



# Oxnard-Thousand Oaks-Ventura, California

U.S. Department of Housing and Urban Development | Office of Policy Development and Research | As of May 1, 2015



## Housing Market Area



The Oxnard-Thousand Oaks-Ventura Housing Market Area (hereafter, the Ventura County HMA) is coterminous with the Oxnard-Thousand Oaks-Ventura, CA Metropolitan Statistical Area. The HMA, which comprises Ventura County in southern California, is part of the greater Central Coast tricounty area that includes San Luis Obispo, Santa Barbara, and Ventura Counties. The HMA's location along the Pacific Coast has supported growth in the military and tourism, and its nutrient-rich soil, particularly in the Upper Ojai Valley, has supported agricultural development.

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## Summary

### Economy

Economic conditions have strengthened in the Ventura County HMA since 2010. Nonfarm payrolls increased by 5,000 jobs, or 1.7 percent, to 293,300 jobs during the 12 months ending April 2015, with the most significant growth occurring in the education and health services, the leisure and hospitality, and the mining, logging, and construction sectors. Nonfarm payrolls are expected to grow an average of 1.7 percent a year during the 3-year forecast period, led by expansions in industries related to health care, tourism, and construction.

### Sales Market

Sales housing market conditions in the HMA are balanced, with an estimated 1.0-percent vacancy rate, down from 1.4 percent in 2010. During the next 3 years, demand is estimated for 2,375 new homes, with demand increasing steadily through the third year of the forecast period (Table 1). The 240 homes under construction in the HMA and a portion of the 8,600 other vacant units that may reenter the market will satisfy some of the forecast demand.

### Rental Market

Rental housing market conditions in the HMA are currently tight, and the vacancy rate is estimated at 4.0 percent. Since 2010, the increase in renter households has outpaced the construction of rental units and the conversion of single-family homes, townhomes, and condominiums to rental units. During the forecast period, demand in the HMA is expected for 1,825 new market-rate rental units; the 640 rental units currently under construction will meet all the demand in the first year of the forecast (Table 1).

**Table 1. Housing Demand in the Ventura County HMA\* During the Forecast Period**

	Ventura County HMA*	
	Sales Units	Rental Units
Total demand	2,375	1,825
Under construction	240	640

\* Oxnard-Thousand Oaks-Ventura HMA.  
 Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of May 1, 2015. A portion of the estimated 8,600 other vacant units in the HMA will likely satisfy some of the forecast demand. The forecast period is May 1, 2015, to May 1, 2018.  
 Source: Estimates by analyst

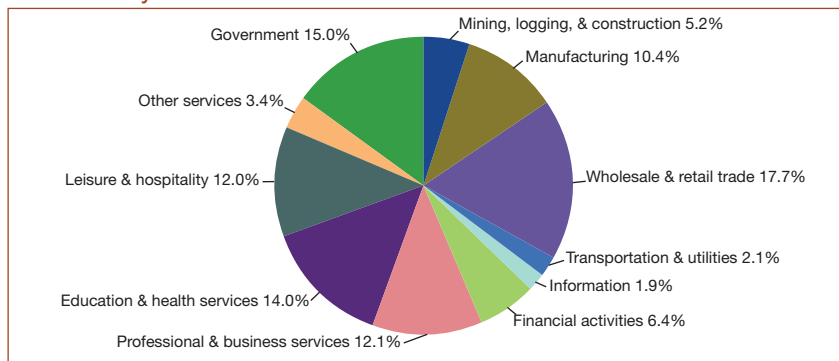
# Economic Conditions

The government, high-technology development, health care, tourism, and agriculture comprise the economic base of the Ventura County HMA. Naval Base Ventura County (NBVC) has been the largest employer in the HMA since the 1940s and currently has approximately 11,000 military and 9,050 civilian personnel. The government sector, which includes civilian personnel at NBVC, is the second largest nonfarm payroll sector in the HMA, accounting for approximately 15 percent of total civilian payroll jobs (Figure 1). During the

12 months ending April 2015, the sector recorded an increase of 300 jobs, or 0.7 percent, despite the decline in the Department of Defense of 400 jobs, or 0.9 percent, resulting from continued budget constraints that were initiated in the Budget Control Act of 2011 (also known as Sequestration). Despite the budgetary cuts, the Naval Sea Systems Command (NAVSEA) Surface Warfare Center, Port Hueneme Division—within NBVC—has contributed significantly to the local economy. NAVSEA Port Hueneme has awarded contracts worth more than \$405 million to small businesses in the HMA since 2012, increasing small area suppliers' percentage of total base workload from 32 percent in 2012 to 48 percent in 2014. The small area suppliers are predominately contracted for engineering work, and the increase in the proportion has helped to support the professional and business services sector.

Economic conditions in the HMA strengthened during the 12 months ending April 2015, and nonfarm payrolls increased by 5,000 jobs, or 1.7 percent, from the previous 12 months, to 293,300 jobs (Table 2). The largest growth occurred in the mining, logging, and construction, the education and health services, and the leisure and hospitality sectors, which increased by a combined 3,800 jobs, or 4.4 percent, and accounted for 76 percent of the total net gain in jobs. The overall nonfarm payroll gain was partly offset by declines in the professional and business services and the financial activities sectors, which decreased by 600 and 200 jobs, or 1.7 and 1.1 percent, respectively. The overall decline in the professional and business services sector was led by layoffs of 250 employees during the past year at

**Figure 1. Current Nonfarm Payroll Jobs in the Ventura County HMA,\* by Sector**



\* Oxnard-Thousand Oaks-Ventura HMA.

Notes: Based on 12-month averages through April 2015. Excludes jobs in agriculture.

Source: U.S. Bureau of Labor Statistics

**Table 2. 12-Month Average Nonfarm Payroll Jobs in the Ventura County HMA,\* by Sector**

	12 Months Ending		Absolute Change	Percent Change
	April 2014	April 2015		
Total nonfarm payroll jobs	288,300	293,300	5,000	1.7
Goods-producing sectors	43,900	45,600	1,700	3.9
Mining, logging, & construction	13,900	15,100	1,200	8.6
Manufacturing	30,000	30,500	500	1.7
Service-providing sectors	244,500	247,700	3,200	1.3
Wholesale & retail trade	51,400	51,900	500	1.0
Transportation & utilities	5,900	6,200	300	5.1
Information	5,200	5,500	300	5.8
Financial activities	18,900	18,700	-200	-1.1
Professional & business services	36,200	35,600	-600	-1.7
Education & health services	39,600	40,900	1,300	3.3
Leisure & hospitality	33,800	35,100	1,300	3.8
Other services	9,700	9,900	200	2.1
Government	43,600	43,900	300	0.7

\* Oxnard-Thousand Oaks-Ventura HMA.

