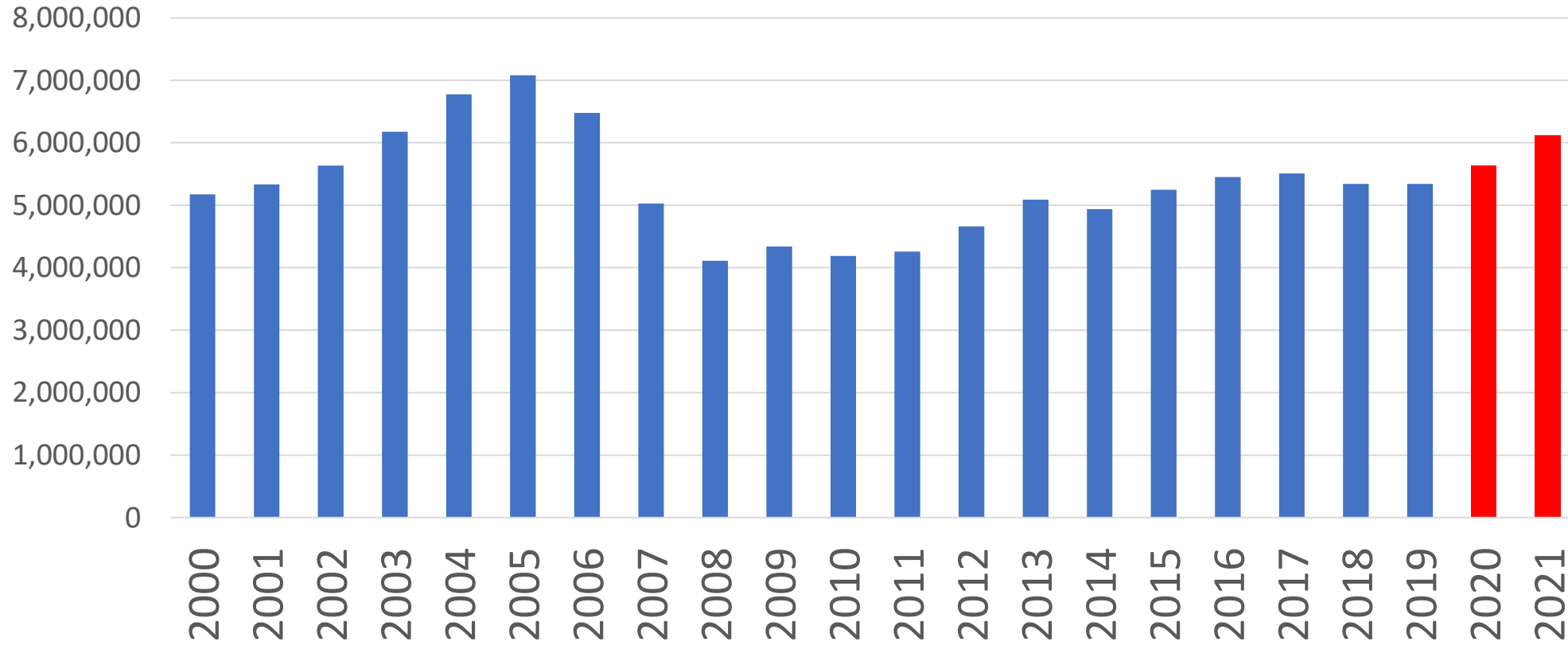


# Economics and Market Outlook

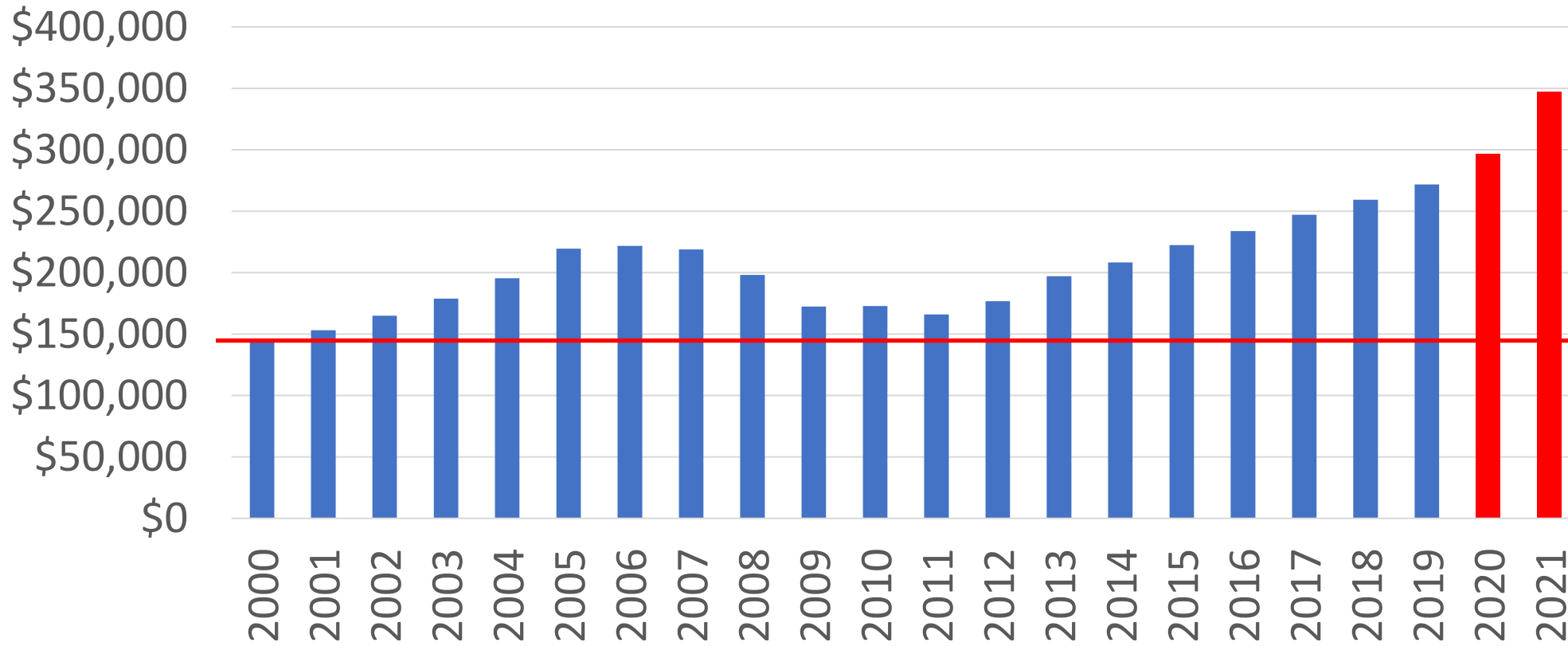
June 2022

Lawrence Yun  
Chief Economist  
