



Residential Economic Issues & Trends Forum

NATIONAL ASSOCIATION OF REALTORS®

Lawrence Yun, PhD



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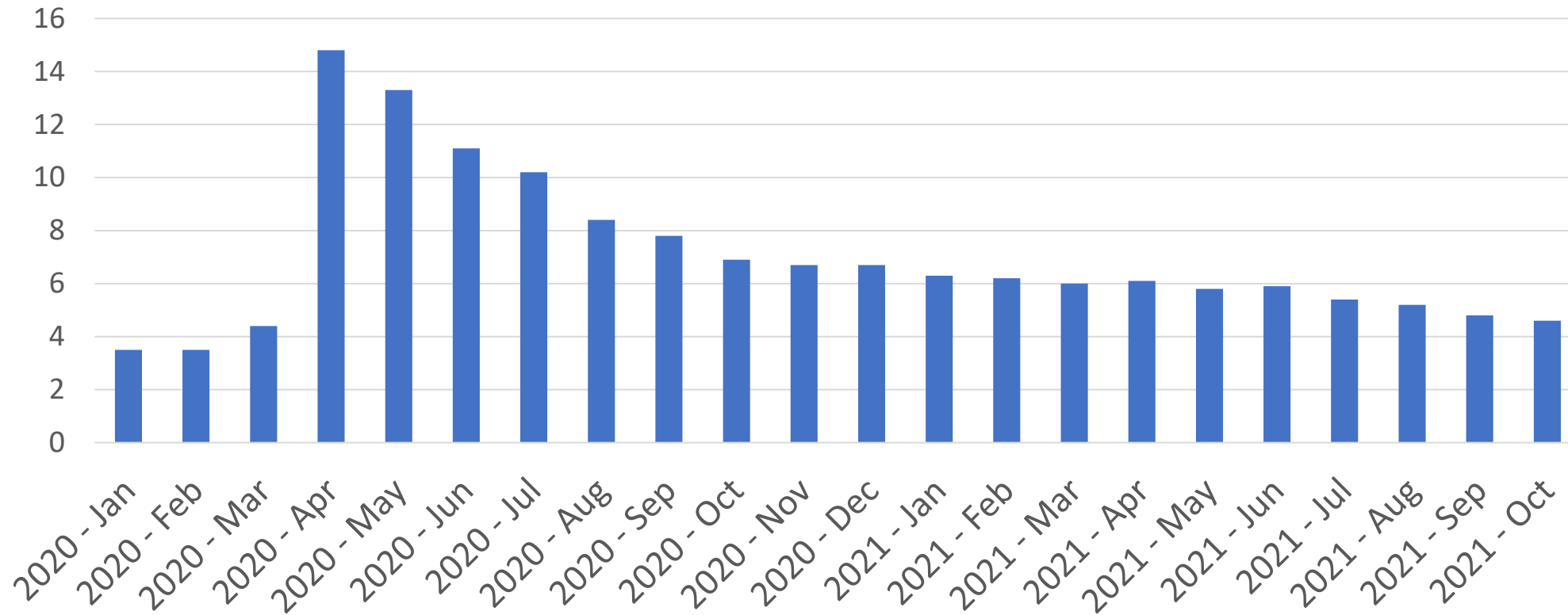


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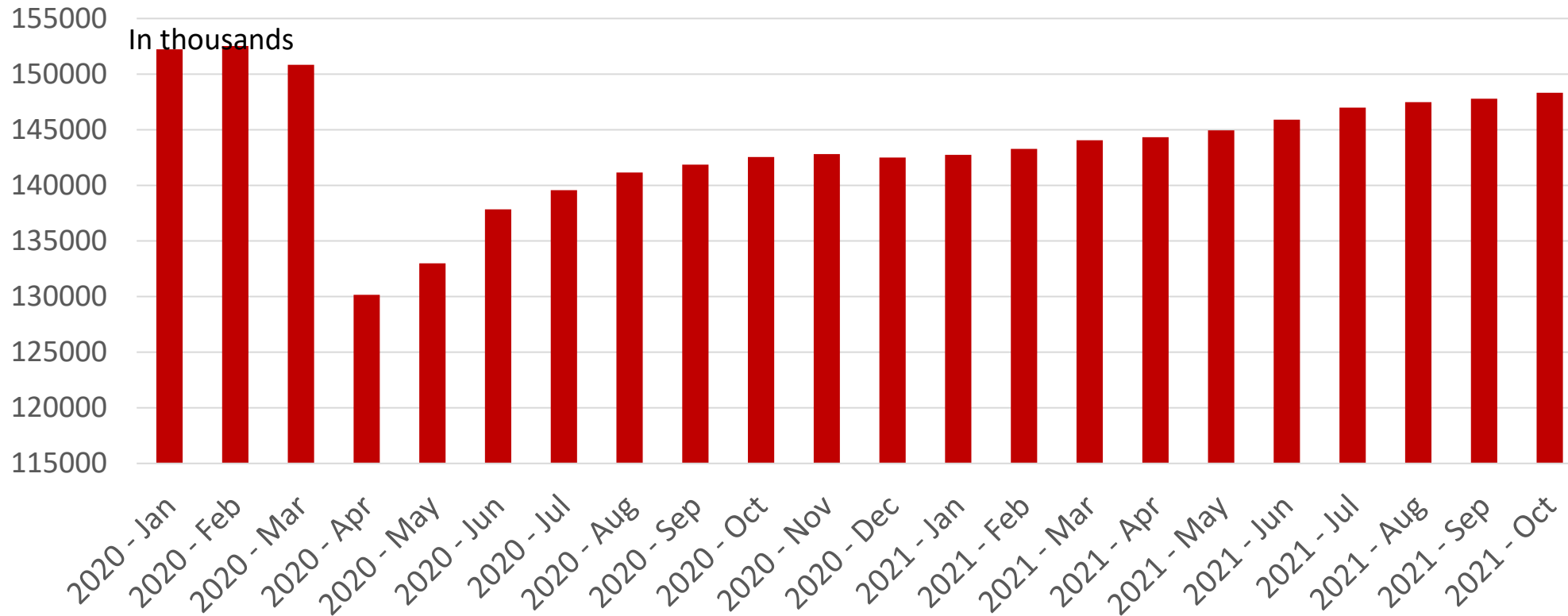


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Unemployment Rate ... almost back to normal

