
California, April 2018: $584,460, +3.5% MTM, +8.6% YTY

Median price continued fast-pace growth

California, April 2018: $584,460, +3.5% MTM, +8.6% YTY

Median Price of Existing Single Family Homes

SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®
Sales hanging onto the Q1 gains

California, April 2018 Sales: 416,790 Units, +1.5% YTD, +2.2% YTY

Sales declined in lower-priced segments

April 2018 (Year-to-Year)

-28.9%  
-6.7%  
-0.4%  
0.0%  
10.5%  
4.4%  
23.0%  
30.9%  

SERIES: Sales of Existing Single Family Homes
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

Sales are seasonally adjusted and annualized.
Tale of two markets from supply standpoint

Note: "Unsold Inventory Index" represents the number of months it would take to sell the remaining inventory for the month in question. The remaining inventory for the month is calculated by summing the number of "Active", "Pending", and "Contingent" (when available) and divide the sum by the number of "Sold" properties for the month in question.

SERIES: Unsold Inventory Index of Existing Single Family Homes
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

"Missing" 72,000 New Units Annually

CA HCD Projected Housing Needs: 180,000/yr.

2016: 98,881 (47,889 sf, 50,992 mf)
2017p: 107,756 (53,708 sf, 54,048 mf)
2018f: 115,292 (58,542 sf, 56,750 mf)
Most Underbuilt Counties in California

Jobs Created vs. Units Permitted 2010-2016

Los Angeles 438,090
Santa Clara 211,650
Orange County 214,329
San Francisco 223,519
MD 177,813
San Diego 235,612
Inland Empire 152,692
East Bay 109,311
Tulare 13,722

Jobs Created (2010-2016)  Units Permitted (2010-2016)

Active listings increased for 1st time in 34 mon.

Active Listings Growth

Note: “Unsold Inventory Index” represents the number of months it would take to sell the remaining inventory for the month in question. The remaining inventory for the month is defined as the number of properties that were “Active”, “Pending”, and “Contingent” (when available) and divide the sum by the number of “Sold” properties for the month in question.
Housing affordability is abysmal

2018-Q1: % able to purchase median-priced home

Out-migration from California ramps up

Net Domestic Migration of Adults (16+)

2016 Southern California Net Domestic Migration

SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

SOURCE: U.S. Census Bureau, American Community Survey
### Big disparities within region: SoCal

<table>
<thead>
<tr>
<th>Age</th>
<th>Los Angeles</th>
<th>San Diego</th>
<th>Orange</th>
<th>Riverside</th>
<th>San Bernardino</th>
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</thead>
<tbody>
<tr>
<td>Millennial</td>
<td>-30,016</td>
<td>-19,367</td>
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<td>Gen X</td>
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<td>Boomers</td>
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<td>Greatest</td>
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<td>4</td>
<td>1,013</td>
<td>1,575</td>
<td>2,701</td>
</tr>
</tbody>
</table>

### Conclusions

- **Housing is becoming a central issue**
  - Economy is growing
  - Unemployment is low
  - Incomes are rising
  - So are prices

- **But, housing supply has a long way to go**
  - Inventories are low
  - New construction isn’t enough
  - We need housing across the spectrum

- **We need to do a better job of connecting the dots**
  - Affordability, displacement
  - Low levels of homeownership
  - High rents and home prices
  - All symptoms of the bigger picture