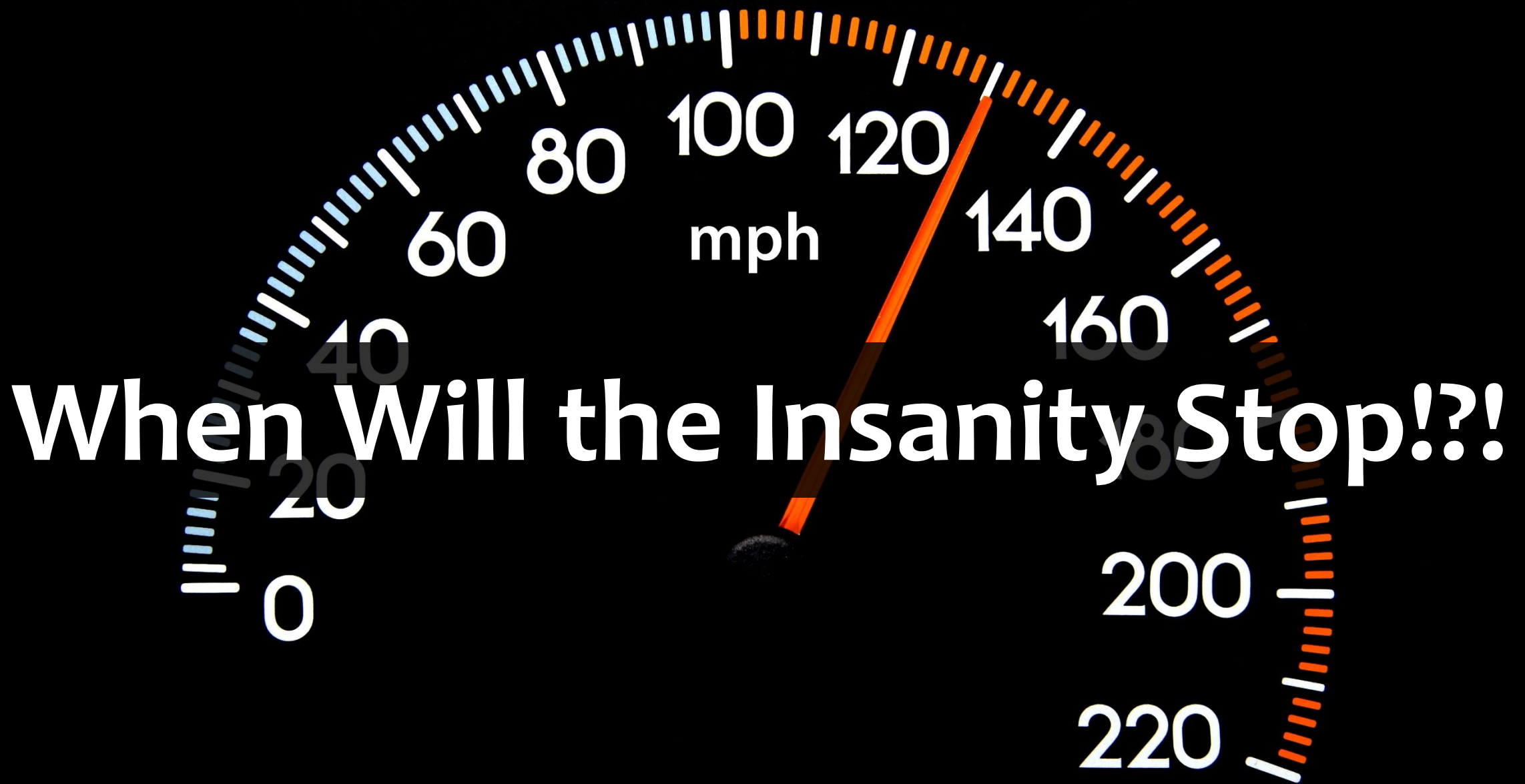


Home Values













R 1 3 5
2 4



Rising Rates Impact on Affordability

Interest Rates Impact on Affordability

2.65% 3% 3.125% 3.25% 3.50% 3.75% 4.0% 4.25%

**\$3,000 a Month
Desired Mortgage
Payment**

↓ Price of Home Able to Afford ↓

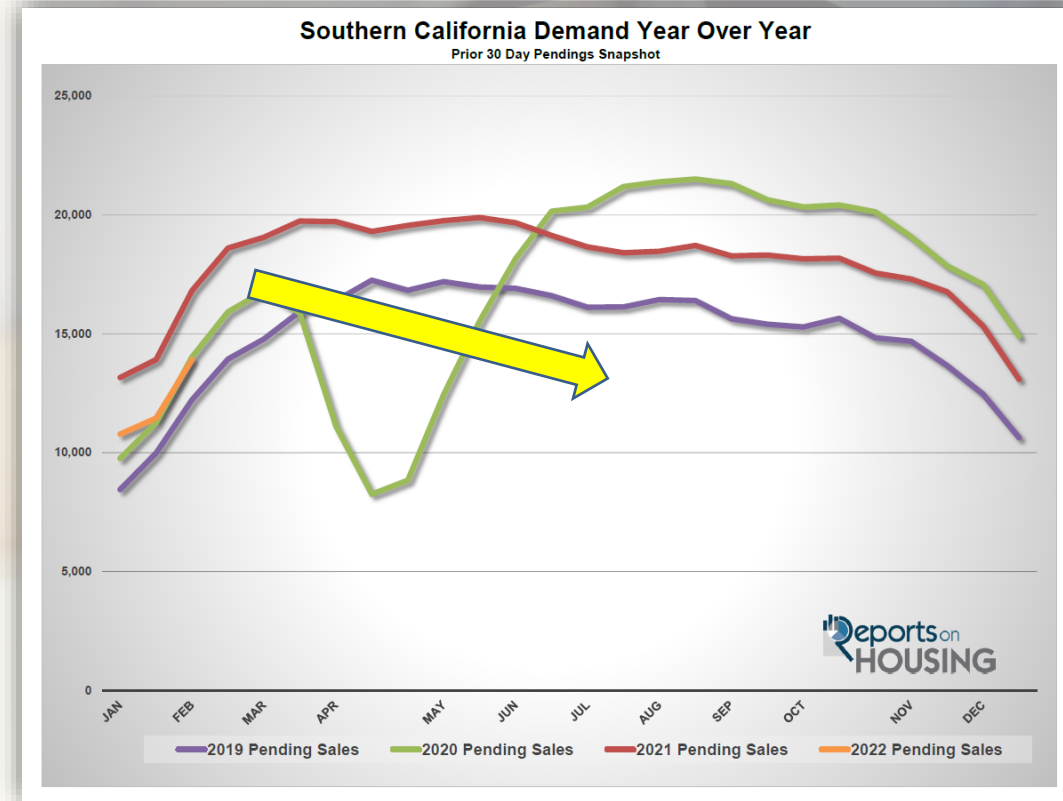
\$930,000	\$890,000	\$875,000	\$861,250	\$835,000	\$810,000	\$785,000	\$762,500
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*Mortgage Payment is Principal & Interest Only & 20% Down Payment



