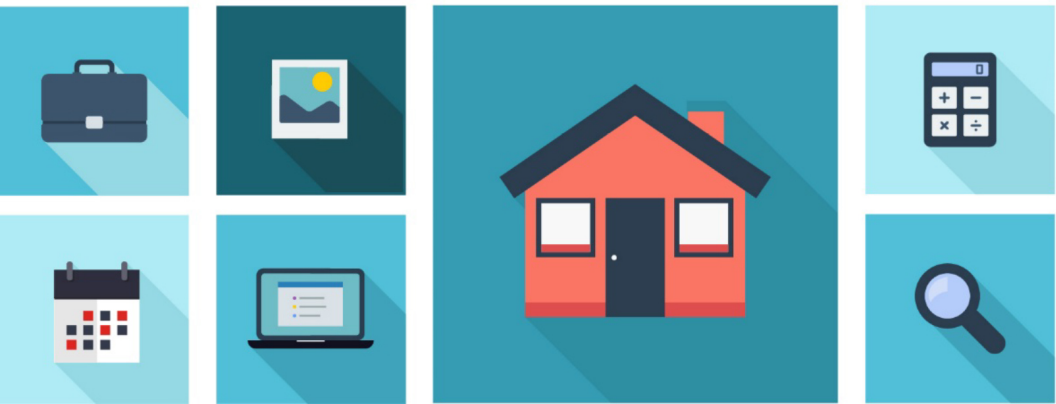
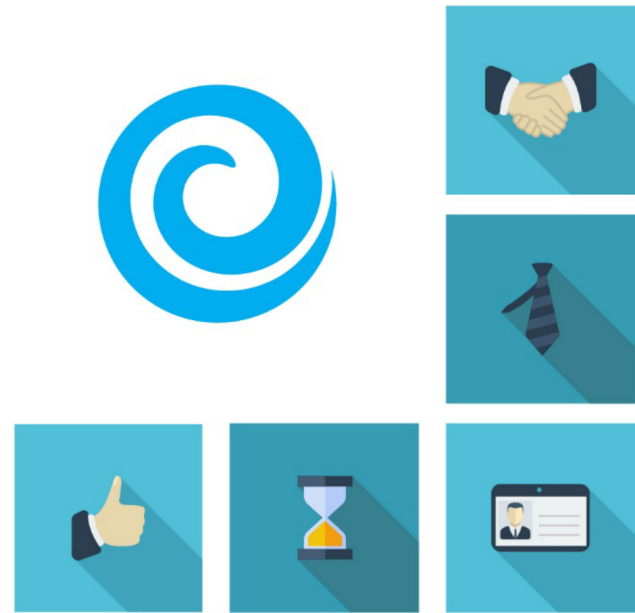
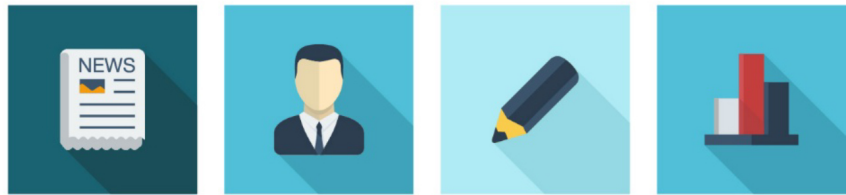
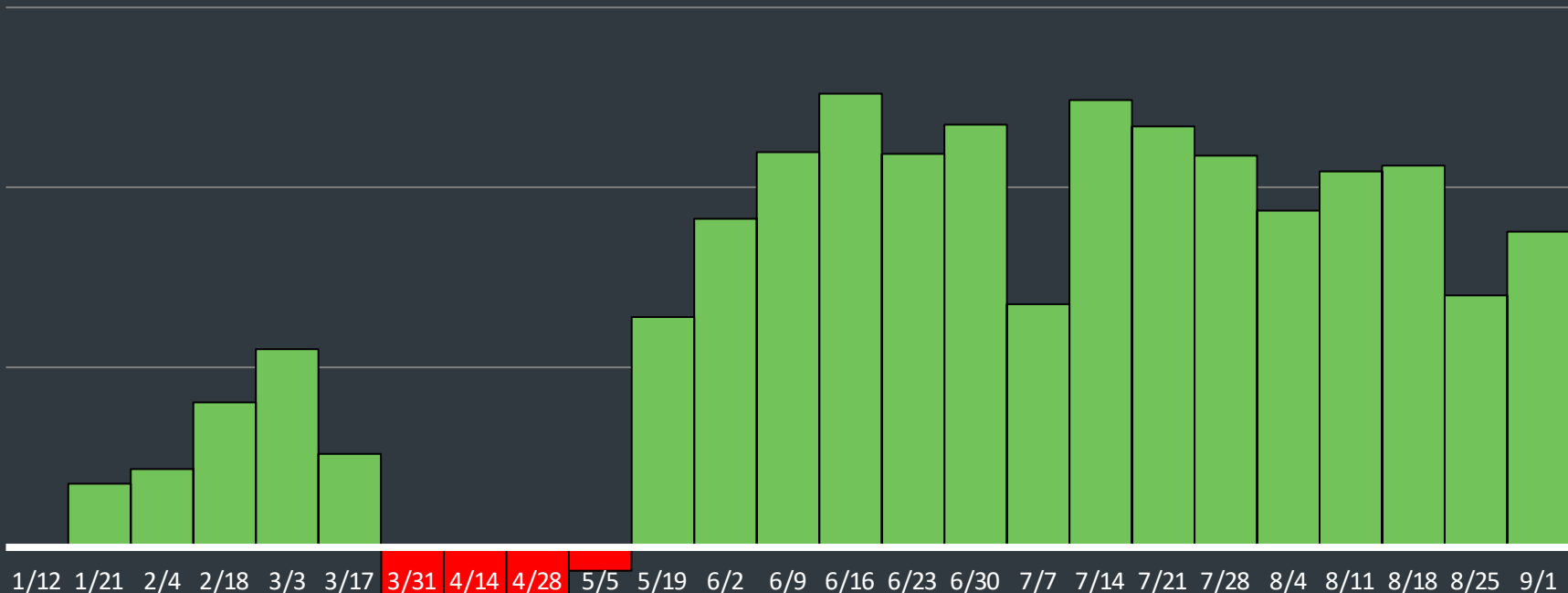


# KEEPING CURRENT MATTERS



# SEPTEMBER 2020



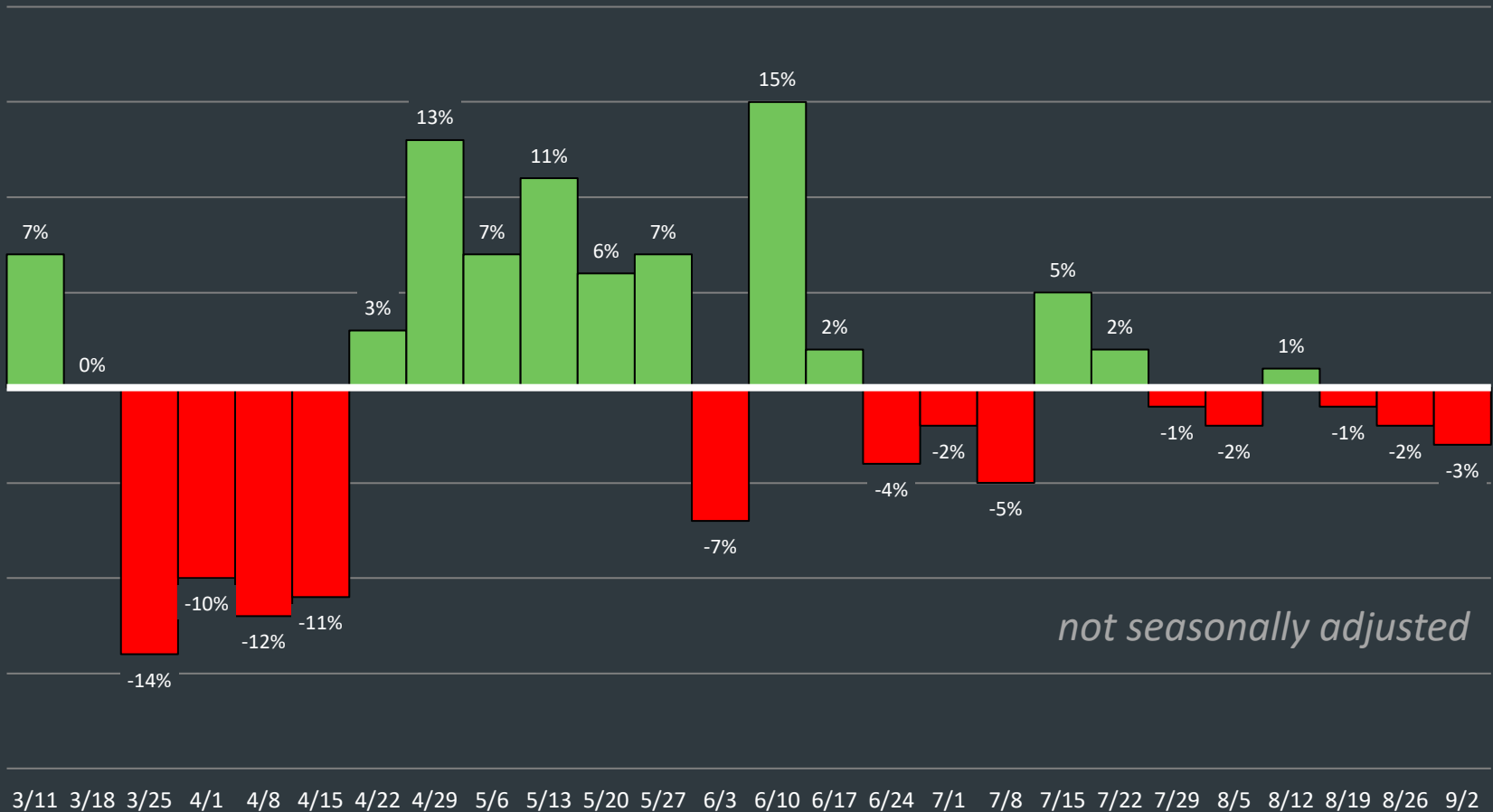


## Change in Showing Traffic\*

\*Weekly showings normalized to the first calendar week of January, 7-day moving average.

# Purchase Applications

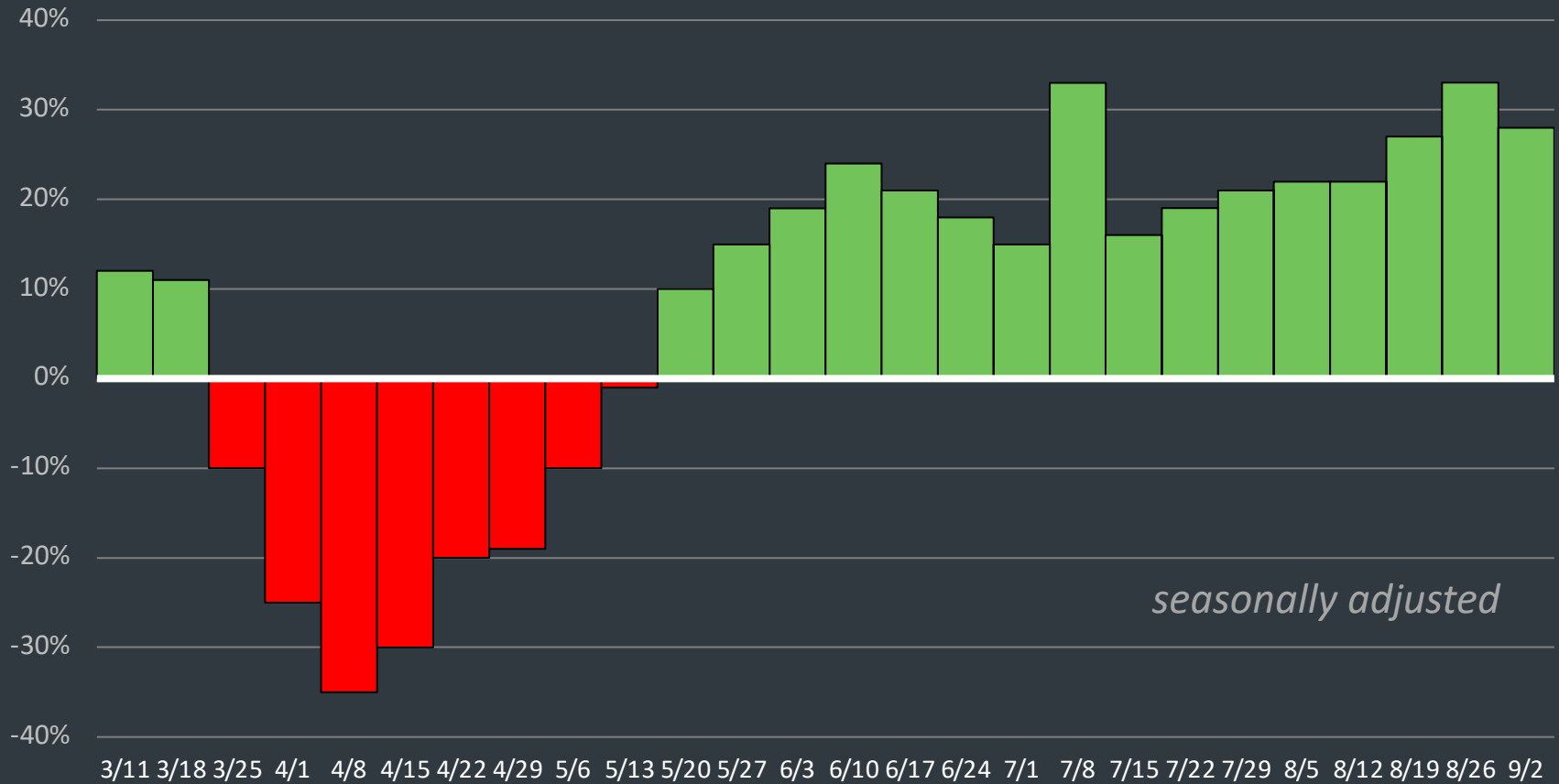
## Week-Over-Week Difference



*not seasonally adjusted*

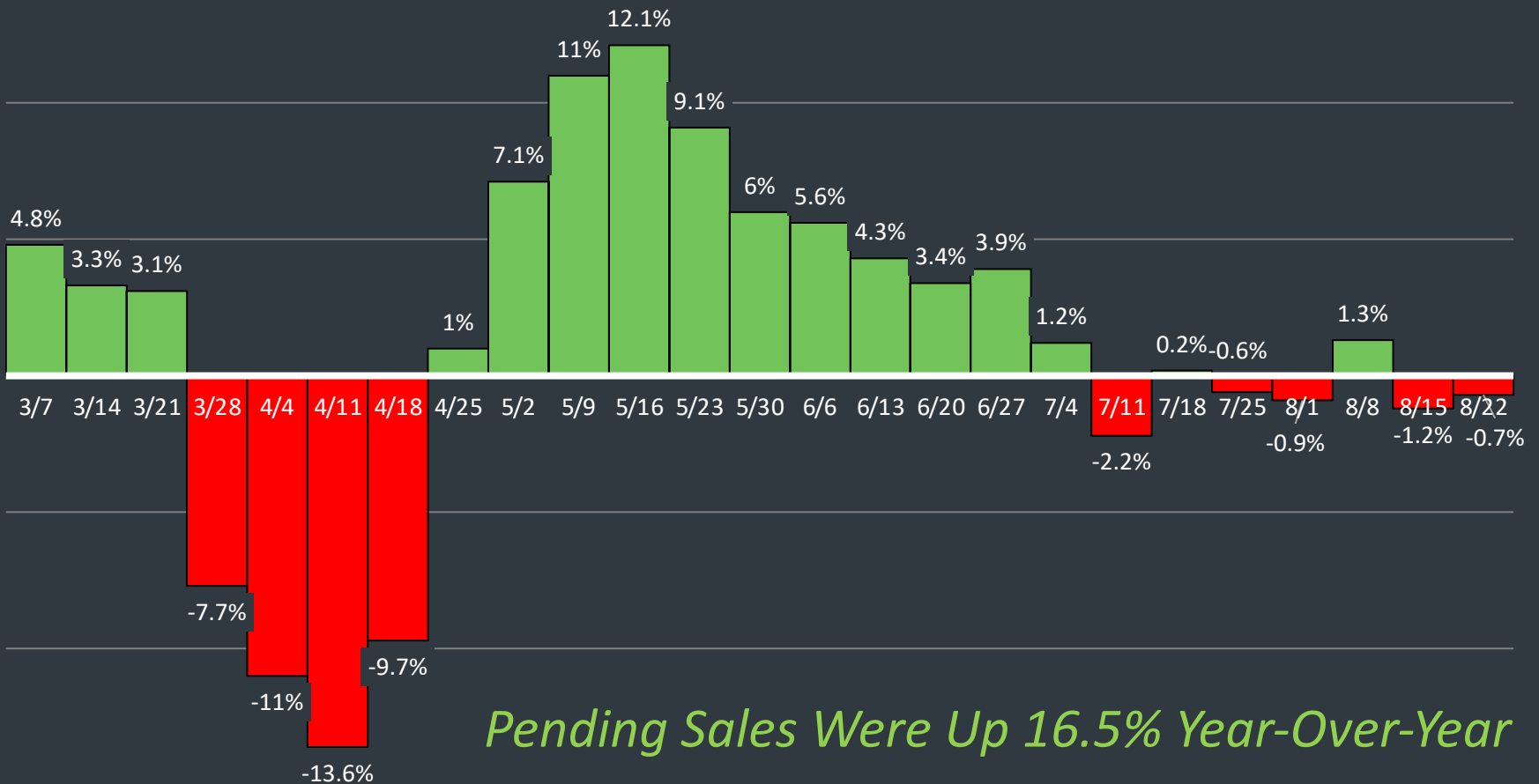
# Purchase Applications

## Year-Over-Year Difference



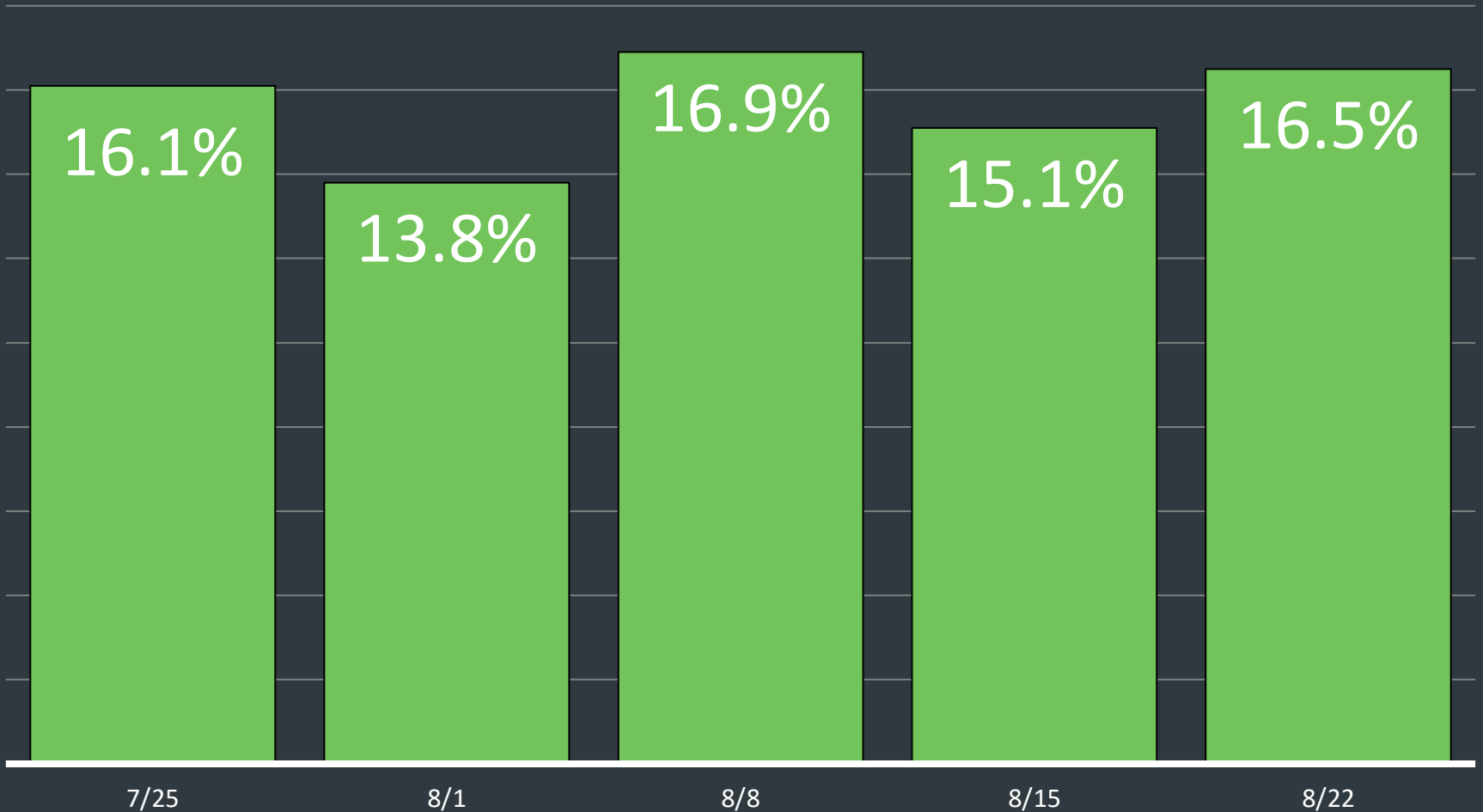
# Percentage Change in Newly Pended Deals

## Week-Over-Week Difference

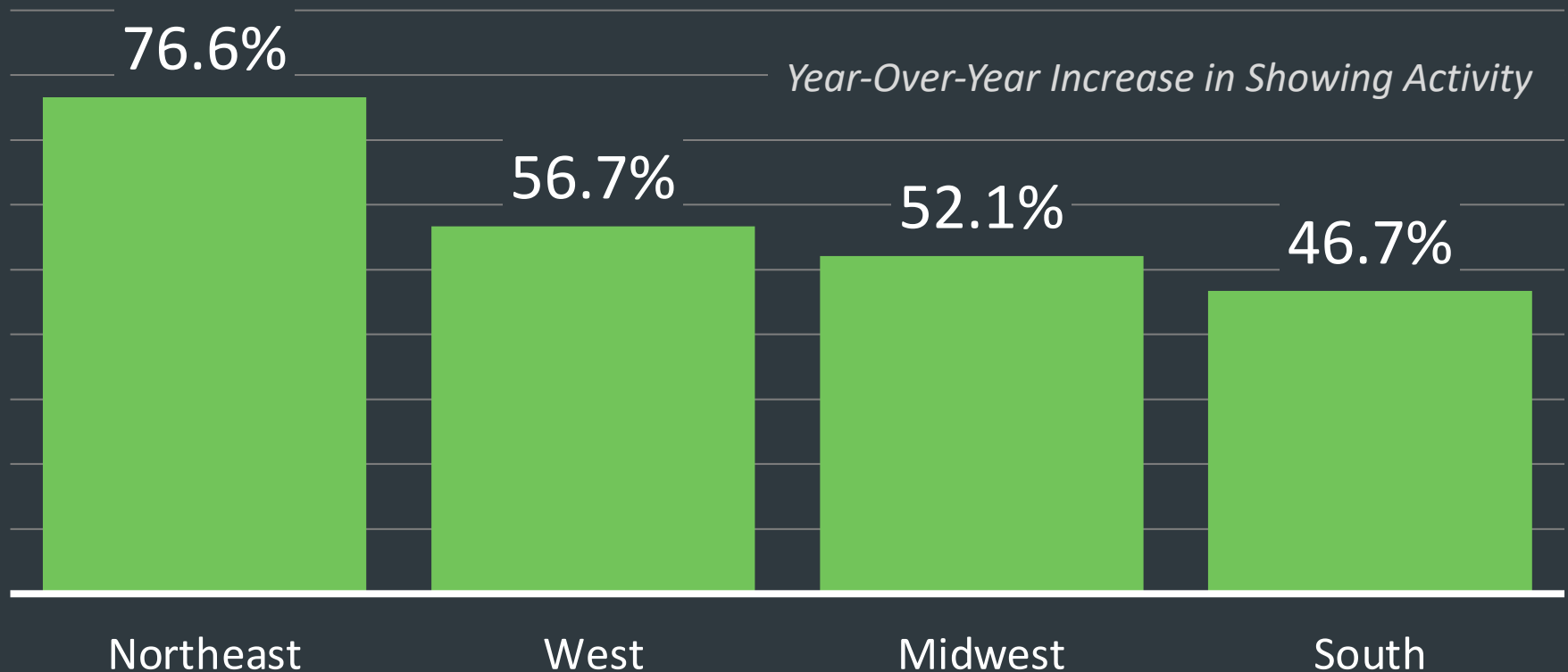


# Percentage Change in Newly Pended Deals

## Year-Over-Year Difference



“Home buyer traffic jumped again in July, recording a **60.7% year-over-year increase** in nationwide showing activity according to data from the Showing Index.” -*ShowingTime*



**“Total inventory was down 38 percent.**

Buyers continue to be motivated by low mortgage rates and a strong desire for the certainty of ownership in an uncertain world. They’re quickly putting offers on homes that come up for sale, driving the overall number of homes for sale lower.”

