

TWENTY TWENTY TWO



January

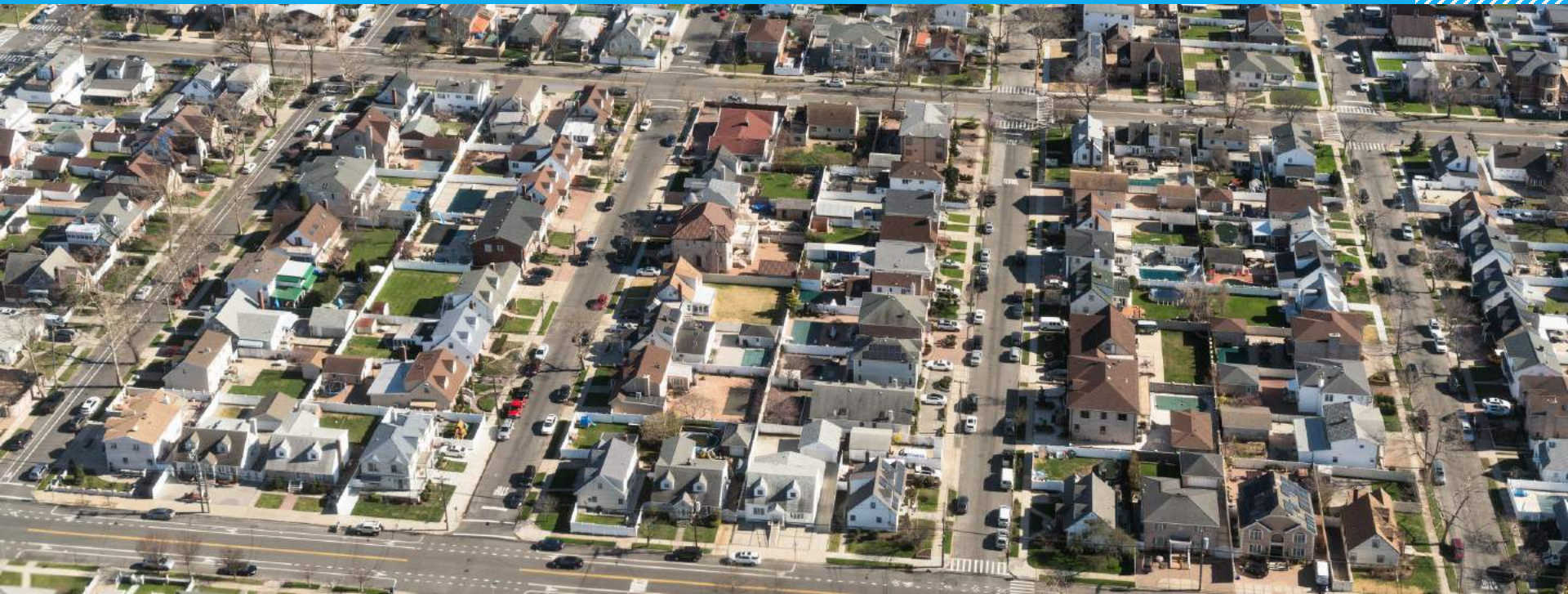
Housing Update



It is possible that rising mortgage rates will slow the housing market . . . or the Fed might raise rates sooner than expected due to the recent pickup in inflation, . . . **but I believe one thing is certain: inventory will tell the tale!”**

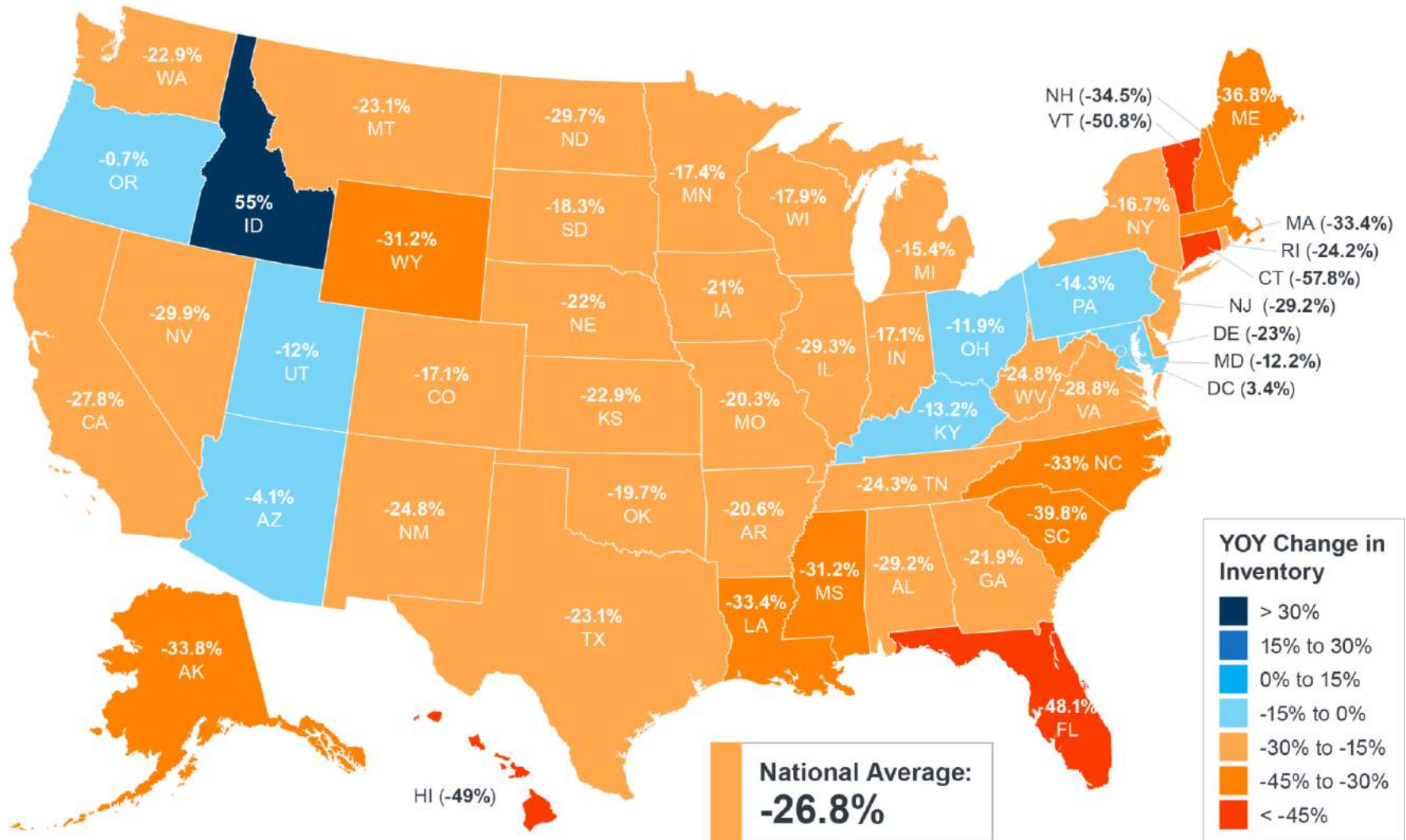
- **Bill McBride**, Founder, Calculated Risk

