

Walton®

NORTHERN CALIFORNIA

REGIONAL MARKET REPORT • Q4 2022



2022

The Northern California megaregion encompasses 21 counties, grouped into 4 regions – the San Francisco Bay area, the Monterey Bay area, the Sacramento area, and the northern San Joaquin Valley. The megaregion accounts for nearly 32% of the state's population. Northern California is characterized by its mix of modern urban cities and scenic natural settings. The region is home to national parks, like Yosemite, and architectural staples, like the Golden Gate Bridge.



Plentiful Career Opportunities



Large Opportunity for Funding



Robust Economy



Sustainable Environment

PEOPLE

POPULATION	10,032,121
MEDIAN AGE	40 y/o
PROJECTED % CHANGE IN 2027	-0.7%
HOUSEHOLDS	3,675,706
MEDIAN HOUSEHOLD INCOME	\$107,673

Source: Zonda Home; Neustar

RANK

#1 Largest State Economy
#5 Largest Megaregional Economy
#5 Fastest Growing State County Resides In Nor. Cal.

Source: Visit California

JOBS

UNEMPLOYMENT RATE	2.3%
TOTAL UNEMPLOYED	187,734
TOTAL EMPLOYED	5,228,678

Source: Zonda Home; Neustar

ECONOMIC FACTORS

Northern California is the fifth largest megaregional economy in the U.S. Within the megaregion are four of the top 10 fastest growing counties in the state. Some of the region's top industries include manufacturing, health and education, IT and software, and life sciences and biotech. Northern California is anchored by Silicon Valley and is home to more than 30 Fortune 1000 companies.

Top Employers:	# of Employees
1. Kaiser Permanente	46,500
2. Sutter Health	18,710
3. Wells Fargo & Co.	12,035
4. Salesforce Inc.	9,450
5. Uber Technologies Inc.	5,500

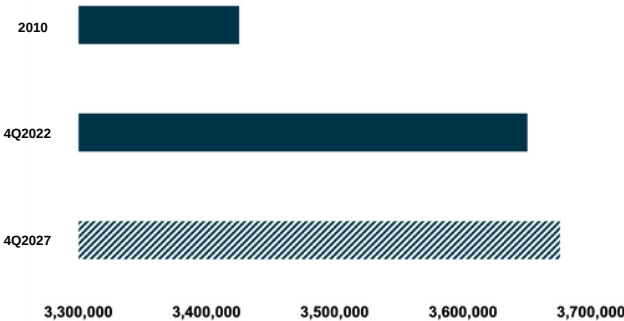
New & Notable Employers:

- Affirm (HQ)
- Instacart (HQ)
- Lyft (HQ)

GROWTH TRENDS

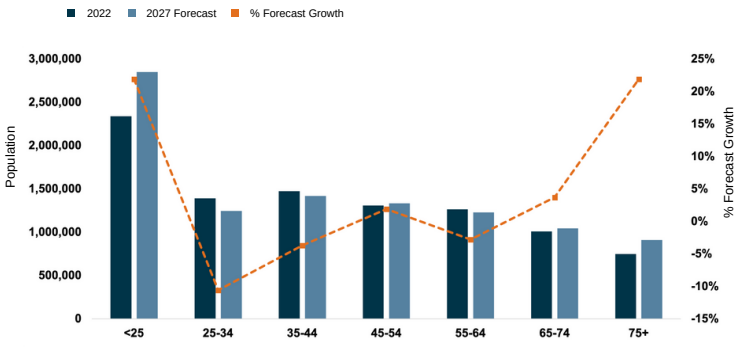
HOUSEHOLD GROWTH

Source: Zonda Home; Neustar



POPULATION GROWTH BY AGE

Source: Zonda Home; Neustar





HOUSING MARKET

Northern California's housing market slowed down in the final quarter of 2022. The average new home price fell slightly by just under 1% from the first quarter of the year. Homebuilders in the megaregion faced headwinds in Q4 and pulled back on home construction. Home starts and single-family inventory both decreased on a year-on-year basis by 36% and nearly 17%, respectively. Similarly, the number of single-family permits issued decreased by 16% from the year prior.

