

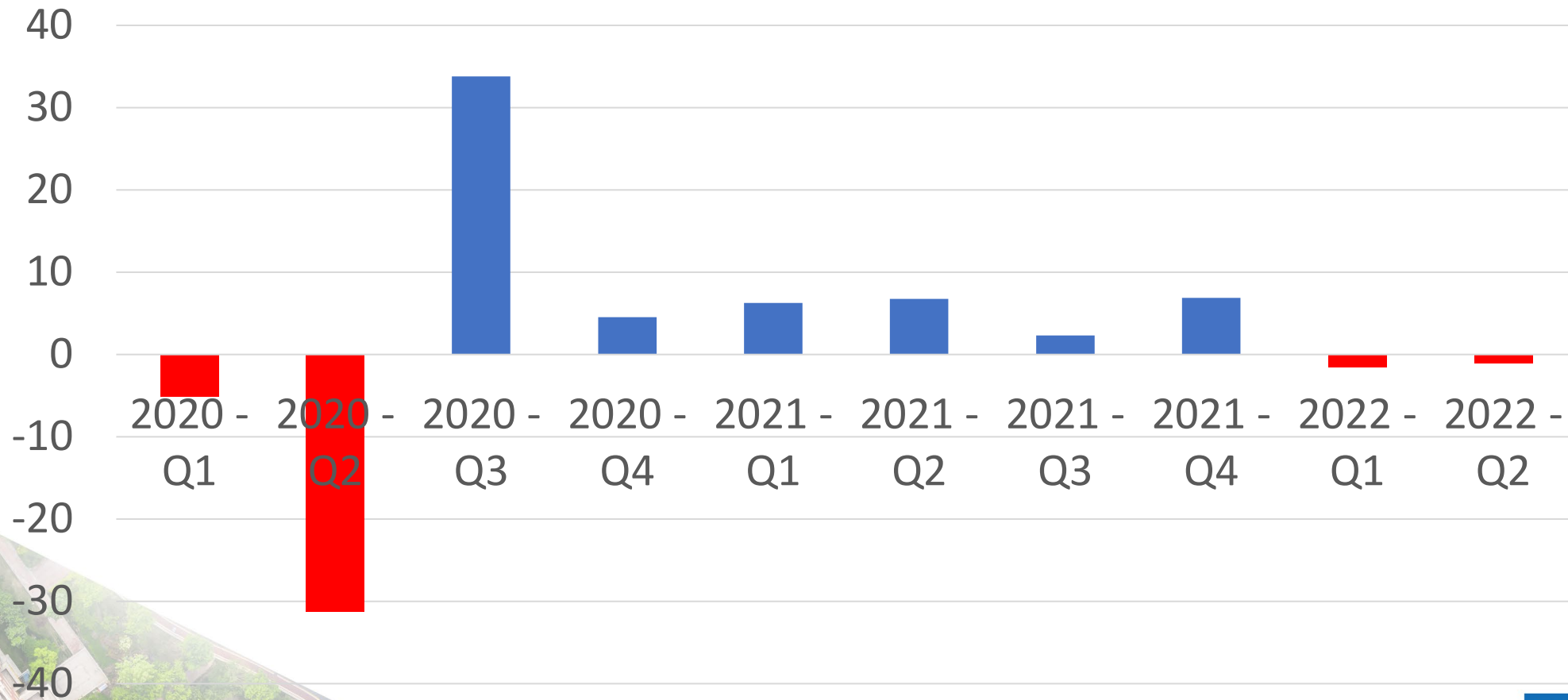
NAR Broker Power Hour

Economic Issues and Trends

Lawrence Yun
Chief Economist

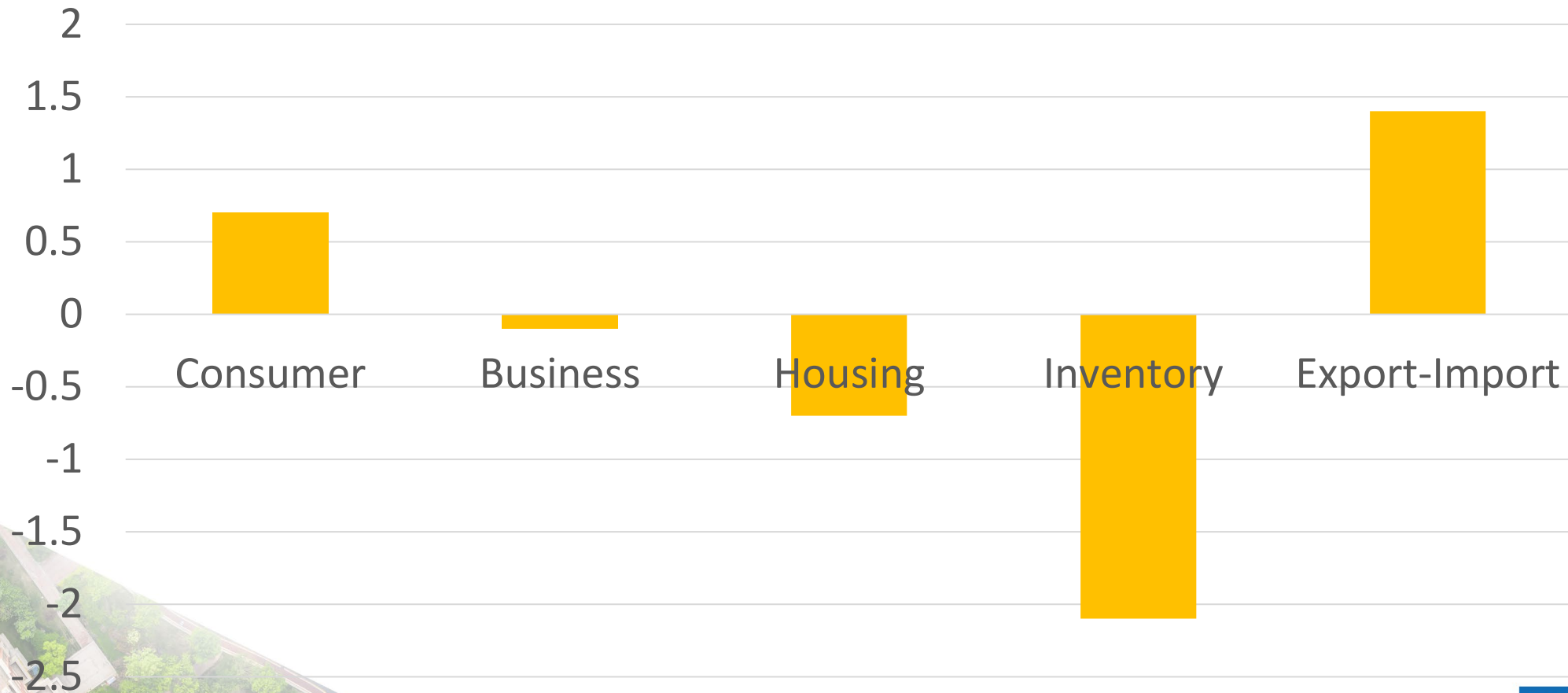


Economic Recession based on GDP Contractions?



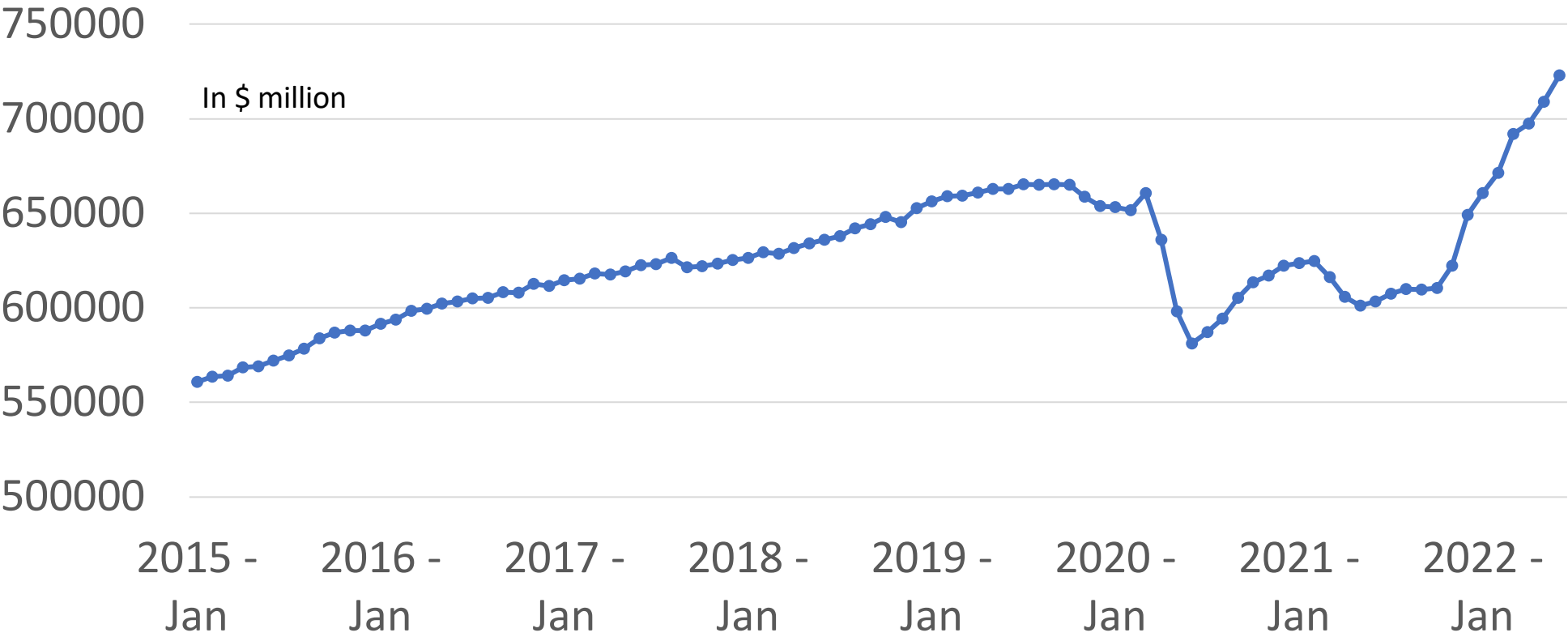
Source: Department of Commerce

Which Components Contributed to GDP and Which Not?



