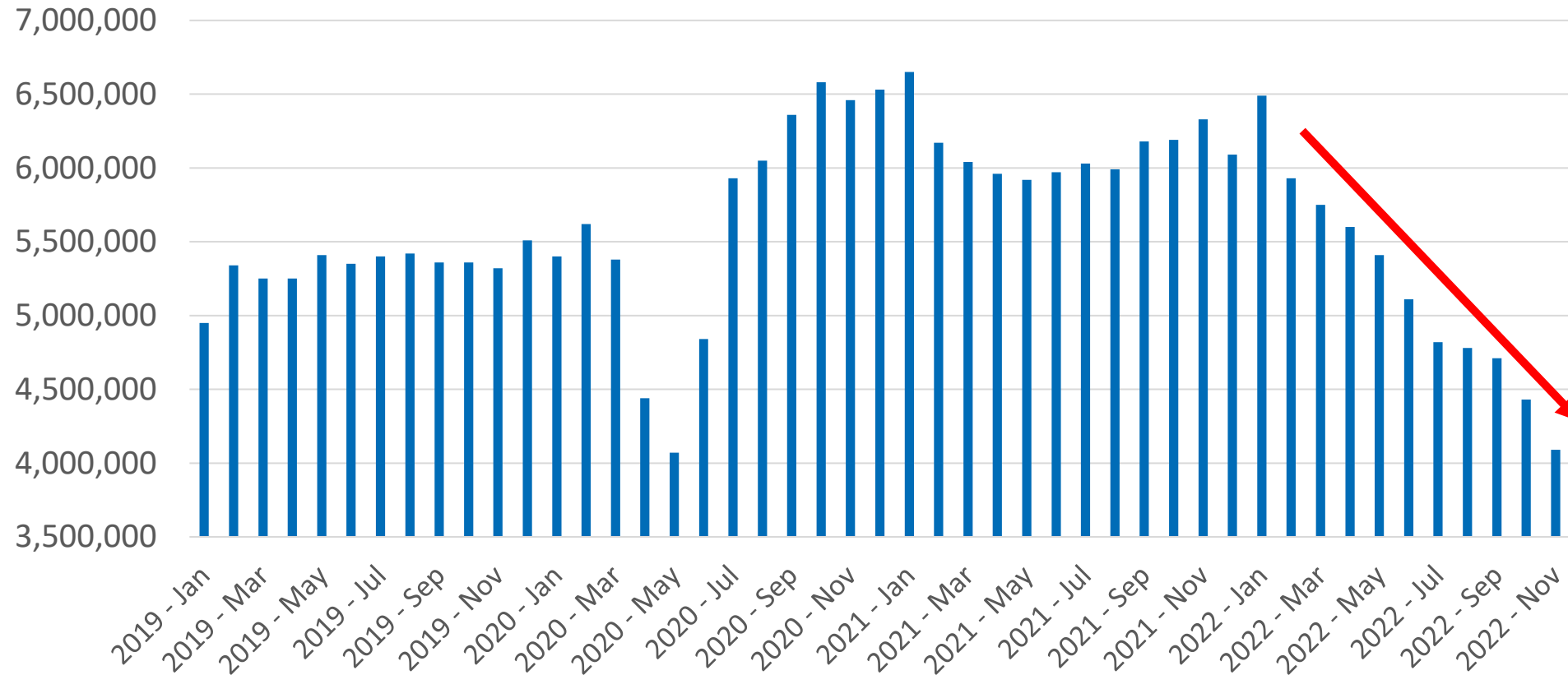


ECONOMIC AND REAL ESTATE OUTLOOK

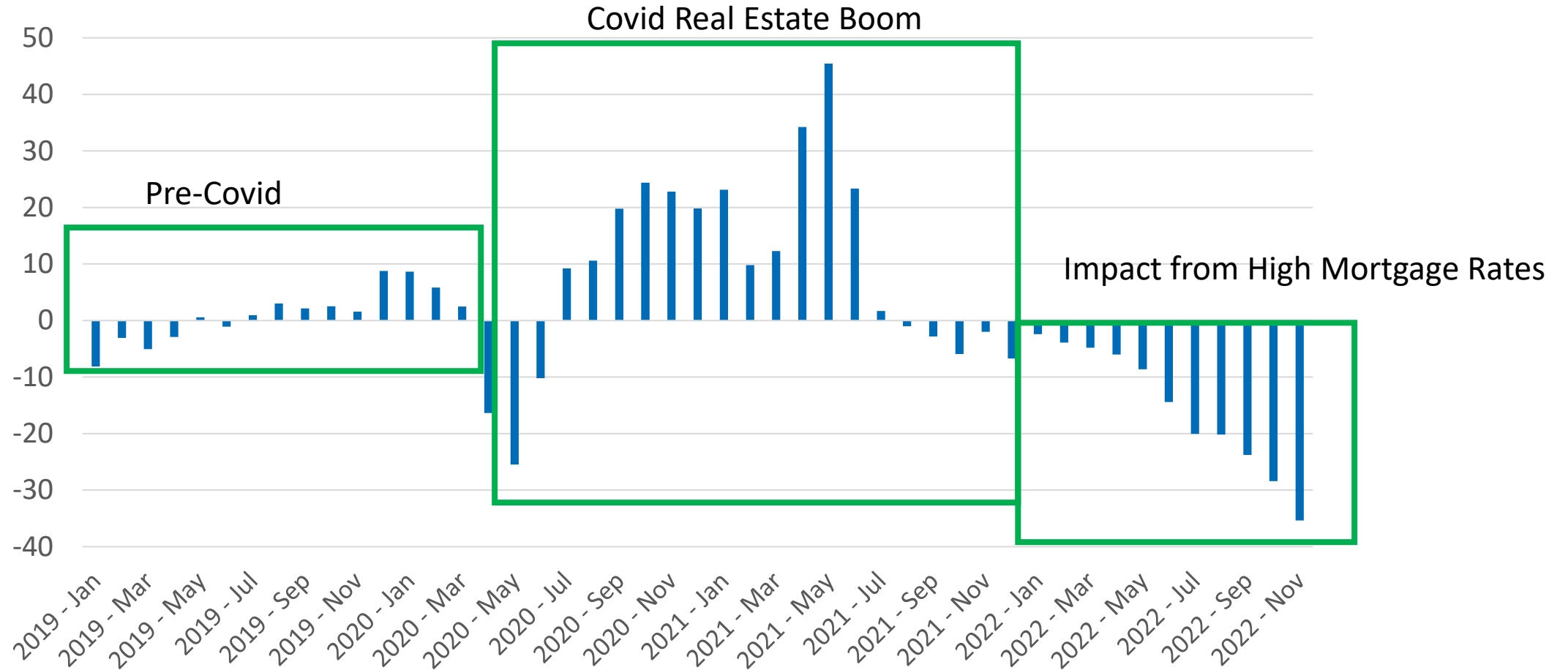
Lawrence Yun, PhD
NAR Chief Economist and
Senior Vice-President for Research

