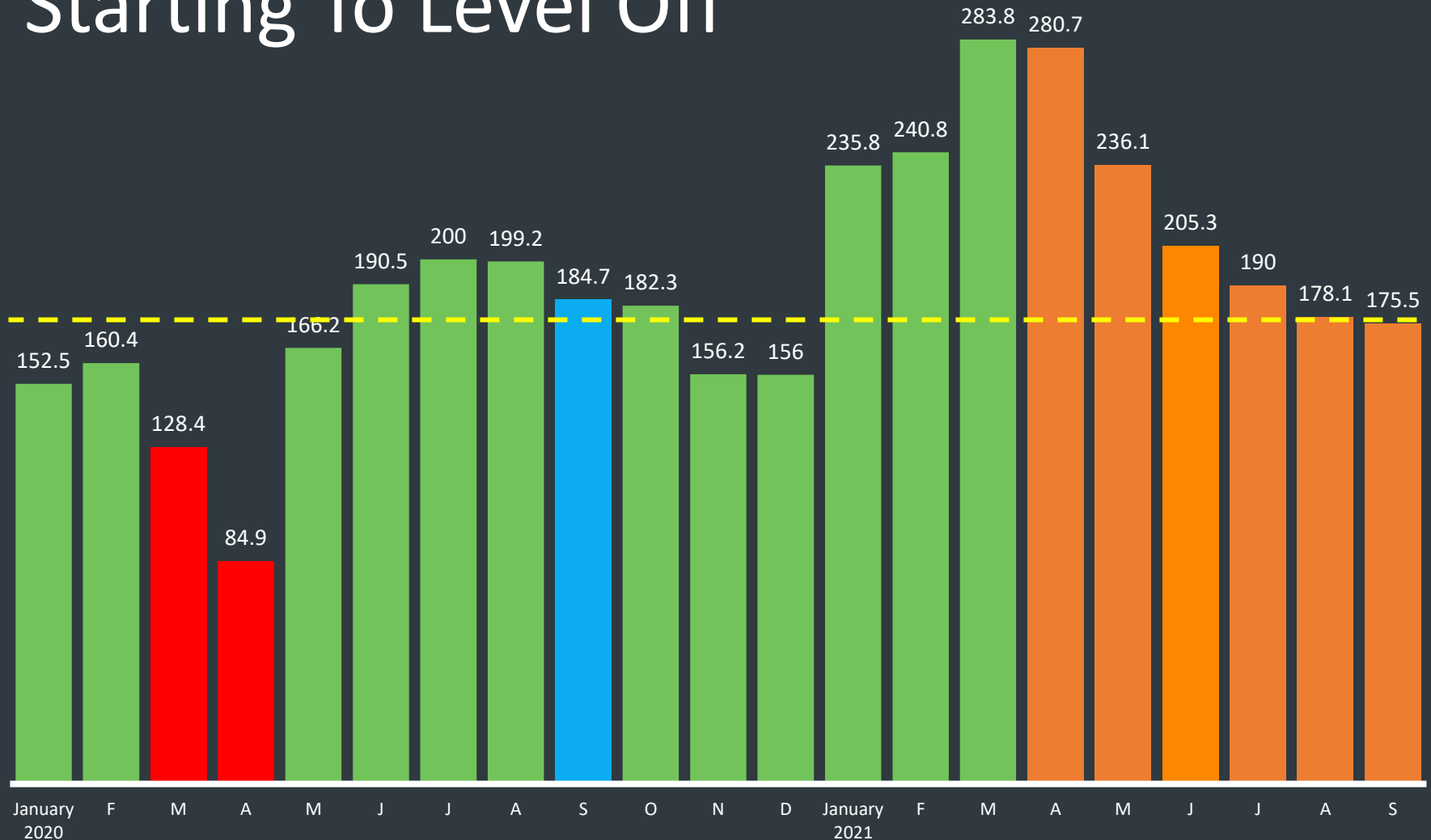


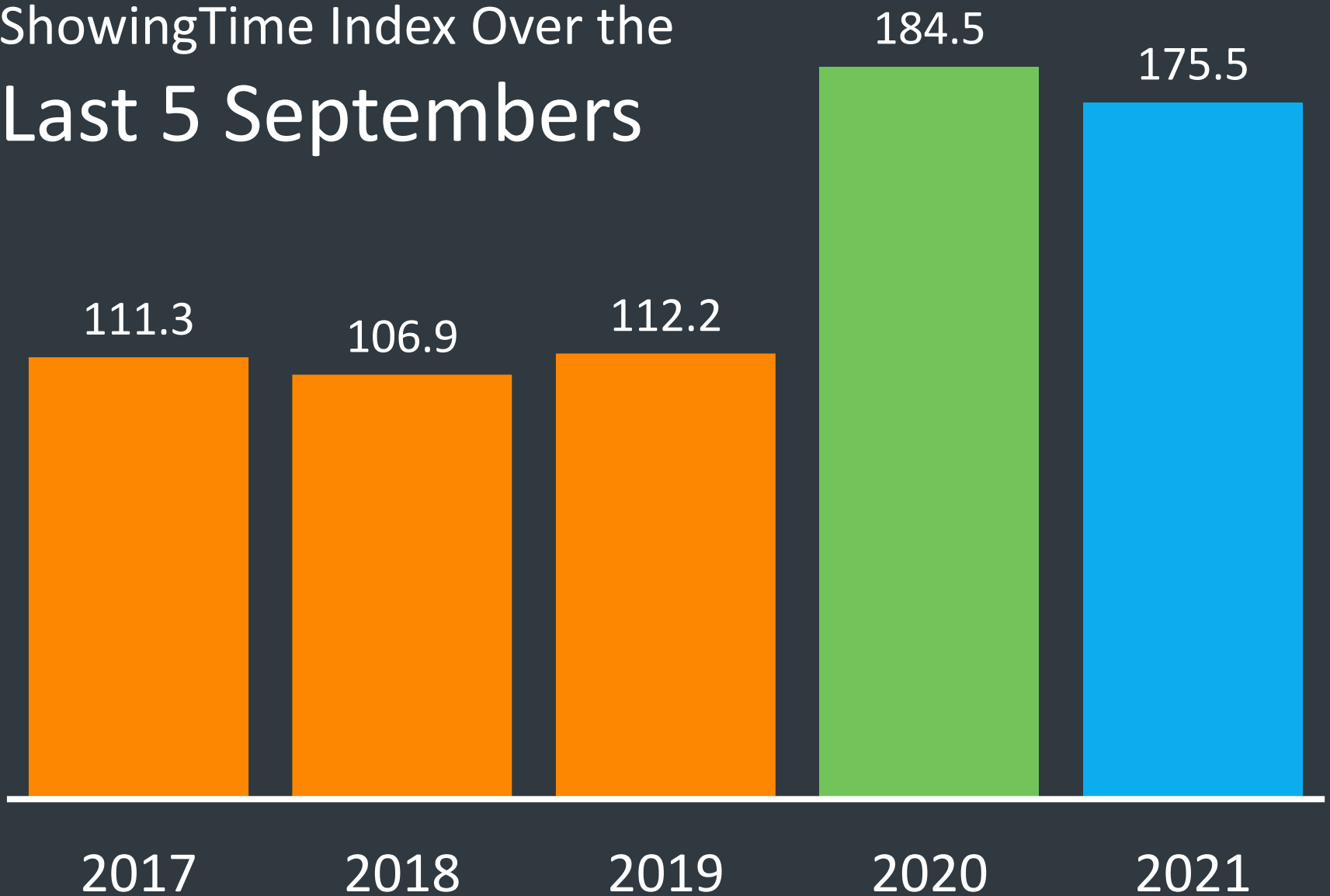
MONA KNOWS HOMES



ShowingTime's Monthly Index Starting To Level Off



ShowingTime Index Over the Last 5 Septembers



“Sales NSA in September (548,000) were 2.7% below sales in September 2020 (563,000). *Excluding last September (distorted by the delayed selling season), sales NSA were the strongest since 2005!*”

Bill McBride

Calculated Risk



HEADLINES
DO MORE TO
TERRIFY
THAN
CLARIFY





(Getty Images)

Foreclosure starts
UP 49%
over last year

28,000

8,348

5,603

August 2021

August 2020

August 2019

KEEPING CURRENT MATTERS

TRENDS

Foreclosures Are Shooting Up—Is It a Repeat of the Early 2000s Housing Crisis?

By Sharon Lurye

Oct 14, 2021



Related articles



TRENDS

The Surprising Reason the Nation May Avoid Another Foreclosure Crisis

TRENDS

REAL ESTATE

- Refinance originations will drop 62% in 2022 to \$860 billion.
- However, mortgage originations for the purpose of buying a home are forecast to rise 9% to a record of \$1.73 trillion in 2022.

KEY POINTS

- The average rate on the popular 30-year fixed loan will rise to 4%, according to the Mortgage Bankers Association's forecast.
- Refinance originations will drop 62% in 2022 to \$860 billion.
- However, mortgage originations for the purpose of buying a home are forecast to rise 9% to a record of \$1.73 trillion in 2022.



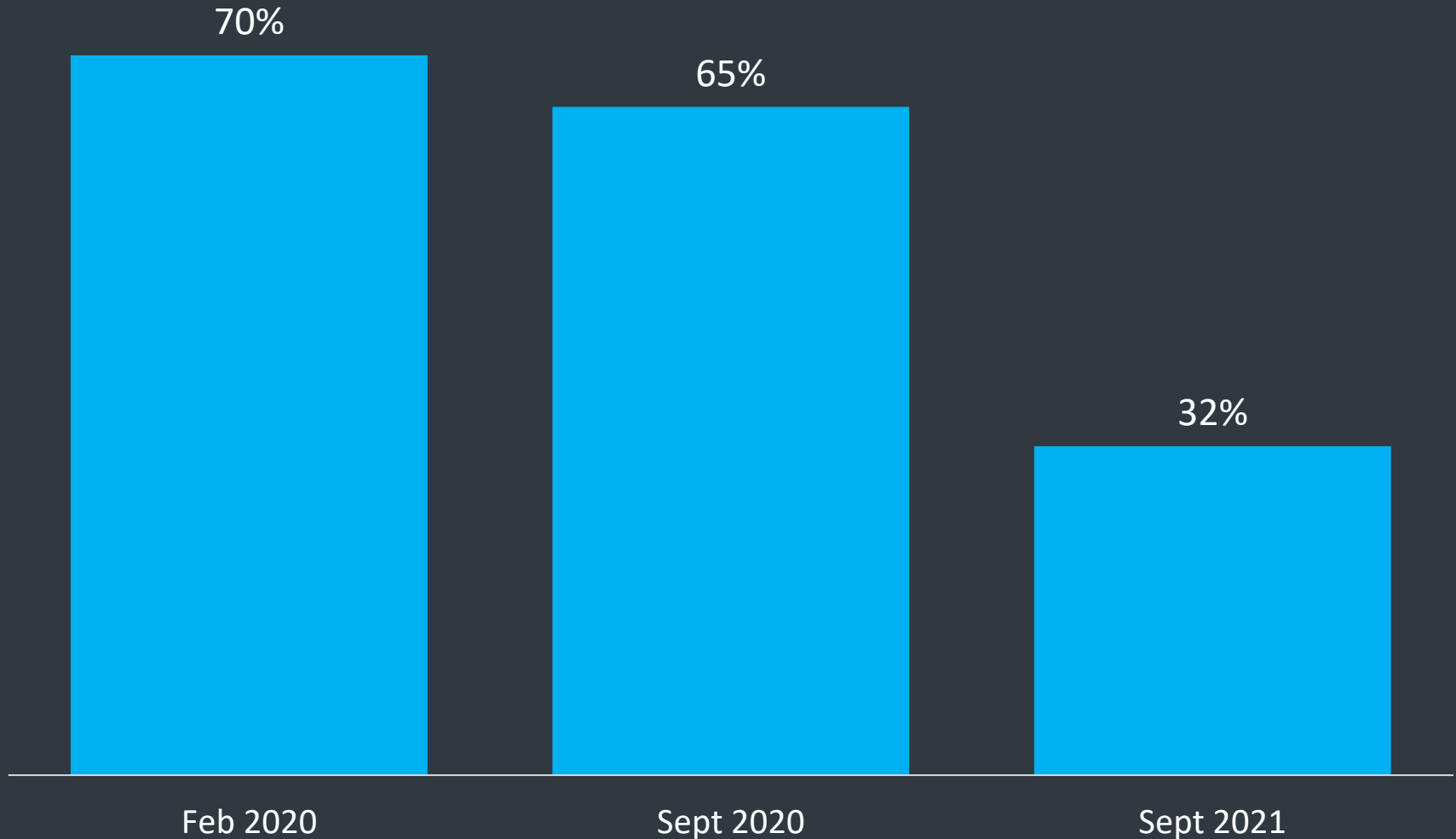
Closing Bell

WATCH LIVE

UP NEXT | Fast Money 5:00 PM ET

Listen

Do you think now is a good time buy a house?



2022 Housing Market Forecast

“Right now, we forecast mortgage rates to average 3.3 percent in 2022, which, though slightly higher than 2020 and 2021, **by historical standards remains extremely low** and supportive of mortgage demand and affordability.”

Doug Duncan

Senior VP & Chief Economist, Fannie Mae



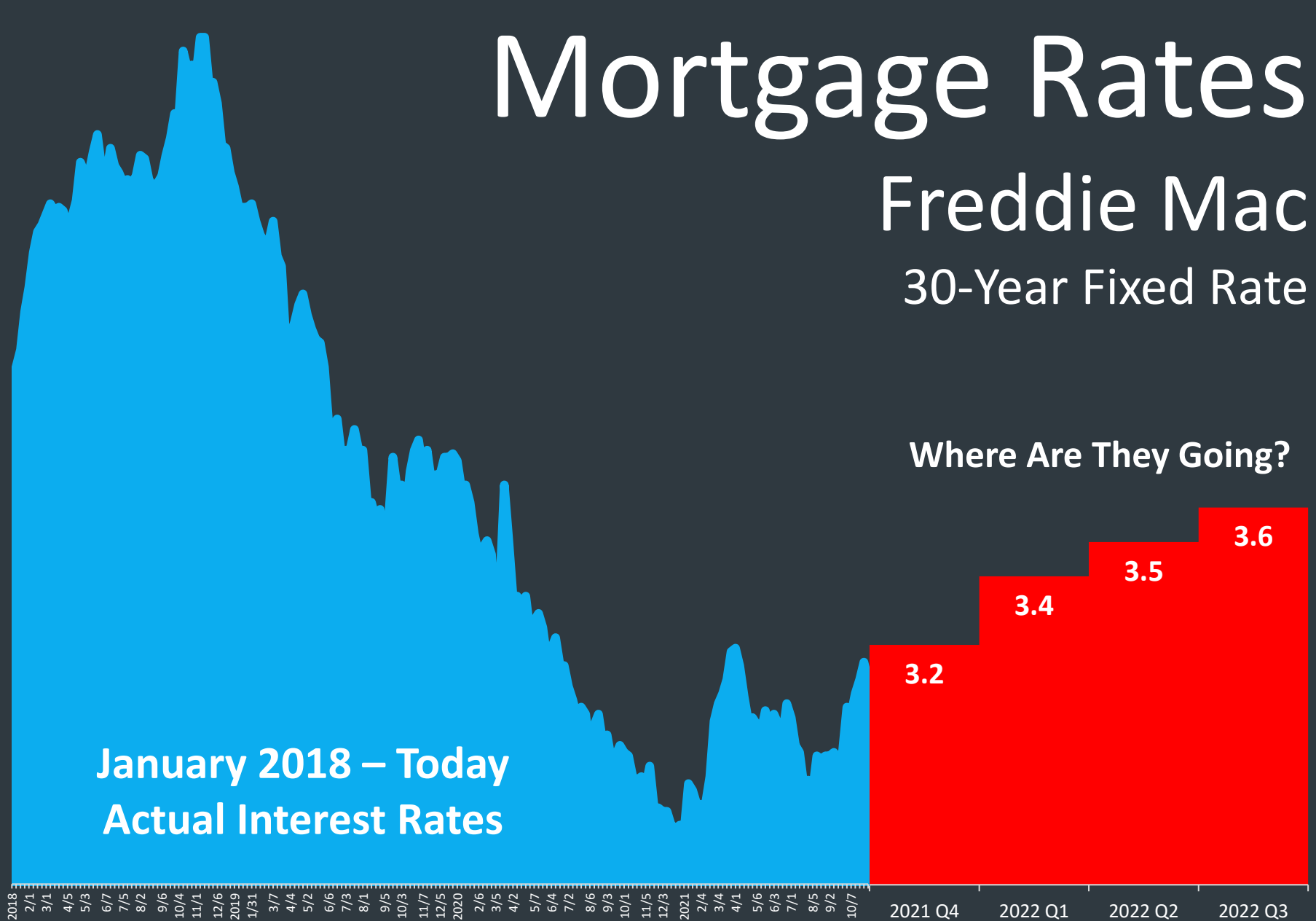
Mortgage Rates

Freddie Mac

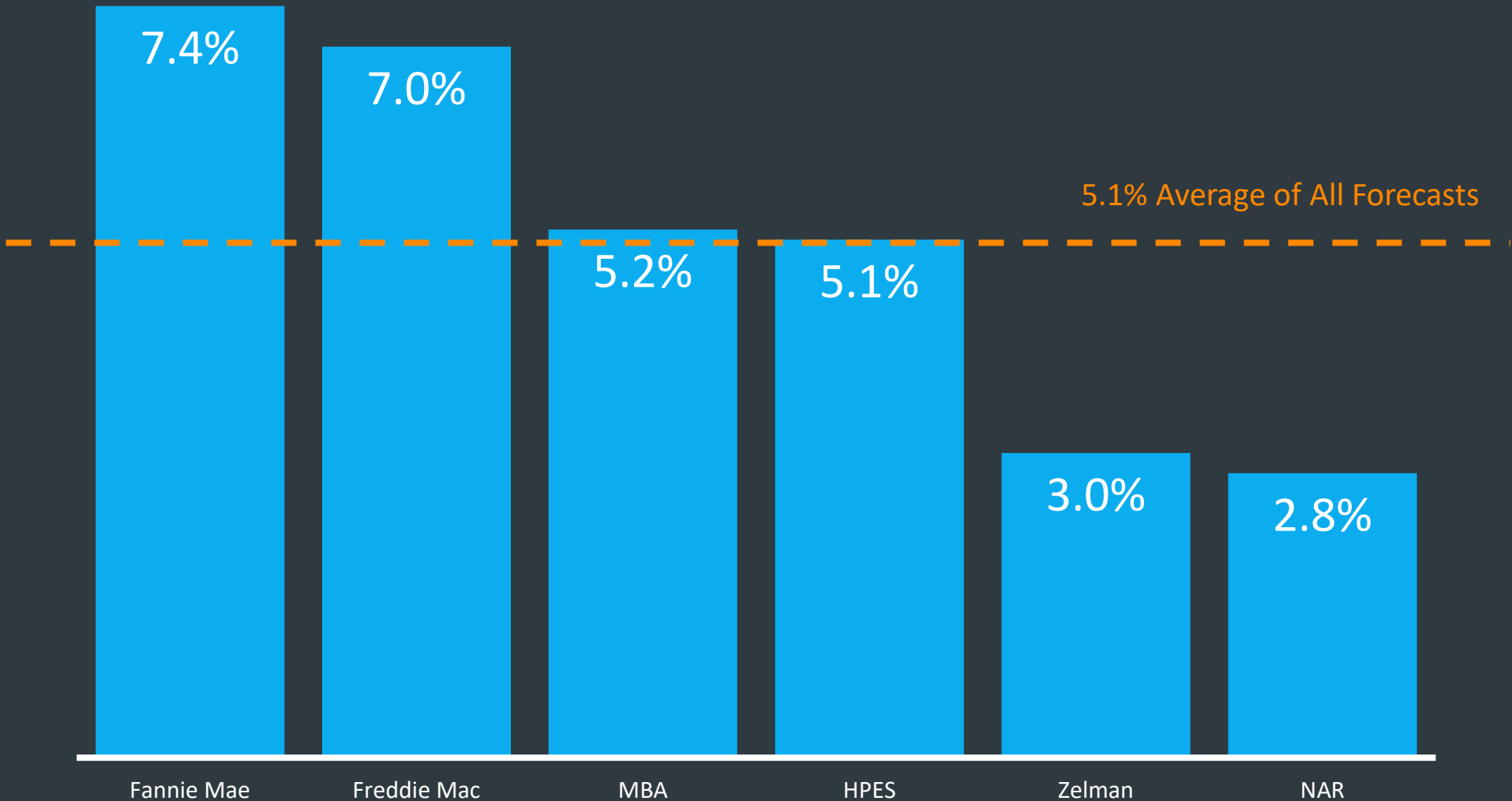
30-Year Fixed Rate

Where Are They Going?

