



Market Update and Outlook

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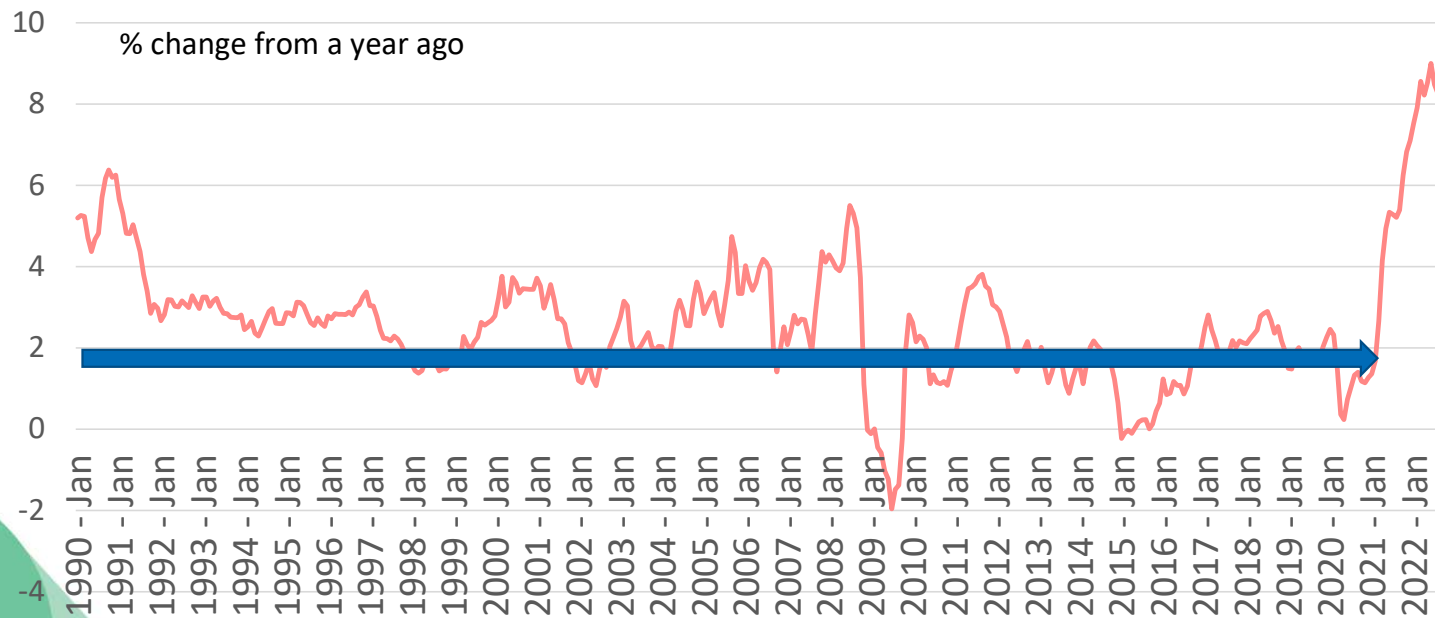
30-year Mortgage Rate from 1990



Source: Freddie Mac

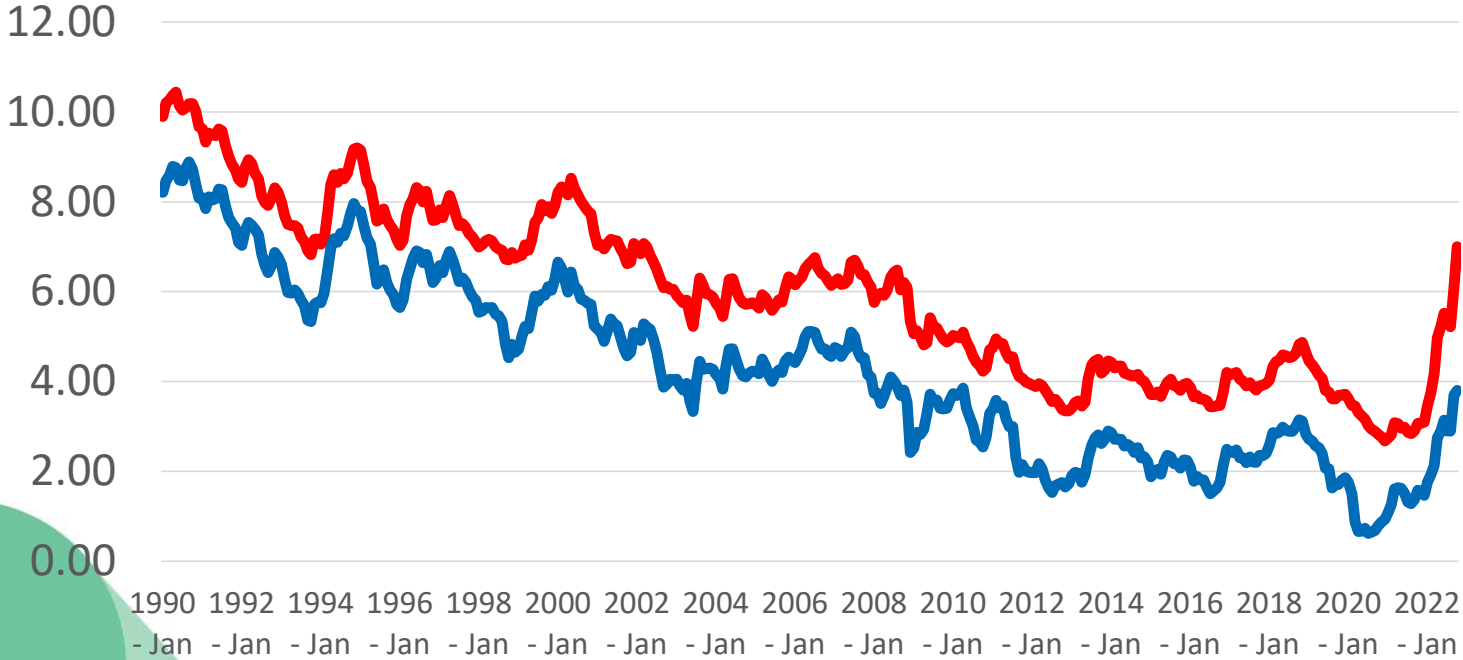
Consumer Price Inflation Rate

Above the 2% desired rate



Source: BLS

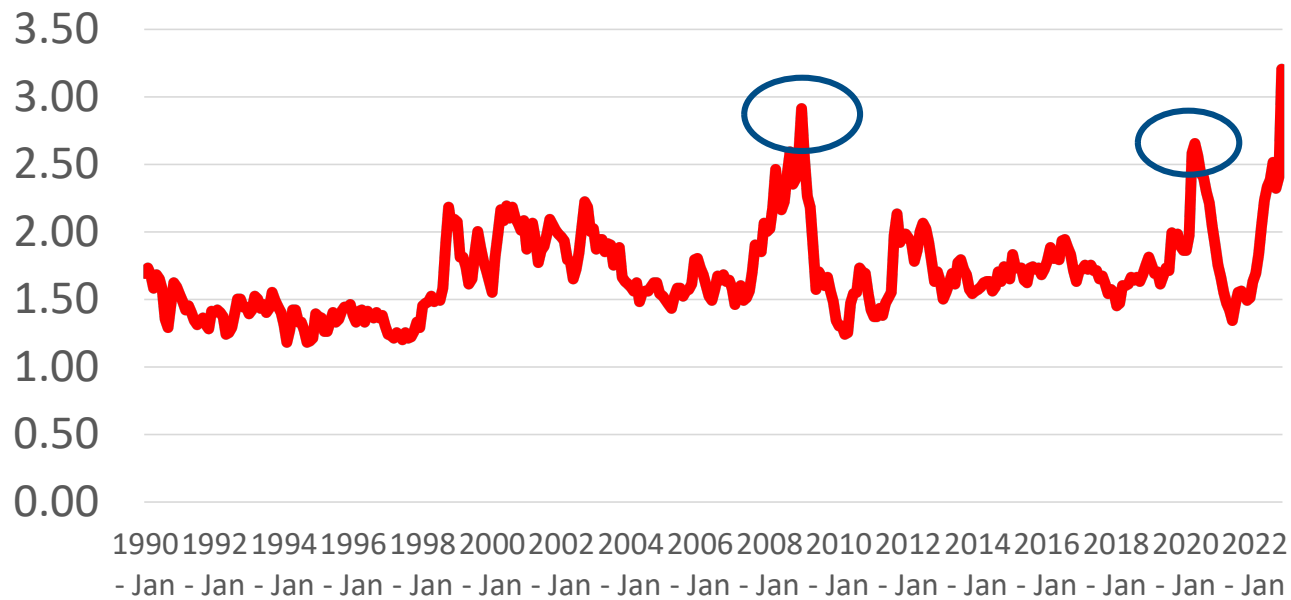
10-year Treasury Yields and 30-Year Mortgage Rates



