

HOUSING MARKET UPDATE

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realtor.com®

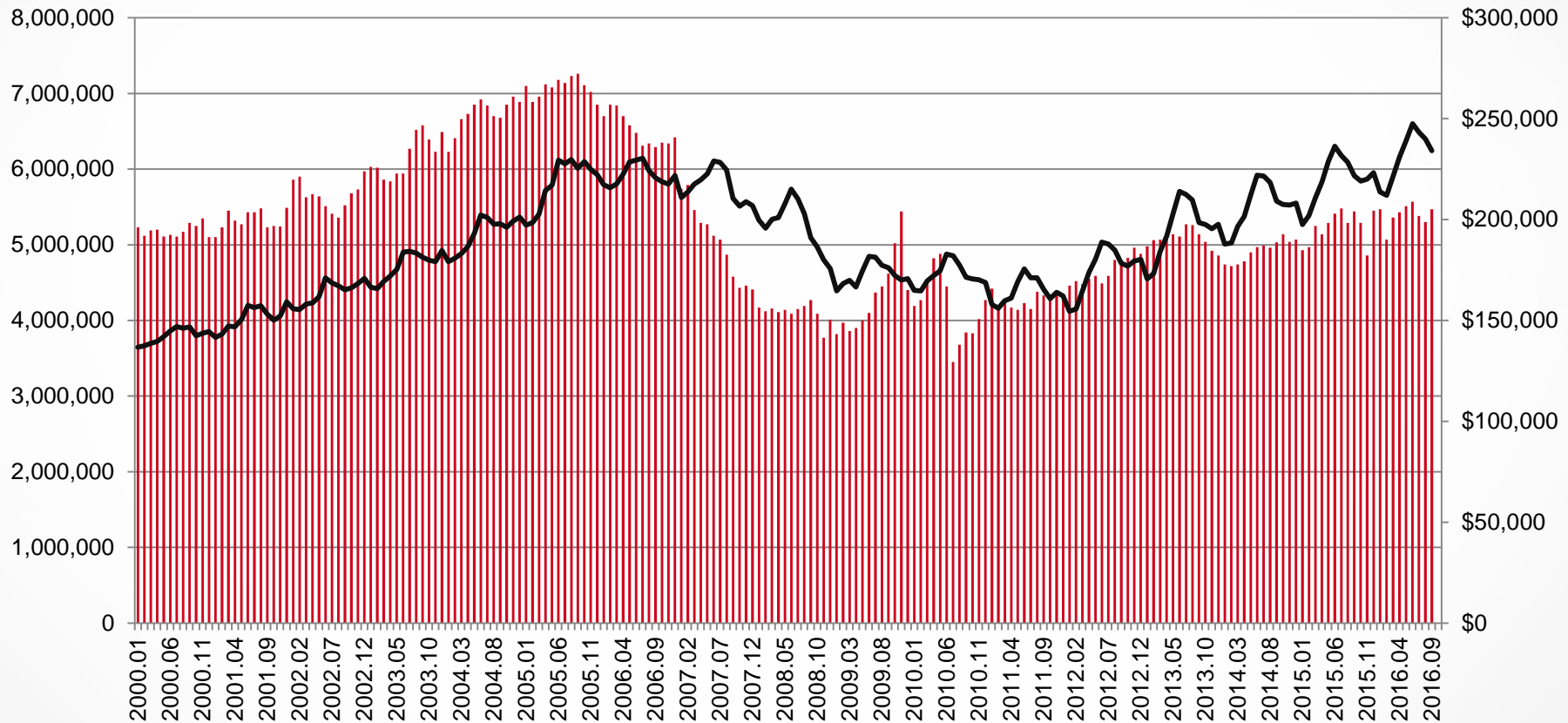
NATIONAL TRENDS

FIRST-TIME BUYERS POWER INCREASE

Sales pace increased 3.2% in September after 2 months of decline

Existing Home Sales and Prices

■ EHS SAAR — Med Exist Home Price



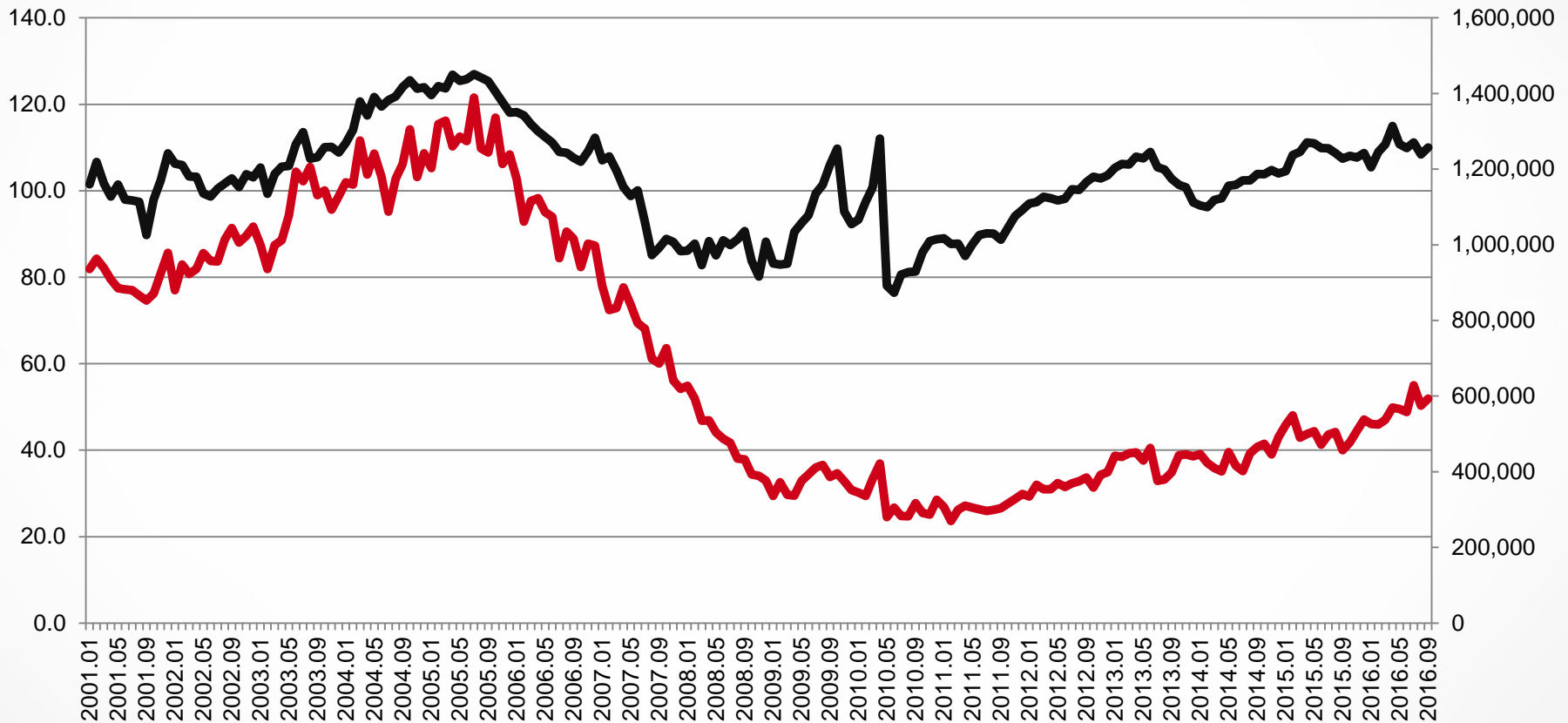
Source: National Association of REALTORS® Existing Home Sales Report

SALES STRONG IN SEPTEMBER

Seasonally adjusted pace of sales +2% y/y for pending, +30% new

Home Sales (New Contracts) SAAR

— Pending Home Sales (Existing) — New Home Sales



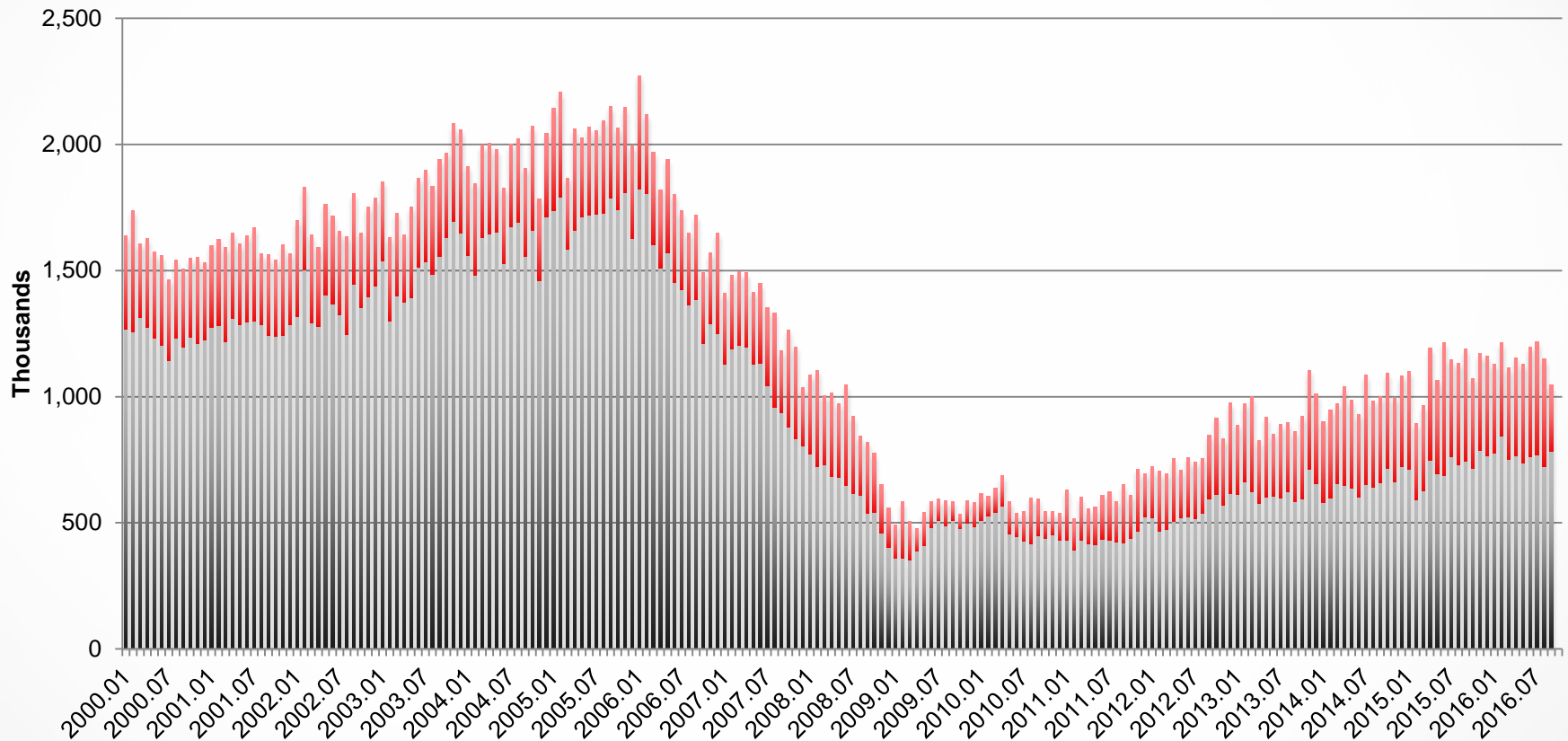
Source: National Association of REALTORS®, Commerce Department

