

The Impact of Monthly Housing Inventory on Home Prices



LESS THAN
6 MONTHS

**SELLERS
MARKET**

Home prices
will appreciate

BETWEEN
6-7 MONTHS

**NEUTRAL
MARKET**

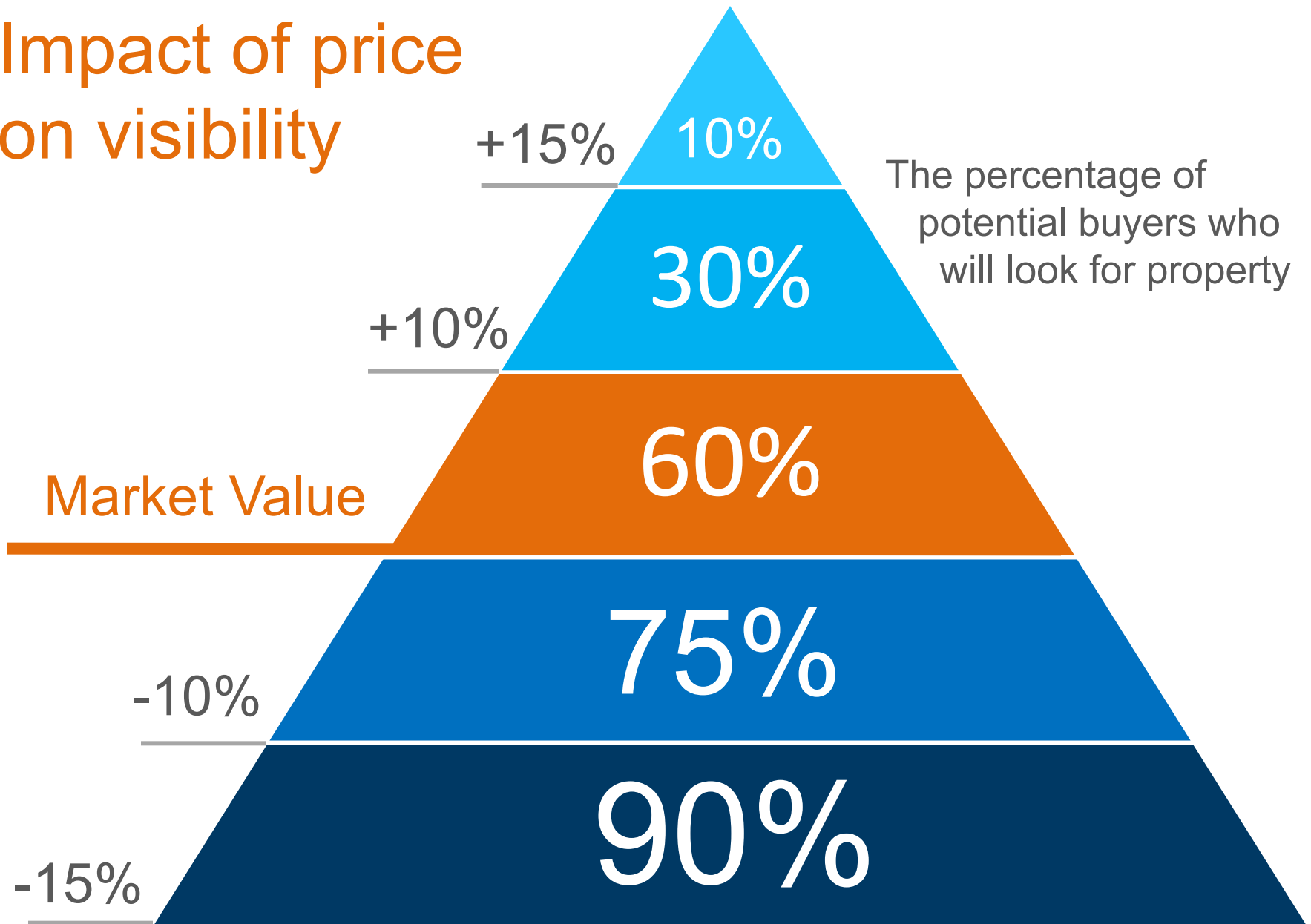
Home prices
will only
appreciate with
inflation

GREATER THAN
7 MONTHS

**BUYERS
MARKET**

Home prices
will depreciate

Impact of price on visibility



“We see that the inventory totals have steadily improved, and will provide more choices for those looking to buy a home...
...When placing their home on the market, home sellers need to be very realistic and aware of the current conditions.”

Lawrence Yun

Chief Economist at NAR



“Homeowners can see that we’re moving away from a strong seller’s market in many areas. So their feelings and motivations are shifting, too.”

Holden Lewis

NerdWallet home expert

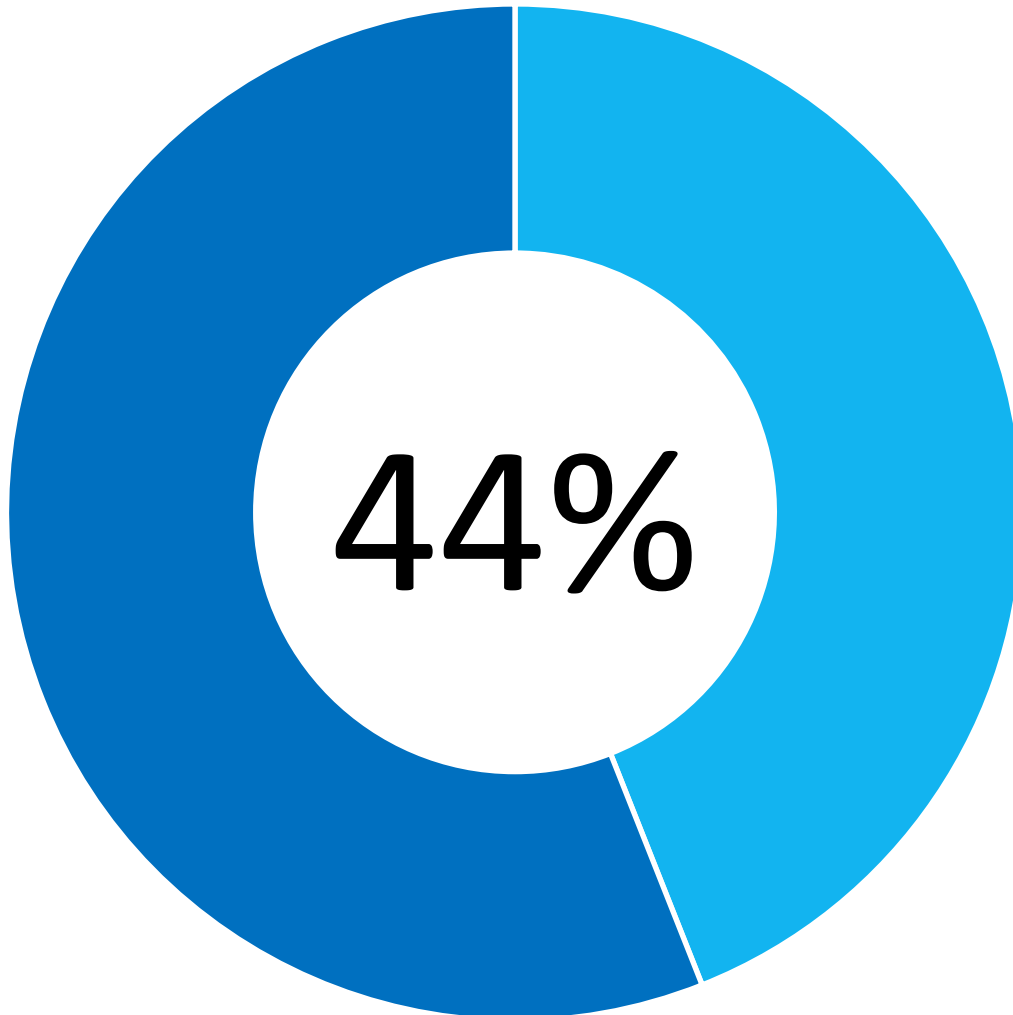


“2.1 million homeowners - 16% of them - plan to sell their primary residence within the next 18 months, according to a survey of over 1,400 homeowners.”

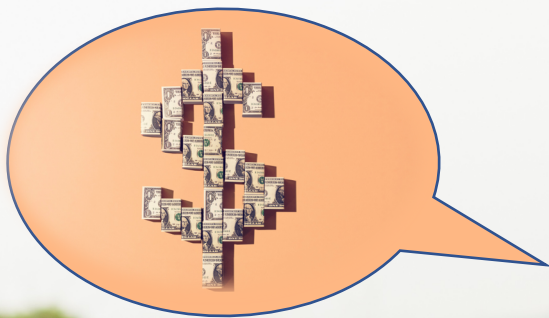
Harris Poll



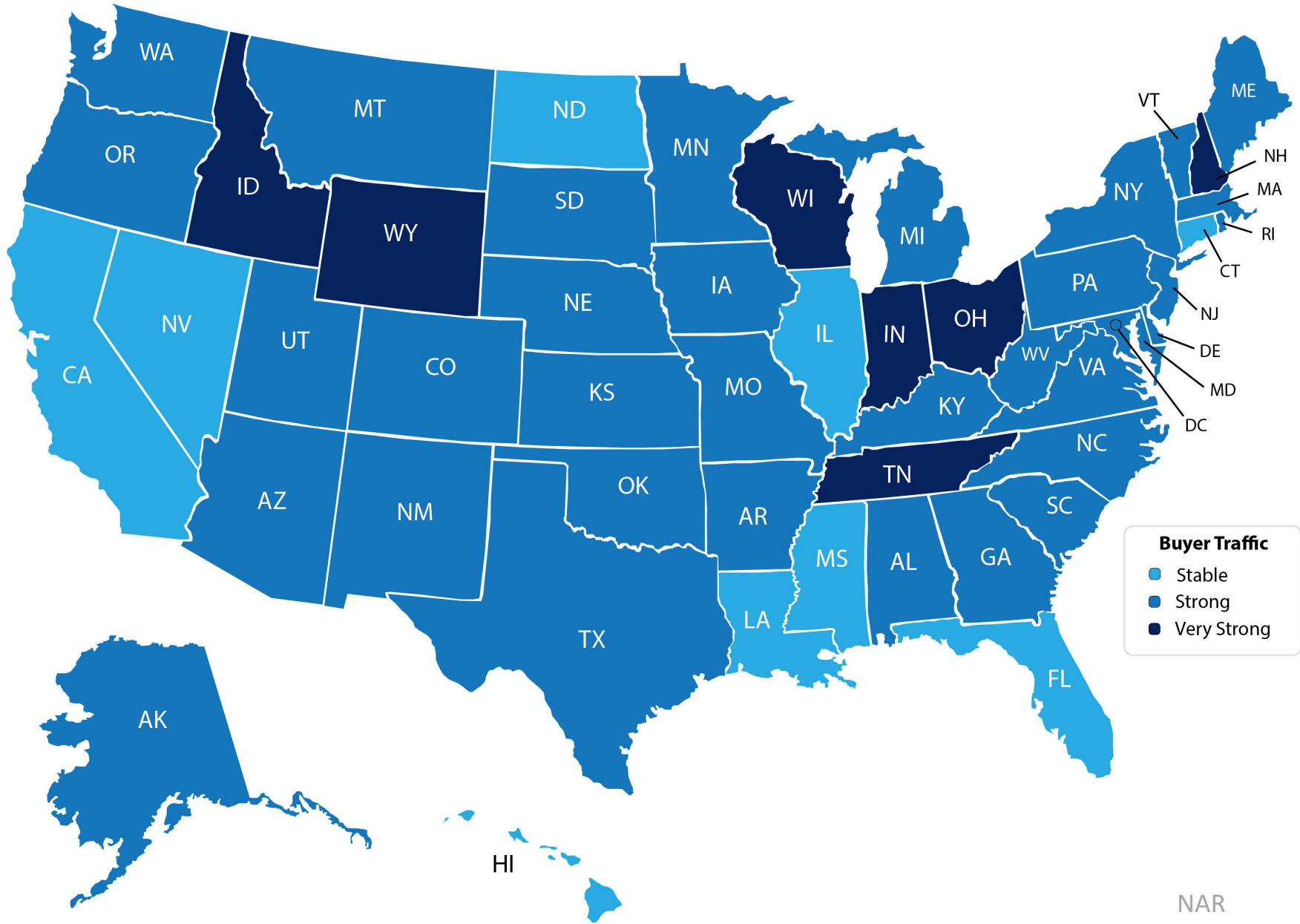
Motivations For Moving



More than 2 in 5 of those planning to sell in the next 18 months say recent shifts in the housing market have them selling sooner than initially planned.



