

KEEPING CURRENT MATTERS

March 2022

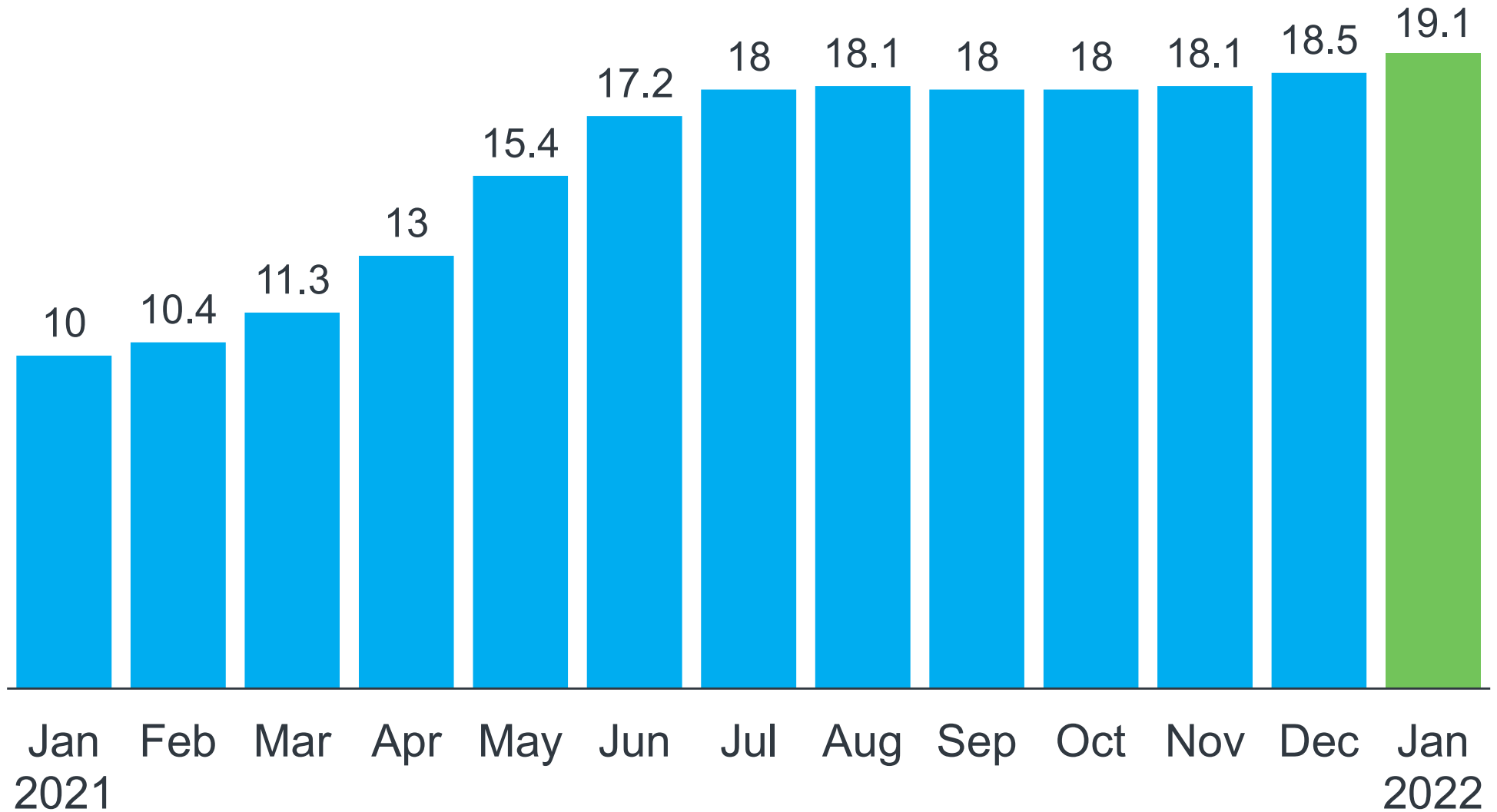




Home Prices

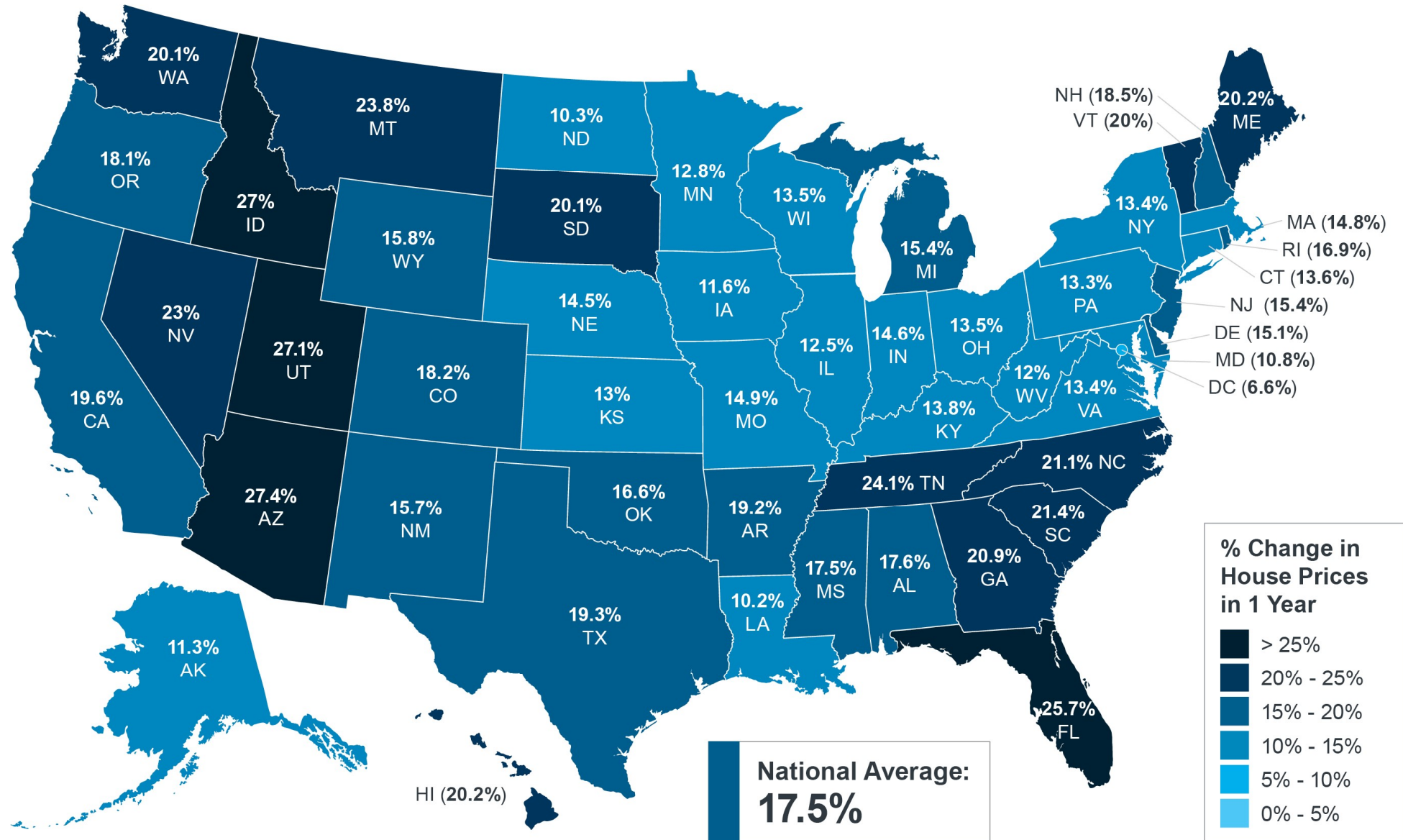
Price Appreciation Is Accelerating

% Year-Over-Year Price Increases by Month



Change in Prices Last Year

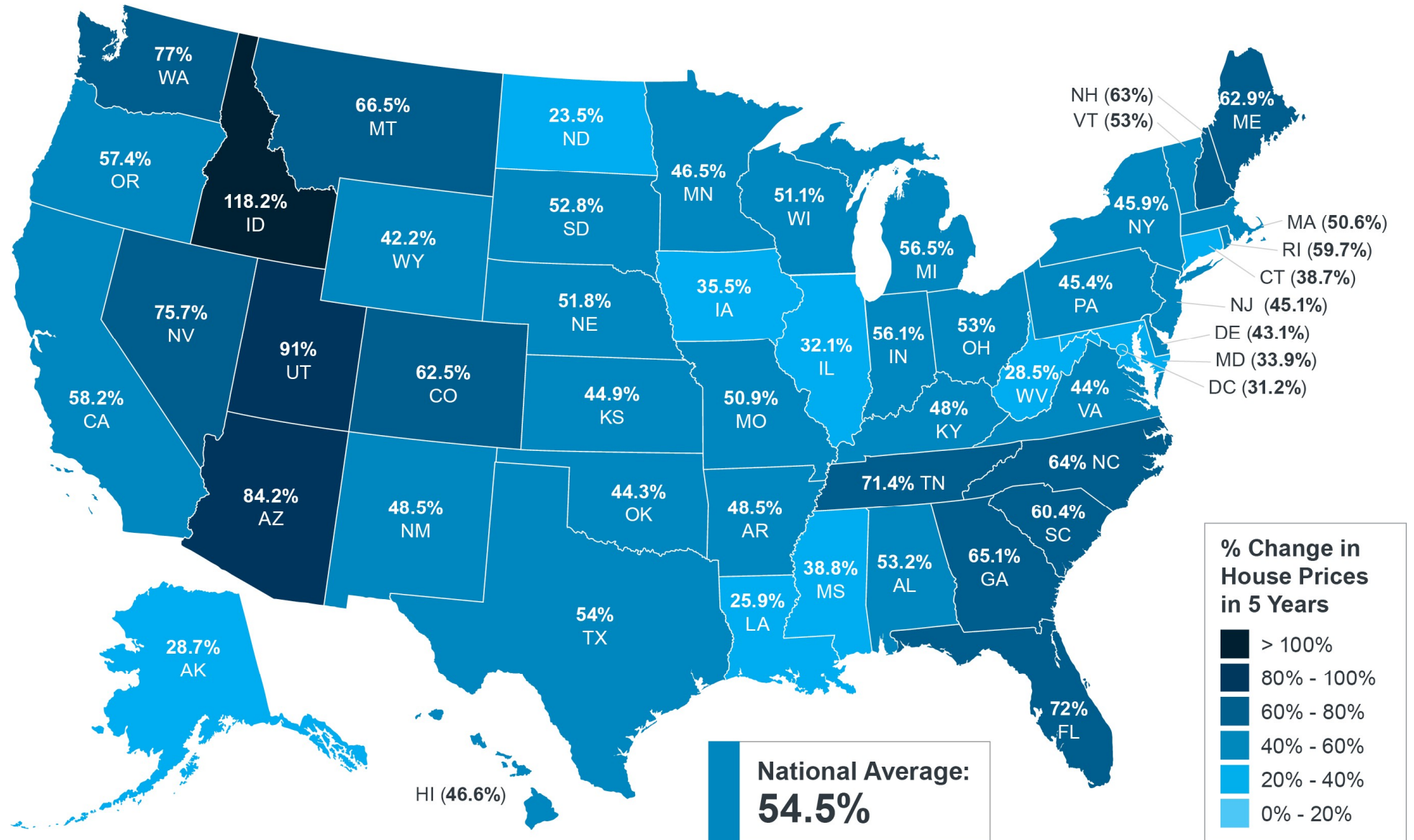
2021 Q4



Source: FHFA

Change in Prices over the Last 5 Years

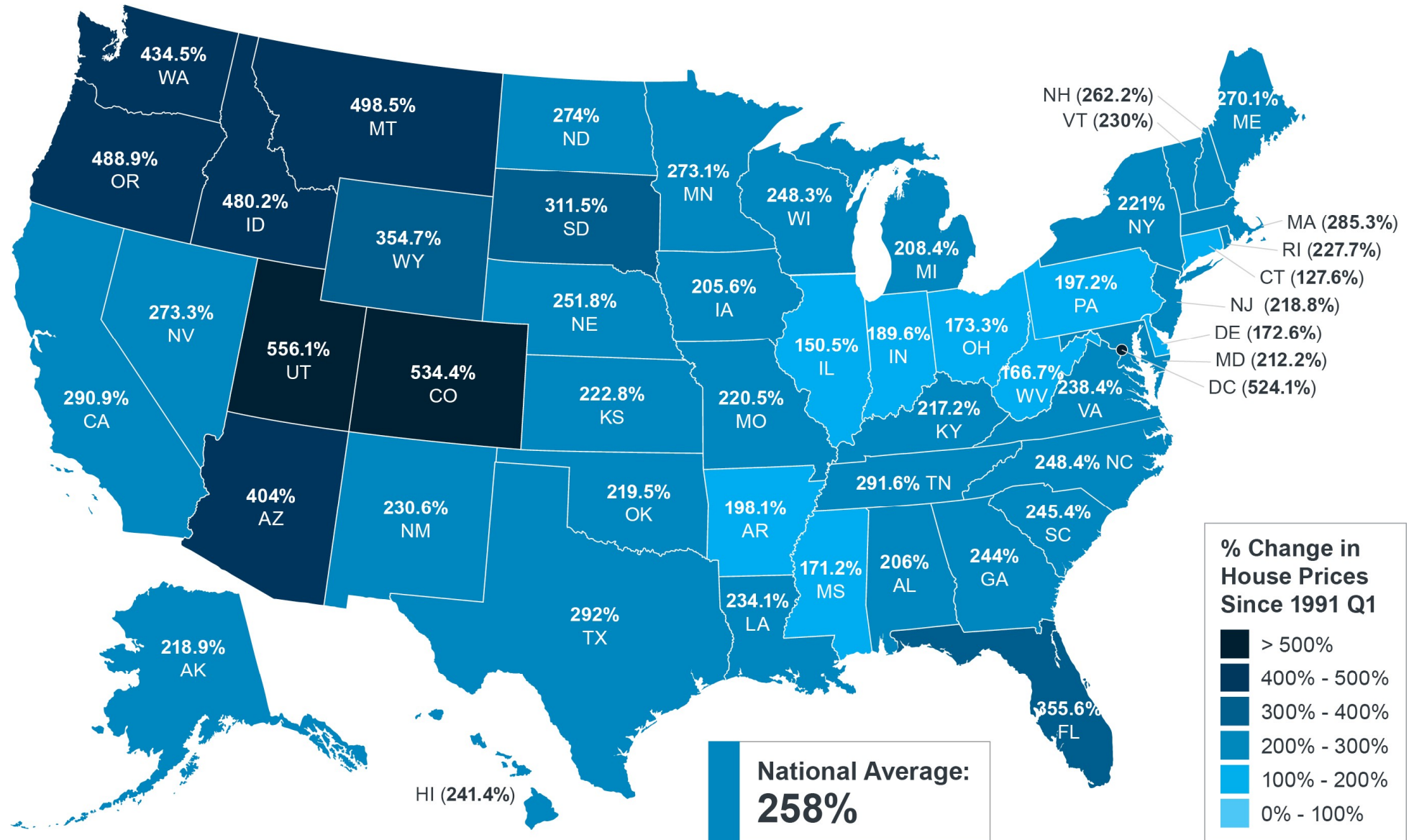
2021 Q4



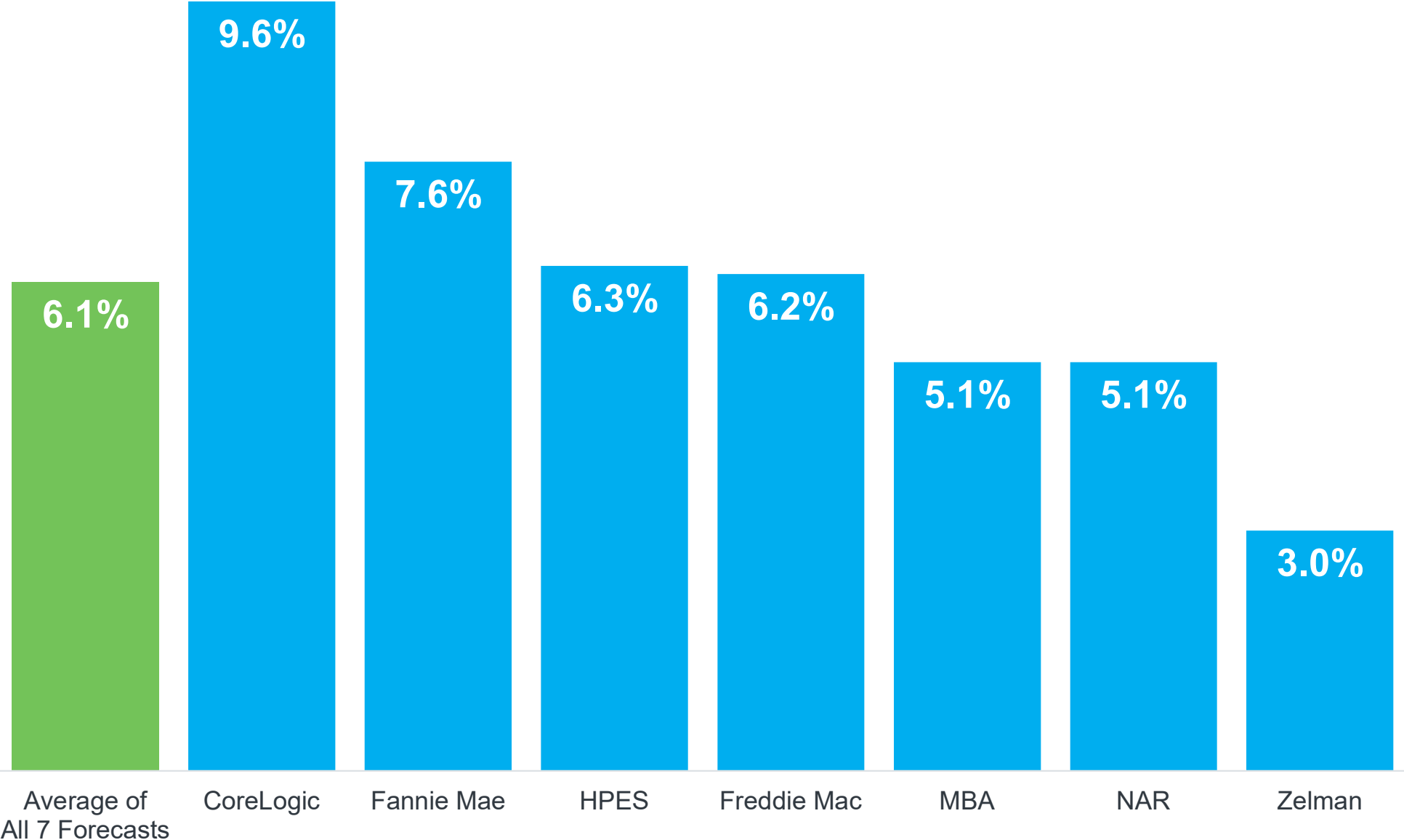
Source: FHFA

Change in Prices Since 1991

2021 Q4



Home Price Forecasts for 2022





Supply & Demand

Impact of Inventory on Home Prices

Sellers' Market

Home prices will appreciate

< 6 months

Neutral Market

Home prices will only appreciate with inflation

6-7 months

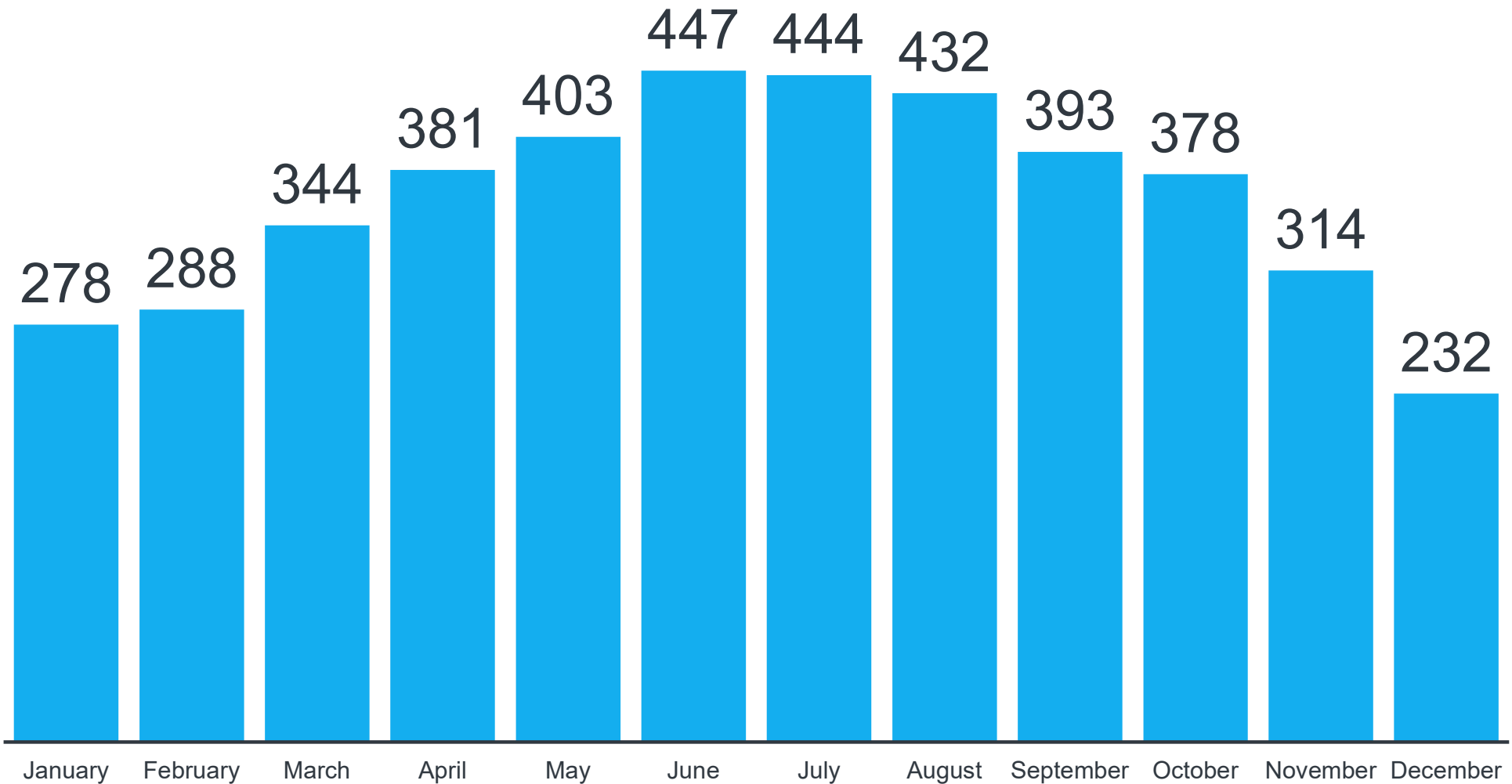
Buyers' Market

Home prices will depreciate

> 7 months

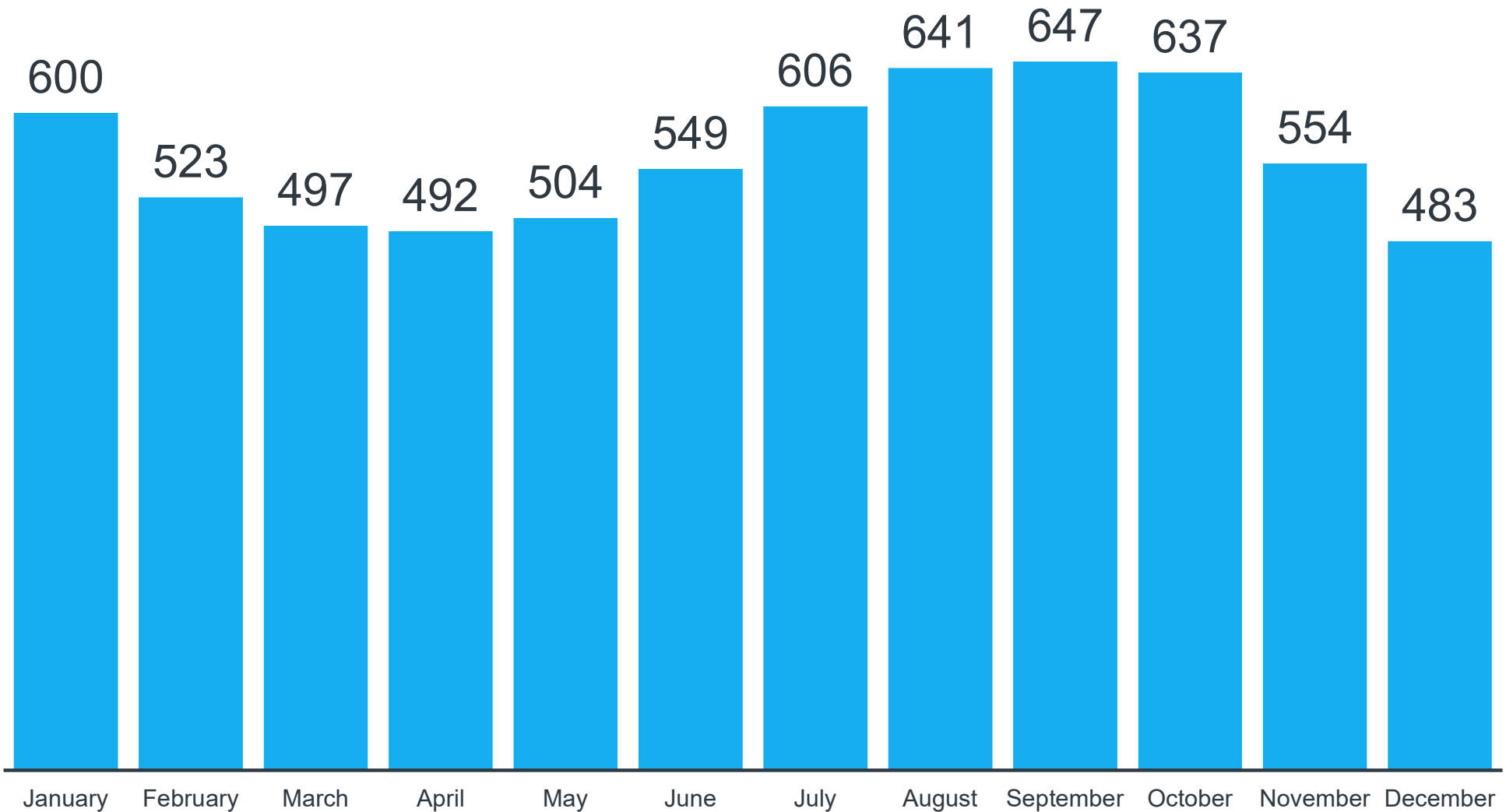
New Listings Falling Dramatically

New Monthly Listing Counts (in thousands)



