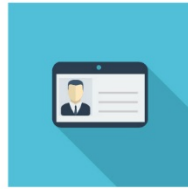
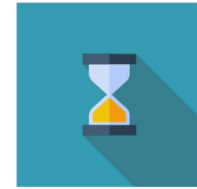
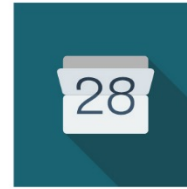
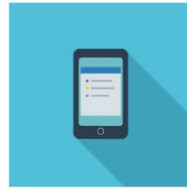
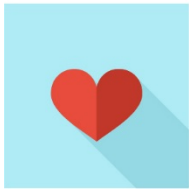
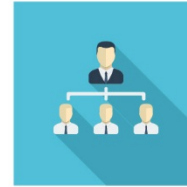
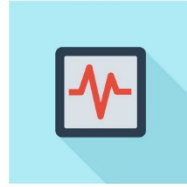
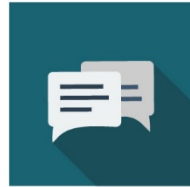
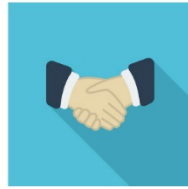
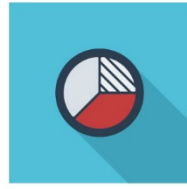
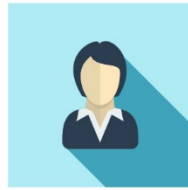
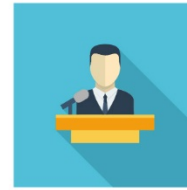
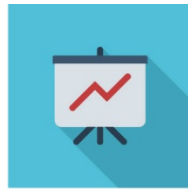
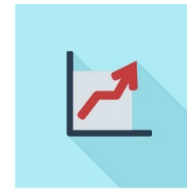
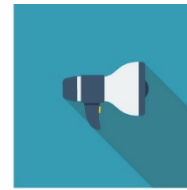
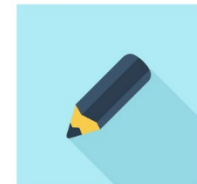
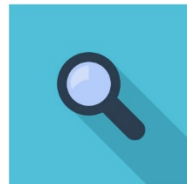
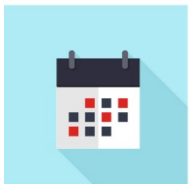


KEEPING CURRENT MATTERS

WWW.KEEPINGCURRENTMATTERS.COM



NOVEMBER 2015

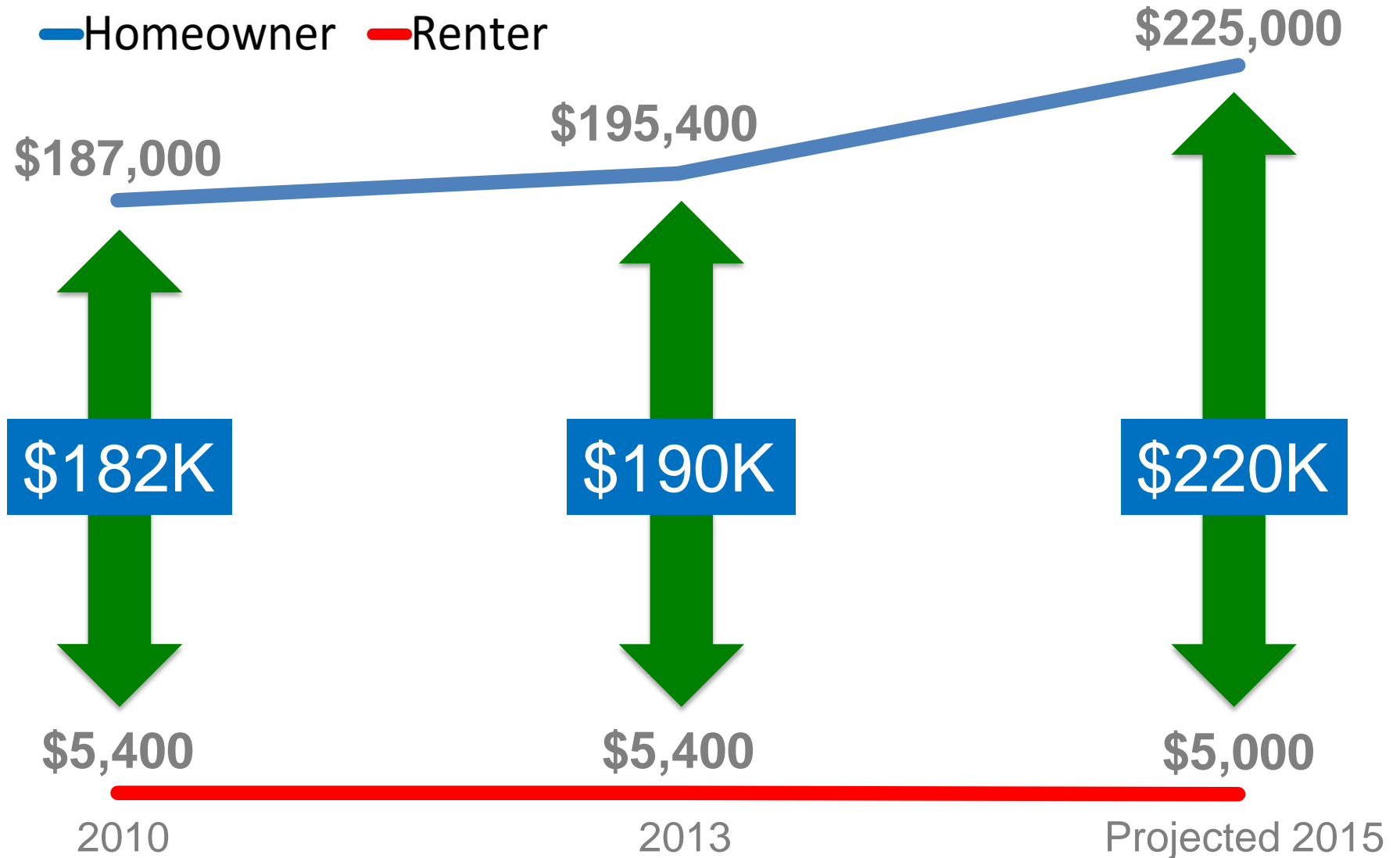


The top 3 reasons to own a home...

1. They want the opportunity to build equity
2. They want a stable and safe environment
3. They want the freedom to choose their neighborhood



Increasing Gap in Family Wealth



An American Family's Net Worth



\$225,000

Homeowner



\$5,000

Renter

Homeowners Net Worth...

OVER 45X



greater
than
renters

2015

rent.com
Rental Market Report

88%

of property managers raised their rent in the last 12 months, and there does not appear to be any signs of stopping.

68%

of property managers predict that rental rates will continue to rise in the next year by an average of 8%

53%

of property managers said that they were *more likely to bring in a new tenant at a higher rate*, than negotiate and renew a lease with a current tenant they already know.

Generation after generation,
the primary vehicle to create
wealth in our country has
been through homeownership.

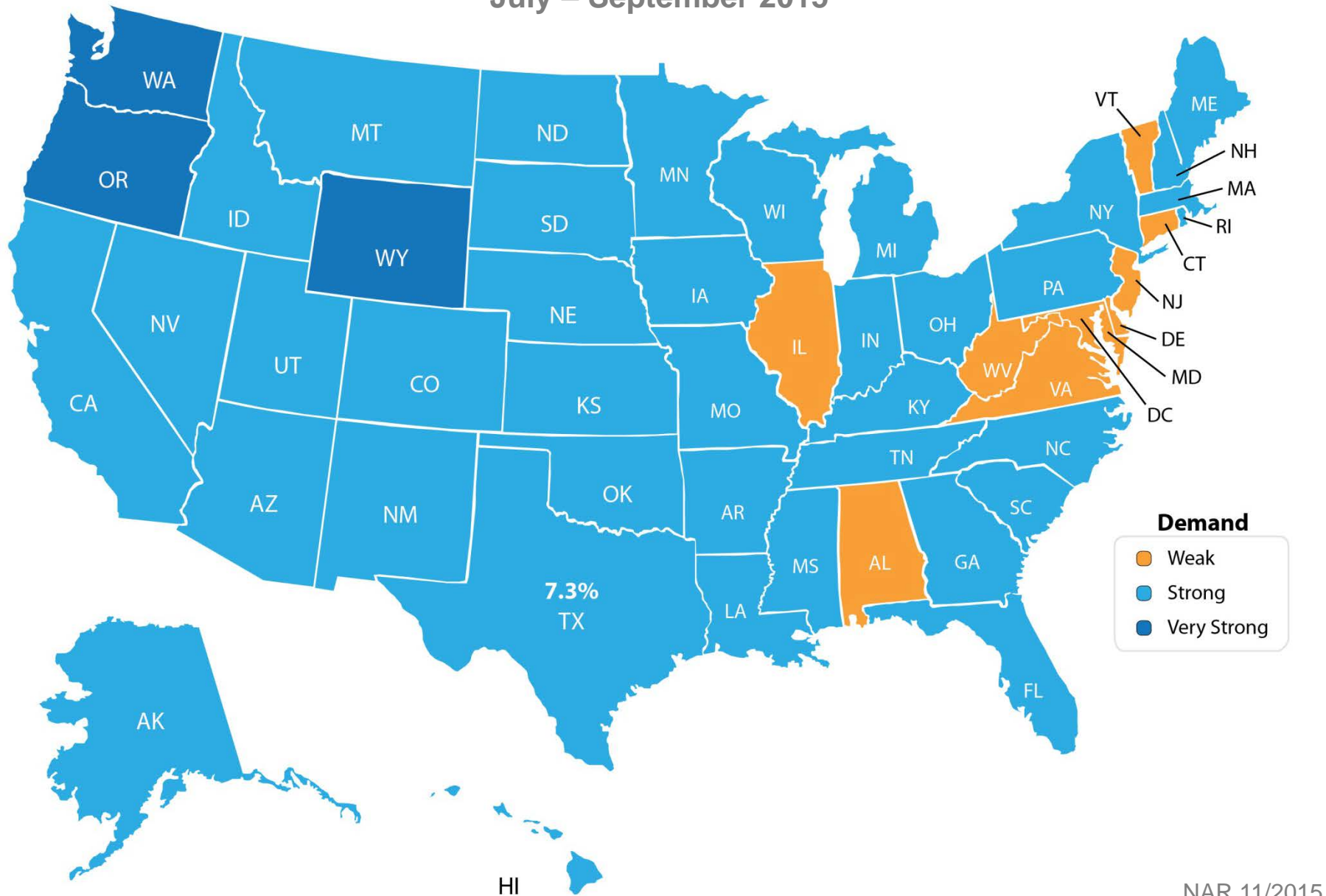


In the U.S., homeownership
has provided an opportunity for one
generation to hand over to the next
that opportunity and that wealth.

