

# 2014/2015 Land Market Update

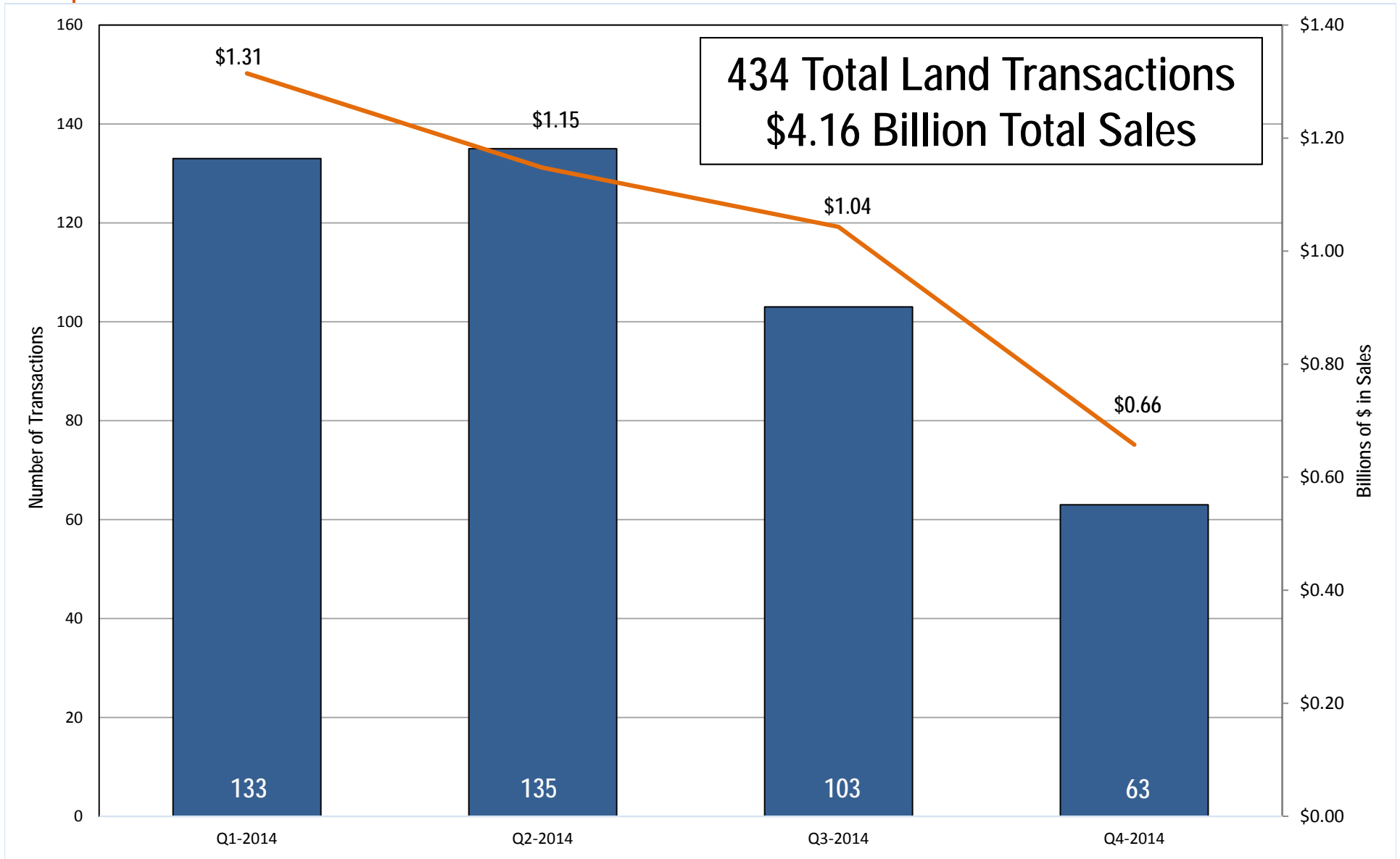
22nd Annual LA/OC Market Trends Seminar  
Appraisal Institute – Southern California Chapter  
Thursday, January 22, 2015 – 10:15 a.m.  
Garden Grove, CA

*Presenter:*  
**Tom Reimers**  
President – CA Division  
*Land Advisors Organization*



