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HOUSING REPORT

IRVINE, CA

SEPTEMBER 2019

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The Real State of USA Real Estate

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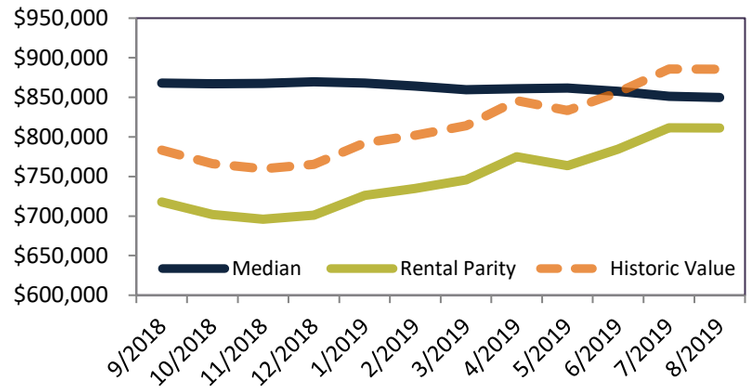
Irvine Housing Market Value & Trends Update

Historically, properties in this market sell at a 9.2% premium. Today's premium is 4.8%. This market is 4.4% undervalued.
Median home price is $849,800, and resale $/SF is $477/SF. Prices fell 1.3% year-over-year.
Monthly cost of ownership is $3,712, and rents average $3,545, making owning $167 per month more costly than renting.
Rents rose 2.5% year-over-year. The current capitalization rate (rent/price) is 4.0%.

Market rating = 6

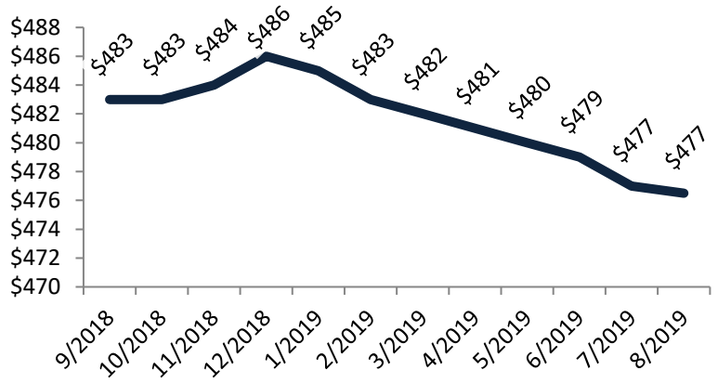
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	5	$ 868,100	$ 717,700
10/2018	4	$ 867,000	$ 701,800
11/2018	4	$ 867,400	$ 696,000
12/2018	4	$ 869,600	$ 701,200
1/2019	5	$ 868,000	$ 726,000
2/2019	5	$ 864,200	$ 735,000
3/2019	6	$ 859,500	$ 745,900
4/2019	4	$ 861,000	$ 775,000
5/2019	4	$ 861,900	$ 763,500
6/2019	4	$ 857,600	$ 784,500
7/2019	6	$ 851,200	$ 811,500
8/2019	6	$ 849,800	$ 811,400



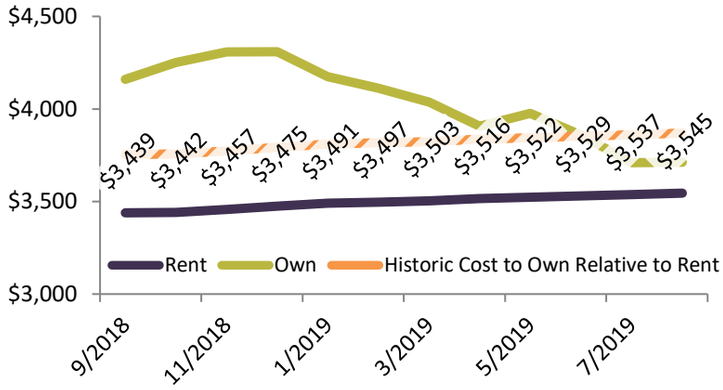
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	11.8%	$ 483	6.2%
10/2018	14.4%	$ 483	5.7%
11/2018	15.5%	$ 484	5.2%
12/2018	14.9%	$ 486	5.0%
1/2019	10.4%	$ 485	3.9%
2/2019	8.4%	$ 483	2.8%
3/2019	6.1%	$ 482	2.1%
4/2019	1.9%	$ 481	1.7%
5/2019	3.7%	$ 480	0.8%
6/2019	0.2%	$ 479	0.0%
7/2019	-4.3%	$ 477	-0.8%
8/2019	-4.4%	$ 477	-1.3%

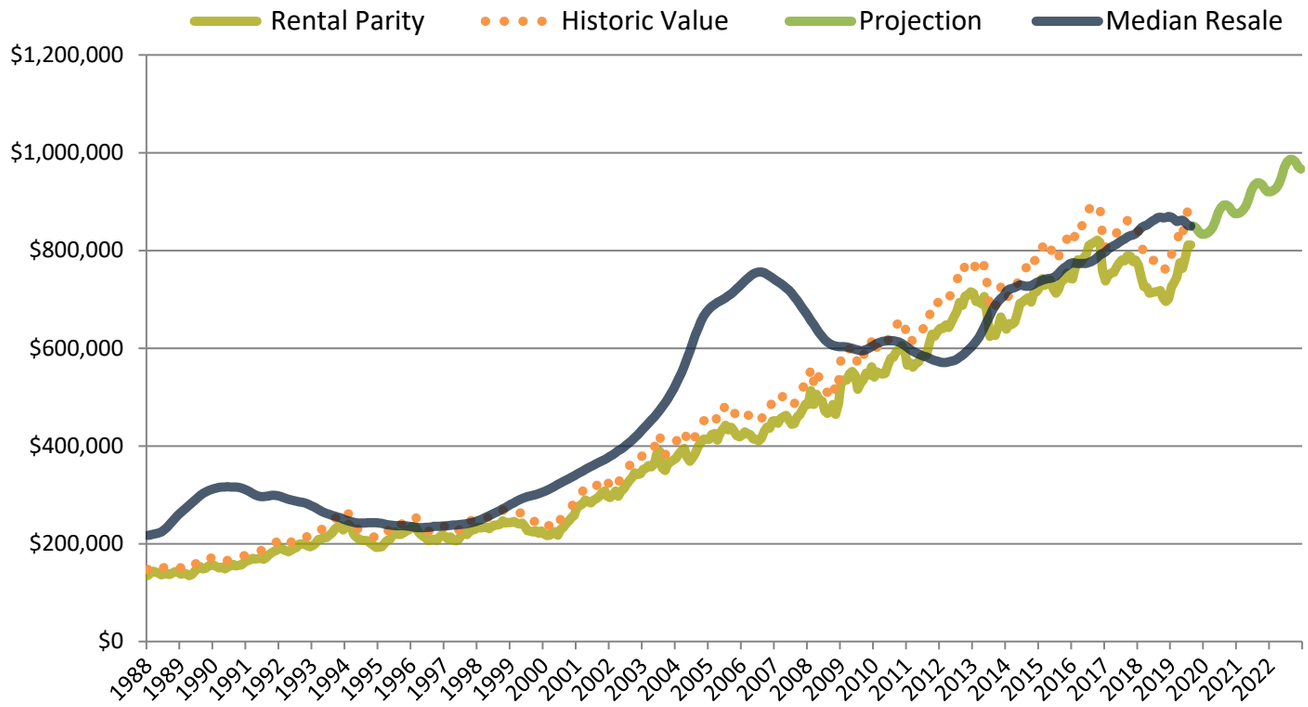


Rental rate and year-over-year percentage change trailing twelve months

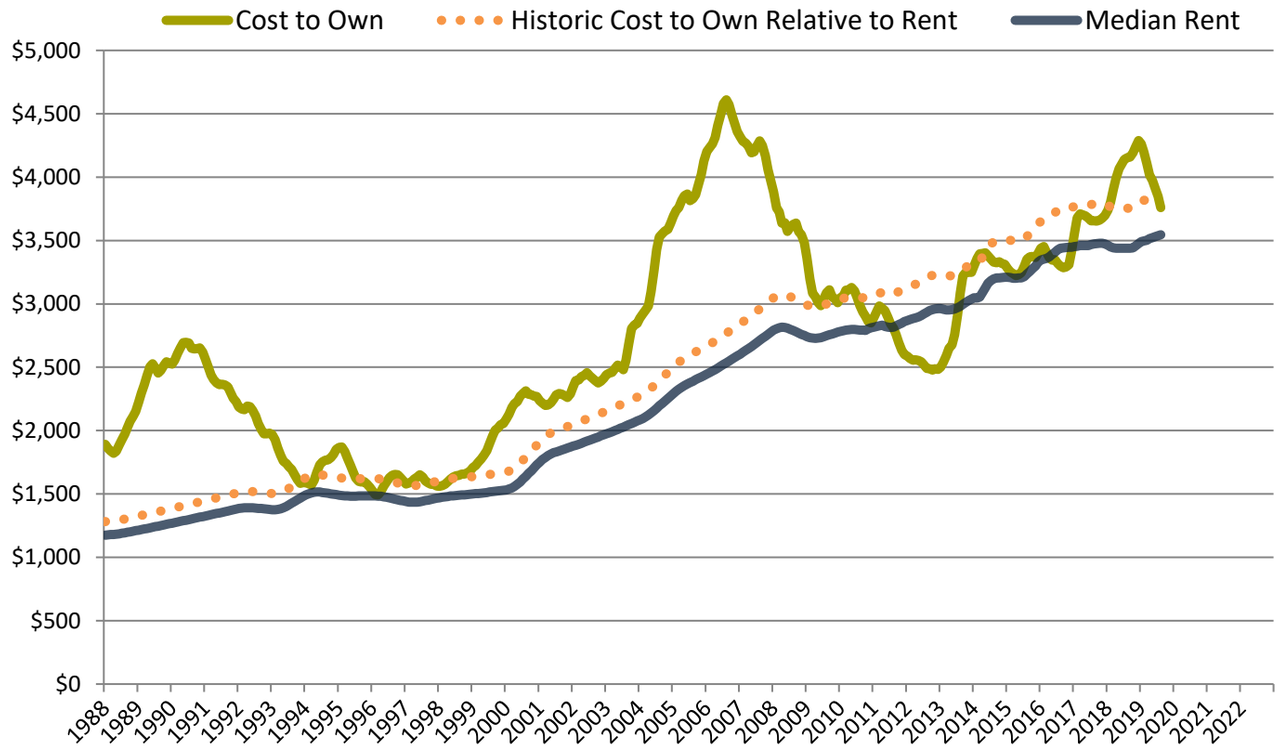
Date	% Change	Rent	Own
9/2018	0.3%	$ 3,439	$ 4,159
10/2018	0.1%	$ 3,442	$ 4,252
11/2018	0.1%	$ 3,457	$ 4,308
12/2018	0.3%	$ 3,475	$ 4,309
1/2019	0.6%	$ 3,491	$ 4,173
2/2019	0.9%	$ 3,497	$ 4,112
3/2019	1.1%	$ 3,503	$ 4,037
4/2019	1.4%	$ 3,516	$ 3,906
5/2019	1.7%	$ 3,522	$ 3,976
6/2019	1.9%	$ 3,529	$ 3,858
7/2019	2.2%	$ 3,537	$ 3,710
8/2019	2.5%	$ 3,545	$ 3,713



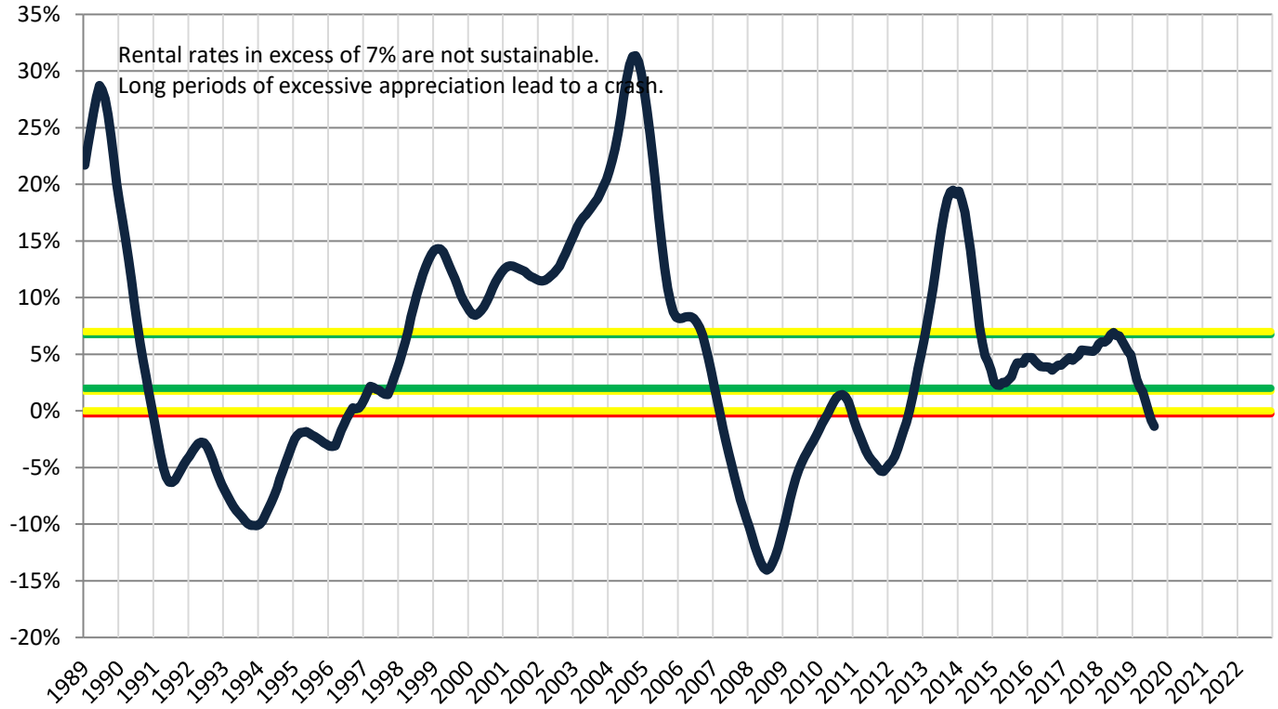
Irvine median home price since January 1988



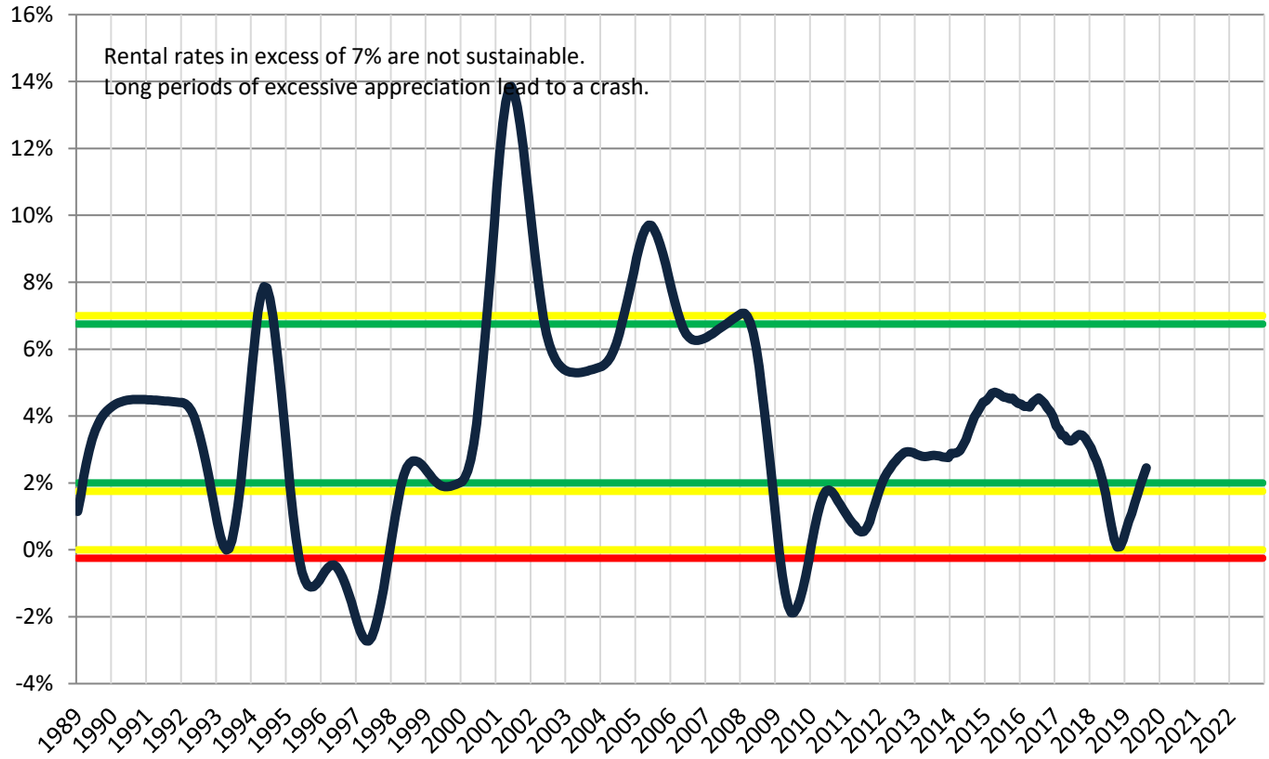
Irvine median rent and monthly cost of ownership since January 1988



