



CALIFORNIA HOUSING MARKET FORECAST

June 2015



U.S. HOUSING MARKET OUTLOOK

	2010	2011	2012	2013	2014	2015p	2016f
Existing Home Sales (000s)	4,190	4,260	4,660	5,090	4,940	5,275	5,490
% Change	-3.5%	1.7%	9.4%	9.2%	-2.9%	6.8%	4.1%
Median Price (\$000s)	\$172.9	\$166.1	\$176.8	\$197.1	\$208.3	\$220.6	\$229.6
% Change	0.2%	-3.9%	6.4%	11.5%	5.7%	5.9%	4.1%

SERIES: U.S. Existing home sales of single-family homes and condo/coops
 SOURCE: NATIONAL ASSOCIATION OF REALTORS®

CALIFORNIA HOUSING MARKET OUTLOOK

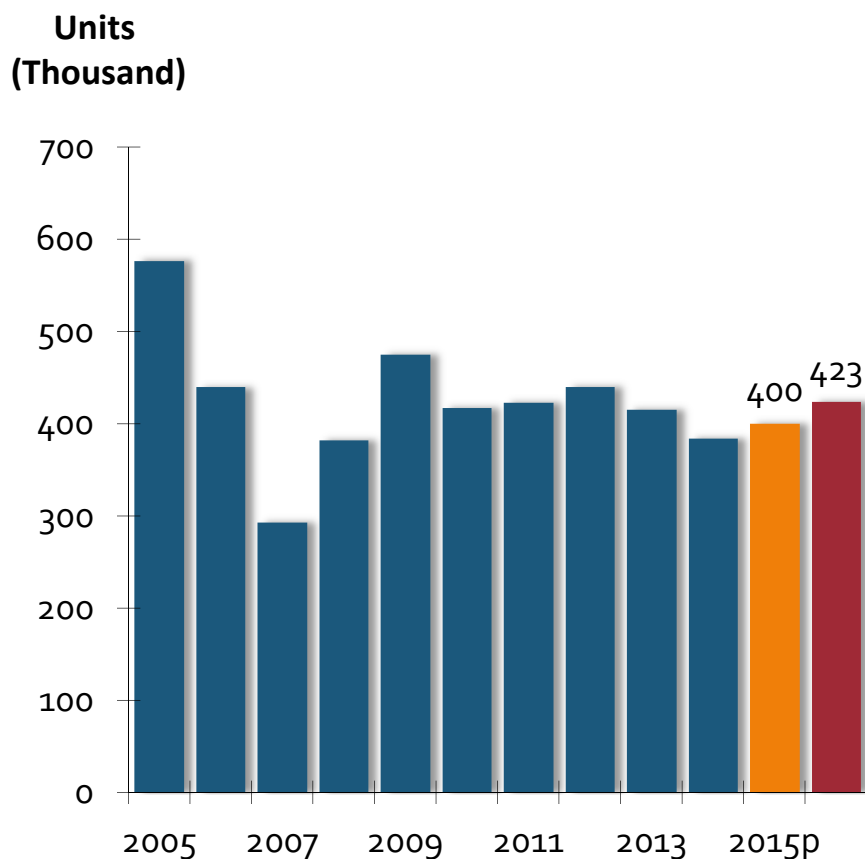
	2010	2011	2012	2013	2014	2015p	2016f
SFH Resales (000s)	416.5	422.6	439.8	414.9	383.3	400.1	423.2
% Change	-12.3%	1.4%	4.1%	-5.9%	-7.6%	4.4%	5.8%
Median Price (\$000s)	\$305.0	\$286.0	\$319.3	\$407.2	\$447.0	\$470.6	\$491.3
% Change	10.9%	-6.2%	11.6%	27.5%	9.8%	5.3%	4.4%
Housing Affordability Index	48%	53%	51%	36%	30%	31%	27%
30-Yr FRM	4.7%	4.5%	3.7%	4.0%	4.3%	4.1%	4.5%