Existing Home Sales .. Monthly



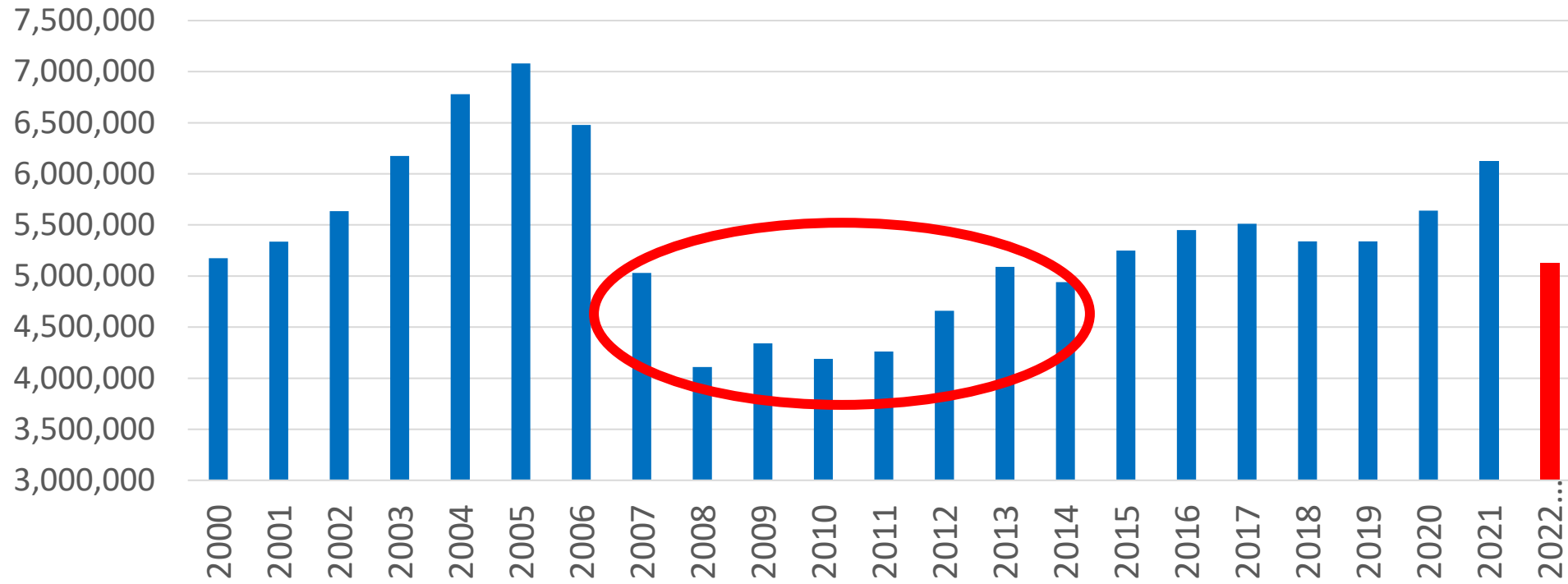
Source: NAR

Sales % change from a year ago



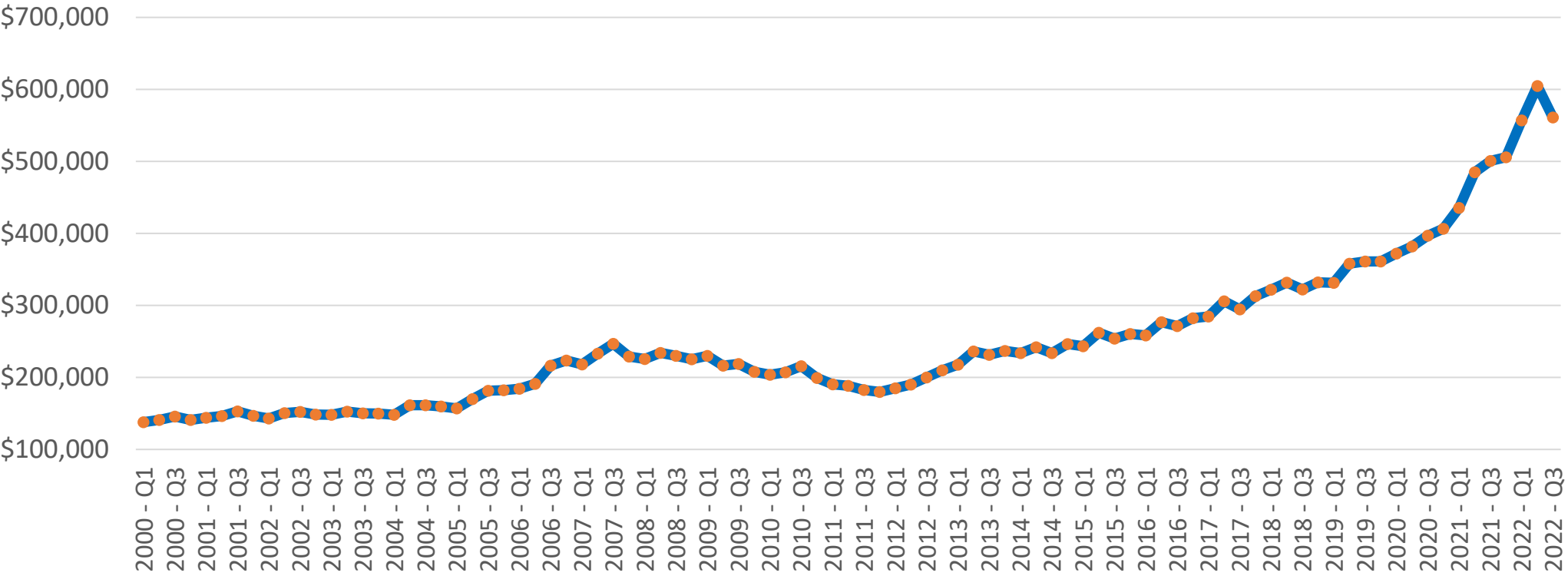
Source: NAR

Annual Existing Home Sales ... Down 16% in 2022 and lowest since 2014



Source: NAR

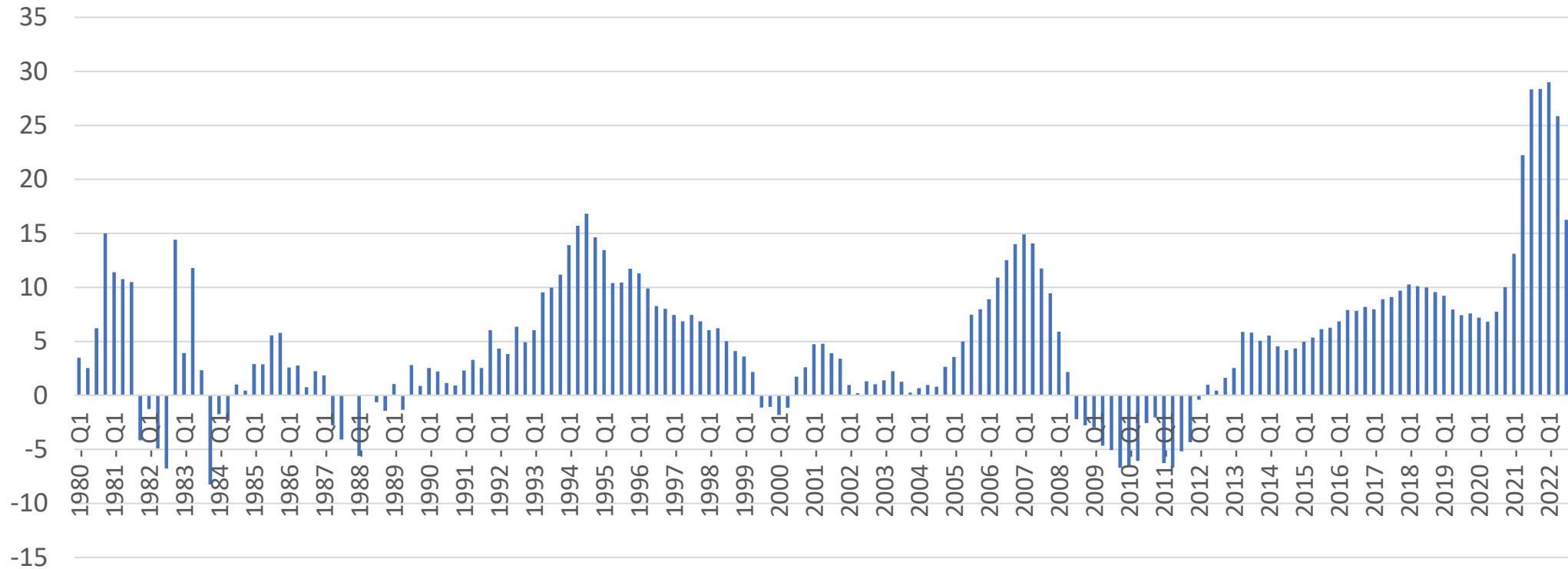
SLC Metro Median Home Price



Source: Salt Lake City Board of REALTORS® data analysis by NAR

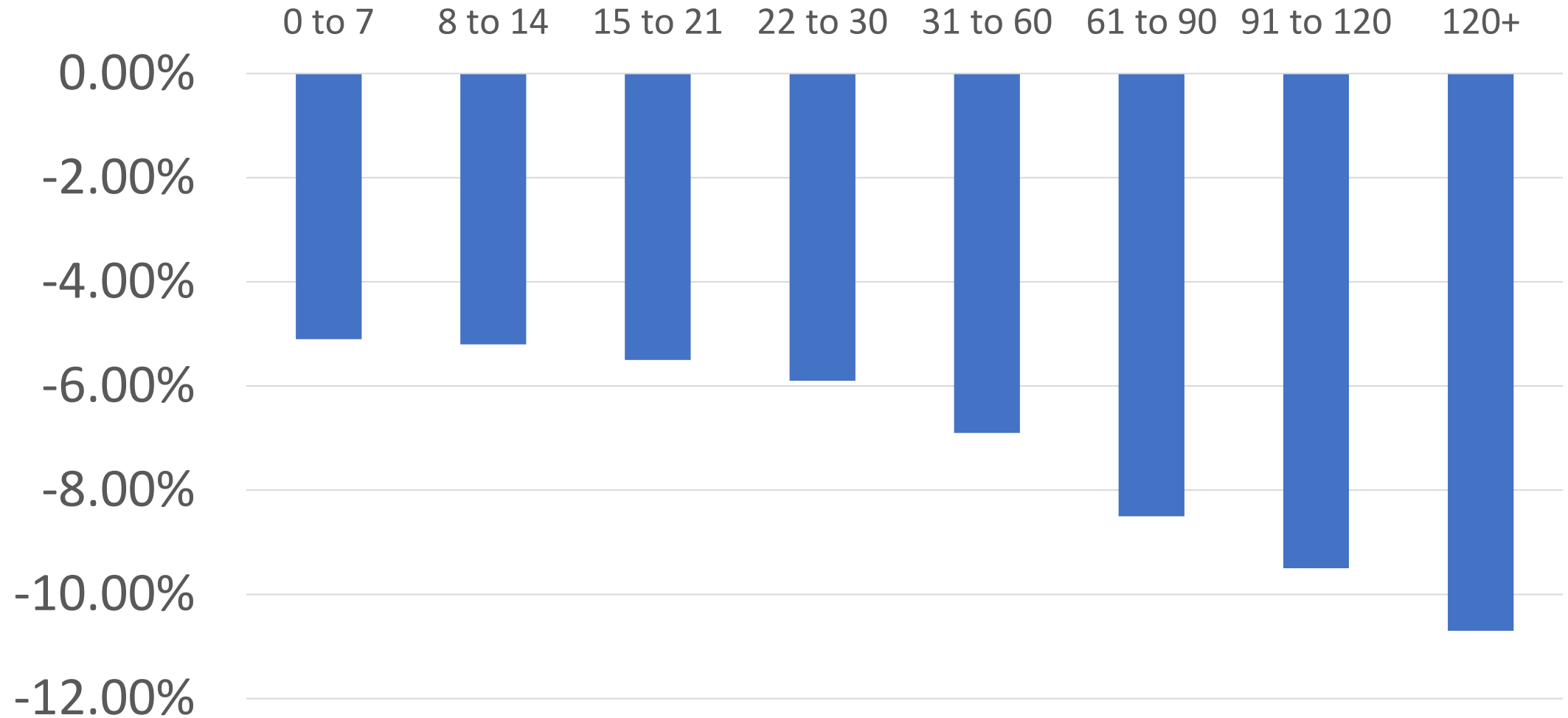
SLC Price Appreciation

% change from a year ago



Source: FHFA using Fannie and Freddie Mortgage Data

Price Concession from List Price to Ratified Contract and Days on Market



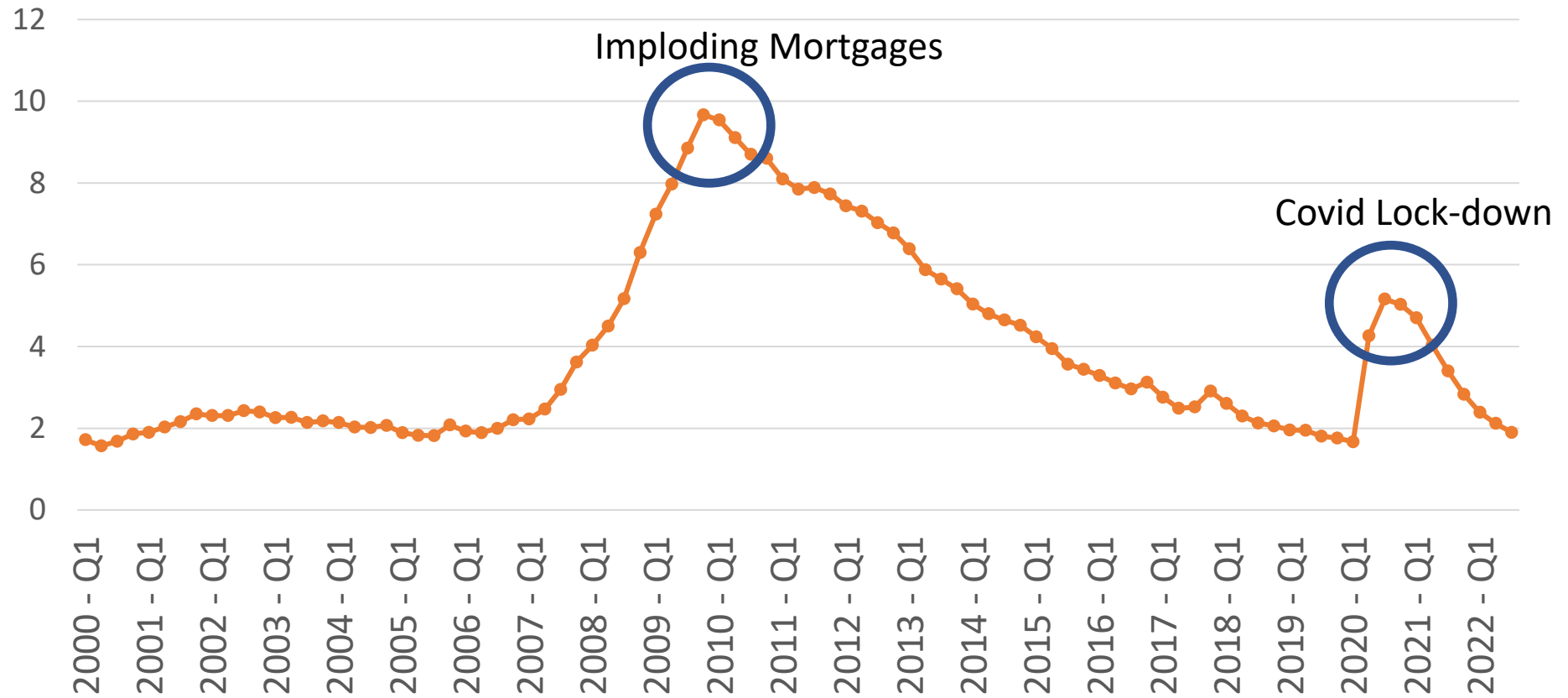
Source: NAR

Home Price Crashing Coming?

Key Variables	Last Housing Cycle	Current Housing Cycle
Job Cuts (net of gains and losses)	8 million	none
Total Payroll Jobs (W-2 salary jobs)	130 million	153 million
Total Jobs (Household survey)	138 million	158 million
Subprime Loans	Prevalent	Virtually none
5-year cumulative to new home construction before crash	7.65 million	4.6 million
Inventory on Market	3.8 to 4 million	1 to 1.2 million
Mortgage Delinquency	10.1%	3.6%
Homes in Foreclosure	4.6%	0.6%

Source: NAR Analysis of BLS, MBA, NAR data

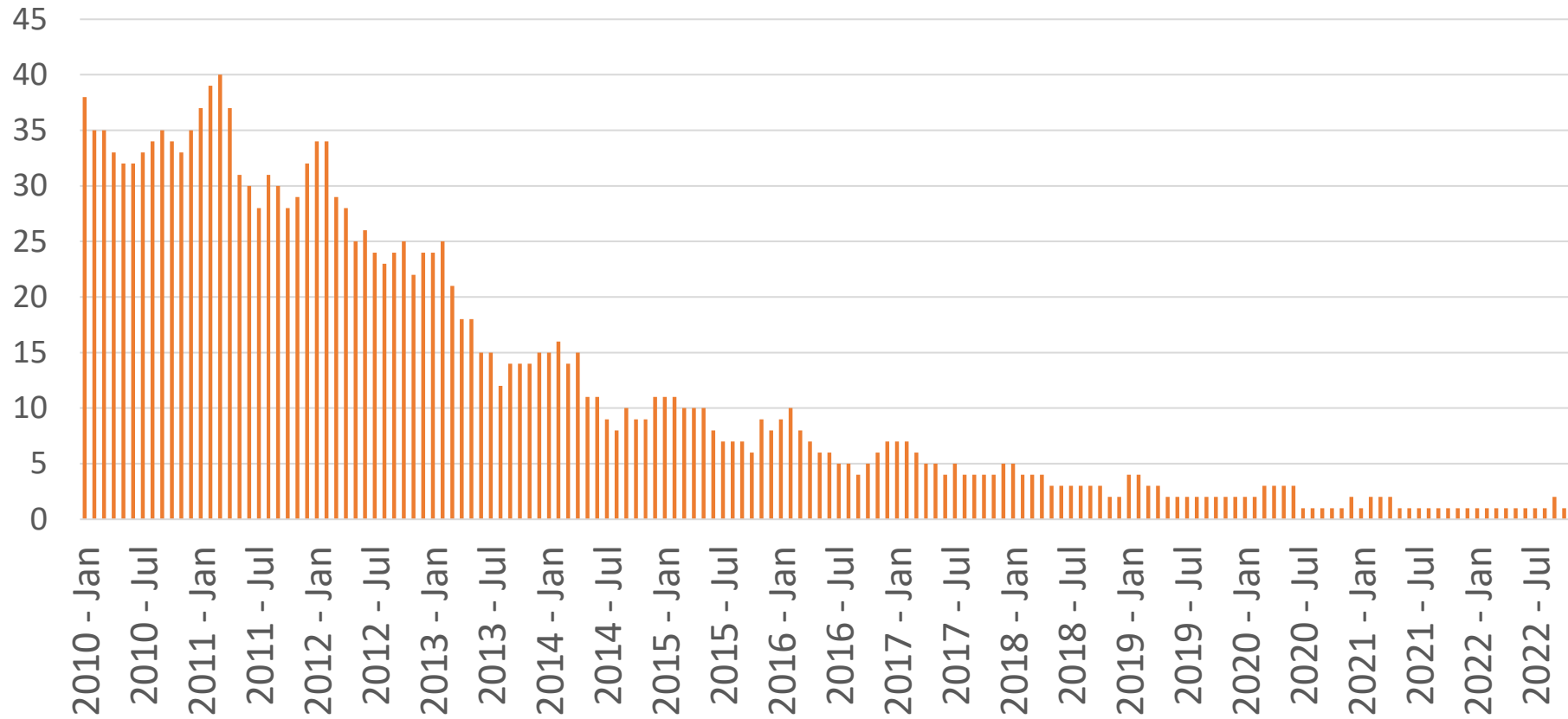
Mortgage Delinquency 90+ days or in Foreclosure