Impact of Rising Rates

Demand Drops



Impact of Rising Rates

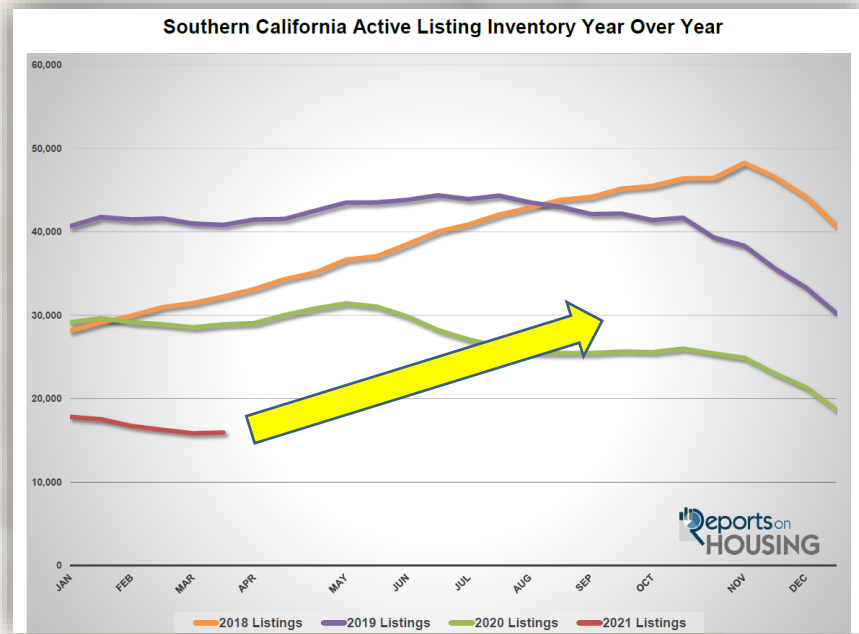


**Sellers Typically
Want More**

**Return of
OVERPRICED
Homes That
Will Sit**

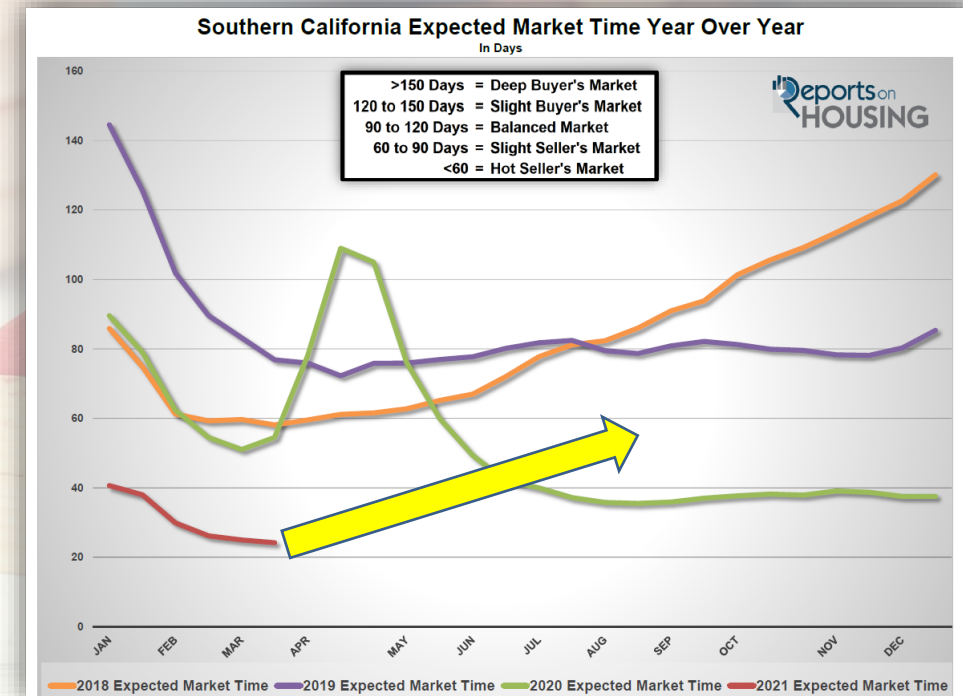


Impact of Rising Rates



**Inventory
Will Rise**

**Market
Time Will
Rise**



Impact of Rising Rates



**Not as Many
Multiple
Offers**

**Price
Appreciation
Will Slow**



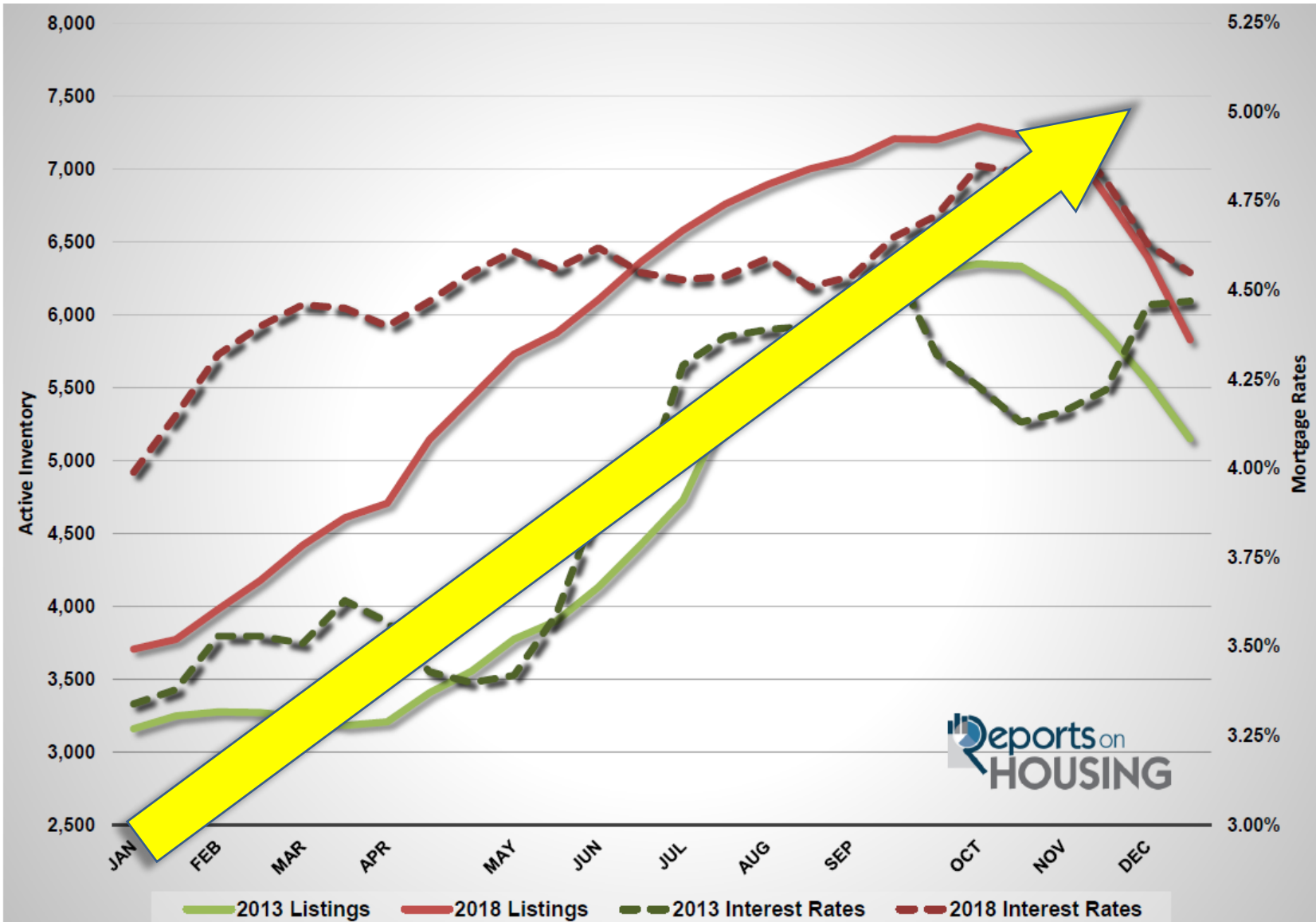
Impact of Rising Rates



**Market Will To
From INSANE
to a Regular
Seller's Market**



Orange County Active Listing Inventory and Rates 2013 and 2018



4%+



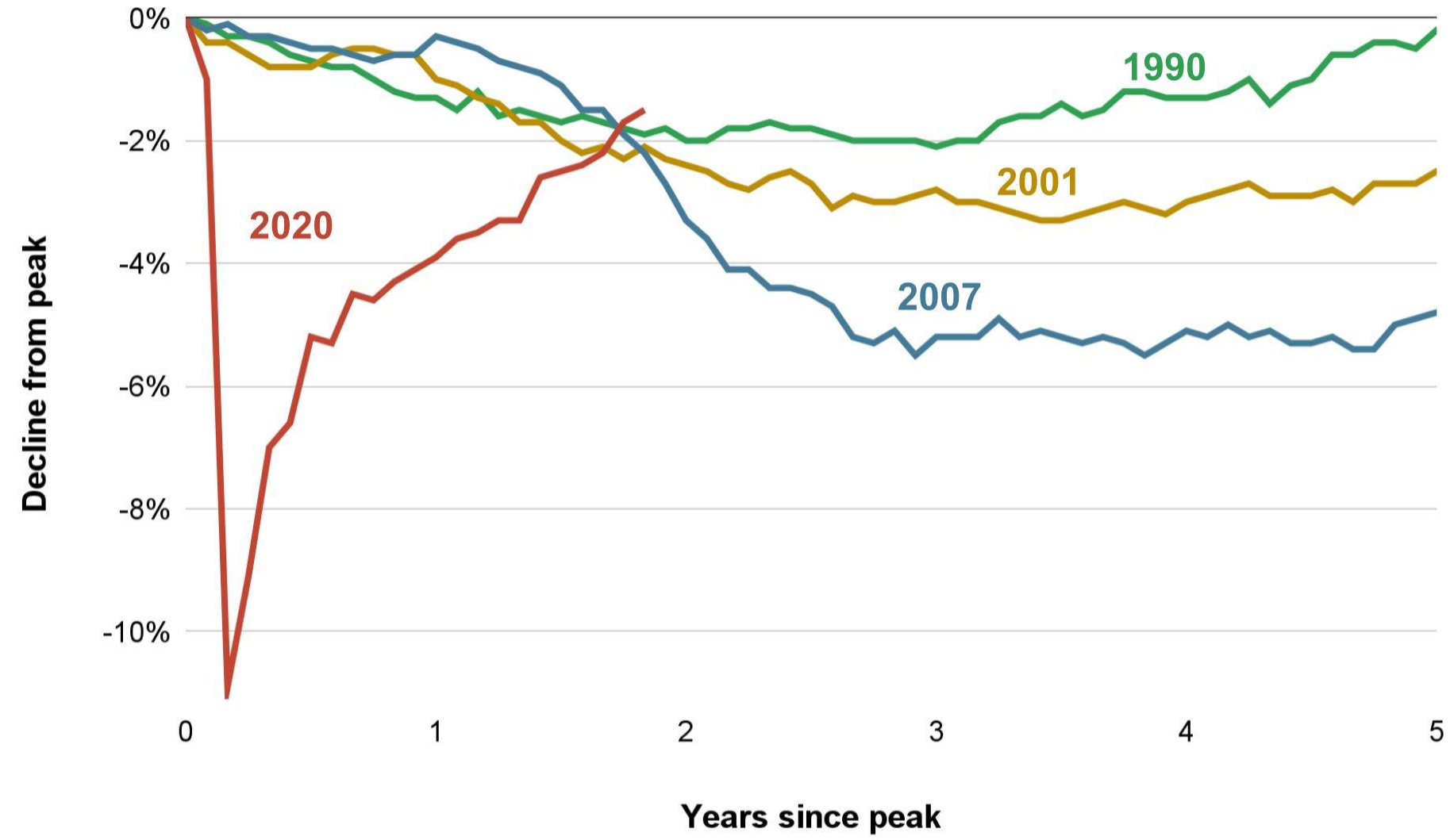
FOR BEARRANCE