National Association of REALTORS®

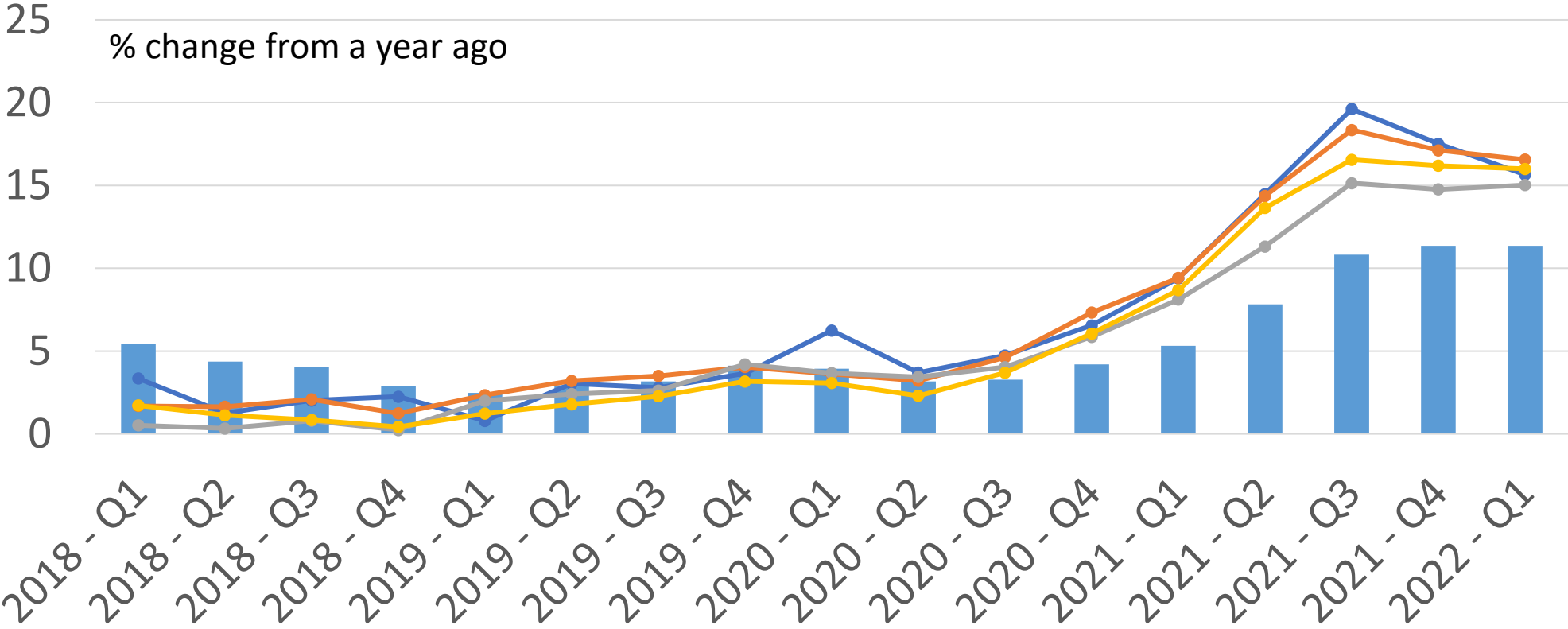
# Existing Home Sales



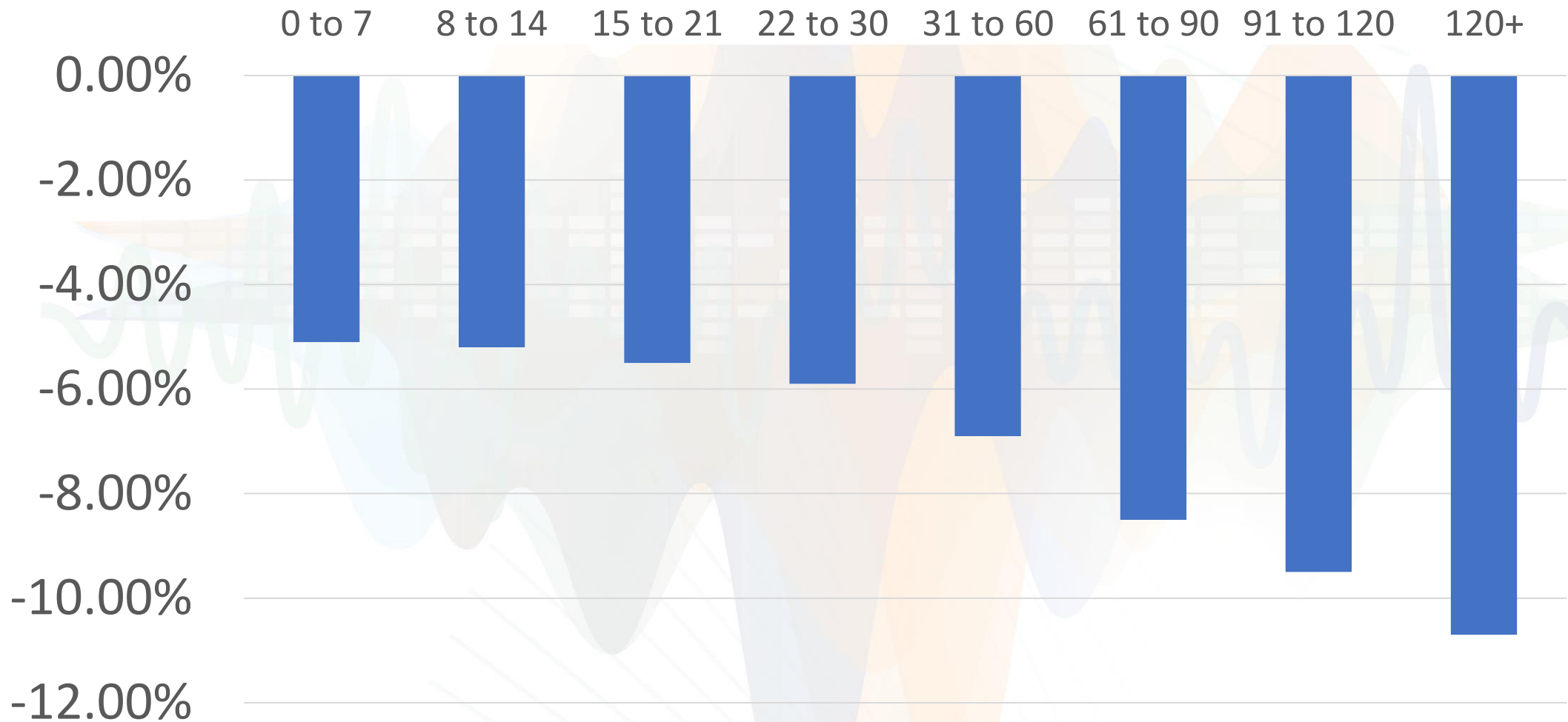
# Median Home Price in U.S.



