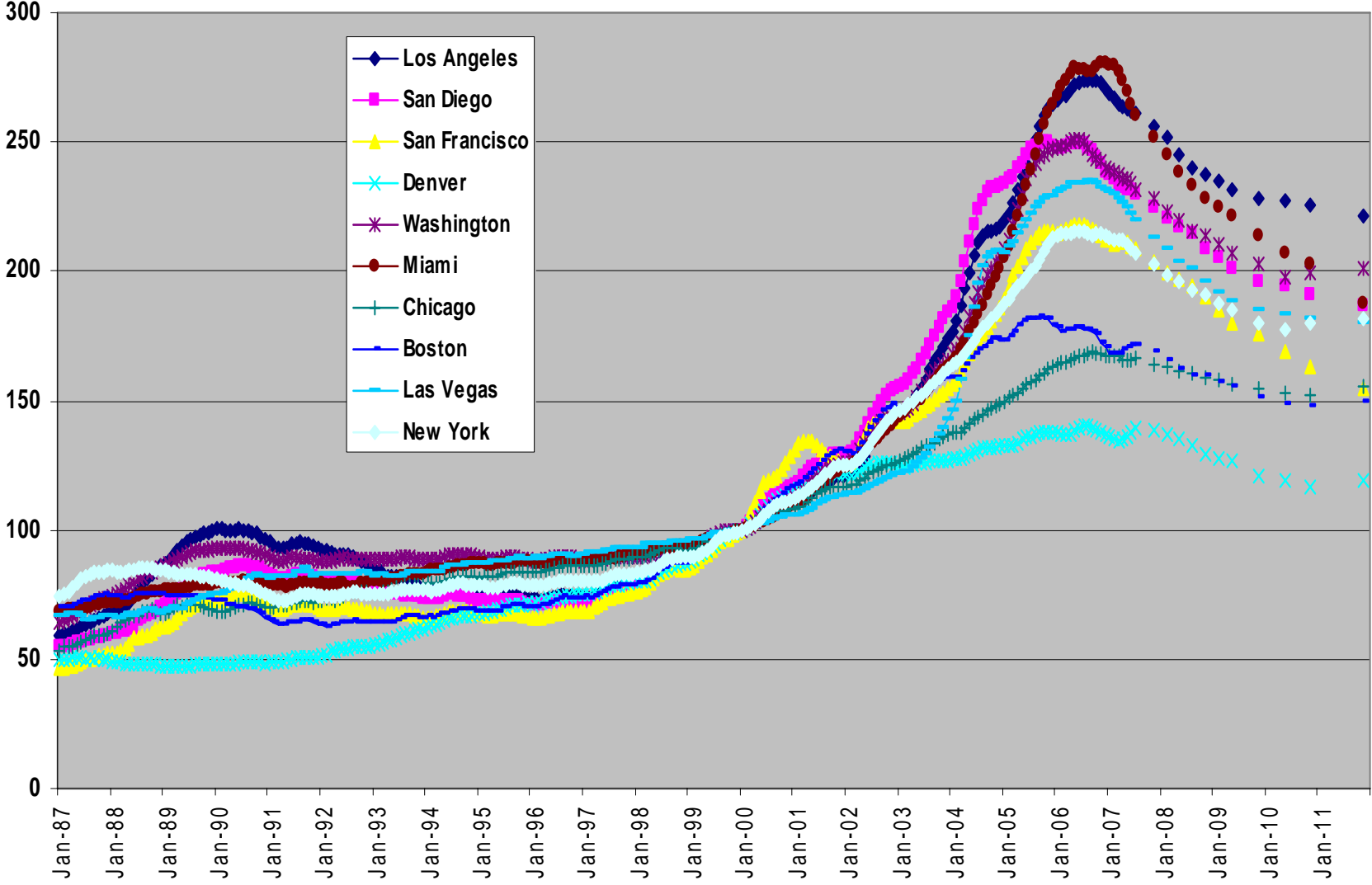


# The San Diego Housing Market: Keys to Affordability and Equitable Work Outs

Norm Miller

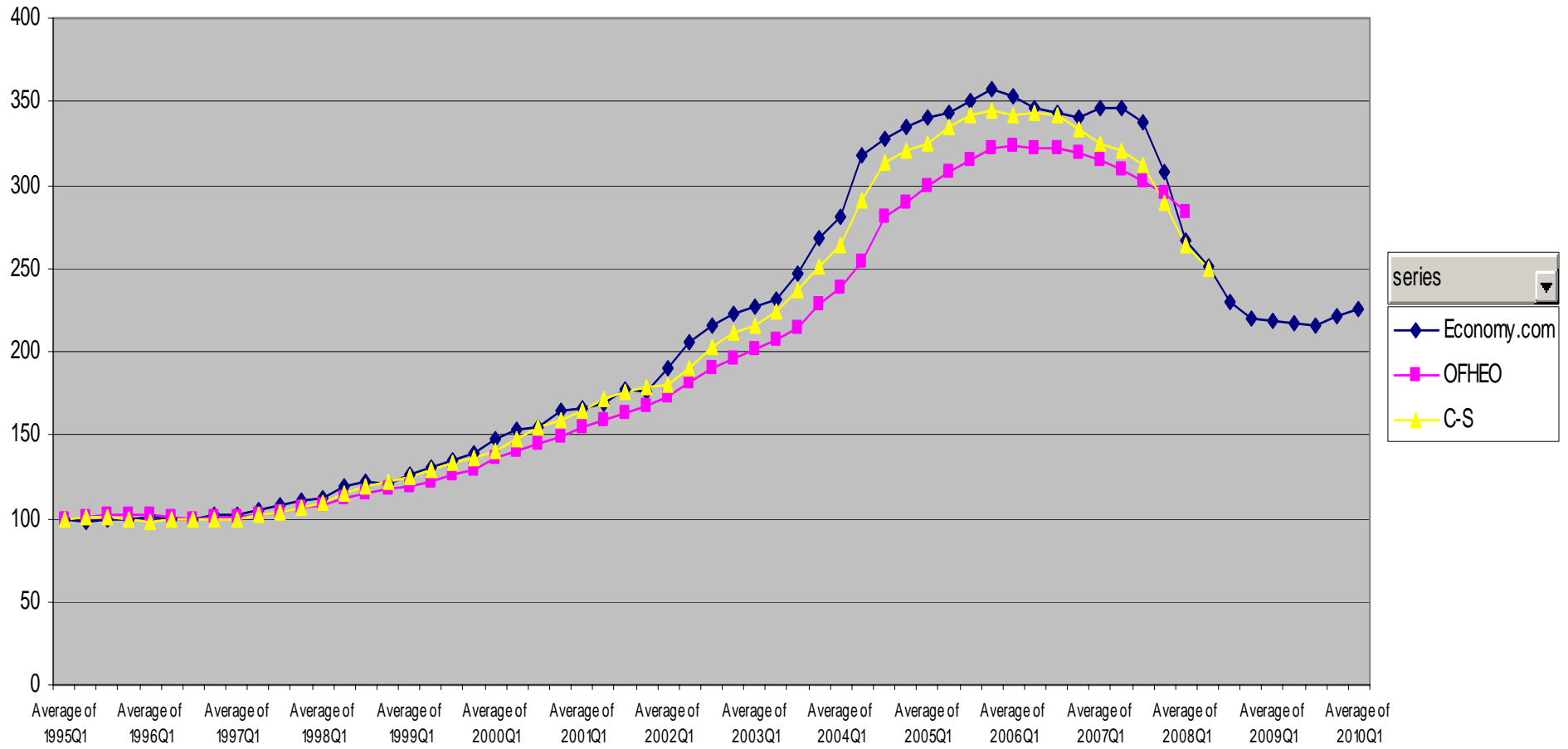
[nmiller@sandiego.edu](mailto:nmiller@sandiego.edu)

C-S Home Price Indexes and CME Futures Prices



Geography: San Diego-Carlsbad-San Marcos, CA

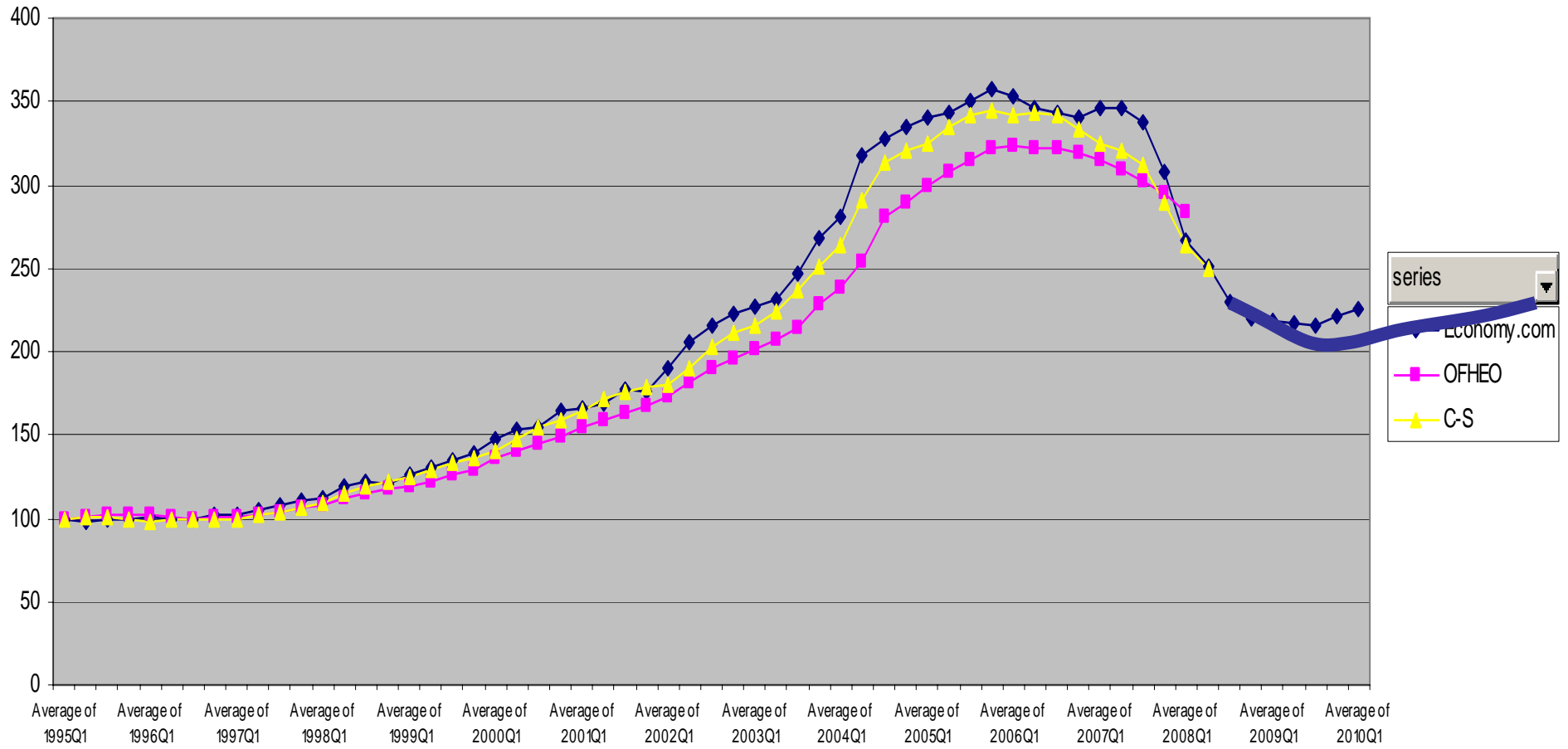
### Economy.com - Case Shiller - OFHEO Index



