

Market Update and Outlook

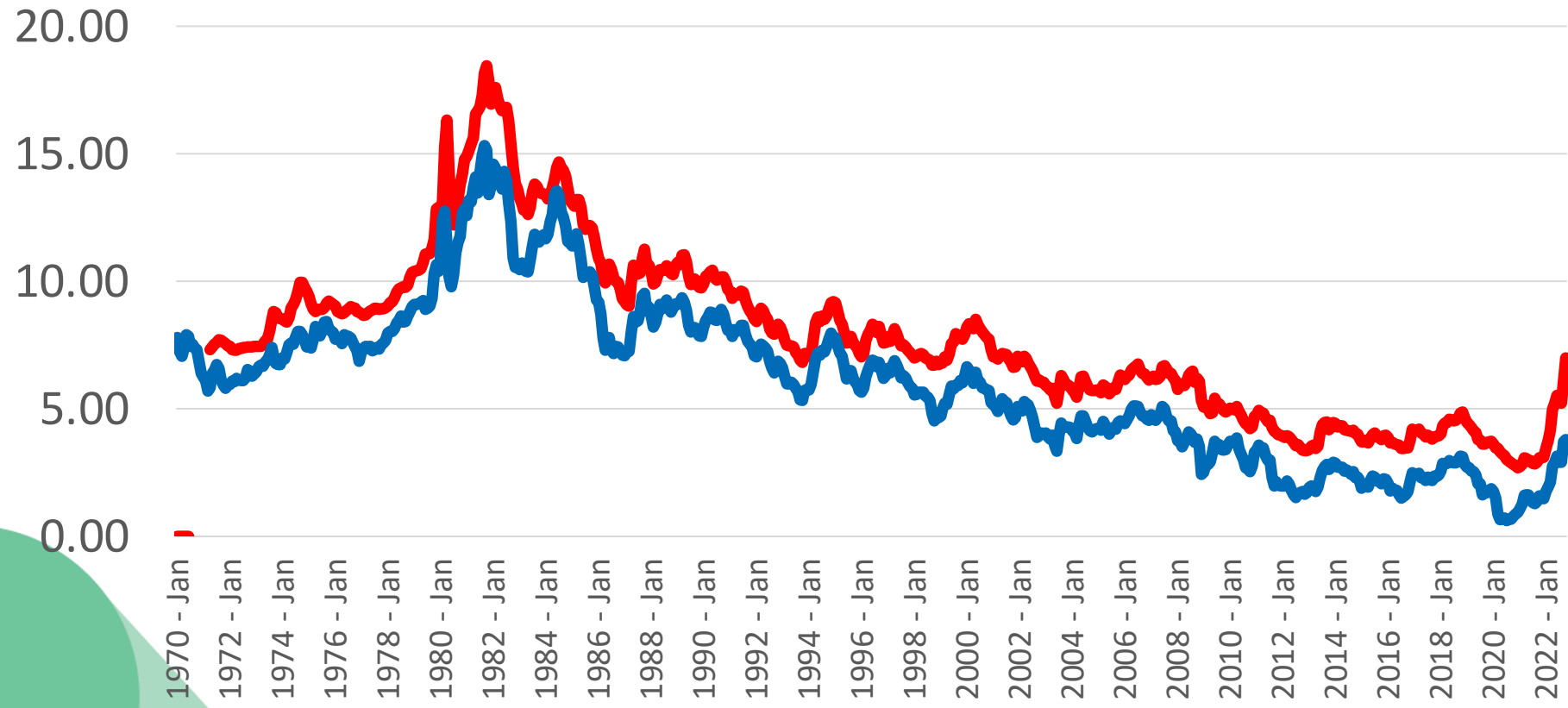
Lawrence Yun, Ph.D.

Chief Economist

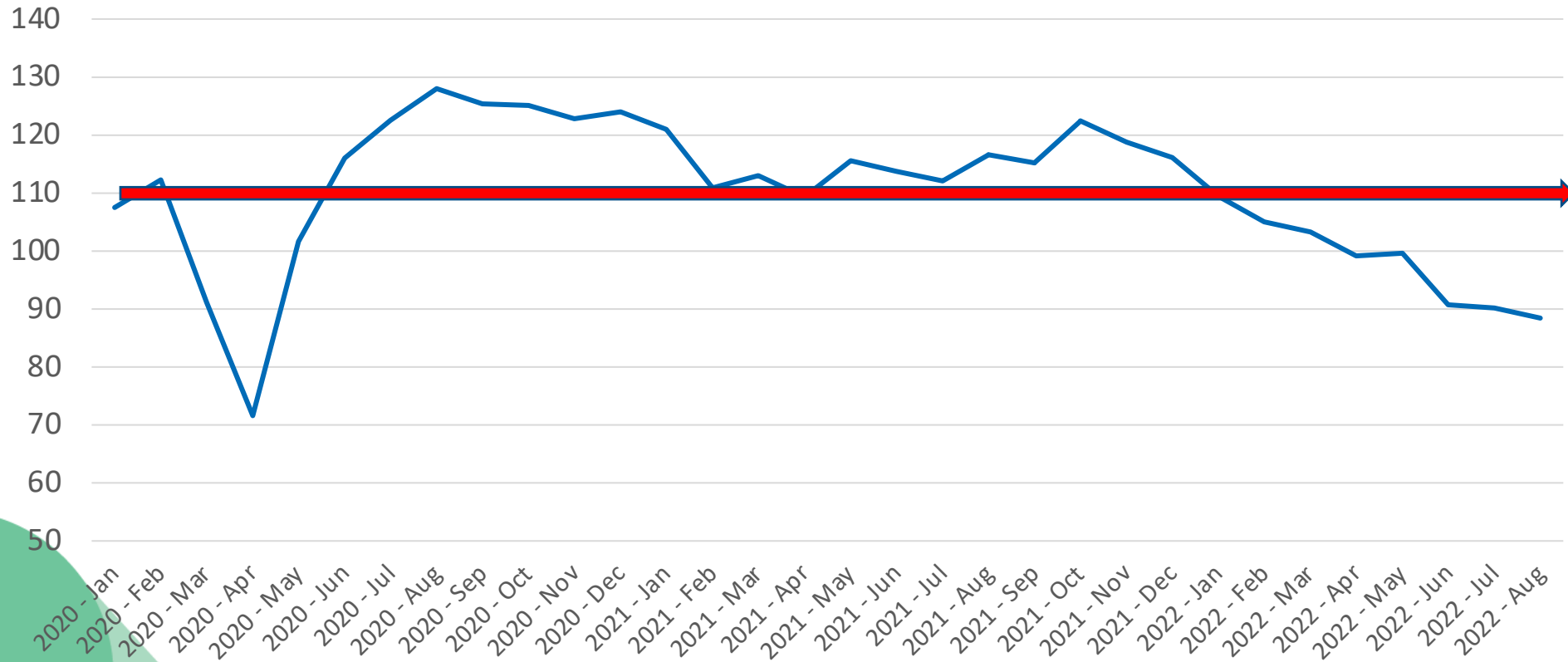
30-year Mortgage Rate from 1990 with Resistance Points