Danielle Hale

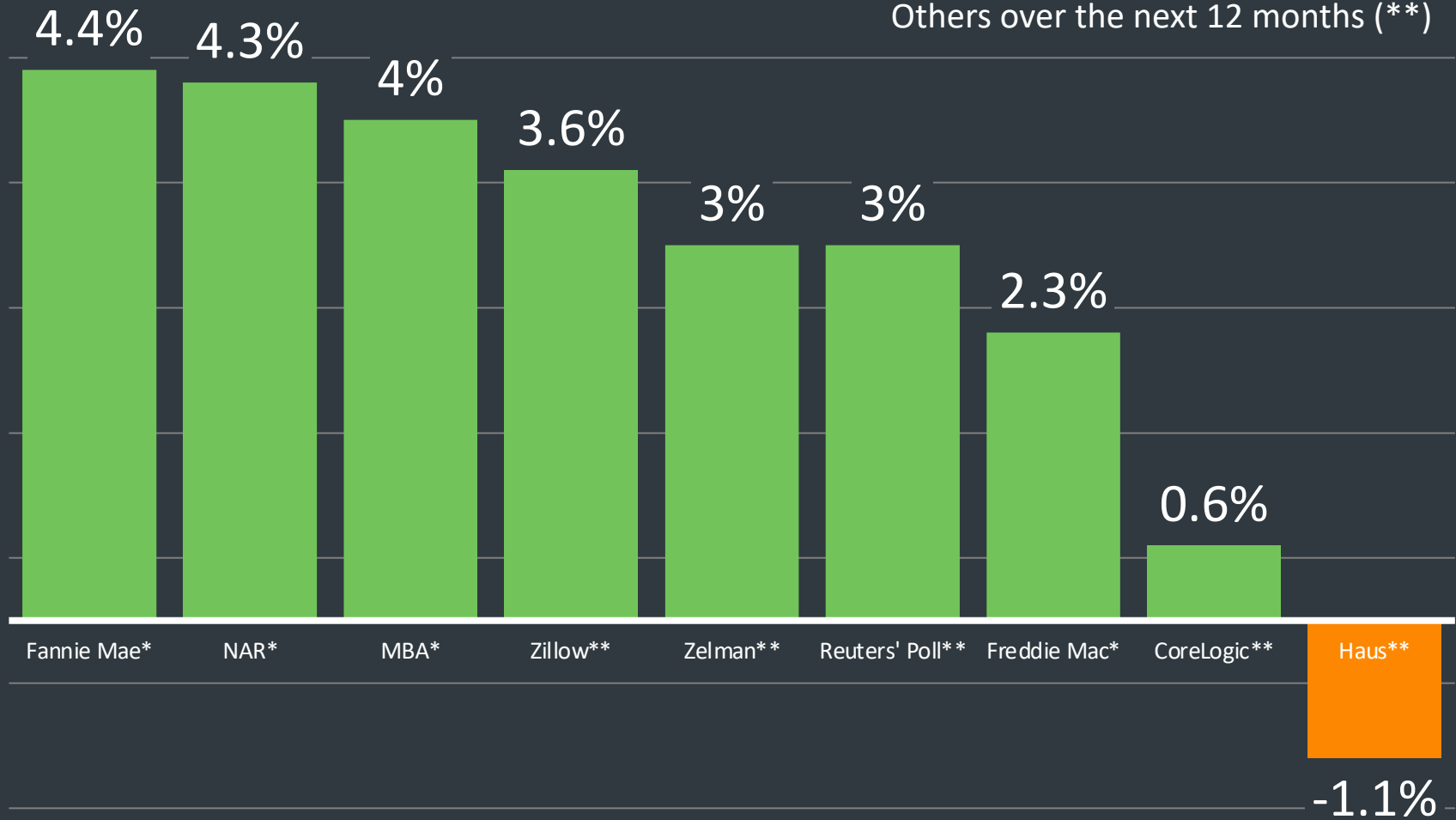
Chief Economist at realtor.com Research



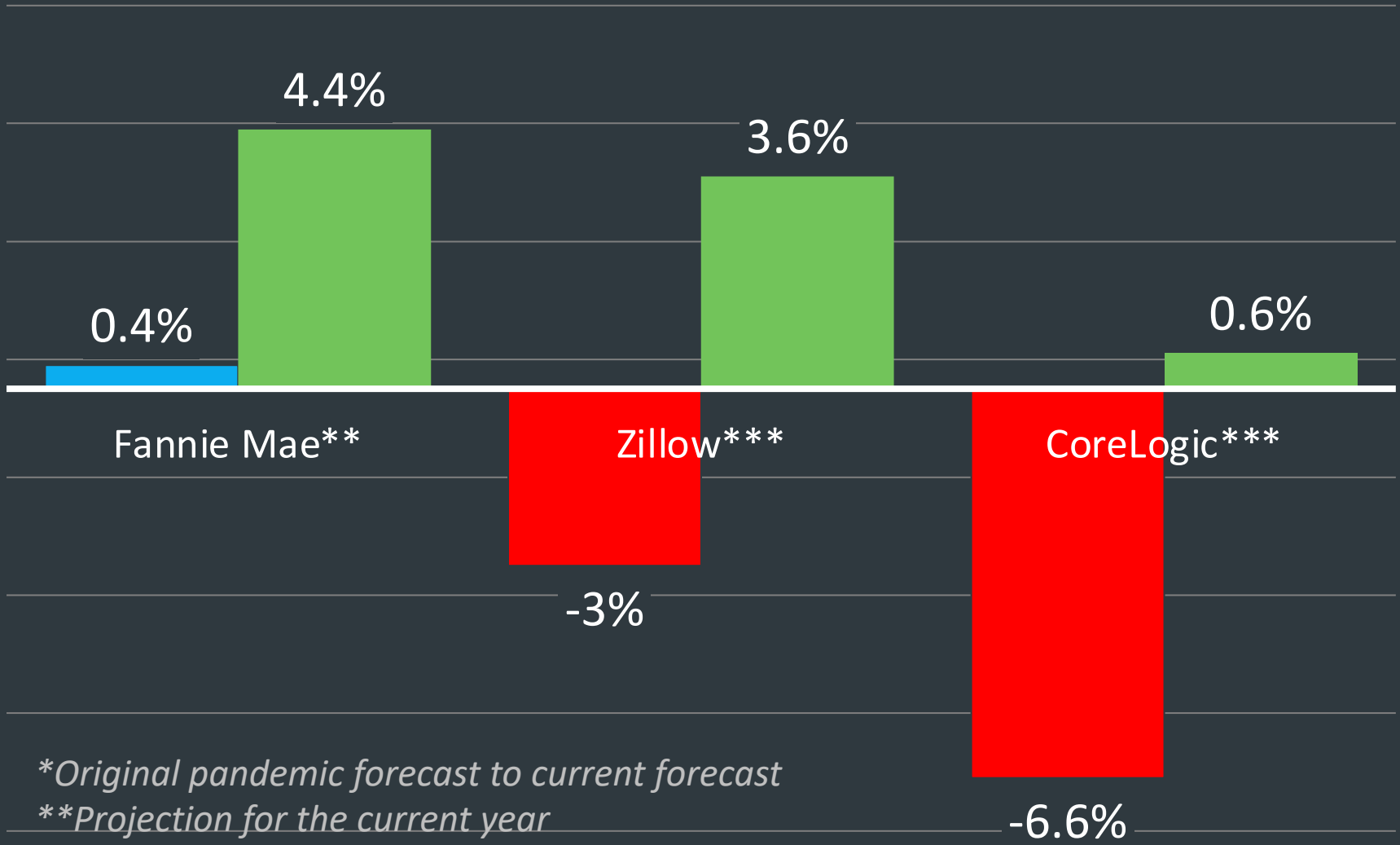


# Projections on Future Home Prices

Some project for the current year (\*)  
Others over the next 12 months (\*\*)



# Major Adjustments on Future Home Prices\*



\*Original pandemic forecast to current forecast

\*\*Projection for the current year

\*\*\*Projection for the next 12 months

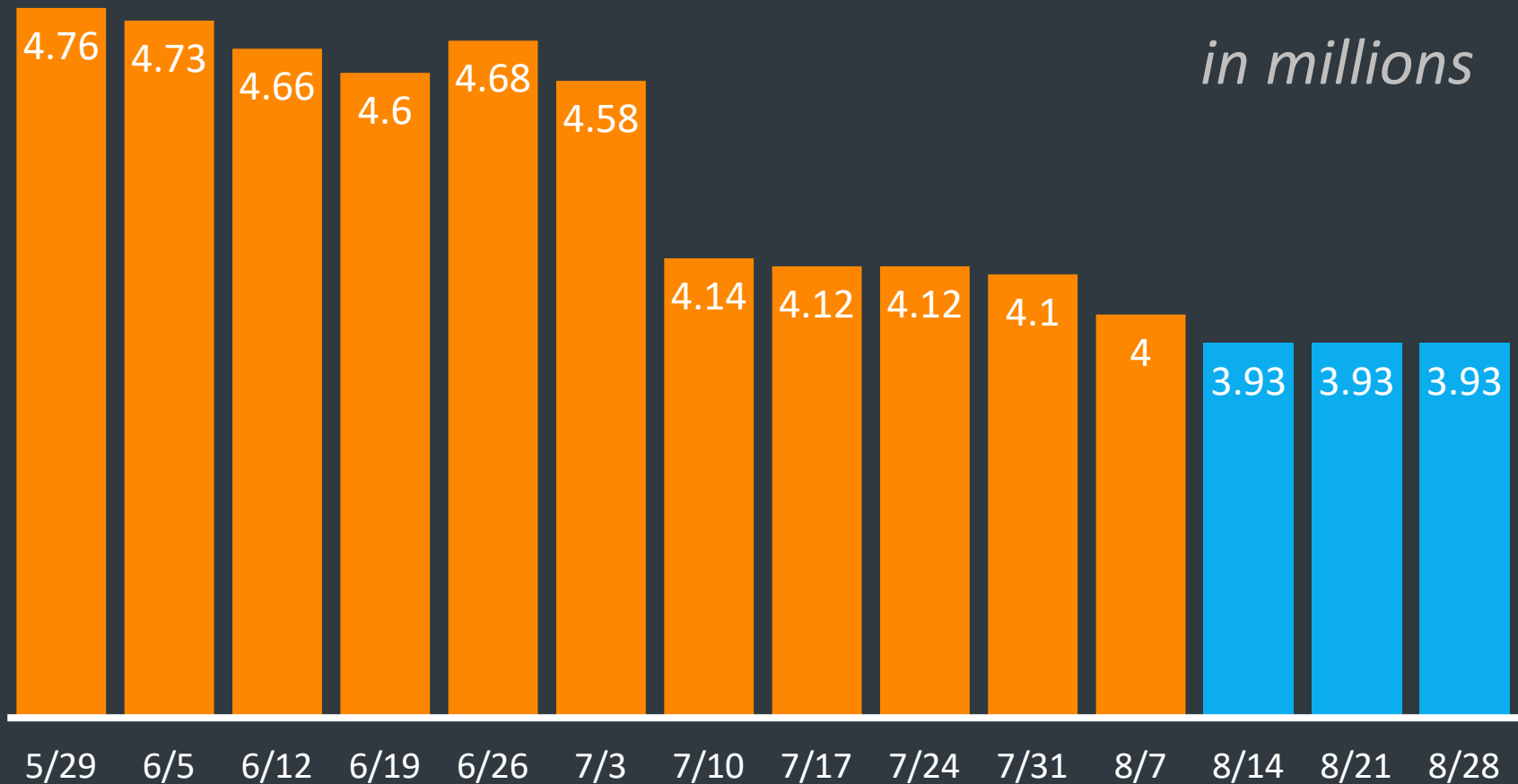
“On an aggregated level, the housing economy **remains rock solid** despite the shock and awe of the pandemic.”

Frank Martell

President and CEO of CoreLogic



# The number of mortgages in active forbearance is leveling off.



“The COVID-19 pandemic will lead to a rise in mortgage defaults and foreclosures. But as the housing market muscles through this economic downturn, it looks as if foreclosures will **form a trickle rather than a flood**, housing experts say.”

Jeff Ostrowski

Senior Mortgage Reporter at Bankrate

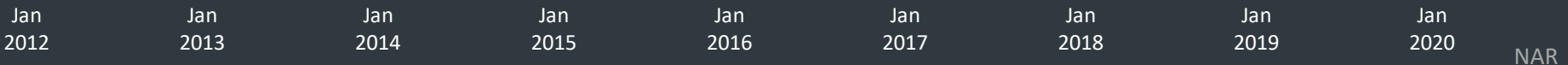


35%

# Percentage of DISTRESSED Property Sales

*Distressed sales – foreclosures and short sales  
– represented **less than 1%** of sales in July*

January 2012 - Today

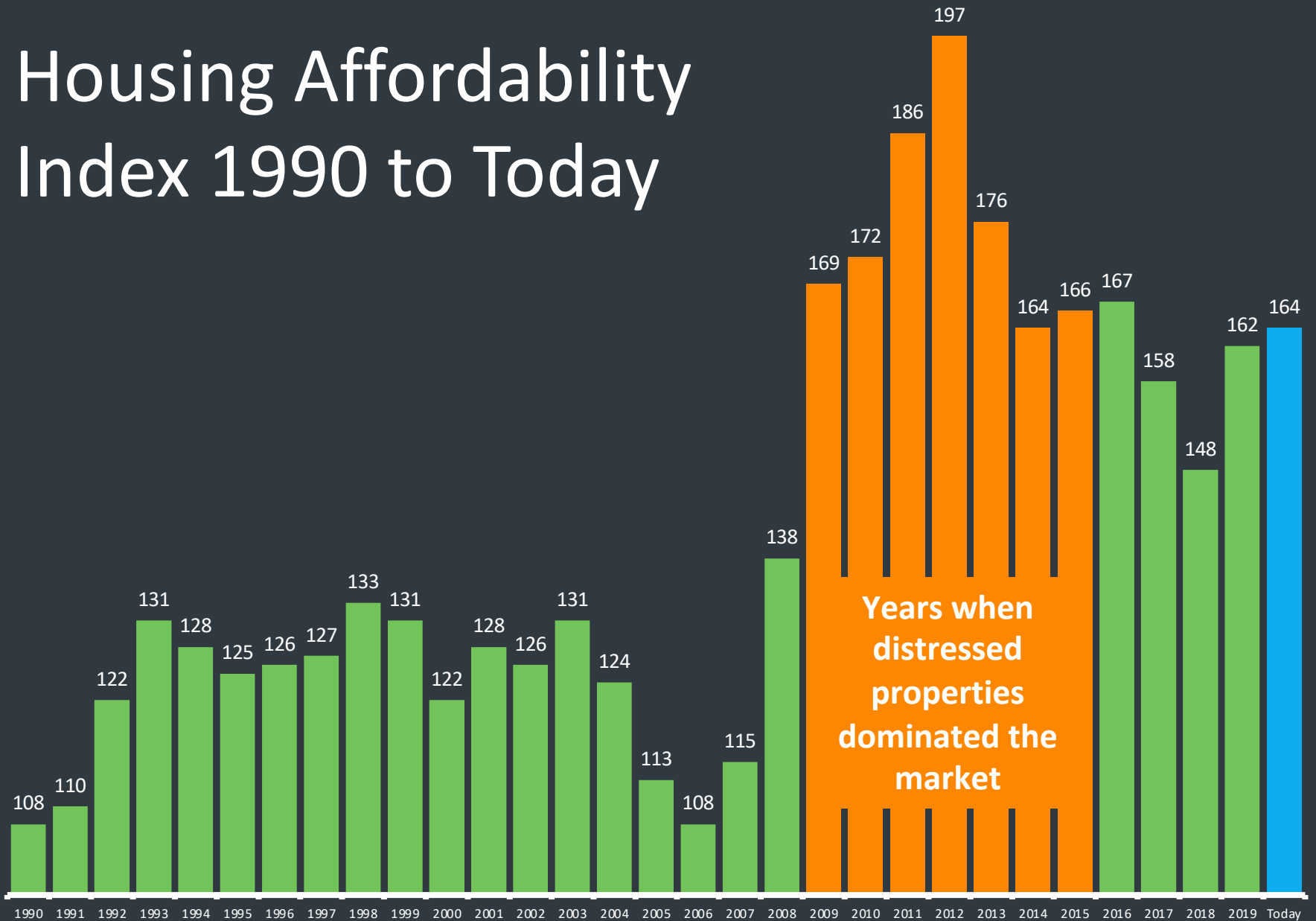


“Those shopping for a home can afford 10 percent more home than they could have one year ago while keeping their monthly payment unchanged. This translates into nearly \$32,000 more buying power.”

Black Knight/Mortgage News Daily



# Housing Affordability Index 1990 to Today





“We believe housing will continue to be a sector with relative strength amid the larger downturn... The recently observed increase in purchase demand is largely due to pent-up demand as buyers are acting now after delaying purchases in the spring. We are, however, seeing some early signs of shifting buyer preference to locate to lower density areas, potentially driving some additional purchase activity.”

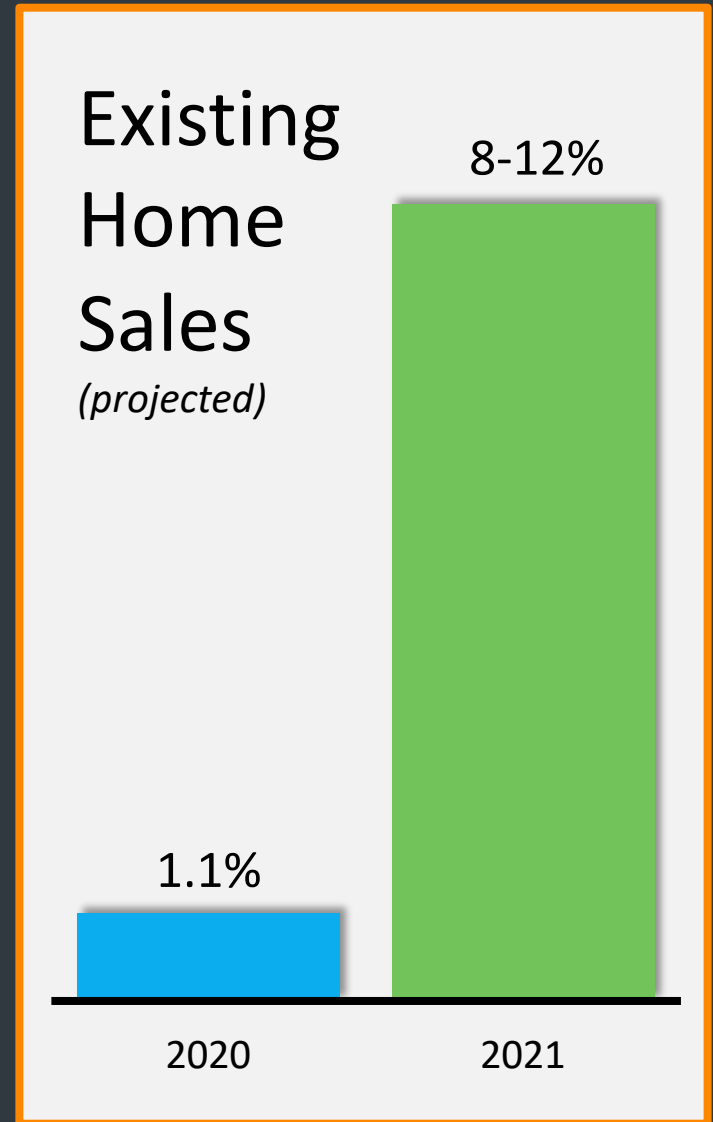
Doug Duncan

Chief Economist at Fannie Mae



“Yun forecasts existing-home sales to ramp up to 5.8 million in the second half. That expected rebound would bring the full-year level of existing-home sales to 5.4 million, a **1.1% gain compared to 2019.**”

“Home sales will ramp up again next year, Yun said, **increasing between 8% - 12%.**”



# Resources

Slide	Slide Title	Link
2	Change in Showing Traffic	<a href="https://www.showingtime.com/impact-of-coronavirus/">https://www.showingtime.com/impact-of-coronavirus/</a>
3-4	Purchase Applications	<a href="https://www.mba.org/news-research-and-resources/newsroom">https://www.mba.org/news-research-and-resources/newsroom</a>
5-6	Change in Newly Pended Deals	<a href="https://www.zillow.com/research/zillow-weekly-market-report-27151/">https://www.zillow.com/research/zillow-weekly-market-report-27151/</a>
7	Homebuyer Traffic	<a href="https://www.showingtime.com/blog/july-2020-showing-index-results/">https://www.showingtime.com/blog/july-2020-showing-index-results/</a>
8	Hale Quote	<a href="https://www.realtor.com/research/weekly-housing-trends-view-data-week-august-29-2020/">https://www.realtor.com/research/weekly-housing-trends-view-data-week-august-29-2020/</a>
9-10	Future Home Prices	<a href="https://www.reuters.com/article/us-usa-property-poll/u-s-housing-set-to-ride-out-the-pandemics-economic-storm-reuters-poll-idUSKBN23T00R">https://www.reuters.com/article/us-usa-property-poll/u-s-housing-set-to-ride-out-the-pandemics-economic-storm-reuters-poll-idUSKBN23T00R</a> <a href="http://www.freddiemac.com/fmac-resources/research/pdf/202004-Forecast.pdf">http://www.freddiemac.com/fmac-resources/research/pdf/202004-Forecast.pdf</a> <a href="https://www.fanniemae.com/resources/file/research/emma/pdf/Housing_Forecast_071420.pdf">https://www.fanniemae.com/resources/file/research/emma/pdf/Housing_Forecast_071420.pdf</a> <a href="https://www.nar.realtor/sites/default/files/documents/forecast-Q2-2020-us-economic-outlook-06-29-2020.pdf">https://www.nar.realtor/sites/default/files/documents/forecast-Q2-2020-us-economic-outlook-06-29-2020.pdf</a> <a href="https://www.mba.org/news-research-and-resources/research-and-economics/forecasts-and-commentary">https://www.mba.org/news-research-and-resources/research-and-economics/forecasts-and-commentary</a> www.zelmanassociates.com (subscription required) <a href="https://www.corelogic.com/insights-download/home-price-index.aspx">https://www.corelogic.com/insights-download/home-price-index.aspx</a> <a href="https://www.zillow.com/research/zillow-weekly-market-report-27151/">https://www.zillow.com/research/zillow-weekly-market-report-27151/</a>
11	Martell Quote	<a href="https://www.corelogic.com/insights-download/home-price-index.aspx">https://www.corelogic.com/insights-download/home-price-index.aspx</a>

# Resources

Slide	Slide Title	Link
12	Mortgages in Active Forbearance	<a href="https://www.blackknightinc.com/blog-posts/number-of-loans-in-forbearances-remains-flat/">https://www.blackknightinc.com/blog-posts/number-of-loans-in-forbearances-remains-flat/</a>
13	Ostrowski Quote	<a href="https://www.bankrate.com/mortgages/foreclosures-crisis-wont-look-like-great-recession/">https://www.bankrate.com/mortgages/foreclosures-crisis-wont-look-like-great-recession/</a>
14	Distressed Property Sales	<a href="https://www.nar.realtor/topics/existing-home-sales">https://www.nar.realtor/topics/existing-home-sales</a> <a href="https://www.nar.realtor/newsroom/existing-home-sales-continue-record-pace-soar-24-7-in-july">https://www.nar.realtor/newsroom/existing-home-sales-continue-record-pace-soar-24-7-in-july</a>
15	Black Knight/MND Quote	<a href="http://www.mortgagenewsdaily.com/08032020_black_knight_mortgage_monitor.asp">http://www.mortgagenewsdaily.com/08032020_black_knight_mortgage_monitor.asp</a>
16	Housing Affordability Index	<a href="https://www.nar.realtor/blogs/economists-outlook/housing-affordability-slips-in-june-2020-as-median-family-income-falls">https://www.nar.realtor/blogs/economists-outlook/housing-affordability-slips-in-june-2020-as-median-family-income-falls</a>
17	Duncan Quote	<a href="https://www.fanniemae.com/portal/media/corporate-news/2020/economic-housing-outlook-081420-7056.html">https://www.fanniemae.com/portal/media/corporate-news/2020/economic-housing-outlook-081420-7056.html</a>
18	Existing Home Sales	<a href="https://www.nar.realtor/newsroom/pending-home-sales-rise-5-9-in-July">https://www.nar.realtor/newsroom/pending-home-sales-rise-5-9-in-July</a> <a href="https://magazine.realtor/daily-news/2020/08/19/will-home-sales-keep-defying-expectations">https://magazine.realtor/daily-news/2020/08/19/will-home-sales-keep-defying-expectations</a>

# Now Available: Fall 2020 Buyer & Seller Guides



### Why Pricing Your House Right Matters

In today's real estate market, setting the right price for your house is one of the most important things you can do.