Source: Freddie Mac and U.S. Treasury

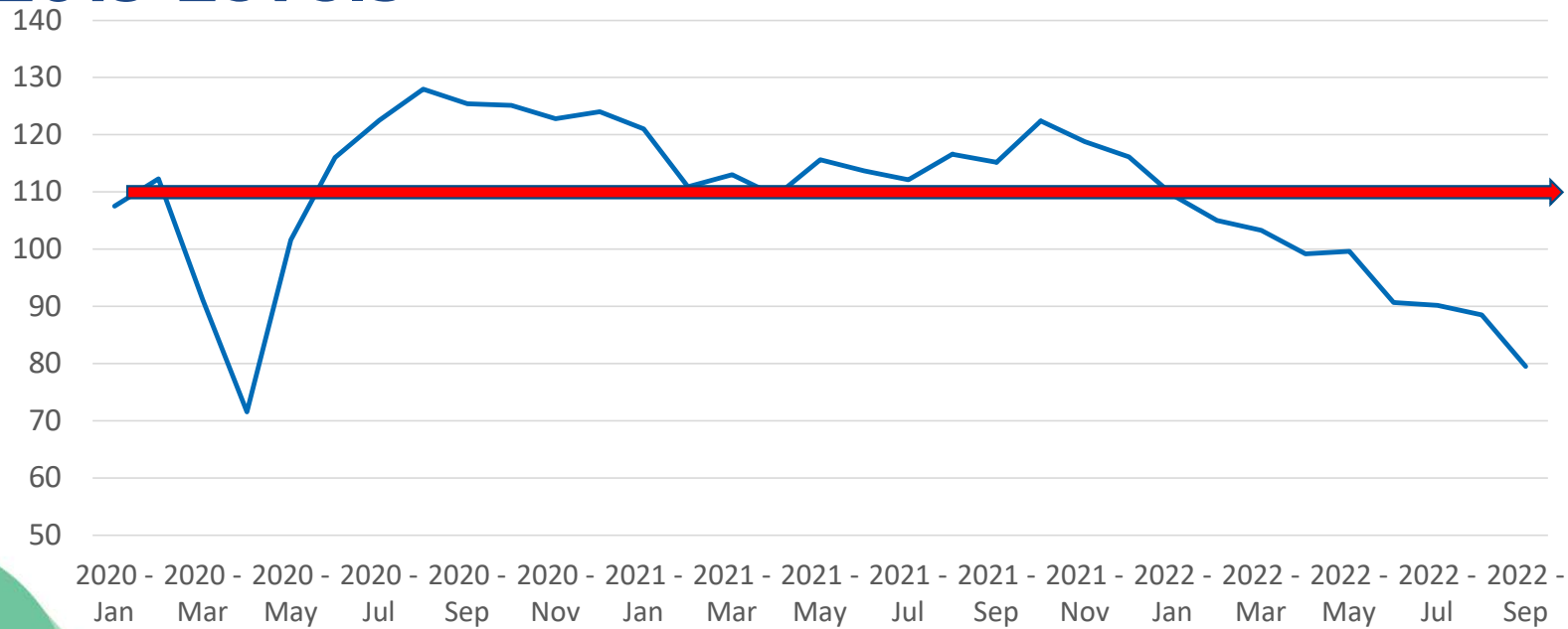


Abnormal Spread: 10-year Treasury and 30-Year Mortgage



Source: NAR Analysis

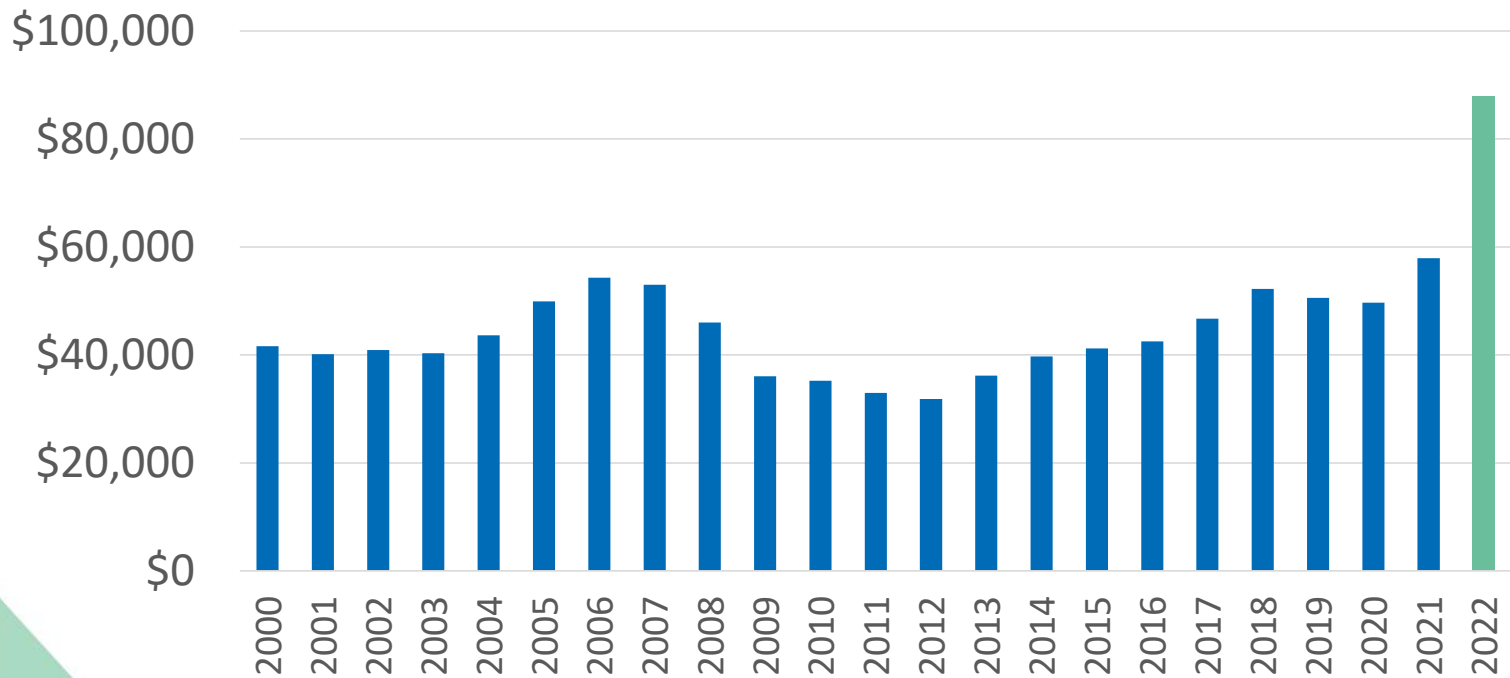
Pending Home Sales Index ... Sinking Below 2019 Levels



