

SALES

Why home sales tumble as car purchases rise

Just 258,000 California houses sold last year — the lowest sales count since the Great Recession ended. Meanwhile, Californians gobbled up 1.78 million vehicle sales, the sixth-best year since 2009.

My trusty spreadsheet looked at single-family house sales (from the California Association of Realtors) vs. purchases of new cars and light trucks (from the California New Car Dealers Association) dating back to 2009.

You'd think California sales patterns would be somewhat in sync for two of the largest transactions a household makes.



Jonathan Lansner
Columnist

falling, considering California housing's lofty price tags and 30-year financings.

But car financing is shorter-term, typically over five years, so interest rates are not as big of a consideration.

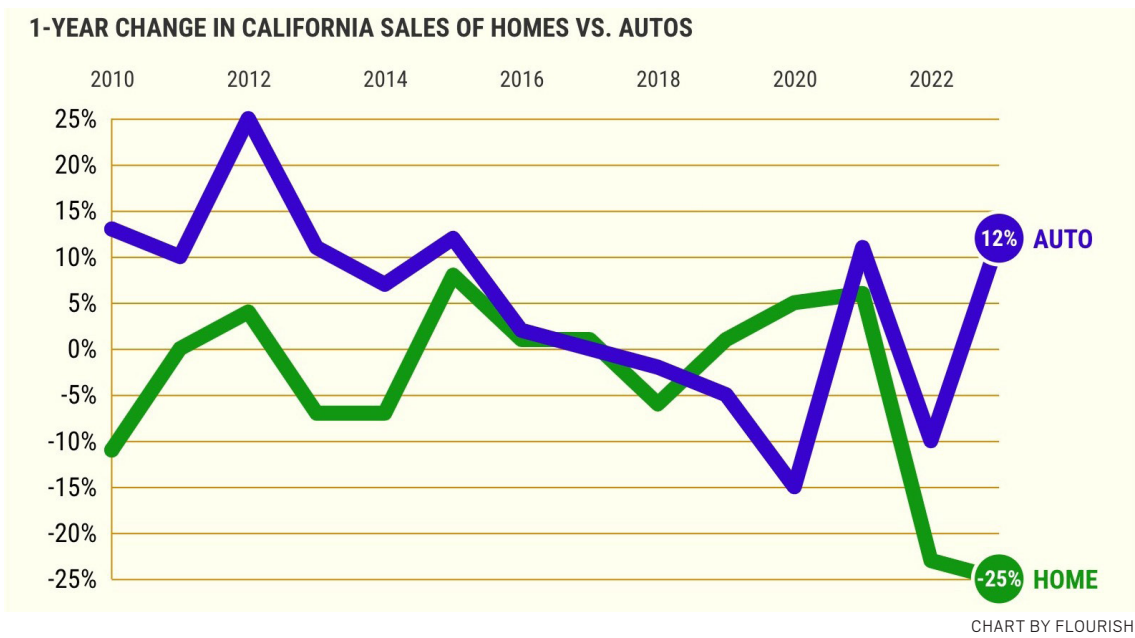
Consider this example of typical monthly payments.

In 2019, the median-priced \$607,000 California house at the average 3.9%, 30-year rate had a \$2,290 monthly payment. Last year, houses were 37% pricier at \$833,000 with rates that jumped to 7.4%. That created a \$4,614 typical payment — up 101% in four years.

Compare that with new cars. In 2019, the average \$40,000 new car at a 4.6%, five-year rate had a \$748 payment. Last year, cars were 23% pricier at \$49,000 — with 7.7% rates — for a \$987 payment. That's up just 32% in four years.

Bottom line

Yes, California's home sales last year suffered from few owners willing to sell as auto dealers had their first decent inventory since coronavirus broke the supply chain.



1-YEAR CHANGE IN CALIFORNIA SALES OF HOMES VS. AUTOS

But a longer-term view shows these two purchases often dance to different economic drums.

Interest rates — homebuying's juice — tend to fall when the economy weakens. Yet a strong job market — fuel for car sales and higher interest rates — creates demand for transportation to get to work.

So ponder California's best

five years for these major purchases since 2009, as defined by yearly percentage gains in sales, and how the economy performed.

In homebuying's hottest years, on average, we saw: Statewide unemployment was flat, California's consumer confidence as measured by the Conference Board was up 7%

— and the Fed Funds rate (controlled by the Federal Reserve) was down 0.4 percentage points.

Contrast that with car buying's top times: California's unemployment rate was down by 0.6 percentage points, consumer confidence was up 12% — and the Fed Funds rose 0.7 percentage points.

STATUS UPDATE



Samantha Gowen has the latest on movers and shakers in Orange County

Send items about business expansion, milestones and promotions to sgowen@scng.com

MoonGoat expands budding coffee chain

MoonGoat, a local coffee roaster and cafe chain, opened its newest location Thursday at UCI Research Park.

The company, which calls its team “the herd,” sells a variety of coffee drinks and a vegan mocha alternative, its signature mushroom chagaccino.

