

The Post-Pandemic Housing Market

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Mortgage Rates Have Driven the Post Pandemic Housing Market

30 Year Fixed Mortgage Rate

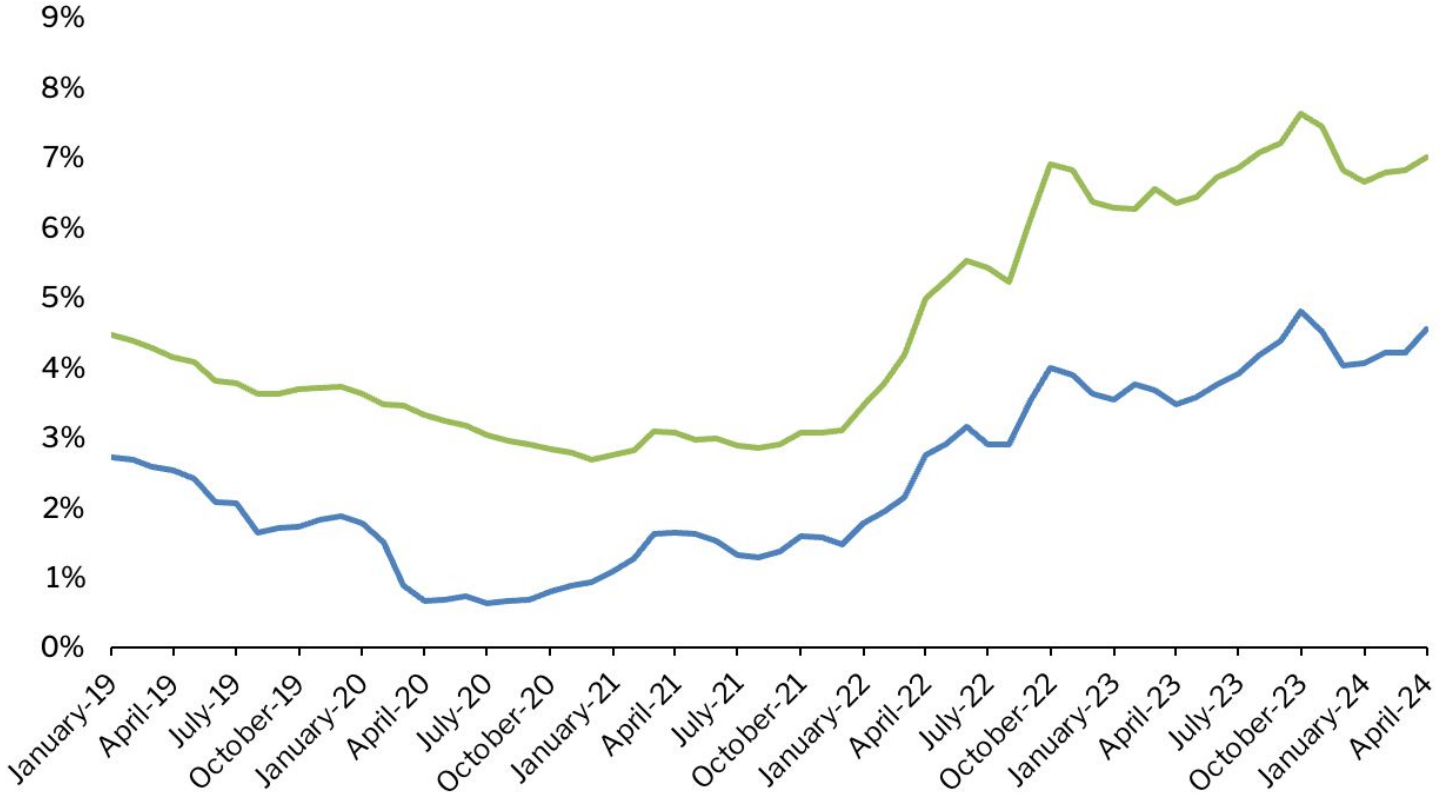


Source: FRED, Freddie Mac



Mortgage Rates Have Driven the Post Pandemic Housing Market

30 Year Fixed Mortgage Rate and Yield on 10 Year Treasury



Source: FRED, Freddie Mac

— 30 Year Fixed Rate Mortgage — UST10 Yield



High Inflation Precipitated High Mortgage Rates

PCE Price Index excluding food and energy, YoY

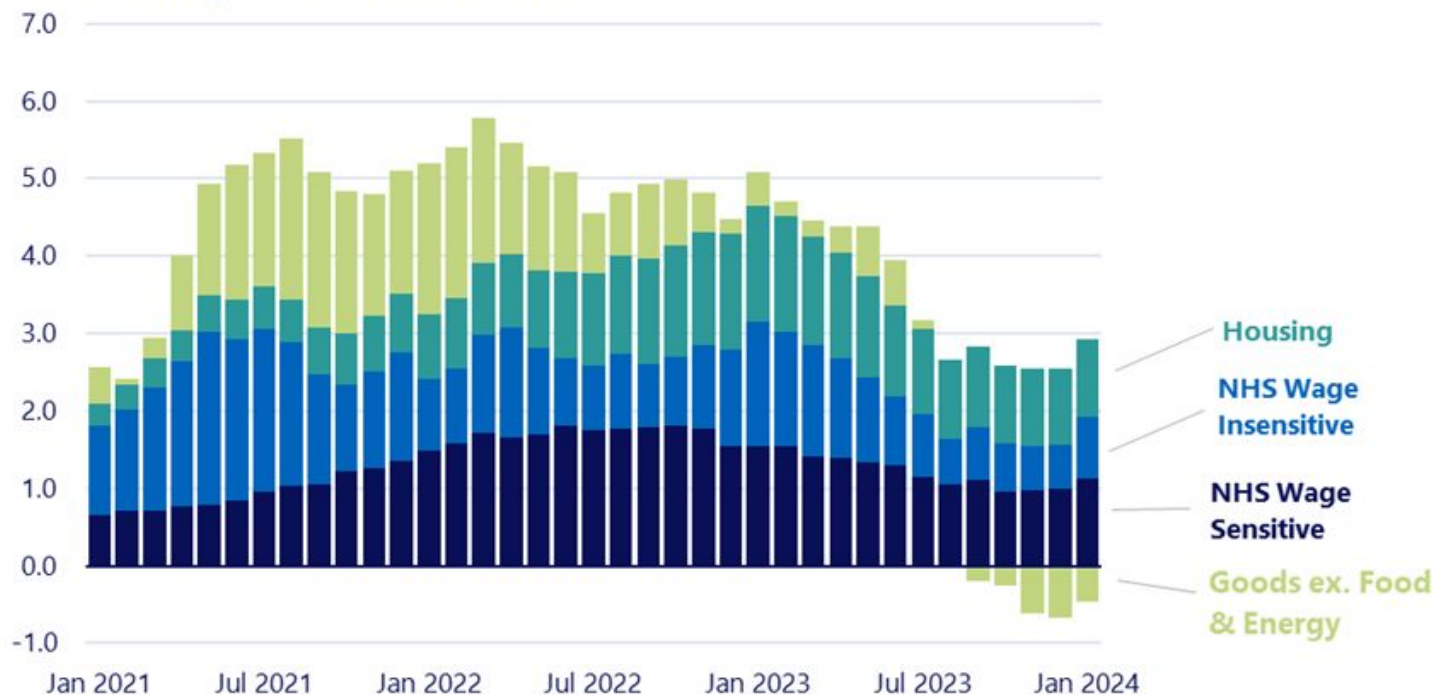


Source: FRED, BEA



Figure 1. Decomposition of Core PCE Inflation

Percent change, 6-month annualized rate



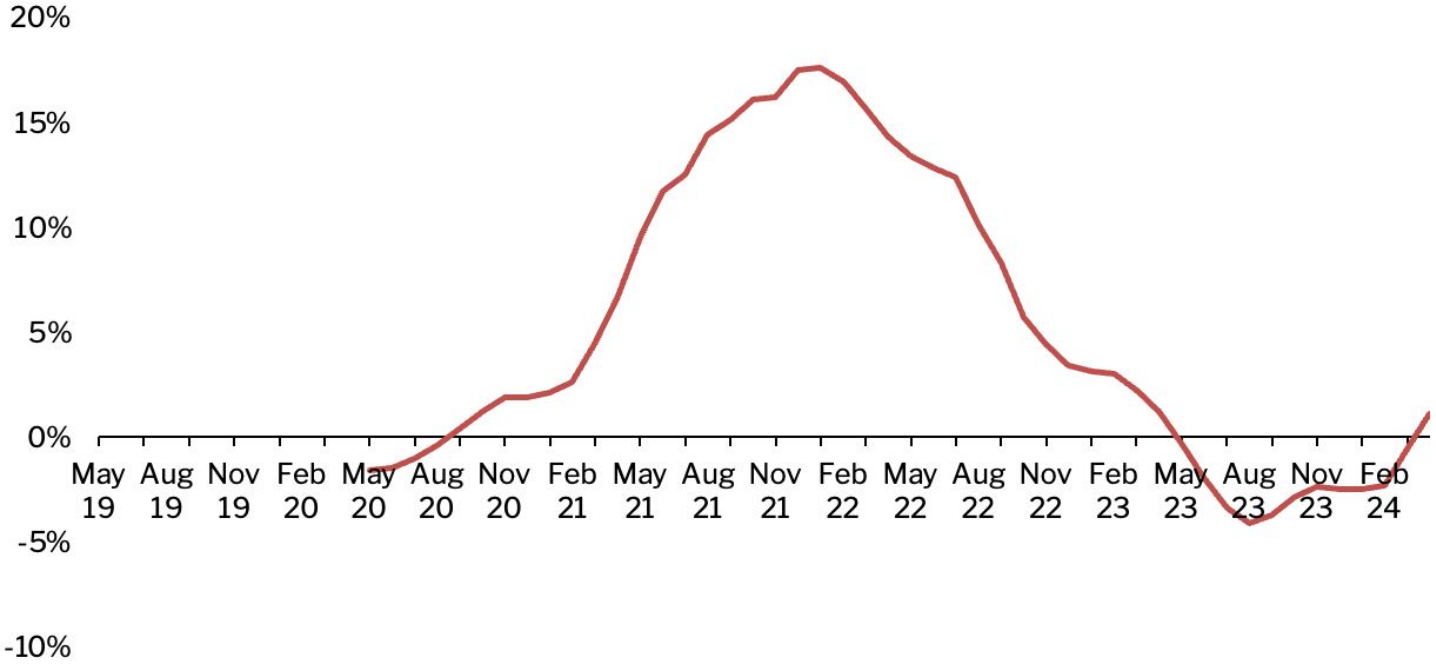
Council of Economic Advisers

Sources: Bureau of Economic Analysis; CEA calculations.

