

Mortgage Rates Forecast Next 90 Days



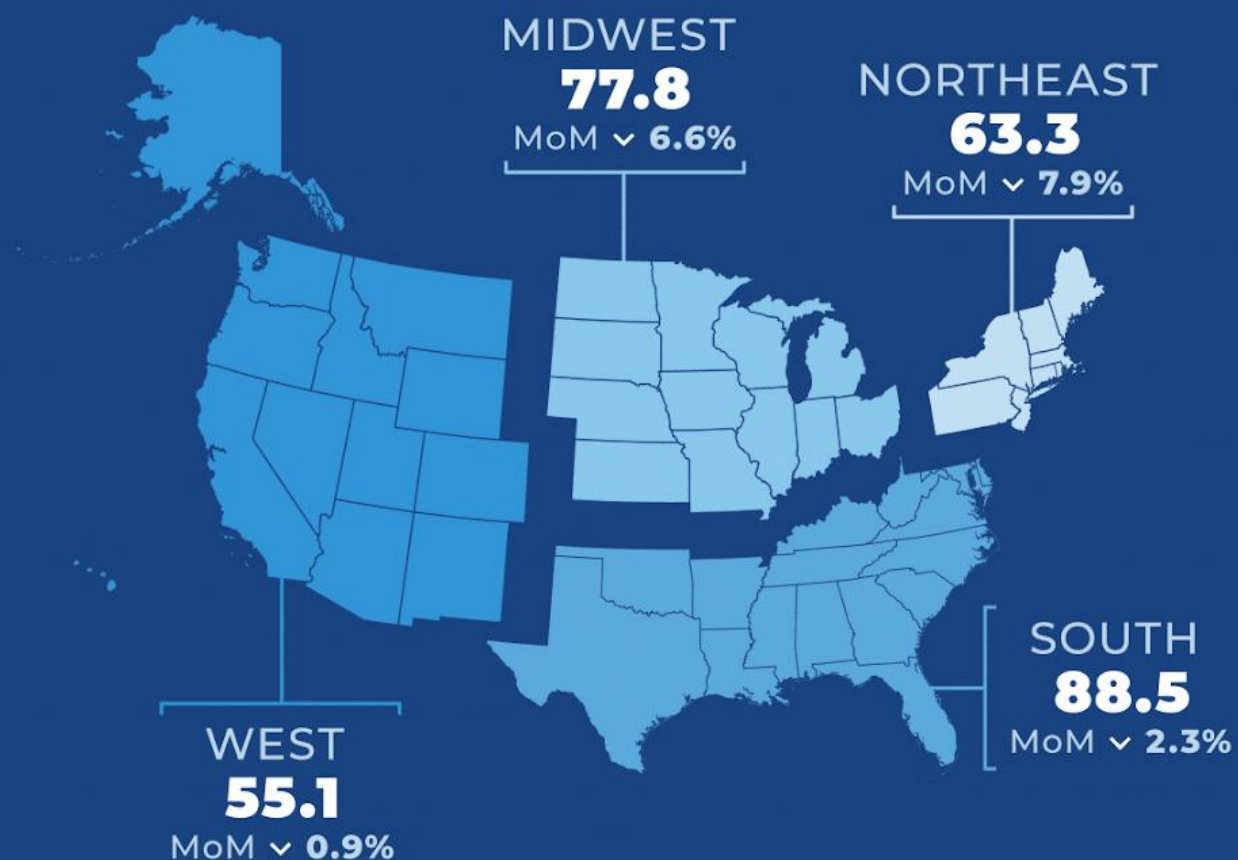
Historical Data: Freddie Mac. Projection based on 2022 forecast from six housing and financial authorities and the author's view of the market. Disclaimer: Rates are volatile and will probably be drastically different than even the best projections. (c) TheMortgageReports.com

