

AMERICAN COMMUNITY SURVEY 2023 1-YEAR ESTIMATES

Post-Pandemic Housing and Economic Trends in Southern California

SEPTEMBER 2024

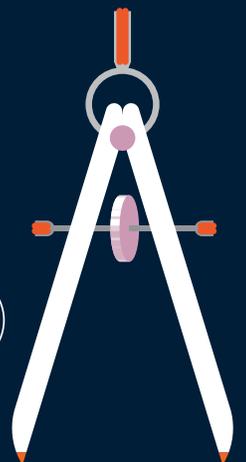
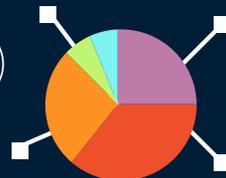


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Executive Summary

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The 2023 American Community Survey (ACS) data released on Sept. 12, 2024, provide comprehensive data on Southern California's social, demographic, economic, and housing conditions, capturing the region's recovery following the pandemic. This report analyzes key trends across various topics over the past decade and the past three years, comparing trends in the region and its six counties to California and the United States. The topics include:

- Household income
- Home values and rents
- Homeownership
- Housing cost burden and household crowding
- Residential mobility
- Commute mode
- Industry sectors

The 2023 ACS data shows that real household income growth in Southern California outpaced national growth over the past year and the last decade, reflecting long-term economic well-being for the region's median household. However, income varied widely across the region's six counties. Housing affordability continued to be challenging, with median home values rising significantly over the past decade. While the region's homeownership rate remained lower than the rest of California and the United States, homeownership rates for young households—those in their mid-20s to mid-40s—exceeded pre-pandemic levels and stabilized over the past three years, reversing a downward trend since 2006.

Data on commute modes from the ACS and additional [survey data](#)¹ suggest that 2024 may be approaching a “new normal” for post-pandemic work arrangements. The share of remote work decreased modestly in 2023, a smaller drop compared to 2022, and remained well above pre-pandemic levels. The region has also seen post-pandemic recovery in the arts and entertainment sector as well as the accommodation and food services sector.

The ACS is the premier source of detailed information about the nation's people and housing, informing the distribution of federal funds and serving as the most current and accessible data source for local statistics on planning topics. The U.S. Census Bureau surveys 3.5 million addresses to produce annual social, economic, housing, and demographic estimates for communities throughout the United States and Puerto Rico. The ACS one-year estimates provide consistent measures across time and space and are available for geographies of 65,000+ population, which includes all Southern California counties.

Median Household Income

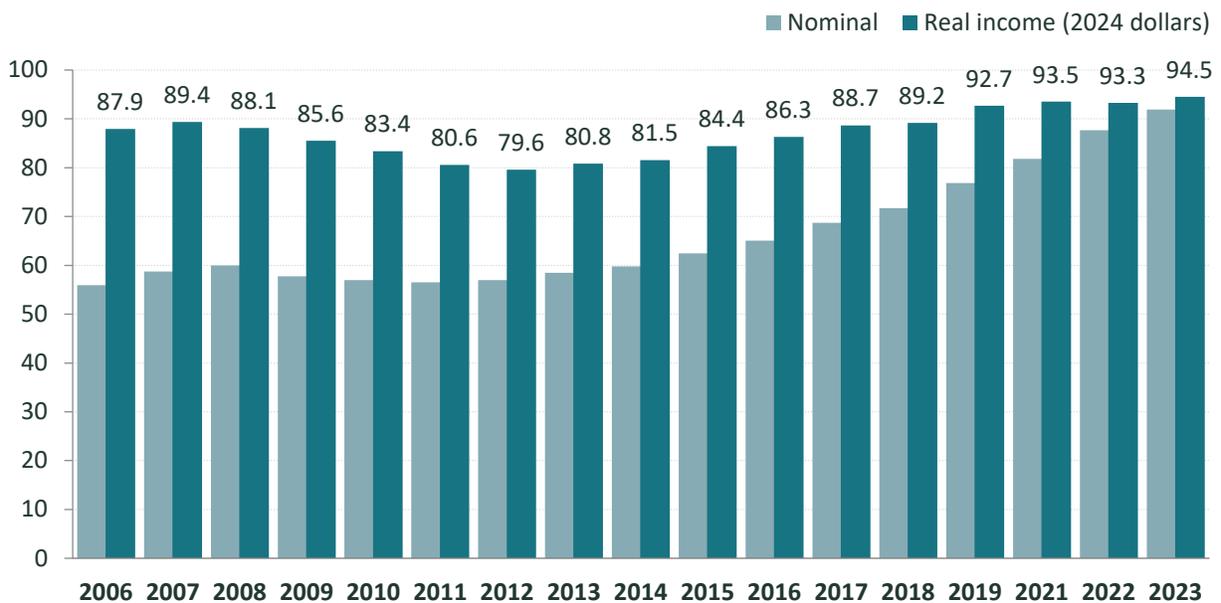
Real household income growth in Southern California outpaced national growth over the last year and the last decade.

Over the past decade, inflation-adjusted median household income in the SCAG region has increased by 17 percent, significantly outpacing the national income growth of 10.6 percent. The region’s real household income growth over the last year (1.3 percent) also outpaced the national growth (0.8 percent). While inflation-adjusted income typically closely follows economic cycles—declining during periods of economic downturns and rising during recovery periods—the relatively high growth rate reflects long-term economic well-being and stability for the region’s median household.

The SCAG region has also shown economic resilience in its post-pandemic recovery. From 2021 to 2023, the region’s median household income increased from \$93,500 to \$94,500, following a slight dip to \$93,300 in 2022, when [inflation](#) averaged 7.4 percent in the region. As inflation cooled to an average of 3.5 percent in 2023, household income growth outpaced inflation.

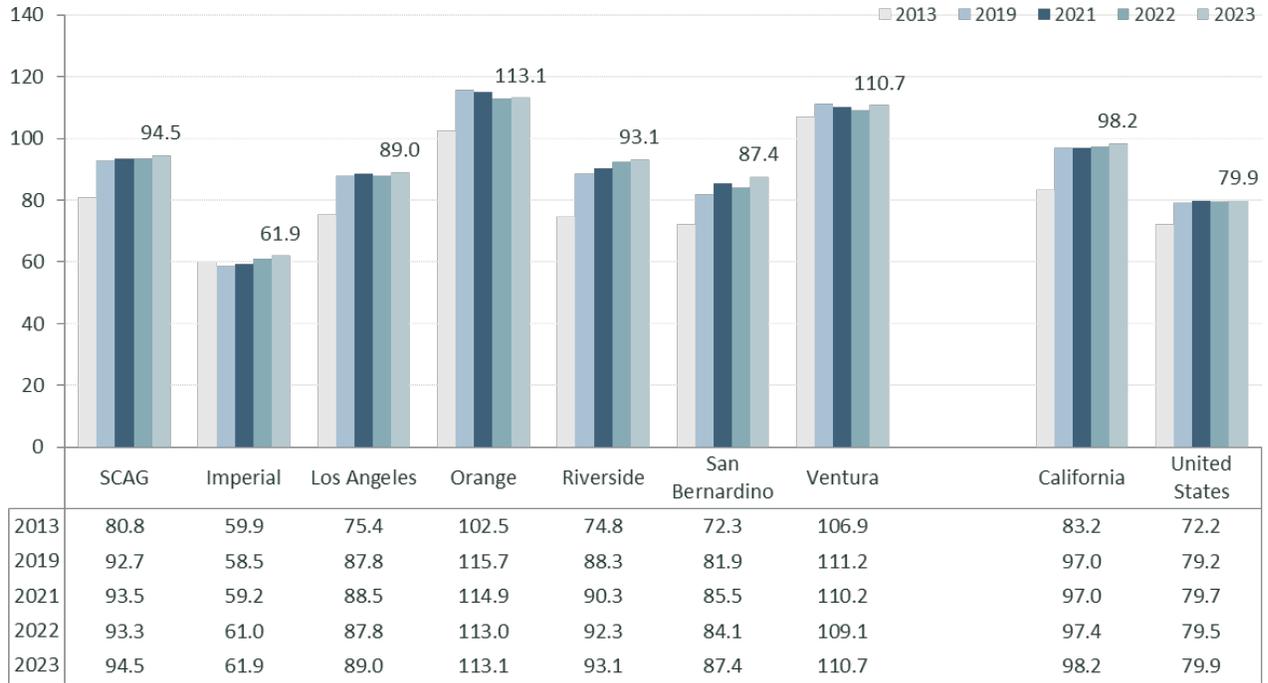
Long-term income growth and post-pandemic recovery trends are evident in most counties across the region. In Orange and Ventura counties, real median household income (adjusted to 2024 dollars) exceeded \$110,000 in 2023. Riverside County ranked third, with real income reaching \$93,100. While real household income remained relatively stagnant in Imperial County, it showed an upward trend between 2021 and 2023 amid inflationary pressures and other economic challenges brought by the pandemic. Household income in Los Angeles County lagged behind the regionwide median by \$4,500.

