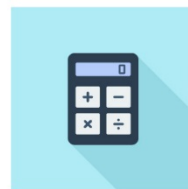
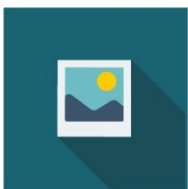
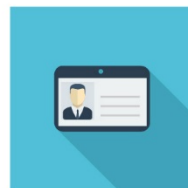
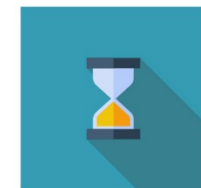
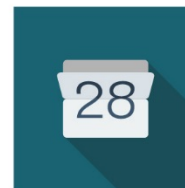
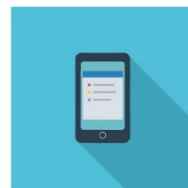
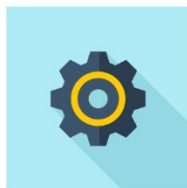
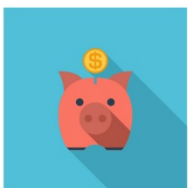
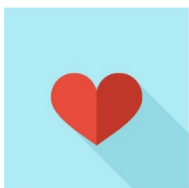
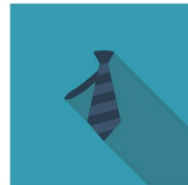
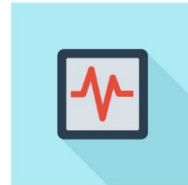
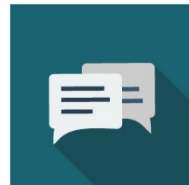
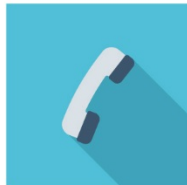
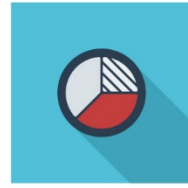
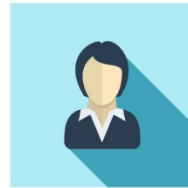
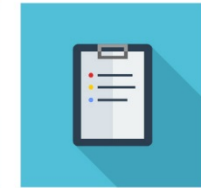
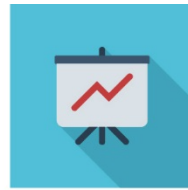
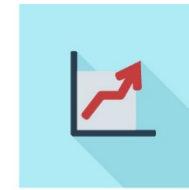
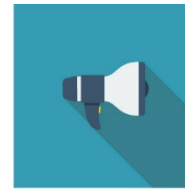
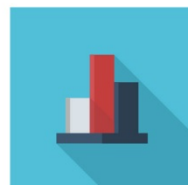
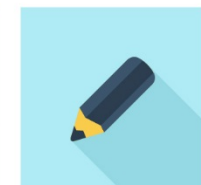
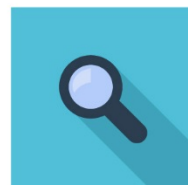
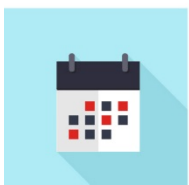


# KEEPING CURRENT MATTERS

WWW.KEEPINGCURRENTMATTERS.COM



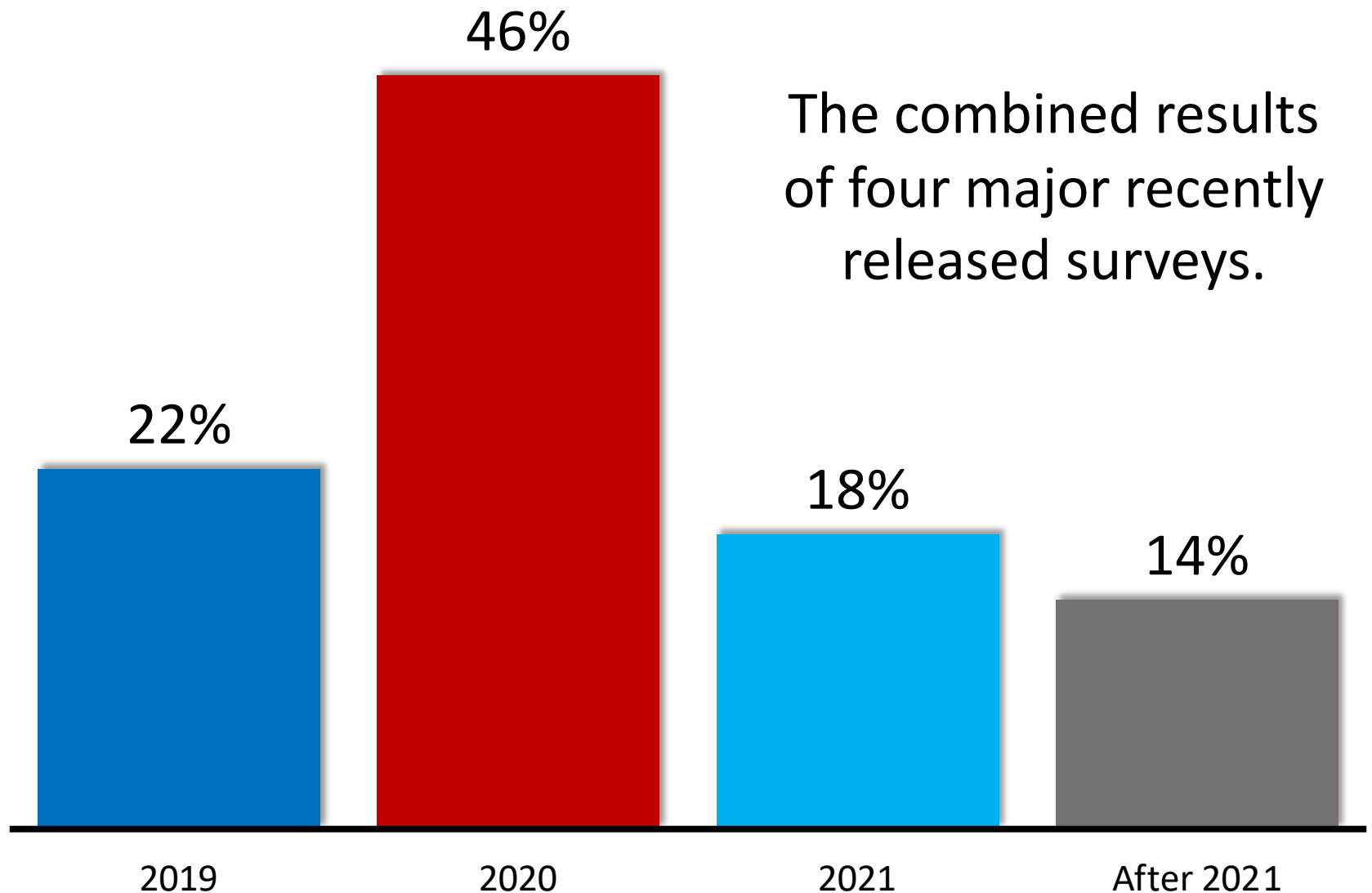
MAY 2019



# NEWS

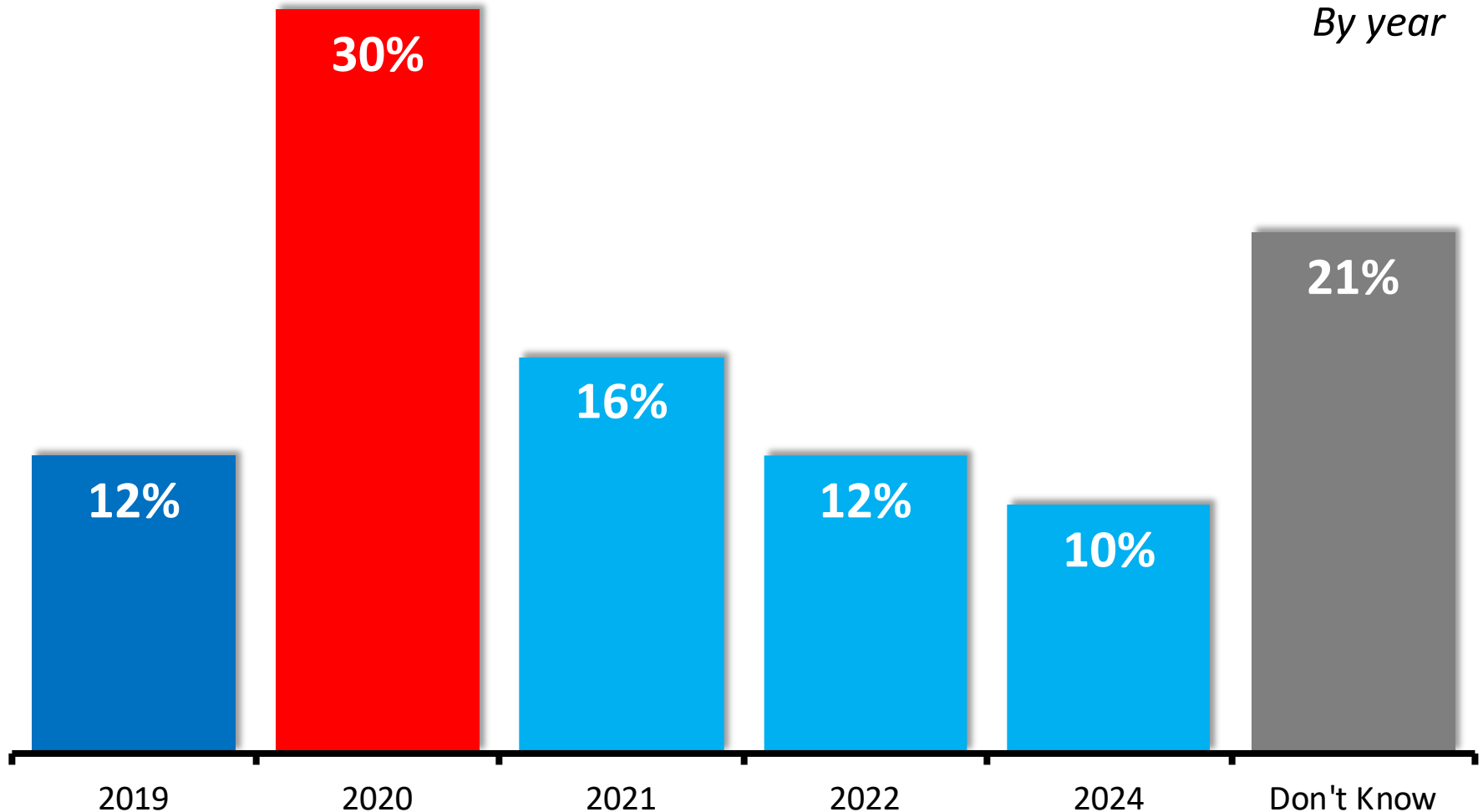
20.2	▲ 0.28	19.44	0.5	▼ -5.22%	▼ -1.56	1.24
15.8	▲ 0.62	24.87	2.1	▲ 6.13%	▲ +12.33	1.78
26.1	▲ 0.35	19.43	0.6	▲ 1.46%	▲ +0.73	5.26
12.8	▲ 0.46	26.17	0.2	▲ 0.44%	▲ +0.43	7.22
16.3	▲ 0.23	16.11	1.7	▲ 4.12%	▲ +0.14	6.44
14.7	▲ 0.77	38.19	4.1	▼ -1.78%	▼ -1.22	7.88
11.2	▲ 0.32	56.12	1.1	▲ 2.36%	▲ +2.1	1.94
32.9	▲ 0.67	21.96	0.9	▲ 1.98%	▲ +2.31	1.53
12.1	▲ 0.97	17.55	7.1	▲ 2.36%	▲ +7.1	2.43

# When Will Next U.S. Recession Begin?



# % of Active Home Shoppers\* Expecting the Next Recession

*By year*



*\*Active home shoppers are those consumers who responded that they plan to purchase their next home in 1 year or less.*

realtor.com



# Will the U.S. housing market fare better or worse than the 2008 economic recession?

59%



The same or worse

41%

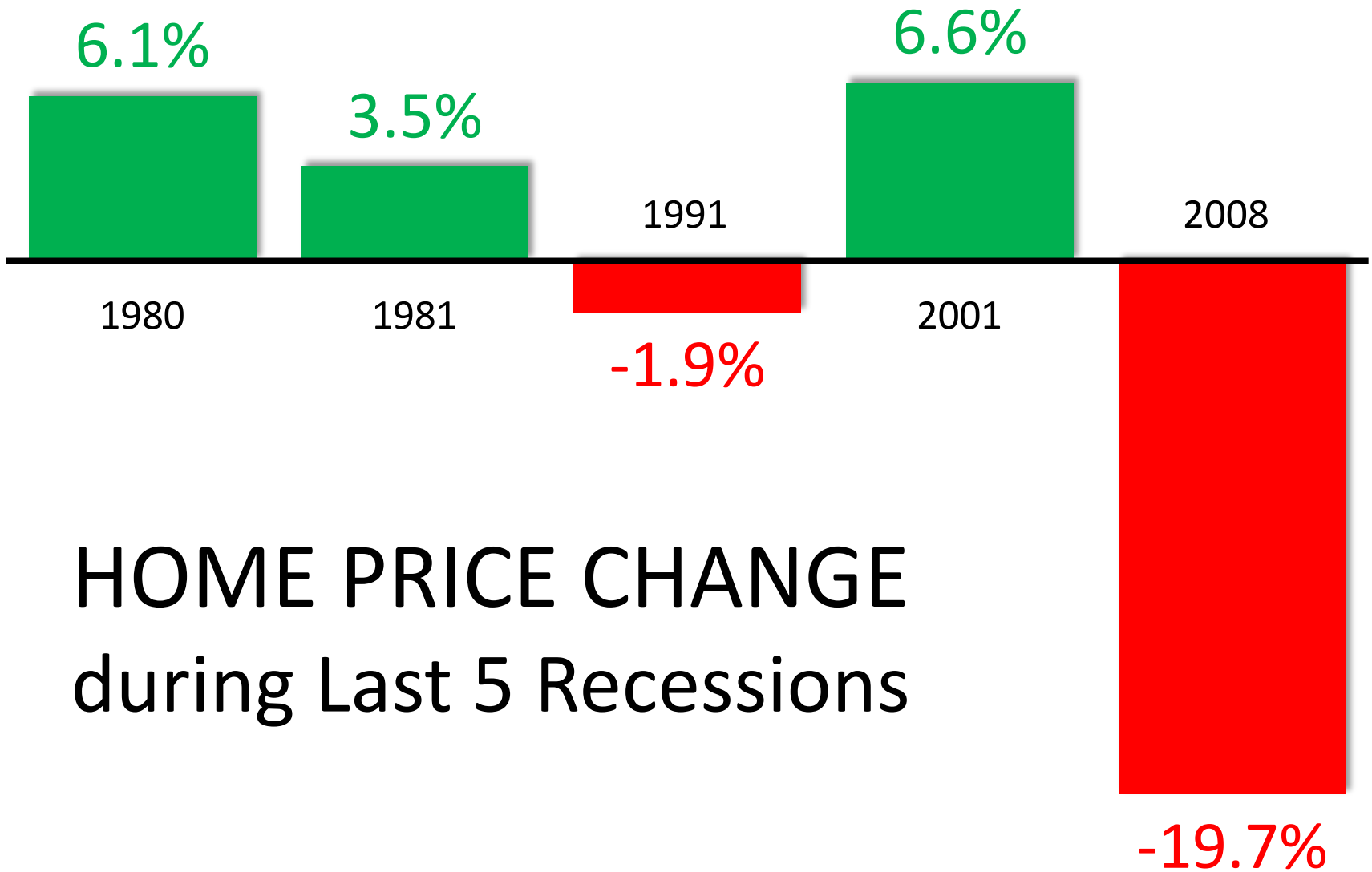


Better

“Nearly 70 percent of home shoppers this spring think the U.S. will enter a recession in the next three years, but that hasn't stopped them from trying to close on a home.”

realtor.com





## HOME PRICE CHANGE during Last 5 Recessions

“I feel really comfortable that the economy is slowing down this year, but not going into a recession... It doesn't look, to me, like the odds of a recession in 2020 are there.”

**Anthony Chan**

Chief Economist, JPMorgan Chase



“To sum up the general picture, the U.S. economy is definitely weakening...

However, with wages growing at a respectable pace, and job growth remaining healthy, we should see enough consumption demand to keep the economy moving forward. That means slower growth, but no recession.”

Dean Baker

Senior Economist

Center for Economic & Policy Research





“I’m not convinced a recession is coming soon... I see an improving housing market (low rates help), a rebound in bank lending, a tight labor market, higher oil prices and well-behaved credit markets. All these point to a stable U.S. economic outlook.”

**Lisa Shalett**

Chief Investment Officer  
Wealth Management at Morgan Stanley

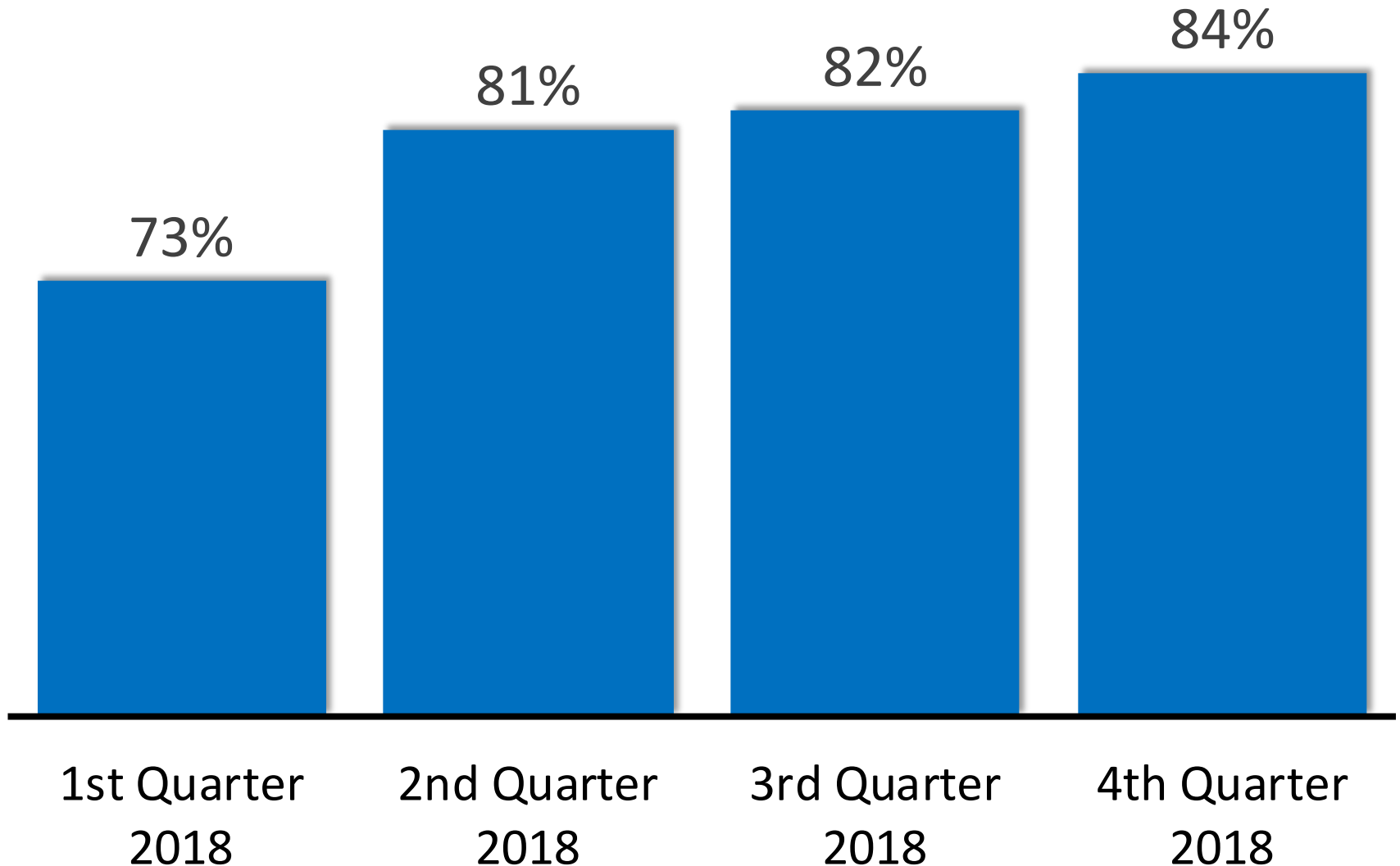


# Morgan Housel on possible economic slowdown:

- 1.) Some will assume it has to be as bad as 2008.
- 2.) It's been a while since the last recession, so the next one will feel worse than it is.
- 3.) No matter what you do for a living, how you invest, what you invest in, or where you live, there will be opportunities.



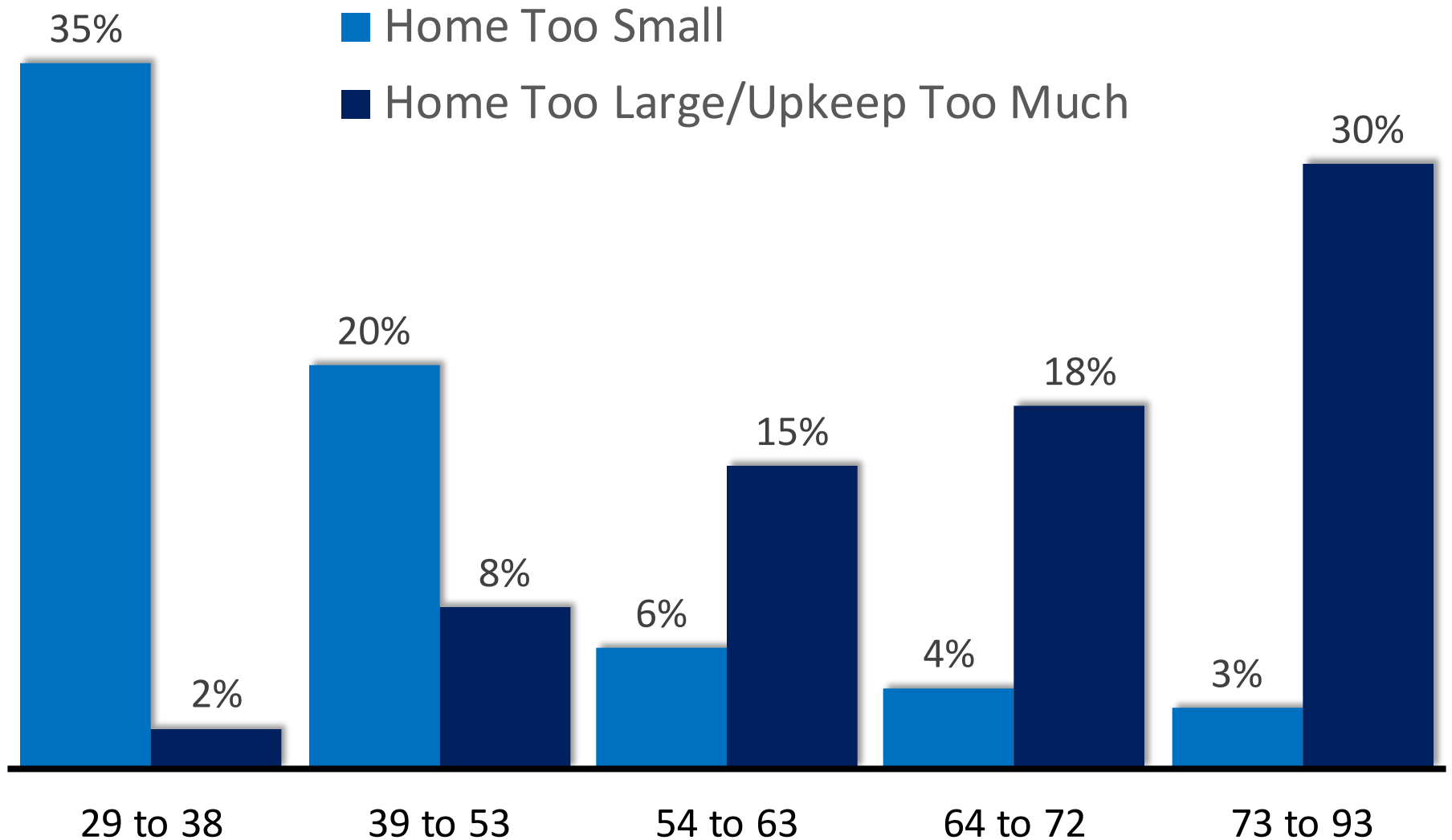
## Non-owners who want to own a home in the future...



Month	Realtors' Buyer Traffic Index	ShowingTime Index
December	48	88.2
January	52	127.6
February	55	133.7
March	63	155.7



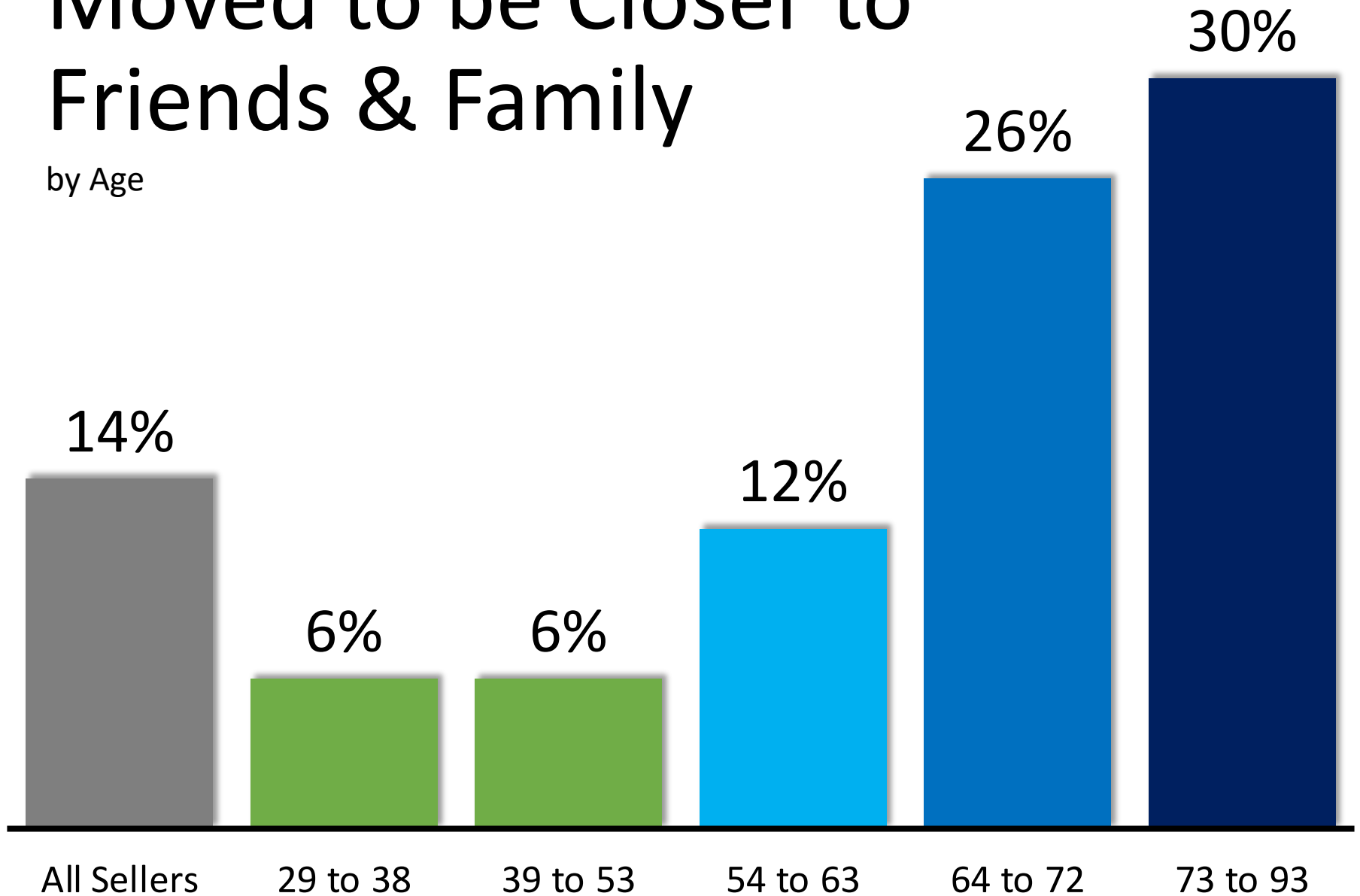
# Top Reasons to Sell Differ by Age





# Moved to be Closer to Friends & Family

by Age



# Median Asking **RENT** *since 1988*



# % Change from 2005 to 2018



A bar chart comparing the percentage change in the Rent Index and Typical Mortgage Payment from 2005 to 2018. The Rent Index is represented by a red bar extending upwards, labeled +36%. The Typical Mortgage Payment is represented by a blue bar extending downwards, labeled -4%. A horizontal line separates the two bars.

