2020 REAL ESTATE FORECAST SUMMIT

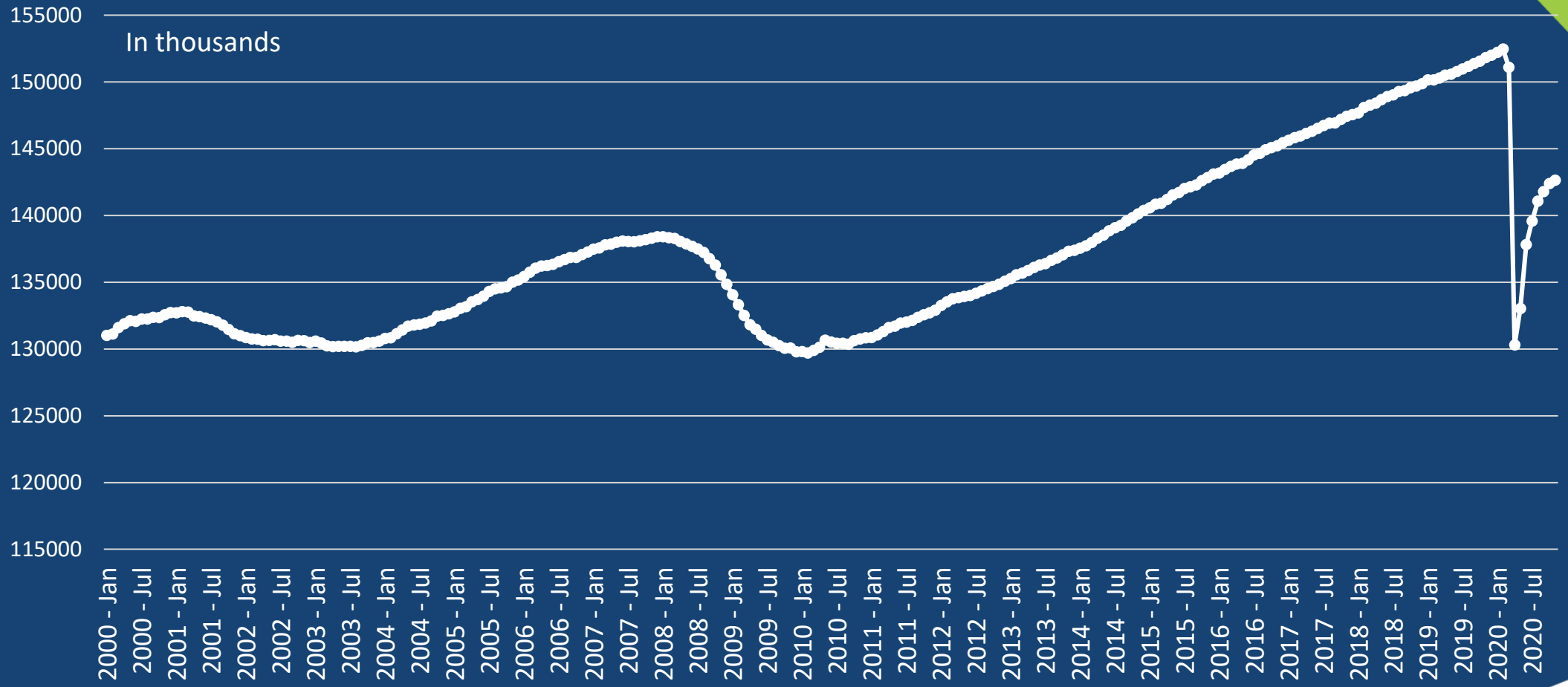
DECEMBER 10, 2020

@NARdotRealtor | @NAR_Research

#NARForecastSummit

NATIONAL ASSOCIATION OF REALTORS®

Jobs Recovery need another 9.8 million to get us to prior peak



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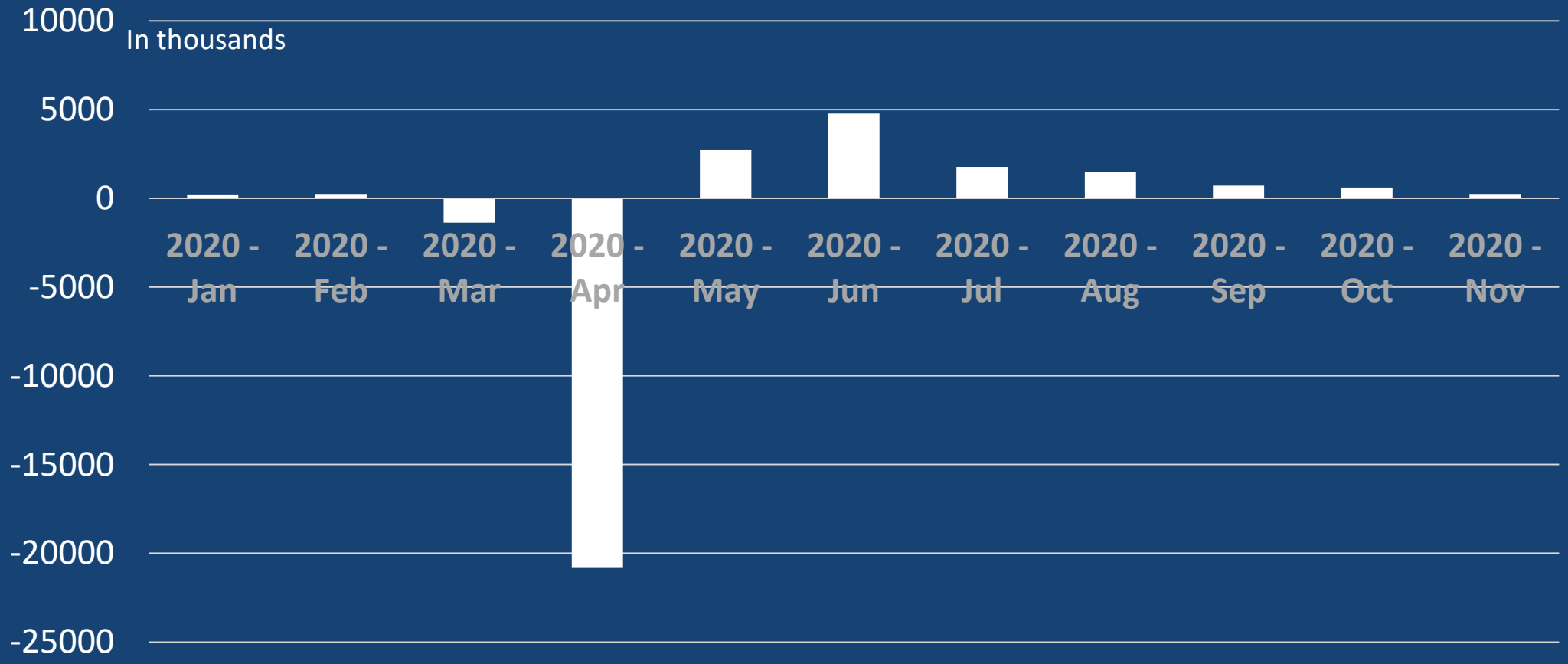
Monthly Job Additions Fizzling Out?