STARTS STALL BUT PERMITS PICK UP

Starts down 12% y/y in September (SF +5%) but permits up 5%

Residential Construction

■ Single-Family Starts ■ Multi-Family Starts

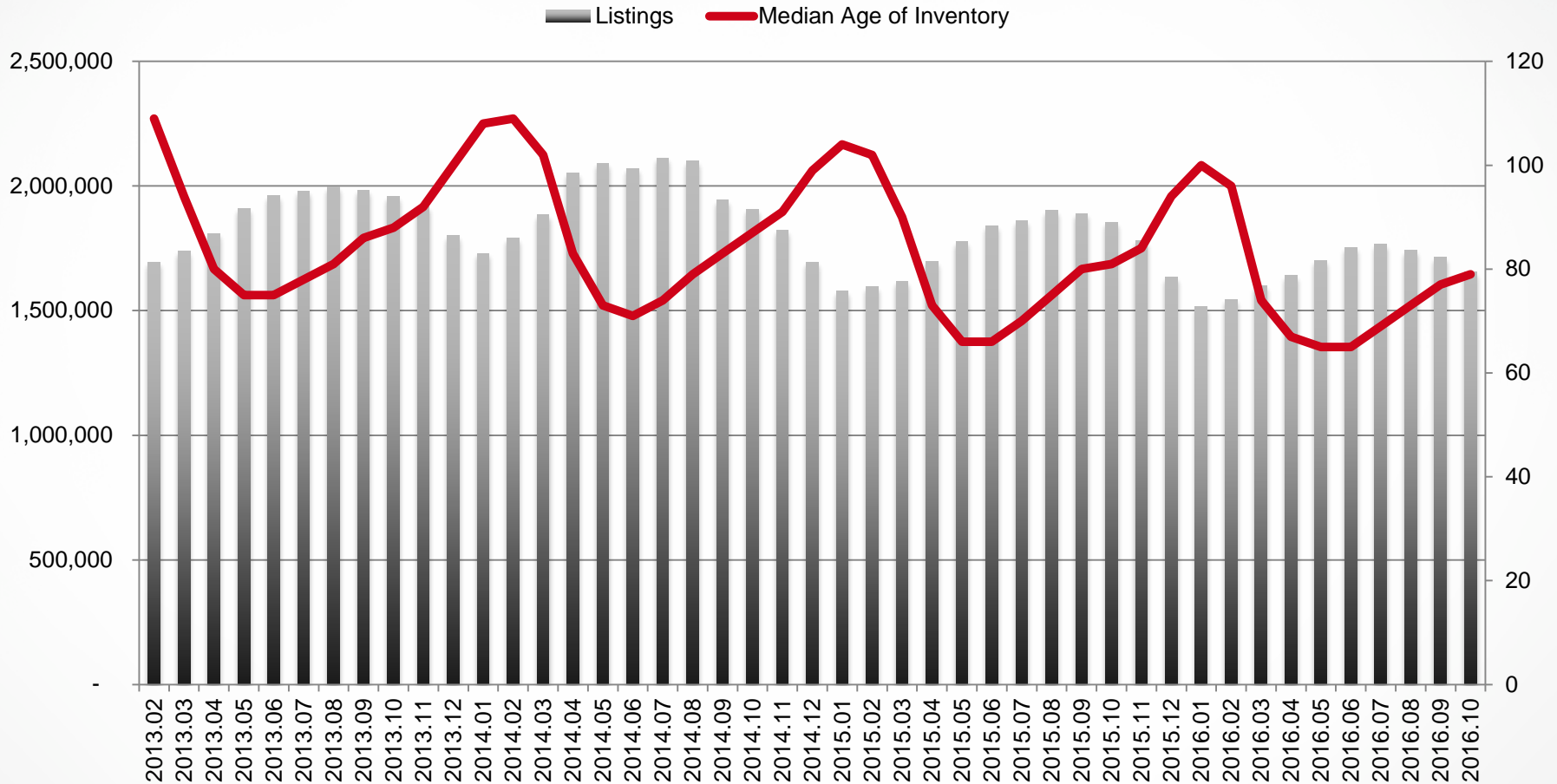


Source: Commerce Department

INVENTORY CONTINUES TO BE LOWER

Inventory down 11% in October y/y while median age down 2%

Listings and Median Age of Inventory

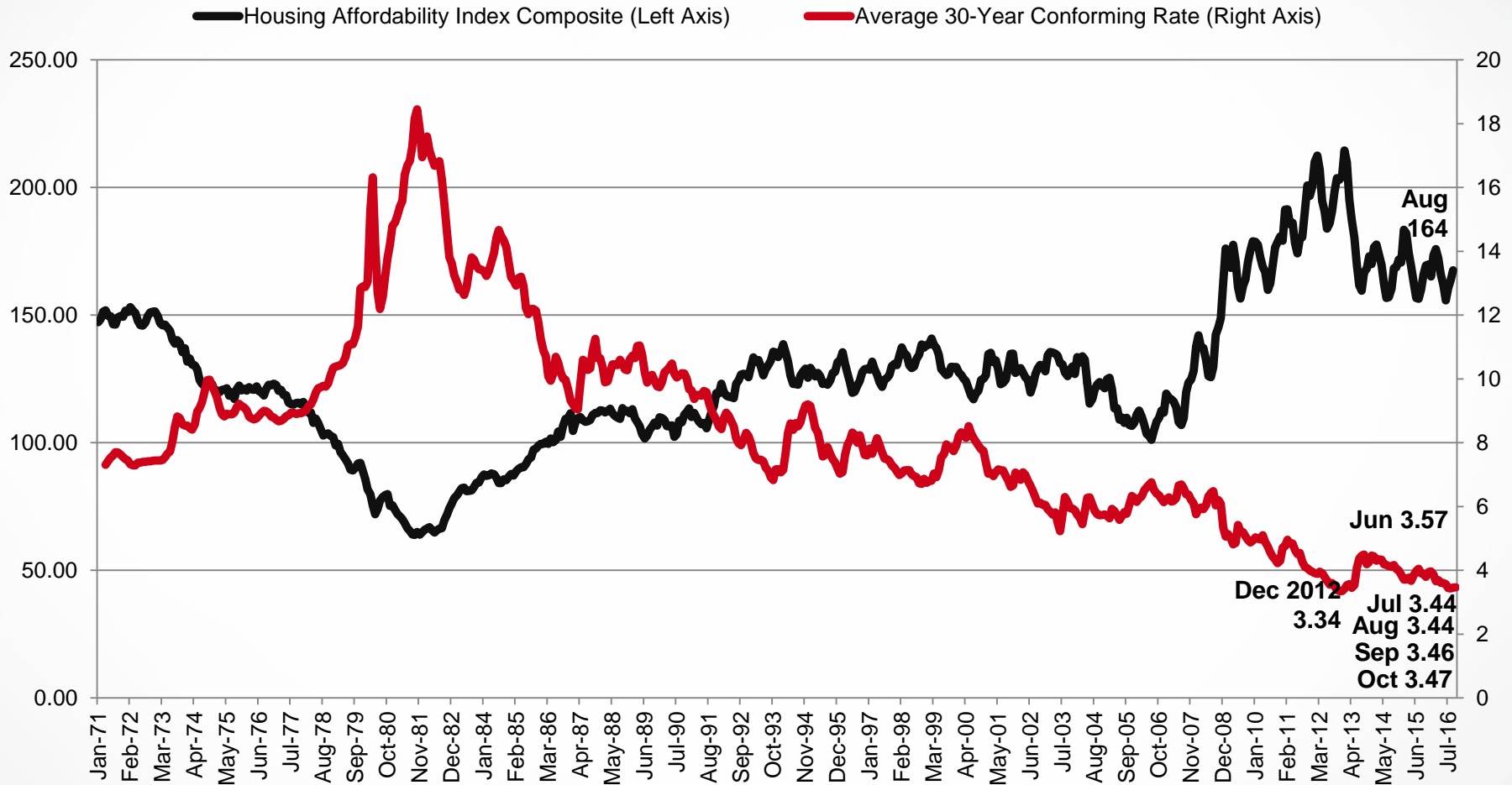


Source: Realtor.com®

AFFORDABLE ERA ISN'T QUITE OVER

Rates are now still low by historical standards but moving up

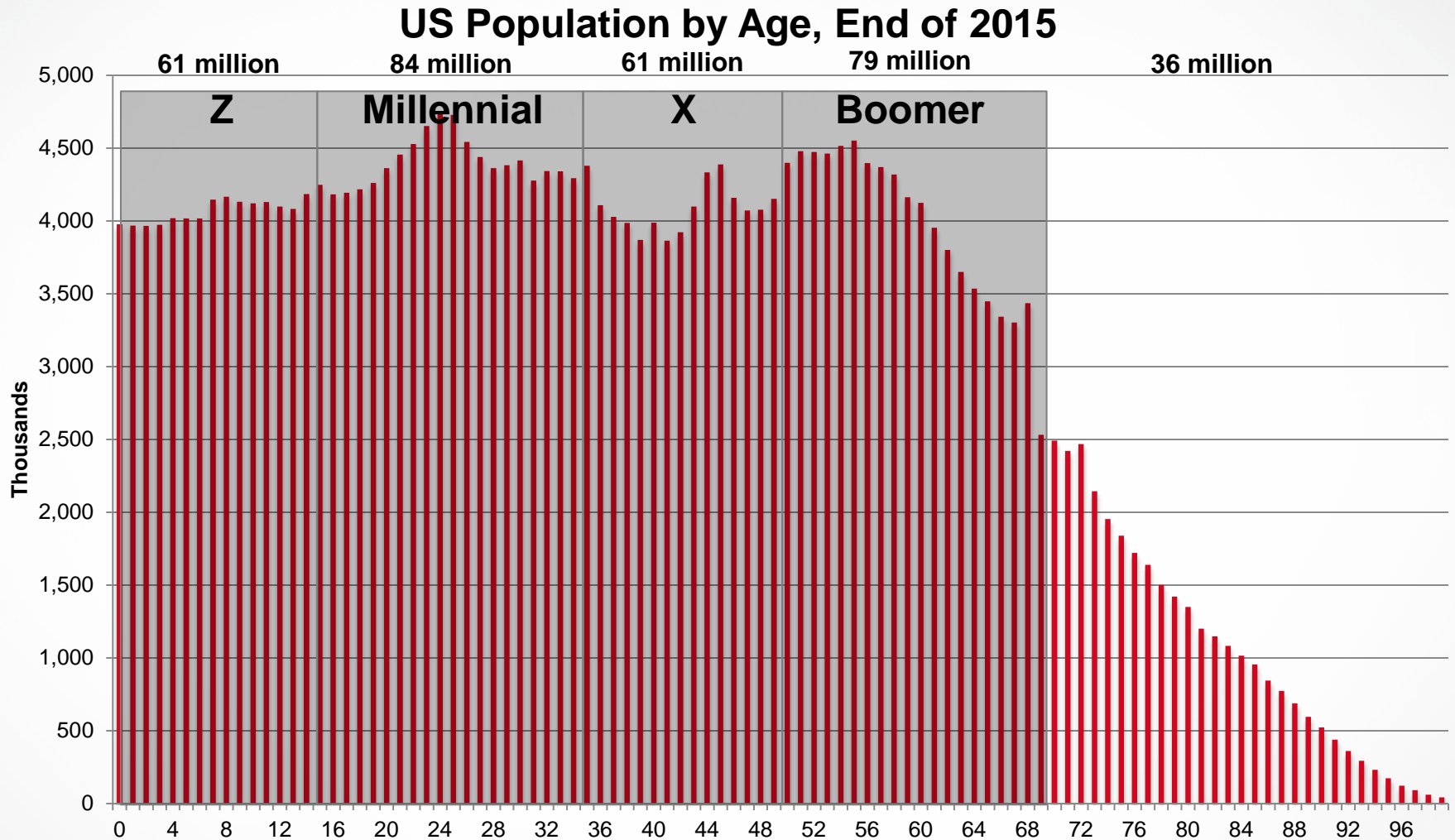
Affordability and Mortgage Rates



Source: Moody's Analytics, Freddie Mac, and National Association of REALTORS®

DEMOGRAPHICS SET THE TABLE

When viewed by age, importance of Millennials becomes clearer



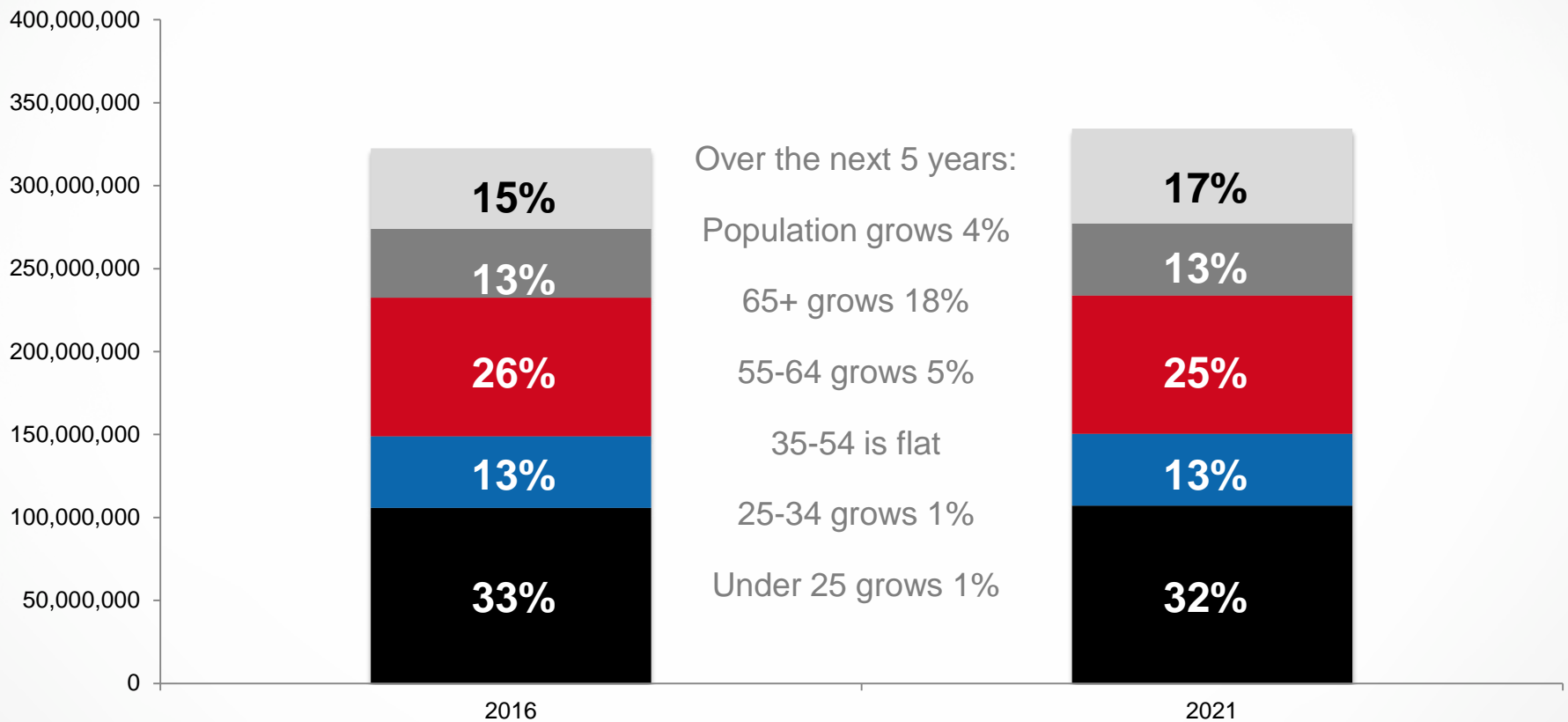
Source: Realtor.com® Analysis of US Census Bureau Population Estimates (2015)

BOOMERS KEEP DISTURBING

Boomer wave is causing a major population shift

Population by Age (US)

■ Under 25 ■ 25-34 ■ 35-54 ■ 55-64 ■ 65+



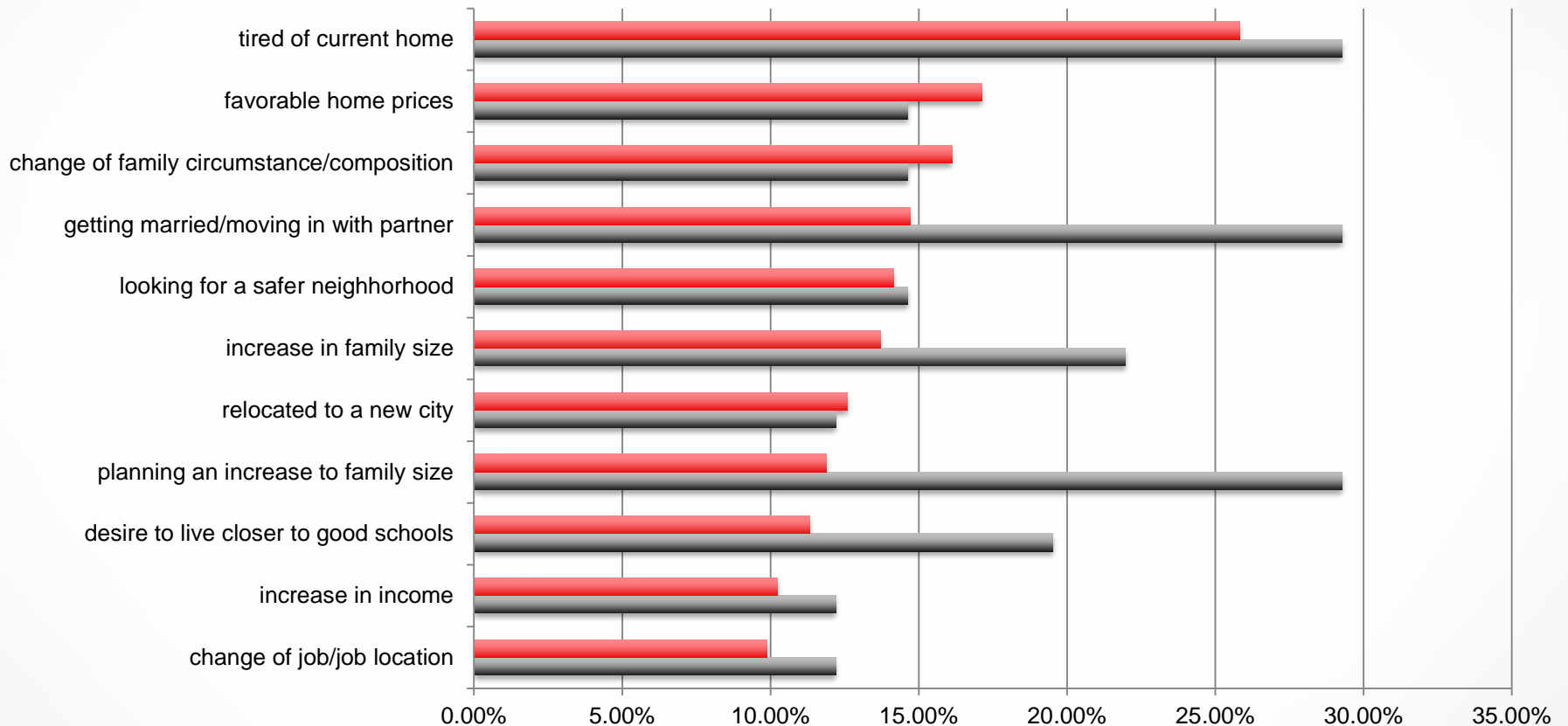
Source: Nielsen Demographics Pop-Facts 2016