300	5
42	
	5

America's fastest recovery in 40 years

Change in employment to population ratio for workers aged 25 to 54



Source: Bureau of Labor Statistics, author's calculations

ACTIVE FORBEARANCE PLANS

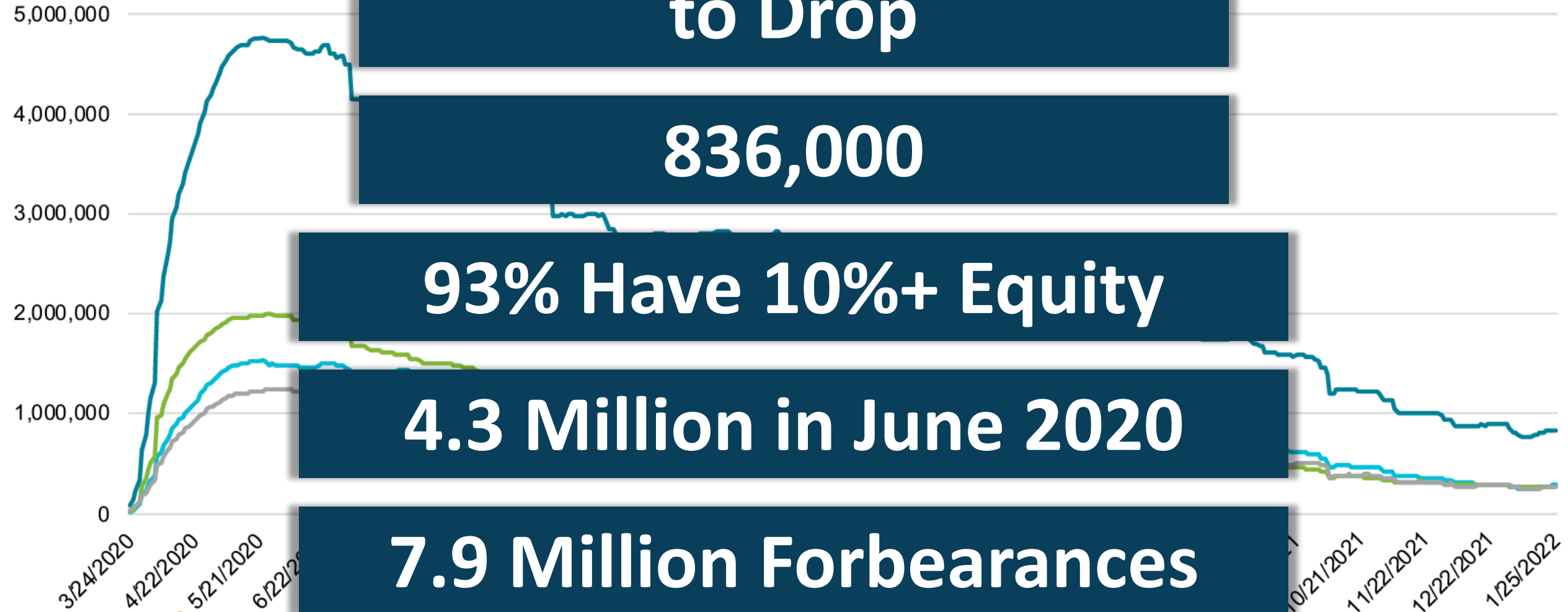
**Forbearance Continues
to Drop**

836,000

93% Have 10%+ Equity

4.3 Million in June 2020

7.9 Million Forbearances



7.0 Million Exited Forbearances

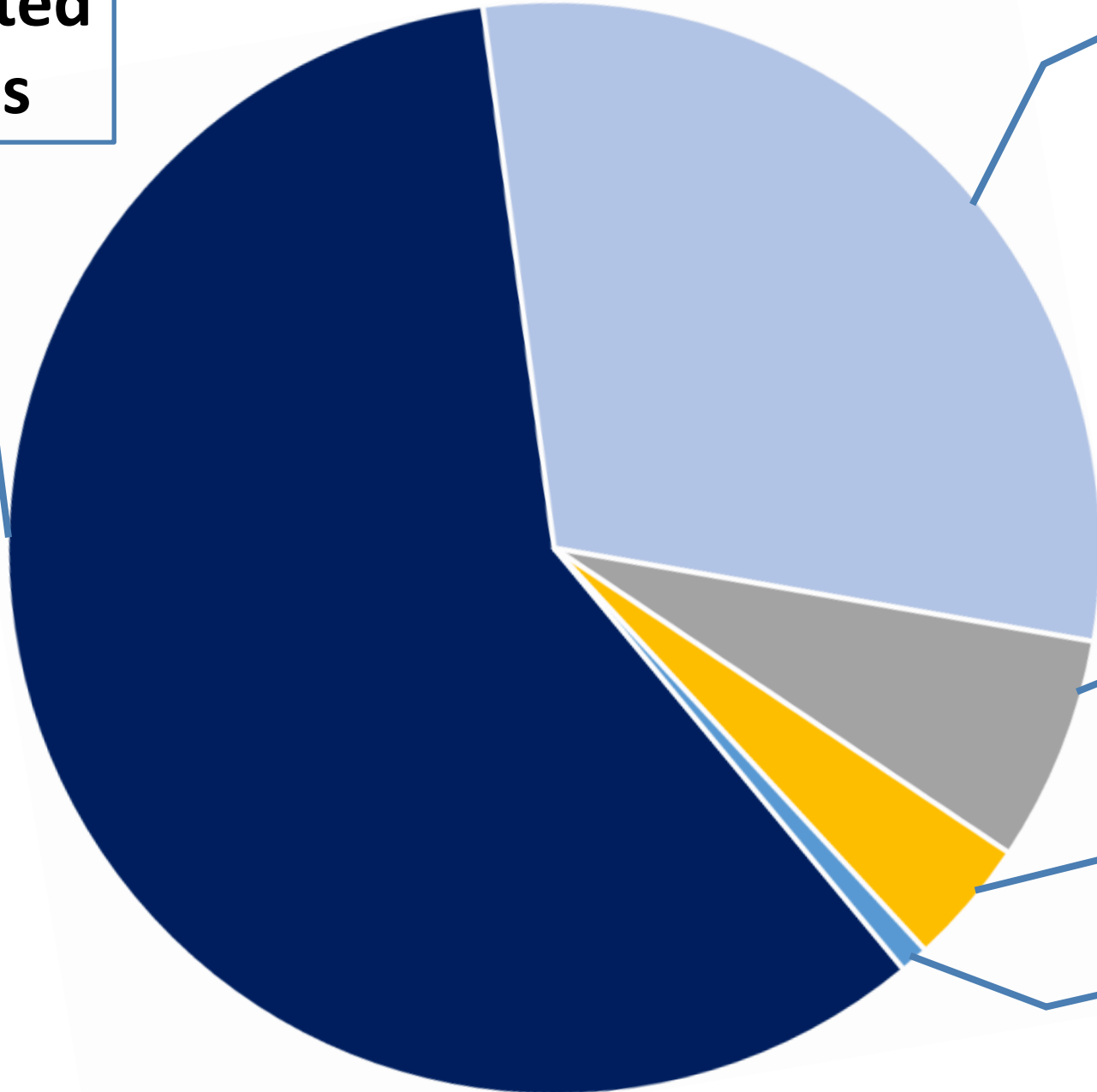
Removed –
Performing
4.1m
59%

Removed -
Paid Off
3.1m
30%

Removed -
Delinquent
Workout Unit
469k
7%

Removed -
Delinquent
263k
4%

Removed -
Foreclosure
59k
1%

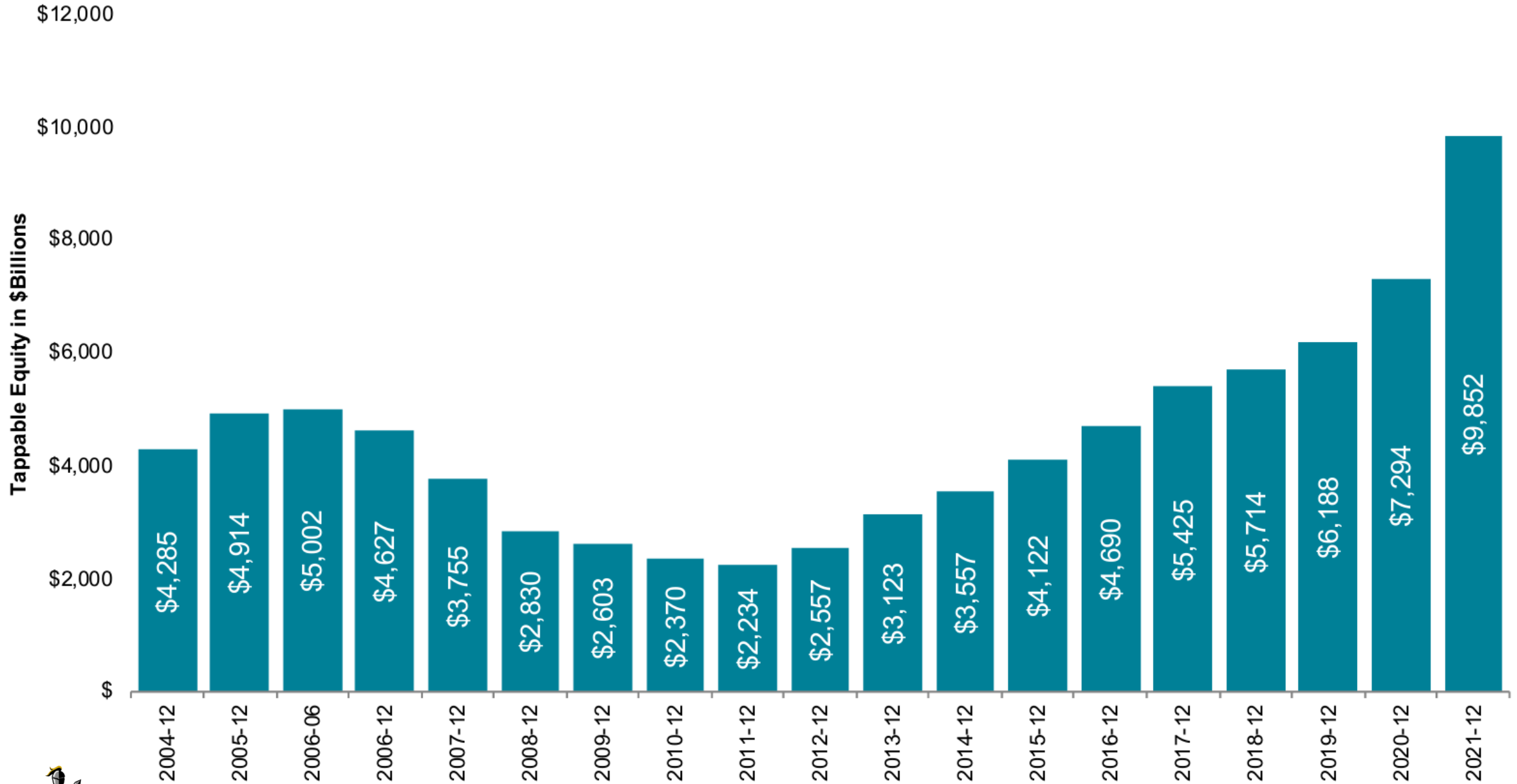


