



# Residential Economic Issues & Trends Forum

NATIONAL ASSOCIATION OF REALTORS®

**Lawrence Yun, PhD**



@NARannual

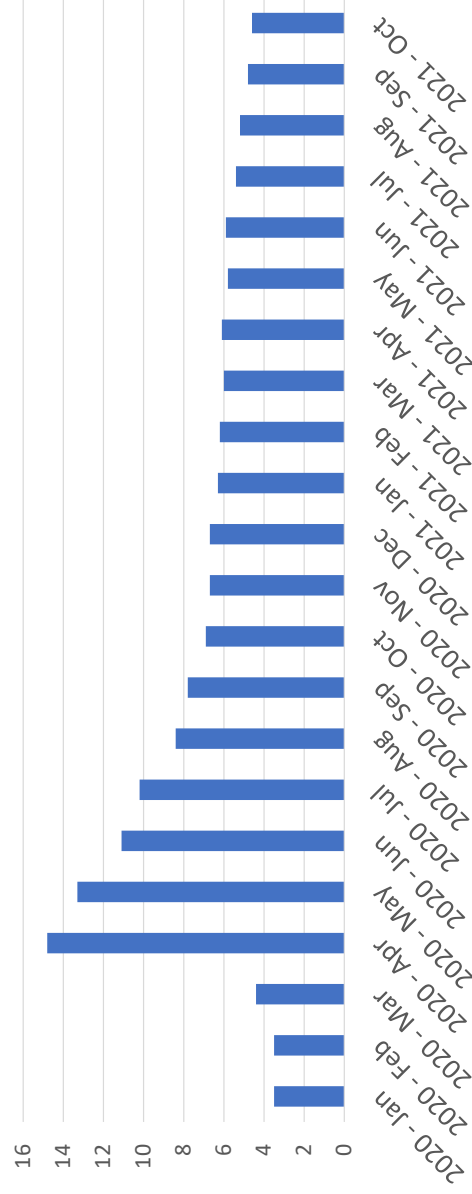


conference.realtor

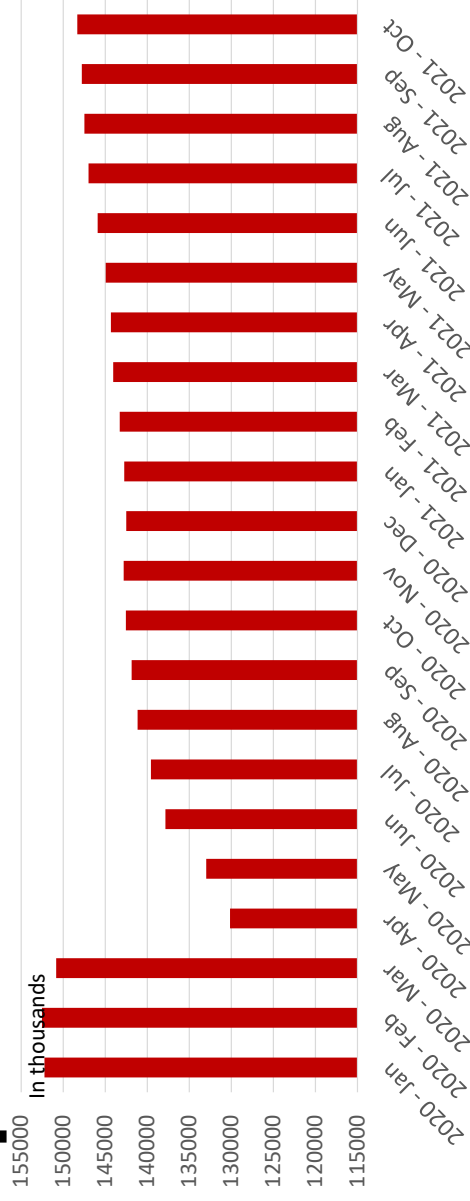


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# Unemployment Rate ... almost back to normal

