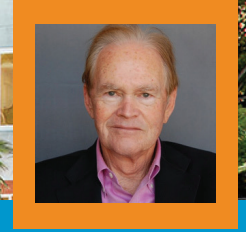


**AUGUST 2021**

**Alan Nevin** - Director of Appraisal and Market Research, Xpera Group



## WOULD YOU BELIEVE? 1 MILLION NEW JOBS ADDED LAST MONTH IN THE U.S.

July was a very heartening month as our nation added 1 million jobs and the unemployment rate declined to a crowd-pleasing 5.4%.

### Unemployment Rate United States March 2020-July 2021

Month	Unemployment Rate
March 2020	4.4%
April 2020	14.8%
Year End 2020	6.7%
<b>July 2021</b>	<b>5.4%</b>

Source: U.S. Bureau of Labor Statistics

### Payroll Jobs United States Jan-July 2021

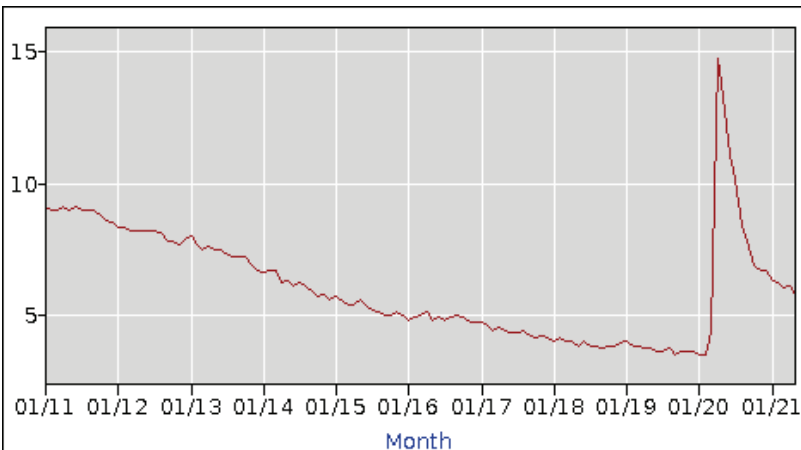
Month	Jobs
January	233,000
February	536,000
March	770,000
April	266,000
May	559,000
June	850,000
July	1,043,000
<b>Total</b>	<b>4,257,000</b>

Source: BLS



Most industries in California have nearly recovered and are approaching the pre-COVID levels. The one continuing weak point is leisure and hospitality, a category that accounts for 40% of the job losses since COVID began.

### Unemployment Rate



Equally invigorating is the unemployment rate for those with a bachelor's degree or higher: Just above 3%, about the same as the rate prior to COVID and half the rate of one year ago.

Last month was not a banner month for jobs in San Diego, however, adding a mere 6,700 to the employment base.

The good news is that jobs in the leisure and hospitality industry have moved forward and are only 36,900 jobs away from pre-COVID days. August should be even better.

### Unemployment Rate by Educational Attainment United States July 2020-July 2021

Level of Attainment	Jul-20	Jul-21
Less than a High School Degree	15.1%	9.5%
High School Degree	10.8%	6.3%
Associate's Degree	9.9%	5.0%
Bachelor's Degree	6.7%	3.1%

### New Jobs San Diego County Jan-June 2021

January	1,351,600
February	1,382,200
March	1,392,100
April	1,399,400
May	1,400,600
June	1,407,300
<b>Gain</b>	<b>55,700</b>



Source: BLS

### Wage and Salary Employment San Diego County March 2020-June 2021

Category	COVID March-20	Jun-21	Change	
			March 2020 - June 2021	%
<b>Total</b>	<b>1,500,000</b>	<b>1,407,300</b>	<b>(92,700)</b>	<b>-6.2%</b>
<b>Leisure and Hospitality</b>	<b>192,900</b>	<b>156,000</b>	<b>(36,900)</b>	<b>-19.1%</b>
Construction	80,200	84,100	3,900	4.9%
Manufacturing	117,100	115,600	(1,500)	-1.3%
Professional & Business Services	258,000	251,200	(6,800)	-2.6%
Education & Health Services	219,600	213,900	(5,700)	-2.6%
Trade, Transportation & Utilities	219,500	208,600	(10,900)	-5.0%
Government	252,900	236,200	(16,700)	-6.6%



Source: BLS

Construction employment is nearly 5% over the past year, but then again, new construction is alive and well. In the first half of the year, new home and apartment construction is up 8%.