NATIONAL DELINQUENCY RATE – FIRST LIEN MORTGAGES

— Delinquency Rate — 2000-2005 Average — Record Low



TAPPABLE EQUITY OF U.S. MORTGAGE HOLDERS

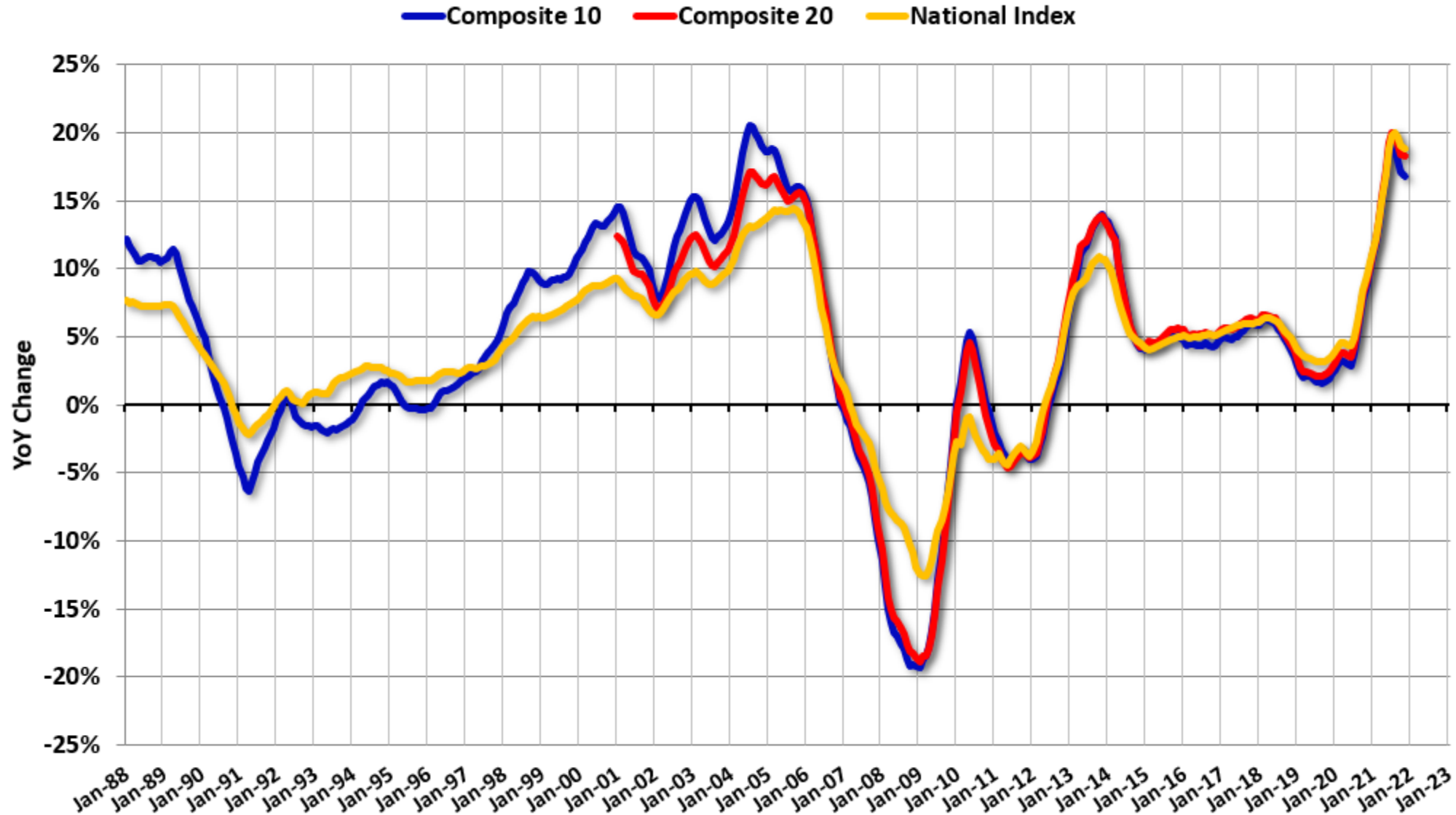






Affordability

Case-Shiller National and Composite Indices SA, Year-over-year Change





A woman in a dark business suit is sitting at a desk in an office, holding a calculator. She is looking towards the camera with a serious expression. In the foreground, the back of a woman with long brown hair is visible on the left, and a man in a blue and white checkered shirt is on the right, looking shocked with his hands on his head. The background shows office shelves with binders and a plant.