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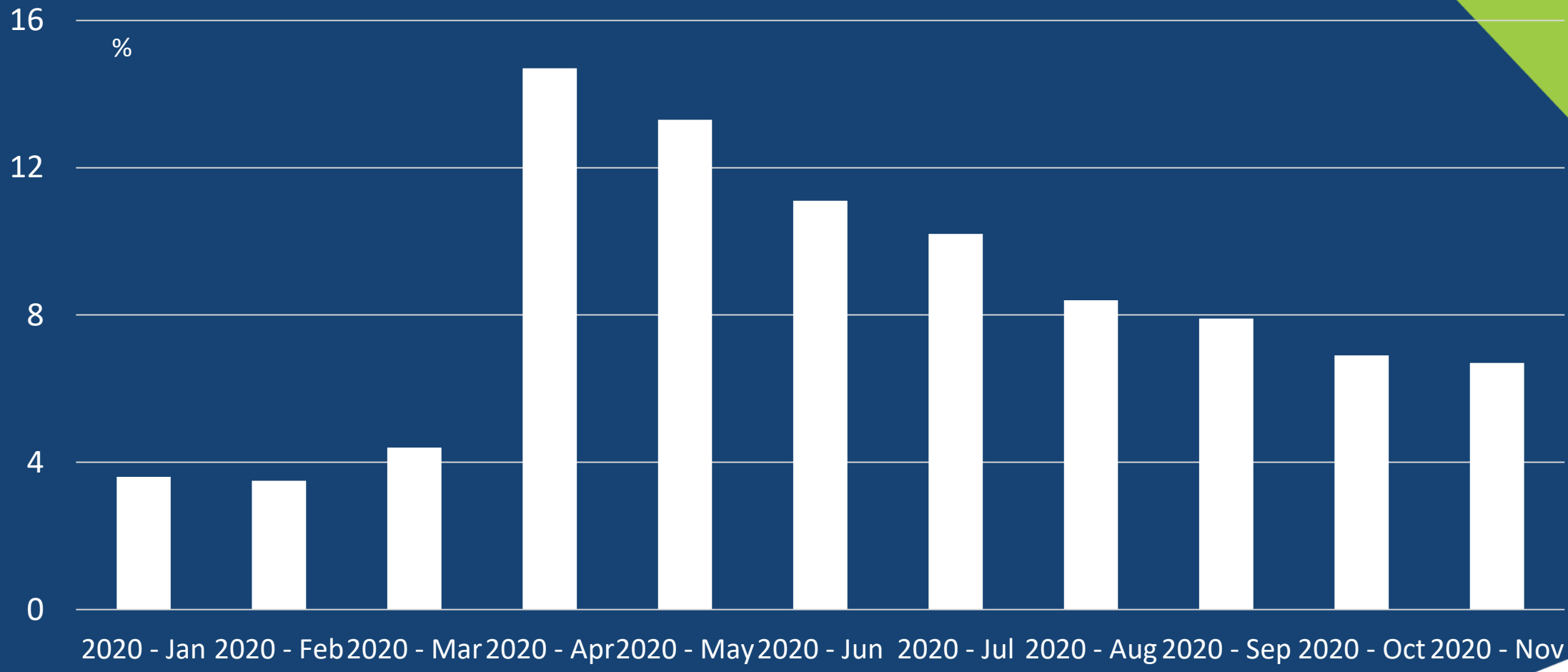
Unemployment Rate



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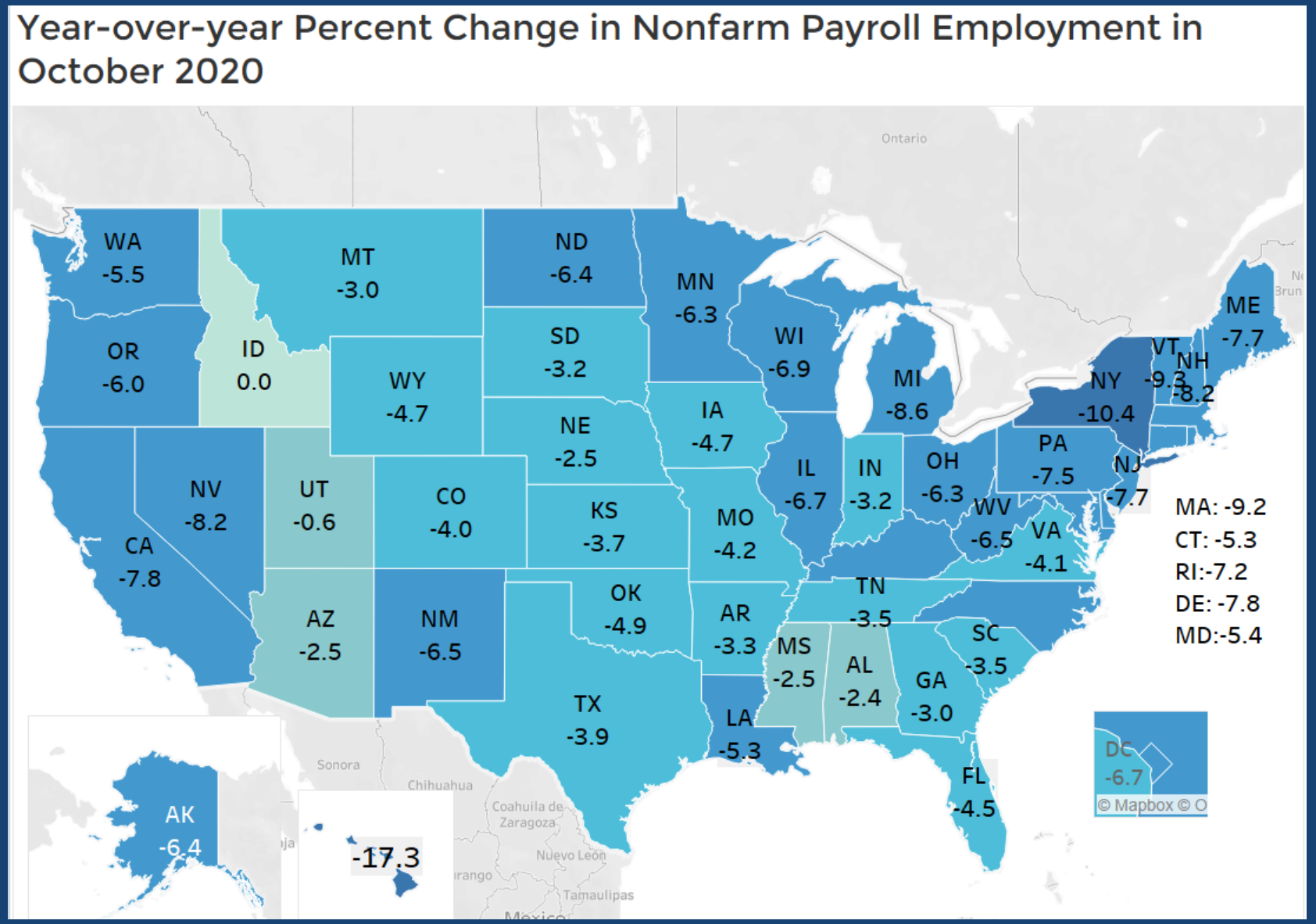
Job Market Variations