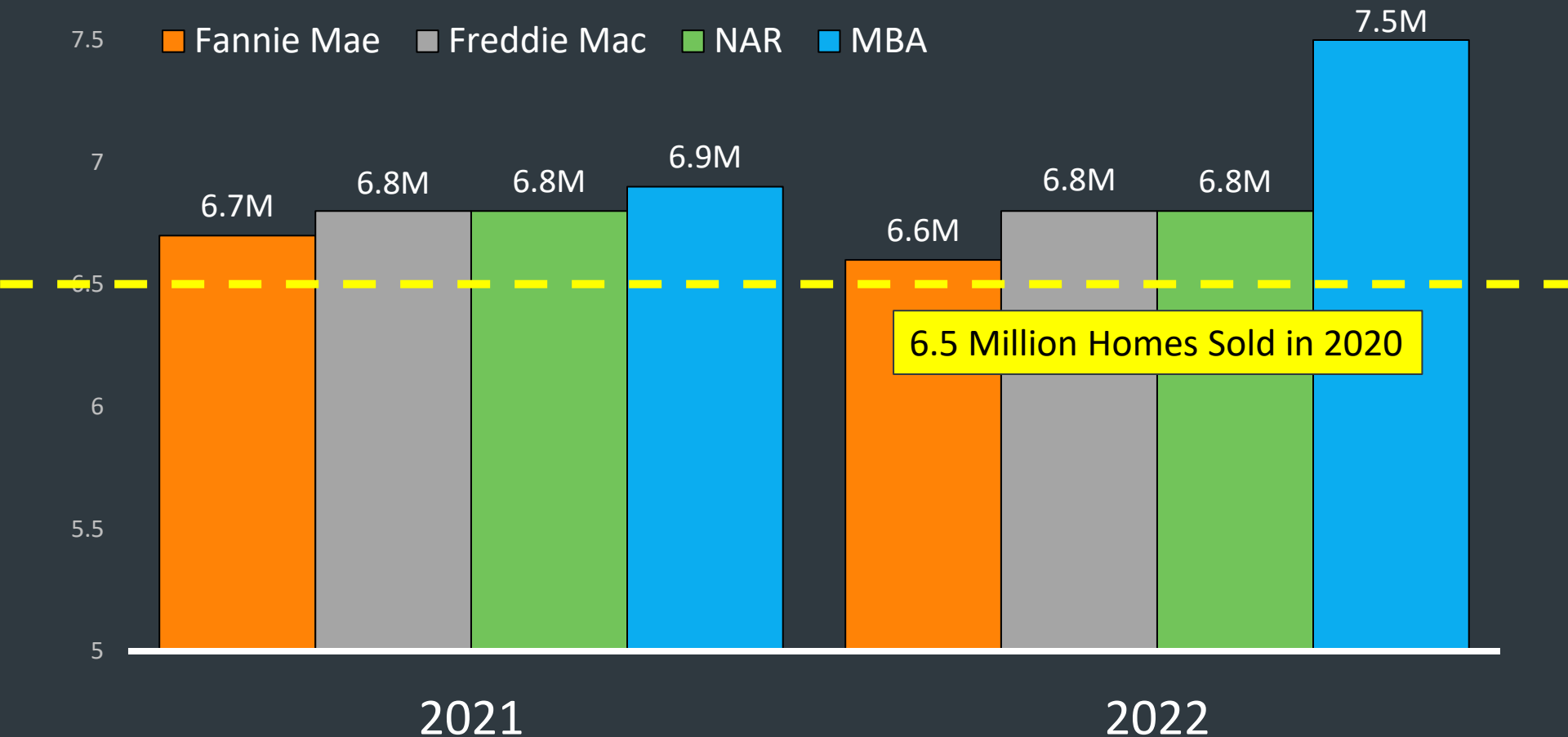
January 2018 – Today
Actual Interest Rates



Home Price Forecasts 2022



Home Sales Forecast To Increase This Year and Perform Well Again in 2022



“2022 should be
another strong year for
the housing market.”

Mike Fratantoni

Chief Economist & Senior Vice President for
Research and Industry Technology, MBA





“Homeownership is regarded as causing an improvement in the quality of life of a typical family. It is the most common method for such a family to build wealth...that can be used for retirement or other needs, including helping the next generation. Such wealth creation therefore provides a major social as well as economic benefit.”

Don Layton

Senior Industry Fellow
Joint Center for Housing Studies
Harvard University



Unison's
2021 State of the
**American
Homeowner**

64%

of American homeowners say living through a pandemic has made their home more important to them than ever

83%

of homeowners say their home has kept them safe during the COVID-19 pandemic

91%

of homeowners say they feel secure, stable or successful owning a home

“Last year, staying home became a necessity and that caused many homeowners to have renewed gratitude for the roof over their head.”

The State of the American
Homeowner 2021



Homeowners who feel emotionally attached to their home:



Pre-pandemic

58%



Now

70%

“Buying a home is not
just a financial decision.

It's also a lifestyle
decision.”

Mark Fleming

Chief Economist
First American



Jimmy Mackin, CEO of *Curaytor*, tweeted this advice:

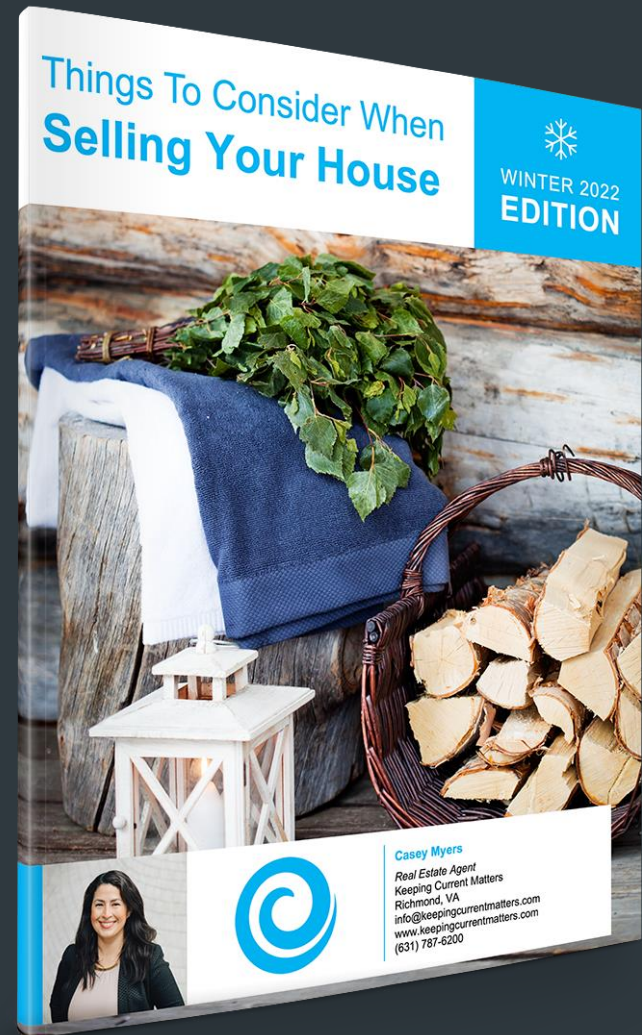
*“Want to get more listings in 2022?
Make more investments in your future.”*

He then mentioned the four areas in which to invest...

1. Invest time in becoming a market expert.
2. Invest in creating a world-class experience.
3. Invest in video, content, advertising, and social.
4. Invest in your agents and admin staff.

Winter 2022 Buyer & Seller Guides

Coming Soon



Resources

Slide	Slide Title	Link
2, 3	ShowingTime Monthly Index	https://showingindex.stats.showingtime.com/docs/lmu/x/UnitedStates?src=page https://www.showingtime.com/showingtime-showing-index/
4	McBride Quote	https://calculatedrisk.substack.com/p/existing-home-sales-increased-to-464?
8	Consumer Sentiment	https://data.sca.isr.umich.edu/fetchdoc.php?docid=68290
10	Duncan Quote	https://www.fanniemae.com/newsroom/fannie-mae-news/economic-growth-again-revised-downward-due-supply-chain-and-inflation-concerns
11	Mortgage Rates	http://www.freddiemac.com/pmms/pmms_archives.html http://www.freddiemac.com/research/forecast/20211015_quarterly_economic_forecast.page?
12	Home Price Forecasts	https://www.mba.org/news-research-and-resources/research-and-economics/forecasts-and-commentary https://cdn.nar.realtor/sites/default/files/documents/forecast-Q4-2021-us-economic-outlook-10-28-2021.pdf https://www.fanniemae.com/research-and-insights/forecast http://www.freddiemac.com/research/forecast/index.page https://pulsenomics.com/surveys/#home-price-expectations
13	Home Sales Forecast	https://www.fanniemae.com/media/41126/display http://www.freddiemac.com/research/forecast/index.page https://www.mba.org/news-research-and-resources/research-and-economics/forecasts-and-commentary https://cdn.nar.realtor/sites/default/files/documents/forecast-Q4-2021-us-economic-outlook-10-28-2021.pdf

Resources

Slide	Slide Title	Link
14	Fratontoni Quote	https://www.mba.org/2021-press-releases/october/mba-annual-forecast-purchase-originations-to-increase-9-percent-to-record-173-trillion-in-2022
16	Layton Quote	https://www.jchs.harvard.edu/blog/learning-history-homeownership-rate
17-19	State of the American Homeowner	https://contentimages.o-prod.unison.com/images/press/2021-Unison-SOTAH-Report.pdf
20	Fleming Quote	https://blog.firstam.com/economics/the-reconomy-podcast-what-is-the-fed-signaling-on-interest-rates
21	Mackin Advice	https://twitter.com/jimmymackin/status/1452408028775346177
28	DS News	https://dsnews.com/daily-dose/09-09-2021/changing-the-meaning-of-equity-in-the-housing-industry
29	Potential Growth in Household Wealth	https://pulsenomics.com/surveys/#home-price-expectations

A close-up photograph of a computer keyboard. The central focus is a large, rectangular blue key with the word "UPDATE" printed in white, bold, sans-serif capital letters. The key is slightly raised and has a subtle gradient. Surrounding it are several other keys: to the top-left is a white key with a closing curly brace "}" and the number "1"; to the top-right is a white key with a forward slash and a tilde "~"; to the right is a white key with the number "4"; and to the bottom-left is a white key with an opening curly brace "{" and the number "2". The keyboard's frame is a light gray, and the lighting creates soft shadows, giving the keys a three-dimensional appearance.

UPDATE

Resources

Slide	Slide Title	Link
29, 49, 59	Confidence Index	https://www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index
30-32, 40, 50-54	Existing Home Sales	https://www.nar.realtor/topics/existing-home-sales
33-36	New Home Sales	http://www.census.gov/construction/nrs/pdf/newressales.pdf http://www.census.gov/newhomesales http://www.census.gov/construction/nrs/pdf/newressales.pdf
37	Total Home Sales	http://www.census.gov/construction/nrs/pdf/newressales.pdf https://www.nar.realtor/topics/existing-home-sales
38, 39	Pending Home Sales	https://www.nar.realtor/research-and-statistics/housing-statistics/pending-home-sales
44-46	Case Shiller	https://www.spglobal.com/spdji/en/indices/indicators/sp-corelogic-case-shiller-20-city-composite-home-price-nsa-index/#news-research
47	CoreLogic Forecasted YOY % Change in Price	https://www.corelogic.com/intelligence/u-s-home-price-insights/
50-56	Inventory	https://www.nar.realtor/topics/existing-home-sales http://www.census.gov/construction/nrs/pdf/newressales.pdf

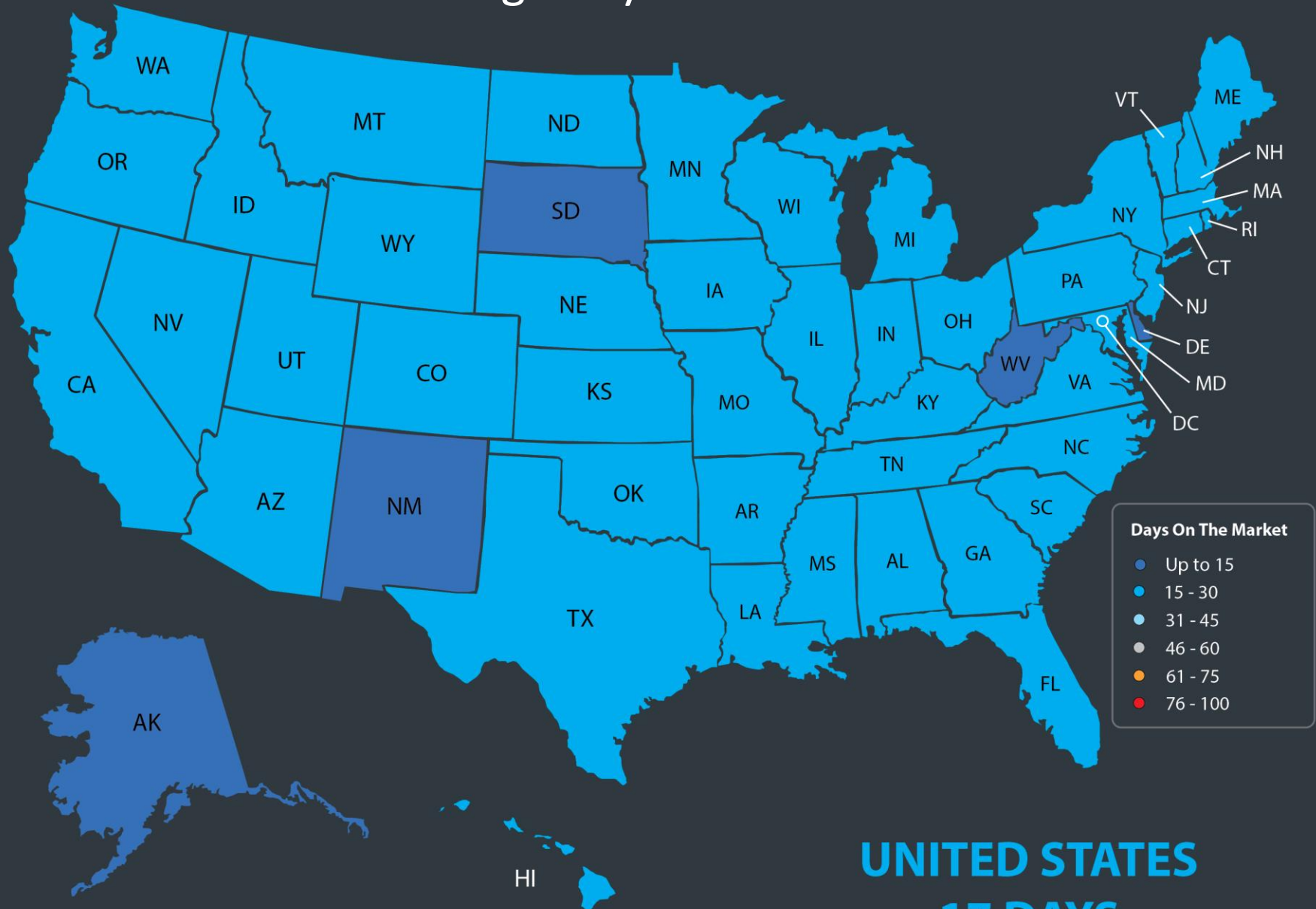
Resources

Slide	Slide Title	Link
58	Showing Activity	https://www.showingtime.com/blog/september-2021-showing-index-results/
61, 62, 64, 65	Mortgage Rates	http://www.freddiemac.com/pmms/pmms_archives.html http://www.freddiemac.com/research/forecast/
63	Mortgage Rate Projections	http://www.freddiemac.com/research/forecast/ http://www.fanniemae.com/portal/research-insights/forecast.html https://www.mba.org/news-research-and-resources/research-and-economics/forecasts-and-commentary https://www.nar.realtor/research-and-statistics
67, 68	Mortgage Credit Availability	https://www.mba.org/news-research-and-resources/newsroom https://www.mba.org/news-research-and-resources/research-and-economics/single-family-research/mortgage-credit-availability-index
69-73	Days To Close, FICO Scores, DTI	https://www.icemortgagetechnology.com/mortgage-data/origination-insight-reports