According to the *U.S. Economic Outlook* by NAR, existing home prices nationwide will increase 4.7% in 2020 and 4.1% in 2021. This means experts anticipate home values to continue climbing into next year. Low inventory is largely keeping them from depreciating. Mark Fleming, Chief Economist at First American, notes:

"The housing market amid the pandemic faces a significant supply and demand imbalance, and the result is accelerating price appreciation."

When it comes to pricing your home, setting it at or slightly below market value increases the visibility of your listing and drive more buyers your way. This means a larger number of buyers who will see your home in the market.



### Ready to Make an Offer? Four Tips for Success

Once you find the perfect house to call your new home, making an offer can be an intimidating part of the buying process. In such a competitive market, you'll want to make sure you make all the right moves to ultimately land your dream home.

Below are four helpful tips provided by Freddie Mac so you can feel more confident about making a competitive offer on your next home.

- 1. Determine Your Price**

"You've found the perfect home and you're ready to buy. Now what? Your real estate agent will be by your side, helping you determine an offer price that is fair."

Based on your agent's experience and key considerations (like similar homes recently sold in the area, neighborhood, the condition of the property, and what you can afford), your agent will help you determine an offer to present.
- 2. Get Pre-Approved**

"You've been pre-approved for a mortgage in advance, you'll be that much more prepared for the next step. The approval will show home sellers you're serious about buying and will allow you to move forward with confidence as it relates to your budget, savings, expenses, and more."
- 3. Submit an Offer**

"Once you've determined your price, your agent will draw up an offer, or purchase agreement, to submit to the seller's real estate agent. This offer will include the purchase price and terms and conditions of the purchase."

Work with your agent to find out ways to make your offer stand out in this competitive market.

# Coming Soon: 2020 Latino Community eGuide



## An Agent's Guide to Working with the Latino Community

This **16-page eGuide** provides Real Estate Professionals with current data and best practices for working with the Latino community, as well as key insights into the wants and needs of Hispanic families living in the United States. Often an overlooked demographic, the Latino community in the U.S. continues to grow and believes strongly that homeownership is the staple in achieving the American Dream.

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 left, a key with a closing curly brace "}" and an opening square bracket "["; above, a key with a forward slash and underline symbol; to the right, a key with the number "4"; and below, a large, plain grey key. The lighting is soft, creating gentle shadows and highlights on the keys' surfaces.

# Resources

Slide	Slide Title	Link
27, 47, 59	Confidence Index	<a href="https://www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index">https://www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index</a>
28-30,38,40,41	Existing Home Sales	<a href="https://www.nar.realtor/topics/existing-home-sales">https://www.nar.realtor/topics/existing-home-sales</a>
32-34	New Home Sales	<a href="http://www.census.gov/construction/nrs/pdf/newressales.pdf">http://www.census.gov/construction/nrs/pdf/newressales.pdf</a> <a href="http://www.census.gov/newhomesales">http://www.census.gov/newhomesales</a> <a href="http://www.census.gov/construction/nrs/pdf/newressales.pdf">http://www.census.gov/construction/nrs/pdf/newressales.pdf</a>
35	Total Home Sales	<a href="http://www.census.gov/construction/nrs/pdf/newressales.pdf">http://www.census.gov/construction/nrs/pdf/newressales.pdf</a> <a href="https://www.nar.realtor/topics/existing-home-sales">https://www.nar.realtor/topics/existing-home-sales</a>
36,37	Pending Home Sales	<a href="https://www.nar.realtor/research-and-statistics/housing-statistics/pending-home-sales">https://www.nar.realtor/research-and-statistics/housing-statistics/pending-home-sales</a>
42-44	Case Shiller	<a href="https://us.spindices.com/resource-center/press-room/">https://us.spindices.com/resource-center/press-room/</a>
45	CoreLogic Forecasted YOY % Change in Price	<a href="https://www.corelogic.com/downloadable-docs/marketpulse/17-mktplse-0320-00-the-marketpulse-vol-9-issue-3-march-2020-screen-032420.pdf">https://www.corelogic.com/downloadable-docs/marketpulse/17-mktplse-0320-00-the-marketpulse-vol-9-issue-3-march-2020-screen-032420.pdf</a>
48-54	Inventory	<a href="https://www.nar.realtor/topics/existing-home-sales">https://www.nar.realtor/topics/existing-home-sales</a> <a href="http://www.census.gov/construction/nrs/pdf/newressales.pdf">http://www.census.gov/construction/nrs/pdf/newressales.pdf</a>



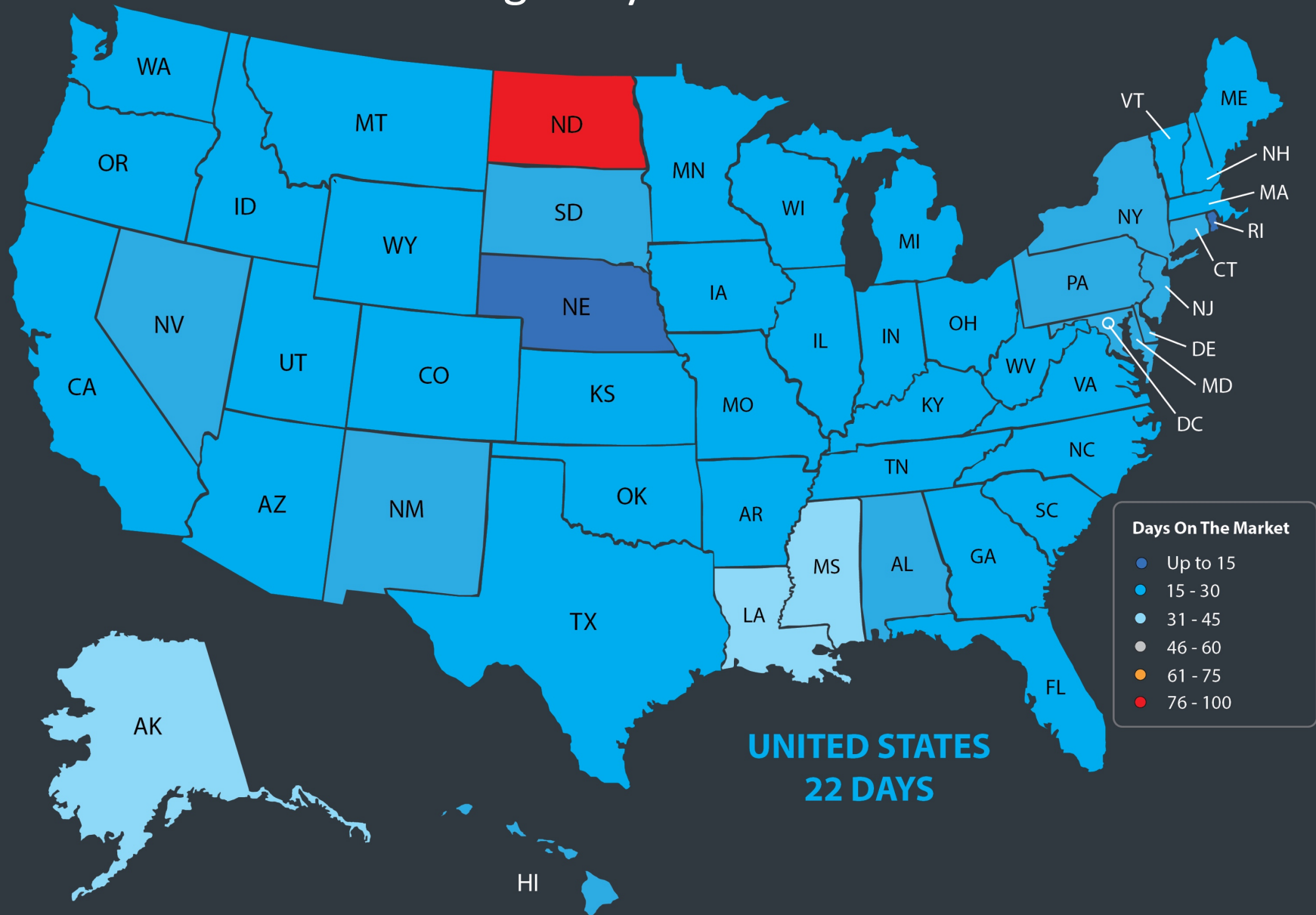
# Resources

Slide	Slide Title	Link
56 -58	Foot Traffic	<a href="http://nar.realtor/infographics/foot-traffic">http://nar.realtor/infographics/foot-traffic</a>
61, 62, 64, 65	Mortgage Rates	<a href="http://www.freddiemac.com/pmms">http://www.freddiemac.com/pmms</a> <a href="http://www.freddiemac.com/pmms/pmms_archives.html">http://www.freddiemac.com/pmms/pmms_archives.html</a>
63	Mortgage Rate Projections	<a href="http://www.freddiemac.com/research/forecast/">http://www.freddiemac.com/research/forecast/</a> <a href="http://www.fanniemae.com/portal/research-insights/forecast.html">http://www.fanniemae.com/portal/research-insights/forecast.html</a> <a href="https://www.mba.org/news-research-and-resources/research-and-economics/forecasts-and-commentary">https://www.mba.org/news-research-and-resources/research-and-economics/forecasts-and-commentary</a> <a href="https://www.nar.realtor/research-and-statistics">https://www.nar.realtor/research-and-statistics</a>
67, 68	Mortgage Credit Availability	<a href="https://www.mba.org/news-research-and-resources/newsroom">https://www.mba.org/news-research-and-resources/newsroom</a> <a href="https://www.mba.org/news-research-and-resources/research-and-economics/single-family-research/mortgage-credit-availability-index">https://www.mba.org/news-research-and-resources/research-and-economics/single-family-research/mortgage-credit-availability-index</a>
69-73	Days To Close, FICO Scores, DTI	<a href="http://www.elliemae.com/resources/origination-insight-reports">http://www.elliemae.com/resources/origination-insight-reports</a>