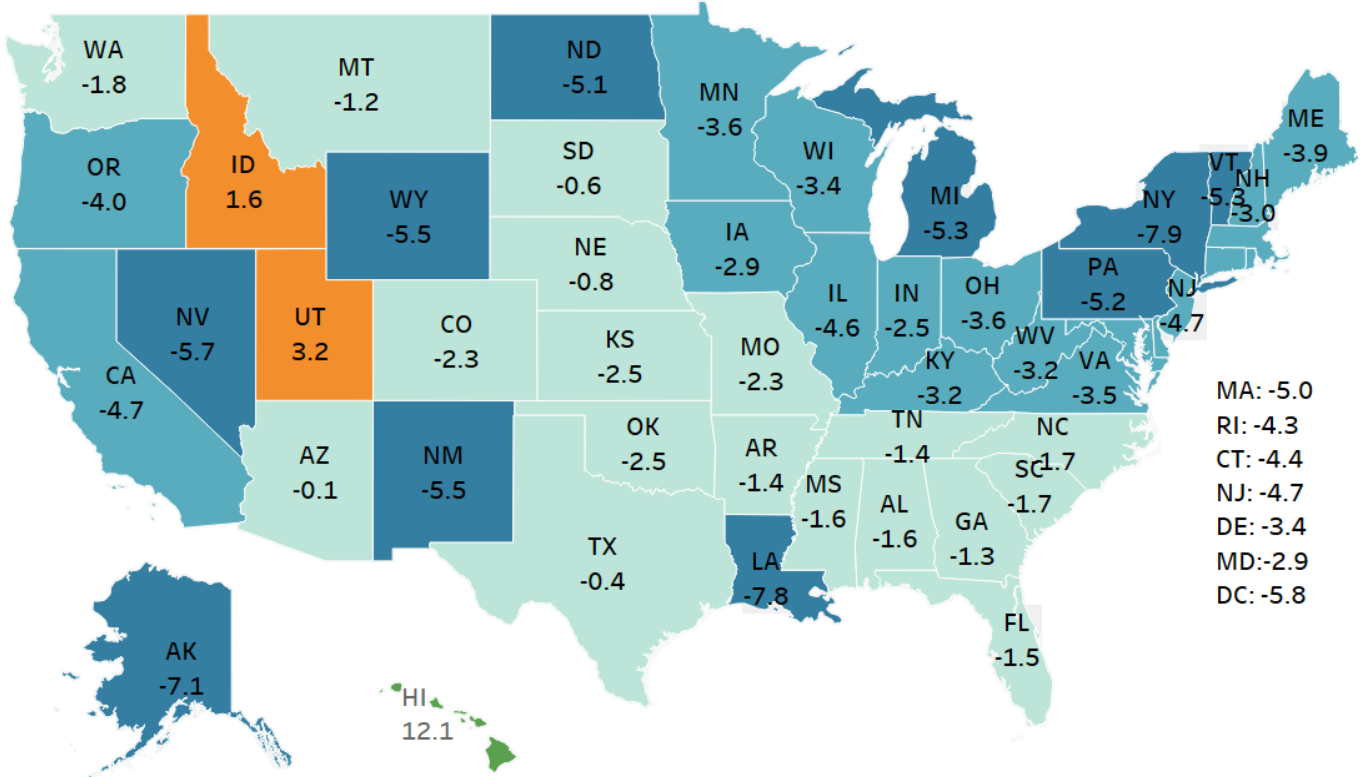


Total Jobs ... 4 million short of pre-pandemic

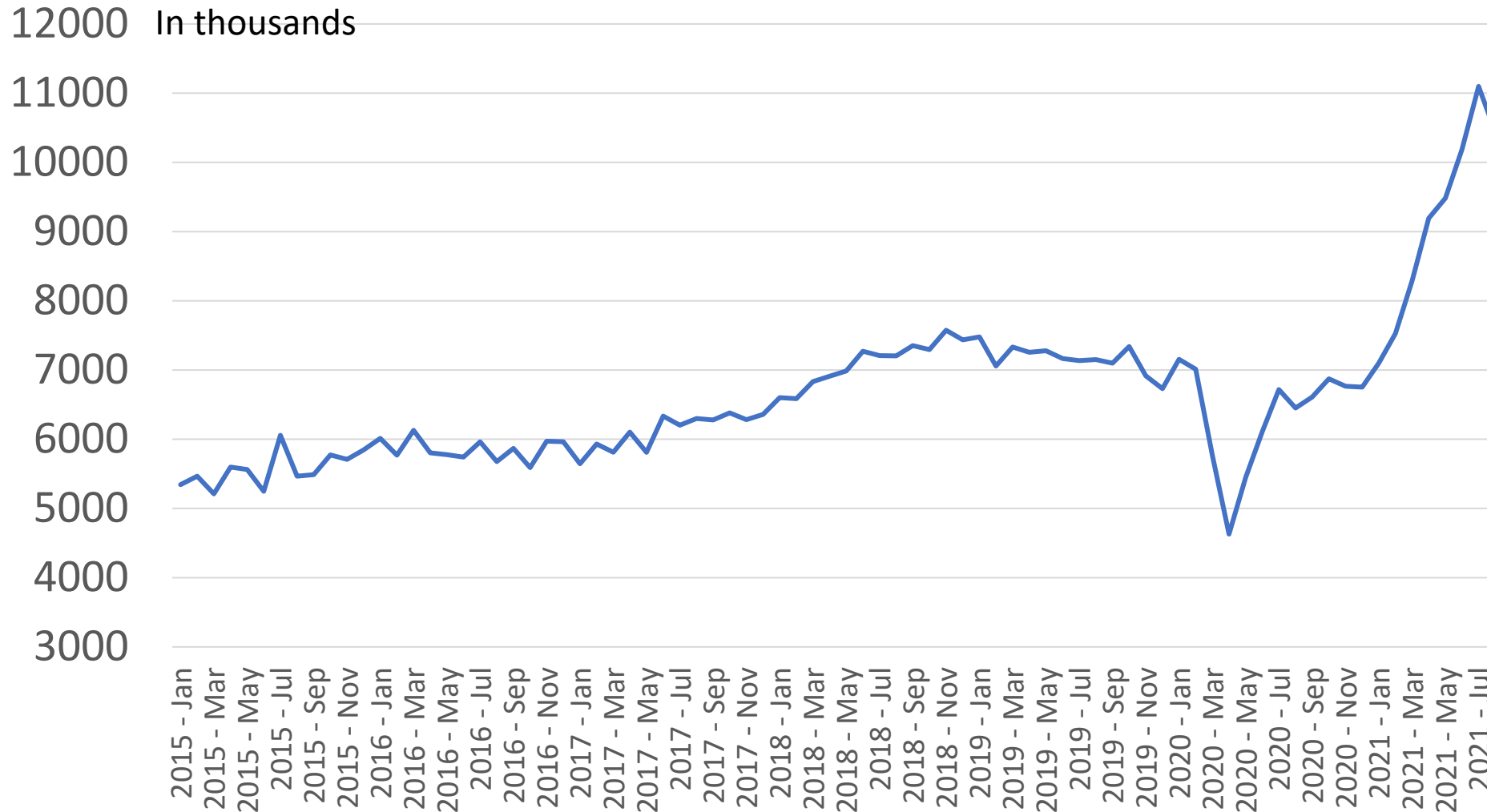


State-by-State Job Growth from March 2020

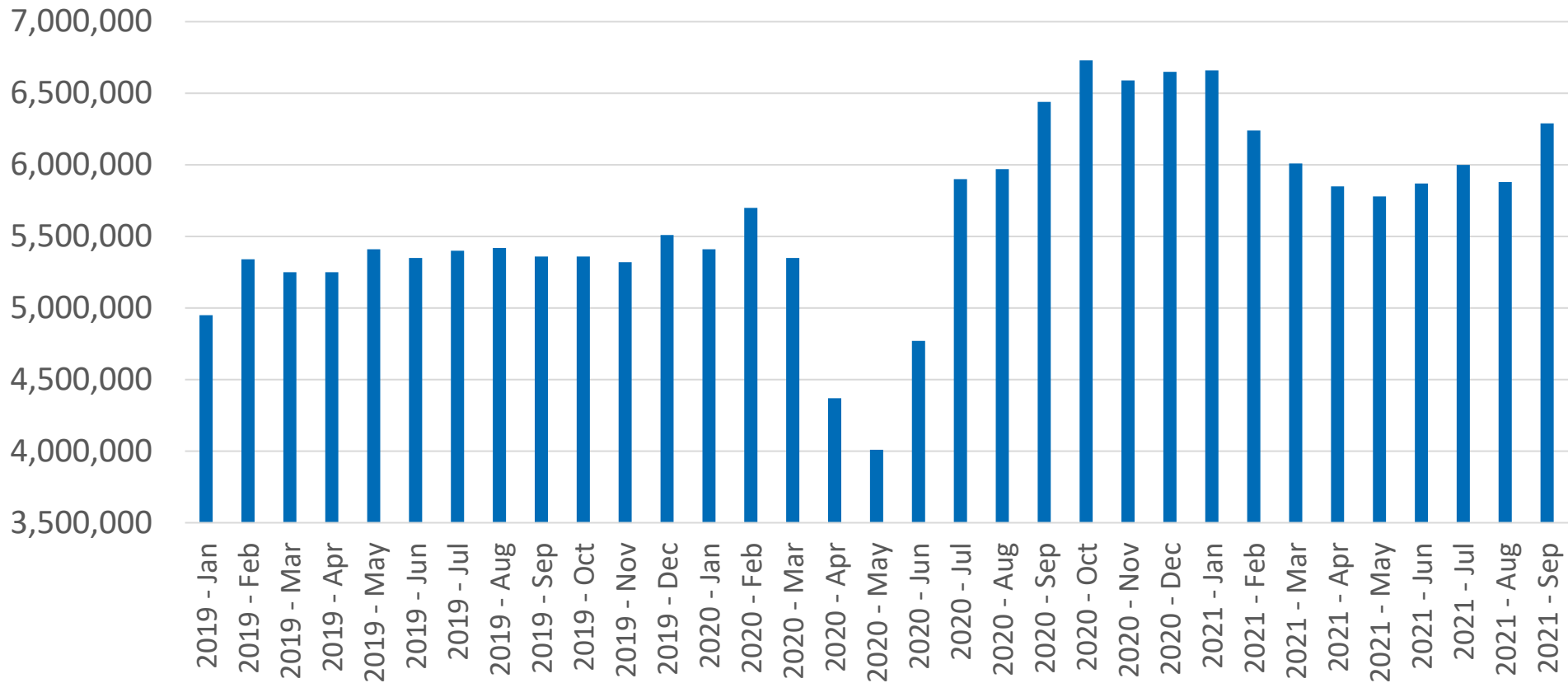
Percent Change in Nonfarm Payroll Employment
September 2021 vs. March 2020



