

Merced
April 19, 2018



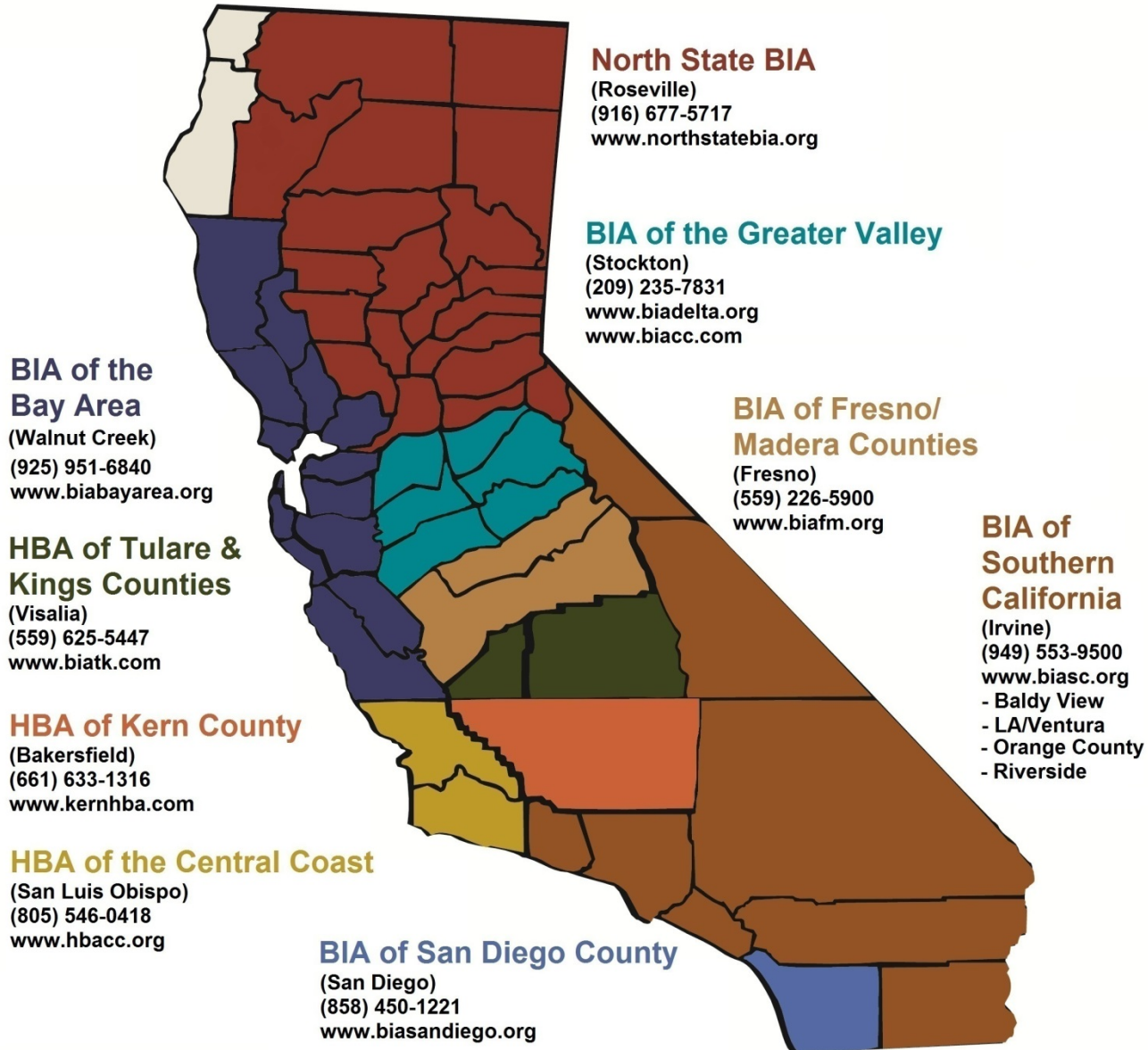
BIA
Greater Valley

California BIA | HBA Regional Map

Provided By:
California Building
Industry Association



Revised on September 26, 2012



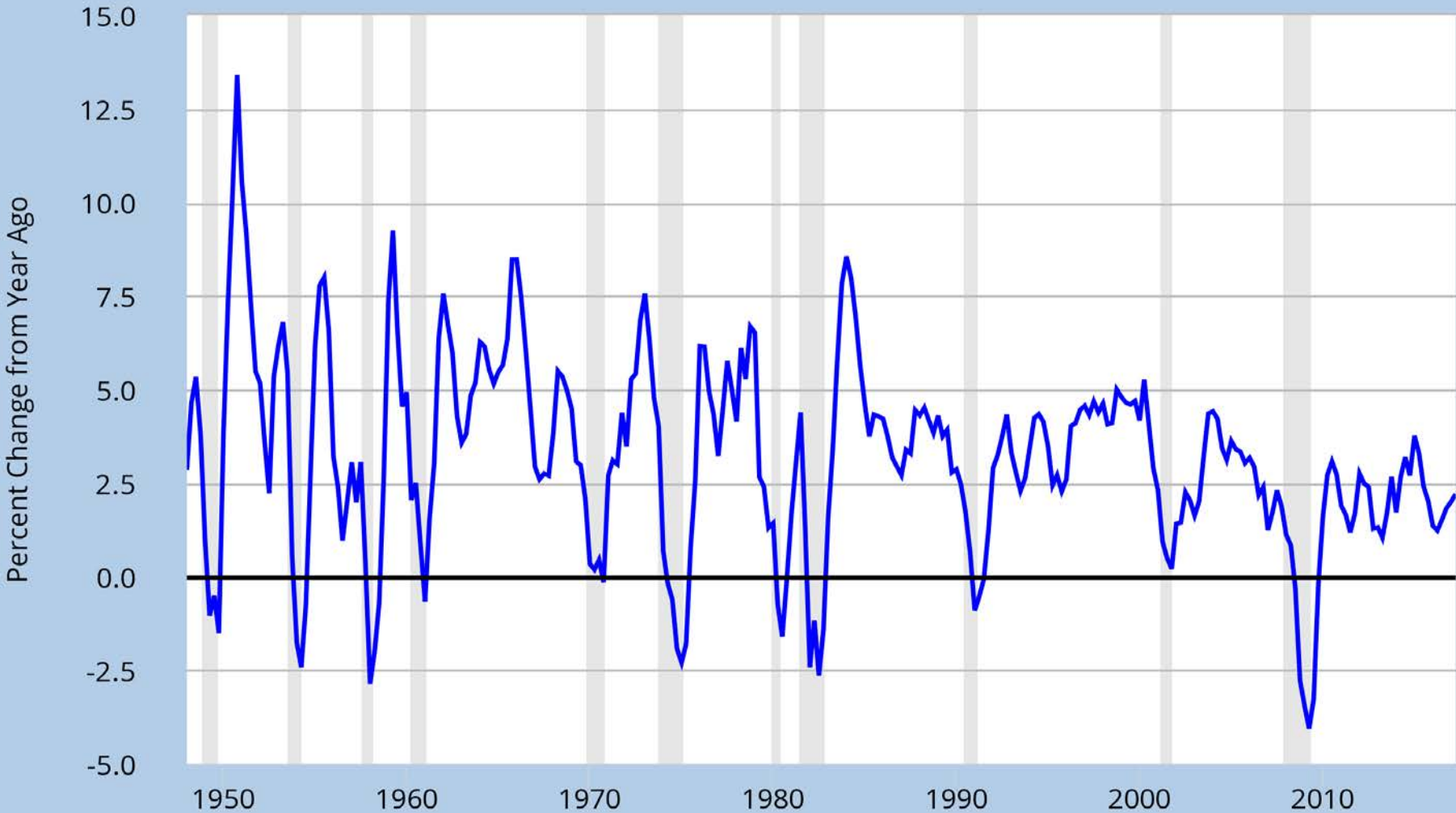
Building Industry Association of the Greater Valley

- 501c6 Trade Association
- A “Chamber of Commerce” for construction
- Emphasis on residential single family homes
- 148 member companies
- 6 Counties, 24 cities, 30 planning commissions, 3 MPO’s, 1 air district, 1 water quality district, and 64 school districts