Notes: Numbers may not add to totals because of rounding. Based on 12-month averages through April 2014 and April 2015. Excludes jobs in agriculture.

Source: U.S. Bureau of Labor Statistics

Amgen, Inc., in Thousand Oaks because of corporate restructuring involving a 15-percent reduction in staff in the HMA from 2012 through 2016. Despite the decline, Amgen, Inc., with 5,800 employees, remains one of the largest employers in the HMA and the Central Coast tricounty area (Table 3). In the financial activities sector, an improvement in the economy during the past year bolstered the sales housing market but reduced the number of jobs needed to service delinquent mortgages, causing an overall reduction in jobs in the sector. The credit intermediation and related activities industry declined to 8,600 jobs during the 12 months ending April 2015, down by 650 jobs, or 7.0 percent, from a year ago.

As economic conditions continued to strengthen during the 12 months ending April 2015, the average unemployment rate declined to 6.2 percent, down from 7.5 percent during the previous 12 months. The current unemployment rate is below the 7.1-percent average rate for California and the 7.2-percent average rate for the southern California region but higher than the 5.8-percent rate for the nation. The HMA also has the highest unemployment rate in the tricounty area. The unemployment rate in San Luis Obispo and Santa Barbara Counties are 5.3 and 5.7 percent, respectively. Figure 2 shows trends in the labor force, resident employment, and the average unemployment rate in the HMA from 2000 through 2014.

**Table 3. Major Employers in the Ventura County HMA\***

Name of Employer	Nonfarm Payroll Sector	Number of Employees
Naval Base Ventura County	Government	20,050
Amgen, Inc.	Professional & business services	5,800
Anthem Inc.	Education & health services	3,050
Community Memorial Hospital	Education & health services	1,850
Los Robles Hospital & Medical Center	Education & health services	1,600
Kavlico/Schneider Electric	Manufacturing	1,550
St. John's Regional Medical Center	Education & health services	1,400
Haas Automation, Inc.	Manufacturing	1,350
Baxter International Inc.	Manufacturing	1,150
California State University, Channel Islands	Government	950

\* Oxnard-Thousand Oaks-Ventura HMA.

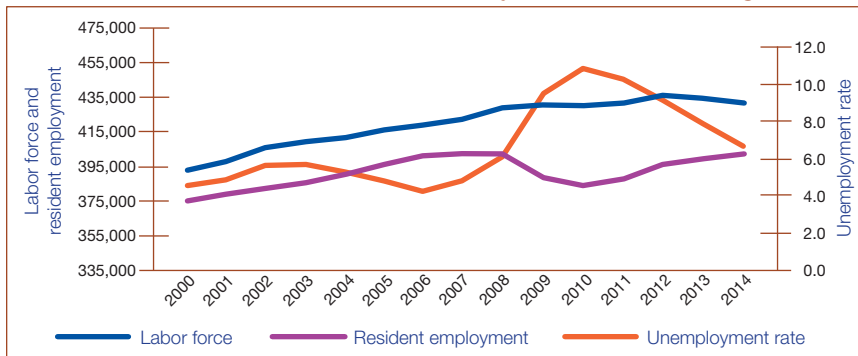
Notes: Employee numbers for Naval Base Ventura County include 11,000 military service personnel who are not included in the nonfarm payroll data. Excludes local school districts.

Sources: Pacific Coast Times Business Journal 2015; California Department of Finance

Since 2000, the Ventura County HMA economy has contracted only once, from the end of 2006 through 2010. During this 4-year period, the economy lost an average of 6,100 jobs a year as a result of the housing and financial market crises, and nonfarm payrolls reached a decade-low 274,700 jobs in 2010. Approximately 89 percent of the losses were concentrated in the mining, logging, and construction, the manufacturing, and the professional and business services sectors.

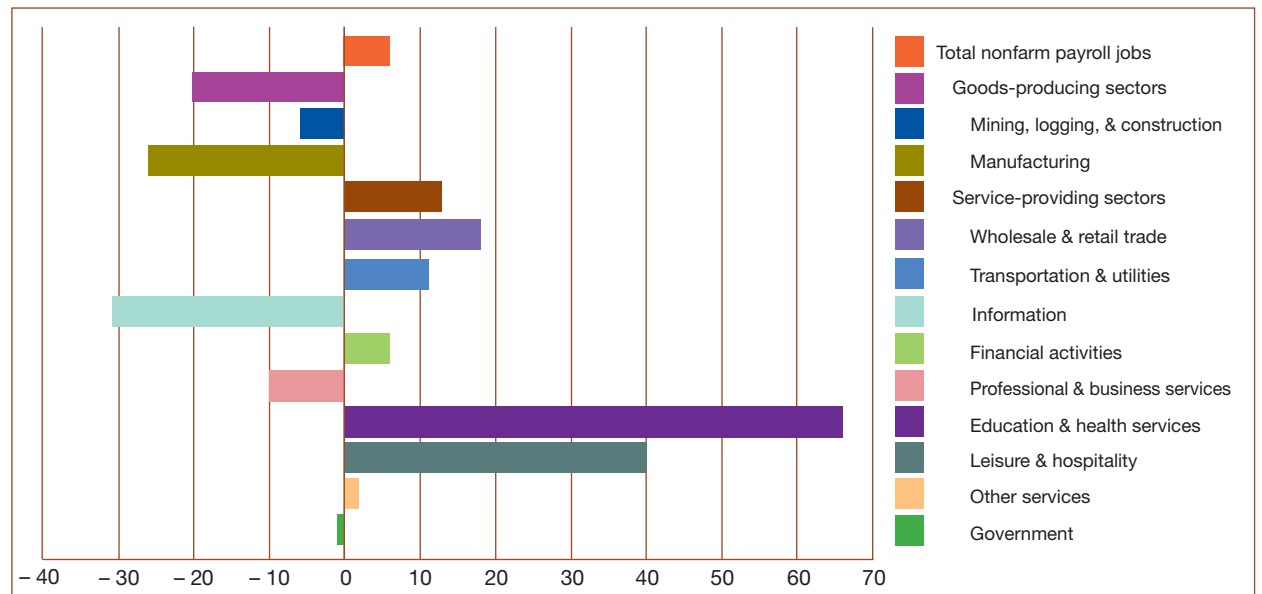
After the economic contraction, nonfarm payroll growth in the HMA has averaged 4,300 jobs, or 1.5 percent, annually since 2010, more than from 2000 through 2006, when nonfarm payrolls increased by an average of 3,800 jobs, or 1.3 percent, annually. Given the fairly steady level of growth, the economy has nearly fully recovered, regaining 77 percent of the jobs lost during the recession. Figure 3 shows nonfarm payroll growth by sector since 2000.