HOUSING SNAPSHOT

PENDING HOME SALES

NOVEMBER 2022

INDEX **73.9**^{*} MoM \downarrow 4.0%

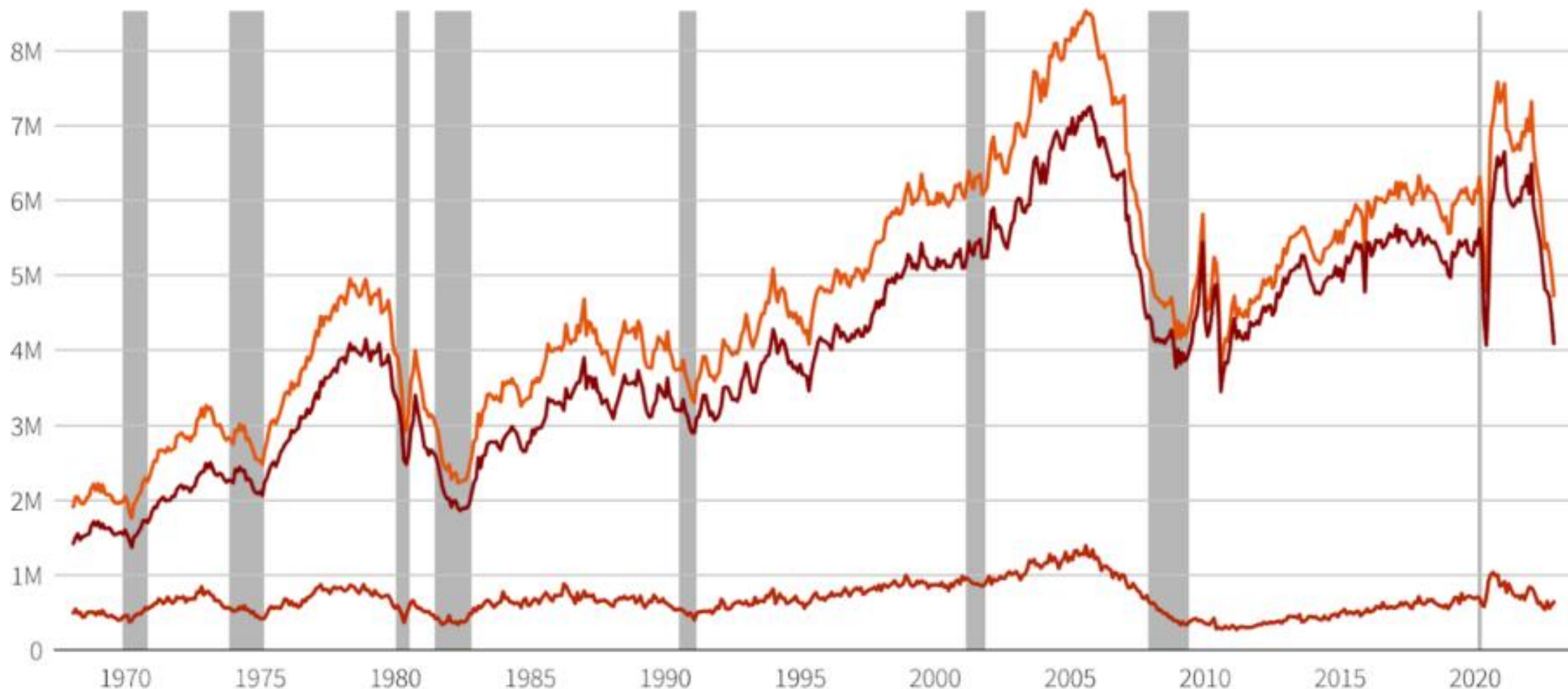


^{*}An index above 100 coincides with a higher level of activity relative to 2001 (2001=100).

U.S. housing market takes a hit

Surging interest rates engineered by the Federal Reserve in its battle to contain inflation have stifled demand in the housing market. Sales of both new and existing homes have slumped this year, with slim prospects for a near-term recovery.

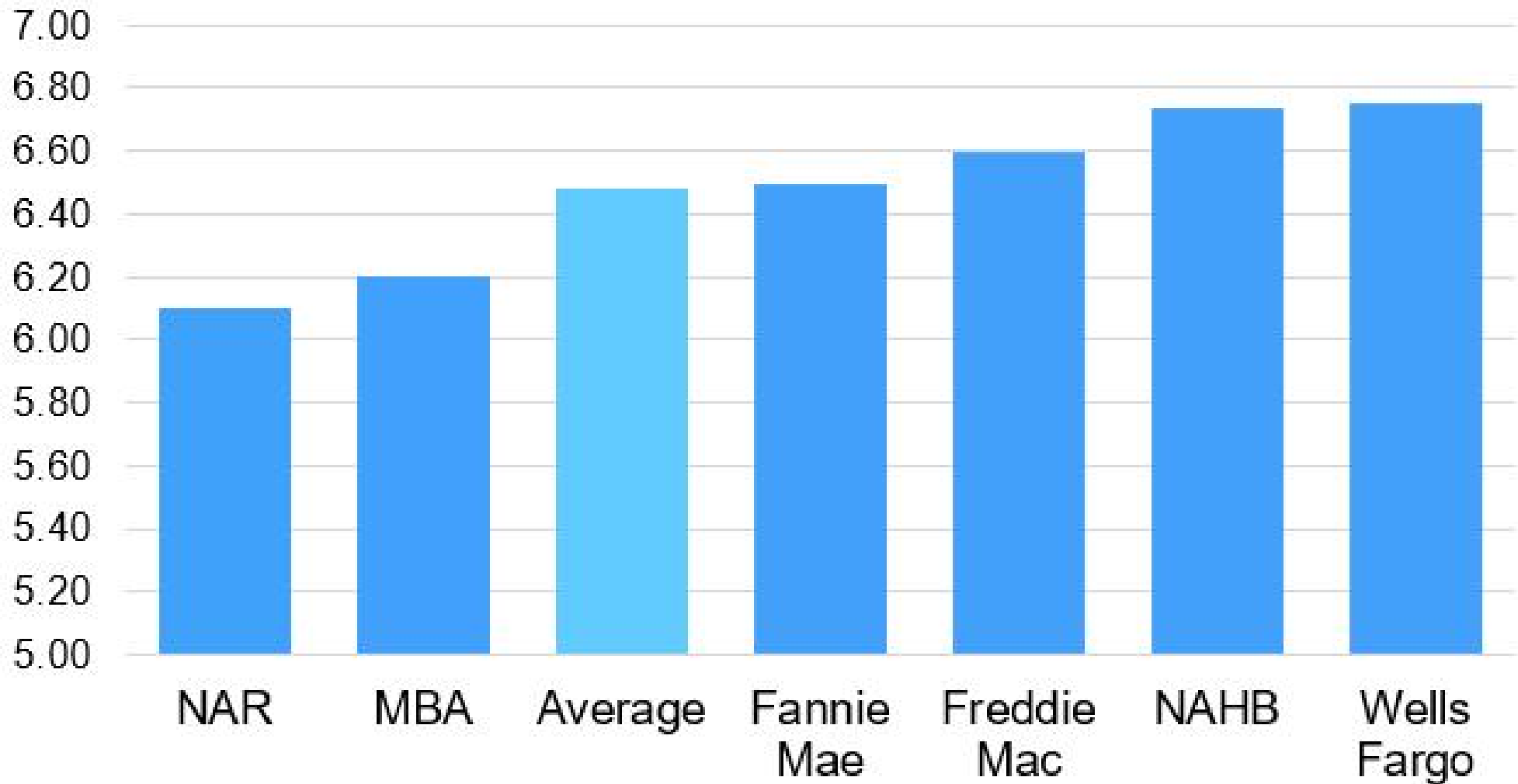
— Total home sales — Existing home sales — New home sales



