

Annual Report on the North San Diego County Housing Market

RESIDENTIAL REAL ESTATE ACTIVITY IN NORTH SAN DIEGO COUNTY

North San Diego County
Association of REALTORS®



HOMEDEX

2015



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RESIDENTIAL REAL ESTATE ACTIVITY IN NORTH SAN DIEGO COUNTY

We stepped gingerly with stooped back through a thrilling but unsettled environment of housing recovery back in 2014, but our collective posture improved along with our confidence in 2015. Residential real estate experienced its best year since the Great Recession ended in 2009. Demand was healthy throughout the year, and supply was often there to meet it at least halfway.

Interest rates did not go up earlier in 2015, as was widely anticipated, but the Federal Reserve finally took action with a short-term rate increase in December and is expected to do more of the same with some consistency in 2016. Housing and the wider economy has proven itself ready for such a move, and rate increases can actually serve to maintain economic balance.

If consumers are unwilling to pay higher rates on borrowed money, 2016 could get off to a slow start. By historical standards, that seems like an unlikely reaction. Even if rates were to reach 4.5 percent, it would still be well below what weaker economic conditions than exist today have easily borne in the past.

While rates may get the most digital news ink, other topics worth attention in 2016 include affordable inventory for new buyers, competition from cash investors for that inventory and the continuing barrier to entry that is student loan debt.

Sales: The biggest news in 2015 was the lack of news on rate increases, so buyers kept locking in low 30-year fixed rates. Pending sales increased 12.6 percent to 15,821 to close out the year.

Listings: Inventory performed well in year-over-year comparisons. There were 2,438 active listings at the end of 2015. New listings increased by 1.3 percent to rest at 21,558 for the year. Inventory should rise in 2016, but that will depend upon additions from new construction along with would-be sellers tapping into a market already in their favor.

Distressed Homes: Distressed home markets across the country continued to shrink back to where they should be in a healthy economy. This fact rightly draws attention to market mix. Are median sales prices going up or are there simply fewer sales happening at the lower prices typical within the lender-mediated housing stock? Locally in 2015, the percentage of closed sales that were either foreclosure or short sale rose 20.9 percent to land at 8.6 percent of the market.

Prices: The cost to buy a home rose again in 2015. The overall median sales price was up 4.0 percent to \$520,000 for the year. Home prices should continue to rise in 2016 but perhaps at a tempered pace as the market approaches a natural balancing point. Price gains should be more in line with historical norms in 2016. Prices for Single-Family Detached homes were up 4.1 percent compared to last year, and Single-Family Attached home prices were up 3.4 percent.

List Price Received: Sellers received 96.6 percent of their original list price received at sale, a year-over-year increase of 0.5 percent. Sales prices are expected to increase slightly in 2016, which should translate into further increases in list price received.

The national homeownership percentage is the lowest its been since 1993. As rental development continues, especially in urban centers, and as rental rates continue to rise, we may begin to gradually see some pushback on paying a lease versus a mortgage. Lending stringency and, you guessed it, interest rates may have an effect on the number of new buyers we see in 2016.

Gross Domestic Product increased at an annual rate near 2.0 percent to close 2015, and chances are favorable to get above 2.5 percent next year. Housing is again considered a cornerstone of the national economy. Contributing factors from within the industry include better lending standards and improved inventory unhampered by foreclosures. Declining unemployment, higher wages and low fuel prices have also nudged buying power forward. Conditions are good for a continuation of positive trends in 2016.

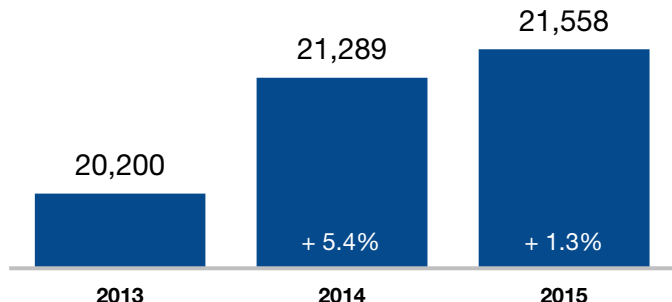
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Quick Facts