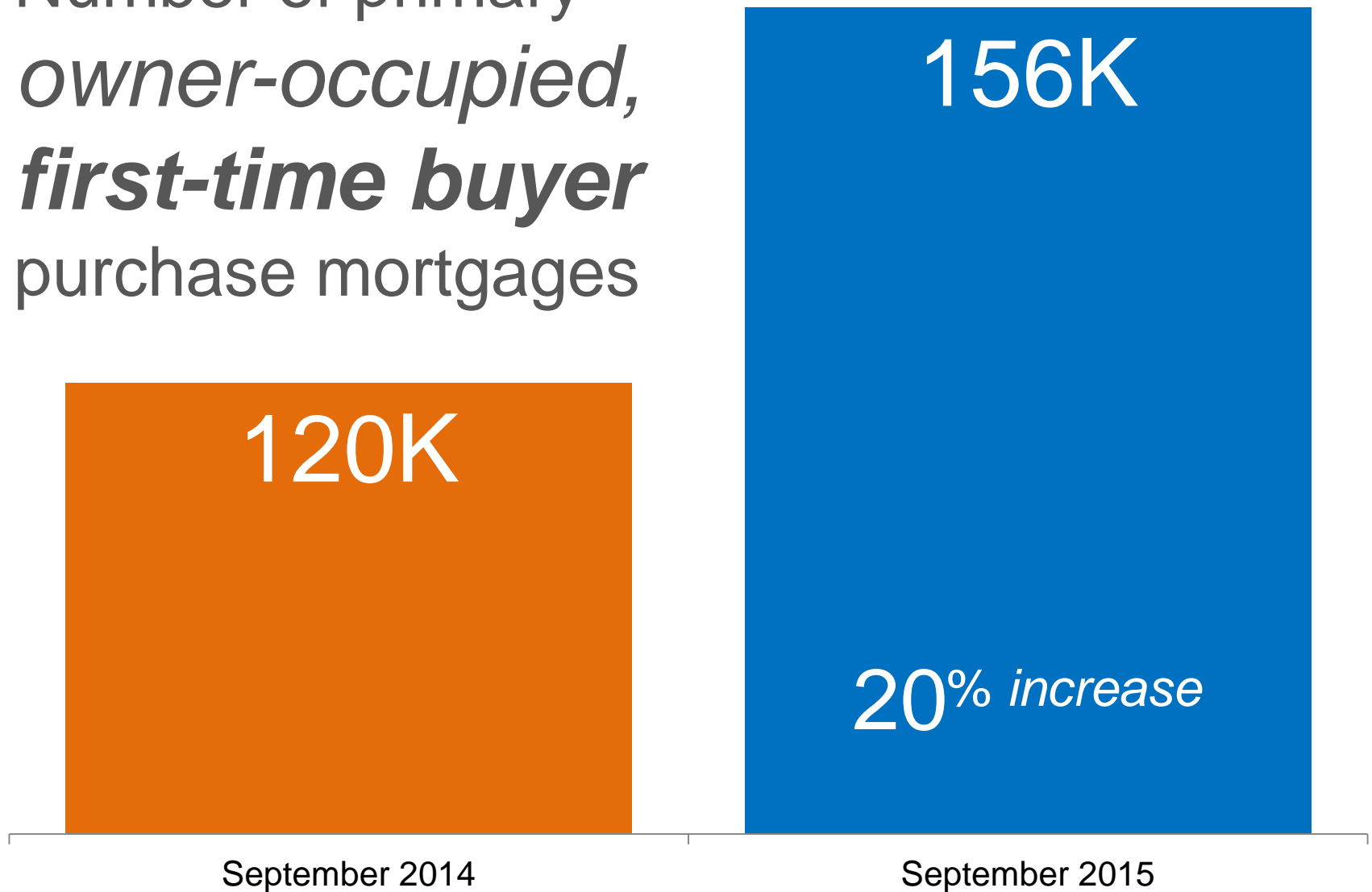
Julián Castro, U.S. Secretary of HUD

Buyer Traffic Index

July – September 2015

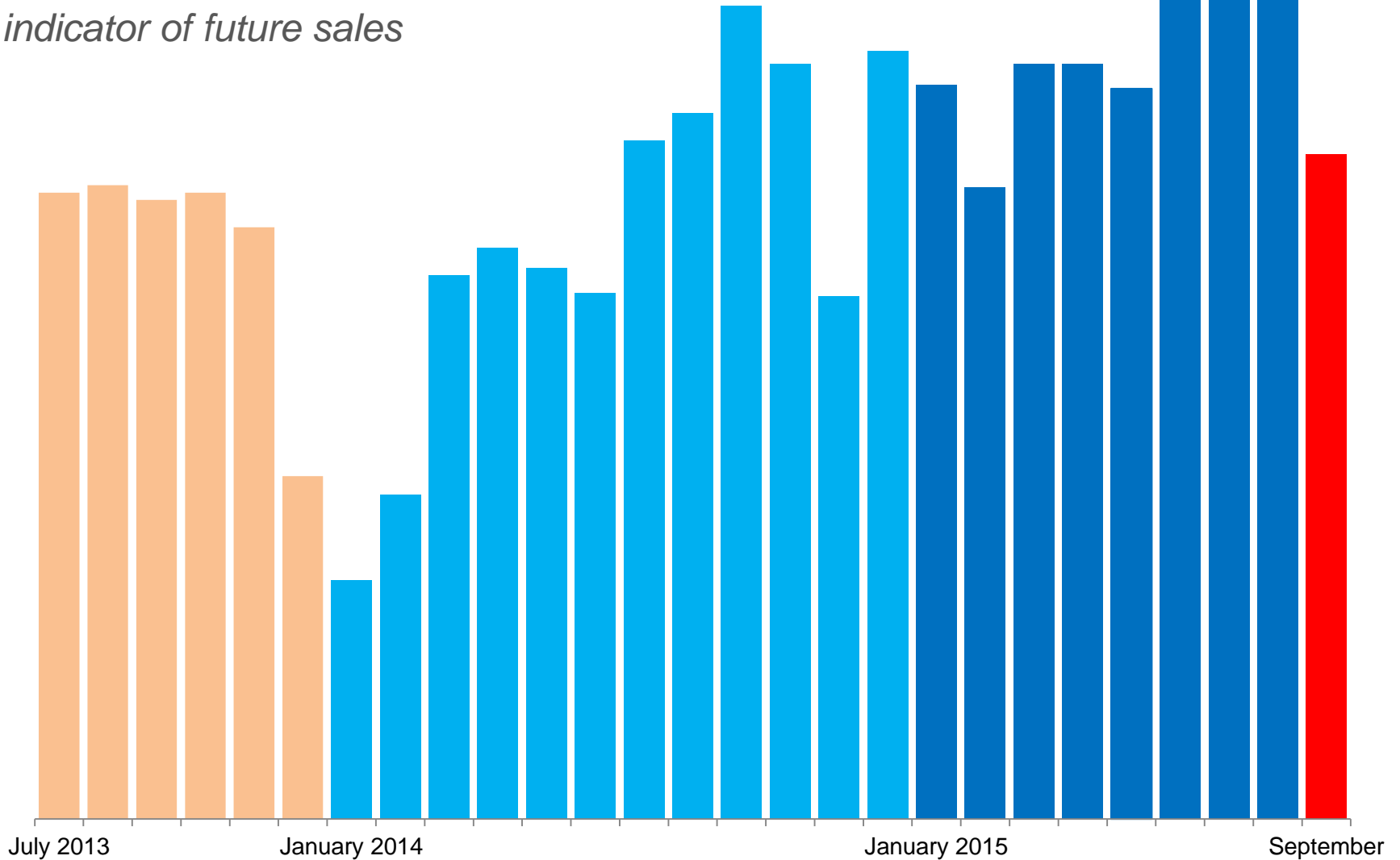


Number of primary
owner-occupied,
first-time buyer
purchase mortgages



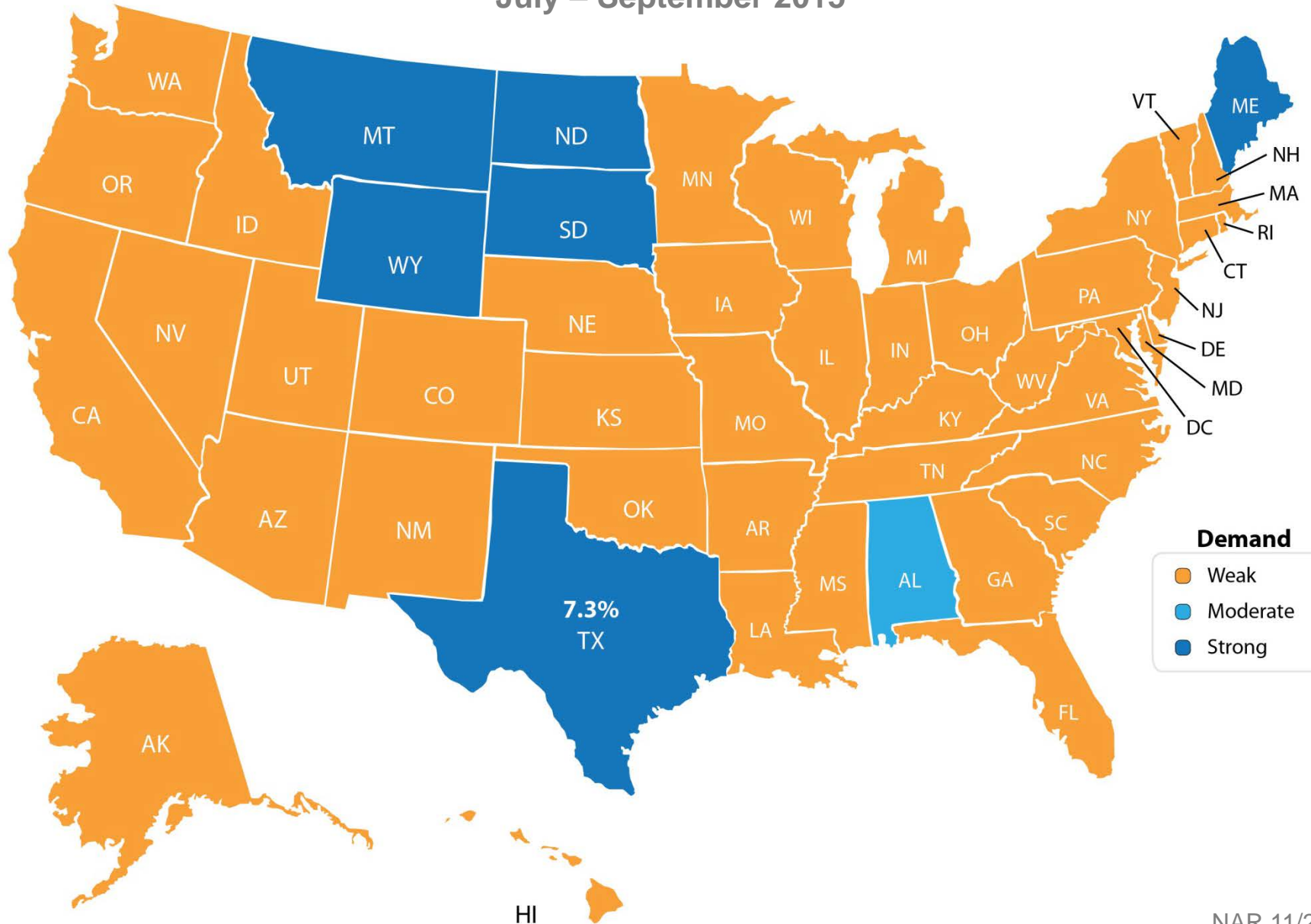
Foot Traffic

indicator of future sales



Seller Traffic Index

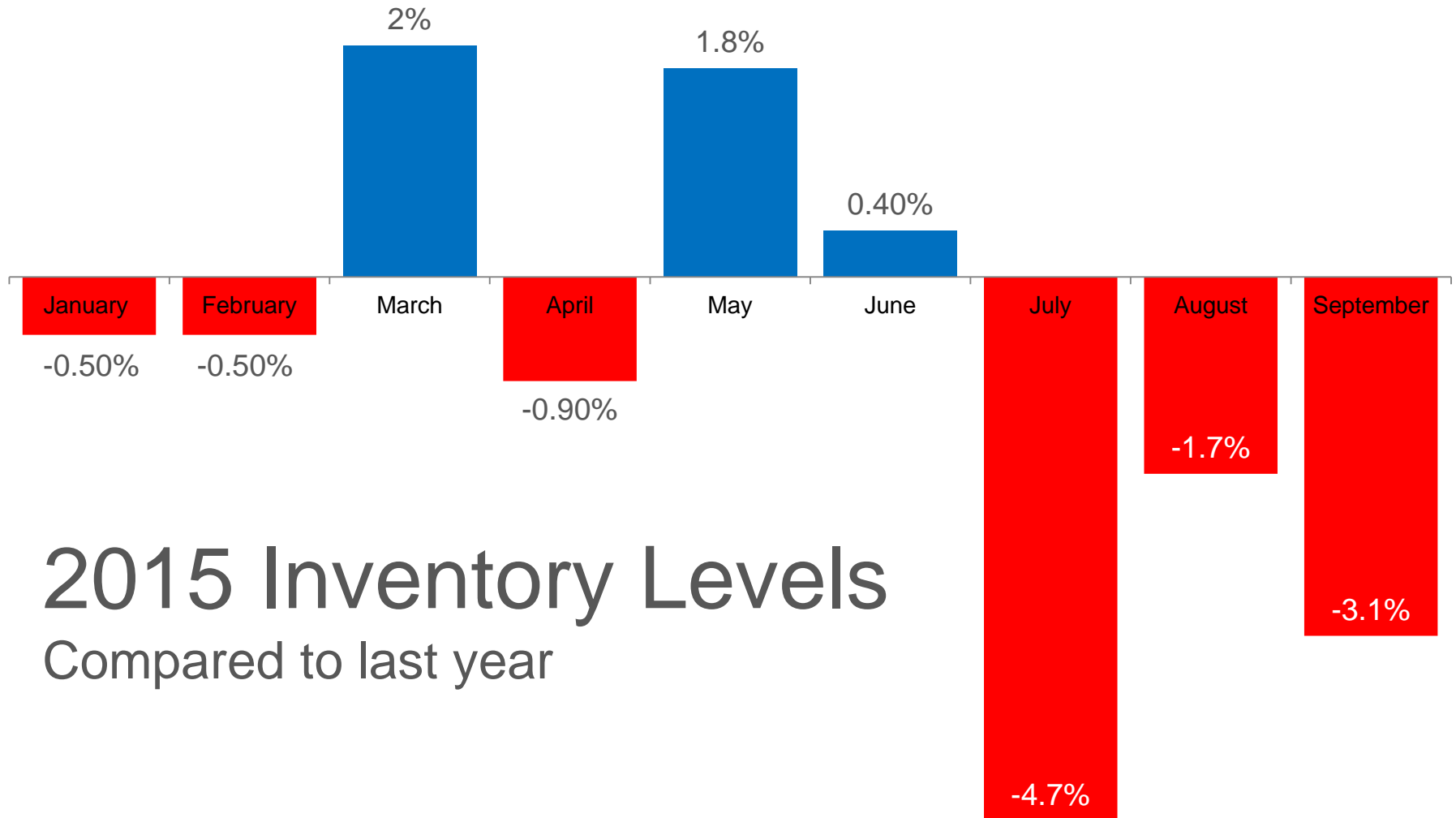
July – September 2015



Demand

- Weak
- Moderate
- Strong

SUPPLY



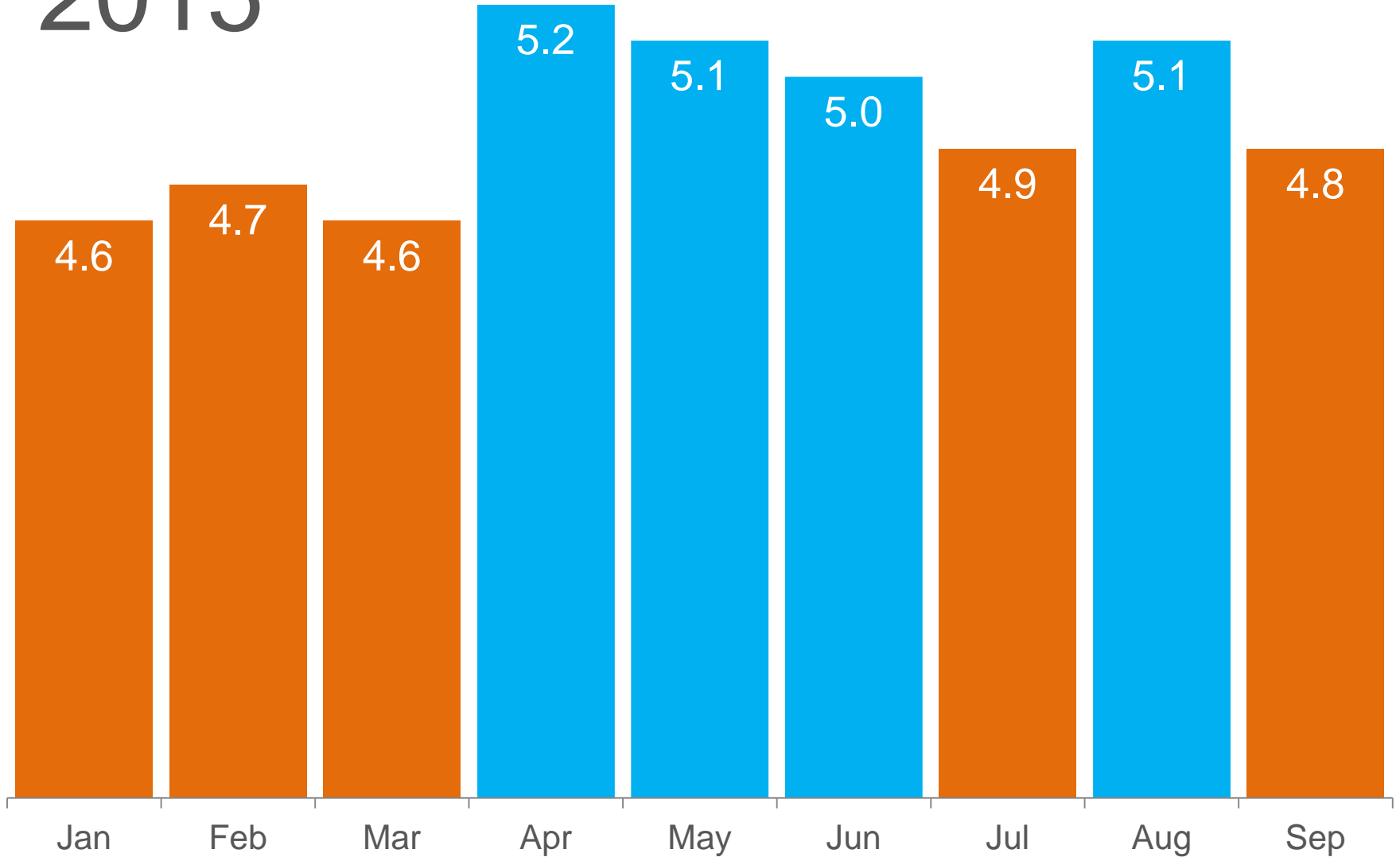
2015 Inventory Levels
Compared to last year

There continues to be a dearth of available listings in the lower end of the market for first-time buyers, and real estate professionals in many areas are reporting stronger competition than what's normal this time of year because of stubbornly low inventory conditions.



