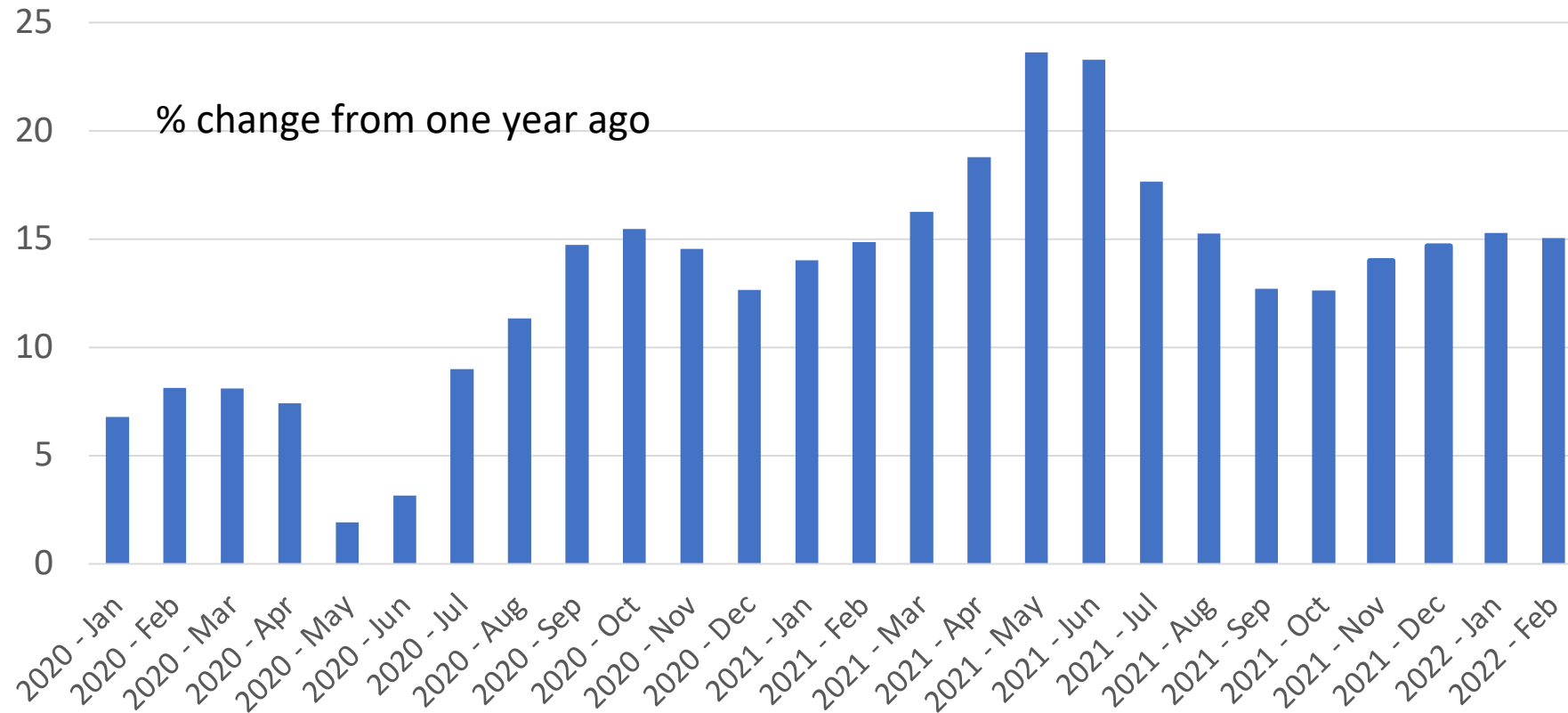


Economic and Market Outlook

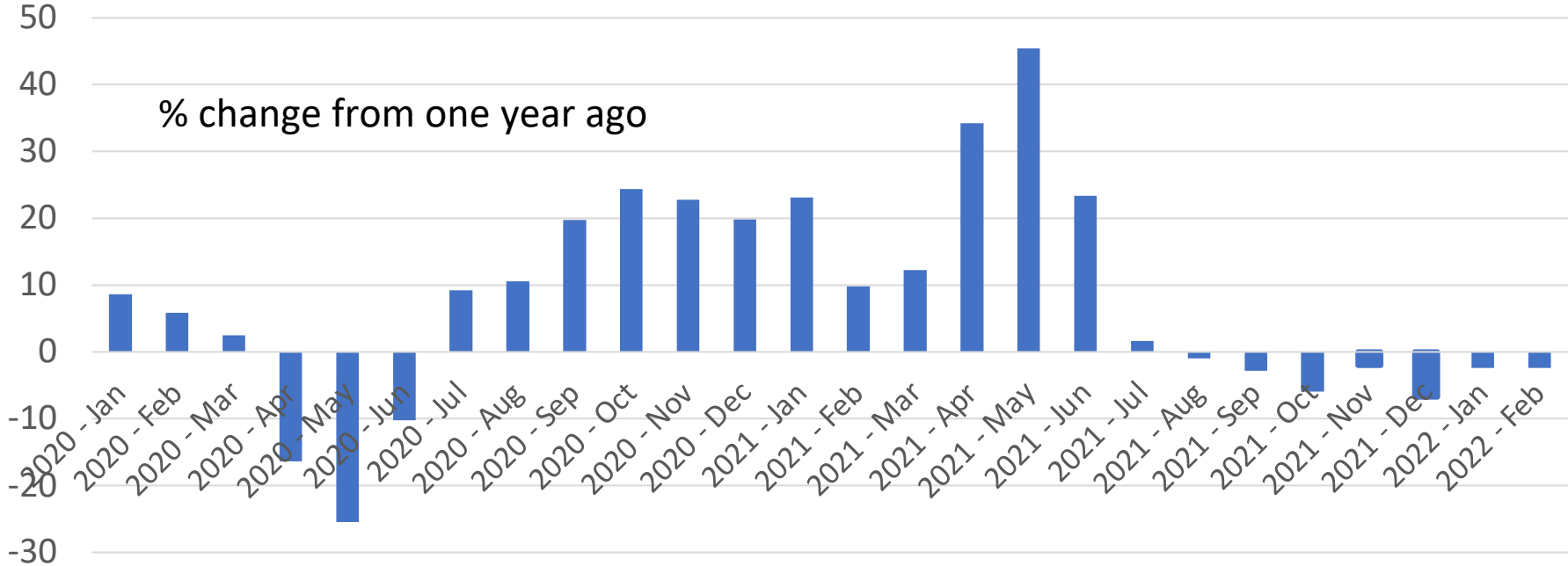
Lawrence Yun
Chief Economist
National Association of REALTORS®