Data

Geography: San Diego-Carlsbad-San Marcos, CA

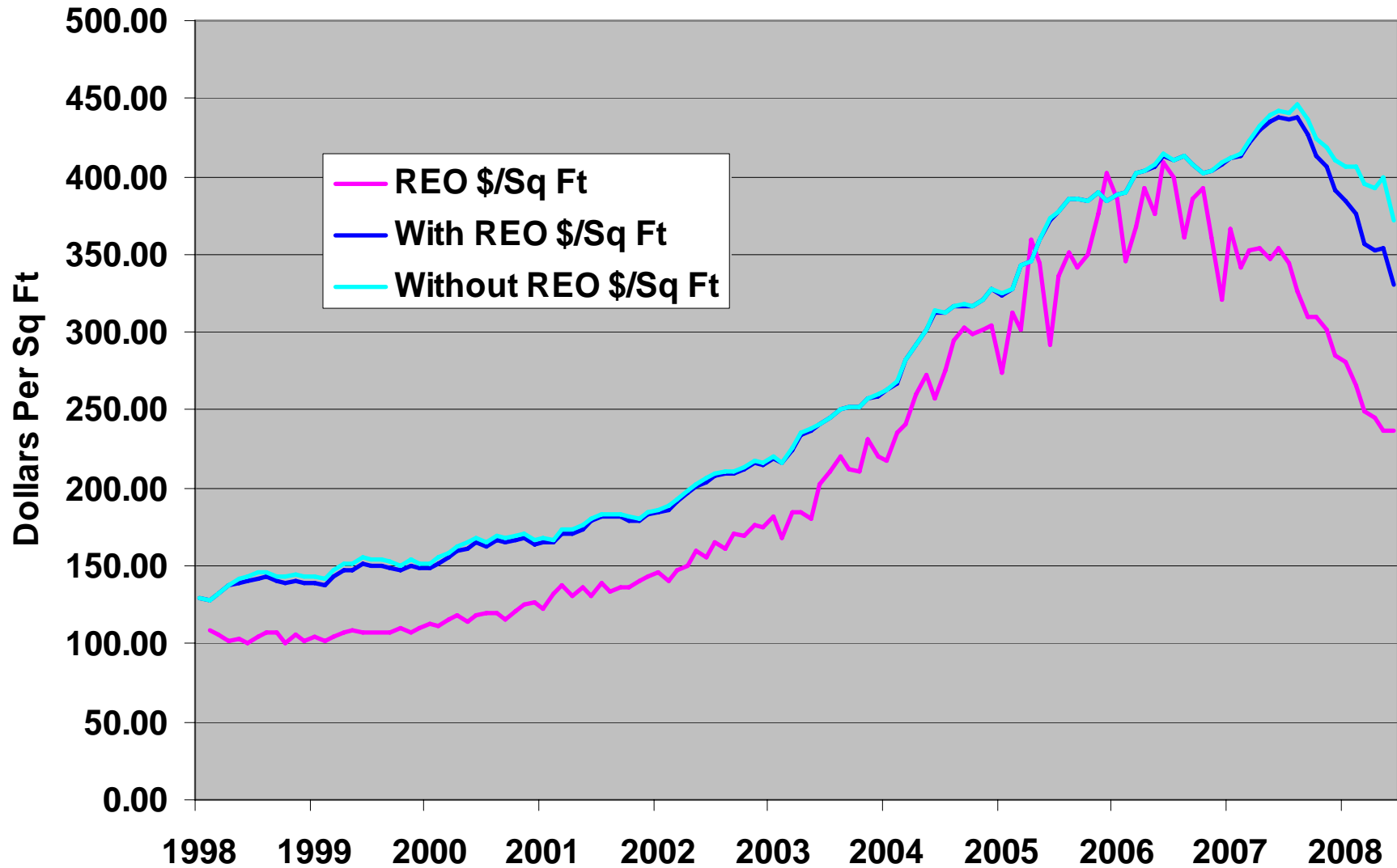
### Economy.com - Case Shiller - OFHEO Index



