

Walton®

# NORTHERN CALIFORNIA

REGIONAL MARKET REPORT • Q2 2023



2023

Northern California is characterized by its mix of modern urban cities and scenic natural settings. Centered around two bays that feed from the North Pacific Ocean, the San Francisco-Bay Area is one of Northern California's main attractions. One of the area's most compelling activities is a scenic boat tour that sails under the iconic Golden Gate Bridge. Just north of San Francisco is Napa Valley – a romantic destination known for its rolling hills and wineries. Northern California's diverse landscape is best seen through its many national parks, like Yosemite and Sequoia, where outdoor enthusiasts can enjoy picturesque waterfalls and the world's tallest trees. From its mix of rugged coastlines and beautiful waters to architectural staples and tech-centric cities, Northern California is truly an all-encompassing region.<sup>(1)</sup>



Plentiful Career Opportunities



Large Opportunity for Funding



Robust Economy



Sustainable Environment

## PEOPLE

Population	10,030,378
Projected % Change in 2028	-1.1%
Median Age	40 y/o
Households	3,641,835
Median Household Income	\$109,378

Zonda - Neustar

## JOBS

% Unemployed	2.1% (as of June 2023)
Total Unemployed	170,881
Total Employed	5,202,170

Zonda - Neustar

## TOP EMPLOYERS

Kaiser Permanente	24,707
Sutter Health	18,206
Wells Fargo & Co	18,000
Salesforce Inc.	14,966
Uber Technologies Inc.	14,839

JBREC | Zippia | California Labor Market Information

## NEW &amp; NOTABLE EMPLOYERS

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

Zippia | California Labor Market Information

LOCAL ECONOMY <sup>(2)</sup>

Northern California is an economic powerhouse and the fifth largest megaregional economy in the U.S., Anchored by the San Francisco-Bay Area economy, which includes Silicon Valley, Northern California specializes in manufacturing, technology, life sciences, healthcare, and international business. The San Francisco-Bay Area alone produced 5.5% of the nation's total GDP last year, ranking 1st for total GDP growth. The Bay Area is the Venture Capital investment epicenter of the U.S., raking in \$52.4 billion in the first half of last year and earning the number one spot amongst extended metro areas. Despite recent tech layoffs, the SF-Bay Area continues to drive Northern California's job market, recording 12 consecutive months of net job growth last year. Northern California's economic faculty has made it home to industry leaders and Fortune 500 corporations like Apple, Chevron, and Meta.

## RANK

- #1 - Largest State Economy (California)
- #1 - Best City to Live In (Sacramento)
- #11- Largest Megaregional Economy

Bloomberg | Forbes

## ECONOMIC DEVELOPMENT UPDATE

Apr '23 – Europe's biggest tech company, **SAP**, is expanding in San Francisco. The German software giant opened a new, larger office that will serve as the central hub for around 500 employees. SAP's expansion is a welcomed sign of San Francisco's continued tech appeal after having battled record-high office vacancy rates in early 2023.

[Click here to read more](#)

June '23 – Three Bay Area companies, **Apple**, **Alphabet Inc.**, and **Chevron Corp.**, are now in the top 10 of the Fortune 500 annual rankings. The Bay Area based companies ranked No. 2, No. 8, and No. 10, respectively. Chevron Corp. notably climbed six total spots from last year's rankings, earning \$246.2 billion in revenue.

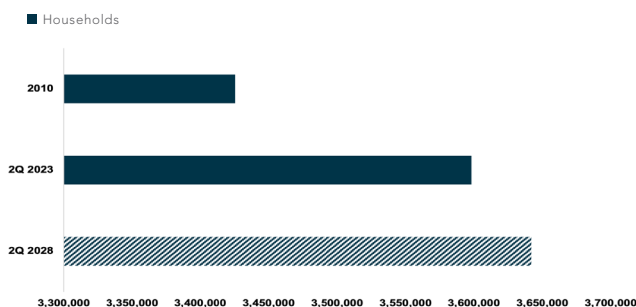
[Click here to read more](#)