Note: Seasonally adjusted annual rate of sales; gray bands are recessions

Source: National Association of Realtors; U.S. Census Bureau

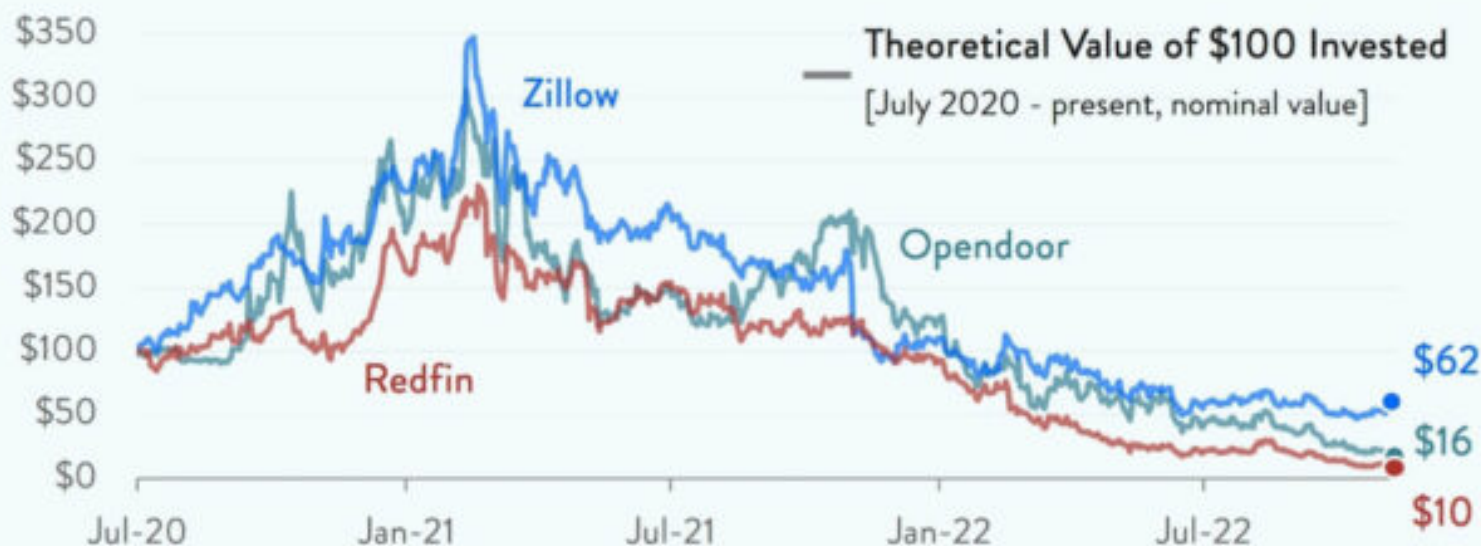
2023 Q1 Mortgage Rate Forecasts from Housing Authorities



(c) TheMortgageReports.com

Source: Projection materials published by stated housing agencies.