**Figure 2. Trends in Labor Force, Resident Employment, and Unemployment Rate in the Ventura County HMA,\* 2000 Through 2014**



\* Oxnard-Thousand Oaks-Ventura HMA.

Source: U.S. Bureau of Labor Statistics

**Figure 3. Sector Growth in the Ventura County HMA,\* Percentage Change, 2000 to Current**

\* Oxnard-Thousand Oaks-Ventura HMA.

Notes: Current is based on 12-month averages through April 2015. Excludes jobs in agriculture.

Source: U.S. Bureau of Labor Statistics

The education and health services sector has increased by an average of 1,100 jobs, or 3.6 percent, annually and accounted for 83 percent of the total net increase in nonfarm payrolls since 2000. Growth in the sector slowed during the 12 months ending April 2015 but remained among the sectors that had the greatest increase in jobs (Table 2). Since 2000, approximately 87 percent of the growth in the education and health services sector was in the health care and social assistance industry, where additional growth is expected during the next 3 years. The health care and social assistance industry employs approximately 12 percent of the HMA workforce. The largest private employers include Anthem Inc., Community Memorial Hospital, and Los Robles Hospital & Medical Center, with 3,050, 1,850, and 1,600 employees, respectively. The \$275 million expansion of the Community Memorial Hospital in the city of Ventura is the largest development under way in the

HMA. The expansion, which began in 2011, is expected to be complete in mid-2015 and add 70 jobs to the sector. In addition, employment announcements for registered nurses remained the most among all employment types in the HMA, totaling approximately 500 jobs as of April 2015 (California Employment Development Department). The Affordable Care Act has expanded access to health care, resulting in a need for more medical staff. In the HMA and Santa Barbara County, between 45,000 and 50,000 new members enrolled in Medi-Cal during the 12 months ending April 2015, more than the anticipated 30,000 new members that were expected to be added in the 18-month period ending April 2015 (CenCal Health).

The overall improvement in economic conditions in the HMA helped to support growth in construction. The Guidelines for Orderly Development and Save Open Space and Agriculture Resources (SOAR) limit residential

building outside city boundaries without a public vote and constrain development, but the mining, logging, and construction sector had the greatest percentage increase in jobs during the 12 months ending April 2015, up 8.6 percent, or 1,200 jobs. The construction subsector accounted for approximately 96 percent of the change in the sector. Despite the recent growth, payrolls in the mining, logging, and construction sector have not fully recovered from the recession. From the end of 2006 through 2010, jobs in the sector declined by an average of 2,300, or 8.7 percent, a year, with the entire decline attributed to the construction subsector. The reduction in jobs in the construction subsector partly resulted from a decline in home construction. Payroll growth during the next 3 years in the construction subsector is expected to continue at a more moderate pace than during the 12 months ending April 2015. The aforementioned \$275 million expansion of the Community Memorial Hospital in the city of Ventura is expected to increase the number of construction workers on the site from 120 during 2014 to approximately 300 to 400 as the expansion approaches completion in late 2015.

In addition to NBVC, along the southern coast of the HMA, coastal developments surrounding and to the north of NBVC have helped to establish the HMA as a tourist destination, attracting approximately 5 million visitors annually since 2011 (Ventura Chamber of Commerce and Ventura Visitors & Convention Bureau). The leisure and hospitality sector currently is the fifth largest sector in the HMA economy, with 35,100 jobs, or 12 percent of all nonfarm payrolls. The leisure and hospitality sector has had the

second highest percentage increase in jobs since 2000, accounting for approximately 58 percent of the net gain in total nonfarm payrolls. Apart from an average decline of 1,100 jobs, or 1.1 percent, annually from the end of 2007 through 2009, payrolls in the sector grew during most of the 2000s, increasing by an average annual rate of 3.3 percent, or by 900 jobs, from 2000 through 2006. The pace of job growth in the sector has accelerated since the end of 2010, with an average increase of 1,100 jobs, or 3.5 percent, annually. During the 12 months ending April 2015, payroll increases in the leisure and hospitality sector were among the highest in the HMA, up by 1,300 jobs, or 3.8 percent, and growth in the sector is expected to continue at a steady pace during the next 3 years.

Agriculture is a significant component of the Ventura County HMA economic base, with SOAR provisions that protect the growth and stability of the industry. During 2013, the gross value of agriculture totaled \$2.09 billion, up from \$1.96 billion during 2012 (County of Ventura Agricultural Commissioner), particularly in crops such as strawberries and avocados. The California-wide drought that began in 2012 and escalated to exceptional-drought status in 2014, however, has affected agriculture and jobs supported by farming (California Department of Water Resources). During the 12 months ending April 2015, agriculture accounted for an average of 24,500 farm jobs, a decline of 2,800 jobs, or 10.3 percent, from the previous 12-month period, marking the 17th consecutive month of year-over-year declines in farm jobs (California Employment Development Department). Before this period of decline, farm jobs had been a stable source

of employment in the HMA and increased nearly every year from 2002 through 2012, even during a period when nonfarm sectors in the HMA experienced declines. At the municipal and private levels, the loss of farm jobs has slowed population and household growth since 2014 (local analysts).

