



KEEPING CURRENT MATTERS

September 2023



Most agents know
what's happening.

Good agents understand
what's happening.

Great agents can explain
what's happening.

We are exceptional at two things:

1. Aggregating the data
2. Communicating that data
simply & effectively

Data in, story out.

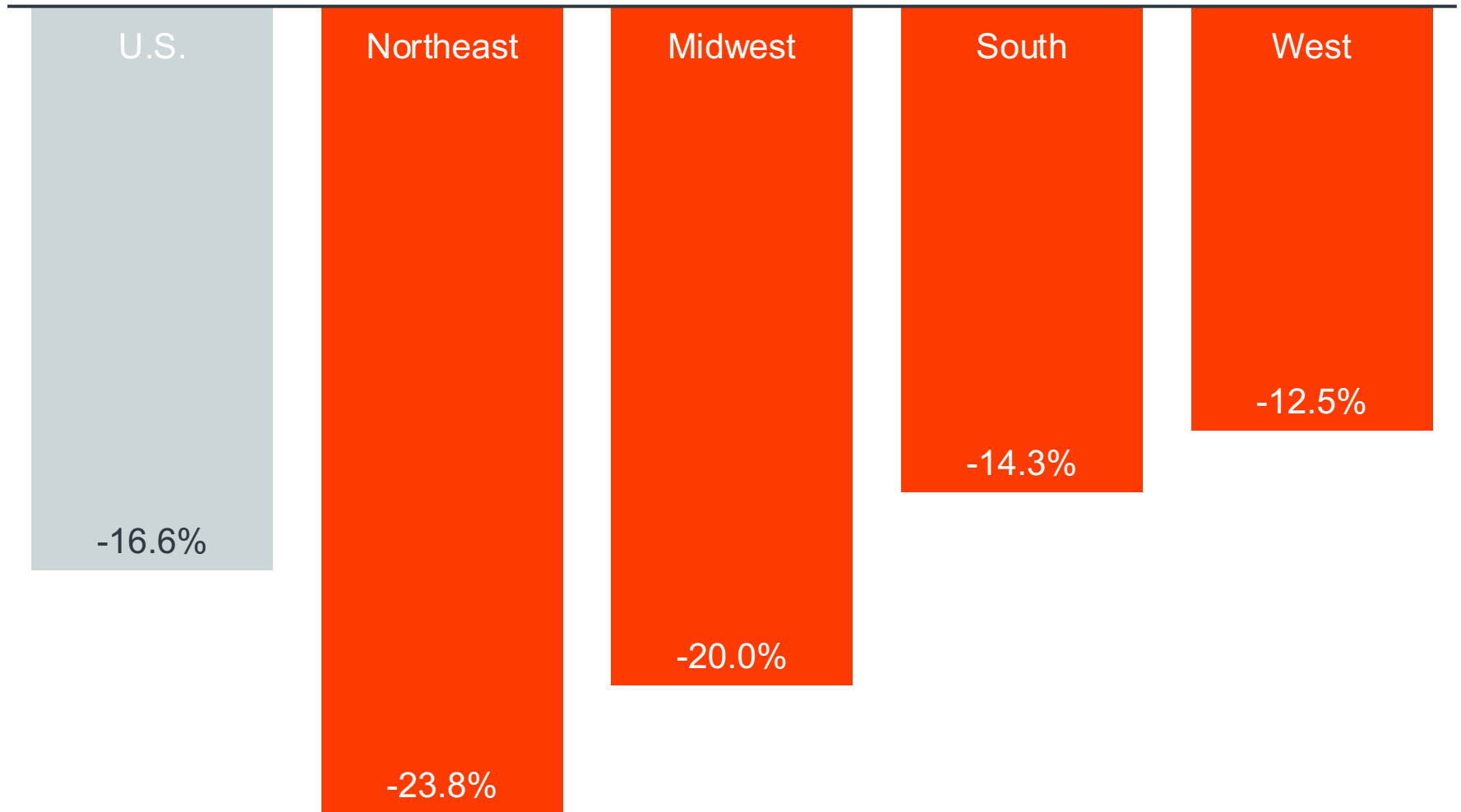
Once you build that storytelling skill,
you'll always be valuable.



Home Sales

Existing Home Sales Receded 16.6%

Year-Over-Year, by Region, Seasonally Adjusted Annual Rate





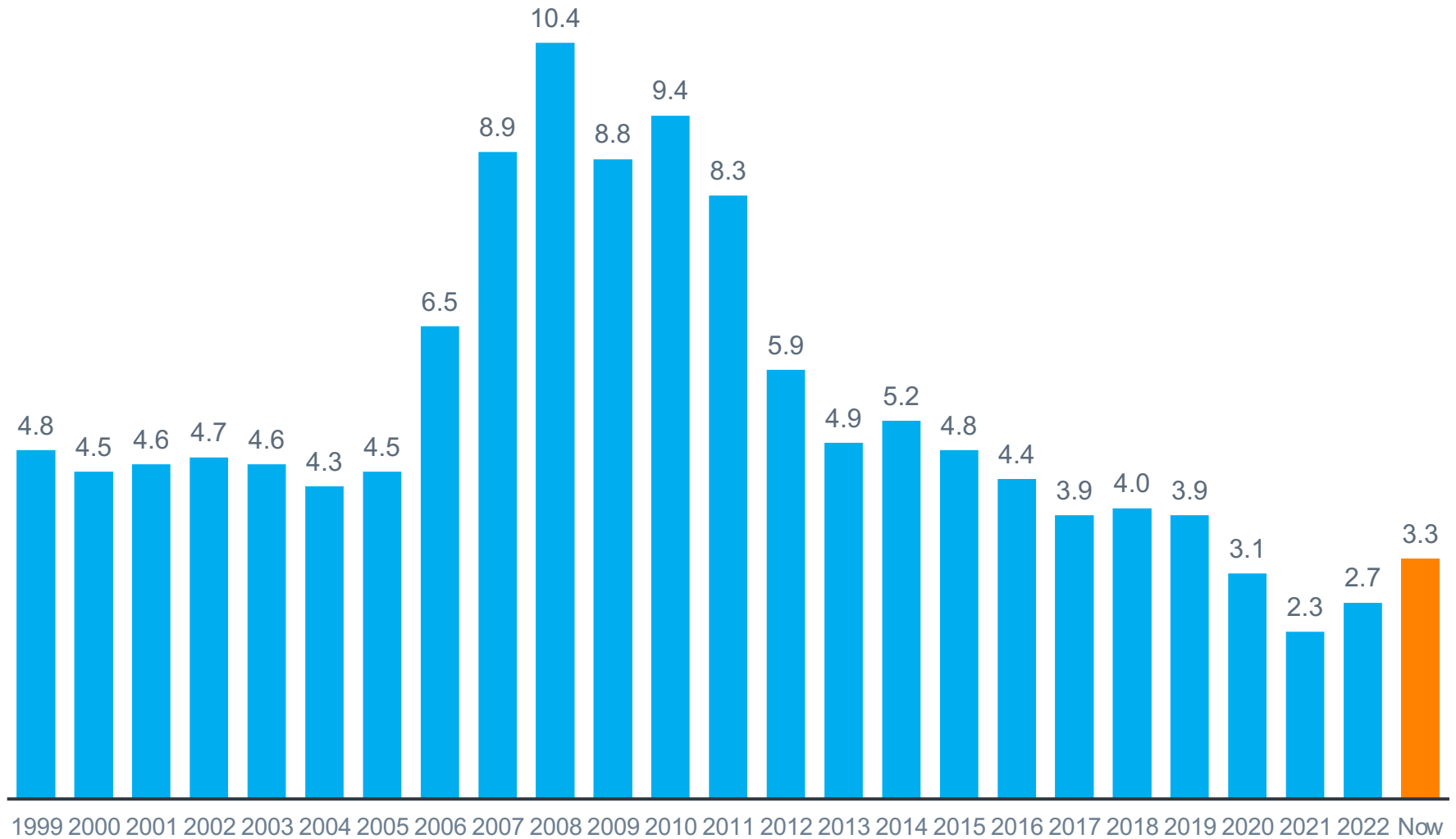
Two factors are driving current sales activity – inventory availability and mortgage rates. Unfortunately, both have been unfavorable to buyers.