Buyer Traffic



Buyer Traffic

- Stable
- Strong
- Very Strong

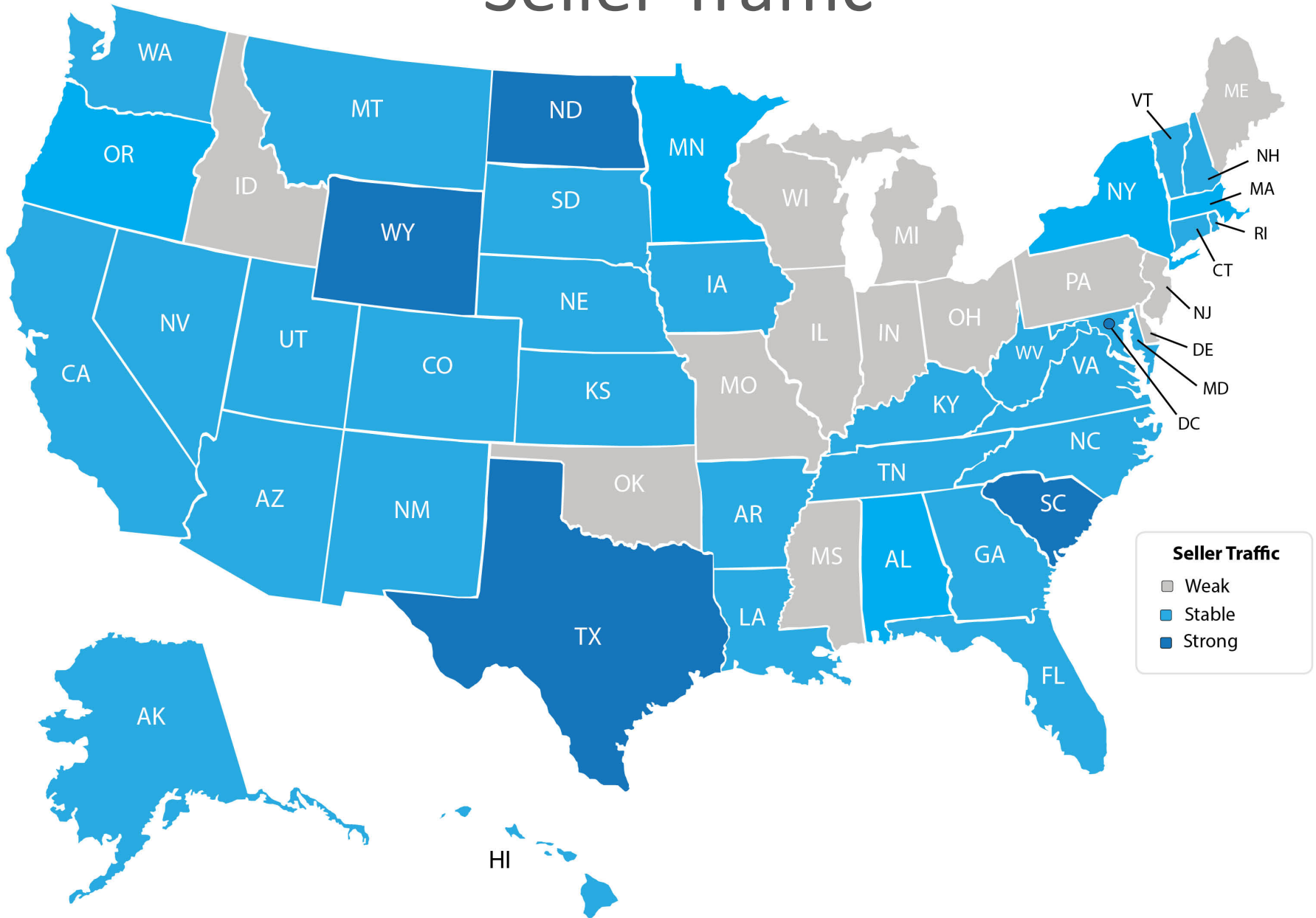
“Title agents & real estate professionals indicate home buyers encouraged by unexpectedly lower mortgage rates in 2019 – a tailwind helping to boost demand and inspire existing homeowners to sell their homes.”