San Francisco Chronicle | Silicon Valley Business Journal

## GROWTH TRENDS

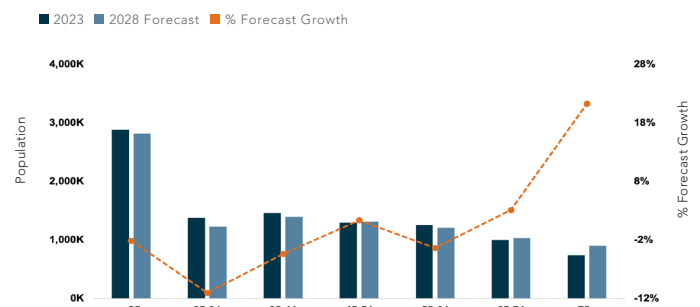
## HOUSEHOLD GROWTH

Zonda - Market Report



## POPULATION GROWTH BY AGE

Zonda - Market Report







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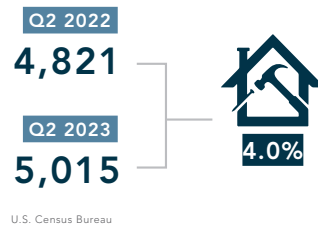
## HOUSING MARKET

Northern California's average new home prices were among the top 3 highest in the nation in Q2, increasing by nearly 2% on a trailing-nine-month basis. Levels of single-family inventory were nearly 30% lower than they were last year but were 3% higher compared to Q1. Permit activity ticked up in Q2, increasing by 4% year-over-year. Home starts in the region fell by 26% year-over-year but were up by almost 88% from Q1.

### AVERAGE NEW HOME PRICE



### SINGLE-FAMILY PERMITS

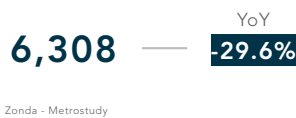


### TOP HOMEBUILDERS BY RANK

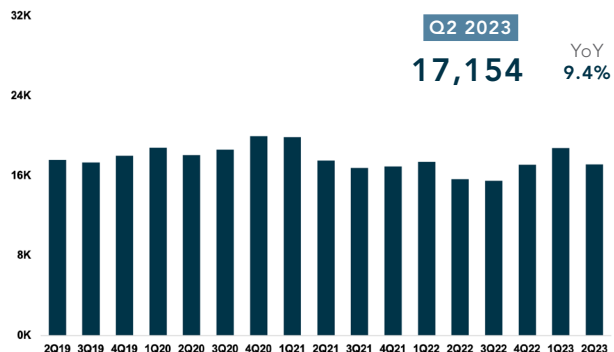
1.	Lennar	22.8%
2.	KB Home	8.3%
3.	Taylor Morrison	6.4%
4.	D.R. Horton Inc.	5.0%
5.	Richmond American Homes	4.7%
6.	Toll Brothers Inc.	4.5%
7.	TriPointe Homes	3.9%
8.	Meritage Homes	3.4%
9.	Pulte Homes	3.3%
10.	JMC Homes	2.7%

### MARKET SHARE

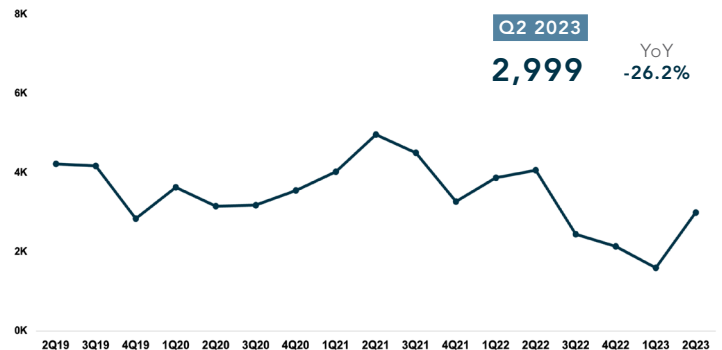
### SINGLE-FAMILY INVENTORY



### VACANT DEVELOPED LOTS



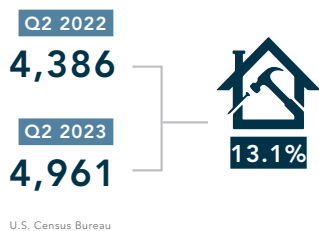
### HOME STARTS



## RENTAL MARKET

Median rental prices across Northern California varied from metro to metro. Rental prices in major metropolitan statistical areas, like San Francisco and Sacramento, increased by 1 to 2 percentage points compared to last year. Permits for multifamily developments in the region increased by just over 13% year-over-year. Renters occupied 39% of all households across Northern California, while owners occupied 52% of households, and the remaining 9% were vacant.

### MULTIFAMILY PERMITS



### HOUSEHOLD OCCUPANCY



### MEDIAN RENTAL PRICE





## REGIONAL MARKET REPORTS • Q2 2023

### ALABAMA

HUNTSVILLE

### 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](mailto:infousa@walton.com)

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