New Listings



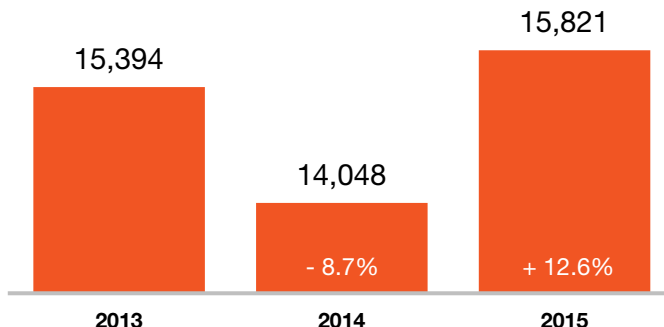
Top 5 Areas: Change in New Listings from 2014

92059 - Pala	+ 25.0%
92067 - Rancho Santa Fe	+ 18.5%
92029 - Escondido	+ 16.5%
92130 - Carmel Valley	+ 9.2%
92009 - Carlsbad	+ 8.2%

Bottom 5 Areas: Change in New Listings from 2014

92007 - Cardiff	- 9.3%
92075 - Solana Beach	- 11.2%
92014 - Del Mar	- 17.9%
92083 - Vista	- 19.4%
92091 - Rancho Santa Fe	- 19.5%

Pending Sales



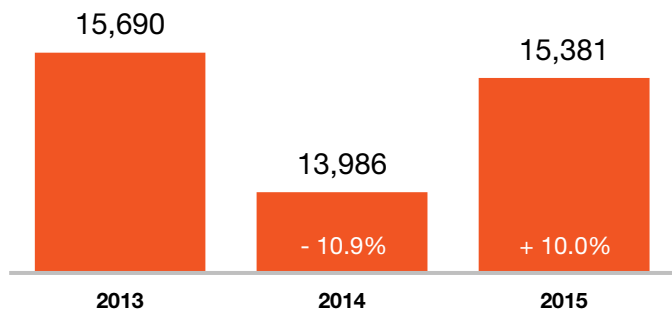
Top 5 Areas: Change in Pending Sales from 2014

92081 - Vista	+ 29.3%
92029 - Escondido	+ 25.0%
92010 - Carlsbad	+ 22.9%
92056 - Oceanside	+ 22.9%
92057 - Oceanside	+ 22.9%

Bottom 5 Areas: Change in Pending Sales from 2014

92064 - Poway	- 4.5%
92075 - Solana Beach	- 8.2%
92014 - Del Mar	- 10.8%
92061 - Pauma Valley	- 13.3%
92091 - Rancho Santa Fe	- 23.4%

Closed Sales



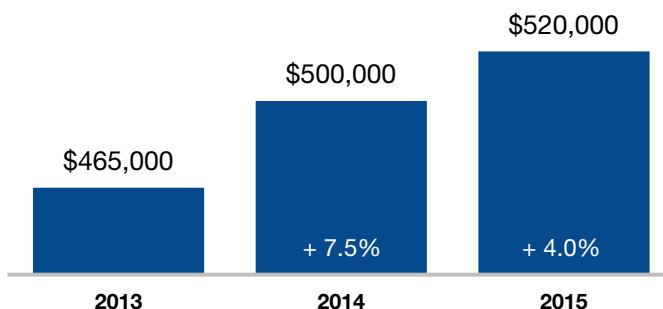
Top 5 Areas: Change in Closed Sales from 2014

92081 - Vista	+ 31.9%
92029 - Escondido	+ 19.9%
92078 - San Marcos	+ 19.2%
92057 - Oceanside	+ 18.0%
92056 - Oceanside	+ 17.6%

Bottom 5 Areas: Change in Closed Sales from 2014

92064 - Poway	- 4.4%
92061 - Pauma Valley	- 6.7%
92075 - Solana Beach	- 9.2%
92014 - Del Mar	- 11.8%
92091 - Rancho Santa Fe	- 22.6%

Median Sales Price



Top 5 Areas: Change in Median Sales Price from 2014

92082 - Valley Center	+ 35.5%
92011 - Carlsbad	+ 28.3%
92091 - Rancho Santa Fe	+ 27.6%
92010 - Carlsbad	+ 27.4%
92057 - Oceanside	+ 25.4%