As The Housing Market Turns, Home-Flippers Are Struggling

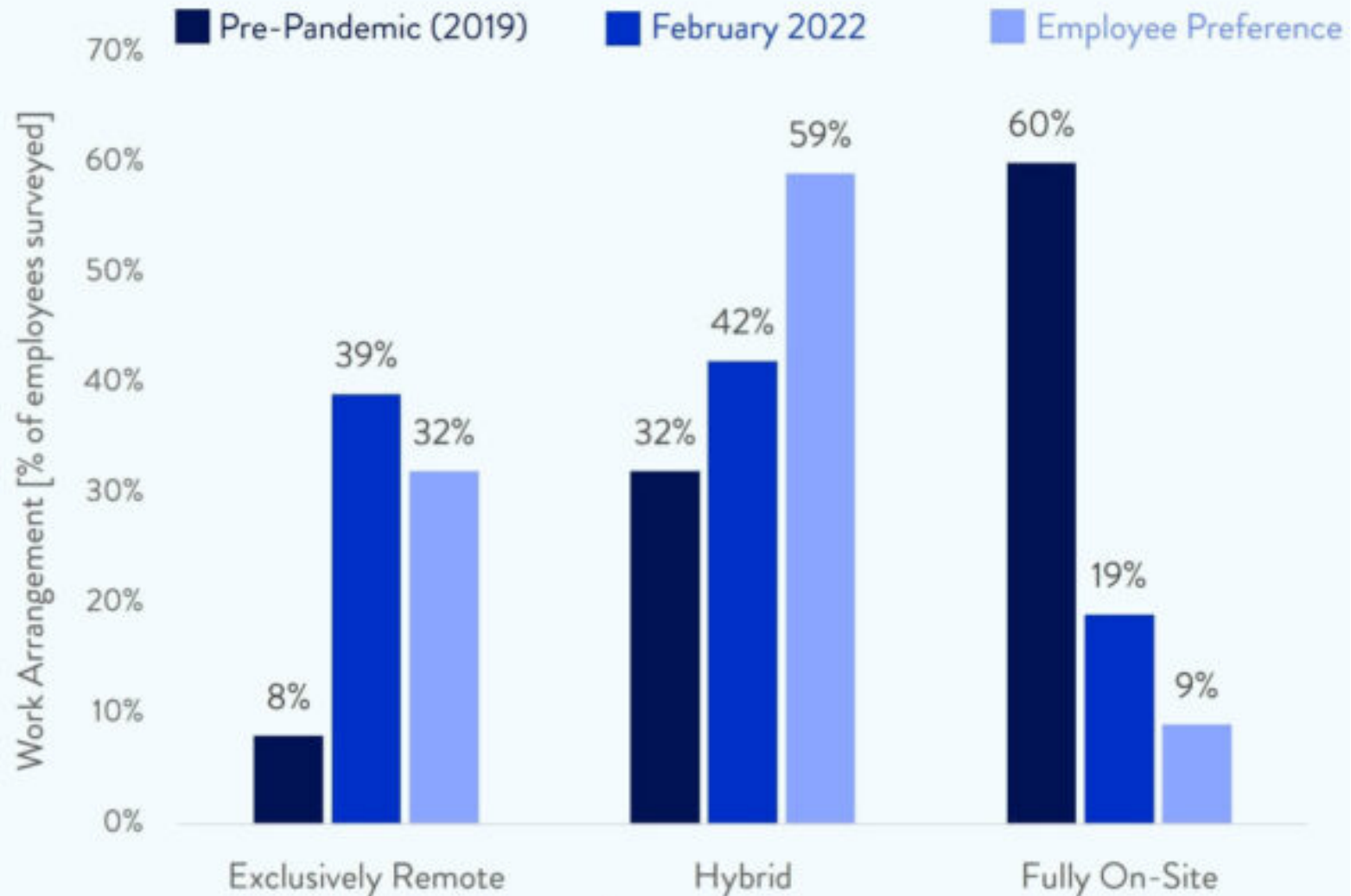


Source: Redfin, Yahoo Finance

chart

A Bit Of Both: Most Employees Want A Hybrid Work Solution

Work arrangements and preferences for employees of remote-capable jobs [Gallup Survey]