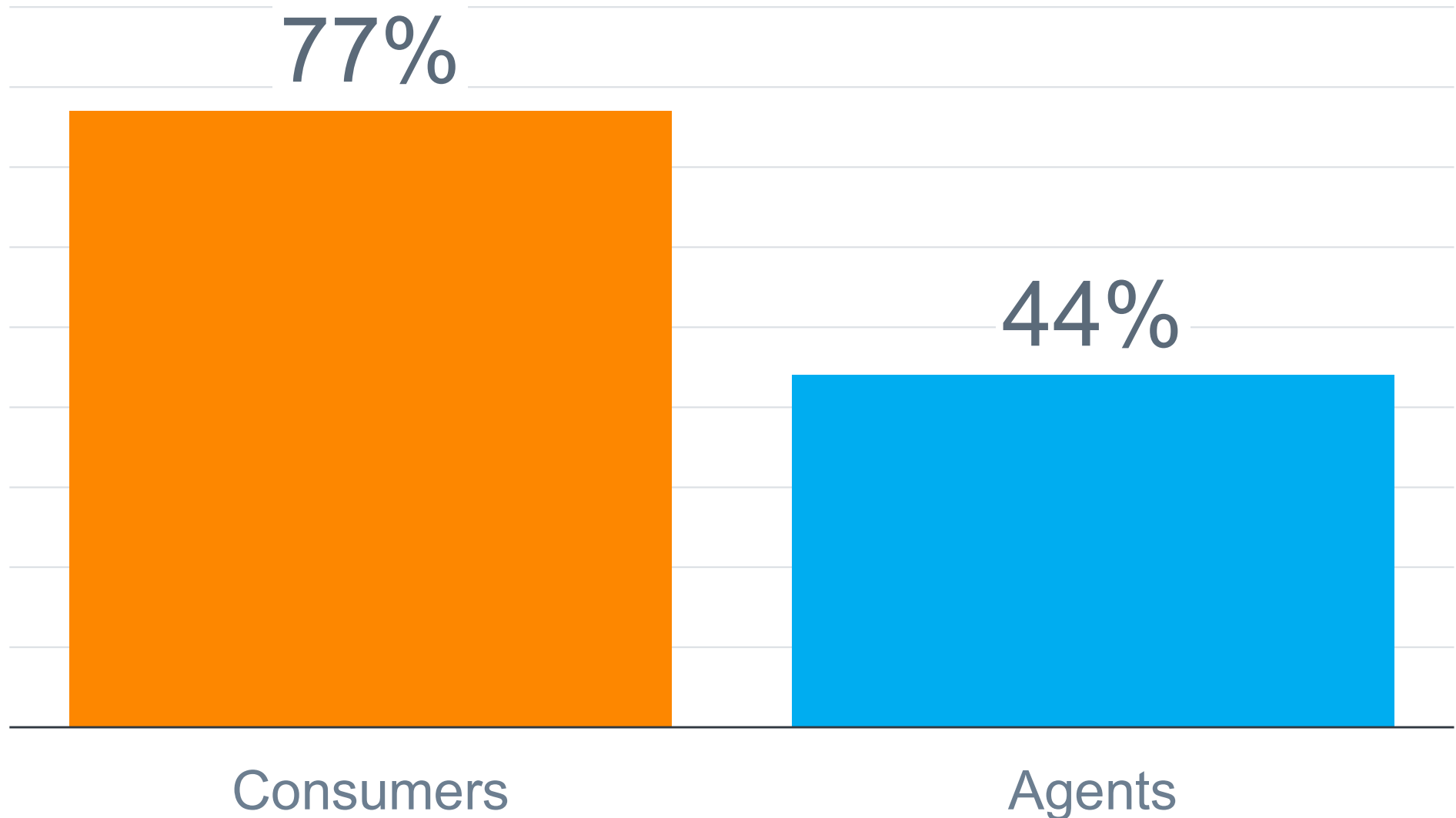
Active Listings Drop Again

Active Monthly Listing Counts (in thousands)



Worries of a Housing Bubble Still Persist

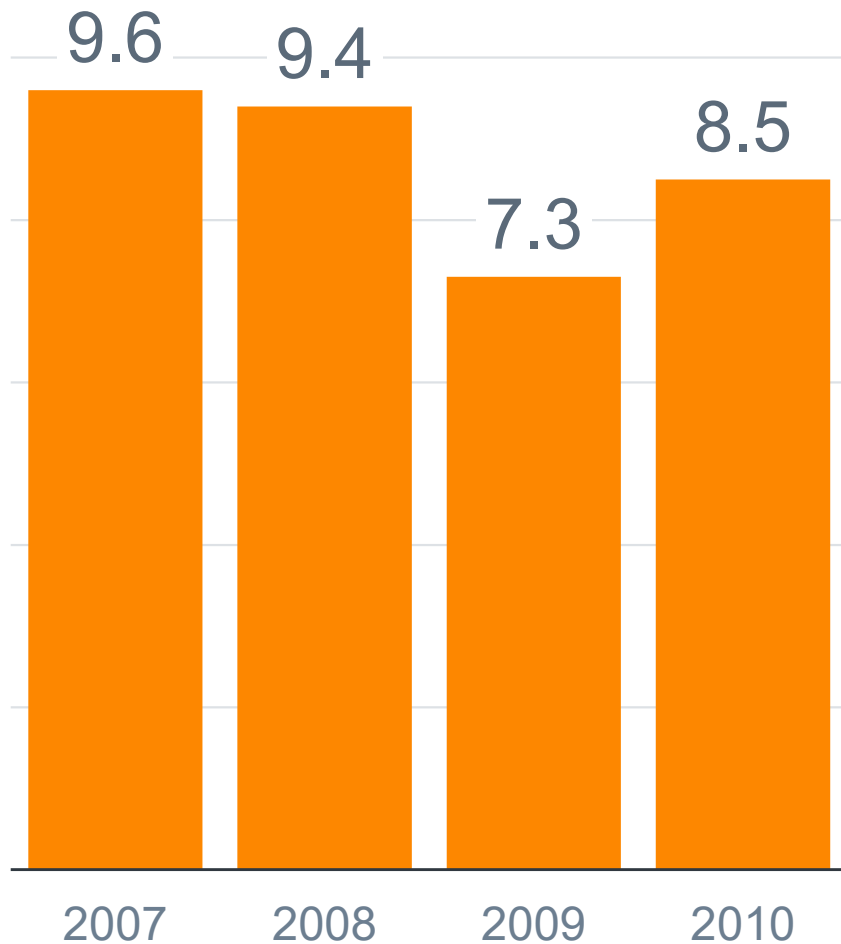
% Who say they believe there's a housing price bubble where they live



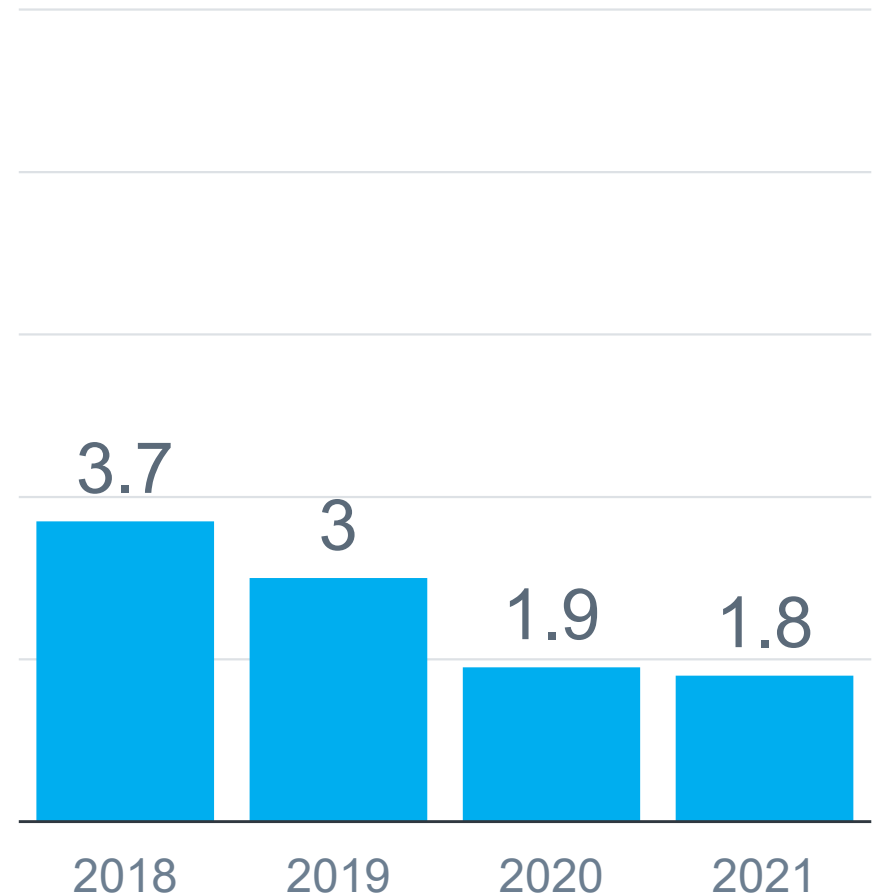
Inventory of Homes Nothing Like Last Time

Months Supply of Existing Homes for Sale in December of Each Year

Four Years of Housing Crash

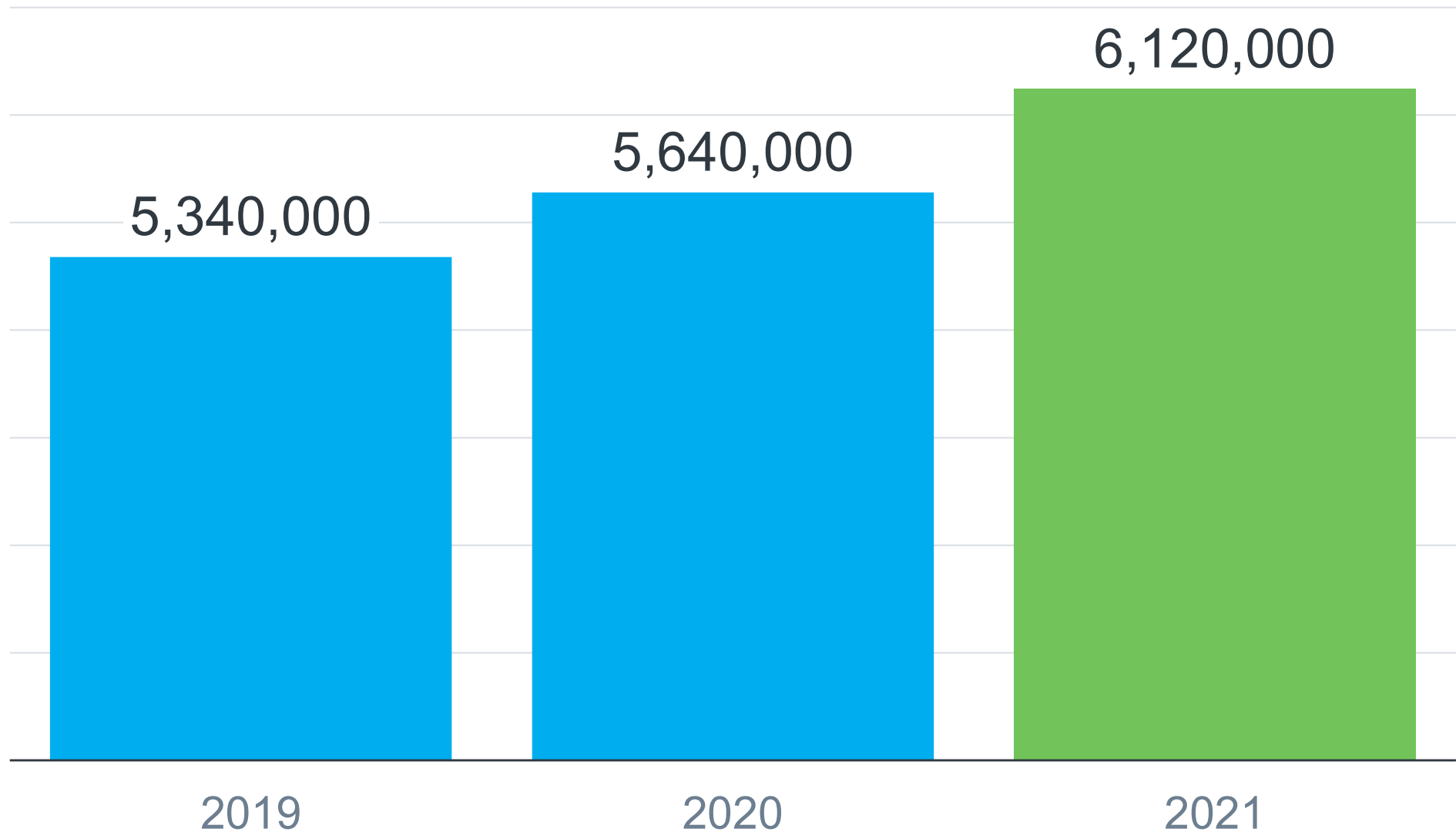


Last Four Years



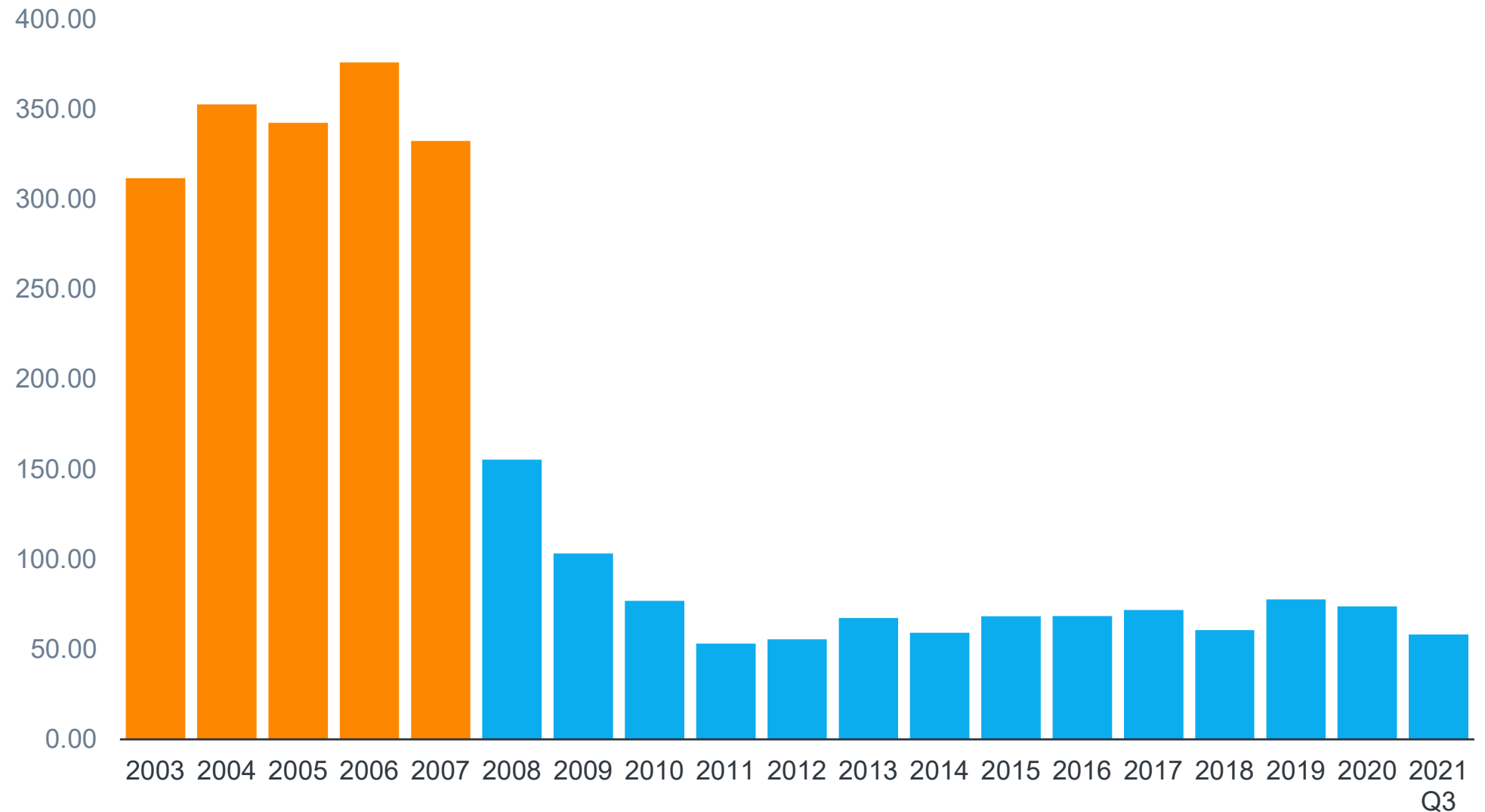
Existing Home Sales Hit 15-Year Record

Number of Existing Home Sales 2019–2021



This Is Nothing Like the Last Time

Volume of Loans in Billions with a Credit Score < 620



Source: Federal Reserve



Net Worth



With inventory at an all-time low, buyers are still having a difficult time finding a home.

- Lawrence Yun, Chief Economist, NAR

Net Worth of a Homeowner vs. a Renter in 2021

Homeowner



\$300,000

Renter

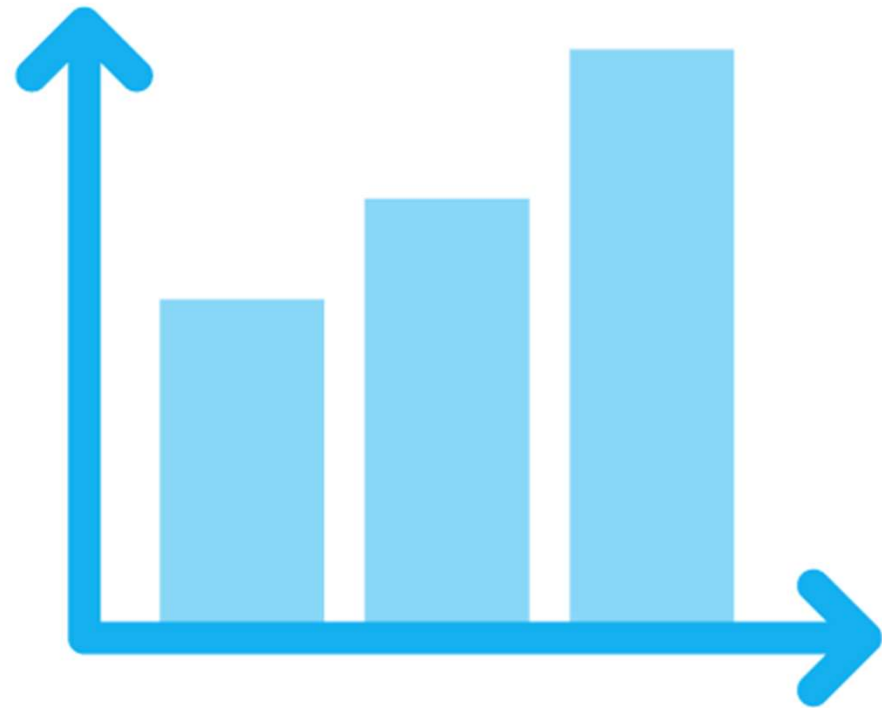


\$8,000

The net worth
of a typical
homeowner is about

40X

the net worth
of a renter





While the booming housing market contributed significantly to the recovery of the U.S. economy, research has consistently shown that homeownership is also associated with multiple economic and social benefits to individual homeowners. **Homeownership has always been an important way to build wealth.**

- National Association of Realtors

Now Available: Spring Buyer & Seller Guides



Resources

Slide(s)	Description	Link(s)
3	Price Appreciation	https://www.corelogic.com/intelligence/u-s-home-price-insights/
4-6	Change in Price Maps	https://www.fhfa.gov/AboutUs/Reports/ReportDocuments/HPI_2021Q4.pdf
7	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-Q1-2022-us-economic-outlook-01-27-2022.pdf https://www.fanniemae.com/research-and-insights/forecast http://www.freddiemac.com/research/forecast/20220121_quarterly_economic_forecast.page https://pulsenomics.com/surveys/#home-price-expectations https://www.corelogic.com/intelligence/find-stories/corelogic-hpi-posted-record-year-over-year-growth-in-2021/
10-11	Listings	https://www.realtor.com/research/data/
12	Housing Bubble Survey	https://magazine.realtor/daily-news/2022/02/03/77-of-consumers-believe-we-re-in-a-housing-bubble

Resources

Slide(s)	Description	Link(s)
13	Inventory Nothing Like Last Time	nar.realtor https://www.nar.realtor/topics/existing-home-sales
14	Existing Home Sales	https://twitter.com/NAR_Research/status/1484188775005761536
15	Credit Scores Nothing Like Last Time	https://www.newyorkfed.org/medialibrary/interactives/householdcredit/data/xls/HHD_C_Report_2021Q3.xlsx
17	Yun Quote	https://www.nar.realtor/newsroom/pending-home-sales-decrease-5-7-in-january
18-20	Net Worth	https://cdn.nar.realtor/sites/default/files/documents/2022-snapshot-of-race-and-home-buying-in-the-us-report-02-23-2022_0.pdf



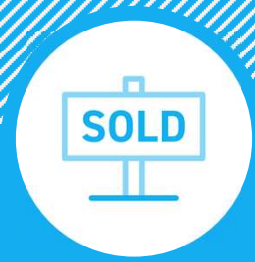
Updates

Resources

Slide(s)	Description	Link(s)
28, 48, 58	Confidence Index	https://www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index
29-31, 39, 41, 42, 49-53	Existing Home Sales	https://www.nar.realtor/topics/existing-home-sales
32-35	New Home Sales	http://www.census.gov/construction/nrs/pdf/newressales.pdf http://www.census.gov/newhomesales
36	Total Home Sales	http://www.census.gov/construction/nrs/pdf/newressales.pdf https://www.nar.realtor/topics/existing-home-sales
37, 38	Pending Home Sales	https://www.nar.realtor/research-and-statistics/housing-statistics/pending-home-sales
43-45	Case Shiller	https://www.spglobal.com/spdji/en/indices/indicators/sp-corelogic-case-shiller-20-city-composite-home-price-nsa-index/#news-research
46	CoreLogic Price Forecast	https://www.corelogic.com/intelligence/u-s-home-price-insights/
49-55	Inventory	https://www.nar.realtor/topics/existing-home-sales http://www.census.gov/construction/nrs/pdf/newressales.pdf