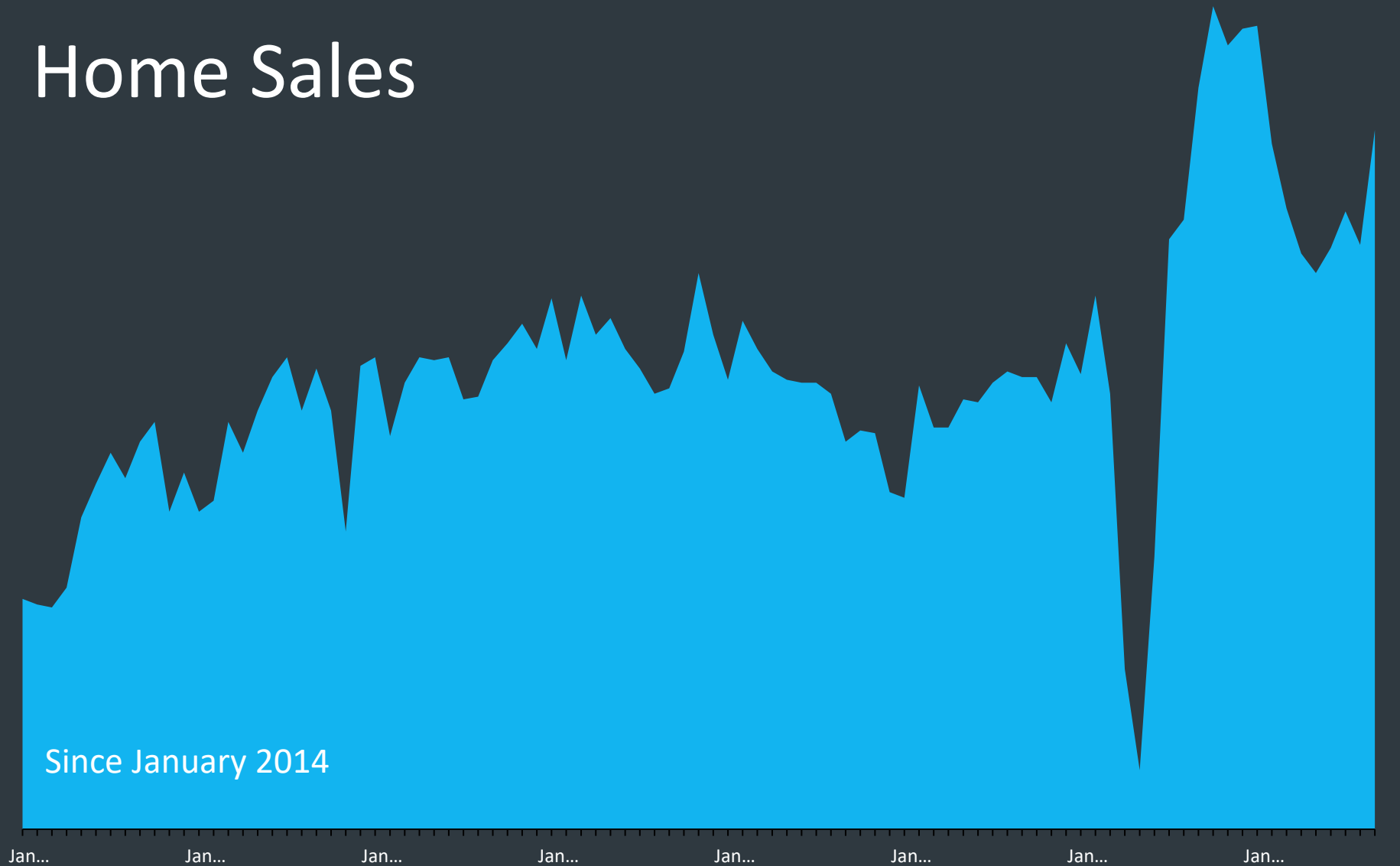
SALES

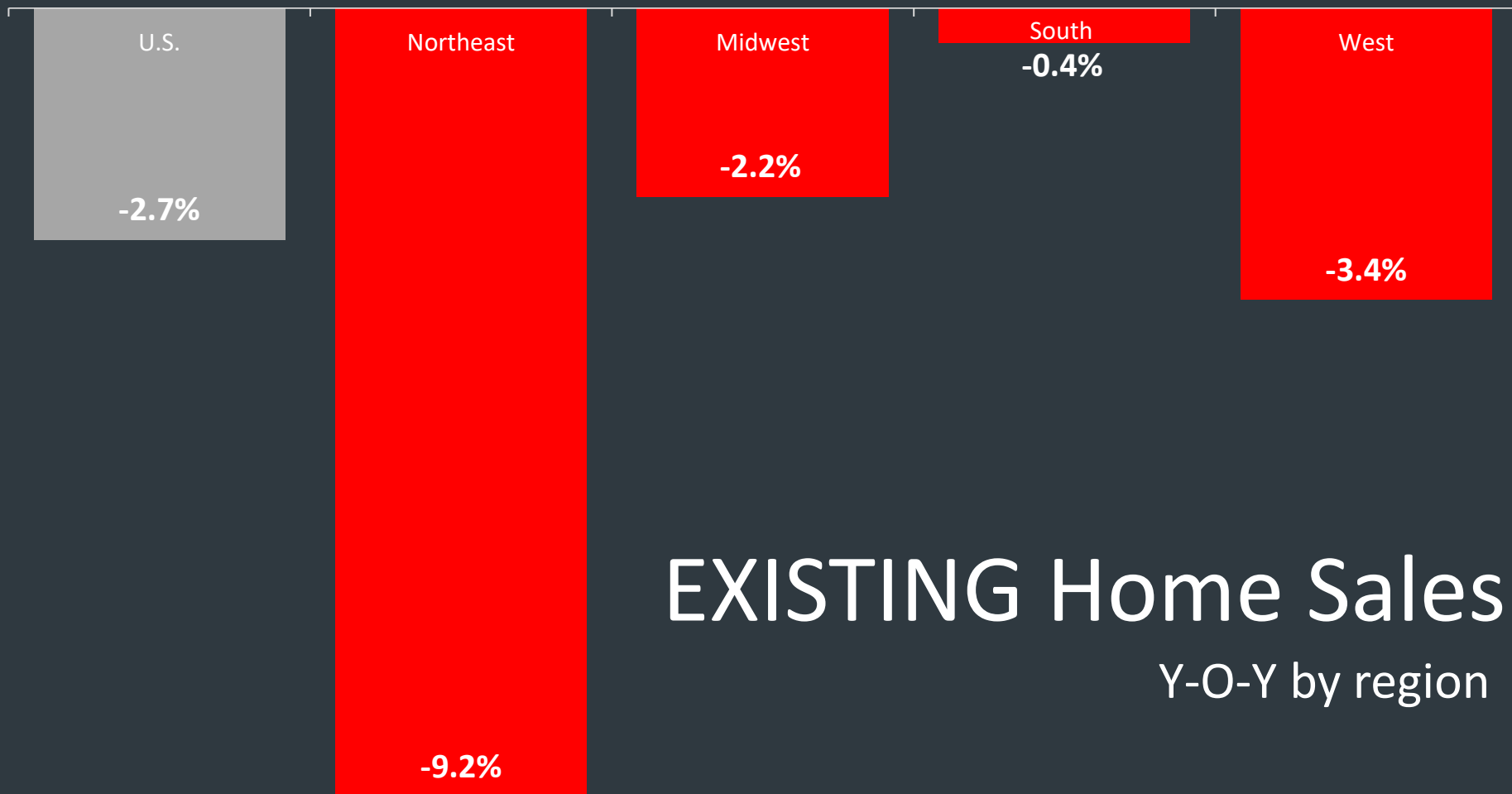
Average Days on the Market



EXISTING

Home Sales



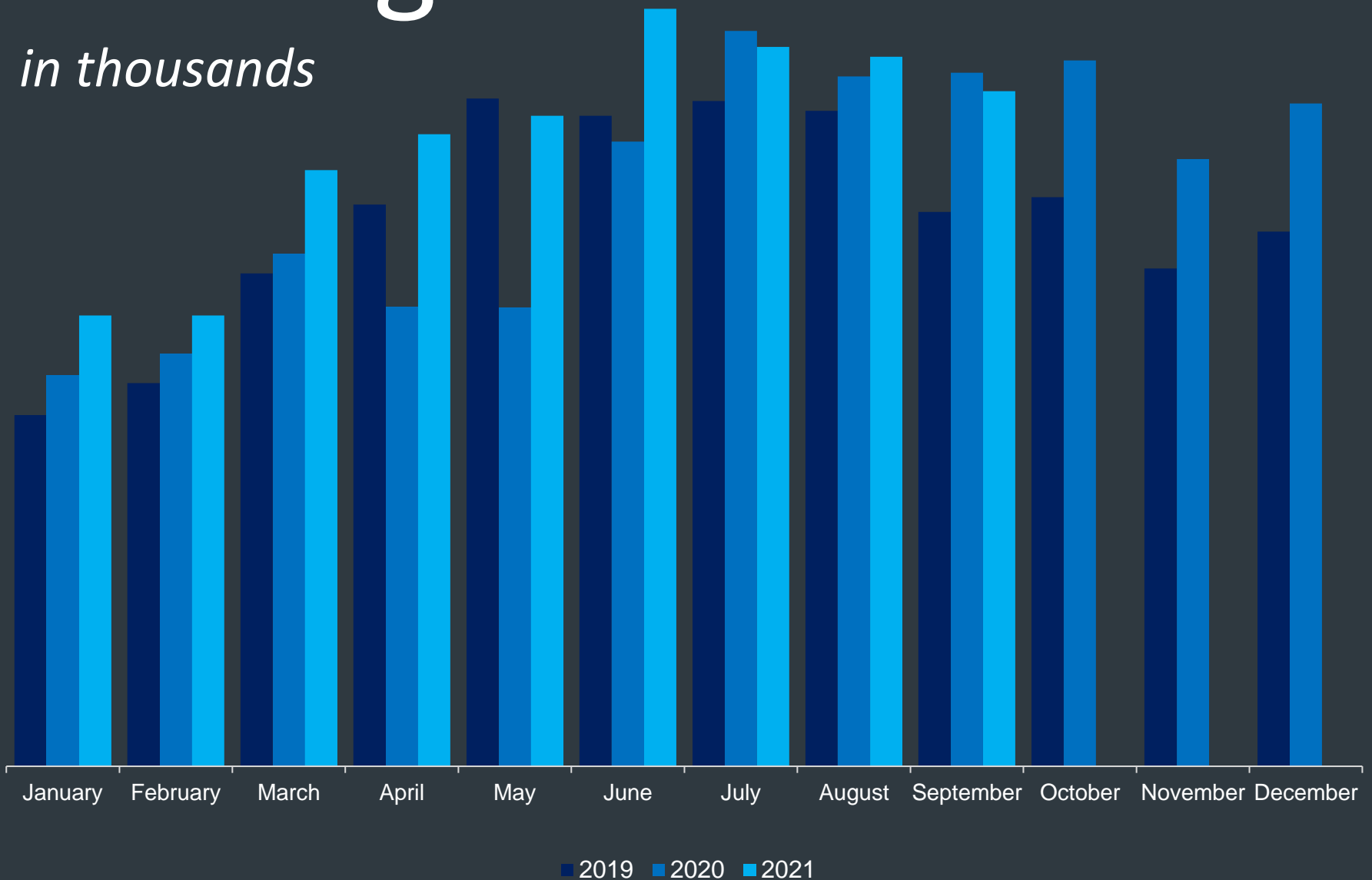


EXISTING Home Sales

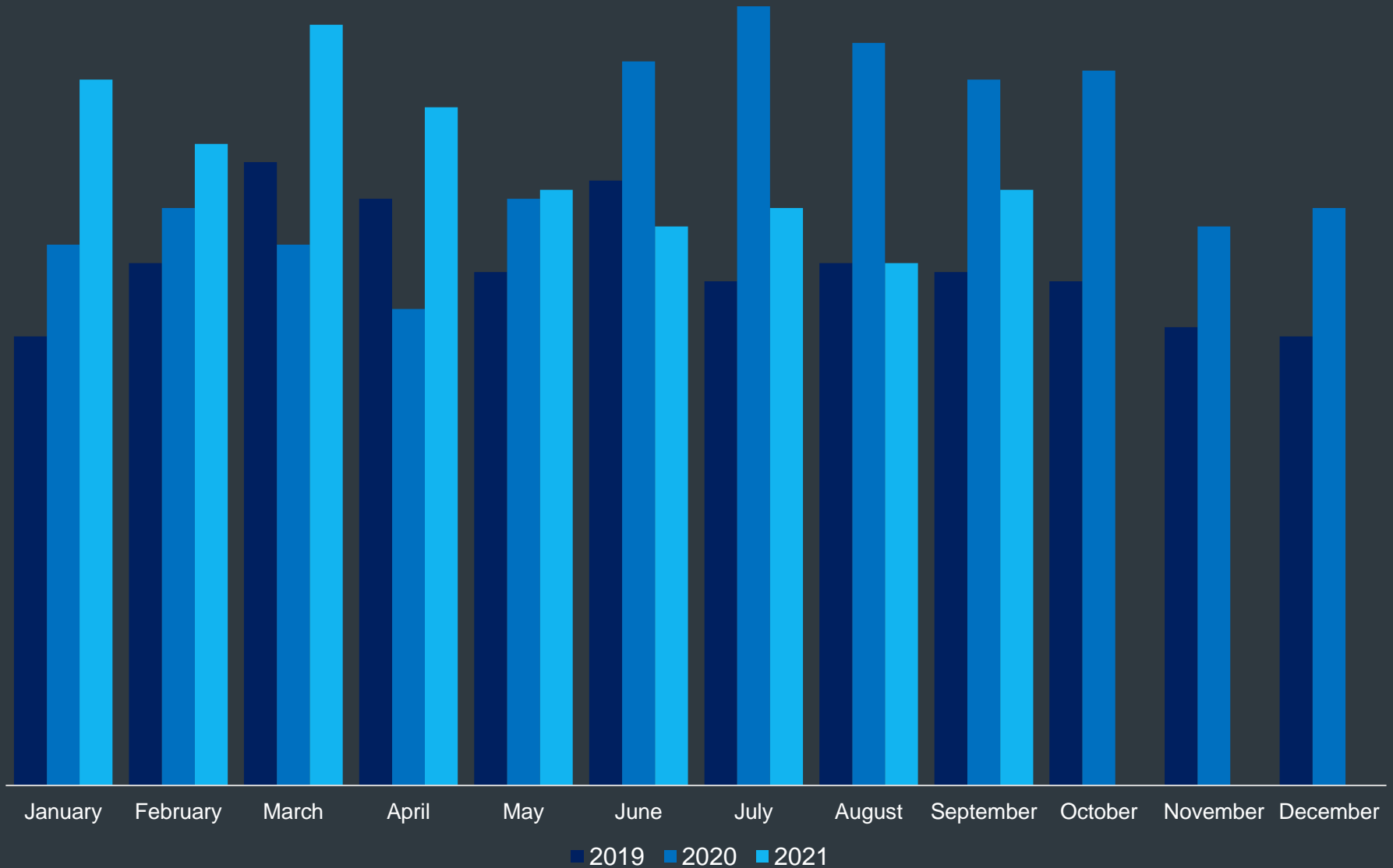
Y-O-Y by region

Existing Home Sales

in thousands

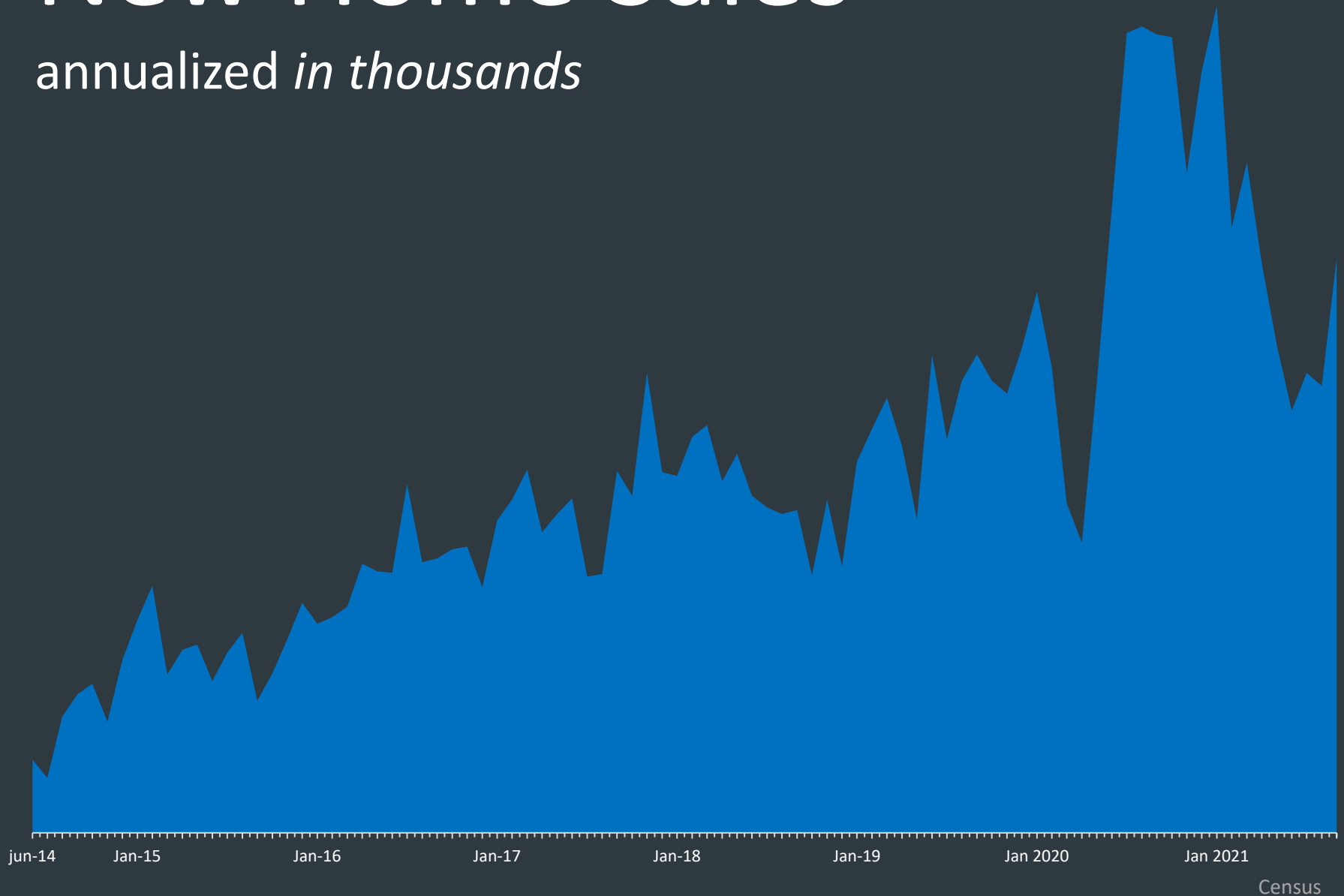


New Home Sales *in thousands*



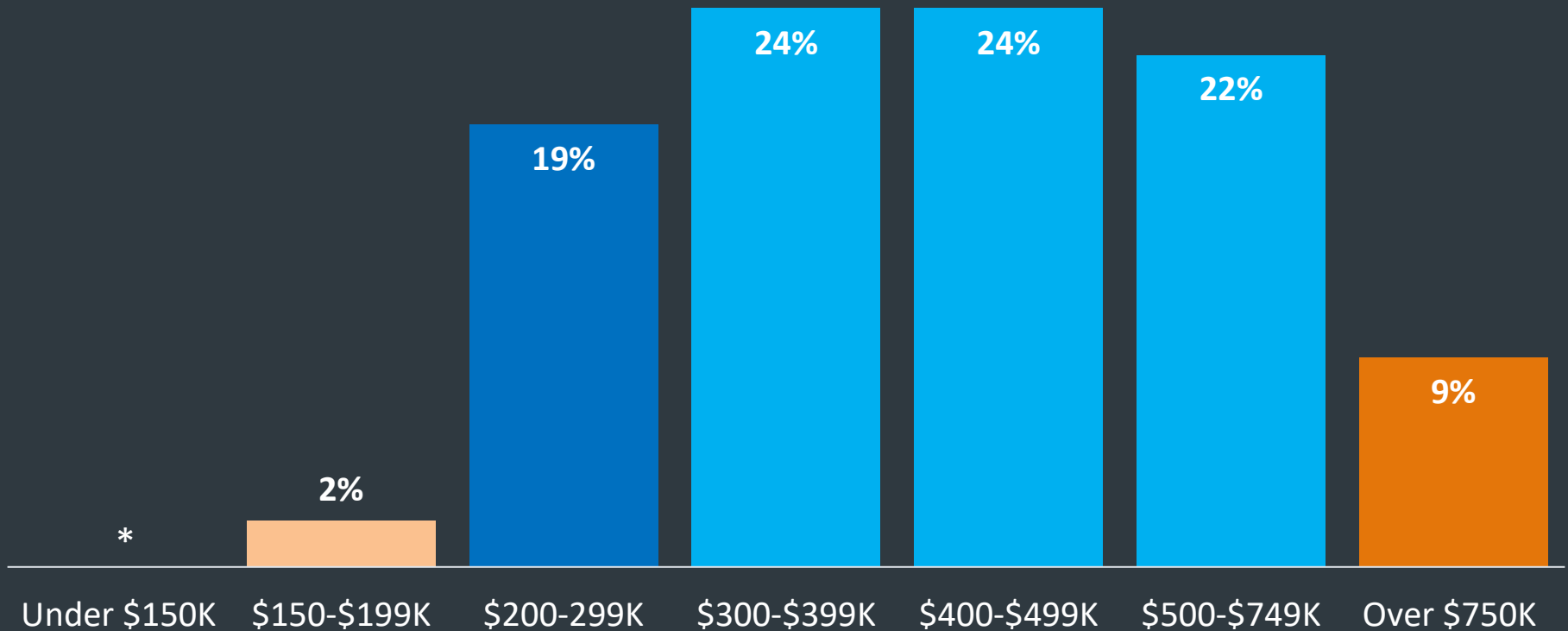
New Home Sales

annualized *in thousands*



New Home Sales

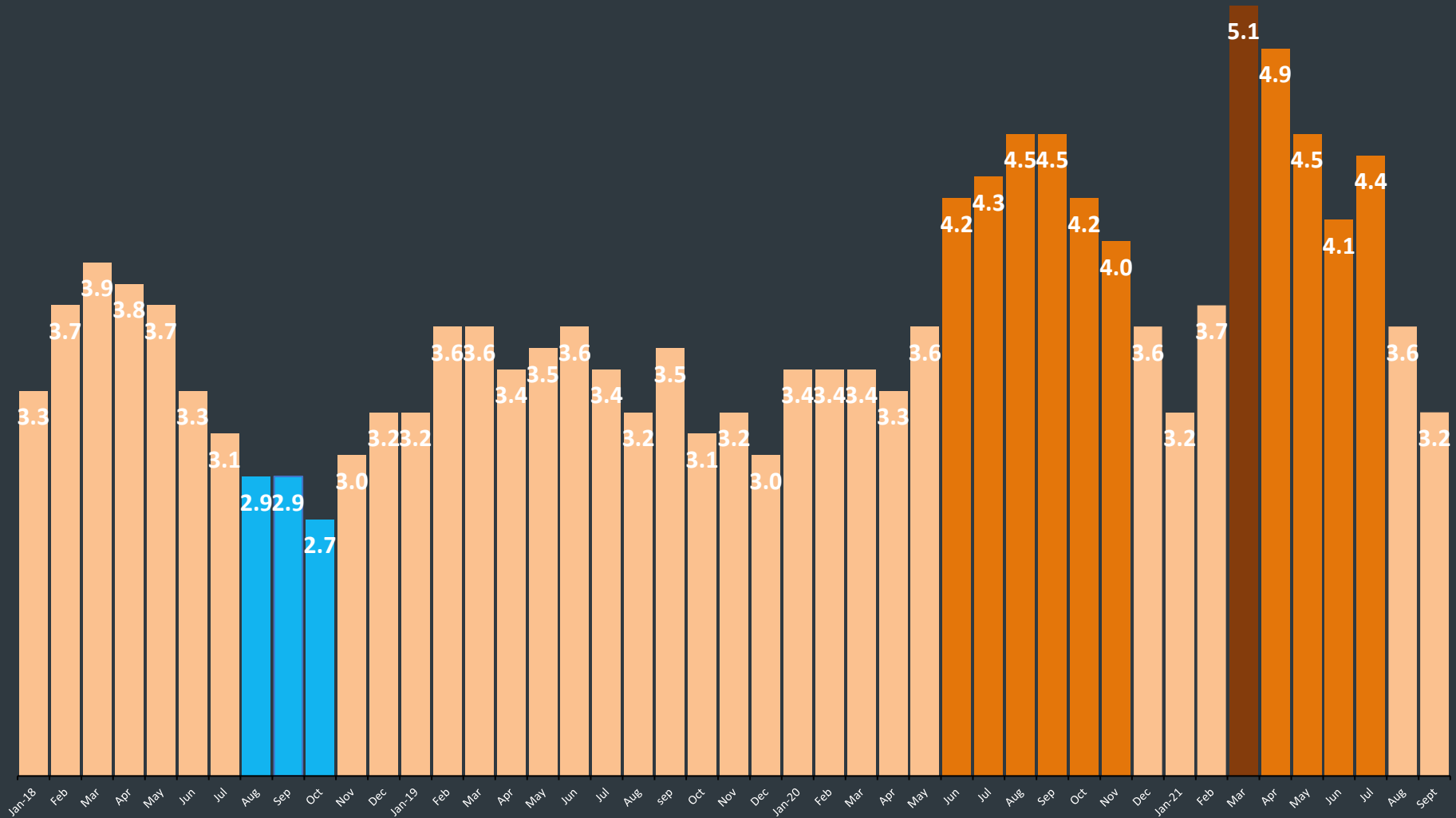
% of distribution by price range



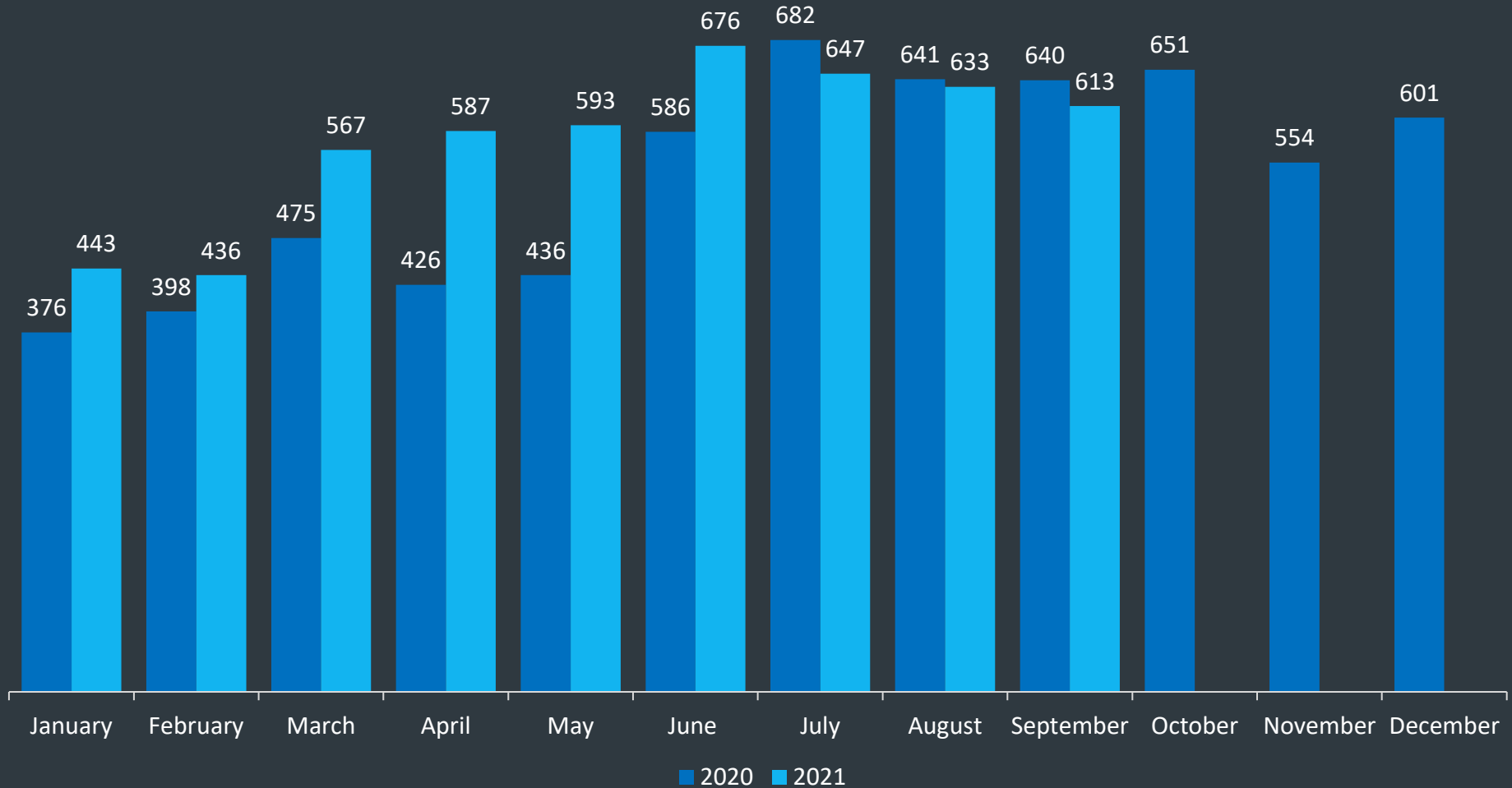
* Less than 500 units or less than 0.5 percent