Bottom 5 Areas: Change in Median Sales Price from 2014

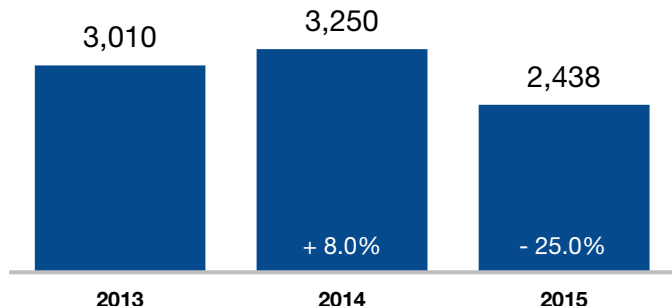
92064 - Poway	- 7.7%
92054 - Oceanside	- 9.8%
92009 - Carlsbad	- 11.1%
92127 - Rancho Bernardo	- 11.7%
92067 - Rancho Santa Fe	- 28.1%



Quick Facts

Inventory of Homes for Sale

At the end of the year



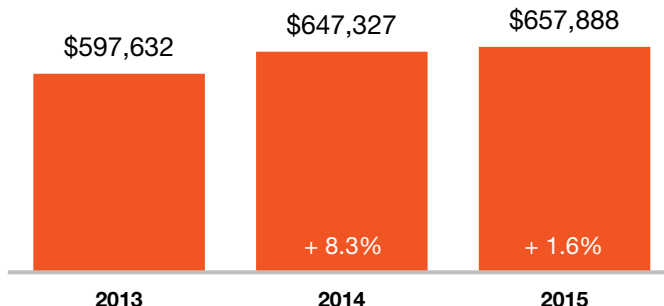
Top 5 Areas: Change in Homes for Sale from 2014

92029 - Escondido	+ 21.4%
92067 - Rancho Santa Fe	+ 17.6%
92064 - Poway	+ 4.8%
92130 - Carmel Valley	+ 2.5%
92075 - Solana Beach	- 4.7%

Bottom 5 Areas: Change in Homes for Sale from 2014

92056 - Oceanside	- 44.5%
92027 - Escondido	- 44.8%
92129 - Rancho Penasquitos	- 45.7%
92010 - Carlsbad	- 45.9%
92081 - Vista	- 50.7%

Average Sales Price



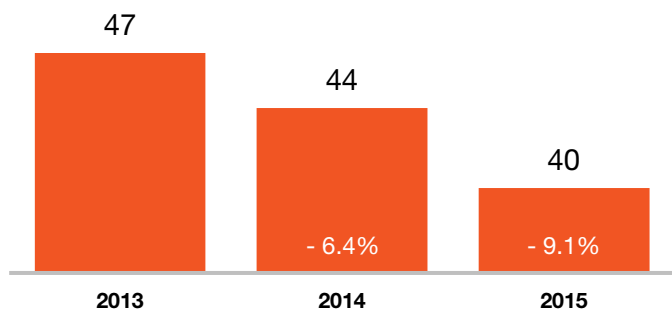
Top 5 Areas: Change in Avg. Sales Price from 2014

92091 - Rancho Santa Fe	+ 13.8%
92082 - Valley Center	+ 9.5%
92058 - Oceanside	+ 9.3%
92007 - Cardiff	+ 8.2%
92081 - Vista	+ 7.8%

Bottom 5 Areas: Change in Avg. Sales Price from 2014

92061 - Pauma Valley	+ 1.8%
92029 - Escondido	+ 1.6%
92130 - Carmel Valley	- 0.1%
92067 - Rancho Santa Fe	- 3.6%
92014 - Del Mar	- 6.3%

Days on Market Until Sale



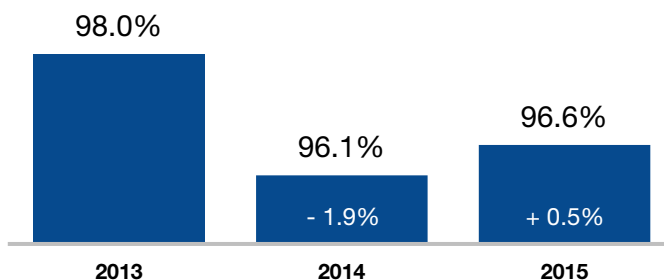
Top 5 Areas: Change in Days on Market from 2014

92130 - Carmel Valley	+ 8.8%
92091 - Rancho Santa Fe	+ 5.8%
92028 - Fallbrook	+ 5.3%
92083 - Vista	+ 5.0%
92082 - Valley Center	+ 4.6%