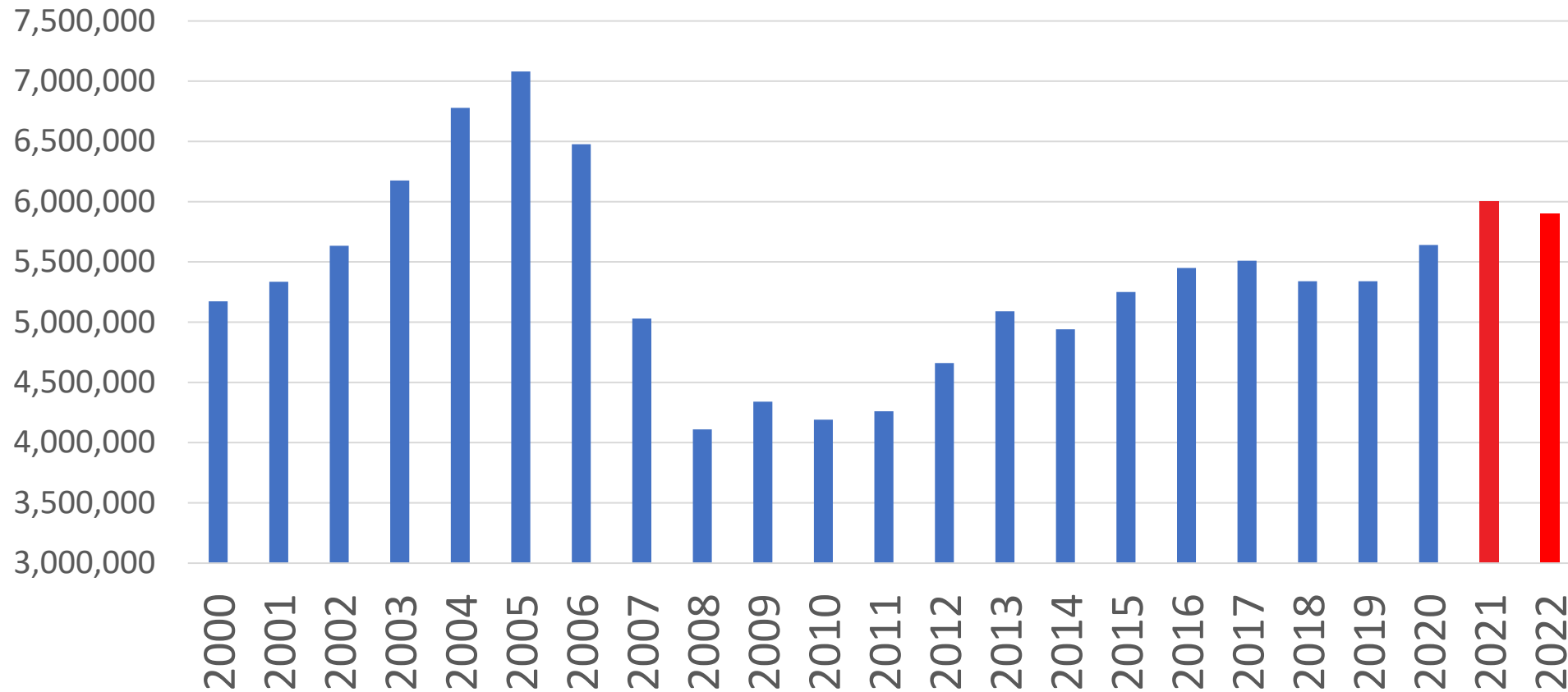
Job Openings



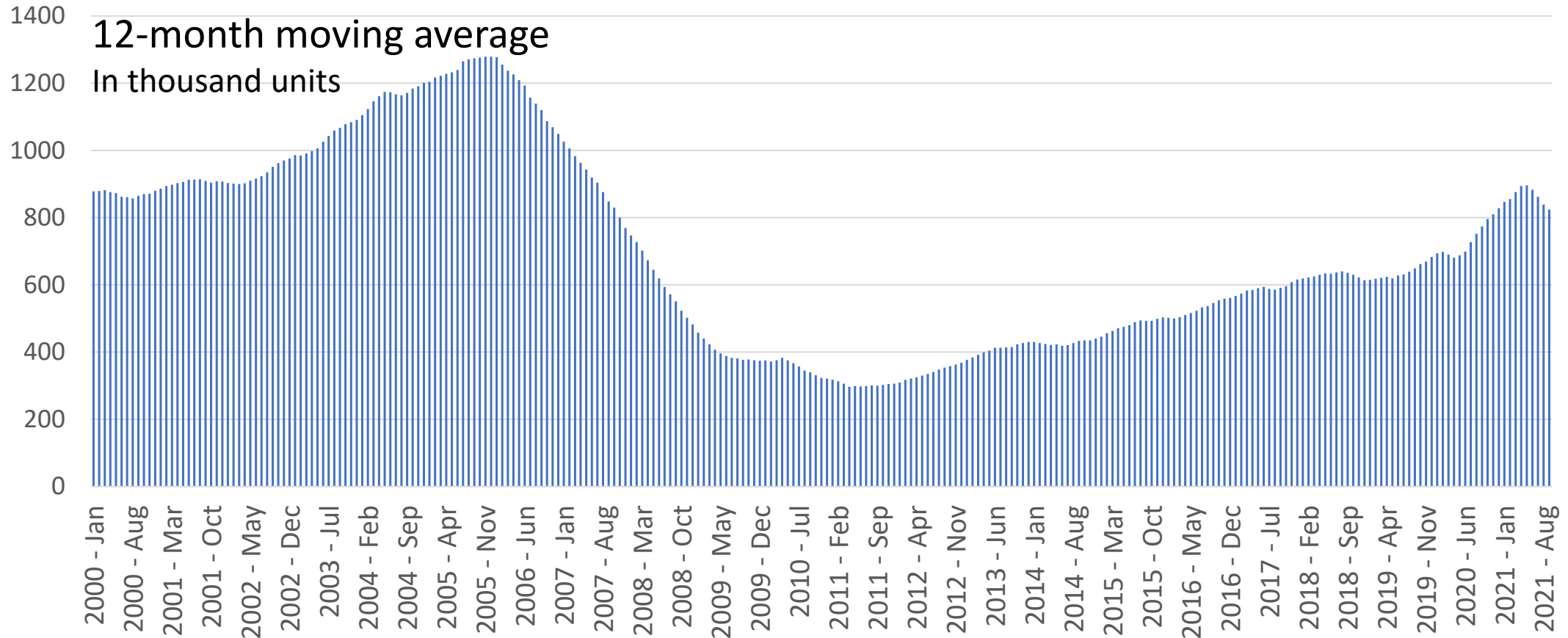
Existing-Home Sales – Recent Months



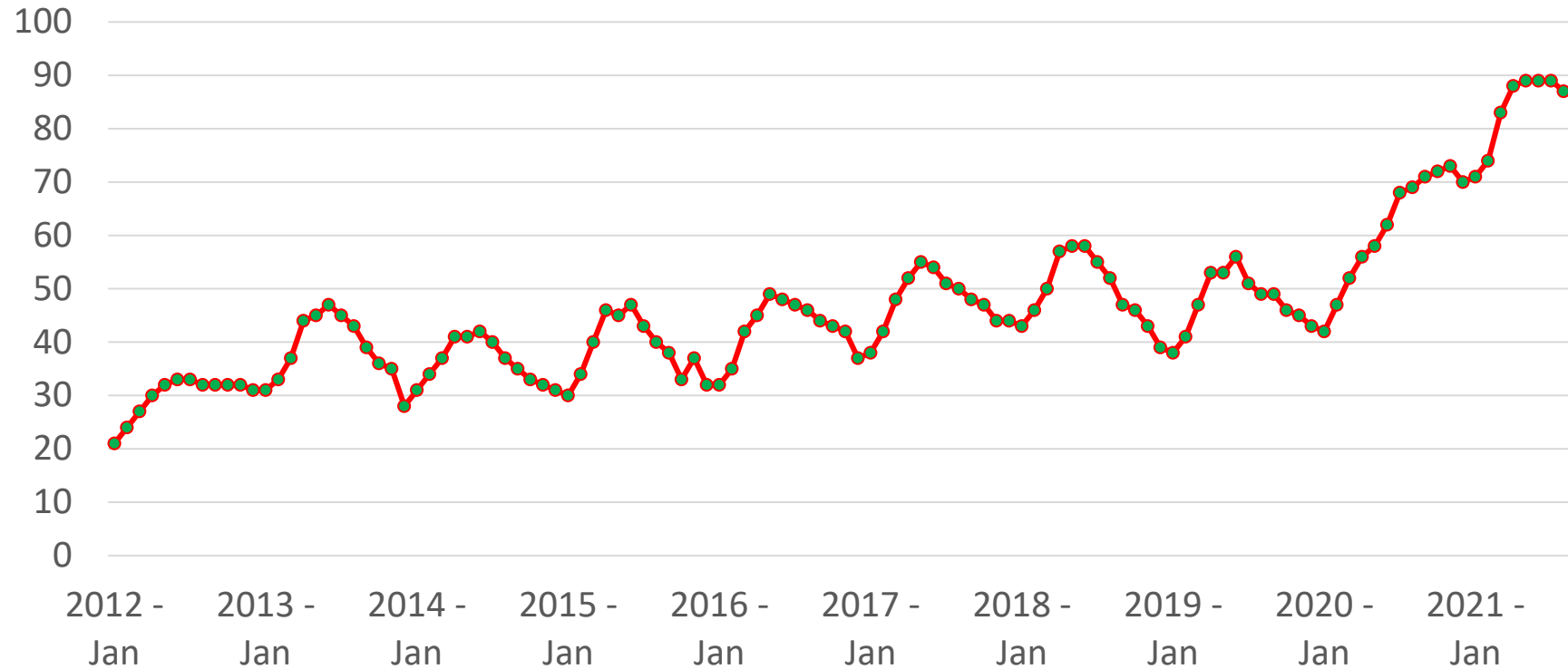
Annual Existing-Home Sales



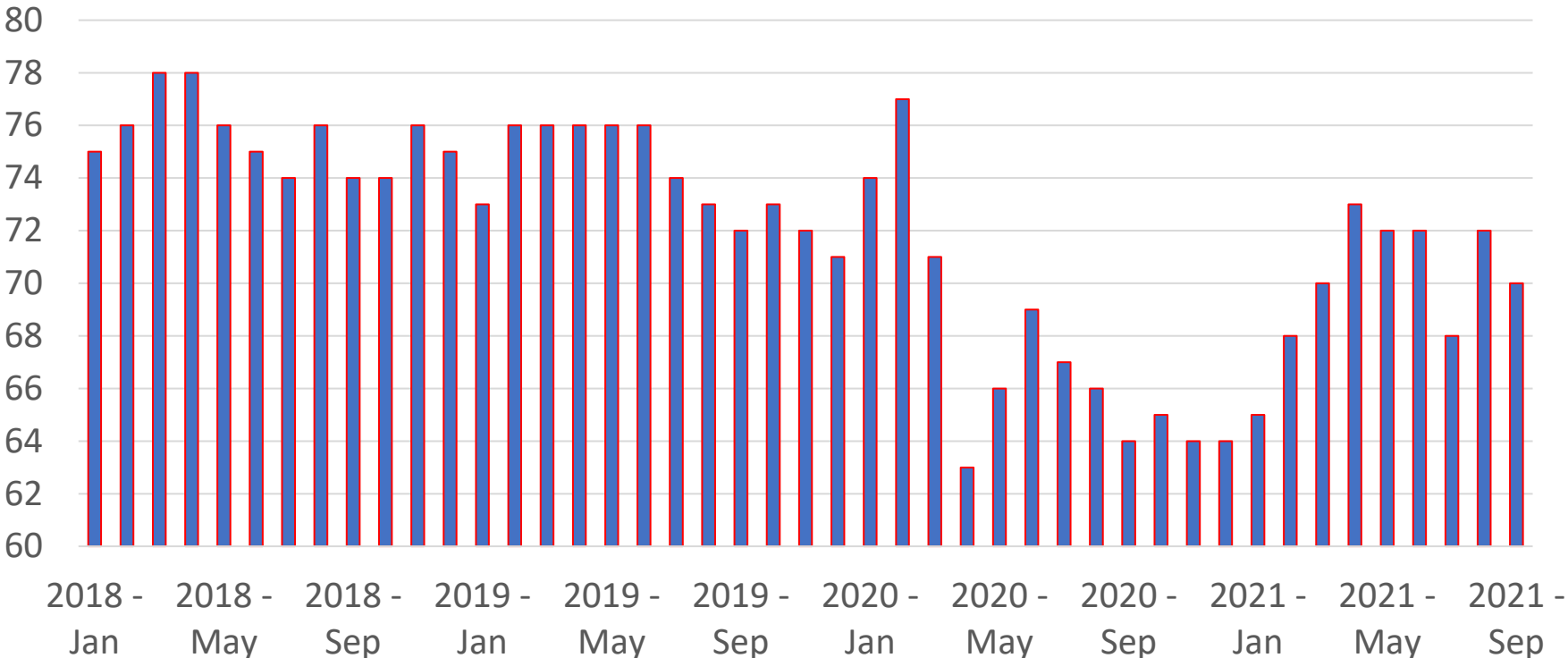
Newly Constructed Single-family Home Sales



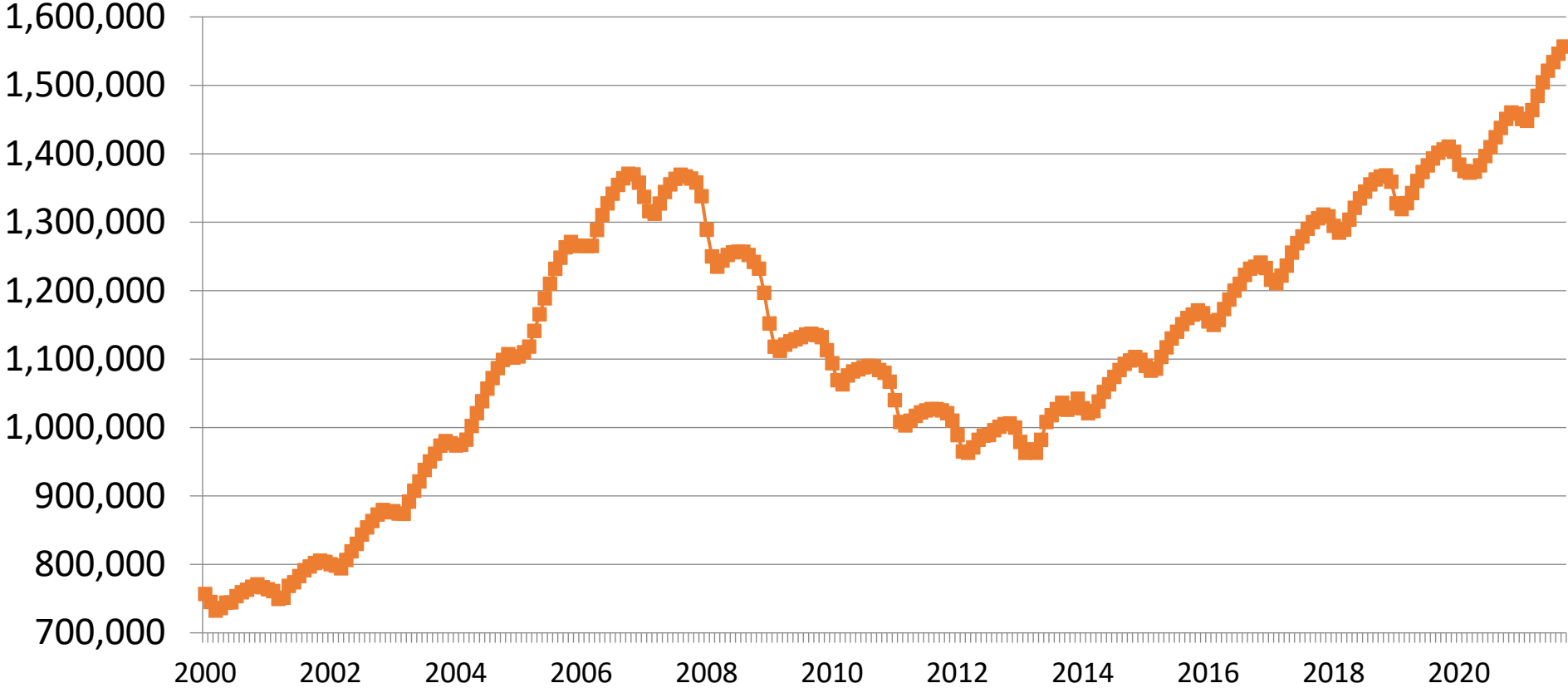
Fast Contracts ... % of homes with less than 30 Days on Market