Source: NAR



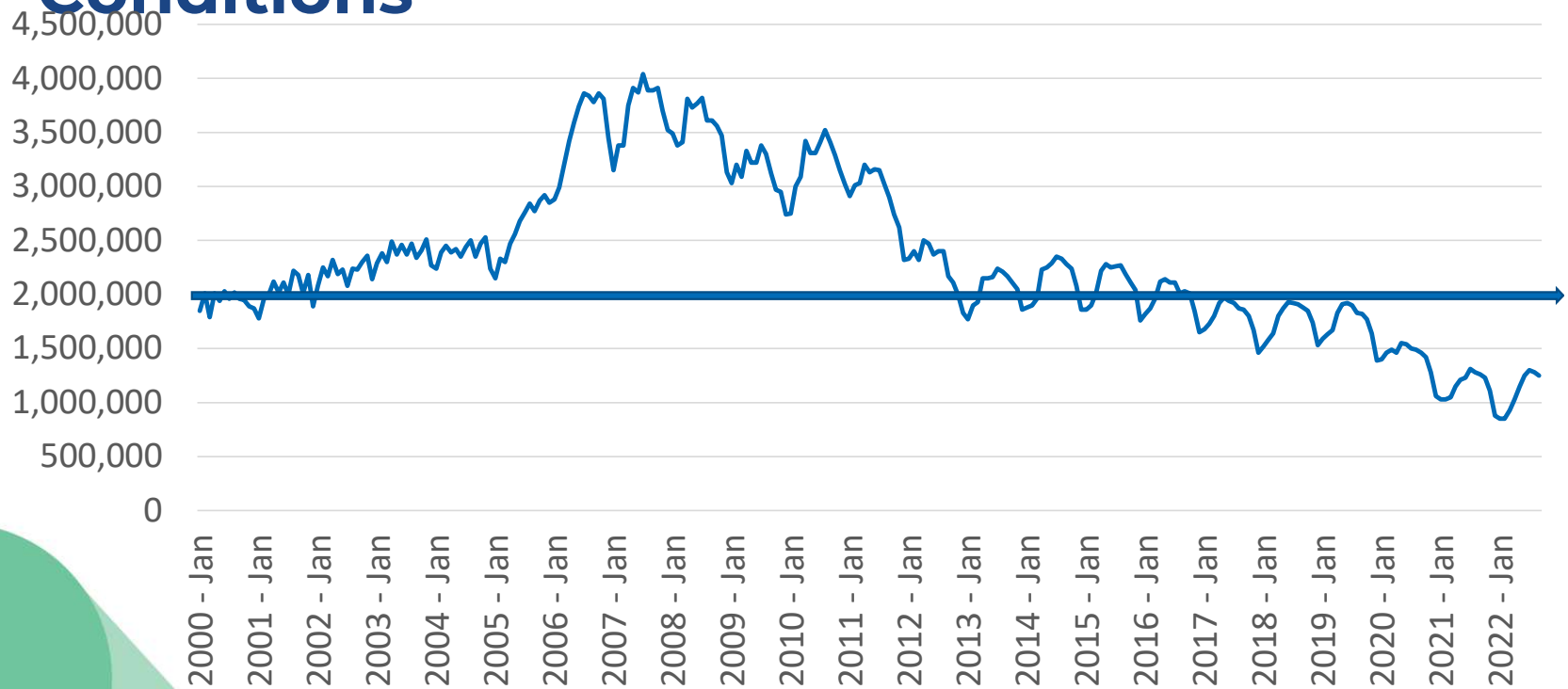
Median Income to Buy a Middle Home



Source: NAR

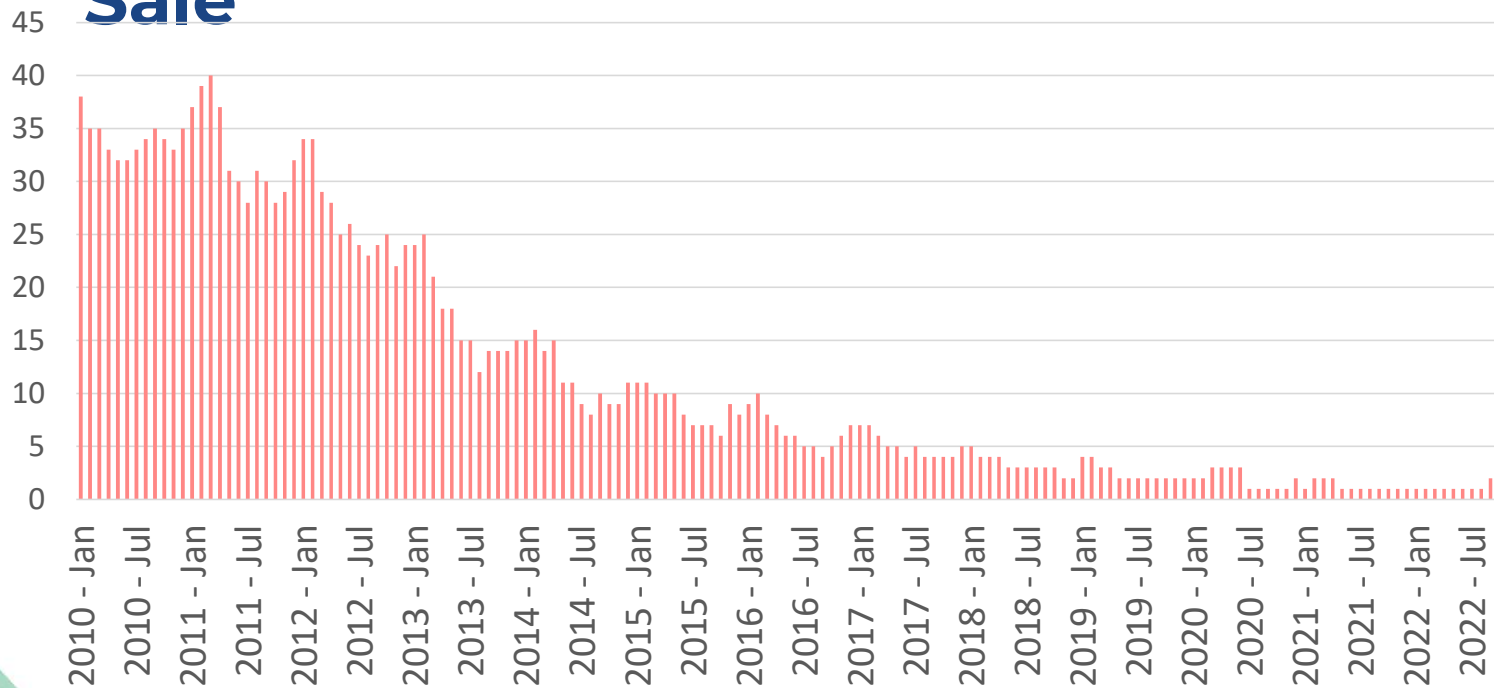


Inventory of Homes Rising from Super Tight Conditions



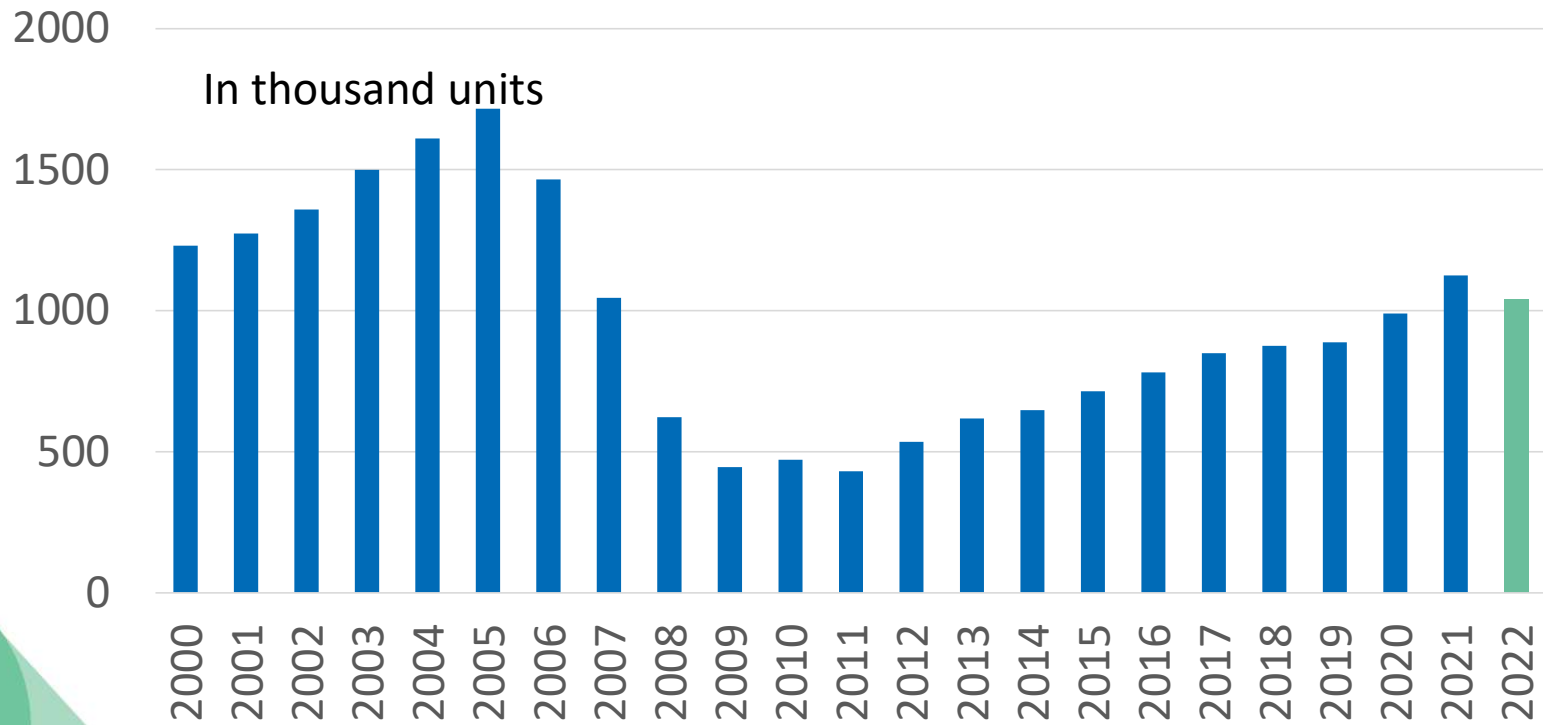
Source: NAR

% of Homes Sold as Foreclosed or Short Sale



Source: NAR

Single-Family Housing Starts



Source: Census/HUD

42% of Homes are Sold at or above List Price

58% of Homes are shaving from List Price

Days on Market	Price Shaving from Active Listings	Price Shavings from Pending Listings	Price Shavings from Sold Listings in October
0 to 7	5.0%	5.9%	5.0%
8 to 14	4.5%	5.3%	5.4%
15 to 21	4.6%	5.5%	6.1%
22 to 30	5.0%	5.7%	6.8%
31 to 60	5.9%	6.8%	8.3%
61 to 90	7.3%	8.4%	10.8%
91 to 120	8.6%	10.0%	12.7%
120 +	10.6%	11.7%	15.8%

