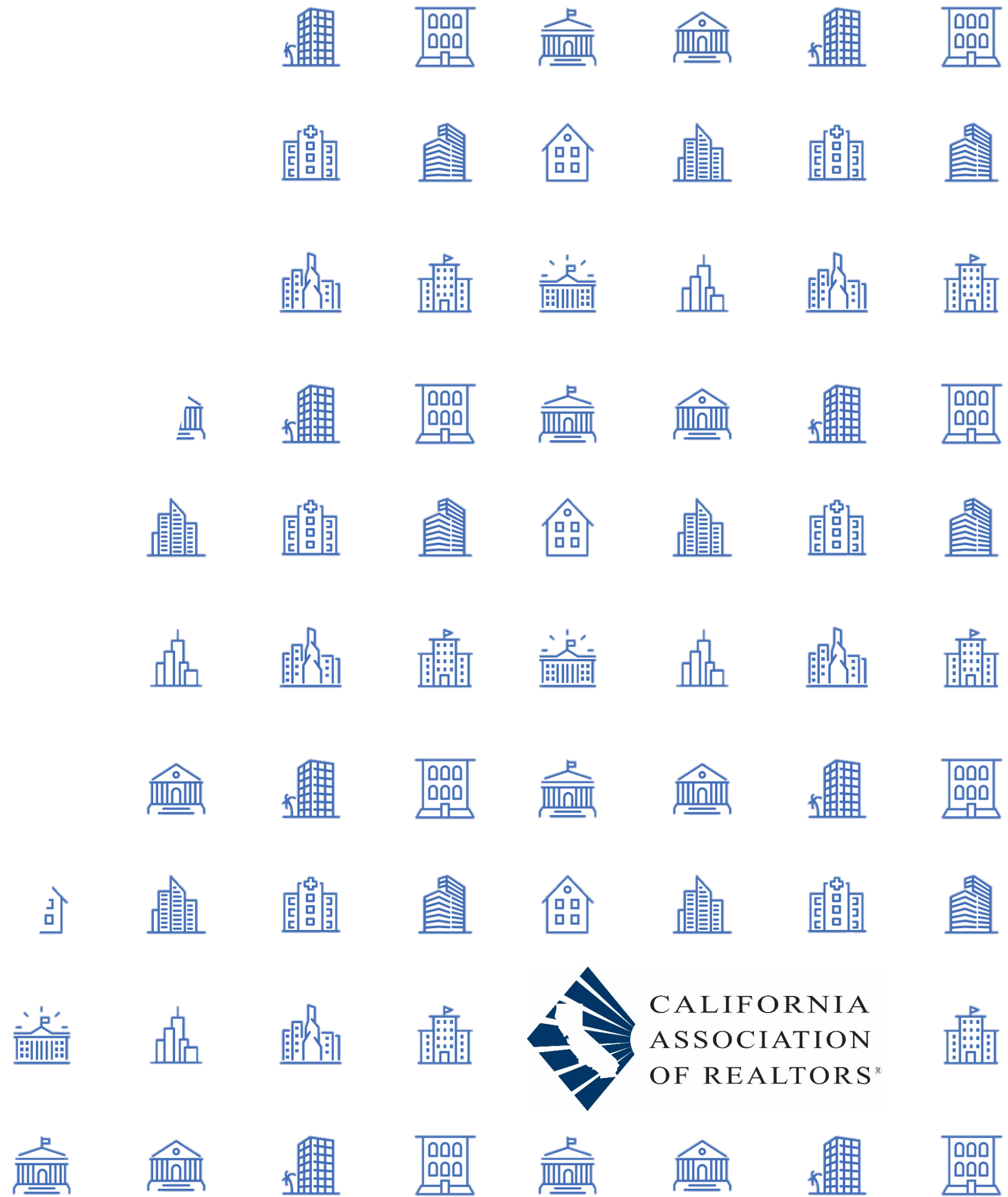


# California Housing Market Update

Monthly Sales and  
Price Statistics  
May 2020



# California housing market: sales down sharply, price dipped, supply grew

May 2020

-41.4% YTY  
-12.9% YTD

Existing Home Sales  
% change



Price

\$588,070  
-3.7% Y2Y



Unsold  
Inventory Index

4.3 months  
34.4% Y2Y



Median Days  
on Market

17 days  
-5.6% Y2Y



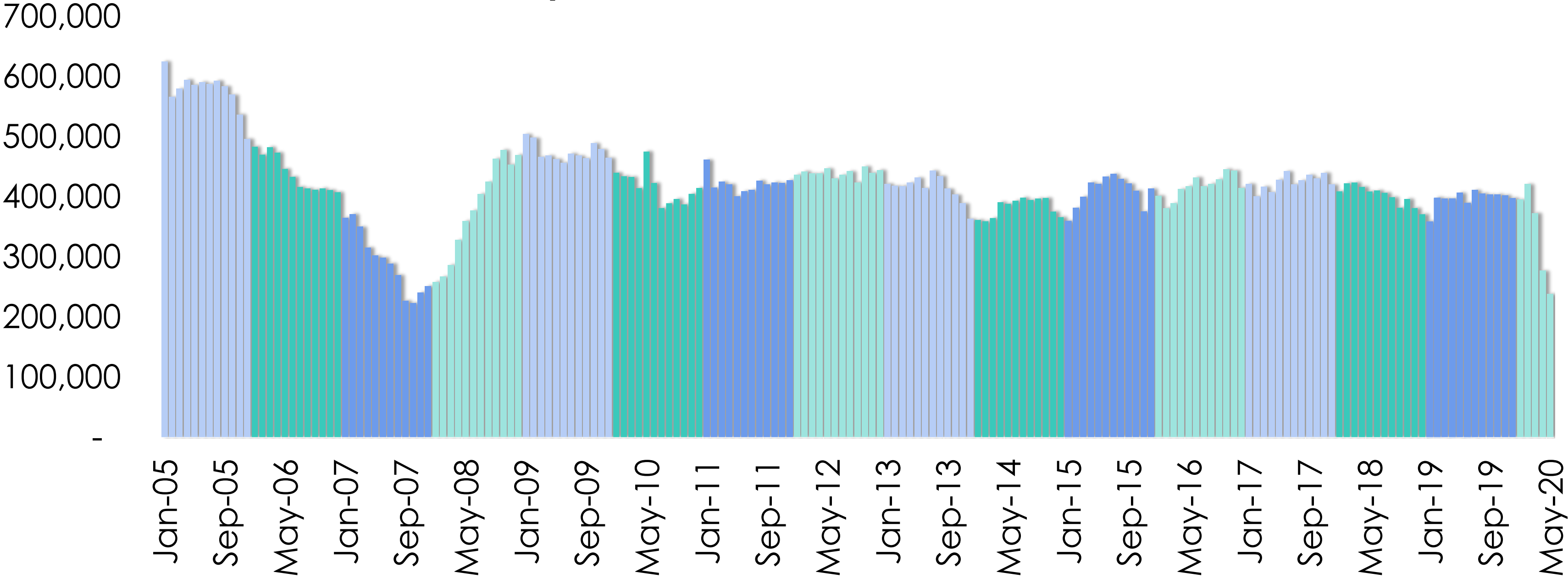
Sales Price to  
List Price Ratio

99.7%  
0.4% Y2Y

**Sales**

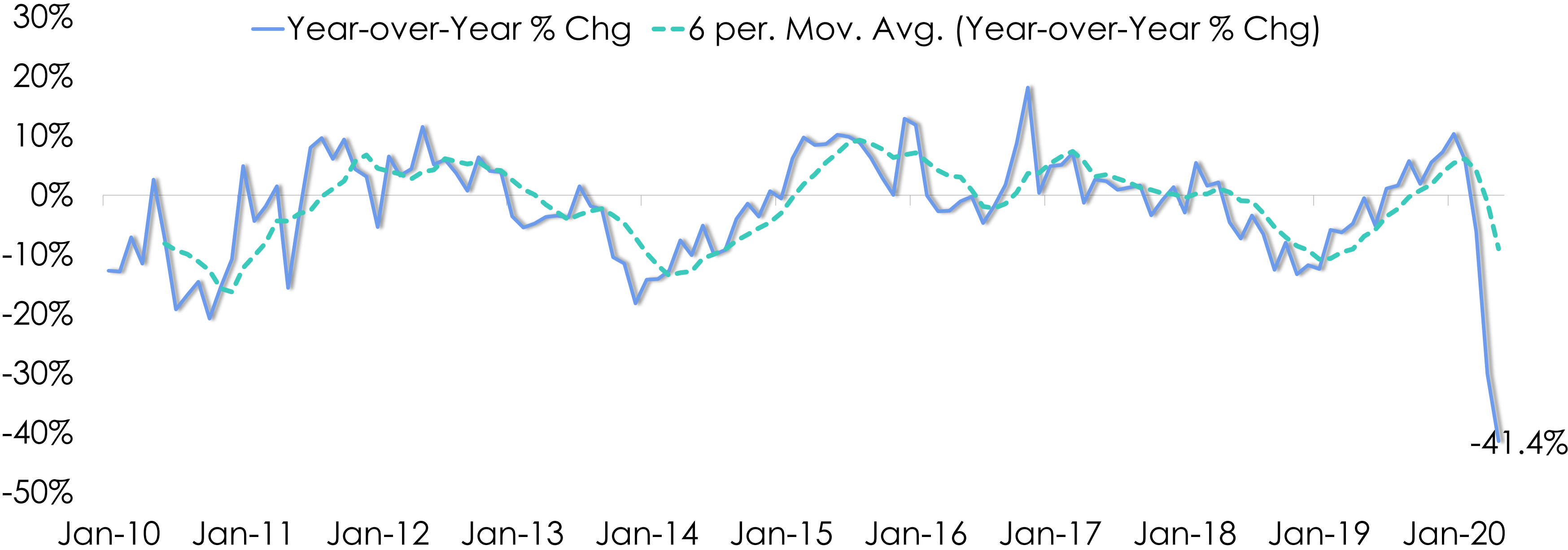
# Sales at the lowest level in nearly 13 years

**California, May 2020 Sales: 238,740 Units, -12.9% YTD, -41.4% YTY**



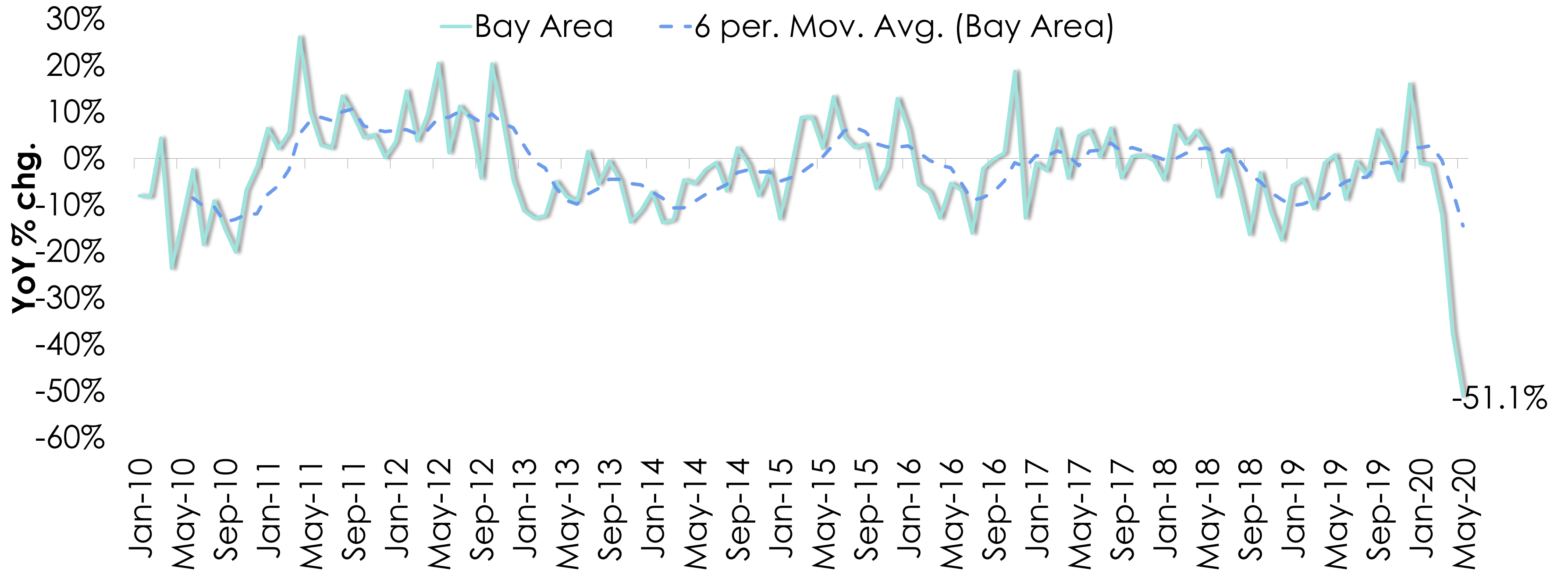
SERIES: Sales of Existing Single Family Homes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

# California home sales - biggest % drop since late 2007

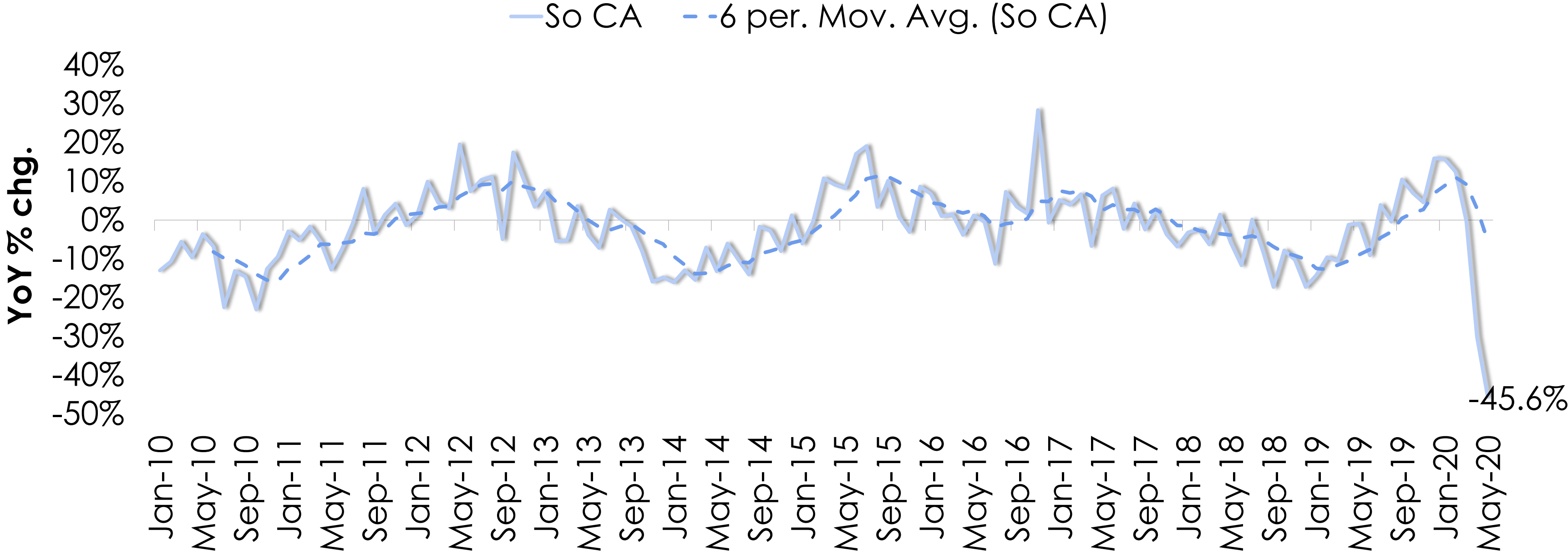


SERIES: Sales of Existing Single Family Homes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

