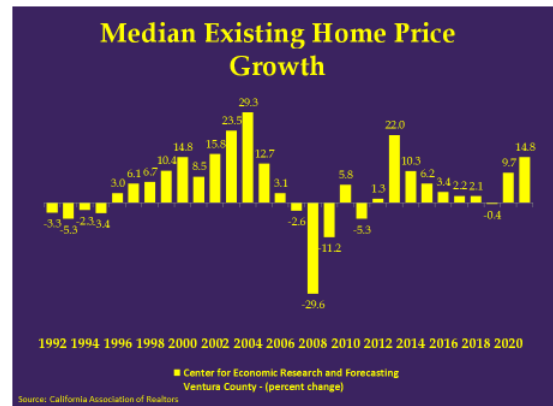
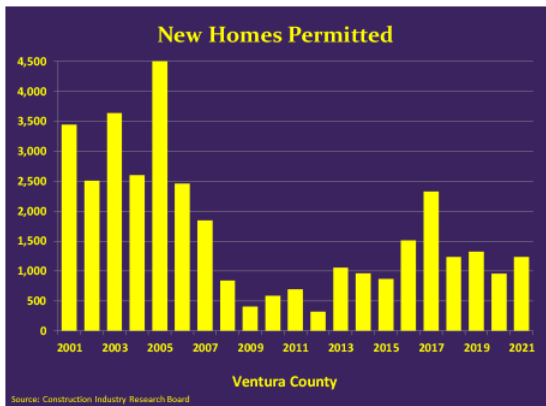


Dan Hamilton  
 March 6, 2022

## County Wide Activity

Ventura County’s pre-pandemic housing market was faltering. Home price appreciation slowed for six consecutive years prior to the pandemic, with the median existing home price actually declining in nominal terms in 2019. Given that local inflation ran in the two to three percent range prior to the pandemic, inflation-adjusted home price growth was zero or negative for three consecutive years leading up to 2020.

Ventura County’s housing market was chronically supply constrained, with the annual number of new residential permits having never recovered from the lows of the Great Recession. As documented in previous reports, supply constraints and the resulting lack of affordable workforce housing was one of the primary drivers of the County’s poor economic performance since the Great Recession.



While anemic residential construction and the resulting supply shortage put upward pressure on home prices, the net exodus of people from the County and declining population put downward pressure on prices. The downward pressure of lagging economic activity seemed to dominate the effect of limited supply in recent years.

The balance of pressures abruptly changed in March 2020. The onset of the pandemic and the resulting shelter-in-place orders appear to have made Ventura County look newly-attractive to high income urban professionals seeking an ex-urban environment in which to live. Ventura County’s median existing home price jumped 9.7 percent in 2020 and another 14.8 percent in 2021 as

demand for houses suddenly surged. Local real estate agents report that the bulk of new demand came from professionals seeking to leave the City of Los Angeles. Home prices declined by only 4.3 percent from the pre-pandemic peak to the trough of the pandemic recession. Home prices have climbed dramatically since then. Median single family home price reach \$865,000 in April 2021, an increase of 28.1 percent in just 13 months.

Meanwhile the average time on the market in Ventura County plummeted. According to the California Association of Realtors, the average time on the market was 66 days in December 2016. That dropped to 51 days in December 2019, just prior to the onset of the pandemic. By December of 2020, at the threshold of the second wave of COVID transmission and a new round of lockdowns, the average time on the market dropped to 27 days in Ventura County. In January 2022, the most recent month for which we have data, the average time on market stood at an extremely low 20 days, close to the low for which we have data.

<b>Peak - Trough Analysis</b>			
<u>Ventura County Single-Family Detached, NSA</u>			
	<u>Median Home Price</u>	<u>(Date)</u>	<u>Percent Change</u>
<b>Pre Great Recession Peak</b>	\$710,910	(Apr 2006)	
<b>Great Recession Trough</b>	\$359,630	(Feb 2009)	-49.4
<b>Pre Covid Peak</b>	\$705,000	(Mar 2020)	
<b>Covid Trough</b>	\$675,000	(Apr 2020)	-4.3
<b>Post Covid Peak</b>	\$865,000	(Apr 2021)	28.1*
<b>Latest</b>	\$850,000	(Jan 2022)	25.9*

*Source: California Association of Realtors* *\* change from COVID trough*

While rapid home price appreciation may be welcome to incumbent homeowners, it bodes ominously for housing affordability and ultimately underscores increasing economic weakness and the growing economic inequality noted above.

