



COVID-19 Effects on Housing Market

NABE Webinar

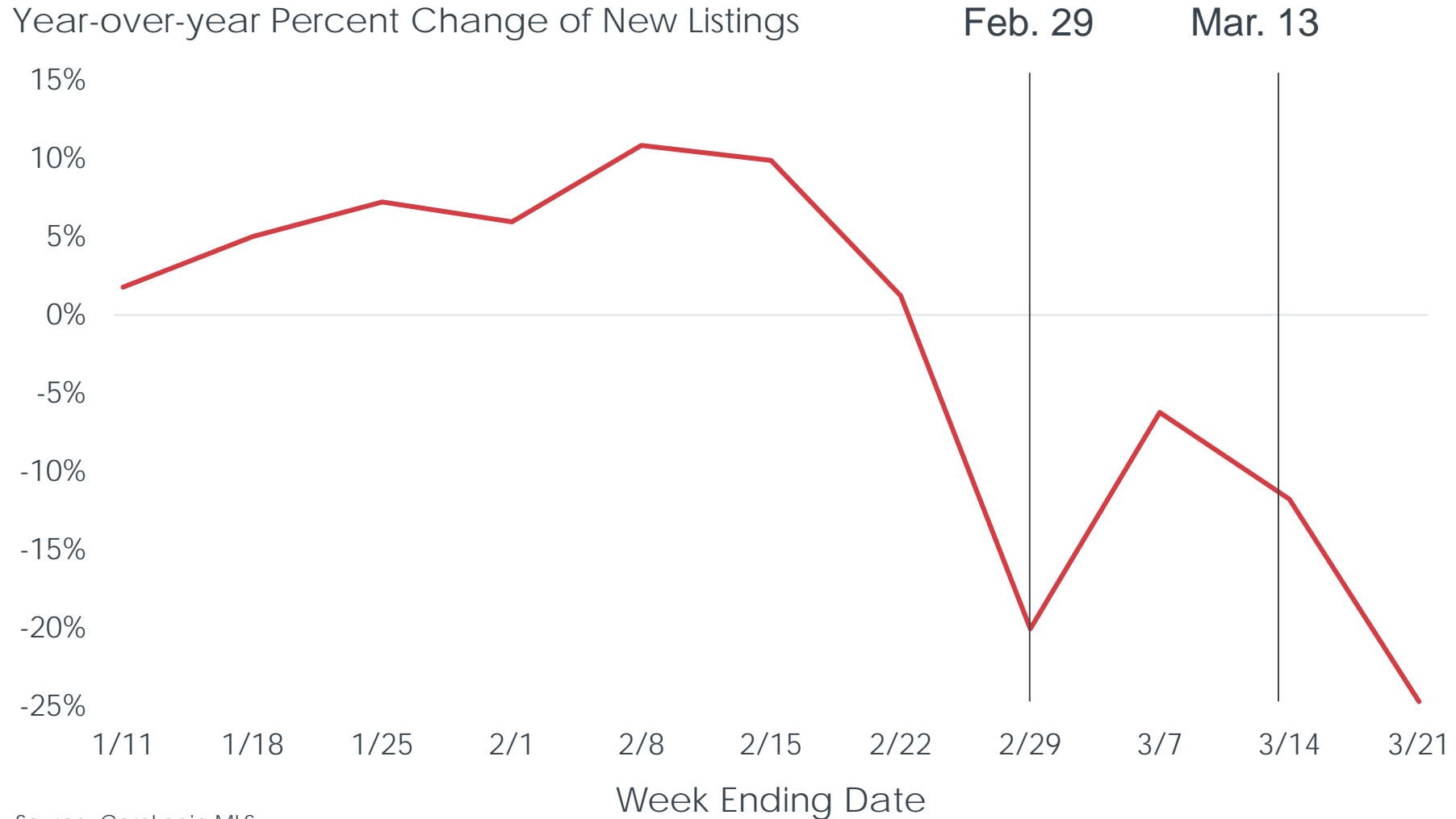
Frank Nothaft
CoreLogic Chief Economist
April 2, 2020