10-year Treasury Yields and 30-Year Mortgage Rates



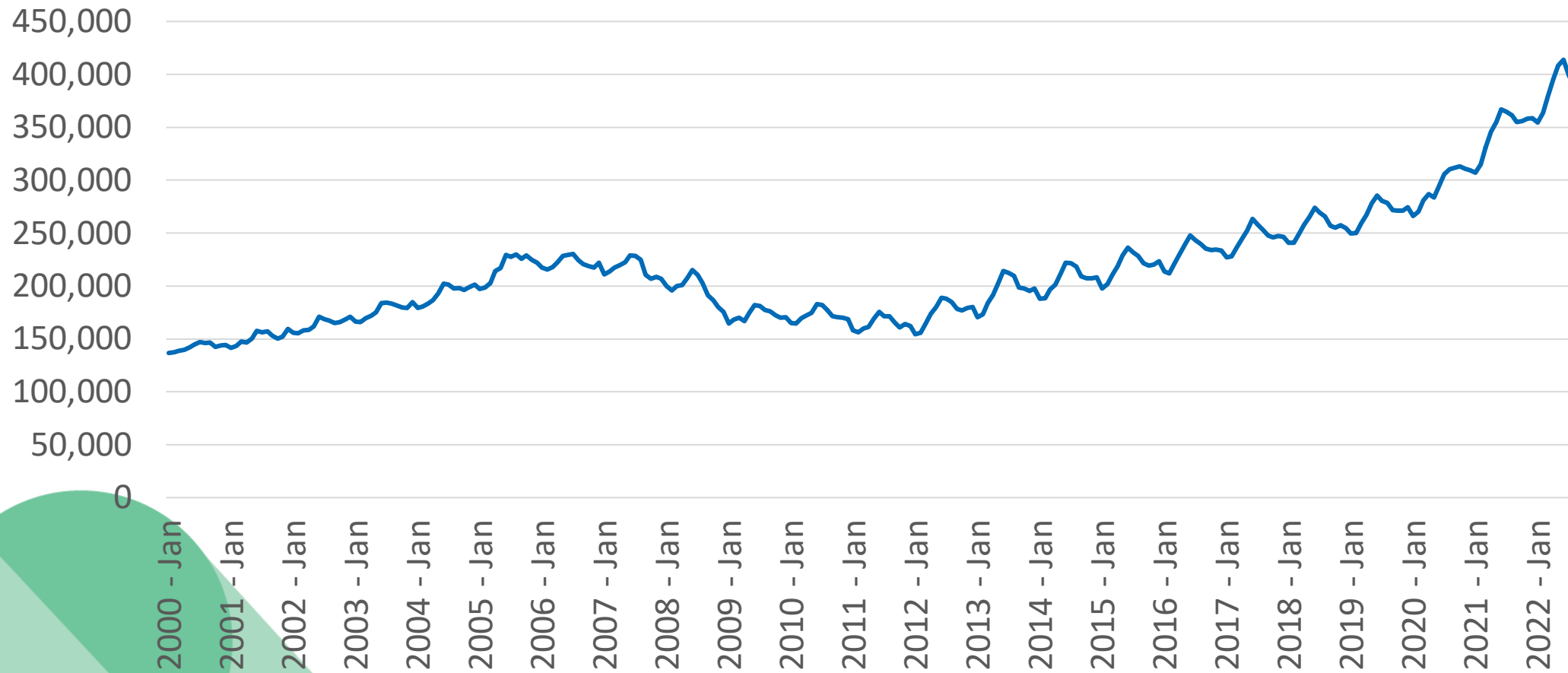
Pending Home Sales Index .. Sinking Below 2019 Levels



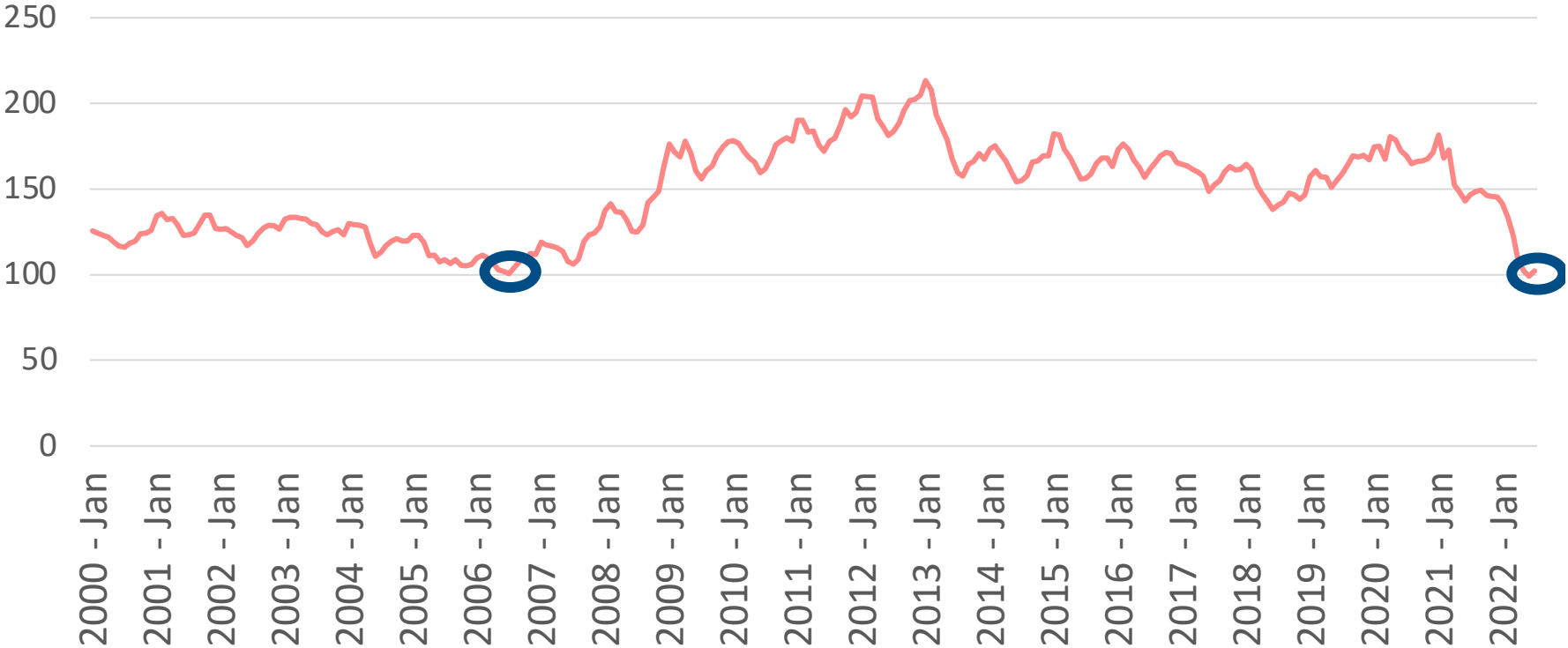
Aspire North Association of Realtors®

	Unit Sales	Median Price	Price Gain
Year-to-date	-11.8%	\$399,000	+9.7%
August '22			