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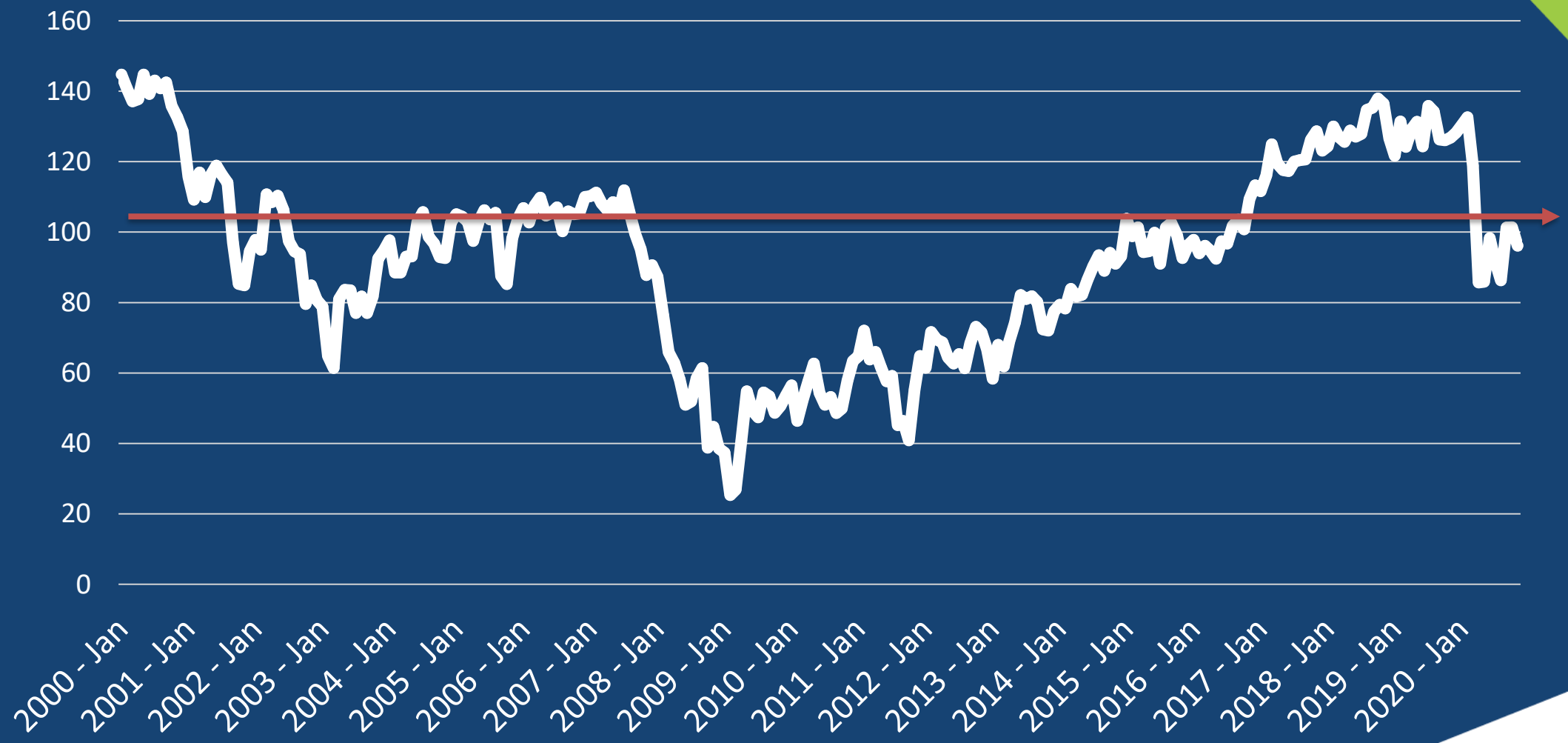
Consumer Confidence Index (from Conference Board)



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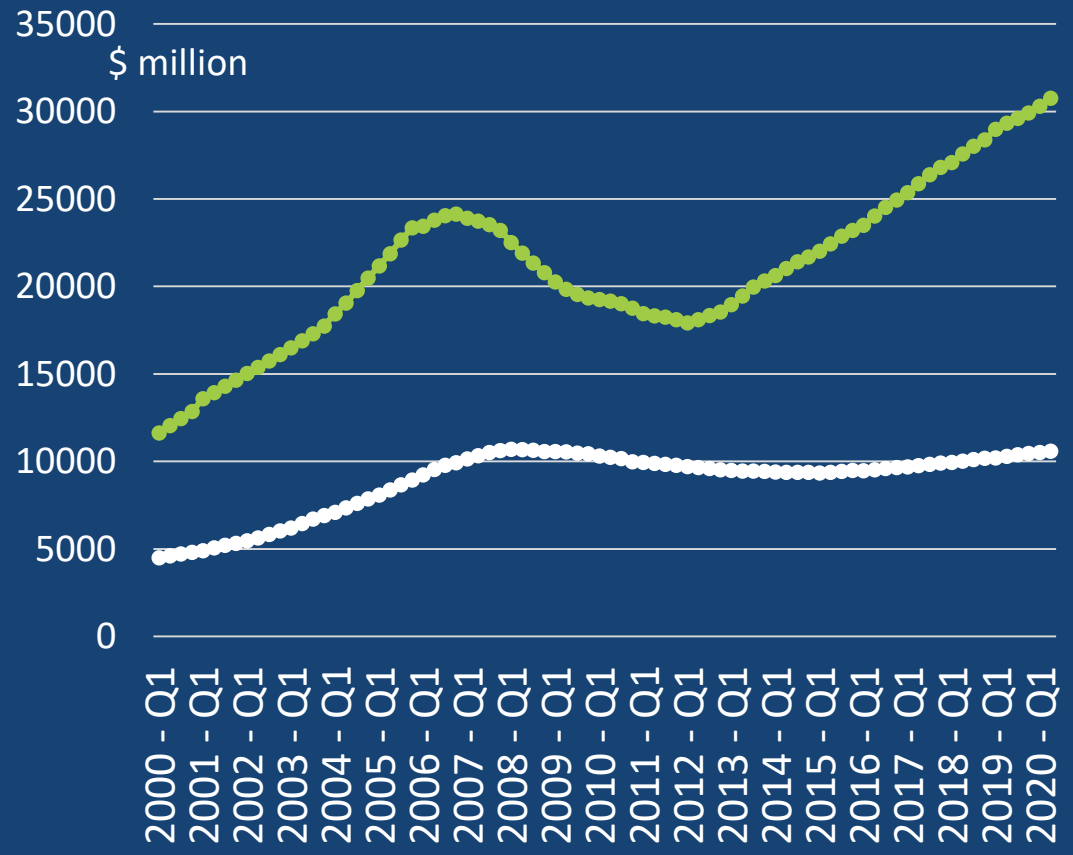
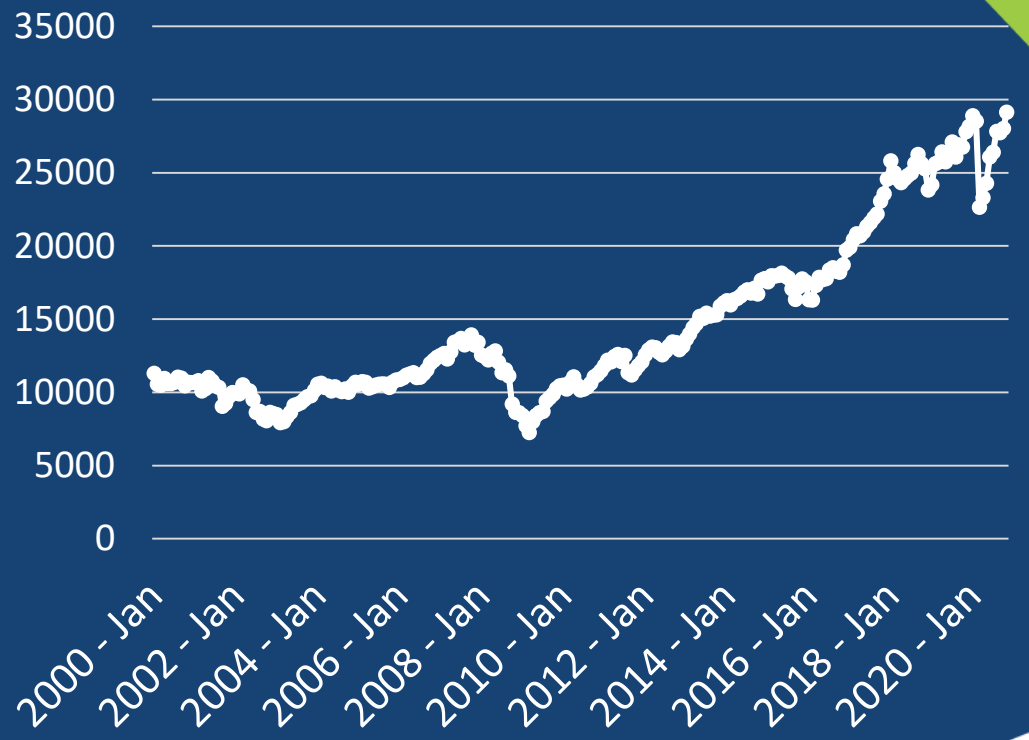
Housing Wealth = Home Valuation – Mortgage Outstanding