COVID-19 Effects on Housing Market

- MLS: Closings, new contracts, new listings down 25-30% YOY latter half of March
- Purchase applications: down 30% YOY late March, down 15-20% from January
- Delinquency risk: High negative equity share in Louisiana, Connecticut, and Illinois
- Low rates fuel refinance: More than \$2 trillion in home mortgage debt “in-the-money”

Decrease in Weekly New Listings on MLS

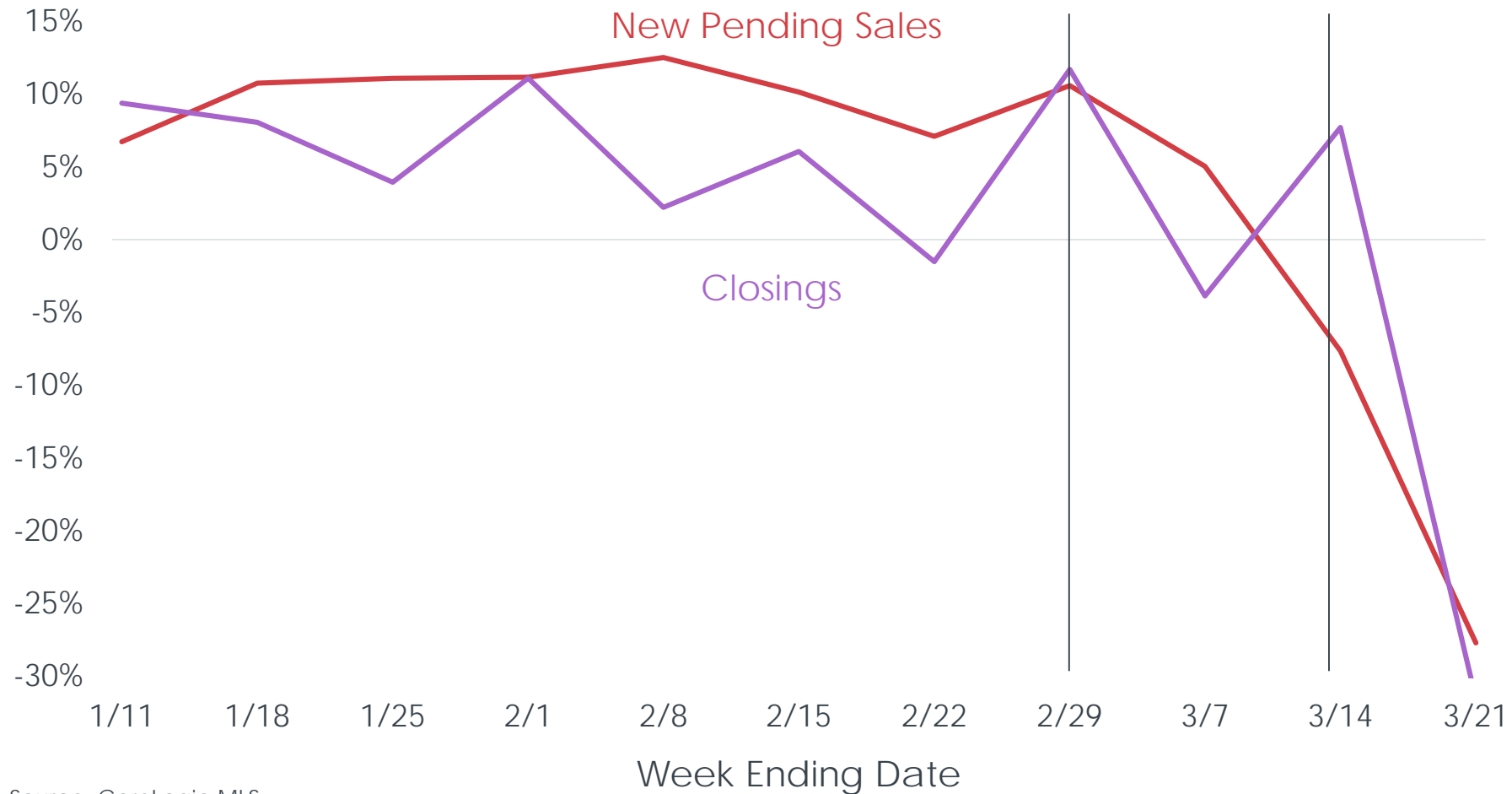


Source: CoreLogic MLS

Weekly MLS Contract Signings & Closings Drop

Time from contract signing to close: 33 days (median) in 2020

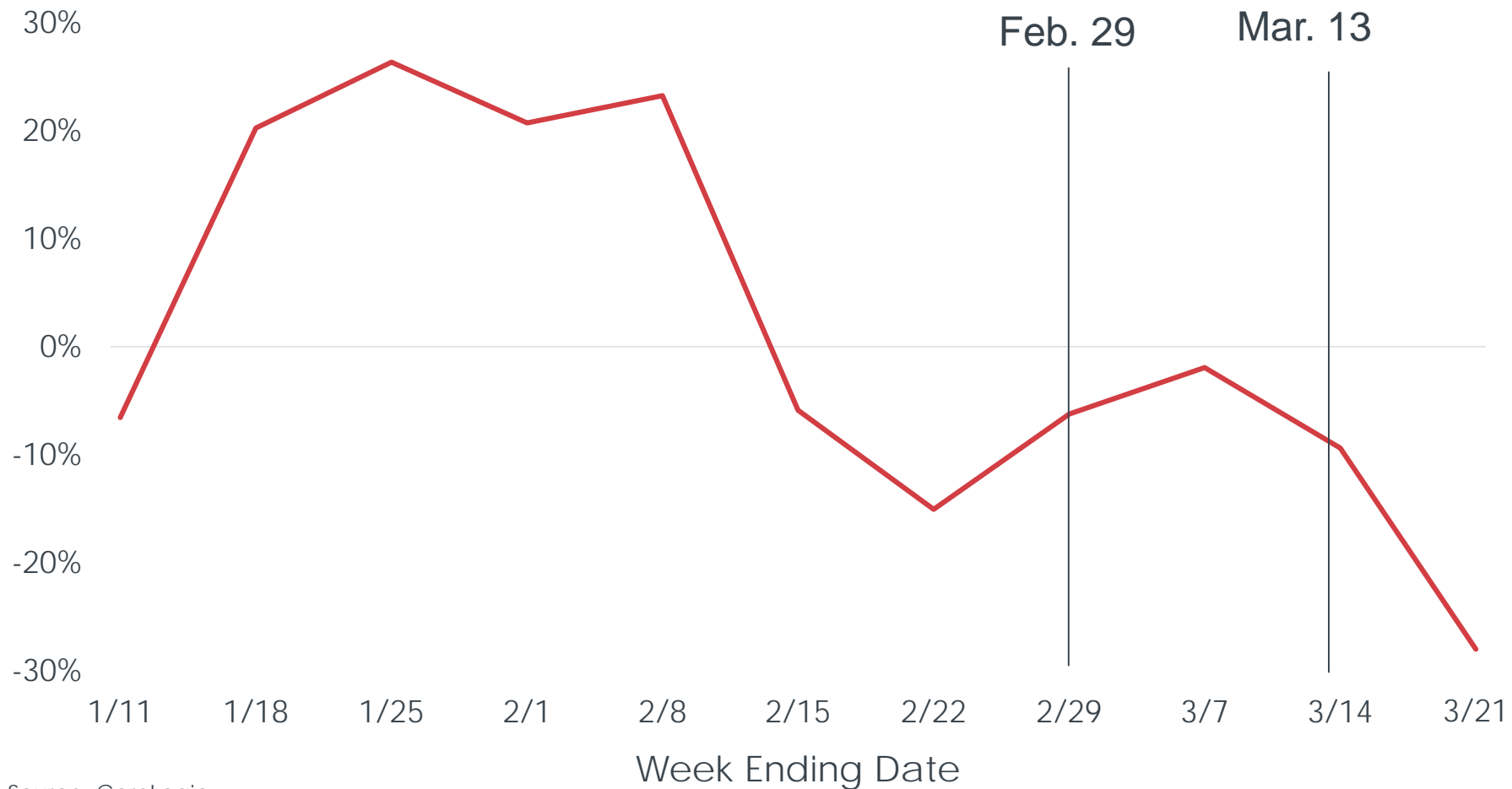
Year-over-year Percent Change, Weekly Data