- **Lawrence Yun**, Chief Economist, NAR



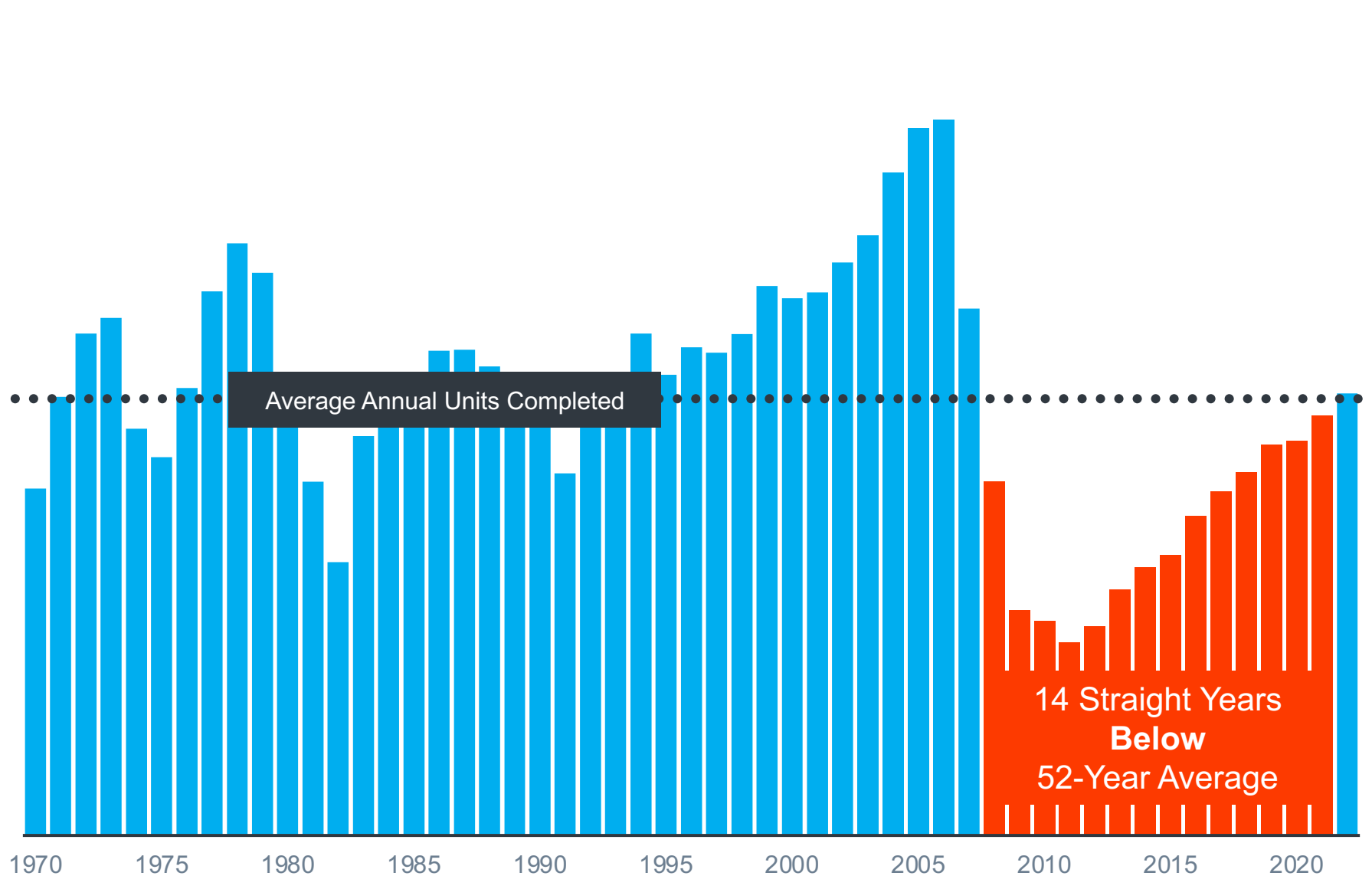
Inventory

Average Annual Inventory of Homes for Sale

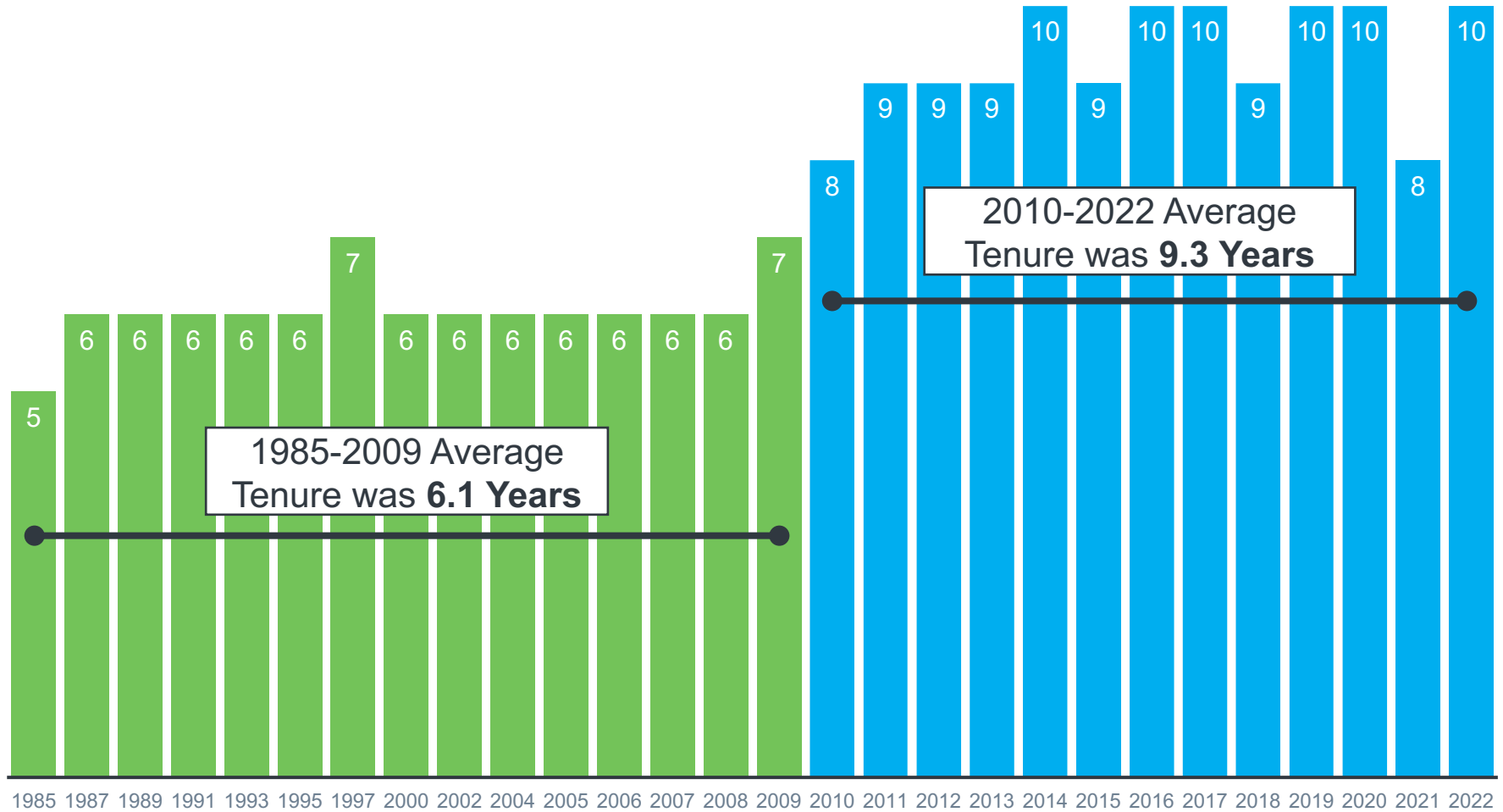


Source: NAR

Single-Family Housing Units Completed

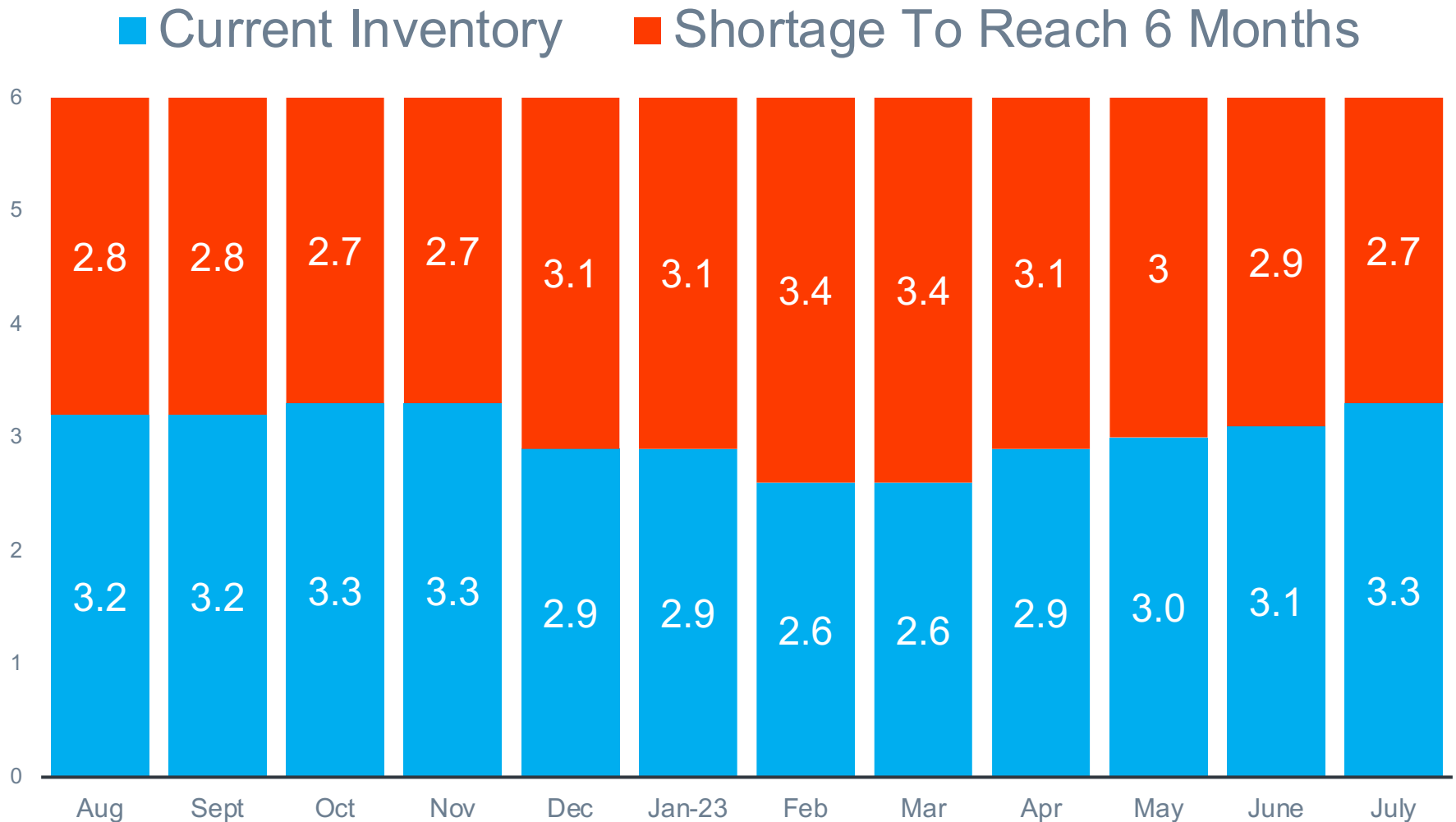


Today's Homeowners Are Staying in Their Houses for an Average of 9+ Years



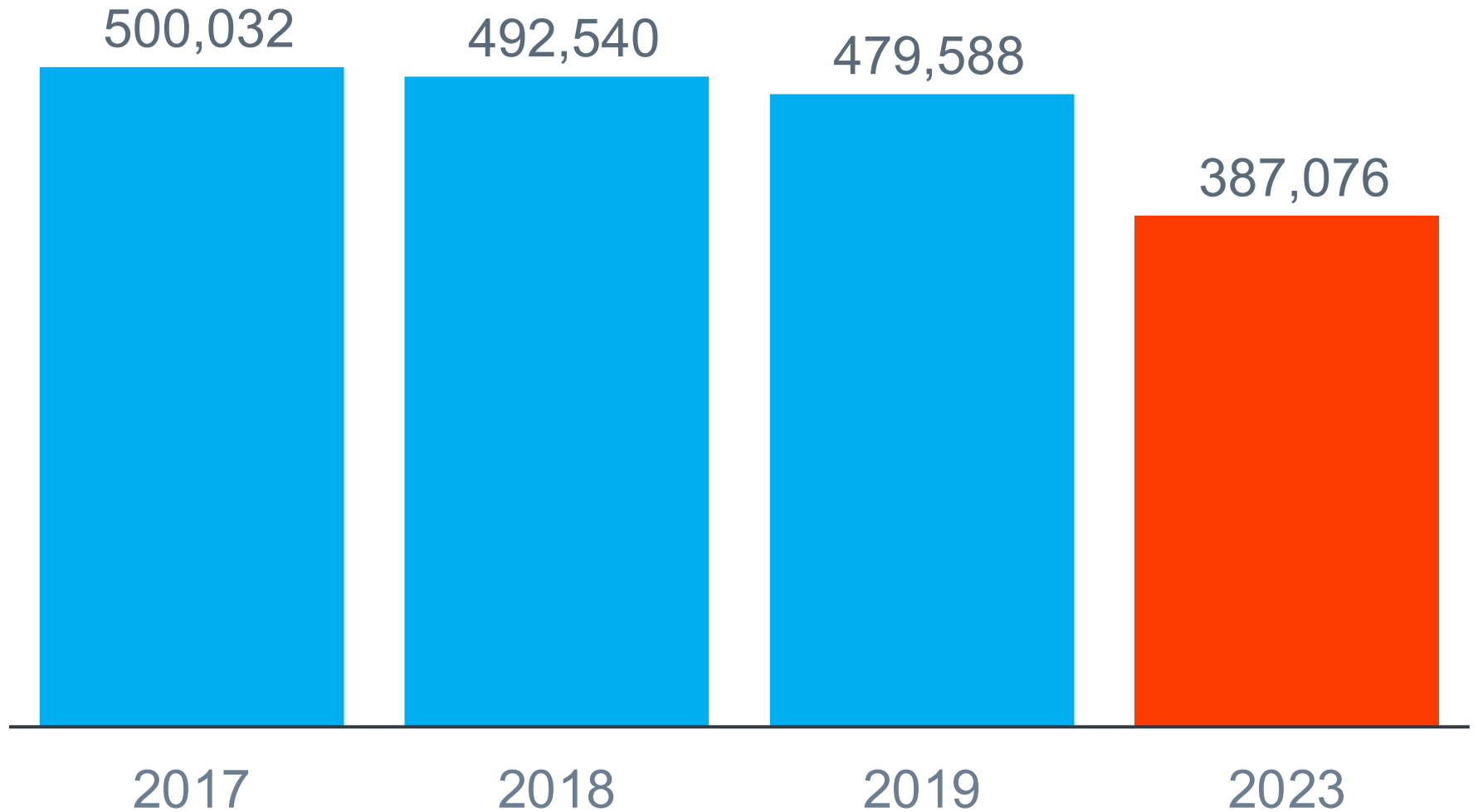
Months Inventory of Homes for Sale

Last 12 Months

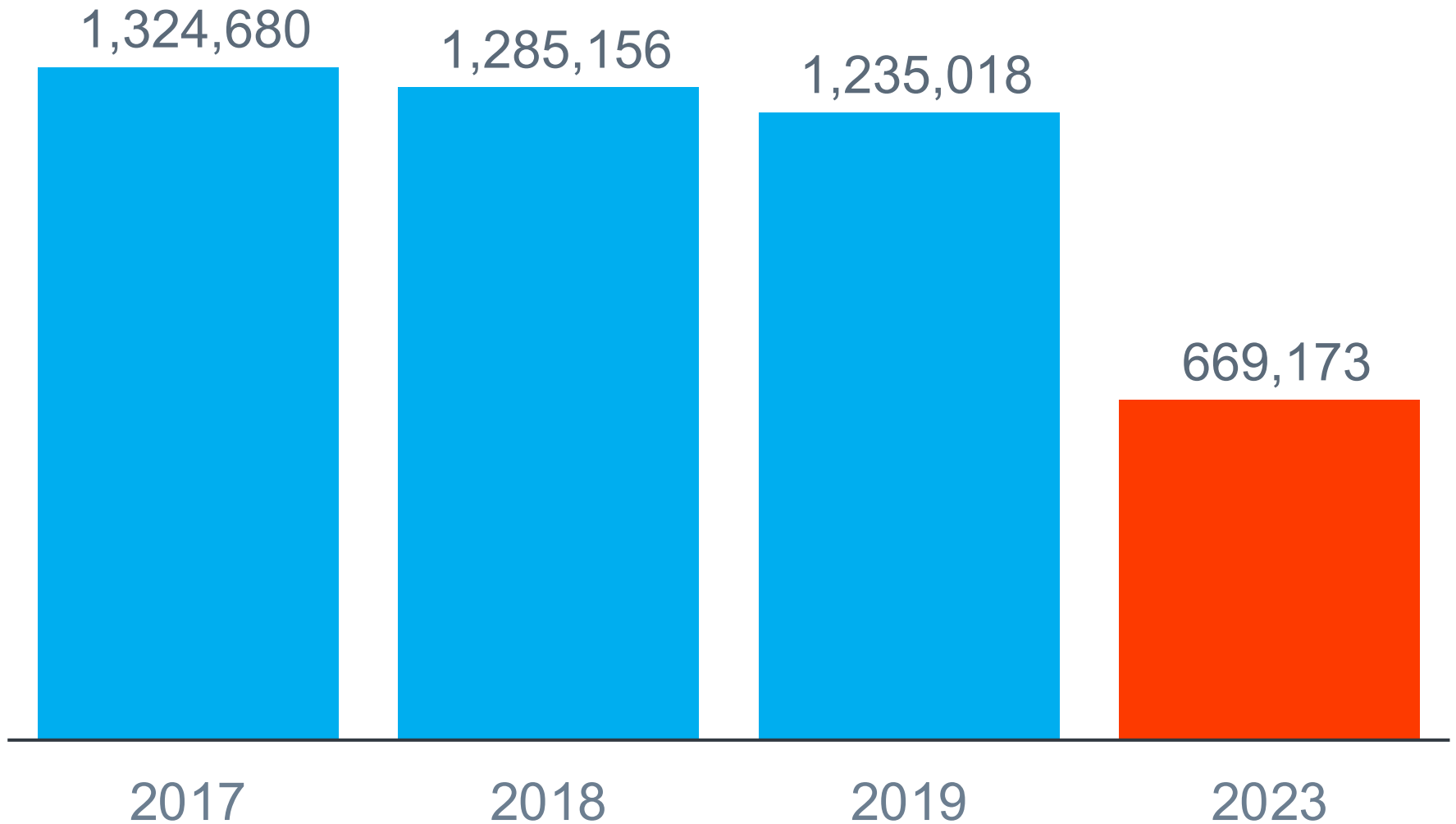


Source: NAR

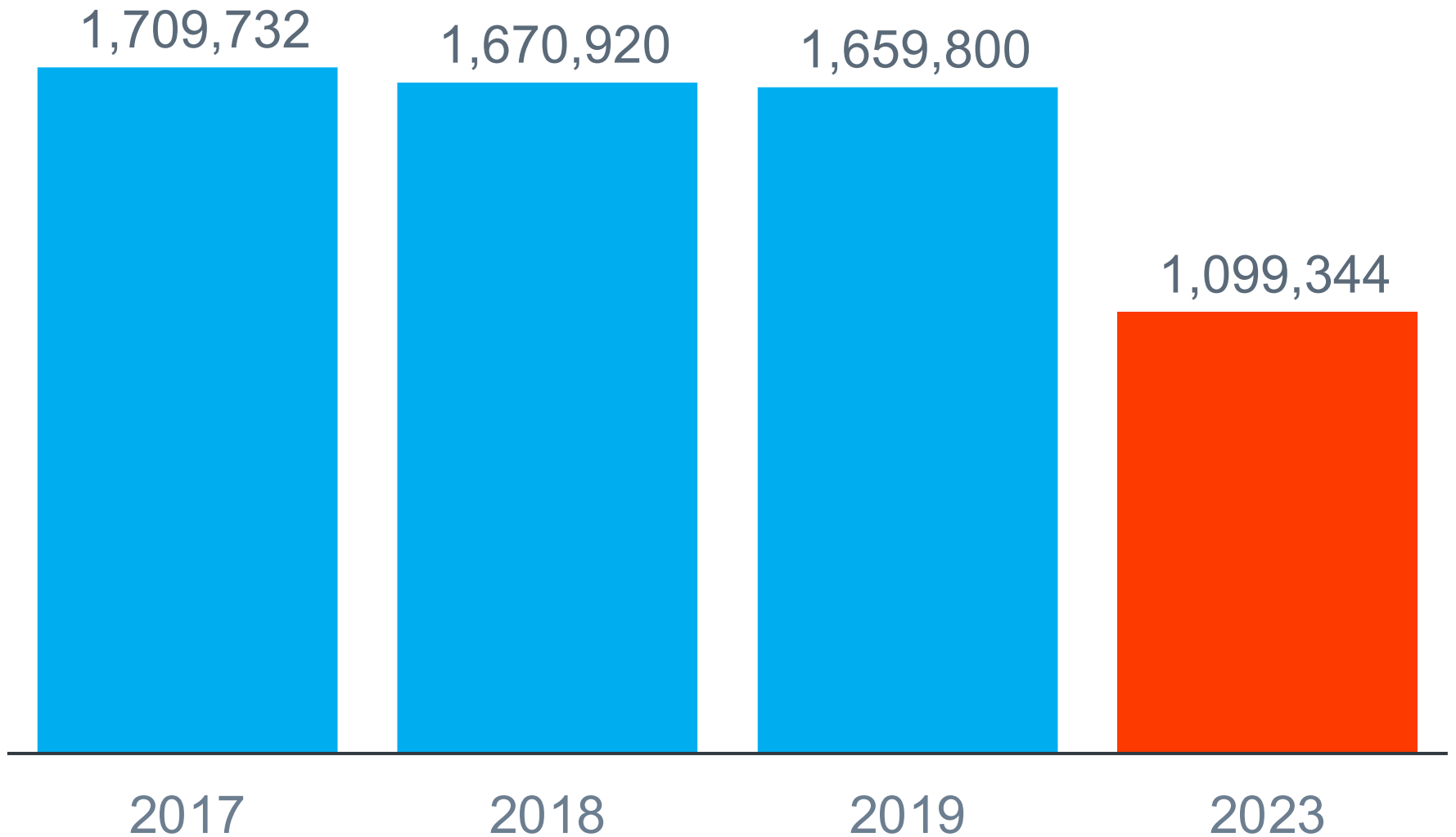
New Listing Count August Each Year



Active Listing Count August Each Year

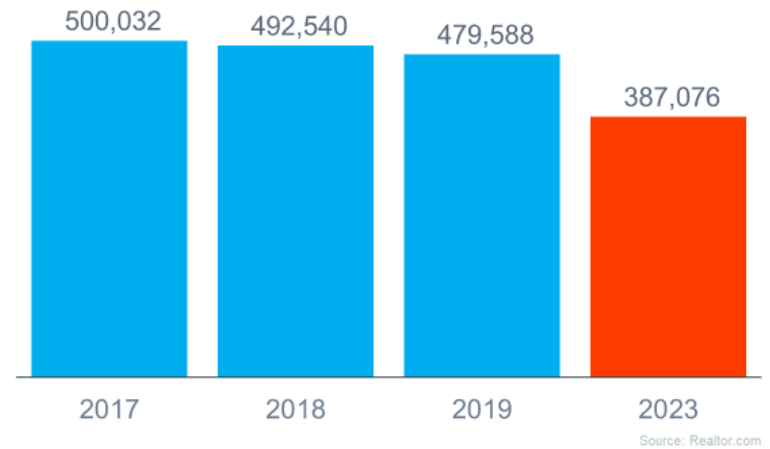


Total Listing Count August Each Year

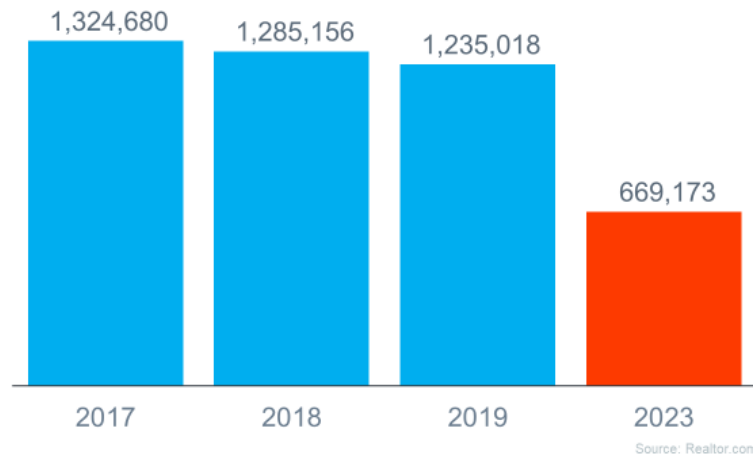


Listing Counts Low in Every Category Compared to Last 3 Normal Years

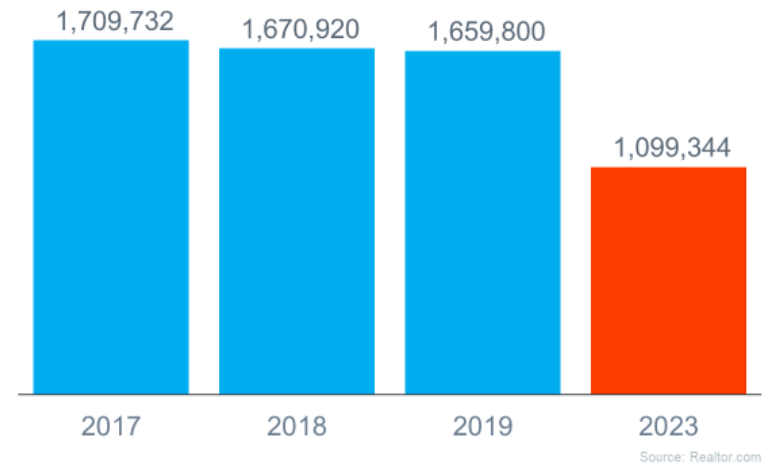
New Listing Count August Each Year



Active Listing Count August Each Year



Total Listing Count August Each Year

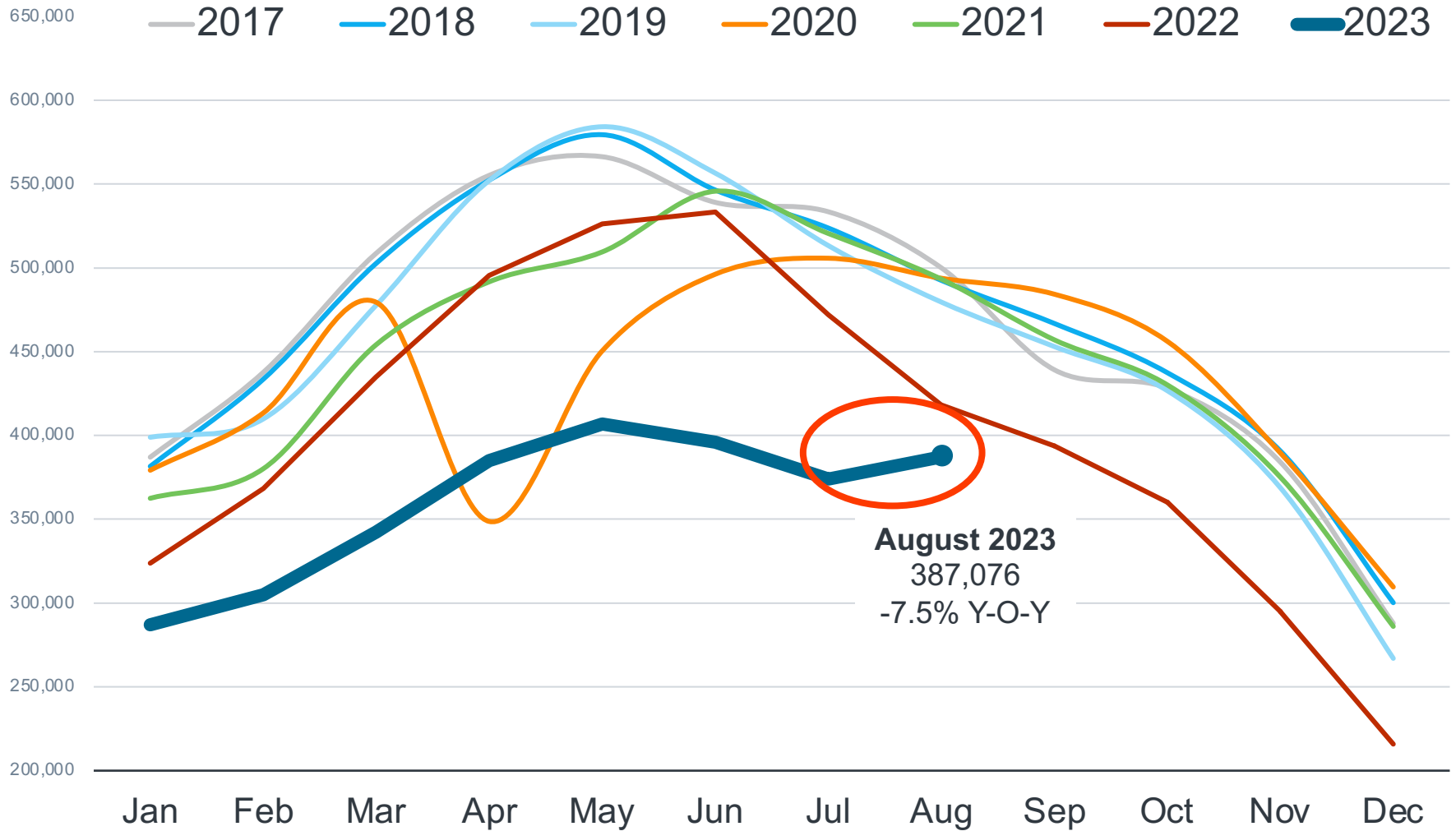




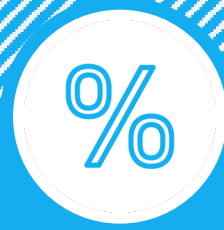
While inventory continues to be in short supply, August witnessed an unusual uptick in newly listed homes compared to July, hopefully signaling a return in seller activity heading toward the fall season which typically is the best time to buy a home.

New Listings Tick Up This Month

New Monthly Listing Counts



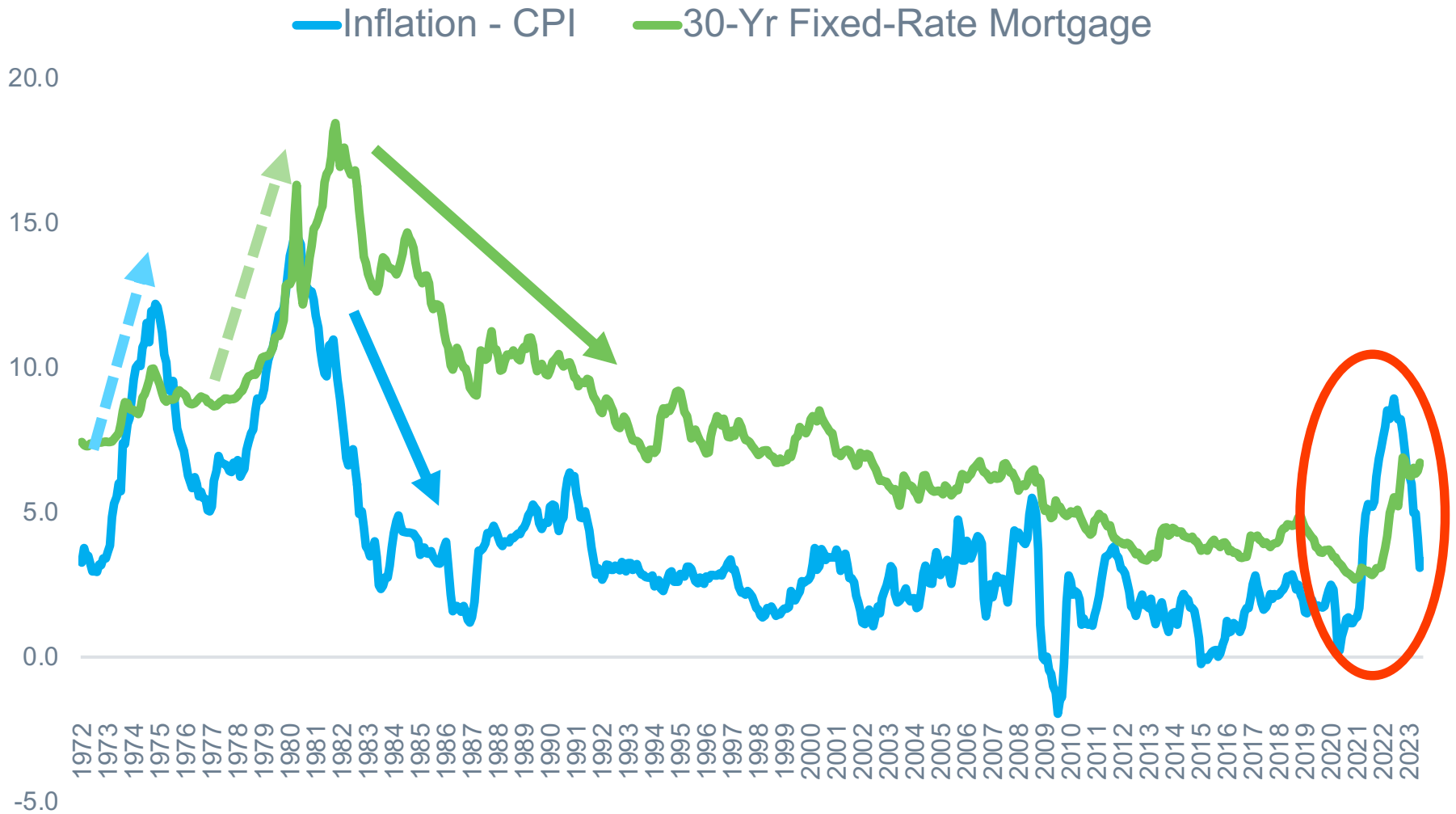
August 2023
387,076
-7.5% Y-O-Y



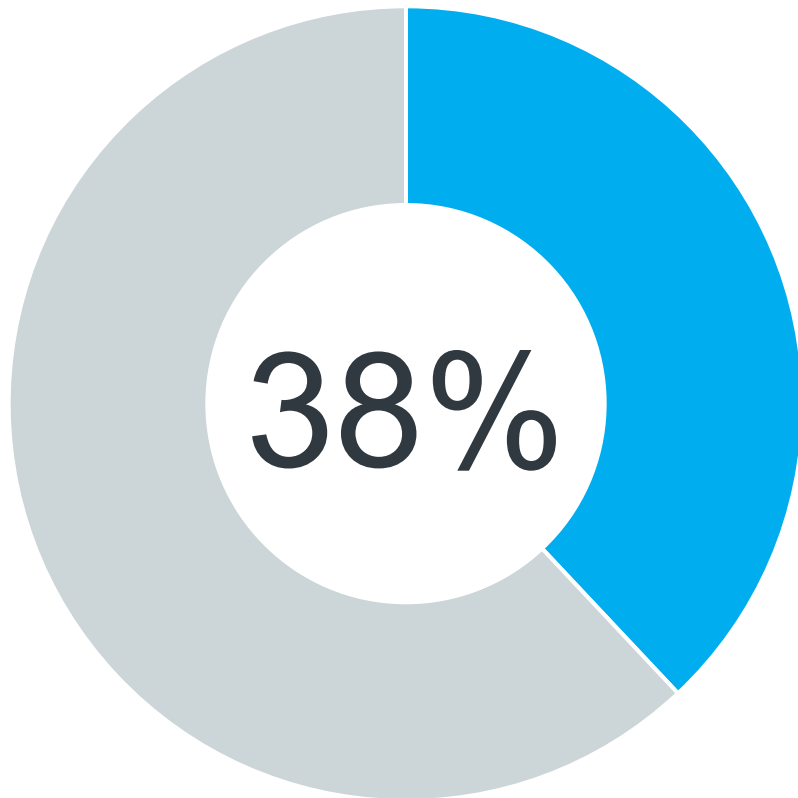
Lending Landscape

Inflation and 30-Year Fixed-Rate Mortgage

Mortgage Rates Tend To Track Government Bonds and Inflation with a Lag



Nepo-Homebuyers



of recent homebuyers under age 30 used either a cash gift from a family member or an inheritance in order to afford their down payment.

As a result, a large share of young homeowners can be labeled **“Nepo-Homebuyers,”** meaning they received family money to purchase a home.



Down payment assistance can help first-time homebuyers who don't have help from family to afford a home. Rental assistance can help families reduce their costs and help them save up for a down payment.

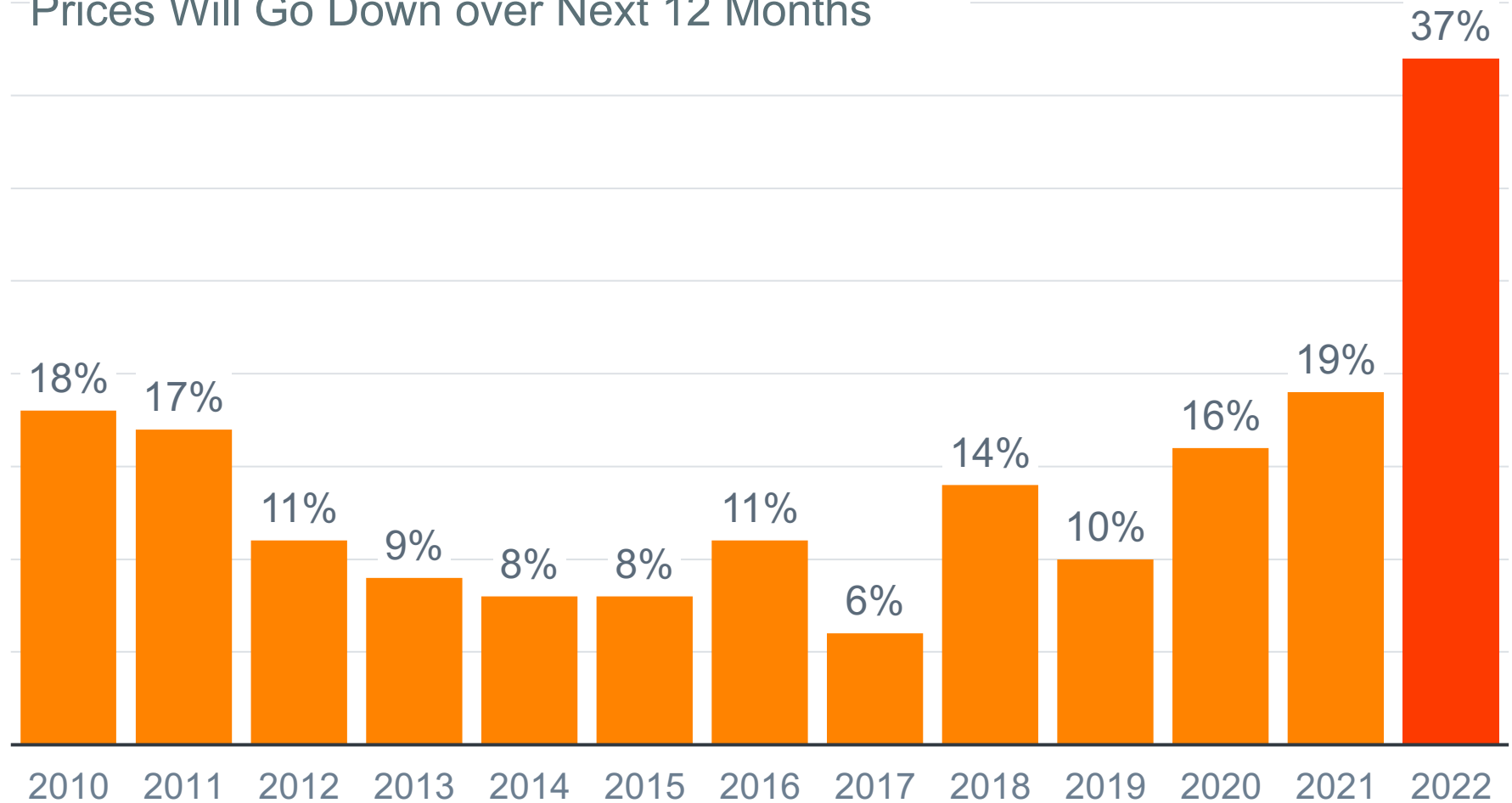
- Forbes



Home Prices

Consumer Confidence in Home Prices Weakened Toward the End of 2022

% of Americans in Each December Who Think Prices Will Go Down over Next 12 Months



Source: Fannie Mae



Home Prices Are Rebounding

If you're following the news today, you're probably unsure about what's happening with home prices. You may fear whether or not the worst is yet to come.

RealTalk
by KCM

SCRIPT 7/6/2023

Where Experts Say Home Prices Are Headed

Know people who are hesitant to buy because they're worried about what's next for home prices? Record this video to share expert forecasts.

2023 Home Prices

What Has Happened in 1st Half?

What Will Happen in 2nd Half?

KEEPING CURRENT MATTERS
June 2023

KEEPING CURRENT MATTERS

1/4

THE WORST HOME PRICE DECLINES ARE BEHIND US

••••

Home Prices Are Back On the Rise

Looking at monthly home price data from six expert sources shows the worst home price declines are behind us, and they're rising again nationally.



Percent Change in Home Values

Month-Over-Month



If you've put your plans to move on pause because you were worried about home prices crashing, this rebound is good news. Connect with a local real estate agent so you know what's happening with prices in your area.

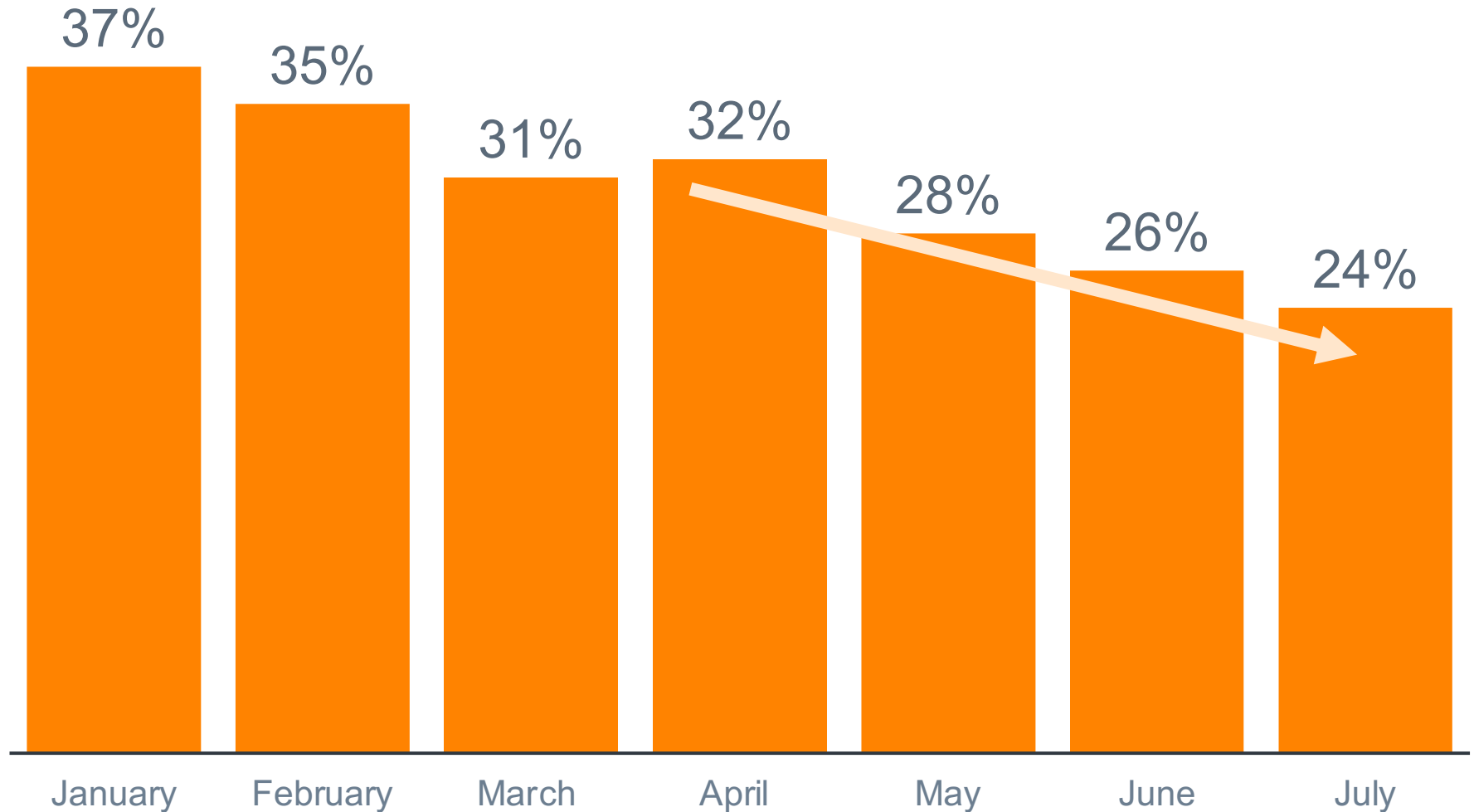
Sources: Case-Shiller, FHFA, CoreLogic, Zillow, Black Knight, Freddie Mac

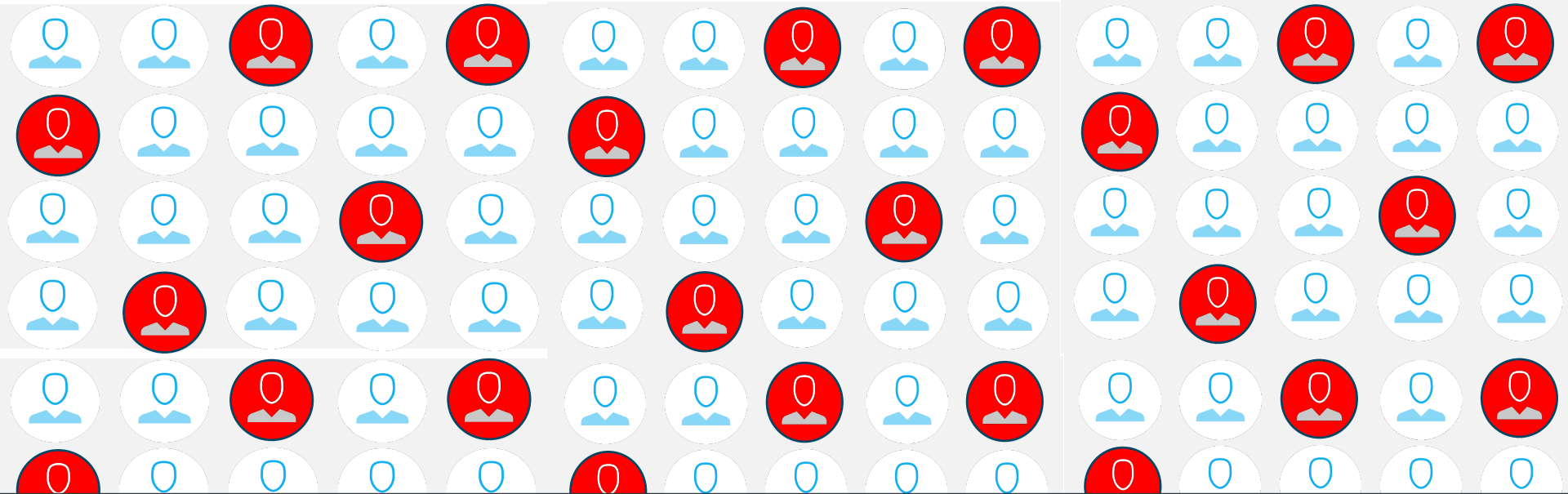
KEEPING CURRENT MATTERS

These reports update at different times. The graphs here represent the latest data available from each source.