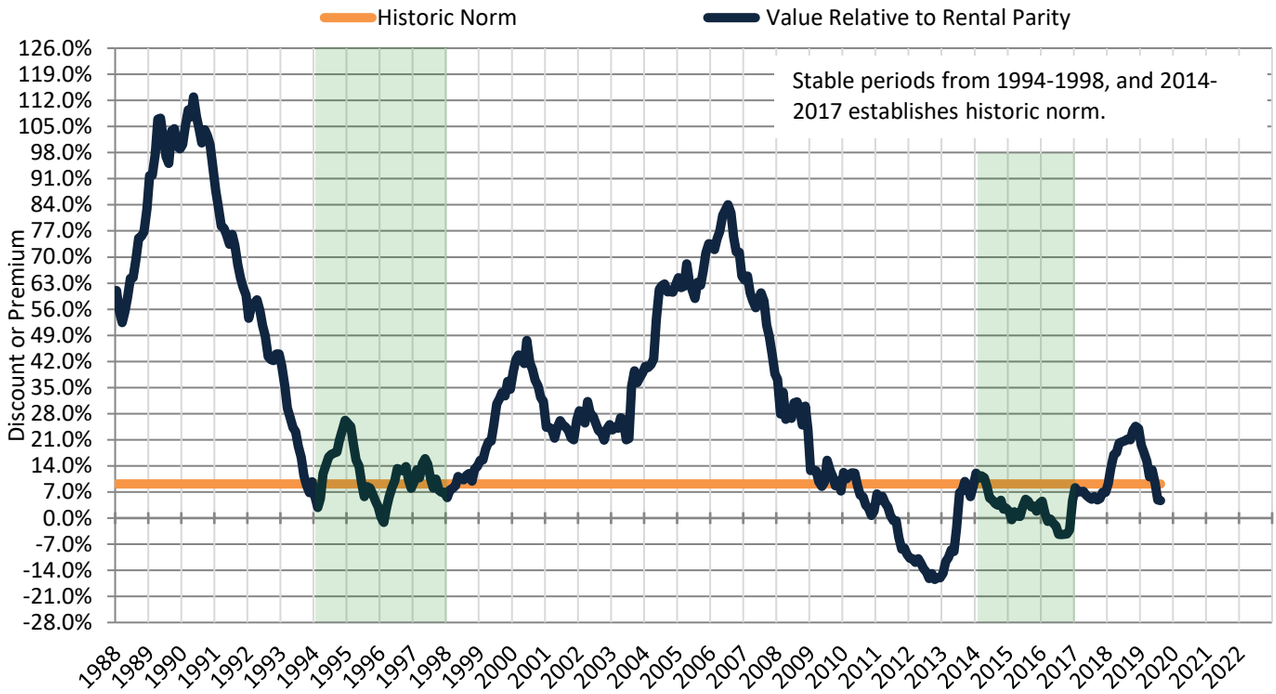
Resale $/SF Year-over-Year Percentage Change: Irvine since January 1989



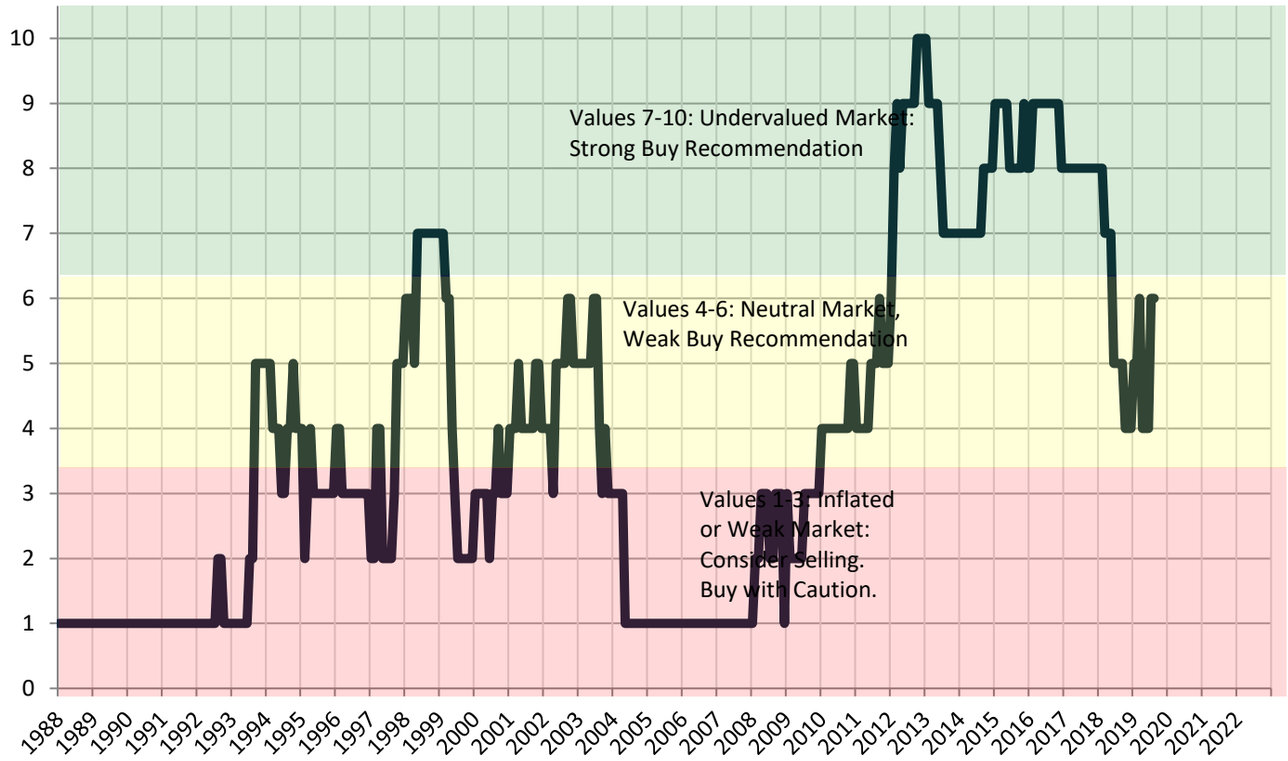
Rental $/SF Year-over-Year Percentage Change: Irvine since January 1989



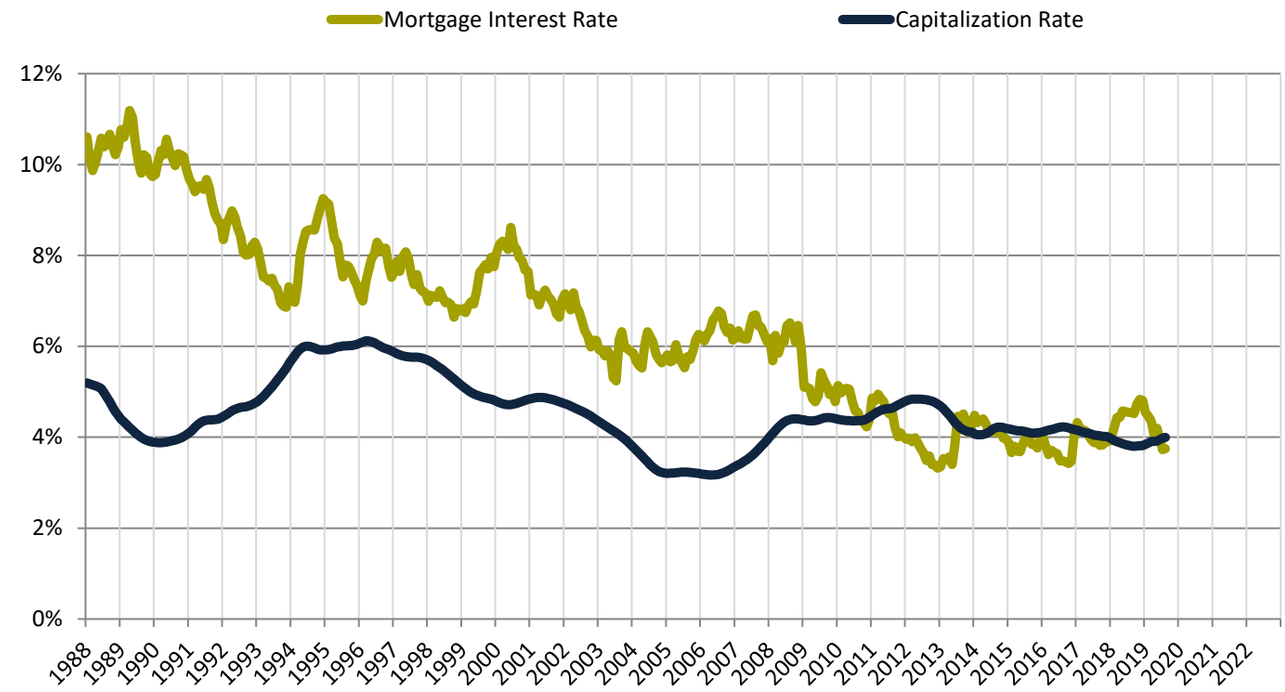
Historic Median Home Price Relative to Rental Parity: Irvine since January 1988



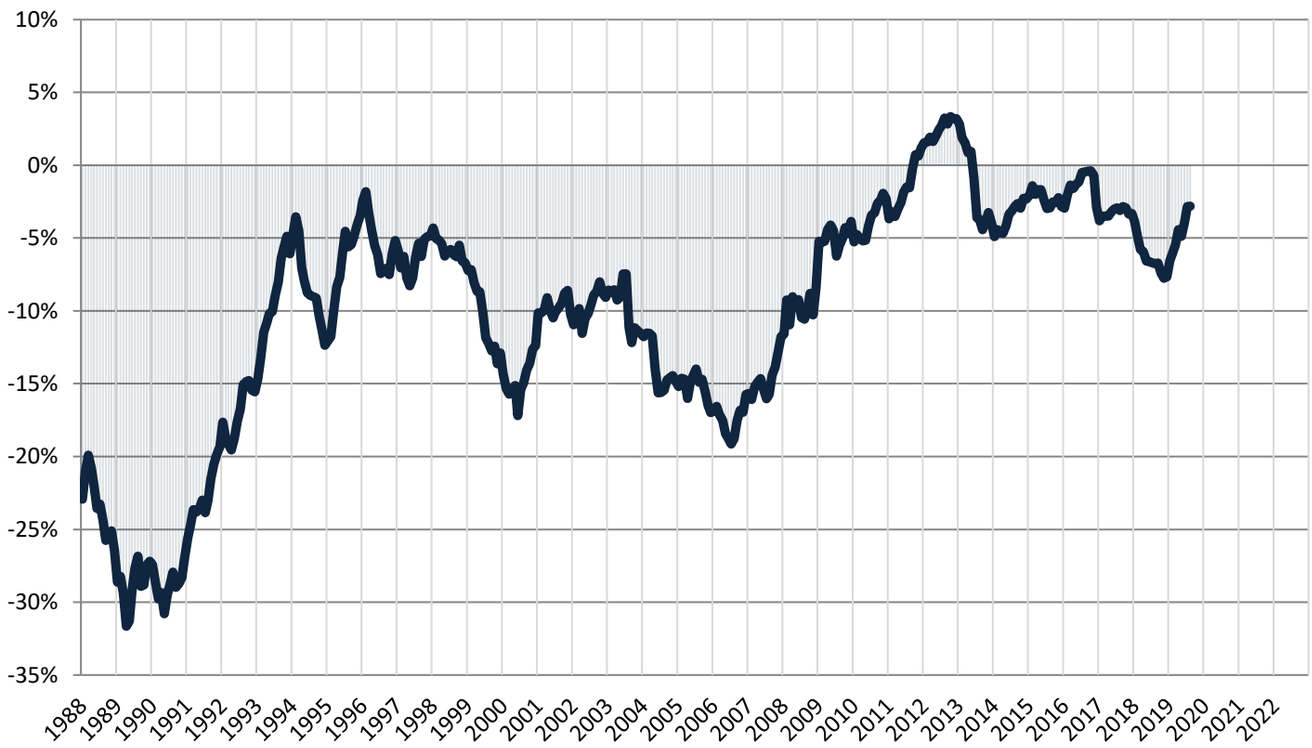
USA Housing News® Market Timing System Rating: Irvine since January 1988



Cash Investor Capitalization Rate: Irvine since January 1988



Financed Investor Cash-on-Cash Return: Irvine since January 1988



Market Performance and Trends: Irvine and Major Cities and Zips

Study Area	Median Resale $	Resale % Change YoY	Resale $/SF	Rent % Change YoY	Median Rent $	Cost of Ownership	Ownership Prem./Disc.	Cap Rate
Irvine	$ 849,800	-1.3%	$ 477	2.5%	$ 3,545	$ 3,713	$ 168	4.0%.
Los Angeles-Long Beach-Anaheim, (	$ 650,900	1.3%	$ 426	2.5%	$ 2,992	$ 2,844	$ (148)	4.4%.
Orange County	$ 719,000	-1.0%	$ 421	3.1%	$ 3,271	$ 3,141	$ (130)	4.4%.
Anaheim	$ 597,500	0.3%	$ 383	3.6%	$ 2,921	$ 2,610	$ (310)	4.7%.
Santa Ana	$ 550,400	1.6%	$ 405	4.4%	$ 2,864	$ 2,405	$ (459)	5.0%.
Northwood	$ 917,100	-0.9%	$ 457	2.4%	$ 3,483	$ 4,007	$ 524	3.6%.
Northwood Point	$ 1,165,700	-2.9%	$ 479	-4.1%	$ 4,078	$ 5,093	$ 1,014	3.4%.
92602	$ 927,900	-1.2%	$ 450	1.8%	$ 3,933	$ 4,054	$ 121	4.1%.
92603	$ 1,298,300	-2.7%	$ 587	2.5%	$ 6,457	$ 5,672	$ (784)	4.8%.
92604	$ 807,200	-0.7%	$ 479	3.3%	$ 3,382	$ 3,527	$ 145	4.0%.
92606	$ 863,800	-0.7%	$ 468	2.8%	$ 3,580	$ 3,774	$ 194	4.0%.
92612	$ 720,500	-0.9%	$ 493	2.7%	$ 3,383	$ 3,148	$ (235)	4.5%.
92614	$ 725,900	-0.9%	$ 490	3.2%	$ 3,545	$ 3,171	$ (373)	4.7%.
92618	$ 822,000	-0.7%	$ 473	2.8%	$ 4,079	$ 3,591	$ (488)	4.8%.
92620	$ 930,900	-1.1%	$ 469	2.0%	$ 3,793	$ 4,067	$ 274	3.9%.
Stanton	$ 524,800	0.6%	$ 383	4.7%	$ 2,704	$ 2,293	$ (411)	4.9%.
Huntington Beach	$ 829,700	0.7%	$ 496	2.7%	$ 3,460	$ 3,625	$ 165	4.0%.
Garden Grove	$ 621,100	1.1%	$ 413	4.4%	$ 2,874	$ 2,714	$ (160)	4.4%.
Orange	$ 694,300	-0.5%	$ 394	2.0%	$ 3,129	$ 3,033	$ (95)	4.3%.
Fountain Valley	$ 805,900	-0.3%	$ 416	0.8%	$ 3,290	$ 3,521	$ 231	3.9%.

Market Timing Rating and Valuations: Irvine and Major Cities and Zips

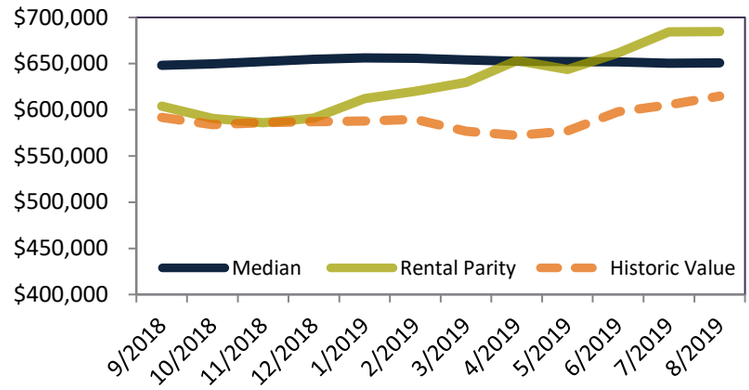
Study Area	Rating	Median	Rental Parity	% Over/Under Rental Parity	Historic Premium	% Over/Under Historic Prem.
Irvine	6	$ 849,800	$ 811,400	4.8%	9.2%	-4.4%
Los Angeles-Long Beach-Ana	8	$ 650,900	$ 684,700	3.8%	-2.3%	6.1%
Orange County	6	$ 719,000	$ 748,700	-4.0%	1.9%	-5.9%
Anaheim	6	$ 597,500	$ 668,500	-10.7%	-6.2%	-4.5%
Santa Ana	6	$ 550,400	$ 655,500	-16.0%	-11.9%	-4.1%
Northwood	6	$ 917,100	$ 797,200	15.0%	16.2%	-1.2%
Northwood Point	2	$ 1,165,700	$ 933,400	***24.9%***	29.4%	-4.5%
92602	5	$ 927,900	$ 900,200	3.0%	13.6%	-10.6%
92603	8	$ 1,298,300	$ 1,477,800	-12.1%	3.1%	-15.2%
92604	6	$ 807,200	$ 774,000	4.3%	10.2%	-5.9%
92606	7	$ 863,800	$ 819,300	5.4%	14.7%	-9.3%
92612	7	$ 720,500	$ 774,200	-7.0%	0.3%	-7.3%
92614	6	$ 725,900	$ 811,300	-10.5%	-4.3%	-6.2%
92618	7	$ 822,000	$ 933,600	-11.9%	-1.7%	-10.2%
92620	5	$ 930,900	$ 868,200	7.3%	14.4%	-7.1%
Stanton	6	$ 524,800	$ 618,900	-15.2%	-15.2%	0.0%
Huntington Beach	7	$ 829,700	$ 791,900	4.7%	12.3%	-7.6%
Garden Grove	6	$ 621,100	$ 657,700	-5.5%	-5.6%	0.1%
Orange	4	$ 694,300	$ 716,100	-3.0%	0.5%	-3.5%
Fountain Valley	4	$ 805,900	$ 753,000	7.0%	12.1%	-5.1%

Los Angeles-Long Beach-Anaheim, CA Housing Market Value & Trends Update

Historically, properties in this market sell at a -2.3% discount. Today's premium is 3.8%. This market is 6.1% overvalued.
Median home price is $650,900, and resale $/SF is $426/SF. Prices rose 1.3% year-over-year.
Monthly cost of ownership is $2,843, and rents average $2,991, making owning $147 per month less costly than renting.
Rents rose 2.5% year-over-year. The current capitalization rate (rent/price) is 4.3%.
Market rating = 8

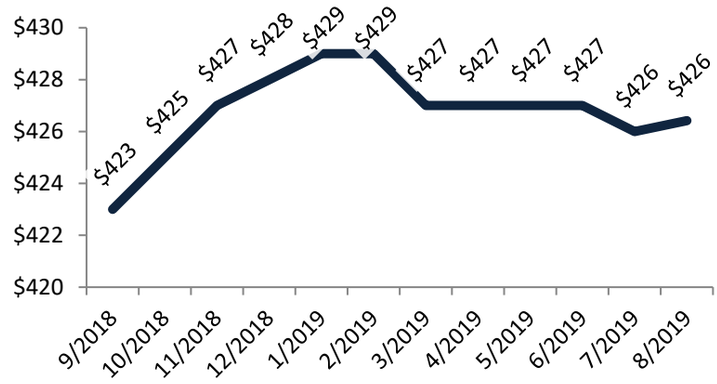
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	6	$ 648,200	$ 603,800
10/2018	6	$ 649,800	$ 590,700
11/2018	6	$ 652,200	$ 586,000
12/2018	7	$ 654,800	$ 591,200
1/2019	7	$ 656,200	$ 612,200
2/2019	7	$ 655,900	$ 620,000
3/2019	5	$ 654,200	$ 629,600
4/2019	5	$ 652,700	$ 653,200
5/2019	5	$ 652,400	$ 643,800
6/2019	7	$ 651,800	$ 661,700
7/2019	7	$ 650,600	$ 684,600
8/2019	8	$ 650,900	$ 684,700