Resources

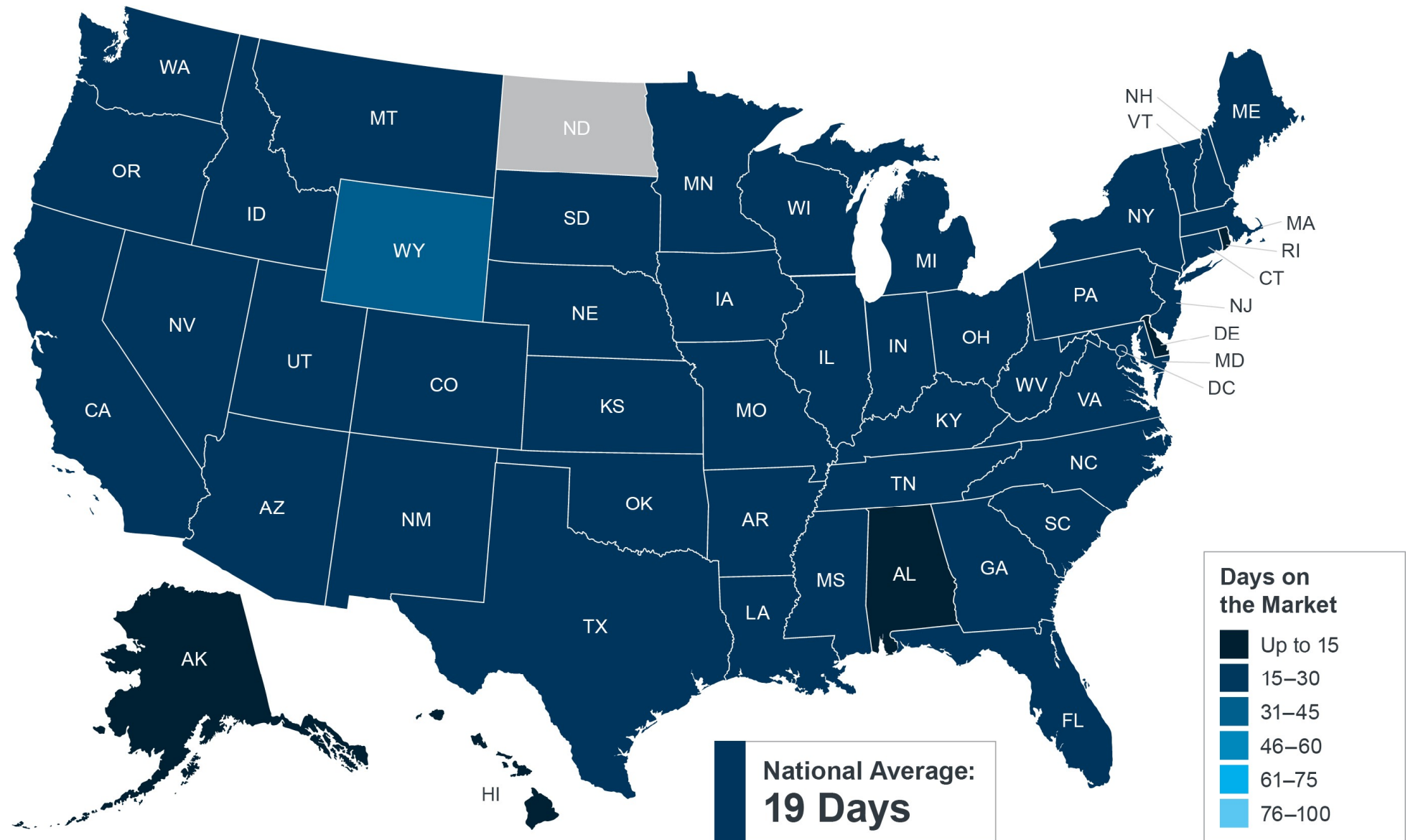
Slide(s)	Description	Link(s)
57	Showing Activity	https://www.showingtime.com/blog/january-2022-showing-index-results/
60, 61, 63, 64	Mortgage Rates	http://www.freddiemac.com/pmms/pmms_archives.html http://www.freddiemac.com/research/forecast/
62	Mortgage Rate Projections	http://www.freddiemac.com/research/forecast/ 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
66, 67	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
68-72	Days To Close, FICO Scores, DTI	https://www.icemortgagetechnology.com/mortgage-data/origination-insight-reports