As of March 20, 2024 at 2:00 PM

Rent Growth Has Been Cool for Past 18 Months

Asking Rent, YoY



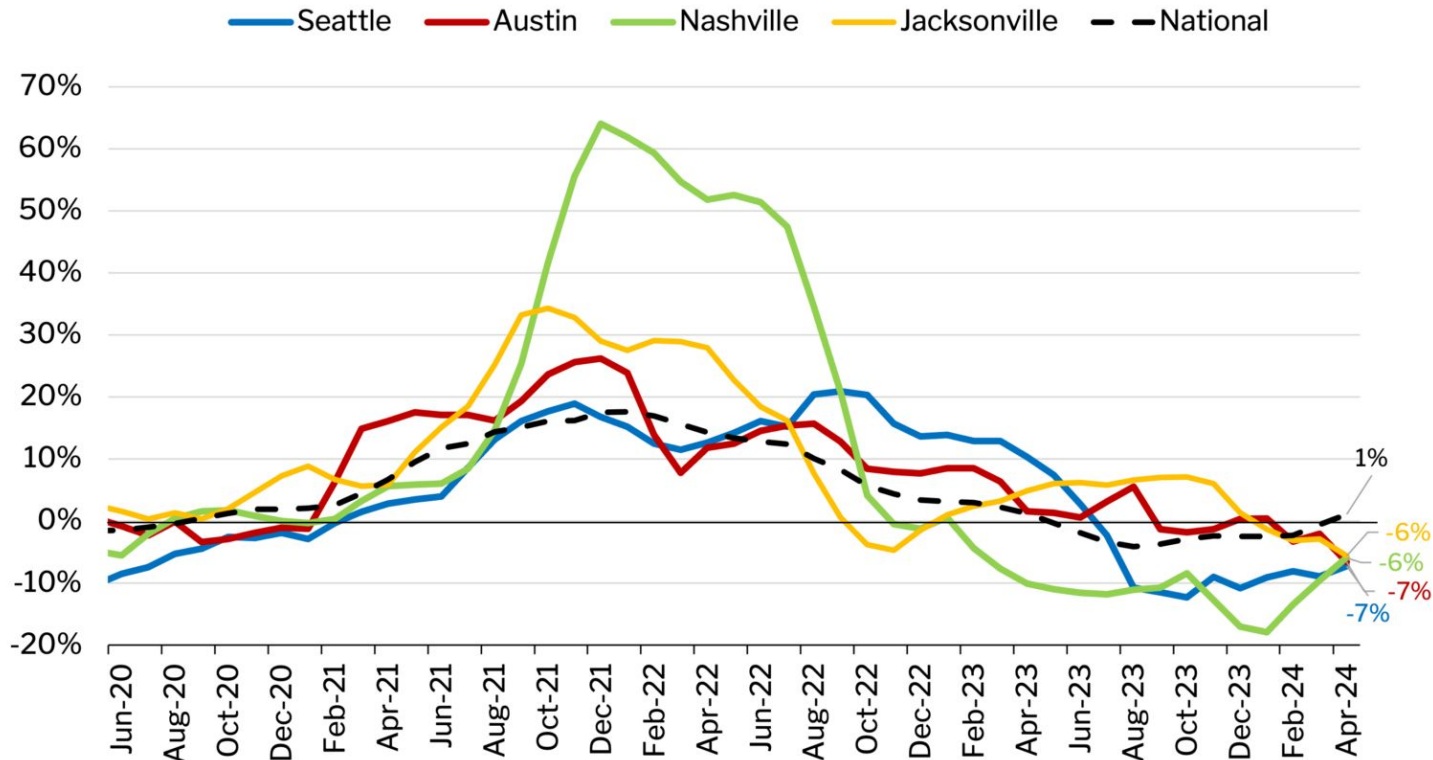
Source: FRED, Freddie Mac

— Median Asking Rent YoY



Asking Rents Fall in Seattle and the Sun Belt, But Rise Nationally

Year-over-year change in median asking rent



Share of Homebuyers Relocating Starts to Abate

Percent of Redfin.com users searching for a home outside their home metro

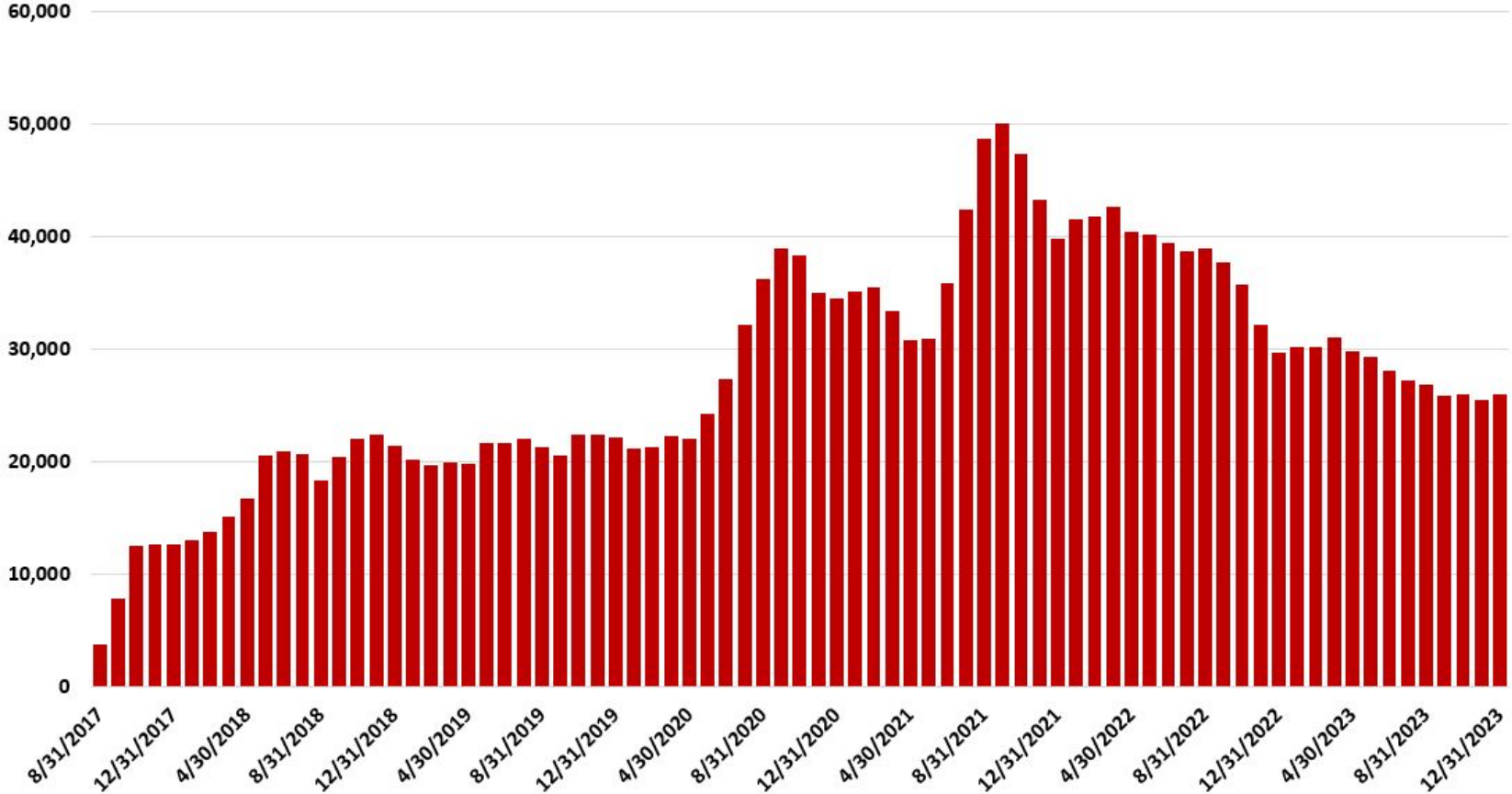


Source: Redfin user search data • Created with [Datawrapper](#)