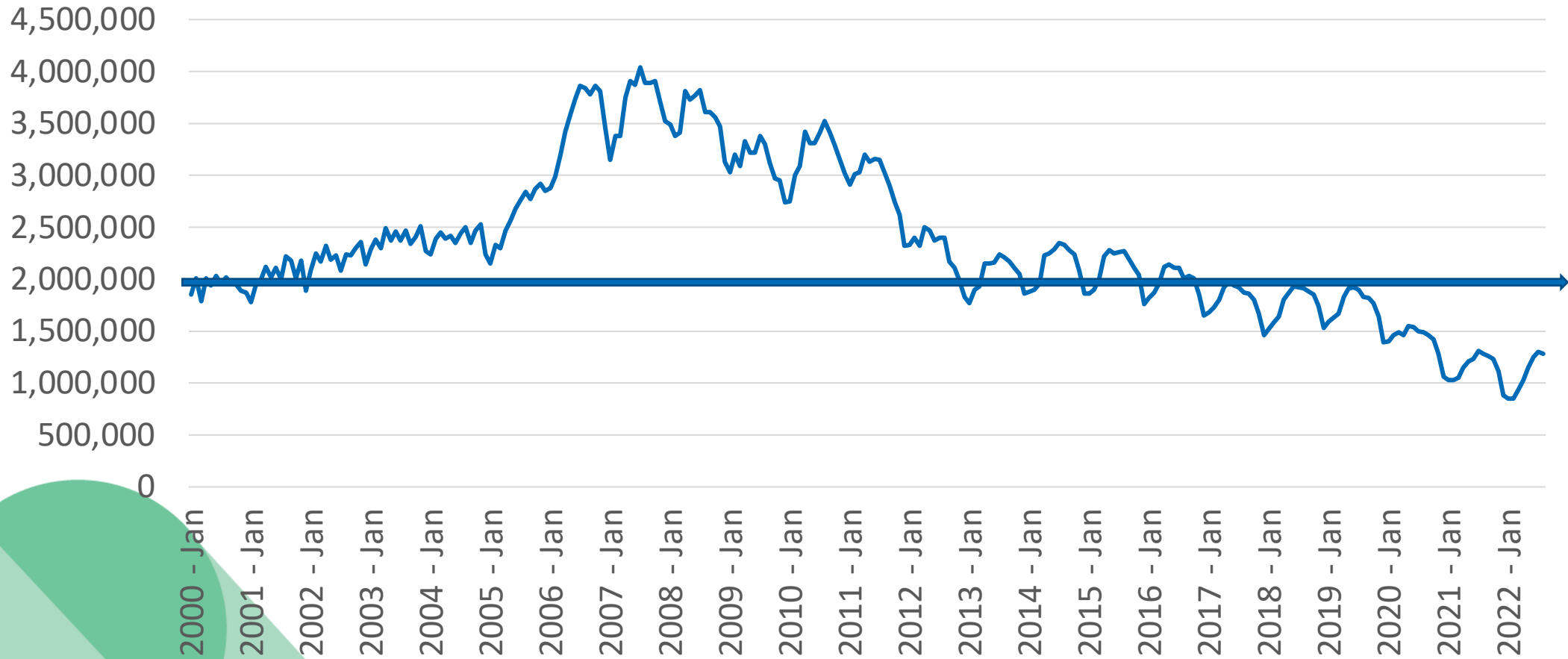
U.S. Median Home Price



Affordability Index



Inventory of Homes Rising from Super Tight Conditions

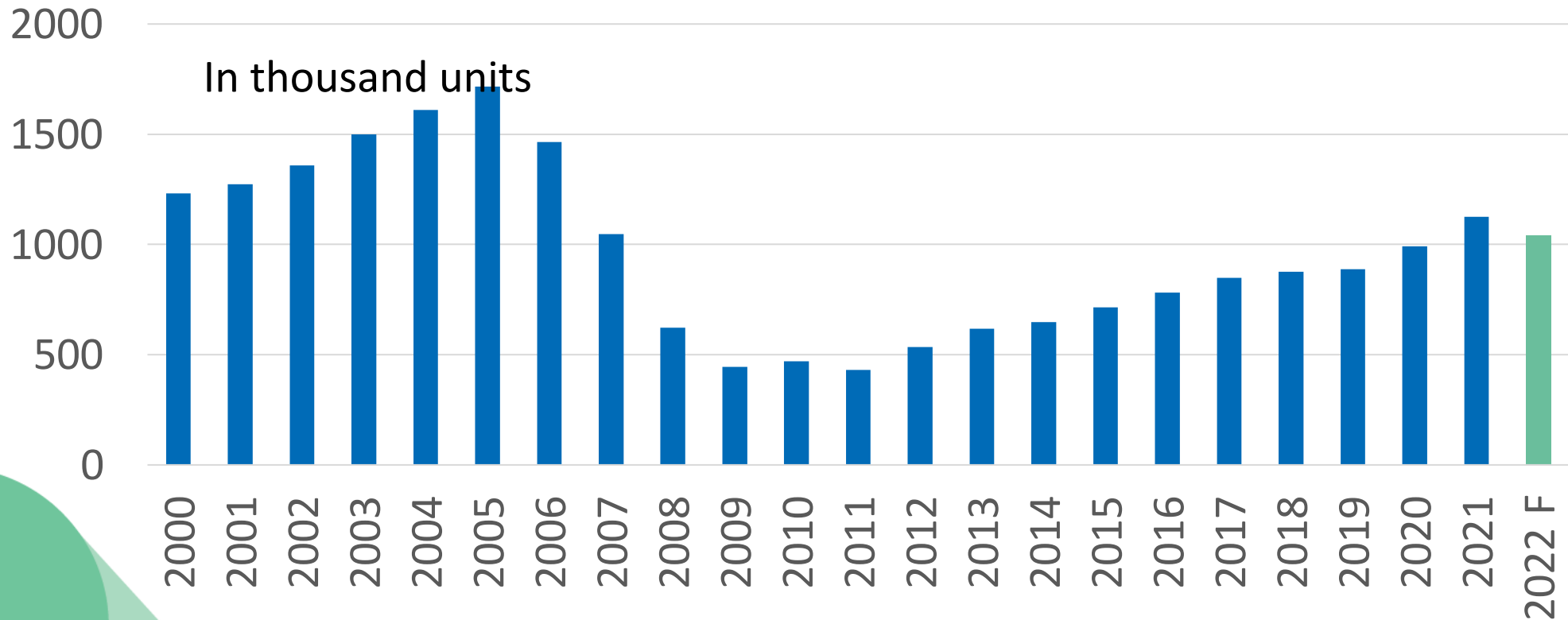


51% of Homes are Sold at or above List Price

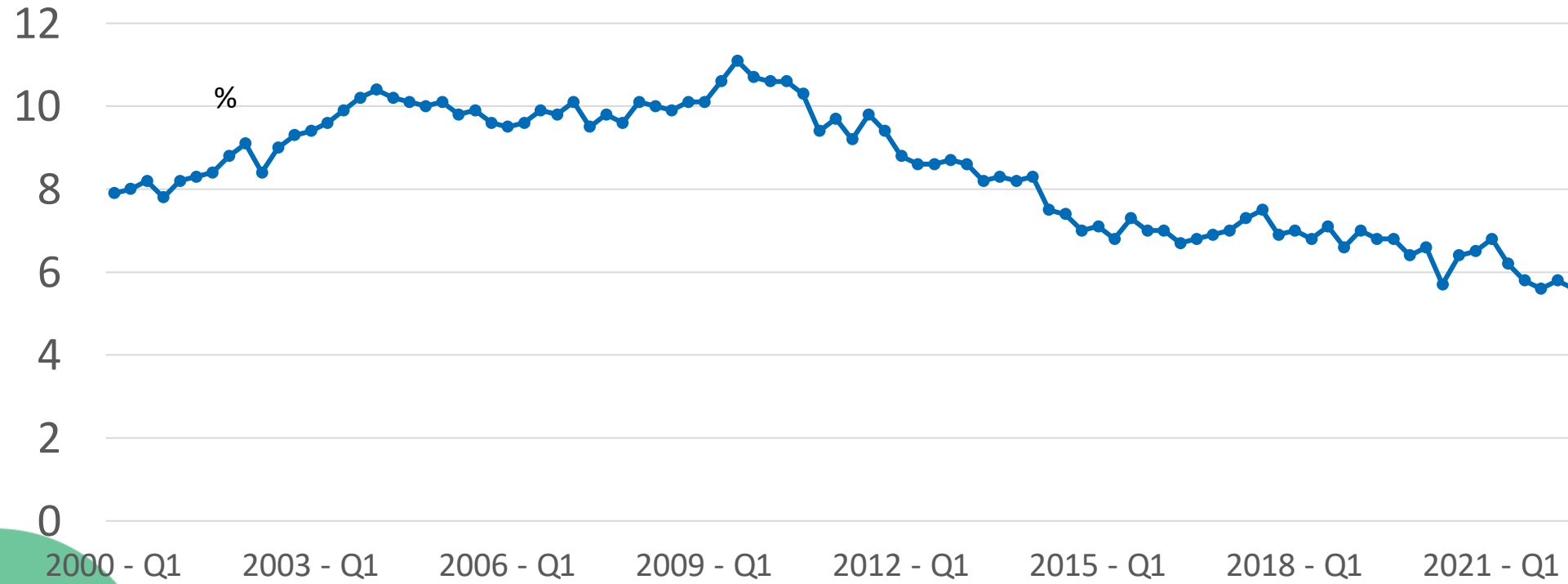
49% of Homes are shaving from List Price

Days on Market	Price Shaving from Active Listings	Price Shavings from Pending Listings	Price Shavings from Sold Listings in August
0 to 7	4.7%	5.4%	4.6%
8 to 14	4.3%	5.0%	5.2%
15 to 21	4.6%	5.1%	6.0%
22 to 30	4.7%	5.6%	6.8%
31 to 60	6.0%	6.7%	8.2%
61 to 90	7.5%	8.6%	10.5%
91 to 120	8.9%	10.2%	12.2%
120 +	10.7%	11.7%	14.9%