During the 3-year forecast period, non-farm payrolls are expected to increase an average of 1.7 percent, or by 5,100 jobs, annually, with most of the growth expected to occur in industries related to health care, tourism, and construction. The professional and business services sector is expected to improve when the restructuring at Amgen, Inc.,

is complete in 2016 and because NBVC continues to support growth in the sector through its outsourcing of workload to local businesses. The effect of the drought on the agriculture industry is expected to continue and to result in an additional decline in farm jobs and a slight negative effect on household growth. Approximately 55 percent of nonfarm payroll growth is expected to occur in the cities of Ventura, Oxnard, and Camarillo, the largest areas near the coast, and growth in the city of Thousand Oaks, a job center for the eastern part of the HMA, is expected to account for one-fourth of payroll growth.

## Population and Households

The population of the Ventura County HMA is estimated at 847,500 as of May 1, 2015. The HMA accounts for approximately 4 percent of the population in southern California and 54 percent of the population in the Central Coast tricounty area. The city of San Buenaventura, the official name for the city of Ventura, is the county seat and fourth largest city in the HMA, with 109,000 residents as of January 2014 (California Department of Finance). The largest population center in the HMA is the city of Oxnard, with 203,700 residents, followed by Thousand Oaks and Simi Valley, with 129,000 and 126,300 residents, respectively. Other large population centers include the cities of Camarillo and Santa Paula, in the western part of the HMA, and Moorpark, in the eastern part of the HMA, all with more than 30,000 residents. The

cities of Port Hueneme and Oxnard are the closest to NBVC. In addition, the cities of Camarillo, Oxnard, Santa Paula, and Ventura are the main areas surrounded by agriculture.

Population growth in the HMA was relatively strong from 2000 to 2003, when population increased by an average of 10,800, or 1.4 percent. Net natural change (resident births minus resident deaths) accounted for approximately 63 percent of the population growth from 2000 to 2003, and net in-migration averaged 3,975 people a year, the highest annual rate of net in-migration since 2000. People were mainly coming to the HMA from parts of neighboring Los Angeles and Santa Barbara Counties (Internal Revenue Service migration data), where the price of housing averaged \$225,000 more than in the HMA. The cities

that had the greatest growth from 2000 to 2003 were Oxnard, Simi Valley, and Thousand Oaks, which increased by a combined 7,050 people, or 1.7 percent, annually and accounted for approximately 65 percent of the HMA population growth.

Since 2003, population growth in the HMA has been relatively slow, averaging 6,575 people, or 0.8 percent, annually. Approximately 95 percent of the net increase in the population was attributed to net natural change because of net out-migration that occurred during one-half of the period. Despite the slower rate of growth, the city of Oxnard continued to draw residents and had the strongest population growth each year, accounting for at least one-fourth of the HMA population growth since 2003. The periods of net out-migration in the HMA occurred from 2003 to 2009, from 2011 to 2012, and from 2014 to the current date.

Military deployments and lenient mortgage lending standards that provided households with an incentive to move outside of the HMA, where housing was relatively more affordable, led to net out-migration from 2003 to 2006 that averaged 3,250 people annually. During this period, migration was mainly to counties in southern California where housing was less expensive (San Bernardino, Riverside, and Kern Counties and the northern part of Los Angeles County, hereafter referred to as neighboring areas) and to the states of Arizona and Nevada. All these areas had a significant amount of single-family housing development that marked the housing boom of the region during the early-to-mid 2000s. Average prices for homes ranged from \$220,900 less

in San Fernando Valley, in the northern part of Los Angeles County, to \$394,000 less in Kern County. As a result of the net out-migration, population growth slowed to an average of 3,950 people, or 0.5 percent, annually, the lowest level of population growth since 2000.

As mortgage lending standards became stringent and the economy weakened by the end of 2006, fewer people moved away from the HMA. Net out-migration from 2006 to 2009 slowed to an average of 1,425 people a year before transitioning to a net in-migration of 310 people from 2009 to 2010, toward the end of the recession. As in the early 2000s, people were mainly coming from Los Angeles and Santa Barbara Counties.

The Defense Base Closure and Realignment Commission (BRAC) contributed to a return of net out-migration, averaging 1,575 people, in 2010 to 2012, when 400 personnel were relocated to Naval Air Weapons Station China Lake, in Kern County. In addition, as housing prices in neighboring areas decreased and economic conditions strengthened throughout the region, people again chose to move away from the HMA.

The subsequent recovery of home prices in those neighboring areas and relatively lower prices of homes in the HMA partly led to a return of net in-migration, averaging 540 people a year, from 2012 to 2014. Population growth averaged 5,450 people, or 0.7 percent, a year during the period. Since 2014, however, population growth has slowed to an average of 3,900 people, or 0.5 percent, annually because of a third period of net out-migration brought on by the restructuring that

**Population and Households** *Continued*

led to layoffs at Amgen, Inc., and the significant effect of the drought on agricultural jobs. In the cities of Thousand Oaks, Camarillo, and Ventura, population growth slowed 40 percent in 2014 from the previous year.

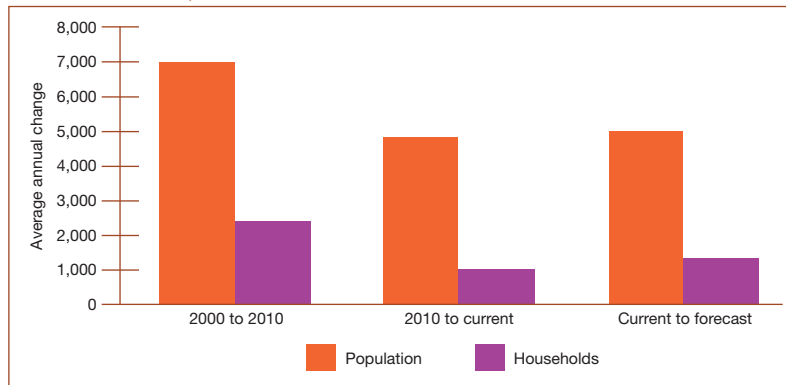
During the next 3 years, the population of the HMA is expected to increase by an average of 5,000, or 0.6 percent, a year and reach 862,500 by the end of the forecast period. Growth is expected to continue to be strong in the city of Oxnard, with additional significant

growth occurring in the cities of Ventura, Simi Valley, and Thousand Oaks. Figure 4 shows population and household growth in HMA, and Figure 5 shows the components of population change in the HMA, from 2000 to the forecast date.