Mushroom coffee has risen in popularity thanks to TikTok and a growing awareness of fungi's medicinal extracts. A cup of mushroom coffee has about half the caffeine levels than a typical cup of traditional coffee. Fans say it's less bitter and helps them focus without the caffeine jitters.

And what about MoonGoat? The company, founded by Mark Evans, David Longbridge and David Yardley, launched in 2018 in Santa Ana and has four retail locations in Costa Mesa, Garden Grove, Laguna and now Irvine.

MoonGoat says it sources its beans from a network of 15 countries and vendors locally and across the states.

The cafes also serve food with items ranging from vegan banana bread to goat cheese and veggie sandwiches, pizza pockets, avocado toast, breakfast bagels and more.

The Irvine store is at 5171 California Ave., Suite 100

MoonGoat is also offered at a cafe that opened in late January in Costa Mesa's arts district.

Greenhouse Coffee Bar & Eatery debuted at Pacific Arts Plaza, across the street from South Coast Plaza.

Greenhouse is open Mondays and Fridays from 7:30 a.m. to 2 p.m. and Tuesdays through Thursdays from 7:30 a.m. to 3 p.m. For more information, go to greenhousecostamesa.com

Walk for Alzheimer's is scheduled for March 23

Alzheimer's of Orange County is preparing for its annual Walk4ALZ fundraiser on March 23 at Angel Stadium in Anaheim.

Participants of all ages will walk about 2 miles in a route that weaves through and inside Angel Stadium.

Registration and parking for the walk is free for individuals and teams. Donations are welcome, but not required. All of the money raised helps Orange County residents affected by dementia and those who care for them.

For more information on



PHOTO COURTESY OF MOONGOAT

MoonGoat, a coffee roaster and cafe chain based in Santa Ana, opened its newest location at UCI Research Park on Thursday. The company, which calls its team “the herd,” sells a variety of coffee drinks and food.

registration or donations, go to alzoc.org/walk

Teacher grants available from credit union

California Credit Union Foundation has grants for Orange County teachers who have an innovative class project idea.

The grant program will issue 10 grants of \$500 each to area teachers in April in the spring program.

The California Credit Union Foundation grant program is available to full-time teachers in Orange, Los Angeles, San Bernardino and Ventura counties, or credit union members teaching in California.

Interested teachers can find more information and apply at ccu.com/teachergrant. The application deadline is April 1.

E-waste event is March 16 in Mission Viejo

The city of Mission Viejo and Waste Management are hosting a free drive-through e-waste and hazardous household waste collection event from 9-11 a.m. March 16.

The event takes place at the city hall parking lot at 200 Civic Center.

Residents, who must show an ID with a Mission Viejo address, is free. Residents will remain in their vehicles while a team removes items such as pool chemicals, household cleaners, garden chemicals, paint products and thinners, thermometers, fluorescent light bulbs and tubes, smoke detectors, fire extinguishers, batteries and electronic items.



PHOTO COURTESY OF ALZHEIMER'S OF ORANGE COUNTY

Alzheimer's of Orange County annual Walk4ALZ fundraiser takes place March 23 at Angel Stadium in Anaheim.

No business waste or walk-ups are allowed, the city says. And there's a limit of 125 pounds or 15 gallons per vehicle. Each container must not exceed 5 gallons.

The city asks that residents do not bring sharps, ammunition, appliances larger than microwaves, asbestos, construction materials, leaking containers, pressurized cylinders, trash, explosives, radioactive waste, biomedical waste, tires or unknown items.

For more information, email the city at greenmv@cityofmissionviejo.org.

Roland DGA updates executive team

Irvine-based Roland DGA Corp. has made several key changes to its leadership team. The company makes wide-format inkjet printers, vinyl cutters, 3D milling machines and more. Here are the changes ...

Dan Johansen is taking a new role as vice president of Sales and Product Management. He previously was vice president of sales.



Johansen



Edmondson



Hawkes

the company as a group product manager from 2011 to 2015.

Philip Chu was hired as Roland's new product manager of Specialty De-



Chu

January 2023 as Roland Care support manager after working there previously from 2015 to 2021.



Vazquez

promoted to supervisor.

On the move

Joe Ball is the new chief operating officer for Lutheran Social Services of



Ball

another nonprofit in Orange County. Lutheran Social Services provides myriad programs such as case management, initiatives to end homelessness, support for victims of violence, feeding the hungry, and mental health recovery.

Grants

Girls Inc. of Orange County in Santa Ana has received a \$100,000 grant from Boeing. This grant, which comes from August 2023 to August 2024, will help 1,000 girls in various programs aimed at STEM fields. Part of the grant will fund a first virtual networking career panel between Boeing and Girls Inc.

The goal of the panel is to connect high school and collegiate girls with Boeing professionals, who can offer insights and guidance to career opportunities in the aerospace industry.

Status Update is compiled and written by Business Editor Samantha Gowen. Submit items and high-resolution photos to sgowen@scng.com. Allow at least one week for publication. Items are edited for length and clarity