Median household income in thousands of dollars in SCAG region



Notes: Chart reports data from ACS 1-year sample, Table B19001

Median household income in thousands of dollars



Notes: Chart reports data for 2013, 2019, 2021, 2022, and 2023 from ACS 1-year sample, Table B19013

Median Home Value

Southern California’s housing market saw a slight dip in median home value.

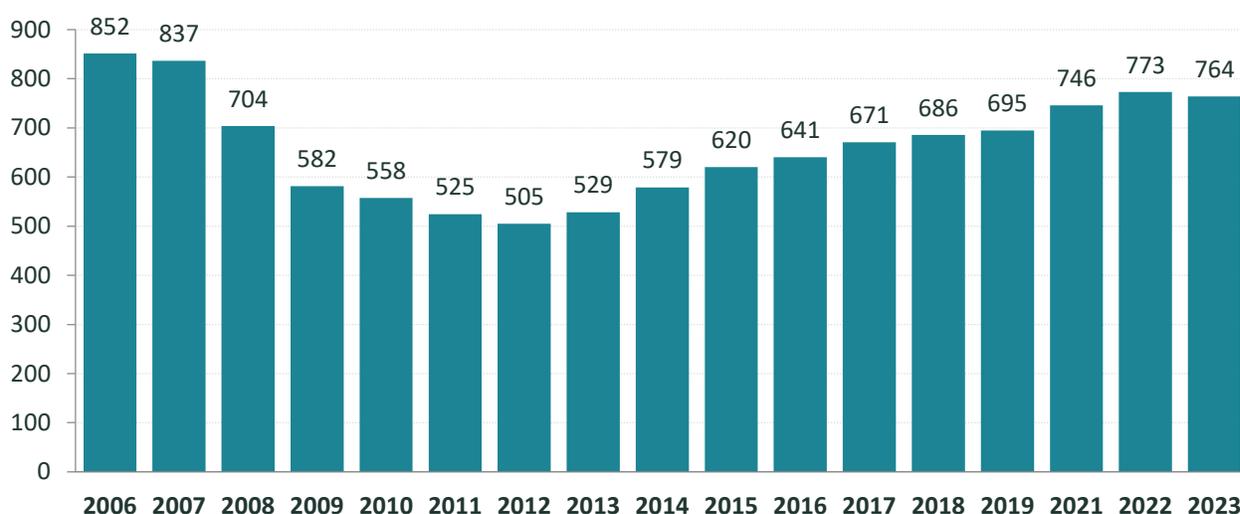
Adjusted for inflation, median home values in the SCAG region have steadily increased since 2012. The upward trend persisted through the COVID-19 pandemic, with median home values reaching \$746,000 in 2021 and \$773,000 in 2022. The rising trajectory—45 percent growth over the past decade—reflected the region’s strong housing market, largely driven by historically low interest rates, limited housing inventory, and ongoing robust demand for housing.

In 2023, however, the real median home value slightly decreased to \$764,000, a modest drop of \$9,000 from 2022. Similarly, the statewide median home value decreased by \$15,000 to \$746,000. In contrast, the nationwide median home value increased by \$9,000 during the same period (although the nation’s median home price was less than half what it was in Southern California (\$350,000 vs. \$764,000 in 2024 dollars).

The divergent trends suggest that high interest rates—with the [30-year fixed rate mortgage](#)ⁱⁱ averaging 6.8 percent in 2023—may have a larger impact on California’s housing market. However, the price-stabilizing effect of high interest rates could diminish as rates decrease, possibly unleashing pent-up housing demand. Nonetheless, Southern California has consistently [permitted](#) 45,000 to 50,000 new units per year for nearly a decade—an unprecedented level of stability not seen in the last 20-25 years.

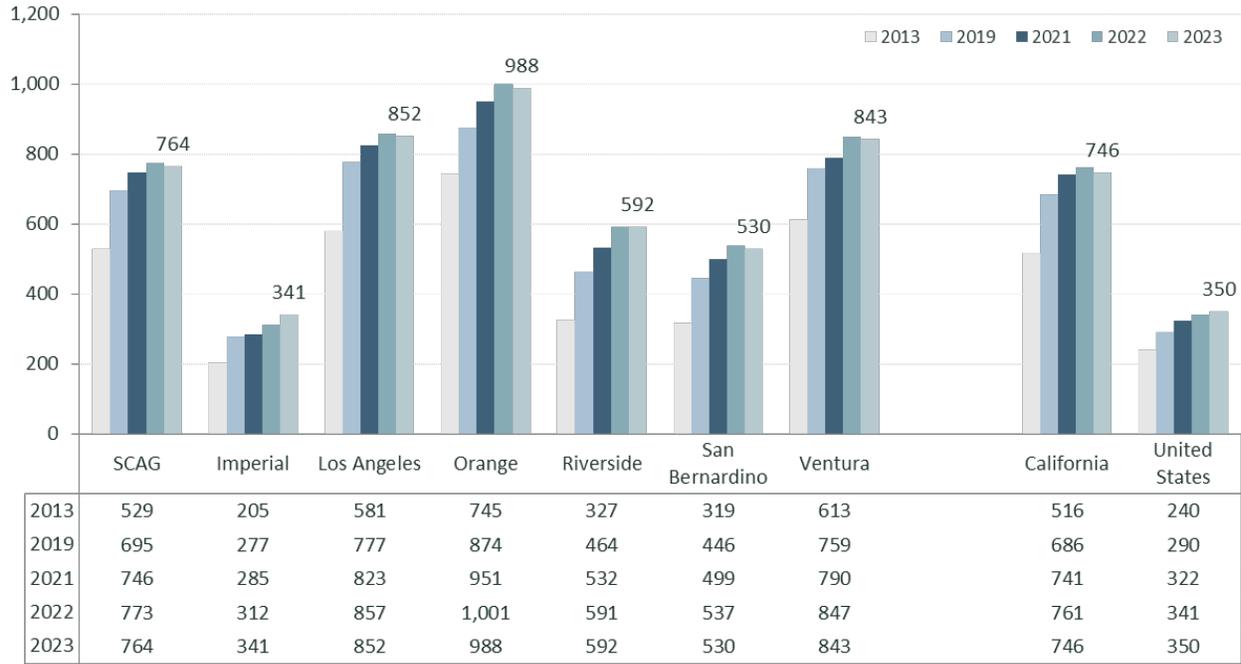
Within the SCAG region, Orange County had the highest real median home value at \$988,000, followed by Los Angeles County at \$852,000. Housing affordability and attaining homeownership may be significant concerns in Los Angeles County, where the real median household income was \$89,000, trailing the regional median by \$4,500.

Median home values in thousands of 2024 U.S. dollars, SCAG region



Notes: Chart reports data from ACS 1-year sample, Table B25075

Median home values in thousands of 2024 U.S. dollars



Notes: Chart reports data for 2013, 2019, 2021, 2022, and 2023 from ACS 1-year sample, Table B25077