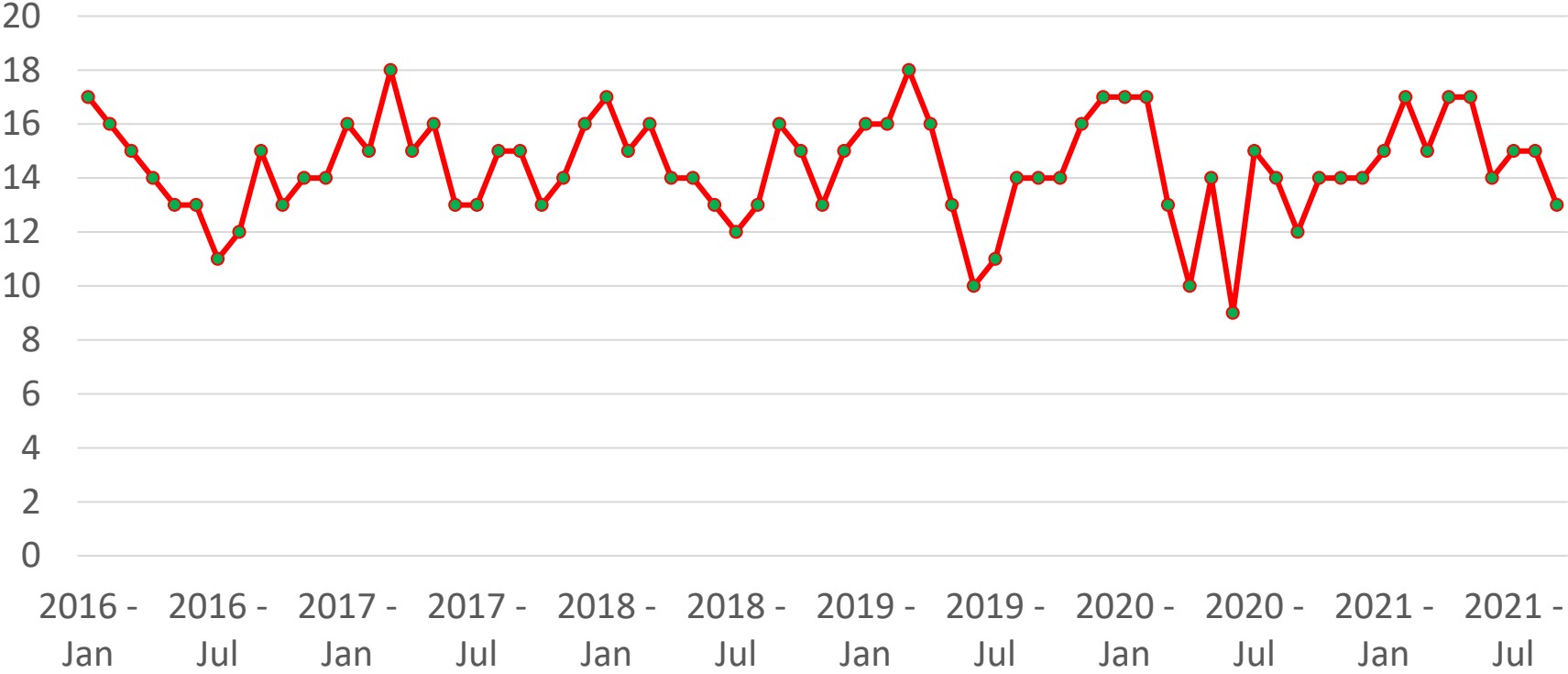
% Contracts Settled on Time .. Appraiser Shortage?



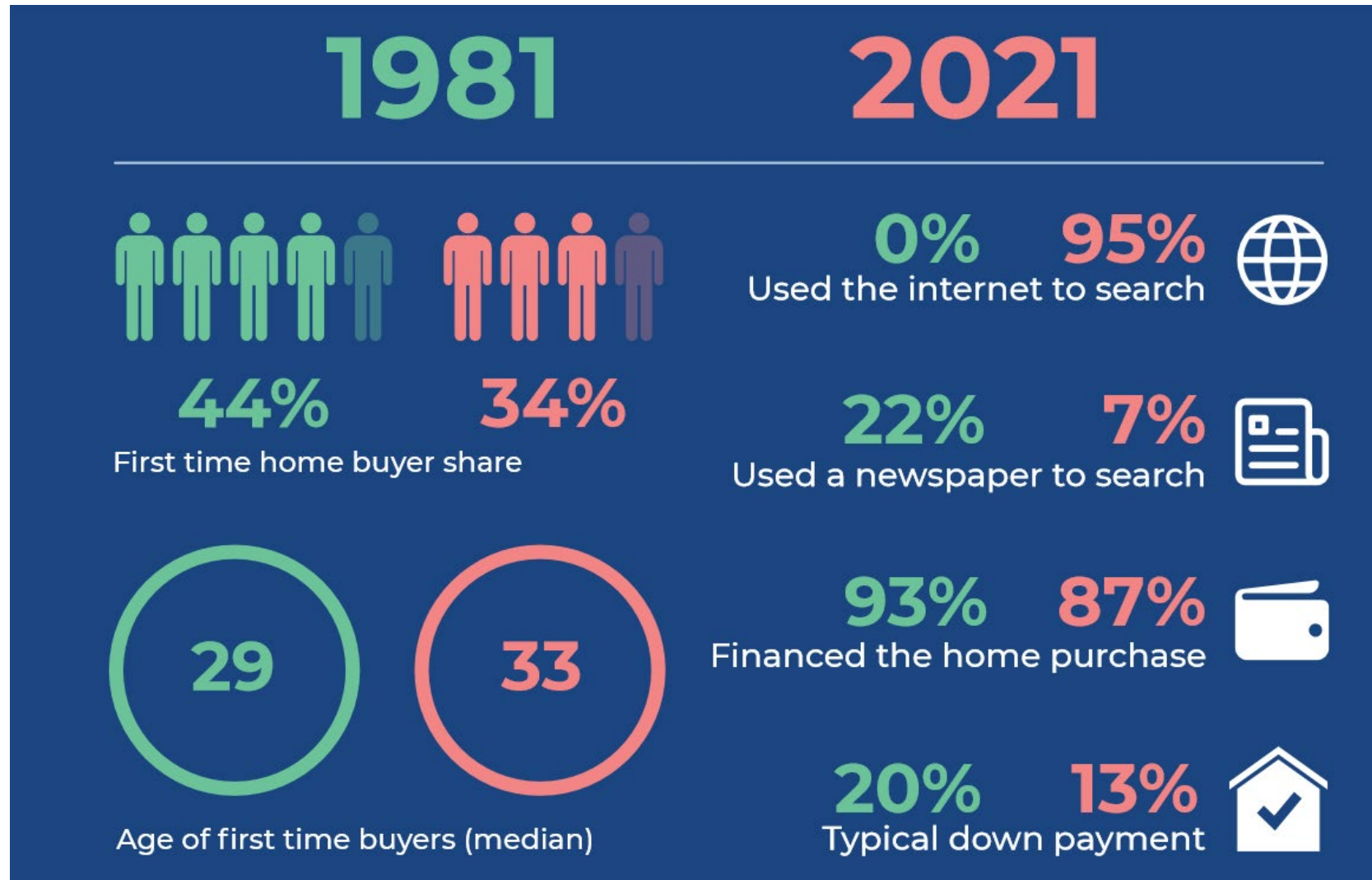
Worker Shortage Everywhere except NAR Membership



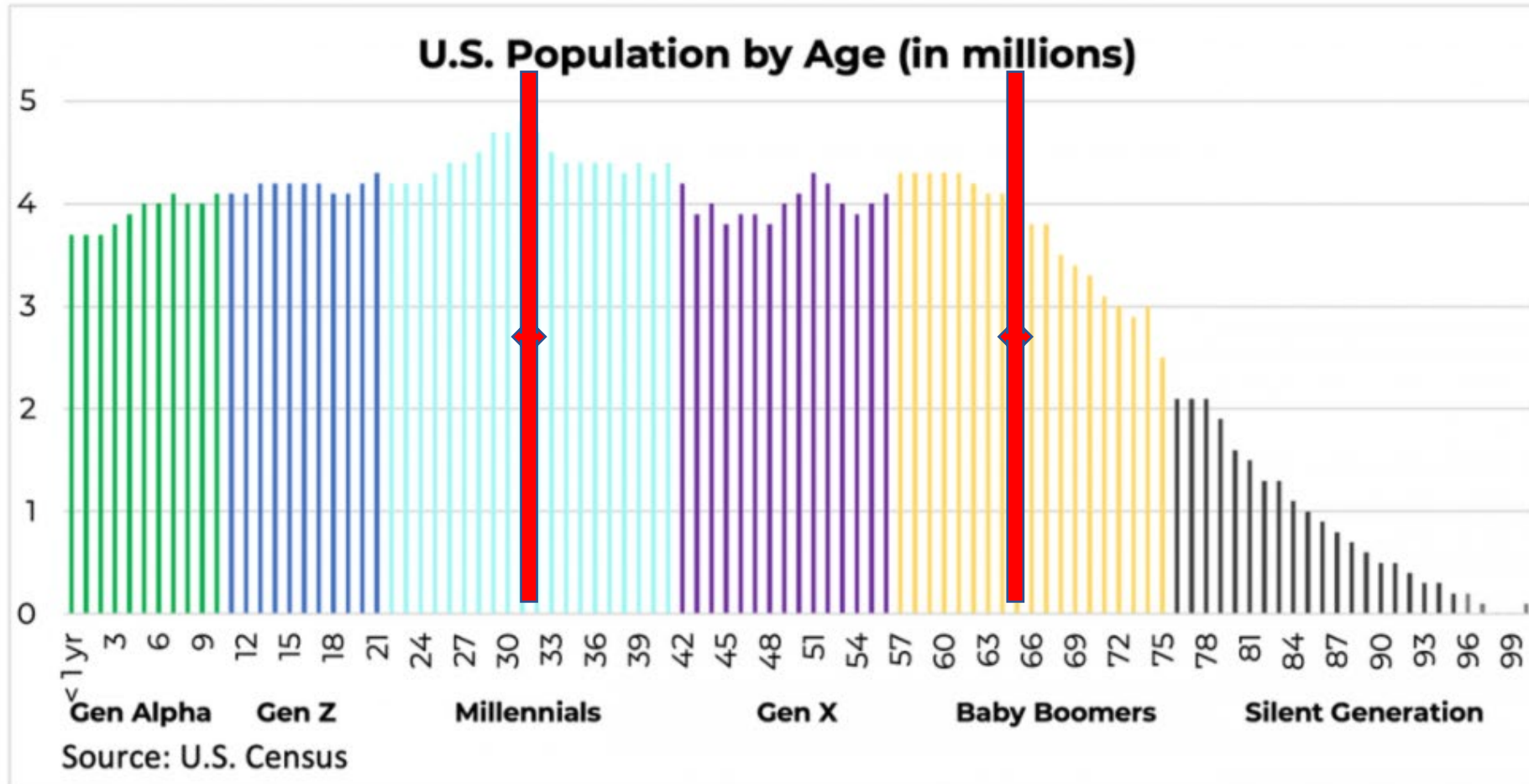
Investor Buyer Share ... fairly normal (What happened to Zillow and lead generation?)



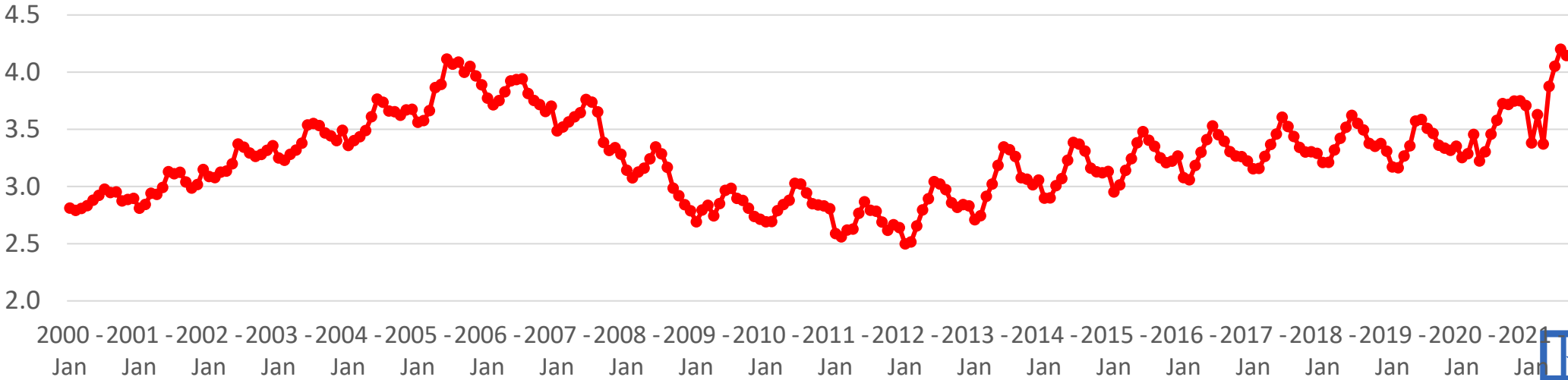
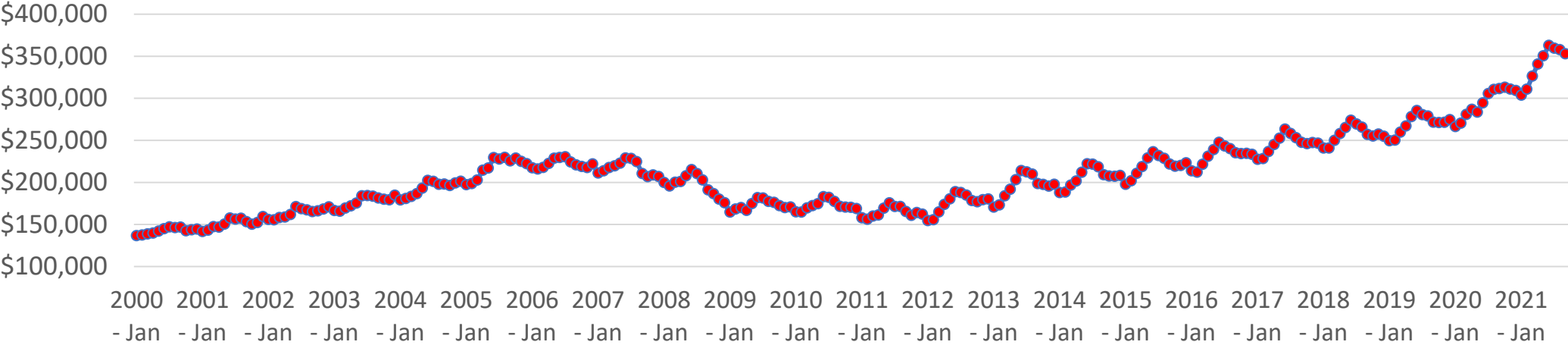
Home Buyers 1981 and 2021