Dow Jones Index



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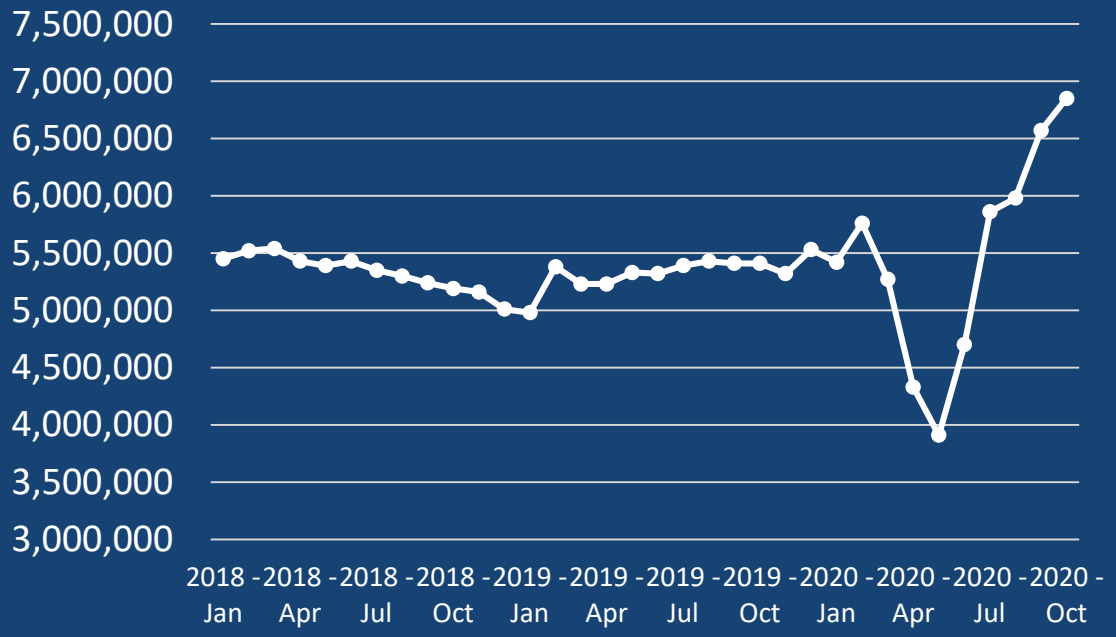
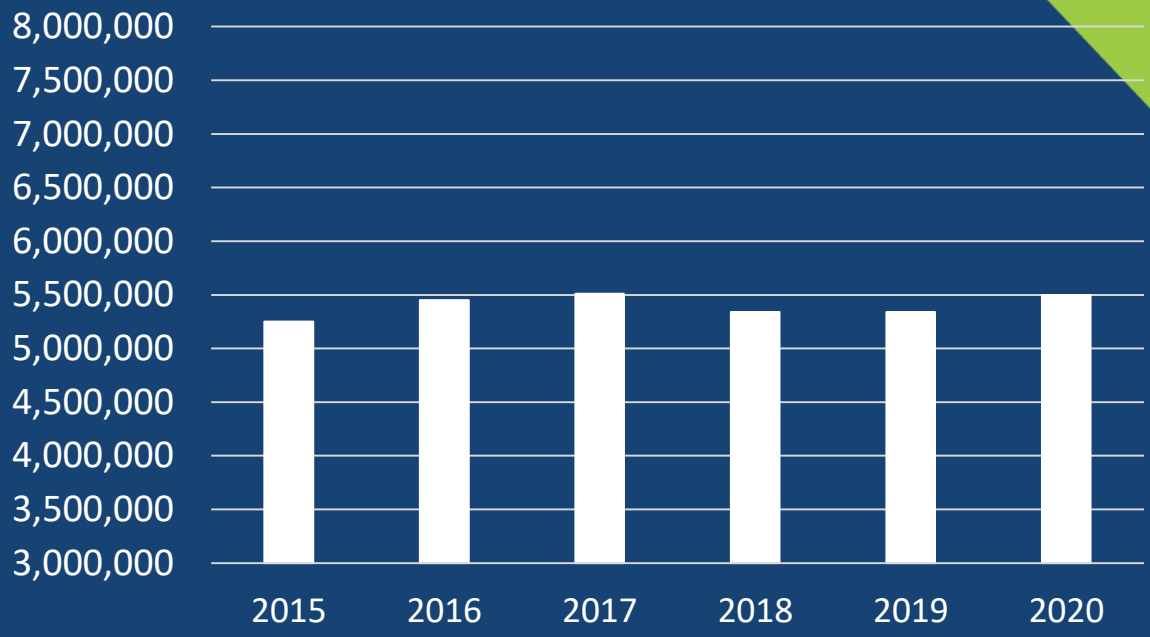
Existing Home Sales: Monthly and Annual