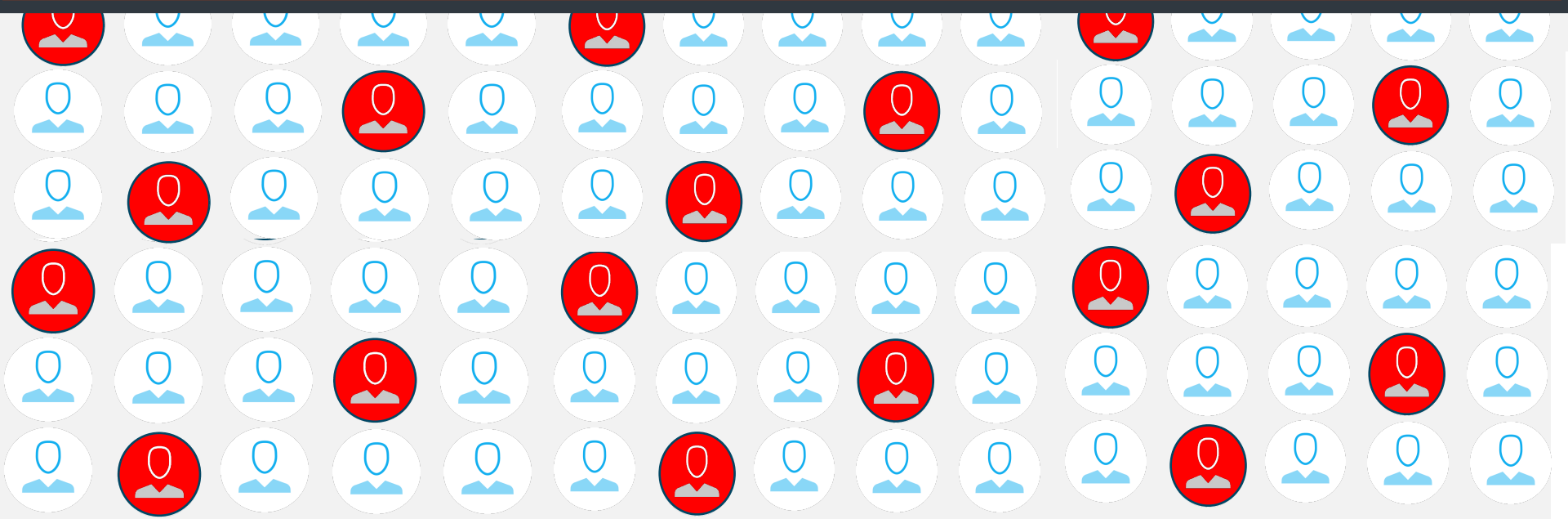
We Are Starting To Show Improvement

% of Americans Who Think Prices Will Go Down over Next 12 Months



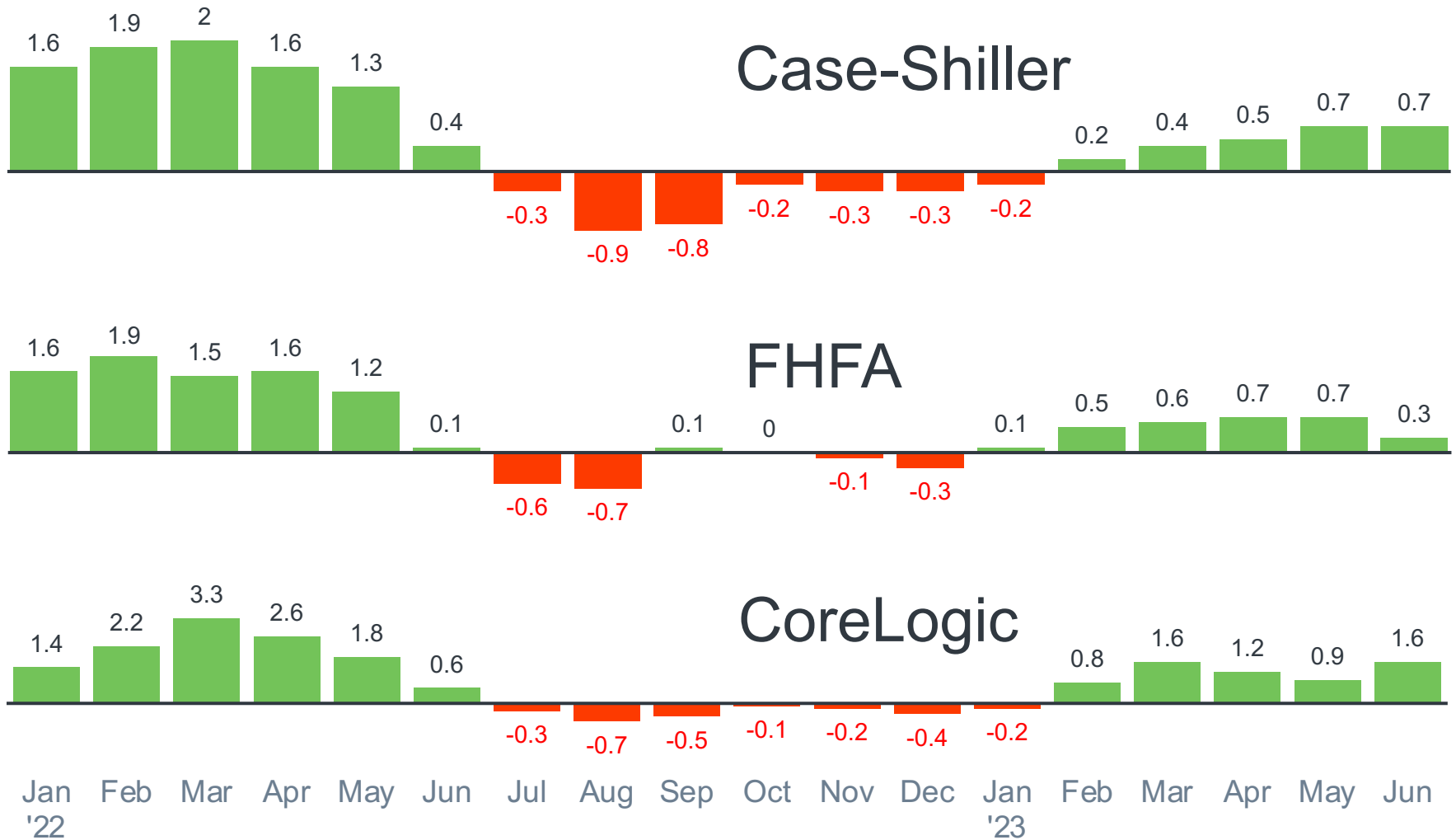


1 of 4 Still Believe Prices Will Depreciate



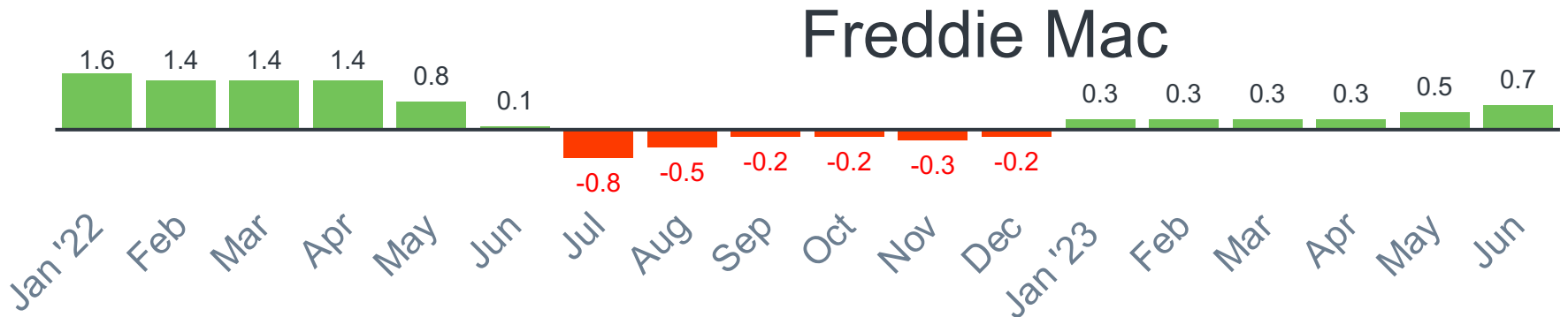
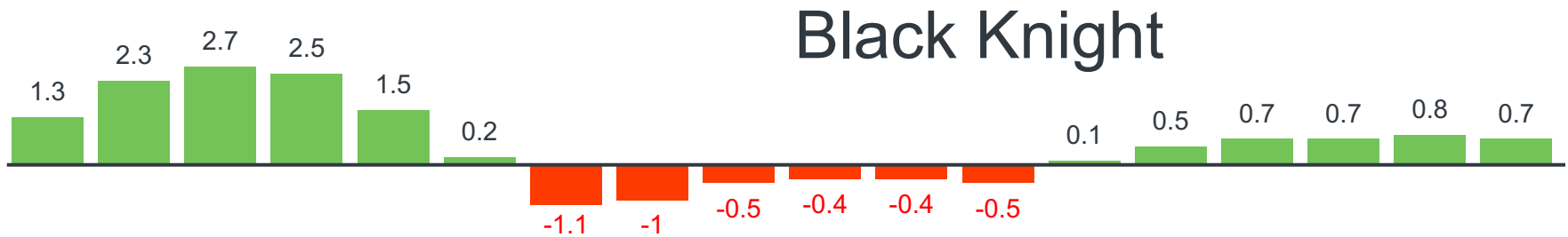
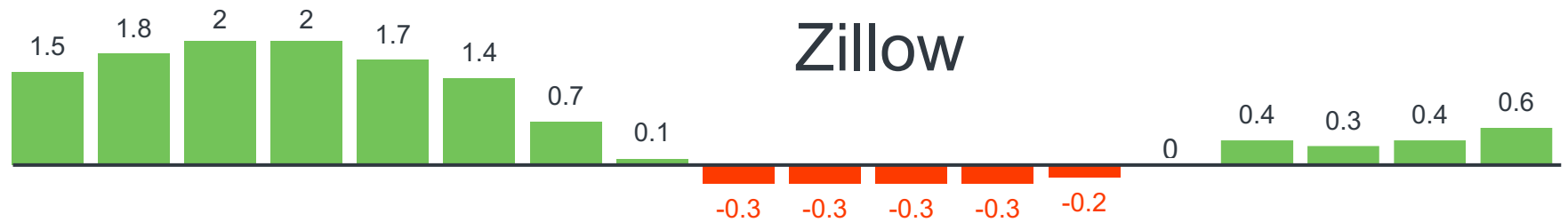
Percent Change in Home Values

Month-Over-Month, Case-Shiller, FHFA (SA), CoreLogic (NSA)



Percent Change in Home Values

Month-Over-Month, Zillow, Black Knight, & Freddie Mac (SA)

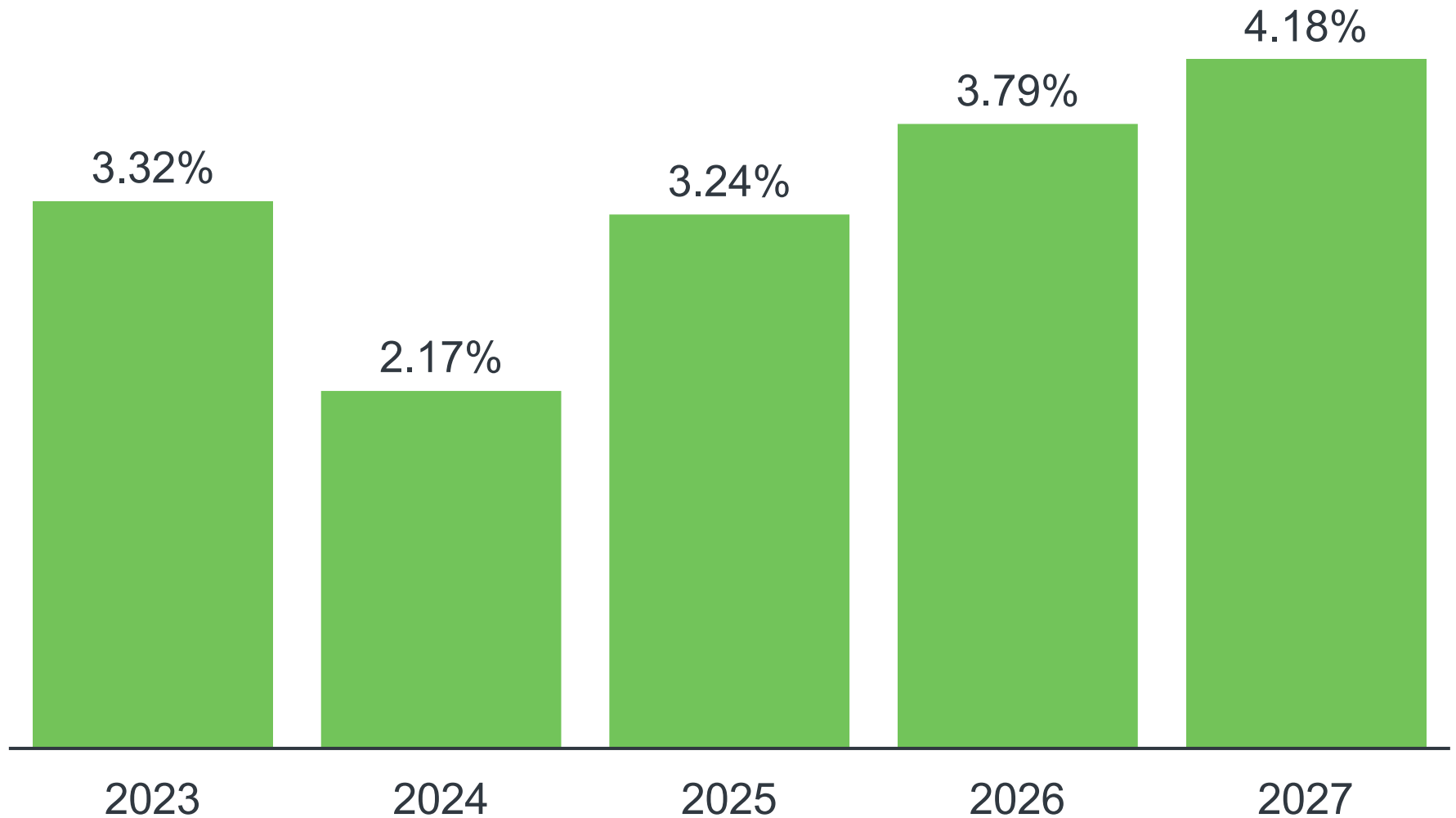


Home Price Expectation Survey

A nationwide panel of over one hundred economists, real estate experts, and investment and market strategists.

Estimated Home Price Performance

December to December, as Forecasted in Q3 2023



2023 Year End Home Price Forecasts

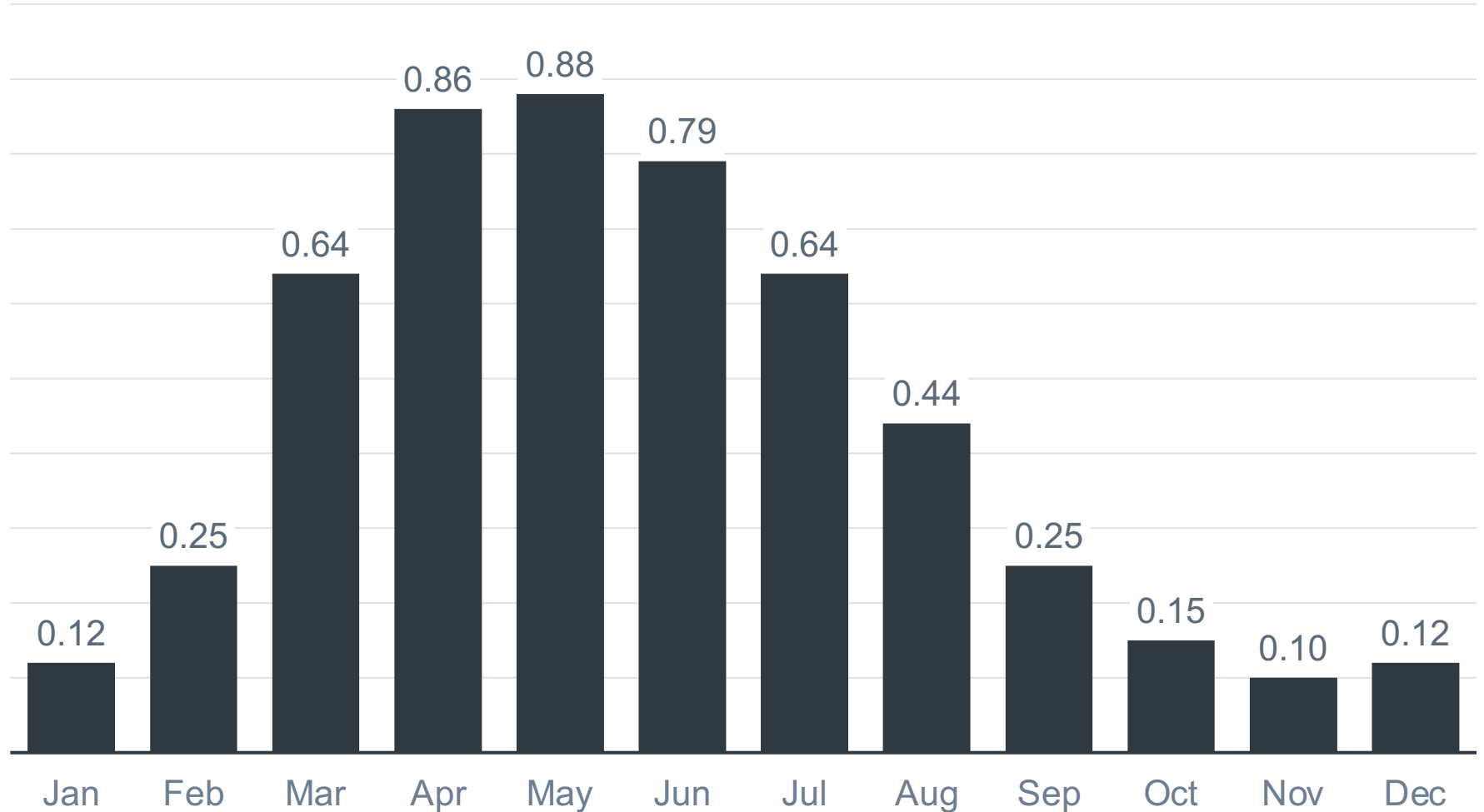
12/2022 vs. Current Forecast

Entity	Original Forecast	Current Forecast
MBA	-0.6%	0.0%
Fannie Mae	-1.5%	3.9%
Morgan Stanley	-4%	0.0%
AEI	-15 to -20%	6%
Zillow	-0.7%	5.5%
Wells Fargo	-5.5%	2.2%
Goldman Sachs	-5 to 10%	1.8%
Home Price Expectation Survey	-2.04%	3.32%

Source: USA Today, Lance Lambert

48-Year Average Monthly Price Movement

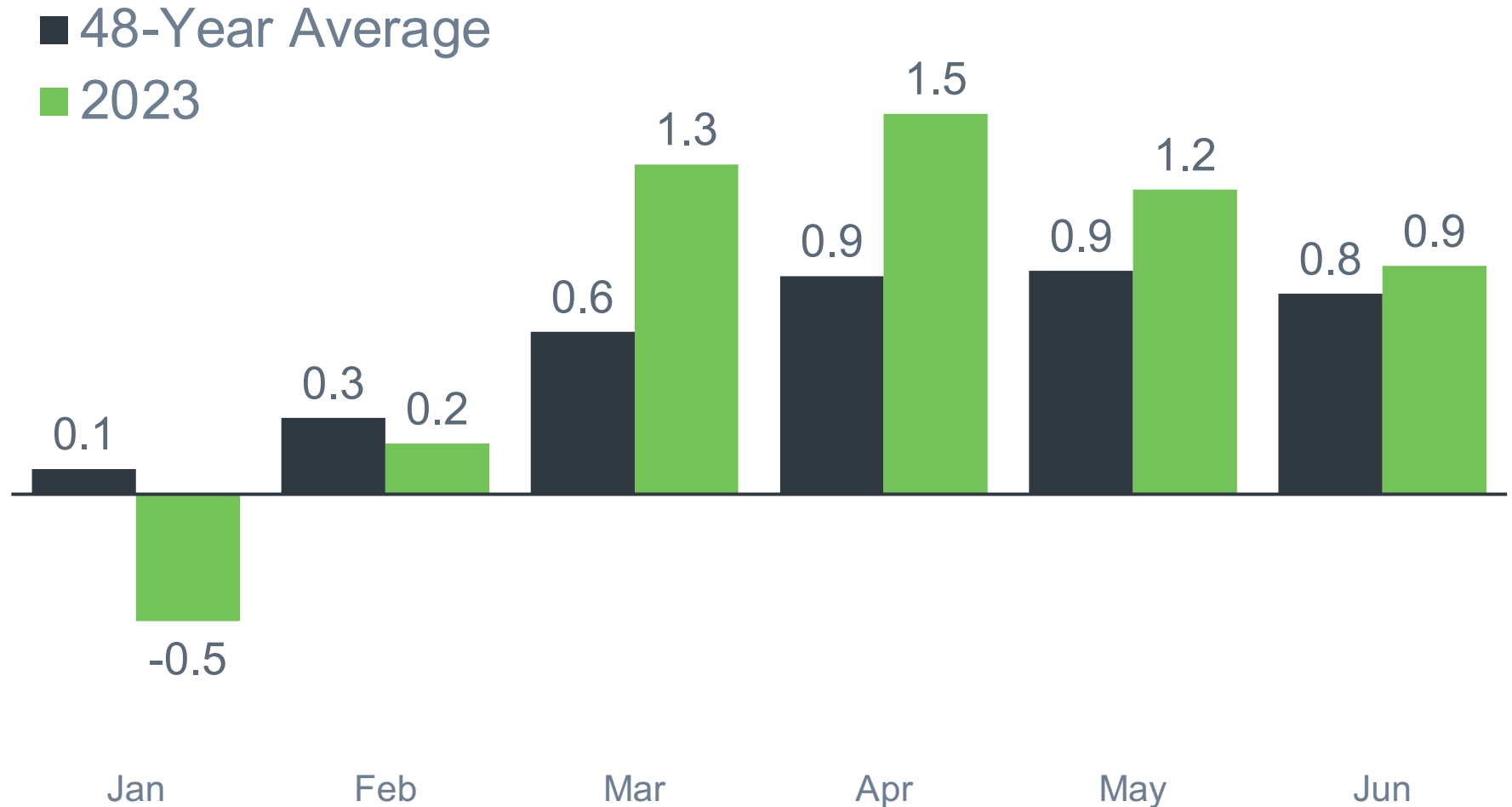
Case-Shiller NSA, Month-Over-Month, Price Movement 1973-2021