Mark Fleming

Chief Economist at First American

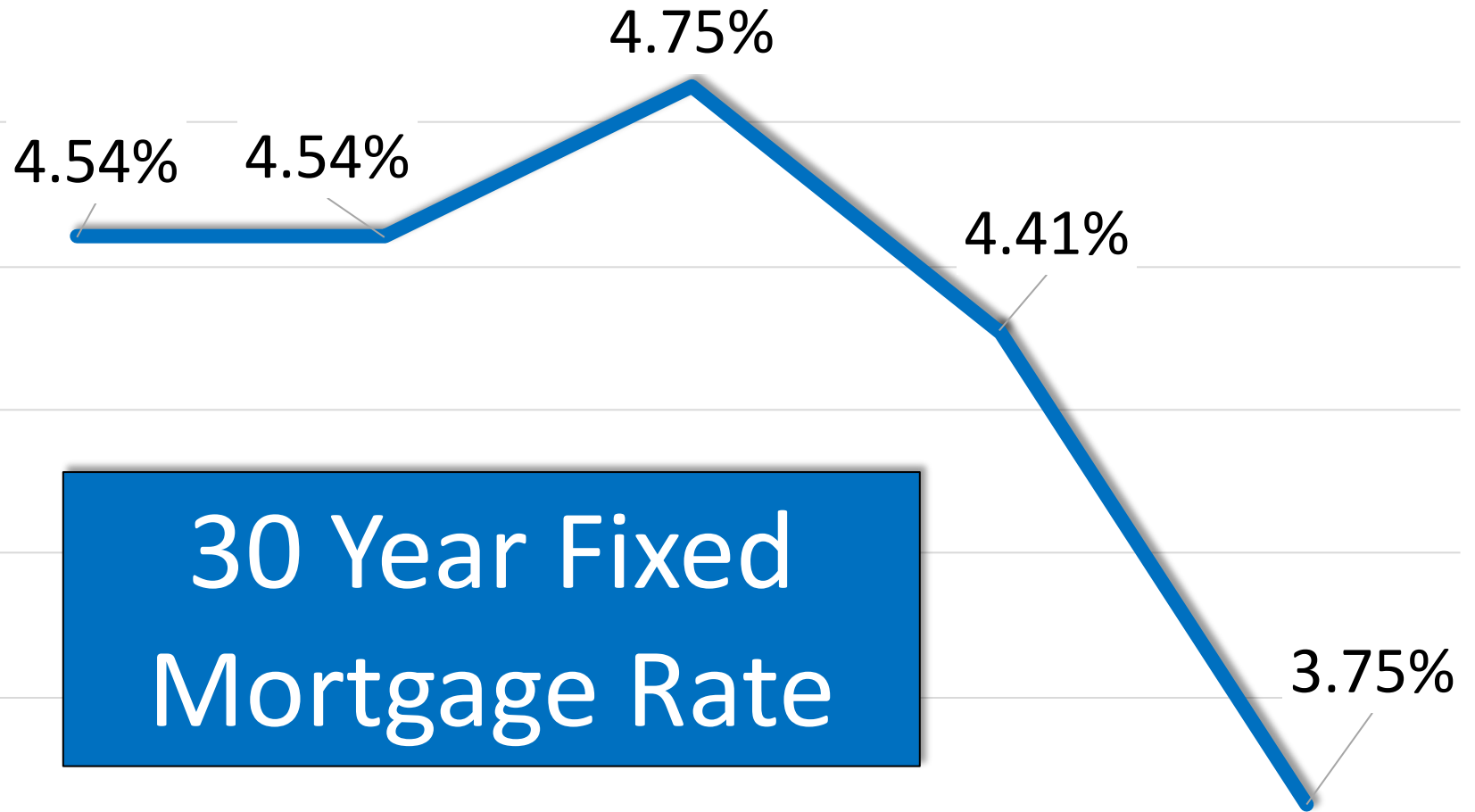


Seller Traffic



Seller Traffic

- Weak
- Stable
- Strong



June 2018

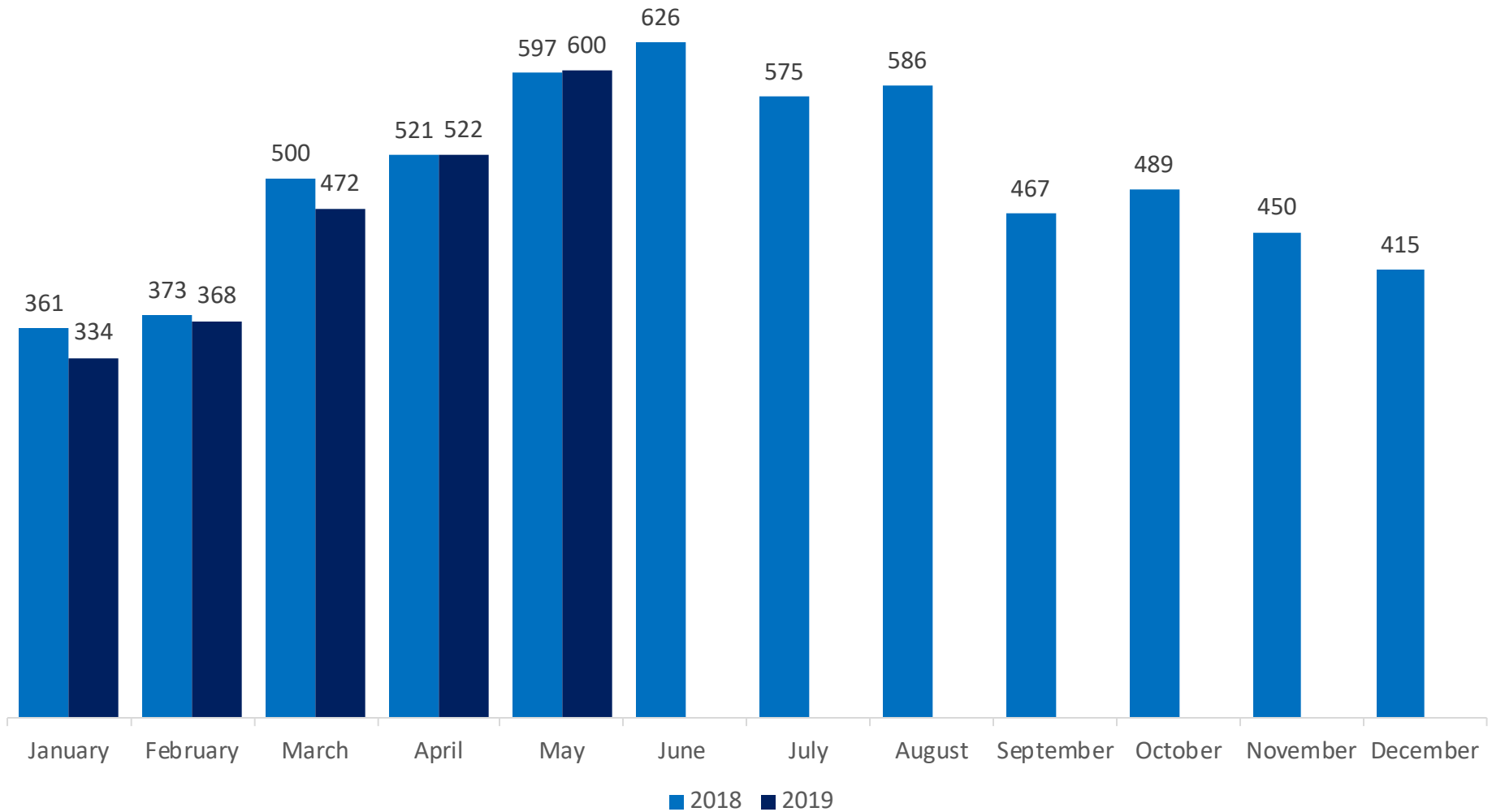
September 2018

December 2018

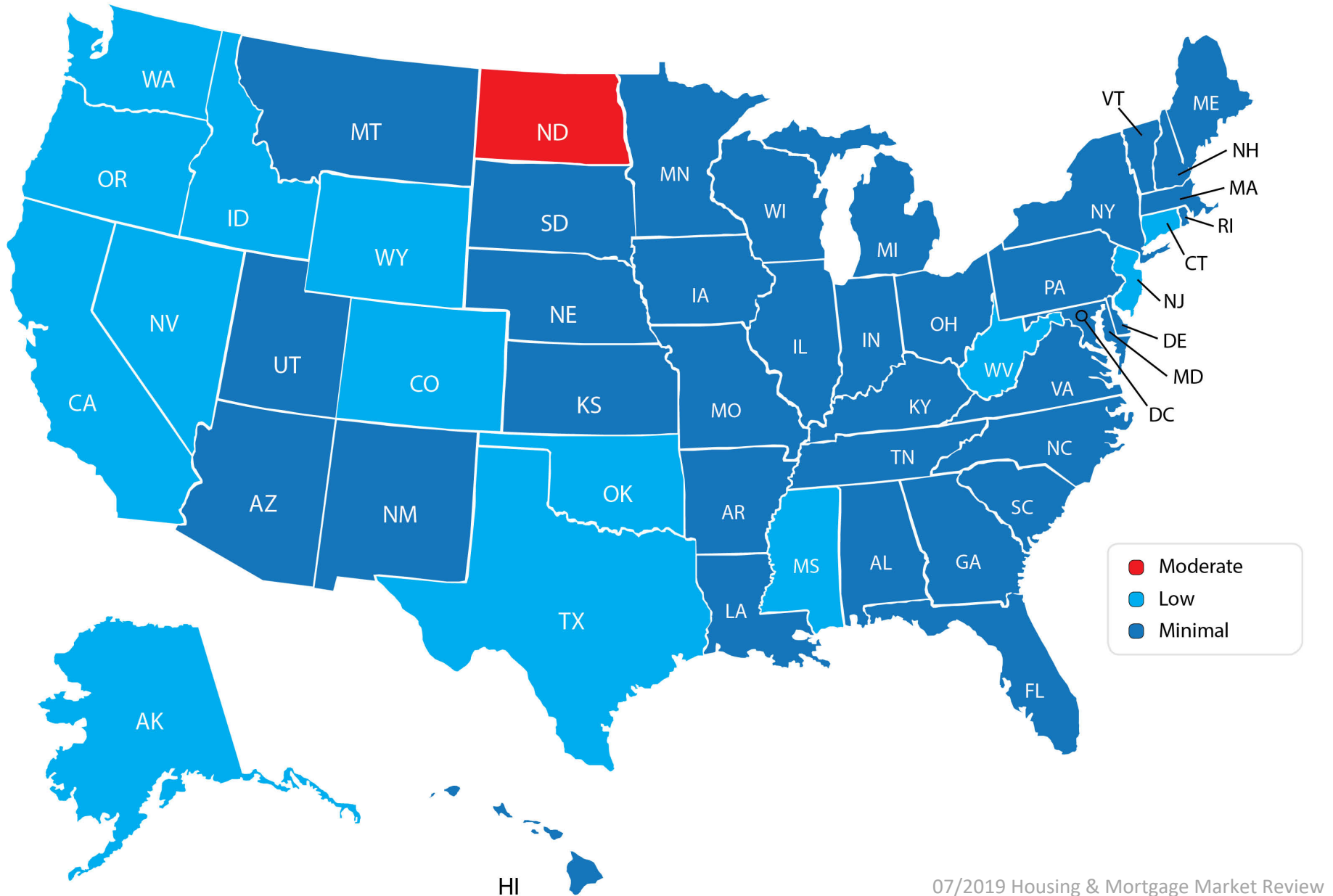
March 2019

July 2019

Total Home Sales *in thousands*



The Probability of Home Prices Being Lower in 2 Years

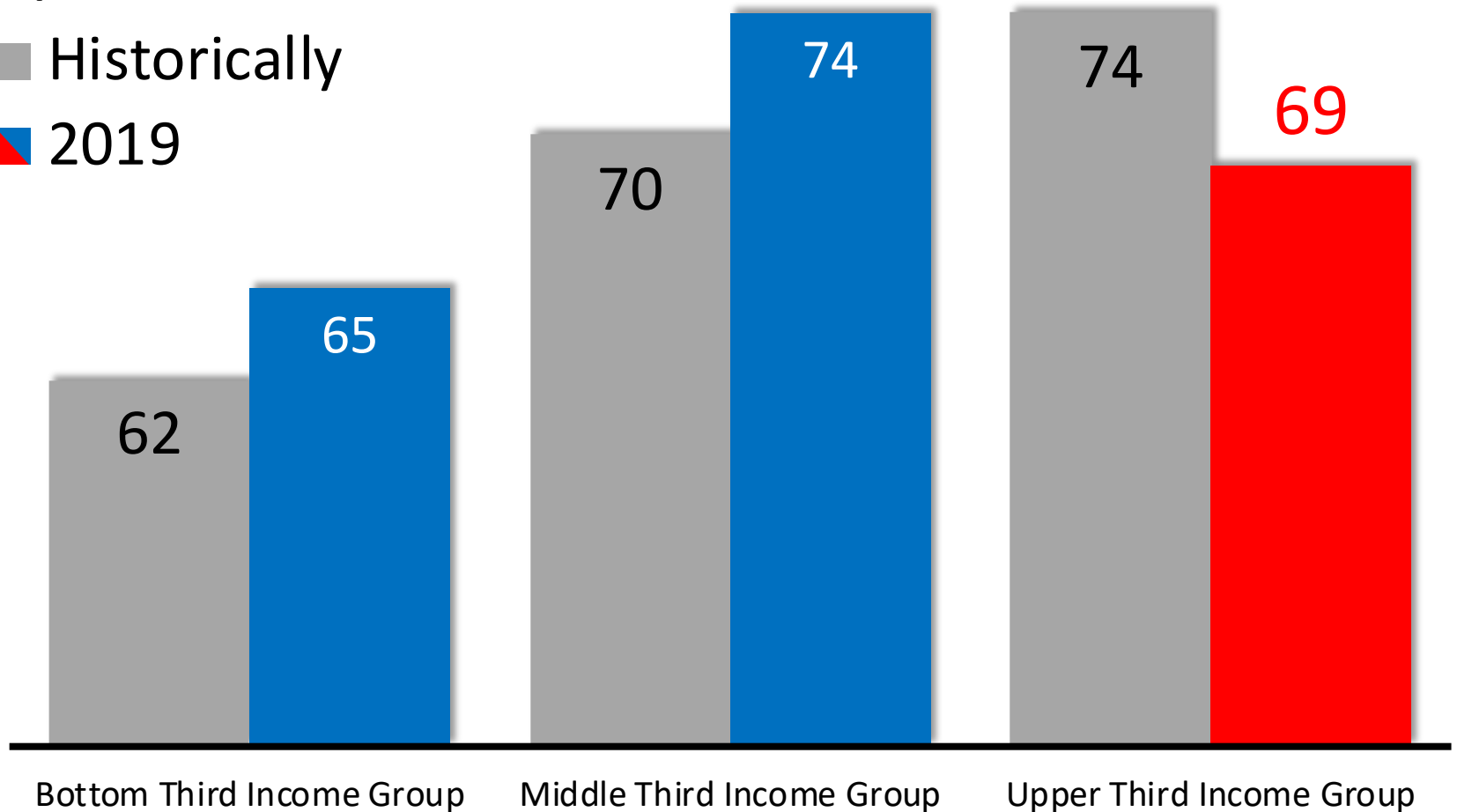


How Optimistic are Americans regarding FUTURE PRICE APPRECIATION?

Optimism Index

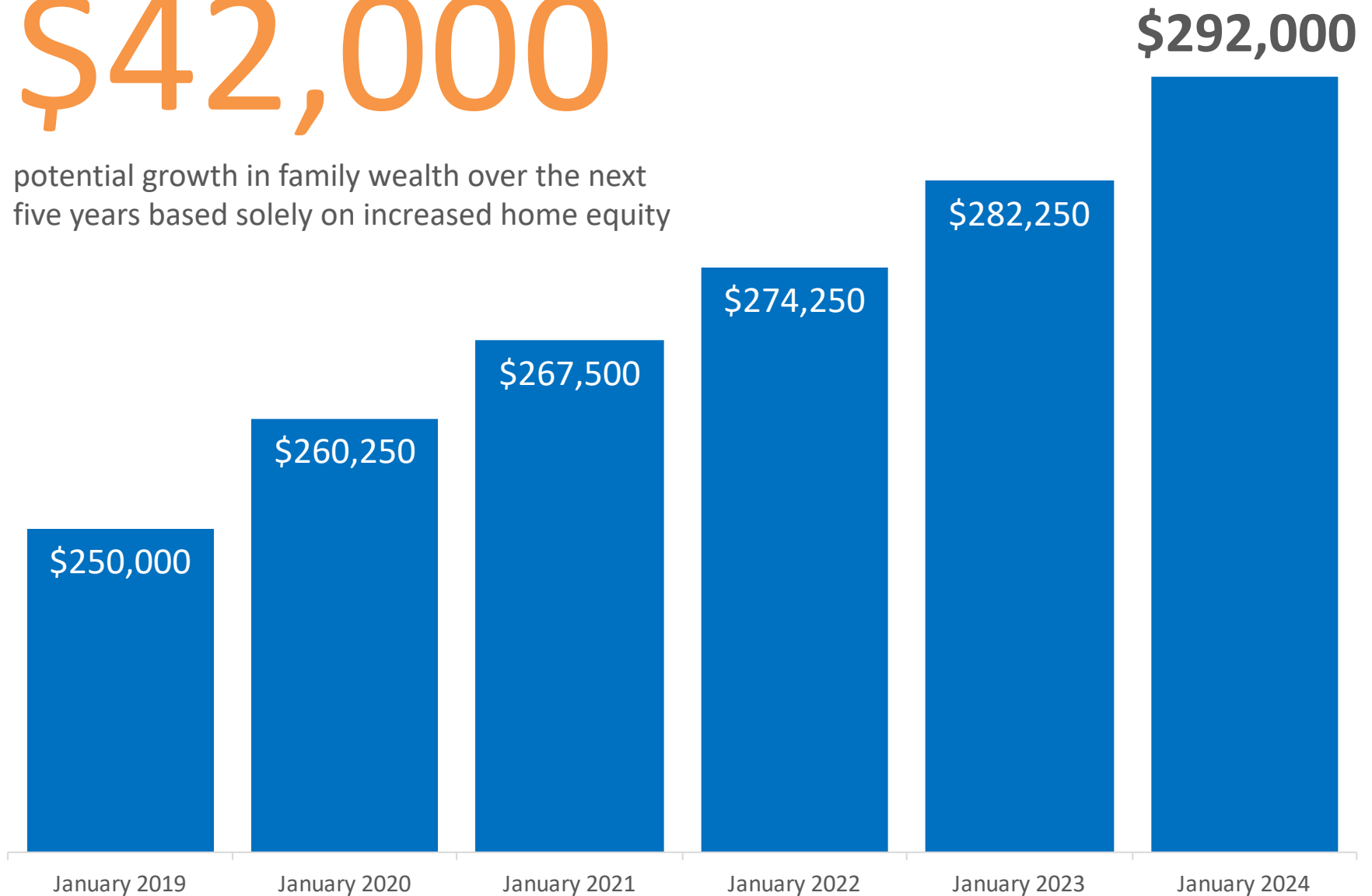
■ Historically

■ 2019



\$42,000

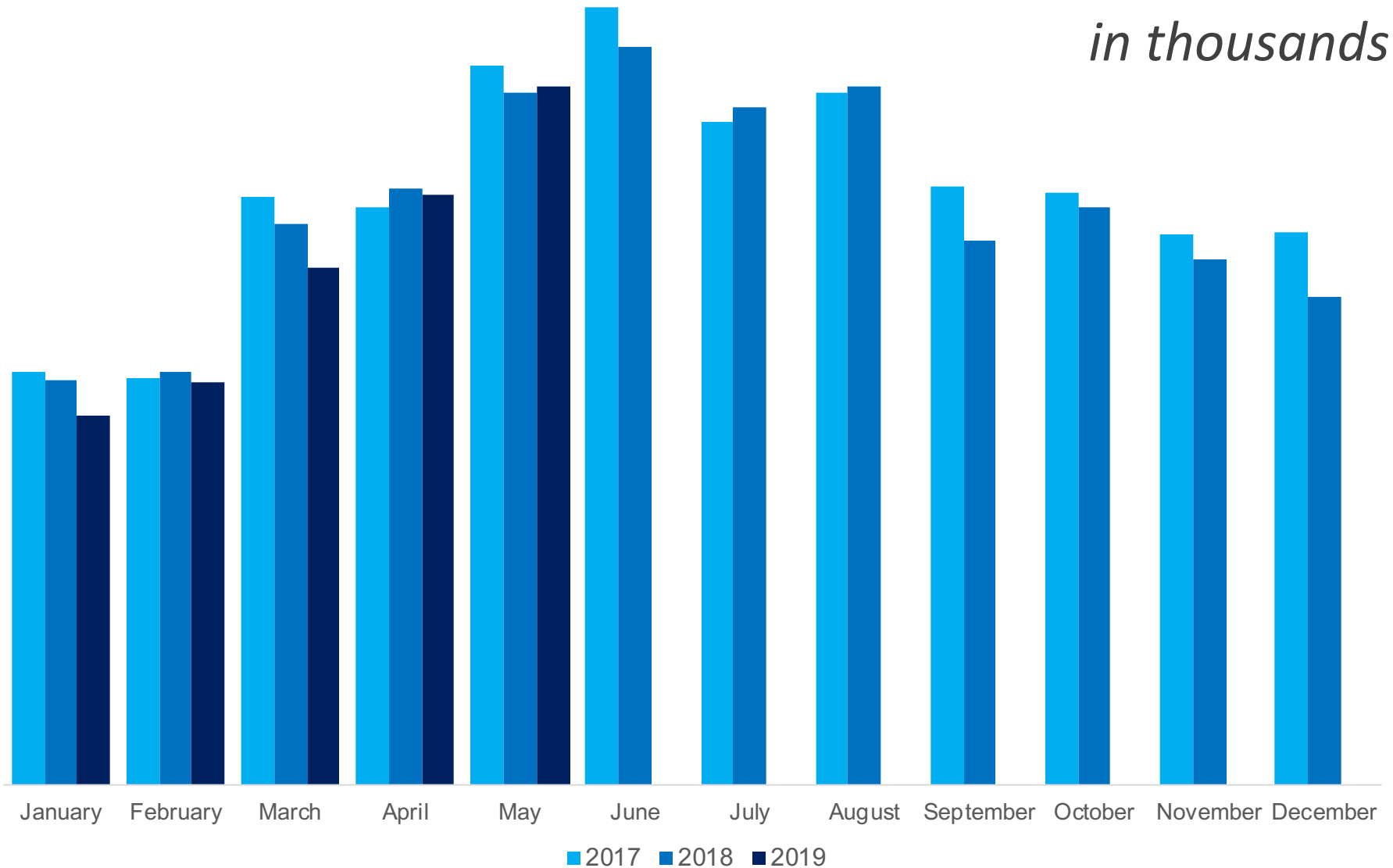
potential growth in family wealth over the next five years based solely on increased home equity



Increased home equity based on price appreciation projected by the Home Price Expectation Survey

