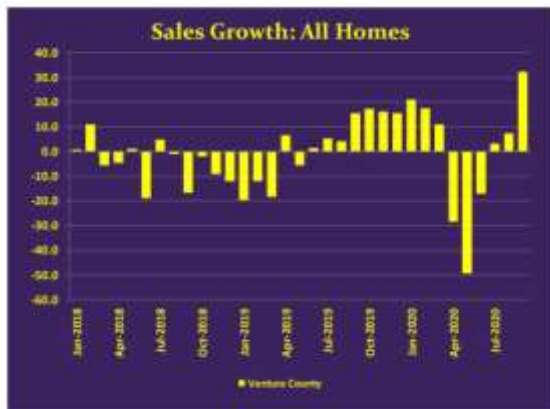


Dan Hamilton
 November 4, 2020

Ventura County Housing Market

Ventura County housing market indicators have followed a pattern somewhat like other economic indicators in that they moved down suddenly and sharply in April and May. Sales fell 28.4 percent in April and 49.3 percent in May, both compared with the same month in 2019. June, July, and August saw relatively modest sales improvements to the March and April numbers. Then came September. Sales jumped more than 32 percent, reaching a volume the County has not seen since June of 2017. Given these data exhibit seasonality, we should only review past September performances, and the September 2020 sales are the highest they have been since 2006, during the Great Housing Boom 14 years ago.



Current Year Housing Trends			
Ventura County - All Homes, NSA			
	Median Home Price	(Date)	Percent Change
Pre Great Recession Peak	\$637,497	(Jul. 2006)	
Great Recession Trough	\$324,726	(Feb. 2009)	-49.1
Pre Covid Peak	\$589,110	(Jan. 2020)	
Covid Trough	\$575,953	(May 2020)	-2.2
Current	\$663,739	(Sep. 2020)	

Source: DataQuick (CoreLogic)

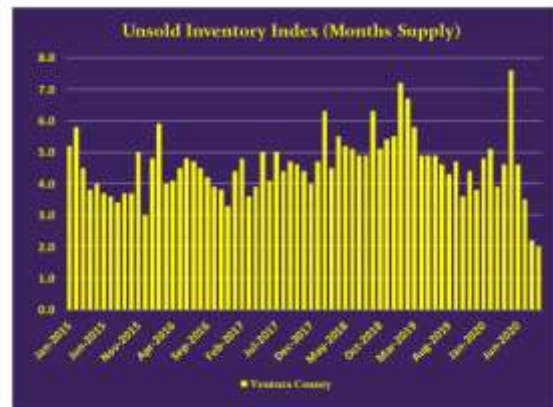
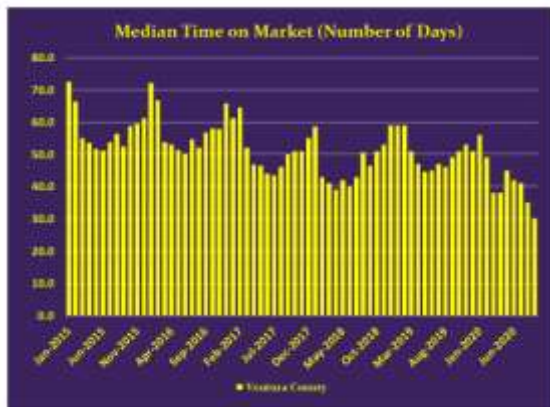
Median home prices for all homes, provided by DataQuick, rose a bit in each of March and April, declined a little bit in May, and then rose every month until September. The September median home price value of \$664 thousand is an all-time high for the period we have this dataset, which starts in 1990. The Realtor price data, which is single-family detached homes only, responded more like the economic data, falling in April to a trough of \$675 thousand, before rebounding sharply to \$787.5 thousand in September.