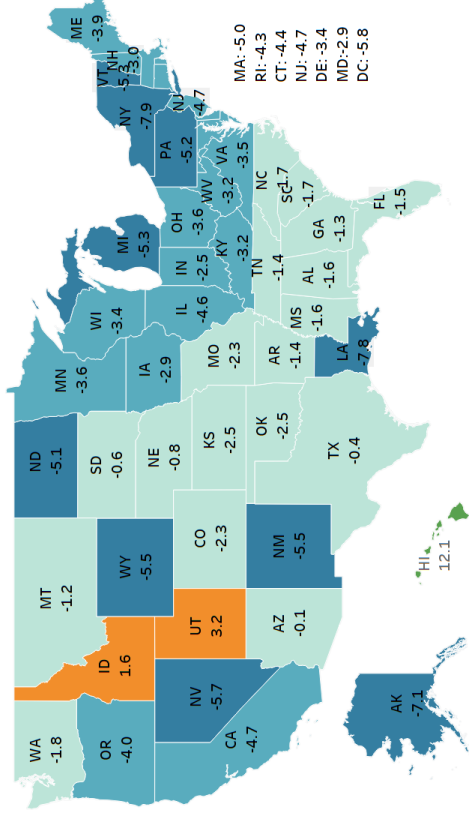


# Total Jobs ... 4 million short of pre-pandemic

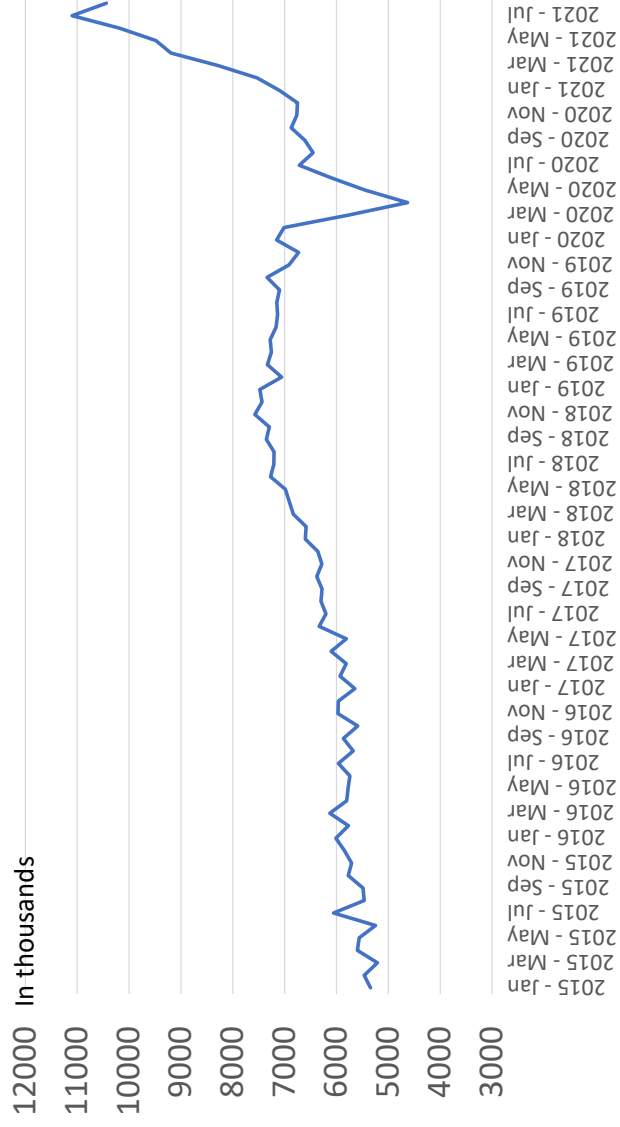


# State-by-State Job Growth from March 2020

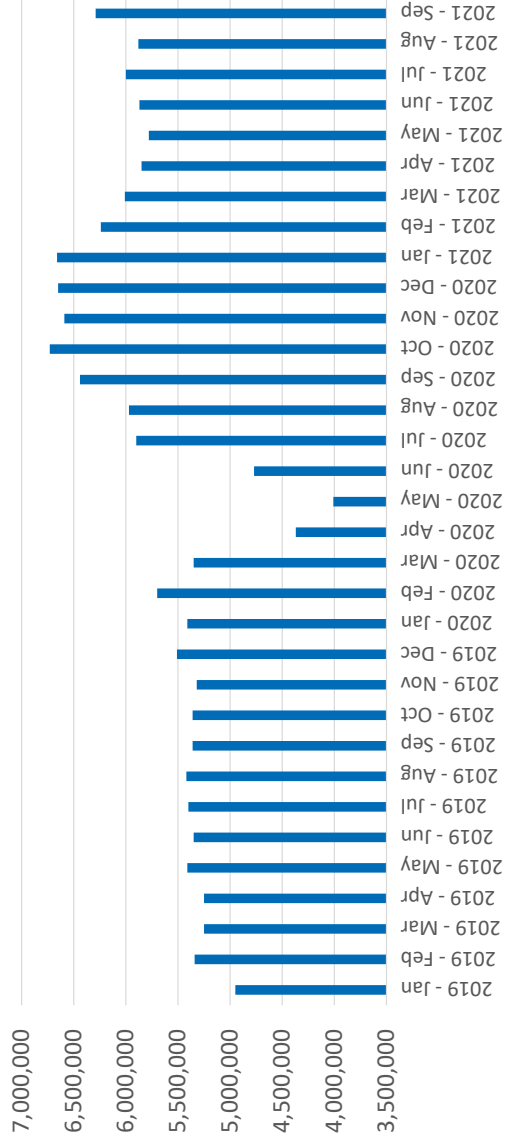
Percent Change in Nonfarm Payroll Employment  
September 2021 vs. March 2020



