

HOUSING PRICES SURGE, NOTABLY IN THE ATTACHED HOME MARKET (PAGES 2–3)

NUMBER OF FORECLOSURES IN THE REGION INCREASE 6.1% (PAGE 4)

UNEMPLOYMENT CONTINUES TO DECLINE LOCALLY, IN CALIFORNIA AND THE NATION (PAGE 4)

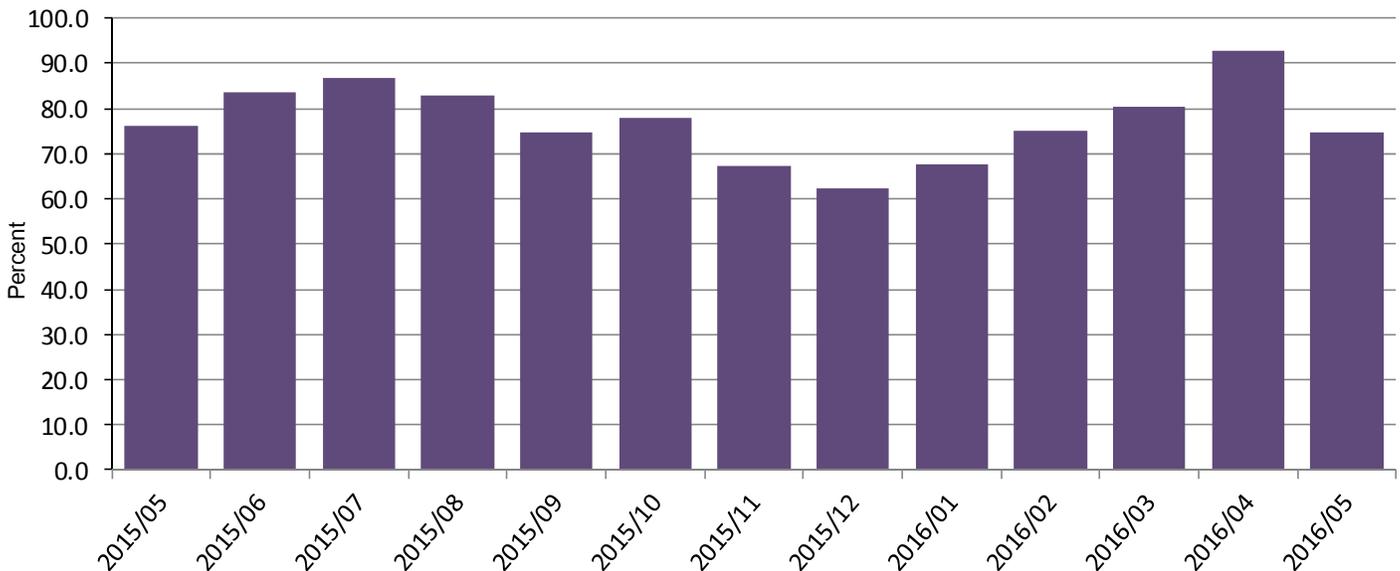
GAS PRICES REMAIN STEADY IN THE REGION AS PRICES CONTINUE TO CLIMB NATIONWIDE (PAGE 5)

ECONOMIC INDICATORS

COUNTY OF SAN DIEGO—OFFICE OF FINANCIAL PLANNING JUNE 2016



HOTEL/MOTEL OCCUPANCY RATE



Source: San Diego Tourism Authority; compiled by the San Diego Regional Chamber of Commerce