### Residential Building Permits San Diego County 1st Six Months - 2020 and 2021

Annual	No. of Units		
	Total	Single Family	Multi- Family (1)
<b>2020</b>			
Jan-June	4,088	1,452	2,636
<b>2021</b>			
Jan-June	4,425	1,549	2,876
<b>Change</b>	<b>337</b>	<b>97</b>	<b>240</b>
<b>% Change</b>	<b>8%</b>	<b>7%</b>	<b>9%</b>

(1) Condominium and Rental  
Source: U.S. Census



Propelling construction, there are nine new residential master-planned communities underway in San Diego County, together producing 9,147 new housing units, both sale and rental.

**New Master-Planned Communities  
North of I-8  
San Diego County  
Summer 2021**

Name of Community	Master Developer	Total Acres	Total Units
North City	Seabreeze	200	3,400
3 Roots - Sorreno Mesa	Lennar, Shea & California West	413	1,800
Trails at Carmel Mountain Ranch	New Urban West	164	1,200
Citro	TriPoint Homes	390	844
Park Circle	Touchstone	180	632
Junipers (55+) -Active Seniors	Lennar	112	536
Bonsall Oaks	Bonsall Oaks LLC	450	250
Carlton Oaks	Lennar	165	243
Merge 56	Seabreeze	40	242
<b>Total</b>		<b>2,114</b>	<b>9,147</b>



**Real Estate**

**The Steaming Resale Market**

I'm delighted to report that sales in the first seven months of this year were 24% higher than in the year before. Through July, more than 23,000 homes were sold.

And prices continued to spiral upward, with detached homes up 20.7% and attached homes 17.8%. The median price of a detached home was \$875,000 and an attached home \$530,000. Not many bargains out there.

**Closed Sales  
San Diego County  
1st Six Months - 2020 and 2021**

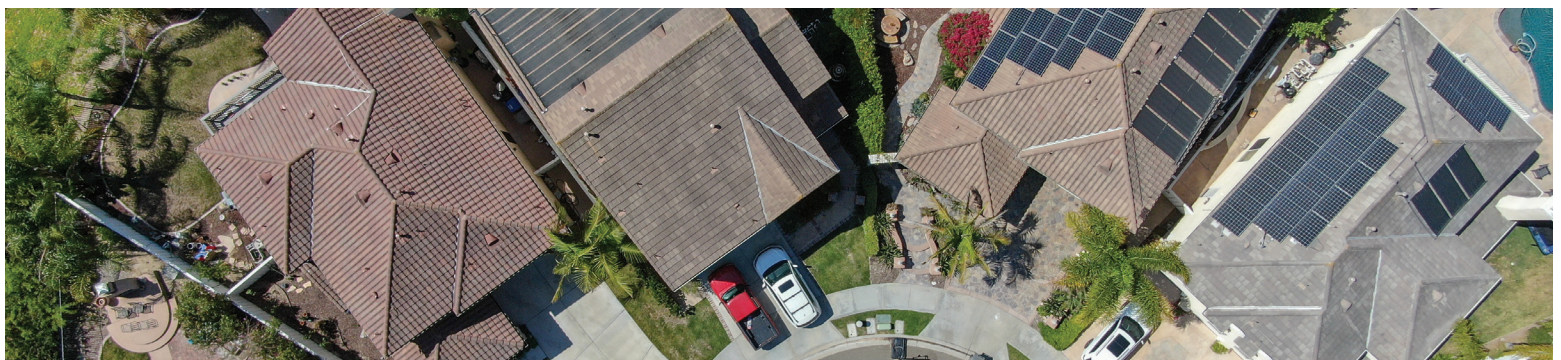
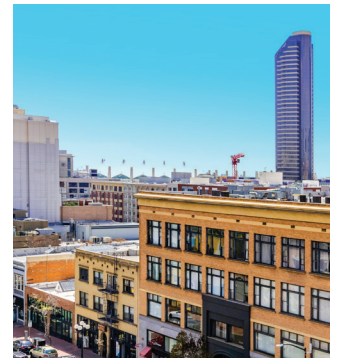
Year	Detached	Attached	Total
2020	12,212	6,324	18,536
2021	14,590	8,474	23,064
<b>Change</b>	<b>2,378</b>	<b>2,150</b>	<b>4,528</b>
<b>% Change</b>	<b>19%</b>	<b>34%</b>	<b>24%</b>