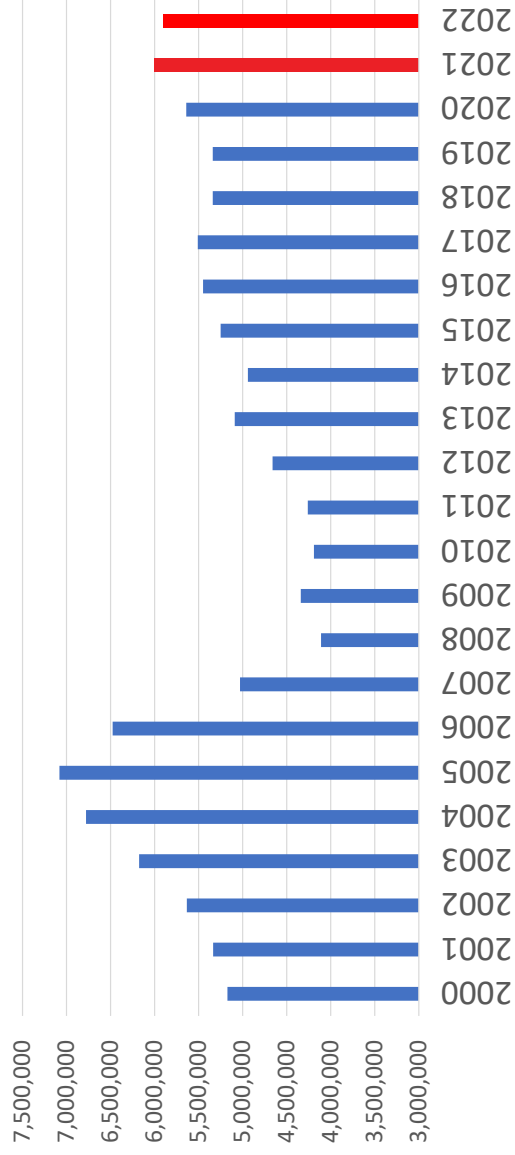
# Job Openings



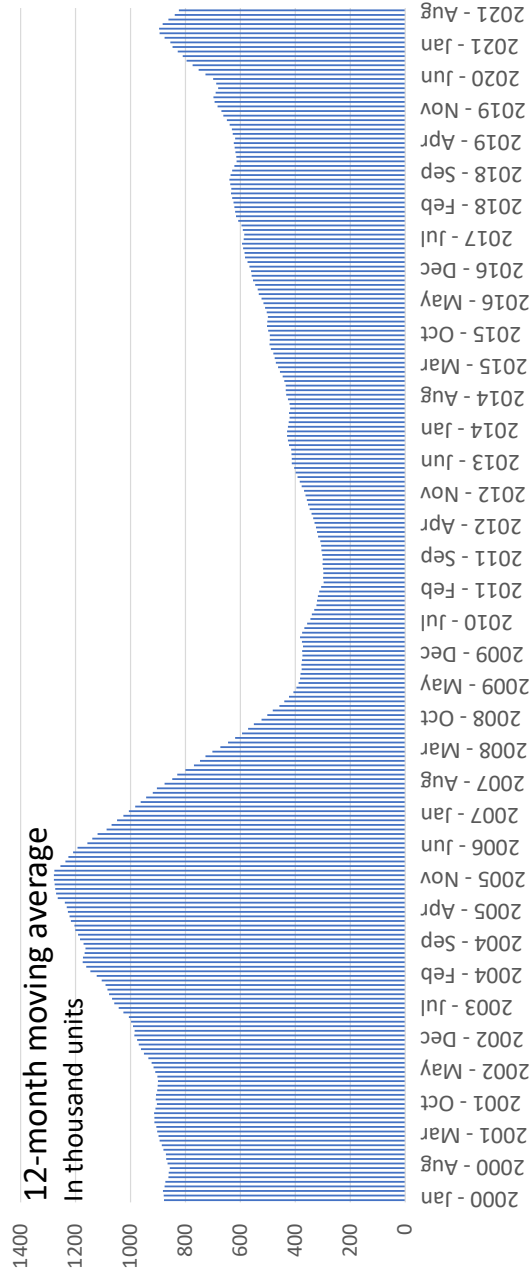
# Existing-Home Sales – Recent Months



# Annual Existing-Home Sales



# Newly Constructed Single-family Home Sales

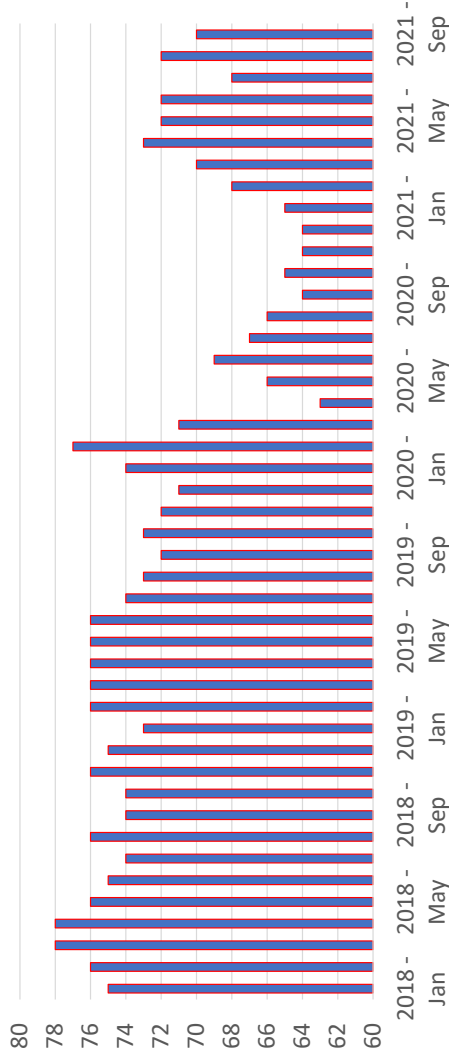




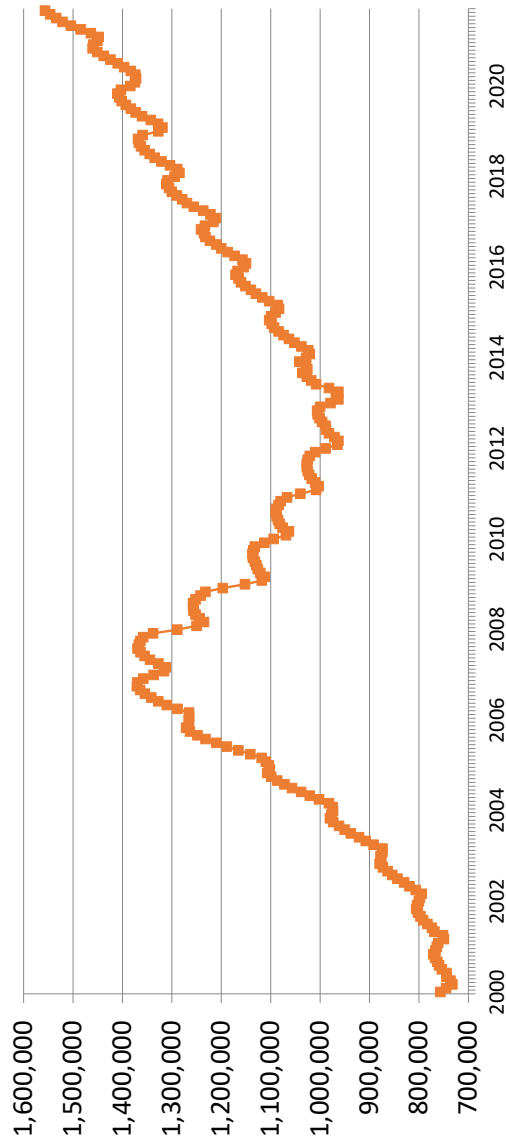
# Fast Contracts ... % of homes with less than 30 Days on Market



# % Contracts Settled on Time ... Appraiser Shortage?



# Worker Shortage Everywhere except NAR Membership



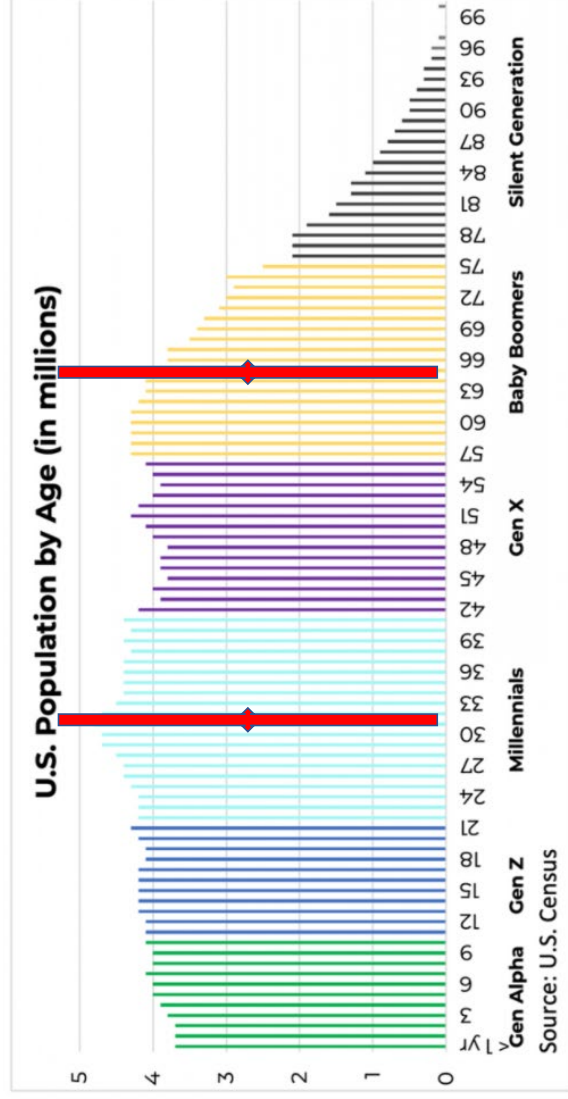
# Investor Buyer Share ... fairly normal (What happened to Zillow and lead generation?)