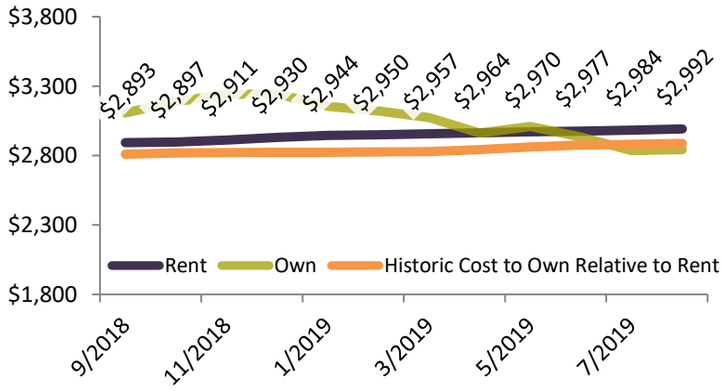
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	8.1%	$ 423	5.8%
10/2018	9.8%	$ 425	5.7%
11/2018	9.7%	$ 427	5.4%
12/2018	9.8%	$ 428	4.6%
1/2019	9.9%	$ 429	4.1%
2/2019	9.8%	$ 429	3.4%
3/2019	12.4%	$ 427	2.4%
4/2019	13.5%	$ 427	2.4%
5/2019	12.7%	$ 427	2.2%
6/2019	9.0%	$ 427	1.9%
7/2019	7.5%	$ 426	1.4%
8/2019	6.1%	$ 426	1.3%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	4.0%	$ 2,893	$ 3,106
10/2018	3.7%	$ 2,897	$ 3,187
11/2018	3.4%	$ 2,911	$ 3,239
12/2018	2.9%	$ 2,930	$ 3,245
1/2019	2.5%	$ 2,944	$ 3,155
2/2019	2.0%	$ 2,950	$ 3,121
3/2019	1.7%	$ 2,957	$ 3,072
4/2019	1.7%	$ 2,964	$ 2,961
5/2019	1.8%	$ 2,970	$ 3,010
6/2019	2.1%	$ 2,977	$ 2,932
7/2019	2.3%	$ 2,984	$ 2,836
8/2019	2.5%	$ 2,992	$ 2,844

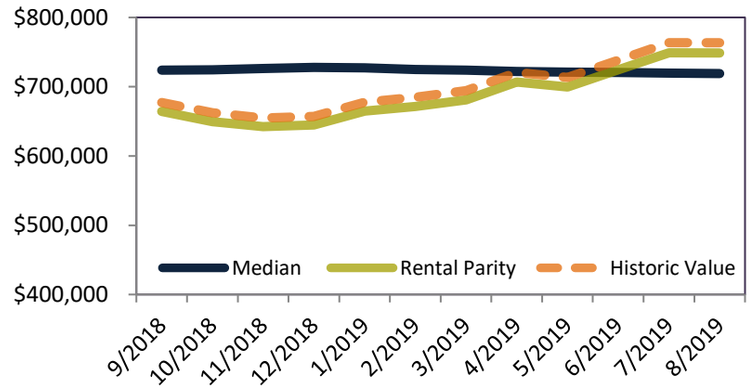


Orange County Housing Market Value & Trends Update

Historically, properties in this market sell at a 1.9% premium. Today's discount is 4.0%. This market is 5.9% undervalued.
Median home price is $719,000, and resale $/SF is $421/SF. Prices fell 1.0% year-over-year.
Monthly cost of ownership is $3,141, and rents average $3,271, making owning $129 per month less costly than renting.
Rents rose 3.1% year-over-year. The current capitalization rate (rent/price) is 4.4%.
Market rating = 6

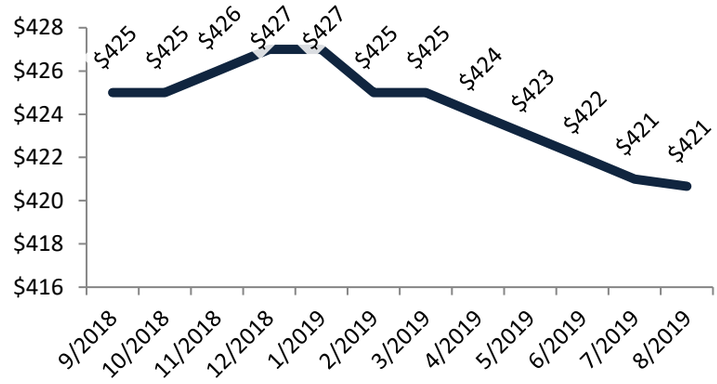
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	5	$ 723,900	$ 664,100
10/2018	5	$ 724,500	$ 649,600
11/2018	5	$ 726,100	$ 642,400
12/2018	5	$ 727,900	$ 644,700
1/2019	5	$ 727,100	$ 664,700
2/2019	6	$ 724,900	$ 671,700
3/2019	6	$ 723,700	$ 681,100
4/2019	6	$ 722,100	$ 706,900
5/2019	6	$ 721,300	$ 699,700
6/2019	6	$ 720,500	$ 724,200
7/2019	6	$ 719,400	$ 749,000
8/2019	6	$ 719,000	$ 748,700



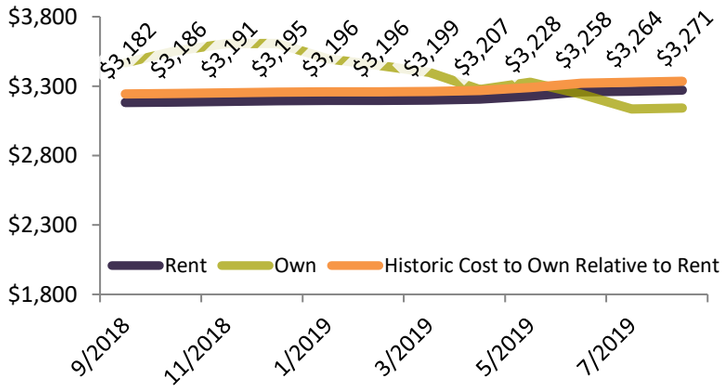
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	7.0%	$ 425	5.7%
10/2018	9.5%	$ 425	5.2%
11/2018	11.0%	$ 426	4.7%
12/2018	10.8%	$ 427	4.1%
1/2019	7.3%	$ 427	3.4%
2/2019	5.7%	$ 425	2.4%
3/2019	4.3%	$ 425	2.2%
4/2019	0.2%	$ 424	1.7%
5/2019	1.1%	$ 423	1.0%
6/2019	-2.5%	$ 422	0.2%
7/2019	-5.9%	$ 421	-0.5%
8/2019	-5.9%	$ 421	-1.0%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	1.8%	$ 3,182	$ 3,468
10/2018	1.5%	$ 3,186	$ 3,553
11/2018	1.4%	$ 3,191	$ 3,606
12/2018	1.5%	$ 3,195	$ 3,607
1/2019	1.7%	$ 3,196	$ 3,496
2/2019	1.8%	$ 3,196	$ 3,449
3/2019	1.9%	$ 3,199	$ 3,399
4/2019	2.1%	$ 3,207	$ 3,276
5/2019	2.3%	$ 3,228	$ 3,328
6/2019	2.5%	$ 3,258	$ 3,241
7/2019	2.8%	$ 3,264	$ 3,135
8/2019	3.1%	$ 3,271	$ 3,141

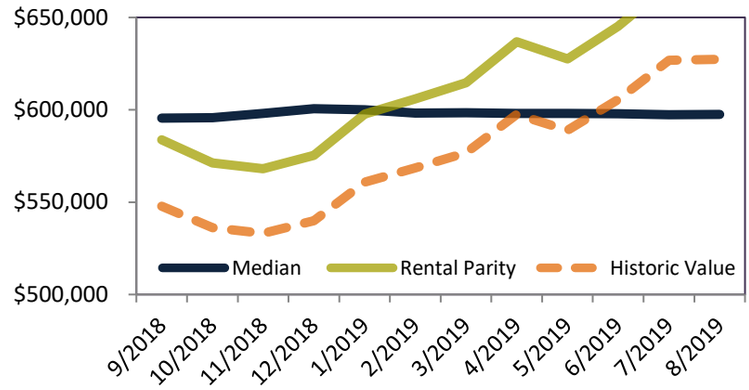


Anaheim Housing Market Value & Trends Update

Historically, properties in this market sell at a -6.2% discount. Today's discount is 10.7%. This market is 4.5% undervalued.
Median home price is $597,500, and resale $/SF is $383/SF. Prices rose 0.3% year-over-year.
Monthly cost of ownership is $2,610, and rents average $2,920, making owning $310 per month less costly than renting.
Rents rose 3.6% year-over-year. The current capitalization rate (rent/price) is 4.7%.
Market rating = 6

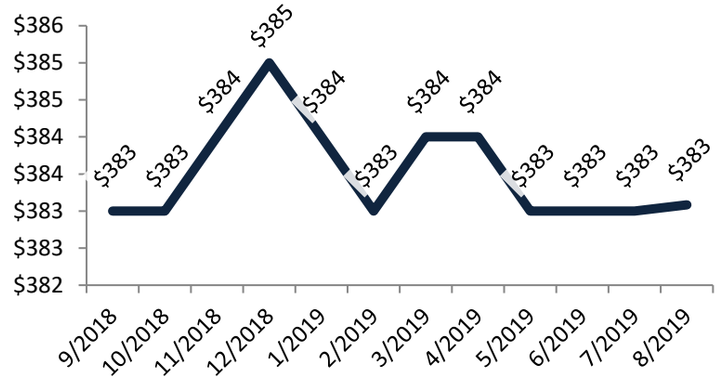
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	5	$ 595,500	$ 583,700
10/2018	5	$ 595,800	$ 571,300
11/2018	5	$ 598,000	$ 568,100
12/2018	5	$ 600,600	$ 575,300
1/2019	6	$ 600,000	$ 597,700
2/2019	6	$ 598,300	$ 605,900
3/2019	8	$ 598,400	$ 614,700
4/2019	8	$ 598,100	$ 636,800
5/2019	6	$ 598,000	$ 627,600
6/2019	6	$ 597,800	$ 645,300
7/2019	6	$ 597,400	$ 668,000
8/2019	6	$ 597,500	$ 668,500



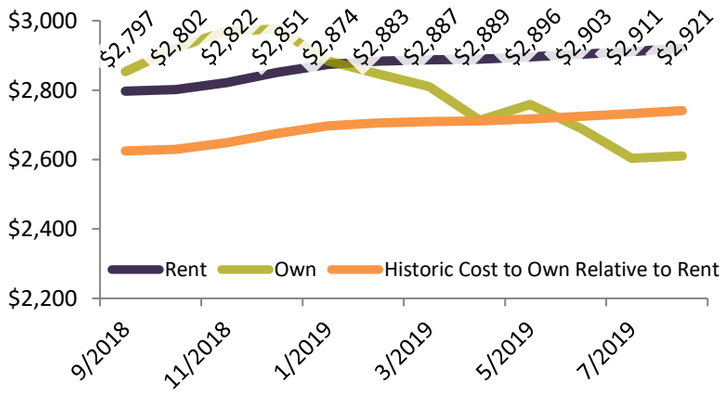
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	8.2%	$ 383	5.8%
10/2018	10.4%	$ 383	5.5%
11/2018	11.4%	$ 384	5.2%
12/2018	10.6%	$ 385	4.6%
1/2019	6.5%	$ 384	3.8%
2/2019	4.9%	$ 383	3.0%
3/2019	3.5%	$ 384	2.7%
4/2019	0.1%	$ 384	2.4%
5/2019	1.4%	$ 383	1.9%
6/2019	-1.2%	$ 383	1.3%
7/2019	-4.4%	$ 383	0.8%
8/2019	-4.5%	$ 383	0.3%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	1.7%	$ 2,797	$ 2,853
10/2018	1.4%	$ 2,802	$ 2,922
11/2018	1.3%	$ 2,822	$ 2,970
12/2018	1.5%	$ 2,851	$ 2,976
1/2019	1.8%	$ 2,874	$ 2,885
2/2019	2.0%	$ 2,883	$ 2,847
3/2019	2.2%	$ 2,887	$ 2,810
4/2019	2.4%	$ 2,889	$ 2,713
5/2019	2.7%	$ 2,896	$ 2,759
6/2019	3.0%	$ 2,903	$ 2,689
7/2019	3.3%	$ 2,911	$ 2,604
8/2019	3.6%	$ 2,921	$ 2,610

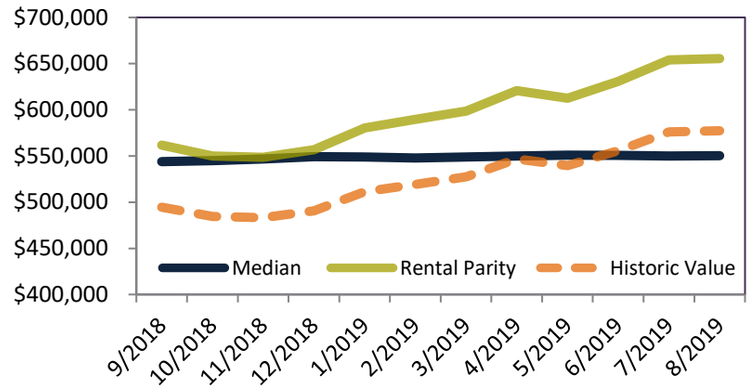


Santa Ana Housing Market Value & Trends Update

Historically, properties in this market sell at a -11.9% discount. Today's discount is 16.0%. This market is 4.1% undervalued.
Median home price is $550,400, and resale $/SF is $405/SF. Prices rose 1.6% year-over-year.
Monthly cost of ownership is $2,404, and rents average $2,864, making owning $459 per month less costly than renting.
Rents rose 4.4% year-over-year. The current capitalization rate (rent/price) is 5.0%.
Market rating = 6

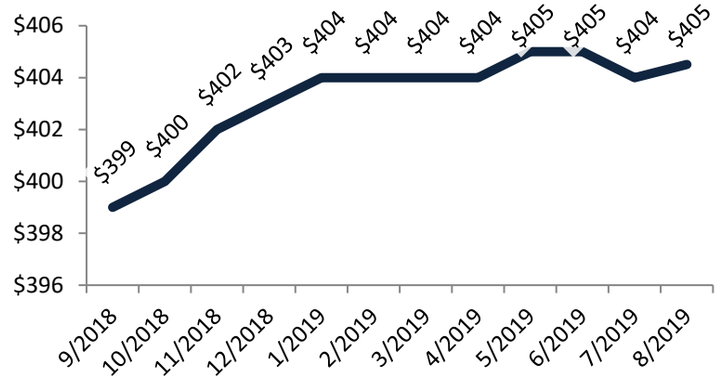
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	6	$ 543,900	$ 561,600
10/2018	7	$ 545,100	$ 550,100
11/2018	7	$ 546,900	$ 548,600
12/2018	7	$ 549,200	$ 556,900
1/2019	8	$ 548,800	$ 580,400
2/2019	8	$ 547,800	$ 589,500
3/2019	8	$ 548,900	$ 598,700
4/2019	8	$ 550,100	$ 620,700
5/2019	8	$ 550,900	$ 612,700
6/2019	8	$ 550,600	$ 630,900
7/2019	8	$ 549,800	$ 654,000
8/2019	6	$ 550,400	$ 655,500



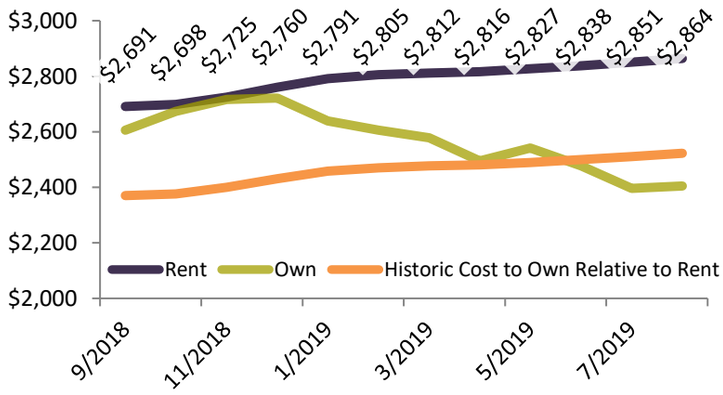
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	8.8%	$ 399	7.3%
10/2018	11.0%	$ 400	6.7%
11/2018	11.6%	$ 402	6.3%
12/2018	10.5%	$ 403	5.5%
1/2019	6.5%	$ 404	4.9%
2/2019	4.8%	$ 404	4.1%
3/2019	3.6%	$ 404	3.9%
4/2019	0.5%	$ 404	3.9%
5/2019	1.8%	$ 405	3.6%
6/2019	-0.8%	$ 405	3.1%
7/2019	-4.0%	$ 404	2.3%
8/2019	-4.1%	$ 405	1.6%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	2.3%	$ 2,691	$ 2,606
10/2018	2.0%	$ 2,698	$ 2,673
11/2018	2.0%	$ 2,725	$ 2,716
12/2018	2.3%	$ 2,760	$ 2,721
1/2019	2.7%	$ 2,791	$ 2,639
2/2019	2.9%	$ 2,805	$ 2,606
3/2019	3.1%	$ 2,812	$ 2,578
4/2019	3.2%	$ 2,816	$ 2,496
5/2019	3.5%	$ 2,827	$ 2,542
6/2019	3.7%	$ 2,838	$ 2,477
7/2019	4.1%	$ 2,851	$ 2,396
8/2019	4.4%	$ 2,864	$ 2,405

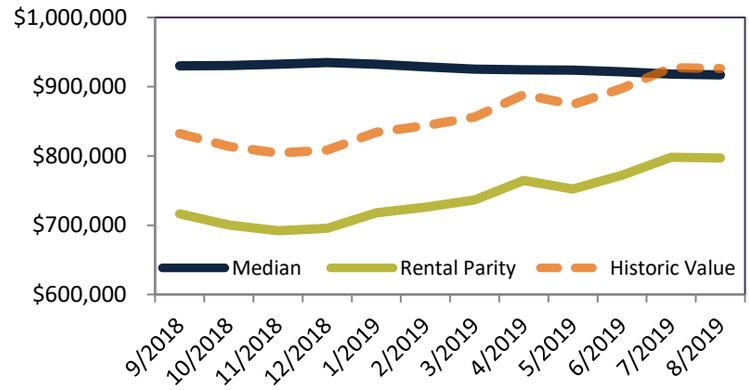


Northwood Housing Market Value & Trends Update

Historically, properties in this market sell at a 16.2% premium. Today's premium is 15.0%. This market is 1.2% undervalued.
Median home price is $917,100, and resale $/SF is $457/SF. Prices fell 0.9% year-over-year.
Monthly cost of ownership is $4,006, and rents average $3,483, making owning $523 per month more costly than renting.
Rents rose 2.4% year-over-year. The current capitalization rate (rent/price) is 3.6%.
Market rating = 6