Bottom 5 Areas: Change in Days on Market from 2014

92010 - Carlsbad	- 18.9%
92065 - Ramona	- 19.7%
92075 - Solana Beach	- 24.5%
92084 - Vista	- 25.5%
92061 - Pauma Valley	- 35.8%

Percent of Original List Price Received



Top 5 Areas: Change in Pct. of Orig. Price Received from 2014

92061 - Pauma Valley	+ 4.5%
92014 - Del Mar	+ 1.4%
92084 - Vista	+ 1.3%
92058 - Oceanside	+ 1.2%
92007 - Cardiff	+ 1.2%

Bottom 5 Areas: Change in Pct. of Orig. Price Received from 2014

92127 - Rancho Bernardo	- 0.1%
92075 - Solana Beach	- 0.1%
92130 - Carmel Valley	- 0.2%
92025 - Escondido	- 0.2%
92082 - Valley Center	- 0.6%



Property Type Review

42

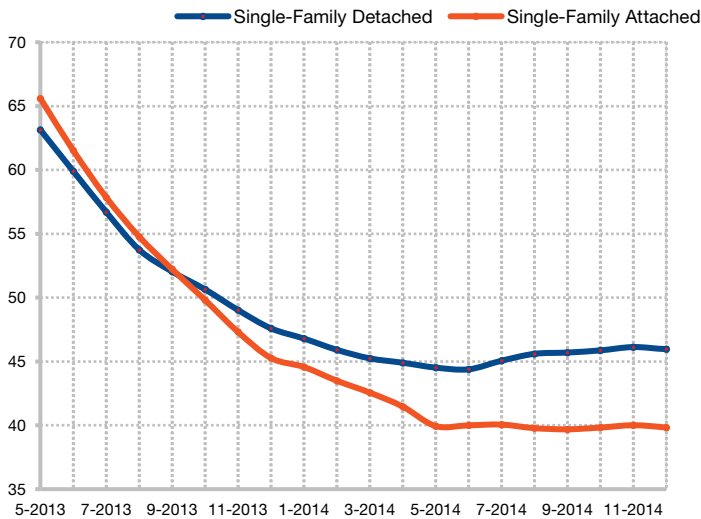
Average Days on Market
Single-Family Detached

35

Average Days on Market
Single-Family Attached

Days on Market Until Sale

This chart uses a rolling 12-month average for each data point.



Top Areas: Single-Family Attached Market Share in 2015

92075 - Solana Beach	56.3%
92128 - Rancho Bernardo	47.0%
92054 - Oceanside	46.4%
92008 - Carlsbad	40.7%
92007 - Cardiff	39.3%
92010 - Carlsbad	38.0%
92009 - Carlsbad	37.3%
92078 - San Marcos	37.0%
92058 - Oceanside	36.9%
92056 - Oceanside	36.8%
92011 - Carlsbad	36.0%
92091 - Rancho Santa Fe	35.4%
92057 - Oceanside	34.3%
92024 - Encinitas	32.6%
92129 - Rancho Penasquitos	32.3%
92014 - Del Mar	32.2%
92127 - Rancho Bernardo	29.8%
92069 - San Marcos	22.4%
92026 - Escondido	22.2%
92083 - Vista	22.1%
92061 - Pauma Valley	21.4%
92025 - Escondido	21.0%
92081 - Vista	19.0%
92084 - Vista	12.7%
92027 - Escondido	12.7%
92064 - Poway	12.3%