Lawrence Yun

Months Inventory of HOMES FOR SALE 2015



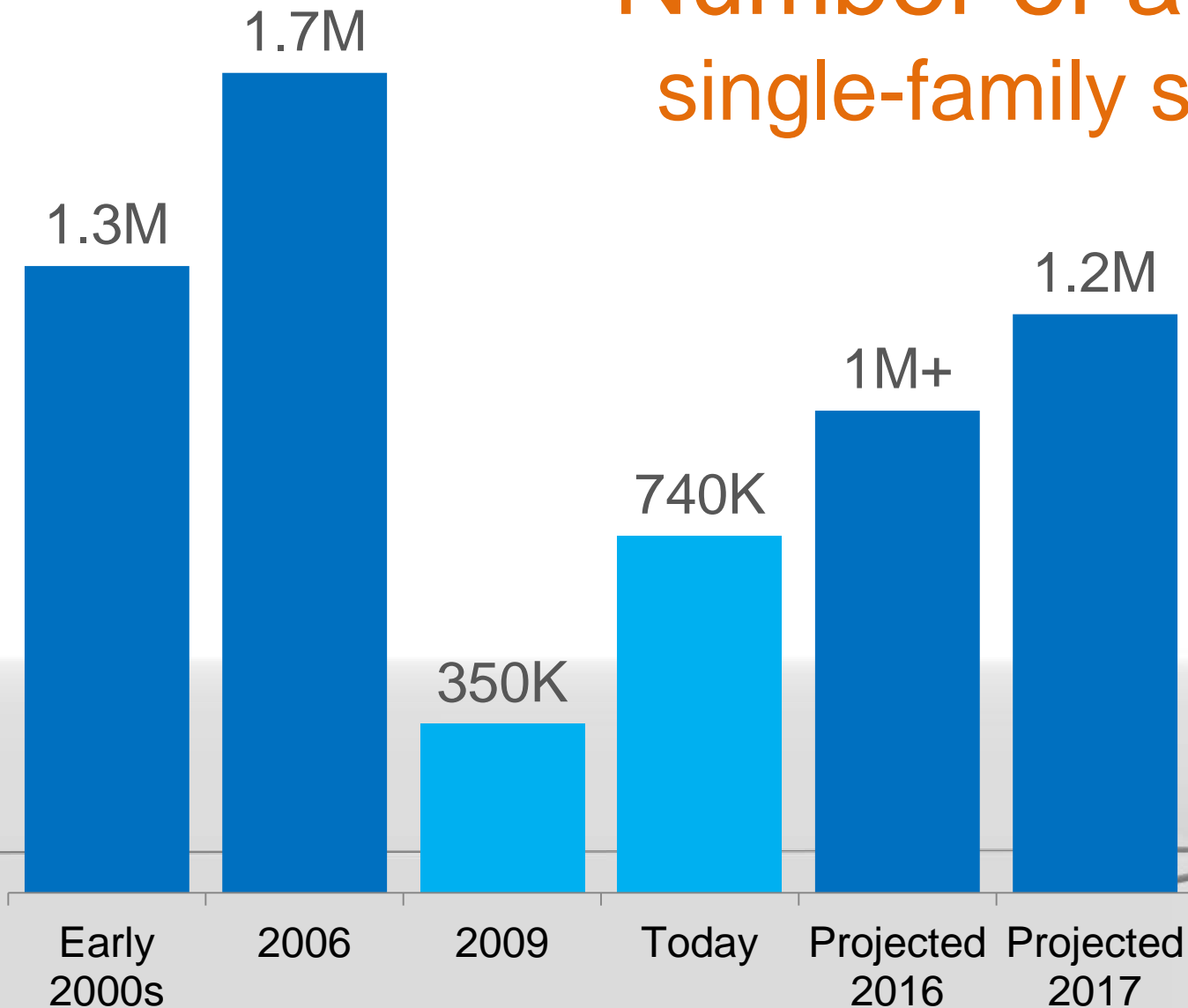
29 CBSAs made the hottest markets list with a perfect score...all of them have less than four months of remaining inventory, indicative of a seller's market.



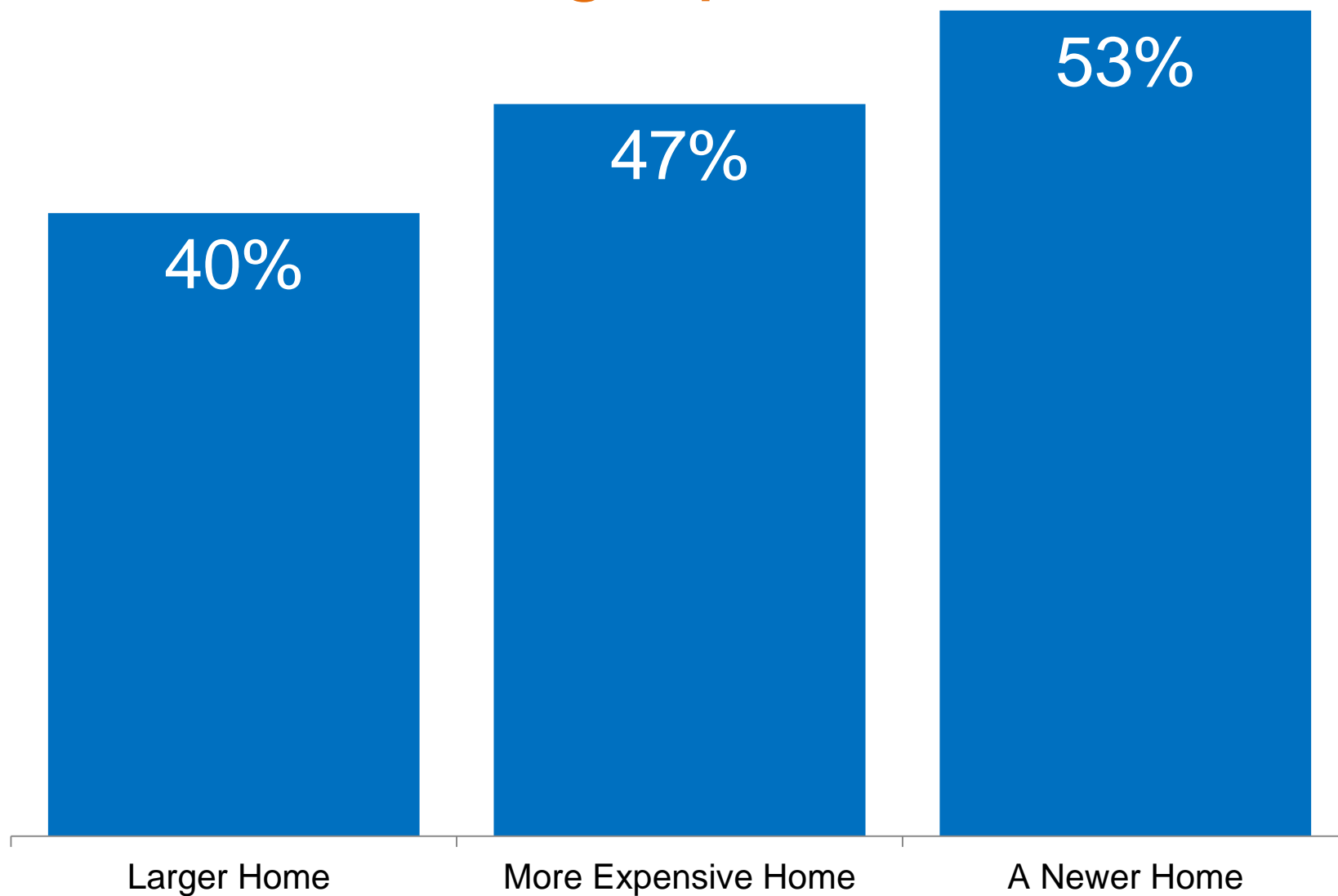
And the problem doesn't look like it will change anytime soon, given that all 29 have seen double-digit percent decreases in active listings.

Pro Teck Valuation Services' Home Value Forecast

Number of annual single-family starts...



Sellers Trading Up...



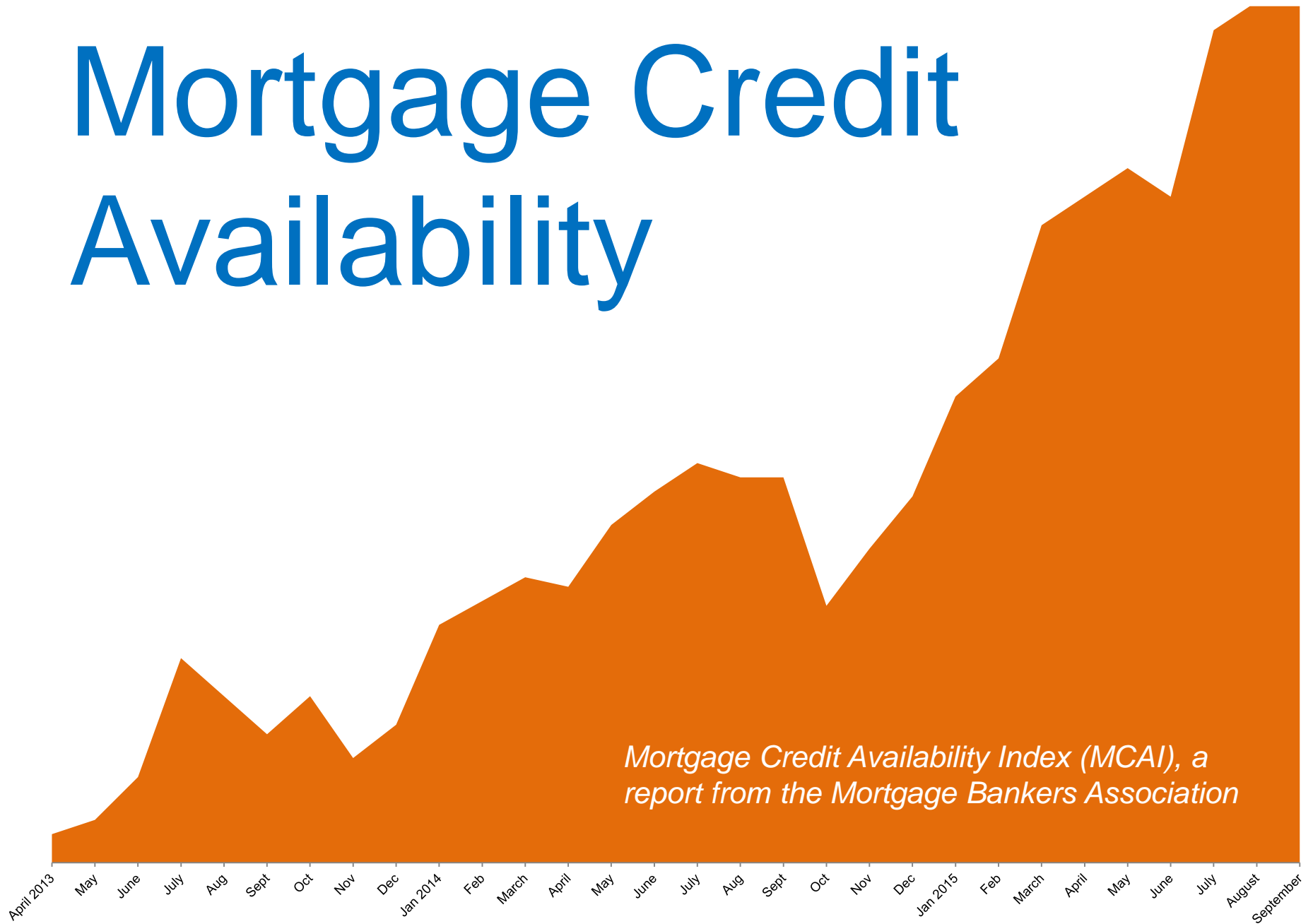
It's likely you've heard the rule of thumb that you shouldn't buy a home unless you can put 20% down. However, that's *a common misconception* in today's market.



