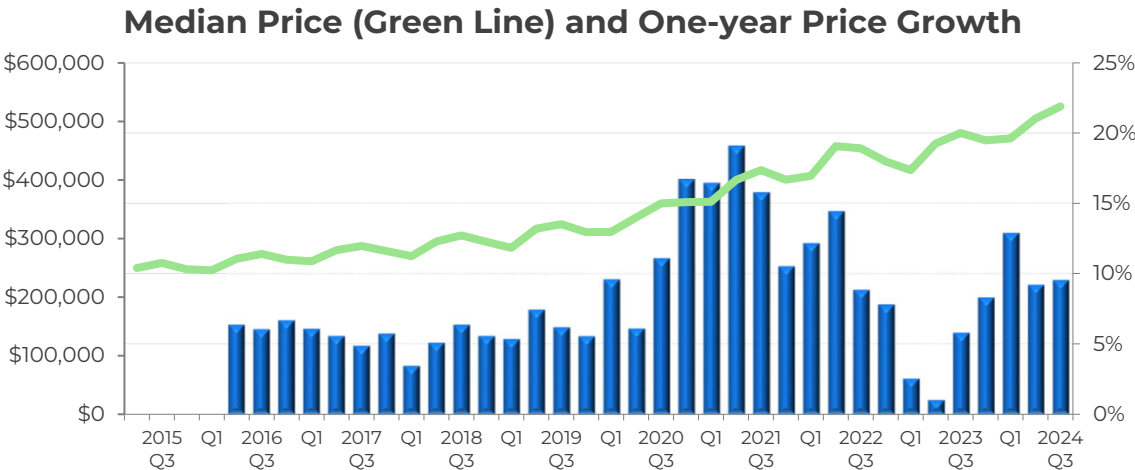


Providence-Warwick Area

Local Market Report, Third Quarter 2024

Today's Market...



Local Price Trends			
Price Activity	Providence	U.S.	Local Trend
Current Median Home Price (2024 Q3)	\$525,900	\$414,100	Prices continue to grow relative to last year
1-year (4-quarter) Appreciation (2024 Q3)	9.5%	3.3%	
3-year (12-quarter) Appreciation (2024 Q3)	26.1%	14.9%	
3-year (12-quarter) Housing Equity Gain*	\$109,000	\$53,700	Gains in the last 3 years have extended the trend of positive price growth after the recession
7-year (28 quarters) Housing Equity Gain*	\$238,900	\$161,167	
9-year (36 quarters) Housing Equity Gain*	\$267,800	\$186,767	
*Note: Equity gain reflects price appreciation only			

