

Walton®

# SOUTHERN CALIFORNIA

REGIONAL MARKET REPORT • Q2 2023



2023

The megapolitan region of Southern California, or SoCal, is known for its beautiful Pacific coastline, national parks, vineyards, and the bright lights of Hollywood. SoCal's year-round sunny weather makes it a top destination for outdoor activities. Joshua Tree National Park and the Mojave Desert are perfect for hiking and camping. Huntington Beach and Malibu are ideal for surfing, sunbathing, and whale watching. The celebrity-packed city of Los Angeles offers a range of culinary, sightseeing, and entertainment options. From city staples like the Hollywood Bowl and Hollywood Walk-of-Fame to the iconic shops and restaurants that line Rodeo Drive and Sunset Boulevard, Los Angeles is one of a kind. Southern California is a one-size-fits-all region with an exhaustive array of outdoor and city-centered activities.<sup>(1)</sup>



## Plentiful Career Opportunities



## Large Opportunity for Funding



## Robust Economy



## Sustainable Environment

## PEOPLE

Population	18,321,585
Projected % Change in 2028	-1.5%
Median Age	38 y/o
Households	5,923,069
Median Household Income	\$84,036

Zonda - Neustar

## JOBS

% Unemployed	2.7% (as of June 2023)
Total Unemployed	397,112
Total Employed	8,998,750

Zonda - Neustar

## TOP EMPLOYERS

The Walt Disney Company	24,707
Taco Bell	18,206
Universal Protection Services	18,000
Alorica	14,966
CBRE Group	14,839

JBREC | Zippia | California Labor Market Information

## NEW &amp; NOTABLE EMPLOYERS

SpaceX (HQ)
New American Funding (HQ)
Experian (NA HQ)

Zippia | California Labor Market Information

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

Southern California's economy is the largest within the state of California and has been growing at a faster rate than the entire country's over the past two decades. SoCal's economy is expected to grow by over 2% through the end of 2023. Within Southern California is a four-county area known as the Inland Empire. The Inland Empire has become a critical part of Southern California's economy. It has produced more jobs since 2019 than the overall southern region of California and has become the 15th-largest job market in the nation. In some parts of Southern California, the focus has shifted towards the transportation and warehousing industries. However, there is still an overall focus on arts and entertainment, tech, and business and health services.

## RANK

- #1 - Most Populous Region in California
- #1 - Largest Economy in California
- Home to the #1 & #2 Largest Cities in California

UCLA Anderson School of Management

## ECONOMIC DEVELOPMENT UPDATE

**Apr '23 – Kaiser Permanente** broke ground on their new \$116.5 million medical office in Wildomar. The 84,000 sq. ft. project is part of a larger \$1.7 billion expansion plan by Kaiser Permanente that will span four locations throughout the Inland Empire. Kaiser's expansion will bring skilled, high-paying jobs to the area, including 330 new jobs to an already existing 3,500 jobs in Riverside. The public opening of Kaiser's new medical office is tentatively slated for May 2024.

[Click here to read more](#)

**May '23 – Amazon** is expanding its corporate presence in Southern California. The company has leases across three distinct cities: Santa Monica, Irvine, and San Diego. Due to its three-city expansion, Amazon will add 2,500 new corporate and tech positions.

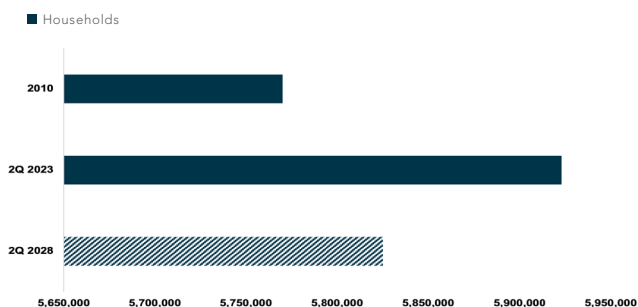
[Click here to read more](#)