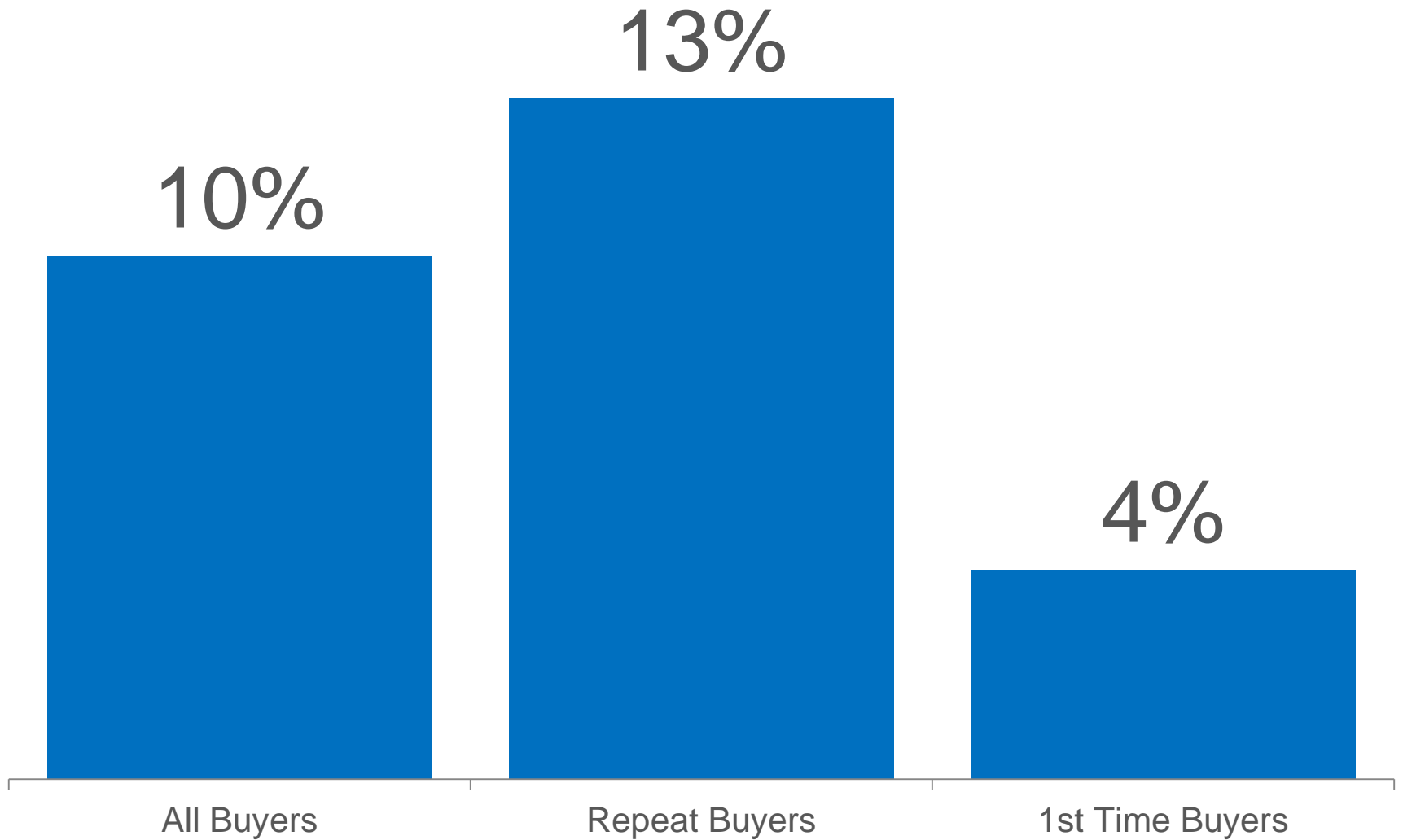
A growing number of borrowers are putting down between 5 and 10% of the purchase price. Some qualified borrowers are even putting down as little as 3%.

Freddie Mac

Mortgage Credit Availability



Typical Down Payment according to NAR



FICO Score Requirements begin to inch downward

2015



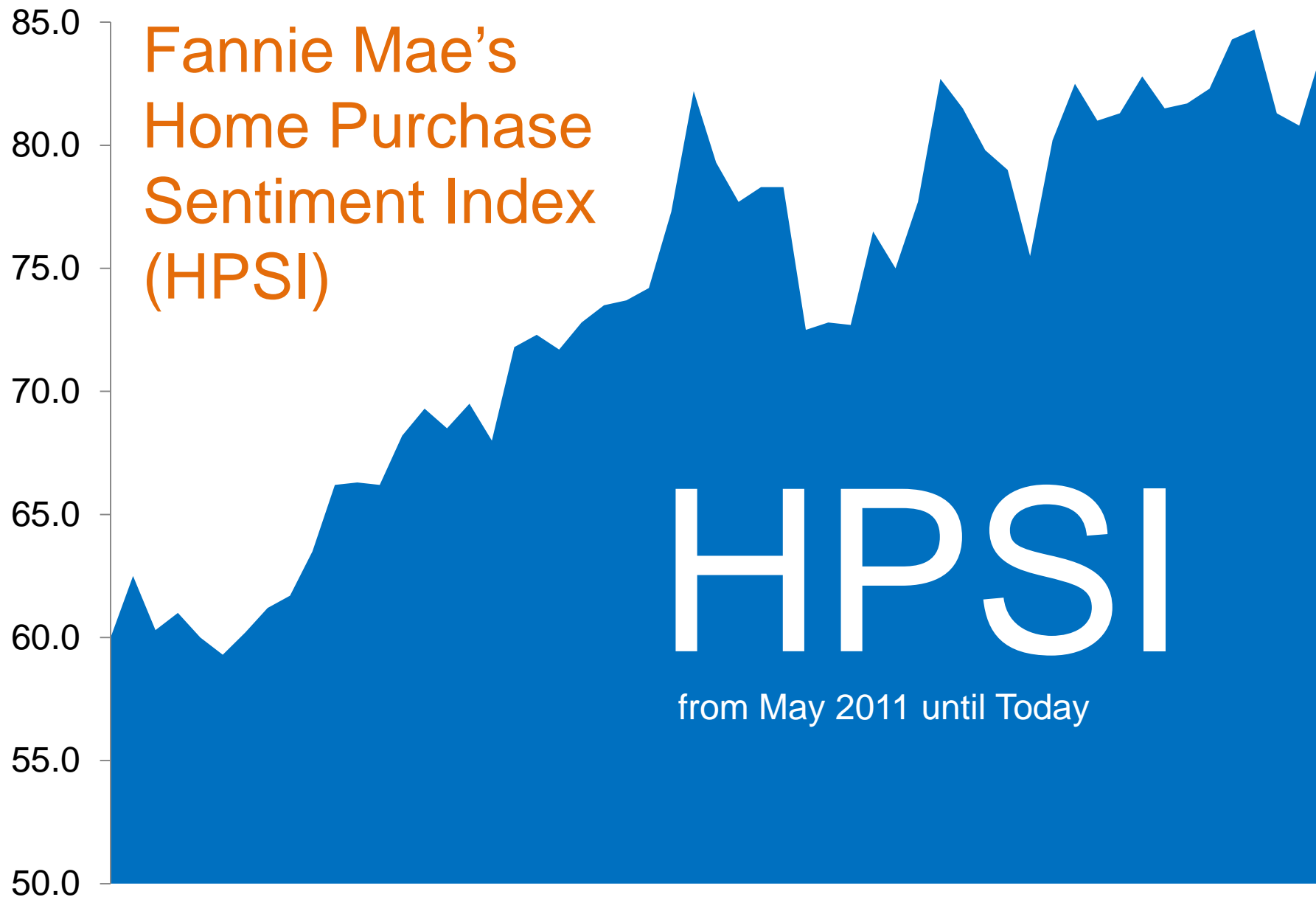
All closed loans as per Ellie Mae

Credit standards for first-time buyers are not tight...

In September,

- 70% of first-time buyer loans had down payments $\leq 5\%$
- The median FICO score was 708
- 27% had DTIs greater than the QM limit of 43%





The HPSI distills results from Fannie Mae's consumer-focused National Housing Survey into a single, monthly, predictive indicator.