The Bad News: Listings Are at Record Lows



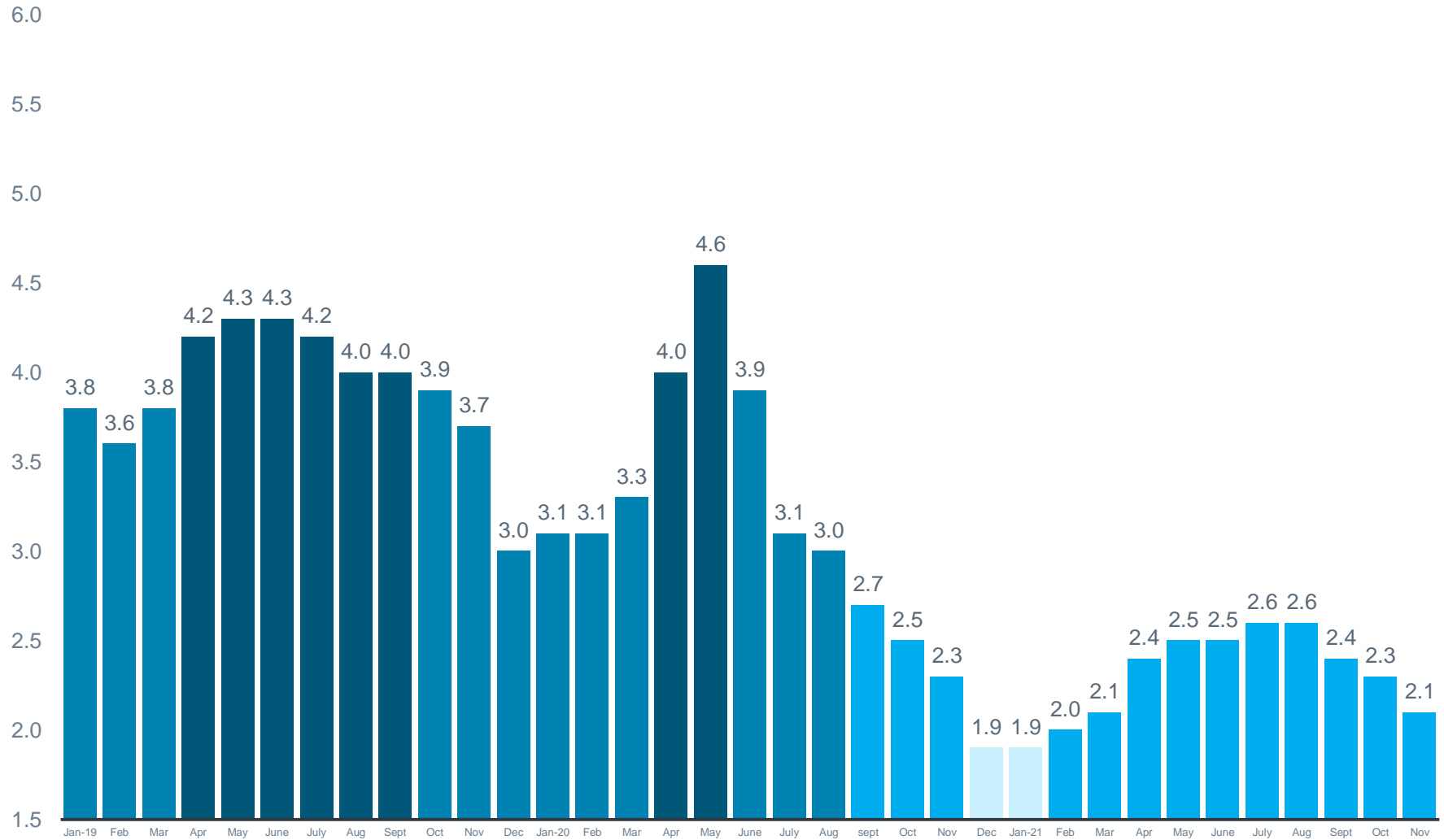
Housing Inventory Lower than Last Year

December 2021 Year-Over-Year Compared to December 2020



Months Inventory of Homes for Sale

Since 2019

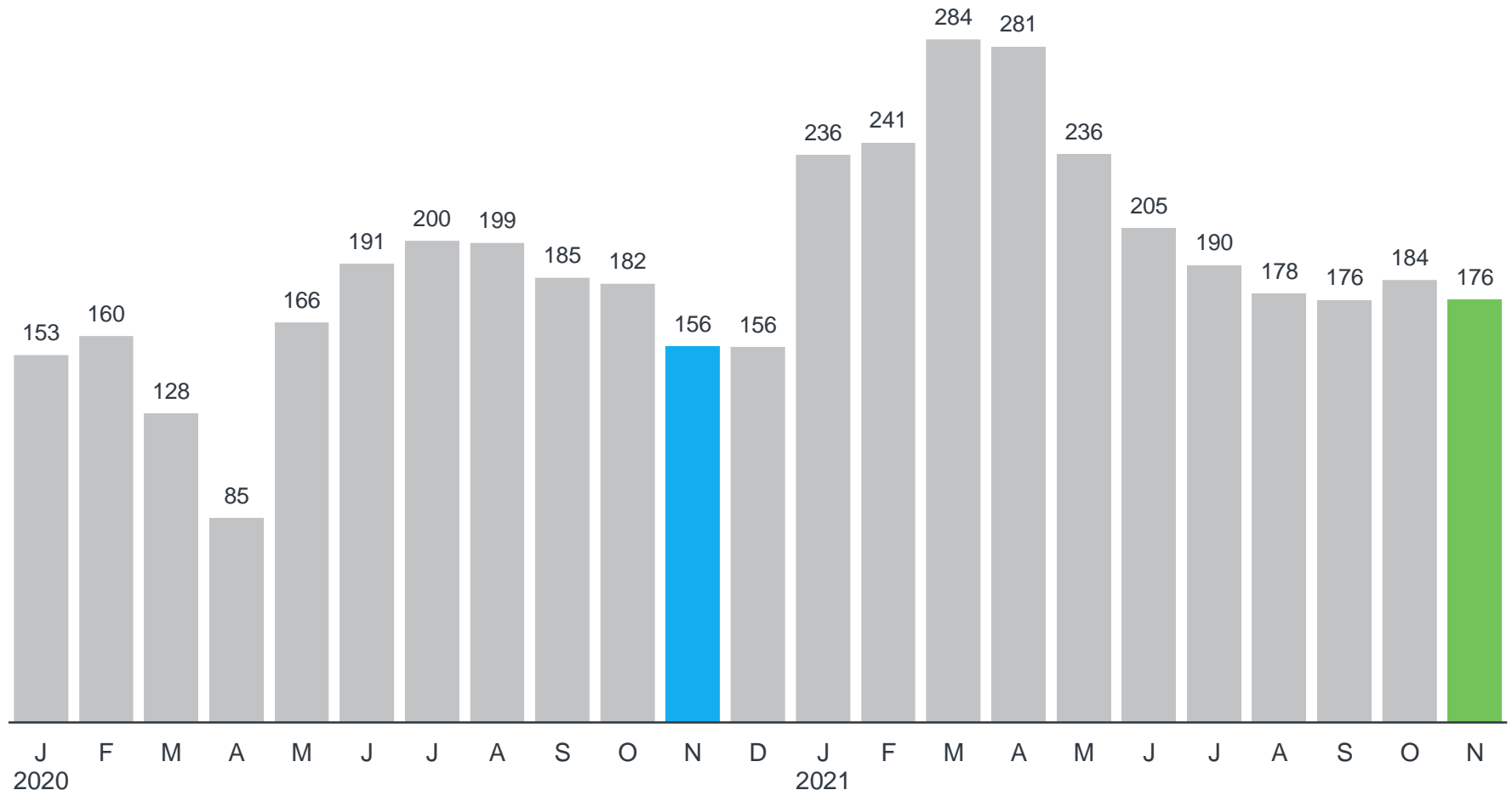




Buyer Activity

Showings Still Strong, Greater than Last November

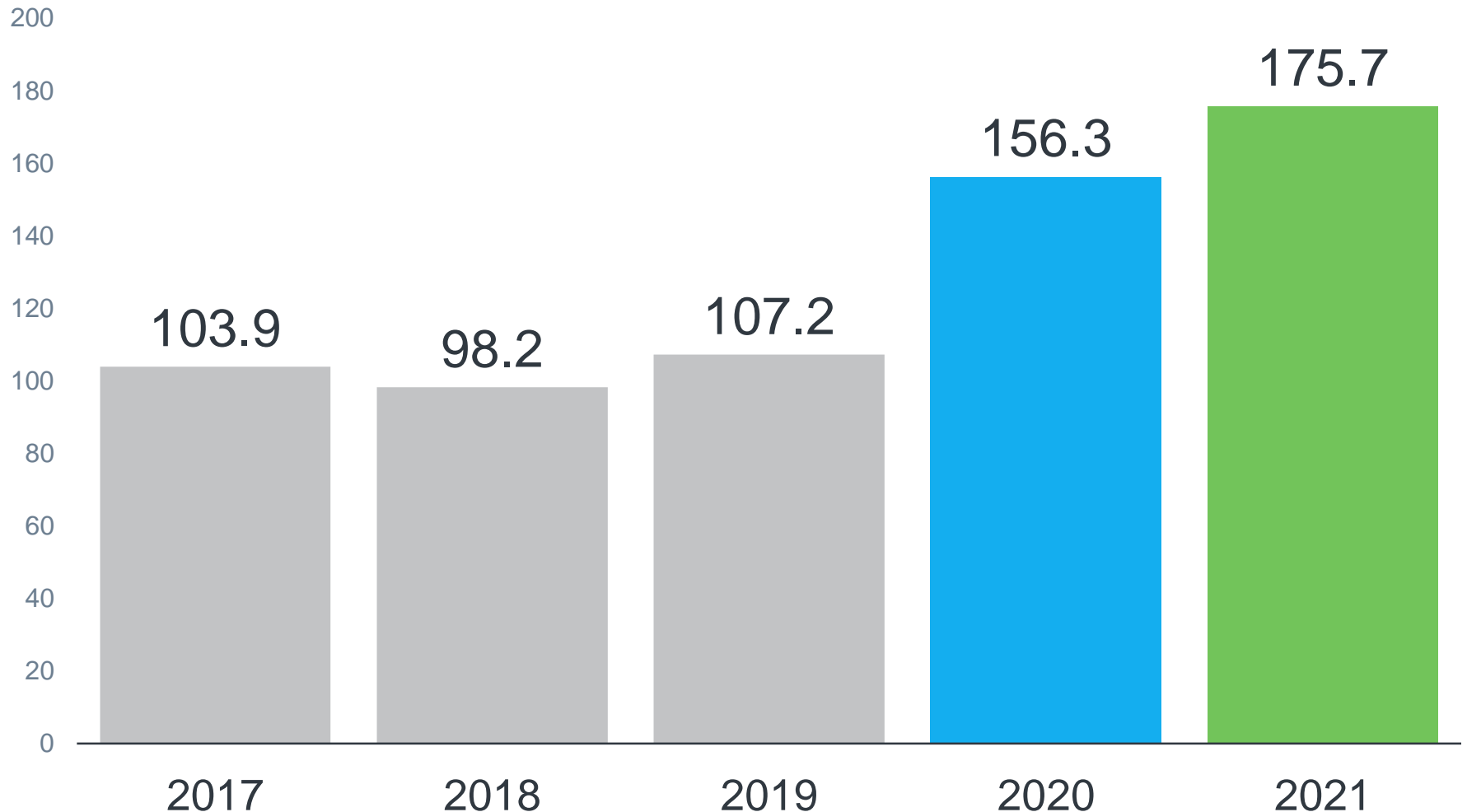
