

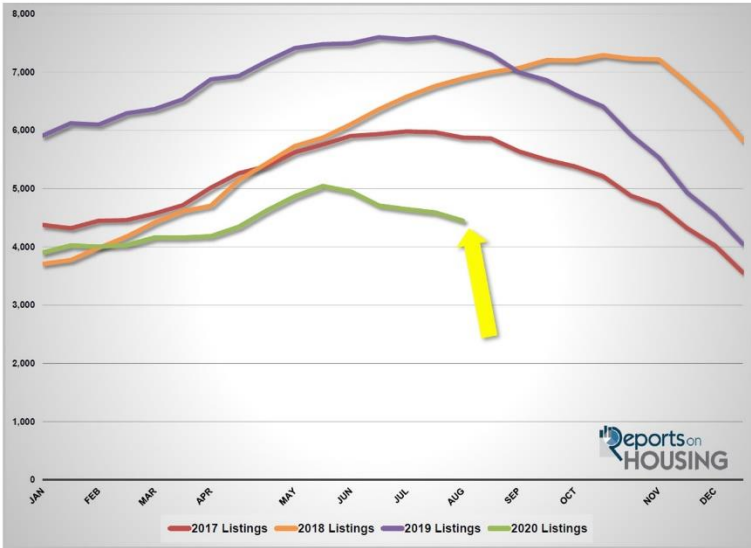


Orange County Housing Report: A Wave of Foreclosures?

August 10, 2020

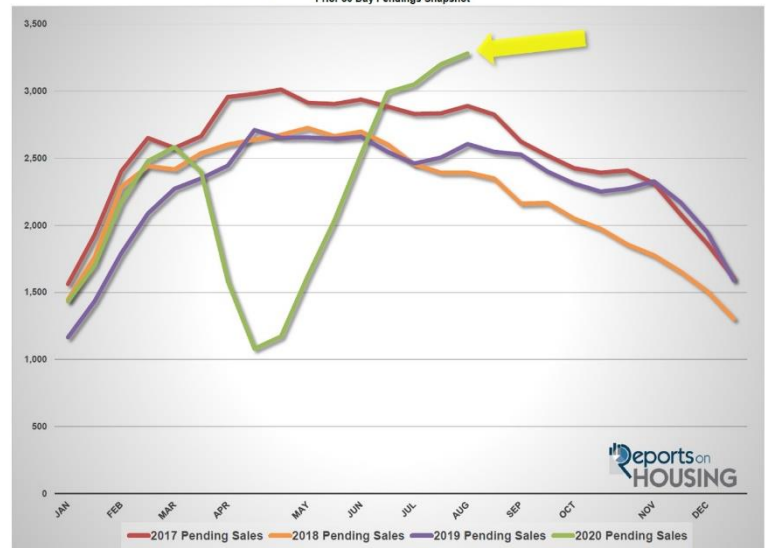
The bottom line: do not count on a wave of foreclosures or short sales due to the economic fallout of COVID-19.

Orange County Active Listing Inventory Year Over Year

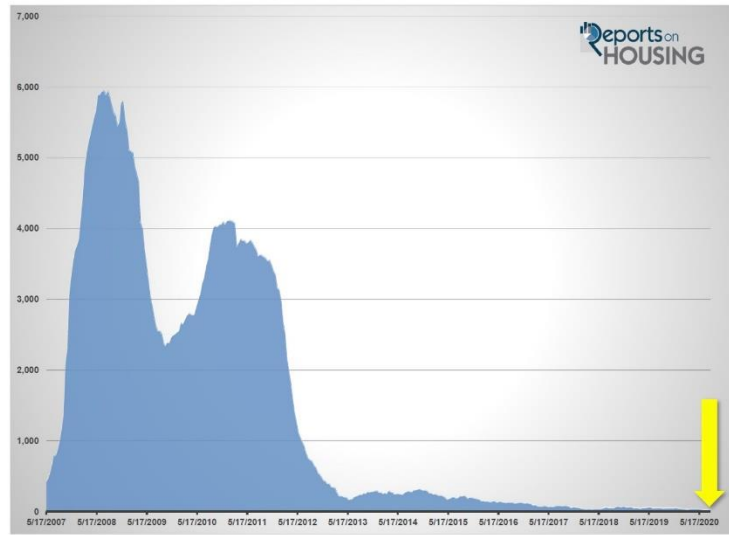


Orange County Demand Year Over Year

Prior 30 Day Pending Sales Snapshot



Orange County Distressed Listing



	Expected Market Time	Share of Housing Inventory	Share of Current Demand	Last Year
O.C. \$0-\$750k	29 Days	34%	48%	58 Days
O.C. \$750k-\$1m	29 Days	18%	25%	70 Days
O.C. \$1m-\$1.25m	42 Days	10%	10%	109 Days
O.C. \$1.25m-\$1.5m	49 Days	8%	6%	130 Days
O.C. \$1.5m-\$2m	68 Days	8%	6%	244 Days
O.C. \$2m-\$4m	115 Days	14%	5%	280 Days
O.C. \$4m+	262 Days	8%	1%	404 Days

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Orange County Housing Summary

- The active listing inventory decreased by 141 homes in the past two-weeks, down 3%, and now totals 4,449, its lowest level for August since tracking began in 2004. In July, there were 2% more homes placed on the market compared to last year and identical to the 5-year average; thus, COVID-19's grip on suppressing the inventory has vanished. Last year, there were 7,488 homes on the market, 3,039 additional homes, or 68% more.
- Demand, the number of pending sales over the prior month, increased by 81 pending sales in the past two-weeks, up 3%, and now totals 3,281, its highest level since September 2012. COVID-19 currently has no effect on demand. Last year, there were 2,606 pending sales, 21% fewer than today.
- The Expected Market Time for all of Orange County decreased from 43 days to 41, a Hot Seller's Market (less than 60 days). It was at 89 days last year, **much slower than today**.
- For homes priced below \$750,000, the market is a hot Seller's Market (less than 60 days) with an expected market time of 29 days. This range represents 34% of the active inventory and 48% of demand.
- For homes priced between \$750,000 and \$1 million, the expected market time is 29 days, a hot Seller's Market. This range represents 18% of the active inventory and 25% of demand.
- For homes priced between \$1 million to \$1.25 million, the expected market time is 42 days, a hot Seller's Market.
- For luxury homes priced between \$1.25 million and \$1.5 million, in the past two weeks, the Expected Market Time decreased from 53 to 49 days. For homes priced between \$1.5 million and \$2 million, the Expected Market Time decreased from 81 to 68 days. For luxury homes priced between \$2 million and \$4 million, the Expected Market Time increased from 109 to 115 days. For luxury homes priced above \$4 million, the Expected Market Time decreased from 274 to 262 days.
- The luxury end, all homes above \$1.25 million, accounts for 38% of the inventory and only 17% of demand.
- Distressed homes, both short sales and foreclosures combined, made up only 0.4% of all listings and 0.4% of demand. There are only 11 foreclosures and 7 short sales available to purchase today in all of Orange County, 18 total distressed homes on the active market, down 7 from two-weeks ago. Last year there were 48 total distressed homes on the market, slightly more than today.
- There were 2,169 closed residential resales in June, 20% fewer than June 2019's 2,715 closed sales. The sold data is beginning to reflect the recent surge in demand. **June marked a 56% increase compared to May 2020.** The sales to list price ratio was 97.6% for all of Orange County. Foreclosures accounted for just 0.4% of all closed sales, and short sales accounted for 0.2%. That means that 99.4% of all sales were good ol' fashioned sellers with equity.