Source: Mortgage Bankers Association

Distressed Home Sales

% of total sales



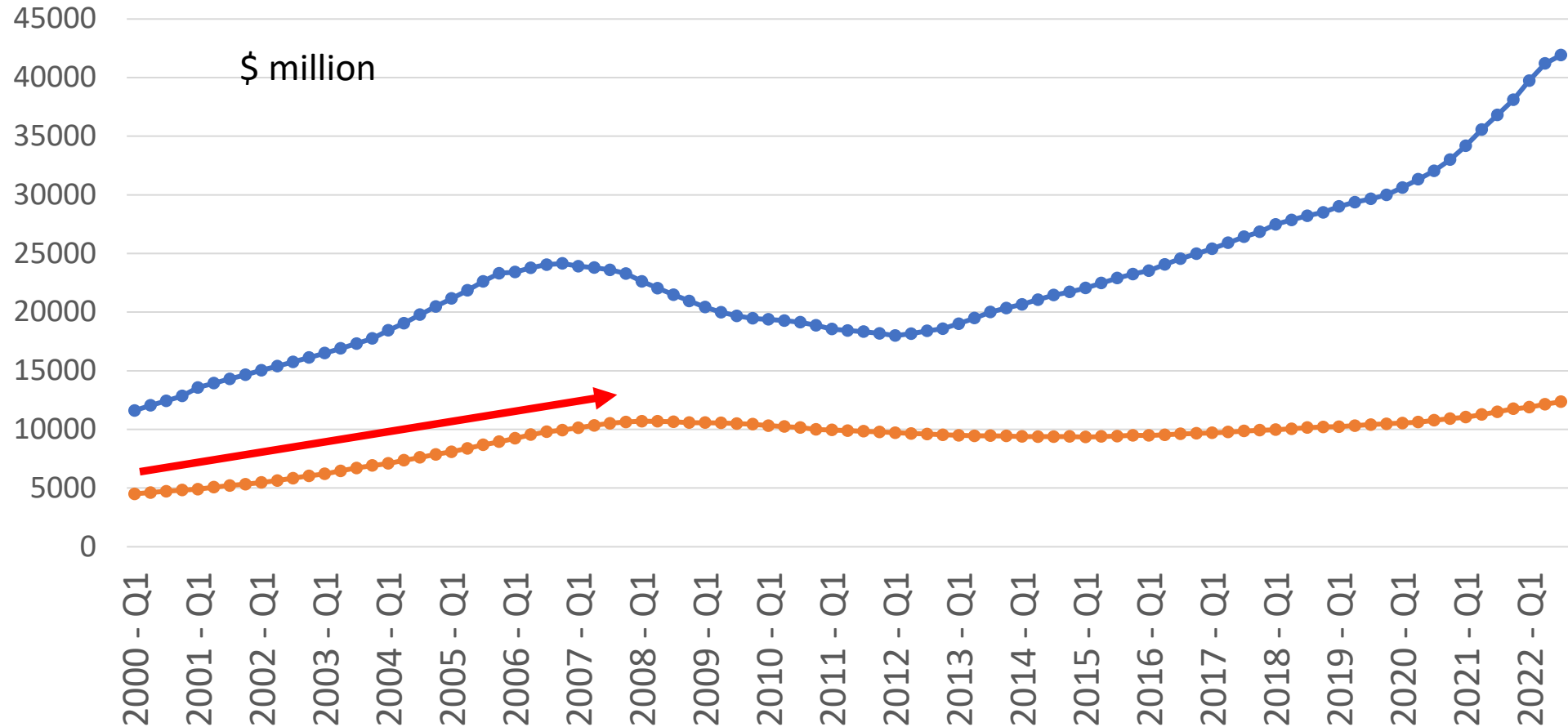
Source: NAR

Inventory of Homes Rising from Super Tight Conditions



Source: NAR

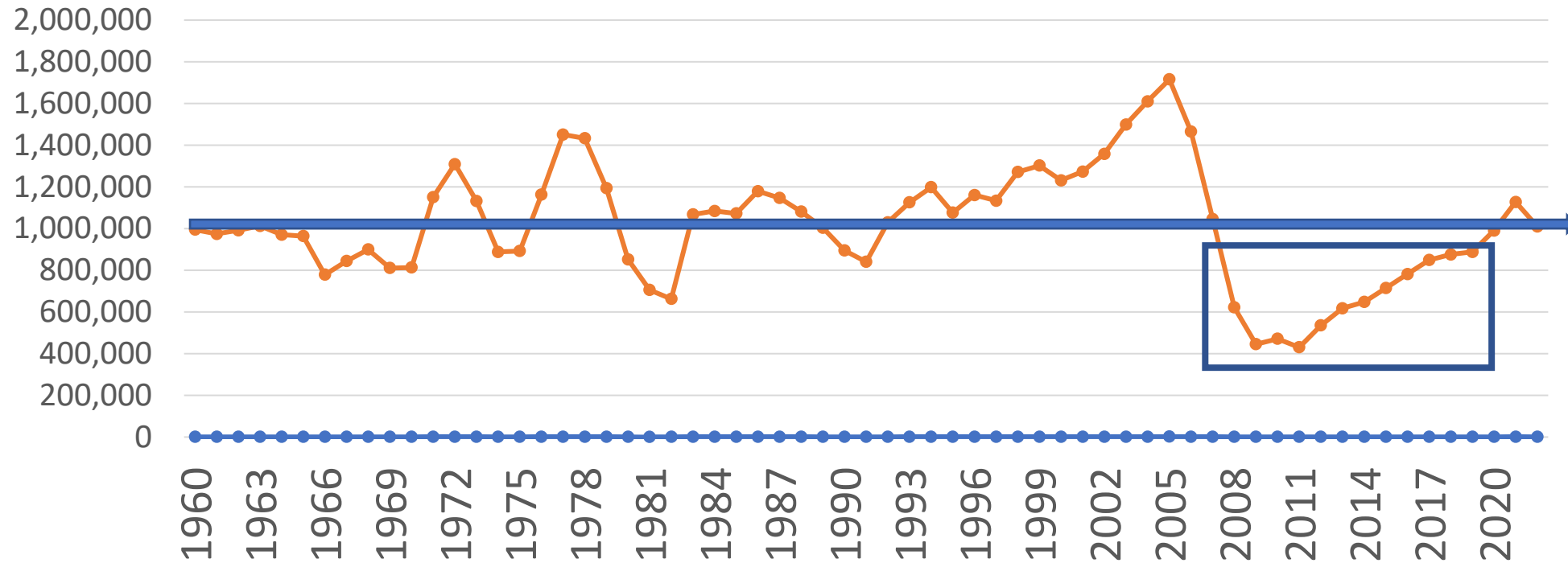
Housing Asset and Mortgage Debt



Source: Federal Reserve

Long-term Single Family Housing Starts

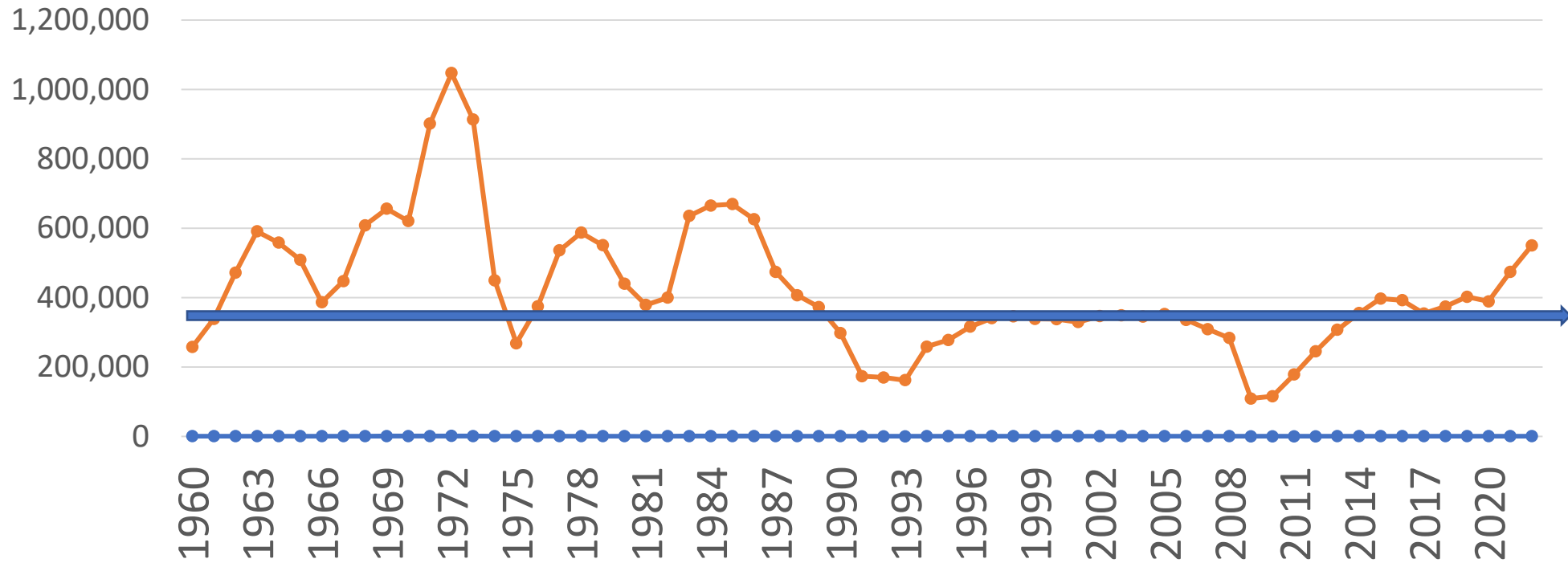
Historical average of 1.02 million per year



Source: Census/HUD

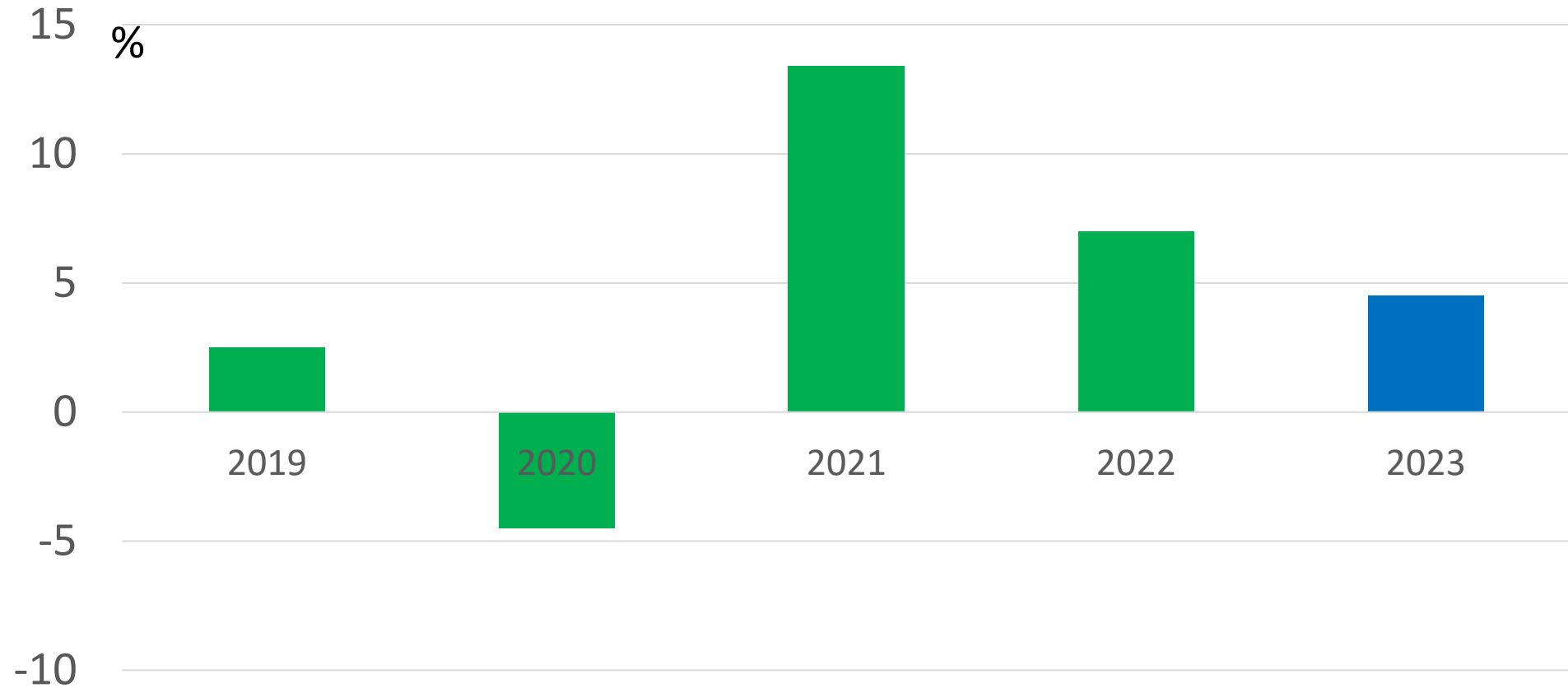
Long-term Multifamily Housing Starts

Historical average of 375,000 million per year



Source: Census/HUD

Apartment Rent Growth 2019 to 2023



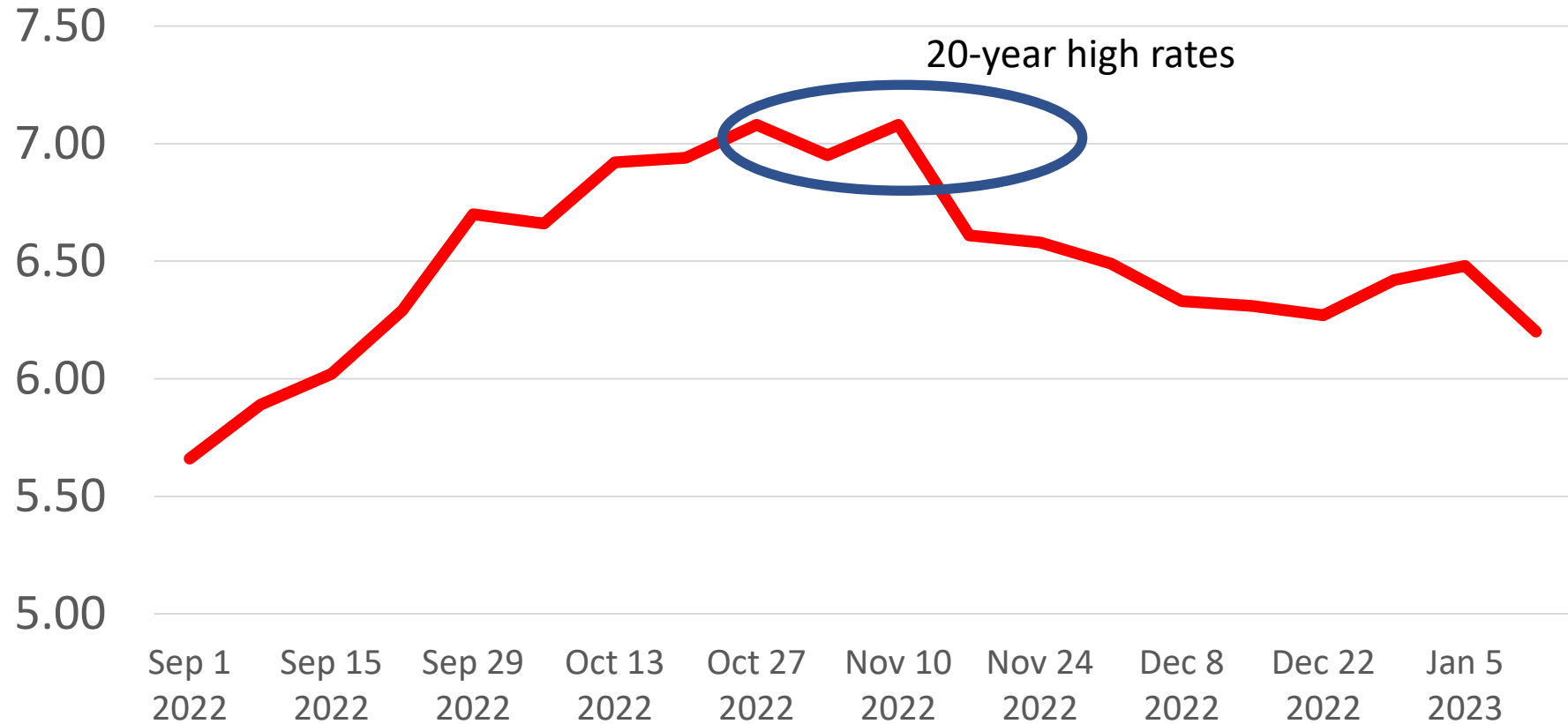
Source: CBRE and NAR Forecast

1st Week of January Market Condition

Market Summary	% vs 2022
Median Sale Price	2.2%
Home Sold	-34.0%
New Contracts	-31.7%
Sale to List Price%	94.9% (97.5%)
Median DOM	28 days (21 days)
Active Listings	43.3%
New Fresh Listings	-17.5%

