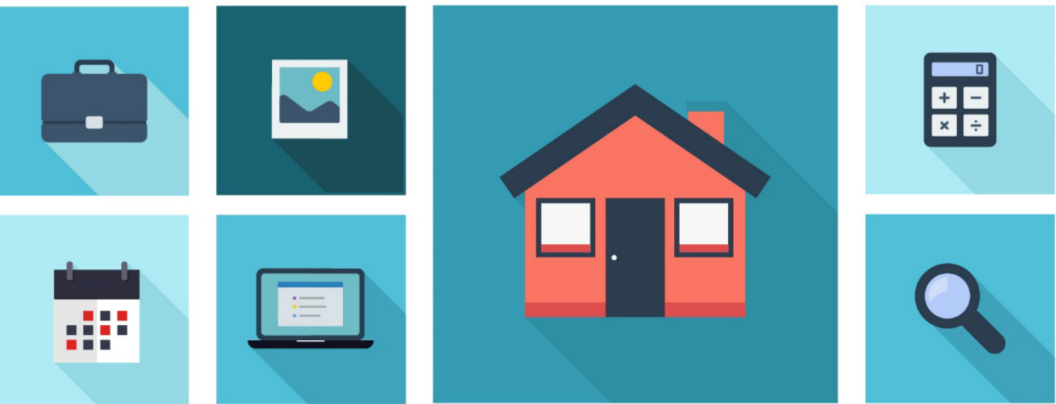
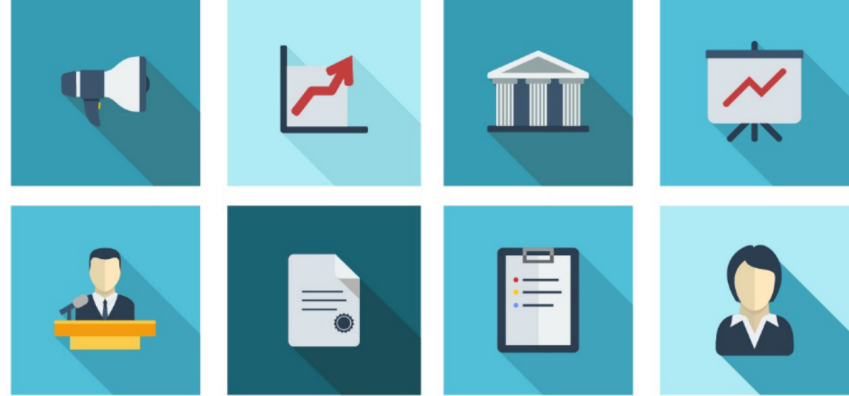
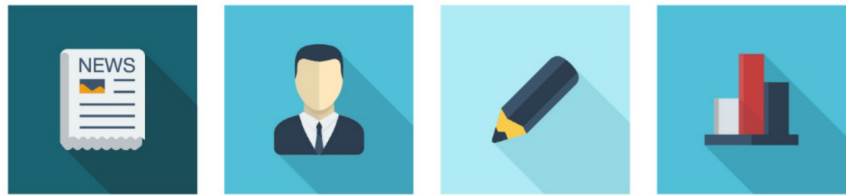


# KEEPING CURRENT MATTERS



JANUARY 2021



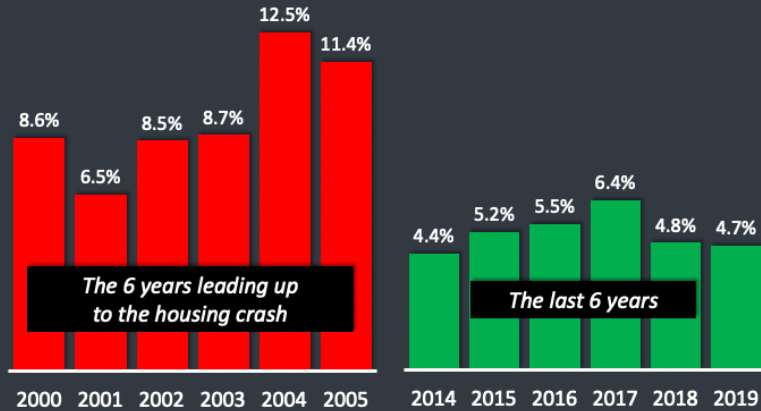


“Market data has always been a powerful tool for real estate, but 2020 marked a new high point for how data was leveraged to encourage informed decisions and to help real estate professionals reinforce their status as market experts...”

**ShowingTime**  
*Positive Takeaways  
from 2020*



# Annual Home Price Appreciation



# Months Inventory of Homes for Sale



# Total Home Equity Cashed Out

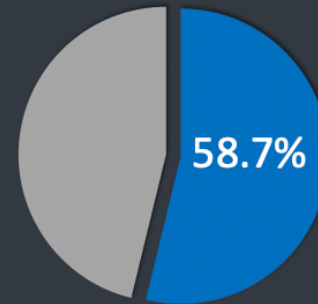
by Refinance in Billions

Then...

Year	Dollars
2005	\$263B
2006	\$321B
2007	\$240B
<b>Total</b>	<b>\$824B</b>

Now...

Year	Dollars
2017	\$71B
2018	\$87B
2019	\$89B
<b>Total</b>	<b>\$247B</b>



of all homes in America have at least 60% equity

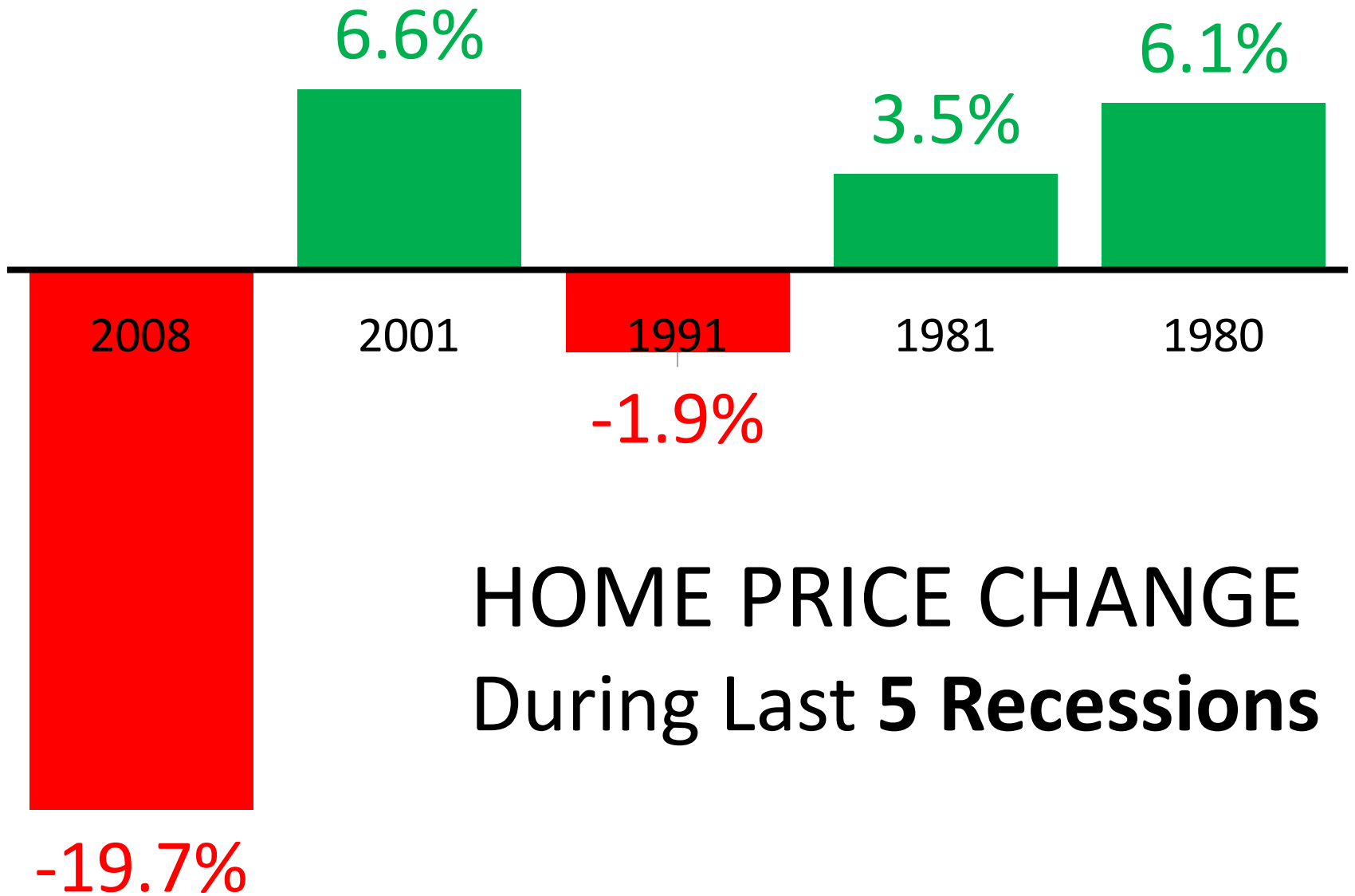
Americans are sitting on tremendous equity

42.1%

of all homes are owned 'free and clear'

\$177,000

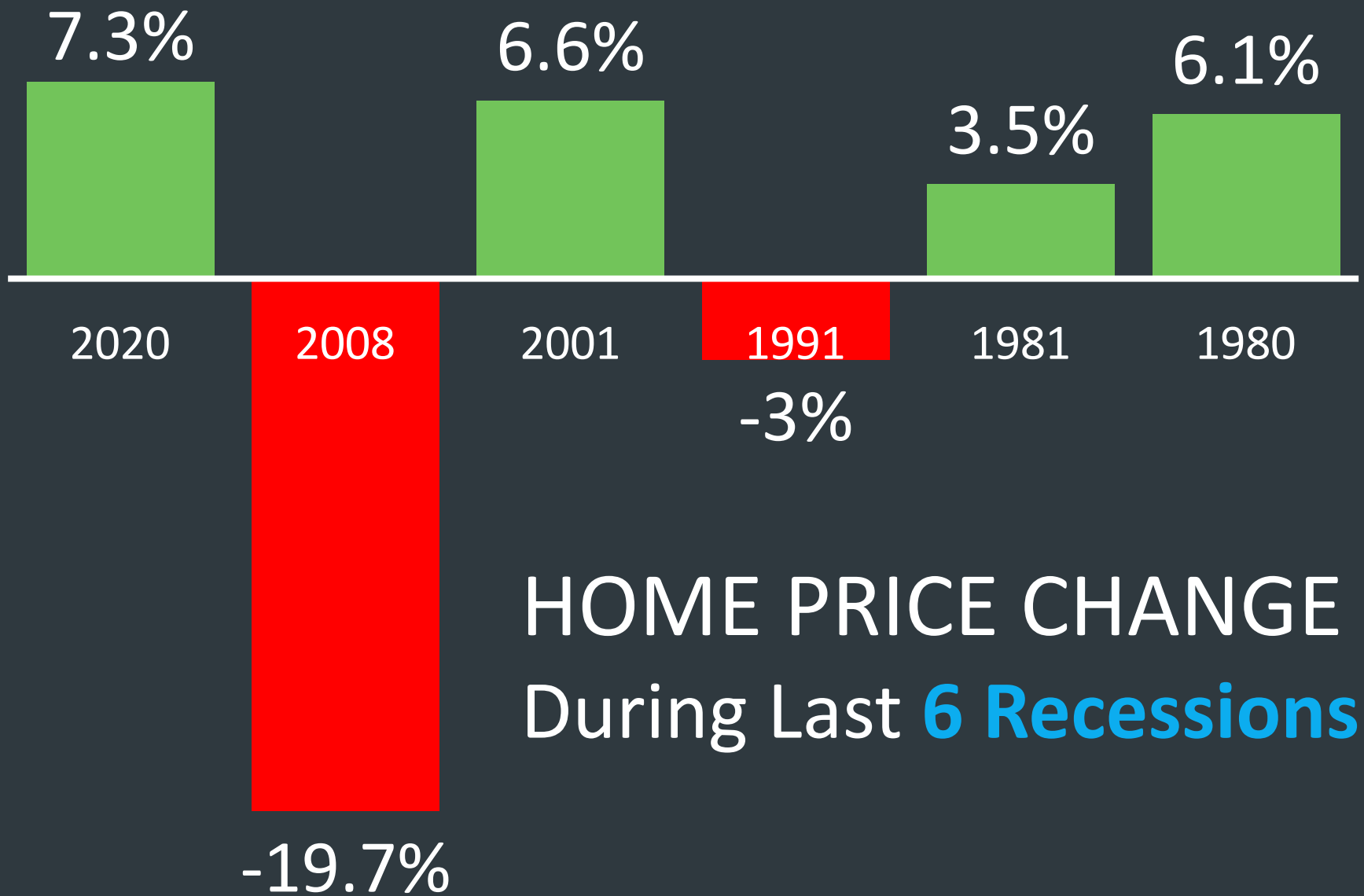
the average equity of the mortgaged homes



# HOME PRICE CHANGE During Last 5 Recessions

March 2020





# HOME PRICE CHANGE During Last **6 Recessions**



THE GROWTH OF HOME EQUITY



“Over the past year, strong home price growth has created a record level of home equity for homeowners. The average family with a home mortgage loan had \$194,000 in home equity in the third quarter. This provides an important buffer to protect families if they experience financial difficulties and is one reason for the generational-low in foreclosure rates.”

Frank Nothaft

Chief Economist at CoreLogic



# American Home Equity Skyrockets

**\$17,000**

average gain in equity  
of mortgaged homes

**\$194,000**

current average equity  
of mortgaged homes

**38.2%**

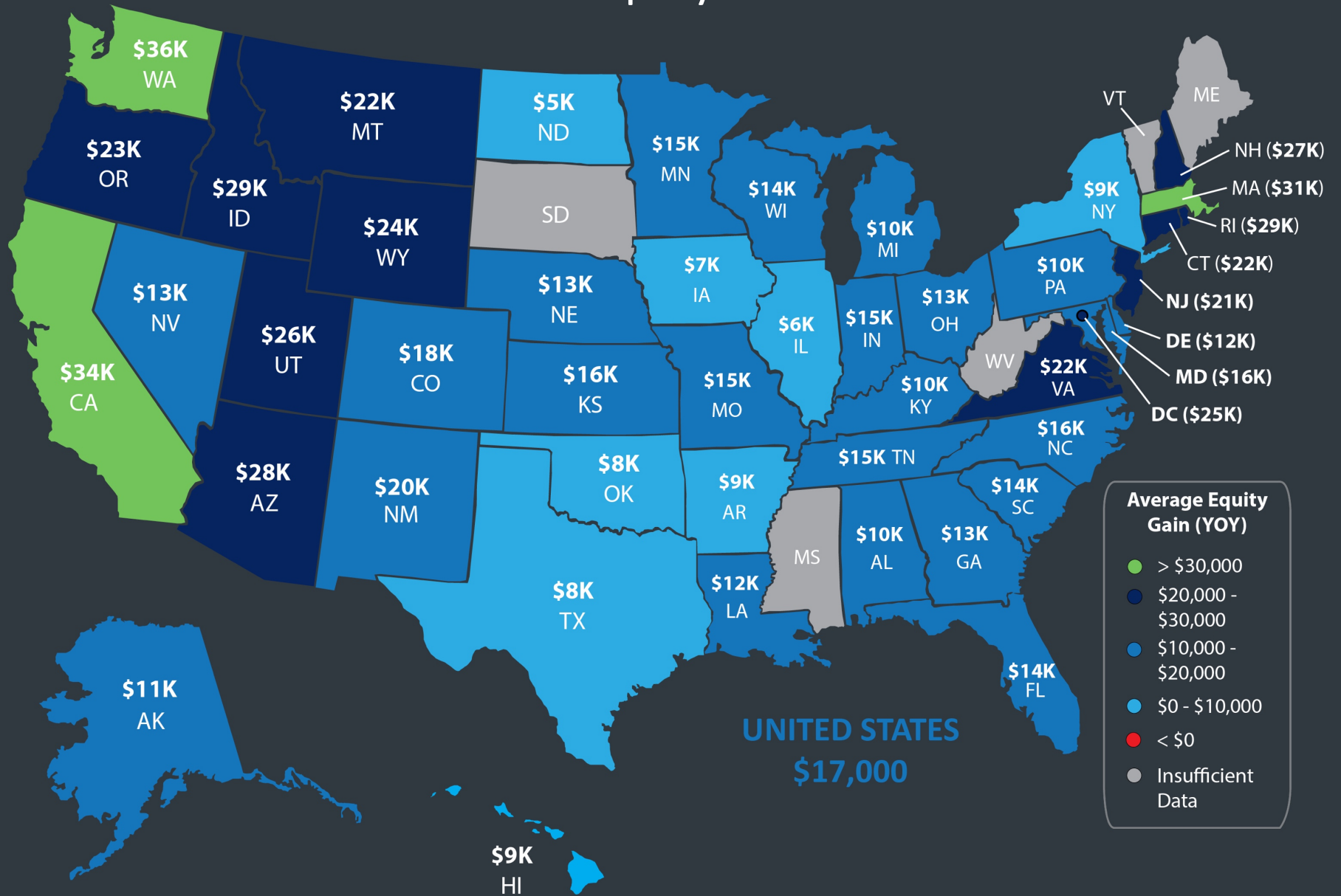
of all homes are owned  
'free and clear'

**10.8%**

increase in equity  
totaling over \$1 trillion



# YOY Equity Gains



**UNITED STATES**  
**\$17,000**

“The housing market has remained a strong pillar in an otherwise tumultuous economic year. A sharp rise in demand, spurred by record-low interest rates, continues to bolster homeowner equity. And with many people now spending more time than ever before at home, some homeowners have tapped into their strengthening equity to fund renovations.”

Frank Martell

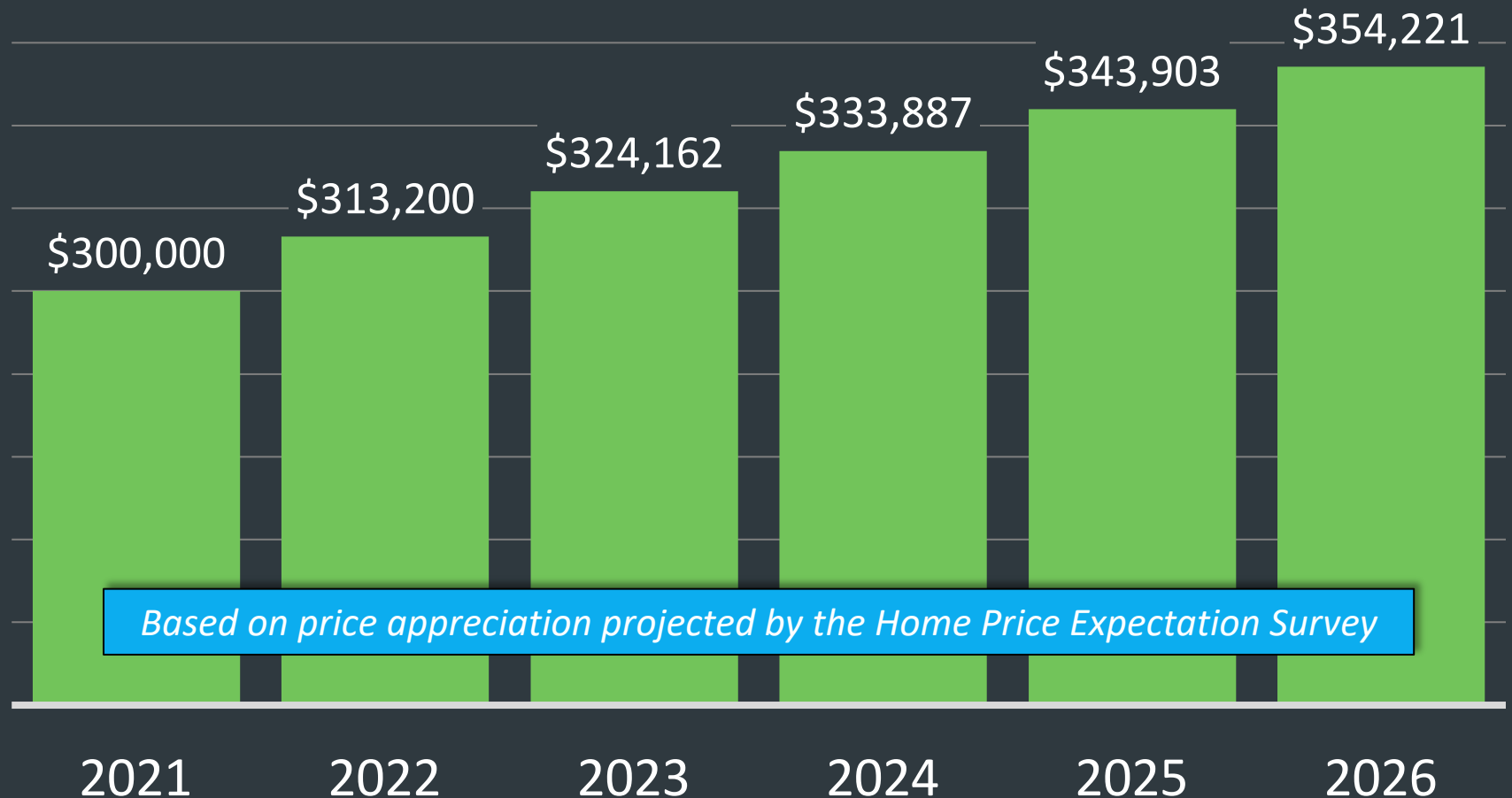
President and CEO of CoreLogic





# \$54,221

potential growth in household wealth over the next five years based solely on increased home equity if you purchase a \$300K home in January 2021



Based on price appreciation projected by the Home Price Expectation Survey



WHATS AHEAD IN 2021...

“The surge in the work-from-home population has **rewritten the playbook for many homebuying and rental decisions**, from when and where to relocate, to what people are looking for in their next residence...”

David Mele

President at Homes.com



“Despite the best intentions of home builders to provide more housing supply, the big short in housing supply will continue into 2021 and likely keep house price appreciation flying high.”

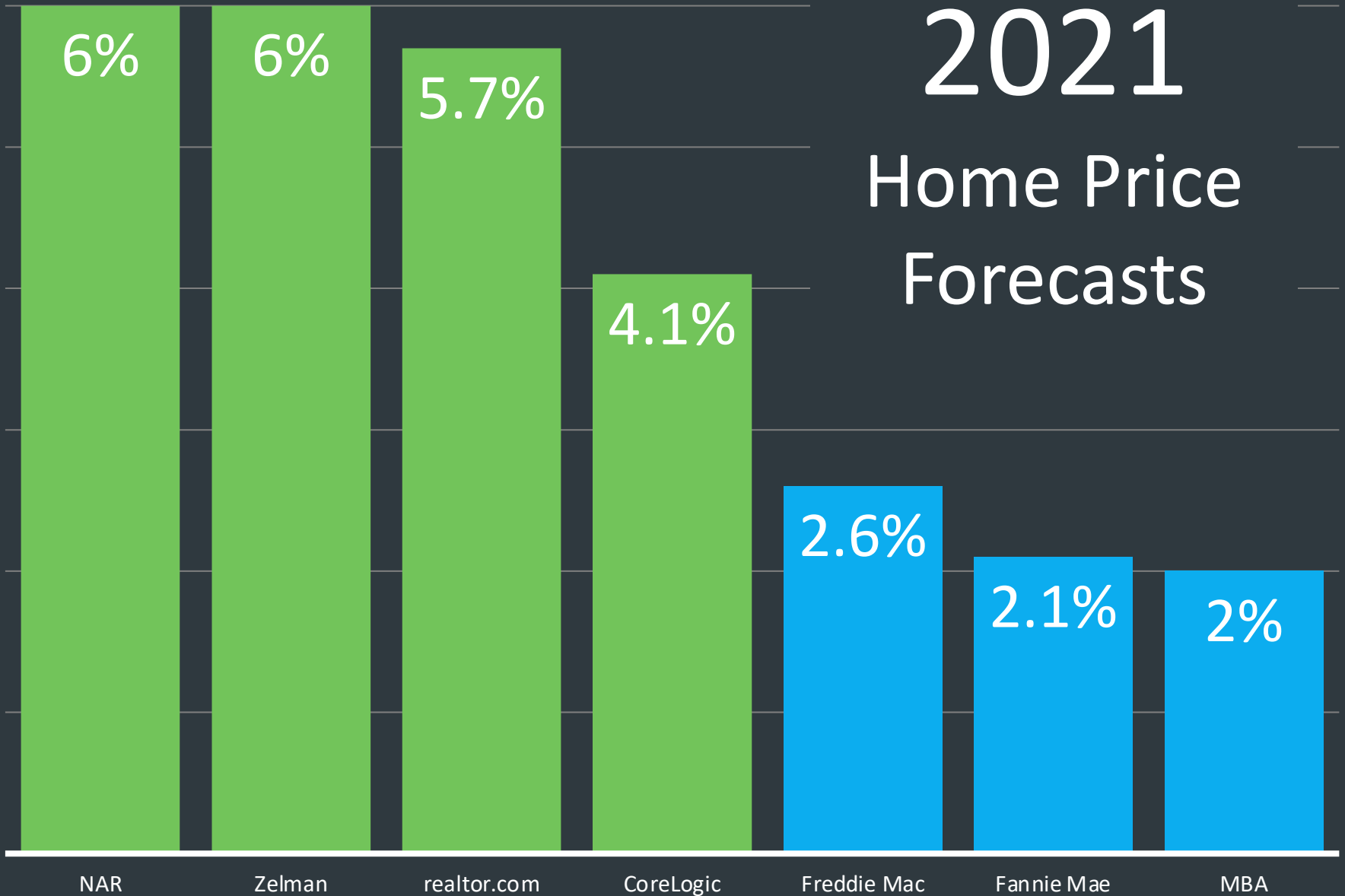
Mark Fleming

Chief Economist at First American



# 2021

## Home Price Forecasts





“The bright spot for buyers is that more homes are likely to become available in the last six months of 2021. That should give folks more options to choose from and take away some of their urgency. With a larger selection, buyers may not be forced to make a decision in mere hours and will have more time to make up their minds...”

realtor.com





THE  
ECONOMY



ONE HUNDRED  
DOLLARS



KF 18361

*Henry M. Paulson Jr.*  
Secretary of the Treasury.

