

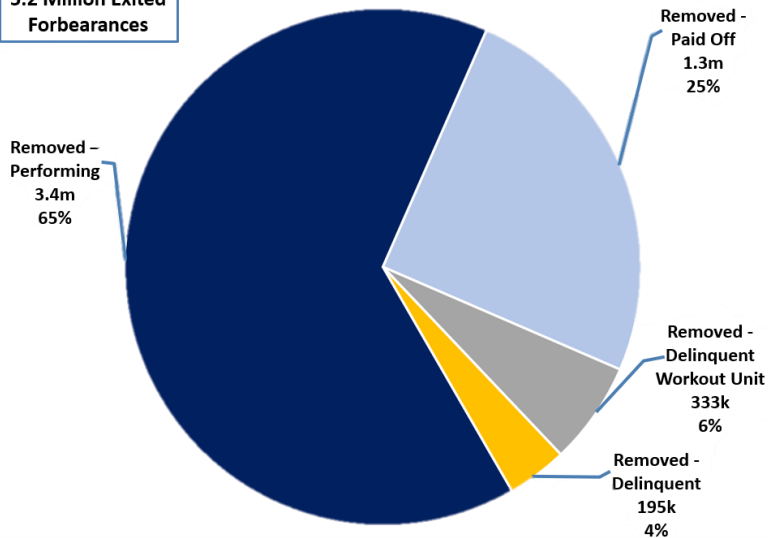


Orange County Housing Report: Forbearance, Foreclosures, Facts

August 9, 2021

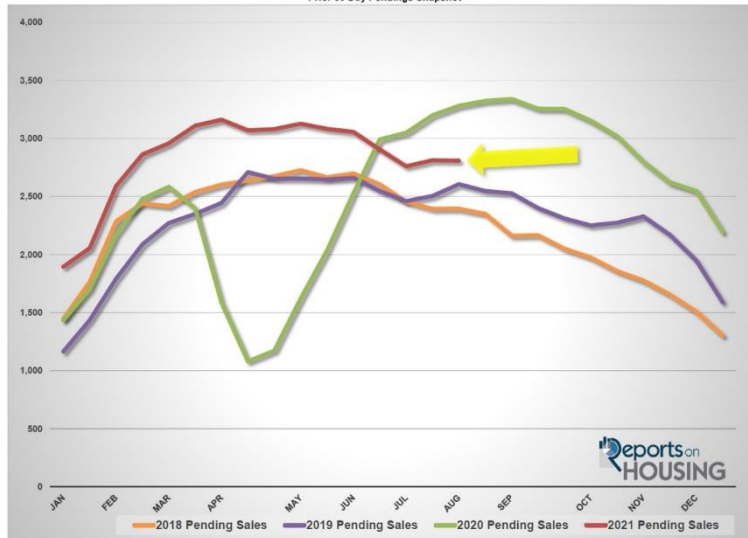
Seemingly everyone is expecting a wave of foreclosure due to forbearance, yet taking a closer look at the facts reveals that it simply is not going to happen.

