

ROSS REALTY GROUP

KELLERWILLIAMS
Luxury
INTERNATIONAL

HOUSING UPDATE



Q: When do most listings come on the market?



A: The 2nd Quarter of Each Year

“Home sellers have historically moved when something in their lives changed – a new baby, a marriage, a divorce or a new job. . . . The pandemic has impacted everyone, and for many this became an impetus to sell and make a housing trade.”

Jessica Lautz

VP of Demographics and
Behavioral Insights at NAR

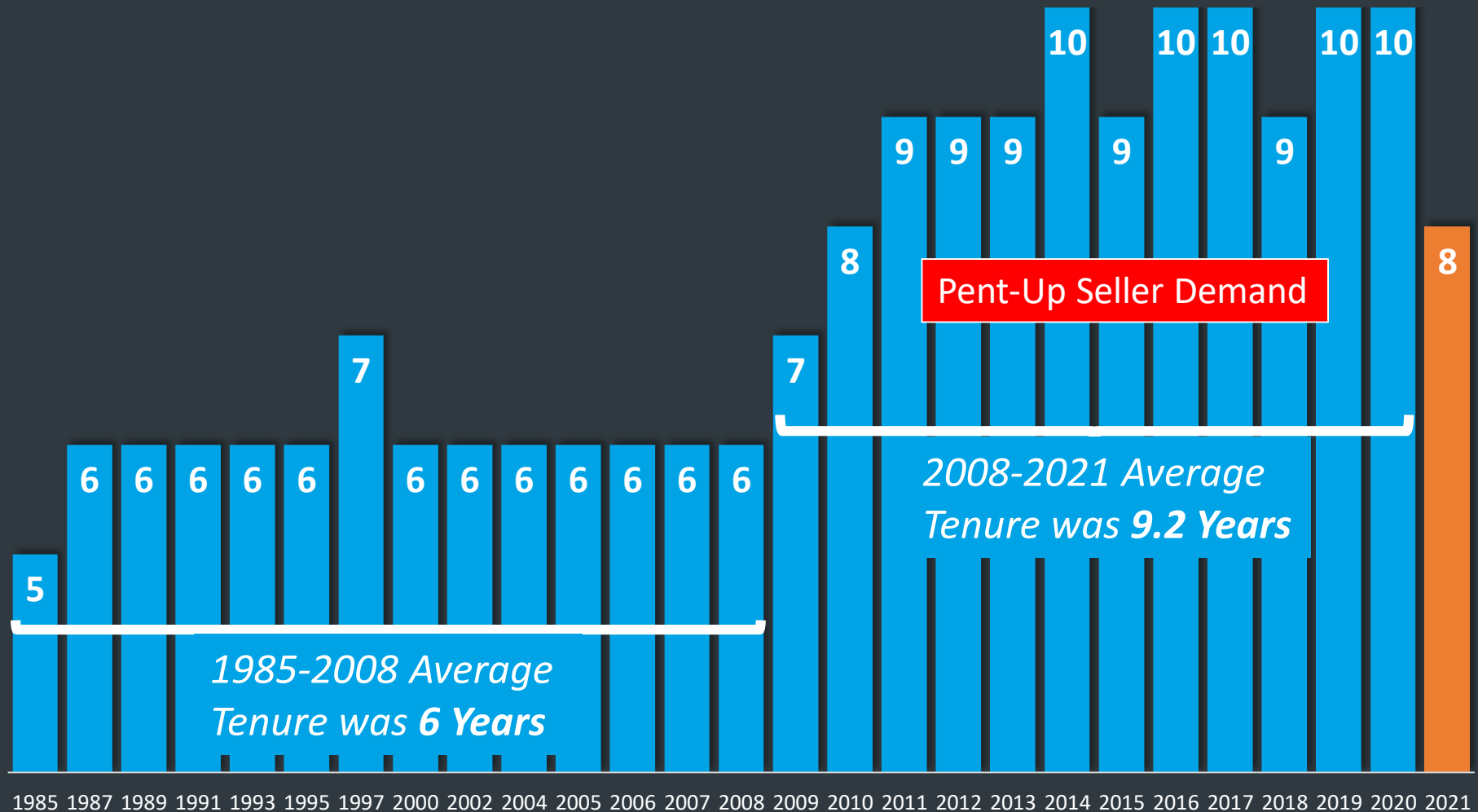


“... the pandemic likely spurred occupants to shorten their home stay, as tenure in the home decreased to eight years from 10 years, according to the report. This is the largest single-year change in home tenure since NAR began collecting such data.”