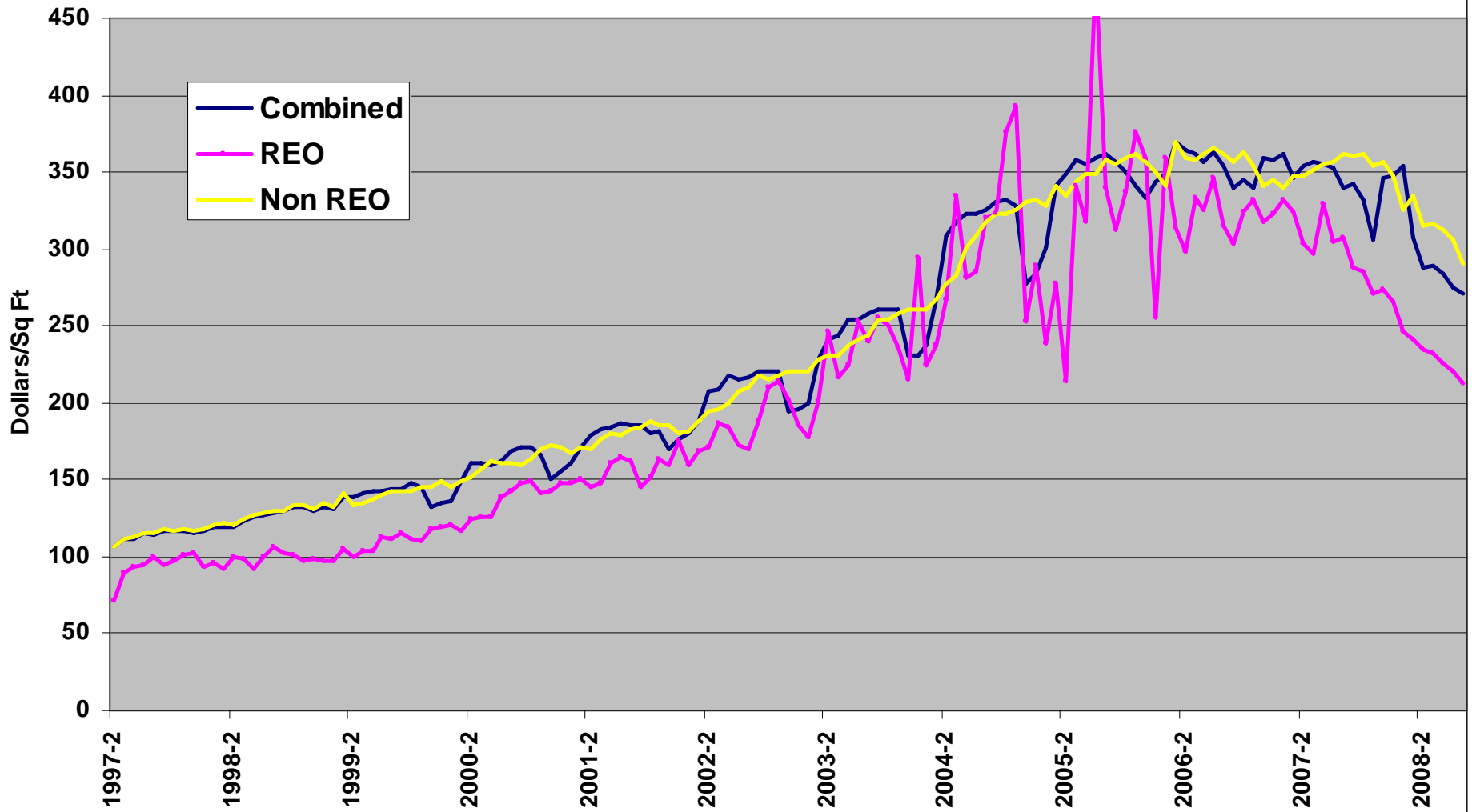
Data

# The Impact of REOs on Indices

# Los Angeles County Single Family Average Sold Price Per Living Area for Regular and REO Sales



# San Diego County Average Single Family Sold Price Per Living Area



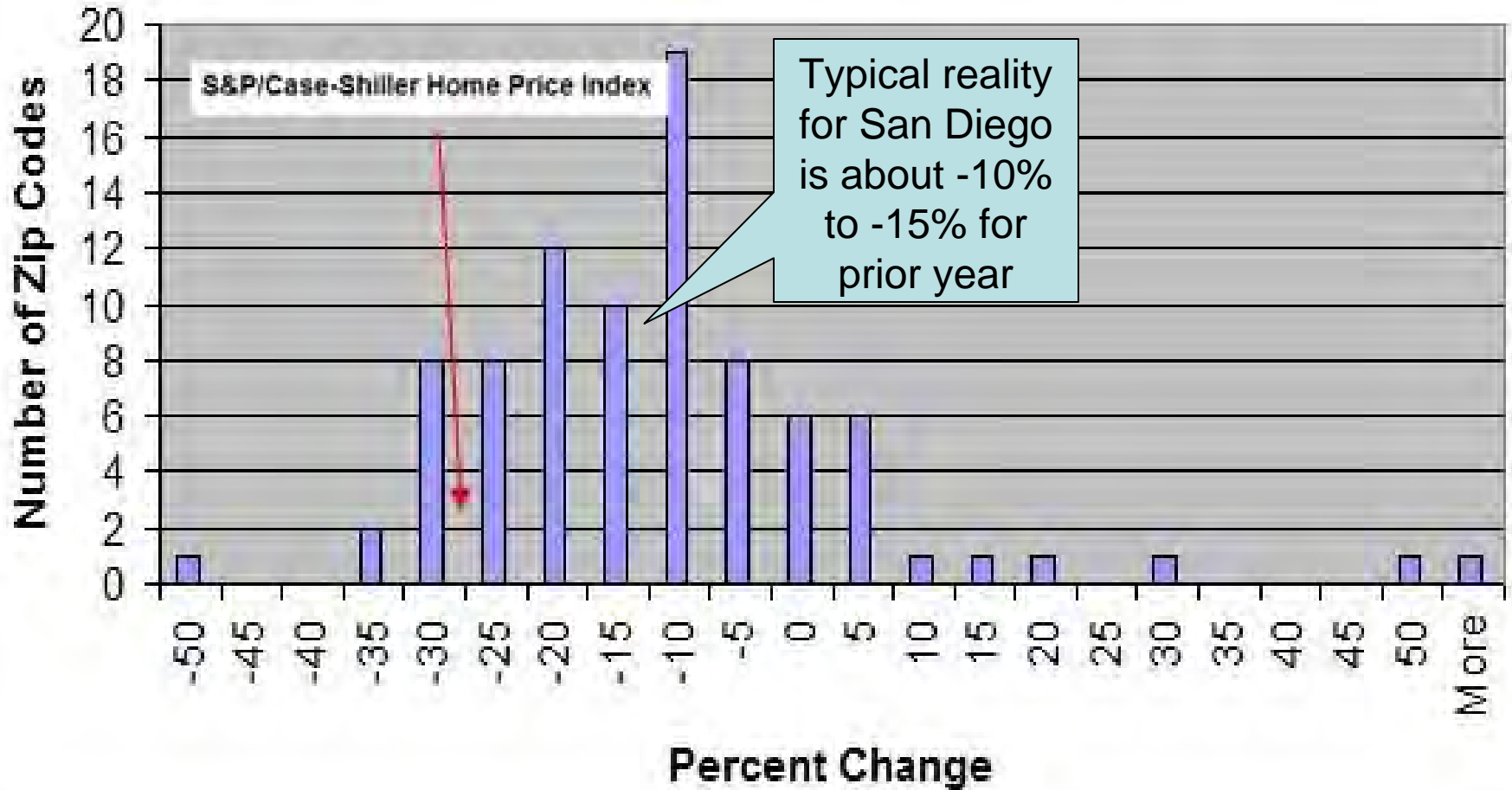
# San Diego County

## Median Price per Living Area 1 year % change by Zip



# San Diego