LIFE DRIVES HOUSING DEMAND

Everyone's tired of waiting and Millennials are building families

Top 10 Buying Triggers

■ all ■ 25-34

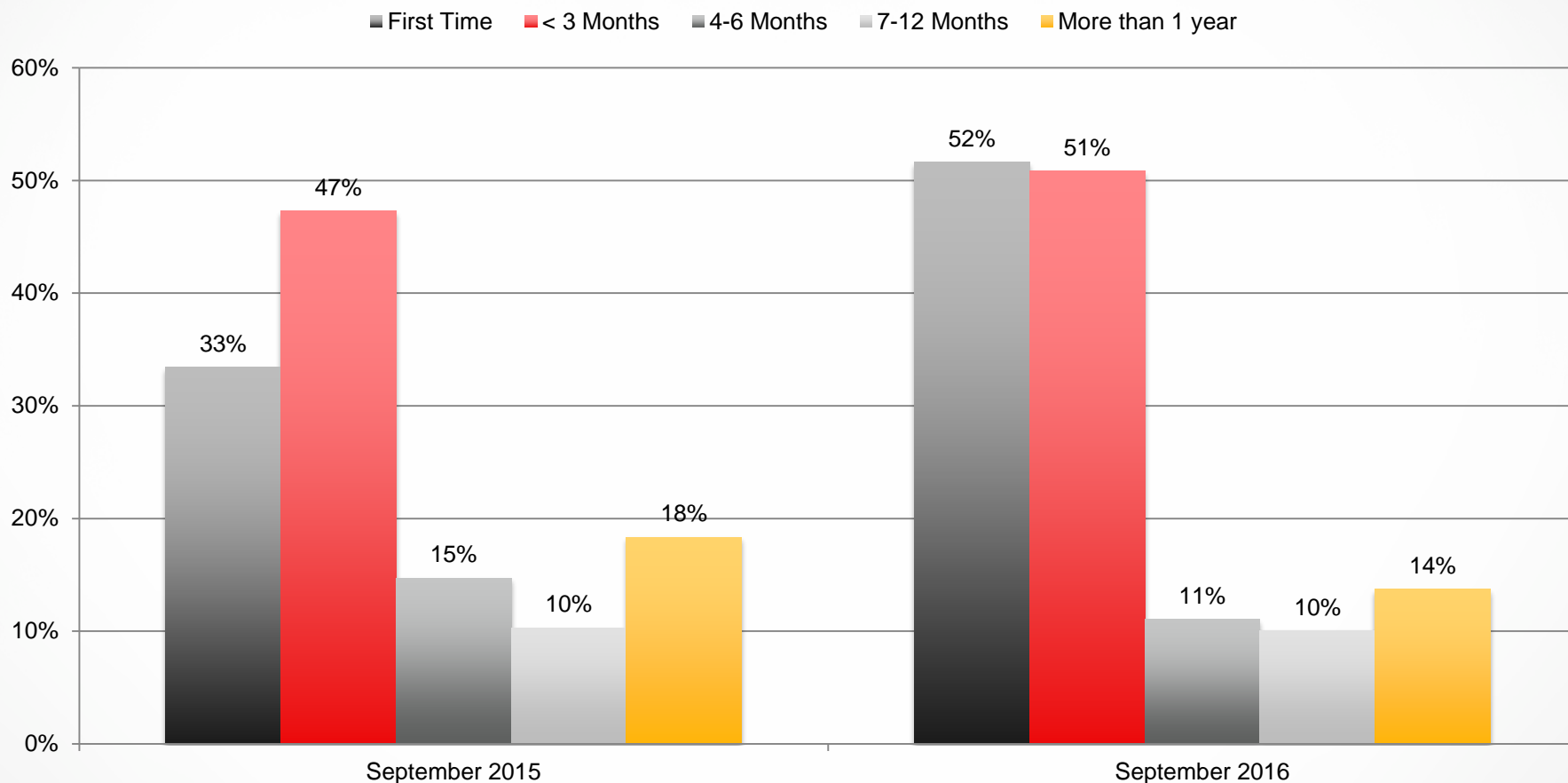


Source: realtor.com Active Home Shopper Survey, September 2016

MARKET COMPOSITION IS SHIFTING

The market is shifting as first-time buyers re-emerge

Buyer Composition, First Time Status and When Started

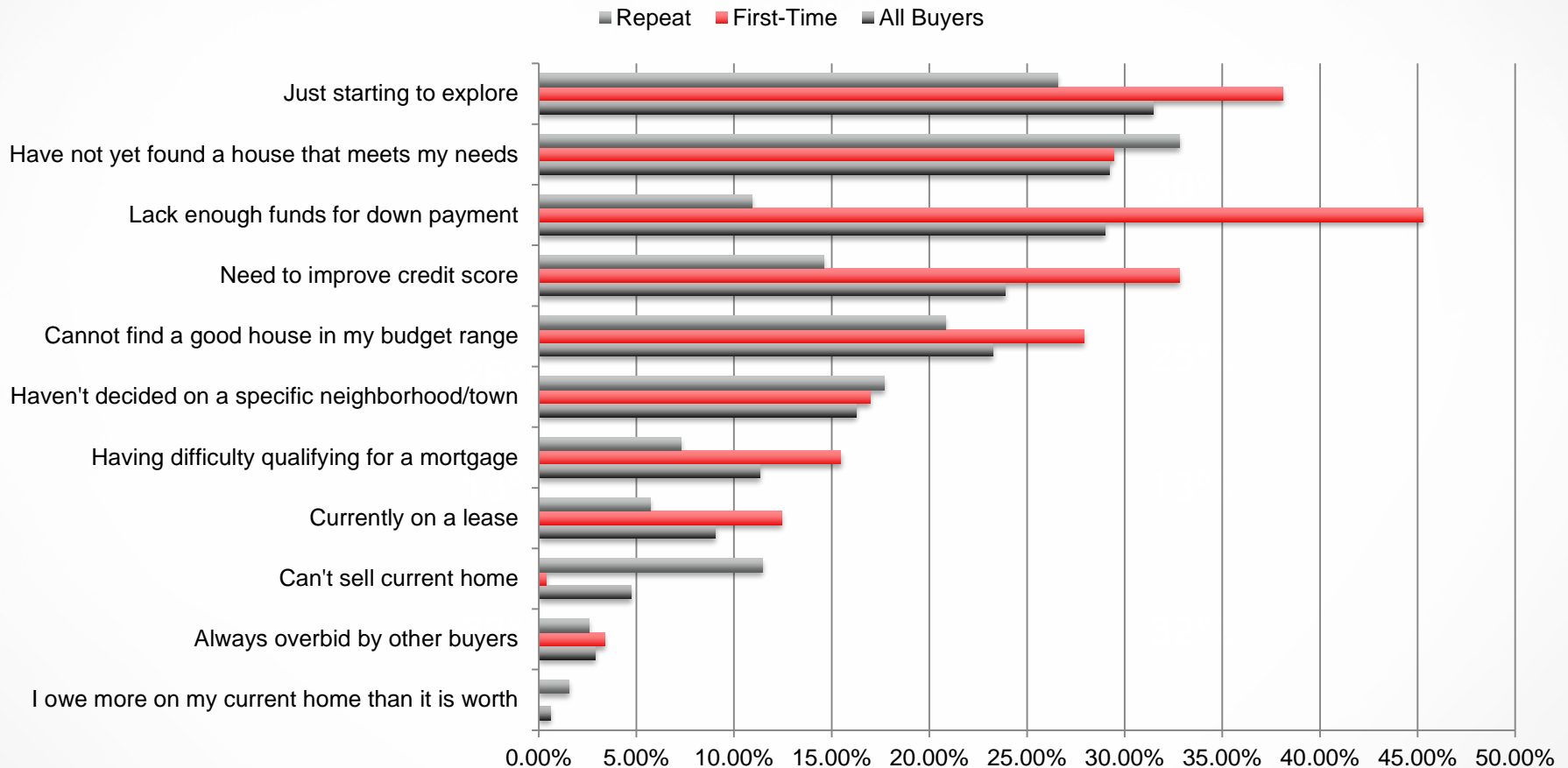


Source: Realtor.com Survey of Buyer Traffic, September 2015 and September 2016

IMPEDIMENTS TO PURCHASE

Inventory is losing its dominance; financial impediments growing

What's Getting in the Way of Making a Home Purchase?



Source: Realtor.com Survey of Buyer Traffic, October 2016

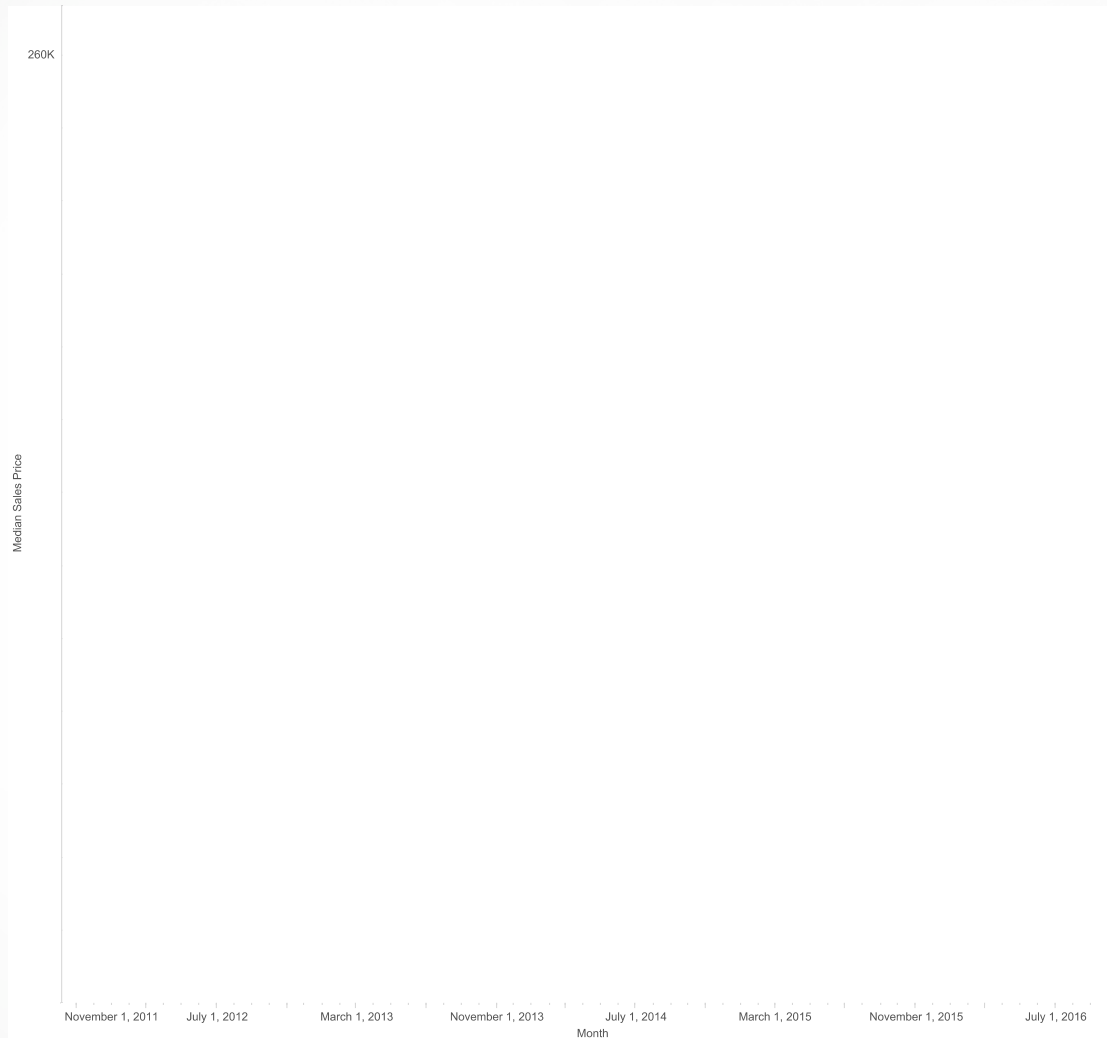
LOCATION

LOCATION

LOCATION

MEDIAN SALES PRICES

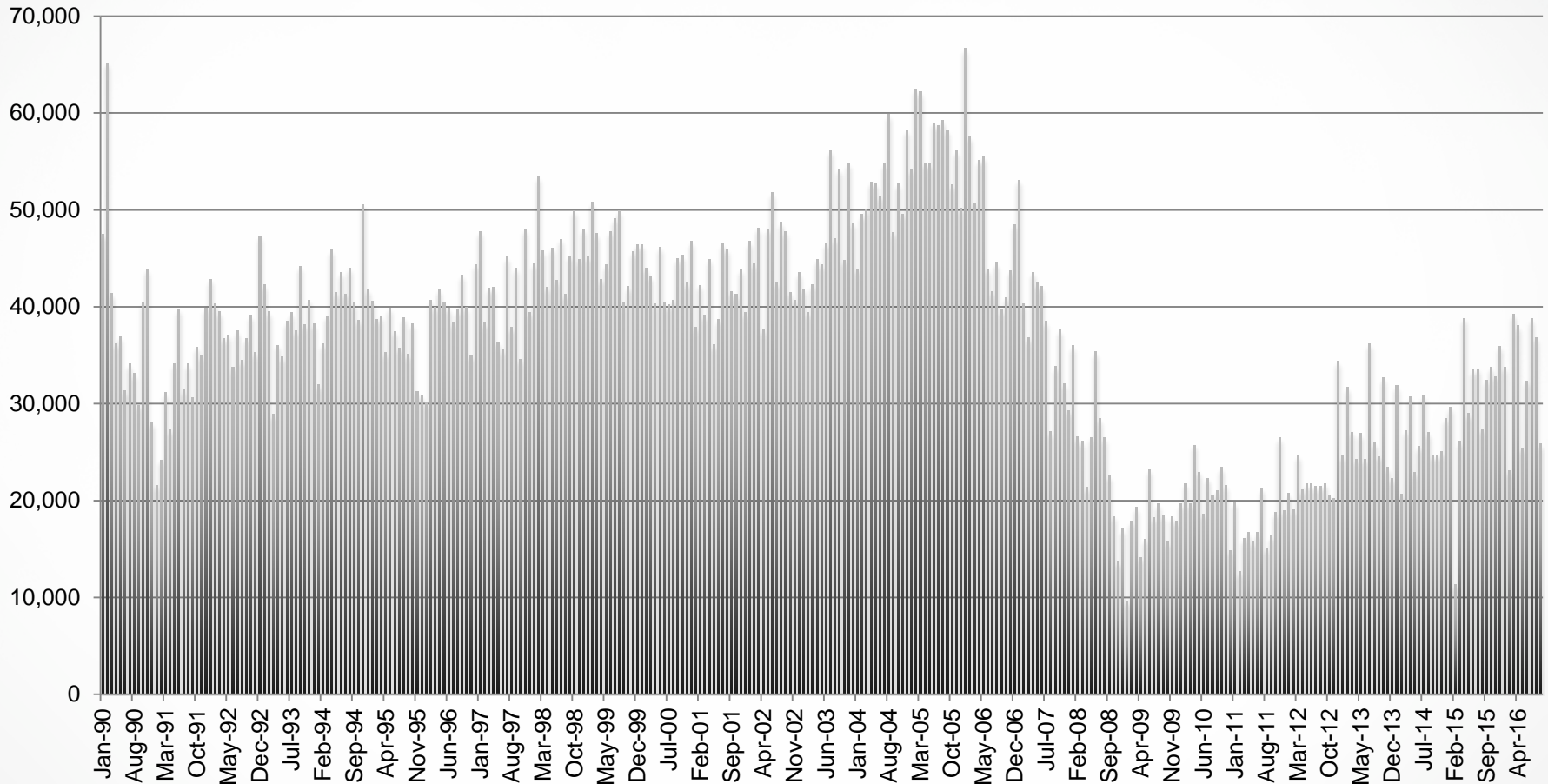
\$260K, up 3% year-on-year New England region (Aug 2016)



NEW CONSTRUCTION STALLED

Like US, starts now down year-over-year (September)

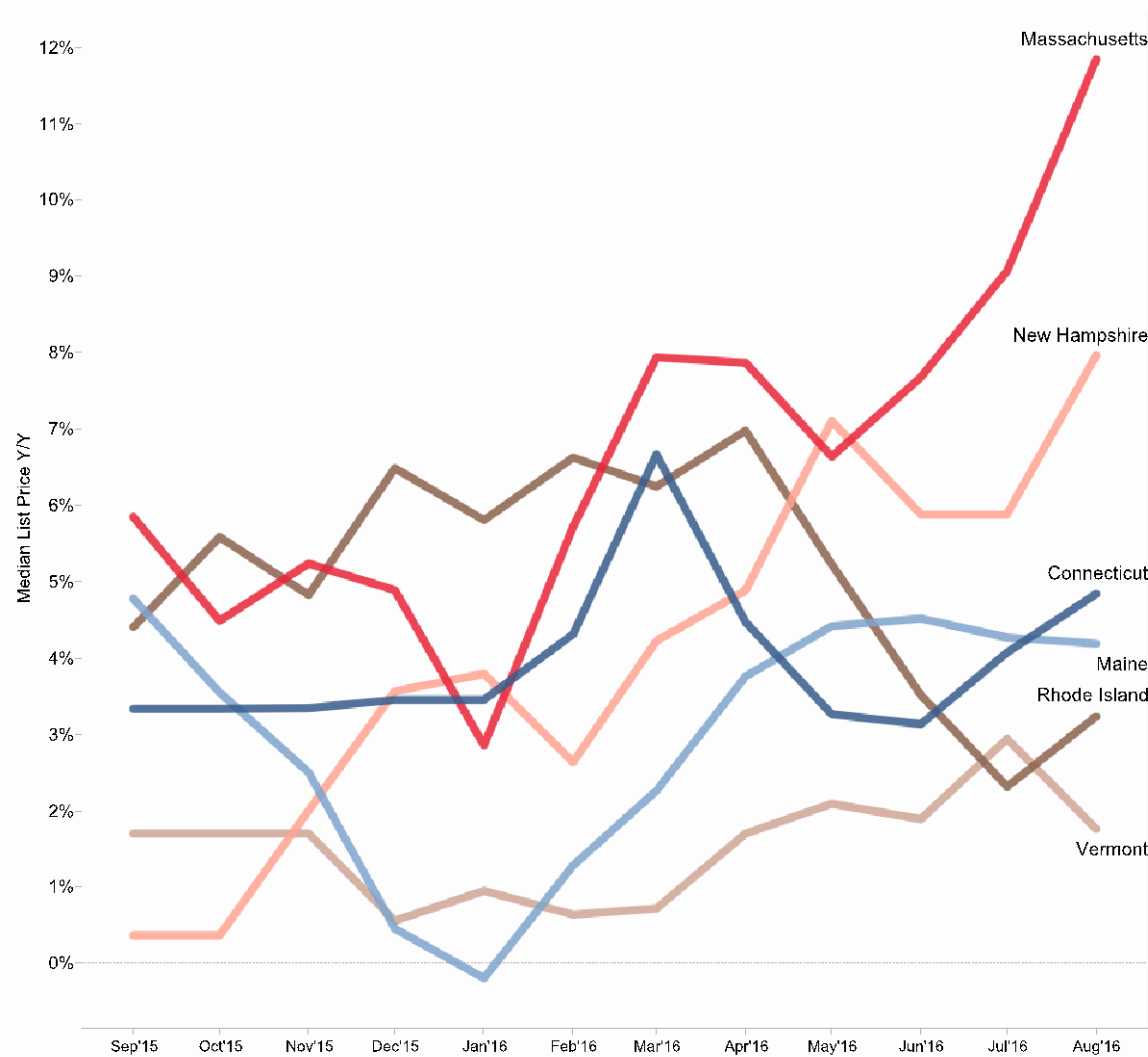
New Construction Starts in New England



Source: Commerce Department, Moody's Analytics

LIST PRICES RETAIN MOMENTUM

Asking prices up most (12%) Y/Y in Massachusetts (Aug 2016)

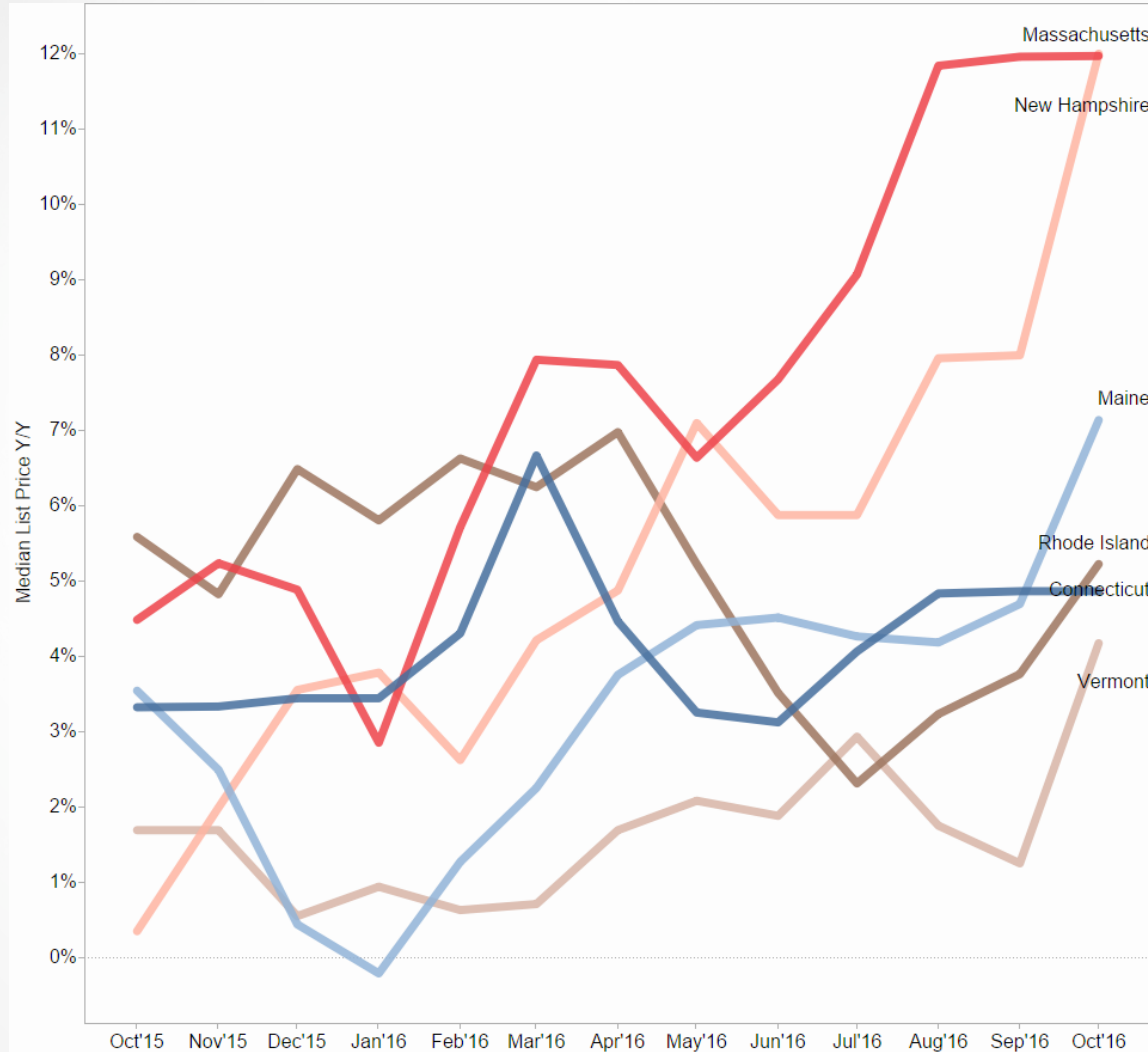


	Median Listing Price	August-2016 Median Listing Price Yy	Median Listing Price Mm
Massachusetts	418,300	11.8%	2.3%
New Hampshire	269,900	8.0%	0.0%
Connecticut	325,000	4.8%	-1.5%
Maine	223,900	4.2%	1.8%
Rhode Island	299,900	3.2%	0.0%
Vermont	243,200	1.8%	-0.7%