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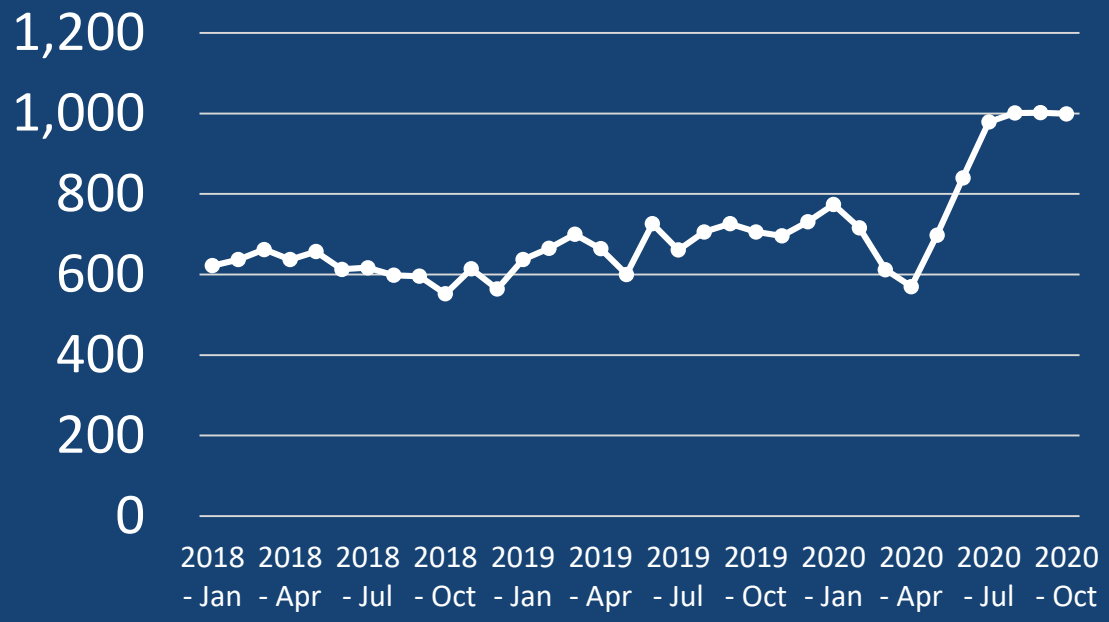
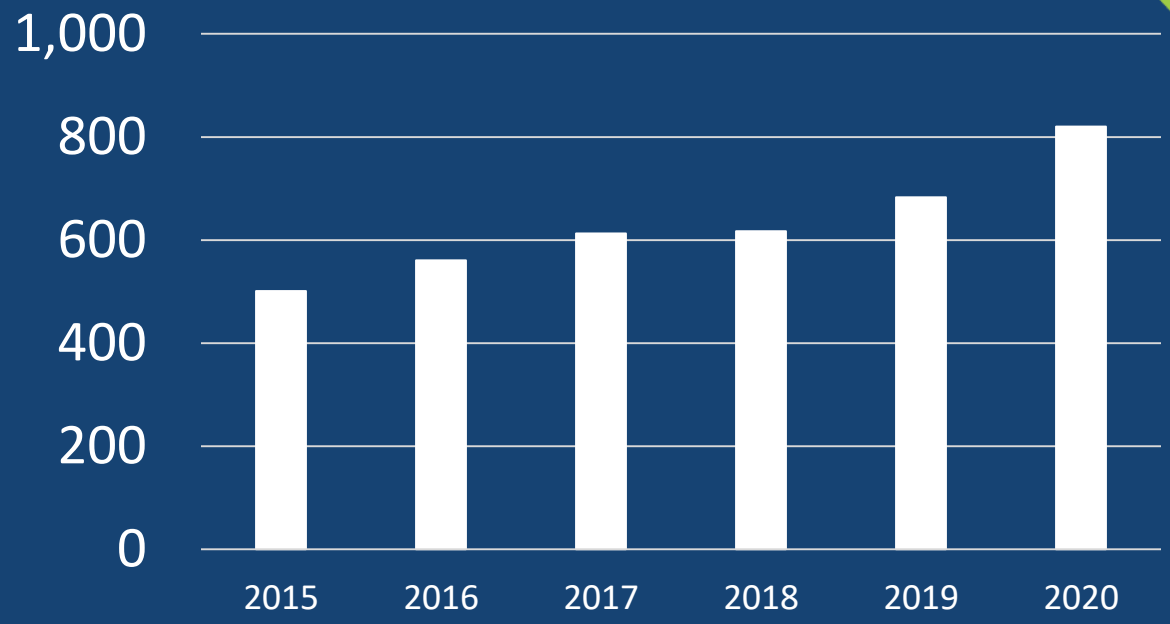
New Home Sales: Monthly and Annual





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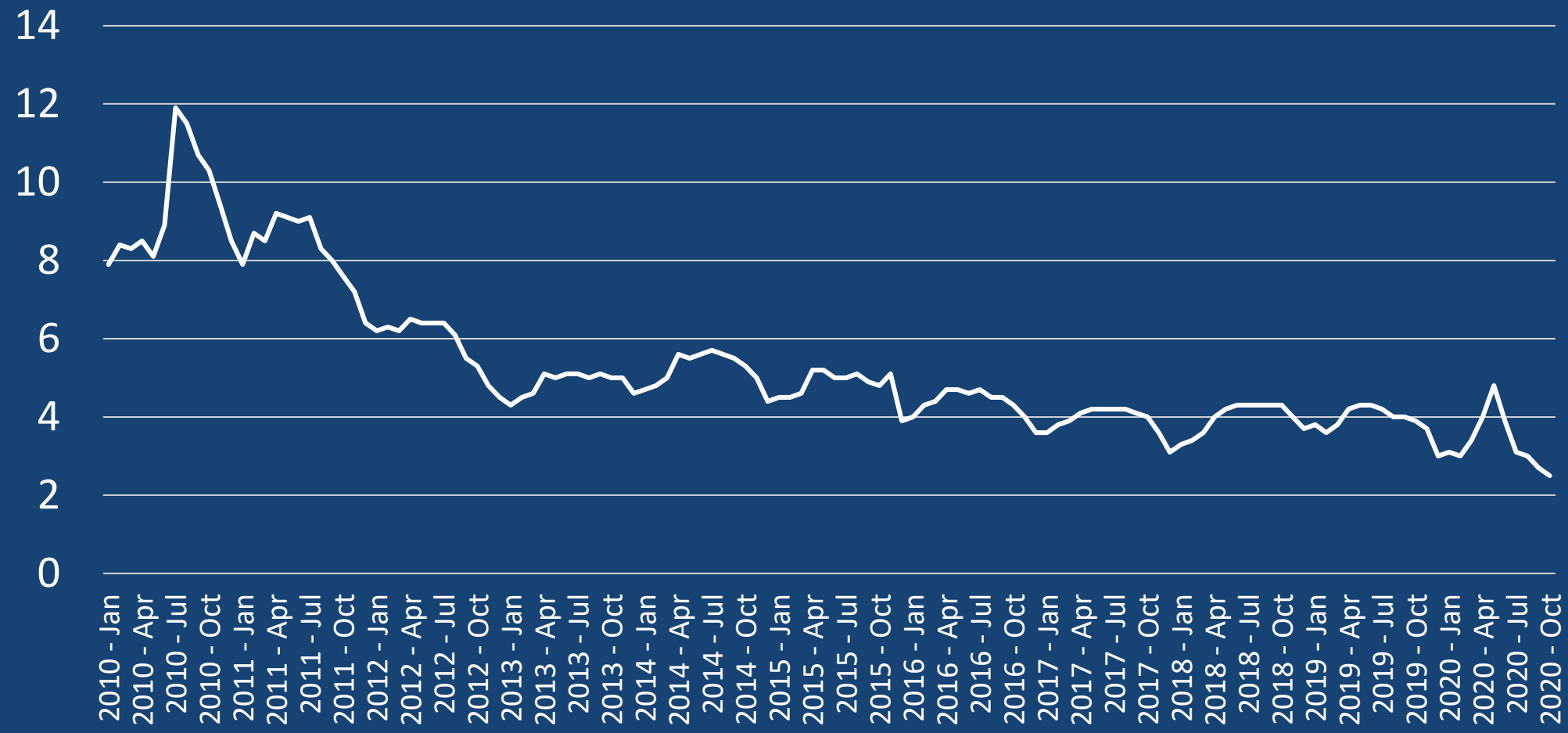
Forward Looking Indicators

Indicator	% change from one year ago	Time Period
Pending Contracts	+20%	Oct.
Mortgage Purchase Applications	+27%	End of Nov.
Lockbox Openings (SentriLock®)	+21%	Oct.
Buyer Traffic (Realtor® Survey)	+32%	Oct.
Mortgage Rates	Record Low 2.77%	Nov.