County

## Median Price per Living Area 1 year % change by Zip

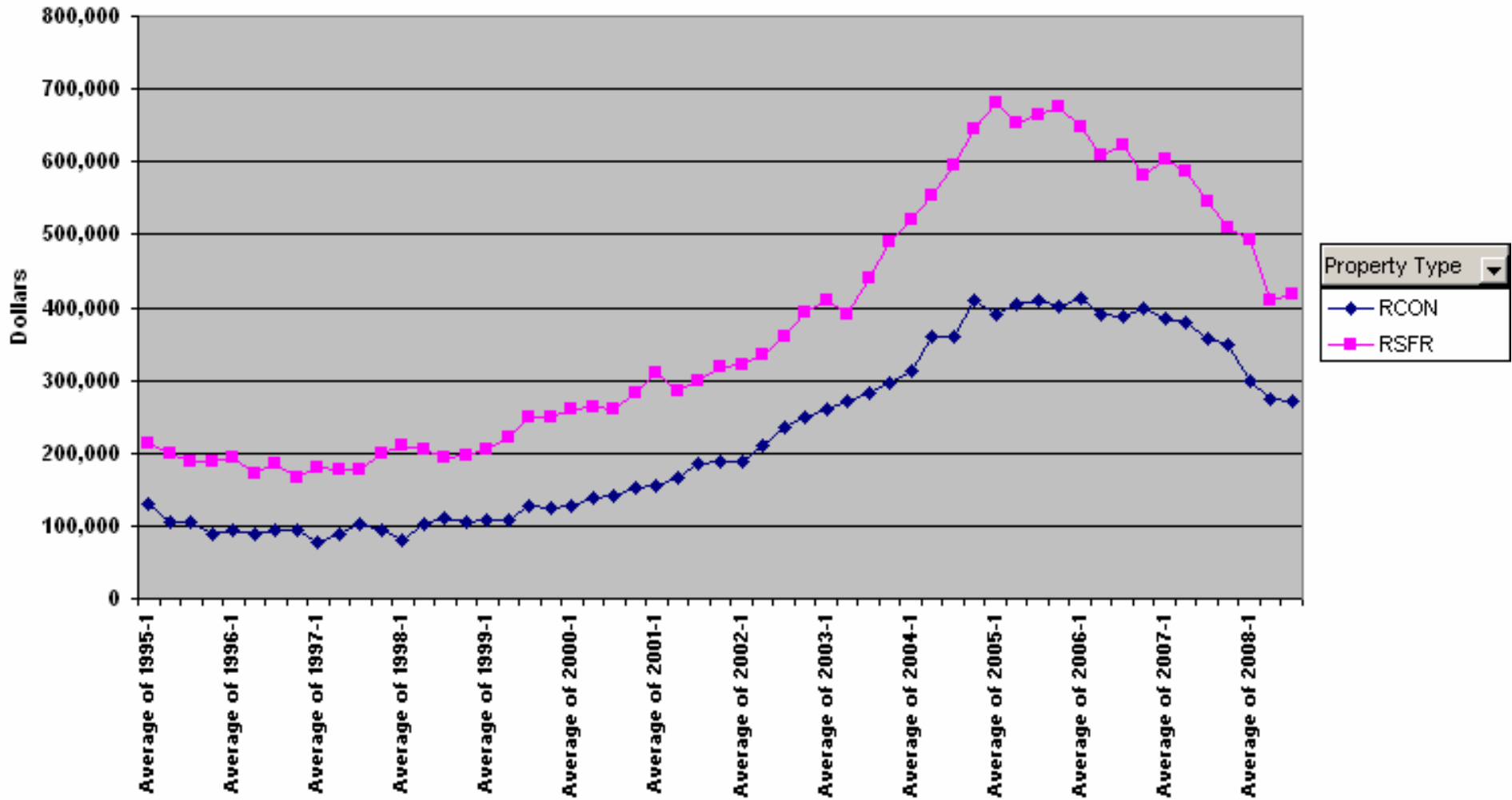


Drilling down on three of the  
worst local zips

ZIP 91913

### Median Price by Zip

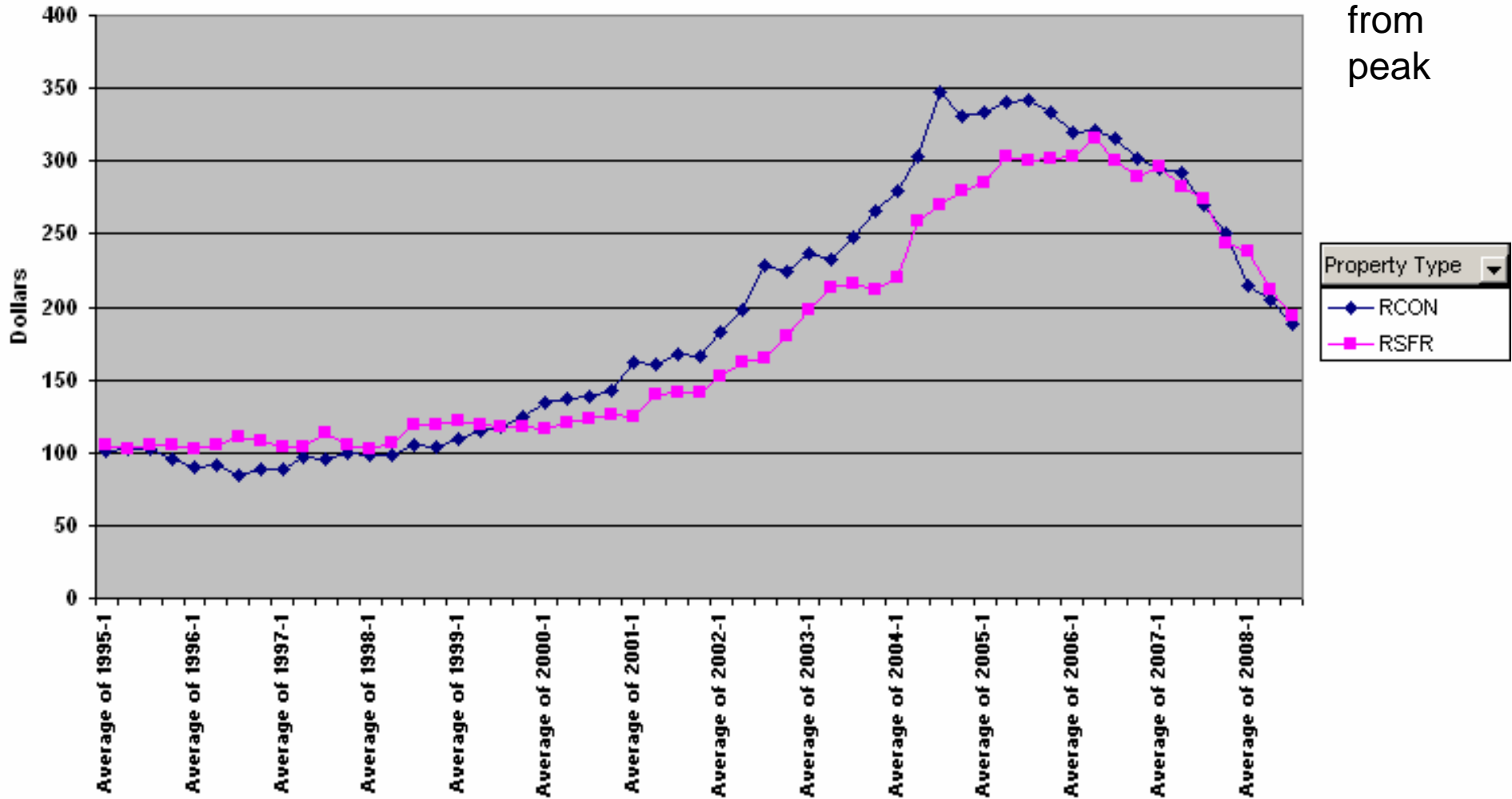
-38% from peak



ZIP 91913

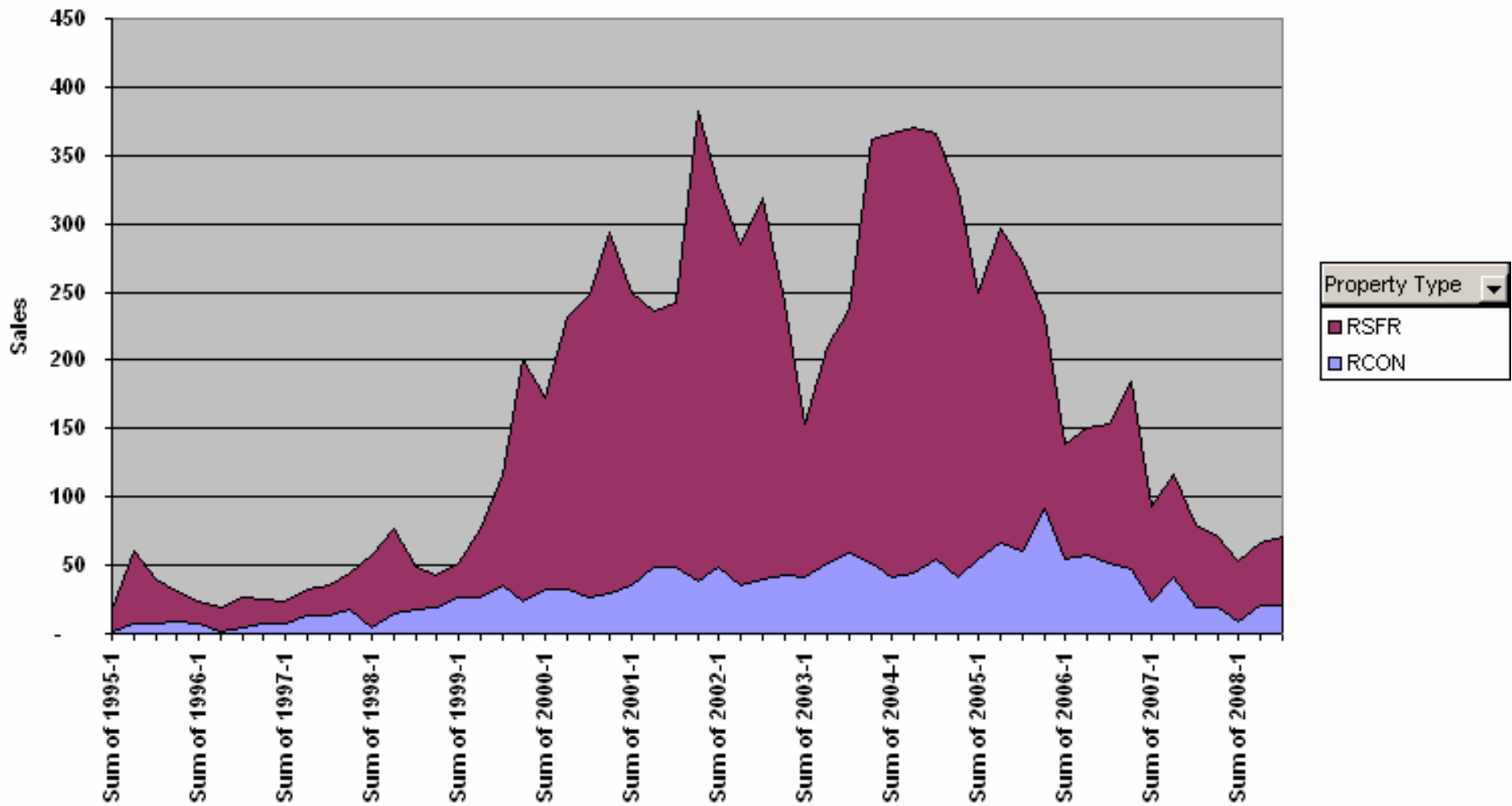
### Median Price per Living Area by Zip

-35.5%  
from  
peak