SPECIAL FEATURE

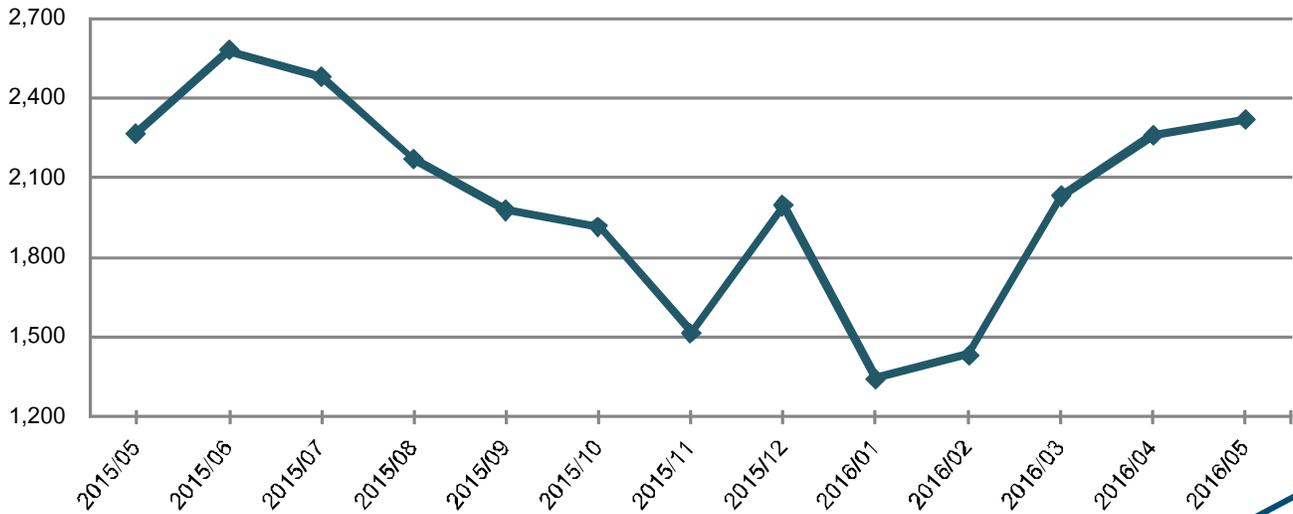
SAN DIEGO REGIONAL HOTEL/MOTEL OCCUPANCY RATE PERCENTAGE

Hotel/motel occupancy in the San Diego region fell to 74.7 percent in May, down from 92.9 percent in April. May's rate is also lower than the 76.1 percent occupancy reported in May one year ago. May's decline reverses a trend of increasing month-over-month hotel/motel occupancy seen since January 2016. This is consistent with results from 2015, which show a dip in the occupancy rate prior to the peak summer travel months. 2016 also brings several noteworthy summer events expected to attract large numbers of visitors to the region, including Major League Baseball's All-Star Game and Comic-Con International San Diego.

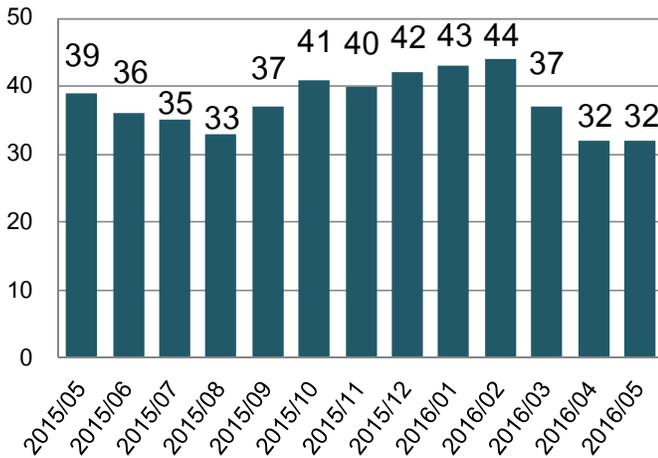
The region's economy depends heavily on the visitor industry, the third largest industry in the county according to the San Diego Tourism Authority (SDTA). The industry directly and indirectly employs nearly 181,000 individuals and generates a regional impact of more than \$16.0 billion annually from close to \$9.9 billion in annual spending by an estimated 34.3 million visitors, based on information from the SDTA. Tourism and hospitality are big business in the San Diego region.

The regional Hotel/Motel Occupancy Rate is presented as a special feature of the Economic Indicators report since the May 2016 results from the University of San Diego (USD) Burnham-Moores Center for Real Estate's Index of Leading Economic Indicators for San Diego County, which regularly appears here, was unavailable at the time of publication.

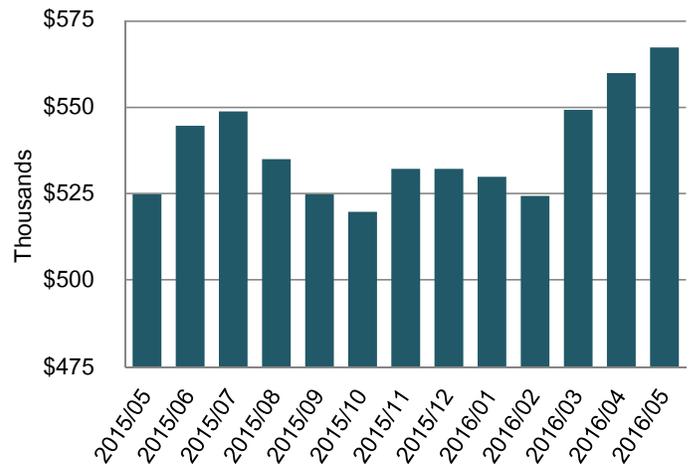
EXISTING SINGLE FAMILY HOME SALES (SEASONALLY ADJUSTED)