Existing Home Sales

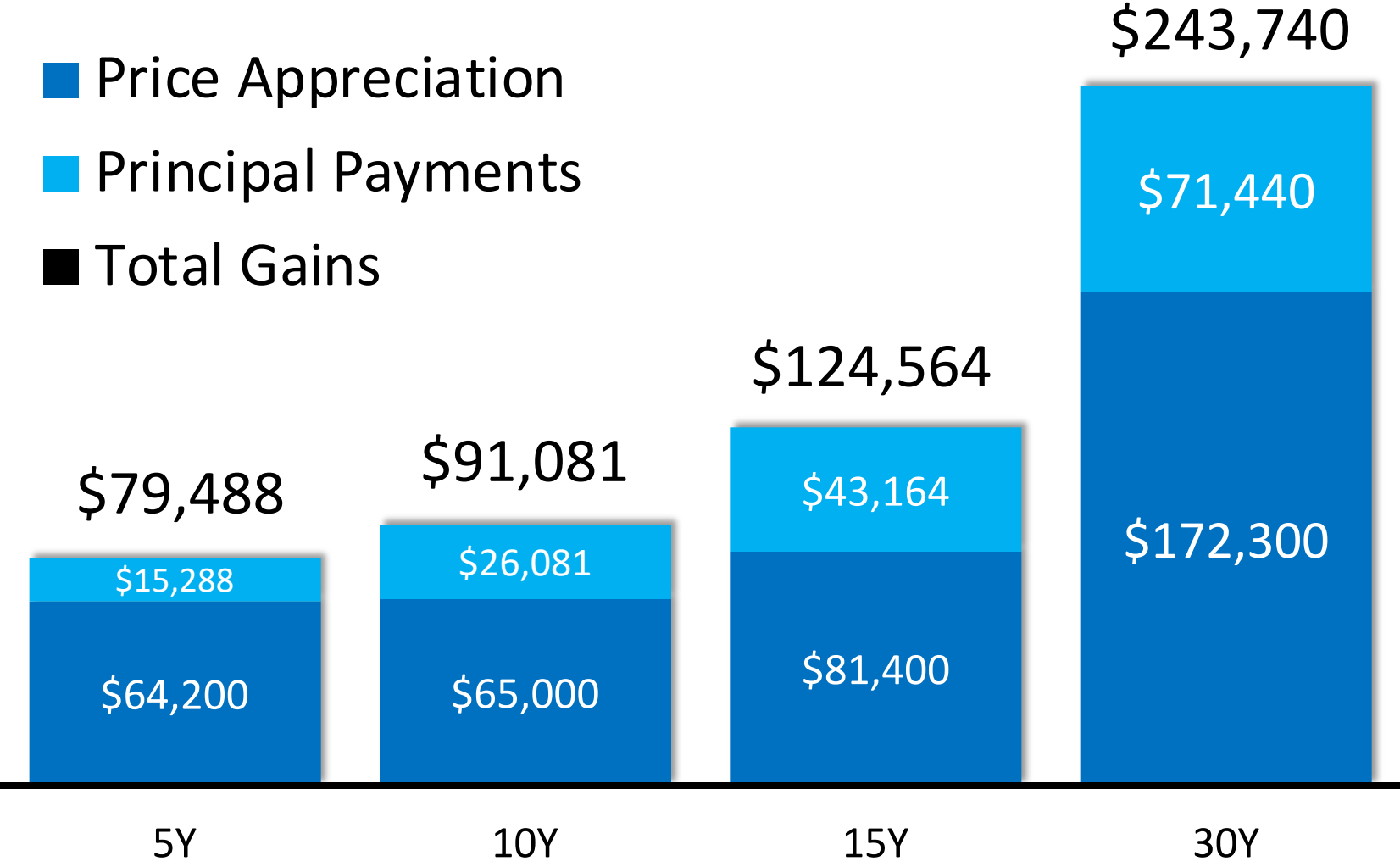
in thousands



Housing Wealth (Equity) Gains as of 2018

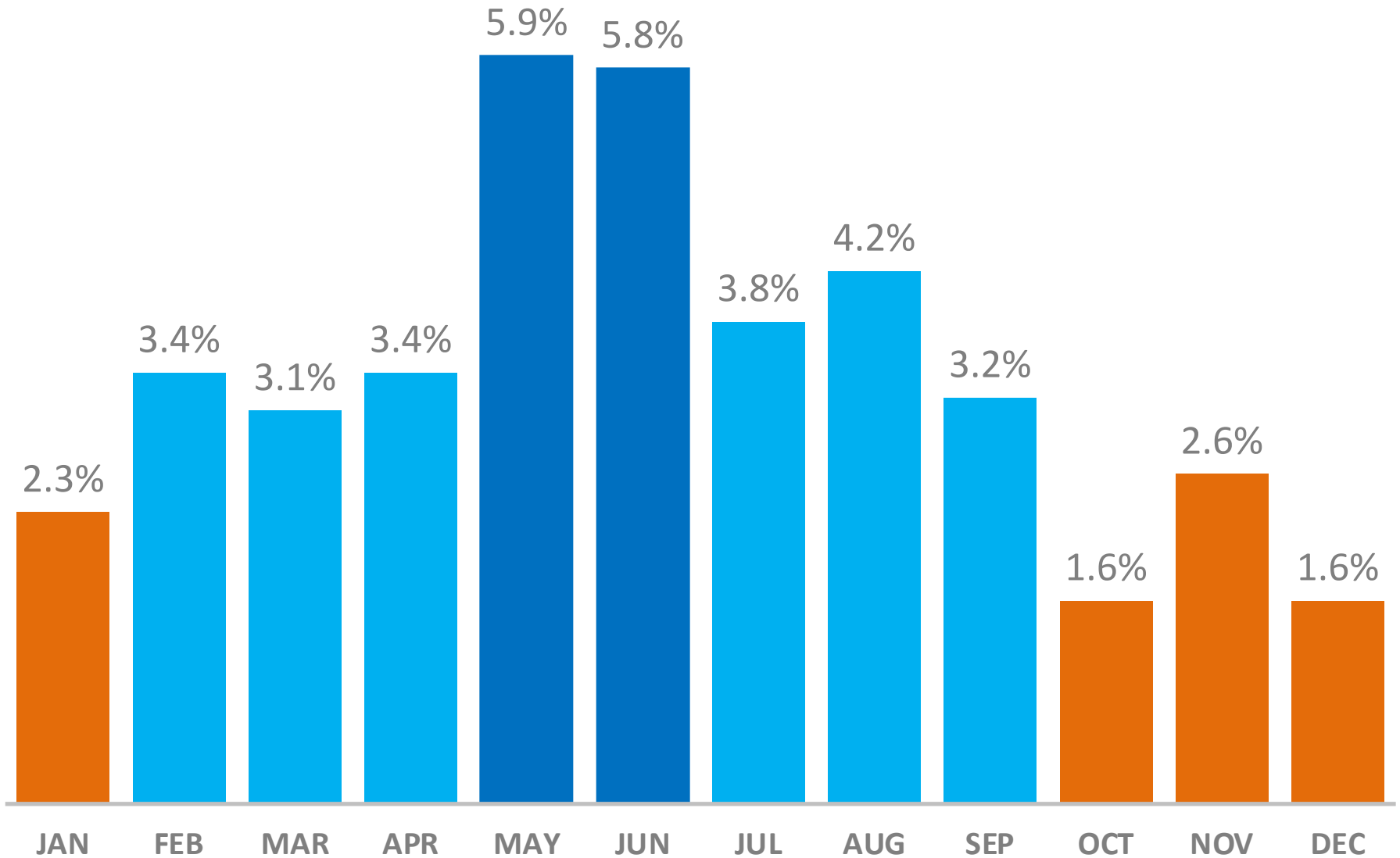
for a Typical Single-Family Home Purchased 5, 10, 15, 30 Years Ago