New Homes Selling Fast

(median months from completion to sold)



Total Home Sales *in thousands*

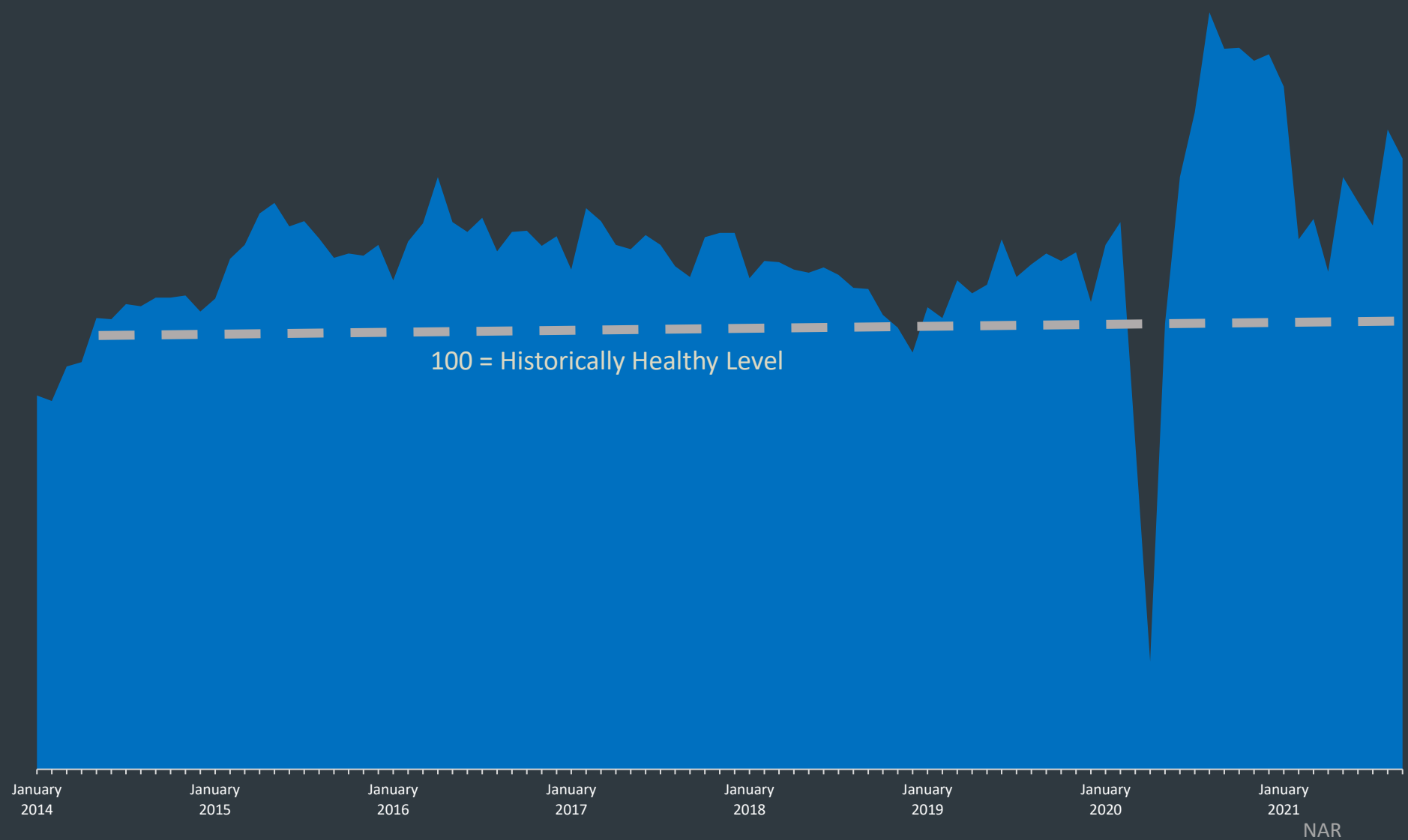


PENDING Home Sales

since 2014

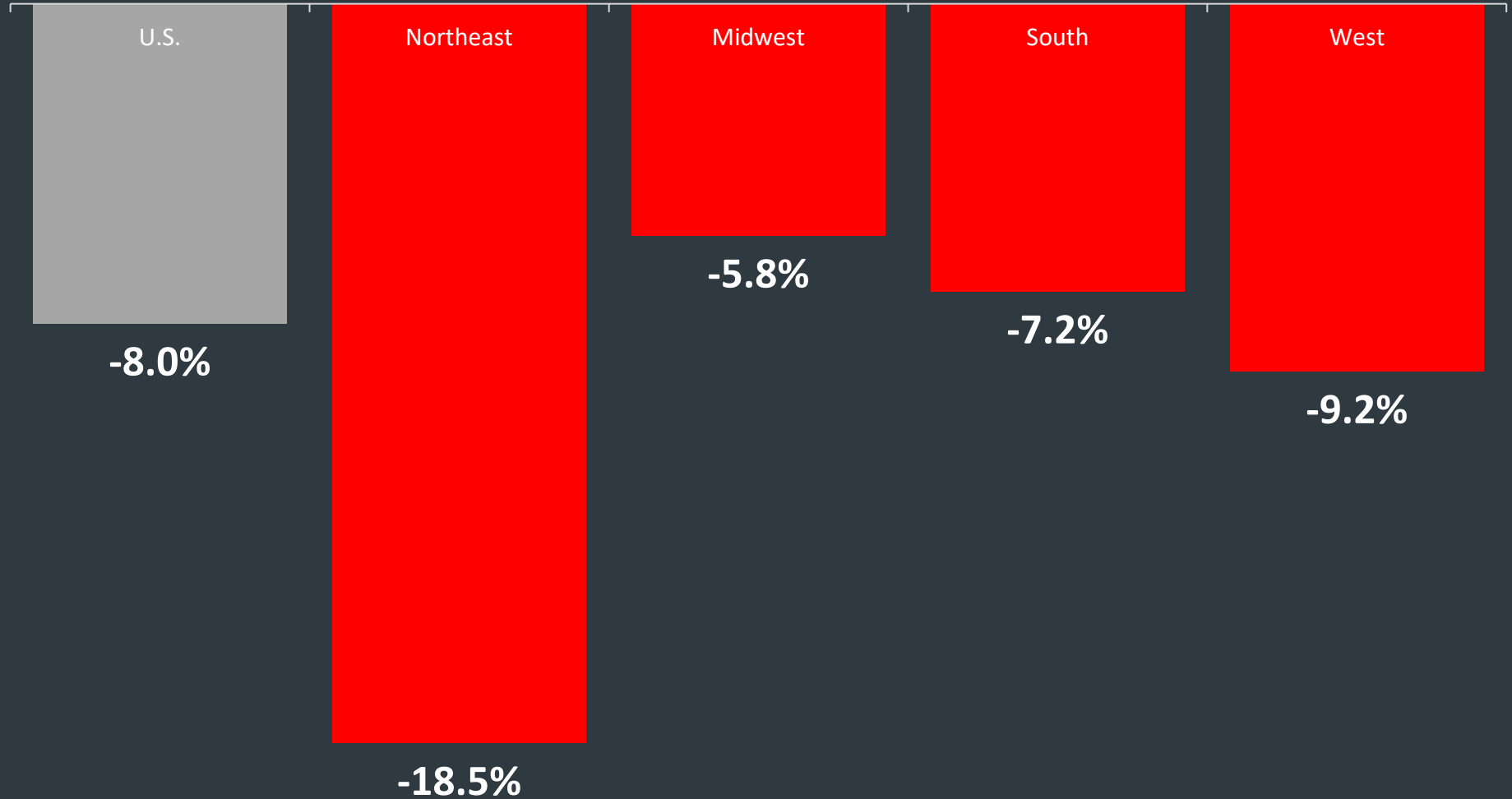
100 = Historically Healthy Level

NAR



Pending Home Sales

Year-Over-Year By Region

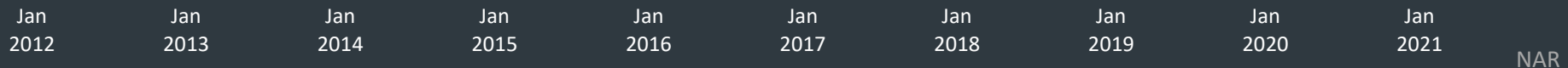


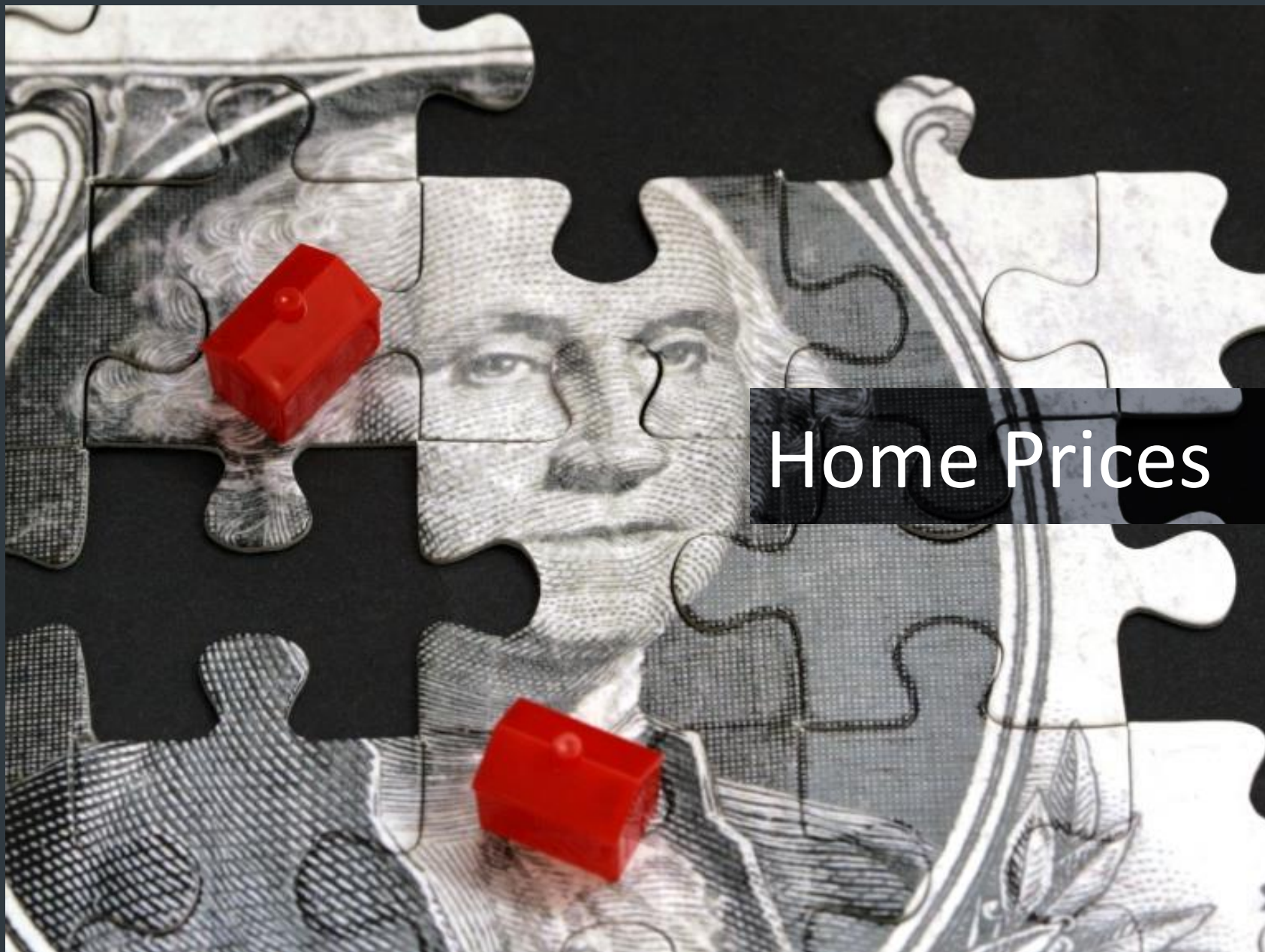
35%

Percentage of Distressed Property Sales

Distressed sales – foreclosures and short sales – represented less than 1% of sales in September.