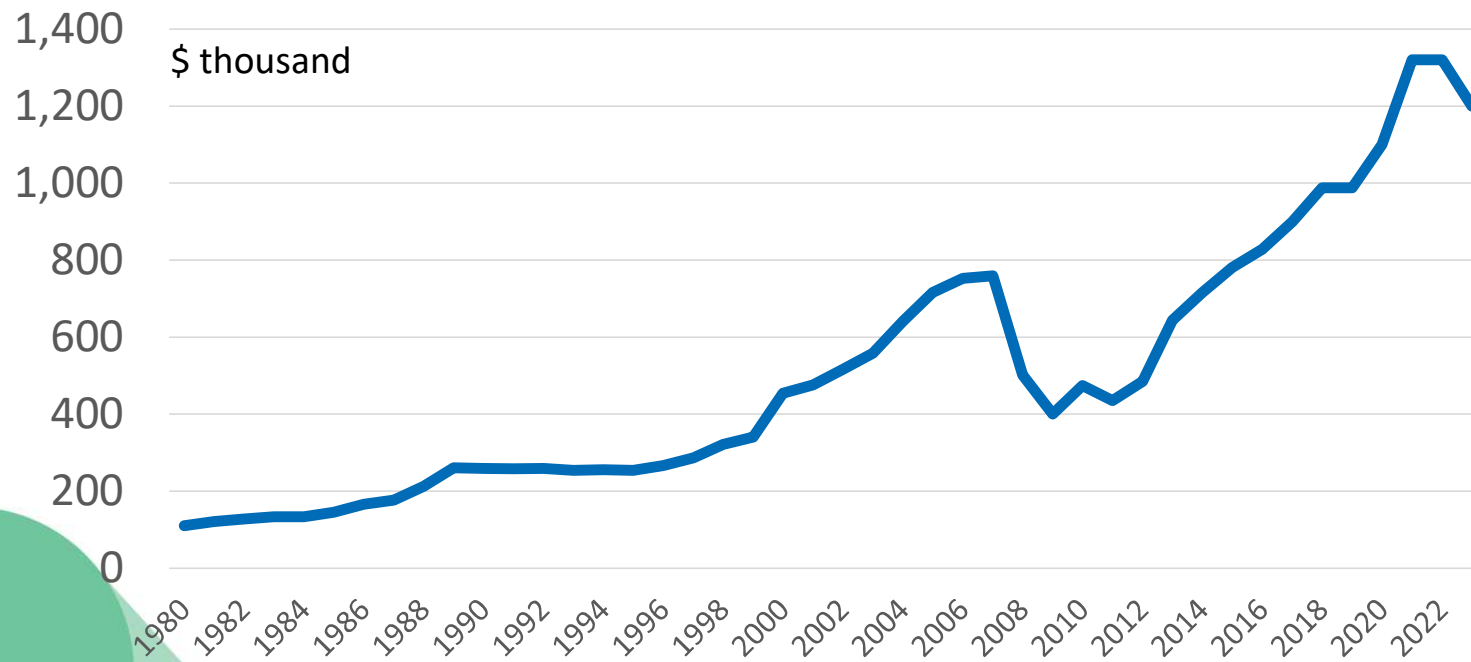
Source: NAR

Market Data ... First week of November

Market Summary	% vs 2021
Median Sale Price	6.3%
Home Sold	-28.5%
New Contracts	-38.7%
Sale to List Price%	96.1%
Median DOM	22 days
Active Listings	28.5%
New Fresh Listings	-19.4%