Source: Realtor.com

LIST PRICES RETAIN MOMENTUM

Asking prices up Y/Y in October the most in NH and MA

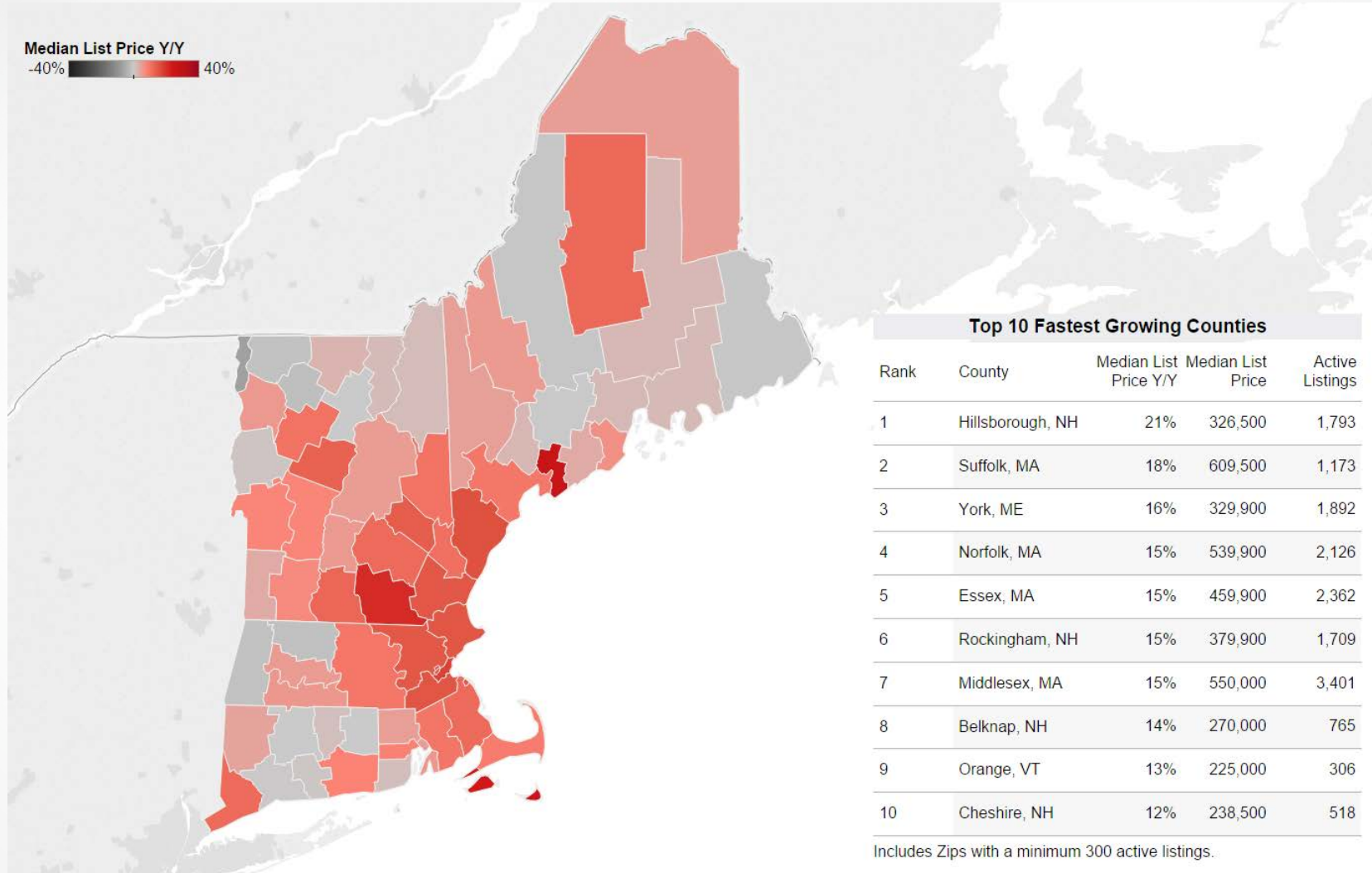


	Median Listing Price	October 2016 Median Listing Price Yy	Median Listing Price Mm
New Hampshire	279,900	12.0%	3.7%
Massachusetts	419,900	12.0%	0.1%
Maine	225,000	7.1%	0.0%
Rhode Island	299,900	5.2%	0.0%
Connecticut	325,000	4.9%	0.0%
Vermont	249,000	4.2%	2.9%

Source: Realtor.com

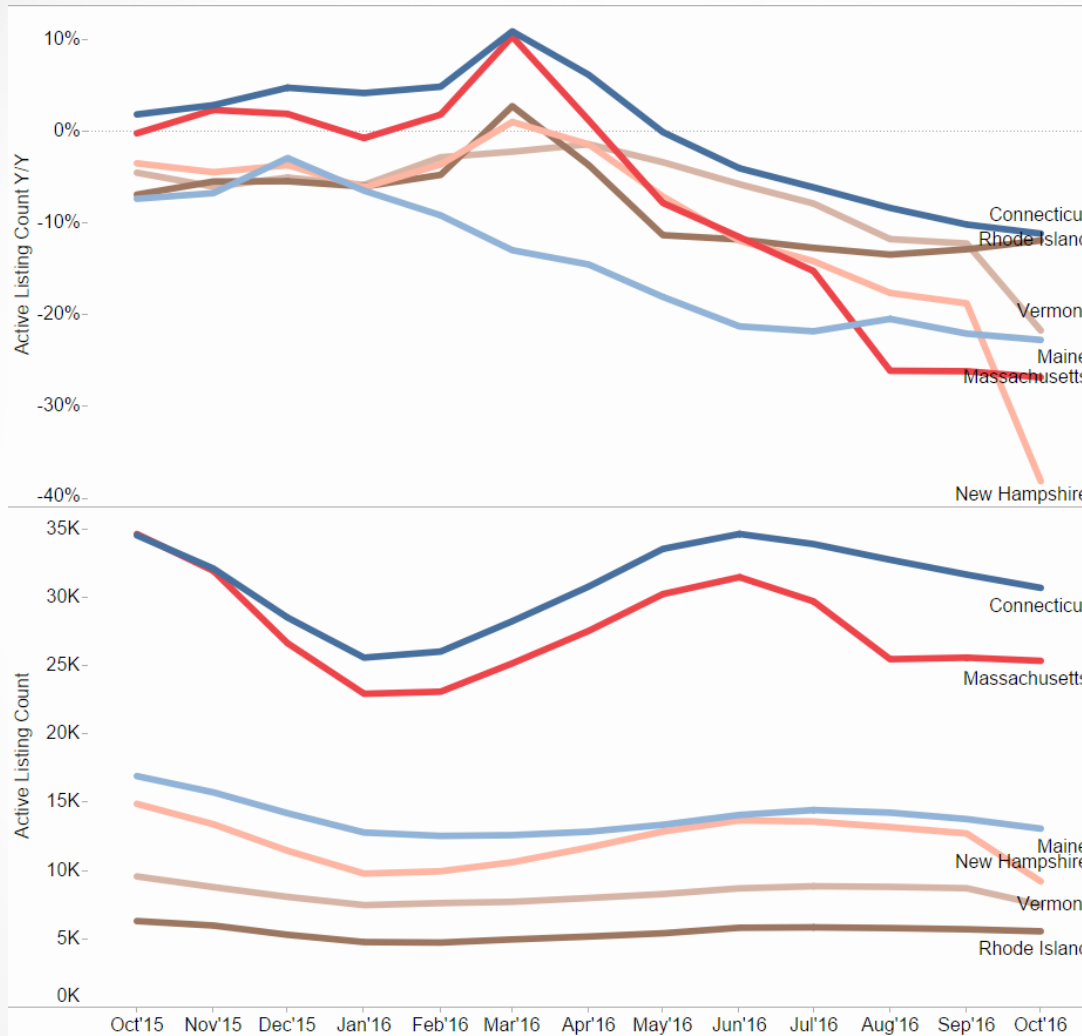
LIST PRICES BY COUNTY

List price growth year-over-year (Oct 2016)



INVENTORY GETTING TIGHTER

Active listings down Y/Y in all six states (Oct 2016)

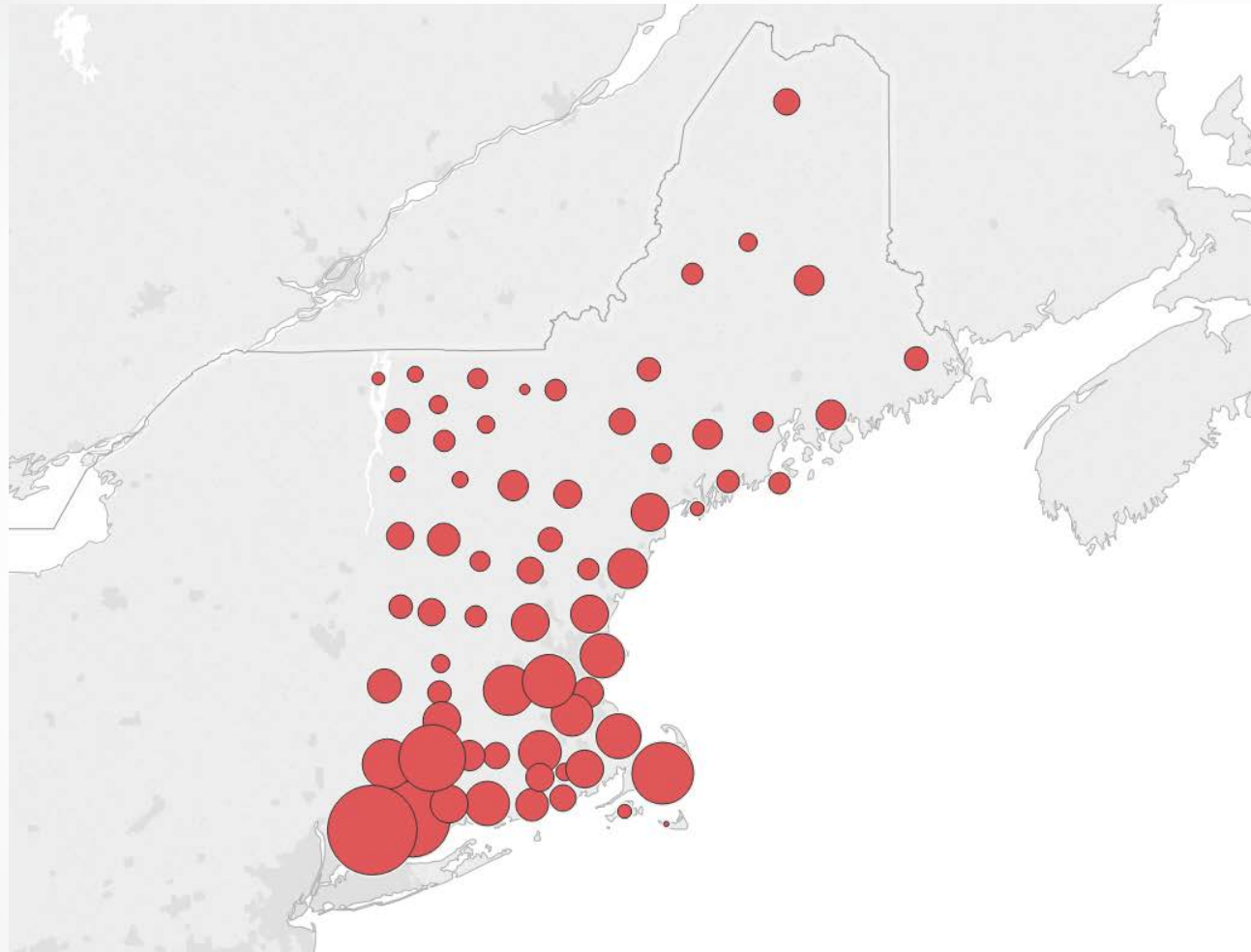


	October 2016		
	Active Listing Count	Active Listing Count Yy	Active Listing Count Mm
New Hampshire	9,205	-38%	-28%
Massachusetts	25,342	-27%	-1%
Maine	13,064	-23%	-5%
Vermont	7,490	-22%	-14%
Rhode Island	5,551	-12%	-3%
Connecticut	30,682	-11%	-3%

Source: Realtor.com

INVENTORY

Single Family and Condo Active Listings (Oct 2016)



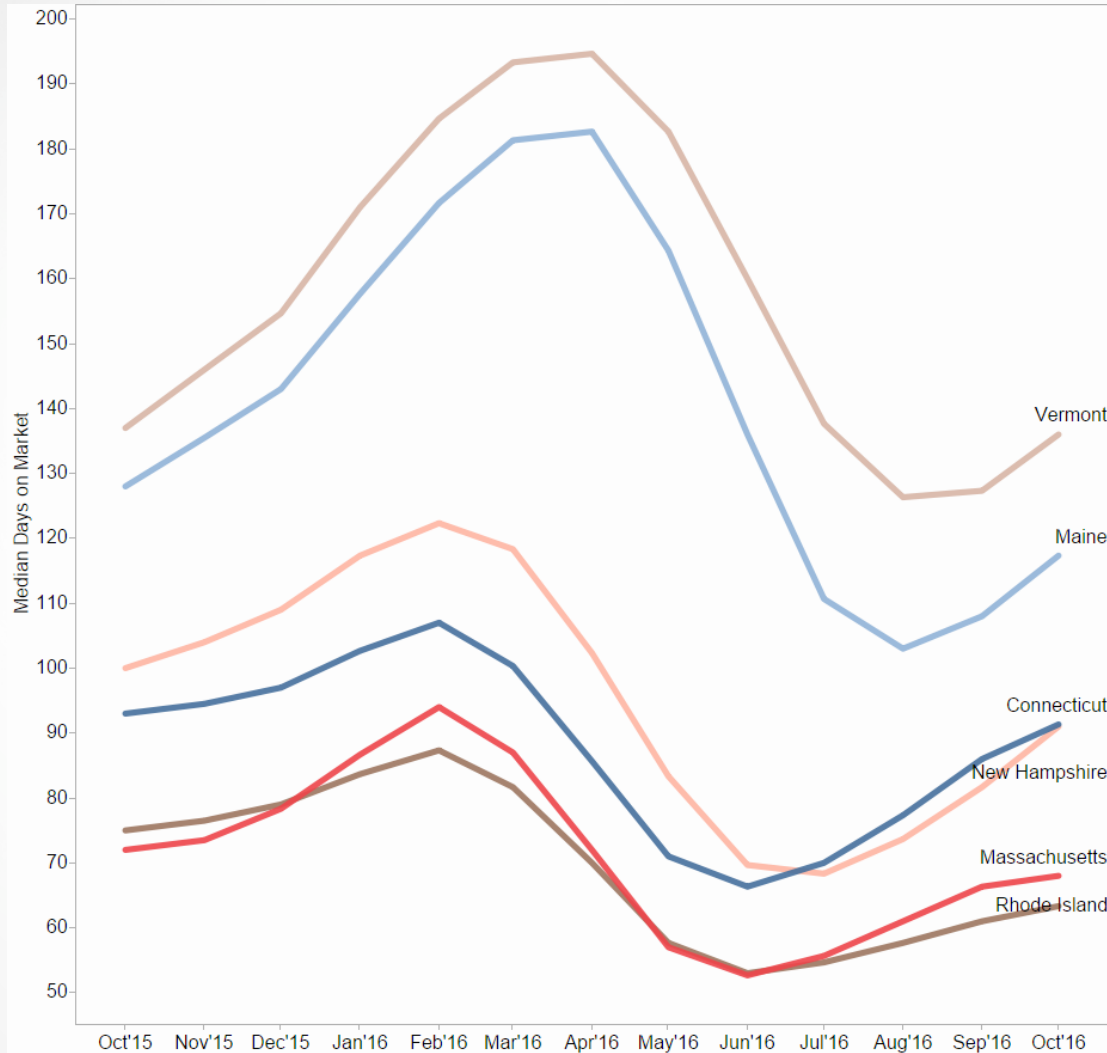
Top 10 Counties by Active Listings

1	Fairfield, CT	9,609
2	New Haven, CT	6,874
3	Hartford, CT	5,333
4	Barnstable, MA	4,556
5	Middlesex, MA	3,401
6	Worcester, MA	3,025
7	Litchfield, CT	2,988
8	Plymouth, MA	2,402
9	Essex, MA	2,362
10	New London, CT	2,291

Source: Realtor.com

AGE OF INVENTORY VARIES

Inventory moving faster Y/Y in RI and MA (Oct 2016)

