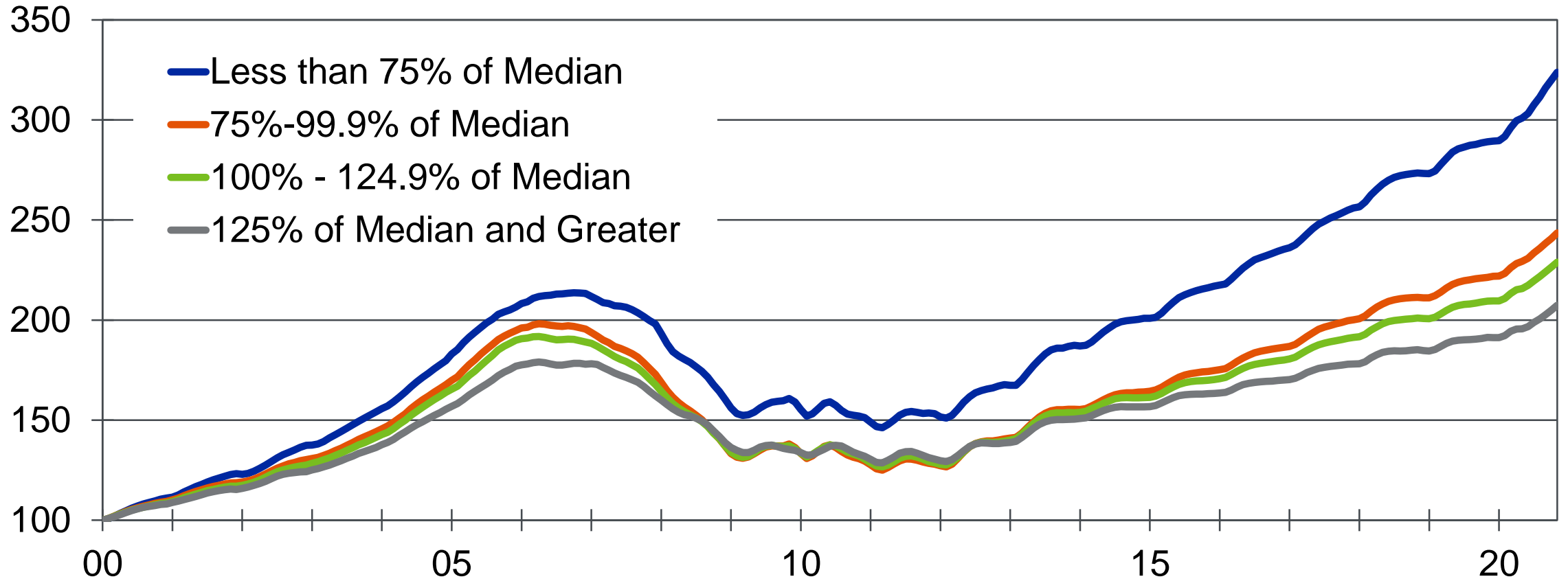


Housing and Mortgage Market Update

Cristian deRitis, Deputy Chief Economist
David Fieldhouse, Director

Housing Is Hot...