Tight housing markets and low affordability have already priced the workers in many of the County's local industries out of the housing market altogether. Shut out of owning a home in the local housing market, middle- and lower-middle class households are being denied the key first

step for moving up in socioeconomic status. Without a key rung in the economic mobility ladder, fewer households have access to the socio-economic mobility path for which the United States is famous. Ventura County is increasingly a bi-modal economy of haves and have-nots. The pandemic-induced increase in home prices is sure to exacerbate this trend in the years ahead.

## Major Metro Activity

Home sales during the year of 2020 rose from 2019 in all of the six larger Ventura County cities, except for Simi Valley.<sup>1</sup> Sales strengthened during the year of 2021 over that of 2020 for each of the six markets, with four of the six experiencing double-digit growth. Simi Valley's 2021 closed escrows grew the strongest in the county at 28 percent and has been the county's leader in sales for each of the past three years.

The new home sales activity is thin relative to existing homes with only Oxnard and Simi Valley recording consistent new home sales in each month of the past three years. This leads to volatility in the new home prices across time. New home price movements do not show a consistent pattern over time across these six markets due to the changes in composition that dominate the data.

Even the relatively more active existing home sale categories, attached and detached, are influenced by the composition of homes. In 2021, four of the six cities experienced faster price growth in the attached market segment than the detached market segment. A review of 2020 versus 2021 growth rates across the cities does not show a consistent pattern of growth rates across the six cities or by attached versus detached. When newer and/or nicer product closes escrow, this has an impact on city statistics. 2021 home price growth rates were double-digit for both segments across all of these six markets. Housing affordability is a problem in each of these cities with 2021 attached median prices ranging from a low of \$462,800 in San Buenaventura to a high of \$588,300 in Thousand Oaks. This is noteworthy as the attached market segment is meant to be more affordable. In the detached housing market, prices are at levels that indicate households are buying homes based on wealth, not income. 2021 detached median home prices range from almost \$620 thousand in Oxnard to \$977 thousand in Thousand Oaks.

Peak to trough price movements across the six large Ventura County cities mirror the county's pattern shown above. The table below provides price changes for all types of homes through the Pandemic and until now. The price declines from the Pre-COVID high to the COVID-induced trough are typically modest relative to Great Recession declines. Home price growth rates from the COVID-trough until now were double-digit across all six communities, with only Oxnard's attached home

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<sup>1</sup> This section utilizes DataQuick/Core-Logic housing data for the six larger Ventura County cities: Camarillo, Oxnard, San Buenaventura, Moorpark, Simi Valley, and Thousand Oaks.

price growth less than 20 percent above the COVID-induced trough. Moorpark's 2021 home price growth exceeded 50 percent for both the detached and attached market segments.

The tables of the city housing market statistics are provided on this and the next page.