AVERAGE NUMBER OF DAYS ON MARKET EXISTING SINGLE FAMILY HOME SALES



MEDIAN PRICE OF EXISTING SINGLE FAMILY HOME



Source (all charts this page): San Diego Association of REALTORS; compiled by the San Diego Regional Chamber of Commerce

HOUSING MARKET: EXISTING SINGLE FAMILY HOMES

May's results saw 2,319 existing single family homes sold in the region, an increase of 2.7 percent from the 2,259 homes sold in April. These results show a positive trend in the number of single family home sales in the region, although the increase in sales is slowing. May's sales have surpassed the prior year by 2.3 percent over the May 2015 results at 2,266 sales.

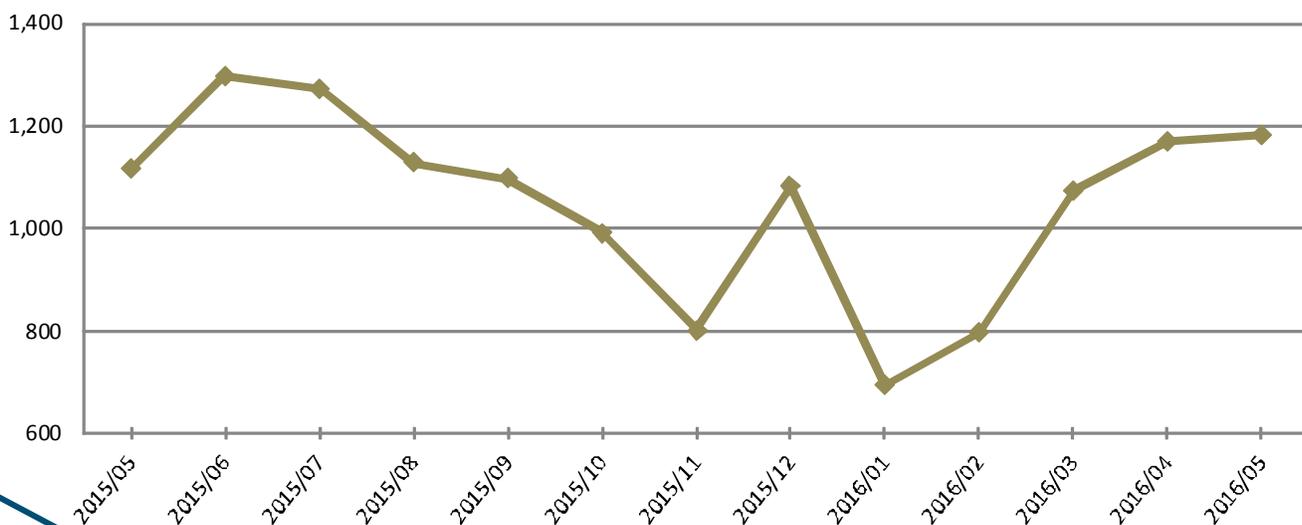
On average, homes that sold in San Diego County in May were on the market for 32 days. This is the same average market time as seen in April, and remains one week less

than the 39-day average market time recorded in May 2015.

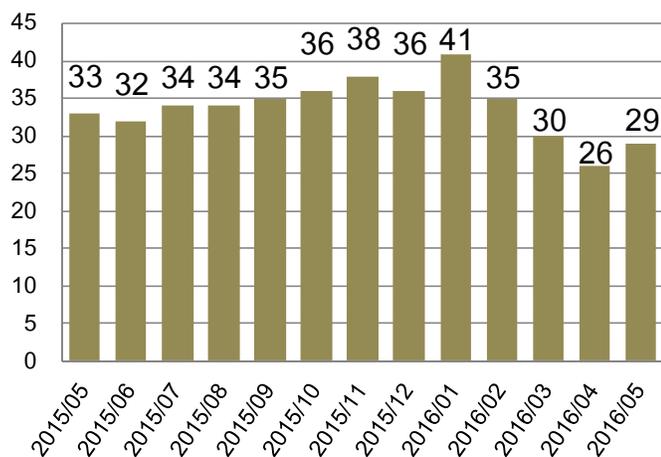
In May the median price of an existing detached single family home in San Diego County climbed to \$567,250. This price is a modest increase of 1.3 percent from April's median price of \$560,000. May's median price is also an increase of 8.0 percent more than the median price of \$525,000 from May 2015.