\$1 Million+ Housing

Affordability



Perspective

1970

Median Price = \$23,000

Median Household Income = \$9,870

30-Year Fixed Rate = 8.5%

Perspective

1990

Median Price = \$238,500

Median Household Income = \$41,000

30-Year Fixed Rate = 10%

Perspective 2006

Median Price = \$732,500

Median Household Income = \$70,000

30-Year Fixed Rate = 6.4%



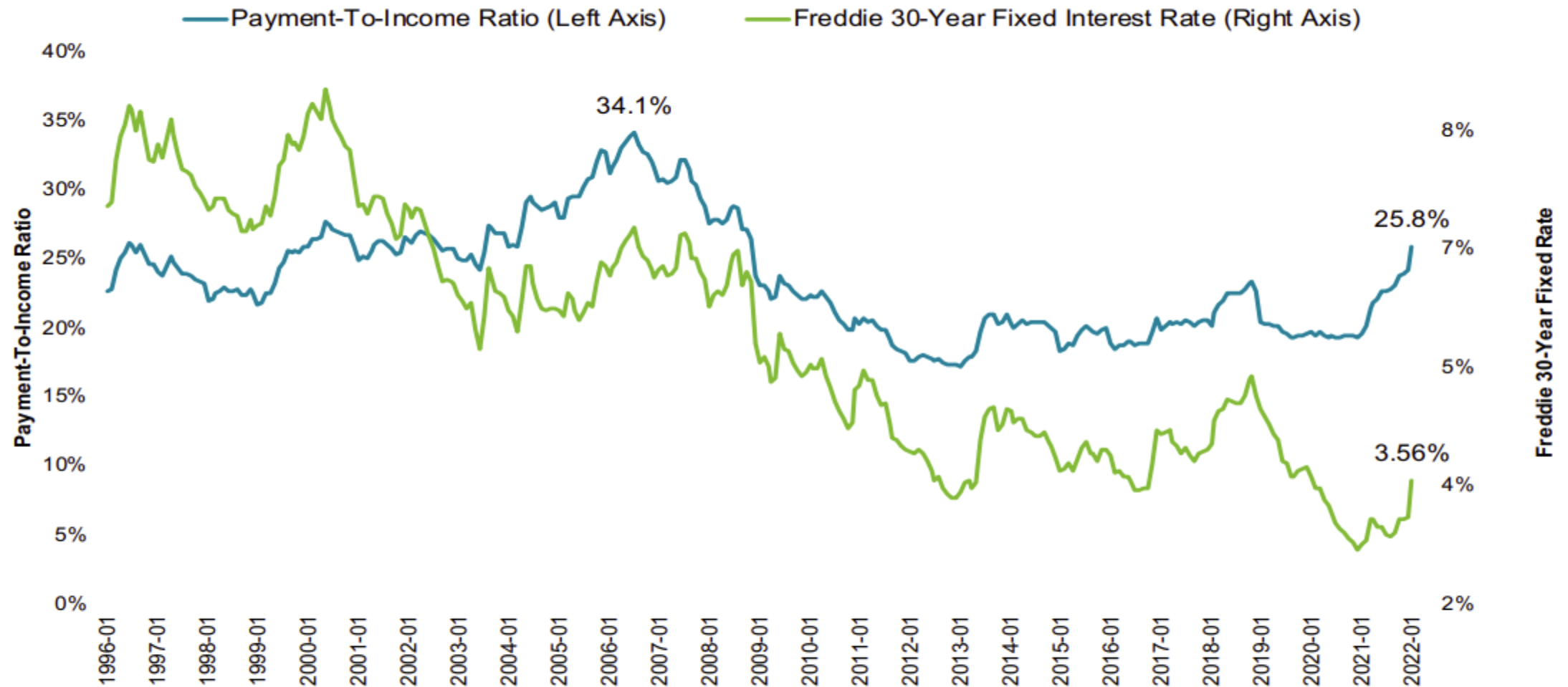
Perspective Today

Median Price = \$1,180,000

Median Household Income = \$105,000

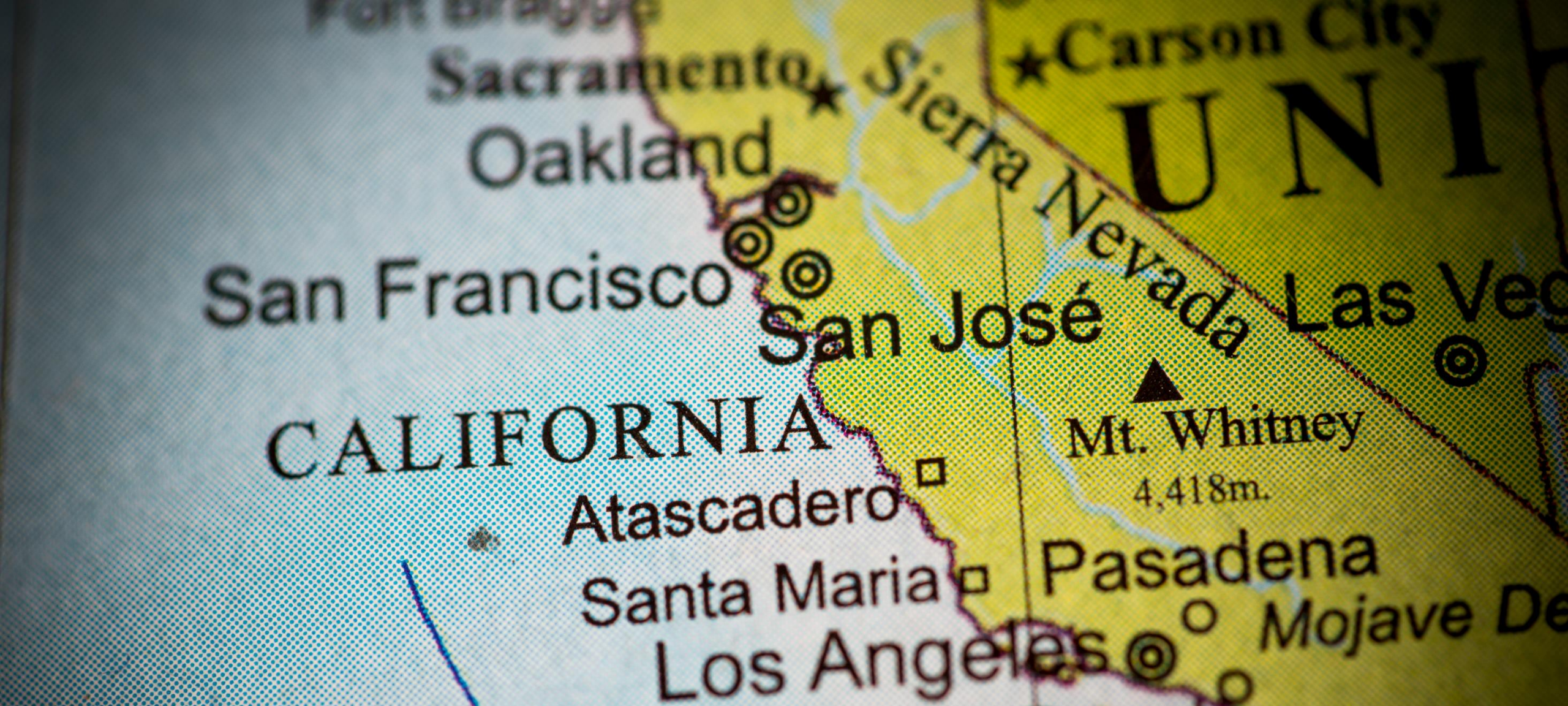
30-Year Fixed Rate = 3.55%

NATIONAL PAYMENT-TO-INCOME RATIO*



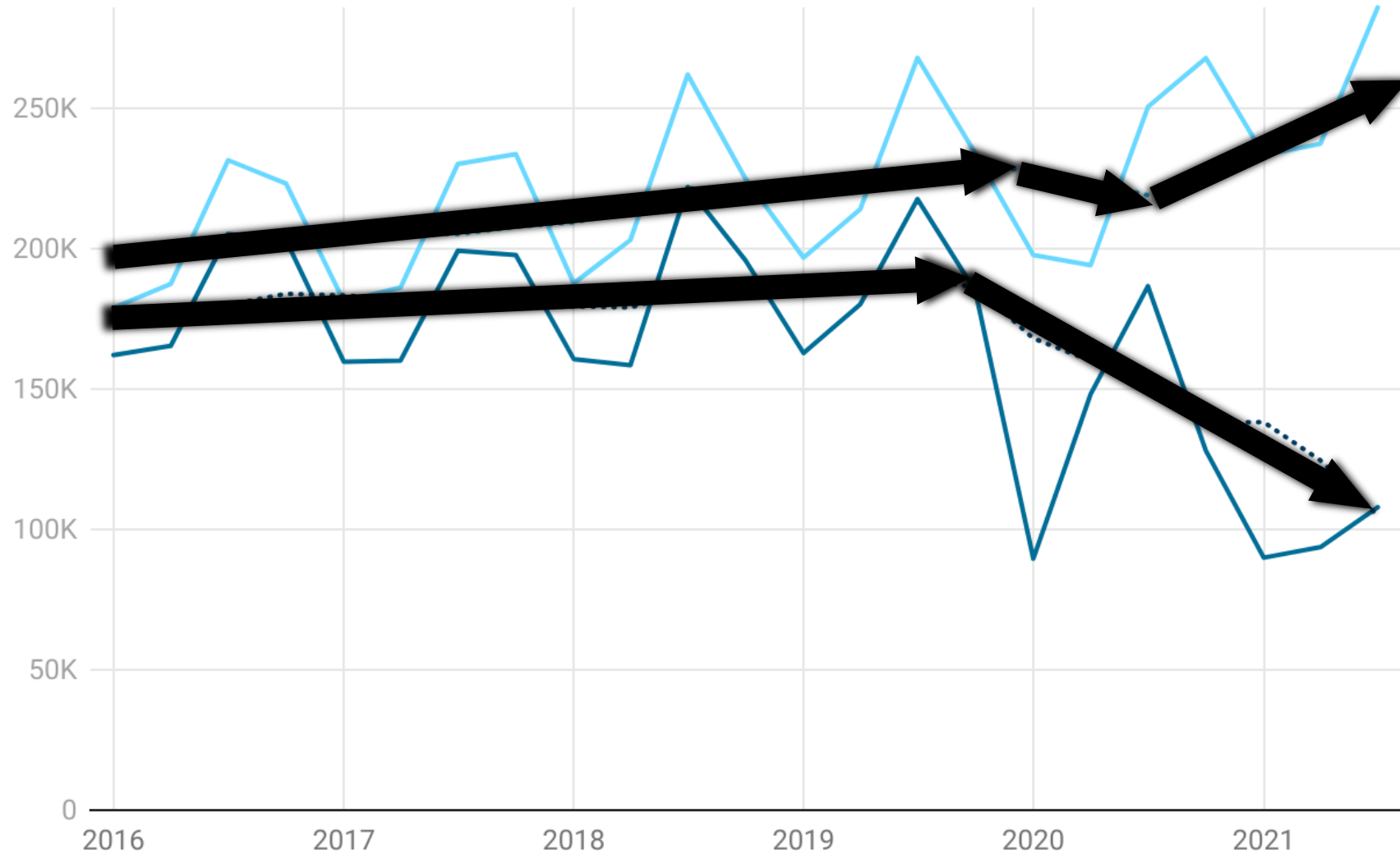
Source: Black Knight Home Price Index, FHLMC PMMS, Census Bureau