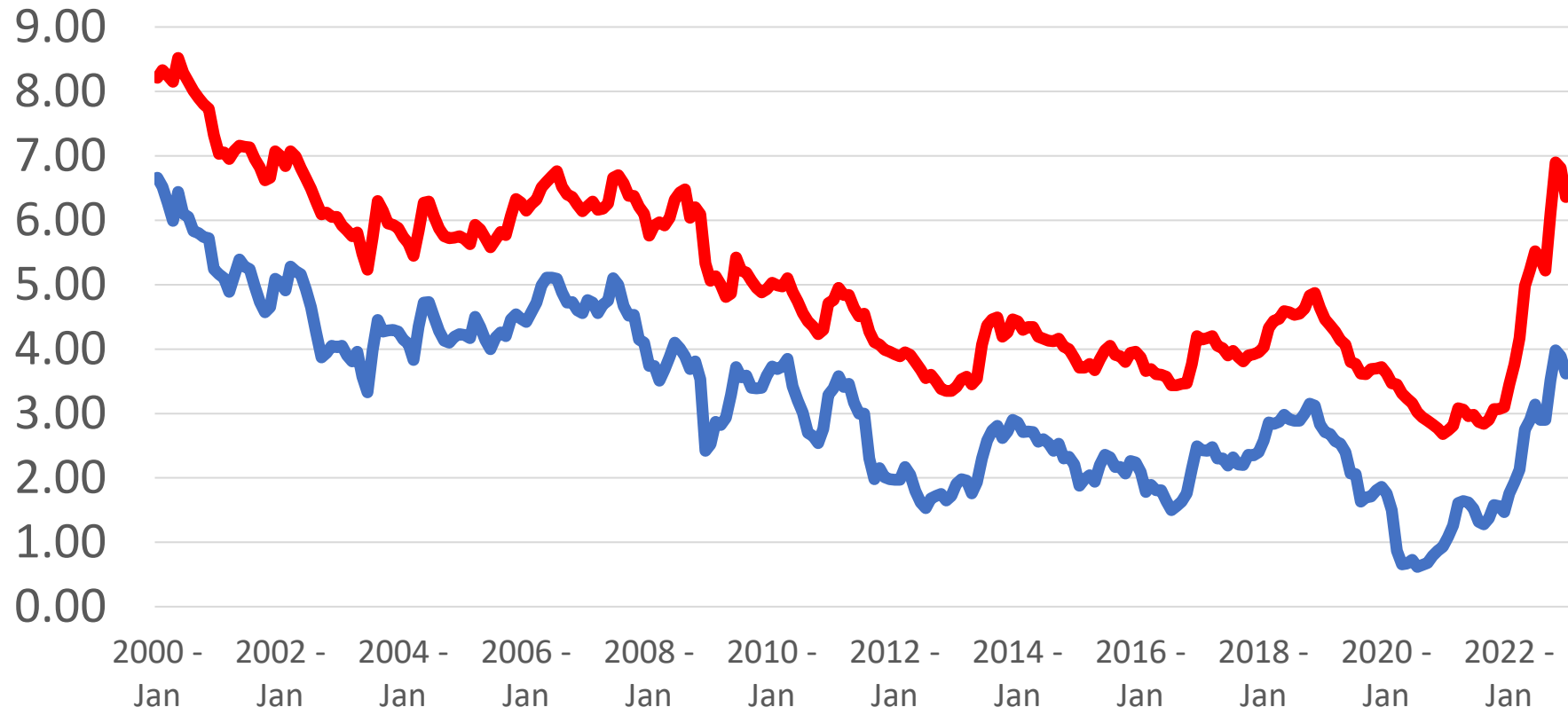
Source: NAR Analysis of MLS data

Hopeful Signs on Mortgage Rates ... Several weeks of decline

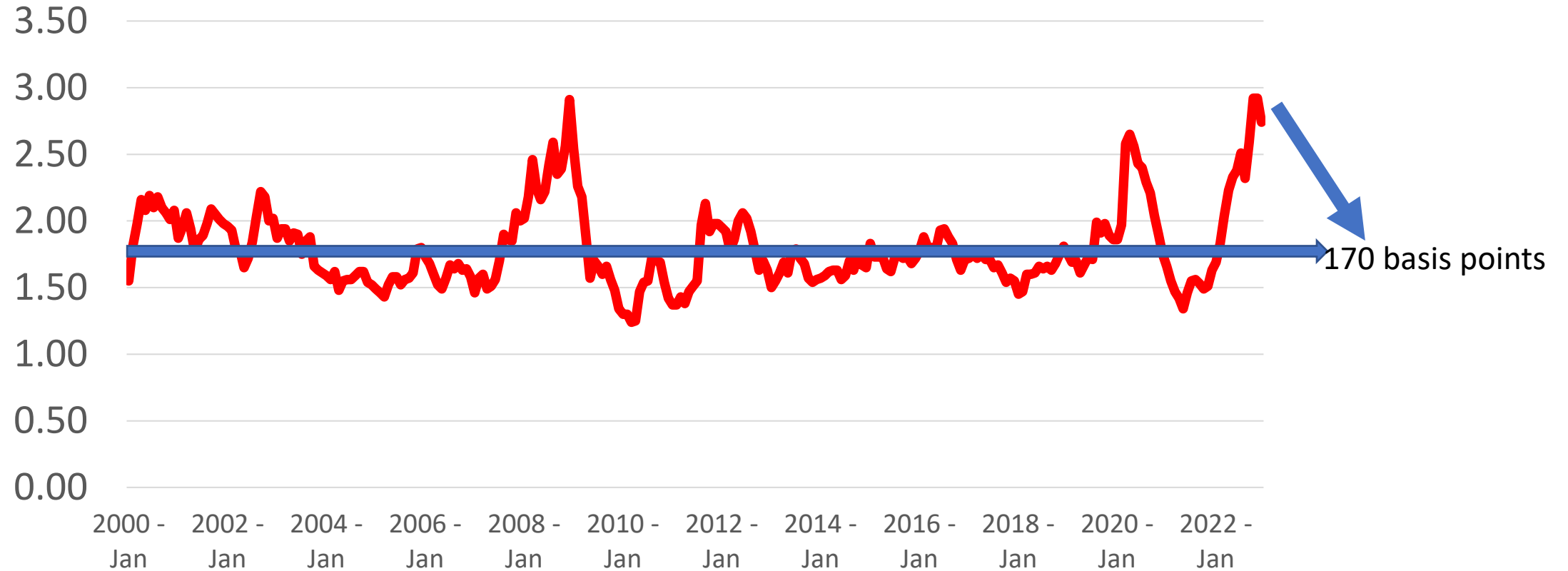


Source: Freddie Mac

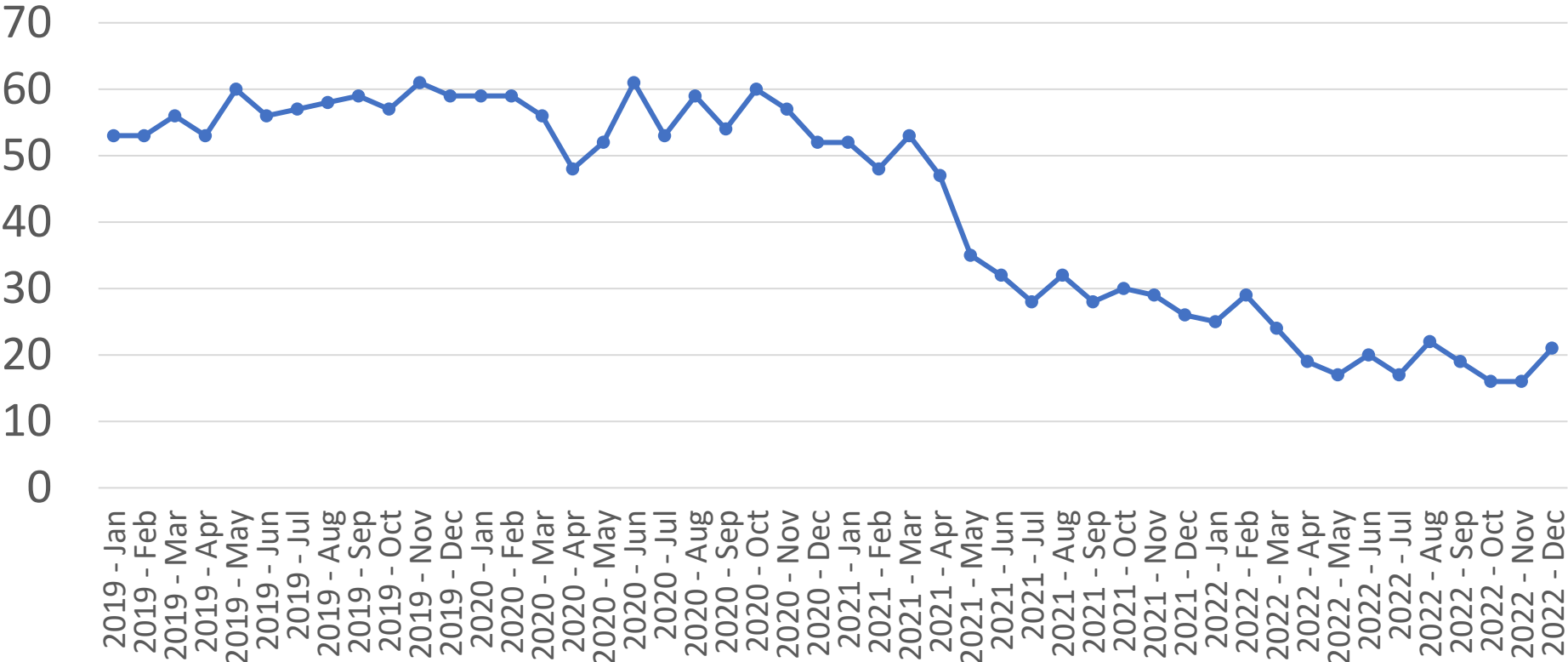
Long History: 10-year Treasury and 30-year Mortgage



Spread ... Average = 170 basis points In Dec. 2022 = 274 basis points



Fannie Mae: Is It a Good Time to Buy a Home?