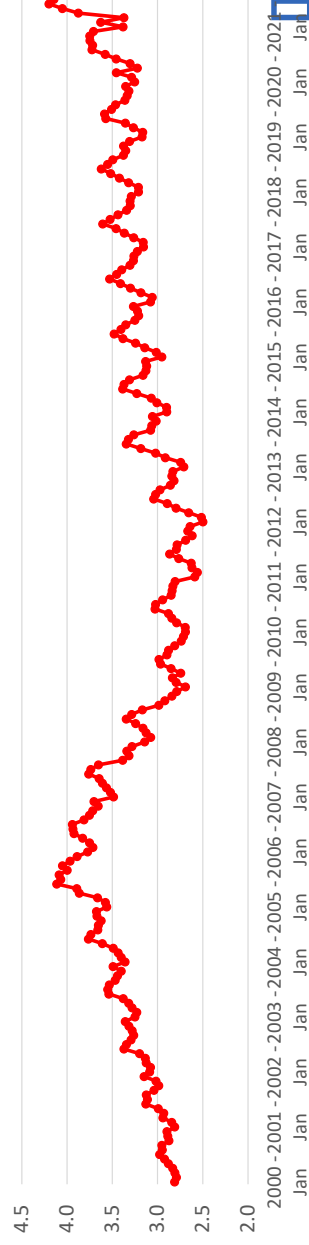
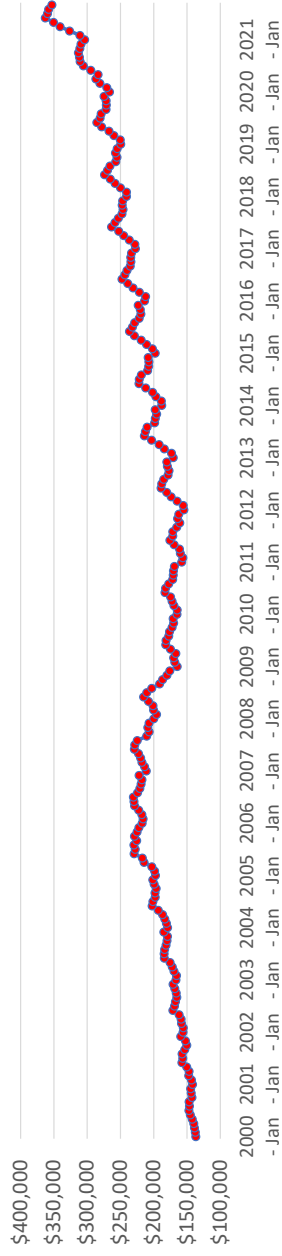
# Home Buyers 1981 and 2021