Key Age ... First-time Buyers and Retirees



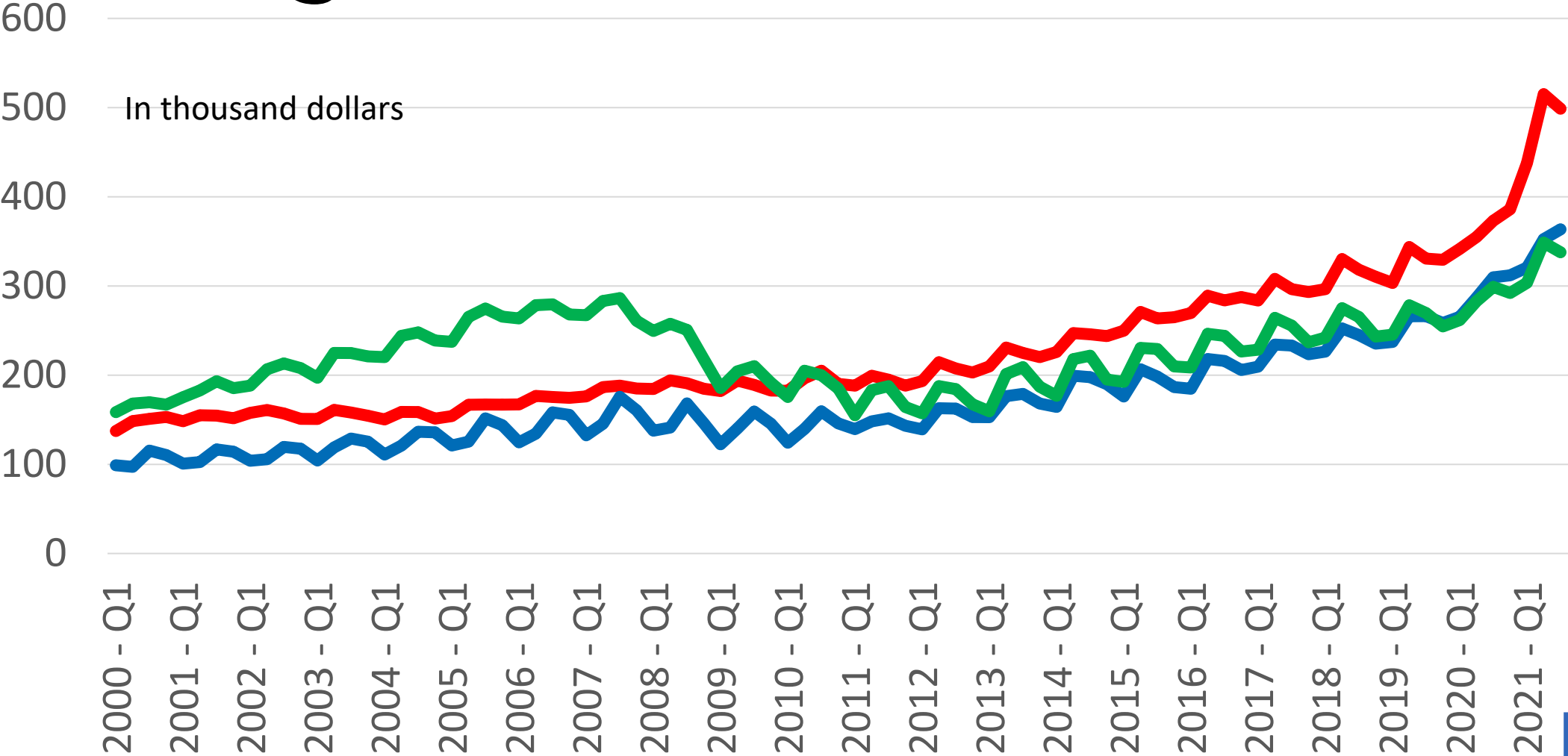
Median Home Price .. Price-to-income ratio



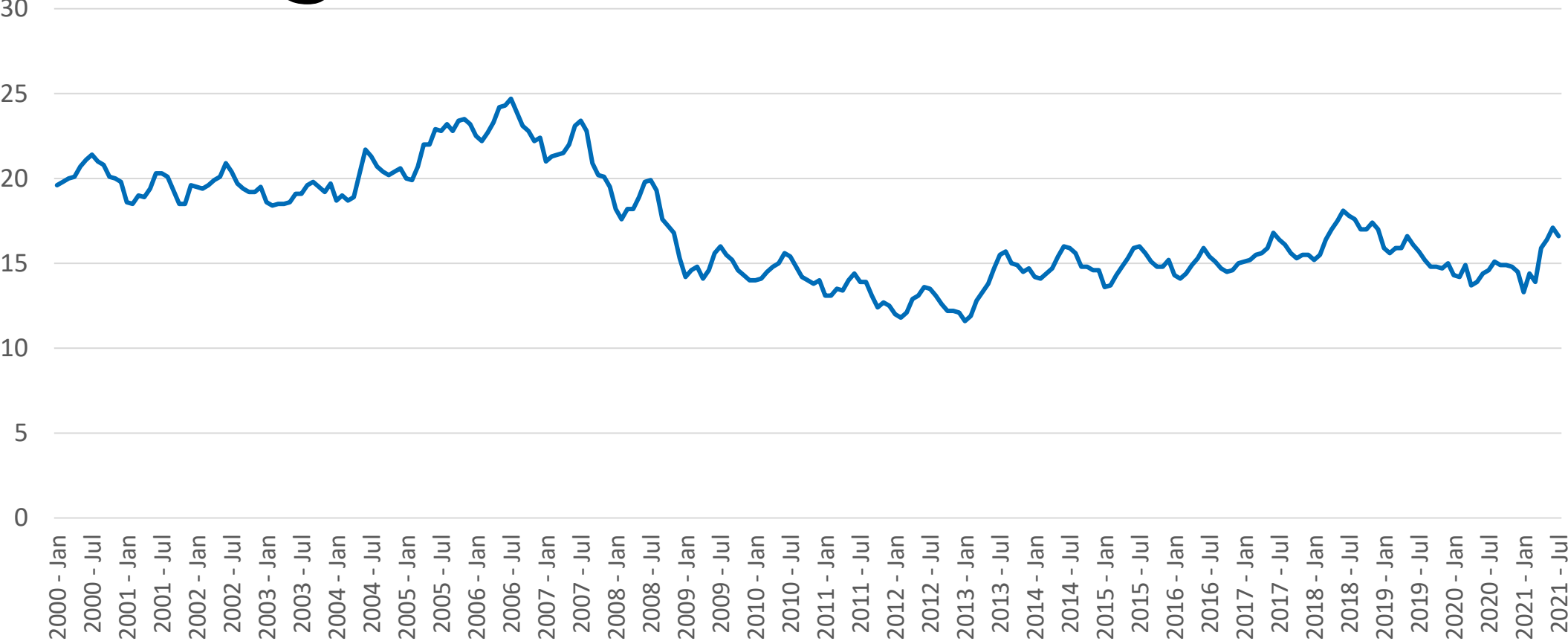
Hot Markets

Metro	2020 Q3 to 2021 Q3
Austin	33%
Naples	32%
Boise City	31%
Ocala	30%
Salt Lake City	27%
Phoenix	26%
New York Metro	24%

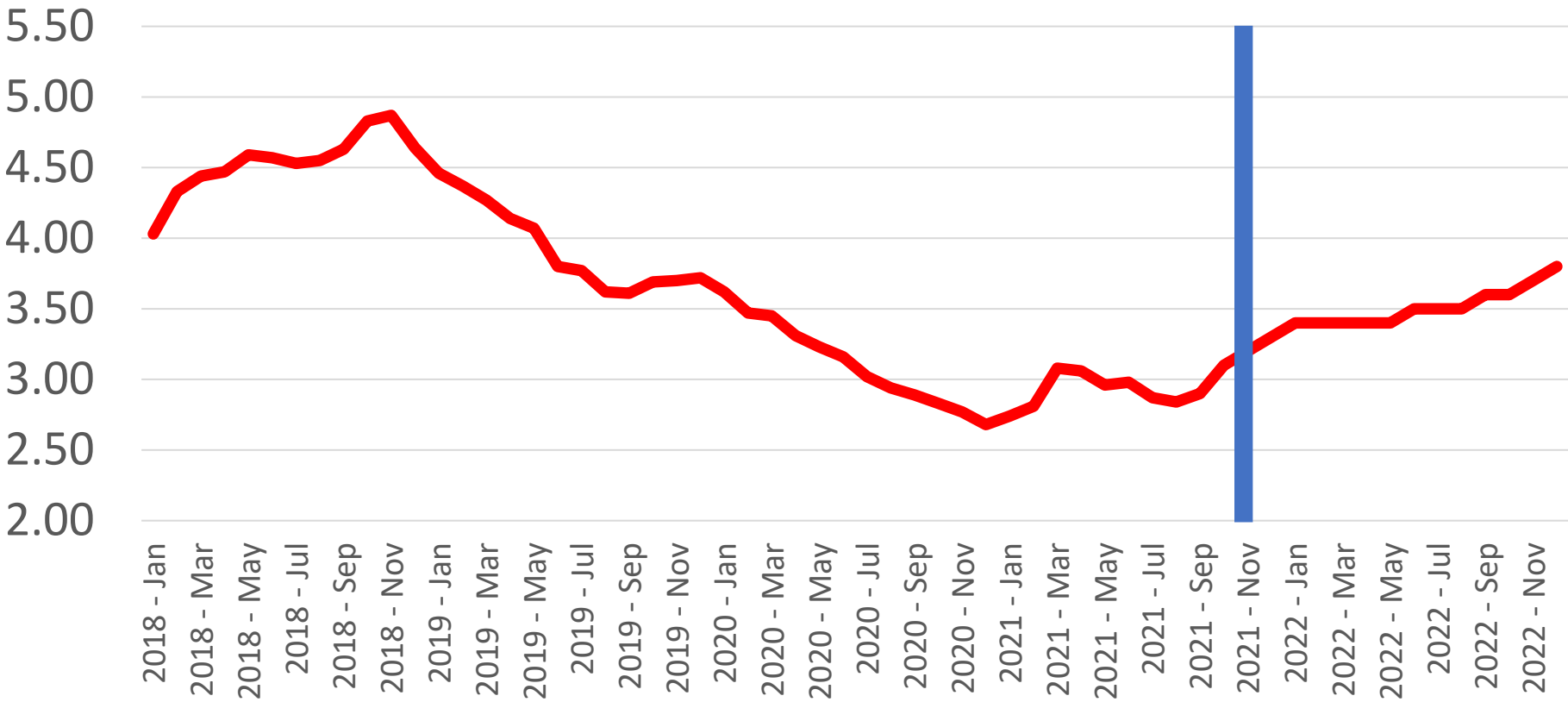
Metro Price .. Austin, Charlotte, Chicago