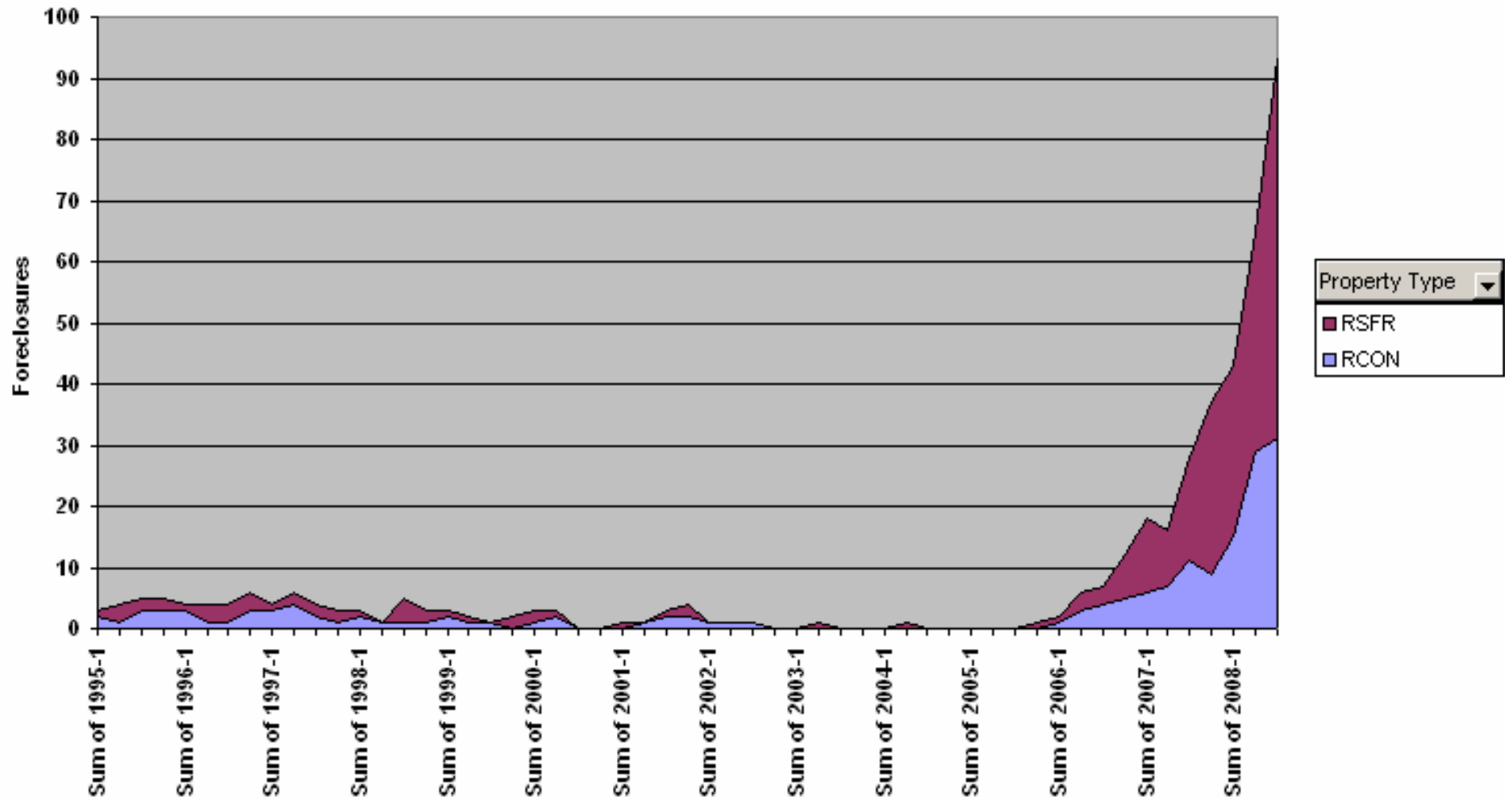
ZIP 91913

### Number of Sales by Zip



ZIP 91913

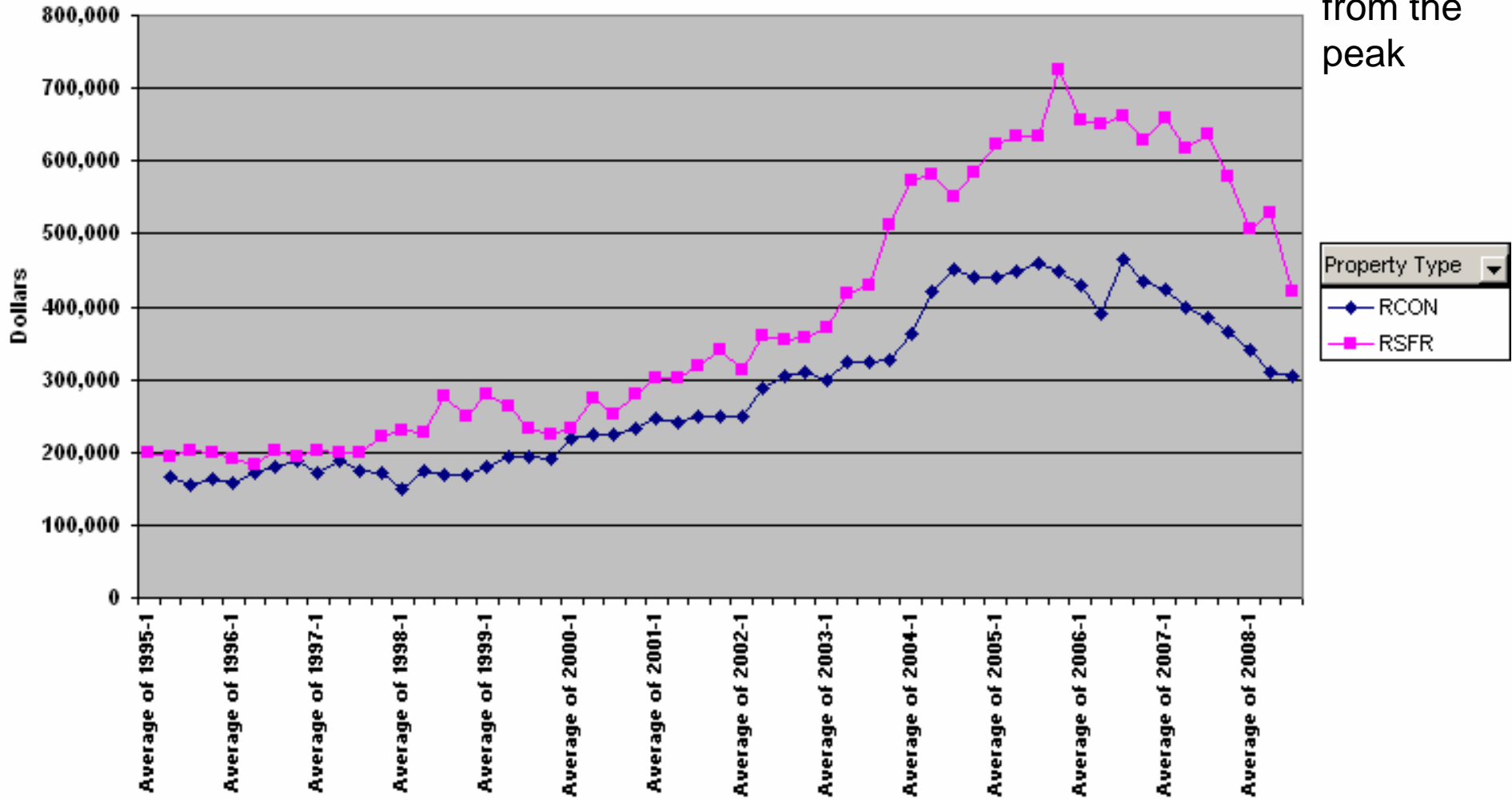
### Number of Foreclosure by Zip



ZIP 91915

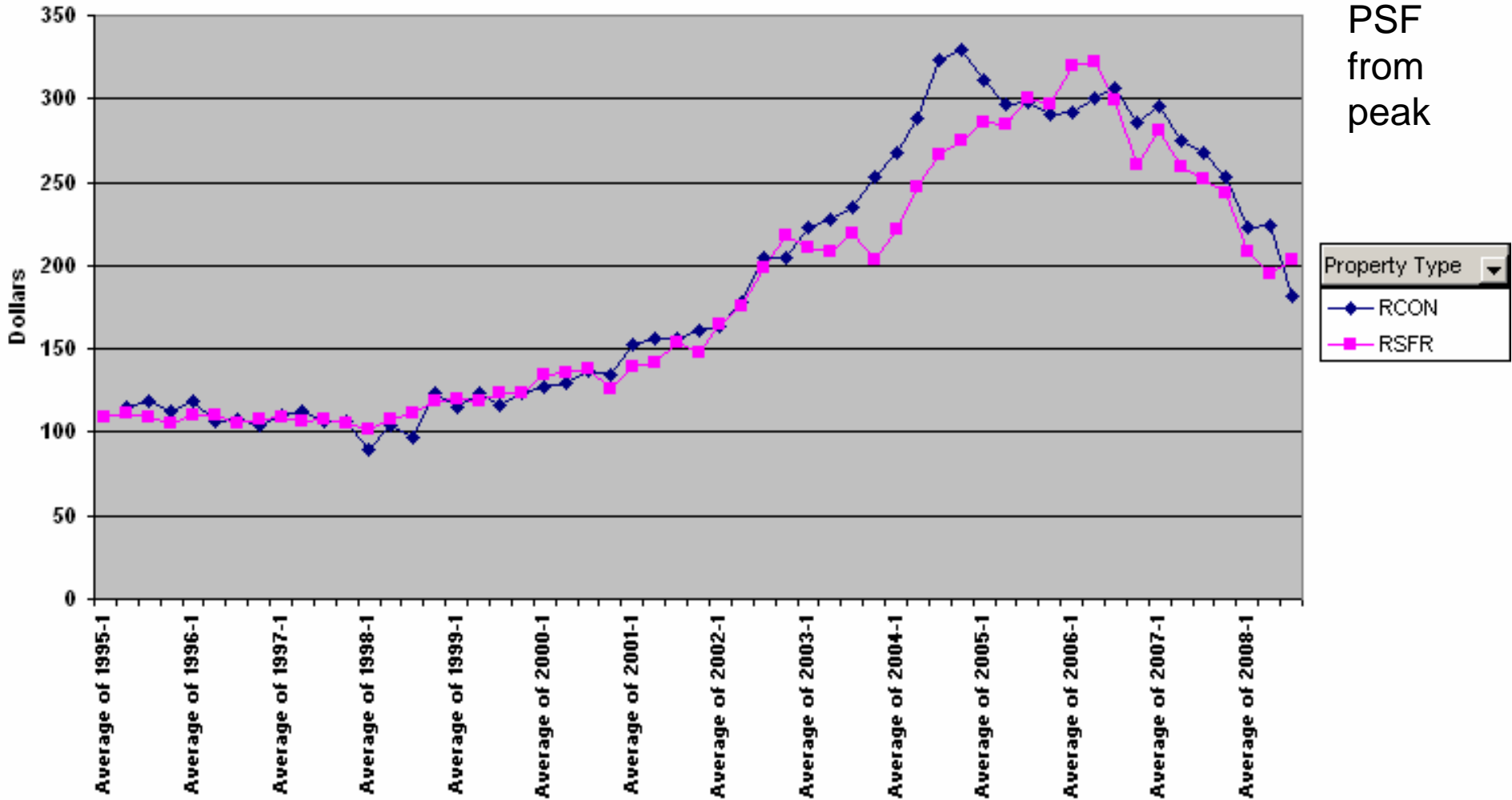
### Median Price by Zip

-42%  
from the  
peak



ZIP 91915

### Median Price per Living Area by Zip



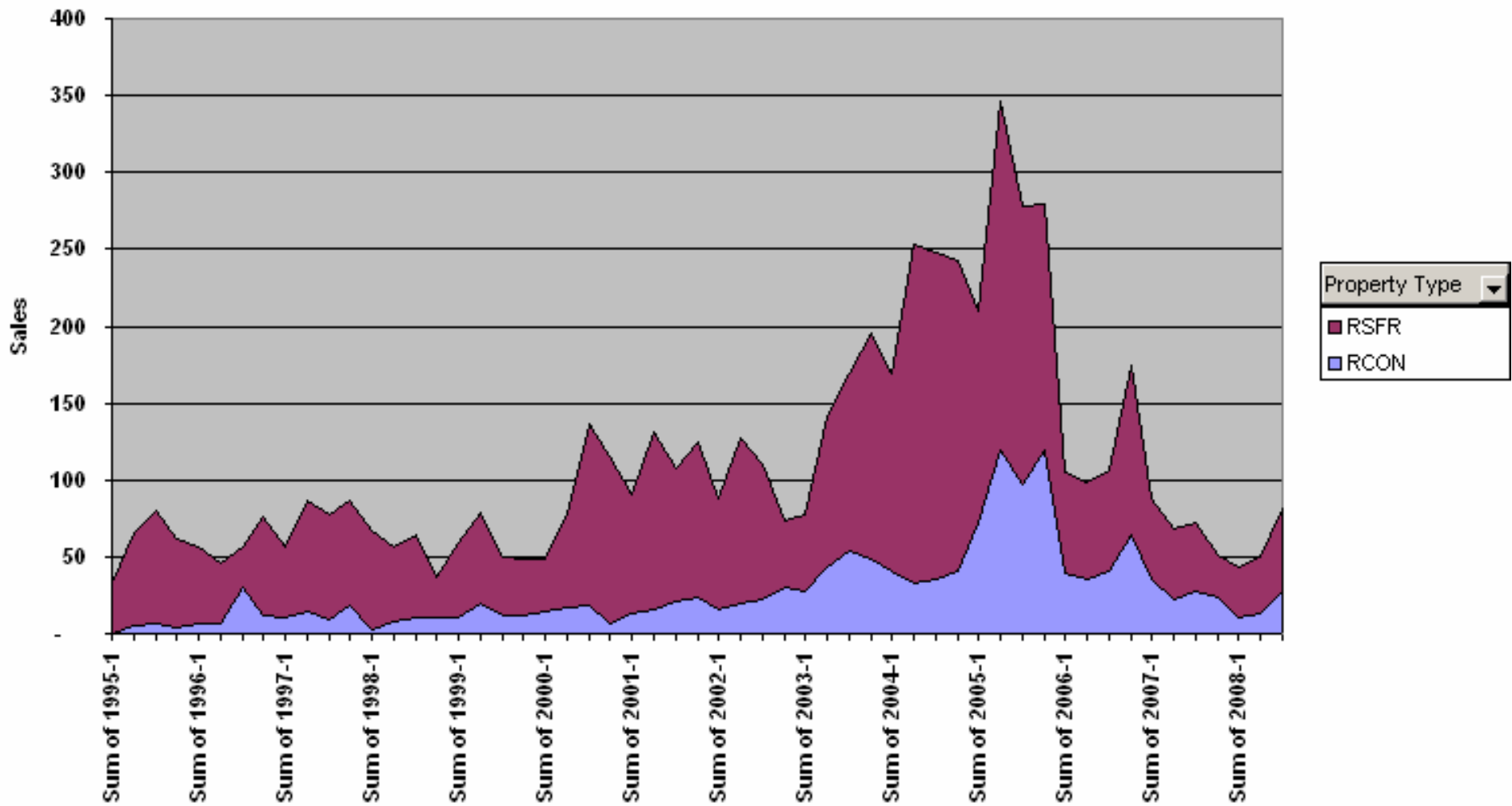
-38.5%  
PSF  
from  
peak

