



THE SCOOP

YOUR MONTHLY HOUSING SNAPSHOT

**SAN DIEGO
COUNTY**

MAY 2023



“

George did a phenomenal job helping us look for a new home and sell our old home. We got top dollar for our house, moved to a bigger house, and got a great deal. George and Ashley helped with every step of the process

- Hart Family



GEORGE LORIMER
*Your Home Sold
GUARANTEED
Or I'll Buy It!**
619-846-1244

*Conditions apply, DRE# 01146839

George Lorimer has been helping families buy and sell homes in San Diego for over two decades. George has helped over 1000 clients with their real estate needs. He continues to help clients by employing current marketing and technology and retains good "old-fashioned" customer service and know-how.

George grew up in Del Mar, graduated from UCSD, and received a master's in Business Administration at SDSU. He is married to Lynn, a Poway school teacher. Also, George is a proud father of two beautiful daughters and resides in the Torrey Highlands community of San Diego.

Many clients are thrilled with George's team approach, and unique consumer programs - Guaranteed Sale Program, CASH Offer, and 100% Guaranteed or Cancel the Listing and Pay Nothing. Call today to see how George and his team can help you achieve your real estate goals.



George Lorimer

For more details please visit

www.LorimerTeam.com
George@LorimerTeam.com

**Call for a Free
Consulation Today!**



MAY RECAP

Graduation caps being tossed in the air signifies the beginning of the Summer Market for housing. With the school year ending, it is time to usher in all the distractions of summer: the beach, the community pool, hiking, biking, camping, traveling, and all kinds of camps for the kids. As everyone turns their attention to fun in the sun, the housing market evolves and downshifts slightly.

The May housing market is typically one of the hottest months of the year for housing, if not the hottest. With the passage of May comes the passing of the peak time for buying and selling a house: **Spring Time.**

With the Summer Market approaching, buyers and sellers can expect an increase in inventory, a slight decrease in demand, and a rise in the market time. Many buyers are looking to take advantage of a slowed housing market, but the market is lining up to be in favor of sellers for the remainder of the Summer.

Inventory numbers measured in at roughly 2,000 homes at the start of May, and by month's end, had turned around the downward pattern, now climbed to 2,200 homes. This marks the first month of the year in which the inventory is greater at the end of the month than it was at the beginning. Look for the inventory to continue rise over the next couple of months.

May demand started with about 1,950 pending sales and had fallen by roughly 5% throughout the month, resulting in an end-of-May level of 1,850 pending sales. The demand peak for 2023 is likely to stay around the 1,900 home mark.

From 32 days on May 1st to 37 days on the 31st, the Expected Market Time has begun to slow as we hit the Summer Market. This is only a slight change in the pace of the market, with the balance between buyers and sellers pointing towards sellers. Sellers are still in control of the negotiating process even with the slowing housing pace taking place in the market today.

HERE'S THE SCOOP



The market has transitioned. Buyers, sellers, and their agents will feel the real estate market start to slow. They will scratch their collective heads and wonder what is going on. Housing is changing pace, it is shifting to a new cyclical season of the year: **The Summer Market.**

The various seasons of the housing market do not necessarily align with the official start and end dates of the four seasons. Summer officially begins on June 21st, yet, with the housing market, it aligns with when students leave school for Summer break, typically around the end of May. It is hard to look for a home during the busy end-of-school-year activities and graduation festivities, while on vacation, enjoying the warmth of summer surf, or carpooling to and from camps, pools, water parks, and friends' houses.