May's results seem to indicate a continuing trend of growth and buyer demand in the local single family housing market. Although the pace appears to be slowing from earlier this year, results continue to show more homes selling, a higher median price and a short market time in month-over-month results.

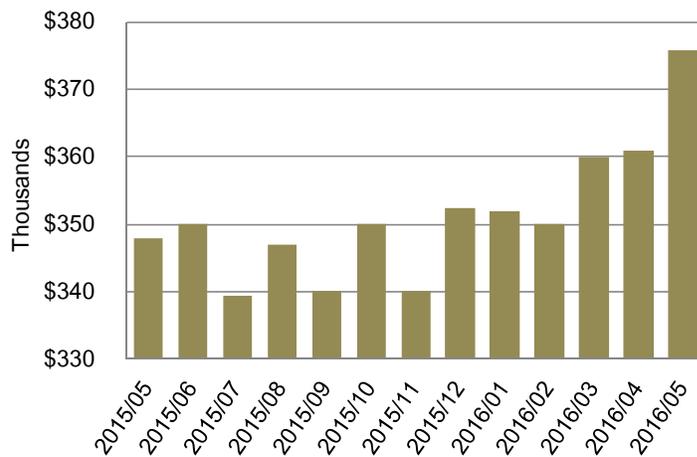
EXISTING ATTACHED HOME SALES (SEASONALLY ADJUSTED)



AVERAGE NUMBER OF DAYS ON MARKET EXISTING ATTACHED HOME SALES



MEDIAN PRICE OF EXISTING ATTACHED HOME



Source (all charts this page): San Diego Association of REALTORS; compiled by the San Diego Regional Chamber of Commerce

HOUSING MARKET: EXISTING ATTACHED HOMES

In May, the number of existing attached homes that sold in San Diego County was 1,182, a modest increase of 1.1 percent from the 1,169 homes sold in the month of April and marking the fourth consecutive month of increased sales in attached homes. May's results were 5.9 percent higher than the 1,116 existing attached homes sold in May of last year.

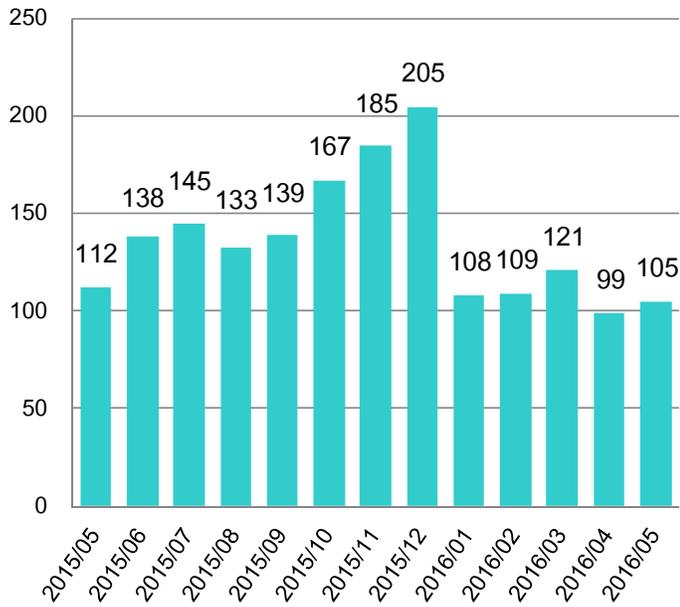
On average, existing attached homes sold in San Diego County in May were on the market for 29 days, 3 days more than the 26-day market time recorded in April and 4 days

shorter than the 33-day average market time recorded in May of last year.

In May the median price of an existing attached home in the region climbed to \$375,750, a gain of 4.1 percent compared to the April median price of \$361,000. May's median price is 8.0 percent greater than the price recorded in May 2015 of \$348,000 and, for the second consecutive month, marks the highest reported price for attached homes in the past 12 months.

Like the results seen for single family homes, May's results seem to indicate slowing but continued growth in demand from buyers of attached homes, with trends of increasing sales and prices, although market time increased in May.

NUMBER OF FORECLOSURES (TRUSTEE'S DEEDS)



Source: InnoVest Resource Management; compiled by the San Diego Regional Chamber of Commerce

HOUSING MARKET: FORECLOSURES

The number of foreclosures (Trustee's Deeds) in San Diego County during the month of May was 105, an increase of 6.1 percent from the 99 foreclosures reported in the month of April, and a drop of 6.3 percent from the 112 foreclosures reported one year ago in May of 2015.