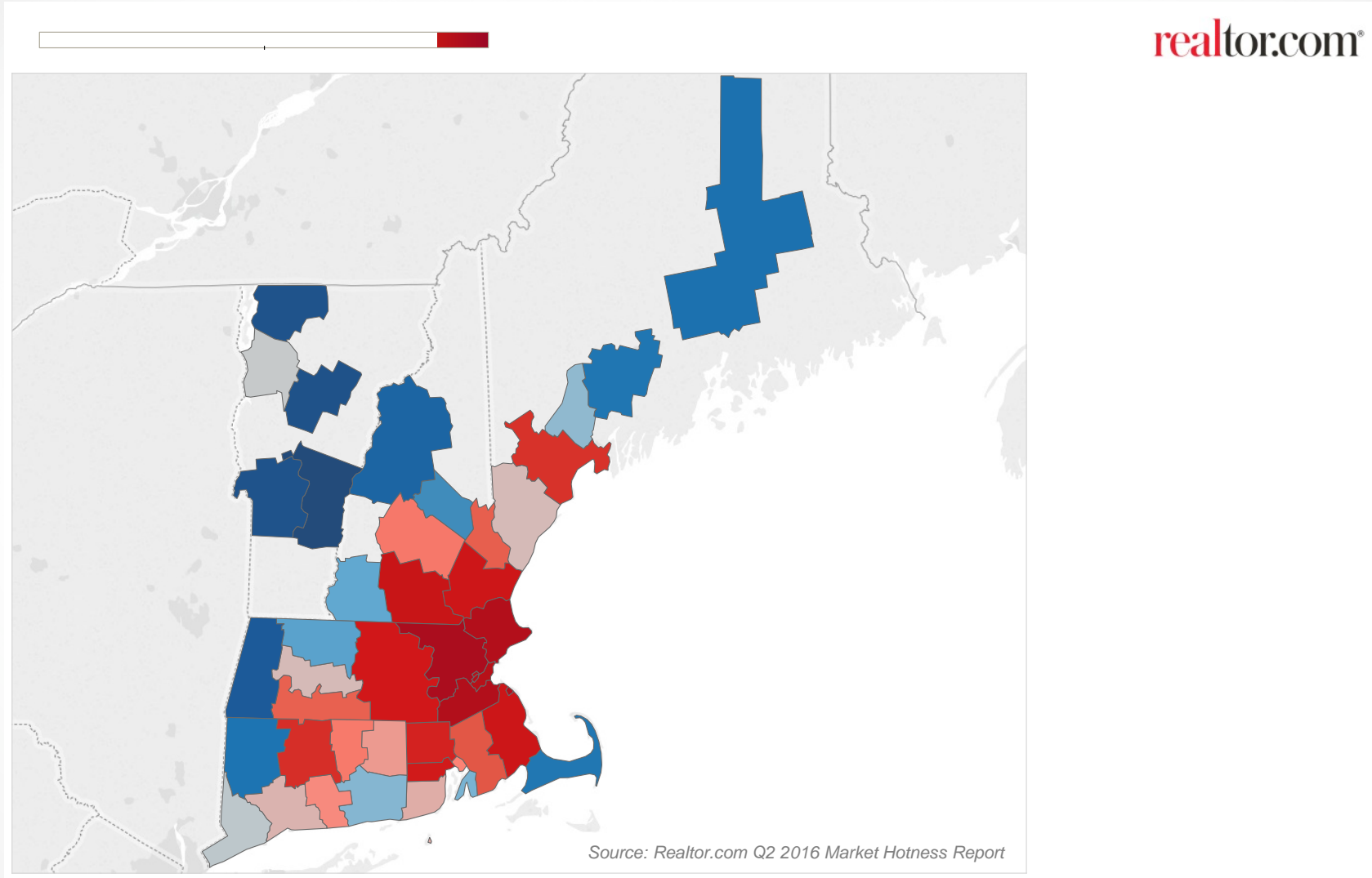


	October 2016		
	Median Dom	Median Dom Yy	Median Dom Mm
Rhode Island	66	-12%	5%
Massachusetts	66	-8%	-6%
New Hampshire	101	1%	12%
Maine	128	0%	9%
Connecticut	93	0%	-1%
Vermont	149	9%	12%

Source: Realtor.com

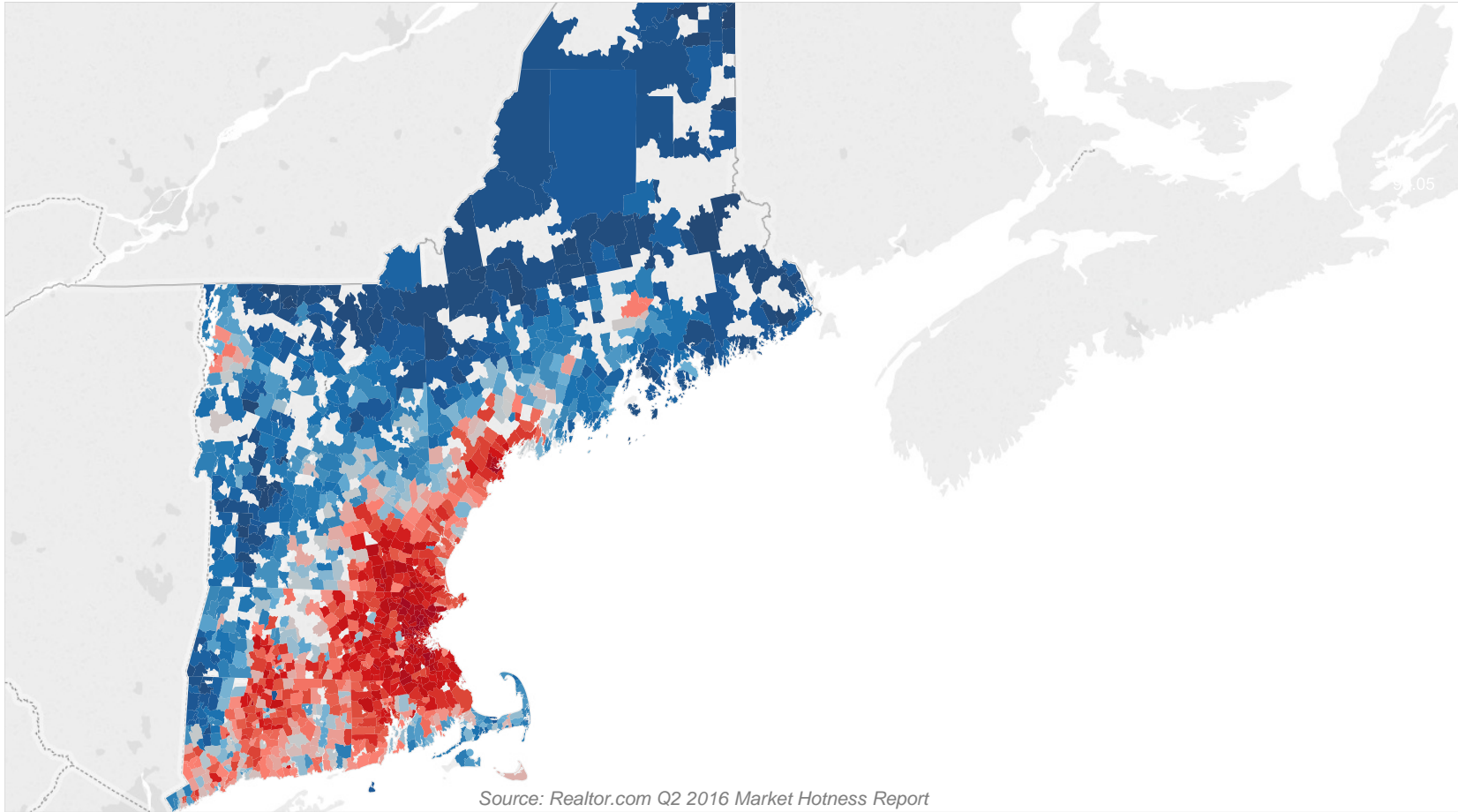
HOTTEST COUNTIES

Massachusetts has 4 of 5 hottest counties in region



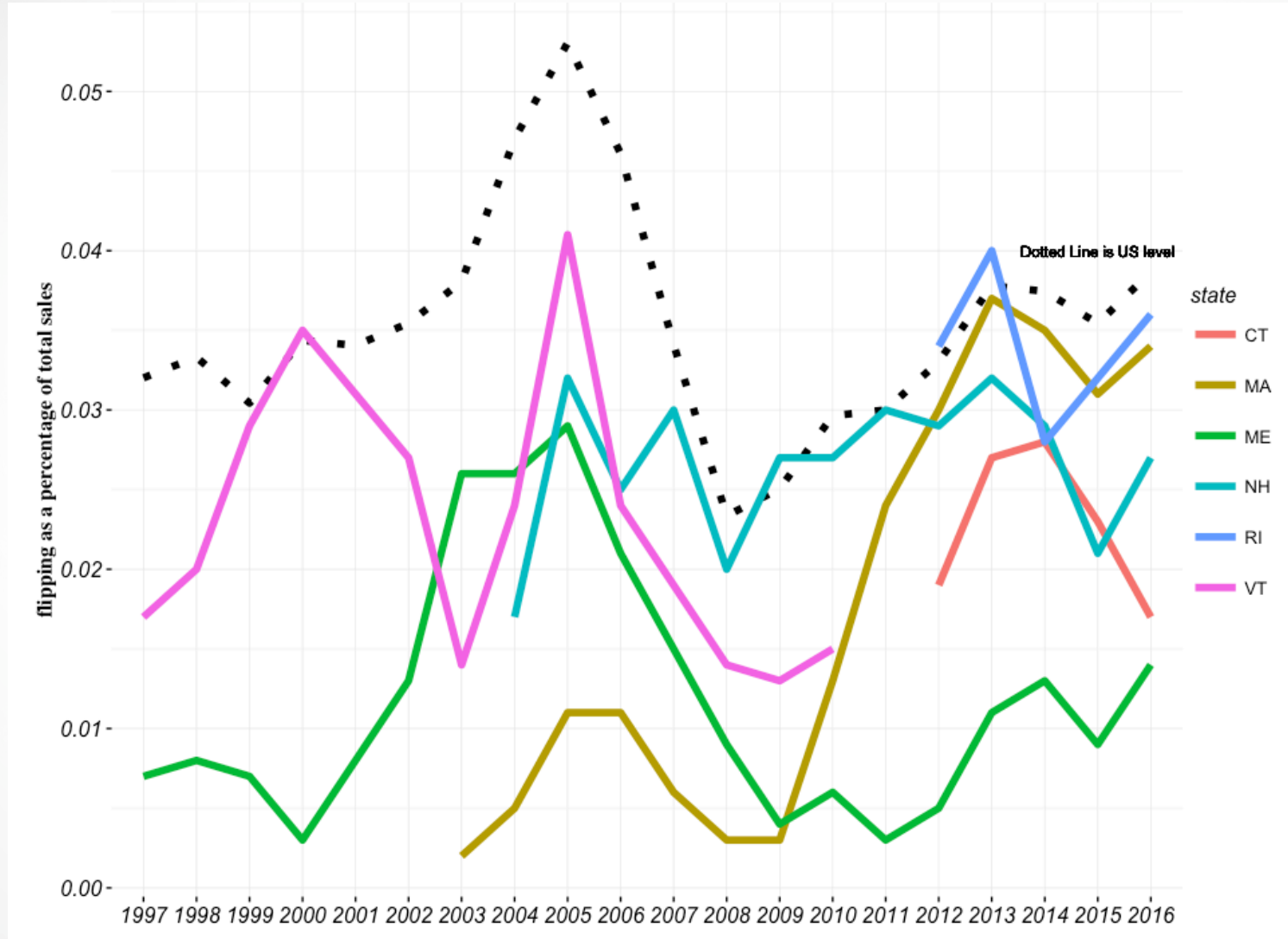
HOTTEST ZIPS

Middlesex (MA) County has 7 of 10 hottest zips in region



FLIPPING UP IN MOST STATES

Activity in region is rarely as frequent as in the US (thru Aug 2016)



BIG DATA IN NEW ENGLAND

Top age group by zip code (H1 2016)

Home Buying Interest by Age Group

Top Age Group by Zip

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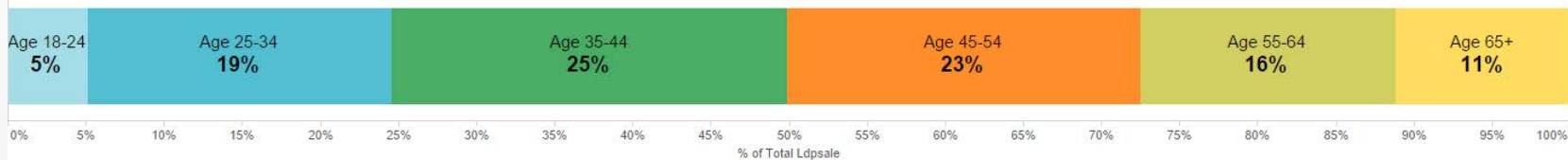
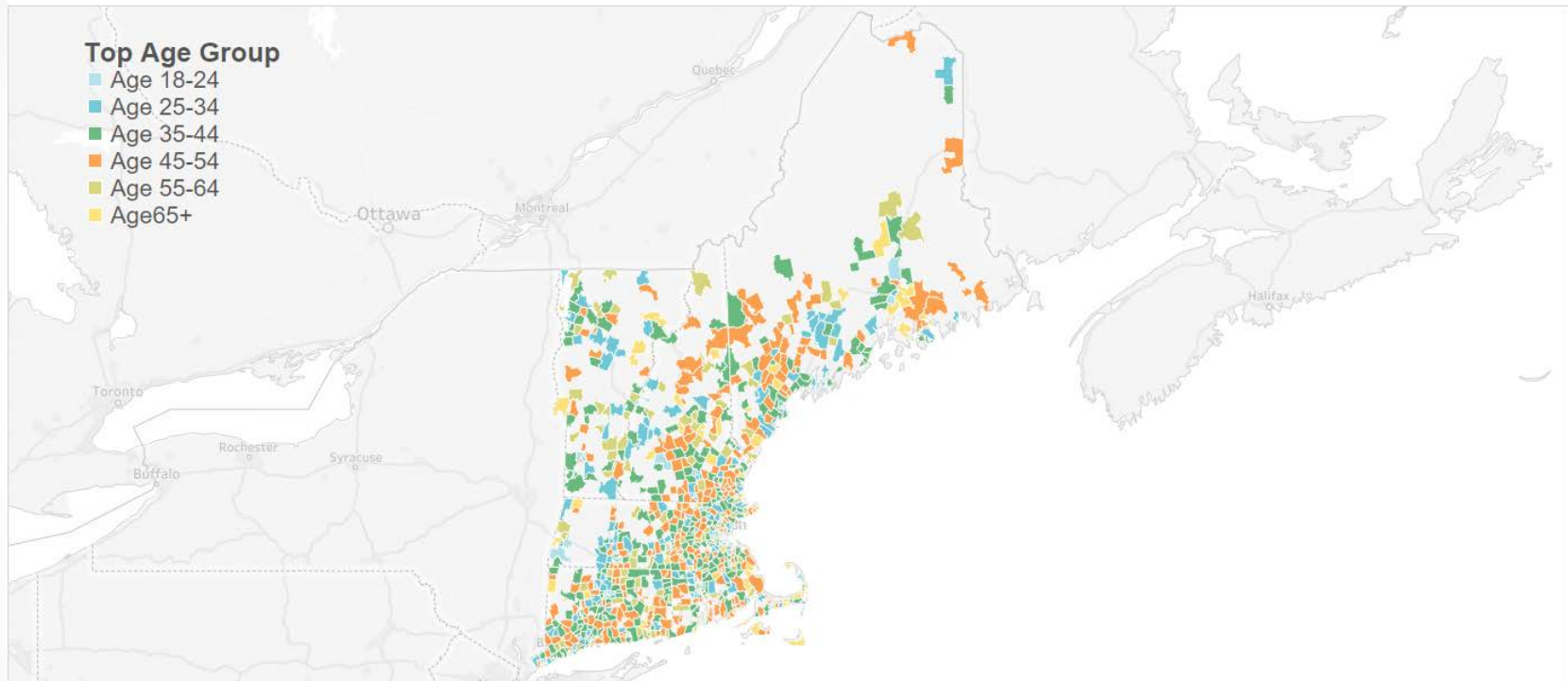
State
All

Stategroup
Contiguous US

County
None

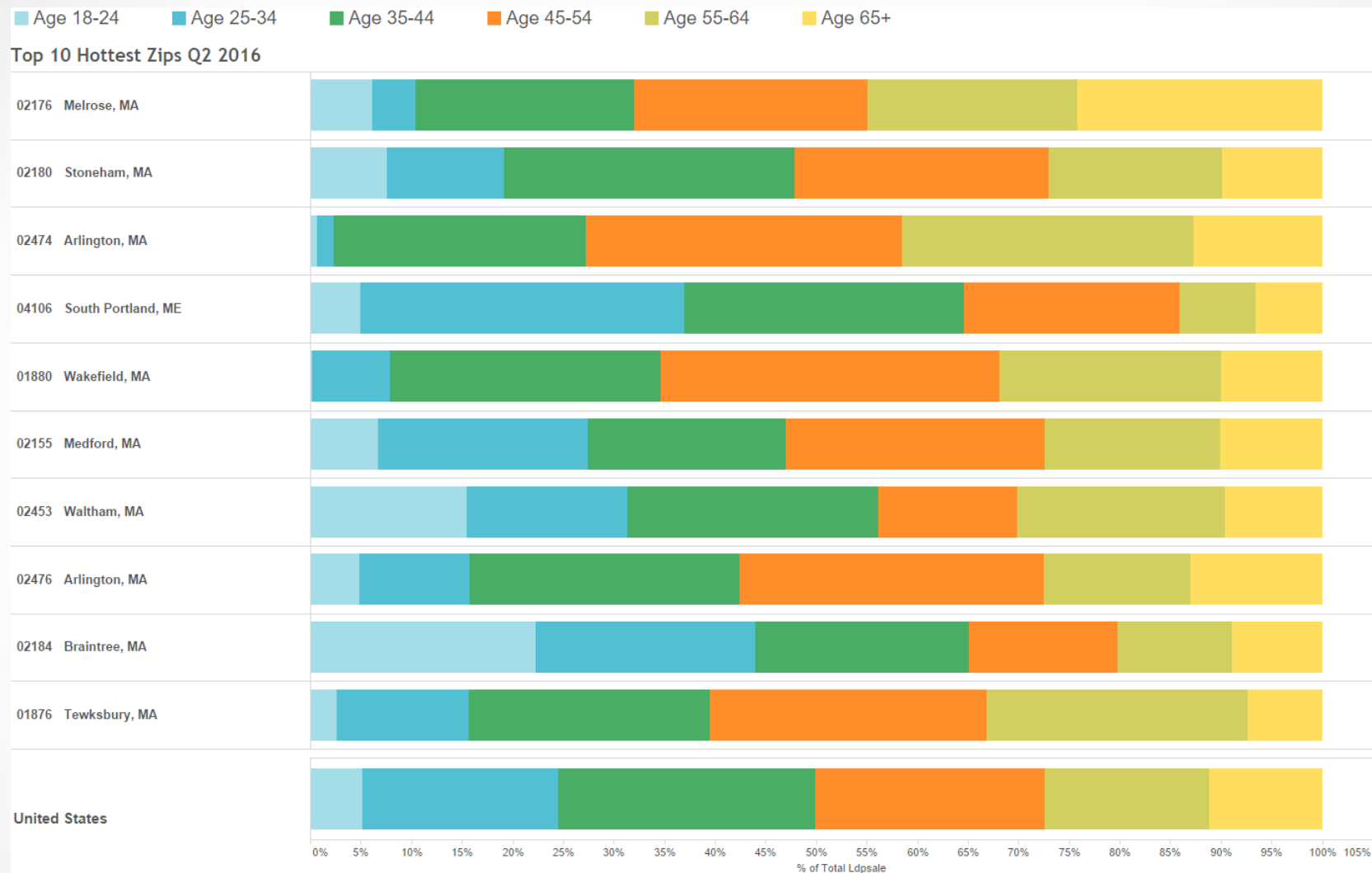
CBSA Title
All

H1 2016



INTEREST IN HOTTEST ZIPS

Interest by age group (H1 2016)



Source: Realtor.com Generational Propensity Report First Half 2016.