# CALIFORNIA LAND SALES

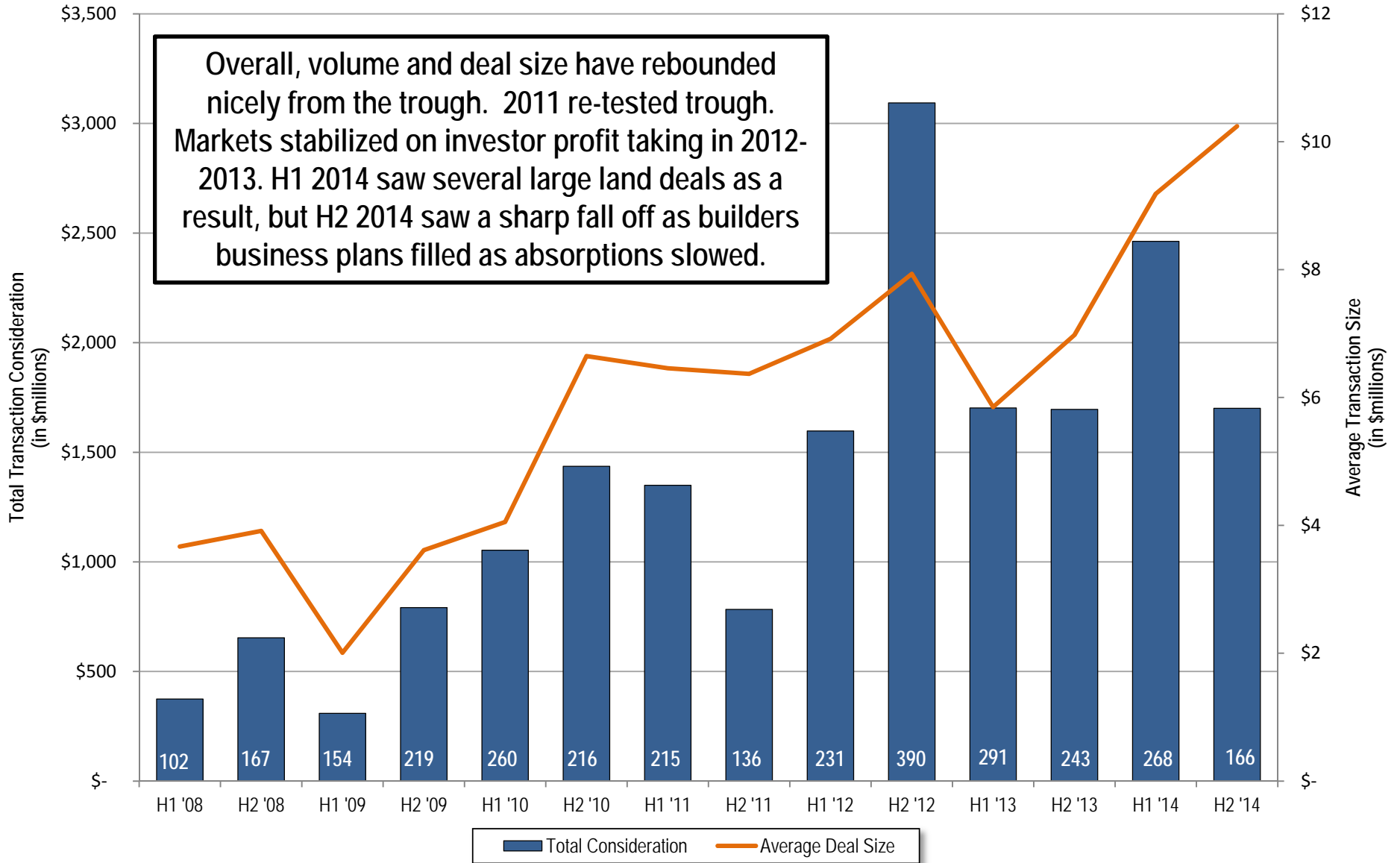
2014 Headline Numbers



Source: Land Advisors Organization research

# CALIFORNIA LAND SALES

2014 in Perspective



Source: Land Advisors Organization research



# CALIFORNIA FINISHED LOT METRICS

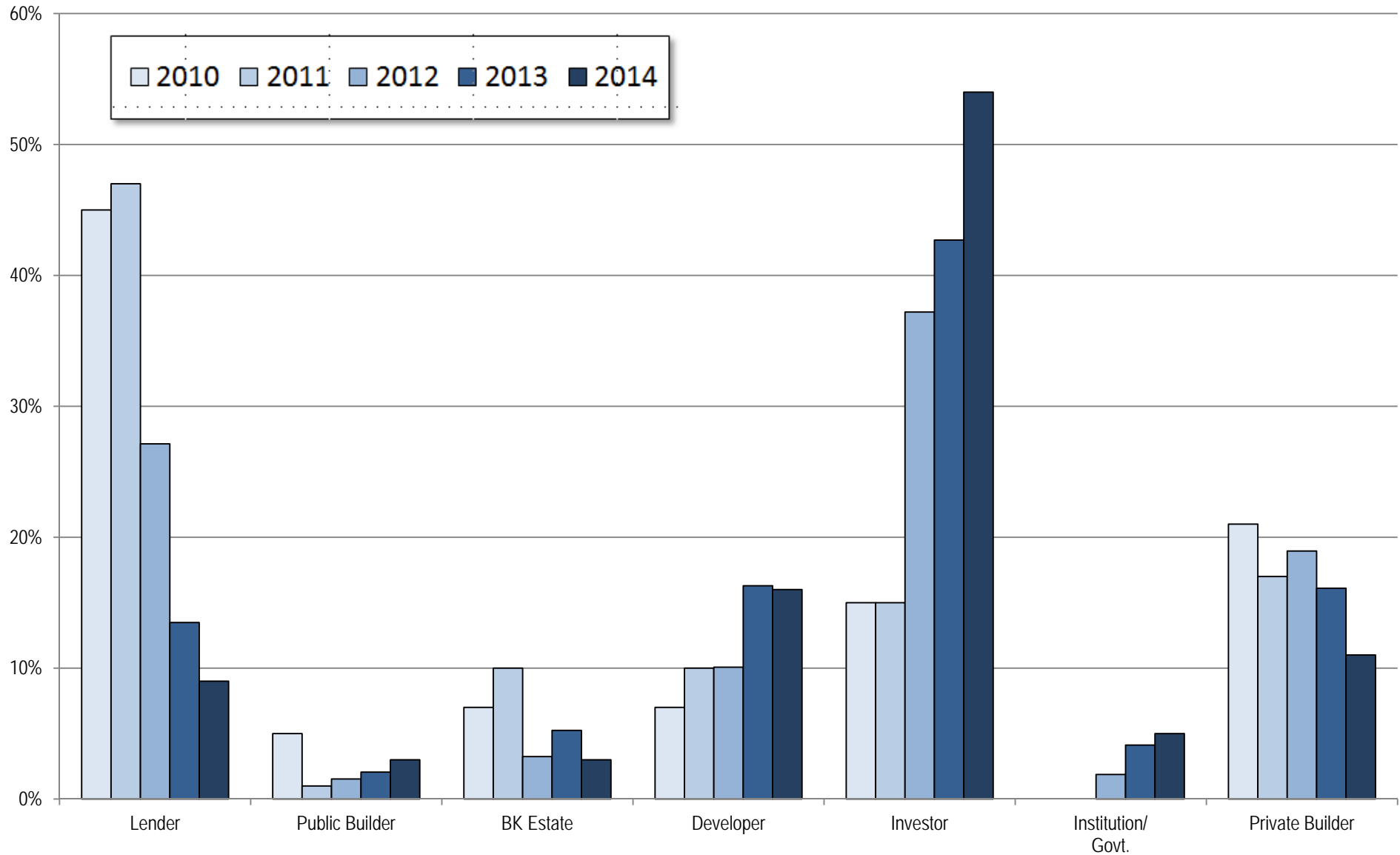
Selected Regions – 2003 through 2014

	Current	Peak	Trough	Peak->	Trough->	Current as % of Peak	Year-Over-Year Lot Value Change				
	Q4 '14			Trough	Current		Q4 '13	Q1 '14	Q2 '14	Q3 '14	Q4 '14
<b>NORTHERN CENTRAL VALLEY</b> <i>(14 Markets)</i>	\$133,571	\$239,643	\$80,357	-66.5%	65.7%	54.6%	45.0%	4.3%	(10.4%)	(6.3%)	3.6%
<b>BAY AREA</b> <i>(15 Markets)</i>	\$429,531	--	\$193,438	--	137.0%	--	22.4%	20.4%	5.5%	8.8%	12.6%
<b>CENTRAL VALLEY</b> <i>(10 Markets)</i>	\$71,000	\$115,000	\$44,850	-58.6%	56.9%	67.0%	20.9%	24.6%	13.8%	12.0%	11.6%
<b>VENTURA CO.</b> <i>(8 Markets)</i>	\$224,375	\$411,875	\$189,000	-64.4%	29.4%	45.7%	22.9%	18.4%	14.3%	8.6%	4.5%