# Key Age ... First-time Buyers and Retirees



# Median Home Price ... Price-to-income ratio

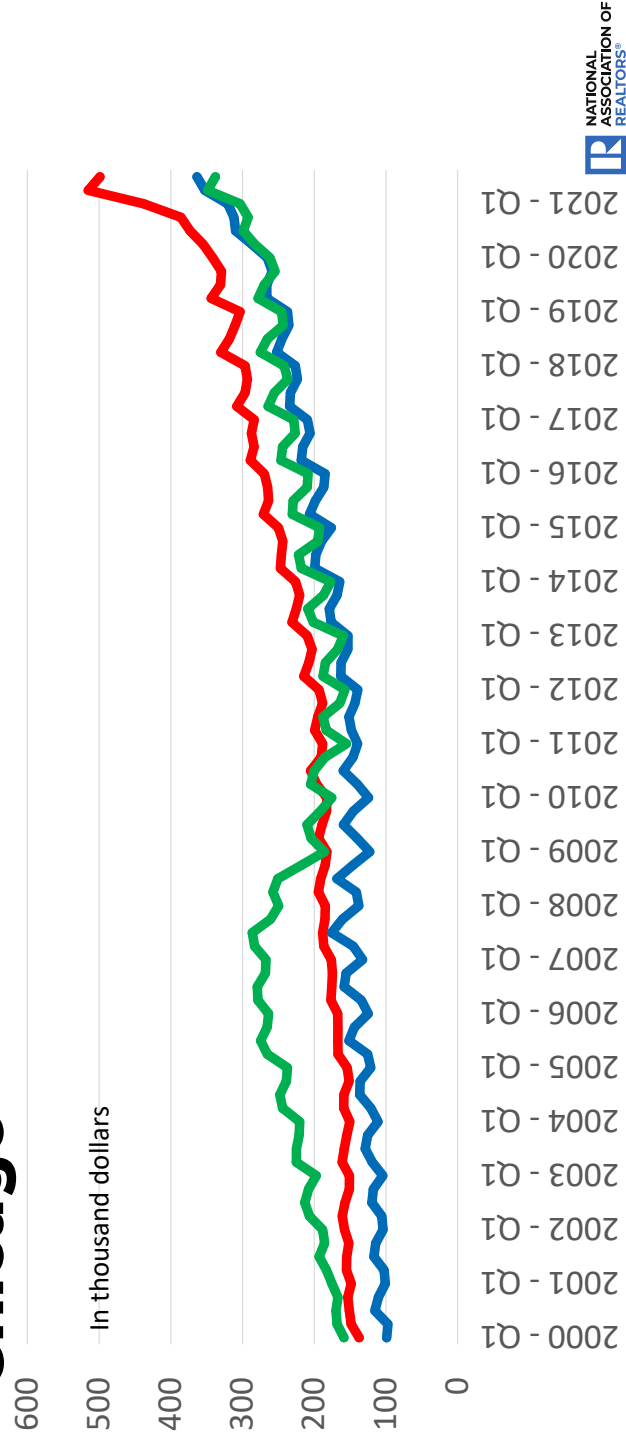


# Hot Markets

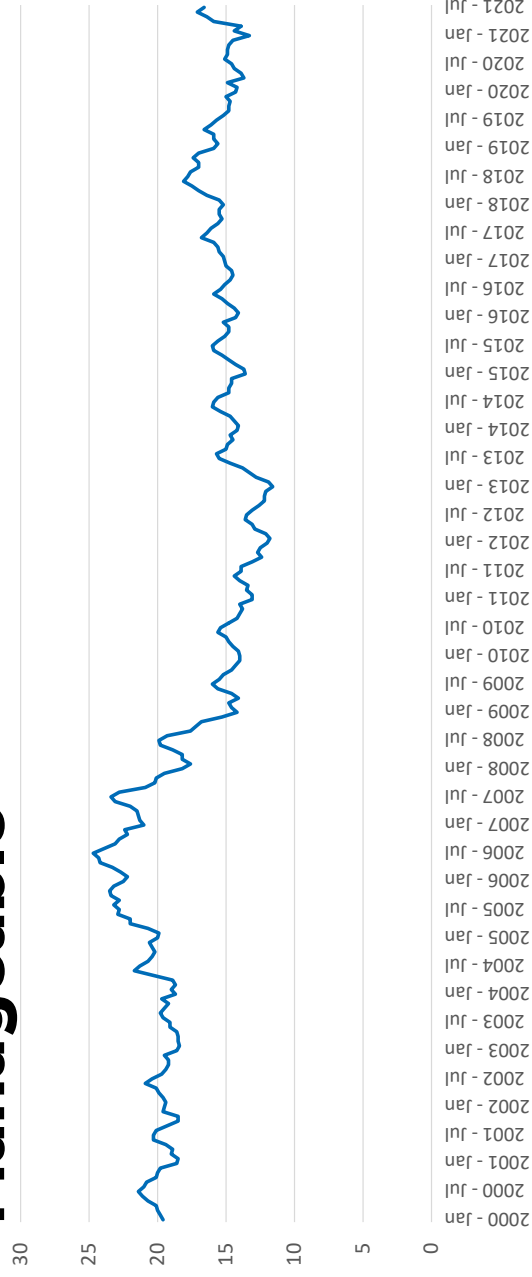
Metro	2020 Q3 to 2021 Q3
Austin	33%
Naples	32%
Boise City	31%
Ocala	30%
Salt Lake City	27%
Phoenix	26%
New York Metro	24%



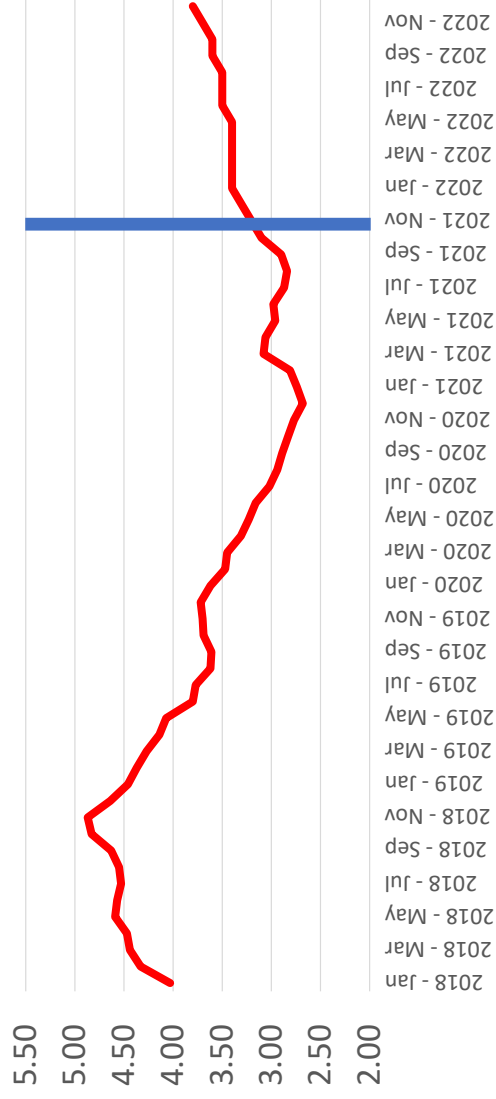
# Metro Price ... Austin, Charlotte, Chicago



# Mortgage Payment to Income is Manageable



# Mortgage Rate to Rise

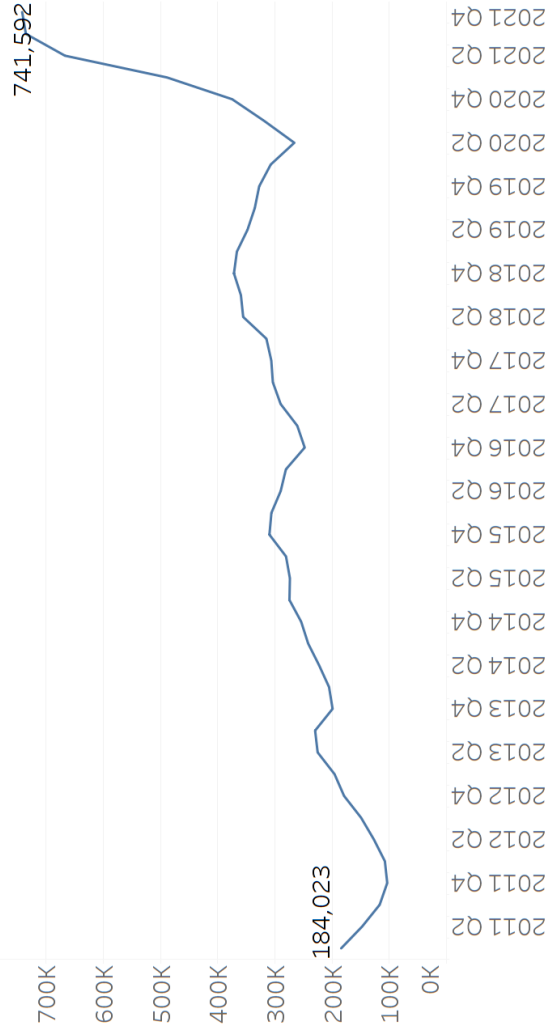


# First-time Homebuyers Experience

- Saving for down-payment was the most difficult task
- Made financial sacrifices
- 28% received help ... loan/ gifts from family or friends
- Tax Credit Help? With Diversity Equity Inclusion
  - Maxine Waters proposal ... extra help for minorities
- Homebuyer tax credit with income thresholds
- Homebuyer tax credit for first generation buyers

# Decade-high demand for multifamily rentals

12-Month Net Absorption of Multifamily Units as of 2021 Q4 (October 23)