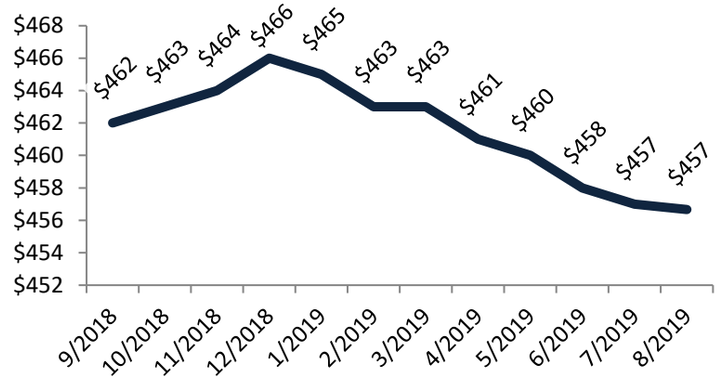
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	4	$ 929,900	$ 716,300
10/2018	3	$ 930,800	$ 700,200
11/2018	3	$ 932,500	$ 692,100
12/2018	3	$ 934,900	$ 695,600
1/2019	5	$ 932,300	$ 718,100
2/2019	5	$ 928,500	$ 726,100
3/2019	3	$ 925,500	$ 736,700
4/2019	4	$ 924,200	$ 764,600
5/2019	4	$ 924,100	$ 752,500
6/2019	4	$ 921,600	$ 772,500
7/2019	6	$ 918,000	$ 798,200
8/2019	6	$ 917,100	$ 797,200



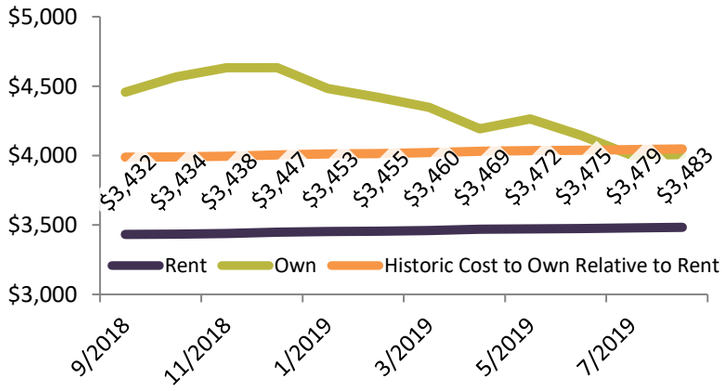
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	13.6%	$ 462	4.8%
10/2018	16.7%	$ 463	4.5%
11/2018	18.5%	$ 464	4.3%
12/2018	18.2%	$ 466	4.0%
1/2019	13.6%	$ 465	3.3%
2/2019	11.7%	$ 463	2.2%
3/2019	9.4%	$ 463	2.0%
4/2019	4.7%	$ 461	1.5%
5/2019	6.6%	$ 460	0.9%
6/2019	3.1%	$ 458	0.0%
7/2019	-1.2%	$ 457	-0.7%
8/2019	-1.2%	$ 457	-0.9%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	-0.4%	$ 3,432	$ 4,455
10/2018	-0.5%	$ 3,434	$ 4,565
11/2018	-0.4%	$ 3,438	$ 4,632
12/2018	-0.1%	$ 3,447	$ 4,633
1/2019	0.3%	$ 3,453	$ 4,483
2/2019	0.7%	$ 3,455	$ 4,417
3/2019	1.0%	$ 3,460	$ 4,346
4/2019	1.3%	$ 3,469	$ 4,193
5/2019	1.6%	$ 3,472	$ 4,263
6/2019	1.9%	$ 3,475	$ 4,146
7/2019	2.2%	$ 3,479	$ 4,001
8/2019	2.4%	$ 3,483	$ 4,007



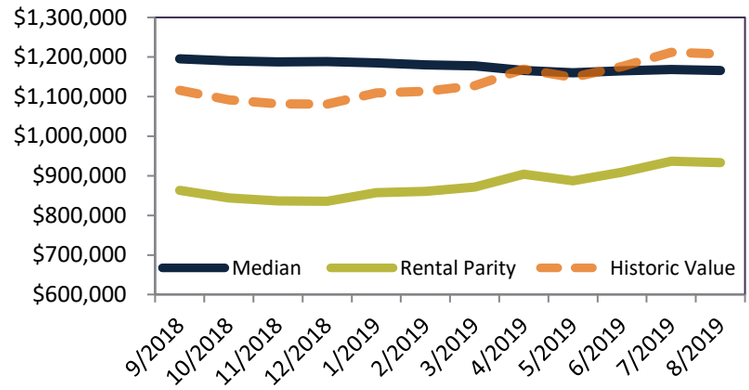
Northwood Point Housing Market Value & Trends Update

Historically, properties in this market sell at a 29.4% premium. Today's premium is 24.9%. This market is 4.5% undervalued.
Median home price is $1,165,700, and resale $/SF is $479/SF. Prices fell 2.9% year-over-year.
Monthly cost of ownership is $5,092, and rents average $4,078, making owning $1,014 per month more costly than renting.
Rents fell 4.1% year-over-year. The current capitalization rate (rent/price) is 3.4%.

Market rating = 2

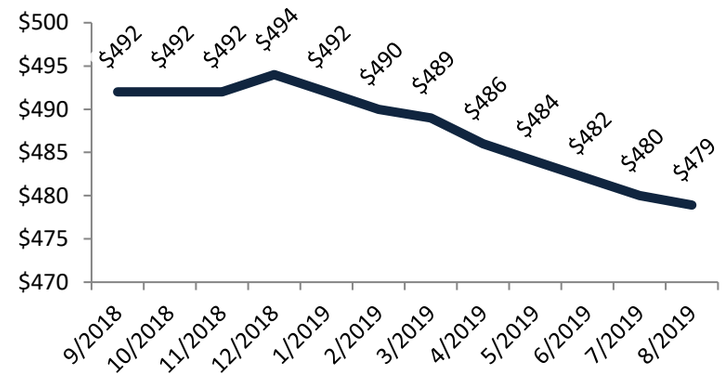
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	5	$ 1,195,500	$ 862,800
10/2018	4	$ 1,190,600	$ 843,900
11/2018	4	$ 1,187,400	$ 836,100
12/2018	4	$ 1,188,400	$ 835,600
1/2019	3	$ 1,185,100	$ 857,300
2/2019	***1***	$ 1,180,500	$ 860,700
3/2019	2	$ 1,177,500	$ 871,500
4/2019	2	$ 1,166,200	$ 903,900
5/2019	2	$ 1,160,300	$ 887,600
6/2019	2	$ 1,165,000	$ 908,800
7/2019	2	$ 1,168,200	$ 936,800
8/2019	2	$ 1,165,700	$ 933,400



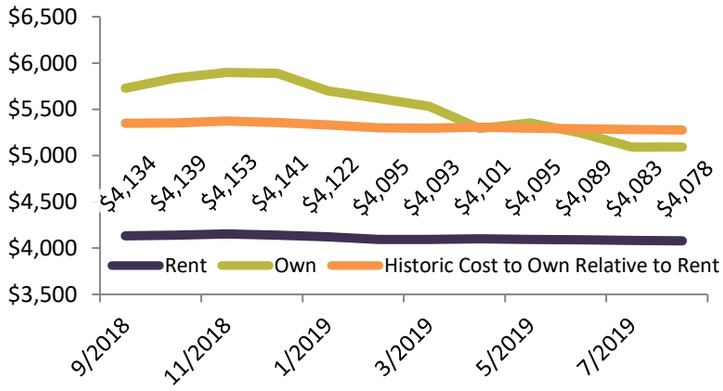
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	9.2%	$ 492	4.5%
10/2018	11.7%	$ 492	4.0%
11/2018	12.6%	$ 492	3.4%
12/2018	12.9%	$ 494	3.1%
1/2019	8.9%	$ 492	2.3%
2/2019	7.8%	$ 490	1.4%
3/2019	5.7%	$ 489	1.0%
4/2019	-0.4%	$ 486	0.2%
5/2019	1.4%	$ 484	-0.6%
6/2019	-1.2%	$ 482	-1.6%
7/2019	-4.7%	$ 480	-2.4%
8/2019	-4.5%	$ 479	-2.9%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	0.8%	$ 4,134	$ 5,728
10/2018	0.0%	$ 4,139	$ 5,839
11/2018	-0.8%	$ 4,153	$ 5,898
12/2018	-1.4%	$ 4,141	$ 5,889
1/2019	-2.1%	$ 4,122	$ 5,698
2/2019	-2.6%	$ 4,095	$ 5,616
3/2019	-3.0%	$ 4,093	$ 5,530
4/2019	-3.3%	$ 4,101	$ 5,291
5/2019	-3.7%	$ 4,095	$ 5,353
6/2019	-4.0%	$ 4,089	$ 5,241
7/2019	-4.1%	$ 4,083	$ 5,091
8/2019	-4.1%	$ 4,078	$ 5,093

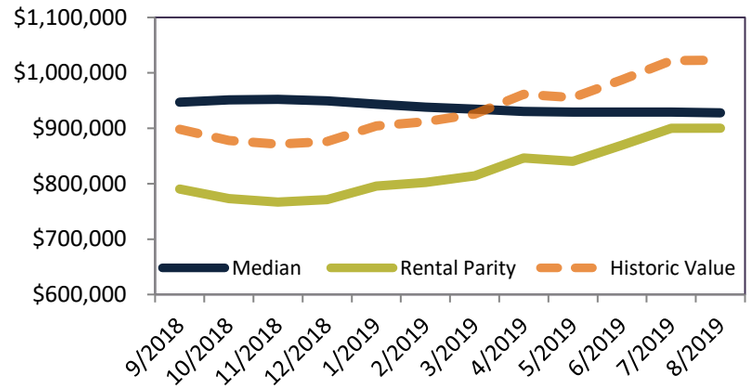


92602 Housing Market Value & Trends Update

Historically, properties in this market sell at a 13.6% premium. Today's premium is 3.0%. This market is 10.6% undervalued.
Median home price is $927,900, and resale $/SF is $450/SF. Prices fell 1.2% year-over-year.
Monthly cost of ownership is $4,054, and rents average $3,933, making owning $120 per month more costly than renting.
Rents rose 1.8% year-over-year. The current capitalization rate (rent/price) is 4.1%.
Market rating = 5

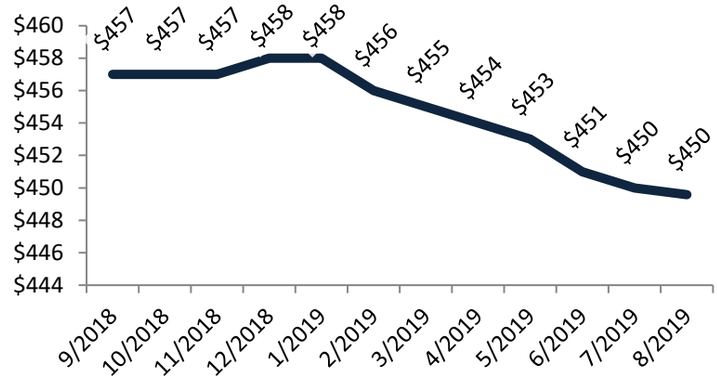
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	5	$ 947,200	$ 790,600
10/2018	4	$ 951,400	$ 772,800
11/2018	4	$ 952,200	$ 766,800
12/2018	4	$ 949,400	$ 771,000
1/2019	5	$ 943,400	$ 795,500
2/2019	5	$ 938,000	$ 802,400
3/2019	6	$ 934,600	$ 814,400
4/2019	6	$ 930,600	$ 846,200
5/2019	4	$ 929,000	$ 840,600
6/2019	4	$ 929,000	$ 869,400
7/2019	5	$ 929,200	$ 899,800
8/2019	5	$ 927,900	$ 900,200



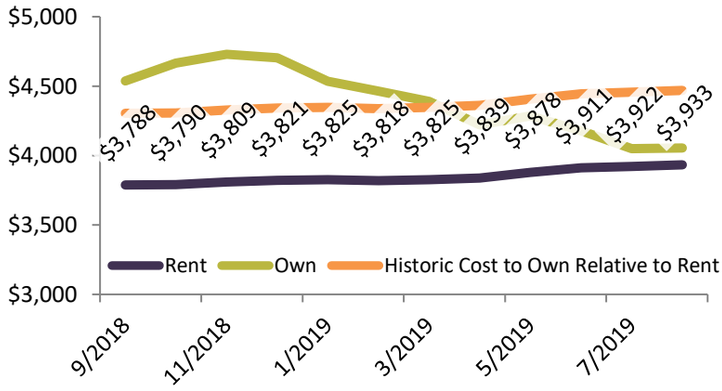
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	6.2%	$ 457	6.3%
10/2018	9.5%	$ 457	6.0%
11/2018	10.5%	$ 457	5.5%
12/2018	9.5%	$ 458	5.0%
1/2019	5.0%	$ 458	4.3%
2/2019	3.3%	$ 456	3.2%
3/2019	1.1%	$ 455	2.7%
4/2019	-3.7%	$ 454	2.0%
5/2019	-3.1%	$ 453	1.3%
6/2019	-6.8%	$ 451	0.4%
7/2019	-10.4%	$ 450	-0.4%
8/2019	-10.6%	$ 450	-1.2%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	-0.3%	$ 3,788	$ 4,538
10/2018	-0.5%	$ 3,790	$ 4,666
11/2018	-0.6%	$ 3,809	$ 4,729
12/2018	-0.5%	$ 3,821	$ 4,705
1/2019	-0.3%	$ 3,825	$ 4,536
2/2019	0.0%	$ 3,818	$ 4,463
3/2019	0.2%	$ 3,825	$ 4,389
4/2019	0.4%	$ 3,839	$ 4,222
5/2019	0.7%	$ 3,878	$ 4,286
6/2019	1.1%	$ 3,911	$ 4,179
7/2019	1.5%	$ 3,922	$ 4,050
8/2019	1.8%	$ 3,933	$ 4,054

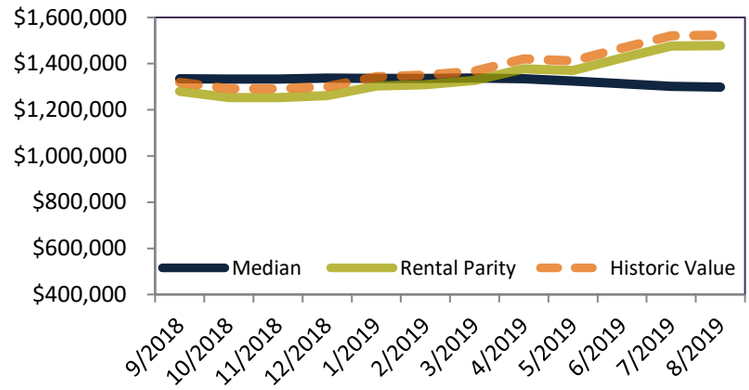


92603 Housing Market Value & Trends Update

Historically, properties in this market sell at a 3.1% premium. Today's discount is 12.1%. This market is 15.2% undervalued.
Median home price is $1,298,300, and resale $/SF is $587/SF. Prices fell 2.7% year-over-year.
Monthly cost of ownership is $5,672, and rents average $6,456, making owning $784 per month less costly than renting.
Rents rose 2.5% year-over-year. The current capitalization rate (rent/price) is 4.8%.
Market rating = 8

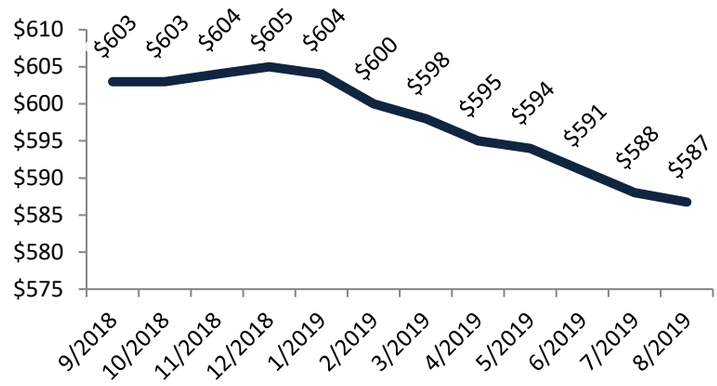
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	5	$ 1,335,300	$ 1,279,600
10/2018	4	$ 1,332,800	$ 1,253,200
11/2018	5	$ 1,333,700	$ 1,252,700
12/2018	5	$ 1,337,400	$ 1,261,800
1/2019	5	$ 1,336,100	$ 1,303,600
2/2019	5	$ 1,335,800	$ 1,309,400
3/2019	4	$ 1,337,800	$ 1,326,900
4/2019	4	$ 1,334,400	$ 1,378,100
5/2019	4	$ 1,325,100	$ 1,369,900
6/2019	5	$ 1,313,200	$ 1,424,200
7/2019	8	$ 1,301,600	$ 1,475,500
8/2019	8	$ 1,298,300	$ 1,477,800



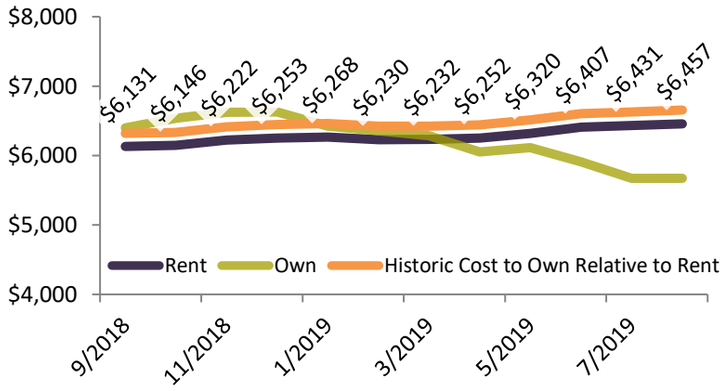
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	1.3%	$ 603	5.6%
10/2018	3.3%	$ 603	5.6%
11/2018	3.4%	$ 604	5.0%
12/2018	2.9%	$ 605	4.7%
1/2019	-0.6%	$ 604	4.0%
2/2019	-1.1%	$ 600	2.4%
3/2019	-2.3%	$ 598	1.4%
4/2019	-6.2%	$ 595	0.7%
5/2019	-6.3%	$ 594	0.2%
6/2019	-10.9%	$ 591	-1.0%
7/2019	-14.9%	$ 588	-2.0%
8/2019	-15.2%	$ 587	-2.7%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	-1.9%	$ 6,131	$ 6,398
10/2018	-2.0%	$ 6,146	$ 6,536
11/2018	-1.9%	$ 6,222	$ 6,624
12/2018	-1.5%	$ 6,253	$ 6,627
1/2019	-1.0%	$ 6,268	$ 6,424
2/2019	-0.4%	$ 6,230	$ 6,355
3/2019	0.0%	$ 6,232	$ 6,283
4/2019	0.5%	$ 6,252	$ 6,054
5/2019	1.0%	$ 6,320	$ 6,113
6/2019	1.6%	$ 6,407	$ 5,907
7/2019	2.0%	$ 6,431	$ 5,673
8/2019	2.5%	$ 6,457	$ 5,672