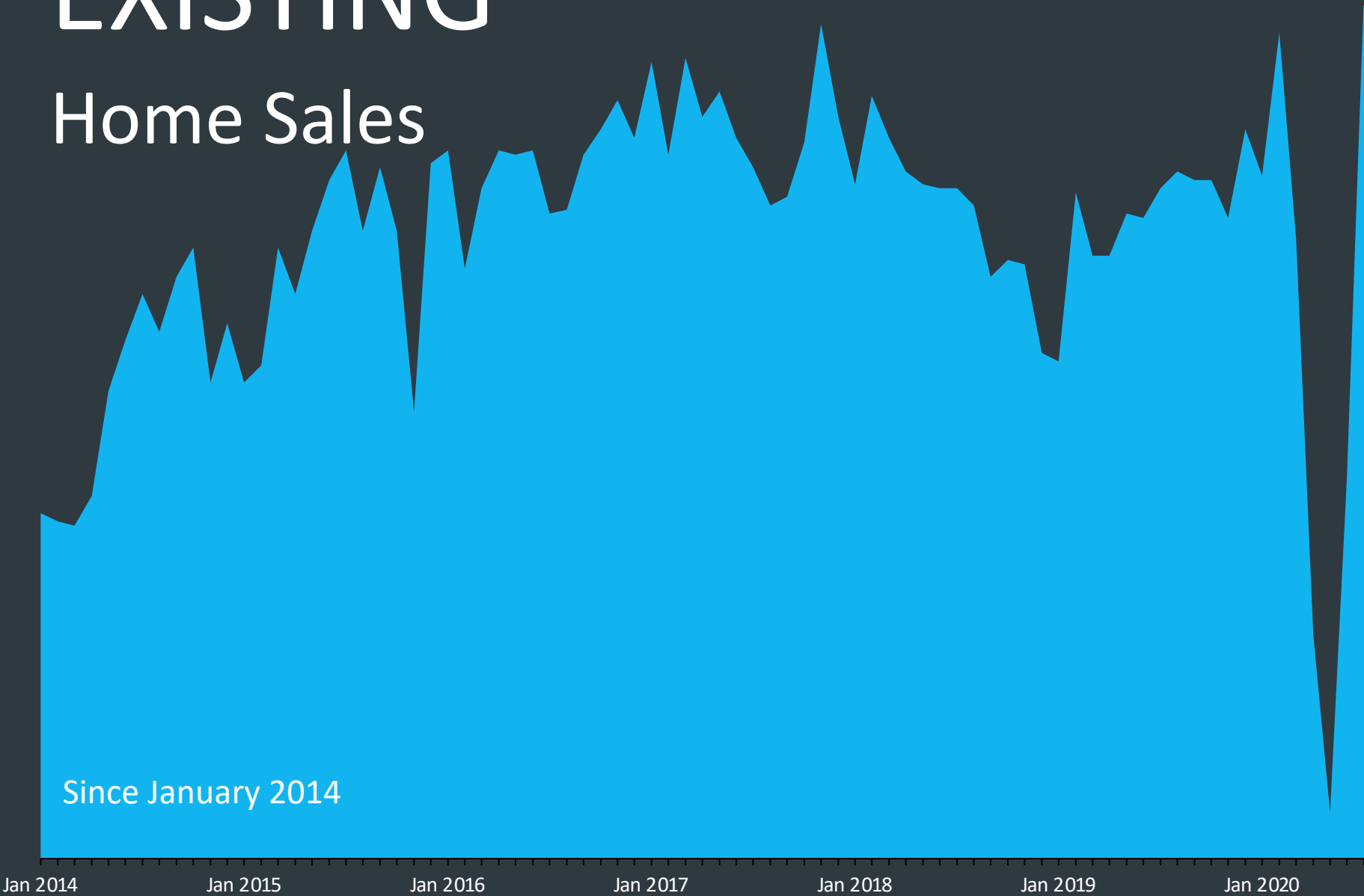
SALES

# Average Days on the Market



# EXISTING

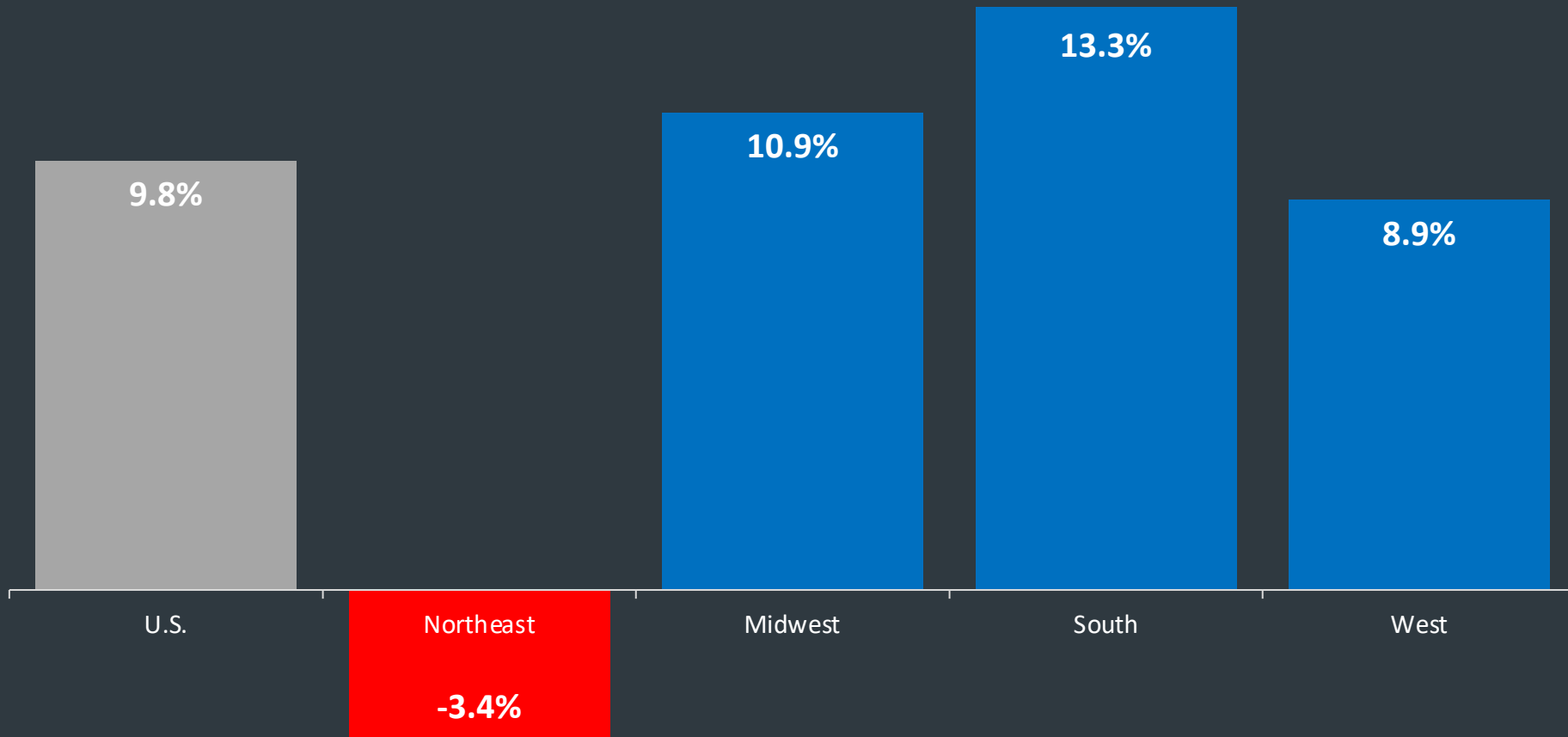
## Home Sales



Since January 2014

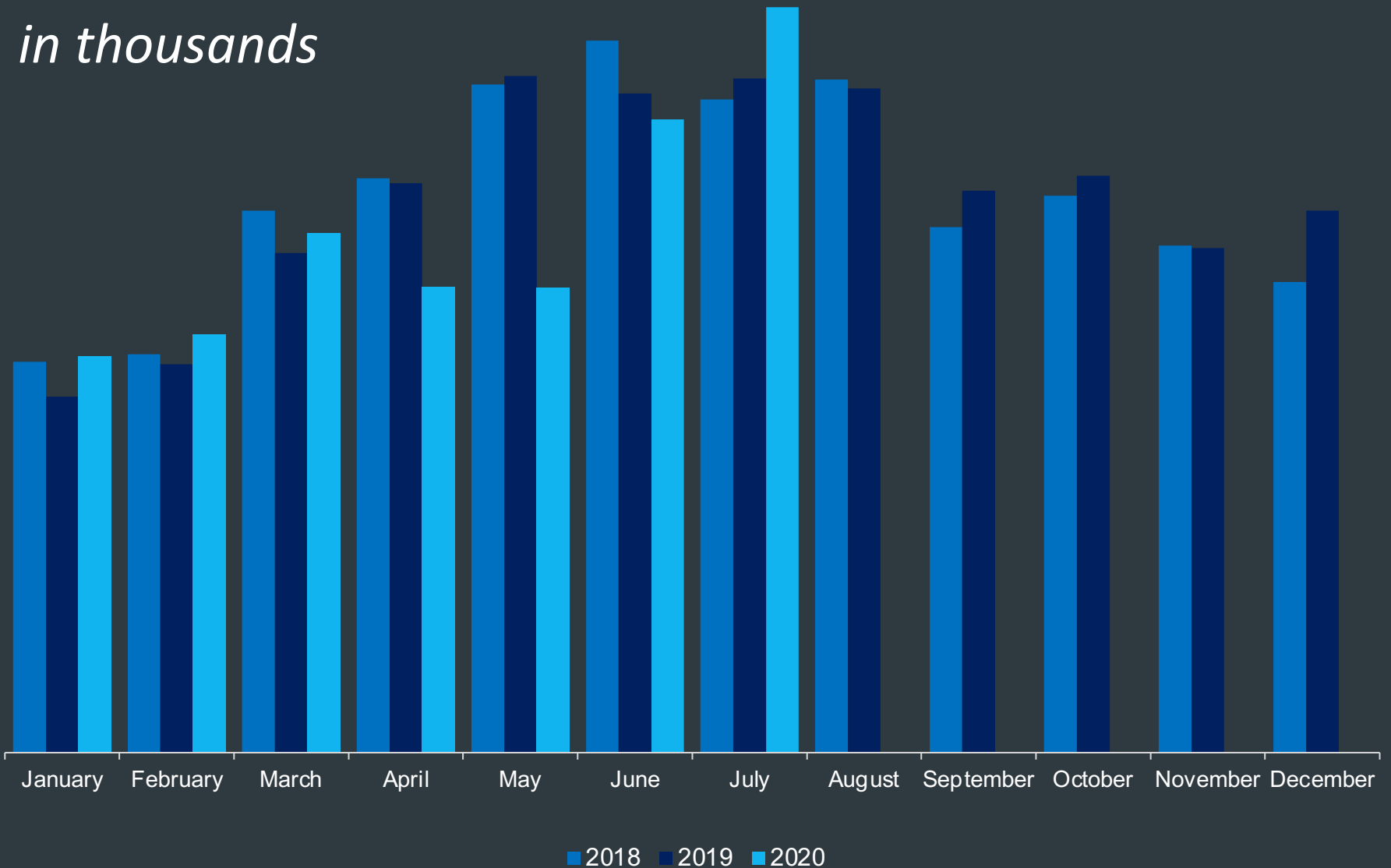
# EXISTING Home Sales

Y-O-Y by region

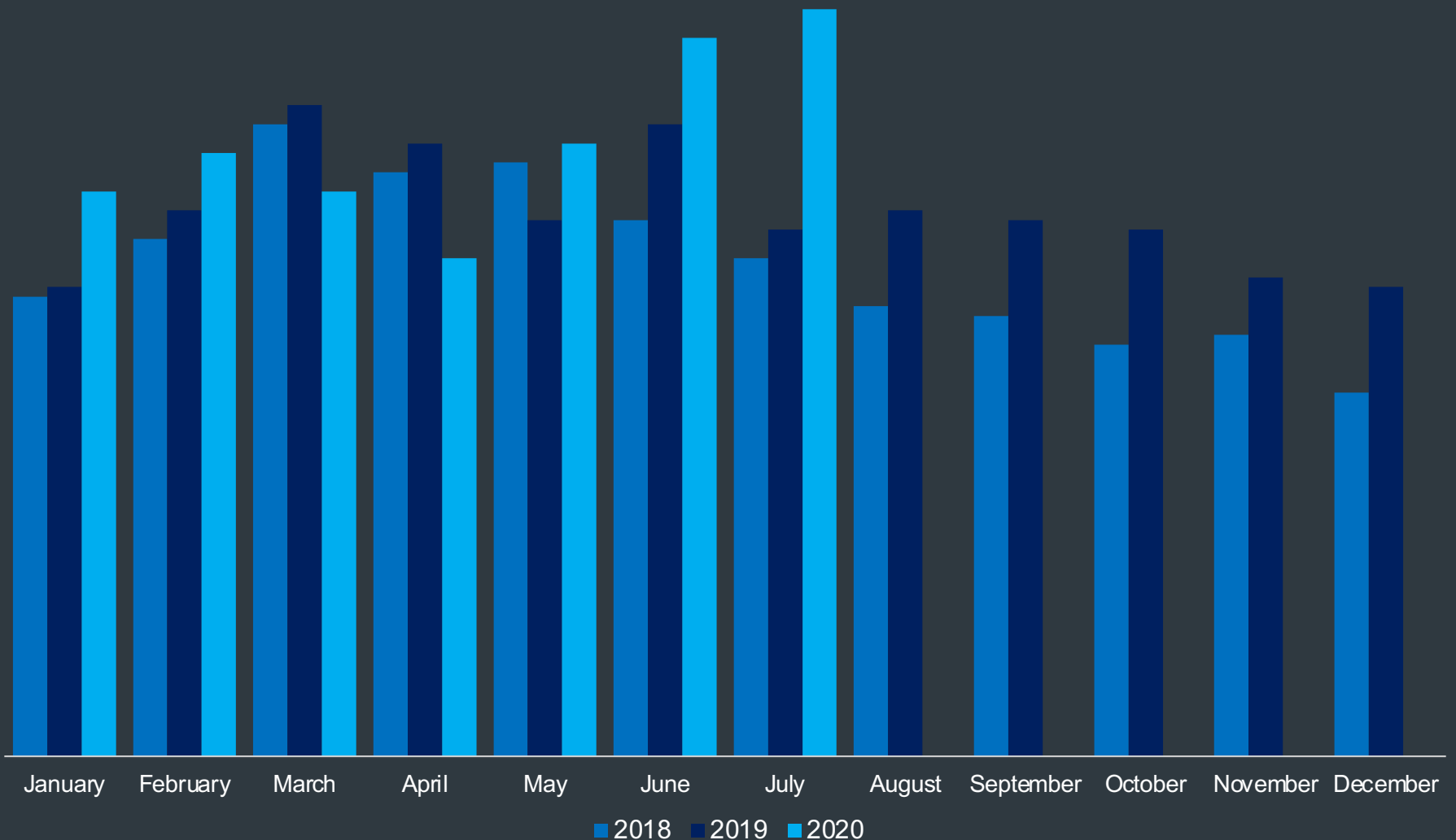


# Existing Home Sales

*in thousands*

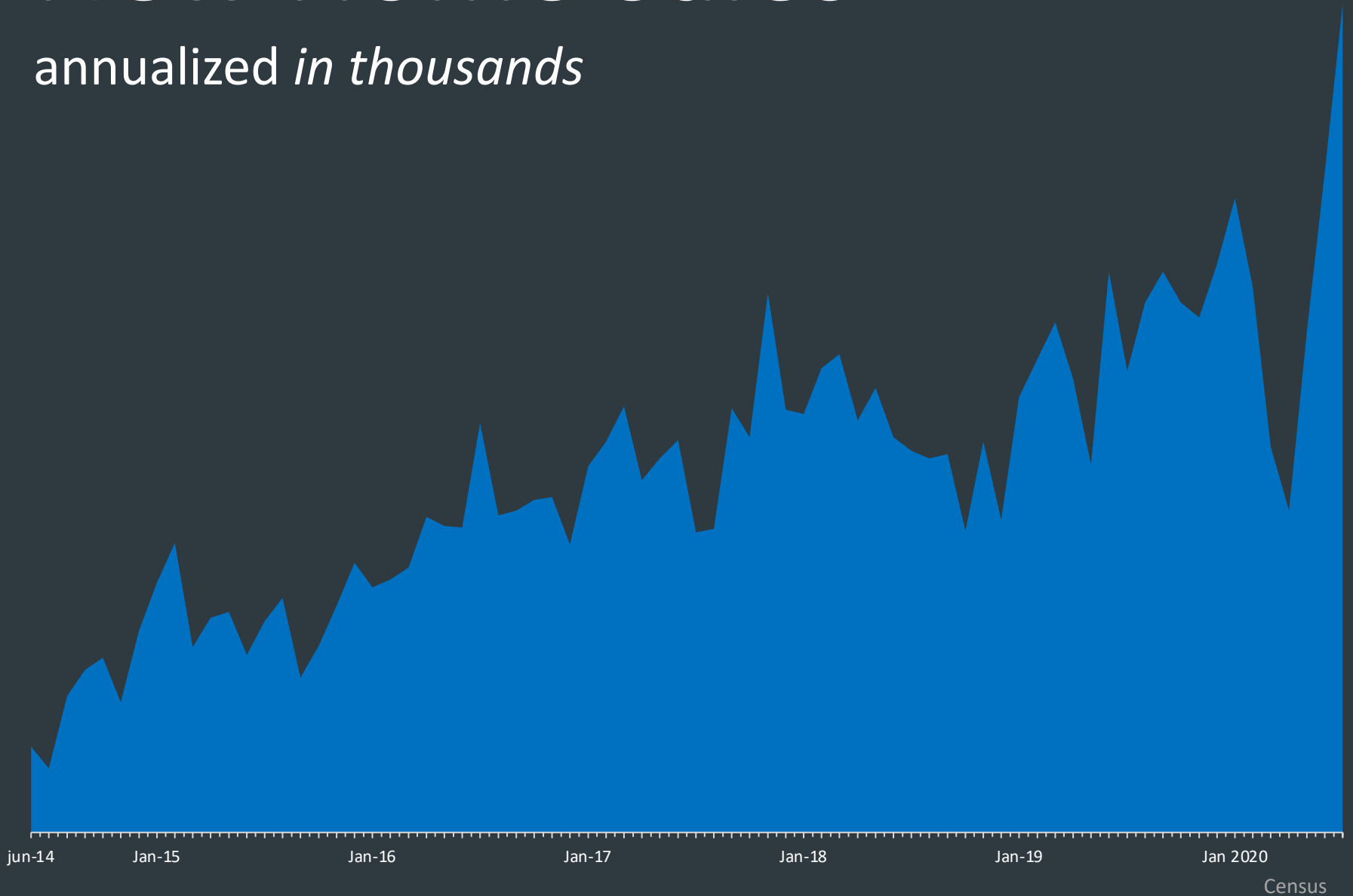


# New Home Sales *in thousands*



# New Home Sales

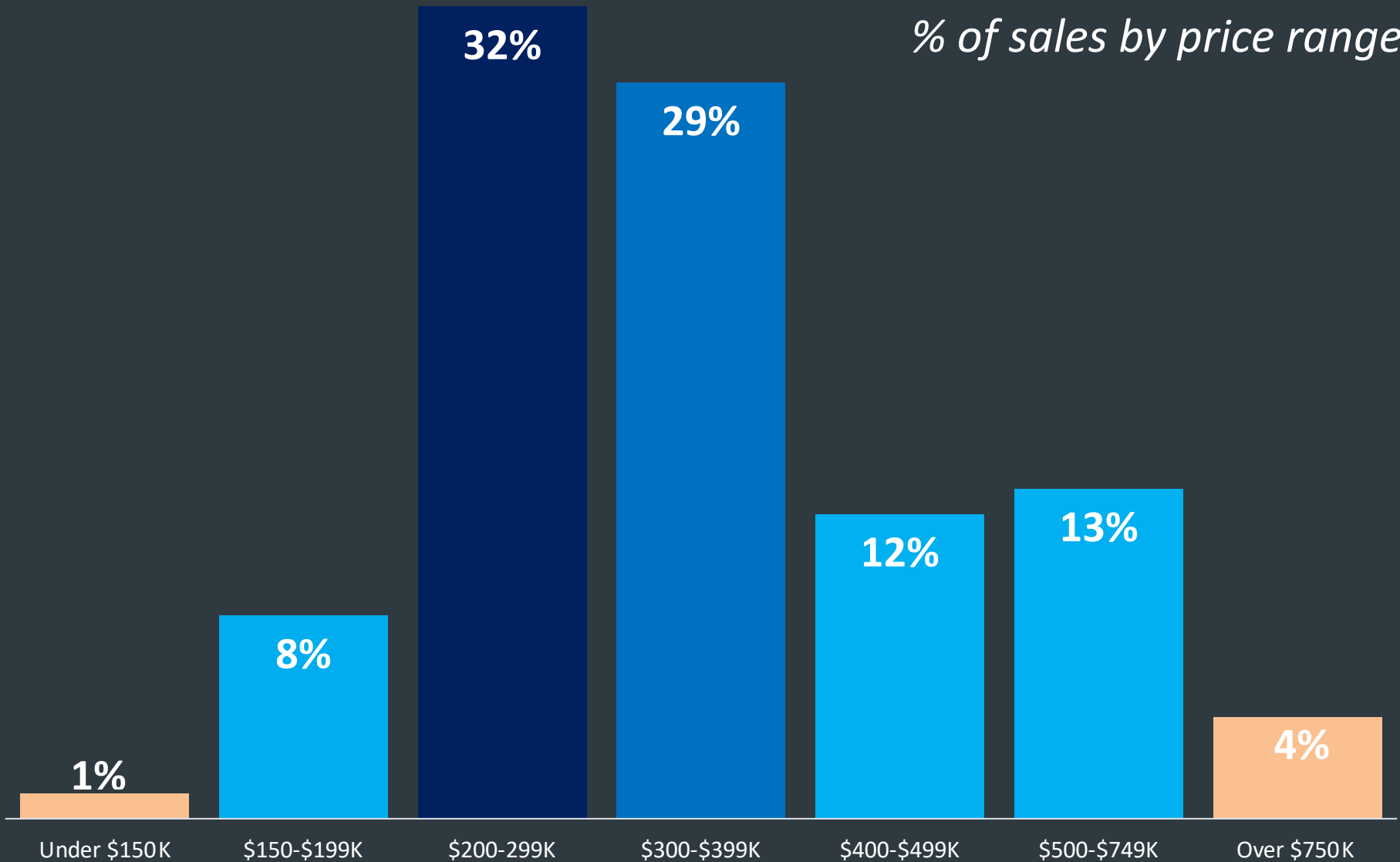
annualized *in thousands*





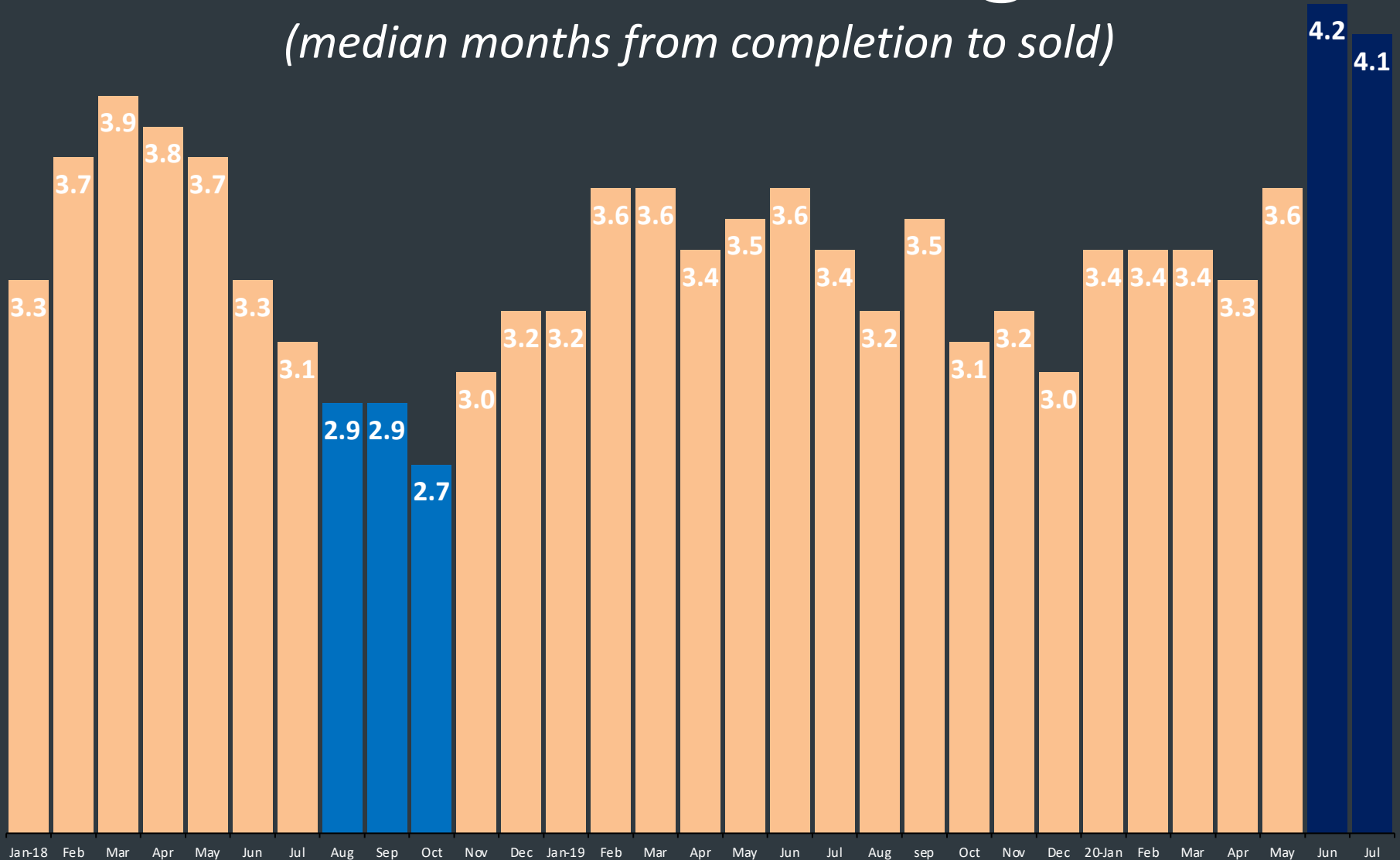