- Price Appreciation
- Principal Payments
- Total Gains

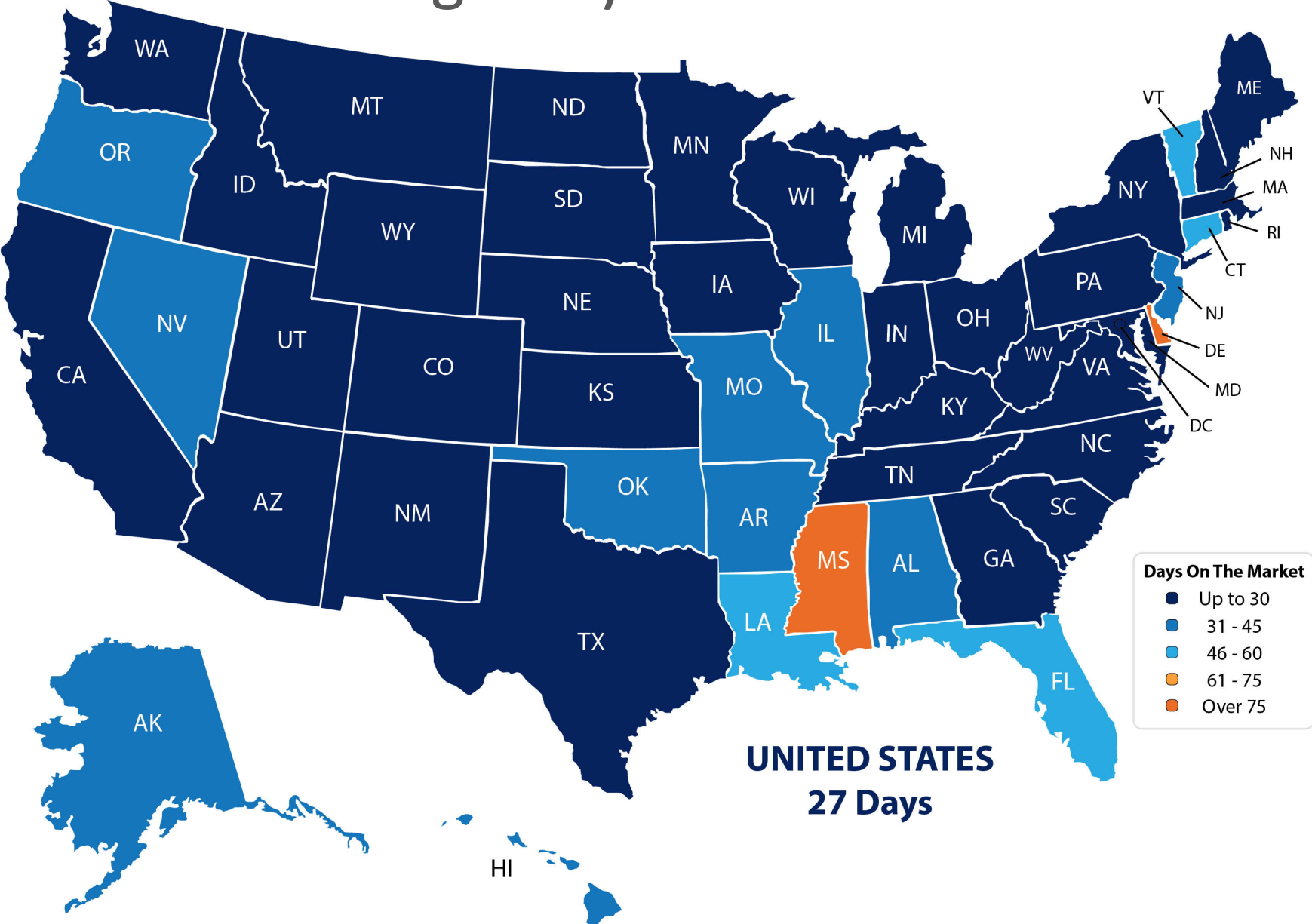


When's the **Best Month** to **Sell Your Home?**

Average % Sold Above Market Price



Average Days on the Market



UNITED STATES
27 Days

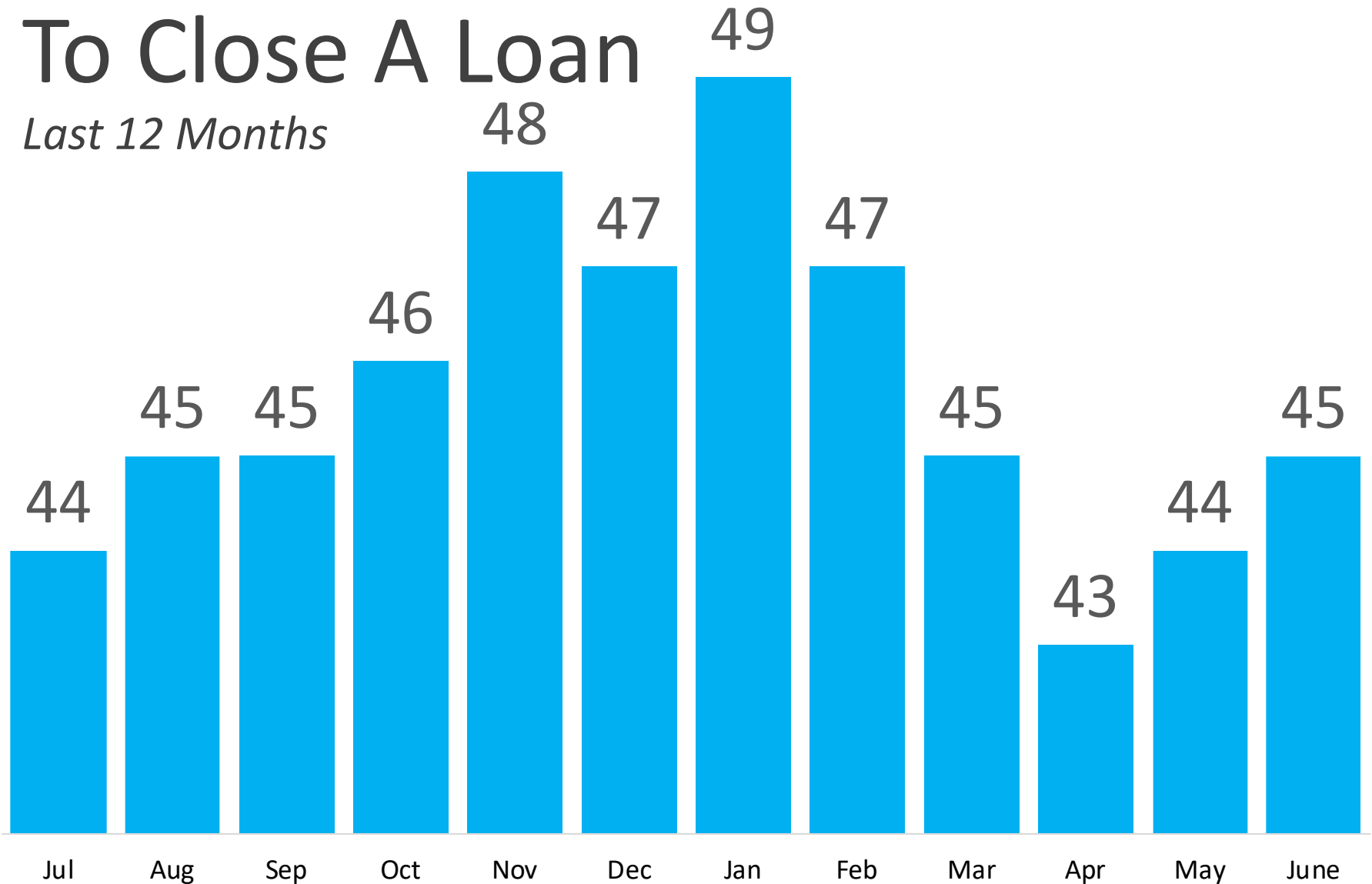
Days On The Market

- Up to 30
- 31 - 45
- 46 - 60
- 61 - 75
- Over 75

Average Days

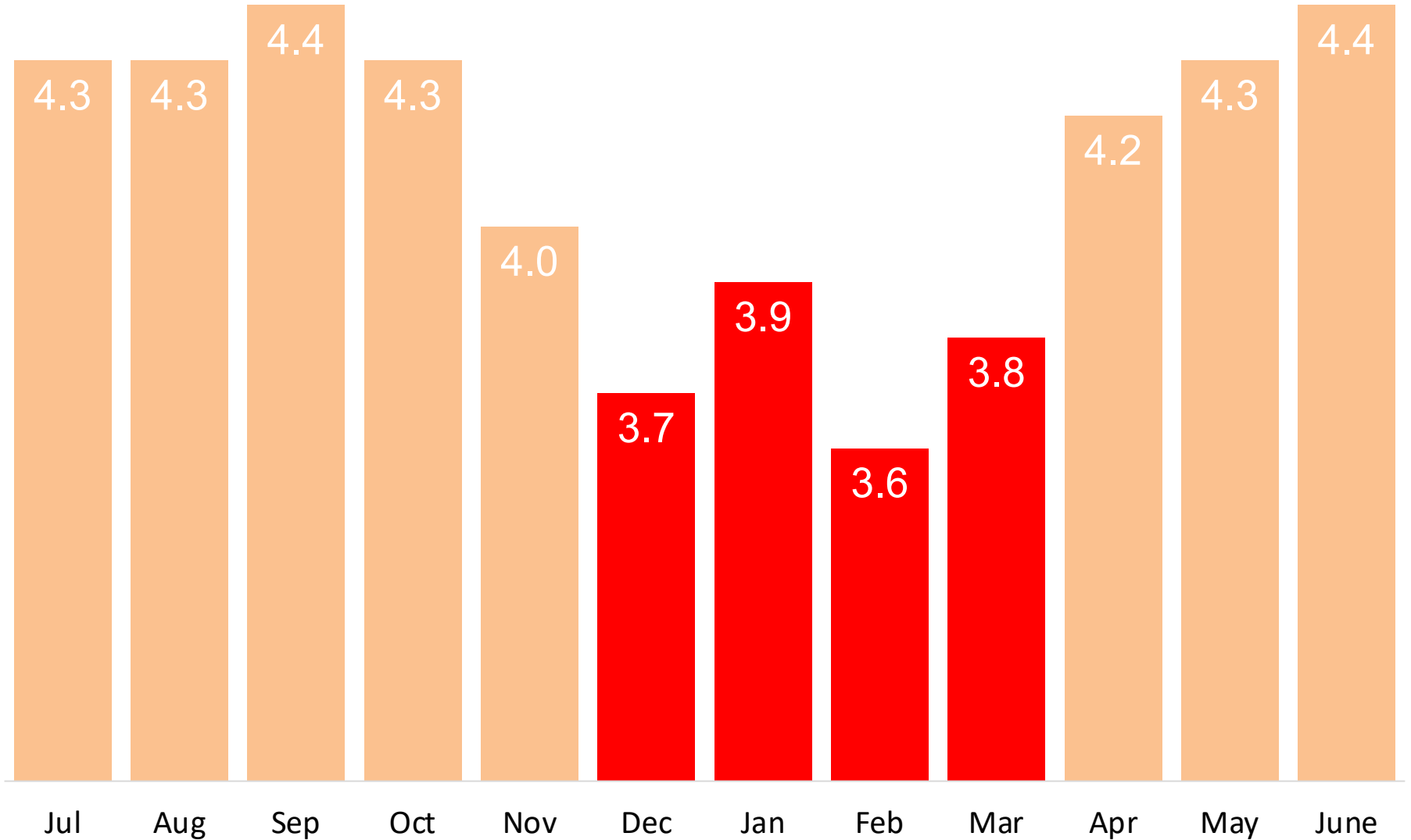
To Close A Loan

Last 12 Months



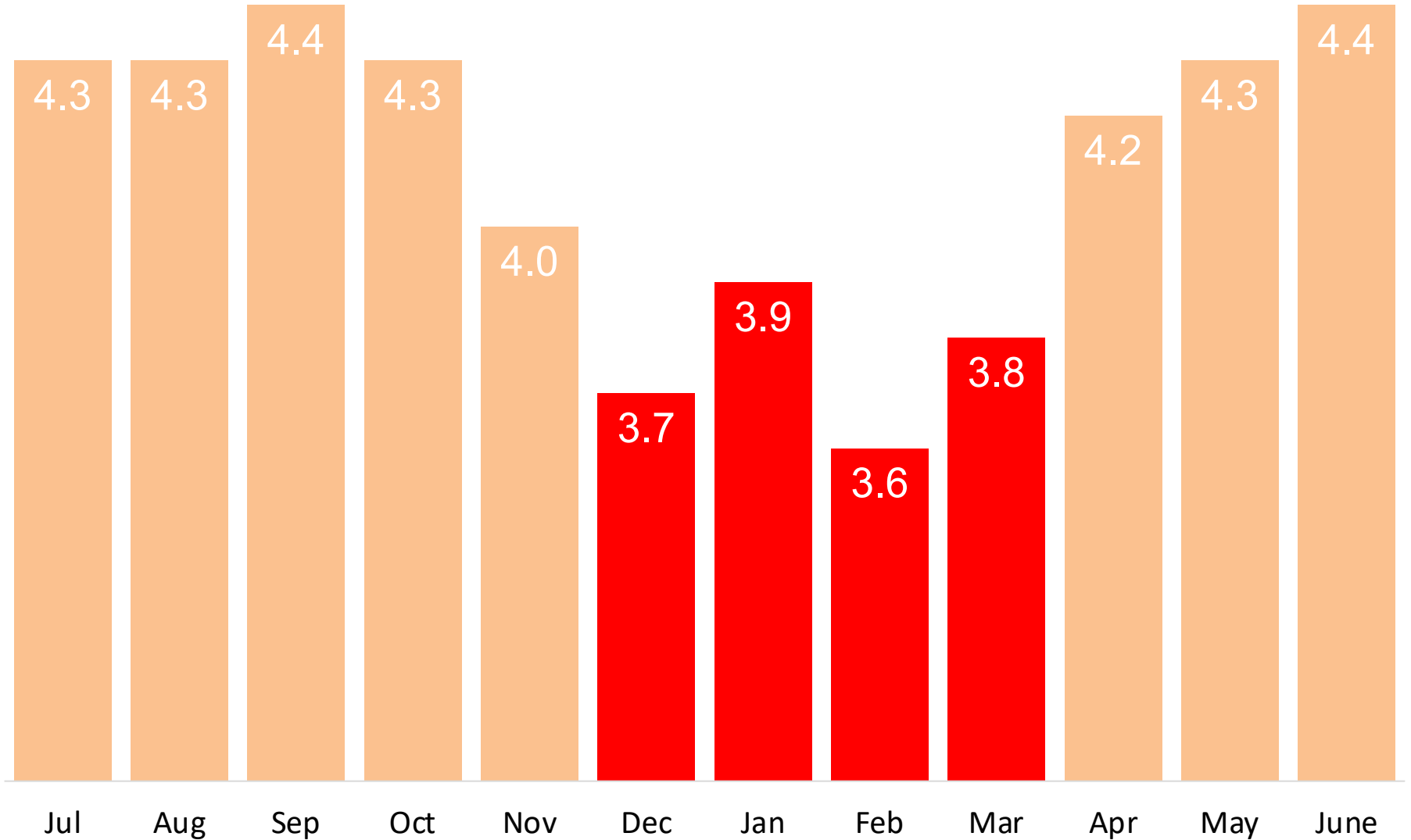