Source: CoreLogic MLS

March Purchase Applications Fall Compared with Prior Years

Year-over-year Percent Change in Weekly Home-Purchase Applications

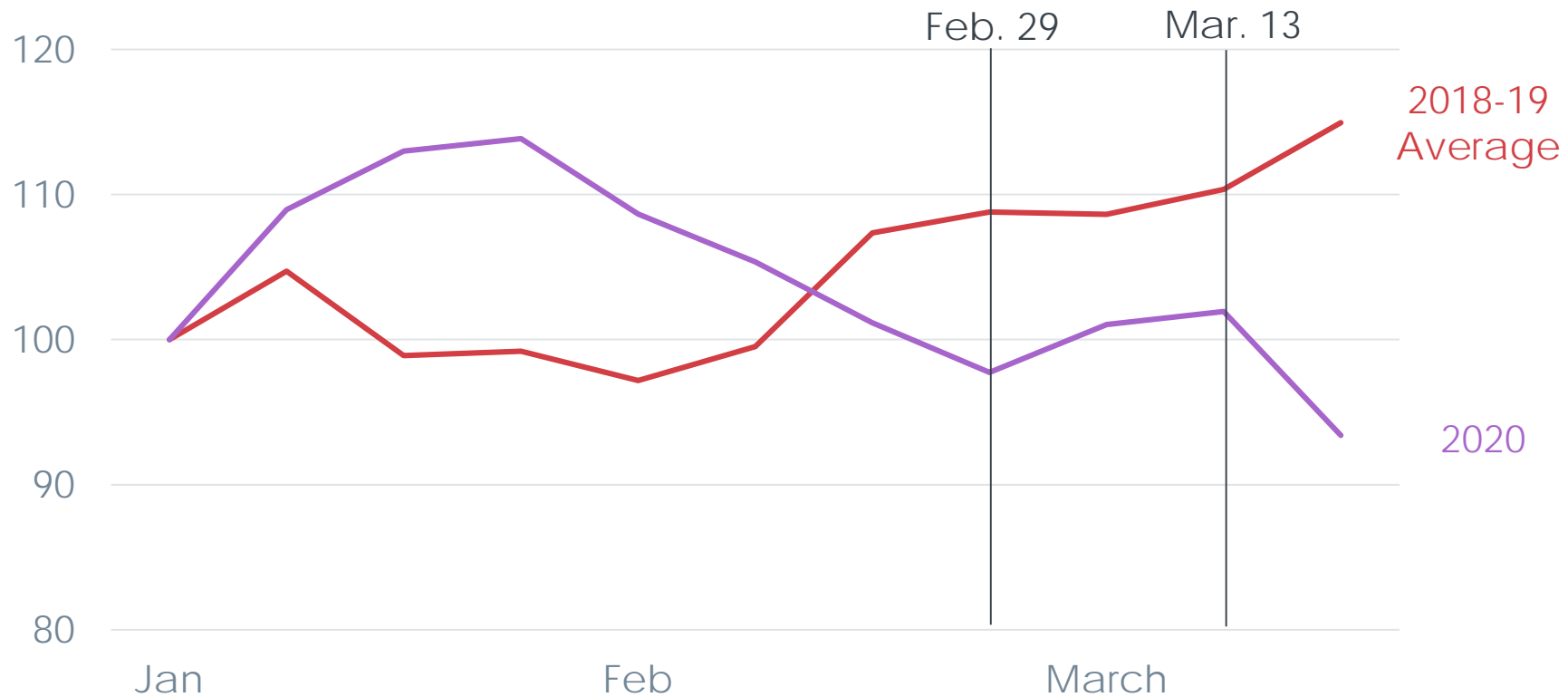


Source: CoreLogic