Home Sales

Average Days on the Market

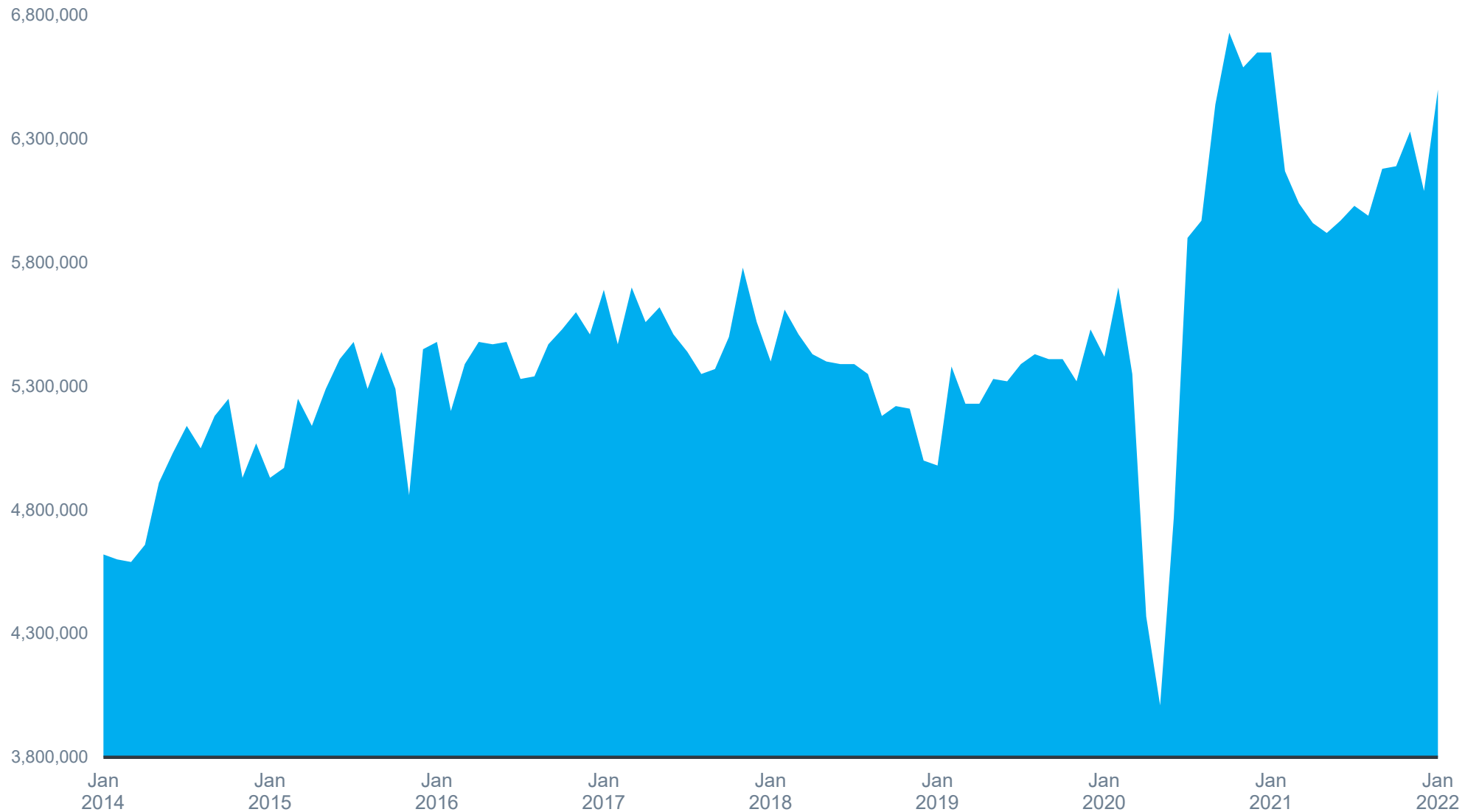
January 2022



Source: NAR

Existing Home Sales

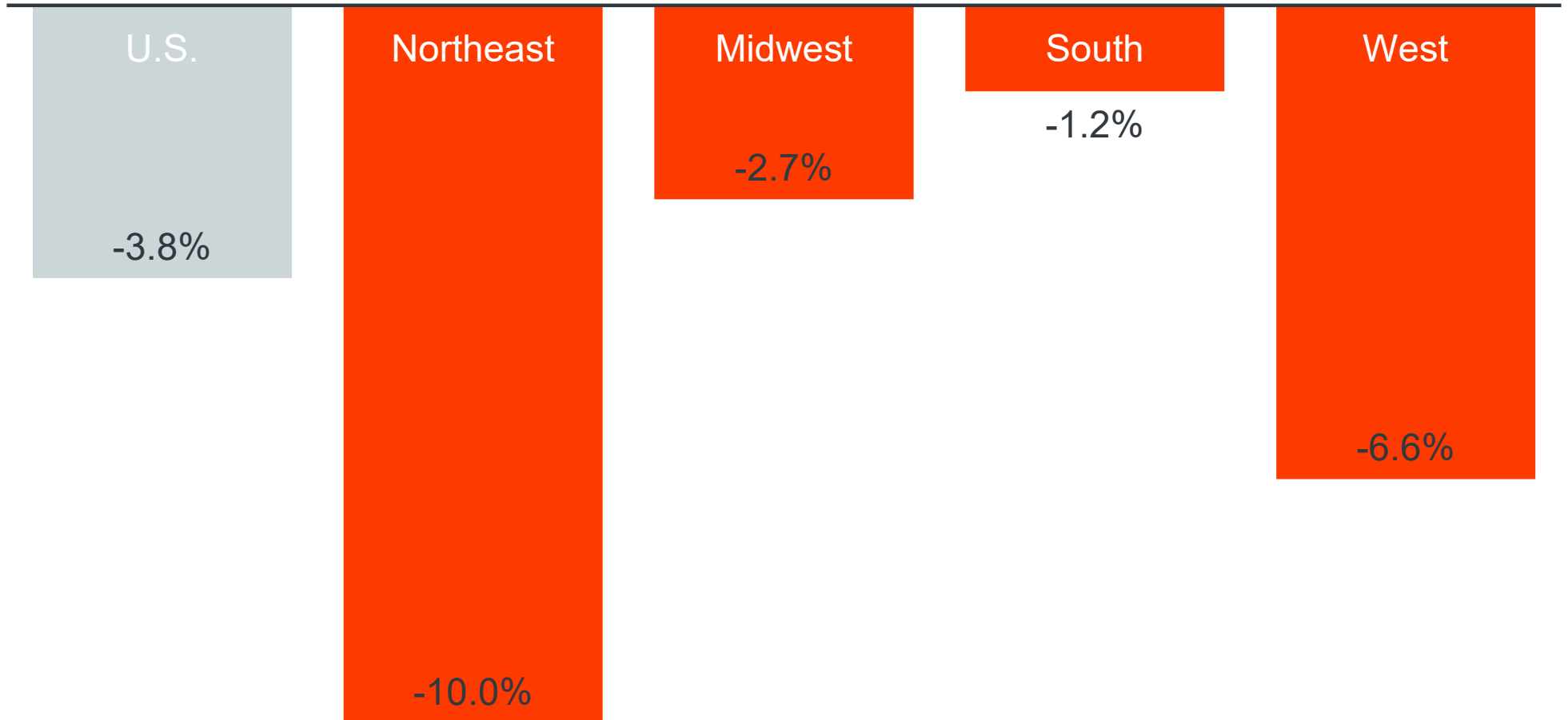
Since January 2014



Source: NAR

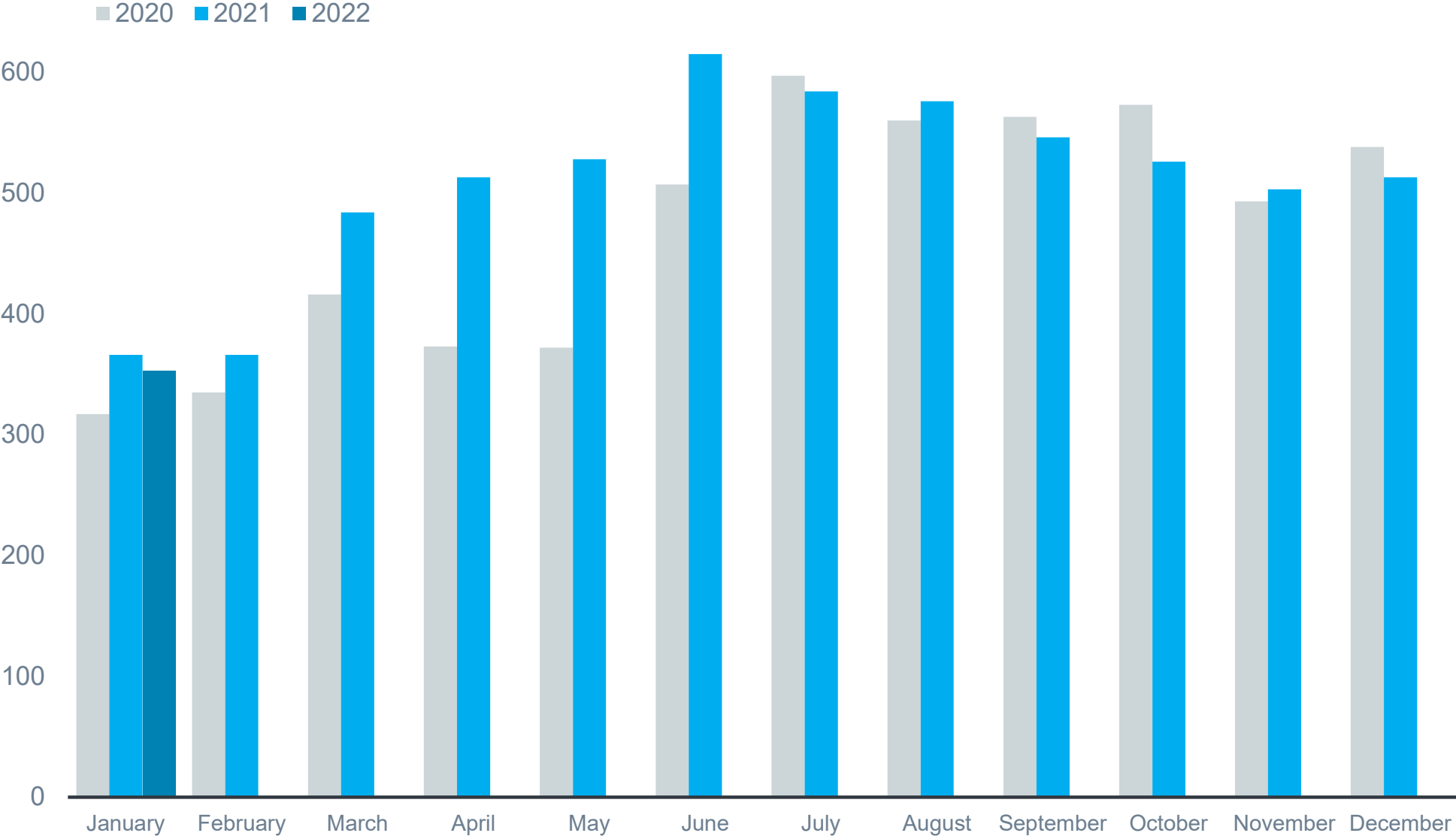
Existing Home Sales

Year-Over-Year, by Region



Existing Home Sales

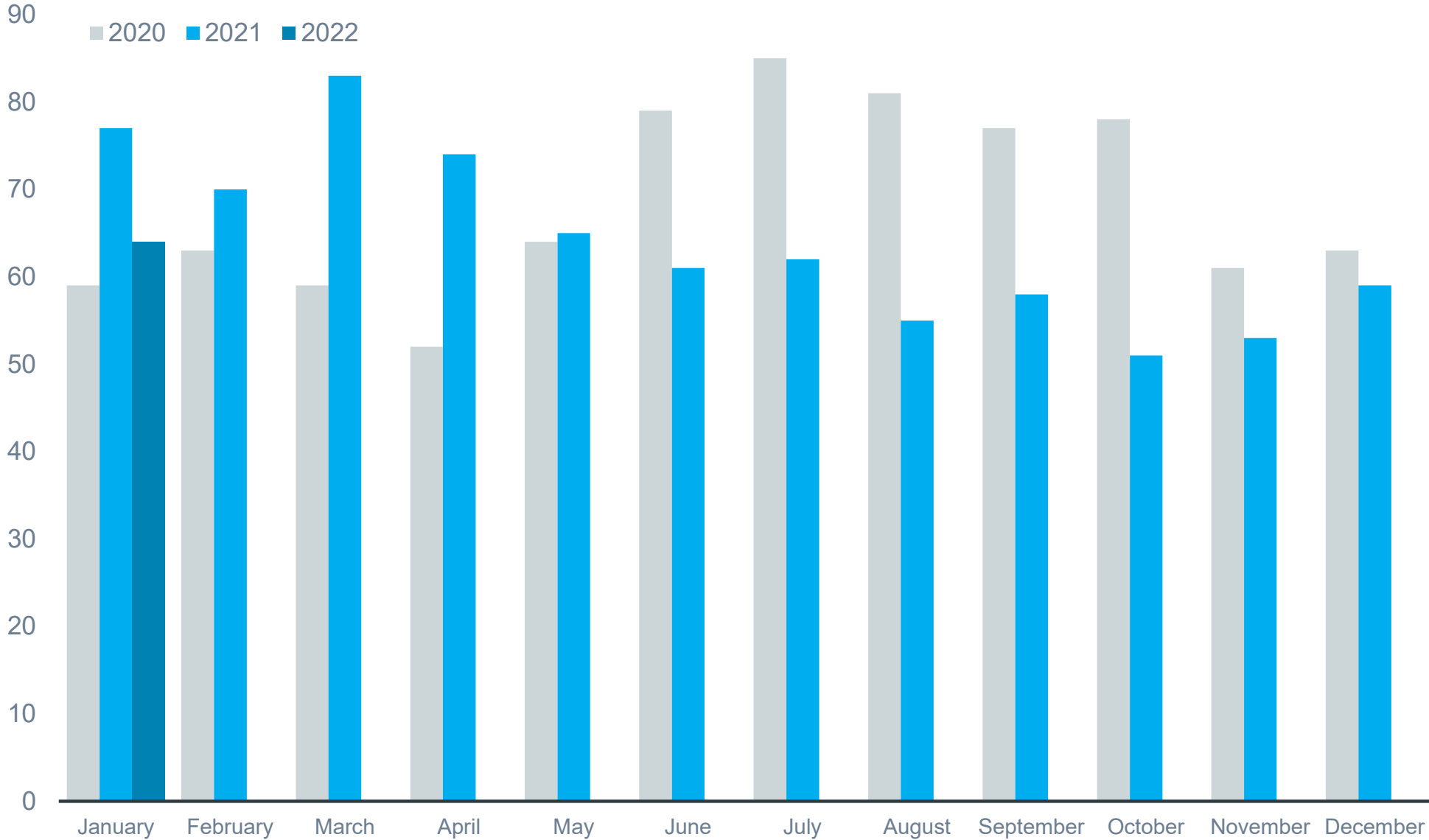
In Thousands



Source: NAR

New Home Sales

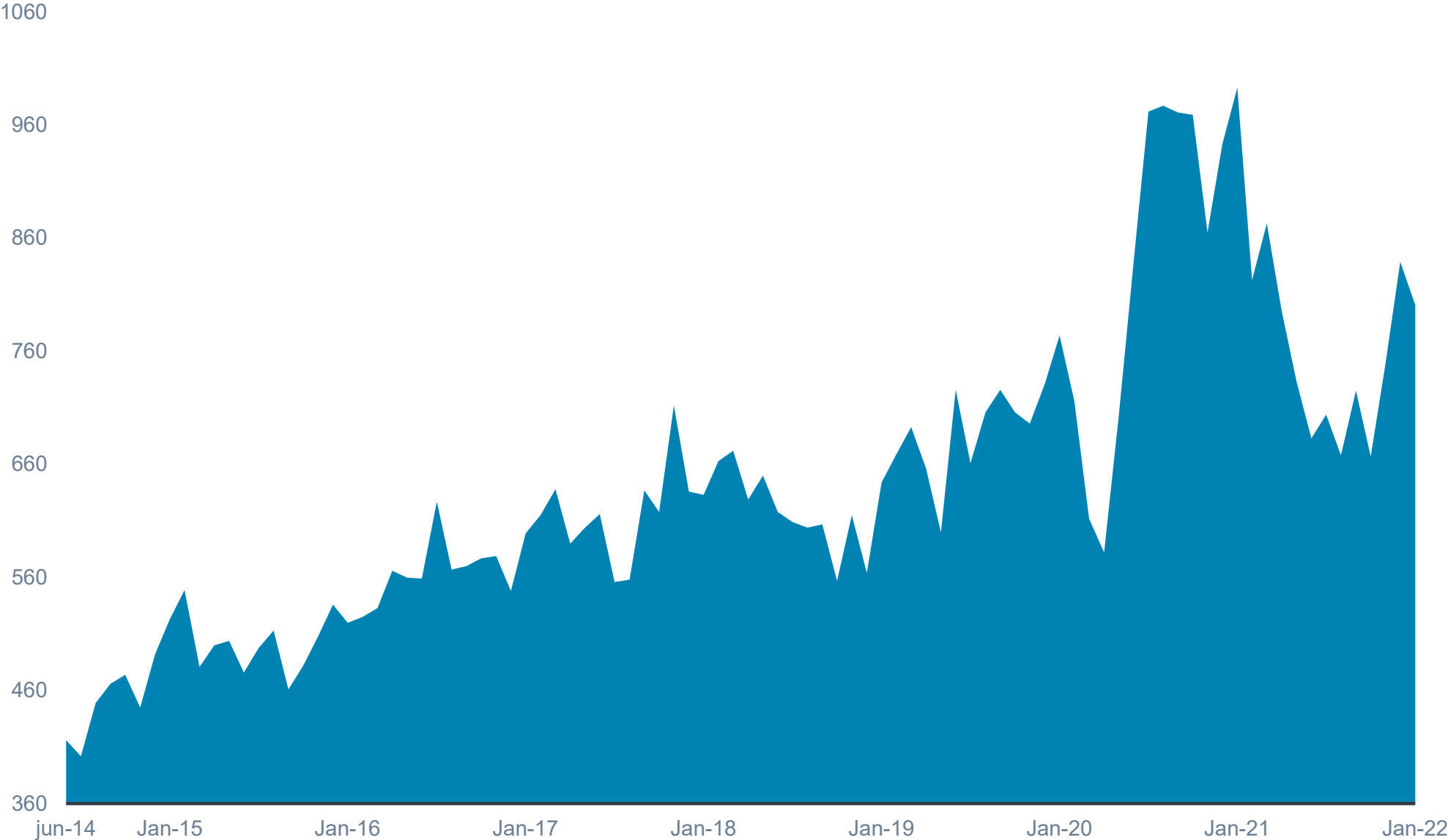
In Thousands



Source: Census

New Home Sales

Annualized in Thousands

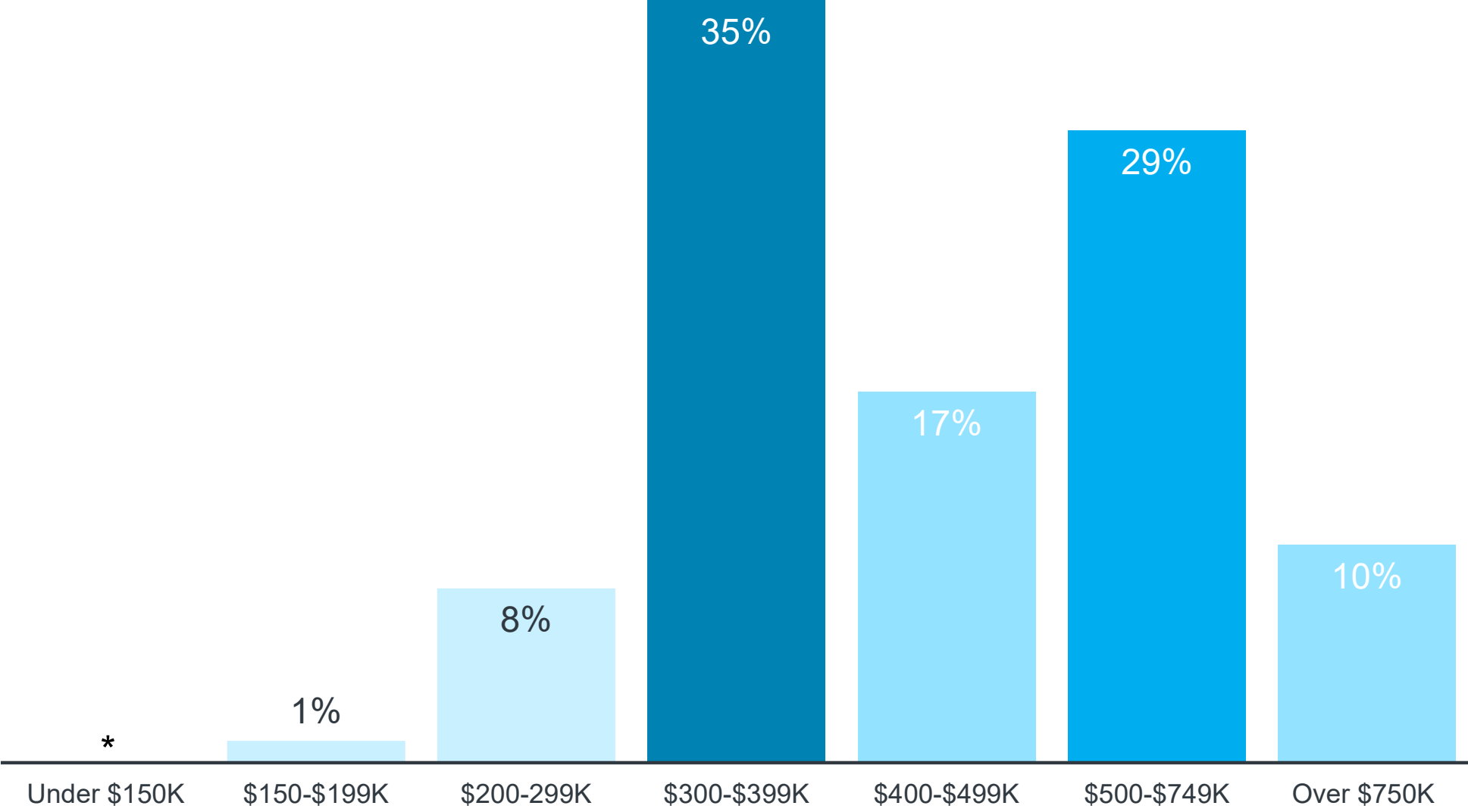


Source: Census

New Home Sales

Percent of Distribution by Price Range

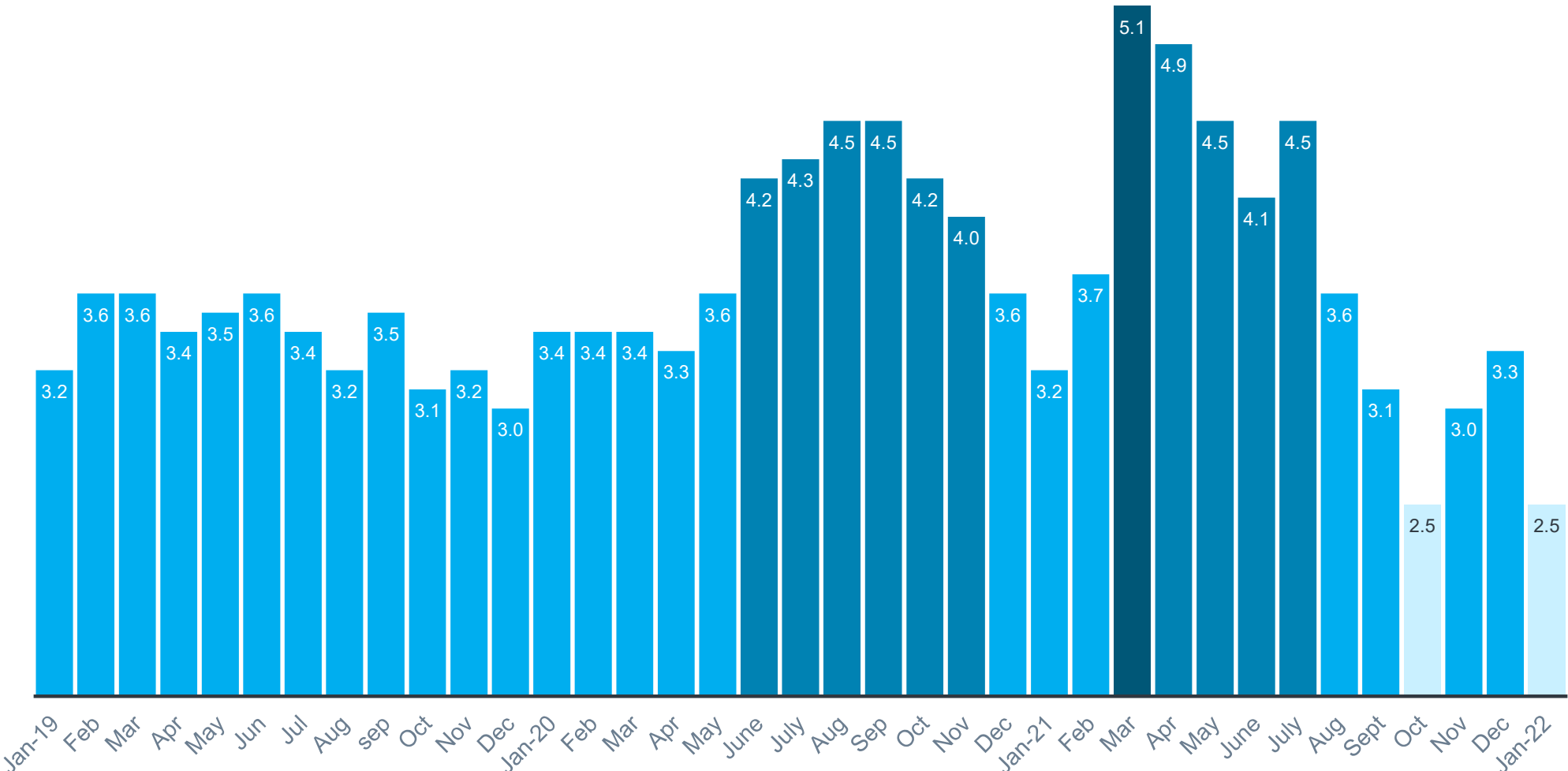
* Less Than 500 Units or Less Than 0.5 Percent



Source: Census

New Homes Selling Fast

Median Months from Completion to Sold

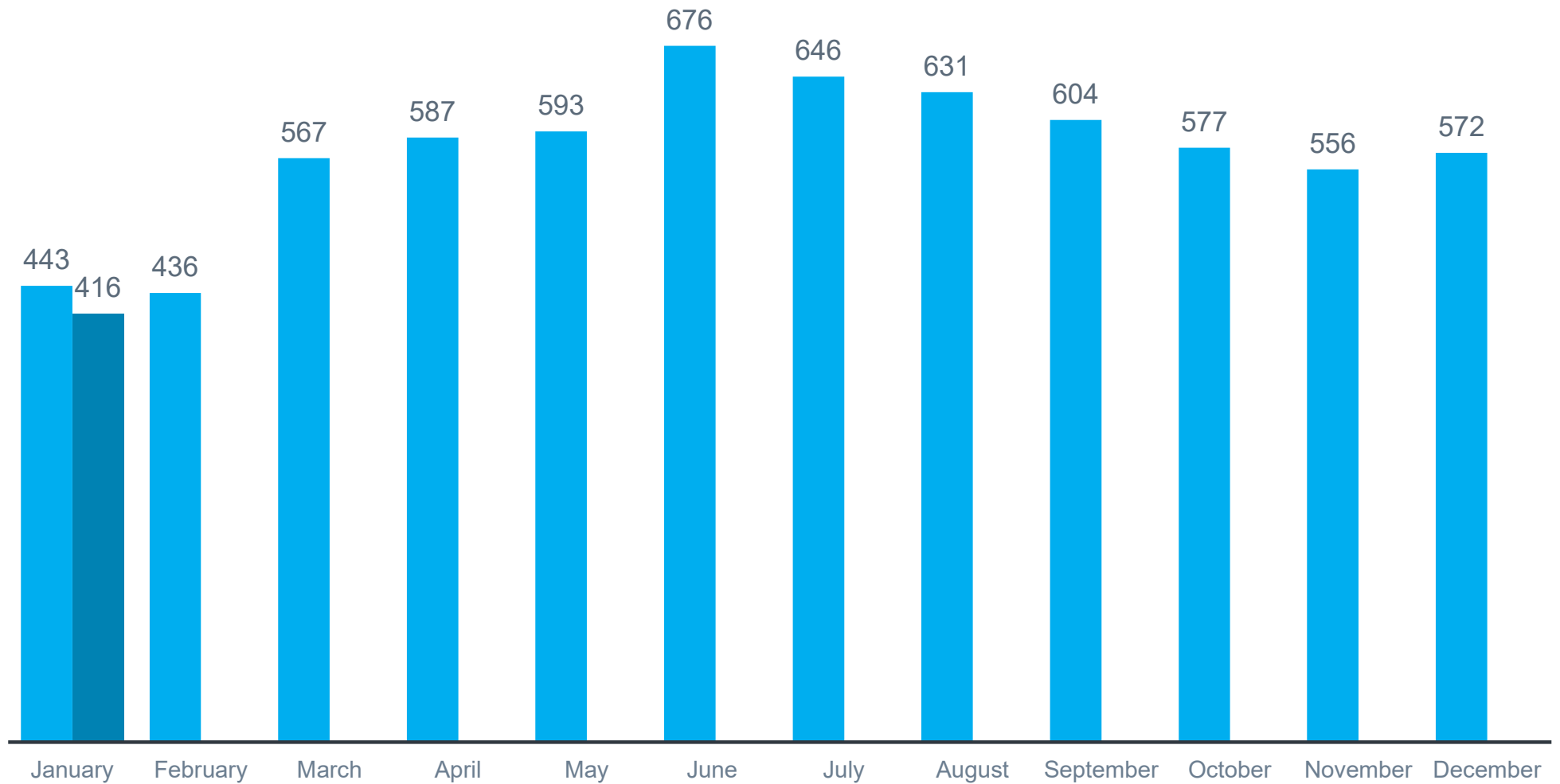


Source: Census

Total Home Sales

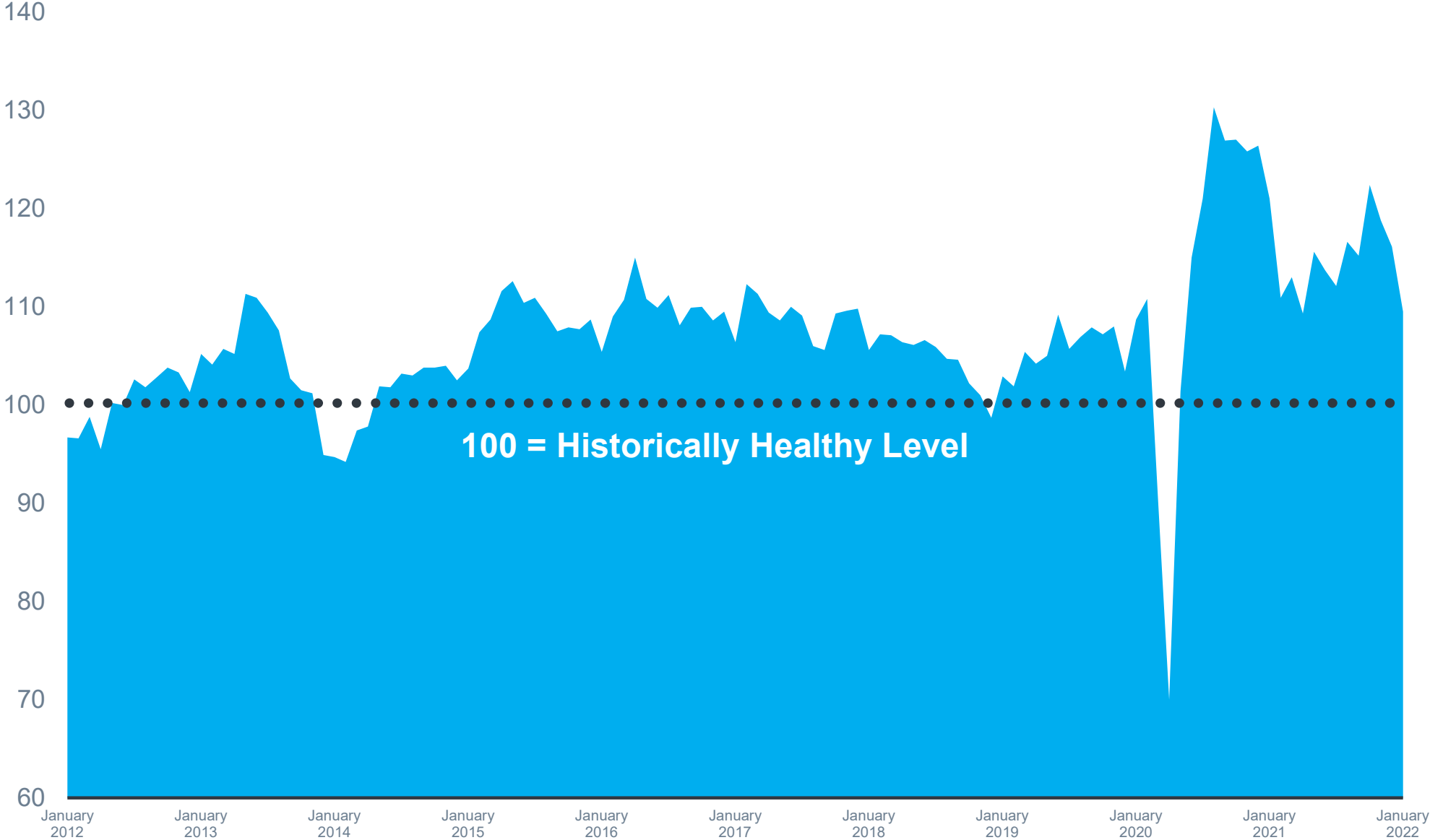
In Thousands

■ 2021 ■ 2022



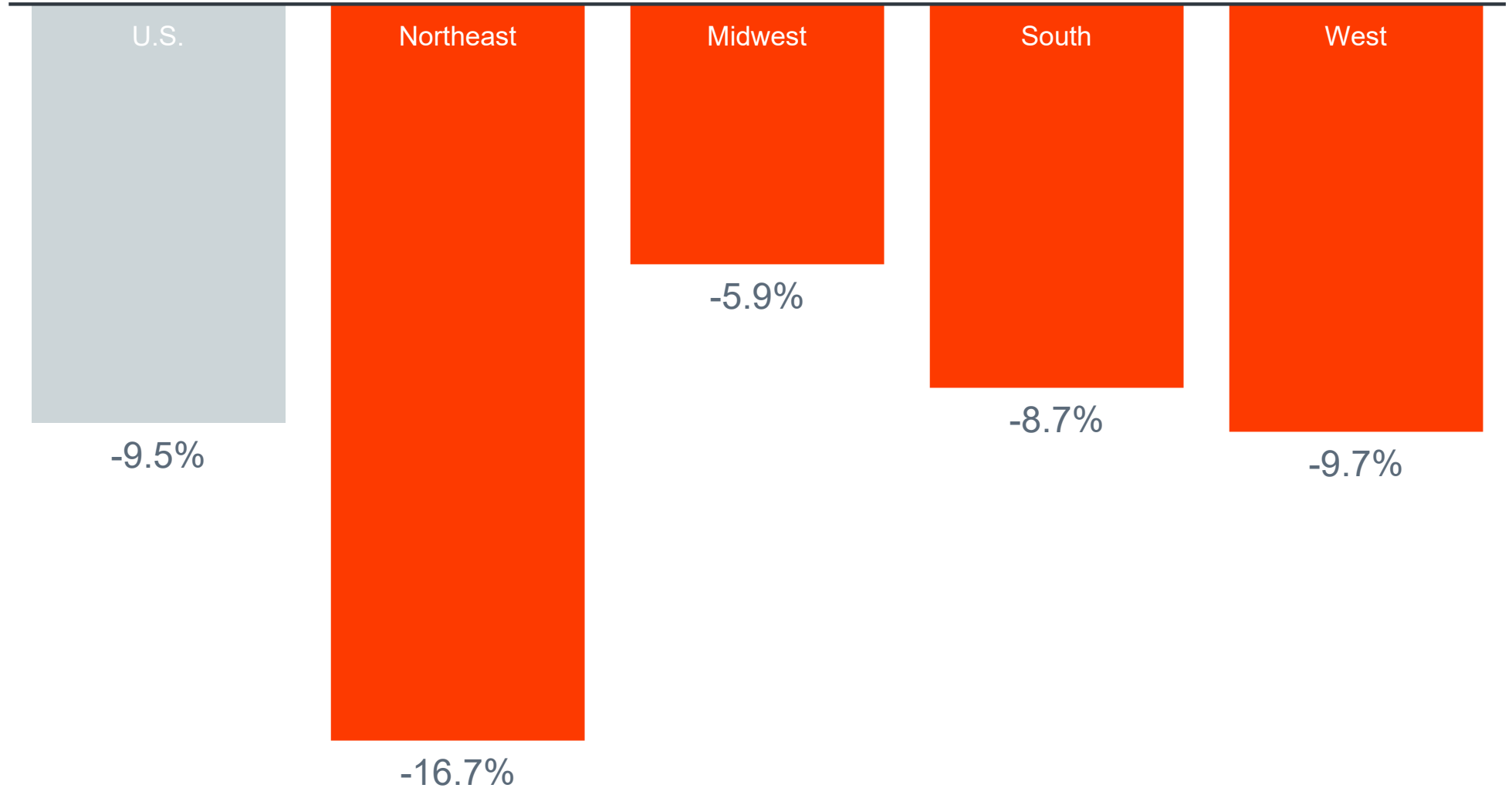
Source: Census

Pending Home Sales



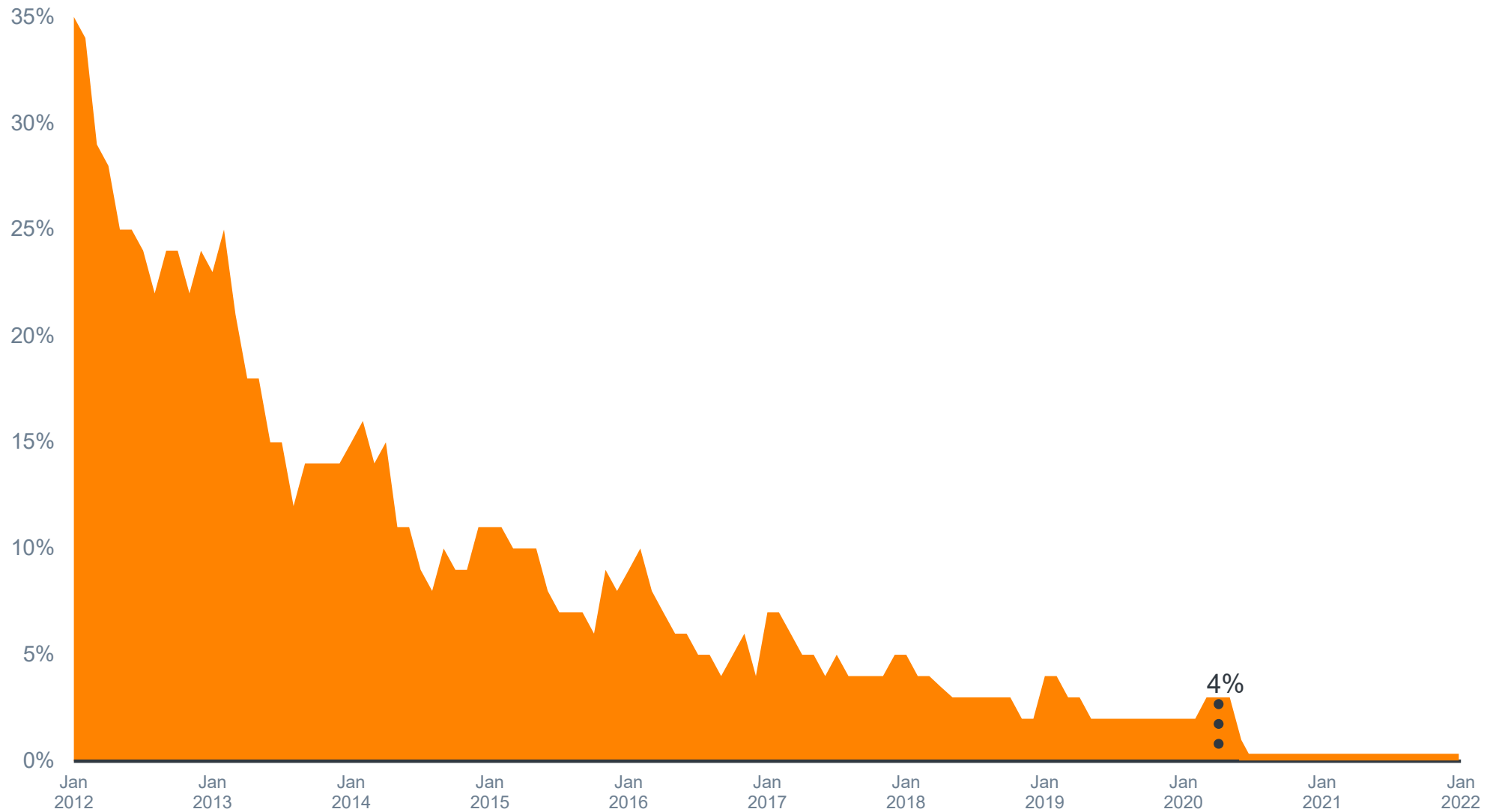
Pending Home Sales

Year-Over-Year by Region



Percentage of Distressed Property Sales

Distressed Sales (Foreclosures and Short Sales) Represented Less Than 1% of Sales in January.