Annual Single Family Starts

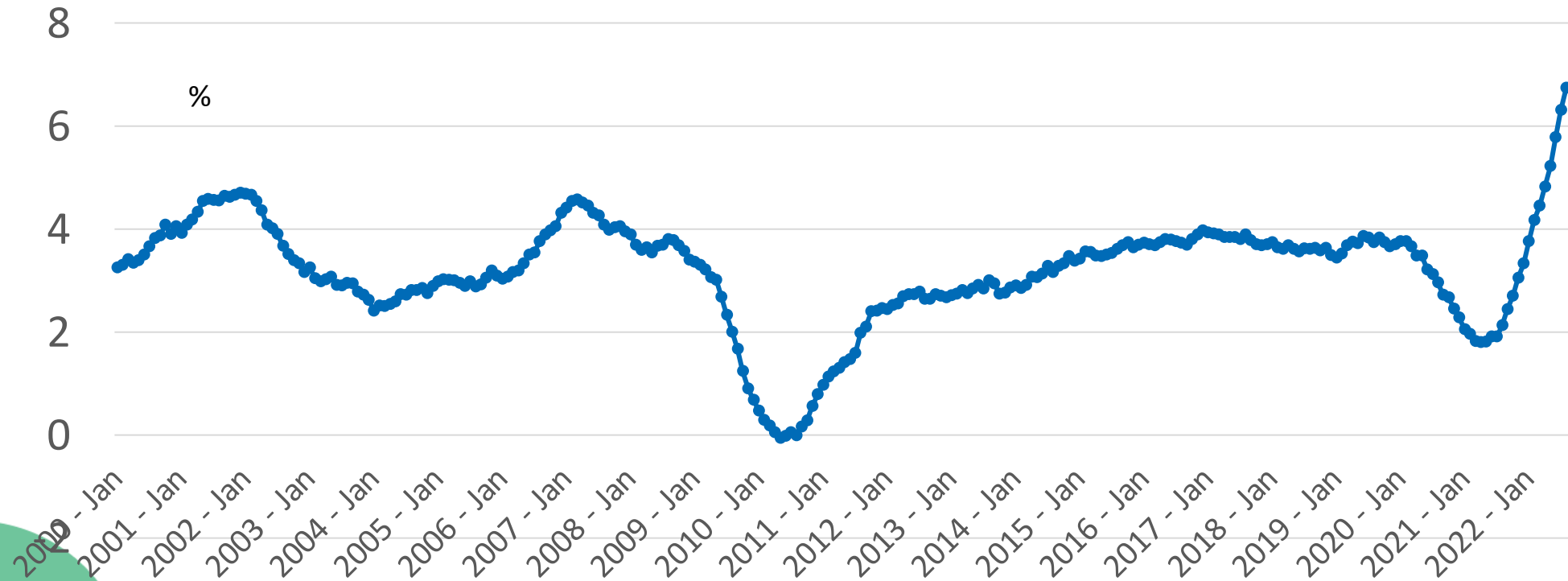


Rental Vacancy Rate



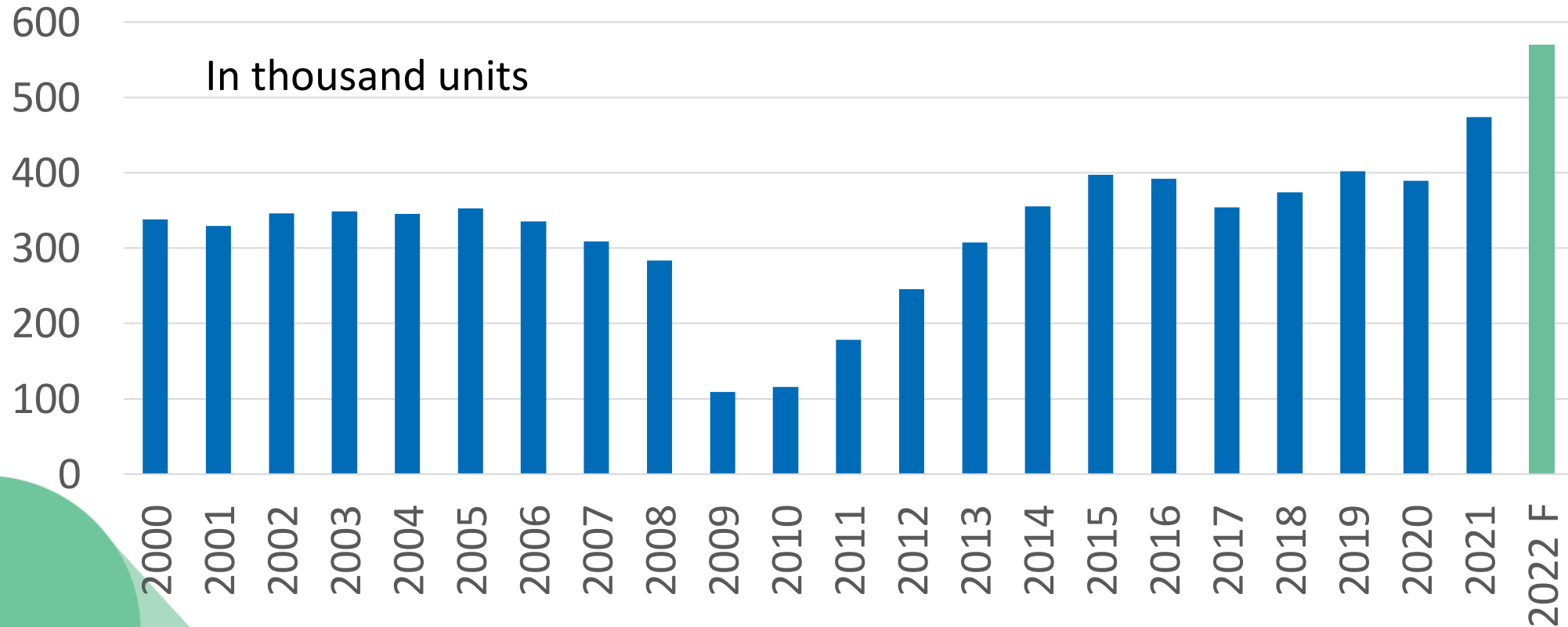
Source: Department of Commerce

Residential Rent Increase