Property Type

- RCON
- RSFR

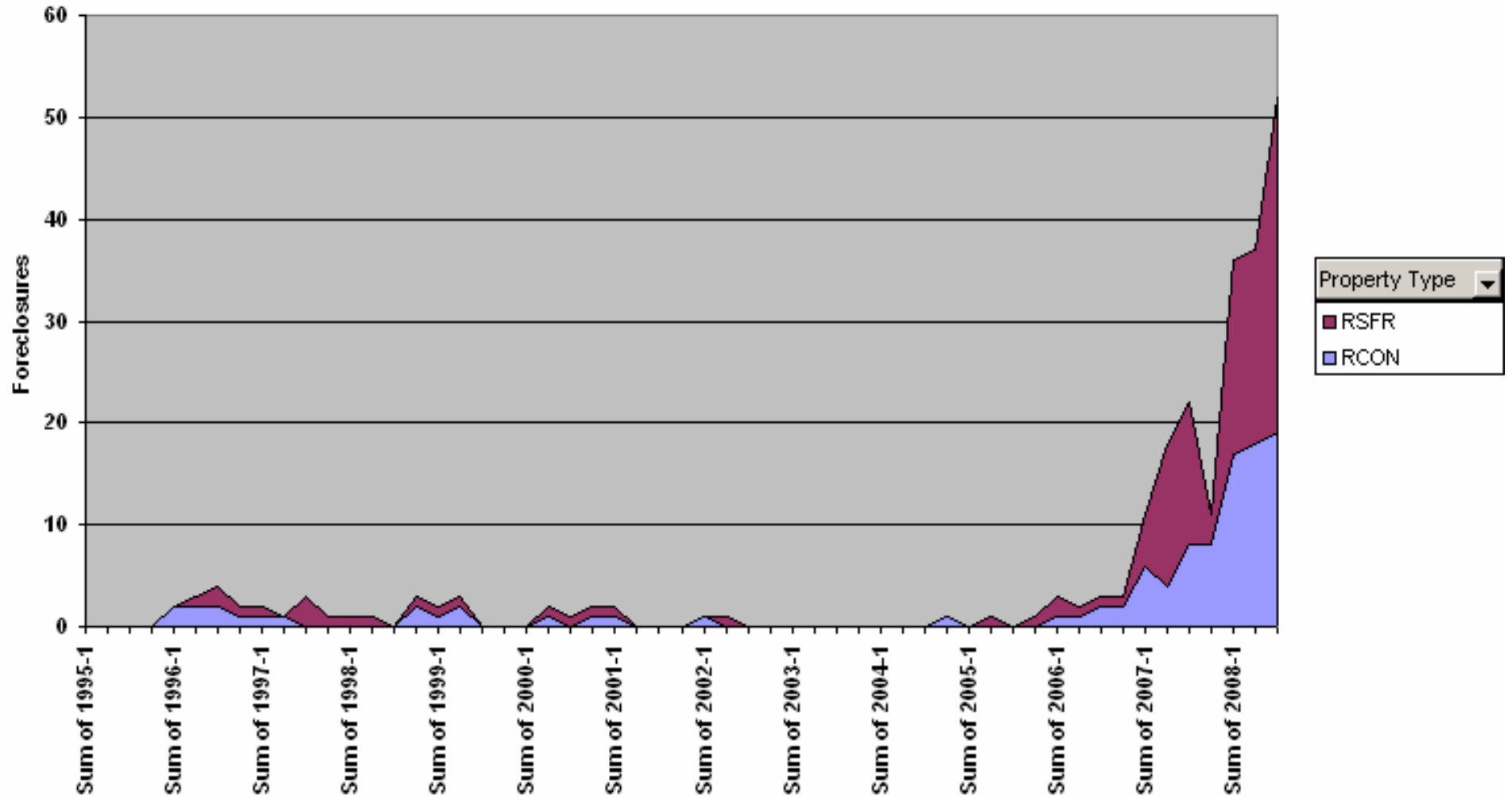
ZIP 91915

### Number of Sales by Zip



ZIP 91915

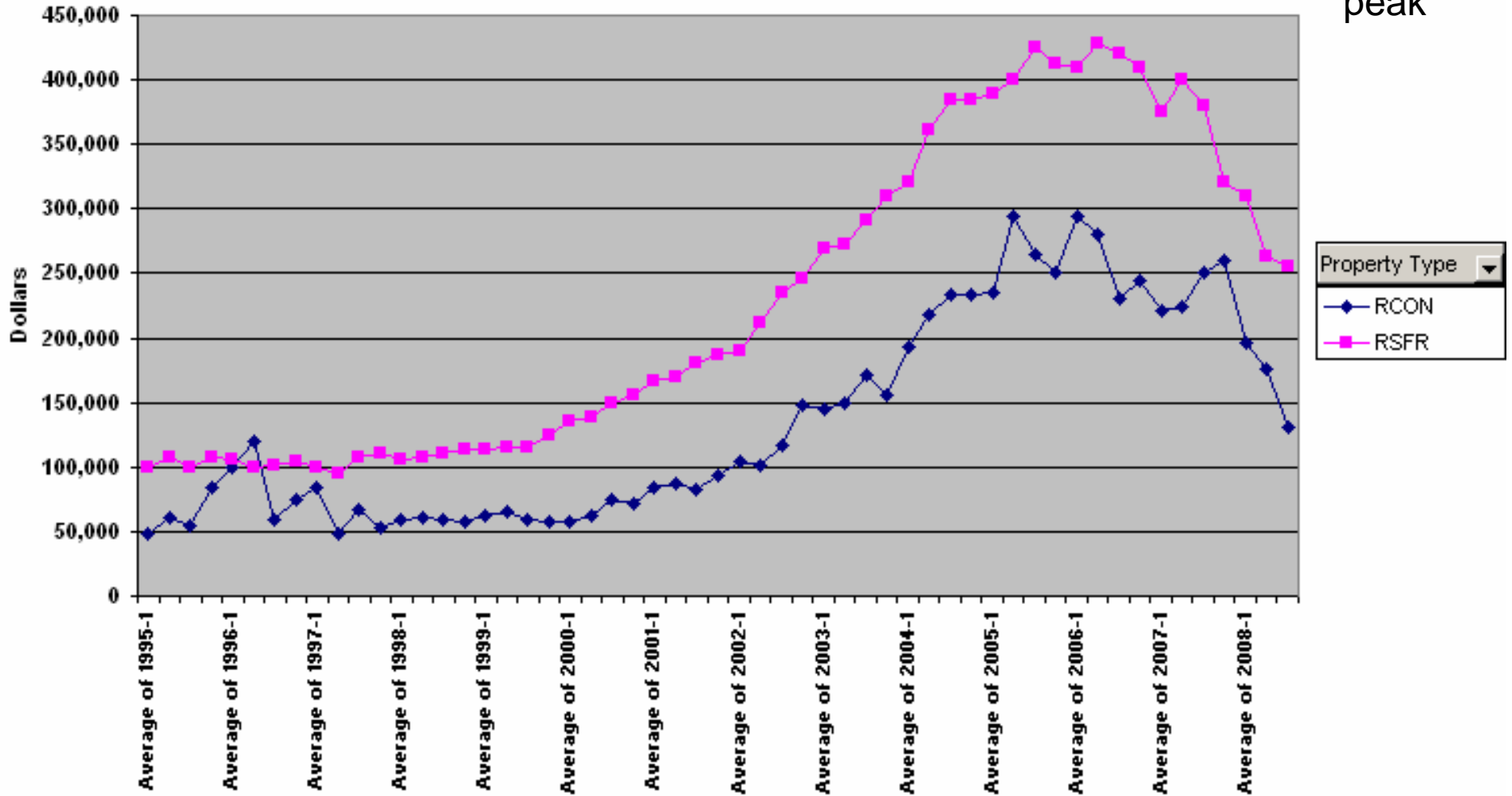
### Number of Foreclosure by Zip



ZIP 92105

### Median Price by Zip

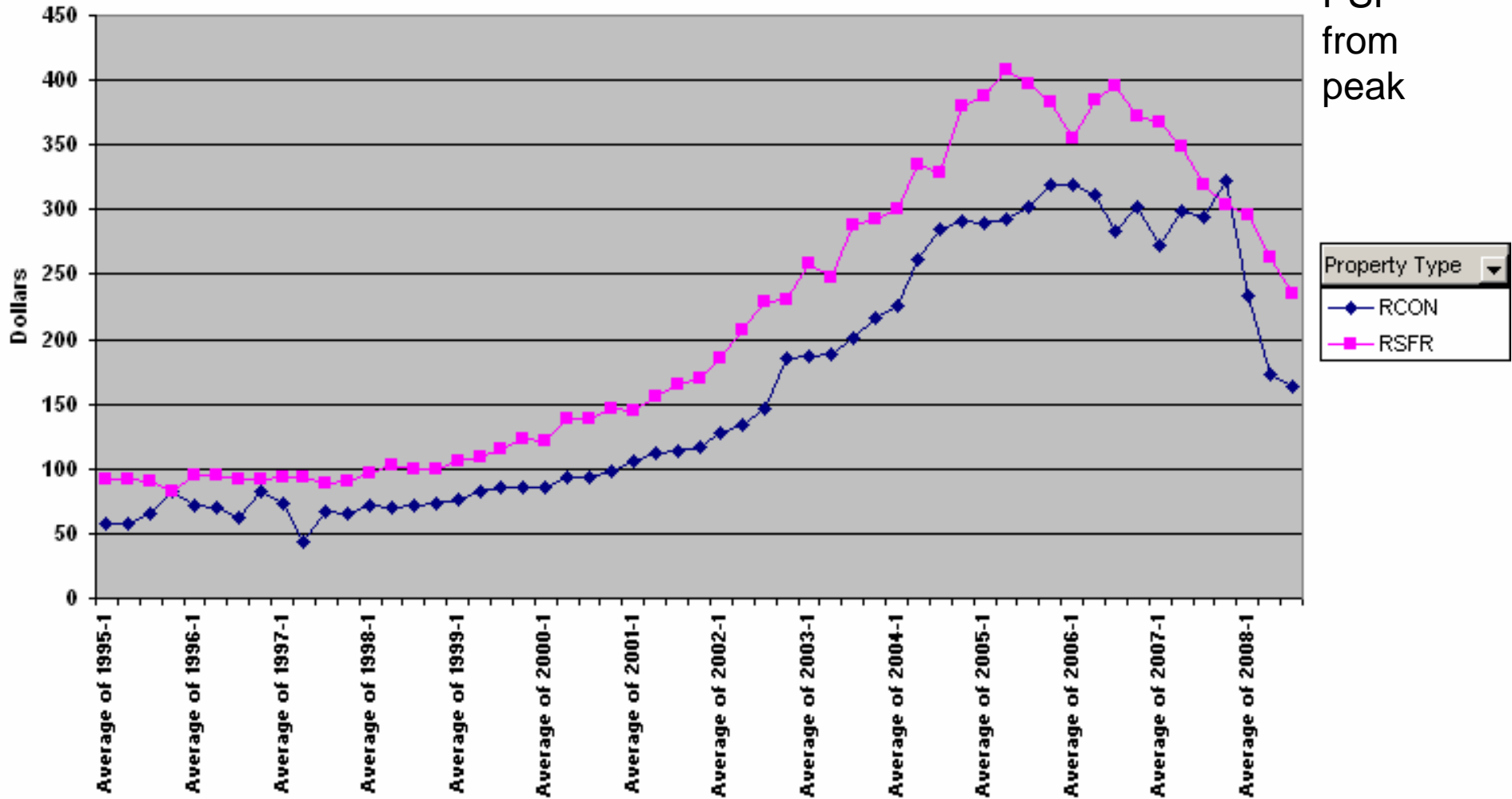
-39%  
from  
peak



ZIP 92105

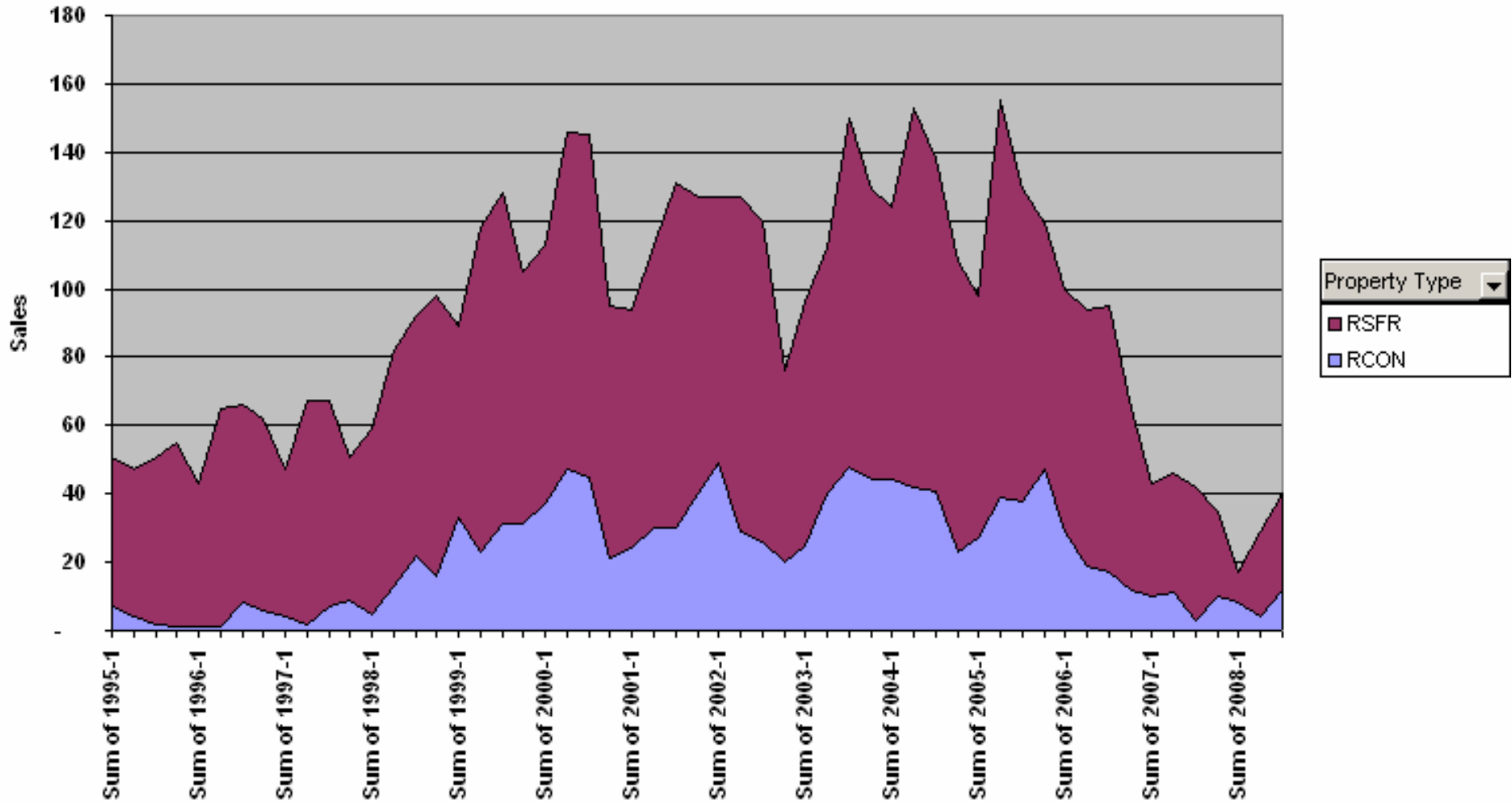
### Median Price per Living Area by Zip

-41%  