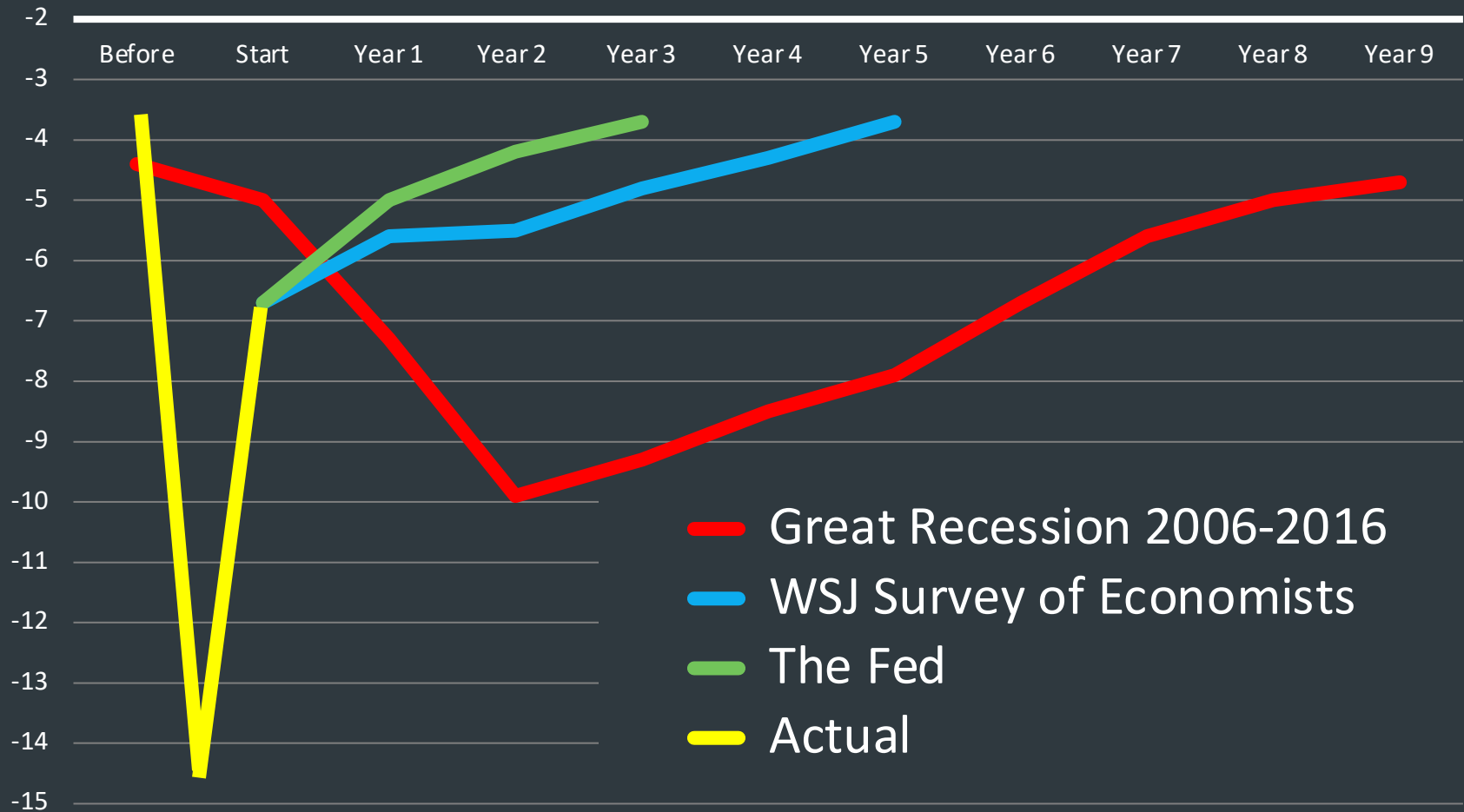
H 353

ONE HUNDRED

FRANKLIN



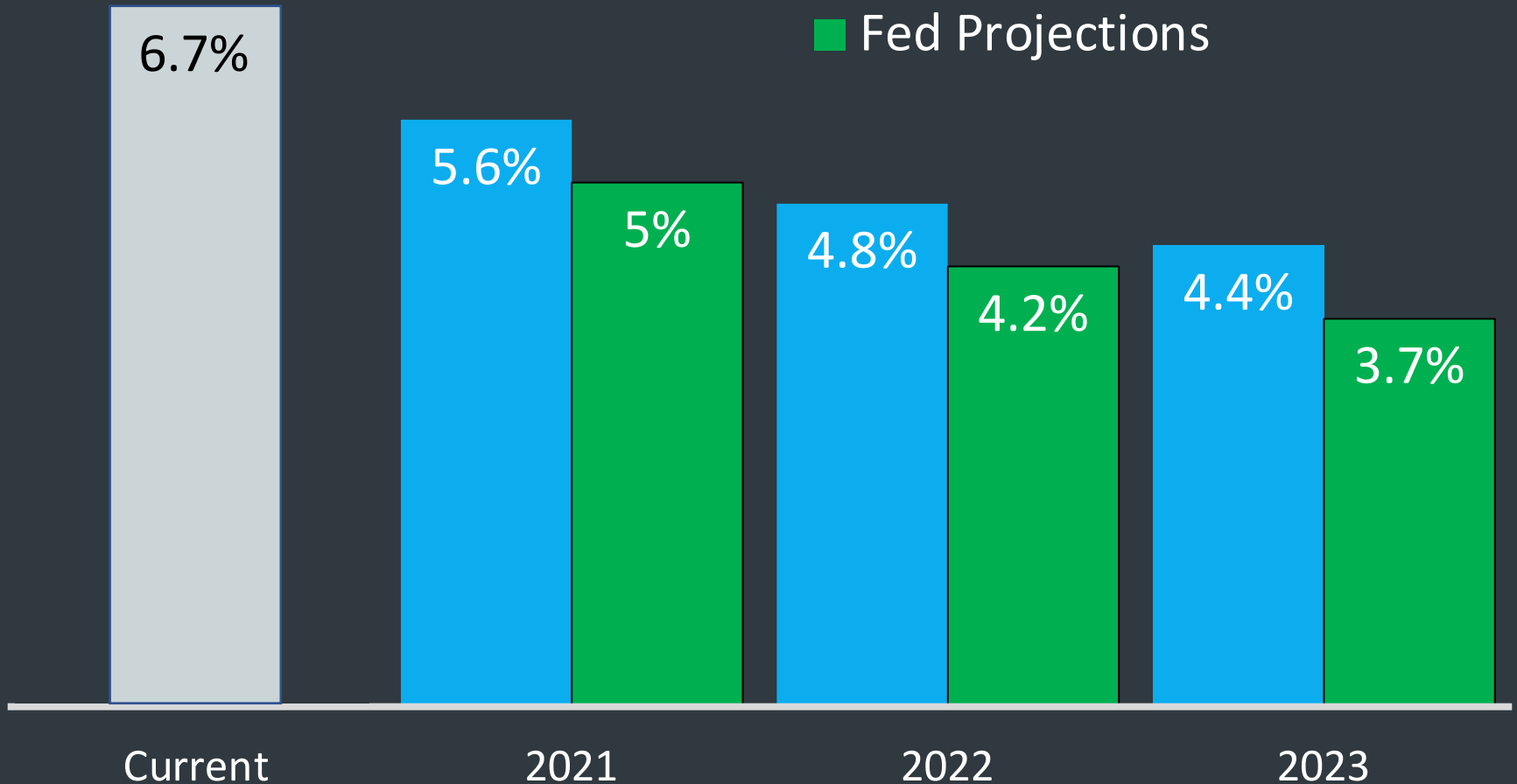
# More Depth, Less Length



Years for unemployment rate to return to near pre-crisis level

# Unemployment Projections

■ WSJ Economists Survey  
■ Fed Projections



“Renters are disproportionately hurt by the crisis...

A greater share of renters lost their jobs. That meant losing savings that could have been used for a down payment, and falling behind on bills, which will hurt their credit and make it even more difficult for them to be future homeowners.”

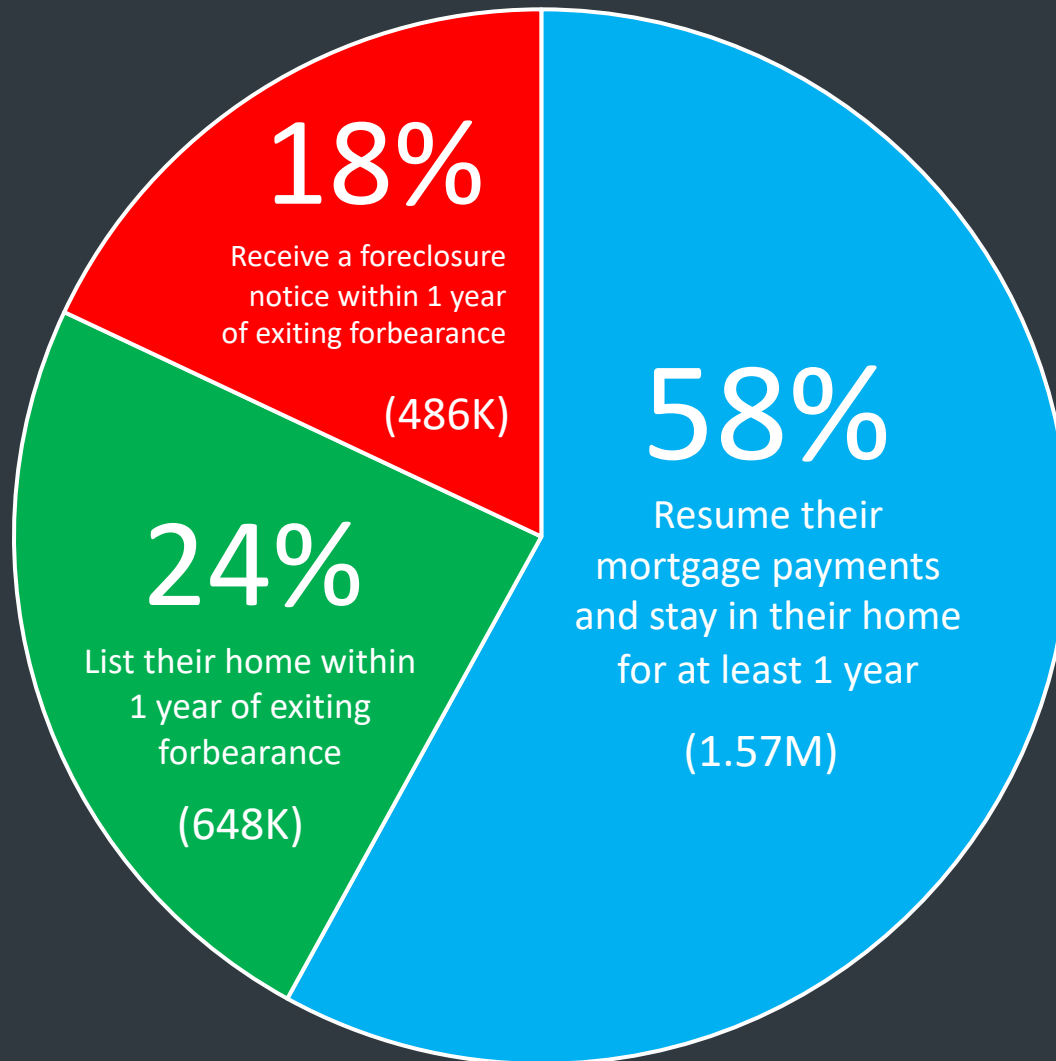
**Jung Hyun Choi**

Research Associate with the Housing Finance  
Policy Center at the Urban Institute





*For each of the following possible post-forbearance outcomes, what percentage of these 2.7 million homeowners do you estimate will...*



“Treasury rates have really been moving up since the election, but mortgage rates have kept going down...

We’re going to start to see mortgage rates drift up with Treasury rates, as opposed to moving in the opposite direction.”

Michael Fratantoni

Chief Economist at MBA



Date	Mortgage	Interest Rate	P&I*
Today	\$300,000	2.7%	\$1,216.79
2021 4Q	\$317,100**	3.4%**	\$1,406
Difference in Monthly Payment			\$189.21
The difference in the life of the loan (30 Yrs.)			<b>\$68,115.60</b>

*\*Principal and Interest Payment*

*\*\* 2021 Mortgage Rate and Home Price increase of 5.7% forecasted by realtor.com*



“I do believe that the American dream of homeownership is very strong. It's very much alive from all of the survey data that I've seen. **If you're not a homeowner, you want to be one in the future, whether that's a short-term or a long-term goal.**”

Jessica Lautz

VP of Demographics and Behavioral Insights at NAR



# Resources

Slide	Slide Title	Link
2	ShowingTime Quote	<a href="https://www.showingtime.com/blog/positive-takeaways-from-2020/?utm_source=feedotter&amp;utm_medium=email&amp;utm_campaign=blog_digest&amp;utm_content=httpswwwshowingtimecomblogpositivetakeawaysfrom2020">https://www.showingtime.com/blog/positive-takeaways-from-2020/?utm_source=feedotter&amp;utm_medium=email&amp;utm_campaign=blog_digest&amp;utm_content=httpswwwshowingtimecomblogpositivetakeawaysfrom2020</a>
4-5	Price Change During Recessions	<a href="https://www.corelogic.com/blog/2019/03/housing-recessions-and-recoveries.aspx">https://www.corelogic.com/blog/2019/03/housing-recessions-and-recoveries.aspx</a> <a href="https://www.corelogic.com/news/gaining-momentum-annual-u.s.-home-prices-appreciated-7.3-in-october-corelogic-reports.aspx">https://www.corelogic.com/news/gaining-momentum-annual-u.s.-home-prices-appreciated-7.3-in-october-corelogic-reports.aspx</a>
7	Nothaft Quote	<a href="https://www.corelogic.com/insights-download/homeowner-equity-report.aspx">https://www.corelogic.com/insights-download/homeowner-equity-report.aspx</a>
8	American Home Equity Skyrockets	<a href="https://www.corelogic.com/insights-download/homeowner-equity-report.aspx">https://www.corelogic.com/insights-download/homeowner-equity-report.aspx</a> <a href="https://data.census.gov/cedsci/all?q=mortgage">https://data.census.gov/cedsci/all?q=mortgage</a>
9-10	YOY Equity Gains Map, Martell Quote	<a href="https://www.corelogic.com/insights-download/homeowner-equity-report.aspx">https://www.corelogic.com/insights-download/homeowner-equity-report.aspx</a>
11	Potential Growth in Wealth	<a href="https://pulsenomics.com/surveys/#home-price-expectations">https://pulsenomics.com/surveys/#home-price-expectations</a>
13	Mele Quote	<a href="https://atlantaagentmagazine.com/2020/12/10/remote-workers-could-continue-to-drive-the-post-pandemic-market/">https://atlantaagentmagazine.com/2020/12/10/remote-workers-could-continue-to-drive-the-post-pandemic-market/</a>
14	Fleming Quote	<a href="https://blog.firstam.com/economics/why-the-big-short-in-housing-supply-will-remain-in-2021">https://blog.firstam.com/economics/why-the-big-short-in-housing-supply-will-remain-in-2021</a>



# Resources

Slide	Slide Title	Link
15	2021 Home Price Forecasts	<a href="https://www.corelogic.com/insights-download/home-price-index.aspx">https://www.corelogic.com/insights-download/home-price-index.aspx</a> nar.realtor <a href="http://www.mba.org">www.mba.org</a> <a href="http://www.freddiemac.com">www.freddiemac.com</a> <a href="http://www.fanniemae.com">www.fanniemae.com</a> <a href="https://news.move.com/2020-12-02-Realtor-com-R-2021-Housing-Forecast-Sellers-Will-Get-Top-Dollar-As-Buyers-Struggle-with-Affordability">https://news.move.com/2020-12-02-Realtor-com-R-2021-Housing-Forecast-Sellers-Will-Get-Top-Dollar-As-Buyers-Struggle-with-Affordability</a> <a href="http://zillow.mediaroom.com/2020-12-18-Home-Value-Growth-Breaks-Records-as-Rents-Stabilize">http://zillow.mediaroom.com/2020-12-18-Home-Value-Growth-Breaks-Records-as-Rents-Stabilize</a> <a href="https://www.nar.realtor/newsroom/top-economic-and-housing-experts-predict-post-pandemic-rebound-with-continued-job-growth-stable">https://www.nar.realtor/newsroom/top-economic-and-housing-experts-predict-post-pandemic-rebound-with-continued-job-growth-stable</a> <a href="https://www.redfin.com/news/housing-market-predictions-2021/">https://www.redfin.com/news/housing-market-predictions-2021/</a>
16	realtor.com Quote	<a href="https://www.realtor.com/news/trends/housing-market-2021-forecast/">https://www.realtor.com/news/trends/housing-market-2021-forecast/</a>
18	More Depth, Less Length	<a href="http://www.thebalance.com/unemployment-rate-by-year-3305506">www.thebalance.com/unemployment-rate-by-year-3305506</a> www.wsj.com (subscription required) <a href="https://www.bls.gov/news.release/pdf/empsit.pdf">https://www.bls.gov/news.release/pdf/empsit.pdf</a>
19	Unemployment Projections	<a href="https://www.thebalance.com/unemployment-rate-by-year-3305506">https://www.thebalance.com/unemployment-rate-by-year-3305506</a> <a href="https://www.wsj.com/graphics/econsurvey/">https://www.wsj.com/graphics/econsurvey/</a> <a href="https://www.bls.gov/news.release/pdf/empsit.pdf">https://www.bls.gov/news.release/pdf/empsit.pdf</a> <a href="https://twitter.com/Neil_Irwin/status/1339284909580574720">https://twitter.com/Neil_Irwin/status/1339284909580574720</a>
20	Choi Quote	<a href="https://time.com/5917894/evictions-housing-market-covid/">https://time.com/5917894/evictions-housing-market-covid/</a>
21	Post-Forbearance Outcomes	<a href="https://pulsenomics.com/surveys/#home-price-expectations">https://pulsenomics.com/surveys/#home-price-expectations</a>
22	Fratantoni Quote	<a href="https://www.bankrate.com/mortgages/why-rates-are-still-falling-despite-improving-economy/">https://www.bankrate.com/mortgages/why-rates-are-still-falling-despite-improving-economy/</a>
23	Difference in Monthly Payment	<a href="http://www.freddiemac.com/fmac-resources/research/pdf/202010-Forecast-03.pdf">http://www.freddiemac.com/fmac-resources/research/pdf/202010-Forecast-03.pdf</a> <a href="https://news.move.com/2020-12-02-Realtor-com-R-2021-Housing-Forecast-Sellers-Will-Get-Top-Dollar-As-Buyers-Struggle-with-Affordability">https://news.move.com/2020-12-02-Realtor-com-R-2021-Housing-Forecast-Sellers-Will-Get-Top-Dollar-As-Buyers-Struggle-with-Affordability</a> <a href="https://www.mortgagecalculator.net/">https://www.mortgagecalculator.net/</a>
24	Lautz Quote	<a href="https://dsnews.com/news/12-10-2020/the-american-dream-of-homeownership-is-very-much-alive">https://dsnews.com/news/12-10-2020/the-american-dream-of-homeownership-is-very-much-alive</a>

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
31, 51, 63	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>
32-34, 42, 51-56	Existing Home Sales	<a href="https://www.nar.realtor/topics/existing-home-sales">https://www.nar.realtor/topics/existing-home-sales</a>
35-38	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>
39	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>
40,41	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>
46-48	Case Shiller	<a href="https://www.spglobal.com/spdji/en/indices/indicators/sp-corelogic-case-shiller-20-city-composite-home-price-nsa-index/#news-research">https://www.spglobal.com/spdji/en/indices/indicators/sp-corelogic-case-shiller-20-city-composite-home-price-nsa-index/#news-research</a>
49	CoreLogic Forecasted YOY % Change in Price	<a href="https://www.corelogic.com/insights-download/home-price-index.aspx">https://www.corelogic.com/insights-download/home-price-index.aspx</a>
52-58	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
60-62	Foot Traffic	<a href="http://nar.realtor/infographics/foot-traffic">http://nar.realtor/infographics/foot-traffic</a>
65,66, 68,69	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>
67	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>
71,72	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>
73-77	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>