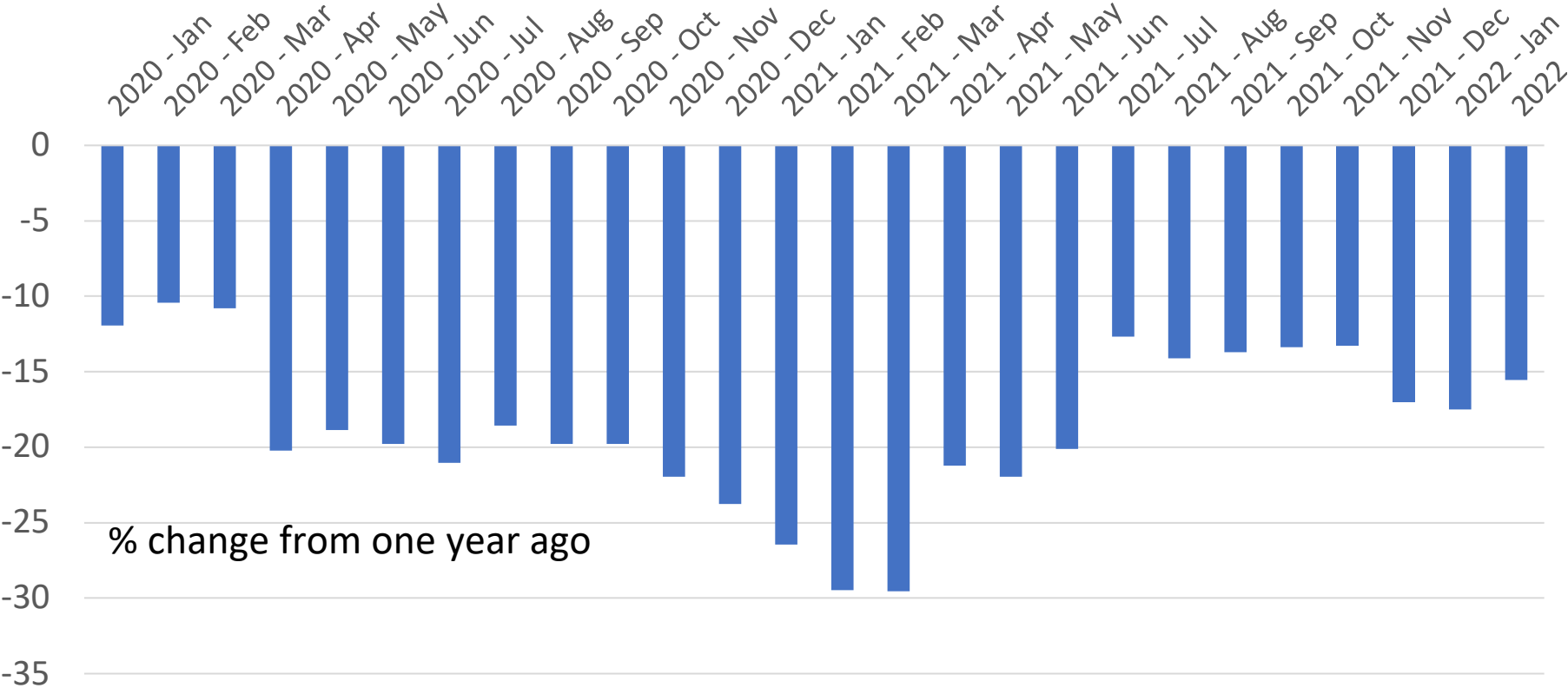
Exceptional Home Price Appreciation



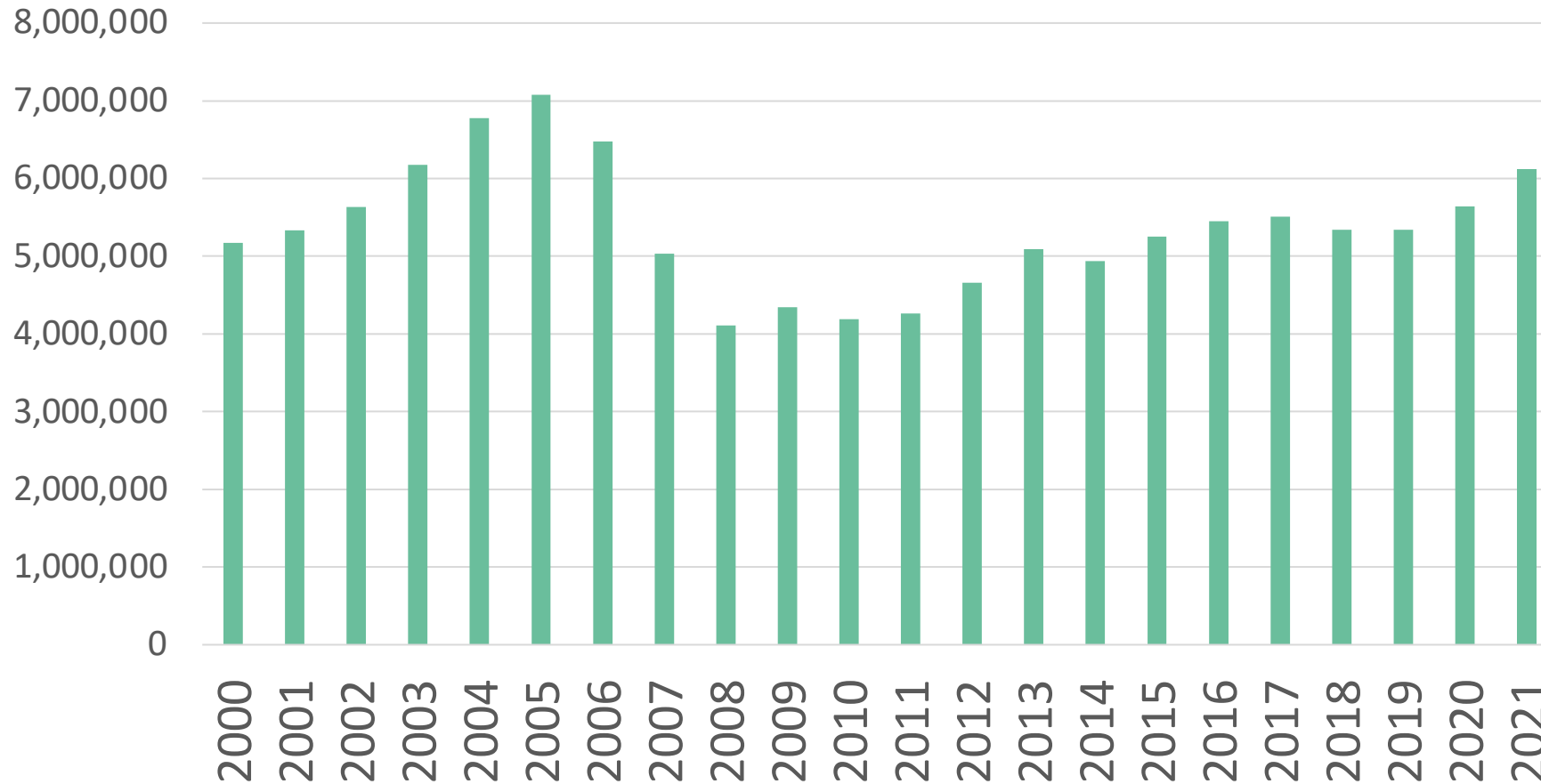
Home Sales Declines



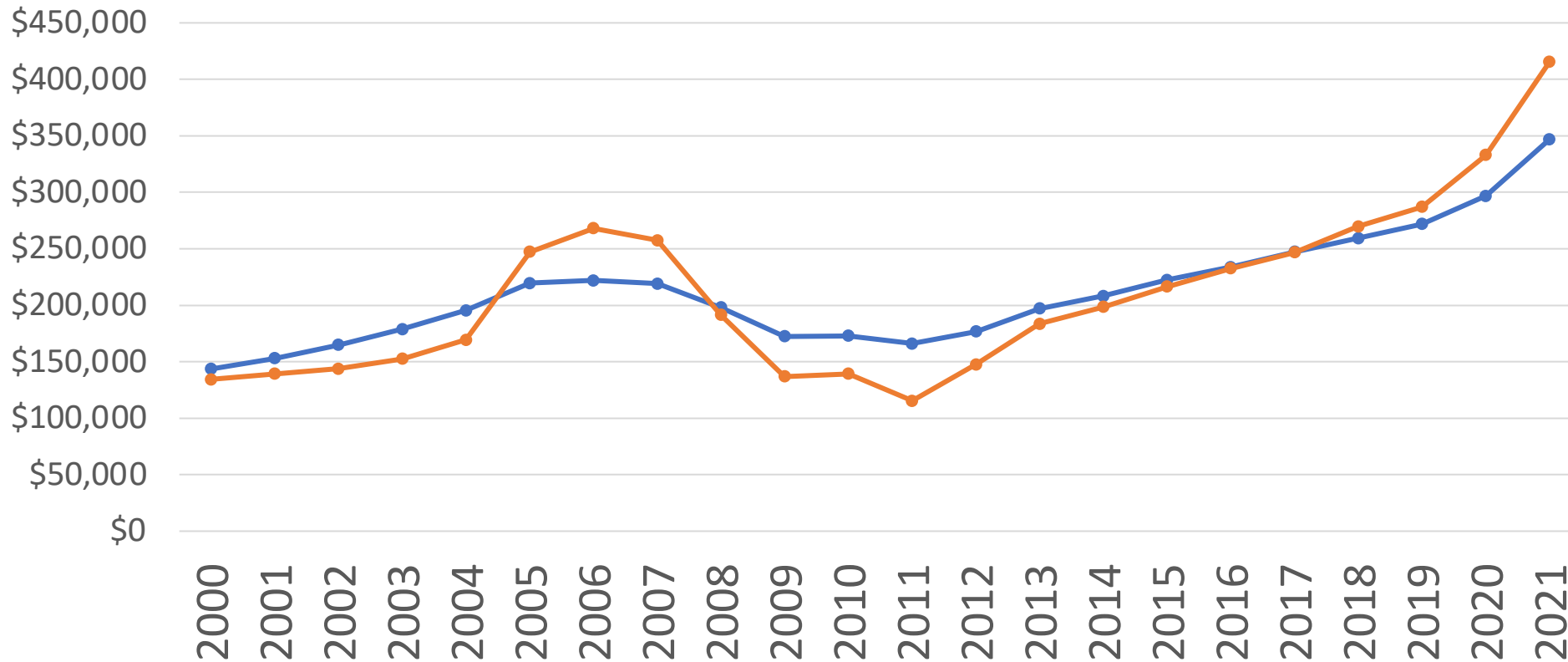
Continuous Inventory Declines



Annual Existing Home Sales: Best in 15 years



Record High Home Price in U.S. and Phoenix



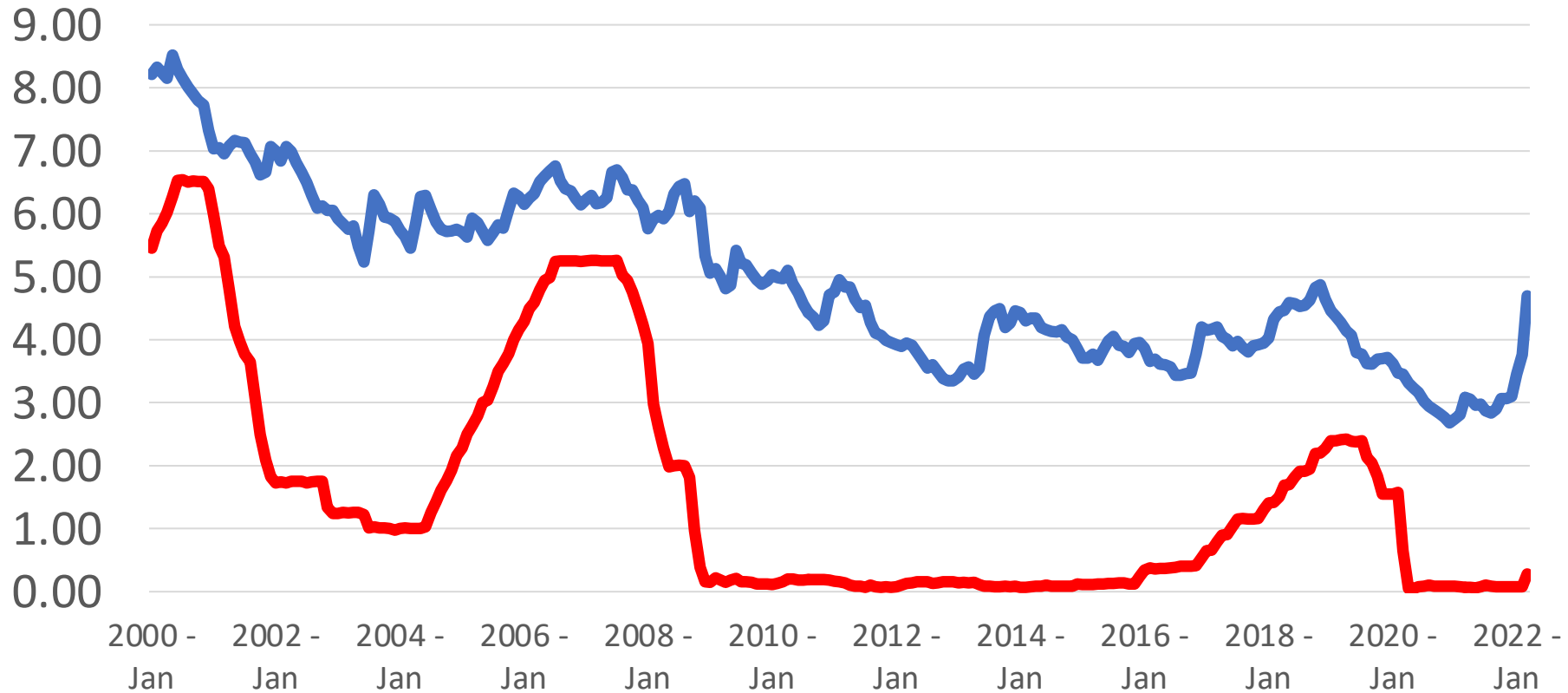
Record Low Inventory