Mortgage Payment to Income is Manageable



Mortgage Rate to Rise

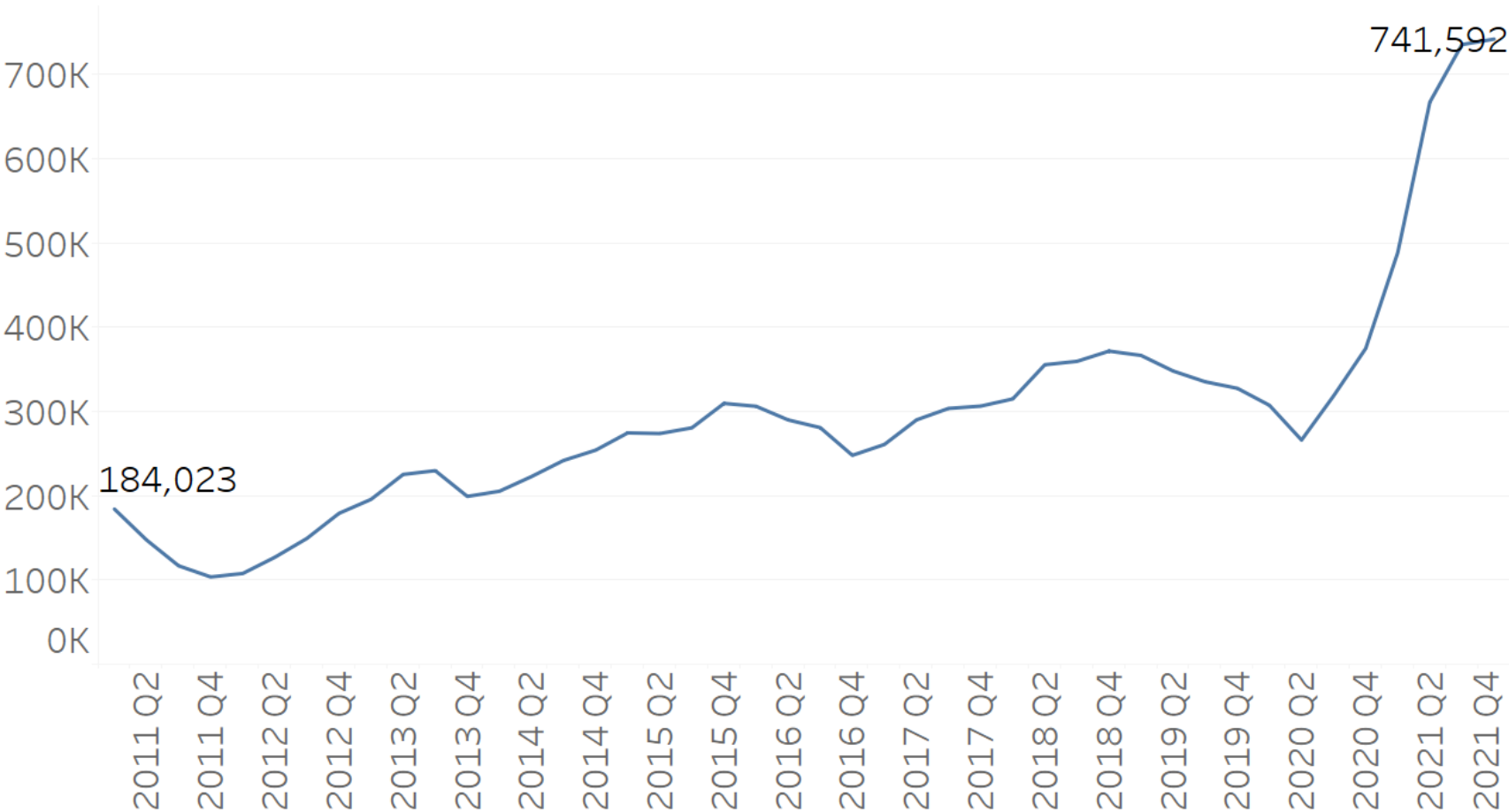


First-time Homebuyers Experience

- Saving for down-payment was the most difficult task
- Made financial sacrifices
- 28% received help ... loan/ gifts from family or friends
- Tax Credit Help? With Diversity Equity Inclusion
 - Maxine Waters proposal ... extra help for minorities
 - Homebuyer tax credit with income thresholds
 - Homebuyer tax credit for first generation buyers

Decade-high demand for multifamily rentals

12-Month Net Absorption of Multifamily Units as of 2021 Q4 (October 23)

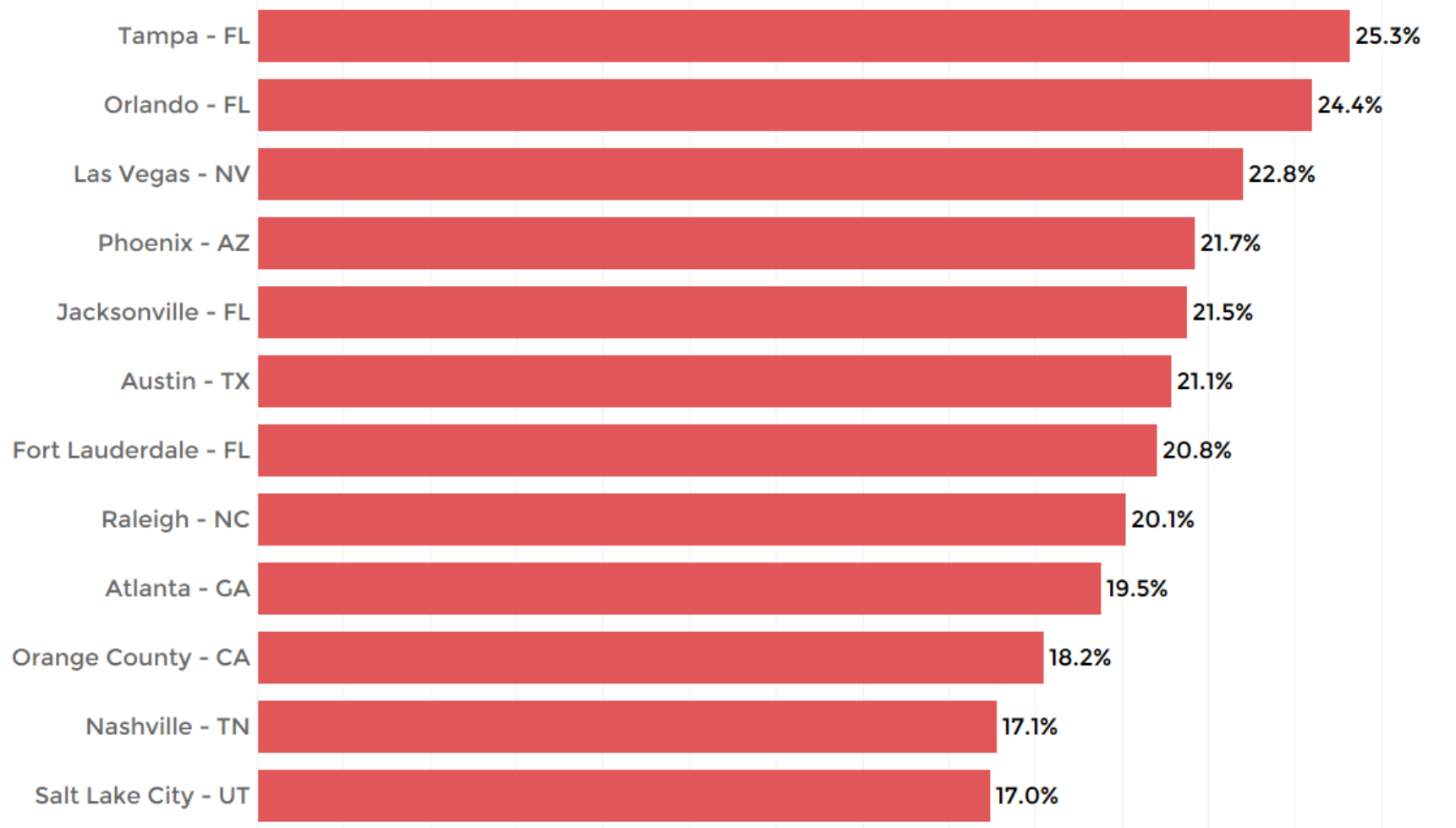


Source: NAR analysis of CoStar data in 390 metros areas or divisions



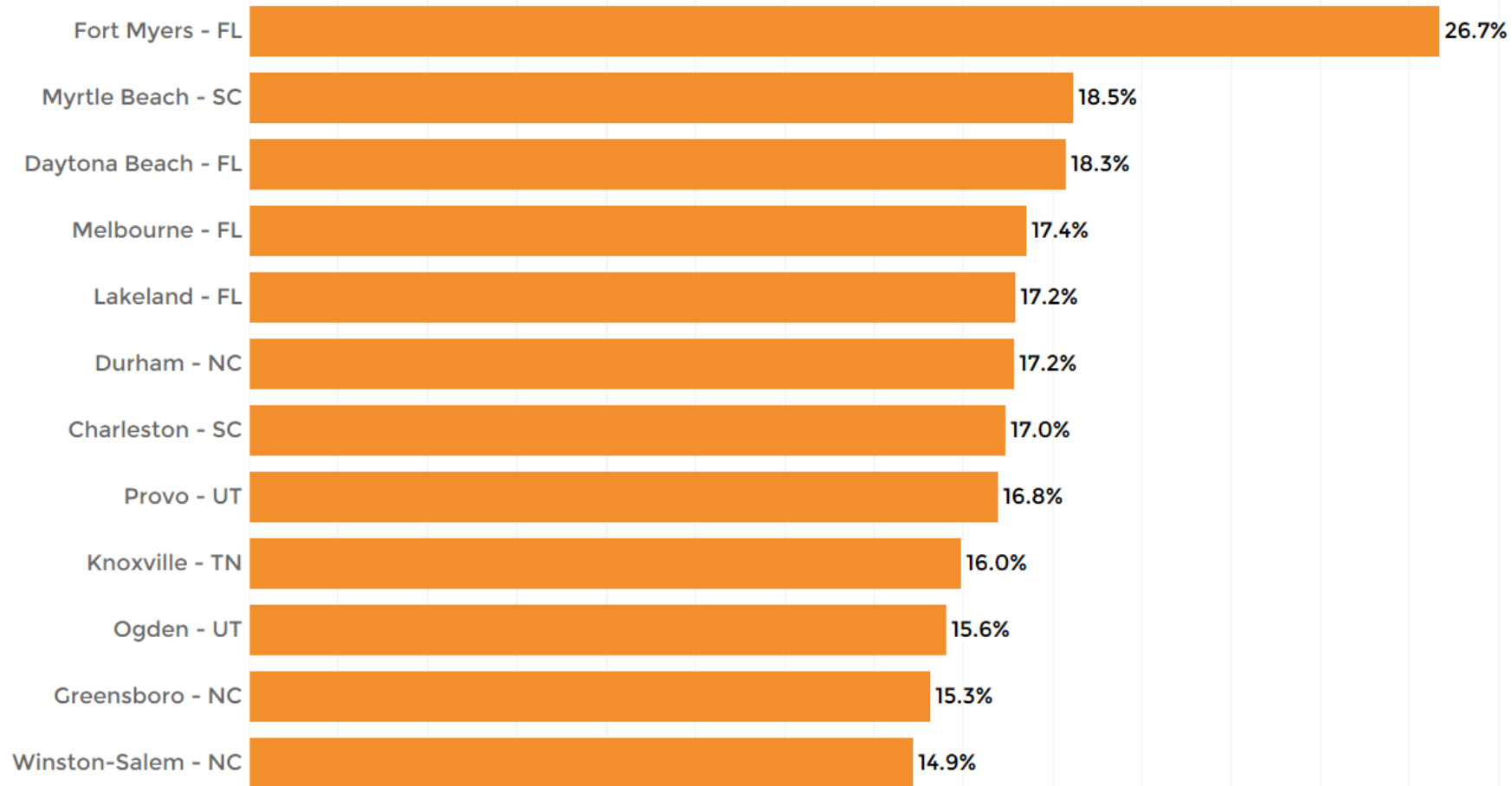
Strong apartment rent growth among Large markets