Source: Case-Shiller

48-Year Average vs. 2023 Price Movement

Case-Shiller NSA, Month-Over-Month, 1973-2021 and 2023

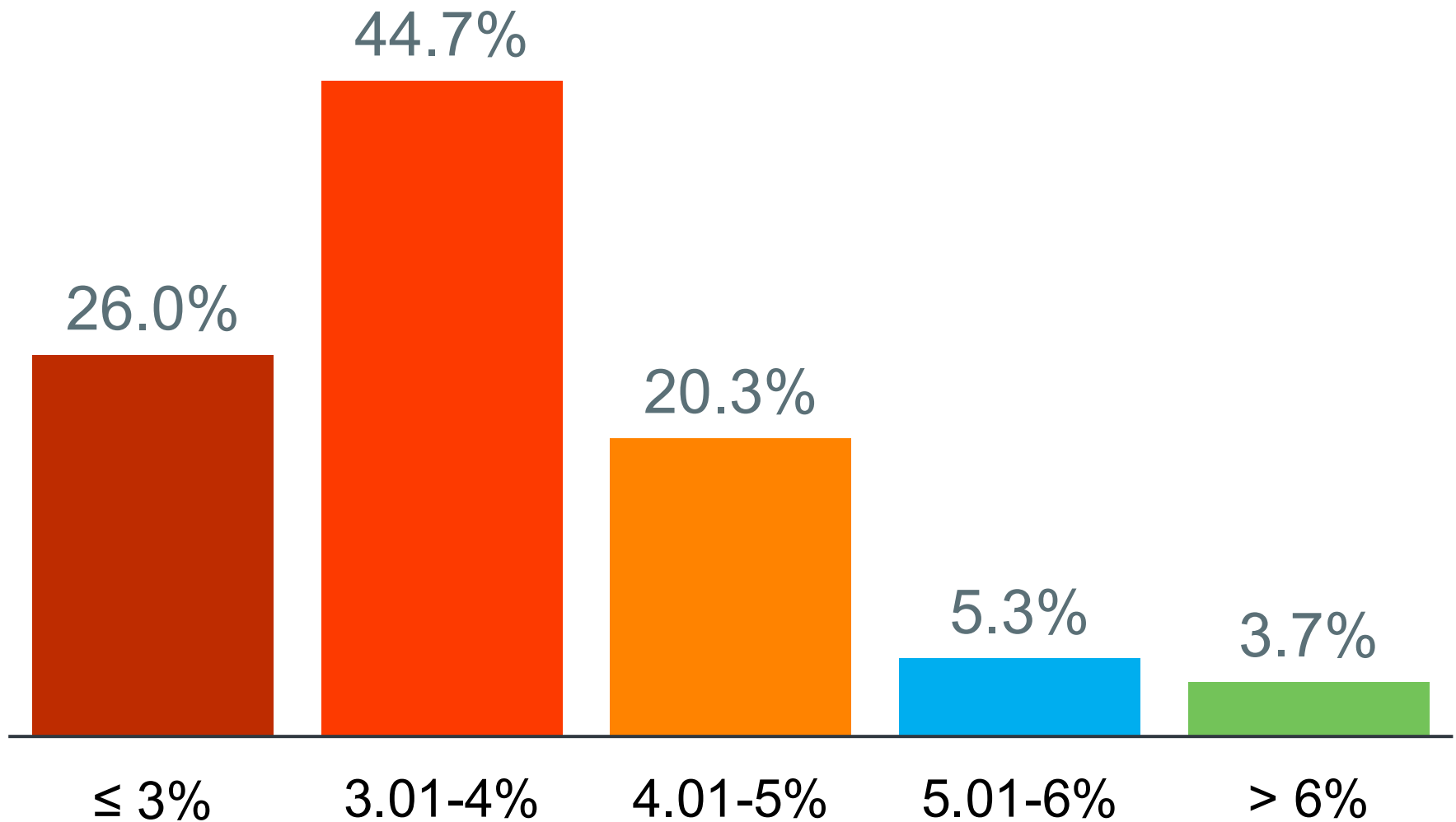




Equity

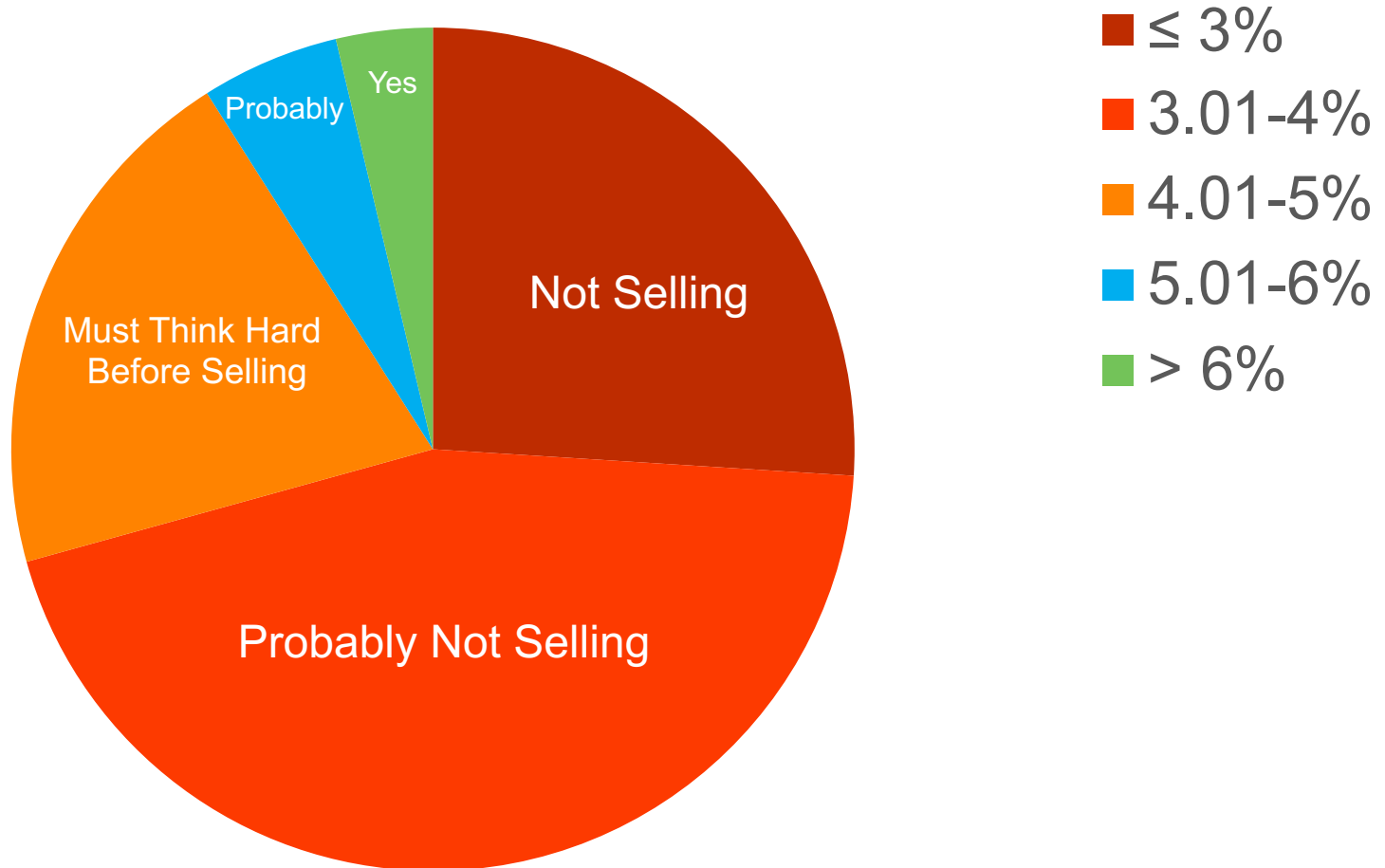
70.7% of Mortgage Rates Less Than 4%

Current FHFA Loans with Mortgage Rate at Time of Origination

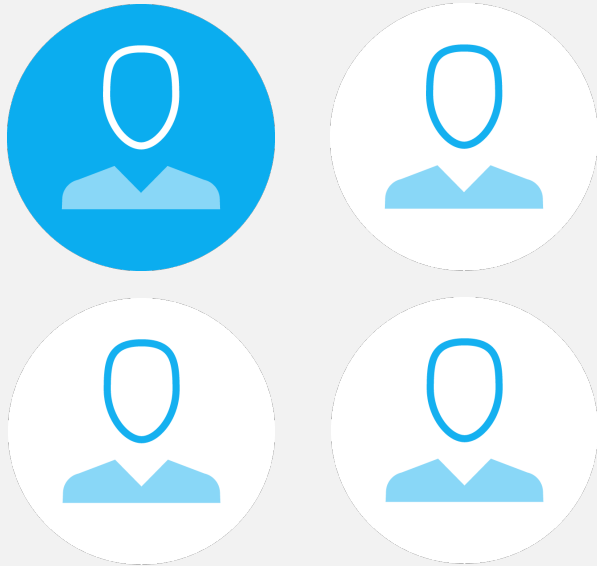


Lock-In Rates Limit New Inventory

Current FHFA Loans with Mortgage Rate at Time of Origination



Mortgage Rates Are Less Relevant to Older Homeowners

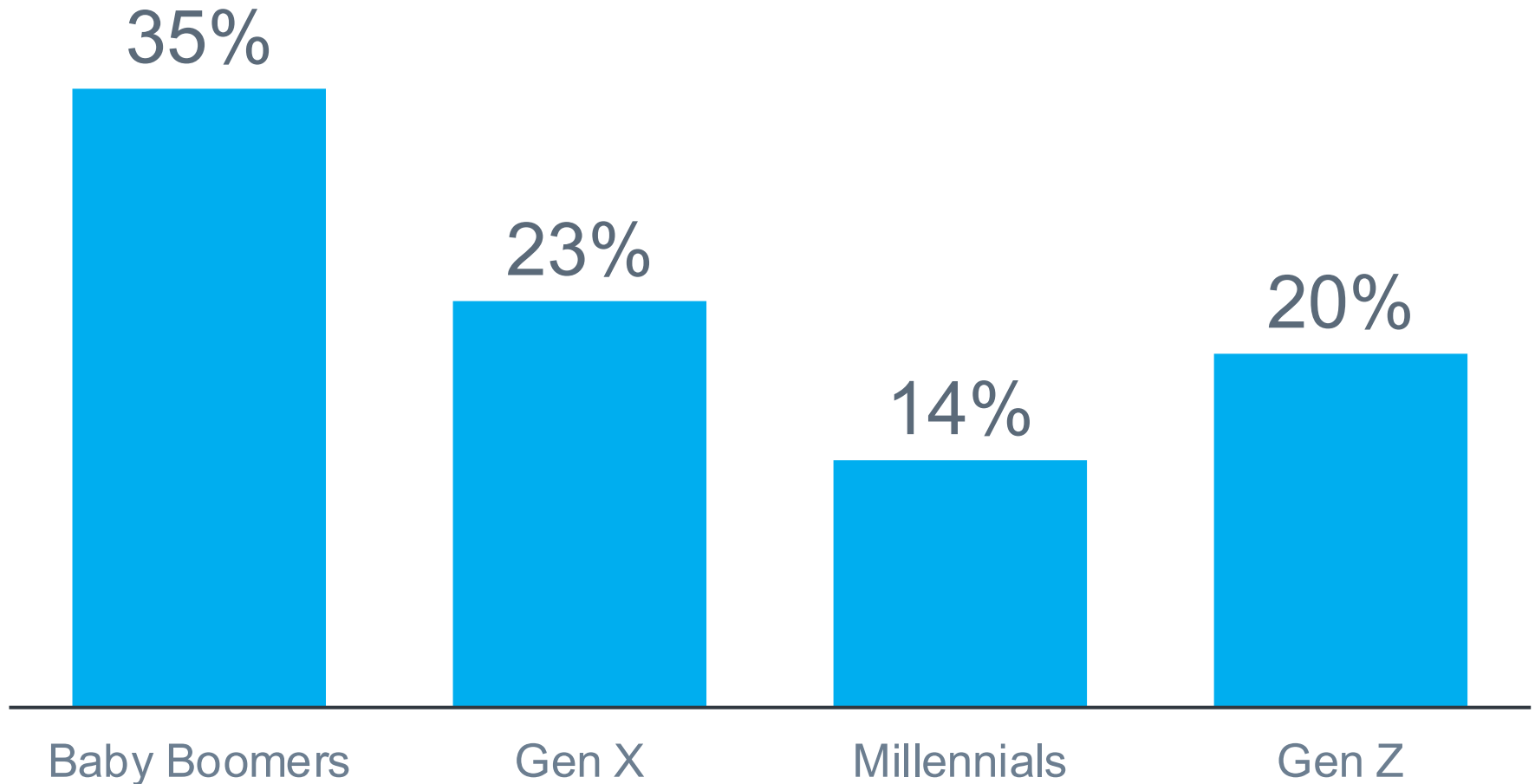


About 1 in 4 U.S. homeowners (26%) say high mortgage rates **would not impact** their decision on when to sell their home.

Of those 26% of homeowners, **43%** say it's because they would not need a mortgage to buy a new home.

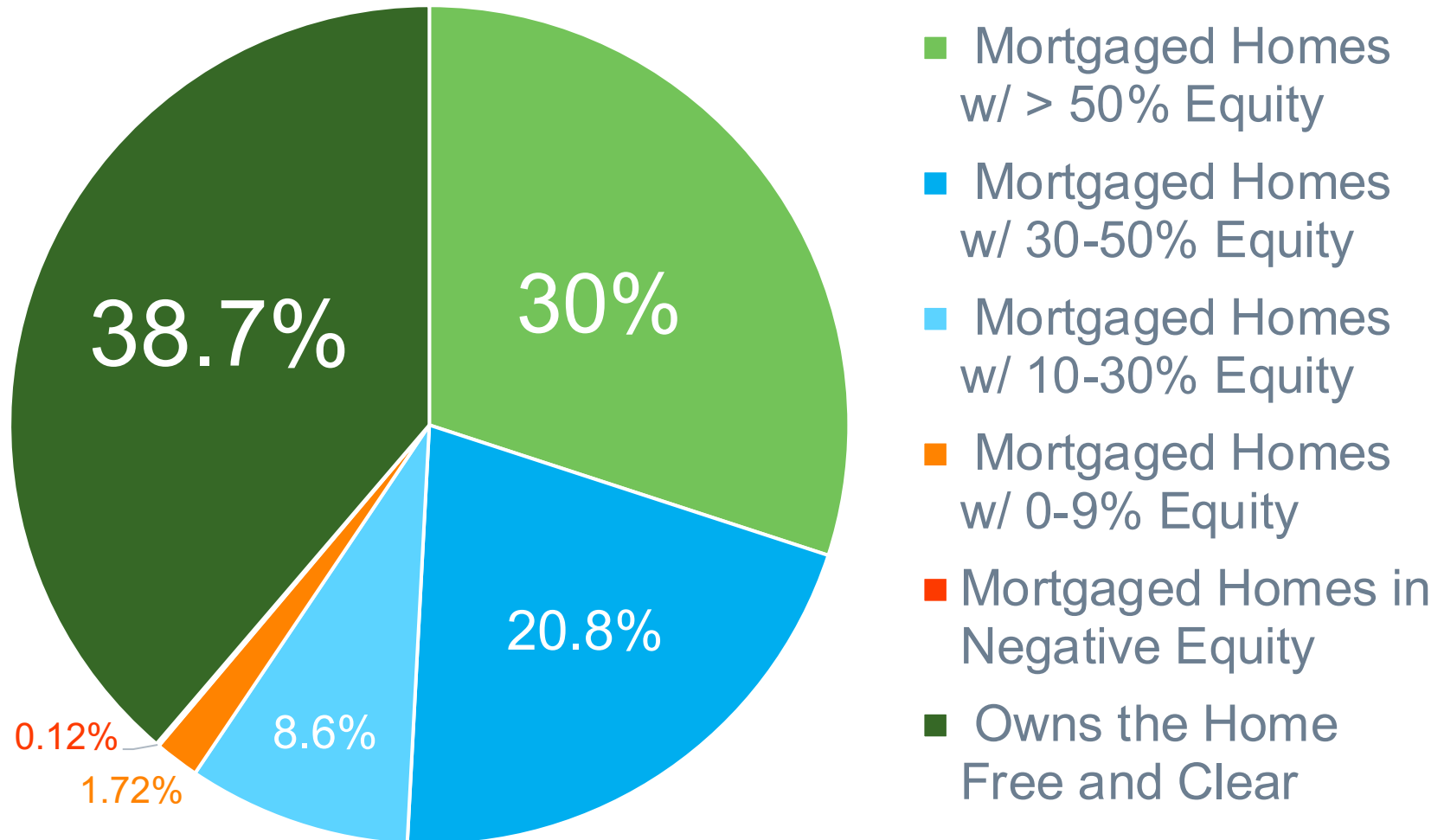
Mortgage Rates Are Less Relevant to Older Homeowners

Percent Not Impacted by Generation

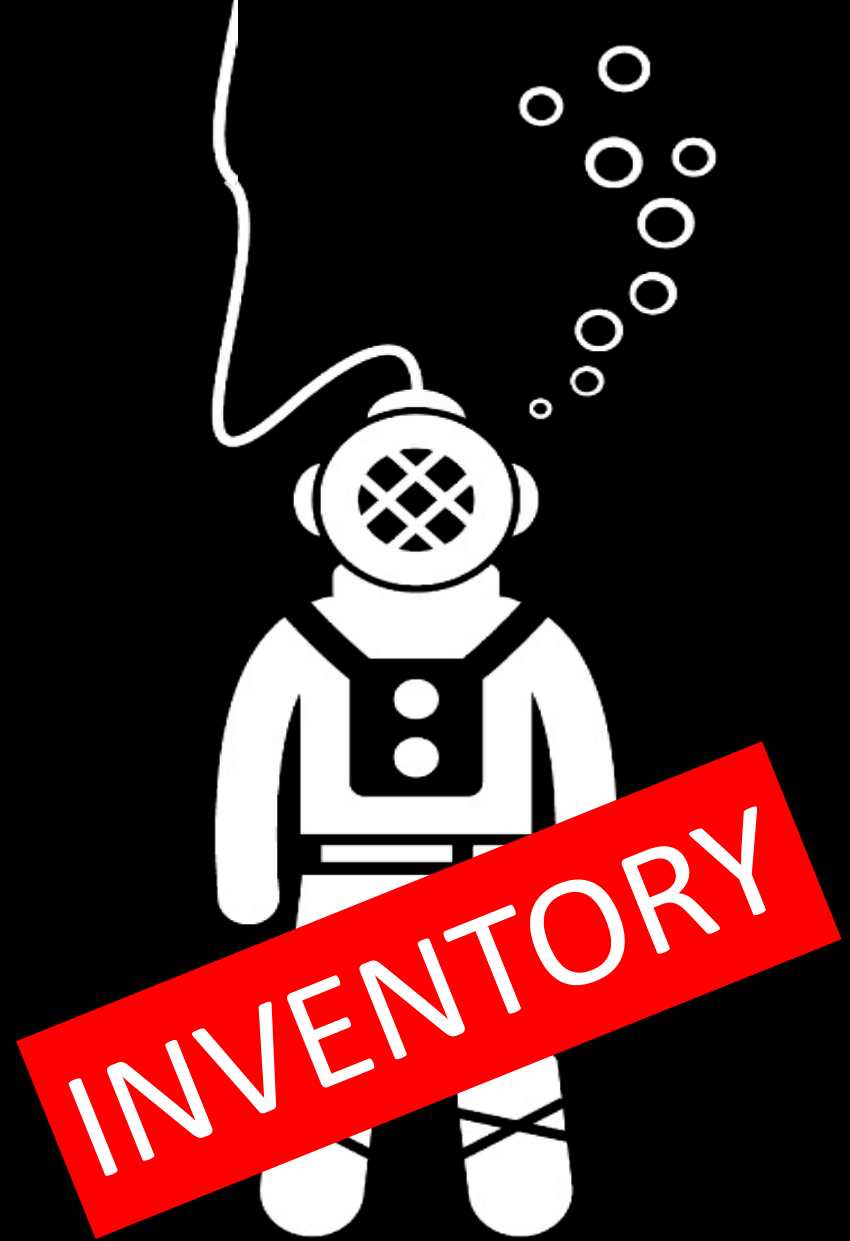


Americans Sitting on Tremendous Equity

68.7% Have Paid off Their Mortgage or Have at Least 50% Equity



THE DEEP DIVE



Most agents know
what's happening.

Good agents understand
what's happening.

Great agents can explain
what's happening.

Fall Buyer & Seller Guides: Now Available



Things To Consider When Buying a Home

FALL 2023 EDITION

Casey Myers
Real Estate Agent
Keeping Current Matters
info@keepingcurrentmatters.com
www.keepingcurrentmatters.com
(831) 787-4200

The Impact of Changing Mortgage Rates

If you're looking to buy a home, you should know even a small change in mortgage rates has an impact on your purchasing power. This chart shows how rates generally affect your monthly payment.

1% 2% 3% 4% 5% 6% 7% 8% 9% 10% 11% 12%

Why Homeownership Wins in the Long Run

Before deciding if you're going to buy a home right now, think about the advantages it can bring you in the long run.

For all current homeowners, you'd probably have a hard time finding a reason to buy a home. That's because home values are so high you expectation can really add up over the years.

Paul Picot Growth

Things To Consider When Selling Your House

FALL 2023 EDITION

Monthly Difference
\$83.09
\$184.38
\$149.55
\$205.88
\$465.89
\$526.62

Source: NAR, FHIA, Zillow, Zillow Mortgage

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Real Estate Agent
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Should I Sell My House This Fall?

With everything happening in the housing market recently, you might have some questions about selling your house. Here are a few things you might be wondering, and the answers to help you make a confident decision.

1. Should I Wait To Sell My House?

The supply of homes for sale is still low, so we're still in a seller's market today (see graph below). Selling while inventory is this low means if you price your house right, it's likely to be in high demand. The graph below puts today's inventory into perspective.

Months' Inventory of Homes for Sale

Buyers' Market (> 7 Months)
Neutral Market (6 Months)
Sellers' Market (< 6 Months)

Source: NAR

Today's Housing Inventory Is a Sweet Spot for Sellers

There aren't enough homes for sale compared to the number of people who want to buy them.

The graph below uses historical data to provide a more concrete look at how much the numbers are still lagging behind the level of inventory typical of a more normal market.

The Supply of Homes for Sale Is Still Low

Active Listings Count

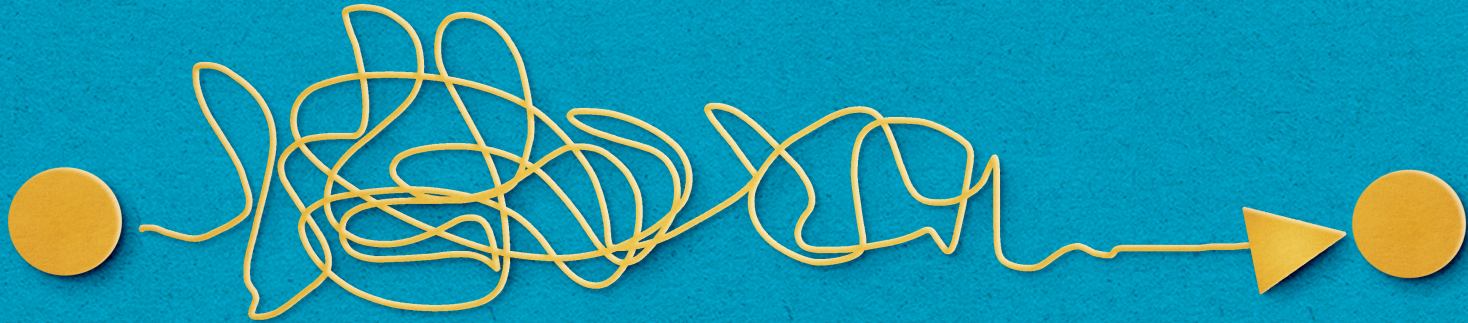
Source: Realtor.com

By excluding the 2020-2022 years not included in this graph. That's because they were abnormal years for the housing market. To make the comparison fair, those have been omitted so that the years when the housing market was normal (2017-2019), you can see that the number of homes available for sale each month is still much lower than usual.

What Does This Mean for You?

Those looking about selling your house, that low inventory is why this is a great time to list. Buyers have fewer choices now than they did in more normal years, which means your house will be in high demand. On top of that, you'll have less competition from other sellers.

Bottom Line
If you have only a few houses for sale, yours will get a lot of attention. If you've been thinking about selling, now is the time to take action. Let's talk to begin the process.



Great agents take great pride in making things easier to understand.



Resources

Slide(s)	Description	Link(s)
5, 8, 11	Existing Home Sales Graph, Inventory Graphs	https://www.nar.realtor/topics/existing-home-sales https://www.nar.realtor/newsroom/existing-home-sales-slipped-2-2-in-july
6	Yun Quote	https://www.nar.realtor/newsroom/existing-home-sales-slipped-2-2-in-july
9	SF Completions Graph	www.census.gov/construction/nrc/xls/co_cust.xls
10	Tenure Graph	https://www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers
12-15, 17	Listings Graphs	https://www.realtor.com/research/data/
16	Realtor.com Quote	https://www.realtor.com/research/july-2023-data/
19	Inflation & Rates Graph	https://www.bls.gov/cpi/ https://www.freddiemac.com/pmms
20, 21	Nepo-Homebuyers Graph & Quote	https://www.forbes.com/sites/darylfairweather/2023/08/21/nepo-homebuyers-40-of-under-30s-received-family-money-for-down-payment/?sh=260546012738

Resources

Slide(s)	Description	Link(s)
23, 25, 26	Consumer Confidence Graphs	https://www.fanniemae.com/research-and-insights/surveys-indices/national-housing-survey/national-housing-survey-archive
27	M-O-M Home Prices Graph 1	https://www.spglobal.com/spdji/en/indices/indicators/sp-corelogic-case-shiller-us-national-home-price-nsa-index/#news-research https://www.fhfa.gov/DataTools/Downloads/Pages/House-Price-Index.aspx https://www.corelogic.com/category/intelligence/reports/home-price-insights/
28	M-O-M Home Prices Graph 2	https://www.freddiemac.com/research/indices/house-price-index https://www.blackknightinc.com/data-reports/? https://www.zillow.com/research/data/
29, 30	HPES	https://pulsenomics.com/surveys/#home-price-expectations

Resources

Slide(s)	Description	Link(s)
31	Price Forecasts Table	<p>https://pulsenomics.com/surveys/#home-price-expectations https://www.zillow.com/research/housing-market-challenges-32923/ https://www.zillow.com/research/data/ https://www.corelogic.com/intelligence/us-home-price-insights-july-2023/ www.mba.org https://www.fanniemae.com/research-and-insights/forecast https://twitter.com/NewsLambert/status/1671900591113609216 (Morgan Stanley) https://twitter.com/NewsLambert/status/1671556169712672768 (AEI) https://twitter.com/NewsLambert/status/1686959362563092480 (Wells Fargo) https://twitter.com/NewsLambert/status/1691799764466008217 (Goldman Sachs) https://ustoday.news/a-20-drop-in-house-prices-7-forecast-models-tend-to-crash-here-the-other-13-models-show-the-housing-market-in-2023/ (Wells Fargo)</p>

Resources

Slide(s)	Description	Link(s)
32, 33	Price Movement Graphs	https://www.spglobal.com/spdji/en/indices/indicators/sp-corelogic-case-shiller-us-national-home-price-nsa-index/#overview
35, 36	Rate Lock Graphs	https://www.fhfa.gov/DataTools/Downloads/Pages/National-Mortgage-Database-Aggregate-Data.aspx
37, 38	Rate Relevancy by Age	https://www.creditkarma.com/about/commentary/mortgage-rate-fears-are-very-real-but-not-as-much-for-older-homeowners
39	Equity Pie Chart	https://data.census.gov/cedsci/all?q=mortgage https://www.attomdata.com/news/market-trends/home-sales-prices/attom-q2-2023-u-s-home-equity-and-underwater-report/ https://www.fhfa.gov/Media/Blog/Pages/Homeowners-Equity-Remains-High.aspx



Updates

Resources

Slide(s)	Description	Link(s)
52	Confidence Index	https://www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index
53-55, 63, 65, 66, 73-77	Existing Home Sales	https://www.nar.realtor/topics/existing-home-sales
56-59	New Home Sales	http://www.census.gov/construction/nrs/pdf/newressales.pdf http://www.census.gov/newhomesales
60	Total Home Sales	http://www.census.gov/construction/nrs/pdf/newressales.pdf https://www.nar.realtor/topics/existing-home-sales
61, 62	Pending Home Sales	https://www.nar.realtor/research-and-statistics/housing-statistics/pending-home-sales
67-69	Case Shiller	https://www.spglobal.com/spdji/en/indices/indicators/sp-corelogic-case-shiller-20-city-composite-home-price-nsa-index/#news-research
70	CoreLogic Price Forecast	https://www.corelogic.com/intelligence/u-s-home-price-insights/

Resources

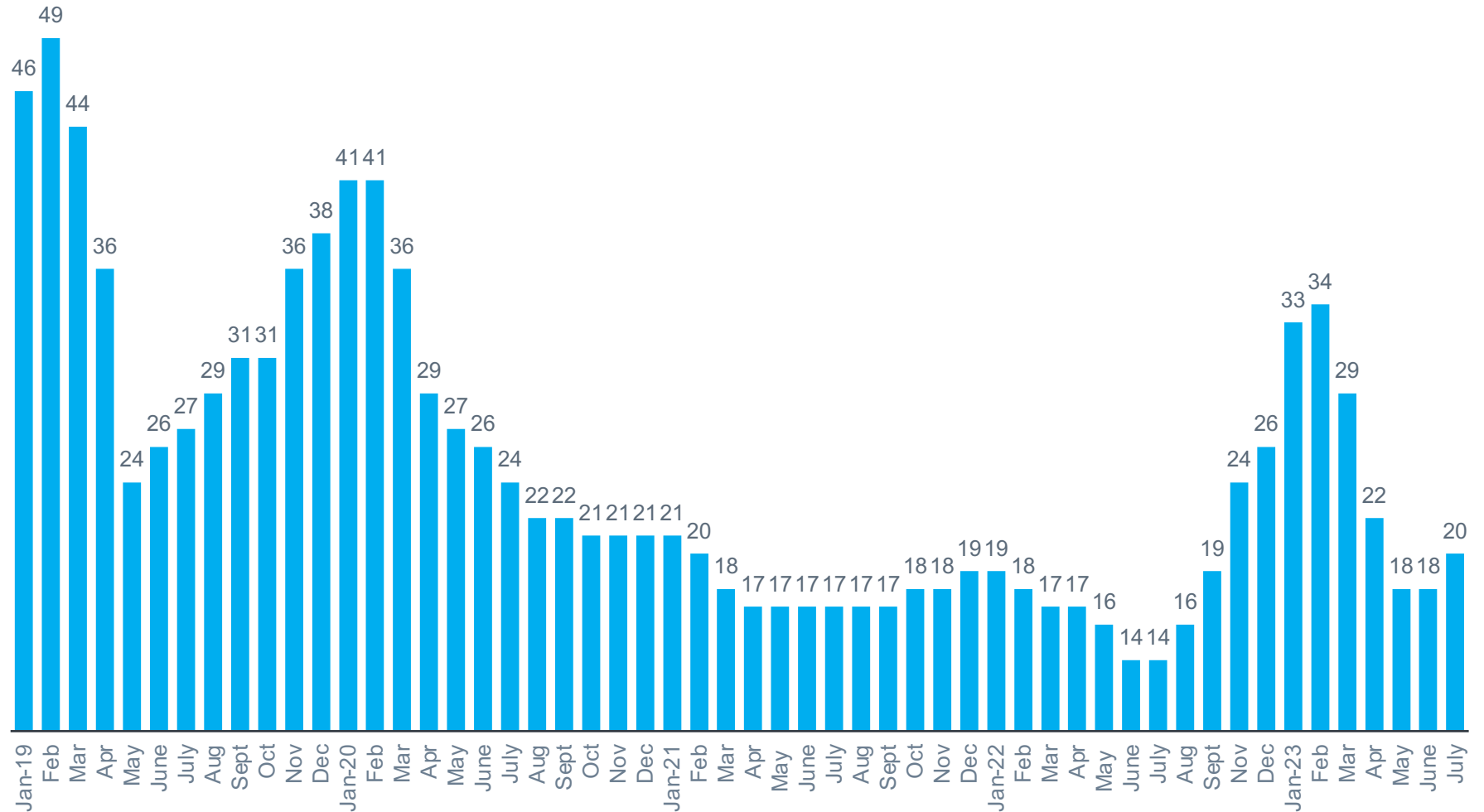
Slide(s)	Description	Link(s)
72-79	Inventory	https://www.nar.realtor/topics/existing-home-sales http://www.census.gov/construction/nrs/pdf/newressales.pdf https://www.realtor.com/research/data/
81	Showing Activity	https://www.showingtime.com/blog/
83, 84, 86, 87	Mortgage Rates	http://www.freddiemac.com/pmms/pmms_archives.html http://www.freddiemac.com/research/forecast/ https://www.mba.org/news-research-and-resources/research-and-economics/forecasts-and-commentary
85	Mortgage Rate Projections	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
89, 90	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