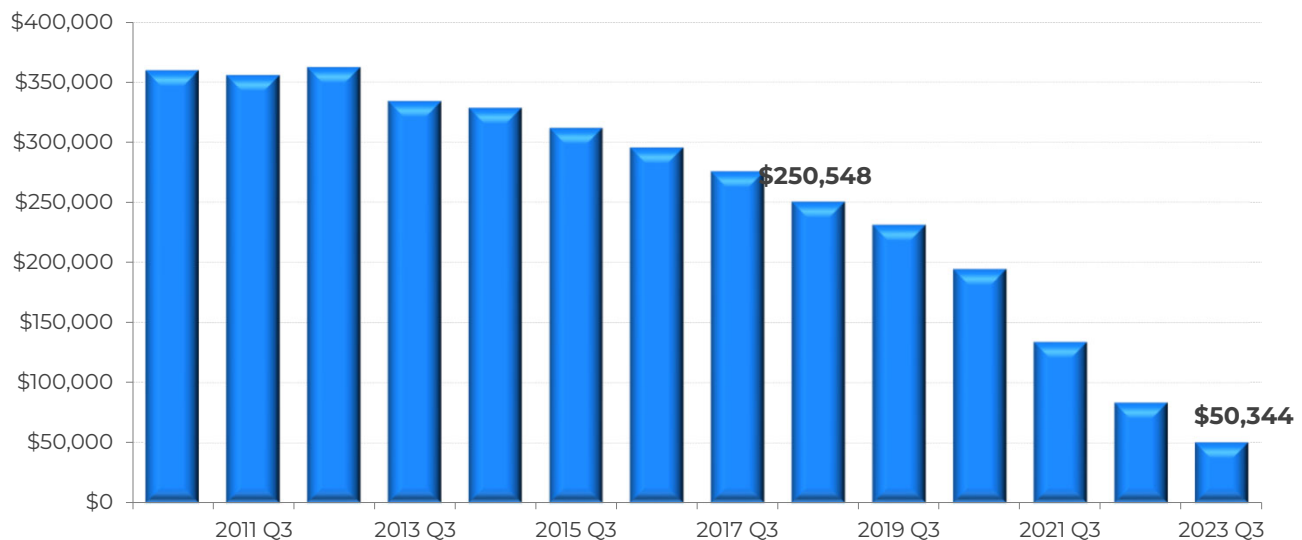
	Providence	U.S.	
Conforming Loan Limit**	\$766,550	\$1,149,825	Most buyers in this market have access to government-backed financing
FHA Loan Limit	\$736,000	\$1,149,825	
Local Median to Conforming Limit Ratio	69%	not comparable	
Note: limits are current and include the changes made on January 1st 2024.			

Local NAR Leadership

The Providence-Warwick market is part of region 1 in the NAR governance system, which includes all of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut. The 2024 NAR Regional Vice President representing region 1 is Steve Medeiros.

Benefits of Ownership: Total Equity Appreciation

Total Equity Accrued to Owner by Year and Quarter of Purchase



Total Equity Gained through 2024 Q3 from quarter in which home was of purchased**

Price Activity	Providence	U.S.	Local Trend
1-year (4-quarter)	\$50,344	\$17,061	Price appreciation and principle payments in the last 3 years have boosted total equity growth since the recession
3-year (12-quarter)*	\$133,862	\$75,193	
5-year (20-quarter)*	\$231,286	\$162,469	
7-year (28 quarters)*	\$275,842	\$193,724	
9-year (36 quarters)*	\$311,908	\$225,617	

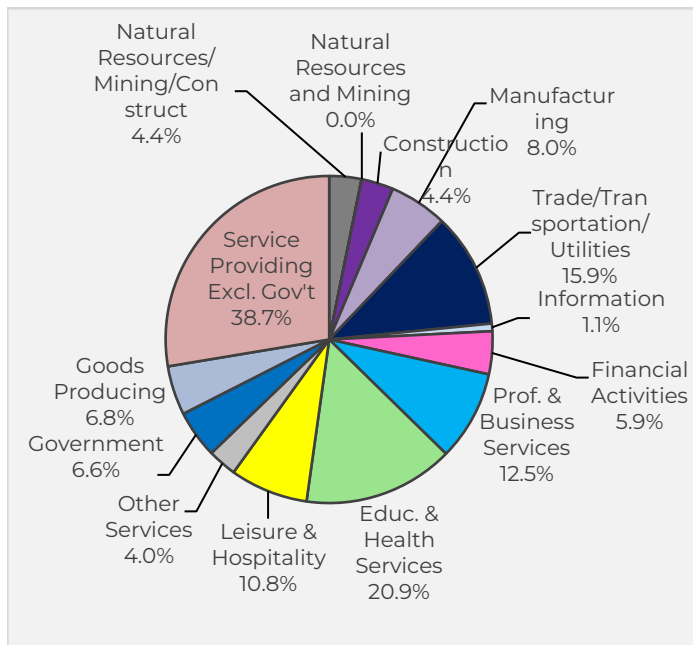
*Note: Equity gain reflects price and principle payments since purchase, prevailing 30-year fixed rate mortgage at time of purchase and a 10% downpayment. Downpayment is not included in total equity

Drivers of Local Supply and Demand...