# Bay Area sales saw sharp decline

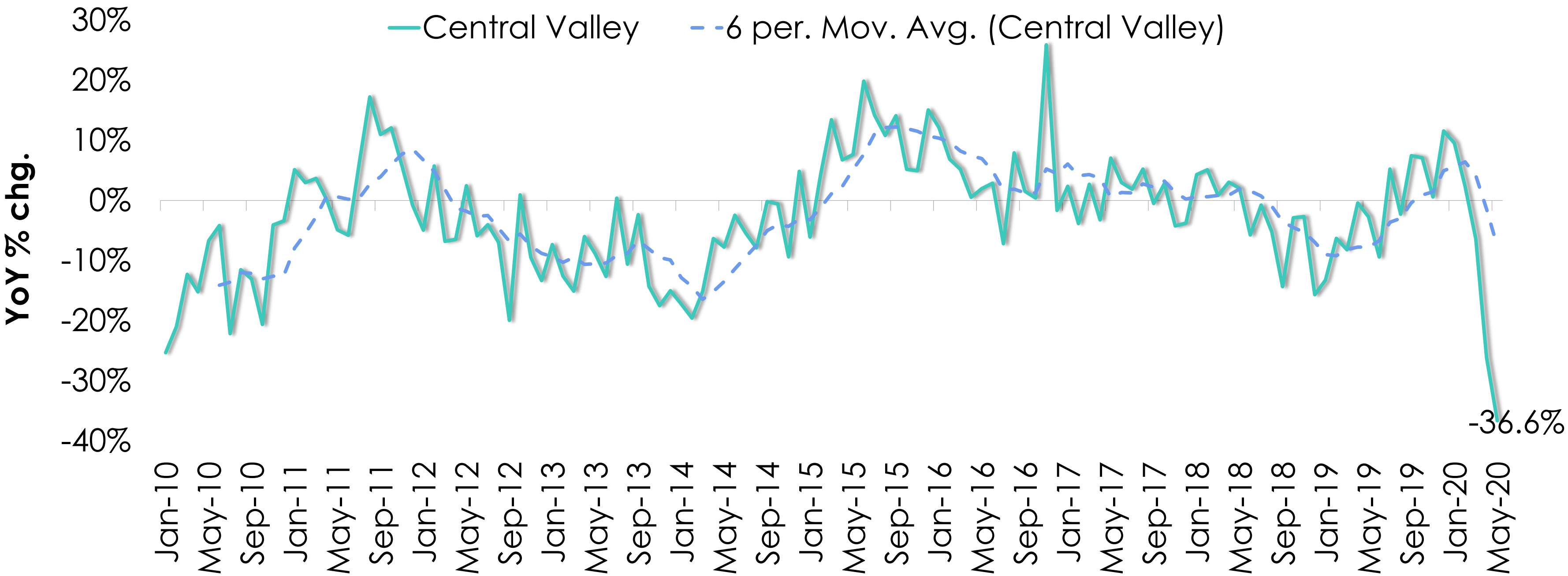


# So. California sales dipped significantly



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

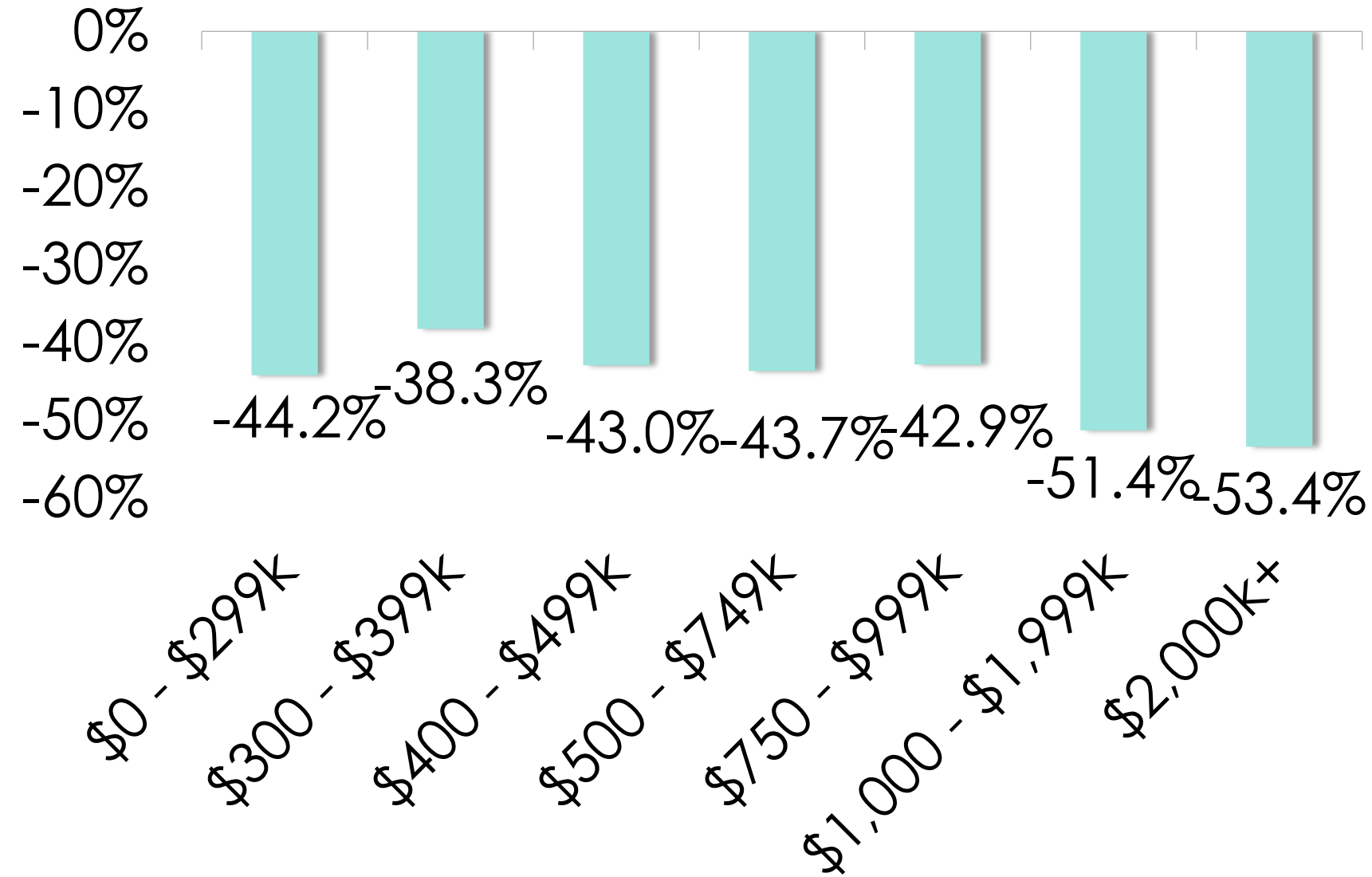
# Central Valley sales had the smallest decline in all major regions