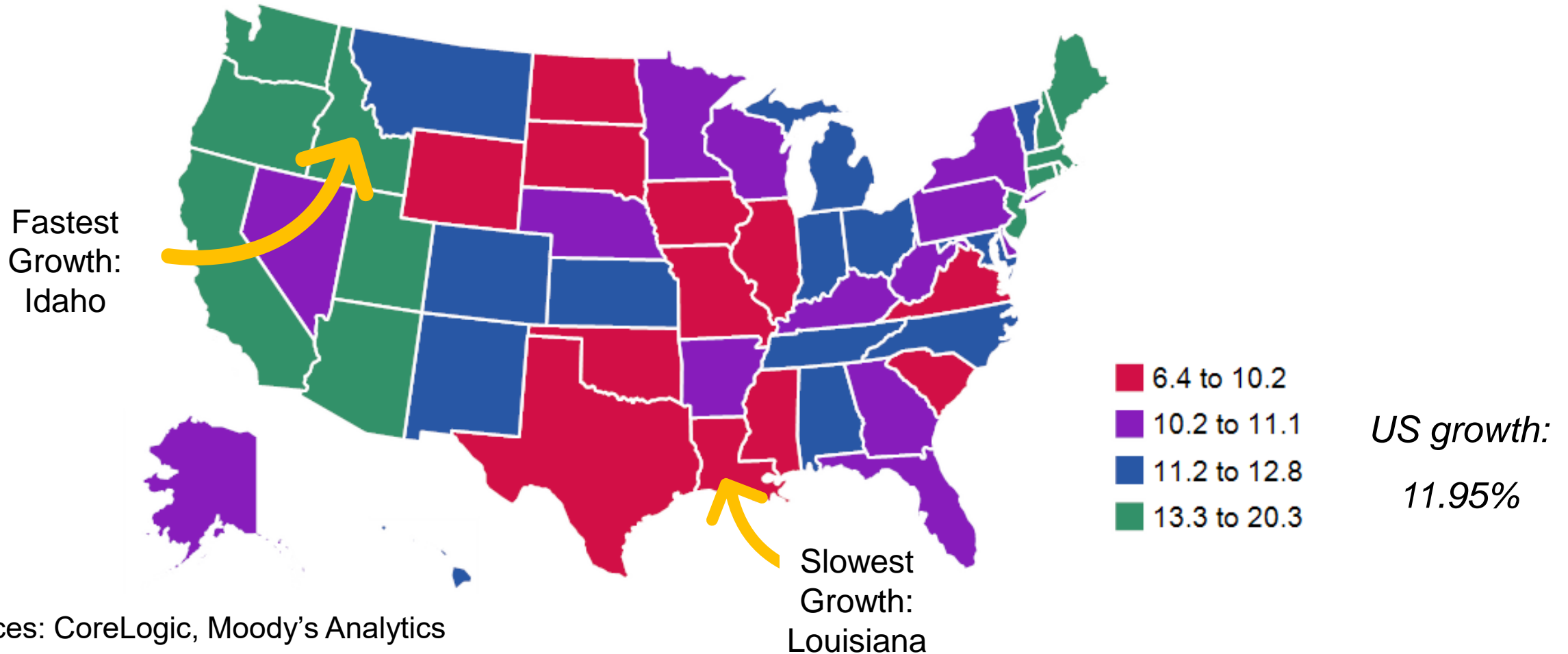
House prices, index: 2000 = 100



Sources: CoreLogic, Moody's Analytics

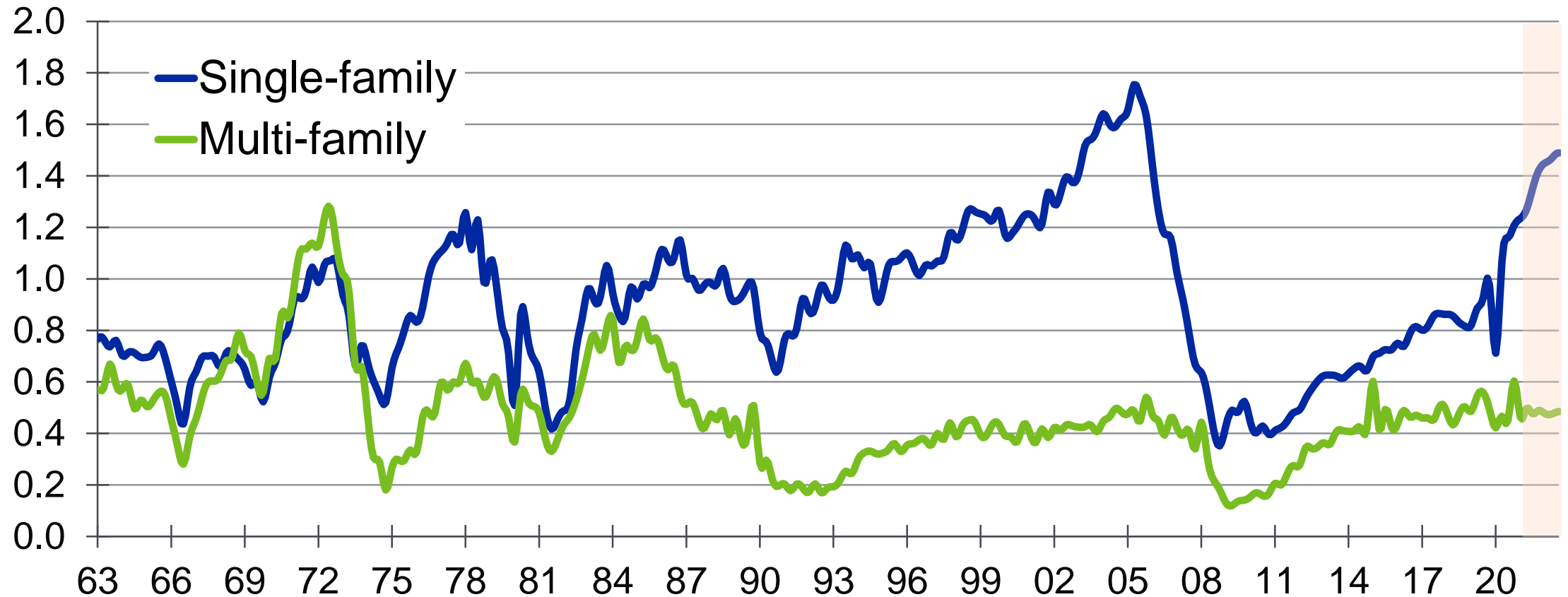
...Across the Country

Case-Shiller single-family home price index for Feb 2021, % yr ago



Single Family Construction Takes Off...

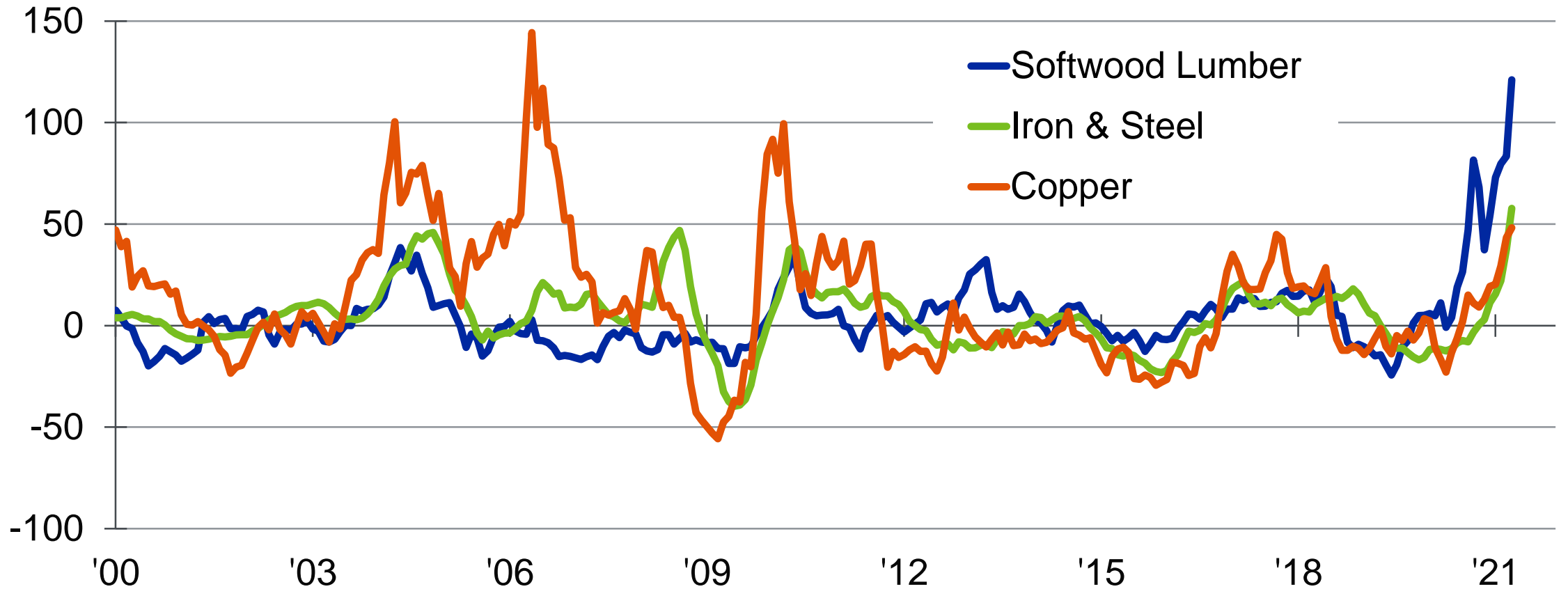
Single-family and multi-family residential housing permits, mil