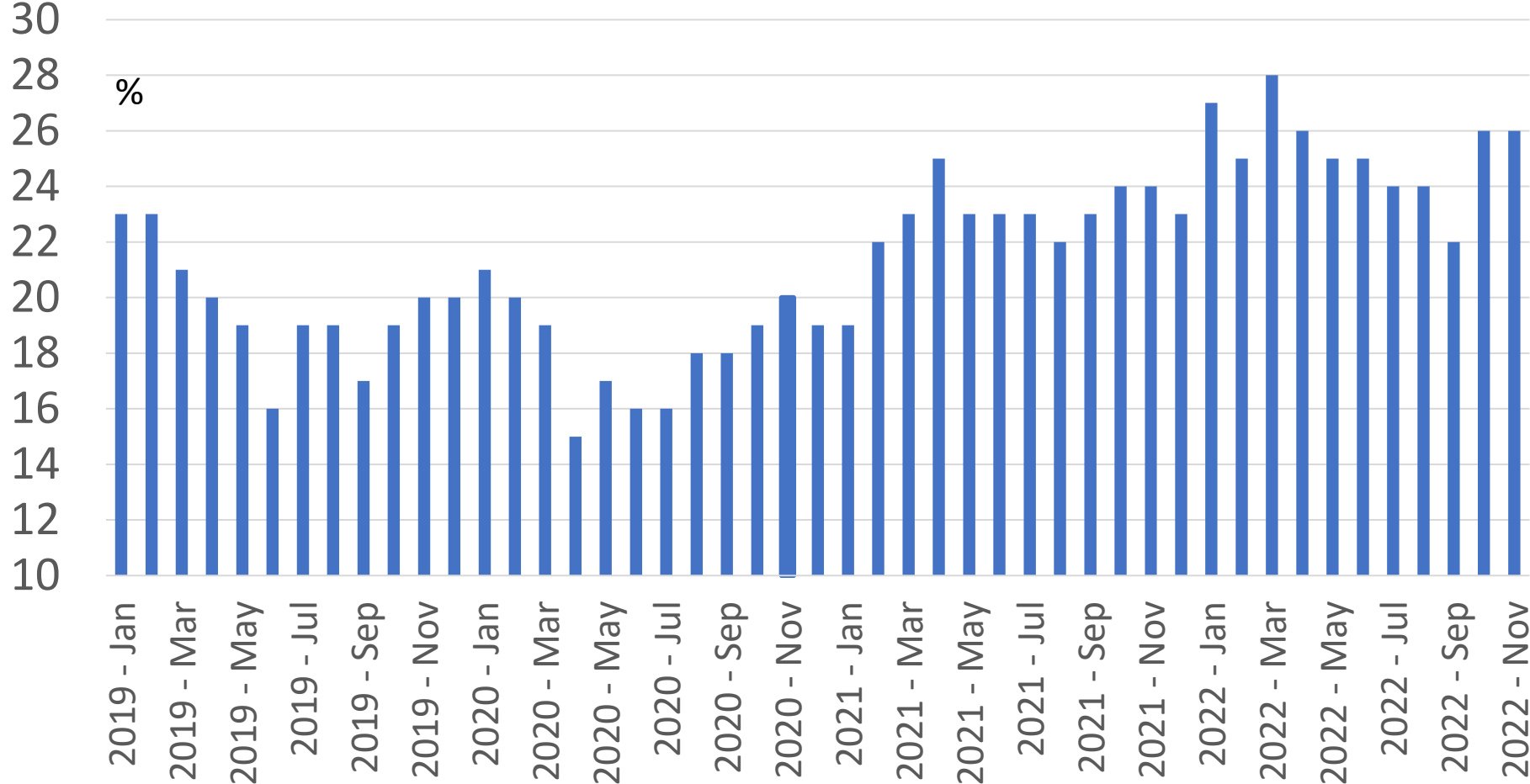


Source: Fannie Mae

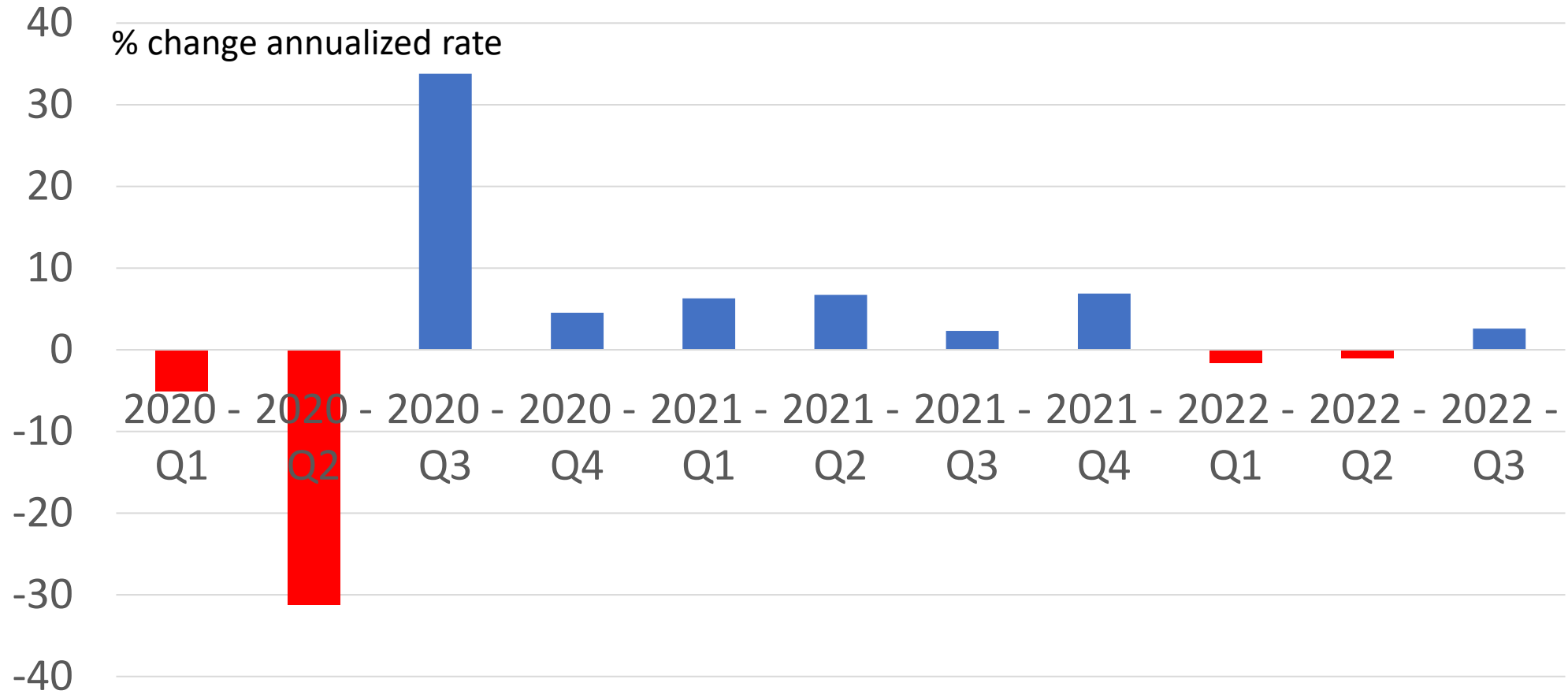
Mortgage Applications to Purchase (not Refi)



Cash Share of Home Sales

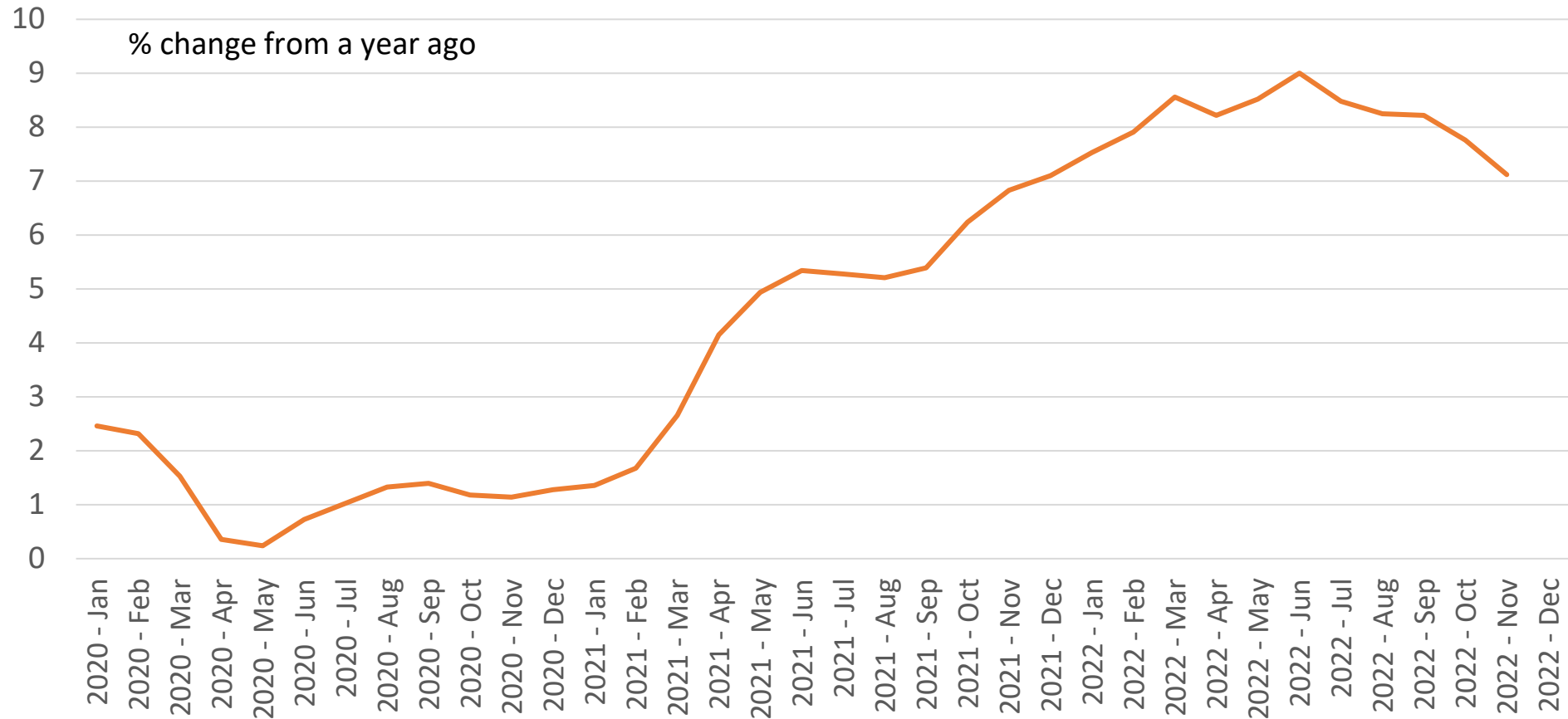


Recession or Not? .. China, Europe, Ukraine?