<b>LOS ANGELES – ANTELOPE VALLEY</b> <i>(4 Markets)</i>	\$76,250	\$165,000	\$41,250	-74.8%	85.1%	46.1%	21.1%	9.4%	2.5%	2.5%	(6.2%)
<b>LOS ANGELES – SANTA CLARITA</b> <i>(4 Markets)</i>	\$233,750	\$313,750	\$130,000	-57.7%	64.5%	69.1%	41.1%	29.7%	17.1%	7.6%	0.6%
<b>SAN BERNARDINO – HIGH DESERT</b> <i>(4 Markets)</i>	\$66,250	\$128,750	\$41,250	-68.0%	60.2%	51.4%	35.6%	18.3%	5.8%	2.5%	0.0%
<b>SAN BERNARDINO – BASIN</b> <i>(11 Markets)</i>	\$208,182	\$282,727	\$111,932	-60.5%	82.1%	71.6%	27.4%	12.3%	8.7%	3.5%	(6.0%)
<b>RIVERSIDE – WESTERN</b> <i>(17 Markets)</i>	\$137,656	\$208,438	\$72,813	-65.4%	87.2%	64.5%	32.9%	14.6%	4.3%	4.3%	(5.9%)
<b>RIVERSIDE – COACHELLA</b> <i>(12 Markets)</i>	\$175,167	\$217,500	\$81,708	-64.7%	116.8%	75.7%	67.3%	55.0%	36.2%	0.0%	0.0%
<b>SAN DIEGO</b> <i>(9 Markets)</i>	\$397,222	--	--	--	--	--	23.6%	17.0%	5.6%	3.3%	3.3%