Source: SDAR

**Median Home Prices - Closed Sales  
San Diego County  
End of July - 2020 and 2021**

Month	Detached	Attached
2020	\$724,950	\$449,950
2021	\$875,000	\$530,000
<b>Change 2020-2021</b>	<b>\$150,000</b>	<b>\$80,000</b>
<b>% Change</b>	<b>20.7%</b>	<b>17.8%</b>

Source: SDAR





On the detached scene, only 1,373 homes sold for less than \$500,000 -- down 60% from a year ago. Conversely, home sales of over \$1million were up 86%. Almost one-third of detached sales were over \$1 million.

**Homes Sold  
by Price Range  
San Diego County  
Rolling Twelve Month Average  
July 2020 and July 2021**



Price Range	Detached			
	No. Homes		Change in Sales	
	2020	2021	No.	%
Under \$500,000	3,445	1,373	(2,072)	-60%
\$500,000-750,000	10,384	10,240	(144)	-1%
\$750,000-1,000,000	3,954	6,595	2,641	67%
Over \$1,000,000	4,328	8,058	3,730	86%
<b>Total</b>	<b>22,111</b>	<b>26,266</b>	<b>4,155</b>	<b>19%</b>

Price Range	Attached			
	No. Homes		Change in Sales	
	2020	2021	No.	%
Under \$500,000	7,226	7,130	(96)	-1%
\$500,000-750,000	2,801	4,930	2,129	76%
\$750,000-1,000,000	716	1,461	745	104%
Over \$1,000,000	585	1,173	588	101%
<b>Total</b>	<b>11,328</b>	<b>14,694</b>	<b>3,366</b>	<b>30%</b>

Source: SDAR



The only flaw in the market is that the inventory of homes for sale is meager. The months' supply of inventory is barely a month, and days on market until sale are barely two weeks. Admittedly, it's a great time to sell if you have another home to move to. August sales may not prove to be as ebullient as July, with pending sales totally stagnant.

Here's hoping that listings are up and prices are more rational in August. Time will tell.



**No. of Sales Pending  
San Diego County  
End of Month - July 2020-2021**

Year	Total	Detached	Attached
2020	3,905	2,569	1,336
2021	3,582	2,255	1,327
<b>Change</b>	<b>(323)</b>	<b>(314)</b>	<b>(9)</b>
<b>% Change</b>	<b>-8.3%</b>	<b>-12.2%</b>	<b>-0.7%</b>

Source: SDAR





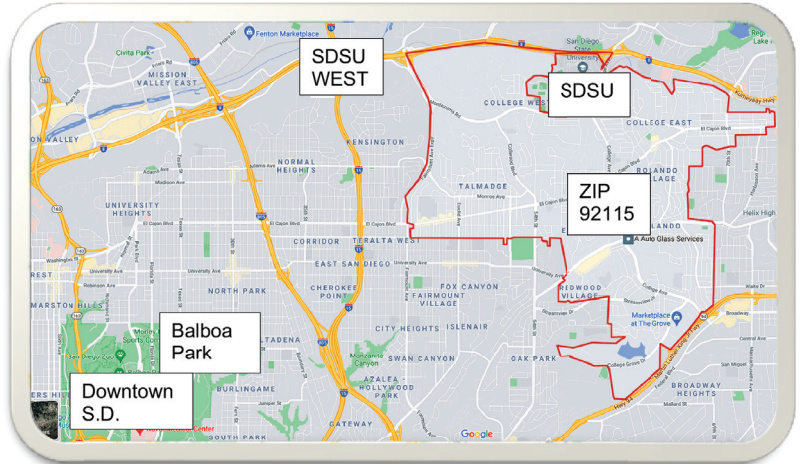
# Spotlight On SDSU 92115

San Diego State University (SDSU) is the oldest public university south of Los Angeles, starting out as a teacher's college in 1897 with 91 students. Today, on its present campus, it provides a myriad of courses to a student body of 36,000, 80% of whom are undergraduates and 20% graduate. The campus is 283 acres and essentially has been built out for decades. SDSU received more than 70,000 applications this year, ranking it in the top 10 in the nation. Eight of the top ten are in California.