# Home Price Appreciations: NYC Metro, Bridgeport, Hartford, New Haven, New London

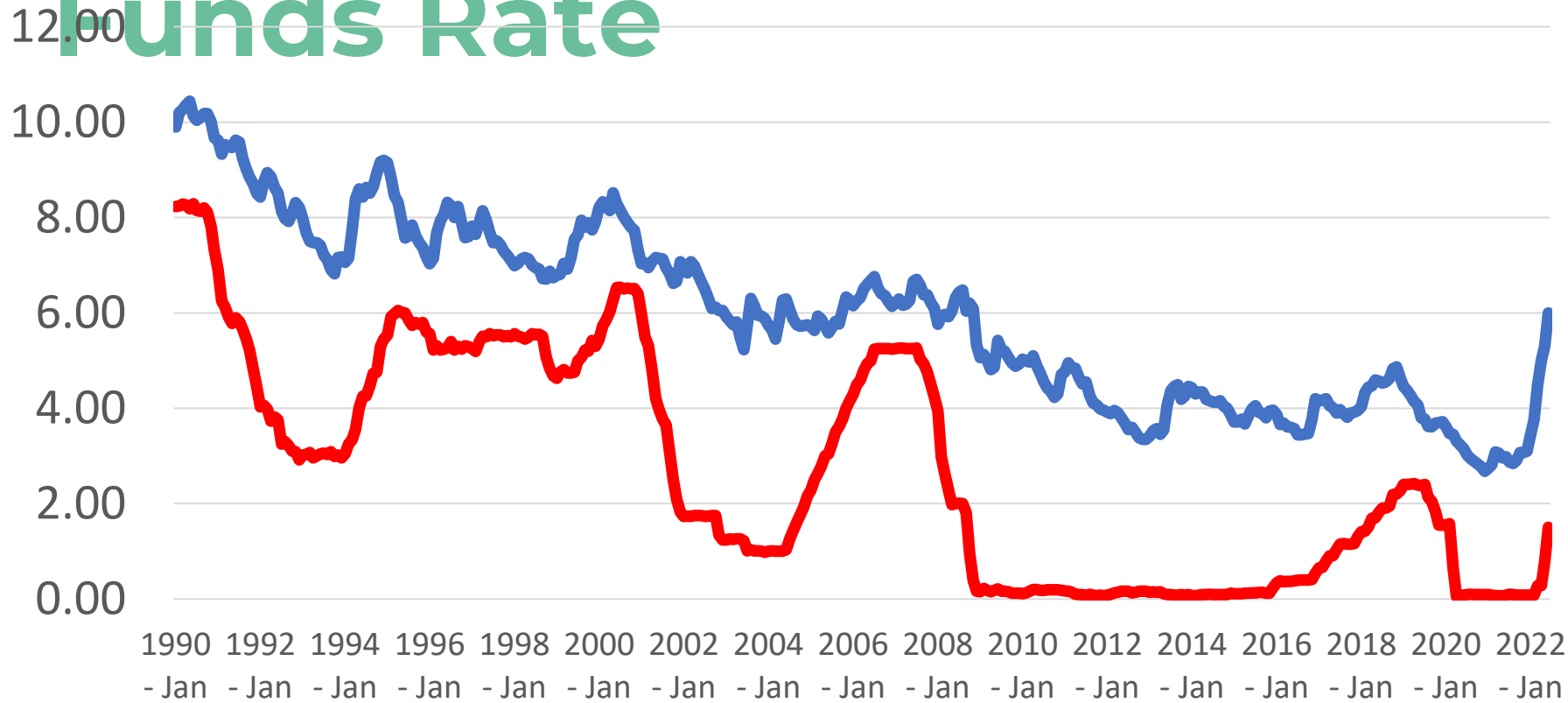


# Price Adjustment on Ratified Contract versus Days of Market



Source: NAR

# Mortgage Rate and Fed Funds Rate

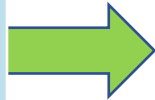


# Monthly Mortgage Payment on 200K loan

Mortgage Rate	Principal + interest
3%	\$843
4%	\$955
5%	\$1074
6%	\$1199
10%	\$1755

# Monthly Mortgage Payment on \$220 K loan at 5.3%

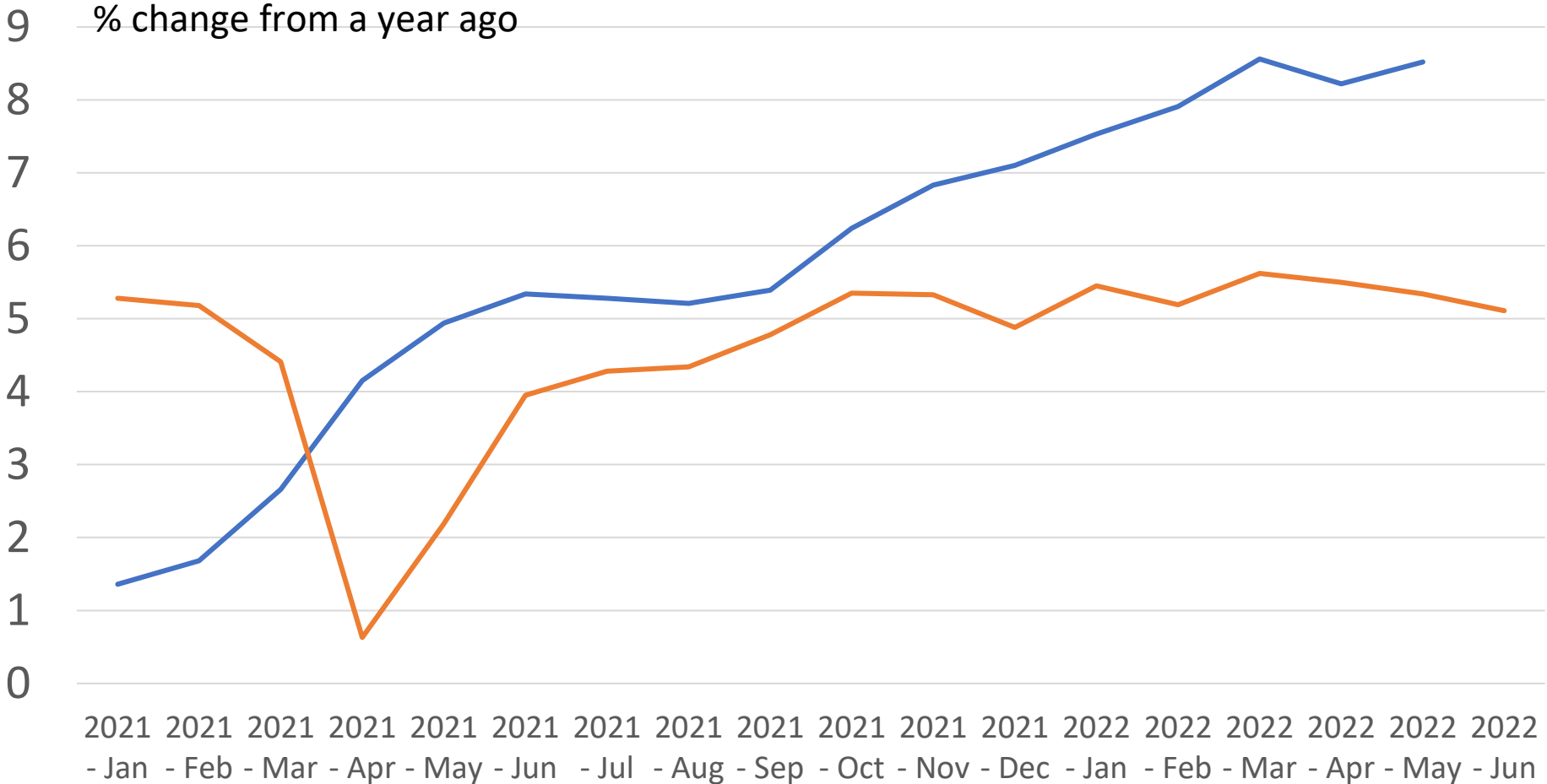
Mortgage Rate	Principal + interest
3%	\$843
4%	\$955
5%	\$1074
6%	\$1199
10%	\$1755