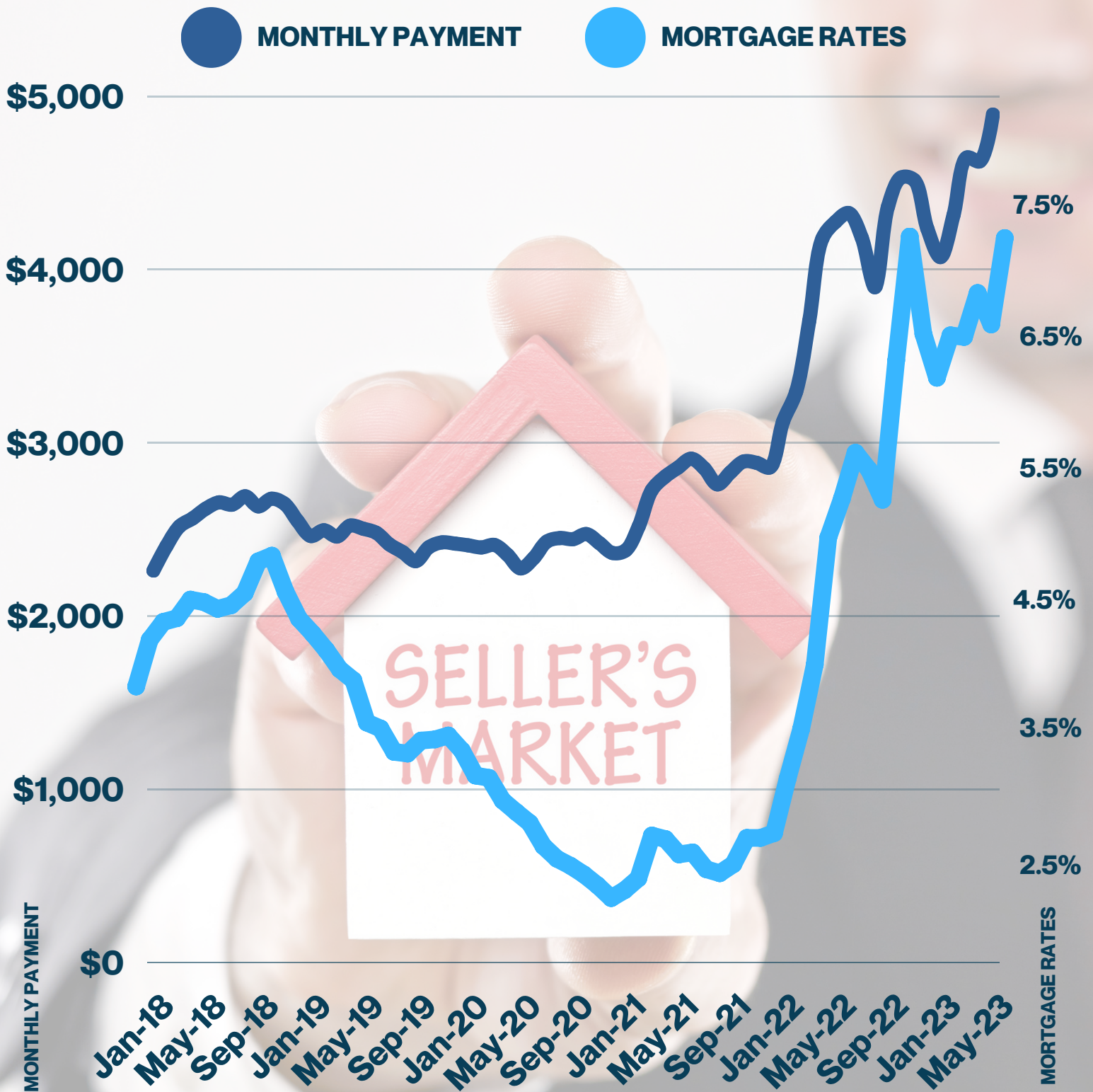
The Summer Market comes to an end around the third week of August when schools are back in session. Housing then transitions to the Autumn Market. From there, housing decelerates even further as many prospective buyers and sellers are hesitant to move their children during the school year. The Summer Market is still the second quickest paced market of the year, behind only the Spring Market.

During the summer market, demand, a reading of recent pending sales activity, decreases slightly with all the distractions. For many buyers, it still feels as busy as ever, but the numbers illustrate a drop in demand regardless. With a decrease in demand, the number of available homes rises as more homes continue to come on the market. Many sellers mistake summer as the best time of the year for housing. With a drop in demand and a rising inventory, the Expected Market Time, the amount of time between hammering in the FOR-SALE sign to opening escrow, grows longer. The overall speed of the market slows a touch.

In looking at these trends, buyers may conclude that the market will slow down enough to line up in their favor. That will not be the case. Negotiations will continue to favor sellers, yet the unbelievable housing pace will slow. As the Summer Market progresses, housing will not be as instantaneous. In the hottest price ranges many homes that would have sold after the initial weekend will take an extra week to sell. Homes will still procure plenty of traffic, multiple offers, and sales prices above their asking prices. The market transformation will be characterized by fewer showings, slightly fewer offers generated, and not as many sales above their list prices.