Months Inventory of HOMES FOR SALE

Last 12 Months



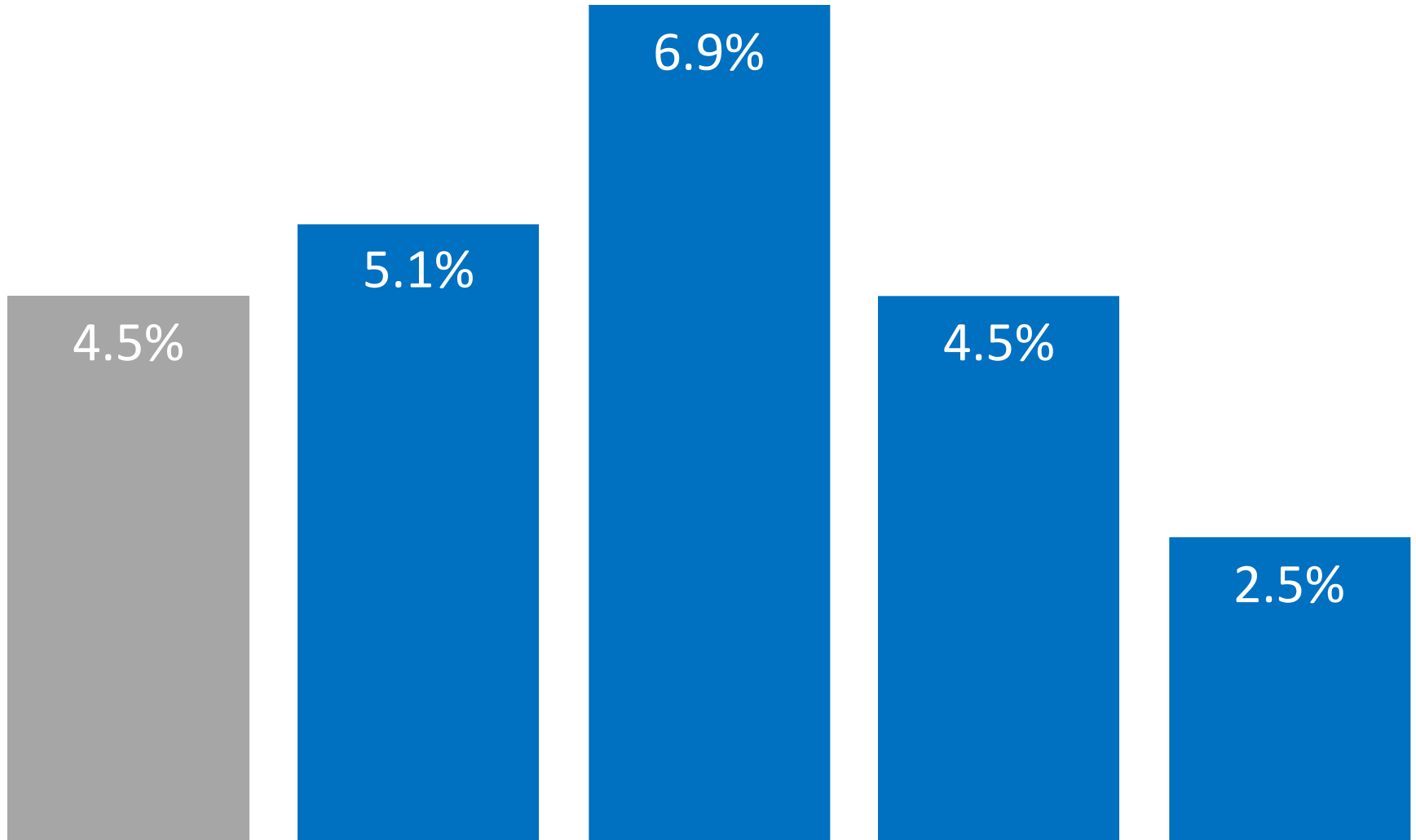
Months Inventory of HOMES FOR SALE

Last 12 Months

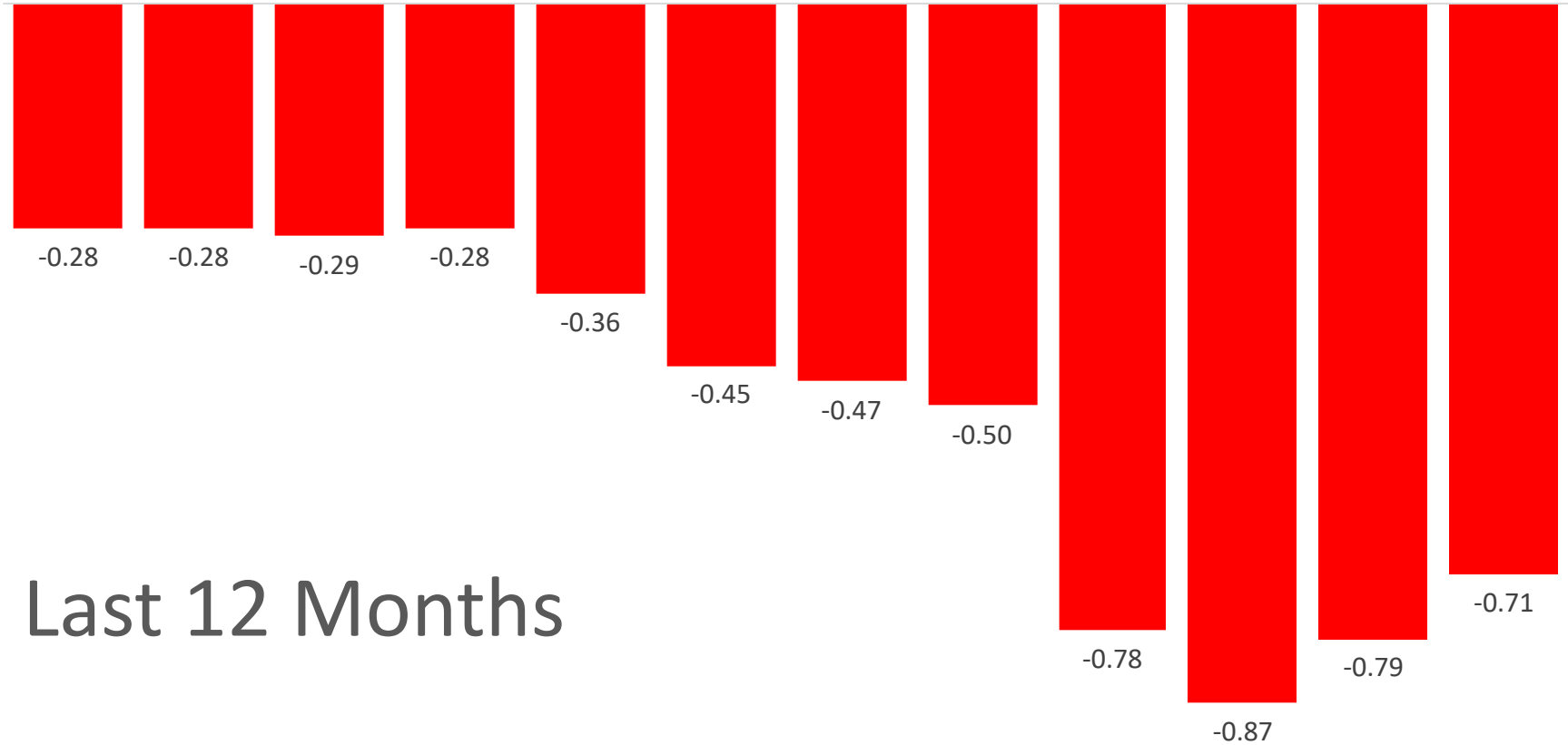


EXISTING Home Prices

Y-O-Y by region

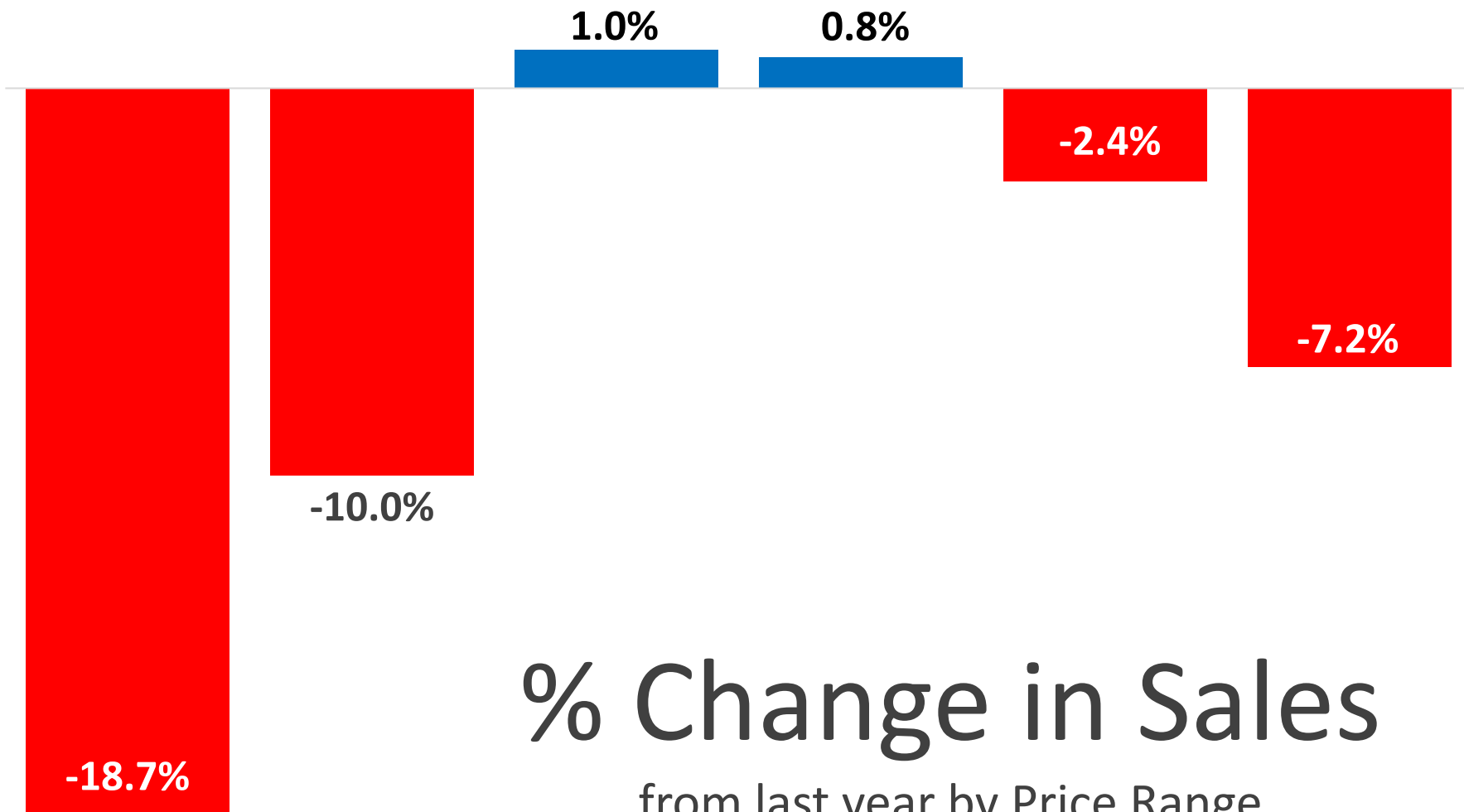


Appraiser Home Value Opinions Compared to Homeowner Estimates



Last 12 Months

	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July
%	-0.28	-0.28	-0.29	-0.28	-0.36	-0.45	-0.47	-0.5	-0.78	-0.87	-0.79	-0.71



