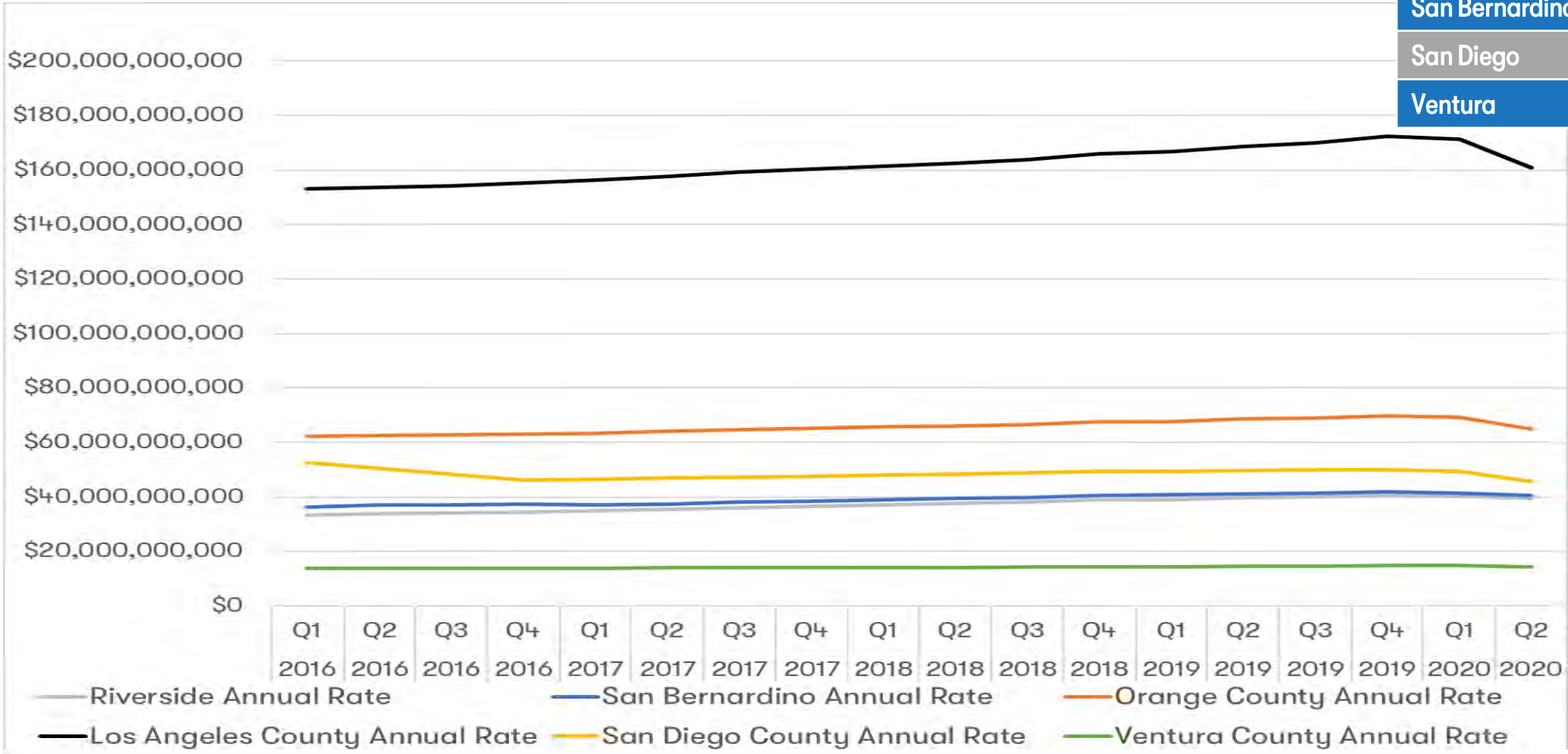


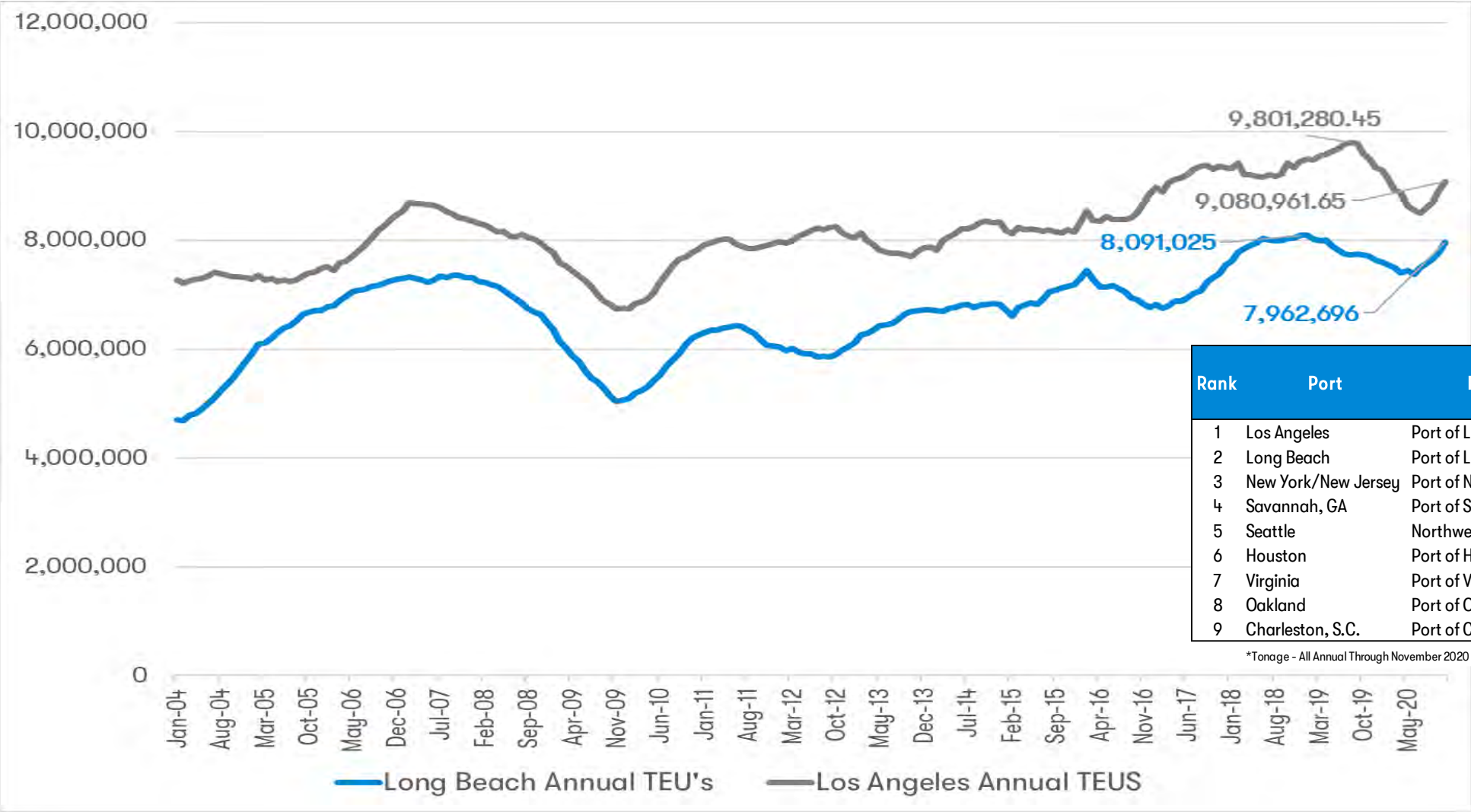


# Southland Taxable Sales

County	2Q20 Decline
Los Angeles	-6.3%
Orange	-6.1%
Riverside	-1.7%
San Bernardino	-2.0%
San Diego	-7.6%
Ventura	-4.0%



# Southern California Import/Export Trends



Rank	Port	Port Name	Annual Tonage	Yearly Change	Two Qtr Trend
1	Los Angeles	Port of Los Angeles	9,080,962	-4.4% Up/Down	
2	Long Beach	Port of Long Beach	7,962,696	3.0% Up	
3	New York/New Jersey	Port of Newark	7,367,562	-1.5% Up	
4	Savannah, GA	Port of Savannah	4,595,566	0.1% Up	
5	Seattle	Northwest Seaport Alliance	3,303,017	-14.0% Up	
6	Houston	Port of Houston	2,975,667	0.6% Up	
7	Virginia	Port of Virginia	2,717,904	-8.0% Up	
8	Oakland	Port of Oakland	2,446,903	-3.2% Stable	
9	Charleston, S.C.	Port of Charleston	2,288,272	-6.5% Up/Down	