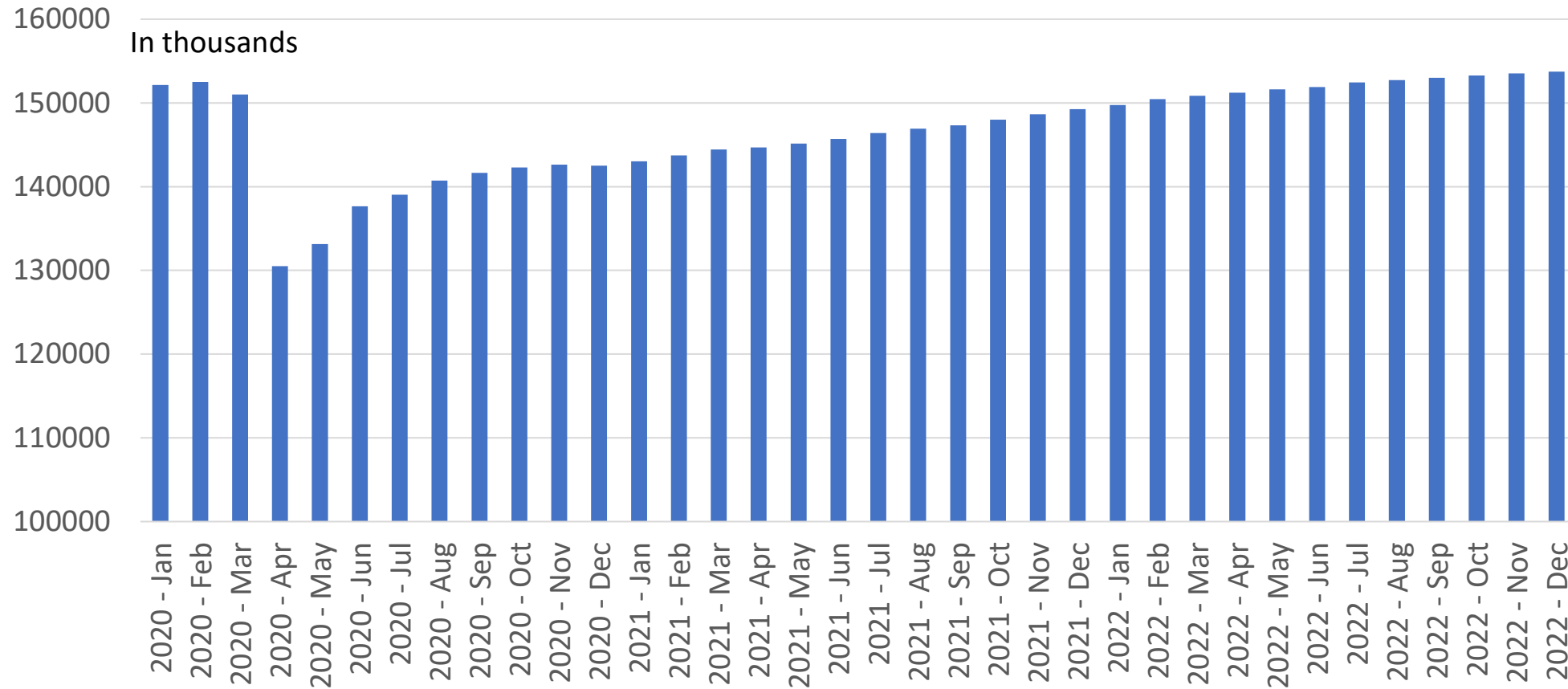
Source: Dept. of Commerce

Consumer Price Inflation Decelerating



Source: NAR Analysis of BLS data

Payroll Jobs ... record high

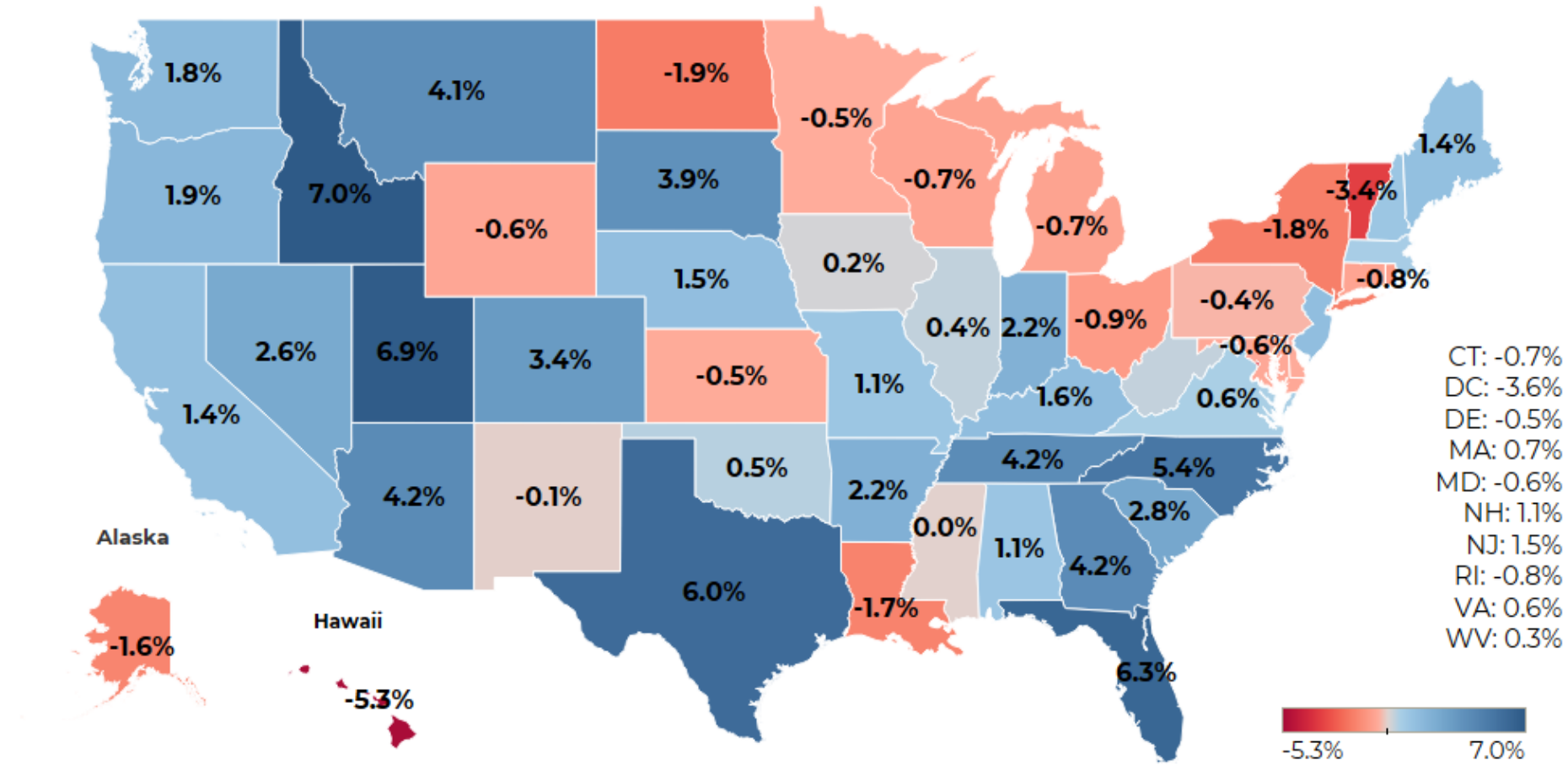


Source: BLS

Some States Doing Better than Other

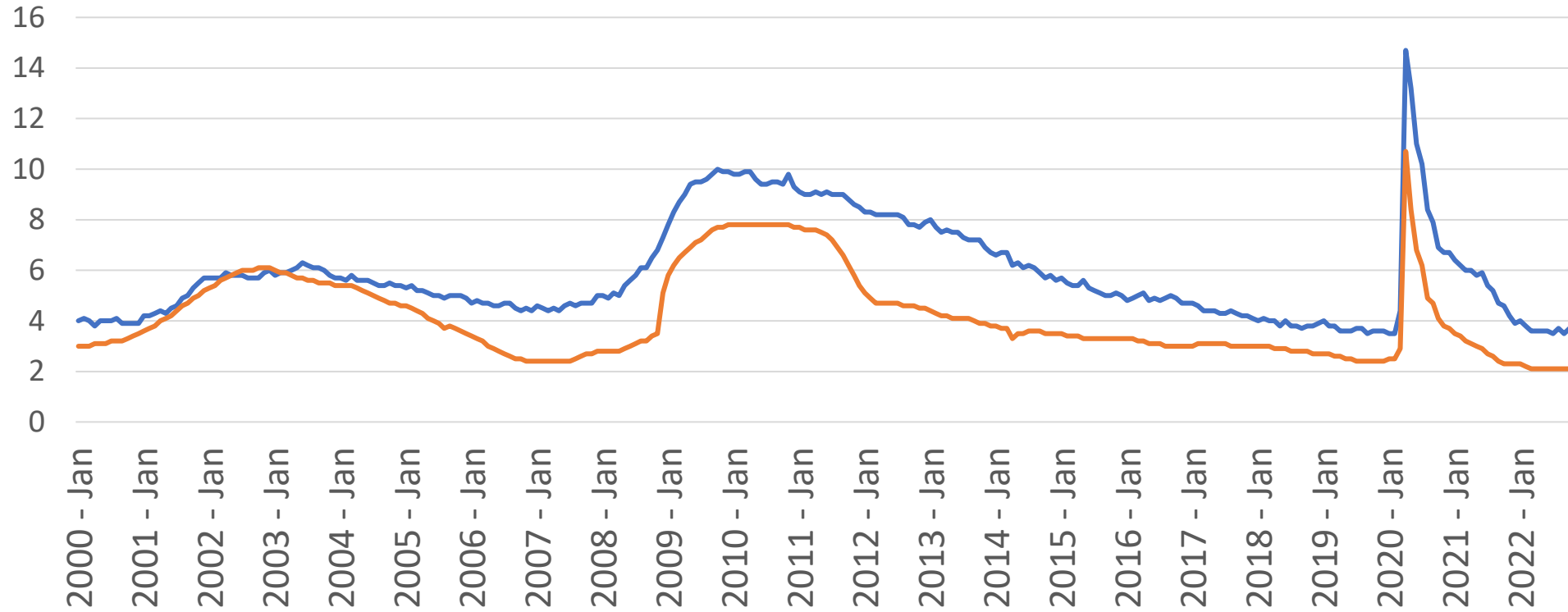
Payroll Job Additions from pre-Covid days

Annualized % Change (2000 = 100%)