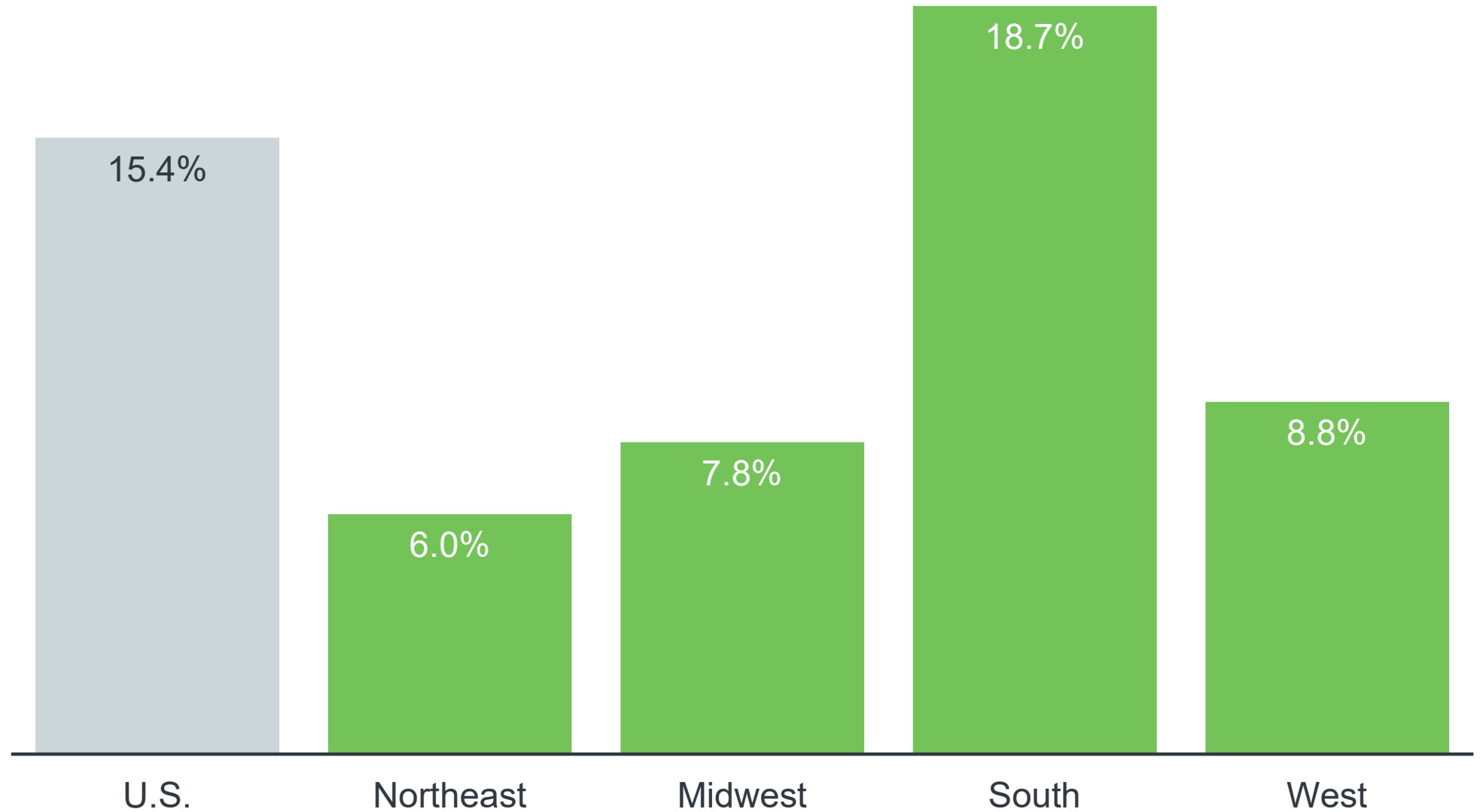




Home Prices

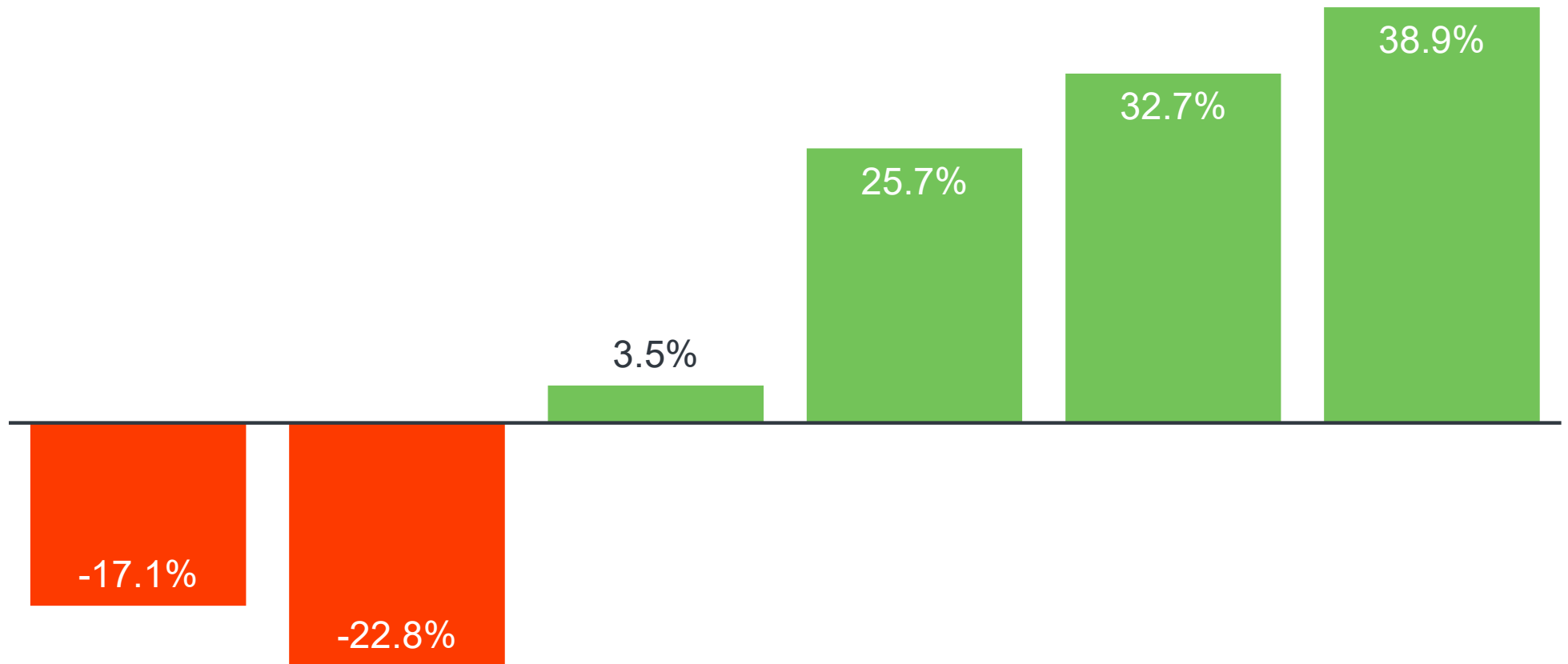
Sales Price of Existing Homes

Year-Over-Year, by Region



% Change in Sales

Year-Over-Year, by Price Range

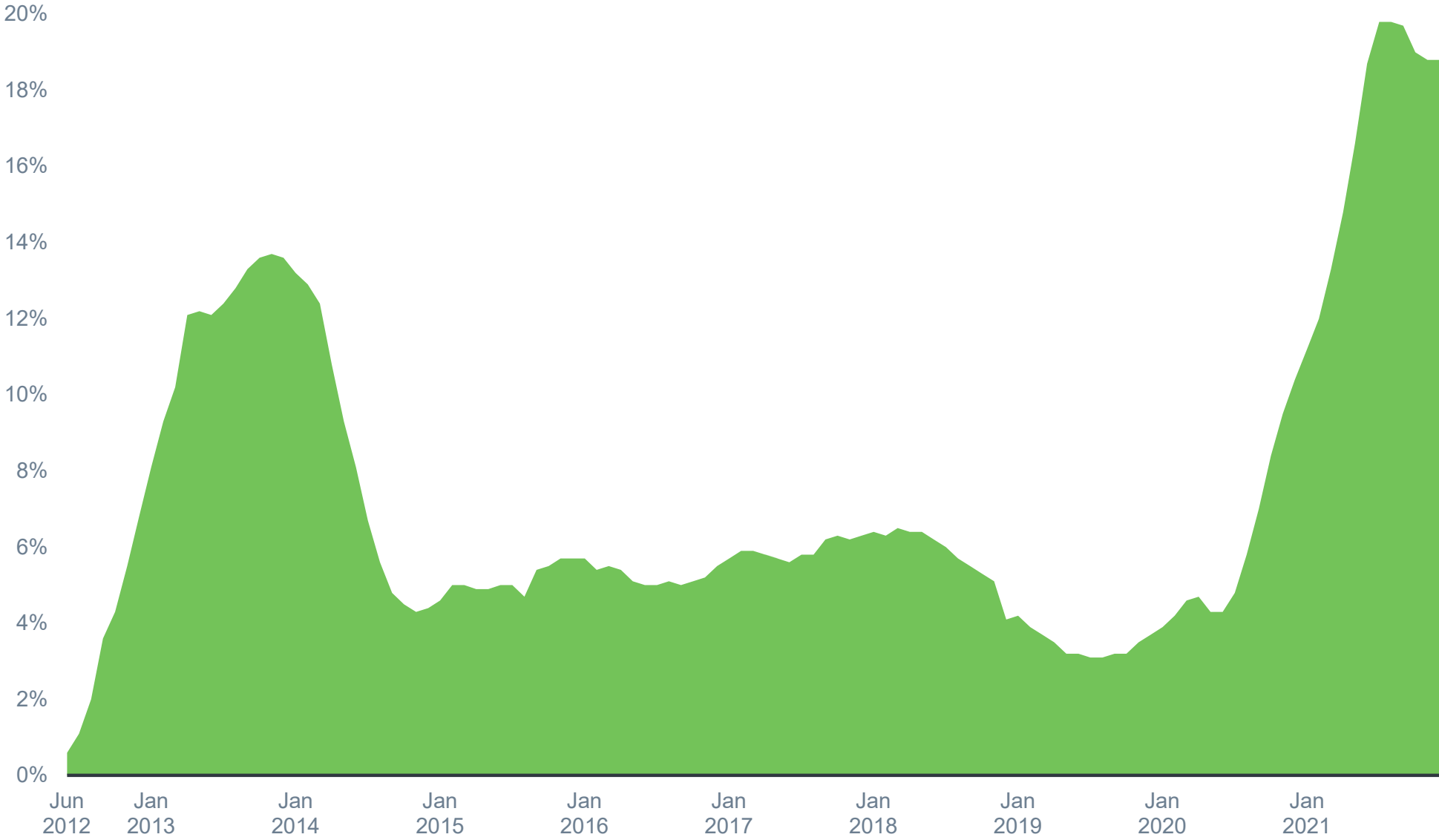


	\$0-100K	\$100-250K	\$250-500K	\$500-750K	\$750K-1M	\$1M+
■ %	-17.1%	-22.8%	3.5%	25.7%	32.7%	38.9%

Source: NAR

Change in Home Prices

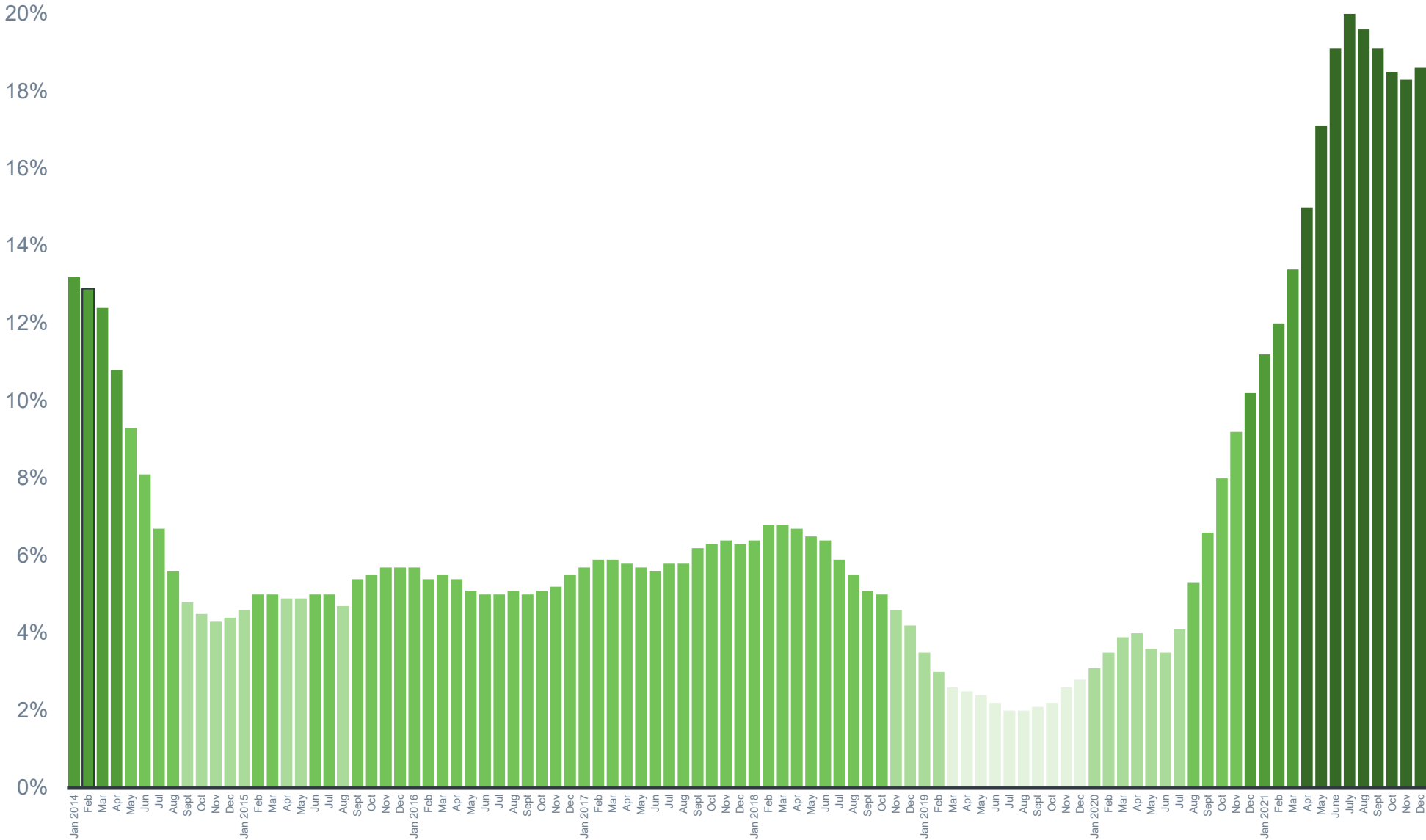
Year-Over-Year



Source: S&P Case-Shiller

Change in Home Prices

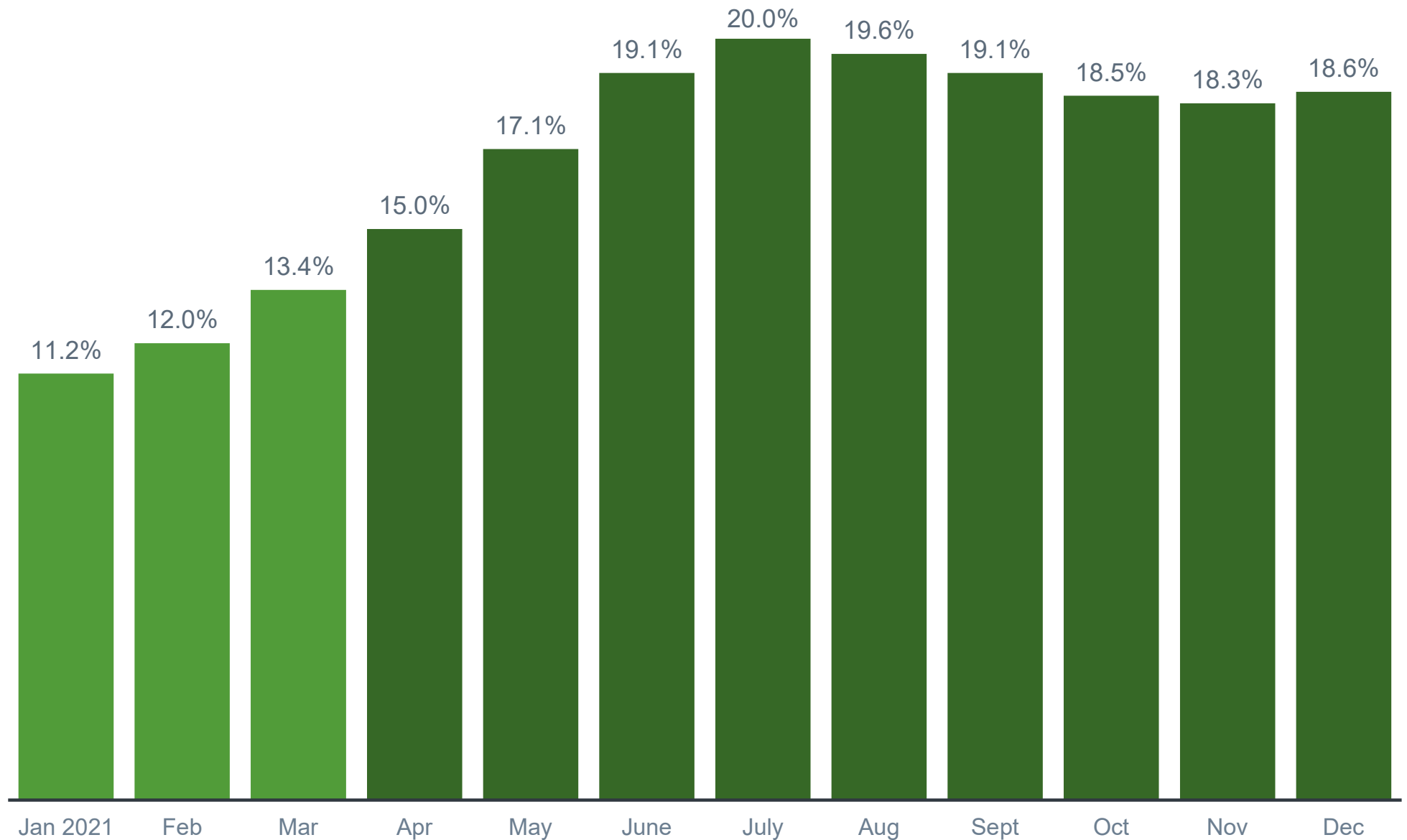
Year-Over-Year, 20 City Composite



Source: S&P Case-Shiller

Change in Home Prices

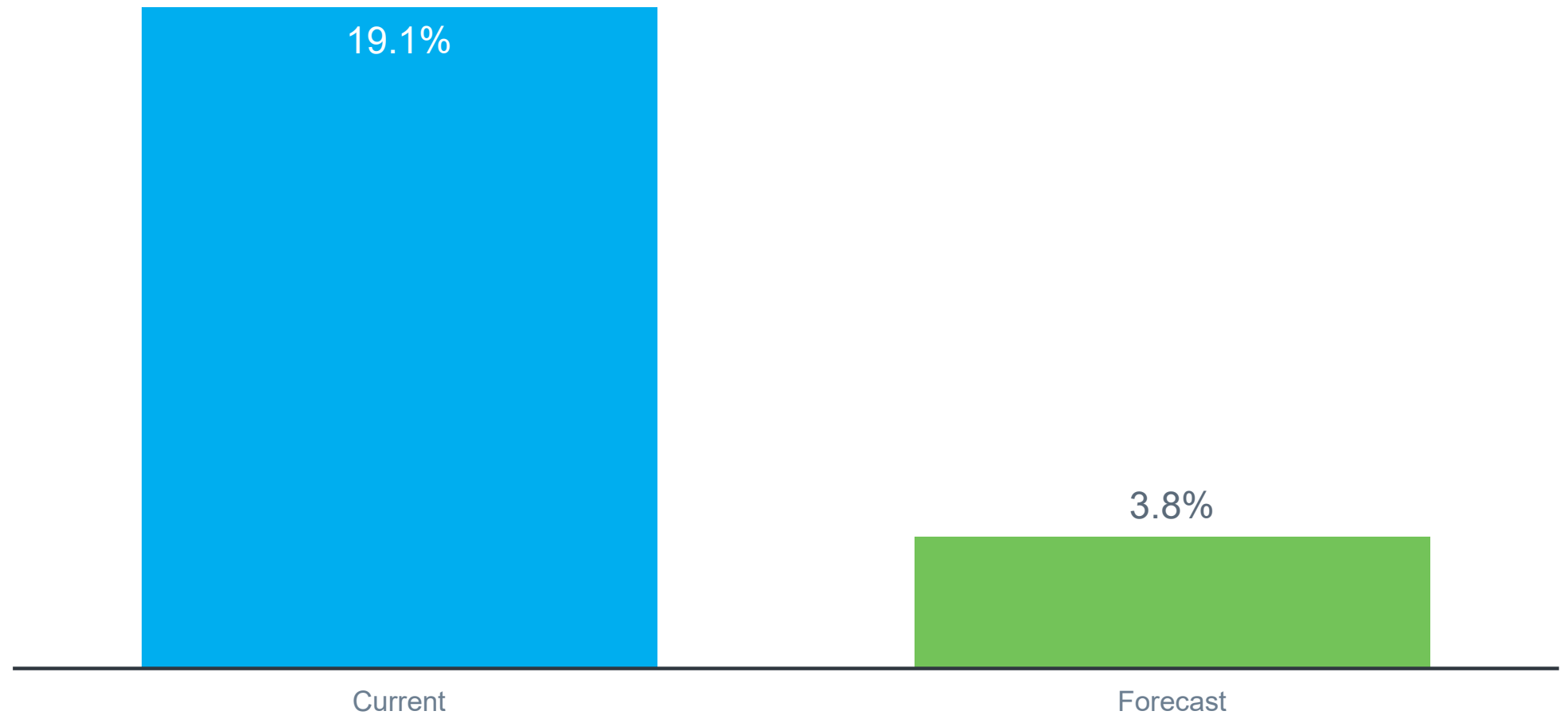
Year-Over-Year, 20 City Composite



Source: S&P Case-Shiller

Year-Over-Year % Change in Price

January 2022

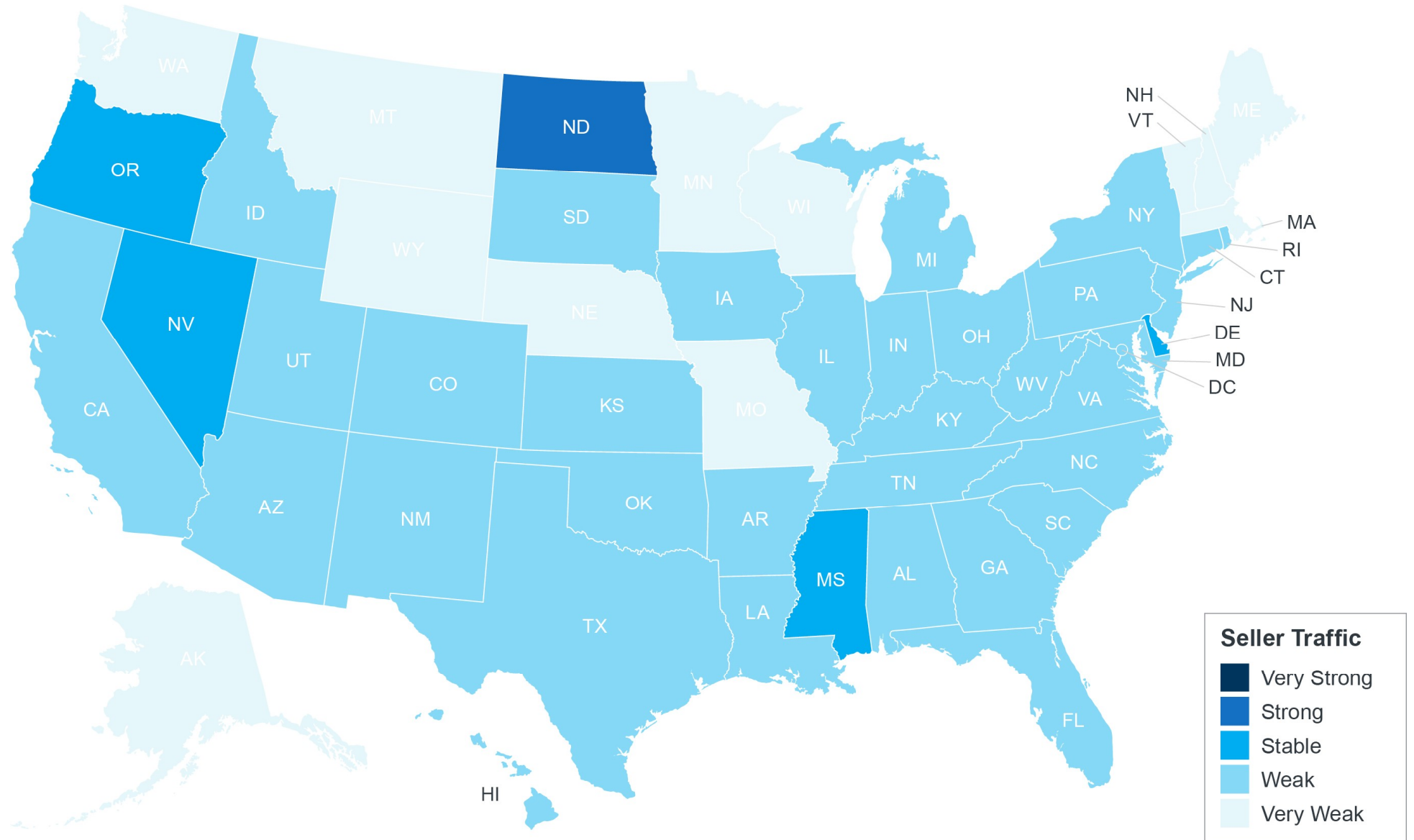




Housing Inventory

Seller Traffic Index

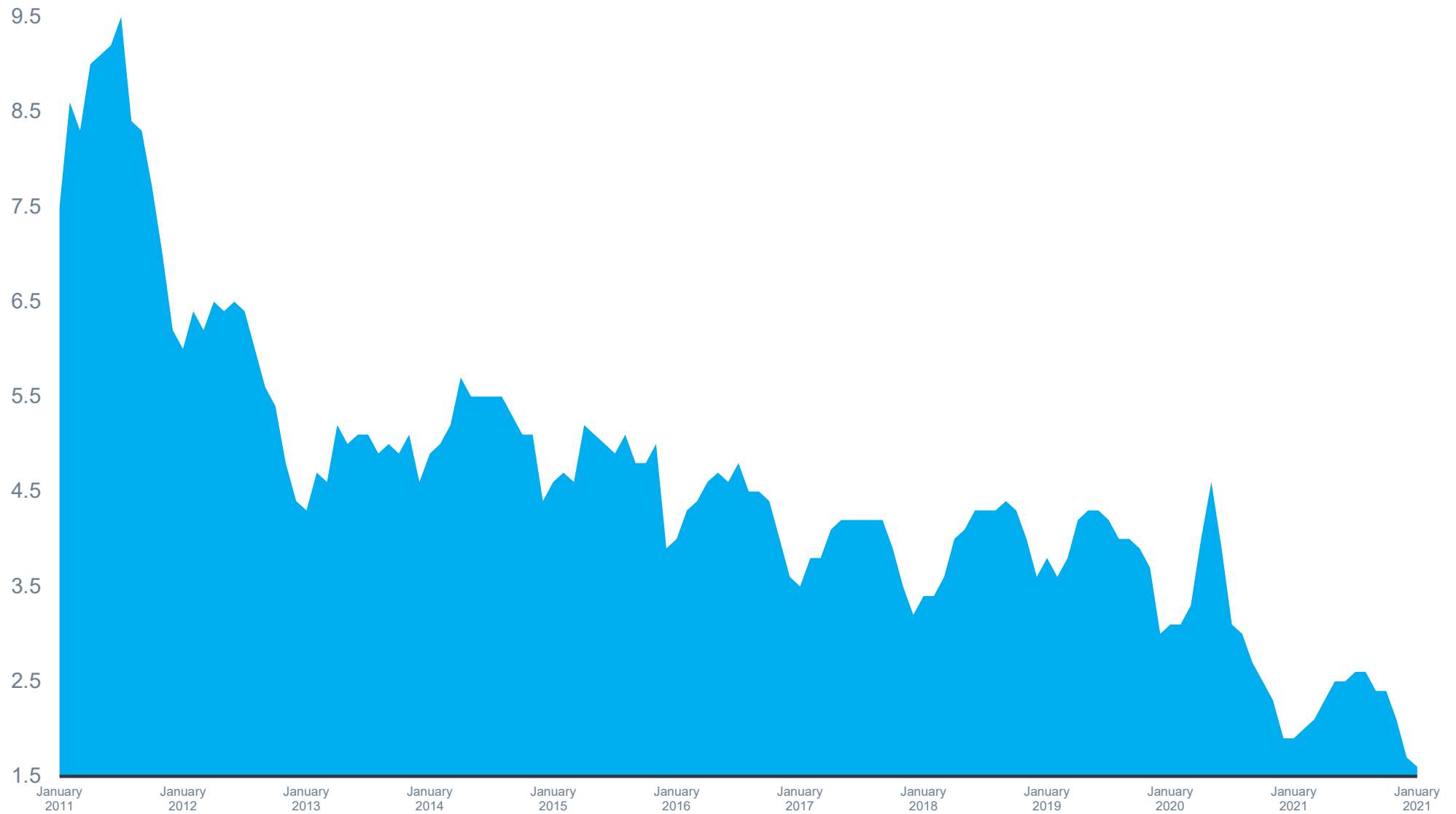
January 2022



Source: NAR