Months Supply of Inventory at All-time Low



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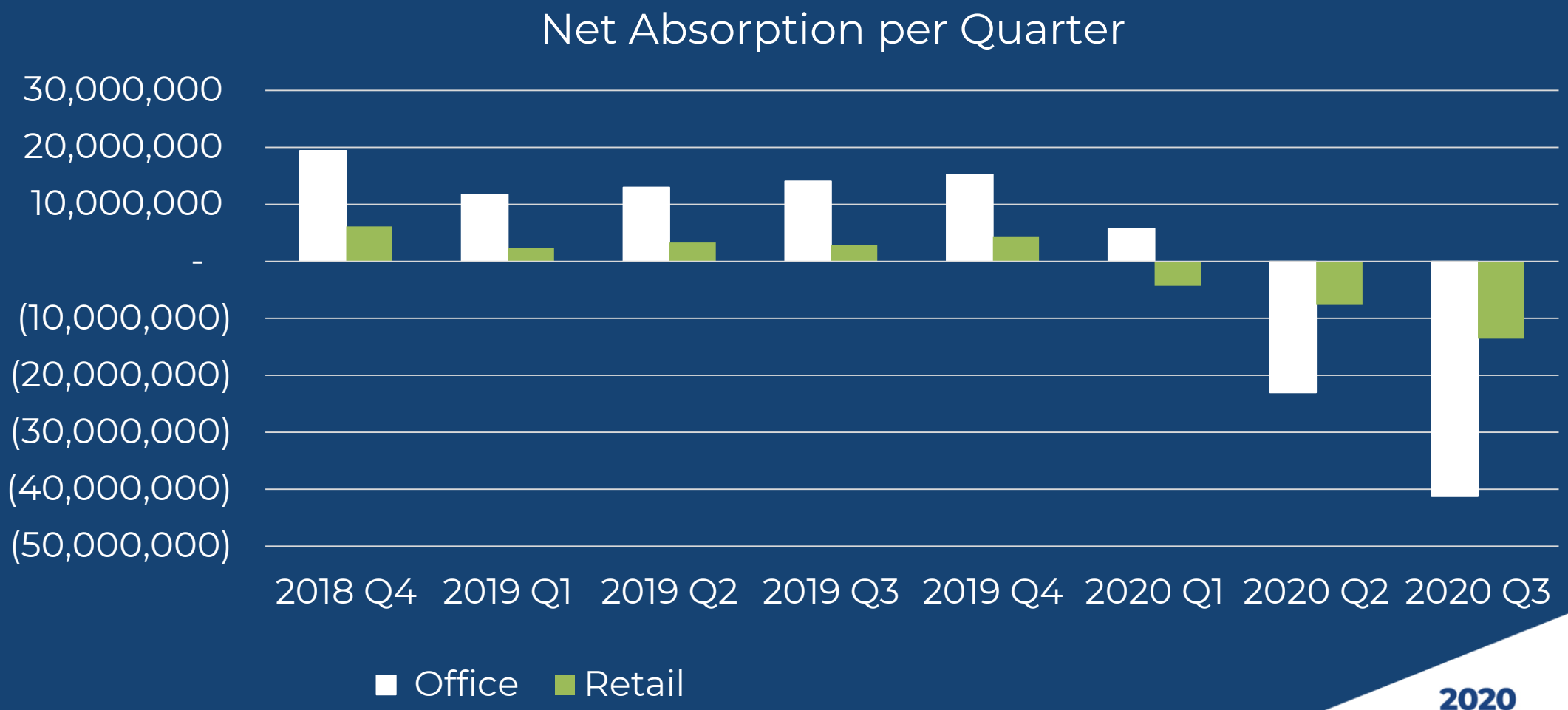
Office and Retail Space ....
Net Absorption turns Negative



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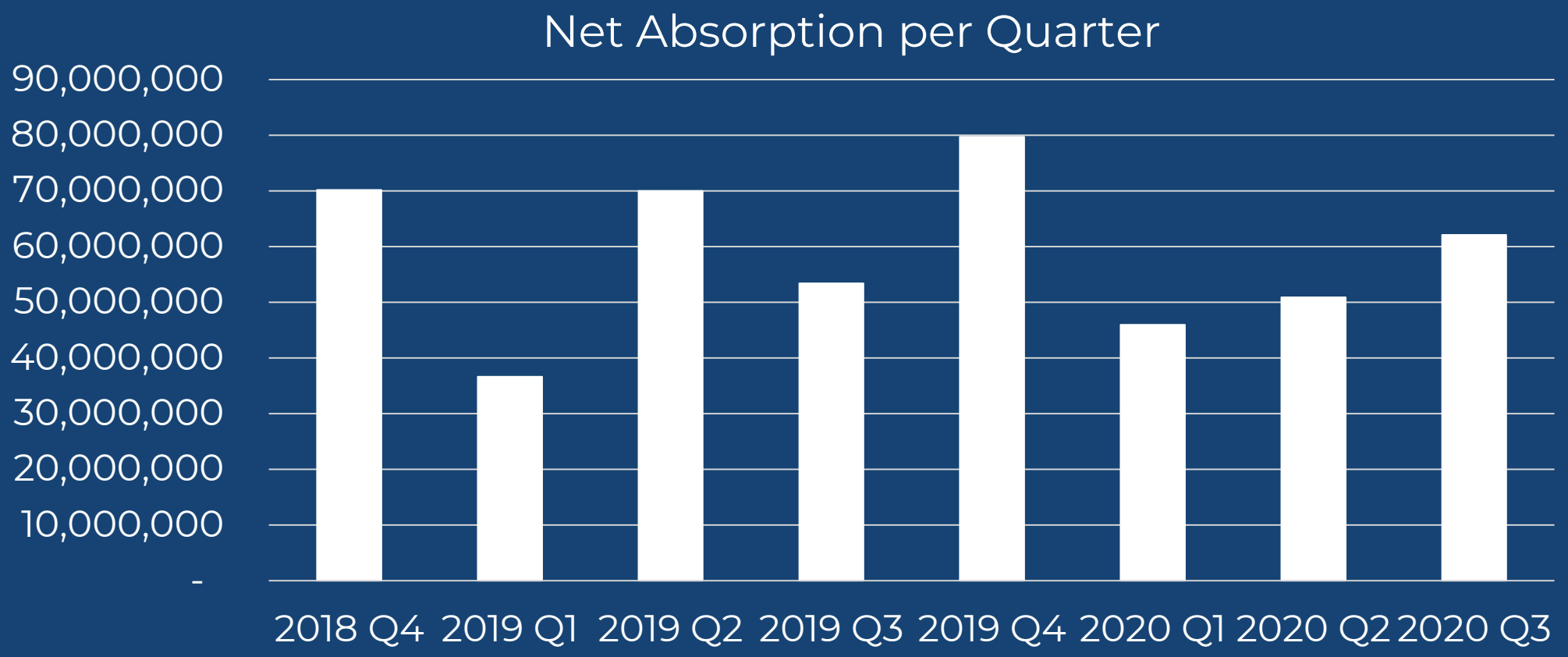
Industrial Space … Net Absorption Positive