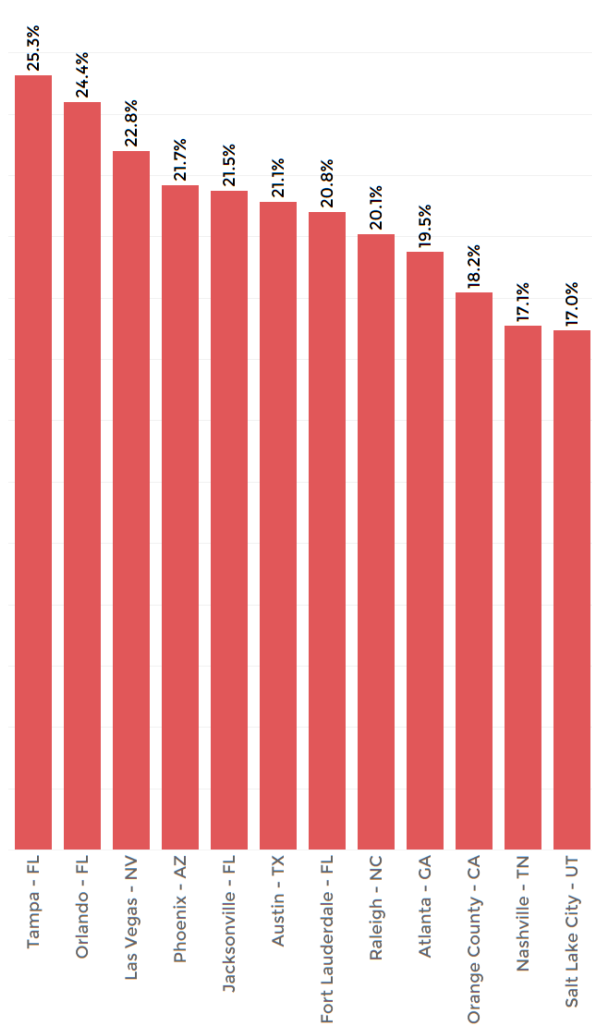


Source: NAR analysis of CoStar data in 390 metros areas or divisions



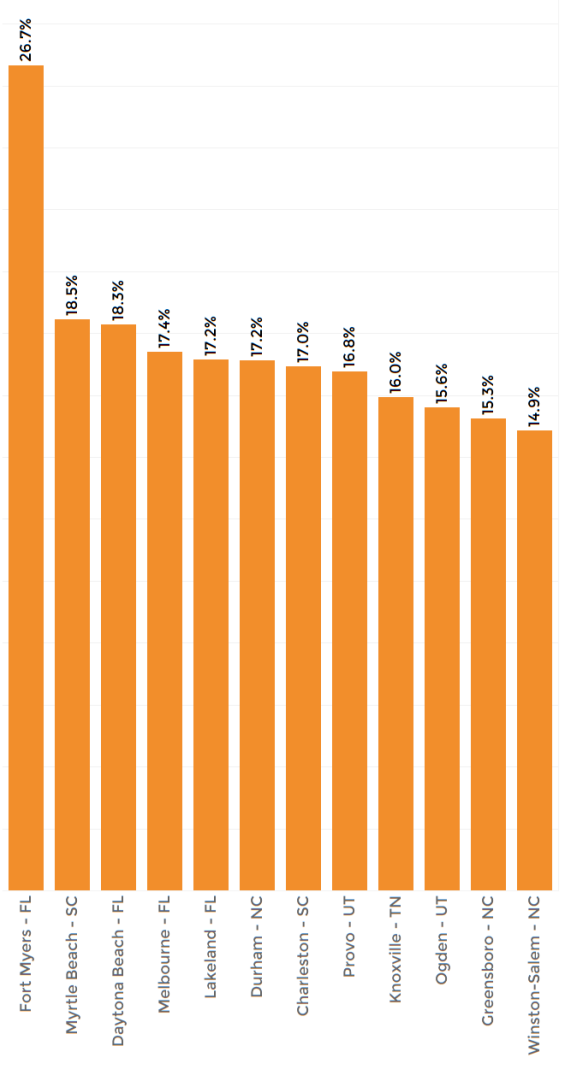
# Strong apartment rent growth among Large markets