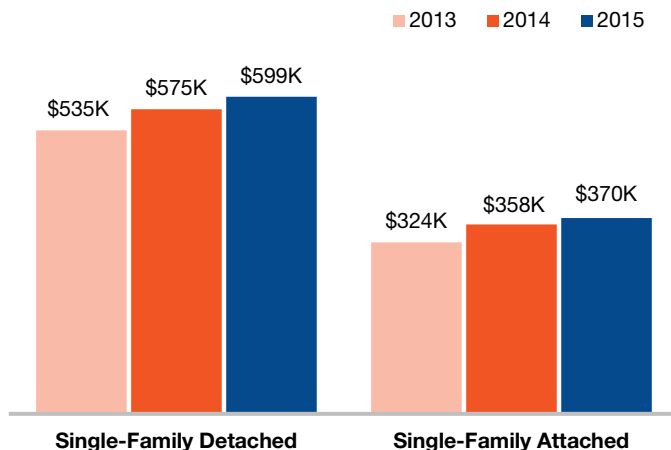
+ 4.1%

One-Year Change in Price
Single-Family Detached

+ 3.4%

One-Year Change in Price
Single-Family Attached

Median Sales Price



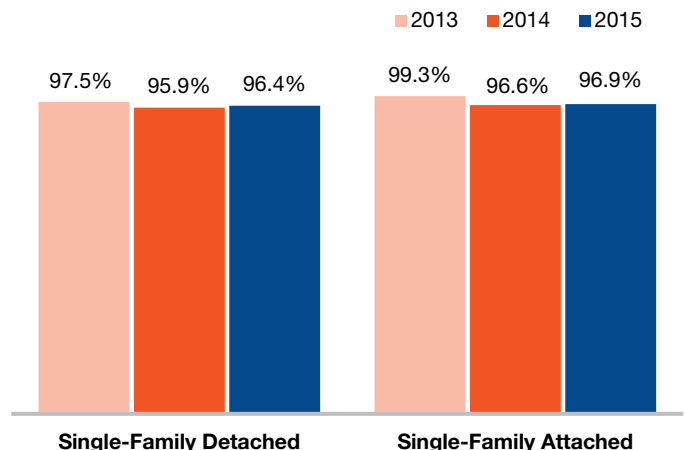
96.4%

Pct. of Orig. Price Received
Single-Family Detached

96.9%

Pct. of Orig. Price Received
Single-Family Attached

Percent of Original List Price Received





Price Range Review

\$500,001 to \$750,000

Price Range with Shortest Average Market Time

\$1,250,001 Or More

Price Range with Longest Average Market Time

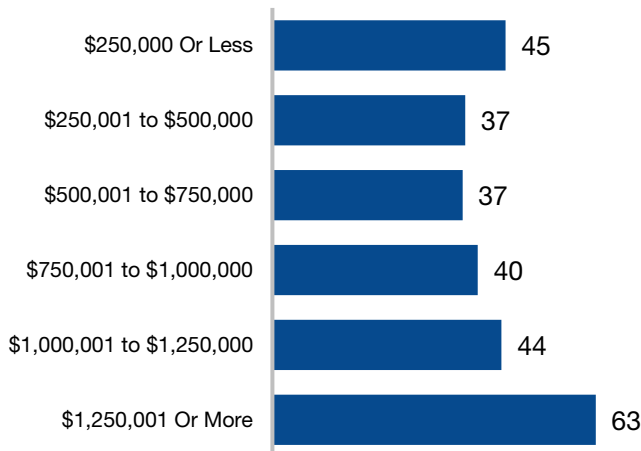
26.3%

of Homes for Sale at Year End Priced \$250,000 Or Less

+ 9.8%

One-Year Change in Homes for Sale Priced \$250,000 Or Less

Days on Market Until Sale by Price Range



Share of Homes for Sale \$250,000 Or Less



\$250,001 to \$500,000

Price Range with the Most Closed Sales

+ 19.5%

Price Range with Strongest One-Year Change in Sales: \$500,001 to \$750,000

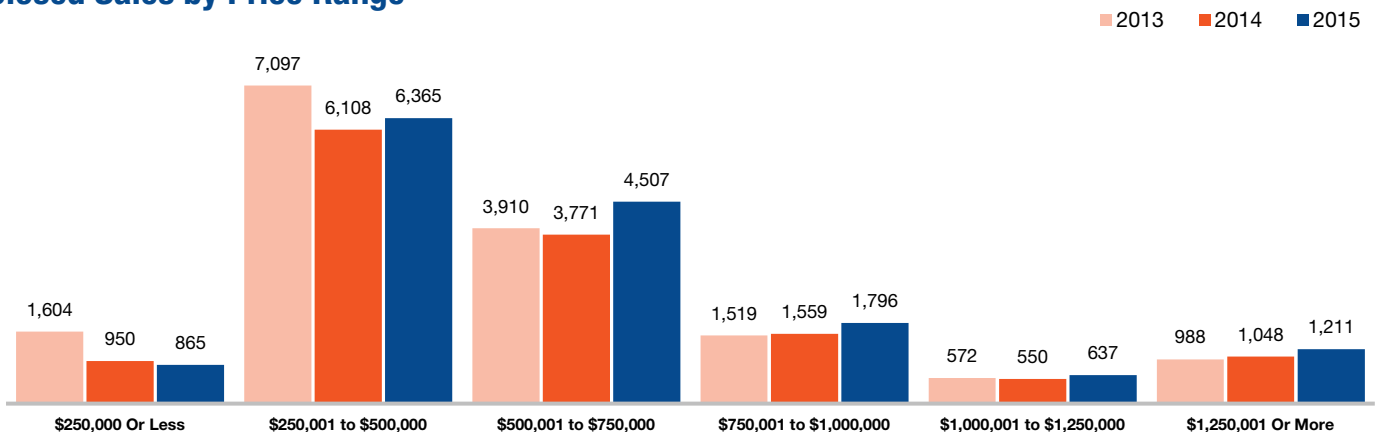
\$1,000,001 to \$1,250,000