# New Home Sales

*% of sales by price range*

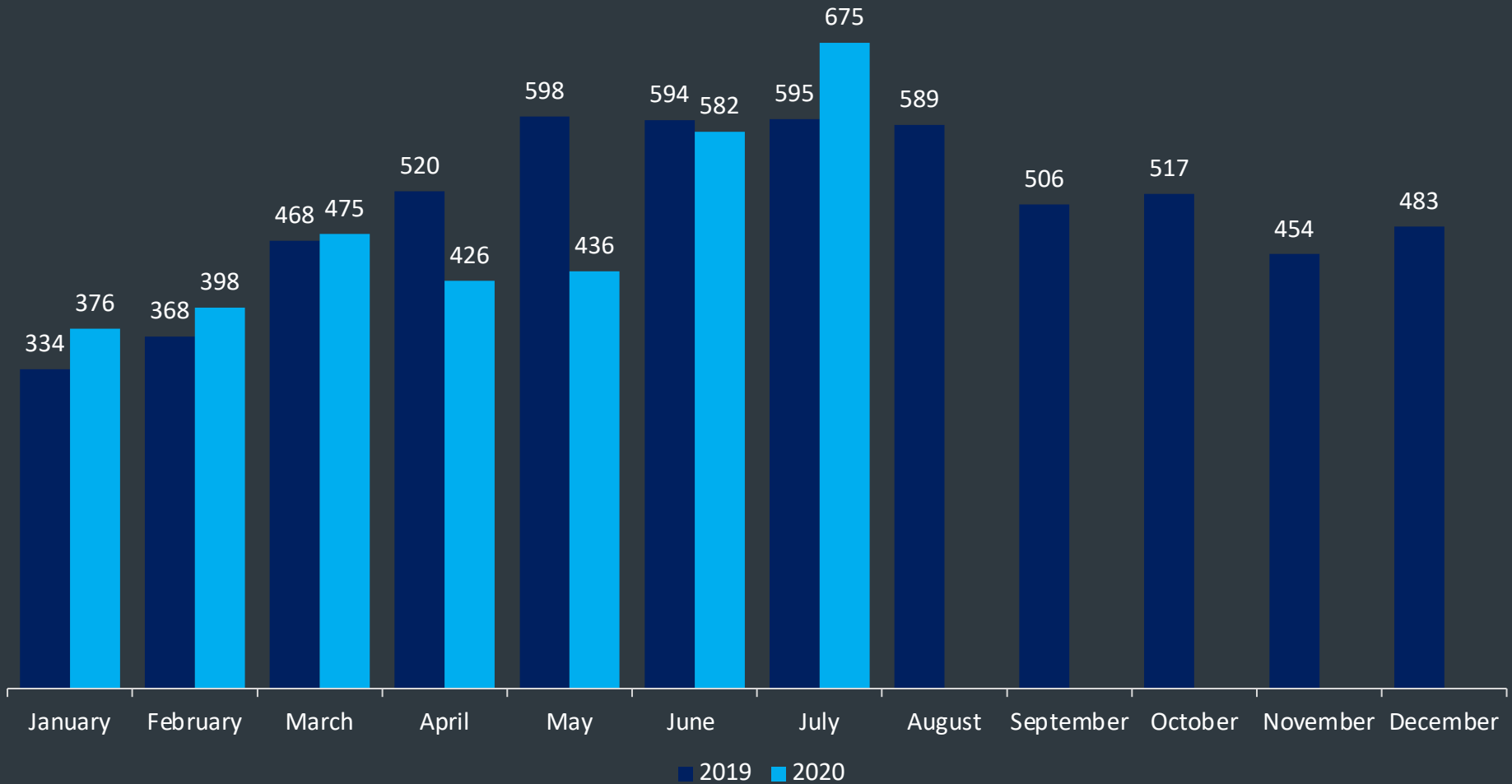


# New Homes Selling Fast

*(median months from completion to sold)*

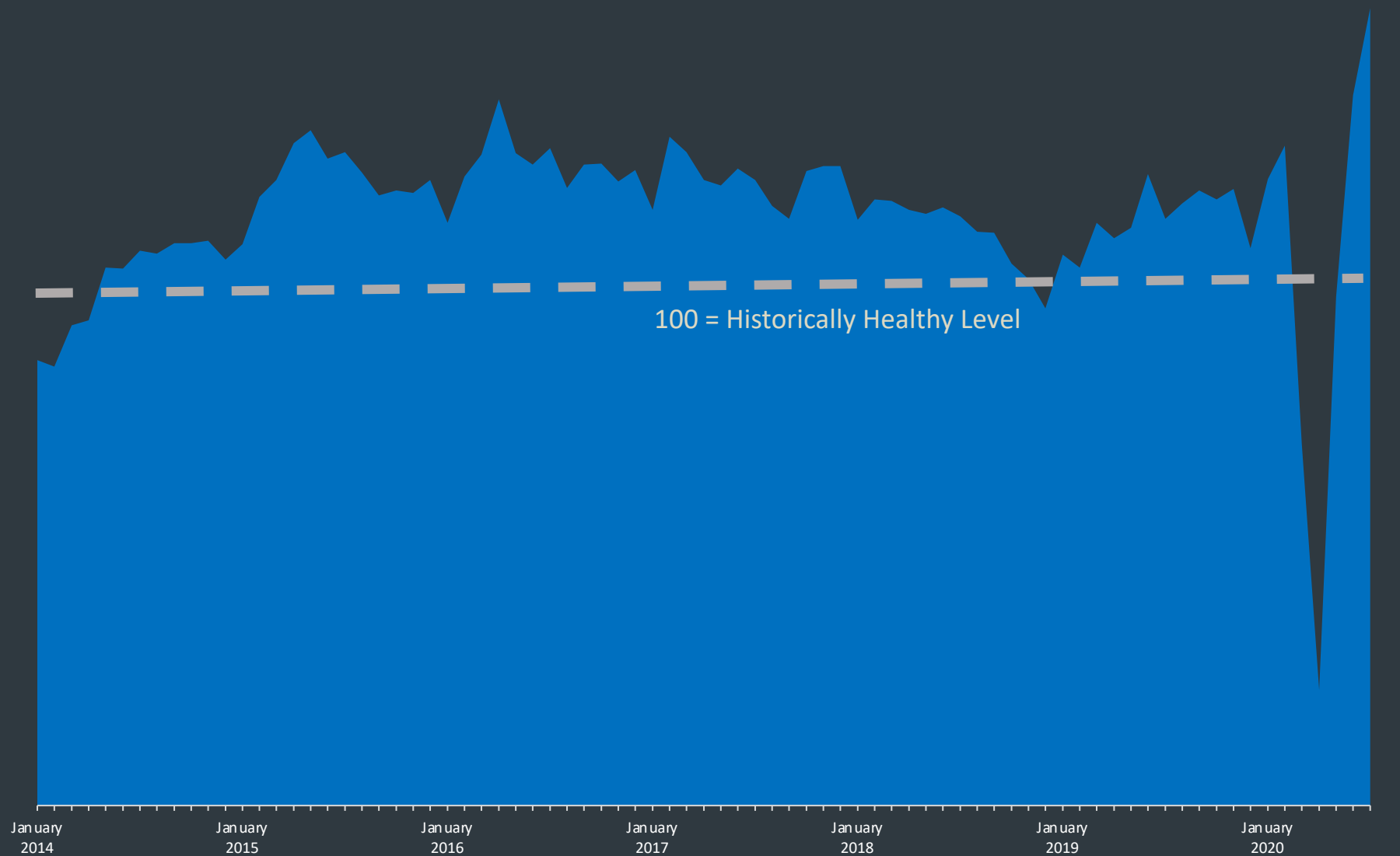


# Total Home Sales *in thousands*



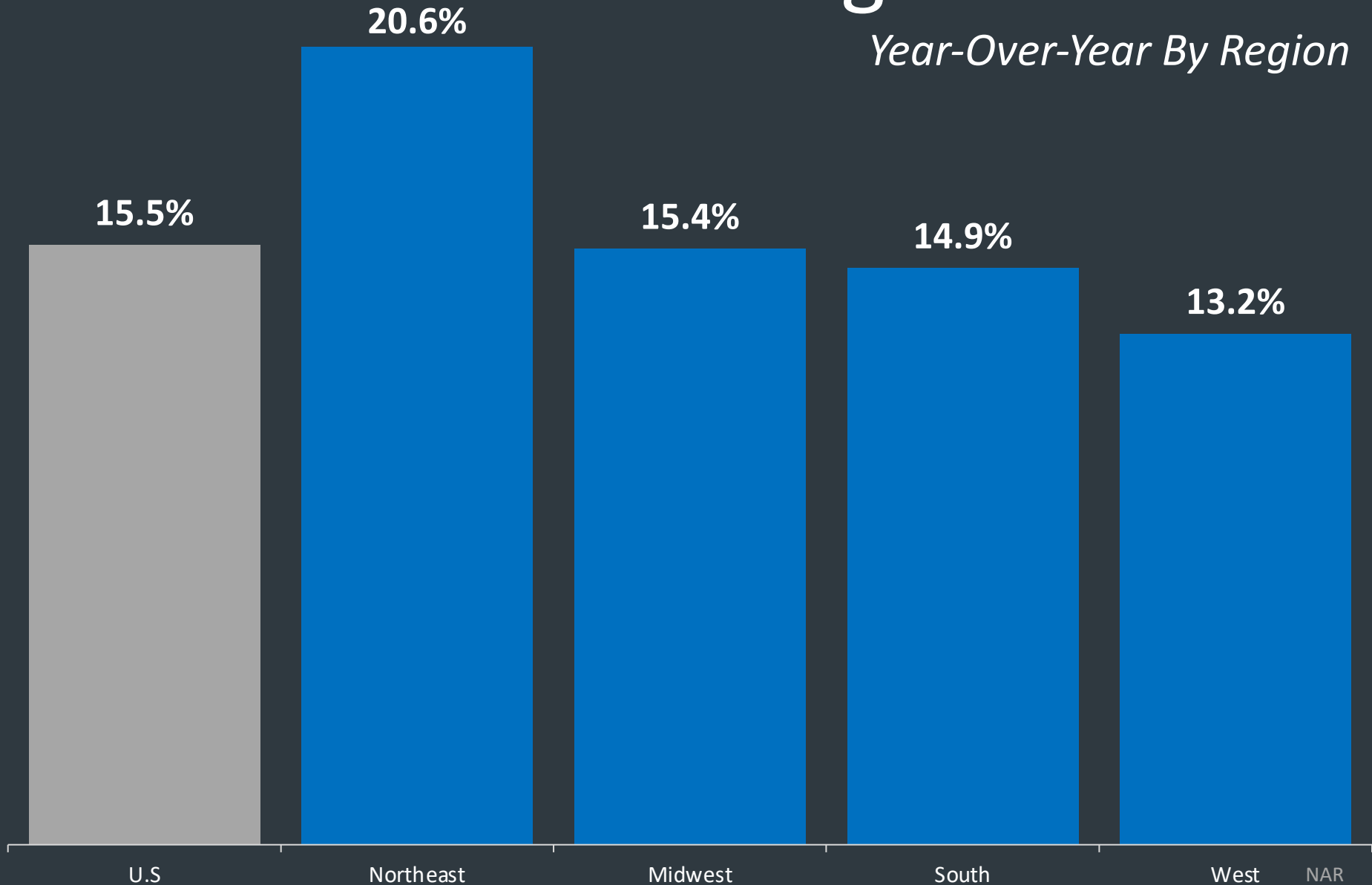
# PENDING Home Sales

*since 2014*



# Pending Home Sales

*Year-Over-Year By Region*

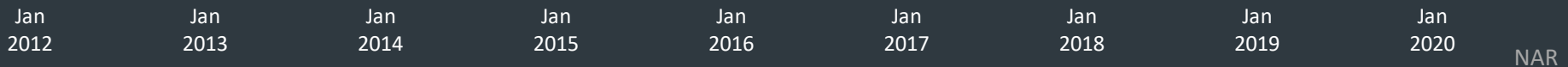


35%

# Percentage of Distressed Property Sales

*Distressed sales – foreclosures and short sales  
– represented less than 1% of sales in July*