RENT VS BUY

Relative to income, cheaper to rent in 59/67 counties

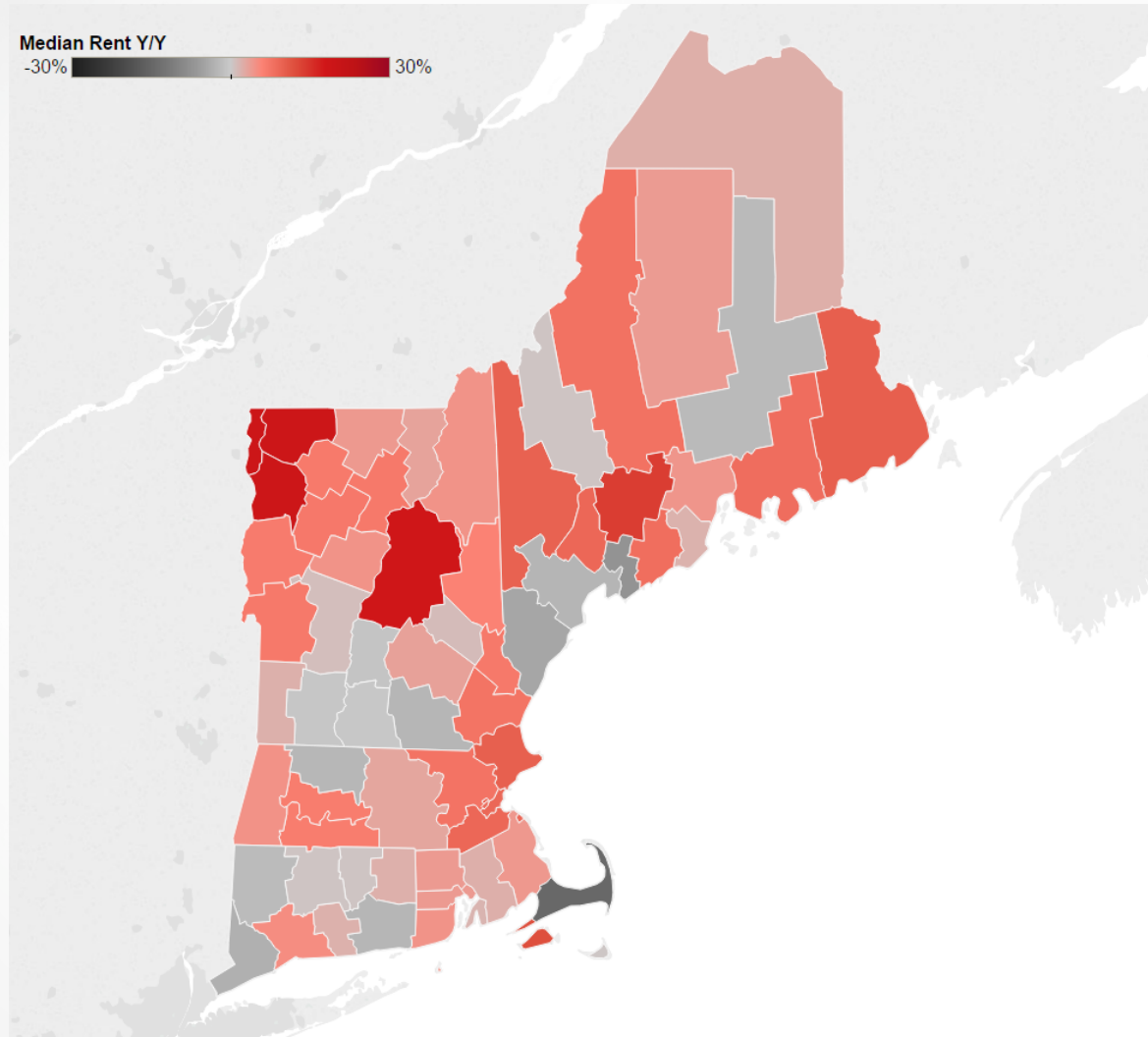


		25%
Newport, RI	RI	

Source: Realtor.com® Analysis of Nielsen Pop-Facts Demographics, HUD Median Rents and Realtor.com Data

RENTS RISING

Rents up 9%+ in 10 counties



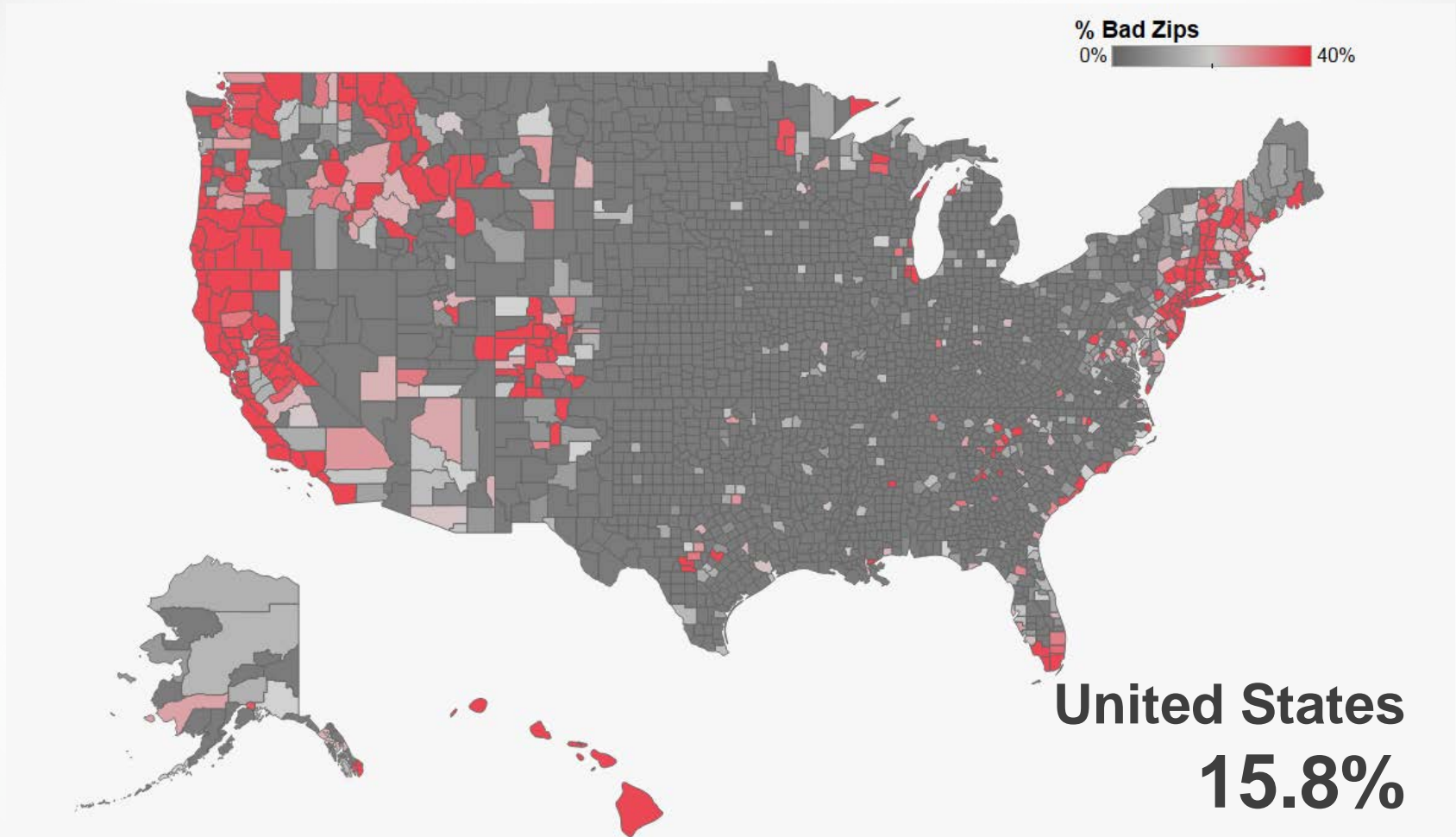
Fastest Growing Counties Median Rents Y/Y				
Fips	County	State	2016 Rent	Rent Yoy
50007	Chittenden	VT	\$1,553	19.3%
50011	Franklin	VT	\$1,553	19.3%
33009	Grafton	NH	\$1,301	18.5%
23011	Kennebec	ME	\$932	14.0%
23029	Washington	ME	\$850	10.3%
25009	Essex	MA	\$1,714	10.2%
23017	Oxford	ME	\$873	10.0%
25025	Suffolk	MA	\$1,895	9.3%
23001	Androscoggin	ME	\$919	9.3%
25021	Norfolk	MA	\$1,891	9.3%

Based on U.S. Department of Housing and Urban Development (HUD) median rent estimates (combined average for 1, 2 and 3 beds).

Source: Realtor.com® Analysis of HUD Median Rents

AFFORDABILITY VARIES GREATLY

16% of zip codes priced out of range of median household

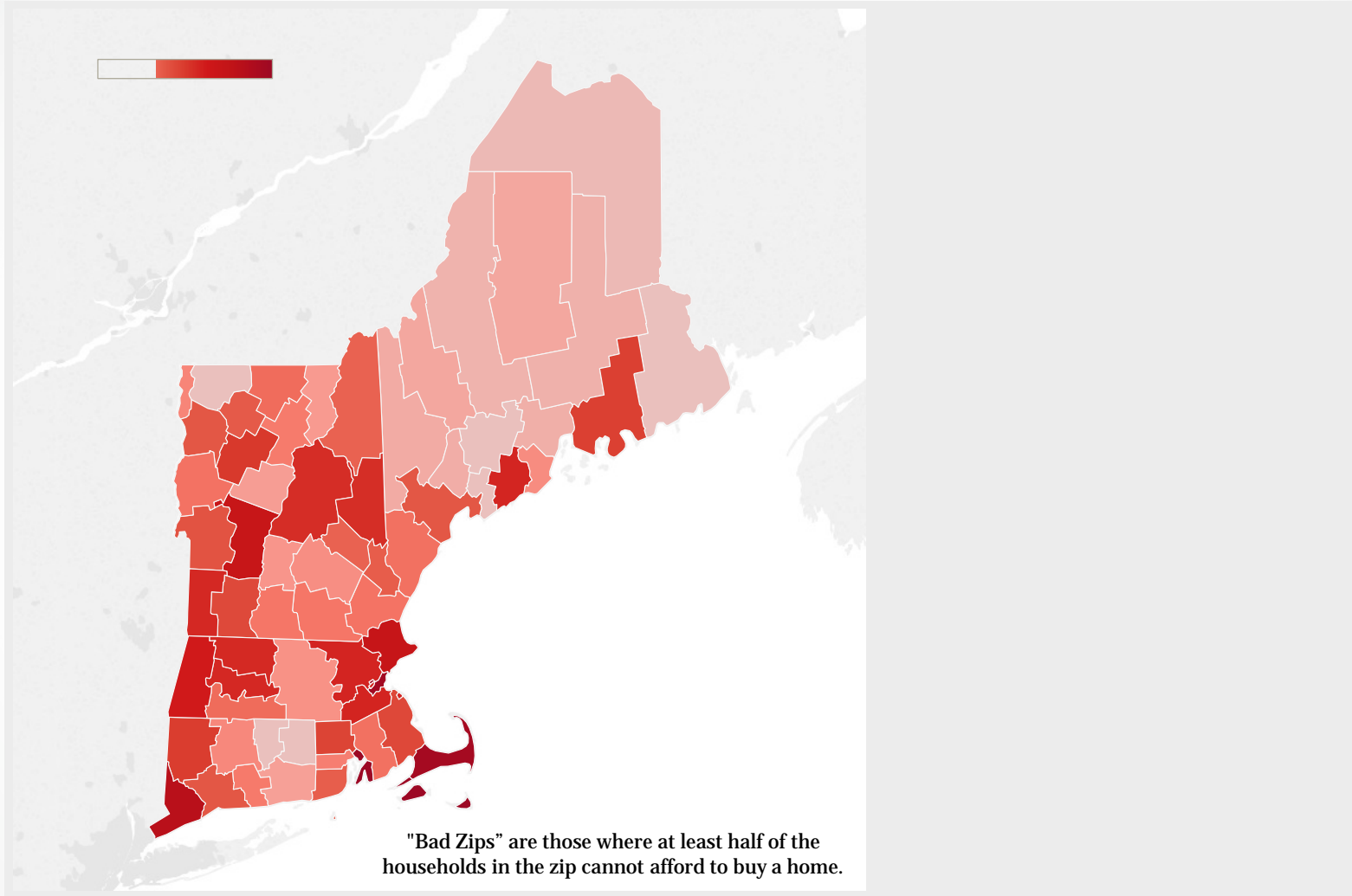


"Bad Zips" are those where at least half of the households in the zip cannot afford to buy a home.

Source: Realtor.com® Analysis of Nielsen Pop-Facts Demographics and Realtor.com Data

AFFORDABILITY VARIES IN REGION

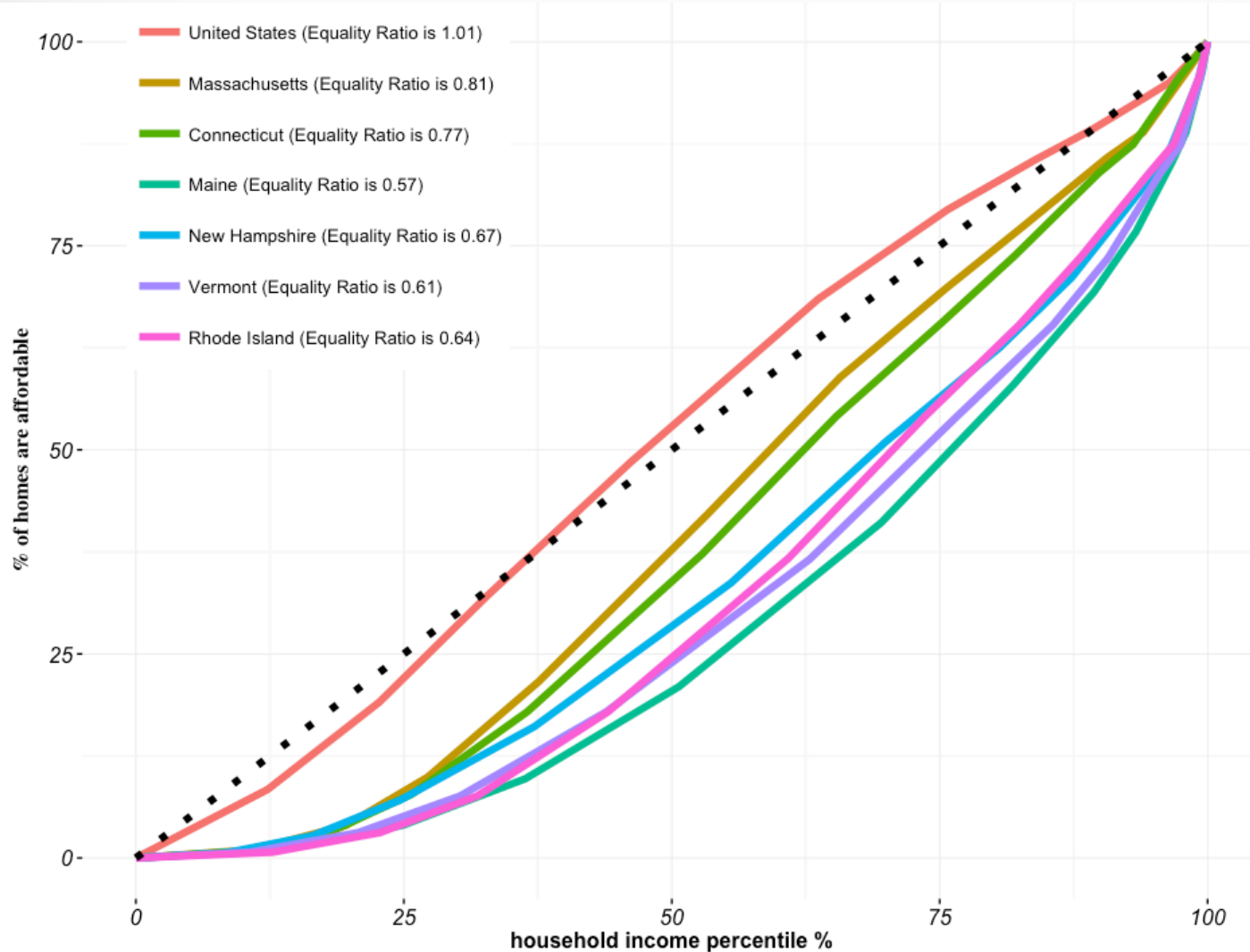
Percentage of zips out of reach of median household