Population Over 1M



Strong apartment rent growth in Mid-sized markets

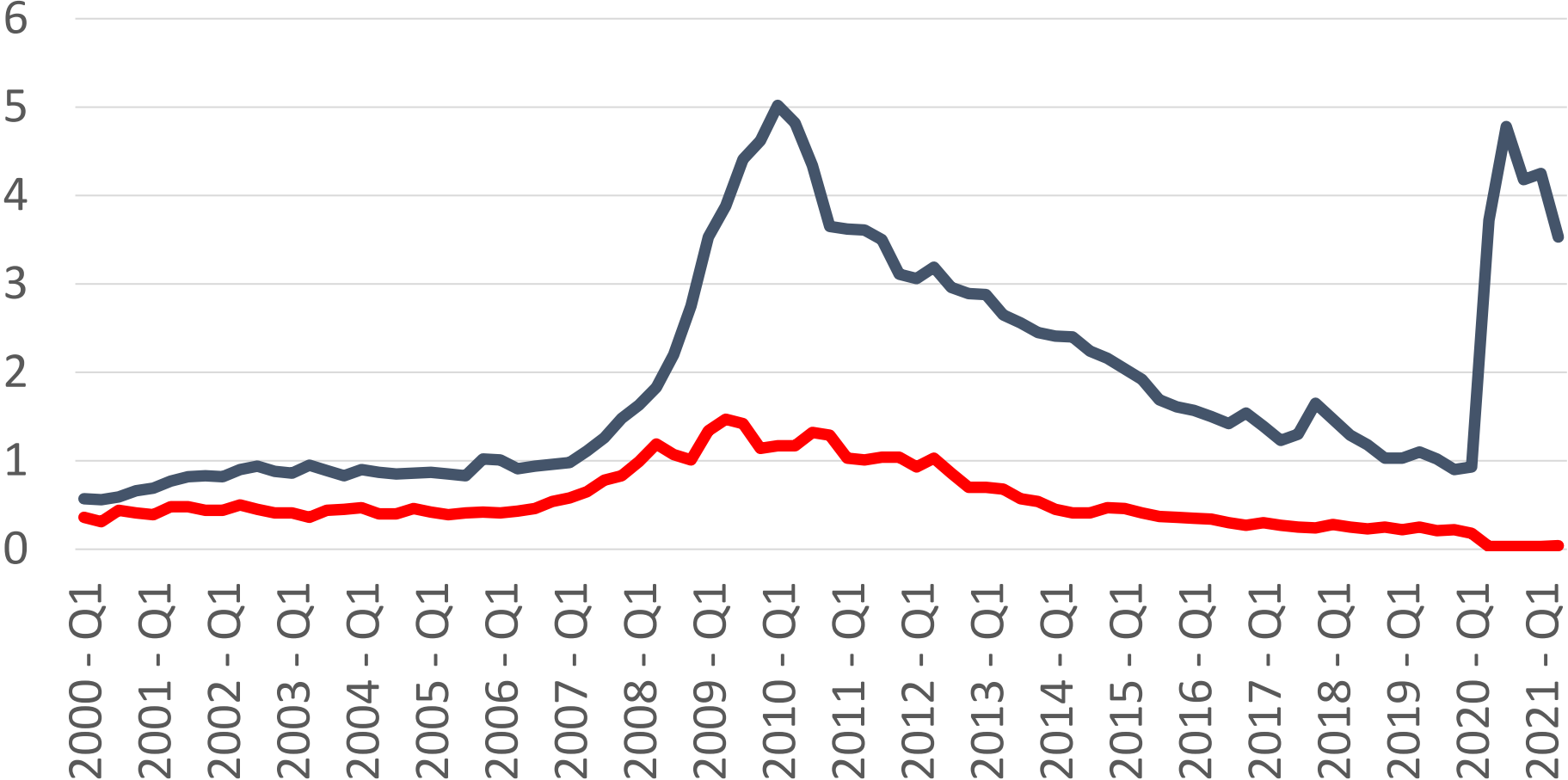
Population Over 500K to 1M



Low Housing Inventory ... will shoot higher in 2022



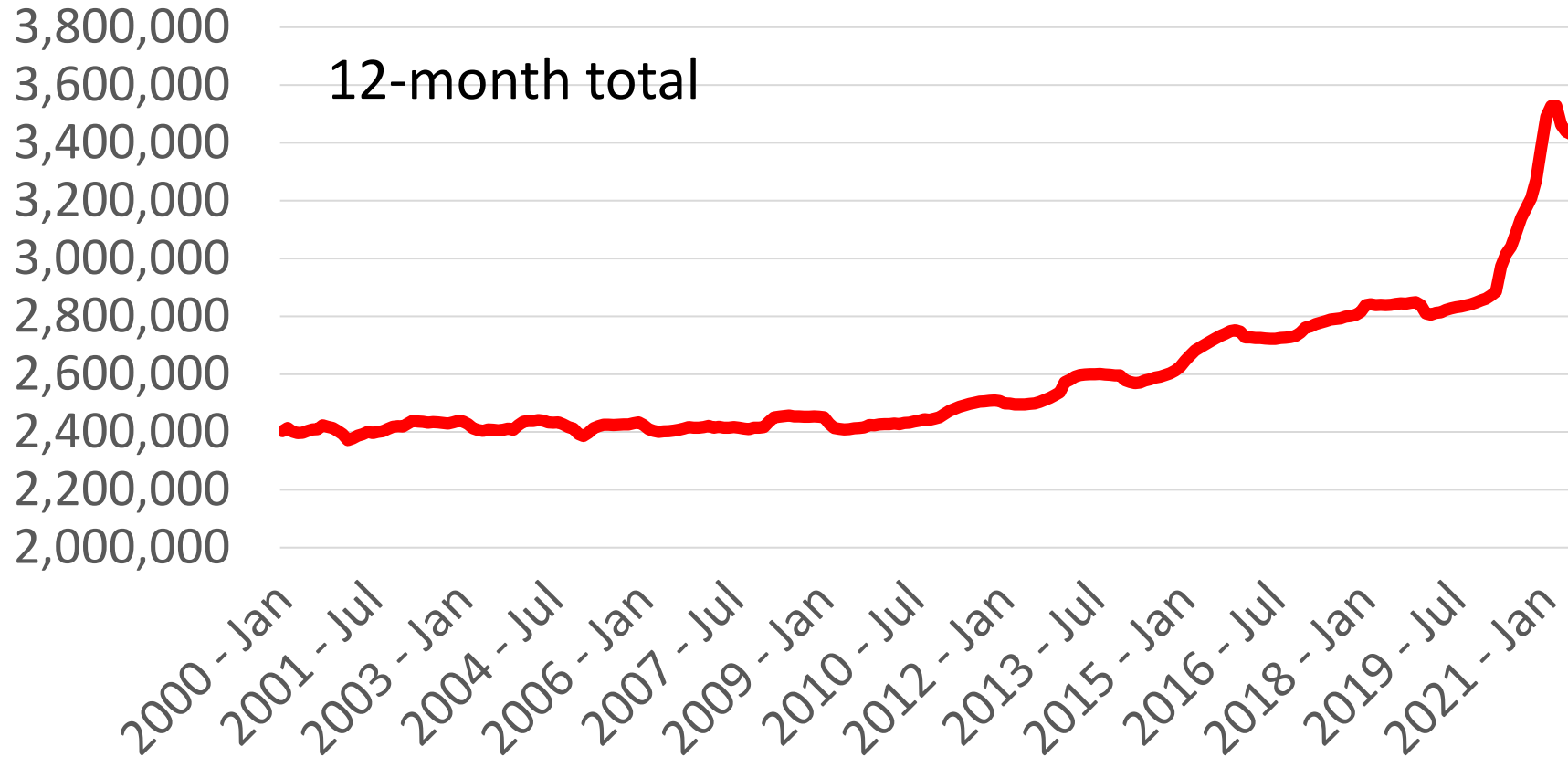
Mortgage Delinquency and Foreclosure Starts