Advanced development of SDSU and university-controlled property, beginning in the 1990s, caused intensification of uses in the community near the campus, which is ongoing and includes the extension of the San Diego Trolley through the community with two stations: One on campus at SDSU and one opposite from Alvarado Hospital on Alvarado Road. The aerial map below notes the campus and the entirety of ZIP 92115.

## Enrollment Major Colleges & Universities San Diego County 2020

College/University	Public/Private	Enrollment
University of California San Diego	Public	38,831
<b>San Diego State University</b>	<b>Public</b>	<b>36,000</b>
California State San Marcos	Public	14,179
University of San Diego	Private	9,181
Pt. Loma Nazarene College	Private	3,200
<b>Total</b>		<b>101,391</b>



The only project of size currently under way on campus is a 90,000-square-foot addition to the activity recreational facility. The \$78 million project will include additional fitness studios, handball courts, running track and weight and cardio facilities. It will be complete in spring 2022.

## SDSU West

The university has recently acquired the 135-acre former Qualcomm Stadium site from the City of San Diego (identified on the map) and entered into an agreement with Clark Construction for its development.

## Demographics of the SDSU ZIP 92115

ZIP 92115 has a population of 61,845 (2019) with a broad ethnic diversity. The area has 22,814 housing units, almost evenly divided between single-family and multi-family (dorms are not included). Of the total housing units, one-third are owner-occupied and two-thirds are renter-occupied (mostly by students).



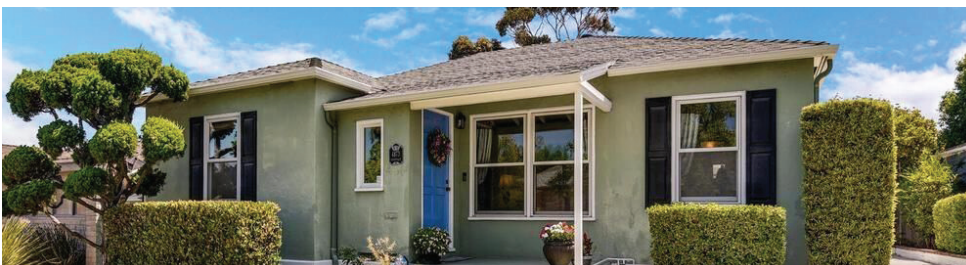
## Demographic Profile ZIP 92115

<b>Total Population</b>	<b>61,845</b>
-------------------------	---------------

Ethnicity	No.	%
Non-Hispanic White	22,406	36.2%
Hispanic	20,077	32.5%
Asian	9,609	15.5%
Black	7,245	11.7%
Other	2,508	4.1%
<b>Total</b>	<b>61,845</b>	<b>100.0%</b>

	No.	%
<b>Housing Units</b>	<b>22,814</b>	<b>100%</b>
Single Family	11,564	51%
Multi-Family	11,250	49%

Owner Occupied	34%
Renter Occupied	66%
<b>Total</b>	<b>100%</b>





# Spotlight On SDSU 92115

## Housing Prices near SDSU

Home prices in the SDSU ZIP 92115 parallel those of the balance of San Diego County. In days past, the price of housing near the university was low enough to warrant acquiring a detached home and renting it out to students. That is rarely feasible anymore, unless additional construction on the lot is possible or substantial remodeling is completed within the structure.

### Median Price July 2018-July 2021 Detached and Attached Homes ZIP 92115 SDSU

July	Median Price	Index
------	--------------	-------

Detached		
2018	\$554,250	1.00
2019	\$620,000	1.12
2020	\$650,000	1.17
2021	\$822,500	1.27

Attached		
2018	\$245,000	1.00
2019	\$314,500	1.28
2020	\$325,500	1.33
2021	\$400,000	1.23

Source: SDAR



On balance, San Diego County, inclusive of ZIP 92115, has an ongoing for-sale and for-rent housing shortage.

As for 92115, it has long been built out, with very few vacant parcels available for new construction. Virtually any new construction is the result of razing or adding to existing structures.



### State of Market SDSU Community ZIP 92115 as of the end of July 2020 & 2021

Key Metrics	2020	2021
-------------	------	------

Detached		
Pending Sales	31	48
% of Original List Price Received	98.3%	100.3%
Days on Market Until Sale	15	18
Months Supply of Inventory	1.3	0.7

Attached		
Pending Sales	26	23
% of Original List Price Received	102.1	103.6
Days on Market Until Sale	33	11
Months Supply of Inventory	2.1	0.04

Source: SDAR



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