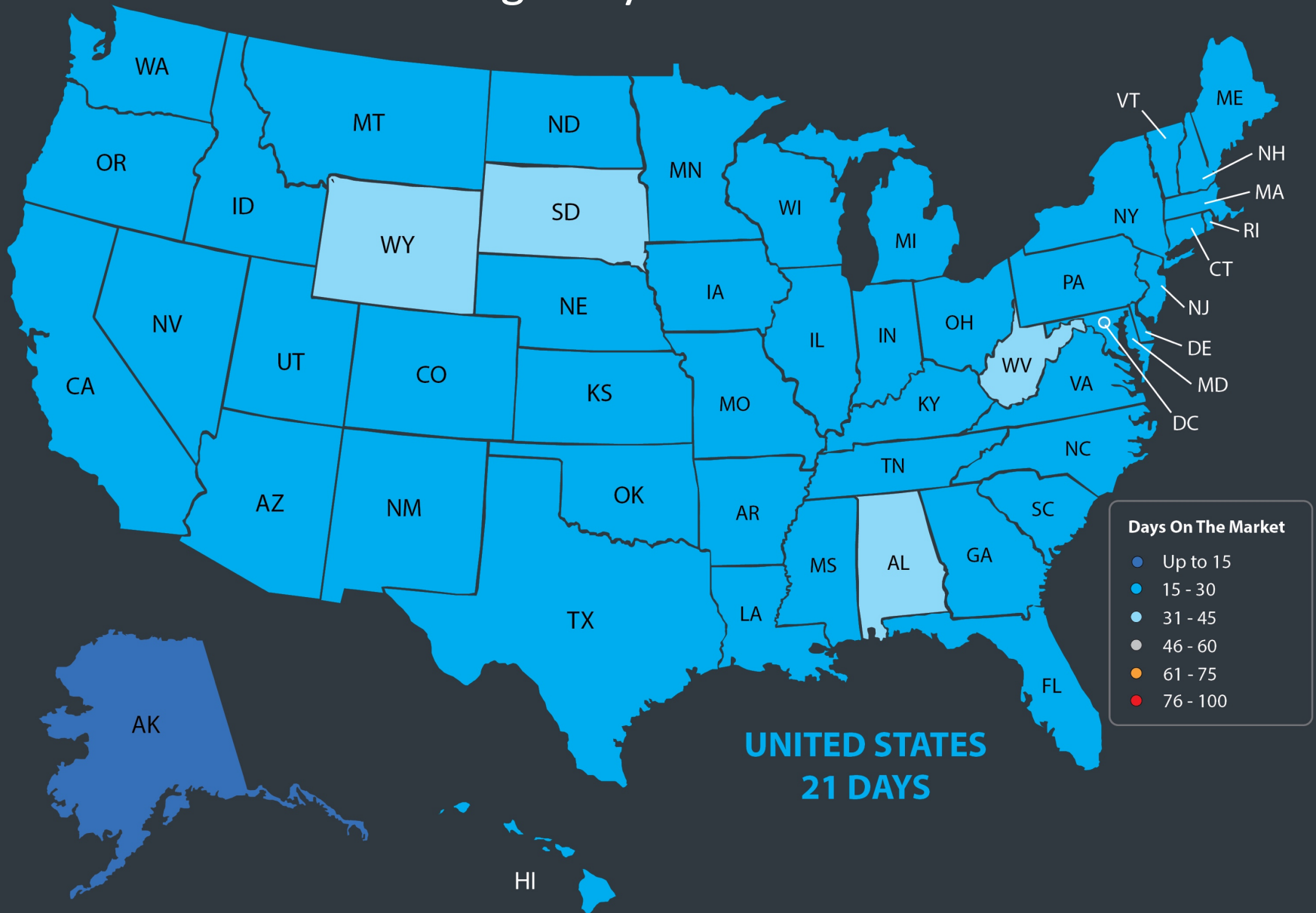




SALES



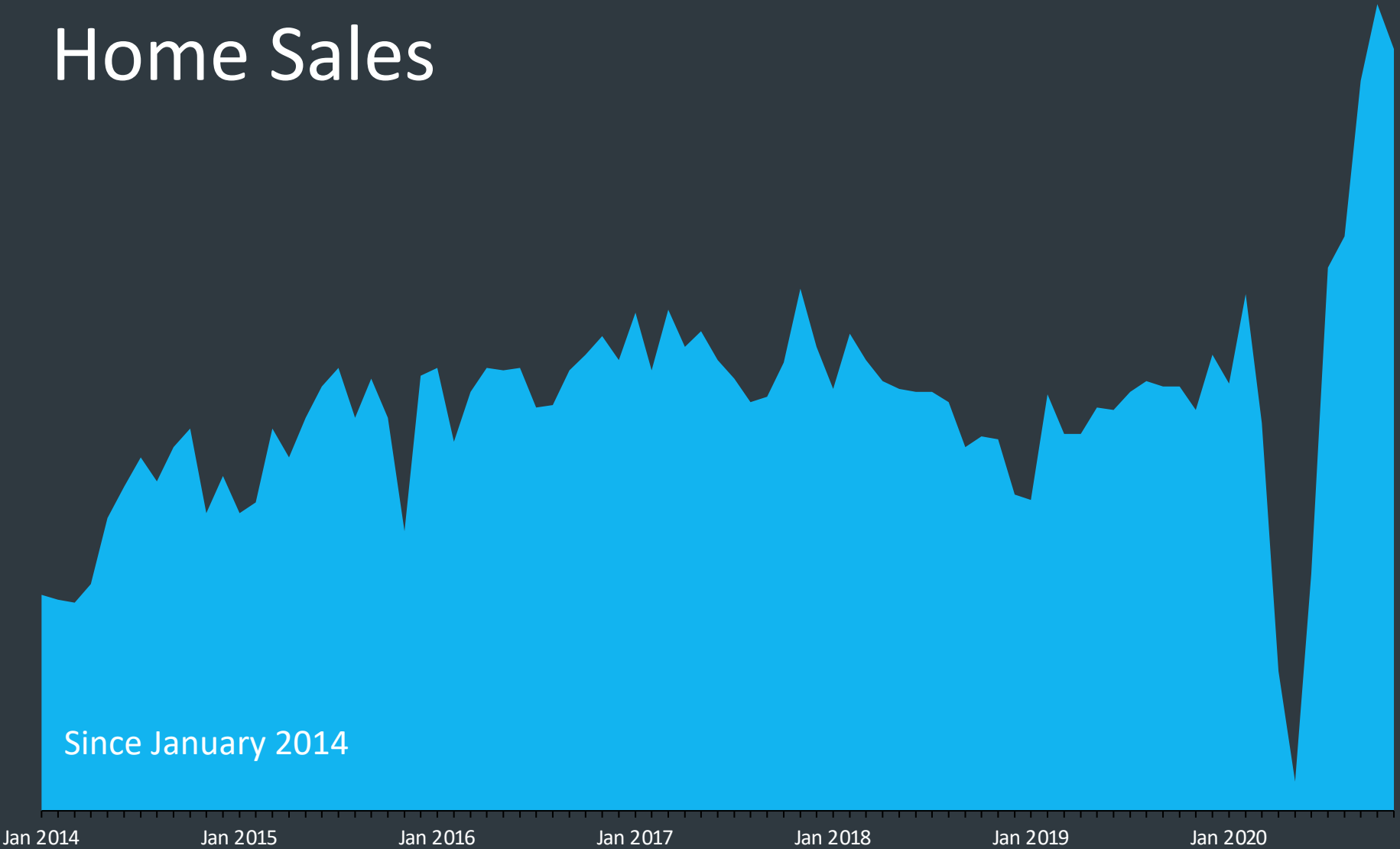
# Average Days on the Market



UNITED STATES  
21 DAYS

# EXISTING

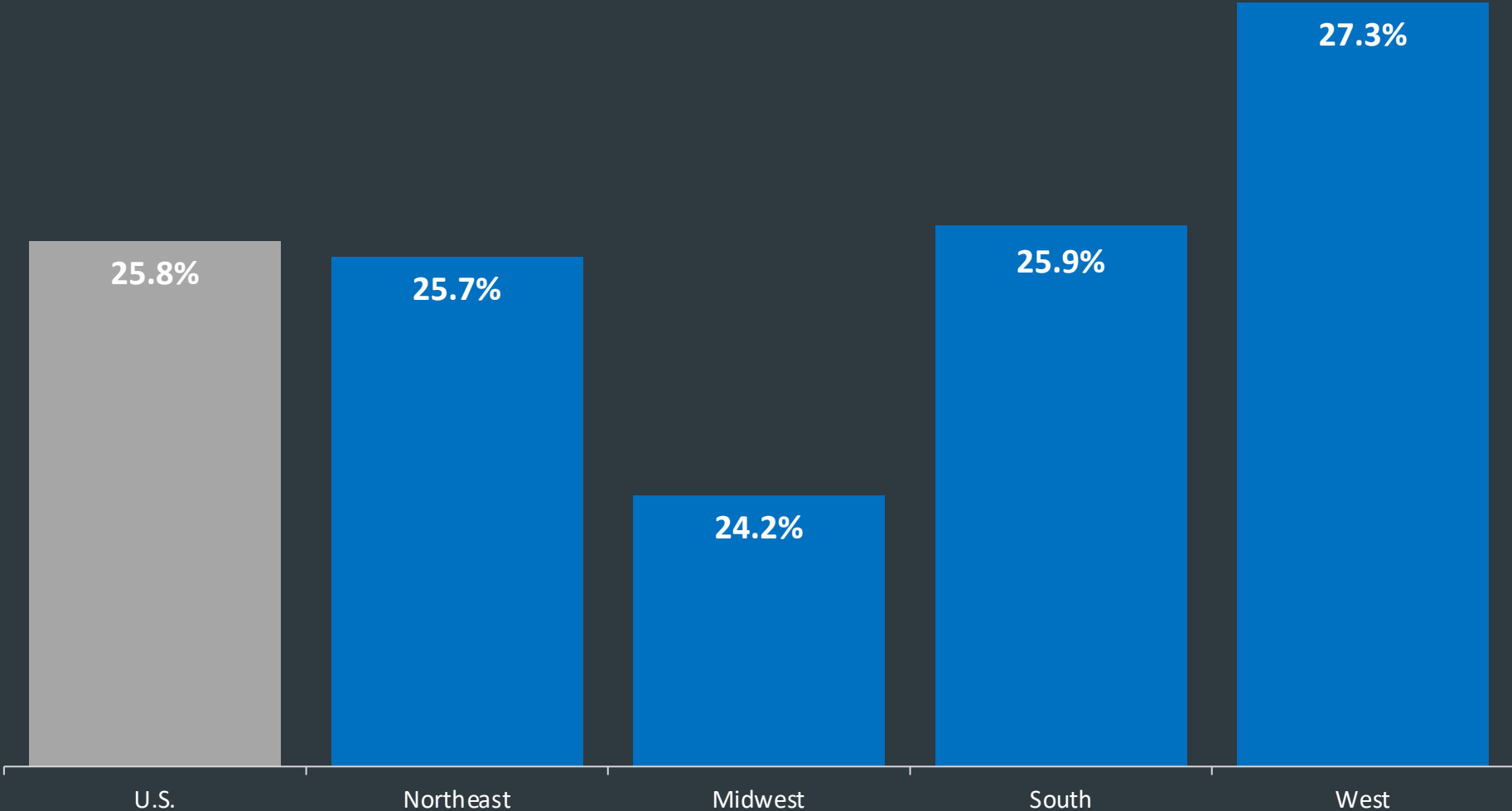
## Home Sales



Since January 2014

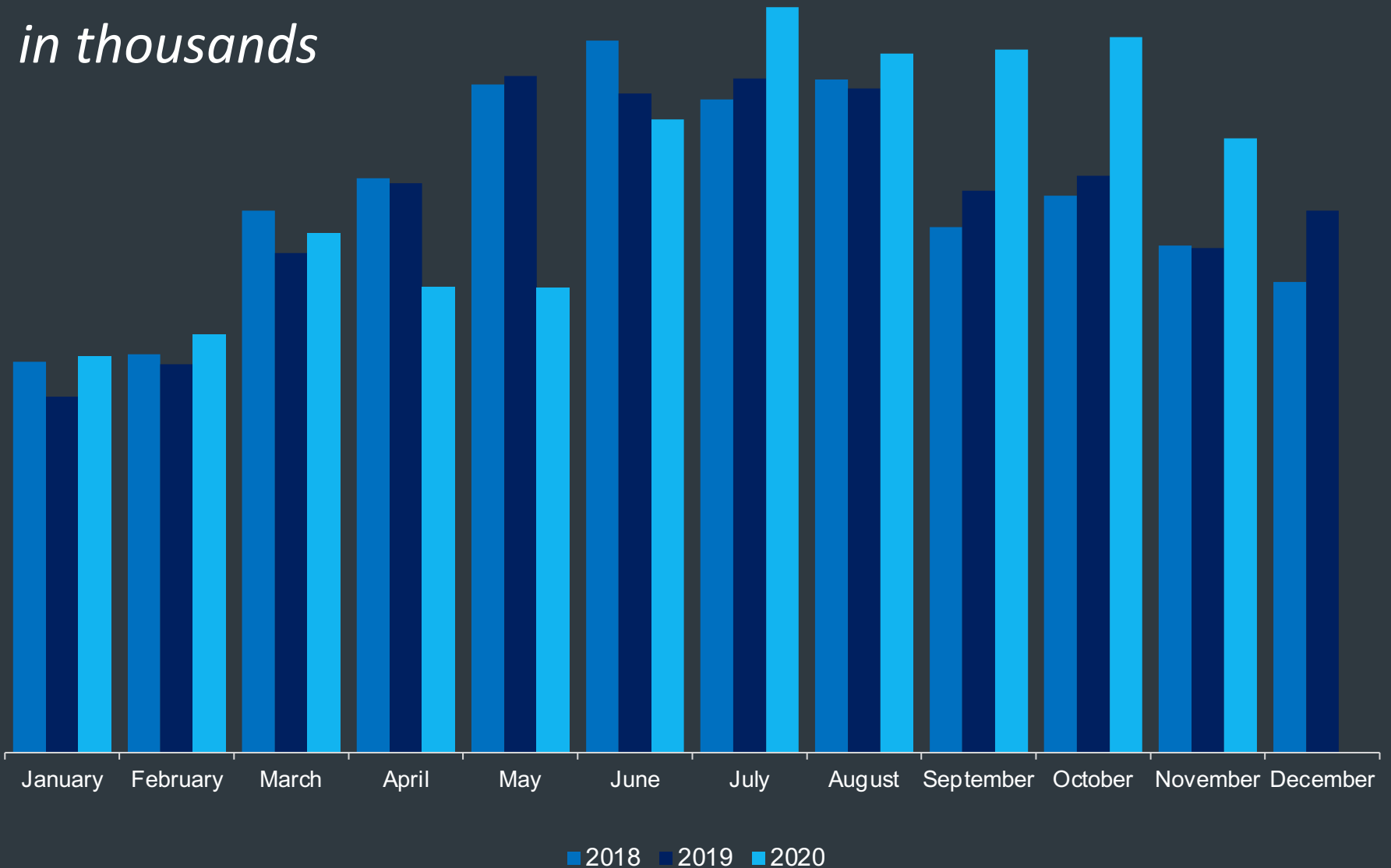
# EXISTING Home Sales

Y-O-Y by region

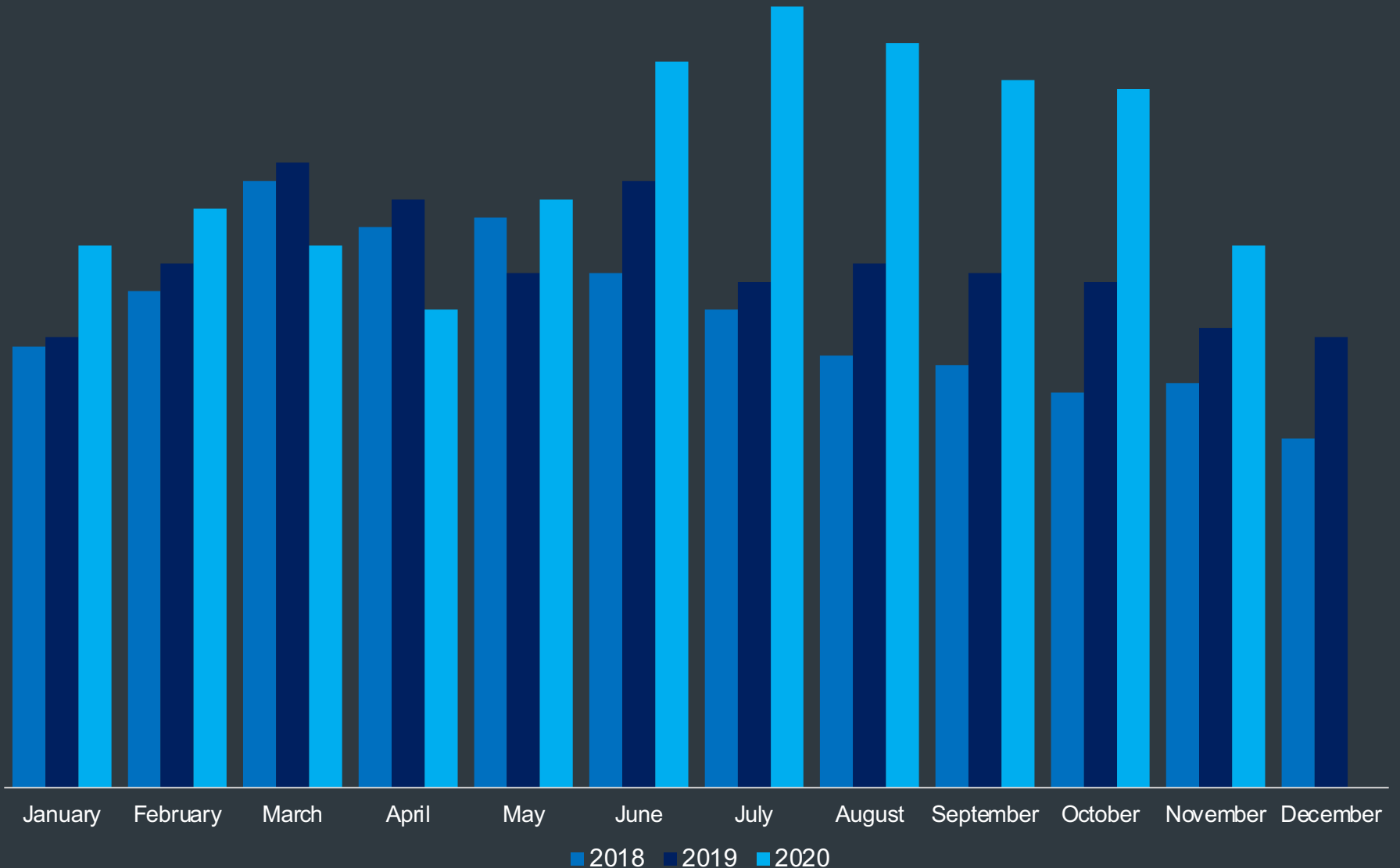


# Existing Home Sales

*in thousands*



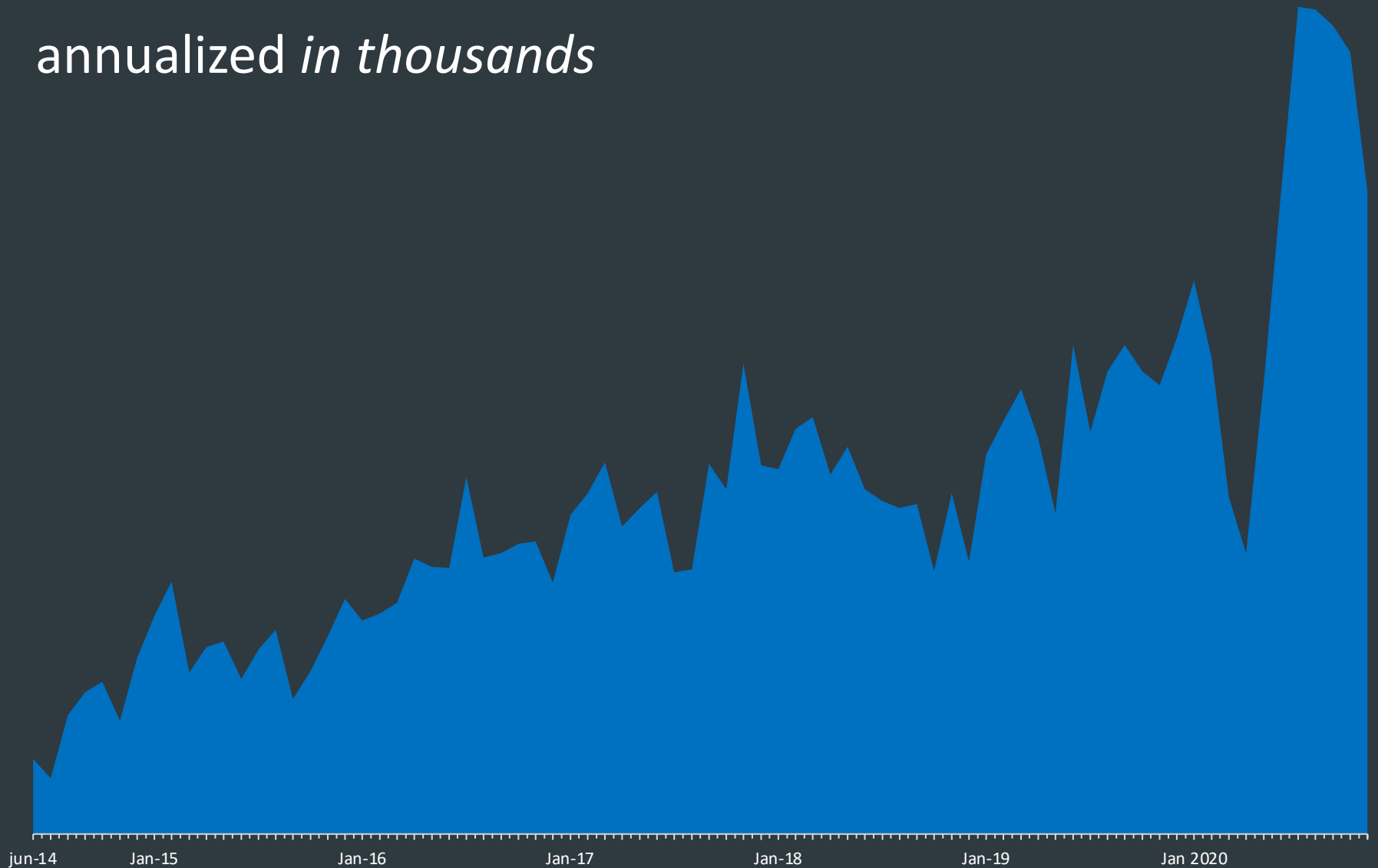
# New Home Sales *in thousands*





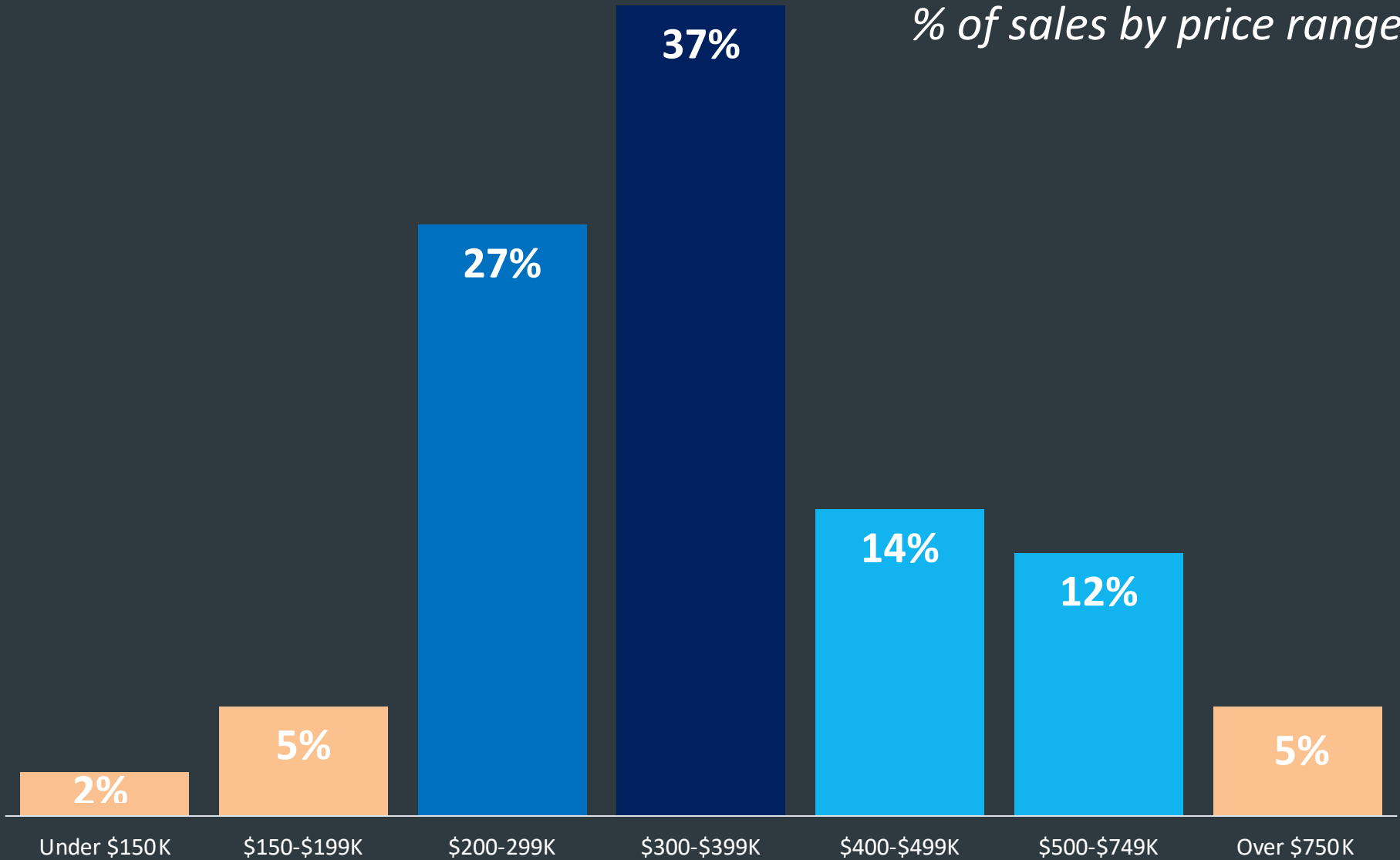
# New Home Sales

annualized *in thousands*



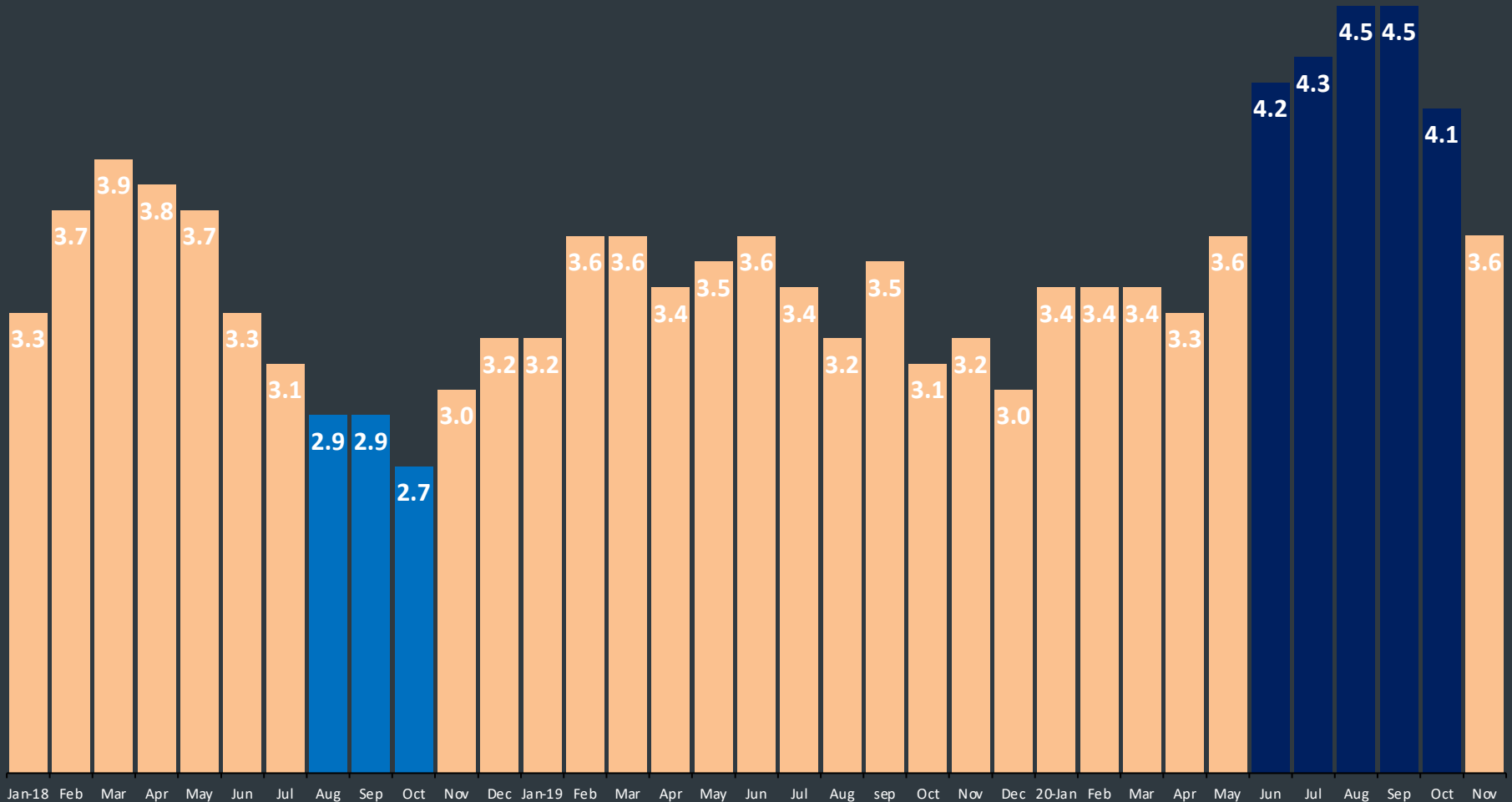
# New Home Sales

*% of sales by price range*

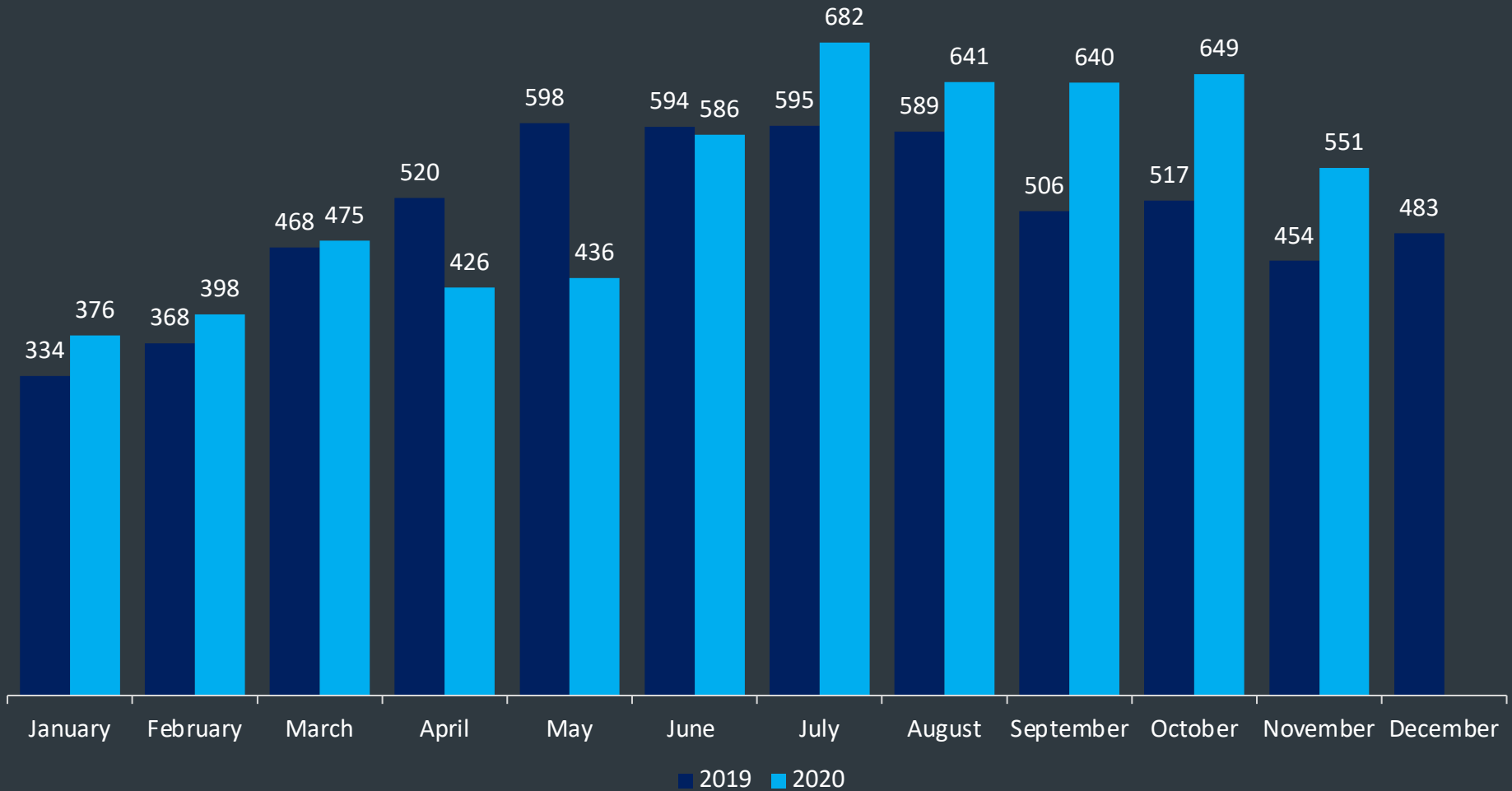


# New Homes Selling Fast

*(median months from completion to sold)*

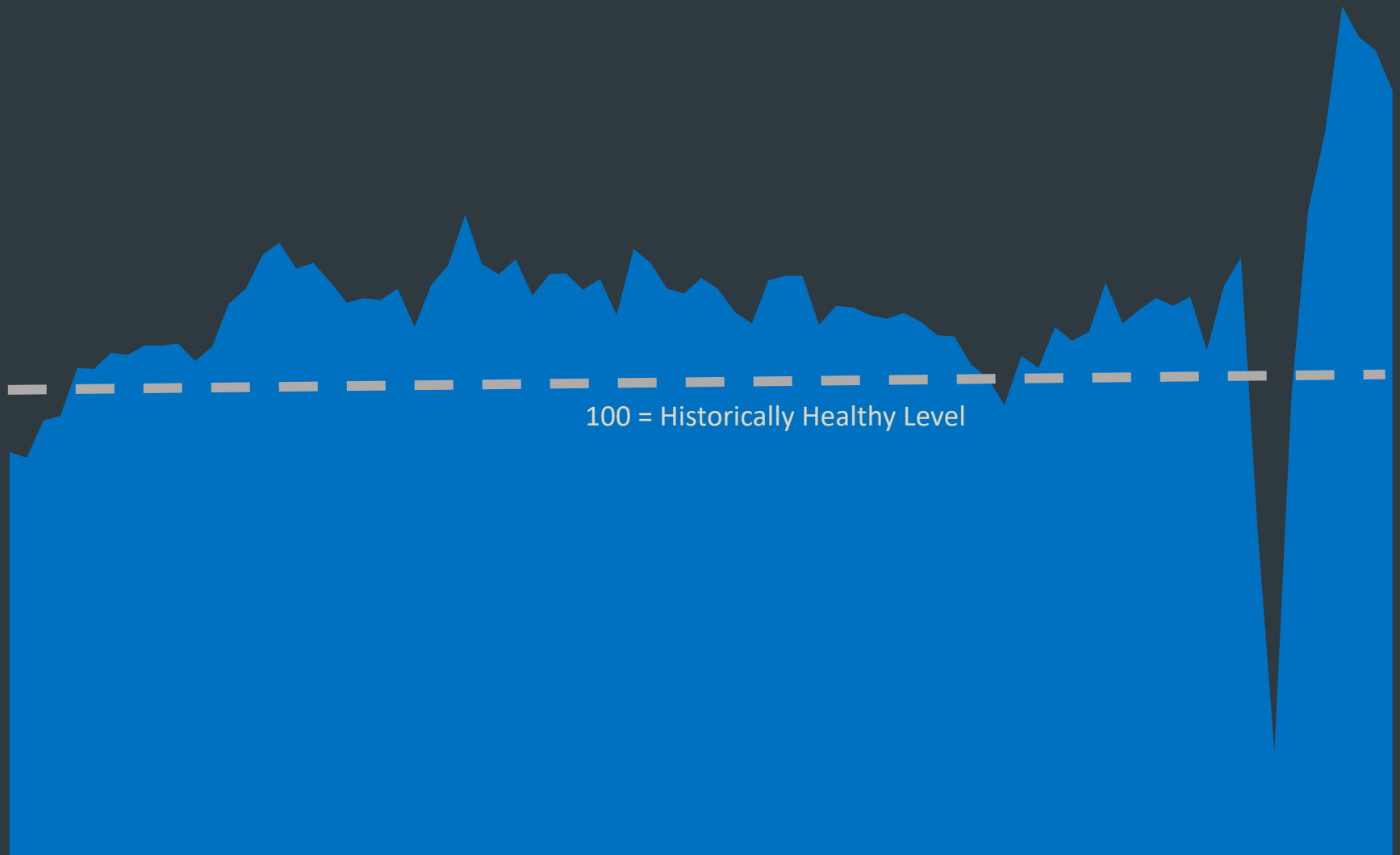


# Total Home Sales *in thousands*



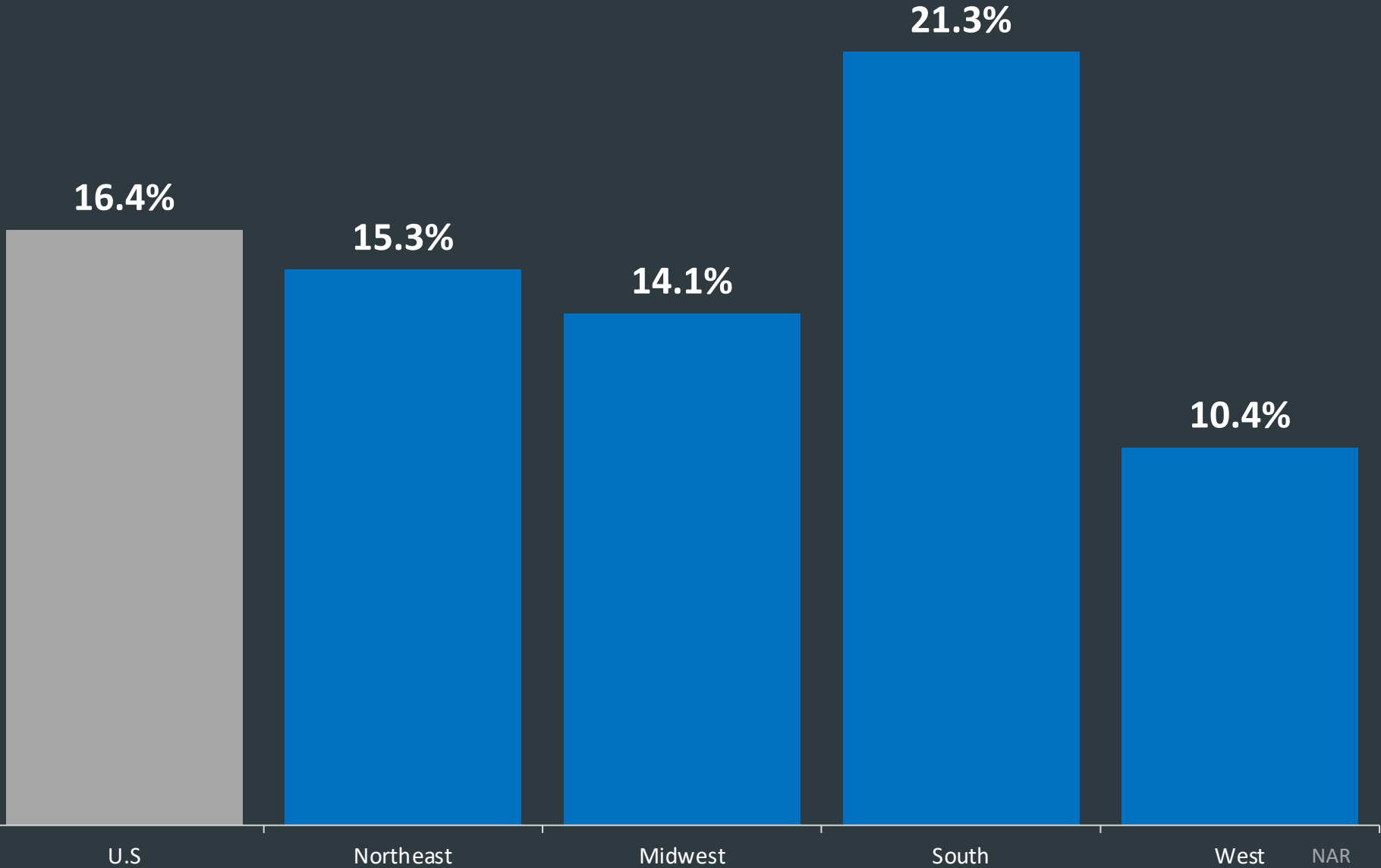
