

Southern California Housing Update

*Home Price Index(HPI)**

- The U.S. HPI rose 12% from 2004Q3 to 2005Q3, which represents a mild decrease from the 13.4% increase in Q2.
- Within Southern California, the Inland Empire again experienced the most HPI appreciation from 2004Q3: 20% (40th out of 265 US metro areas). San Diego had the slowest year-over year appreciation at 11% (94th out of 265).

Housing Transactions

All Homes	# Sold, 2004			# Sold, 2005			Median Price (2004, \$1k)			Median Price (2005, \$1k)		
	Oct	Nov	Dec	Oct	Nov	Dec	Oct	Nov	Dec	Oct	Nov	Dec
Los Angeles	9,709	9,404	10,242	9,792	9,066	8,845	\$409	\$416	\$418	\$492	\$497	\$490
Orange County	3,508	3,560	4,214	3,614	3,503	3,826	\$532	\$541	\$551	\$606	\$616	\$621
San Diego	4,758	4,350	4,807	4,155	3,937	4,262	\$489	\$487	\$491	\$513	\$518	\$516
Riverside	5,070	4,978	5,412	5,542	5,904	6,305	\$339	\$346	\$371	\$391	\$405	\$411
San Bernardino	3,941	4,065	4,334	4,217	3,992	4,580	\$266	\$284	\$281	\$354	\$350	\$361
Ventura	1,203	1,102	1,308	1,169	1,235	1,134	\$518	\$507	\$522	\$596	\$612	\$630
So. California	28,189	27,459	30,317	28,489	27,637	28,952	\$410	\$415	\$424	\$473	\$479	\$479

All Homes	# Sold % Chg (04-05)			Median Price % Chg (04-05)		
	Oct	Nov	Dec	Oct	Nov	Dec
Los Angeles	0.9%	-3.6%	-13.6%	20.3%	19.5%	17.2%
Orange County	3.0%	-1.6%	-9.2%	13.9%	13.9%	12.7%
San Diego	-13%	-9.5%	-11.3%	4.9%	6.4%	5.1%
Riverside	9.3%	18.6%	16.5%	15.3%	17.1%	10.8%
San Bernardino	7.0%	-1.8%	5.7%	33.1%	23.2%	28.5%
Ventura	-2.8%	12.1%	-13.3%	15.1%	20.7%	20.7%
So. California	1.1%	0.6%	-4.5%	15.4%	15.4%	13.0%

Source: DataQuick (www.DQNews.com)

- Most coastal counties have turned the corner, posting two months of year-over-declines in unit sales. LA and Ventura's precipitous drop in December is somewhat overstated given the surge in Dec 04 sales, but is still a significant decline.
- Riverside County continues to show strong sales, although price appreciation has slowed somewhat. San Bernardino County is giving mixed signals: the weakness shown in Nov 05 seems transitory given the strong Dec numbers.

* OFHEO's Home Price Index tracks multiple sales of the same property in an effort to control for the biases that quality differences can introduce into calculating appreciation based on median prices. This makes it the preferred housing index among most academics who study real estate. Find out more at www.ofheo.gov