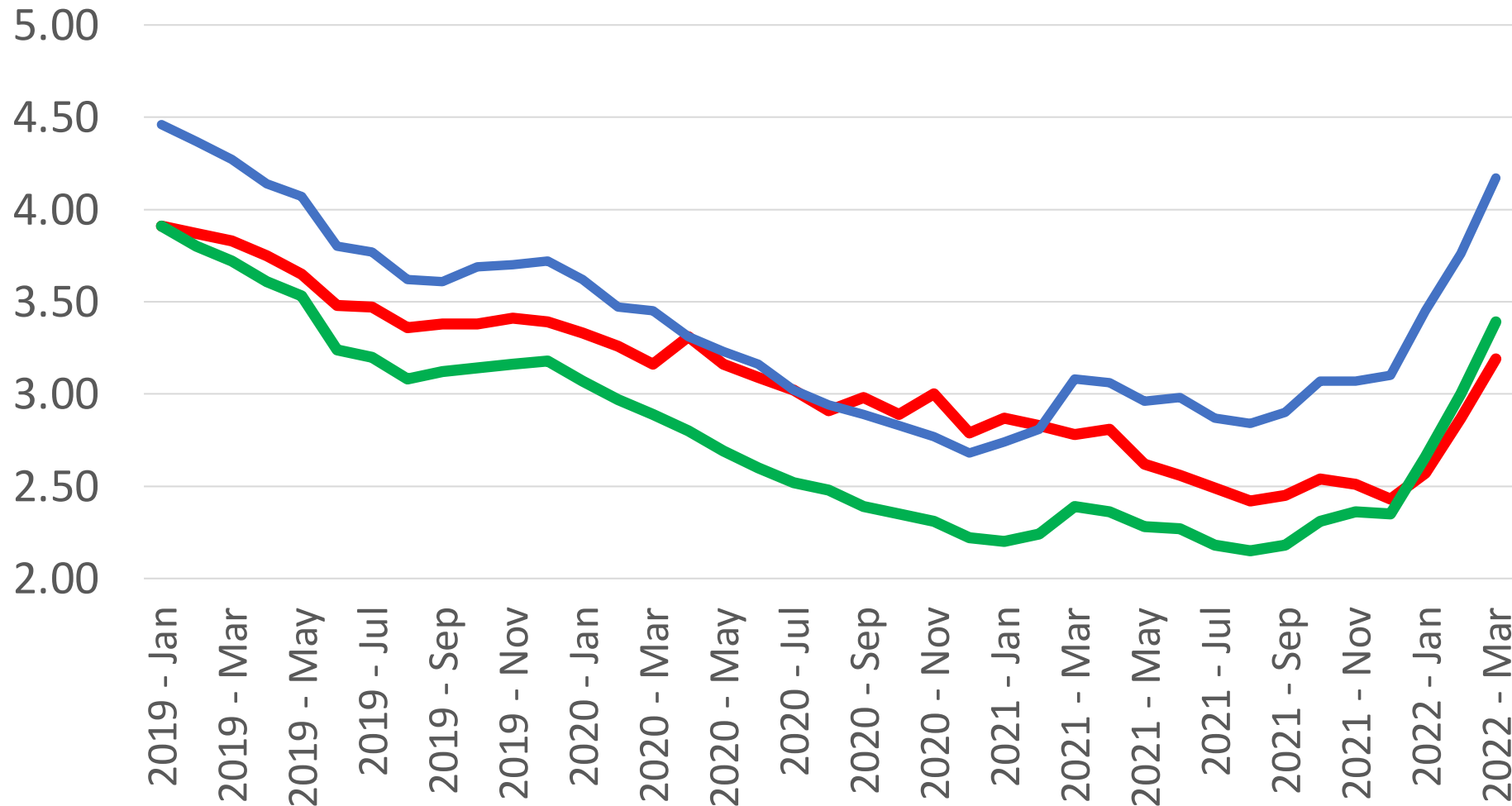
Months Supply



Mortgage Rates sharply Higher ahead of the Fed



30-year, 15-year, 5-ARM comparisons



Mortgage Payment on \$400,000 Loan

Mortgage Rate	Principal + interest
3%	\$1686
4%	\$1910
5%	\$2147
6%	\$2398
10%	\$3510



Mortgage Payment on higher \$480,000 Loan

Mortgage Rate	Principal + interest
3%	\$1686
4%	\$1910
5%	\$2147
6%	\$2398
10%	\$3510