January 2012 - Today

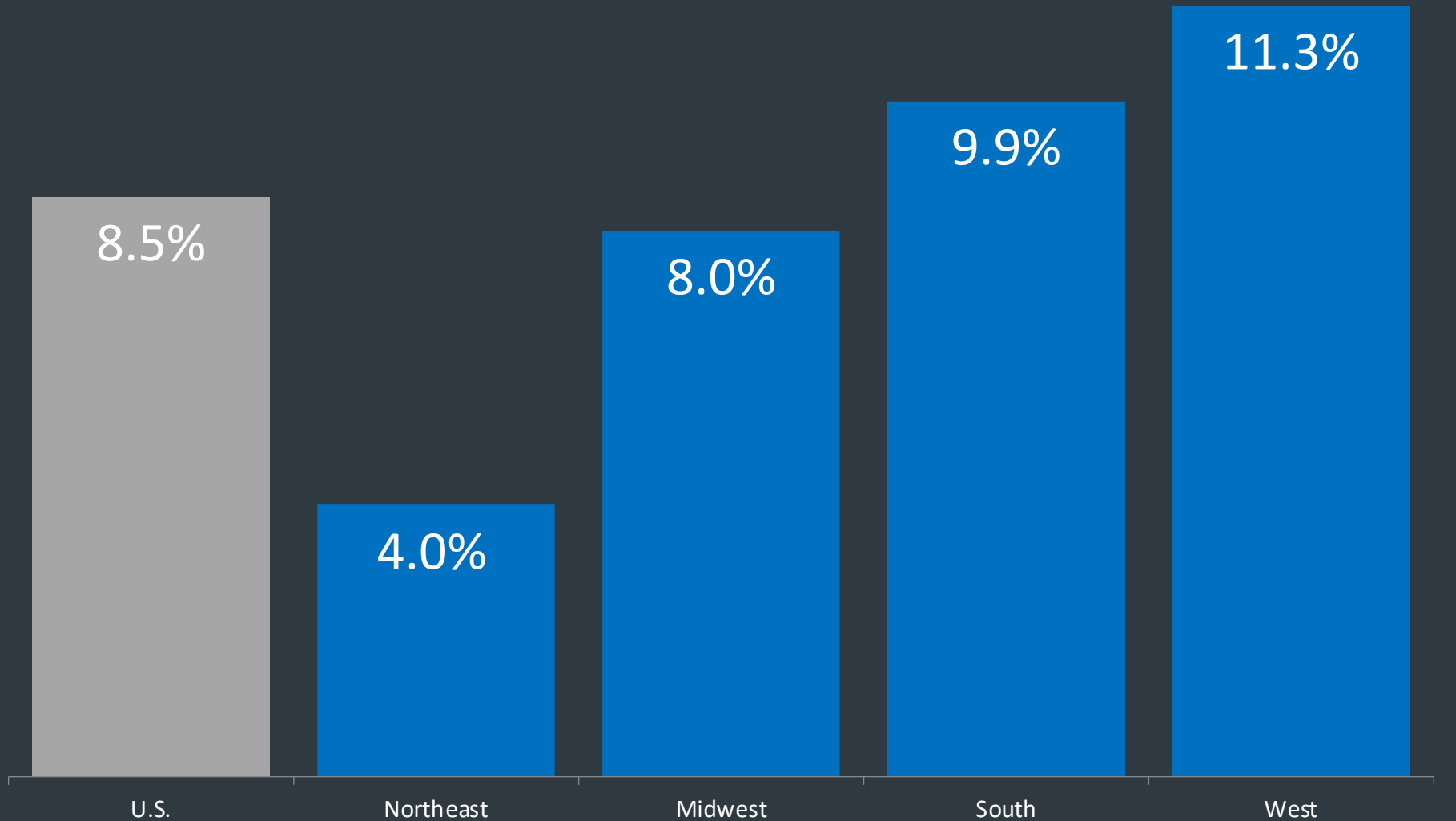




# Home Prices

# EXISTING Home Prices

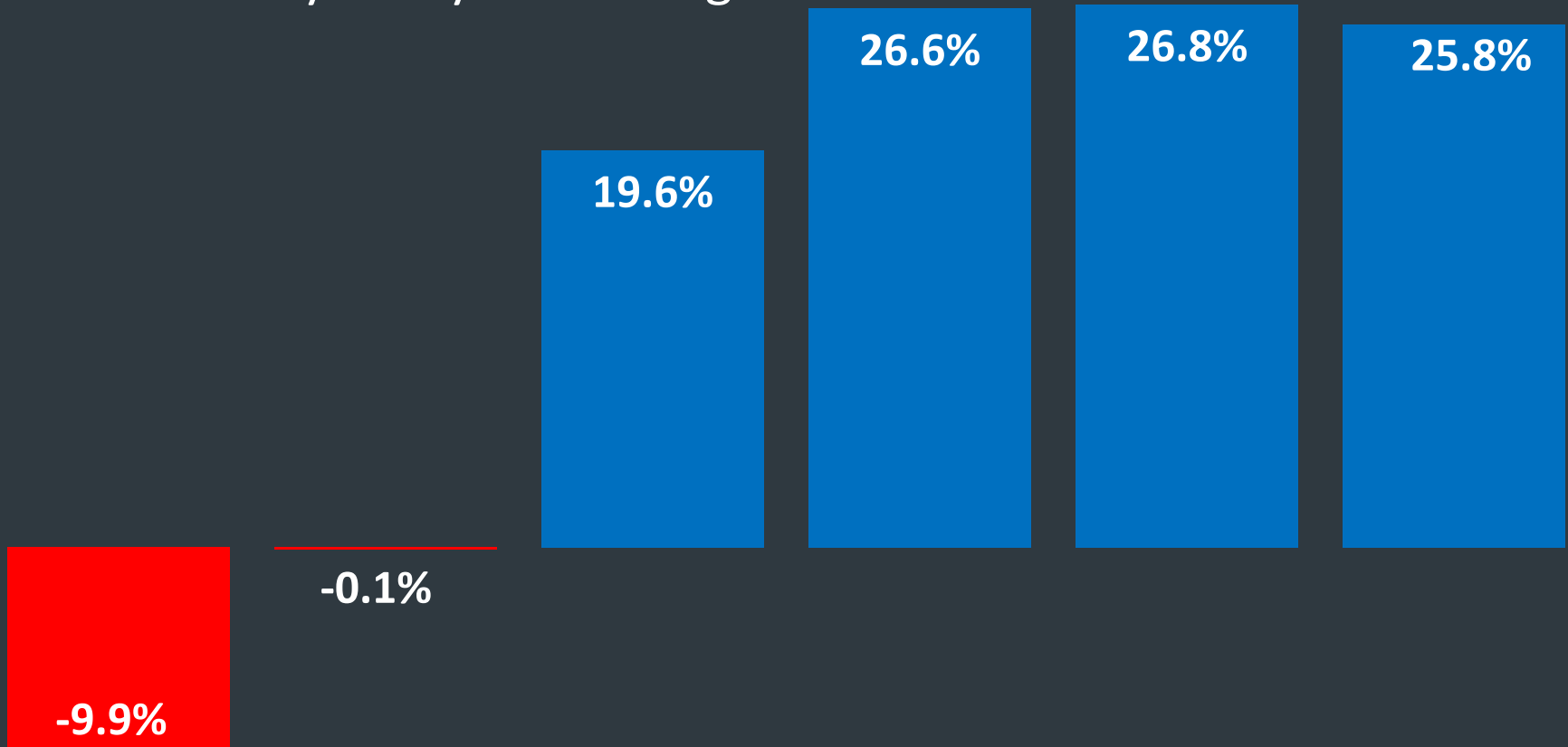
Y-O-Y by region





# % Change in Sales

from last year by Price Range

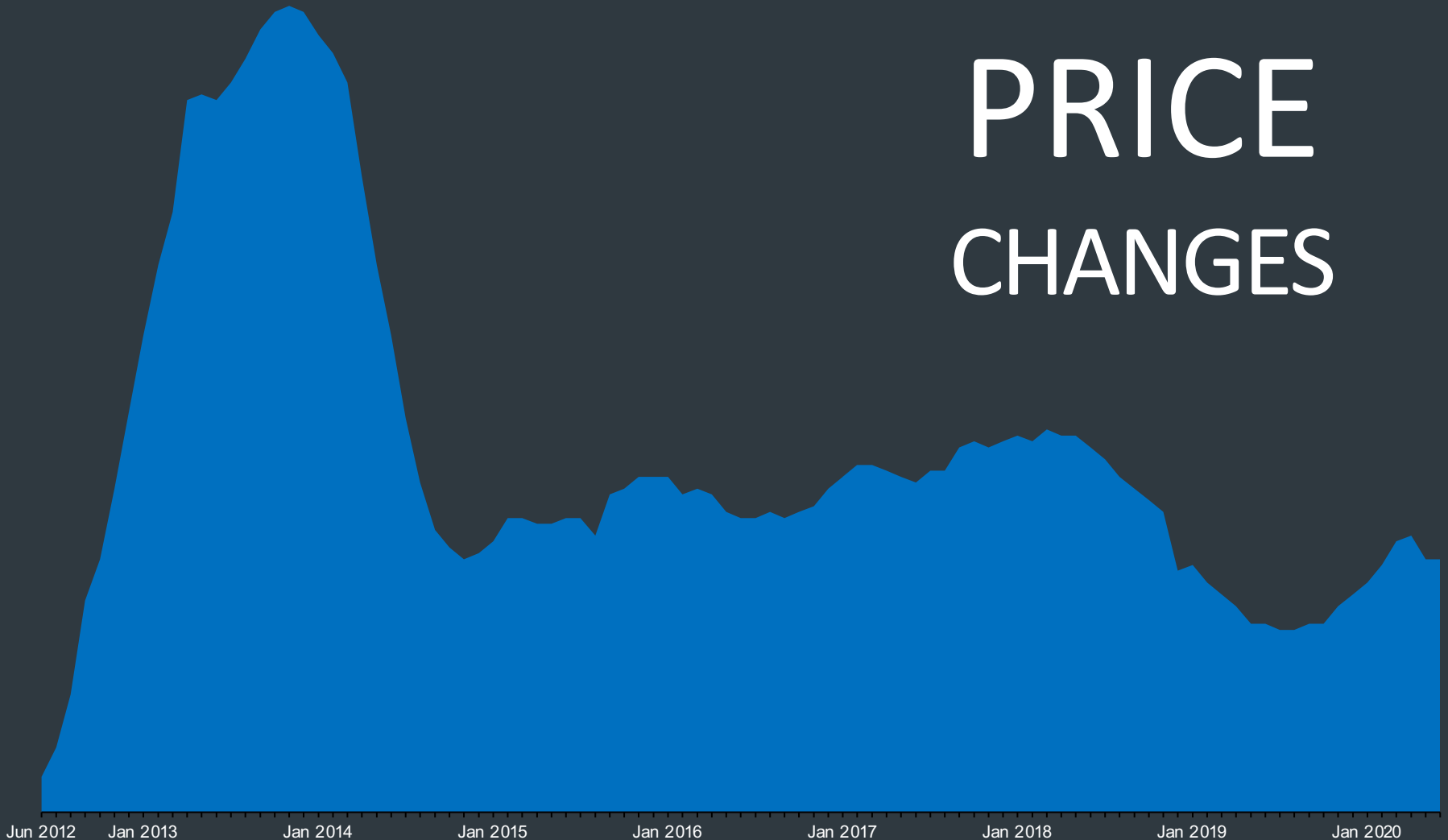


	\$0-100K	\$100-250K	\$250-500K	\$500-750K	\$750K-1M	\$1M+
%	-9.9%	-0.1%	19.6%	26.6%	26.8%	25.8%

# Case Shiller

Year-Over-Year

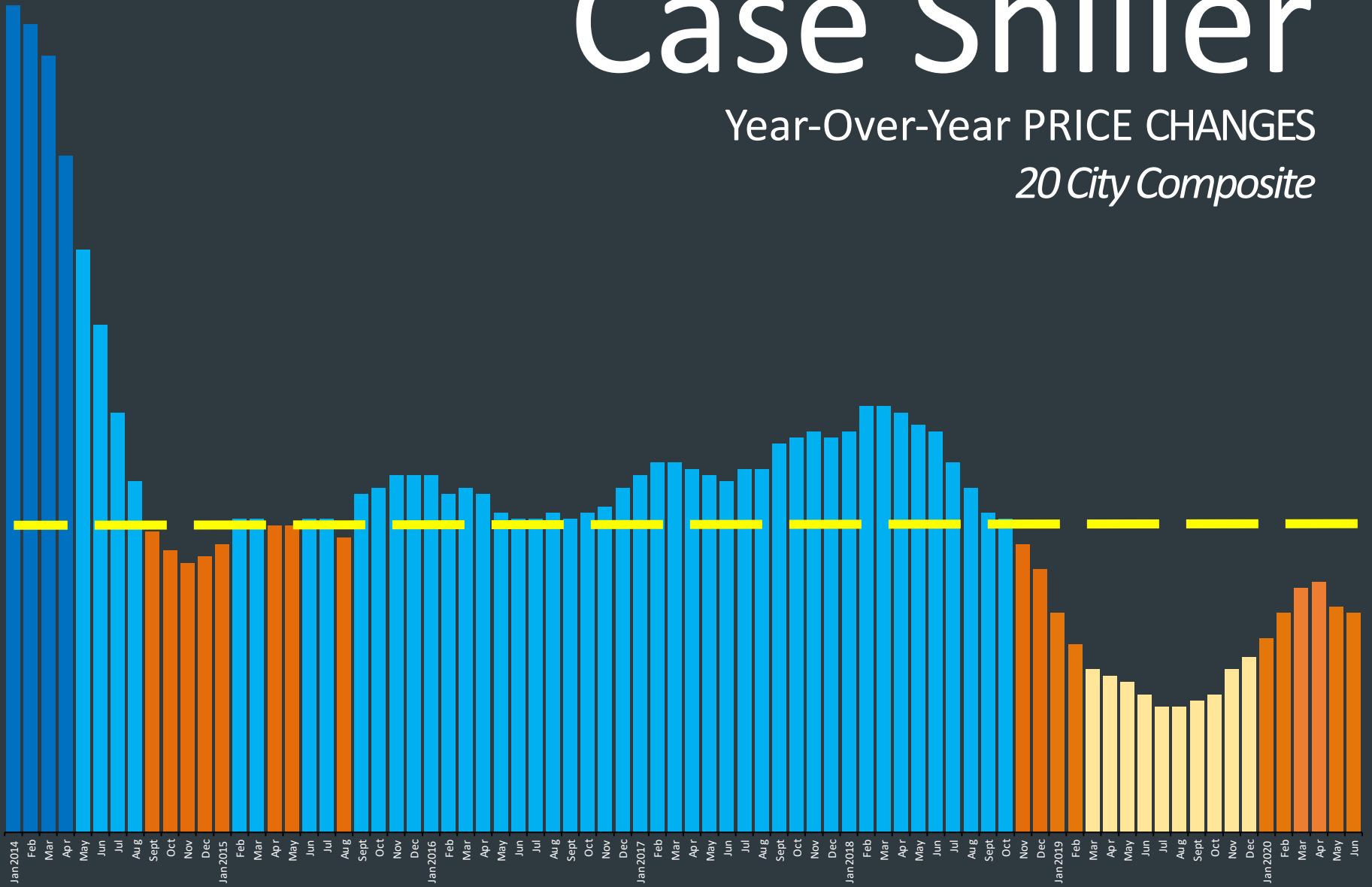
PRICE  
CHANGES



# Case Shiller

Year-Over-Year PRICE CHANGES

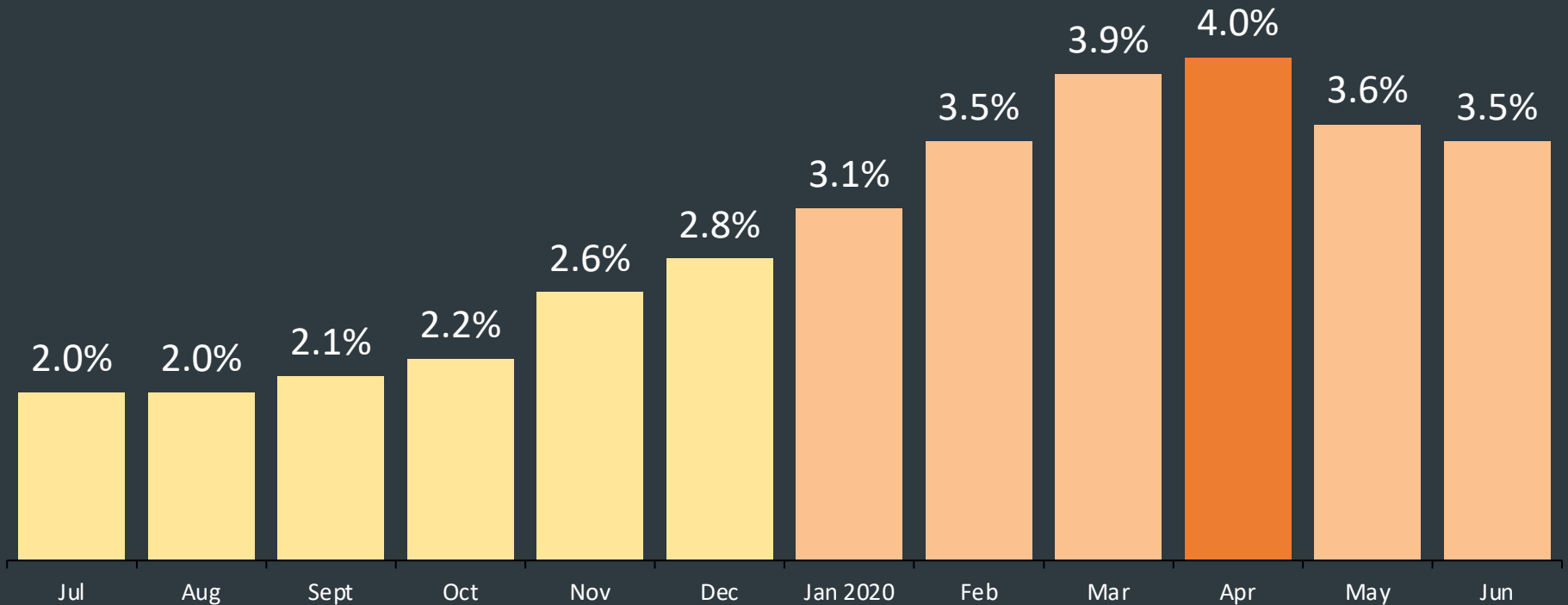
*20 City Composite*



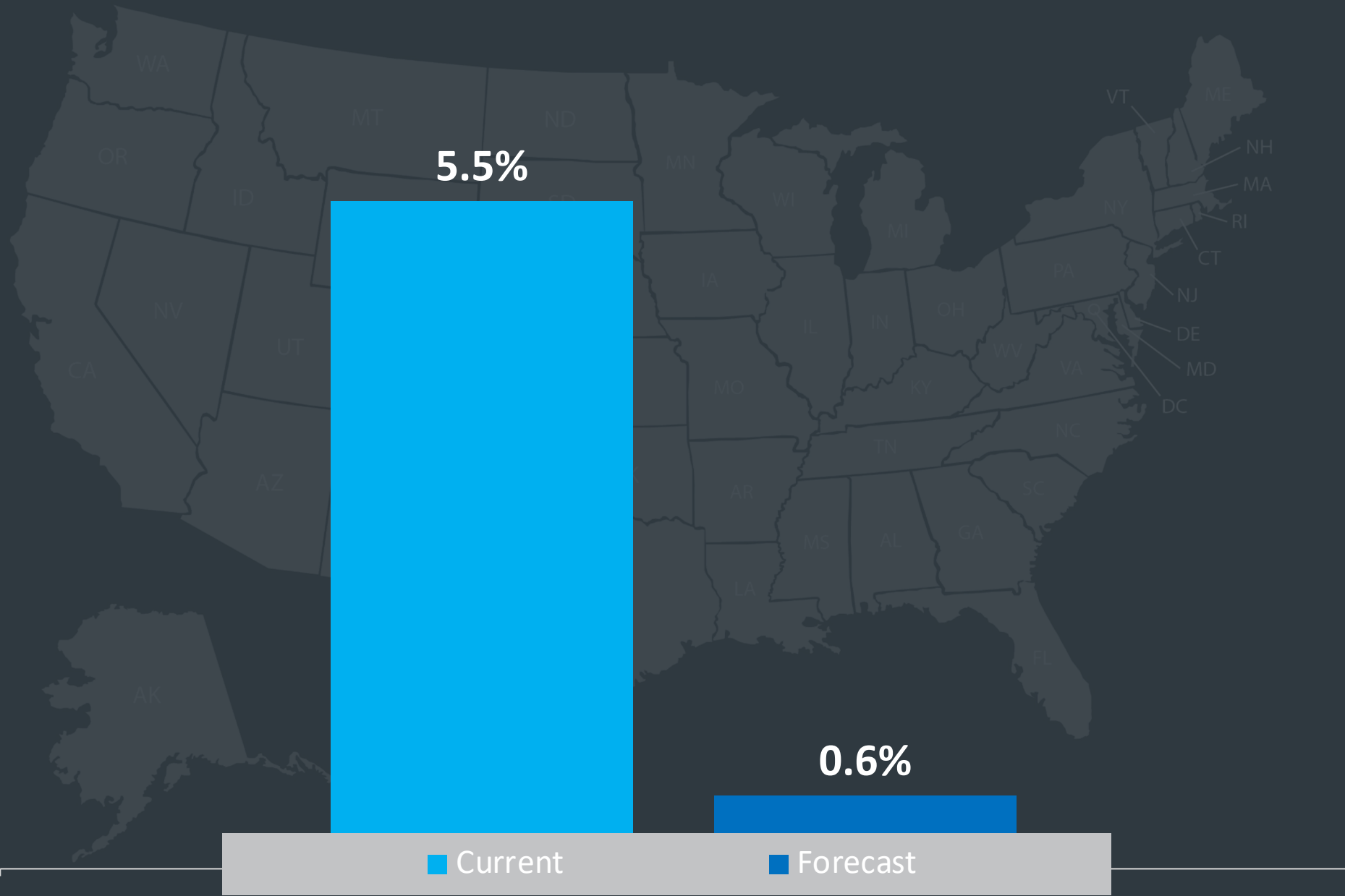
# Case Shiller

Year-Over-Year PRICE CHANGES

*20 City Composite*



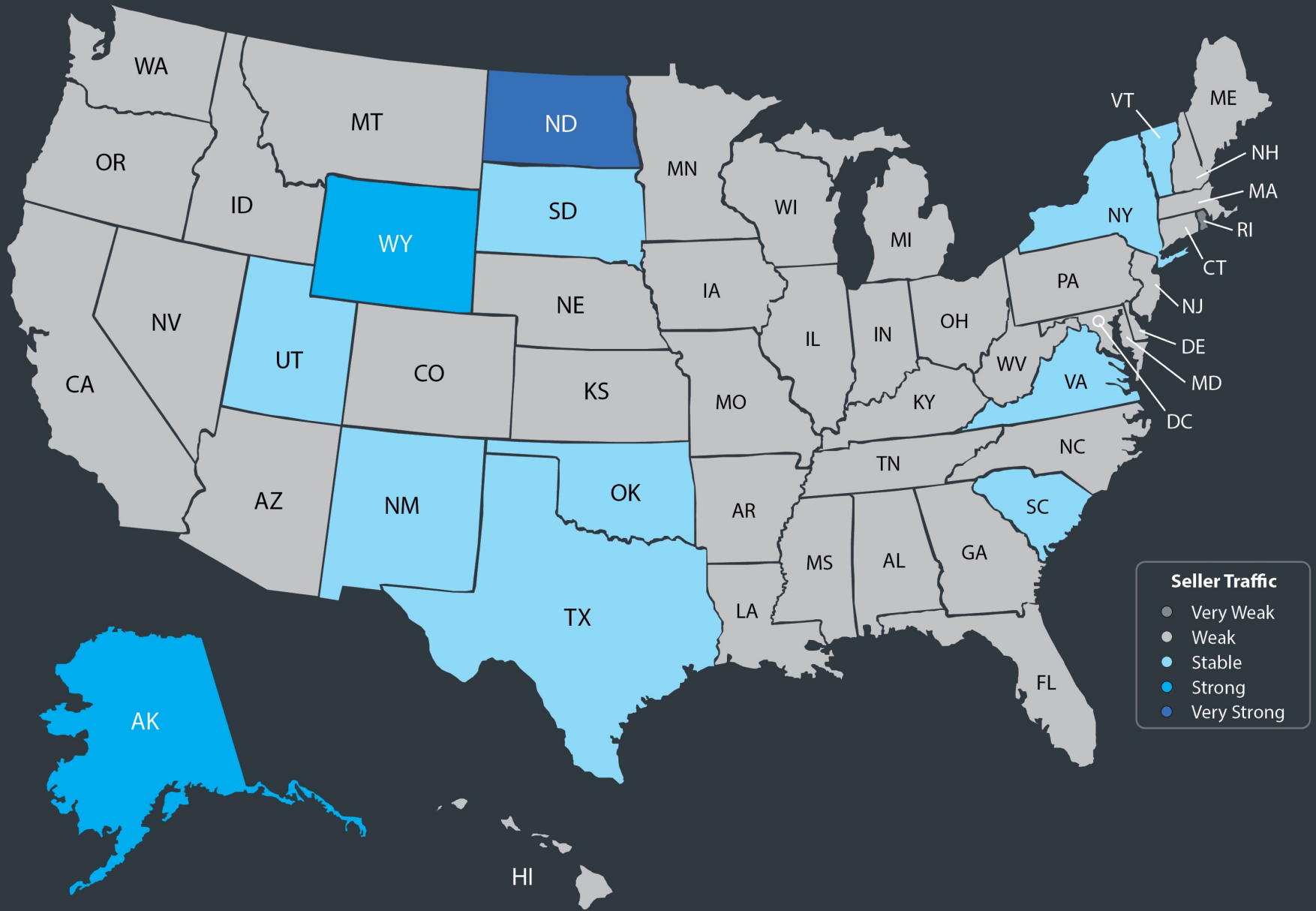
# Year-Over-Year % Change in Price



# HOUSING INVENTORY



# Seller Traffic Index



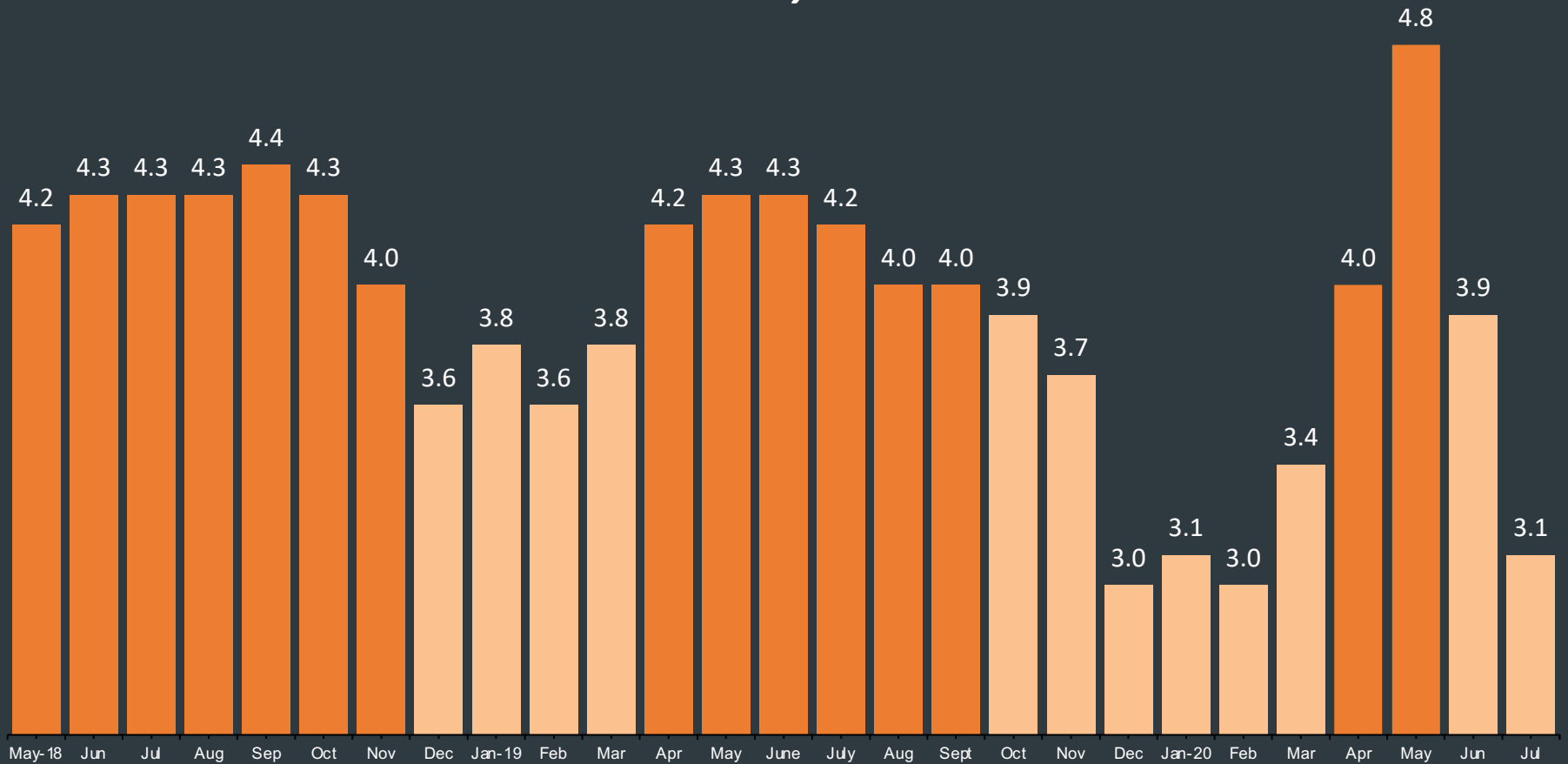
# Months Inventory of HOMES FOR SALE 2011 - Today





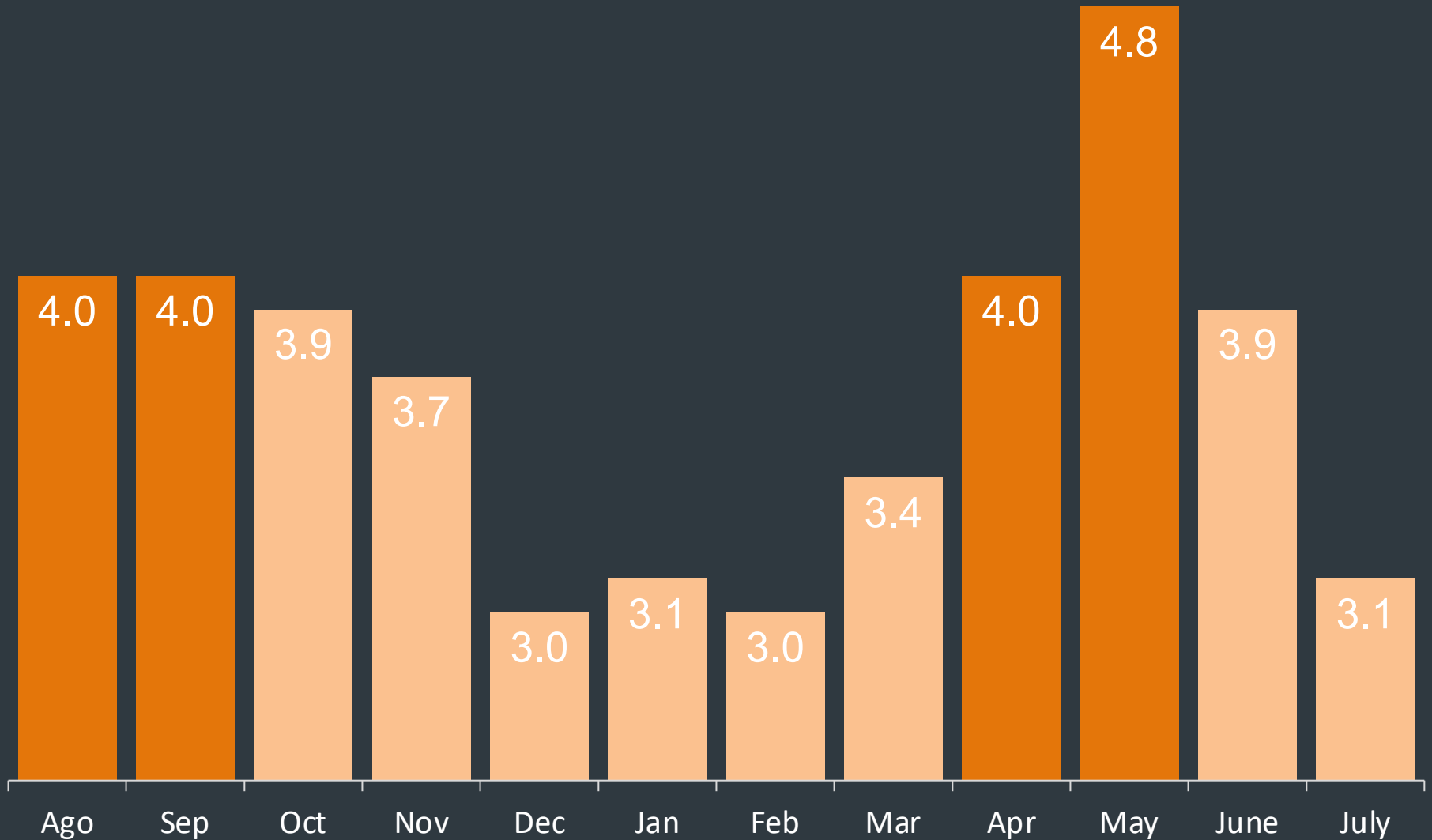
# Months Inventory of HOMES FOR SALE

*last 2 years*



# Months Inventory of HOMES FOR SALE

*Last 12 Months*

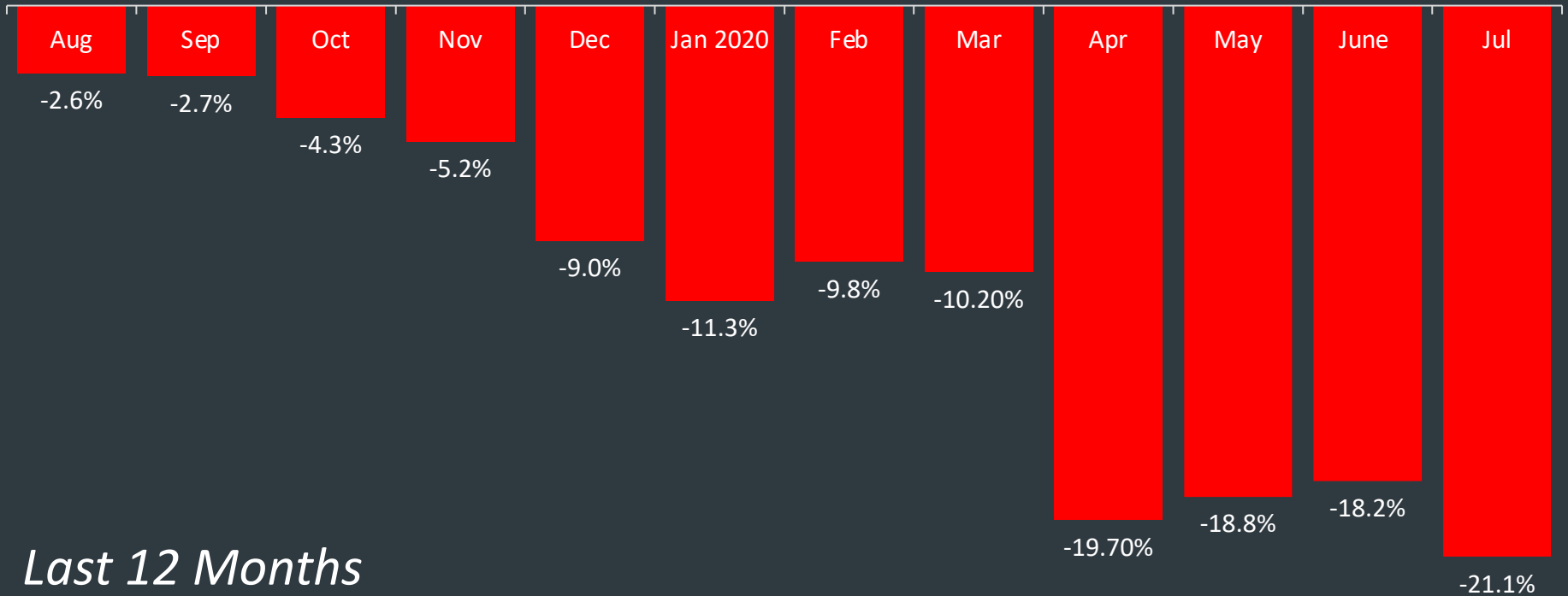




January 2014      January 2015      January 2016      January 2017      January 2018      January 2019      January 2020