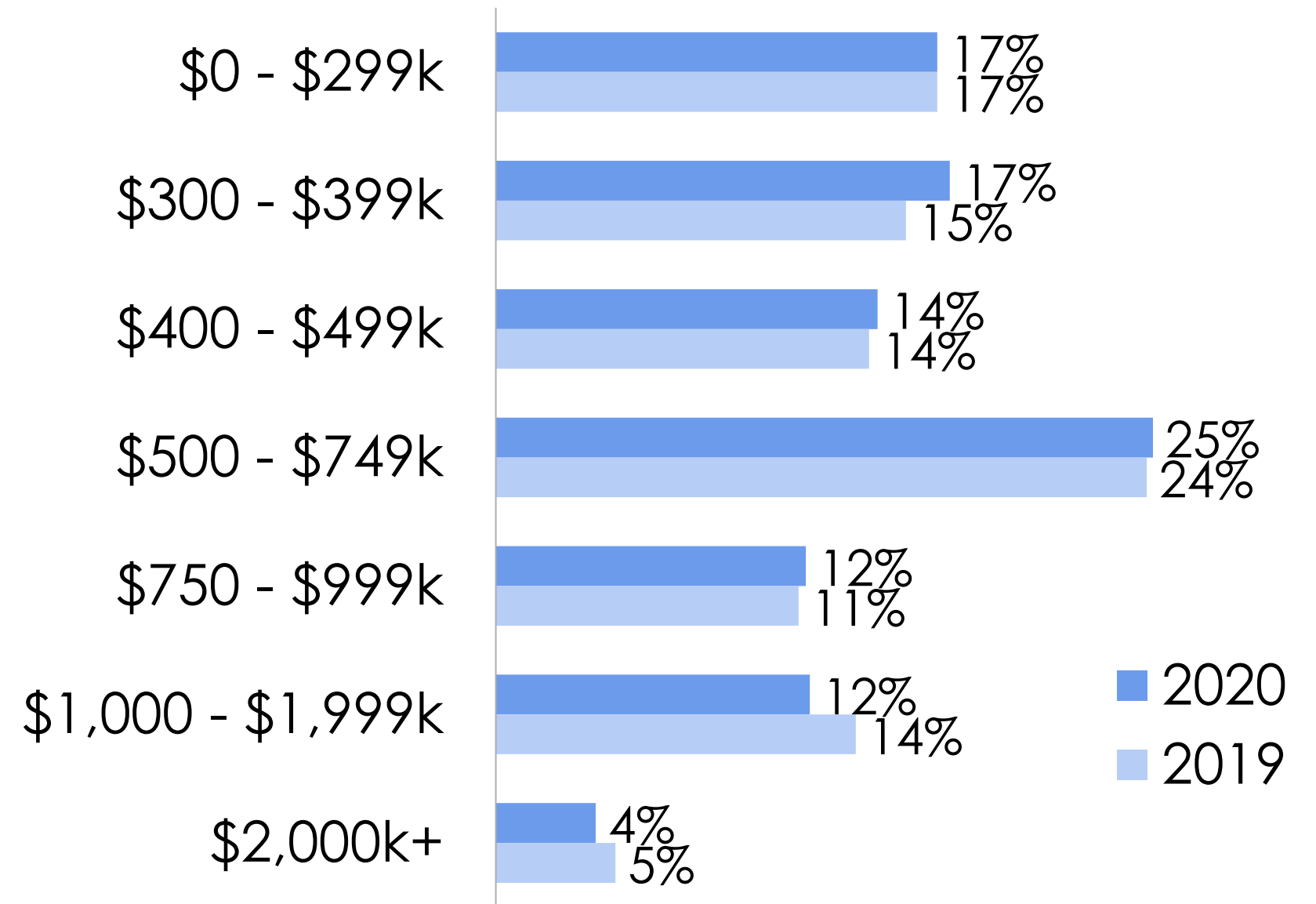


# Sales had the biggest drop in the top tiers

**May 2020  
(YTY% Chg.)**

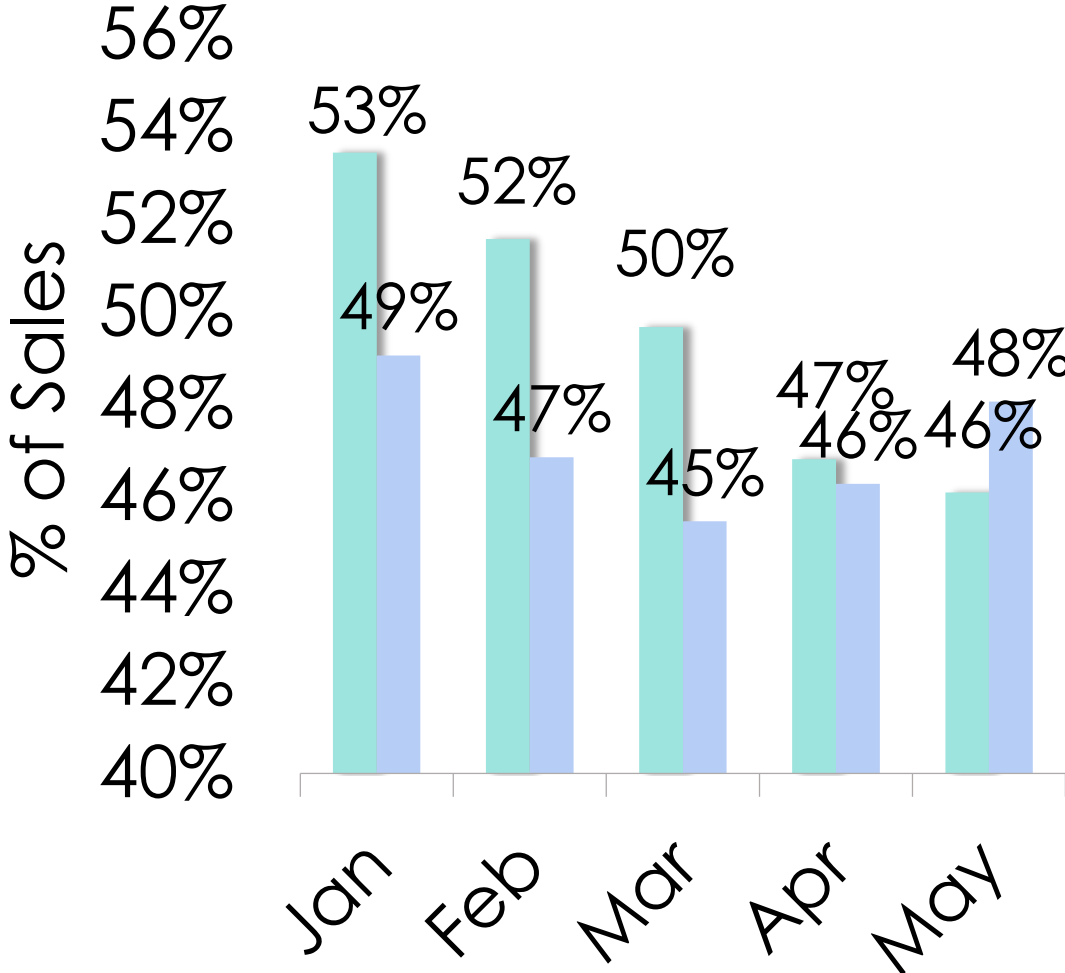


**Share by Price Segment**

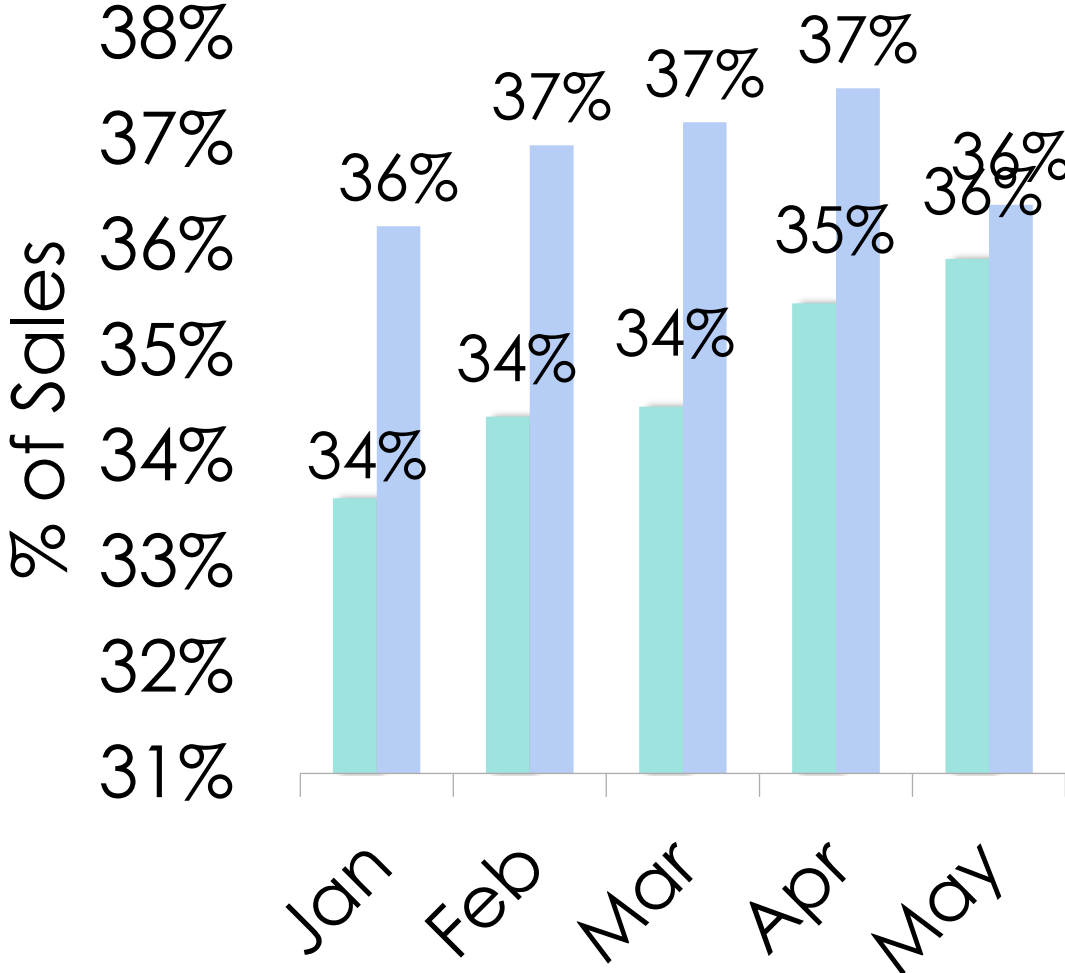


# Mix of sales changed – fewer high-end sales

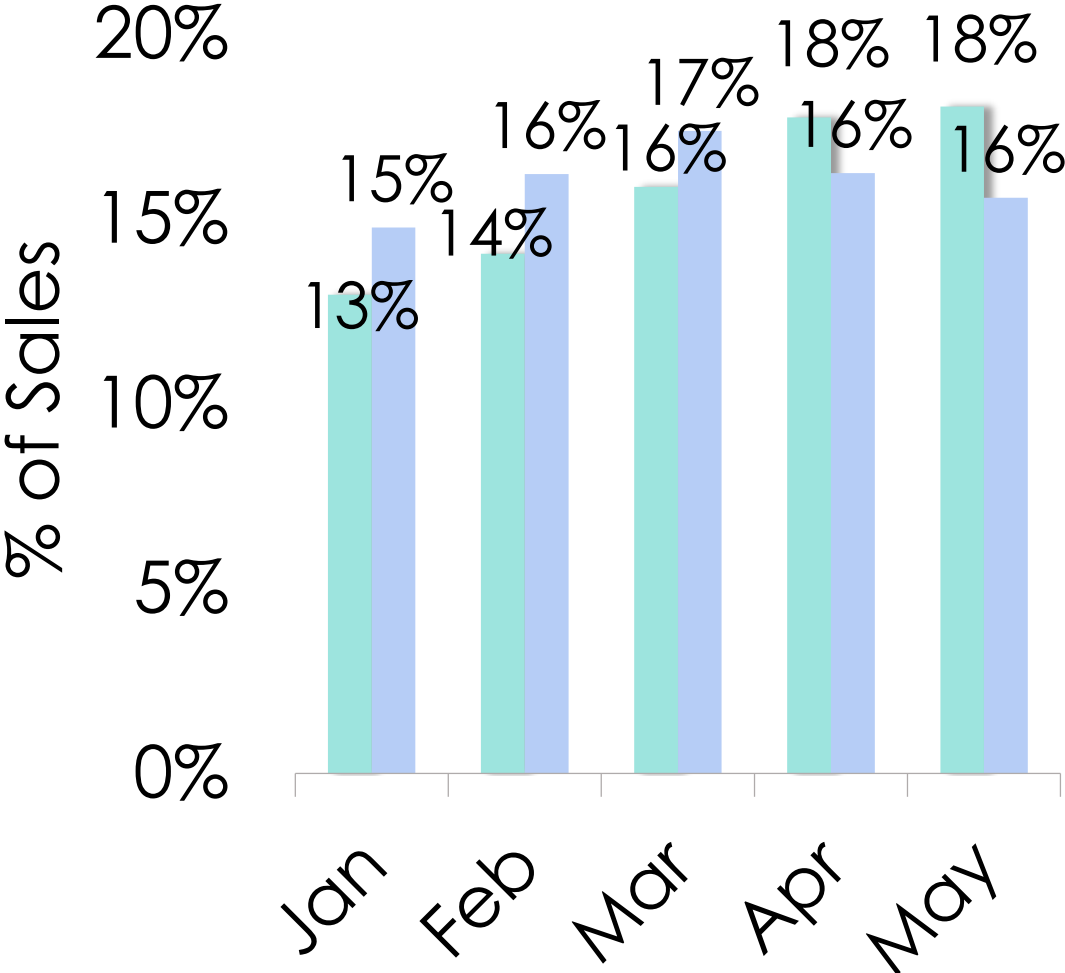
**\$0 – \$499k**



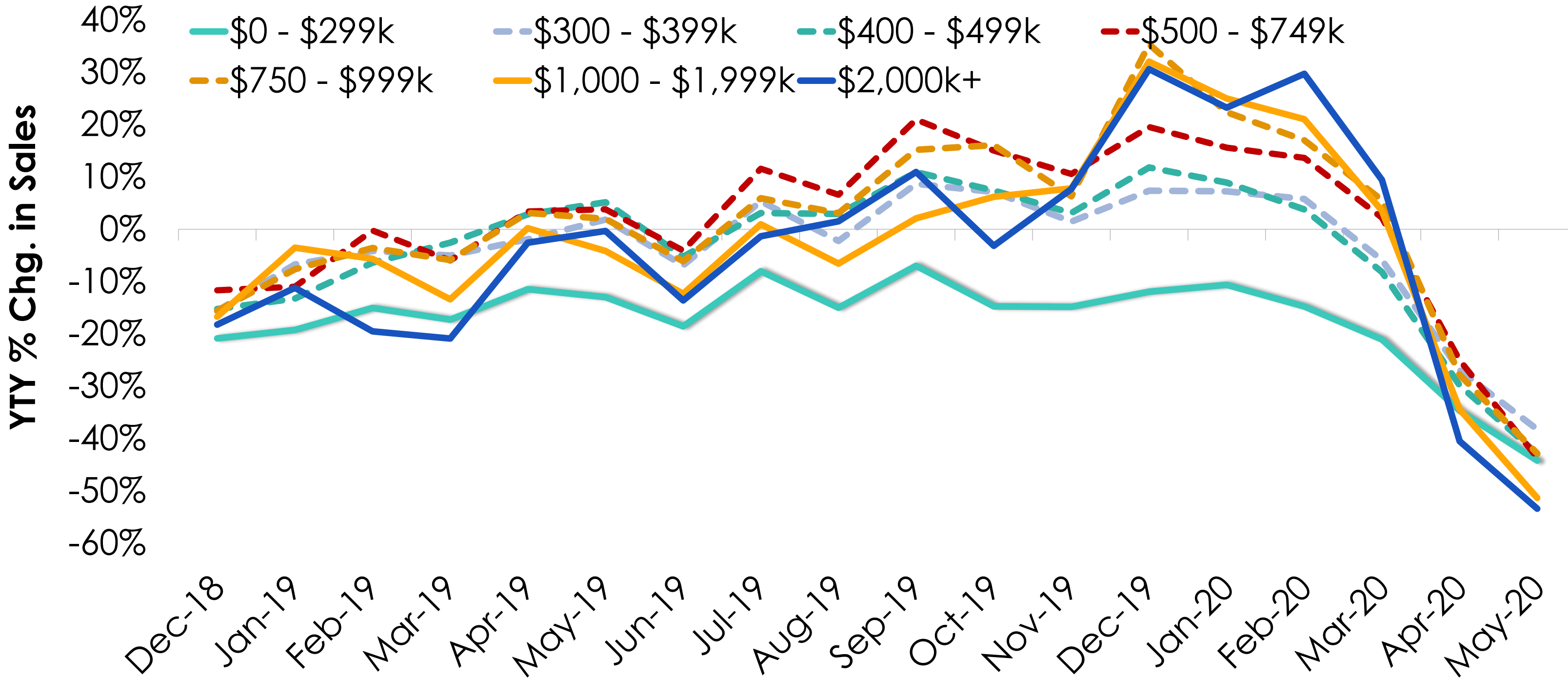
**\$500 – \$999k**



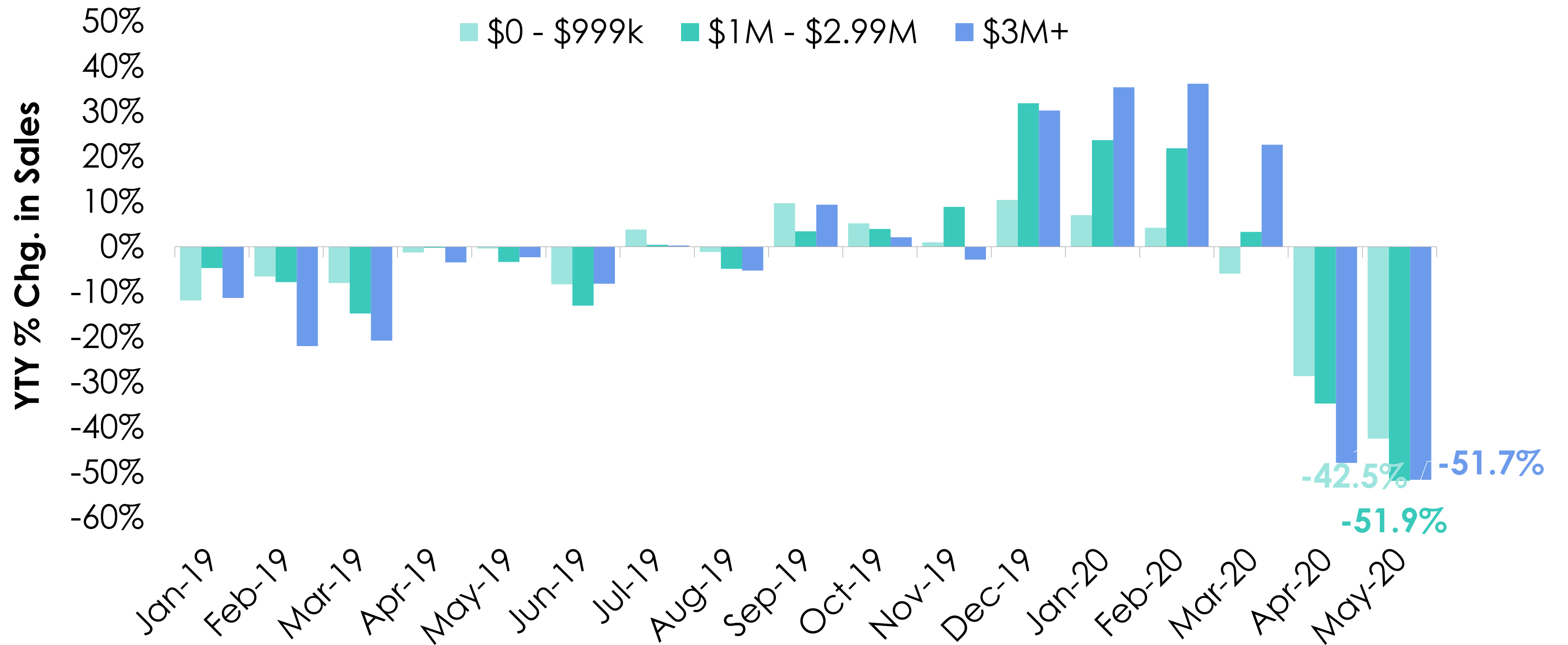
**\$1M+**



# Sales growth plunged further in all price segments

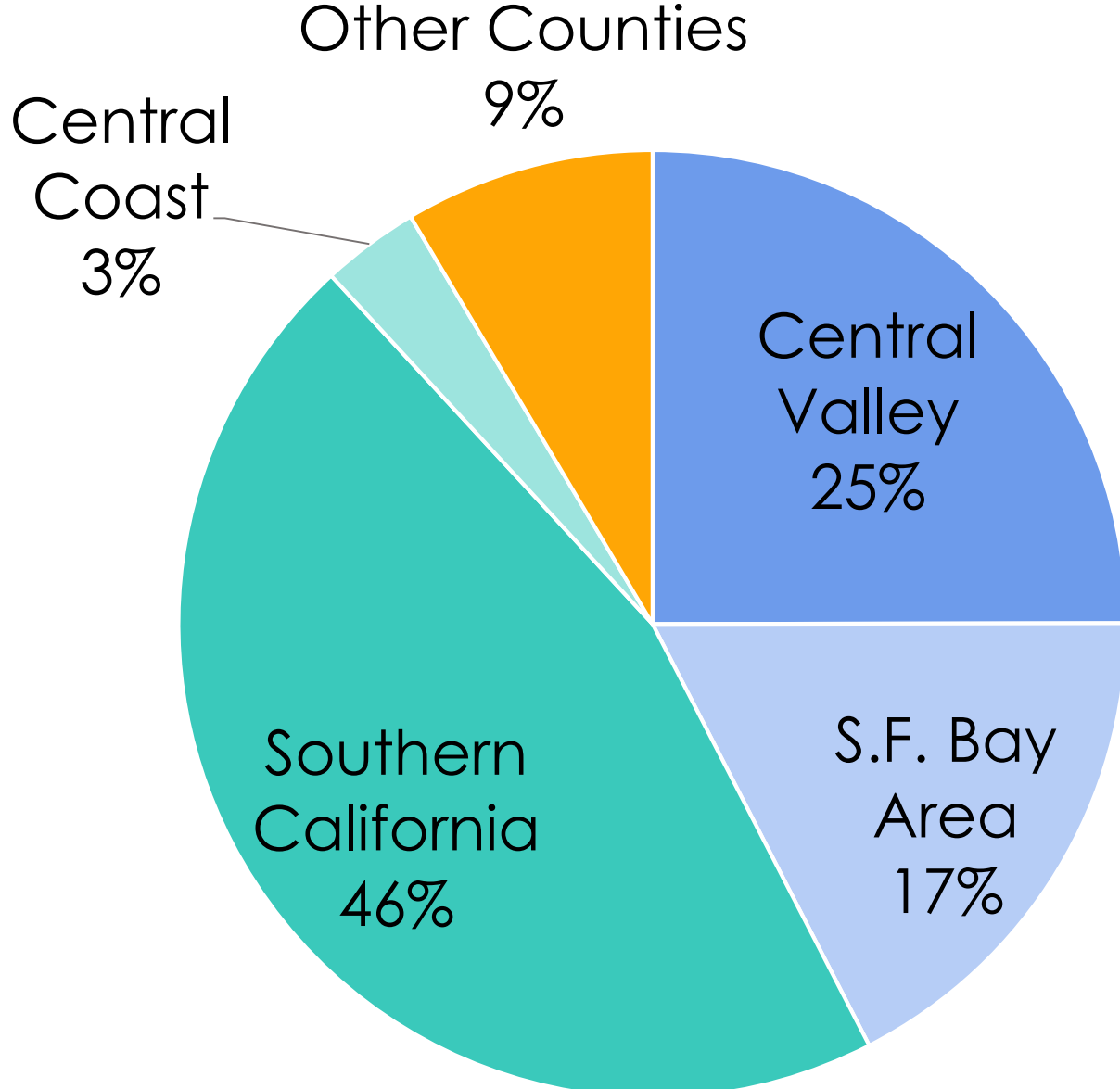


# Sales declined more than 50 percent in the million-dollar market

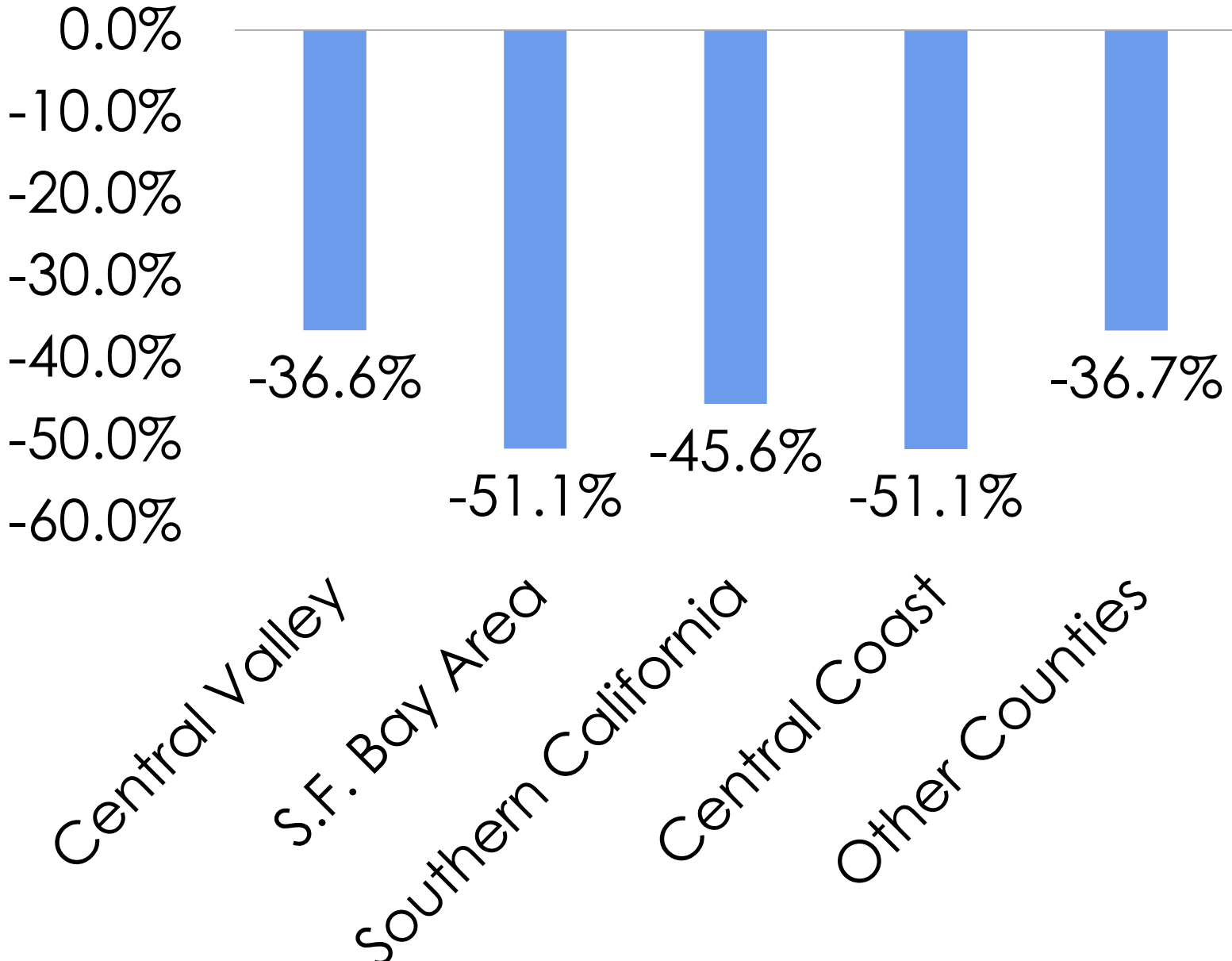


# Sales by Region

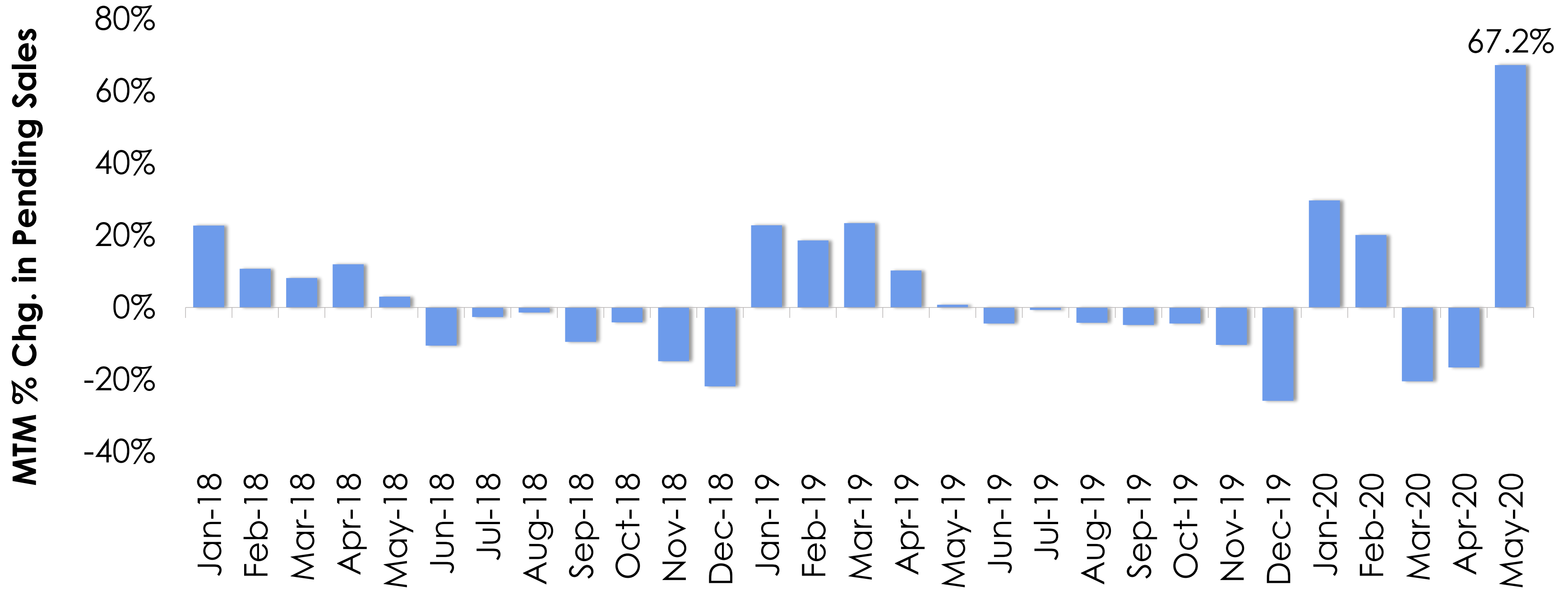
**May 2020 Home Sales by Region**



**May 2020 Home Sales Growth by Region**

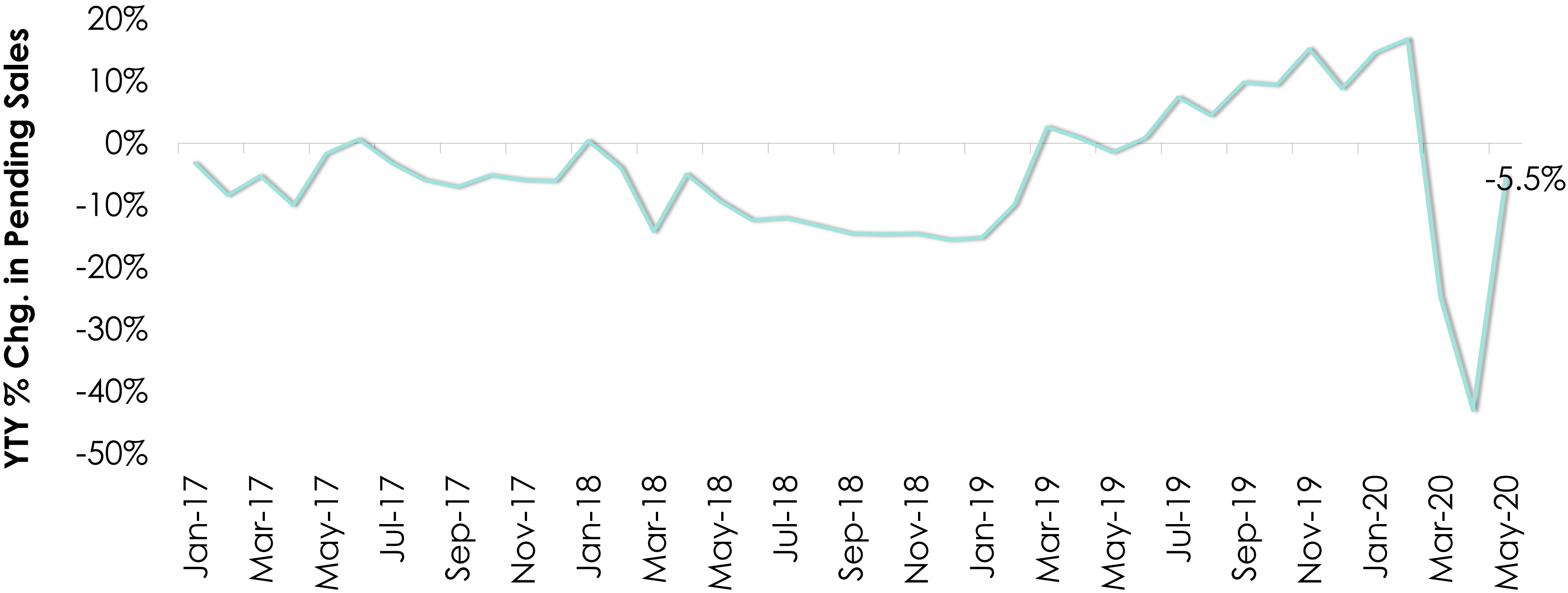


# Pending sales surged in May

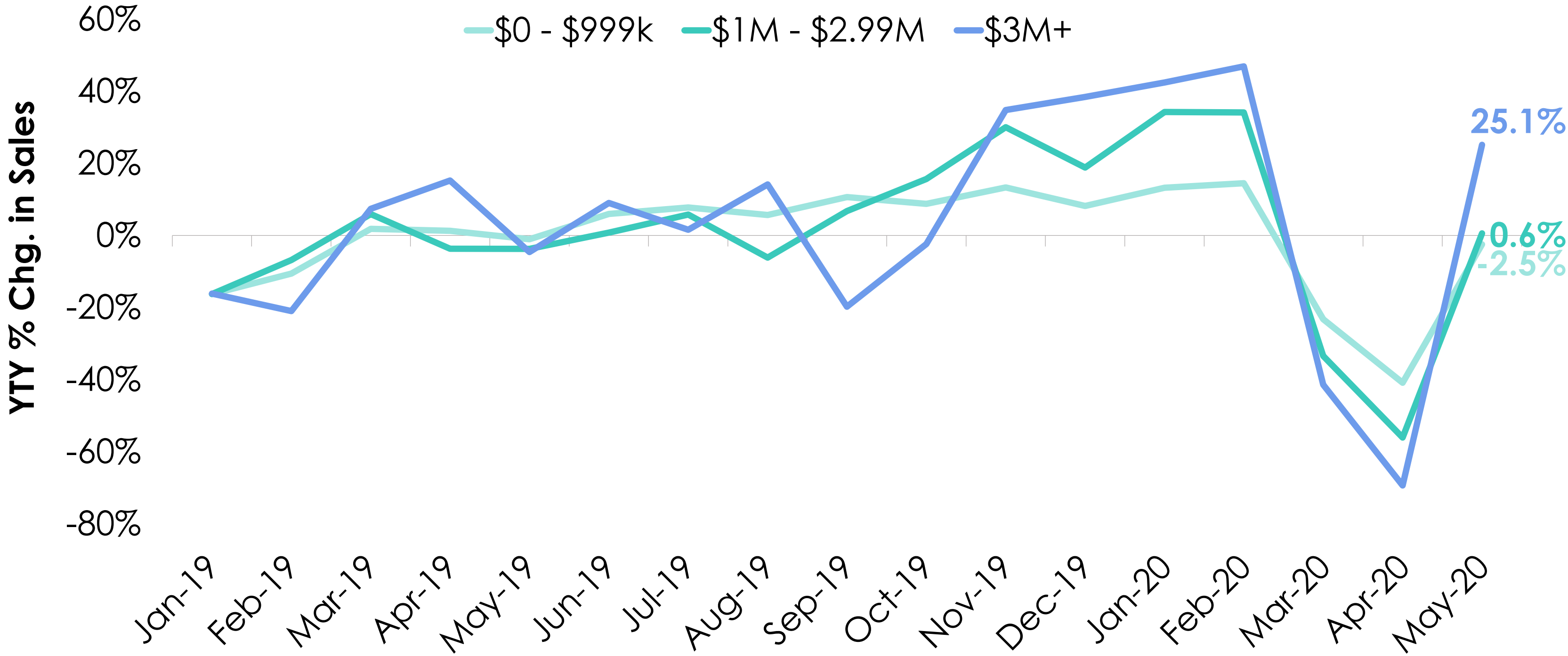


SERIES: Percent Change in Pending Sales  
 SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