March Purchase Applications Dip Compared with Prior Years

Purchase applications in 2020 exceeded prior years through February

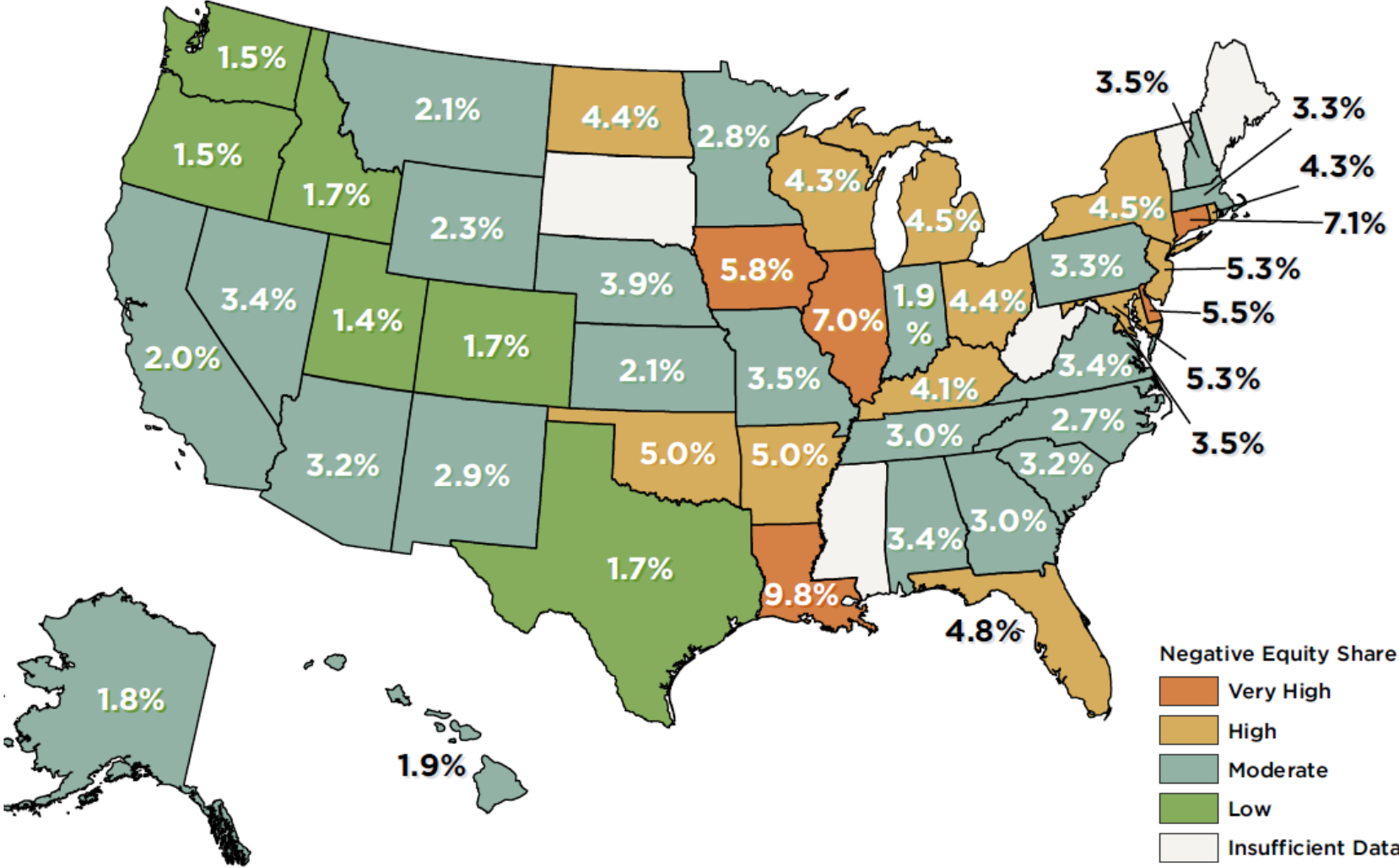
Loan Application Index (2-week moving average, first two weeks of January=100)