Sources: NAR, Moody's Analytics

...Causing Lumber Prices to Soar

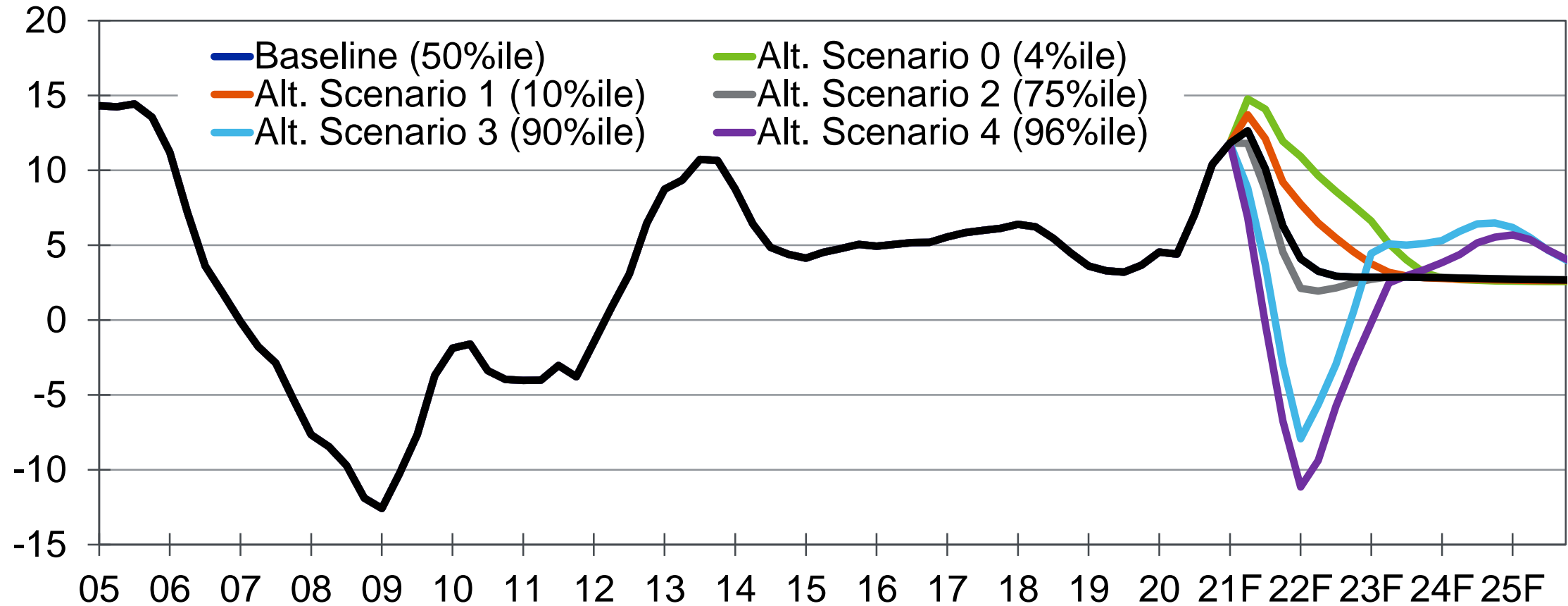
Producer Price Index, % yr ago, NSA



Sources: BLS, Moody's Analytics

Home Prices Expected to Moderate...