NAR



Today's Homeowners Are Staying in Their Houses for an Average of 8 Years



“The pandemic has delayed plans for many Americans, and homeowners looking to move on to the next stage of life are no exception. Recent survey data suggests **the majority of prospective sellers are actively preparing to enter the market this winter.**”

George Ratiu

Manager of Economic Research
for Realtor.com



Majority of Sellers Entering
the Market in the Next Year

Plan To List in Next 6 Months

realtor.com

65%

Have just listed (19%) or
plan to list this winter

93%

Have already taken steps toward
listing their home, including
working with an agent (28%)

Ross Realty Group | YupSOLD.com

36%

Have researched the value of their
home and others in their
neighborhood, as well as started
making repairs or decluttering

“Listings rose for the second week in a row . . . with our recent survey data suggesting that a growing share of homeowners are potential sellers, eager to find new homes **there is reason to believe this may be the start of a welcome trend**, especially as we move into the colder months.”

Danielle Hale

Chief Economist at realtor.com

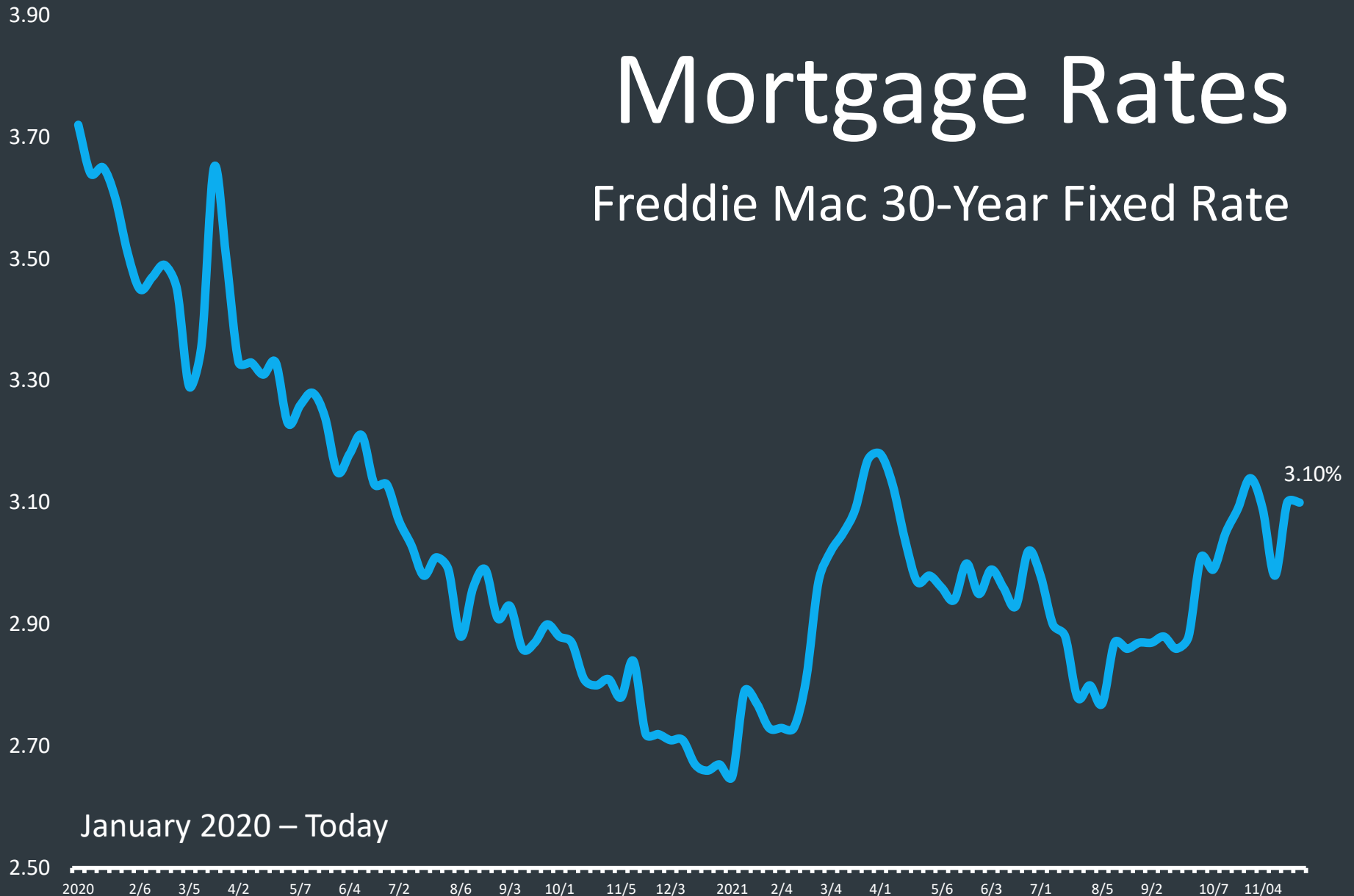


INTEREST RATE UPDATE



Mortgage Rates

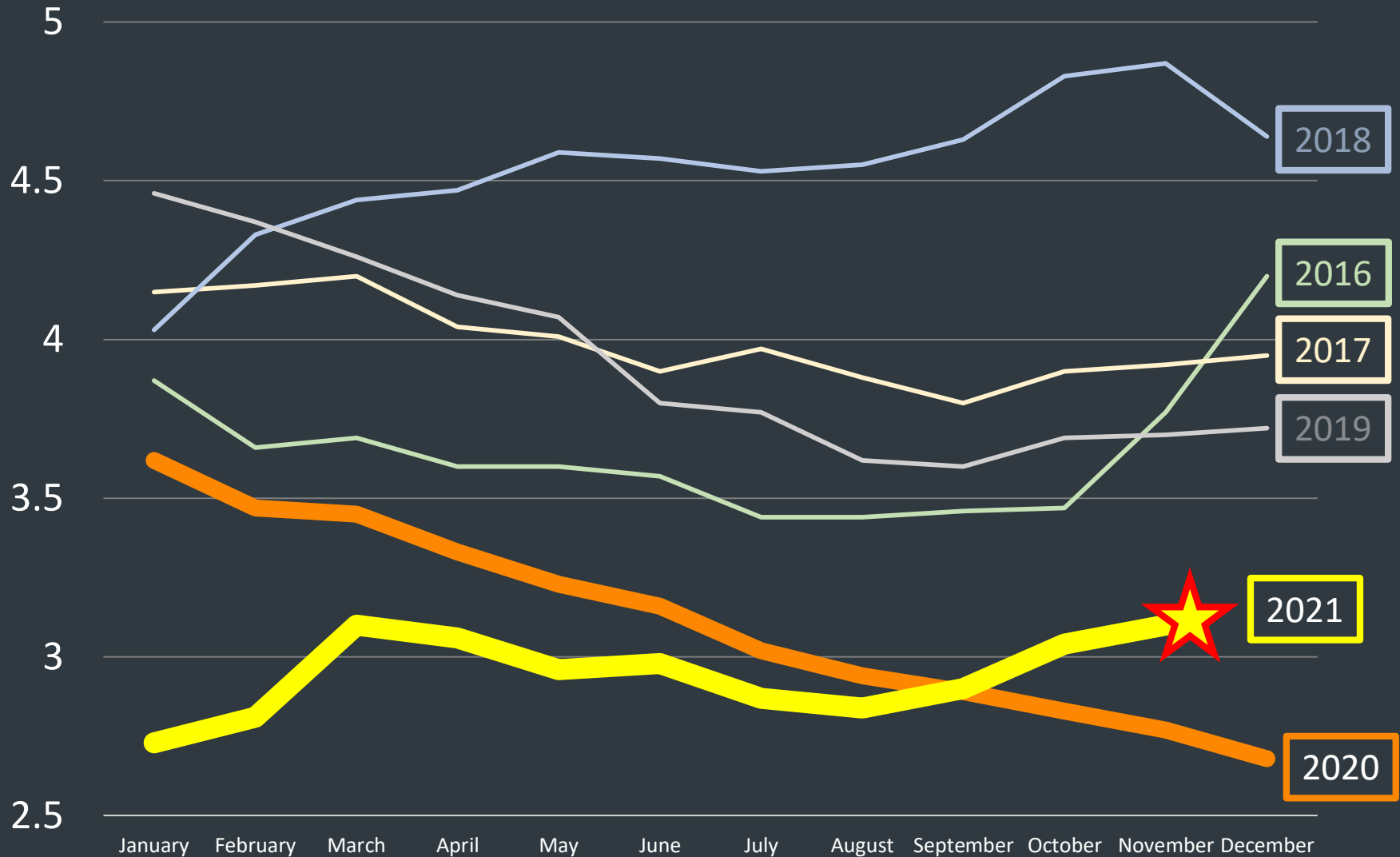
Freddie Mac 30-Year Fixed Rate



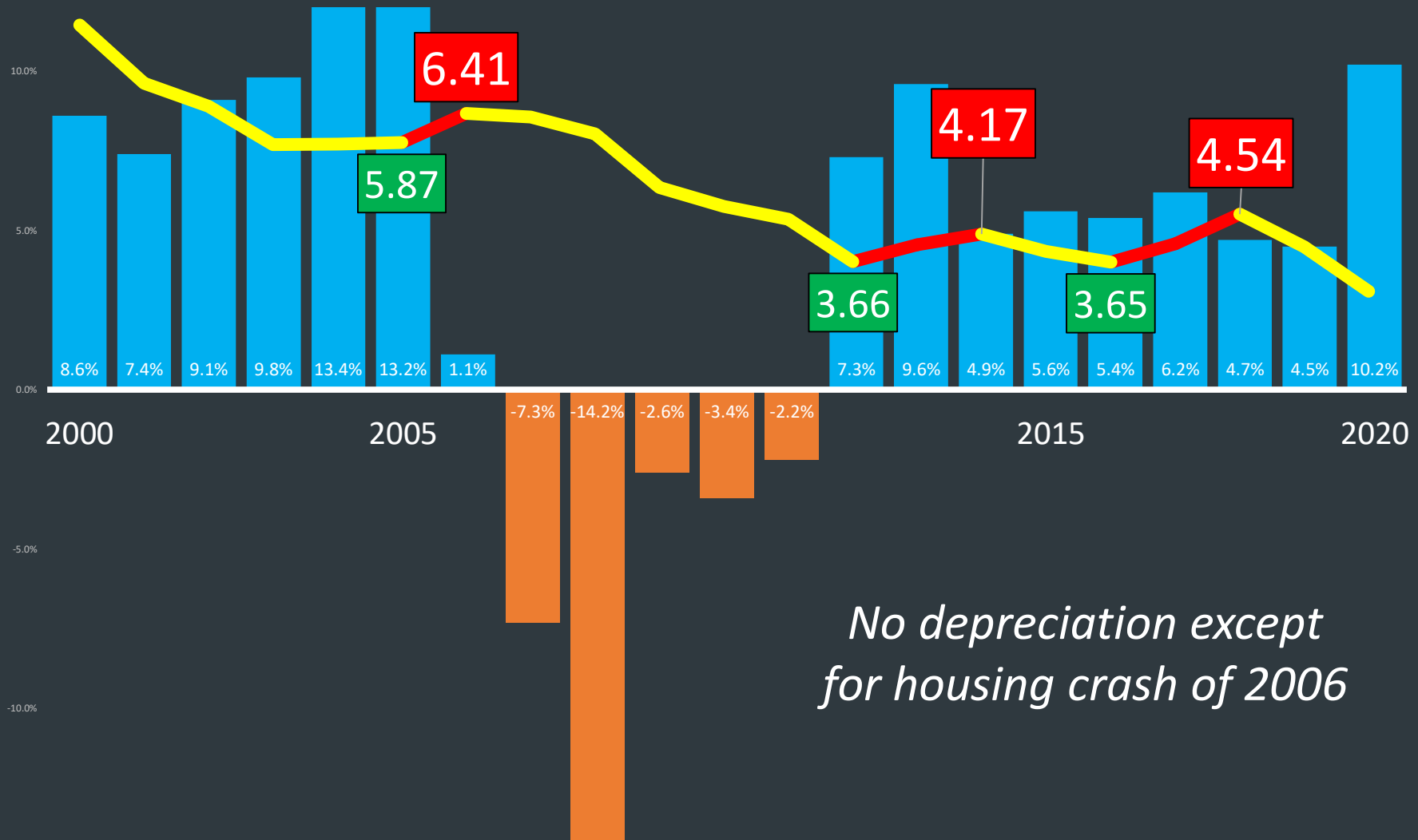
January 2020 – Today

Some Historical Perspective on Today's Mortgage Rates

30-year fixed rate



Home Prices Impacted Slightly by Rising Mortgage Rates



*No depreciation except
for housing crash of 2006*

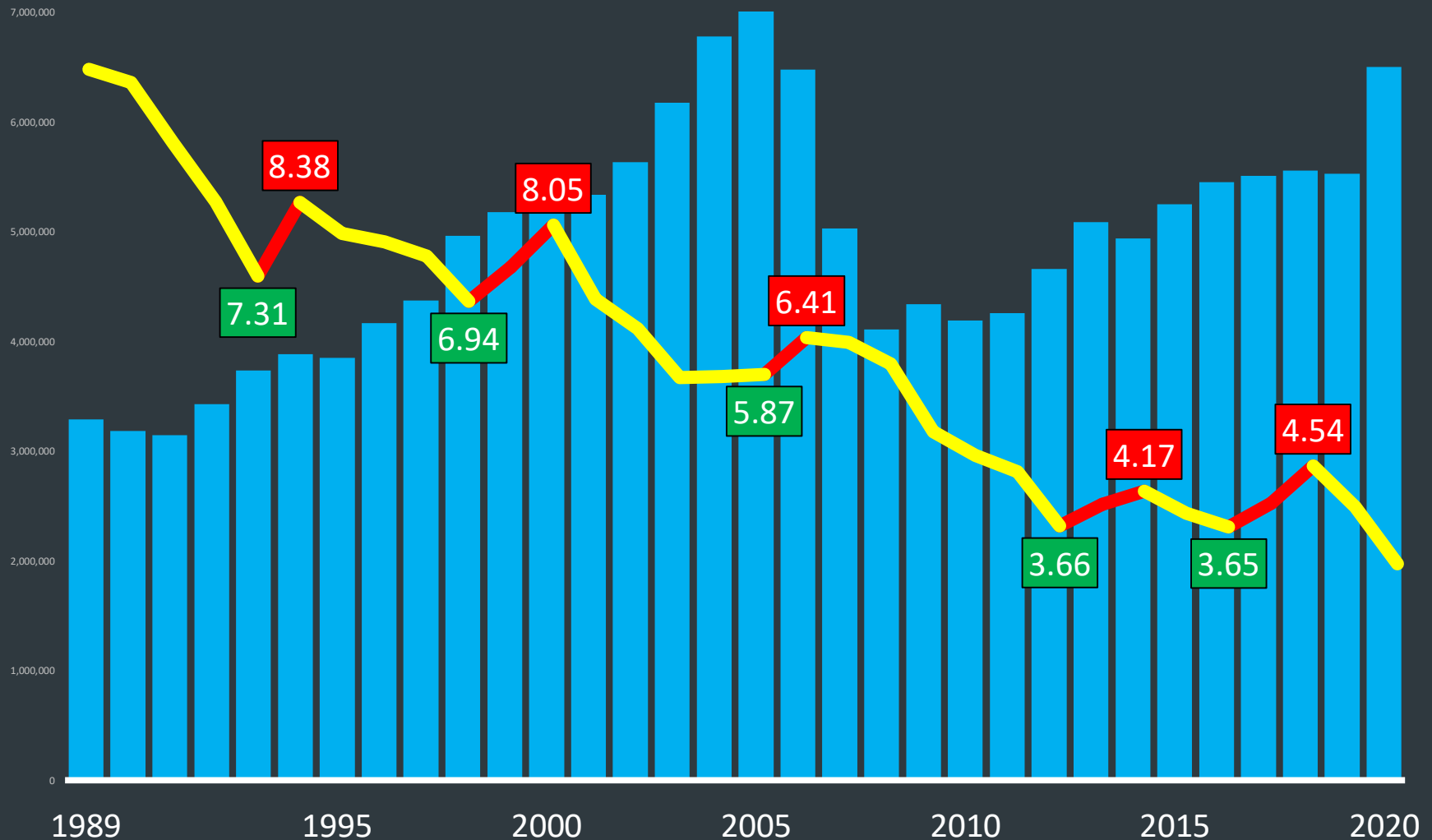
“House price appreciation is resistant to rising mortgage rates primarily because most home sellers would rather withdraw from the market than sell at lower prices – a phenomenon we refer to as ‘downside sticky’.”

Mark Fleming
Chief Economist, First American



Home Sales Not Impacted by Rising Mortgage Rates

Except for housing crash of 2006



“Context matters for purchase demand. The economy is improving, and millennials continue to age into their prime home-buying years in large numbers, **so the context remains good for the housing market.**”