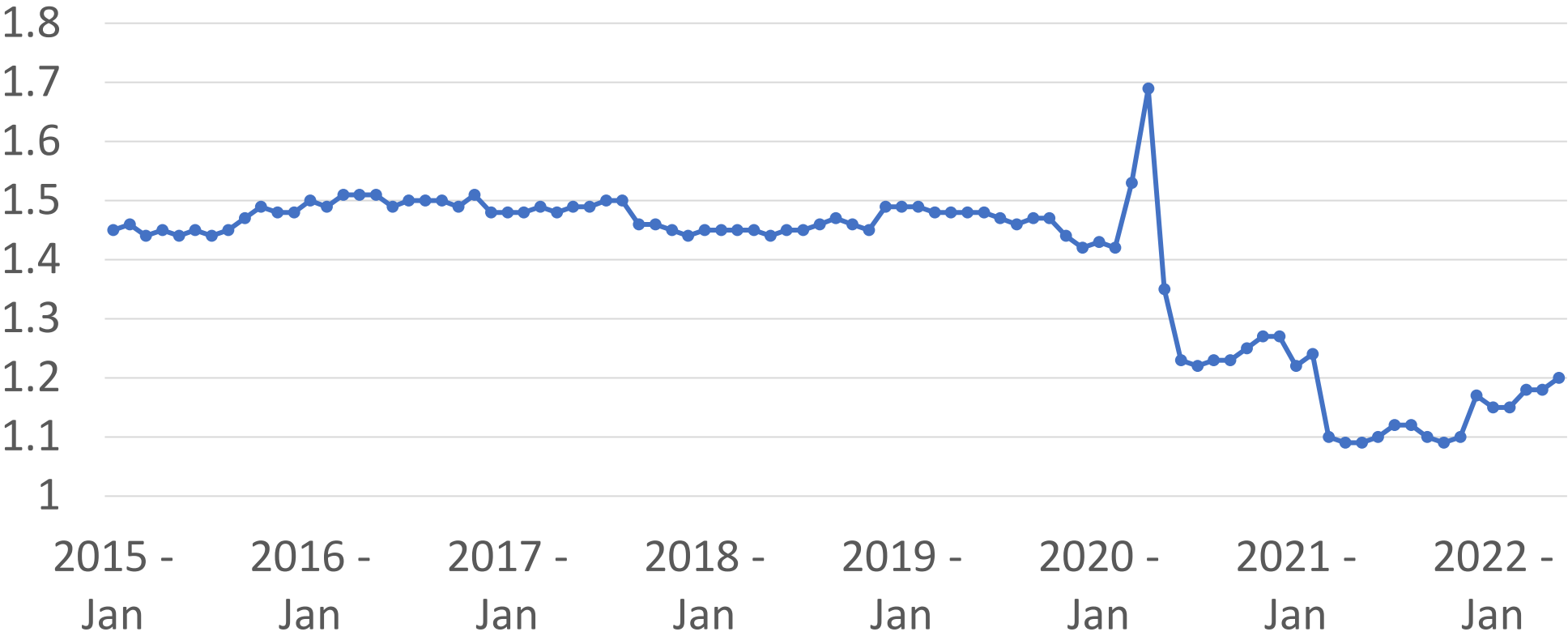
Source: Department of Commerce

Retail Inventory



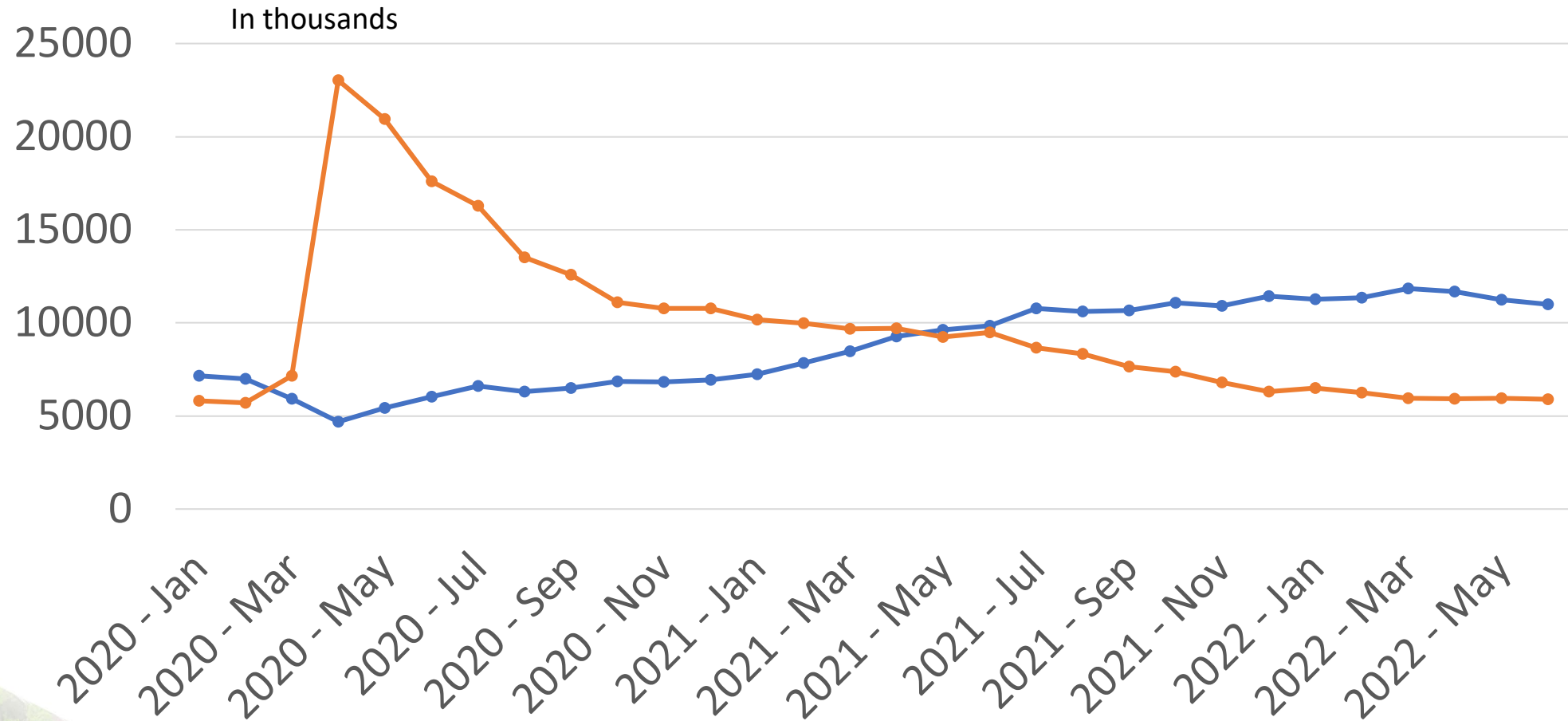
Source: Census

Retail Inventory-to-Sales Ratio



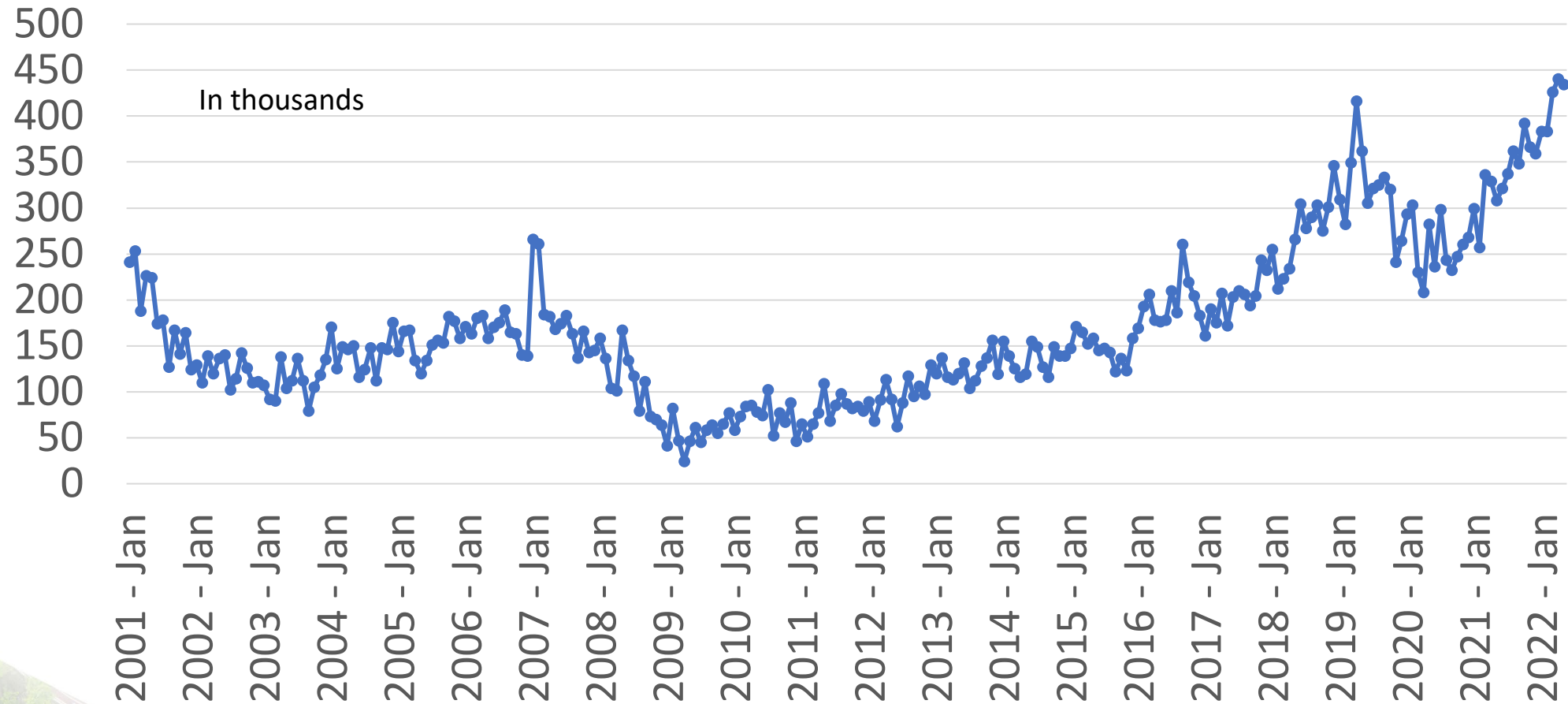
Source: Census

Bizarre Labor Market: More Job Openings than Unemployed



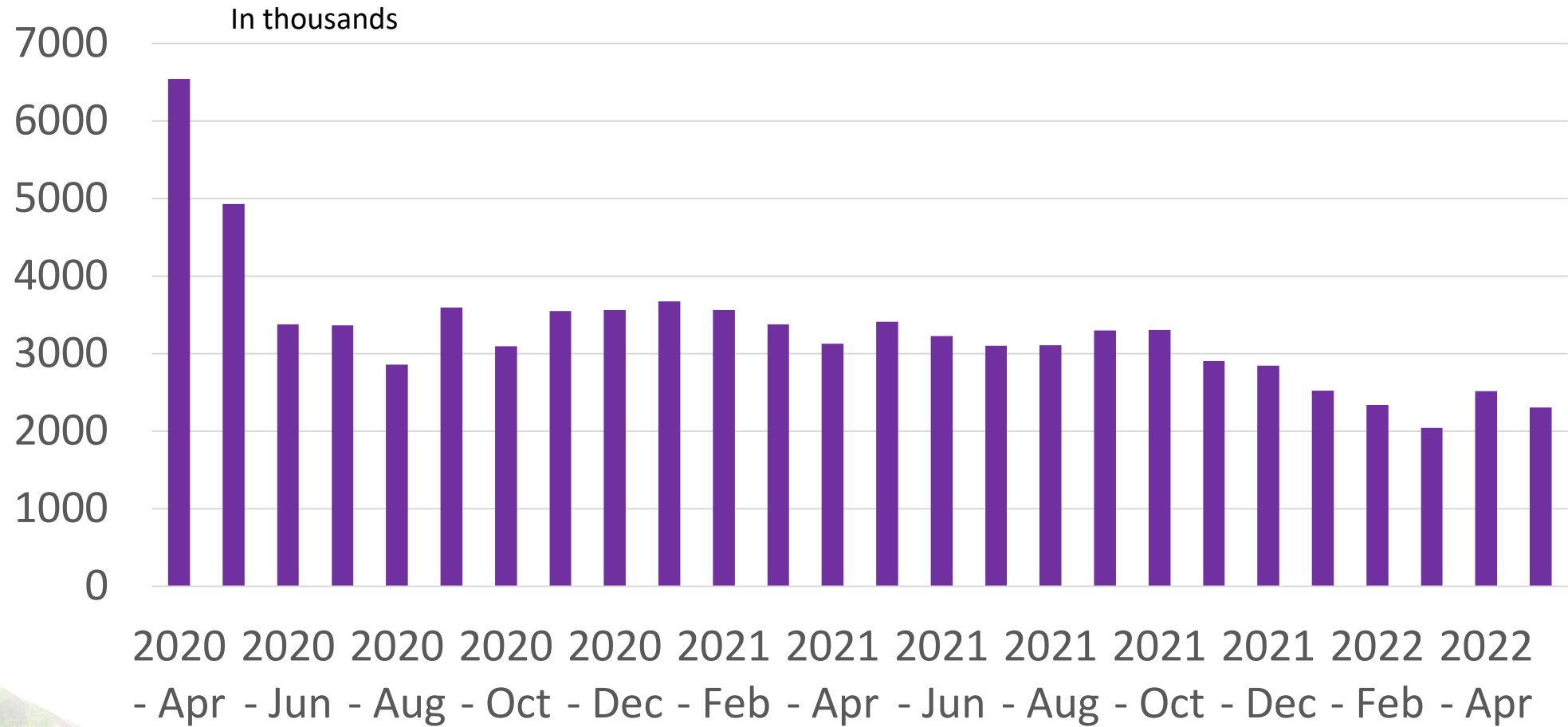
Source: BLS