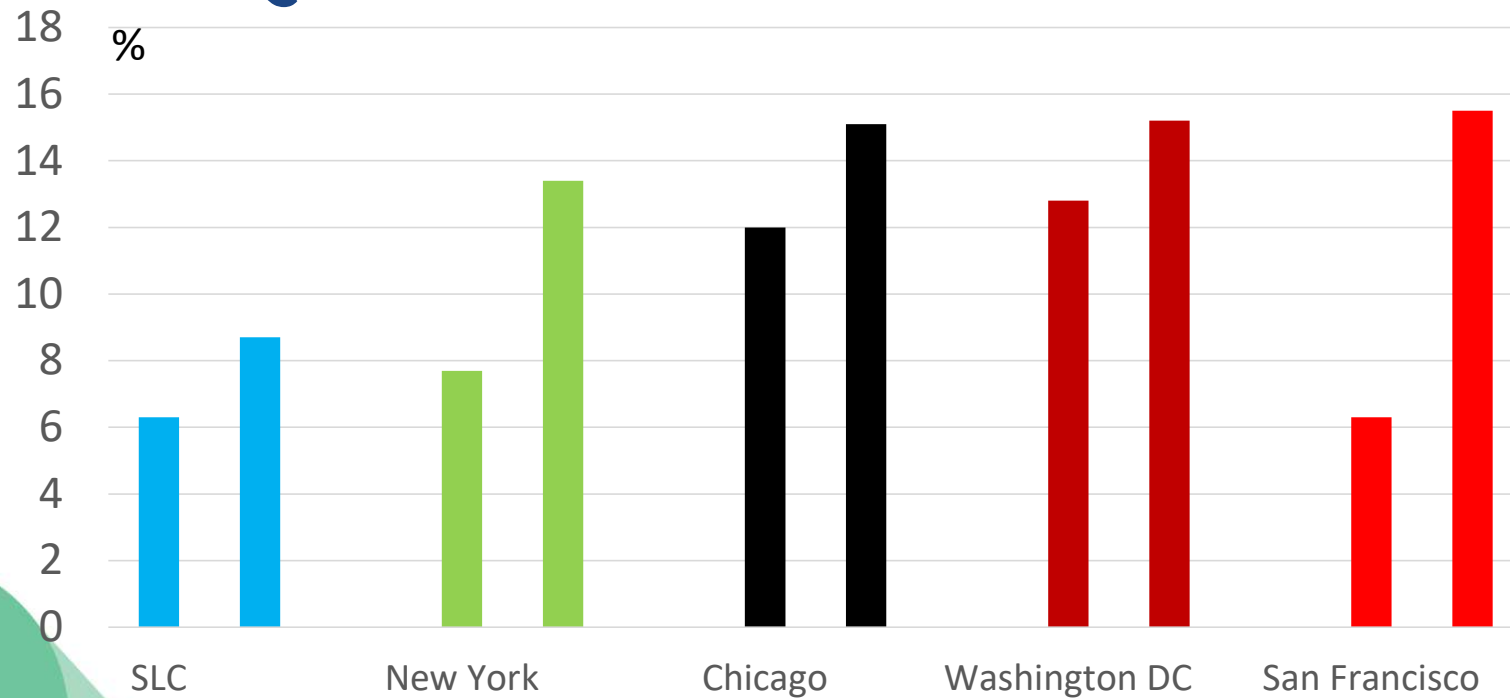
Source: NAR

Median Home Price in SF-Oakland ... Most Vulnerable to Meaningful Price Decline



Source: NAR

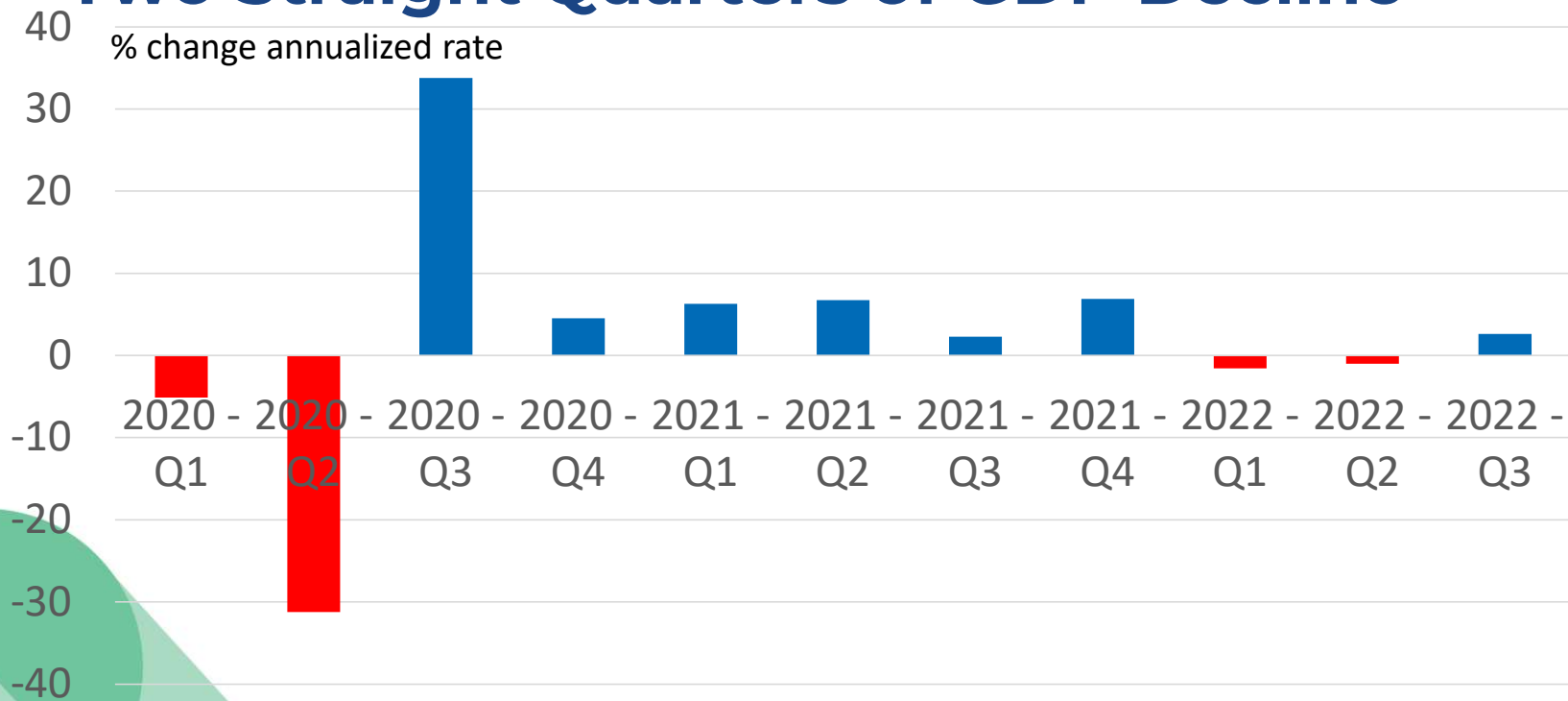
Office Vacancy Rate ... Pre-Covid vs. 2022 Q3



Source: CoStar

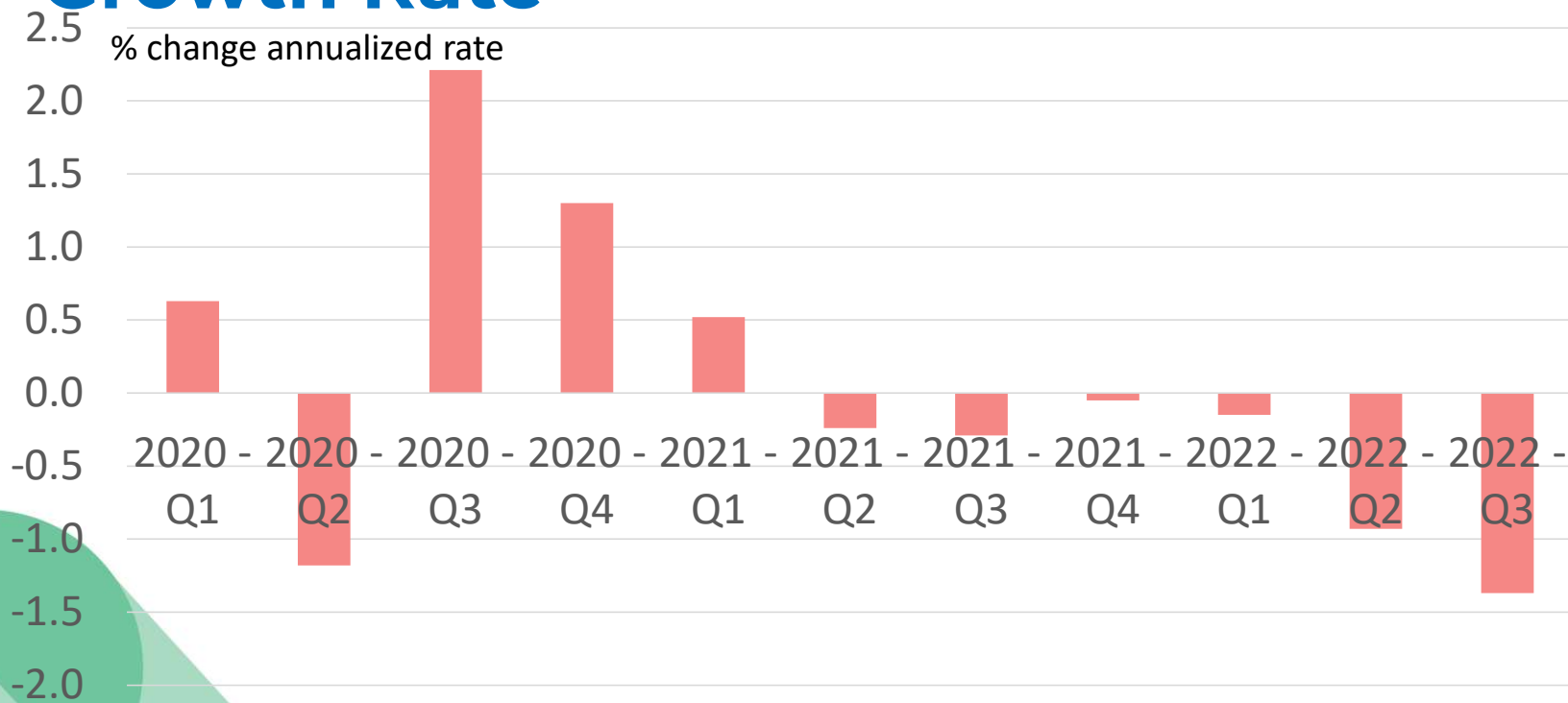
Recession or Not? Why Fuss Over Small Numbers?