# After sharp decline, pending sales bounced back as California gradually reopened



# Pending sales in the top end had strong gain in May

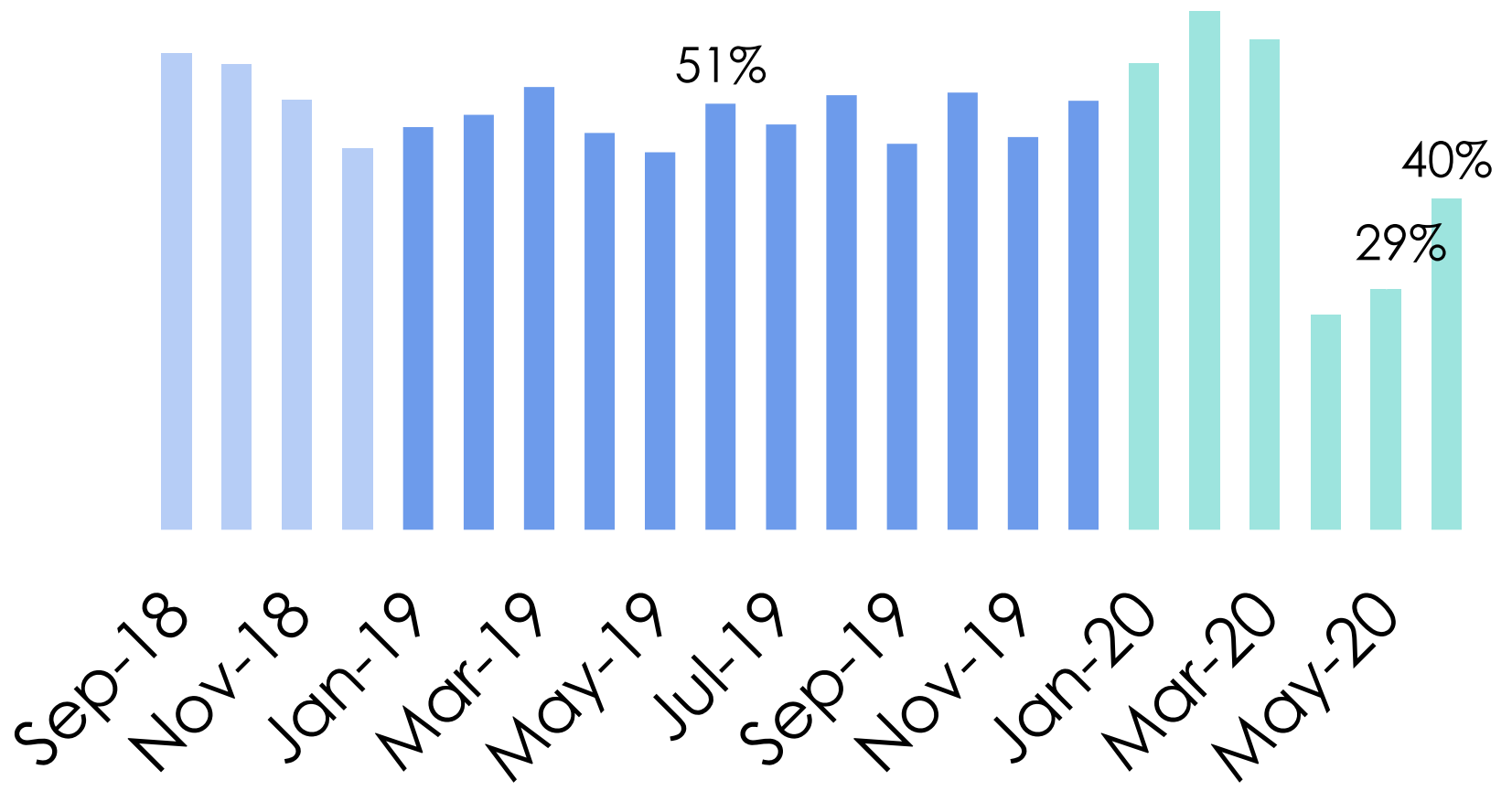
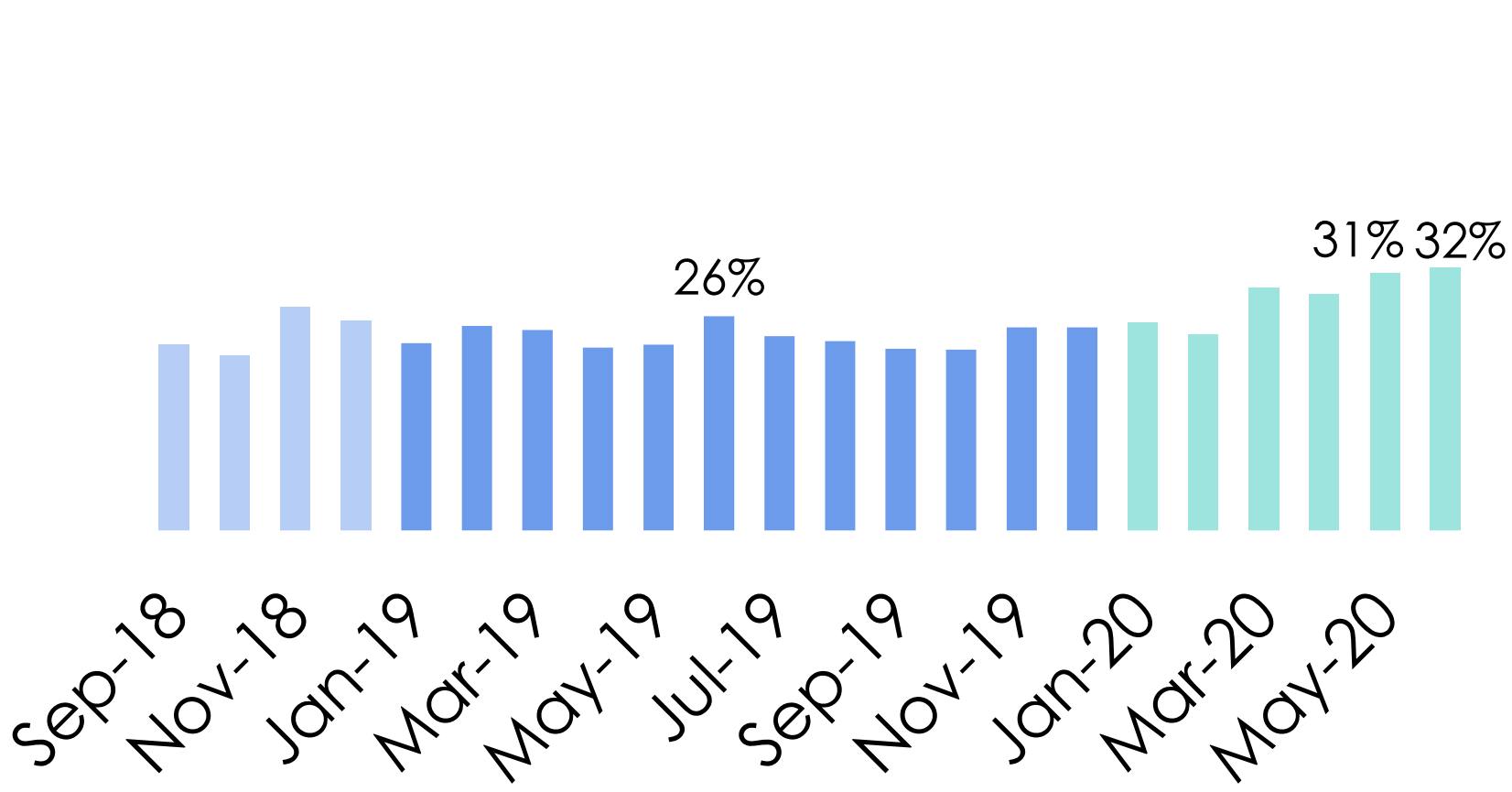




# Is it a good time to buy or sell?

Do you think it's a good time to **buy** a home in California?

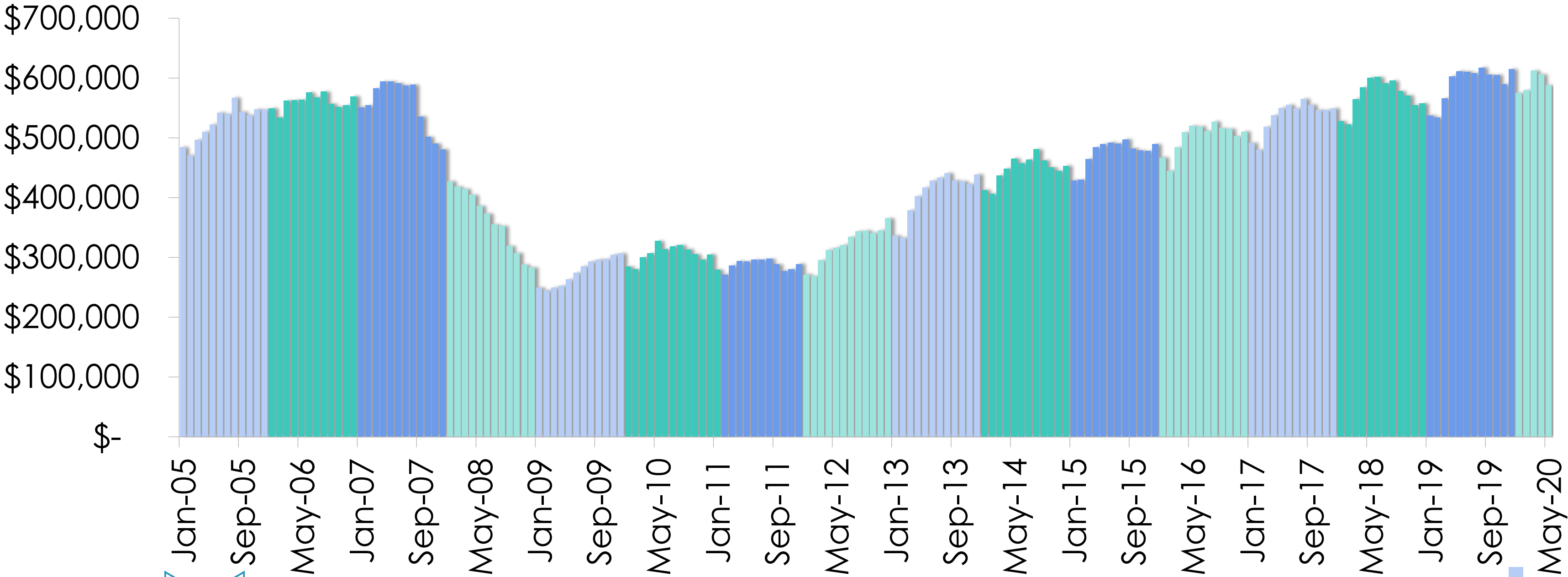
Do you think it's a good time to **sell** a home in California?



**Price**

# Median price had first decline since February 2012

California, May 2020: **\$588,070**, -3.0% MTM, -3.7% YTY



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

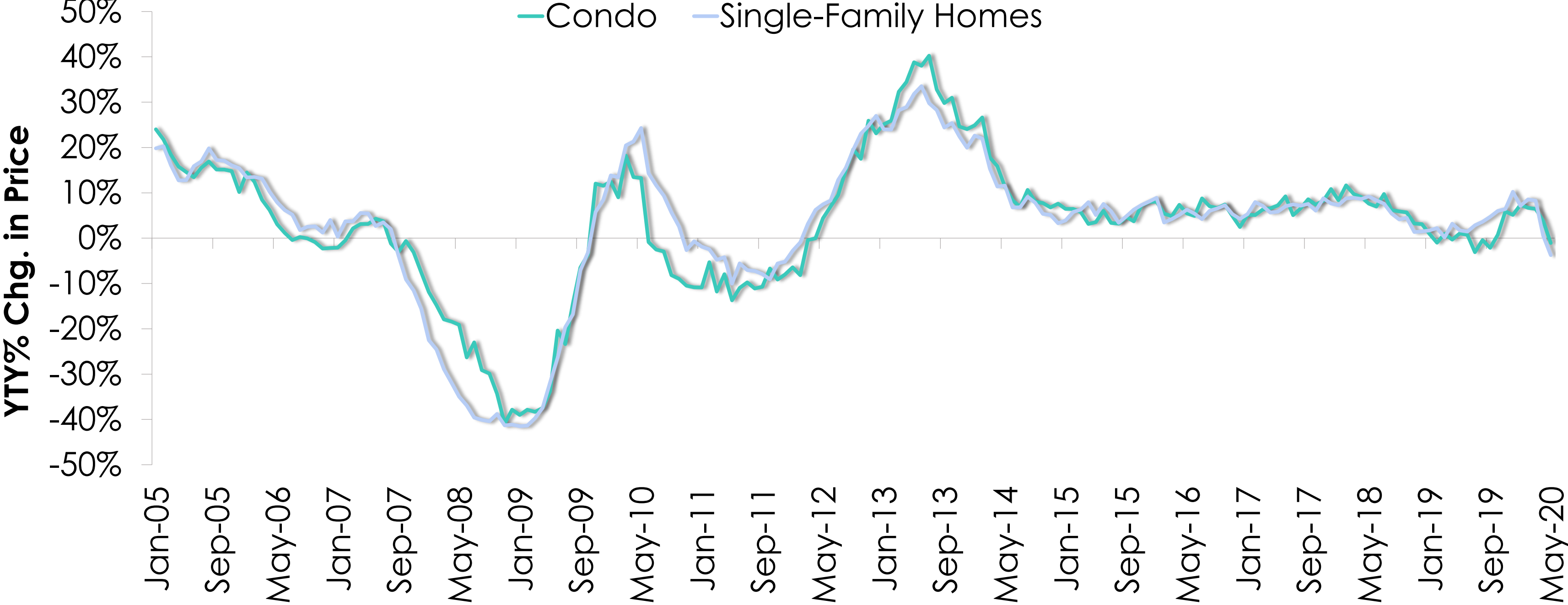
# Condo/Townhome median price slightly dipped below last year's level

California, May 2019: \$470,000, May 2020: \$464,900



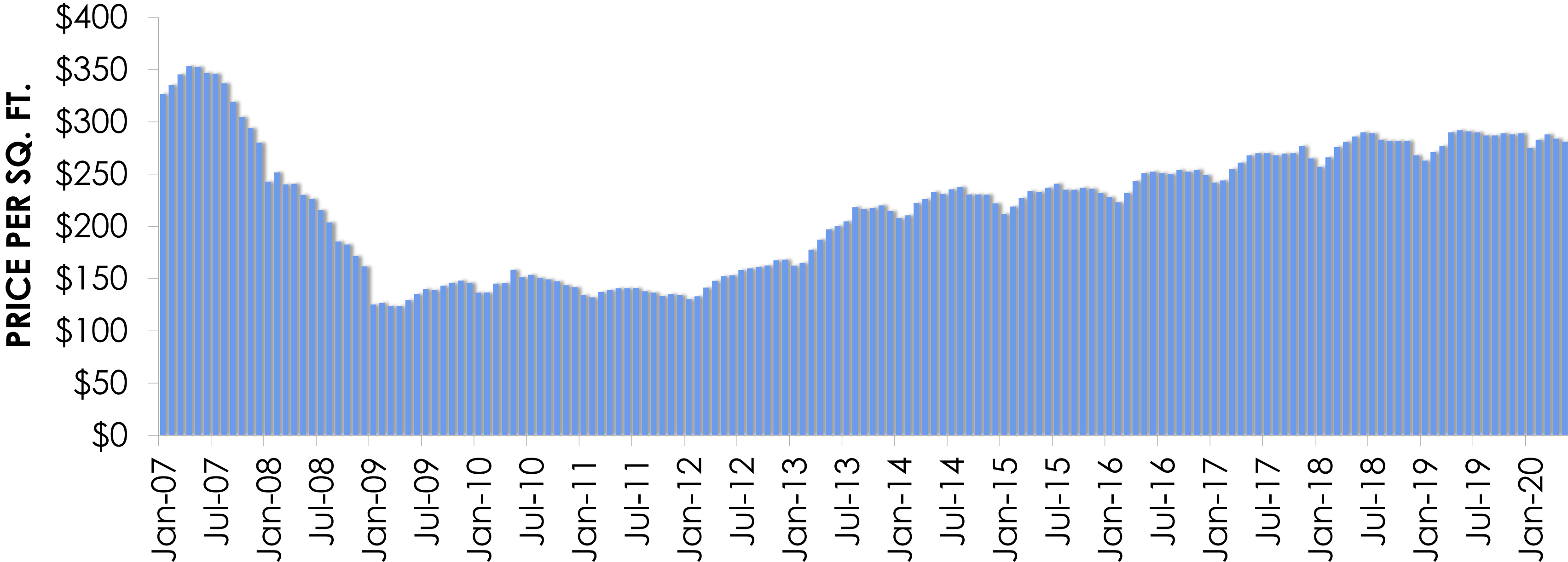
SERIES: Median Price of Existing Condos/Townhomes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