Construction Job Openings – Record High



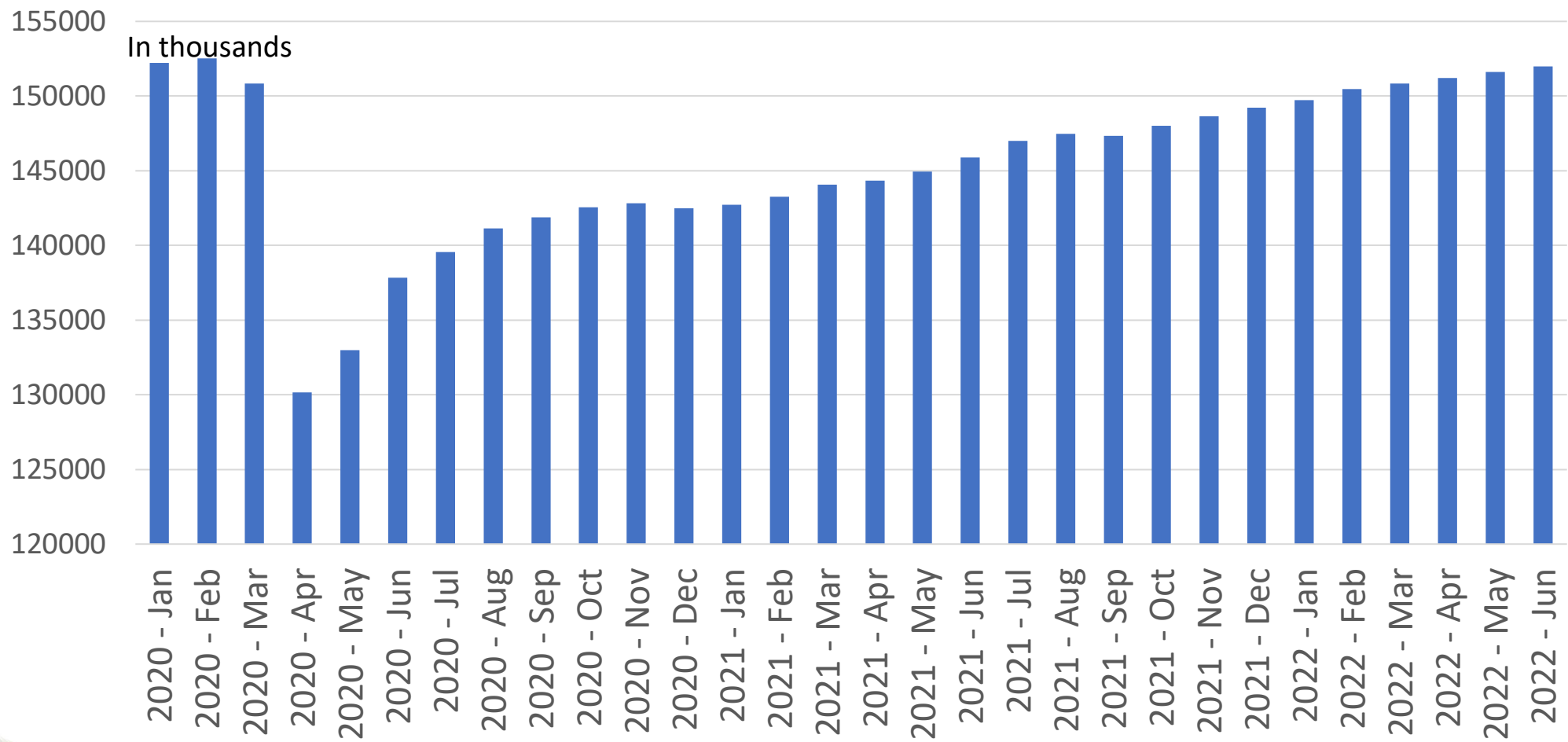
Source: BLS

Extra Number of People Not Even Looking for Job Compared to Pre-Covid



Source: BLS

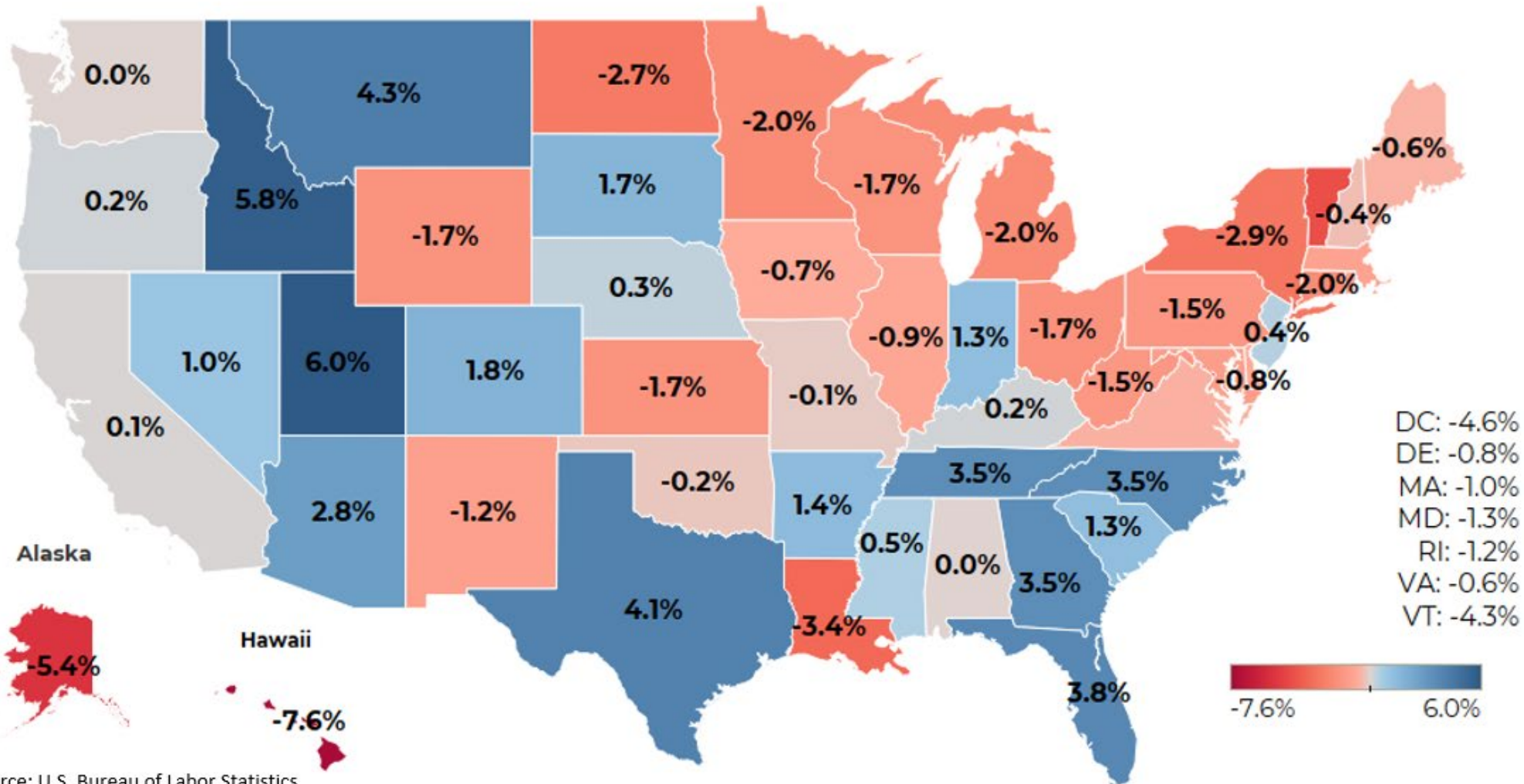
Total Payroll Jobs



Source: BLS

Jobs Now versus Pre-Covid Days

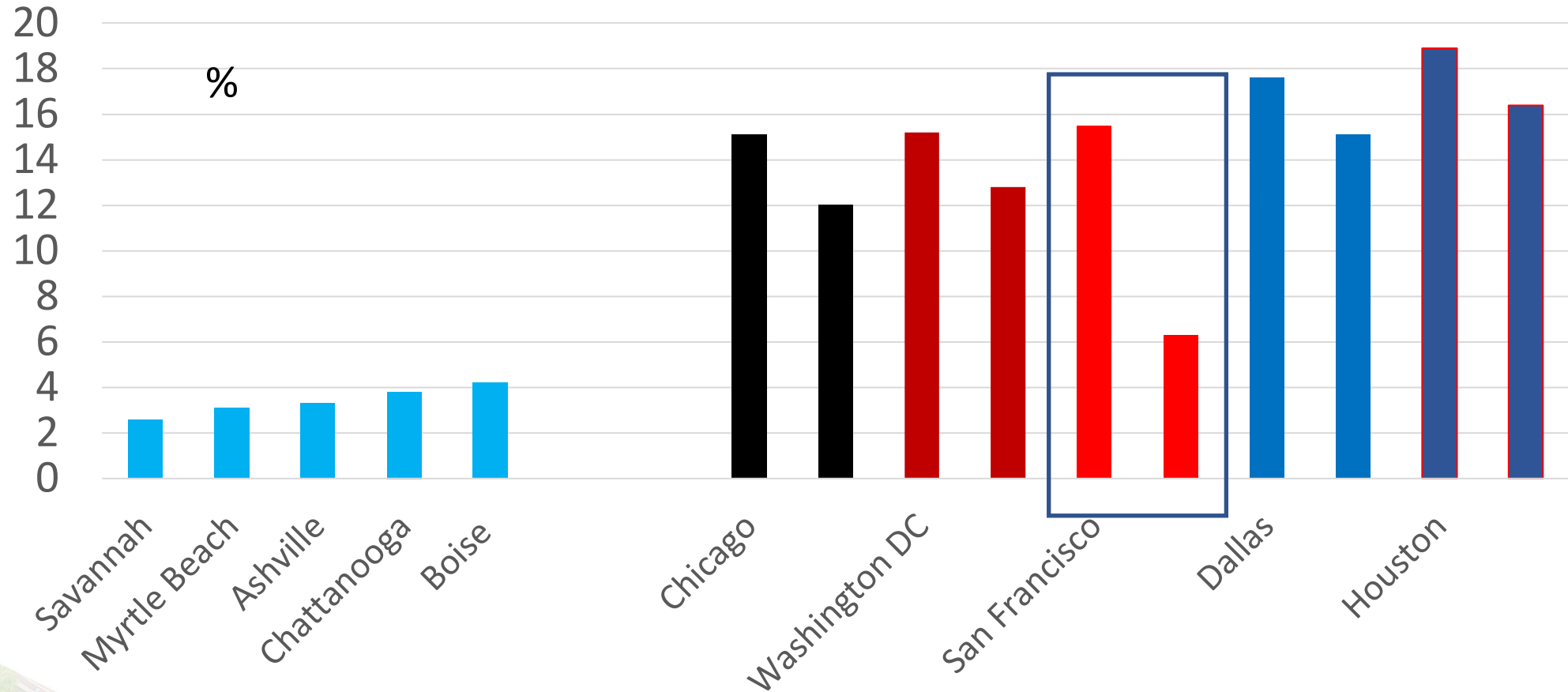
(June 2022 vs. March 2020)