Home Sales

Average Days on the Market

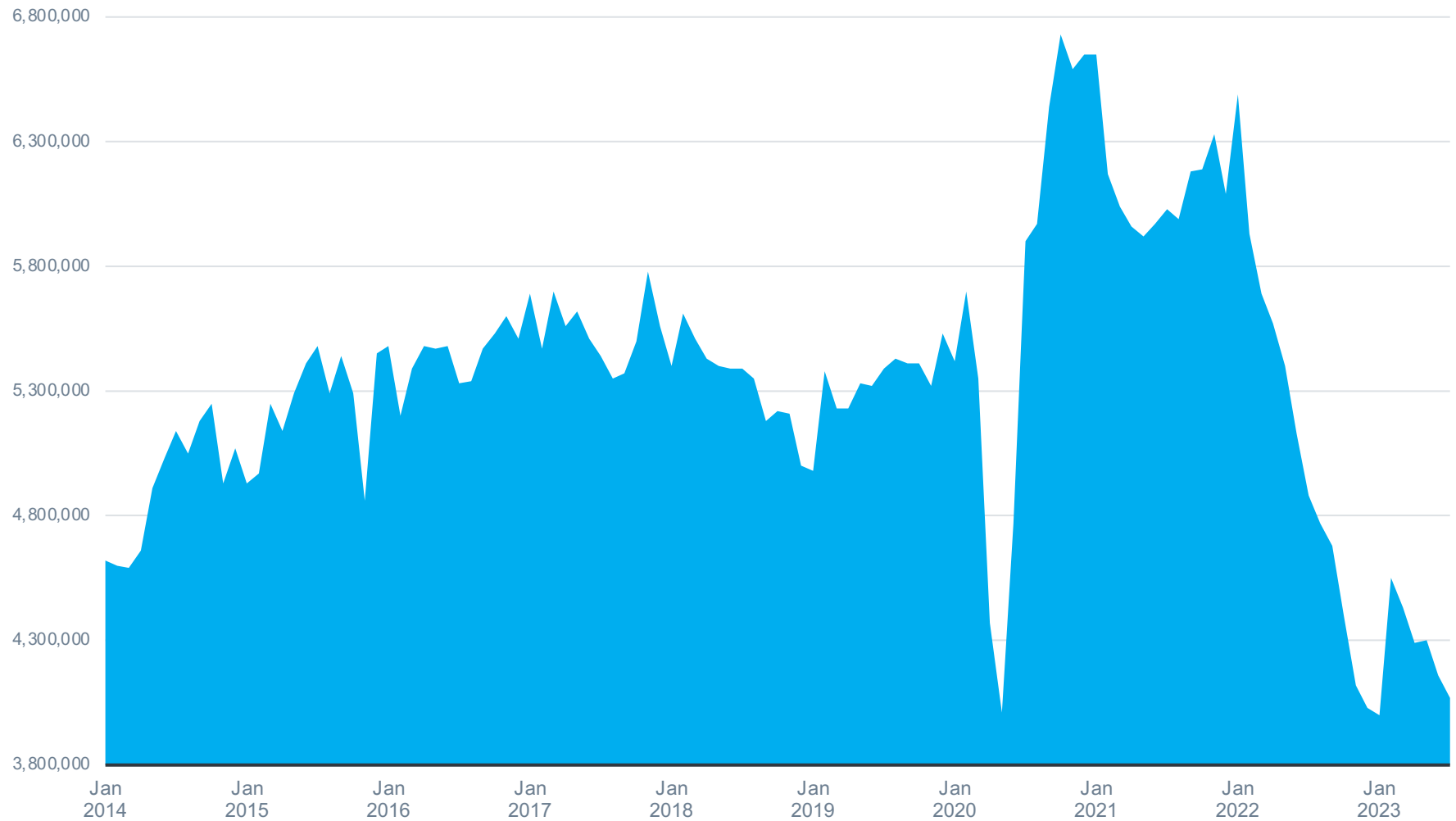
July 2023



Source: NAR

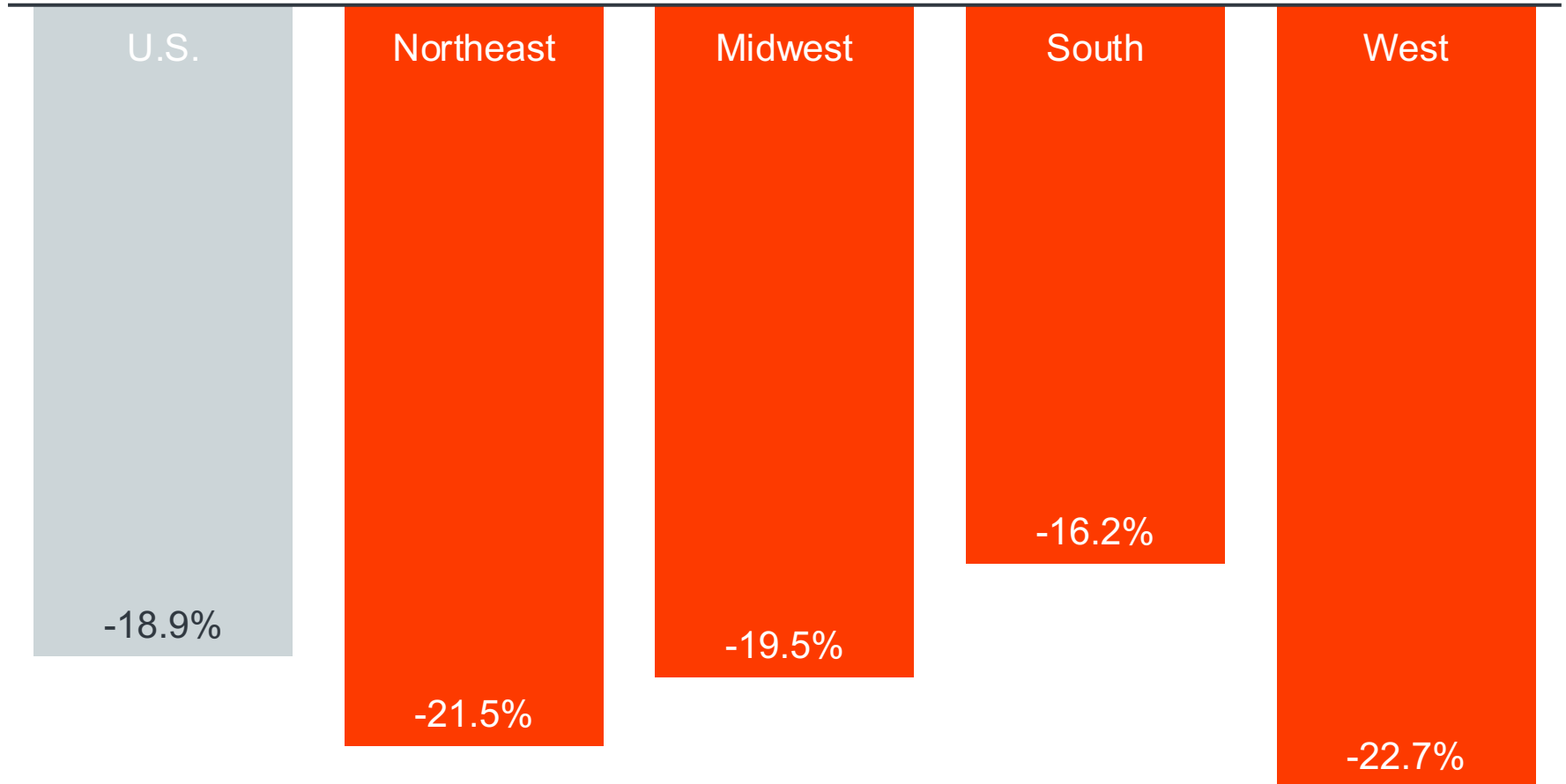
Existing Home Sales

Since January 2014



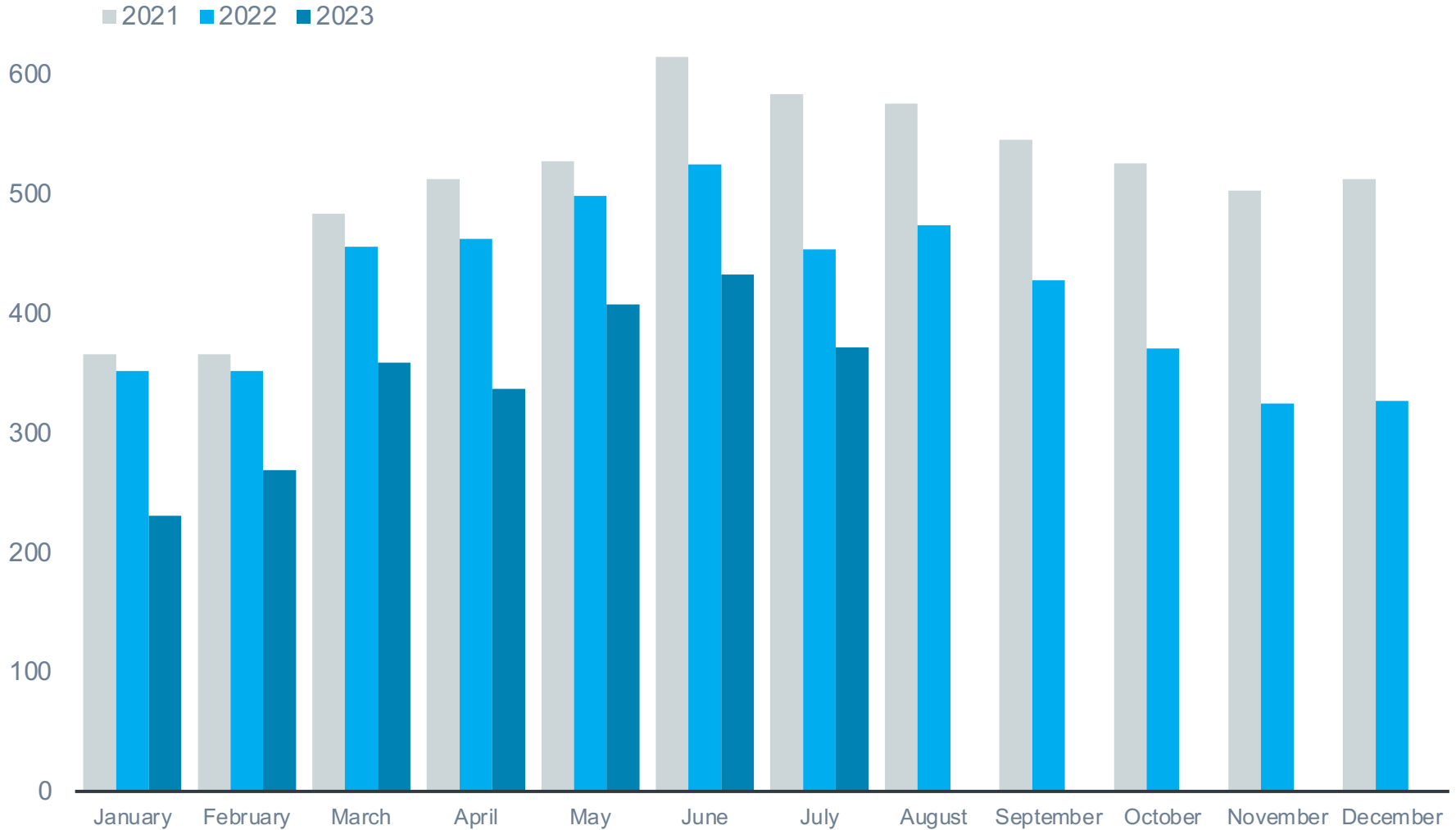
Existing Home Sales

Year-Over-Year, by Region



Existing Home Sales

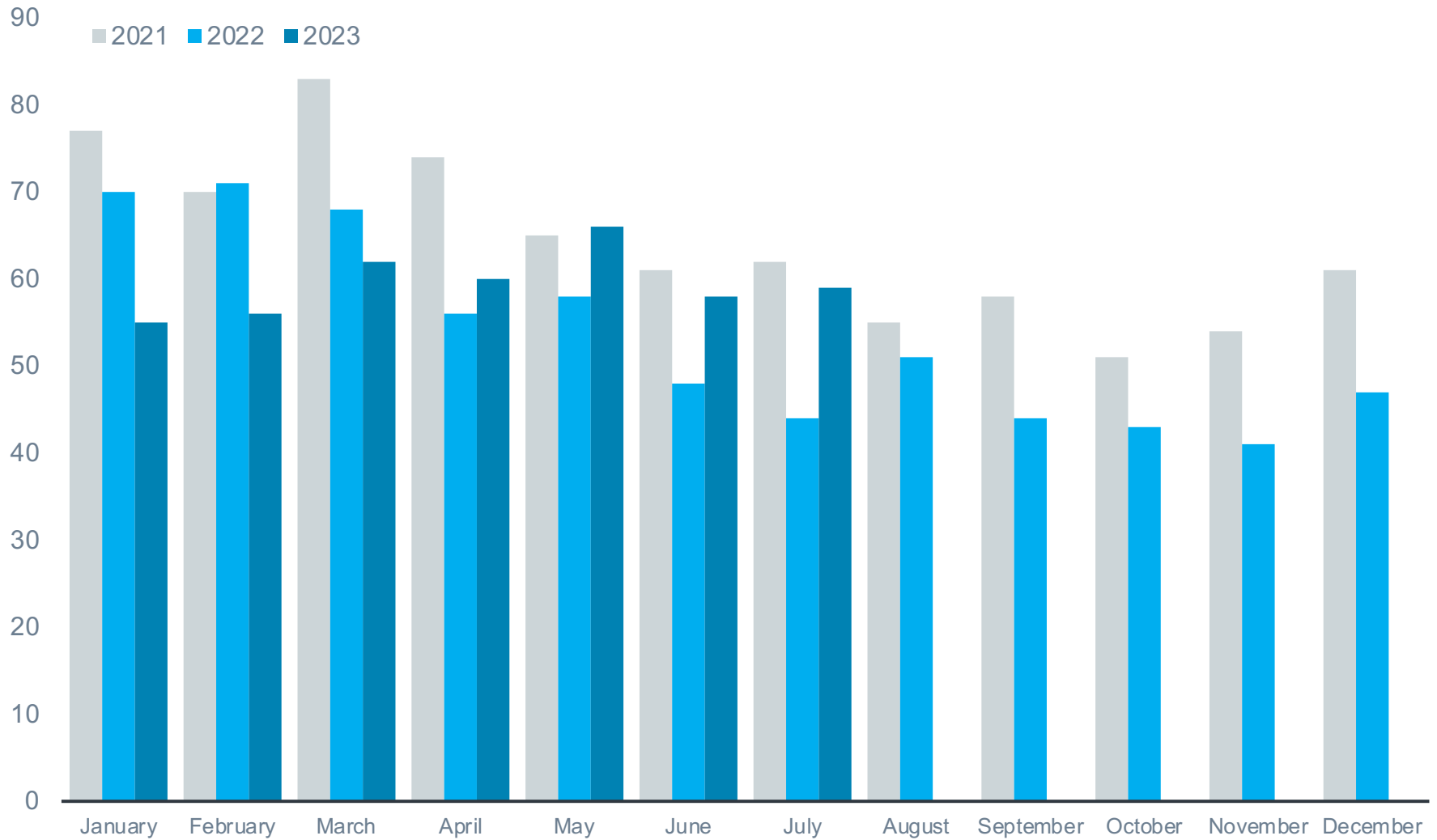
In Thousands



Source: NAR

New Home Sales

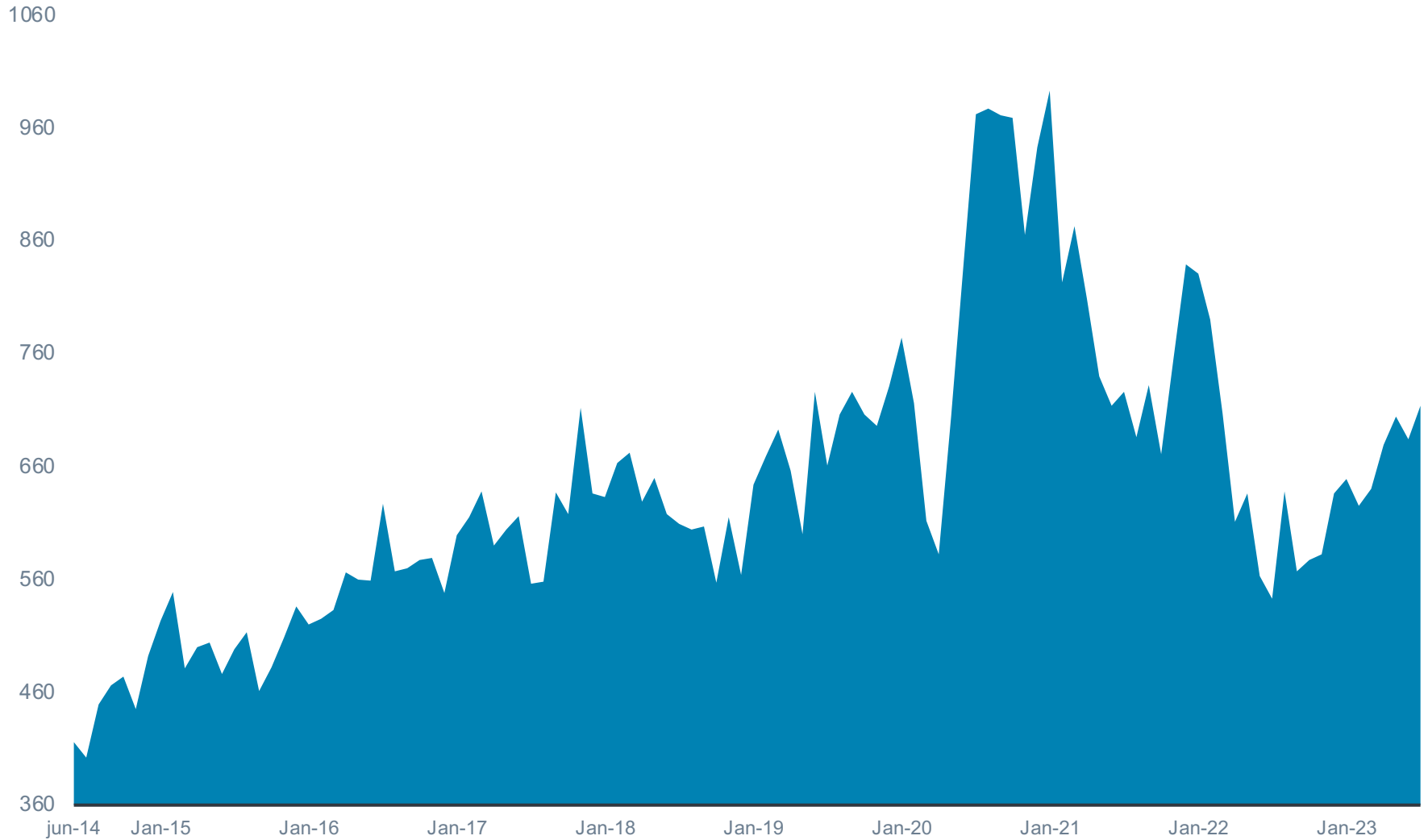
In Thousands



Source: Census

New Home Sales

Annualized in Thousands

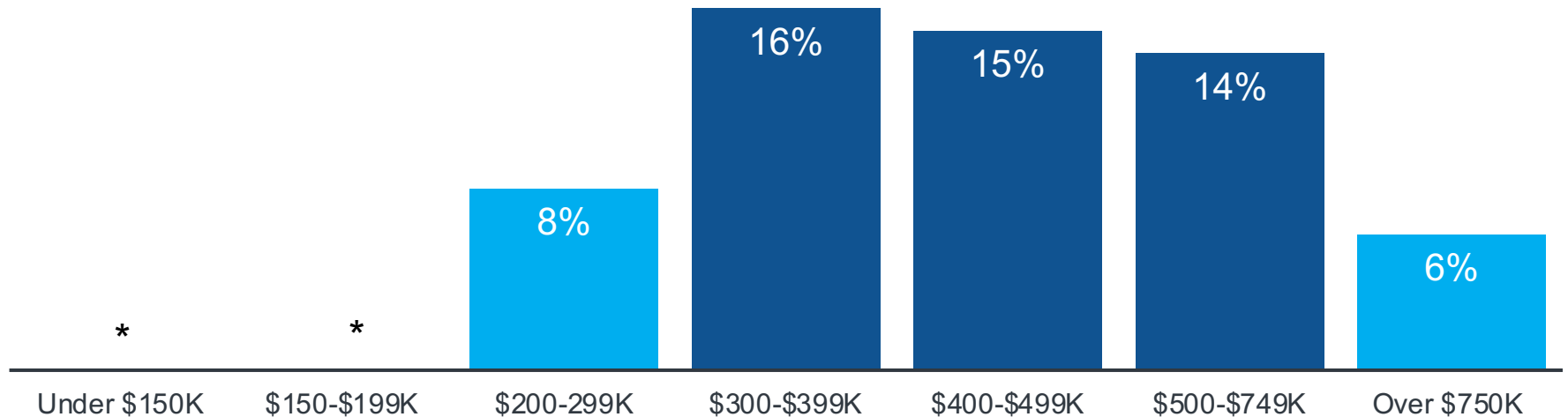


Source: Census

New Home Sales

Percent of Distribution by Price Range

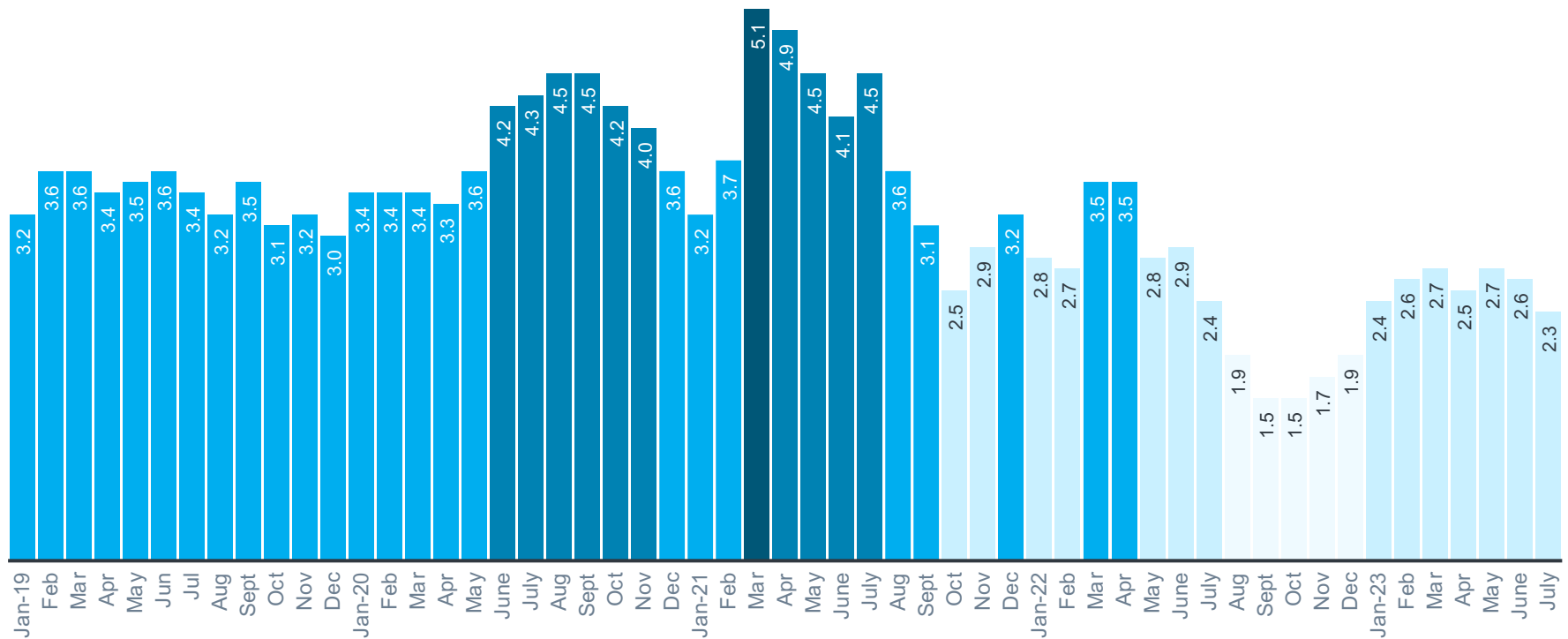
* Less Than 500 Units or Less Than 0.5 Percent



