



Orange County Housing Report: Lock It In!

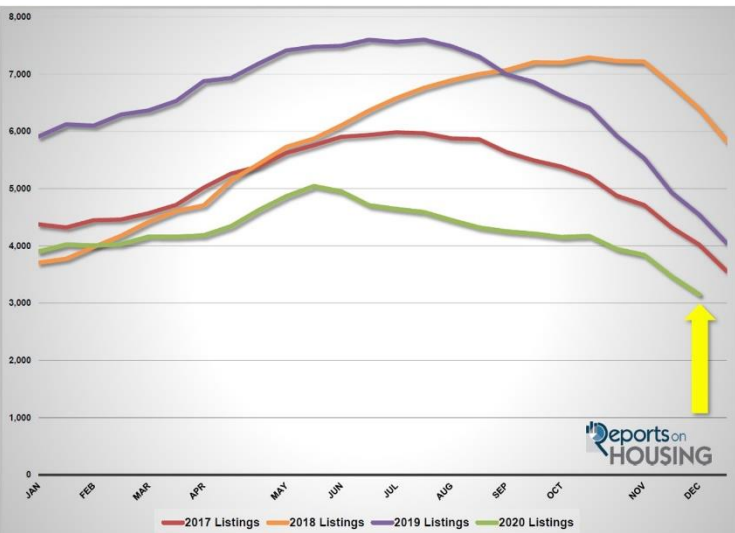
December 14, 2020

Mortgage rates may be at record lows, but they are poised to increase next year.

Interest Rates Impact on Payment

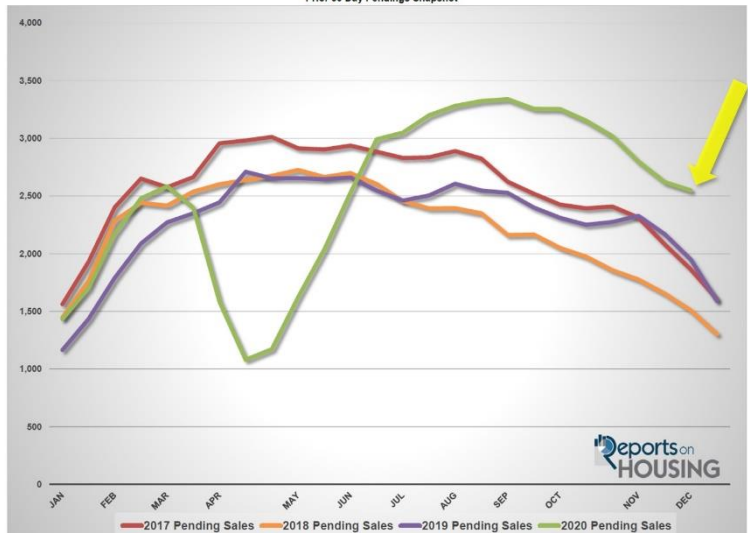
Mortgage Amount	2.7% (Today)	3%	3.25%	3.5%	3.75%	4%	5%
\$500,000	\$2,028	\$2,108	\$2,176	\$2,245	\$2,316	\$2,387	\$2,684
\$750,000	\$3,042	\$3,162	\$3,264	\$3,368	\$3,473	\$3,581	\$4,026
\$1,000,000	\$4,055	\$4,216	\$4,352	\$4,490	\$4,631	\$4,774	\$5,368








Orange County Active Listing Inventory Year Over Year



Orange County Demand Year Over Year

Prior 30 Day Pending Sales Snapshot



Price Ranges	Expected Market Time	Market Speed	Share of Housing Inventory	Share of Current Demand	Last Year
O.C. \$0-\$750k	27 Days		33%	45%	46 Days
O.C. \$750k-\$1m	23 Days		16%	25%	54 Days
O.C. \$1m-\$1.25m	34 Days		9%	10%	73 Days
O.C. \$1.25m-\$1.5m	36 Days		7%	7%	120 Days
O.C. \$1.5m-\$2m	53 Days		8%	6%	117 Days
O.C. \$2m-\$4m	119 Days		16%	5%	223 Days
O.C. \$4m+	248 Days		11%	2%	518 Days



Orange County Housing Summary

- The active listing inventory plunged by 317 homes in the past two-weeks, down 9%, and now totals 3,152, its lowest level since tracking began in 2004. COVID-19 is not suppressing the inventory despite the recent surge in cases. In November, there were 15% more homes that came on the market compared to last year. Last year, there were 4,546 homes on the market, 1,394 additional homes, or 44% more.
- Demand, the number of pending sales over the prior month, decreased by 72 pending sales in the past two-weeks, down 3%, and now totals 2,549, its strongest December reading since 2011. COVID-19 has no effect on demand. Record low rates are fueling today's exceptional demand. Last year, there were 1,949 pending sales, 24% fewer than today.
- The Expected Market Time for all of Orange County decreased from 40 days to 37, its strongest reading in 2020 and a Hot Seller's Market (less than 60 days). It was at 70 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 27 days. This range represents 33% of the active inventory and 45% of demand.
- For homes priced between \$750,000 and \$1 million, the expected market time is 23 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 34 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 47 to 36 days. For homes priced between \$1.5 million and \$2 million, the Expected Market Time decreased from 63 to 53 days. For luxury homes priced between \$2 million and \$4 million, the Expected Market Time decreased from 123 to 119 days. For luxury homes priced above \$4 million, the Expected Market Time decreased from 322 to 248 days.
- The luxury end, all homes above \$1.25 million, accounts for 42% of the inventory and only 20% of demand.
- Distressed homes, both short sales and foreclosures combined, made up only 0.3% of all listings and 0.2% of demand. There are only 2 foreclosures and 6 short sales available to purchase today in all of Orange County, 8 total distressed homes on the active market, up 1 from two-weeks ago. Last year there were 68 total distressed homes on the market, more than today.
- There were 2,843 closed residential resales in November, 25% more than November 2019's 2,269 closed sales. November marked a 15% drop compared to October 2020. The sales to list price ratio was 98.5% for all of Orange County. Foreclosures accounted for just 0.1% of all closed sales, and short sales accounted for 0.2%. That means that 99.7% of all sales were good ol' fashioned sellers with equity.