



Broker: Century 21 Peak's Eli Tene.

## HOUSING REBOUND

September marks highest monthly home sales since June 2018.

By **MICHAEL AUSHENKER**  
Staff Reporter

Low interest rates plus people working and schooling at home have produced an uptick in the single-family home market.

For the month of September, San Fernando Valley home sales totaled 525

properties, an increase of 15.9 percent from a year ago, and 121 percent higher than in May, according to data from the **Southland Regional Association of Realtors**.

Those numbers tell the story of a strong market turnaround from the coronavirus-induced plunge earlier this year.

"Buyers planning to buy during the second quarter of 2019 put their search on hold

as a result of COVID-19," said **Eli Tene**, co-managing director of **Peak Century 21** in Woodland Hills. "When lockdowns were lifted, these buyers came roaring back to the market looking for larger spaces more amenable to both a remote working environment and having family at home."

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## Apparel Icon to Home Decor

**RETAIL:** True Religion's Kym Gold launches Style Union.

By **AMY STULICK** Staff Reporter

**Kym Gold**, co-founder of **True Religion Apparel**, will launch her new home decor brand **Style Union Home** in the fourth quarter this year, with its headquarters right here in the San Fernando Valley.

Sherman Oaks-based **Style Union** deals primarily in ceramics, with high-end vases, bowls

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## Advocate Now Top Job Seeker

**PROFILE:** Holly Schroeder to chair county workforce board.

By **AMY STULICK** Staff Reporter

**Holly Schroeder** serves as chief executive of the **Santa Clarita Valley Economic Development Corp.** and holds the chair at the L.A. County Workforce Development Board as "circumstances for workers have dramatically changed," she told the Business Journal.

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### SPECIAL REPORT FASTEST GROWING PRIVATE COMPANIES



Valley companies in fast growth mode have met challenges in this year's economic slowdown. **Gail Becker**, left, the chief executive at **Caulipow**, the top name on the Business Journal's Fastest Growing Private

Companies list, cited supply chain difficulties and shelf-stocking at stores as priorities. But her company, which expanded revenue by 1,674 percent from 2017 to 2019, has found ways to keep up the momentum in 2020.

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## Back to Business for California Resources Corp.

**ENERGY:** Oil producer drops debt load in Chapter 11.

By **ANDREW FOERCH** Staff Reporter

Oil and gas producer **California Resources Corp.** has shed about \$4.4 billion in debt after trading it for equity during a Chapter 11 financial reorganization, the company announced late last month.

What's more is that the massive balance

sheet restructure took less than three months to complete.

"It's difficult to be proud of a bankruptcy," the company's new Chief Financial Officer **Francisco Leon** told the Business Journal. "But we did it in 88 days. That's a pretty big accomplishment."

The Santa Clarita firm, one of the state's largest oil producers, filed for Chapter 11 in July hoping to alleviate about \$5 billion in



PHOTO BY MIKE BAKER

Still Pumping: **CRC** wells.

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## THE LIST

**FASTEST GROWING PRIVATE COMPANIES**  
Valley-area companies ranked by 2017-2019 revenue growth  
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**Why Virtual Meetings Put You to Sleep**  
Director of the HMI College of Hypnotherapy in Tarzana talks about what's behind Zoom fatigue. **p. 3**

**Easton Sports Joins Rawlings Team**  
Thousand Oaks maker of bats, right, becomes part of giant baseball equipment conglomerate. **p. 6**



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# Residential Rebound

**REAL ESTATE:** Homebuyers pounce on low mortgage rates to move into suburban markets.

By **MICHAEL AUSHENKER** Staff Reporter

A combination of low interest rates, people working remotely and children learning at home may have contributed to the biggest rise in home sales in the Valley region in September in over two years, according to real estate agents.

Whatever the reasons, the 10,300-member **Southland Regional Association of Realtors** reported Oct. 15 that, for the month of September, San Fernando Valley home sales scaled to its highest peak since June 2018.

A total of 525 homes changed owners last month, an increase of 15.9 percent from a year ago, and 121 percent higher than the 238 sales in May.

It was a remarkable turnaround from the depths of the coronavirus-induced plummet in the market earlier this year.

"Valley realtors quickly adapted to strict safety protocols to provide safe service to sellers and buyers during the worst pandemic in 100 years," Southland Regional Association of Realtors President **Nancy Troxell Carnahan** said in a statement. "Qualified buyers now are highly motivated, chasing historically low interest rates on home loans, and competing over an all-to-limited inventory. A lack of listings has pushed prices higher, though next year most likely will see prices rise at a much slower pace."

According to the association's data, the 940 home and condos listed for sale were an improvement from the record low of 770 listings in December yet were down 22.4 percent from a year ago.

The median home price of \$830,000 went up 17.7 percent year-over-year while the condominium median of \$475,000 climbed 8 percent since last year.

Pending escrows — which is seen as an indicator of future activity — totaled 715 — up 15 percent from September of last year.