ShowingTime Monthly Index



Source: ShowingTime

Showings Crush Pre-Pandemic Numbers

Showing Index over the Last 5 Novembers



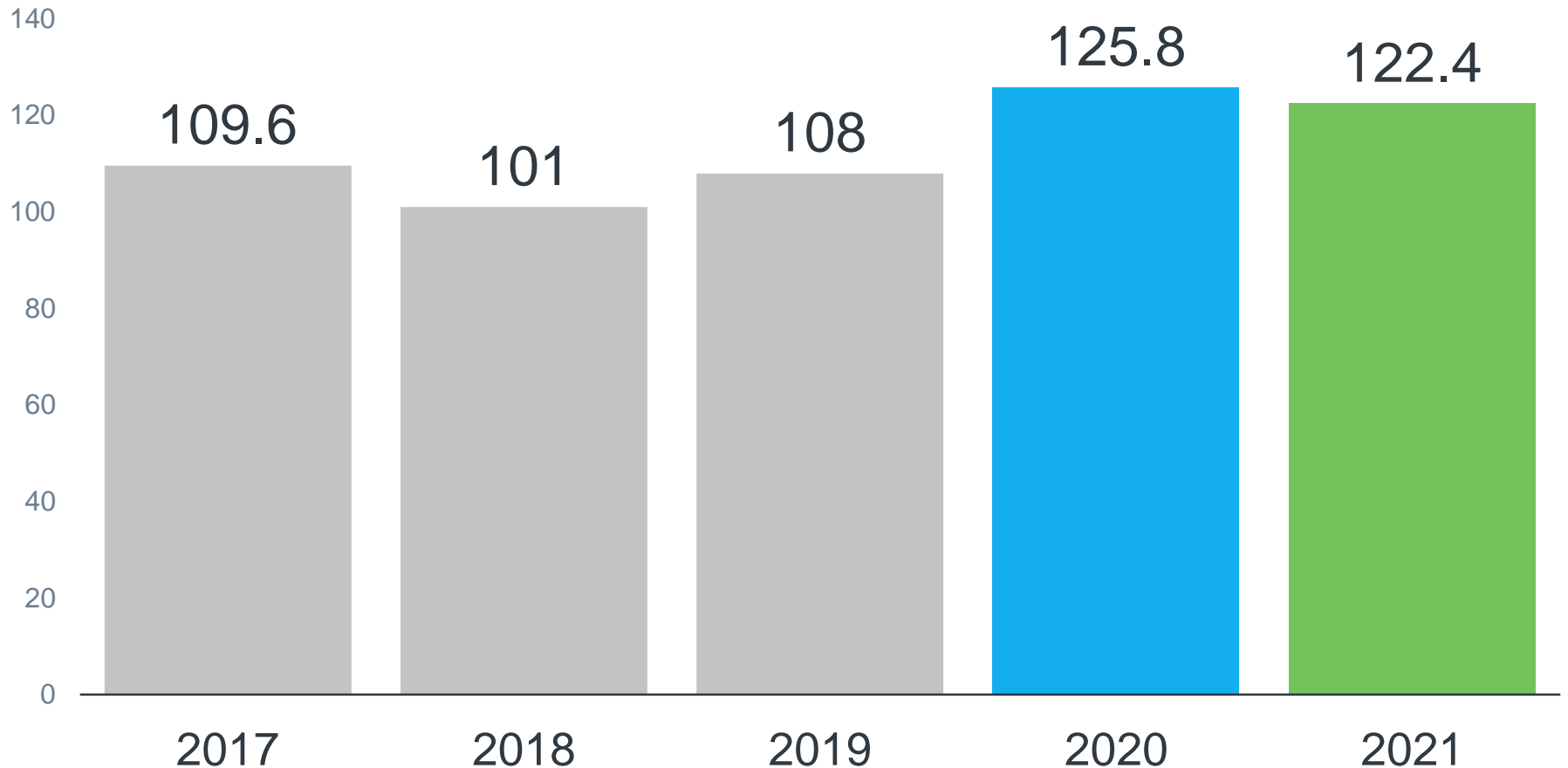


Showings traditionally lag during the holiday season, but the data we're seeing tells us that buyer demand remains strong. The fact that every region showed a year-over-year increase indicates that buyers are undeterred . . . **It speaks to their desire to keep searching for their next home.**

- **Michael Lane**, VP & General Manager, ShowingTime

Pending Sales Higher than Pre-Pandemic Numbers

Pending Home Sales over the Last 5 Novembers



Home Equity





The lack of insight around home equity presents an opportunity for real estate professionals, who are always looking for touch points with past clients.