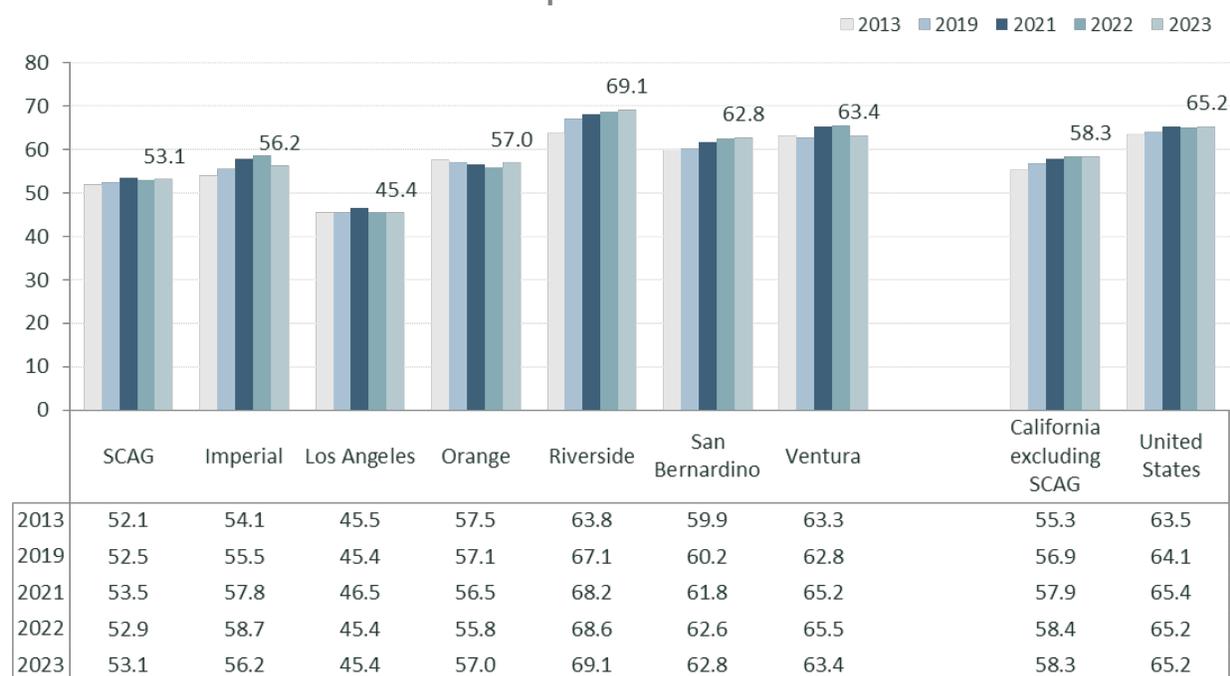
Homeownership

Southern California homeownership lagged behind California and the United States but remained stable among young households.

Regionwide, homeownership rate was at 53.1 percent in 2023, more than five percentage points lower than the rest of California and significantly below the national rate of 65.2 percent. Riverside County had the highest homeownership rate in the region (69.1 percent), with a steady upward trend over the past decade, likely due to its rising household income and relatively low home values. On the other hand, Los Angeles County has the lowest homeownership in the region, with only 45.4 percent of households owning their homes.

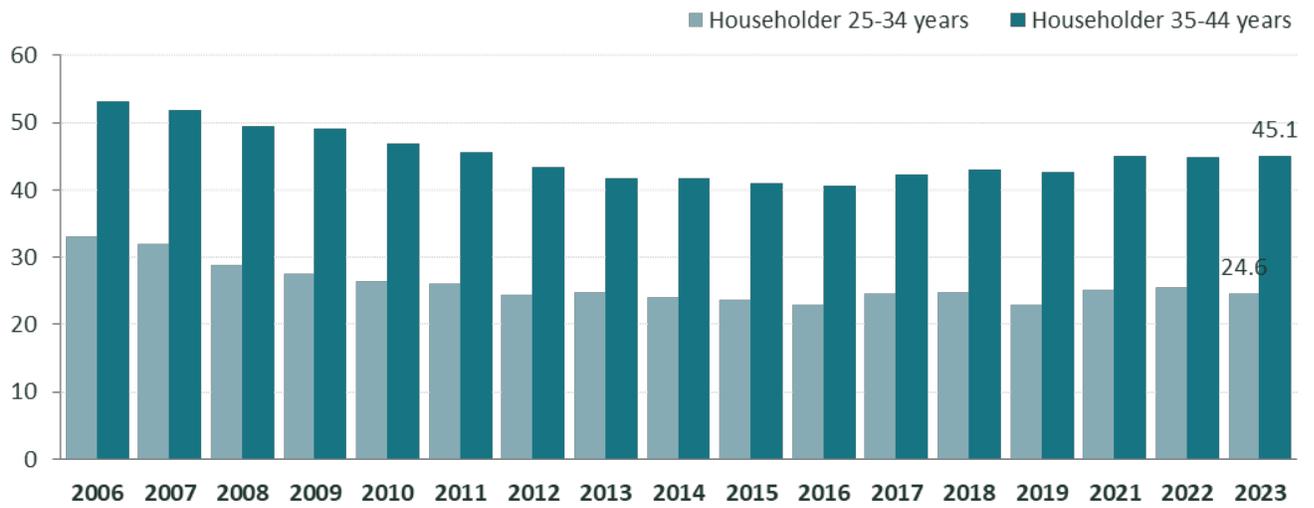
Homeownership rates by the age of householder reveal a stable trend for younger homeowners in recent years. Since those in their 20s and 30s are beginning household and family formation, homeownership rate for this group is a key indicator of the region’s long-run housing and community conditions. During 2021 and 2023, despite uncertainty brought by the pandemic, homeownership rates remained slightly higher than pre-pandemic levels, at roughly 25 percent for households headed by people aged 25-34 years and 45 percent for households headed by those aged 35-44 years. The stable trends are encouraging, as homeownership rates for young households declined substantially between 2006 and 2016.

Percent of households that are owner-occupied



Notes: Chart reports data for 2013, 2019, 2021, 2022, and 2023 from ACS 1-year sample, Table B25003

Homeownership rate by age of householder



Notes: Chart reports data from ACS 1-year sample, Table B25007

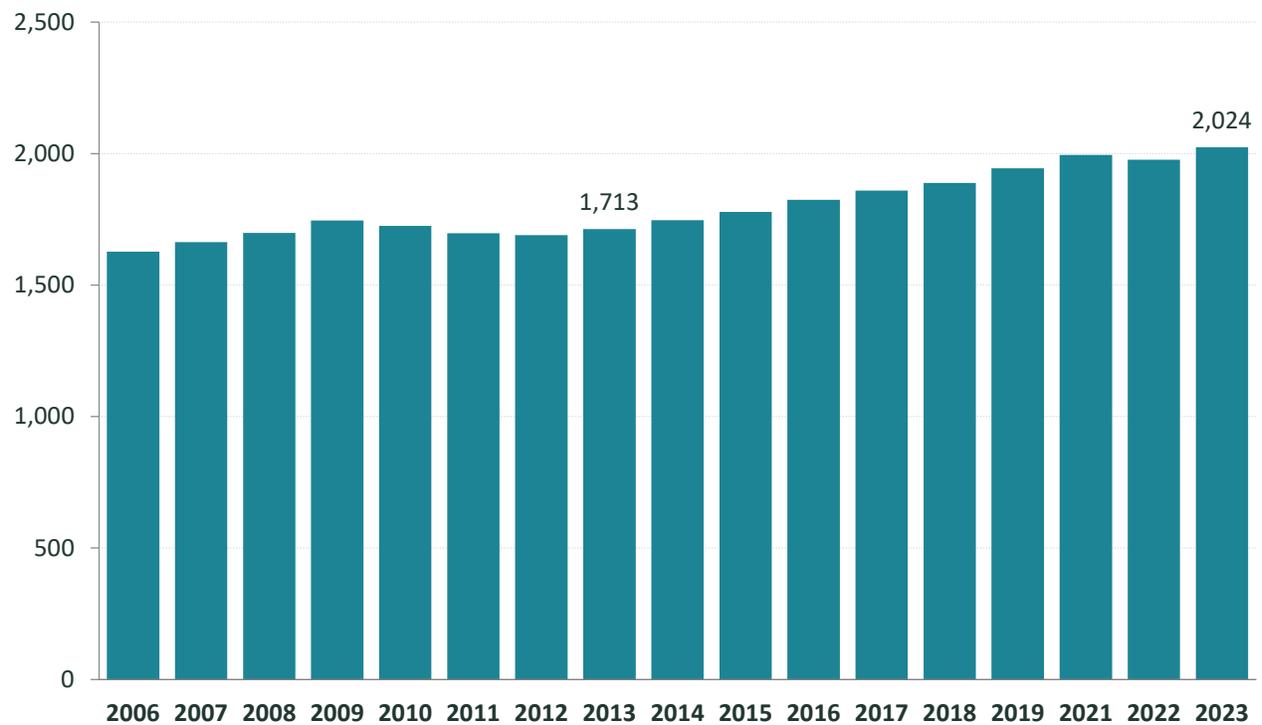
Median Gross Rent

Southern California experienced modest rent increases.

Inflation-adjusted median gross rent increased by 18 percent over the past decade, reaching \$2,024 in 2023. While this increase slightly outpaced the regionwide income growth (17 percent) and national rent increase (16 percent), it remains modest compared to the 45 percent increase in median home values during the same period.