Two Straight Quarters of GDP Decline



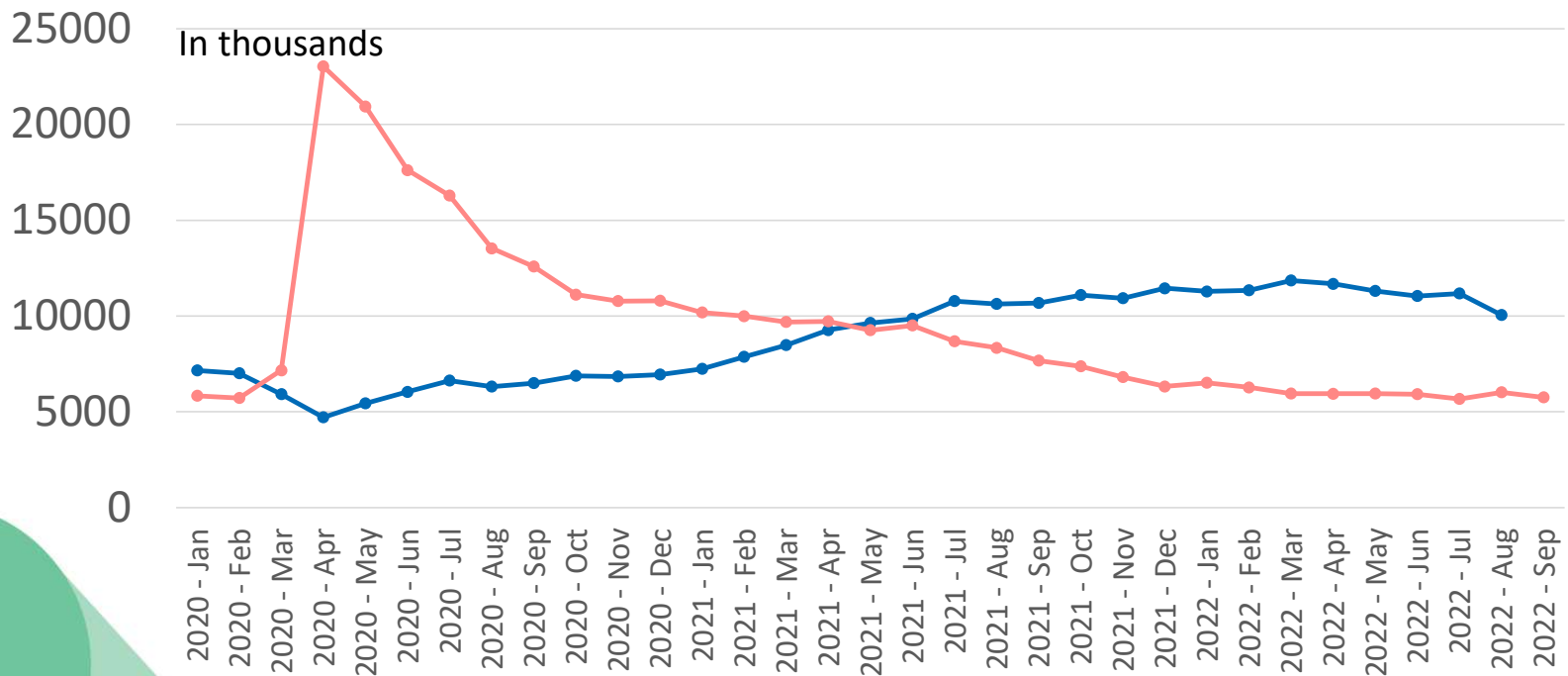
Source: Dept. of Commerce

Residential Investment Cutting GDP Growth Rate



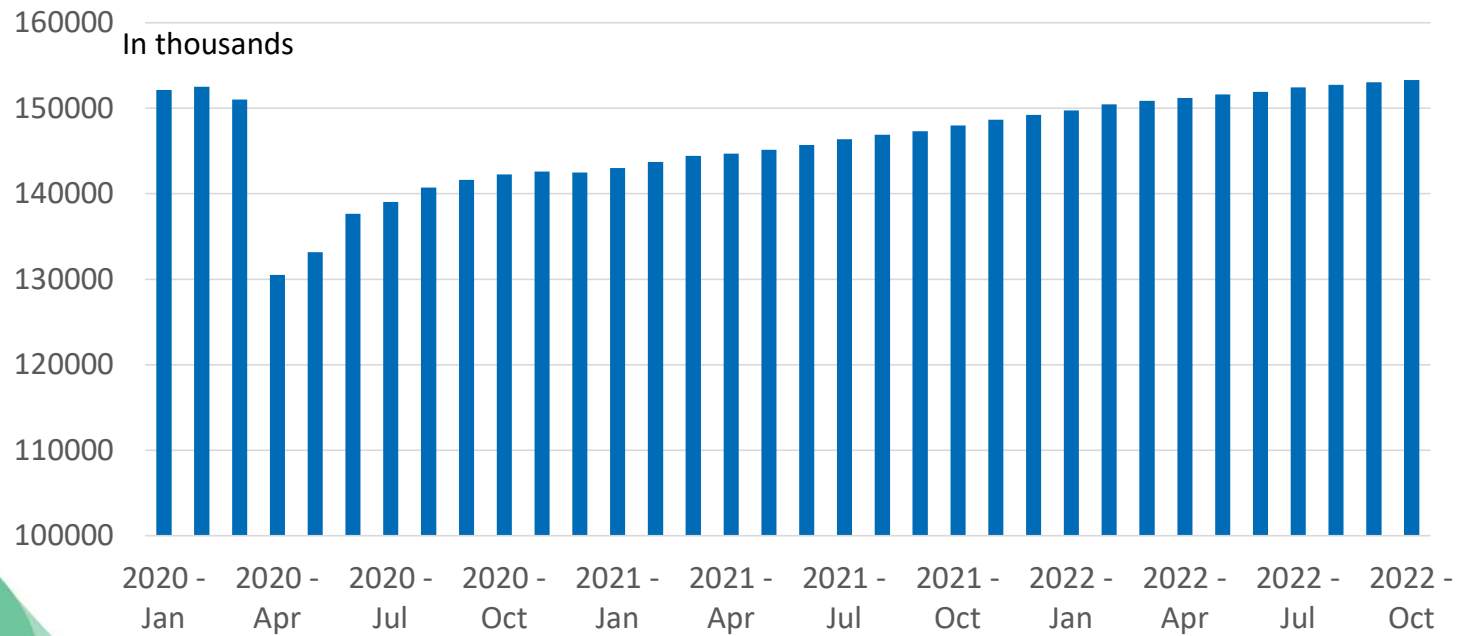
Source: Dept. of Commerce

Bizarre Recession: Job Openings > Unemployed



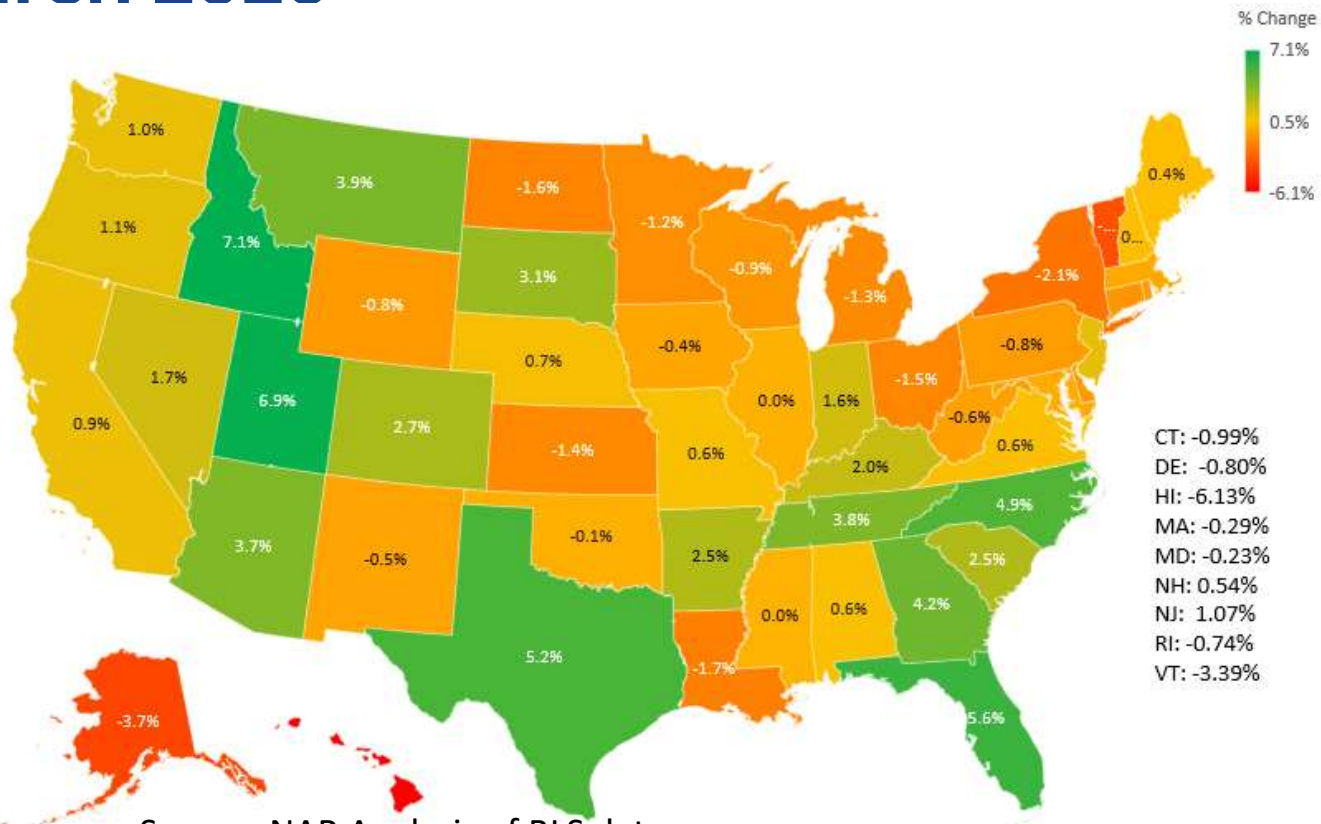
Source: BLS

Payroll Jobs as of October 2022



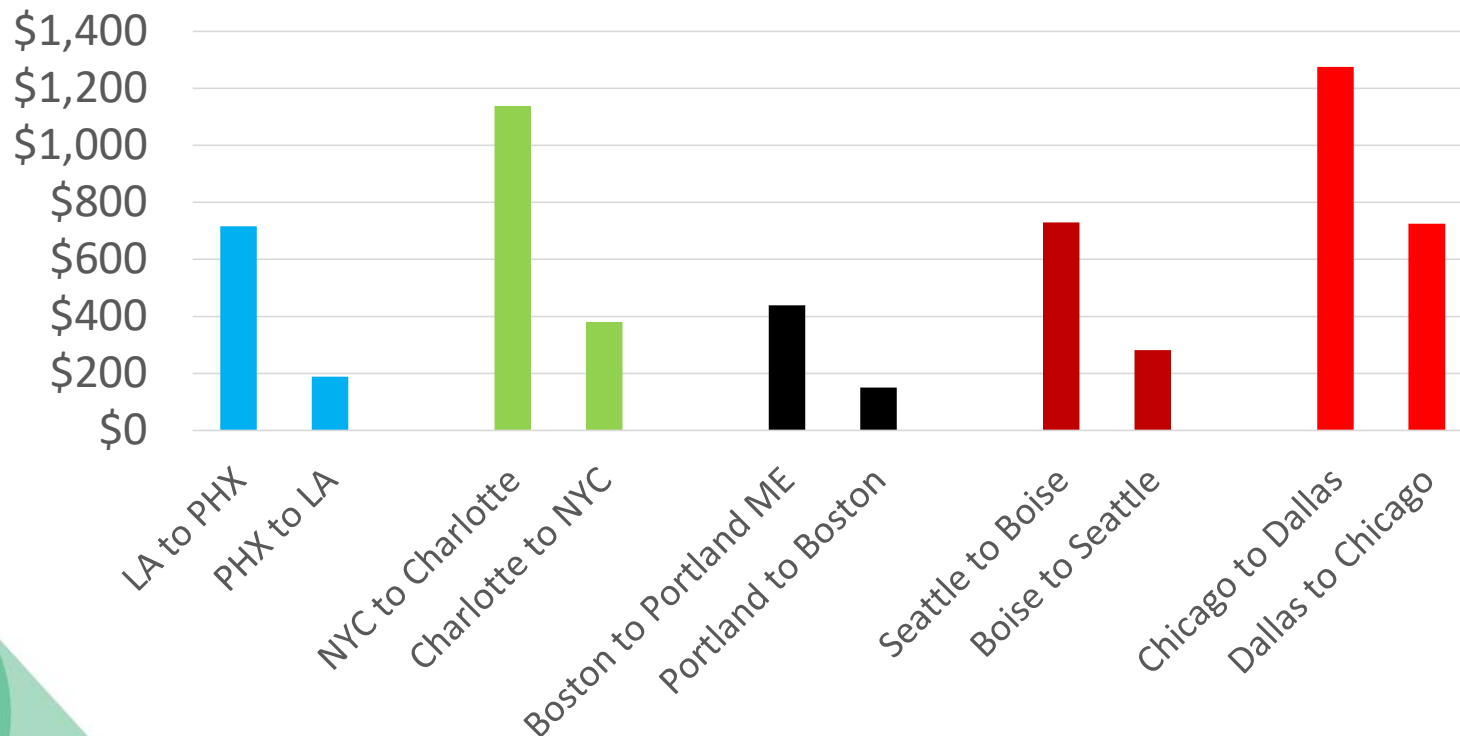