Mortgage Rate	Principal + interest
4.7%	\$2489

48% increase



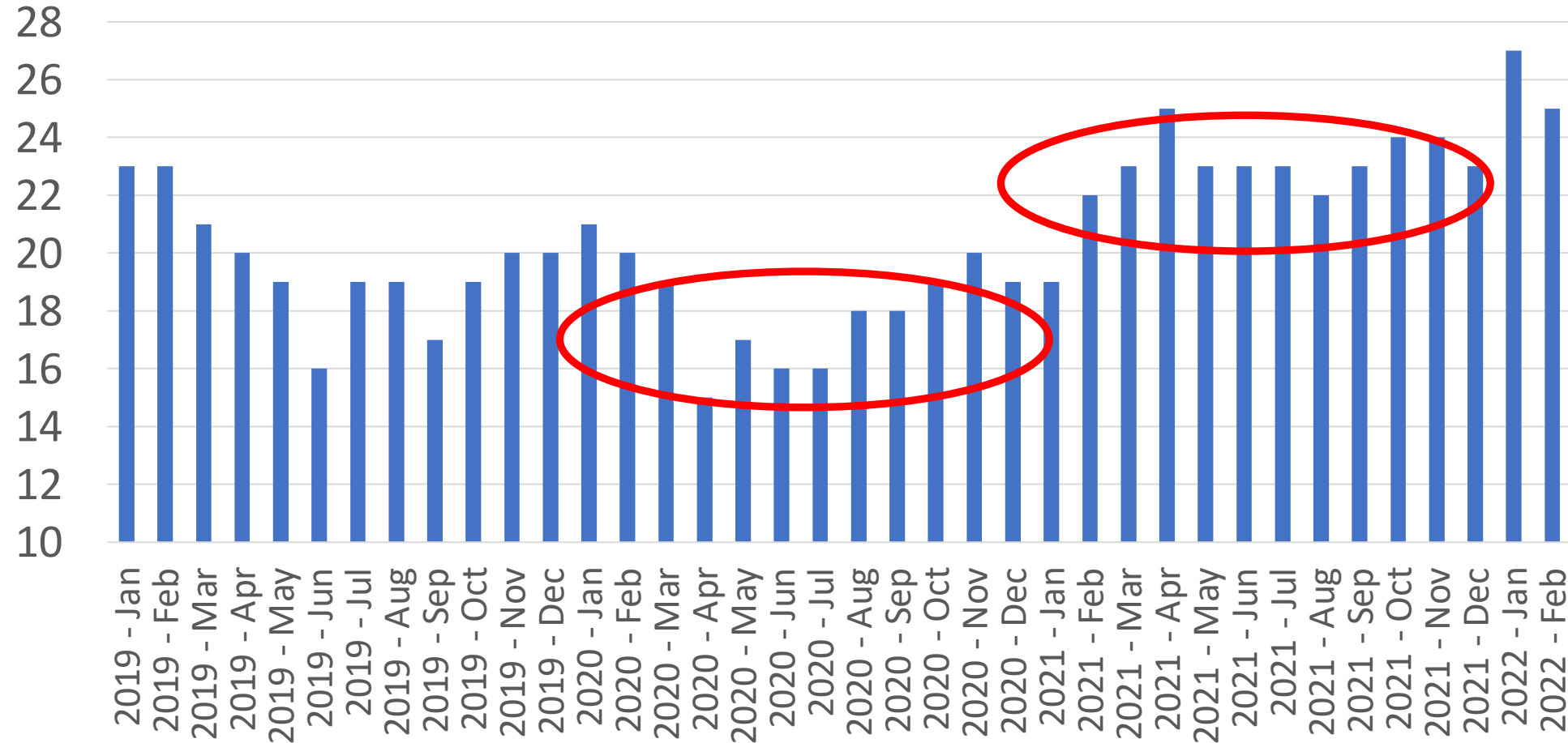
Consumer Expectation

Variable	1-year ahead	Annual average over 5 years
Home Price Growth	5.1%	2.0%
Rent Growth	6.6%	4.4%
Buying is Good Financial Investment	73.6%	N/A
Buying is Bad Financial Investment	6.6%	N/A

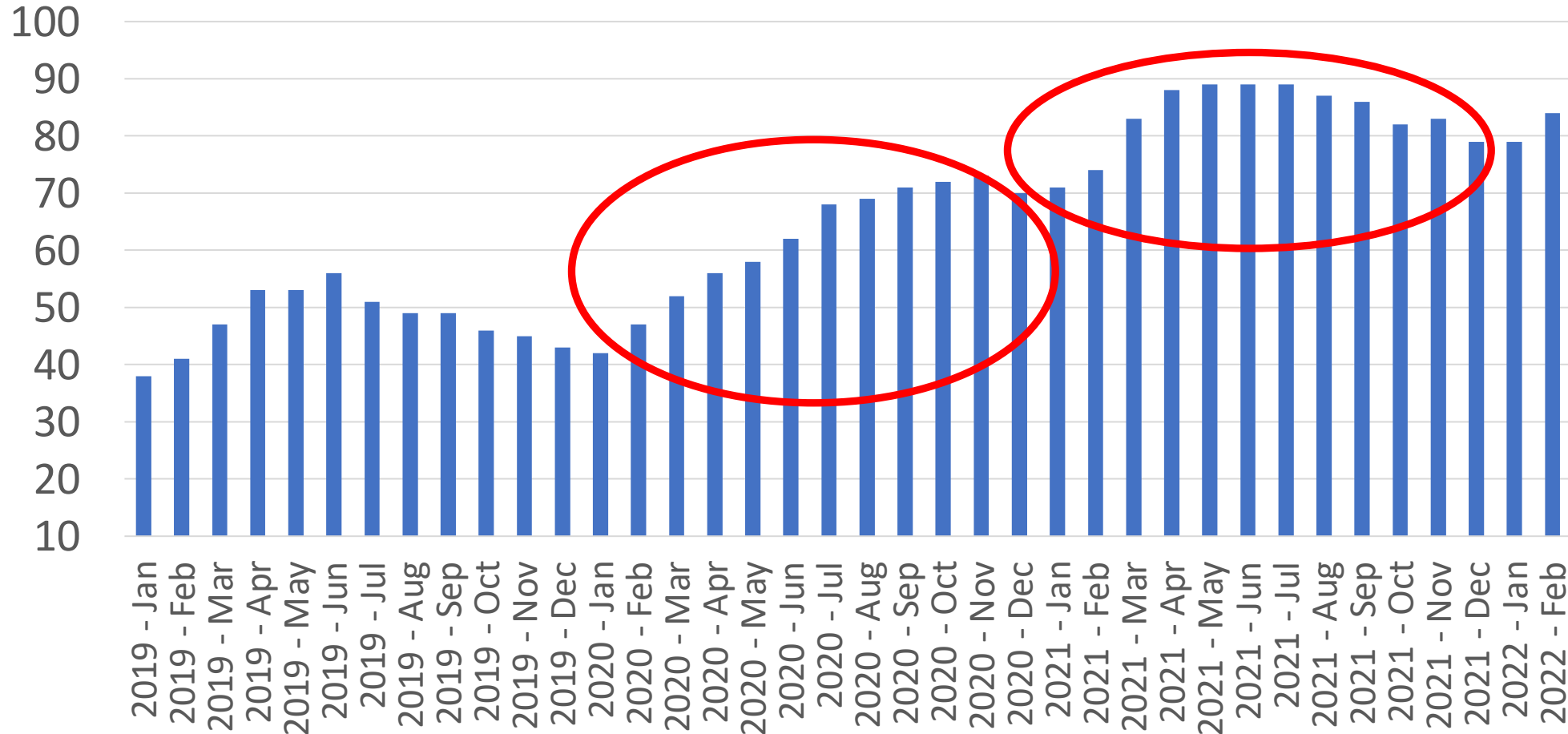
Source: NY Federal Reserve Survey of Consumer Expectations



