

Walton®

SOUTHERN CALIFORNIA

REGIONAL MARKET REPORT • Q4 2022



2022

Southern California, or SoCal, is a megapolitan area in the southern region of California. It includes three major metropolitan areas, the Los Angeles area, the Riverside-San Bernardino area, and the San Diego area. Southern California is the most populous region within the most populous state in the nation. SoCal is a diverse region, from its renown national parks – like Joshua Tree – to the bright lights of Hollywood. It is well known for its beachside cities, resorts and amusement parks, and wineries.



Plentiful Career Opportunities



Large Opportunity for Funding



Robust Economy



Sustainable Environment

PEOPLE

POPULATION	18,436,860
MEDIAN AGE	38 y/o
PROJECTED % CHANGE IN 2027	-1.0%
HOUSEHOLDS	5,976,529
MEDIAN HOUSEHOLD INCOME	\$81,178

Source: Zonda Home; Neustar

RANK

#1 Most Populous Region in California
#1 Largest Economy in California
#1 & #2 Largest Cities in California

Source: UCLA Anderson Forecast

JOBS

UNEMPLOYMENT RATE	3.4%
TOTAL UNEMPLOYED	469,058
TOTAL EMPLOYED	5,373,118

Source: Zonda Home; Neustar

ECONOMIC FACTORS

Southern California has the largest economy in the state of California. In fact, if the region were its own country, it would be the 13th largest in the world at \$1.6 trillion. Southern California's economy has been growing faster than the entire country's over the past two decades. SoCal's major industries include healthcare and bioscience, advanced transportation and renewable energy, entertainment and hospitality. and aerospace.

Top Employers:	# of Employees
1. The Walt Disney Company	201,000
2. Taco Bell	175,000
3. Universal Protection Services	160,000
4. Alorica	92,000
5. CBRE Group	90,000

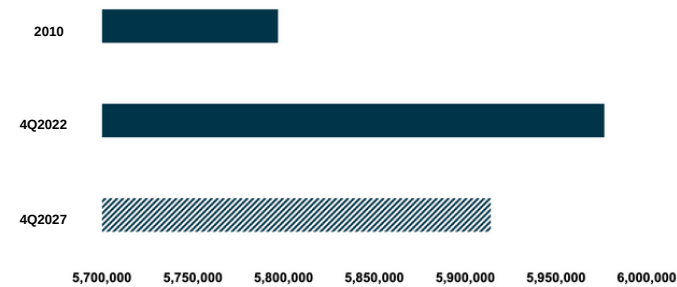
New & Notable Employers:

- SpaceX (HQ)
- New American Funding (HQ)
- Experian (North American HQ)

GROWTH TRENDS

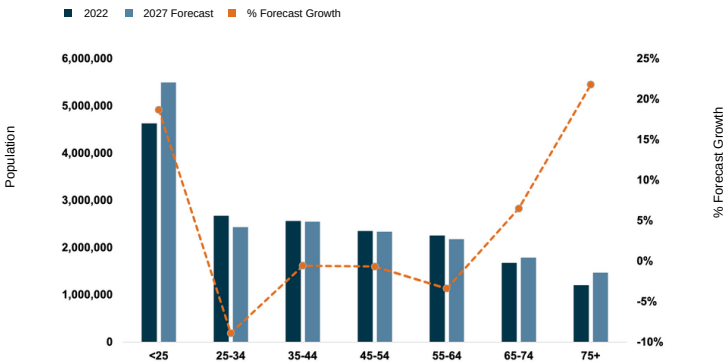
HOUSEHOLD GROWTH

Source: Zonda Home; Neustar



POPULATION GROWTH BY AGE

Source: Zonda Home; Market Reports





HOUSING MARKET

Southern California's housing market slowed through the fourth quarter of 2022 after a positive first half of the year. Home prices in the area decreased on a month-on-month basis through Q3 and Q4 wiping out most of the appreciation seen in Q1 and Q2. Despite the slowdown, average new home prices were still up 10% for the year. Home starts and single-family inventory decreased on a year-on-year basis by ~33% and ~11%, respectively. While vacant developed lots in the area increased by ~7% from Q4 2021 to Q4 2022.