Price Range with the Fewest Closed Sales

- 8.9%

Price Range with Weakest One-Year Change in Sales: \$250,000 Or Less

Closed Sales by Price Range





Distressed Homes Review

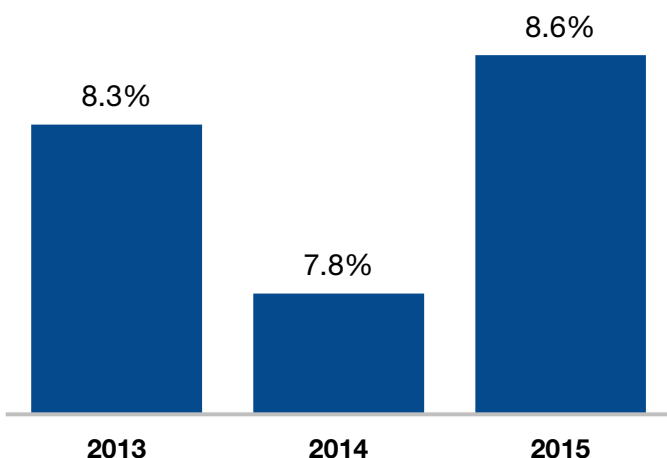
8.6%

Percent of Closed Sales in 2015 That Were Distressed

+ 20.9%

One-Year Change in Sales of Lender-Mediated

Percent of Sales That Were Distressed



Top Areas: Lender-Mediated Market Share in 2015

92059 - Pala	50.0%
92061 - Pauma Valley	14.3%
92007 - Cardiff	14.1%
92026 - Escondido	13.9%
92025 - Escondido	13.1%
92014 - Del Mar	11.3%
92028 - Fallbrook	11.3%
92058 - Oceanside	10.8%
92083 - Vista	10.7%
92075 - Solana Beach	10.7%
92091 - Rancho Santa Fe	10.4%
92069 - San Marcos	10.0%
92029 - Escondido	10.0%
92082 - Valley Center	9.7%
92057 - Oceanside	9.7%
92027 - Escondido	9.6%
92011 - Carlsbad	9.2%
92065 - Ramona	8.9%
92064 - Poway	8.8%
92078 - San Marcos	8.5%
92128 - Rancho Bernardo	8.2%
92054 - Oceanside	8.0%
92056 - Oceanside	7.6%
92129 - Rancho Penasquitos	7.3%
92081 - Vista	7.2%
92084 - Vista	6.8%