January 2012 - Today

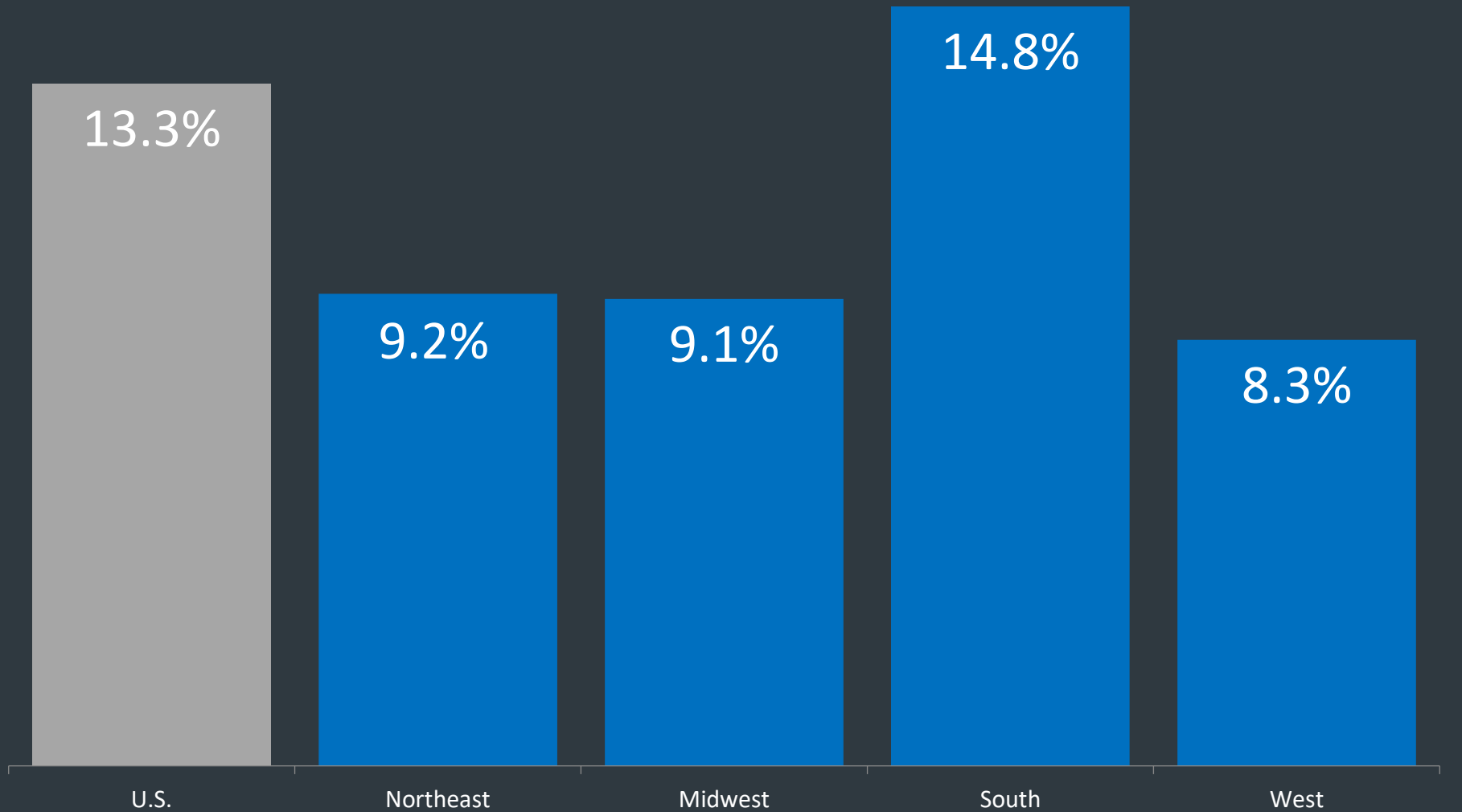




Home Prices

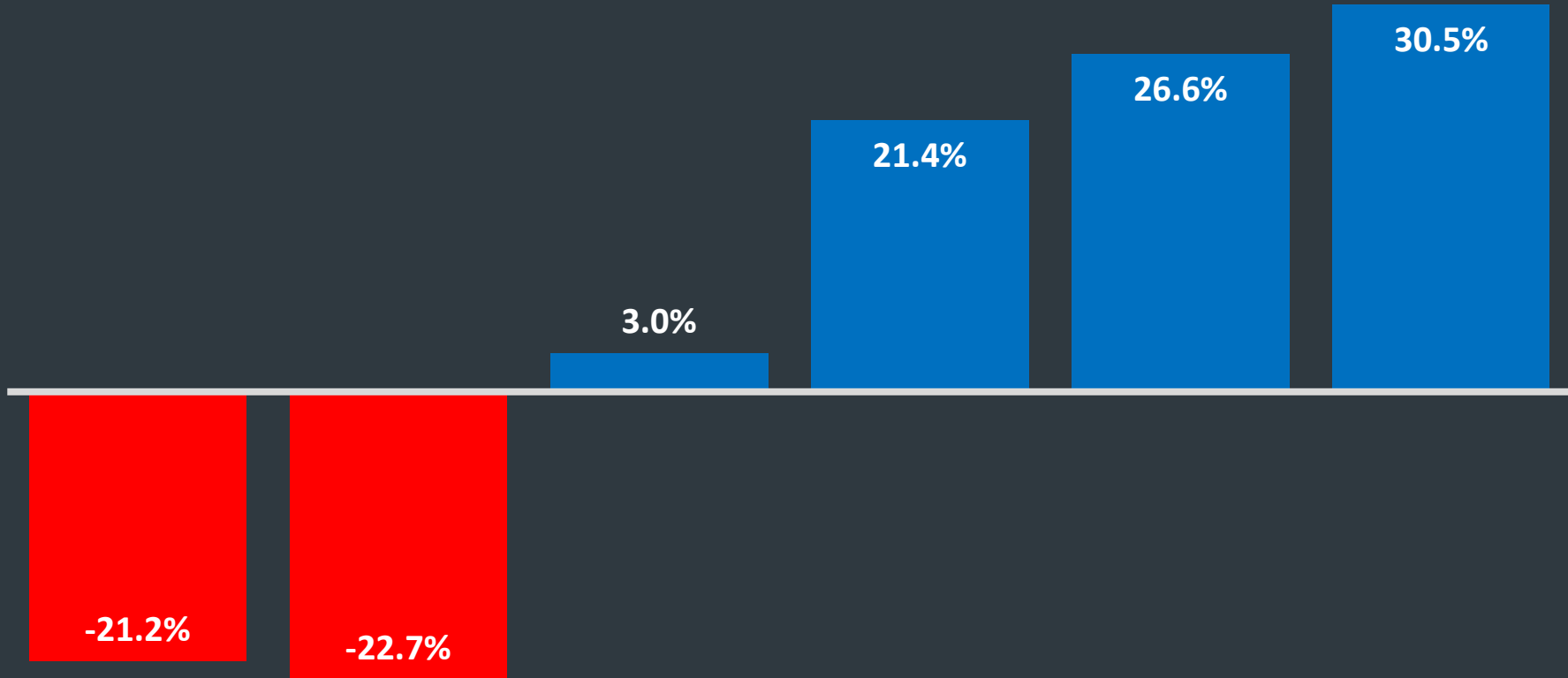
EXISTING Home Prices

Y-O-Y by region



% Change in Sales

from last year by Price Range



	\$0-100K	\$100-250K	\$250-500K	\$500-750K	\$750K-1M	\$1M+
%	-21.2%	-22.7%	3.0%	21.4%	26.6%	30.5%

Case Shiller

Year-Over-Year

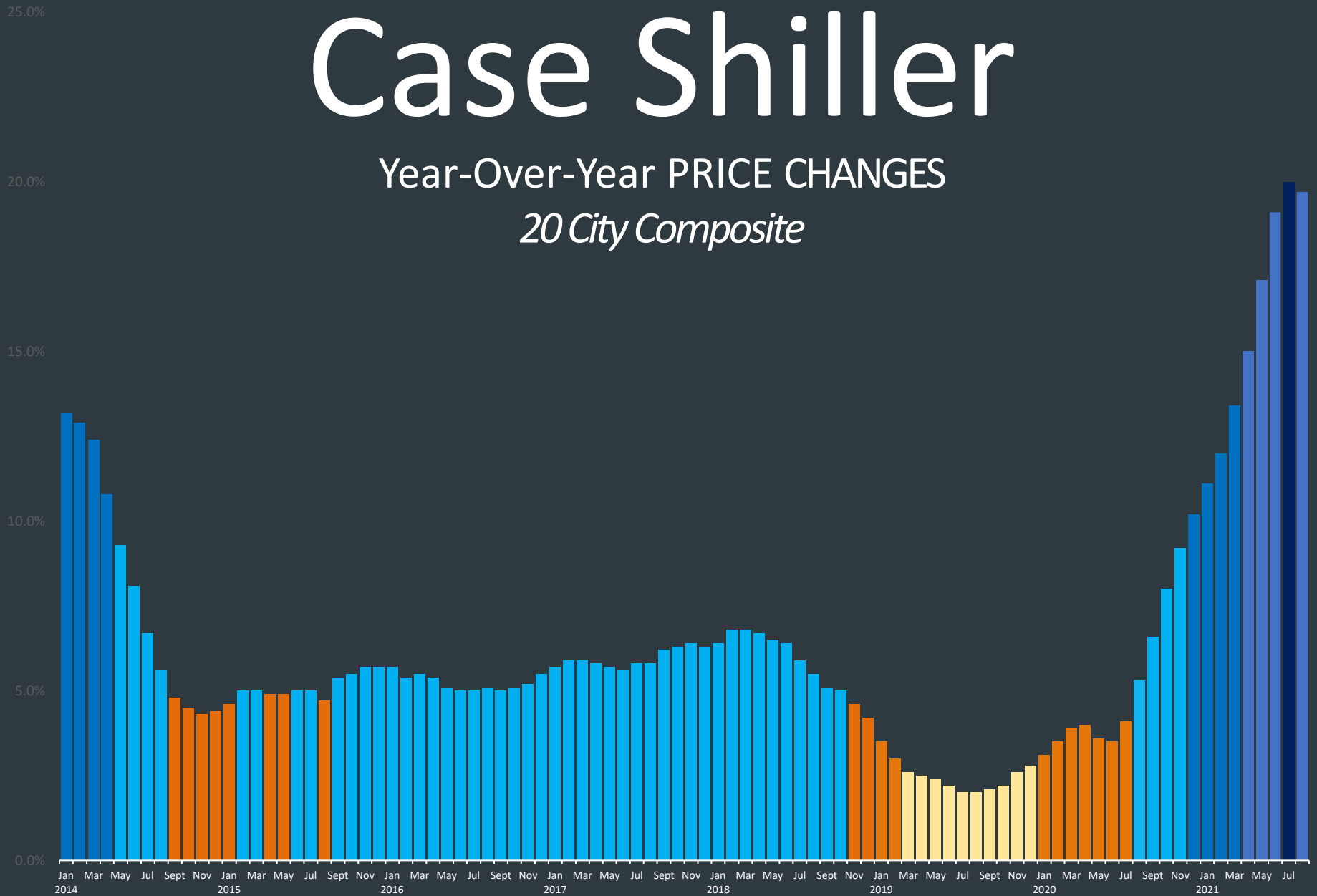
PRICE
CHANGES



Case Shiller

Year-Over-Year PRICE CHANGES

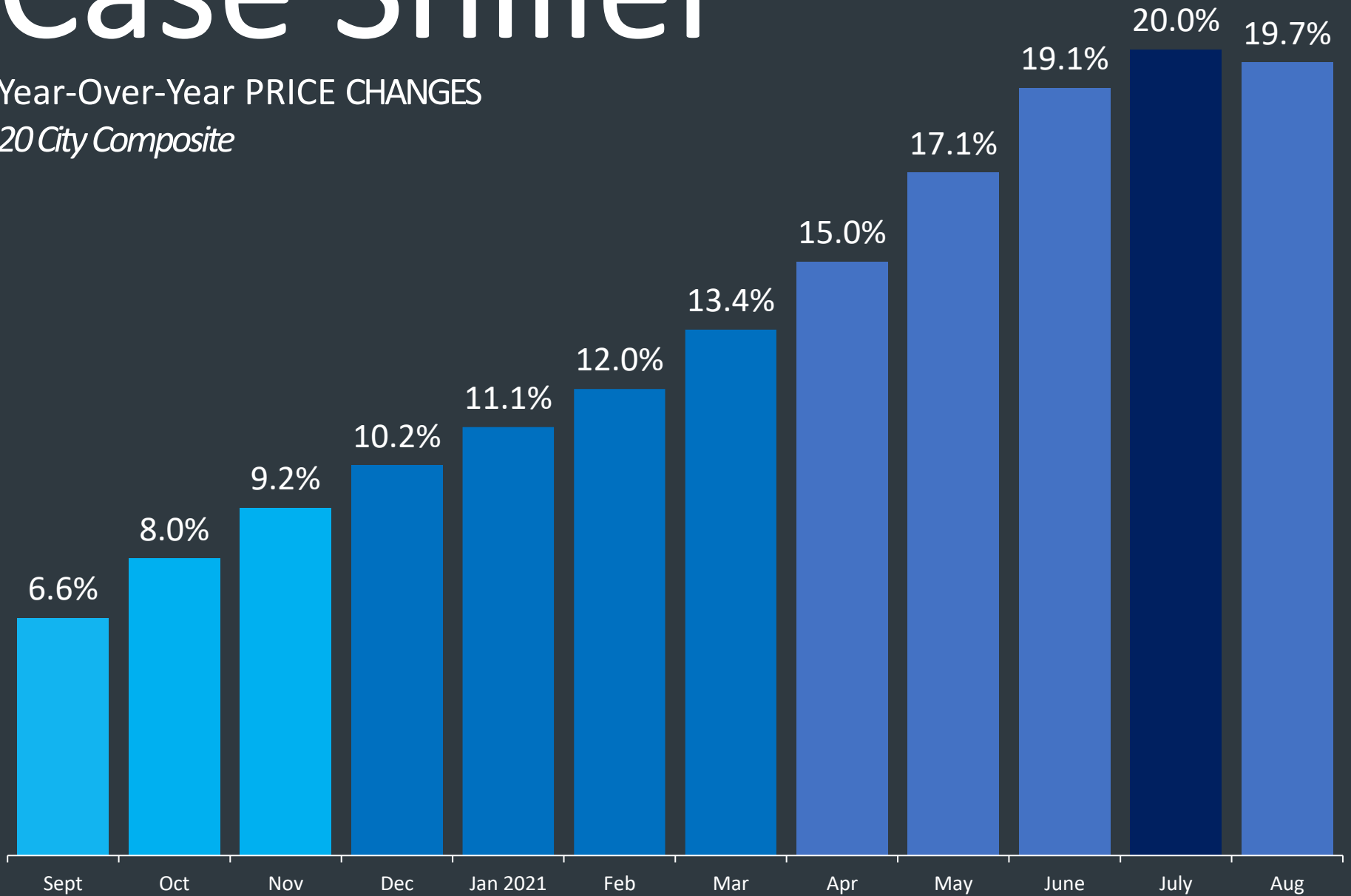
20 City Composite



Case Shiller

Year-Over-Year PRICE CHANGES

20 City Composite



Year-Over-Year % Change in Price

18.0%

1.9%

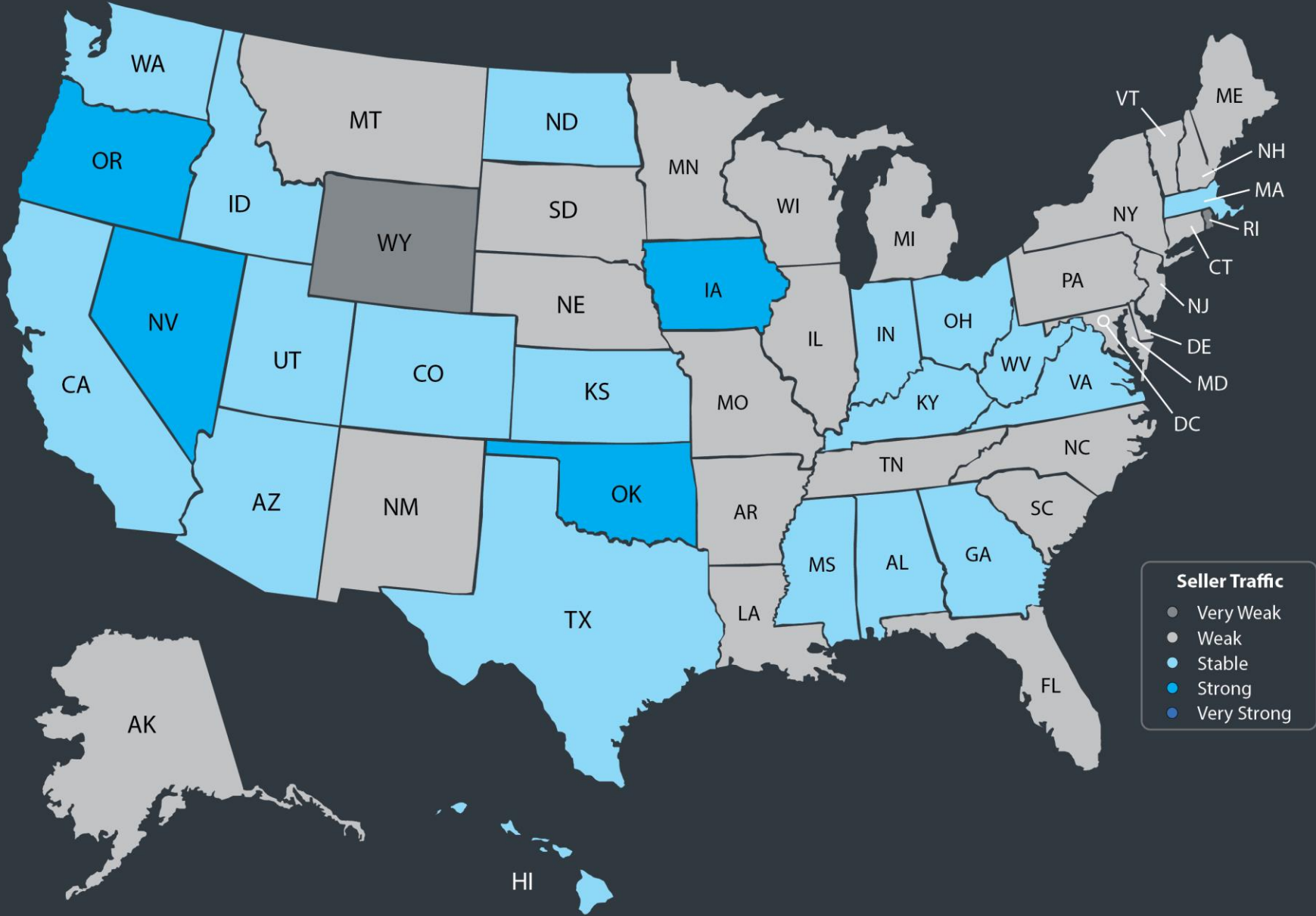
■ Current

■ Forecast

HOUSING INVENTORY



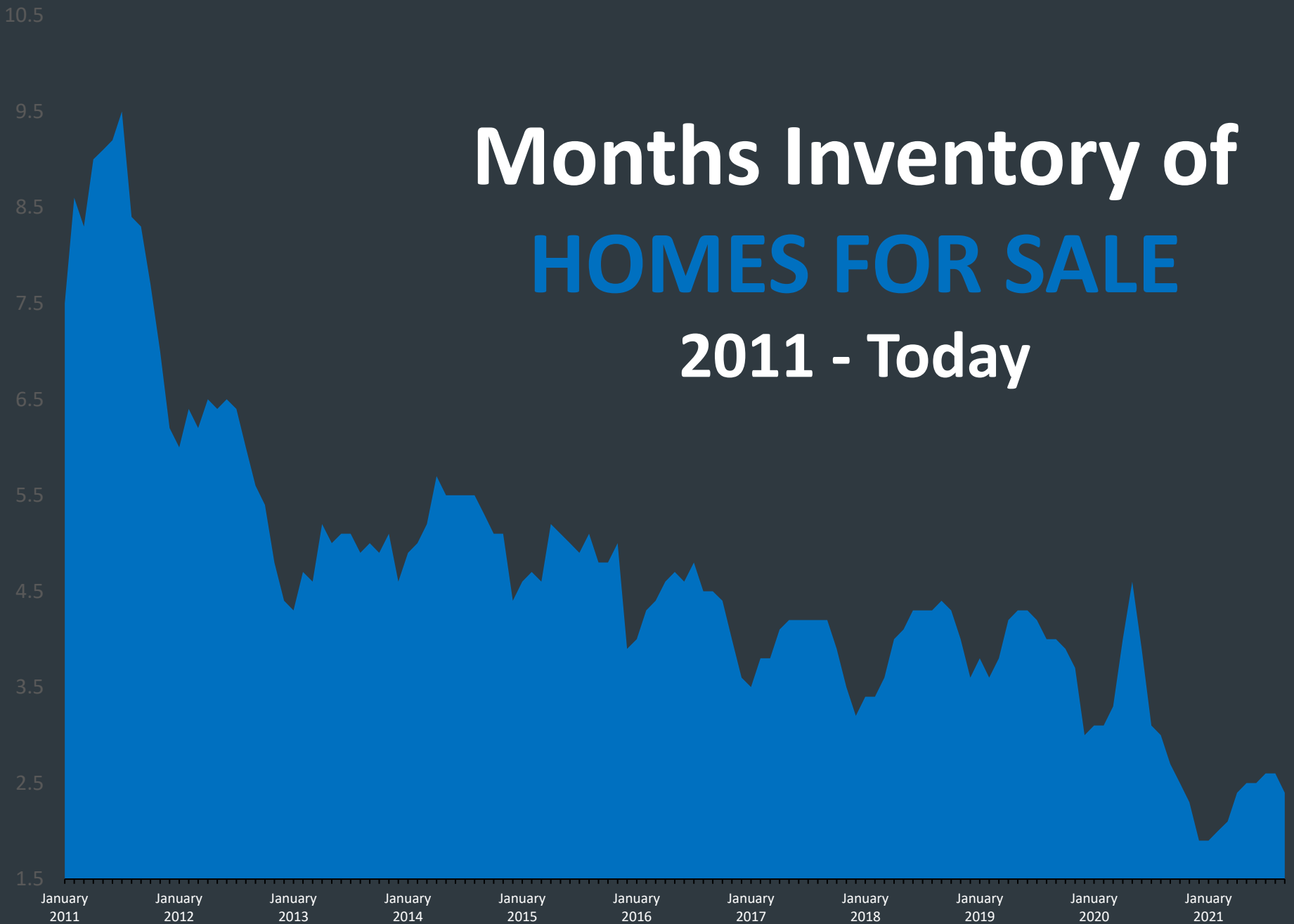
Seller Traffic Index



Seller Traffic

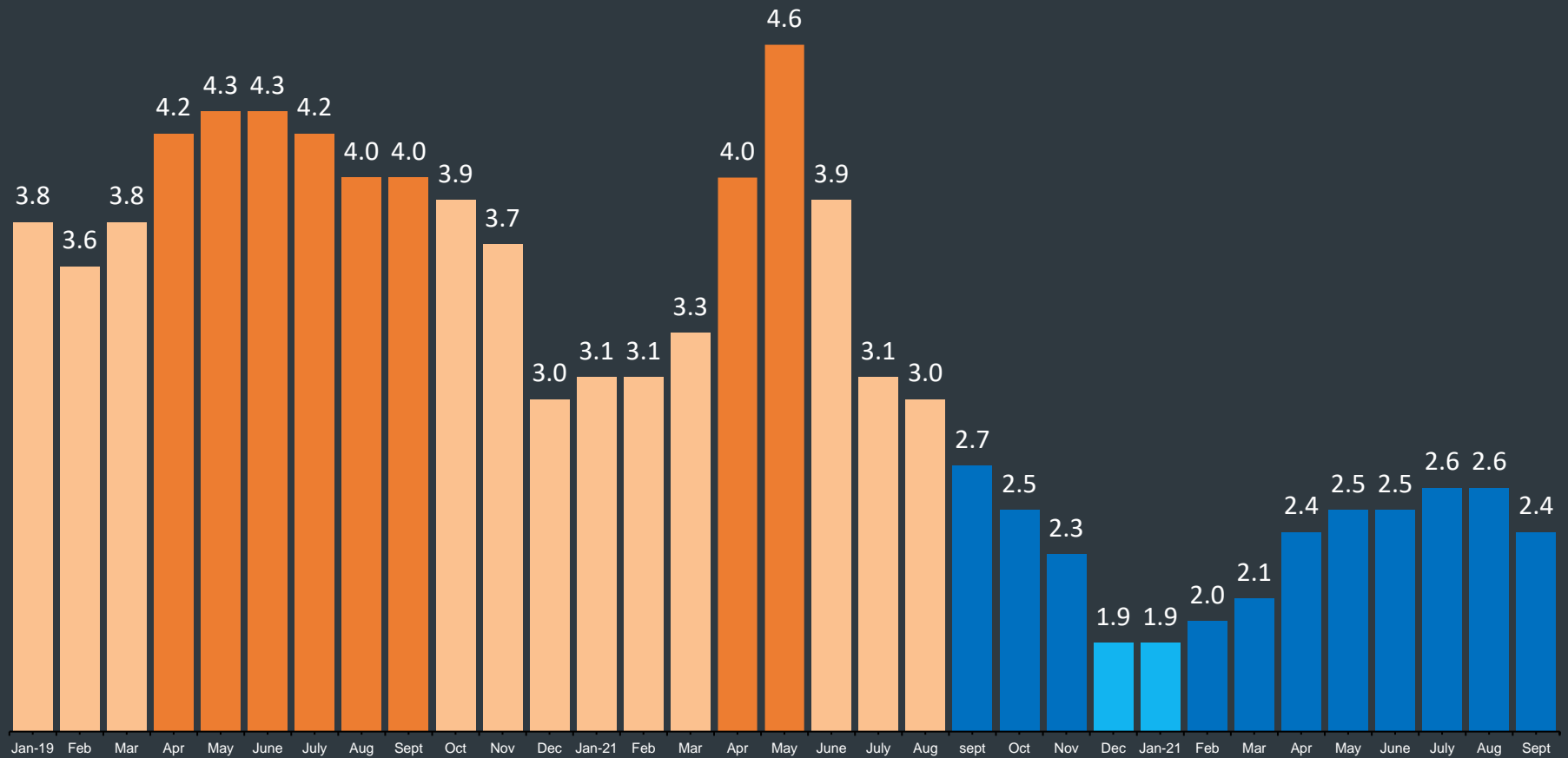
- Very Weak
- Weak
- Stable
- Strong
- Very Strong