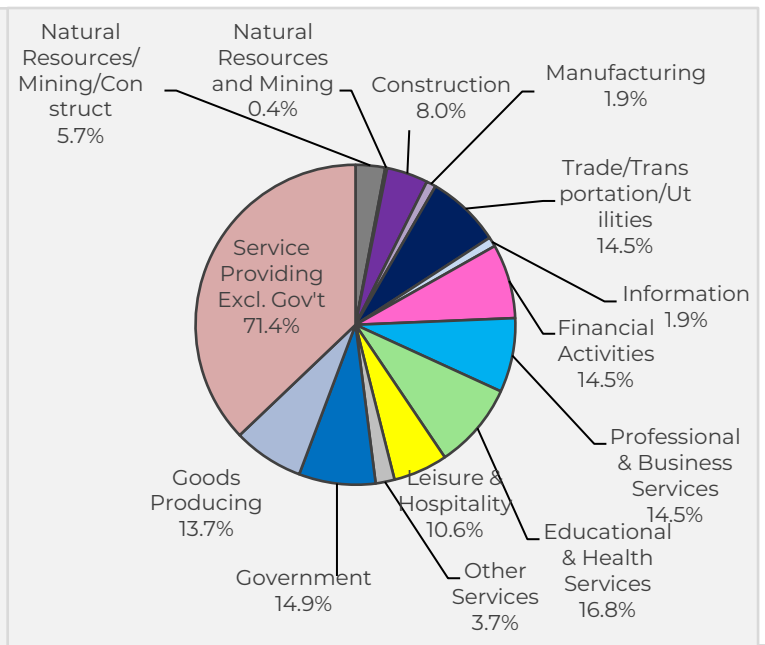
Local Economic Outlook	Providence	U.S.	
12-month Job Change (Oct)	6,000	Not Comparable	Employment has held up and is on an upward trend
12-month Job Change (Sep)	5,700	Not Comparable	
36-month Job Change (Oct)	23,200	Not Comparable	Unemployment has risen since the same period last year, but Providence's labor market has been more resilient than the national average
Current Unemployment Rate (Oct)	4.1%	4.1%	
Year-ago Unemployment Rate	3.1%	3.8%	Local employment growth is poor and needs to improve
1-year (12 month) Job Growth Rate	1.0%	1.7%	

Share of Total Employment by Industry

Providence-Warwick Area



U.S.