# PENDING Home Sales

*since 2014*





# Pending Home Sales *Year-Over-Year By Region*

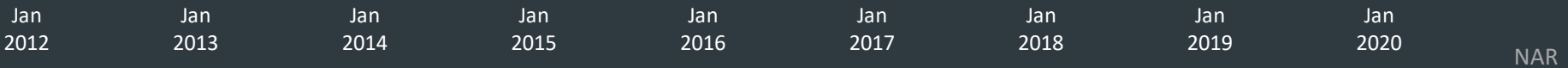


35%

# Percentage of Distressed Property Sales

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

January 2012 - Today

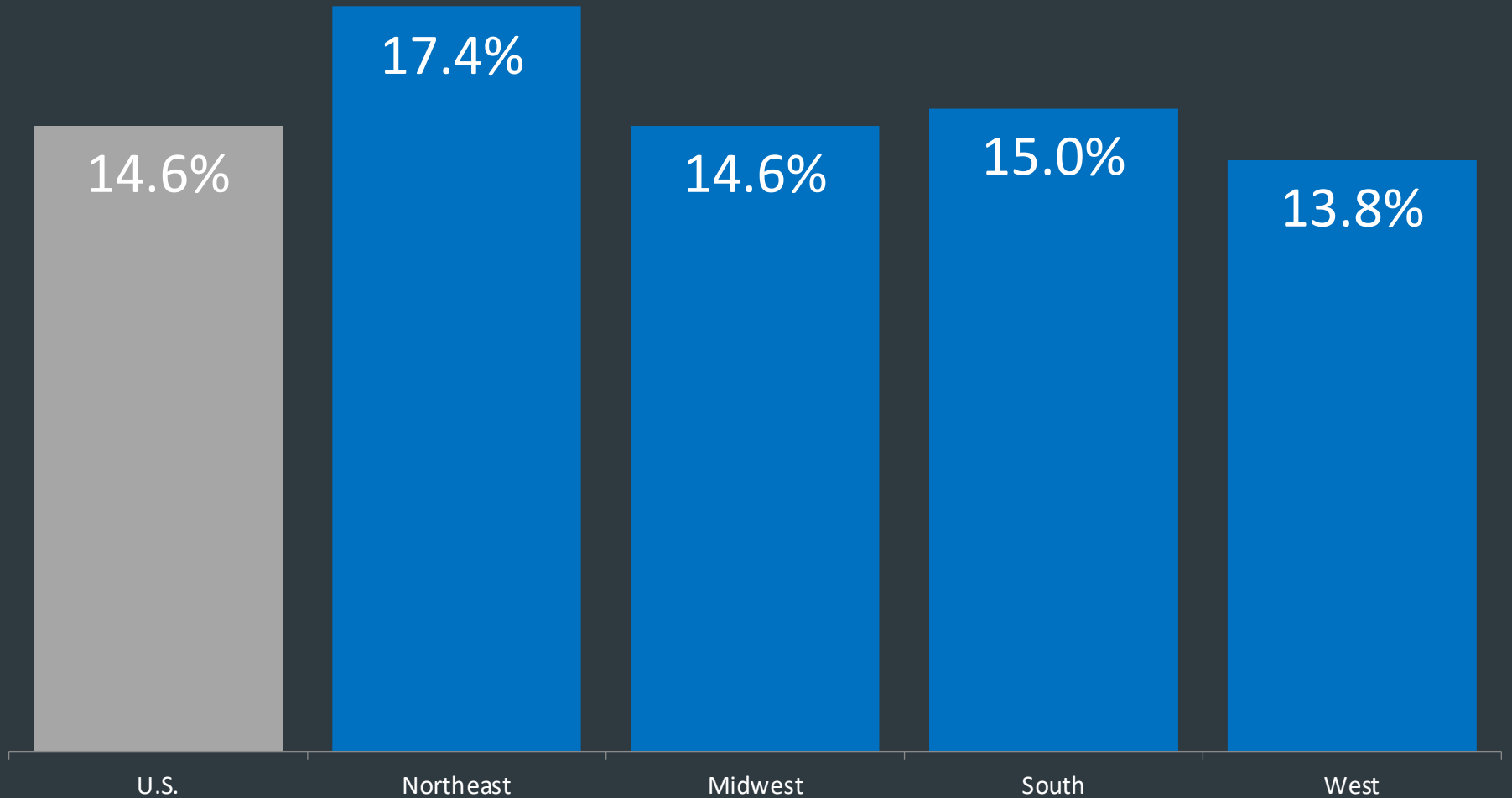




# Home Prices

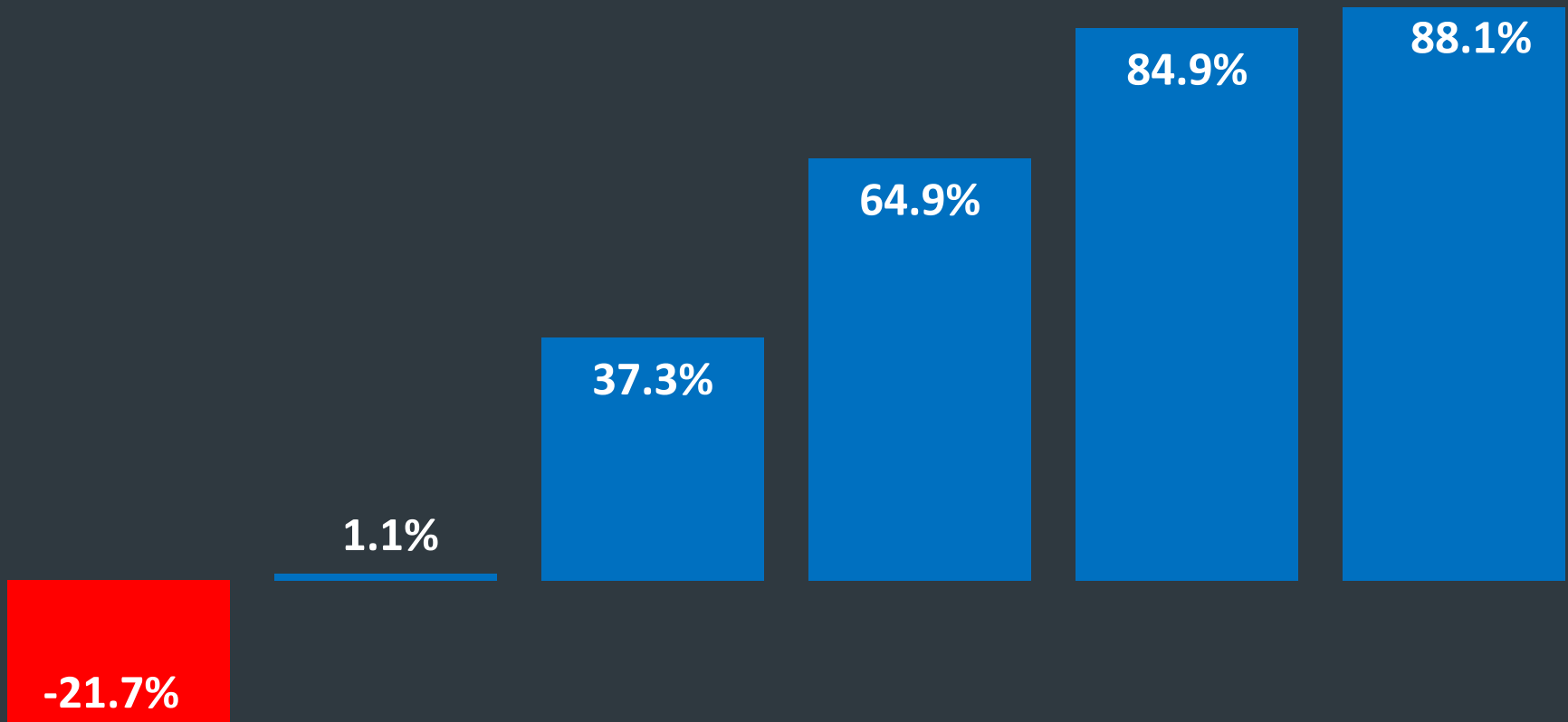
# EXISTING Home Prices

Y-O-Y by region



# % Change in Sales

from last year by Price Range

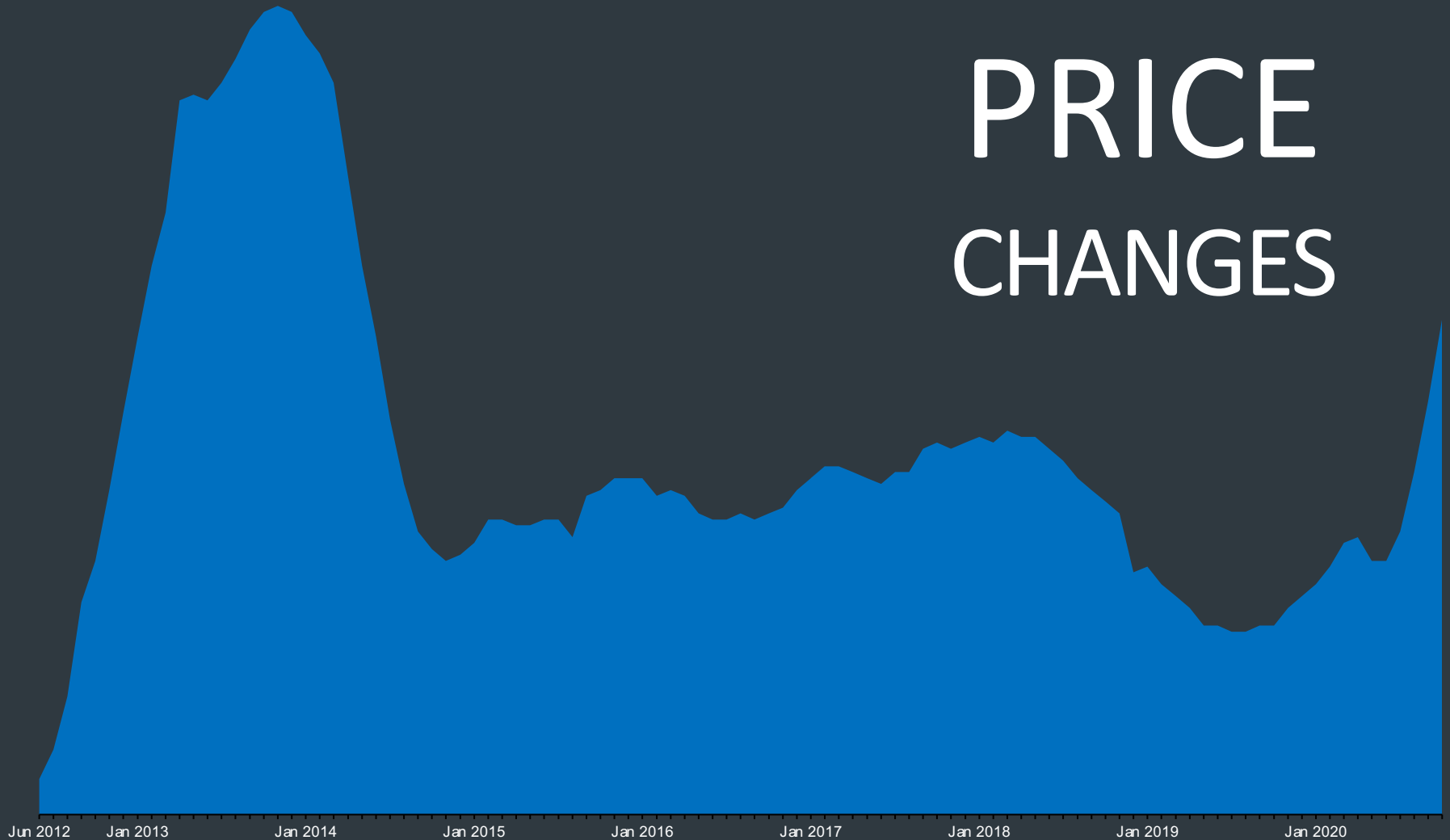


	\$0-100K	\$100-250K	\$250-500K	\$500-750K	\$750K-1M	\$1M+
%	-21.7%	1.1%	37.3%	64.9%	84.9%	88.1%

# Case Shiller

Year-Over-Year

PRICE  
CHANGES

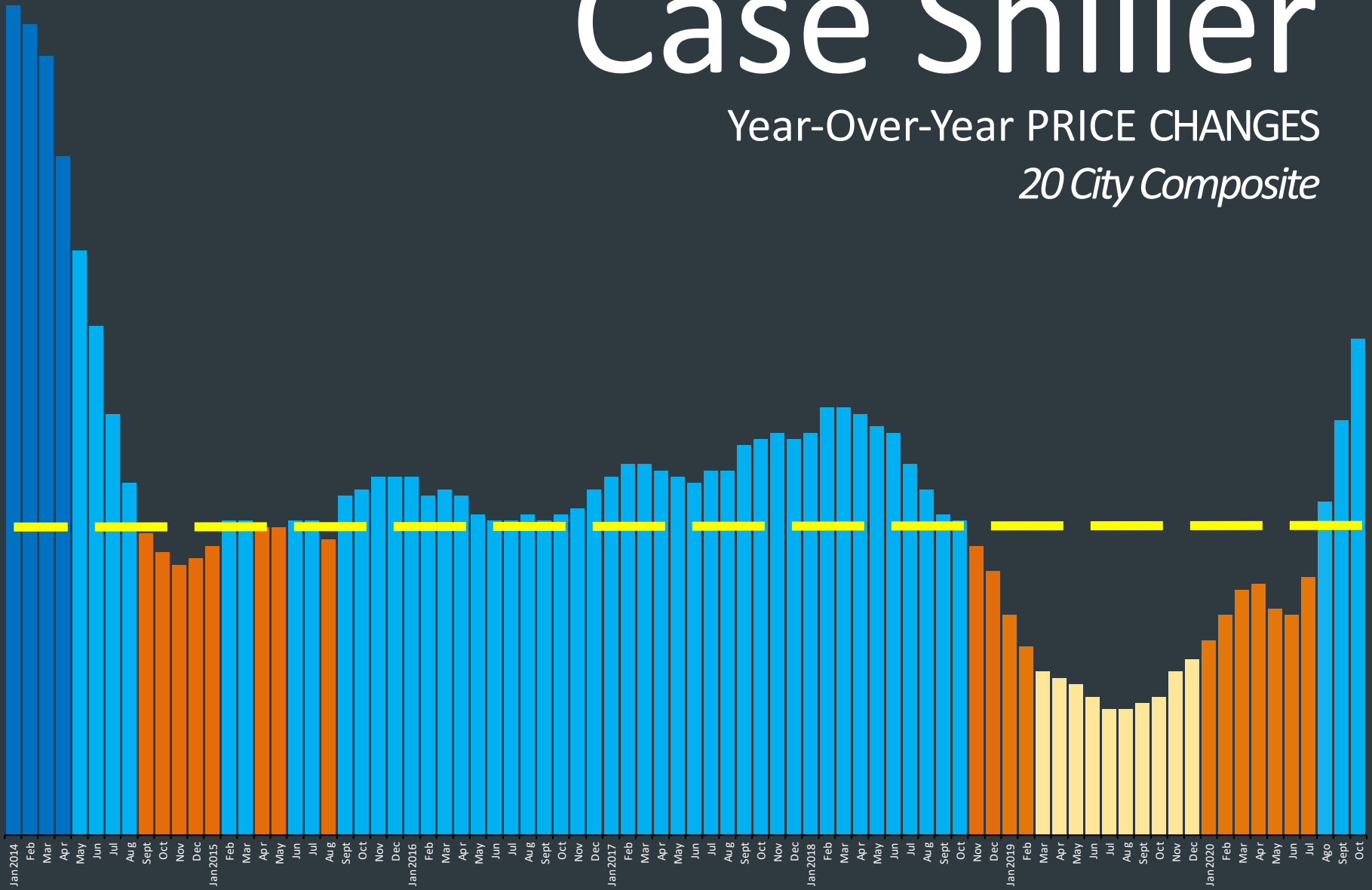




# Case Shiller

Year-Over-Year PRICE CHANGES

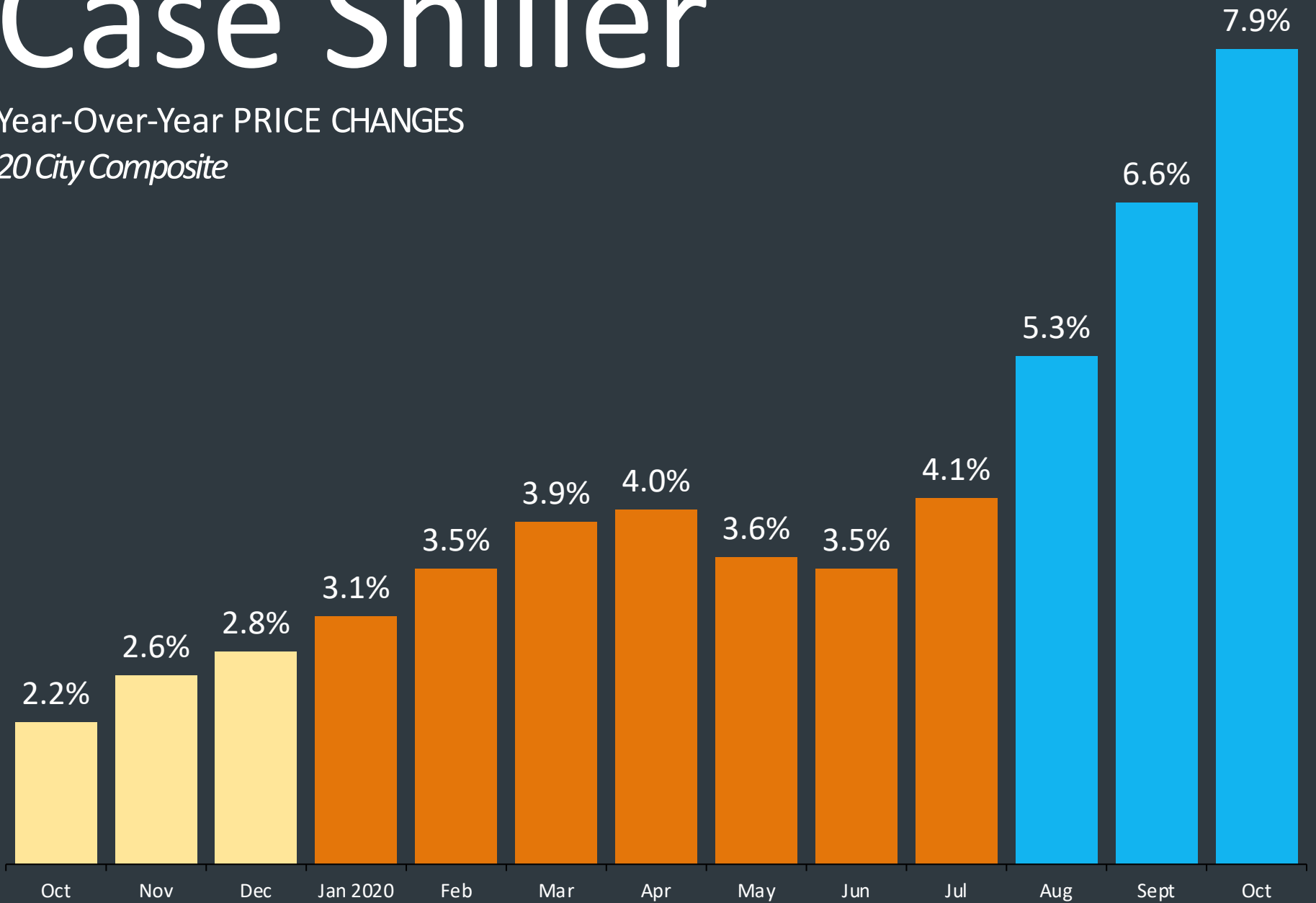
*20 City Composite*



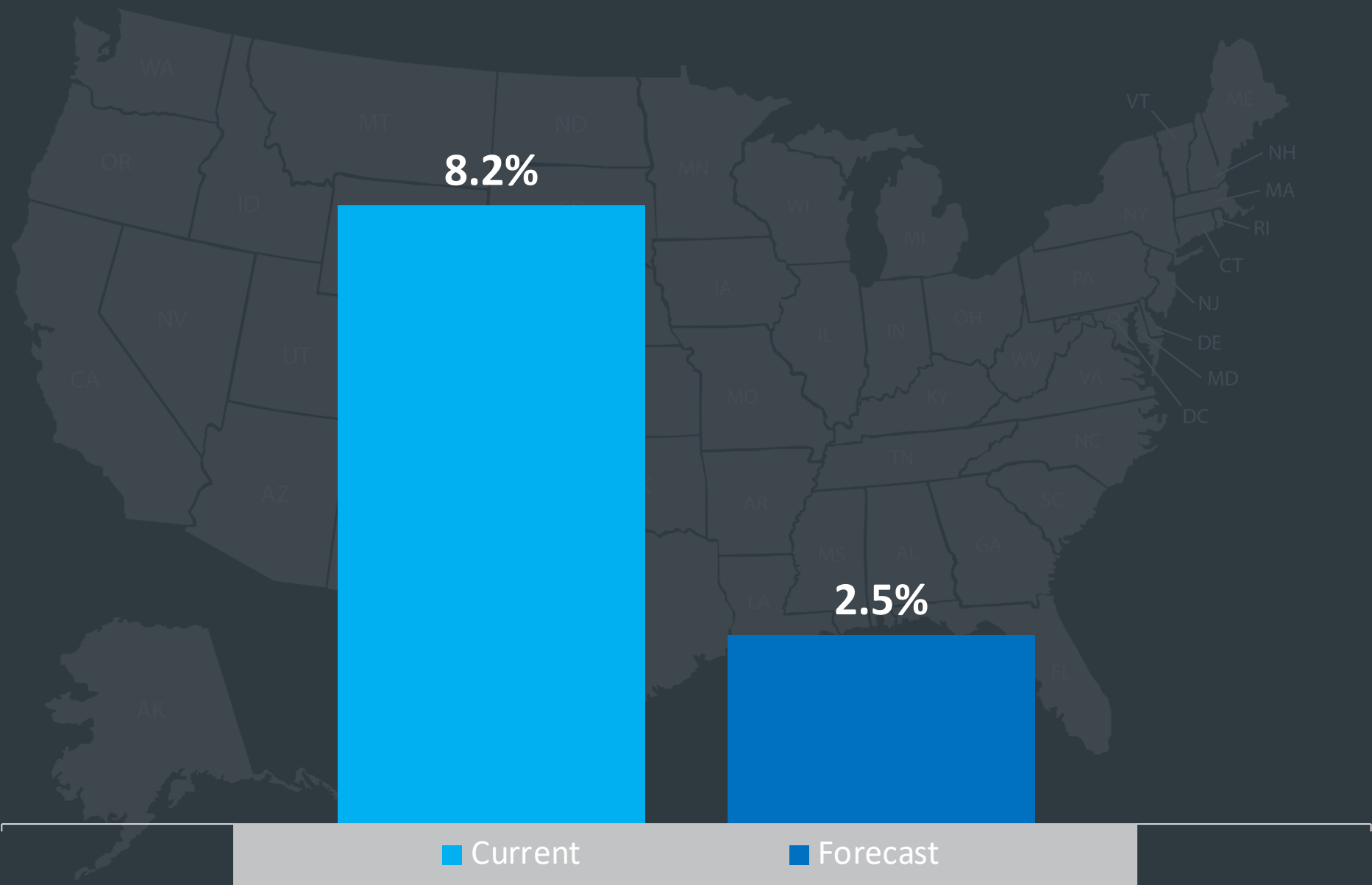