Category	% Change from 2005 to 2018
Rent Index	+36%
Typical Mortgage Payment	-4%

+36%

Rent Index

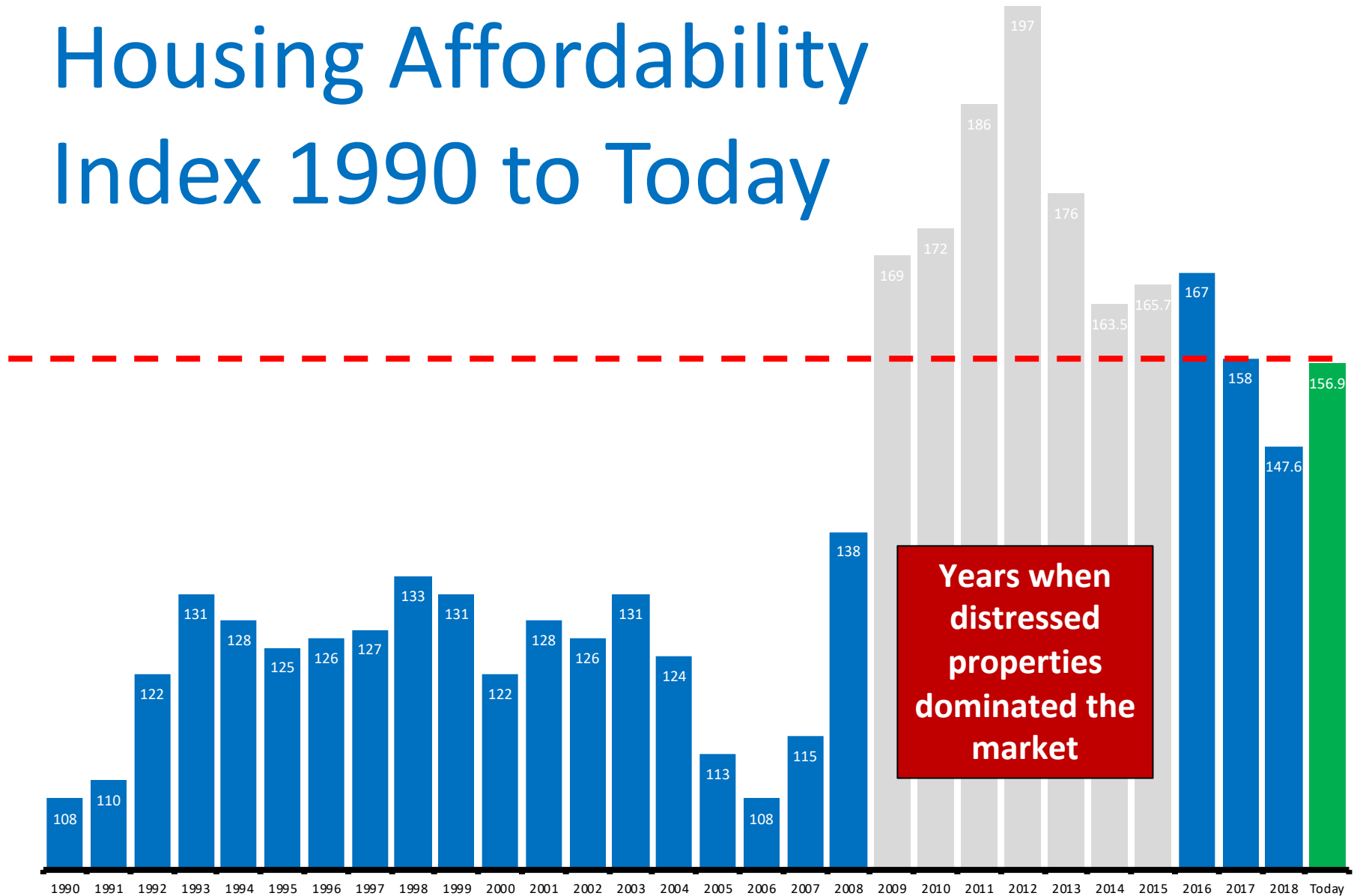
## Why the difference?

It's mainly because mortgage rates back in December 2005 were significantly higher, averaging 6.3 percent for a fixed-rate 30-year loan, compared with 4.6 percent in December 2018.

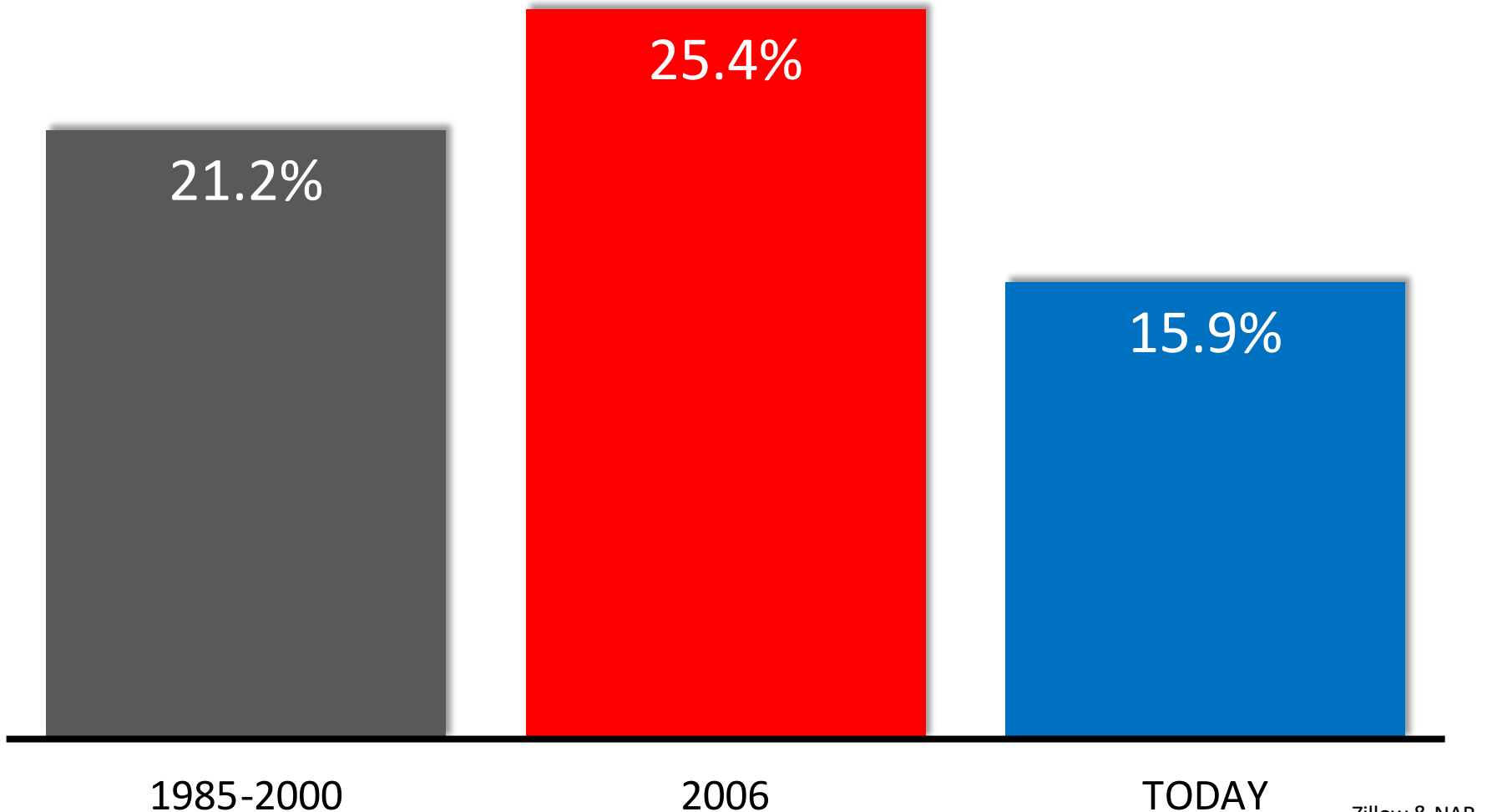
Typical Mortgage Payment

-4%

# Housing Affordability Index 1990 to Today

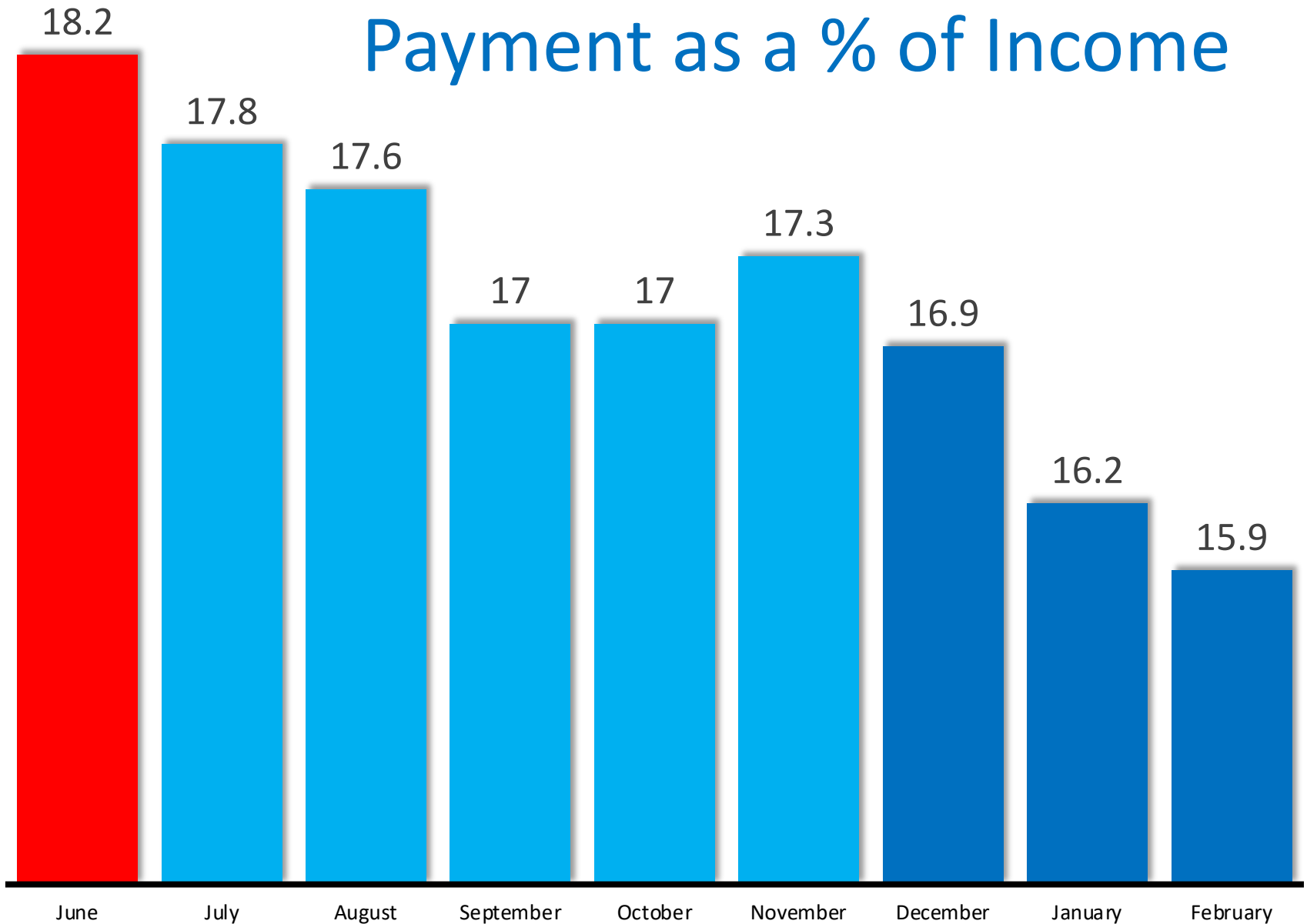


# Percent of the median income needed to purchase the median-priced home





# Payment as a % of Income



“As homeowners discover, living in an owned home feels different from living in a rented home. It’s not just that an owner can personalize the space; it touches a chord even more fundamental than that. Homeownership enhances the longing for self-determination at the heart of the American Dream. First-time homeowners, young or old, radiate not only pride but also a sense of arrival, a sense of being where they belong. It cannot be duplicated by owning a 99-year lease.”

Frederick Peters

Forbes



# June is Homeownership Month!

## The Reasons to Own Slides Are Updated!

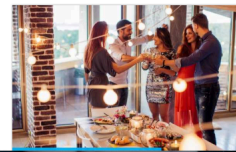
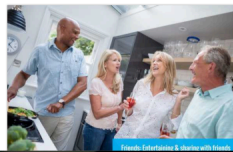
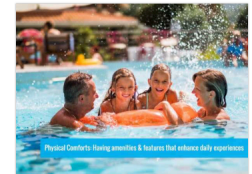
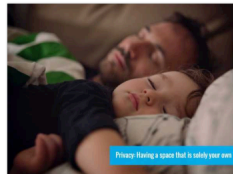
### Reasons to Own

+ Language

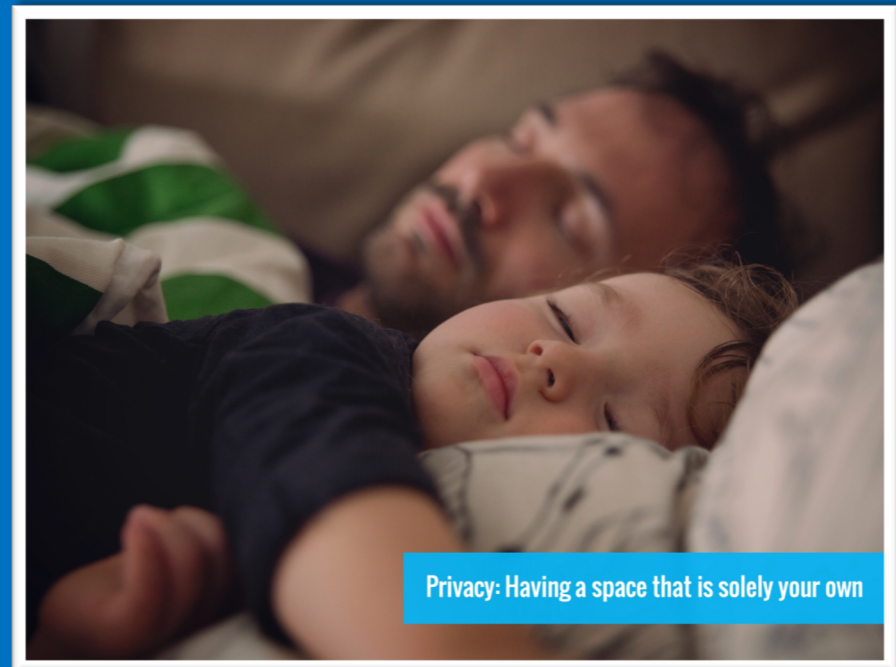
The Joint Center for Housing Studies at Harvard University (JCHS), releases an annual report on **the top reasons Americans choose to own a home**. These slides below showcase the top 10 reasons why your clients should buy their own home. Many Members have had success with using these on their social media accounts, or sharing them with clients in face-to-face appointments.

Click on a slide to view a larger version of it. To download an individual slide, click the "Download" link at the bottom of the selected slide.

DOWNLOAD ALL



DOWNLOAD  
them today to use  
with your clients  
in June!





# Summer Buyer & Seller Guides



Available Friday, May 31<sup>st</sup>!



“Researching and analyzing data has played a crucial role, and will continue to do so, when understanding how to match both the concerns of the home seller with expectations of the buyer.”

## Luxury Market Report

April 2019



“Low interest rates, powerful demographic trends and changing consumer preferences all point toward a market where real estate professionals and mortgage lenders must be informed, engaged and aligned in the pursuit of helping their clients and supporting responsible homeownership.”

Clayton Collins

President & CEO at HousingWire



# Resources

Slide	Slide Title	Link
3	Recession	<a href="https://pulsenomics.com/Q2_2018_HPE_Survey.php">https://pulsenomics.com/Q2_2018_HPE_Survey.php</a>
4, 5, 6	Active Home Shoppers	<a href="https://news.move.com/2019-03-29-Home-Shoppers-Remain-Optimistic-but-Believe-a-Recession-is-on-the-Horizon">https://news.move.com/2019-03-29-Home-Shoppers-Remain-Optimistic-but-Believe-a-Recession-is-on-the-Horizon</a>
7	Home Price Changes	<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>
8	Anthony Chan Quote	<a href="https://www.housingwire.com/articles/48357-jpmorgan-chase-chief-economist-bets-against-2020-recession">https://www.housingwire.com/articles/48357-jpmorgan-chase-chief-economist-bets-against-2020-recession</a>
9	Dean Baker Quote	<a href="http://cepr.net/blogs/beat-the-press/predicting-the-next-recession-and-other-things-to-do-with-your-time">http://cepr.net/blogs/beat-the-press/predicting-the-next-recession-and-other-things-to-do-with-your-time</a>
10	Lisa Shalett Quote	<a href="https://www.morganstanley.com/ideas/pushing-back-on-recession-fears">https://www.morganstanley.com/ideas/pushing-back-on-recession-fears</a>
11	Morgan Housel Quote	<a href="https://www.collaborativefund.com/blog/its-been-a-while/">https://www.collaborativefund.com/blog/its-been-a-while/</a>
12, 13	Aspiring Home Buyers Profile	<a href="https://www.nar.realtor/research-and-statistics/research-reports/aspiring-home-buyers-profile">https://www.nar.realtor/research-and-statistics/research-reports/aspiring-home-buyers-profile</a>
14, 15	Home Buyer and Seller Generational Trends	<a href="https://www.nar.realtor/research-and-statistics/research-reports/home-buyer-and-seller-generational-trends">https://www.nar.realtor/research-and-statistics/research-reports/home-buyer-and-seller-generational-trends</a>
16	Median Asking Rent	<a href="http://www.census.gov/housing/hvs/files/currenthvspress.pdf">http://www.census.gov/housing/hvs/files/currenthvspress.pdf</a>
17	% Change in Rent vs. Mortgage	<a href="https://www.corelogic.com/blog/2019/04/housing-costs-have-risen-faster-for-renters-who-remain-more-cost-burdened-than-owners.aspx">https://www.corelogic.com/blog/2019/04/housing-costs-have-risen-faster-for-renters-who-remain-more-cost-burdened-than-owners.aspx</a>
18, 20	Housing Affordability Index	<a href="http://economistsoutlook.blogs.realtor.org/2018/10/12/august-2018-housing-affordability-index">http://economistsoutlook.blogs.realtor.org/2018/10/12/august-2018-housing-affordability-index</a>
19	Income Needed to Purchase Home	<a href="http://zillow.mediaroom.com/2018-09-06-Mortgage-Burden-Exceeds-Historic-Levels-in-10-of-the-Largest-U-S-Markets">http://zillow.mediaroom.com/2018-09-06-Mortgage-Burden-Exceeds-Historic-Levels-in-10-of-the-Largest-U-S-Markets</a>
21	Frederick Peters Quote	<a href="https://www.forbes.com/sites/fredpeters/2019/04/08/the-american-dream-of-homeownership-is-still-very-much-alive/#c77f32a3e807">https://www.forbes.com/sites/fredpeters/2019/04/08/the-american-dream-of-homeownership-is-still-very-much-alive/#c77f32a3e807</a>
22, 23	Homeownership Month	<a href="https://www.mykcm.com/infographics/reasons-to-own/">https://www.mykcm.com/infographics/reasons-to-own/</a>
25	Luxury Market Report	<a href="https://www.luxuryhomemarketing.com/real-estate-agents/ILHM-luxury-report.html">https://www.luxuryhomemarketing.com/real-estate-agents/ILHM-luxury-report.html</a>
26	Clayton Collins Quote	<a href="https://www.housingwire.com/articles/48612-the-evolution-of-housing-industry-news">https://www.housingwire.com/articles/48612-the-evolution-of-housing-industry-news</a>

UPDATE

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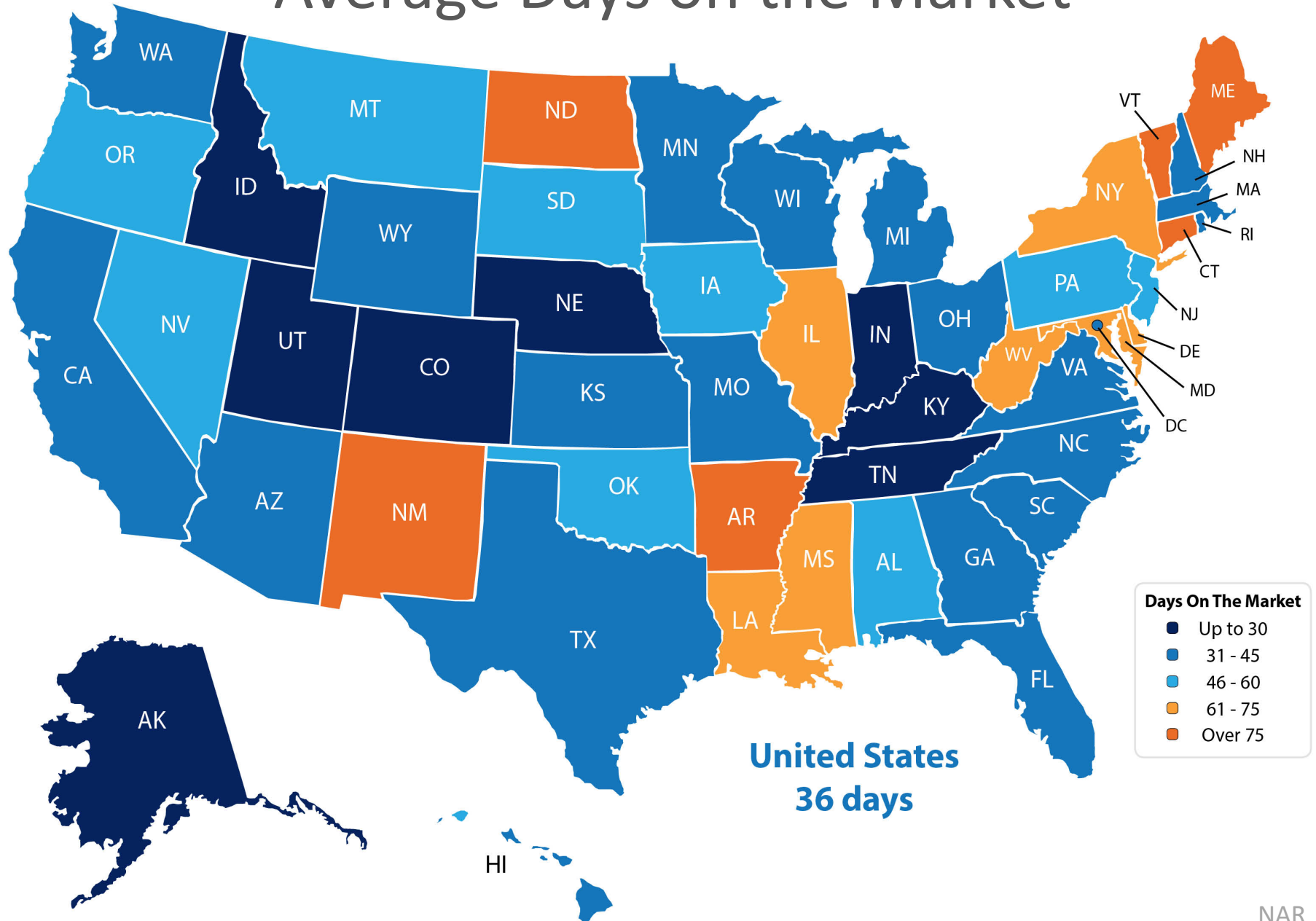
# Resources

Slide	Slide Title	Link
31, 52, 65	Confidence Index	<a href="https://www.nar.realtor/reports/realtors-confidence-index">https://www.nar.realtor/reports/realtors-confidence-index</a>
32-42, 53-60	Home Sales (Existing, Pending, New, Total, Distressed Property)	<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> <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>
44, 45	Home Prices	<a href="https://www.nar.realtor/topics/existing-home-sales">https://www.nar.realtor/topics/existing-home-sales</a>
46-48	Home Price Index	<a href="http://us.spindices.com/indices/real-estate/sp-case-shiller-20-city-composite-home-price-index">http://us.spindices.com/indices/real-estate/sp-case-shiller-20-city-composite-home-price-index</a>
49	CoreLogic Home Price Insights	<a href="http://www.corelogic.com/about-us/researchtrends/corelogic-home-price-insights.aspx">http://www.corelogic.com/about-us/researchtrends/corelogic-home-price-insights.aspx</a>
50	Appraiser Home Value Opinions	<a href="https://www.quickenloans.com/press-room/2019/04/09/owner-perception-of-home-values-dropped-50-in-march-according-to-quicken-loans-study/">https://www.quickenloans.com/press-room/2019/04/09/owner-perception-of-home-values-dropped-50-in-march-according-to-quicken-loans-study/</a>
62-64	Foot Traffic	<a href="http://nar.realtor/infographics/foot-traffic">http://nar.realtor/infographics/foot-traffic</a>
67-71	Mortgage Rates	<a href="http://www.freddiemac.com/pmms">http://www.freddiemac.com/pmms</a> <a href="http://www.fanniemae.com/resources/file/research/emma/pdf/Housing_Forecast_032019.pdf">http://www.fanniemae.com/resources/file/research/emma/pdf/Housing_Forecast_032019.pdf</a> <a href="http://www.freddiemac.com/research/forecast/20190228_economic_growth.html#ResearchChart6">http://www.freddiemac.com/research/forecast/20190228_economic_growth.html#ResearchChart6</a>
73, 74	Mortgage Credit Availability Index	<a href="https://www.mba.org/news-research-and-resources/newsroom">https://www.mba.org/news-research-and-resources/newsroom</a>
75-79	FICO Scores	<a href="http://www.elliemae.com/resources/origination-insight-reports">http://www.elliemae.com/resources/origination-insight-reports</a>