+ 11.8%

Three-Year Change in Price All Properties

+ 6.0%

Three-Year Change in Price Traditional Properties

+ 31.6%

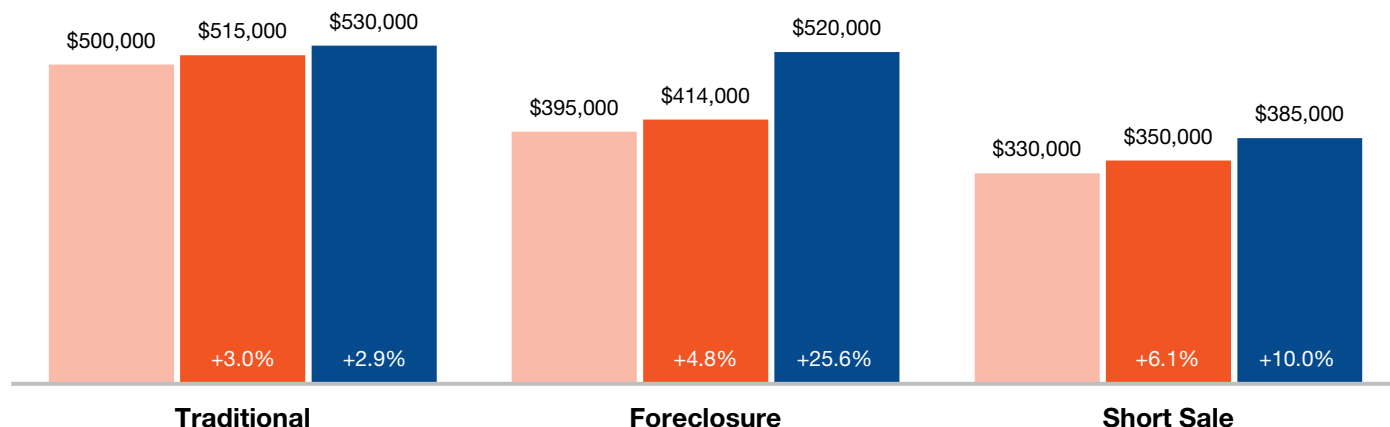
Three-Year Change in Price Foreclosure

+ 16.7%

Three-Year Change in Price Short Sale

Median Sales Price

2013 2014 2015





Area Overviews

	Total Closed Sales	Change from 2014	Percent Single-Family Attached	Percent Foreclosures	New Listings	Days on Market	Pending Sales
92003 - Bonsall	87	+ 38.1%	33.3%	8.0%	146	68	91
92007 - Cardiff	135	- 3.6%	39.3%	14.1%	186	36	135
92008 - Carlsbad	324	+ 0.9%	40.7%	5.6%	489	41	338
92009 - Carlsbad	910	+ 12.5%	37.3%	6.2%	1,312	36	926
92010 - Carlsbad	255	+ 17.0%	38.0%	6.3%	316	30	268
92011 - Carlsbad	369	+ 9.5%	36.0%	9.2%	518	36	385
92014 - Del Mar	239	- 11.8%	32.2%	11.3%	357	53	240
92024 - Encinitas	682	+ 10.9%	32.6%	5.9%	912	35	684
92025 - Escondido	390	+ 4.0%	21.0%	13.1%	561	46	405
92026 - Escondido	635	+ 11.6%	22.2%	13.9%	890	42	656
92027 - Escondido	616	+ 13.7%	12.7%	9.6%	734	39	621
92028 - Fallbrook	675	+ 8.3%	5.5%	11.3%	1,125	60	697
92029 - Escondido	229	+ 19.9%	3.9%	10.0%	403	51	245
92054 - Oceanside	425	+ 10.1%	46.4%	8.0%	613	42	445
92056 - Oceanside	829	+ 17.6%	36.8%	7.6%	994	31	870
92057 - Oceanside	982	+ 18.0%	34.3%	9.7%	1,248	40	1,021
92058 - Oceanside	222	+ 10.4%	36.9%	10.8%	278	38	231
92059 - Pala	2	--	0.0%	50.0%	10	77	3
92061 - Pauma Valley	28	- 6.7%	21.4%	14.3%	69	97	26
92064 - Poway	544	- 4.4%	12.3%	8.8%	823	36	551
92065 - Ramona	539	+ 10.0%	8.3%	8.9%	735	53	558
92067 - Rancho Santa Fe	202	+ 9.8%	2.5%	5.9%	520	105	203
92069 - San Marcos	428	+ 7.3%	22.4%	10.0%	591	34	449
92075 - Solana Beach	197	- 9.2%	56.3%	10.7%	285	37	201
92078 - San Marcos	846	+ 19.2%	37.0%	8.5%	1,074	32	861
92081 - Vista	401	+ 31.9%	19.0%	7.2%	476	36	402
92082 - Valley Center	217	+ 11.9%	0.0%	9.7%	374	68	230
92083 - Vista	271	- 1.8%	22.1%	10.7%	350	42	274
92084 - Vista	426	+ 13.6%	12.7%	6.8%	613	41	432
92091 - Rancho Santa Fe	48	- 22.6%	35.4%	10.4%	91	73	49
92127 - Rancho Bernardo	816	+ 6.9%	29.8%	6.0%	1,212	37	843
92128 - Rancho Bernardo	1,033	+ 12.2%	47.0%	8.2%	1,301	31	1,053
92129 - Rancho Penasquitos	591	+ 13.0%	32.3%	7.3%	765	31	610
92130 - Carmel Valley	788	+ 2.2%	43.0%	6.2%	1,187	37	818