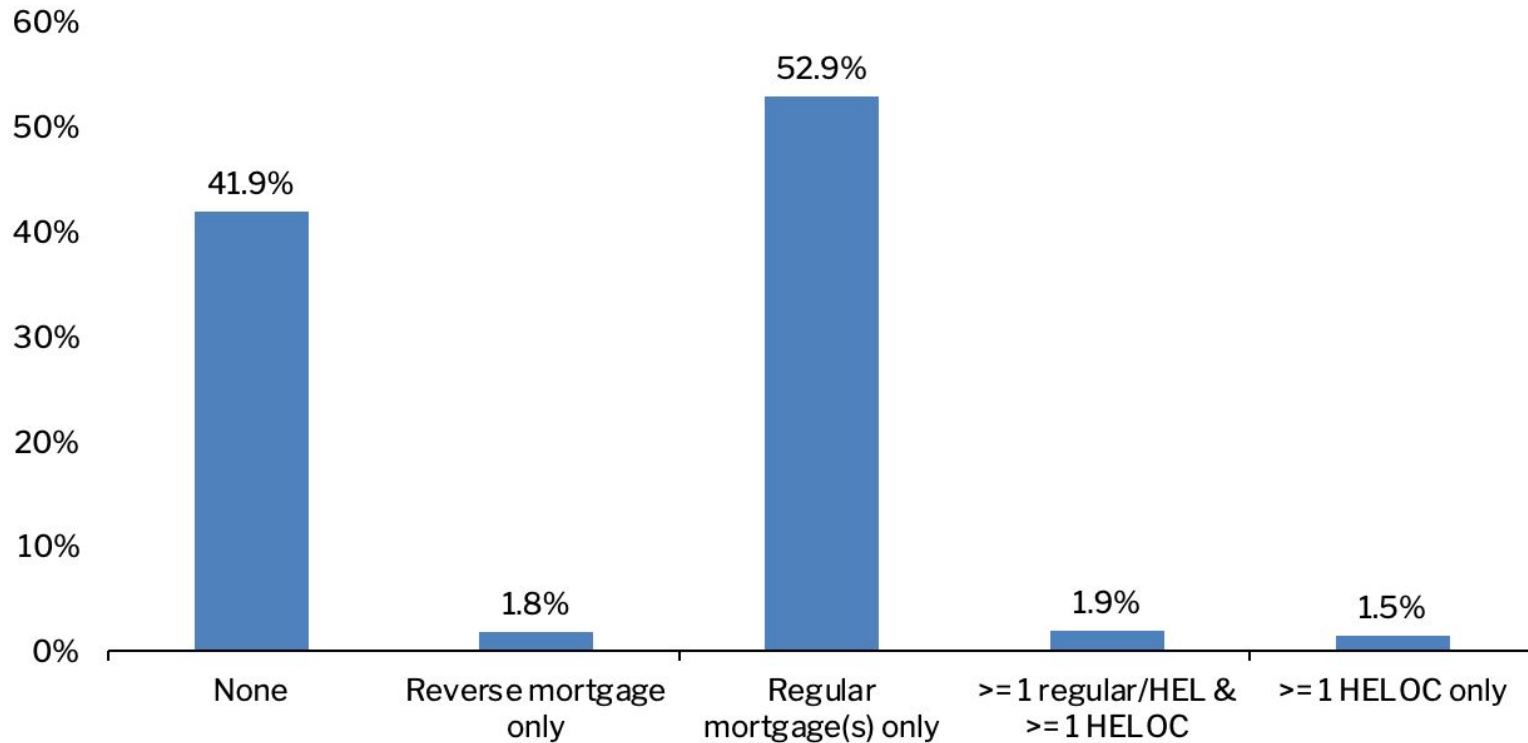


Far Fewer Homebuyers Are Leaving the Bay Area Post-Pandemic

Net outflow of homebuyers from the Bay Area



42% of Homes are Owned Free and Clear Mortgages Currently on Property

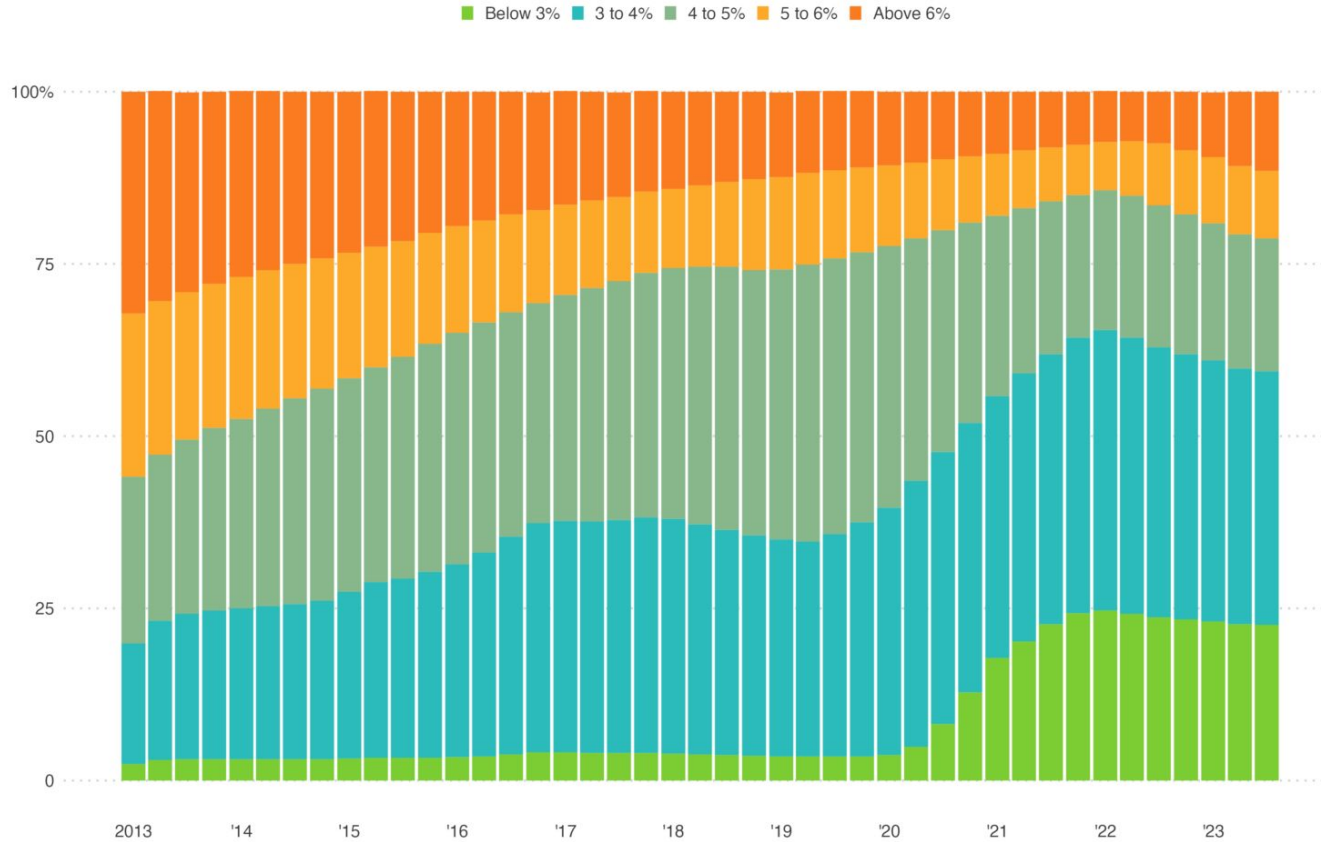


Source: American Housing Survey, 2021



Nearly 9 in 10 U.S. Mortgage Holders Have a Rate Below 6%

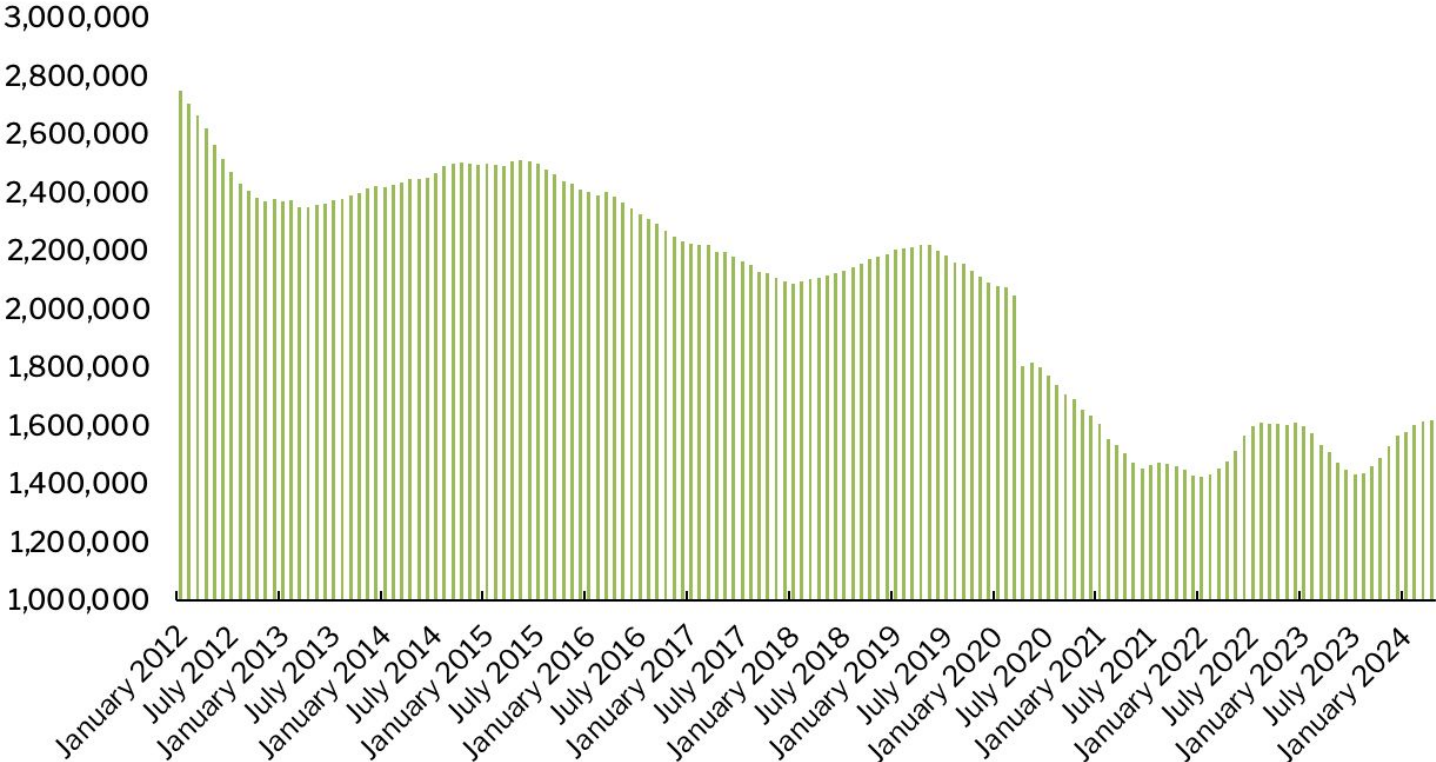
Share of mortgage loans outstanding by mortgage rate



Source: FHFA, National Mortgage Database (NMDB)