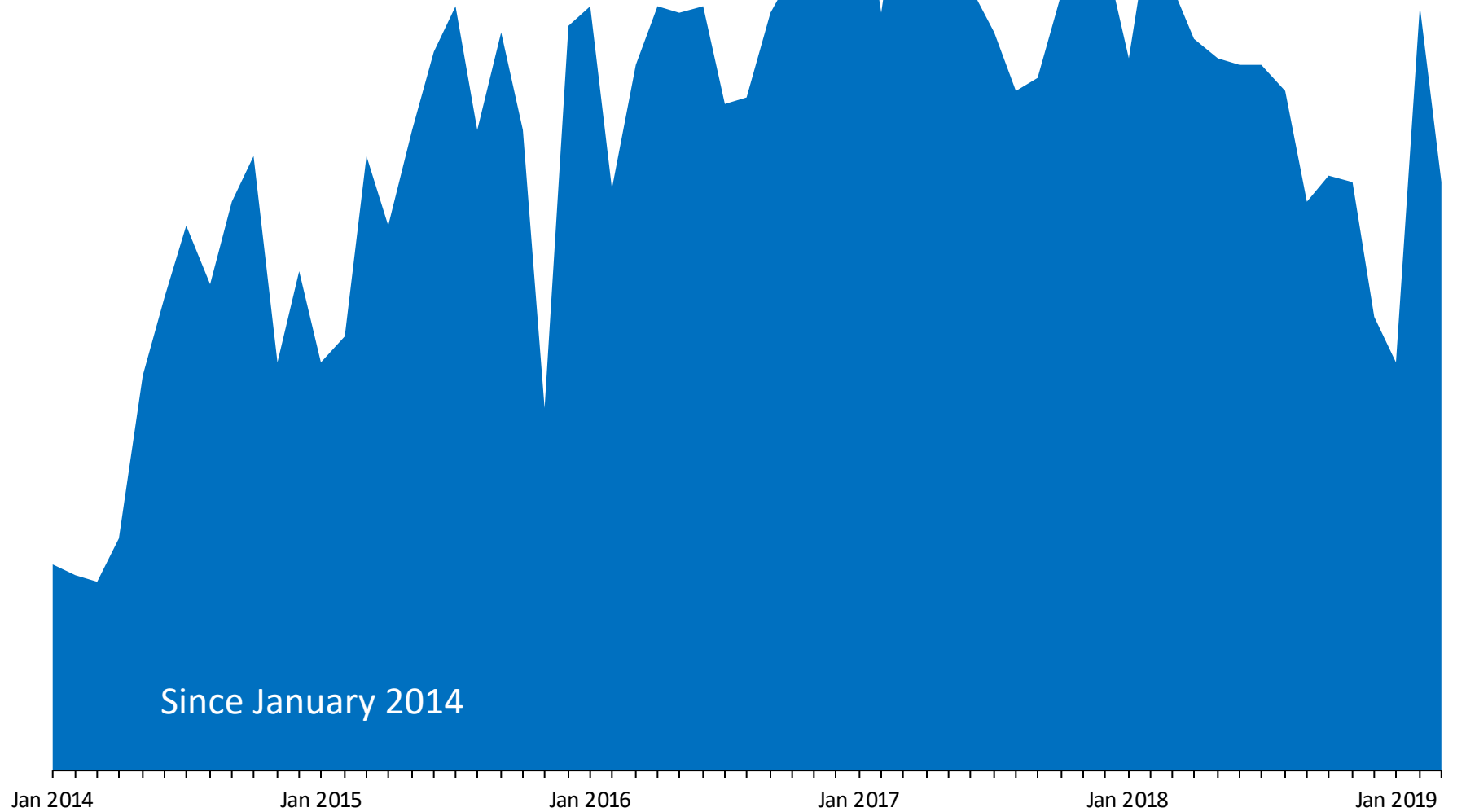


# Average Days on the Market

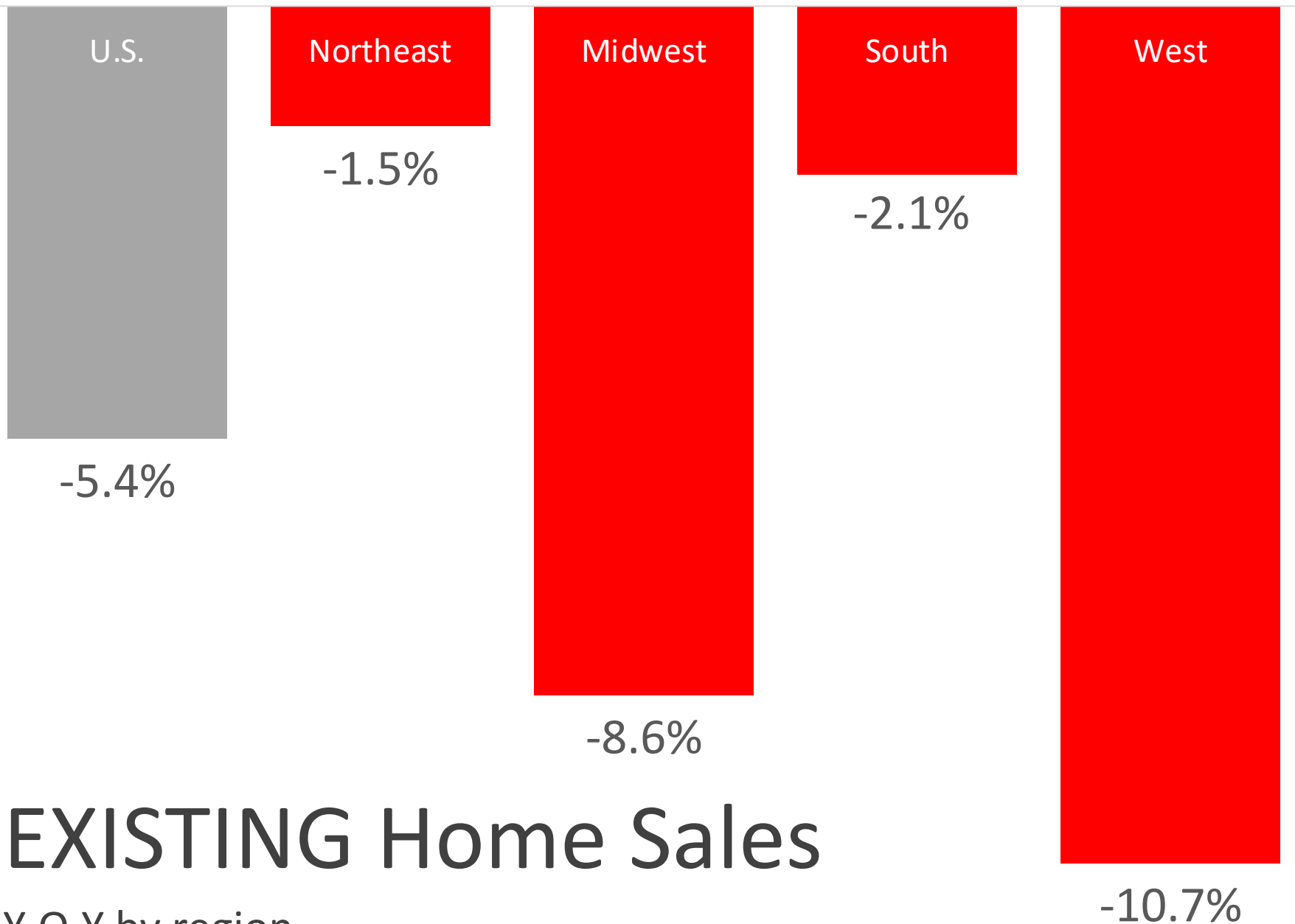


# EXISTING

## Home Sales





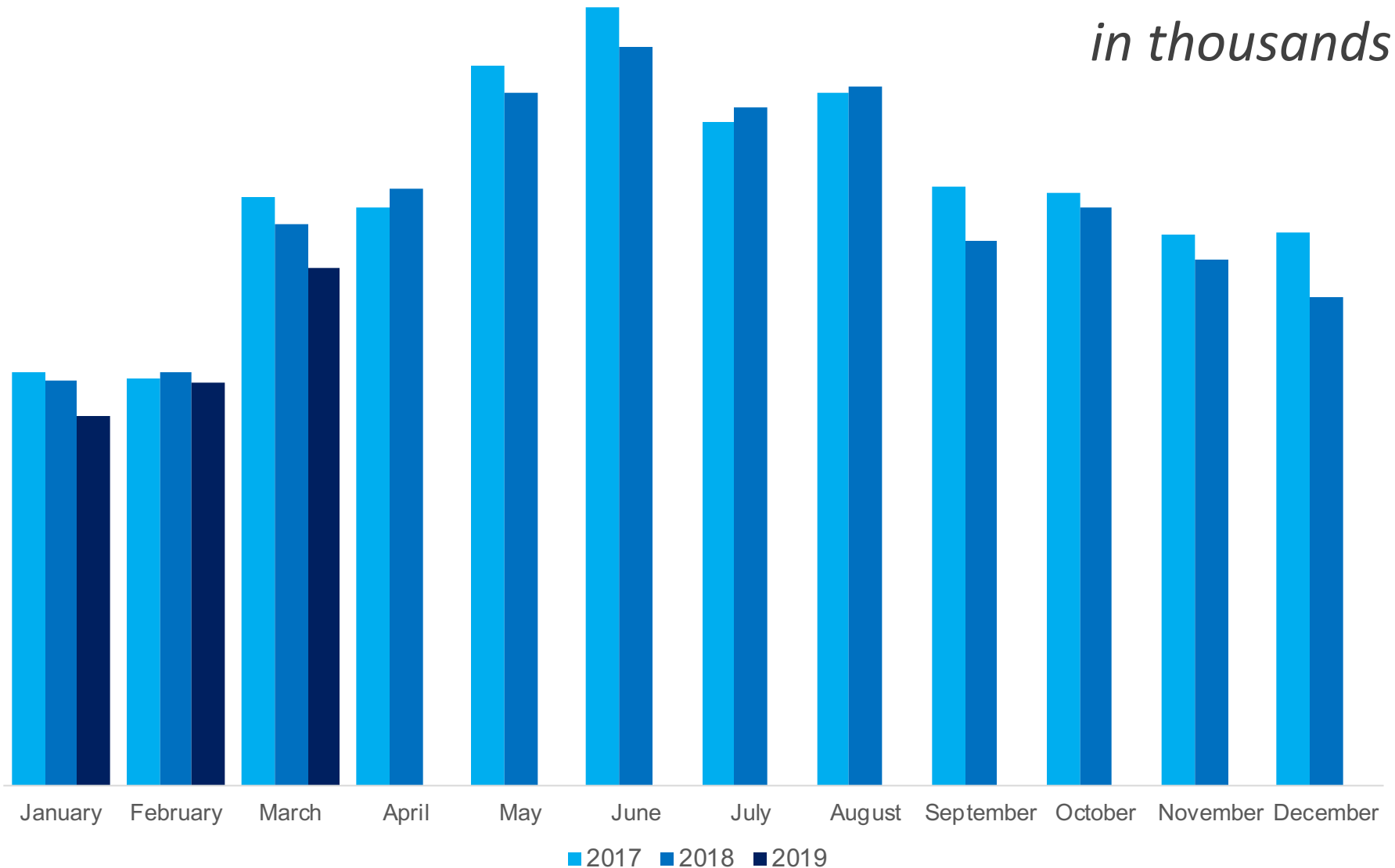


# EXISTING Home Sales

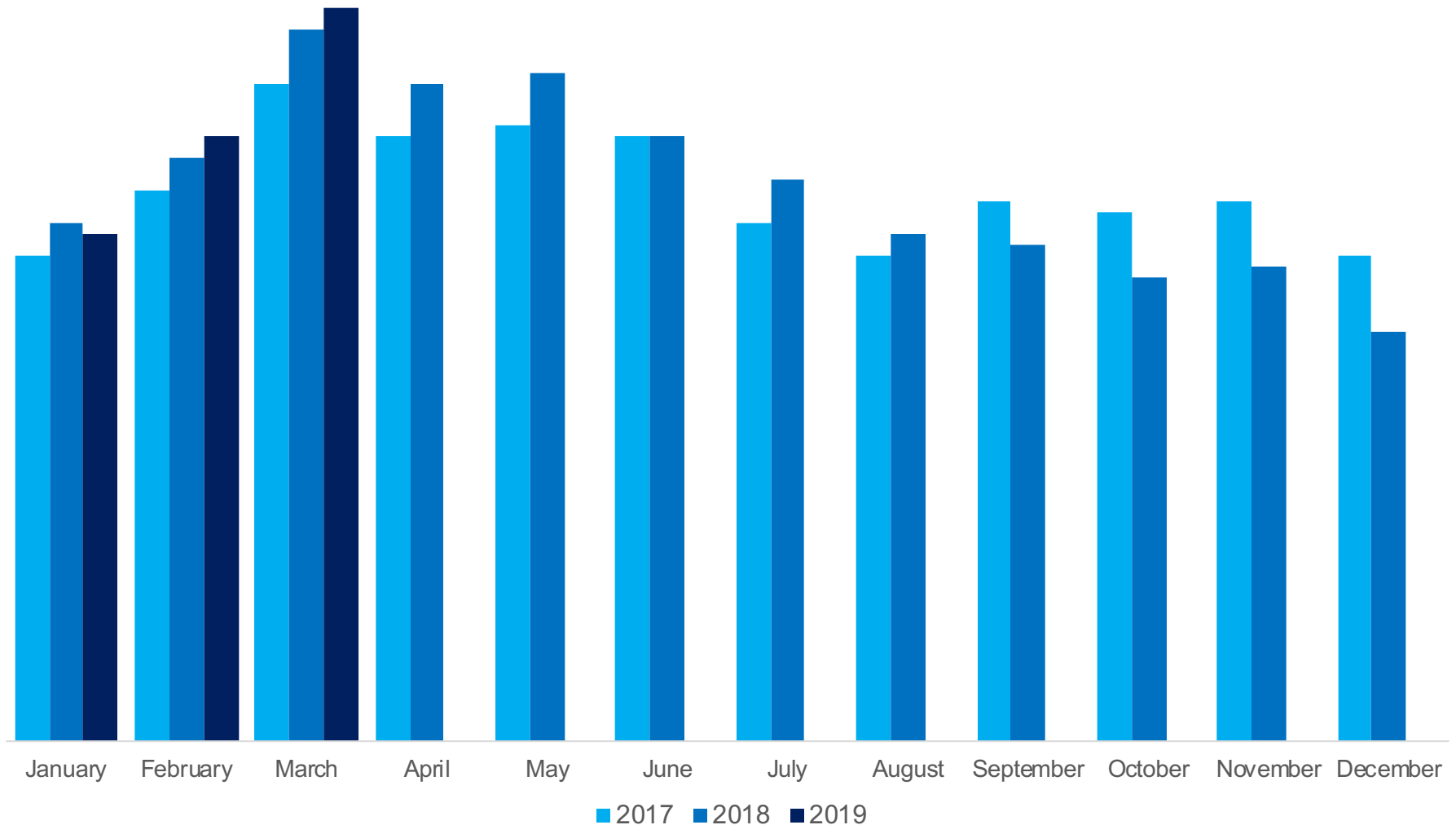
Y-O-Y by region

# Existing Home Sales

*in thousands*

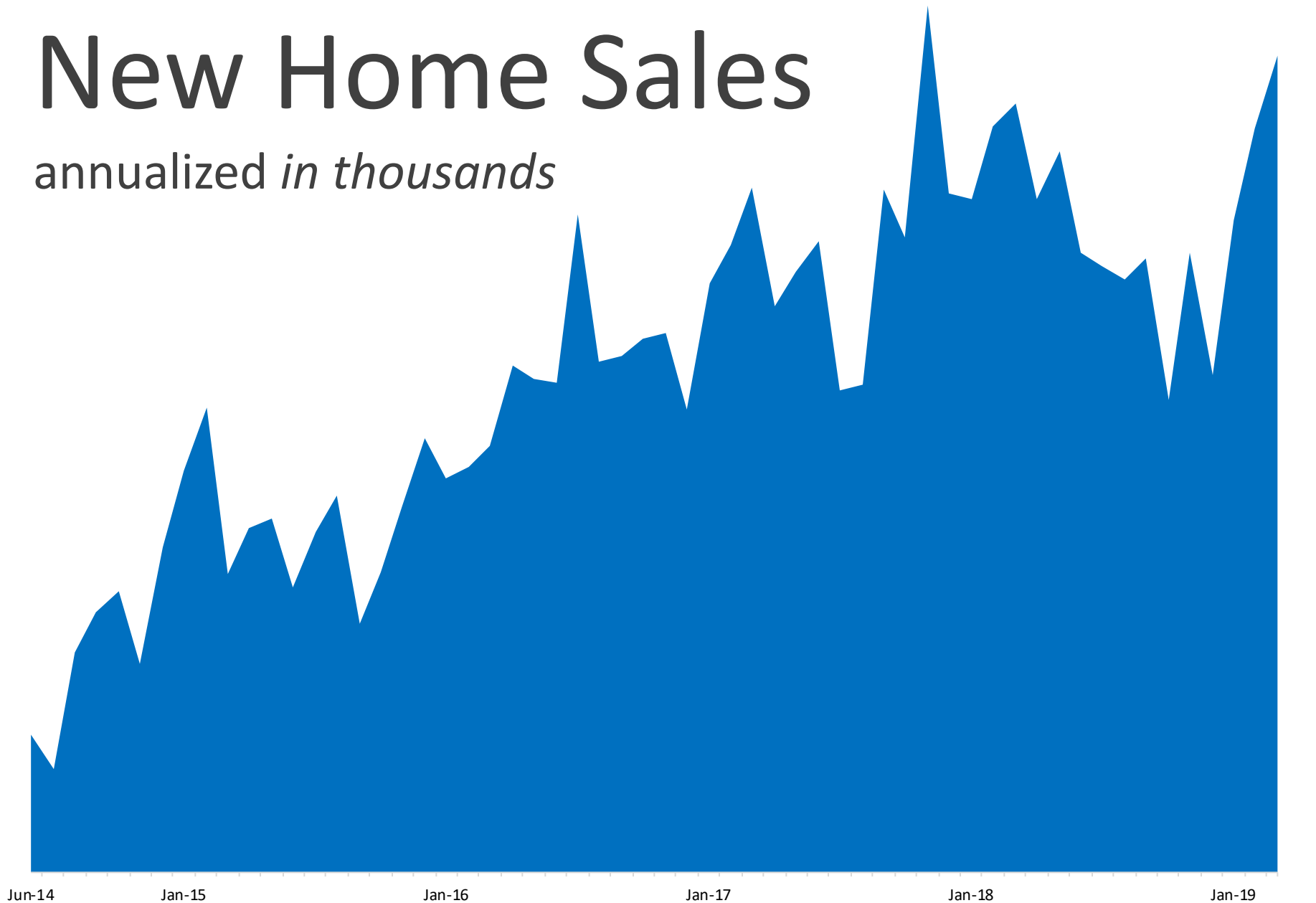


# New Home Sales *in thousands*



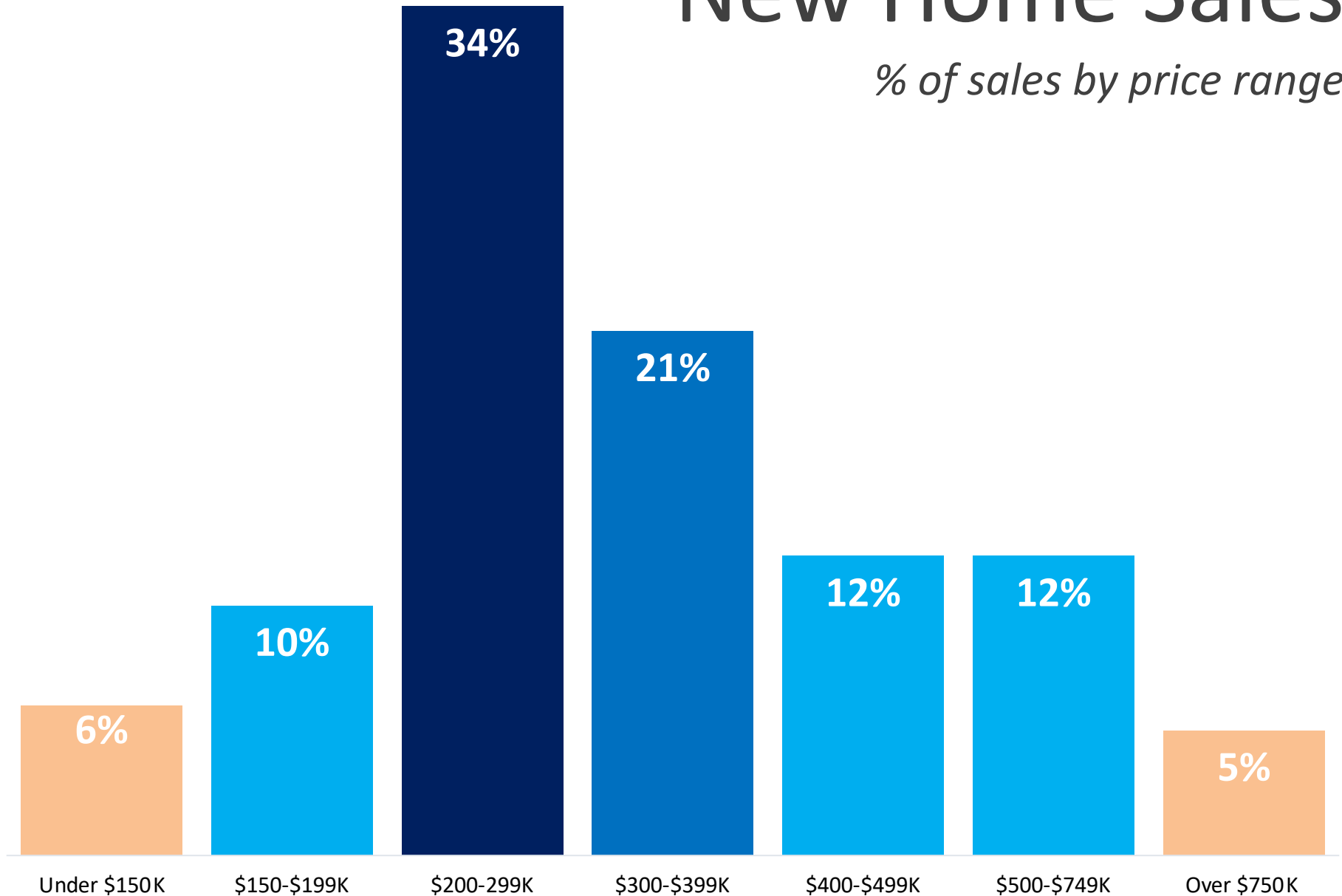
# New Home Sales

annualized *in thousands*



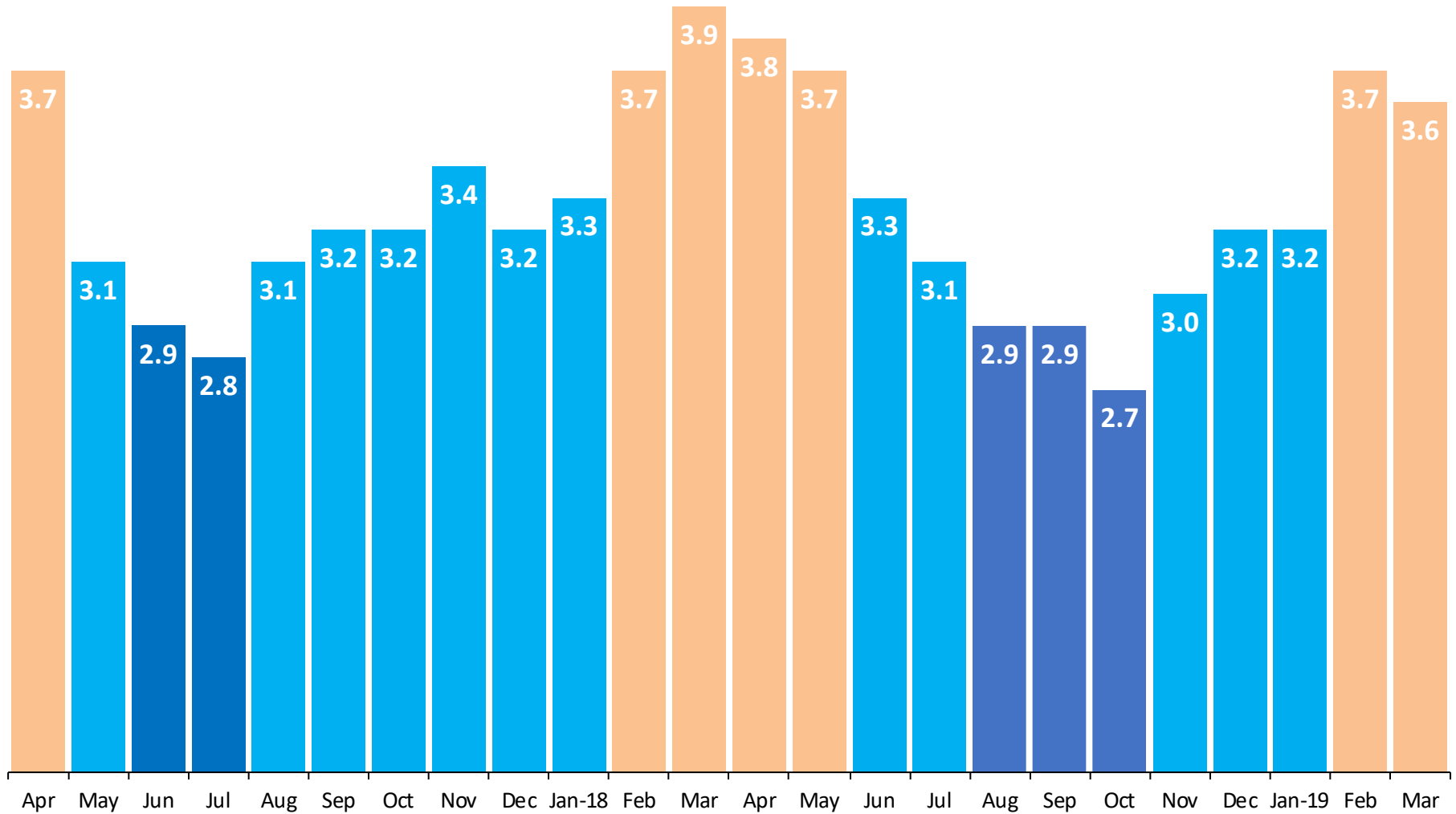
# New Home Sales

*% of sales by price range*

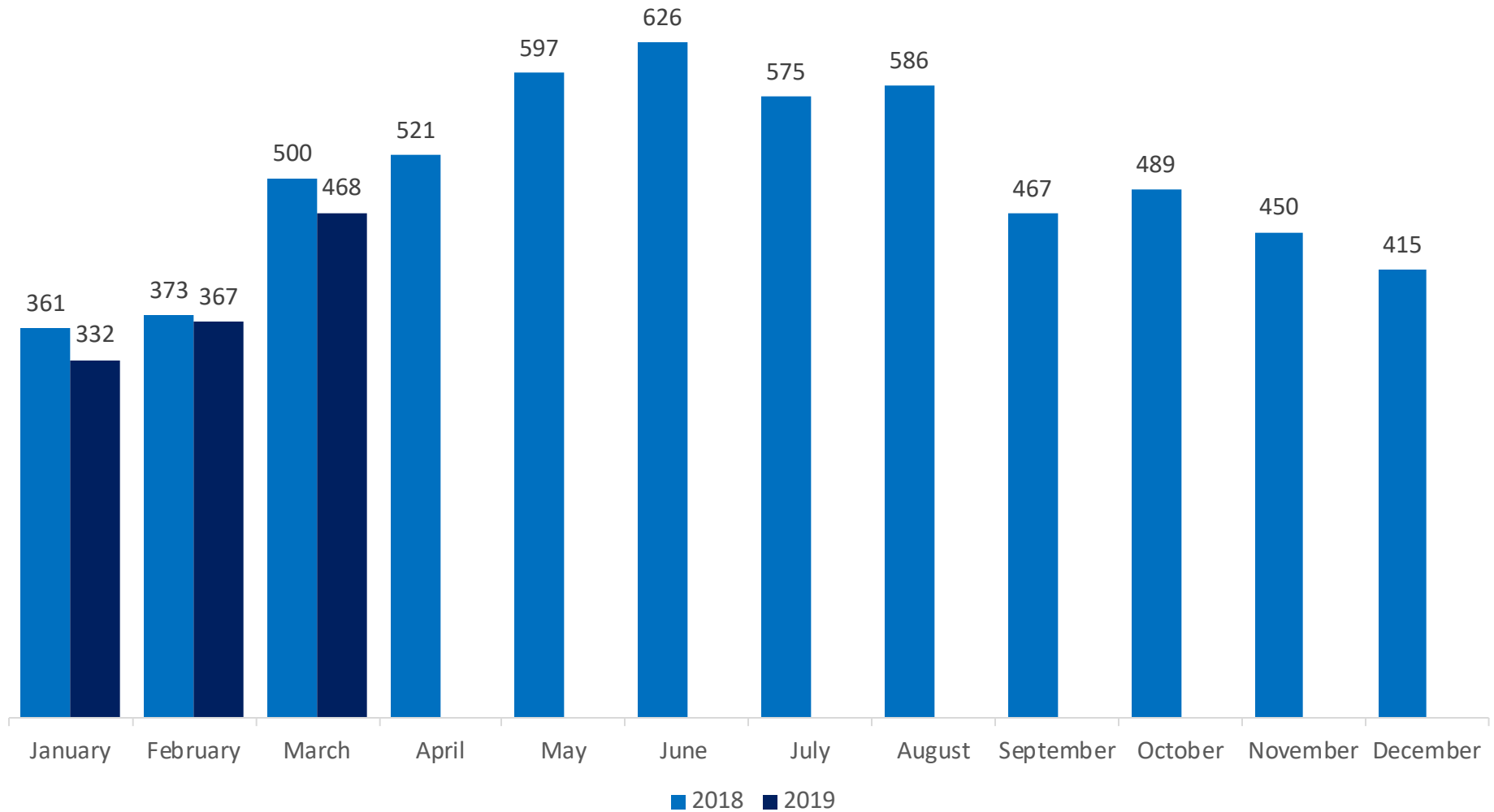


# New Homes Selling Fast

*(median months from completion to sold)*

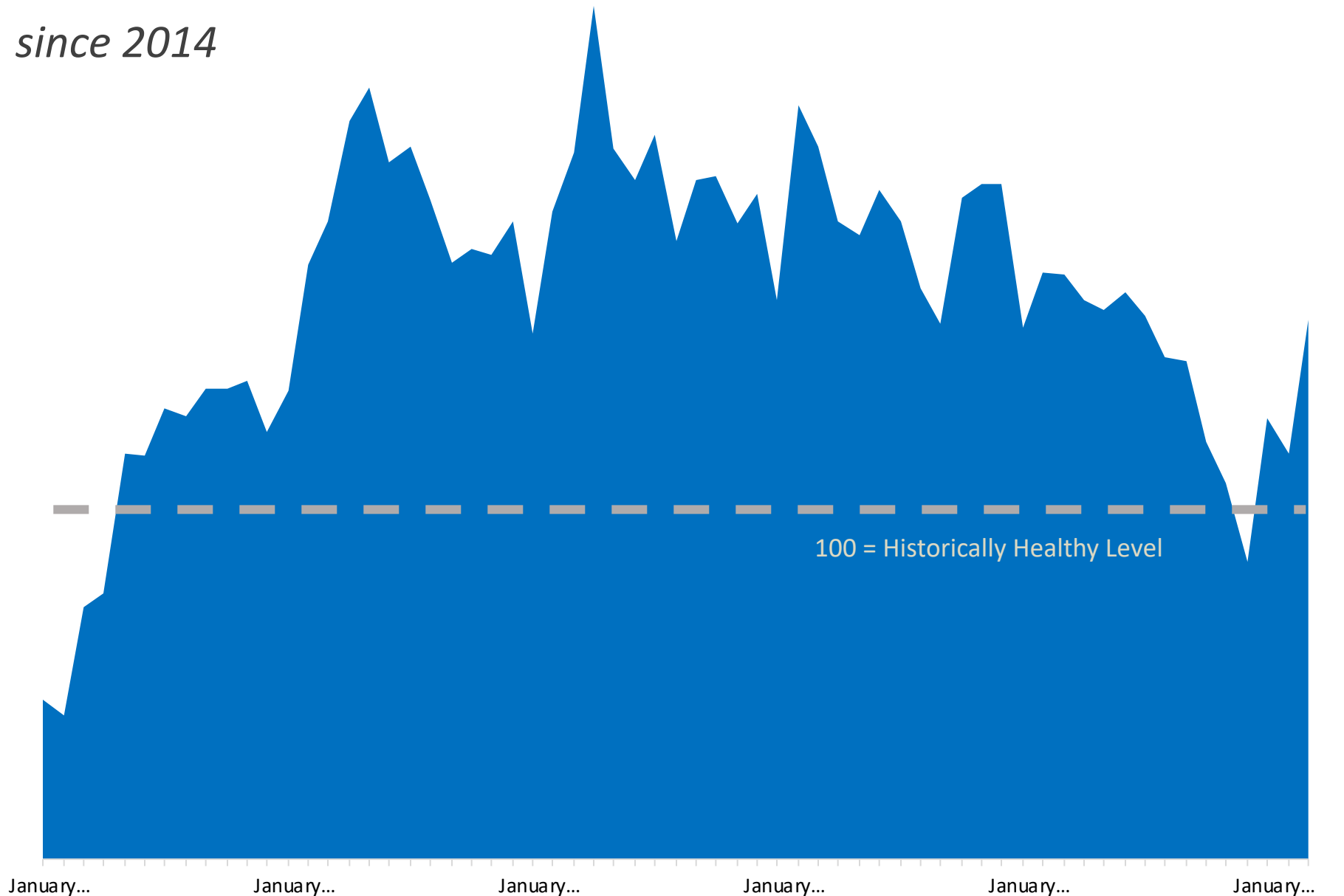