Months Inventory of HOMES FOR SALE 2011 - Today



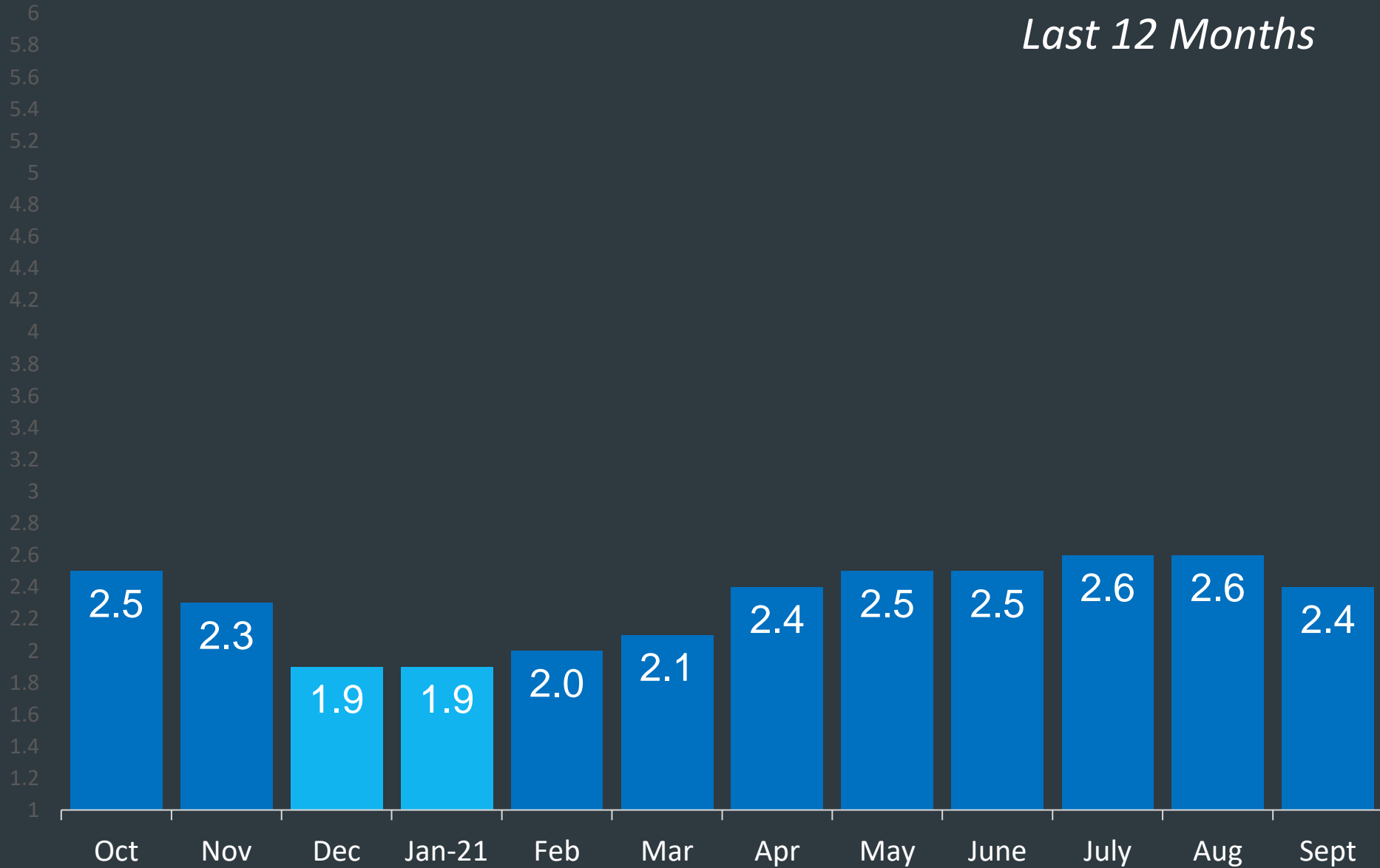
Months Inventory of HOMES FOR SALE

Since 2019



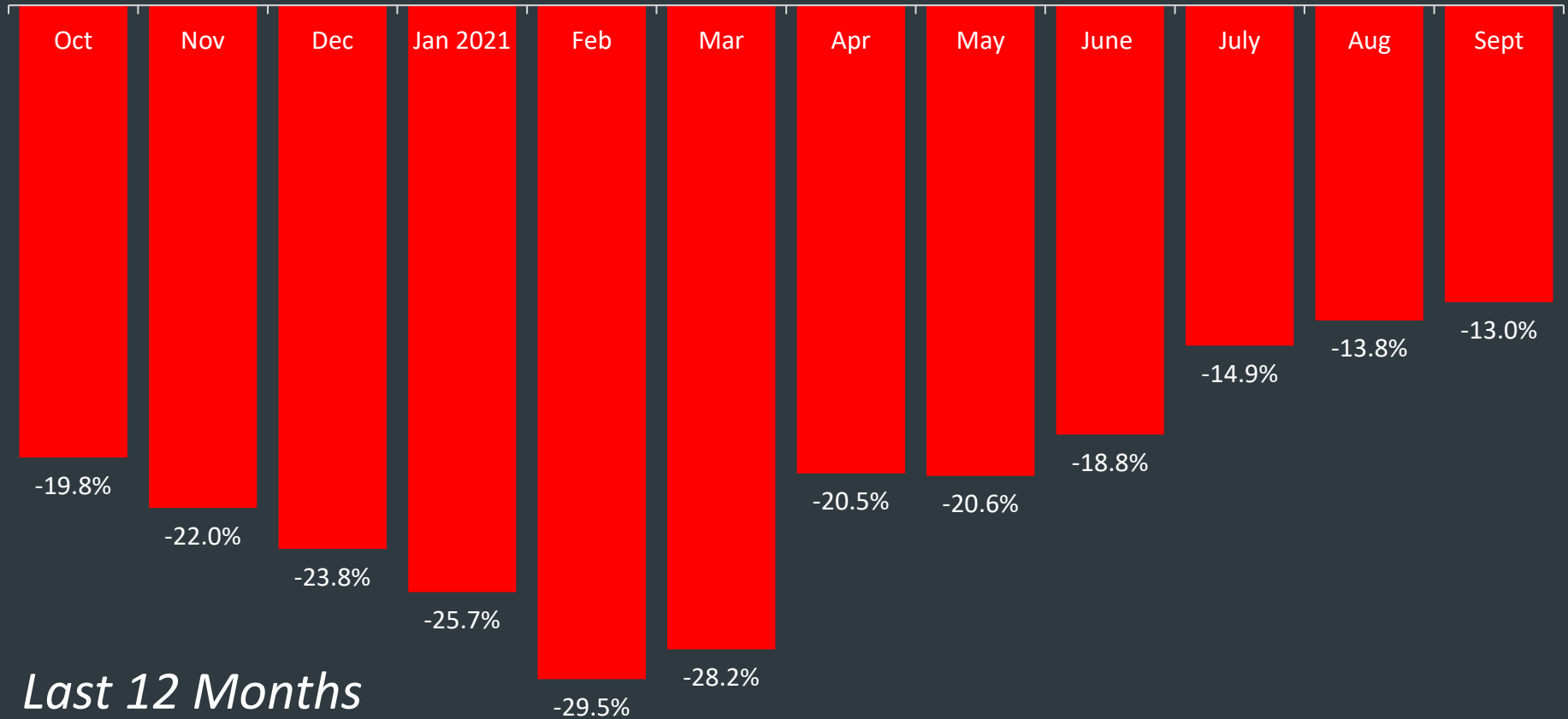
Months Inventory of HOMES FOR SALE

Last 12 Months



HOUSING SUPPLY

Year-Over-Year

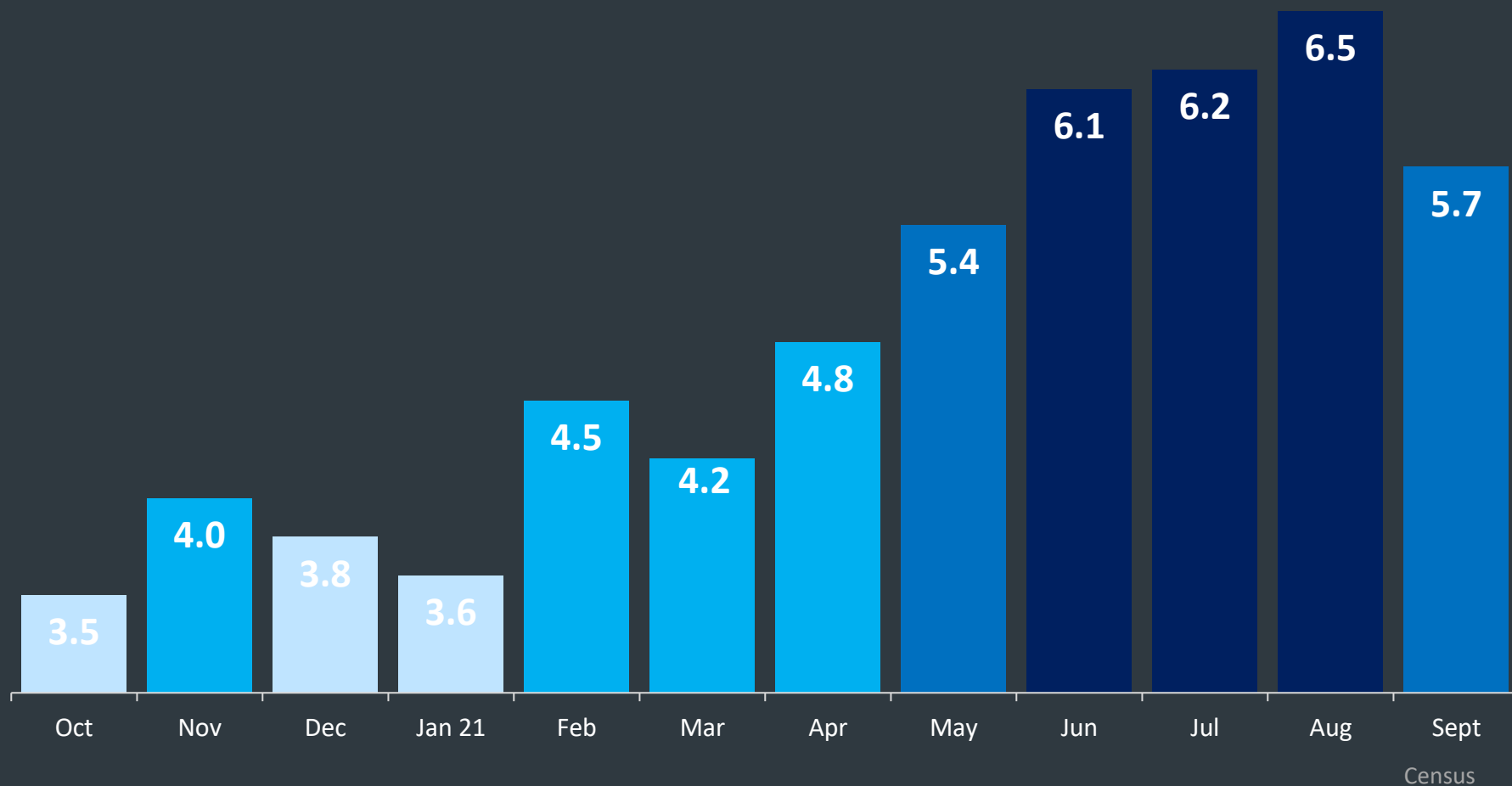


New Home Inventory

months supply

Seasonally adjusted

Last 12 Months

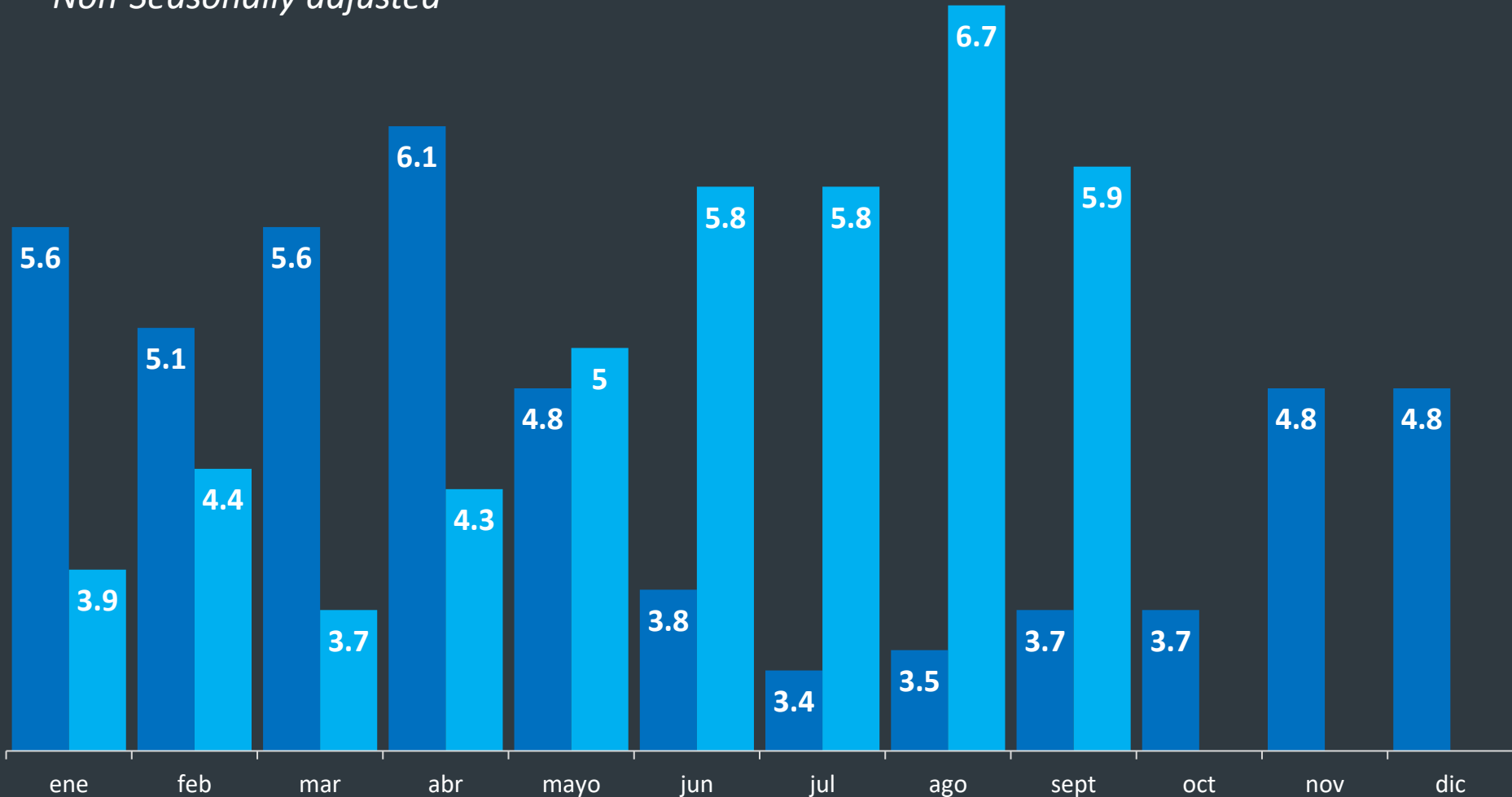


New Home Inventory

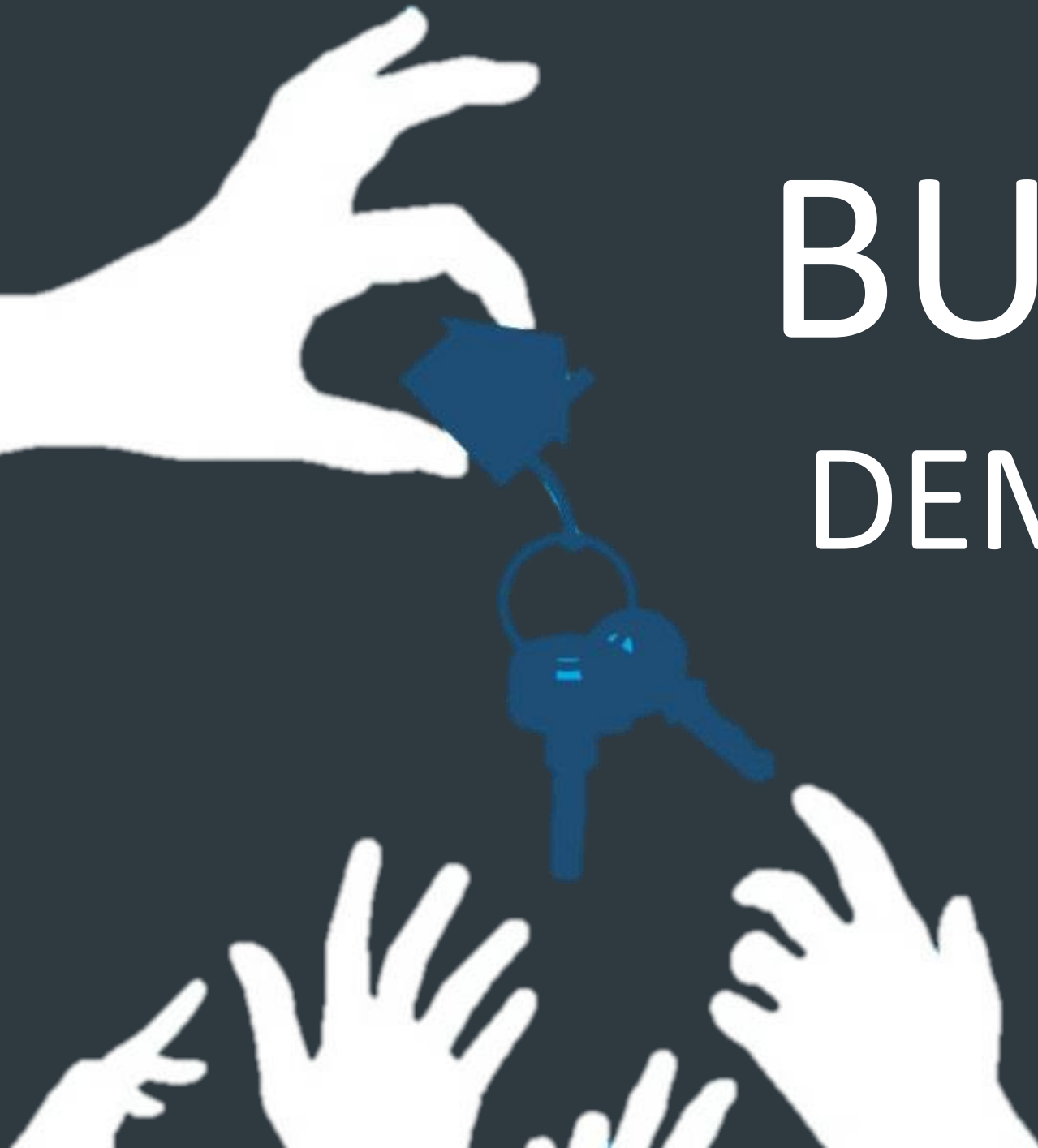
months supply

■ 2020 ■ 2021

Non-Seasonally adjusted

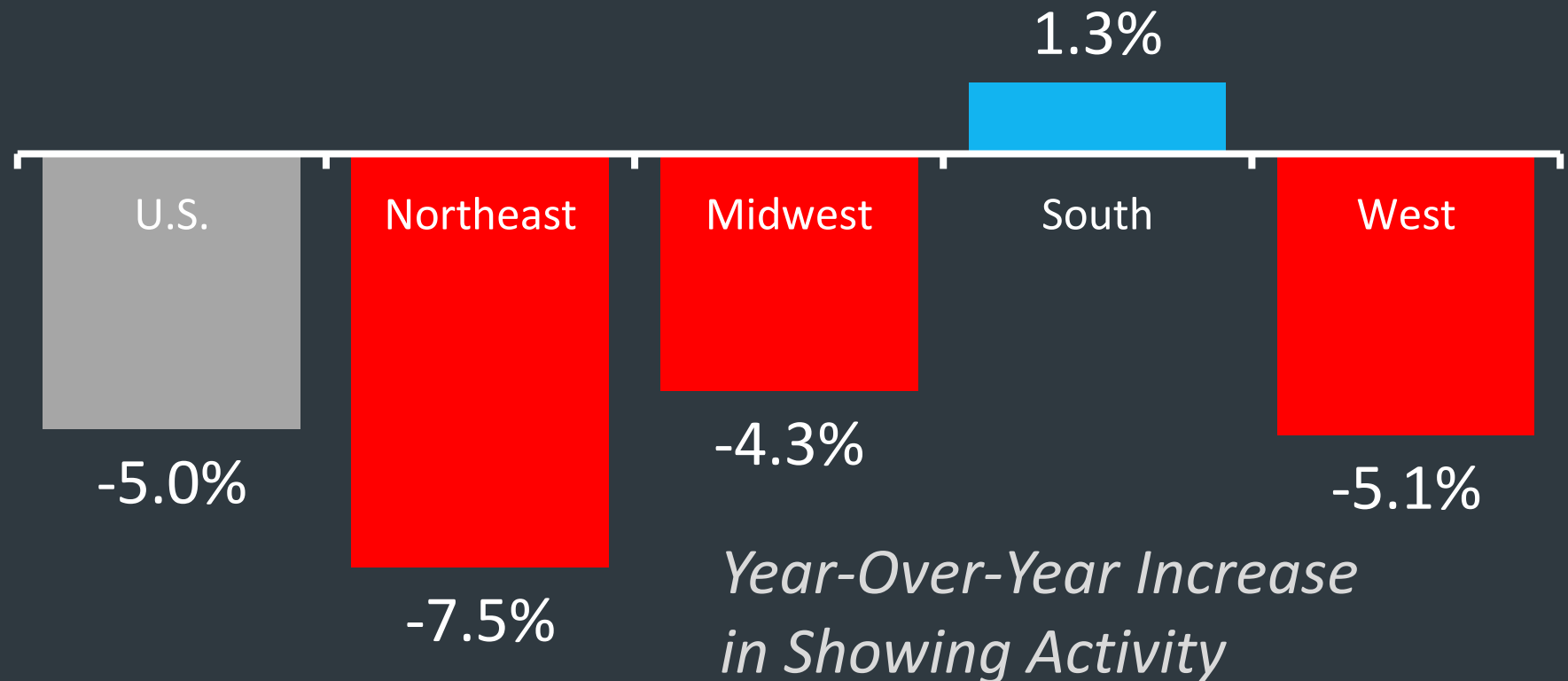


BUYER DEMAND

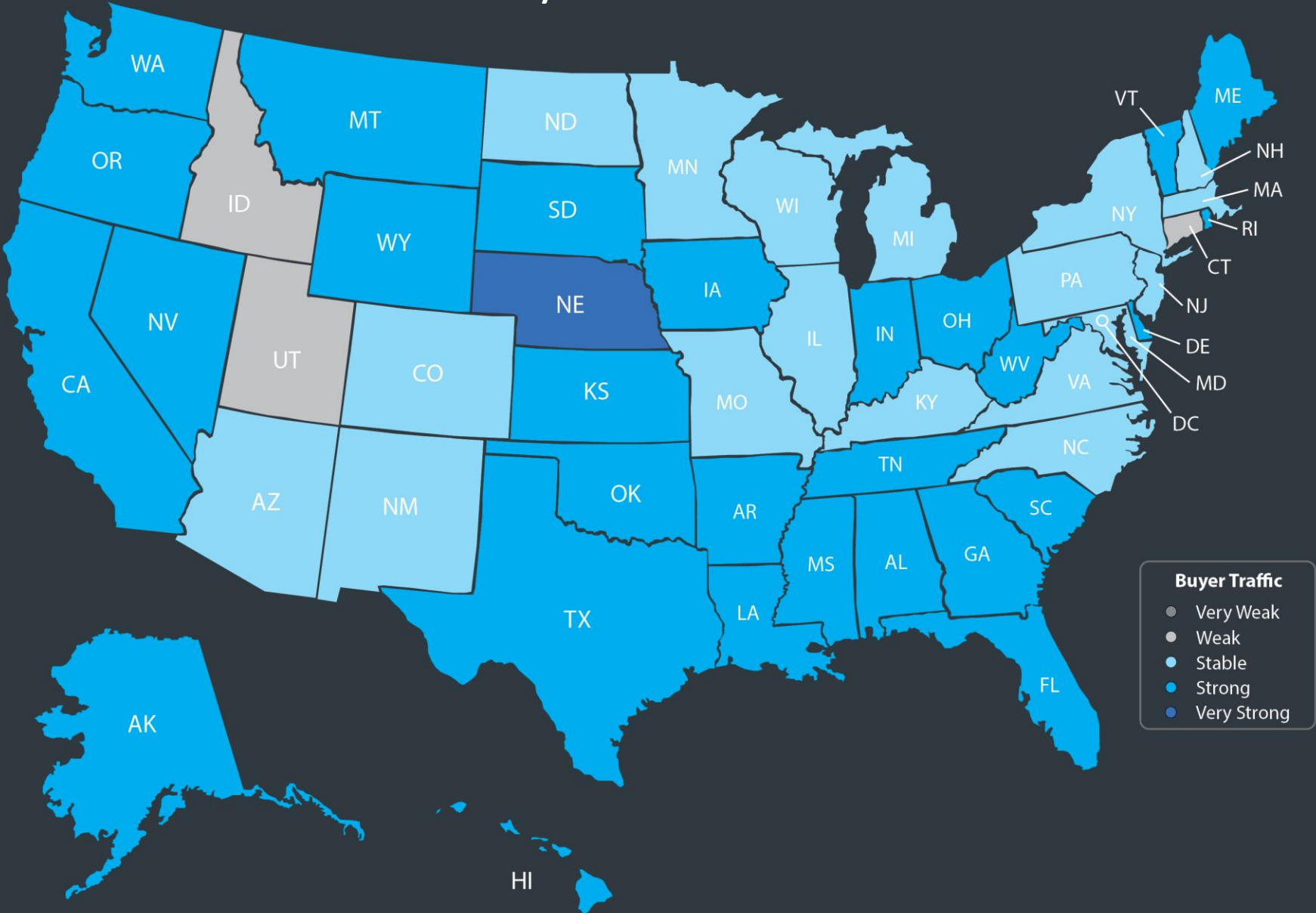


“In fall months, the *ShowingTime Showing Index* has been shown to be a leading indicator of the spring market for the coming year... In 2020, fall was incredibly competitive for buyers, while this year we’re seeing slightly lower numbers. This hints at a gradual easing of the inventory shortage coming into next year. A notable exception is the South Region, which came in at 1.3 percent above last year’s September values.”

