



Orange County Housing Report: Why Do Some Homes Sit?

July 13, 2020

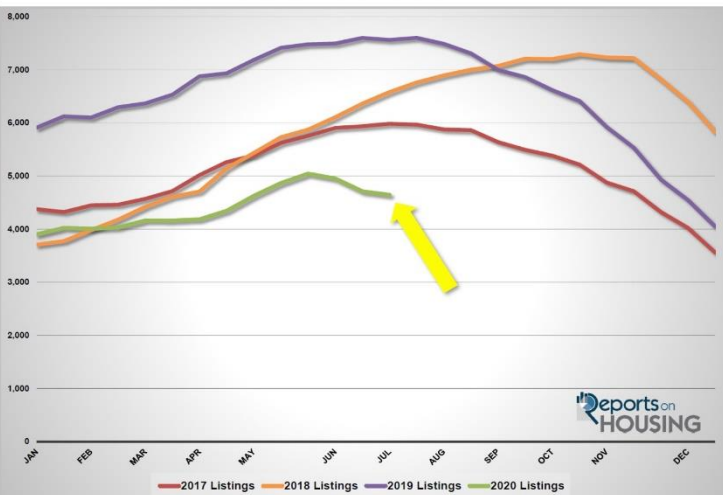
The housing market may be hot, yet many homeowners are not having any success.

Sitting on the Market

	Current Actives	Days On Market Over 60	Percentage 60 Days Plus	Expected Market Time
O.C. \$0-\$500k	692	239	35%	41 Days
O.C. \$500k-\$750k	895	221	25%	28 Days
O.C. \$750k-\$1m	821	205	25%	33 Days
O.C. \$1m-\$1.25m	478	162	34%	49 Days
O.C. \$1.25m-\$1.5m	365	133	36%	60 Days
O.C. \$1.5m-\$2m	369	180	49%	71 Days
O.C. \$2m-\$4m	651	344	53%	113 Days
O.C. \$4m+	374	205	55%	249 Days
All of O.C.	4,645	1,689	36%	46 Days

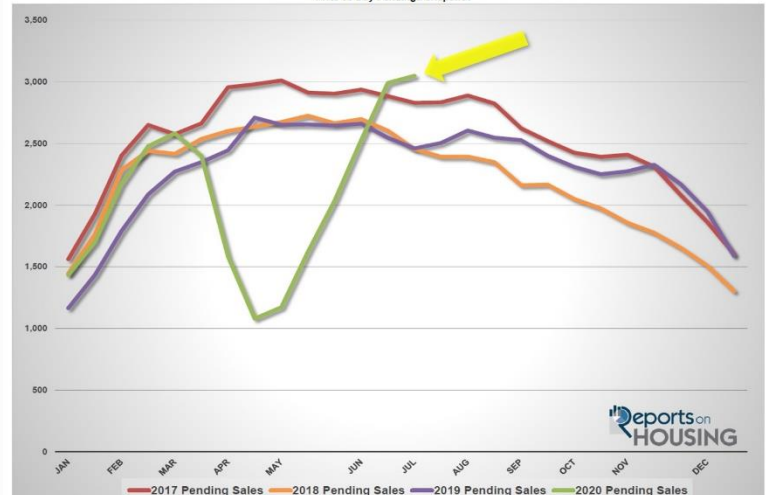
*July 9, 2020

Orange County Active Listing Inventory Year Over Year



Orange County Demand Year Over Year

Prior 30 Day Pending Sales Snapshot



	Expected Market Time	Share of Housing Inventory	Share of Current Demand	Last Year
O.C. \$0-\$750k	33 Days	34%	48%	64 Days
O.C. \$750k-\$1m	33 Days	18%	25%	79 Days
O.C. \$1m-\$1.25m	49 Days	10%	10%	98 Days
O.C. \$1.25m-\$1.5m	60 Days	8%	6%	143 Days
O.C. \$1.5m-\$2m	71 Days	8%	5%	189 Days
O.C. \$2m-\$4m	113 Days	14%	6%	262 Days
O.C. \$4m+	249 Days	8%	1%	518 Days



Orange County Housing Summary

- The active listing inventory decreased by 65 homes in the past two-weeks, down 1%, and now totals 4,645, its lowest level for July since tracking began in 2004. In the past four-weeks, 12% fewer homes were placed on the market compared to the prior 5-year average. It was a 54% difference at the end of April; thus, COVID-19's grip on suppressing the inventory is diminishing. Last year, there were 7,561 homes on the market, 2,916 more than today, a 63% difference.
- Demand, the number of pending sales over the prior month, increased by 75 pending sales in the past two-weeks, up 3%, and now totals 3,050, the highest July level since 2012. COVID-19 currently has no effect on demand. Last year, there were 2,461 pending sales, 19% fewer than today.
- The Expected Market Time for all of Orange County decreased from 47 days to 46, a Hot Seller's Market (less than 60 days). It was at 92 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 33 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 33 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 49 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 80 to 60 days. For homes priced between \$1.5 million and \$2 million, the Expected Market Time decreased from 83 to 71 days. For luxury homes priced between \$2 million and \$4 million, the Expected Market Time decreased from 128 to 113 days. For luxury homes priced above \$4 million, the Expected Market Time increased from 239 to 249 days.
- The luxury end, all homes above \$1.25 million, accounts for 38% of the inventory and only 18% of demand.
- Distressed homes, both short sales and foreclosures combined, made up only 0.6% of all listings and 0.7% of demand. There are only 13 foreclosures and 14 short sales available to purchase today in all of Orange County, 27 total distressed homes on the active market, down 2 from two-weeks ago. Last year there were 55 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.