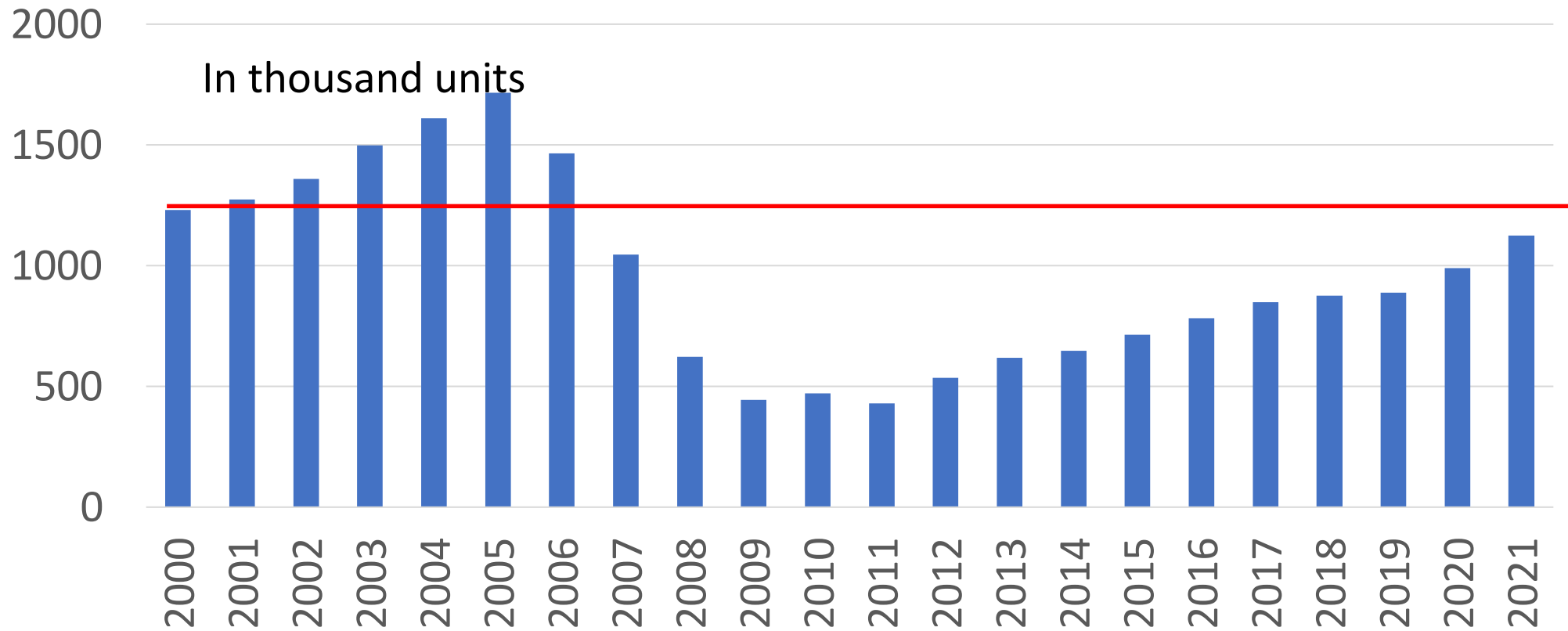
All-Cash Deals



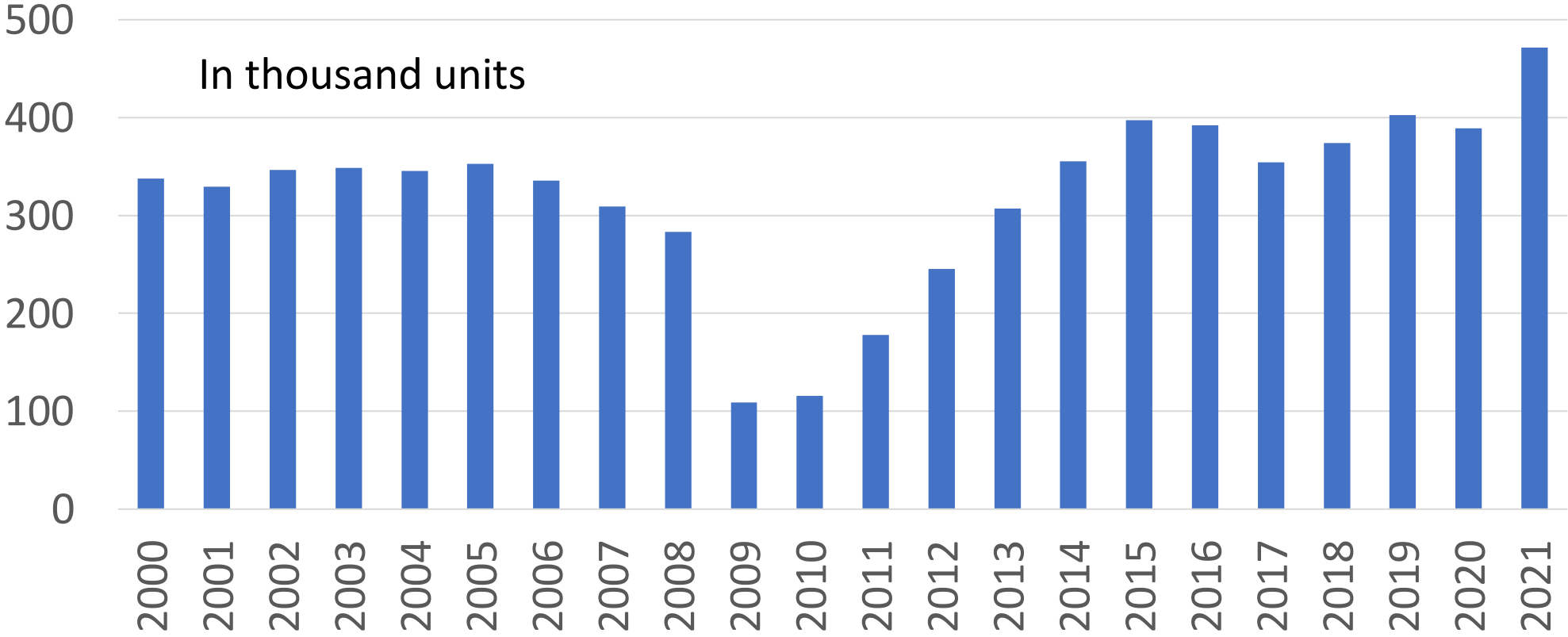
What % of Contracts within 30 days



Single-family Housing Starts

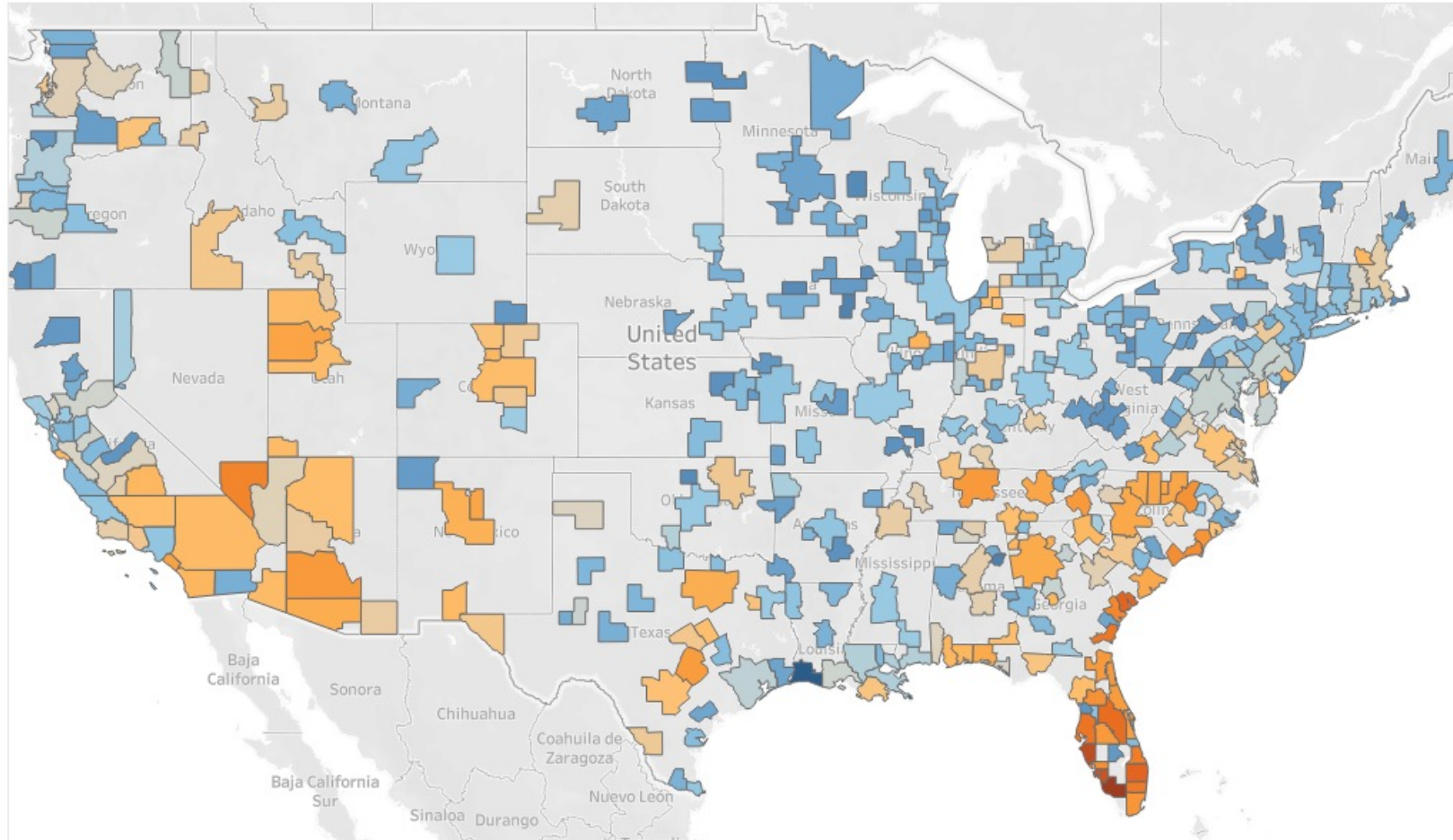


Multifamily Housing Starts ... Cyclical High

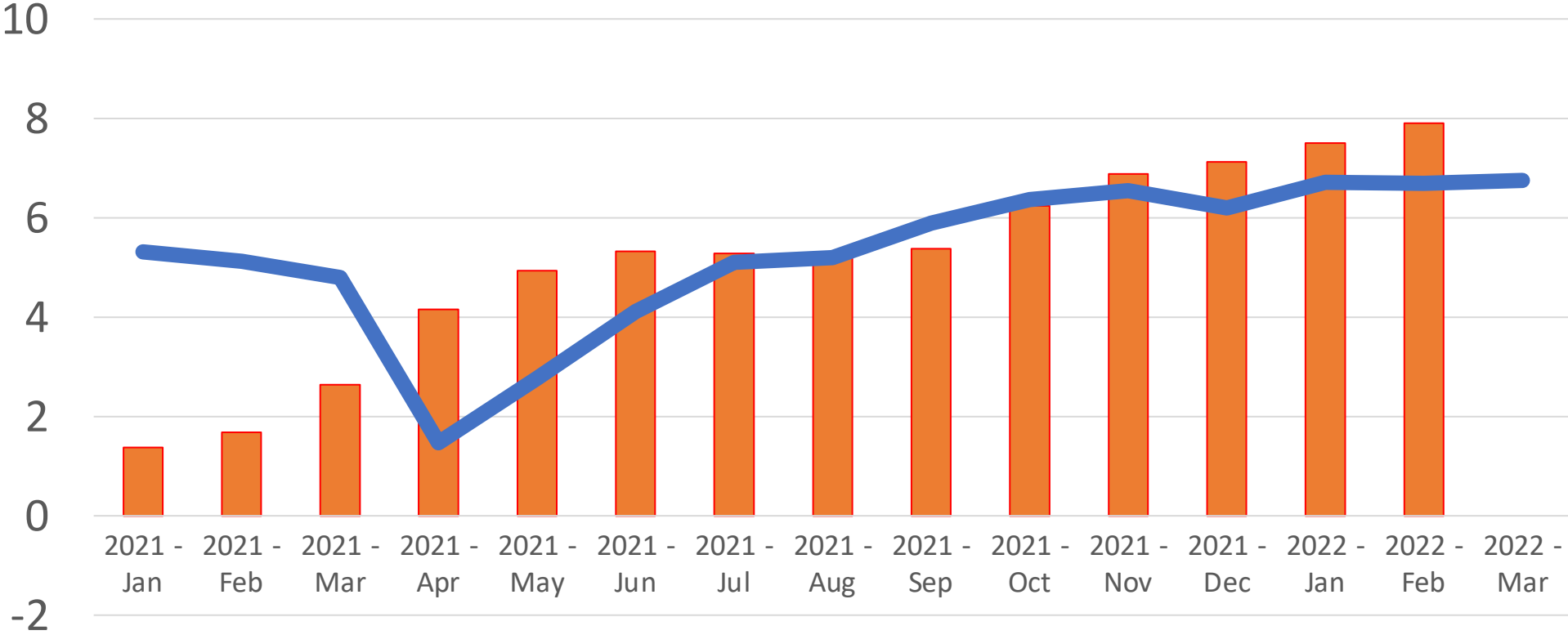