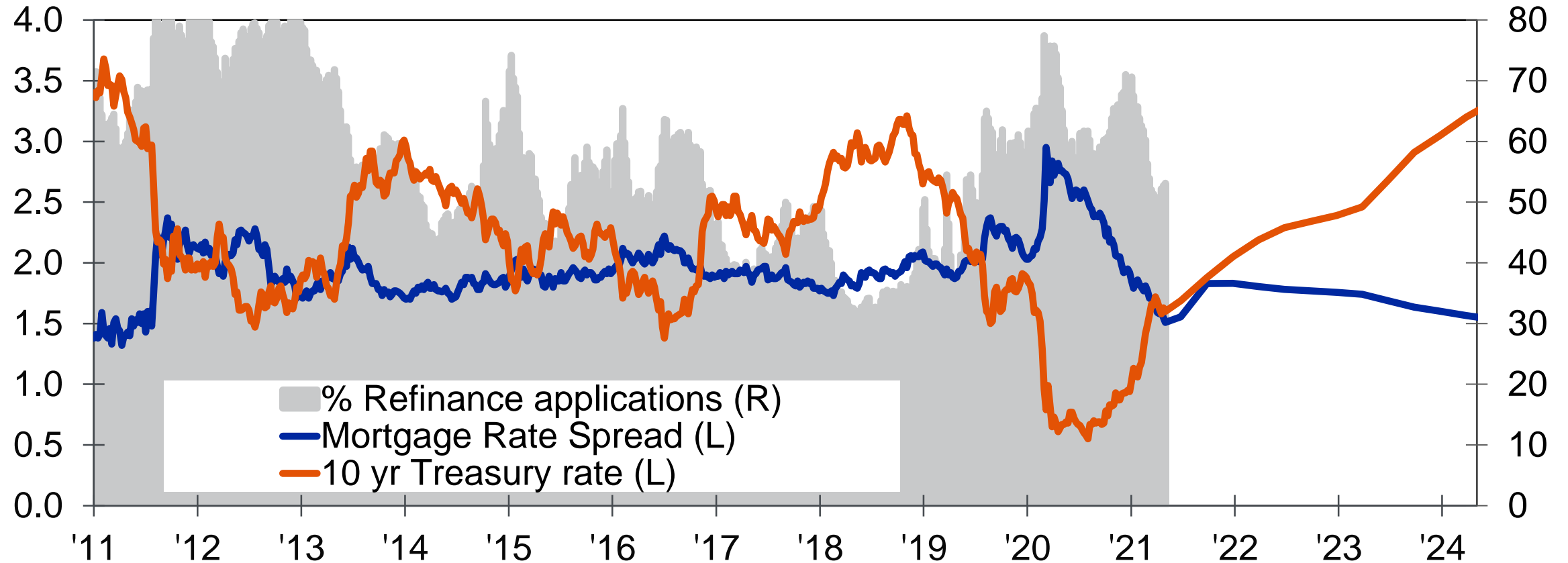
Case-Shiller home price index, % yr ago



Sources: Corelogic, Moody's Analytics

...As Interest Rates Rise and Supply Increases

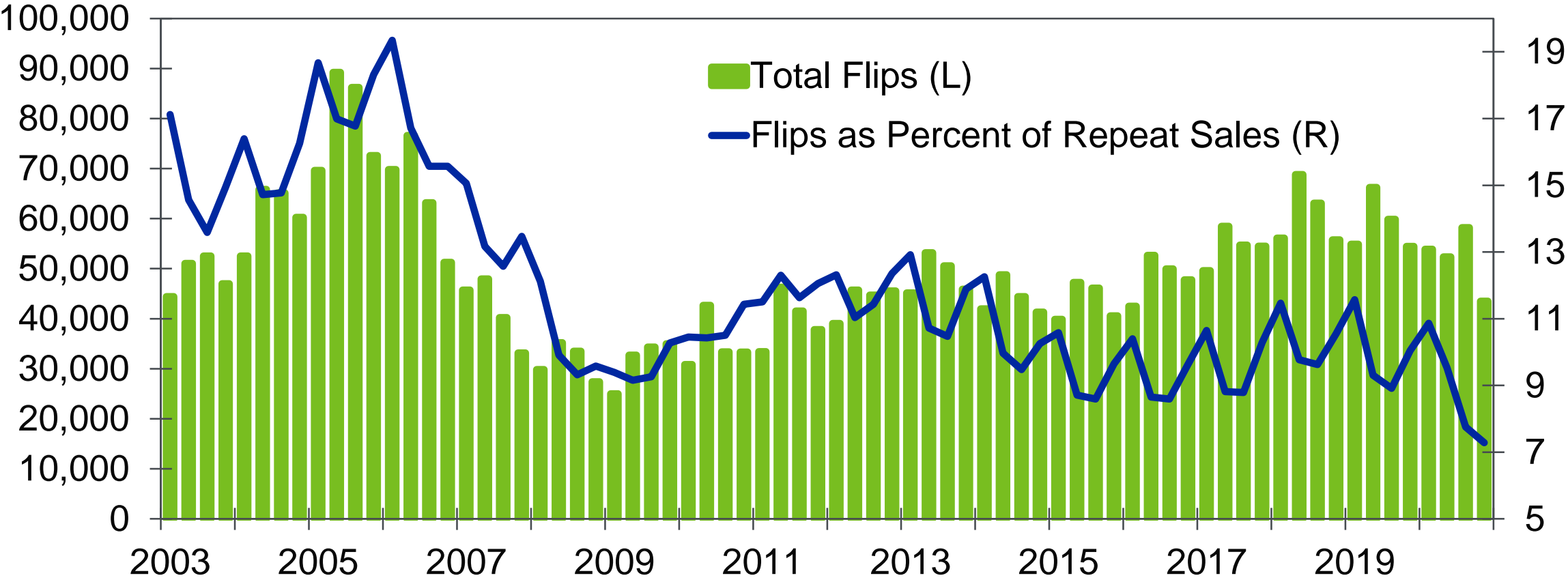
Mortgage rate spread between 30-yr mortgage and 10-yr Treasury rate, ppt



Sources: Federal Reserve, MBA, Moody's Analytics

Not a Housing Bubble

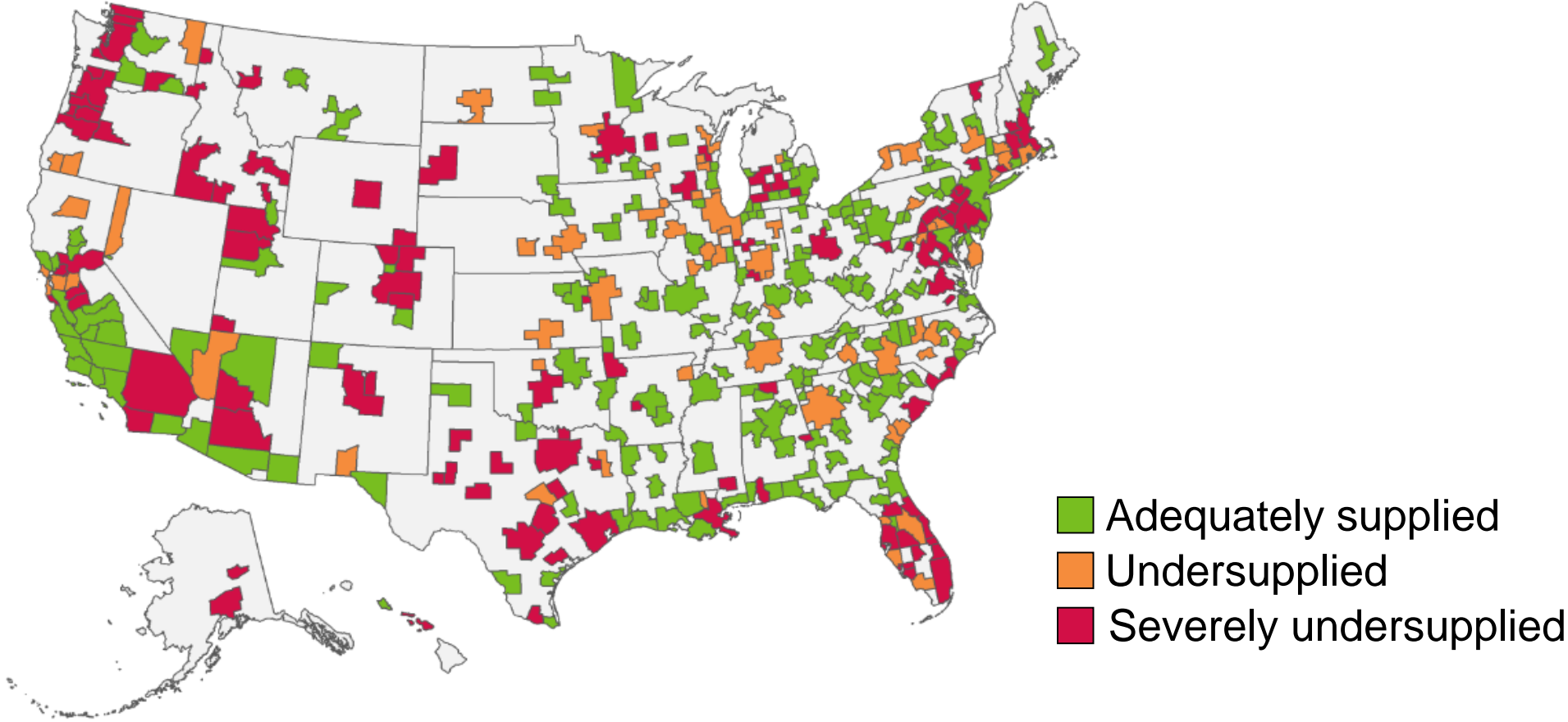
Total number of Home Flips (L), % of total sales (R)