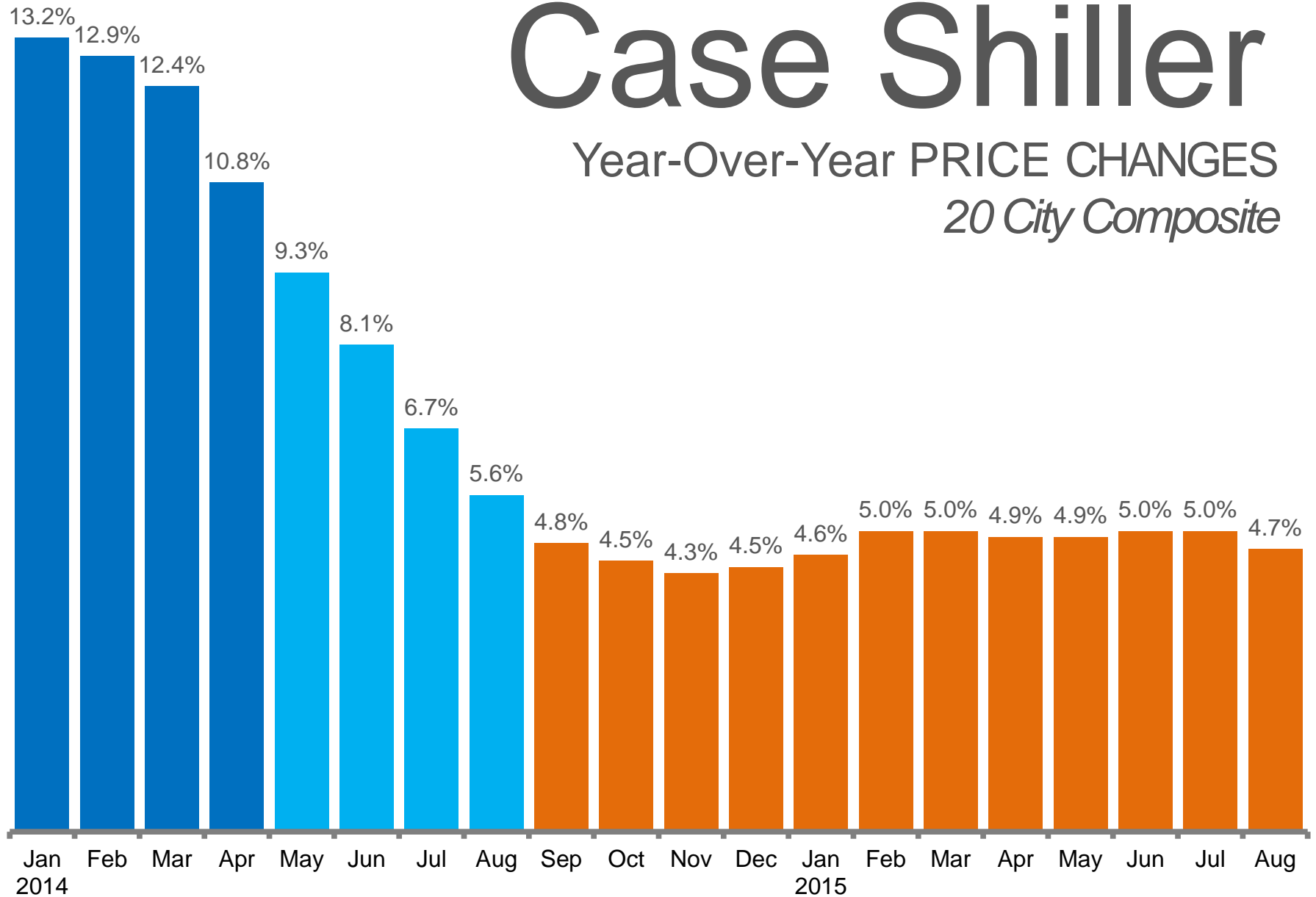
Case Shiller



Case Shiller

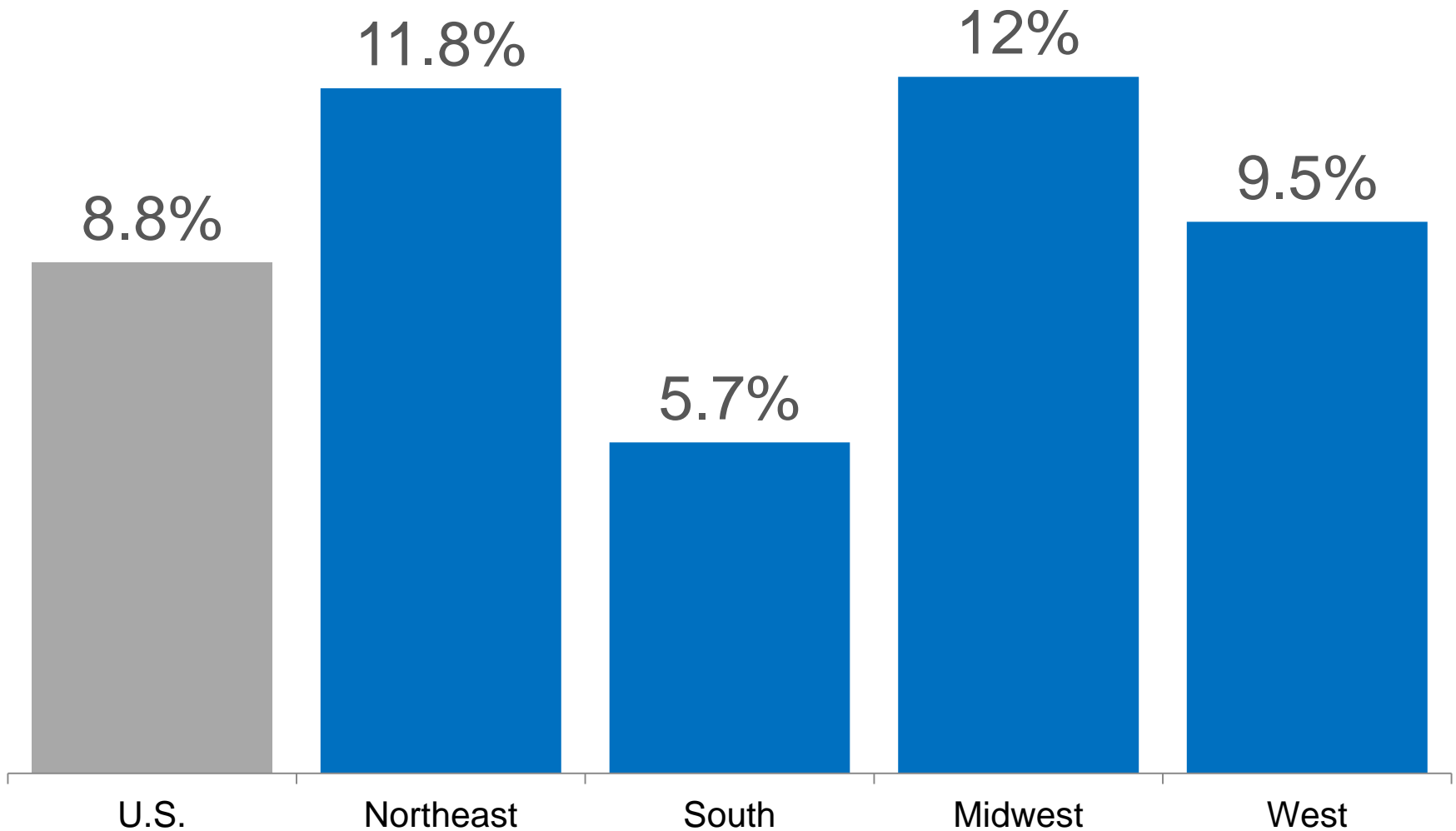
Year-Over-Year PRICE CHANGES

20 City Composite

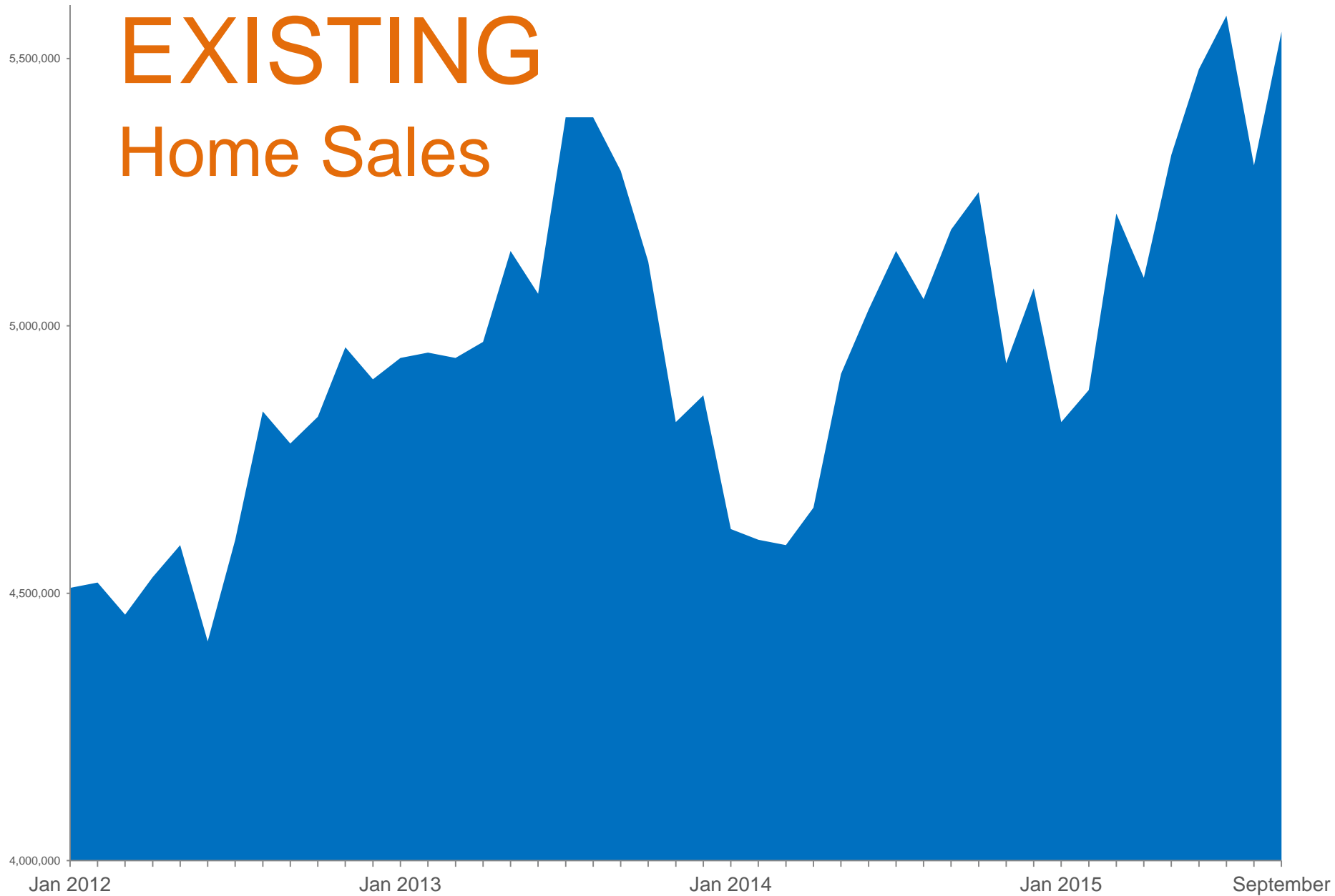


EXISTING Home Sales

Y-O-Y by region



EXISTING Home Sales

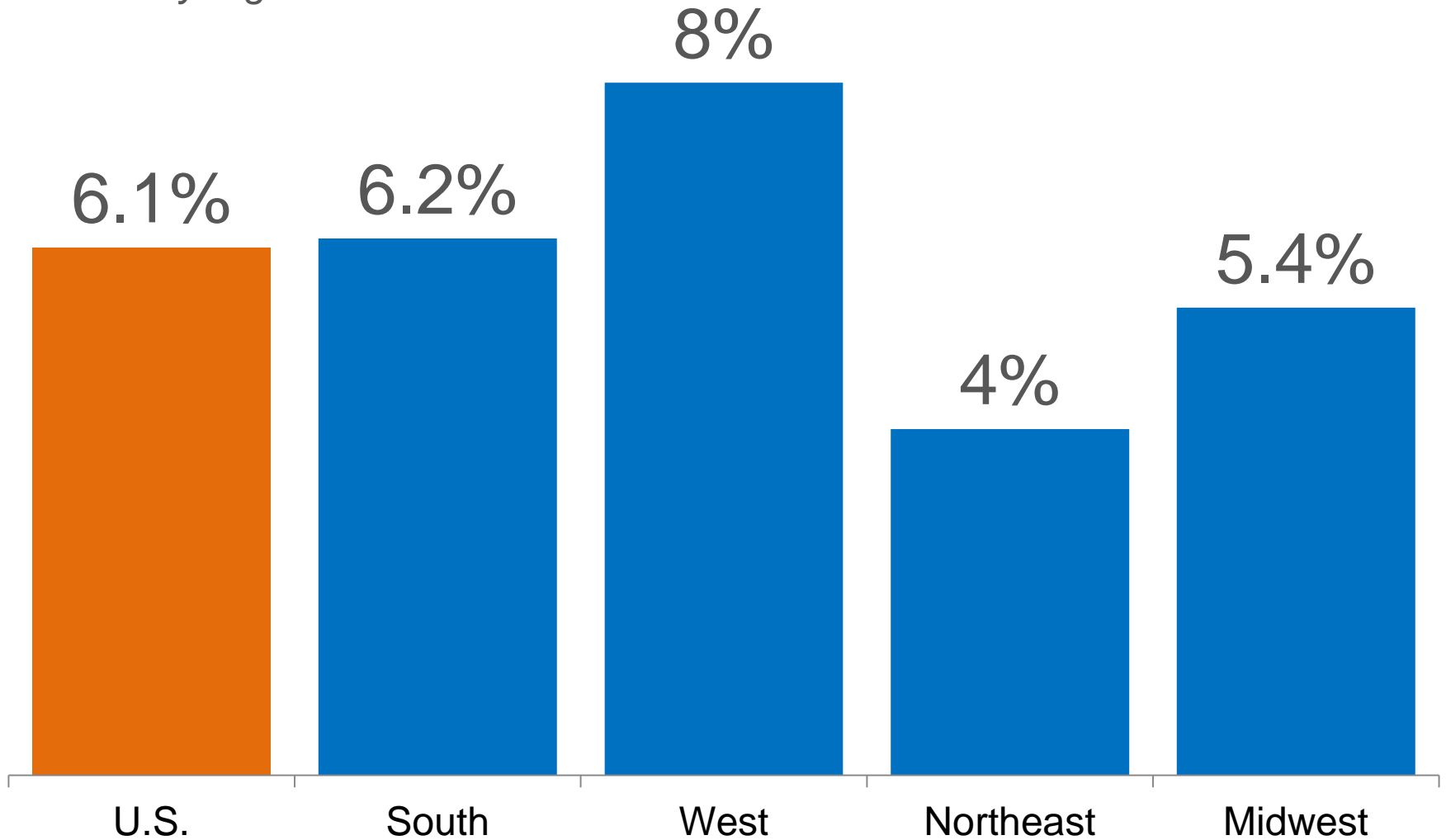


EXISTING Home Sales



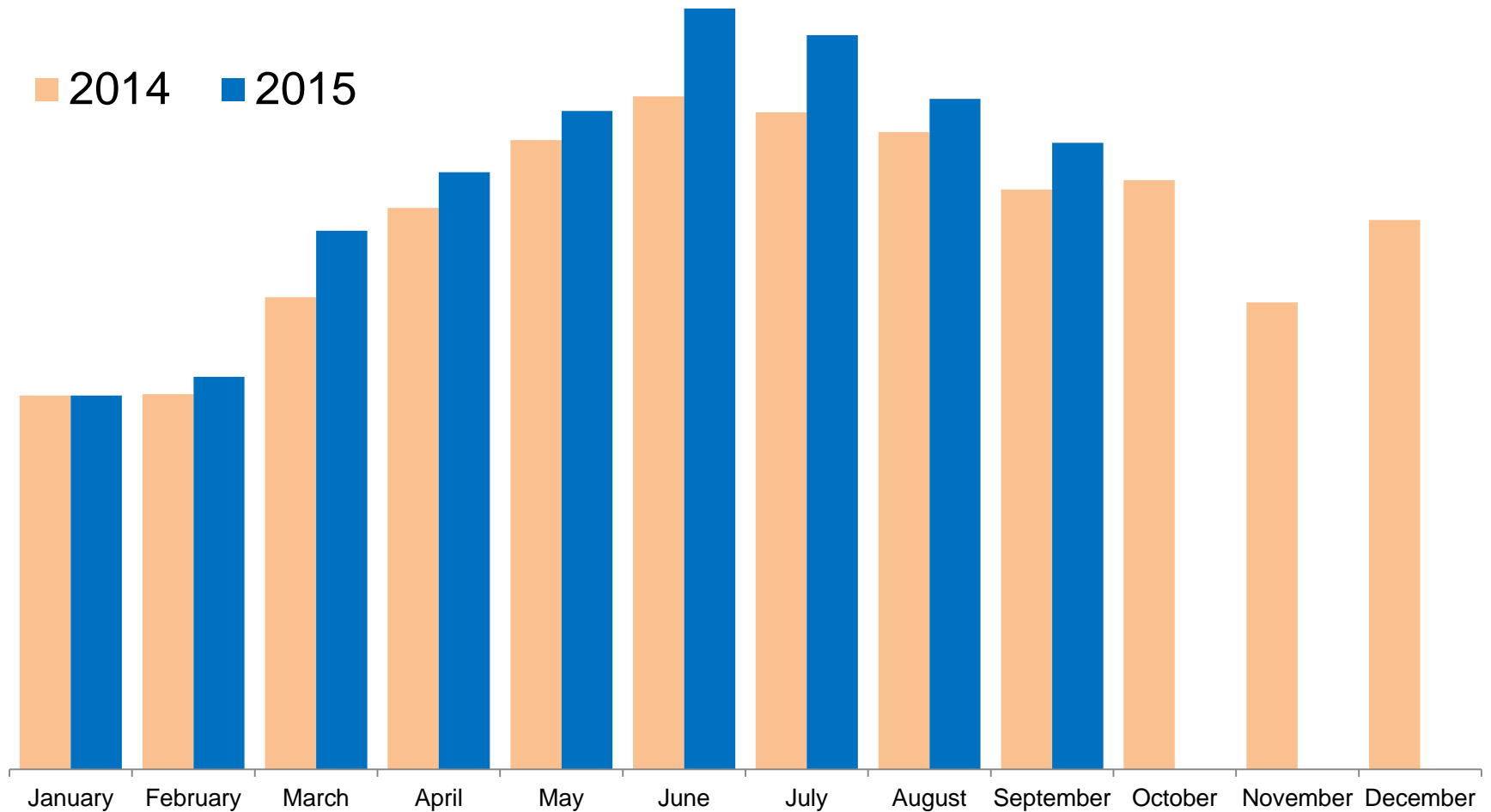
EXISTING Home Prices