SERIES: CA Housing Market Outlook

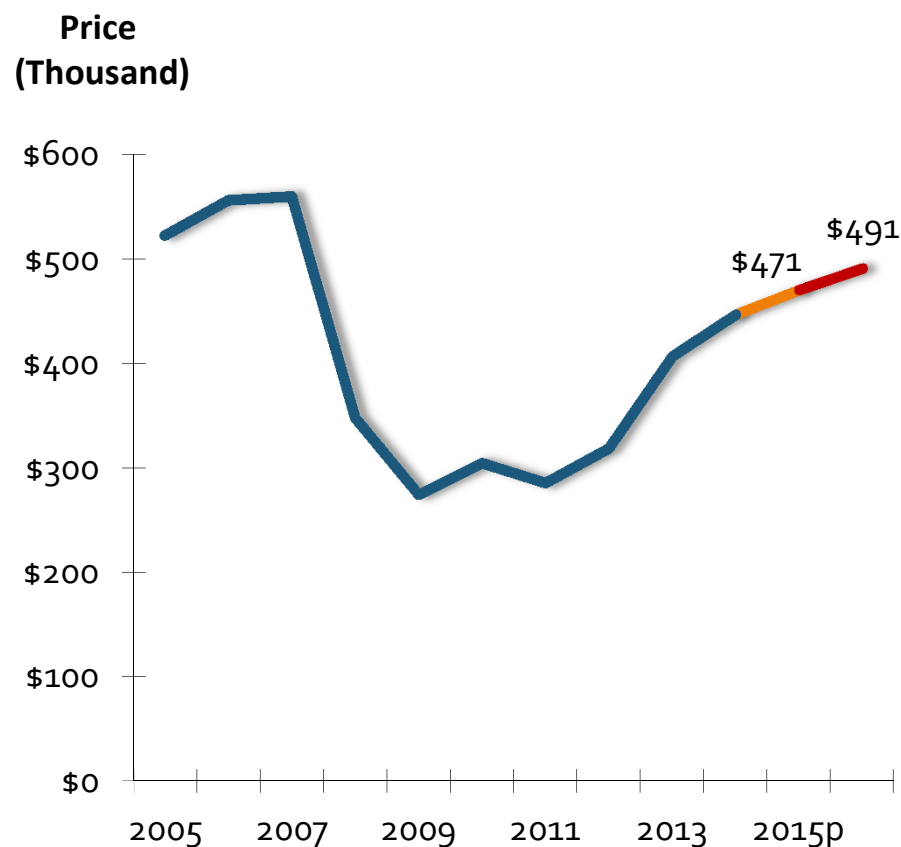
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