Sources: Moody's Analytics Calculated

Affordable Housing Shortage In Much Of the Country

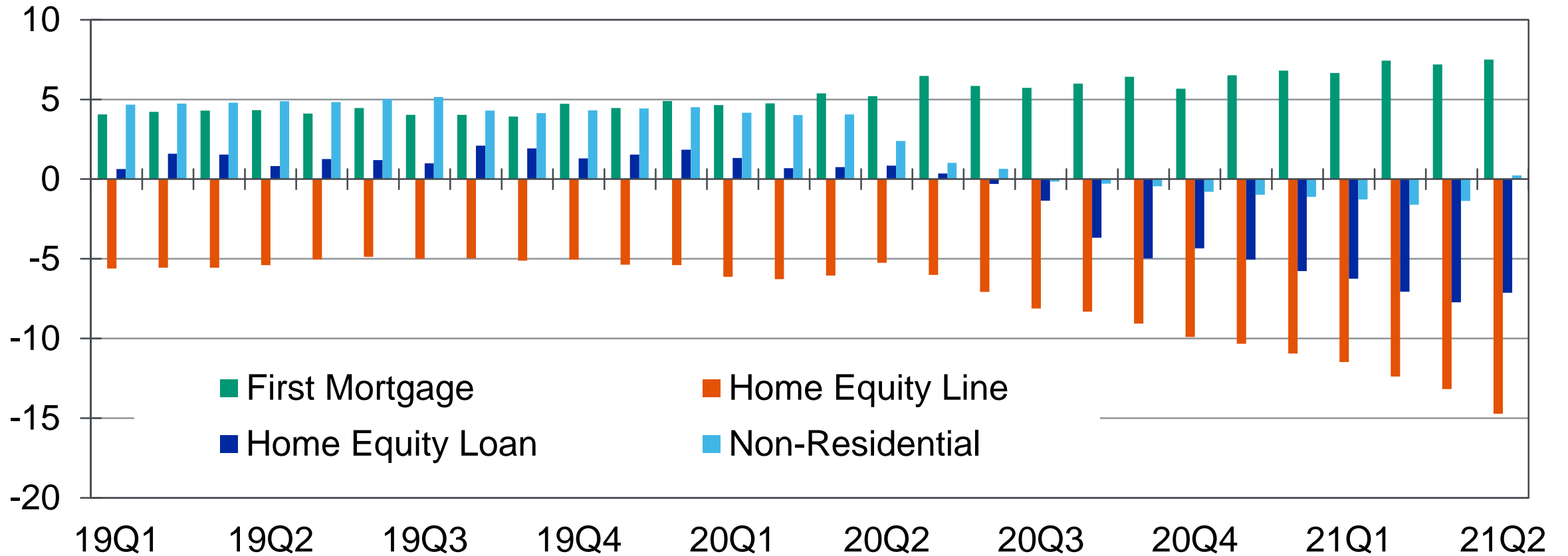
2019 vacancy rate vs 50-year average vacancy rate by metro, %