Source: Land Advisors Organization research

# CALIFORNIA LAND SALES

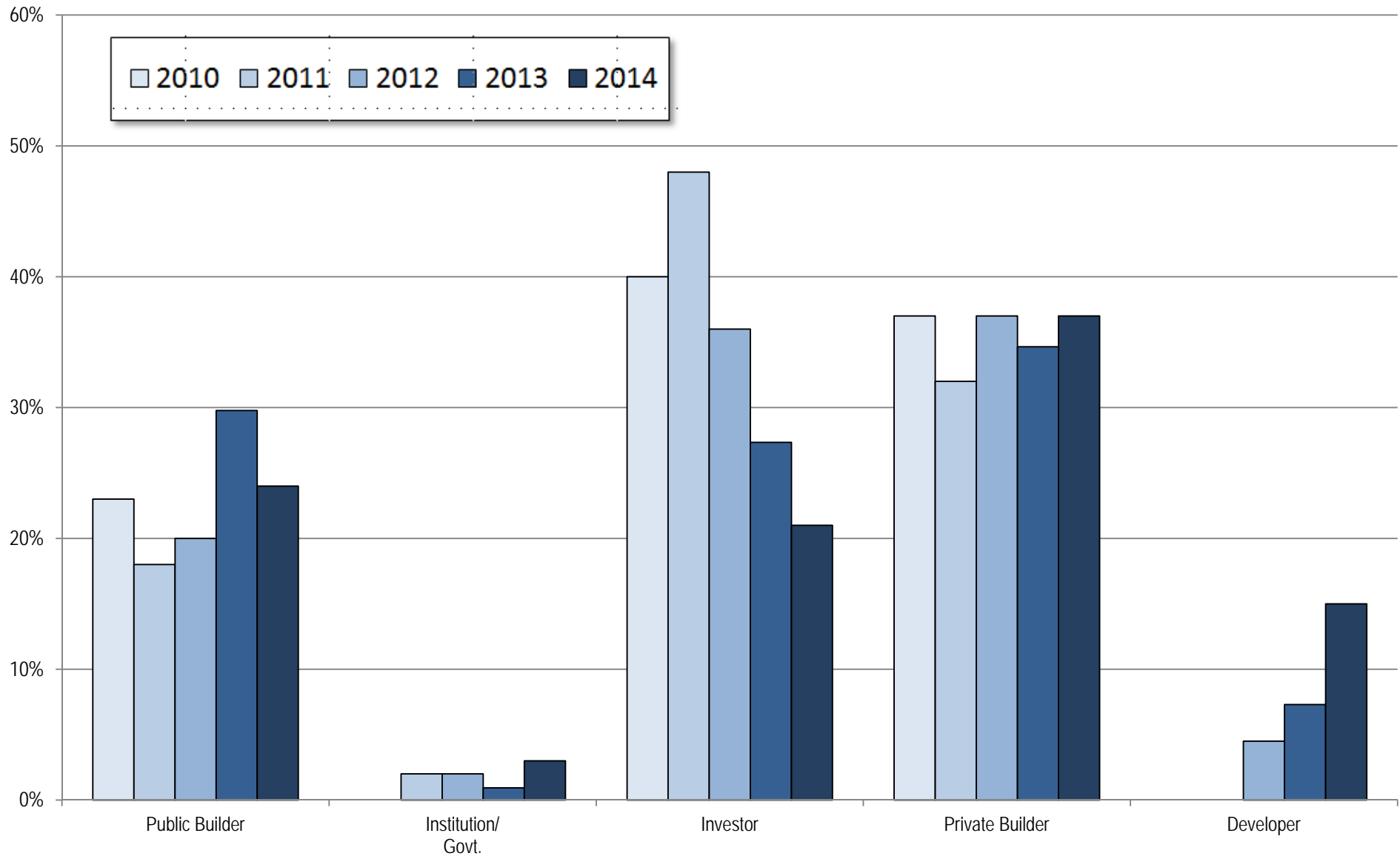
*By Seller Profile*



Source: Land Advisors Organization research

# CALIFORNIA LAND SALES

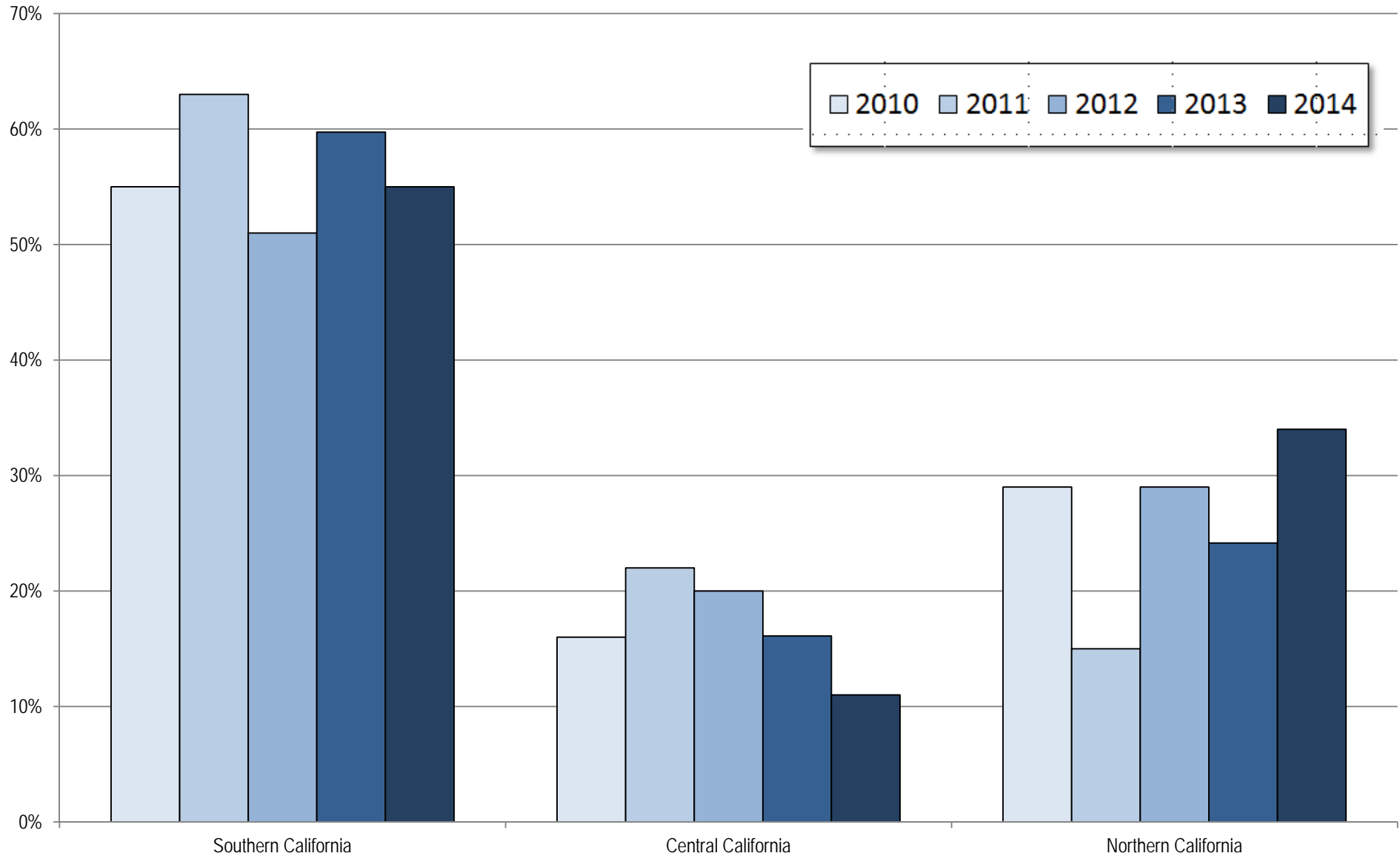
*By Buyer Profile*



Source: Land Advisors Organization research

# CALIFORNIA LAND SALES

*By Region*

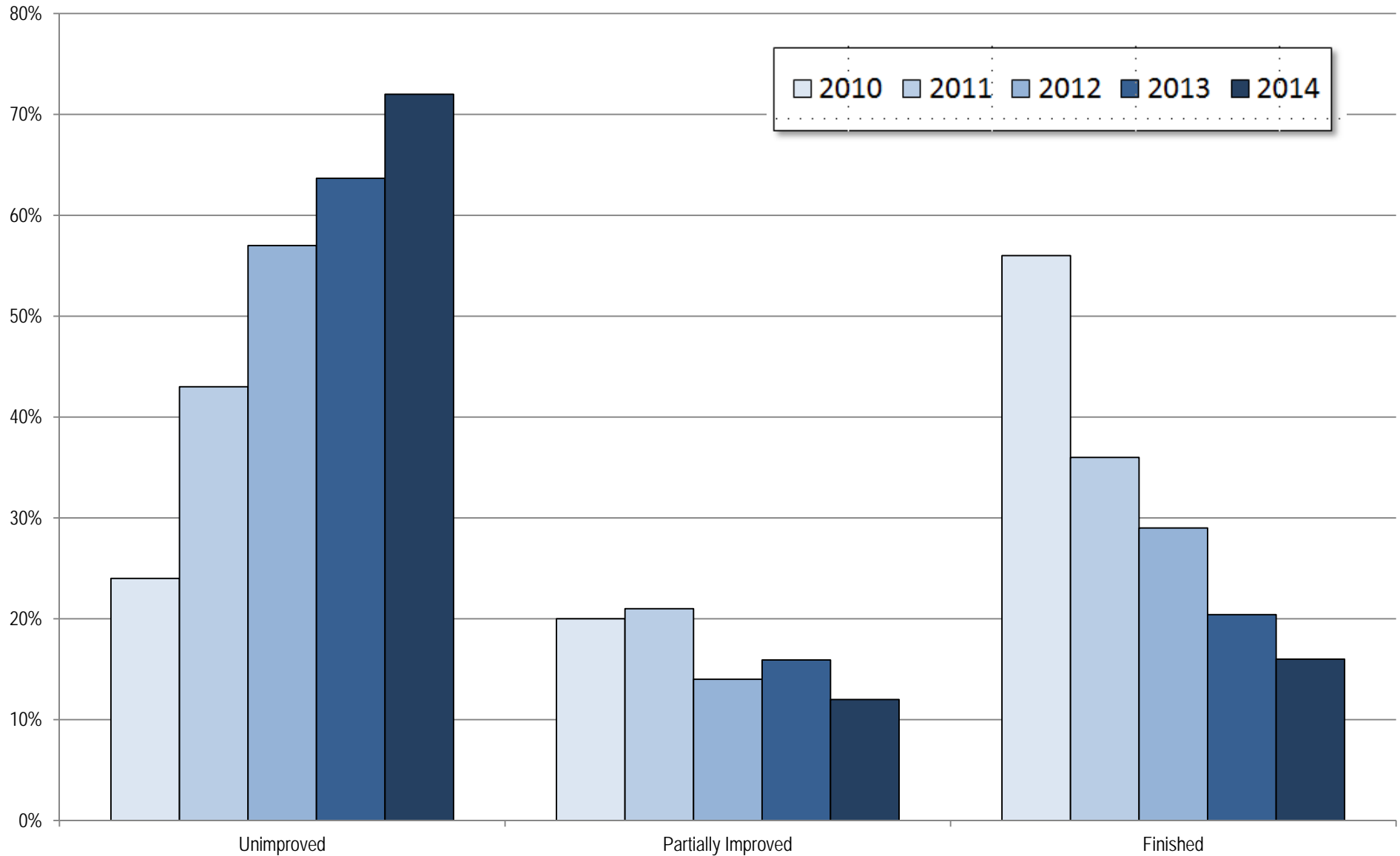


Source: Land Advisors Organization research



# CALIFORNIA LAND SALES

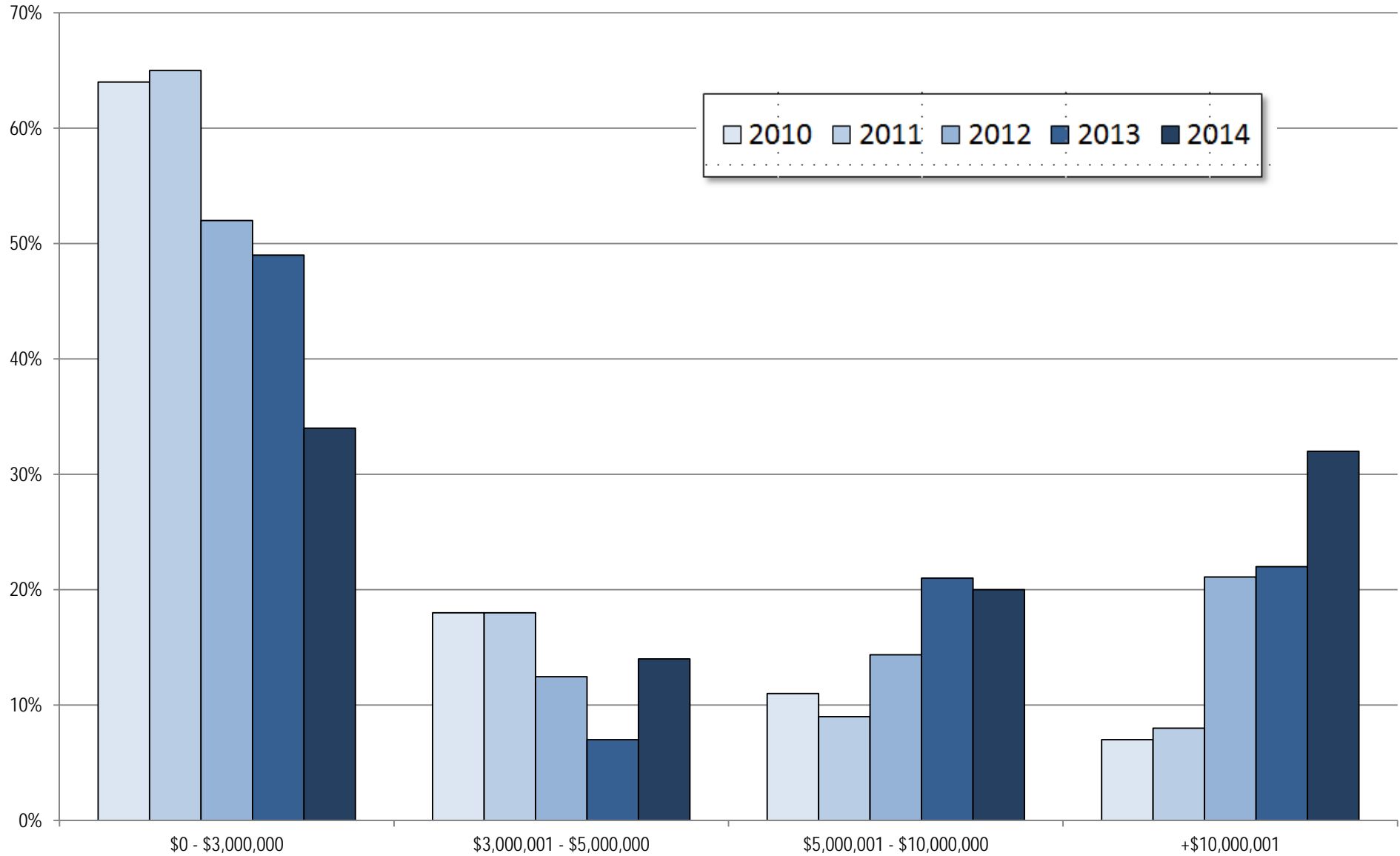