Source: BLS

Payroll Jobs: September 2022 versus March 2020



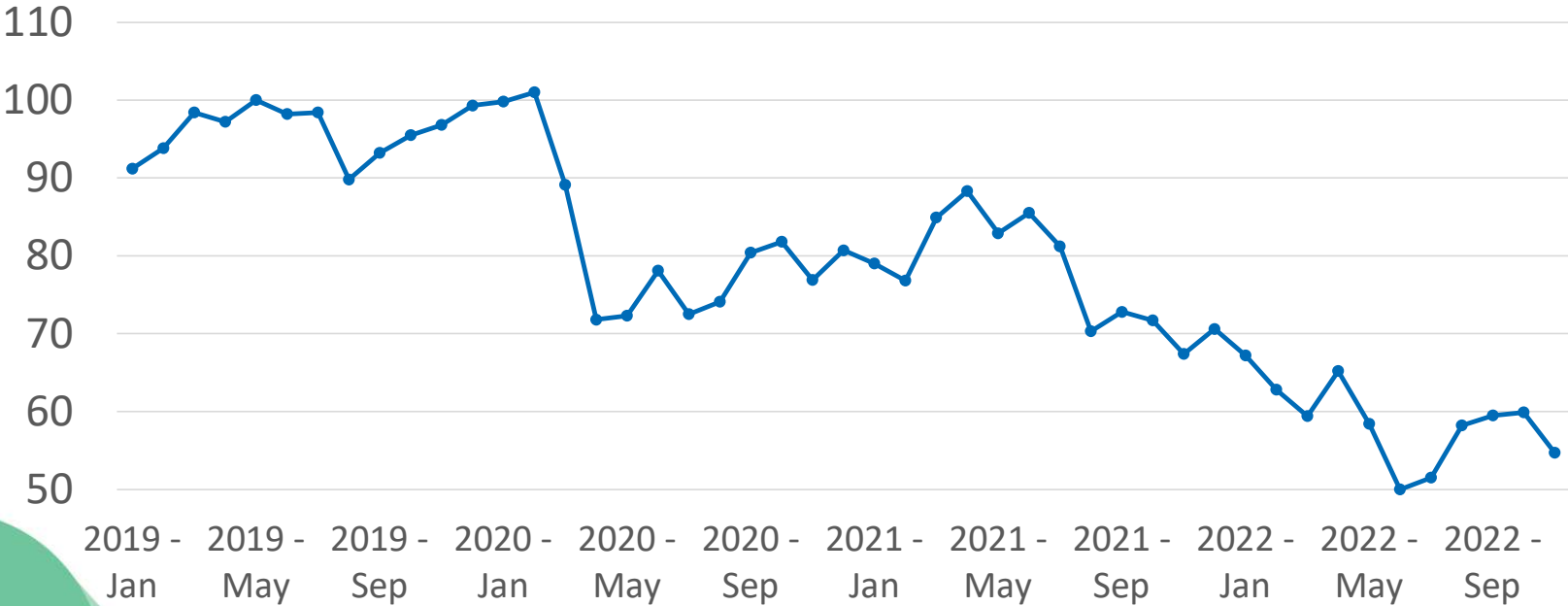
Source: NAR Analysis of BLS data

U-Haul Rates for 10 feet Moving Truck



Source: NAR Analysis of U-Haul data

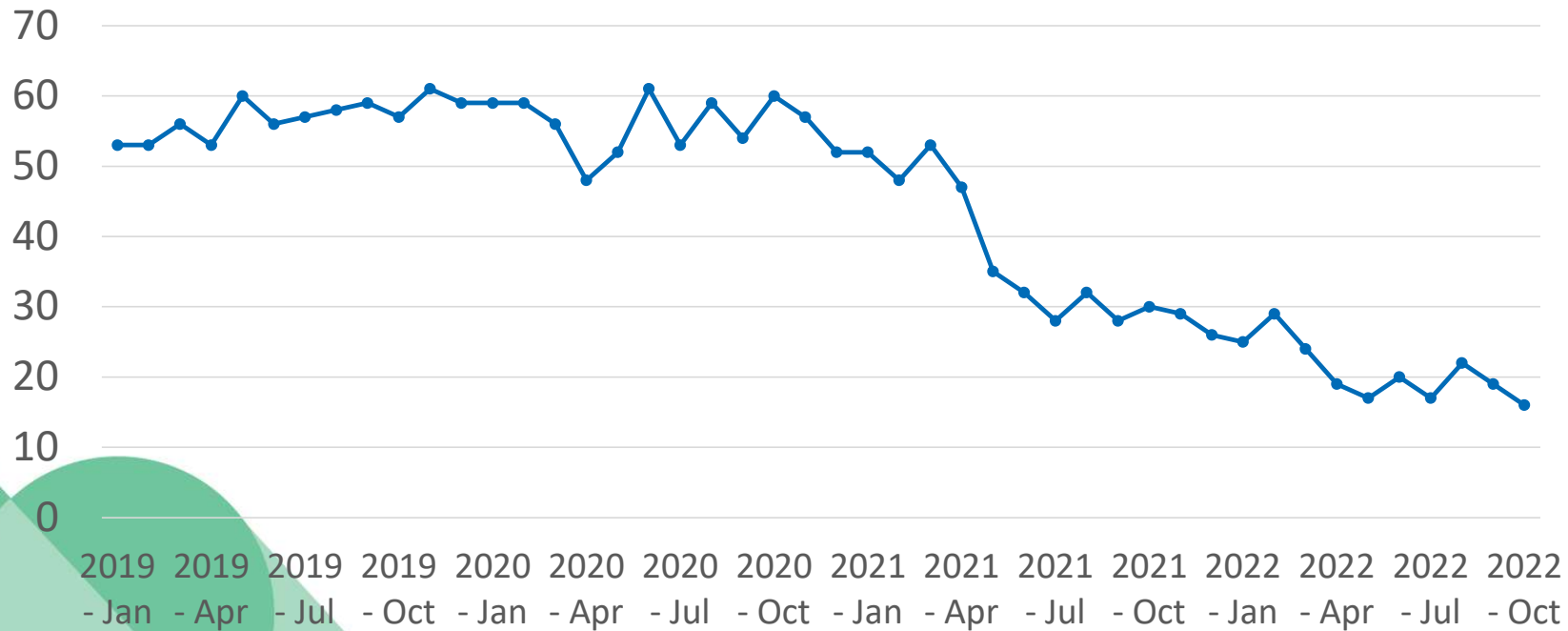
Consumer Sentiment Index



Source: University of Michigan



Fannie Mae Survey: Is it a good time to buy?