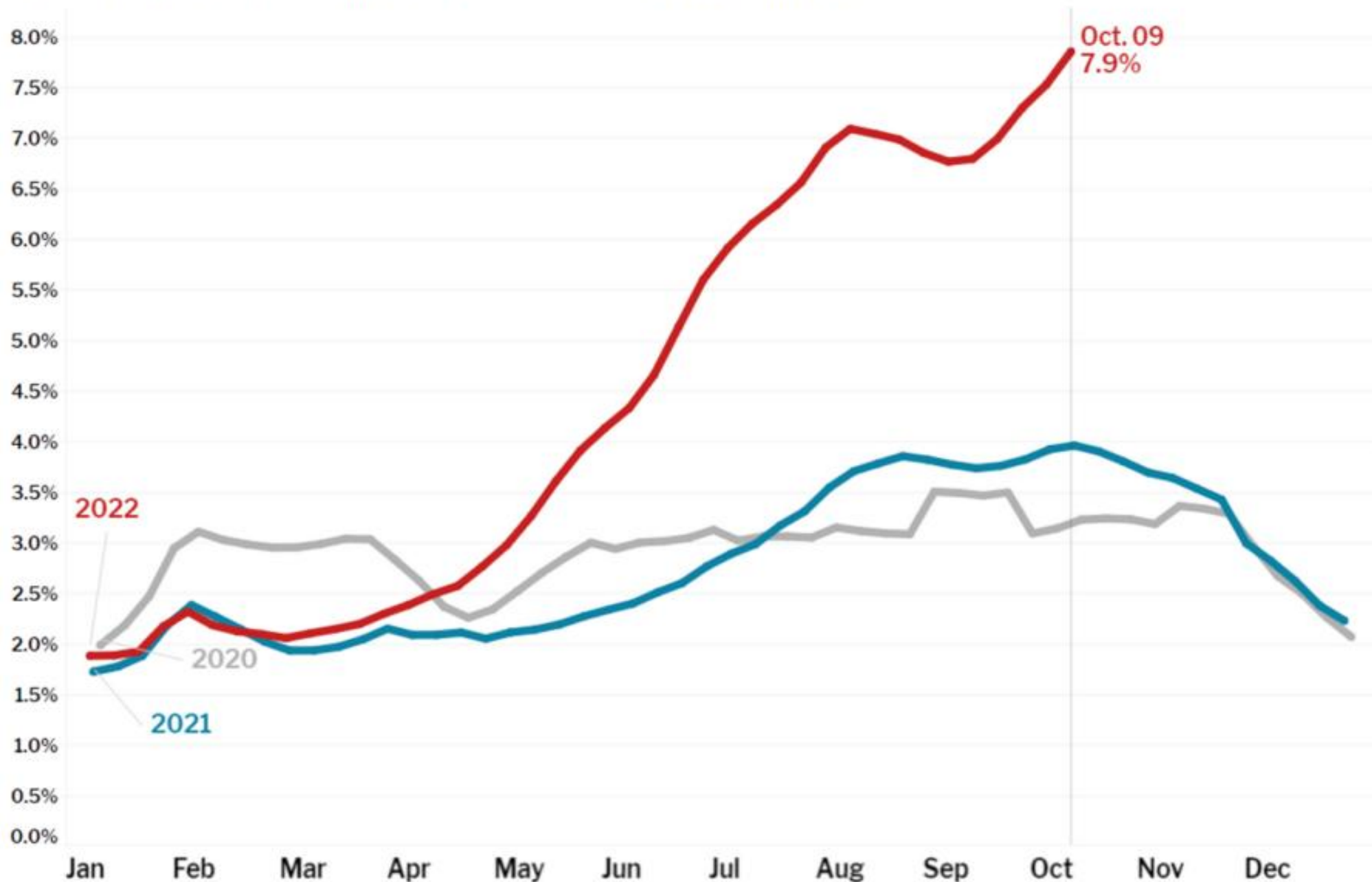


Source: Gallup Survey

chart

7.9% of Listings Had Price Drops

4-week rolling average share of homes for sale with price drops



Source: Redfin analysis of MLS data

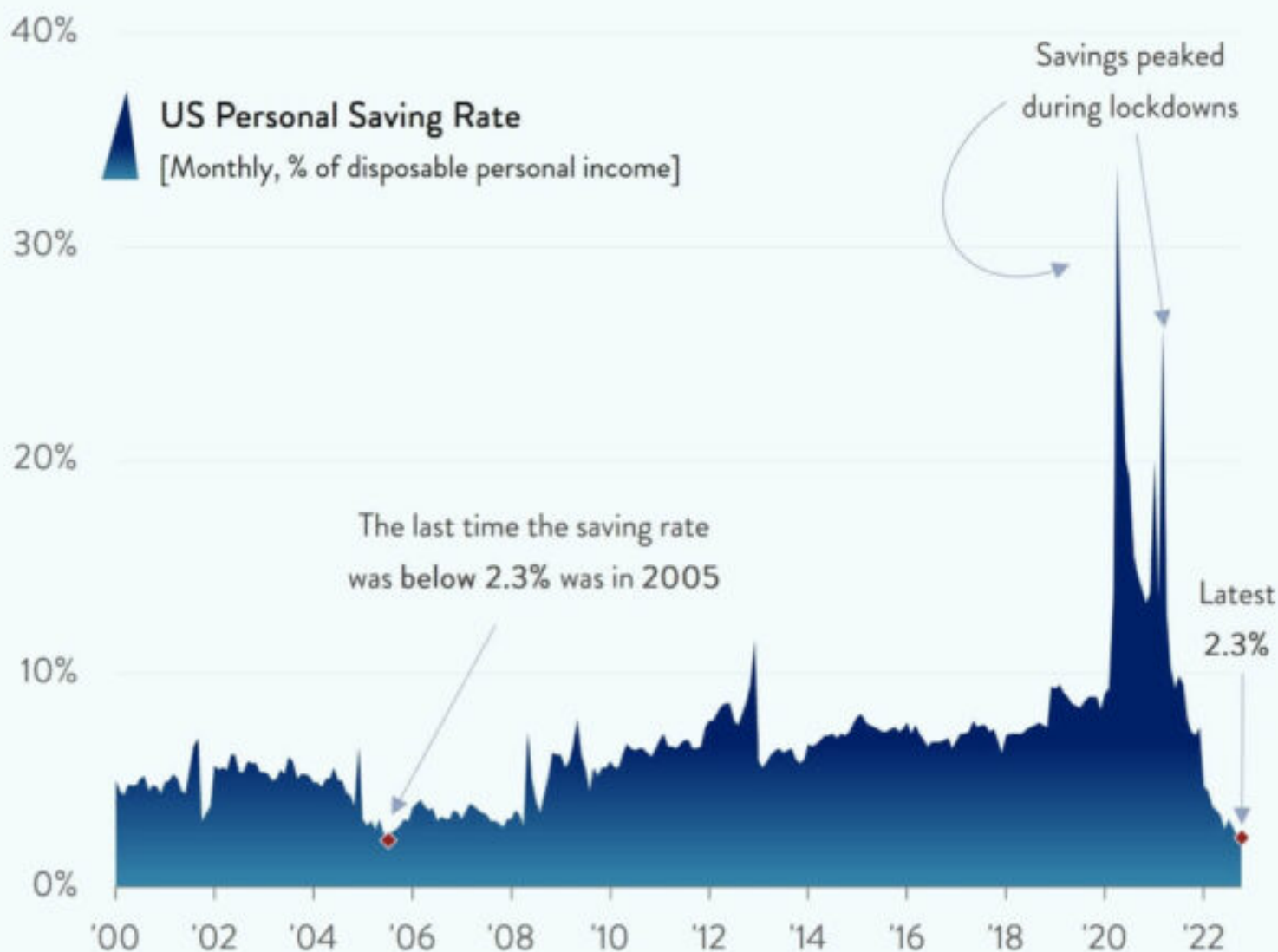
REDFIN

\$96,342

Potential growth in household wealth over the next 5 years based solely on increased home equity if you purchase a \$360K home in January 2022