Months Inventory of Homes for Sale

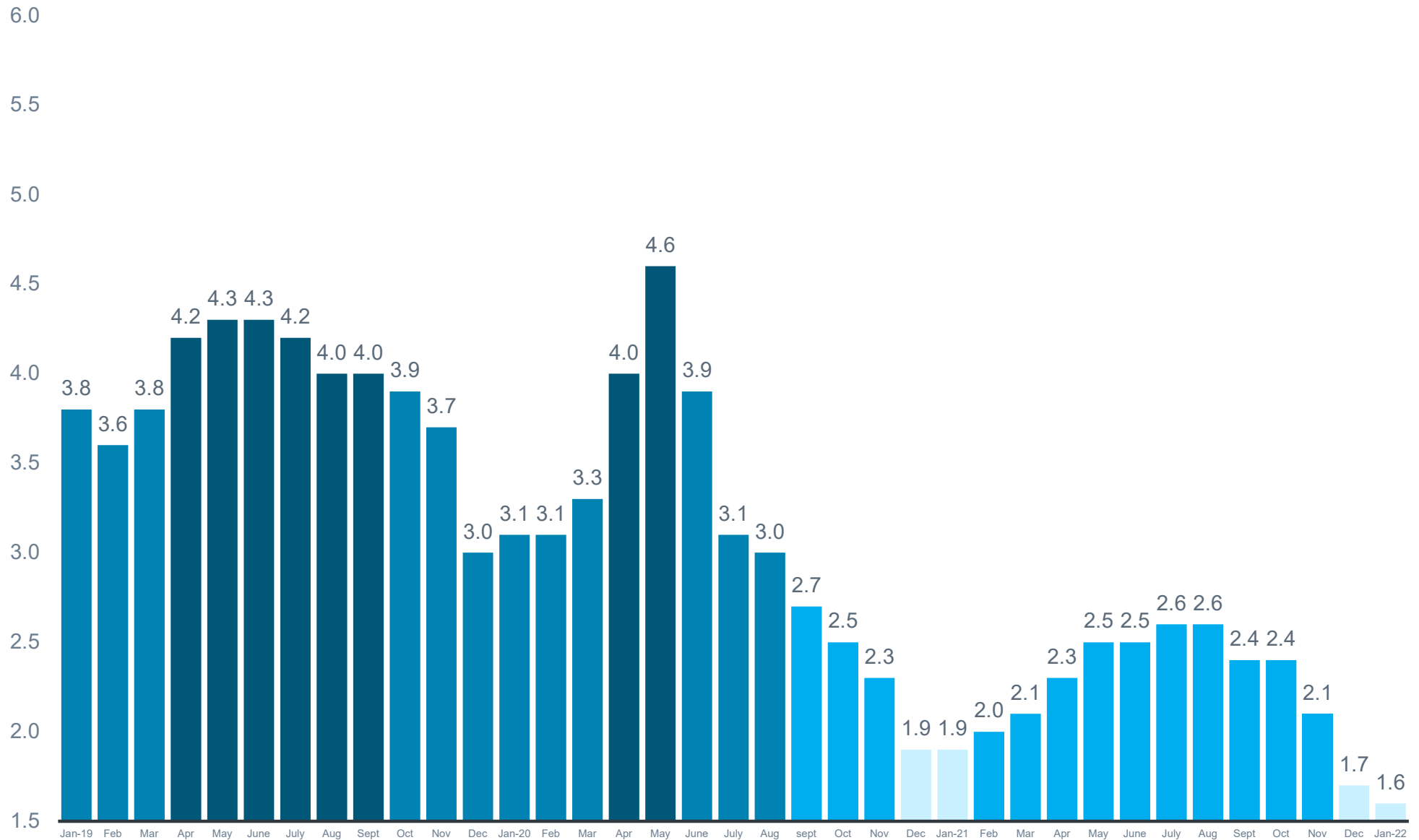
2011 - Today



Source: NAR

Months Inventory of Homes for Sale

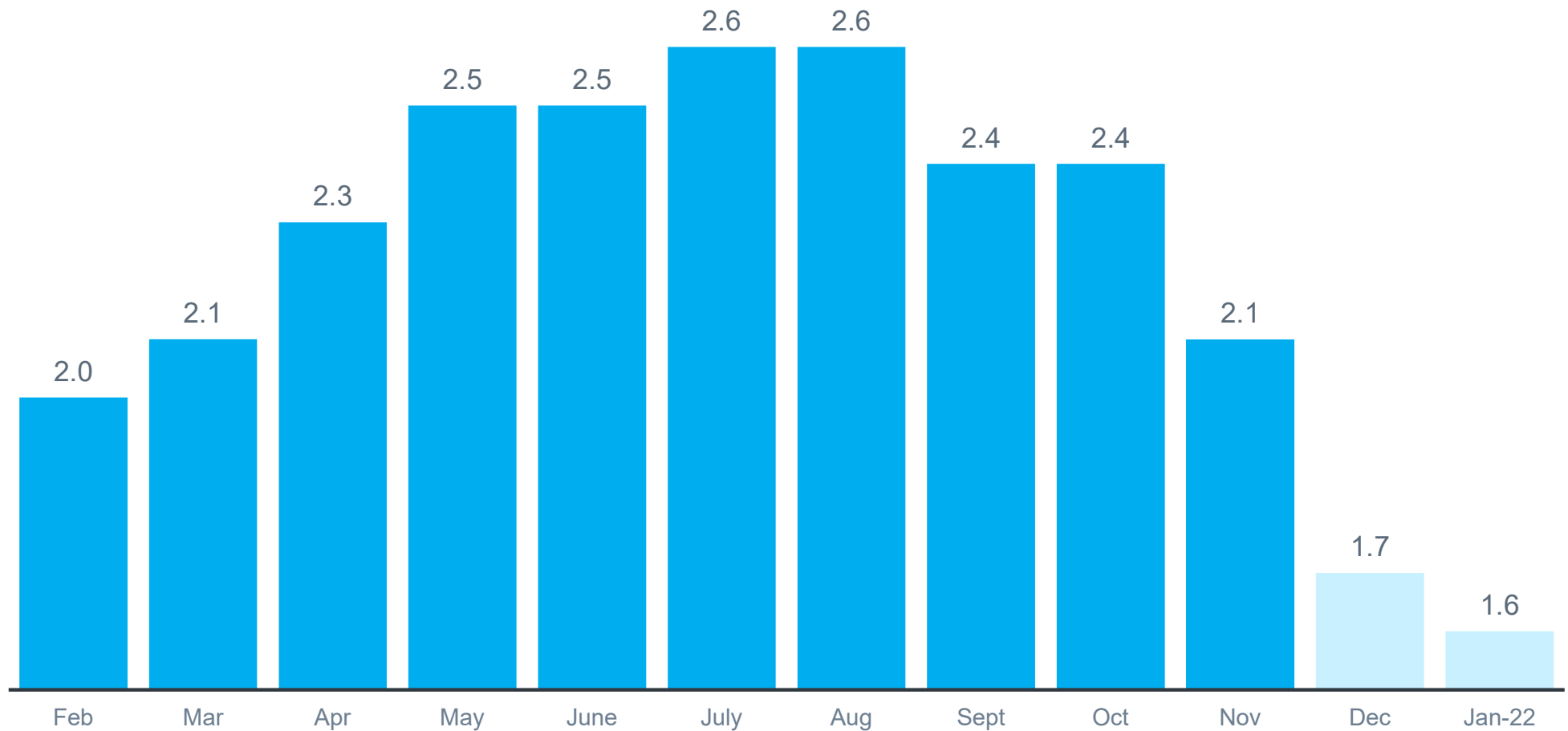
Since 2019



Source: NAR

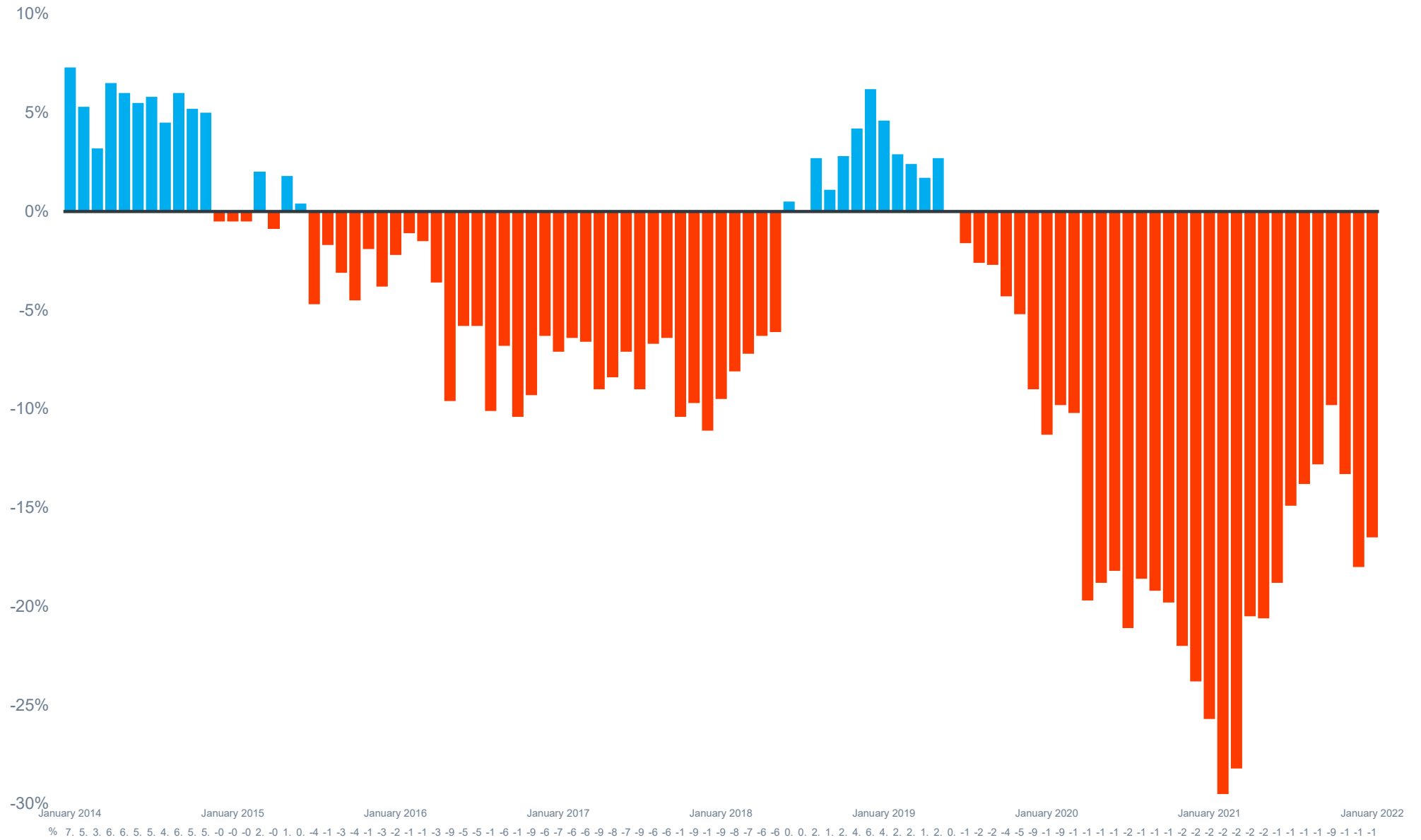
Months Inventory of Homes for Sale

Last 12 Months



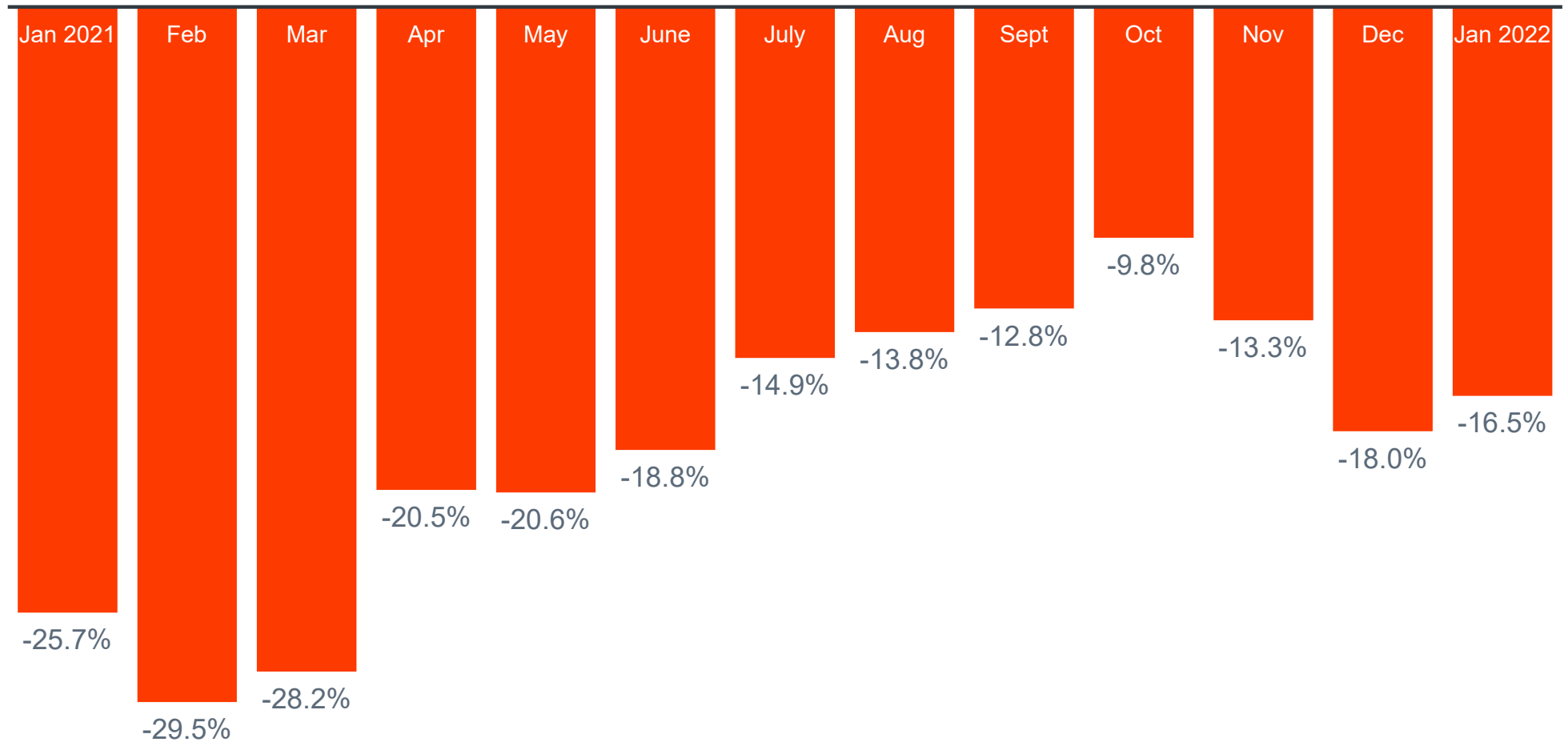
Source: NAR

Year-Over-Year Inventory Levels



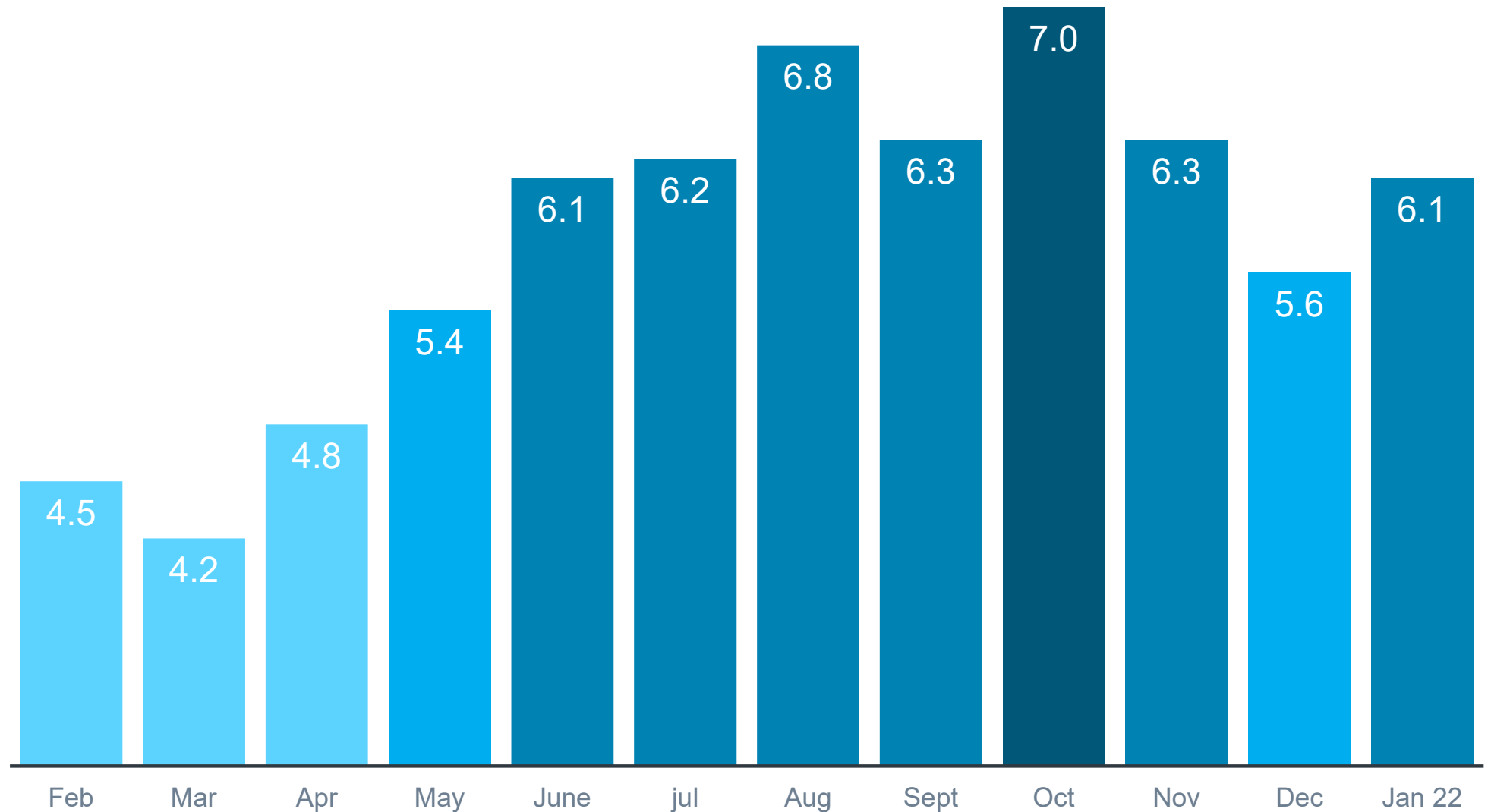
Year-Over-Year Inventory Levels

Last 12 Months



New Home Monthly Inventory

Seasonally Adjusted, Last 12 Months

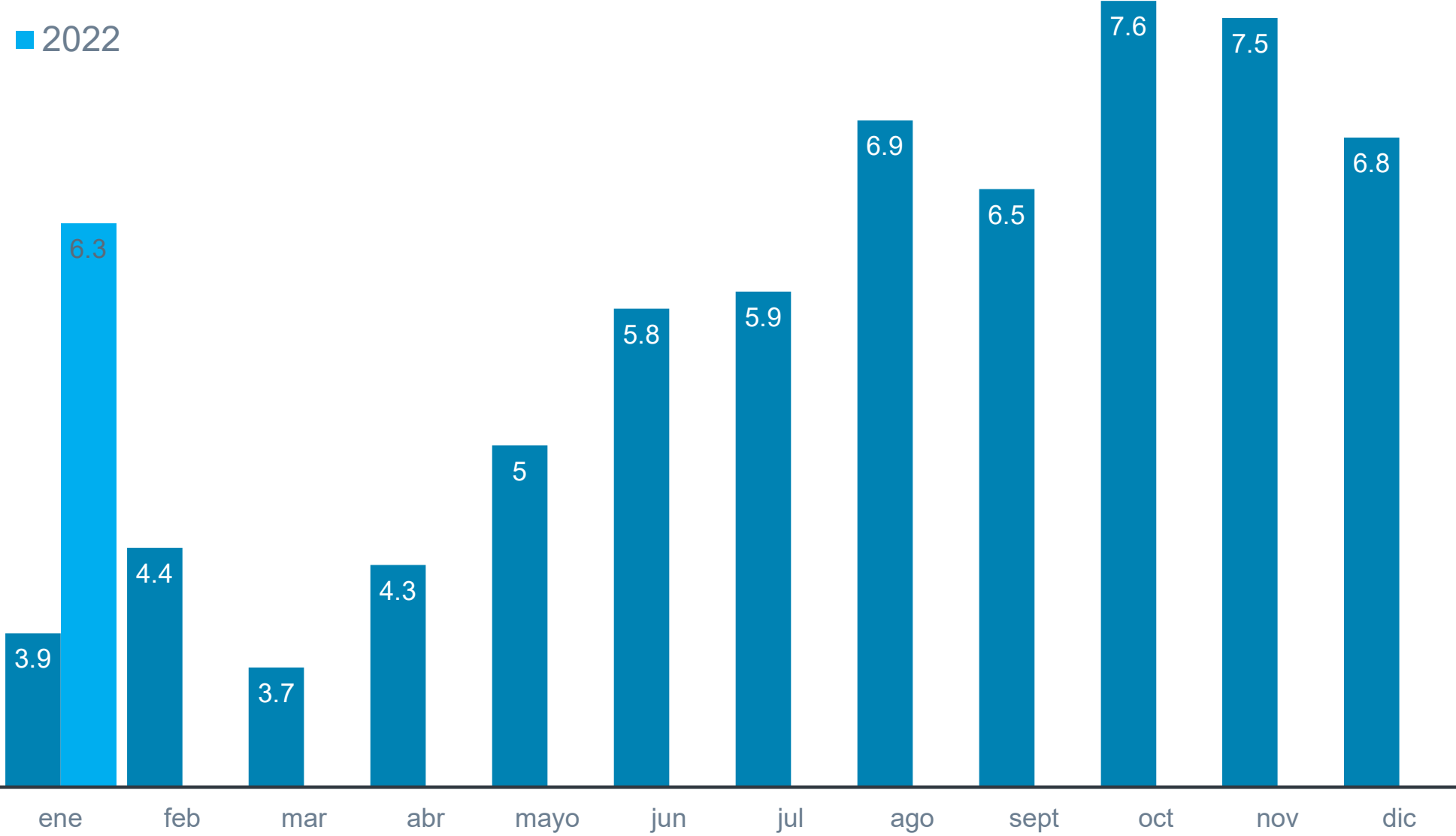


Source: Census

New Home Monthly Inventory

Non-Seasonally Adjusted

- 2021
- 2022



Source: Census



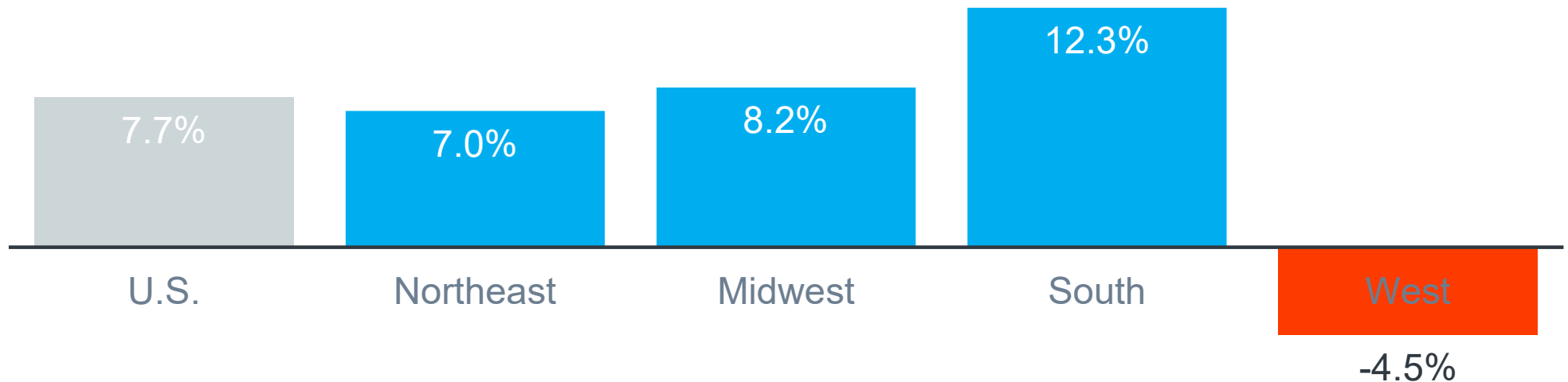
Buyer Demand

Buyer Activity Leaps as 83 Markets Hit Double-Digit Showings Per Listing

Year-Over-Year Increase in Showing Activity, January 2022

Michael Lane, Vice President & General Manager, Showing Time