Sources: Census, Moody's Analytics

First Mortgages Lead the Way

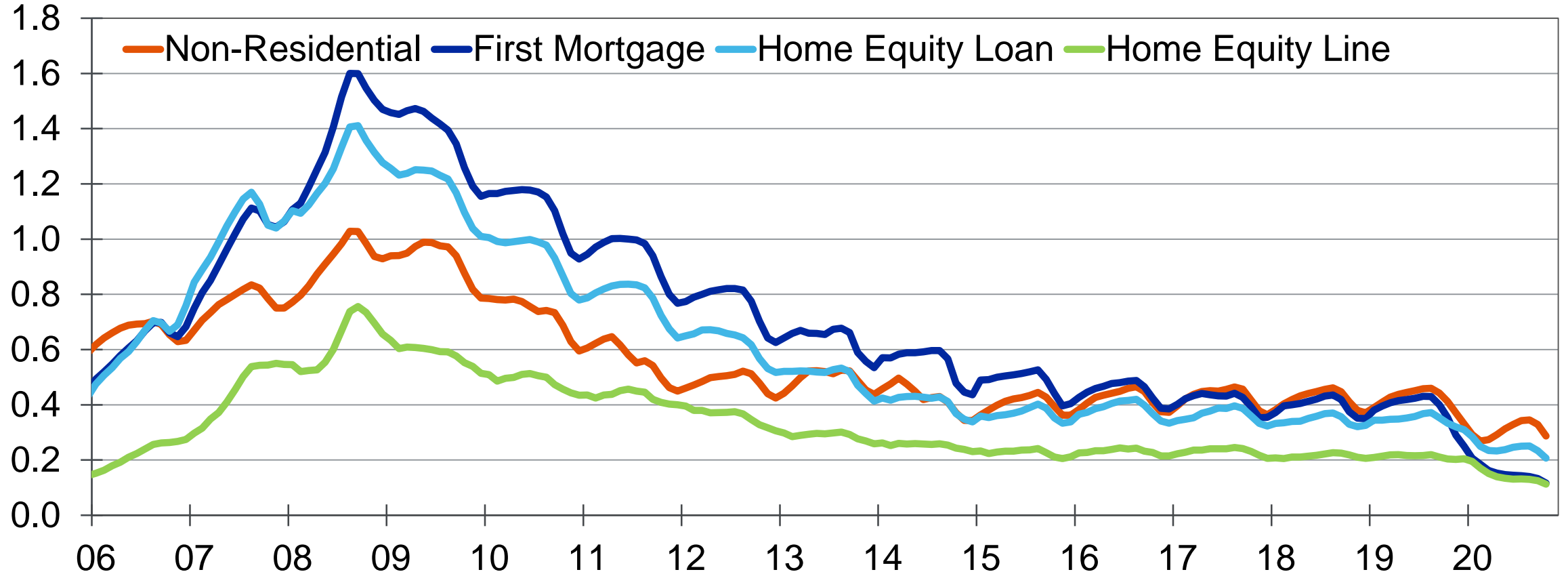
Outstanding balances, % change yr ago



Sources: CreditForecast.com, Moody's Analytics

Residential Products Perform Well

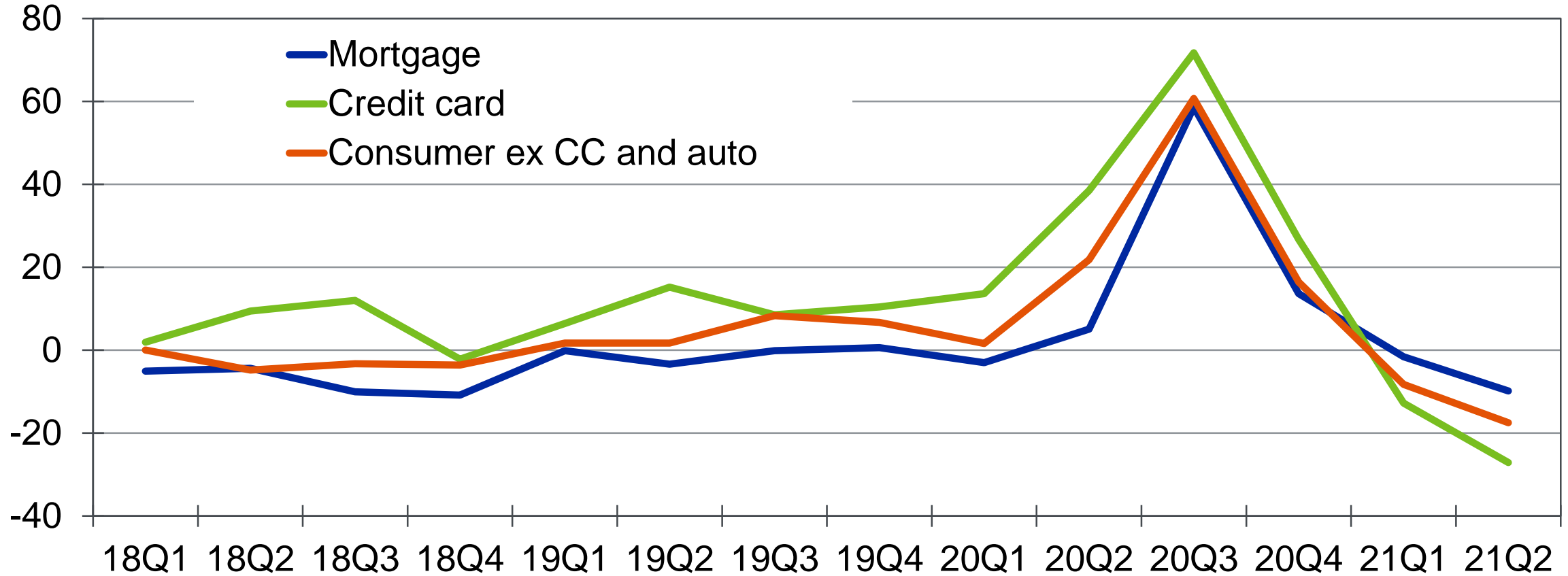
60 days delinquent, % of outstanding balance, 3-mo moving average



Sources: CreditForecast.com, Moody's Analytics

Lenders Eager to Expand Portfolios

Net % of banks tightening standards



Sources: Federal Reserve, Moody's Analytics

Mortgage Originator Profits Spiked

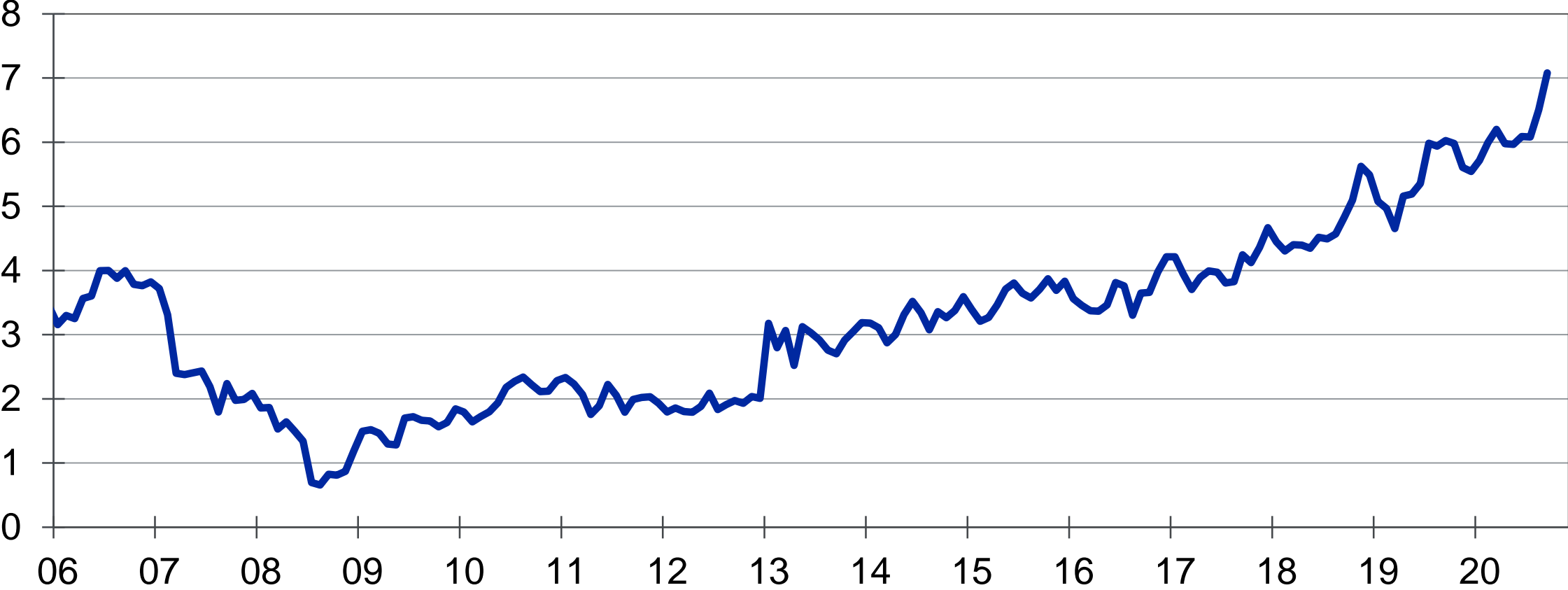
Dollars per \$100 loan, originator profits and unmeasured costs