Source: Census

New Homes Selling Fast

Median Months from Completion to Sold

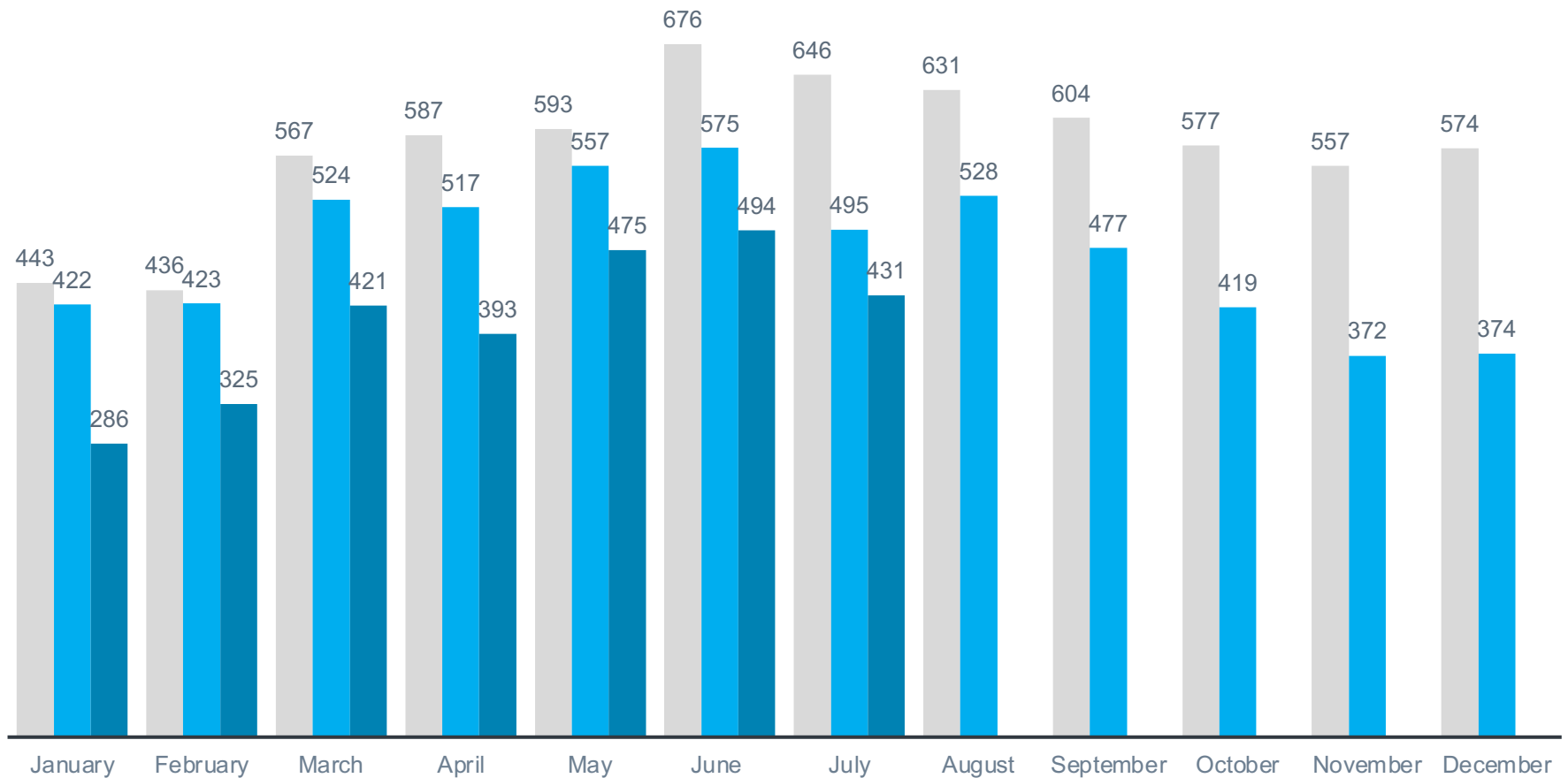


Source: Census

Total Home Sales

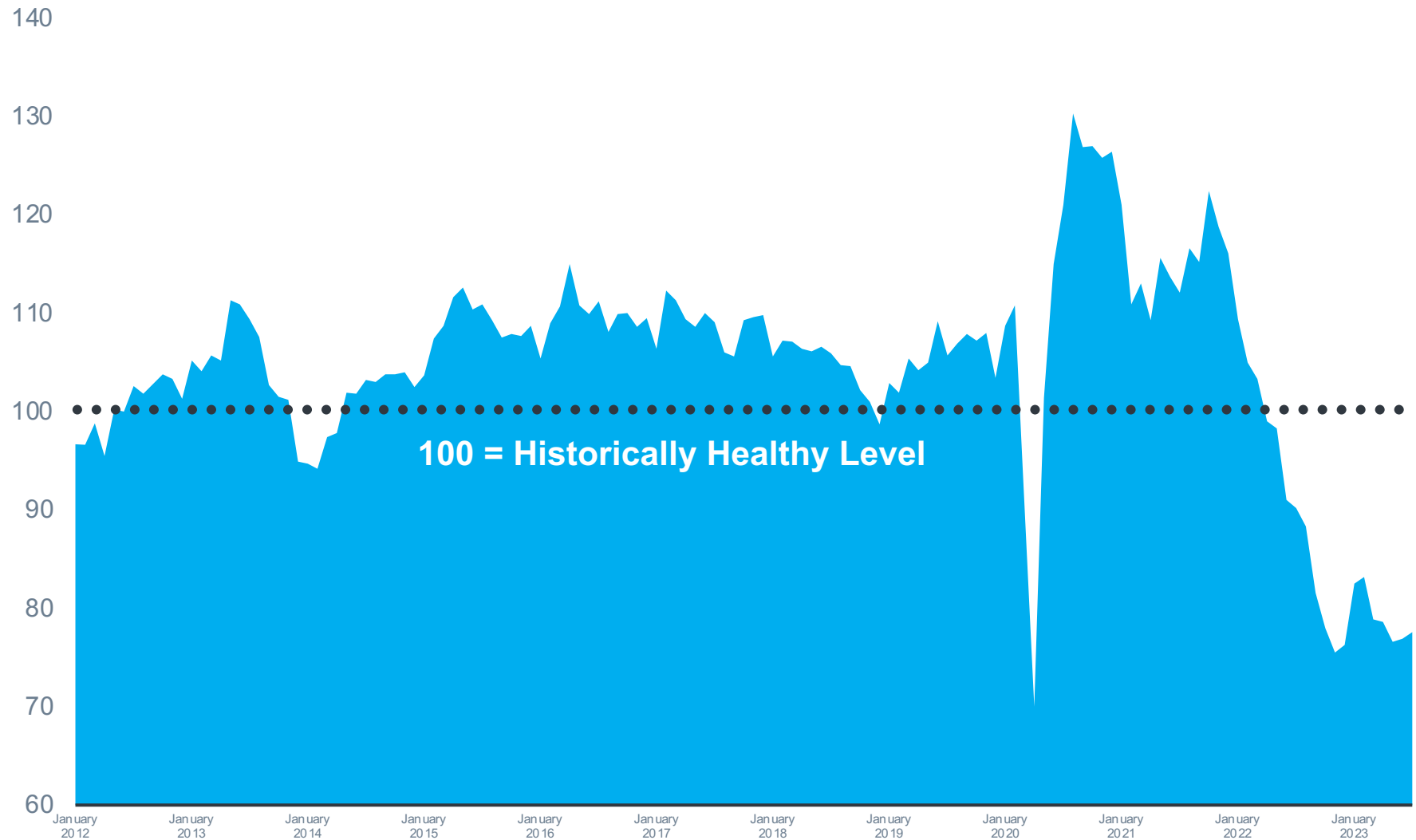
In Thousands

■ 2021 ■ 2022 ■ 2023



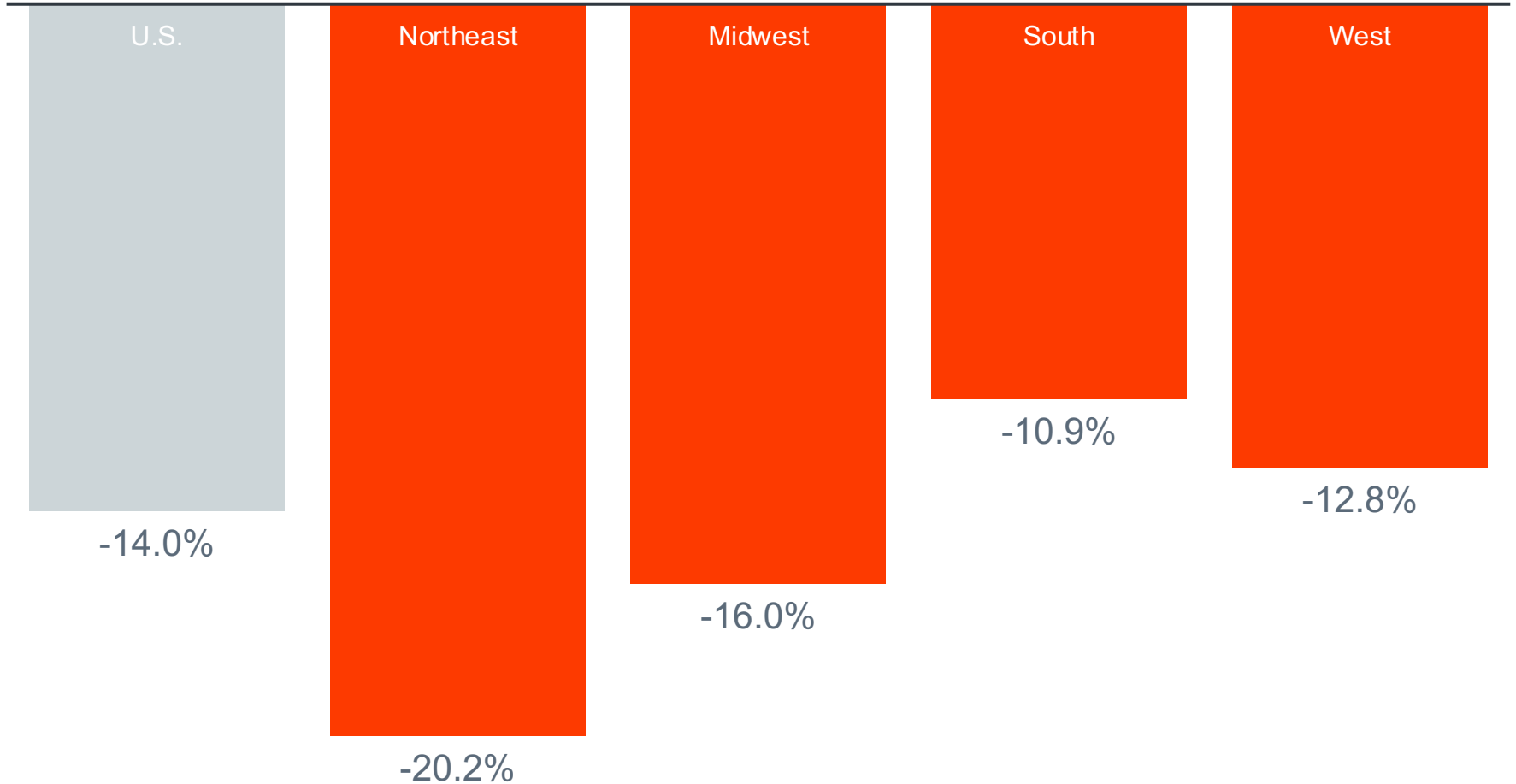
Source: Census

Pending Home Sales



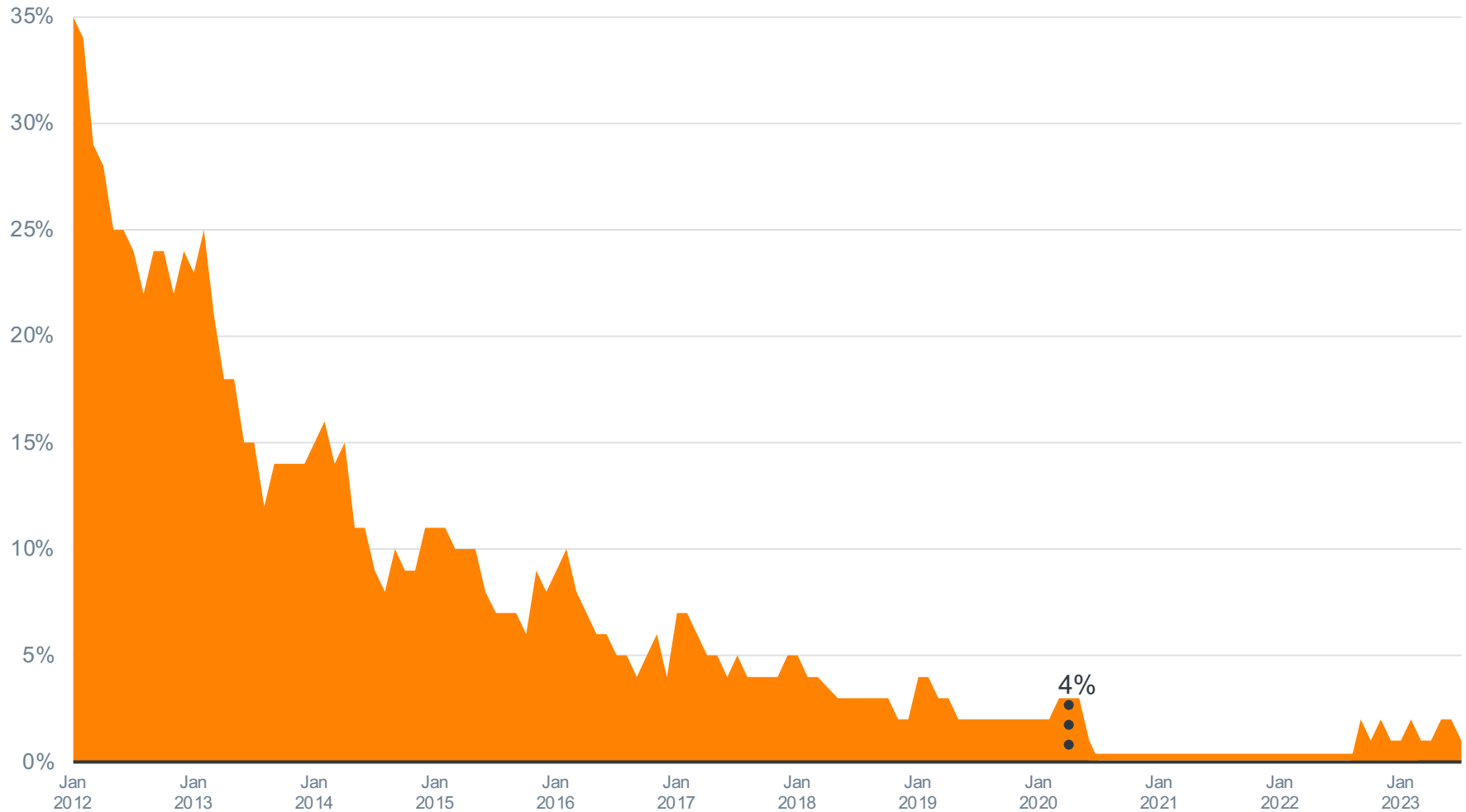
Pending Home Sales

Year-Over-Year by Region



Percentage of Distressed Property Sales

Distressed sales (*Foreclosures and Short Sales*) represented 1% of sales in July.

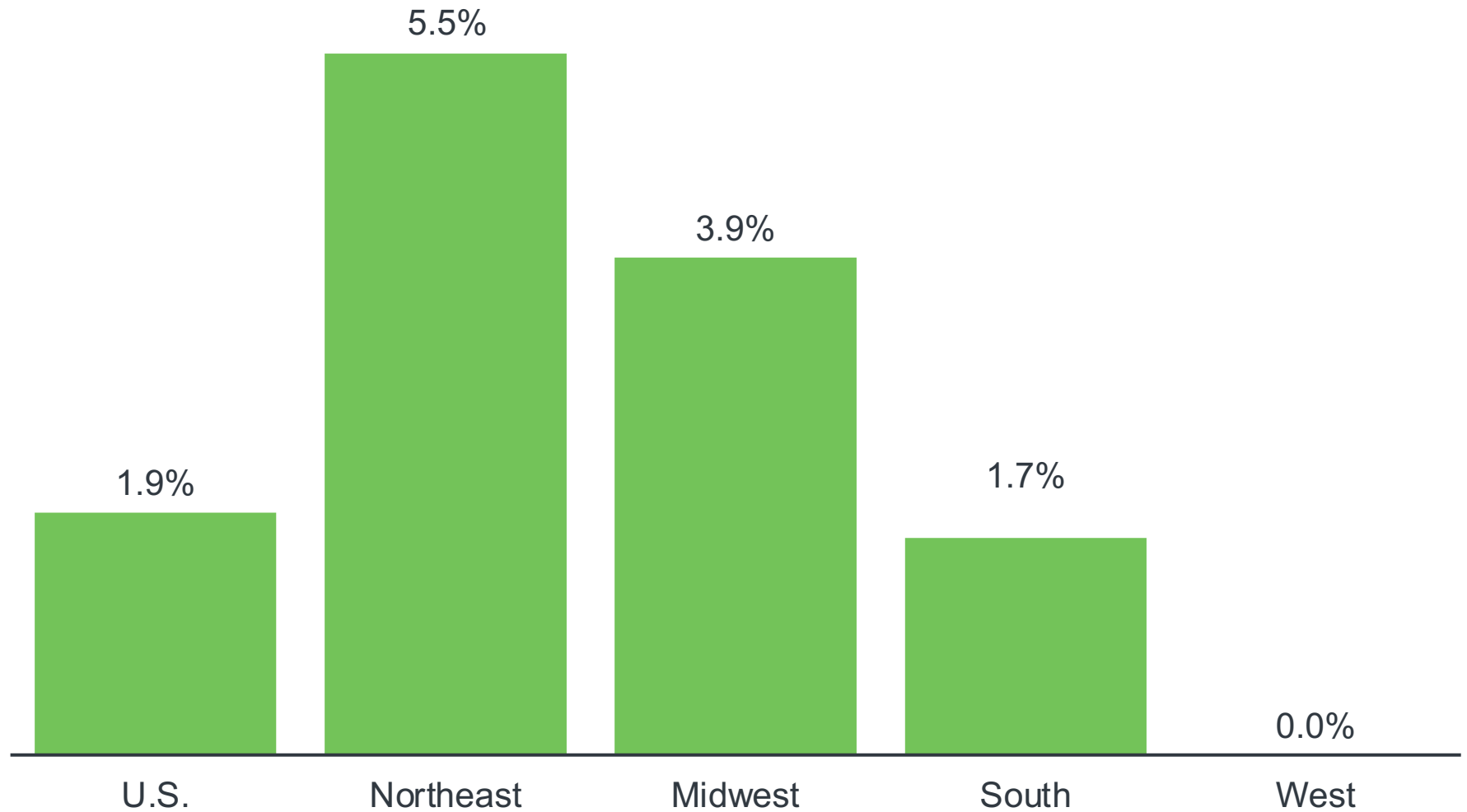




Home Prices

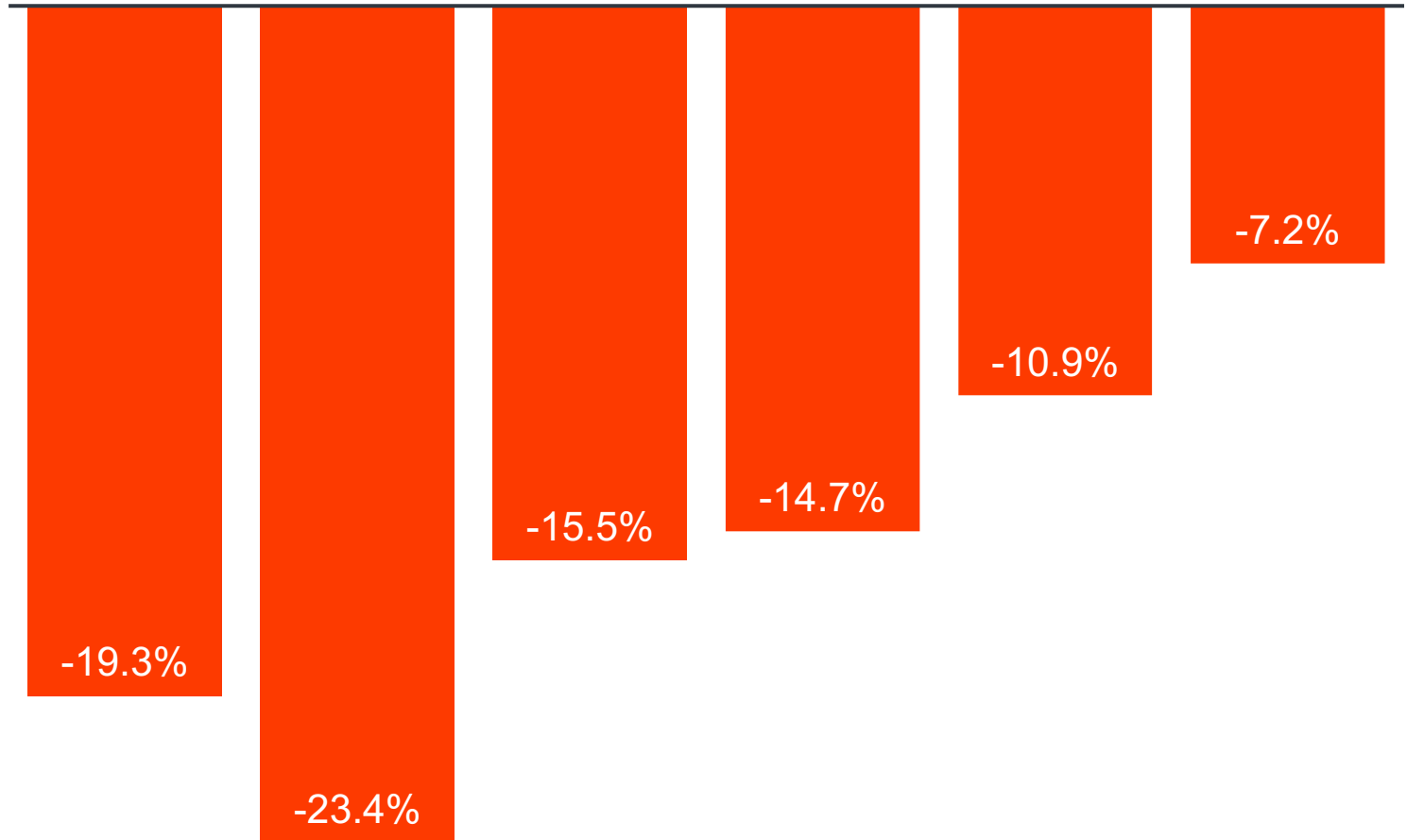
Sales Price of Existing Homes

Year-Over-Year, by Region



% Change in Sales

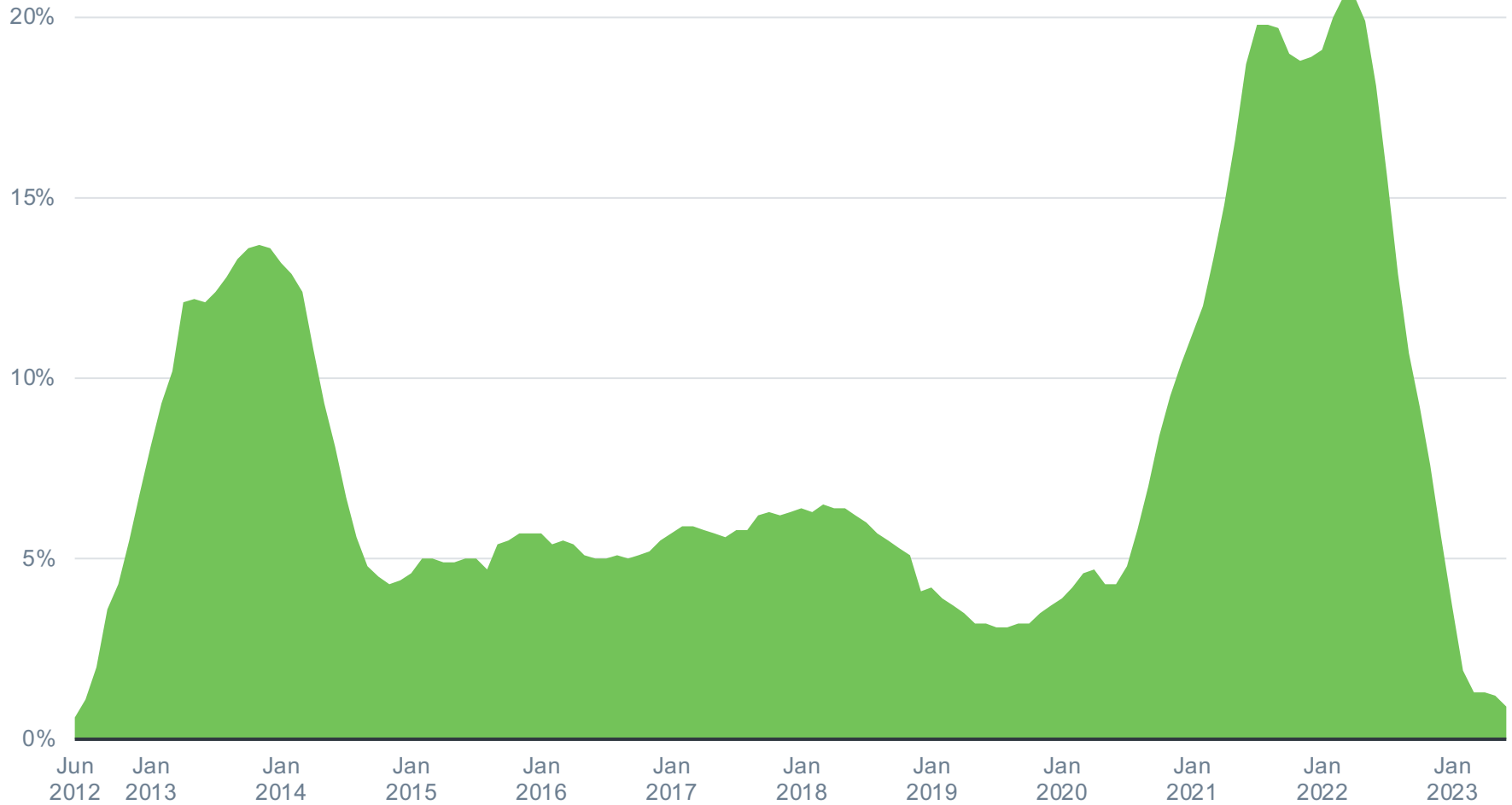
Year-Over-Year, by Price Range



	\$0-100K	\$100-250K	\$250-500K	\$500-750K	\$750K-1M	\$1M+
■ % change in sales	-19.3%	-23.4%	-15.5%	-14.7%	-10.9%	-7.2%