Source: Fannie Mae

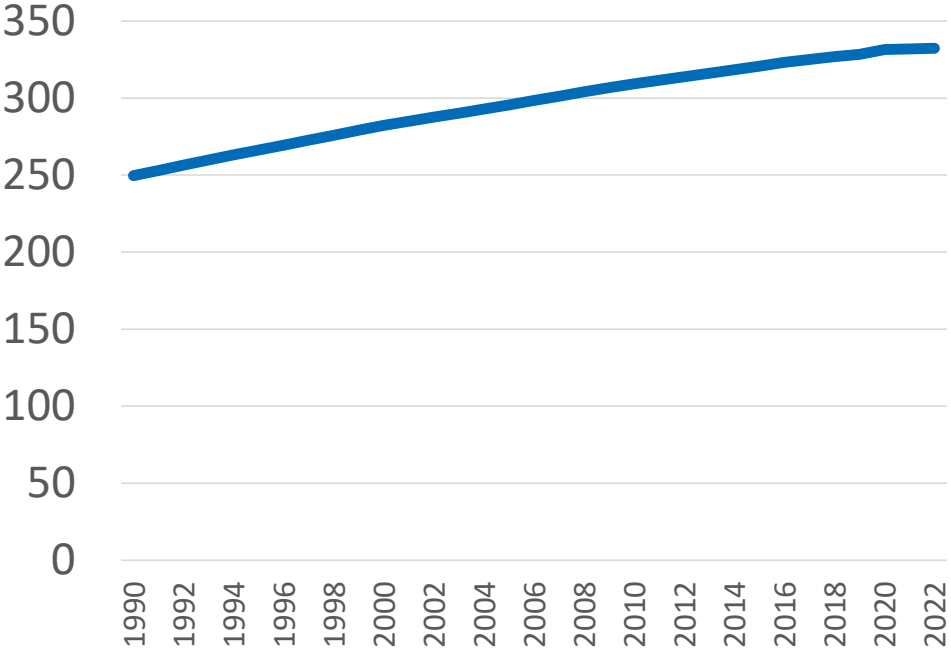
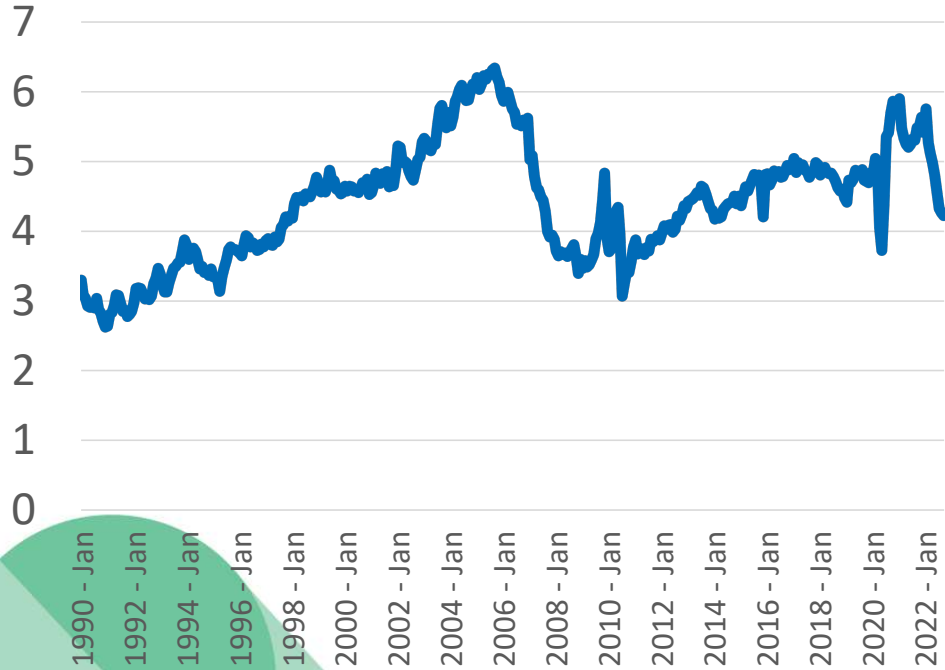


Inflation Benefits Debtors? Declining % of income towards mortgage over time

	Monthly Payment on Mortgage Debt \$350,000 at 7%	Monthly Salary growing at 5% growth	% of salary towards mortgage
2022	\$2329	\$6667	35%
2023	\$2329	\$7000	33%
2024	\$2329	\$7350	32%
2025	\$2329	\$7718	30%
2026	\$2329	\$8104	29%
2027	\$2329	\$8509	27%
2028	\$2329	\$8934	26%
2029	\$2329	\$9381	25%
2030	\$2329	\$9850	24%

Source: NAR

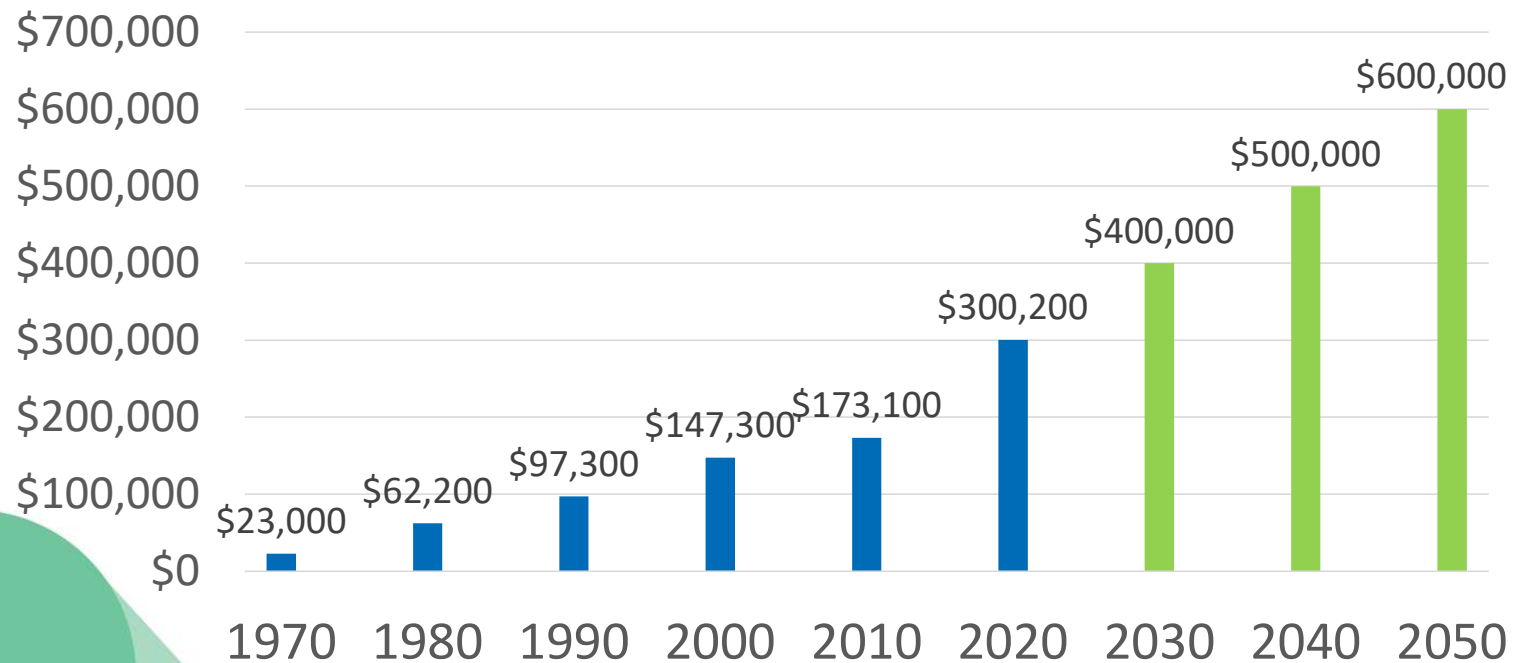
Existing Home Sales and Population



Source: NAR and Census



U.S. Median Home Price and Future?



Source: NAR

Nationwide 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	-15%	+10%	-5%
2023 forecast	-7%	+1%	-6%
2024 forecast	+10%	+5%	+15%

Source: NAR

Thank You !