# HOUSING SUPPLY

## Year-Over-Year

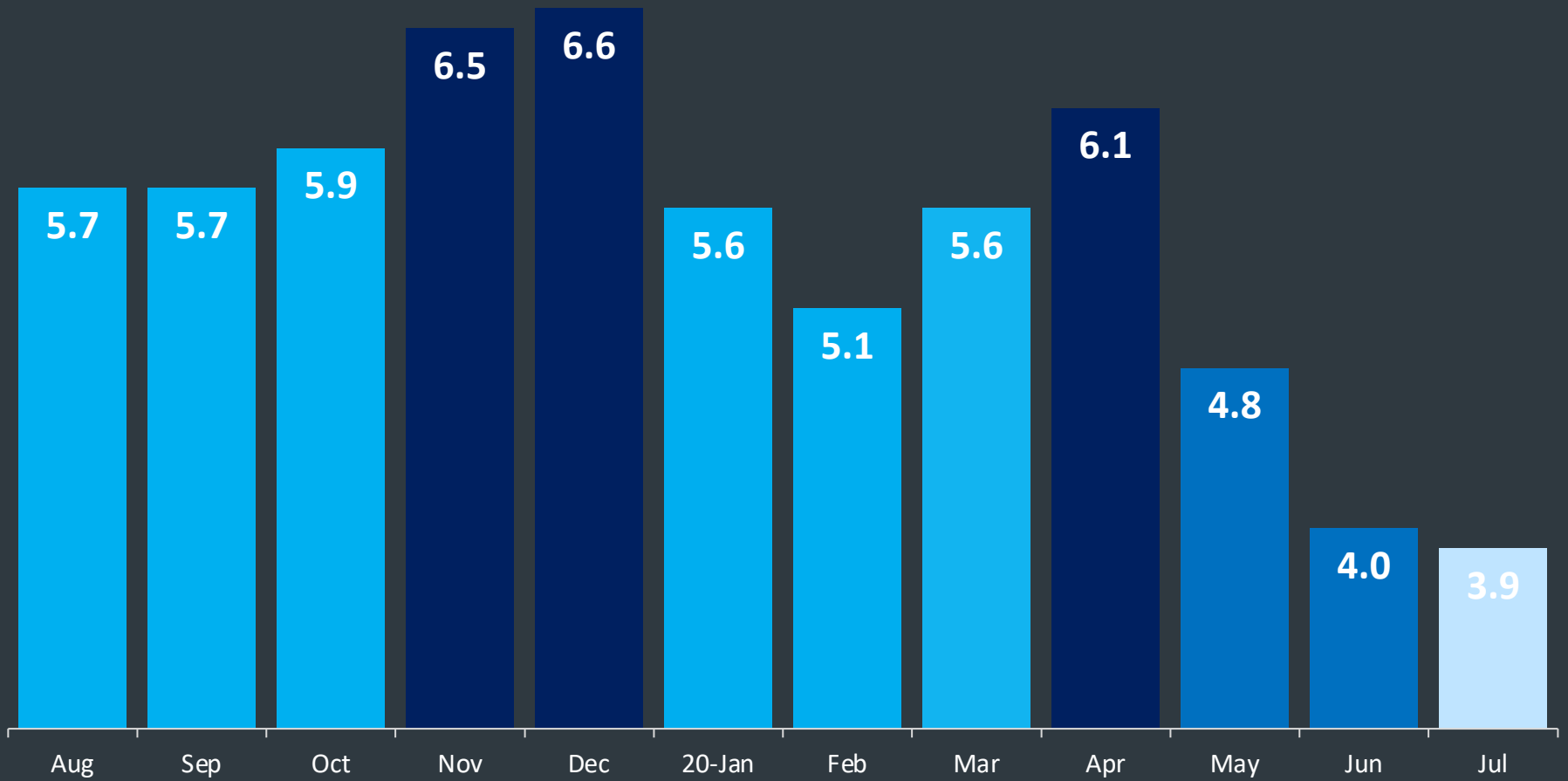


*Last 12 Months*

# New Home Inventory

*months supply*

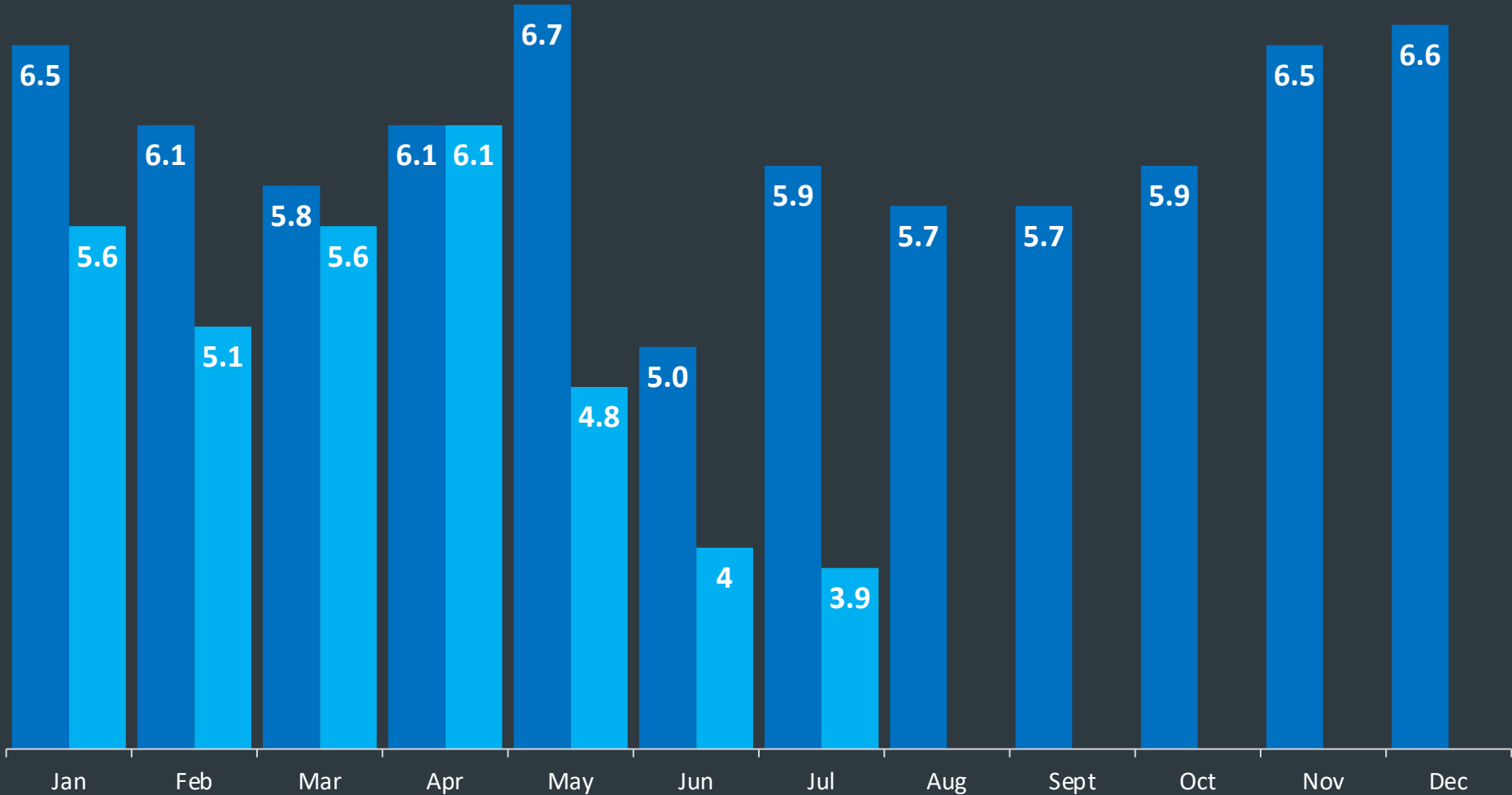
*Last 12 Months*



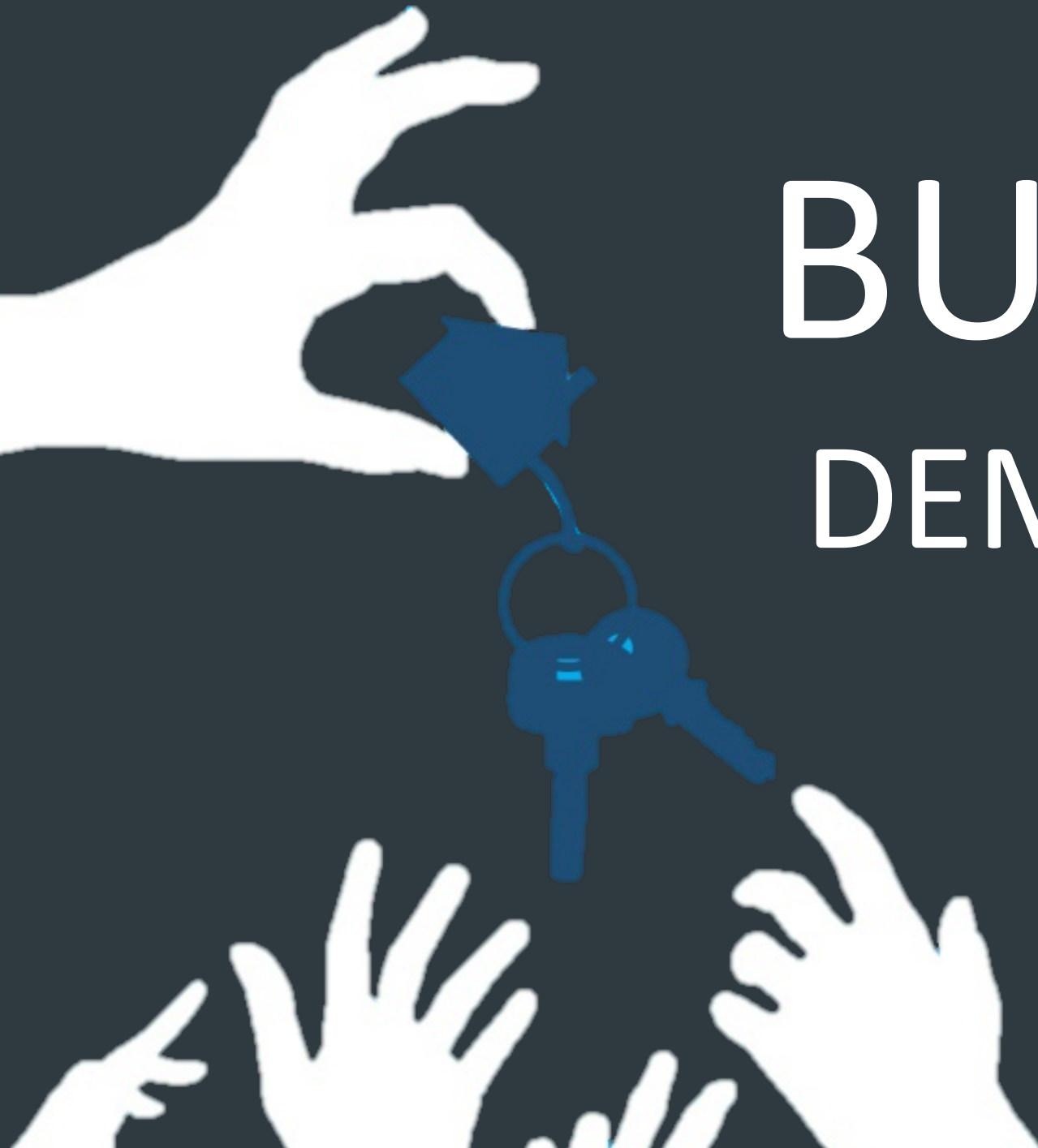
# New Home Inventory

*months supply*

■ 2019 ■ 2020

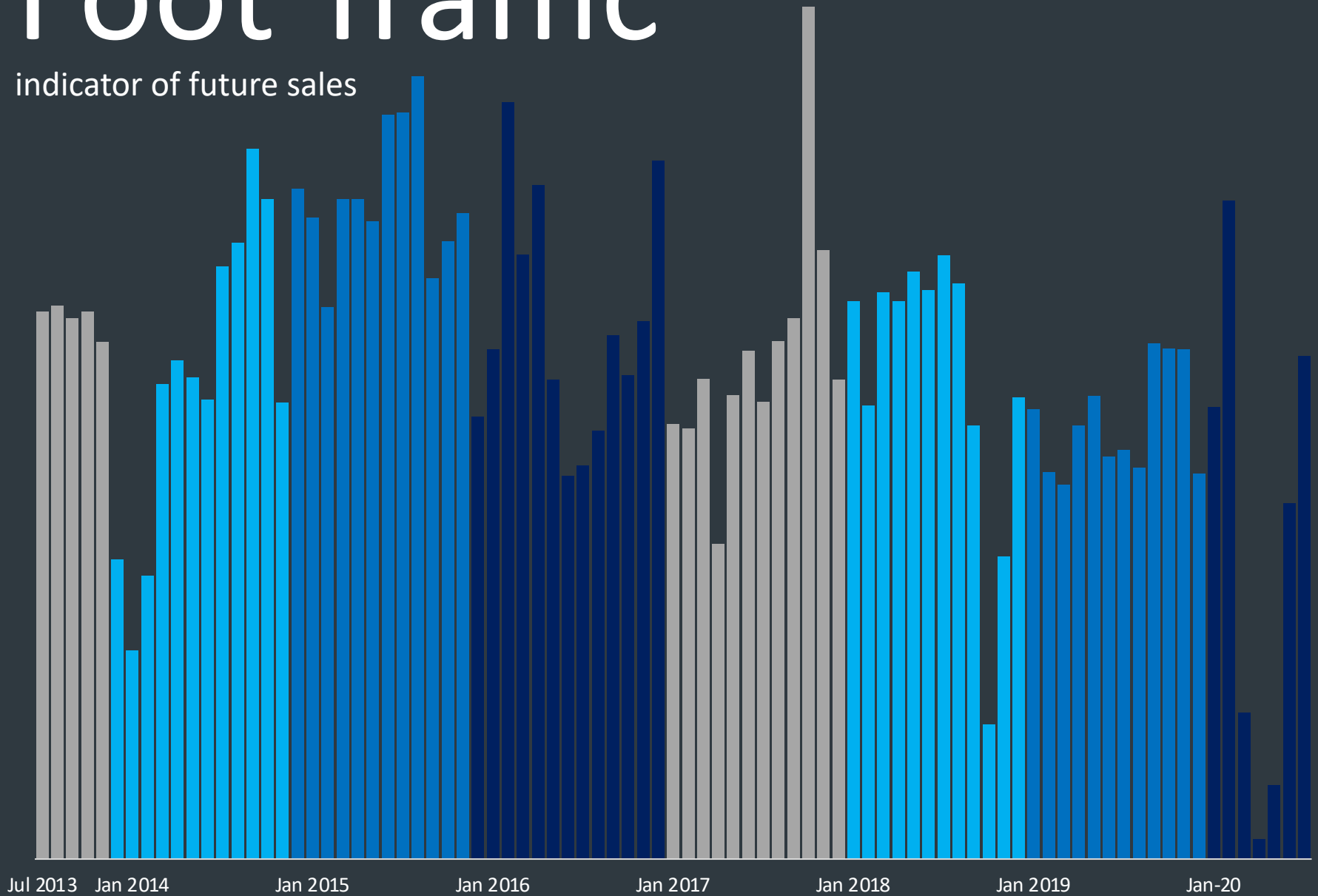


# BUYER DEMAND



# Foot Traffic

indicator of future sales

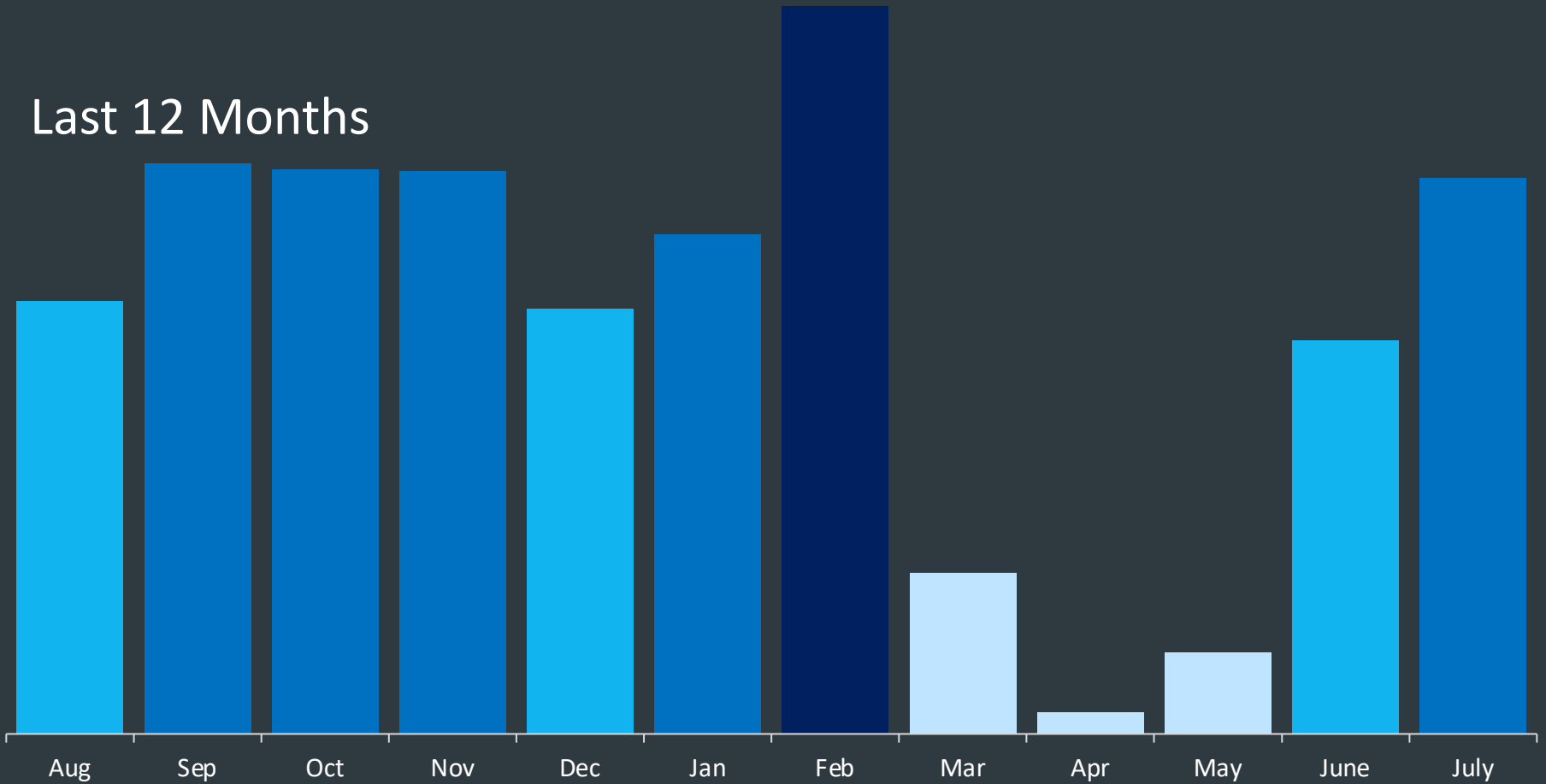




# Foot Traffic

Indicator of future sales

Last 12 Months

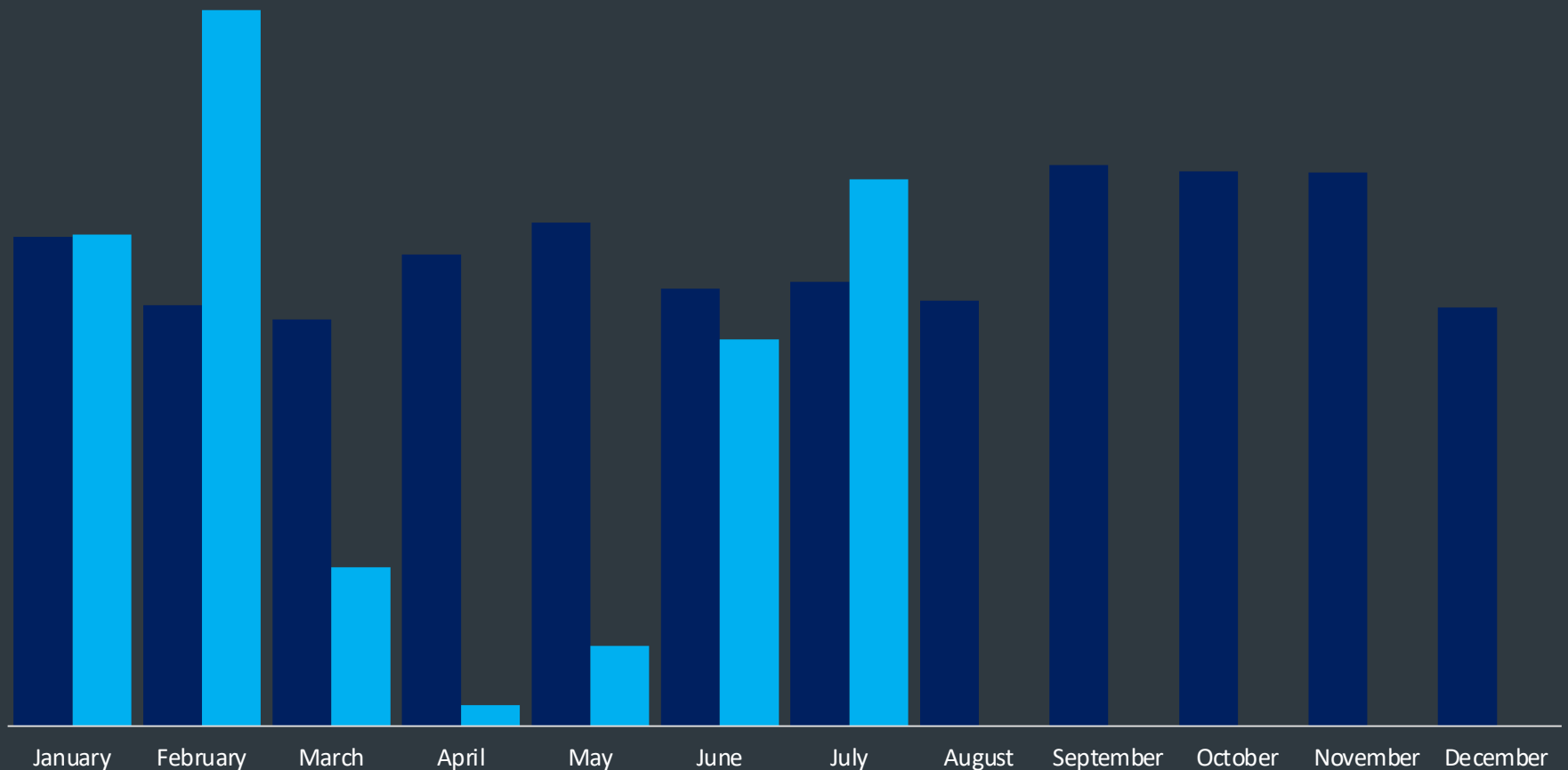


# Foot Traffic

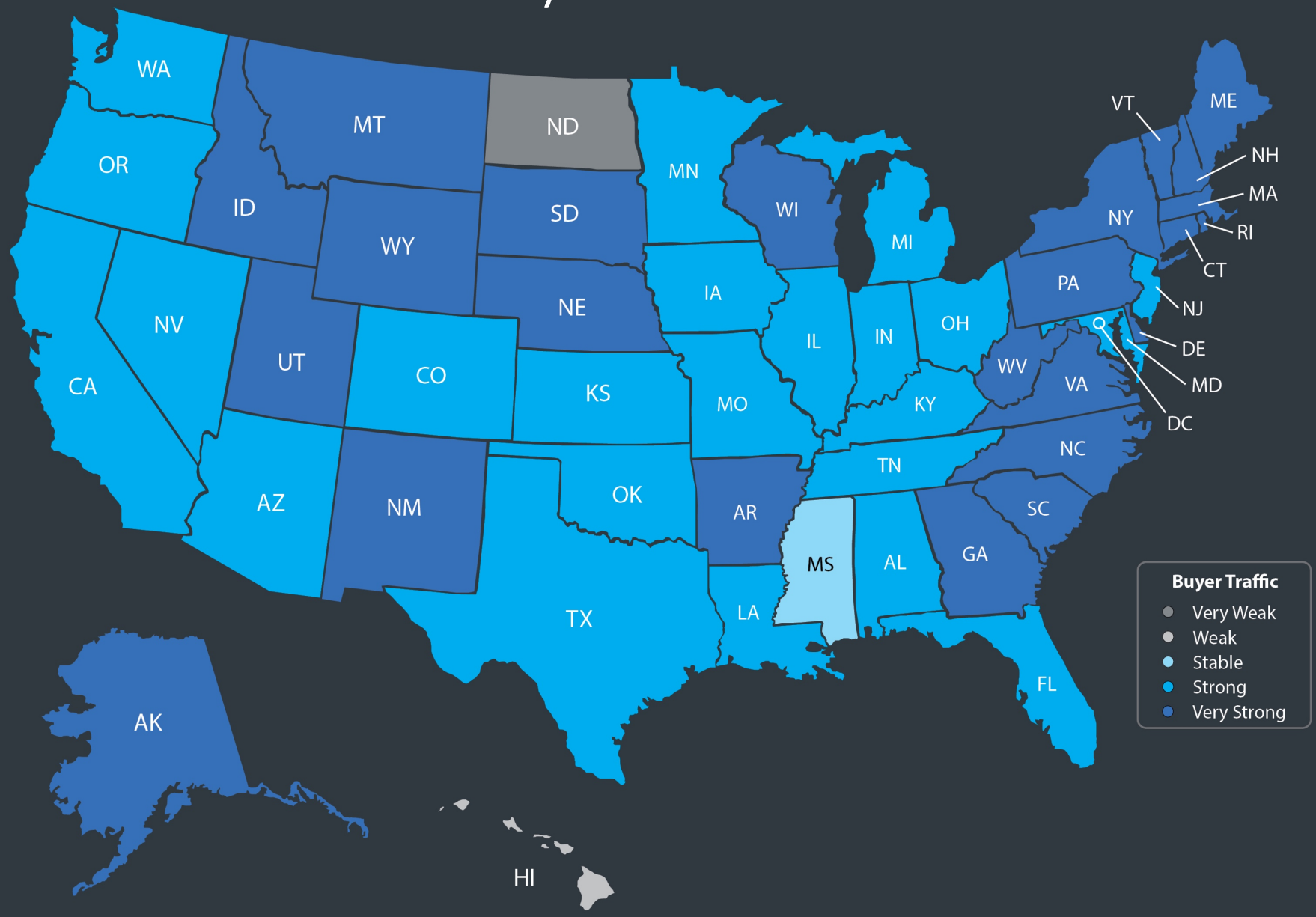
indicator of future sales

■ 2019

■ 2020



# Buyer Traffic Index

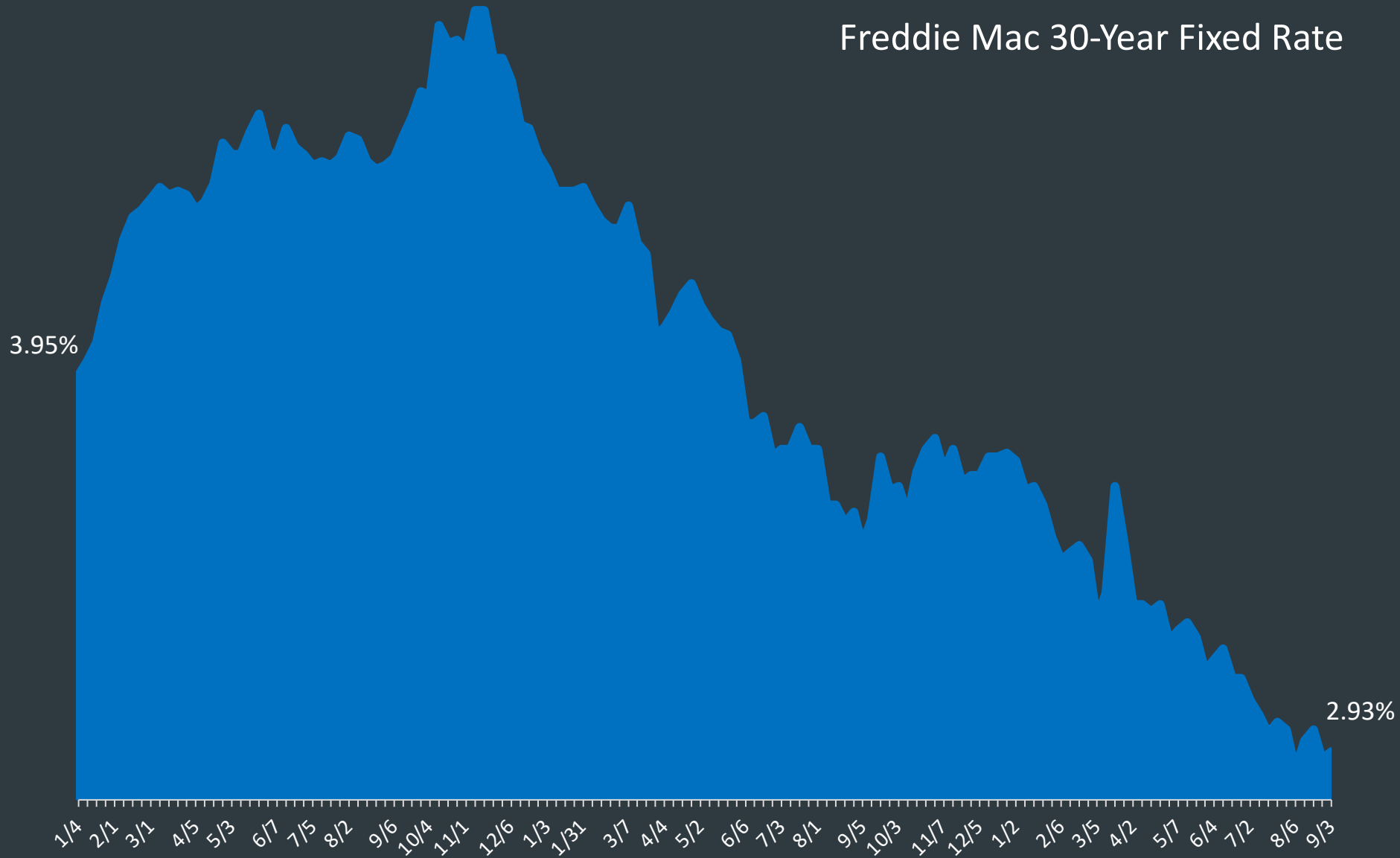


# INTEREST RATES



# Mortgage Rates

Freddie Mac 30-Year Fixed Rate



# 30-Year Fixed

Rate Mortgages  
from Freddie Mac

3.97

1/7/16 2/4 3/3 4/7 5/5 6/2 7/7 8/4 9/1 10/6 11/3 12/1 1/5/2017 2/2 3/2 3/30 4/27 5/25 6/22 7/20 8/17 9/14 10/12 11/9 12/7 1/4/2018 2/1 3/1 4/5 5/4 6/7 7/5 8/2 9/6 10/4 11/1 12/6 1/3/2019 1/31 3/7 4/4 5/2 6/6 7/3 8/1 9/5 10/3 11/7 12/5 1/2/2020 2/6 3/5 4/2 5/7 6/4 7/2 8/6 9/3

2.93%



# Mortgage Rate Projections

Quarter	Freddie Mac	Fannie Mae	MBA	NAR	Average of All Four
2020 3Q	3.3	3.0	3.0	3.0	3.07%
2020 4Q	3.3	2.9	3.1	2.9	3.05%
2021 1Q	3.2	2.8	3.1	3.1	3.05%
2021 2Q	3.2	2.7	3.1	3.1	3.02%

# Mortgage Rates

## Freddie Mac

30-Year Fixed Rate

- Actual  
- Projected



	2016	2016	2016	2016	2017	2017	2017	2017	2018	2018	2018	2018	2019	2019	2019	2019	2020	2020	2020	2020	2021	2021	2021	2021
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	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	3.4	3.3	3.3	3.2	3.2	3.2	3.2