*By Site Condition*



Source: Land Advisors Organization research

# CALIFORNIA LAND SALES

*By Transaction Size*



Source: Land Advisors Organization research

# CALIFORNIA BUILDING PERMITS

Region	Current Annualized <i>as of Q3 2014</i>	Current % of Total	Peak	Current % of Peak	Trough	Current % of Trough
Bay Area	17,316	22.2%	35,855	48%	5,161	336%
Central Coast	1,320	1.7%	7,481	18%	814	162%
Central Valley	6,543	8.4%	39,897	16%	4,119	159%
Northern California	1,236	1.6%	6,866	18%	457	270%
Sacramento Region	3,612	4.6%	23,236	16%	2,055	176%
Southern California	47,880	61.5%	117,541	41%	16,441	291%
<i>Totals/Averages</i>	<i>77,907</i>	<i>100.0%</i>	<i>230,876</i>	<i>34%</i>	<i>29,047</i>	<i>268%</i>

Source: Census & Land Advisors Organization research

# PERMIT SCENARIOS THRU 2020

Southern California – Single-Family & Multi-Family Combined

## POPULATION GROWTH OF 1,500,000

487,013 New Households

165,888 Units Built 2009-2014

321,125 Remainder 2015-2020

53,521

Average Permits Needed Per Year

(2012 = 27,514)

(2013 = 35,563)

(2014 = 44,277)

## POPULATION GROWTH OF 2,000,000

649,351 New Households

165,888 Units Built 2009-2014

483,463 Remainder 2015-2020

80,577

Average Permits Needed Per Year

(2012 = 27,514)

(2013 = 35,563)

(2014 = 44,277)

## POPULATION GROWTH OF 2,500,000

811,688 New Households

165,888 Units Built 2009-2014

645,800 Remainder 2015-2020

107,633

Average Permits Needed Per Year

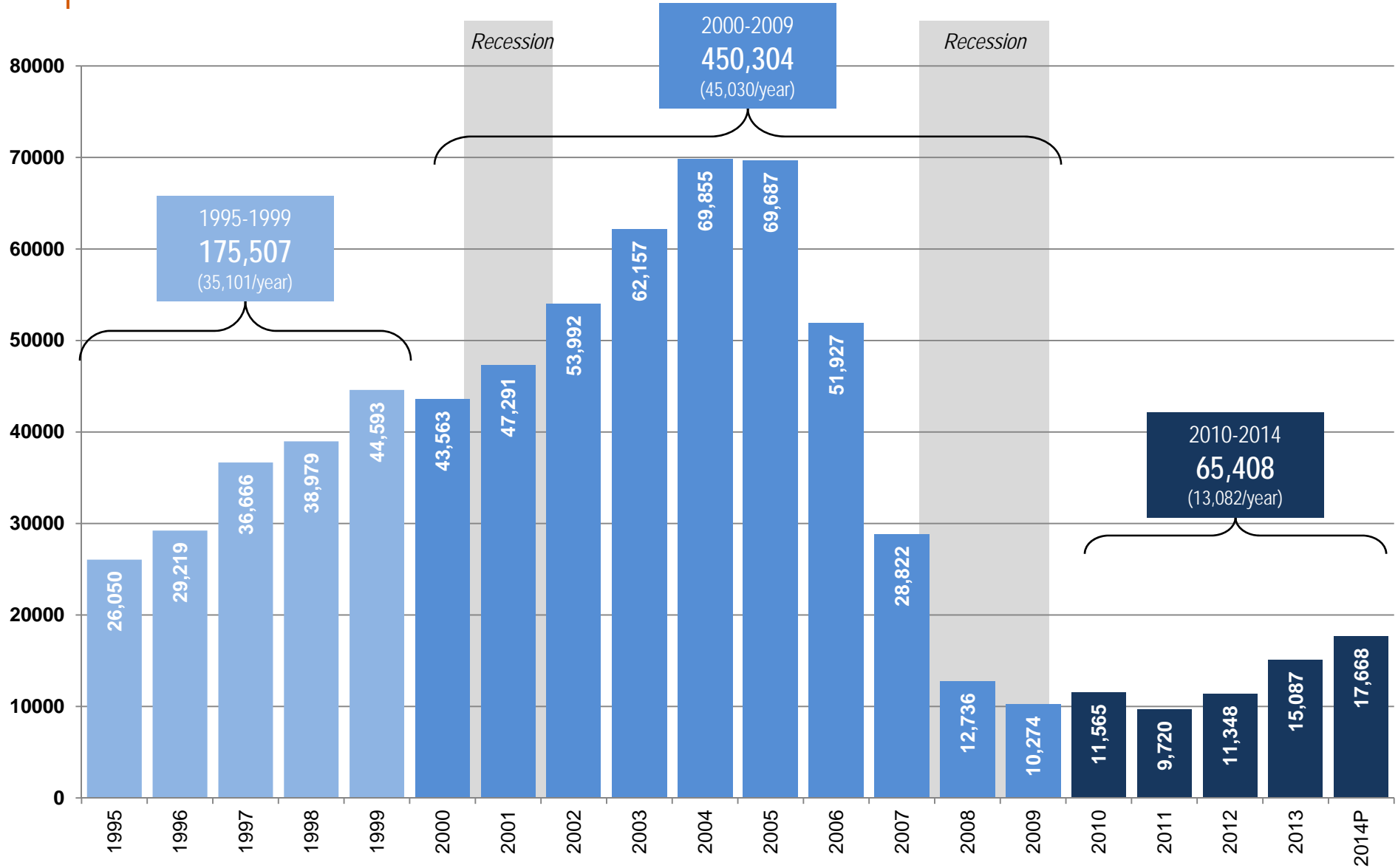
(2012 = 27,514)