SAN DIEGO COUNTY MEDIAN AND RATES

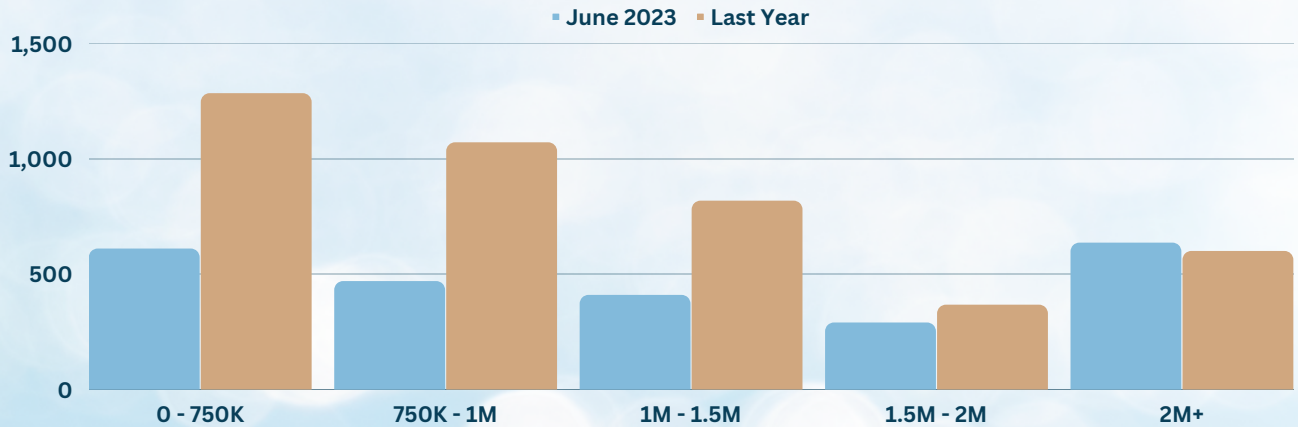
Mortgage Rates and Monthly Payments of
Median Detached Homes Over Time