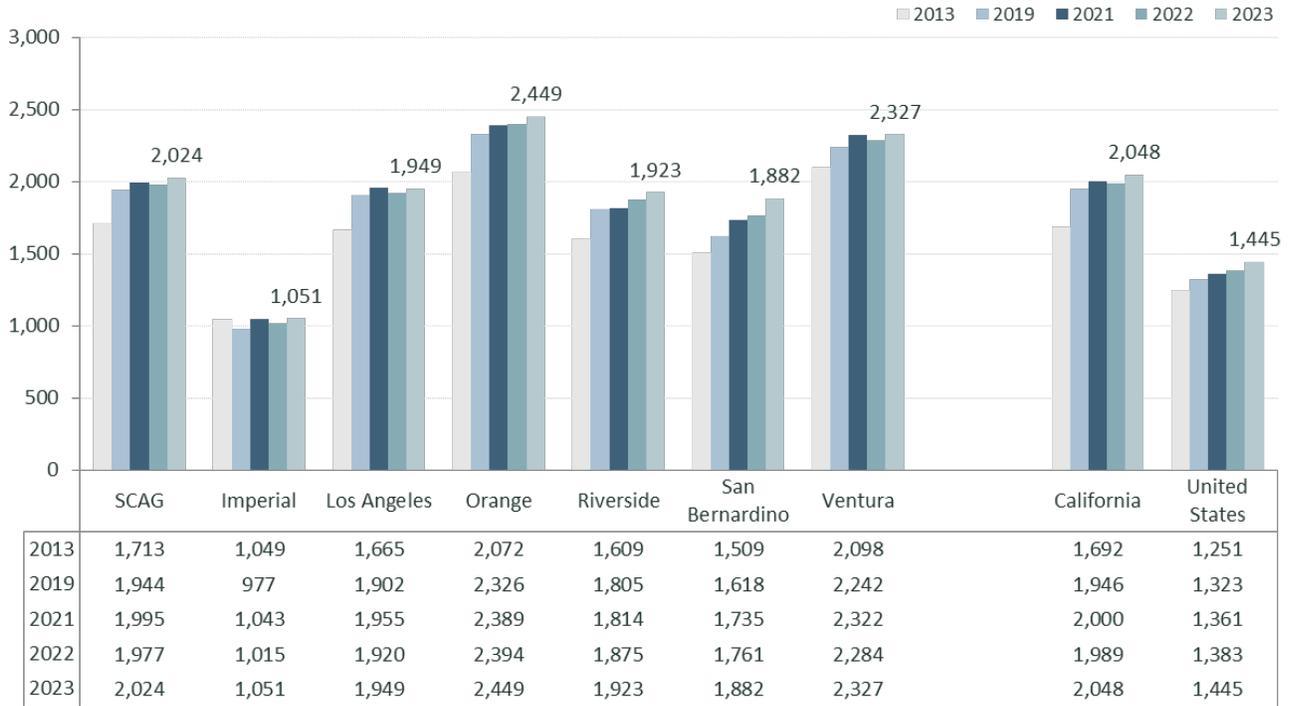
Within the SCAG region, median gross rents were highest in Orange County (\$2,449). In Los Angeles County, where over half of households are renters, median gross rent rose by only 2.5 percent from 2019 to \$1,949, slightly below the regionwide median. The Inland Empire, historically more affordable, experienced the largest rent hikes over the past decade (25 percent in San Bernardino County and 20 percent in Riverside County). Notably, real median rent in San Bernardino County surged in recent years, exceeding its pre-pandemic level by 16 percent.

Median gross rent in 2024 U.S. dollars, SCAG region



Notes: Chart reports data from ACS 1-year sample, Table B25063

Median gross rent in 2024 U.S. dollars



Notes: Chart reports data for 2013, 2019, 2021, 2022, and 2023 from ACS 1-year sample, Table B25064

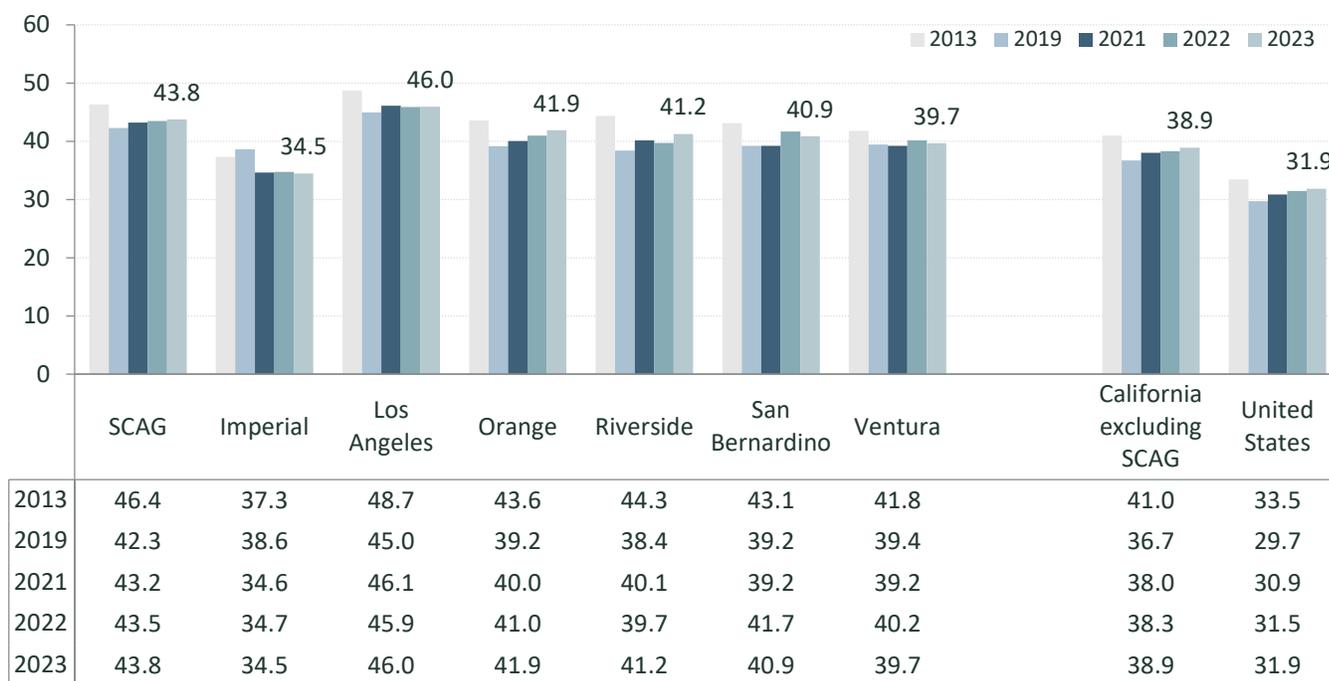
Housing Cost Burden

Housing cost burden eased slightly over the past decade but rose in recent years.

Households that are housing cost-burdened are defined as those spending 30 percent or more of their incomes on housing. In 2023, rates of housing cost-burden were lower than a decade ago across all areas, but many places saw increases following the pandemic. In the SCAG region, 43.8 percent of the households (homeowners and renters) were cost-burdened in 2023. The region’s cost-burden rate was lower than the 46.4 percent recorded ten years ago, but it remained consistently higher than the rest of California (38.9 percent) and the United States overall (31.9 percent). Los Angeles County had the highest share of cost-burdened households, remaining at roughly 46 percent over the past three years, while Orange County saw a steady increase in its cost burden rate since 2019, reflecting its high home values and rents.

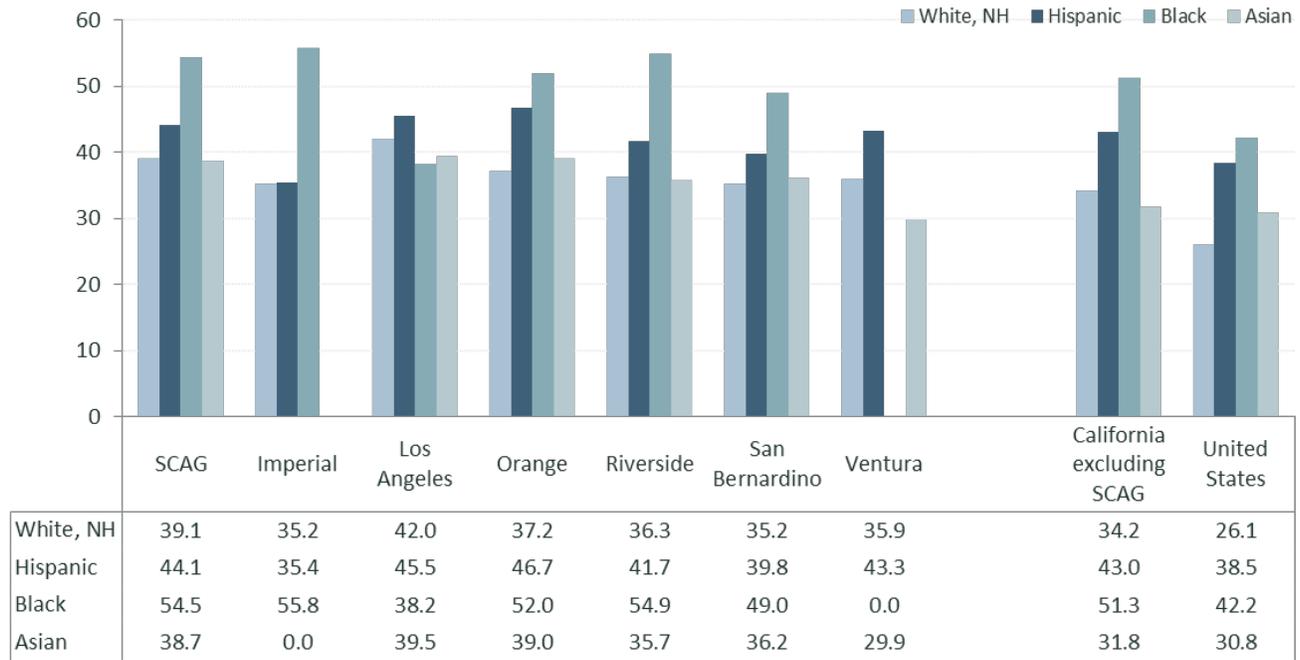
Housing cost burden rates vary significantly across race and ethnicity. In 2023, the U.S. Census Bureau began to record the share of households spending *more than* 30 percent of income on housing. Regionwide, 54.5 percent of Black households fell in this category, compared to 39.1 percent for White, non-Hispanic households.