The Economy is cyclical, and so is homebuilding



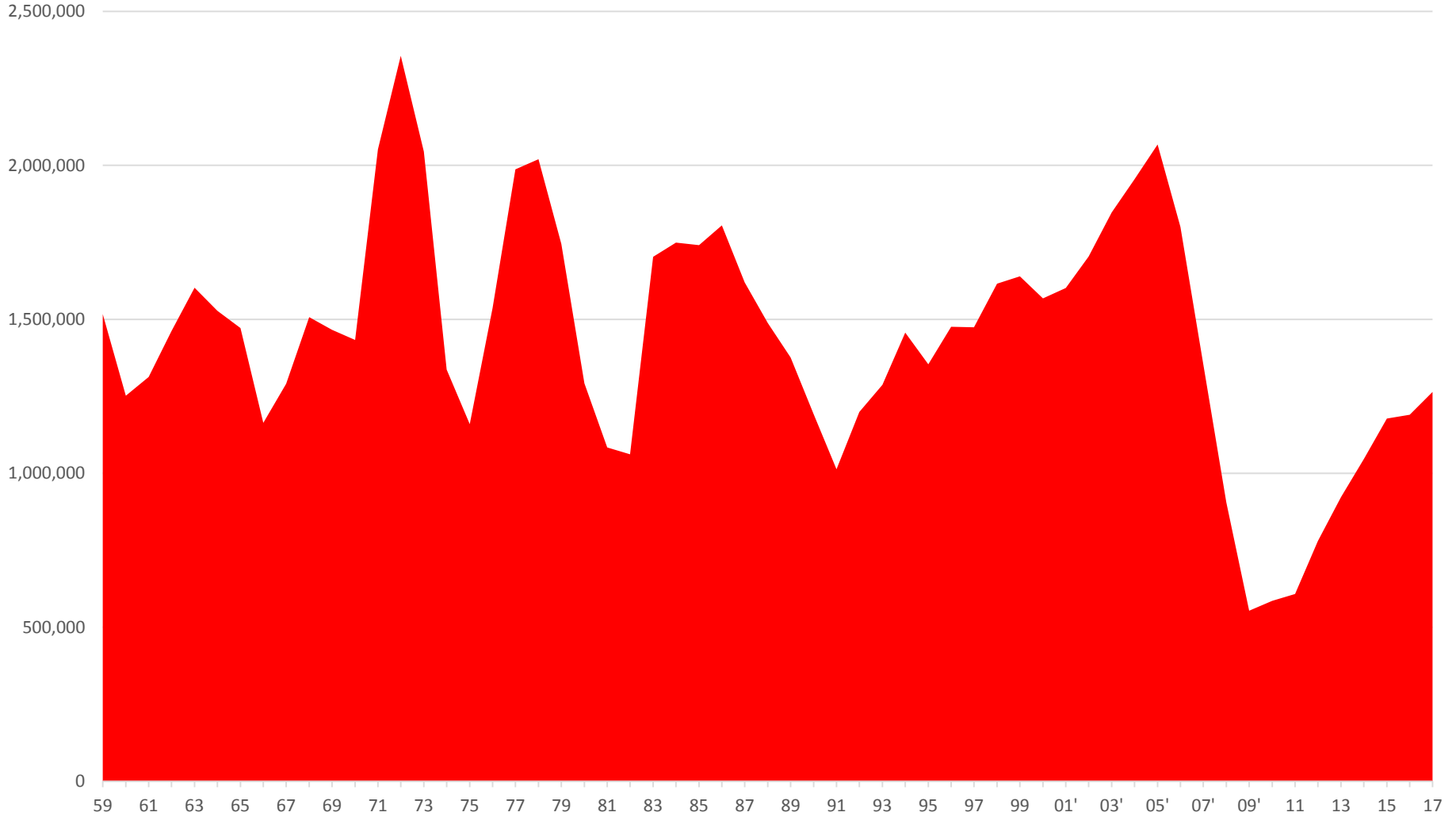
— Real Gross Domestic Product



Source: U.S. Bureau of Economic Analysis
fred.stlouisfed.org

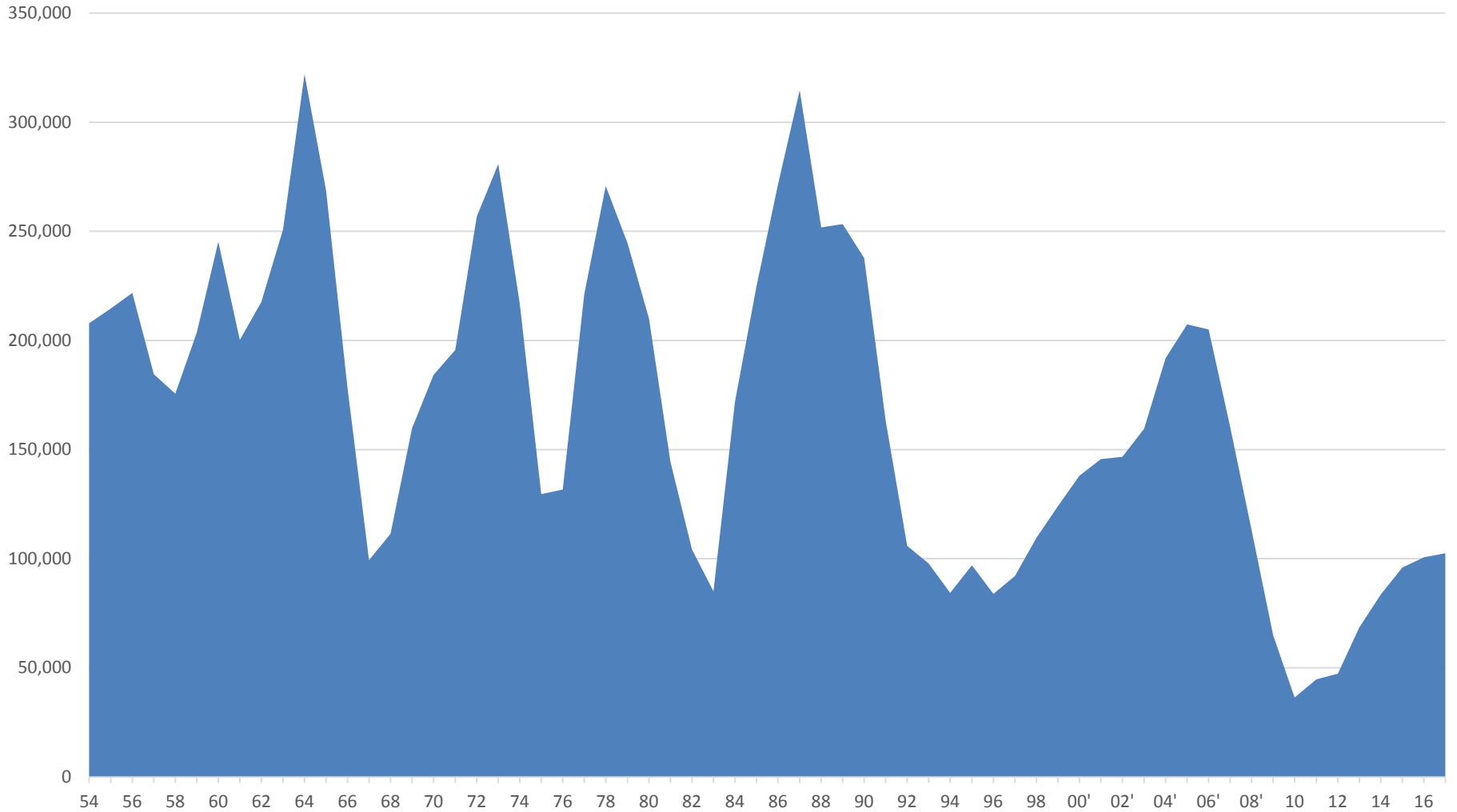
Homebuilding is very cyclical

New Housing Permits U.S.