(2013 = 35,563)

(2014 = 44,277)

Source: SCAG, SANDAG, Land Advisors Organization research

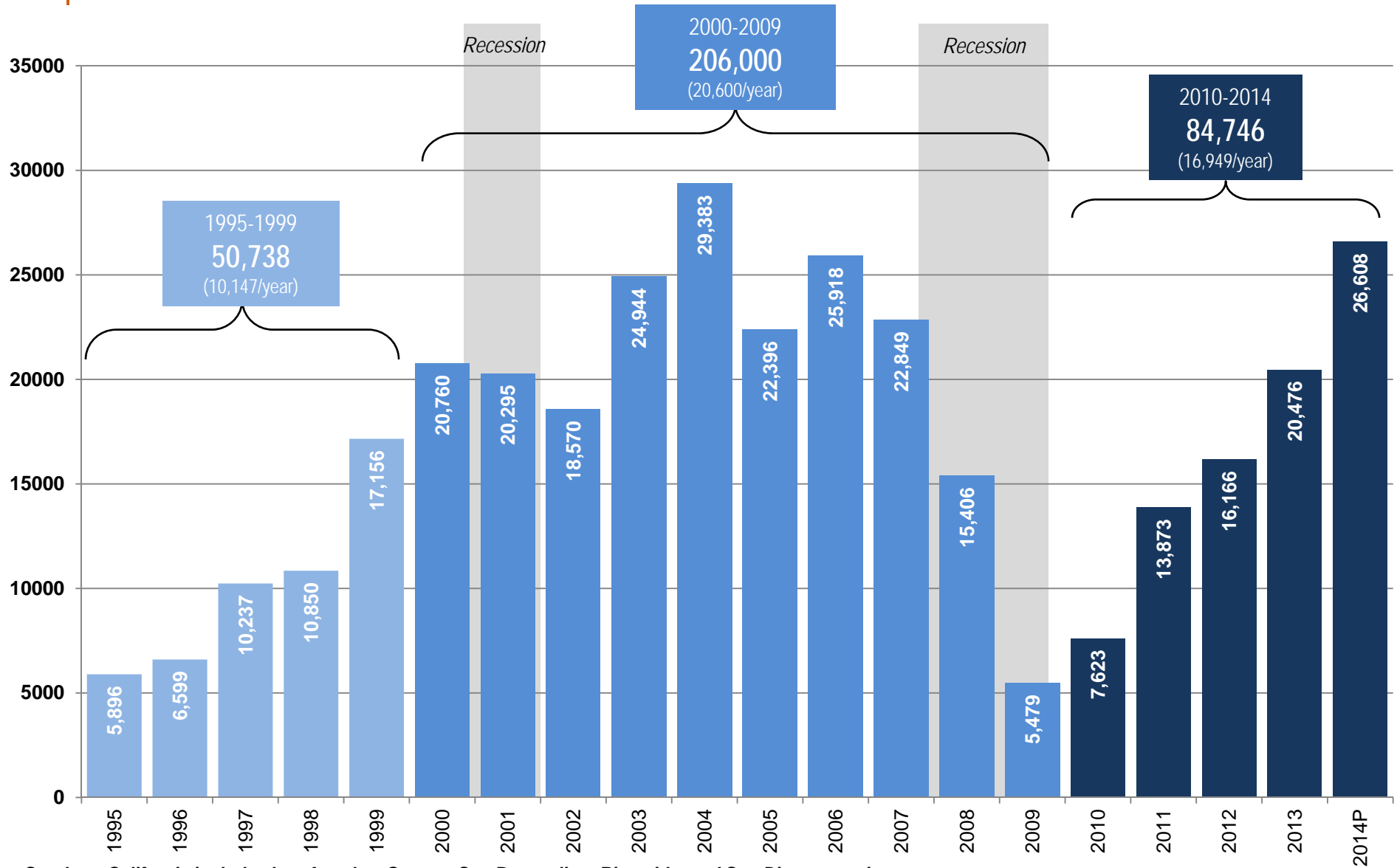
# S. CALIFORNIA SINGLE-FAMILY PERMITS



Southern California includes Los Angeles, Orange, San Bernardino, Riverside, and San Diego counties

Source: U.S. Census, Land Advisors Organization research, through November 2014

# S. CALIFORNIA MULTI-FAMILY PERMITS



Southern California includes Los Angeles, Orange, San Bernardino, Riverside, and San Diego counties

Source: U.S. Census, Land Advisors Organization research, through November 2014

# 2014/2015 Land Market Update



*Thank you for the opportunity to present today!*

*Presenter:*  
Tom Reimers  
President – CA Division  
*Land Advisors Organization*

