

Southern California Housing Update

*Home Price Index(HPI)**

- The U.S. HPI rose 12.95% from 2004Q4 to 2005Q4, essentially unchanged from the Q3 to Q3 change of 12.55%.
- L.A. edged out the Inland Empire for fastest local HPI appreciation from 2004Q4: 22.4% vs. 21.7% (40th and 45th out of 265 US metro areas). San Diego again had the slowest year-over year appreciation at 11% (117th out of 265).

Housing Transactions

All Homes	# Sold, 2005			# Sold, 2006			Median Price (2005, \$1k)			Median Price (2006, \$1k)		
	Feb	Mar	Apr	Feb	Mar	Apr	Feb	Mar	Apr	Feb	Mar	Apr
Los Angeles	7,056	10,878	10,299	6,405	9,755	8,364	\$424	\$440	\$447	\$490	\$506	\$508
Orange County	2,890	5,033	4,457	2,672	3,910	3,276	\$555	\$565	\$576	\$617	\$623	\$628
San Diego	3,442	5,018	5,345	2,865	4,146	3,705	\$472	\$477	\$484	\$502	\$504	\$505
Riverside	4,084	5,915	5,718	4,282	6,267	5,006	\$372	\$379	\$374	\$410	\$413	\$409
San Bernardino	3,040	4,327	4,007	2,877	4,182	3,506	\$292	\$298	\$304	\$373	\$367	\$360
Ventura	882	1,503	1,515	804	1,249	891	\$521	\$535	\$529	\$618	\$610	\$584
So. California	21,394	32,674	31,431	19,905	29,509	24,748	\$425	\$439	\$485	\$480	\$501	\$485

All Homes	# Sold % Chg from prev. yr.			Median Price % Chg from prev. yr.		
	Feb	Mar	Apr	Feb	Mar	Apr
Los Angeles	-9.2%	-10.3%	-18.8%	15.6%	15.0%	13.6%
Orange County	-7.5%	-22.3%	-28.0%	11.2%	10.3%	9.0%
San Diego	-16.8%	-17.4%	-30.7%	6.4%	5.7%	4.3%
Riverside	4.8%	6.0%	-12.5%	10.2%	9.0%	9.4%
San Bernardino	-5.4%	-3.4%	-12.5%	27.7%	23.2%	18.4%
Ventura	-8.8%	-16.9%	-41.2%	18.6%	14.0%	10.4%
So. California	-7.0%	-9.7%	-21.3%	12.9%	14.1%	9.0%

Source: DataQuick (www.DQNews.com)

- In every Southern California market, April 2006 posted the biggest year-over-year drop in sales seen since the 1990s. Sales volumes in the coastal markets are down about 30-40% relative to peaks established two years ago; sales in the Inland Empire peaked much later, but are still down 7-12% from these previous highs.
- Although year-over-year appreciation is slowing, it is still relatively high by historical standards. However, the year-over-year numbers can be a bit deceptive since most of the price appreciation occurred 6-12 months ago. In 2006Q1, the coastal markets showed annualized appreciation in the 4-7% range, while Riverside and San Bernardino counties were slightly higher at 9% and 12% respectively.

* 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