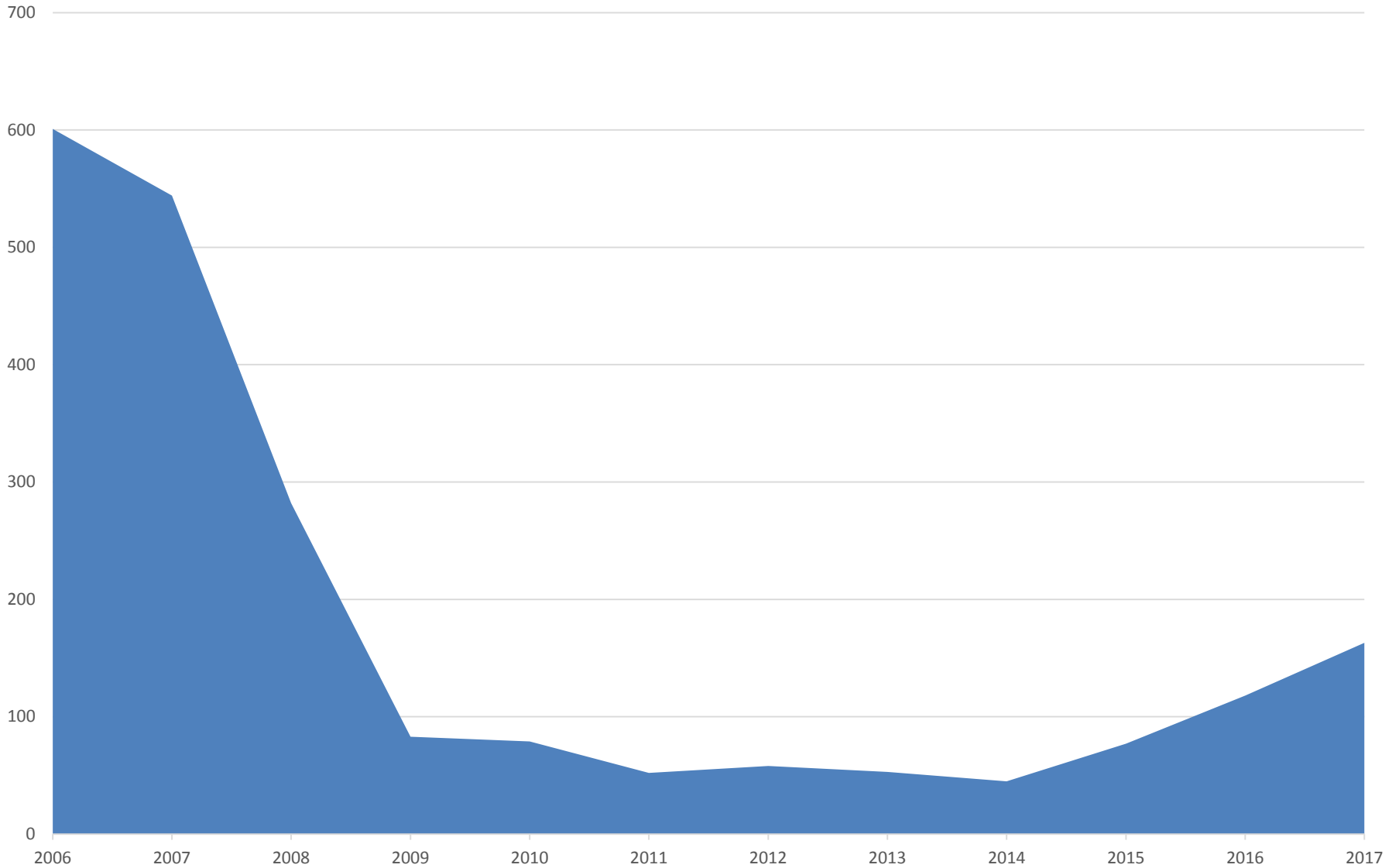


California is even more cyclical

New Housing California

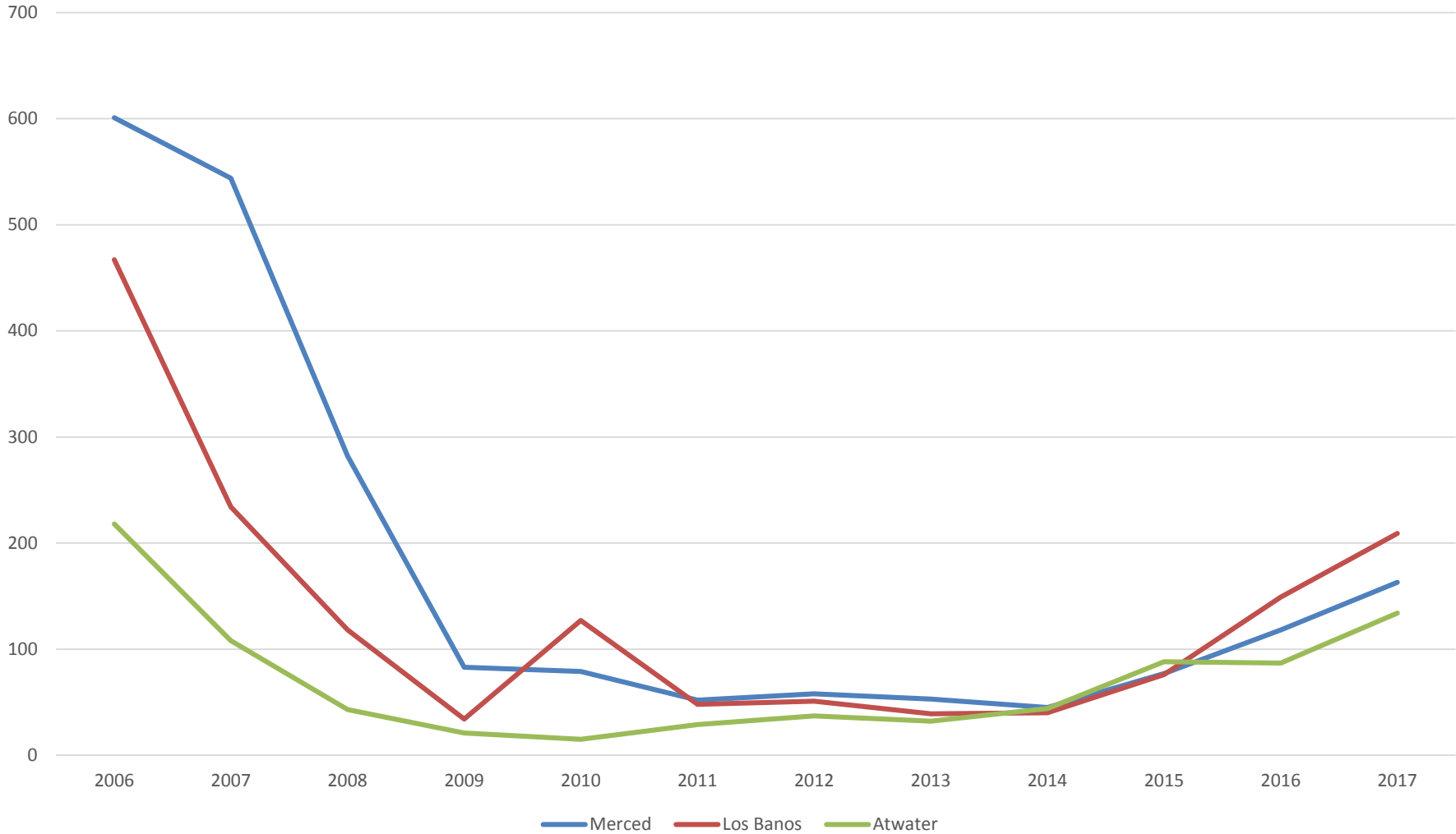


New Residential Units in Merced

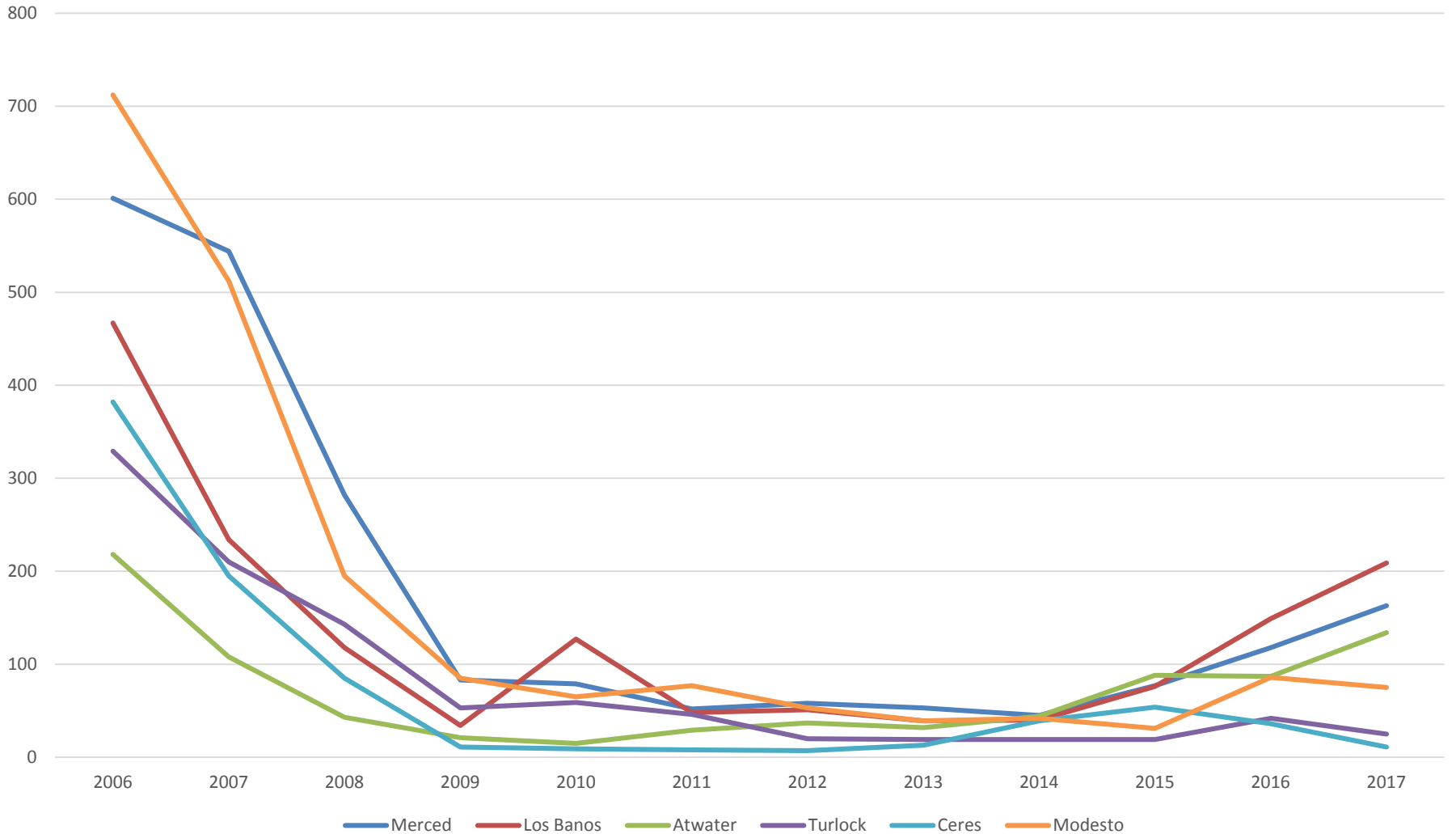


New Residential Units By City

Merced, Los Banos, Atwater

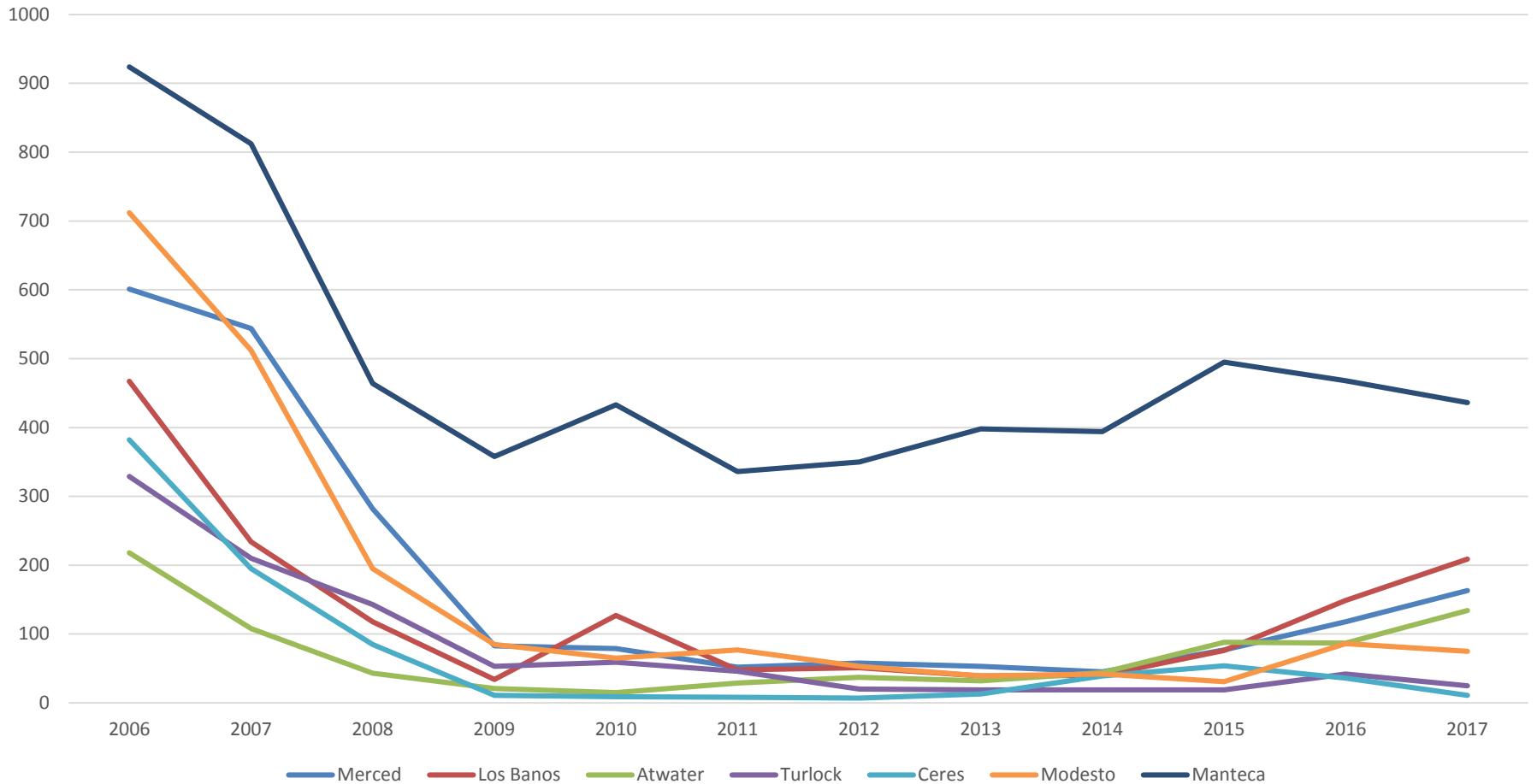


New Residential Units By City 99 Corridor - North

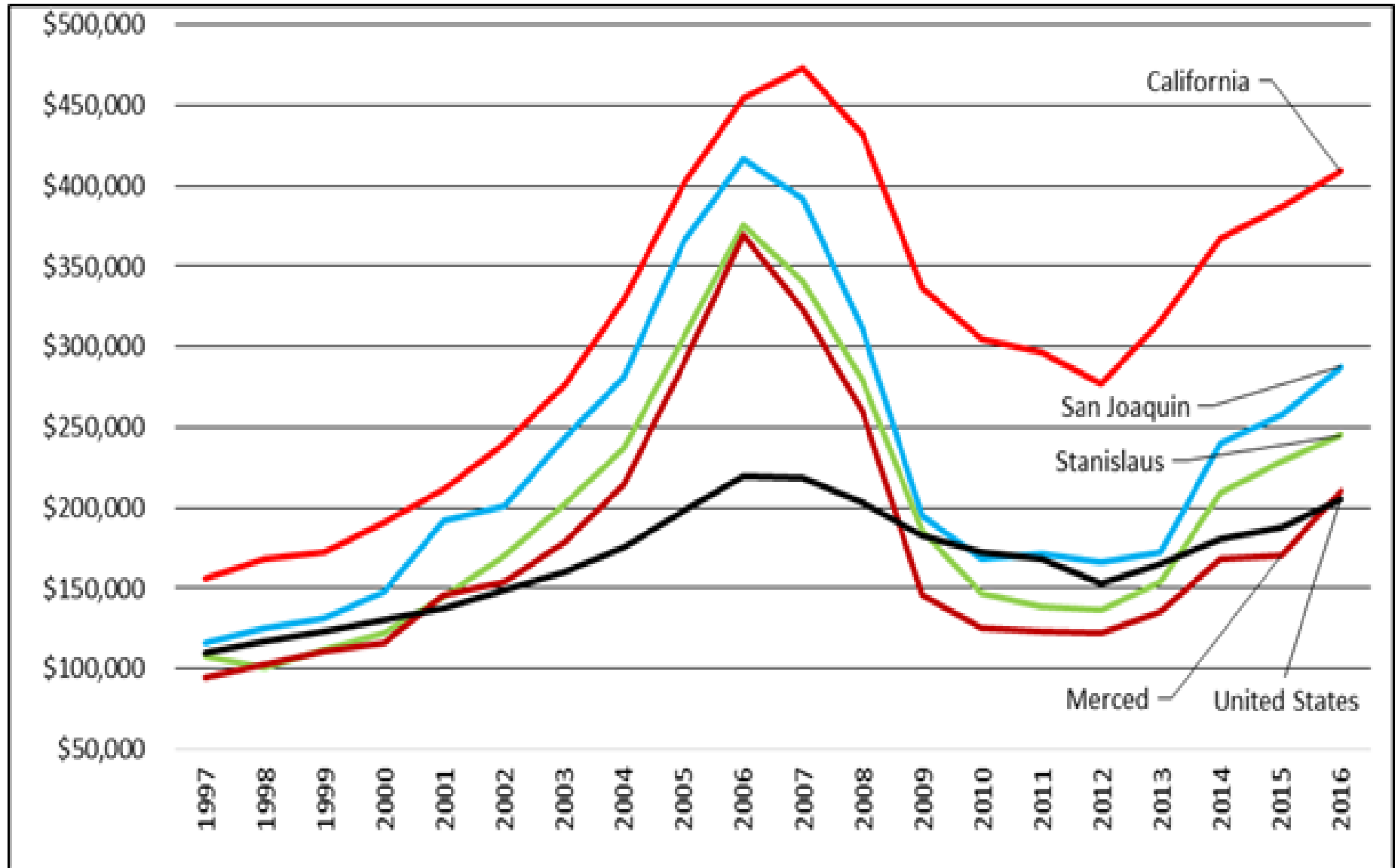


New Residential Units By City 99 Corridor - North

Can you tell which City has a Dell-Webb Senior Community Project?