# Total Home Sales *in thousands*



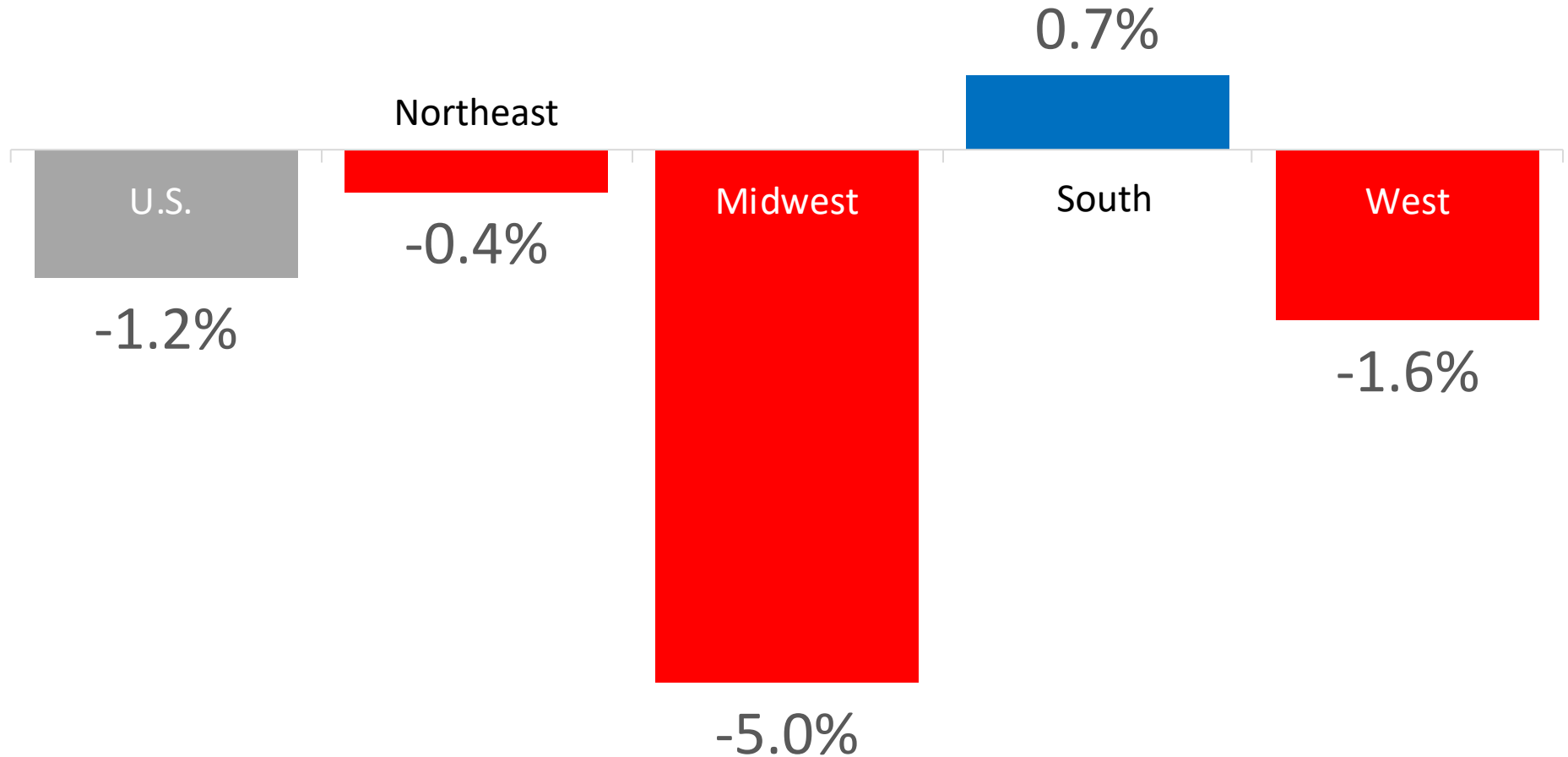
# PENDING Home Sales

*since 2014*





# Pending Home Sales



*Year-Over-Year By Region*

35%

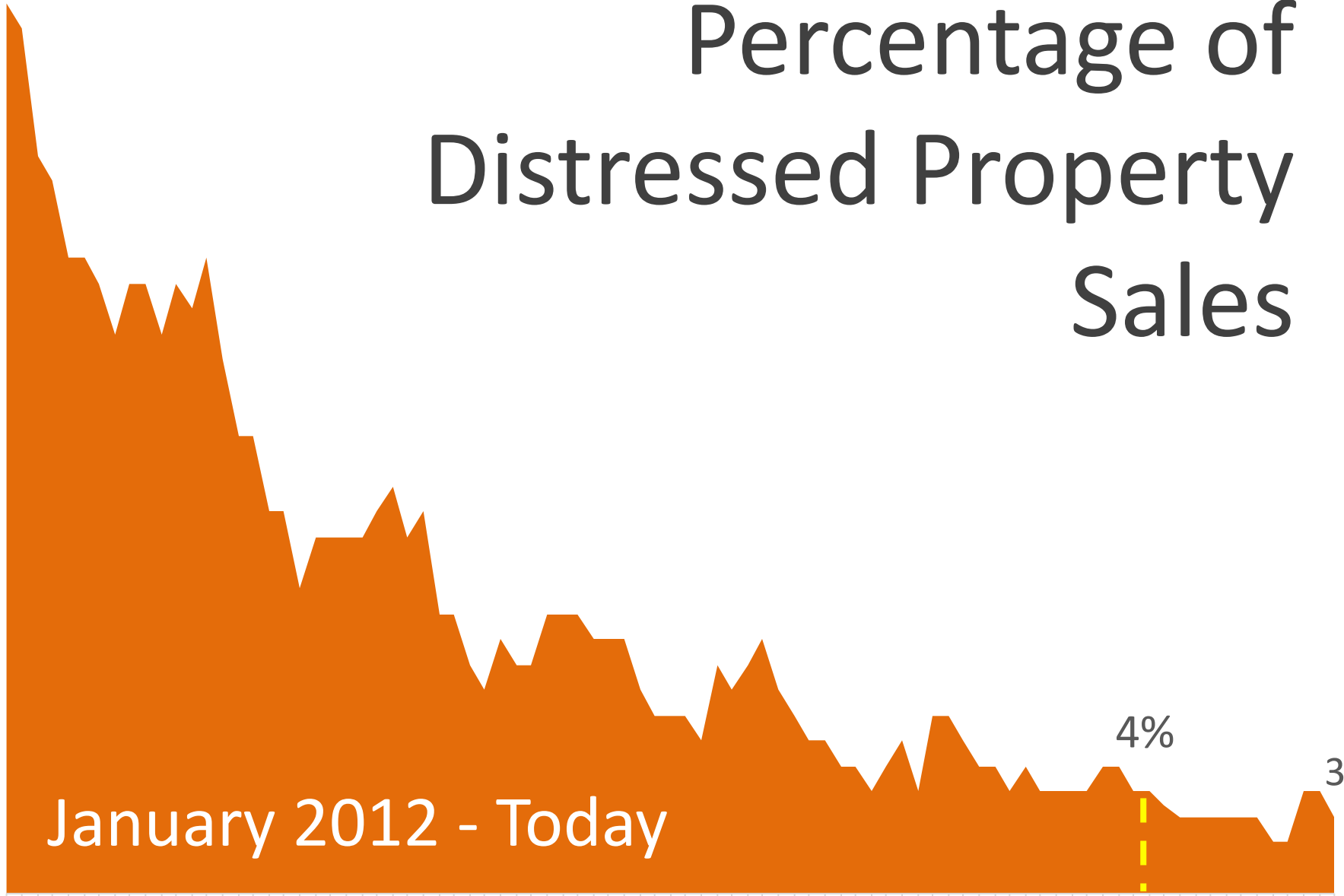
# Percentage of Distressed Property Sales

January 2012 - Today

4%

3%

Jan 2012 Jan 2013 Jan 2014 Jan 2015 Jan 2016 Jan 2017 Jan 2018 Jan 2019

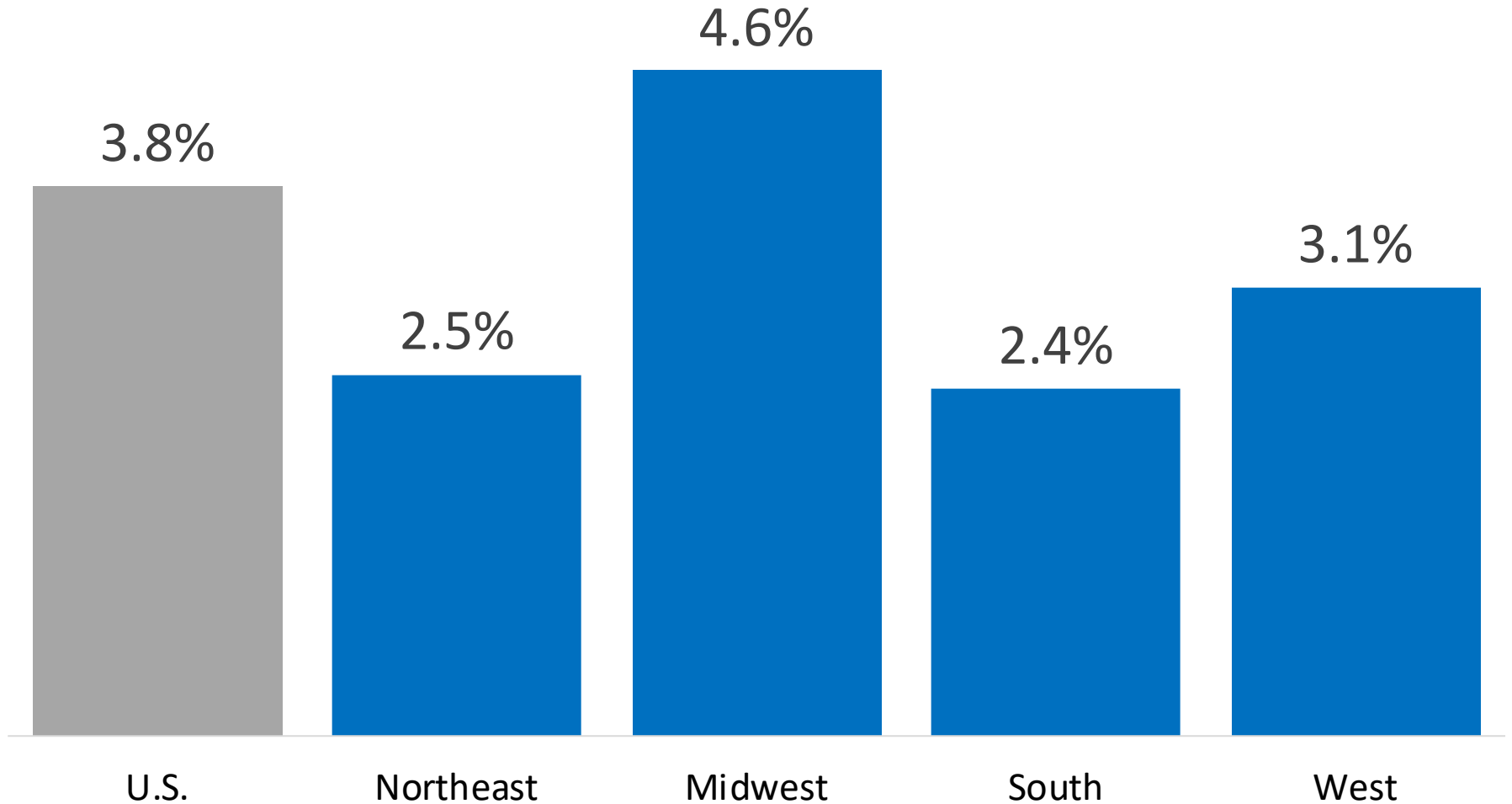


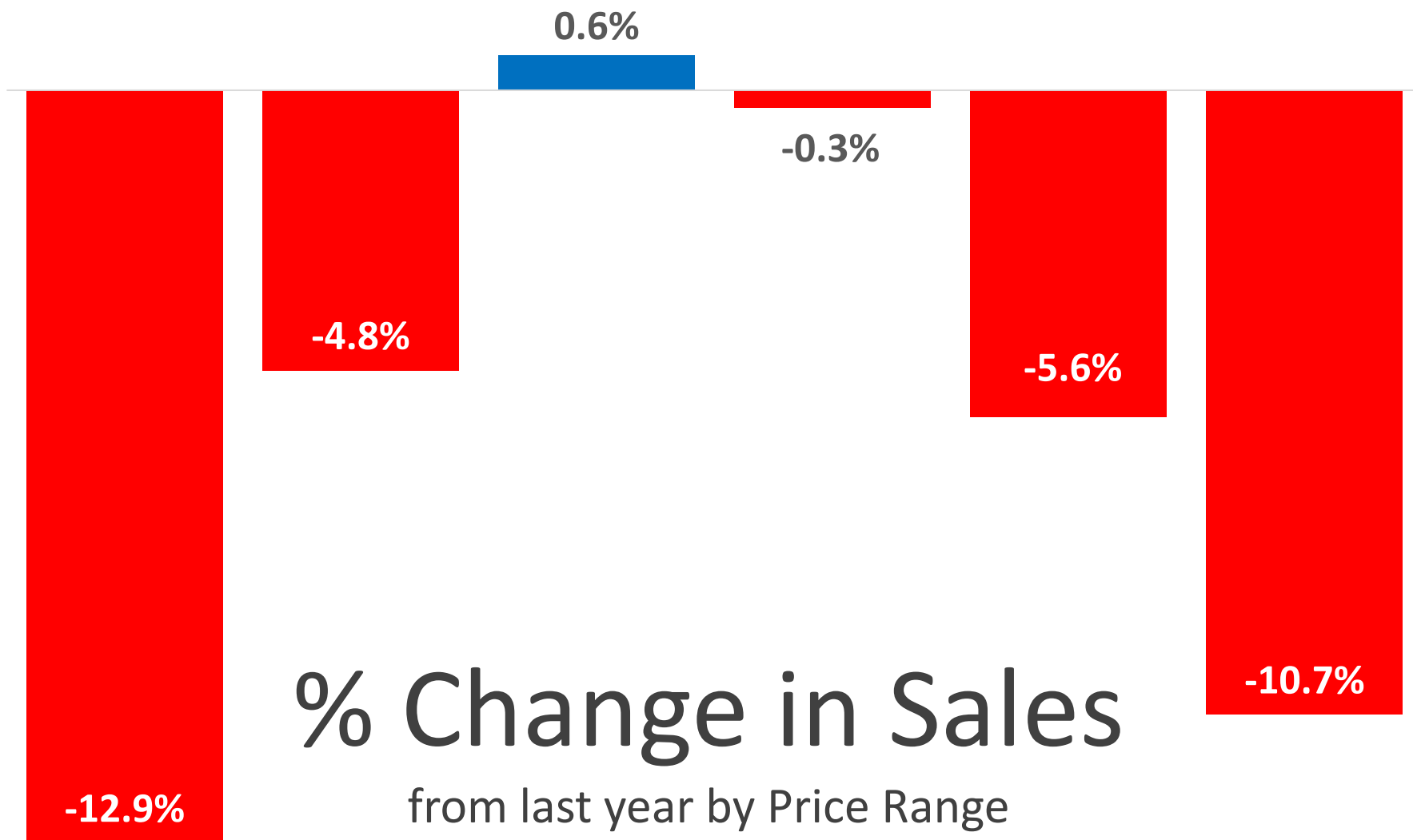
A puzzle of a US dollar bill, specifically the portrait of Benjamin Franklin, is shown against a black background. Two red blocks are placed on the puzzle pieces. The text "Home Prices" is overlaid on the right side of the image.