Sources: NYFED, Moody's Analytics

Jumbo Mortgages Gaining Popularity

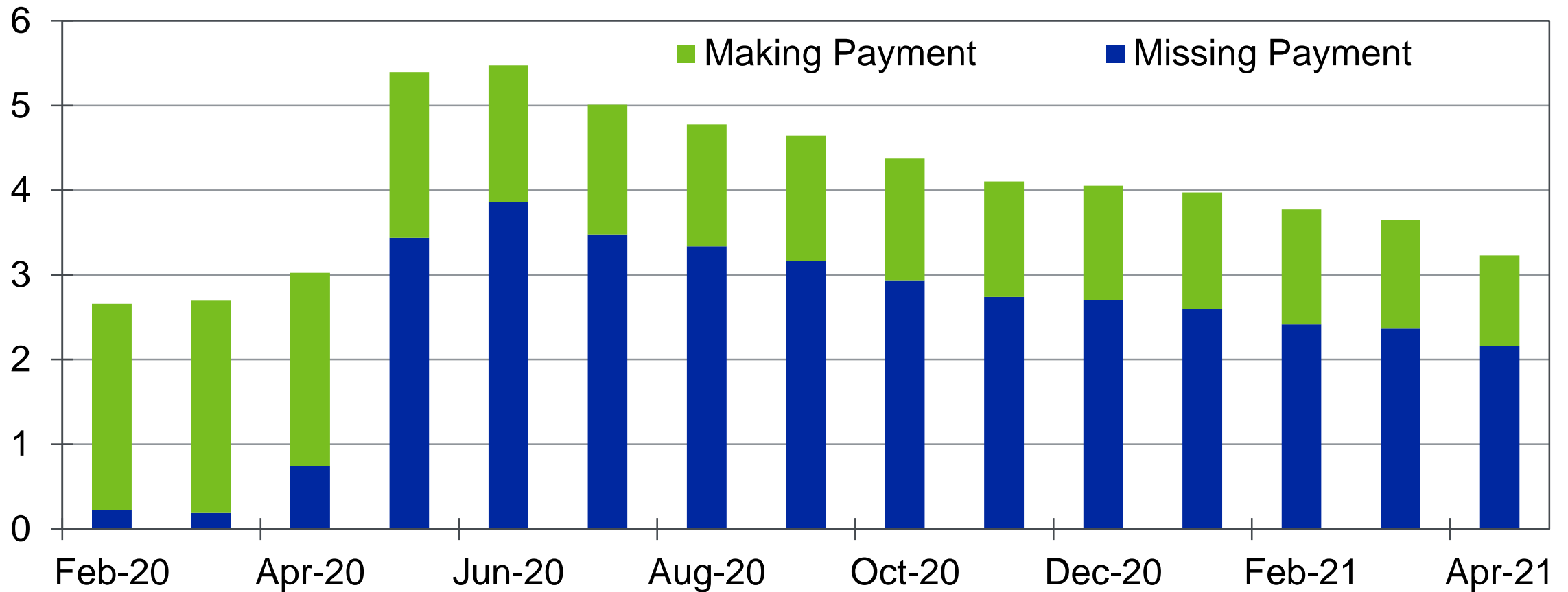
% of #, mortgage originations exceeding 2019 conforming limits



Sources: Equifax, Moody's Analytics

Only Some Forborne Mortgages Being Paid

% of #, first mortgage



Sources: Equifax, Moody's Analytics



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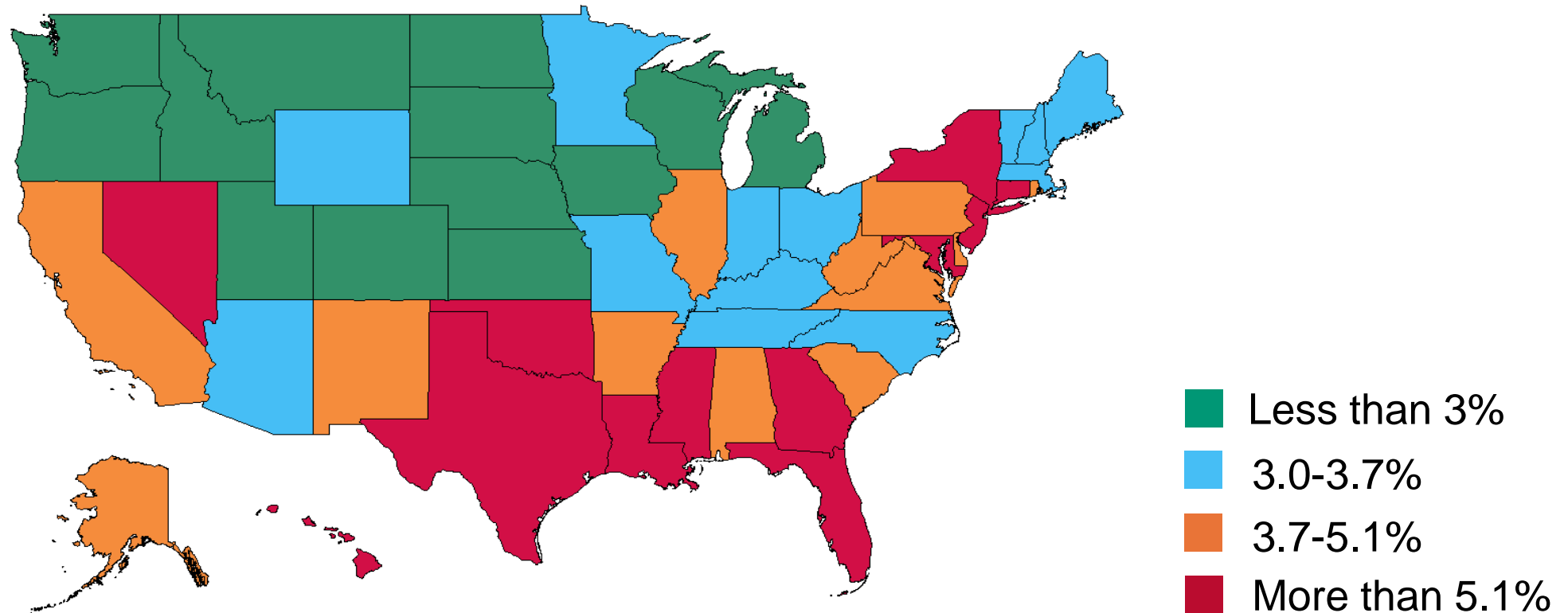
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Appendix

What Happens When Supports Are Removed?