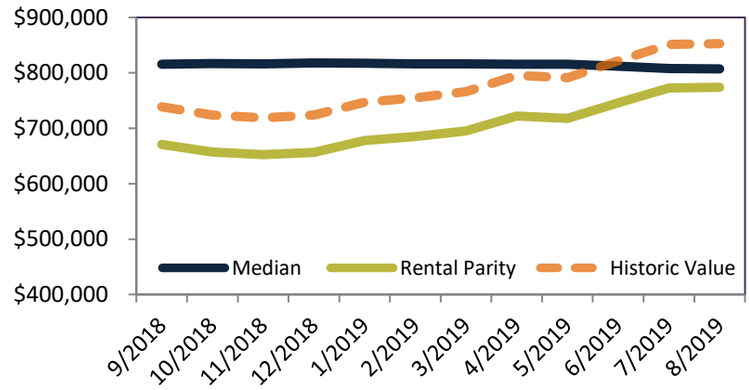


92604 Housing Market Value & Trends Update

Historically, properties in this market sell at a 10.2% premium. Today's premium is 4.3%. This market is 5.9% undervalued.
Median home price is $807,200, and resale $/SF is $479/SF. Prices fell 0.7% year-over-year.
Monthly cost of ownership is $3,526, and rents average $3,381, making owning $144 per month more costly than renting.
Rents rose 3.3% year-over-year. The current capitalization rate (rent/price) is 4.0%.
Market rating = 6

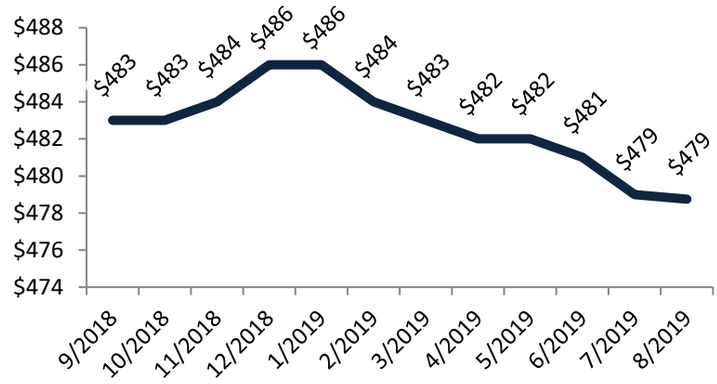
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	5	$ 815,900	$ 670,800
10/2018	4	$ 816,700	$ 657,100
11/2018	4	$ 816,500	$ 652,500
12/2018	4	$ 817,900	$ 656,800
1/2019	5	$ 817,700	$ 678,200
2/2019	5	$ 816,300	$ 685,200
3/2019	5	$ 816,200	$ 695,200
4/2019	6	$ 815,900	$ 722,100
5/2019	6	$ 815,500	$ 718,100
6/2019	6	$ 812,000	$ 746,000
7/2019	6	$ 807,700	$ 772,800
8/2019	6	$ 807,200	$ 774,000



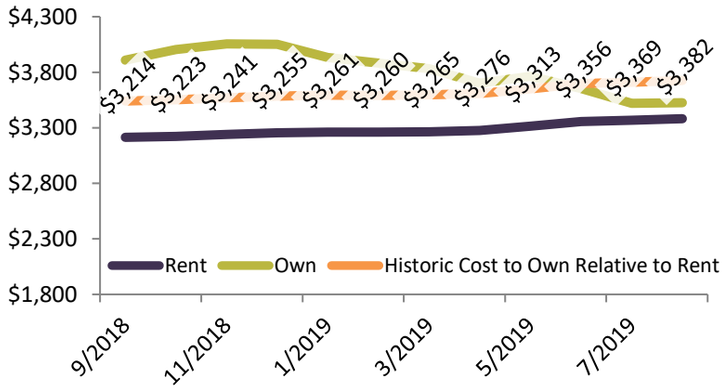
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	11.5%	$ 483	6.2%
10/2018	14.1%	$ 483	5.7%
11/2018	15.0%	$ 484	5.4%
12/2018	14.4%	$ 486	5.4%
1/2019	10.4%	$ 486	4.5%
2/2019	9.0%	$ 484	3.2%
3/2019	7.2%	$ 483	2.5%
4/2019	2.8%	$ 482	2.1%
5/2019	3.4%	$ 482	1.7%
6/2019	-1.3%	$ 481	0.8%
7/2019	-5.7%	$ 479	-0.2%
8/2019	-5.9%	$ 479	-0.7%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	1.0%	$ 3,214	$ 3,909
10/2018	0.7%	$ 3,223	$ 4,005
11/2018	0.7%	$ 3,241	$ 4,055
12/2018	0.9%	$ 3,255	$ 4,053
1/2019	1.1%	$ 3,261	$ 3,932
2/2019	1.4%	$ 3,260	$ 3,884
3/2019	1.6%	$ 3,265	$ 3,833
4/2019	1.8%	$ 3,276	$ 3,701
5/2019	2.2%	$ 3,313	$ 3,762
6/2019	2.6%	$ 3,356	$ 3,653
7/2019	3.0%	$ 3,369	$ 3,520
8/2019	3.3%	$ 3,382	$ 3,527

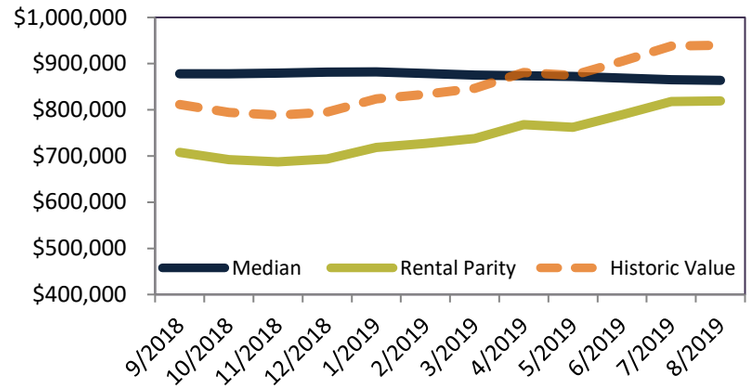


92606 Housing Market Value & Trends Update

Historically, properties in this market sell at a 14.7% premium. Today's premium is 5.4%. This market is 9.3% undervalued.
Median home price is $863,800, and resale $/SF is $468/SF. Prices fell 0.7% year-over-year.
Monthly cost of ownership is $3,773, and rents average $3,579, making owning $194 per month more costly than renting.
Rents rose 2.8% year-over-year. The current capitalization rate (rent/price) is 4.0%.
Market rating = 7

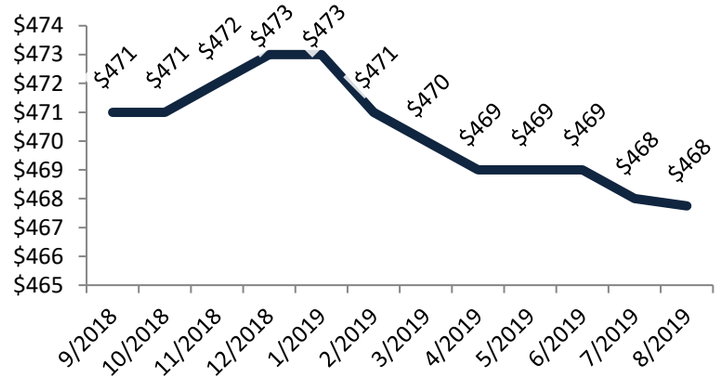
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	4	$ 878,000	$ 707,500
10/2018	4	$ 878,100	$ 692,400
11/2018	4	$ 879,300	$ 687,300
12/2018	4	$ 881,800	$ 693,300
1/2019	4	$ 882,100	$ 718,300
2/2019	6	$ 878,700	$ 727,000
3/2019	4	$ 875,500	$ 738,200
4/2019	4	$ 873,700	$ 768,100
5/2019	4	$ 872,600	$ 762,500
6/2019	4	$ 868,500	$ 789,300
7/2019	7	$ 864,900	$ 817,900
8/2019	7	$ 863,800	$ 819,300



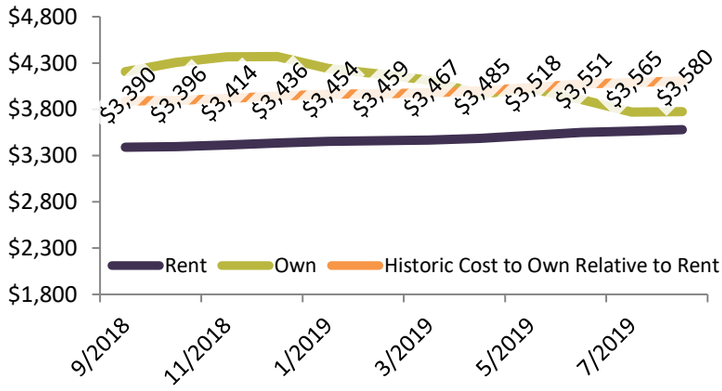
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	9.4%	$ 471	6.1%
10/2018	12.1%	$ 471	5.6%
11/2018	13.2%	$ 472	5.4%
12/2018	12.5%	$ 473	5.1%
1/2019	8.1%	$ 473	4.2%
2/2019	6.2%	$ 471	2.6%
3/2019	3.9%	$ 470	1.7%
4/2019	-1.0%	$ 469	1.1%
5/2019	-0.3%	$ 469	0.6%
6/2019	-4.7%	$ 469	0.2%
7/2019	-9.0%	$ 468	-0.2%
8/2019	-9.3%	$ 468	-0.7%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	-0.4%	$ 3,390	$ 4,207
10/2018	-0.6%	$ 3,396	$ 4,306
11/2018	-0.6%	$ 3,414	$ 4,367
12/2018	-0.4%	$ 3,436	$ 4,370
1/2019	-0.1%	$ 3,454	$ 4,241
2/2019	0.3%	$ 3,459	$ 4,181
3/2019	0.6%	$ 3,467	$ 4,112
4/2019	1.0%	$ 3,485	$ 3,964
5/2019	1.4%	$ 3,518	$ 4,026
6/2019	2.0%	$ 3,551	$ 3,907
7/2019	2.4%	$ 3,565	$ 3,770
8/2019	2.8%	$ 3,580	$ 3,774

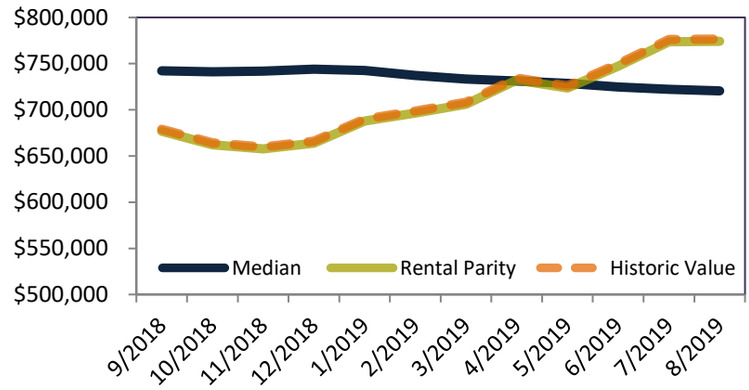


92612 Housing Market Value & Trends Update

Historically, properties in this market sell at a 0.3% premium. Today's discount is 7.0%. This market is 7.3% undervalued.
Median home price is $720,500, and resale $/SF is $493/SF. Prices fell 0.9% year-over-year.
Monthly cost of ownership is $3,147, and rents average $3,382, making owning $234 per month less costly than renting.
Rents rose 2.7% year-over-year. The current capitalization rate (rent/price) is 4.5%.
Market rating = 7

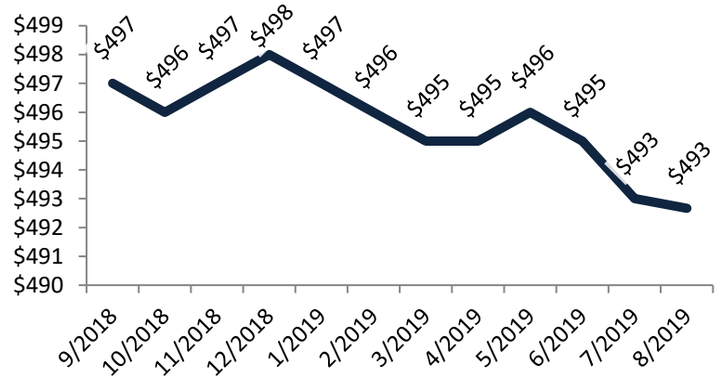
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	5	$ 742,200	$ 676,800
10/2018	5	$ 741,200	$ 662,200
11/2018	5	$ 741,700	$ 657,700
12/2018	5	$ 744,000	$ 663,900
1/2019	5	$ 742,500	$ 687,700
2/2019	6	$ 737,200	$ 696,300
3/2019	6	$ 733,400	$ 706,200
4/2019	4	$ 731,300	$ 732,200
5/2019	4	$ 728,700	$ 723,500
6/2019	6	$ 724,600	$ 747,300
7/2019	6	$ 722,200	$ 773,600
8/2019	7	$ 720,500	$ 774,200



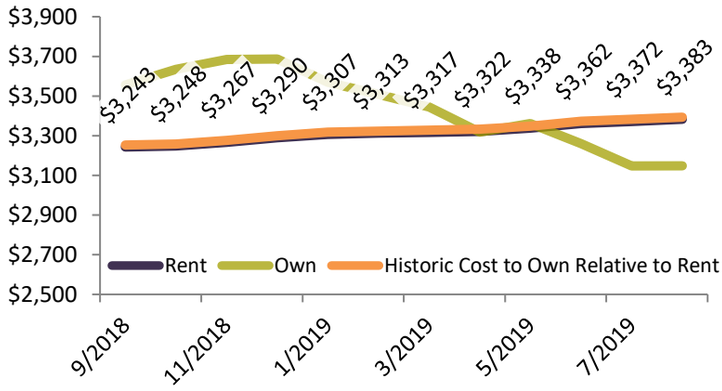
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	9.3%	$ 497	6.9%
10/2018	11.6%	$ 496	6.2%
11/2018	12.5%	$ 497	5.7%
12/2018	11.8%	$ 498	5.3%
1/2019	7.7%	$ 497	4.2%
2/2019	5.6%	$ 496	3.1%
3/2019	3.5%	$ 495	2.3%
4/2019	-0.4%	$ 495	1.9%
5/2019	0.4%	$ 496	1.4%
6/2019	-3.4%	$ 495	0.6%
7/2019	-7.0%	$ 493	-0.4%
8/2019	-7.3%	$ 493	-0.9%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	0.8%	$ 3,243	$ 3,556
10/2018	0.5%	$ 3,248	$ 3,635
11/2018	0.5%	$ 3,267	$ 3,684
12/2018	0.5%	$ 3,290	$ 3,687
1/2019	0.8%	$ 3,307	$ 3,570
2/2019	1.0%	$ 3,313	$ 3,507
3/2019	1.3%	$ 3,317	$ 3,444
4/2019	1.5%	$ 3,322	$ 3,318
5/2019	1.8%	$ 3,338	$ 3,362
6/2019	2.1%	$ 3,362	$ 3,260
7/2019	2.4%	$ 3,372	$ 3,148
8/2019	2.7%	$ 3,383	$ 3,148

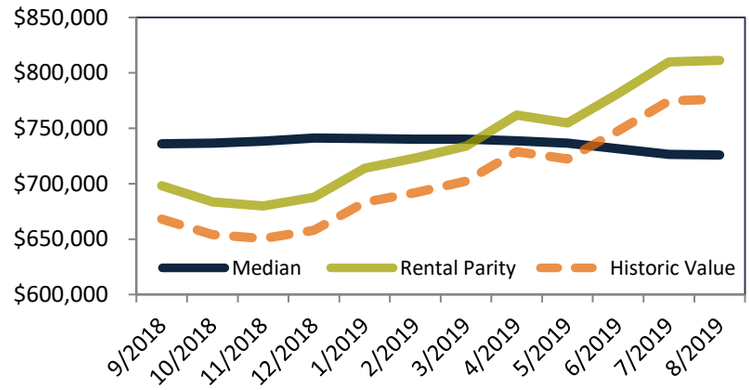


92614 Housing Market Value & Trends Update

Historically, properties in this market sell at a -4.3% discount. Today's discount is 10.5%. This market is 6.2% undervalued.
Median home price is $725,900, and resale $/SF is $490/SF. Prices fell 0.9% year-over-year.
Monthly cost of ownership is $3,171, and rents average $3,544, making owning $373 per month less costly than renting.
Rents rose 3.2% year-over-year. The current capitalization rate (rent/price) is 4.7%.
Market rating = 6

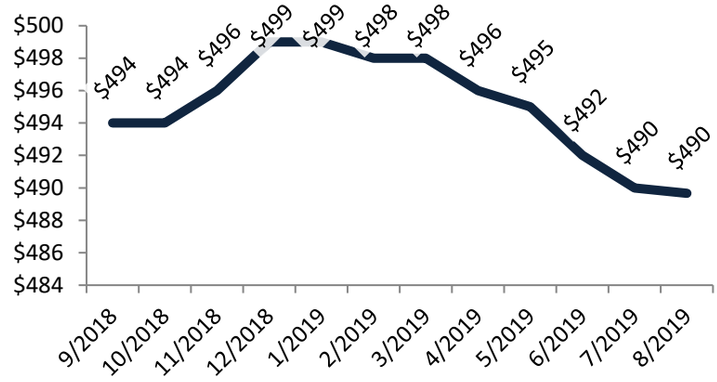
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	4	$ 736,100	$ 698,300
10/2018	5	$ 736,500	$ 683,700
11/2018	5	$ 738,500	$ 679,900
12/2018	5	$ 741,200	$ 687,700
1/2019	5	$ 740,900	$ 714,000
2/2019	6	$ 740,300	$ 723,200
3/2019	6	$ 740,200	$ 733,900
4/2019	8	$ 738,800	$ 761,800
5/2019	8	$ 736,500	$ 754,900
6/2019	6	$ 731,600	$ 781,300
7/2019	6	$ 726,600	$ 809,800
8/2019	6	$ 725,900	$ 811,300