# Condo/Townhome median price growth slows, but not as much as single-family homes



# Price/Square foot had largest decline since January 2012

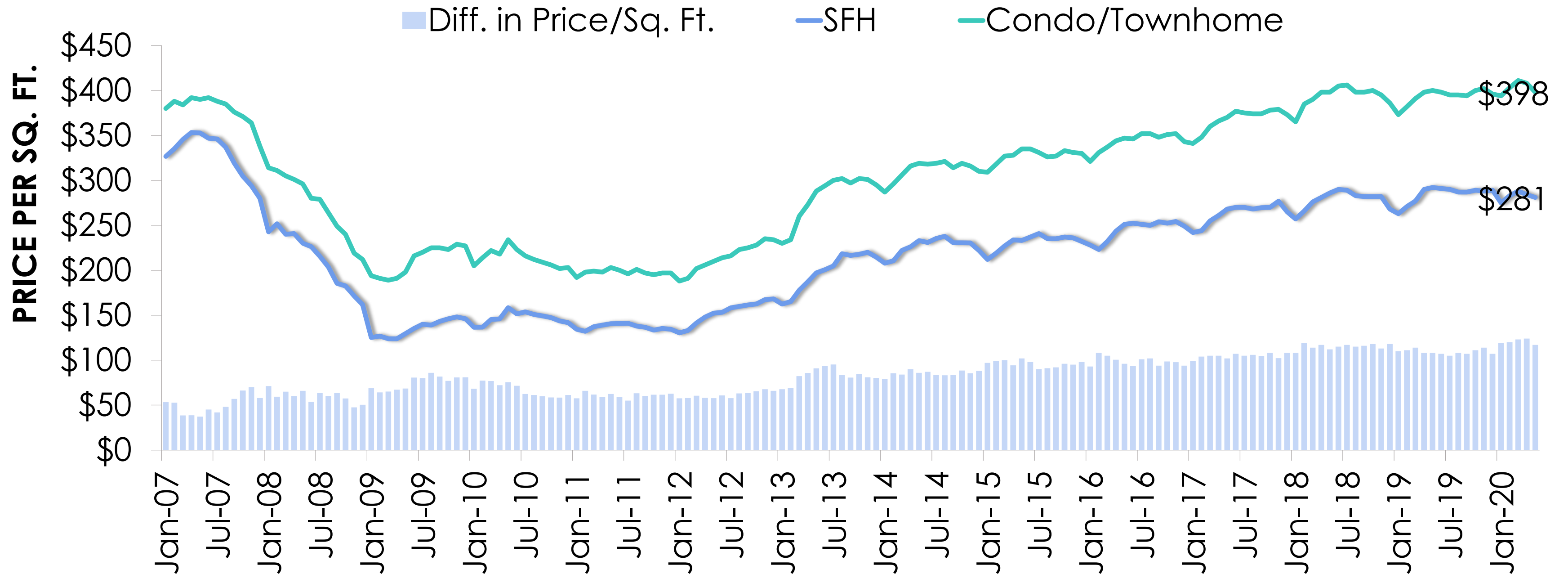
May 2020: **\$281**, -1.1% MTM, -3.8% YTY



SERIES: Median Price Per Square Feet of Existing Single Family Homes  
 SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

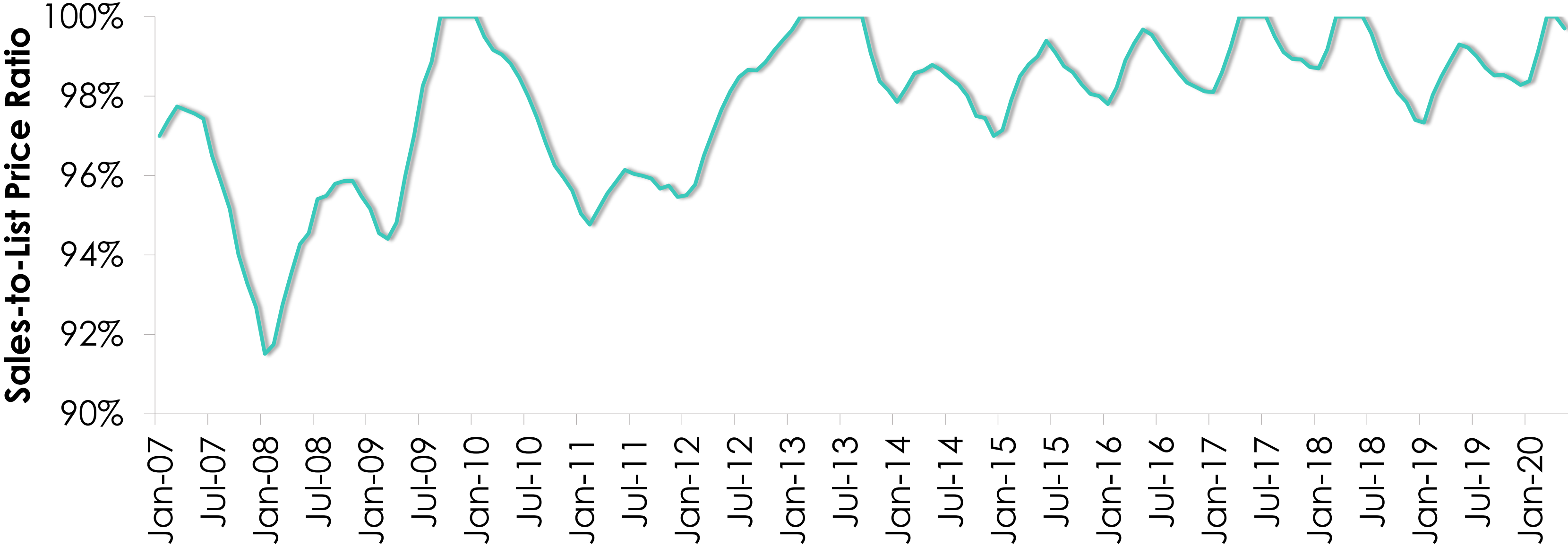


# Price/Square Foot: the gap between condo/townhomes and single-family homes narrowed



# Sales price-to-list Price ratio lays-off after two consecutive months at the highest level since mid 2018

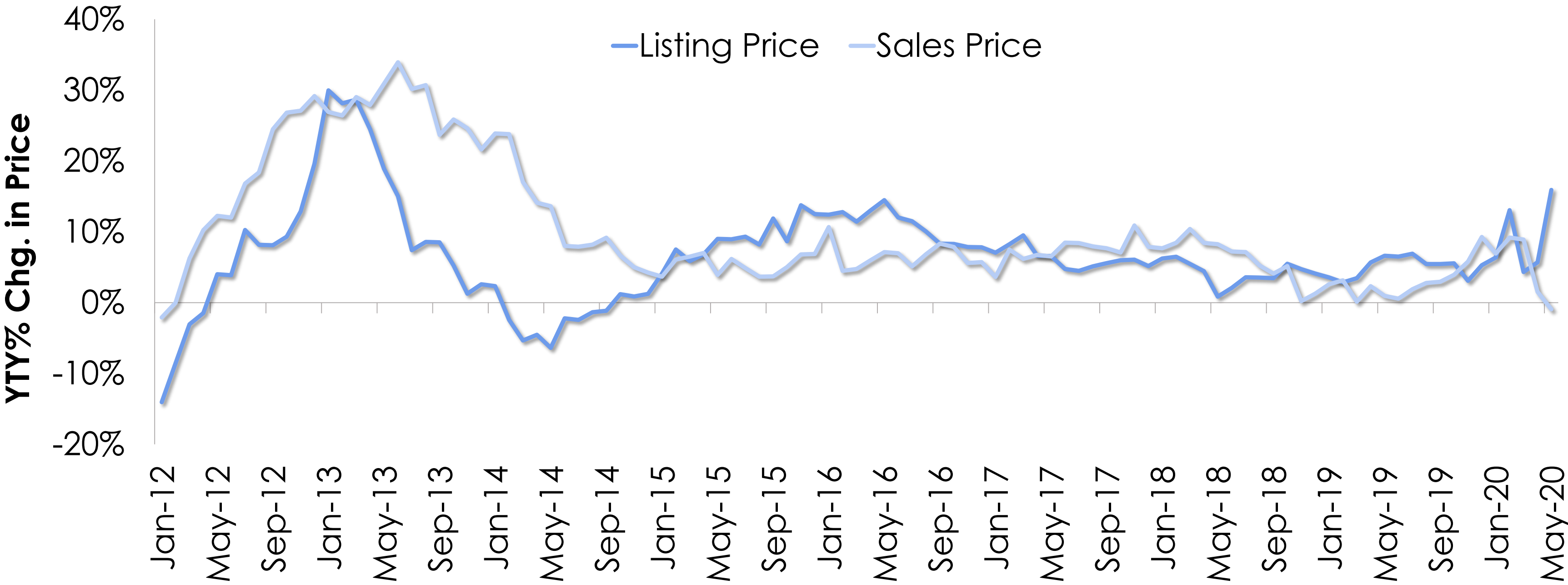
May 2020: **99.7%**, **-0.3% MTM**, **0.4% YTY**



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



# List price trend suggests short term future growth for sales price

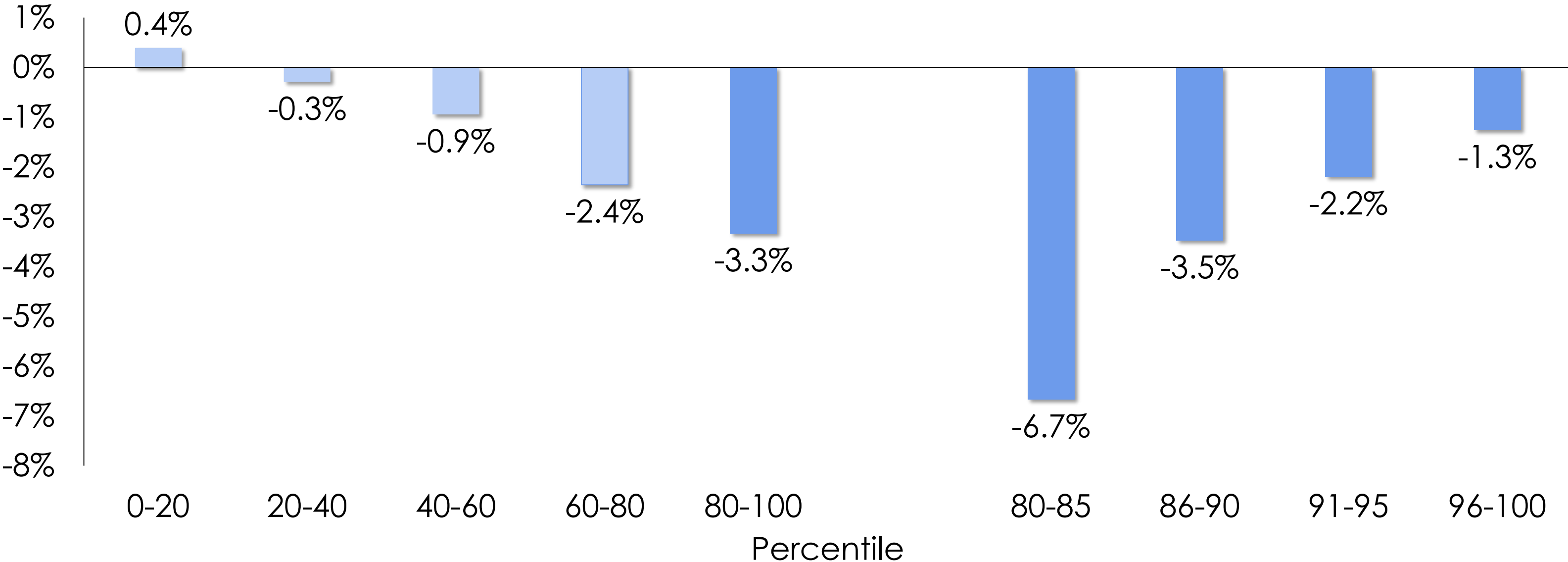


SERIES: Sales to List Ratio of Existing Single Family Homes  
 SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