Area Historical Median Prices

	2013	2014	2015	Change From 2014	Change From 2013
92003 - Bonsall	\$454,500	\$520,000	\$505,000	- 2.9%	+ 11.1%
92007 - Cardiff	\$850,000	\$891,000	\$977,000	+ 9.7%	+ 14.9%
92008 - Carlsbad	\$619,000	\$662,500	\$705,000	+ 6.4%	+ 13.9%
92009 - Carlsbad	\$650,000	\$696,000	\$730,000	+ 4.9%	+ 12.3%
92010 - Carlsbad	\$499,900	\$577,000	\$610,000	+ 5.7%	+ 22.0%
92011 - Carlsbad	\$715,400	\$710,000	\$739,750	+ 4.2%	+ 3.4%
92014 - Del Mar	\$1,190,000	\$1,299,000	\$1,375,000	+ 5.9%	+ 15.5%
92024 - Encinitas	\$745,500	\$774,500	\$835,000	+ 7.8%	+ 12.0%
92025 - Escondido	\$390,000	\$400,000	\$415,000	+ 3.8%	+ 6.4%
92026 - Escondido	\$371,000	\$392,000	\$415,000	+ 5.9%	+ 11.9%
92027 - Escondido	\$345,000	\$368,000	\$390,000	+ 6.0%	+ 13.0%
92028 - Fallbrook	\$425,000	\$450,000	\$480,000	+ 6.7%	+ 12.9%
92029 - Escondido	\$560,000	\$620,000	\$625,000	+ 0.8%	+ 11.6%
92054 - Oceanside	\$425,000	\$480,000	\$500,000	+ 4.2%	+ 17.6%
92056 - Oceanside	\$372,500	\$419,000	\$447,000	+ 6.7%	+ 20.0%
92057 - Oceanside	\$345,000	\$365,000	\$388,250	+ 6.4%	+ 12.5%
92058 - Oceanside	\$310,000	\$333,000	\$360,250	+ 8.2%	+ 16.2%
92059 - Pala	\$249,000	\$0	\$632,500	--	+ 154.0%
92061 - Pauma Valley	\$399,000	\$392,000	\$408,500	+ 4.2%	+ 2.4%
92064 - Poway	\$550,000	\$574,000	\$590,000	+ 2.8%	+ 7.3%
92065 - Ramona	\$369,000	\$399,000	\$425,000	+ 6.5%	+ 15.2%
92067 - Rancho Santa Fe	\$2,300,000	\$2,454,500	\$2,450,000	- 0.2%	+ 6.5%
92069 - San Marcos	\$418,588	\$450,000	\$475,000	+ 5.6%	+ 13.5%
92075 - Solana Beach	\$832,500	\$920,000	\$950,000	+ 3.3%	+ 14.1%
92078 - San Marcos	\$448,500	\$499,950	\$525,000	+ 5.0%	+ 17.1%
92081 - Vista	\$410,000	\$445,000	\$465,000	+ 4.5%	+ 13.4%
92082 - Valley Center	\$459,000	\$477,000	\$529,000	+ 10.9%	+ 15.3%
92083 - Vista	\$321,000	\$355,000	\$380,000	+ 7.0%	+ 18.4%
92084 - Vista	\$403,000	\$425,000	\$440,000	+ 3.5%	+ 9.2%
92091 - Rancho Santa Fe	\$1,050,000	\$1,032,500	\$1,225,000	+ 18.6%	+ 16.7%
92127 - Rancho Bernardo	\$630,100	\$699,900	\$720,000	+ 2.9%	+ 14.3%
92128 - Rancho Bernardo	\$431,500	\$465,000	\$497,000	+ 6.9%	+ 15.2%
92129 - Rancho Penasquitos	\$579,500	\$600,000	\$613,600	+ 2.3%	+ 5.9%
92130 - Carmel Valley	\$815,000	\$865,000	\$857,250	- 0.9%	+ 5.2%