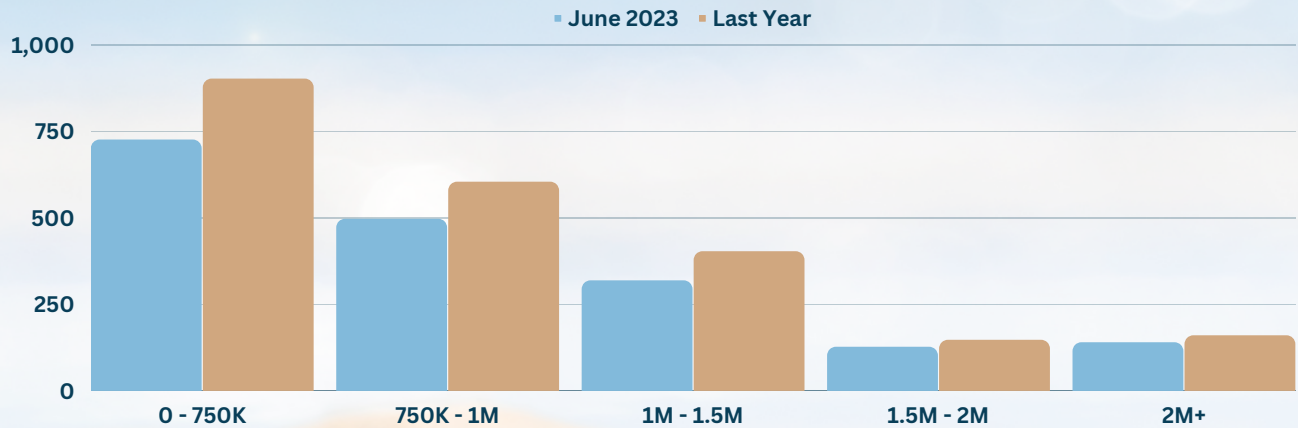
SAN DIEGO COUNTY SUMMER UPDATE

Data Captured: June 21st, 2023

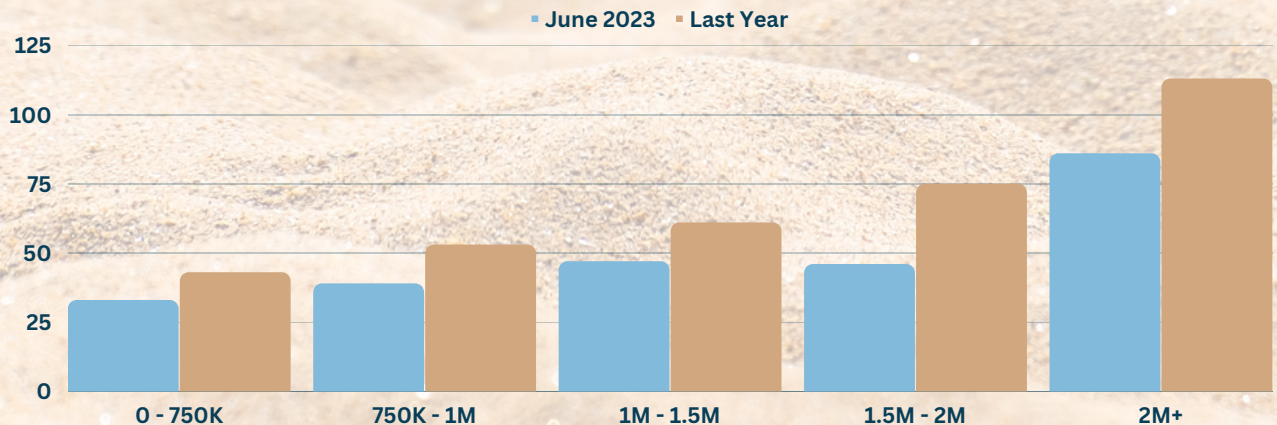
INVENTORY



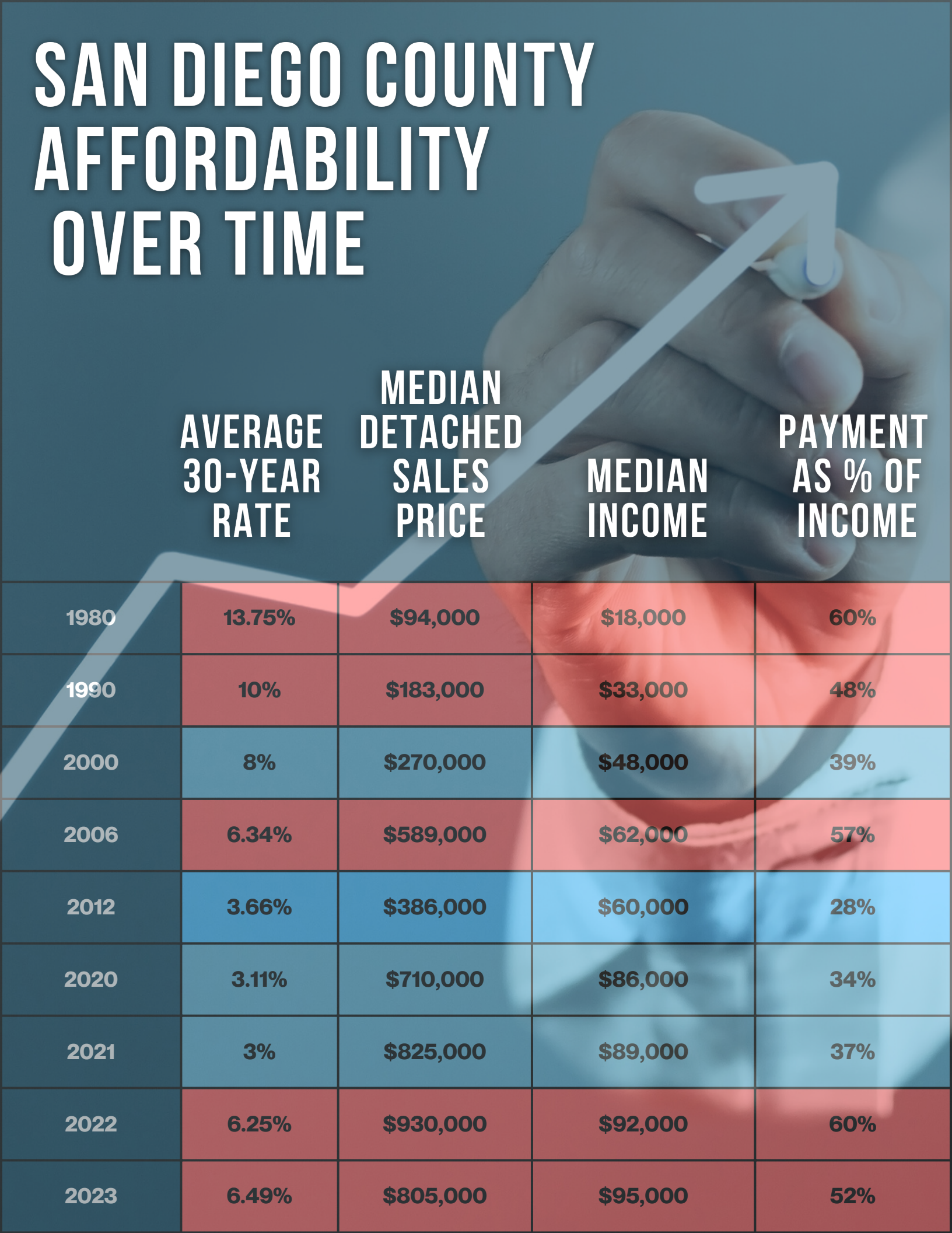
DEMAND



MARKET TIME



SAN DIEGO COUNTY AFFORDABILITY OVER TIME



	AVERAGE 30-YEAR RATE	MEDIAN DETACHED SALES PRICE	MEDIAN INCOME	PAYMENT AS % OF INCOME
1980	13.75%	\$94,000	\$18,000	60%
1990	10%	\$183,000	\$33,000	48%
2000	8%	\$270,000	\$48,000	39%
2006	6.34%	\$589,000	\$62,000	57%
2012	3.66%	\$386,000	\$60,000	28%
2020	3.11%	\$710,000	\$86,000	34%
2021	3%	\$825,000	\$89,000	37%
2022	6.25%	\$930,000	\$92,000	60%
2023	6.49%	\$805,000	\$95,000	52%



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