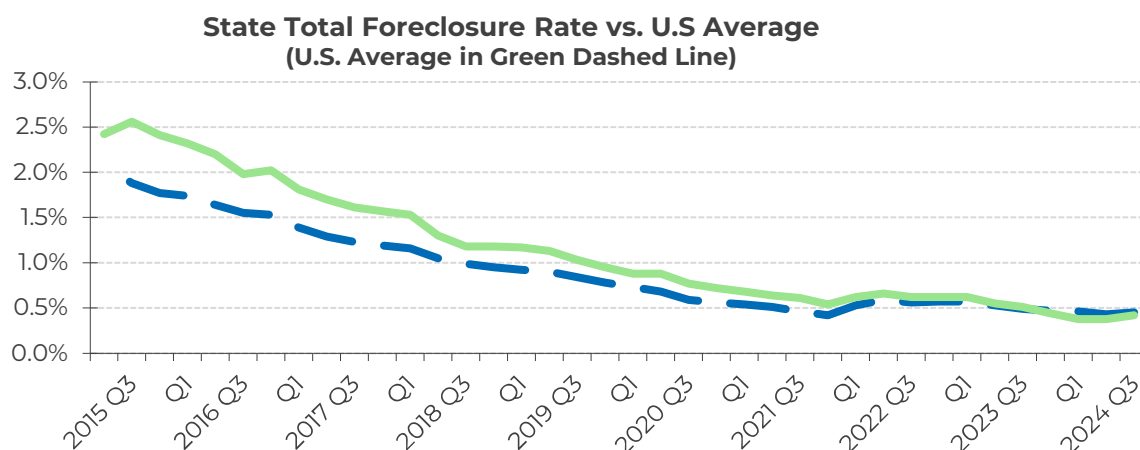
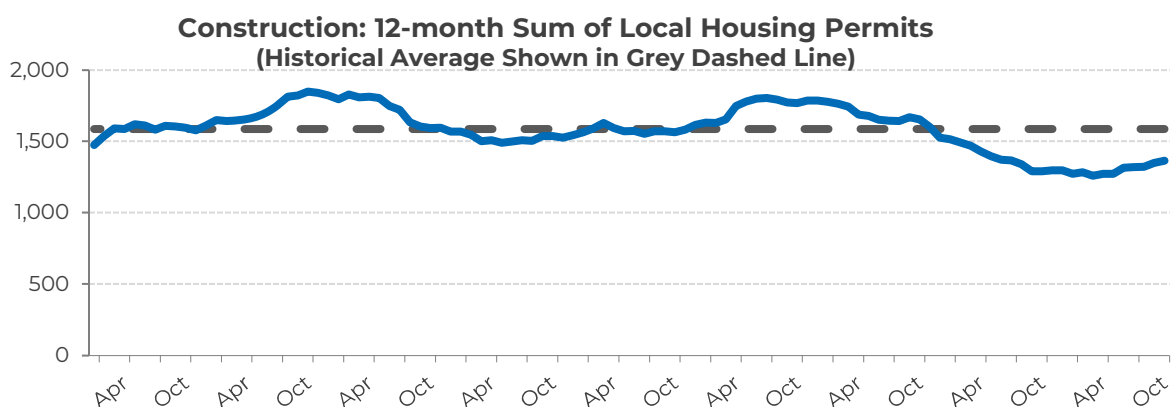
12-month Employment Change by Industry (Oct - 2024)

Goods Producing	700	Information	-100
Natural Resources/Mining/Construction	-200	Financial Activities	300
Natural Resources and Mining	0	Prof. & Business Services	2,700
Construction	-200	Educ. & Health Services	5,200
Manufacturing	900	Leisure & Hospitality	-3,200
Service Providing Excluding Government	5,000	Other Services	-700
Trade/Transportation/Utilities	-700	Government	1,500

State Economic Activity Index	Rhode Island	U.S.	
12-month change (2024 - Oct)	-0.2%	2.5%	The economy of Rhode Island is still in recession, but improved modestly from last month's -0.62% change
36-month change (2024 - Oct)	7.5%	10.3%	

New Housing Construction

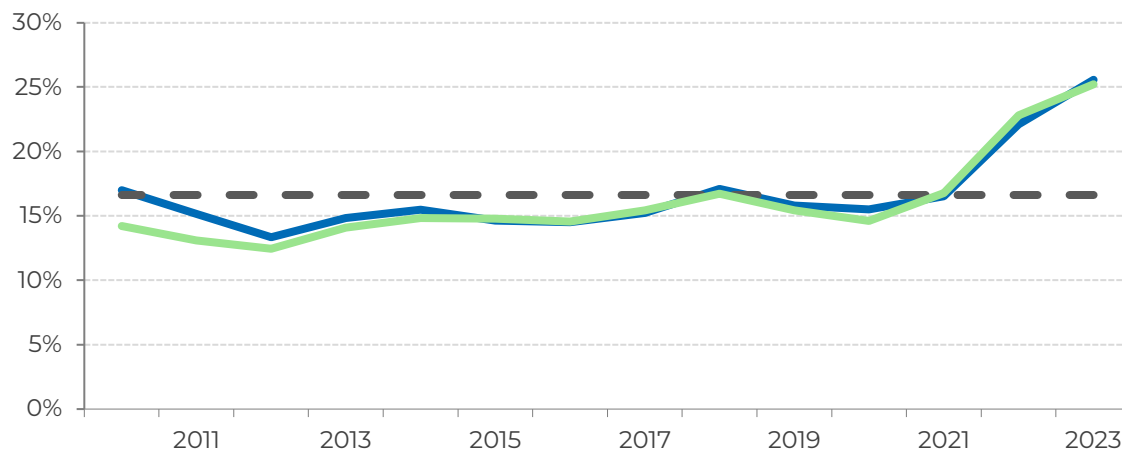
Local Fundamentals	Providence	U.S.	
12-month Sum of 1-unit Building Permits through Oct	1,363	not comparable	The current level of construction is 14.1% below the long-term average
8-year average for 12-month Sum of 1-Unit Building Permits	1,586	not comparable	Reduced construction will limit new supply to the market, allowing demand to catch up with inventory more quickly
Single-Family Housing Permits (Oct) 12-month sum vs. a year ago	5.7%	12.0%	Construction is on the rise relative to last year, suggesting that the local inventory has stabilized