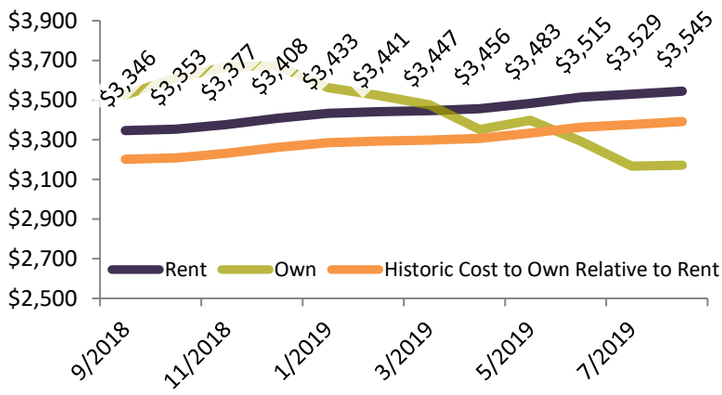
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	9.7%	$ 494	7.4%
10/2018	12.0%	$ 494	6.9%
11/2018	12.9%	$ 496	6.4%
12/2018	12.1%	$ 499	6.2%
1/2019	8.1%	$ 499	5.5%
2/2019	6.7%	$ 498	4.4%
3/2019	5.2%	$ 498	4.0%
4/2019	1.3%	$ 496	3.1%
5/2019	1.9%	$ 495	2.1%
6/2019	-2.0%	$ 492	0.6%
7/2019	-6.0%	$ 490	-0.4%
8/2019	-6.2%	$ 490	-0.9%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	0.9%	$ 3,346	$ 3,527
10/2018	0.6%	$ 3,353	$ 3,612
11/2018	0.7%	$ 3,377	$ 3,668
12/2018	1.0%	$ 3,408	$ 3,673
1/2019	1.4%	$ 3,433	$ 3,562
2/2019	1.6%	$ 3,441	$ 3,522
3/2019	1.8%	$ 3,447	$ 3,476
4/2019	2.0%	$ 3,456	$ 3,352
5/2019	2.3%	$ 3,483	$ 3,398
6/2019	2.6%	$ 3,515	$ 3,291
7/2019	2.9%	$ 3,529	$ 3,167
8/2019	3.2%	$ 3,545	$ 3,171

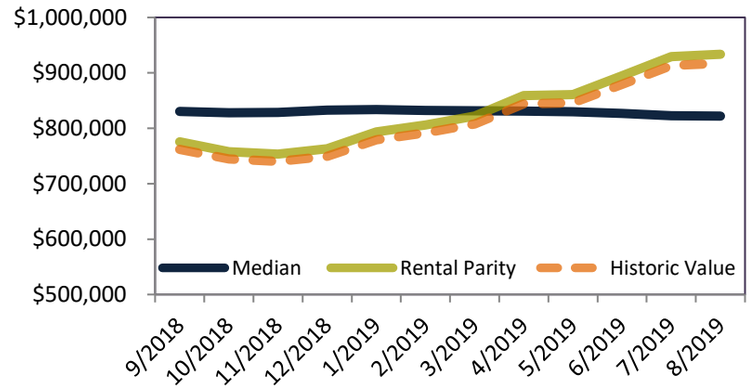


92618 Housing Market Value & Trends Update

Historically, properties in this market sell at a -1.7% discount. Today's discount is 11.9%. This market is 10.2% undervalued.
Median home price is $822,000, and resale $/SF is $473/SF. Prices fell 0.7% year-over-year.
Monthly cost of ownership is $3,591, and rents average $4,079, making owning $487 per month less costly than renting.
Rents rose 2.8% year-over-year. The current capitalization rate (rent/price) is 4.8%.
Market rating = 7

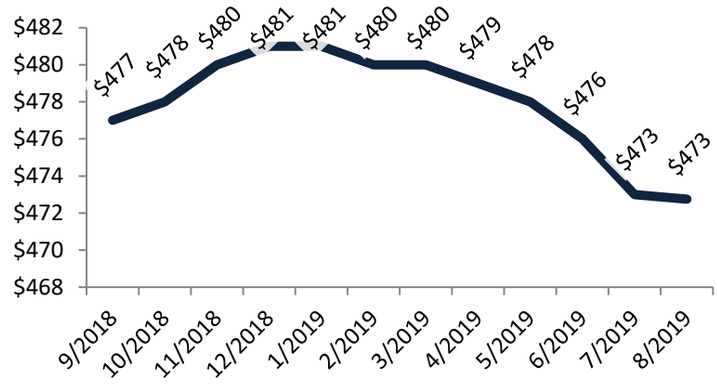
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	5	$ 830,600	$ 775,700
10/2018	5	$ 828,300	$ 757,700
11/2018	5	$ 828,600	$ 753,400
12/2018	5	$ 832,600	$ 762,800
1/2019	6	$ 833,800	$ 793,200
2/2019	6	$ 832,300	$ 806,000
3/2019	6	$ 831,900	$ 822,100
4/2019	6	$ 831,000	$ 859,200
5/2019	8	$ 829,800	$ 860,900
6/2019	6	$ 827,000	$ 894,900
7/2019	7	$ 822,900	$ 929,600
8/2019	7	$ 822,000	$ 933,600



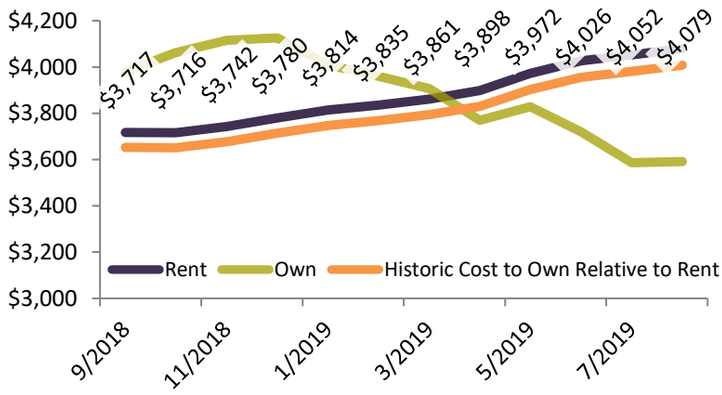
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	8.8%	$ 477	6.0%
10/2018	11.1%	$ 478	5.8%
11/2018	11.7%	$ 480	5.7%
12/2018	10.9%	$ 481	5.0%
1/2019	6.9%	$ 481	4.3%
2/2019	5.0%	$ 480	3.7%
3/2019	2.9%	$ 480	3.2%
4/2019	-1.5%	$ 479	2.8%
5/2019	-1.9%	$ 478	2.1%
6/2019	-5.8%	$ 476	1.1%
7/2019	-9.7%	$ 473	-0.2%
8/2019	-10.2%	$ 473	-0.7%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	1.7%	$ 3,717	$ 3,980
10/2018	1.2%	$ 3,716	$ 4,062
11/2018	1.0%	$ 3,742	$ 4,115
12/2018	0.9%	$ 3,780	$ 4,126
1/2019	1.1%	$ 3,814	$ 4,009
2/2019	1.2%	$ 3,835	$ 3,960
3/2019	1.6%	$ 3,861	$ 3,907
4/2019	1.8%	$ 3,898	$ 3,770
5/2019	2.1%	$ 3,972	$ 3,828
6/2019	2.3%	$ 4,026	$ 3,720
7/2019	2.5%	$ 4,052	$ 3,586
8/2019	2.8%	$ 4,079	$ 3,591

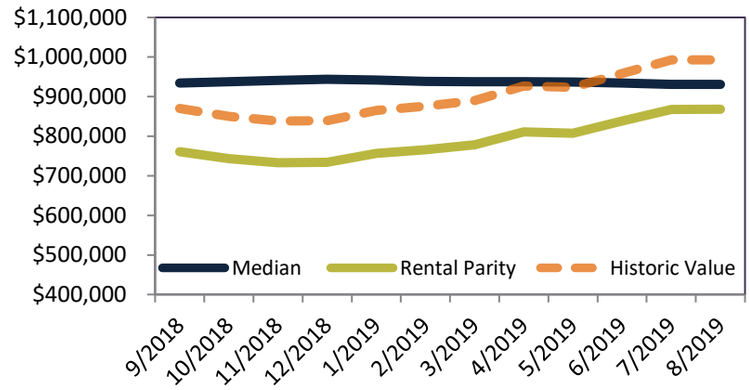


92620 Housing Market Value & Trends Update

Historically, properties in this market sell at a 14.4% premium. Today's premium is 7.3%. This market is 7.1% undervalued.
Median home price is $930,900, and resale $/SF is $469/SF. Prices fell 1.1% year-over-year.
Monthly cost of ownership is $4,067, and rents average $3,793, making owning $273 per month more costly than renting.
Rents rose 2.0% year-over-year. The current capitalization rate (rent/price) is 3.9%.
Market rating = 5

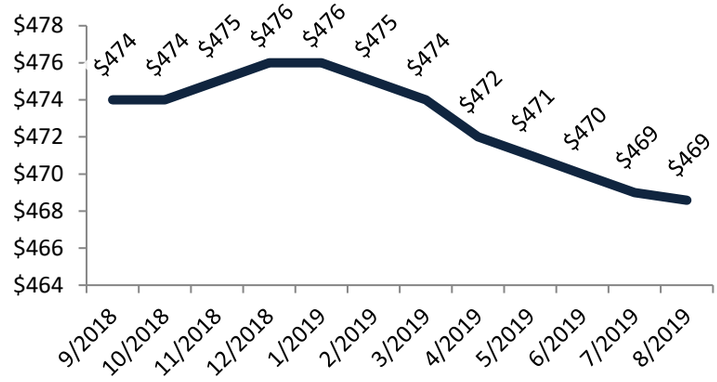
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	4	$ 934,600	$ 761,100
10/2018	4	$ 937,400	$ 743,400
11/2018	3	$ 941,000	$ 733,000
12/2018	3	$ 943,900	$ 734,100
1/2019	4	$ 942,200	$ 756,200
2/2019	4	$ 938,800	$ 765,900
3/2019	6	$ 937,700	$ 778,400
4/2019	4	$ 937,600	$ 810,500
5/2019	4	$ 937,200	$ 807,600
6/2019	4	$ 934,300	$ 838,200
7/2019	5	$ 931,100	$ 867,700
8/2019	5	$ 930,900	$ 868,200



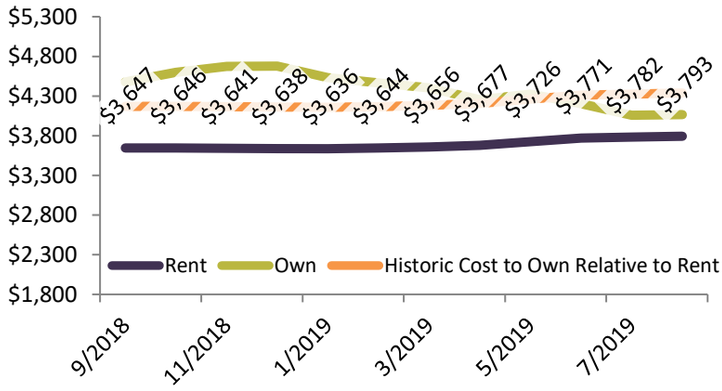
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	8.4%	$ 474	5.3%
10/2018	11.7%	$ 474	4.6%
11/2018	14.0%	$ 475	4.4%
12/2018	14.2%	$ 476	3.9%
1/2019	10.2%	$ 476	3.5%
2/2019	8.2%	$ 475	2.6%
3/2019	6.1%	$ 474	2.2%
4/2019	1.3%	$ 472	1.5%
5/2019	1.7%	$ 471	0.9%
6/2019	-2.9%	$ 470	0.2%
7/2019	-7.1%	$ 469	-0.6%
8/2019	-7.1%	$ 469	-1.1%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	-0.3%	$ 3,647	$ 4,478
10/2018	-0.5%	$ 3,646	$ 4,597
11/2018	-0.6%	$ 3,641	$ 4,674
12/2018	-0.5%	$ 3,638	$ 4,677
1/2019	-0.2%	$ 3,636	$ 4,530
2/2019	0.0%	$ 3,644	$ 4,466
3/2019	0.1%	$ 3,656	$ 4,404
4/2019	0.3%	$ 3,677	$ 4,254
5/2019	0.7%	$ 3,726	$ 4,324
6/2019	1.2%	$ 3,771	$ 4,203
7/2019	1.6%	$ 3,782	$ 4,058
8/2019	2.0%	$ 3,793	$ 4,067

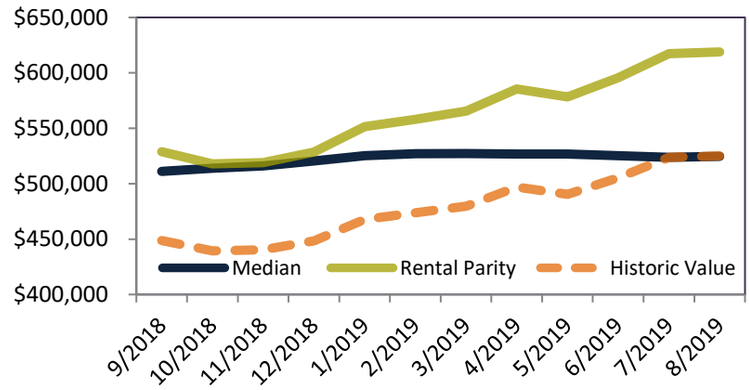


Stanton Housing Market Value & Trends Update

Historically, properties in this market sell at a -15.2% discount. Today's discount is 15.2%. This market is 0.0% undervalued.
Median home price is $524,800, and resale $/SF is $383/SF. Prices rose 0.6% year-over-year.
Monthly cost of ownership is $2,292, and rents average $2,704, making owning $411 per month less costly than renting.
Rents rose 4.7% year-over-year. The current capitalization rate (rent/price) is 4.9%.
Market rating = 6

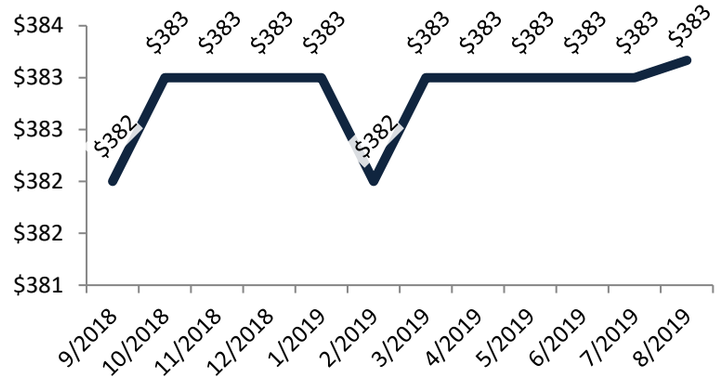
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	6	$ 511,100	$ 528,800
10/2018	5	$ 514,000	$ 517,900
11/2018	6	$ 516,000	$ 519,000
12/2018	7	$ 520,400	$ 528,500
1/2019	7	$ 525,300	$ 551,500
2/2019	7	$ 527,000	$ 558,200
3/2019	7	$ 527,200	$ 565,500
4/2019	8	$ 526,900	$ 585,600
5/2019	8	$ 526,700	$ 578,200
6/2019	8	$ 525,300	$ 595,500
7/2019	6	$ 523,700	$ 617,400
8/2019	6	$ 524,800	$ 618,900



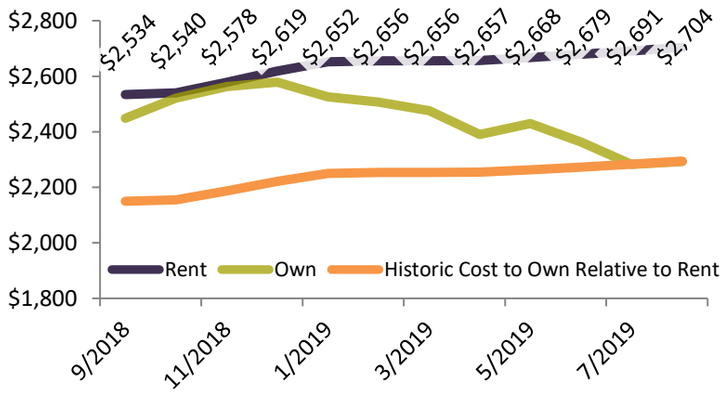
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	11.8%	$ 382	8.5%
10/2018	14.4%	$ 383	7.9%
11/2018	14.6%	$ 383	7.0%
12/2018	13.6%	$ 383	5.8%
1/2019	10.4%	$ 383	4.9%
2/2019	9.6%	$ 382	3.8%
3/2019	8.4%	$ 383	3.8%
4/2019	5.1%	$ 383	3.5%
5/2019	6.3%	$ 383	3.0%
6/2019	3.4%	$ 383	2.4%
7/2019	0.0%	$ 383	1.3%
8/2019	0.0%	$ 383	0.6%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	3.5%	$ 2,534	$ 2,449
10/2018	3.1%	$ 2,540	$ 2,521
11/2018	2.9%	$ 2,578	$ 2,563
12/2018	3.0%	$ 2,619	$ 2,579
1/2019	3.3%	$ 2,652	$ 2,526
2/2019	3.5%	$ 2,656	$ 2,507
3/2019	3.6%	$ 2,656	$ 2,476
4/2019	3.7%	$ 2,657	$ 2,390
5/2019	3.9%	$ 2,668	$ 2,430
6/2019	4.1%	$ 2,679	$ 2,363
7/2019	4.4%	$ 2,691	$ 2,282
8/2019	4.7%	$ 2,704	$ 2,293

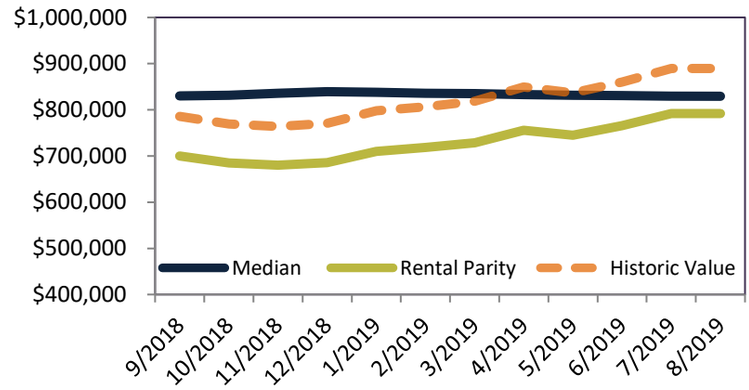


Huntington Beach Housing Market Value & Trends Update

Historically, properties in this market sell at a 12.3% premium. Today's premium is 4.7%. This market is 7.6% undervalued.
Median home price is $829,700, and resale $/SF is $496/SF. Prices rose 0.7% year-over-year.
Monthly cost of ownership is $3,624, and rents average $3,460, making owning $164 per month more costly than renting.
Rents rose 2.7% year-over-year. The current capitalization rate (rent/price) is 4.0%.
Market rating = 7