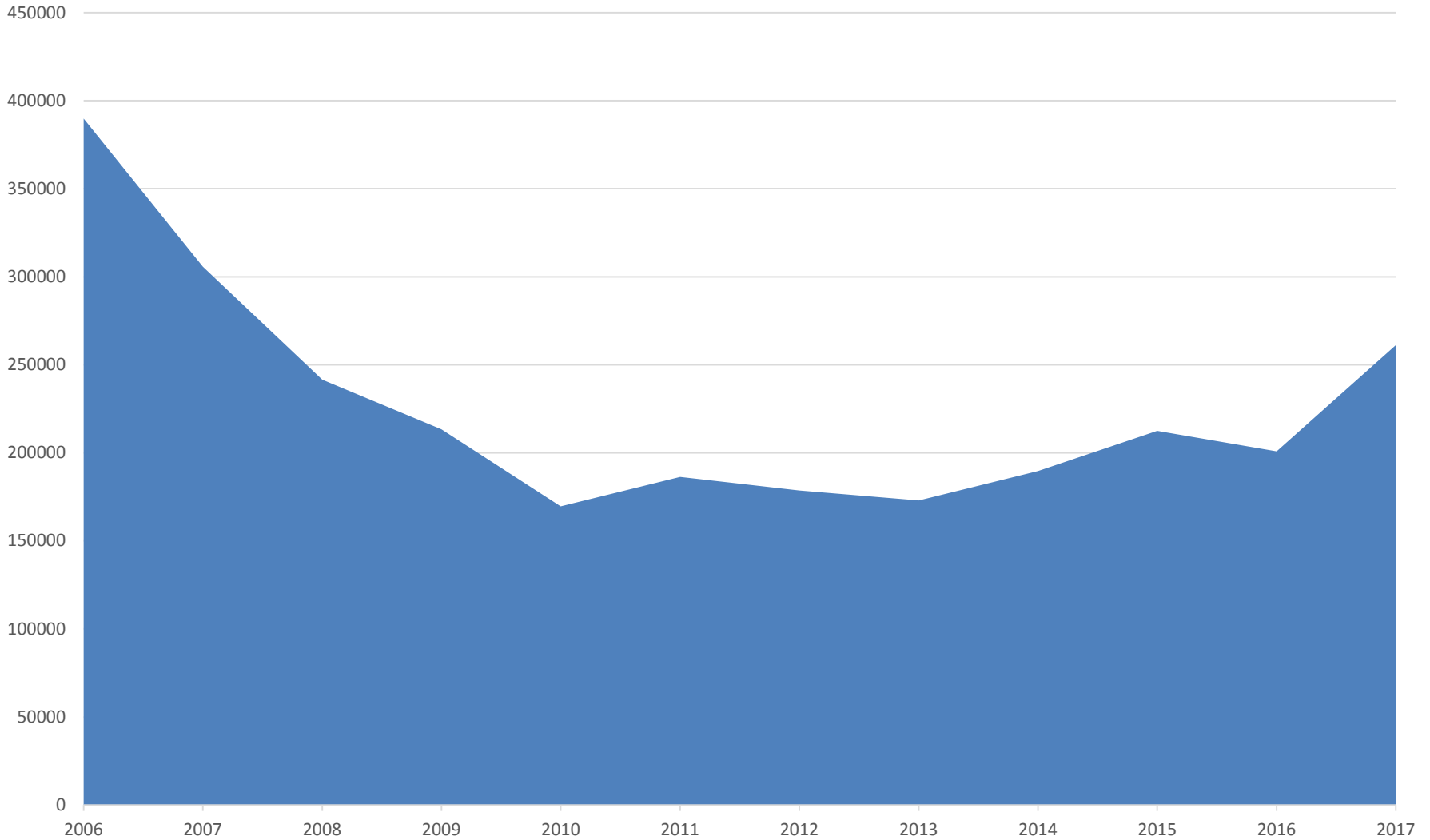


Trends in EXISTING Median Home Sale Price



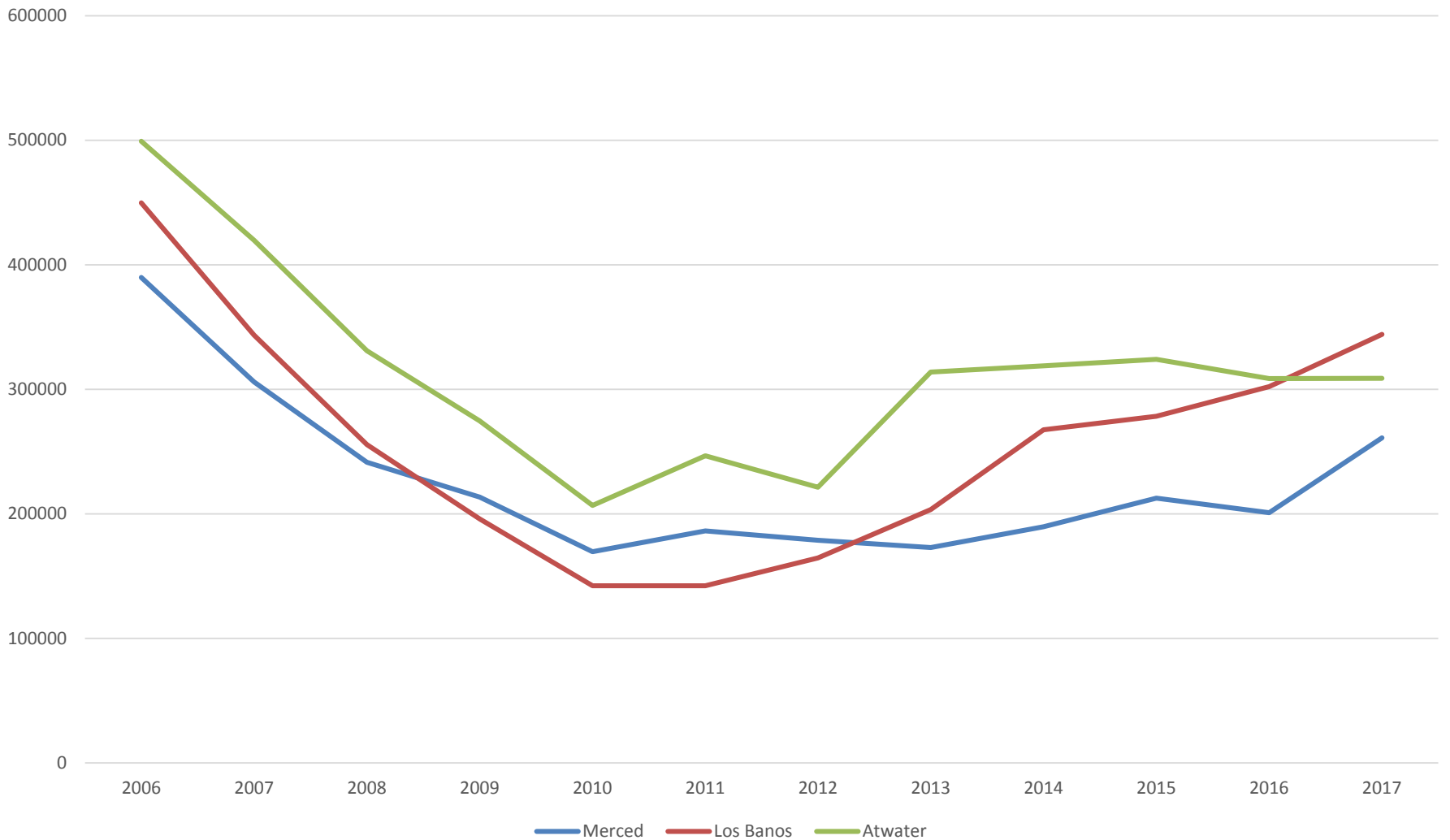
New Residential Average Sale Price

Merced



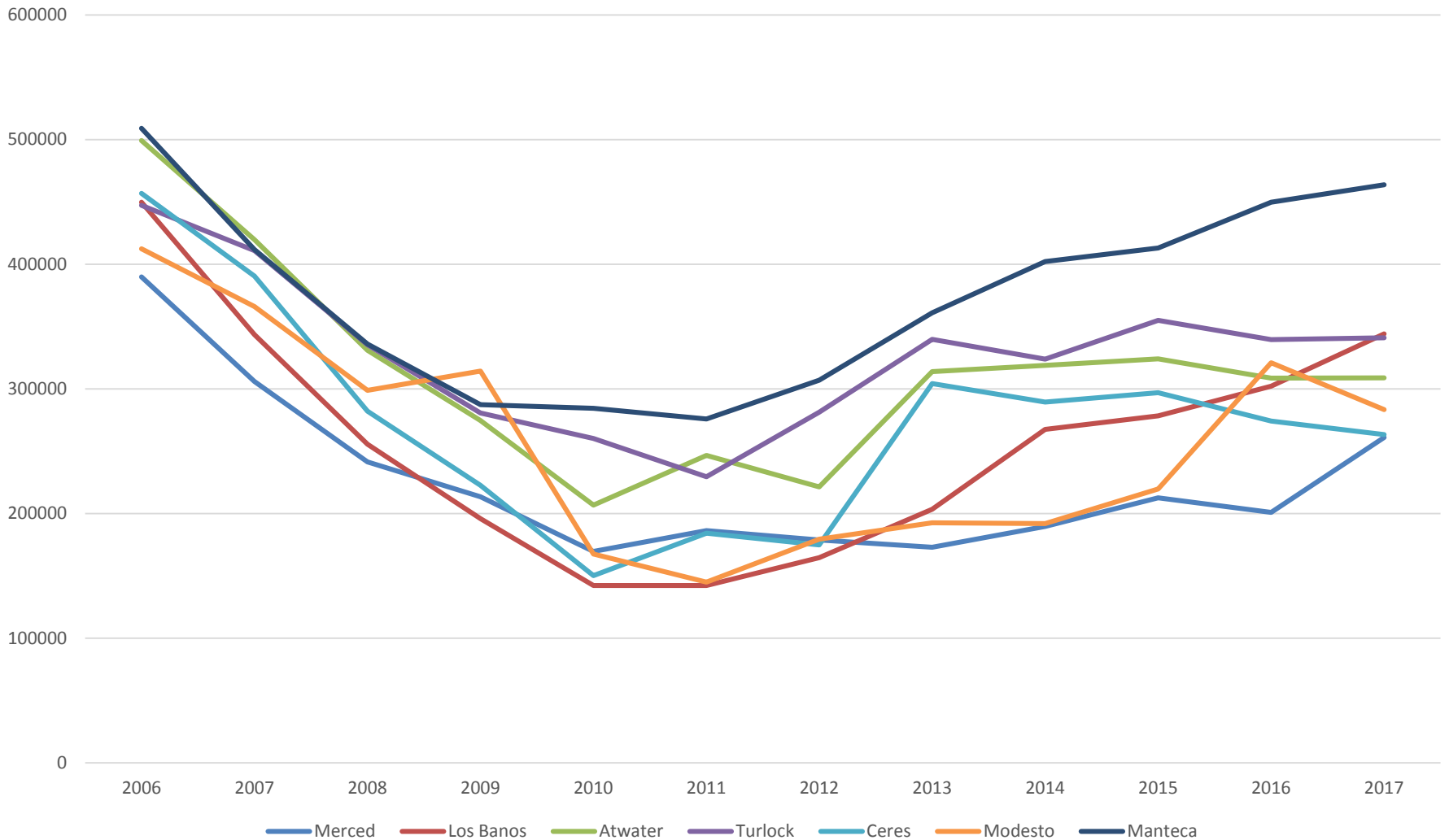
Average Sale Price By City

Merced, Los Banos, Atwater

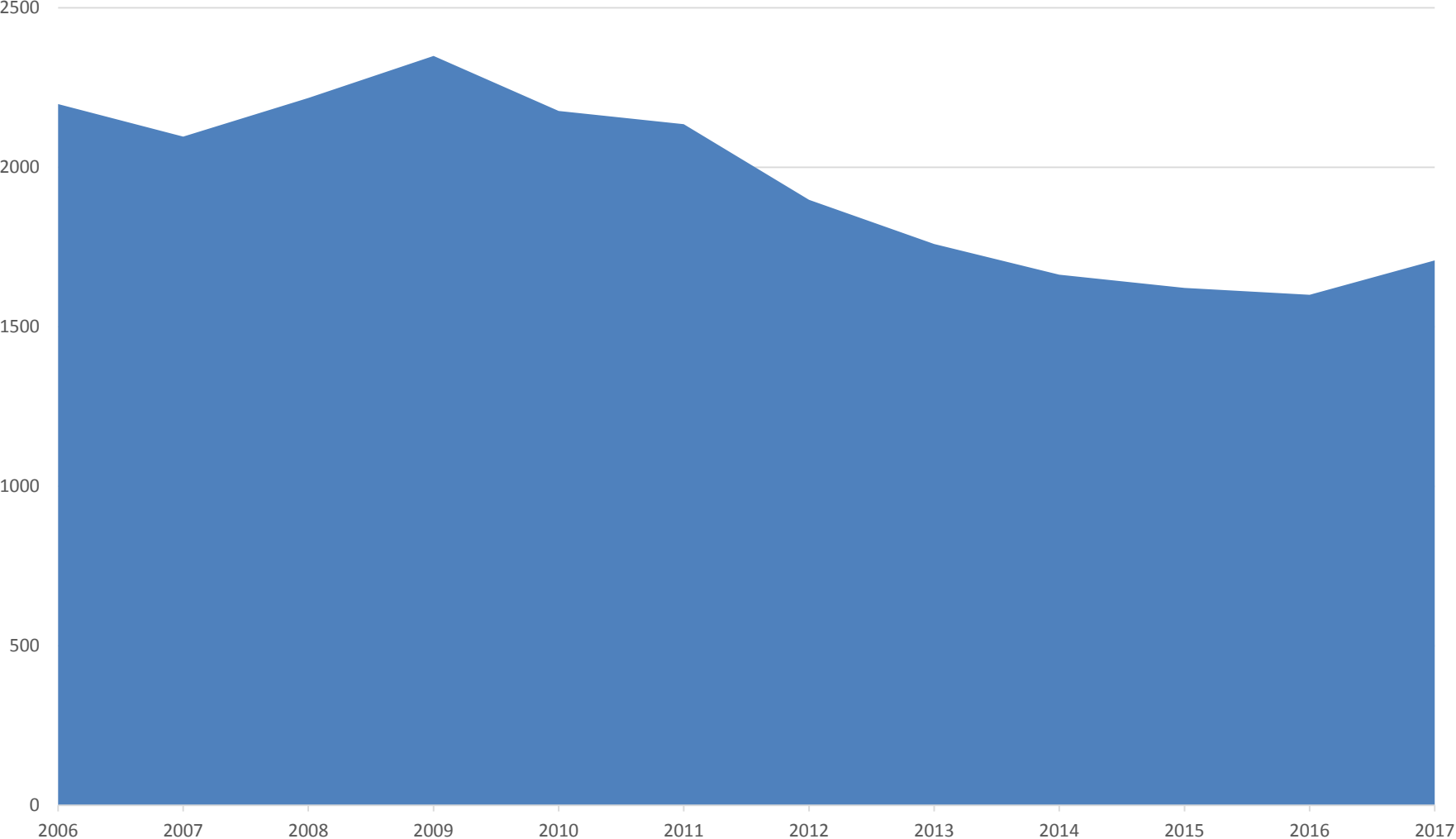