- 2021 REALTORS' Conference & Expo

CoreLogic's Q3 Homeowner Equity Report

\$57K

Average home equity gain
for U.S. homeowners with
mortgages

31.1%

Year-Over-Year percentage
increase in equity for U.S.
homeowners with mortgages

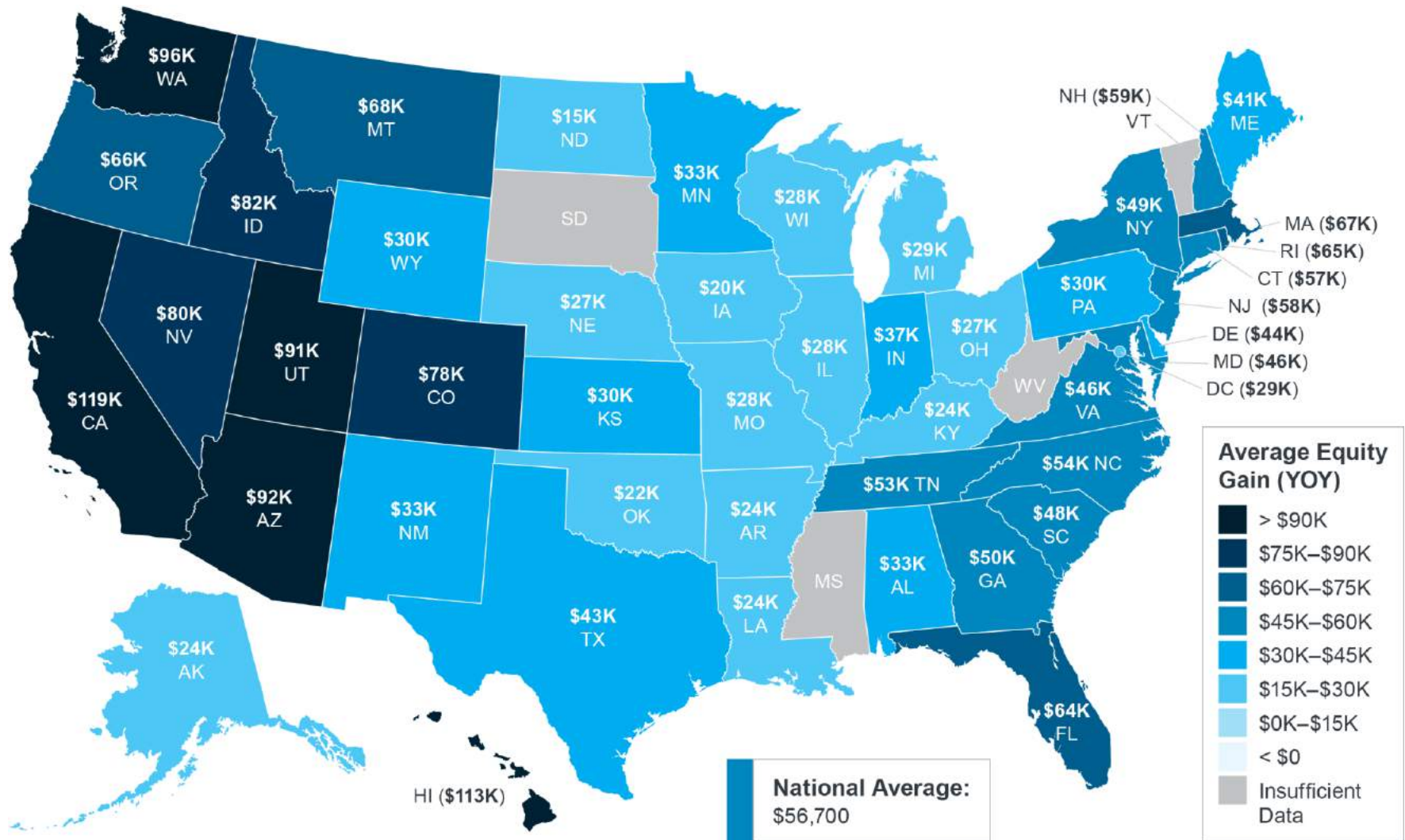
\$3.2T

Year-Over-Year total
increase in equity for U.S.
homeowners with mortgages

*"This summer, home price
growth reached the highest
level in more than 45 years,
pushing equity gains to
another record high."*

Homeowner Equity Growth Still Surging

Q3 2021 Year-Over-Year from Q3 2020



Source: CoreLogic



Not only have equity gains helped homeowners more seamlessly transition out of forbearance and avoid a distressed sale, but they've also enabled many to continue building their wealth.