Los Angeles Times | The Orange County Register | The Riverside Record

## GROWTH TRENDS

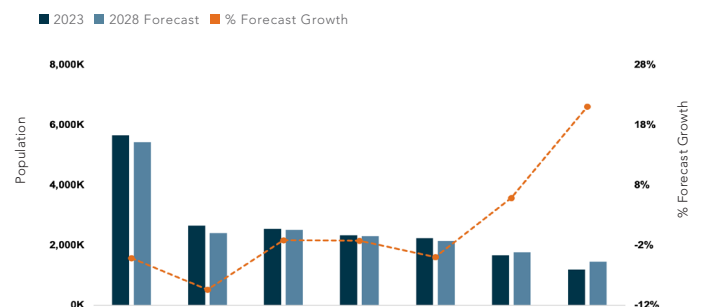
## HOUSEHOLD GROWTH

Zonda - Market Report



## POPULATION GROWTH BY AGE

Zonda - Market Report







## HOUSING MARKET

Southern California's housing market's average new home price increased by just over 9% on a trailing-nine-month basis. Single-family inventory levels in Q2 fell by 10% year-over-year but increased by 20% compared to Q1. Permits in the region fell by 1% year-over-year but increased by 87% from Q1. Similarly, home starts fell by just under 2% year-over-year but more than doubled compared to Q1.

### AVERAGE NEW HOME PRICE

**\$888,372** — TTM **9.2%**

Zonda - Metrostudy

### SINGLE-FAMILY PERMITS

Q2 2022

**7,125**

Q2 2023

**7,055**

U.S. Census Bureau



-1.0%

### TOP HOMEBUILDERS BY RANK

1.	Lennar	21.3%
2.	KB Home	9.5%
3.	D.R. Horton Inc.	7.7%
4.	Tri Pointe Homes	6.7%
5.	Toll Brothers Inc.	5.0%
6.	Richmond American Homes	4.8%
7.	Pulte Homes	3.8%
8.	Taylor Morrison	3.0%
9.	Shea Homes	2.7%
10.	Meritage Homes	2.4%

Zonda - Metrostudy

### MARKET SHARE

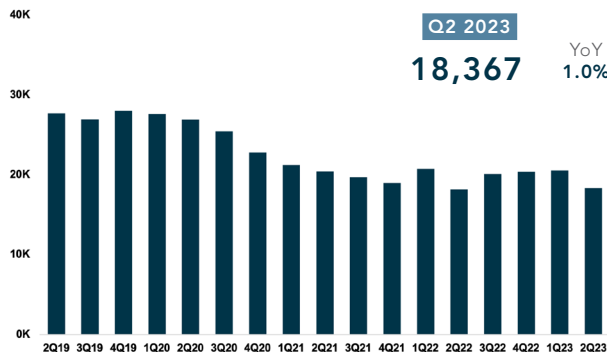
### SINGLE-FAMILY INVENTORY

**8,781** — YoY **-10.2%**

Zonda - Metrostudy

### VACANT DEVELOPED LOTS

Zonda - Metrostudy



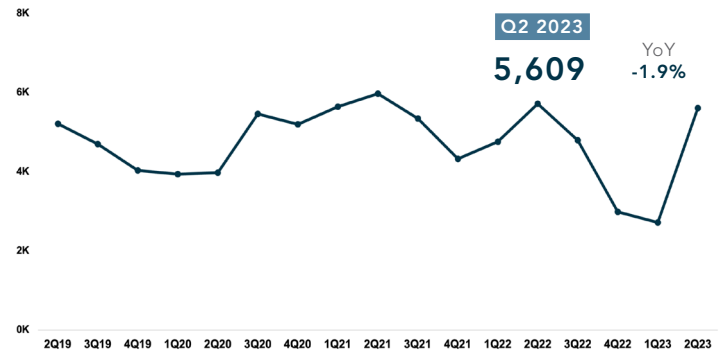
Q2 2023

**18,367**

YoY **1.0%**

### HOME STARTS

Zonda - Metrostudy



Q2 2023

**5,609**

YoY **-1.9%**

## RENTAL MARKET

Median rental prices varied across Southern California's major markets. Prices fell by as much as -4.6% in San Bernardino and by as little as 2% in more expensive markets like Los Angeles. Permits for multifamily developments increased by 11.5% year-over-year and nearly doubled compared to Q1. 40% of households were occupied by renters in Q2, while owners occupy 48% and just 12% are vacant.

### MULTIFAMILY PERMITS

Q2 2022

**7,151**

Q2 2023

**7,975**



11.5%

U.S. Census Bureau

### HOUSEHOLD OCCUPANCY



Zonda - Neustar

Renter Occupied **40%**  
Owner Occupied **48%**

### MEDIAN RENTAL PRICE

YoY

**-4.6% - -2.3%**

**\$1,550 to \$2,879**

Rent.com



## 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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