Source: U.S. Bureau of Labor Statistics

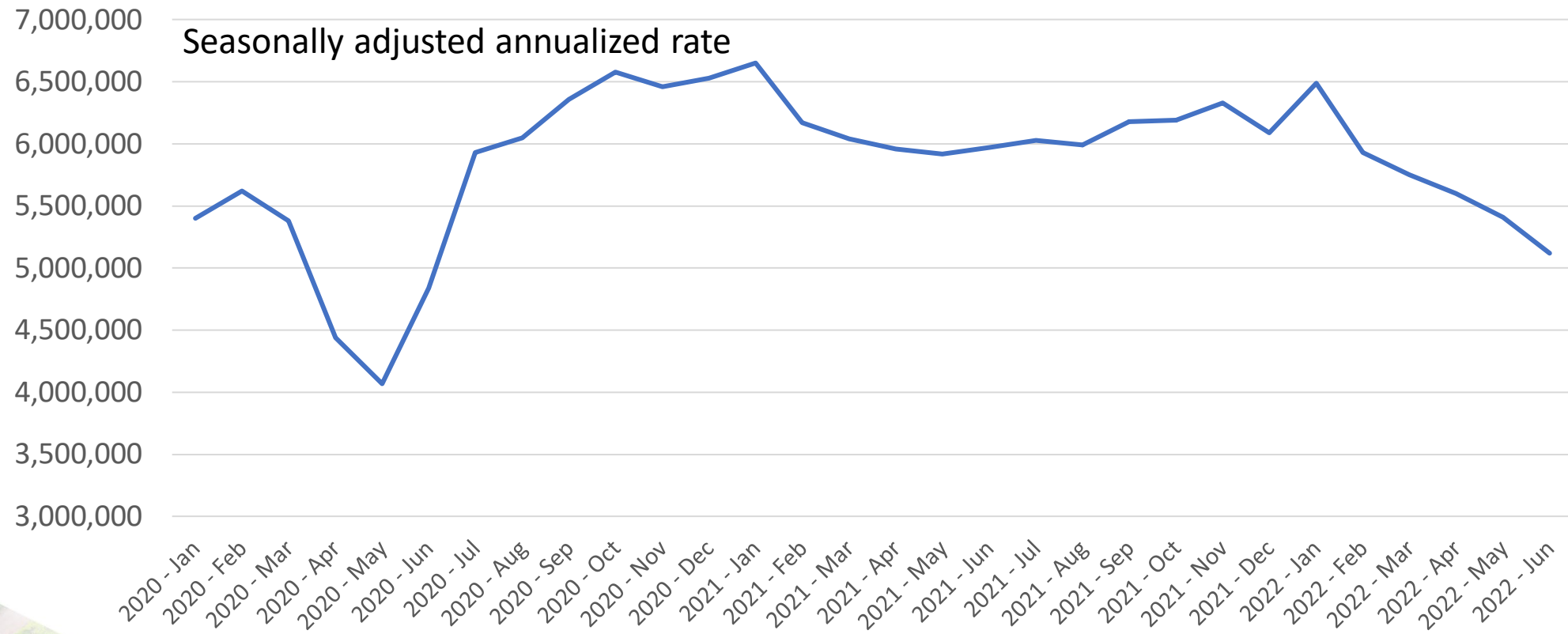
Office Vacancy Rates

2022 Q1 versus 2020 Q1



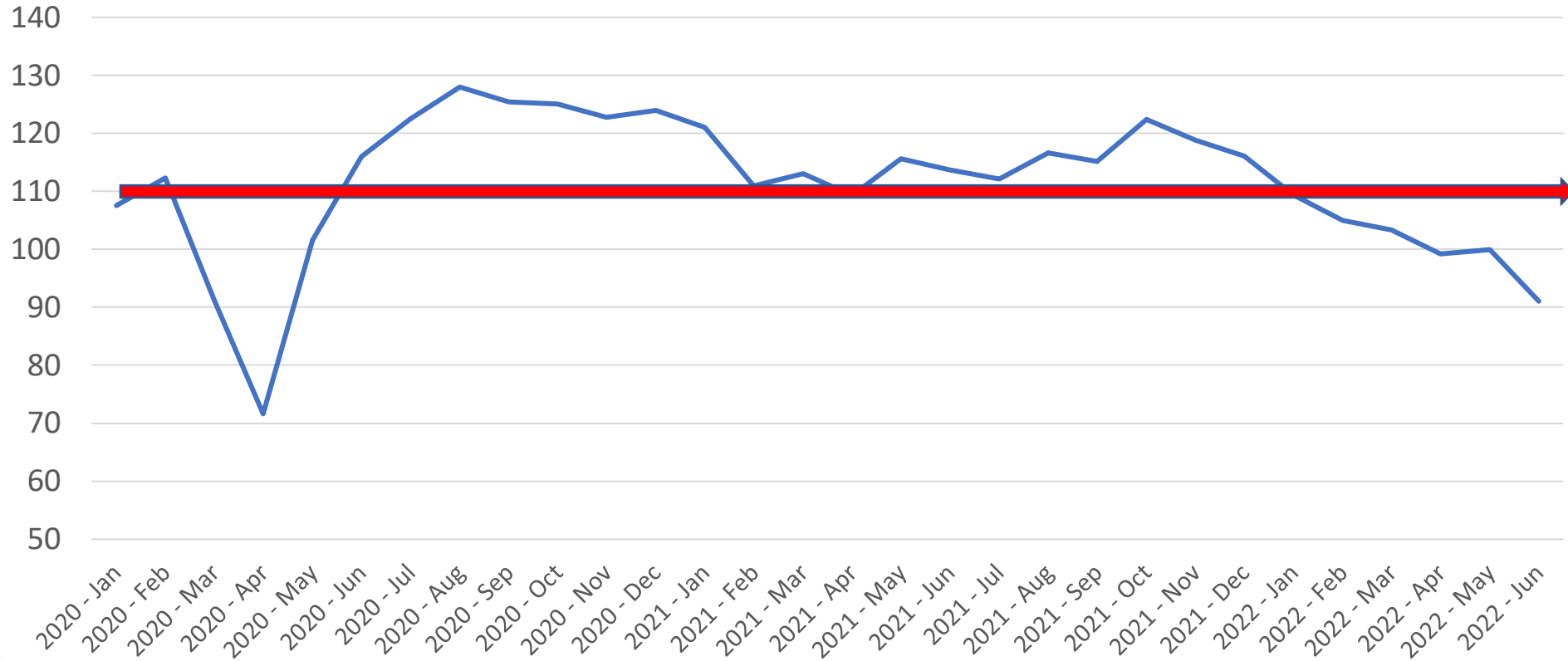
Source: CoStar

Existing Home Sales - Monthly



Source: NAR

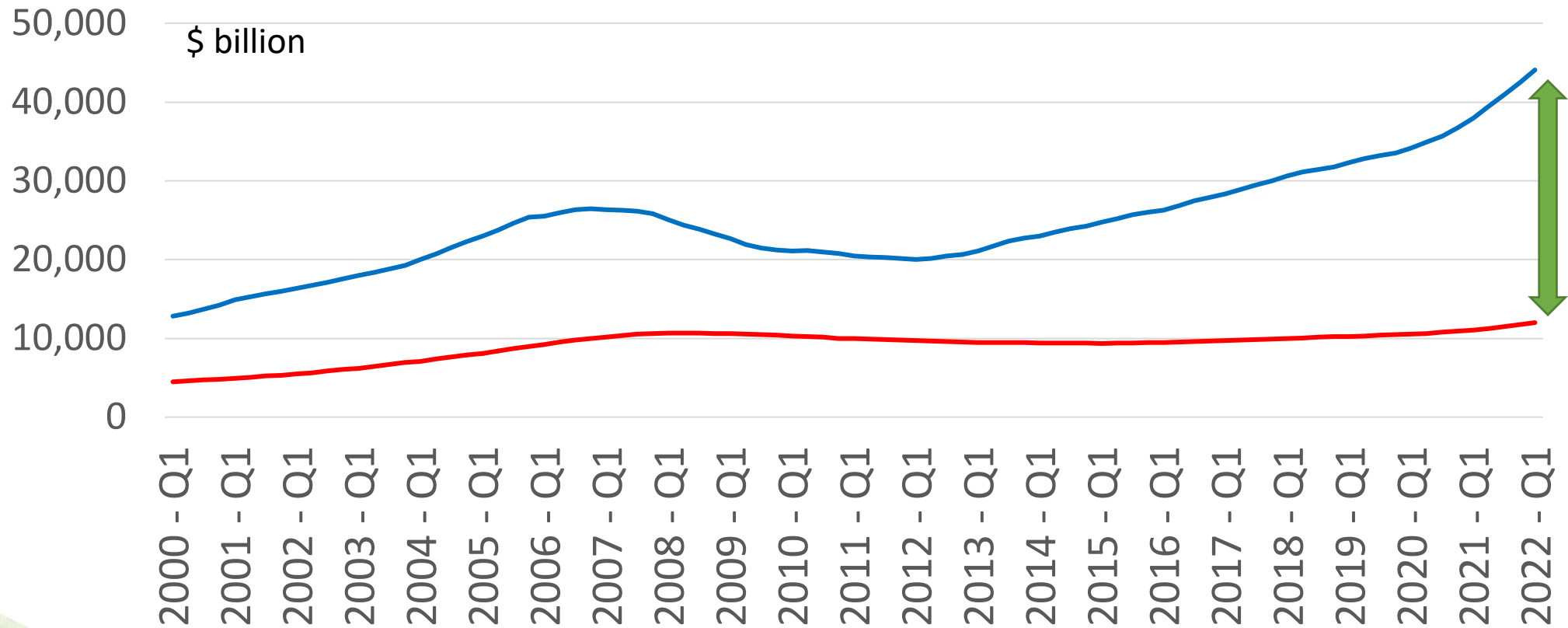
Pending Home Sales Index - Monthly



Source: NAR

Solid Buffer of Housing Wealth

Housing Asset Valuation minus Mortgage Debt



Source: Federal Reserve

Share Distressed Sales (Foreclosures/Short Sales)



Source: REALTORS® Confidence Index: www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index