Mortgage Rate	Principal + interest
5.8%	\$1291

53% increase

# Wage Growth lagging Consumer Price Initiation

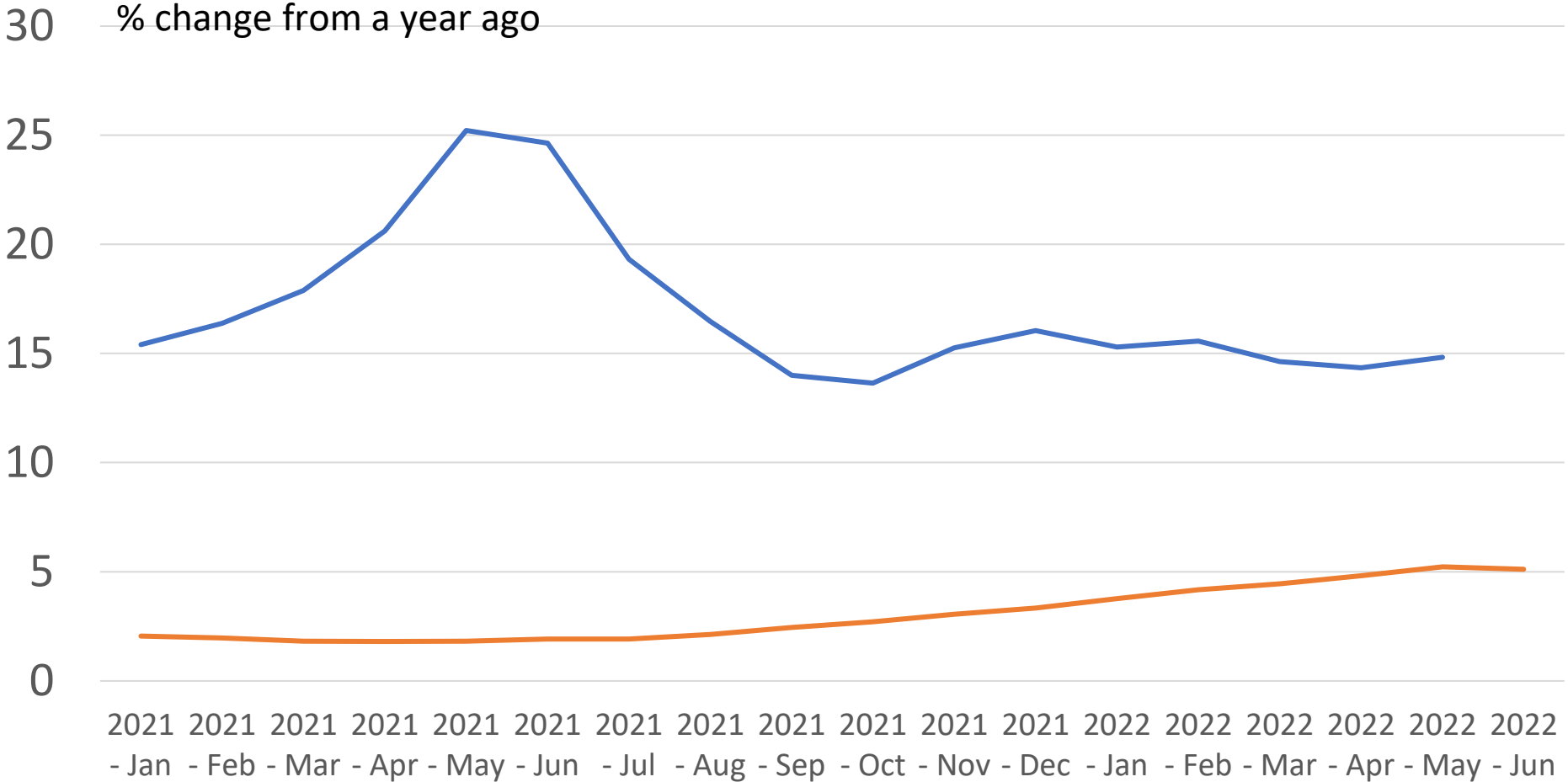


Source: BLS

# Consumer Price Inflation at 8.5%

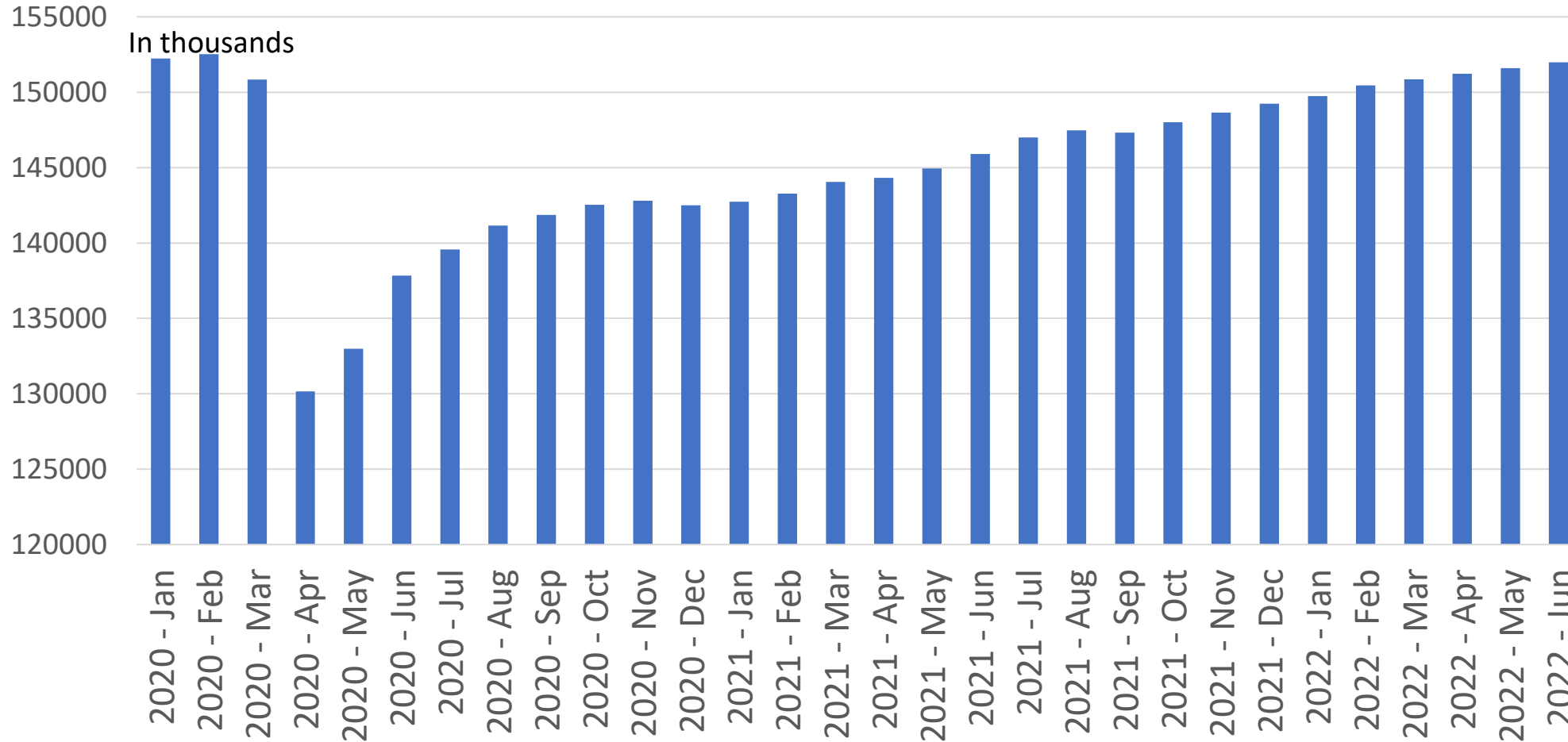
Item	% change from a year ago
Gasoline	49%
Airfare	38%