# Home Prices

# EXISTING Home Prices

Y-O-Y by region



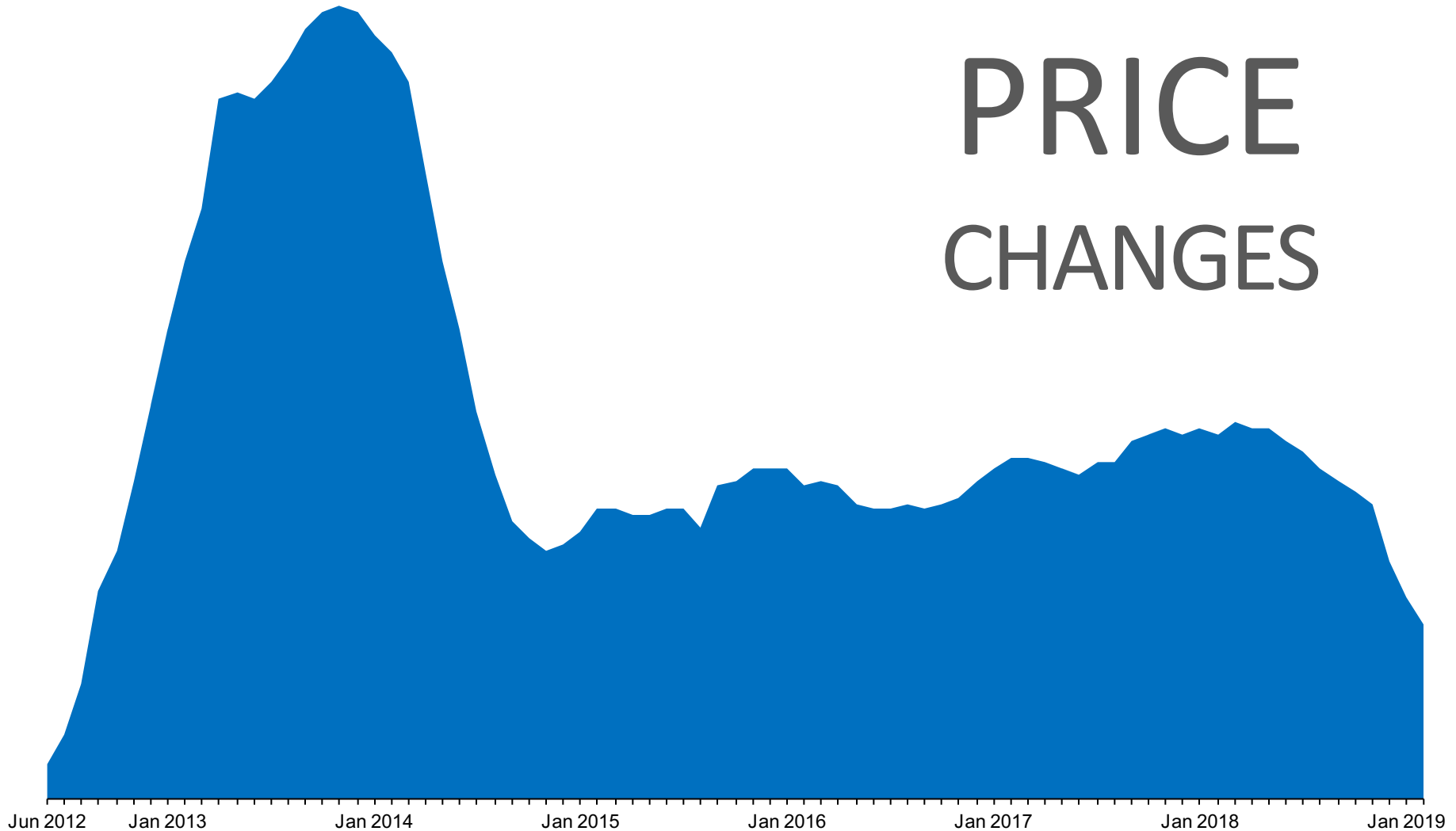


	\$0-100K	\$100-250K	\$250-500K	\$500-750K	\$750K-1M	\$1M+
■ %	-12.9%	-4.8%	0.6%	-0.3%	-5.6%	-10.7%

# Case Shiller

Year-Over-Year

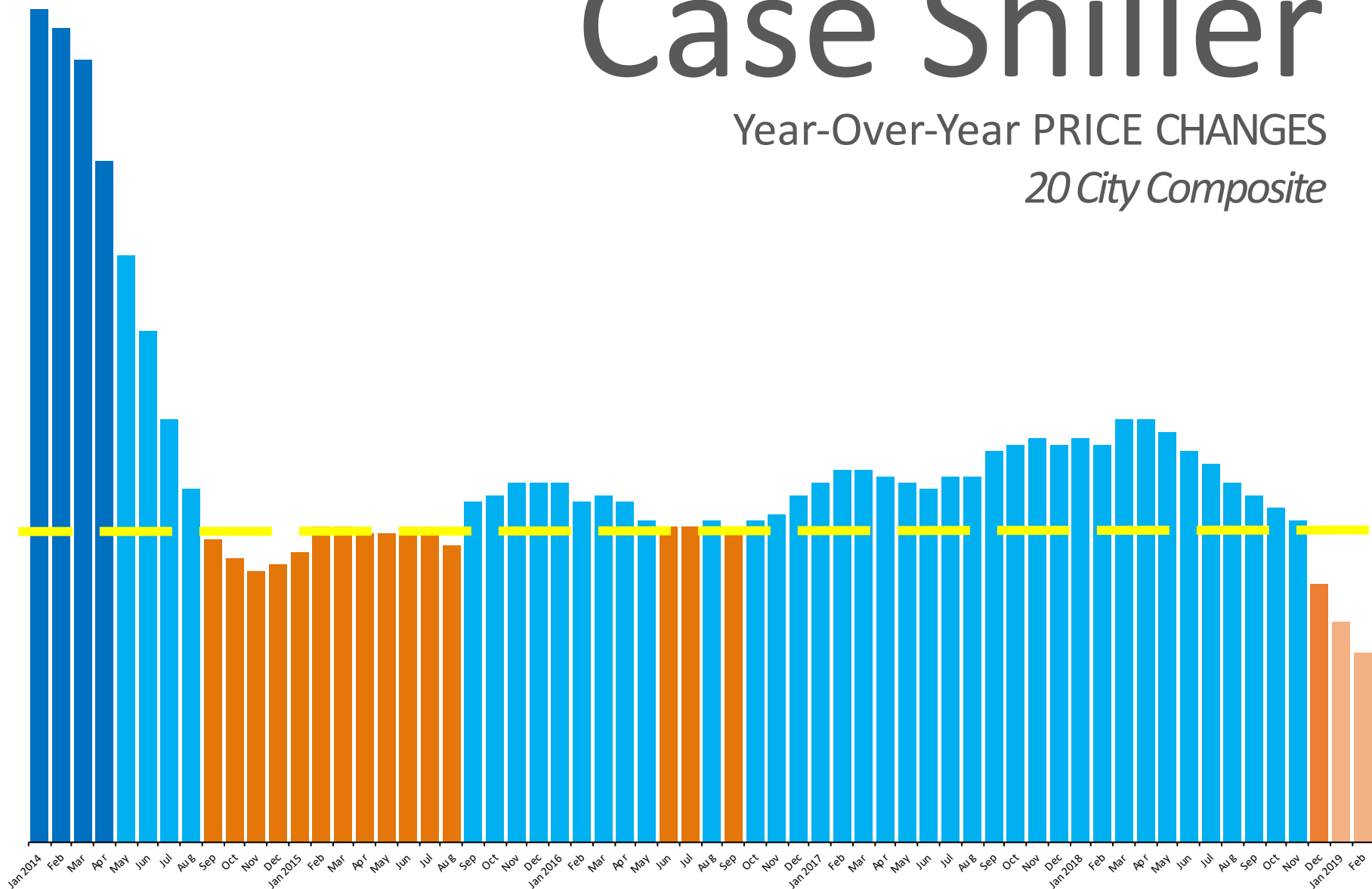
PRICE  
CHANGES



# Case Shiller

Year-Over-Year PRICE CHANGES

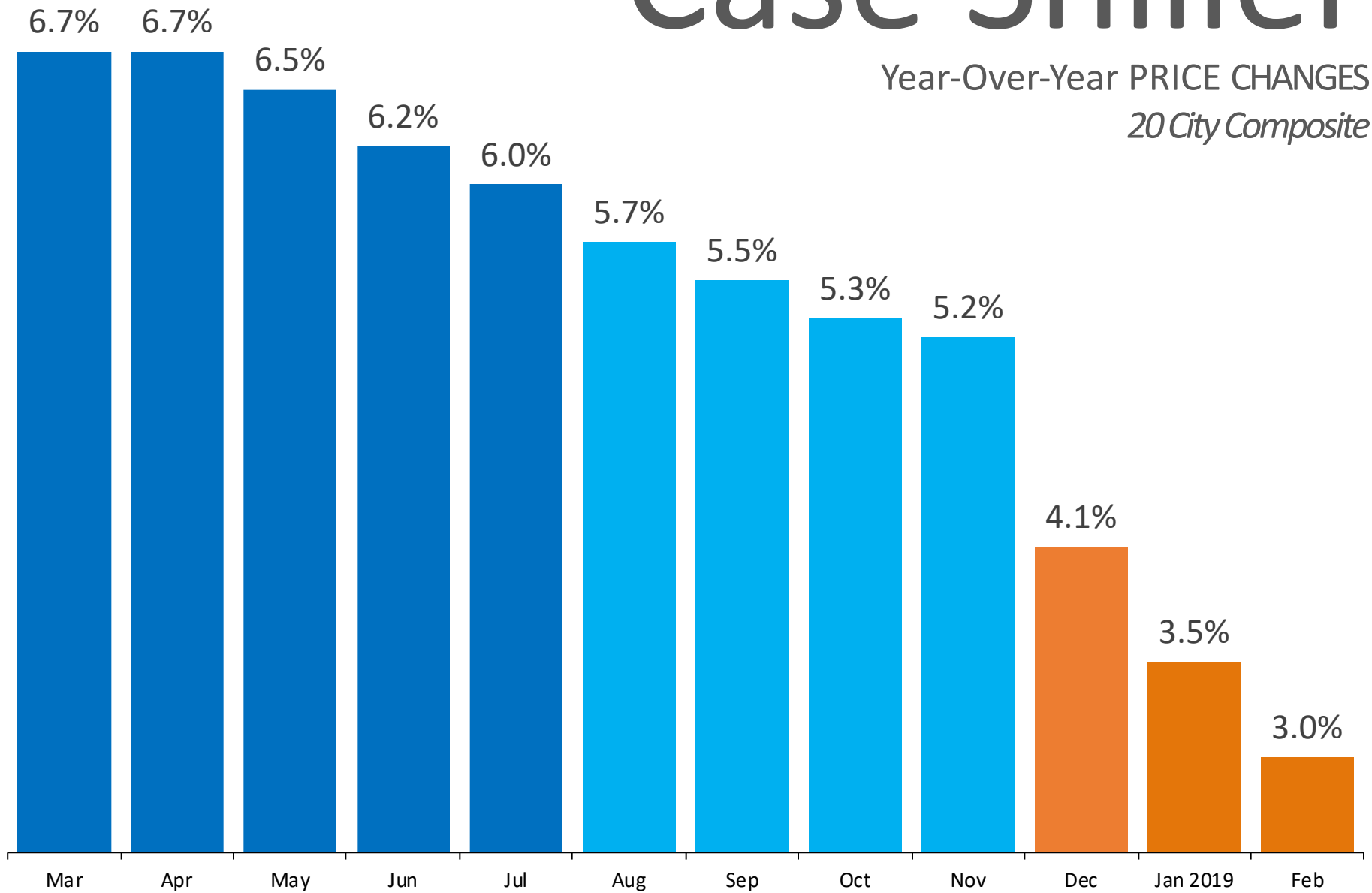
*20 City Composite*



# Case Shiller

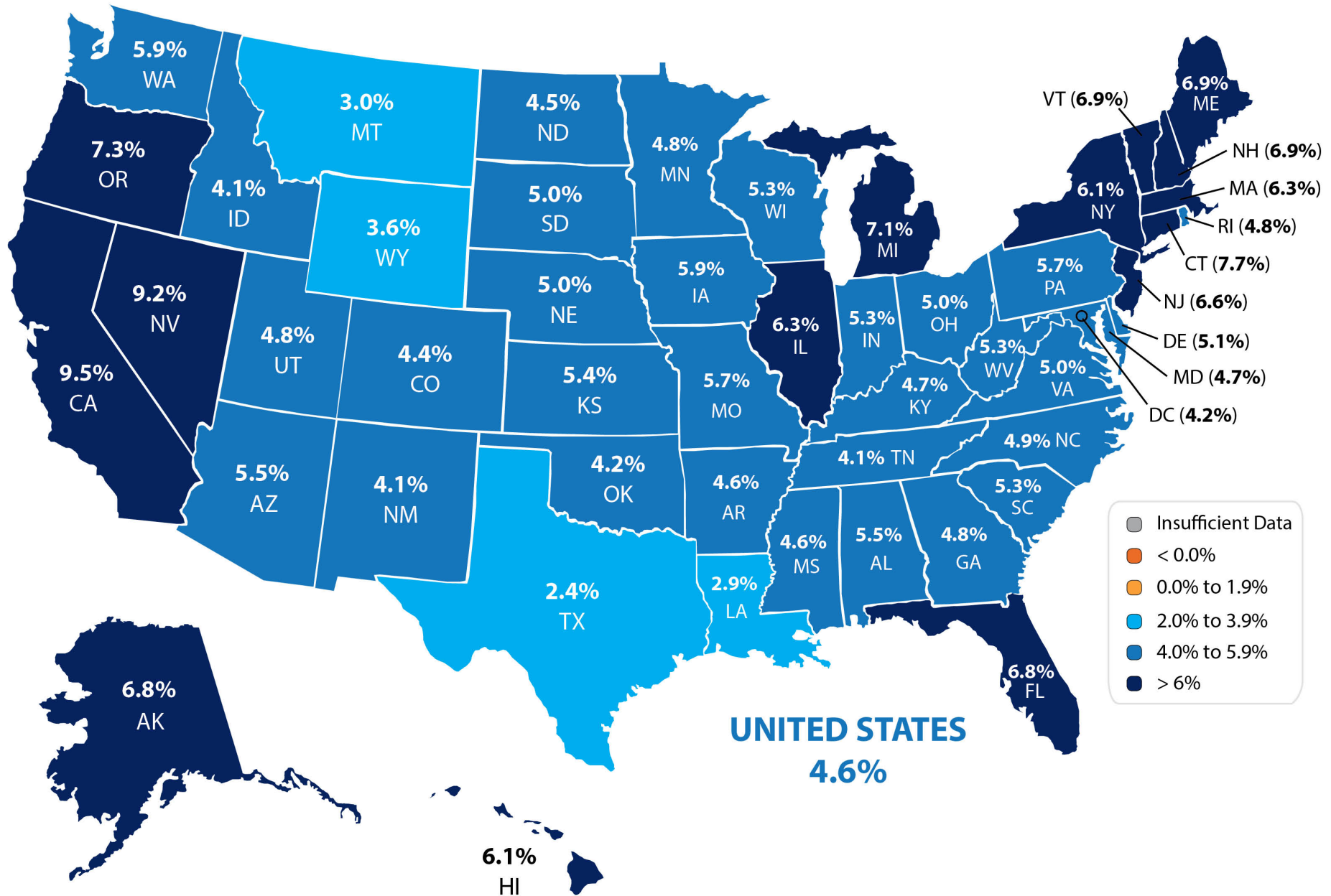
Year-Over-Year PRICE CHANGES

*20 City Composite*

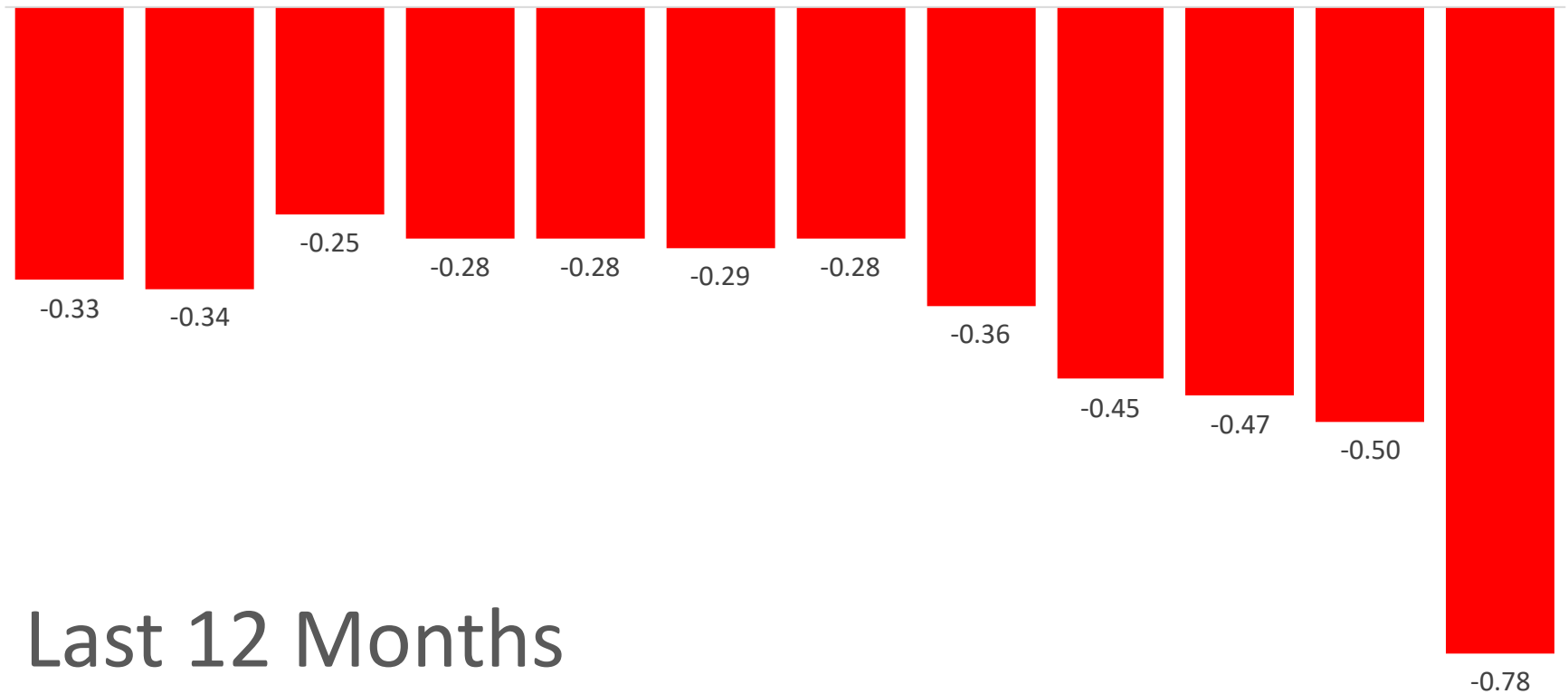




# Forecasted Year-Over-Year % Change in Price



# Appraiser Home Value Opinions Compared to Homeowner Estimates



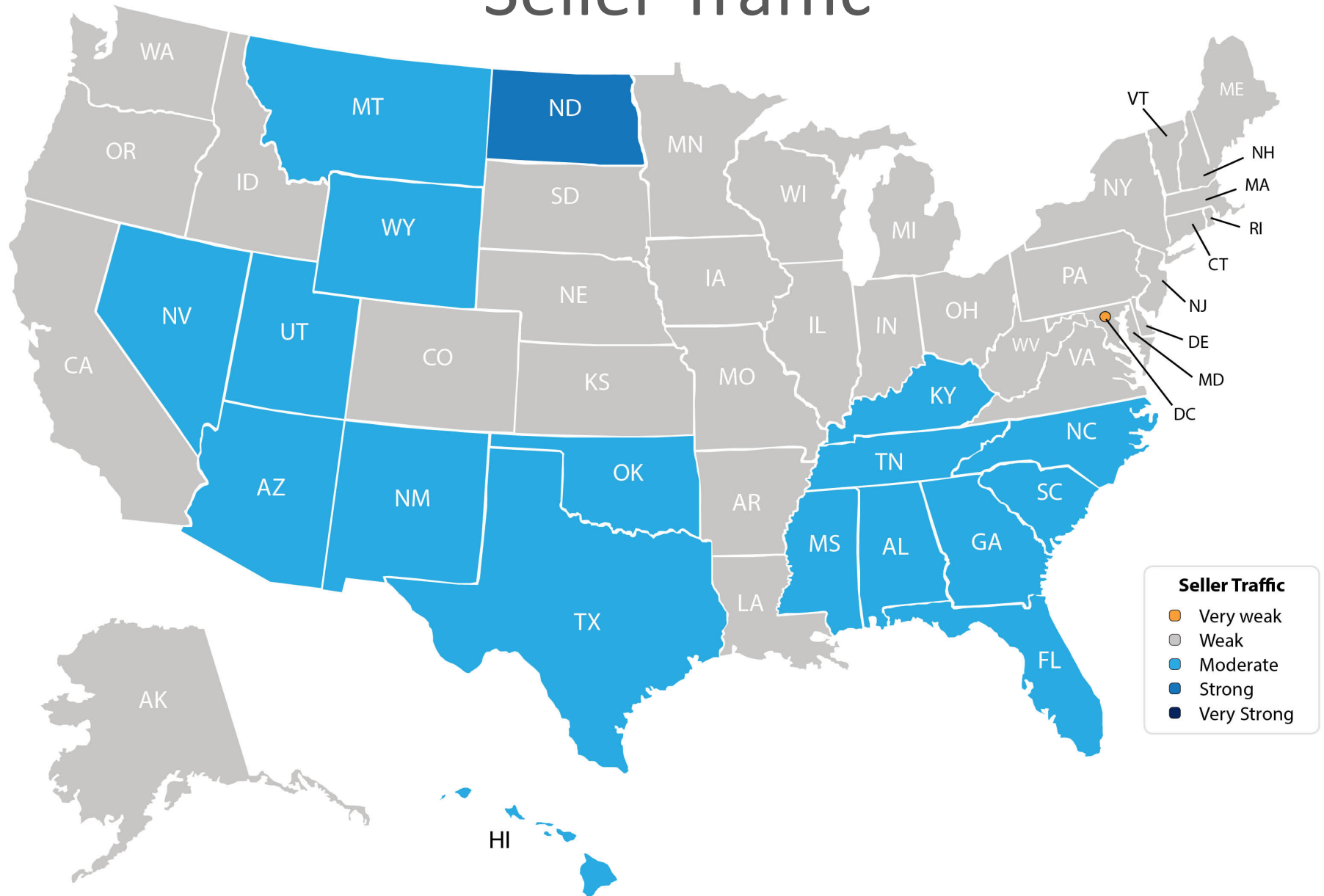
Last 12 Months

	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
%	-0.33	-0.34	-0.25	-0.28	-0.28	-0.29	-0.28	-0.36	-0.45	-0.47	-0.5	-0.78