"We continue to have this constraint on supply," SRAR President **Tim Johnson** told the Business Journal regarding what is driving up home prices. "The number of listings is so incredibly low."

## Santa Clarita submarket

September saw the median price of homes sold in the Santa Clarita Valley also hit a record high as sales leapt dramatically, according to the association's statistics.

The 268 single-family homes that closed escrow represented an increase of 38.1 percent compared to a year ago. Meanwhile, the 132 condominiums that changed hands in September were 83.3 percent above September 2019's total.

The median price of homes hit a record \$759,000, up 21.8 percent from a year ago. The condominium median price rose 16.6



For Sale: Tarzana house awaits offers.

PHOTO BY THOMAS WASPER

percent to \$436,000.

**Tamar and Ryan House** own Valencia-based **Team House Real Estate Inc.** As real estate agents, the wife-and-husband team cover communities from Antelope Valley to Orange County.

Locally, they have seen a robust September for home sales and Tamar House explained that competition over a relatively low inventory has been fierce, spurring multiple last-minute escrow cancellations. In other words, it's a buyer's market.

Beyond that, the Houses, Tamar said, have seen "a weird market" in September in which prospective homebuyers get far into the escrow stage but bow out at the last minute in favor of an even better deal elsewhere.

"The interest rates are still phenomenally low," Tamar House, said, agreeing with Tene. However, there are other factors, she noted, such as parents knowing that their children will be educationally homebound for the foreseeable future.

As a result, the school quality "doesn't matter — my kids are going to be home for the next year or two," she said.

Because parents are also working from home, the house has become a true professional and educational home base. There's no need to live close to the office or school.

"What we're seeing is most businesses are not have their employees working at their offices anymore," Ryan House said.

"Therefore, people are living where they want to live, not where they feel they have to live," Tamar House added.

Another trend is young adults heading deeper into the valleys from the urban centers. "We're working for a buyer right now who works for an insurance company in Woodland Hills," she said.

The Houses said Antelope Valley also saw some heat in September.

"Anything under \$600,000 is hot in Antelope Valley," Tamar House said. "A house listed at \$400,000 is getting multiple offers. People are buying five- or six-bedroom

homes, they're getting more bang for their buck in Palmdale."

The Palmdale submarket is more geographically desirable overall than neighboring Lancaster, she said, because "Palmdale is closer to L.A."

## First-time surge

Residential brokerages around the valleys confirmed that September was a boom month.

**Peak Century 21** Managing Director **Eli Tene** told the Business Journal that following

a pause because of the pandemic, buyers returned.

"Buyers planning to buy during the second quarter of 2019 put their search on hold as a result of COVID-19," Tene said. "When lockdowns were lifted, these buyers came roaring back to the market looking for larger spaces

more amenable to both a remote working environment and having family at home."

Anecdotally, Tene continued, the home purchases seemed to follow the narrative that more young adults were relocating to the L.A. suburbs in North Los Angeles.

"Based on San Fernando Valley active listings and closings for the third quarter of 2020, we've seen the highest number of transactions occurring in Woodland Hills, Palmdale, Winnetka, North Hills, Sylmar, Chatsworth, Pacoima and Granada Hills," Tene said. "And yes, we observed a dramatic surge in residential activity during September.

First-time homebuyers primarily drove the surge, not wanting to miss out on historically low interest rates and a market with tight inventory — especially in the San Fernando Valley."

Tene also believes that an overall uncertainty has motivated people to become homeowners as the industry pushes through

September and October.

"The uncertain political future is also driving sales up as interest rate uncertainty, regulatory concerns, etc. make buyers uneasy waiting (to purchase a home)," Tene said. "There has also been considerable wealth built up in stock portfolios that is causing many to take advantage of that with the uncertainty ahead. With all these factors in mind, the low interest rates and built-up demand were the key contributing factors for increased activity in September."

The Houses agreed with this sentiment. "This election could send everything (in a new direction)," Tamar House said. "I wish I had that crystal ball."

**Louisa Henry**, 2020 chair of the Southland Regional Association of Realtors' Santa Clarita Division Council, noted that the shutdown from the coronavirus drove a significant sales decrease in May. "Yet the pandemic also unleashed heavy demand throughout Santa Clarita, fueled by historically low interest rates," she said.

Henry said multiple offers were abundant, with buyer demand likely to keep sales high well into the fall.

Pending escrows, a measure of future sales, were up 37.6 percent in September. The brake on activity will be a lack of inventory — the 323 active listings were down 37.8 percent — and the continued pandemic threat, she added.

## Beyond November?

Tamar House said September's high level of activity has continued into October.

"It's still going on. We thought in the last week things would calm down," she said. "There's still a huge demand right now."

Yet as the pandemic stretches into next year, how will home sales look moving into November and December?

"In a normal year, you would see that seasonal pattern with holidays (of sales volumes dipping)," Johnson said. "All bets are off this year."



Santa Clarita: Tamar and Ryan House.