Percent of households cost-burdened



Notes: Chart reports data for 2013, 2019, 2021, 2022, and 2023 from ACS 1-year sample, Table B25106

Percent of households paying more than 30 percent of income on housing



Notes: Chart reports data for All, White, NH, Hispanic, Black, and Asian from ACS 1-year sample, Tables B25140, B25140H, B25140I, B25140B, and B25140D. Imperial and Ventura counties are missing data on Asian and Black households, respectively.

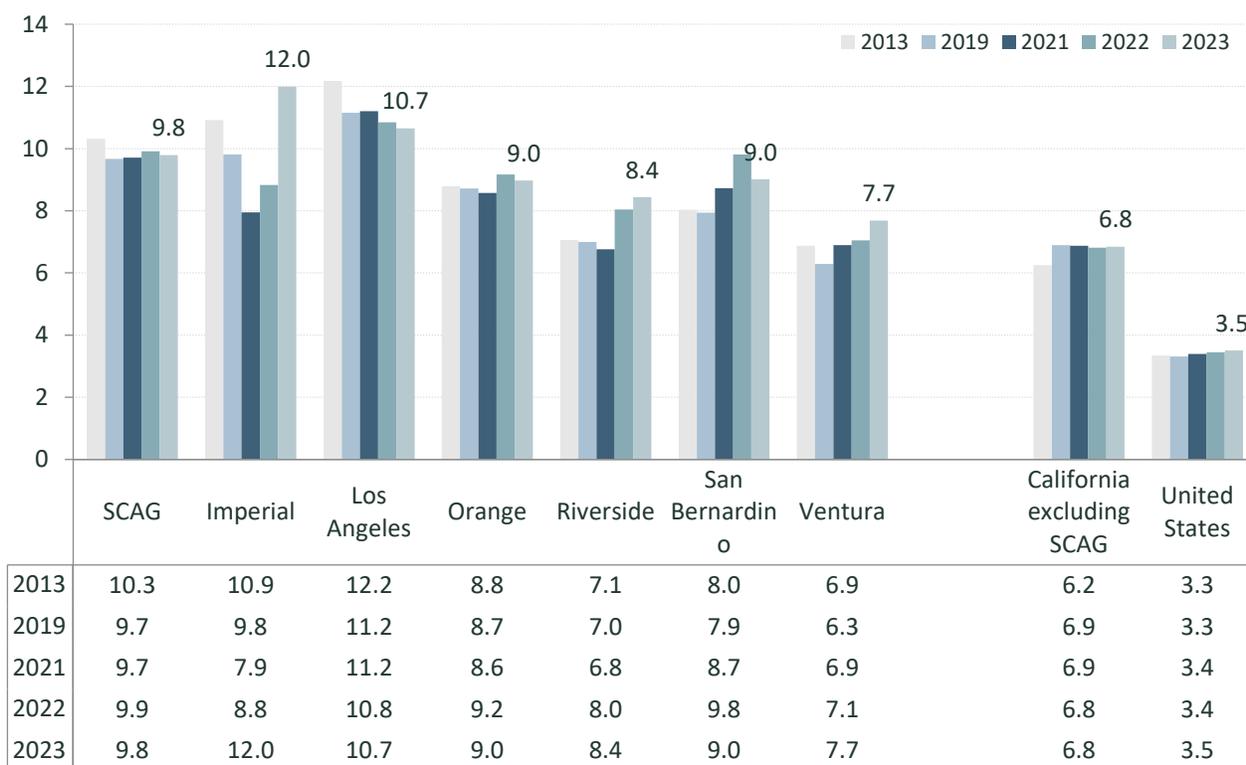
Household Overcrowding

Overcrowding persisted in Southern California, with post-pandemic surges in several counties; Los Angeles saw a divergent trend.

One common strategy to cope with high housing costs is doubling up with family and friends, which often leads to overcrowding—defined as housing units with more than one person per room. Overcrowding has been a significant issue in the SCAG region, with around 10 percent of households living in overcrowded units over the past decade, roughly three times the national rate. While home values and rents in the SCAG region are similar to those in the rest of California, the region’s overcrowding rate remains three percentage points higher.

There is considerable variation in overcrowding trends within the region. Los Angeles County's share of households living in overcrowded conditions declined over the past decade, but it remained high at 10.7 percent in 2023. Overcrowding rates dipped in 2021 in Imperial, Orange, and Riverside counties, possibly reflecting a preference for more space in living arrangements during the pandemic. However, all three counties have seen a rebound in overcrowding over the past three years, with Imperial County experiencing the sharpest increase, from 7.9 percent to 12.0 percent.

Percent of households living in overcrowded units (1+ persons per room)



Notes: Chart reports data for 2013, 2019, 2021, 2022, and 2023 from ACS 1-year sample, Table B25014

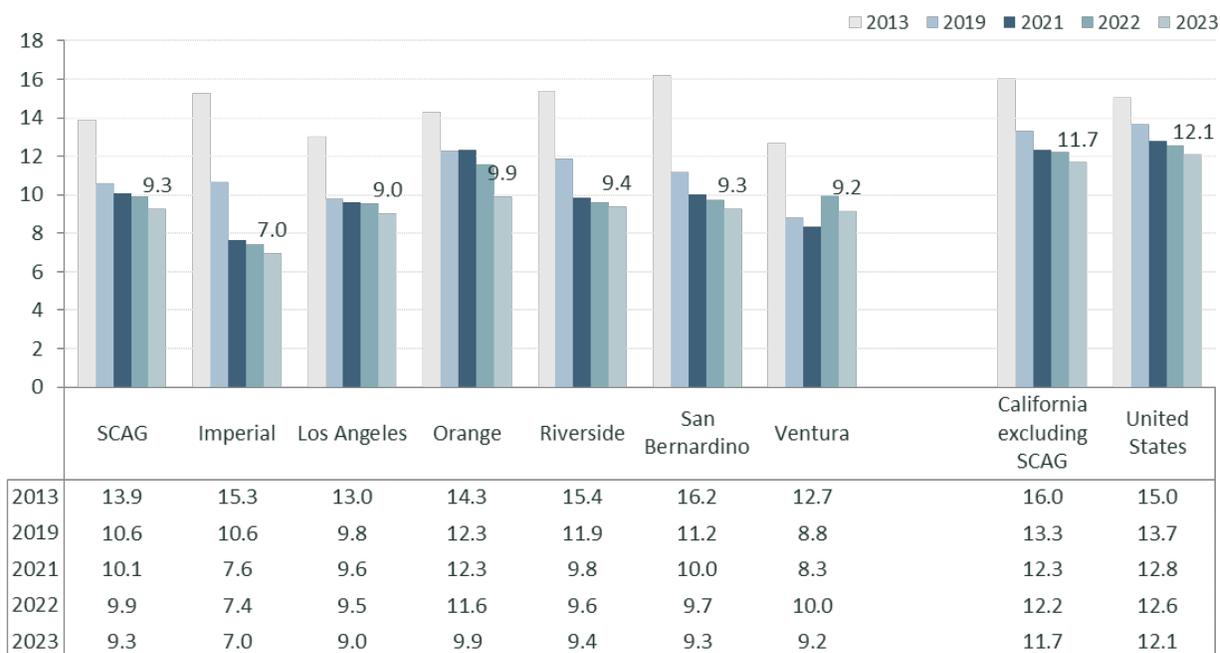
Residential Mobility

Residential mobility declines in Southern California, highlighting the need for diverse housing options.