Source: Realtor.com® Analysis of Nielsen Pop-Facts Demographics and Realtor.com Data

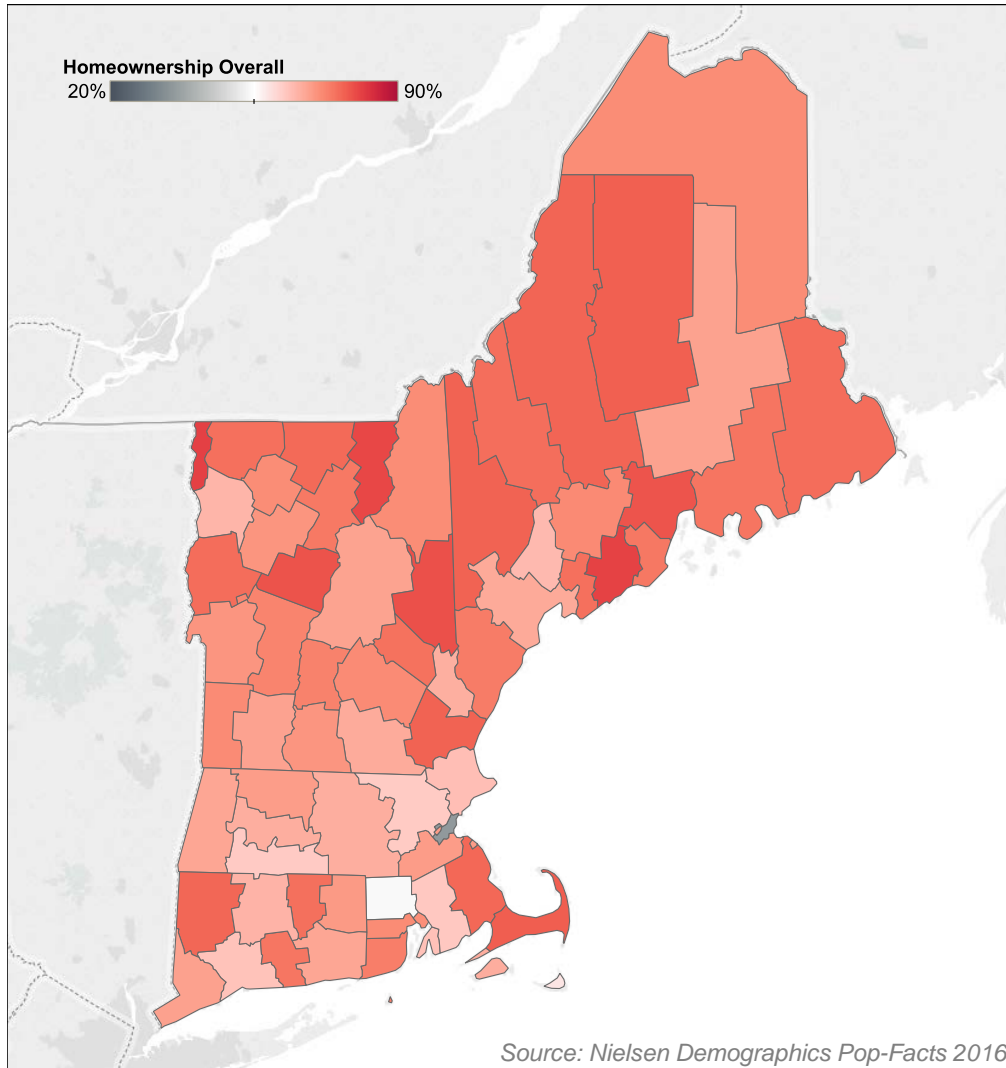
AFFORDABILITY EQUALITY CURVE

Analyzing affordability based on income and price distributions



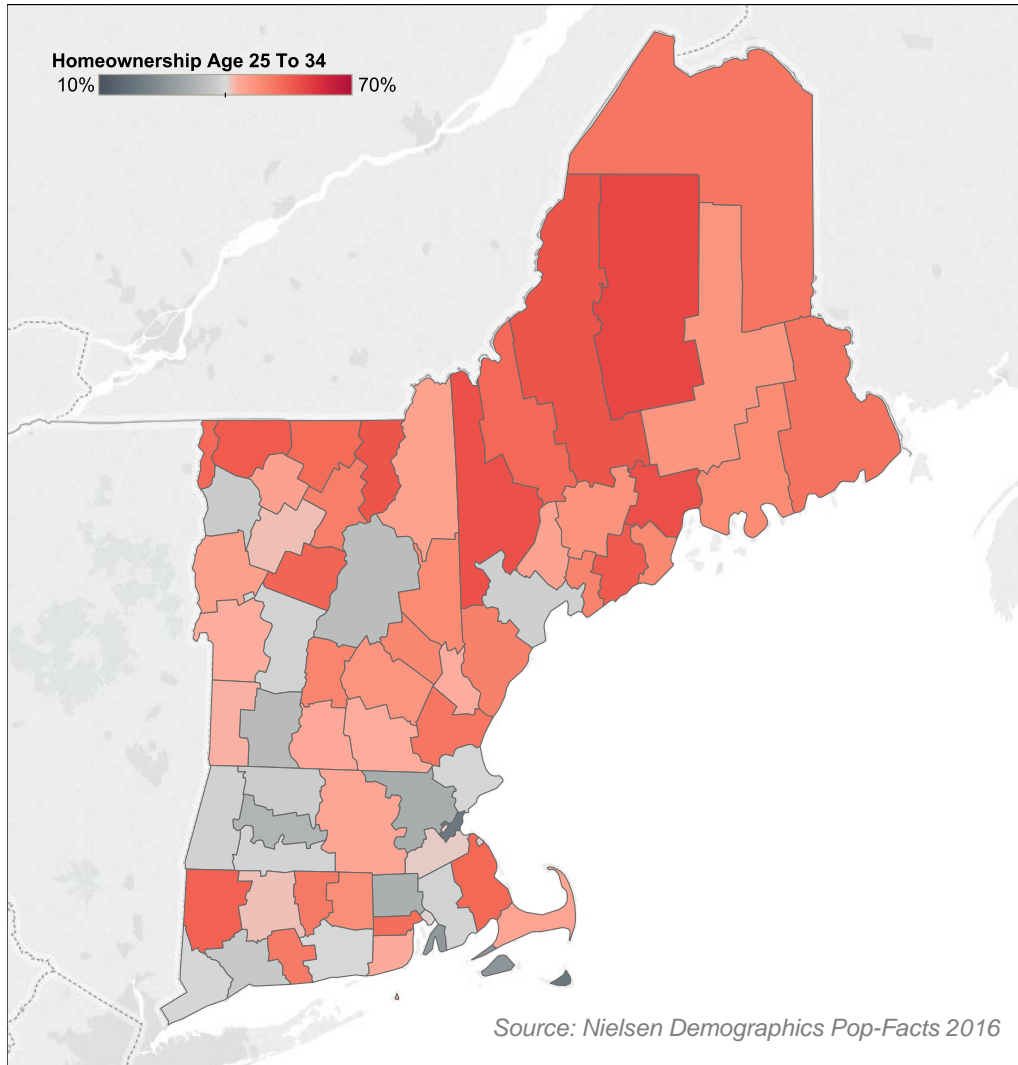
HOME OWNERSHIP VARIES

Overall rate highest in ME (71%) and lowest in RI (61%)



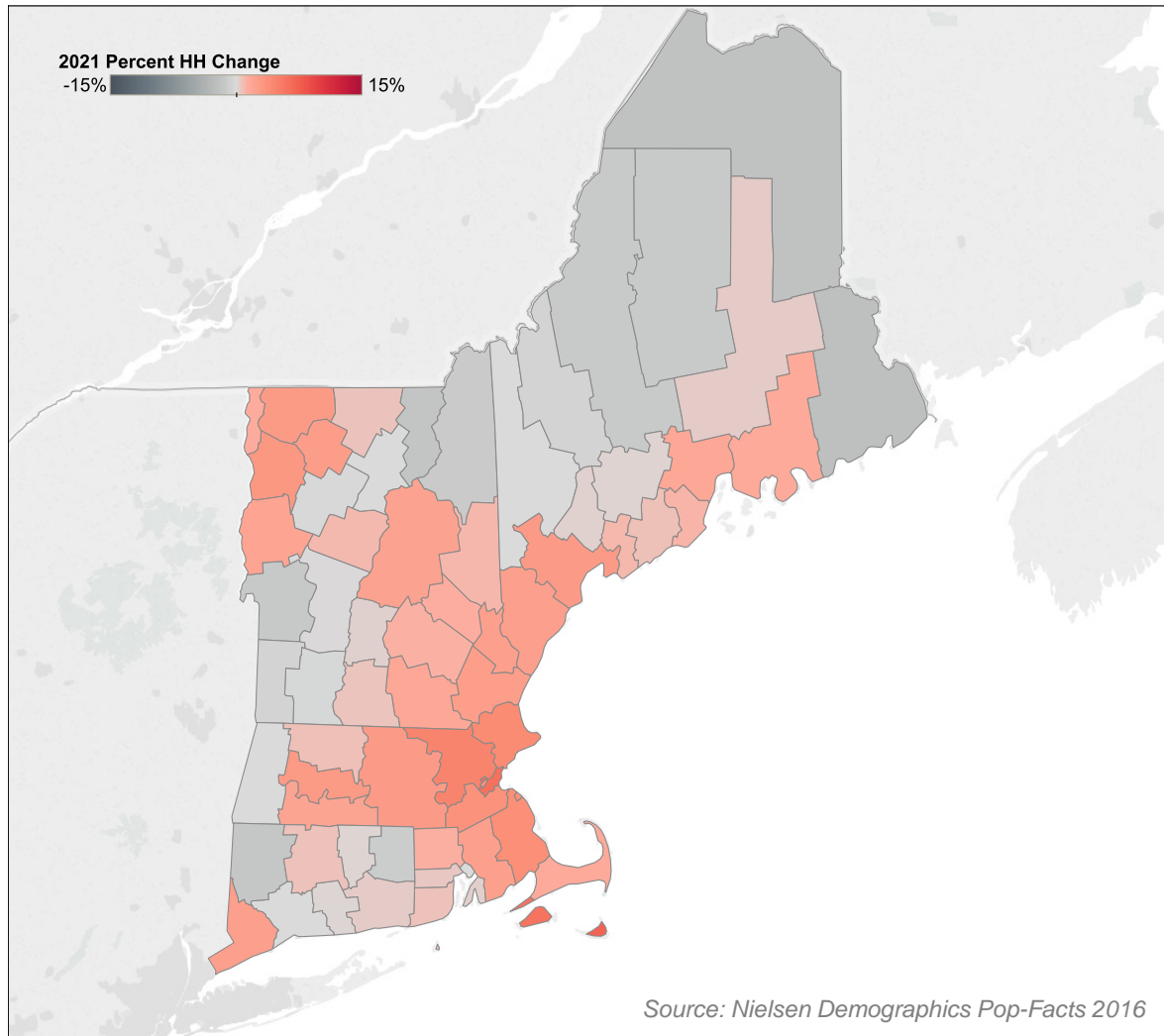
MILLENNIAL OWNERSHIP

25-34 rate highest in ME (47%); lowest in MA (34%)



HOUSEHOLD GROWTH 2016-2021

Massachusetts expected to see highest growth

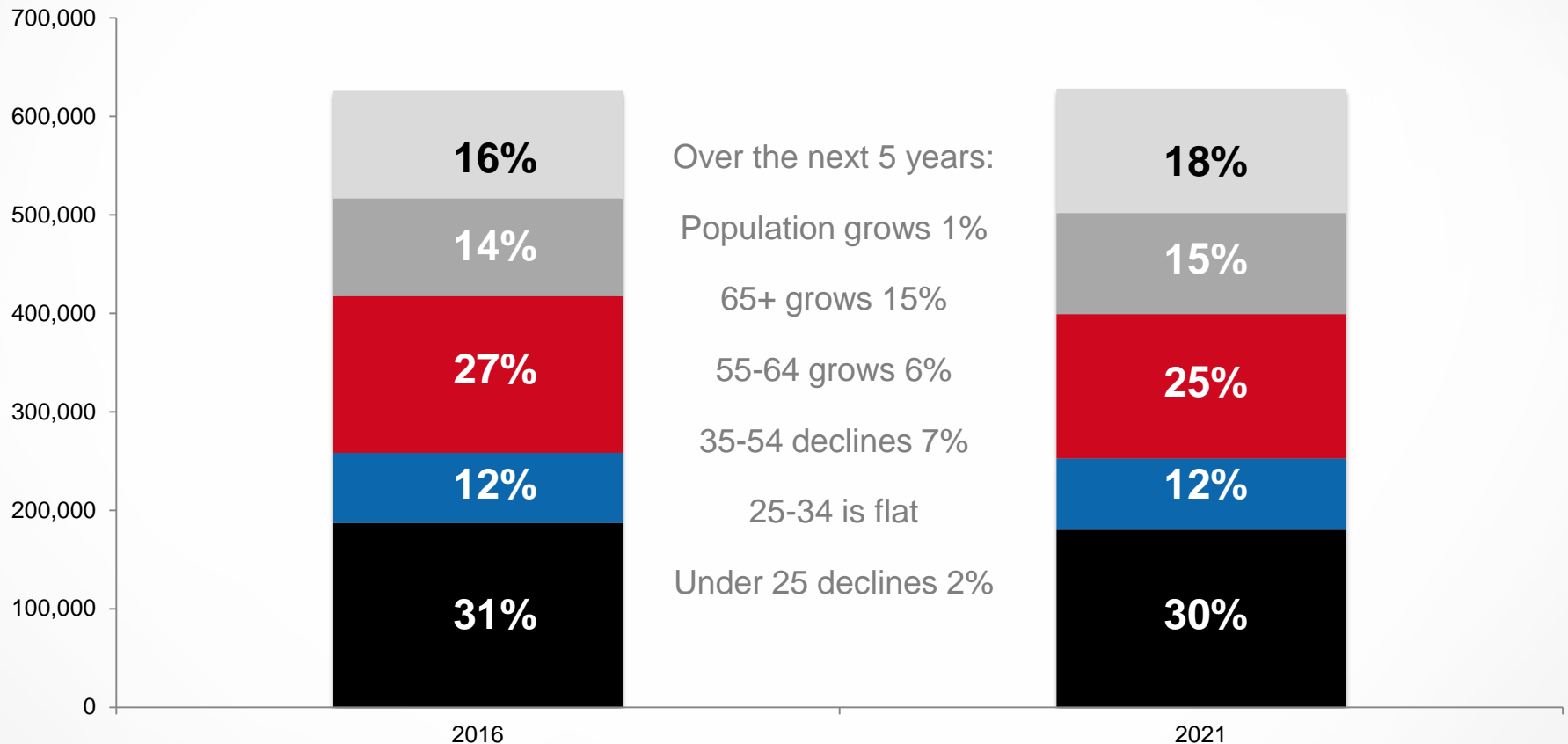


BOOMERS ARE ALL OF THE GROWTH

Growth in only ages above 55

Population by Age (Connecticut)