Low Inventory Due to Lock-In Effect

Active Listings, seasonally adjusted

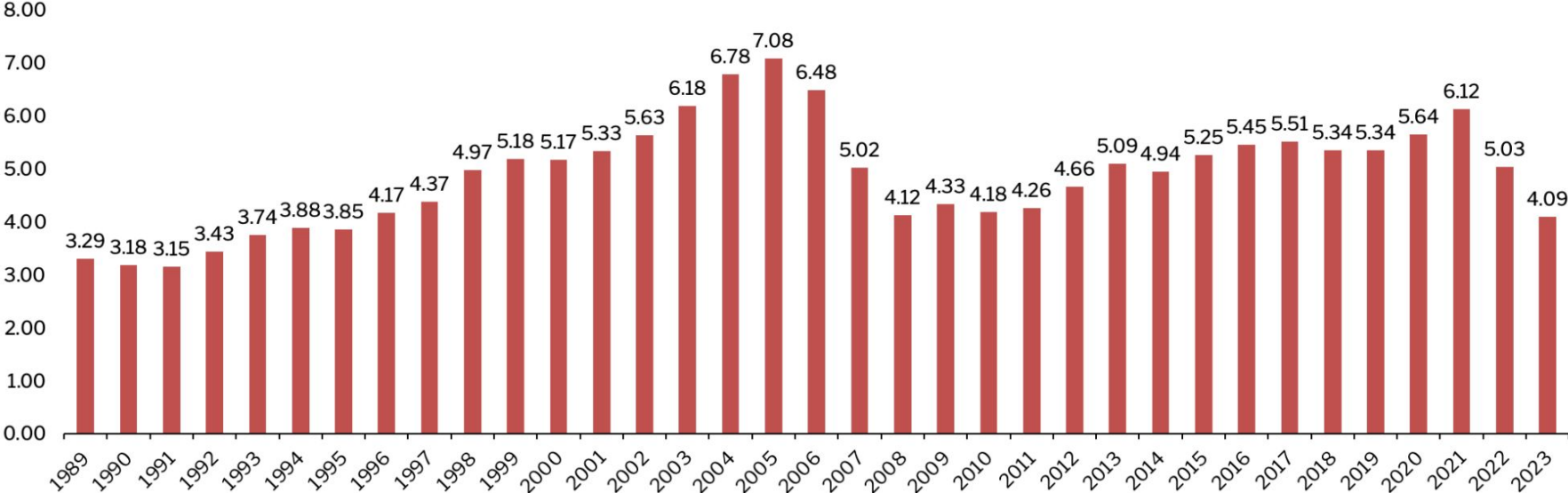


Source: Redfin MLS data



Home Sales Have Fallen by a Third Since the Pandemic Peak

NAR Existing Home Sales (millions)

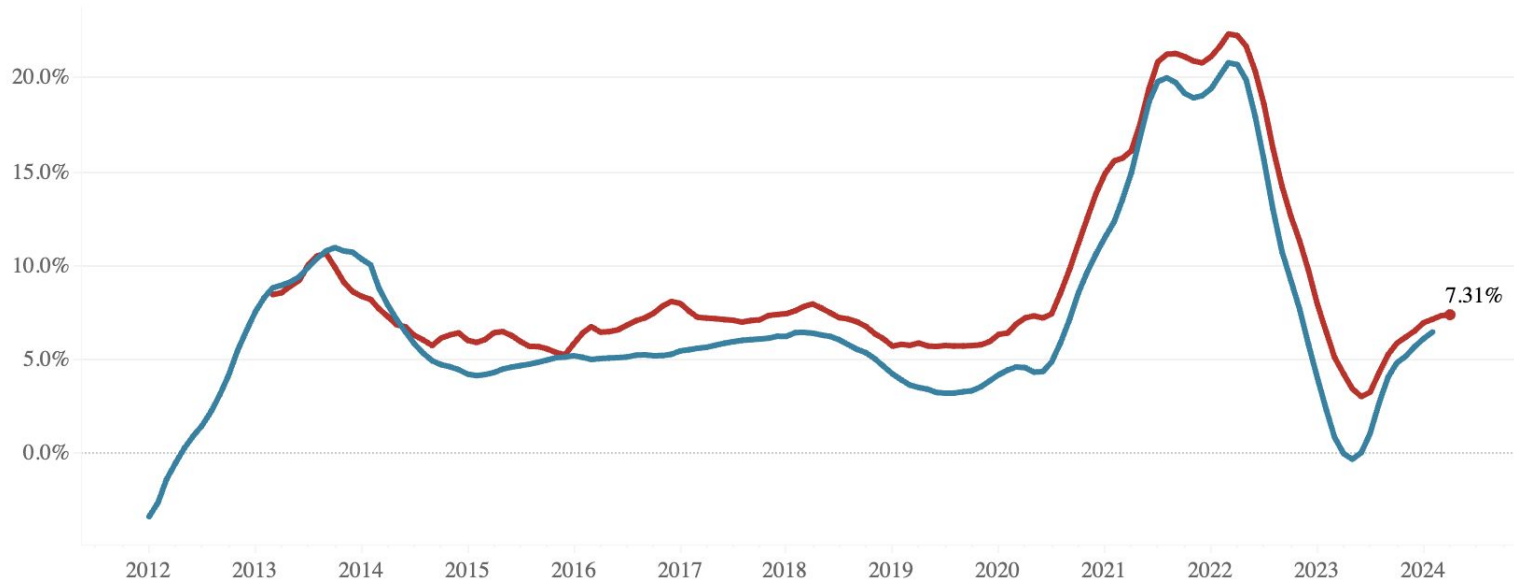


Source: NAR



There was no home price correction with this hiking cycle

Year over Year: National



Note: Redfin HPI is an equal-weighted repeat sales index whereas the Case-Shiller Index is value-weighted. Both are seasonally adjusted and cover single-family residential properties only. All month-over-month and year-over-year values are three month moving averages ending on date shown. Sources: MLS data, S&P CoreLogic Case-Shiller Home Price Indices.



National: Investor Market Share

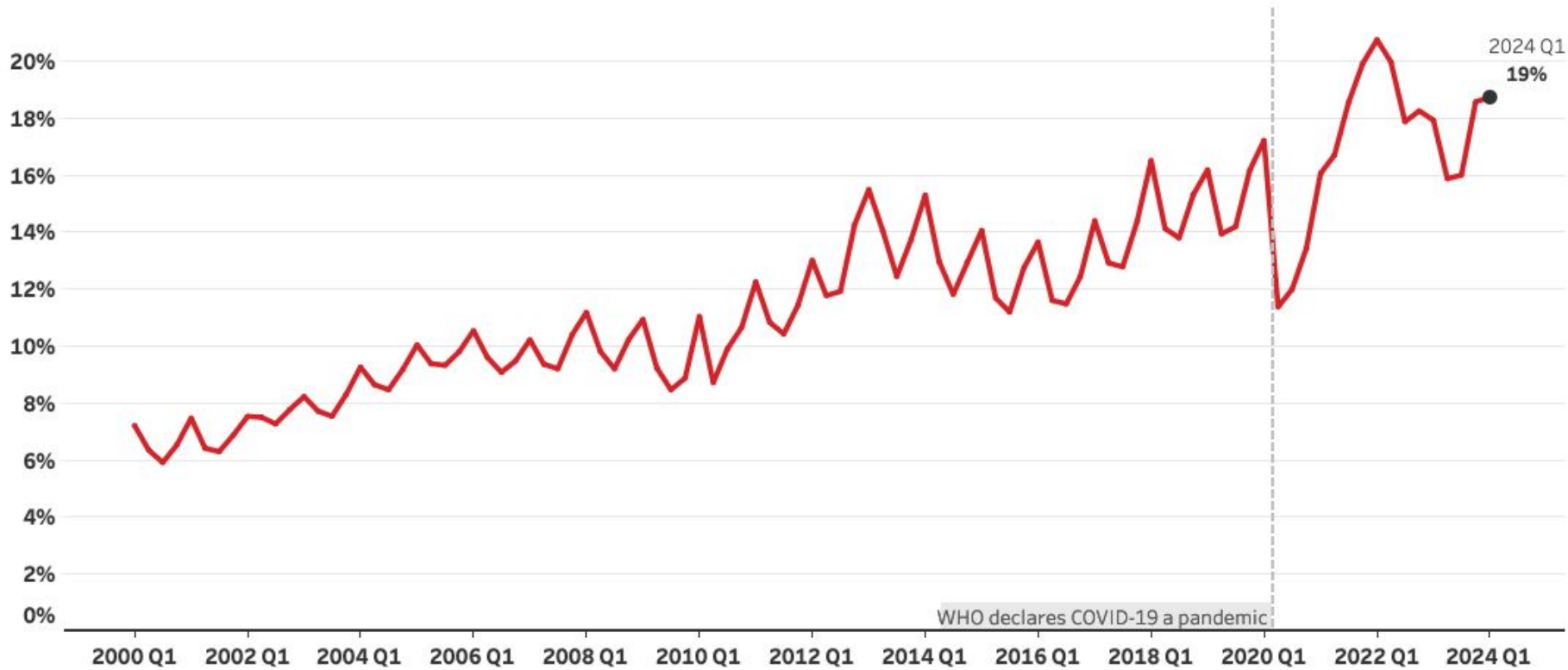
Metro

National

Metric

Investor Market Share

Definition of **Investor Market Share**: The percentage of total home sales in which an investor was the buyer



Source: Redfin analysis of county records

REDFIN

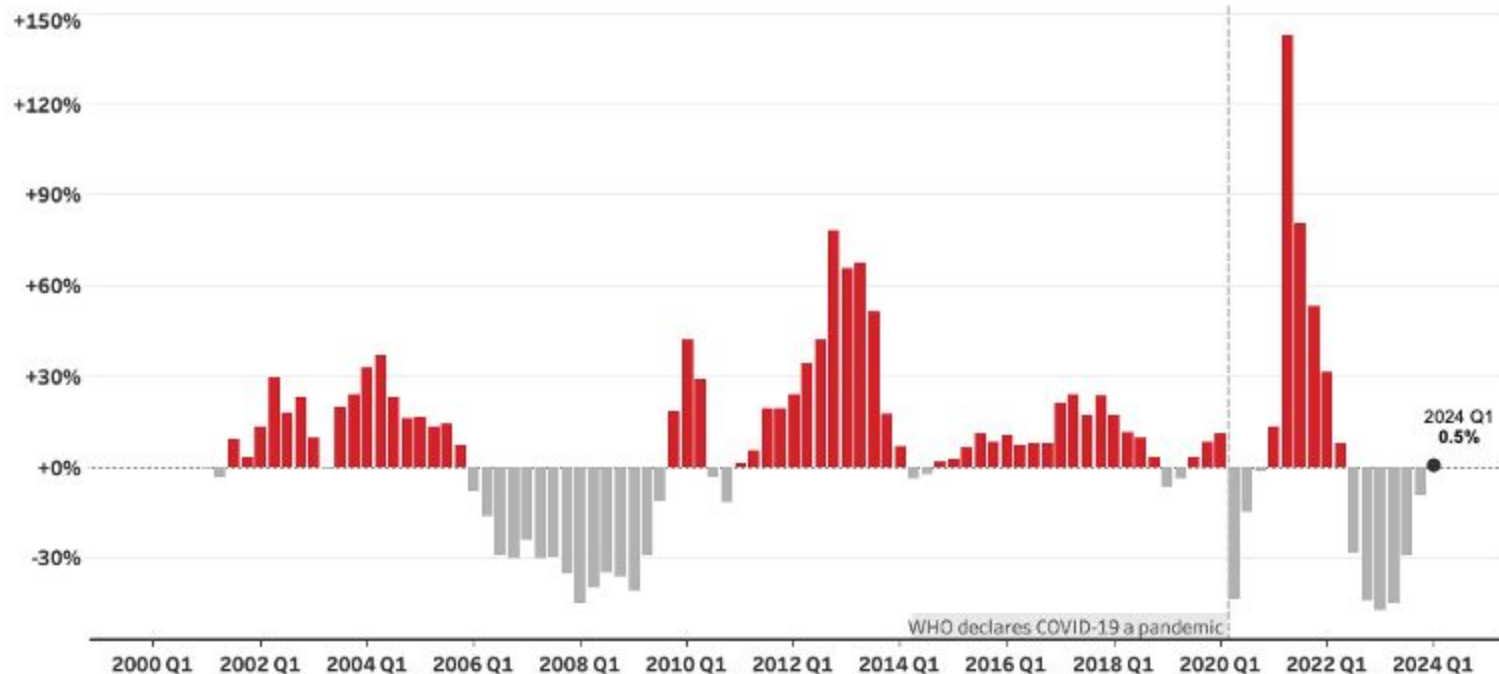
National: YoY Growth in Investor Purchases

Metro

National

Metric

YoY Growth in Investor Purchas...