Y-O-Y by region



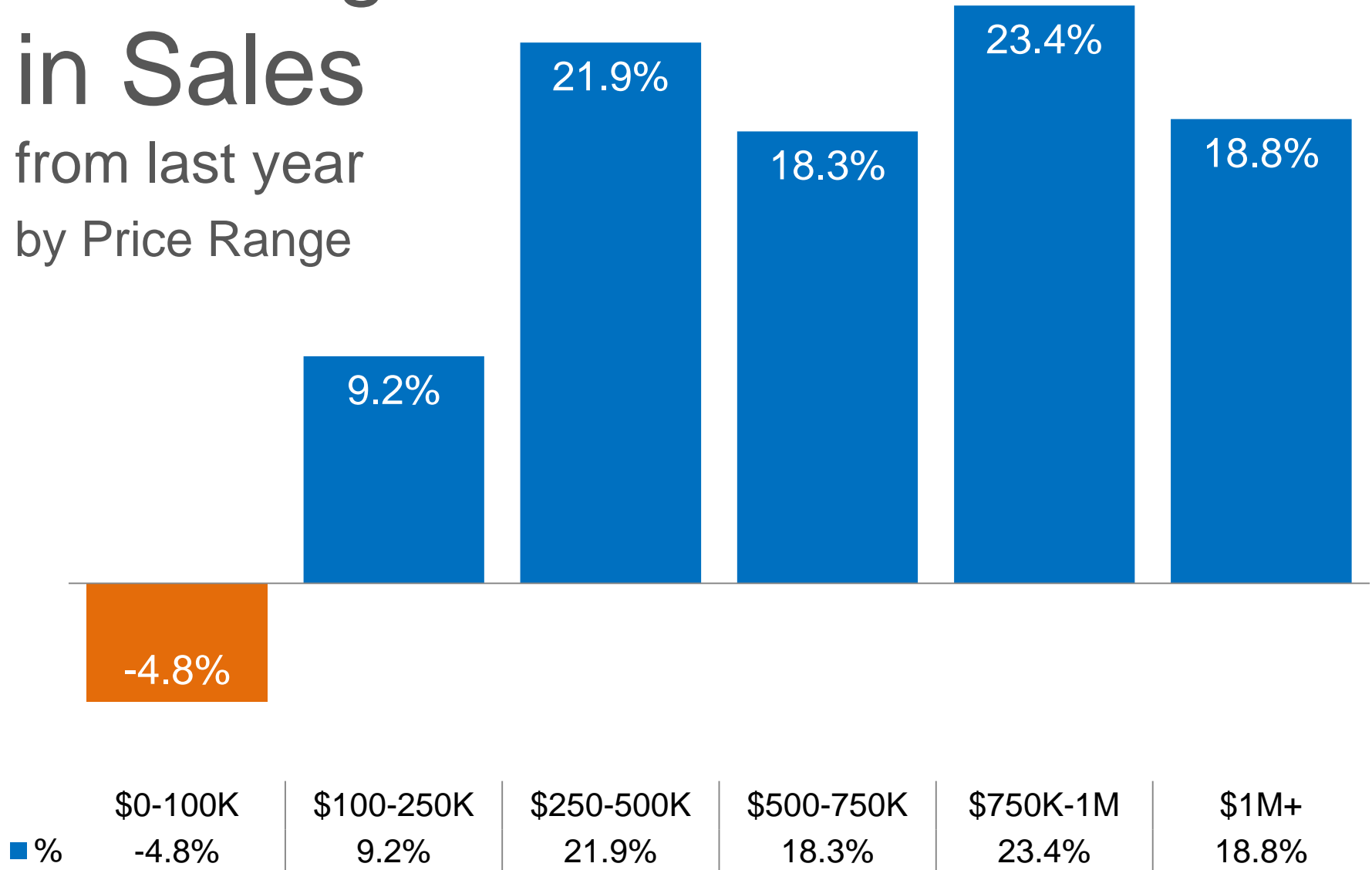
Existing Home Sales

in thousands



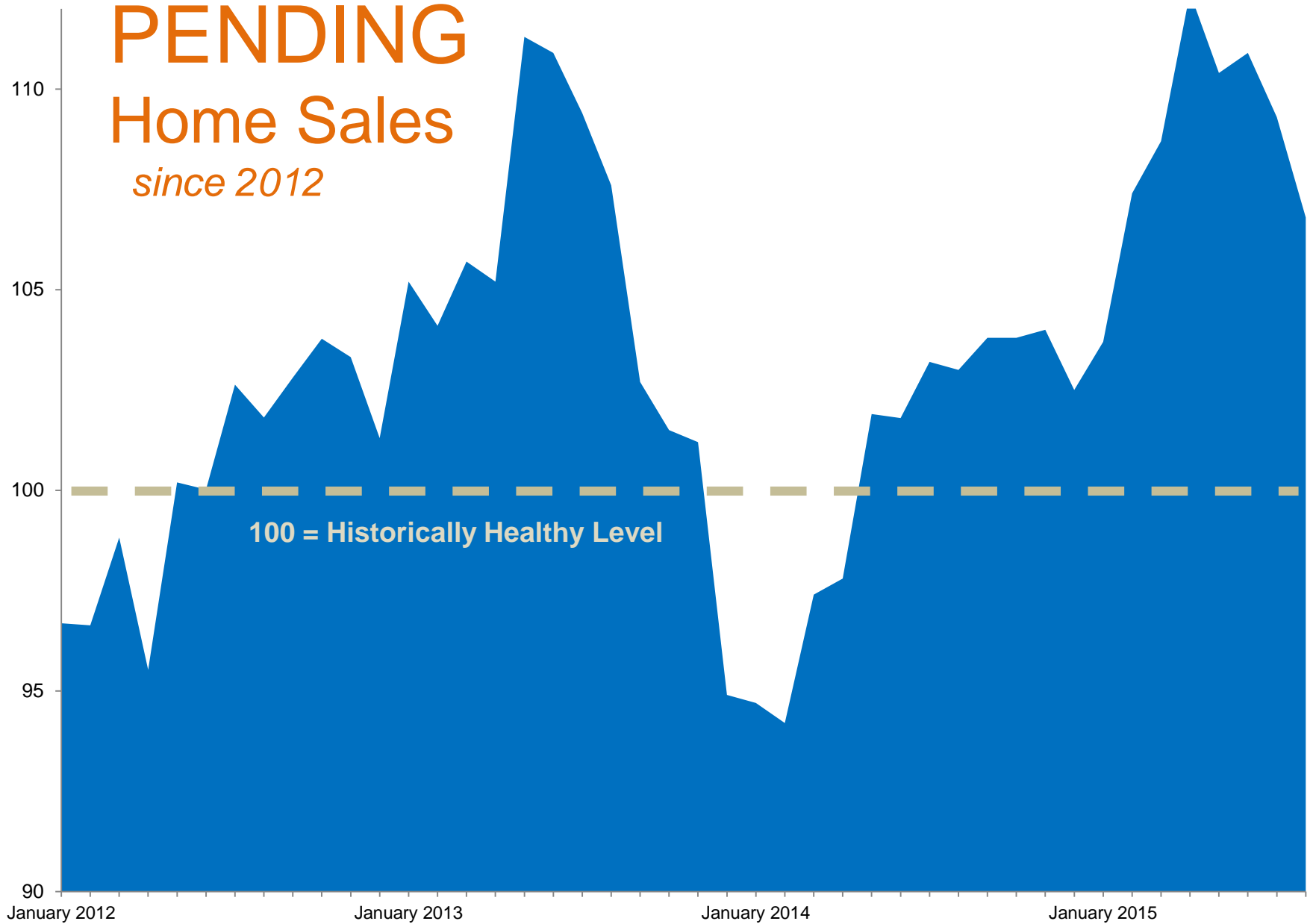
% Change in Sales

from last year
by Price Range



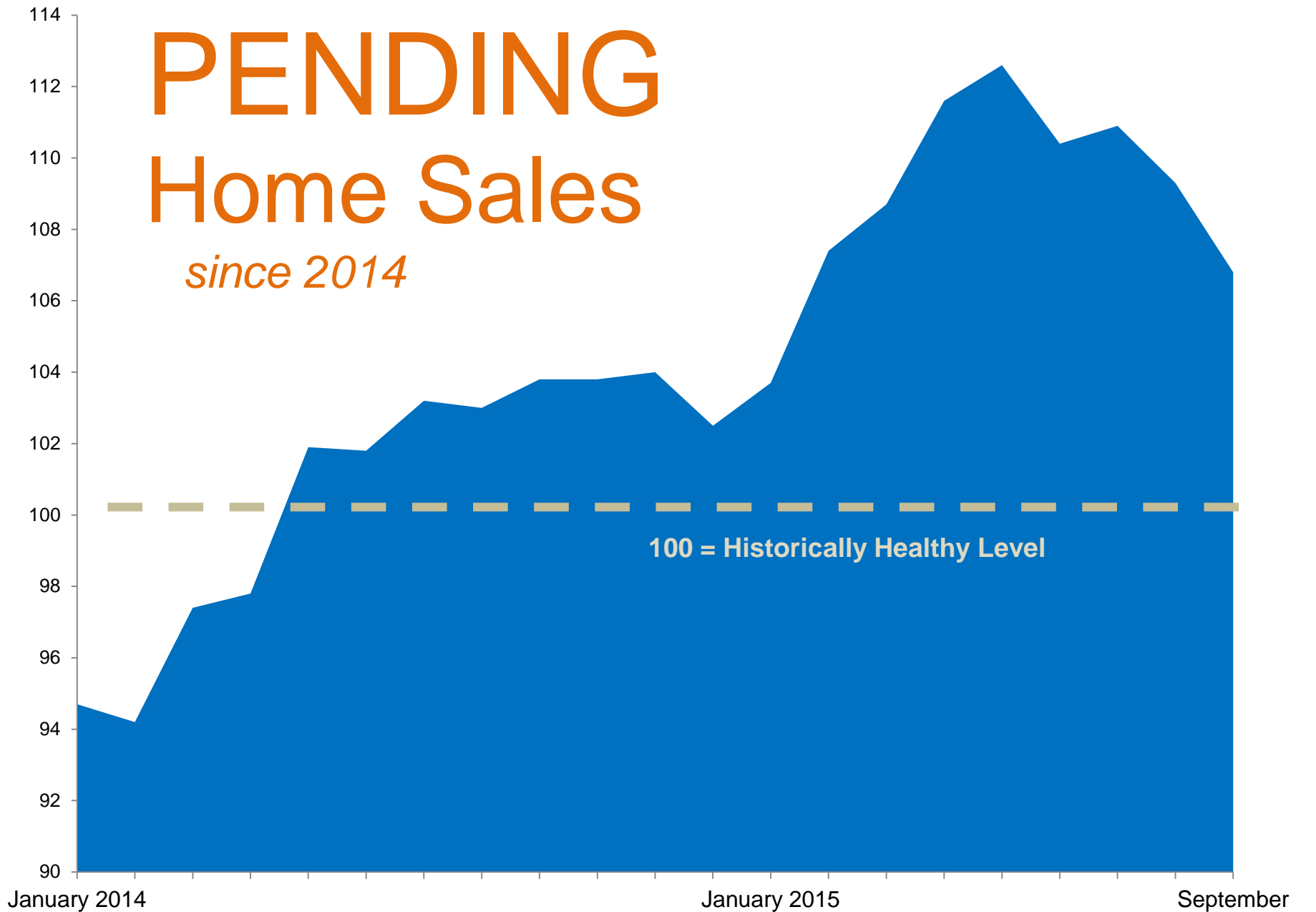
PENDING Home Sales

since 2012



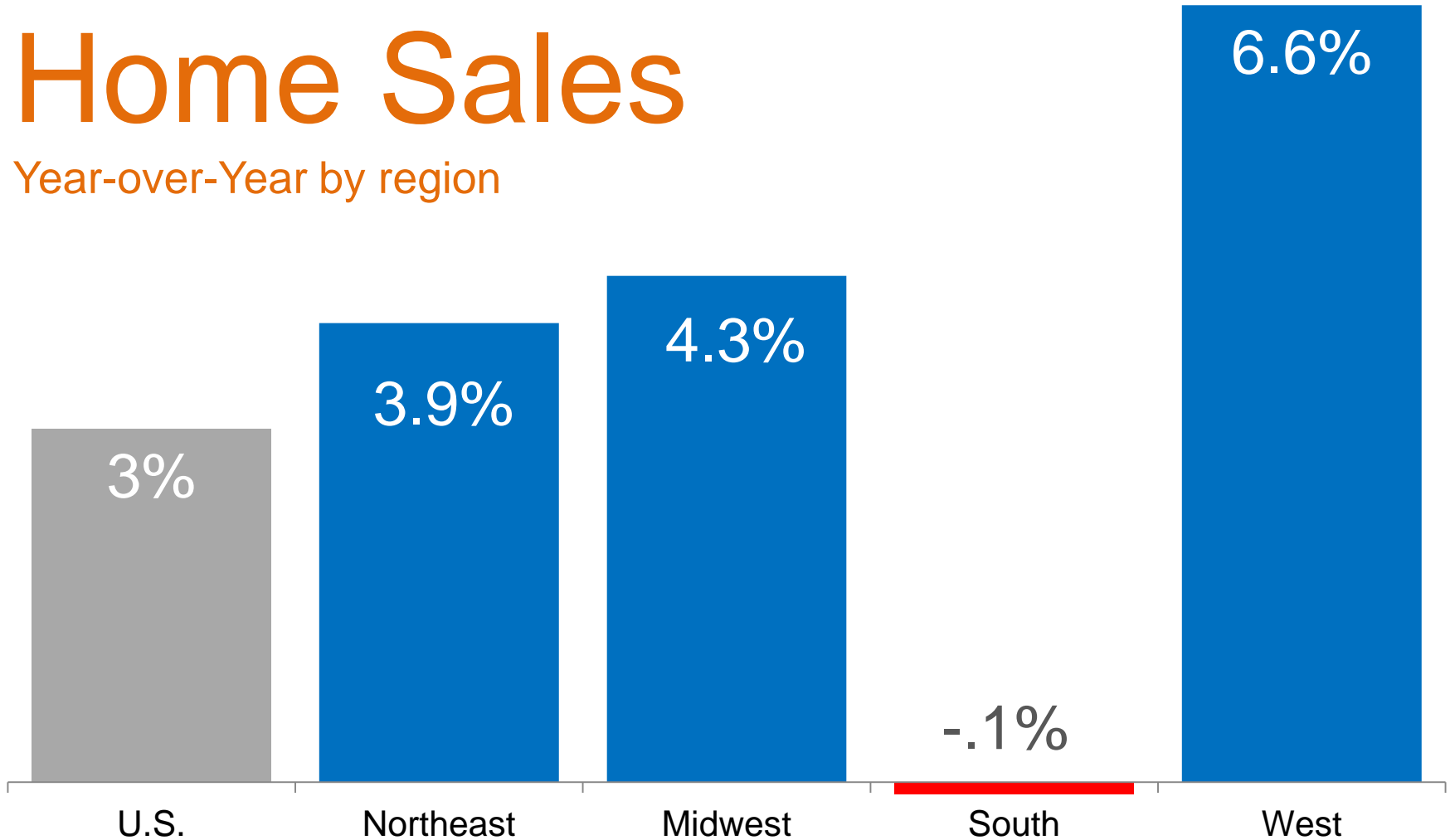
PENDING Home Sales

since 2014

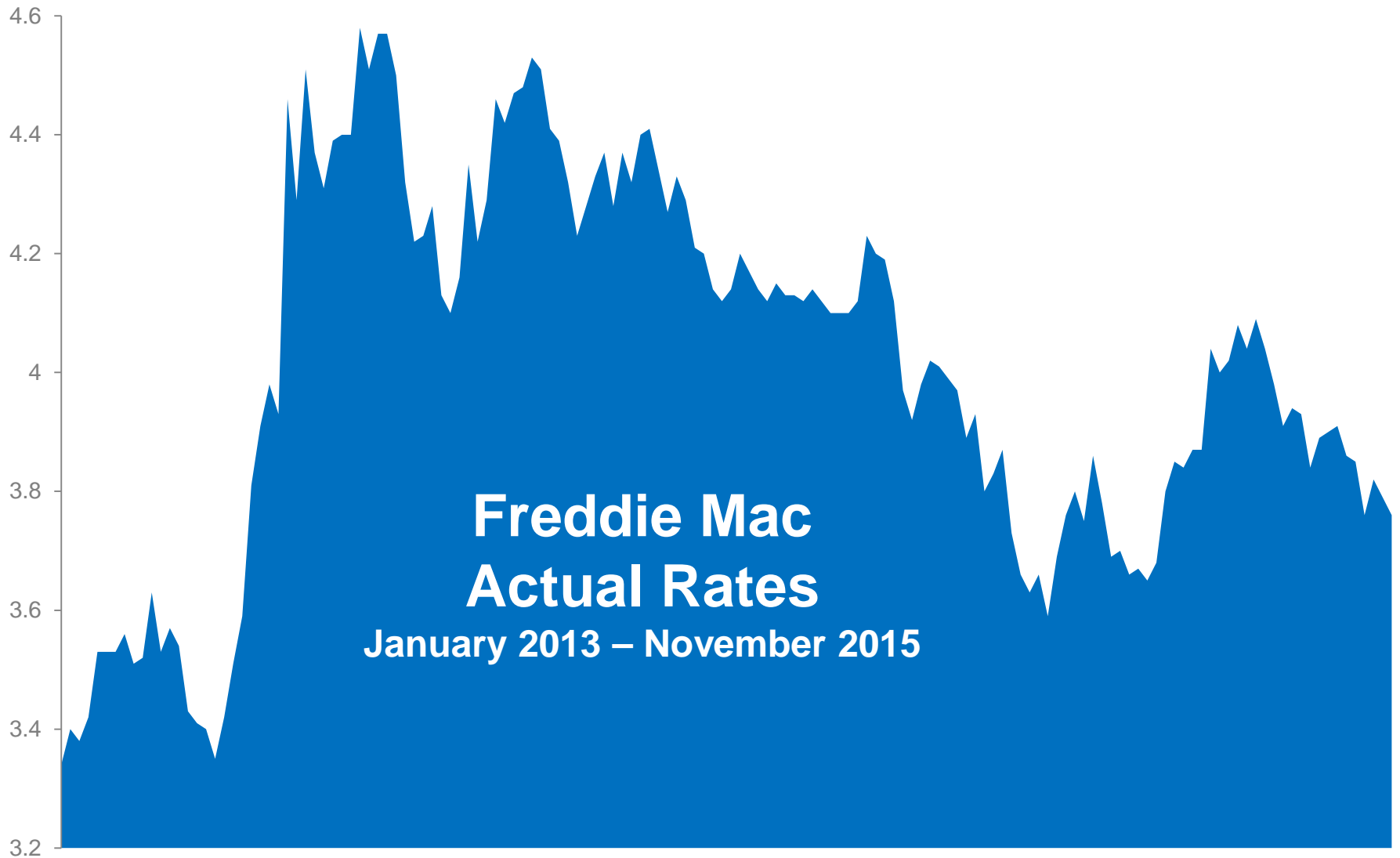


PENDING Home Sales