Change in Home Prices

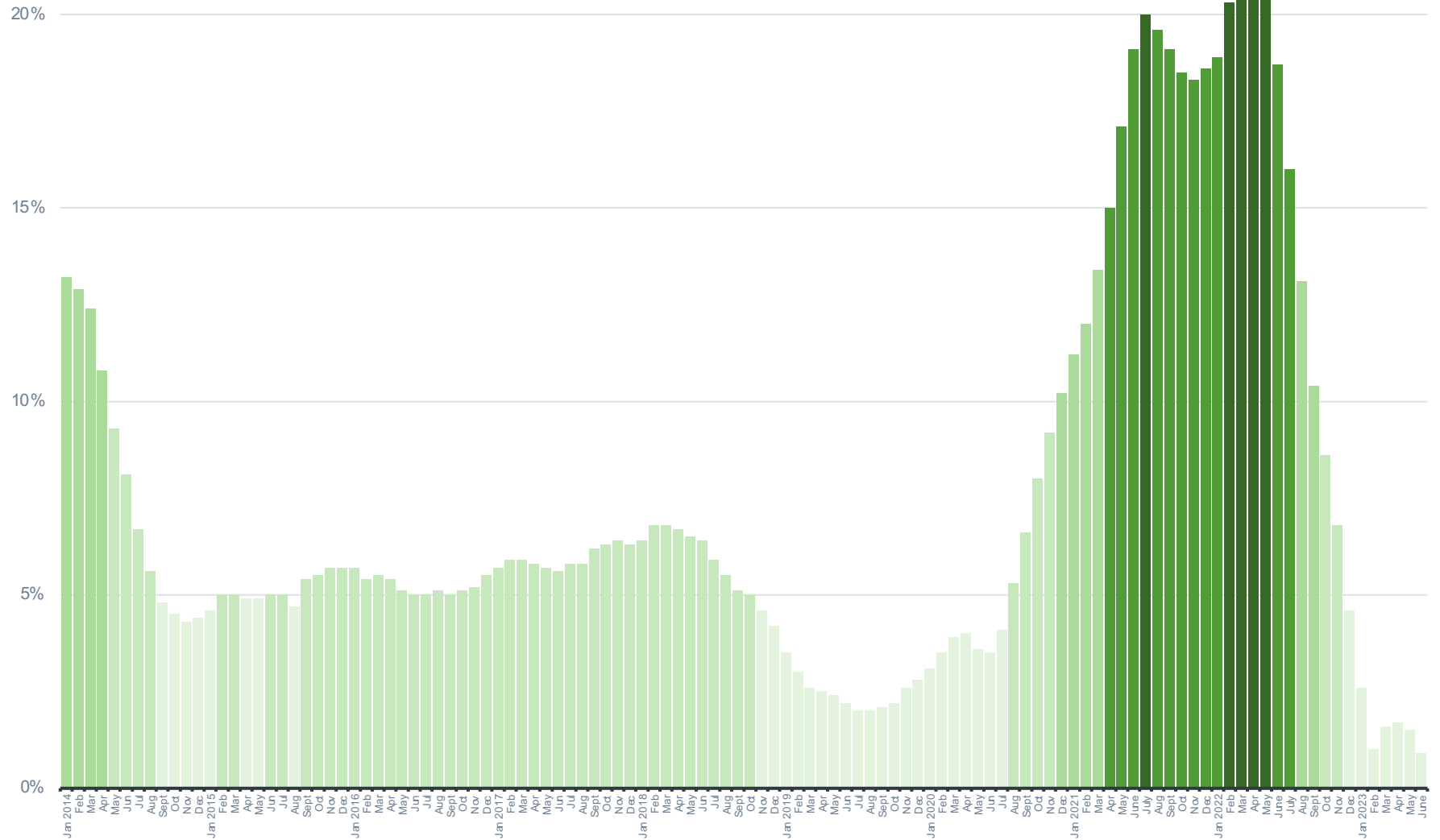
Year-Over-Year



Source: S&P Case-Shiller

Change in Home Prices

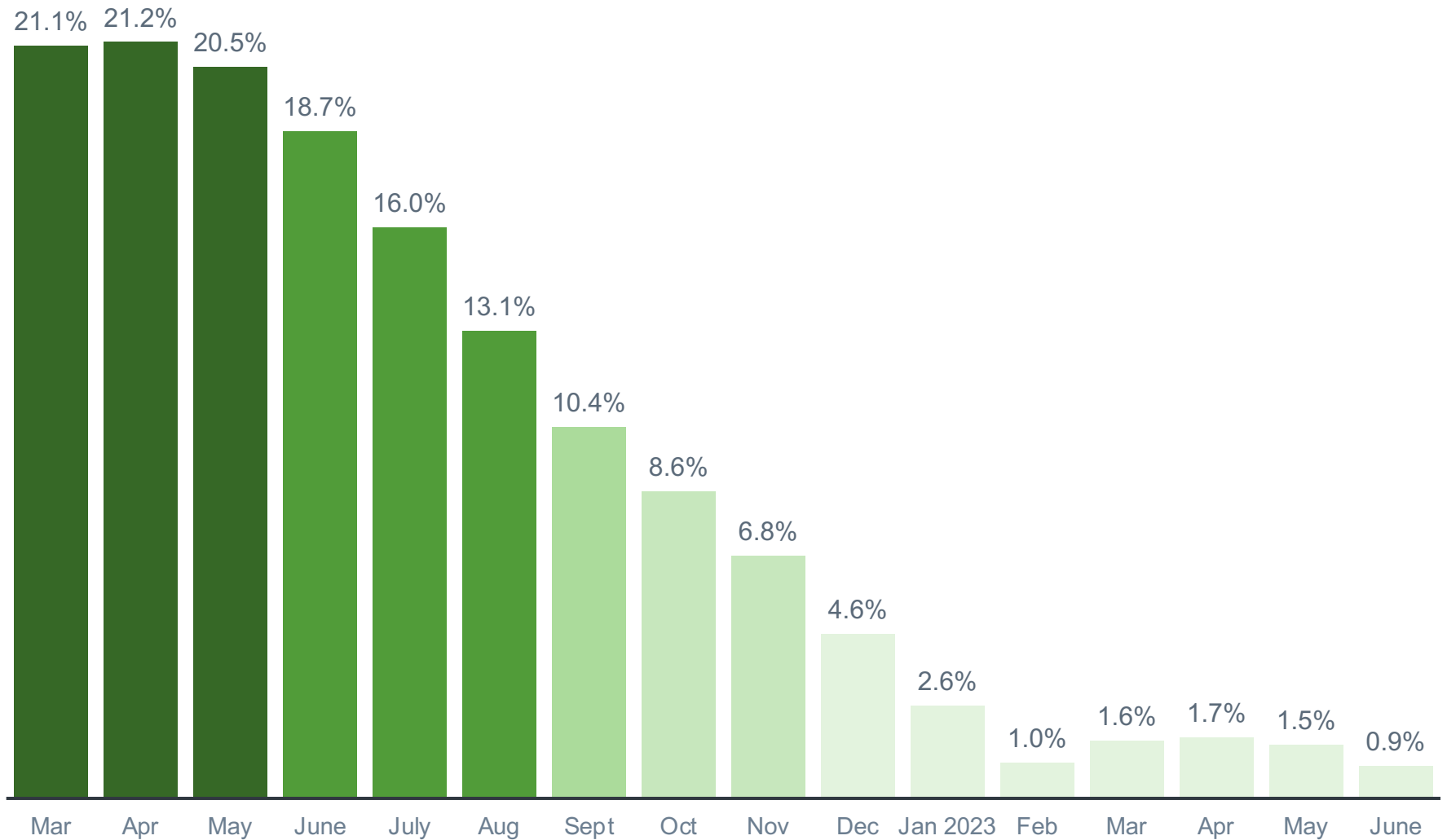
Year-Over-Year, 20 City Composite



Source: S&P Case-Shiller

Change in Home Prices

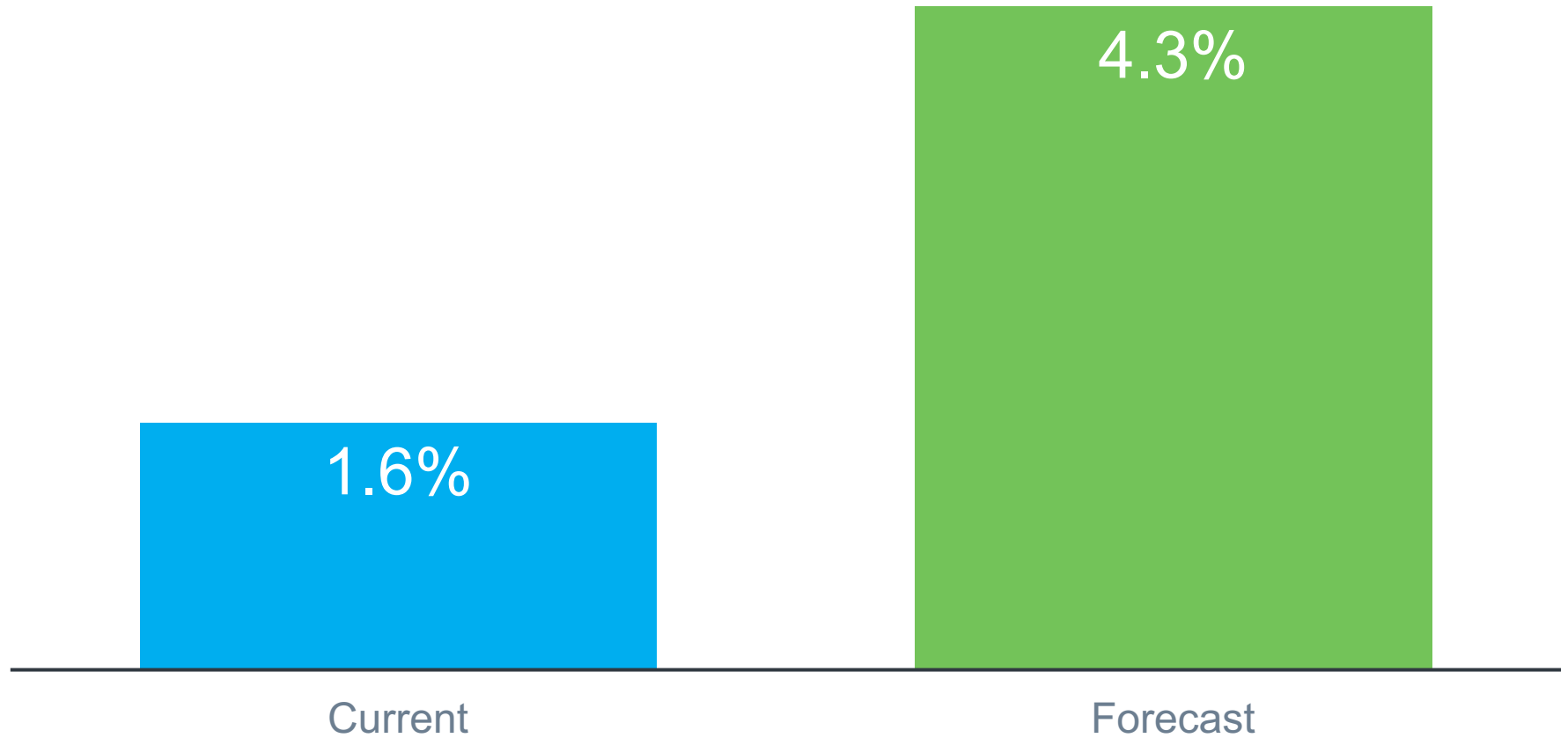
Year-Over-Year, 20 City Composite



Source: S&P Case-Shiller

Year-Over-Year % Change in Price

US Home Price Insights – June 2023

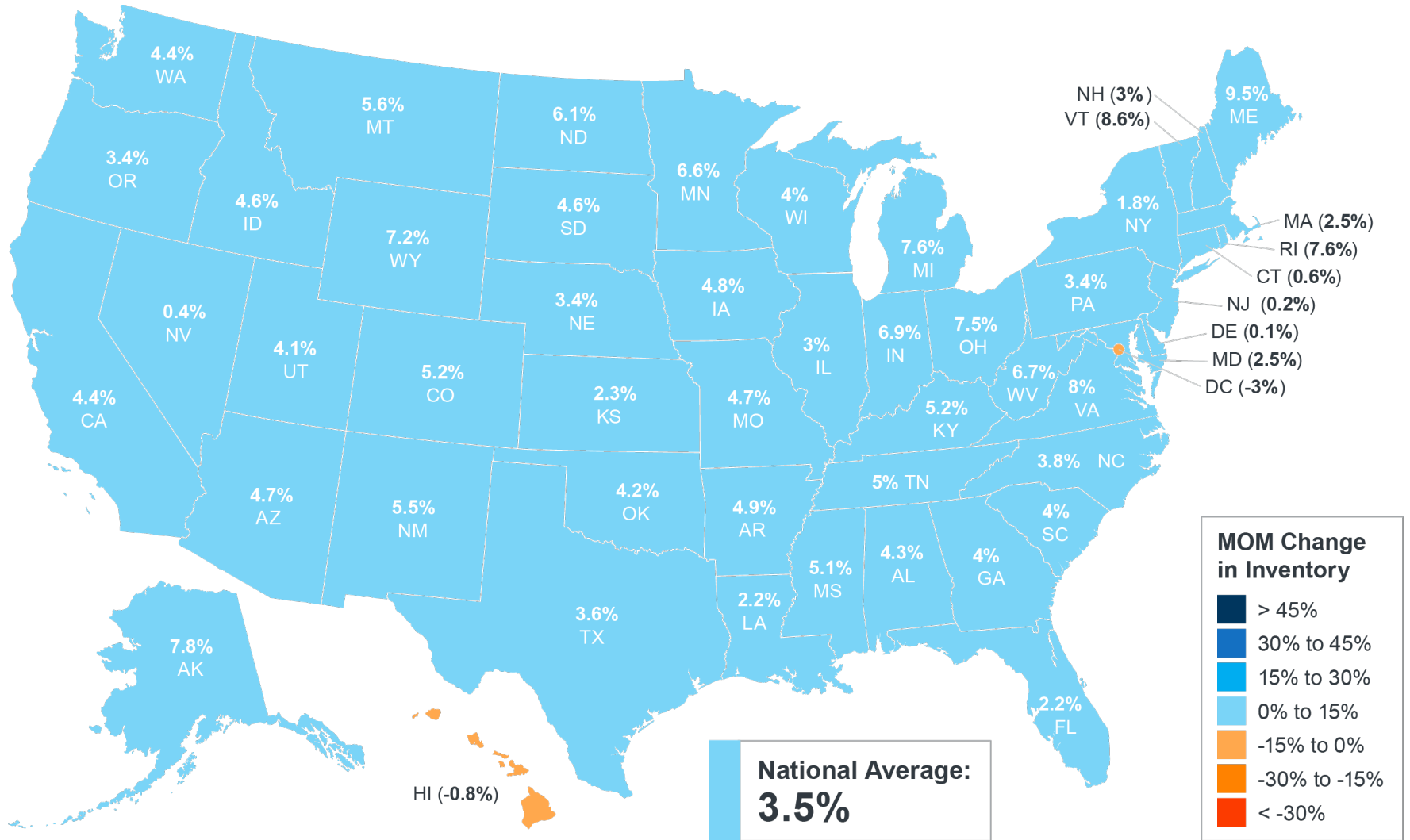




Housing Inventory

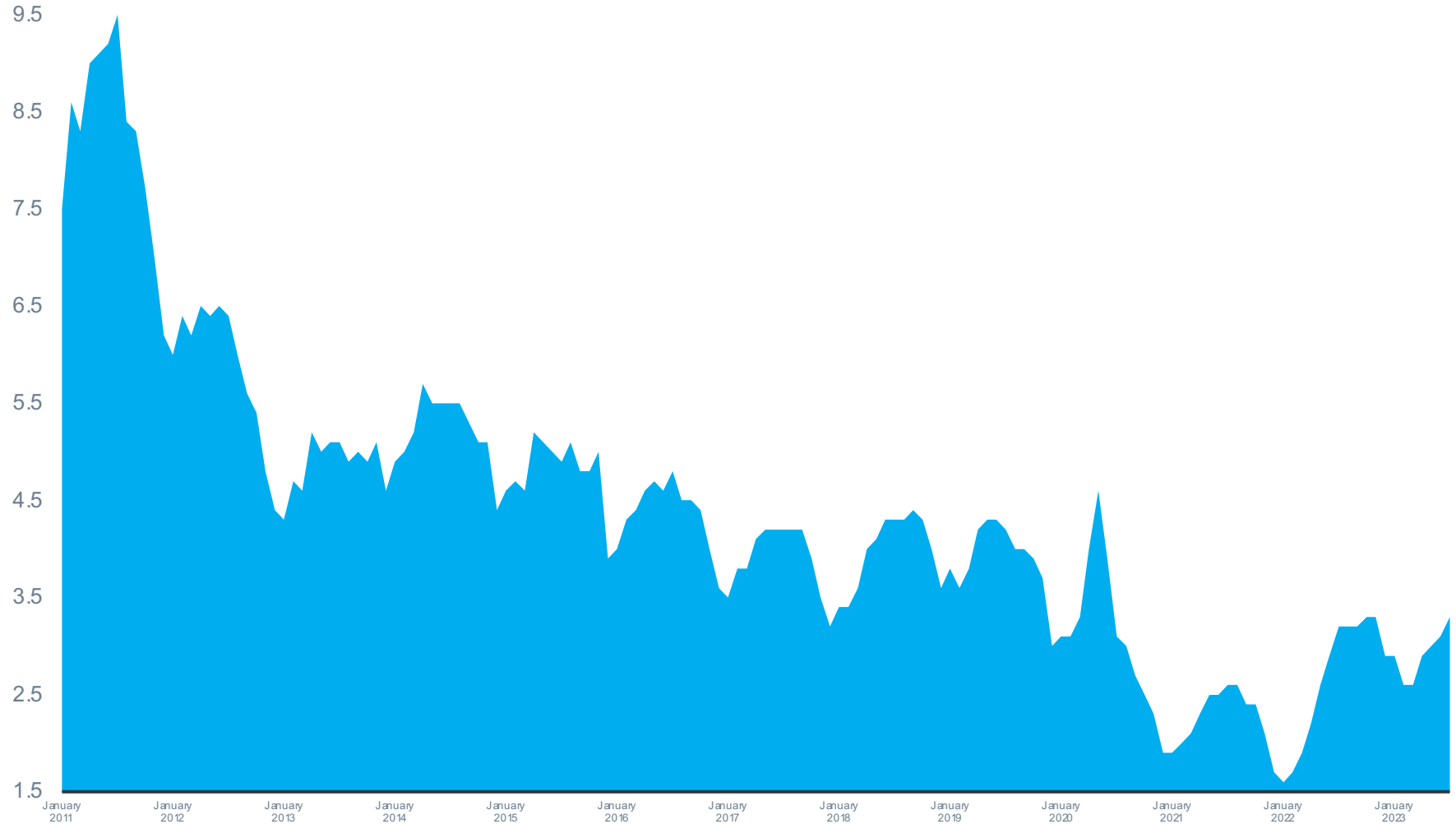
Change in Inventory

Month-Over-Month, August 2023



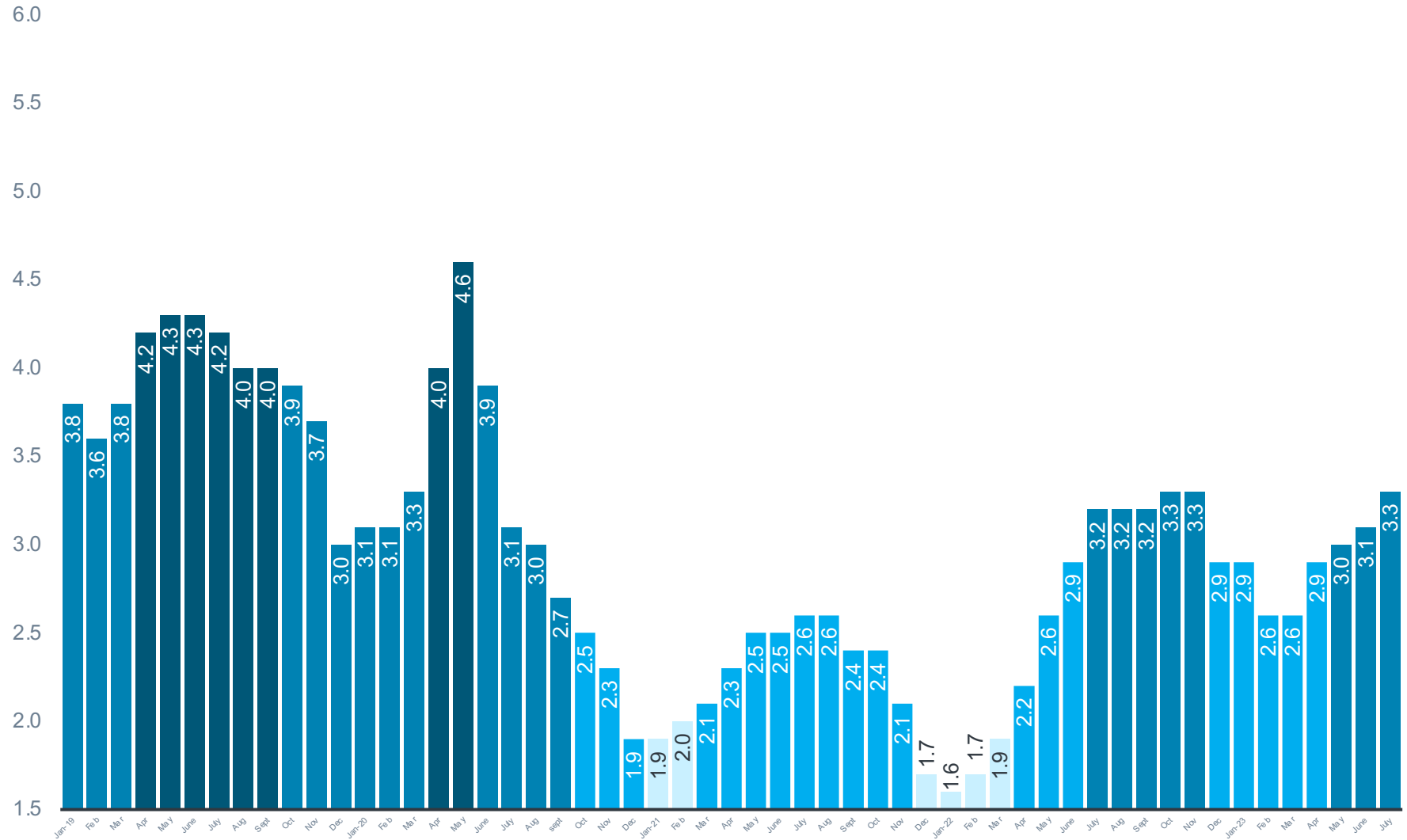
Months Inventory of Homes for Sale

2011 - Today



Months Inventory of Homes for Sale

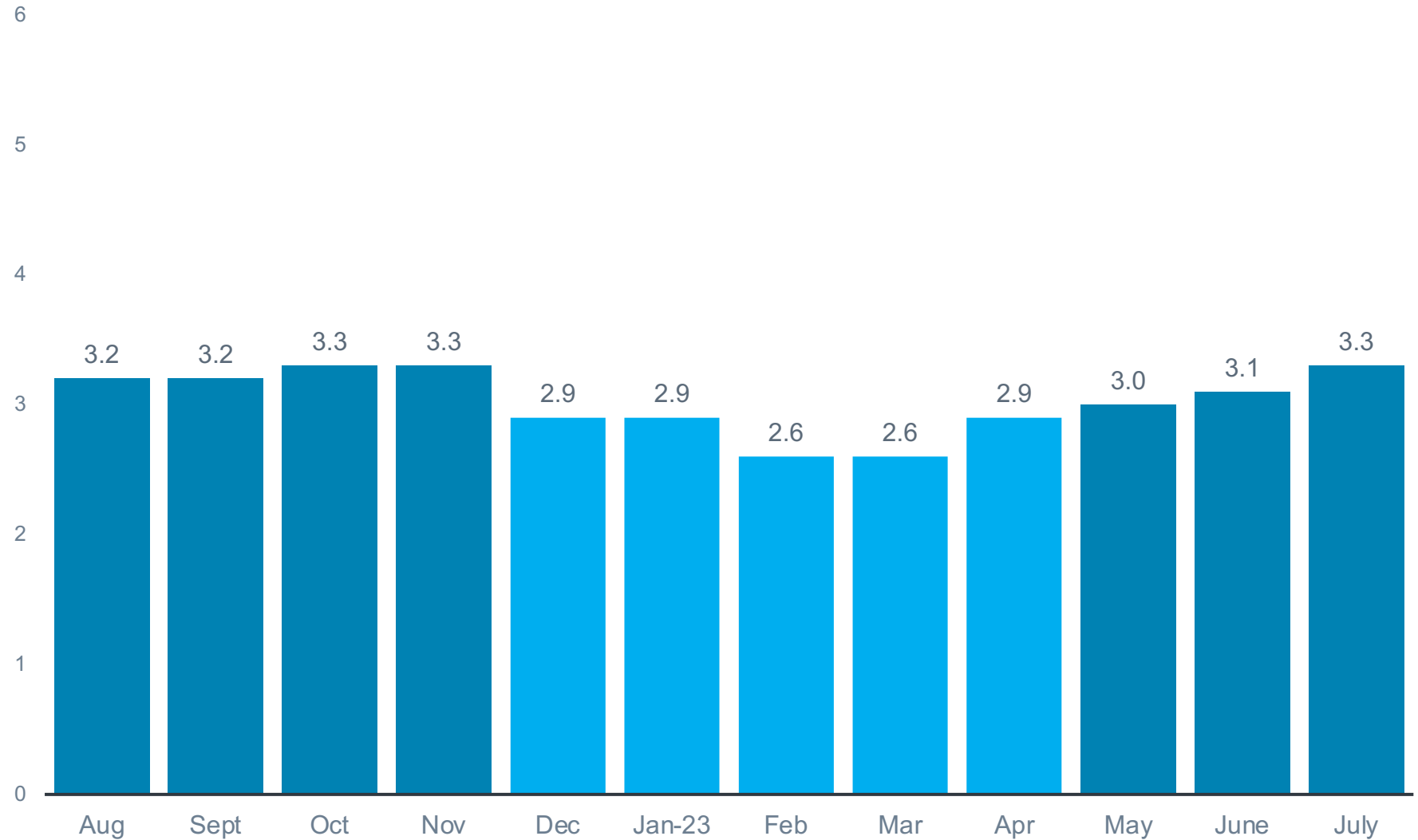
Since 2019



Source: NAR

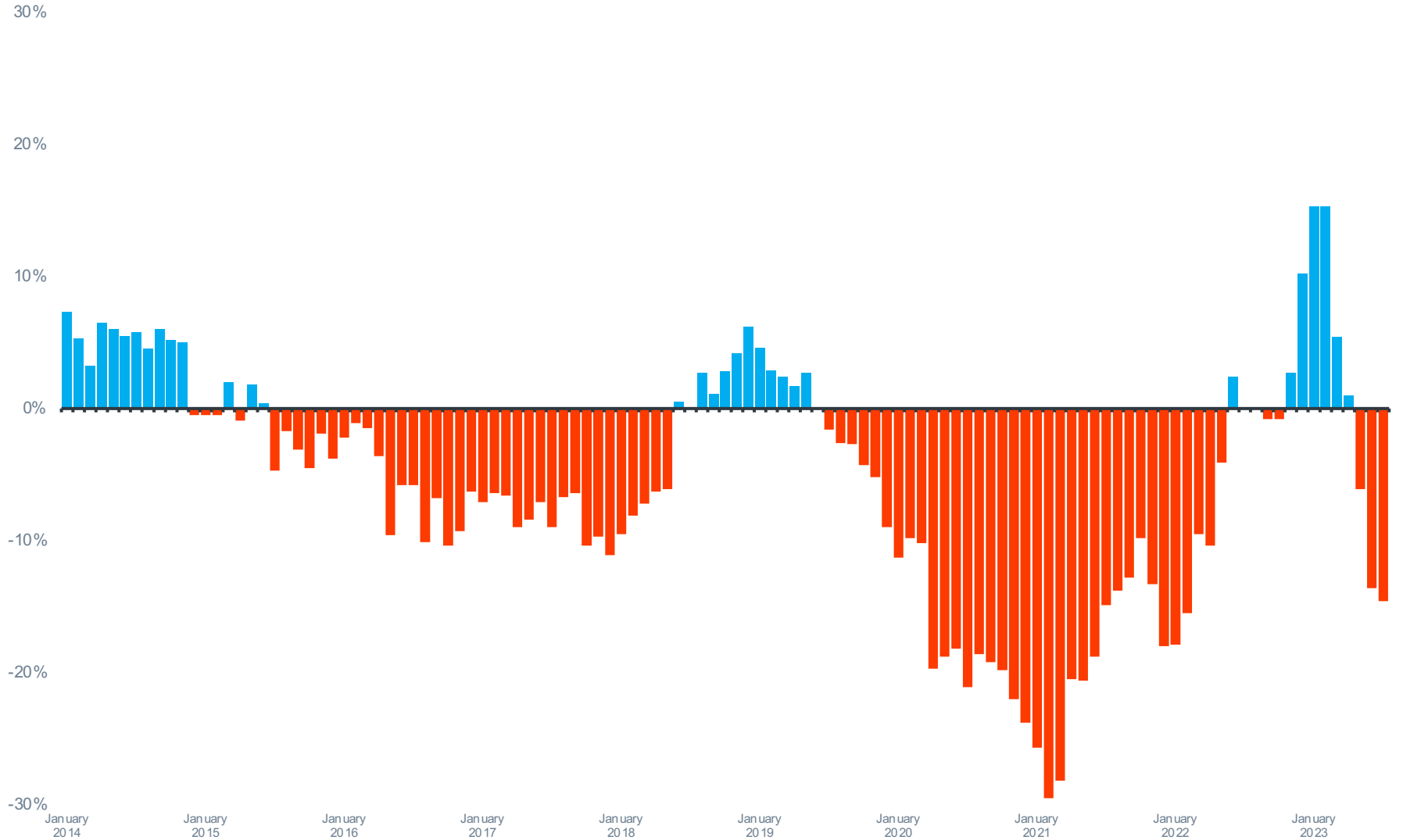
Months Inventory of Homes for Sale

Last 12 Months



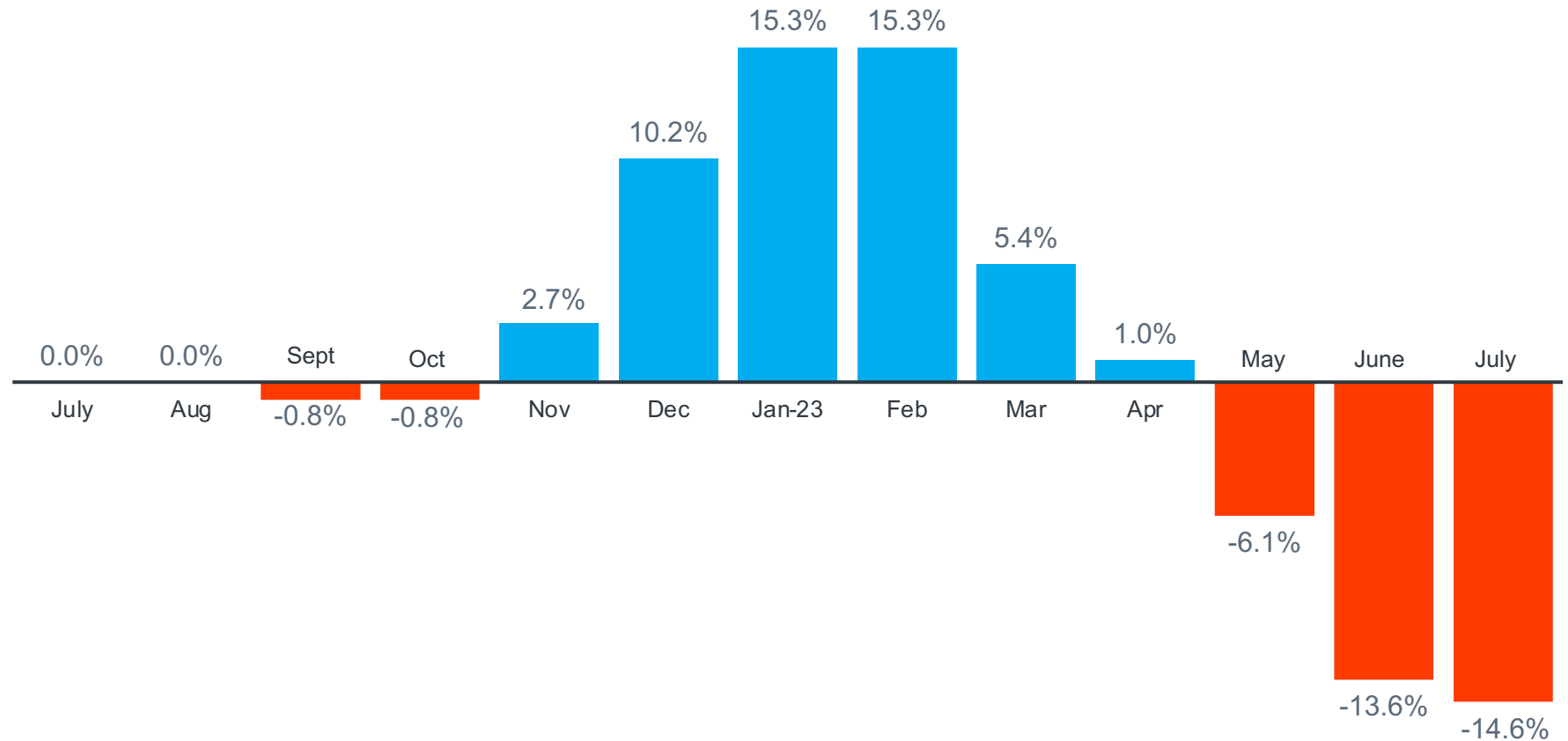
Source: NAR

Year-Over-Year Inventory Levels



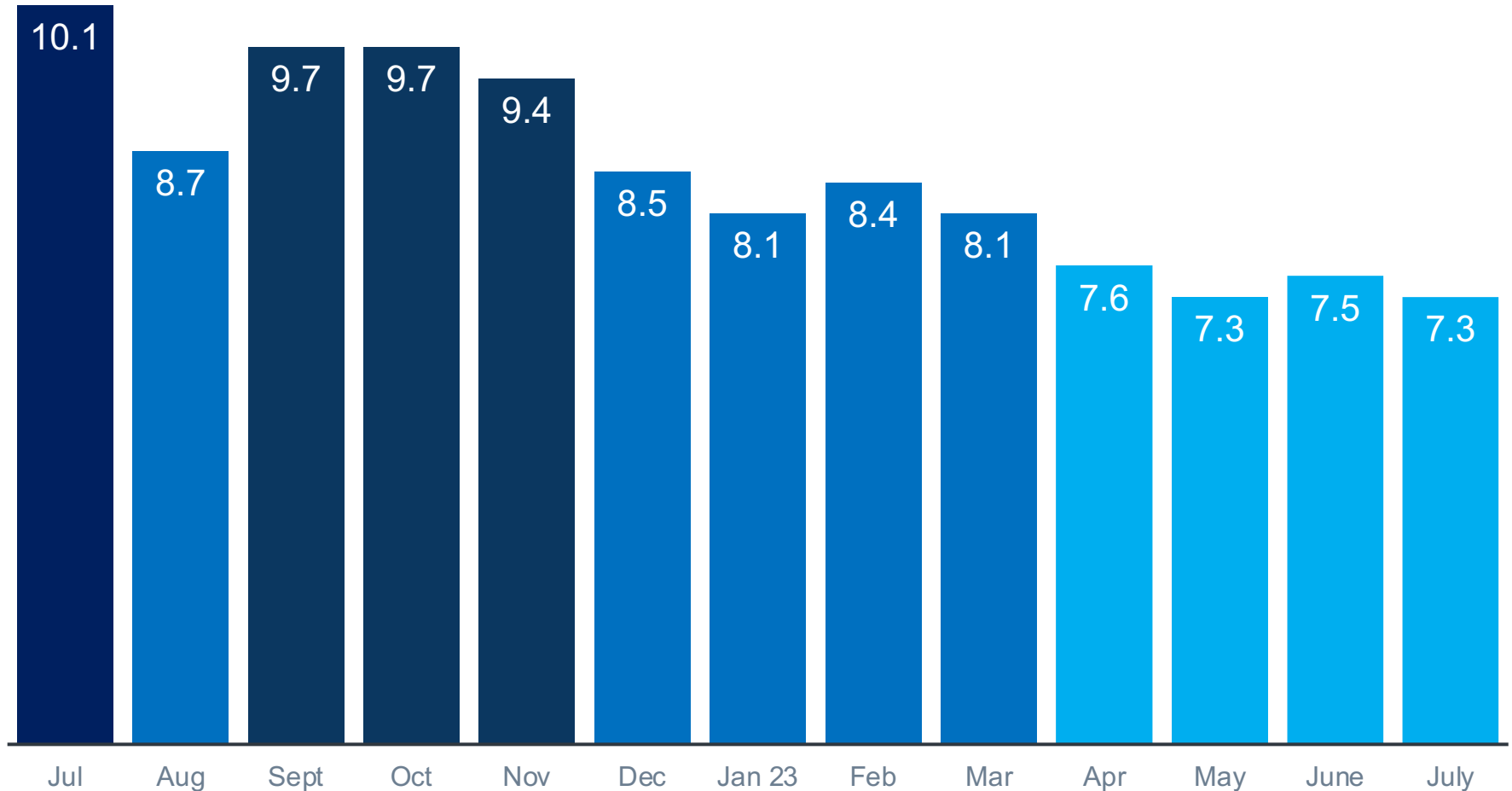
Year-Over-Year Inventory Levels

Last 12 Months



New Home Monthly Inventory

Seasonally Adjusted, Last 13 Months

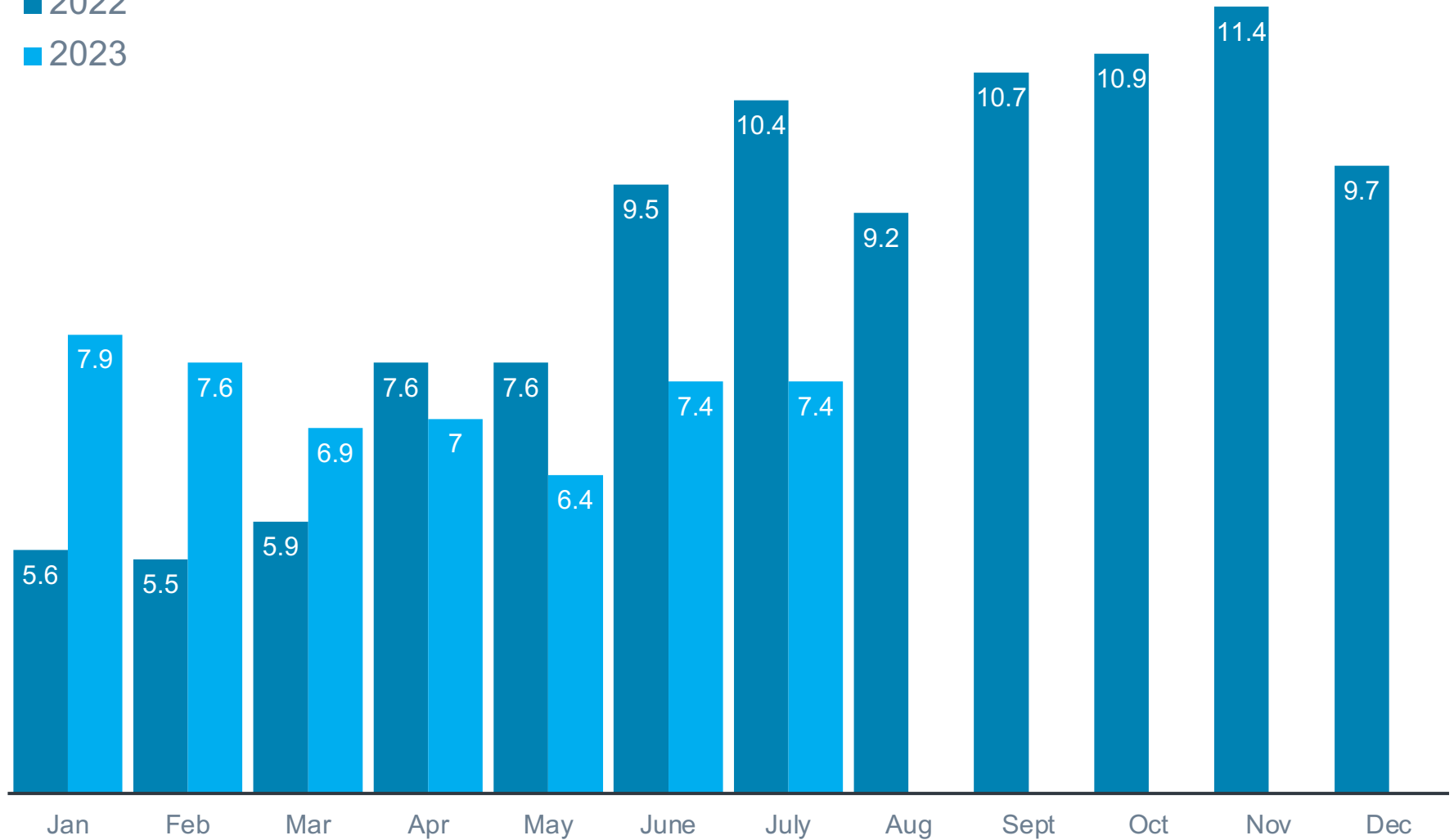


Source: Census

New Home Monthly Inventory

Non-Seasonally Adjusted

■ 2022
■ 2023



Source: Census



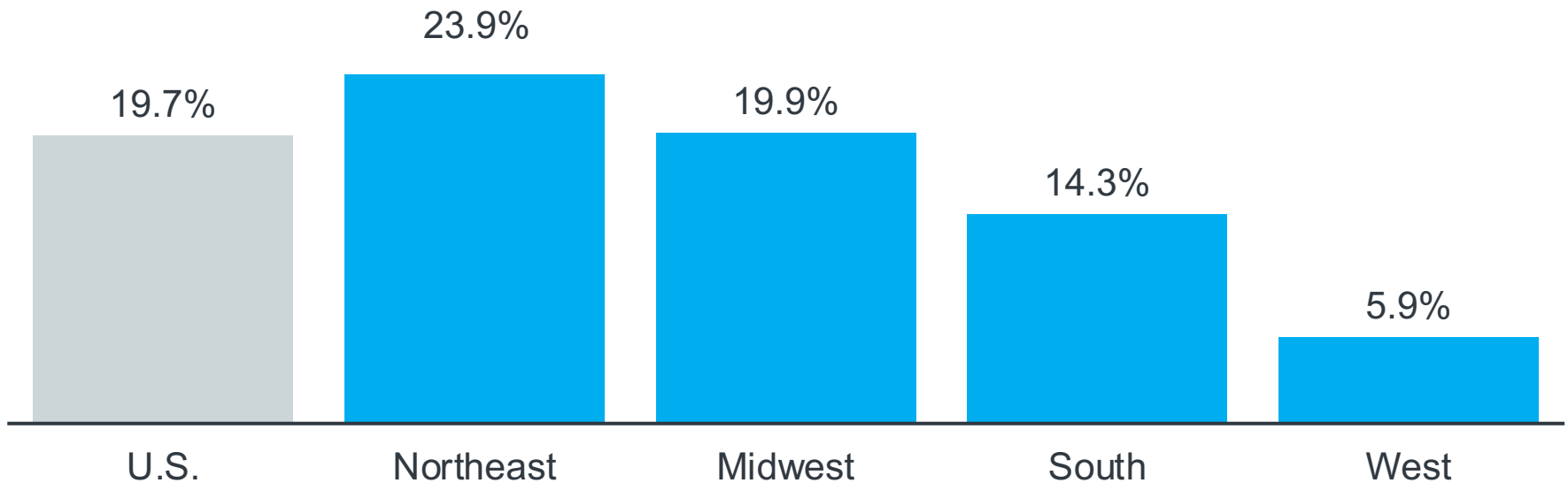
Buyer Demand

Buyer Foot Traffic Declines Slightly, Deviating from Seasonal Trends

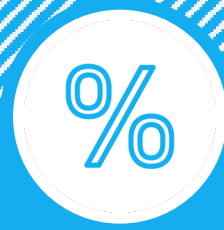
Year-Over-Year Increase in Showing Activity, June 2023

Michael Lane, Vice President & General Manager, Showing Time