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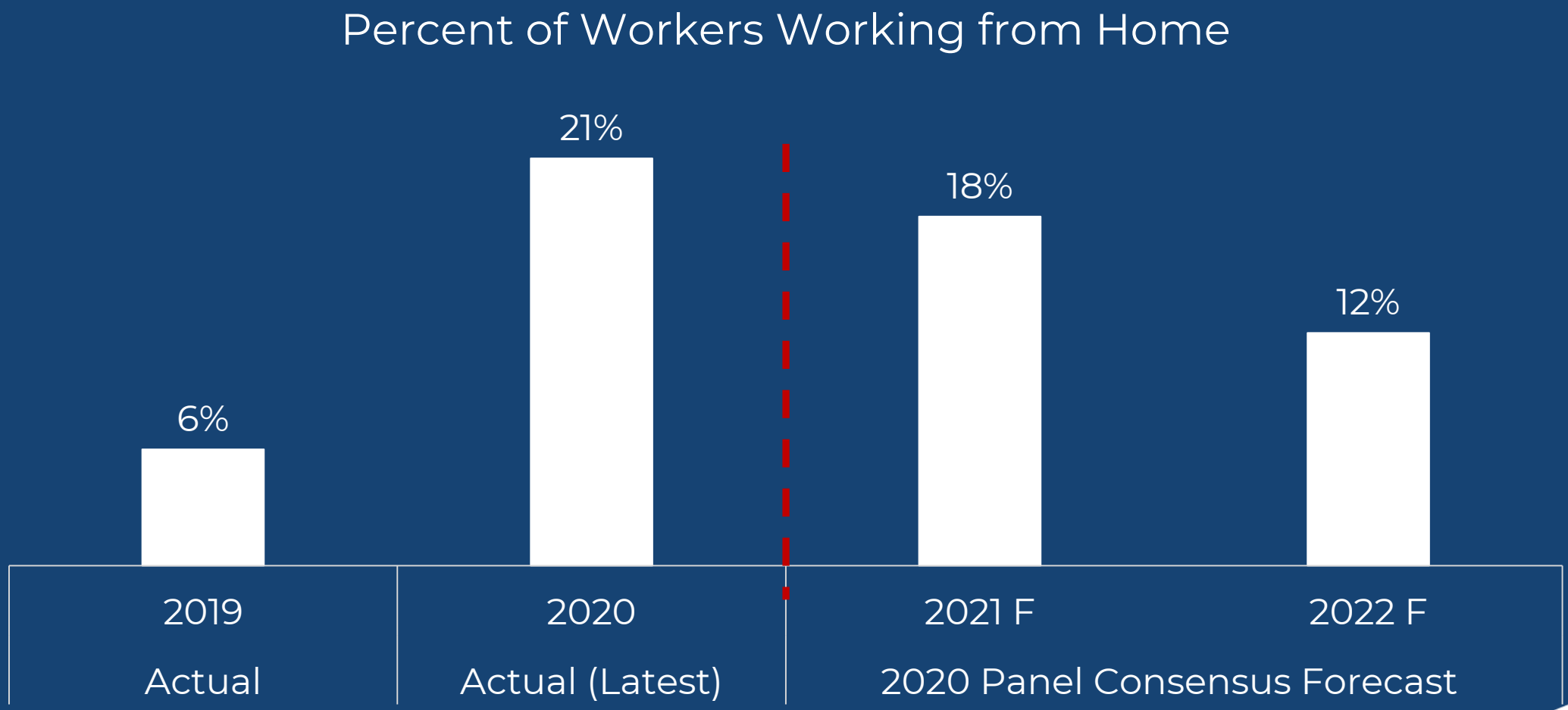
Consensus Outlook on Economy and Housing Market

FORECAST:	2020 A	2021 F	2022 F
GDP Growth	-2.7%	3.5%	3.0%
Unemployment Rate	6.9%	6.2%	5.0%
Inflation Rate	1.2%	1.7%	2.0%
30-year Fixed Mortgage Rate	2.83%	3.00%	3.25%
Fed Funds Rate	.09%	.00%	.25%
Home Price Change (YoY)	15.5%	8.0%	5.5%
Housing Starts (Millions)	1.53	1.50	1.59
Percent Working From Home	21%	18%	12%

Consensus View of Work-from-Home



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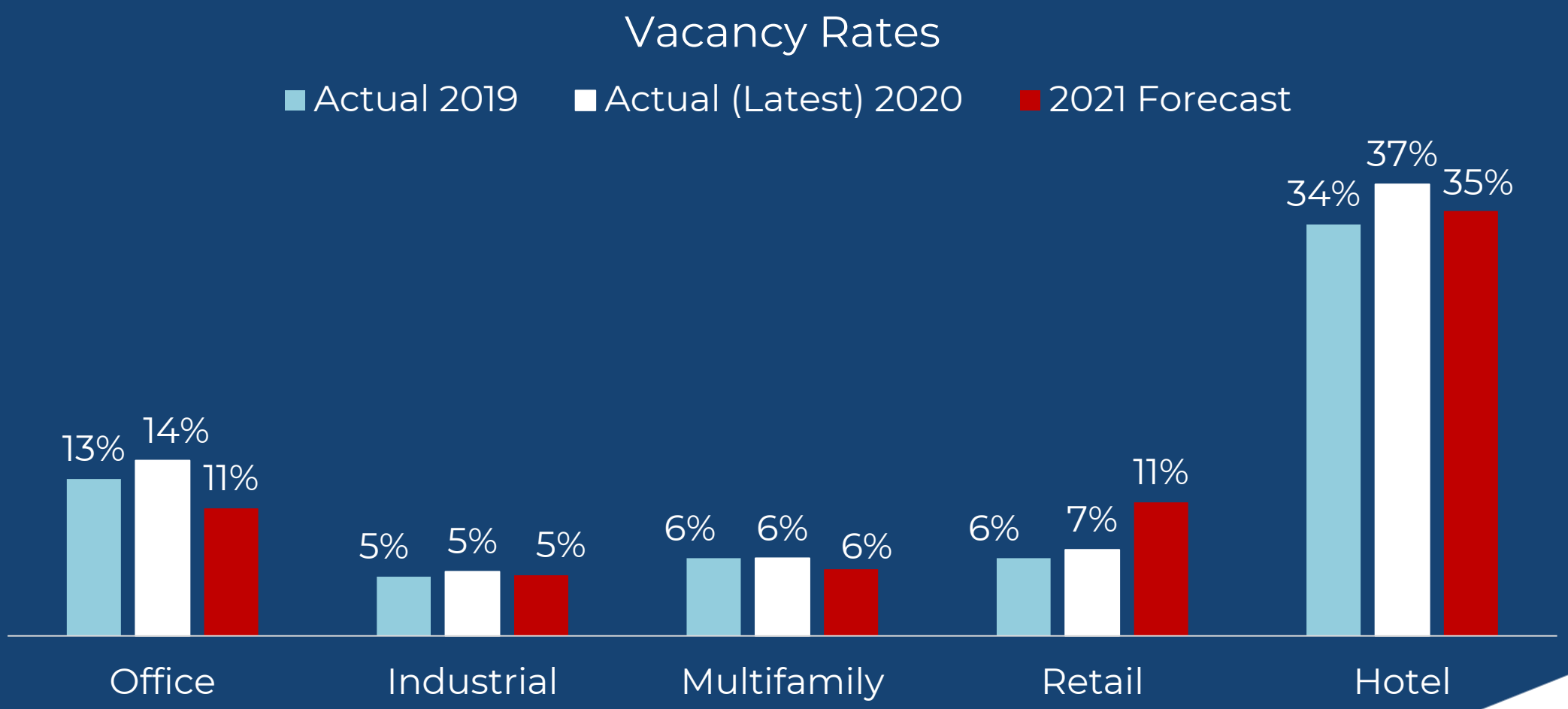
Consensus Outlook on Commercial Real Estate