The share of people who lived in a different home a year ago has dropped significantly over the last decade and continued to decline last year. This trend is observed statewide and nationwide but appears slightly more pronounced in Southern California. In 2023, 9.3 percent of people in the region changed address within the past year, compared to around 14 percent a decade ago. Nationally, about 12 percent of people lived in a different home a year ago, down by three percentage points from 2013. The decline in residential mobility is in part due to the region’s tight housing market, along with elevated interest rates following the post-pandemic period, making it difficult for people to move to homes that better suit their needs.

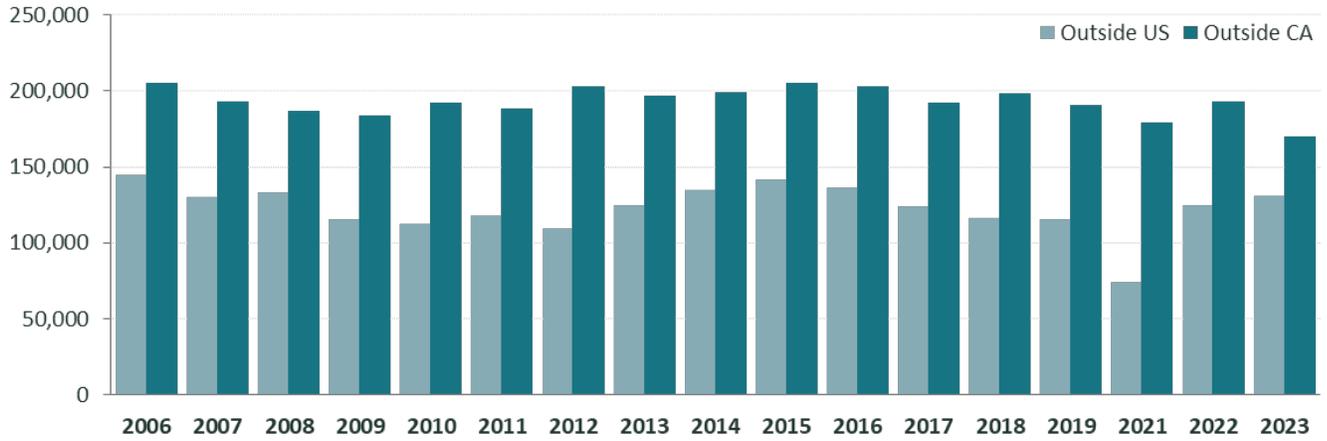
Around 170,300 people moved into the SCAG region from outside California in 2023, the lowest level recorded since 2006. On the other hand, roughly 130,700 people moved into the region from abroad, a significant rebound in international migration after dropping to under 75,000 in 2021. While overall residential mobility in the region remained sluggish, with fewer people moving in from other states, the resurgence of international migration will continue to contribute to the region’s diverse workforce and economic base. In the SCAG region, 35.1 percent of workers were foreign-born, significantly higher than the national rate (17.7 percent). Providing a wide range of housing options remains essential for allowing people to choose and move to locations and units that best suit their needs and for improving the overall quality of life in the region.

Percent of people (one year and over) living in a different home one year ago



Notes: Chart reports data for 2013, 2019, 2021, 2022, and 2023 from ACS 1-year sample, Table B07003

Number of people (one year and over) moved into the region by origin one year ago



Notes: Chart reports data from ACS 1-year sample, Table B07003

Work from Home

The work-from-home share decreased modestly in 2023 but remained well above pre-pandemic levels.

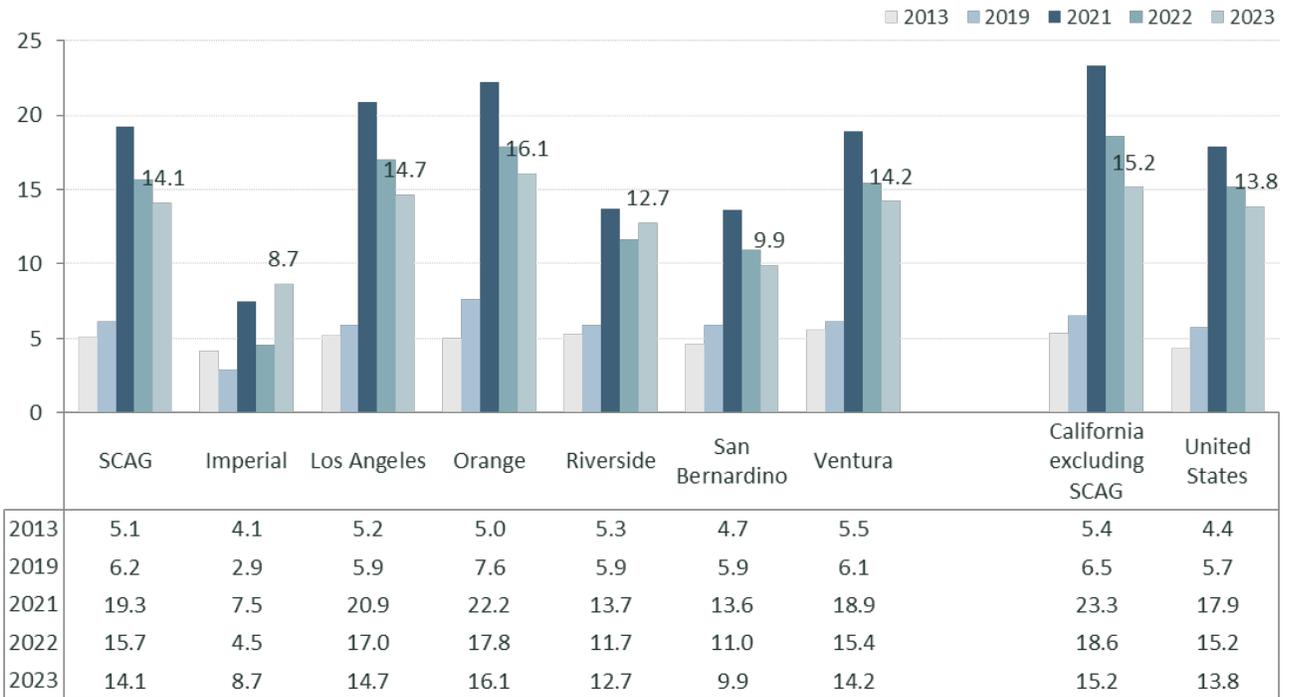
The ACS asks survey respondents to indicate the travel mode they use for most of the distance in a typical workweek. Up until 2019, the share of workers who reported “working from home” as their primary commute mode was around 5 or 6 percent, both in the region and nationally. In 2021, due to the pandemic, work-from-home rates roughly tripled. In Southern California, the work-from-home share rose from 6.2 percent pre-pandemic to 19.2 percent in 2021. It dropped slightly in 2022 (15.7 percent) and continued to decline modestly in 2023, now standing at 14.1 percent. Put differently, in the past year, about 138,000 workers in the region stopped telecommuting.

Despite the decline, the work-from-home share remained significantly higher than pre-pandemic levels. The sustained high rate of remote work indicates a lasting shift in commute patterns and the potential for ongoing flexibility in work arrangements, even as the immediate effects of the pandemic have lessened. The ACS measure is intended to capture fully-remote workers; however, in practice, it might capture some hybrid workers.

Separately, the [Survey of Working Arrangements and Attitudes \(SWAA\)](#) provides a different work-from-home metric, tracking the percentage of full workdays working from home among the surveyed population (residents aged 20 to 64 earning at least \$10,000 in 2019). According to SWAA data for Southern California (excluding Imperial County from the SCAG region), workers consistently reported working from home for [30 to 35 percent](#) of their workdays throughout 2024 (i.e., roughly 1-2 days per 5-workday week). This consistent share, alongside the 2023 ACS data showing a smaller drop in work-from-home rate than 2022, suggests that 2024 may be close to reflecting a “new normal” for post-pandemic work arrangements, with slightly more in-person work expected.

In addition, the two counties in the Inland Empire showed divergent trends during 2022 and 2023, with remote work share increasing to 12.7 percent in Riverside but dropping to 9.9 percent in San Bernardino. While the Inland Empire has historically been a hub for logistics and retail trade industries—sectors that are less conducive to remote work—the divergent trends might reflect shifts in the industry within each county. Orange County consistently has the highest work-from-home share, which might be due to the relatively high percentage of workers working in industry sectors that allow remote work.