Source: NAR Analysis of BLS data

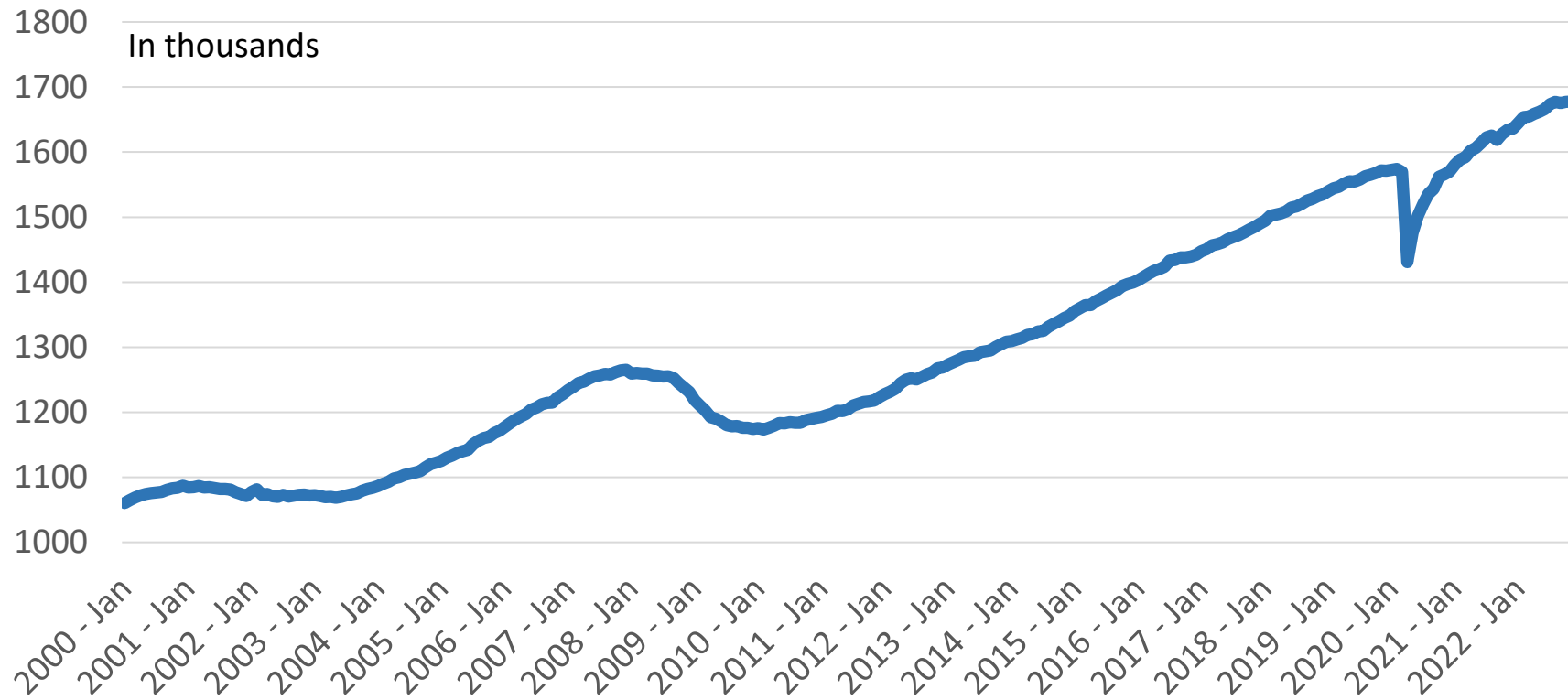
Unemployment Rates ... U.S. and SLC



Source: BLS

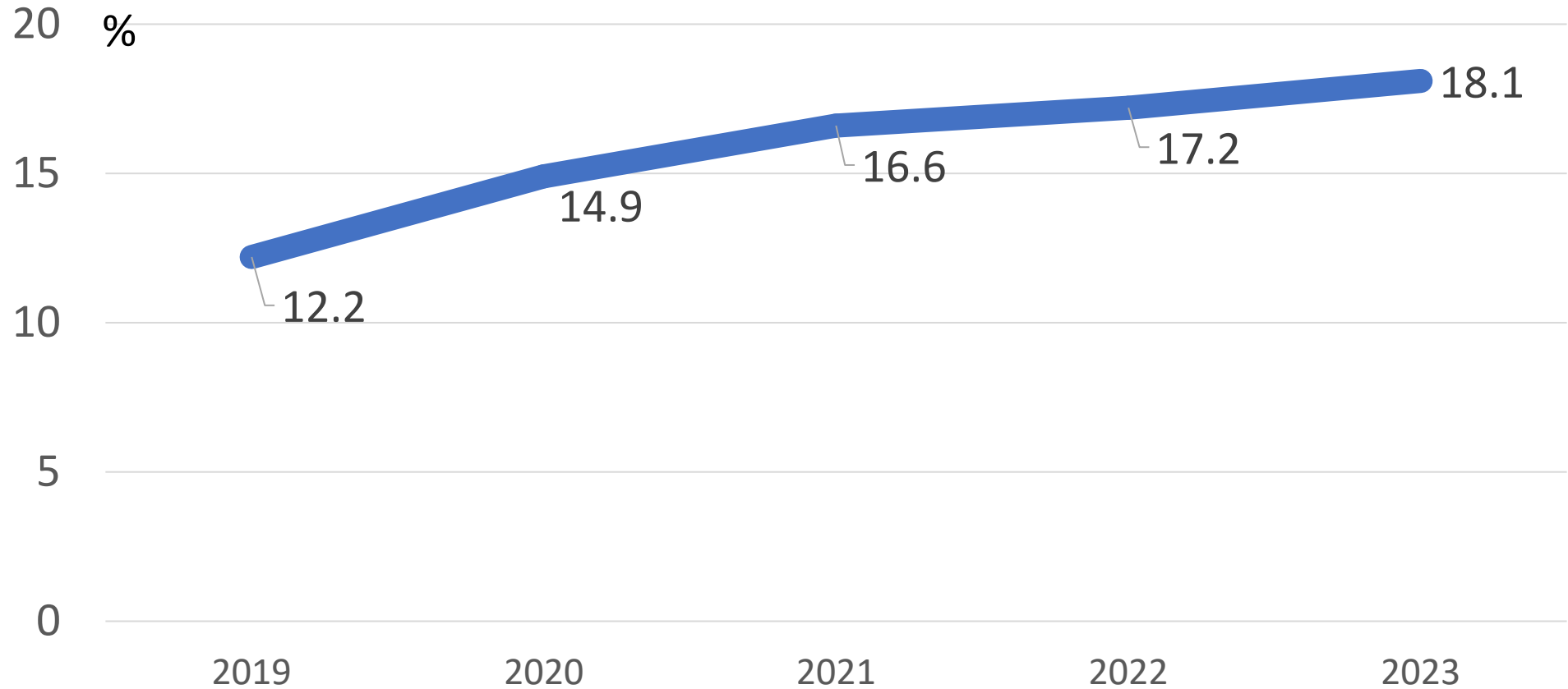
SLC Metro Payroll Jobs

Long-Term Job Performance



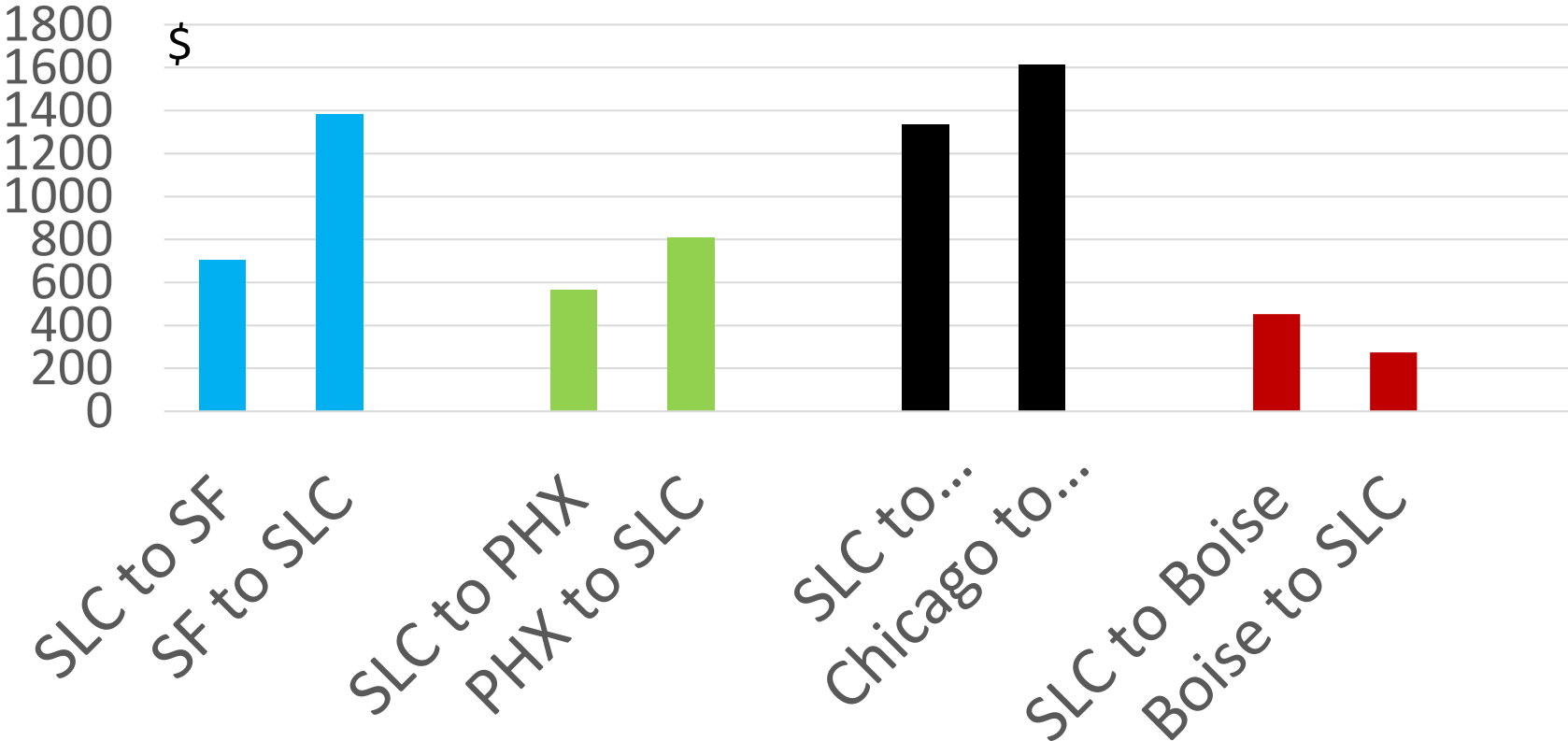
Source: NAR Analysis of BLS data

National Office Vacancy Rate



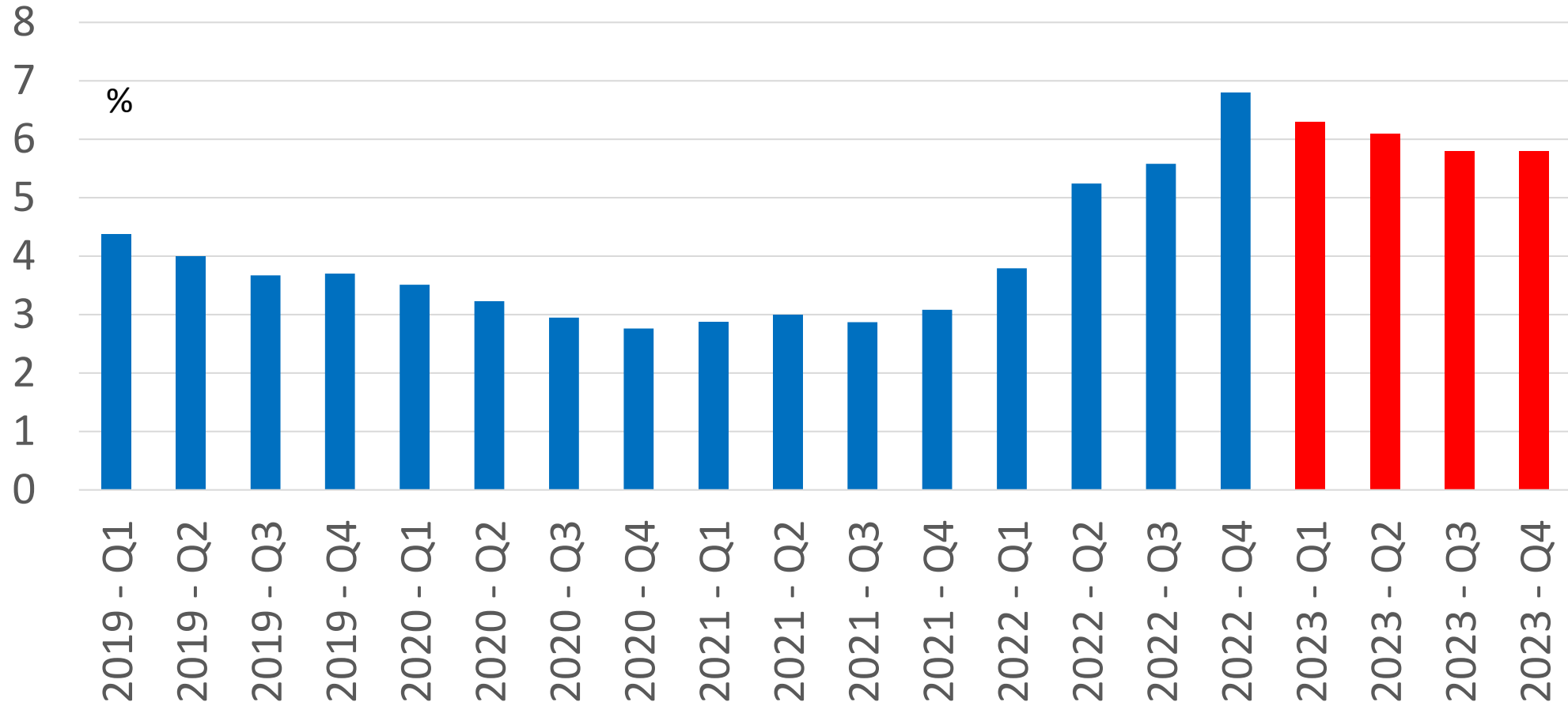
Source: CBRE and NAR Forecast

U-Haul Rental Rate for 10 feet Truck



Source: NAR Tabulation of U-Haul Website

Mortgage Rate Forecast

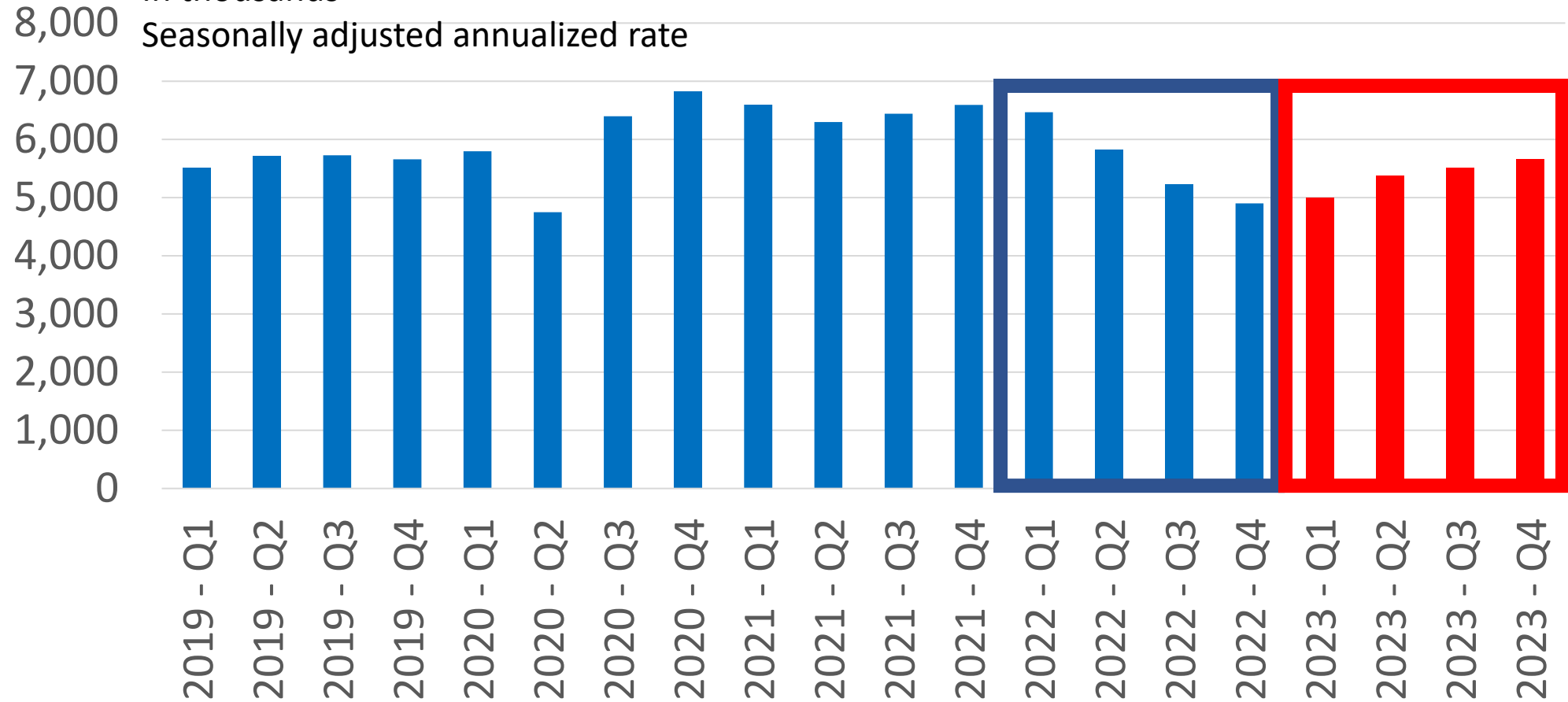


Source: NAR Analysis of BLS, MBA, NAR data

Home Sales Forecast (new + existing)