Current Year Housing Trends			
<u>Ventura County Single-Family Detached, NSA</u>			
	<u>Median Home Price</u>	<u>(Date)</u>	<u>Percent Change</u>
Pre Great Recession Peak	\$710,910	(Aug. 2006)	
Great Recession Trough	\$359,630	(Feb. 2009)	-49.4
Pre Covid Peak	\$705,000	(Mar. 2020)	
Covid Trough	\$675,000	(Apr. 2020)	-4.3
Current	\$787,500	(Sep. 2020)	

Source: California Association of Realtors

The market for Ventura County homes has become very tight in just a few months' time.

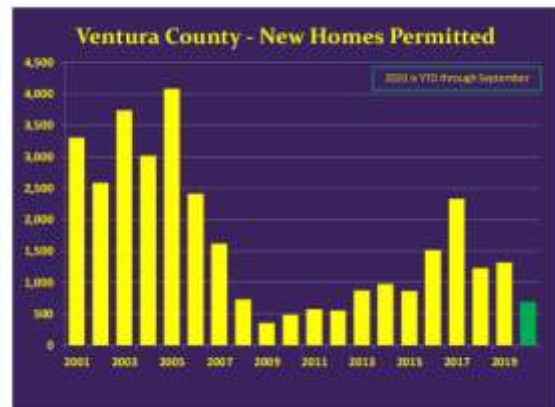
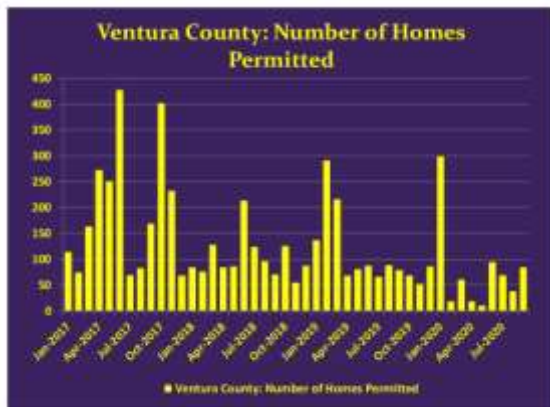
The median time on market has dropped for four months in a row, and has reached a recent low of 30 days. The unsold inventory index, after spiking in May, has dropped for four months also, and is at a recent low of 2 months of available inventory.



There does appear to be support for the urban flight hypothesis presumed to have been brought on by the pandemic and riots. Ventura County’s location just up the road from Los Angeles is easy striking distance for Angelenos who might not want to go too far, perhaps to stay connected to a job, industry, friends or family.

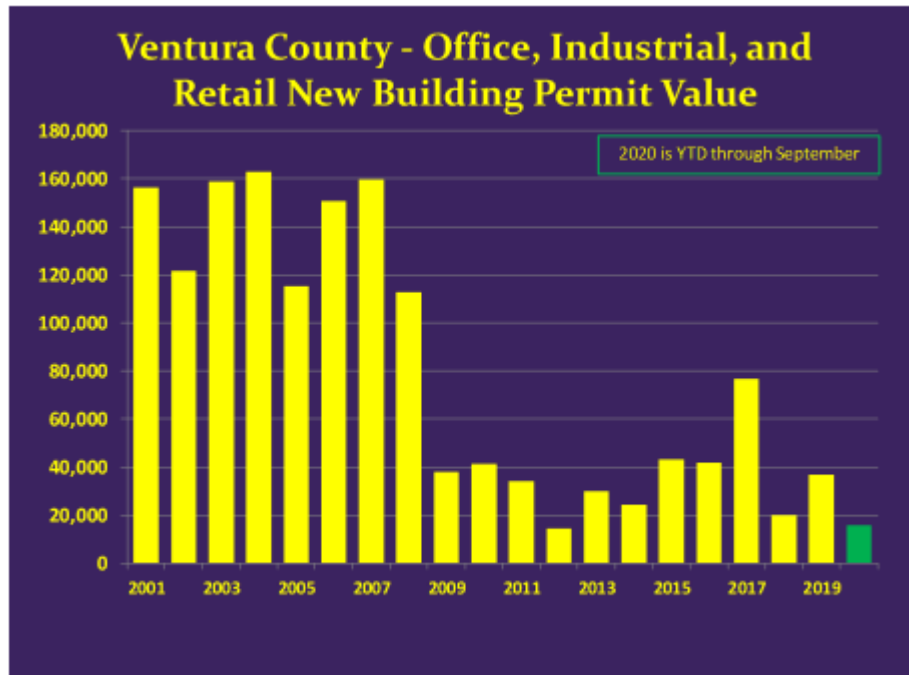
While it is good for the industry for sales to rebound to levels not seen in 14 years, still, the economic benefits of sales are dwarfed by the benefits of new housing production. New homes have a huge multiplier effect on the economy, accelerating activity in many other industries, including construction, materials, home furnishings, and many more. New homes also release existing homes to the market. Those vacancies provide a ladder for lower or middle-income households to find a home that matches their needs and their pocketbook.