# Case Shiller

Year-Over-Year PRICE CHANGES

*20 City Composite*



# Year-Over-Year % Change in Price



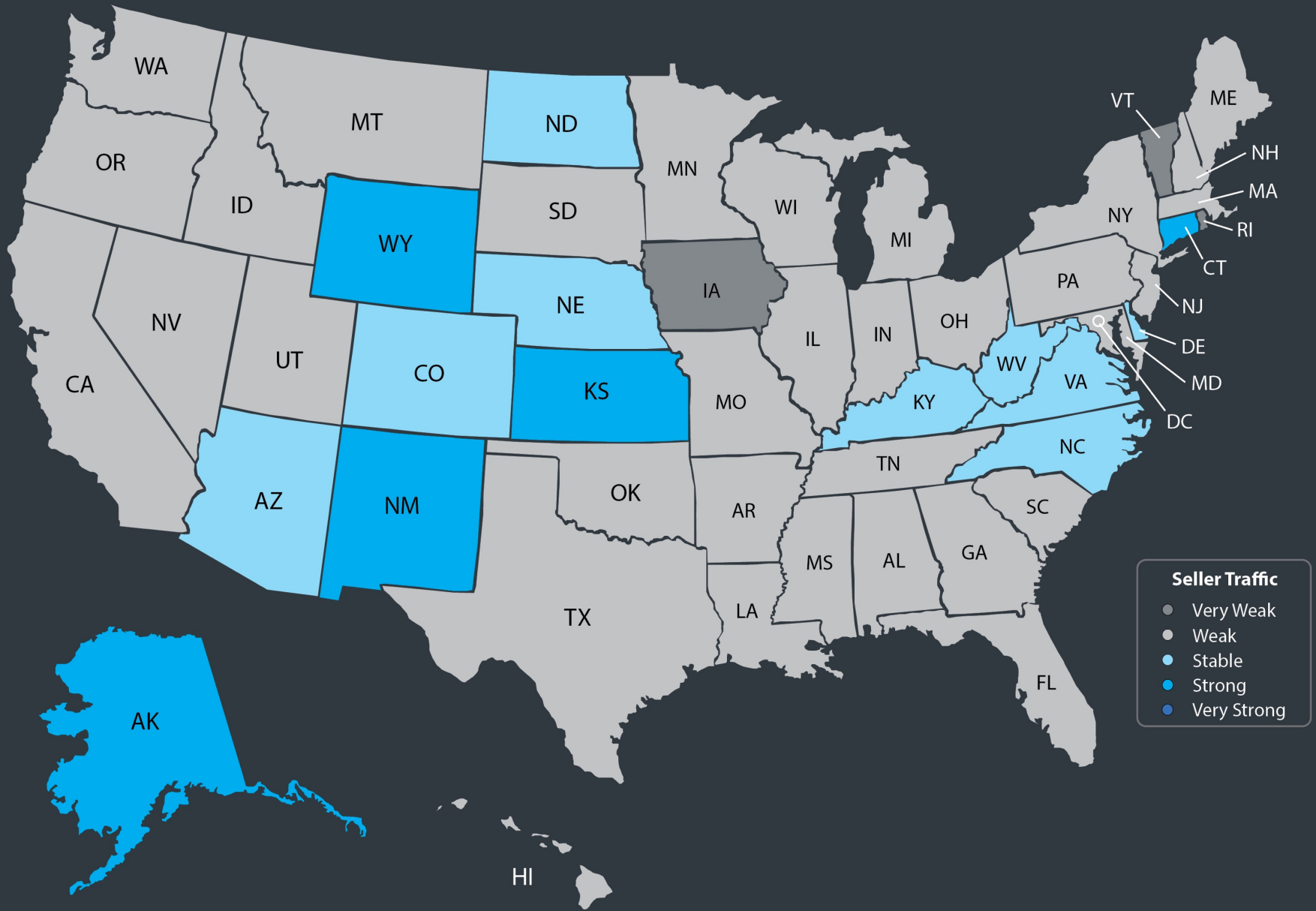
■ Current

■ Forecast

# HOUSING INVENTORY



# Seller Traffic Index

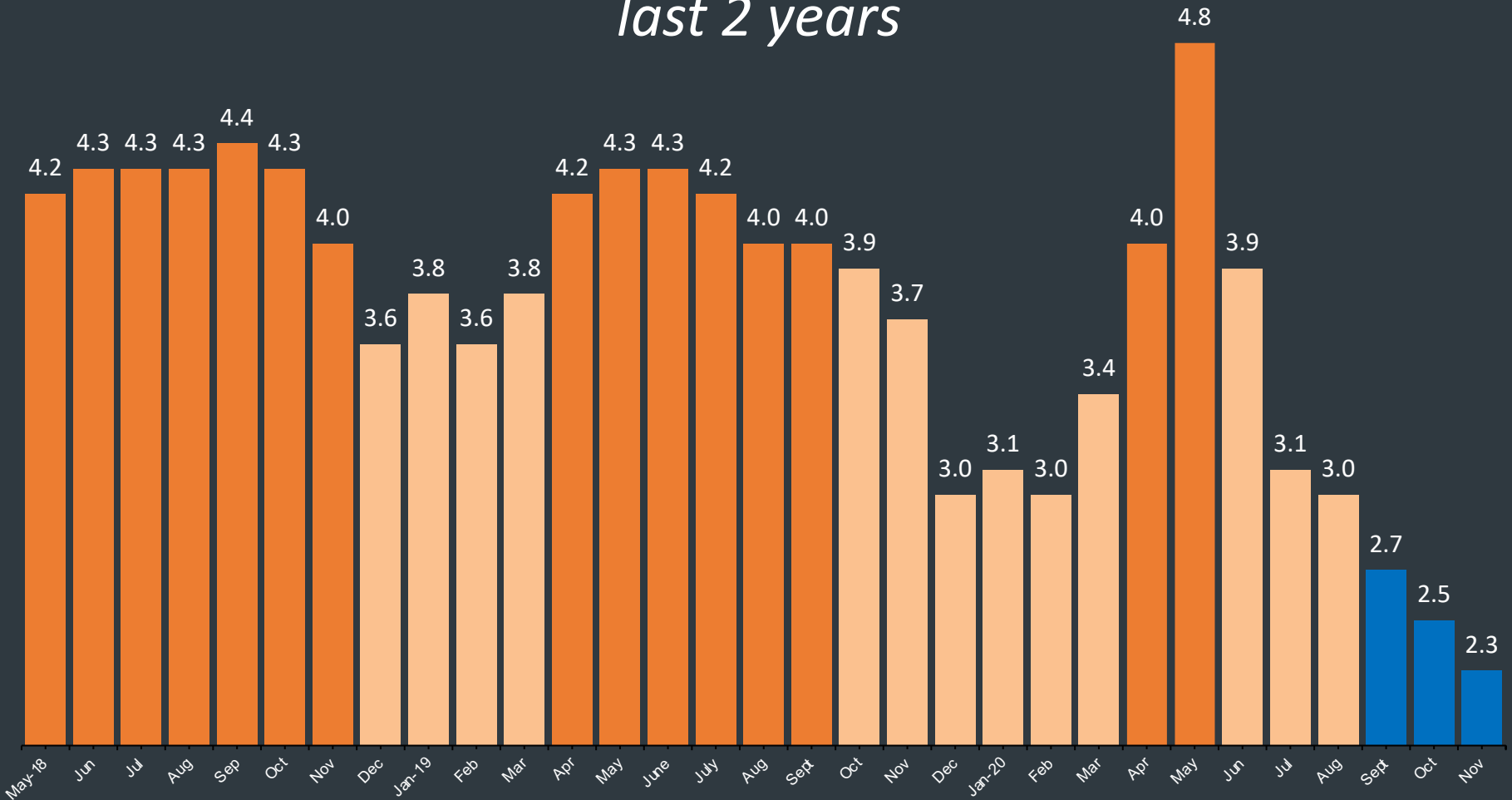


# Months Inventory of HOMES FOR SALE 2011 - Today



# Months Inventory of HOMES FOR SALE

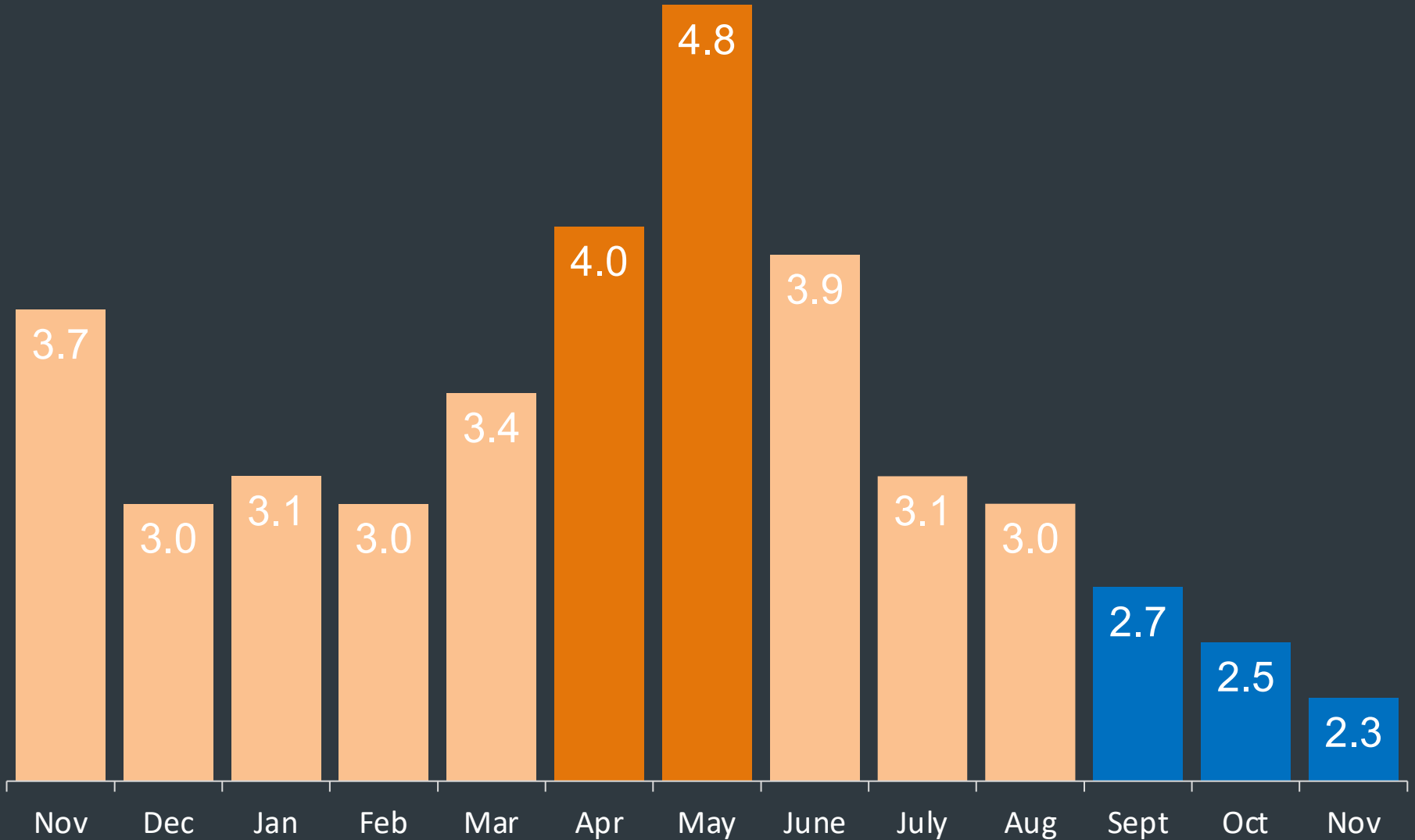
*last 2 years*

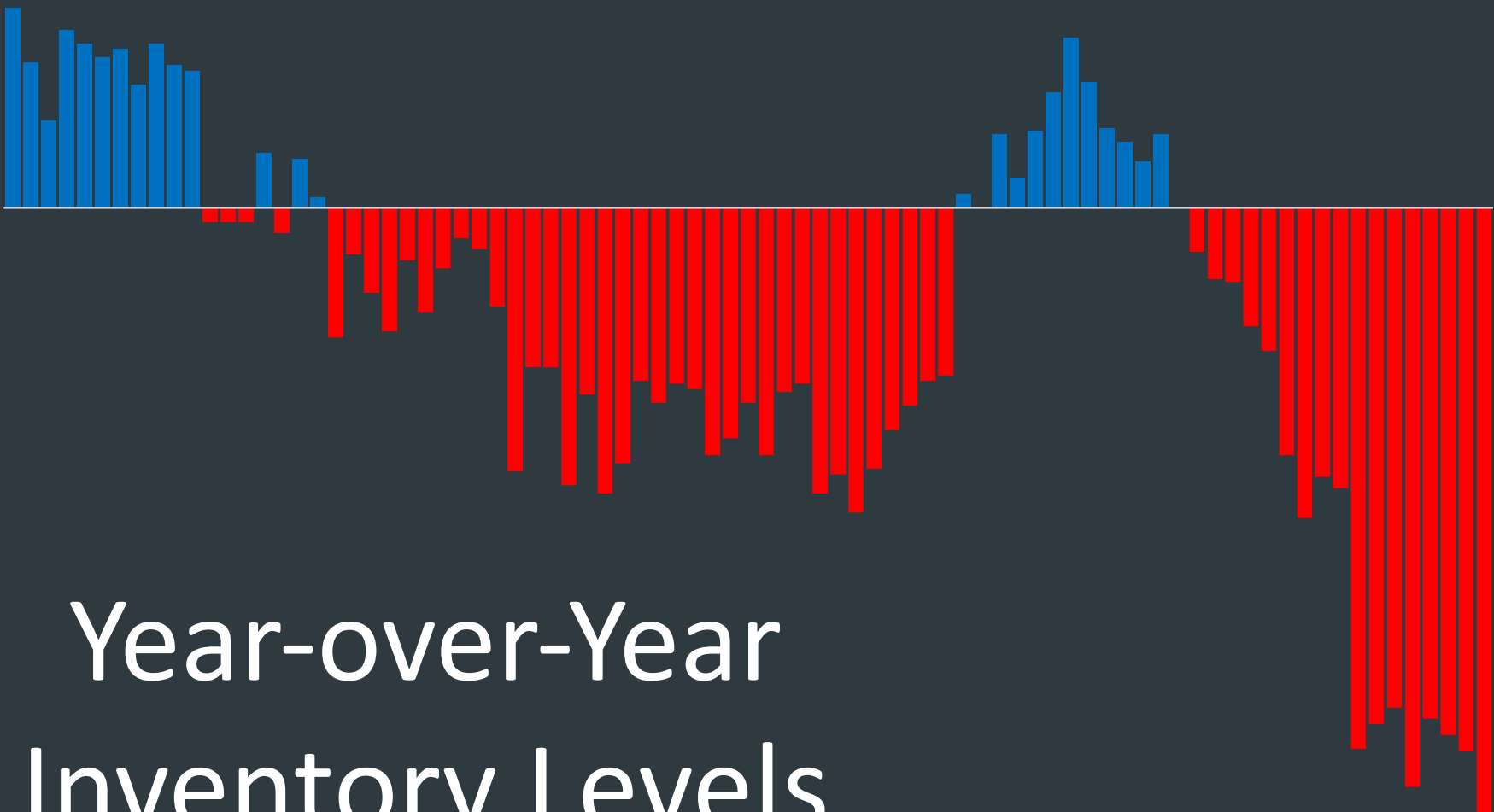




# Months Inventory of HOMES FOR SALE

*Last 12 Months*





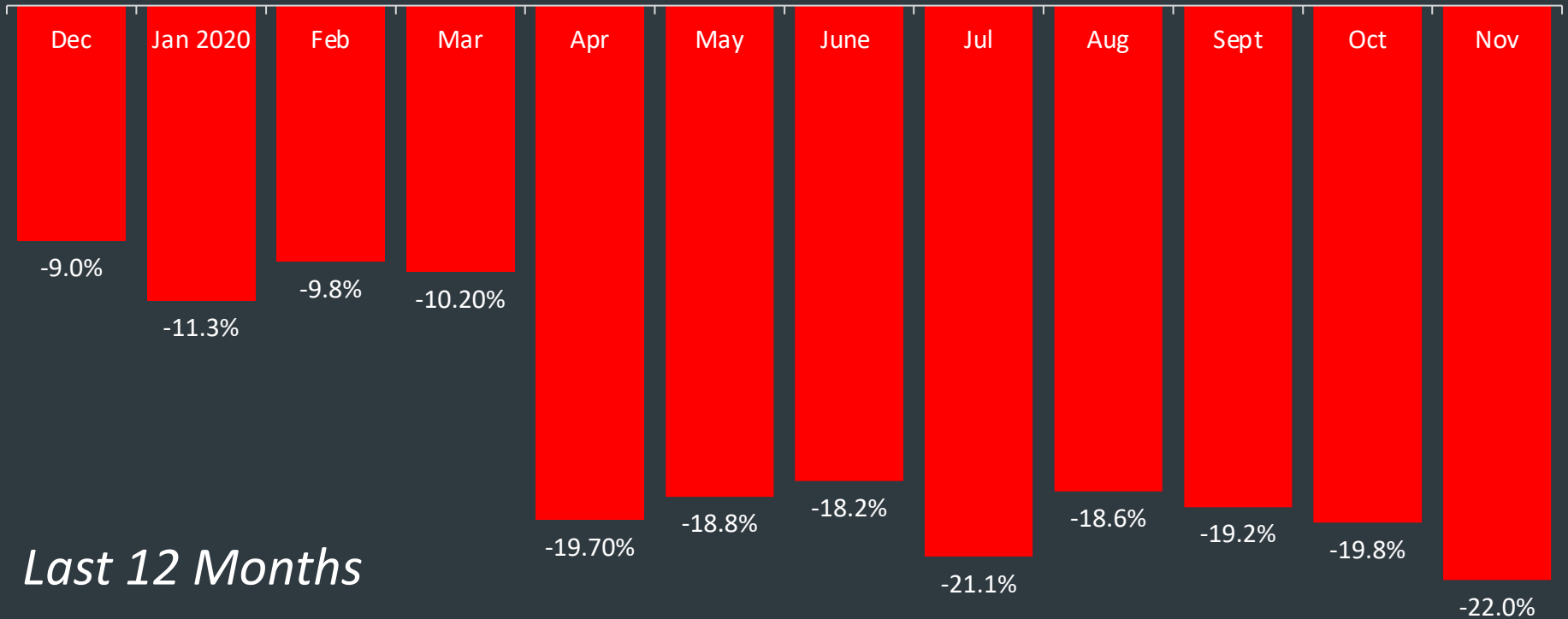
# Year-over-Year Inventory Levels

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

% 7.5 3.6 6.5 5.4 6.5 5.5 -0 -0 -0.2 -0.1 0.0 -4 -1 -3 -4 -1 -3 -2 -1 -1 -3 -9 -5 -5 -1 -6 -1 -9 -6 -7 -6 -6 -9 -8 -7 -9 -6 -6 -1 -9 -1 -9 -8 -7 -6 -6 0.0 0.2 1.2 4.6 4.2 2.1 2.0 -1 -2 -2 -4 -5 -9 -1 -1 -1 -1 -2 -1 -1 -2