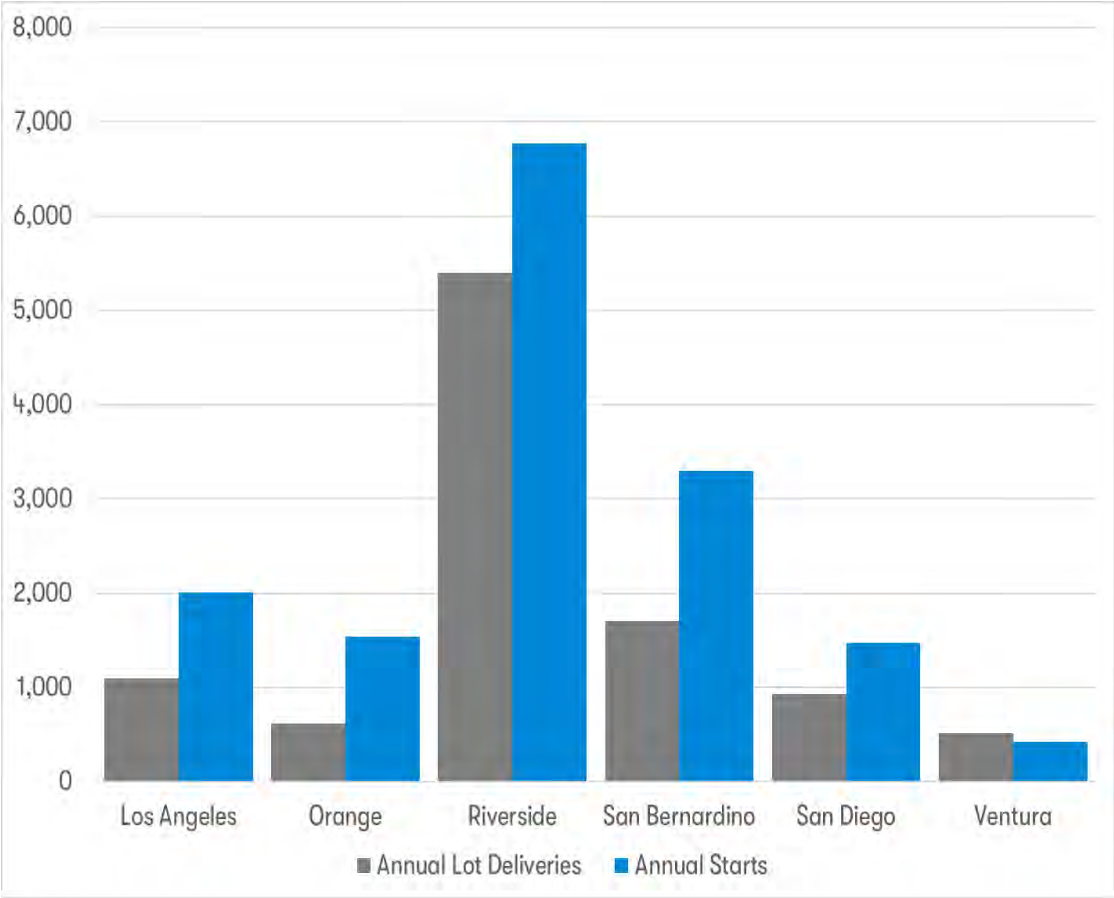
\*Tonage - All Annual Through November 2020 Except Port of Newark Through October 2020

# County by County

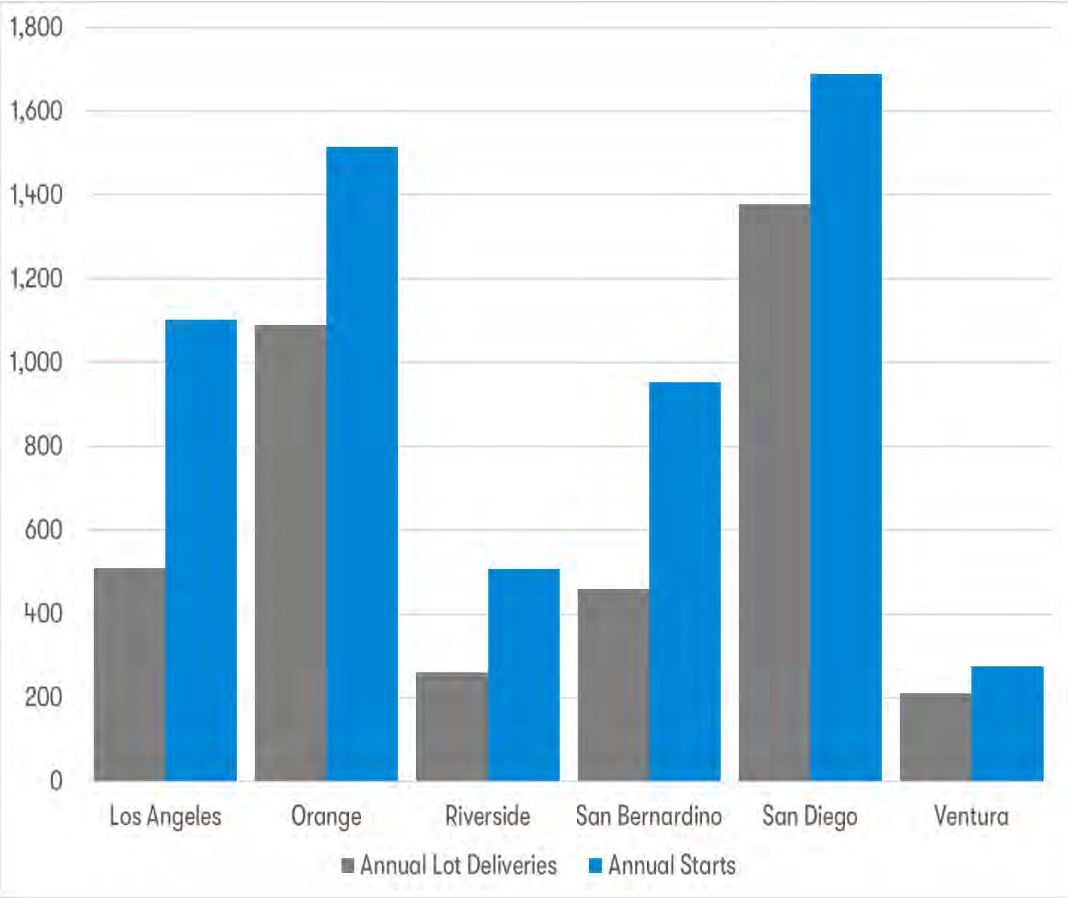
## Supply & Demand Performance by County (4Q20)