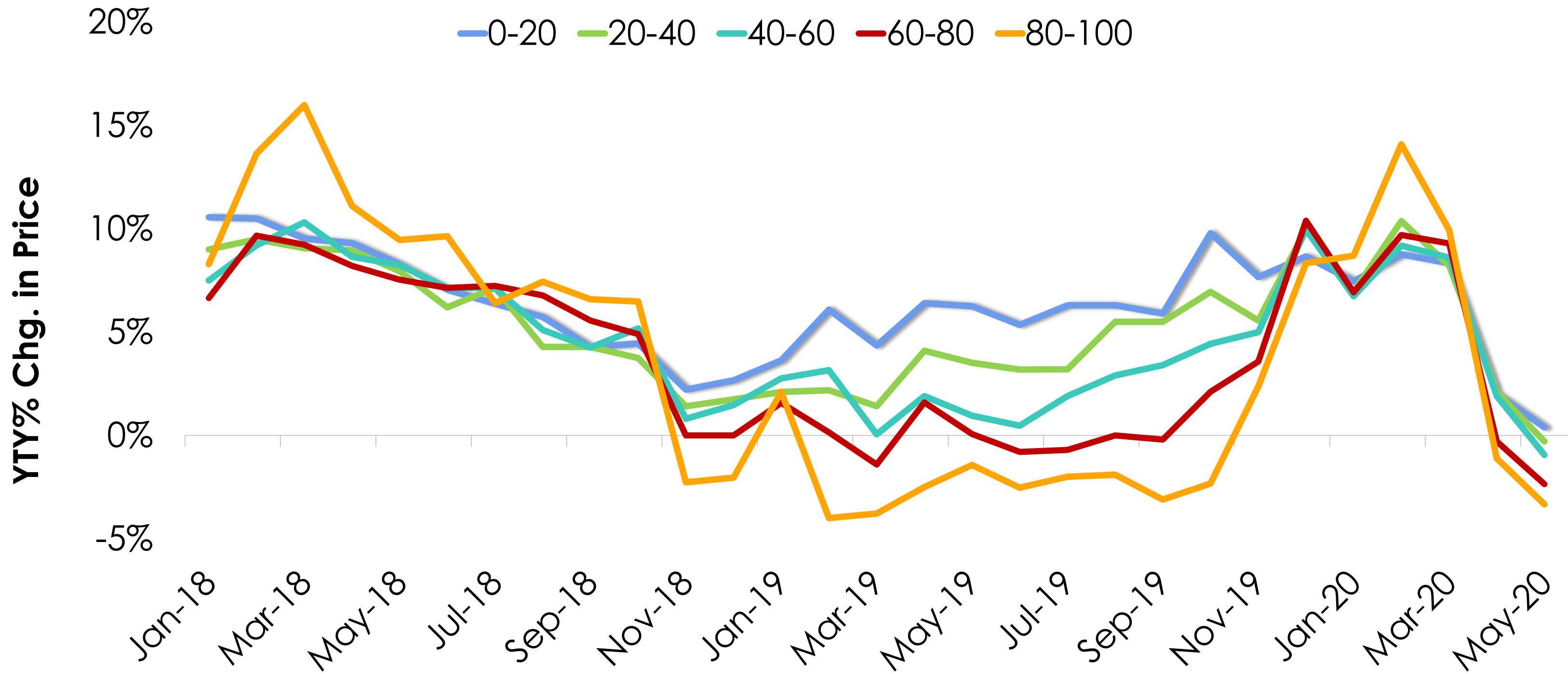


# Price growth turned negative in all percentiles except the bottom

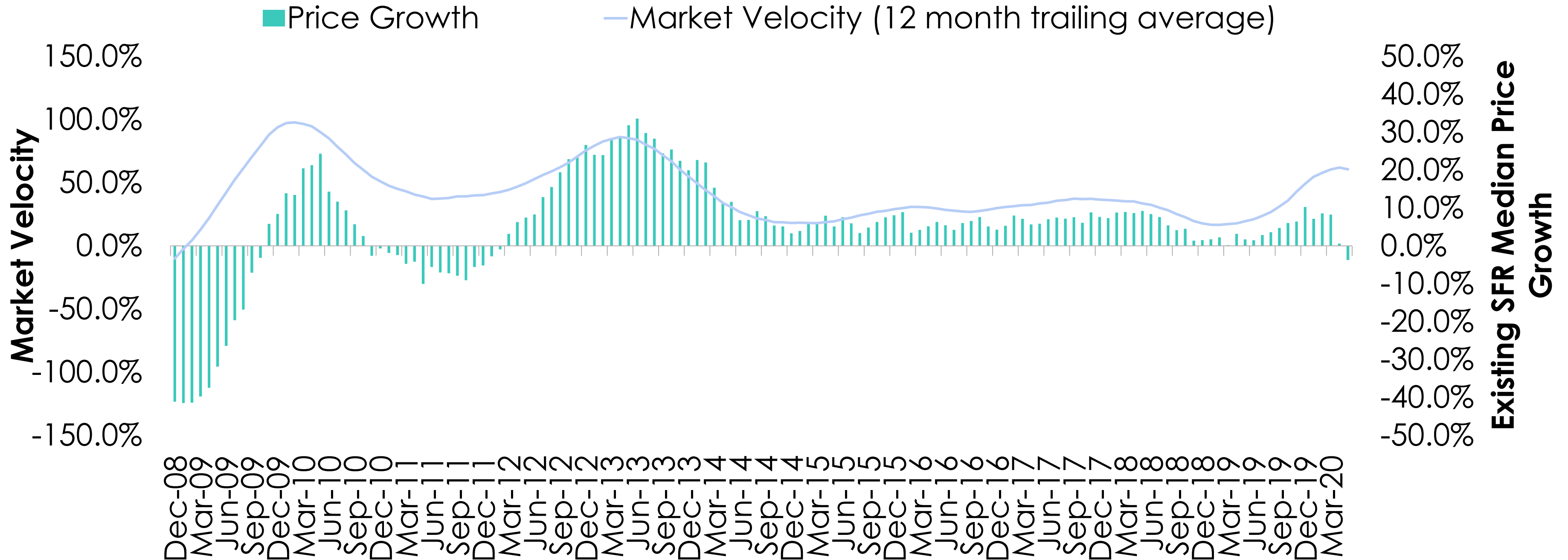
Year-over-Year Price Growth



# Home prices continued to soften across all percentiles

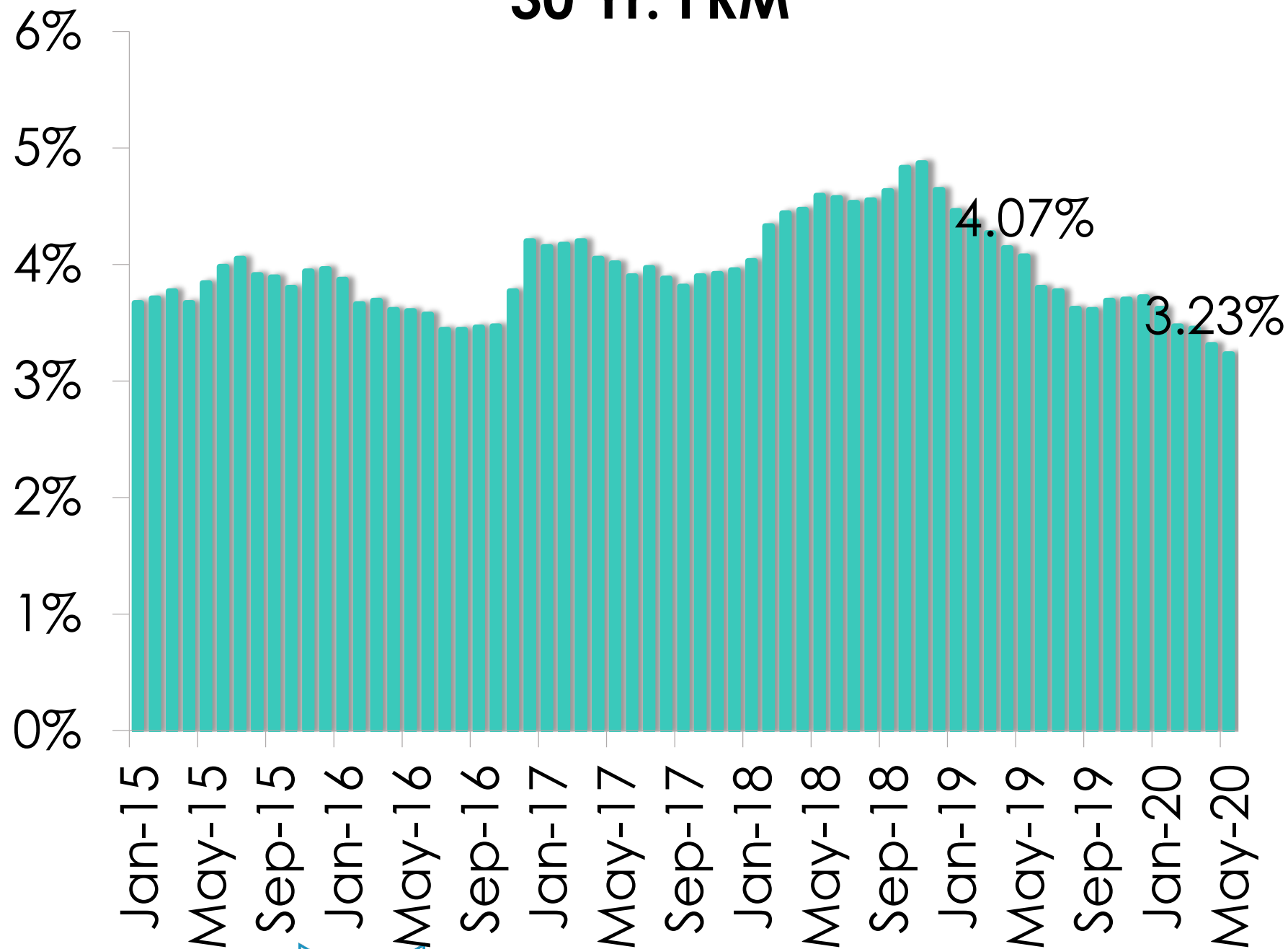


# California Market Velocity and Price Growth

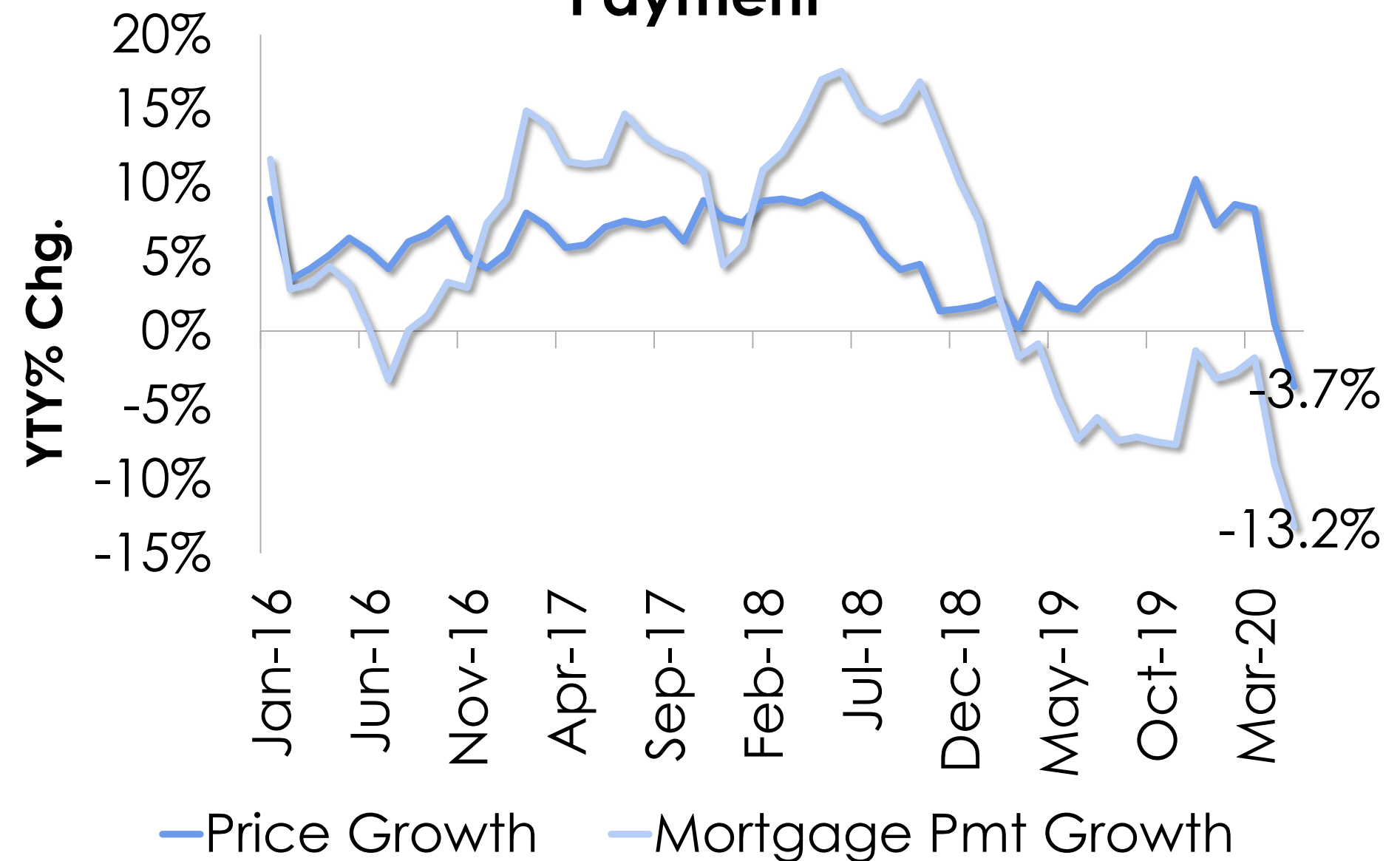


# Double-digit decline in mortgage payment as rates and prices dropped

## 30 Yr. FRM

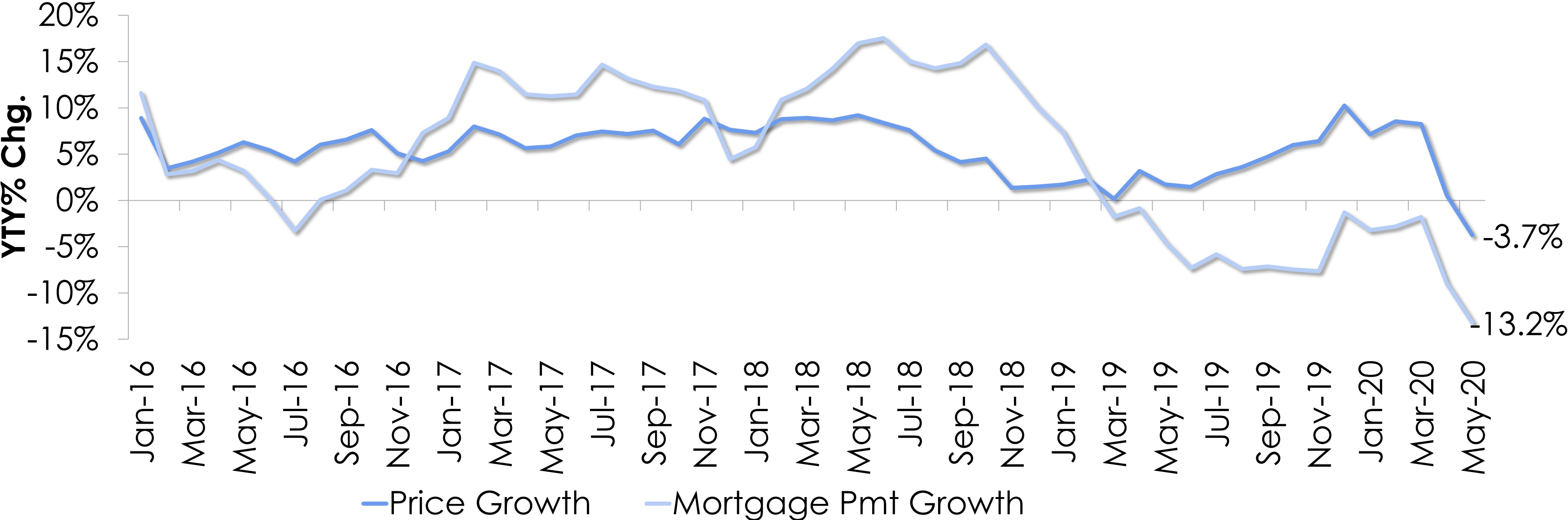


## California Median Price vs. Mortgage Payment



# Mortgage payment continued its decline

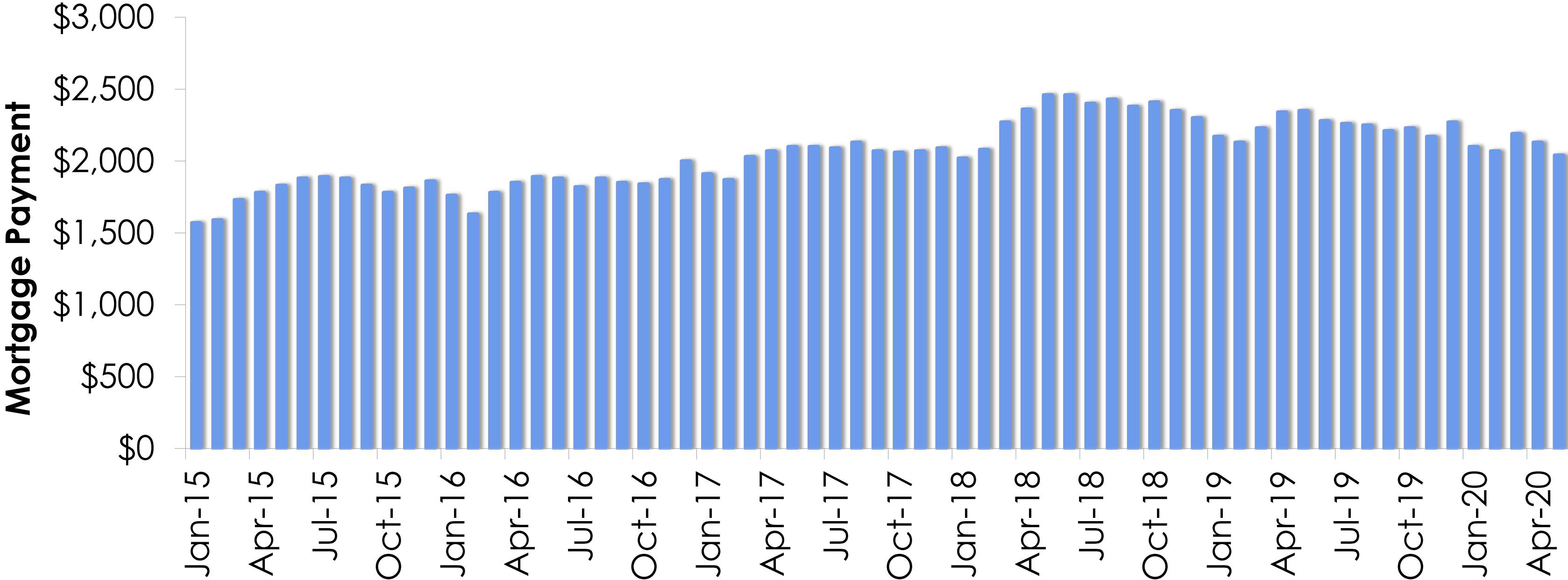
## California Median Price vs. Mortgage Payment



SERIES: Price Growth vs. Mortgage Payment Growth  
 SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

# Mortgage payment dipped from previous month and a year ago

California, May 2019: \$2,350, May 2020: \$2,040



SERIES: Mortgage Payment of Existing SFH  
 SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

# Monthly mortgage: more affordable

Region	May 2020	May 2019	% CHG
CA SFH	\$2,040	\$2,350	-13.2%
Los Angeles Metropolitan Area	\$1,860	\$2,060	-9.7%
Central Coast	\$2,360	\$2,660	-11.3%
Central Valley	\$1,220	\$1,310	-6.9%
Inland Empire	\$1,370	\$1,480	-7.4%
S.F. Bay Area	\$3,350	\$3,810	-12.1%

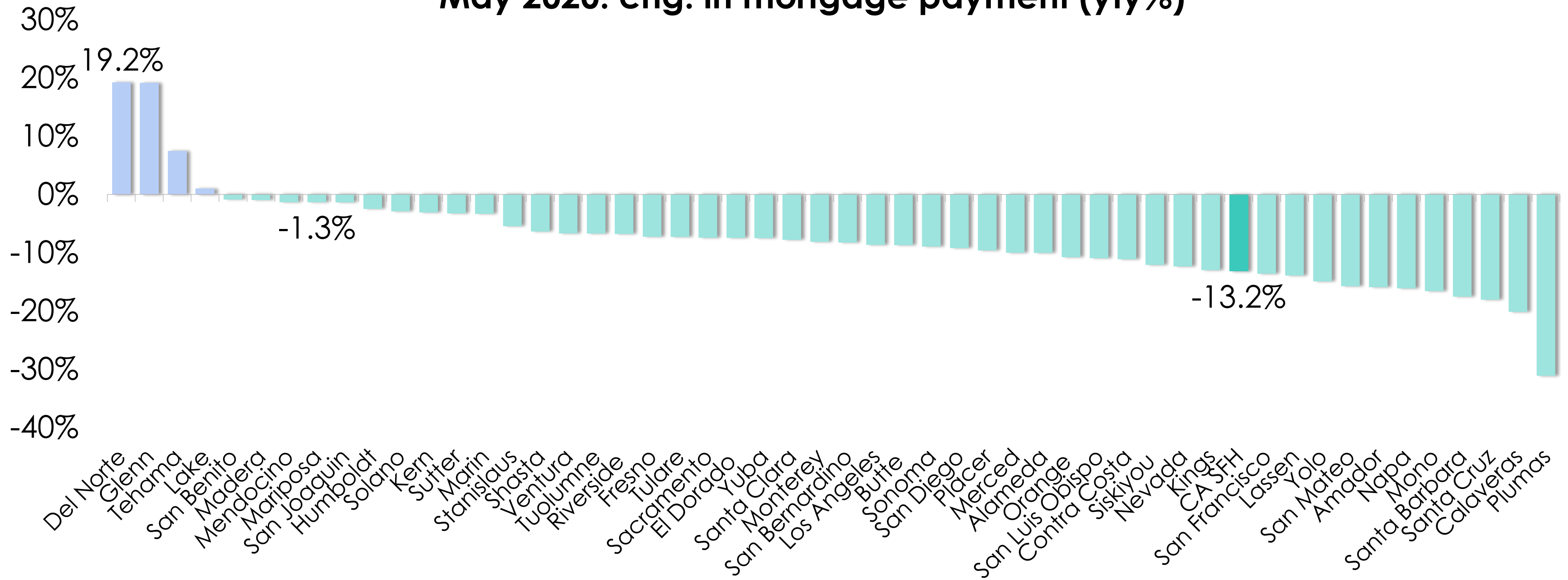


SERIES: Monthly mortgage payment  
 SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®



# Monthly mortgage payment annual growth declined in most counties

May 2020: chg. in mortgage payment (yty%)

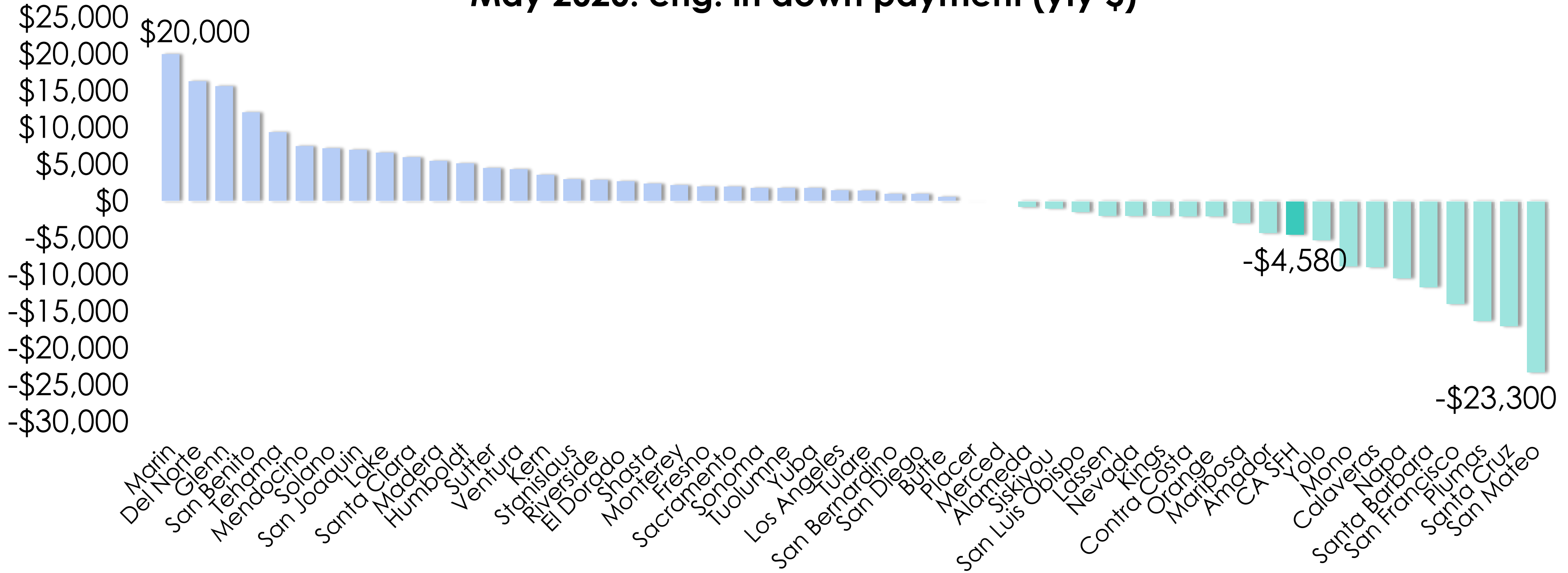


# Down payment: almost no change

Region	May 2020	May 2019	% CHG
CA SFH	\$117,610	\$122,190	-3.7%
Los Angeles Metropolitan Area	\$107,000	\$107,000	0.0%
Central Coast	\$135,700	\$138,000	-1.7%
Central Valley	\$70,000	\$68,000	2.9%
Inland Empire	\$79,150	\$76,800	3.1%
S.F. Bay Area	\$193,000	\$198,000	-2.5%