Source: CoreLogic (each year calibrated to daily average application volume during first two weeks of January)

Job Loss & Home-Price Weakness May Spark Delinquencies

Louisiana, Connecticut, and Illinois currently have >7% of borrowers 'underwater'

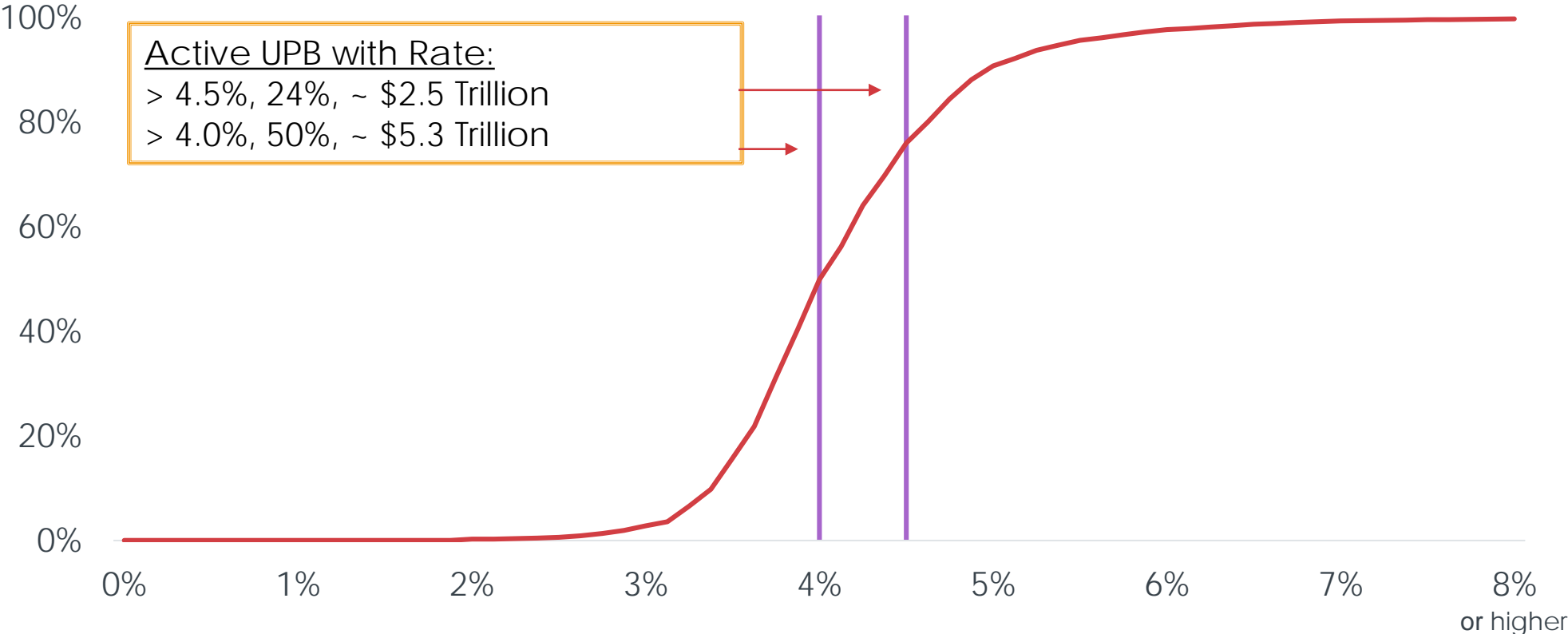


Source: CoreLogic Home Equity Report, as of December 31, 2019

Mortgage Rate Drop Will Provide Refi Boost

Median rate for debt outstanding 4.0%; \$2.6T to \$5.3T “in the money”

Cumulative Share of Active Balance by Interest Rate



Interest Rate on Mortgage Debt Outstanding In January 2020

Source: CoreLogic TrueStandings Servicing for 30-year loan terms, Federal Reserve Board (Z.1, L.218 Home Mortgages, \$10.6T first-lien)

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Where to find more information

Look for regular updates to our housing forecast, commentary and data at

<http://www.corelogic.com/blog>

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