# Annual Lot Deliveries & Starts by County

Detached

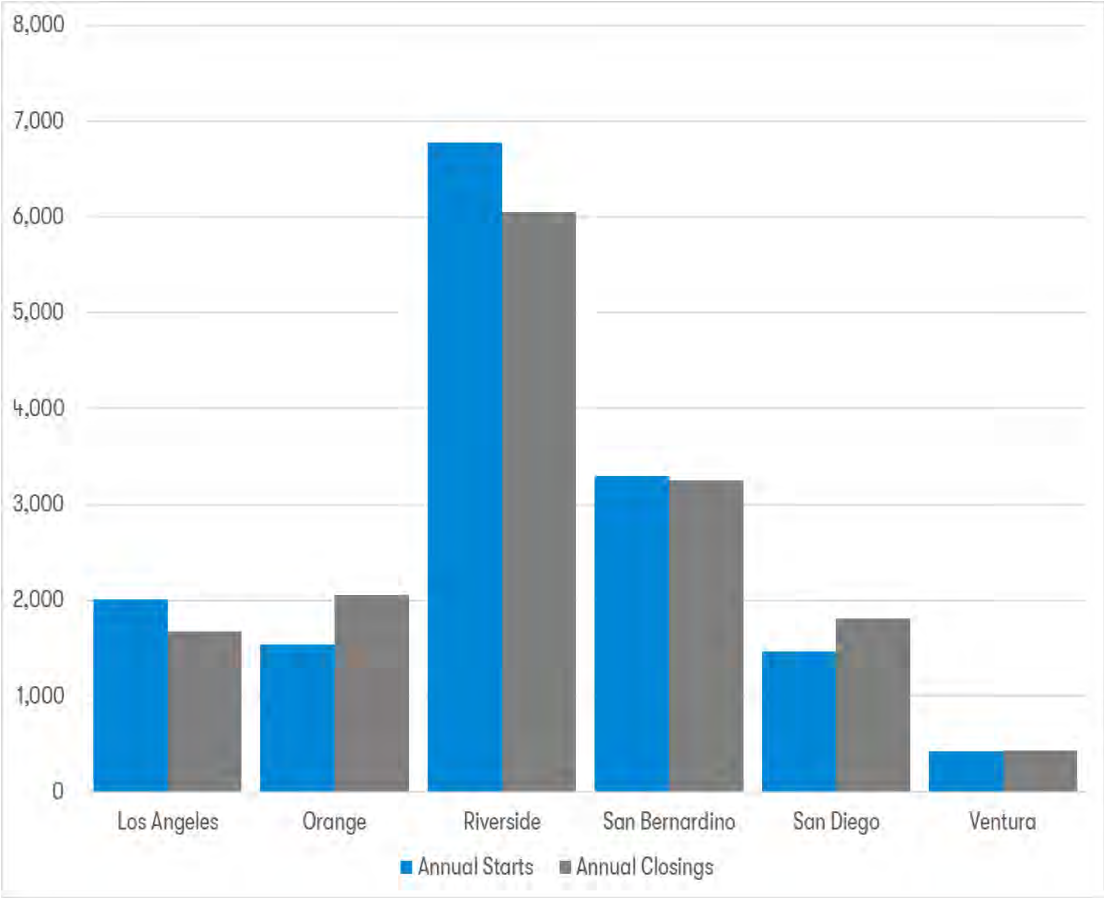


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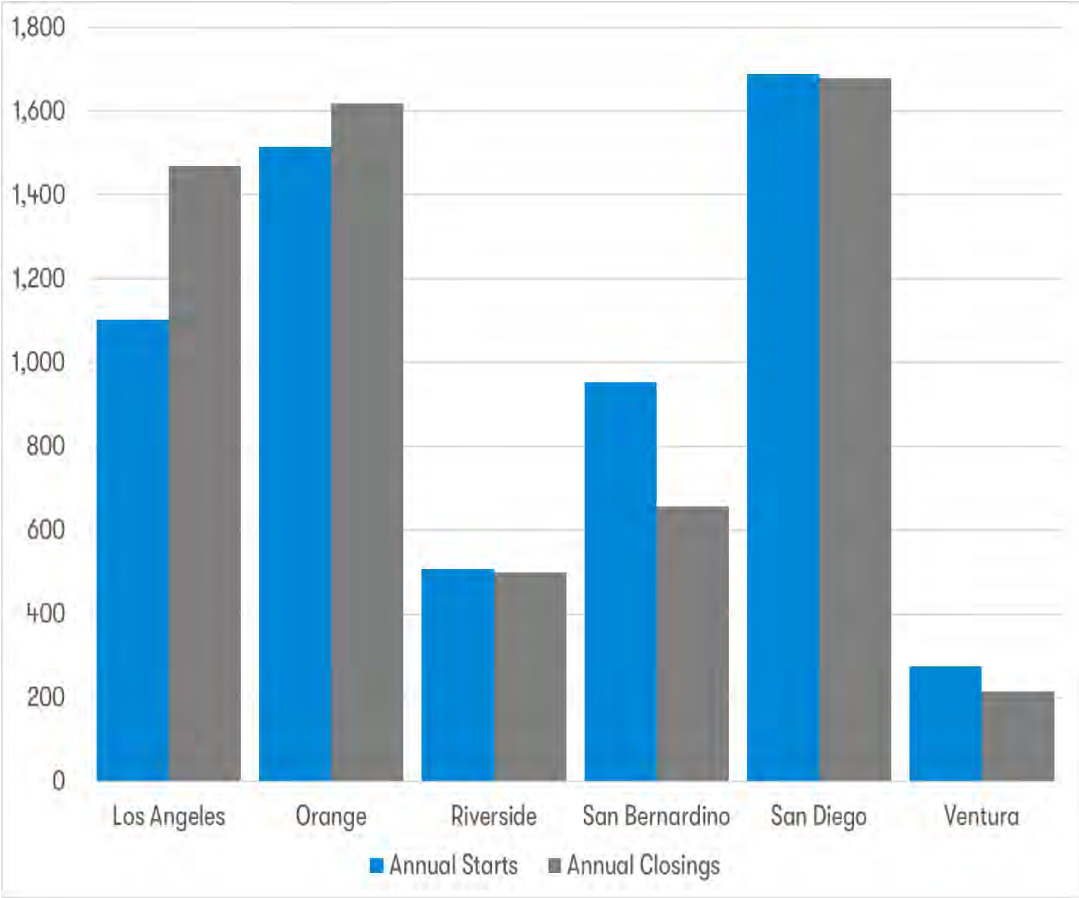


# Annual Starts & Closings by County

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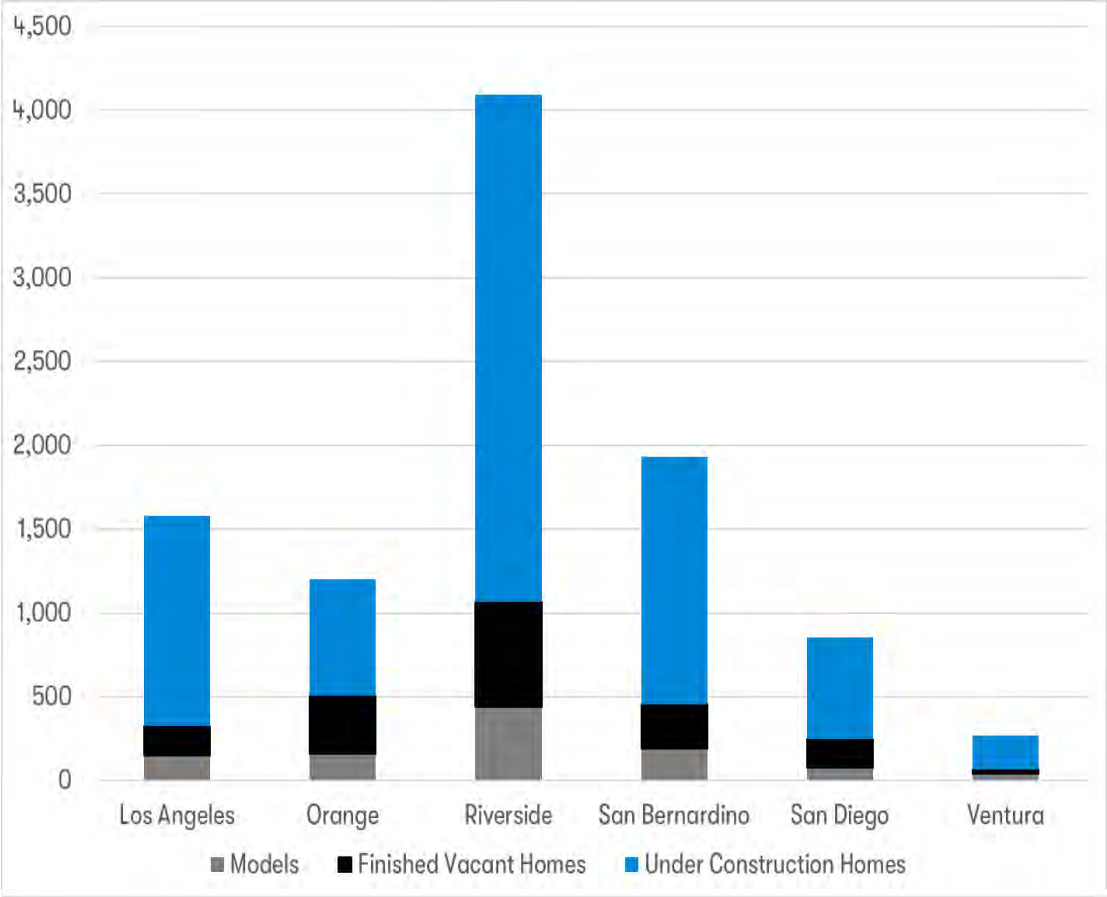
Attached