Mark Fleming

Chief Economist at First American





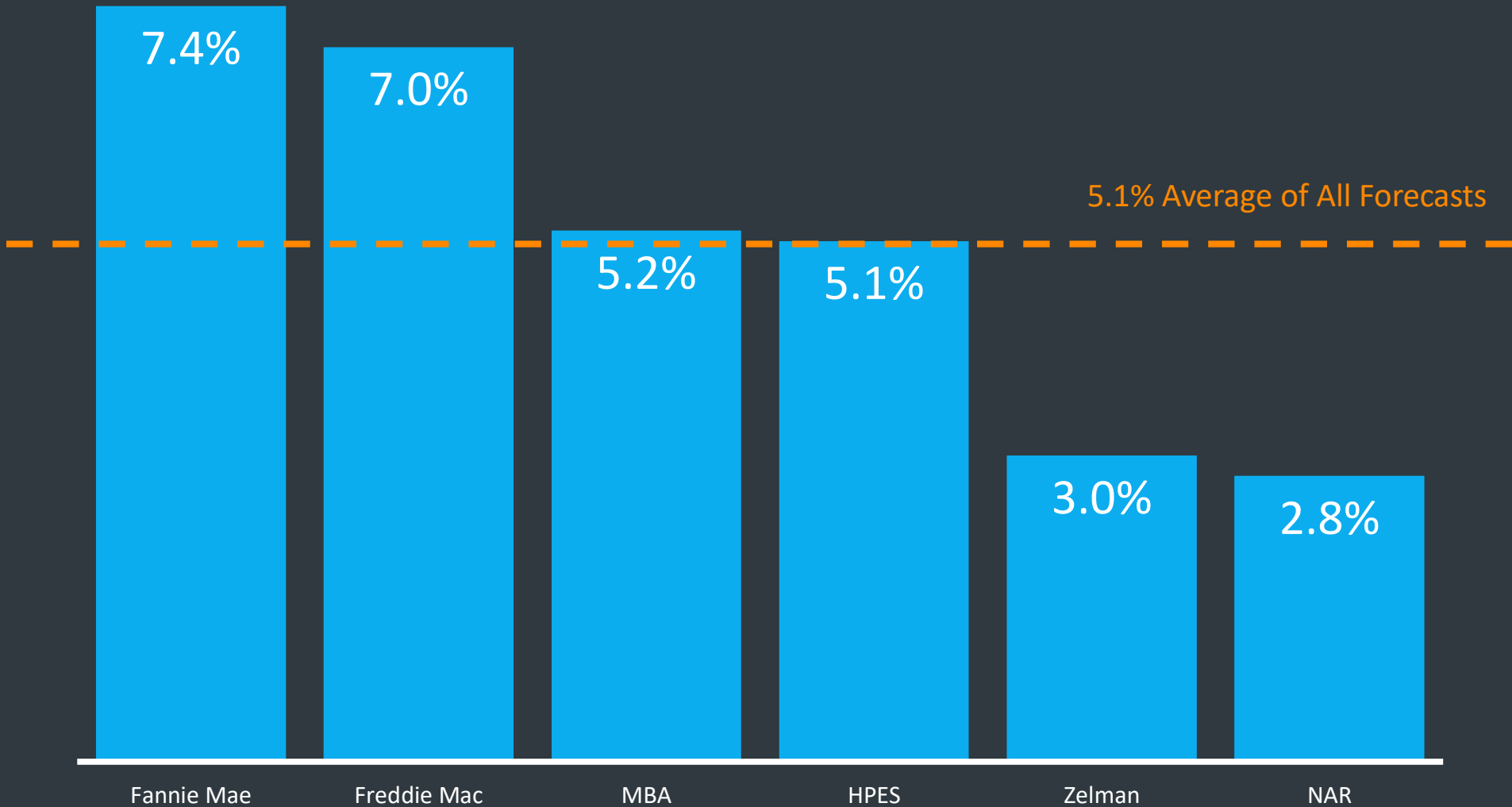
5 SLIDES YOU MUST HAVE ON YOUR PHONE THIS HOLIDAY SEASON