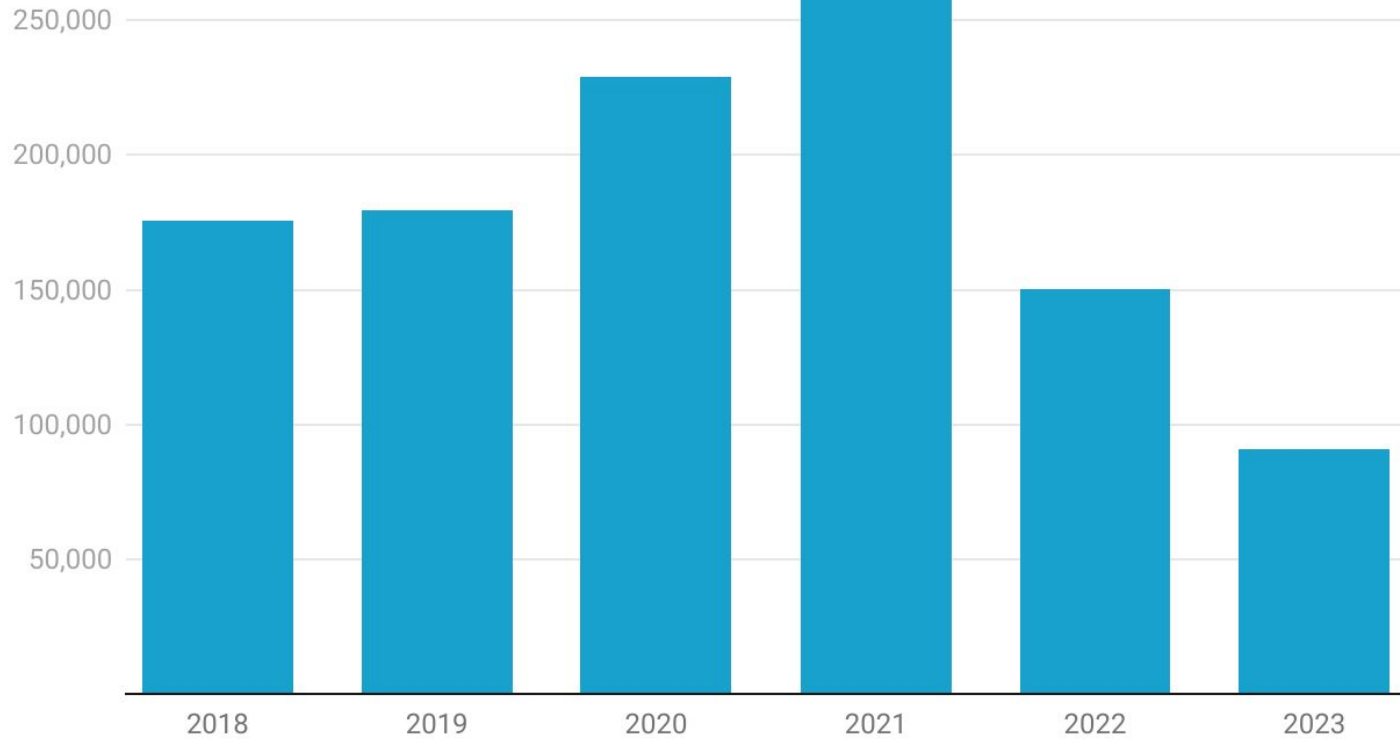


Source: Redfin analysis of county records

REDFIN

Demand For Second Homes Dropped to 6-Year Low in 2023

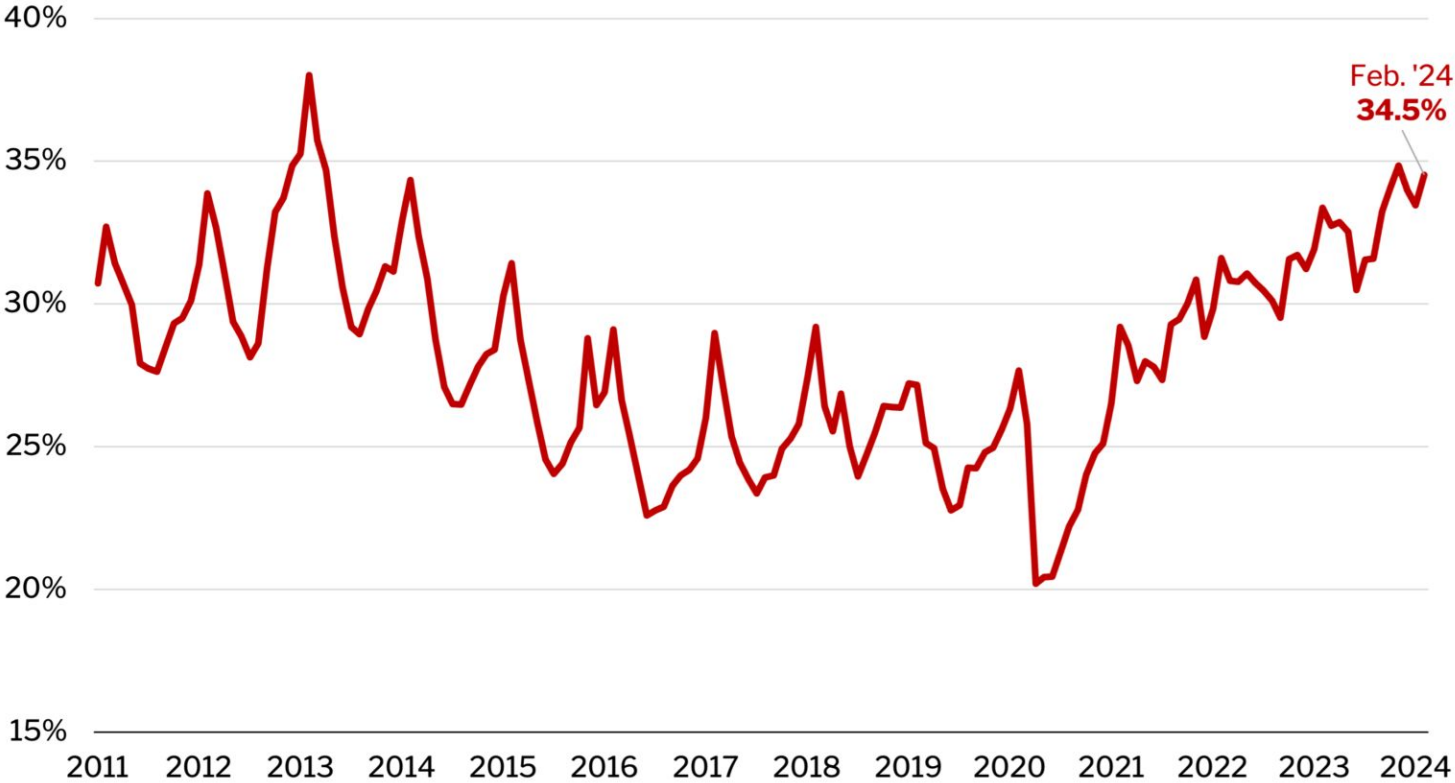
Number of U.S. mortgage originations for second homes, by year