- **Frank Martell**, President & CEO, CoreLogic



U.S. households own \$36.8 trillion in owner-occupied real estate, \$11.5T in debt, and the remaining \$25T in equity. . . .

In inflated-adjusted terms, homeowners had an average of \$294k in equity in Q3 2021- a historic high.

- Odeta Kushi, Deputy Chief Economist, First American



What To Expect in the 2022 Housing Market

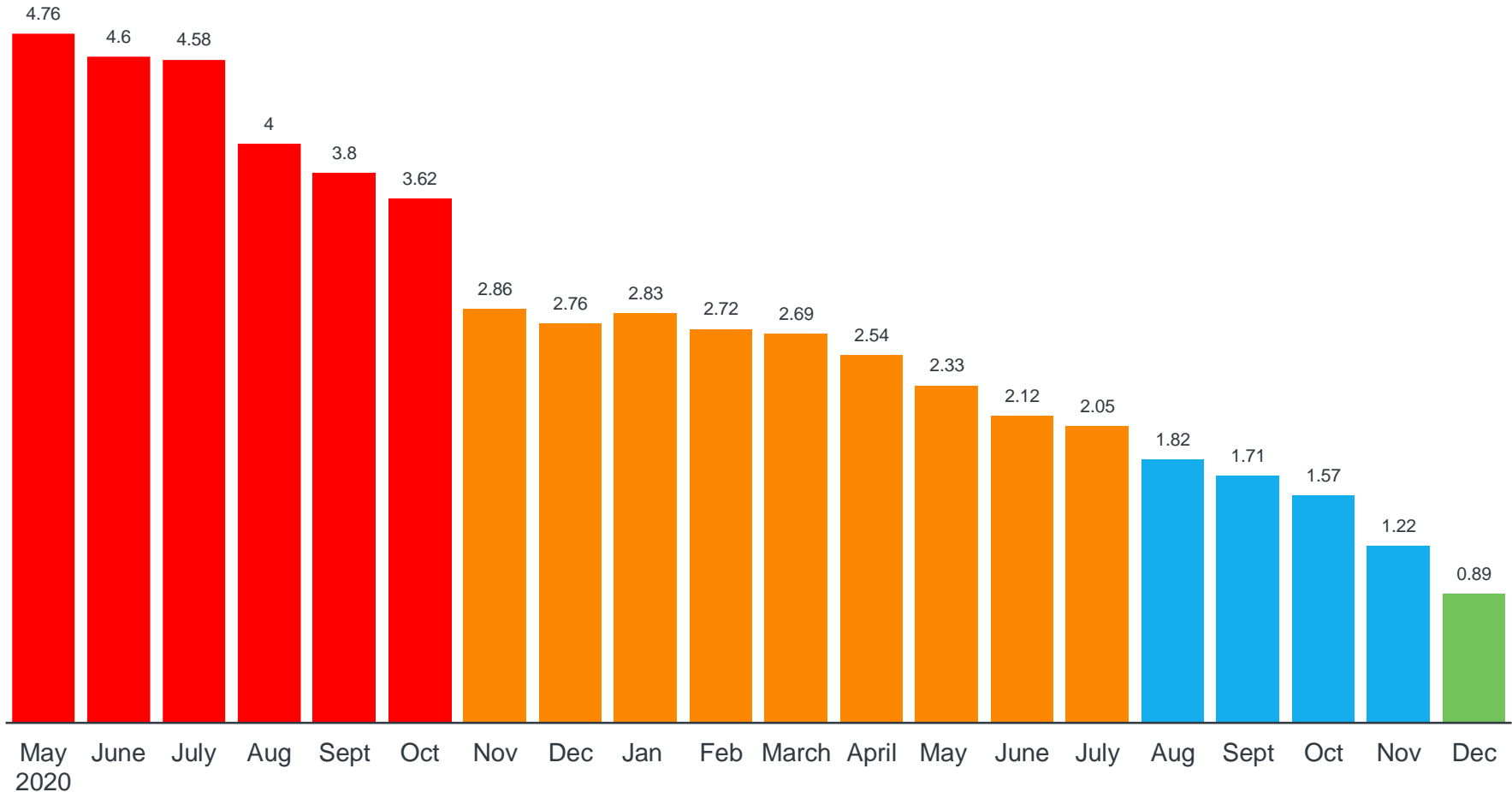
Mortgage Rate Projections

December 2021

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	3.3	3.5	3.5	3.45%
2022 3Q	3.6	3.3	3.7	3.6	3.55%
2022 4Q	3.7	3.4	4.0	3.7	3.70%