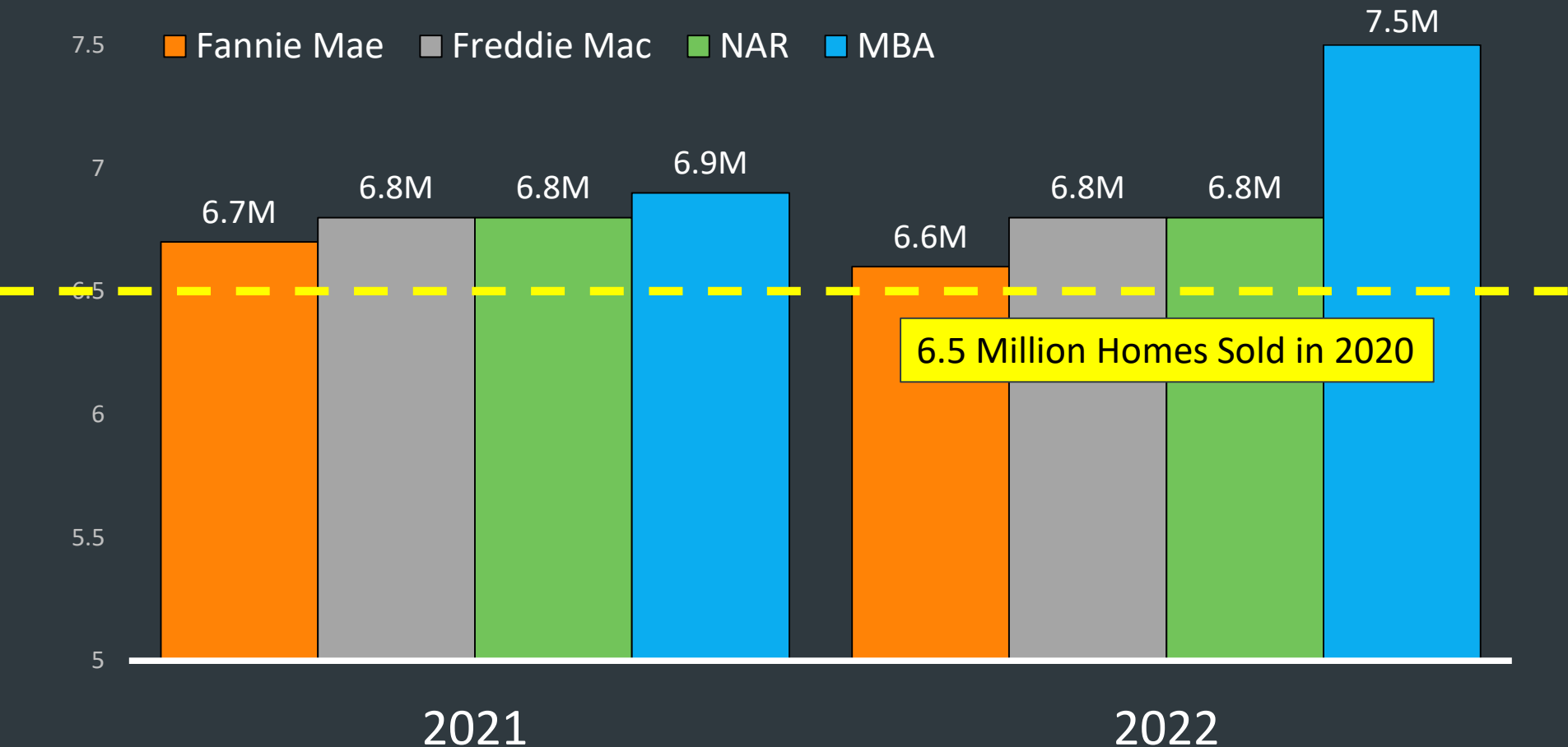
Mortgage Rate Projections

Quarter	Freddie Mac	Fannie Mae	MBA	NAR	Average of All Four
2022 1Q	3.4	3.2	3.3	3.3	3.30%
2022 2Q	3.5	3.2	3.5	3.5	3.43%
2022 3Q	3.6	3.3	3.7	3.6	3.55%
2022 4Q	3.7	3.4	4.0	3.7	3.70%