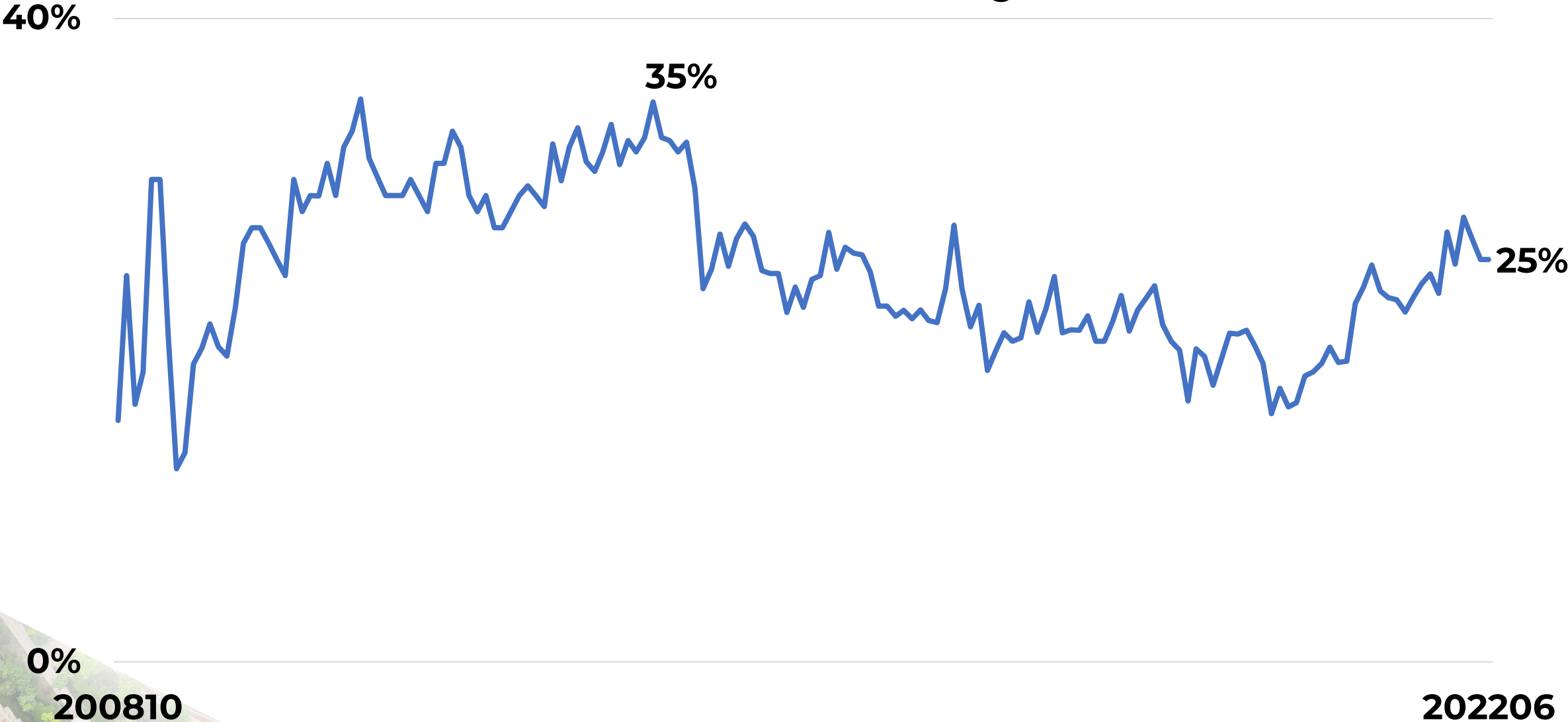


Average Number of Offers Received on Most Recent Sale



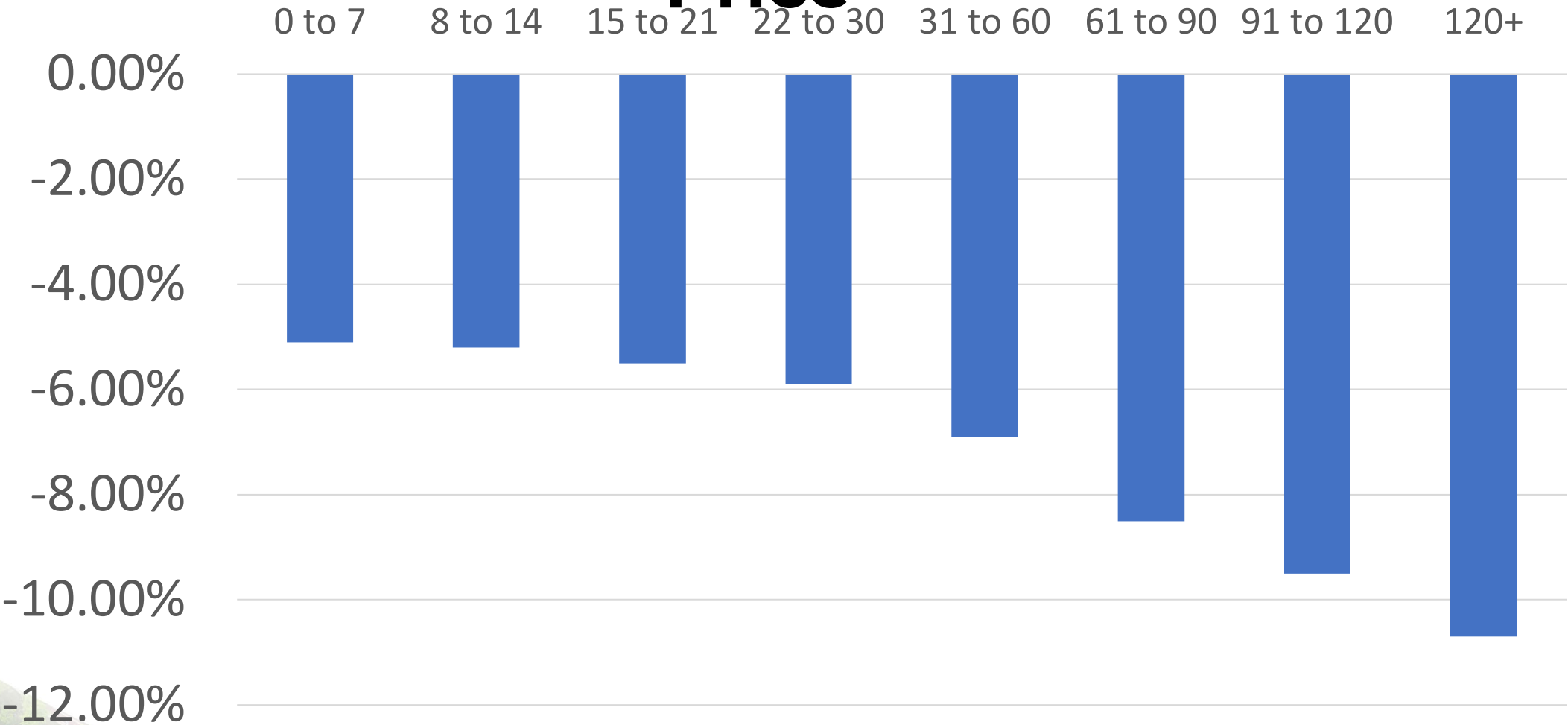
Source: REALTORS® Confidence Index: www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index

Share All-Cash Buyers



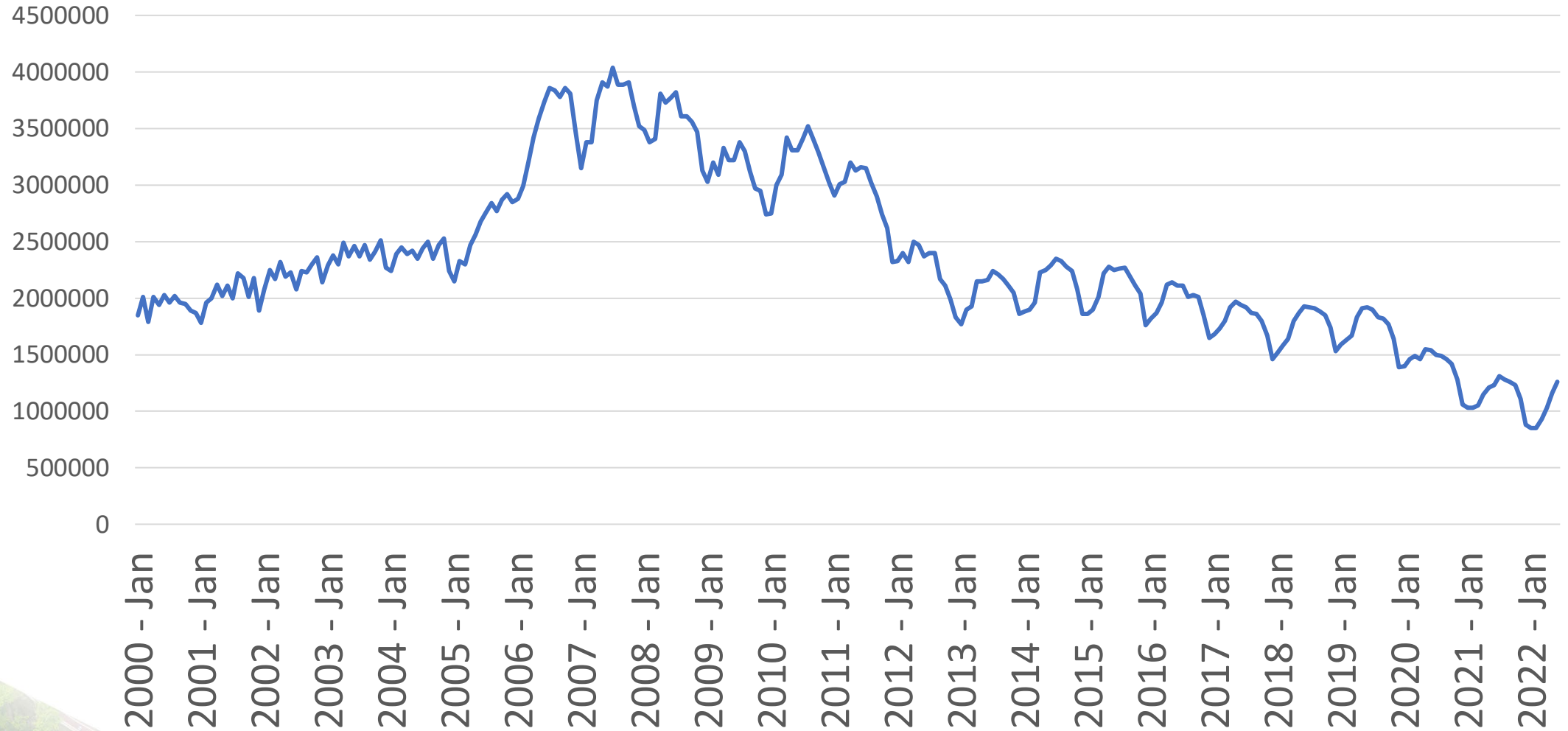
Source: REALTORS® Confidence Index: www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index