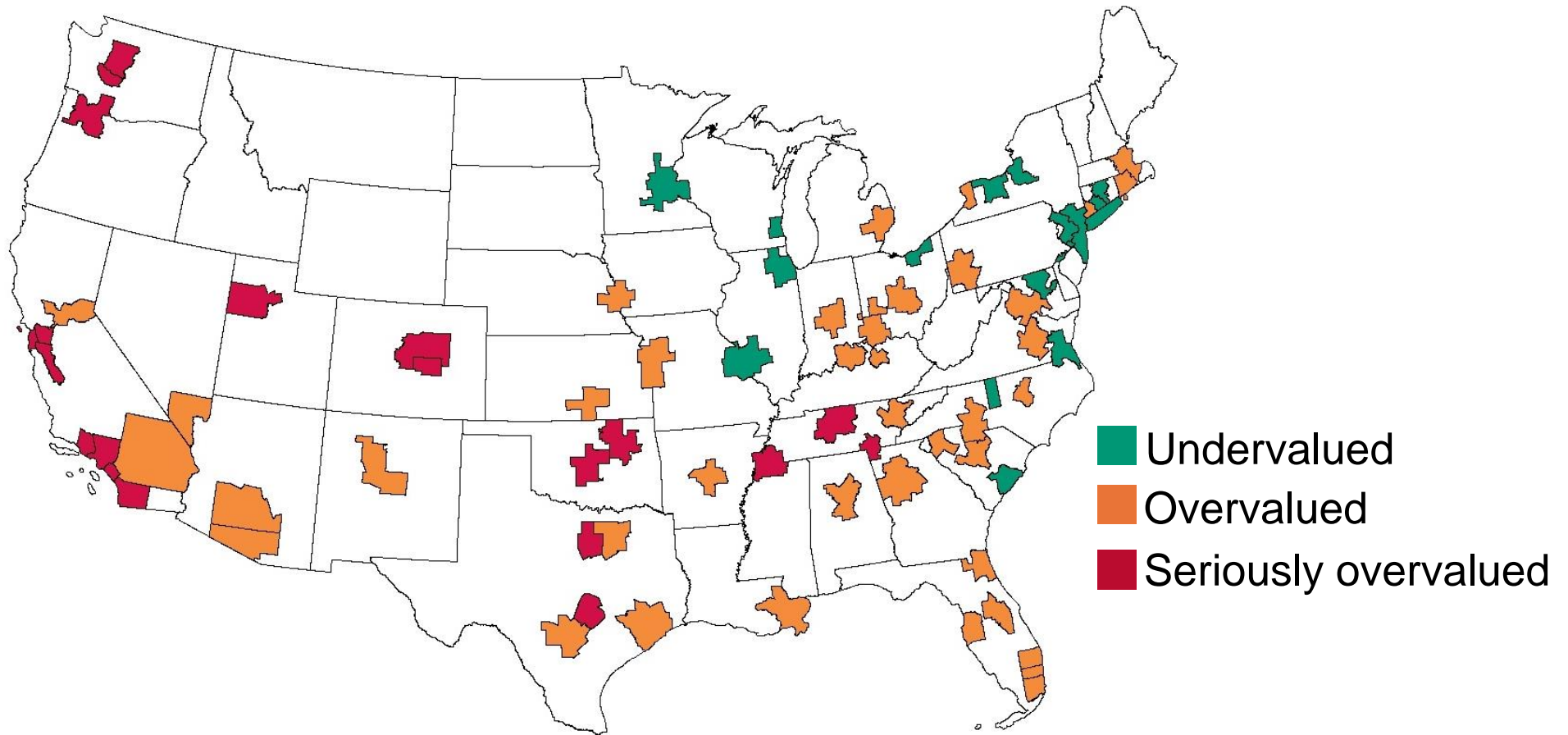
First mortgage loan accommodations, % of loan balances, April 2021



Sources: Equifax, Moody's Analytics

House Price Valuations Are Stretched

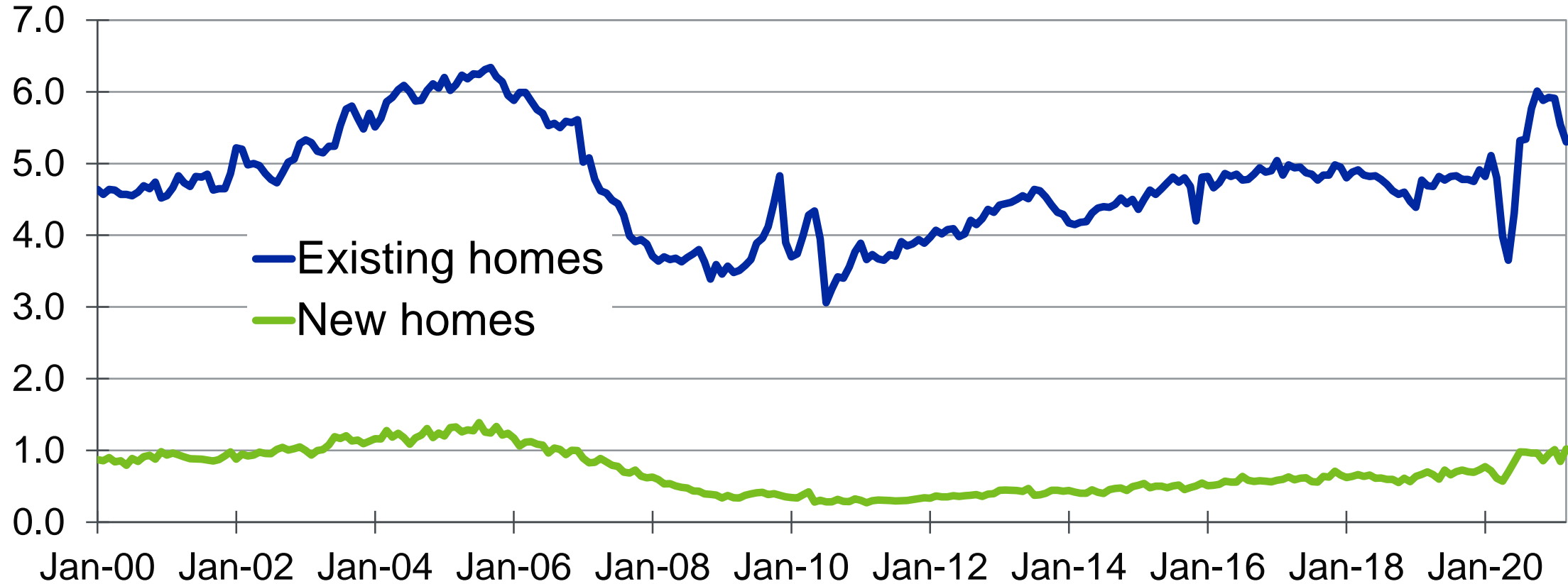
House price valuation based on ratio of prices to rents



Sources: CoreLogic, REIS, Moody's Analytics

Home Sales Soar...

Existing and new single-family home sales, mil, SAAR



Sources: NAR, Moody's Analytics