Year-over-Year by region

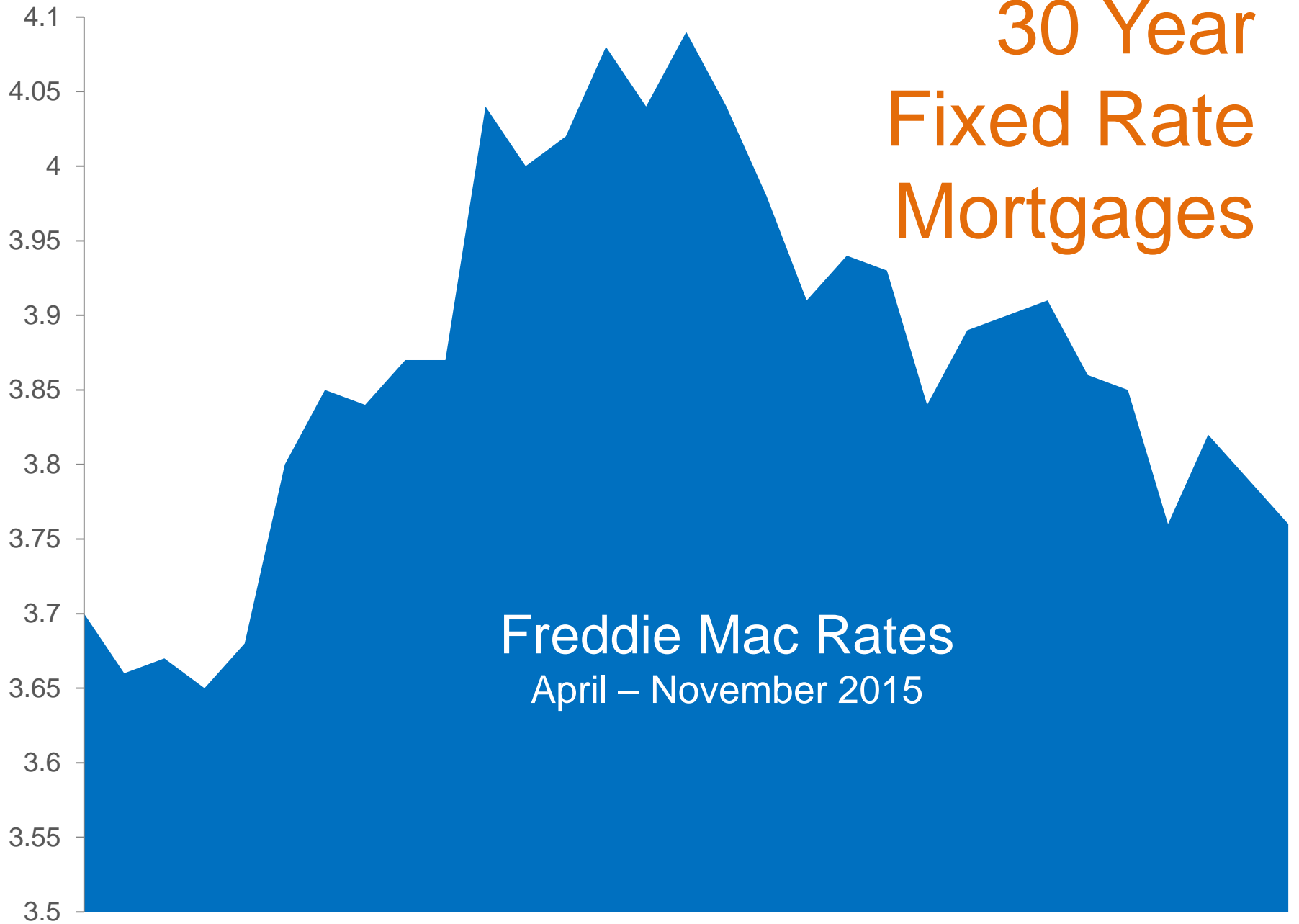


30 Year Fixed Rate Mortgages



30 Year Fixed Rate Mortgages

Freddie Mac Rates
April – November 2015



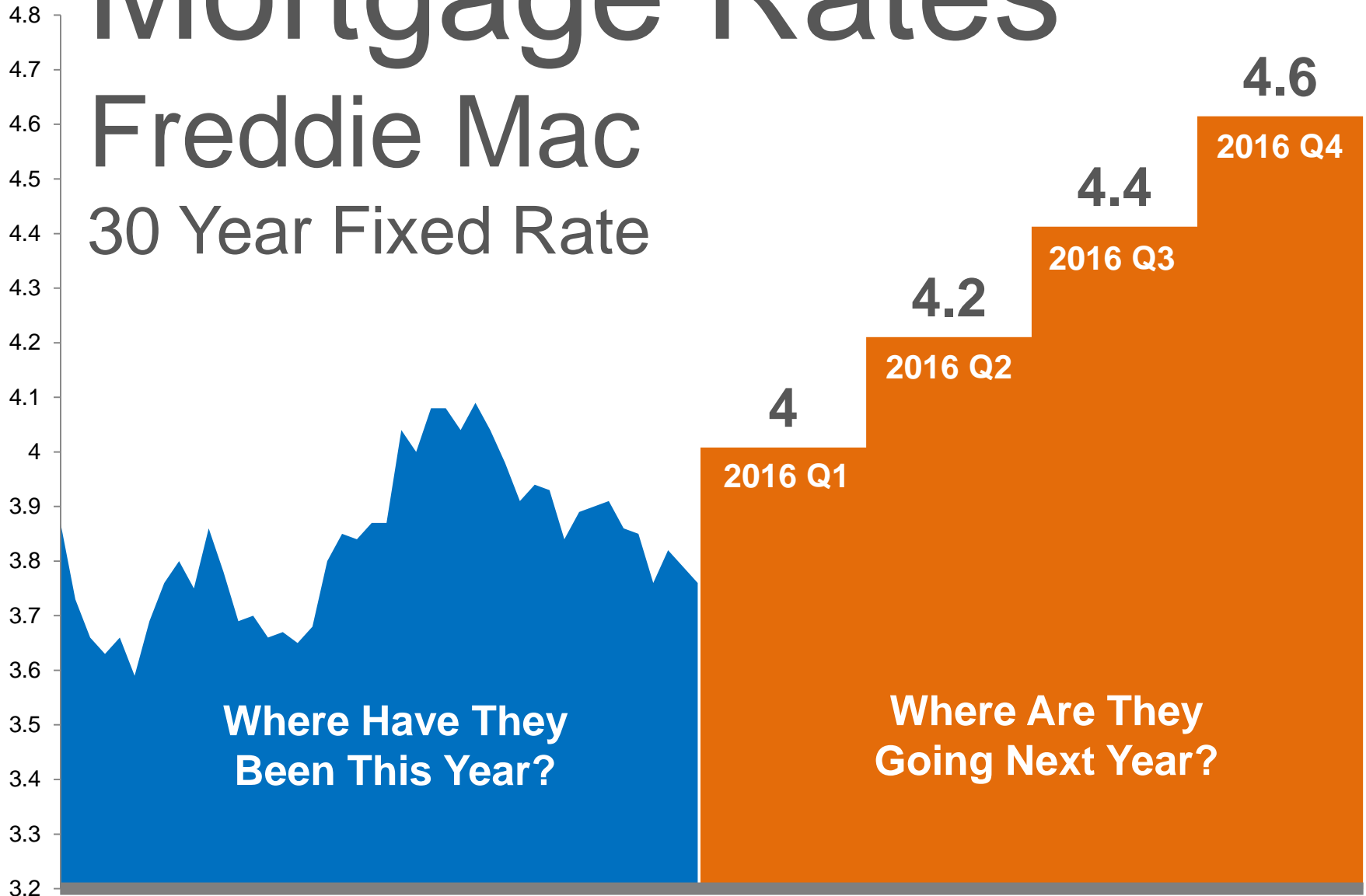
Mortgage Rate Projections

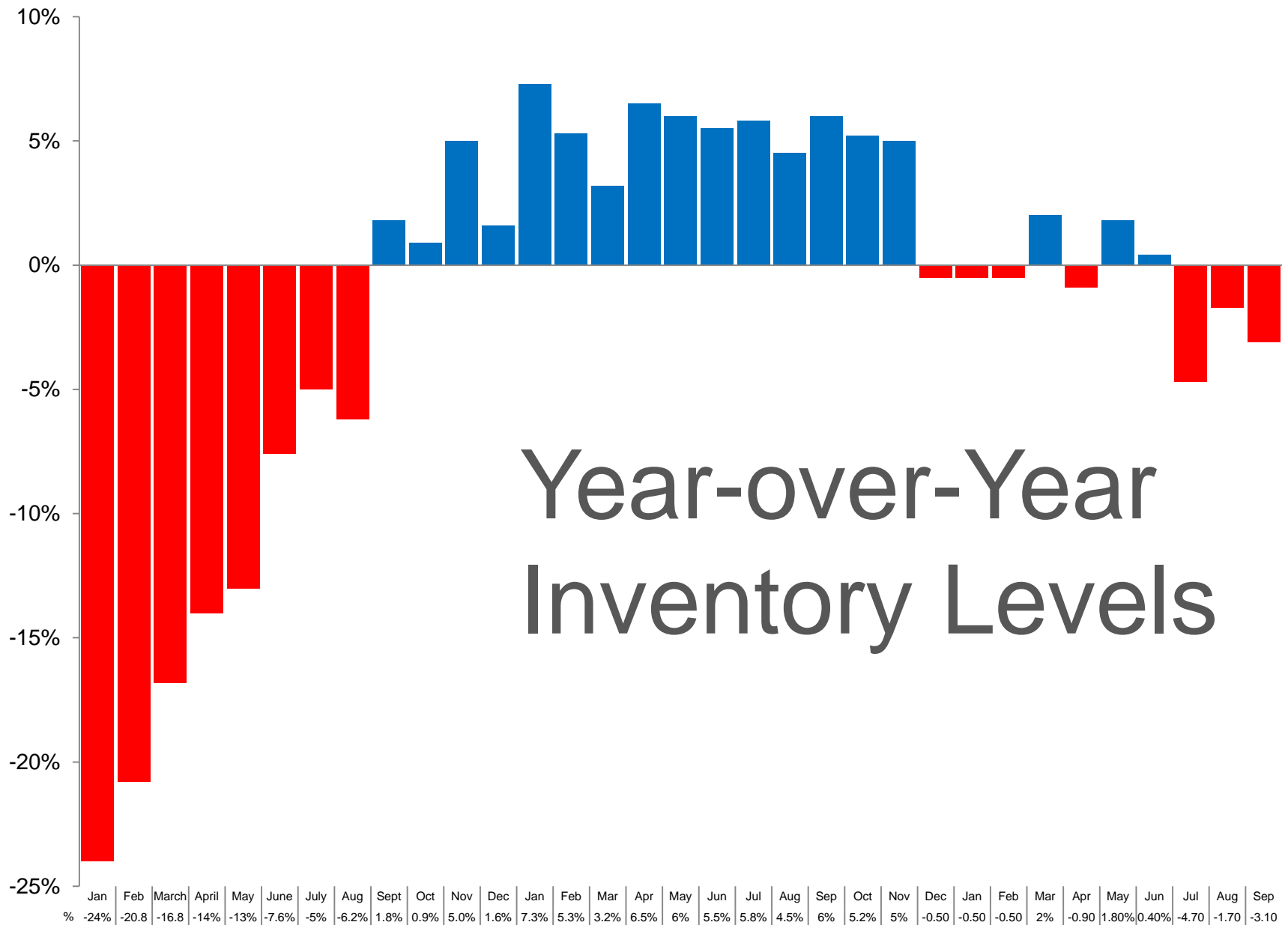


Quarter	Fannie Mae	Freddie Mac	MBA	NAR	Average of all Four
2016 1Q	3.9	4.0	4.2	4.2	4.08
2016 2Q	4.0	4.2	4.4	4.4	4.25