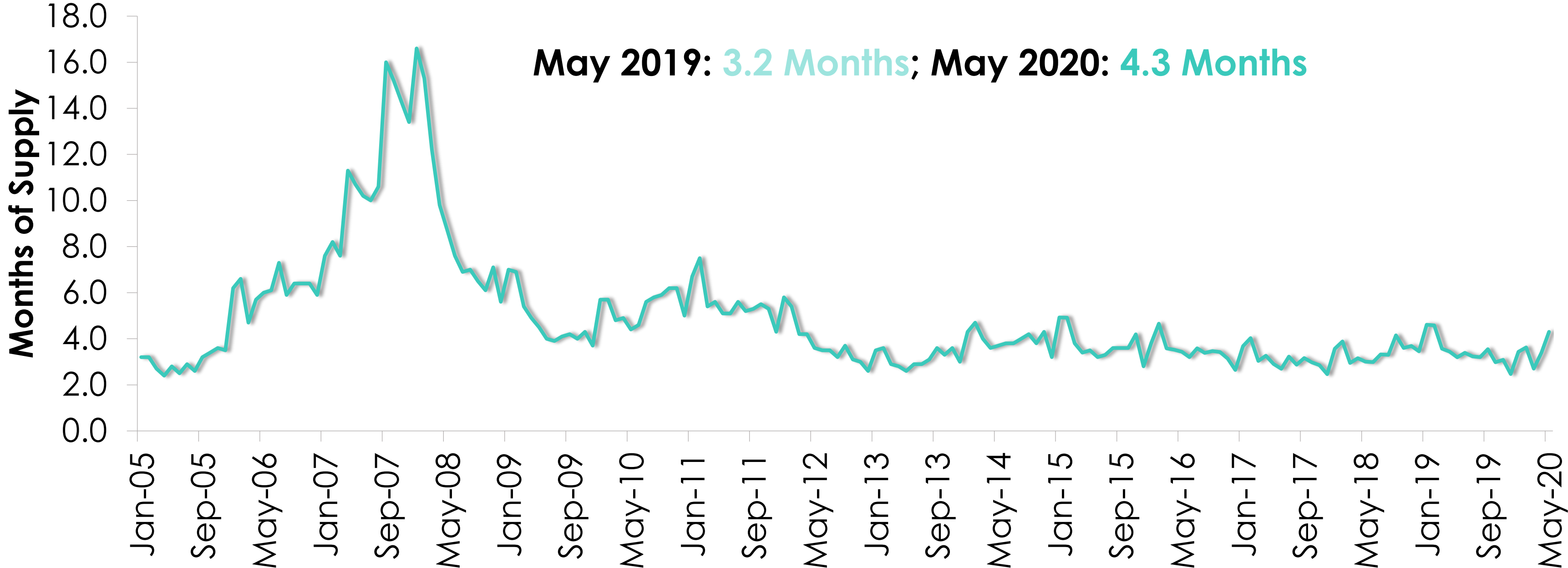
# Little over half of counties require higher down payments

May 2020: chg. in down payment (yty \$)



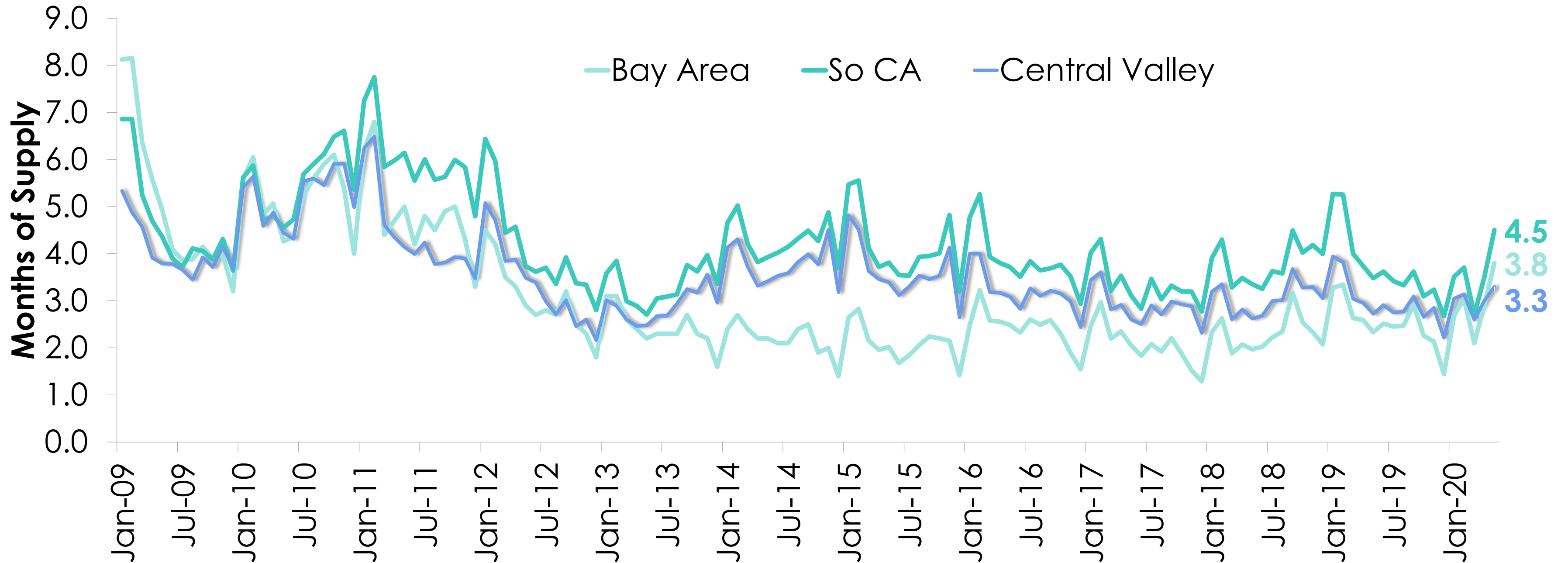
# Inventory & Active Listings

# Unsold Inventory Index inched up as sales continued to drop while new listings started rising



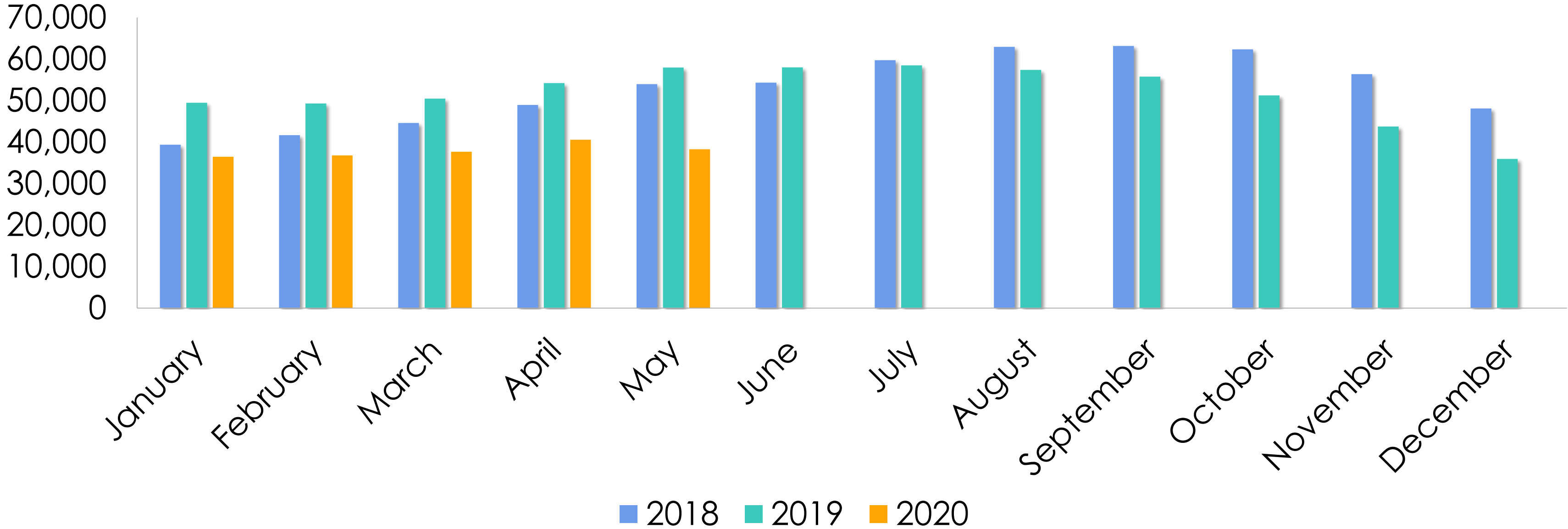
SERIES: Unsold Inventory Index of Existing Single Family Homes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

# Unsold Inventory increases in all Regions



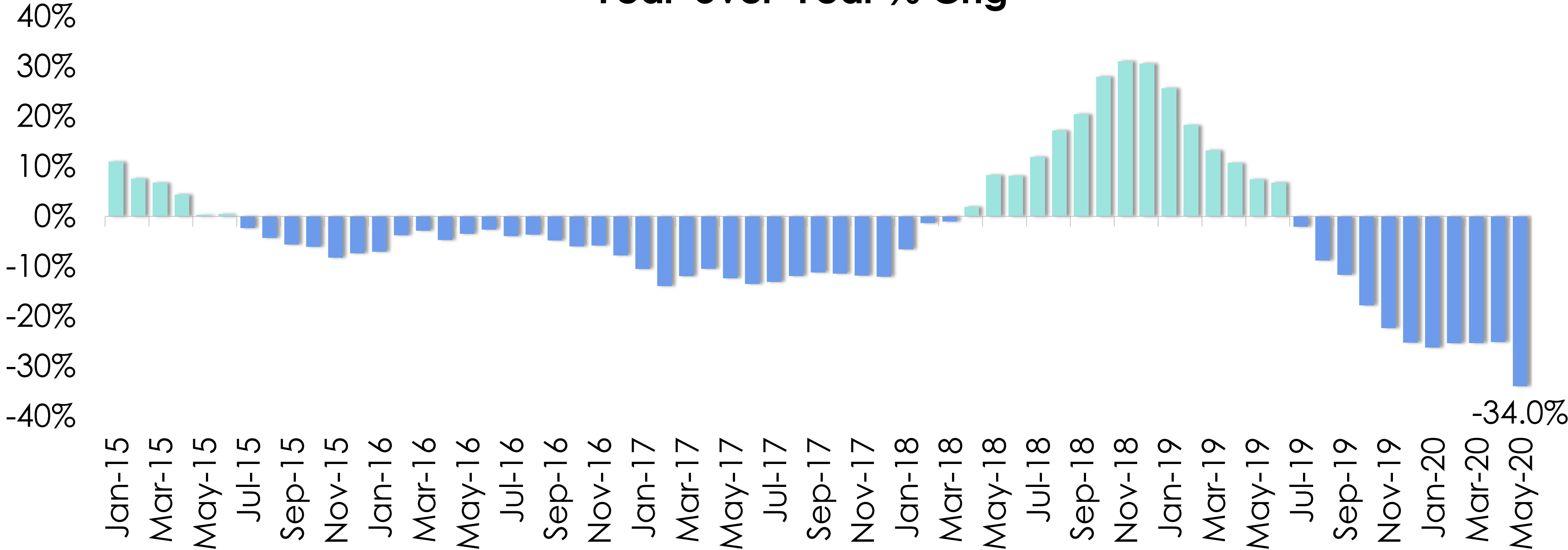
# Active listings tightened up in May

## California Active Listings by Month



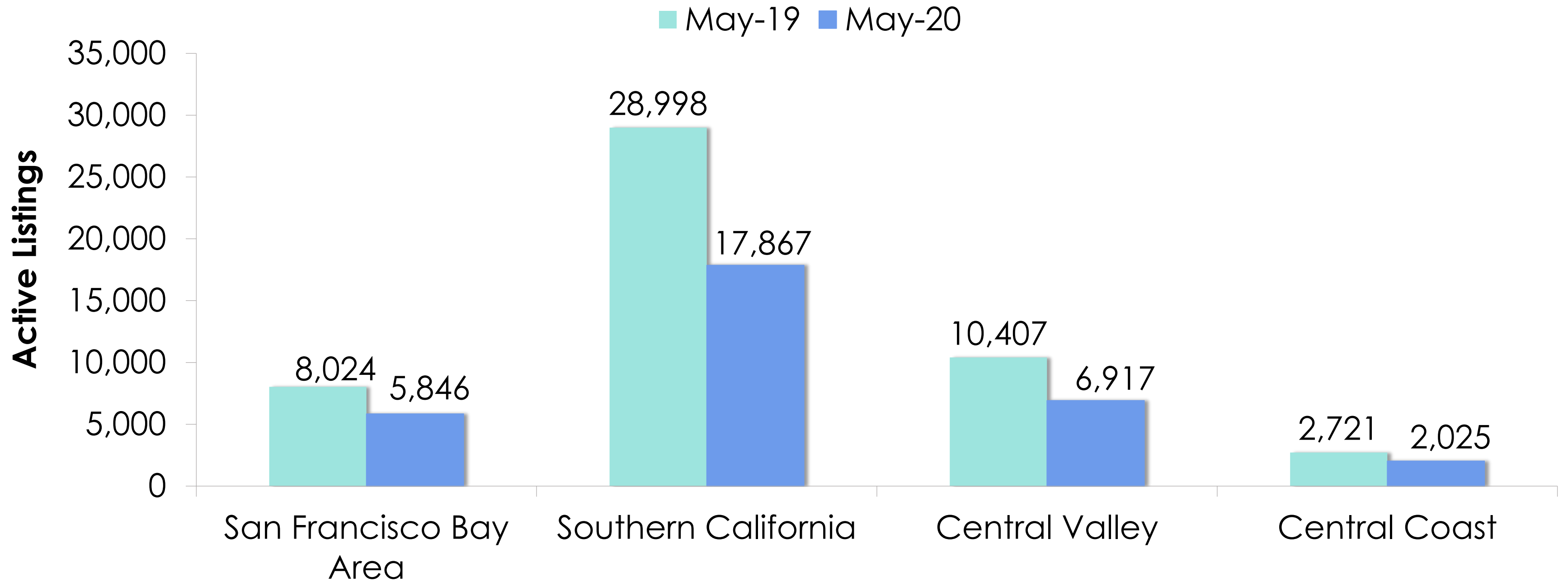
# Active listings dipped more than 30% as pent up demand ramped up

Year-over-Year % Chg





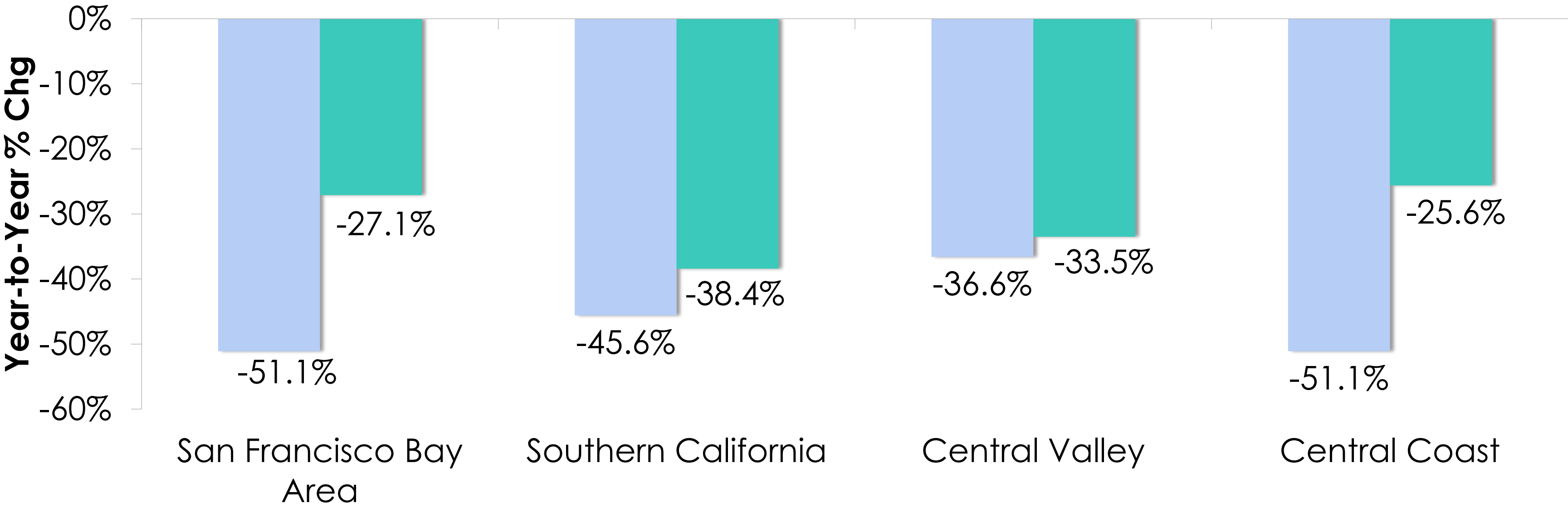
# Housing supply tightened up in all regions