*The National Payment-To-Income Ratio is the share of median income needed to make the monthly principal and interest payment on the purchase of the average-priced home using a 20% down 30-year fixed rate mortgage at the prevailing interest rate



A California Exodus

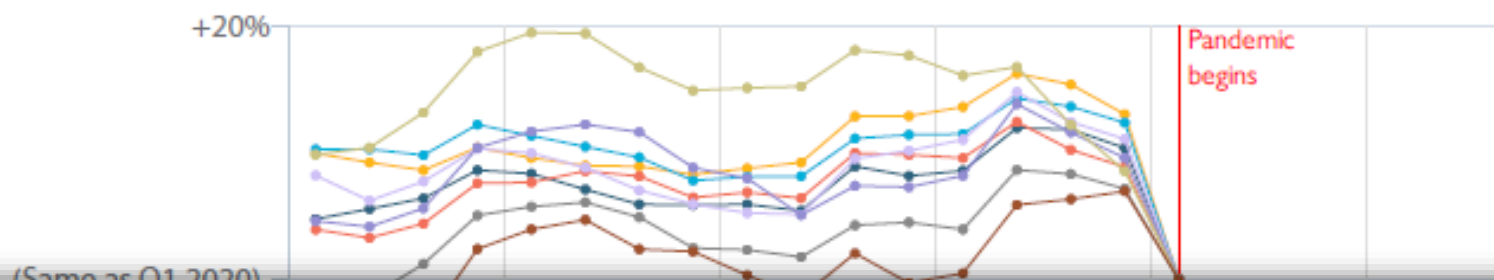
Entrances to and exits from California



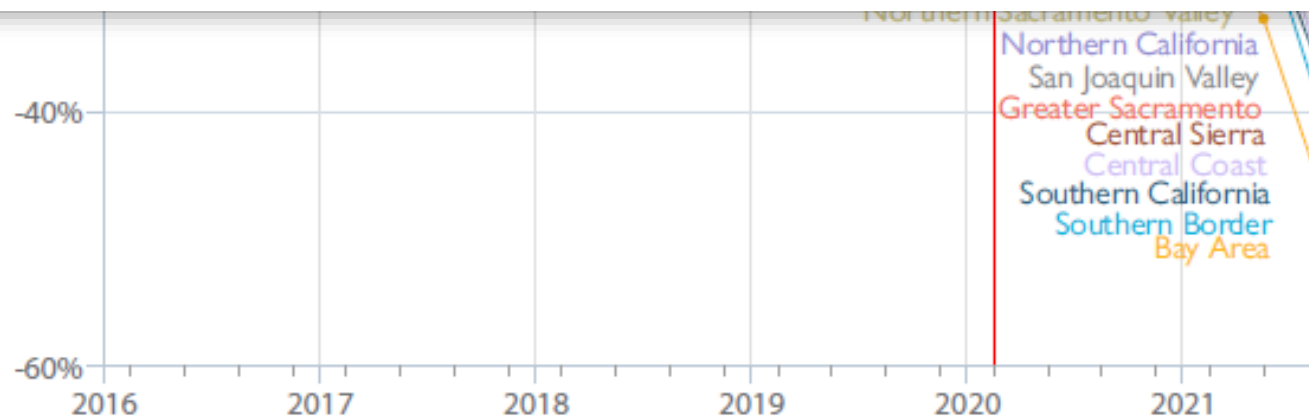
Notes: Dotted lines represent 4-quarter averages, which are used to smooth seasonal fluctuations. These volumes are underestimated because the data universe for this analysis comprises adults in California with credit history, which we estimate is approximately 70% of the state's population. Domestic migration only.

Source: California Policy Lab analysis of University of California Consumer Credit Panel (UC-CCP) data. • Created with Datawrapper