5.2 Million Exited Forbearances

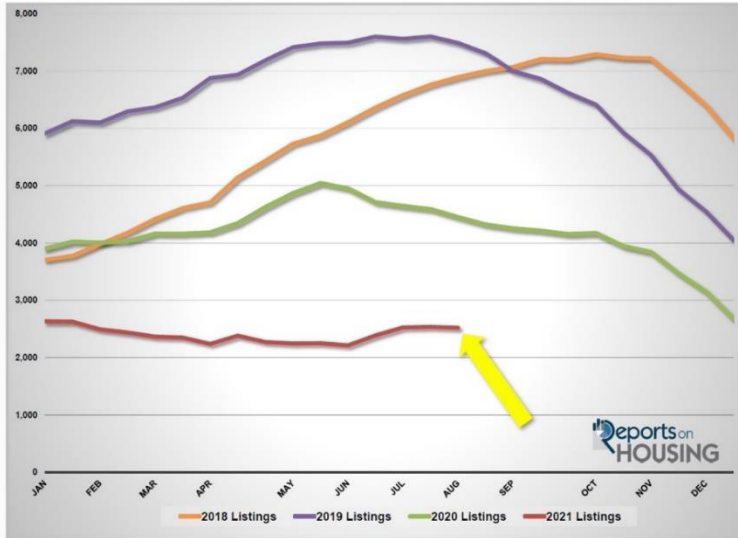









Orange County Demand Year Over Year

Prior 30 Day Pending Sales Snapshot



Orange County Active Listing Inventory Year Over Year



Price Ranges	Expected Market Time	Market Speed	Share of Housing Inventory	Share of Current Demand	Last Year
O.C. \$0-\$750k	20 Days		28%	37%	29 Days
O.C. \$750k-\$1m	22 Days		22%	27%	29 Days
O.C. \$1m-\$1.25m	22 Days		10%	12%	42 Days
O.C. \$1.25m-\$1.5m	28 Days		8%	8%	49 Days
O.C. \$1.5m-\$2m	31 Days		8%	7%	68 Days
O.C. \$2m-\$4m	52 Days		13%	7%	115 Days
O.C. \$4m+	126 Days		11%	2%	262 Days





Orange County Housing Summary

- The active listing inventory decreased by 17 homes in the past two-weeks, down 1%, and now totals 2,520. In July, there were 4% fewer homes that came on the market compared to the 3-year average between 2017 to 2019 (2020 was skewed do to COVID-19), 157 less. Last year, there were 4,449 homes on the market, 1,929 additional homes, or 77% more.
- Demand, the number of pending sales over the prior month, decreased by 3 pending sales in the past two-weeks, nearly unchanged, and now totals 2,809. Last year, there were 3,281 pending sales, **17% more than today**, due to a delayed Spring Market.
- With not much of a change in supply or demand, the Expected Market Time, the number of days to sell all Orange County listings at the current buying pace, remained unchanged at 27 days in the past couple of weeks, an extremely Hot Seller's Market (less than 60 days). It was at 41 days last year and getting hotter.
- For homes priced below \$750,000, the market is a Hot Seller's Market (less than 60 days) with an Expected Market Time of 20 days. This range represents 28% of the active inventory and 37% of demand.
- For homes priced between \$750,000 and \$1 million, the Expected Market Time is 22 days, a Hot Seller's Market. This range represents 22% of the active inventory and 27% of demand.
- For homes priced between \$1 million to \$1.25 million, the Expected Market Time is 22 days, a Hot Seller's Market. This range represents 10% of the active inventory and 12% of demand
- For homes priced between \$1.25 million to \$1.5 million, the Expected Market Time is 28 days, a Hot Seller's Market. This range represents 9% of the active inventory and 9% of demand
- For homes priced between \$1.5 million and \$2 million, the Expected Market Time increased from 28 to 31 days. For homes priced between \$2 million and \$4 million, the Expected Market Time decreased from 55 to 52 days. For homes priced above \$4 million, the Expected Market Time decreased from 131 to 128 days.
- The luxury end, all homes above \$1.5 million, accounts for 32% of the inventory and 16% of demand.
- Distressed homes, both short sales and foreclosures combined, made up only 0.5% of all listings and 0.2% of demand. There are only 9 foreclosures and 4 short sales available to purchase today in all of Orange County, 13 total distressed homes on the active market, up 1 from two-weeks ago. Last year there were 18 total distressed homes on the market, very similar to today.
- There were 3,545 closed residential resales in June, 63% more than June 2020's 2,169 closed sales. June marked a 10% increase compared to May 2021. The sales to list price ratio was 101.4% for all of Orange County. Foreclosures accounted for just 0.1% of all closed sales, and short sales accounted for 0.1%. That means that 99.8% of all sales were good ol' fashioned sellers with equity.