<b>Recent Housing Trends</b>					
<u>Ventura County's Larger Communities</u>					
	<u>2019</u>	<u>2020</u>	<u>Change</u>	<u>2021</u>	<u>Change</u>
<b>Camarillo</b>					
New homes - median price	\$551,083	\$630,806	14.5	\$785,125	24.5
Existing (attached) - median price	\$464,417	\$474,667	2.2	\$555,021	16.9
Existing (detached) - median price	\$675,625	\$708,333	4.8	\$805,500	13.7
Sales (all units)	1,299	1,335	2.8	1,512	13.3
<b>Oxnard</b>					
New homes - median price	\$616,079	\$758,750	23.2	\$825,273	8.8
Existing (attached) - median price	\$427,125	\$473,271	10.8	\$535,125	13.1
Existing (detached) - median price	\$523,250	\$554,646	6.0	\$618,521	11.5
Sales (all units)	1,649	1,784	8.2	1,927	8.0
<b>San Buenaventura</b>					
New homes - median price	\$688,028	\$1,453,071	111.2	\$1,010,667	-30.4
Existing (attached) - median price	\$406,000	\$413,729	1.9	\$462,813	11.9
Existing (detached) - median price	\$613,458	\$663,625	8.2	\$768,417	15.8
Sales (all units)	1,289	1,331	3.3	1,481	11.3
<b>Moorpark</b>					
New homes - median price	(1)	\$570,000	(1)	\$1,000,000	75.4
Existing (attached) - median price	\$426,146	\$442,667	3.9	\$519,729	17.4
Existing (detached) - median price	\$700,063	\$740,667	5.8	\$852,229	15.1
	509	549	7.9	602	9.7
<b>Simi Valley</b>					
New homes - median price	\$730,729	\$699,638	-4.3	\$821,458	17.4
Existing (attached) - median price	\$429,521	\$437,795	1.9	\$510,000	16.5
Existing (detached) - median price	\$600,521	\$639,102	6.4	\$740,833	15.9
Sales (all units)	1,985	1,864	-6.1	2,387	28.1
<b>Thousand Oaks</b>					
New homes - median price	\$1,004,500	\$3,209,438	219.5	\$2,735,167	-14.8
Existing (attached) - median price	\$481,167	\$523,771	8.9	\$588,292	12.3
Existing (detached) - median price	\$798,167	\$840,958	5.4	\$976,521	16.1
Sales (all units)	1,115	1,218	9.2	1,455	19.5

*Source: DataQuick (CoreLogic)*  
 (1) No sales of this type in that period

### Ventura County Home Price Peak to Trough Analysis

#### Ventura County Larger Communities Single-Family Detached and Attached, NSA

	<u>Median Home Price</u>	<u>(Date)</u>	<u>Percent Change</u>
<b>Camarillo</b>			
Pre Covid Peak	\$632,879	(Jan. 2019)	
Covid Trough	\$592,152	(Apr. 2020)	-6.4
Post Covid Peak	\$801,382	(Dec. 2021)	35.3
Latest	\$801,382	(Dec. 2021)	35.3
			<i>From Covid Trough</i>
<b>Oxnard</b>			
Pre Covid Peak	\$541,913	(Aug. 2019)	
Covid Trough	\$487,248	(Mar. 2020)	-10.1
Post Covid Peak	\$639,490	(Nov 2021)	31.2
Latest	\$579,191	(Dec. 2021)	18.9
			<i>From Covid Trough</i>
<b>San Buenaventura</b>			
Pre Covid Peak	\$578,672	(Apr. 2019)	
Covid Trough	\$558,763	(Feb. 2020)	-3.4
Post Covid Peak	\$755,225	(Nov 2021)	35.2
Latest	\$710,983	(Dec. 2021)	27.2
			<i>From Covid Trough</i>
<b>Moorpark</b>			
Pre Covid Peak	\$732,564	(May 2019)	
Covid Trough	\$564,286	(Feb. 2020)	-23.0
Post Covid Peak	\$866,848	(Dec. 2021)	53.6
Latest	\$866,848	(Dec. 2021)	53.6
			<i>From Covid Trough</i>
<b>Simi Valley</b>			
Pre Covid Peak	\$607,678	(Nov. 2019)	
Covid Trough	\$573,143	(Jun. 2020)	-5.7
Post Covid Peak	\$756,357	(Dec. 2021)	32.0
Latest	\$756,357	(Dec. 2021)	32.0
			<i>From Covid Trough</i>
<b>Thousand Oaks</b>			
Pre Covid Peak	\$812,161	(Jan. 2020)	
Covid Trough	\$688,385	(Jun. 2020)	-15.2
Post Covid Peak	\$976,917	(Apr. 2021)	41.9
Latest	\$911,633	(Dec. 2021)	32.4
			<i>From Covid Trough</i>

Source: DataQuick (CoreLogic)