Source: Mortgage Bankers' Association

Affordability

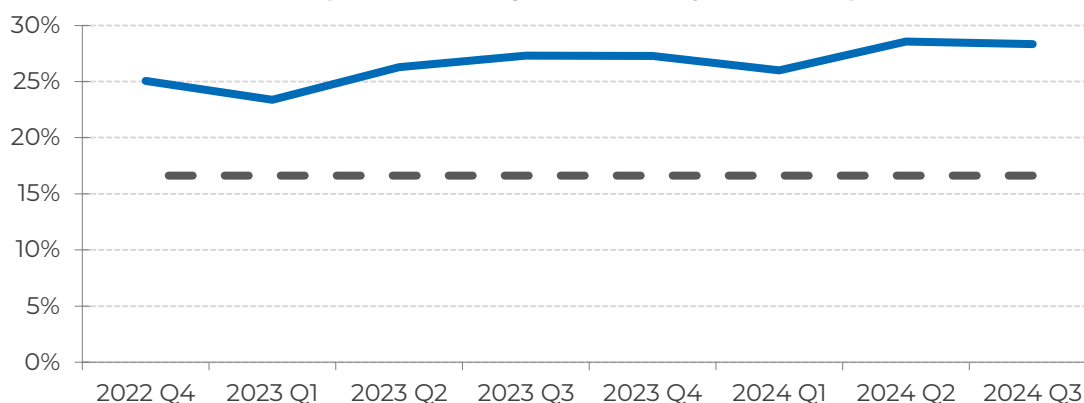
Long-Term Trend: Ratio of Local Mortgage Servicing Cost to Income (Local Historical Average Shown in Grey, U.S. Average in Green)



Monthly Mortgage Payment to Income*	Providence	U.S.	
Ratio for 2023	25.6%	25.2%	Weak by local standards and could weigh on demand
Ratio for 2024 Q3	28.3%	24.9%	
Historical Average	16.6%	17.0%	More affordable than most markets

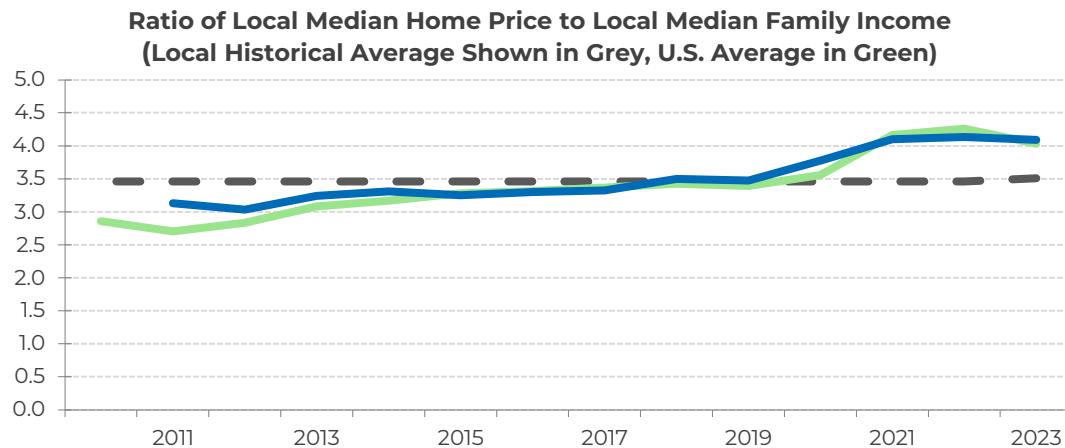
*The median family Income was included for the calculation of the mortgage payment to income ratio