Americans Have Been Saving Less & Less, As Inflation Bites

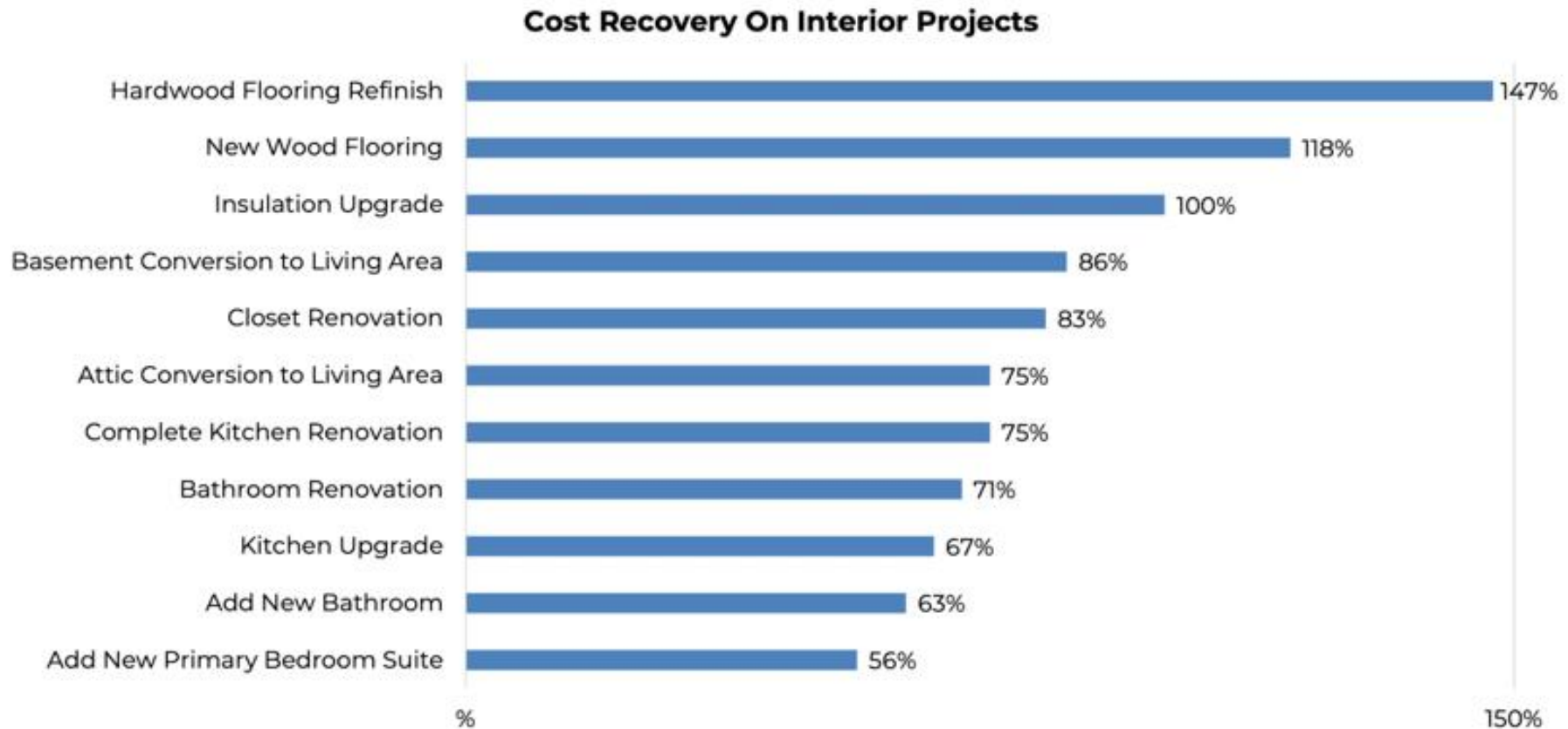


Source: US Bureau of Economic

Analysis via St. Louis Federal Reserve

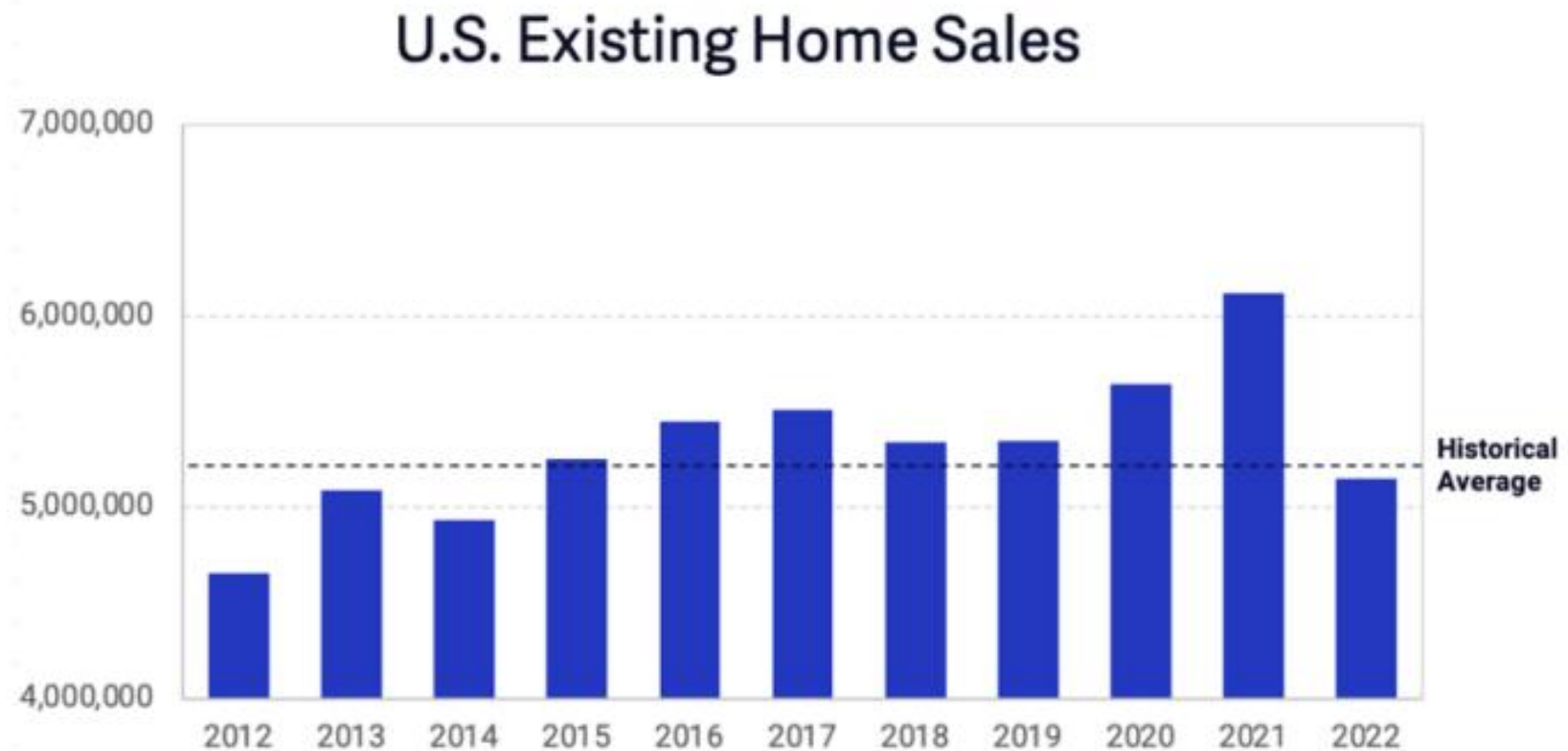
chart

Cost Recovery for Interior Remodeling Projects