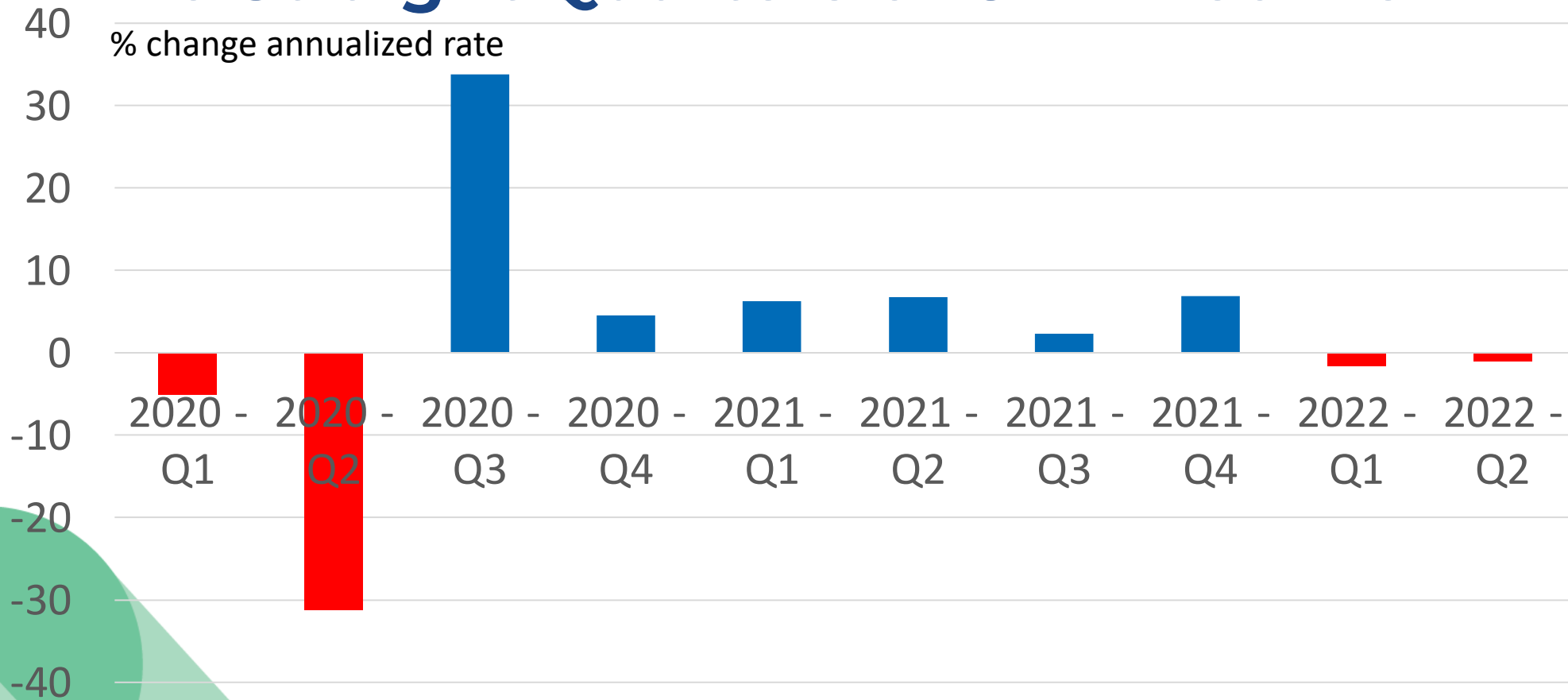
Source: Department of Commerce

Annual Multifamily Starts

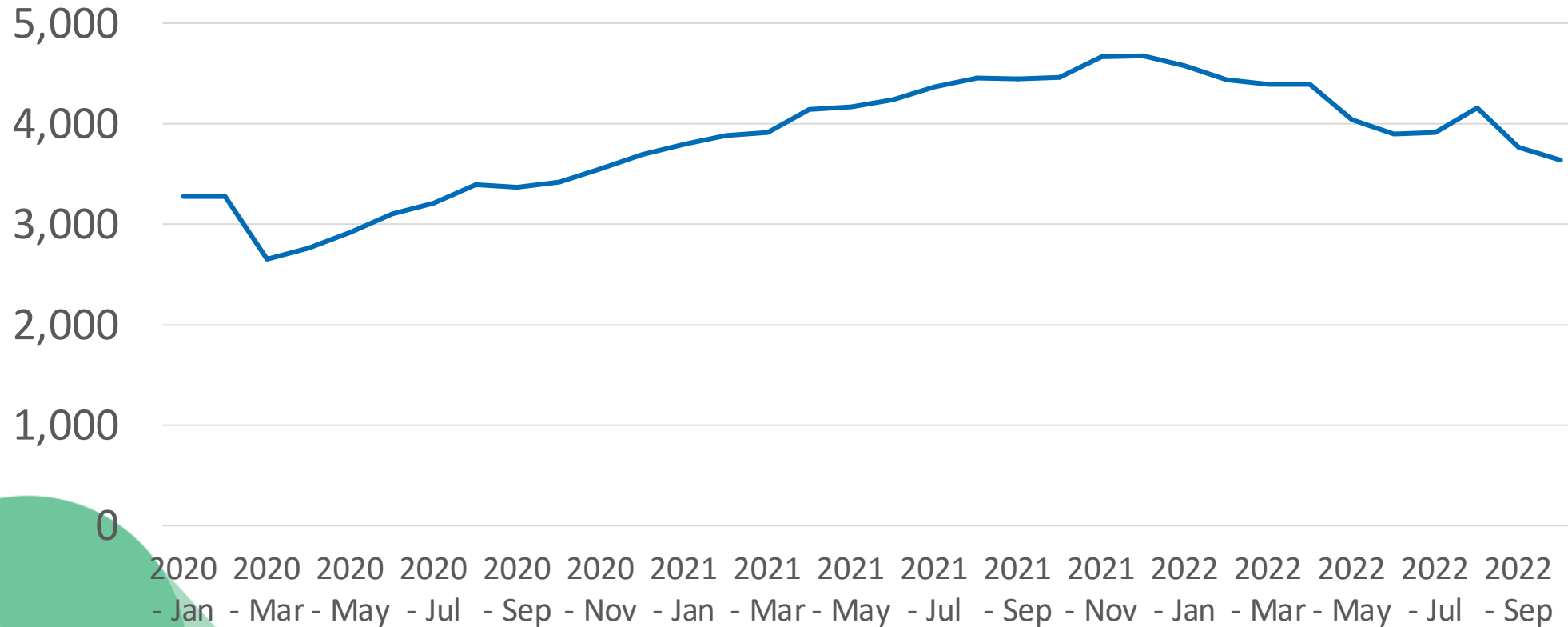


Recession or Not? Why Fuss Over Small Numbers?

