

PANDEMIC

L.A.-OC rent hikes sink to 8-year low

While the region's homebuying enjoys a pandemic-era rebound, local landlords are watching their pricing power tumble to an eight-year low, according to the Consumer Price Index.

The cost of renting in Los Angeles and Orange counties rose at a 1.8% annual rate in October — the smallest gain since 2012 and just one-third of the 5.7% hikes seen a year earlier. The U.S. Bureau of Labor Statistics' CPI has a slow-moving rent index that tracks rental costs by polling consumers. Other measurements that come from surveys of landlords show asking rents dropping in



Jonathan Lansner
Columnist

some parts of the two-county region.

The pandemic's economic damage has slammed lower-paying jobs — a primary employment niche for renters. The region's landlords, in turn, have struggled to collect rent and been forced to discount rates to keep apartments filled.

The rental market has gotten little to no monetary stimulus compared with the homebuyer/owner segment, which has seen historically low interest rates, financial support for lenders, and generous forbearance offers for those who can't make mortgage payments.

Just look at the small rise in October's L.A.-OC rent CPI, an index that averaged 5.5% gains in 2019 and 4.6% in 2015-2018. Today, the local rental market looks more like the economically soft 2009-14 period, when local rents rose on average just 1.7% annually.

Business restrictions designed to stem the spread of coronavirus have slowed the broad economy. Landlords aren't alone as many merchants also can't raise their prices much, either.

Consider how small overall local inflation is — rising at only a 0.7% annual pace in October. That's the slowest gain in five years and down from 3.2% a year earlier. L.A.-OC inflation

averaged 3.1% in 2019 and 2.3% in 2015-2018 and 1.3% in 2009-2014.

Here are other cost-of-living trends you should be watching ...

The big picture: The local 0.7% overall inflation rate, vs. 1.2% across the nation and in Western states.

Inland: 1.7% for September — the latest bimonthly reading of overall inflation for Riverside and San Bernardino counties.

Elsewhere in the West: Bay Area inflation was 1.1% in October. Seattle had 2.1% and 0.7% for Phoenix.

Inside the local report, we learned ...

Shelter's burden: Housing eats up the biggest share of local

household budgets. Minus shelter costs, L.A.-OC prices actually are deflating 0.2% in 12 months.

Fuel: Gasoline in L.A.-OC cost 24.4% less in the past 12 months, by CPI math. Household energy costs 9.6% more.

Food: Groceries rose 3.9% as eating out got 5.2% pricier.

Medical: Bills were 4.6% costlier.

All local services: 1.8% pricier.

Apparel: Clothing was 1.2% costlier.

Big-ticket items: The cost of durable goods (such as appliances and furniture) was 0.6% lower.

Vehicles: New are 1.2% cheaper, and used is 10.6% pricier.

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

Perspire Sauna debuts in Dana Point

If you're feeling a bit stressed under COVID-19 restrictions, perhaps you can sweat away that anxiety.

Perspire Sauna Studio has opened in Dana Point, its sixth location in California.

The studio touts modern-day science and technology using infrared sauna. Maria Kirgan is the franchisee.

Located at Monarch Bay Plaza on Pacific Coast Highway, the 1,500-square-foot studio will hold 10, all private, custom infrared saunas. Each room can have either one, two or three people.

Sessions are typically 40 minutes and walk-ins are welcome. Address: 32840 Highway 1.

Annual coat drive begins

Burlington Stores and the nonprofit Delivering Good have launched the 14th annual Burlington Coat Drive.

Customers can donate a new or gently worn coat at any Burlington store location through Jan. 4. Customers who donate will get 10% off an entire purchase at the discount retail store.

Delivering Good will make sure that donated coats are kept within that store's local community.

The coat drive has collected some 2.3 million coats in 13 years, according to Burlington.

HDSA walk postponed

The Huntington's Disease Society of America's Orange County chapter has postponed its Team Hope Walk ~ California Style, which had been scheduled for Dec. 6.

Team Hope is HDSA's largest national fundraising event. Families, friends, co-workers, neighbors and communities walk together each year to support HDSA's fight to improve the lives of people affected by Huntington's disease and their families. HD is a fatal genetic disease that affects the nerve cells in the brain. In California, the total HD population is more than 39,000.

To learn more about the nonprofit or to contribute, go to [orangecounty.hdsa.org](https://www.oranagecounty.hdsa.org)

Good works

A community partnership has helped deliver 6 tons of food to the OC Food Bank.

Community Action Partnership Orange County worked with Northgate Gonzalez Market in the 2 Ways 2 Save in-store campaign. The partnership brought in 12,000 pounds of food, thanks to shoppers who



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FILE: SARAH REINGEWIRTZ — STAFF PHOTOGRAPHER

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JEFF GRITCHEN — STAFF PHOTOGRAPHER

Volunteers fill some of the 10,000 food boxes for families in need at OC Food Bank in Garden Grove.

donated more than \$85,000 across 41 Northgate Gonzalez Markets.

Pandemic-related shutdowns have cost thousands of people their jobs,

and OC Food Bank has seen a need for food increase 412%. The food bank said it provided three times the amount of food to Orange County families in August compared with the same time last year.

From April through June CAP OC paid \$481,686 in gas and electric bills and in Santa Ana alone, dispensed more than \$99,000 in rental assistance to 66 households.

\$1.81 million raised for kids

Irvine-based Miracles for Kids' annual Night of Miracles raised a record \$1.81 million dollars to support families with critically ill children in Orange County and throughout Southern California.

The event took place in a hybrid virtual and live format that included an online silent auction staged the week of Oct. 7-14 and private, socially distanced small groups at satellite gatherings on Oct. 10.

Miracles for Kids provides monthly financial assistance, subsidized housing, mental health services and wellness activities to families with a critically ill child. Founded in 2002, the nonprofit has offices in Irvine and a subsidized housing complex, Miracle Manor, in Orange.

Partnership forged

Santa Ana-based Blind

Children's Learning Center has partnered with California Deafblind Services to bring more services to deaf-blind children. Over the next three years, BCLC staff will be trained on how to be the service providers for those who are deaf-blind in Orange County, which according to the most recent census includes 132 deaf-blind children.

On the move

Andrew Lopez has joined First Foundation Bank's Irvine headquarters as a credit analyst in the equipment finance department. Lopez has had several positions with companies in the finance industry, including as a financial analyst with Unicon Financial Services and Commission Early LLC.



Lopez

Mission Hospital grant

Citizens Business Bank has contributed a \$5,000 grant to Mission Hospital in lieu of the annual Charity Golf Classic that was canceled due to COVID-19. The yearly golf tournament is a staple in the community and has funded key initiatives throughout the hospital.

"Through its long and faithful partnership with us, Citizens Business Bank has now contributed more than \$250,000 to Mission Hospital," John Miller, Mission's chief philanthropy officer, said in a statement.

The money in past years has gone to increase emergency rooms and provide enhanced cancer care, among other initiatives, Miller said.

\$25,000 TACA gift

The Autism Community in Action has received a \$25,000 contribution from William S. Anderson on behalf of the Anderson Stewart Family Foundation. The money will serve as a matching gift opportunity and will launch the organization's year-end fundraising campaign.

TACA's mission is to provide education, support and hope to families living with autism with the vision for every individual diagnosed with autism to lead an independent life.

Status Update is compiled from news releases by contributing writer Karen Levin and edited 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.