AVERAGE NEW HOME PRICE

Q1-Q4
\$794,187 — **-0.9%**

Source: Zonda Home; Metrostudy

SINGLE-FAMILY INVENTORY

Q4 2022 YoY
7,364 — **-16.9%**

Source: Zonda Home; Metrostudy

SINGLE-FAMILY PERMITS

Q4 2021
3,438
Q4 2022
2,875 — **-16.4%**

Source: U.S. Census Bureau

TOP HOMEBUILDERS BY RANK

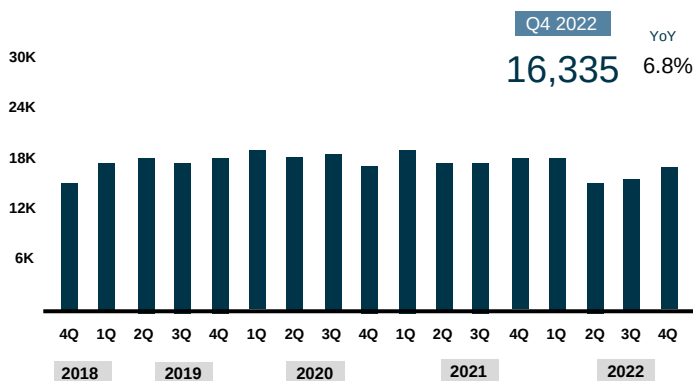
1. Lennar Homes	20.3%
2. KB Home	7.5%
3. Taylor Morrison	7.1%
4. Tri Pointe Homes	4.6%
5. Toll Brothers Inc.	4.5%
6. Richmond American Homes	4.0%
7. Pulte Homes	2.9%
8. Meritage Homes	2.8%
9. D.R. Horton - Express	2.7%
10. JMC Homes	2.6%

Source: Zonda Home; Metrostudy

MARKET SHARE

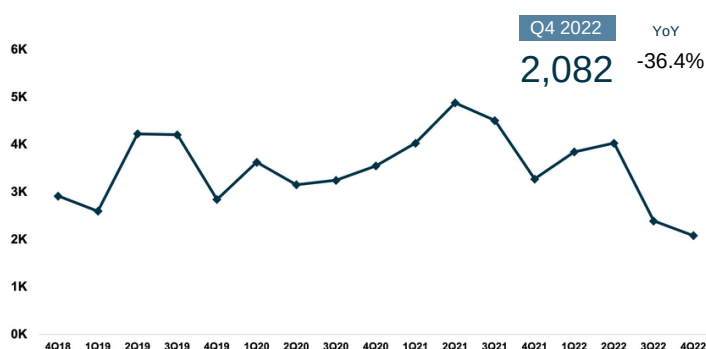
VACANT DEVELOPED LOTS

Source: Zonda Home; Metrostudy



HOME STARTS

Source: Zonda Home; Neustar



RENTAL MARKET

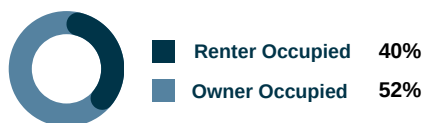
Northern California's rental market remained competitive through Q4 2022. Vacancies remained low and demand increased over the final quarter. Median rental prices in the megaregion were driven by high demand and increased nearly 5% on a year-on-year basis. Renter occupancy was consistent with neighboring regions, at 40%. Multifamily permits issued in Q4 decreased by 28% compared to a year ago.

MULTIFAMILY PERMITS

Q4 2021
4,519
Q4 2022
3,216 — **-28.3%**

Source: U.S. Census Bureau

HOME OCCUPANCY



Source: Zonda Home; Neustar

MEDIAN RENTAL PRICE

as of Dec. 2022 YoY
\$3,467 — **4.8%**

Source: Rent.com

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REGIONAL MARKET REPORTS • 4Q22

ARIZONA

MARICOPA COUNTY
PINAL COUNTY

CALIFORNIA

NORTHERN CALIFORNIA
SOUTHERN CALIFORNIA
CENTRAL CALIFORNIA

COLORADO

DENVER
COLORADO SPRINGS

FLORIDA

CENTRAL FLORIDA
SOUTHEAST FLORIDA
NORTHEAST FLORIDA

GEORGIA

ATLANTA
SOUTHEAST GEORGIA

D.C. - VA - MD

MARYLAND
RICHMOND

NEVADA

LAS VEGAS

NORTH CAROLINA

CHARLOTTE

SOUTH CAROLINA

UPSTATE - SPARTANBURG

TENNESSEE

CHATTANOOGA
KNOXVILLE
NASHVILLE

TEXAS

DALLAS-FORT WORTH
AUSTIN
HOUSTON

UTAH

ST. GEORGE

WASHINGTON

SEATTLE
SPOKANE

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