“June’s slowdown in showing activity is typical as we approach the fall season, and waning buyer activity with it. But showing traffic didn’t slow as much as we would expect in a typical year and decreased far less than the last two pandemic years, Time will tell whether June’s smaller-than-typical decrease is a sign of increased demand to come and what role limited inventory will play in showing activity heading into peak summer.”



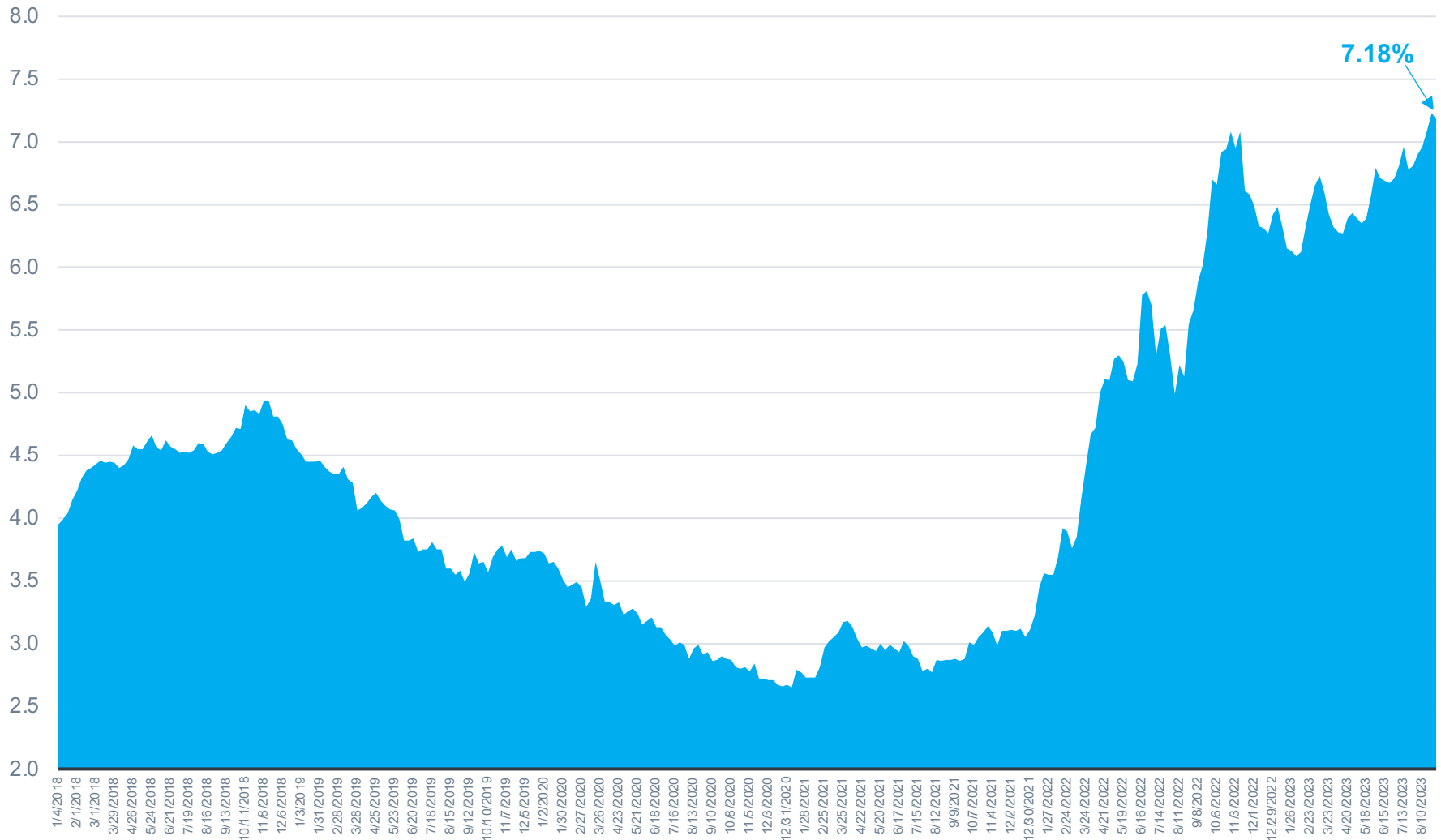
Source: ShowingTime



Mortgage Rates

Mortgage Rates

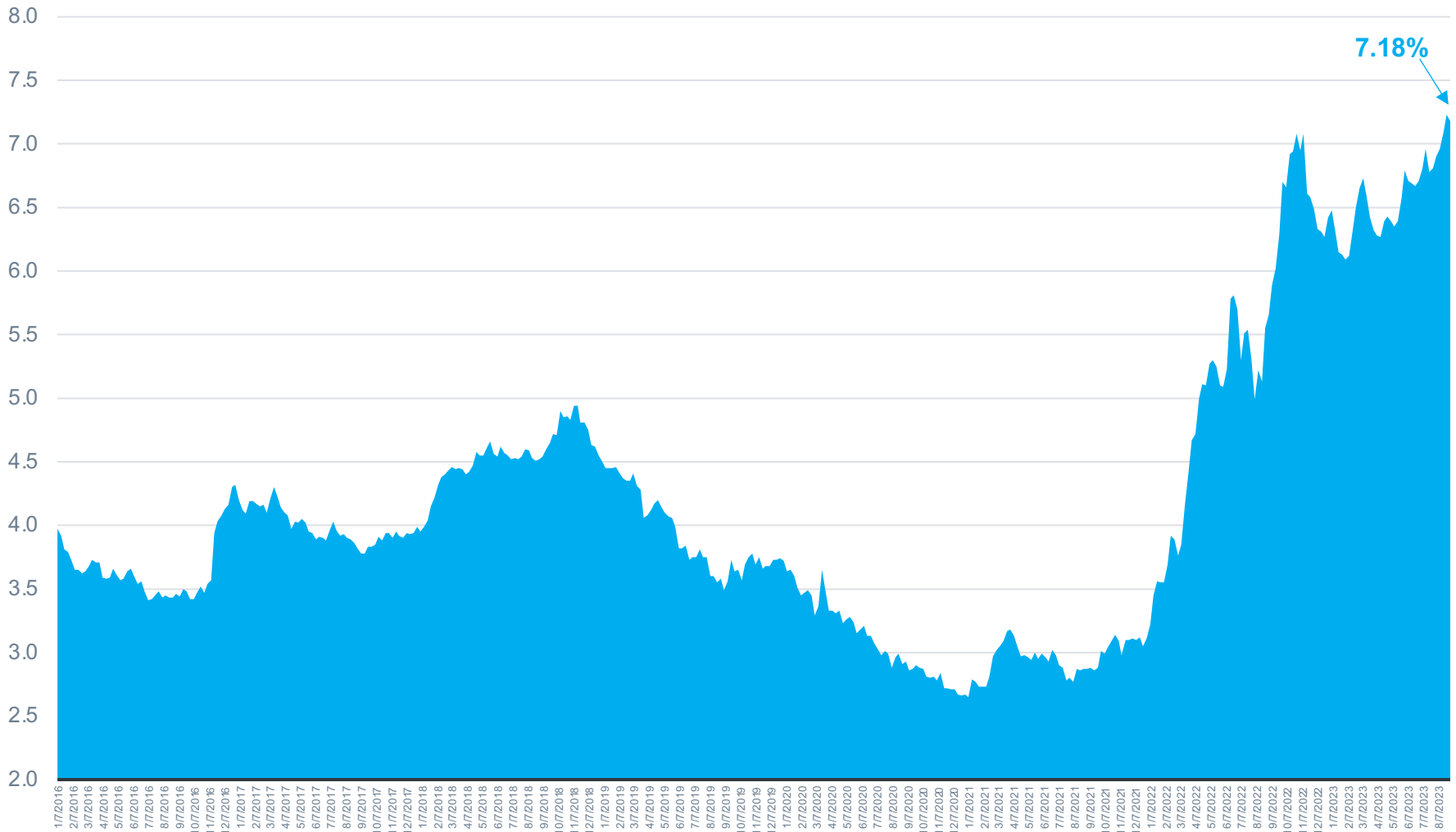
30-Year Fixed Rate, January 2018–Today



Source: Freddie Mac

Mortgage Rates

30-Year Fixed Rate, January 2016–Today



Source: Freddie Mac

Mortgage Rate Projections

September 2023

Quarter	Fannie Mae	MBA	NAR	Average of All Three
2023 Q4	6.70%	6.20%	6.30%	6.40%
2024 Q1	6.50%	5.90%	6.10%	6.17%
2024 Q2	6.30%	5.60%	6.00%	5.97%
2024 Q3	6.20%	5.30%	6.00%	5.83%

Mortgage Rates

30-Year Fixed Rate

8.0

7.0

6.0

5.0

4.0

3.0

2.0

2019 1/31 3/7 4/4 5/2 6/6 7/3 8/1 9/5 10/3 11/7 12/5 2020 2/6 3/5 4/2 5/7 6/4 7/2 8/6 9/3 10/1 11/5 12/3 2021 2/4 3/4 4/1 5/6 6/3 7/1 8/5 9/2 10/7 11/4 12/2 2022 2/3 3/3 4/7 5/5 6/2 7/7 8/4 9/1 10/6 11/3 12/1 1/5 2/2 3/2 4/6 5/4 6/1 7/6 8/3

January 2019 – Today
Actual Interest Rates

6.2

5.9

5.6

5.3

Where Are They Going?

2023 Q4

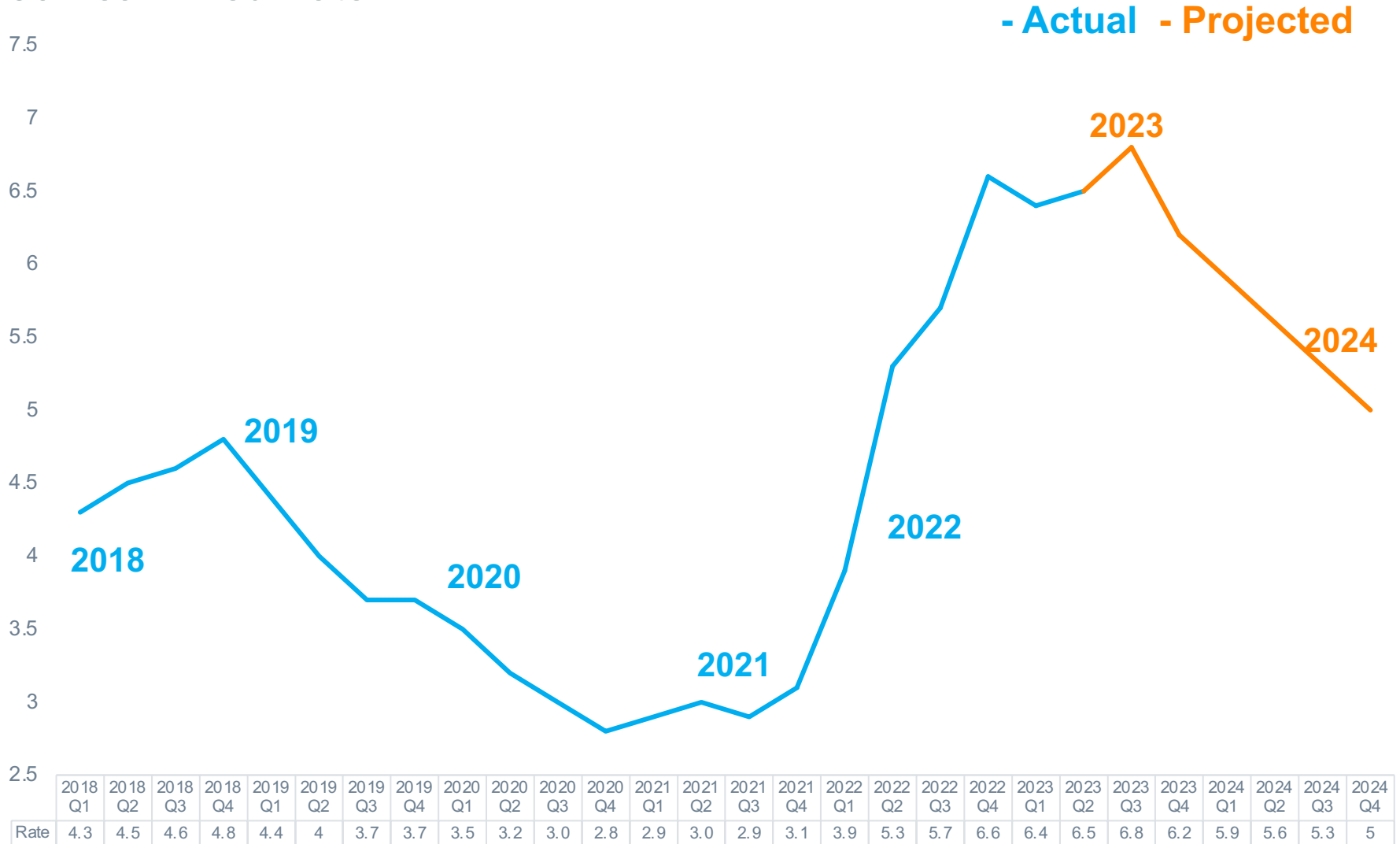
2024 Q1

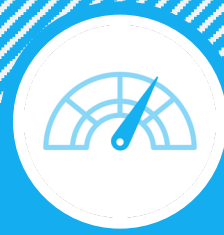
2024 Q2

2024 Q3

Mortgage Rates

30-Year Fixed Rate

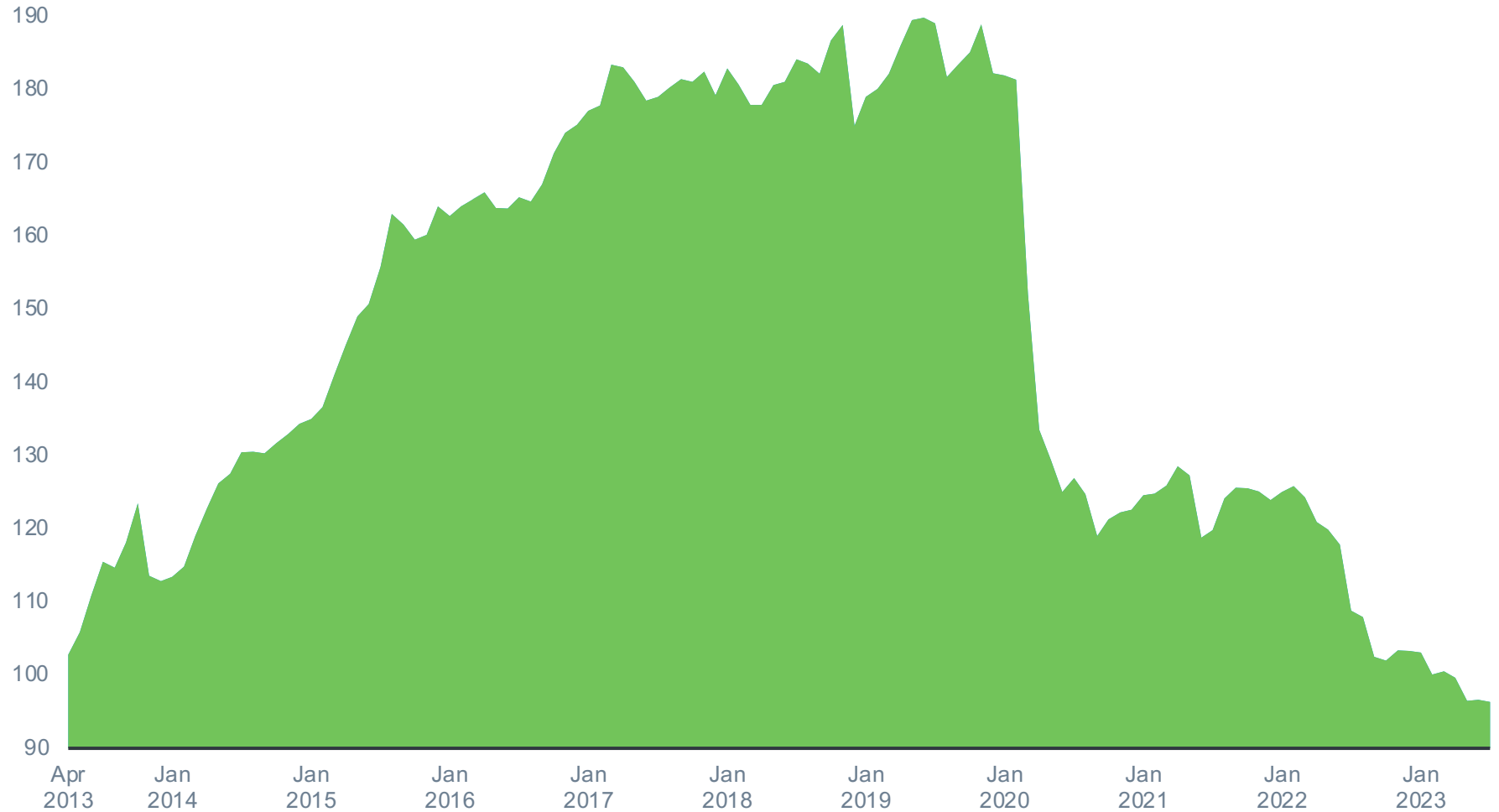




Mortgage Credit Availability

Mortgage Credit Availability Index (MCAI)

July 2023



Source: MBA

Lending Standards Still Under Control

Historic Data for the Mortgage Credit Availability Index (MCAI)