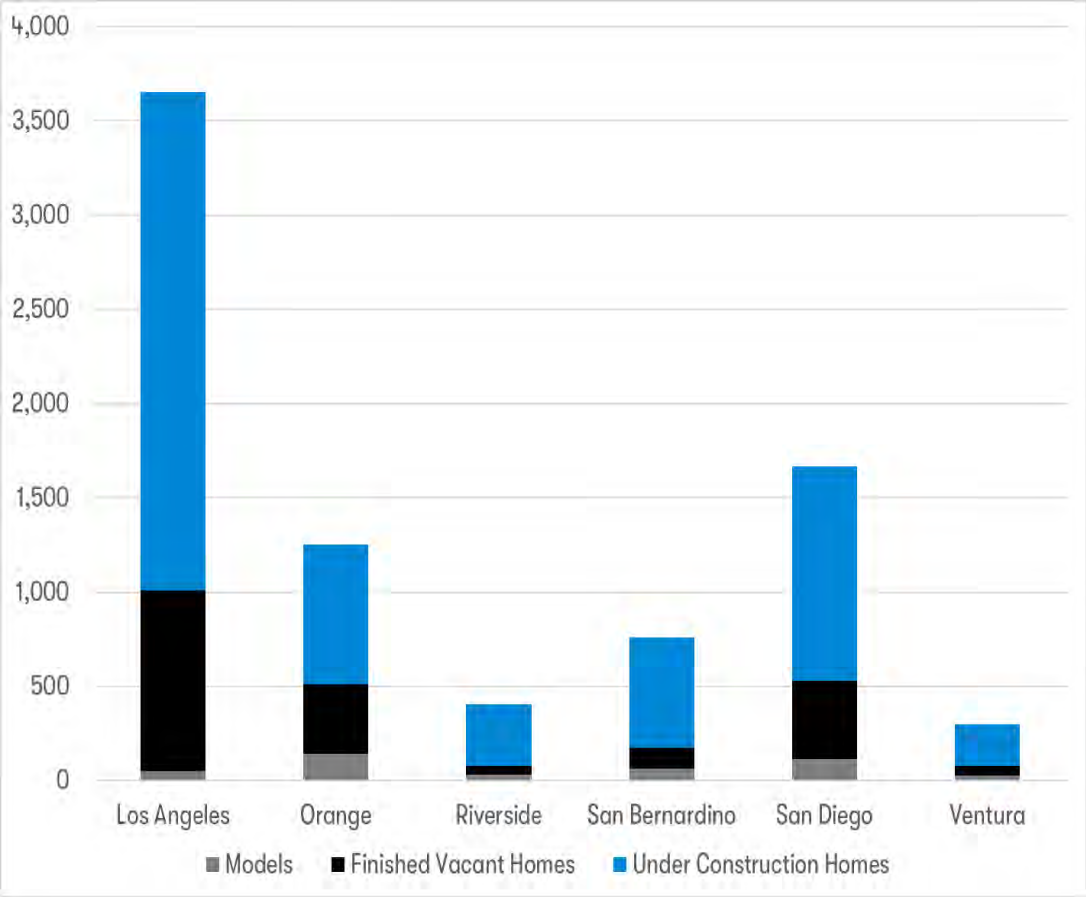


# Inventory by County

Detached

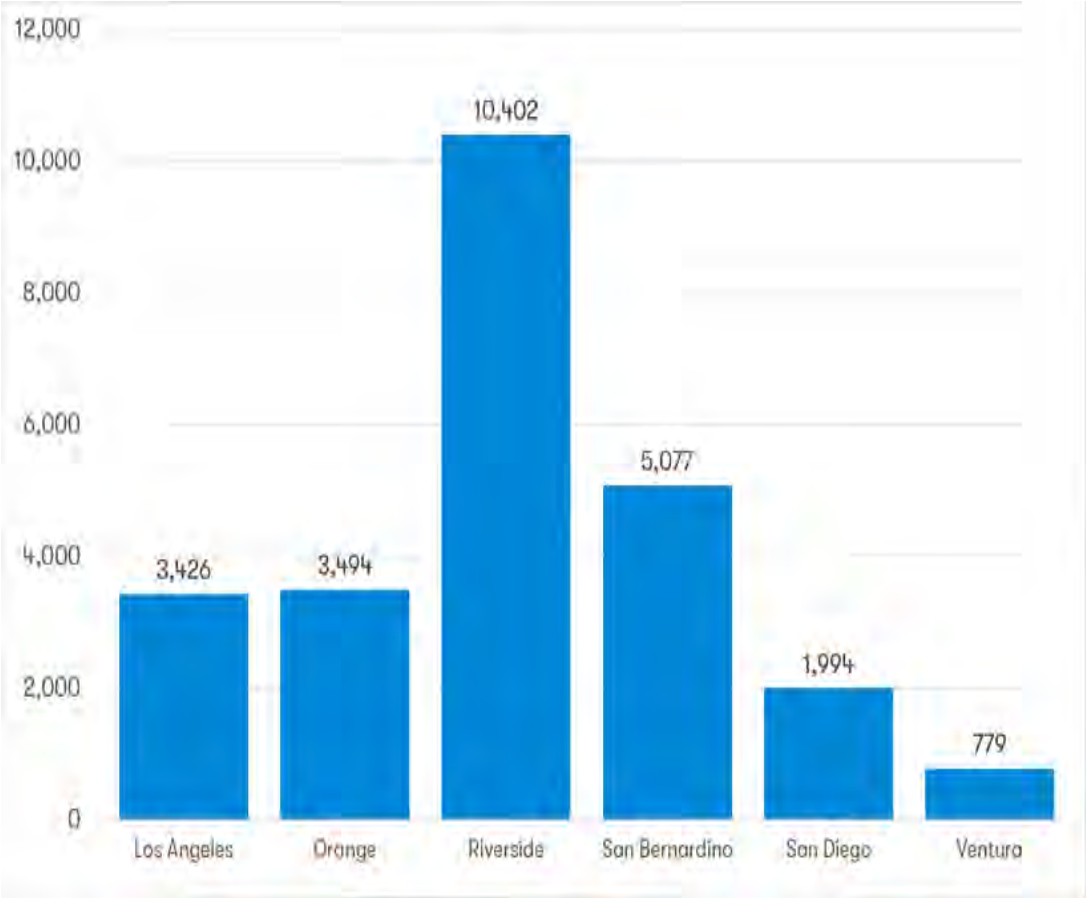


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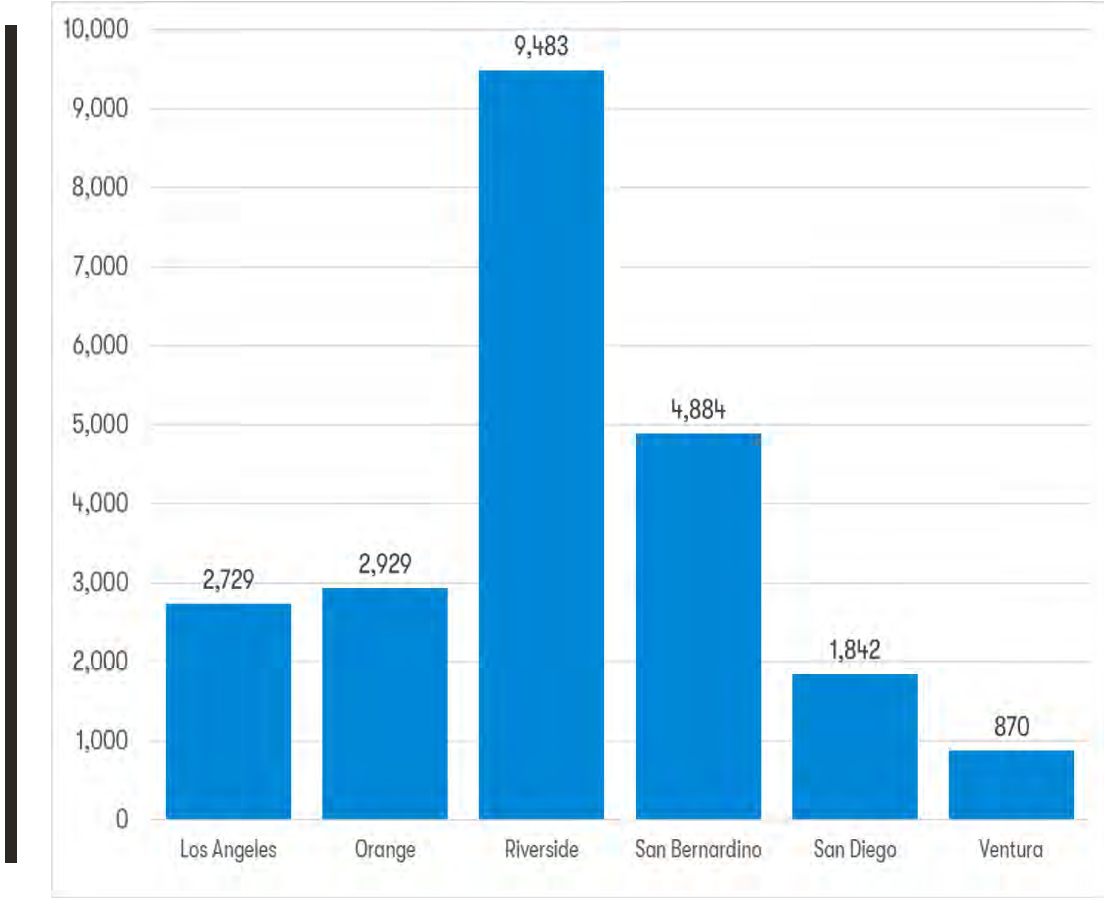