Source: Redfin analysis of HMDA data • Created with Datawrapper

Roughly 1 in 3 Home Purchases Are Made With Cash

Share of U.S. home purchases with no mortgage loan information on deed

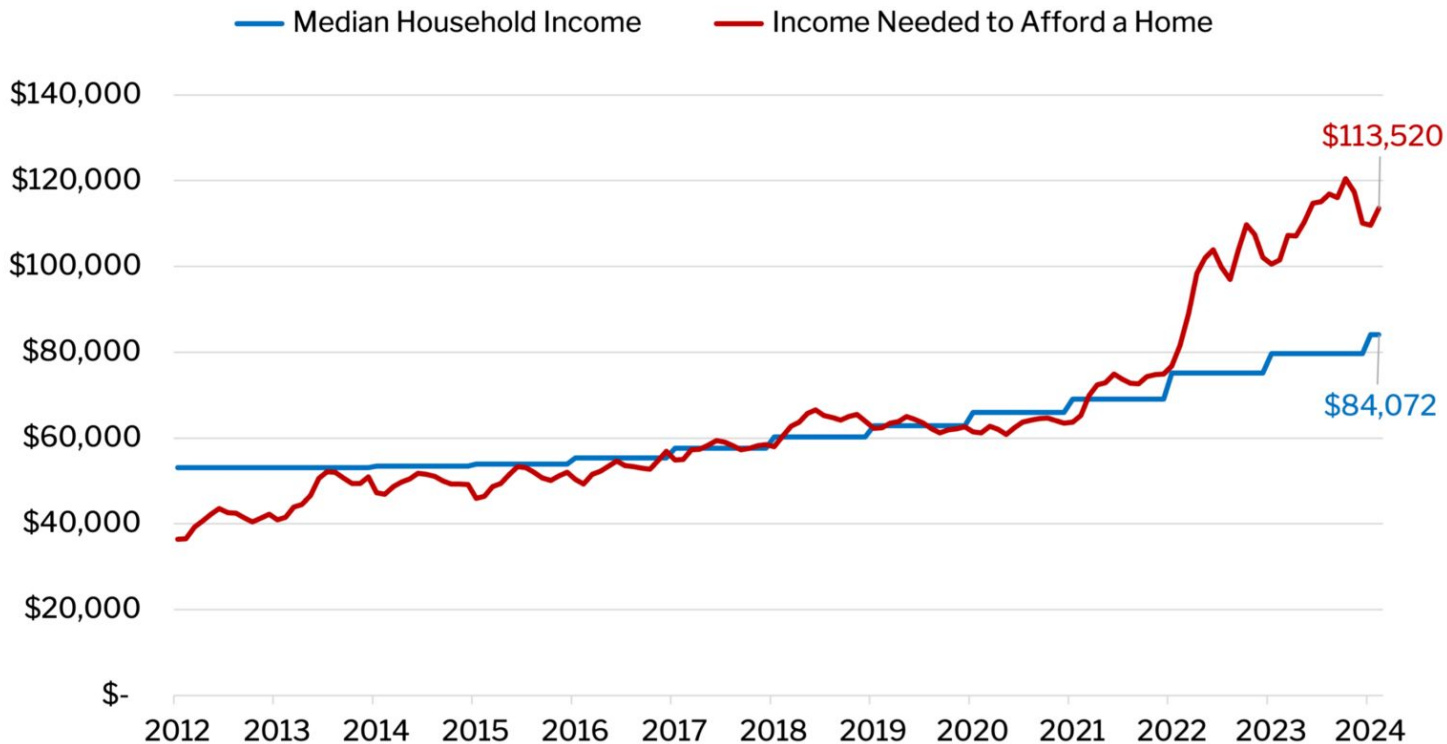


Source: Redfin analysis of county records



Homebuying Costs Are Growing Twice as Fast as Incomes

Median U.S. household income and income needed to afford median priced U.S. home

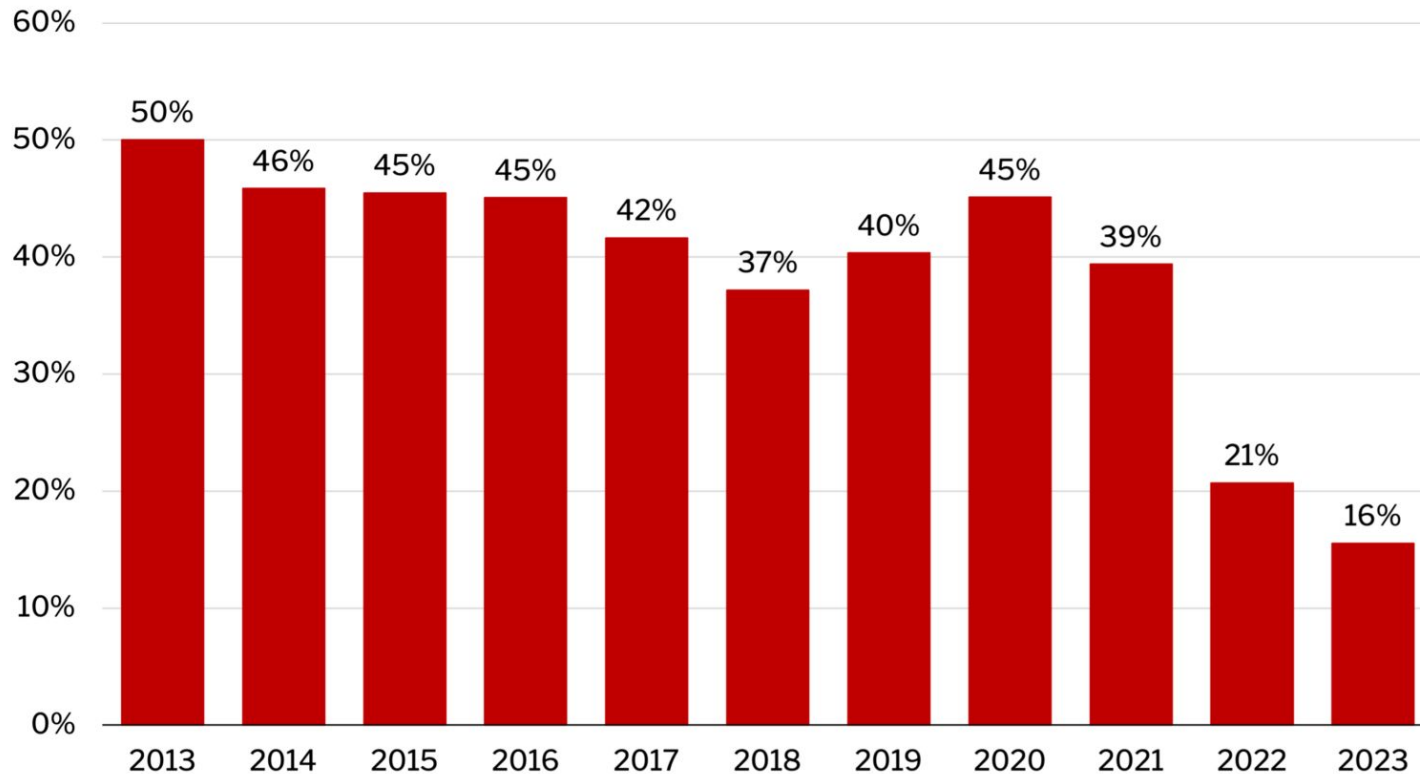


Note: Most recent data point represents Feb. 2024



Just 16% of Homes for Sale in 2023 Were Affordable

Share of home listings affordable on median income

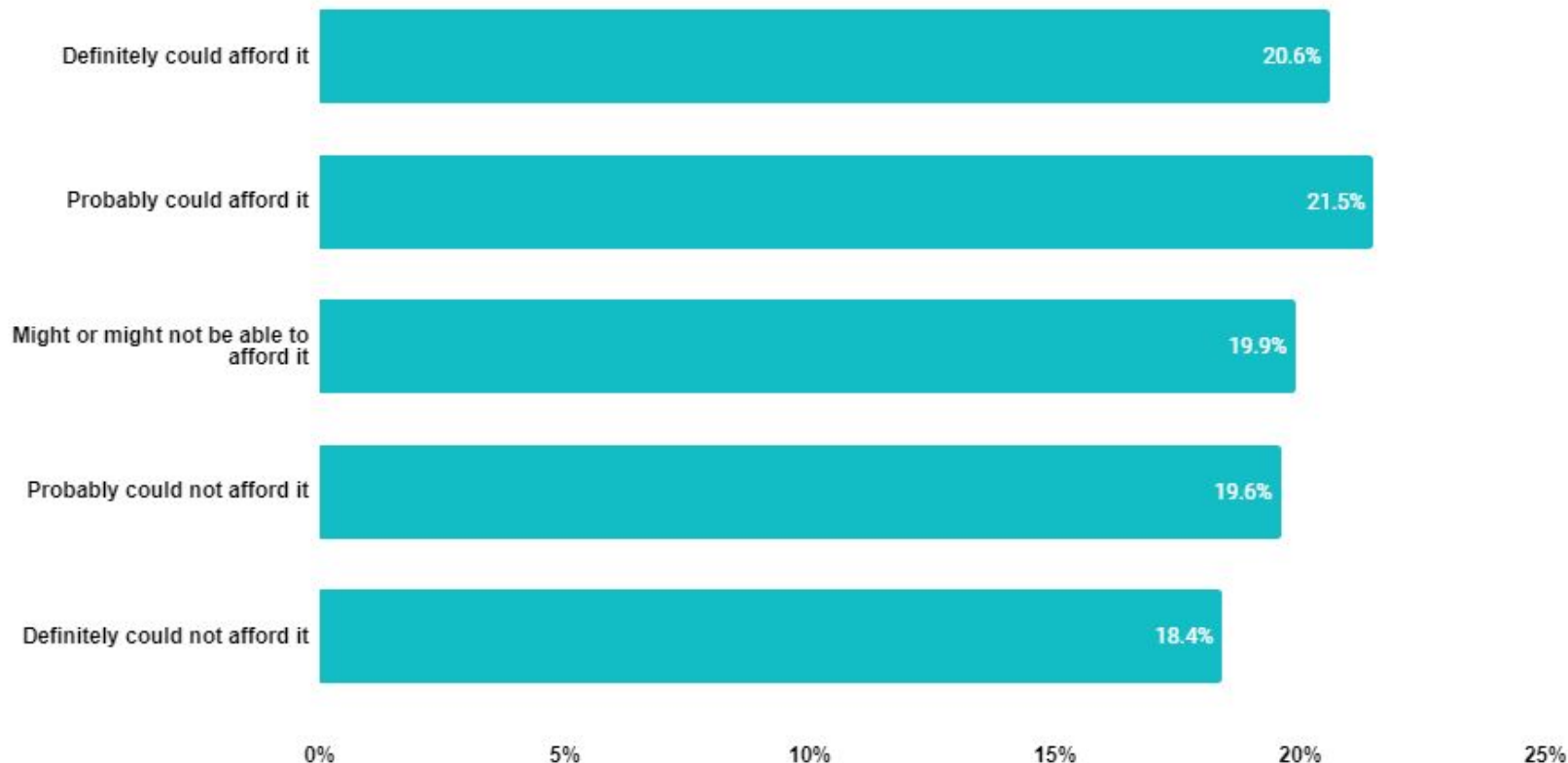


Source: Redfin analysis of MLS data, U.S. Census Bureau American Community Survey, Freddie Mac PMMS