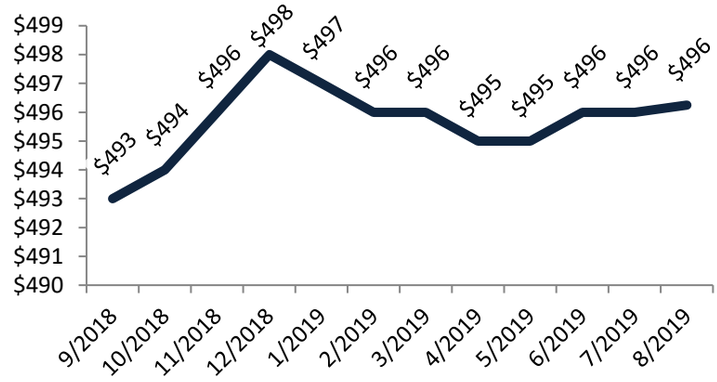
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	8	$ 830,200	$ 699,800
10/2018	5	$ 831,800	$ 684,700
11/2018	5	$ 835,800	$ 680,100
12/2018	5	$ 839,300	$ 685,900
1/2019	8	$ 838,200	$ 710,200
2/2019	8	$ 835,500	$ 718,200
3/2019	8	$ 835,100	$ 728,600
4/2019	8	$ 833,300	$ 756,000
5/2019	6	$ 831,700	$ 744,900
6/2019	6	$ 830,500	$ 765,500
7/2019	7	$ 829,600	$ 791,900
8/2019	7	$ 829,700	$ 791,900



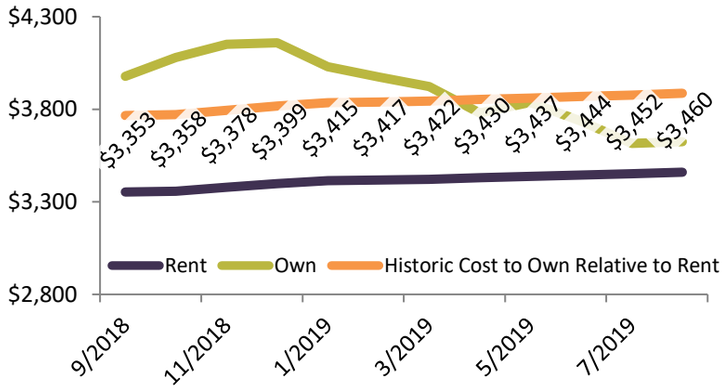
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	6.3%	$ 493	5.6%
10/2018	9.2%	$ 494	5.3%
11/2018	10.6%	$ 496	5.1%
12/2018	10.0%	$ 498	4.6%
1/2019	5.7%	$ 497	3.8%
2/2019	4.0%	$ 496	3.1%
3/2019	2.3%	$ 496	2.7%
4/2019	-2.1%	$ 495	2.3%
5/2019	-0.7%	$ 495	1.9%
6/2019	-3.8%	$ 496	1.4%
7/2019	-7.6%	$ 496	1.0%
8/2019	-7.6%	$ 496	0.7%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	2.2%	$ 3,353	$ 3,978
10/2018	1.9%	$ 3,358	$ 4,079
11/2018	1.8%	$ 3,378	$ 4,151
12/2018	2.0%	$ 3,399	$ 4,159
1/2019	2.1%	$ 3,415	$ 4,030
2/2019	2.2%	$ 3,417	$ 3,975
3/2019	2.2%	$ 3,422	$ 3,922
4/2019	2.2%	$ 3,430	$ 3,780
5/2019	2.2%	$ 3,437	$ 3,837
6/2019	2.4%	$ 3,444	$ 3,736
7/2019	2.5%	$ 3,452	$ 3,616
8/2019	2.7%	$ 3,460	$ 3,625

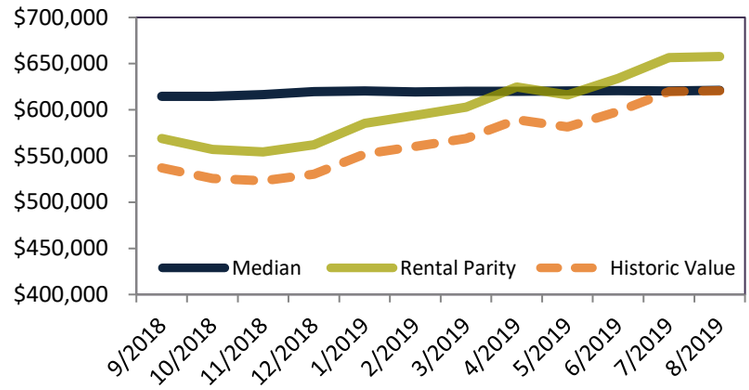


Garden Grove Housing Market Value & Trends Update

Historically, properties in this market sell at a -5.6% discount. Today's discount is 5.5%. This market is 0.1% overvalued.
Median home price is $621,100, and resale $/SF is $413/SF. Prices rose 1.1% year-over-year.
Monthly cost of ownership is $2,713, and rents average $2,873, making owning $160 per month less costly than renting.
Rents rose 4.4% year-over-year. The current capitalization rate (rent/price) is 4.4%.
Market rating = 6

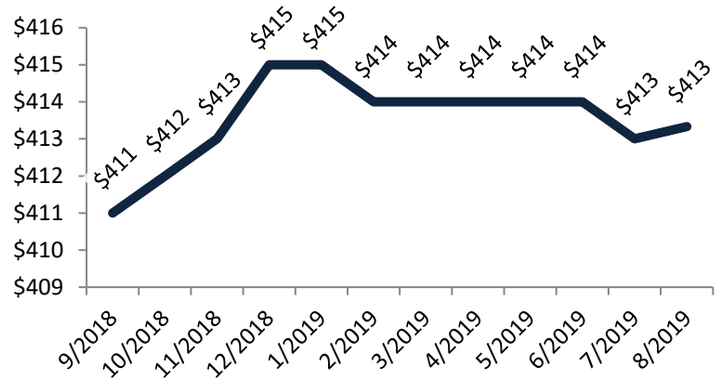
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	6	$ 614,600	$ 569,100
10/2018	3	$ 614,600	$ 557,000
11/2018	4	$ 616,500	$ 554,400
12/2018	4	$ 619,800	$ 562,000
1/2019	7	$ 620,300	$ 585,200
2/2019	7	$ 619,500	$ 593,900
3/2019	7	$ 620,200	$ 602,800
4/2019	8	$ 619,900	$ 624,600
5/2019	8	$ 620,300	$ 616,100
6/2019	8	$ 620,800	$ 633,900
7/2019	6	$ 620,500	$ 656,700
8/2019	6	$ 621,100	$ 657,700



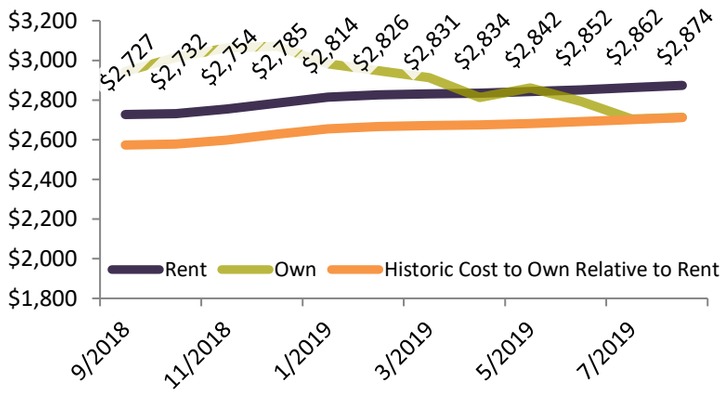
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	13.6%	$ 411	7.9%
10/2018	16.0%	$ 412	7.3%
11/2018	16.8%	$ 413	7.0%
12/2018	15.9%	$ 415	6.7%
1/2019	11.6%	$ 415	5.9%
2/2019	10.0%	$ 414	4.5%
3/2019	8.5%	$ 414	4.3%
4/2019	4.9%	$ 414	3.8%
5/2019	6.3%	$ 414	3.2%
6/2019	3.6%	$ 414	2.7%
7/2019	0.1%	$ 413	1.7%
8/2019	0.1%	$ 413	1.1%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	2.3%	$ 2,727	$ 2,945
10/2018	1.9%	$ 2,732	$ 3,014
11/2018	1.8%	$ 2,754	$ 3,062
12/2018	2.0%	$ 2,785	$ 3,071
1/2019	2.3%	$ 2,814	$ 2,982
2/2019	2.5%	$ 2,826	$ 2,947
3/2019	2.8%	$ 2,831	$ 2,913
4/2019	3.0%	$ 2,834	$ 2,812
5/2019	3.4%	$ 2,842	$ 2,862
6/2019	3.7%	$ 2,852	$ 2,793
7/2019	4.1%	$ 2,862	$ 2,704
8/2019	4.4%	$ 2,874	$ 2,714

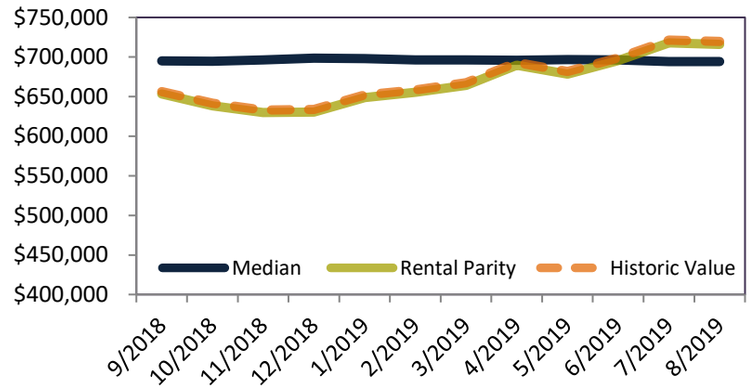


Orange Housing Market Value & Trends Update

Historically, properties in this market sell at a 0.5% premium. Today's discount is 3.0%. This market is 3.5% undervalued.
Median home price is $694,300, and resale $/SF is $394/SF. Prices fell 0.5% year-over-year.
Monthly cost of ownership is $3,033, and rents average $3,128, making owning $095 per month less costly than renting.
Rents rose 2.0% year-over-year. The current capitalization rate (rent/price) is 4.3%.
Market rating = 4

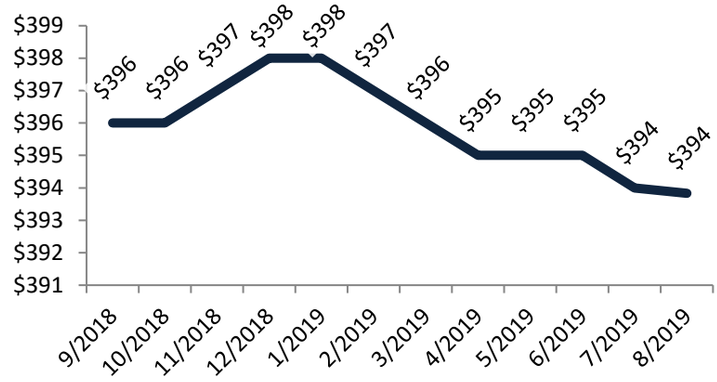
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	6	$ 695,000	$ 653,200
10/2018	5	$ 694,800	$ 638,400
11/2018	5	$ 696,200	$ 629,900
12/2018	5	$ 698,600	$ 630,600
1/2019	5	$ 698,200	$ 648,900
2/2019	6	$ 696,400	$ 655,300
3/2019	4	$ 696,400	$ 664,300
4/2019	4	$ 696,100	$ 689,700
5/2019	4	$ 696,700	$ 678,300
6/2019	4	$ 696,200	$ 695,600
7/2019	4	$ 694,400	$ 717,900
8/2019	4	$ 694,300	$ 716,100



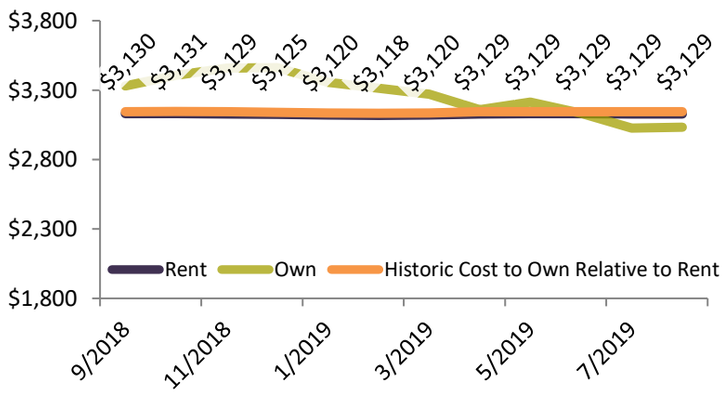
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	5.9%	$ 396	4.8%
10/2018	8.3%	$ 396	4.2%
11/2018	10.0%	$ 397	3.9%
12/2018	10.3%	$ 398	3.4%
1/2019	7.1%	$ 398	2.8%
2/2019	5.8%	$ 397	2.1%
3/2019	4.3%	$ 396	1.8%
4/2019	0.4%	$ 395	1.3%
5/2019	2.2%	$ 395	0.8%
6/2019	-0.4%	$ 395	0.3%
7/2019	-3.8%	$ 394	-0.3%
8/2019	-3.5%	$ 394	-0.5%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	1.3%	$ 3,130	$ 3,330
10/2018	1.1%	$ 3,131	$ 3,407
11/2018	1.0%	$ 3,129	$ 3,458
12/2018	1.2%	$ 3,125	$ 3,462
1/2019	1.3%	$ 3,120	$ 3,357
2/2019	1.4%	$ 3,118	$ 3,313
3/2019	1.5%	$ 3,120	$ 3,271
4/2019	1.5%	$ 3,129	$ 3,158
5/2019	1.6%	$ 3,129	$ 3,214
6/2019	1.7%	$ 3,129	$ 3,132
7/2019	1.8%	$ 3,129	$ 3,026
8/2019	2.0%	$ 3,129	$ 3,033

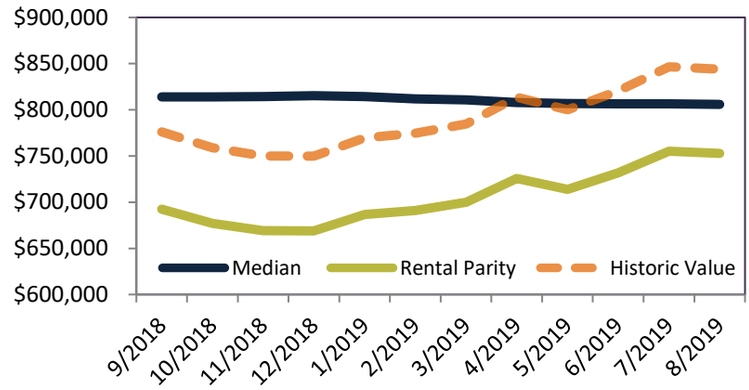


Fountain Valley Housing Market Value & Trends Update

Historically, properties in this market sell at a 12.1% premium. Today's premium is 7.0%. This market is 5.1% undervalued.
Median home price is $805,900, and resale $/SF is $416/SF. Prices fell 0.3% year-over-year.
Monthly cost of ownership is $3,520, and rents average $3,289, making owning $231 per month more costly than renting.
Rents rose 0.8% year-over-year. The current capitalization rate (rent/price) is 3.9%.
Market rating = 4

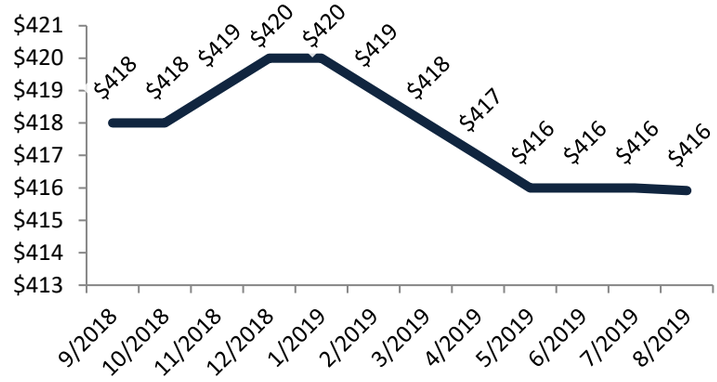
Median Home Price and Rental Parity trailing twelve months

Date	Rating	Median	Rental Parity
9/2018	8	$ 814,000	$ 692,300
10/2018	7	$ 814,000	$ 676,900
11/2018	7	$ 814,300	$ 669,000
12/2018	7	$ 815,300	$ 668,900
1/2019	8	$ 814,200	$ 686,700
2/2019	6	$ 812,000	$ 691,000
3/2019	6	$ 810,900	$ 699,900
4/2019	6	$ 808,000	$ 725,800
5/2019	4	$ 806,700	$ 713,800
6/2019	4	$ 806,600	$ 731,900
7/2019	4	$ 806,500	$ 755,200
8/2019	4	$ 805,900	$ 753,000



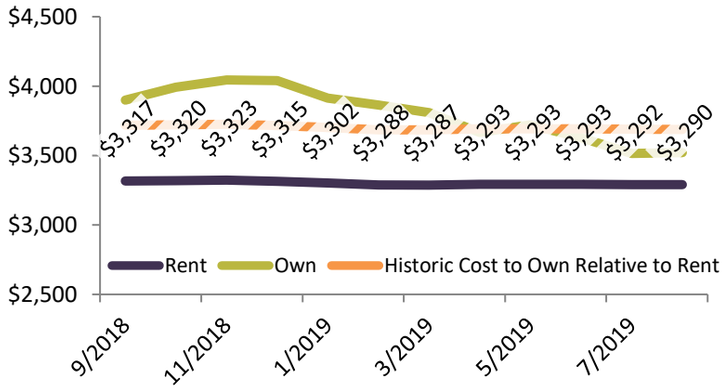
Resale $/SF and year-over-year percentage change trailing twelve months

Date	± Typ. Value	$/SF	% Change
9/2018	5.5%	$ 418	6.9%
10/2018	8.2%	$ 418	6.1%
11/2018	9.6%	$ 419	5.5%
12/2018	9.8%	$ 420	5.0%
1/2019	6.5%	$ 420	4.2%
2/2019	5.4%	$ 419	3.2%
3/2019	3.8%	$ 418	2.7%
4/2019	-0.8%	$ 417	2.2%
5/2019	0.9%	$ 416	1.5%
6/2019	-1.9%	$ 416	1.0%
7/2019	-5.3%	$ 416	0.2%
8/2019	-5.1%	$ 416	-0.3%



Rental rate and year-over-year percentage change trailing twelve months

Date	% Change	Rent	Own
9/2018	2.5%	$ 3,317	$ 3,900
10/2018	2.4%	$ 3,320	$ 3,992
11/2018	2.3%	$ 3,323	$ 4,044
12/2018	2.2%	$ 3,315	$ 4,040
1/2019	2.1%	$ 3,302	$ 3,915
2/2019	1.8%	$ 3,288	$ 3,863
3/2019	1.6%	$ 3,287	$ 3,808
4/2019	1.4%	$ 3,293	$ 3,666
5/2019	1.2%	$ 3,293	$ 3,722
6/2019	1.0%	$ 3,293	$ 3,628
7/2019	0.9%	$ 3,292	$ 3,515
8/2019	0.8%	$ 3,290	$ 3,521



USA Housing News Monthly Resale Market Report

USA Housing News monthly resale market report provides a clear picture of the health of the resale housing market. Builders, developers, lenders, and landowners find the information on location, valuation, and price trends, timely and relevant to their acquisition or disposition decisions. The USA Housing News report answers the most important questions to all parties: (1) Are current prices over or under valued, and (2) what direction are prices trending, up or down? Armed with better information, mangers make better decisions.