# Vacant Developed Lots (All Types)

3<sup>rd</sup> Quarter 2020

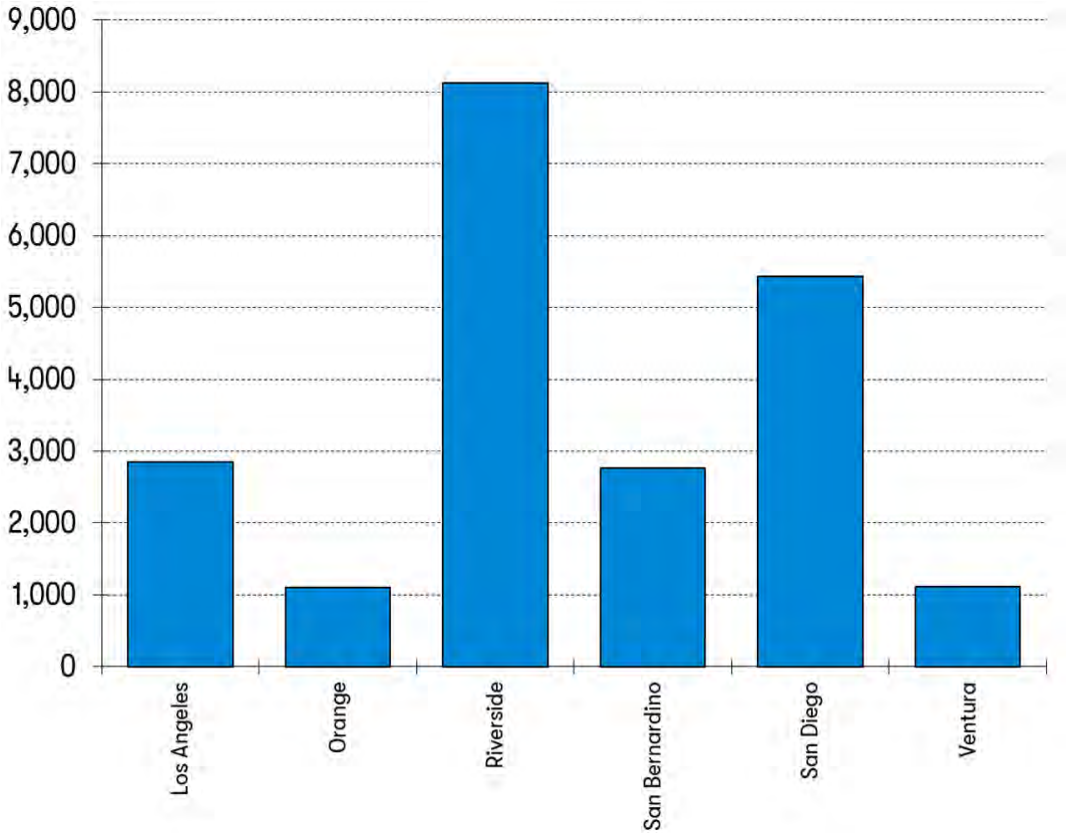


4<sup>th</sup> Quarter 2020

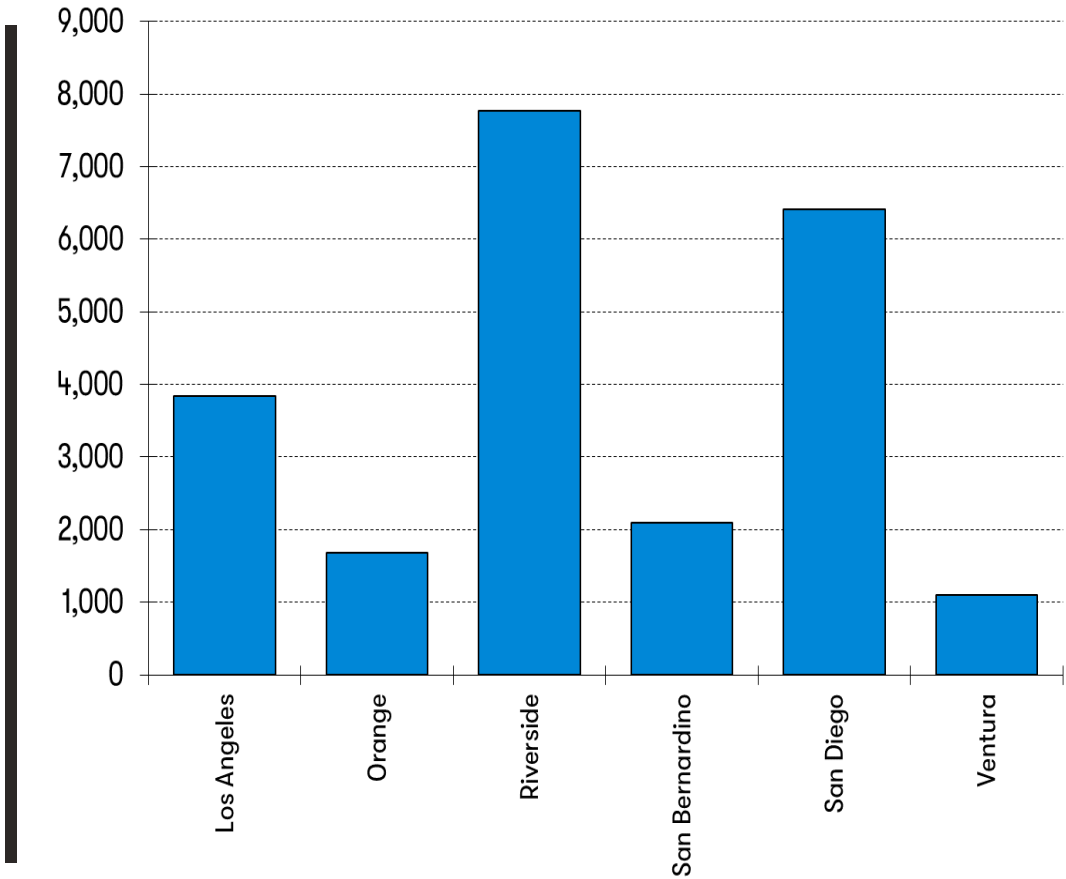


# Near-Term Future Pipeline (Excavation, Paving, & Streets In)

3<sup>rd</sup> Quarter 2020



4<sup>th</sup> Quarter 2020





# Lot Supply Index

Rank	Market	Index Value	YoY Change
1	Nashville	43.2	-30%
2	San Diego	33.4	-28%
3	Sacramento	71.9	-27%
4	Portland	53.2	-24%
5	Seattle	38.5	-23%
6	Riverside/San Bernardino	64.2	-22%
7	San Francisco	59.3	-22%
8	Baltimore	51.0	-21%
9	Raleigh	49.6	-16%
10	Dallas	70.1	-16%
11	Minneapolis	71.3	-15%
12	Austin	61.0	-13%
13	Los Angeles/OC	60.3	-13%
14	Philadelphia	51.2	-13%
15	Las Vegas	47.2	-12%
16	Houston	61.0	-12%
17	Phoenix	63.7	-9%
18	United States	63.5	-9%
19	Indianapolis	51.4	-9%
20	Jacksonville	57.5	-8%
21	Miami	56.5	-6%
22	Charlotte	50.0	-5%
23	Boise	43.6	-4%
24	Orlando	52.6	-3%
25	Tampa	52.2	-3%
26	Denver	71.6	-2%
27	Salt Lake City	57.9	-2%
28	New York	73.8	-1%
29	Washington, DC	55.1	-1%
30	San Antonio	67.2	0%