# HOUSING SUPPLY

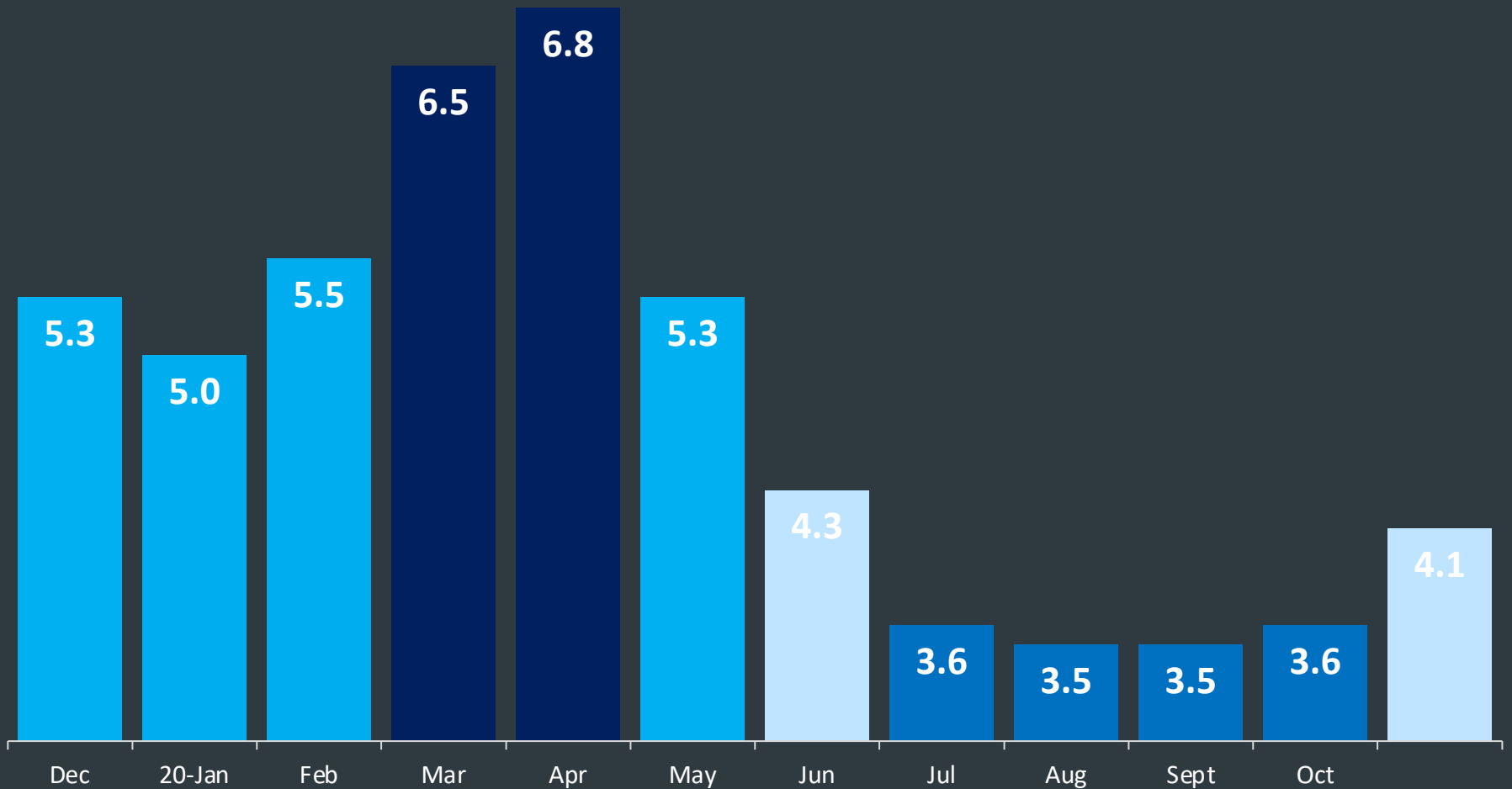
## Year-Over-Year



# New Home Inventory

*months supply*

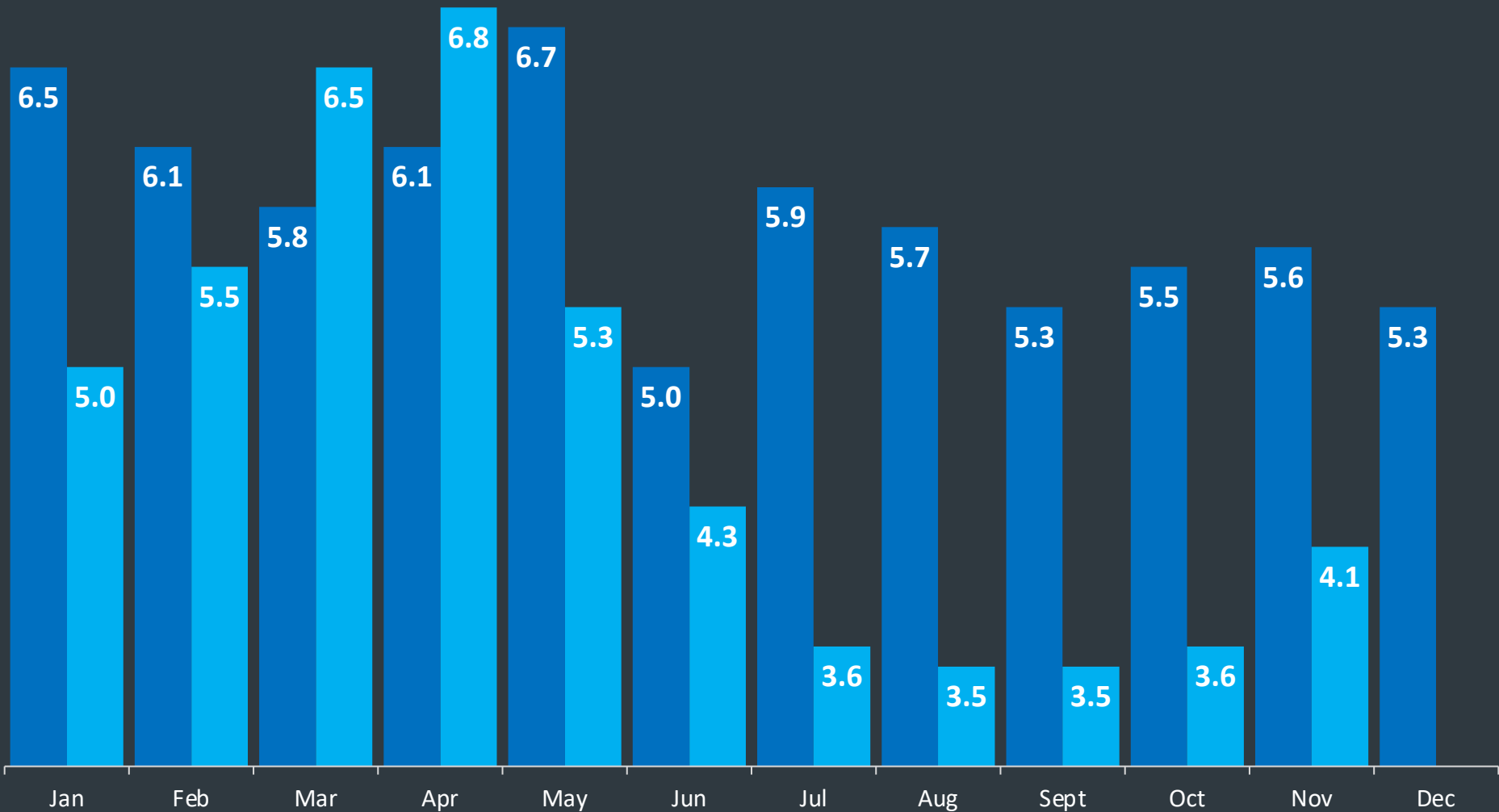
*Last 12 Months*



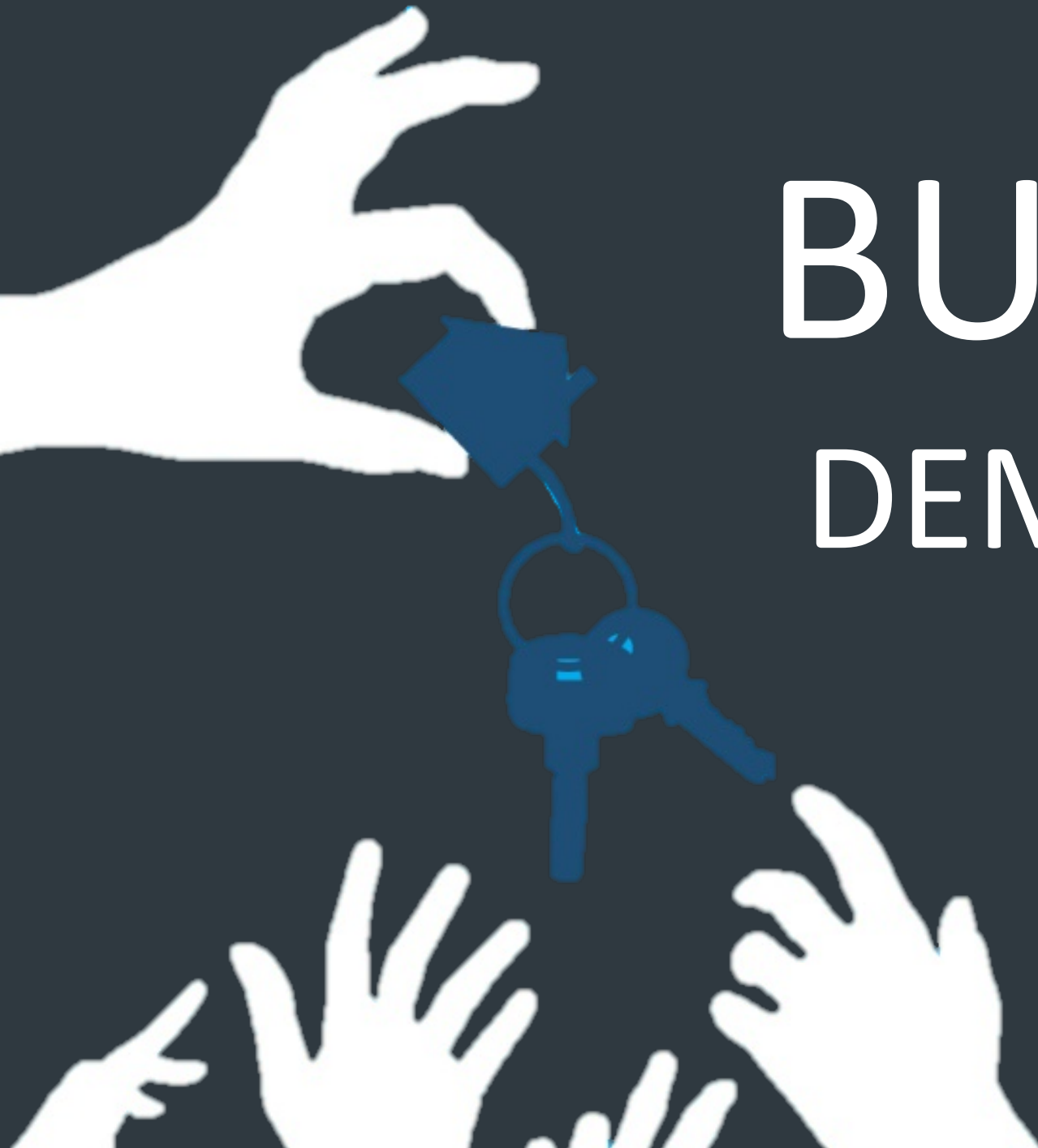
# New Home Inventory

*months supply*

■ 2019 ■ 2020

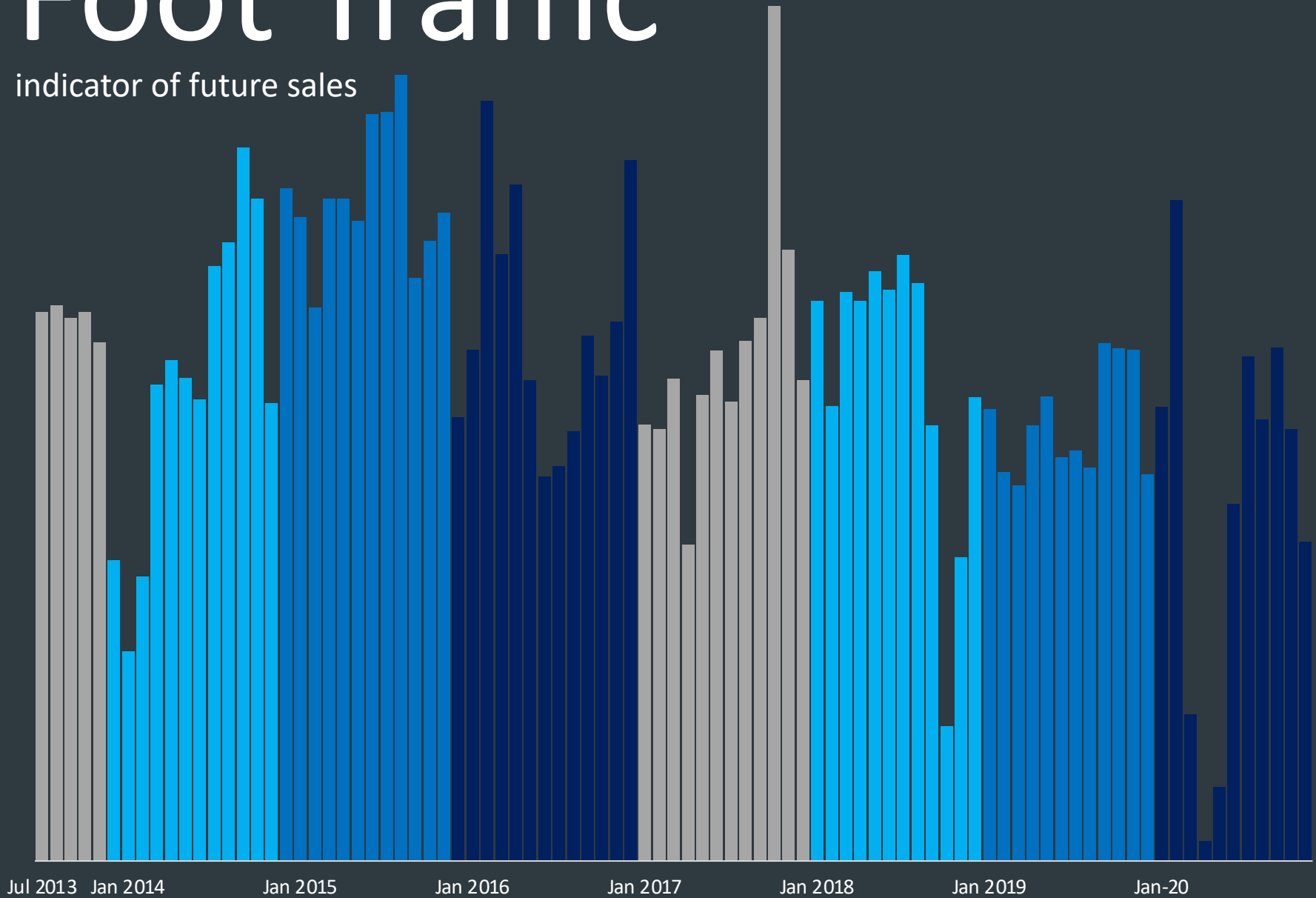


# BUYER DEMAND



# Foot Traffic

indicator of future sales

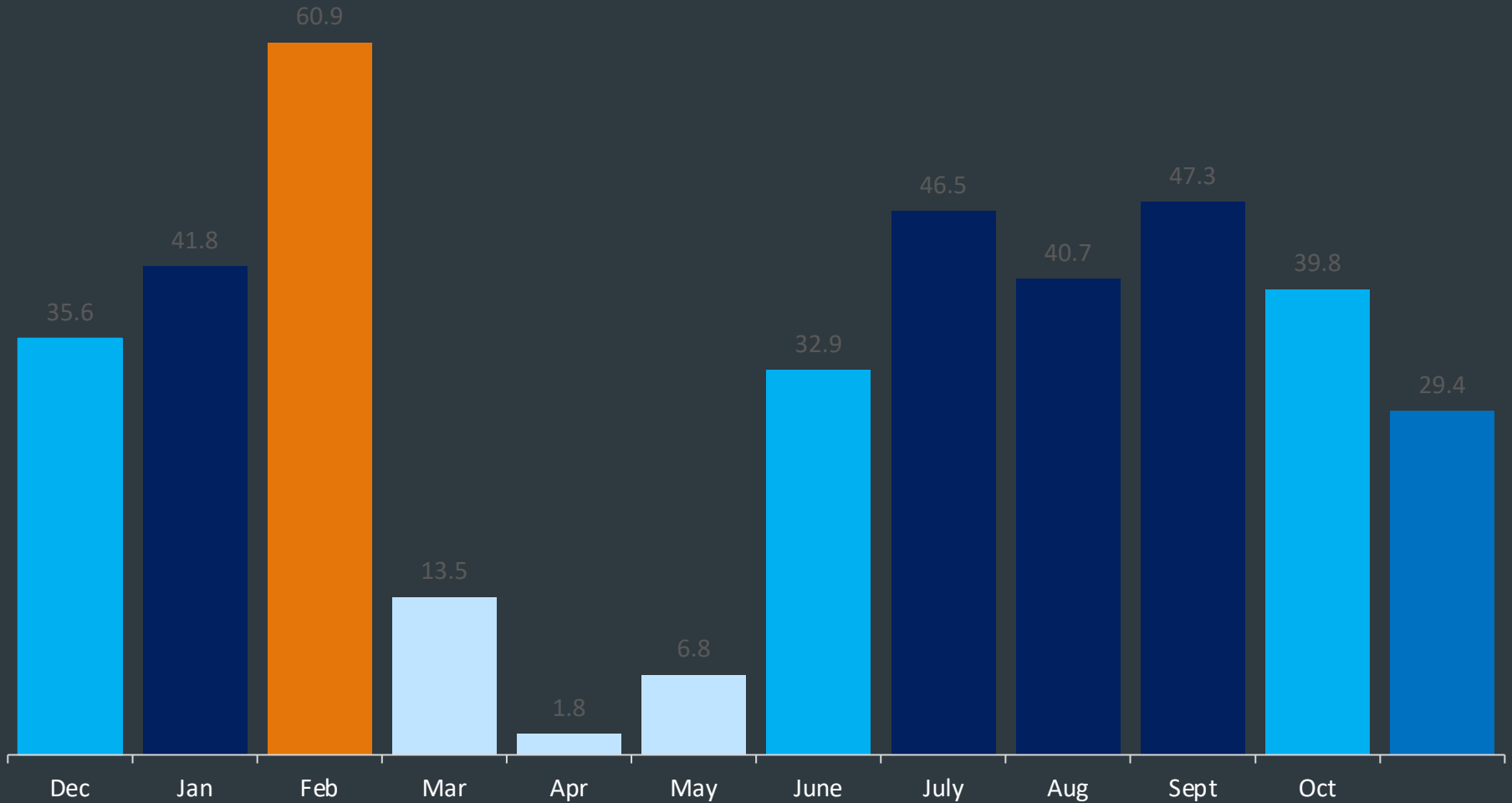




# Foot Traffic

## Last 12 Months

Indicator of future sales

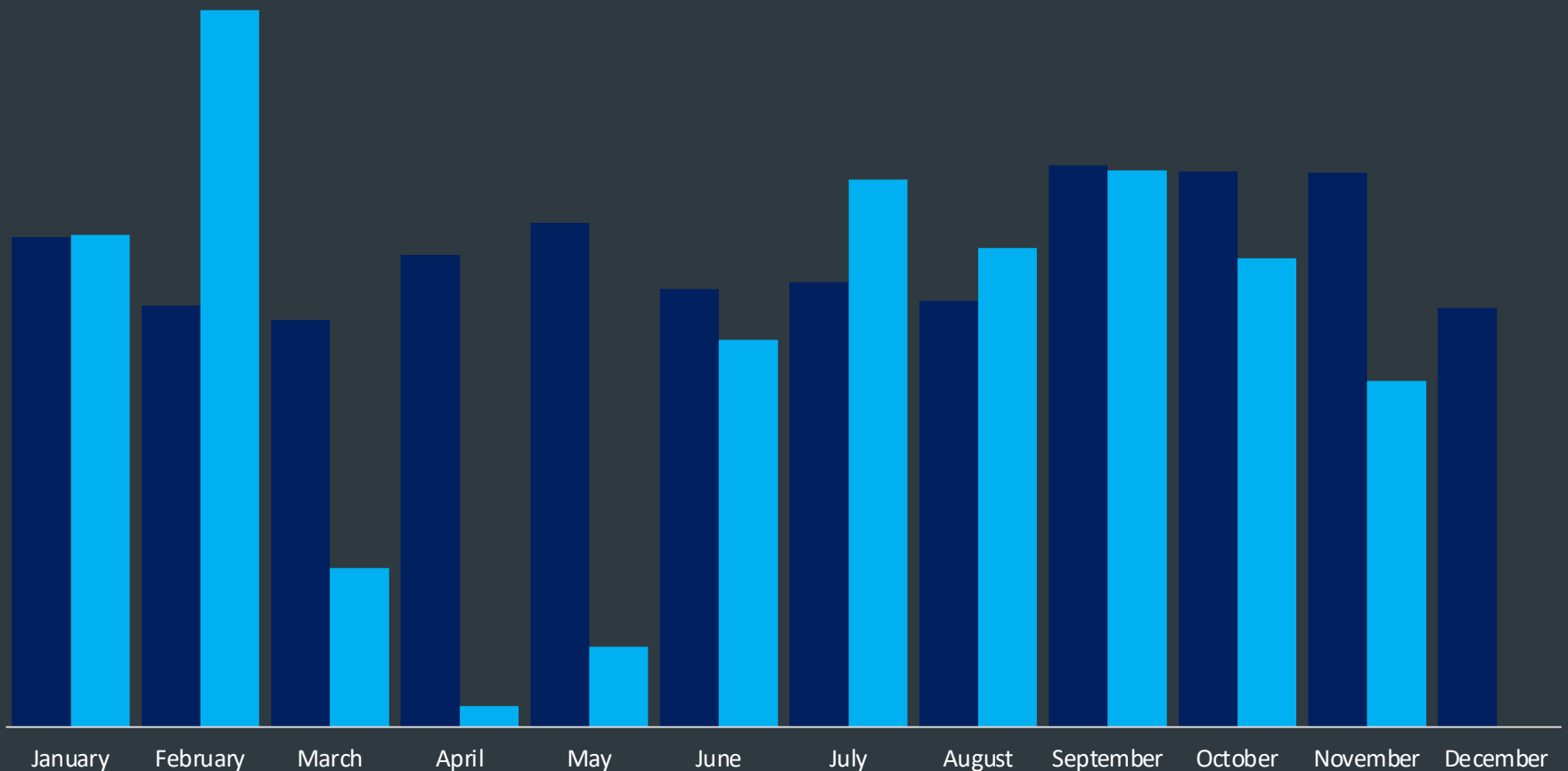


# Foot Traffic

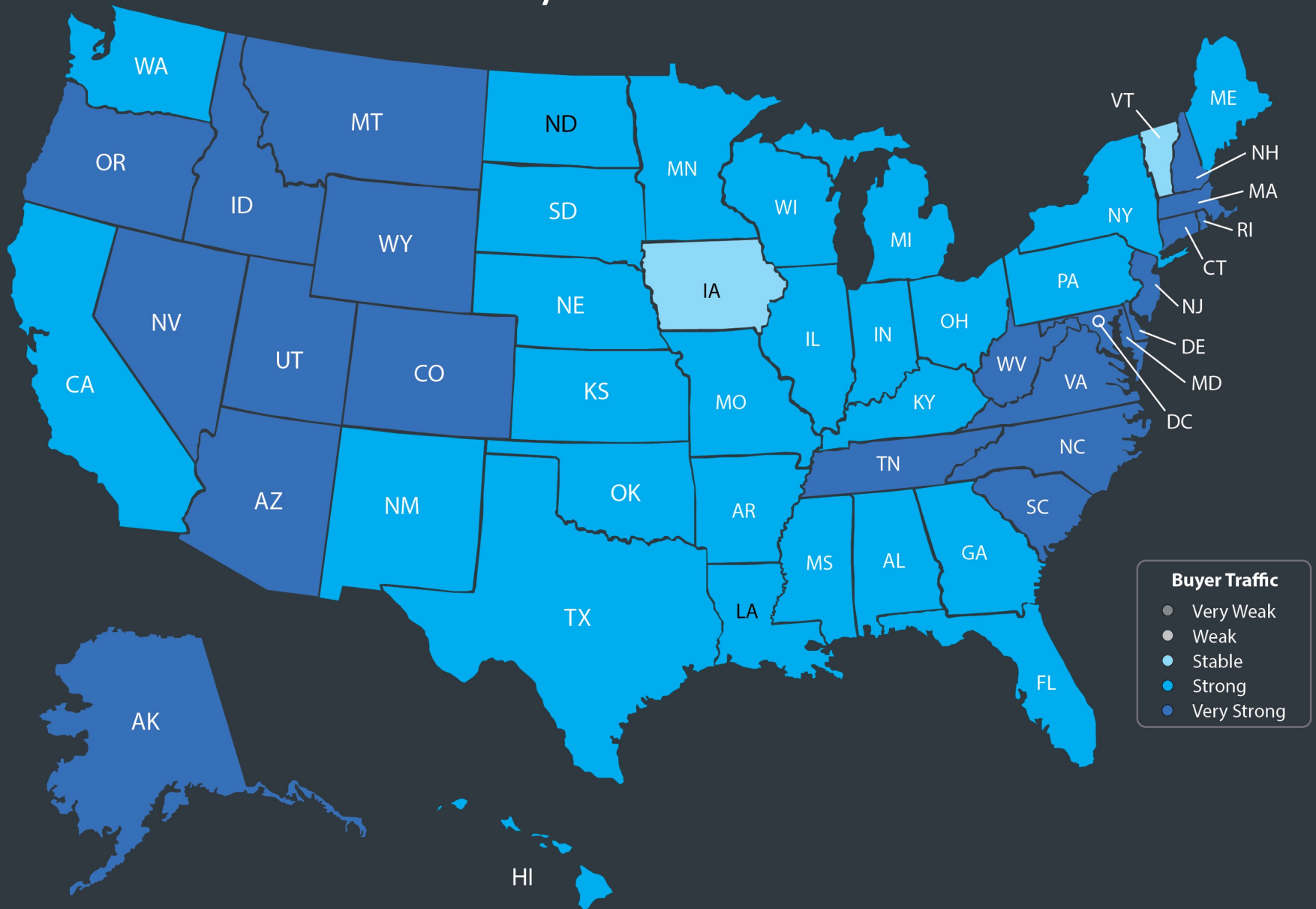
indicator of future sales

■ 2019

■ 2020



# Buyer Traffic Index

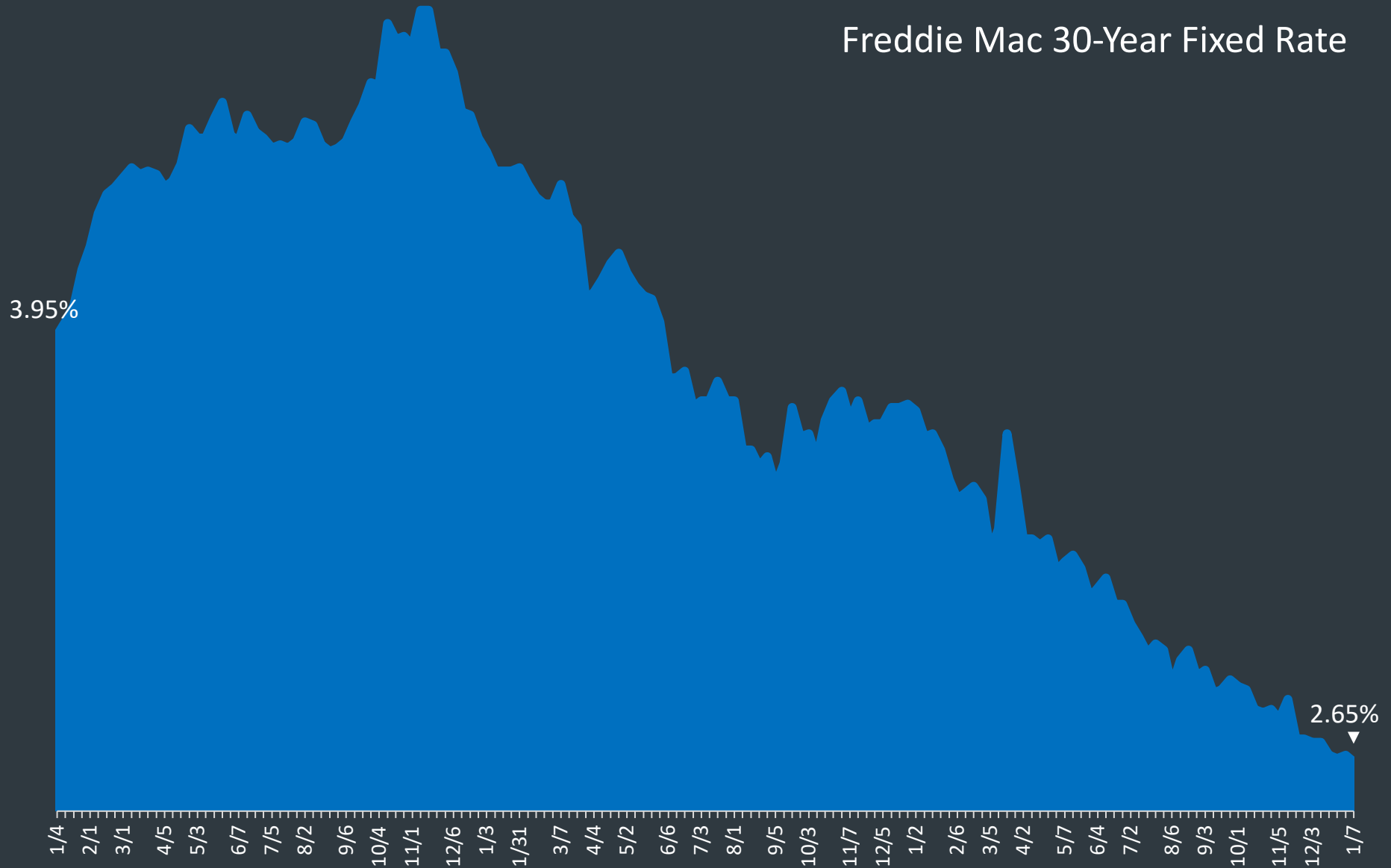