Hotel/Motel	22%
Used Car	16%
Electricity	12%
Food	10%
Rent	5%
Clothes	5%
Medical	5%
College Tuition	2%
Mass Transit	2%

# Home Prices Decelerating (blue) ... while Rents Accelerating (rent)



Source: BLS

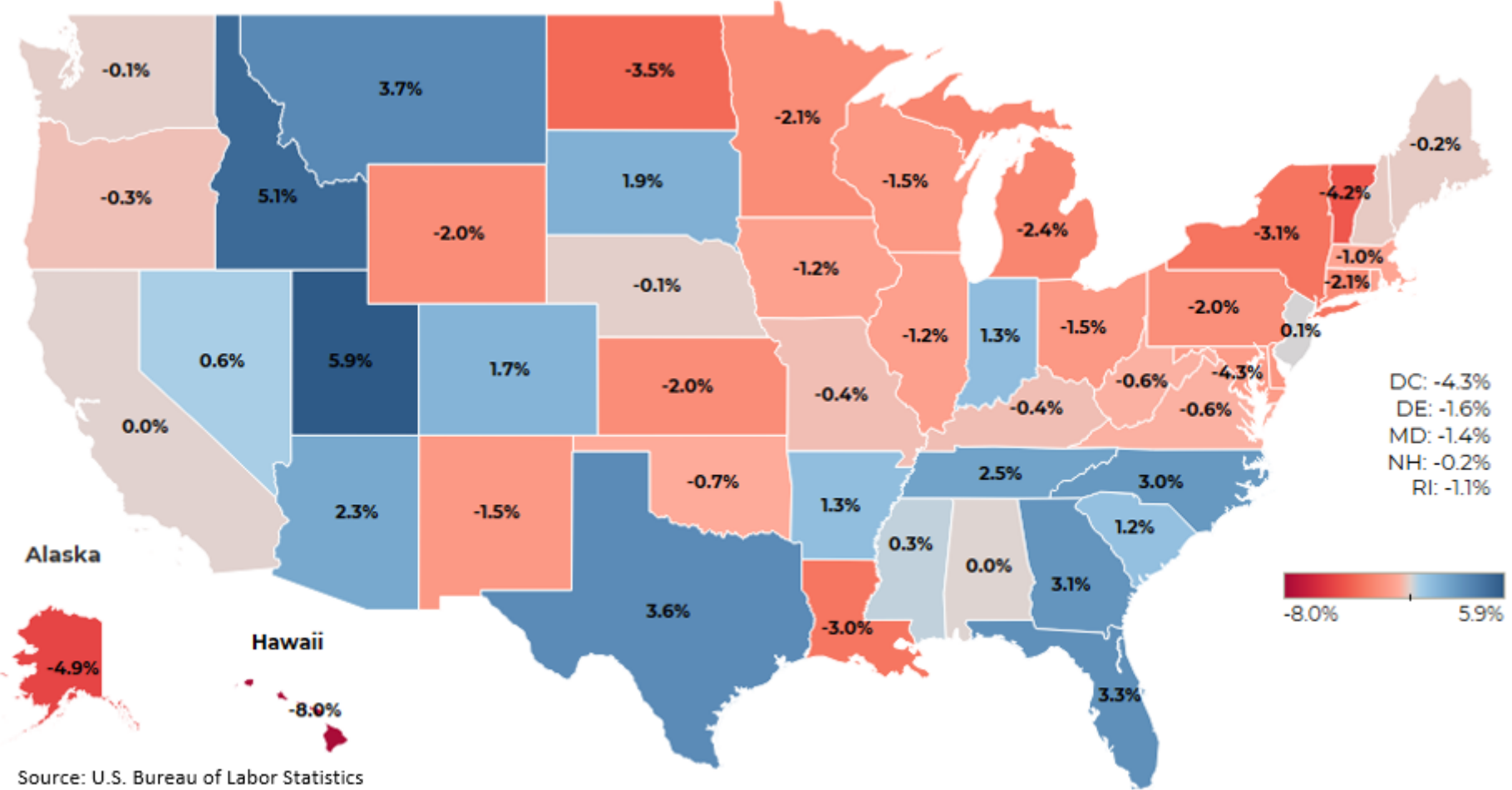
# Total Payroll Jobs ... almost back to ~~pre-covid days~~