Population Over 1M

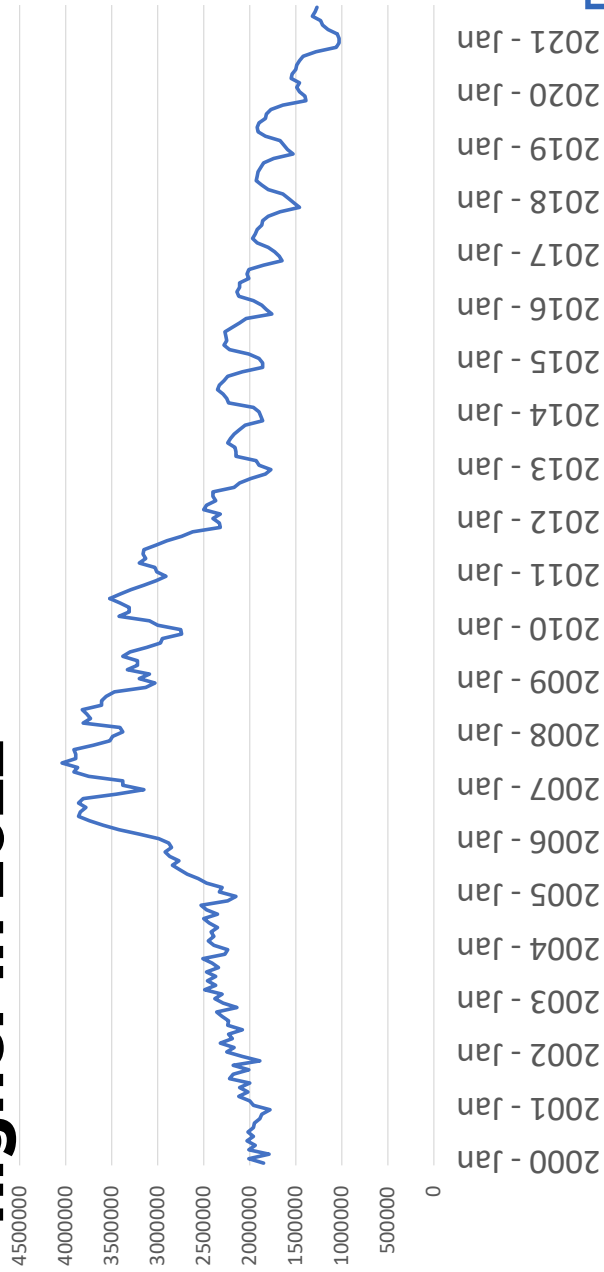


# Strong apartment rent growth in Mid-sized markets

Population Over 500K to 1M

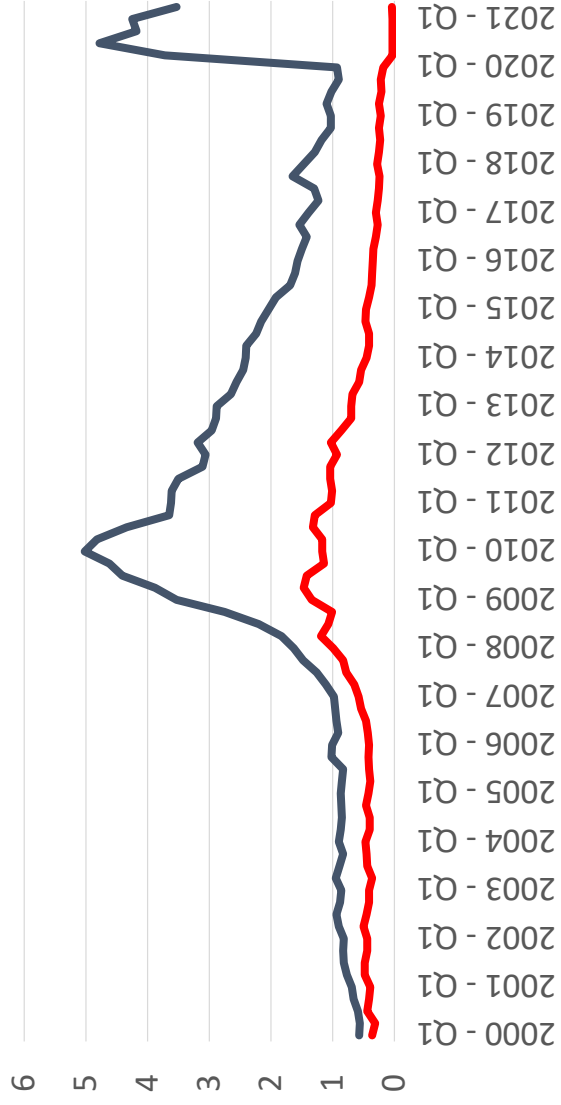


# Low Housing Inventory ... will shoot higher in 2022

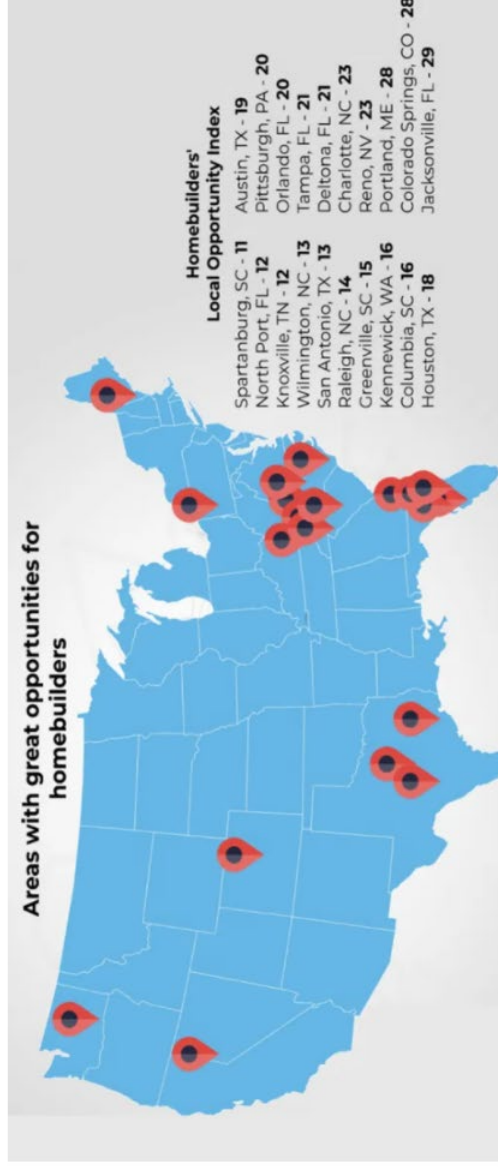




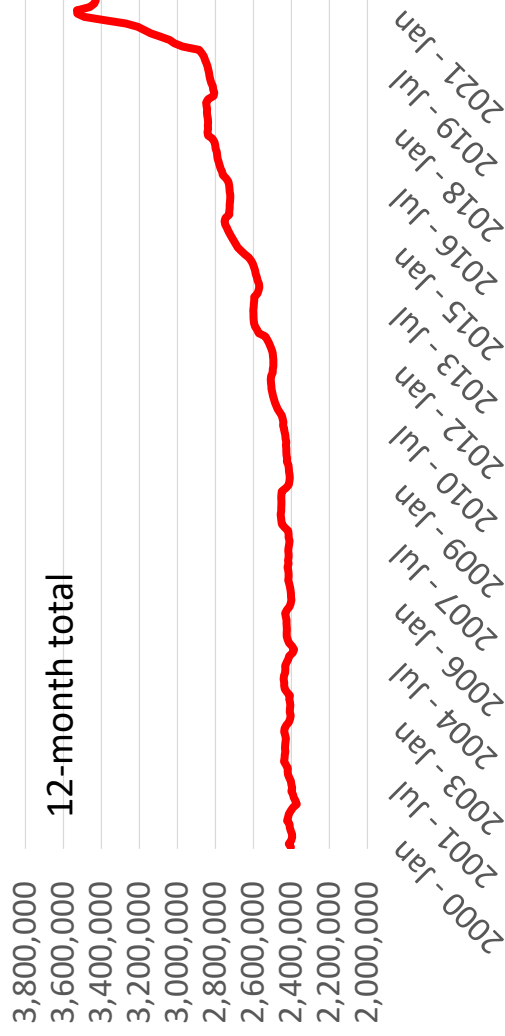
# Mortgage Delinquency and Foreclosure Starts



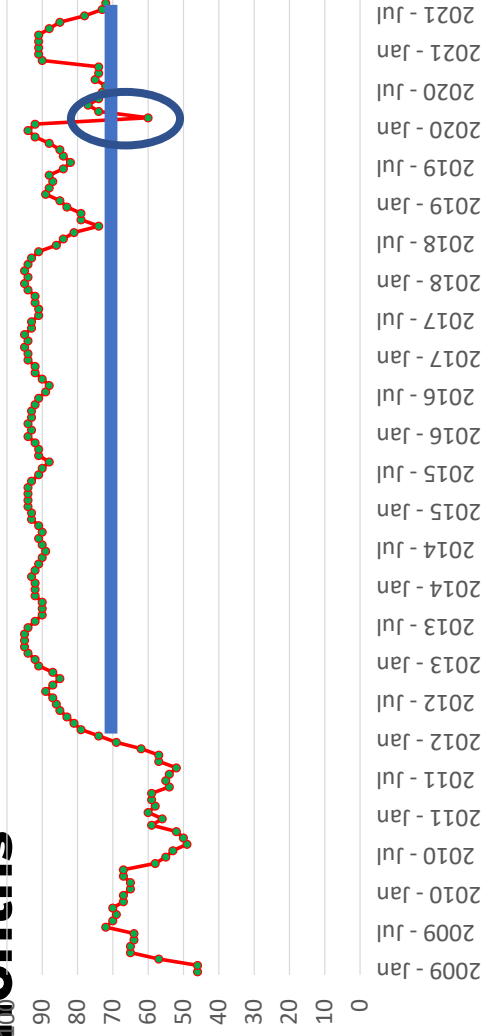
# Homebuilder Opportunity ... Easy Profit