# HOUSING INVENTORY



# Seller Traffic

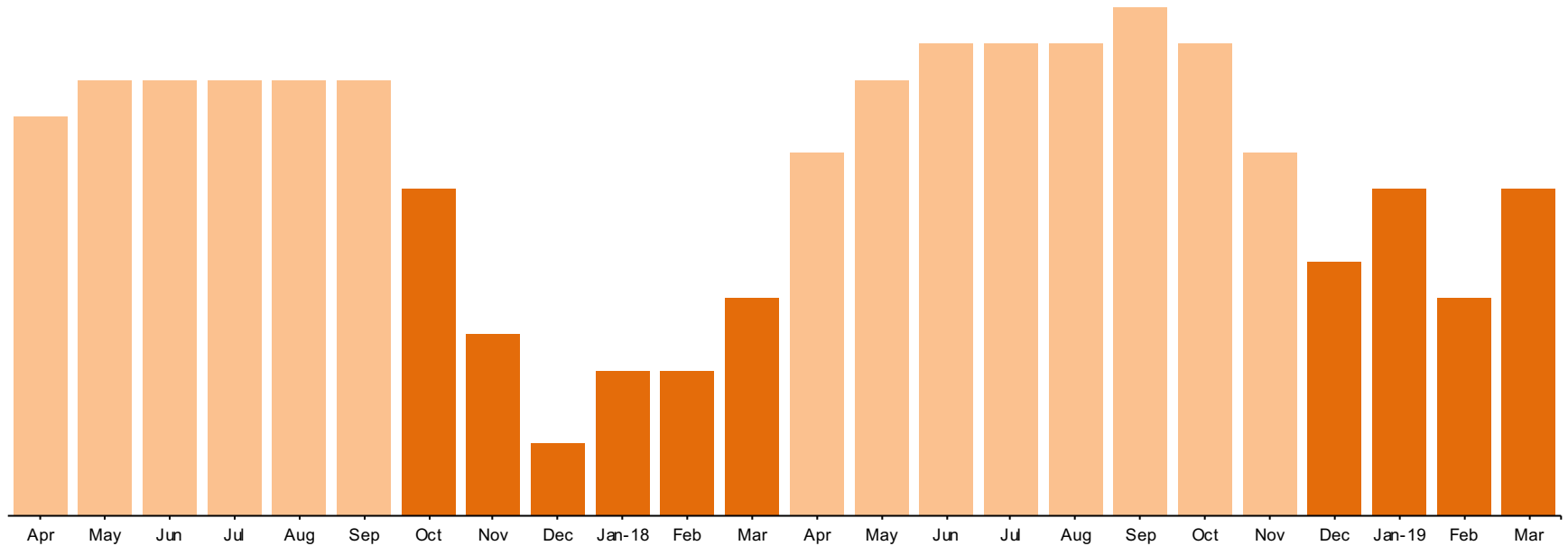


# Months Inventory of **HOMES FOR SALE** 2011 - Today



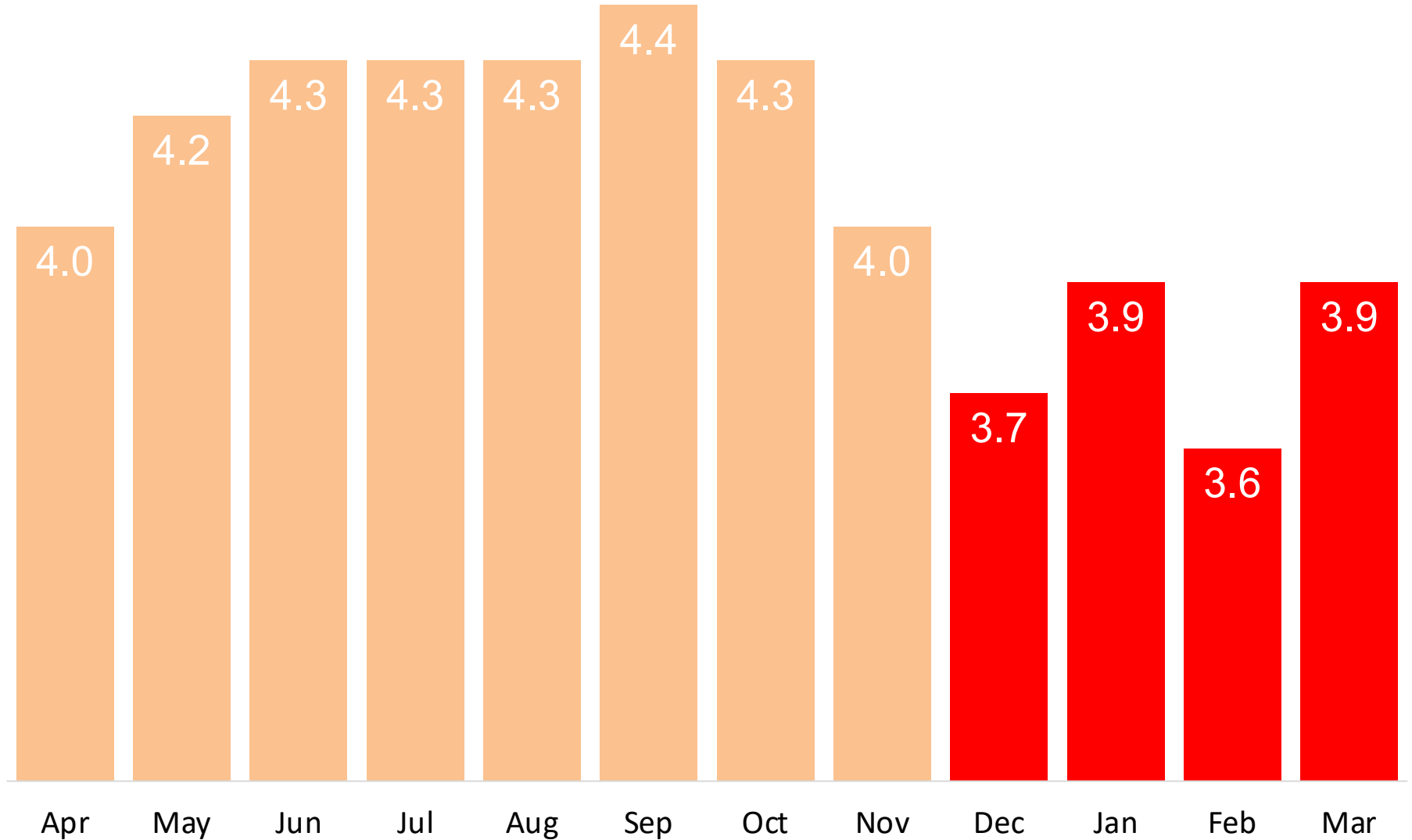
# Months Inventory of HOMES FOR SALE

*last 2 years*

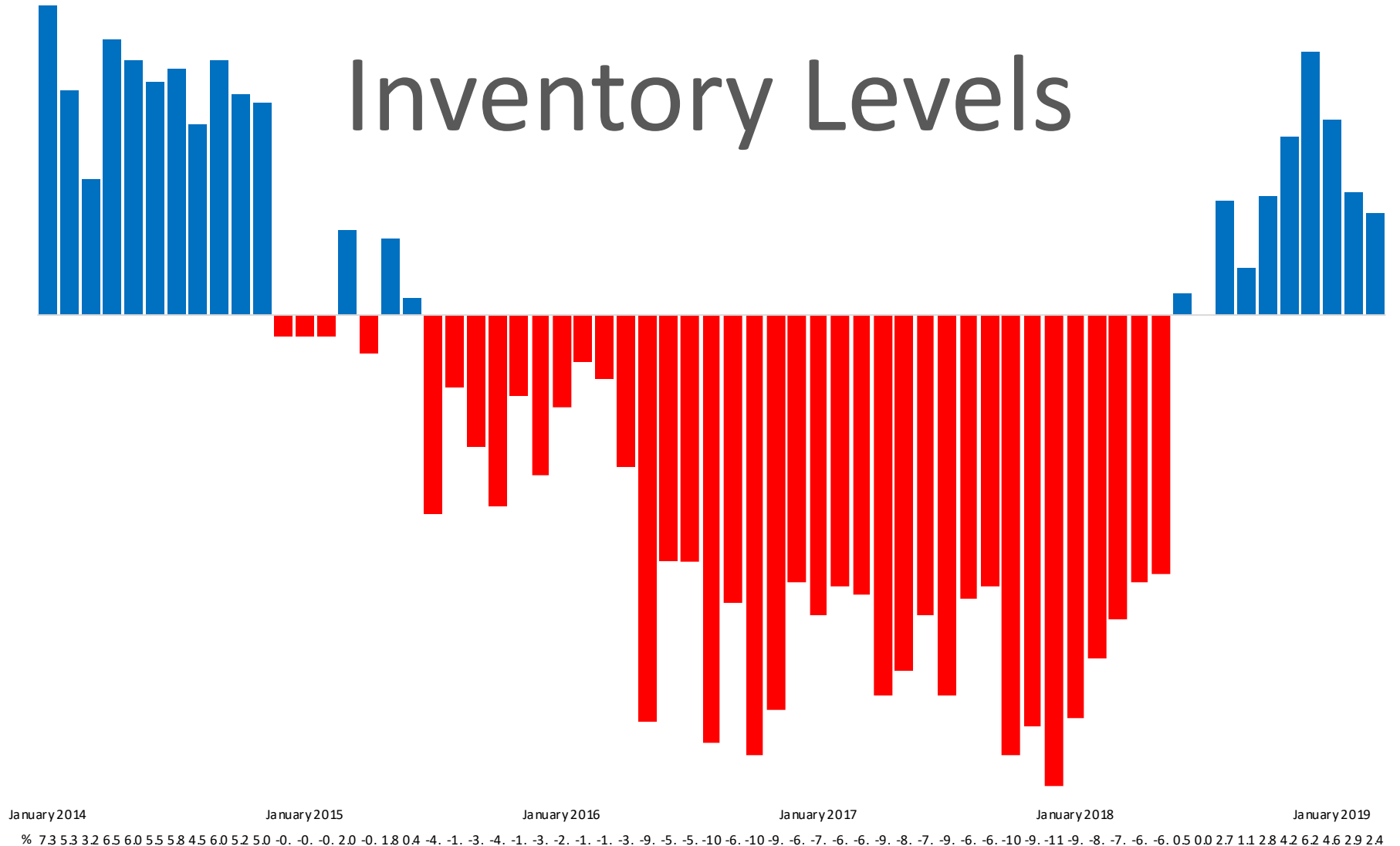


# Months Inventory of HOMES FOR SALE

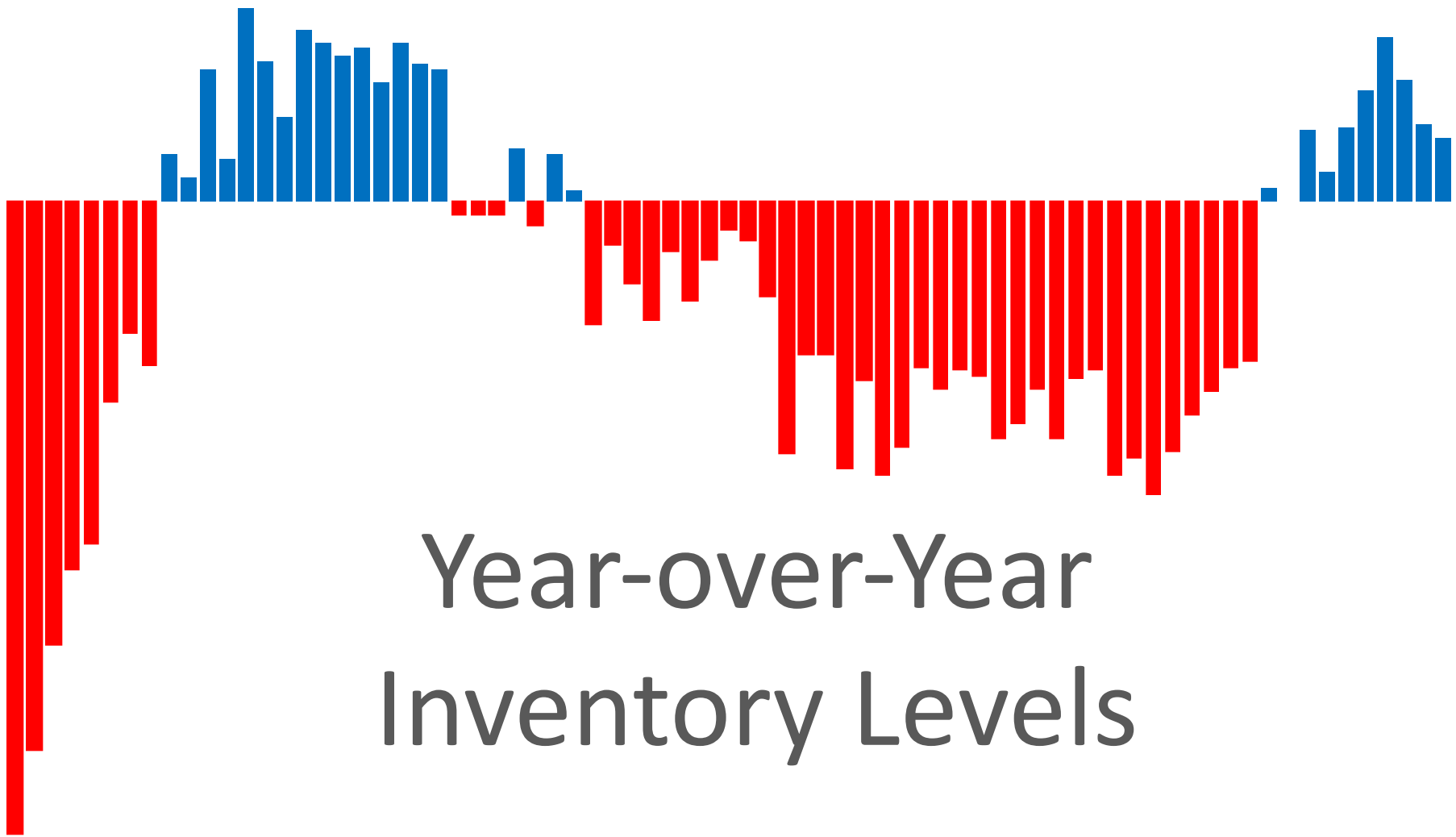
*Last 12 Months*



# Year-over-Year Inventory Levels

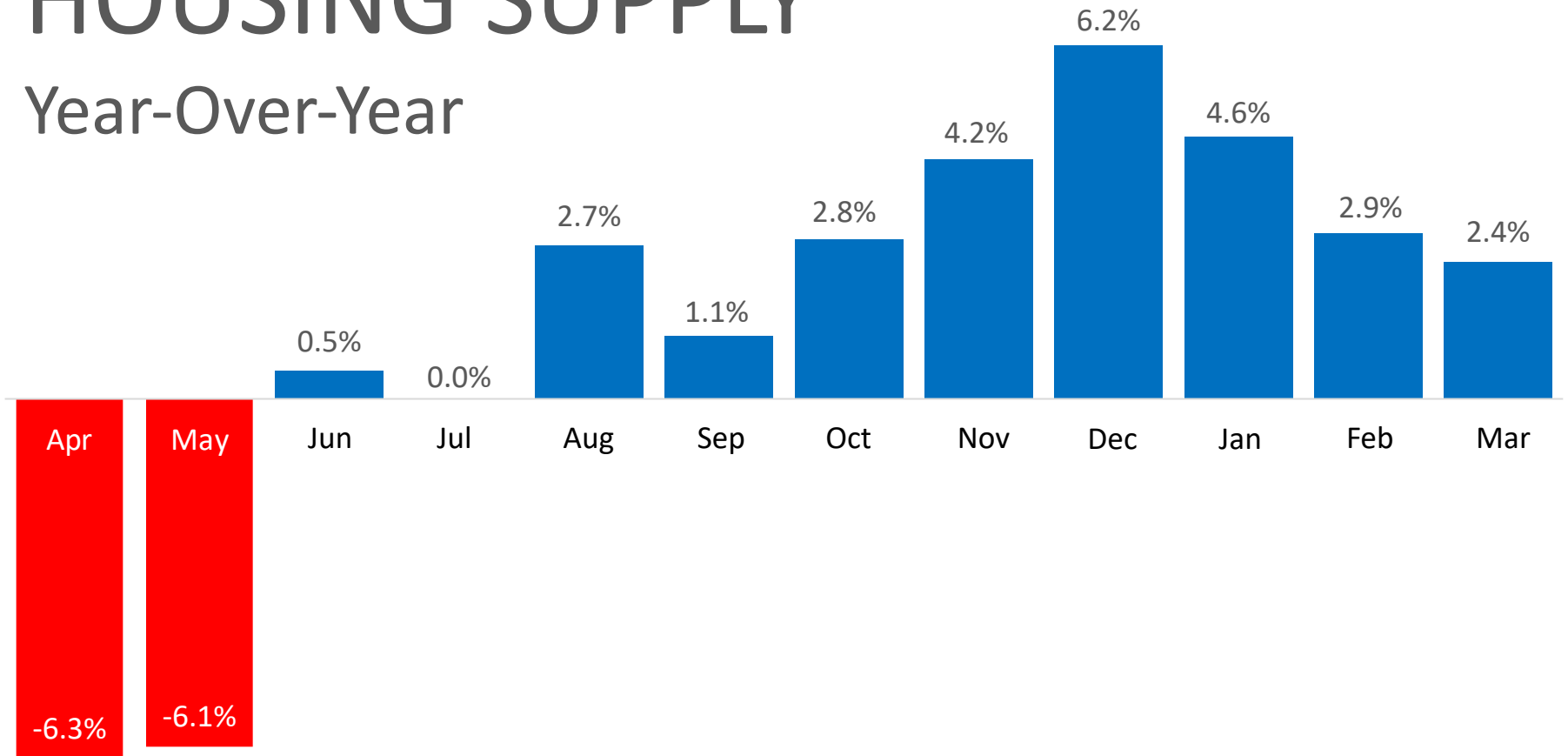






# HOUSING SUPPLY

Year-Over-Year

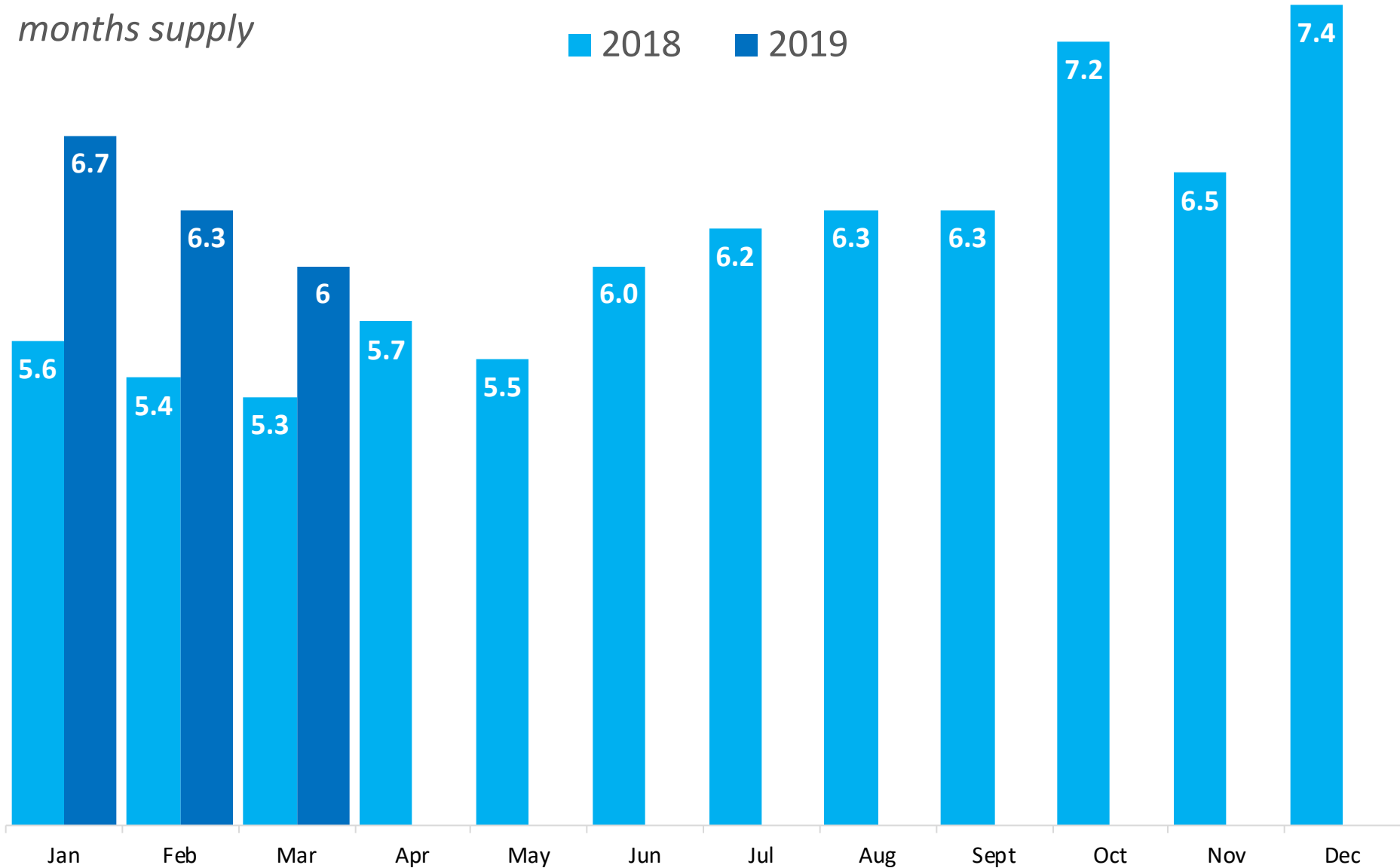


*Last 12 Months*

# New Home Inventory

*months supply*

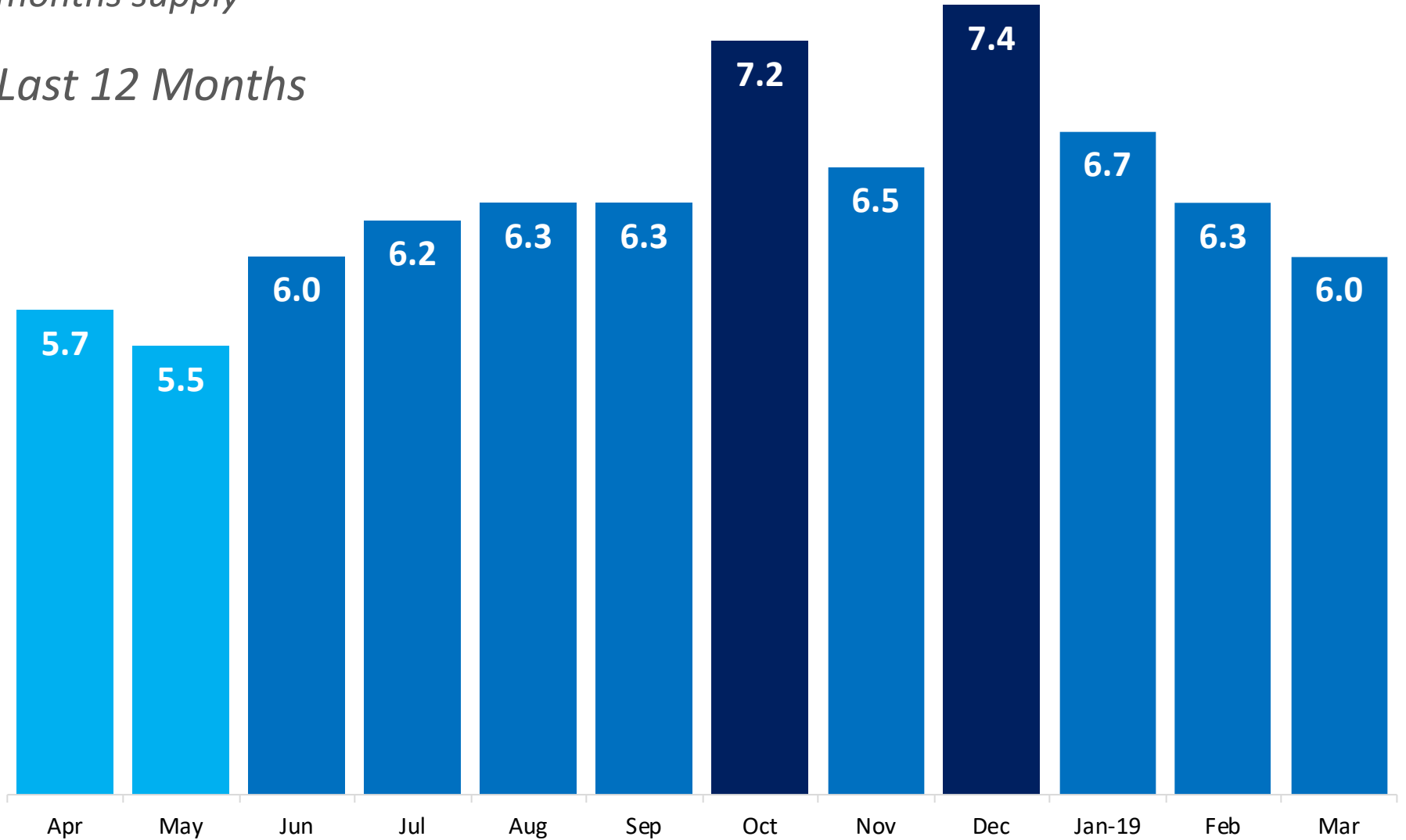
■ 2018 ■ 2019



# New Home Inventory

*months supply*

*Last 12 Months*

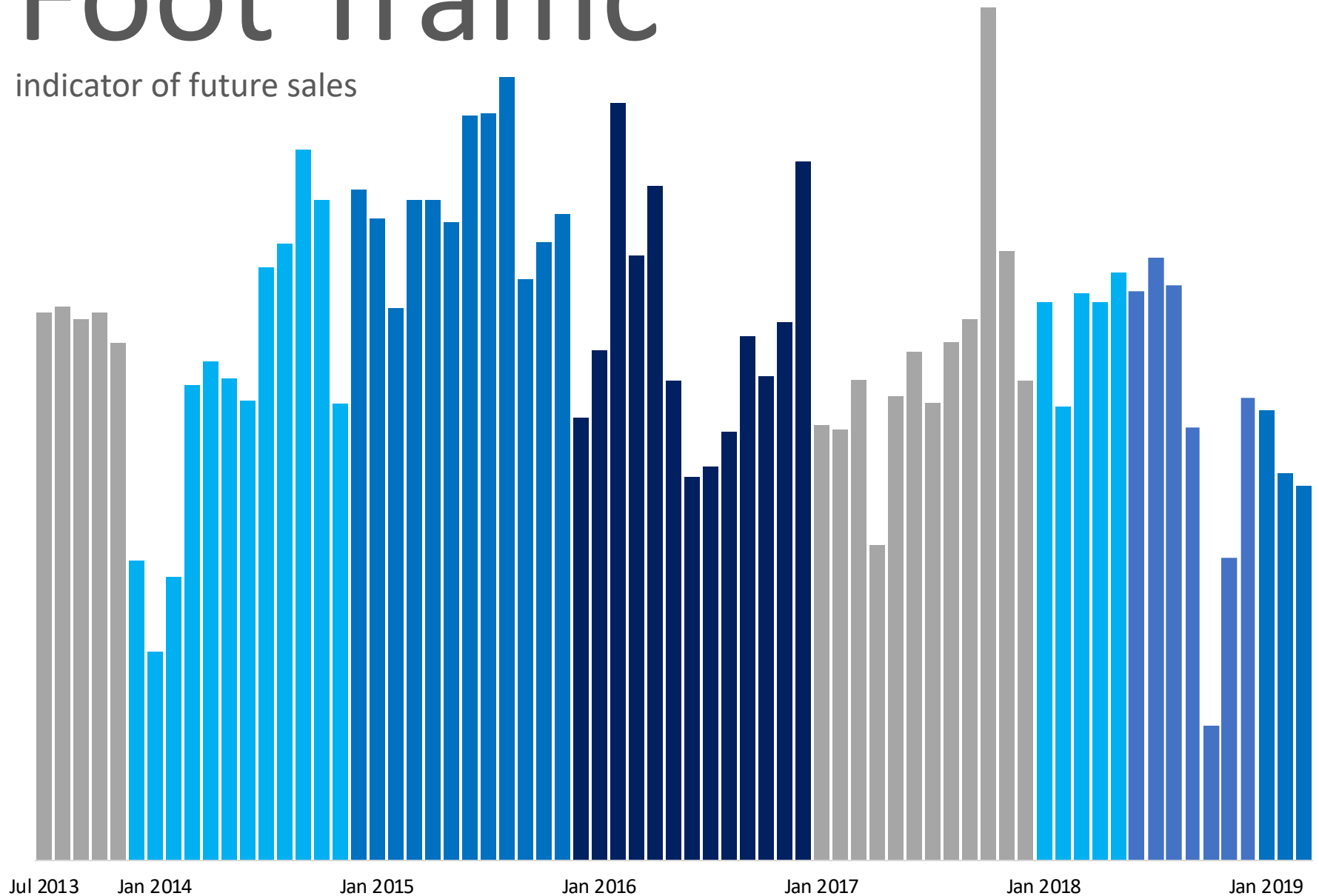