Forbearances Finally Fall Below 1 Million

Monthly Number of Loans in Active Forbearance (in Millions)



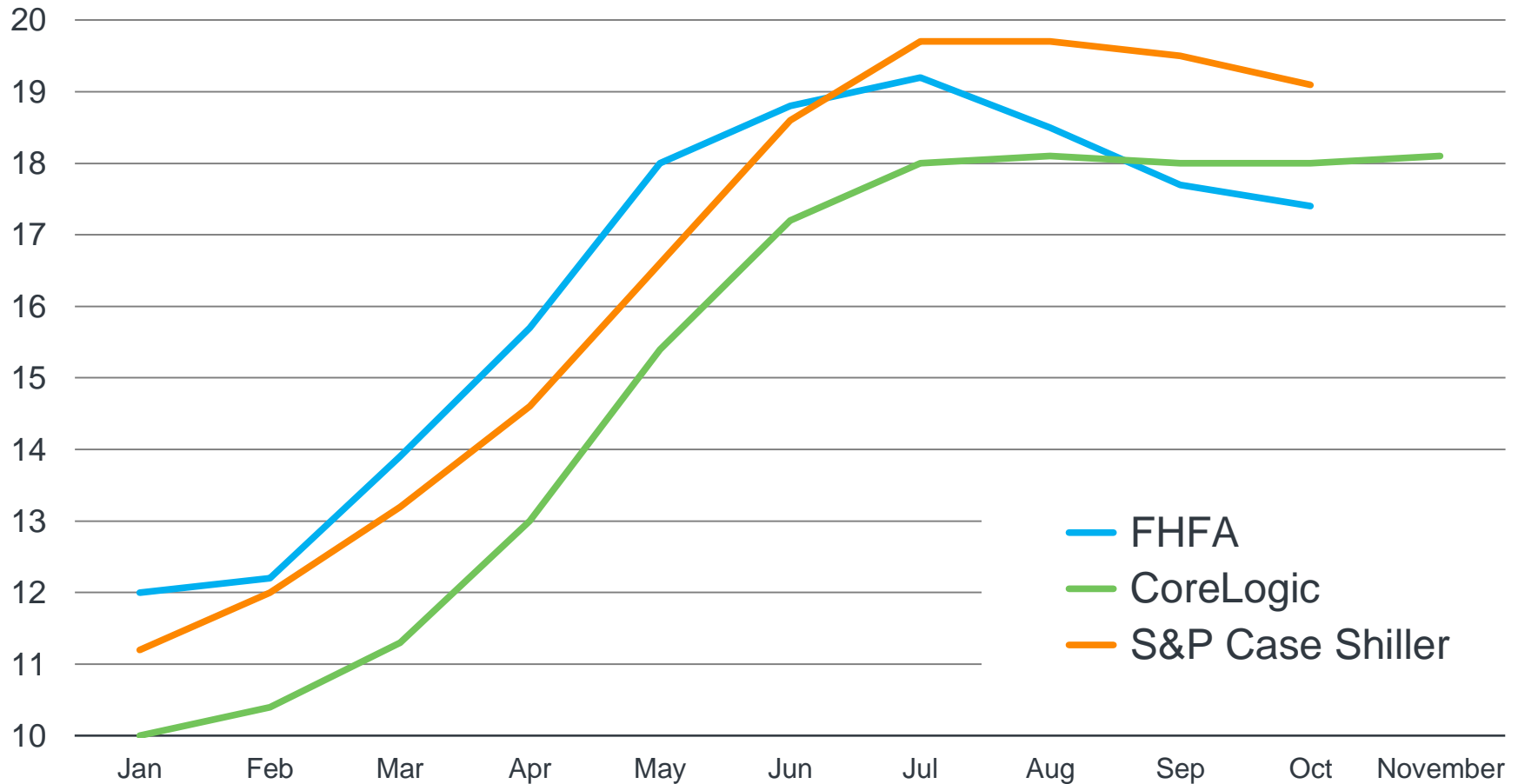


We may see a little bit of an uptick in foreclosure rates in 2022. Just an uptick though, from an extraordinarily low level, we're not expecting to see a big increase ...
We expect delinquency rates overall on home mortgages to actually continue to remain quite, quite low.