AVERAGE NEW HOME PRICE

\$892,376 — **Q1-Q4 10.3%**

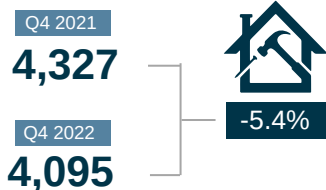
Source: Zonda Home; Metrostudy

SINGLE-FAMILY INVENTORY

8,255 — **YoY -10.9%**

Source: Zonda Home; Metrostudy

SINGLE-FAMILY PERMITS



Source: U.S. Census Bureau

TOP HOMEBUILDERS BY RANK

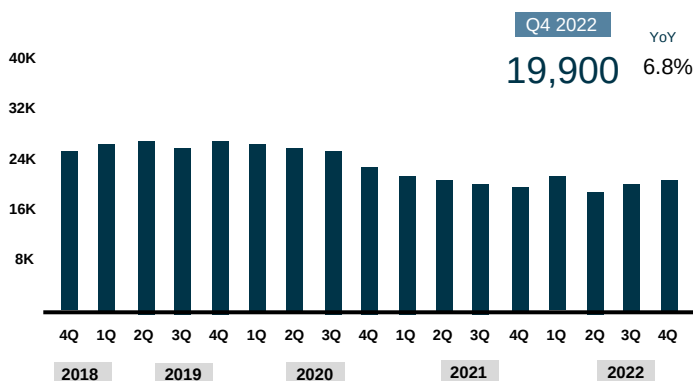
1. Lennar	18.9%
2. KB Home	10.3%
3. D.R. Horton, Inc.	6.6%
4. Tri Pointe Homes	6.2%
5. Richmond American Homes	5.6%
6. Taylor Morrison	3.8%
7. Toll Brothers Inc.	3.5%
8. Pulte Homes	3.5%
9. Irvine Pacific	2.5%
10. Shea Homes	2.5%

Source: Zonda Home; Metrostudy

MARKET SHARE

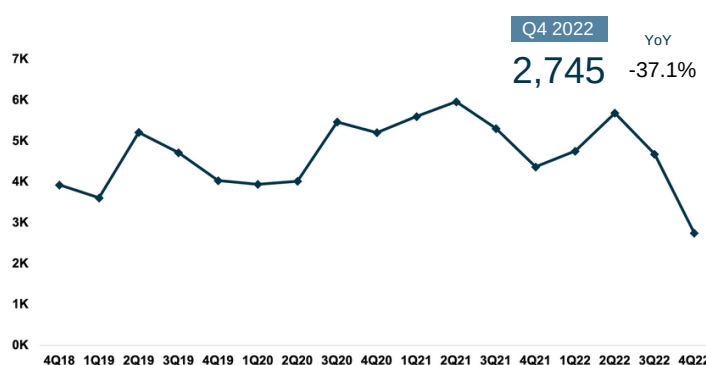
VACANT DEVELOPED LOTS

Source: Zonda Home; Metrostudy



HOME STARTS

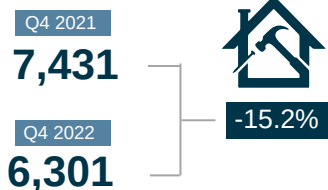
Source: Zonda Home; Neustar



RENTAL MARKET

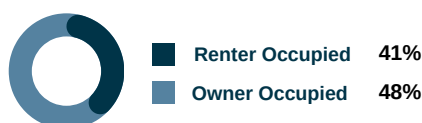
Southern California's rental market tightened in the fourth quarter of 2022. Demand in the market increased as rental vacancies hit lows of 2%-3% in certain SoCal counties. Median rental prices in Southern California increased anywhere from 14%-18% throughout the region. Multifamily permit issuance, however, decreased by ~15% on a year-on-year basis.

MULTIFAMILY PERMITS



Source: U.S. Census Bureau

HOME OCCUPANCY



Source: Zonda Home; Neustar

MEDIAN RENTAL PRICE

\$2,000 - 2,570
14.1% - 18.5%
YoY

Source: Costar

Walton®

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

NEW LAND ACQUISITIONS

For U.S.-based land sellers searching for a buyer contact us:

BARRY DLUZEN, Executive Vice President, Land Acquisitions | infousa@walton.com