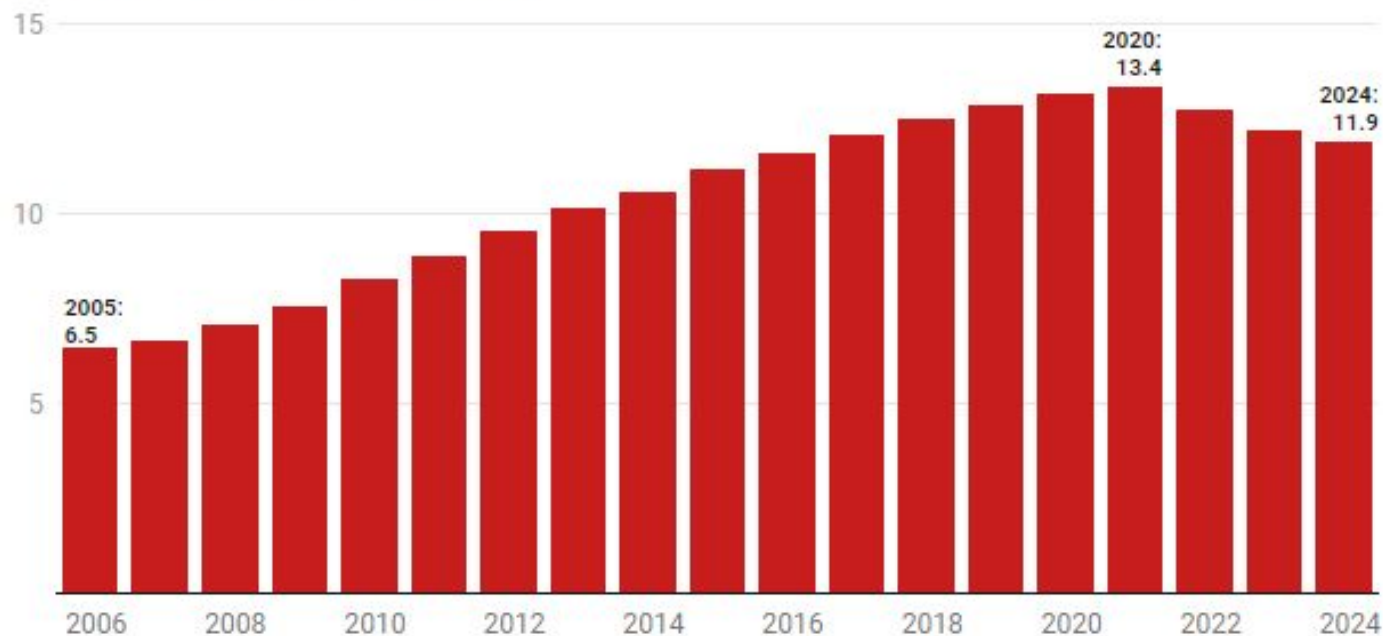
Nearly 2 in 5 Homeowners Don't Think They Could Afford to Buy Their Home Today

Redfin survey Q: If you were looking to purchase a home, do you think you could afford a home like yours in your neighborhood today?



Homeowner Tenure Has Doubled Since 2005, But Fallen Slightly From 2020 Peak

Median U.S. homeowner tenure, in years

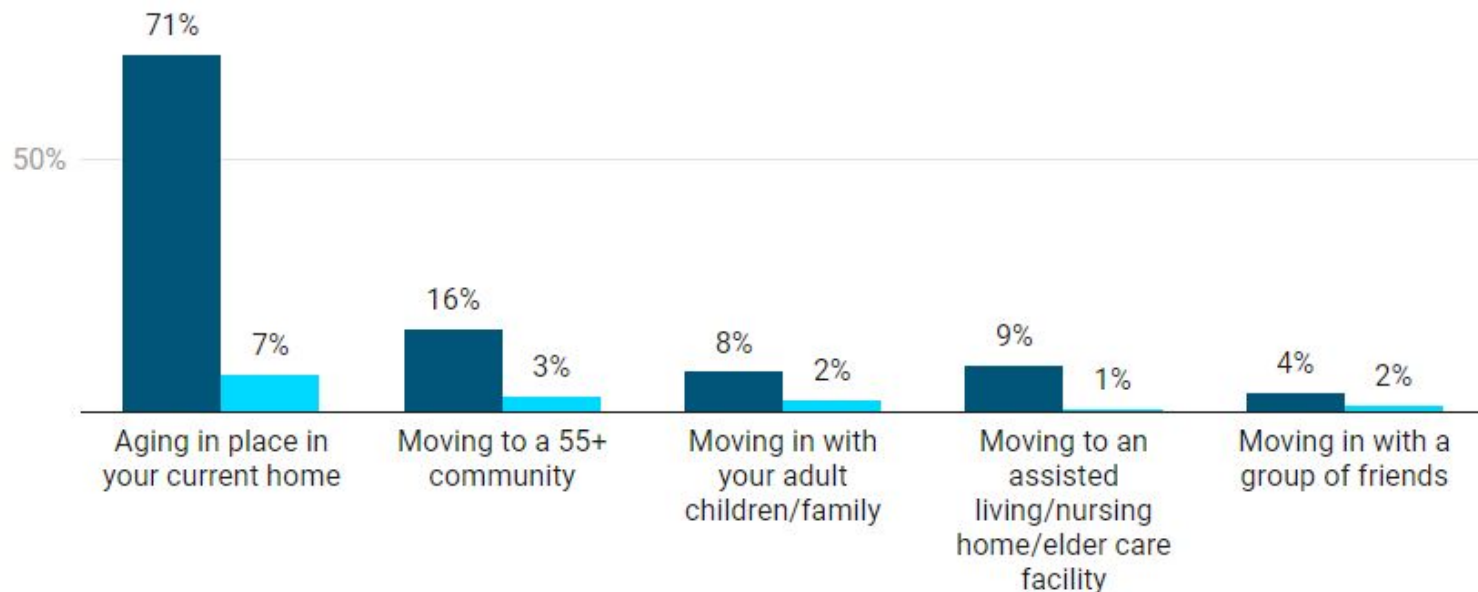


Source: Redfin analysis of U.S. Census Bureau data • Created with [Datawrapper](#)

Most Baby Boomers Hope to Stay Put As They Age

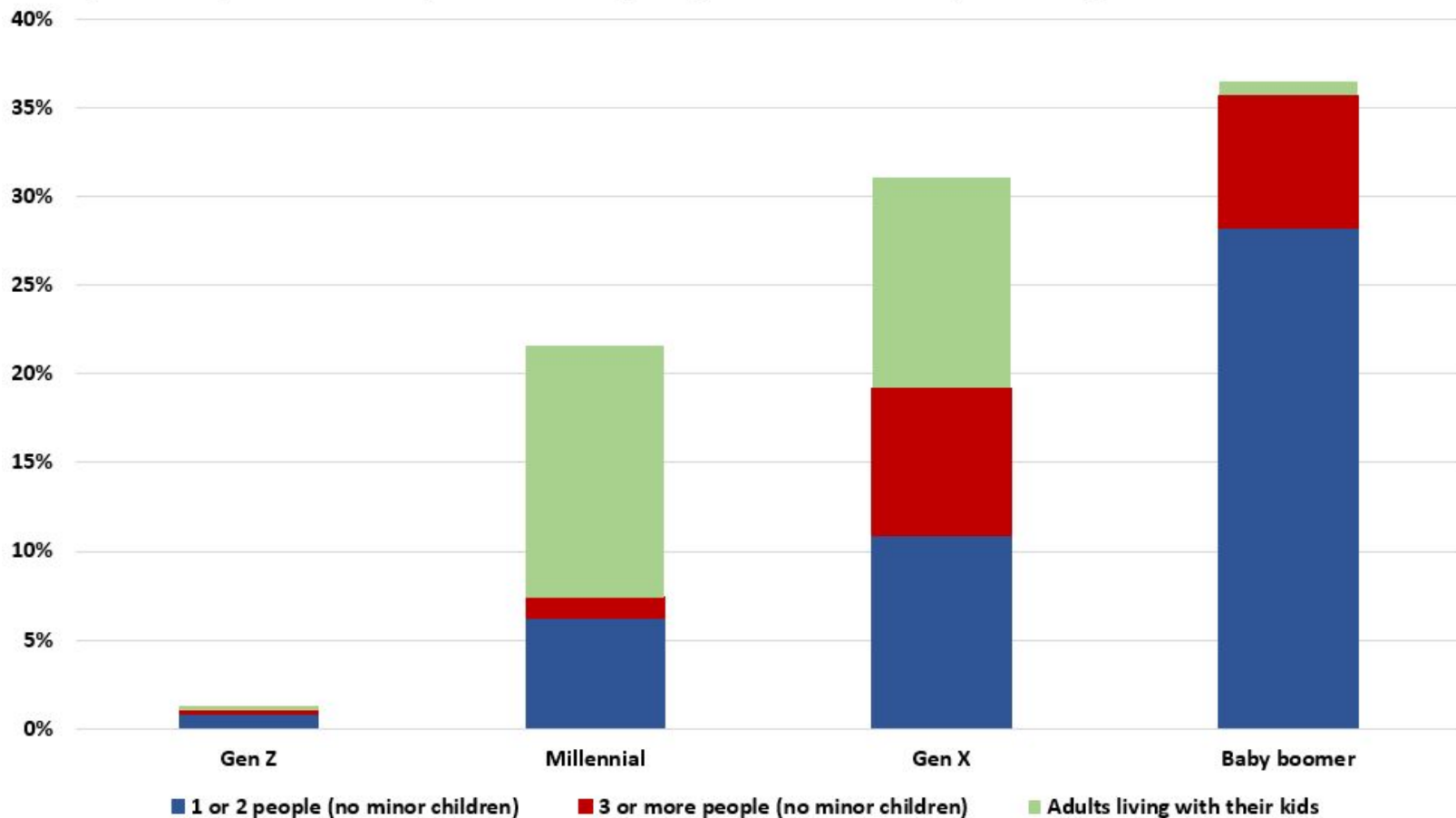
Redfin survey Q: How likely are you to consider each of the following as part of your aging plan? Select all that apply. (Responses for baby boomer + older homeowners)