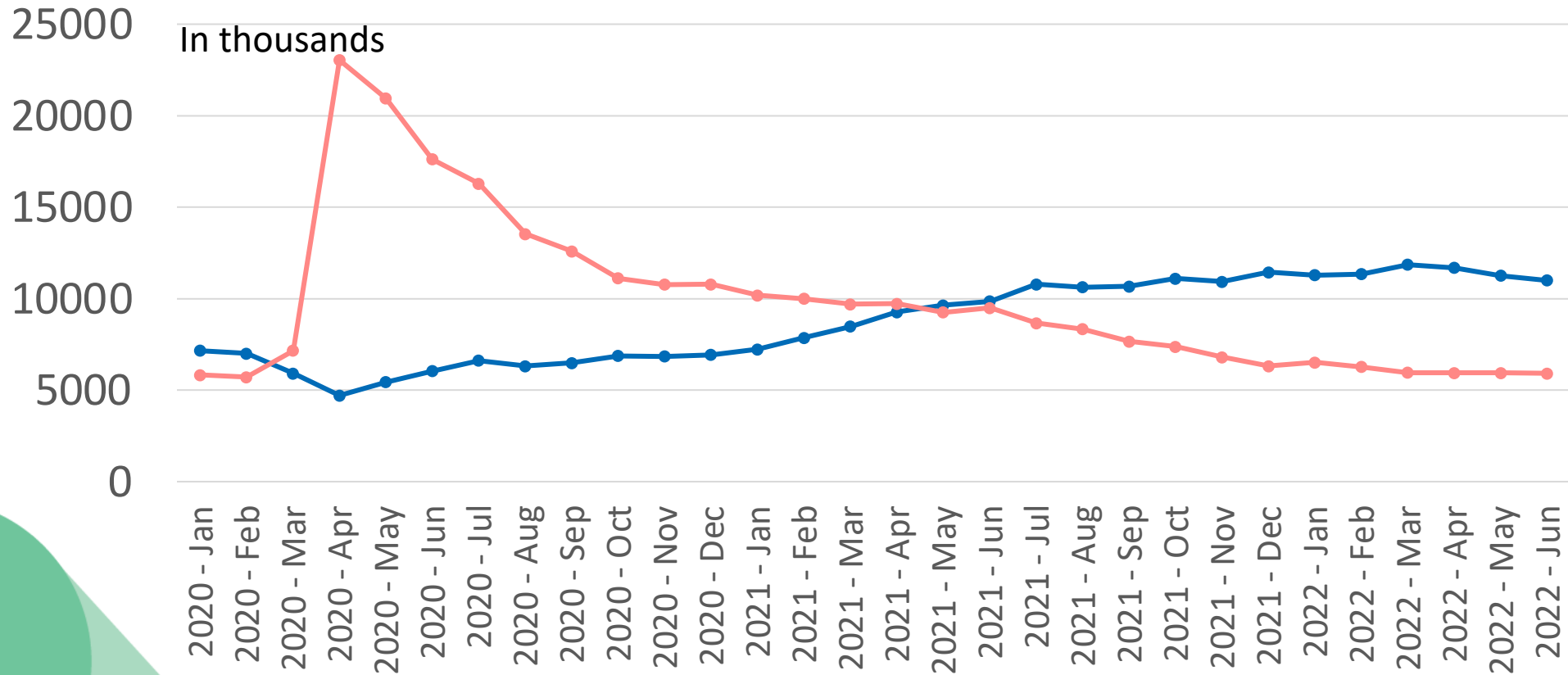
Two Straight Quarters of GDP Decline



Stock Market: S&P 500 Index

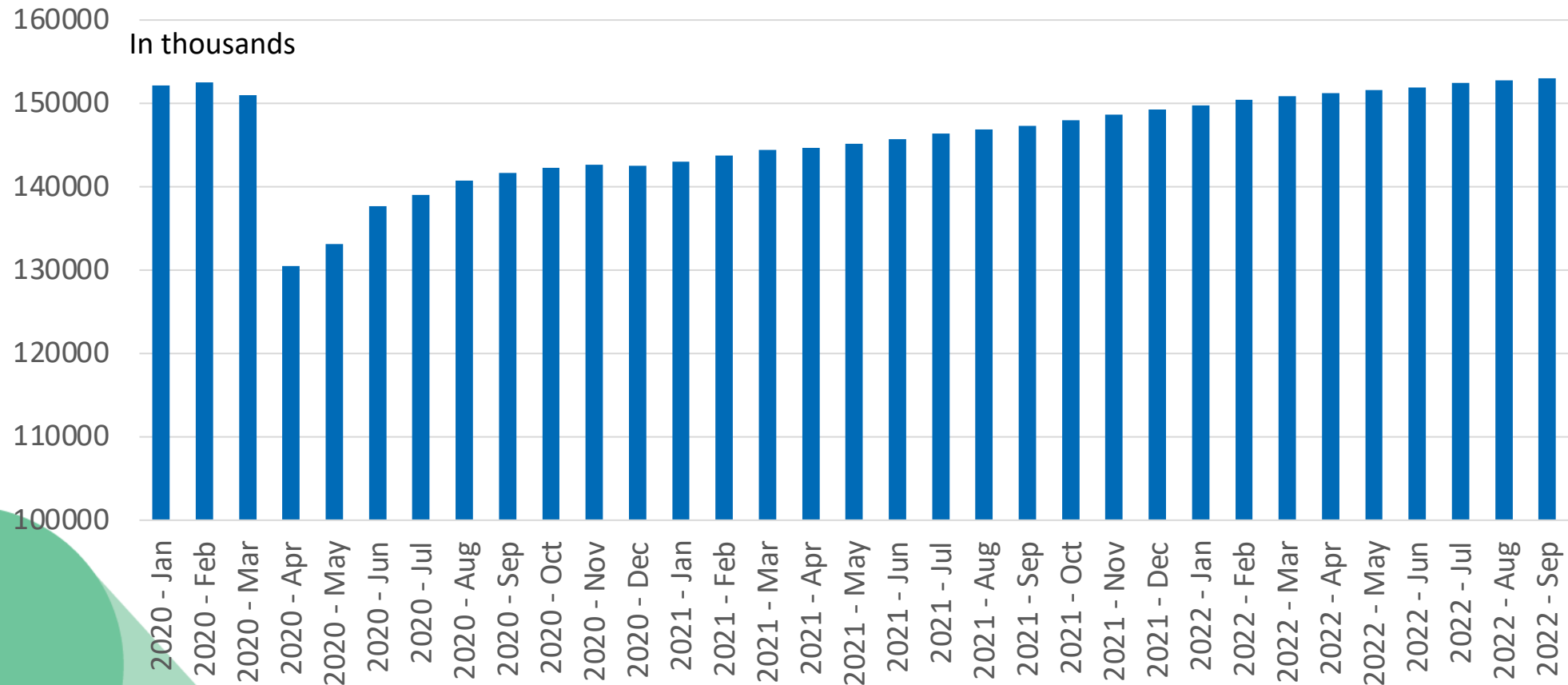


Bizarre Recession: Job Openings > Unemployed