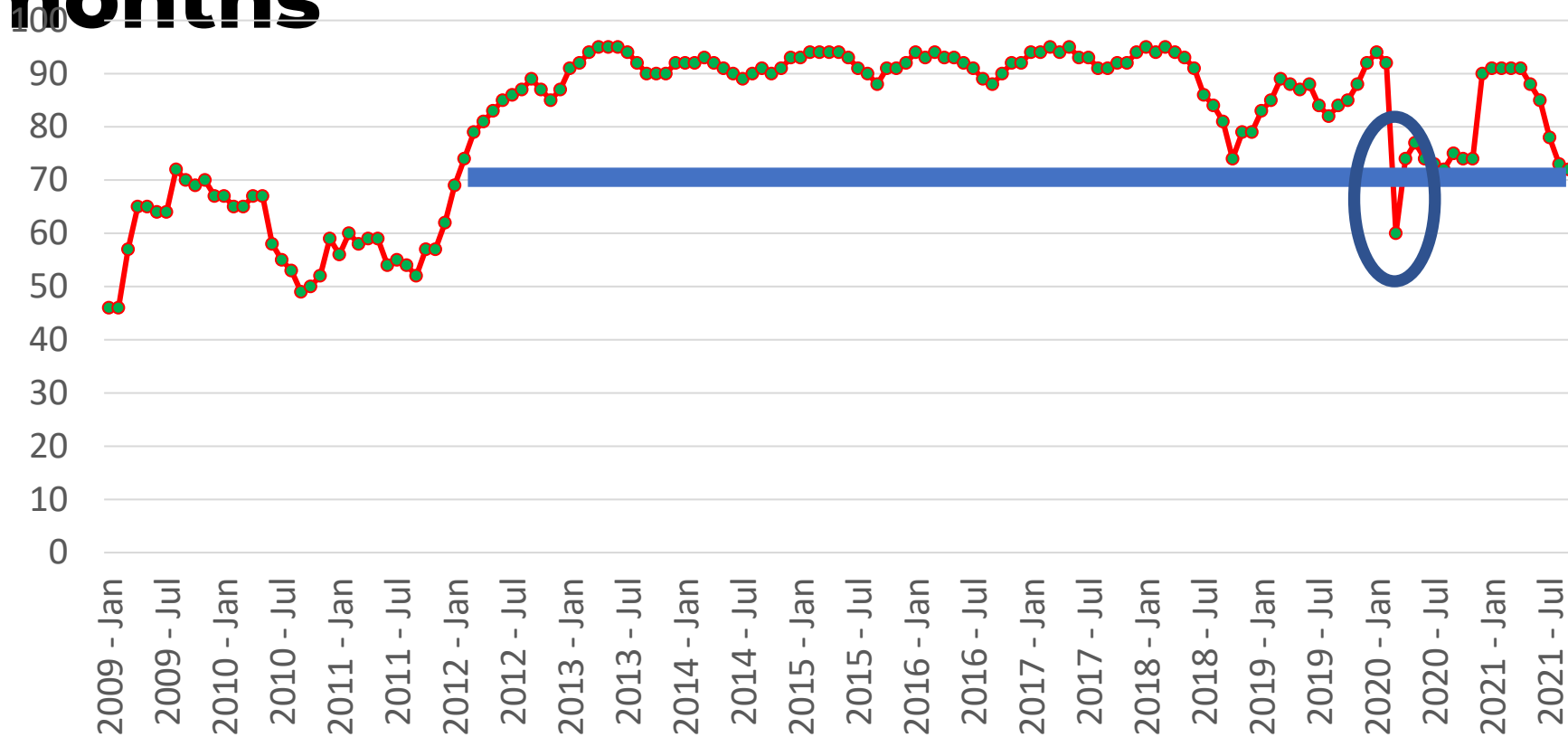
Homebuilder Opportunity ... Easy Profit



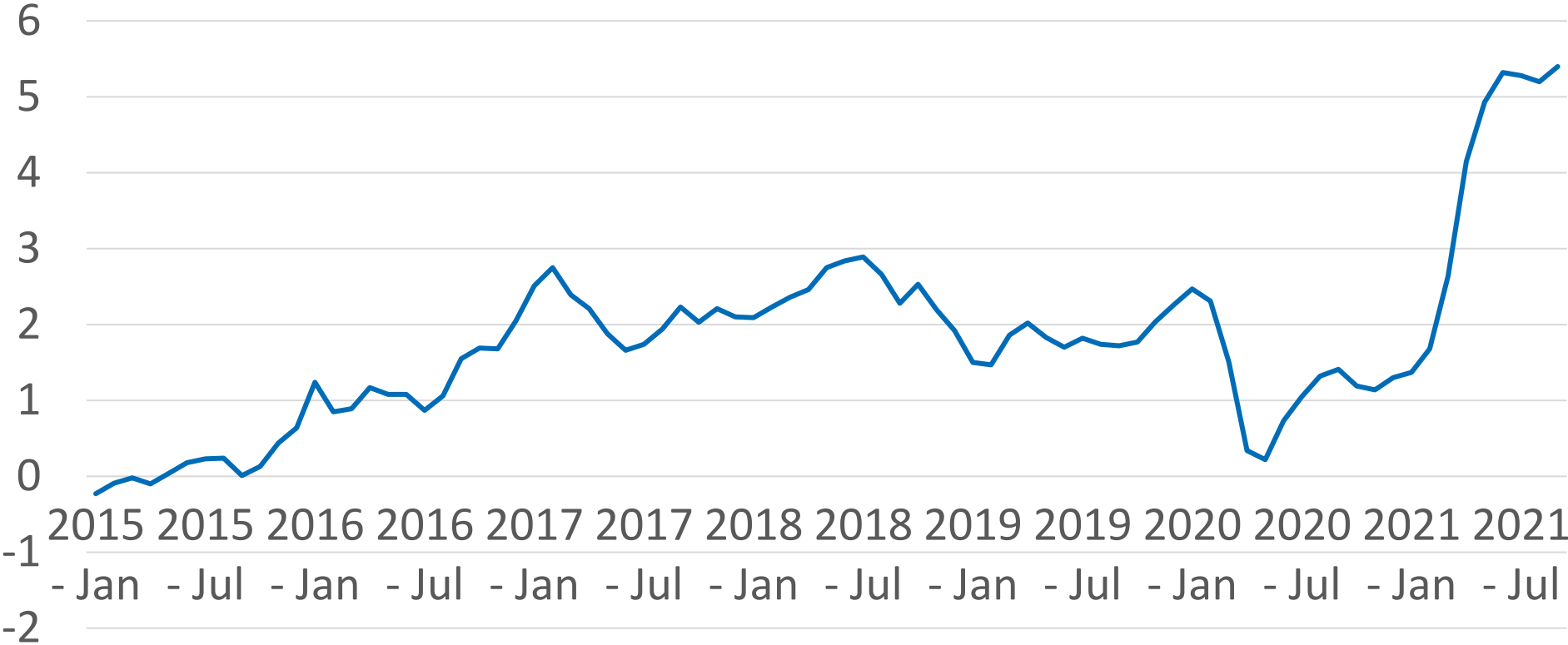
Death Certificates in U.S.



% of REALTORS® expecting constant or positive price growth over the next 12 months

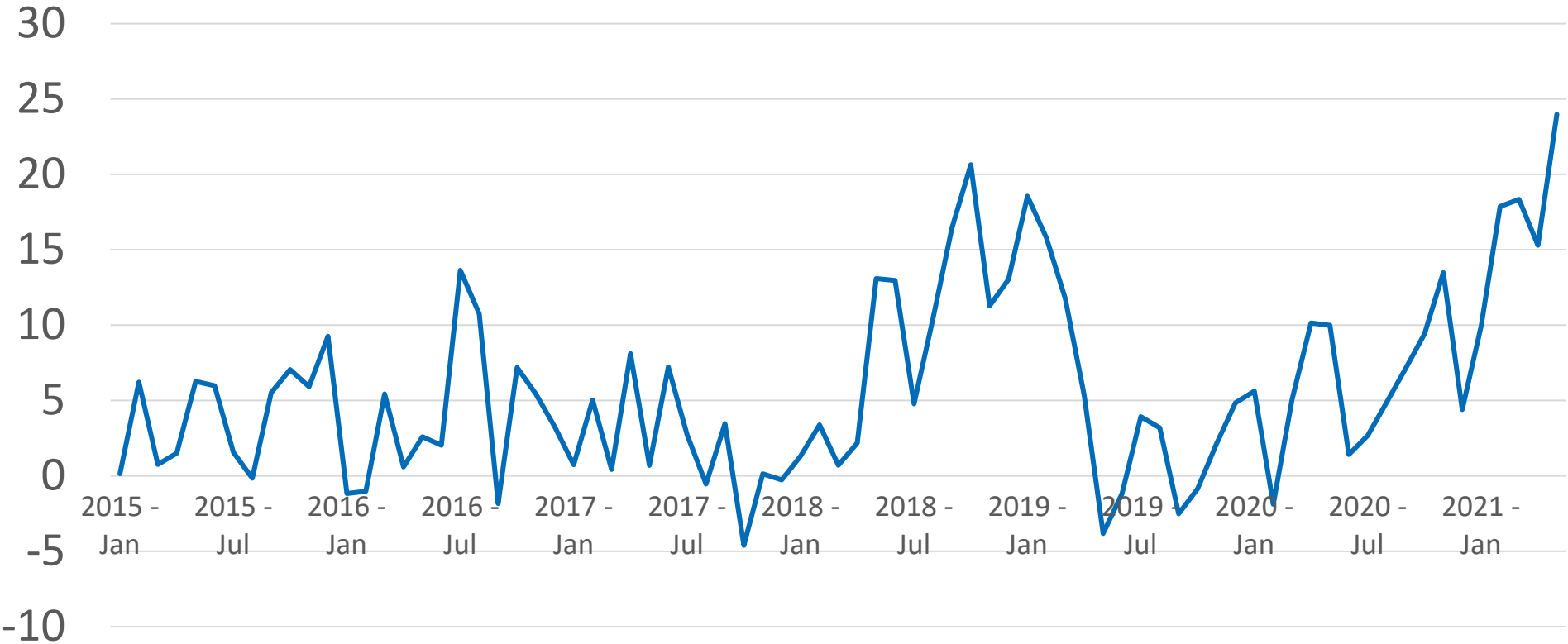


Consumer Price Inflation

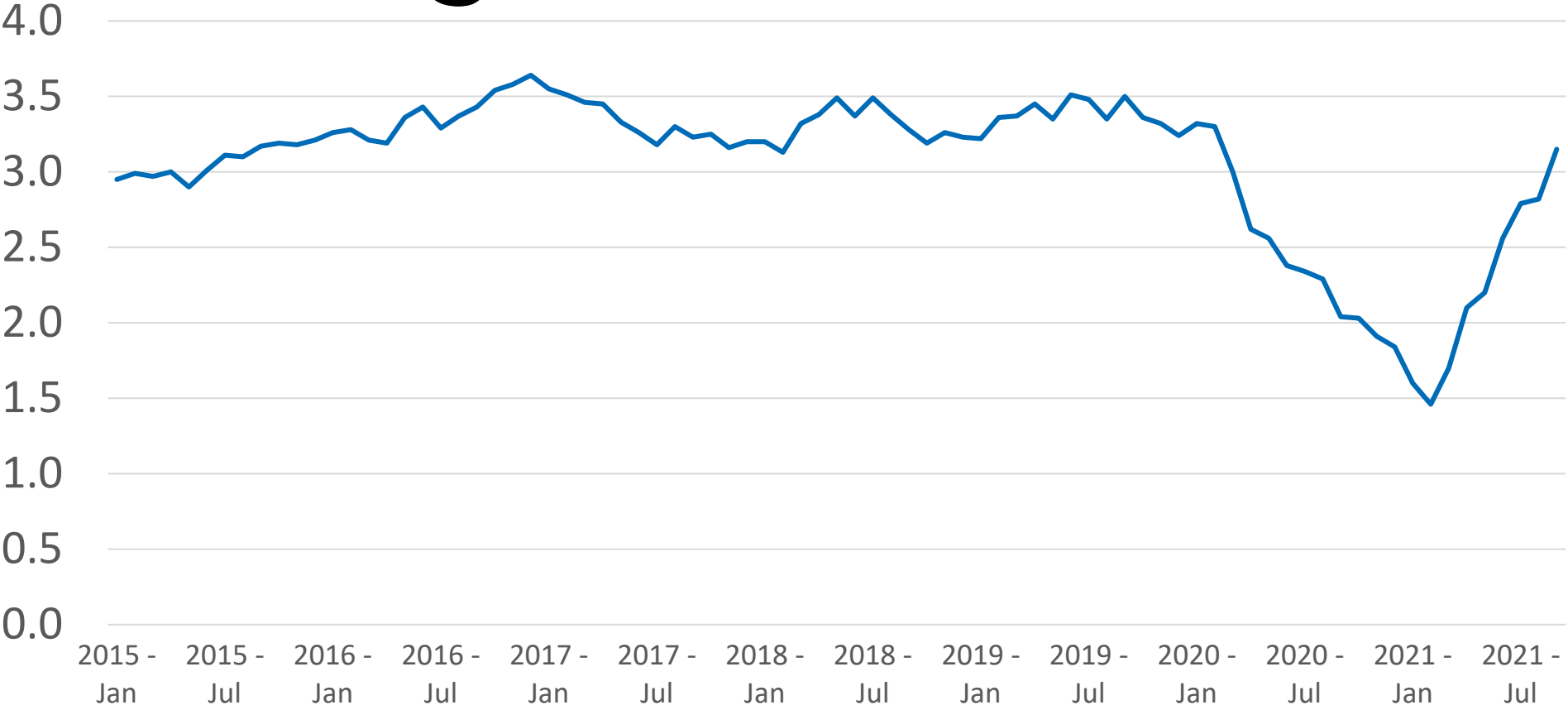


Mobile Home Getting Expensive

Inflation of 24% ... \$106,000



Consumer Price Inflation ... Rent Component ... Never consider Canceling Rent



Home Price as Inflation Hedge

Decade	Home Price Average Annual	Consumer Price Average Annual
1970s	9.9%	7.1%
1980s	5.5%	5.6%
1990s	4.1%	3.0%
2000s	2.3%	2.6%
2010s	4.9%	1.8%
2020 + 2021	12%	3%

Cryptocurrency as Inflation Hedge

- Stay away ... It's a fraud
- Short-term bored gamblers
- Mid-term investors ... knowing institutional money and validation
- Long-term investors ... don't trust the government

Home Sales Revenue Forecast

Year	Unit Sales	Home Price	Dollar Volume
2015	+6.3%	+6.8%	+12%
2016	+3.8%	+5.1%	+9%
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	+6.4%	+14.7%	+21%
2022	-1.7%	+2.8%	+1%

South Korea: Better or Worse Life?





THANK YOU!



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