	\$0-100K	\$100-250K	\$250-500K	\$500-750K	\$750K-1M	\$1M+
■ %	-18.7%	-10.0%	1.0%	0.8%	-2.4%	-7.2%

35%

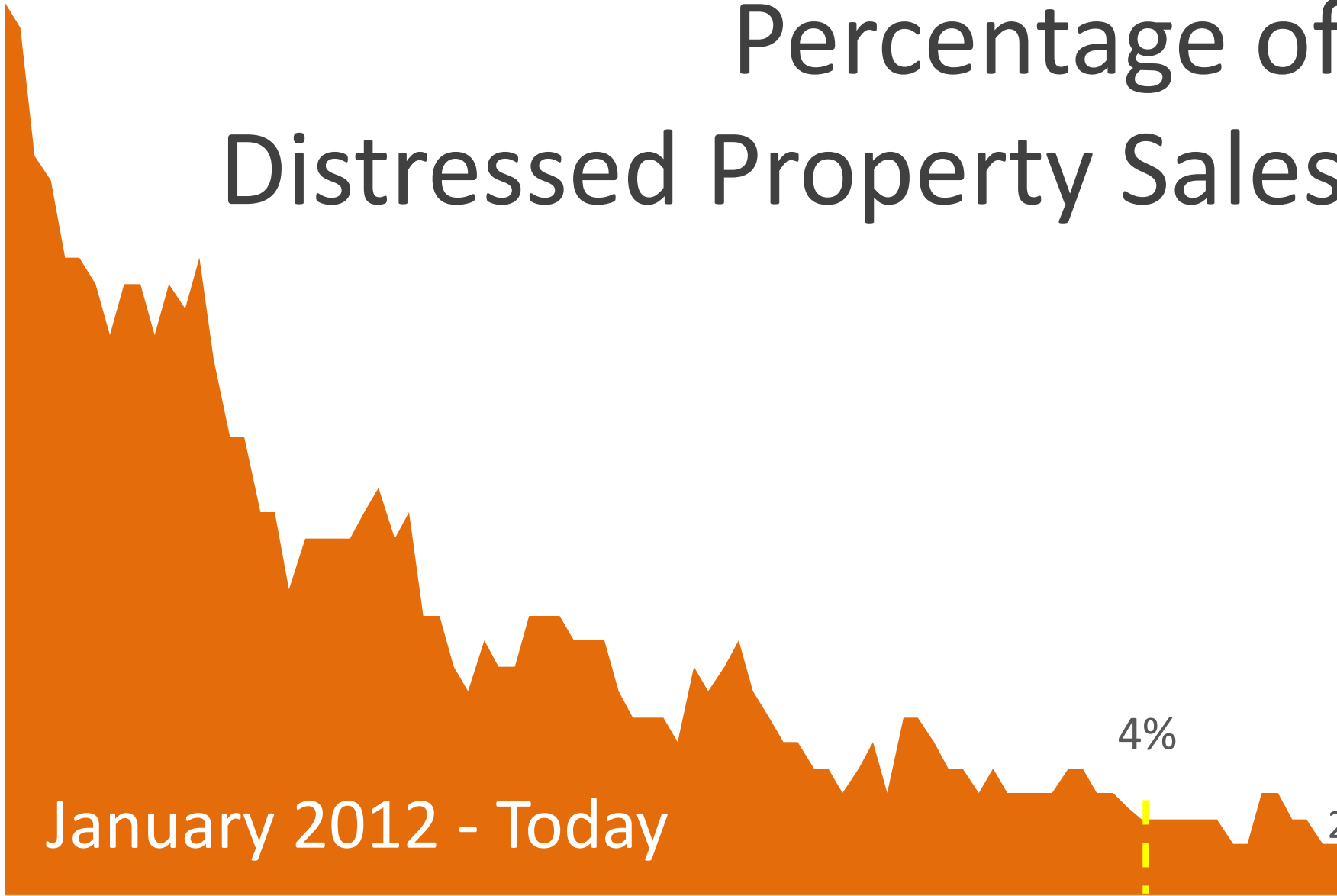
Percentage of Distressed Property Sales

January 2012 - Today

4%

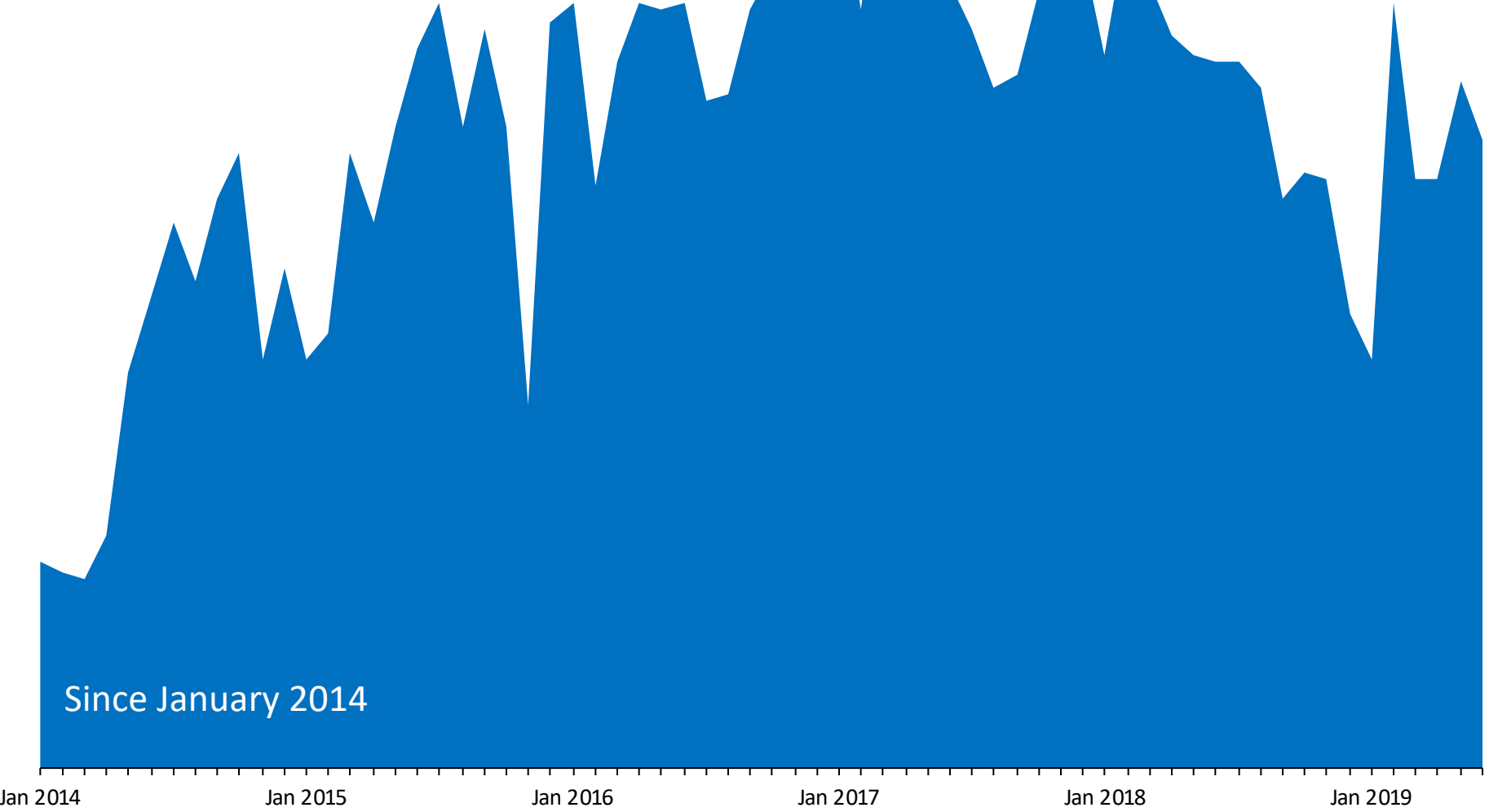
2%

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



EXISTING

Home Sales

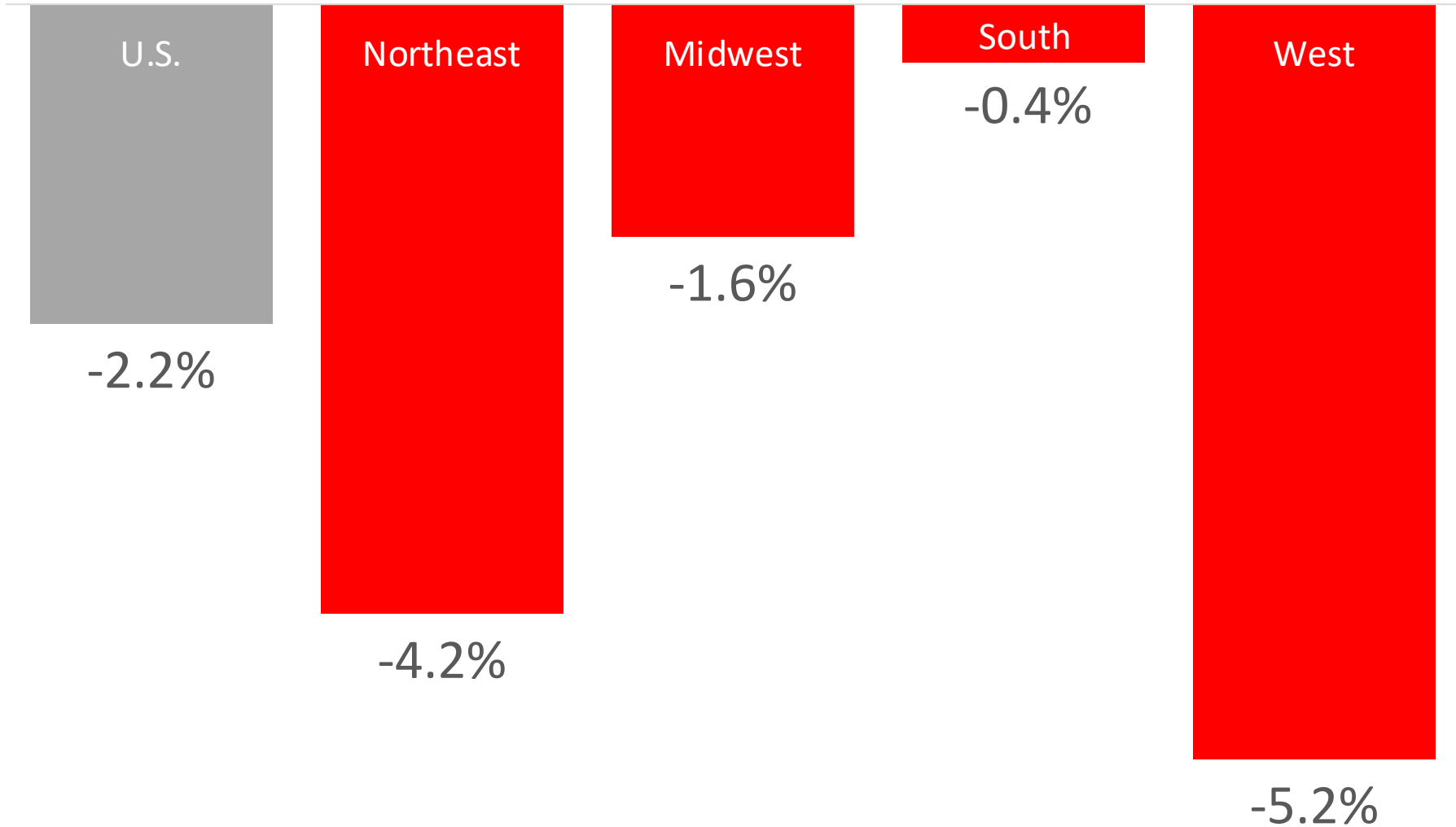


Since January 2014

Jan 2014 Jan 2015 Jan 2016 Jan 2017 Jan 2018 Jan 2019

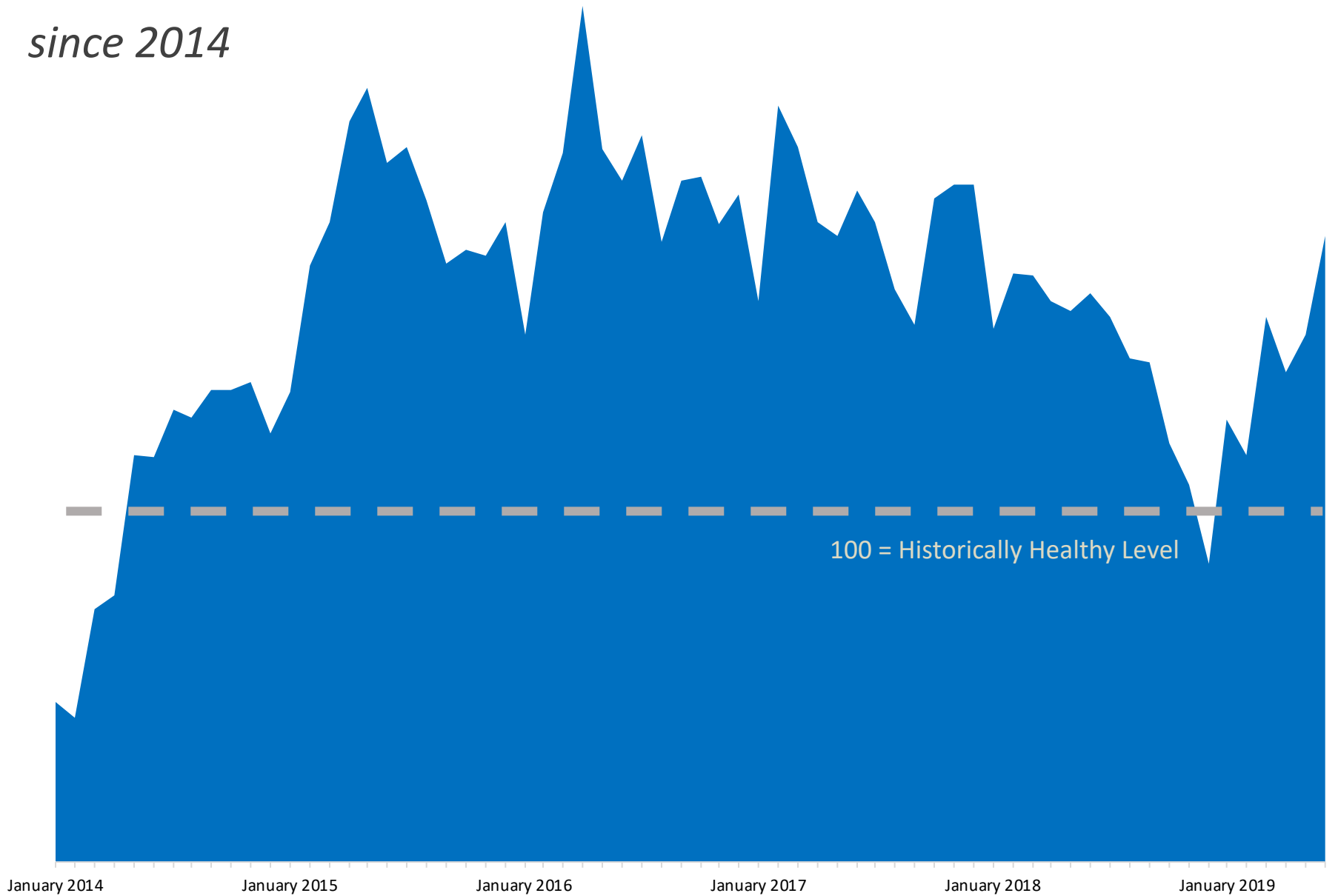
EXISTING Home Sales

Y-O-Y by region