Home Price Forecasts 2022



Home Sales Forecast To Increase This Year and Perform Well Again in 2022

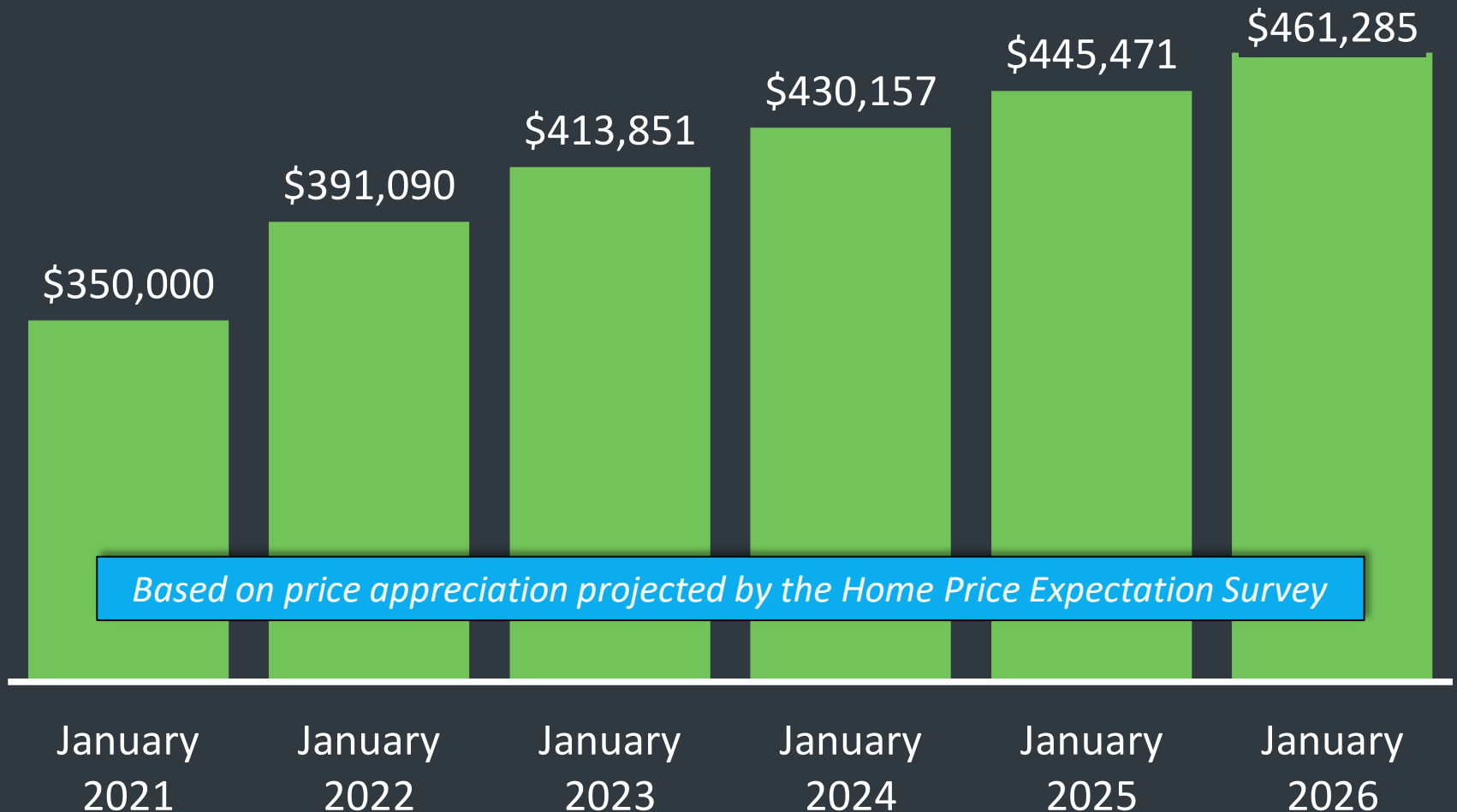


Months Inventory of Homes for Sale



\$111,285

potential growth in household wealth over the next five years based solely on increased home equity if you purchase a \$350K home in January 2021



Winter 2022 Buyer & Seller Guides

Available Now



“The moment you feel most tired is the moment you must accelerate because that's when everybody else is feeling tired as well... if you can break through that pain barrier you can achieve great things.”

Sir James Tyson



Resources

Slide	Slide Title	Link
3, 4	Lautz, NAR Quotes	https://www.nar.realtor/newsroom/home-buyers-motivated-by-desire-to-be-closer-to-family-and-friends-sellers-collected-full-asking-price
5	Homeowner Tenure	https://www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers
6, 7	Ratiu Quote, Seller Data	https://news.move.com/2021-11-11-Low-Temps,-High-Expectations-Realtor-com-R-Survey-Shows-65-of-Pro prospective-Sellers-Plan-to-Enter-the-Market-this-Winter
8	Hale Quote	https://www.realtor.com/research/weekly-housing-trends-view-data-week-nov-13-2021/
10	Mortgage Rates	http://www.freddiemac.com/pmms/
11	Historical Rates	http://www.freddiemac.com/pmms/pmms_archives.html
12	How Rates Impact Prices	www.freddiemac.com https://cdn.blackknightinc.com/wp-content/uploads/2021/04/BKI_MM_Feb2021_Report.pdf
13	Fleming Quote – “House price appreciation . . .”	https://blog.firstam.com/economics/how-will-the-housing-market-fare-as-rates-rise
14	How Rates Impact Sales	nar.realtor www.freddiemac.com
15	Fleming Quote – “Context matters for . . .”	https://blog.firstam.com/economics/how-will-the-housing-market-fare-as-rates-rise

Resources

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17	Mortgage Rate Projections	http://www.freddiemac.com/research/forecast/20211015_quarterly_economic_forecast.page? https://www.fanniemae.com/media/41656/display https://www.mba.org/news-research-and-resources/research-and-economics/forecasts-and-commentary https://cdn.nar.realtor/sites/default/files/documents/forecast-Q4-2021-us-economic-outlook-10-28-2021.pdf
18	Home Price Forecasts	https://www.mba.org/news-research-and-resources/research-and-economics/forecasts-and-commentary https://cdn.nar.realtor/sites/default/files/documents/forecast-Q4-2021-us-economic-outlook-10-28-2021.pdf https://www.fanniemae.com/research-and-insights/forecast http://www.freddiemac.com/research/forecast/index.page https://pulsenomics.com/surveys/#home-price-expectations
19	Home Sales Forecast	https://www.fanniemae.com/media/41126/display http://www.freddiemac.com/research/forecast/index.page https://www.mba.org/news-research-and-resources/research-and-economics/forecasts-and-commentary https://cdn.nar.realtor/sites/default/files/documents/forecast-Q4-2021-us-economic-outlook-10-28-2021.pdf
20	Months Inventory	nar.realtor https://www.nar.realtor/topics/existing-home-sales https://www.nar.realtor/newsroom/existing-home-sales-jump-6-5-in-february
21	Potential Growth in Wealth	https://pulsenomics.com/surveys/#home-price-expectations