- **Maiclaire Bolton-Smith**, Senior Leader of Research, CoreLogic

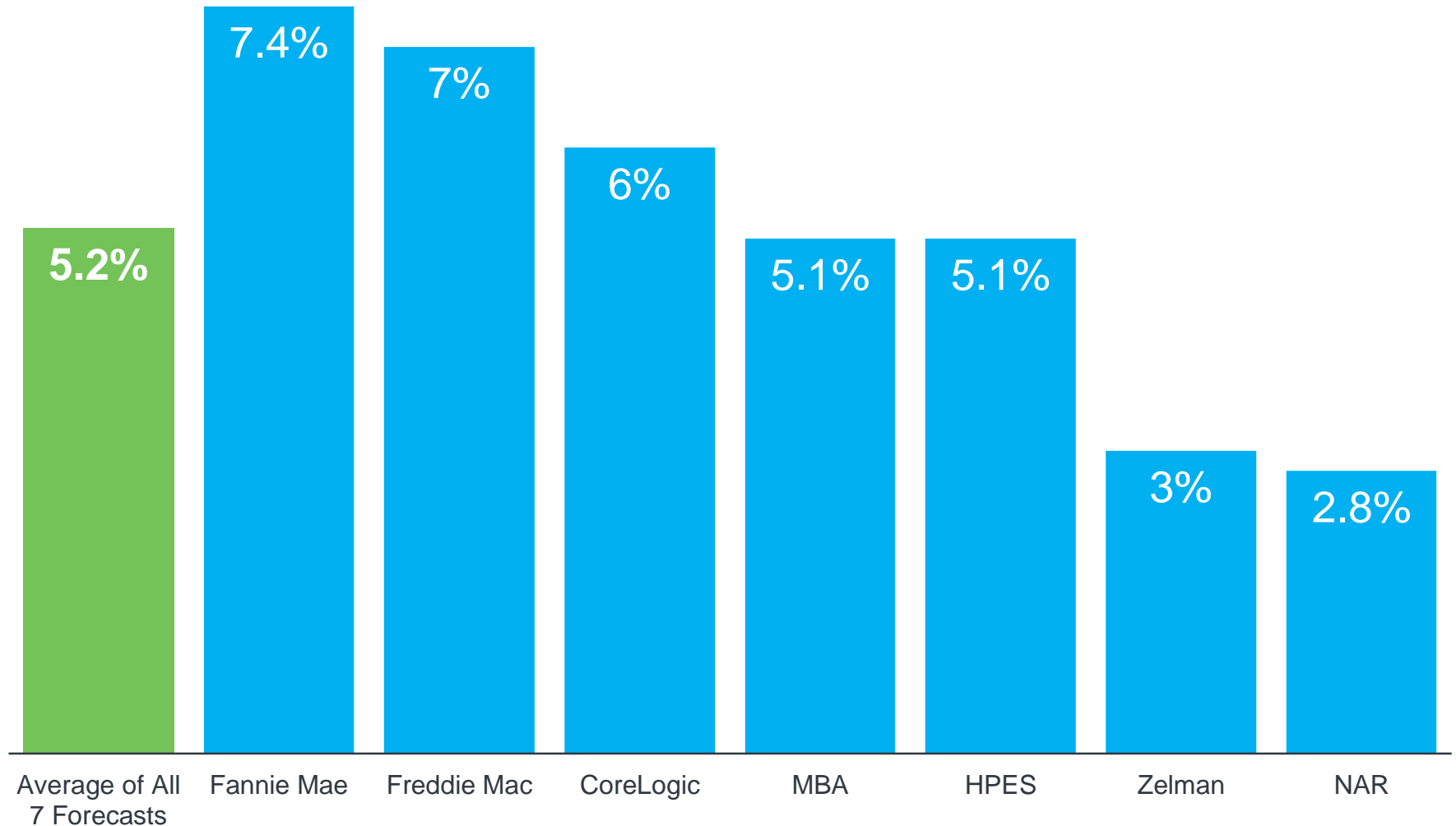
Has Home Price Acceleration Peaked?

Percent Year-Over-Year Monthly Price Increases 2021



Source: CoreLogic, FHFA, SP Case Shiller

Home Price Forecasts for 2022





So overall I do think that 2022 will be another strong year for housing. All be it a little bit higher mortgage rates and **we do think home sales will continue to rise and actually reach a 16 year high in 2022.**

- **Maiclaire Bolton-Smith**, Senior Leader of Research, CoreLogic

Resources

Slide(s)	Description	Link(s)
2	McBride Quote	Subscriber's Newsletter - https://www.calculatedriskblog.com/
4	Inventory Map	https://www.realtor.com/research/data/
5	Inventory Graph	https://www.nar.realtor/topics/existing-home-sales https://www.nar.realtor/newsroom/existing-home-sales-continue-upward-increasing-1-9-in-november
7-9	Showings Graphs, Lane Quote	https://www.showingtime.com/blog/november-2021-showing-index-results
10	Pending Sales Graph	https://www.nar.realtor/research-and-statistics/housing-statistics/pending-home-sales
12	REALTORS' Conference & Expo Quote	https://magazine.realtor/live/article/2021/11/how-to-build-client-for-life-relationships
13-15	CoreLogic Equity Report, Map, & Martell Quote	https://www.corelogic.com/intelligence/homeowner-equity-insights/

Resources

Slide(s)	Description	Link(s)
16	Kushi Quote	https://twitter.com/odetakushi/status/1471125045686718466
18	Mortgage Rate Projections	http://www.freddiemac.com/research/forecast/20211015_quarterly_economic_forecast.page? https://www.fanniemae.com/media/42011/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
19	Forbearances Graph	https://www.blackknightinc.com/blog-posts/
20, 23	Bolton-Smith Quote	https://www.corelogic.com/intelligence/whats-in-store-for-2022/

Resources

Slide(s)	Description	Link(s)
21	Price Acceleration Graph	https://www.corelogic.com/intelligence/u-s-home-price-insights/ https://www.spglobal.com/spdji/en/documents/indexnews/announcements/20211228-1448566/1448566_cshomeprice-release-1228.pdf https://www.fhfa.gov/AboutUs/Reports/Pages/US-House-Price-Index-December-2021.aspx
22	Price Forecasts Graph	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 https://twitter.com/CoreLogicInc/status/1466523328353640460