SALES UP FOR 2015 AND CONTINUE TO IMPROVE IN 2015; PRICE WILL GROW STEADILY THIS YEAR AND NEXT

Sales of Existing Detached Homes



Median Price

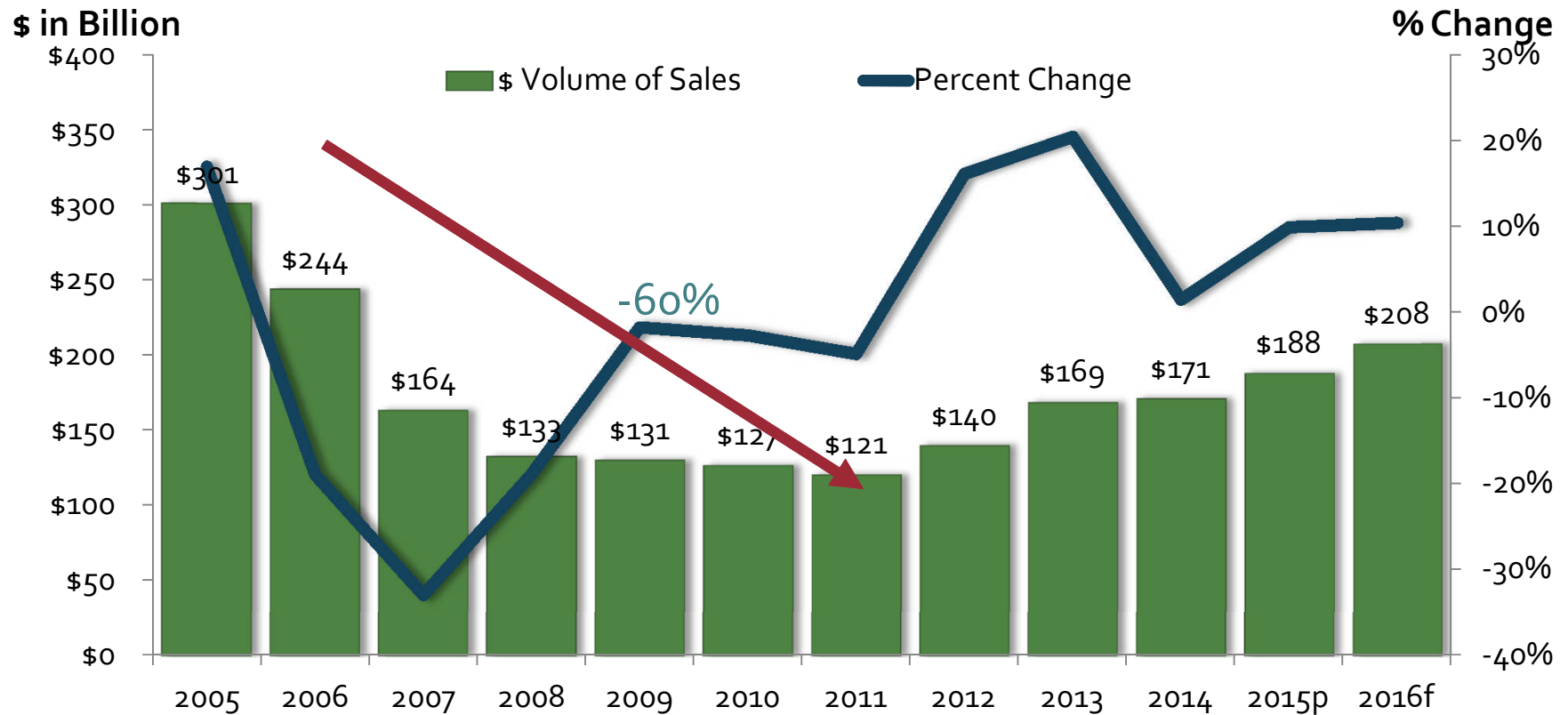


SERIES: CA Housing Market Outlook

SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

CA: DOLLAR VOLUME

UP 9.9% IN 2015, UP 10.4% IN 2016



SERIES: CA Housing Market Outlook
 SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

U.S. ECONOMIC OUTLOOK

	2010	2011	2012	2013	2014	2015p	2016f
US GDP	2.4%	1.8%	2.3%	2.2%	2.4%	2.5%	2.8%
Nonfarm Job Growth	-0.7%	1.2%	1.7%	1.7%	1.9%	2.2%	1.9%
Unemployment	9.6%	8.9%	8.1%	7.4%	6.2%	5.4%	5.1%
CPI	1.6%	3.1%	2.1%	1.5%	1.6%	0.6%	2.4%
Real Disposable Income, % Change	1.0%	2.5%	3.0%	-0.2%	2.5%	3.3%	2.8%
30-Yr FRM	4.7%	4.5%	3.7%	4.0%	4.3%	4.1%	4.5%

SERIES: U.S. Economic Outlook

SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

CALIFORNIA ECONOMIC OUTLOOK

	2010	2011	2012	2013	2014	2015p	2016f
Nonfarm Job Growth	-1.1%	1.1%	2.4%	3.0%	2.2%	2.4%	2.3%
Unemployment Rate	12.3%	11.8%	10.4%	8.9%	7.5%	6.6%	5.8%
Population Growth	0.7%	0.7%	0.7%	0.9%	0.9%	1.0%	1.0%
Real Disposable Income, % Change	0.9%	3.4%	4.7%	0.2%	3.0%	4.3%	4.5%

SERIES: CA Economic Outlook

SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®