PSF  
from  
peak



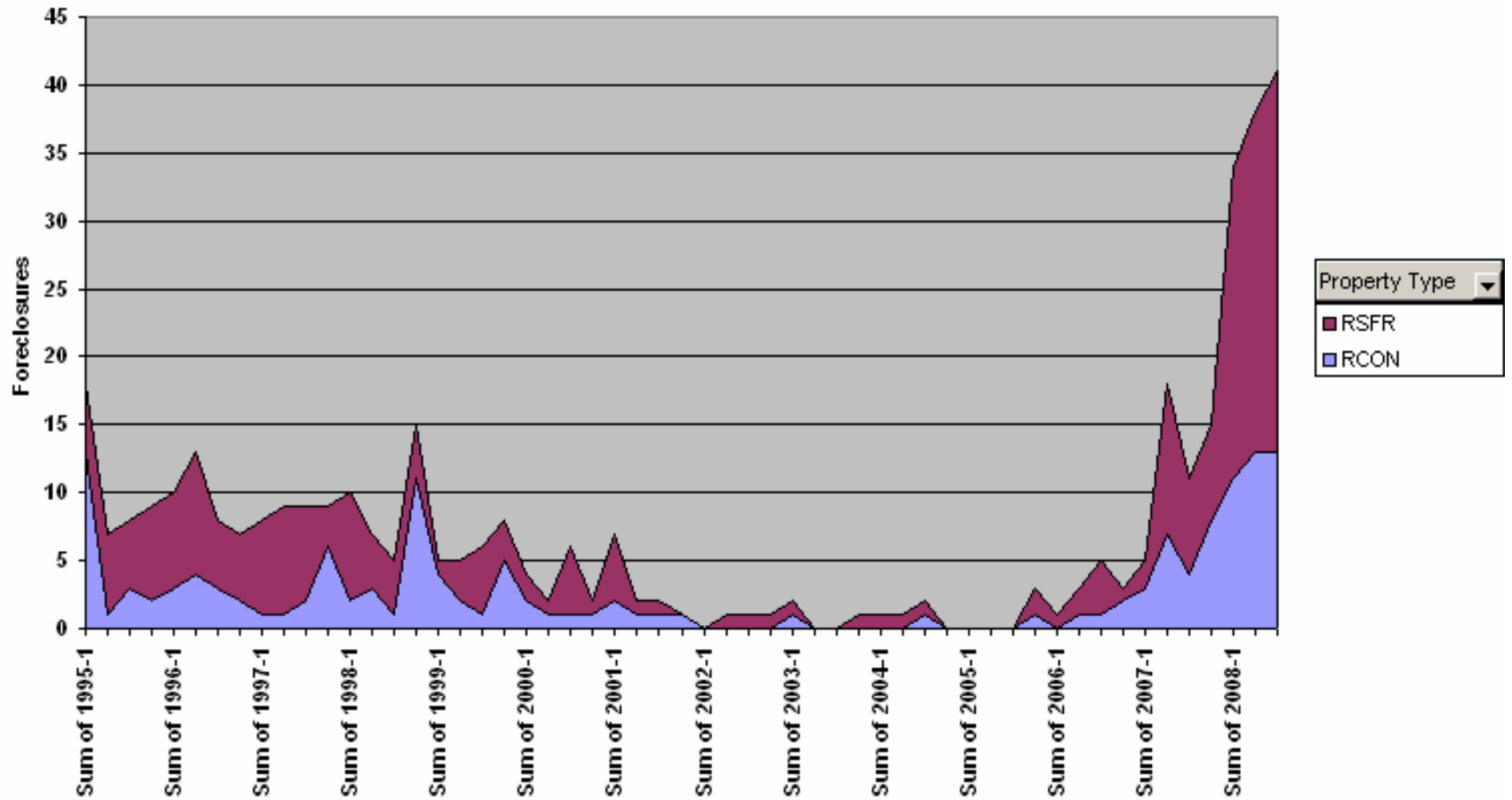
ZIP 92105

### Number of Sales by Zip



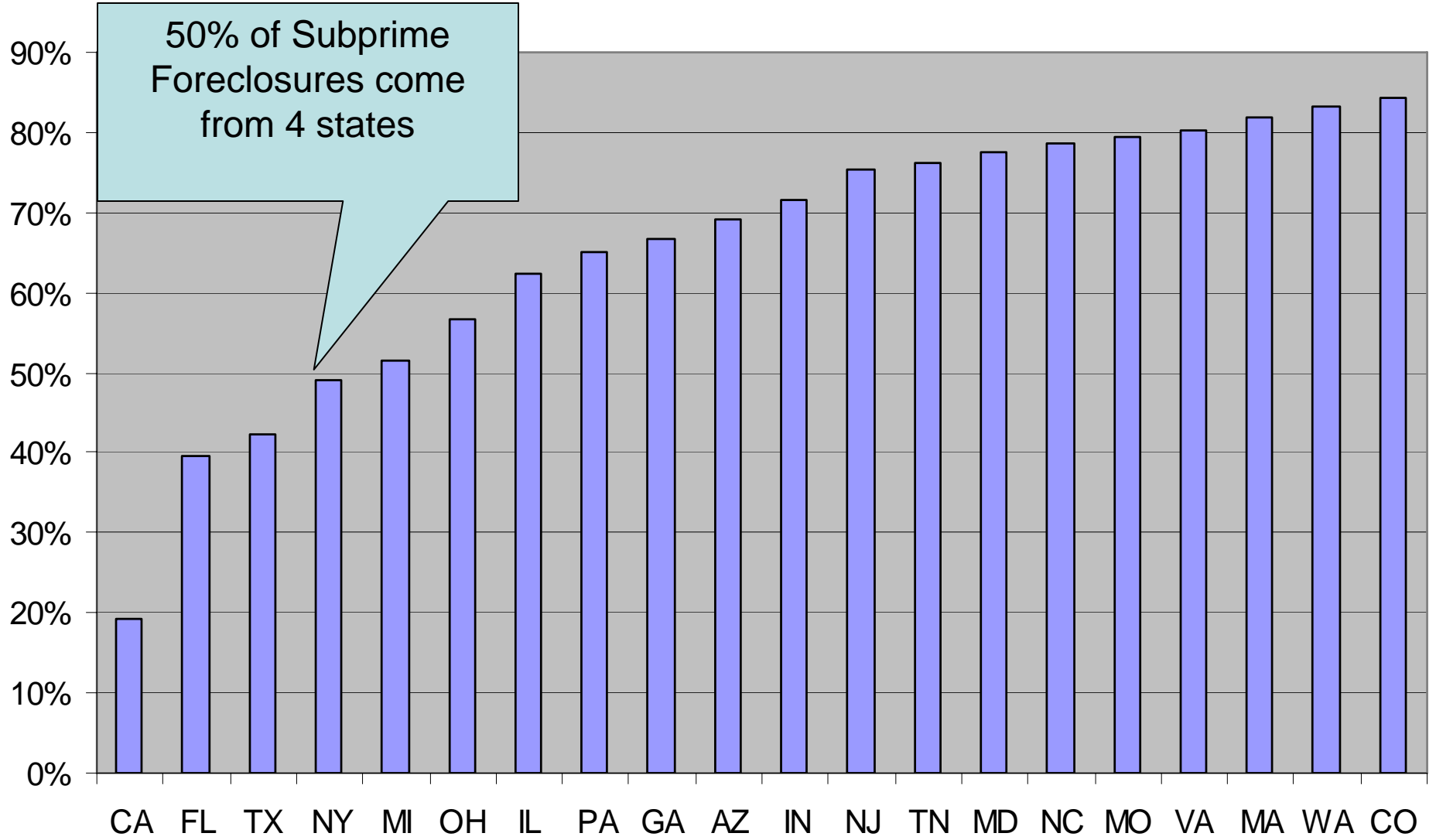
ZIP 92105

### Number of Foreclosure by Zip

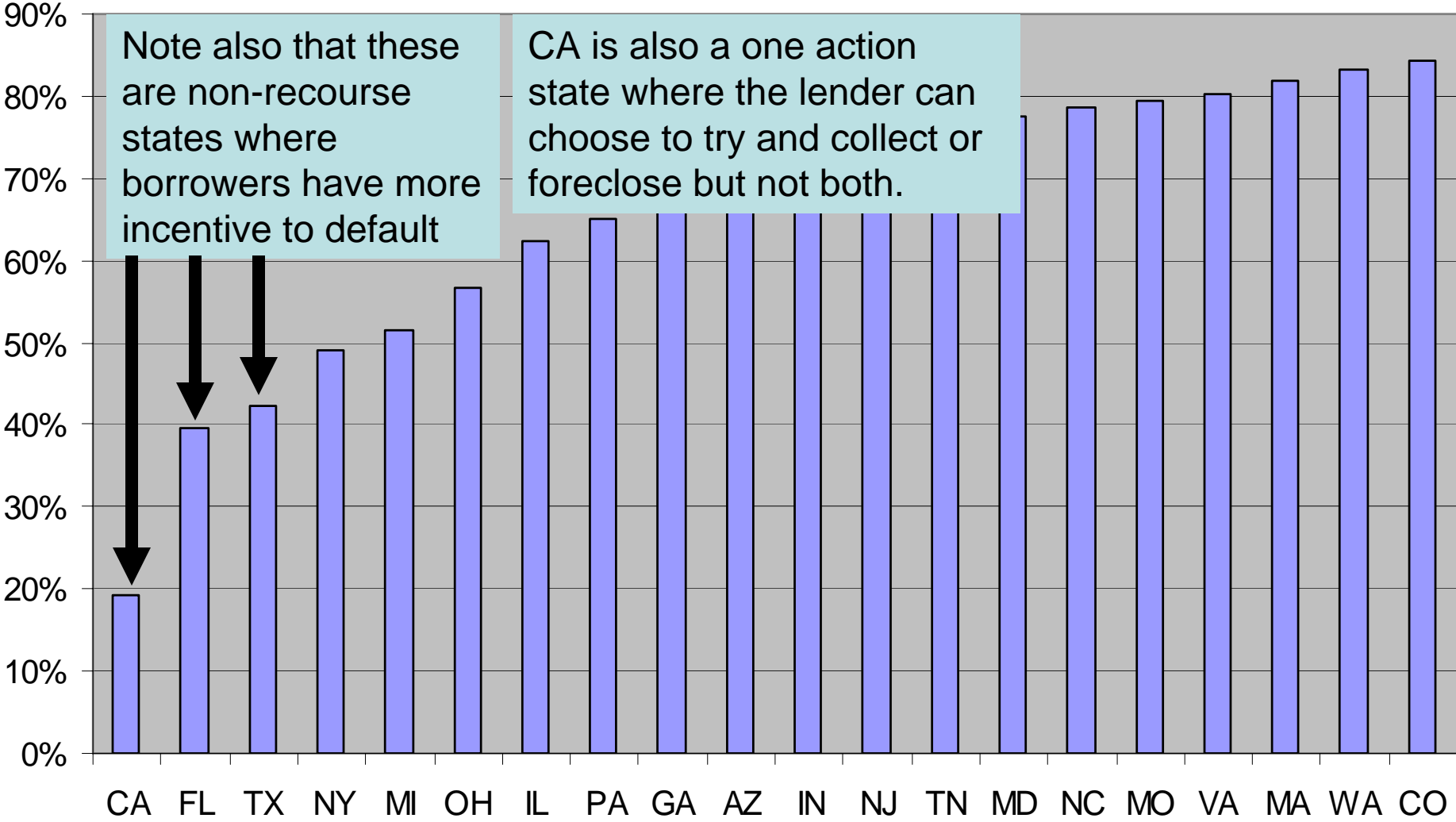


Foreclosures are not evenly  
distributed

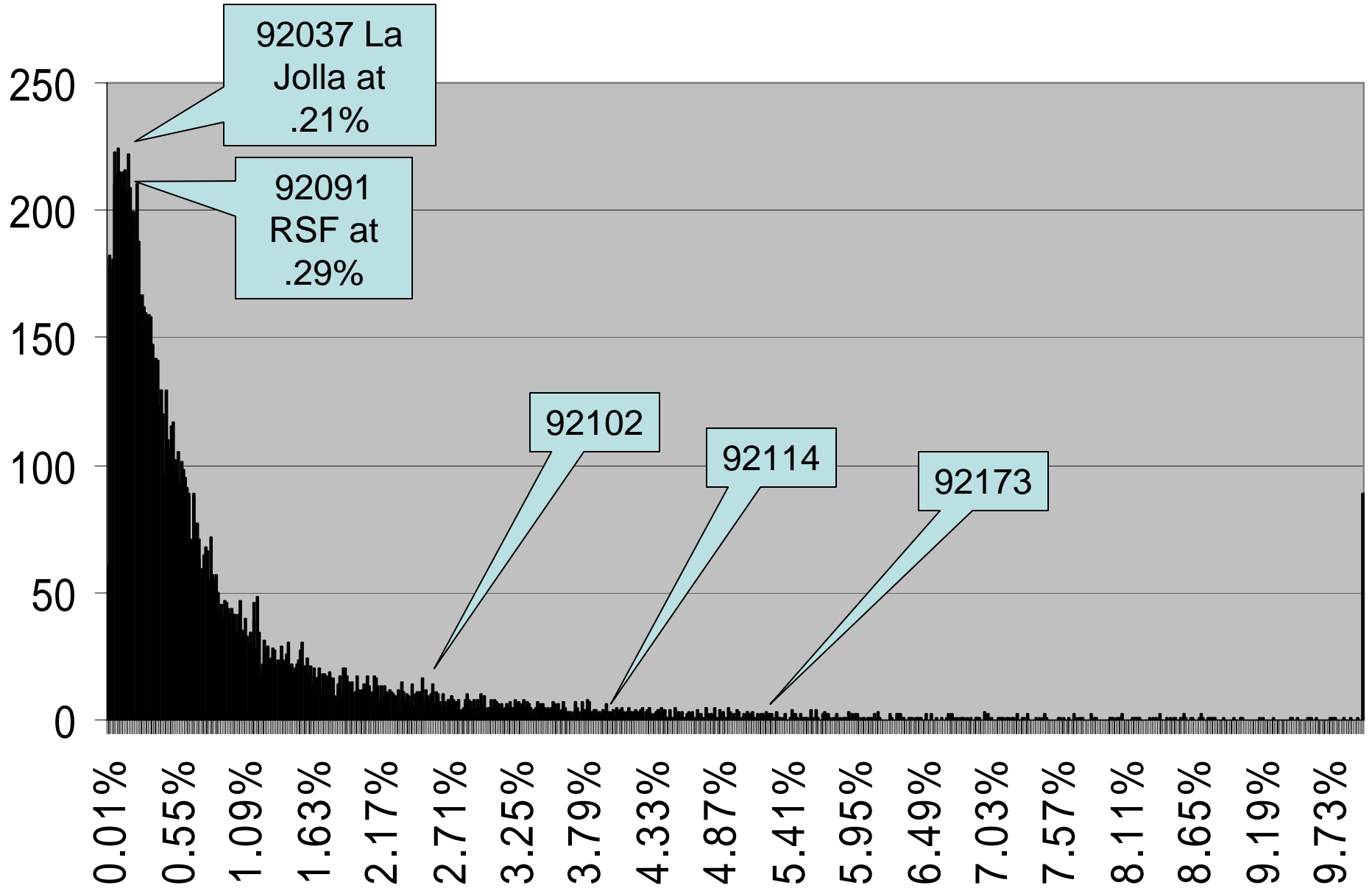
# Cumulative Subprime Foreclosures By Worst States