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NAR's Top Prospective Markets in Post-COVID 2021-2022

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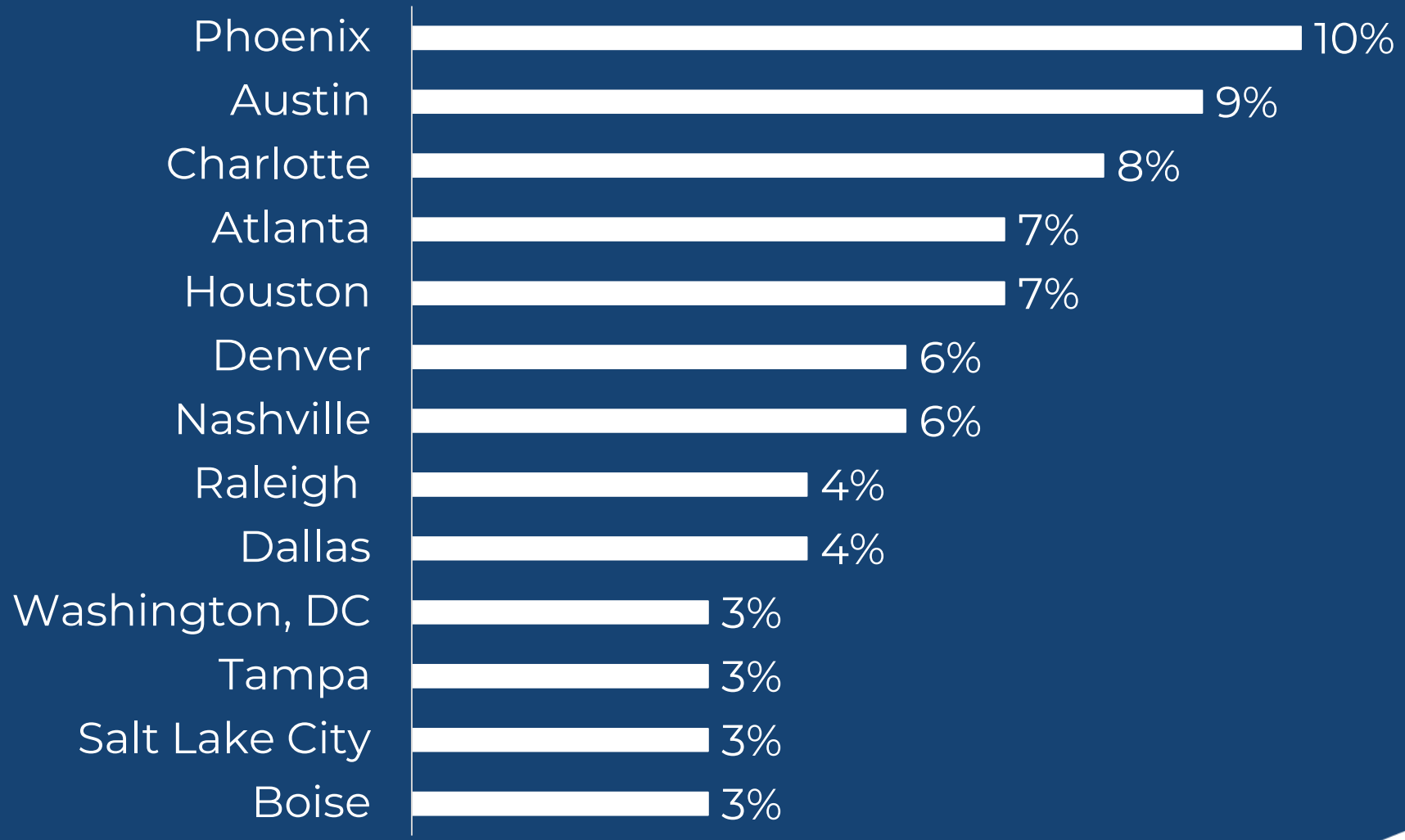
Consensus Top Prospective Markets in 2021



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The 2020 NAR Consensus Forecast Survey was sent to the Real Estate Forecast Summit 2019 and 2020 panelists. NAR acknowledges their expertise and insights and thanks them for their time and participation.

2020 Panelists

Economy Panel
- Dr. David Berson, Chief Economist, Nationwide Mutual
- Dana Peterson, Chief Economist, Conference Board
- Dr. Nela Richardson, Chief Economist, ADP

Commercial Panel
- Jeanette Rice, Head, Multifamily Investment Research, CBRE
- Dr. Timothy Savage, Assistant Professor, New York University
- Dr. Igor Popov, Chief Economist, ApartmentList.com

Residential Panel
- John Burns, CEO, John Burns Consulting
- Ali Wolf, Chief Economist, Meyers Research
- Danielle Hale, Chief Economist, Realtor.com

Demographic Panel
- Dr. Richard Fry, Senior Research, Pew Research Center
- Dr. Rodney Harrell, Vice President, Home, Family, and Community, AARP
- Dr. Jessica Lautz, Vice President, Behavioral and Demographic Insights, NAR

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2019 Panelists

Policy and Issues
- Alanna McCargo, Vice President for Housing Finance Policy, Urban Institute
- Edward Pinto, Resident Fellow and Director, American Enterprise Institute
- Kevin Baker, PhD, Senior Fellow, Joint Center for Housing Studies, Harvard University

Regional Differences
- Brad O'Connor, PhD, Chief Economist, Florida REALTORS®
- James Gaines, PhD, Chief Economist, Real Estate Center, Texas A&M University
- Leslie Appleton-Young, Chief Economist and Senior Vice-President, California Association of REALTORS®
- Lisa Sturtevant, PhD. Chief Economist, Virginia Association of REALTORS®

Commercial Real Estate
- Calvin Schnure, PhD, Senior Vice-President, Research and Economic Analysis, NAREIT
- Jim Costello, Senior Vice President, Real Capital Analytics
- KC Conway, Chief Economist, CCIM Institute
- Greg Willet, Chief Economist, RealPage

Sectors and Trade Groups
- Danielle Hale, Chief Economist, Realtor.com
- James Chessen, Executive Vice President and Chief Economist, American Bankers Association
- Mike Fratantoni, PhD, Chief Economist and Senior Vice President of Research and Industry Technology, Mortgage Bankers Association
- Danushka Nanayakkara-Skillington, Assistant Vice President, Forecasting and Analysis, National Association of Home Builders

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THANK YOU

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