# Sales dipped more significantly than supply

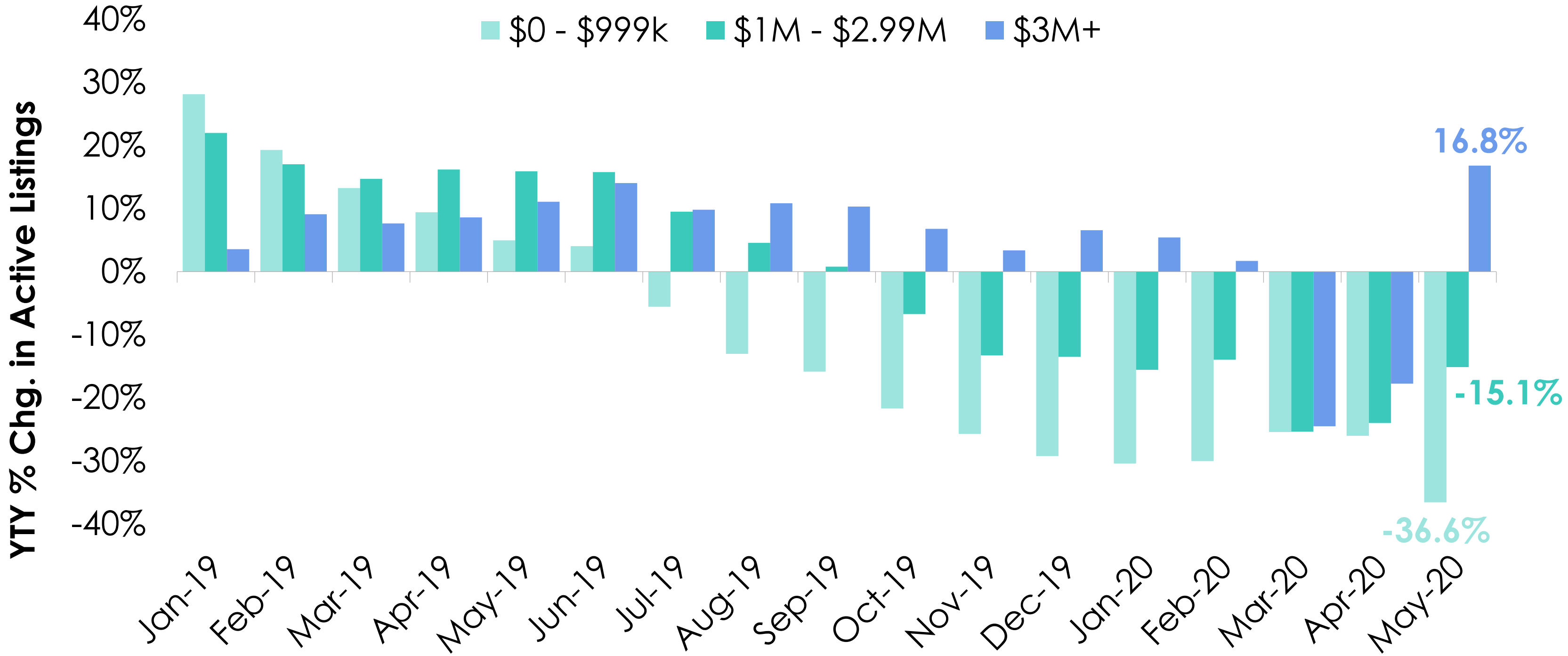
May 2020

■ Sales ■ Active Listings



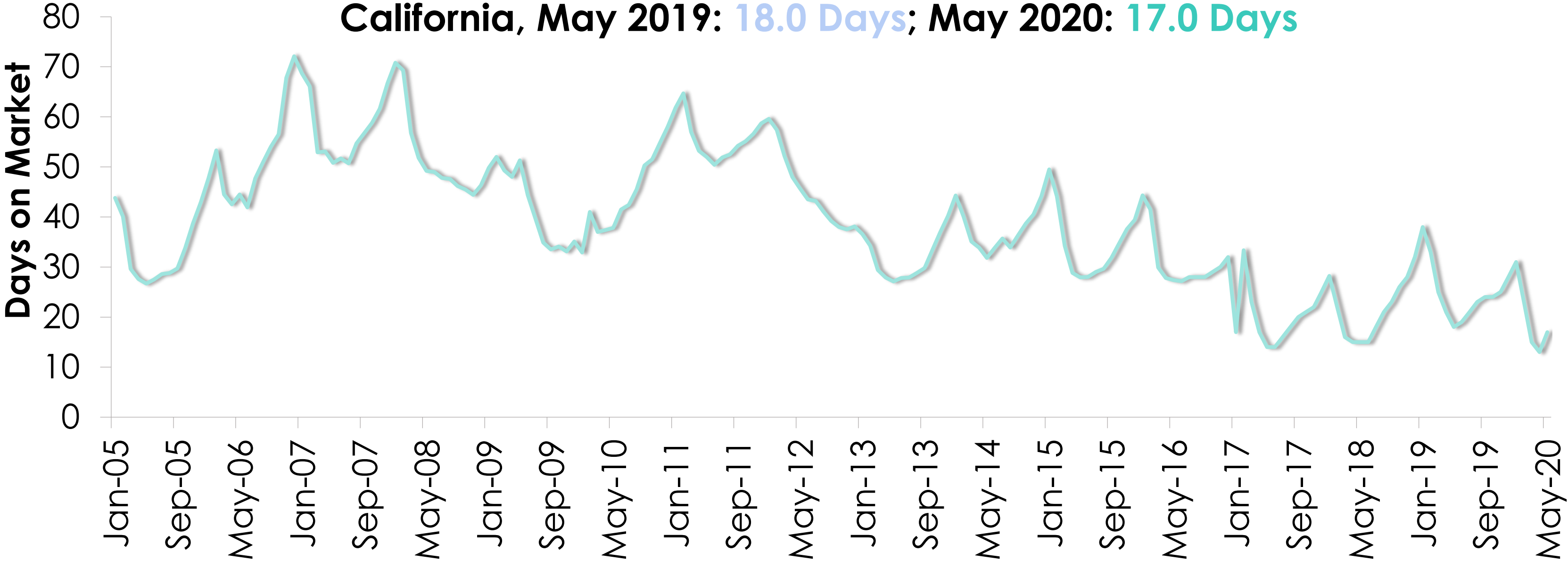
SERIES: Sales and Listings of Existing Single Family Homes  
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

# Active listings in the \$3M+ surged



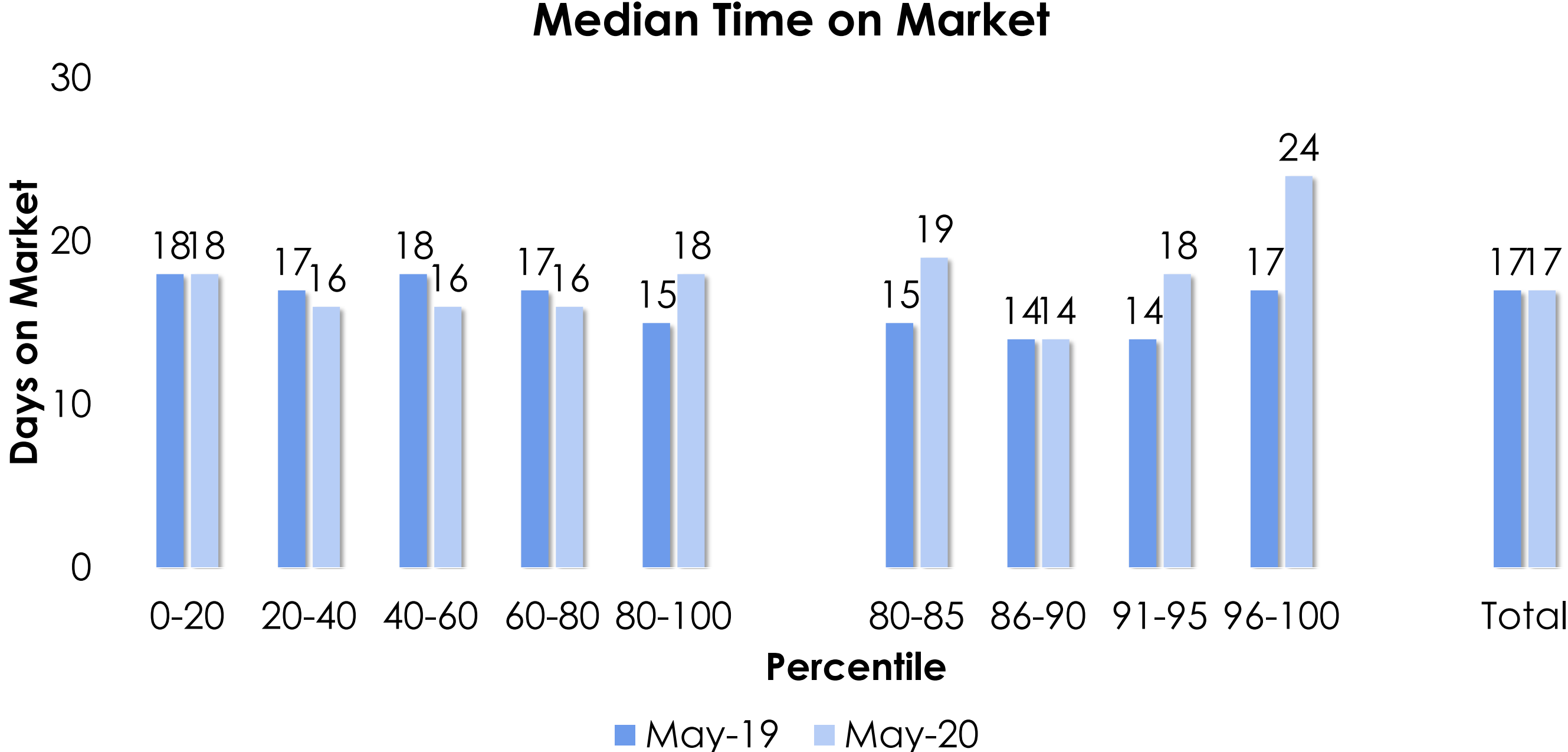
# Market Competitiveness

# Time on market bounced back after 4 months of continuous decline



SERIES: Median Time of Market of Existing Single Family Homes  
 SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

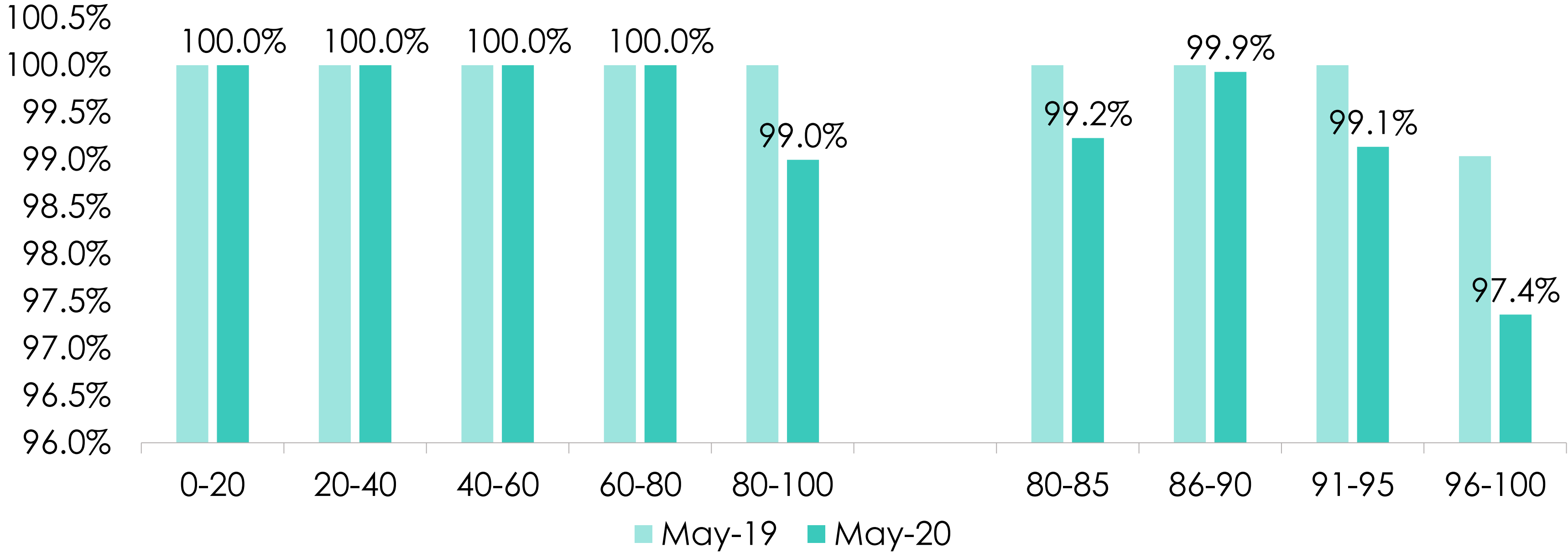
# Median time on market up at top percentile



SERIES: Median Time on Market of Existing Single Family Homes  
 SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

# Sales-to-list price ratio unchanged except at top percentiles

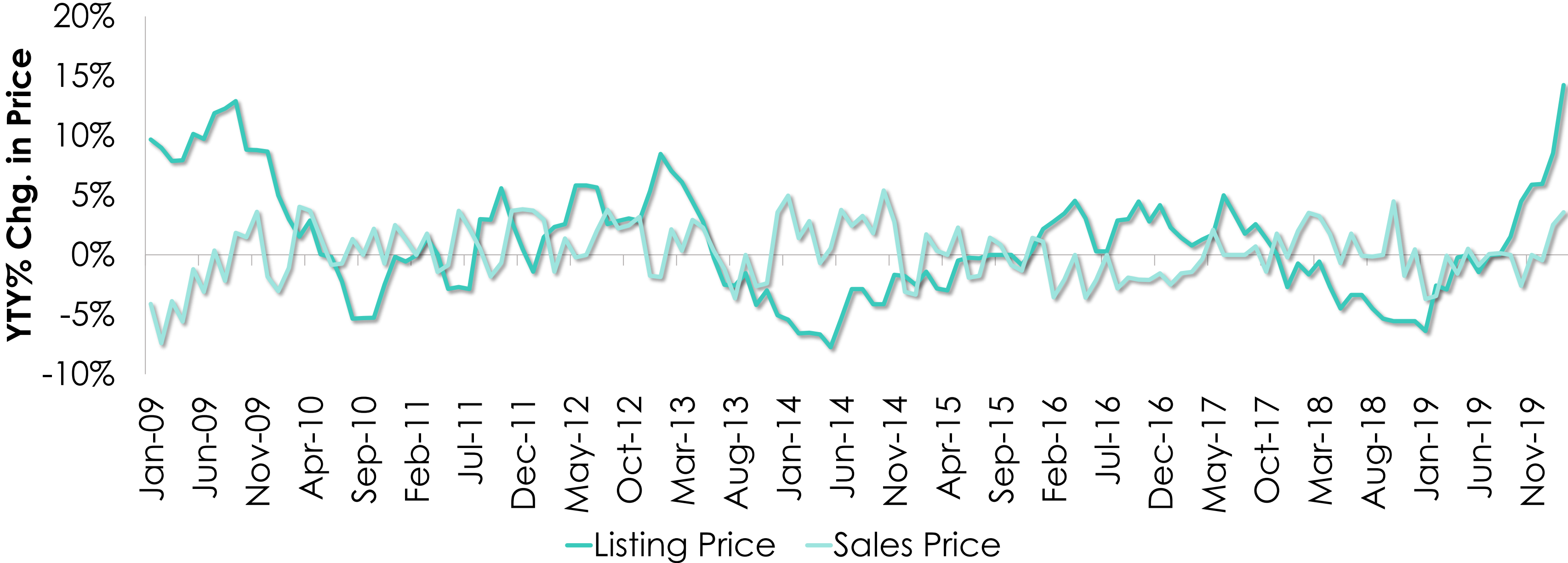
California Sales-to-List Price Ratio by Quintile



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

# Median sales vs. list price growth \$1M+ properties

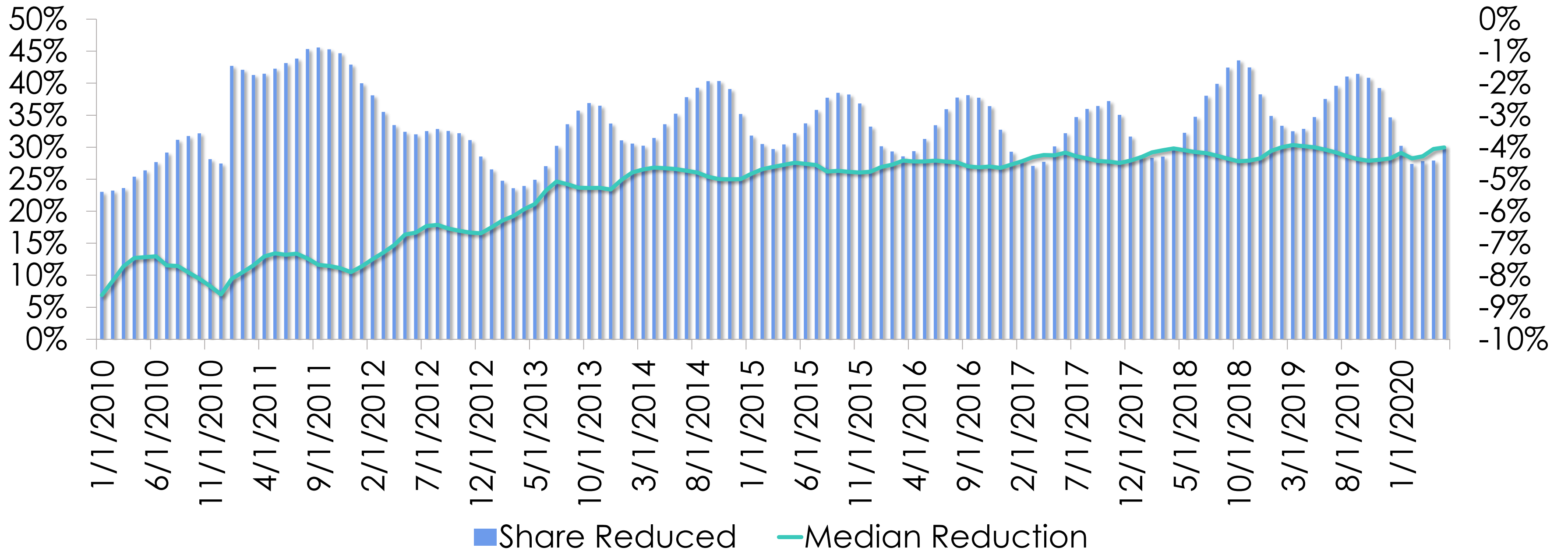
## California Median Sales vs. List Price Growth





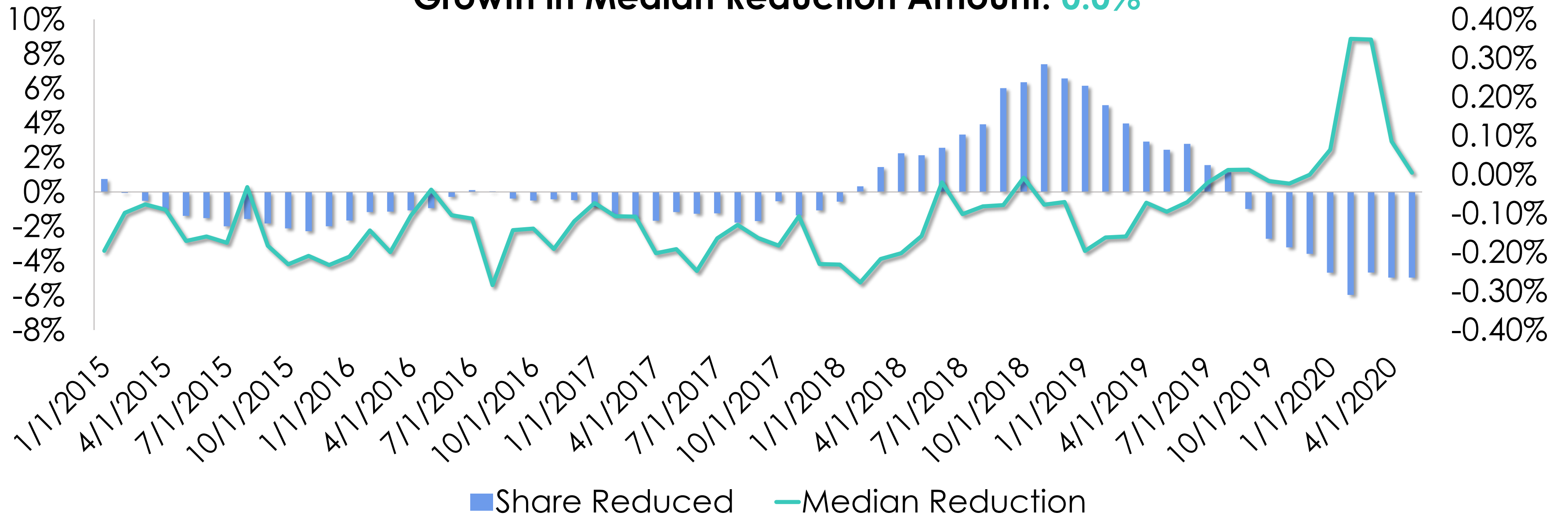
# Reduced-Price Listings

Share of Listings with a Reduced Price: **29.7%**; Median Reduction Amount: **-4.0%**



# Growth in Reduced-Price Listings

**Growth in Share of Listings with a Reduced Price: -5.0%**  
**Growth in Median Reduction Amount: 0.0%**



**Thank You**