# BUYER DEMAND



# Foot Traffic

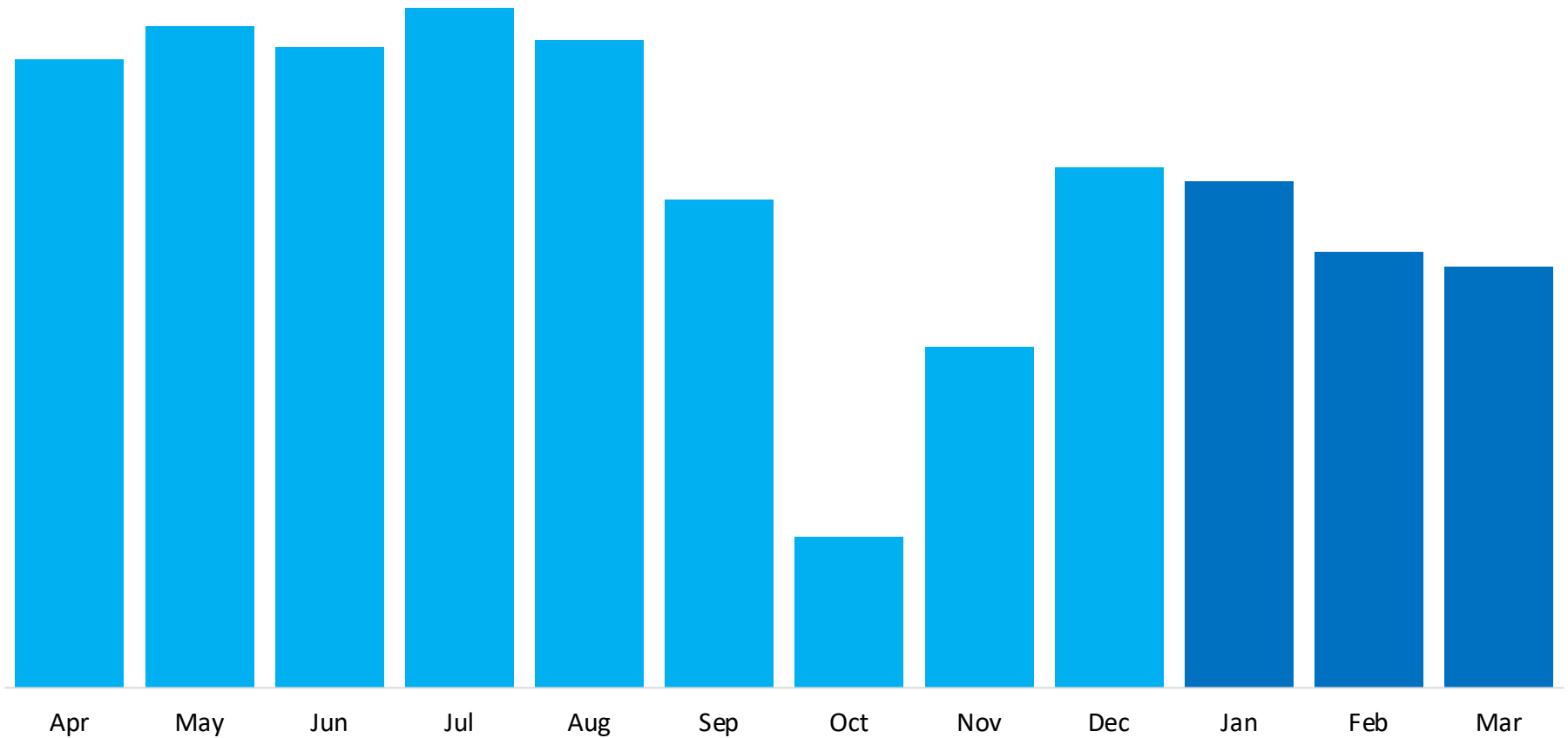
indicator of future sales



# Foot Traffic

## Last 12 Months

indicator of future sales

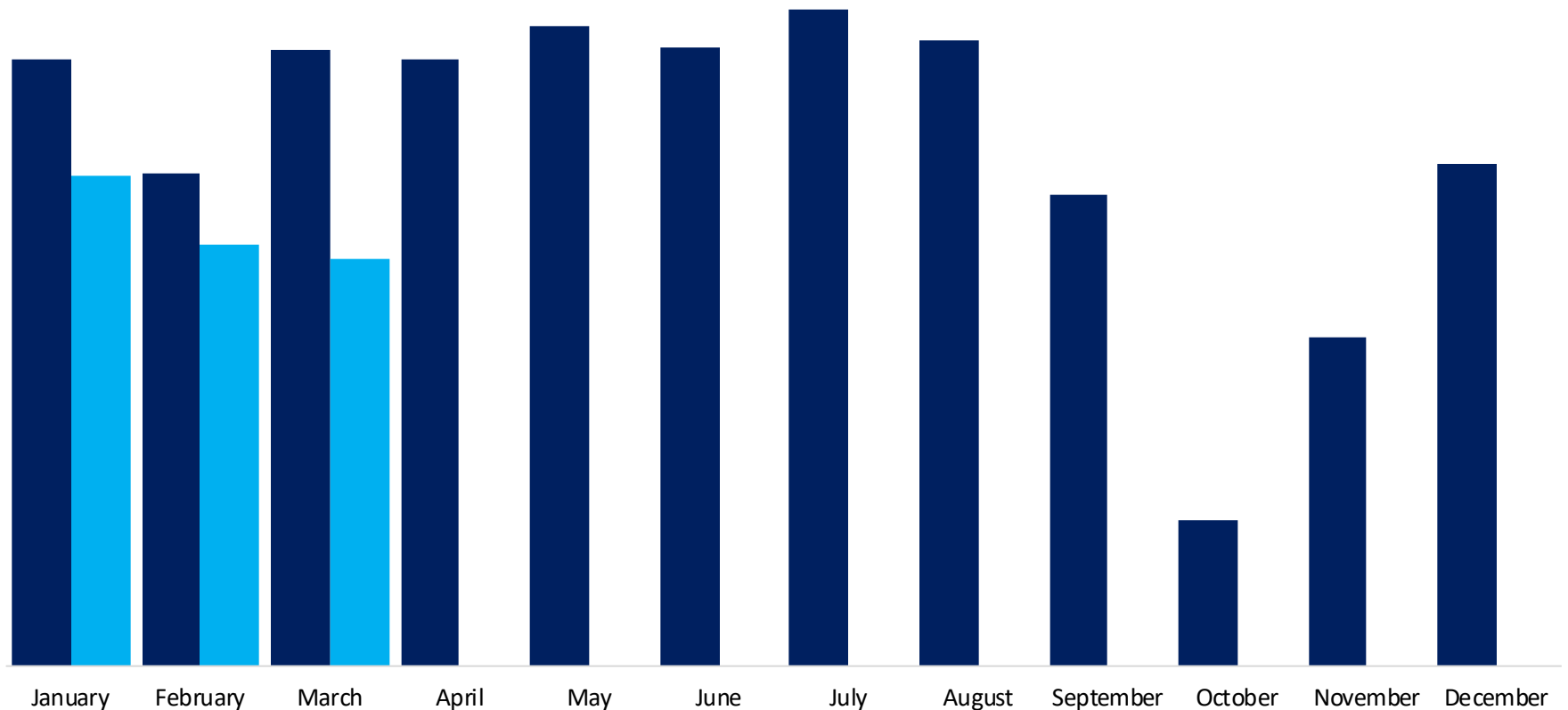


# Foot Traffic

indicator of future sales

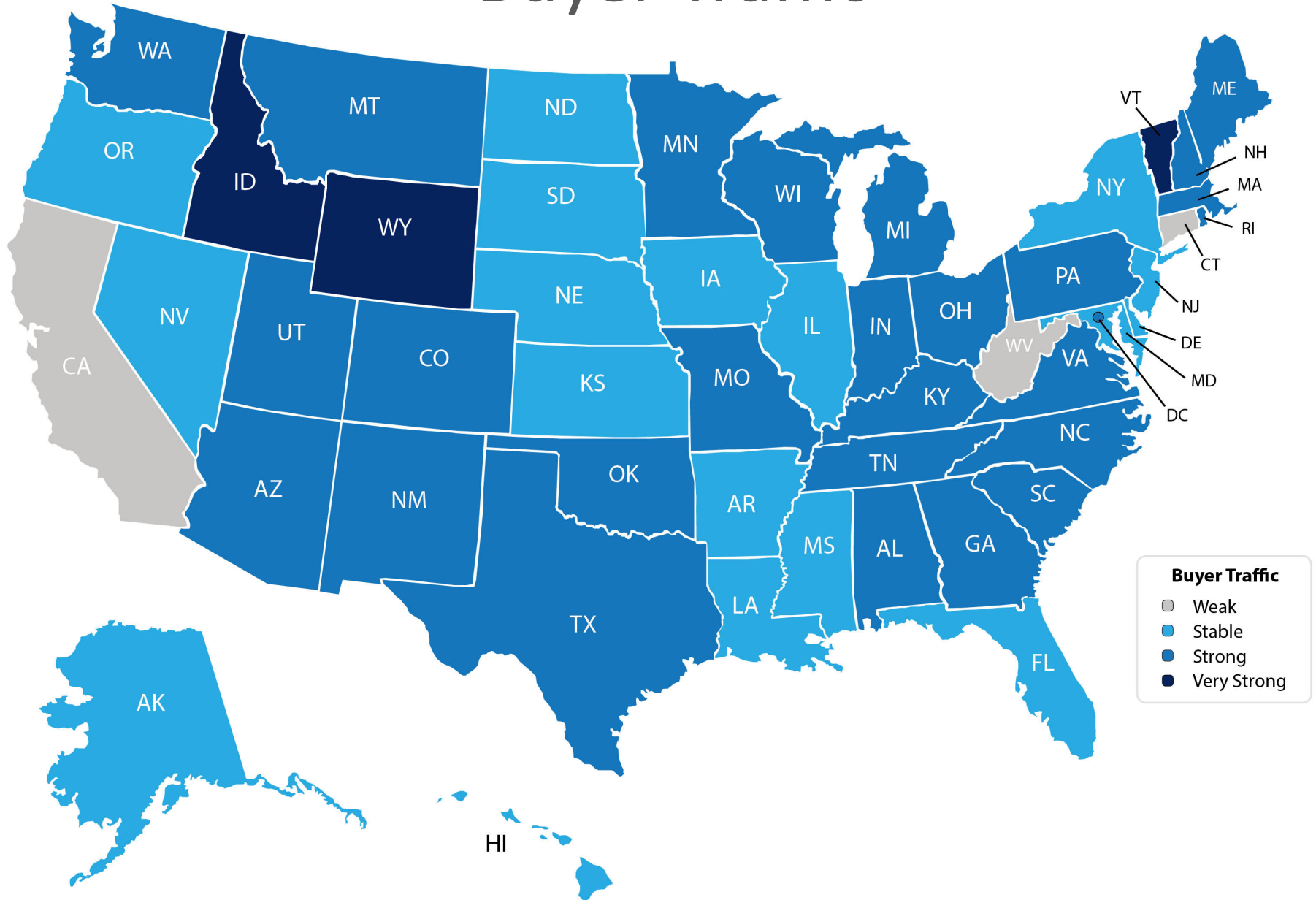
■ 2018

■ 2019





# Buyer Traffic

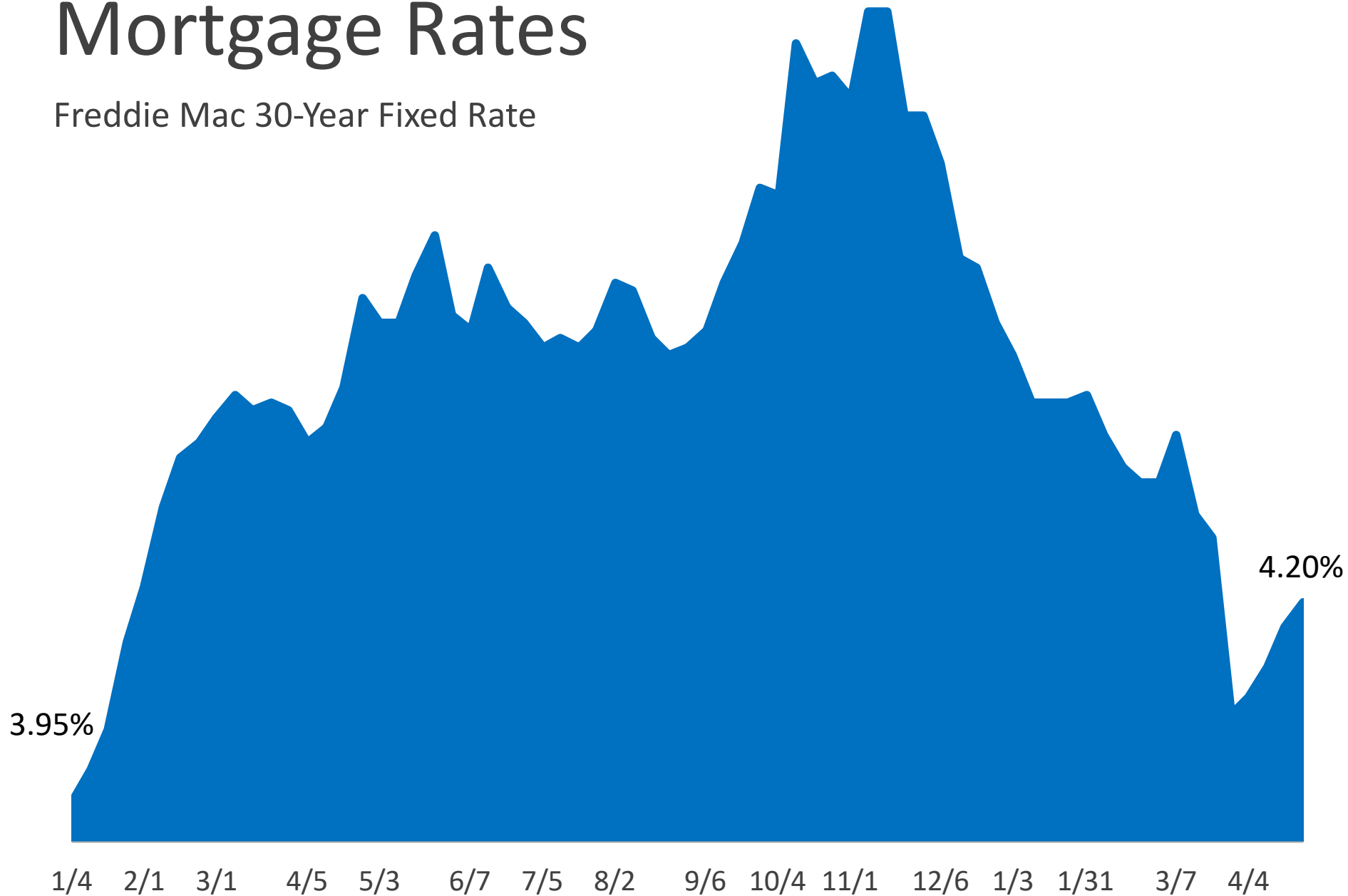


# INTEREST RATES



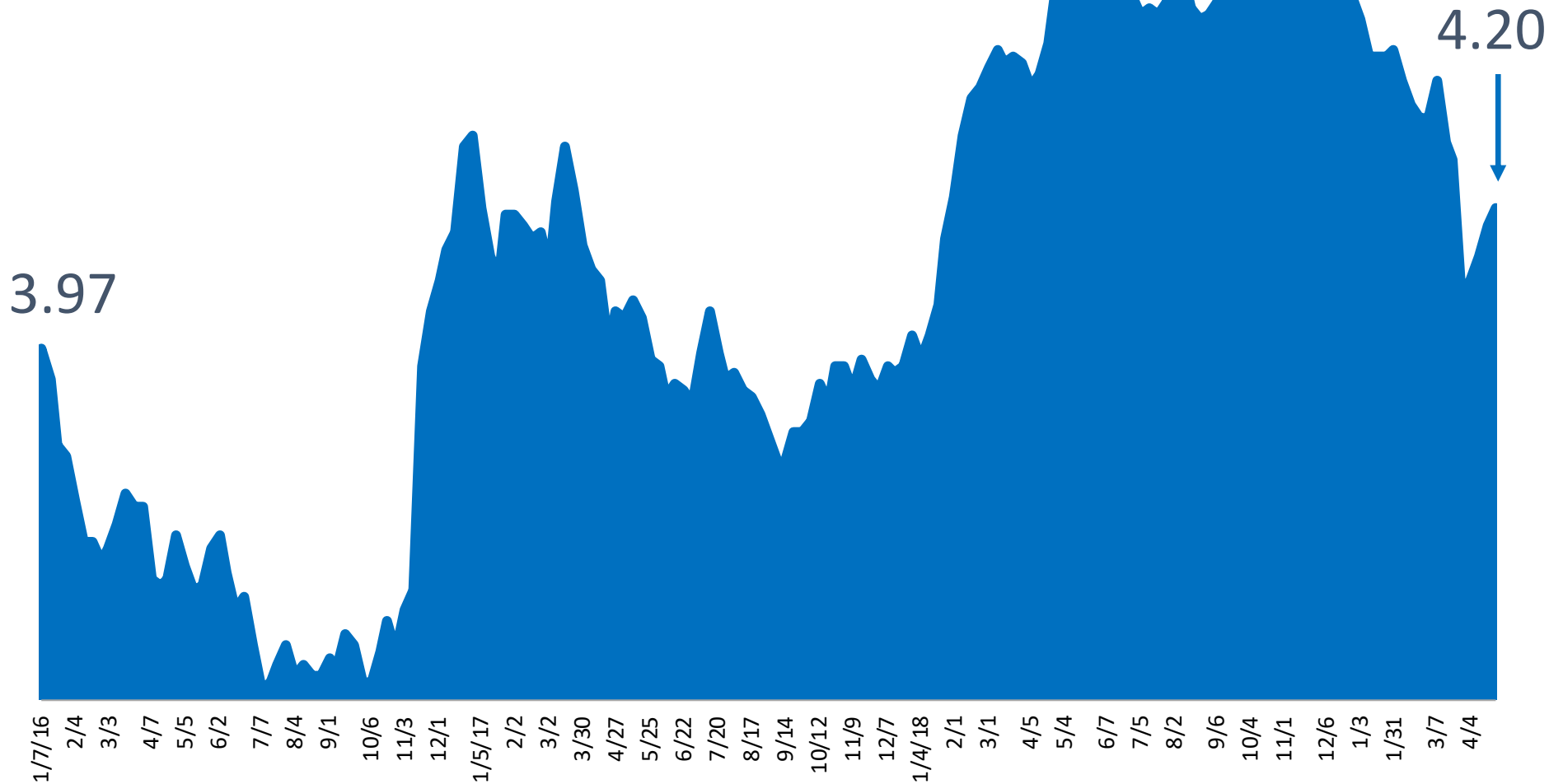
# Mortgage Rates

Freddie Mac 30-Year Fixed Rate



# 30-Year Fixed

Rate Mortgages  
from Freddie Mac



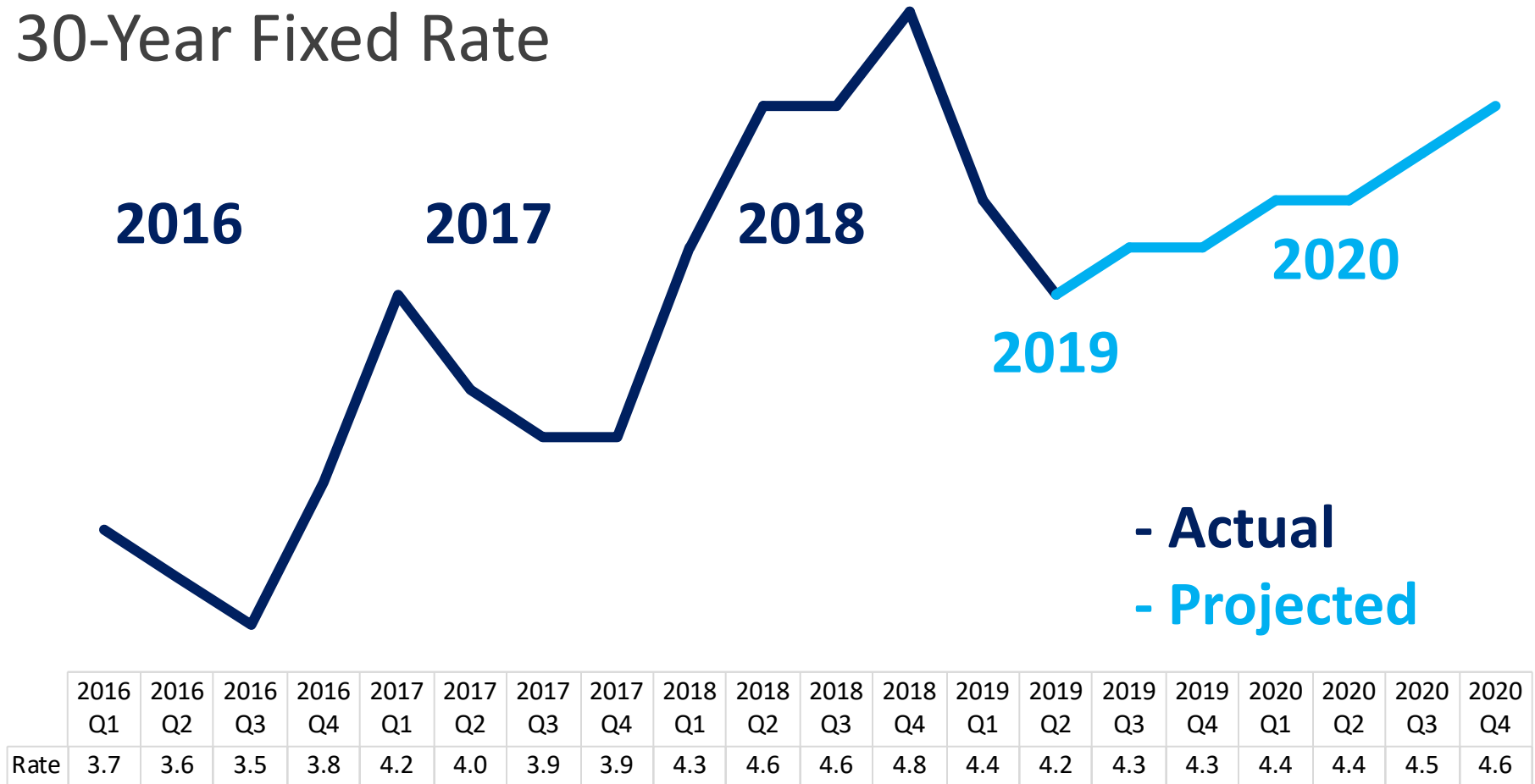
# Mortgage Rate Projections

Quarter	Freddie Mac	Fannie Mae	MBA	NAR	Average of All Four
2019 2Q	4.2	4.1	4.3	4.2	4.20
2019 3Q	4.3	4.1	4.4	4.3	4.28
2019 4Q	4.3	4.1	4.4	4.4	4.3
2020 1Q	4.4	4.1	4.5	4.5	4.38