The number of households in the HMA has increased by 1,000, or 0.4 percent, annually since 2010, down from the average increase of 2,375, or 0.9 percent, annually during the 2000s as a result of slower population growth. As with the population, household growth has been the strongest in the cities of Oxnard, Thousand Oaks, Ventura, and Simi Valley since 2000 despite years of fluctuations in growth. From 2010 to 2014, household growth surged in the city of Moorpark because of its proximity to jobs in Simi Valley and Thousand Oaks and the amount developable land relative to other places in the HMA that are affected more heavily by SOAR, which is reflected in increased housing development in Moorpark since 2010.

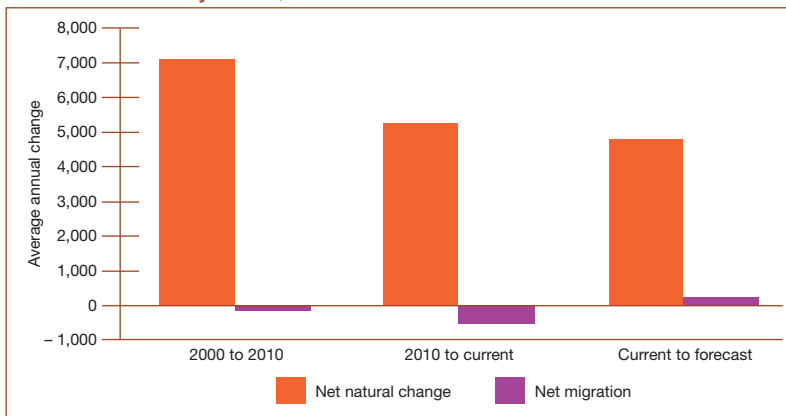
During the forecast period, the number of households in the HMA is expected to increase by an average of 1,250, or 0.5 percent, annually, a slightly higher rate of growth than since 2010, reflecting slightly greater expected net immigration in the second and third years of the forecast. The proportion of renter households is expected to increase during the forecast period, continuing the trend since 2000. Household growth is expected to result in 275,800 households in the HMA by the end of the forecast period. Table DP-1 at the end of this report shows household growth by tenure in the HMA from 2000 through the current date.

**Figure 4. Population and Household Growth in the Ventura County HMA,\* 2000 to Forecast**



\* Oxnard-Thousand Oaks-Ventura HMA.  
 Notes: The current date is May 1, 2015. The forecast date is May 1, 2018.  
 Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

**Figure 5. Components of Population Change in the Ventura County HMA,\* 2000 to Forecast**



\* Oxnard-Thousand Oaks-Ventura HMA.  
 Notes: The current date is May 1, 2015. The forecast date is May 1, 2018.  
 Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst



# Housing Market Trends

## Sales Market

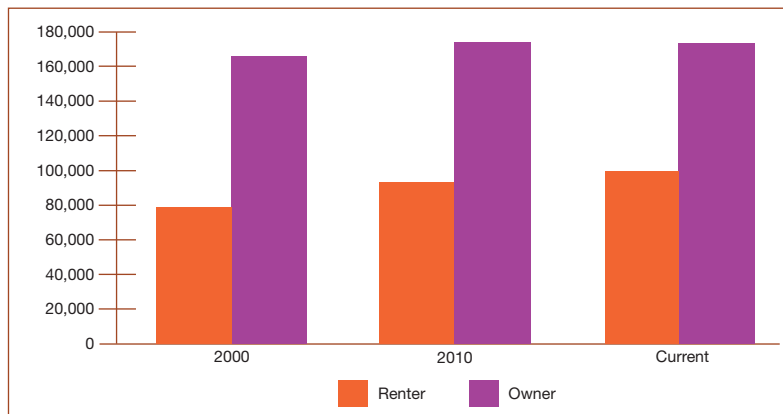
The Ventura County HMA sales housing market is balanced and has improved from soft conditions that began during 2007 and lasted through 2011 in response to stringent lending standards and the economic decline. The current estimated sales vacancy rate is 1.0 percent, down from 1.4 percent in 2010. The decline in the vacancy rate resulted from improved economic conditions that enabled households to purchase homes and a decrease in home construction since the late 2000s. Although the number of owner households has also declined, the decrease was only by 270 a year, to 172,800 owner households. Figure 6 shows the number of households by tenure in the HMA from 2000 to the current date.

During the period of weak sales market conditions that lasted from the beginning of 2007 thorough 2011, an average of 8,300 new and existing single-family homes, townhomes, and condominiums sold annually (Metrostudy, A Hanley Wood Company, with adjustments by the analyst). The average number of homes sold was down 39

percent, or by 5,200 homes, annually compared with an average of 13,500 homes sold annually during 2005 and 2006, the period when market conditions were stronger. The largest share of total sales during both periods was in the cities of Oxnard, Simi Valley, and Ventura, which accounted for at least one-half of all sales in the HMA.

The sales market began to improve in 2012 because of a continued strengthening of economic conditions and greater population growth in the HMA. From the beginning of 2012 through 2014, new and existing home sales averaged 8,700, up 5 percent, or 400 homes, compared with the average sold annually from 2007 through 2011. The entire gain in sales from 2012 through 2014 resulted from an 11-percent, or 840-home, surge in existing home sales that led to a reduction in the available existing inventory and a recent decline in total sales. During the 12 months ending April 2015, new and existing home sales declined 2 percent, or by 140 homes, because of decreases in regular resales and real estate owned (REO) sales of 1 and 36 percent, or by 60 and 240 homes, respectively. Partly offsetting the decline in existing home sales was a 52-percent, or 170-home, increase in new home sales during the 12 months ending April 2015 after a 7-percent decline of 20 homes during the previous year. Despite the increase, new home sales are 37 percent less than the average of 770 homes sold a year from 2007 through 2011 and 78 percent less than the average of 2,200 homes sold a year during 2005 and 2006. Restrictions on land development from SOAR initiatives have partly contributed to overall lower levels of new home development

**Figure 6. Number of Households by Tenure in the Ventura County HMA,\* 2000 to Current**



\* Oxnard-Thousand Oaks-Ventura HMA.

Note: The current date is May 1, 2015.

Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analyst

and sales (local sources). Areas that are least affected by SOAR are mainly in the eastern part of the HMA, including the city of Moorpark that had a significant amount of single-family development. New home sales in Moorpark increased more than 100 percent, or by 110 homes, during the 12 months ending April 2015 and accounted for 33 percent of all new home sales in the HMA, the largest share of any jurisdiction.

The average new and existing home sales price increased 7 percent during the 12 months ending April 2015, to \$588,200 compared with the average annual price of \$522,800 during the housing downturn from 2007 through 2011, but it remained less than \$678,100 during the peak years in 2005 and 2006. The increase in the average price during the 12 months ending April 2015 resulted from increases in the average prices of existing and new homes of 6 and 5 percent, to \$586,600 and \$613,700, respectively, from a year earlier. The average price of an existing home was higher than the average of \$518,700 from 2007 through 2011 but below the average price of \$660,200 during 2005 and 2006. Oxnard had the greatest increase in existing home sales prices during the 12 months ending April 2015, up 14 percent to an average price of \$496,200, followed by Ventura, up 8 percent to \$534,100.

For new homes, the average price was \$771,300 during 2005 and 2006 before declining 27 percent to an average of \$562,800 from 2007 through 2011. The recent increase in the average sales price of new homes reflects an increase in demand for new luxury homes, particularly in Moorpark, where the price of new homes is among the highest in the HMA. An increasing

share of these new, higher priced, homes partly led to an overall increase in the average sales price. The average sales price of a new home in Moorpark was \$729,100 during the 12 months ending April 2015, nearly unchanged from the previous year and the 2007-through-2011 period but 47 percent below the average price of \$1,361,000 during 2005 and 2006.

Condominium sales have represented approximately 25 percent of all home sales in the HMA since the mid-2000s, with approximately one-half of all sales occurring in the cities of Oxnard, Ventura, and Thousand Oaks (Metrostudy, A Hanley Wood Company, with adjustments by the analyst). During the 12 months ending April 2015, condominium sales declined by 75 homes, or 4 percent, to 2,000 homes sold. The overall decline resulted from decreases in regular resale and REO sale of condominiums by 60 homes each. New condominium sales, however, increased 34 percent, to 180 homes sold. The average condominium sales price increased 10 percent, to \$382,000, led by a 21-percent increase in the price of new condominiums to \$445,900. Despite the increase in price, condominiums remain a more affordable option for homeowners in the HMA. Since 2001, condominium construction has accounted for approximately 19 percent of all multifamily units permitted, or an average of 160 units a year. Condominium construction has been concentrated in the cities of Ventura and Oxnard since 2008, accounting for approximately 65 percent of all condominium development in the HMA. Recently completed condominium developments include 36 units at the Ventura Orchard Collection in 2014, with prices that start at \$375,000. Developments that are expected to

begin construction later in 2015 include Anacapa, with 70 townhome-style units along the coast in Oxnard.

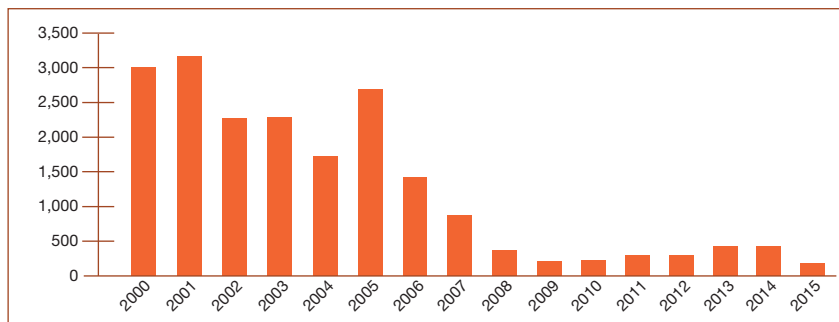
As the sales housing market improved in 2012, the rate of seriously delinquent (90 or more days delinquent or in foreclosure) home loans and REO properties in the HMA decreased and is low compared with the rates in other parts of California. As of April 2015, 1.6 percent of home loans in the HMA were seriously delinquent or had transitioned into REO status, down from 2.0 percent in April 2014 (Black Knight Financial Services, Inc.). The current rate for the HMA is lower than the 2.0-percent rate for California and the 4.2-percent rate for the nation. Since 2007, approximately 40 percent of REO sales in the HMA have been in the cities of Oxnard and Simi Valley, areas that had the largest proportion of sales in 2005 and 2006 (Metrostudy, A Hanley Wood Company).

Despite improved sales market conditions, homebuilding activity, as measured by the number of single-family homes permitted, remains at low levels compared with levels in the early-to-mid 2000s. From 2000 through 2005, an average of 2,525 homes were permitted annually before permitting declining 43 percent, to 1,425 units, in 2006 (Figure 7). The sales market was

tightest in 2005, and although sales market conditions were relatively strong during 2006, the level of net out-migration by 2006 had suppressed housing development. By 2007, economic and sales market conditions had weakened considerably and an average of 410 homes were permitted a year from 2007 through 2010. Despite an improvement in the sales market that started in 2011, the number of single-family homes permitted has remained at low levels since 2010 partially because of SOAR restrictions on where development can occur. From 2011 through 2014, homebuilding activity averaged 360 homes permitted a year. During the 12 months ending April 2015, permits were issued for 380 homes compared with 420 homes permitted during the same period a year earlier (preliminary data; analyst estimates).

The largest single-family developments under construction are in Oxnard and Moorpark. RiverPark, a 700-acre master-planned community in Oxnard, is the last remaining area of significant size where housing development can occur in the city. Nearly 2,000 of the eventual 2,500 single-family homes and townhomes have already been completed. The entire development is expected to be complete in the next 3 or 4 years. Within RiverPark, two communities are currently under construction: The Axis, with 91 single-family homes with prices starting in the upper \$300,000s, and The District, with 113 single-family homes that start in the mid-\$400,000s. In addition, a significant amount of single-family development is occurring in Moorpark. During the past year, the city of Moorpark accounted for 20 percent of all single-family homes permitted in the HMA. The Cherry Hill development

**Figure 7. Single-Family Homes Permitted in the Ventura County HMA,\* 2000 to Current**



\* Oxnard-Thousand Oaks-Ventura HMA.