REGIONAL EMPLOYMENT

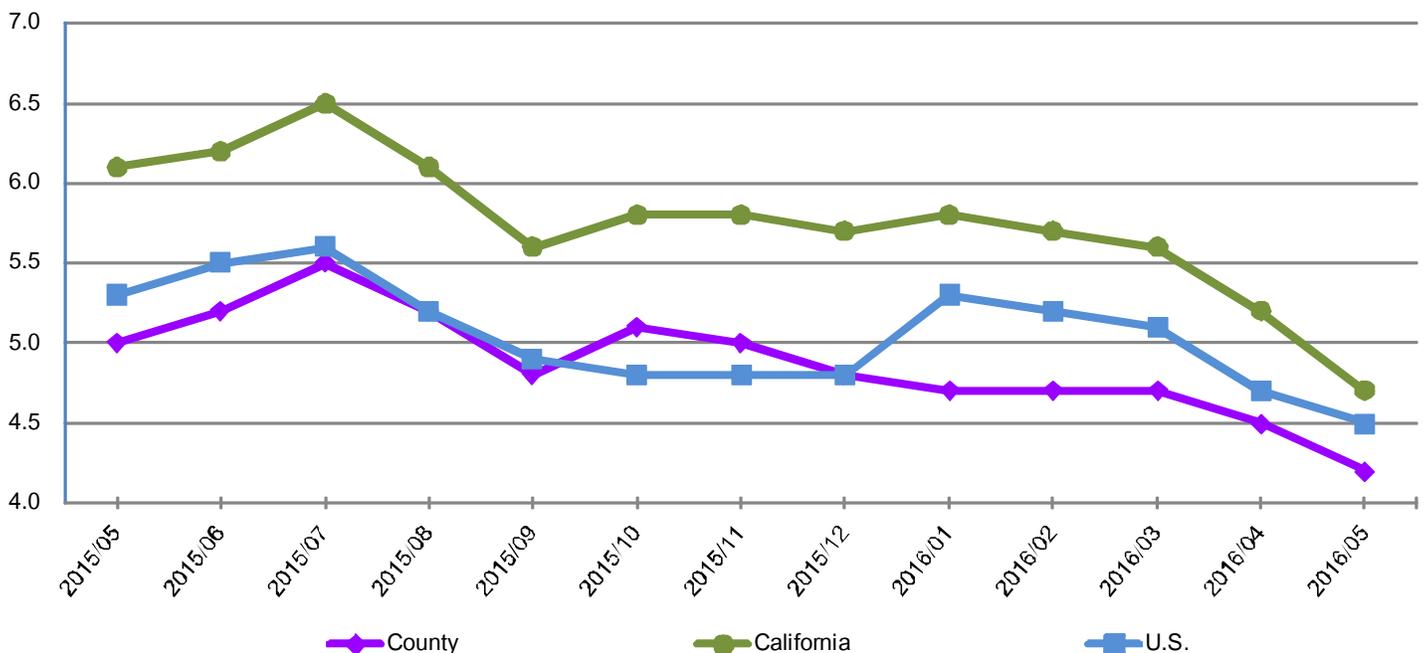
The seasonally unadjusted unemployment rate in San Diego County dropped to 4.2 percent in May from the 4.5 percent rate reported in April, marking more than half of the months in 2016 reporting unchanged or decreasing unemployment in the region. May's local unemployment rate remains below the 5.0 percent rate recorded one year ago in May 2015, and is lower than both the State and national unemployment rates reported in May this year.

Statewide, the seasonally unadjusted unemployment rate fell to 4.7 percent in May, compared to April's rate reported at 5.2 percent. Marking the fourth consecutive month of falling unemployment in California, this unemployment rate also remains well below the 6.1 percent rate the State recorded one year ago in May of 2015, although California's seasonally unadjusted unemployment rate remains higher than the national rate.

Nationally, the seasonally unadjusted unemployment rate decreased to 4.5 percent in May, down from the 4.7 percent rate reported in April and also lower than the 5.3 percent unemployment rate in the U.S. from one year ago in May 2016.