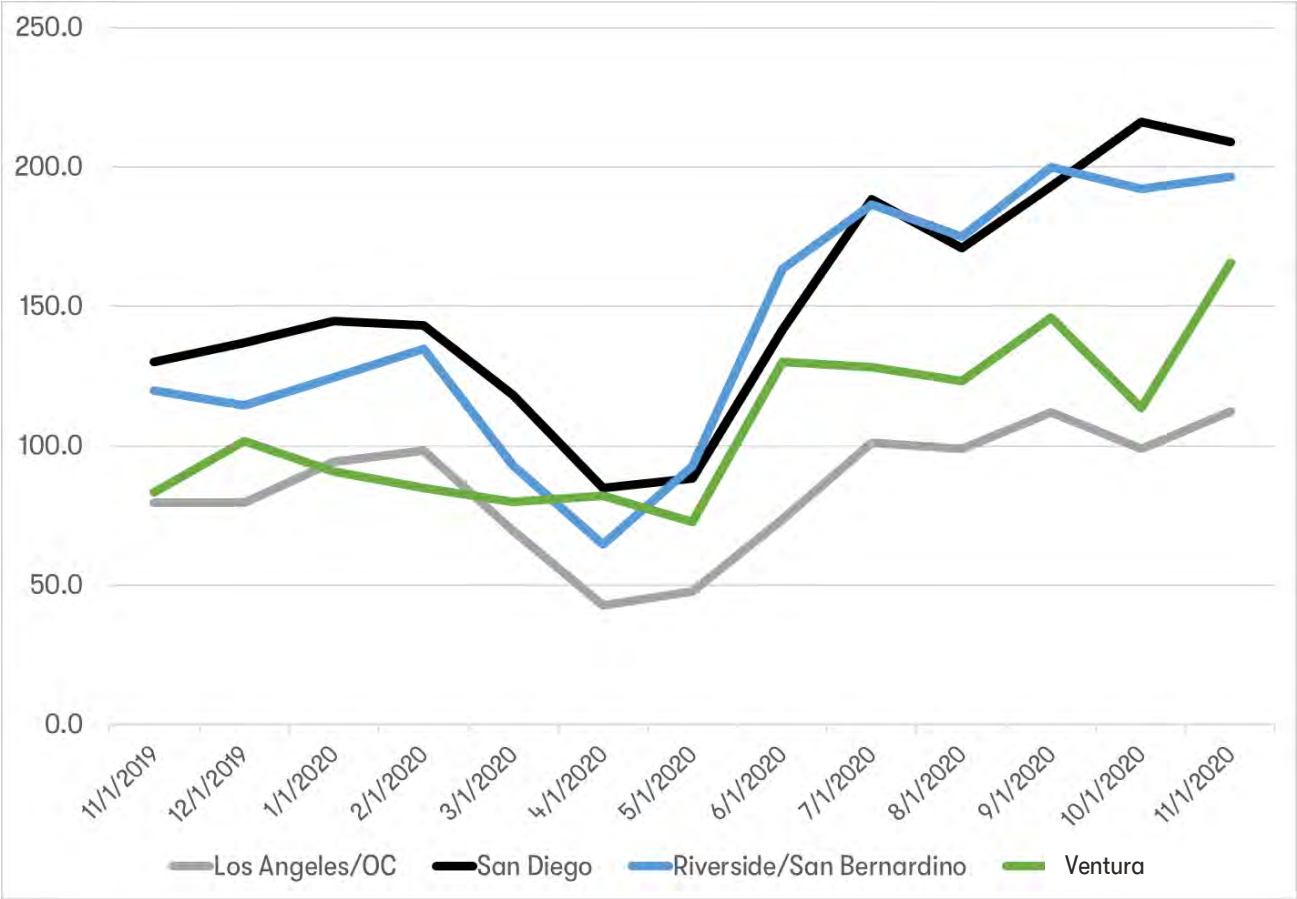
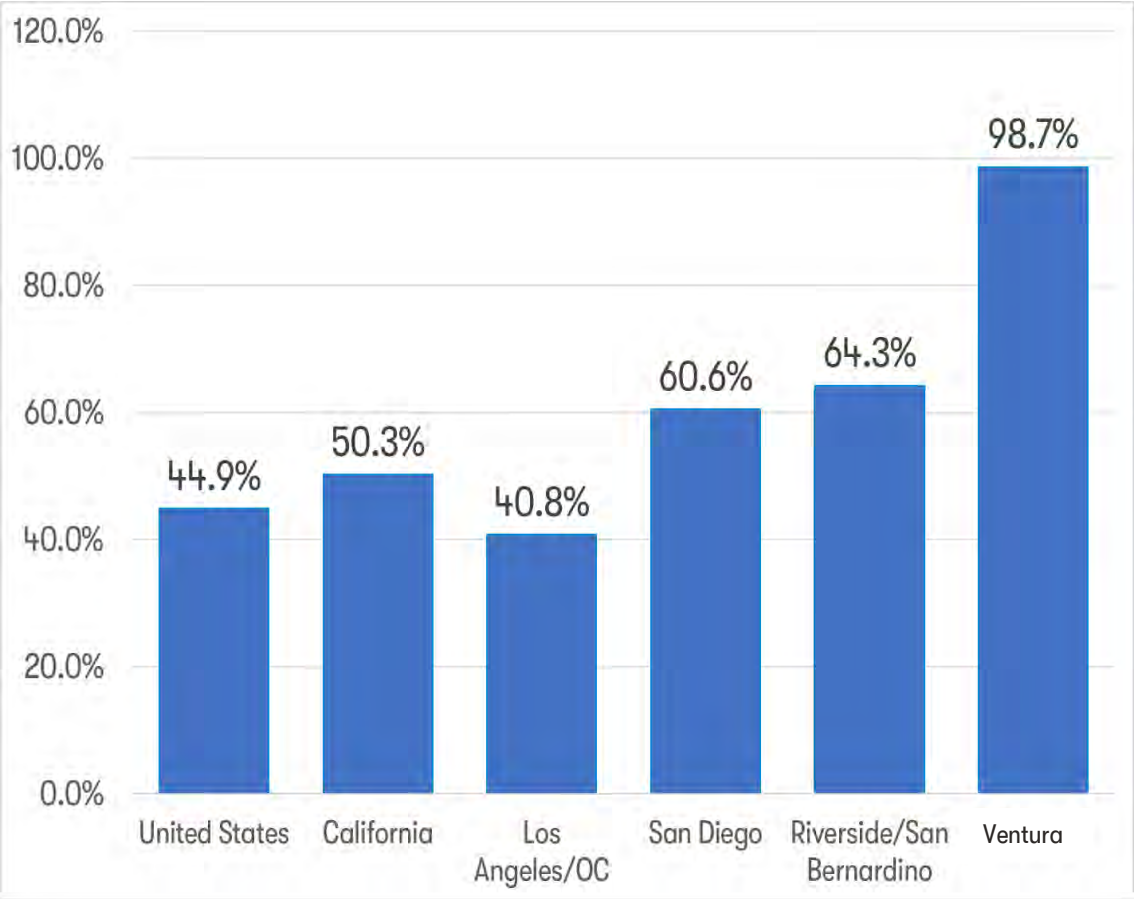
New Home Lot Supply Index



Source: Zonda; Data as of 3Q20

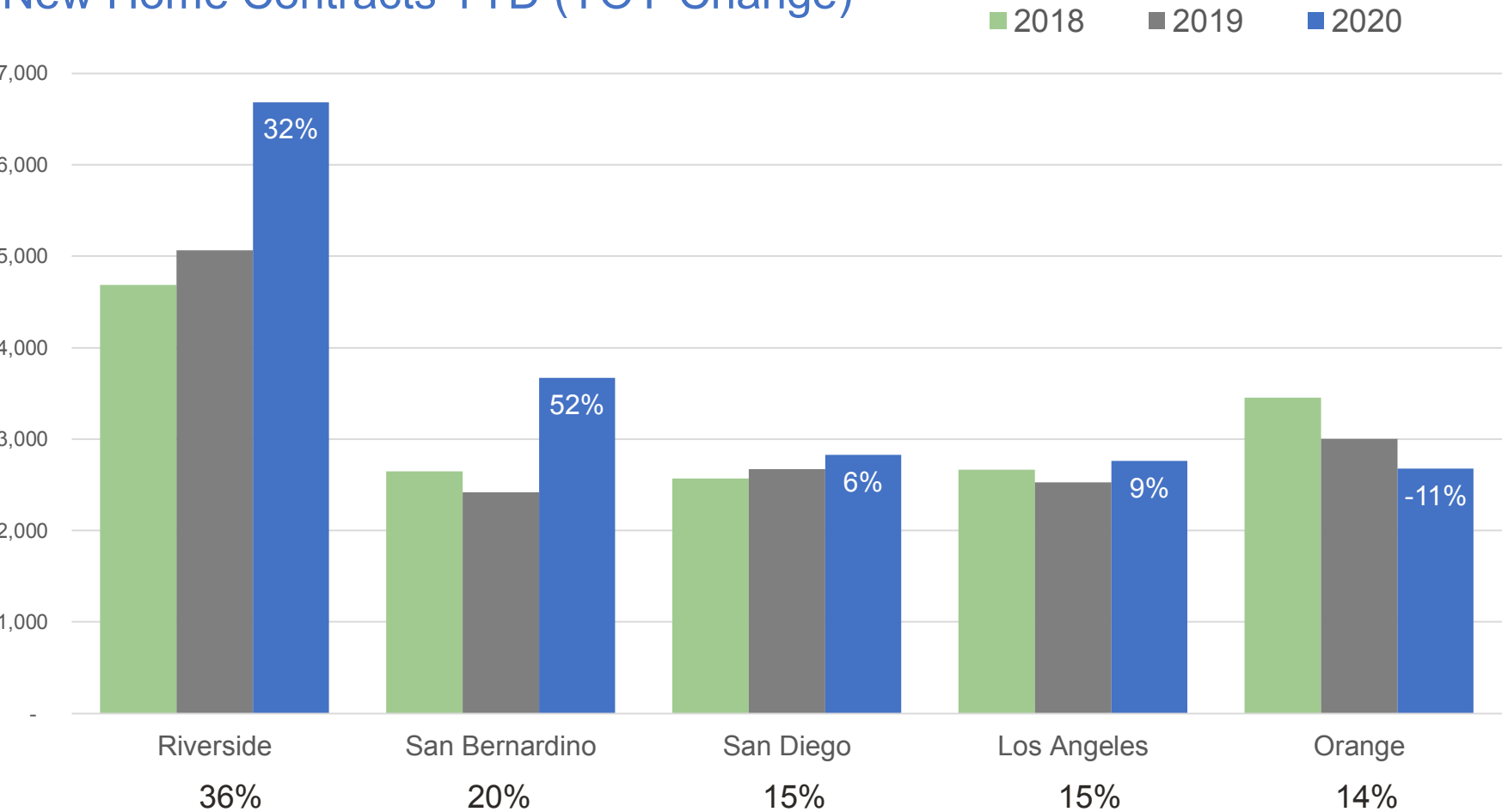
- The New Home LSI is calculated based on each markets' specific equilibrium as determined by our team of local experts and historical activity. The comparative current value is adjusted to capture the "true" months of supply figure by applying a greater weight to vacant developed lots in subdivisions with more starts activity. Each index value is associated with a phrase highlighting the current lot supply dynamics. A value of 100, represents perfect equilibrium, while a value of 125 and above equals "Significantly Oversupplied", 115-125 – "Slightly Oversupplied", 85-115 – "Appropriately Supply", 75-85 – "Slightly Undersupplied", and 75 and below – "Significantly Undersupplied."