Percent of workers working from home



Notes: Chart reports data for 2013, 2019, 2021, 2022, and 2023 from ACS 1-year sample, Table B08111

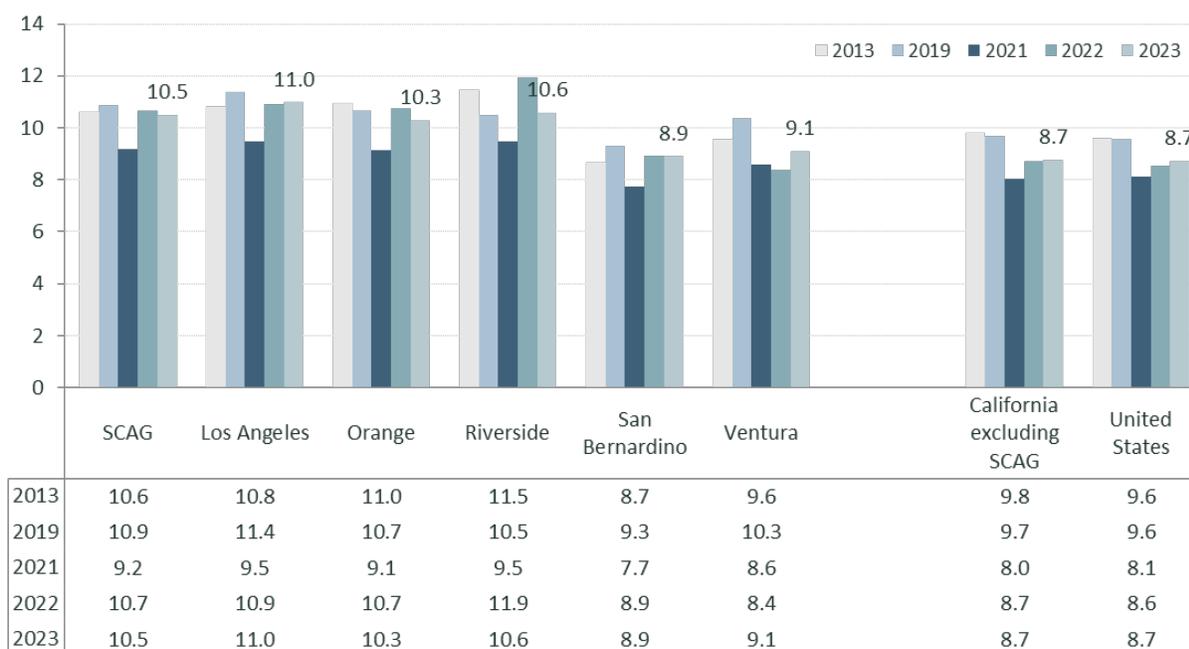
Jobs in Select Industry Sectors

Southern California recovered in the arts and entertainment sector.

The arts, entertainment, and recreation, and accommodation and food services sectors (NAICS 71 and 72) were heavily impacted by the COVID-19 pandemic due to restrictions on the economy. In the SCAG region, the share of workers in these sectors dropped from nearly 11 percent in earlier years to 9.2 percent in 2021. By 2022, however, this sector rebounded, reaching 10.5 percent in 2023 and approaching the region’s pre-pandemic levels. The recovery in these sectors was less pronounced in the rest of California and the United States, where only modest increases were seen from 2021, remaining well below pre-pandemic levels. Los Angeles County experienced the most significant recovery in this sector, with the share of workers rising from 9.5 percent in 2021 to 11 percent in 2023.

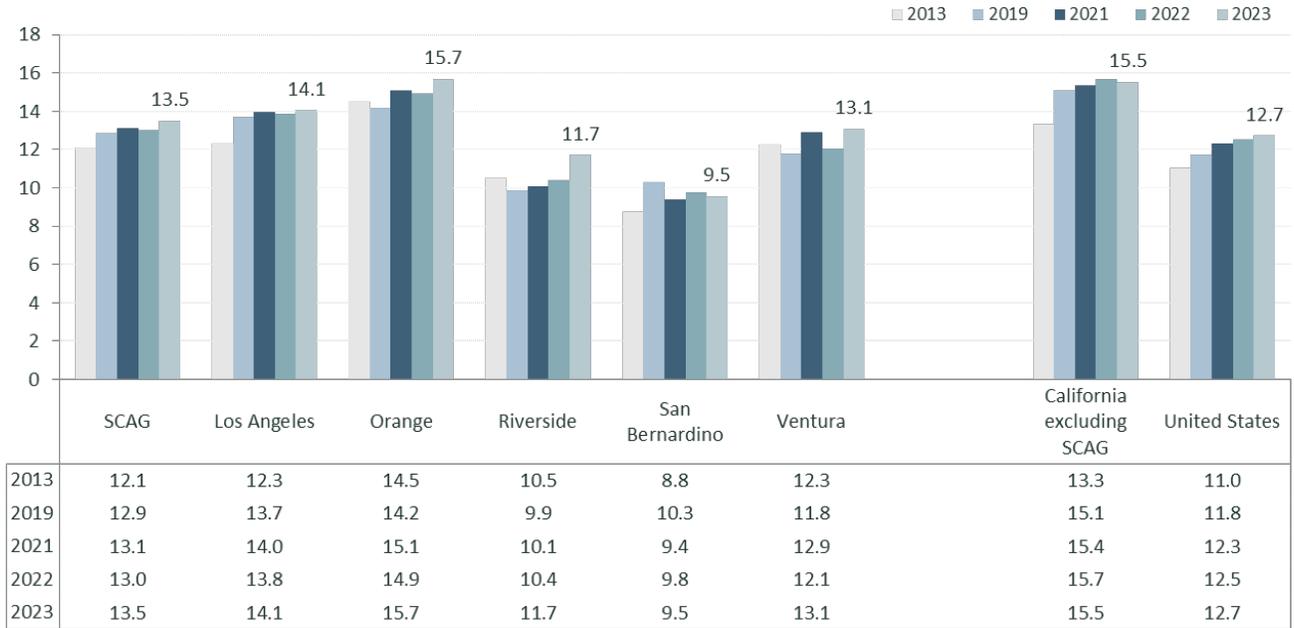
The shares of workers in the professional and scientific, management, and administrative and waste management services sectors (NAICS 54-56) have been increasing over the past decade in the SCAG region, statewide, and nationally. In 2023, 13.5 percent of the workforce in the SCAG region was in these sectors, lower than the rest of the state (15.5 percent) but higher than the United States (12.7 percent). Orange County consistently had the highest share of workers in the professional and scientific, management, and administrative and waste management services sectors (15.7 percent in 2023). Riverside County saw the largest annual increase in the share of workers in these sectors, increasing from 10.4 percent in 2022 to 11.7 percent in 2023, which might contribute to the increase in the work-from-home share in the county. San Bernardino County, on the other hand, was the only county that saw a decrease in these sectors’ share during 2022 and 2023.

Percent of workers in arts, entertainment, and recreation, and accommodation and food services



Notes: Chart reports data for 2013, 2019, 2021, 2022, and 2023 from ACS 1-year sample, Table B08126. Data is not available for Imperial County. The share for the SCAG region is calculated based on data from the other five counties.

Percent of workers in professional and scientific, and management, and administrative and waste management



Notes: Chart reports data for 2013, 2019, 2021, 2022, and 2023 from ACS 1-year sample, Table B08126. Data is not available for Imperial County. The share for the SCAG region is calculated based on data from the other five counties.