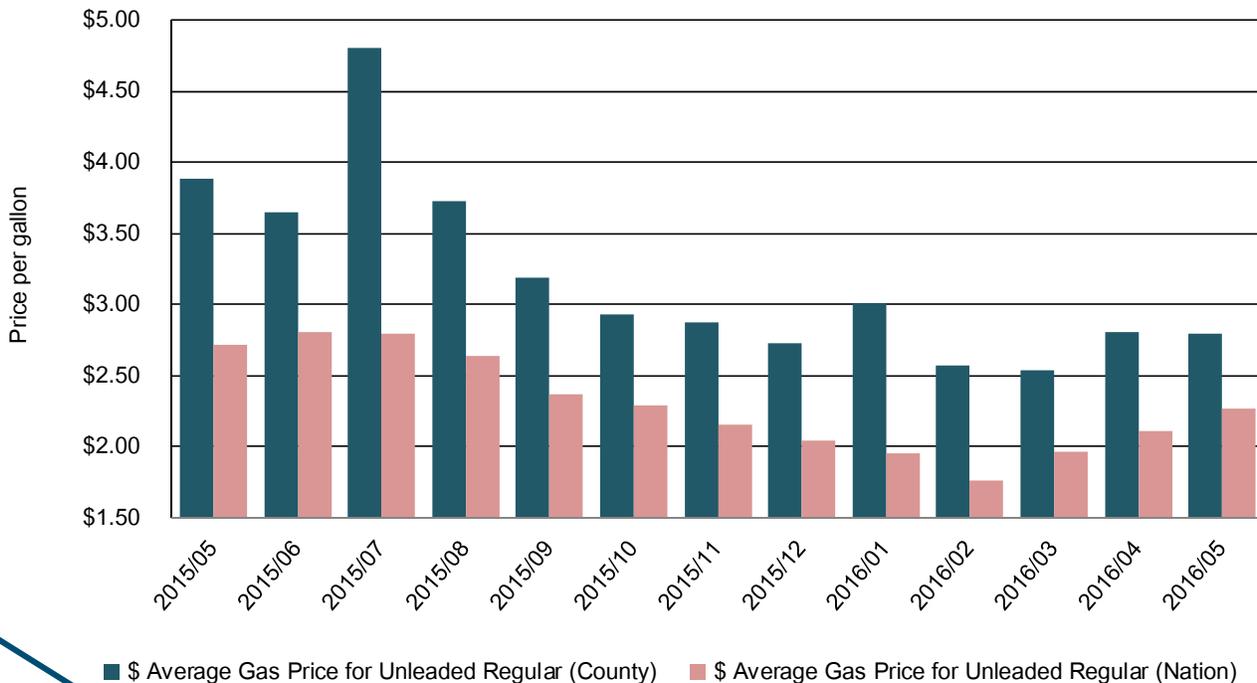
May's unemployment numbers continue to support economic growth in 2016 and appear to report positive news for job seekers. This year has seen falling seasonally unadjusted unemployment rates across the County, State and nation in month-over-month results since January.

UNEMPLOYMENT RATE (NOT SEASONALLY ADJUSTED)



Source: U.S. Bureau of Labor Statistics; compiled by the San Diego Regional Chamber of Commerce

AVERAGE GASOLINE PRICE



Source: American Automobile Association and U.S. Energy Information Administration; compiled by the San Diego Regional Chamber of Commerce

GASOLINE PRICES

The average price of unleaded regular gasoline per gallon in San Diego County in May 2016 effectively remained steady at \$2.80 matching April's price of \$2.80. Although unchanged from the previous month, May's price is a significant 28.1 percent decrease from the average price in the region of \$3.89 recorded one year ago. May's results are welcome news for consumers and businesses that saw gas prices increase in April. Locally, gas prices remain below those seen in January of 2016.

Nationwide, gas prices continue to climb month-over-month. In May, the national average price per gallon of unleaded regular gasoline reached \$2.27. May 2016's price was 7.3 percent higher than in April when the price was at \$2.11. Nonetheless, May's national unleaded gas price per gallon is 16.6 percent below the national average price per gallon of \$2.72 recorded one year ago in May of 2015.

Looking at gasoline prices in San Diego County and nationally, it appears the trend of falling prices that was seen over the past year has been reversed. While prices are on a steady rise at the national level, local gas price movements are more unsteady.

MISSED LAST MONTH'S REPORT?

The Economic Indicators report is published monthly. If you've missed an issue, are looking for historical data, or additional economic measures not included in this report, the County of San Diego has got you covered.

Past issues of the Economic Indicators report, additional data and historical data since calendar year 2012 are available online at:

www.sandiegocounty.gov/content/sdc/fg3/reiindex.html

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