



Orange County Housing Report: Bidding War

February 8, 2021

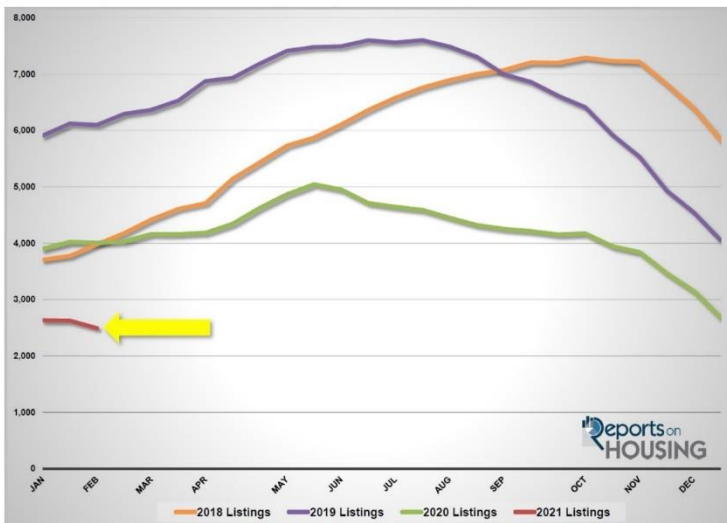
When a home hits the market, it is greeted with throngs of buyers and so many offers to purchase that a bidding war ensues.

Year Over Year Comparison

	YOY Inventory Change	YOY % Change		YOY Demand Change	YOY % Change
\$0 - \$500k	-198	↓ -31%	\$0 - \$500k	+30	↑ +8%
\$500k - \$750k	-396	↓ -51%	\$500k - \$750k	+10	↑ +1%
\$750k - \$1m	-261	↓ -40%	\$750k - \$1m	+146	↑ +28%
\$1m - \$1.5m	-317	↓ -48%	\$1m - \$1.5m	+86	↑ +26%
\$1.5m+	-324	↓ -26%	\$1.5m+	+148	↑ +63%
Overall	-1,512	↓ -38%	Overall	+382	↑ +21%

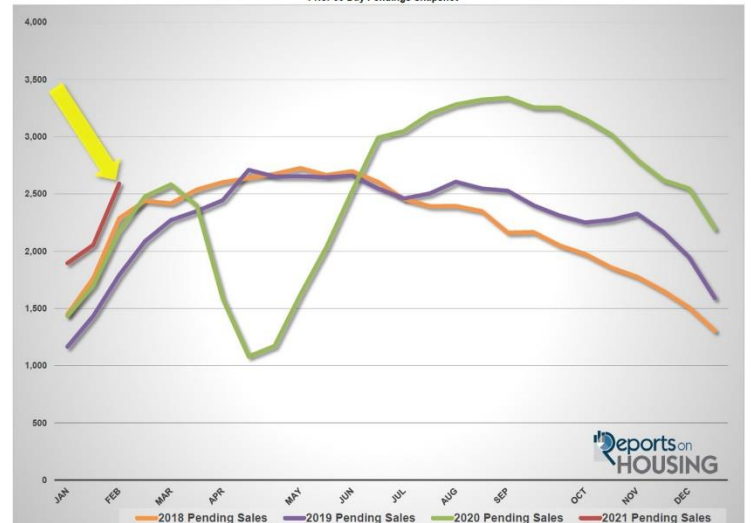
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Orange County Active Listing Inventory Year Over Year



Orange County Demand Year Over Year

Prior 30 Day Pending Sales 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	22 Days	📈	33%	43%	40 Days
O.C. \$750k-\$1m	17 Days	📈	15%	26%	37 Days
O.C. \$1m-\$1.25m	21 Days	📈	7%	9%	56 Days
O.C. \$1.25m-\$1.5m	29 Days	📈	7%	7%	63 Days
O.C. \$1.5m-\$2m	48 Days	📈	9%	5%	117 Days
O.C. \$2m-\$4m	66 Days	📈	17%	7%	143 Days
O.C. \$4m+	166 Days	📈	12%	2%	391 Days

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Orange County Housing Summary

- The active listing inventory decreased by 134 homes in the past two-weeks, down 5%, and now totals 2,493, its lowest level since tracking began in 2004. In January, there were 9% fewer homes that came on the market compared to the prior 5-year average, 266 less. Last year, there were 4,005 homes on the market, 1,512 additional homes, or 61% more.
- Demand, the number of pending sales over the prior month, surged by 535 pending sales in the past two-weeks, up 26%, and now totals 2,590, its strongest start to February since 2013. The record low mortgage rate environment is fueling today's exceptional demand. Last year, there were 2,173 pending sales, 16% fewer than today.
- The Expected Market Time, the number of days to sell all Orange County listings at the current buying pace, decreased from 38 days to 29, an extremely Hot Seller's Market (less than 60 days) and the strongest reading since tracking began in 2004. It was at 55 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 22 days. This range represents 33% of the active inventory and 43% of demand.
- For homes priced between \$750,000 and \$1 million, the Expected Market Time is 17 days, a Hot Seller's Market. This range represents 15% of the active inventory and 26% of demand.
- For homes priced between \$1 million to \$1.25 million, the Expected Market Time is 21 days, a Hot Seller's Market.
- For homes priced between \$1.25 million to \$1.5 million, the Expected Market Time is 29 days, a Hot Seller's Market.
- For luxury homes priced between \$1.5 million and \$2 million, the Expected Market Time decreased from 56 to 48 days. For homes priced between \$2 million and \$4 million, the Expected Market Time decreased from 83 to 66 days. For homes priced above \$4 million, the Expected Market Time decreased from 220 to 166 days.
- The luxury end, all homes above \$1.5 million, accounts for 38% of the inventory and only 14% of demand.
- Distressed homes, both short sales and foreclosures combined, made up only 0.2% of all listings and 0.3% of demand. There are only 2 foreclosures and 2 short sales available to purchase today in all of Orange County, 4 total distressed homes on the active market, down 4 from two-weeks ago. Last year there were 38 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.