Notes: Includes townhomes. Current includes data through April 2015.

Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

in Moorpark was completed in early 2015, with 46 single-family residences. Prices for homes at Cherry Hill start in the mid-\$700,000s. Additional development is occurring in the Moorpark Highlands master-planned community. The Pardee Homes community of Moorpark Highlands began in 2014 with 13 homes completed of 133 plan-

ned single-family homes at buildout; prices start at \$600,000. The Pinnacle at Moorpark Highlands, with prices starting at \$900,000, will have 132 single-family homes at buildout. Fifty homes have been completed.

During the next 3 years, demand is estimated for 2,375 new homes in the HMA (Table 1). Demand is expected to increase slightly from 650 homes during the first year of the 3-year forecast period to 930 homes during the third year of the forecast period. The 240 homes currently under construction will meet a portion of demand during the first year. In addition, some of the estimated 8,600 other vacant units in the HMA may return to the sales market and satisfy a portion of the demand. Table 4 shows estimated demand by price range.

**Table 4.** Estimated Demand for New Market-Rate Sales Housing in the Ventura County HMA\* During the Forecast Period

Price Range (\$)		Units of Demand	Percent of Total
From	To		
375,000	495,999	830	35.0
496,000	616,999	600	25.0
617,000	737,999	360	15.0
738,000	858,999	240	10.0
859,000	979,999	240	10.0
980,000	and higher	120	5.0

\* Oxnard-Thousand Oaks-Ventura HMA.

Notes: The 240 homes currently under construction and a portion of the estimated 8,600 other vacant units in the HMA will likely satisfy some of the forecast demand. The forecast period is May 1, 2015, to May 1, 2018.

Source: Estimates by analyst

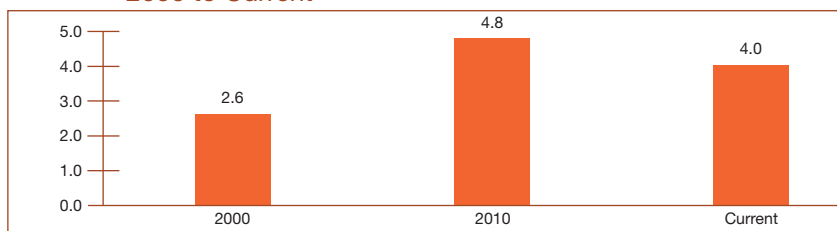
## Rental Market

The rental housing market in the Ventura County HMA is tight. The overall rental vacancy rate currently is estimated at 4.0 percent, down from 4.8 percent in 2010 (Figure 8) because renter household growth exceeded the development of rental units and the conversion of sales units to the rental market. The apartment market is tight throughout the HMA. The apartment vacancy rate was 3.0 percent during

the first quarter of 2015 compared with 3.2 percent during the first quarter of 2014, and market rents increased 4 percent, from \$1,481 to \$1,540 (MPF Research). In the cities of Oxnard and Ventura, the vacancy rates were 2.3 and 2.4 percent, respectively. The average market rent for apartments in the city of Oxnard and Ventura increased 4 percent each, to \$1,396 and \$1,537, respectively, from a year earlier.

Approximately 47 percent of single-family homes in the HMA were rentals in 2013 (2013 American Community Survey 1-year data), up from 44 percent in 2000 (2000 Census). The greater percentage of single-family homes for rent partly resulted from an increase in investor purchases of distressed homes for rental use. Apartments accounted for most of the remaining rental housing stock in 2013, or approximately 52 percent.

**Figure 8.** Rental Vacancy Rates in the Ventura County HMA,\* 2000 to Current



\* Oxnard-Thousand Oaks-Ventura HMA.

Note: The current date is May 1, 2015.

Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analyst

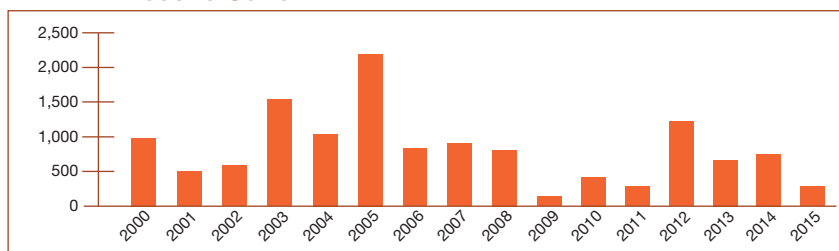
Approximately 50 percent of all apartment construction activity in the HMA since 2000 has occurred in the city of Oxnard, with another 40 percent occurring in the cities of Ventura, Camarillo, and Thousand Oaks. In Port Hueneme, the strong military presence since the 1950s has supported economic growth and resulted in commercial and residential development that was needed to accommodate increased military and civilian households. The city is currently built out, with virtually no development other than on infill. Within the HMA, demand for military housing is met by 530 privatized military housing units on the base and by a number of rental homes in the city of Port Hueneme. Military households currently make up an estimated 3 percent of renter households in the HMA and 40 percent in the city of Port Hueneme.

Since 2000, multifamily permitting activity has fluctuated, but recent activity has not fully regained the peak levels attained during the early-to-mid 2000s, as household and employment growth have also not returned to peak levels. Multifamily permitting averaged 680 units a year from 2000 through 2002 before increasing to a decade-high average of 1,575 units a year from 2003 through 2005 (Figure 9). Approximately 19 percent of the multifamily units constructed since 2001 have

been condominiums; condominium construction reached a peak in 2005 at 24 percent of multifamily development. Multifamily construction activity began to slow during 2006 because of a slowing of both apartment and condominium construction and in response to net out-migration that affected household growth. The number of multifamily units permitted averaged 850 annually from 2006 through 2008 before declining further to an average of 290 annually from 2009 through 2011. This 3-year period of significantly lower levels of multifamily development led to a tightening of apartment market conditions, and, by 2012, multifamily development began to increase in response to the market. From 2012 through 2014, multifamily development averaged 880 units permitted annually. During the 12 months ending April 2015, 1,000 units were permitted compared with 500 units permitted during the previous year (CB Richard Ellis; U.S. Census Bureau; local planning offices; U.S. Department of Housing and Urban Development). During the past year, nearly 60 percent of all apartment construction has been concentrated in Oxnard.