Average Sale Price By City

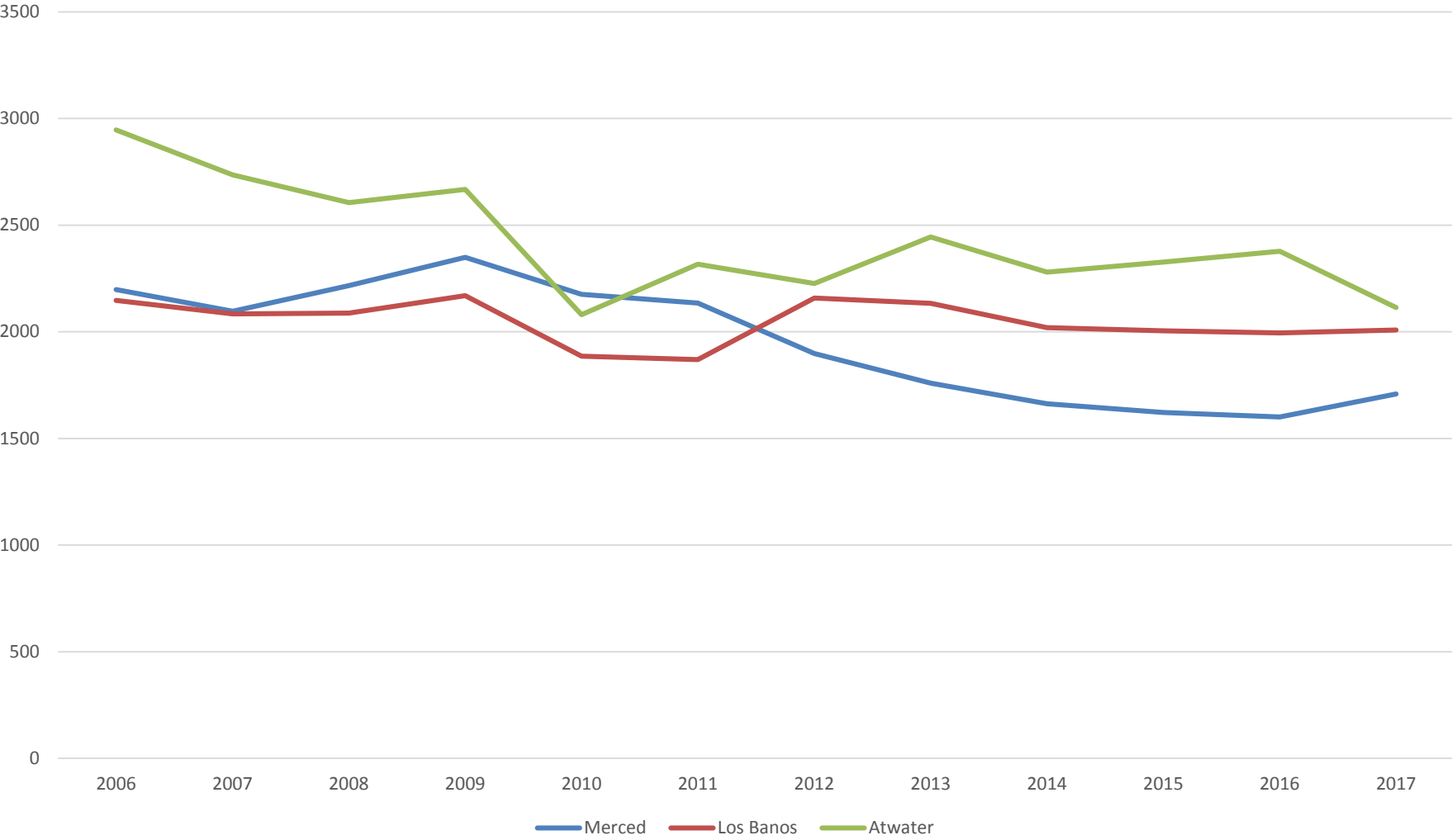
99 Corridor - North



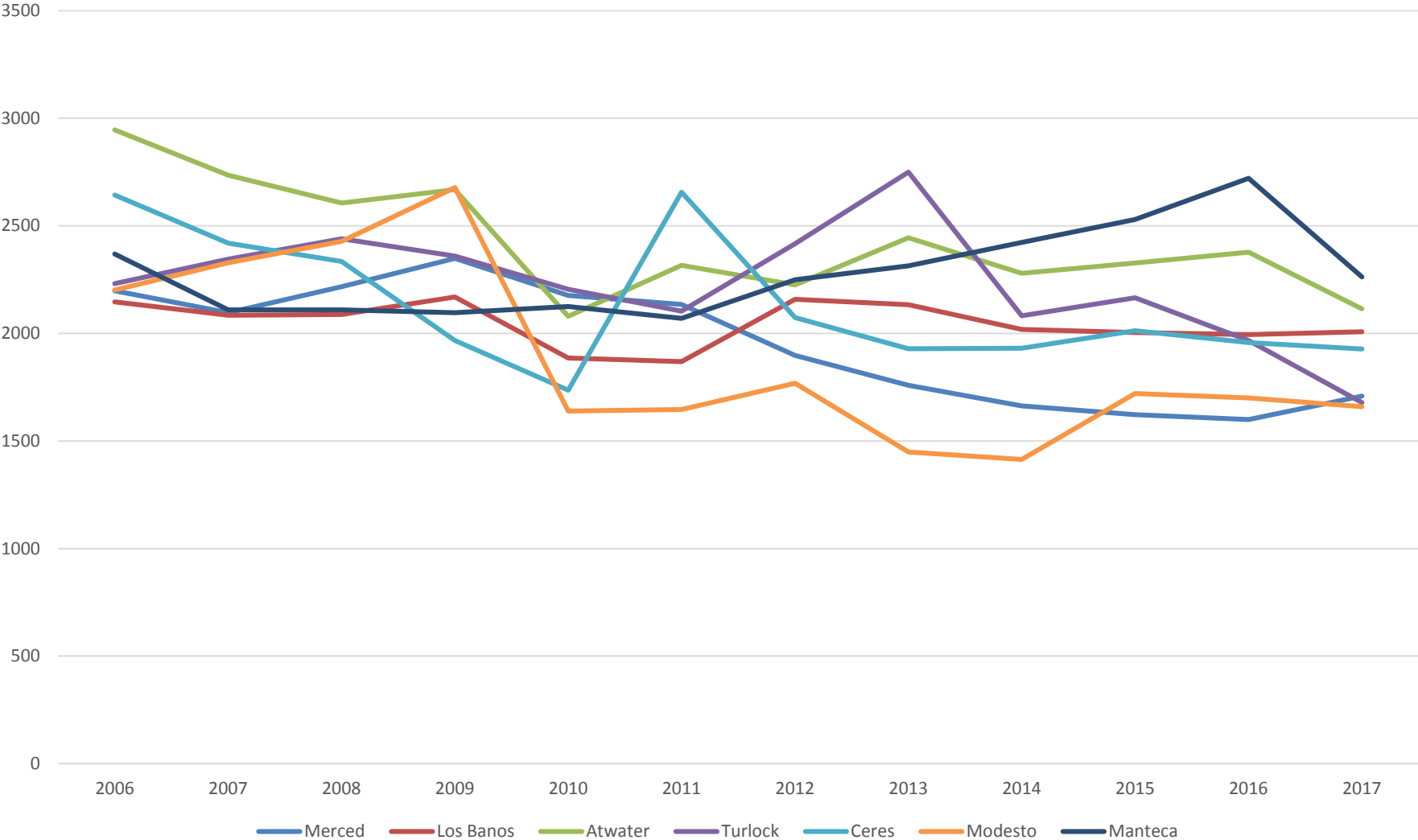
New Residential Average Sq. Ft. / Unit Merced



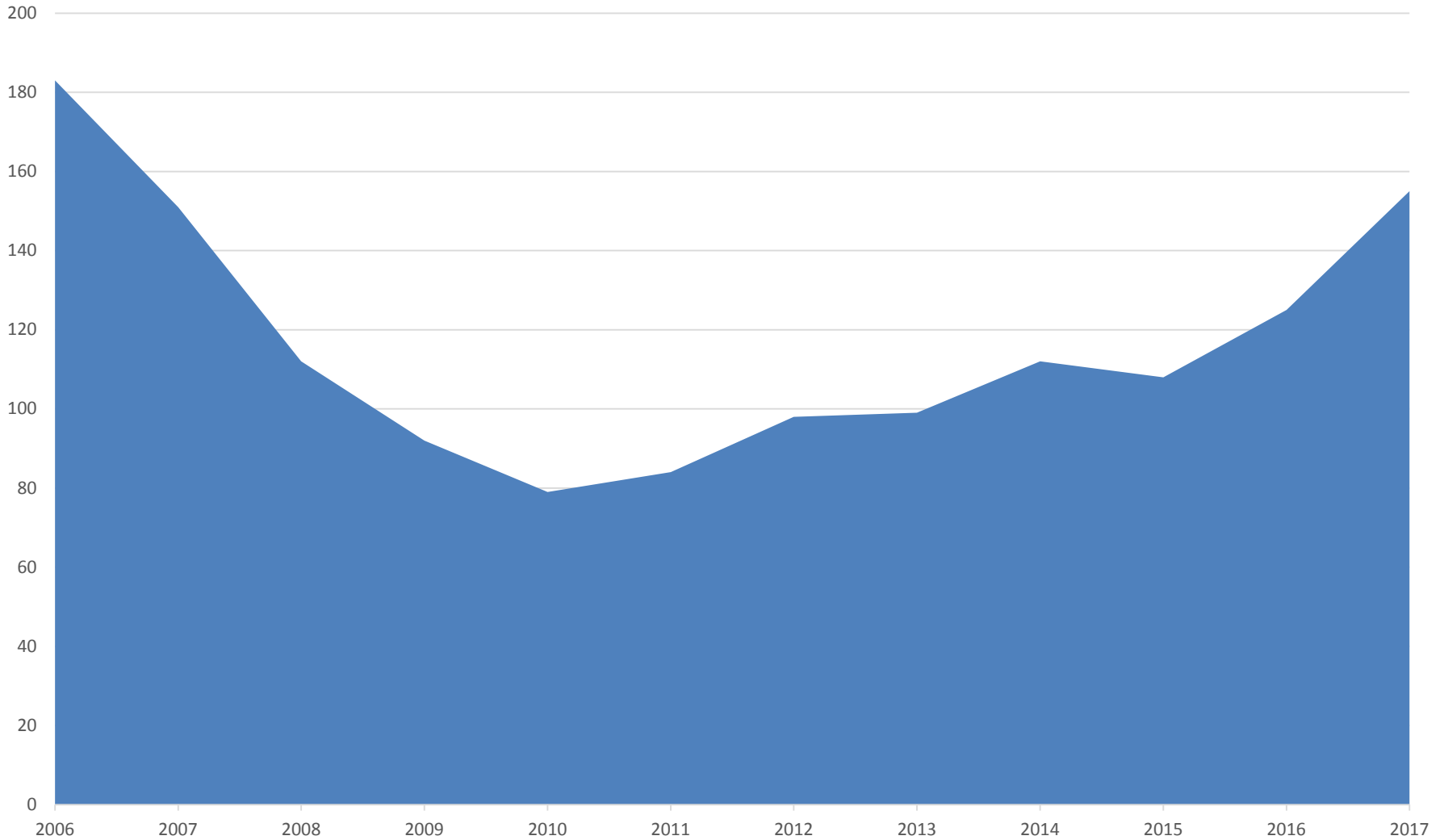
New Residential Average Sq. Ft. / Unit Merced, Los Banos, Atwater