Price Adjustment on Ratified Contract from List Price



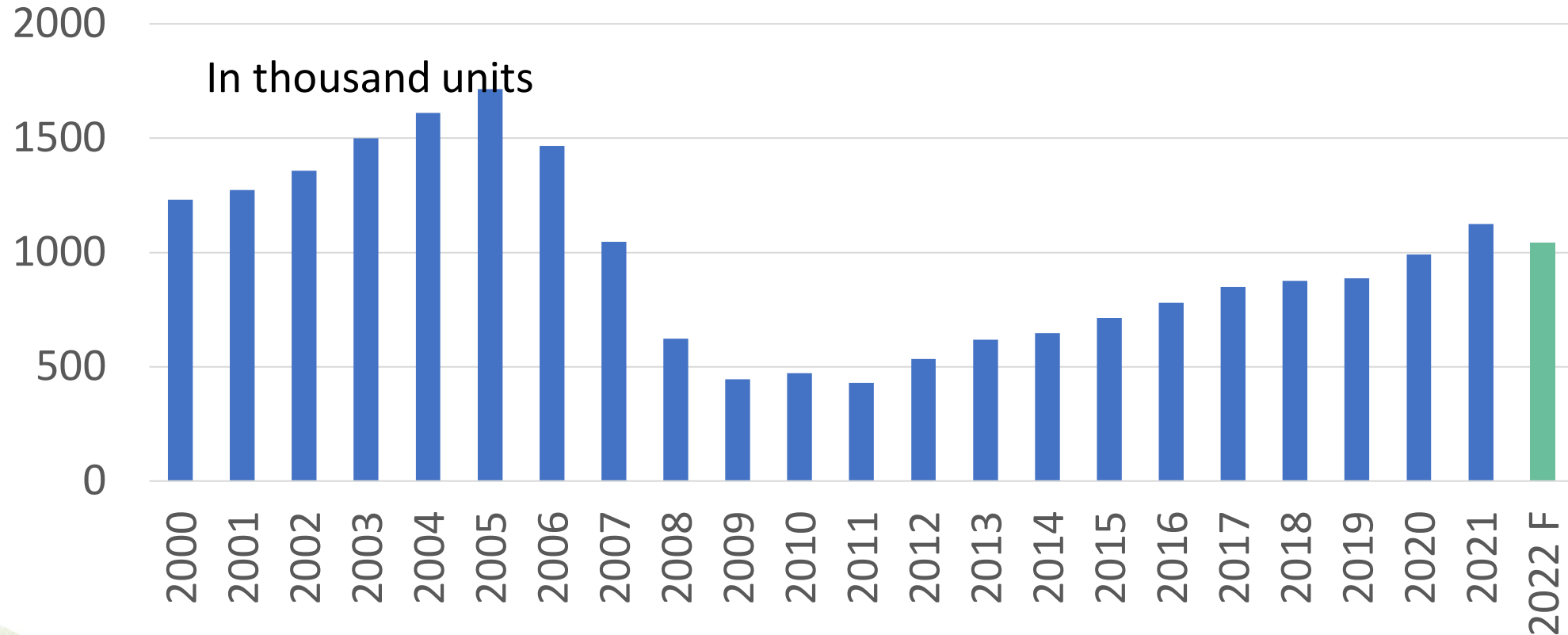
Source: NAR

Inventory ... Turning Higher but Still Inadequate



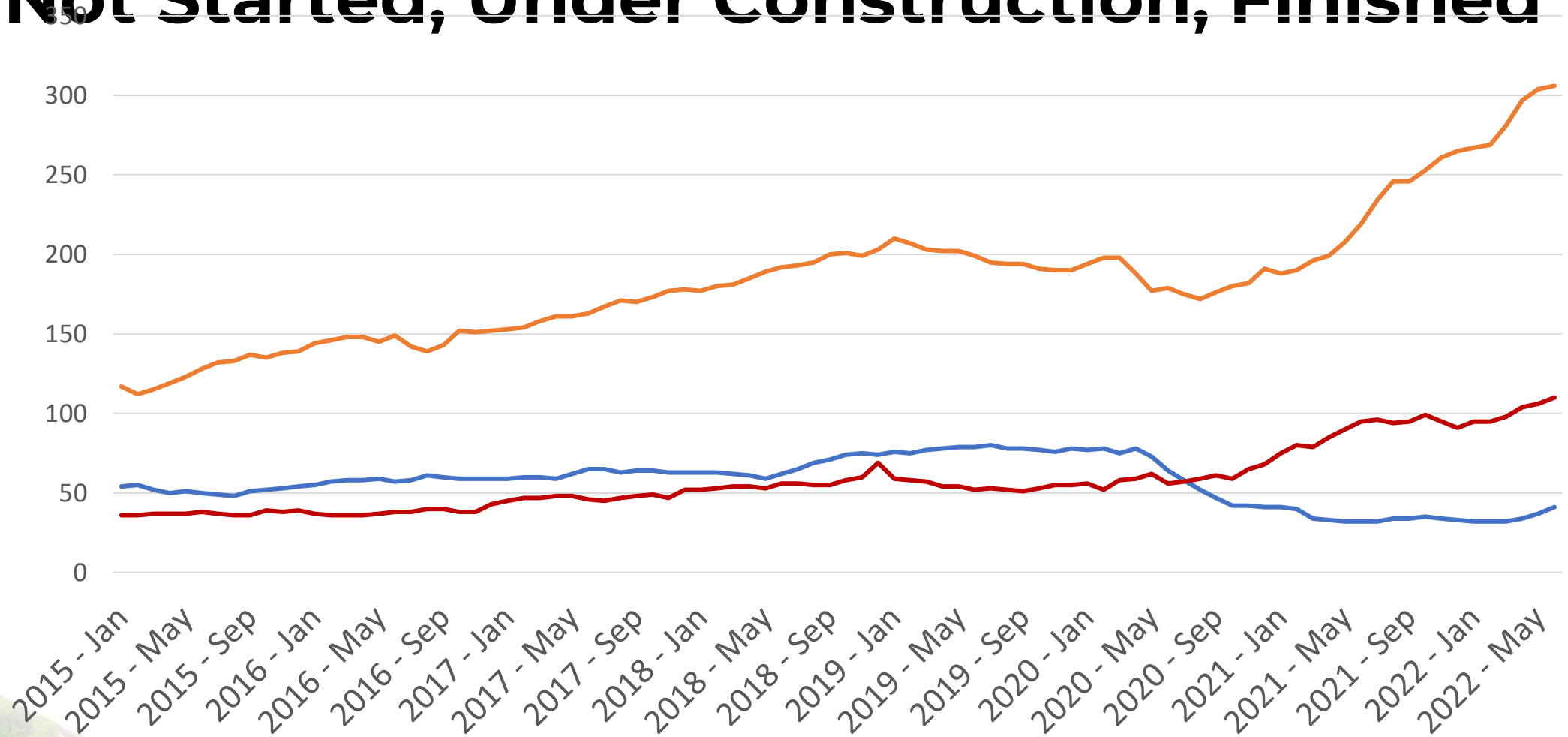
Source: NAR

Single-Family Housing Starts



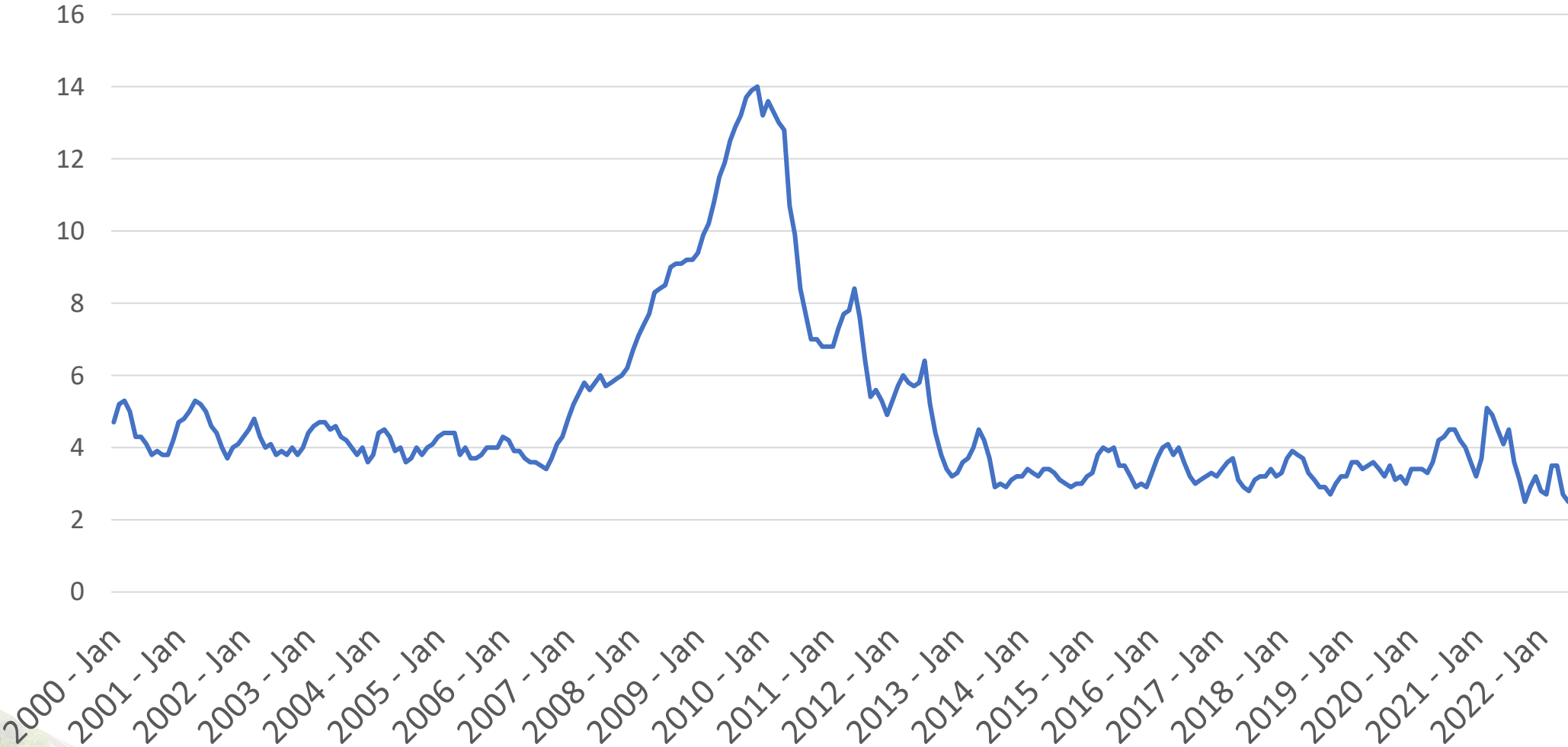
Source: HUD

Inventory of Newly Constructed Homes by: Not Started, Under Construction, Finished