Home building activity fell to very low levels in April and May, then recovered a bit in June through September to levels just above those months in 2019. However, these home-building



rates are paltry. With 9 months of activity on the books for 2020, we can see that building rates since 2018 have been very low, and the trend from both charts appears to be downward.

Office, industrial, and retail permit values for new buildings have also been low for many years, with 2017 being an arguable exception. The outlook for certain types of non-residential real estate, especially hospitality and retail, is very poor at this time. The outlook for professional office is not very good either. We may be witnessing a generational fall in demand for many types of non-residential real estate activity.



Despite the historically low non-residential permit rate in 2020, it is likely to be slower still in 2021.

Having said these things, CERF is encouraged by recent changes in attitude toward development in certain key cities around the County. Further, it could be the case that city managers and county policy makers are sitting on the edge of a golden opportunity. With urban flight apparently coming our way, the demand for economic development and the demand for residential and industrial real estate development could be a way to jump-start economic activity. If we do not take advantage of this situation, slow growth and high home prices will continue.

Major City Detail

In order to see what patterns of sales and prices have recently prevailed in the County's major cities, CERF purchased transactions and price data from DataQuick/CoreLogic for Camarillo, Moorpark, Oxnard, Simi Valley, Thousand Oaks, and Ventura. From this data we see that prices thus far in 2020 have been rising at rates from 2.3 to 6.2 percent across these cities. The lack of housing affordability in some of these cities is severe and a serious problem for households

even in those cities that are a bit less expensive. The lowest single-family home prices are still over half a million dollars.

Current Year Housing Trends			
<u>Ventura County and its Larger Communities</u>			
	<u>Jan-Sep 2019</u>	<u>Jan-Sep 2020</u>	<u>Change</u>
Ventura County			
Existing unit sales	7,239	7,037	-2.8
Existing median price	\$582,056	\$607,861	4.4
New unit sales	312	289	-7.4
New median price	\$635,056	\$601,972	-5.2
All Homes - unit sales	7,551	7,326	-3.0
All Homes - median price	\$584,040	\$607,794	4.1
Camarillo			
New home - median price	\$550,972	\$581,714	5.6
Existing (attached) - median price	\$458,944	\$469,111	2.2
Existing (detached) - median price	\$677,833	\$693,583	2.3
Oxnard			
New home - median price	\$643,625	\$768,139	19.3
Existing (attached) - median price	\$425,028	\$458,694	7.9
Existing (detached) - median price	\$525,083	\$547,528	4.3
San Buenaventura			
New home - median price	\$682,469	\$1,357,500	98.9
Existing (attached) - median price	\$411,278	\$405,389	-1.4
Existing (detached) - median price	\$614,222	\$652,472	6.2
Moorpark			
New home - median price	n/a	\$570,000	n/a
Existing (attached) - median price	\$424,222	\$441,278	4.0
Existing (detached) - median price	\$697,417	\$731,000	4.8
Simi Valley			
New home - median price	\$734,167	\$697,753	-5.0
Existing (attached) - median price	\$419,333	\$423,450	1.0
Existing (detached) - median price	\$599,361	\$624,914	4.3
Thousand Oaks			
New home - median price	\$1,040,000	\$4,583,100	340.7
Existing (attached) - median price	\$483,556	\$506,611	4.8
Existing (detached) - median price	\$795,750	\$831,444	4.5

Source: DataQuick (CoreLogic)