Apartment Rent Growth Everywhere, especially Florida

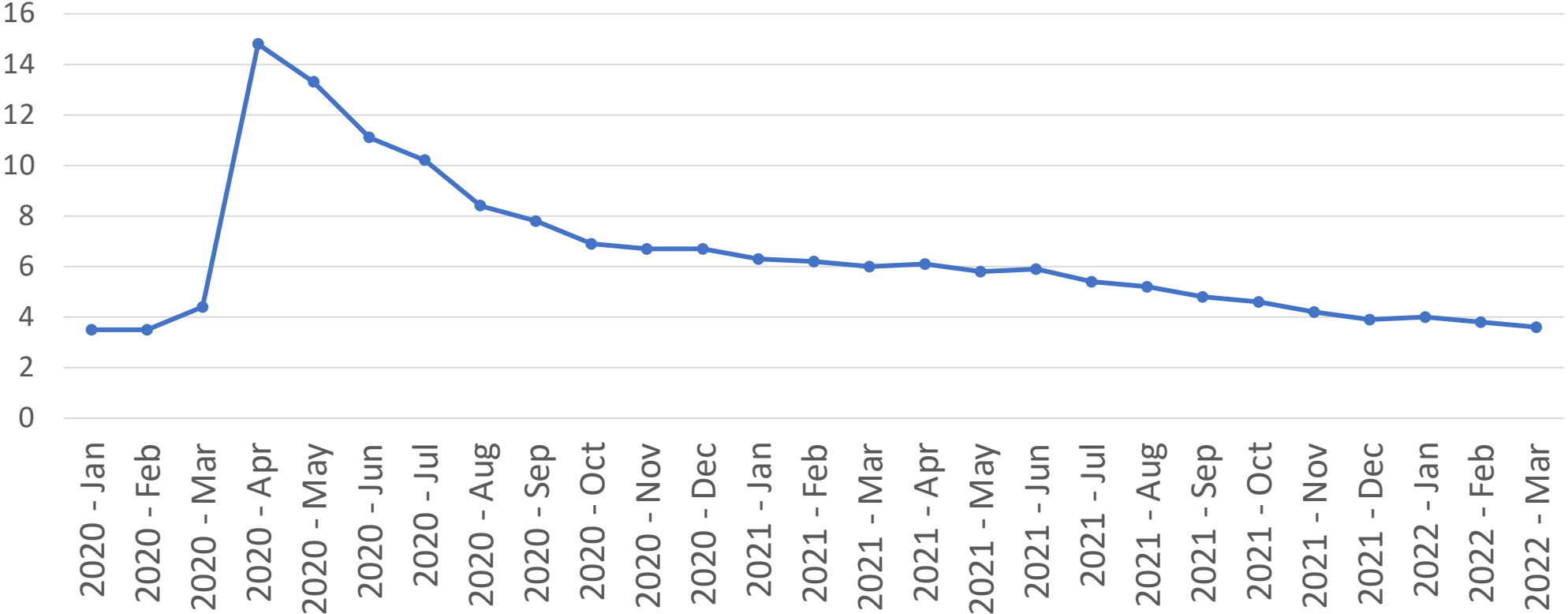
34% of metro areas have double-digit apartment asking rent growth (orange areas)



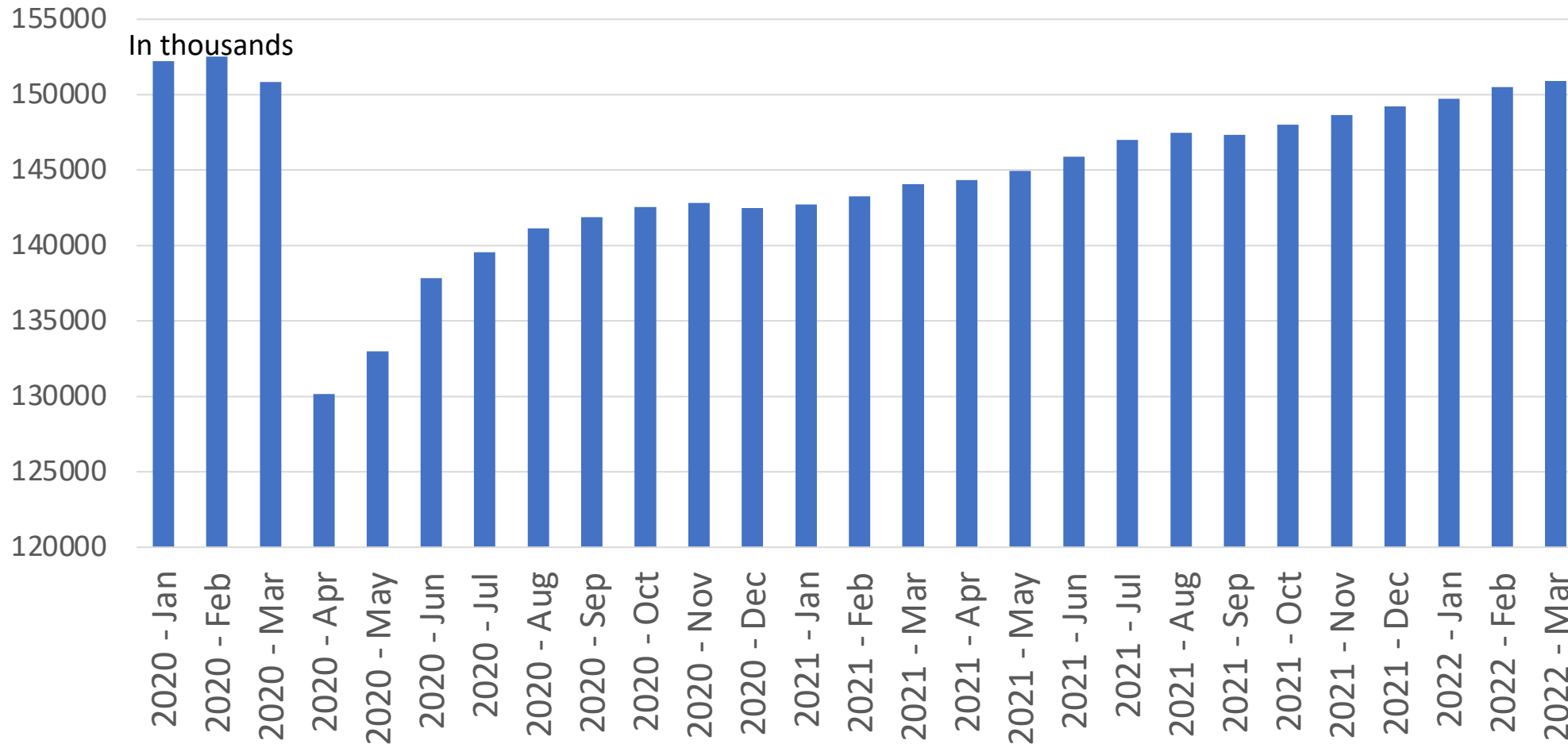
Consumer Price at 7.9% and Wage Growth at 6.8%