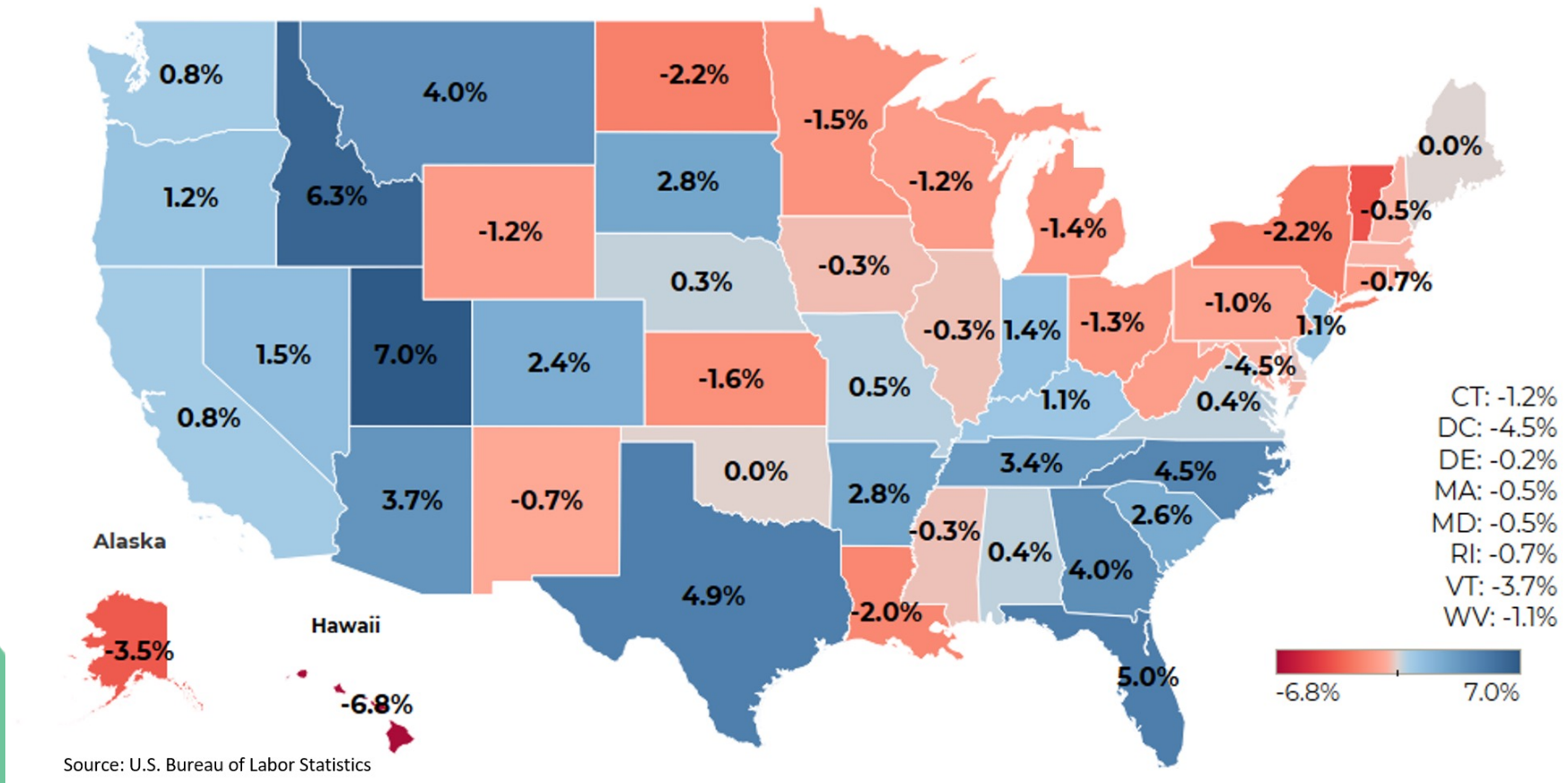


Source: BLS

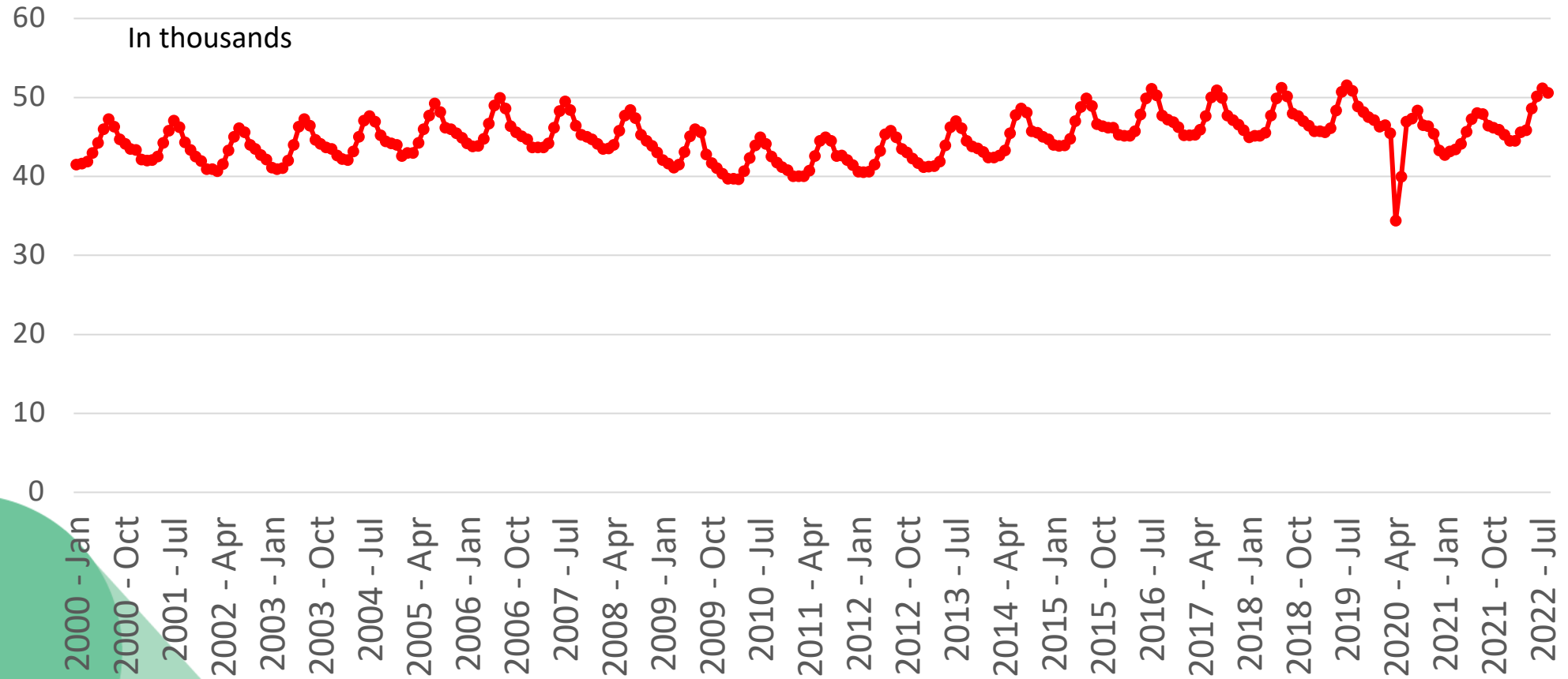
Payroll Jobs as of September 2022



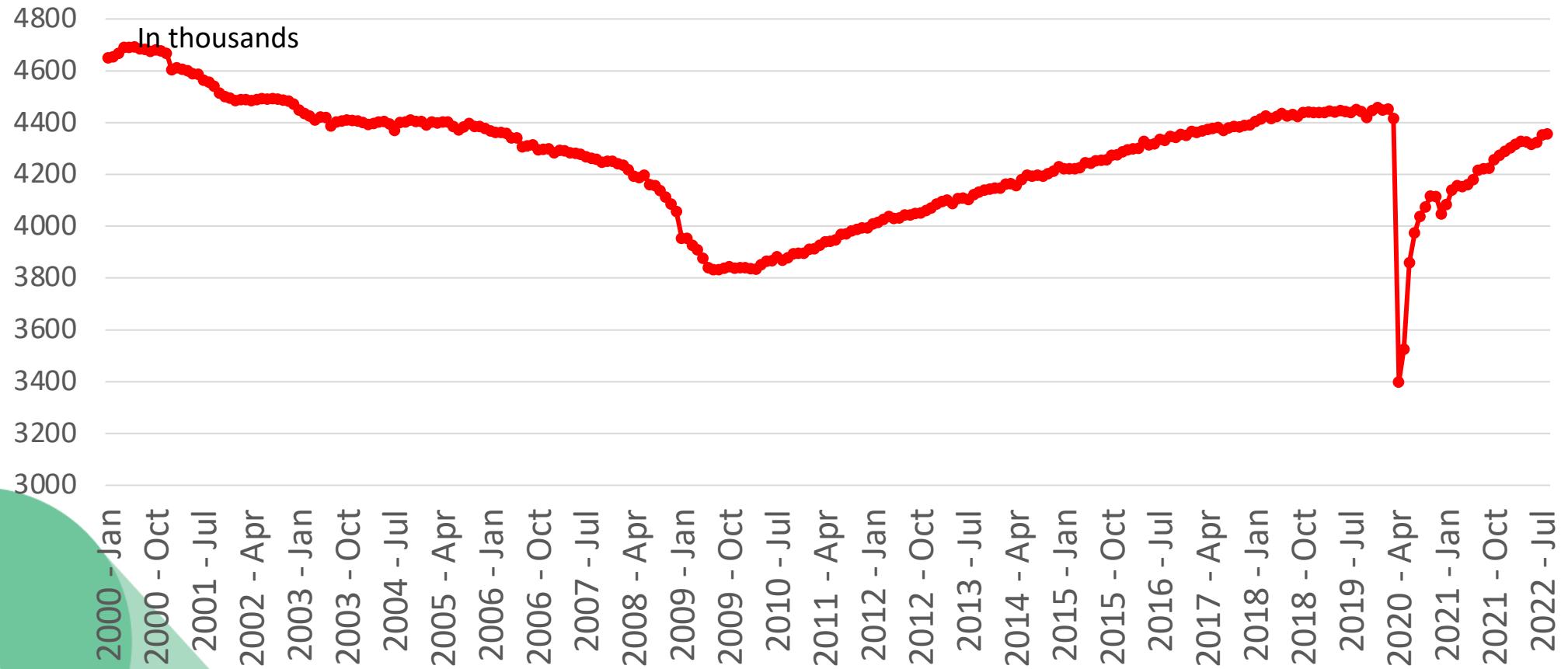
Payroll Jobs: August 2022 versus March 2020