There is too much information about housing floating around the Internet, and much of it is bad or useless. It's easy to take data and create pretty charts and graphs that don't provide any information mangers might use to make a good decision. The USA Housing News eliminated the useless information and distilled the market down to three key pieces of information: (1) resale value relative to rent, (2) yearly change in resale prices, and (3) yearly changes in rents. The first establishes valuation, and the other two establish trend and momentum.

The table of contents on the second page of the USA Housing News monthly report organizes the reports by county so mangers can find the area they are most interested in. I recommend starting with the overview of the county as this provides important data on the broader real estate market.

Interpreting a USA Housing News Monthly resale market report

The first page of a county report breaks down into four parts: The news overview, Median Home Price and Rental Parity (trailing twelve months), Resale $/SF and year-over-year percentage change (trailing twelve months), Rental rate and year-over-year percentage change (trailing twelve months).

News Overview

The news overview provides concise descriptions of the facts and conditions in the market. It states whether the market trades at a premium or a discount to rental parity and provides a measure of it.

Irvine Housing Market Value & Trends Update

Historically, properties in this market sell at a 9.2% premium. Today's premium is 4.8%. This market is 4.4% undervalued.
Median home price is $849,800, and resale $/SF is $477/SF. Prices fell 1.3% year-over-year.
Monthly cost of ownership is $3,712, and rents average $3,545, making owning $167 per month more costly than renting.
Rents rose 2.5% year-over-year. The current capitalization rate (rent/price) is 4.0%.
Market rating = 6

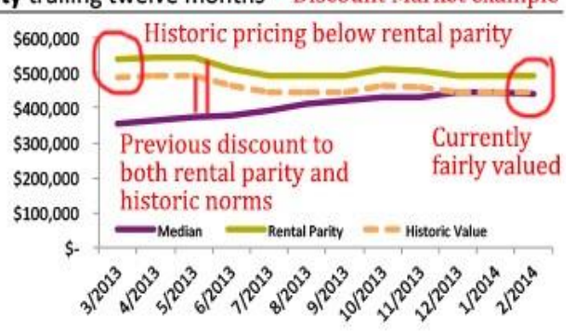
A market trading at a premium to rental parity is more desirable, so buyers are willing to pay more than rental parity to live there. A market trading at a discount is less desirable, and people must be motivated to live there by saving versus renting. The news overview measures the current premium or discount, compares it to the historic premium or discount, and states whether the market is currently overvalued or undervalued. This is an important measure of future financial performance.

Median Home Price and Rental Parity Trailing Twelve Months

For those who want the bottom line without all the analysis and detail, the market rating is the first row of the first section of data. The rating encapsulates all the conditions of the market into one figure. Suffice to say that a rating of 10 is good and a rating of 1 is bad.

Median Home Price and **Rental Parity** trailing twelve months Discount Market example

Date	Rating	Median	Rental Parity
3/2013	10	$ 353,700	$ 538,200
4/2013	10	$ 363,500	$ 546,300
5/2013	9	$ 374,300	$ 542,000
6/2013	9	$ 376,800	$ 509,800
7/2013	9	$ 393,400	$ 493,700
8/2013	8	$ 410,100	$ 490,200
9/2013	7	$ 420,100	$ 492,000
10/2013	7	$ 428,400	$ 511,600
11/2013	7	$ 432,000	$ 507,500
12/2013	7	$ 444,400	$ 493,900
1/2014	7	$ 442,400	$ 493,900
2/2014	7	$ 441,200	$ 492,100



The chart displays three lines that reveal much about the market. The first two lines to note are the parallel green and orange lines, rental parity (green) and historic value (orange). As mentioned previously, some markets trade at a discount and some at a premium to rental parity. If the orange line (historic value) is above the green line (rental parity), the market is a premium market. If the orange line (historic value) is below the green line (rental parity), the market is a discount market. The larger the gap, the greater the premium or discount is.

The third line plotted against these two parallel lines is the median resale price for the area. This line reveals whether the market is currently trading at a premium or discount to rental parity and historic value. The more important of these relationships is between median resale price and historic value. Over time, the market has shown a tendency toward trading at historic value. If it trades above for a while, over time it will revert back to this value. That may happen either by an extended period of little or no appreciation or an outright decline in prices. If the market trades below its historic value, it's likely to see a rebound back to this value in the future. The best markets are those trading at a steep discount to its historic value.

Resale $/SF and Year-Over-Year Percentage Change Trailing Twelve Months

Since the historic value is so important, the first column in next section displays the premium or discount from historic value over the last year. The second column and the chart shows the dollars-per-square-foot resale price in the market. The line on the chart visually shows the general direction of prices, and the third column shows the actual percentage change.

It's important to note that the percentage change in resale prices can be misleading. Many people erroneously extrapolate short-term movements in market prices to infinity, motivating them to buy at what is often the worst possible time. In reality, buying in a declining market when valuations are low is generally the best time to buy because sellers are motivated and supply is abundant. Buying in an appreciating market may not be wise, particularly if valuation signals a bubble. In short, valuation is much more important that price movement.

Resale $/SF and year-over-year percentage change trailing twelve months

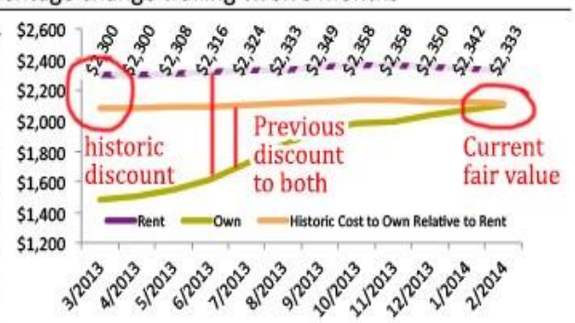
Date	± Typ. Value	$/SF	% Change
3/2013	-26.5%	$ 250	14.9%
4/2013	-25.1%	$ 256	17.5%
5/2013	-23.4%	$ 262	20.4%
6/2013	-20.7%	$ 274	24.7%
7/2013	-16.4%	$ 291	30.4%
8/2013	-11.5%	$ 311	37.0%
9/2013	-7.6%	$ 326	41.8%
10/2013	-6.2%	$ 341	45.8%
11/2013	-5.7%	$ 351	47.6%
12/2013	-4.2%	$ 358	48.3%
1/2014	-2.3%	$ 357	46.7%
2/2014	-0.7%	$ 357	44.8%

Rental Rate and Year-Over-Year Percentage Change Trailing Twelve Months

The final table and chart on the page is similar to the first grouping; it displays three lines, two of which are parallel and show current rent and the historic cost of ownership relative to rent, and the third line is the current cost of ownership. The relationships are similar, the charts will look similar, and the interpretations are the same.

Rental rate and year-over-year percentage change trailing twelve months

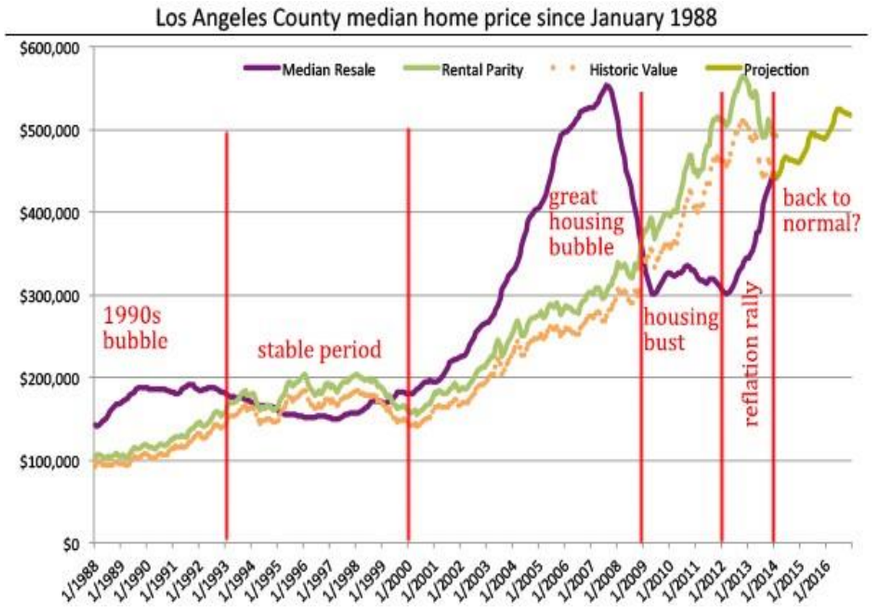
Date	% Change	Rent	Own
3/2013	2.6%	$ 2,300	$ 1,478
4/2013	2.5%	$ 2,300	$ 1,506
5/2013	2.5%	$ 2,308	$ 1,545
6/2013	2.5%	$ 2,316	$ 1,612
7/2013	2.5%	$ 2,324	$ 1,719
8/2013	2.3%	$ 2,333	$ 1,838
9/2013	2.5%	$ 2,349	$ 1,936
10/2013	2.8%	$ 2,358	$ 1,977
11/2013	2.9%	$ 2,358	$ 1,996
12/2013	3.1%	$ 2,350	$ 2,032
1/2014	3.2%	$ 2,342	$ 2,073
2/2014	3.3%	$ 2,333	$ 2,101



This method of looking at the data is more revealing to those who like to focus on monthly costs rather than purchase price, which is how most homebuyers really think. It reveals how affordable properties are relative to monthly rent, which is what rental parity analysis is all about. The first column of data shows the rate of rent growth over the last year, and the next two columns show the cost of renting and the cost of owning during the same period.

Historic Market Data Charts

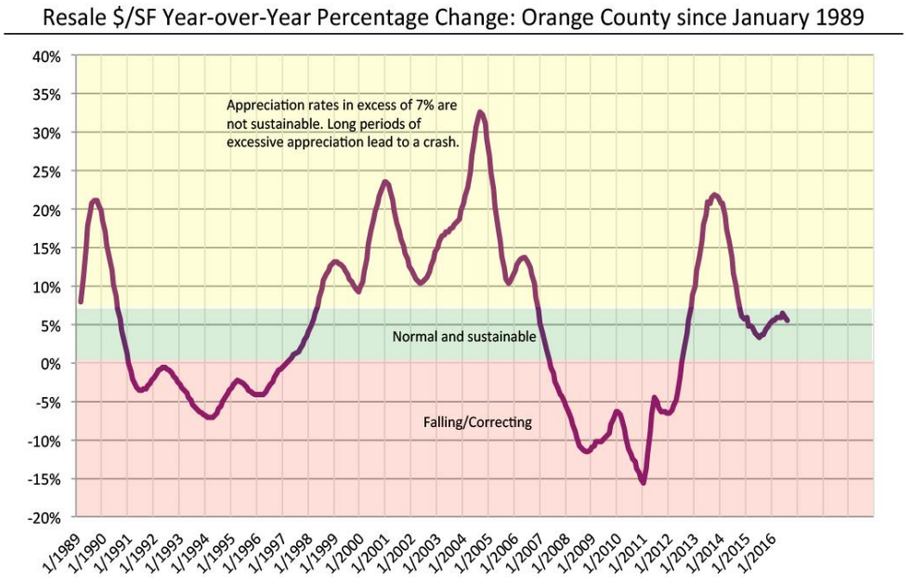
The next page of the report shows two charts: County median home price since January 1988, and County median rent and monthly cost of ownership since January 1988. These charts are designed to put current circumstances in historic context. They answer questions like, "How volatile are prices?" and "How does today's pricing compare to the valuations of the past?" and "Am I buying or selling a property in an overvalued or undervalued market?"



The chart above displays LA County through early 2014, but the pattern is similar across California. With the green line for rental parity and the orange line for historic value, it's easy to tell when the market is fairly valued, over valued, or under valued.

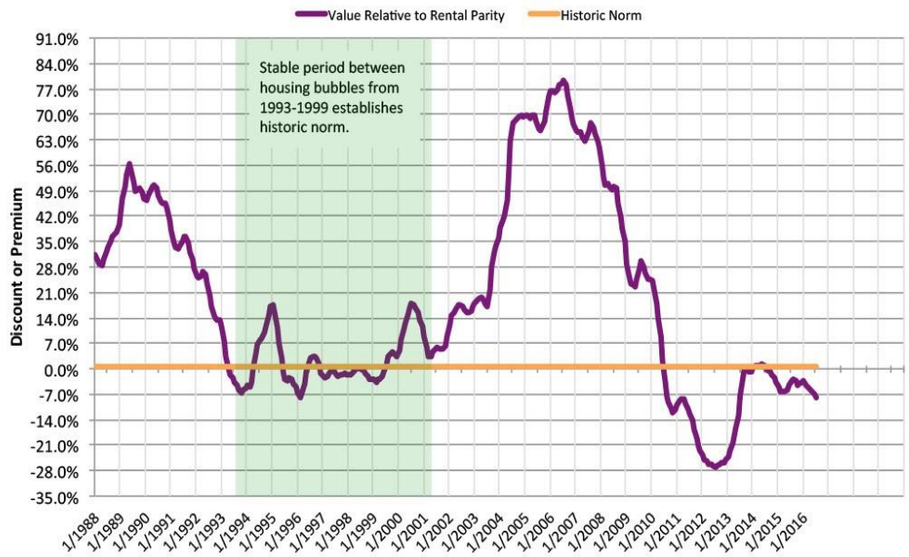
HISTORIC VALUATION

The next page in the report shows two charts: Historic Median Home Price Relative to Rental Parity: County since January 1988, and USA Housing News Market Timing System Rating: Los Angeles County since January 1988.



The chart below shows, at a glance, how close the market trades to its historic norm. The benchmark period is shown in green, and the degree of market volatility can be inferred from the scale to the left. For example, LA County traded for as much as 42% below rental parity and 84% above it during the 26-year period shown. Needless to say, that is very volatile, and people who bought during the overvalued periods endured painful price corrections when their houses were worth far less than they paid. This kind of analysis is particularly useful to builders and developers because the residual impact on land values is even more dramatic.

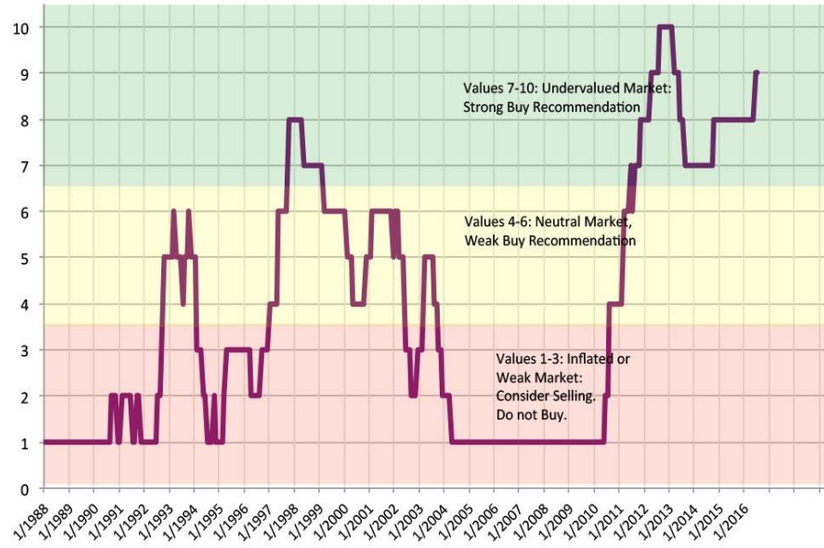
Historic Median Home Price Relative to Rental Parity: Orange County since January 1988



USA Housing News Rating System Chart

The market timing rating system mechanically identifies both good and buy dimes to buy based on valuation, resale price change, and rental rate change. Since 1988, in Orange County, the system correctly identified the housing bubbles from the late 80s and the mid 00s as well as the buying opportunities in the mid 90s and early 10s. This system corrects the biggest weakness of most housing market analysis techniques that rely on momentum instead of valuation. This analysis predicts tops and bottoms in advance, not after the fact.

OCHN Market Timing System Rating: Orange County since January 1988



The Importance of Rental Parity

Rental parity is important because it represents the threshold of affordability. When prices are above rental parity, it costs more to own than to rent, so owning is often not a wise financial decision. Owning may still be right for people, and many are willing to pay the premium to own to obtain the emotional benefits of ownership; however, on a purely financial basis, paying more than rental parity is generally not wise because prices will inevitably return to this price level in time. Builders and developers need to understand this relationship because it drives the behavior of the customers they hope to sell to.

When prices are below rental parity, it costs less to own than to rent, so owning under these circumstances is generally a wise choice. Since a buyer who pays less than rental parity for a house is saving money, there is a clear financial benefit obtained irrespective of fluctuations in resale price.

When the cost of ownership is less than rental parity, an owner is far less likely to be forced to sell at a loss. The property can always be rented to cover costs rather than sell for a loss. Further, this ability to rent and at least break even provides the owner with flexibility to move if necessary. Mobility to take a new job or buy a different house is denied to those who overpaid and who must pay more in the cost of ownership than they can obtain in rent.

With these advantages, buying at a price below rental parity using fixed-rate financing is critical. Many buyers with an analytical disposition consider rental parity in their buying decision.

RENTAL PARITY AS BASIS OF VALUE

Valuation is the least understood, yet most important, aspect of a housing market. Economists look at various ratios including price-to-income, price-to-rent, and other aggregate measures to attempt to establish valuation metrics. Each of these has strengths and weaknesses, but each of them fails because they don’t directly connect the actions of an individual buyer to the activity in the broader market. For this reason, I strongly favor rental parity as the best measure of valuation. Rental parity ties together income, rent, interest rates, and financing terms in a way that matches the activities of individual buyers to the overall price activity in the market.