Approximately 500 affordable housing units have been either completed or planned in the HMA in the past year, and this segment of the rental market remains the tightest. The vacancy rate for low-income housing tax credit (LIHTC) housing was estimated to be 1.0 percent, with waiting lists that ranged from 1 to 5 years. The HMA currently has approximately 4,550 LIHTC units. Affordable developments under way include the first and second phases of Las Cortes in the city of Oxnard, with 207 units. The first phase, Terraza de Las Cortes, is expected to

**Figure 9.** Multifamily Units Permitted in the Ventura County HMA,\* 2000 to Current



\* Oxnard-Thousand Oaks-Ventura HMA.

Notes: Excludes townhomes. Current includes data through April 2015.

Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

be complete by 2016, with the second phase completed during the following year.

Additional apartment developments, both affordable and market rate, are under way in the RiverPark master-planned community. The Serenade at RiverPark was completed in 2014 with 400 market-rate units and rents that start at \$1,600 for a one-bedroom unit, \$1,800 for a two-bedroom unit, and \$2,200 for a three-bedroom unit.

Tempo RiverPark, currently under construction with 235 market-rate units, is expected to be complete by late 2015. Finally, Sonata at RiverPark is expected to begin construction in late 2015, adding 53 LIHTC units when complete in 2016. For the HMA as a whole, apartment rents for newly constructed, market-rate one-, two-, and three-bedroom units start at \$1,600, \$1,800, and \$2,200, respectively.

During the 3-year forecast period, demand is estimated for 1,825 new rental units in the HMA (Table 1). The 640 units currently under construction will satisfy all the rental housing demand during the first year of the forecast period. Demand is expected to increase gradually from 620 to 650 units a year during the second and third years of the forecast. Table 5 shows estimated demand for new market-rate rental housing in the HMA by rent level and number of bedrooms.

**Table 5.** Estimated Demand for New Market-Rate Rental Housing in the Ventura County HMA\* During the Forecast Period

One Bedroom		Two Bedrooms		Three or More Bedrooms	
Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand
1,600 to 1,799	320	1,800 to 1,999	490	2,200 to 2,399	380
1,800 to 1,999	110	2,000 to 2,199	200	2,400 to 2,599	110
2,000 or more	25	2,200 or more	120	2,600 or more	55
<b>Total</b>	<b>450</b>	<b>Total</b>	<b>820</b>	<b>Total</b>	<b>550</b>

\* Oxnard-Thousand Oaks-Ventura HMA.

Notes: Numbers may not add to totals because of rounding. The 640 units currently under construction will likely satisfy some of the estimated demand. The forecast period is May 1, 2015, to May 1, 2018.

Source: Estimates by analyst

## Data Profile

**Table DP-1.** Ventura County HMA\* Data Profile, 2000 to Current

	2000	2010	Current	Average Annual Change (%)	
				2000 to 2010	2010 to Current
Total resident employment	375,180	383,788	403,200	0.2	1.1
Unemployment rate	4.5%	10.8%	6.2%		
Nonfarm payroll jobs	276,000	274,700	293,300	0.0	1.5
Total population	753,197	823,318	847,500	0.9	0.6
Total households	243,234	266,920	272,050	0.9	0.4
Owner households	164,380	174,168	172,800	0.6	-0.2
Percent owner	67.6%	65.3%	63.5%		
Renter households	78,854	92,752	99,250	1.6	1.3
Percent renter	32.4%	34.7%	36.5%		
Total housing units	251,712	281,695	286,600	1.1	0.3
Owner vacancy rate	0.9%	1.4%	1.0%		
Rental vacancy rate	2.6%	4.8%	4.0%		
Median Family Income	\$65,300	\$86,100	\$86,700	2.8	0.2

\* Oxnard-Thousand Oaks-Ventura HMA.

Notes: Numbers may not add to totals because of rounding. Employment data represent annual averages for 2000, 2010, and the 12 months through April 2015. Median Family Incomes are for 1999, 2009, and 2013. The current date is May 1, 2015.

Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analyst

## Data Definitions and Sources

2000: 4/1/2000—U.S. Decennial Census  
 2010: 4/1/2010—U.S. Decennial Census  
 Current date: 5/1/2015—Analyst’s estimates  
 Forecast period: 5/1/2015–5/1/2018—Analyst’s estimates

The metropolitan statistical area definition in this report is based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated February 28, 2013.

**Demand:** The demand estimates in the analysis are not a forecast of building activity. They are the estimates of the total housing production needed to achieve a balanced market at the end of the 3-year forecast period given conditions on the as-of date of the analysis, growth, losses, and excess vacancies. The estimates do not account for units currently under construction or units in the development pipeline.

**Other Vacant Units:** In the U.S. Department of Housing and Urban Development’s (HUD’s) analysis, other vacant units include all vacant units that are not available for sale or for rent. The term therefore includes units rented or sold but not occupied; held for seasonal, recreational, or occasional use; used by migrant workers; and the category specified as “other” vacant by the Census Bureau.

**Building Permits:** Building permits do not necessarily reflect all residential building activity that occurs in an HMA. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits.

As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.

For additional data pertaining to the housing market for this HMA, go to [huduser.gov/publications/pdf/CMARtables\\_Oxnard-Thousand\\_Oaks-VenturaCA\\_15.pdf](http://huduser.gov/publications/pdf/CMARtables_Oxnard-Thousand_Oaks-VenturaCA_15.pdf).

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This analysis has been prepared for the assistance and guidance of HUD in its operations. The factual information, findings, and conclusions may also be useful to builders, mortgagees, and others concerned with local housing market conditions and trends. The analysis does not purport to make determinations regarding the acceptability of any mortgage insurance proposals that may be under consideration by the Department.

The factual framework for this analysis follows the guidelines and methods developed by HUD’s Economic and Market Analysis Division. The analysis and findings are as thorough and current as possible based on information available on the as-of date from local and national sources. As such, findings or conclusions may be modified by subsequent developments. HUD expresses its appreciation to those industry sources and state and local government officials who provided data and information on local economic and housing market conditions.

For additional reports on other market areas, please go to [huduser.gov/portal/ushmc/chma\\_archive.html](http://huduser.gov/portal/ushmc/chma_archive.html).