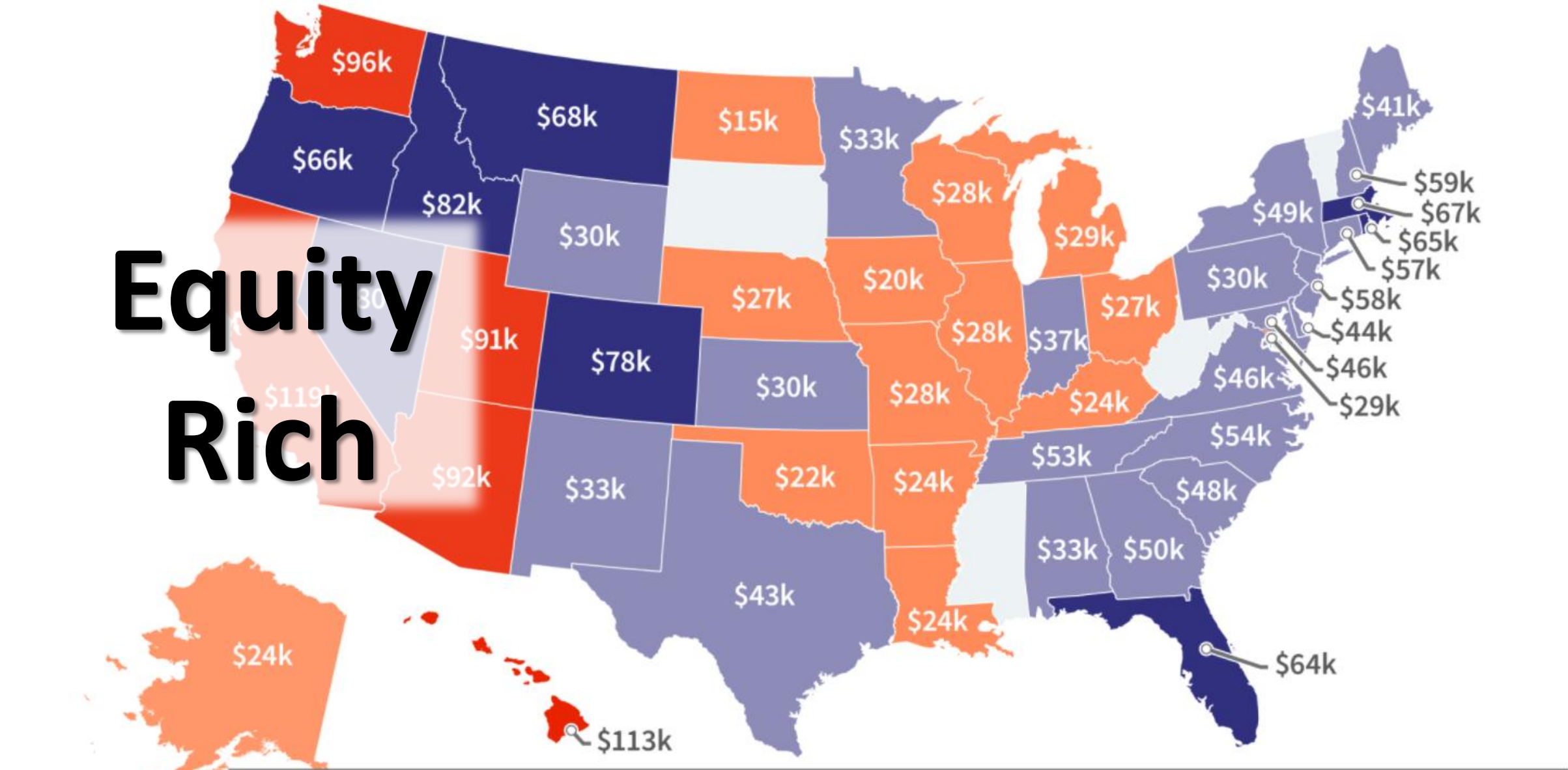
Percent change in entrances to California relative to Q1 2020, by economic region



County	Economic region	Number of exits, Q3 2021	% change in exits since Q1 2020	Number of entrances, Q3 2021	% change in entrances since Q1 2020	Number of net entrances, Q3 2021	% change in net entrances since Q1 2020
Orange	Southern California	22,025	10.9%	8,963	-35.8%	-13,062	120.9%



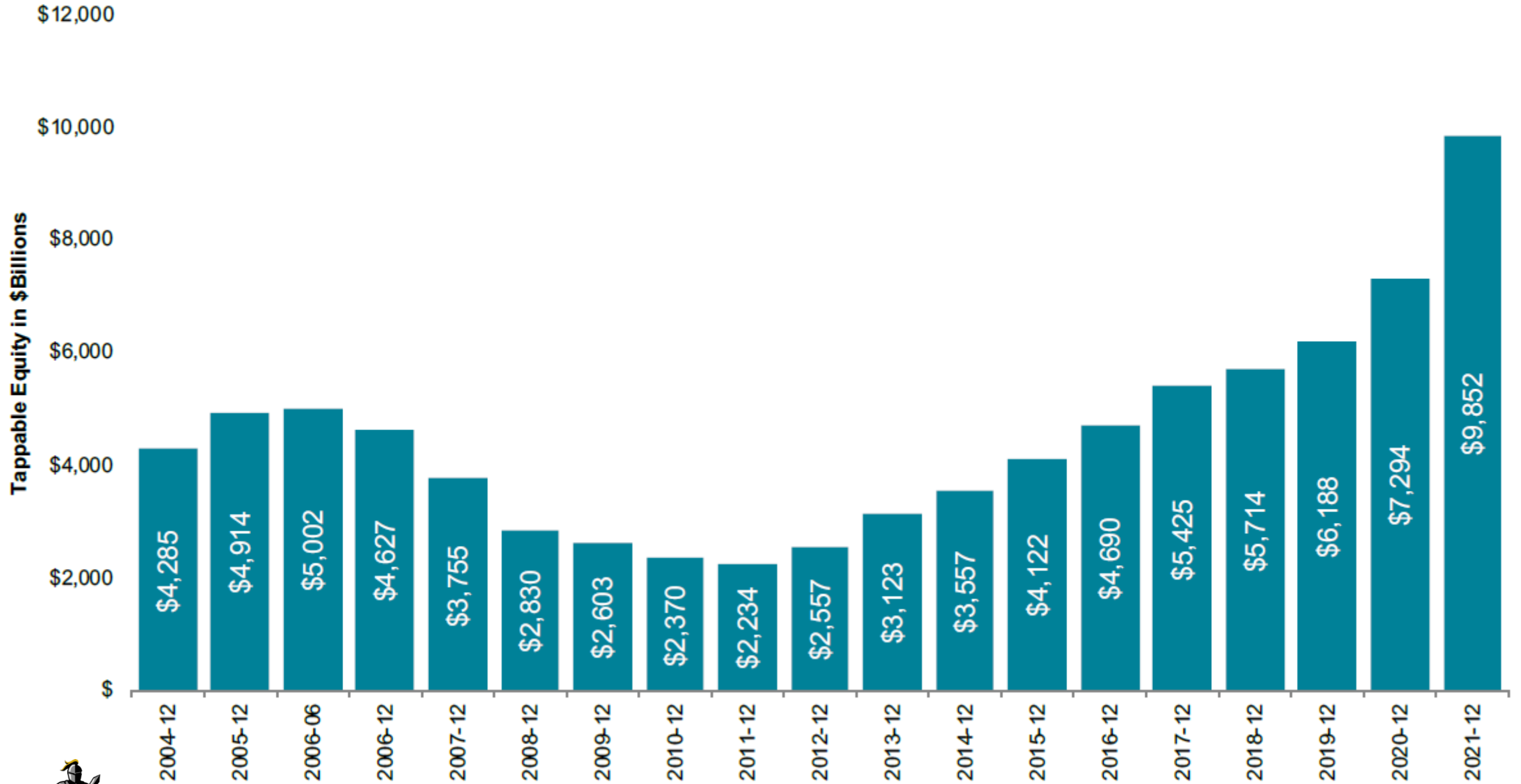
Equity Rich



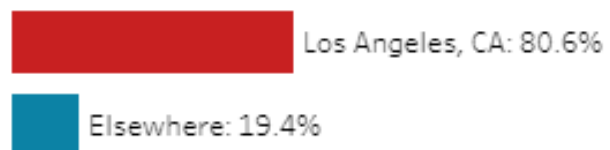
AVERAGE EQUITY GAIN (YOY)

\$90,000+	\$60,000-\$90,000	\$30,000-\$60,000	\$0-\$30,000	Insufficient Data
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TAPPABLE EQUITY OF U.S. MORTGAGE HOLDERS