# INTEREST RATES



# 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 10/1 11/5 12/3 1/7

2.65%



# Mortgage Rate Projections

Quarter	Freddie Mac	Fannie Mae	MBA	NAR	Average of All Four
2021 1Q	3.0	2.7	2.9	2.9	2.87%
2021 2Q	3.0	2.7	3.0	3.0	2.92%
2021 3Q	3.0	2.8	3.2	3.1	3.02%
2021 4Q	3.0	2.8	3.2	3.2	3.05%

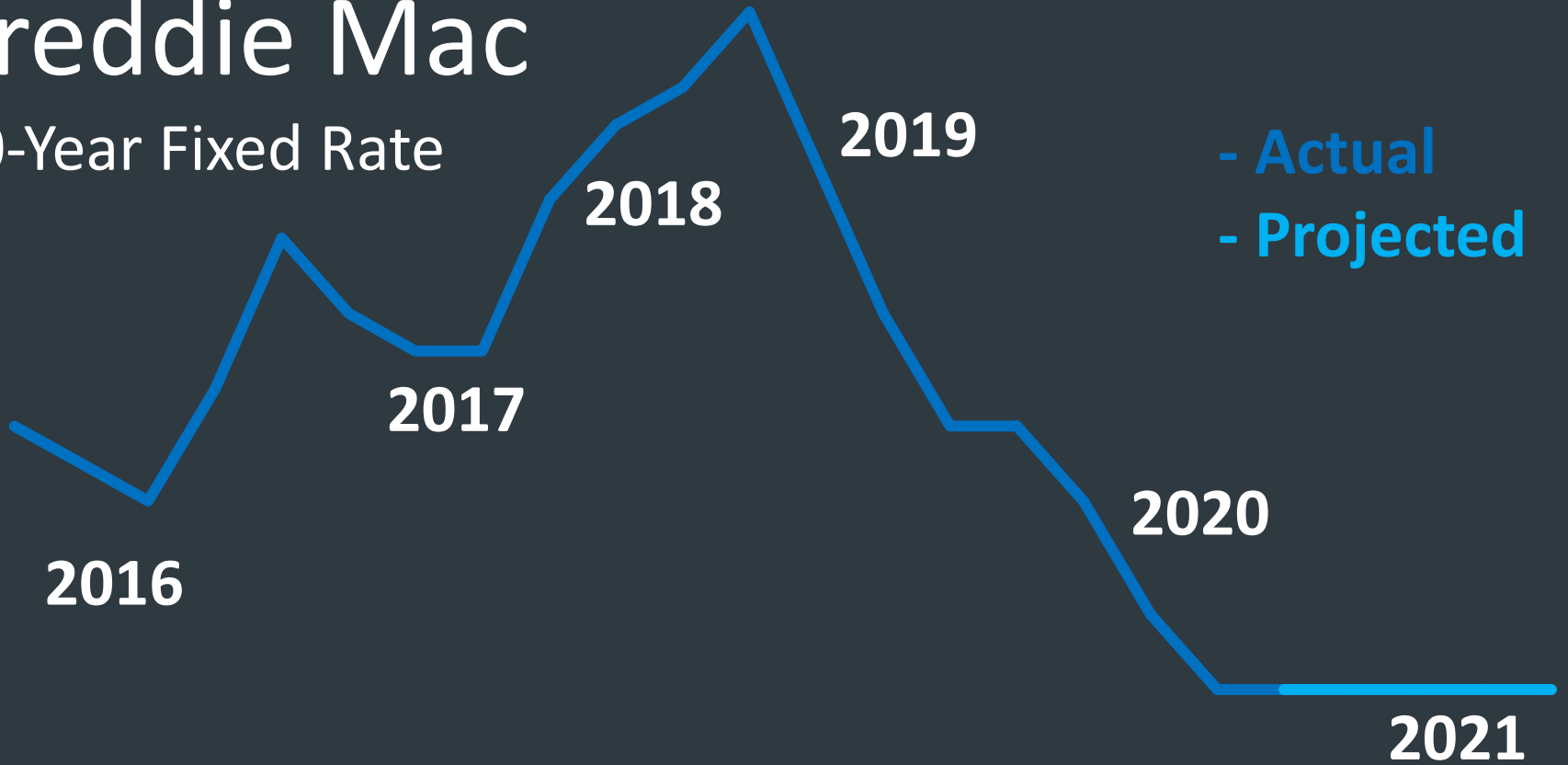


# Mortgage Rates

## Freddie Mac

30-Year Fixed Rate

- Actual  
- Projected

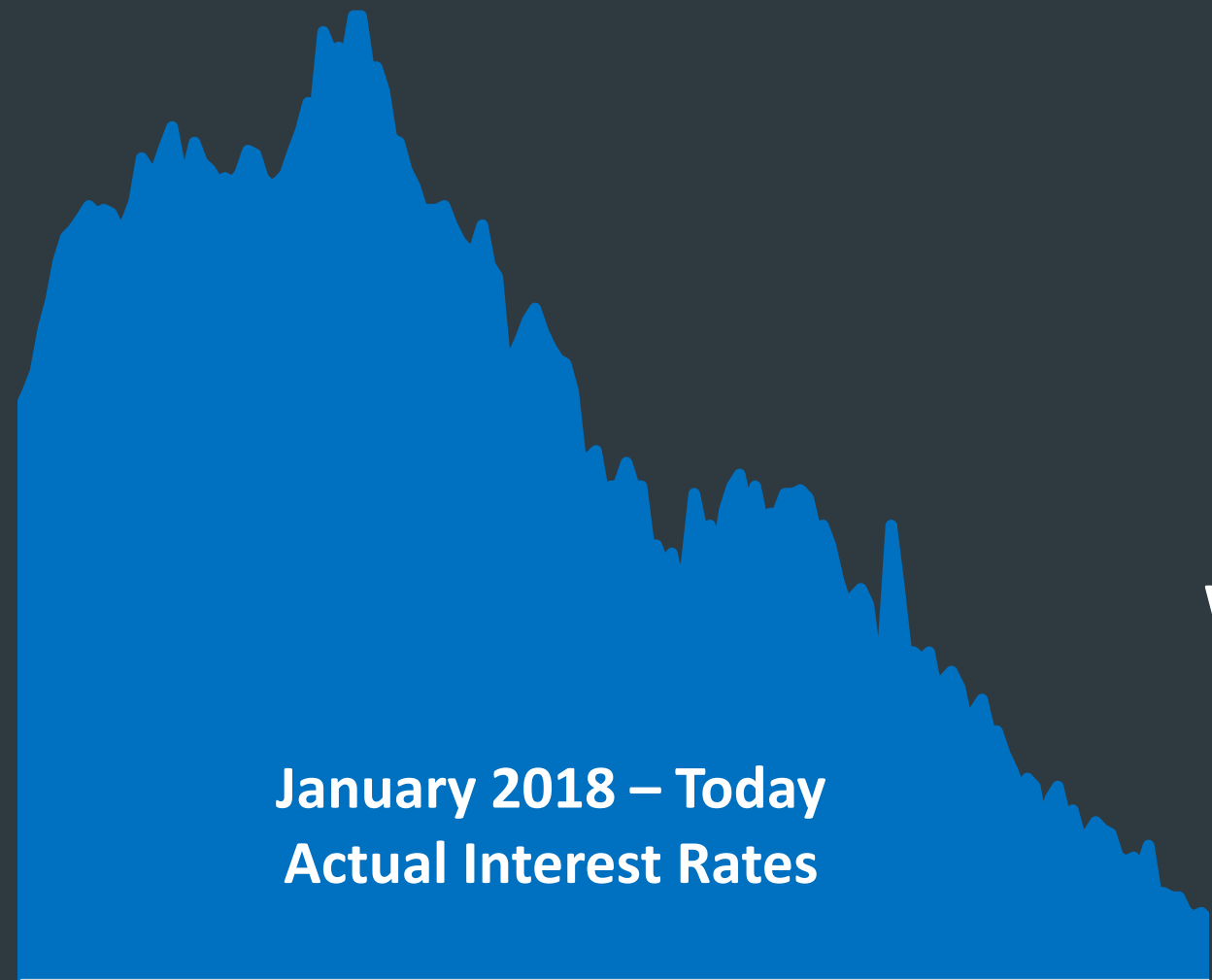


	2016	2016	2016	2016	2017	2017	2017	2017	2018	2018	2018	2018	2019	2019	2019	2019	2020	2020	2020	2020	2021	2021	2021	2021	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Rate	3.7	3.6	3.5	3.8	4.2	4.0	3.9	3.9	4.3	4.5	4.6	4.8	4.4	4	3.7	3.7	3.5	3.2	3.0	3.0	3.0	3.0	3.0	3.0	3.0