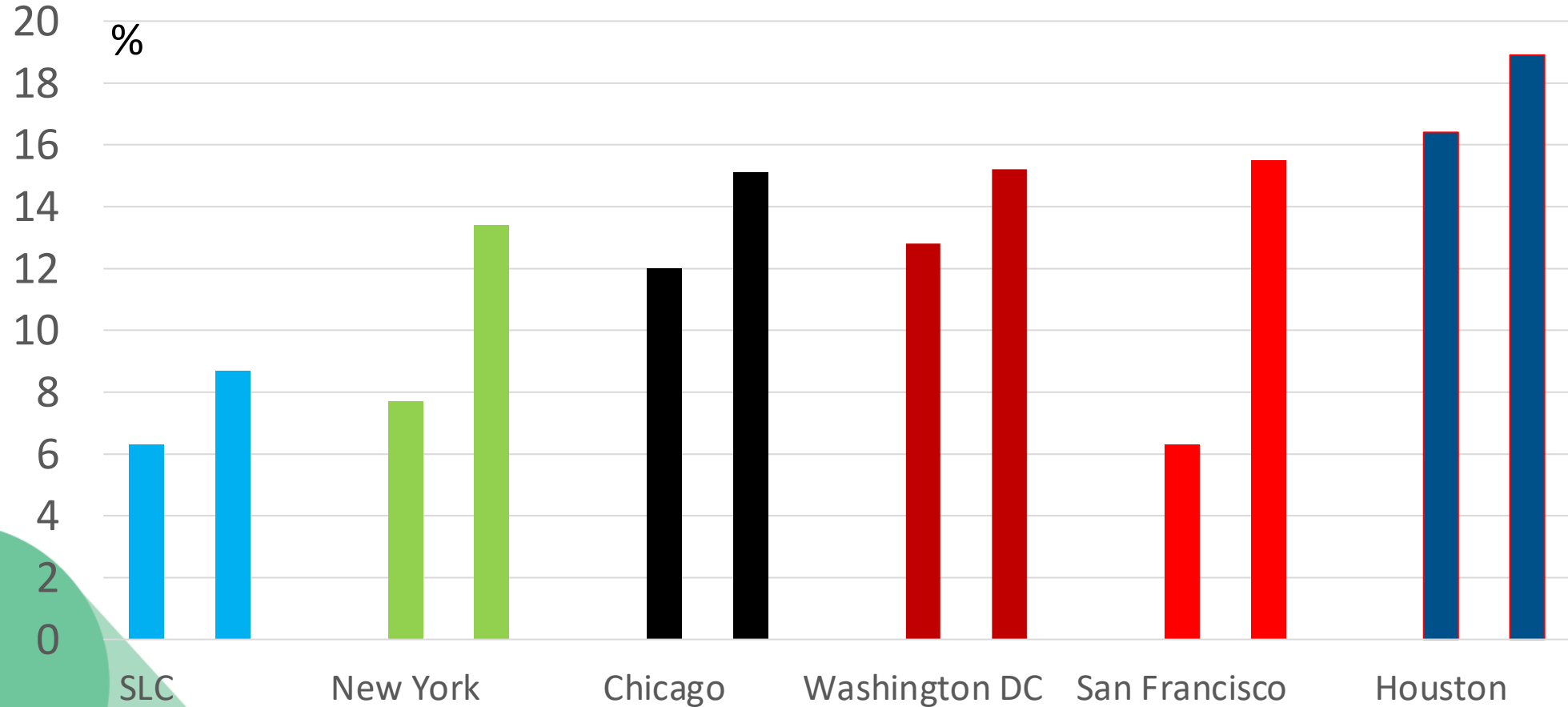
All Jobs in Grand Traverse County



Payroll Jobs in Michigan

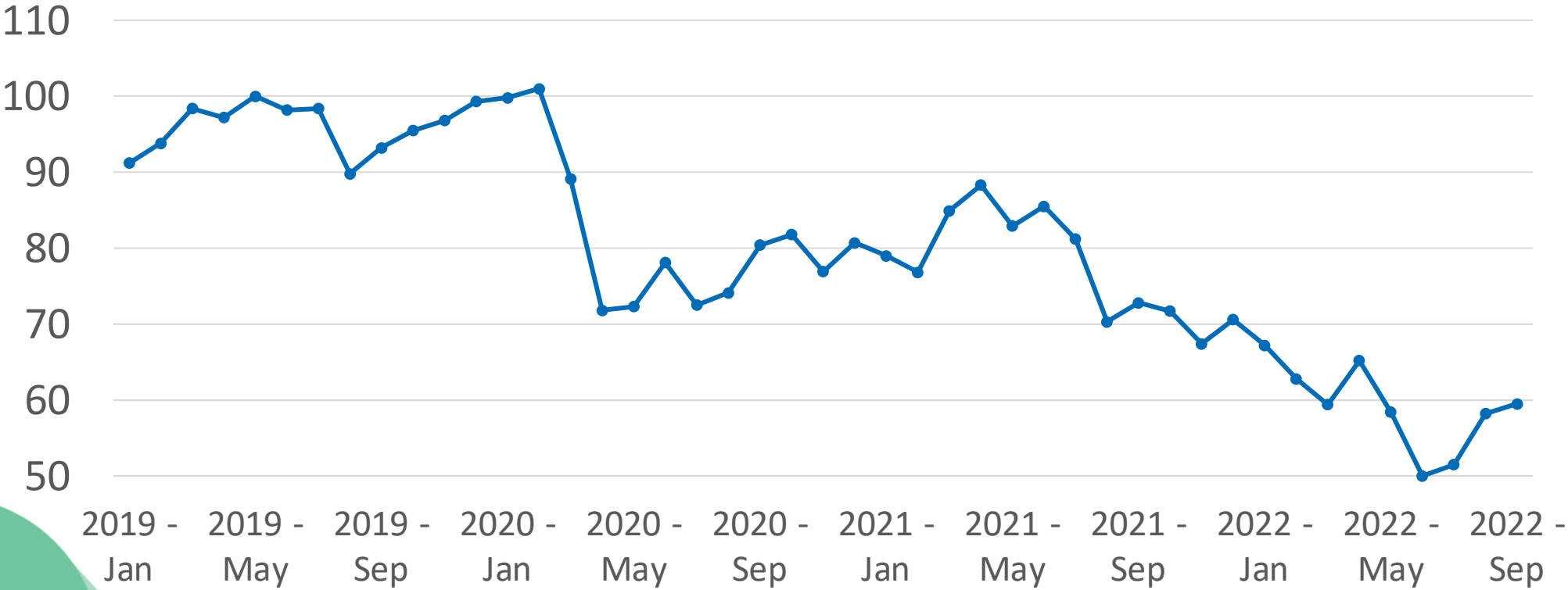


Office Vacancy Rate Pre-covid vs. 2022 Q3

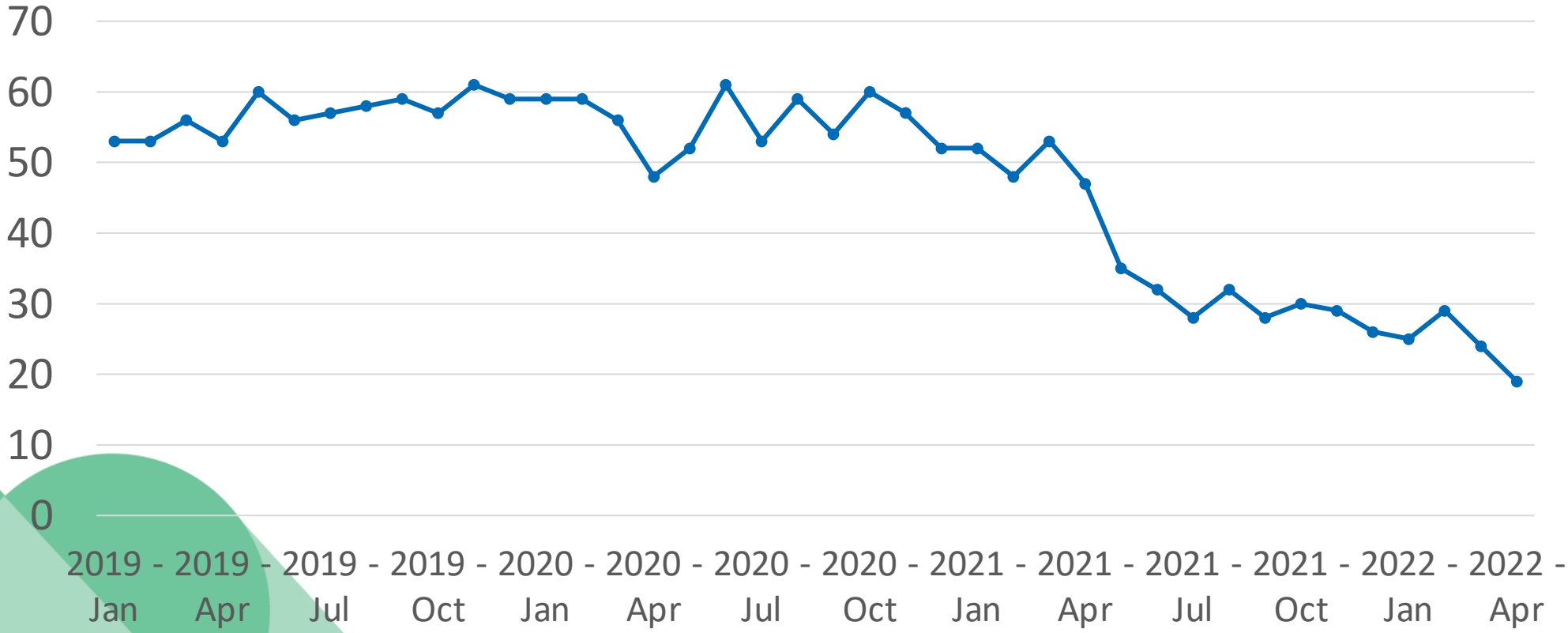


Source: Real Capital Analytics and U.S Treasury Dept.

Consumer Sentiment Index (Univ. of Michigan)



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



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%

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%

Thank You !