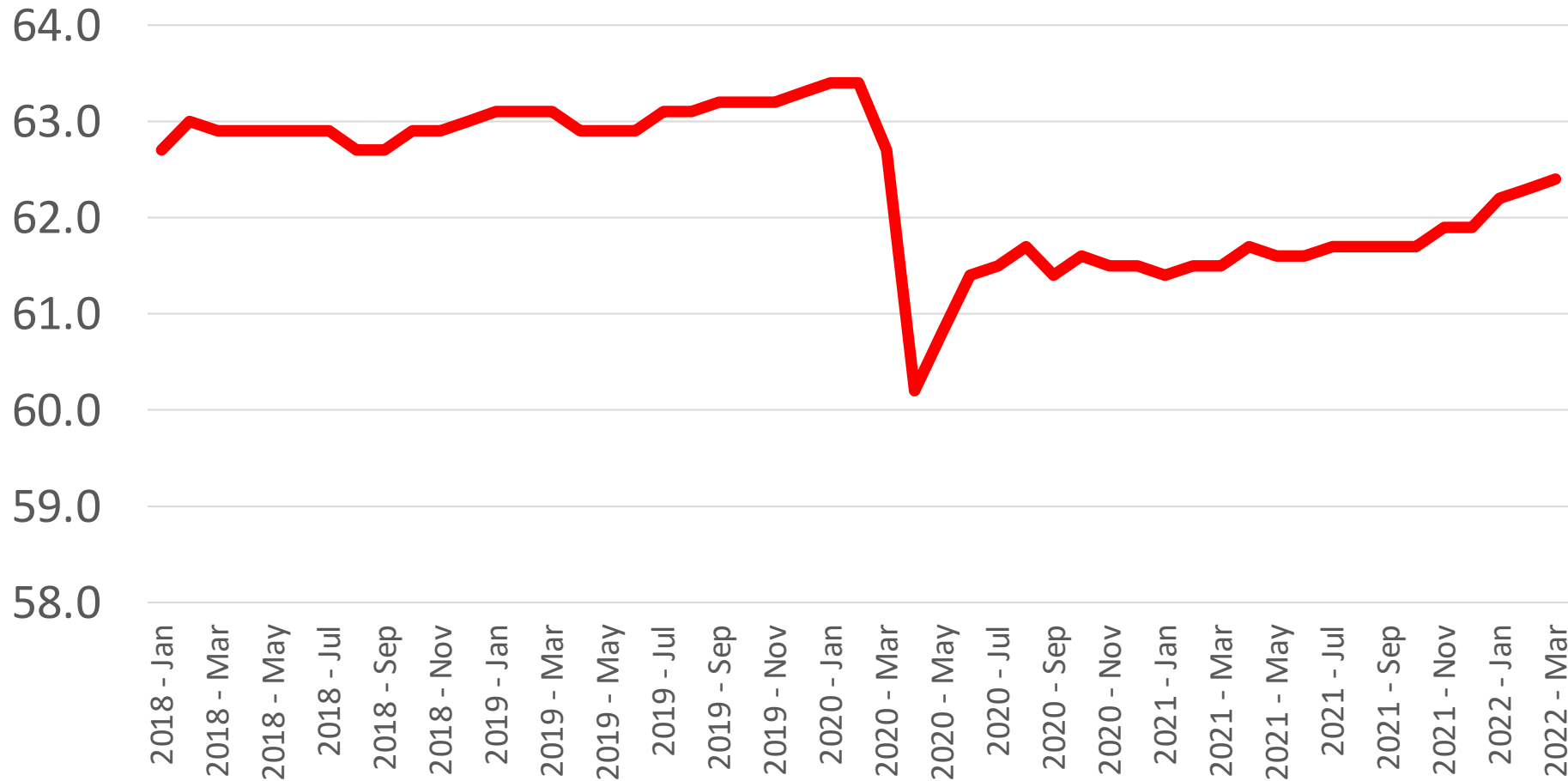
Unemployment Rate ... back to pre-covid Days