# Mortgage Rates

Freddie Mac

30-Year Fixed Rate



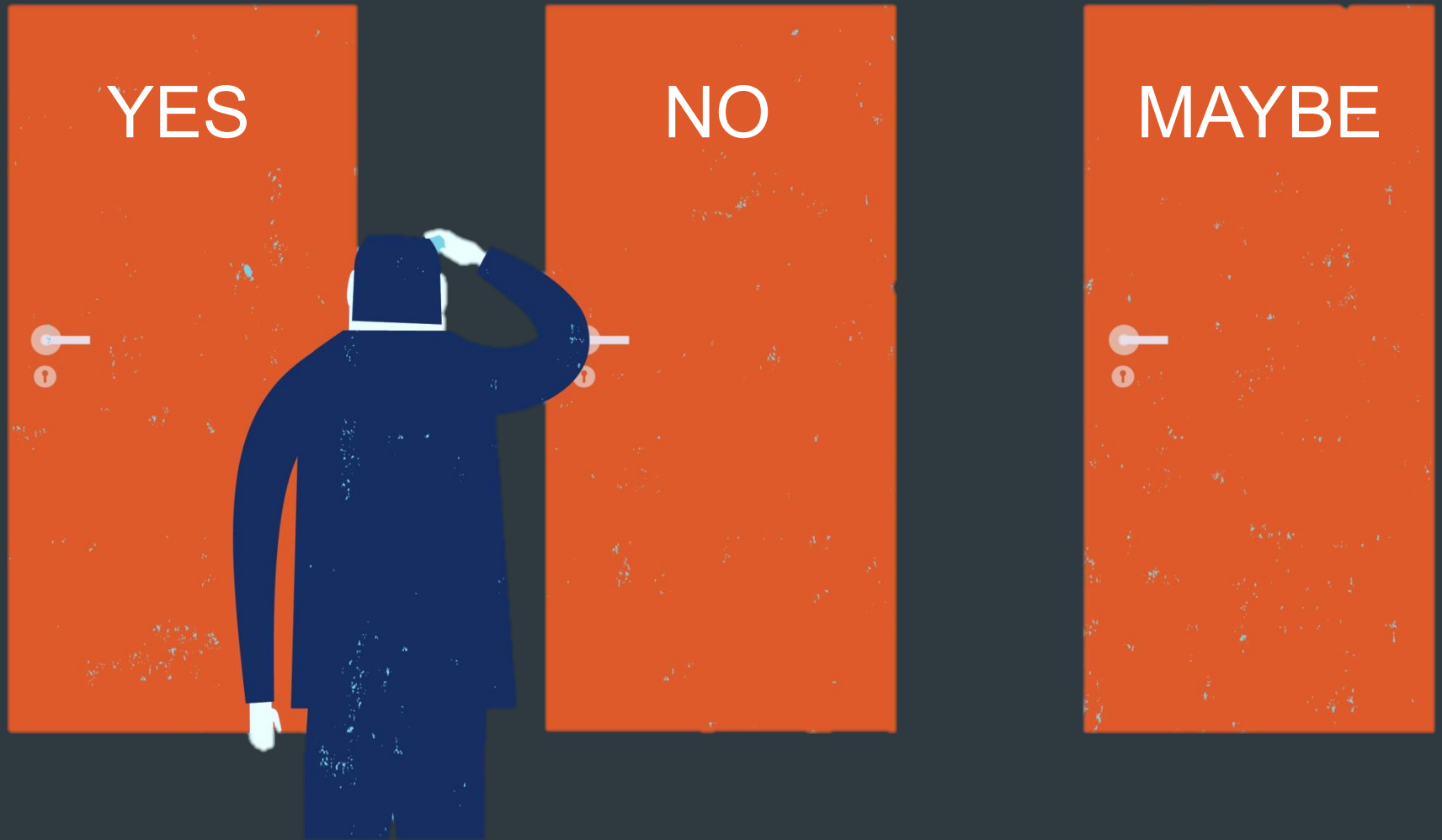
January 2018 – Today  
Actual Interest Rates

Where Are They Going?



2021 Q1 2021 Q2 2021 Q3 2021 Q4

# Mortgage Credit Availability



# Mortgage Credit Availability

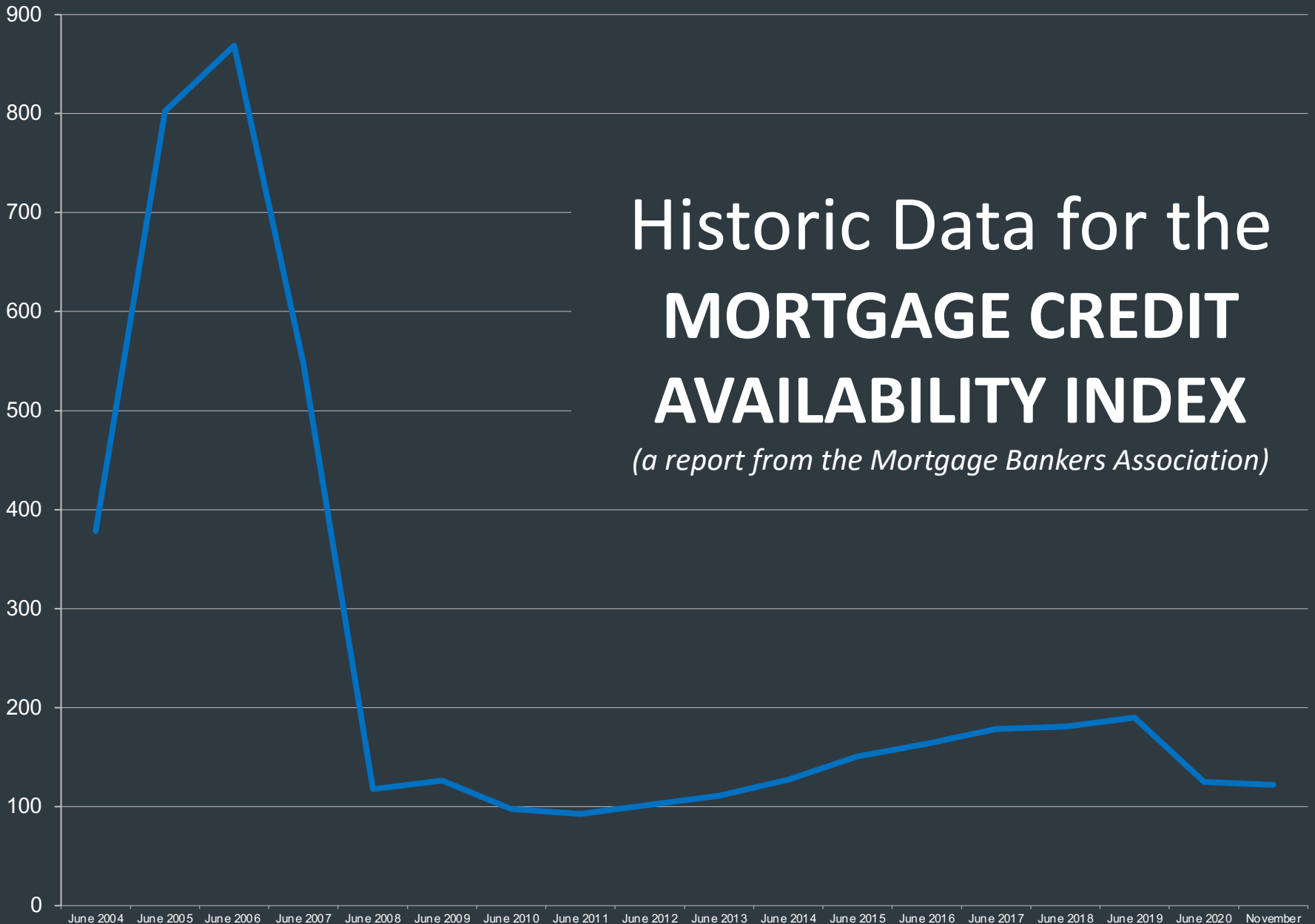
The chart displays the Mortgage Credit Availability Index (MCAI) as a blue area plot. The x-axis represents time, with major ticks for April 2013, January 2014, January 2015, January 2016, January 2017, January 2018, January 2019, and January 2020. The y-axis represents the index value, though no numerical scale is provided. The index starts at a low point in April 2013, rises to a peak in early 2014, dips slightly, then rises again to a higher peak in early 2015. It continues to rise through 2016 and 2017, reaching its highest point in early 2018. The index remains high through 2019, with a sharp decline starting in early 2020, reaching a low point in late 2020 before a slight recovery.

Year	Approximate MCAI Value
Apr 2013	Low
Jan 2014	Low-Mid
Jan 2015	Mid
Jan 2016	High
Jan 2017	Very High
Jan 2018	Peak
Jan 2019	High
Jan 2020	Very High
End of 2020	Low

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

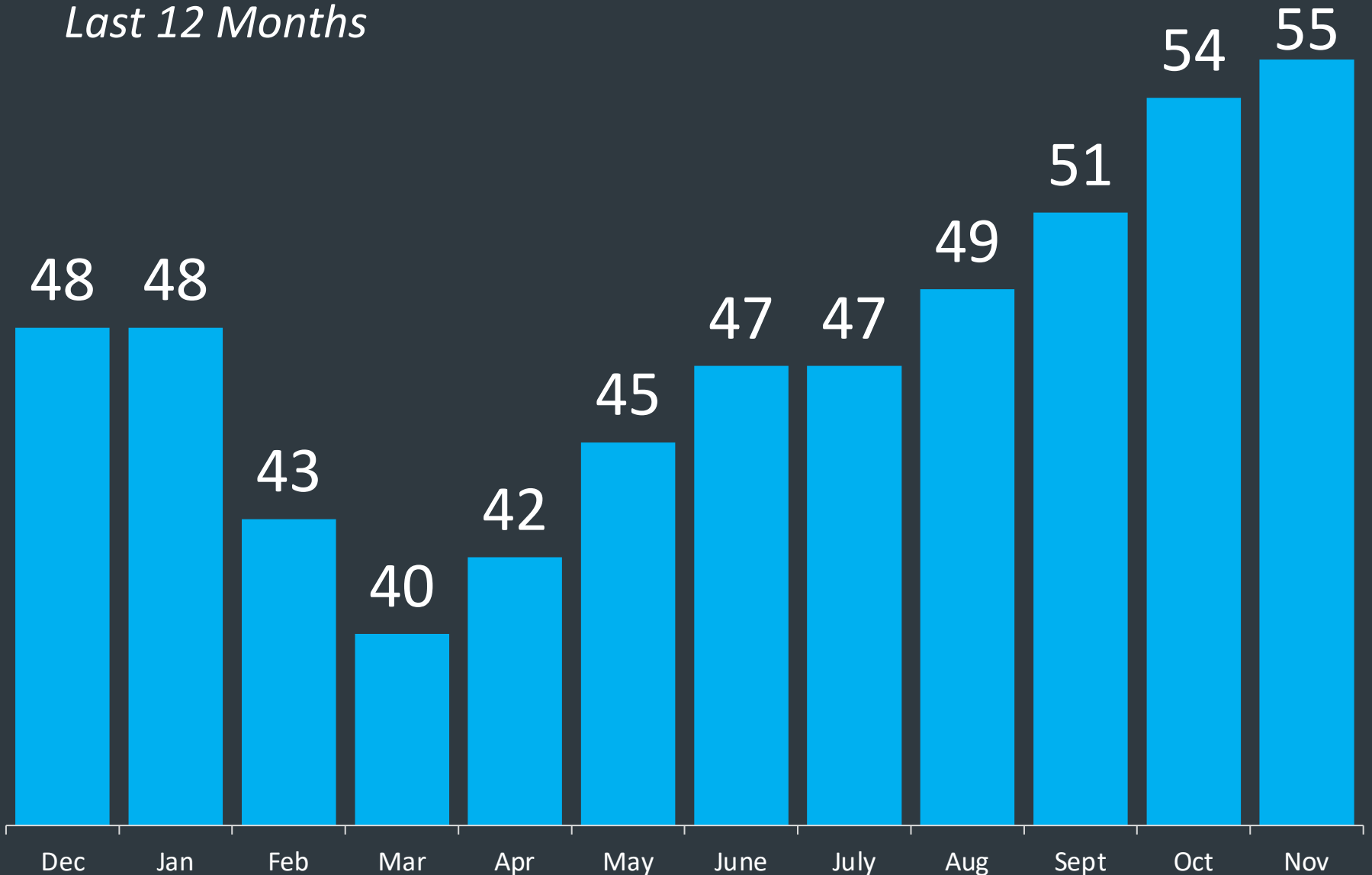
# Historic Data for the **MORTGAGE CREDIT AVAILABILITY INDEX**

*(a report from the Mortgage Bankers Association)*



# Average Days To Close A Loan

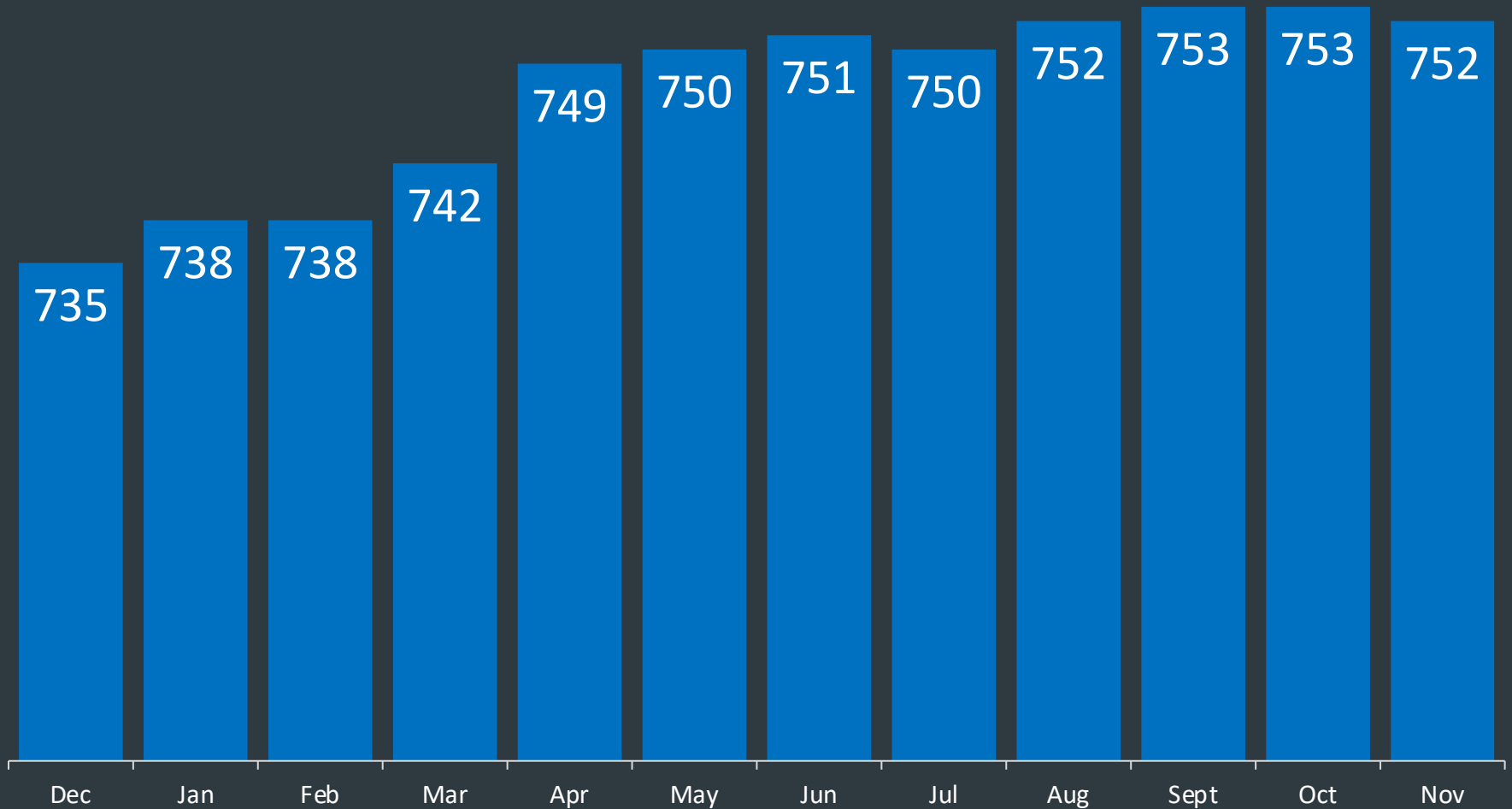
*Last 12 Months*



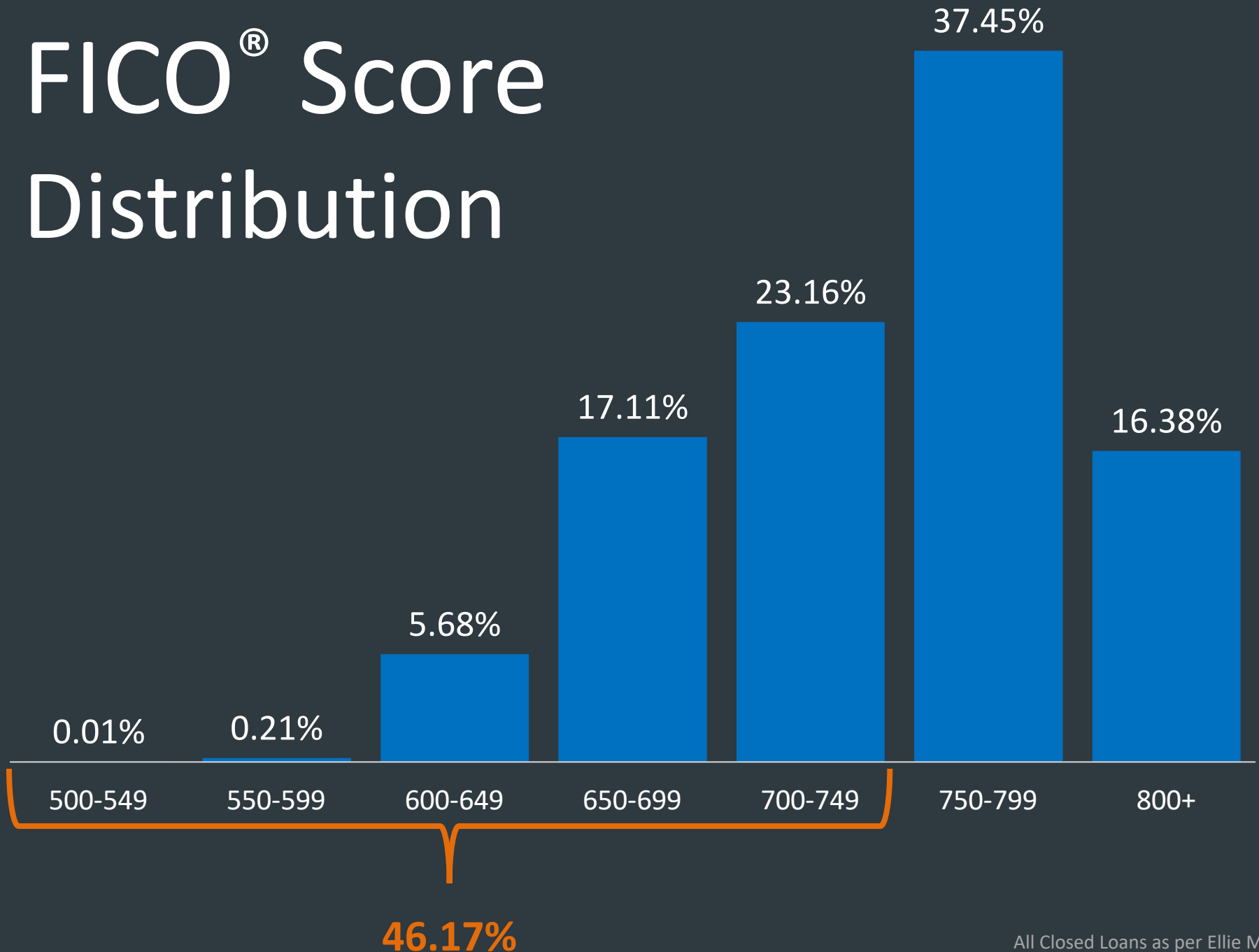
All Closed Loans as per Ellie Mae

# FICO<sup>®</sup> Score Requirements

*Last 12 months*



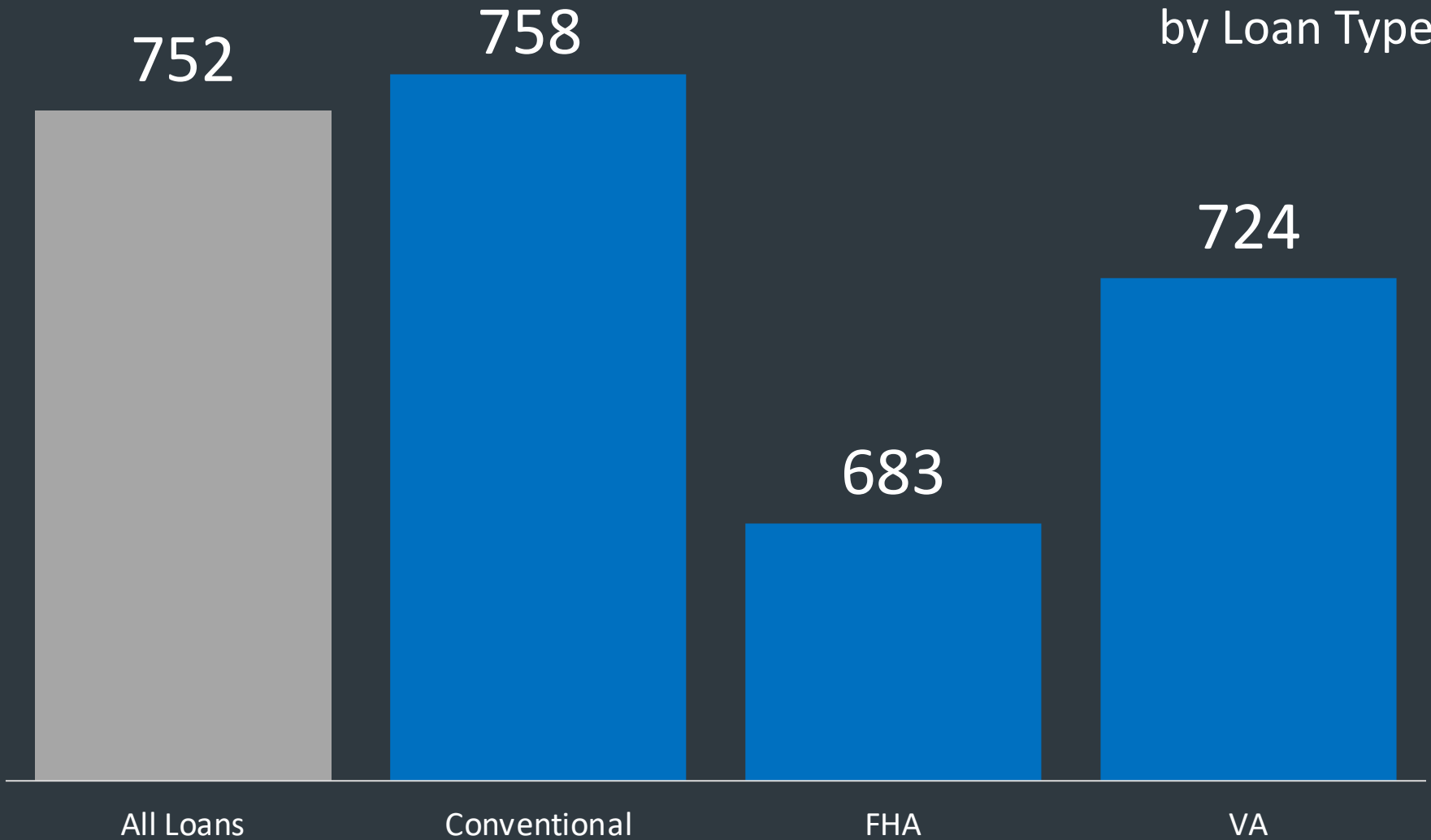
# FICO<sup>®</sup> Score Distribution





# Average FICO<sup>®</sup> Score

for Closed Purchase Loans  
by Loan Type



# Average Back End DTI

for Closed Purchase Loans by Loan Type