# Cumulative Subprime Foreclosures By Worst States

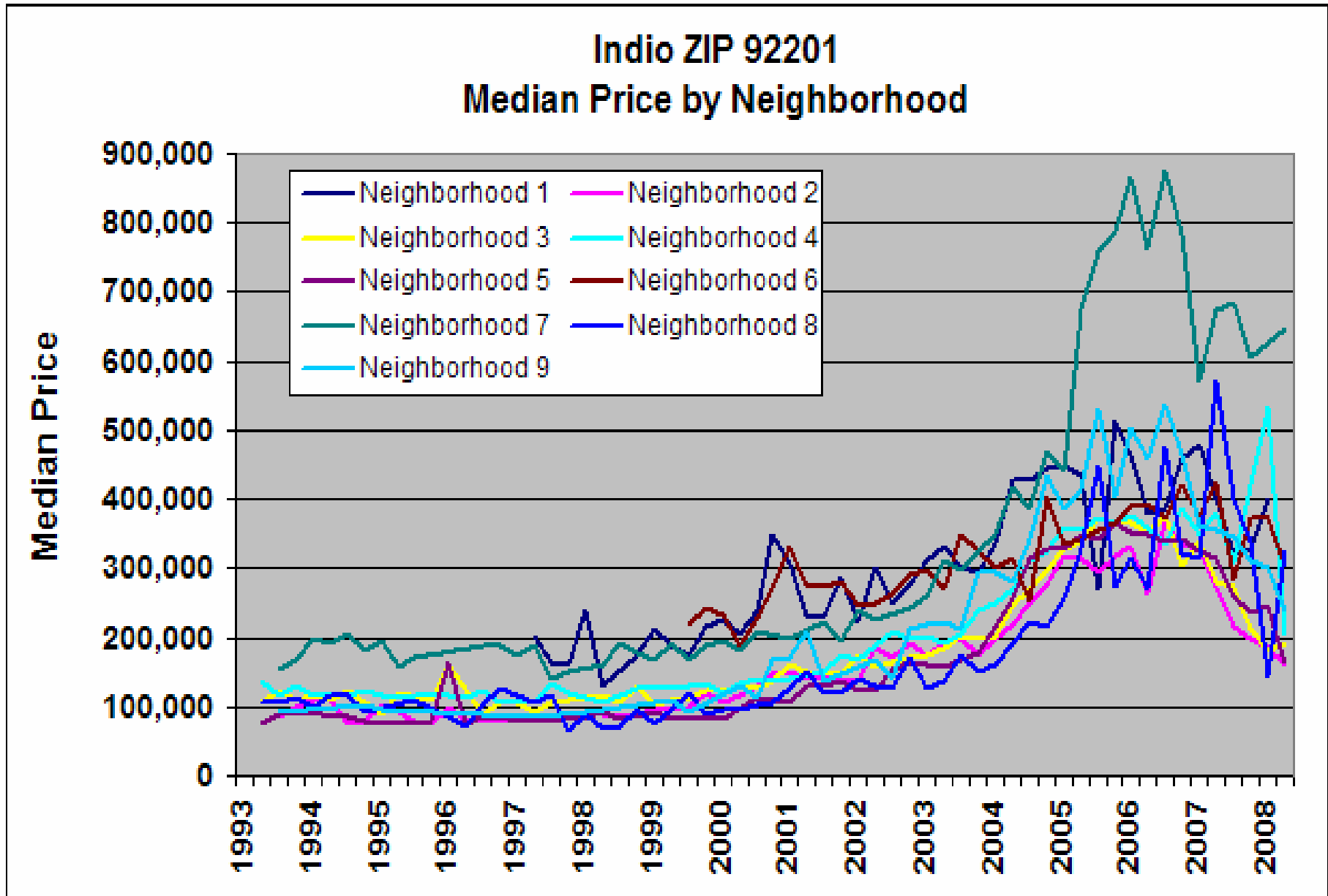


# National Foreclosures as % of Hsg Stock by Zip Code



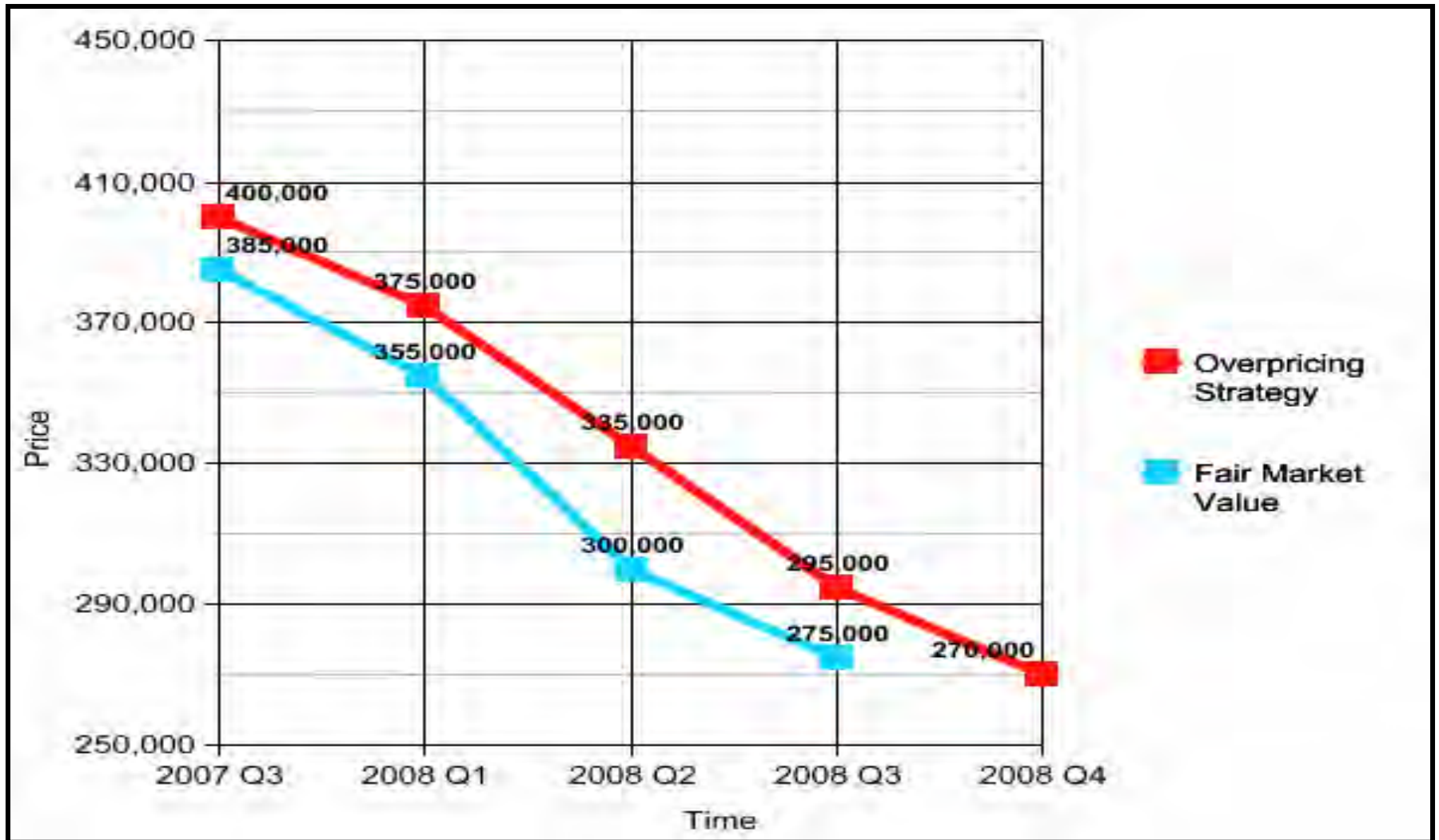
Even within zip codes we see  
different housing markets

# Riverside County Zip 92201 Neighborhoods



Looking at distressed pricing

# Pricing in a Cascading Market is Difficult



Address:  City:  State:  Zip:  Transaction:

1624 MALDEN ST PACIFIC BEACH CA 92109



Estimated Value: 1,030,000

10/27/2008

Projected Sale Price

Time to Sale (Days)	Projected Sale Price
30	844,600
60	870,350
90	906,400
120	947,600

Property Information

County:	6073	Living:	2,596	Beds:	3	Assessed Value:	1,404,540	Prior Sale Amount:	1,350,000	Year Built:	1950
Type:	RSFR	Land Area:	6,800	Baths:	3	Assessed Year:	2008	Prior Sale Date:	11/3/2005		

Comparables

	Address		Zip	Sold Date	Sold Price	Beds	Baths	Living	Land Area	Year Built
1	1242 OPAL ST	PACIFIC BEACH CA	92109	9/5/2008	920,000	4	3	2,499	6,100	0
2	1714 MALDEN ST	PACIFIC BEACH CA	92109	7/1/2008	850,000	2	1	1,179	6,800	0
3	1311 CARY WAY	PACIFIC BEACH CA	92109	4/7/2008	1,069,000	3	3	2,476	7,300	0
4	5235 YOST CIR	PACIFIC BEACH CA	92109	3/21/2008	950,000	5	3	2,272	10,400	0
5	1763 LAW ST	PACIFIC BEACH CA	92109	12/21/2007	1,035,000	4	3	2,484	6,300	1943

Address: 1624 Malden St    City: [ ]    State: [ ]    Zip: 92109    Transaction: Inventory    [Submit](#)

1624 MALDEN ST PACIFIC BEACH CA 92109

Estimated Value: 1,030,000



10/27/2008

Notice normal sale value here

Projected Sale Price

Time to Sale (Days)	Projected Sale Price
30	844,600
60	870,350
90	906,400
120	947,600

Prior sale here

Property Information

County: 6073	Living: 2,596	Beds: 3	Assessed Value: 1,404,540	Prior Sale Amount: 1,350,000	Year Built: 1950
Type: RSFR	Land Area: 6,800	Baths: 3	Assessed Year: 2008	Prior Sale Date: 11/3/2005	

Comparables [Charts](#)

	Address	Zip	Sold Date	Sold Price	Beds	Baths	Living	Land Area	Year Built
1	1242 OPAL ST PACIFIC BEACH CA	92109	9/5/2008	920,000	4	3	2,499	6,100	0
2	1714 MALDEN ST PACIFIC BEACH CA	92109	7/1/2008	850,000	2	1	1,179	6,800	0
3	1311 CARY WAY PACIFIC BEACH CA	92109	4/7/2008	1,069,000	3	3	2,476	7,300	0
4	5235 YOST CIR PACIFIC BEACH CA	92109	3/21/2008	950,000	5	3	2,272	10,400	0
5	1763 LAW ST PACIFIC BEACH CA	92109	12/21/2007	1,035,000	4	3	2,484	6,300	1943

Address: 1624 Malden St    City: [ ]    State: [ ]    Zip: 92109    Transaction: Inventory    [Submit](#)

1624 MALDEN ST PACIFIC BEACH CA 92109



Estimated Value: 1,030,000

10/27/2008

Projected Sale Price

Time to Sale (Days)	Projected Sale Price
30	844,600
60	870,350
90	906,400
120	947,600

Distressed sale type pricing here

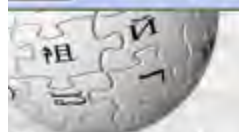
Property Information

County:	6073	Living:	2,596	Beds:	3	Assessed Value:	1,404,540	Prior Sale Amount:	1,350,000	Year Built:	1950
Type:	RSFR	Land Area:	6,800	Baths:	3	Assessed Year:	2008	Prior Sale Date:	11/3/2005		

Comparables [Charts](#)

	Address		Zip	Sold Date	Sold Price	Beds	Baths	Living	Land Area	Year Built
1	1242 OPAL ST	PACIFIC BEACH CA	92109	9/5/2008	920,000	4	3	2,499	6,100	0
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5	1763 LAW ST	PACIFIC BEACH CA	92109	12/21/2007	1,035,000	4	3	2,484	6,300	1943

Looking at solutions



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the Free Encyclopedia

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# Housing equity partnership

From Wikipedia, the free encyclopedia



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The examples and perspective in this article or section may not represent a **worldwide view** of the subject.  
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A housing equity partnership (HEP), more commonly know as "Equity Sharing."

Equity sharing has been around for some time now and has been put on the shelves in recent years given the loose financing programs. These partnerships were championed by economist Andrew Caplin, Sewin Chan, Joseph Tracy and Charles Freedman in the late 1990s and are very similar to shared-equity plans that have existed for decades in the UK, Europe and the U.S. They are also similar to an earlier proposal produced by Geltner, Miller and Snaveley (1995) to develop Home Equity Investment Trusts (HEITs). There have been various spins on this concept from sharing on existing properties, alternatives to reverse mortgage, new purchases and now even investment properties. Originally, in a mutually beneficial way this type of strategy was used for buyers to acquire a property that they could either, not other wise afford, lacked capital for a down payment, insufficient income to support loan payment, etc. These types of situations have commonly been factors that would lead to a beneficial equity sharing relationship. In summary, the traditional example of equity share for the purchase of a

# See example based on:

- Equity – that is this solution does not provide windfall gains to home buyers who are in trouble but lets them stay in their house and is available to everyone.
- Incentives are aligned as they still have skin in the game.
- Current homeowners contribute something in exchange for assistance.
- Market based returns for investors.

# See excel

- [Excel](#) file on shared appreciation units, SAUs
- These can be issued by the government or other entities and eventually resold in HEITs (national, regional, local or even zip code level pools are possible).