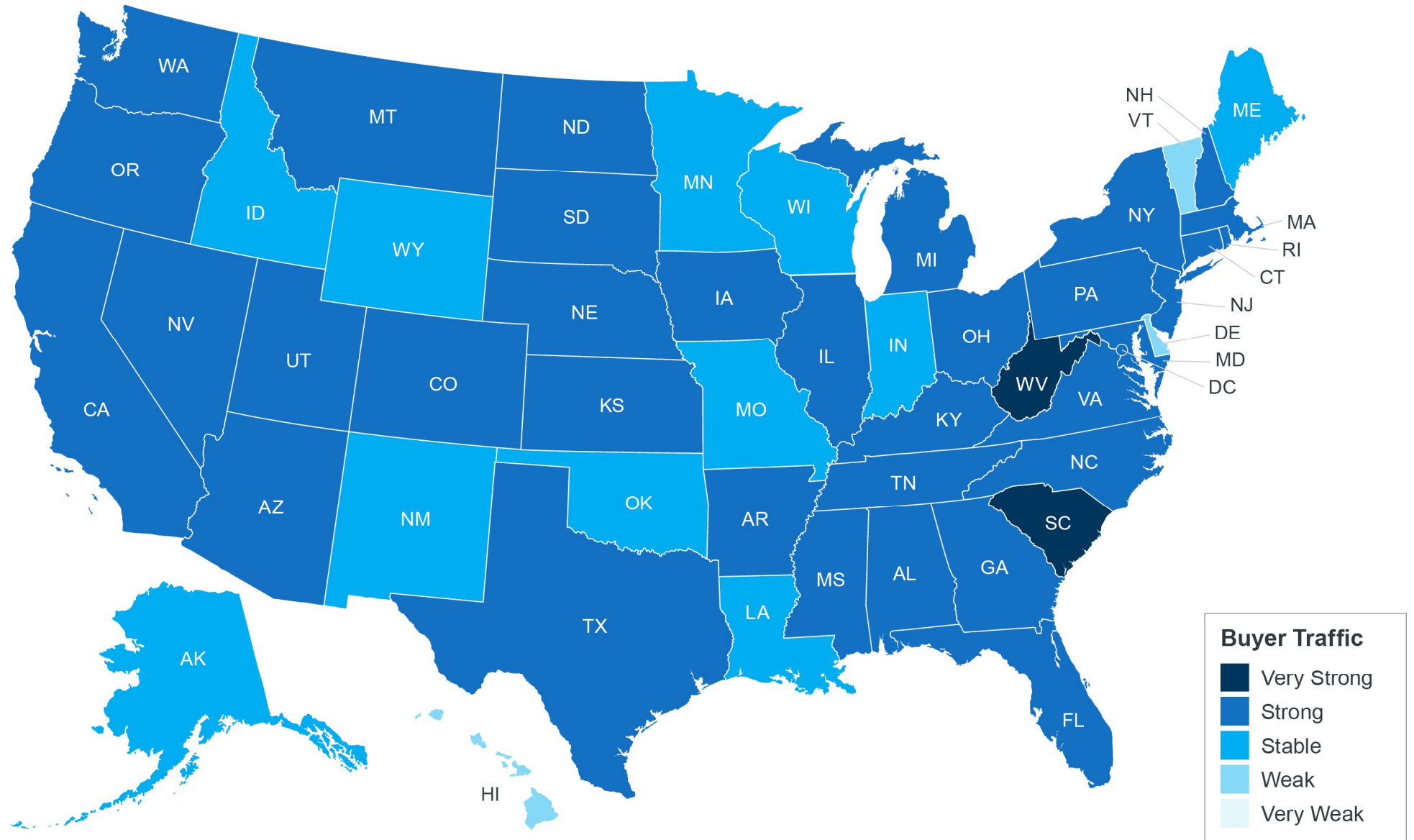
“Given last year’s historic flurry of activity, it’s not surprising that buyers were motivated to meet their home ownership goals so shortly after the holidays.”



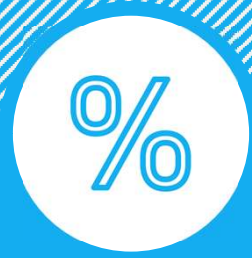
Source: Showing Time

Buyer Traffic Index

January 2022



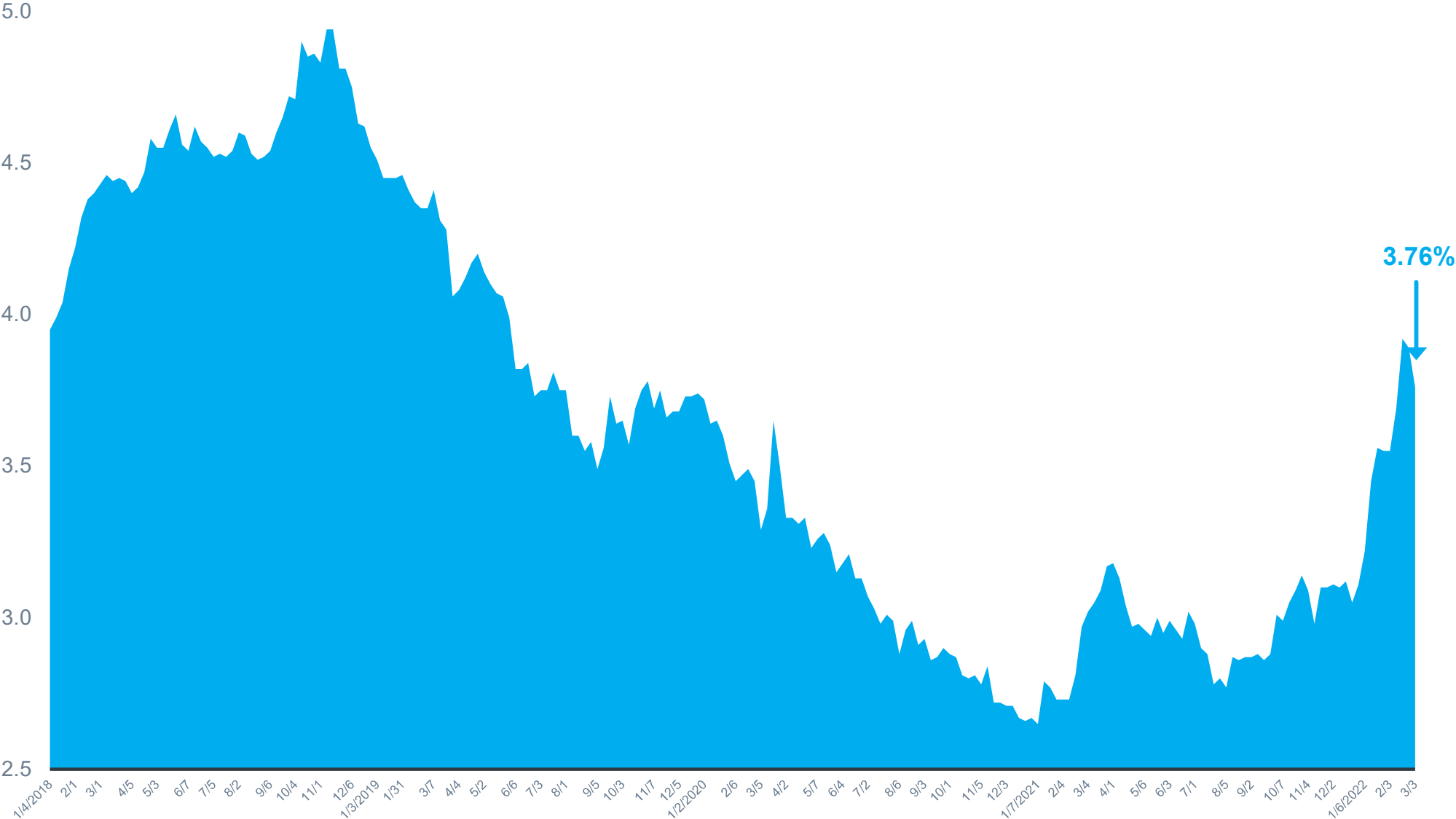
Source: NAR



Mortgage Rates

Mortgage Rates

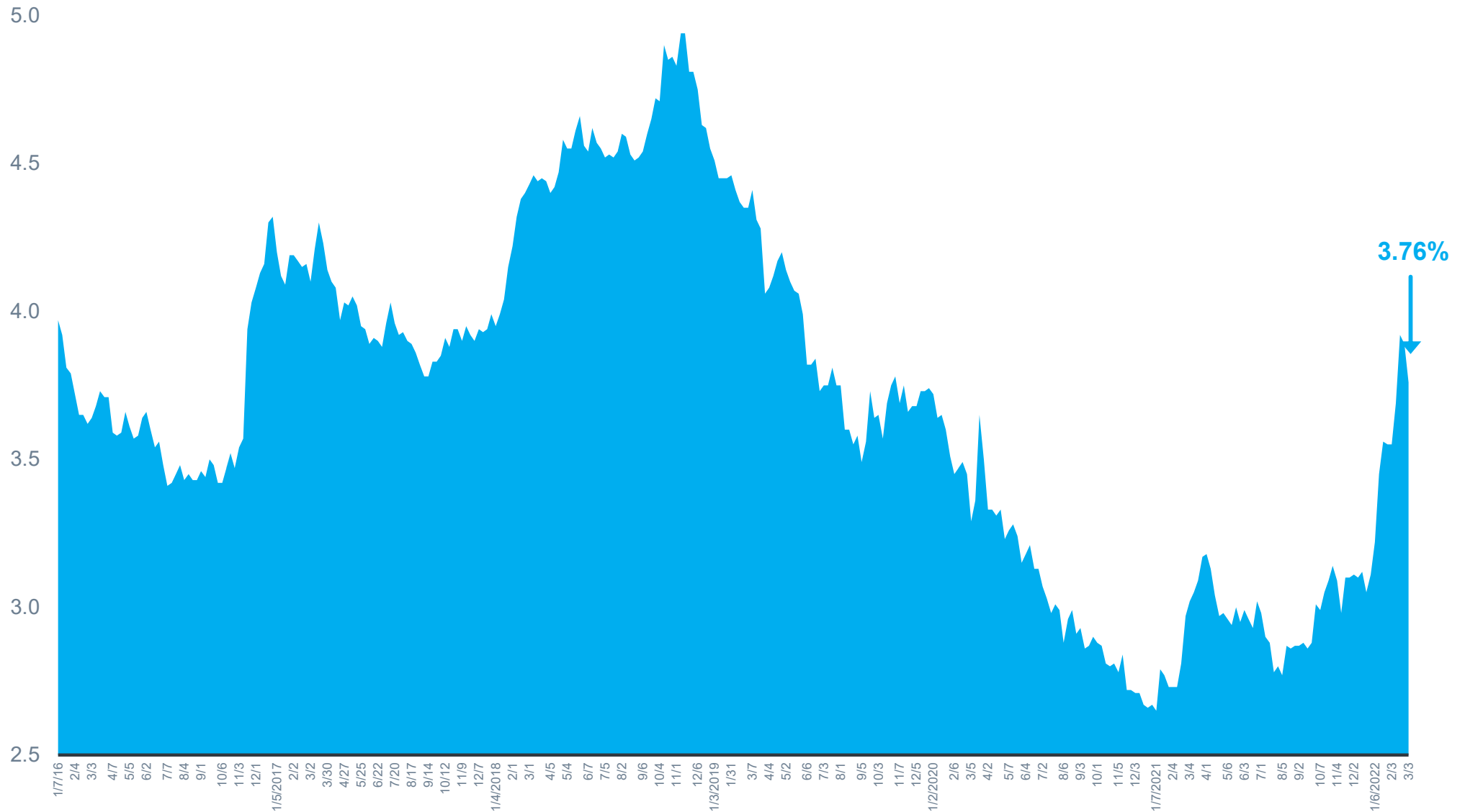
30-Year Fixed Rate, January 2018–Today



Source: Freddie Mac

Mortgage Rates

30-Year Fixed Rate, January 2016–Today



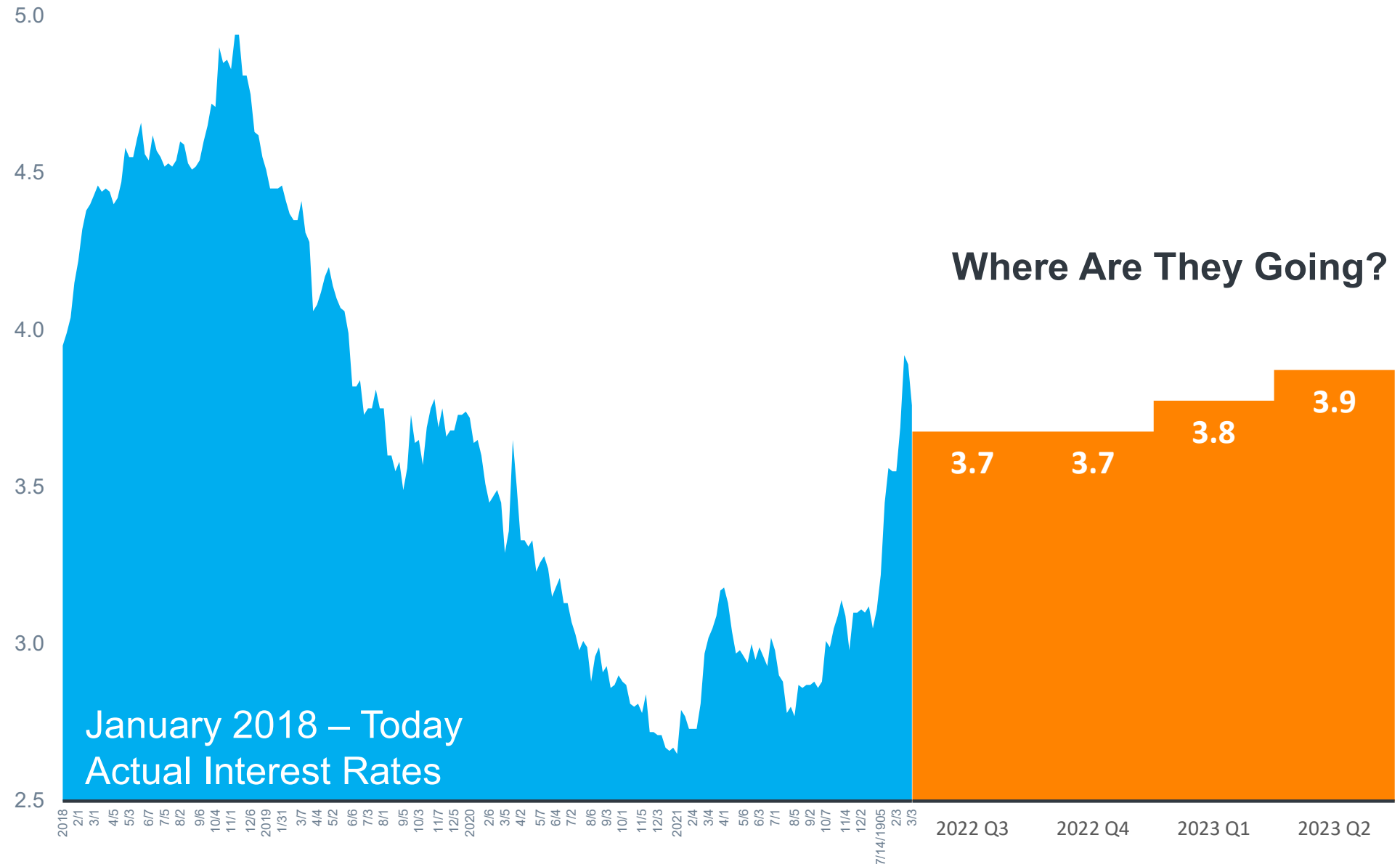
Mortgage Rate Projections

February 2022

Quarter	Freddie Mac	Fannie Mae	MBA	NAR	Average of All Four
2022 3Q	3.7	3.7	4.1	3.7	3.80%
2022 4Q	3.7	3.7	4.3	3.9	3.90%
2023 1Q	3.8	3.7	4.3	4.0	3.95%
2023 2Q	3.9	3.8	4.4	4.0	4.00%

Mortgage Rates

30-Year Fixed Rate

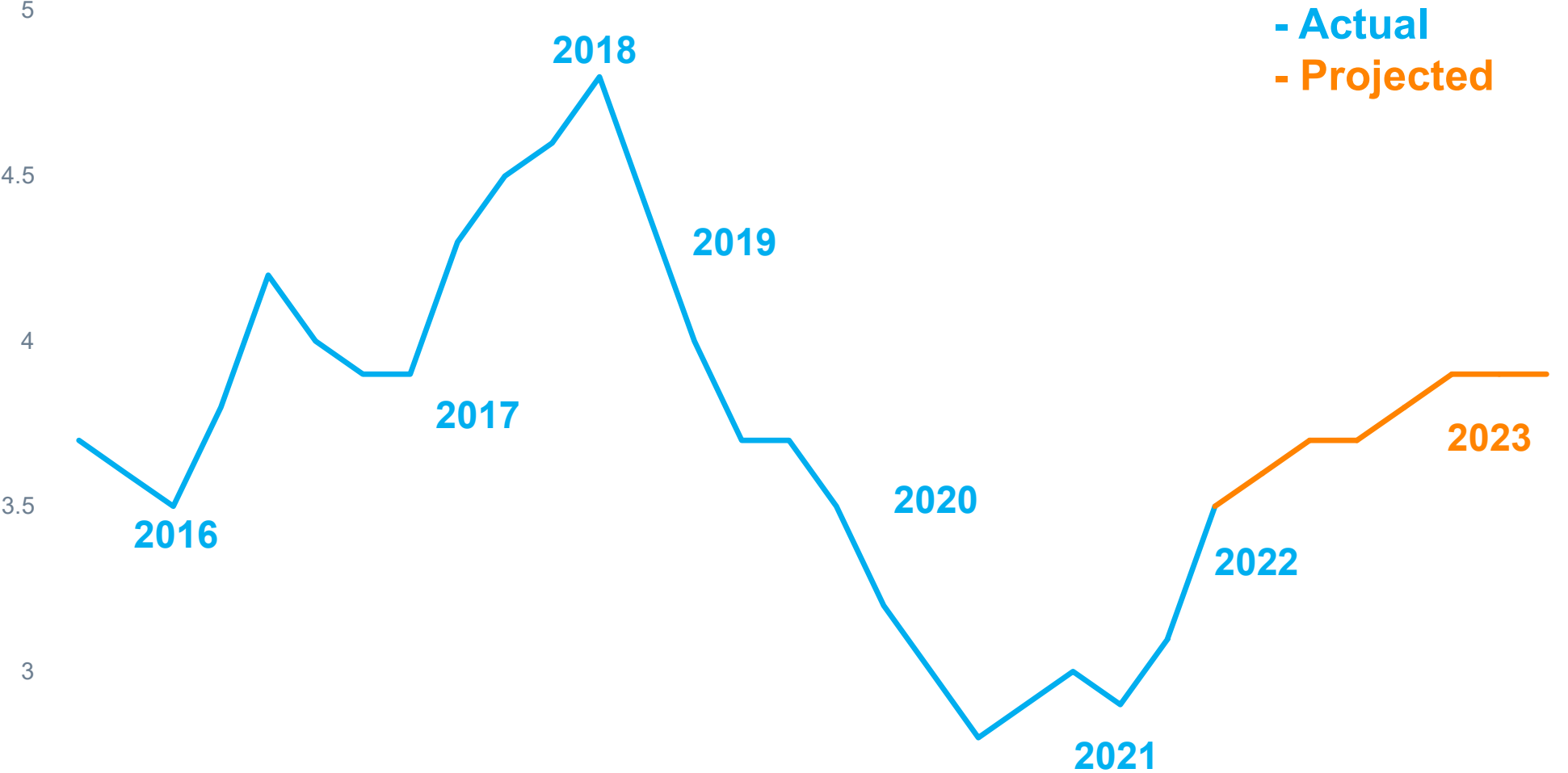


January 2018 – Today
Actual Interest Rates

Where Are They Going?