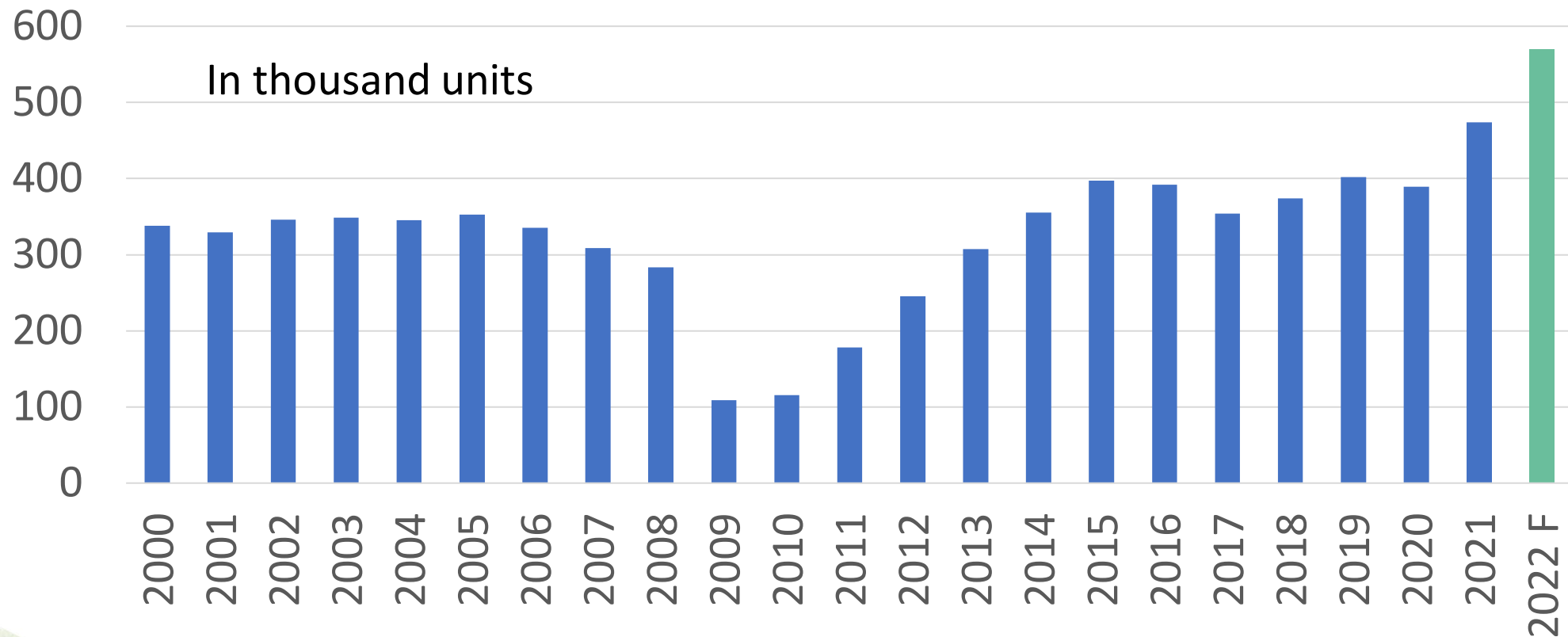
Source: HUD

Median Months to Sell after Completion



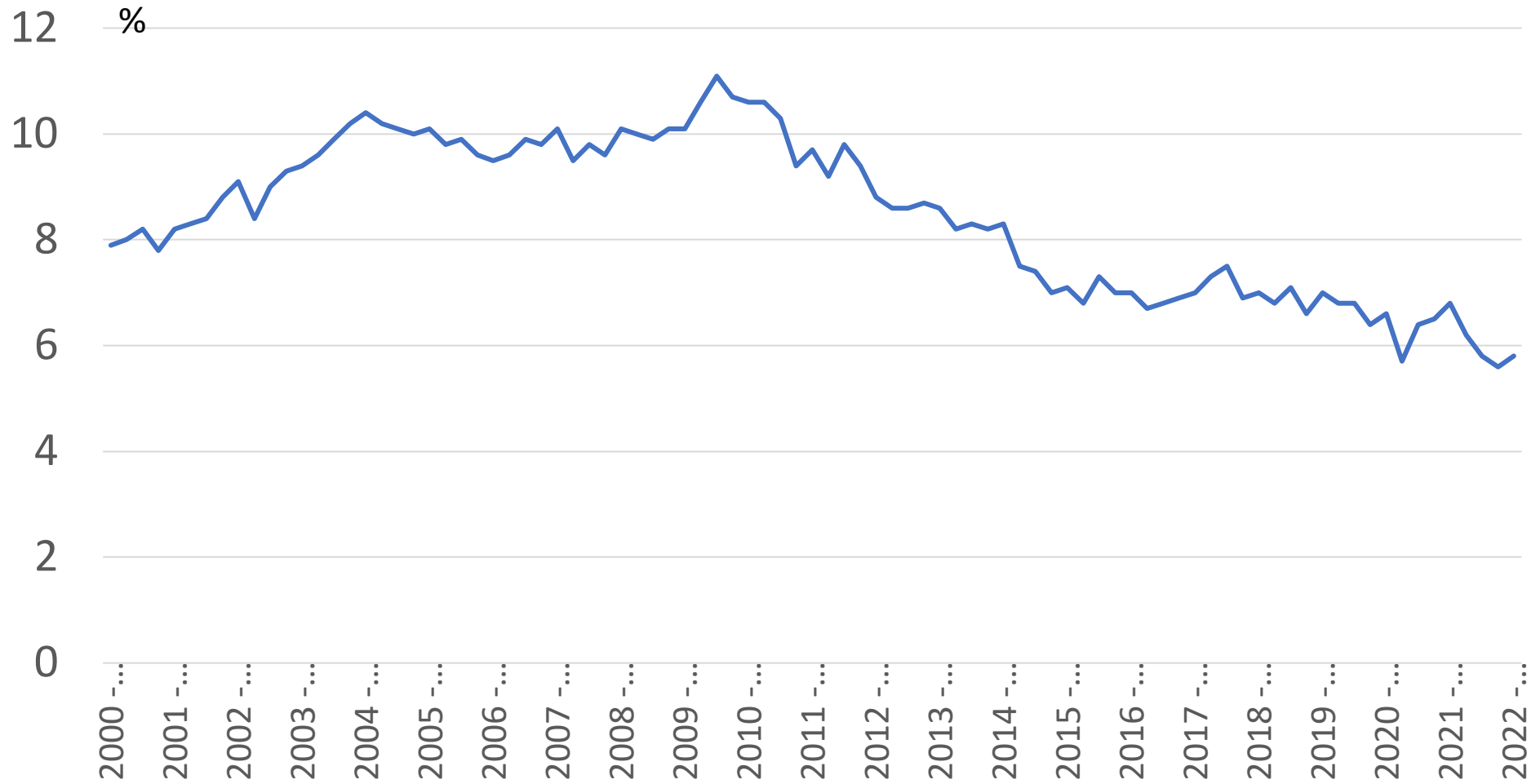
Source: HUD

Multifamily Housing Starts



Source: HUD

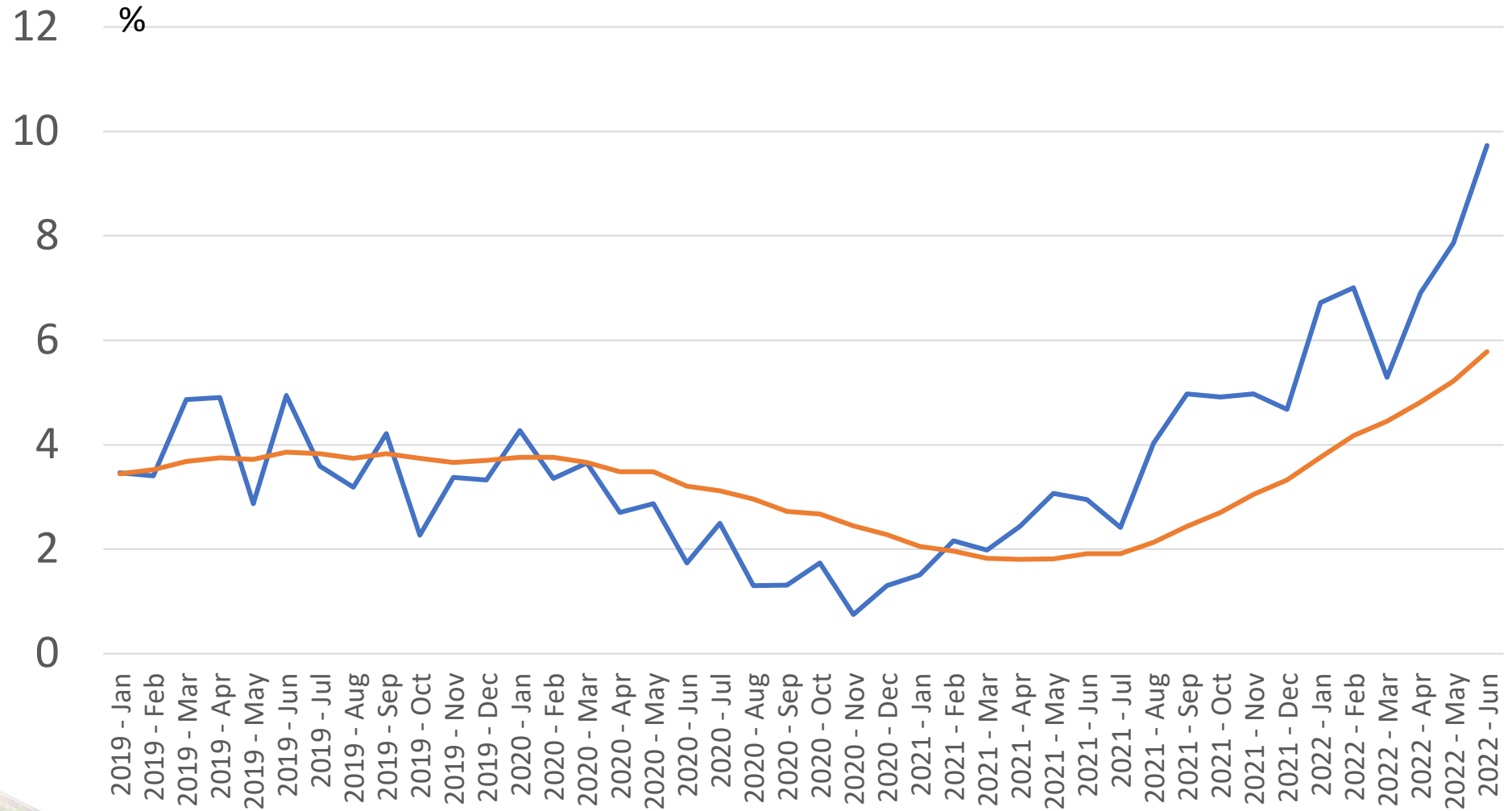
Rental Vacancy Rate



Source: BLS

Rental Rents Accelerating

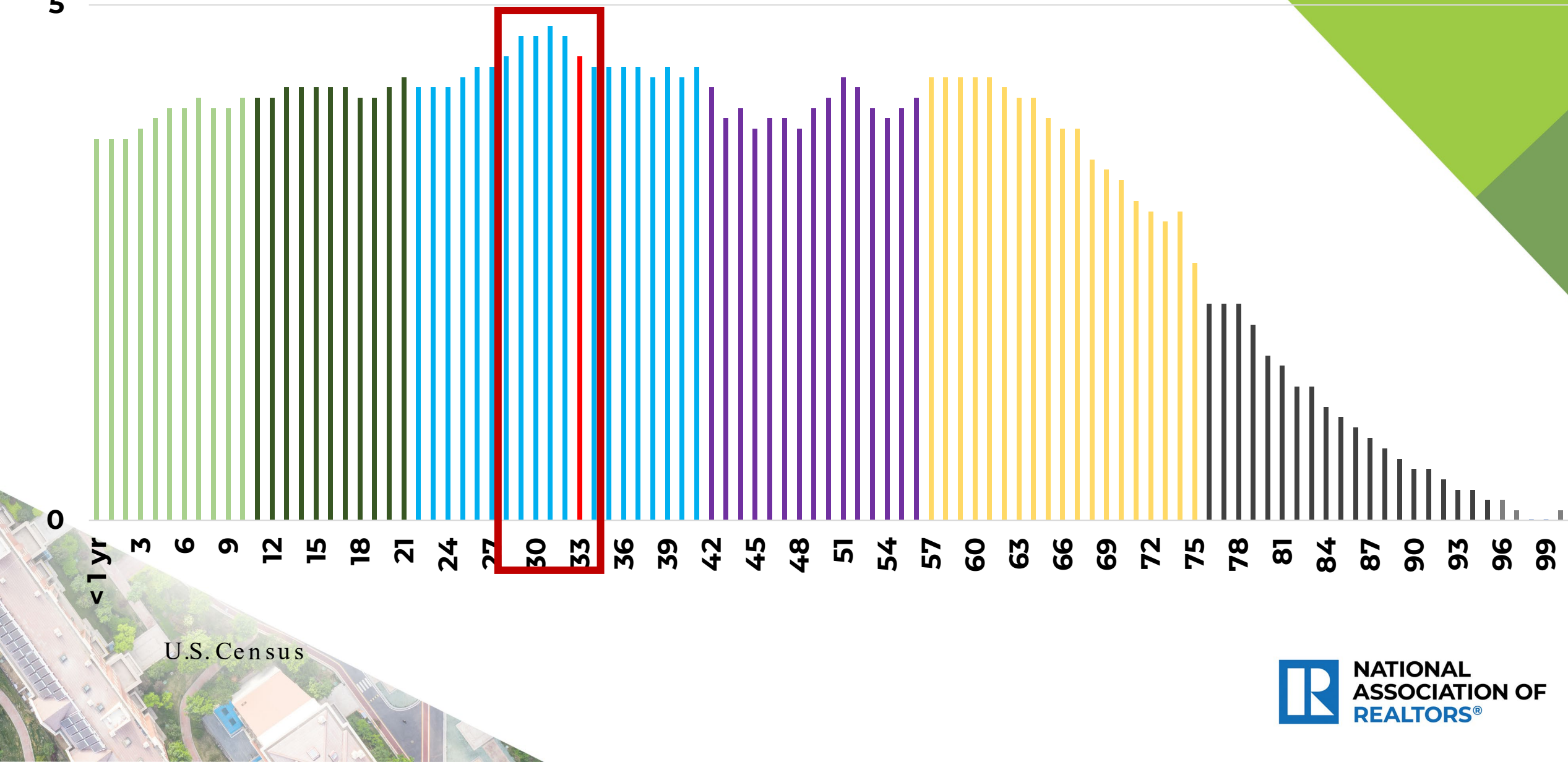
(from a year ago and annualized rate)



Source: BLS

U.S. Population by Age (in millions)