- Michael Lane, President of Showing Time



Buyer Traffic Index

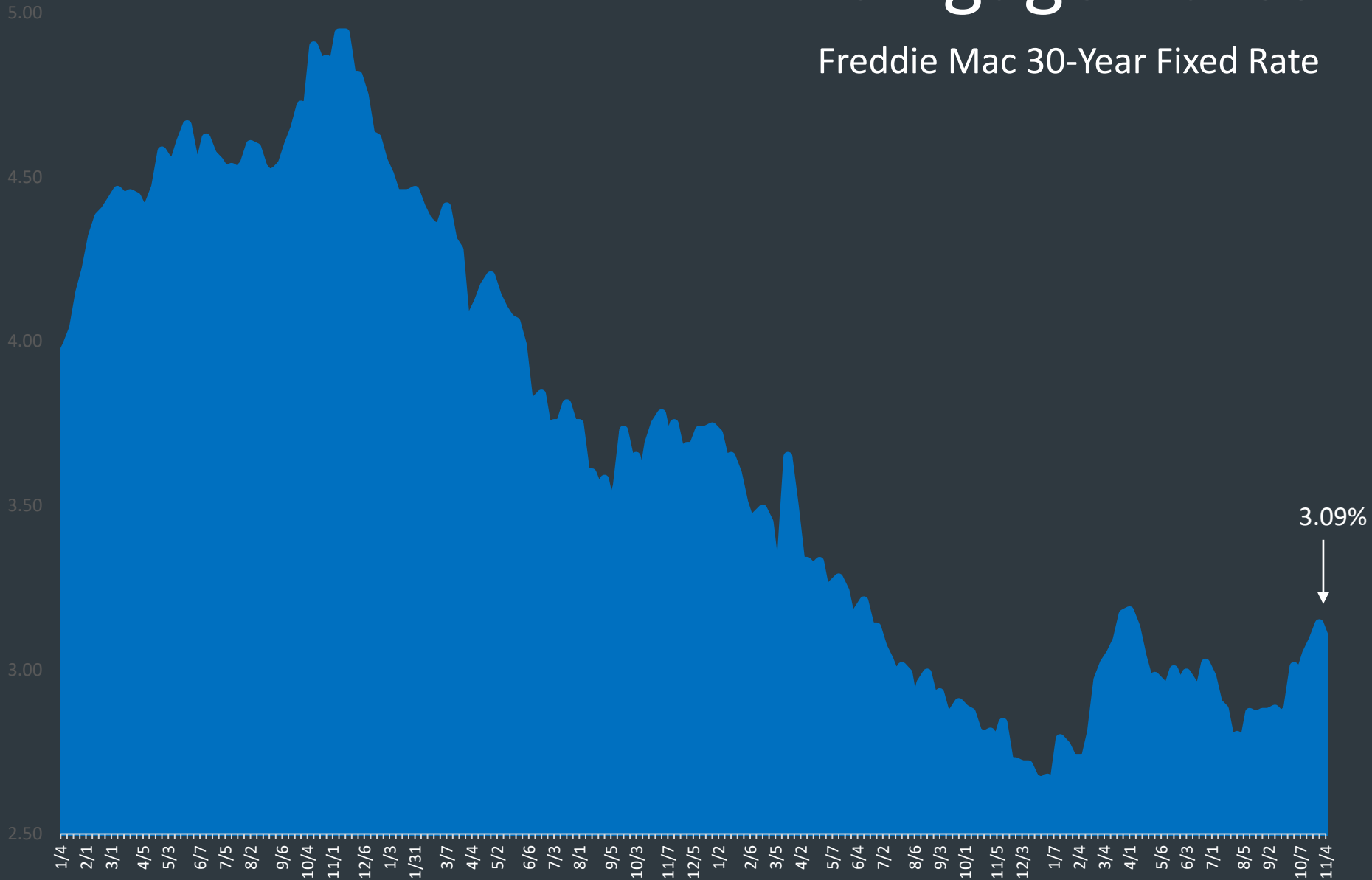


INTEREST RATES



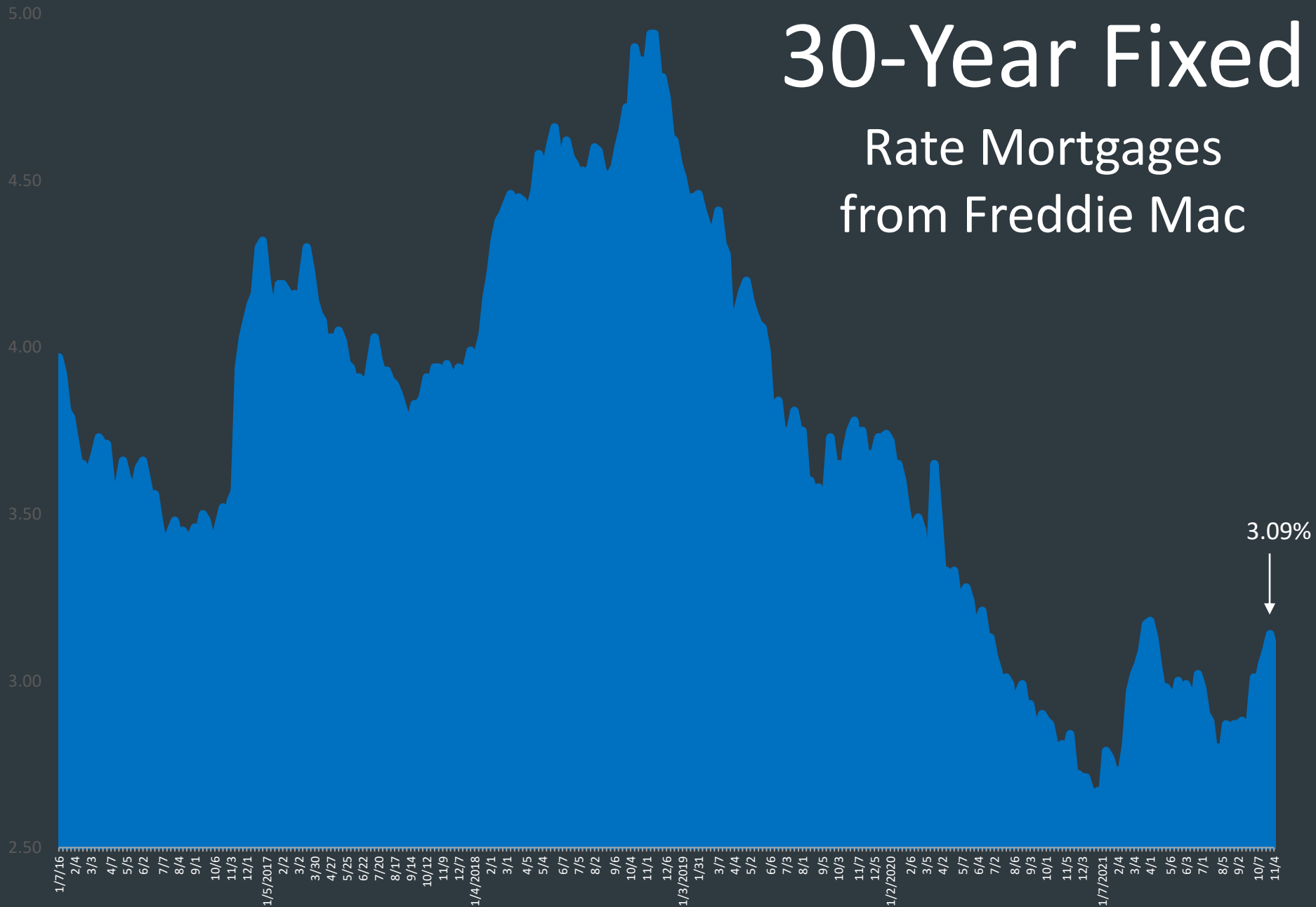
Mortgage Rates

Freddie Mac 30-Year Fixed Rate



30-Year Fixed

Rate Mortgages
from Freddie Mac



3.09%



Mortgage Rate Projections

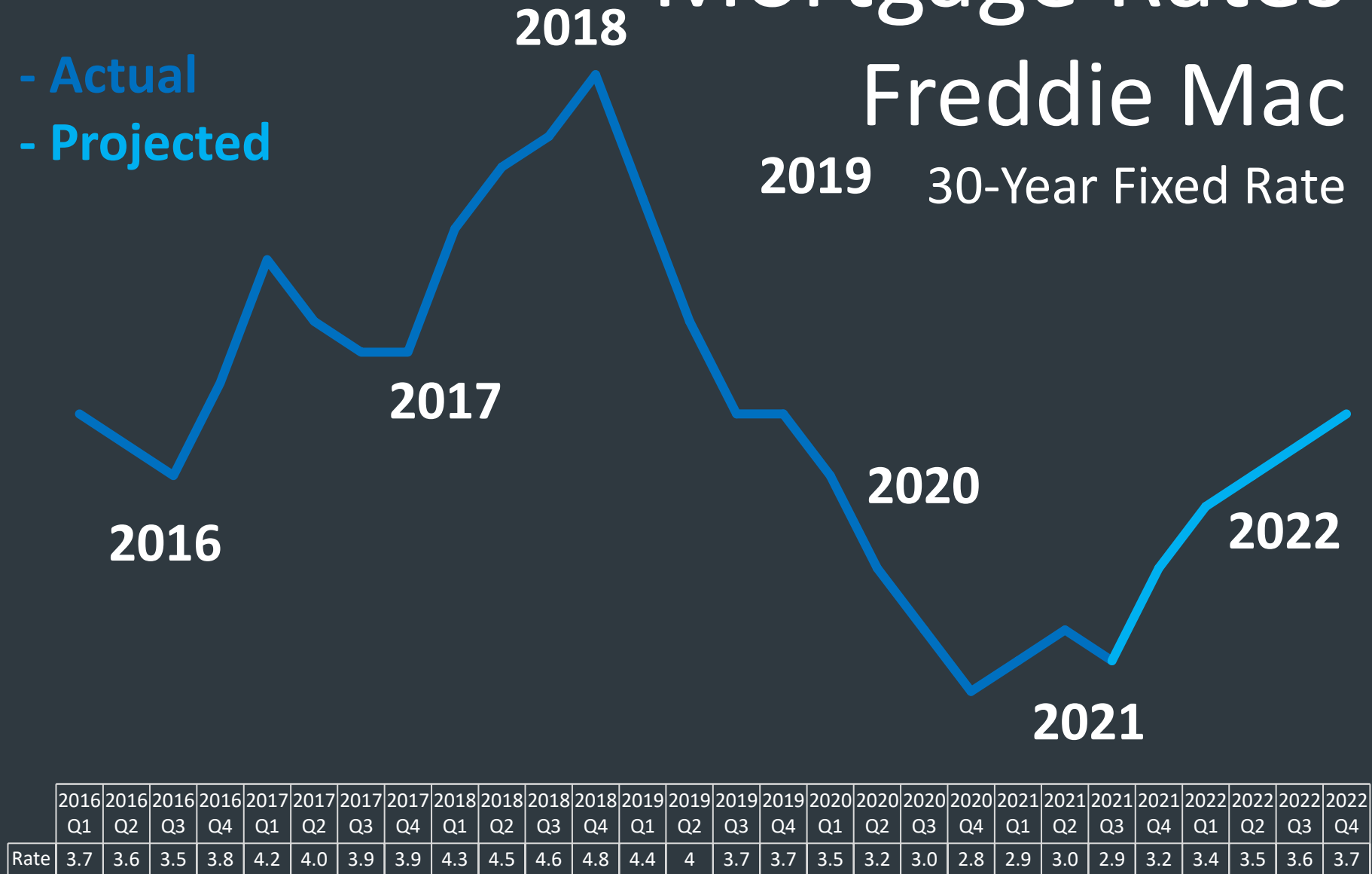
Quarter	Freddie Mac	Fannie Mae	MBA	NAR	Average of All Four
2021 4Q	3.2	3.1	3.1	3.1	3.12%
2022 1Q	3.4	3.2	3.3	3.3	3.30%
2022 2Q	3.5	3.2	3.5	3.5	3.42%
2022 3Q	3.6	3.3	3.7	3.6	3.55%

Mortgage Rates

Freddie Mac

2019 30-Year Fixed Rate

- Actual
- Projected



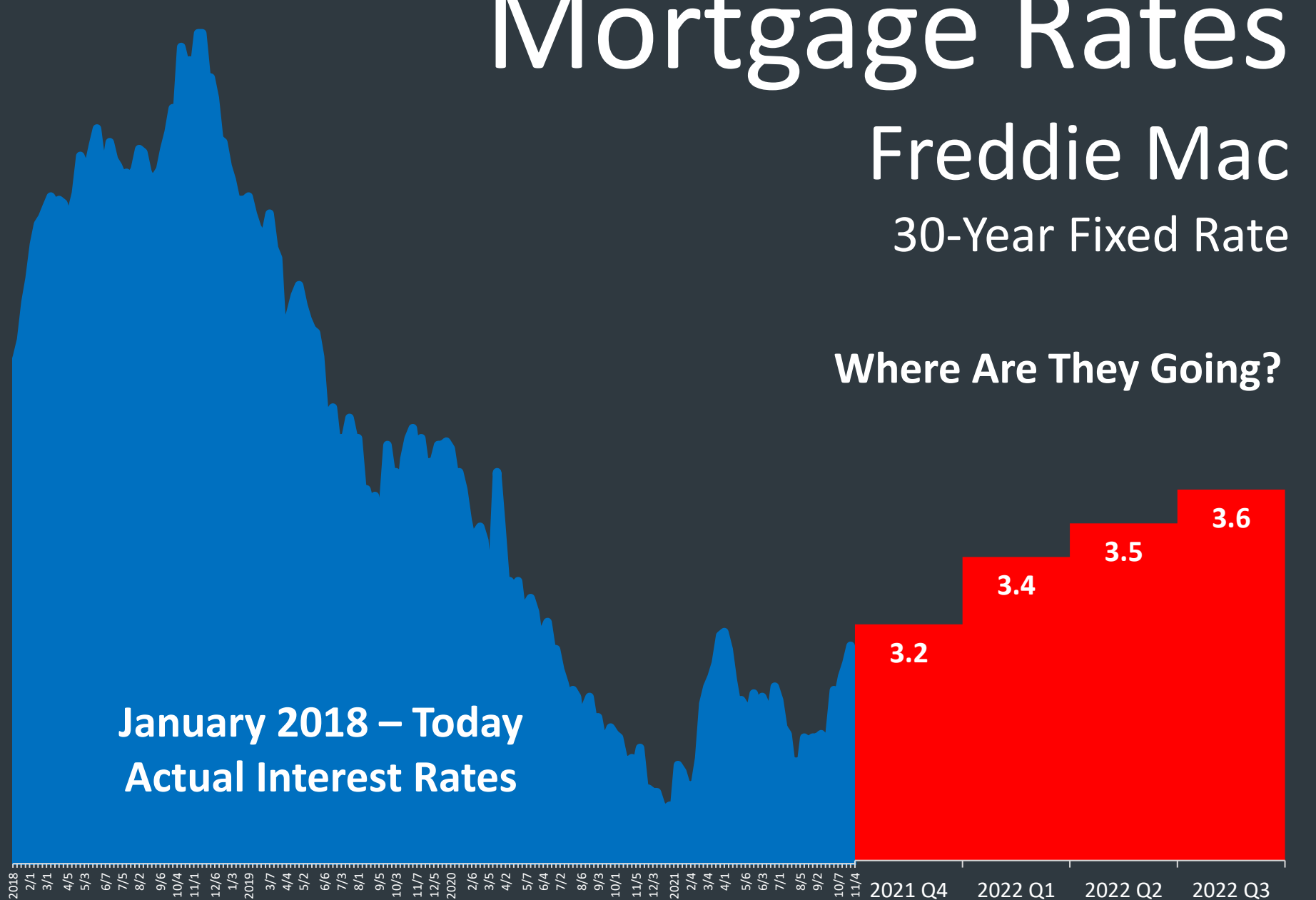
Mortgage Rates

Freddie Mac

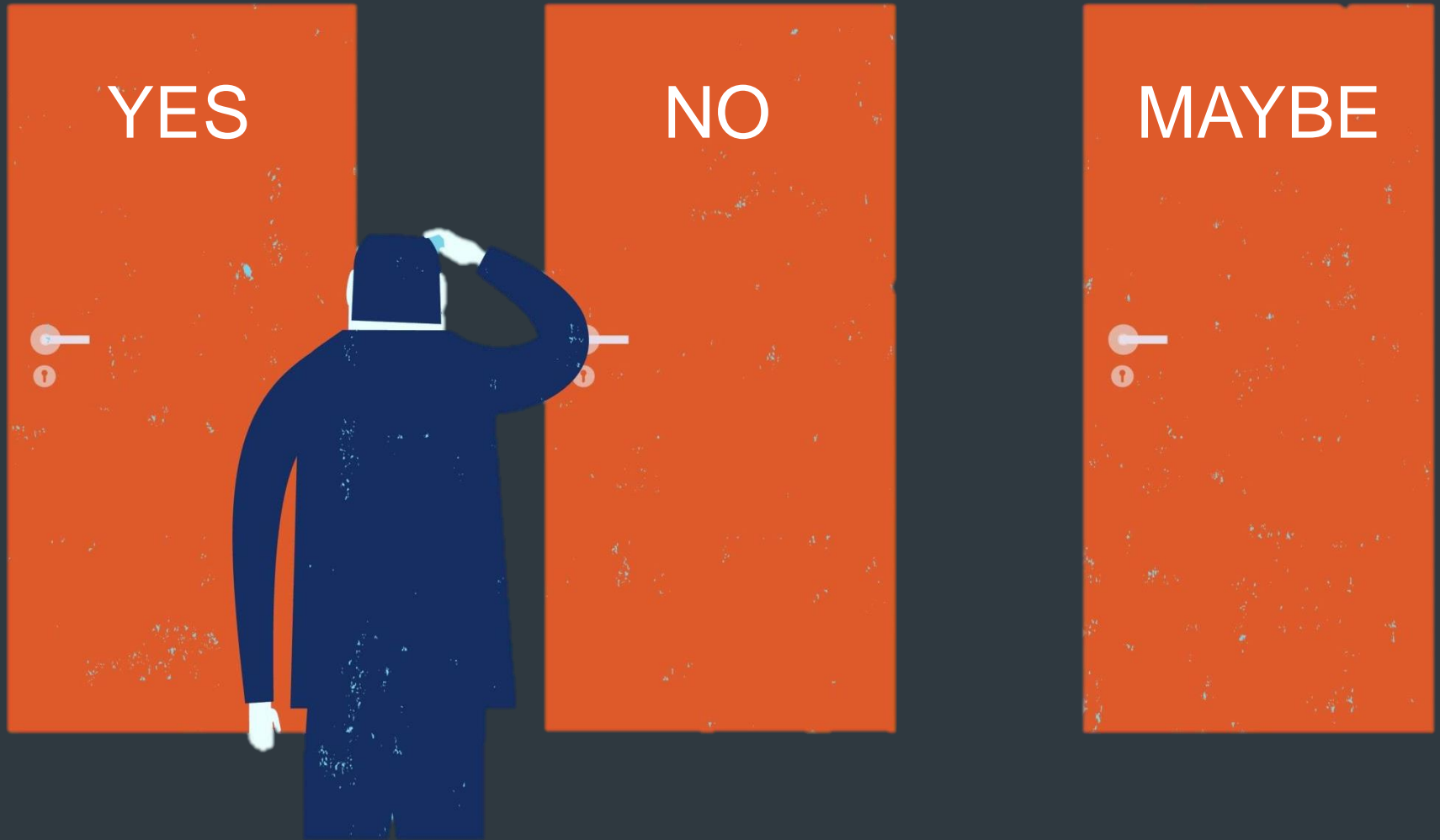
30-Year Fixed Rate

Where Are They Going?