Source: BLS

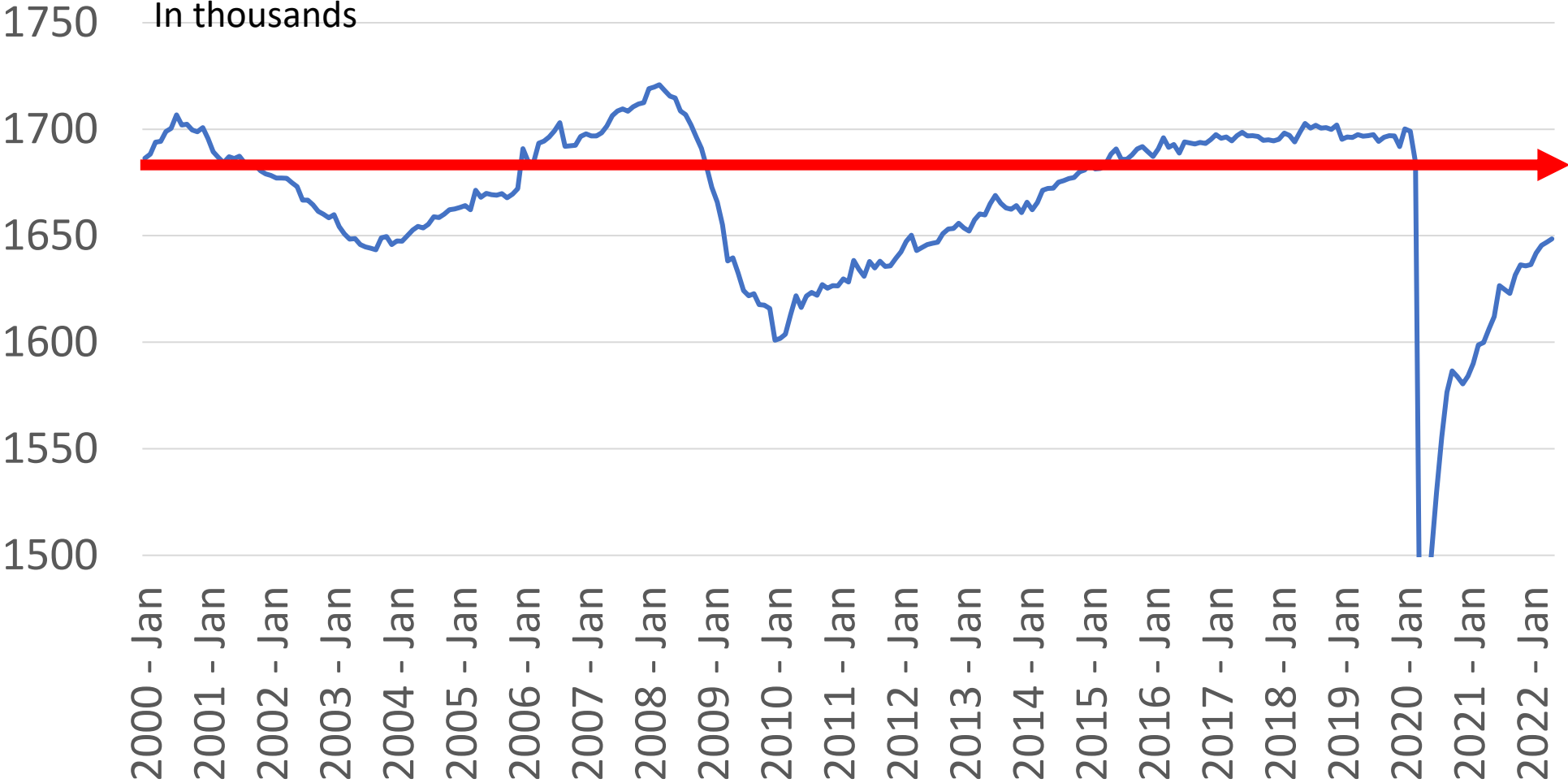
# Jobs Recovery compared to Pre-Covid Days