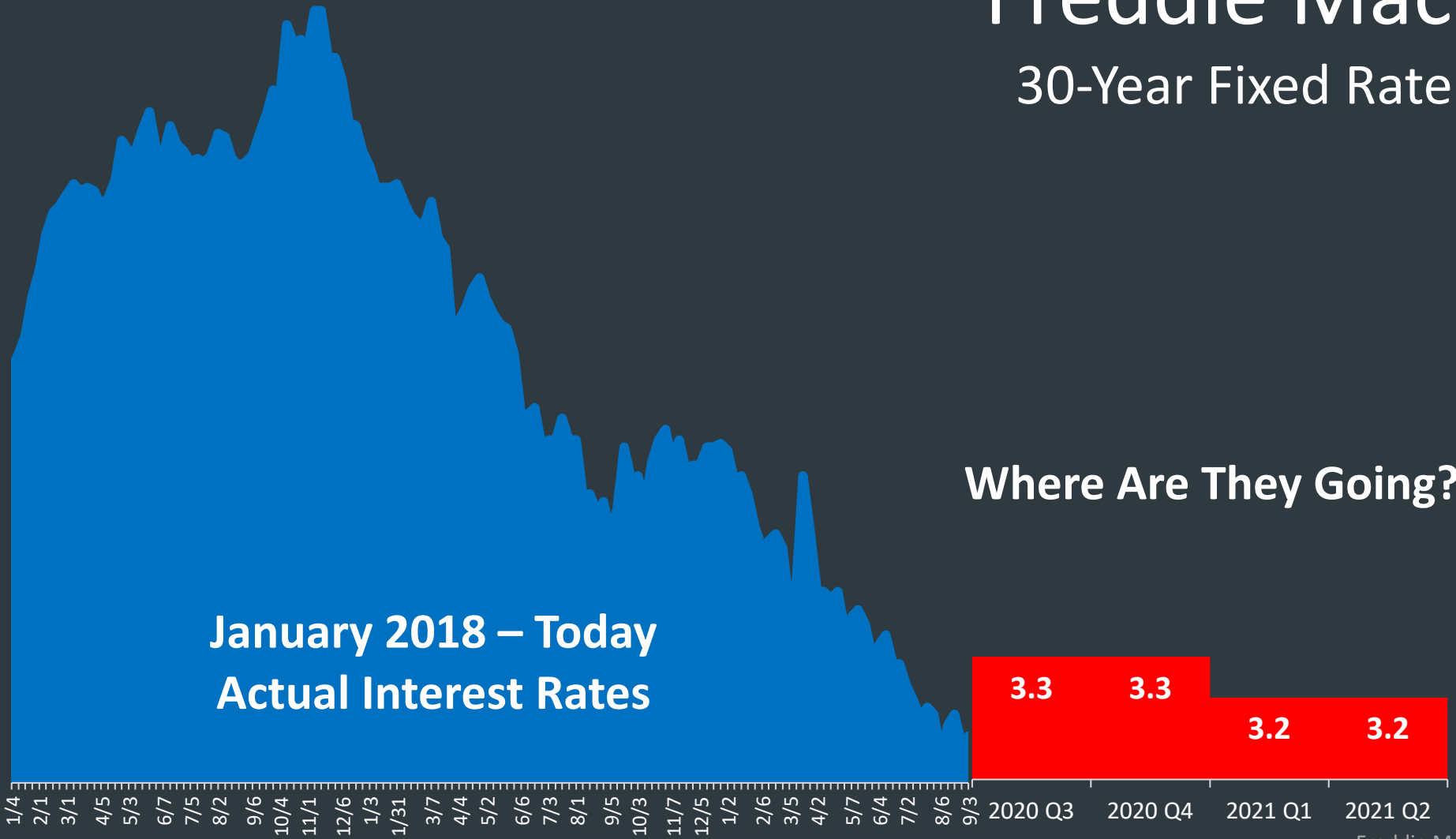
# Mortgage Rates

Freddie Mac

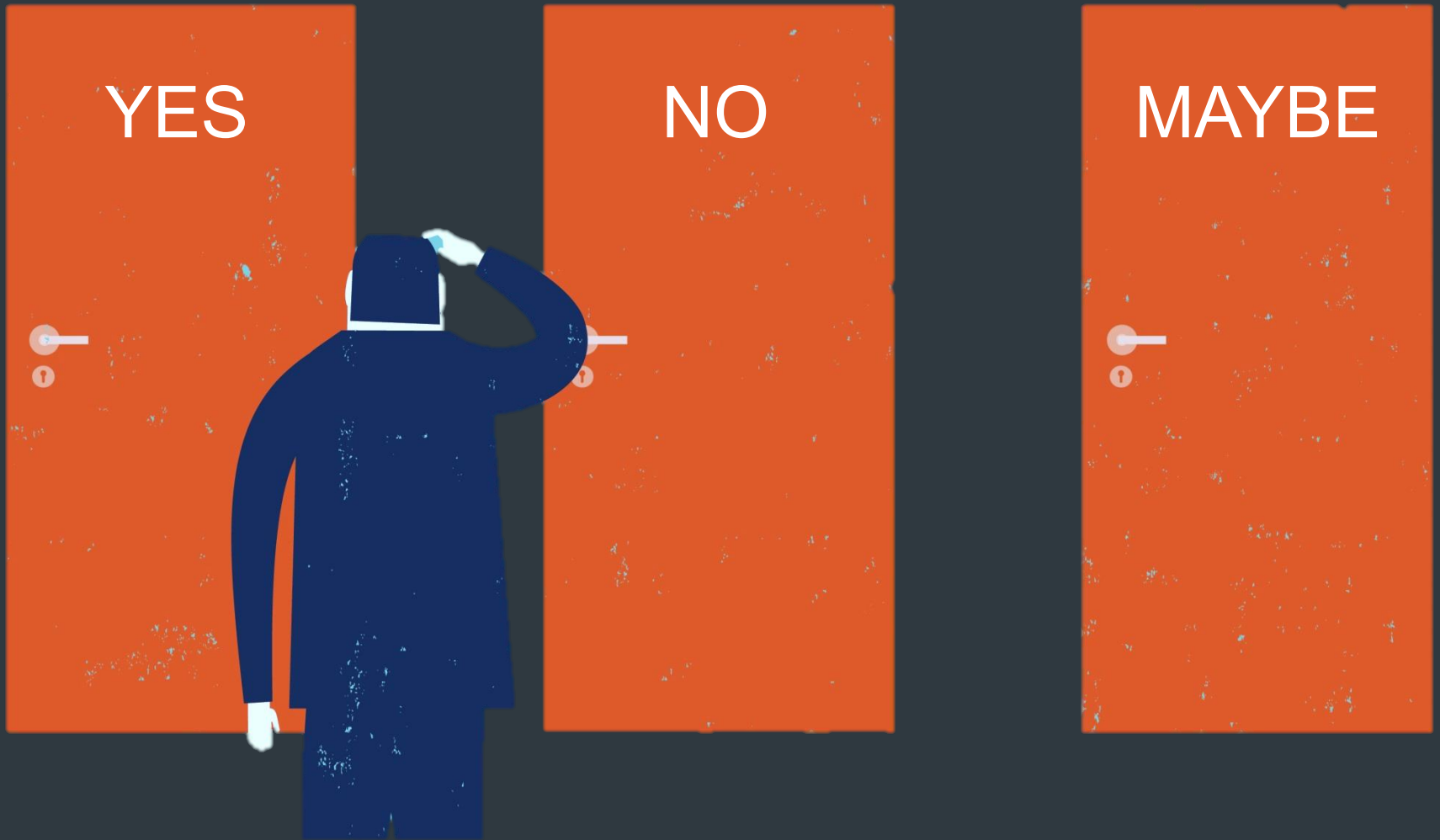
30-Year Fixed Rate

January 2018 – Today  
Actual Interest Rates

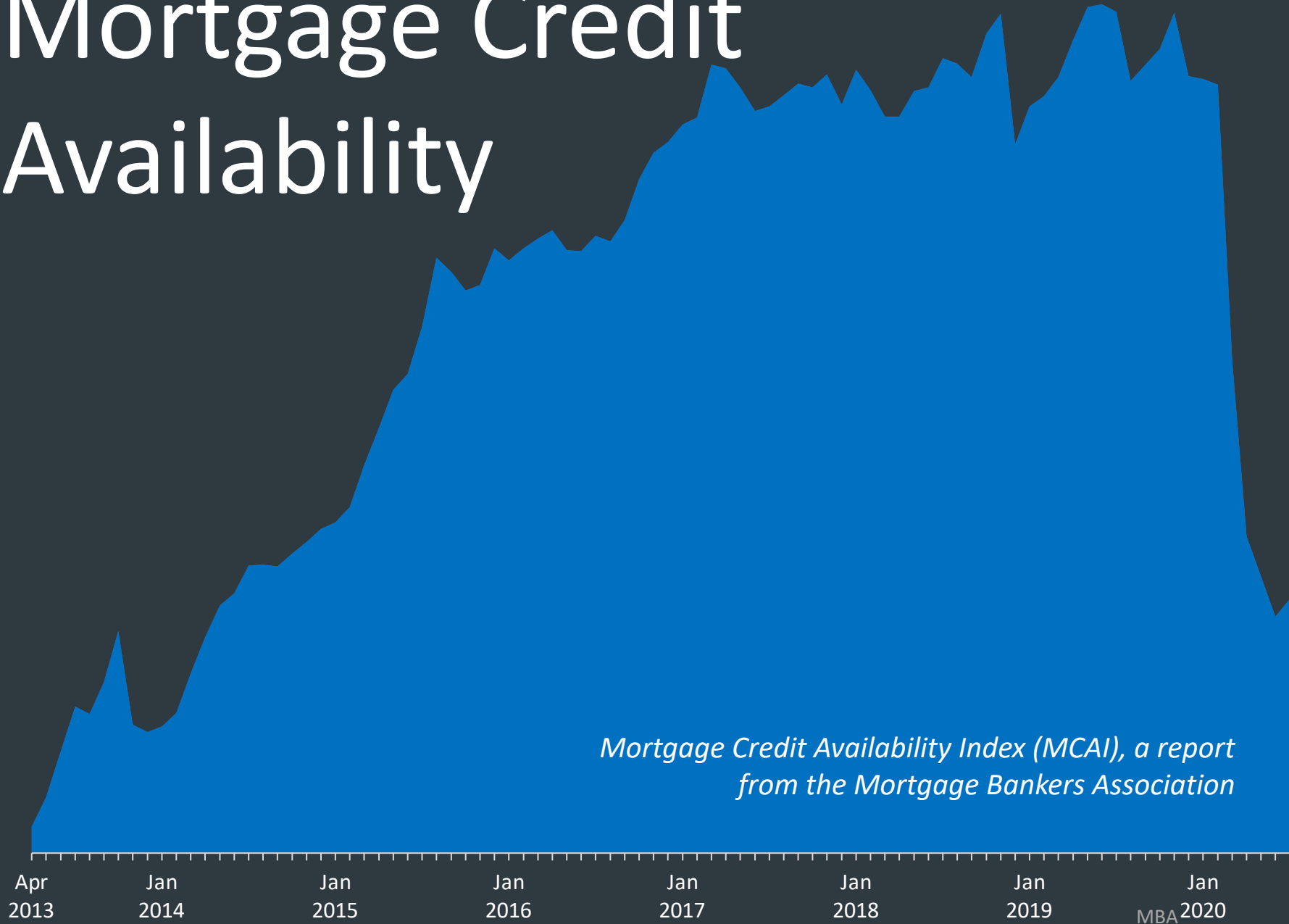
Where Are They Going?



# Mortgage Credit Availability



# Mortgage Credit Availability



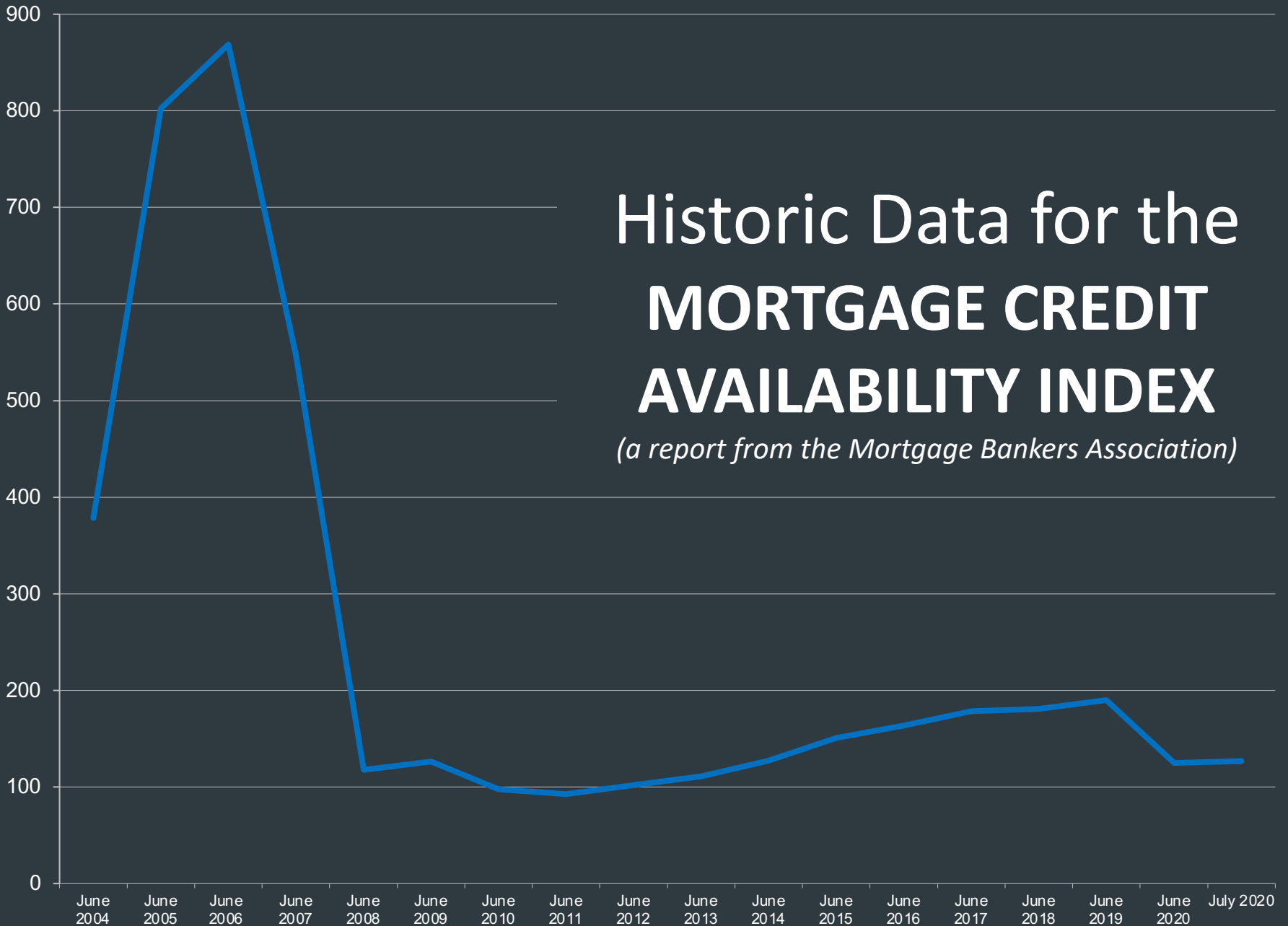
*Mortgage Credit Availability Index (MCAI), a report from the Mortgage Bankers Association*

Apr 2013 Jan 2014 Jan 2015 Jan 2016 Jan 2017 Jan 2018 Jan 2019 Jan 2020

MBA

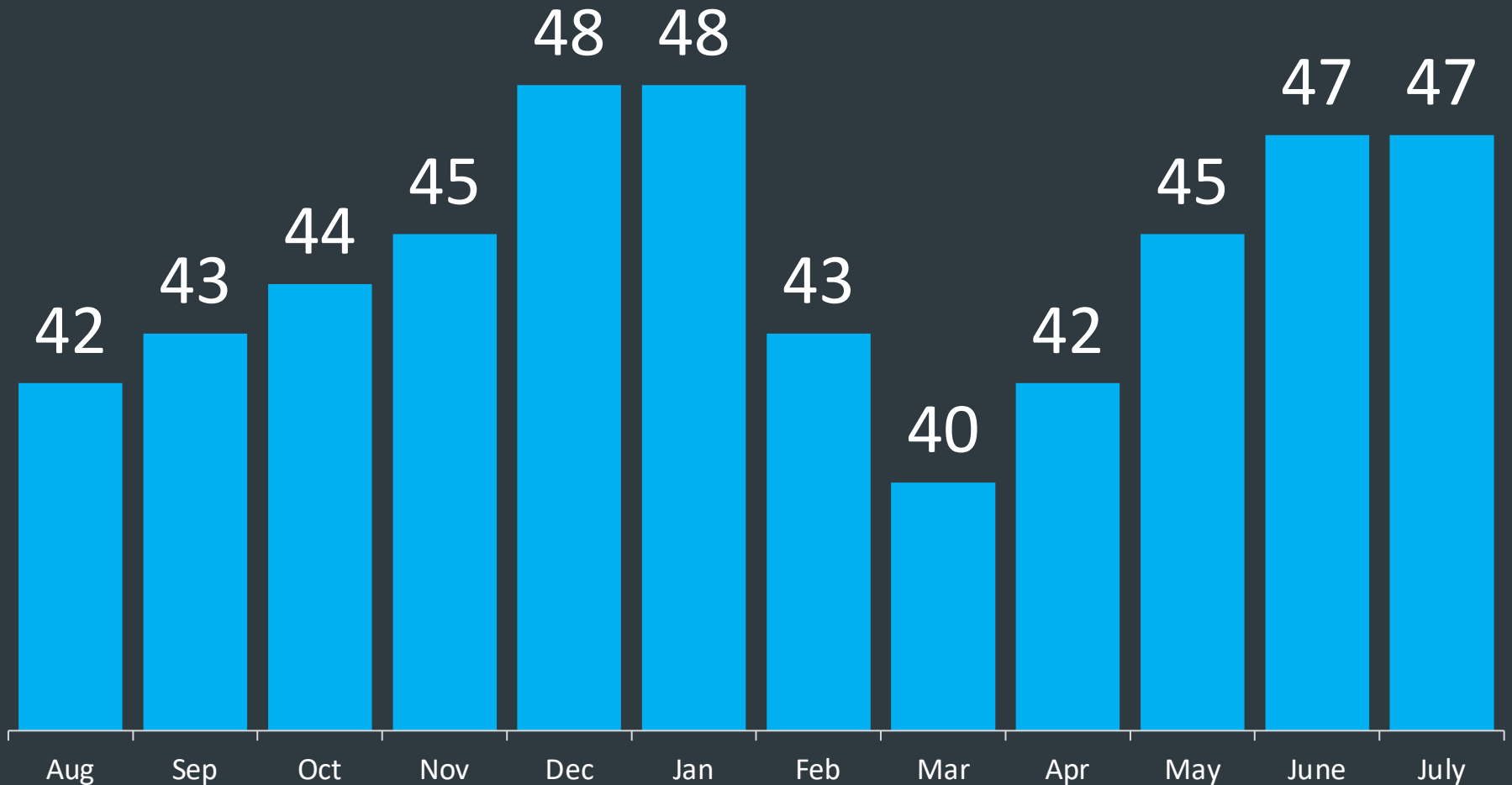
# Historic Data for the **MORTGAGE CREDIT AVAILABILITY INDEX**

*(a report from the Mortgage Bankers Association)*



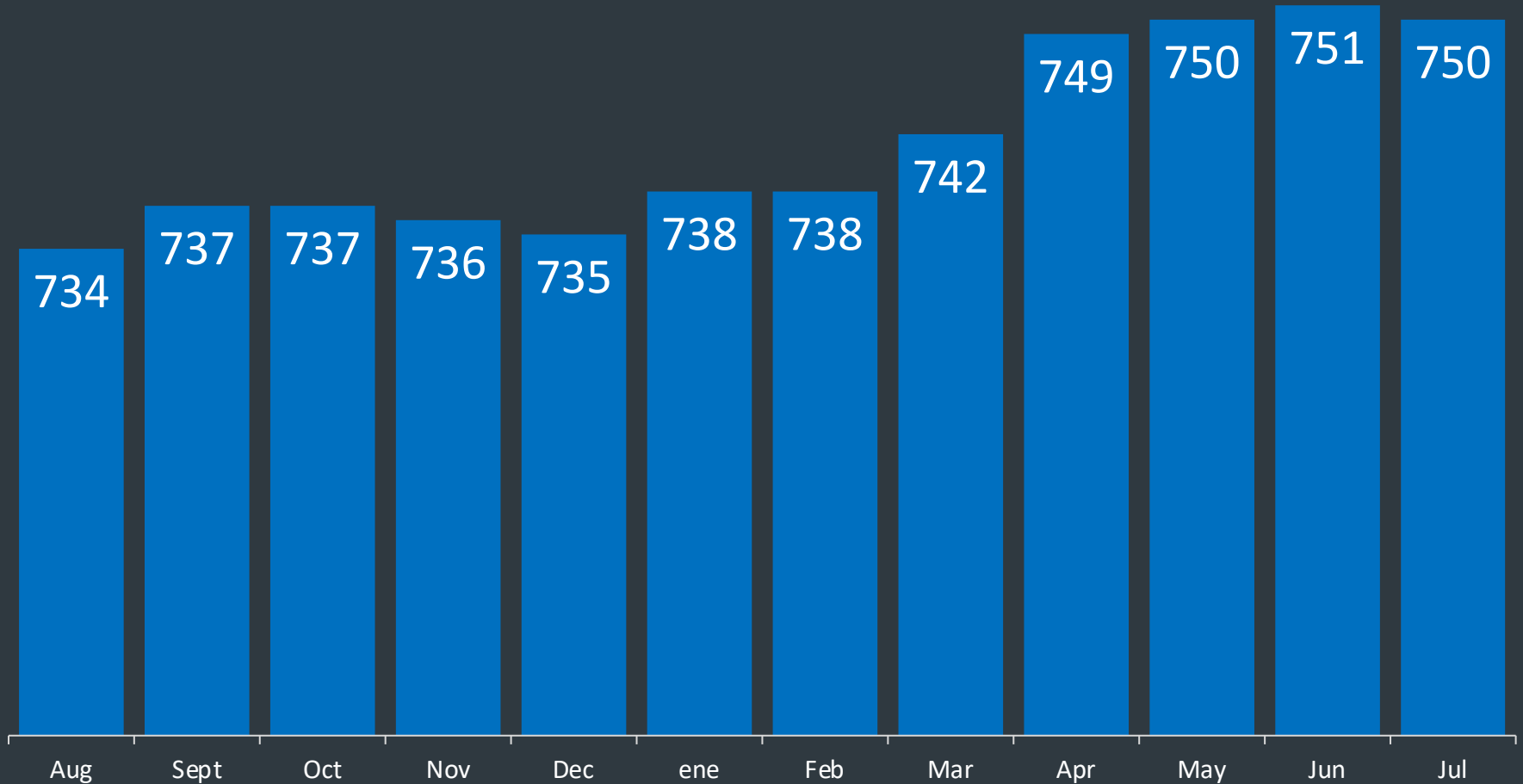
# Average Days To Close A Loan

*Last 12 Months*

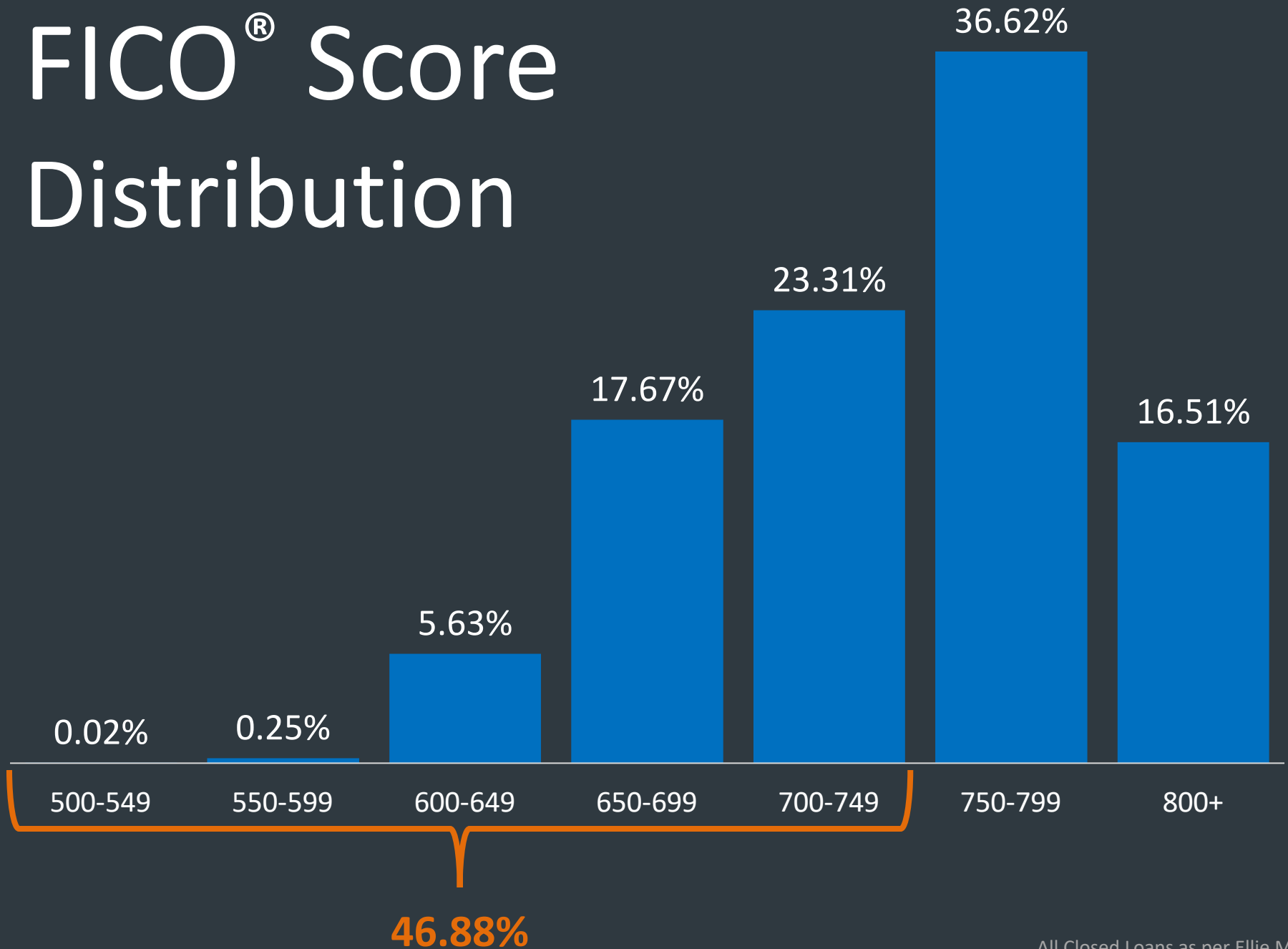


# FICO<sup>®</sup> Score Requirements

*Last 12 months*

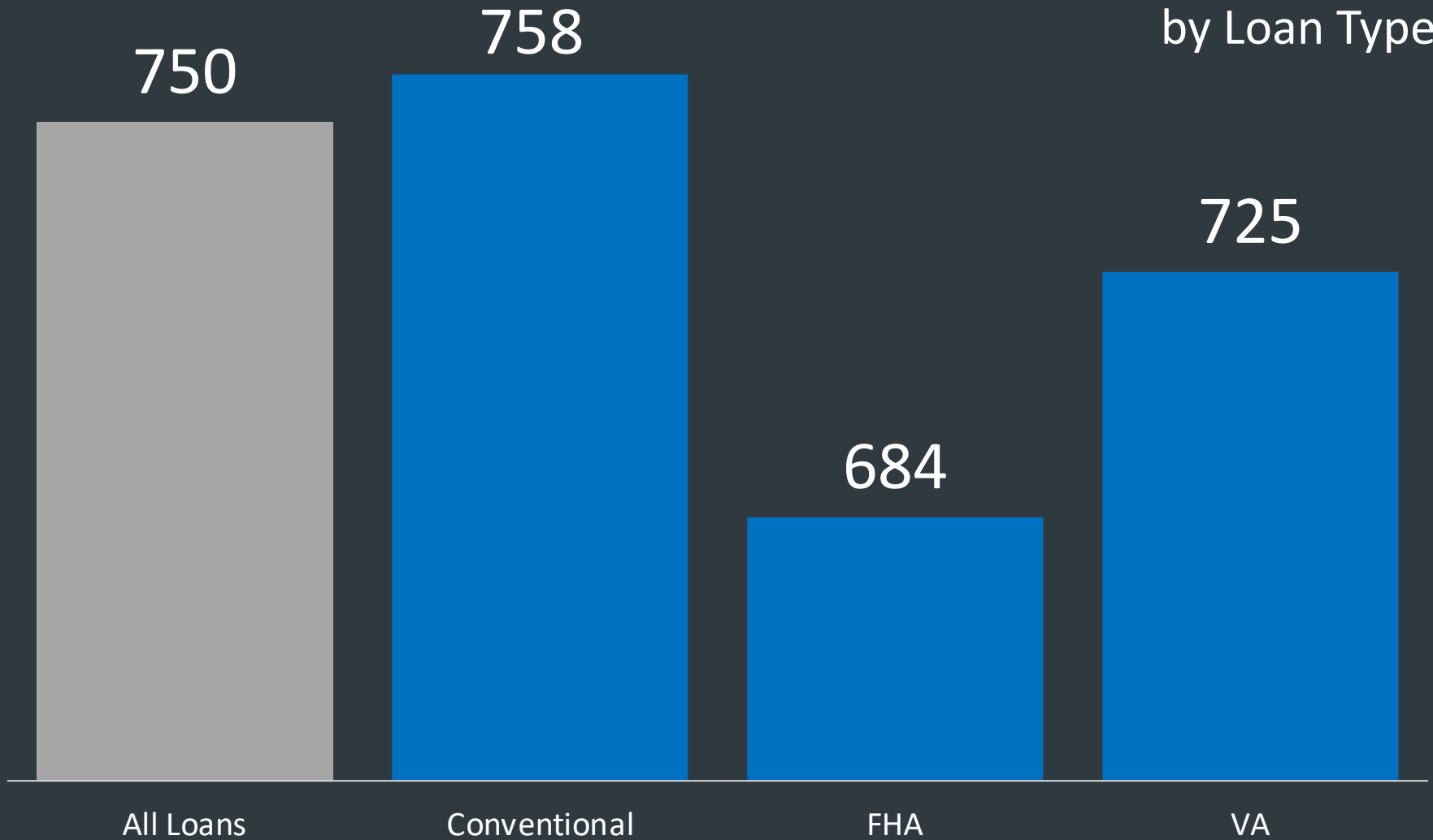


# FICO<sup>®</sup> Score Distribution



# Average FICO<sup>®</sup> Score

for Closed Purchase Loans  
by Loan Type





# Average Back End DTI

for Closed Purchase Loans by Loan Type