# Pending Sales Index

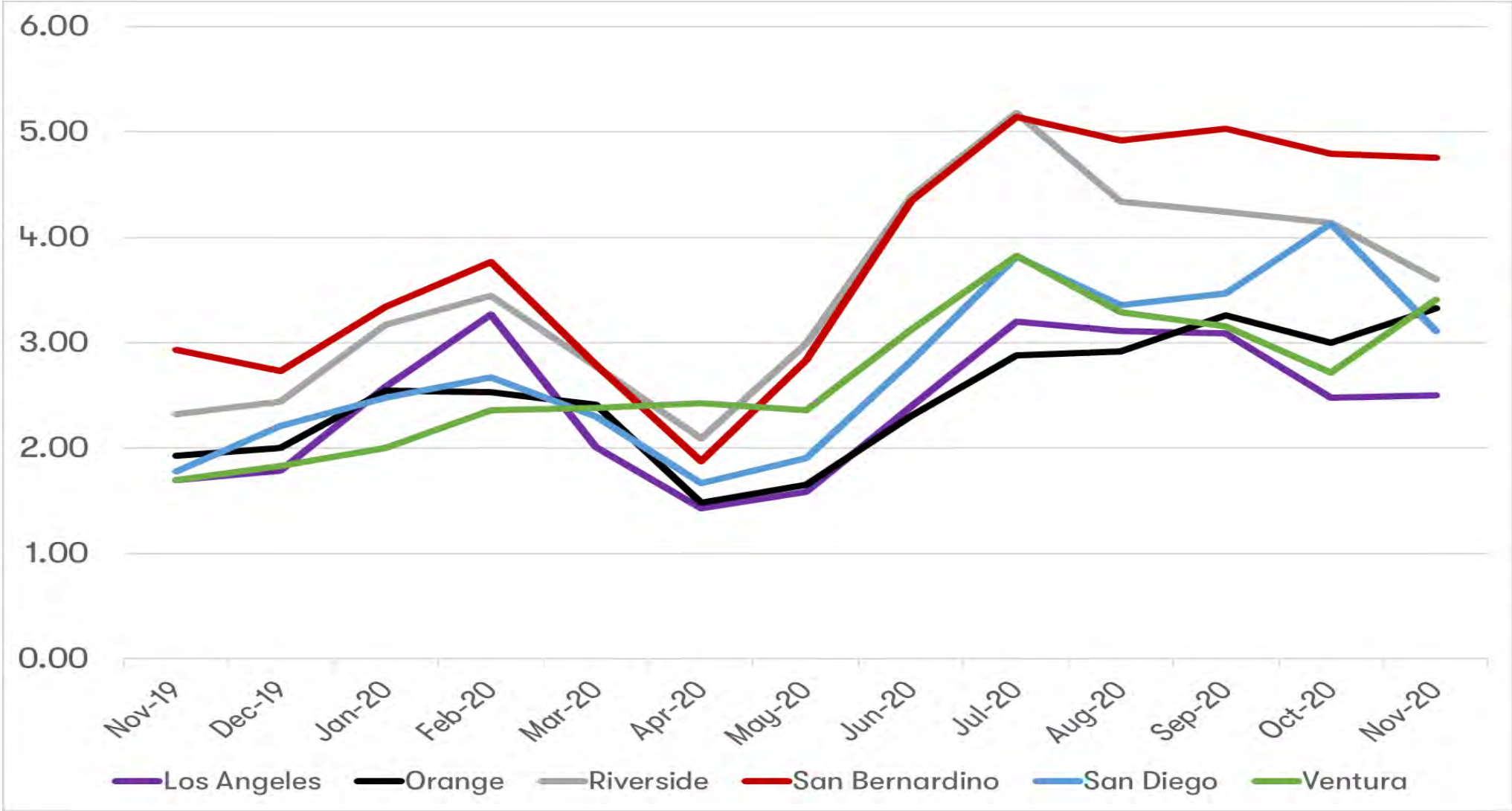


# SoCal Contracts – Land Constrained Markets Flat

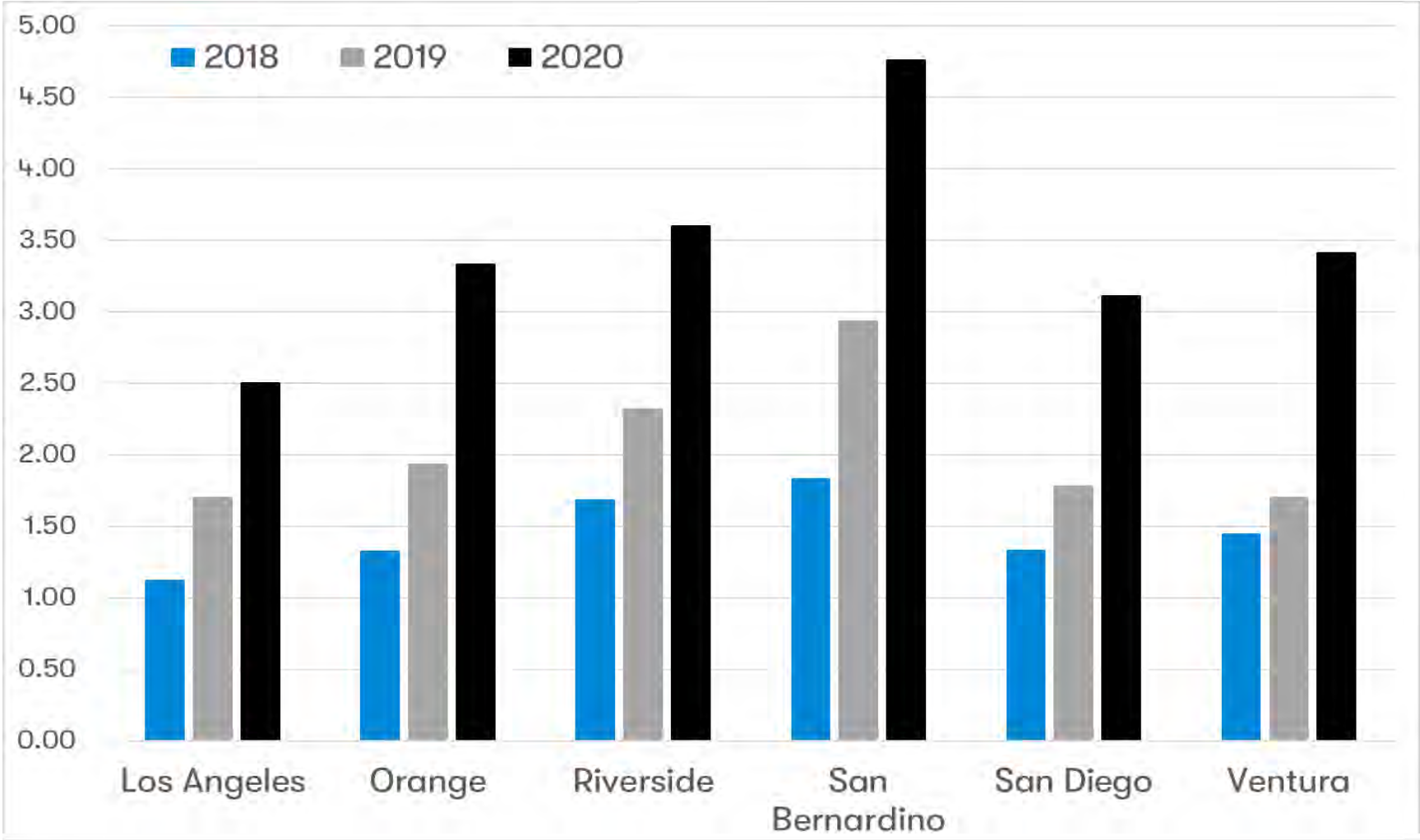
New Home Contracts YTD (YOY Change)