# Mortgage Rates

## Freddie Mac

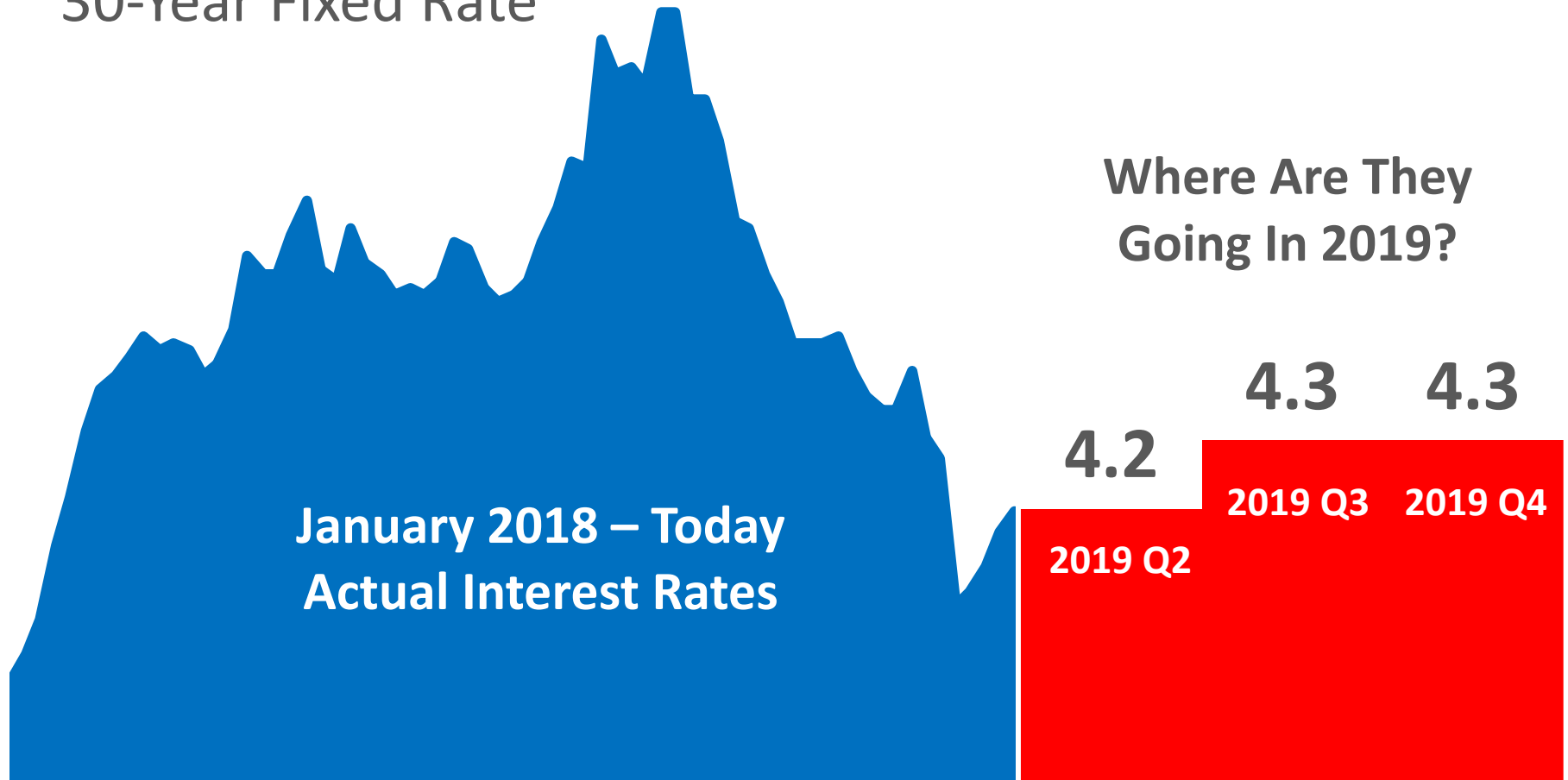
### 30-Year Fixed Rate



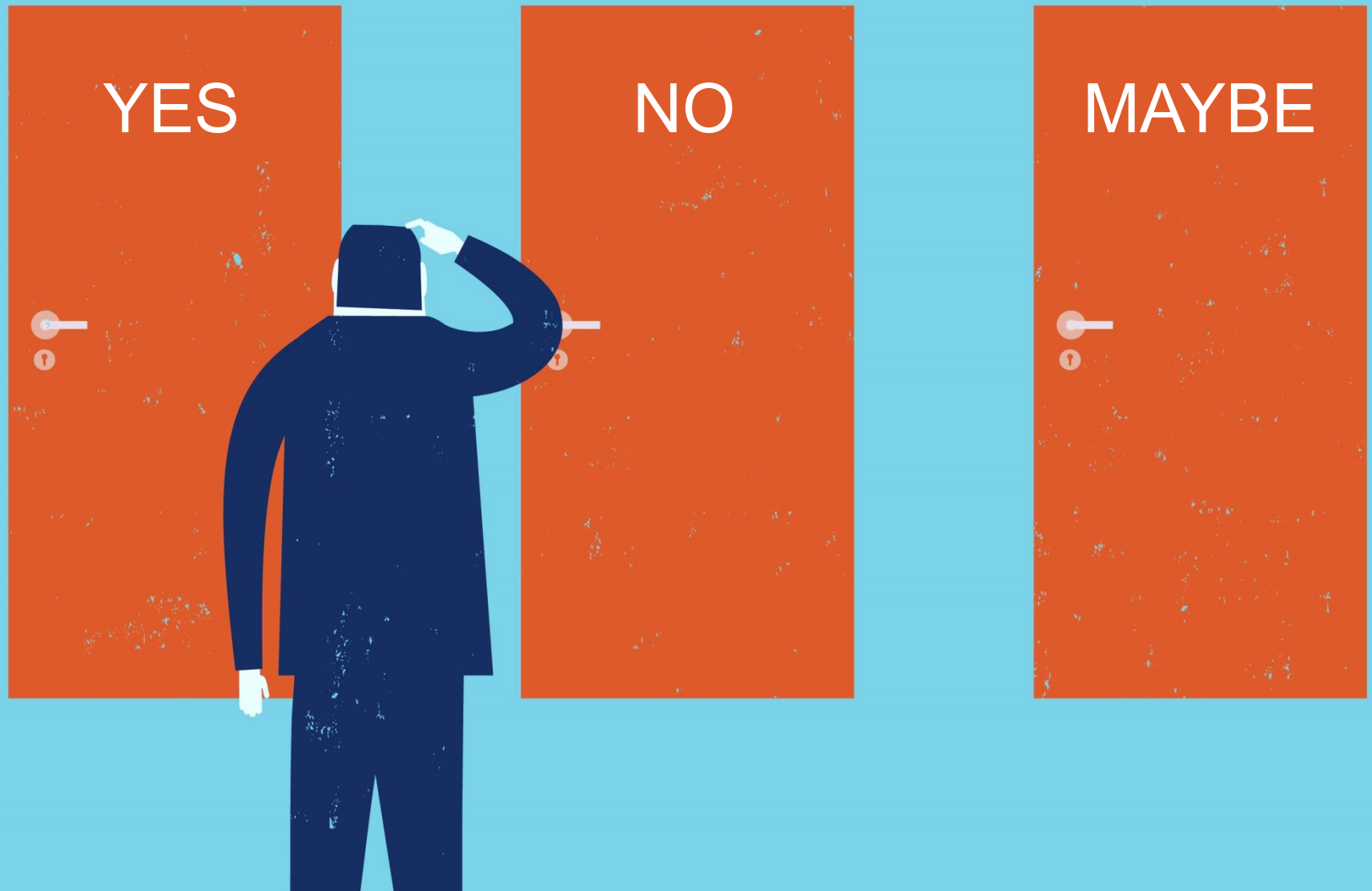
# Mortgage Rates

Freddie Mac

30-Year Fixed Rate

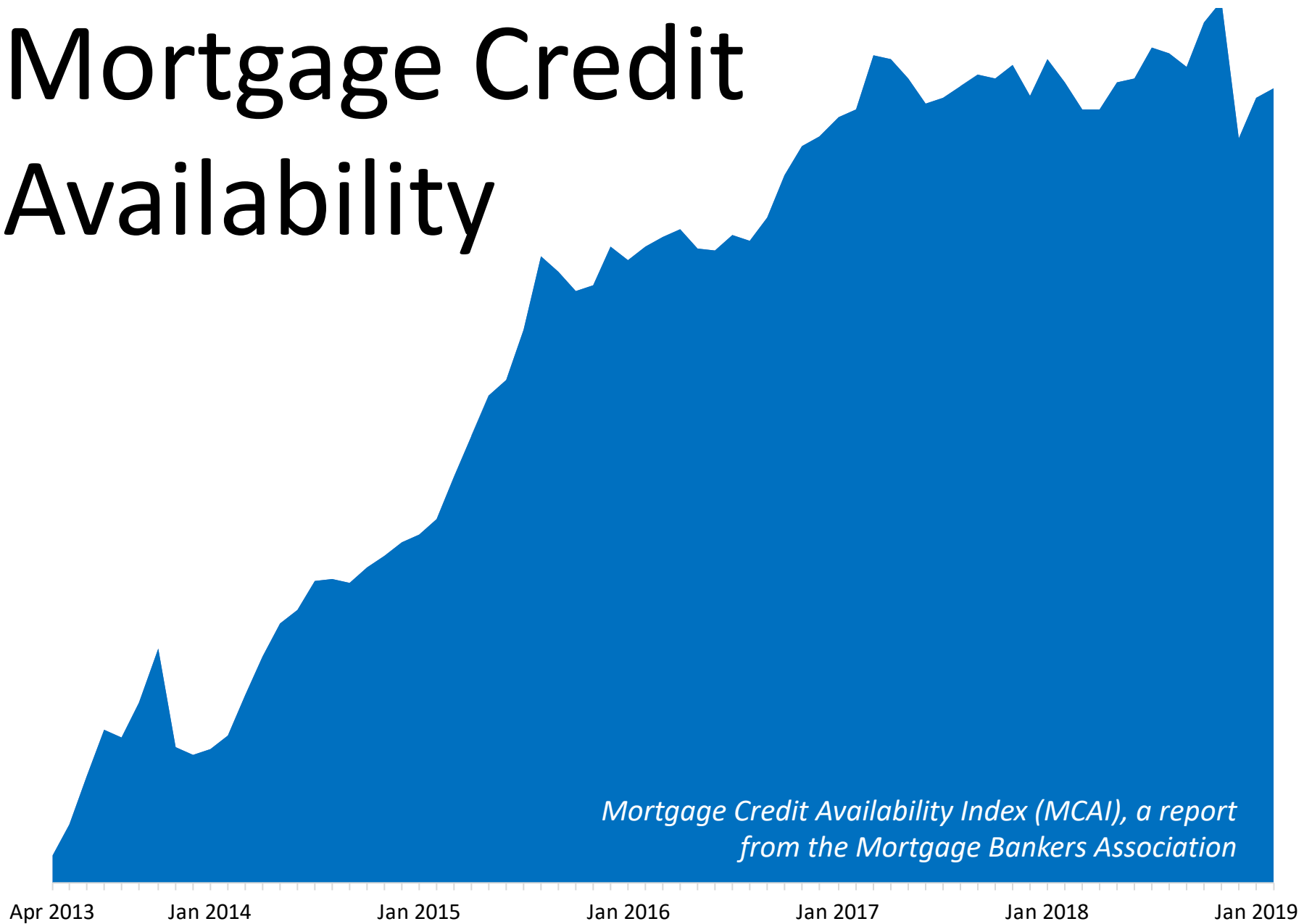


# Mortgage Credit Availability





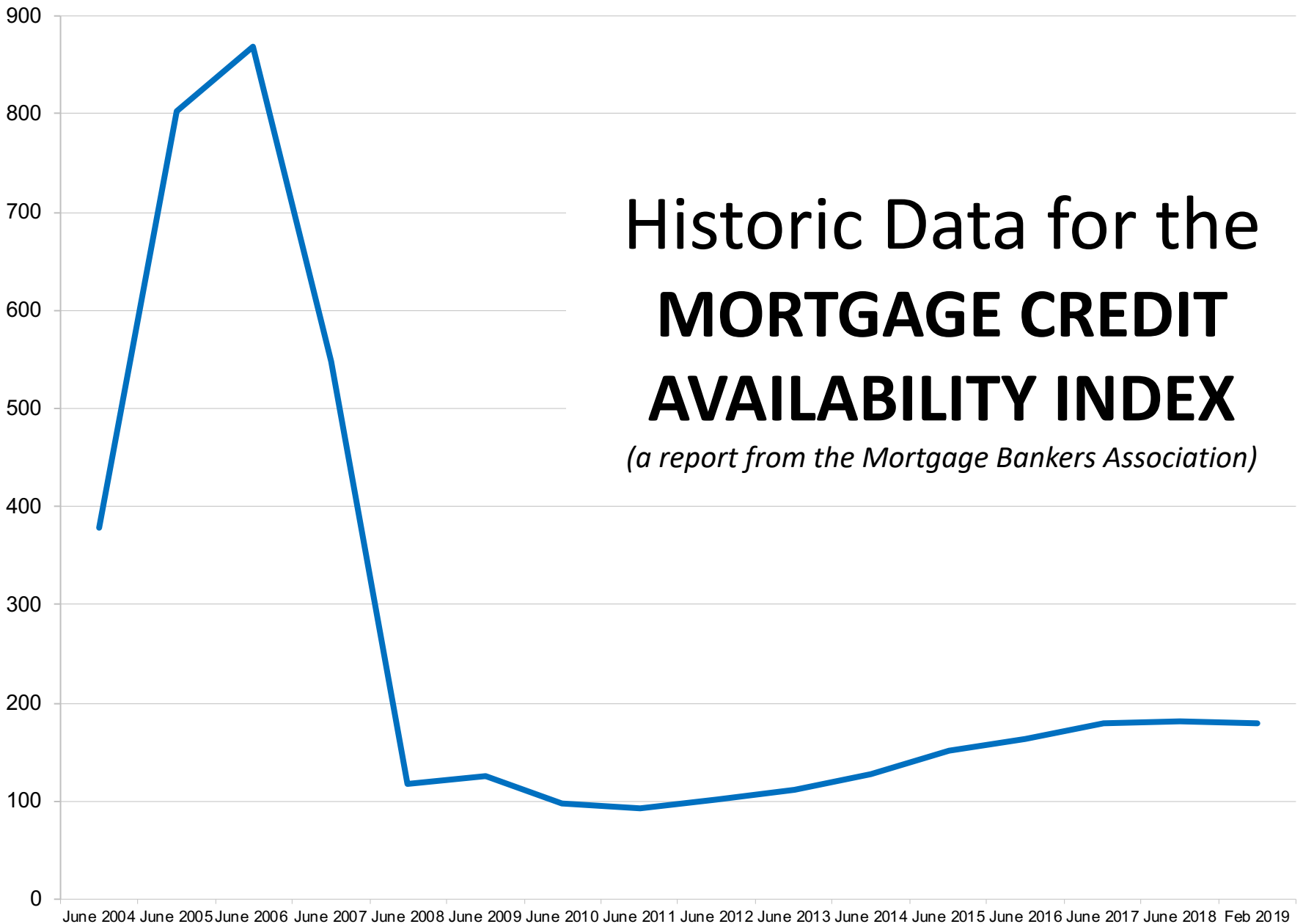
# Mortgage Credit Availability



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

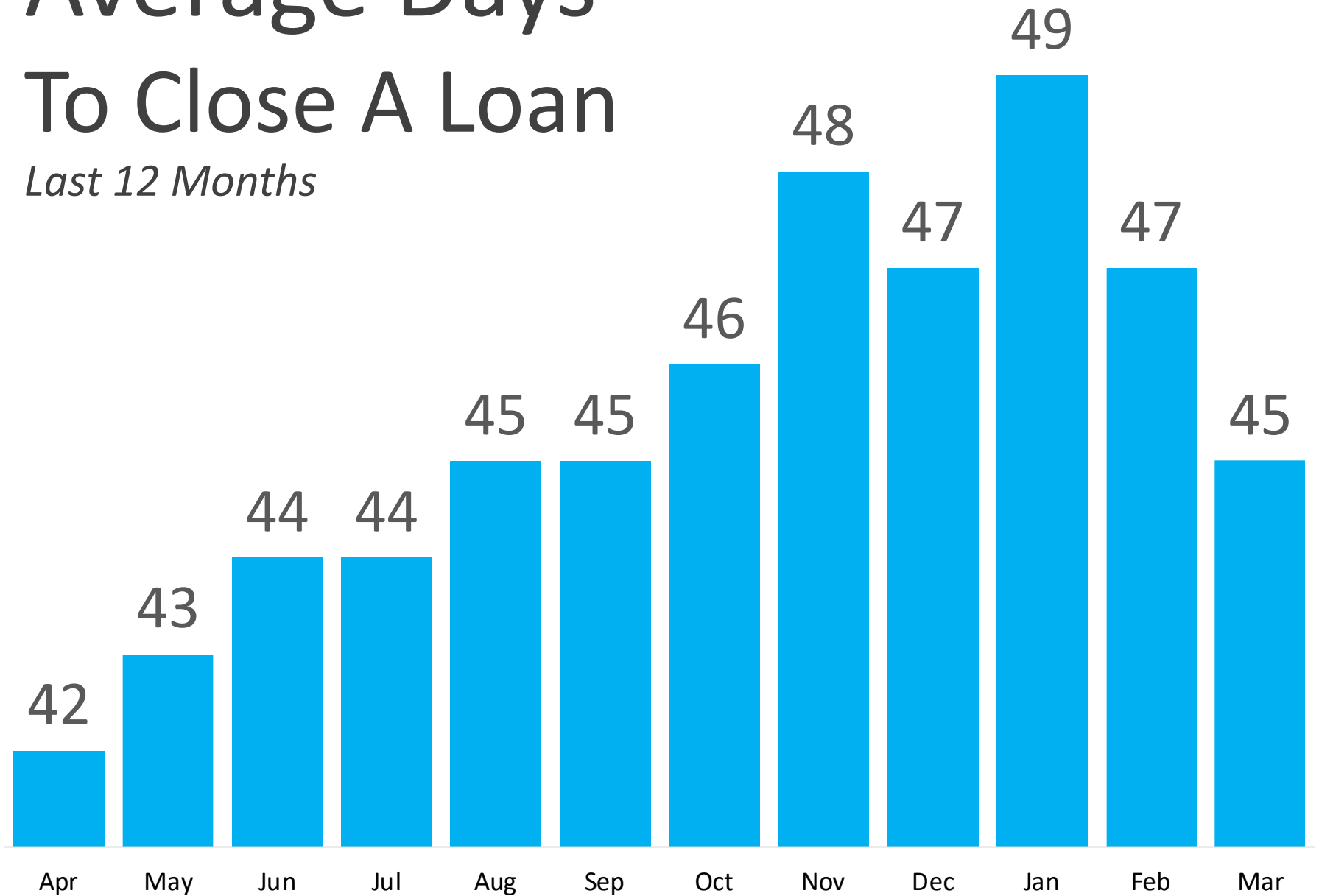
# Historic Data for the **MORTGAGE CREDIT AVAILABILITY INDEX**

*(a report from the Mortgage Bankers Association)*



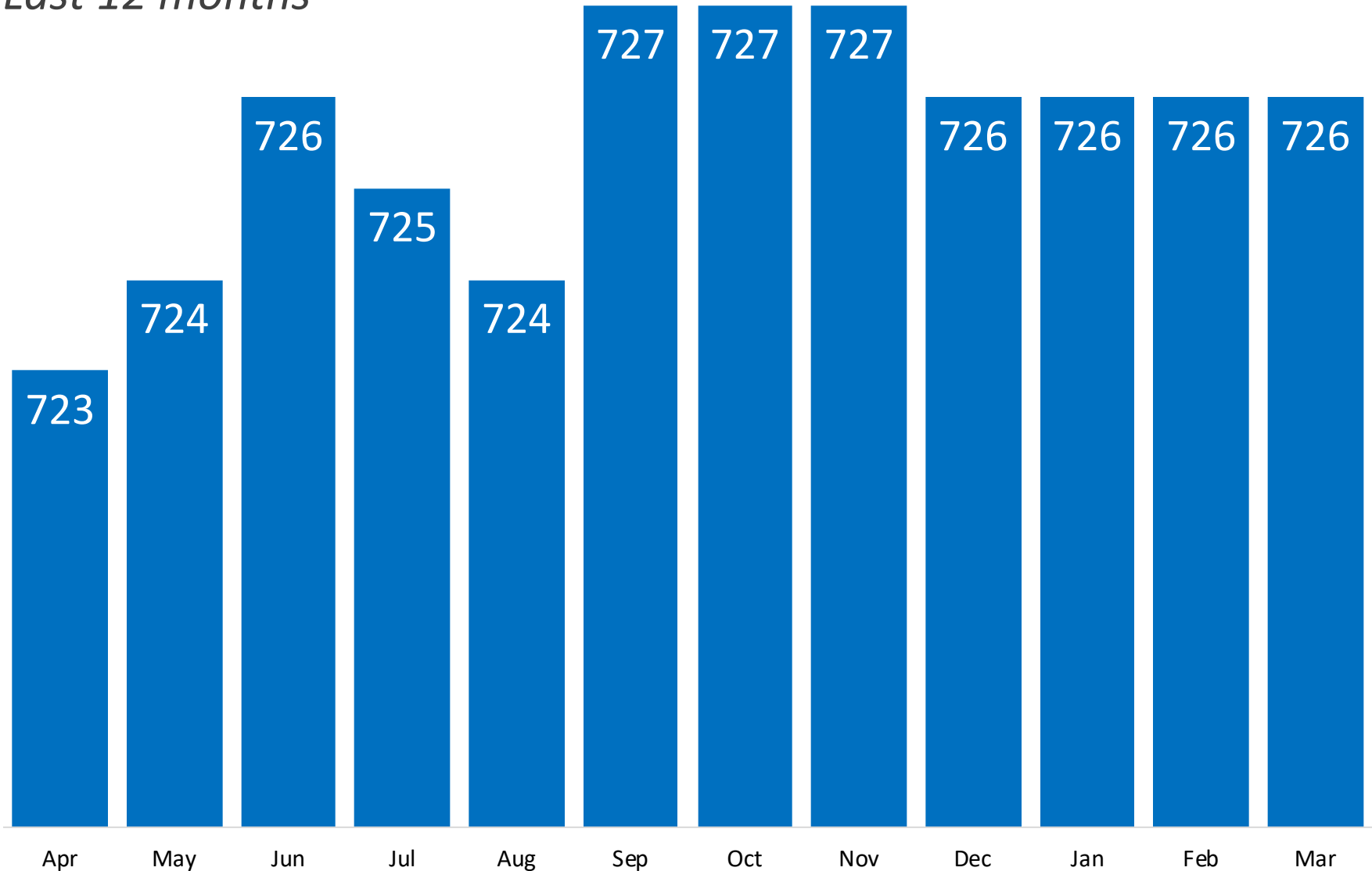
# Average Days To Close A Loan

*Last 12 Months*

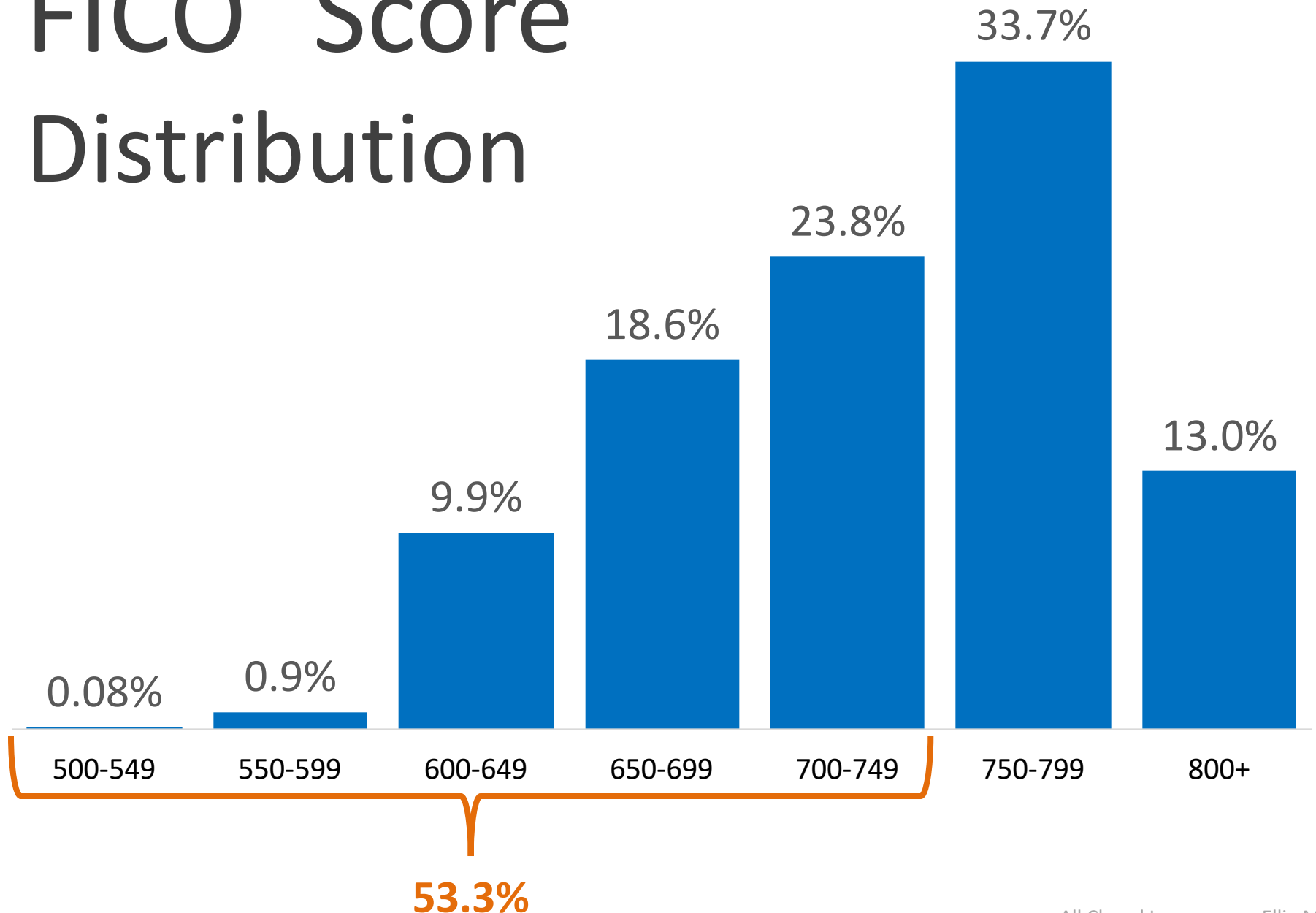


# FICO<sup>®</sup> Score Requirements

*Last 12 months*

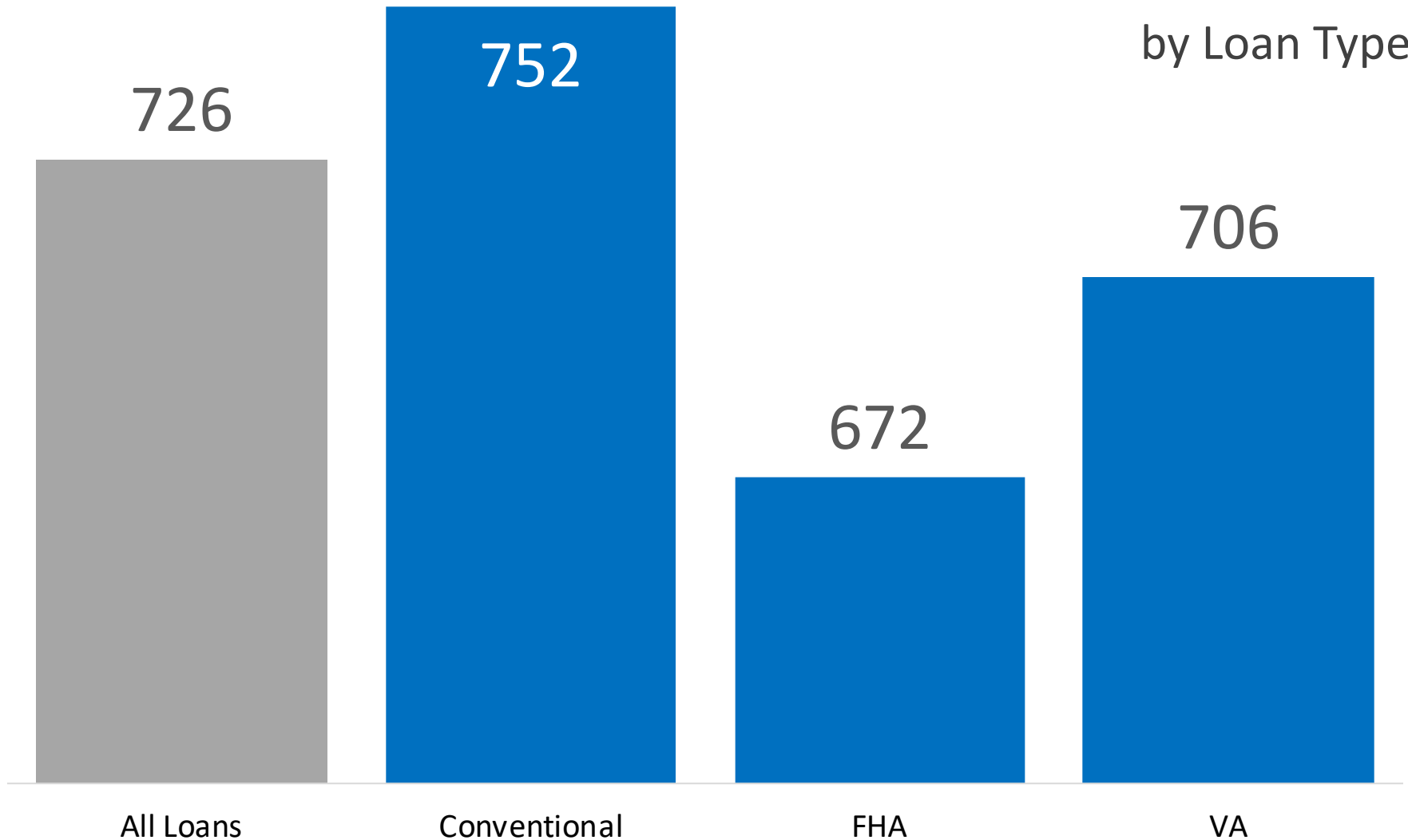


# FICO<sup>®</sup> Score Distribution



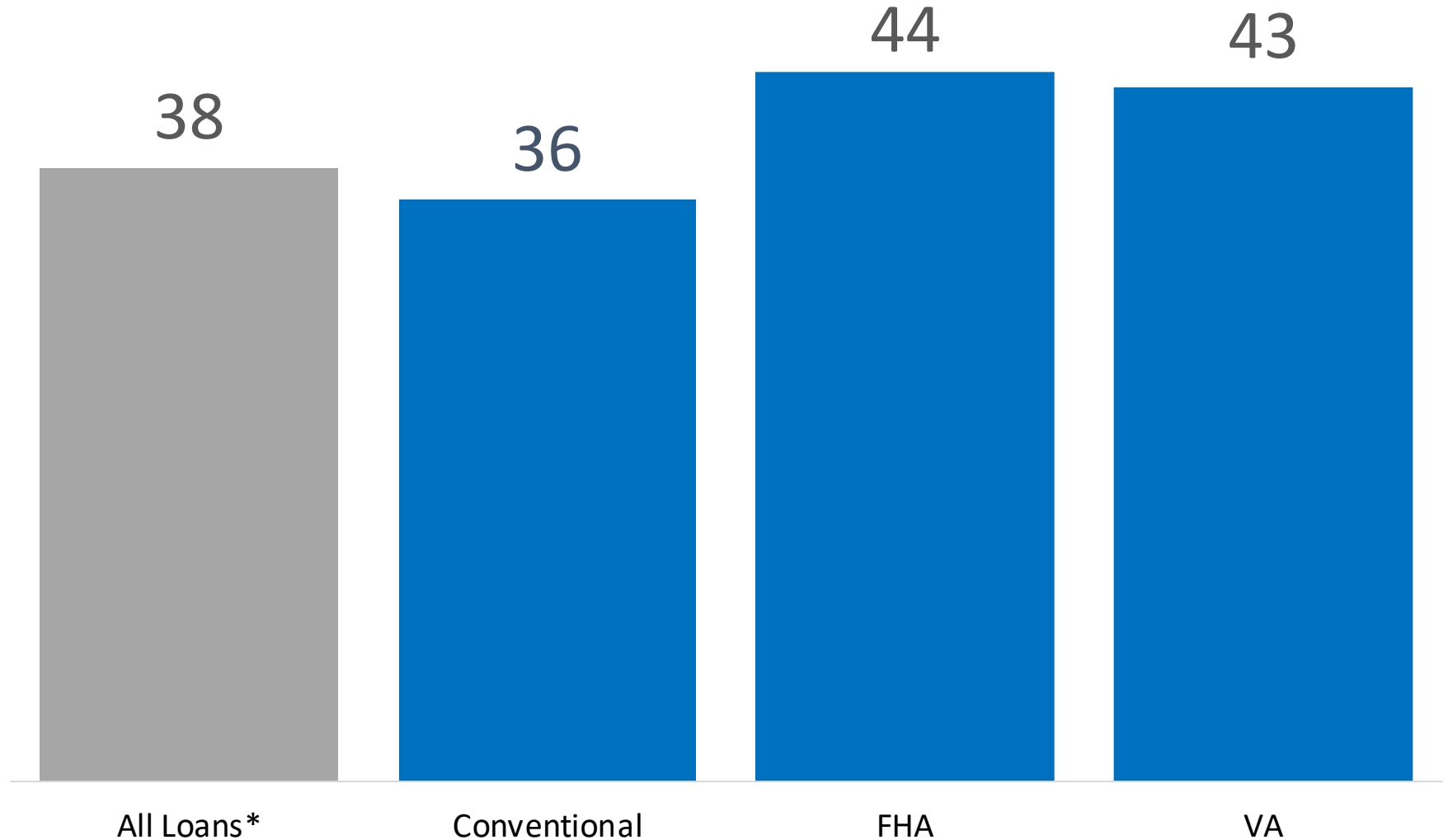
# Average FICO<sup>®</sup> Score

for Closed Purchase Loans  
by Loan Type



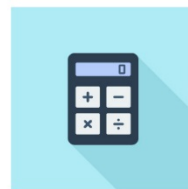
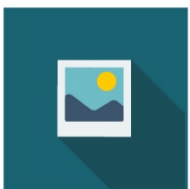
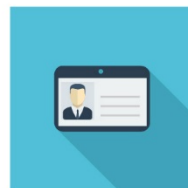
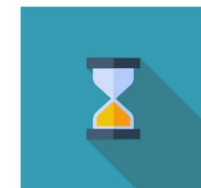
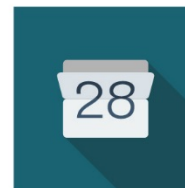
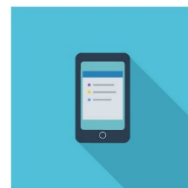
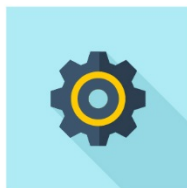
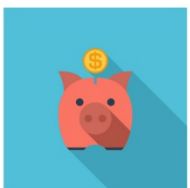
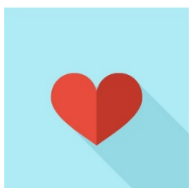
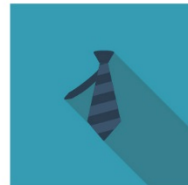
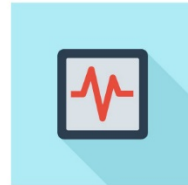
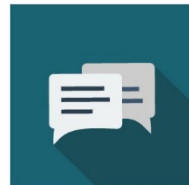
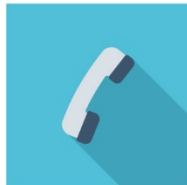
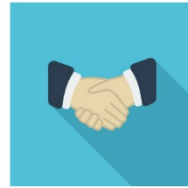
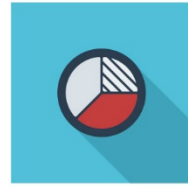
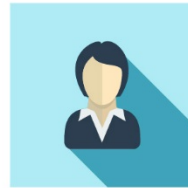
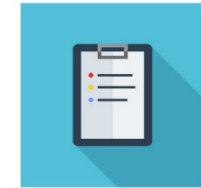
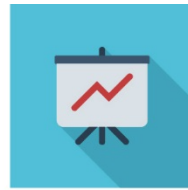
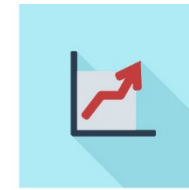
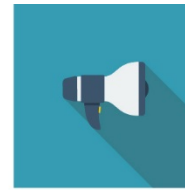
# Average Back End DTI

for Closed Purchase Loans by Loan Type



# KEEPING CURRENT MATTERS

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MAY 2019