May



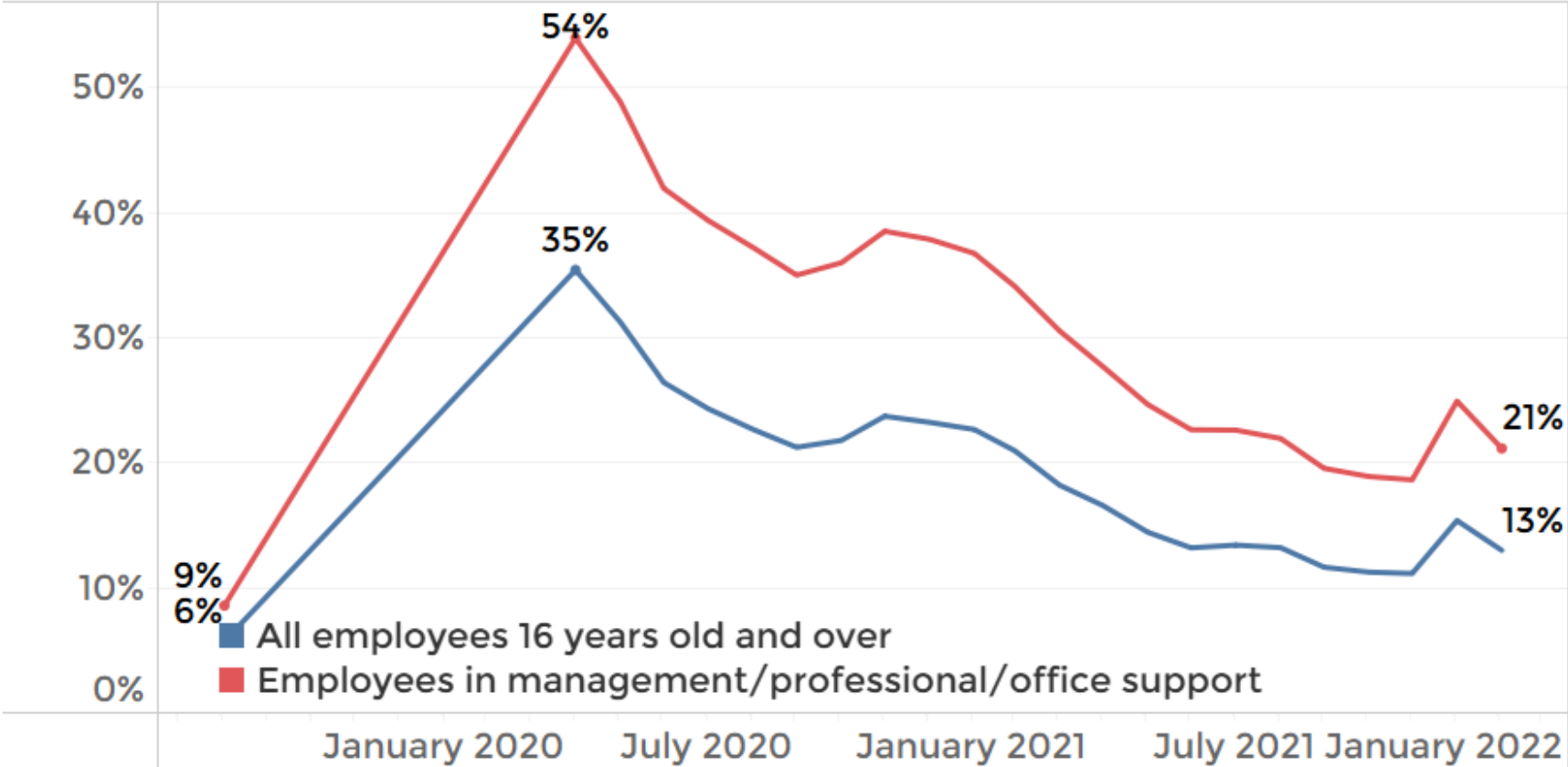
Source: U.S. Bureau of Labor Statistics

# Jobs in Connecticut



# WORKERS HEADING BACK TO THE OFFICE

Percent of employed 16 years old and over who teleworked as of February 2022

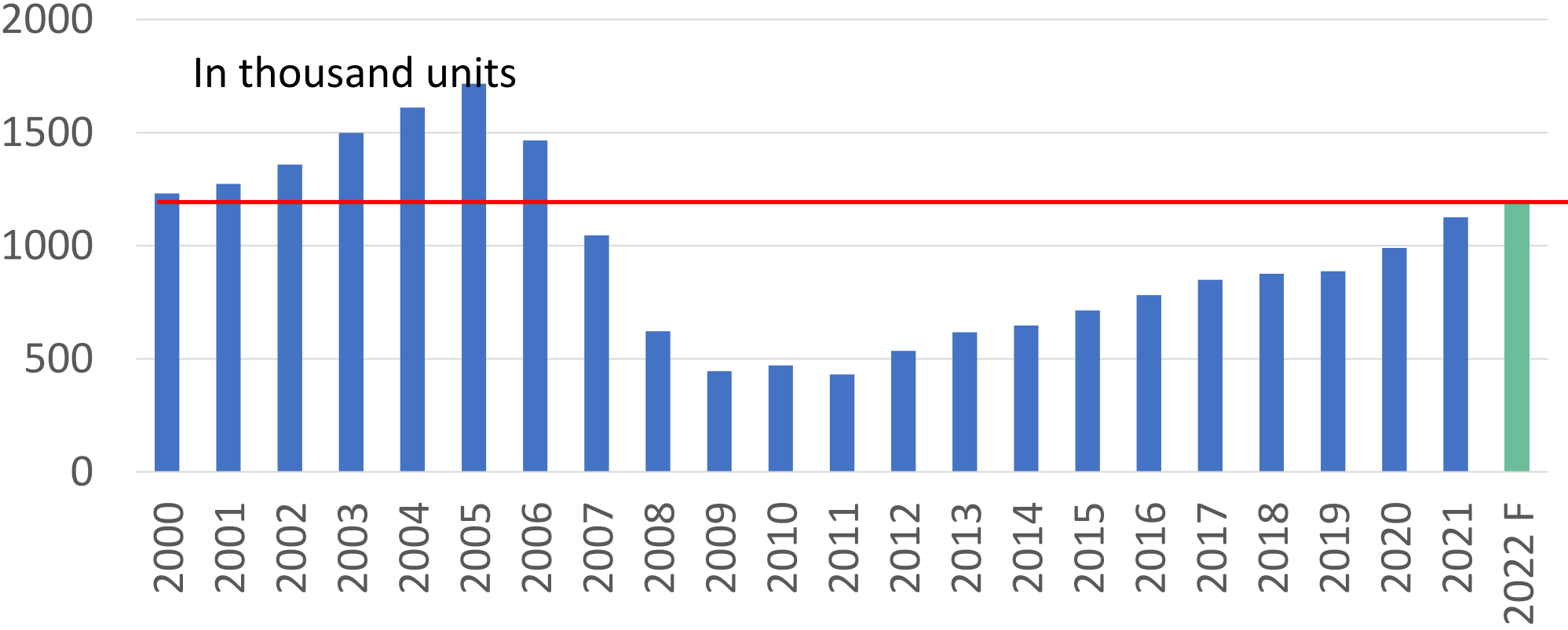


Source: Bureau of Labor Statistics COVID Supplement and 2019 American Community Survey. Office-using occupations are management, professional and related occupations and office administrative support workers.