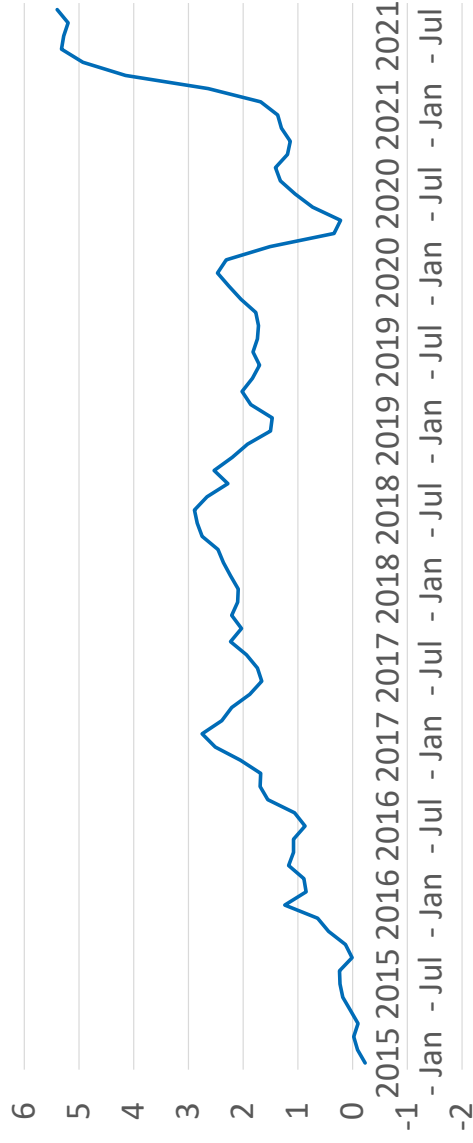
# Death Certificates in U.S.



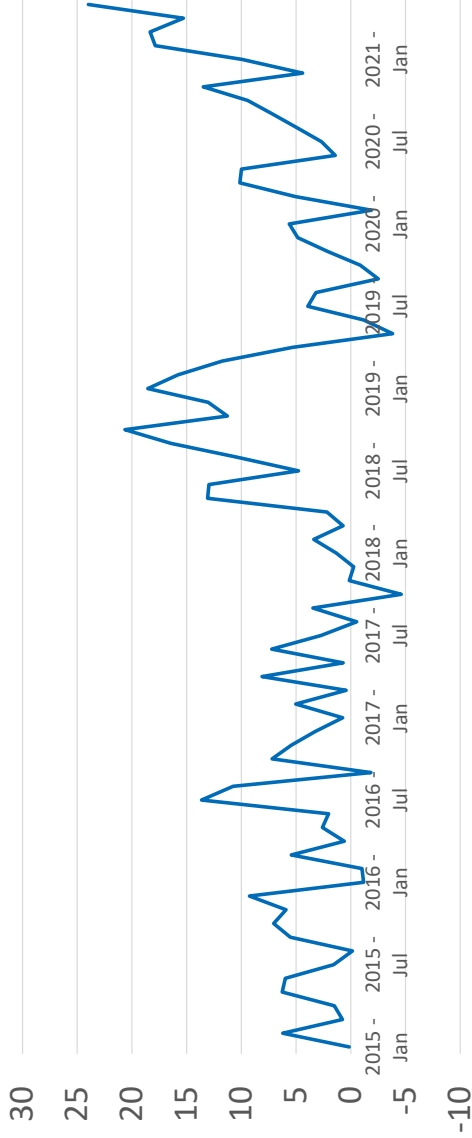
# % of REALTORS® expecting constant or positive price growth over the next 12 months



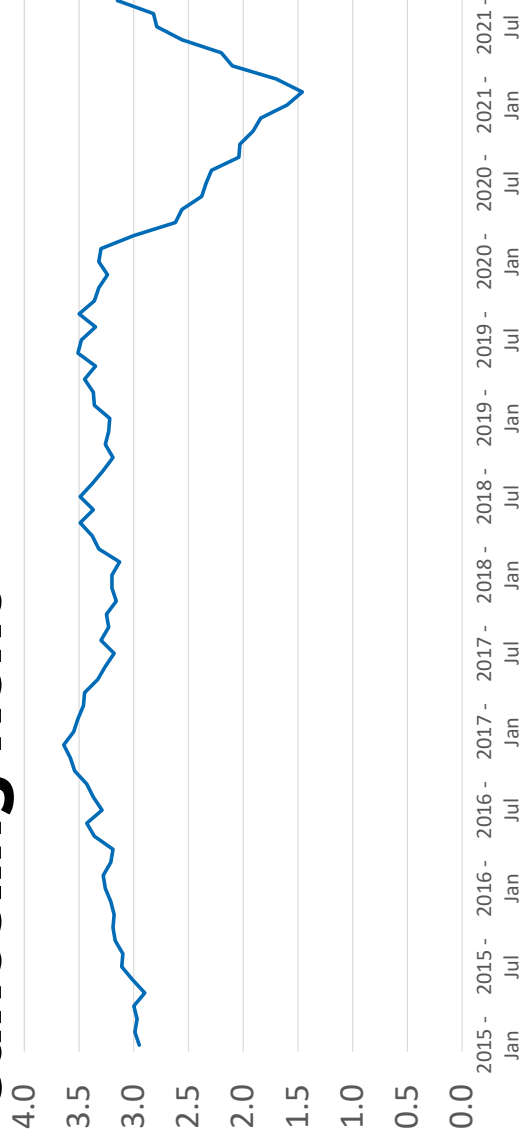
# Consumer Price Inflation



# Mobile Home Getting Expensive Inflation of 24% ... \$106,000



# Consumer Price Inflation ... Rent Component ... Never consider Canceling Rent



# Home Price as Inflation Hedge

Decade	Home Price Average Annual	Consumer Price Average Annual
1970s	9.9%	7.1%
1980s	5.5%	5.6%
1990s	4.1%	3.0%
2000s	2.3%	2.6%
2010s	4.9%	1.8%
2020 + 2021	12%	3%



# **Cryptocurrency as Inflation Hedge**

- Stay away ... It's a fraud
- Short-term bored gamblers
- Mid-term investors ... knowing institutional money and validation
- Long-term investors ... don't trust the government

# Home Sales Revenue Forecast

Year	Unit Sales	Home Price	Dollar Volume
2015	+6.3%	+6.8%	+12%
2016	+3.8%	+5.1%	+9%
2017	+1.1%	+5.7%	+7%
2018	-3.1%	+4.9%	+2%
2019	0.0%	+4.9%	+5%
2020	+5.6%	+9.1%	+15%
2021	+6.4%	+14.7%	+21%
2022	-1.7%	+2.8%	+1%

# South Korea: Better or Worse Life?





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2021 REALTORS®  
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SHINE**

Nov. 12-15, 2021  
San Diego

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# THANK YOU!



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