2021 is an Outlier, Not a Benchmark

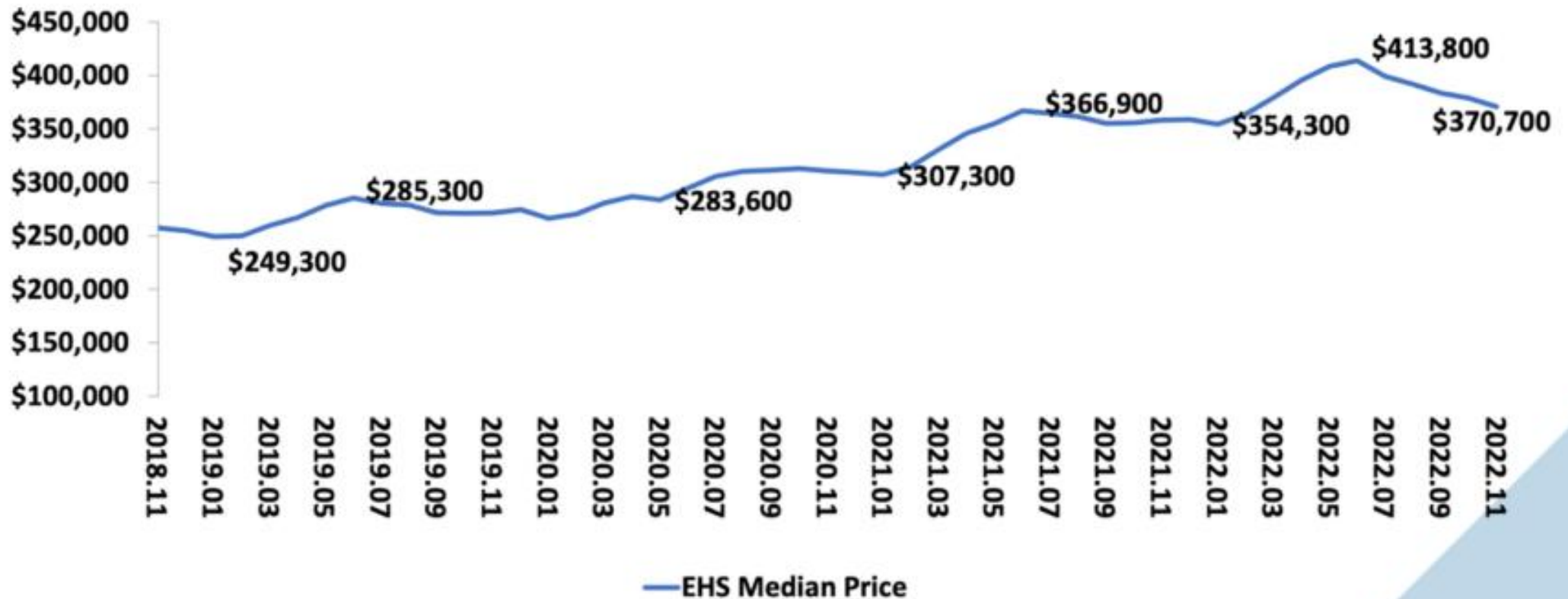
October 12, 2022 Mike DelPrete



Source: NAR

www.mikedp.com

Median Price of Existing Home Sales



Buyer's Purchasing Power

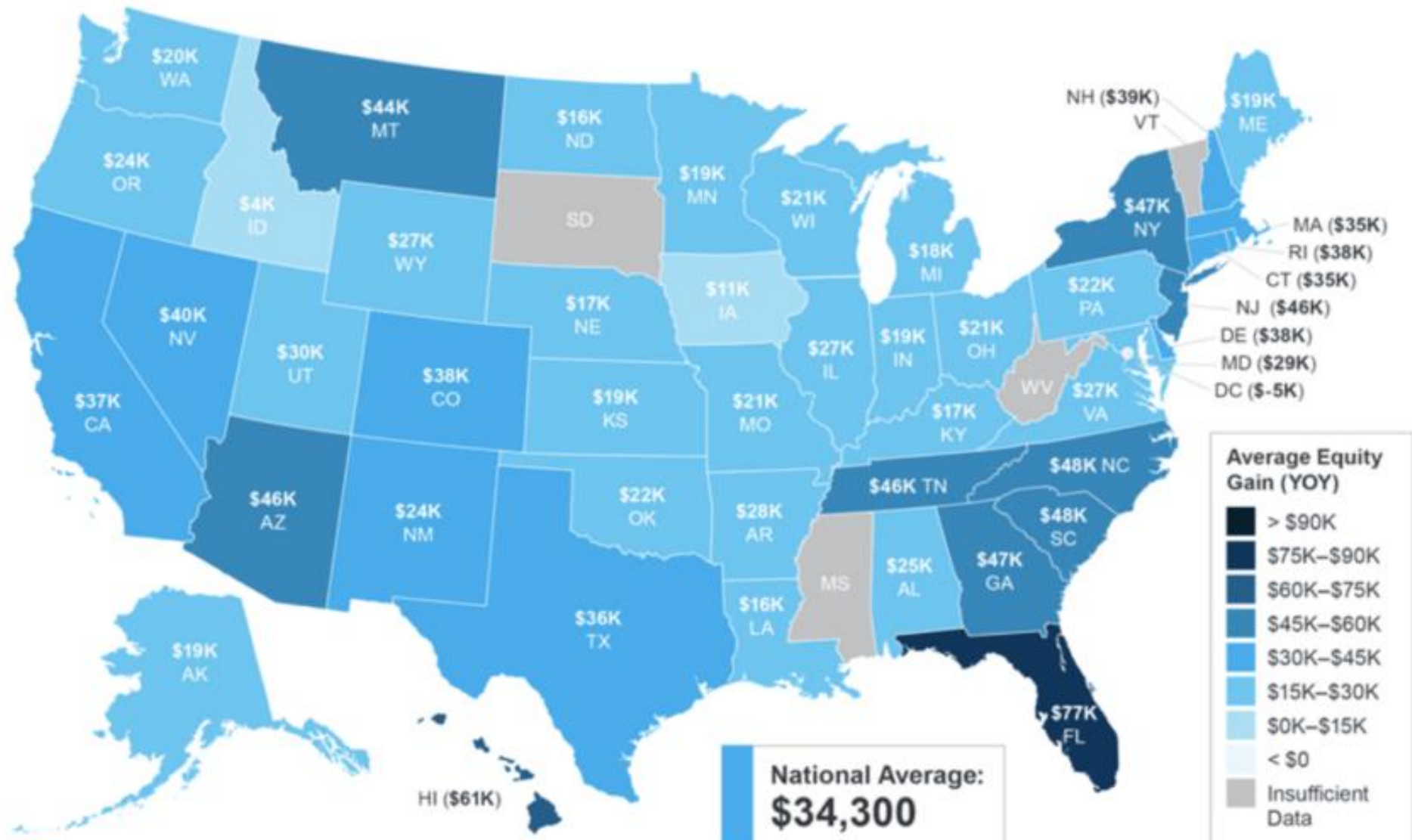
Monthly Mortgage Payment (Principal and Interest)