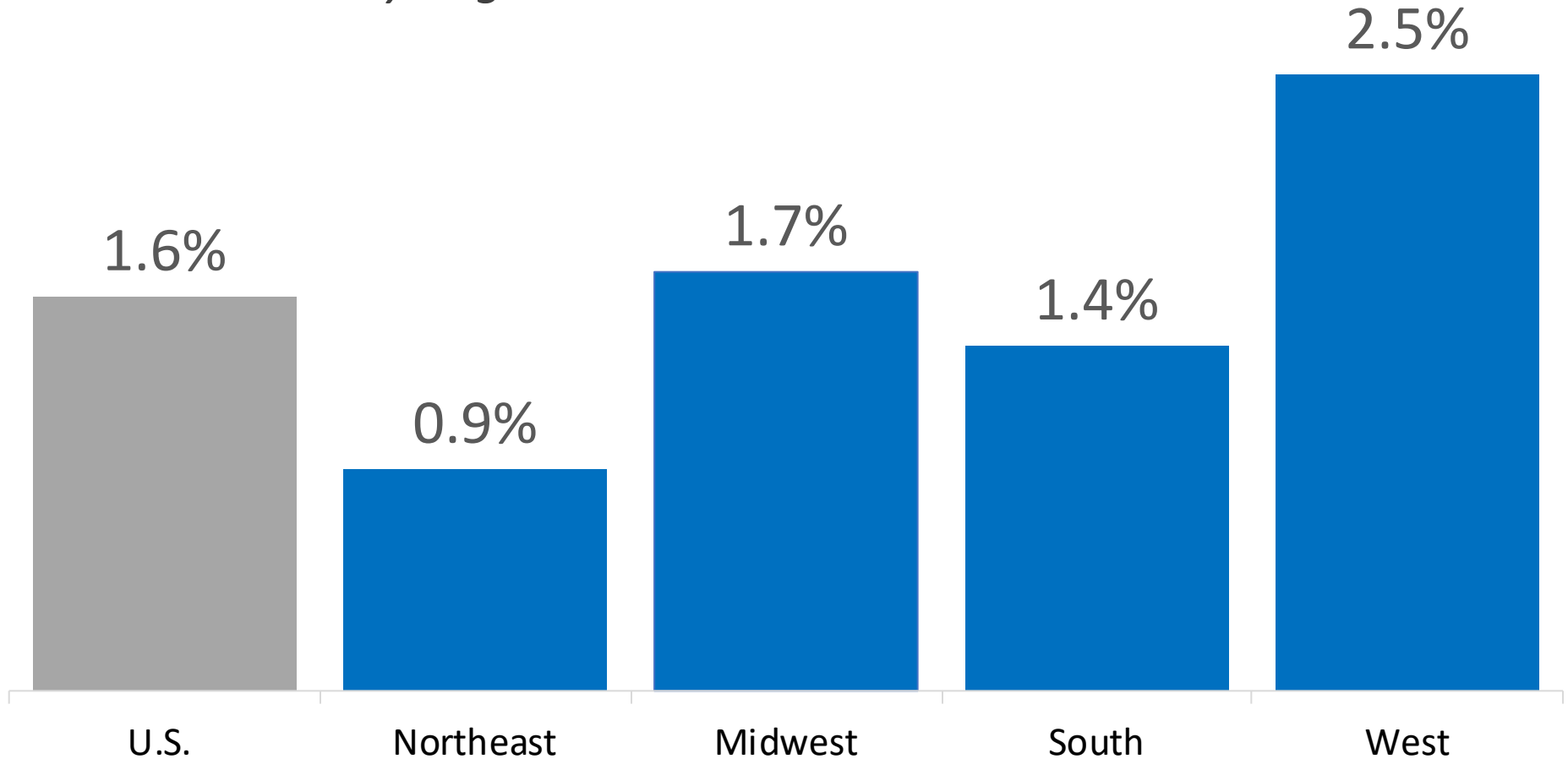
PENDING Home Sales

since 2014

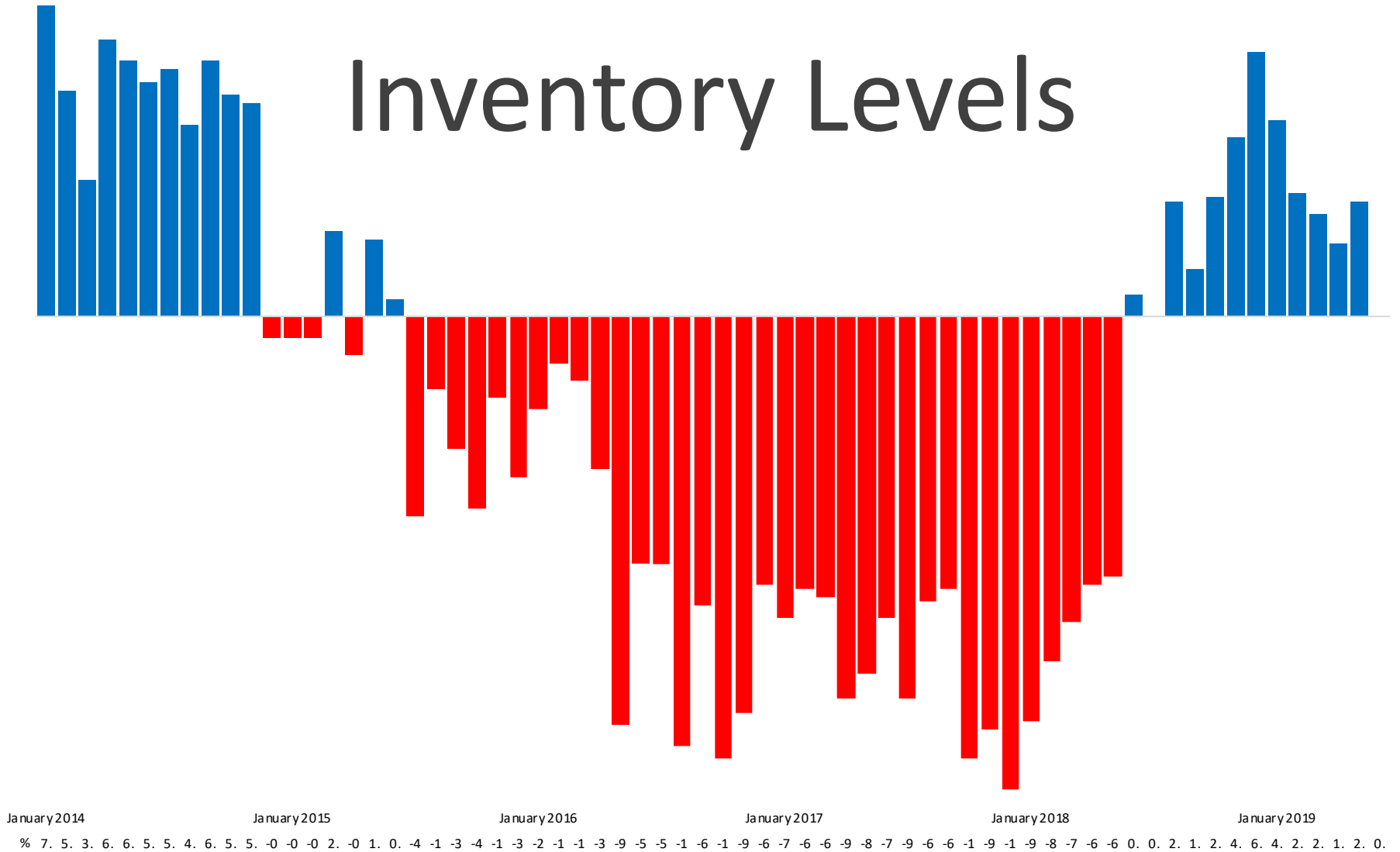


Pending Home Sales

Year-Over-Year By Region

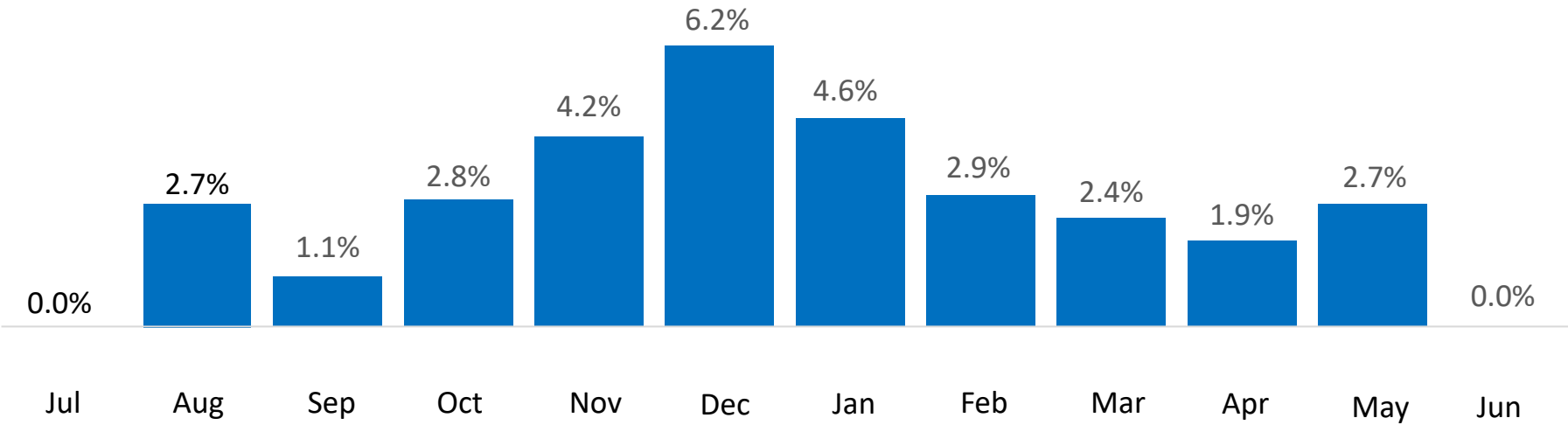


Year-over-Year Inventory Levels



HOUSING SUPPLY

Year-Over-Year

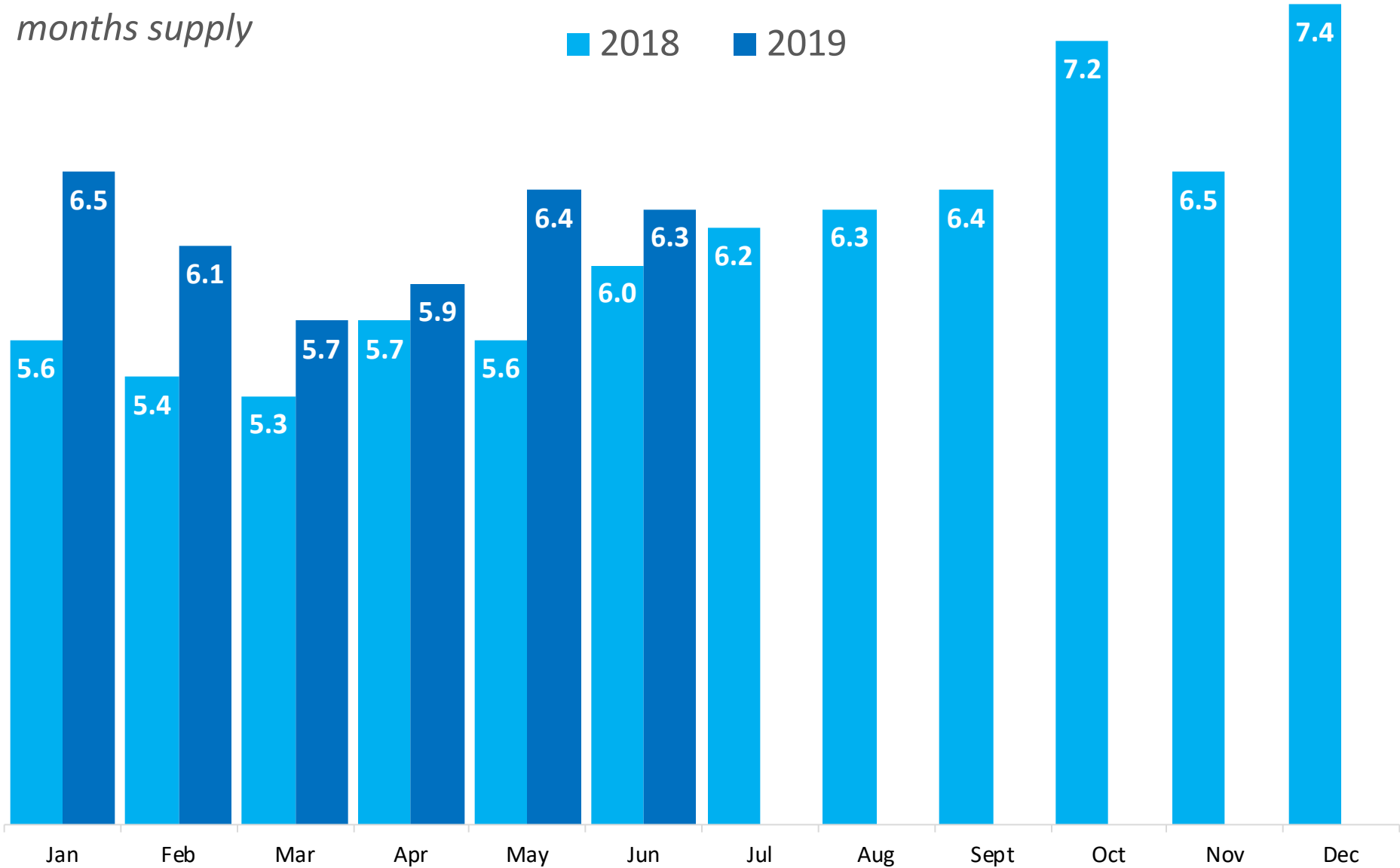


Last 12 Months

New Home Inventory

months supply

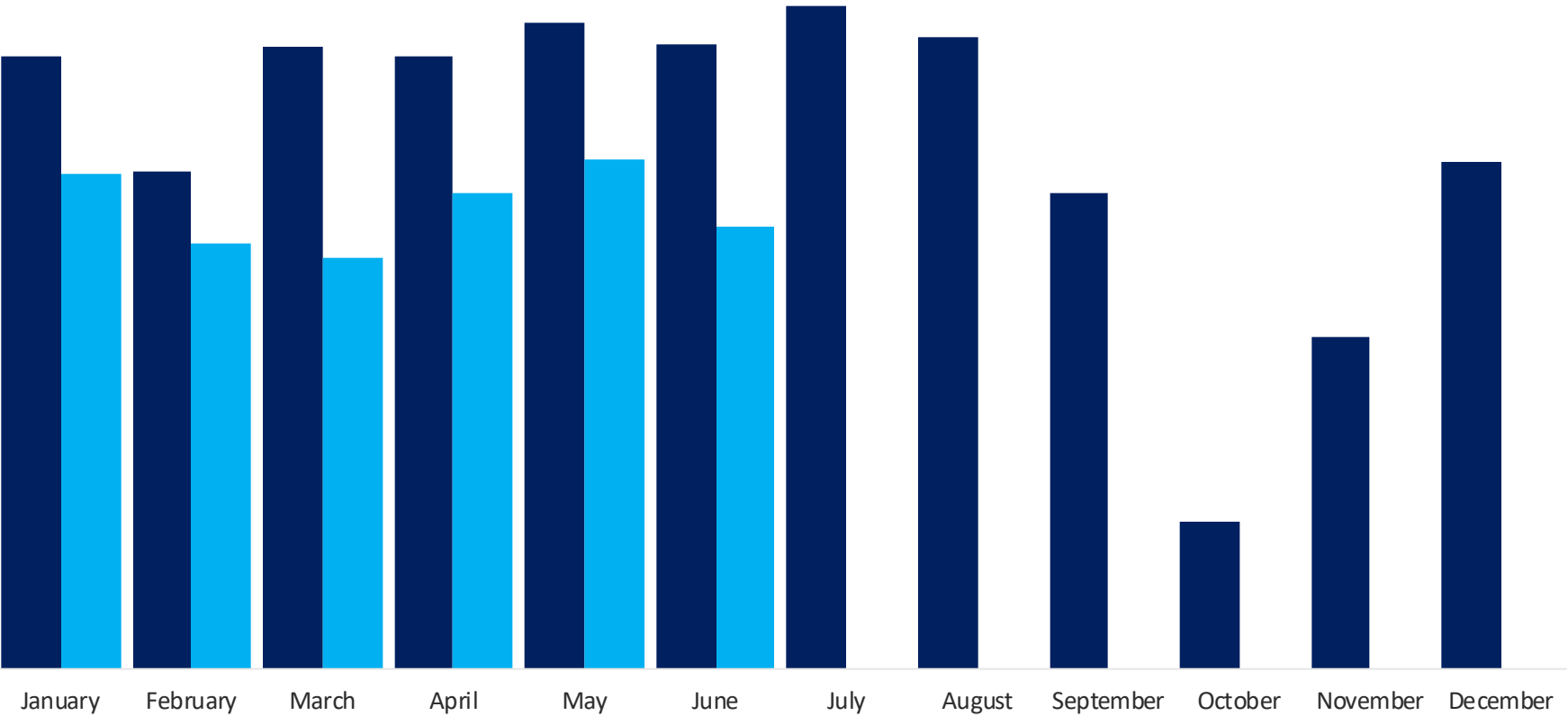
■ 2018 ■ 2019



Foot Traffic

indicator of future sales

■ 2018
■ 2019



Foot Traffic

Last 12 Months

indicator of future sales

