



## Orange County Housing Report: Boiling Over

January 25, 2021

Fierce demand, throngs of buyer tours, bidding wars, rapid appreciation, and limited available homes to purchase are all due to historically low rates.

	1-Yr Ago 3.6%	Today 2.77%	Monthly Savings	Annual Savings
<b>\$700,000 Mortgage</b>	<b>\$3,183</b>	<b>\$2,865</b>	<b>\$318</b>	<b>\$3,816</b>

	Nov 2018 5%	Today 2.77%	Monthly Savings	Annual Savings
<b>\$700,000 Mortgage</b>	<b>\$3,758</b>	<b>\$2,865</b>	<b>\$893</b>	<b>\$10,716</b>

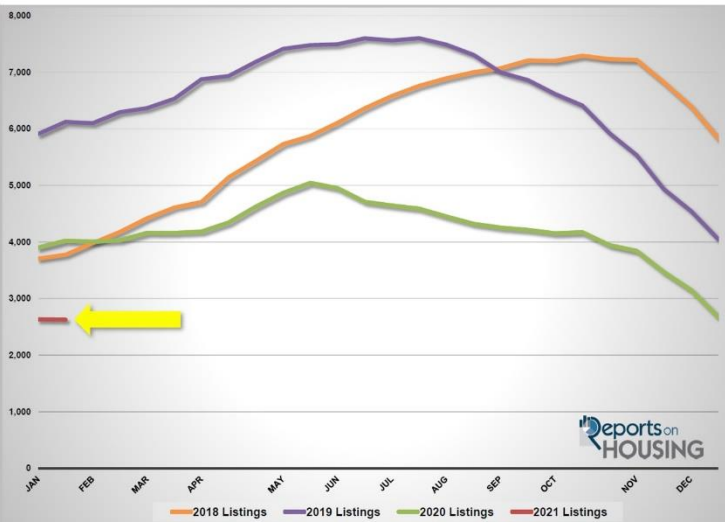
### Price of Home Able to Afford

	1-Yr Ago 3.6%	Today 2.77%	Extra Purchasing Power
<b>\$3,000 a Month Desired Mortgage Payment</b>	<b>\$825,000</b>	<b>\$916,250</b>	<b>\$91,250</b>

	Nov 2018 5%	Today 2.77%	Extra Purchasing Power
<b>\$3,000 a Month Desired Mortgage Payment</b>	<b>\$698,750</b>	<b>\$916,250</b>	<b>\$217,500</b>

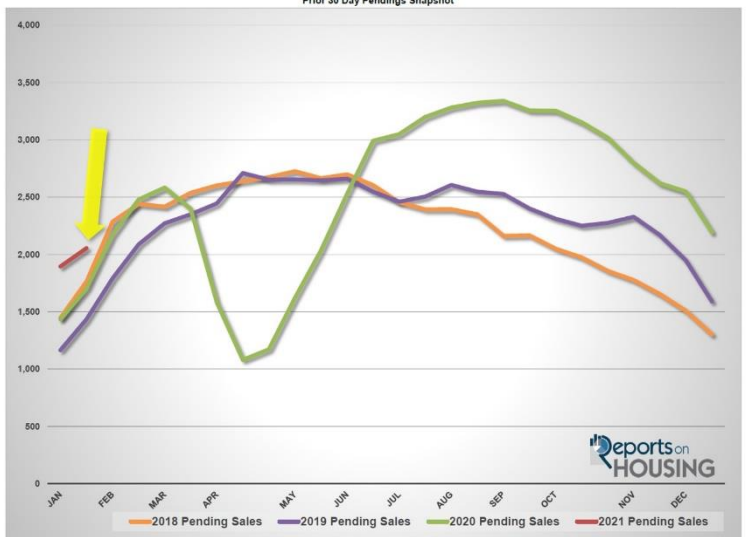
\*Mortgage Payment is Principal & Interest Only & 20% Down Payment

Orange County Active Listing Inventory Year Over Year



Orange County Demand Year Over Year

Prior 30 Day Pending Snapshot



## Orange County Housing Market

Price Ranges	Expected Market Time	Market Speed	Share of Housing Inventory	Share of Current Demand	Last Year
O.C. \$0-\$750k	29 Days		33%	44%	49 Days
O.C. \$750k-\$1m	25 Days		16%	25%	49 Days
O.C. \$1m-\$1.25m	26 Days		7%	10%	96 Days
O.C. \$1.25m-\$1.5m	49 Days		7%	6%	83 Days
O.C. \$1.5m-\$2m	56 Days		8%	6%	144 Days
O.C. \$2m-\$4m	83 Days		16%	8%	181 Days
O.C. \$4m+	220 Days		11%	2%	468 Days

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## Orange County Housing Summary

- The active listing inventory decreased by 6 homes in the past two-weeks, nearly unchanged, and now totals 2,627, its lowest January level since tracking began in 2004. COVID-19 is not suppressing the inventory despite the surge in cases. In December, there were 27% more homes that came on the market compared to the prior 5-year average. Last year, there were 4,023 homes on the market, 1,396 additional homes, or 53% more.
- Demand, the number of pending sales over the prior month, increased by 160 pending sales in the past two-weeks, up 8%, and now totals 2,055, its strongest January level since 2013. COVID-19 has no effect on demand. Record low rates are fueling today's exceptional demand. Last year, there were 1,702 pending sales, 17% fewer than today.
- The Expected Market Time, the number of months to sell all Orange County listings at the current buying pace, decreased from 42 days to 38, a Hot Seller's Market (less than 60 days). It is the strongest reading to a January since tracking began in 2004. It was at 71 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 33% of the active inventory and 44% of demand.
- For homes priced between \$750,000 and \$1 million, the Expected Market Time is 25 days, a Hot Seller's Market. This range represents 16% of the active inventory and 25% of demand.
- For homes priced between \$1 million to \$1.25 million, the Expected Market Time is 26 days, a Hot Seller's Market.
- For homes priced between \$1.25 million to \$1.5 million, the Expected Market Time is 49 days, a Hot Seller's Market.
- For luxury homes priced between \$1.5 million and \$2 million, the Expected Market Time increased from 55 to 56 days. For luxury homes priced between \$2 million and \$4 million, the Expected Market Time decreased from 124 to 83 days. For luxury homes priced above \$4 million, the Expected Market Time decreased from 373 to 220 days.
- The luxury end, all homes above \$1.5 million, accounts for 35% of the inventory and only 16% of demand.
- Distressed homes, both short sales and foreclosures combined, made up only 0.3% of all listings and 0.4% of demand. There are only 4 foreclosures and 4 short sales available to purchase today in all of Orange County, 8 total distressed homes on the active market, down 1 from two-weeks ago. Last year there were 44 total distressed homes on the market, more than today.
- There were 3,091 closed residential resales in December, 25% more than December 2019's 2,469 closed sales. December marked a 9% increase compared to November 2020. The sales to list price ratio was 98.7% for all of Orange County. Foreclosures accounted for just 0.2% of all closed sales, and short sales accounted for 0.3%. That means that 99.5% of all sales were good ol' fashioned sellers with equity.