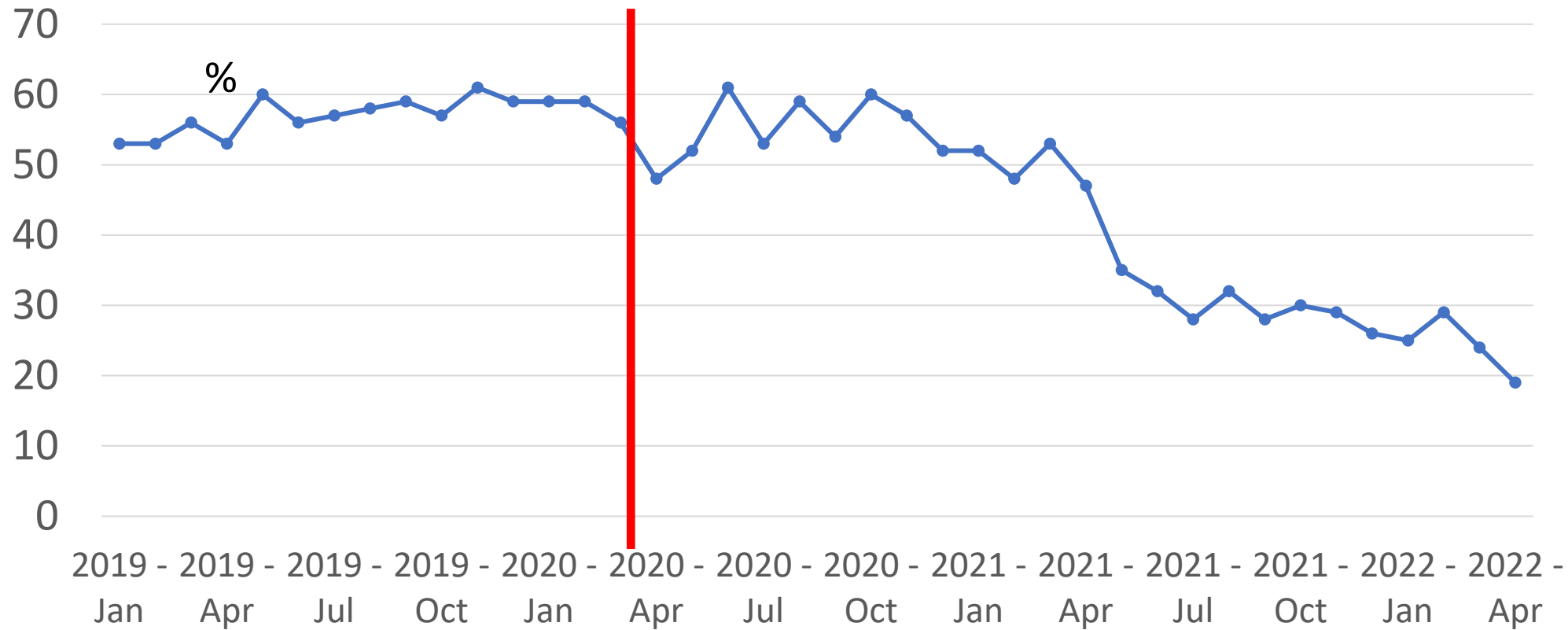
# Inventory .. Lower than in 2000



# Single-family Housing Starts



# Fannie Mae Consumer Sentiment: “Is it a good time to buy”



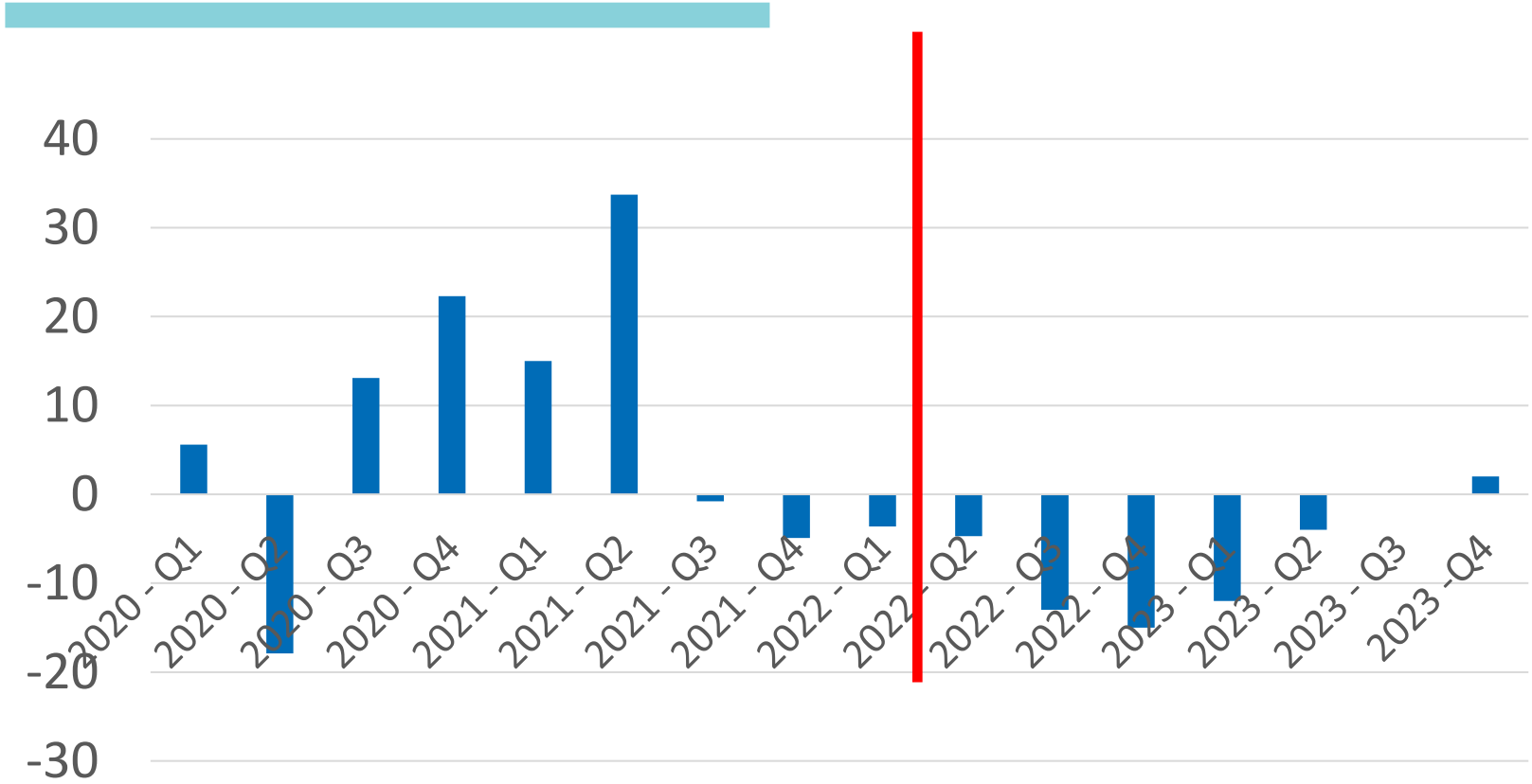
# Consumer Expectations (as of February 2022)

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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

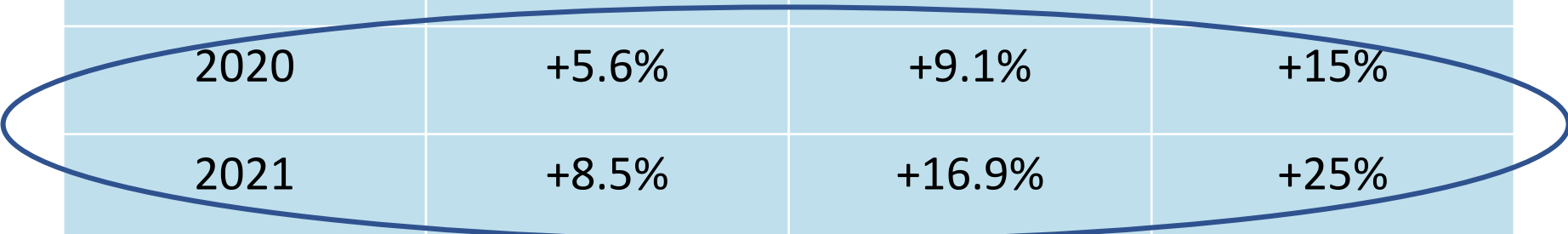
Source: NY Federal Reserve Survey of Consumer Expectations

# Quarterly Near-Term Forecast



# National Forecast

Year	Unit Sales	Home Price	Dollar Volume
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	+8.5%	+16.9%	+25%
2022 forecast	-13%	+7%	-6%
2023 forecast	-1%	+4%	+3%



**Thank  
You**