# Avg. New Home Sales Rate by County



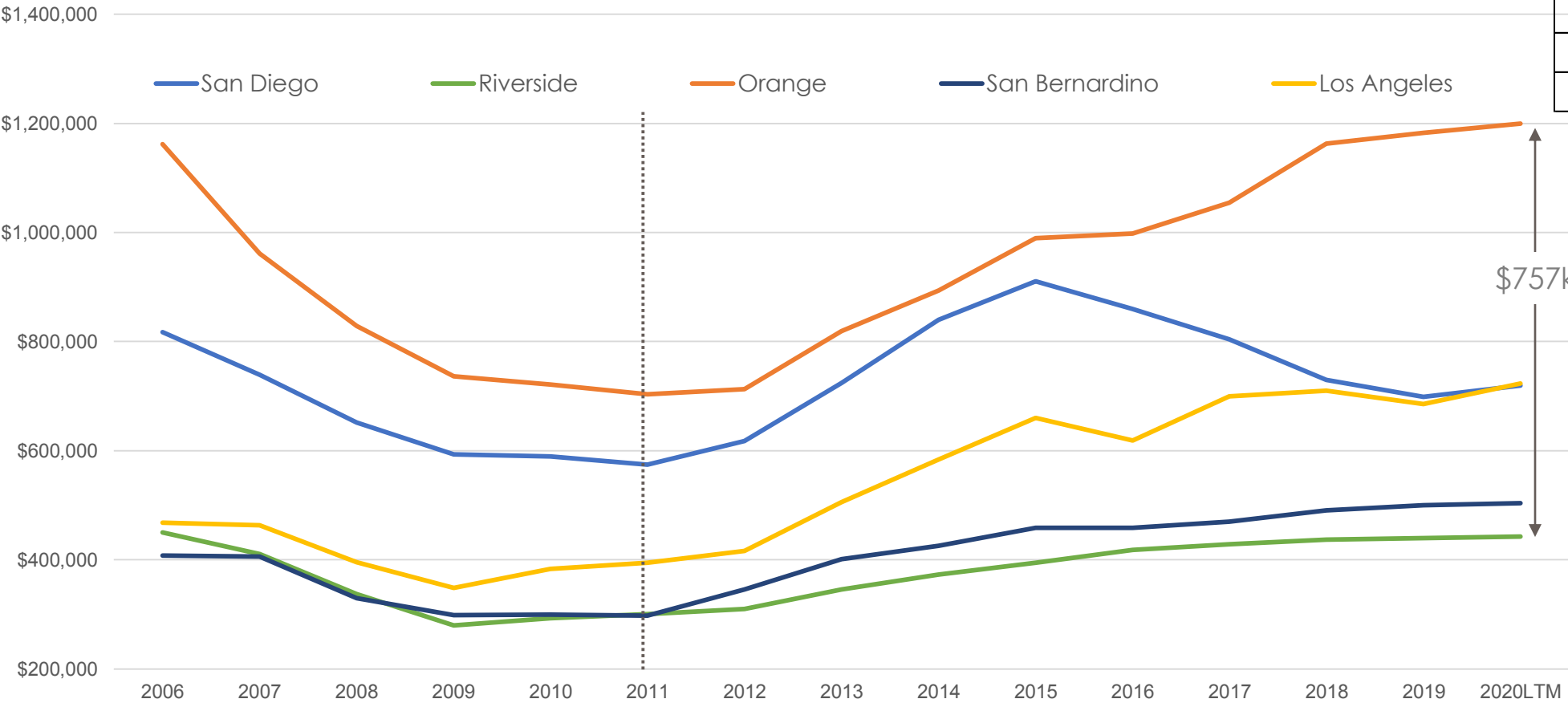
# Average Sales Rates by County





# SFD Median

## SFD New Home Closing Price by County



County	DET Median
Orange	\$ 1,199,390
San Diego	\$ 719,239
Los Angeles	\$ 723,740
San Bernardino	\$ 503,562
Riverside	\$ 442,491

Source: Public Record Data; Meyers Research

# Appetite for Affordable Homes Significant

## Sales Rate Above/Below FHA by County

County	Above FHA	Below FHA	Percent Change
Los Angeles	2.0	4.6	130%
San Diego	2.5	5.0	99%
Riverside	4.1	6.1	47%
Orange	2.7	3.8	43%
San Bernardino	4.9	6.3	30%

Source: Zonda

# Clear Delineation in Price Segments



# Top Annual Starts by Subdivision in the Southland

Subdivision Name / Rank	Active Quarter	Postal City	Price Range	Avg. \$/Sq.Ft.	2020 Annual Starts	Avg. Mo. Starts	2020 Annual Closings	Finished Vacant	Under Const.	Home Inv. MOS	VDL Inv	VDL MOS	Future Lots
Rancho Mirage / Del Webb	1Q18	Rancho Mirage	\$374 - \$570	\$445,990	154	12.8	183	5	60	4.9	185	14.4	562
Four Seasons / Terra Lago	1Q14	Indio	\$287 - \$432	\$312,990	118	9.8	105	6	17	3.7	198	20.1	40
Pacific Village Promenade	2Q19	San Diego	\$670 - \$787	\$723,400	98	8.2	58	20	38	12.8	0	0.0	0
Spring Mountain Ranch / Carmel Ridge	4Q18	Moreno Valley	\$504 - \$569	\$546,990	89	7.4	110	4	13	2.2	4	0.5	0
River Village / Concord (TH)	2Q19	Santa Clarita	\$454 - \$482	\$474,490	89	7.4	43	14	45	17.3	77	10.4	0
Providence Ranch / Seasons	1Q19	Lancaster	\$390 - \$483	\$430,990	85	7.1	53	11	28	9.5	49	6.9	0
Pacific Village Pavilion	2Q19	San Diego	\$701 - \$835	\$778,900	84	7.0	53	22	27	11.8	0	0.0	0
Summerwind Trails / Camellia Pointe	4Q18	Calimesa	\$375 - \$438	\$416,500	83	6.9	62	5	27	6.6	7	1.0	0
Escondida Pointe	3Q06	Coachella	\$288 - \$328	\$307,709	83	6.9	36	0	45	15.7	134	19.4	0
Atwell / Arroyo	4Q19	Banning	\$304 - \$336	\$312,500	83	6.9	0	0	80	0.0	26	3.8	0
Winchester Ranch / Aspen Pointe	4Q06	Winchester	\$365 - \$444	\$409,000	82	6.8	72	1	32	5.8	11	1.6	0
Westerly (TH)	2Q18	Simi Valley	\$548 - \$660	\$611,490	82	6.8	52	37	29	16.6	11	1.6	0
Winchester Ridge	4Q19	Menifee	\$429 - \$504	\$463,500	82	6.8	25	2	47	27.4	295	43.2	0
Pacific Village Commons	2Q19	San Diego	\$945 - \$962	\$944,900	81	6.8	52	6	32	9.5	6	0.9	0
Otay Ranch/Suwerte	4Q18	Chula Vista	\$467 - \$511	\$479,900	81	6.8	37	33	33	24.0	93	13.8	0
Groves / Bayberry (TH)	4Q19	Whittier	\$400 - \$650	\$550,000	80	6.7	0	10	64	0.0	110	16.5	0
Citrus Trails / Valencia	3Q19	Redlands	\$637 - \$808	\$683,890	75	6.3	48	10	17	7.5	58	9.3	0
Beach / Lantana - Towns (TH)	4Q19	Stanton	\$462 - \$706	\$567,880	74	6.2	8	16	44	99.0	32	5.2	0
Belrose	1Q19	Fontana	\$526 - \$612	\$557,990	73	6.1	61	2	31	6.9	0	0.0	0
Atwell / Cienega	4Q19	Banning	\$303 - \$336	\$316,000	73	6.1	8	0	62	97.5	34	5.6	0
TOTALS / AVERAGES			\$287 - \$962	\$516,750	1,749	7.3	1,066	204	771	18.9	1,330	8.7	602

# Southern California

## On The Horizon



# On The Horizon

- PSI shows Orange County/LA as lower than other California markets mainly due to lack of supply.
- LSI shows San Diego and Riverside/San Bernardino posted significant YoY declines in lot supply.
- Push toward higher density and attached product in the closer in markets.
- Future lot deliveries need to increase to keep up with demand.
- Annual starts are not keeping up with annual closings.
- There is potential for gaps in lot availability.
- Affordability is pushing buyers to markets like the Lanaster/Palmdale, Coachella Valley and Menifee areas.
- Technology = virtual interest leading to in-person visits leading to home sales.
- Commodity and land prices will continue to pressure homebuilder margins.
- Price increases are starting to moderate while sales rates have remained strong.
- Finally, the pandemic is still with us, but there are positive signs as more vaccines are approved.
- Overall, the state of the residential market is presently strong with potential to remain strong into the coming year.

# Thank you