2016 3Q	4.0	4.4	4.6	4.7	4.43
2016 4Q	4.1	4.6	4.8	5.0	4.63

Mortgage Rates

Freddie Mac 30 Year Fixed Rate



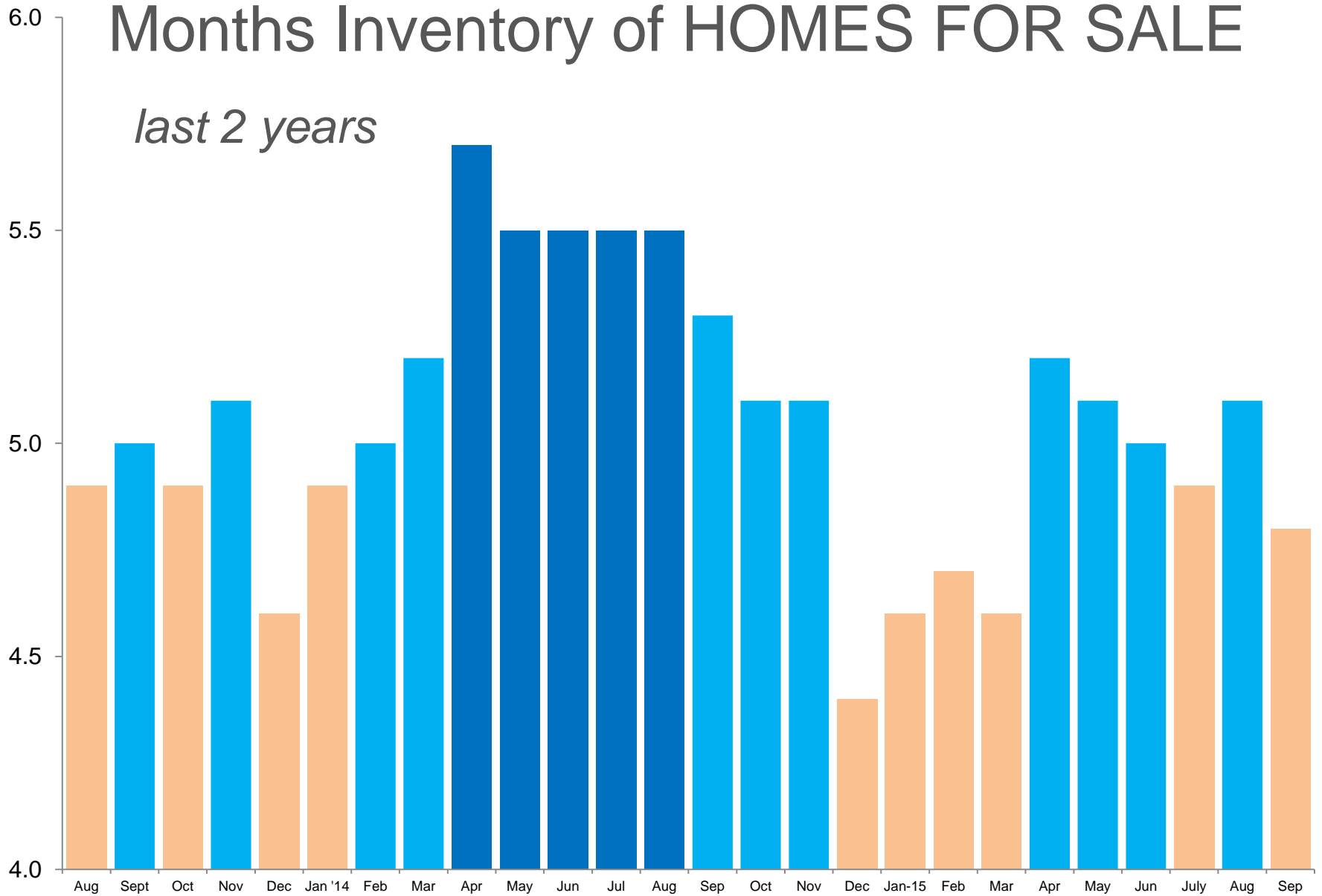


Months Inventory of **HOMES FOR SALE** *2011 - Today*



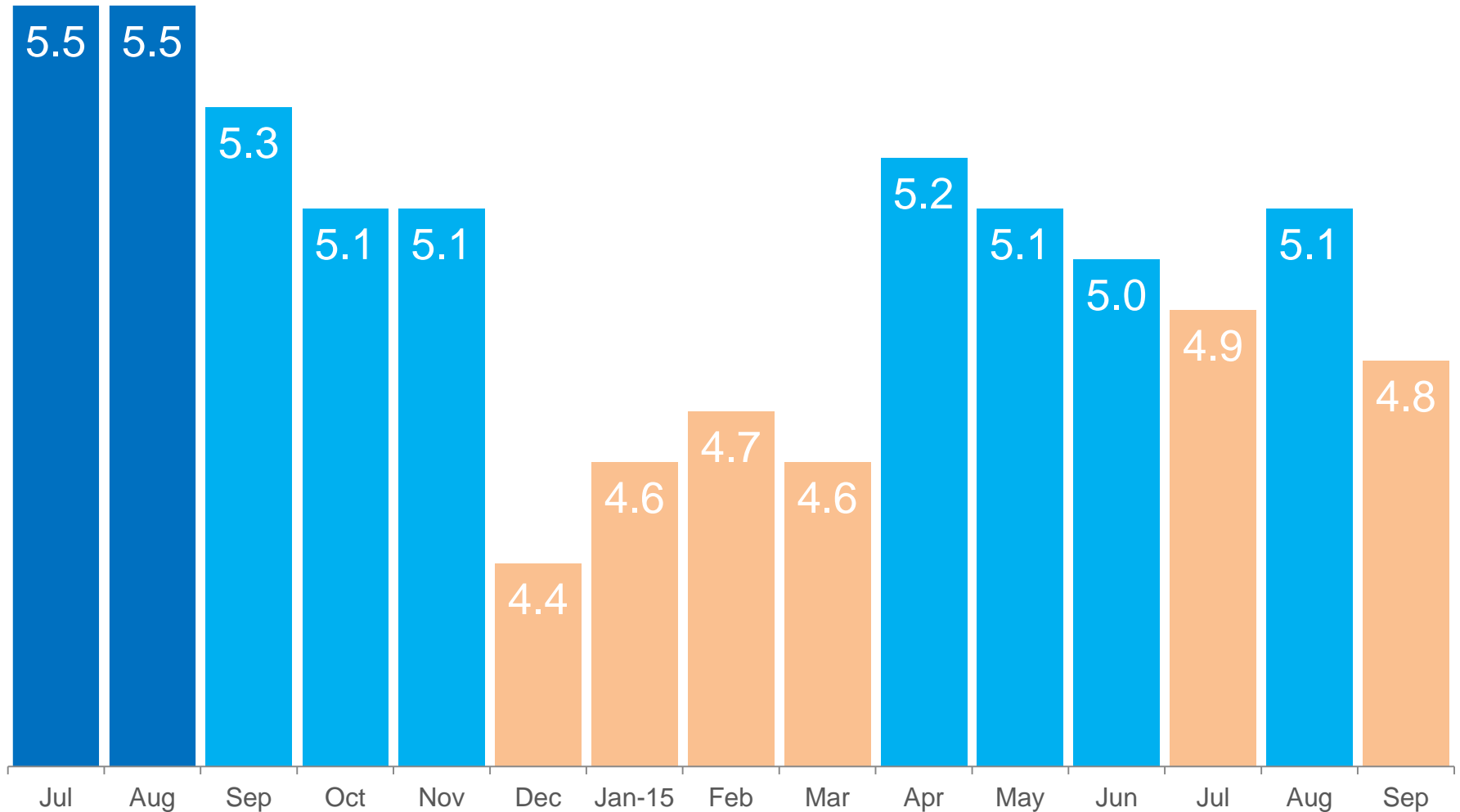
Months Inventory of HOMES FOR SALE

last 2 years



Months Inventory of HOMES FOR SALE

last 12 months



New Home Inventory

months supply