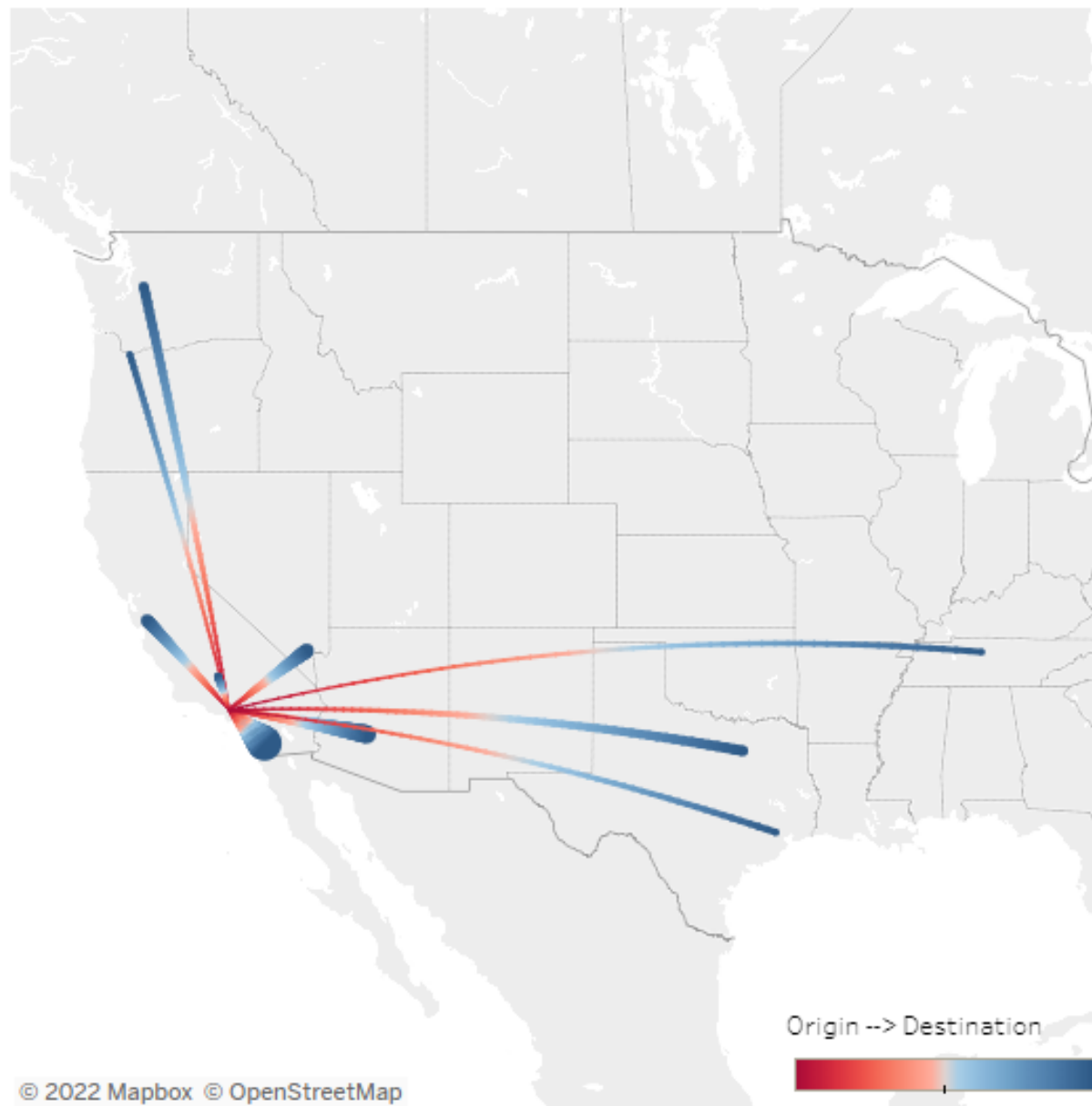
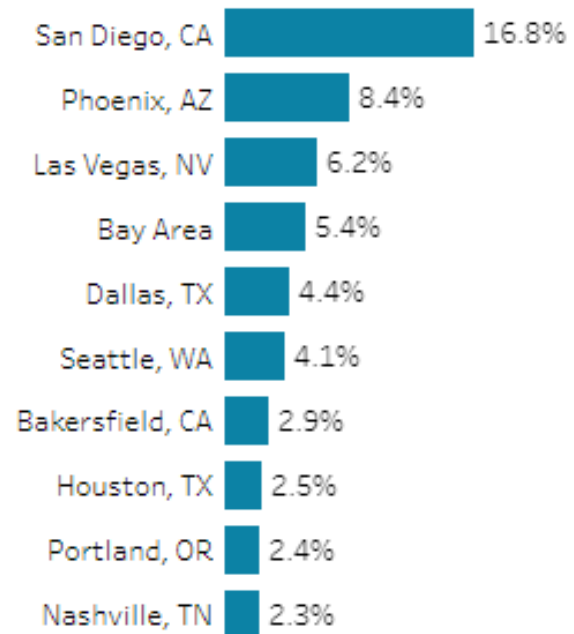


Percentage of Los Angeles, CA Redfin users searching in...




Destination as % of Origin Leavers

All



Source: Redfin user search data for Q4 2021 © 2022 Mapbox © OpenStreetMap

Data provided by [Redfin](#), a national real estate brokerage.

A person wearing a dark suit jacket and a white shirt is shown from the chest down. Their hands are positioned around a large, glowing white sphere. The sphere is the focal point and contains the text. The background is dark, and the lighting is dramatic, highlighting the person's hands and the glowing orb.

**How Will
2022
Play Out?**

How will 2022 play out?



**Frustrated Buyers
Motivated By Low
Rates But Not as
Willing to Stretch as
Year Progresses**

**As Rates Rise,
Sellers Will Not Get
Away With
Overpricing in 2nd
Half of 2022**



How will 2021 play out?



**Rates Between
3.25% to 4%**



**Demand Down
Slightly YOY**



**Available
Homes Ultra
Low Until 2nd
Half of Year**



**Total Sales Down
3% to 6%
Compared to 2021**

How will 2021 play out?



Values to rise between 8% to 10%



Luxury Continues to Soar, But Slightly Muted Compared to 2021 as Year Progresses



Distressed rises slightly but NO WAVE



Normal housing cycle

Go to: ReportsOnHousing.com

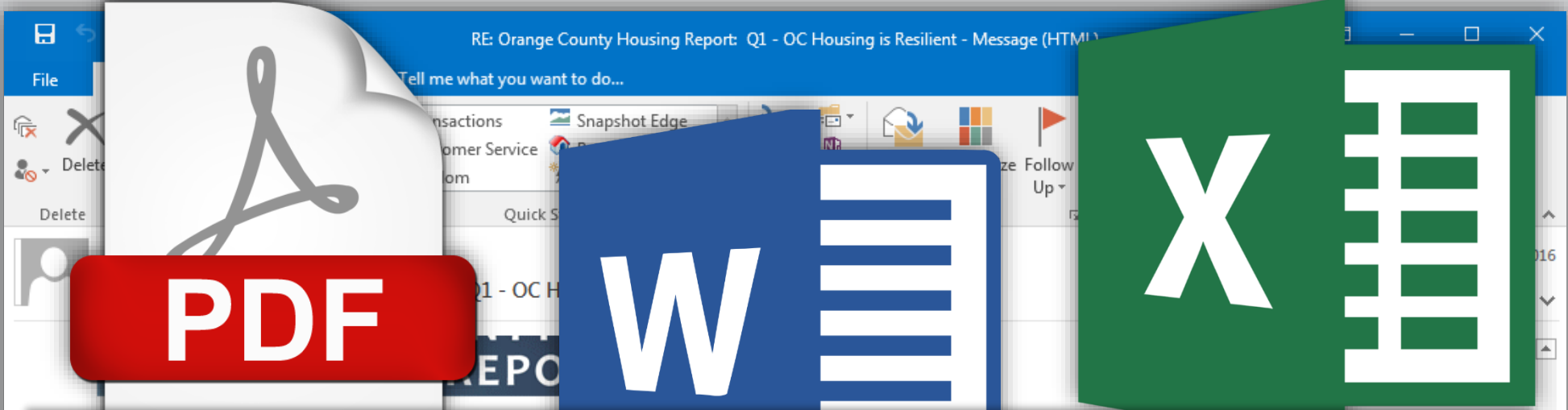
YOUR LOCAL REAL ESTATE SNAPSHOT

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Every 2 Weeks!!!

If you want to view the written report as a Word document, click on the following:
<http://www.reportsonhousing.com/docs/OC Housing- April-2021.docx>



INFOGRAPHICS

ORANGE COUNTY HOUSING REPORT | MARCH 9 2021

NEW FOR-SALE SIGNS
In a couple of weeks spring will arrive and that is when more homeowners place their homes on the market than any other time of the year.

INVENTORY STILL LOW
There are 43% fewer homes available to purchase compared to last year's 4,161 homes to start March. The active listing inventory shed 55 homes in the past two weeks, down 2%, and now sits at 2,438, the lowest since 2017-19.

If you want to view the Orange County Foreclosure Report as an Excel spreadsheet, click on the following:
<http://www.reportsonhousing.com/docs/OC Foreclosure- April-2021.xls>

If you want to view the Orange County Foreclosure Report as an Excel spreadsheet, click on the following:
<http://www.reportsonhousing.com/docs/OC Foreclosure- April-2021.xls>

SOCIAL POSTS

HOMES PLACED ON THE MARKET IN AUGUST: 3,150

COMPARED TO 3-YR AVG*: -11%

OF MISSING FOR SALE SIGNS: -387

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Company: _____

Email: _____

Mobile Phone: (_____) _____-_____

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Expiration Month: _____ Expiration Year: _____

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Q&A





That's all Folks!