■ Under 25 ■ 25-34 ■ 35-54 ■ 55-64 ■ 65+



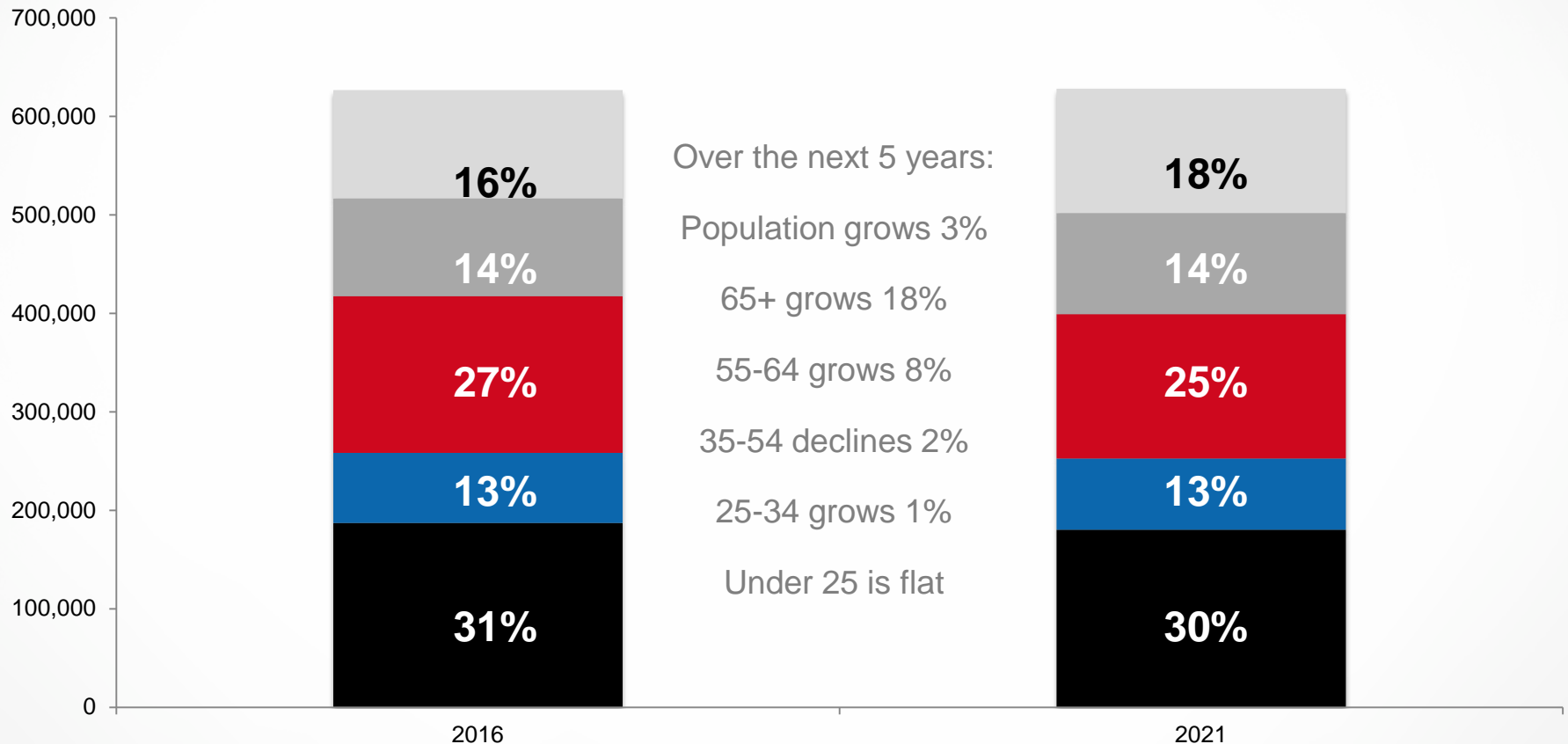
Source: Nielsen Demographics Pop-Facts 2016

BOOMERS ARE MOST OF GROWTH

Growth is in 55+ and 25-34 only

Population by Age (Massachusetts)

■ Under 25 ■ 25-34 ■ 35-54 ■ 55-64 ■ 65+

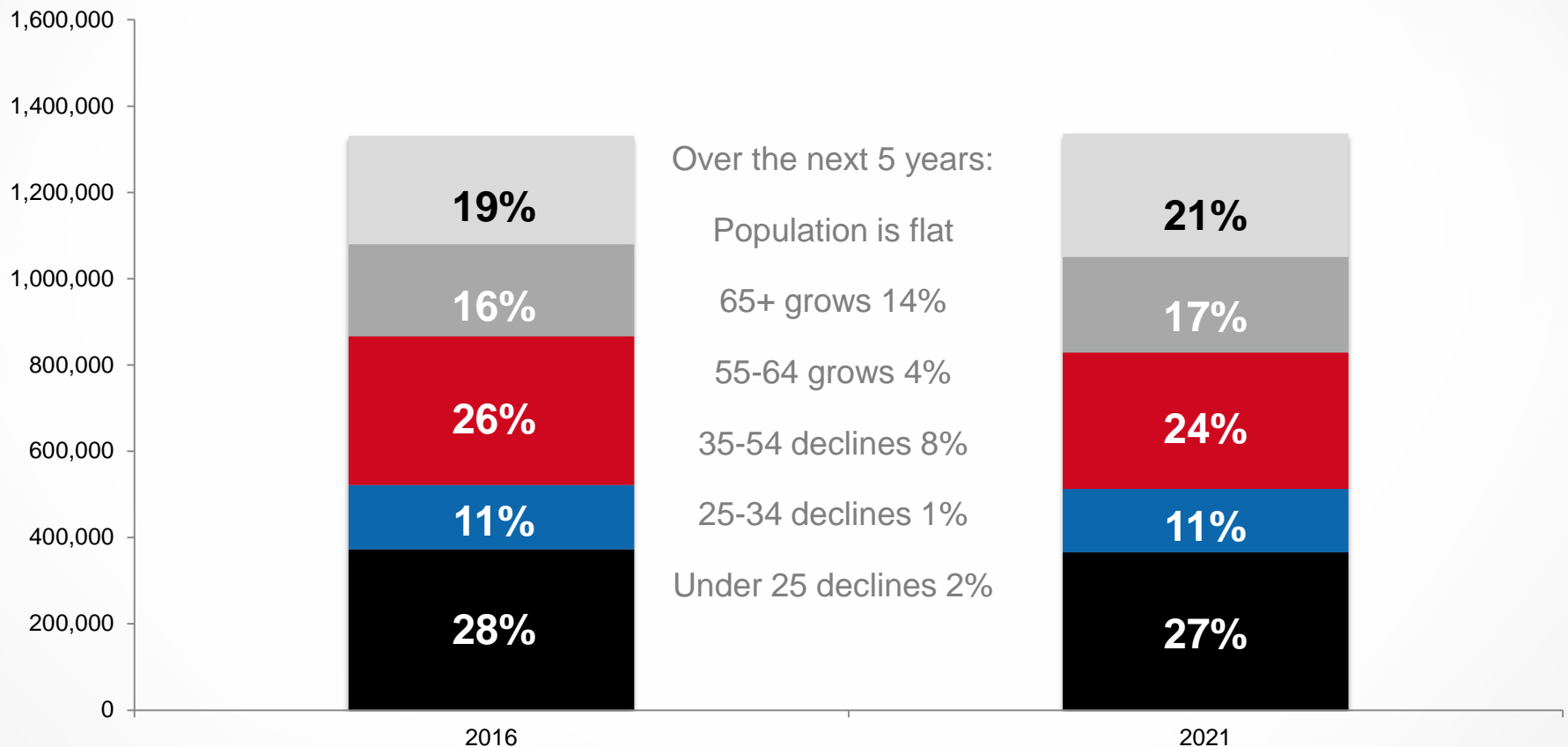


BOOMERS ARE ONLY GROWTH

Growth in 55+ but declines in all younger ages

Population by Age (Maine)

■ Under 25 ■ 25-34 ■ 35-54 ■ 55-64 ■ 65+



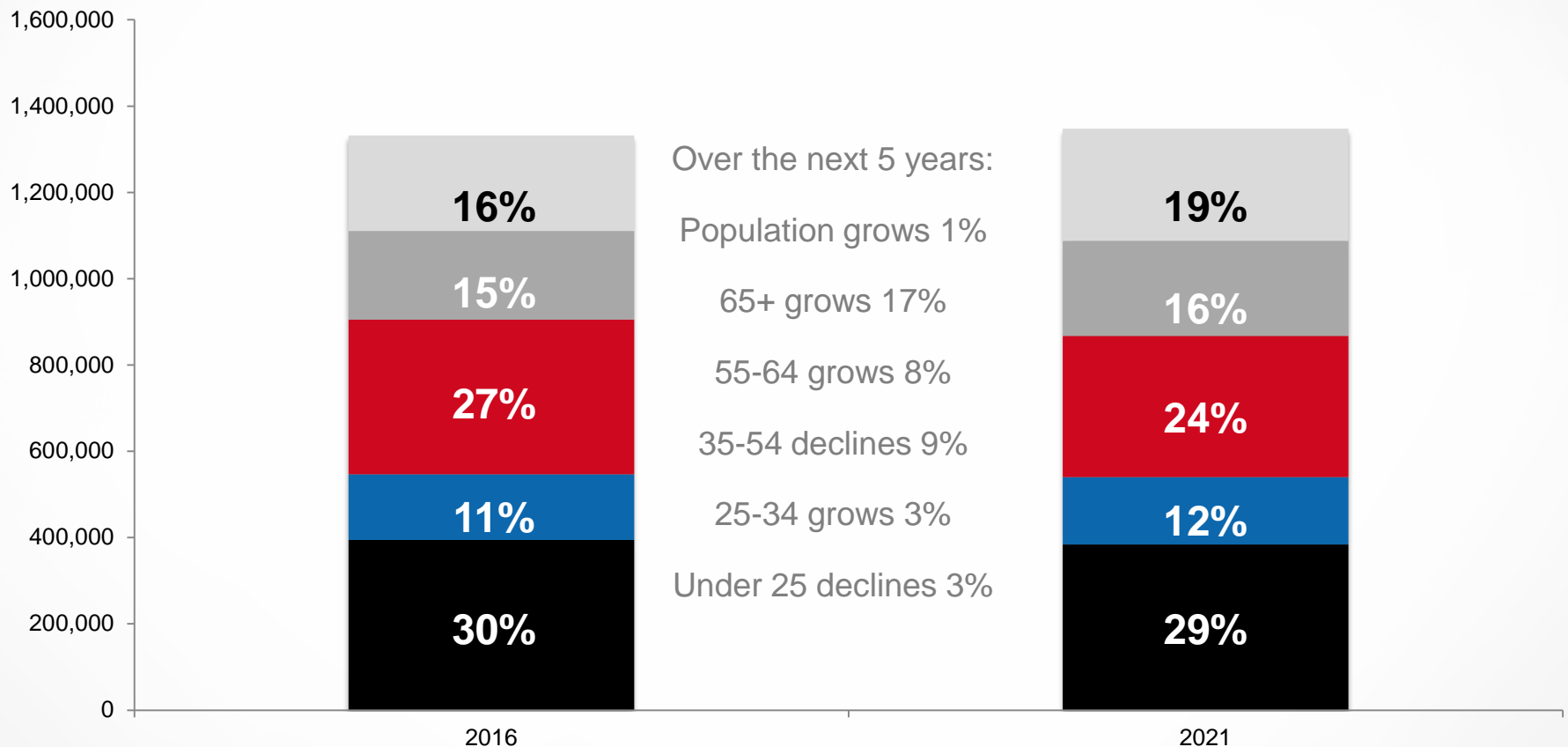
Source: Nielsen Demographics Pop-Facts 2016

BOOMERS ARE MOST OF GROWTH

Growth in 55+ is significant but 25-34 growing too

Population by Age (New Hampshire)

■ Under 25 ■ 25-34 ■ 35-54 ■ 55-64 ■ 65+



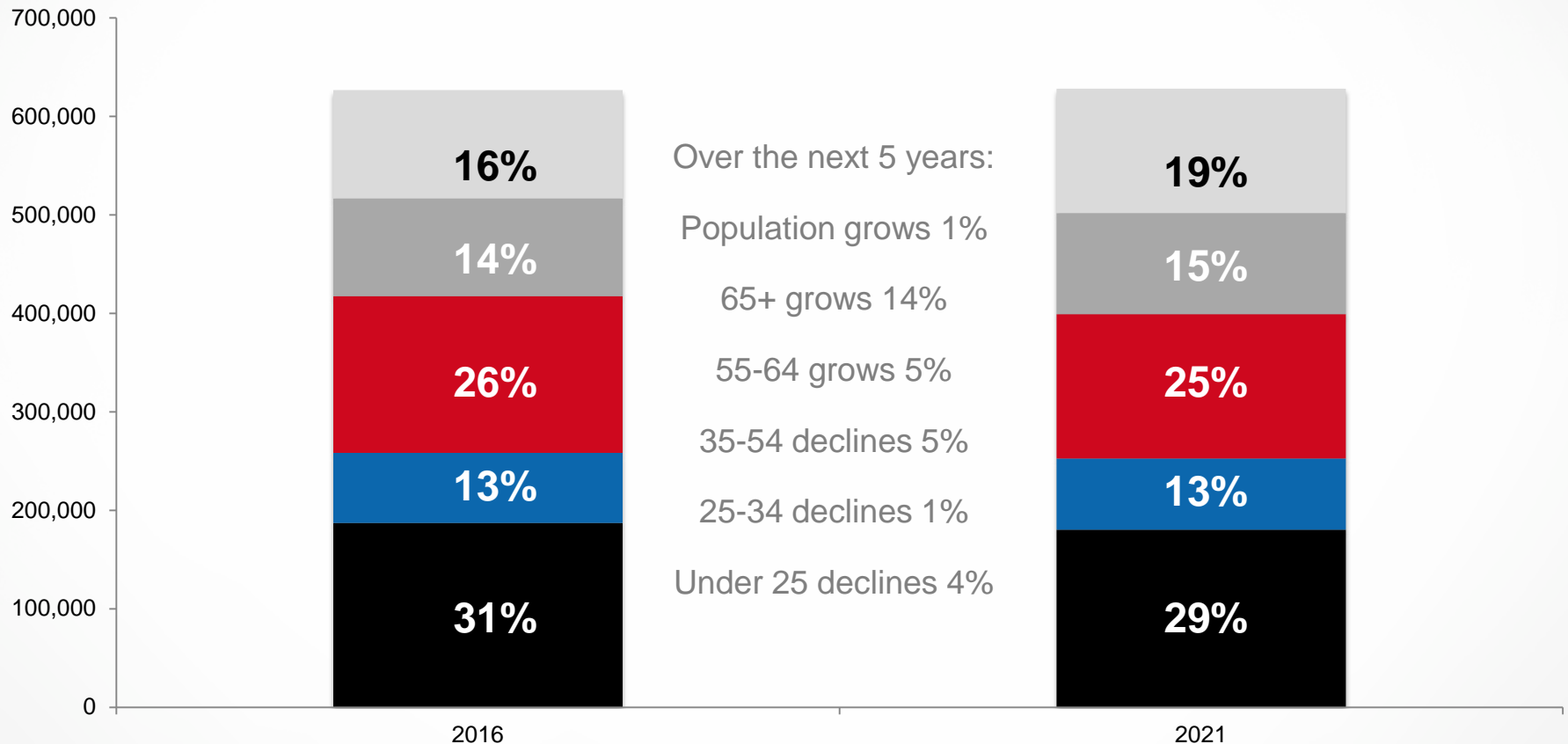
Source: Nielsen Demographics Pop-Facts 2016

BOOMERS ARE ALL OF GROWTH

Growth in 55+ with declines in all younger ages

Population by Age (Rhode Island)

■ Under 25 ■ 25-34 ■ 35-54 ■ 55-64 ■ 65+



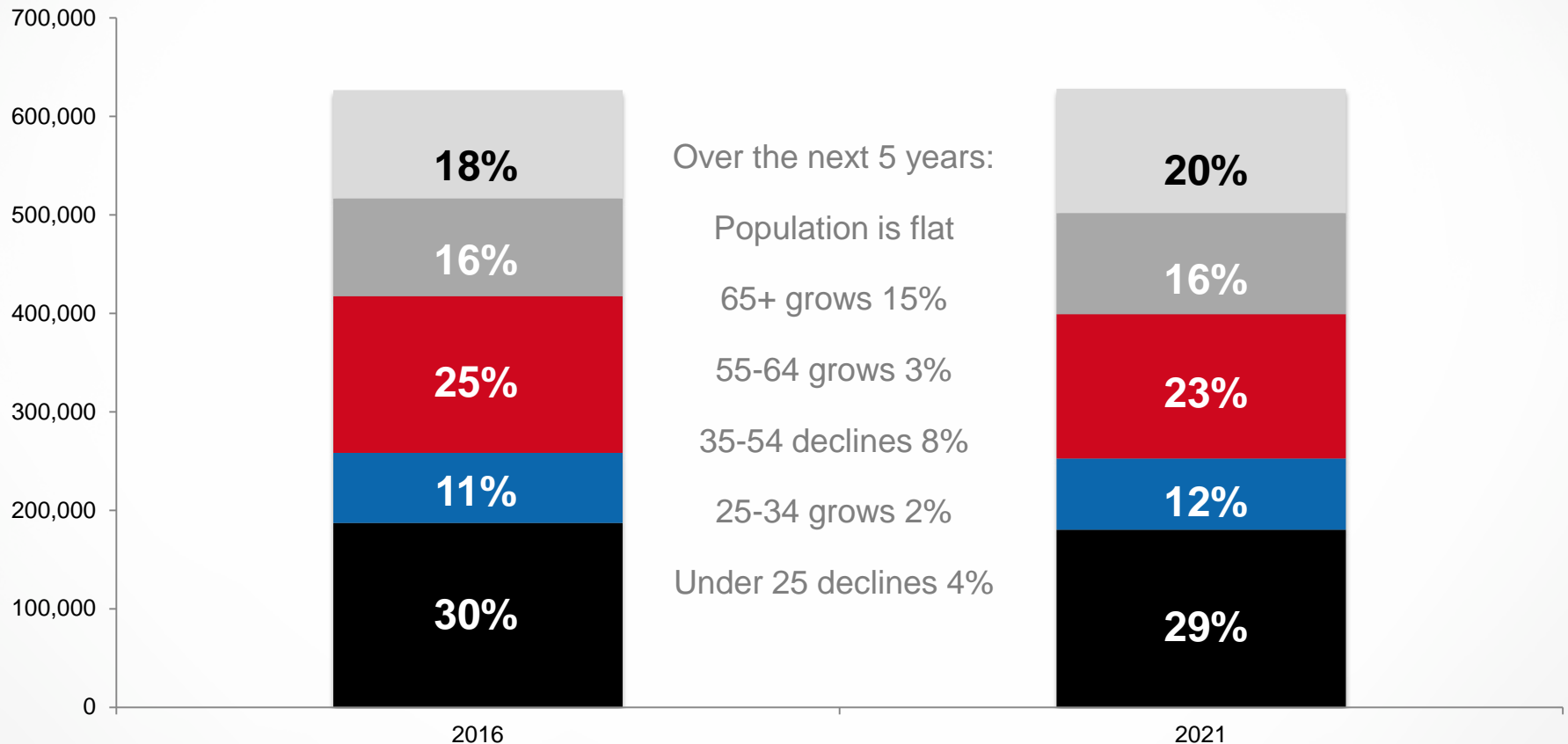
2021
Source: Nielsen Demographics Pop-Facts 2016

BOOMERS ARE MOST OF GROWTH

Growth in 55+ and 25-34

Population by Age (Vermont)

■ Under 25 ■ 25-34 ■ 35-54 ■ 55-64 ■ 65+



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