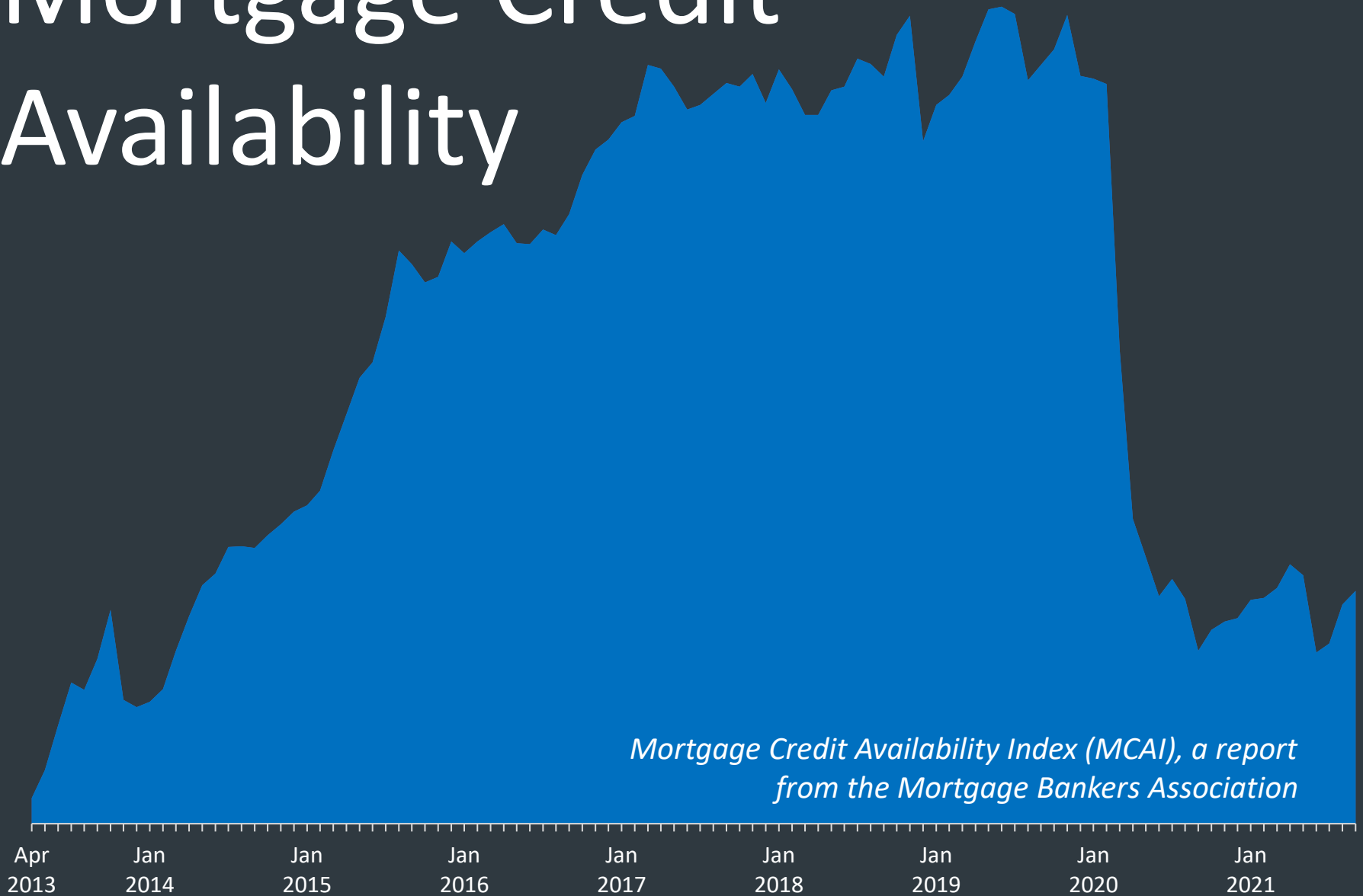
January 2018 – Today
Actual Interest Rates



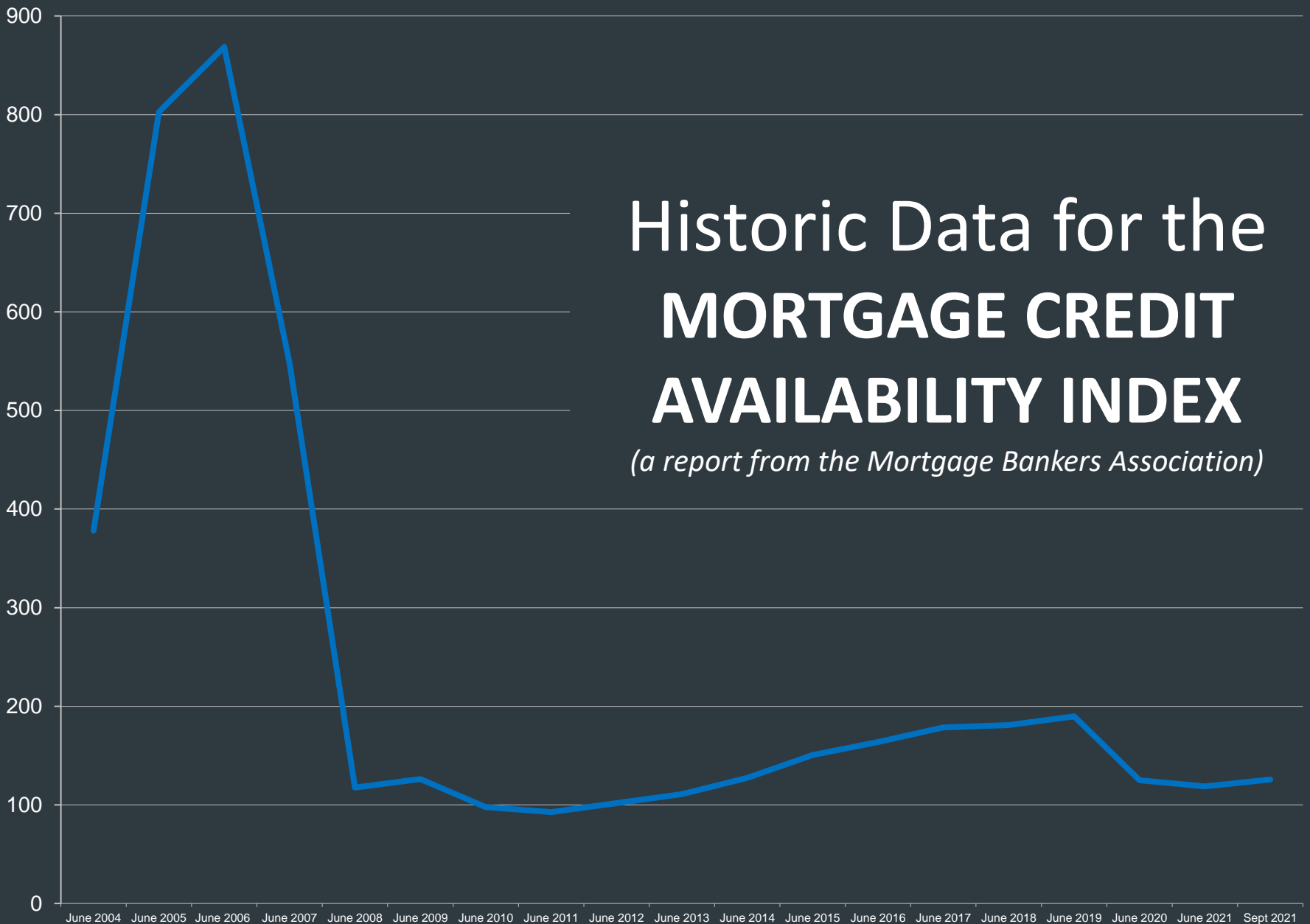
Mortgage Credit Availability



Mortgage Credit Availability



*Mortgage Credit Availability Index (MCAI), a report
from the Mortgage Bankers Association*

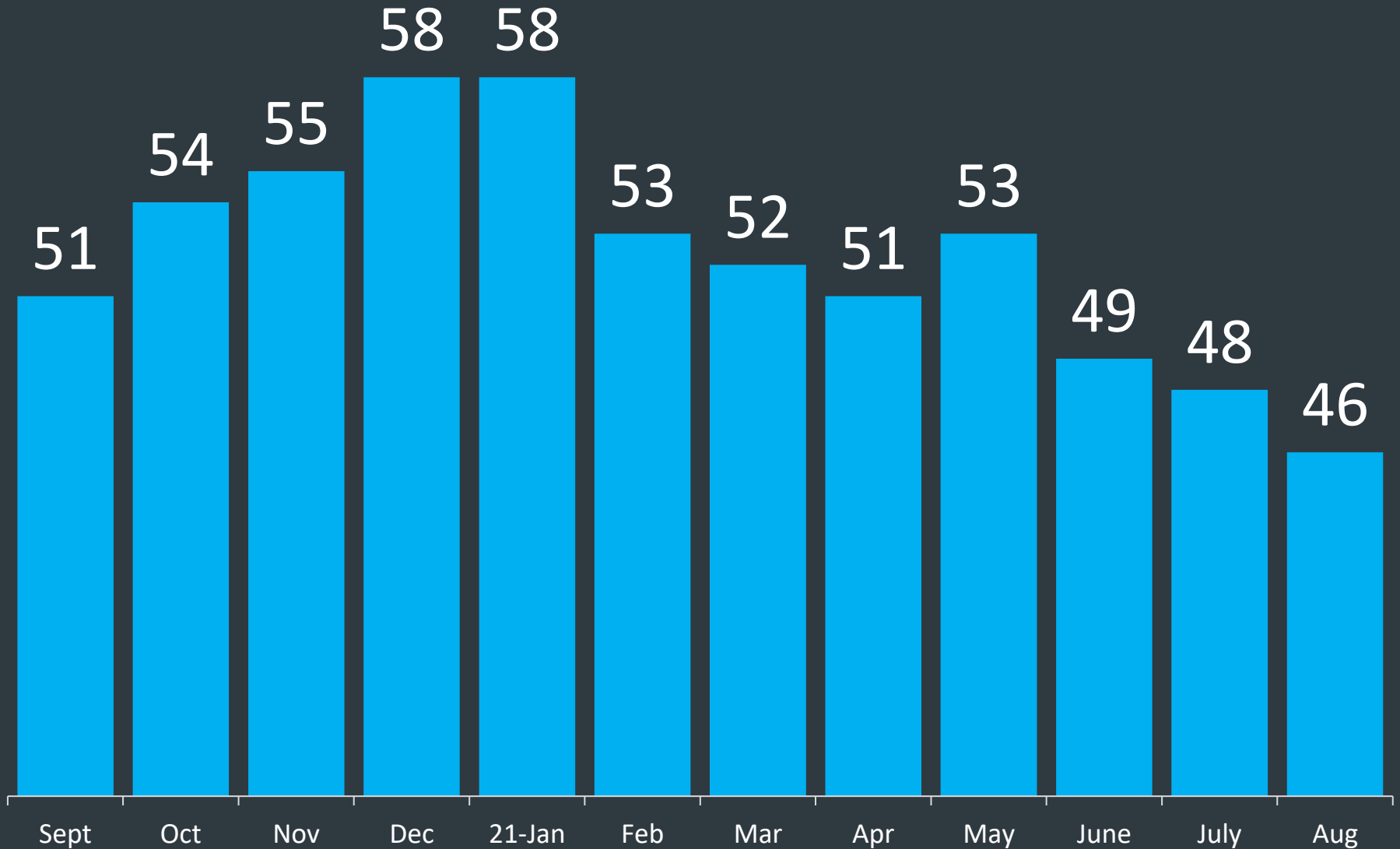


Historic Data for the **MORTGAGE CREDIT AVAILABILITY INDEX**

(a report from the Mortgage Bankers Association)

Average Days To Close A Loan

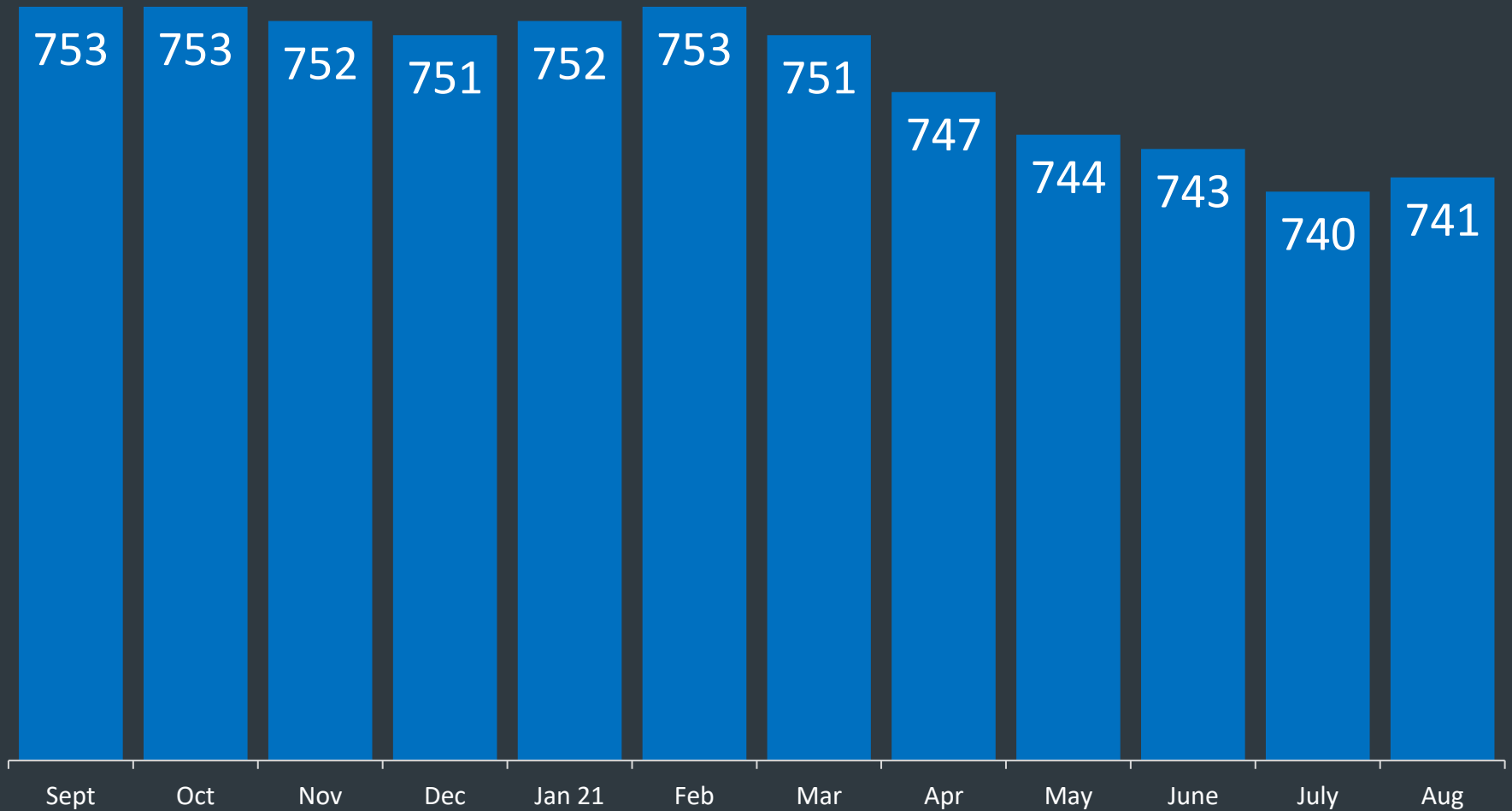
Last 12 Months



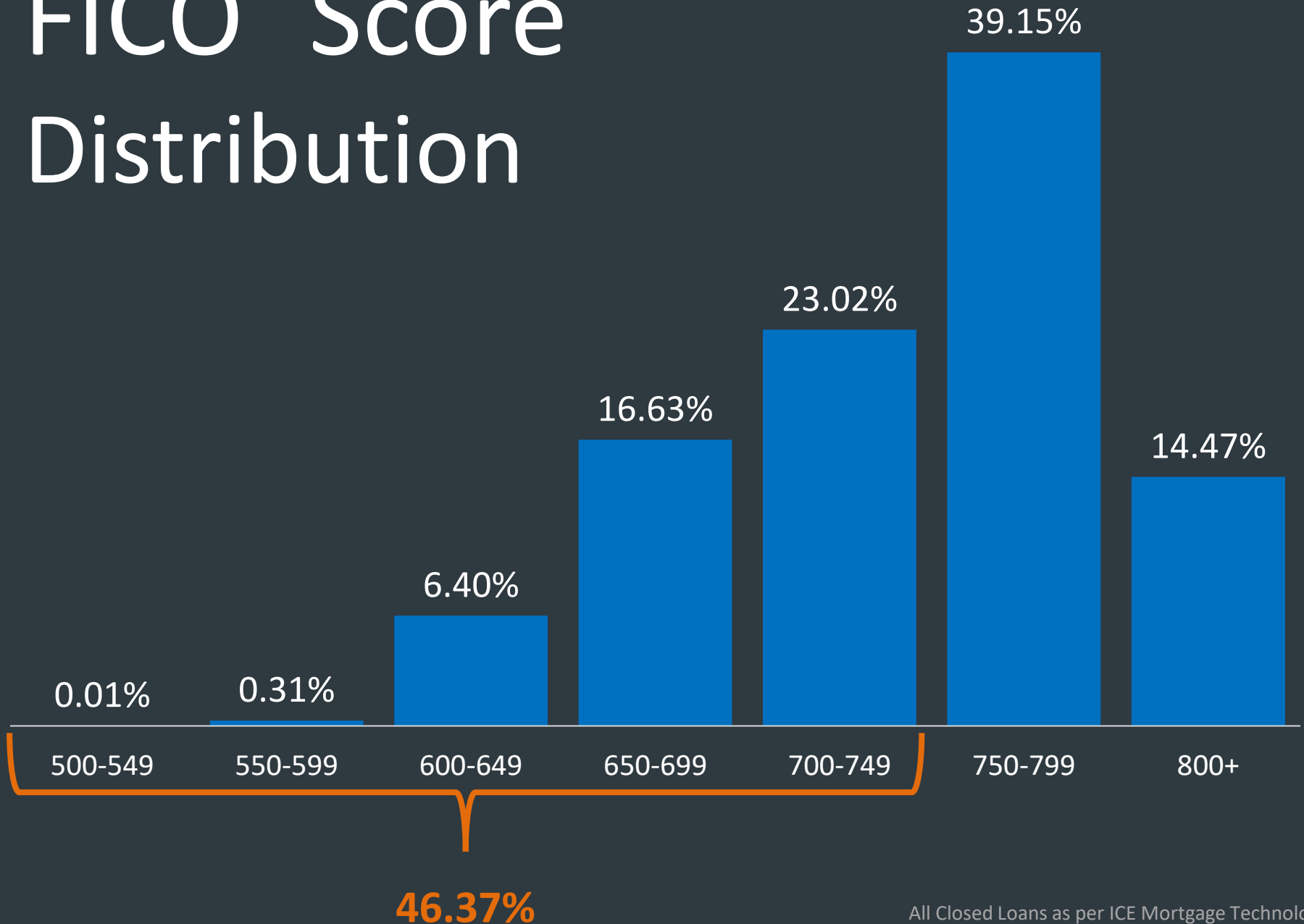
All Closed Loans as per ICE Mortgage Technology

FICO[®] Score Requirements

Last 12 months

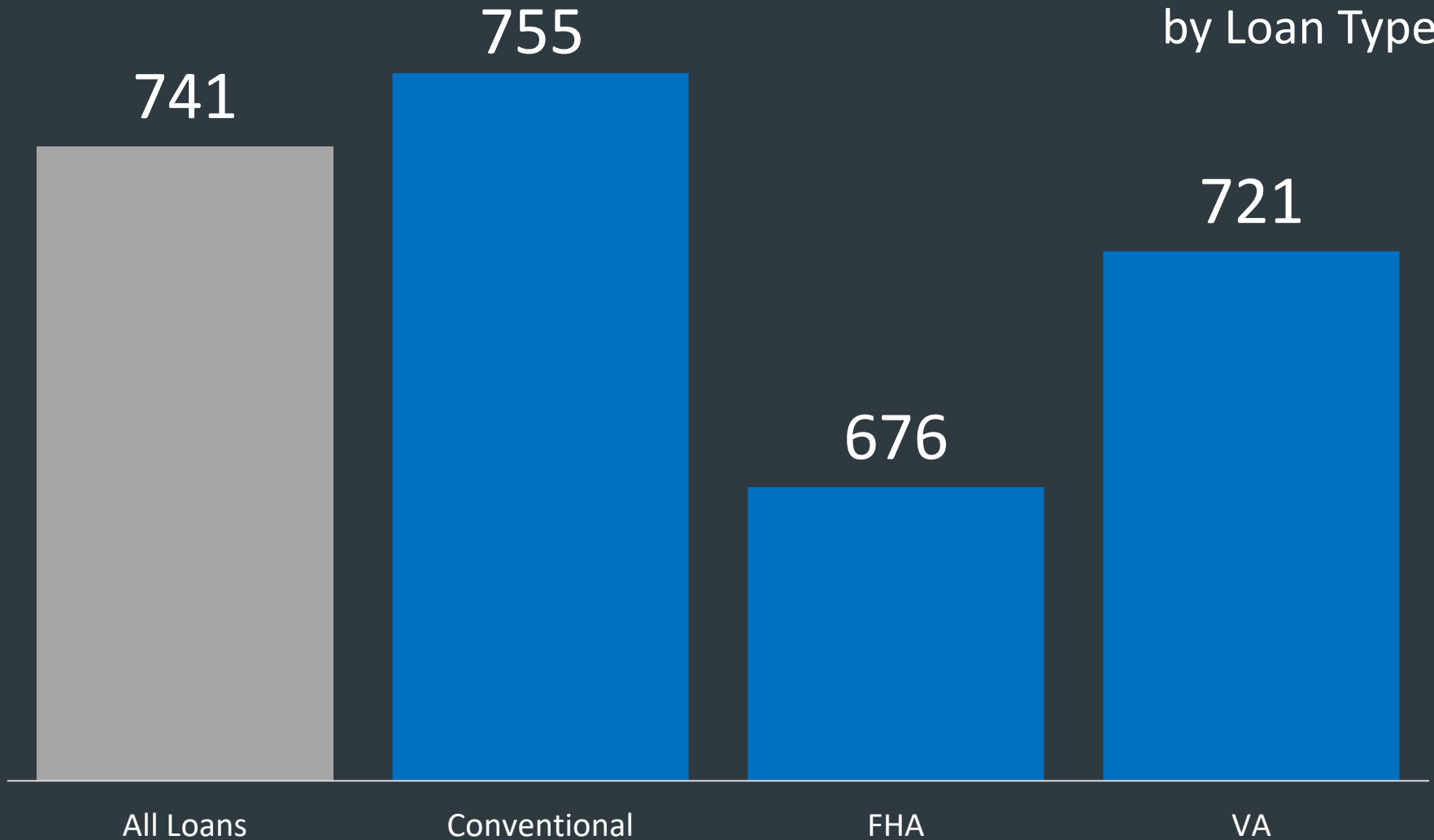


FICO[®] Score Distribution



Average FICO[®] Score

for Closed Purchase Loans
by Loan Type



Average Back End DTI

for Closed Purchase Loans by Loan Type