		Home Loan Amount				
		\$440,000	\$420,000	\$400,000	\$380,000	\$360,000
Mortgage Interest Rate	7.50%	\$3,077	\$2,937	\$2,797	\$2,657	\$2,517
	7.25%	\$3,002	\$2,865	\$2,729	\$2,592	\$2,456
	7.00%	\$2,927	\$2,794	\$2,661	\$2,528	\$2,395
	6.75%	\$2,854	\$2,724	\$2,594	\$2,465	\$2,335
	6.50%	\$2,781	\$2,655	\$2,528	\$2,402	\$2,275
	6.25%	\$2,709	\$2,586	\$2,463	\$2,340	\$2,217
	6.00%	\$2,638	\$2,518	\$2,398	\$2,278	\$2,158

Principal and interest payments rounded to the nearest dollar. Total monthly payment may vary based on loan specifications such as property taxes, insurance, HOA dues, and other fees. Interest rates used here are for marketing purpose only. Consult your licensed Mortgage Advisor for current rates.

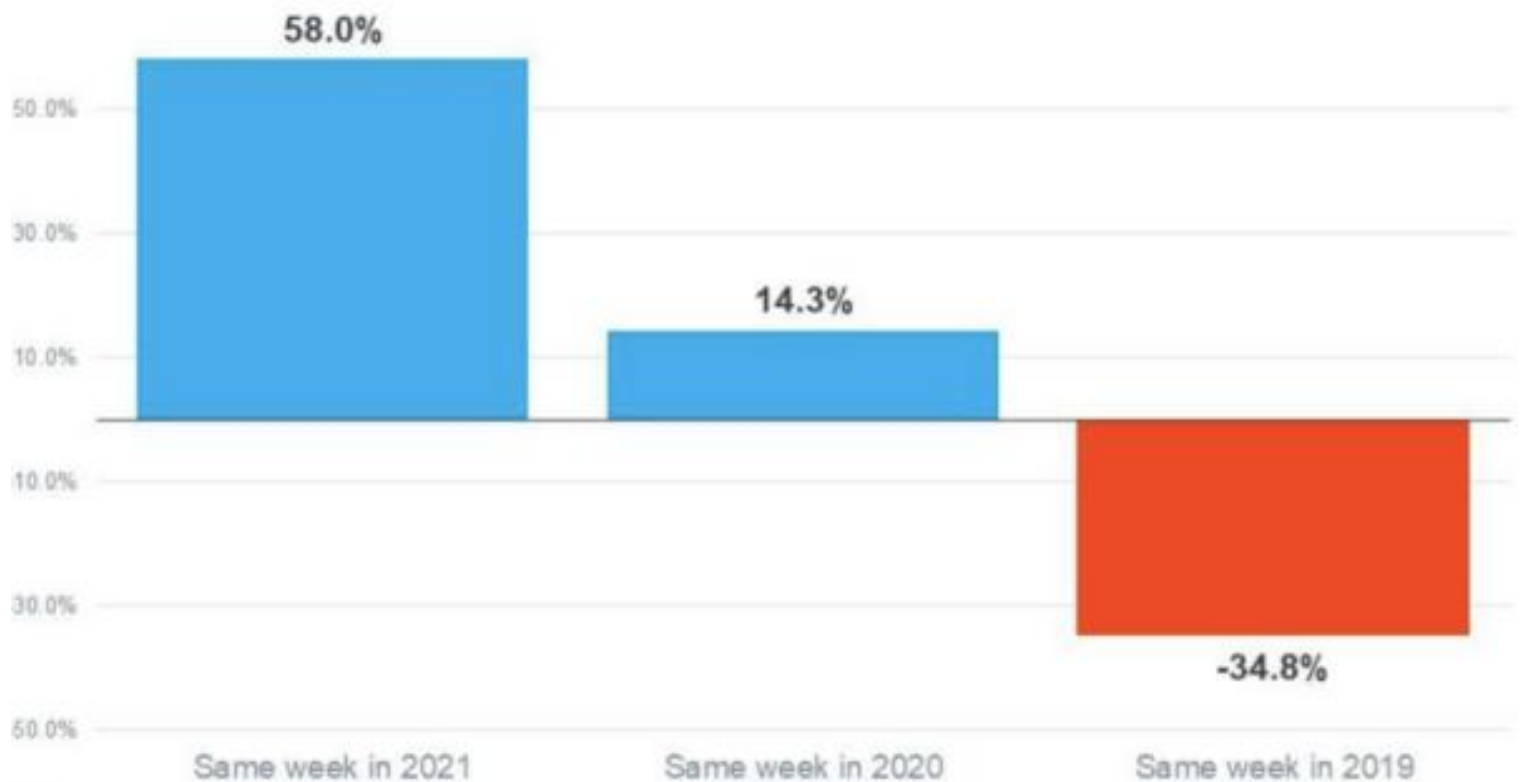
Homeowner Equity Gains

Year-Over-Year, Q3 2022



HOUSING SUPPLY IS STILL HISTORICALLY LOW

INVENTORY THE WEEK ENDING DECEMBER 9TH COMPARED TO LAST 3 YEARS



KEEPING CURRENT MATTERS

Source: Calculated Risk

How much inventory levels have shifted over the past 12 months

Change between November, 2021 and November, 2022