New Residential Average Sq. Ft. / Unit 99 Corridor - North



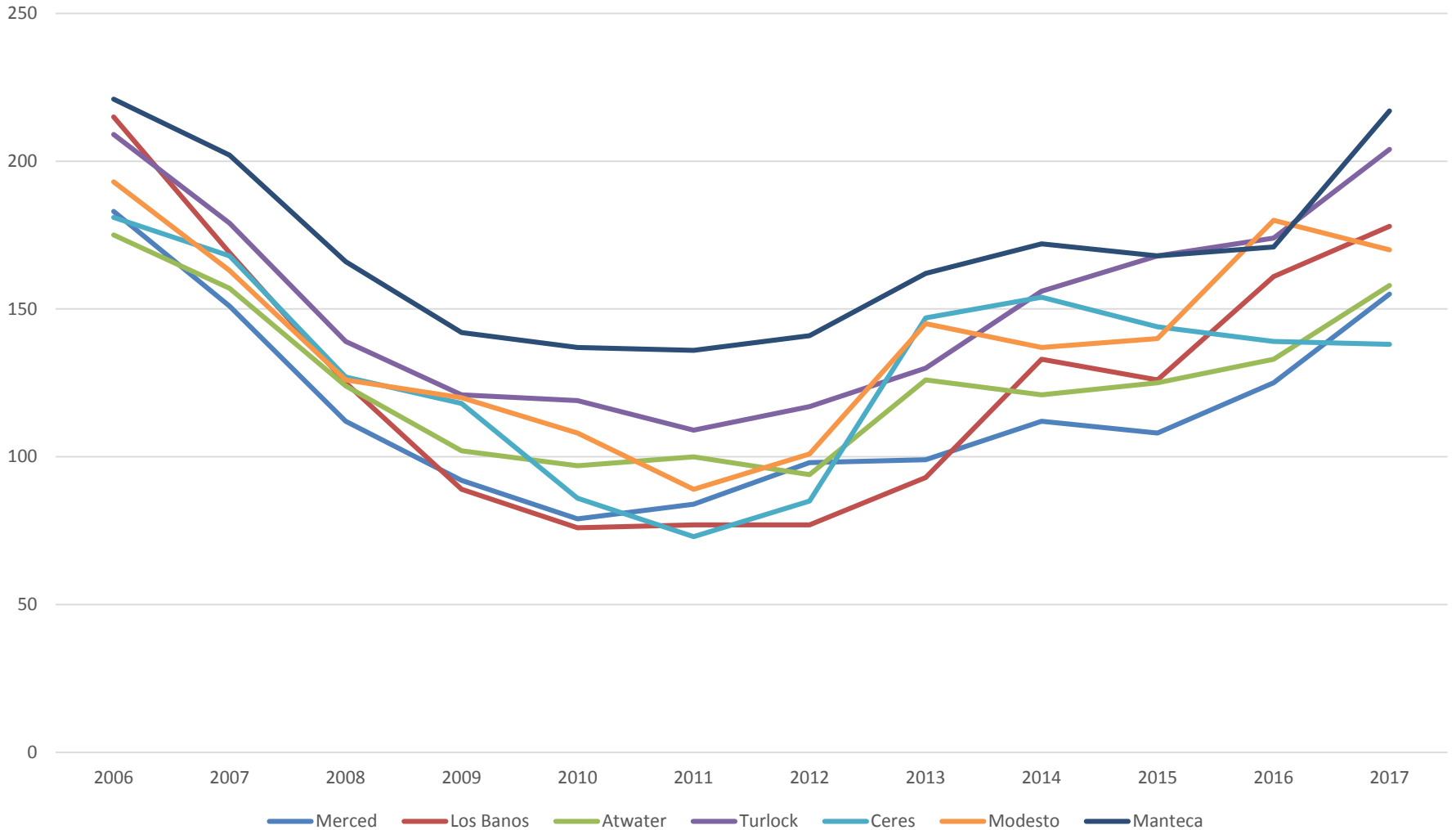
New Residential \$\$ per Sq. Ft. Merced



New Residential \$\$ per Sq. Ft. Merced, Los Banos, Atwater

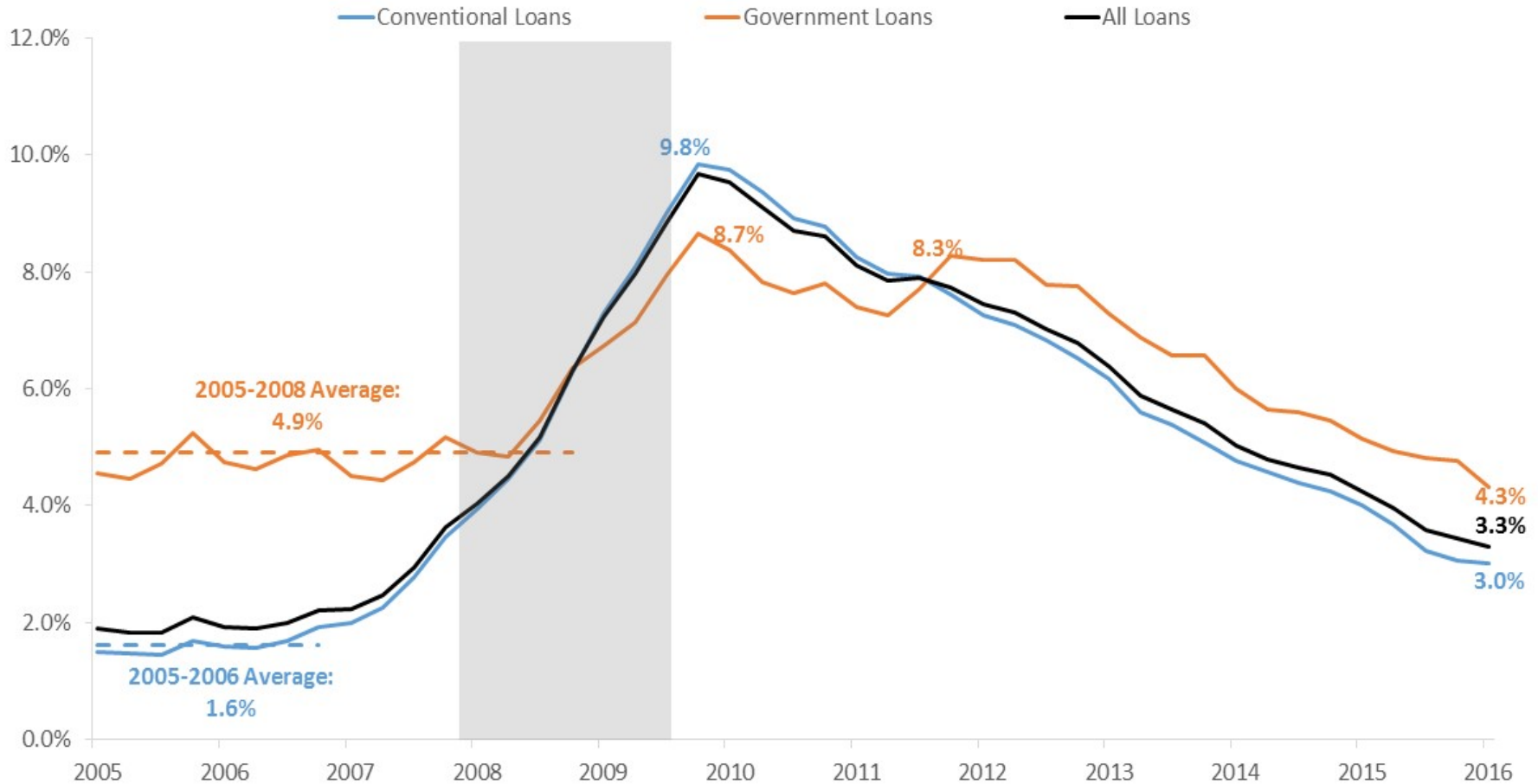


New Residential \$\$ per Sq. Ft. 99 Corridor - North



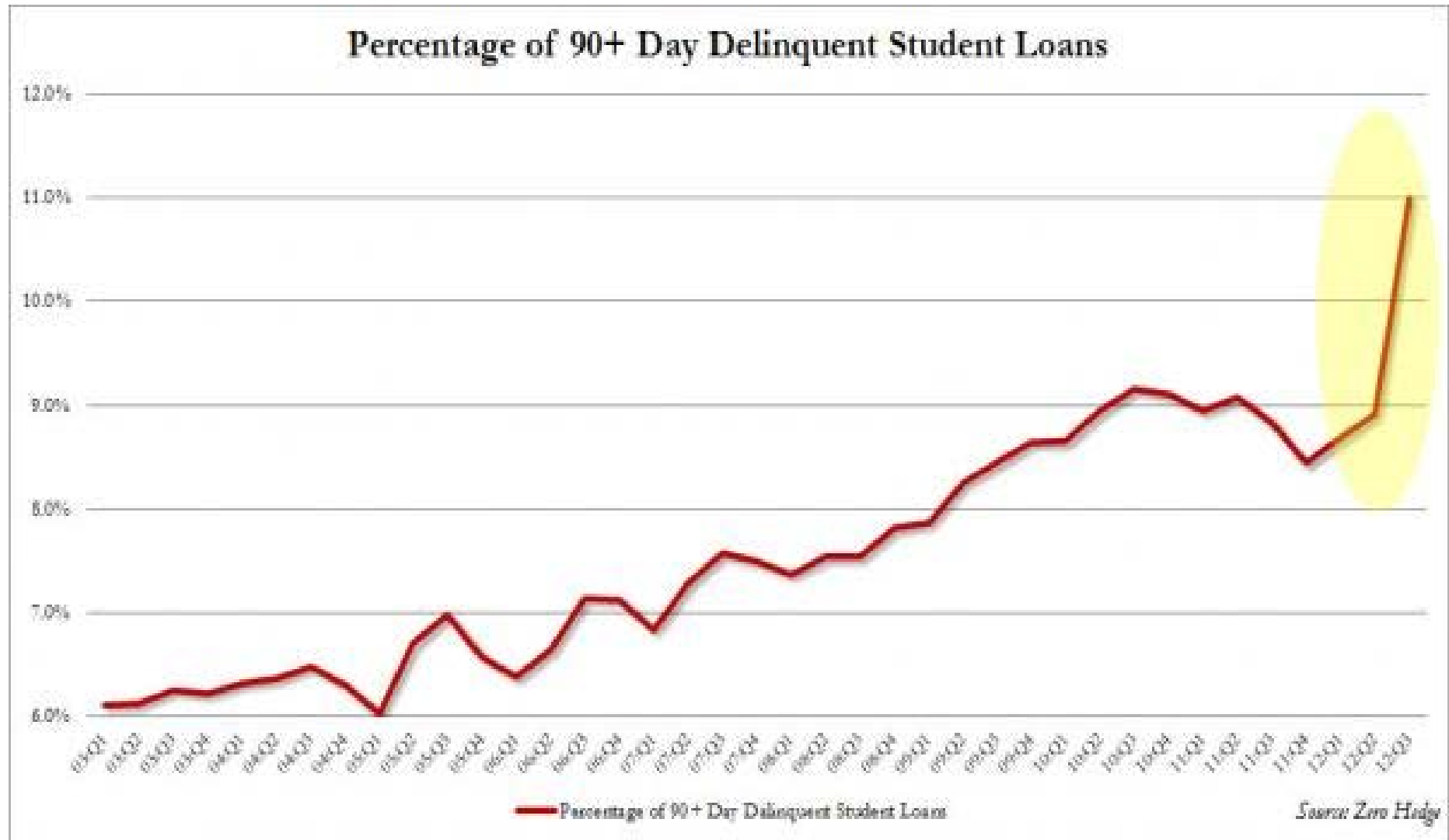
Mortgage Delinquencies Declining

Figure 1. Serious Delinquency Rates

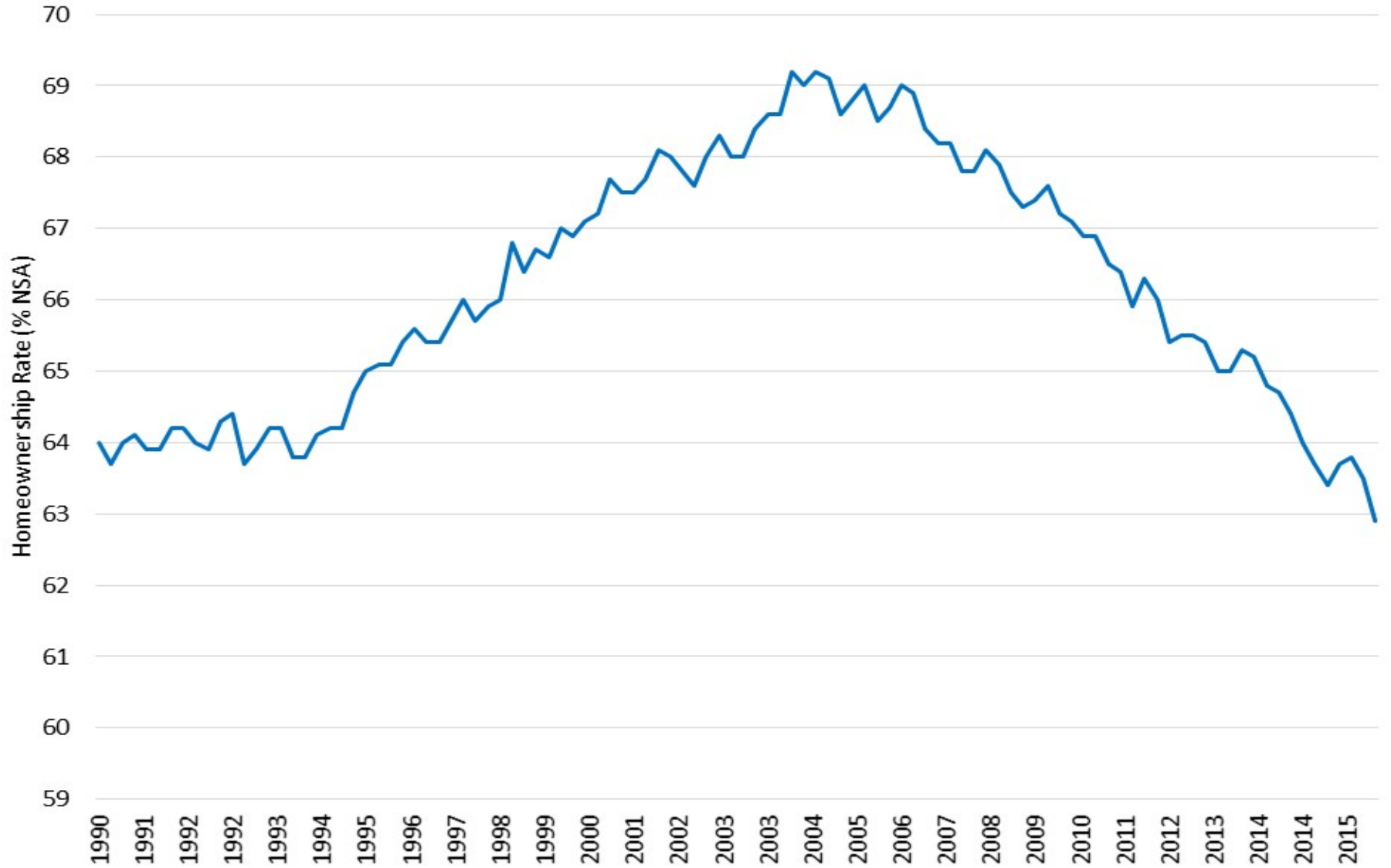


Source: MBA.

But....