5



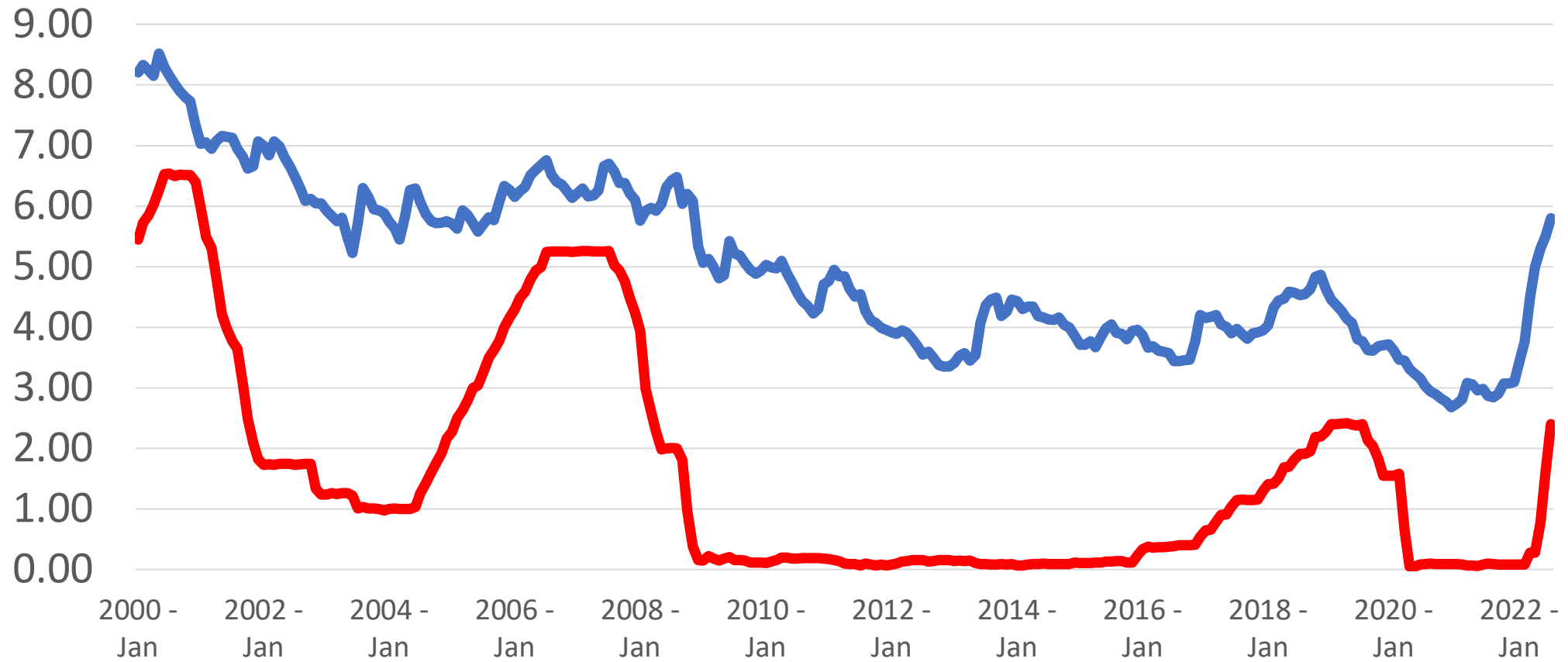
U.S. Census

First-time Buyers Still Suppressed



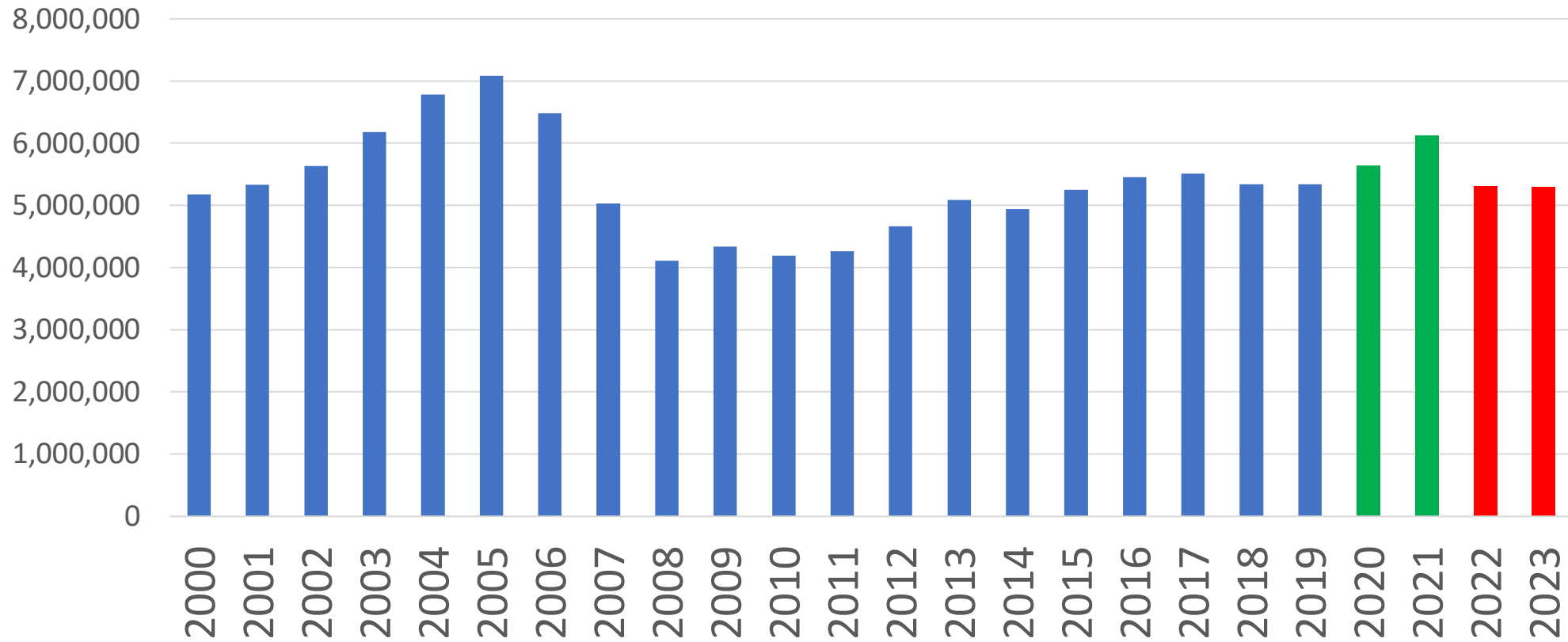
Source: REALTORS® Confidence Index: www.nar.realtor/research-and-statistics/research-reports/realtors-confidence-index

Fed Funds Rate and Mortgage Rate



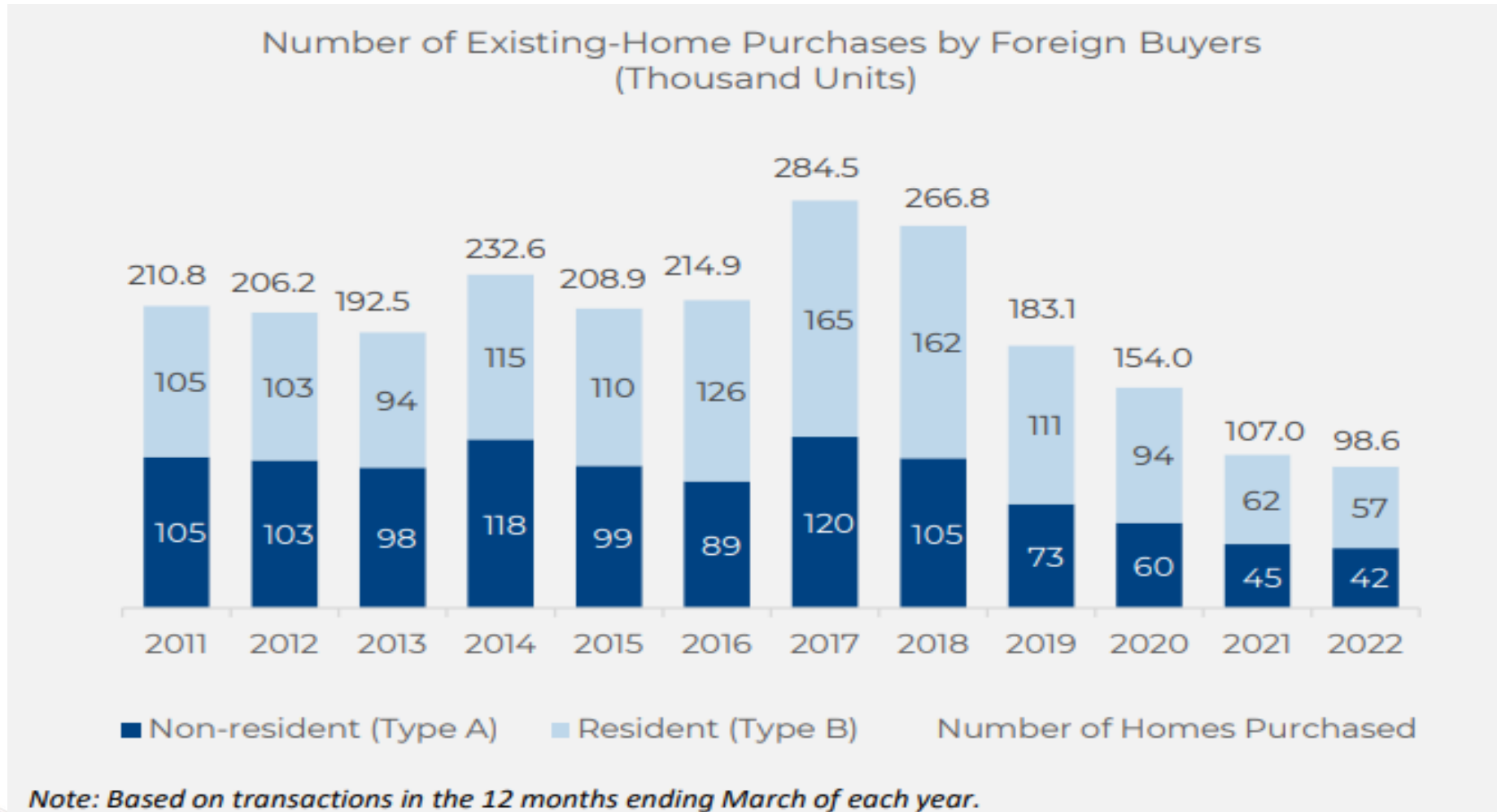
Source: Federal Reserve and Freddie Mac

Existing Home Sales - Annual



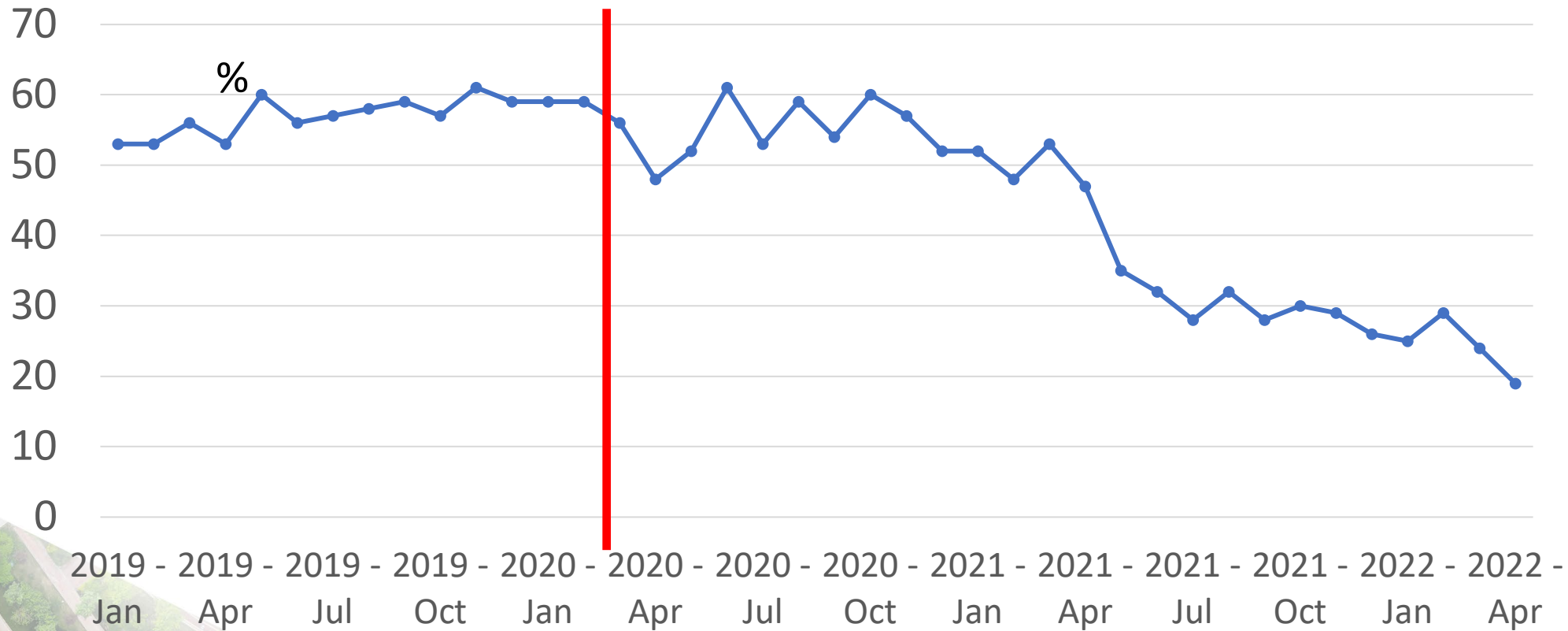
Source: NAR

Absent International Buyers



Source: NAR

Fannie Mae: Is It a Good Time to Buy?



Source: Fannie Mae

Is Buying a Home a Good Financial Investment?

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

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 forecast	-13%	+11%	-2%
2023 forecast	0%	+2%	+2%

Source: NAR

Thank You !