Total Jobs ... almost back to Pre-covid Days

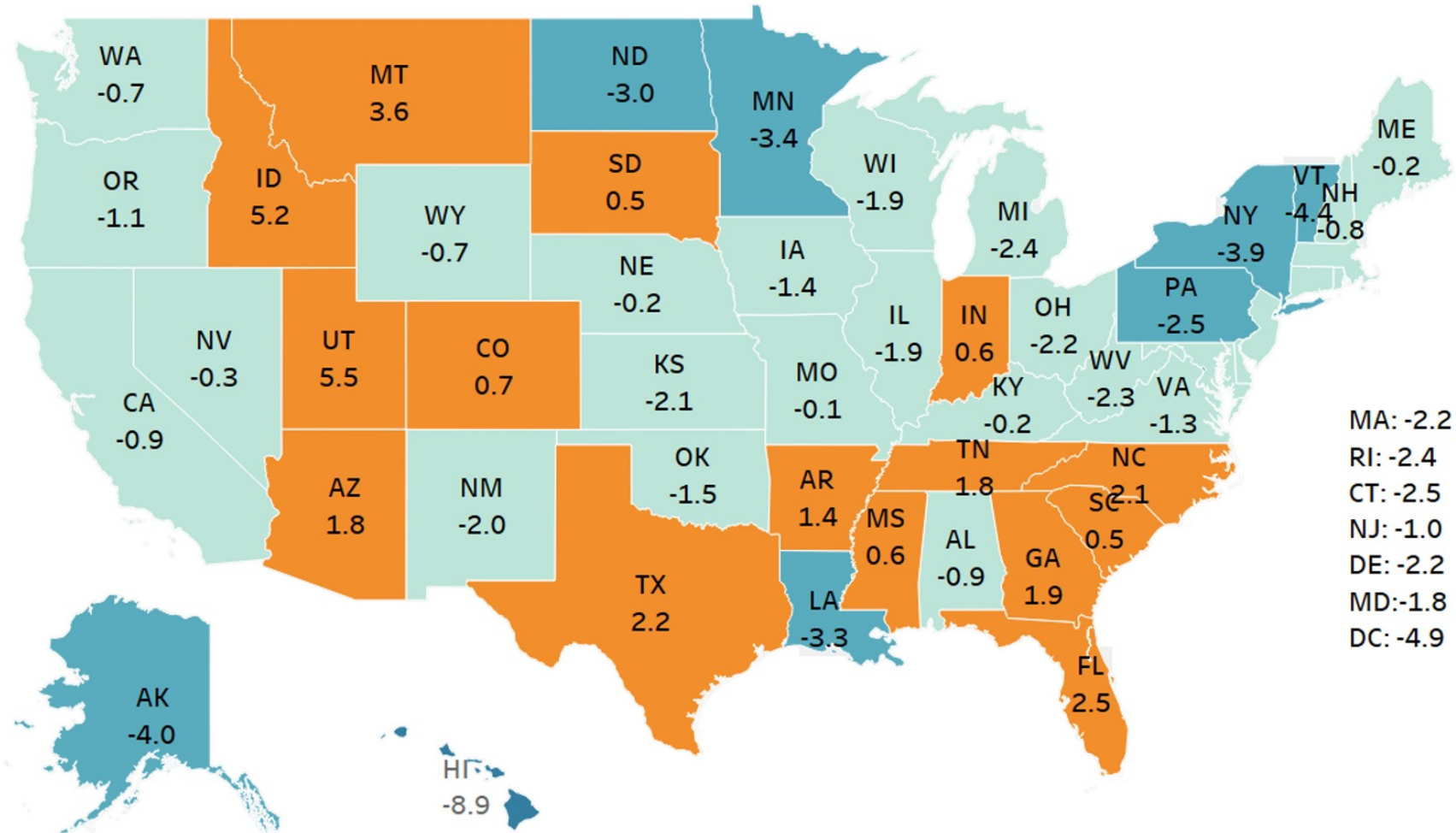


Labor Force Participation Rate

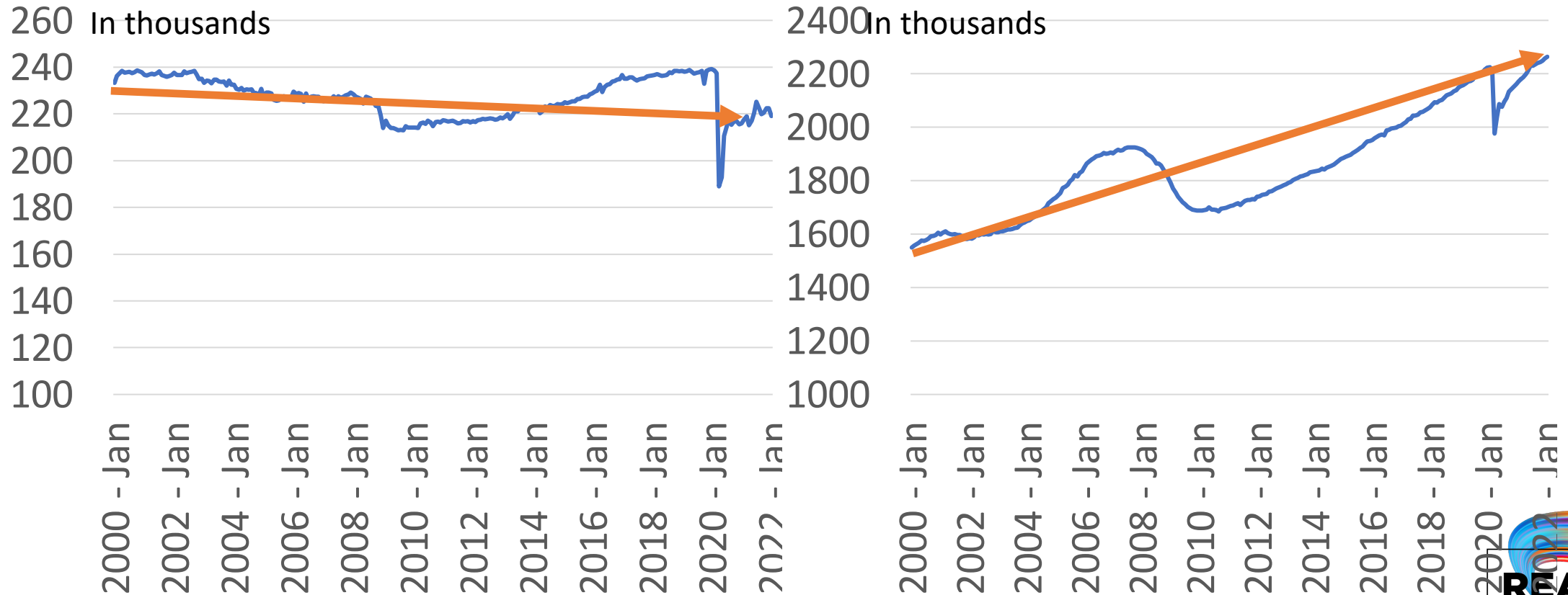


Jobs Compared to Pre-covid Days

% change from March 2020 to February 2022



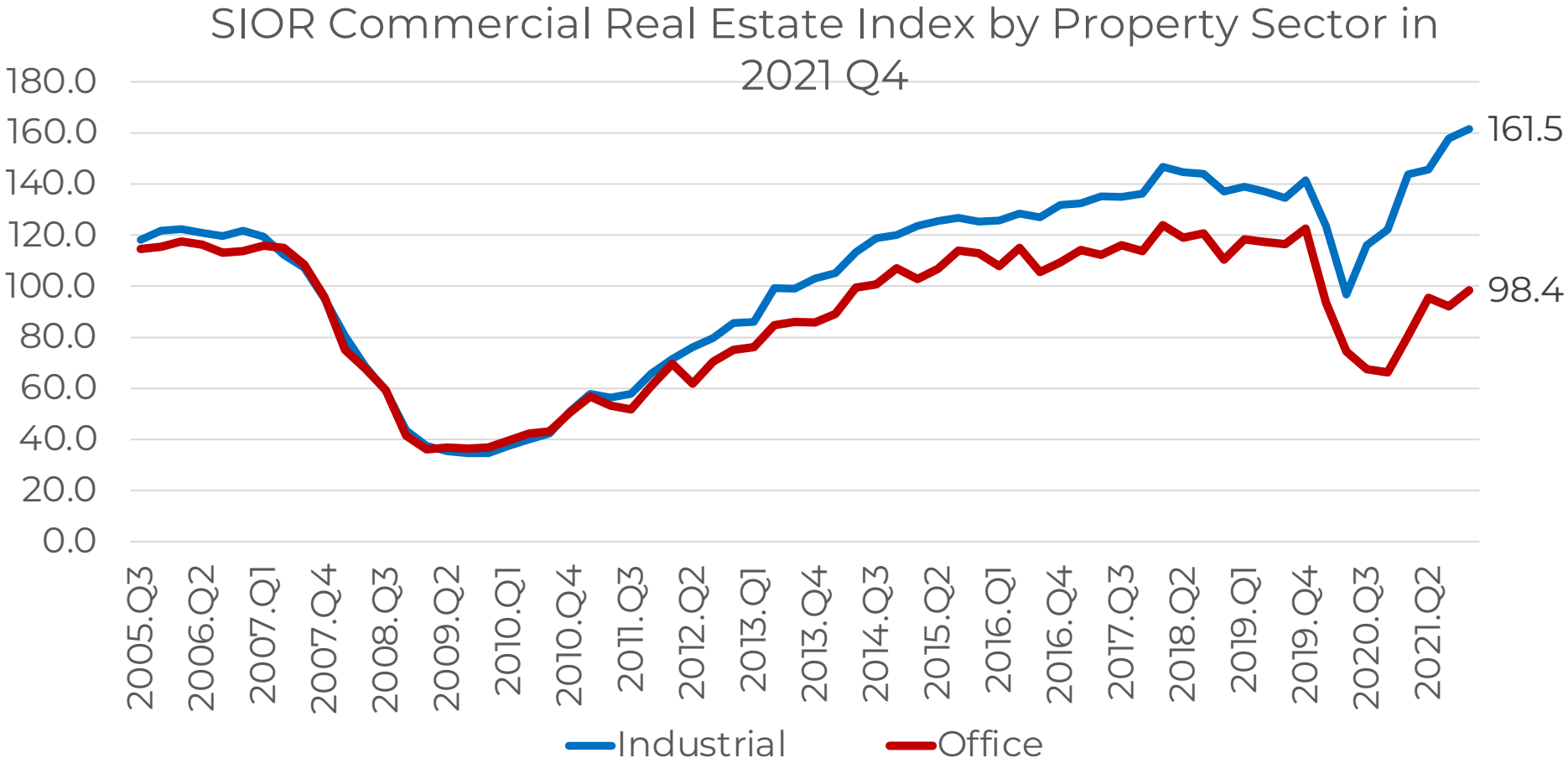
Jobs in Lansing and Phoenix



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APRIL 5-6, 2022
PHOENIX, ARIZONA



Industrial Warehouse Boom ... Office Wobbly

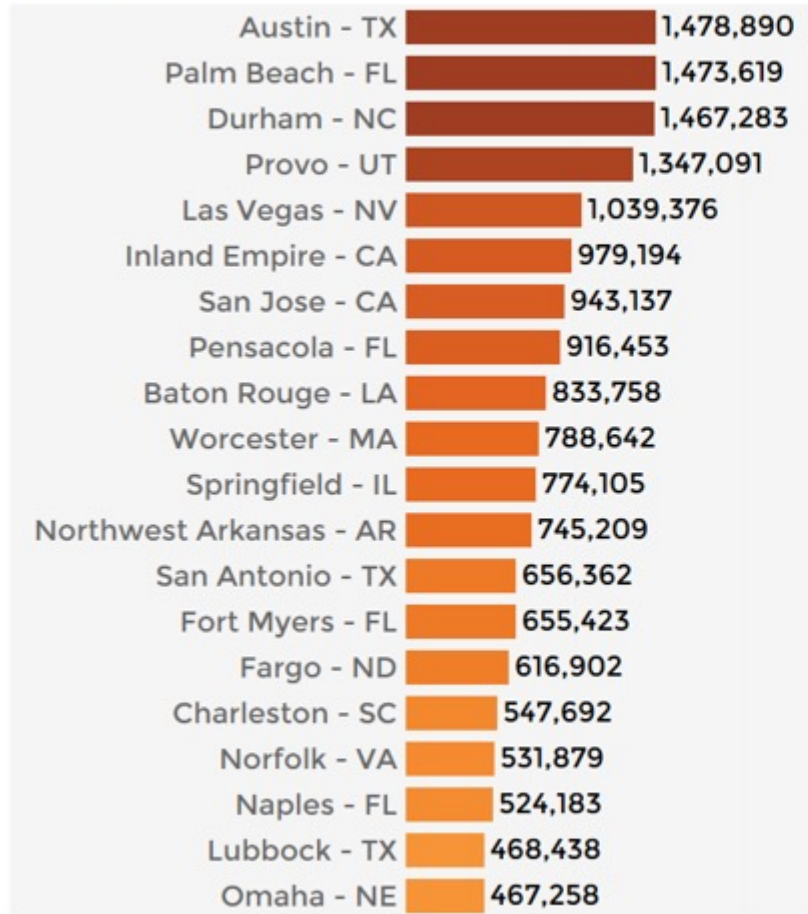


Source: SIOR, NAR



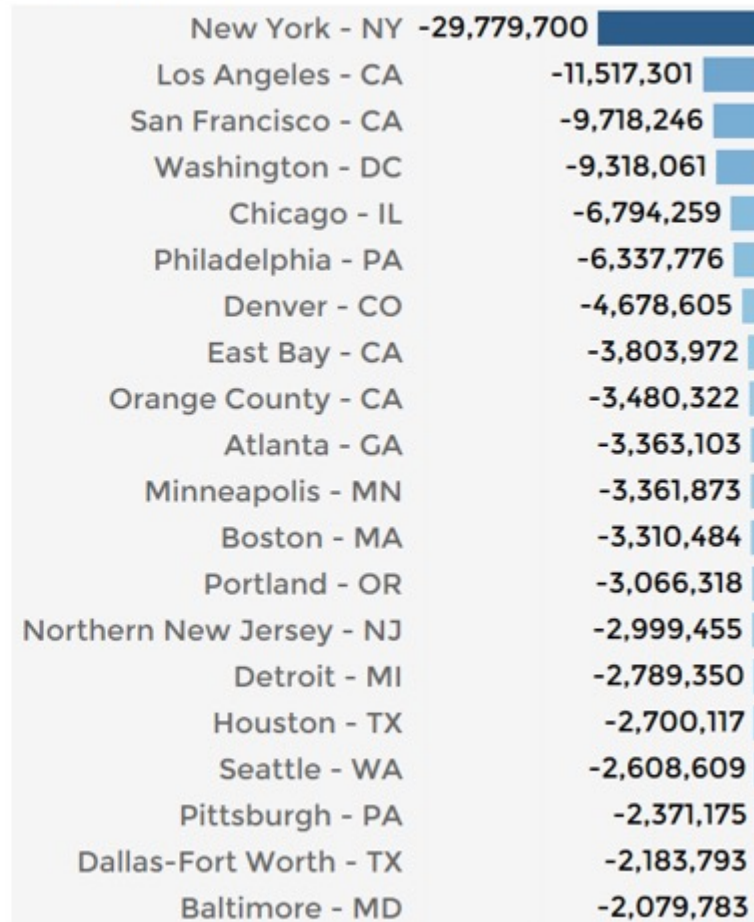
Office Market ... Winners and Losers

Positive Net Absorption Since 2020 Q2
as March 26



Source: CoStar

Negative Net Absorption Since 2020 Q2
as of March 26



Forecast

Year	Unit Sales	Home Price	Dollar Volume
2017	+1.1%	+5.7%	+7%
2018	-3.1%	+4.9%	+2%
2019	0.0%	+4.9%	+5%
2020	+5.6%	+9.1%	+15%
2021	+8.5%	+16.9%	+25%
2022 forecast	-6%	+5%	-1%
2023 forecast	+2%	+4%	+6%



Thank You