Recent Trend - Local Mortgage Servicing Cost to Income (Historical Average Shown in Grey Dashed Line)

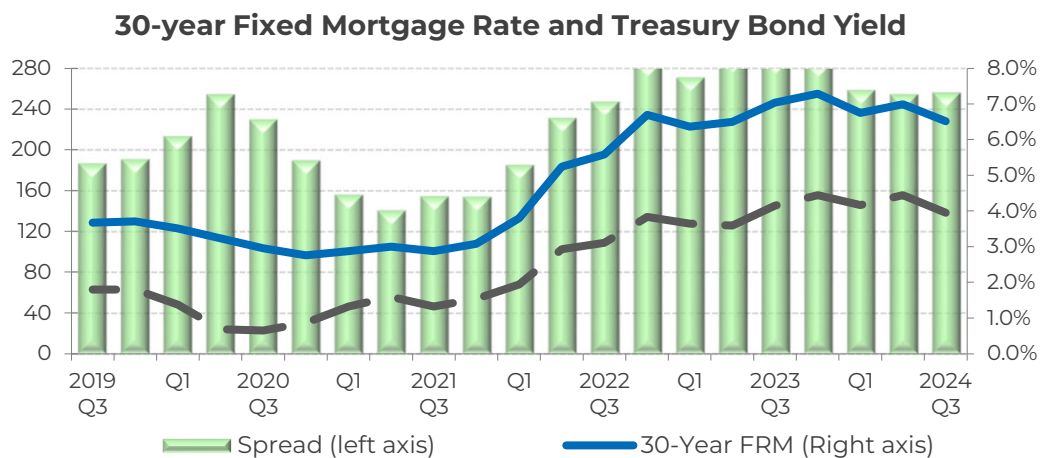


Median Home Price to Income*	Providence	U.S.	
Ratio for 2023	4.1	4.0	The price-to-income ratio is high by historic standards and getting worse
Ratio for 2024 Q3	4.7	4.1	
Historical Average	3.5	3.4	Less affordable than most markets

*The median family Income was included for the calculation of the median home price to income ratio



The Mortgage Market



In anticipation of the Federal Reserve's rate cuts, mortgage rates dropped significantly in the third quarter, nearing 6% - particularly toward the end of the quarter. According to the mortgage provider Freddie Mac, the 30-year fixed mortgage rate fell to 6.51% in the third quarter from 7.04% a year earlier. This decline in mortgage rates improved housing affordability, offering some relief to homebuyers after several months of strained affordability. While the housing market typically takes a couple of months to respond to such changes, homebuying activity slowed down further during the third quarter. However, as the Federal Reserve implements further rate cuts, affordability is expected to improve, which will help the housing market regain momentum in the coming months.

Geographic Coverage for this Report

The Providence area referred to in this report covers the geographic area of the Providence-Warwick metro area as officially defined by the Office of Management and Budget of the U.S. Government. The official coverage area includes the following counties:

Bristol County, MA; Bristol County, RI; Kent County, RI; Newport County, RI; Providence County, RI;
Washington County, RI

More information on the OMB's geographic definitions can be found at
https://obamawhitehouse.archives.gov/omb/bulletins_default/