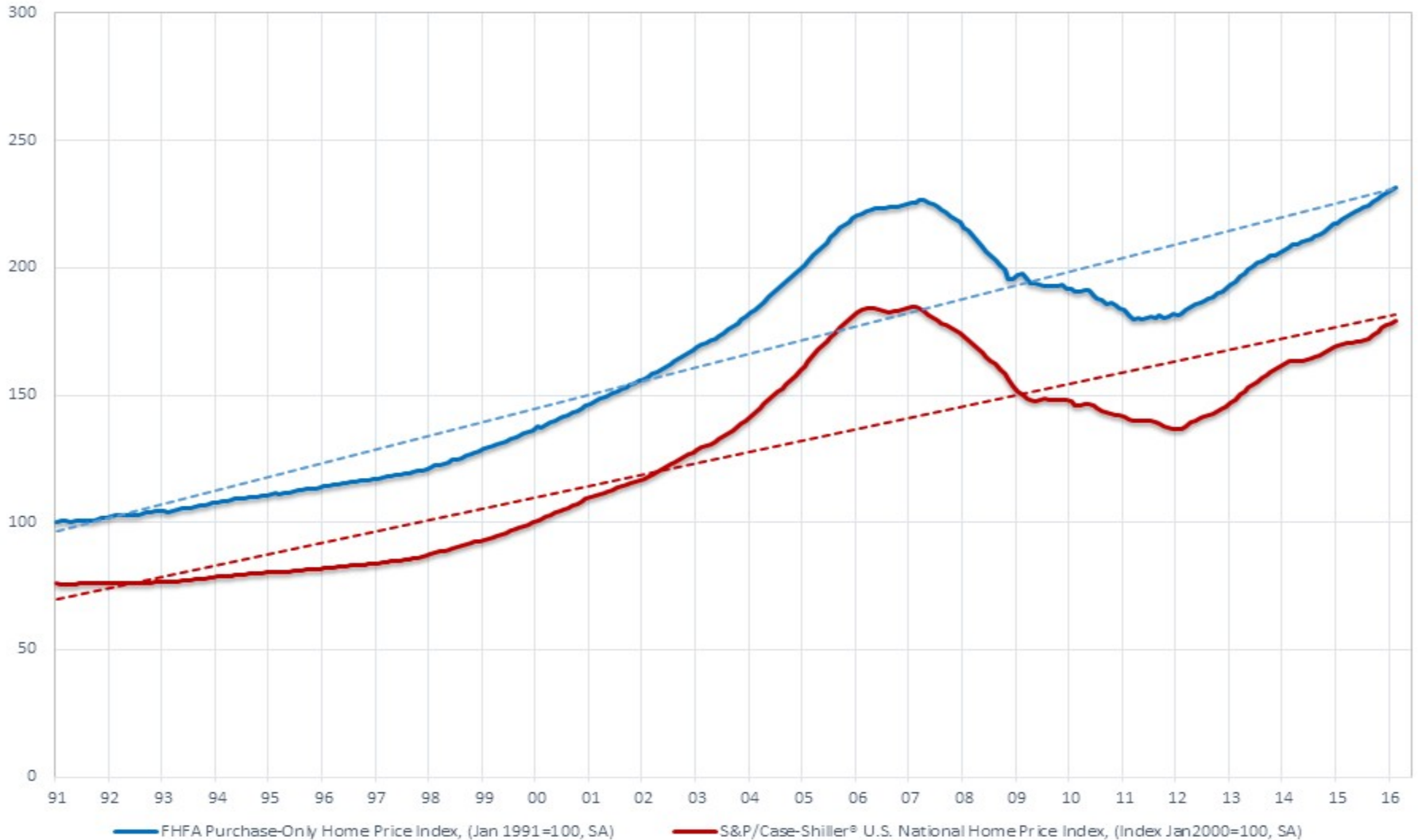


National Homeownership



Home prices about right?

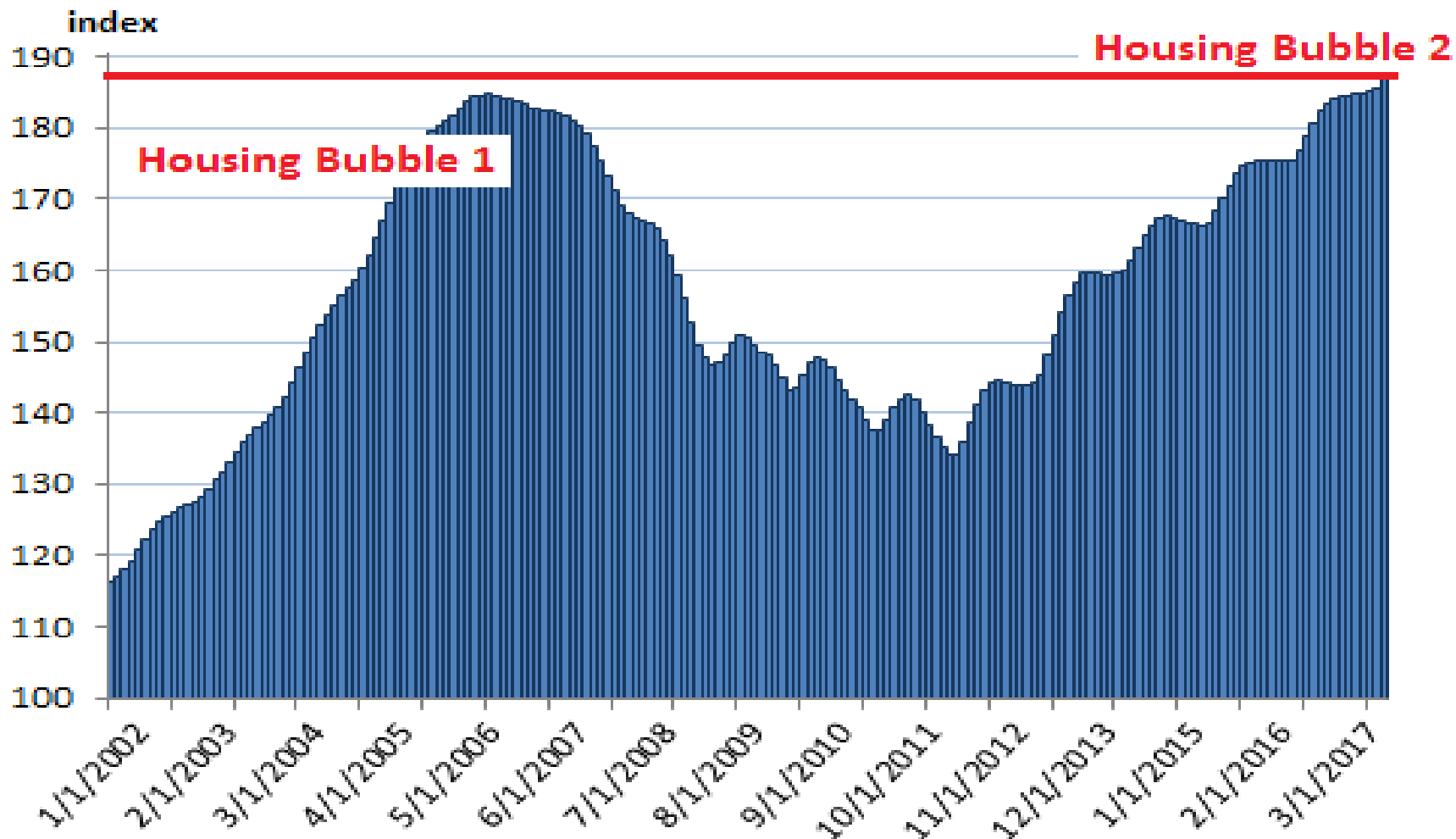
Figure 1. FHFA and S&P/Case-Shiller Home Price Indexes



Home prices about right?

Case-Shiller US Home Price Index

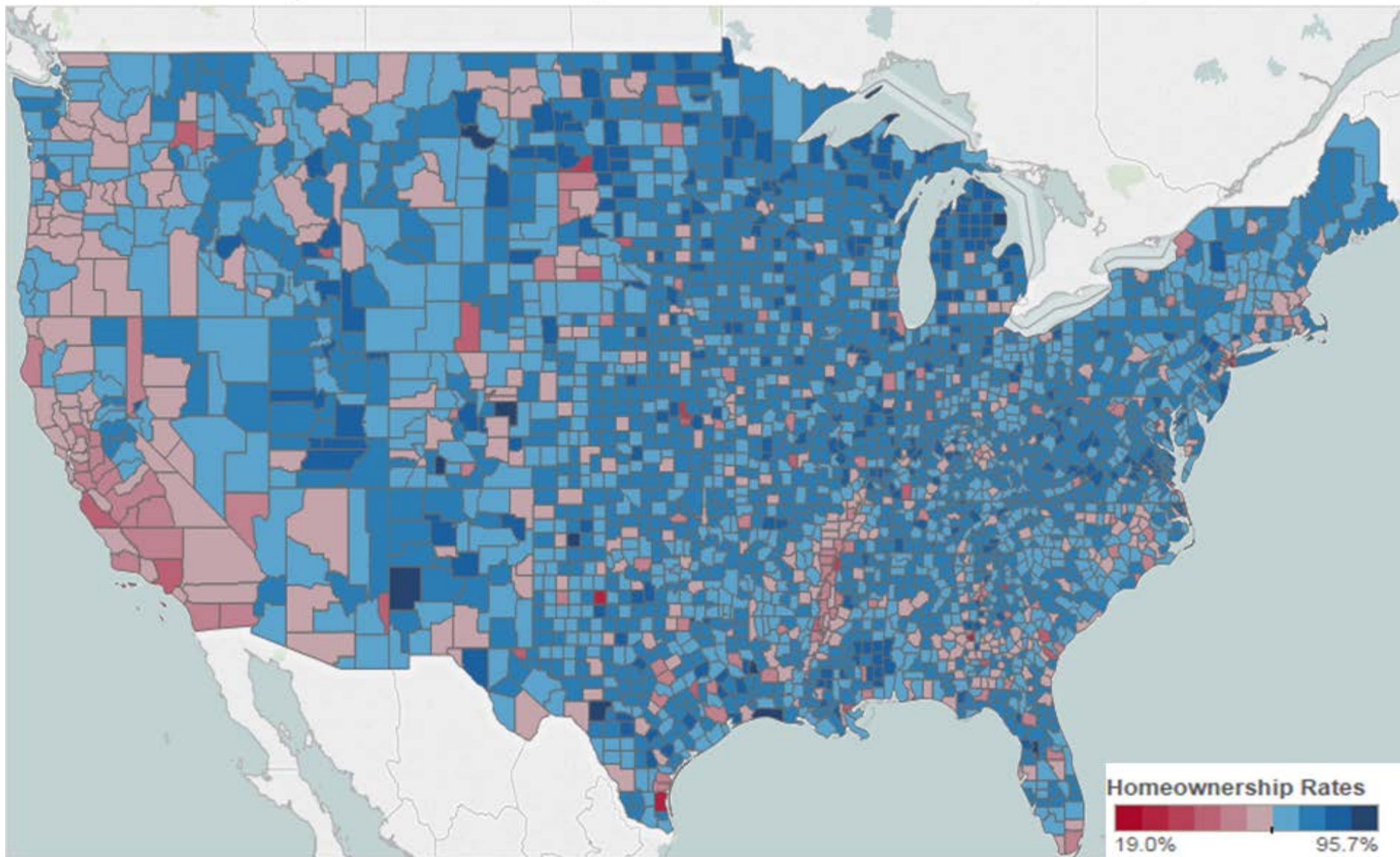
Not seasonally adjusted; released May 30, 2017



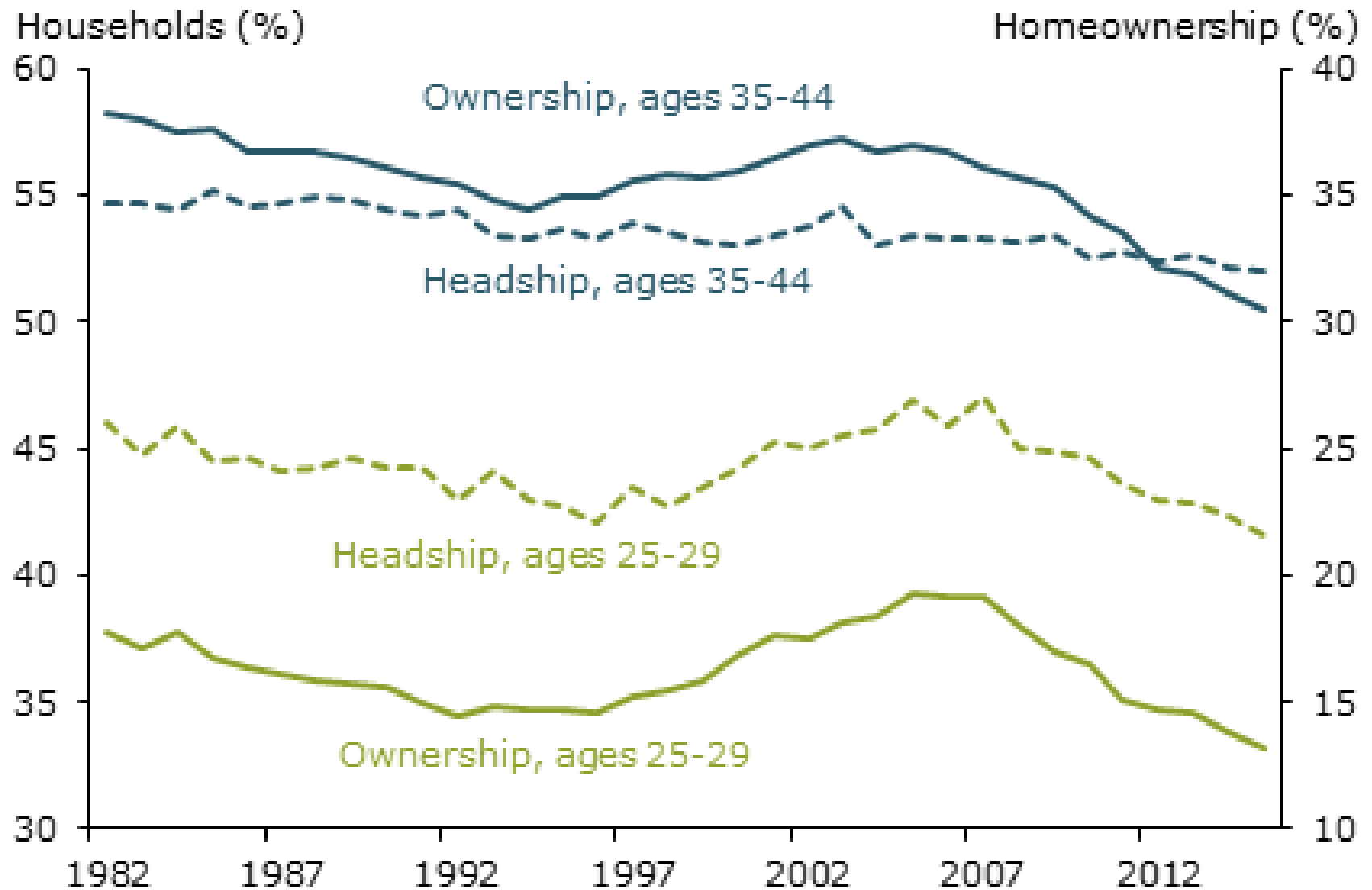
Source: S&P/Case-Shiller, via FRED, St. Louis Fed