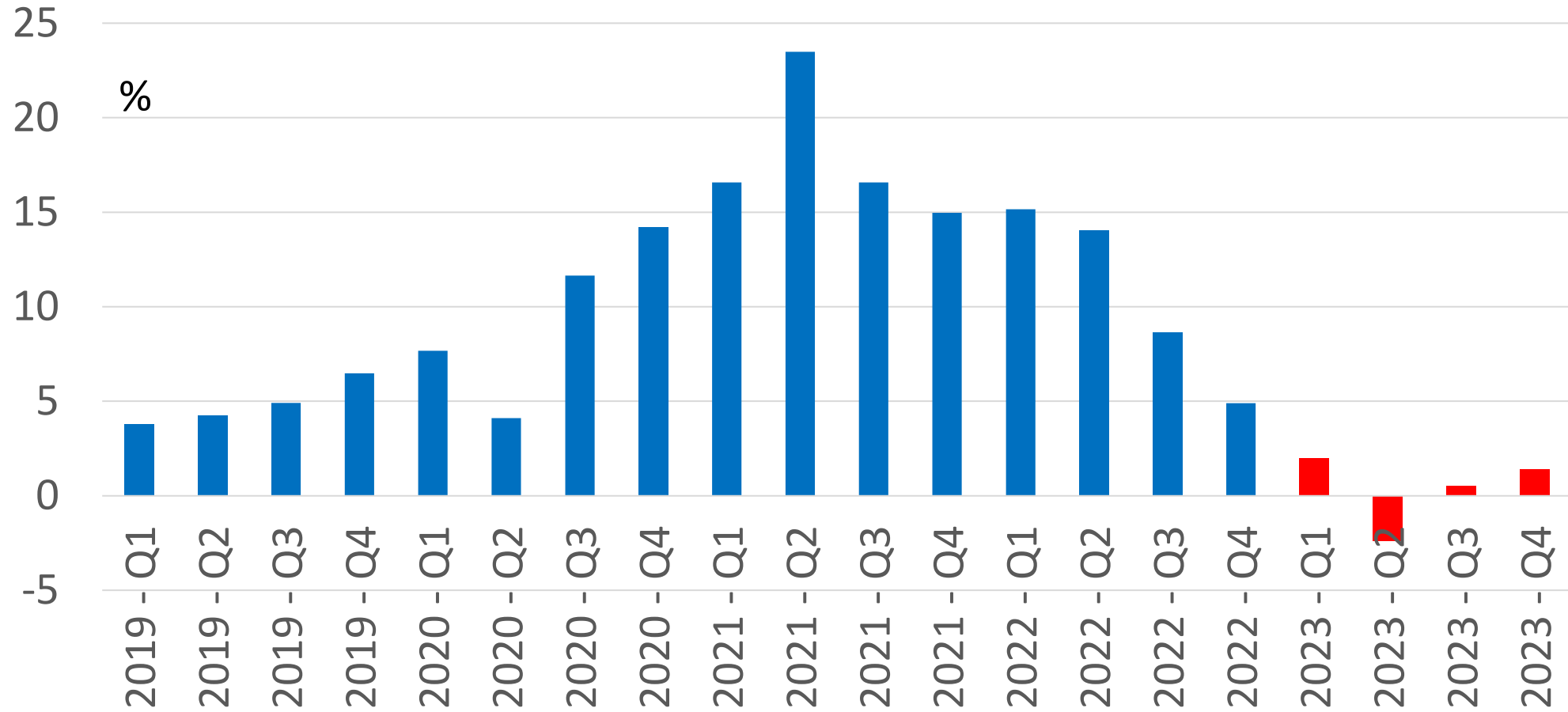
In thousands

Seasonally adjusted annualized rate



Source: NAR

Home Price Growth Forecast



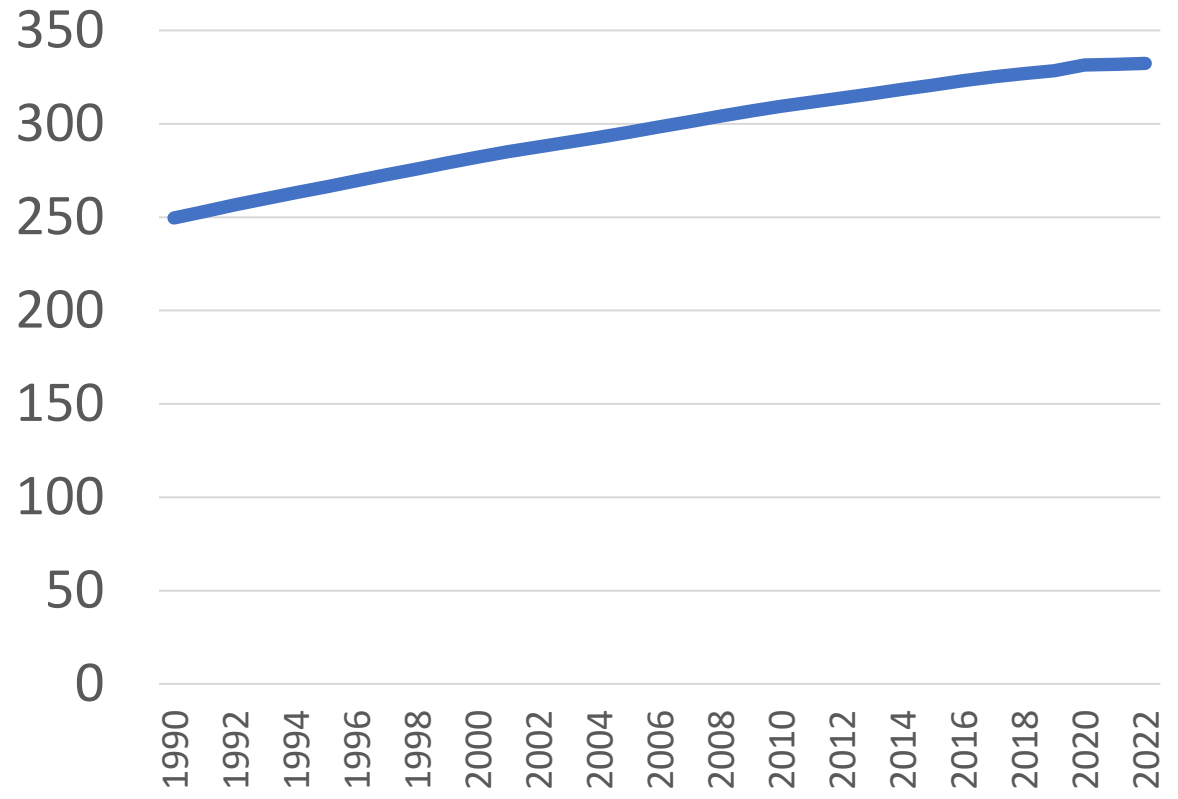
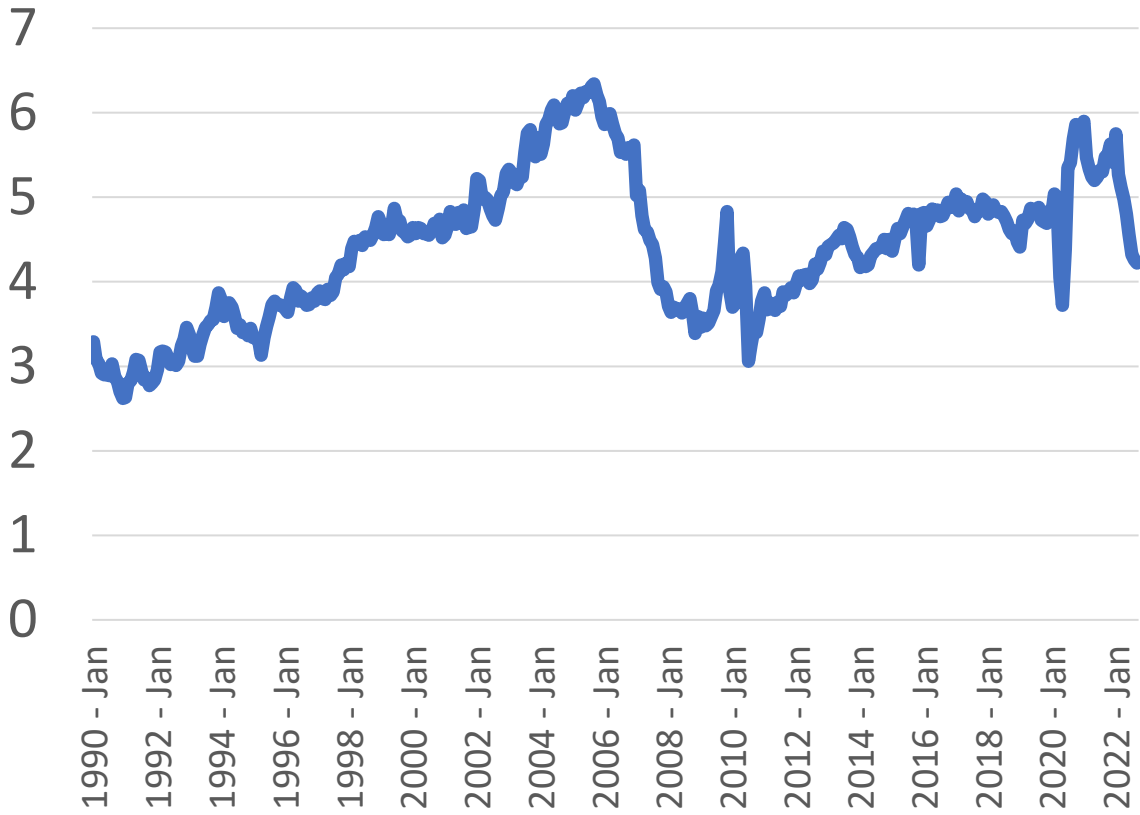
Source: NAR Median Home Price

Annual Forecast

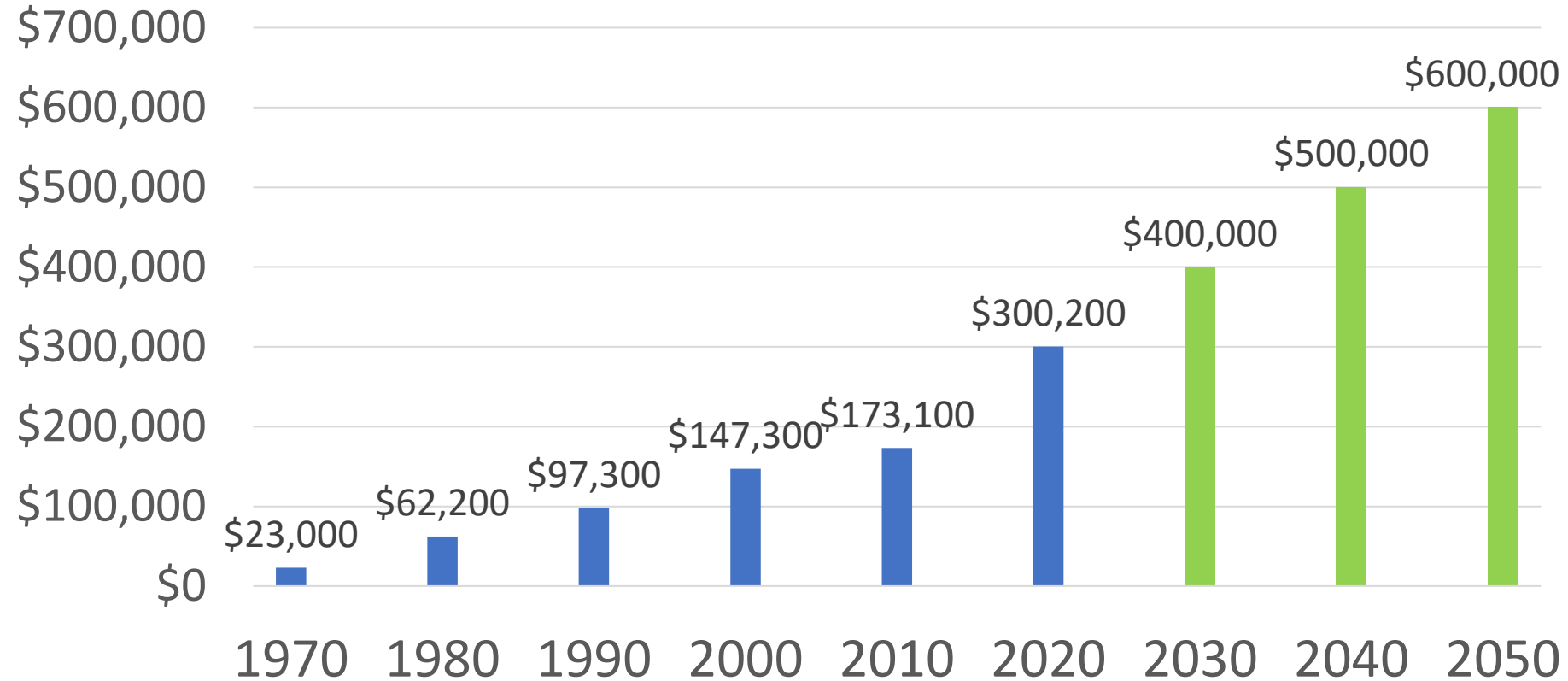
Year	Unit Sales	Home Price	Dollar Volume
2019	0.0%	+4.9%	+5%
2020	+5.6%	+9.1%	+15%
2021	+8.5%	+16.9%	+25%
2022 estimate	-16.2%	+9.6%	-6%
2023 forecast	-7%	+0%	-7%
2024 forecast	+10%	+5%	+15%

Source: NAR

Existing Home Sales and Population

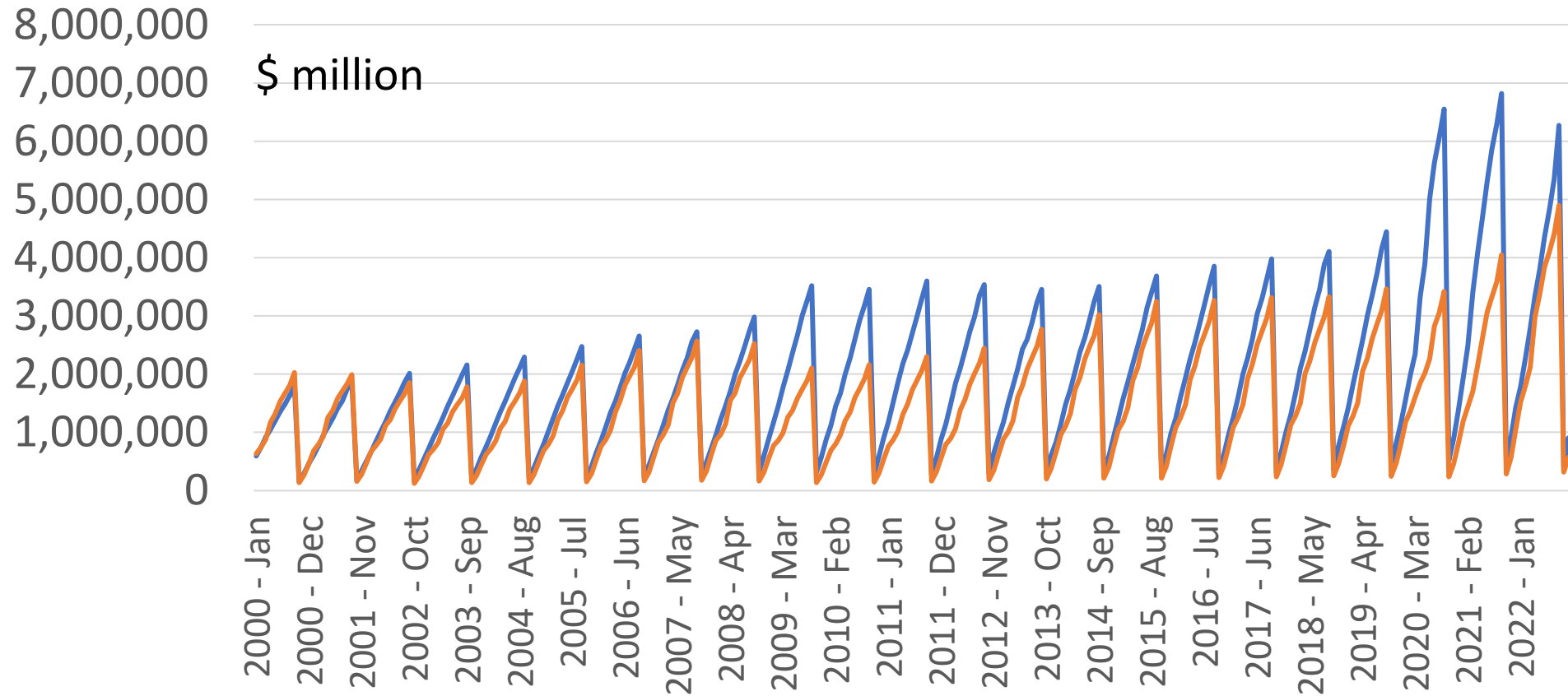


U.S. Median Home Price and Future?



Federal Outlay and Tax Receipts

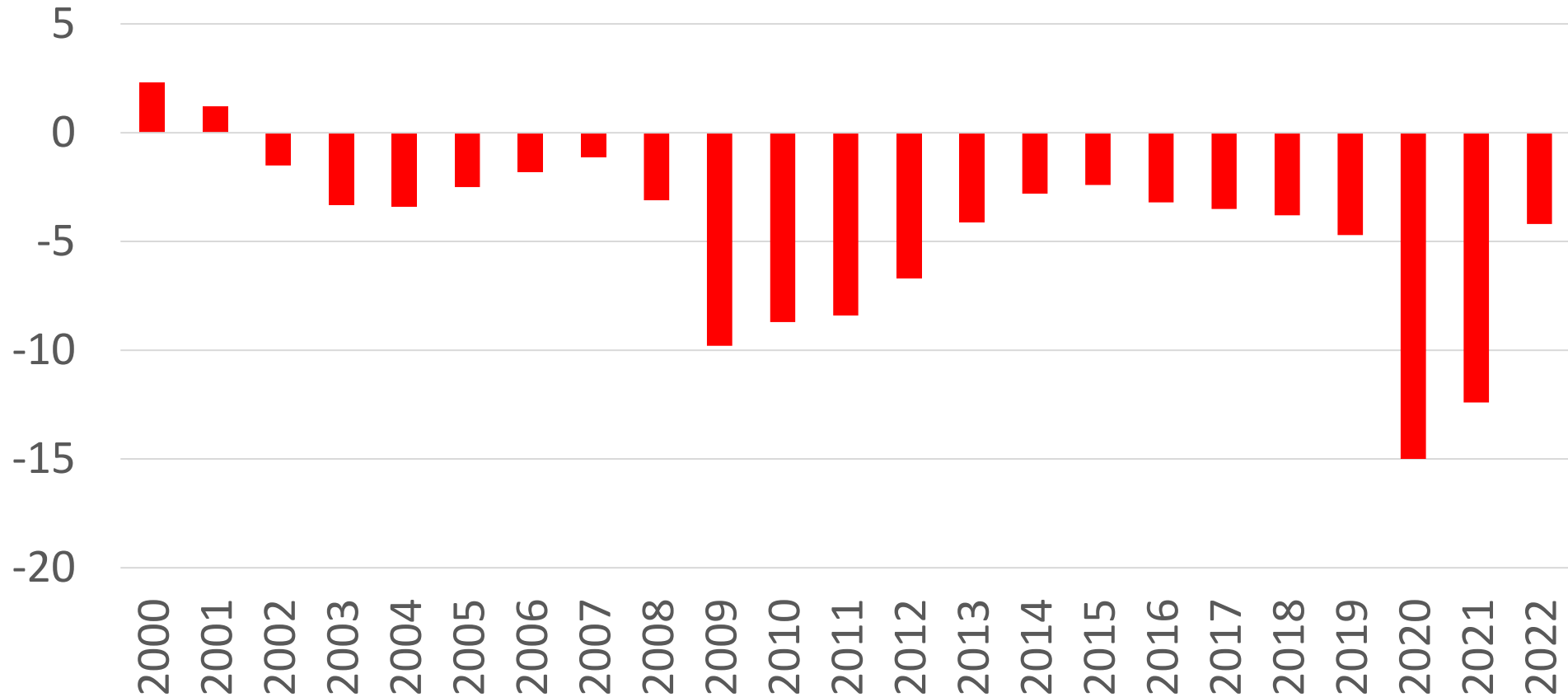
(year-to-date fiscal year)



Source: U.S. Treasury

Federal Budget Deficit as % of GDP

(fiscal year)



Source: Congressional Budget Office

THANK YOU
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