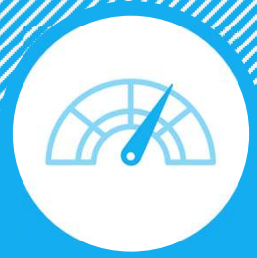
Mortgage Rates

30-Year Fixed Rate



	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4
Rate	3.7	3.6	3.5	3.8	4.2	4.0	3.9	3.9	4.3	4.5	4.6	4.8	4.4	4	3.7	3.7	3.5	3.2	3.0	2.8	2.9	3.0	2.9	3.1	3.5	3.6	3.7	3.7	3.8	3.9	3.9	3.9

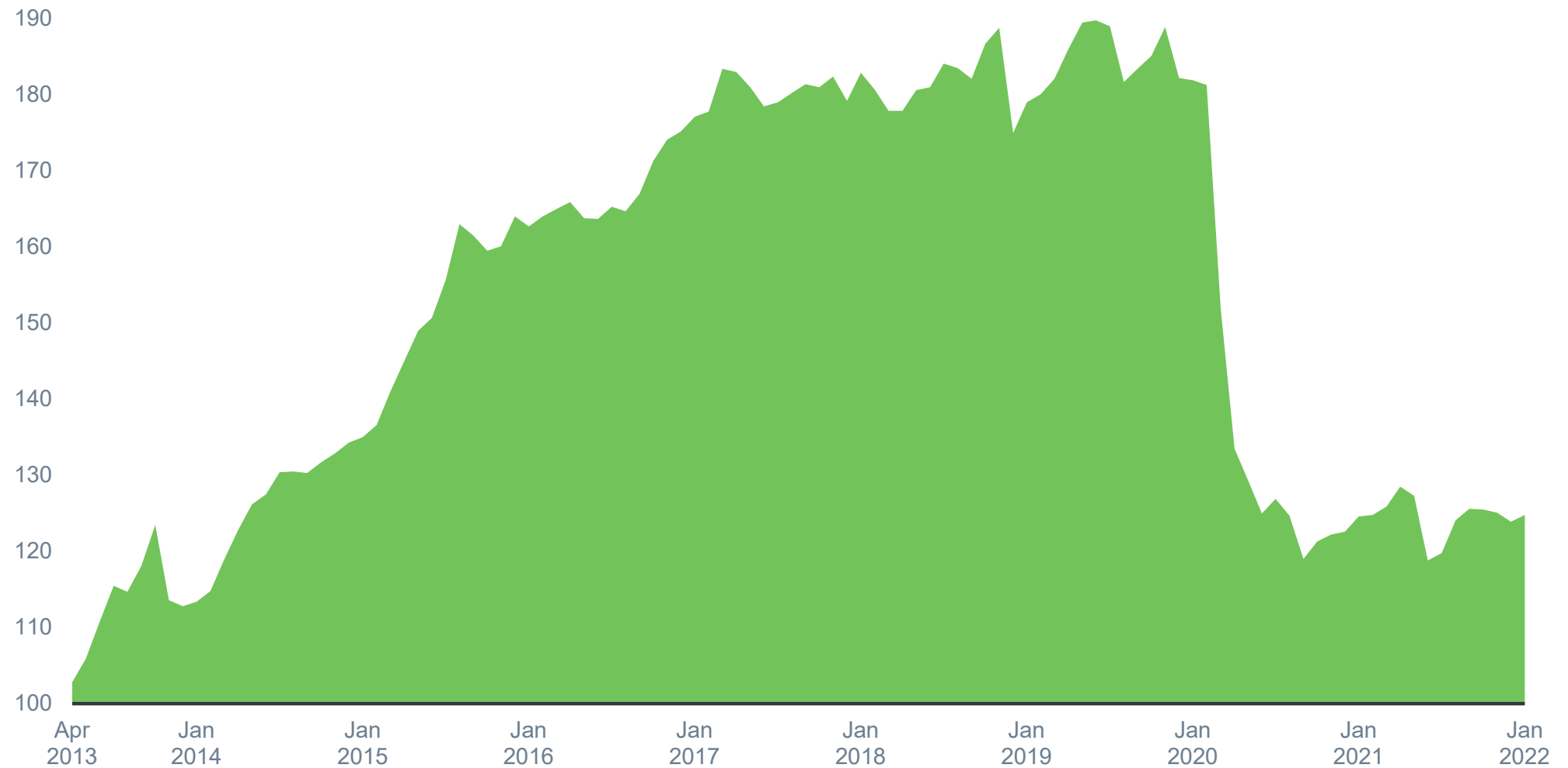
Source: Freddie Mac



Mortgage Credit Availability

Mortgage Credit Availability Index (MCAI)

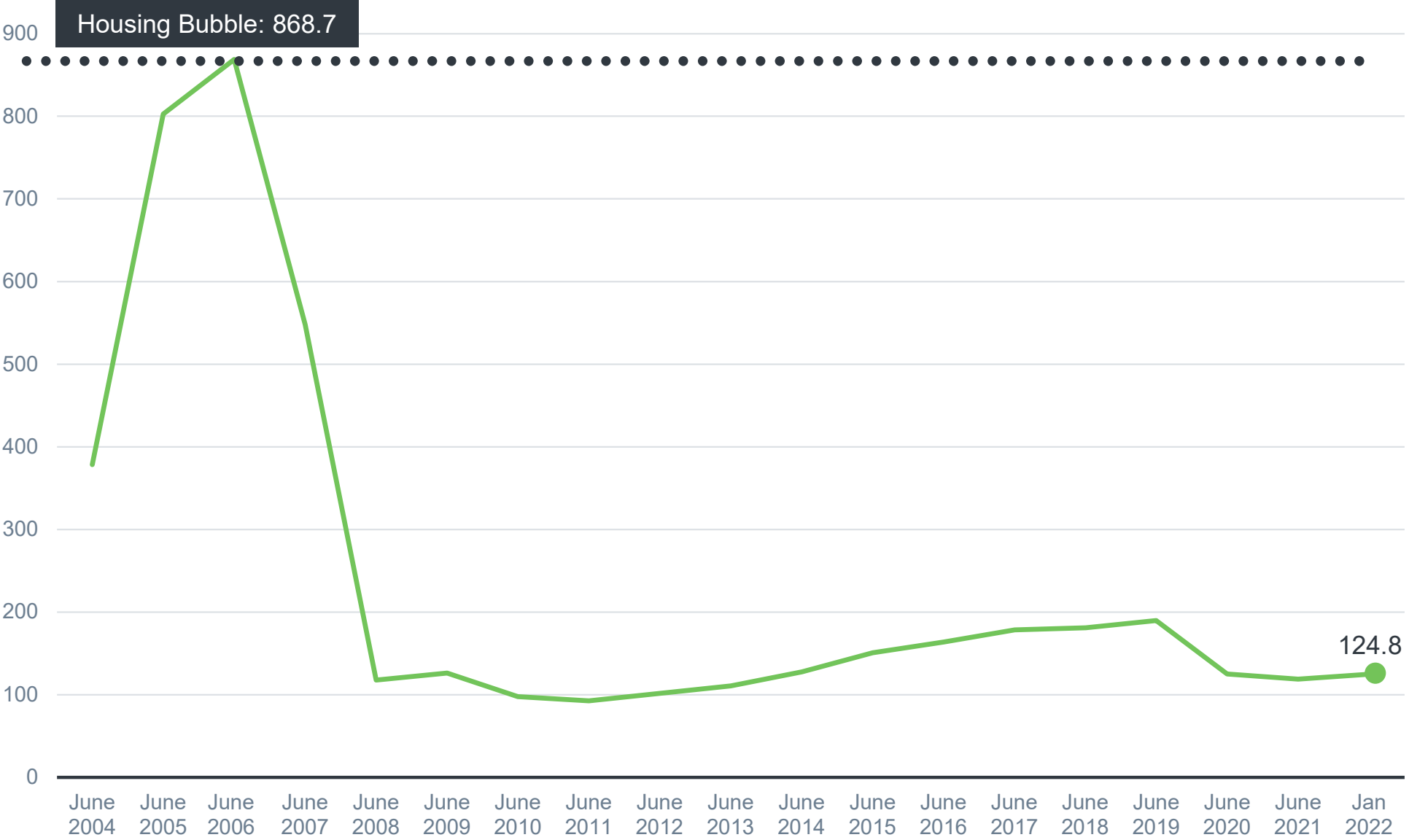
December 2021



Source: MBA

Lending Standards Still Under Control

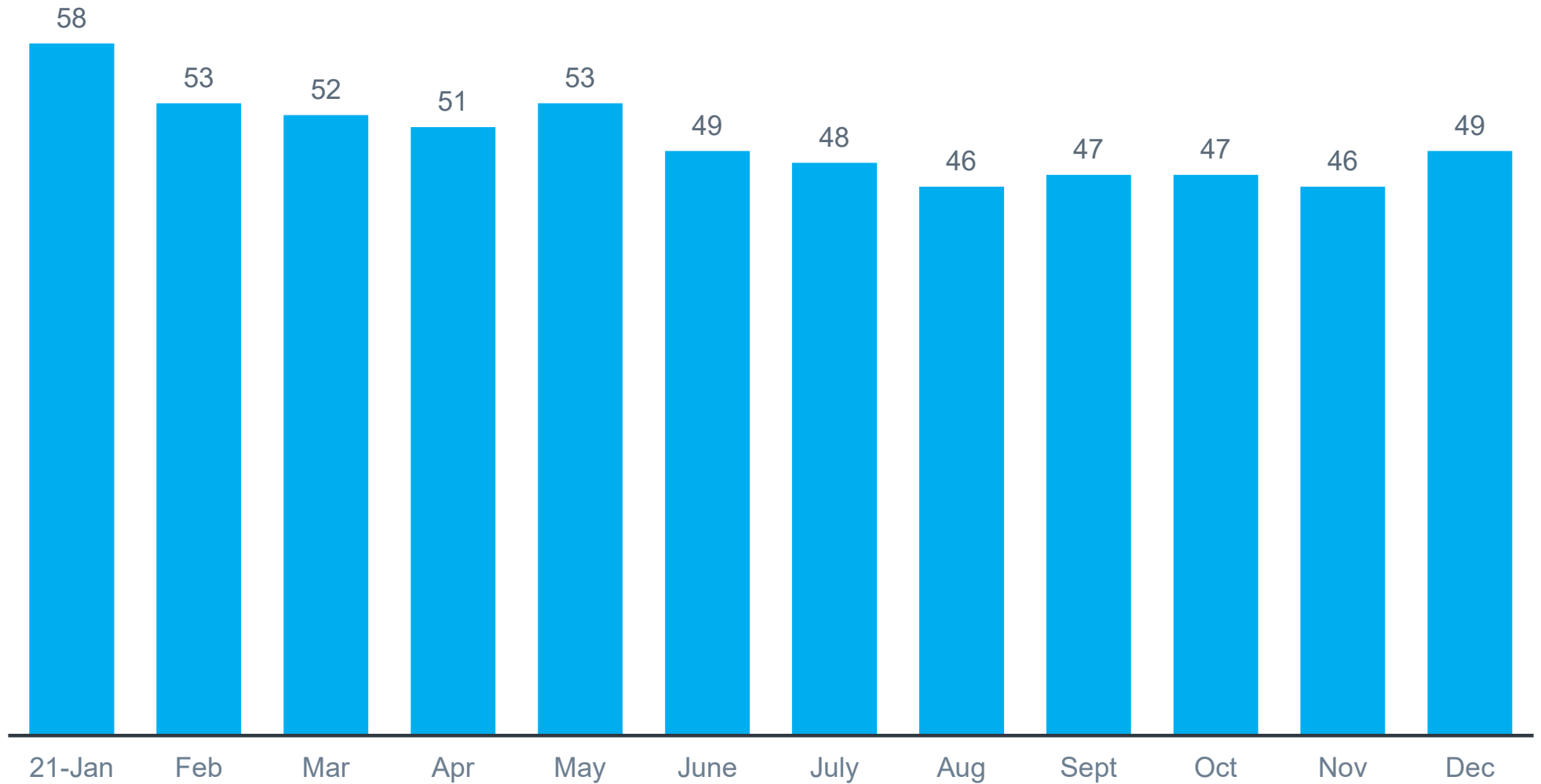
Historic Data for the Mortgage Credit Availability Index (MCAI)



Source: MBA

Average Days To Close a Loan

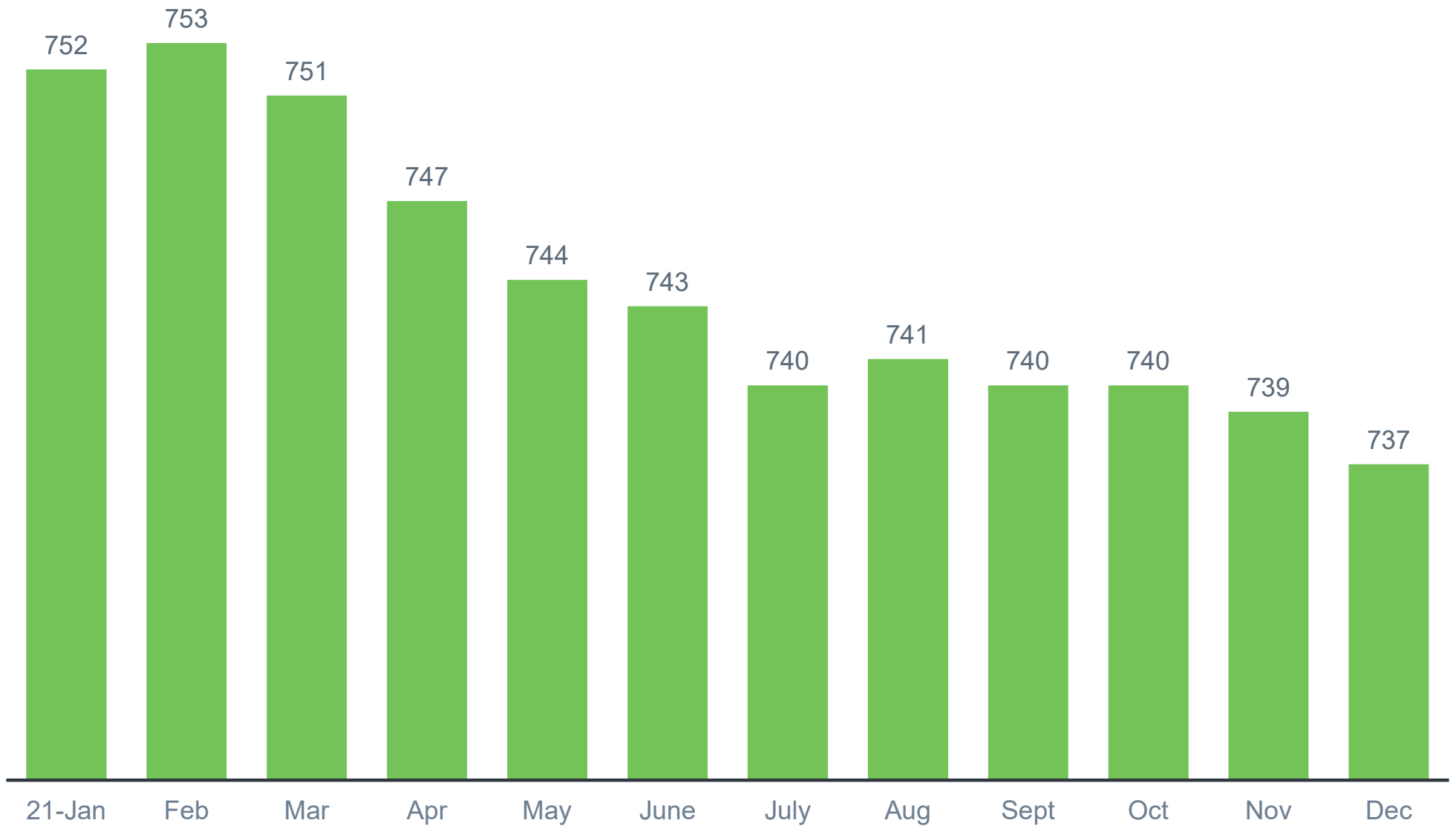
Last 12 Months



Source: ICE

Average FICO® Score

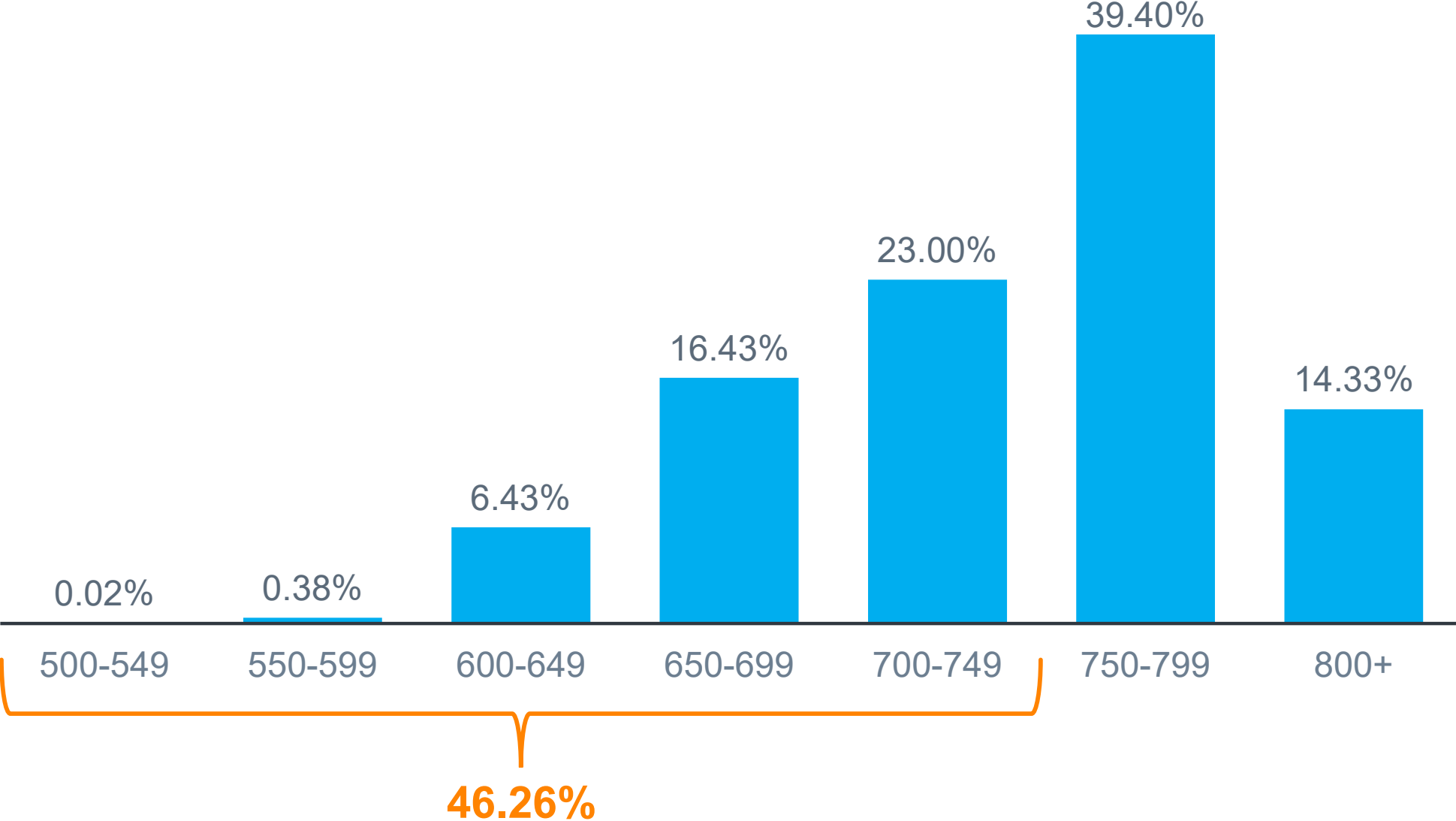
Last 12 Months



Source: ICE

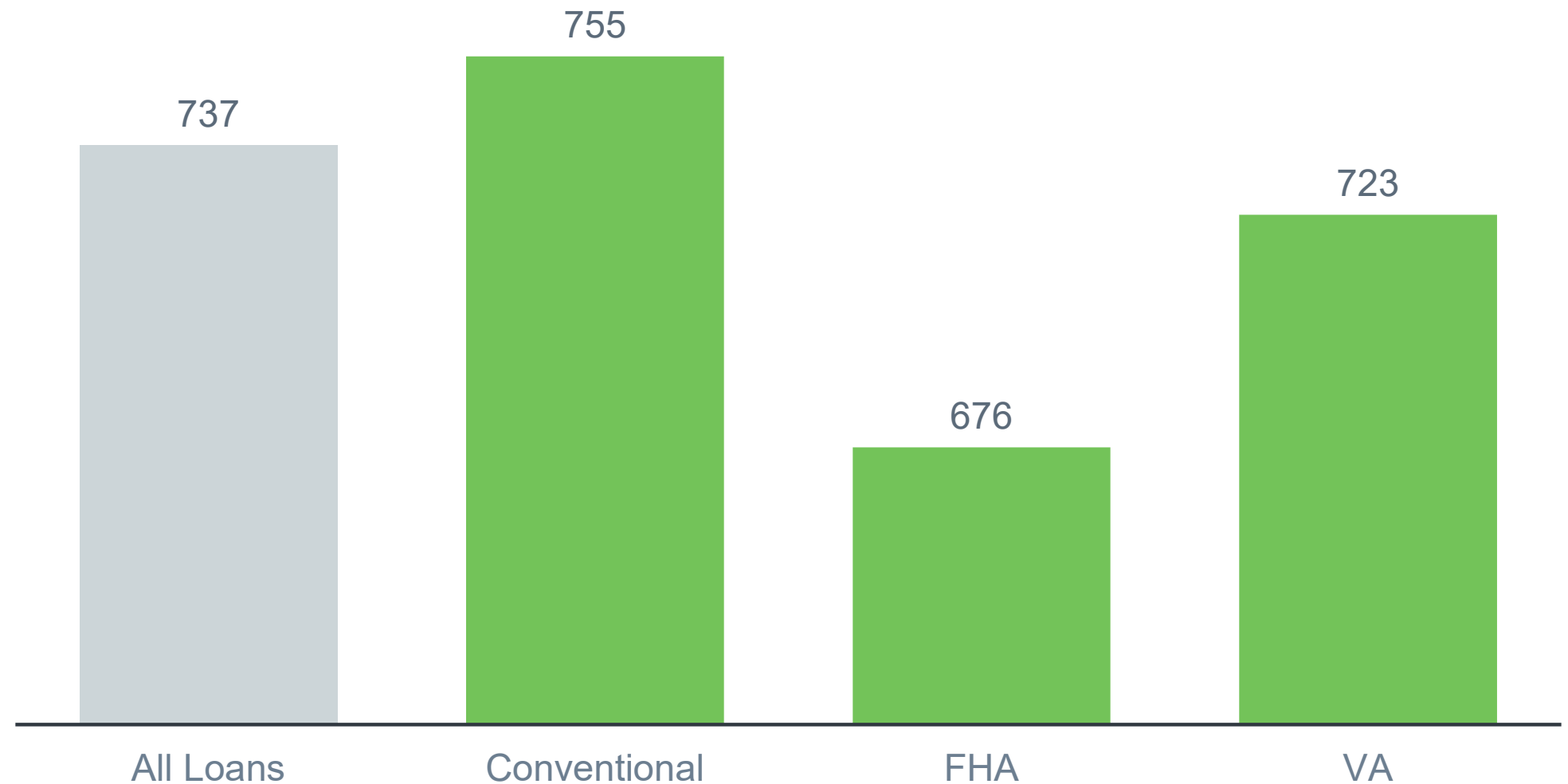
FICO® Score Distribution

December 2021



Average FICO® Score for Closed Purchase Loans

By Loan Type, December 2021



Average Back End DTI for Closed Purchase Loans

By Loan Type, December 2021