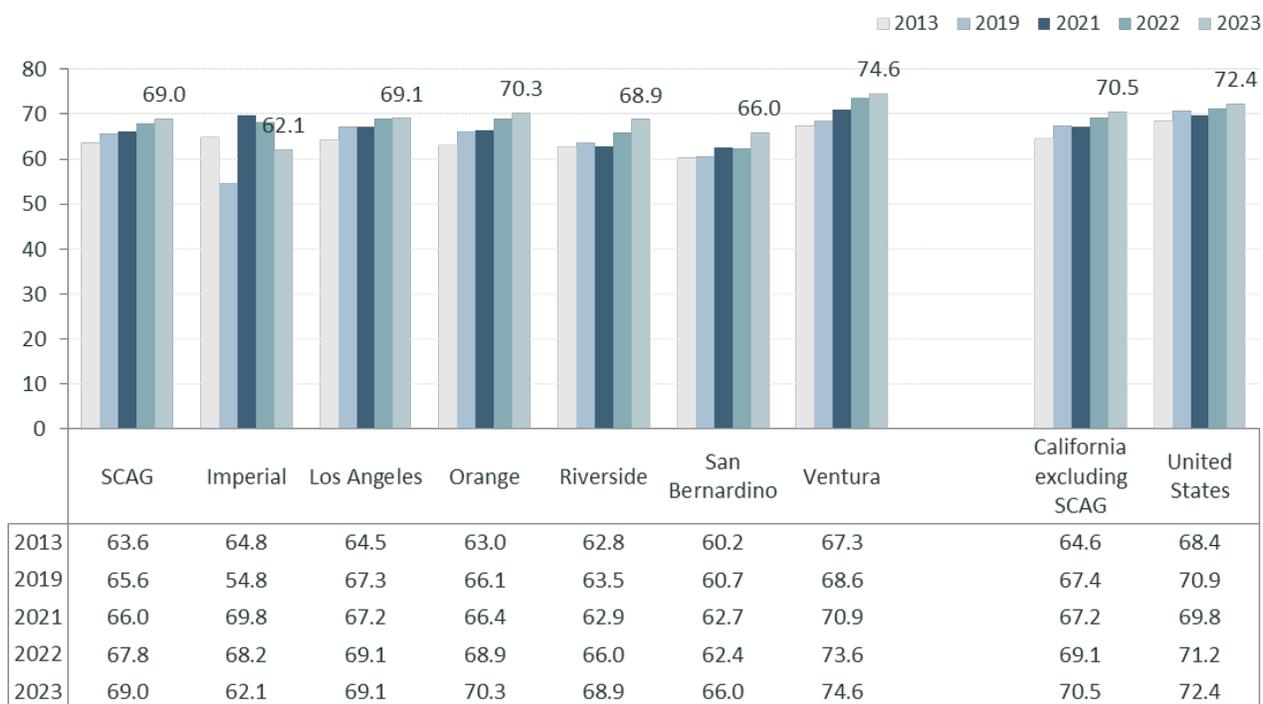
Labor Force Participation of Parents

Labor force participation of parents rose over the past decade.

The share of children with all parents (whether single or both) in the labor force has steadily increased over the past decade in most places. In the SCAG region, this share increased from 63.6 percent in 2013 to 69.0 percent in 2023, indicating a rise in labor force participation among parents. The rest of California and the United States had consistently higher parental labor force participation, reaching 70.5 percent and 72.4 percent in 2023, respectively.

Los Angeles, Orange, and Ventura counties consistently had higher shares of children with all parents in the labor force compared to the rest of the region, with these numbers increasing over the past decade. In contrast, the share of children in Imperial County with all parents in the labor force peaked in 2021 (69.8 percent) but dropped considerably to 62.1 percent in 2023. Regionwide and nationally, the overall upward trend could be driven by overall job growth, better wages, and in recent years, more flexible work arrangements. Growth in this statistic also indicates the importance of child-friendly employment policies, such as the availability of parental leave and the availability of affordable childcare. However, high costs of living, such as in the coastal counties, could also be contributing to higher labor force participation among parents as families need dual incomes to cover expenses.

Percent of own children living in families where all parent(s) are in labor force



Notes: Chart reports data for 2013, 2019, 2021, 2022, and 2023 from ACS 1-year sample, Table C23008

Population Age 65 and Over

Southern California remained slightly younger than California and the United States; aging trends in 2023 are similar across all areas.

Data continue to show a steady increase in the share of senior population in all areas. In the SCAG region, the percentage of people aged 65 and over increased from 12.0 percent in 2013 to 15.7 percent in 2023. The upward trend of senior population is mirrored across individual counties within the region. Ventura County, consistently older than the rest of the region, saw the largest increases, with its senior population rising from 13.0 percent in 2013 to 18.1 percent in 2023. San Bernardino County remains the youngest, with 12.9 percent of its population aged 65 and older.

There are few areas globally where the population is not aging. In the rest of California, the percentage of seniors rose from 13.0 percent to 16.7 percent between 2013 and 2023. Nationally, the United States also experienced a rise from 14.1 percent to 17.7 percent over the same period. The demographic shift to an older society highlights the growing need for healthcare, senior housing, and other services for older adults in the region.

Percent of people 65 years and over



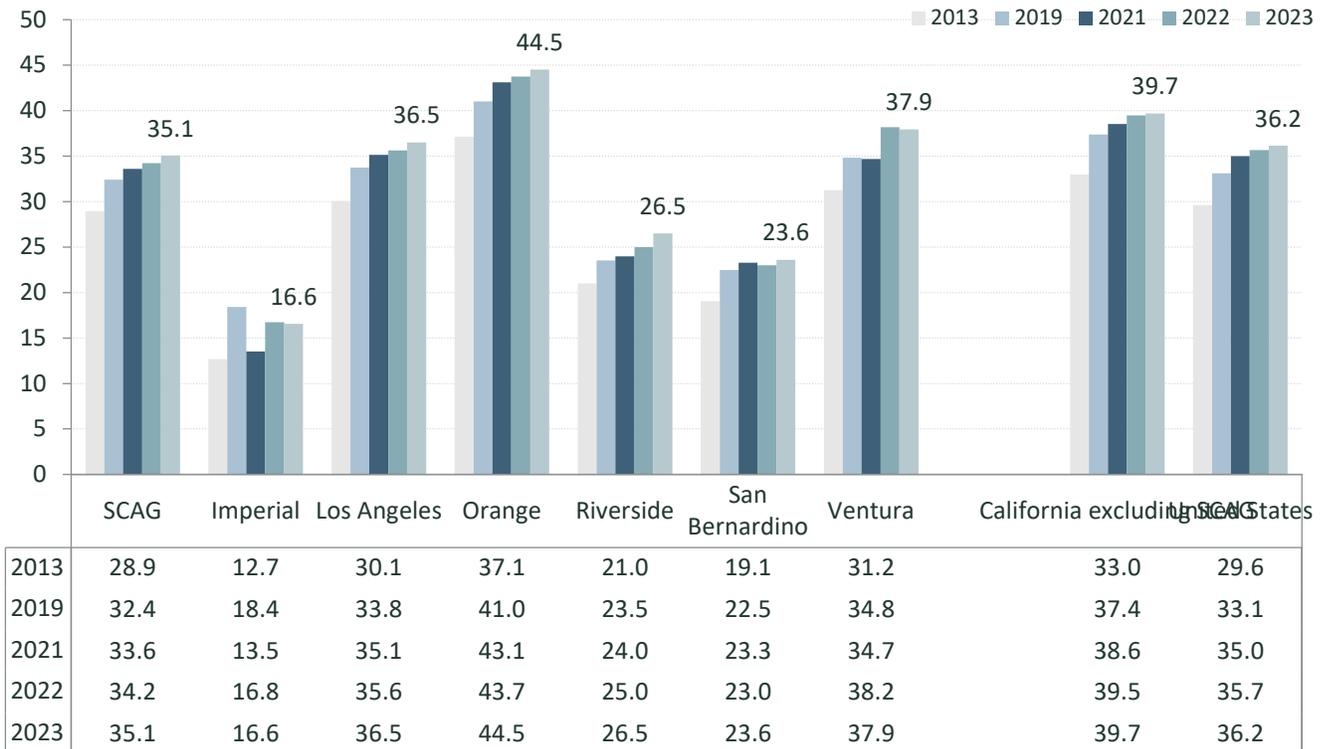
Notes: Chart reports data for 2013, 2019, 2021, 2022, and 2023 from ACS 1-year sample, Table B01001

College Education Rates

Education attainment continued to rise.

Education attainment has continued to increase in almost all areas. In the SCAG region, the percentage of individuals (25 years and over) with a bachelor’s degree or higher rose from 28.9 percent in 2013 to 35.1 percent in 2023, though slightly lower than the rest of California (39.7 percent) and the national rate (36.2 percent). All coastal counties—Los Angeles, Orange, and Ventura—experienced significant increases in college education rates over the past decade. Notably, 44.5 percent of individuals (25 years and over) in Orange County held a bachelor’s degree or higher in 2023. Riverside and San Bernardino counties, where college education rates were historically lower, also saw considerable progress toward higher education attainment, which could have long-term positive impacts on local labor markets.

Percent of people 25 years and over with a bachelor’s degree or higher



Notes: Chart reports data for 2013, 2019, 2021, 2022, and 2023 from ACS 1-year sample, Table B15002

References

ⁱ U.S. Survey of Working Arrangements and Attitudes (SWAA) | WFH Research. (n.d.). Retrieved September 20, 2024, from <https://wfhresearch.com/data>

ⁱⁱ Federal Reserve Economic Data. (2024, September 19). 30-Year Fixed Rate Mortgage Average in the United States. <https://fred.stlouisfed.org/series/MORTGAGE30US>



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