WOLFSTREET.com

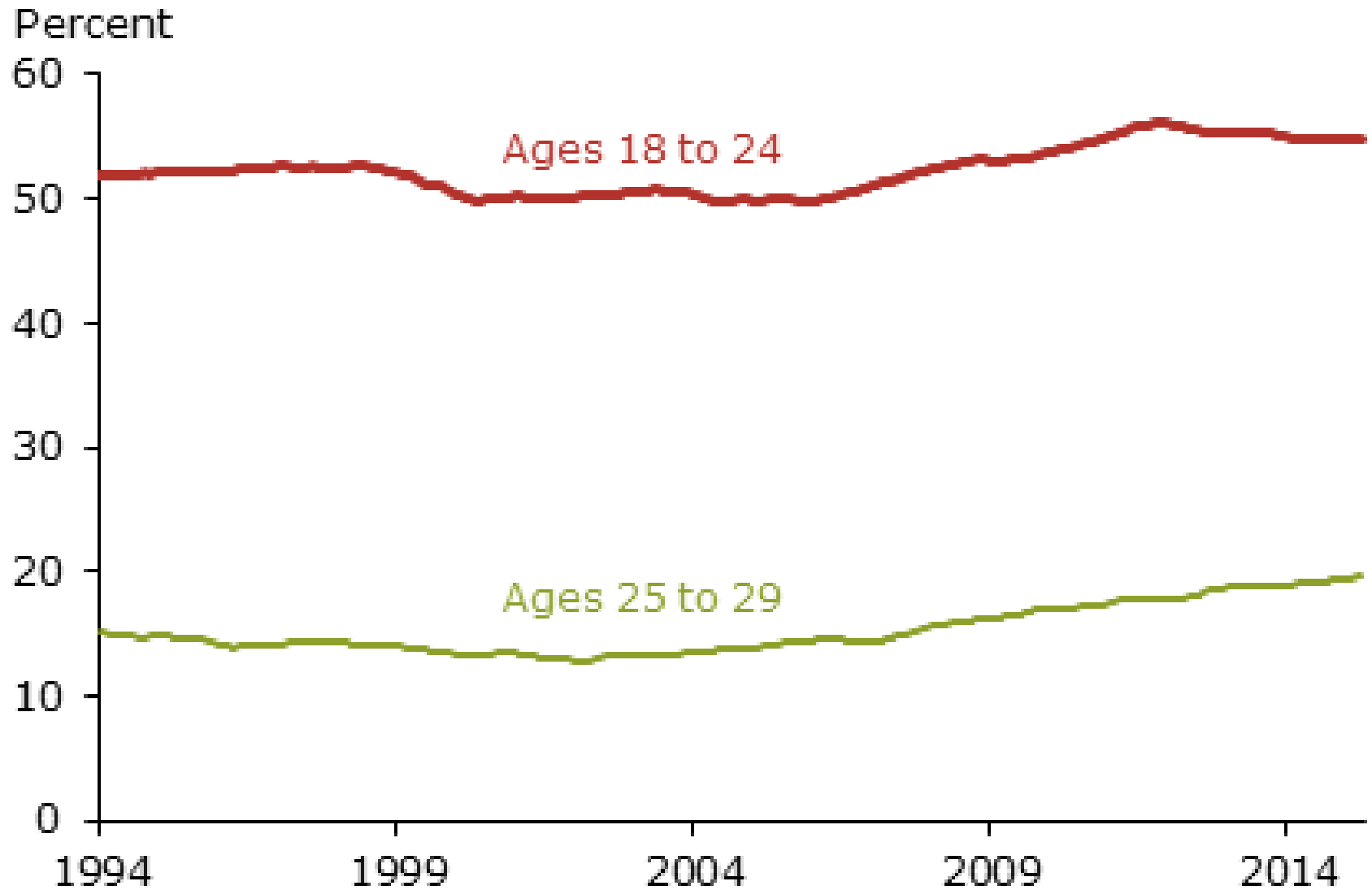
Figure 1: Homeownership Rates in the Continental U.S. by County



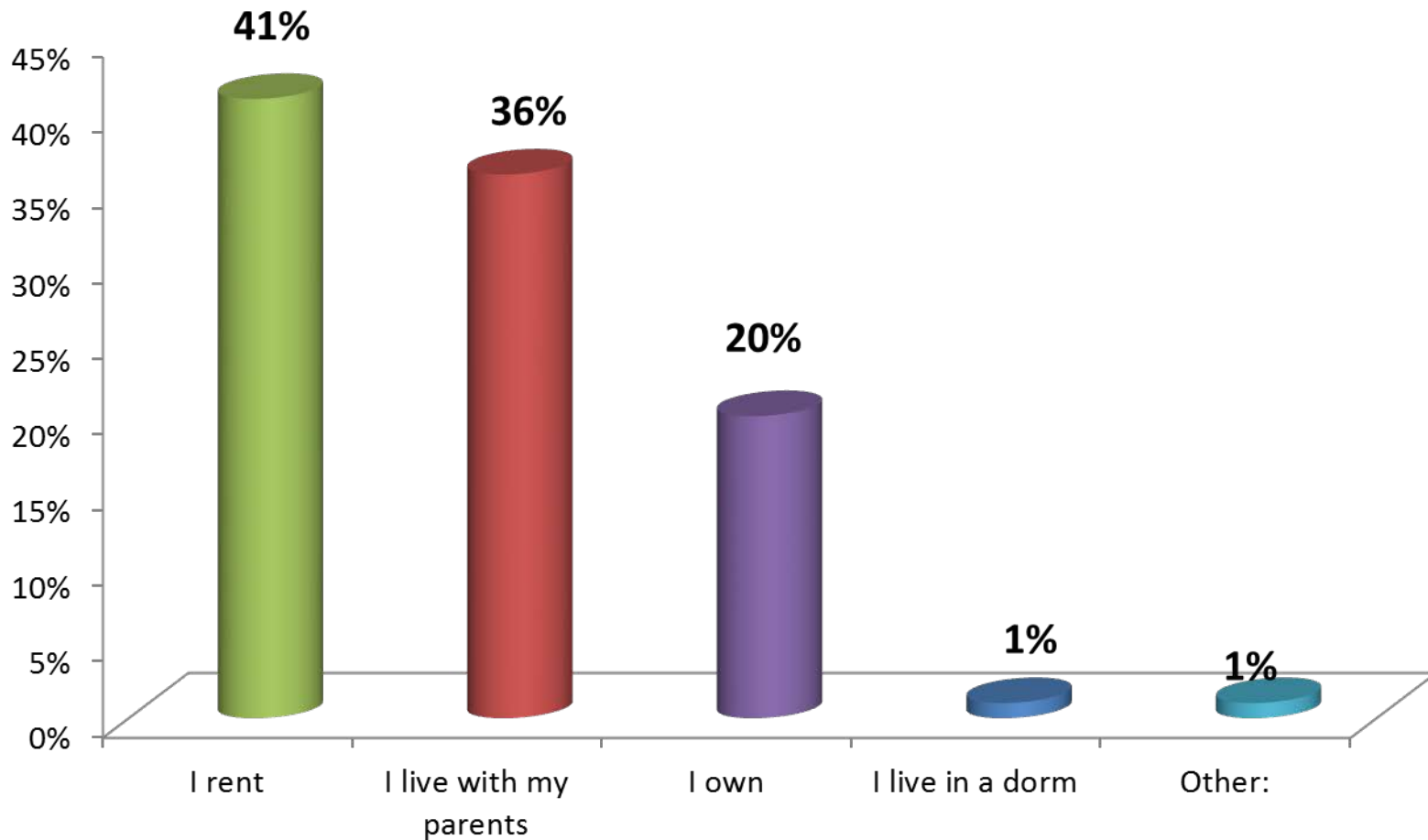
Up to age 44, household formation falling



Growing number of young adults still living with parents nationwide



California 18 – 35 Year-Olds

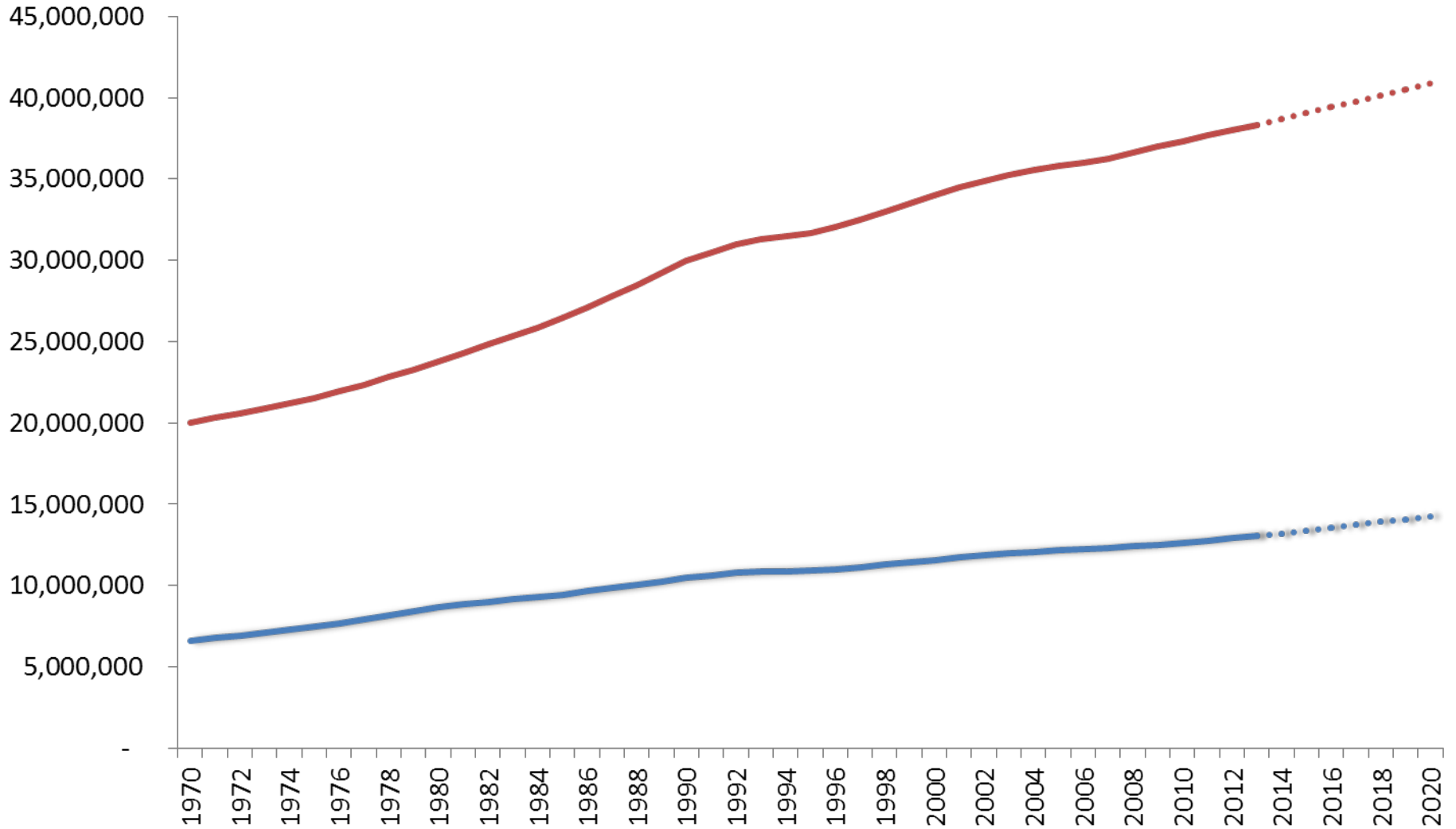


SERIES: 2014 Millennials Survey

SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

What is your current living situation?

Population (red) and Households (blue) Will Continue to Grow in California



SOURCE: Moody's Analytics