■ Definitely or probably will consider ■ Have already done this



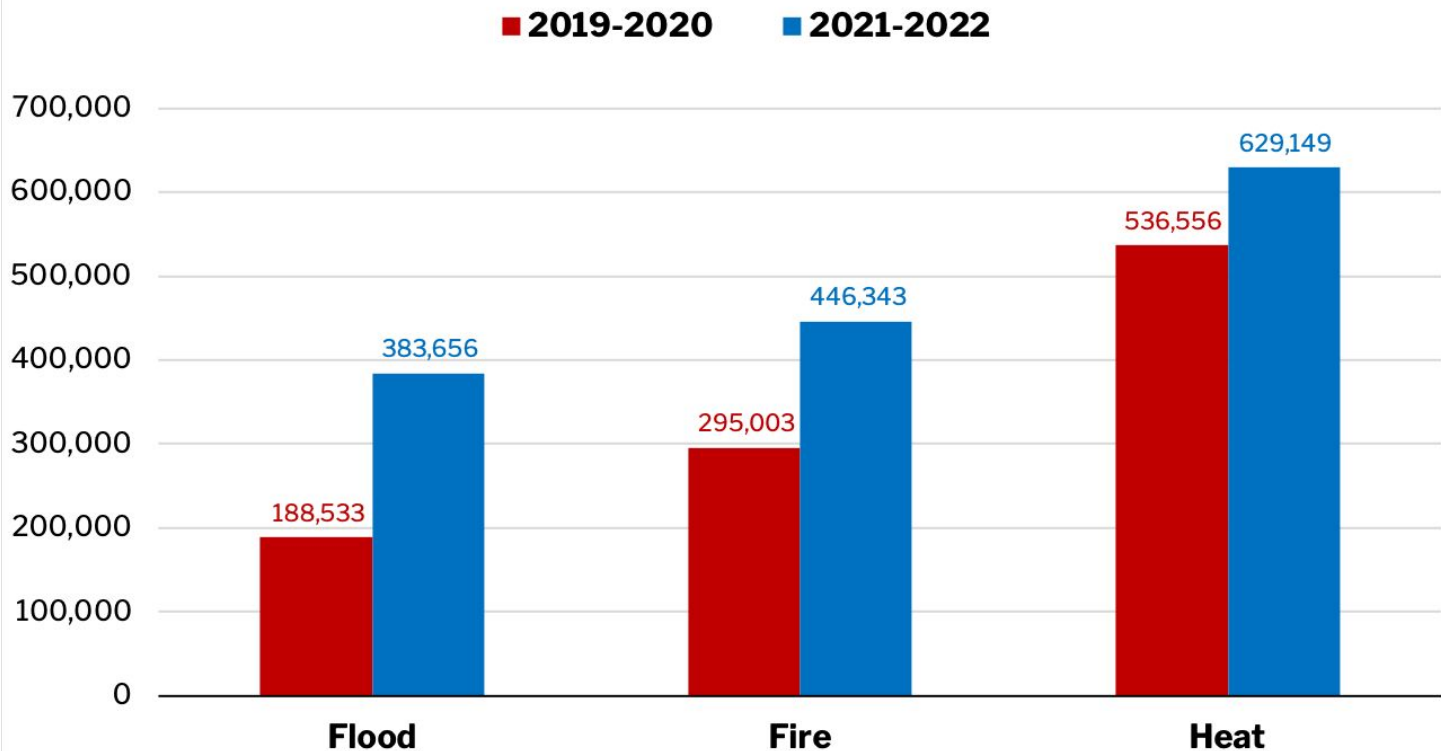
Empty Nesters Own 28% of Large Homes; Millennials With Kids Own 14%

Share of 3-bedroom-plus U.S. owner-occupied homes owned by each generation, broken down by household type/size



More People Are Moving Into Than Out of Disaster-Prone Places

Net inflow to U.S. counties with largest share of homes facing high fire, flood and heat risk

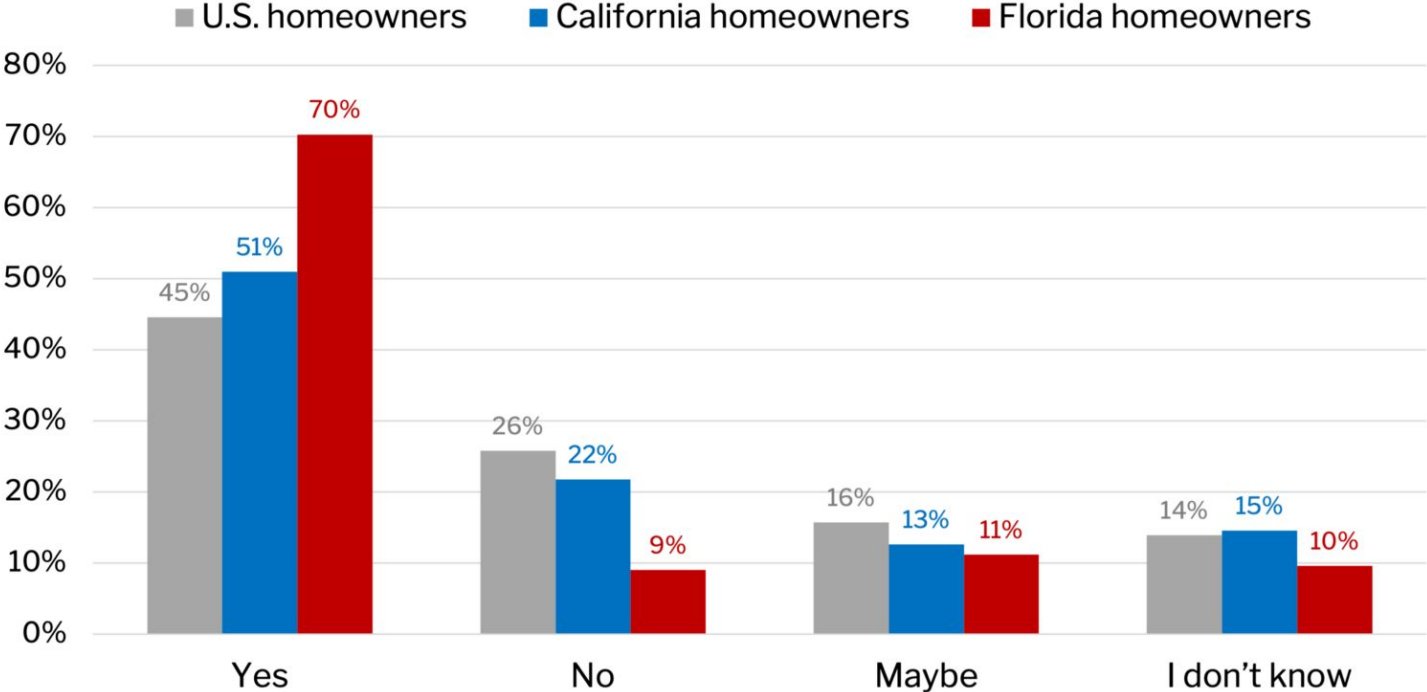


Source: U.S. Census Bureau, First Street Foundation



Nearly 3 in 4 Florida Homeowners Have Seen Insurance Changes in Past Year

"In the past year have you, or has the area where you live, been affected by rising home insurance costs or changes in coverage? Please consider both homeowner's insurance and separate insurance for natural disasters."



Source: Redfin commissioned survey of 2,995 U.S. homeowners and renters, conducted by Qualtrics in Feb. 2024; chart focuses on the 1,988 respondents who indicated they own their home



Questions

State

All

Region Type

Metro

Region

Multiple values

Property Type

All Residential

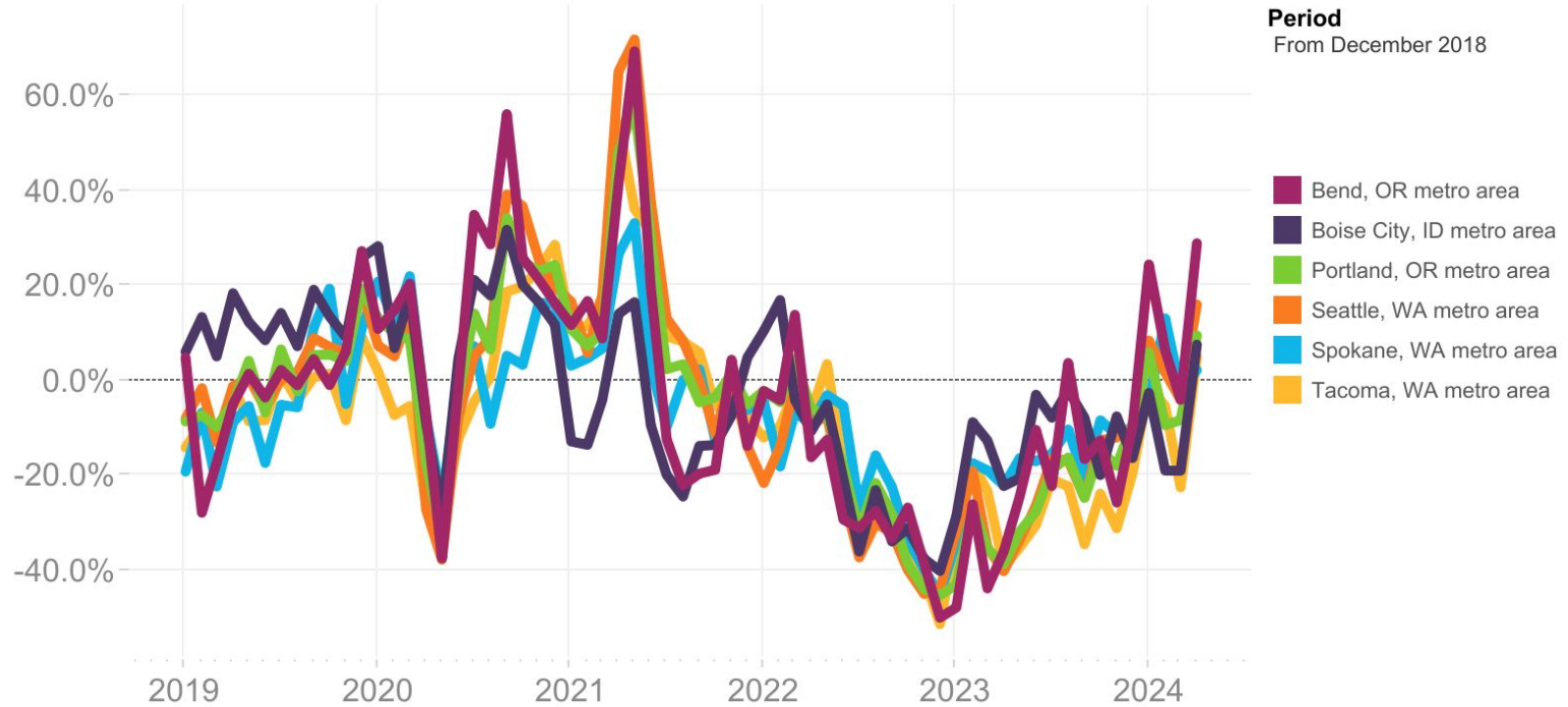
Show Values As

Year-Over-Year Change

Seasonally Adjusted

False

Home Sales



State
All

Region Type
Metro

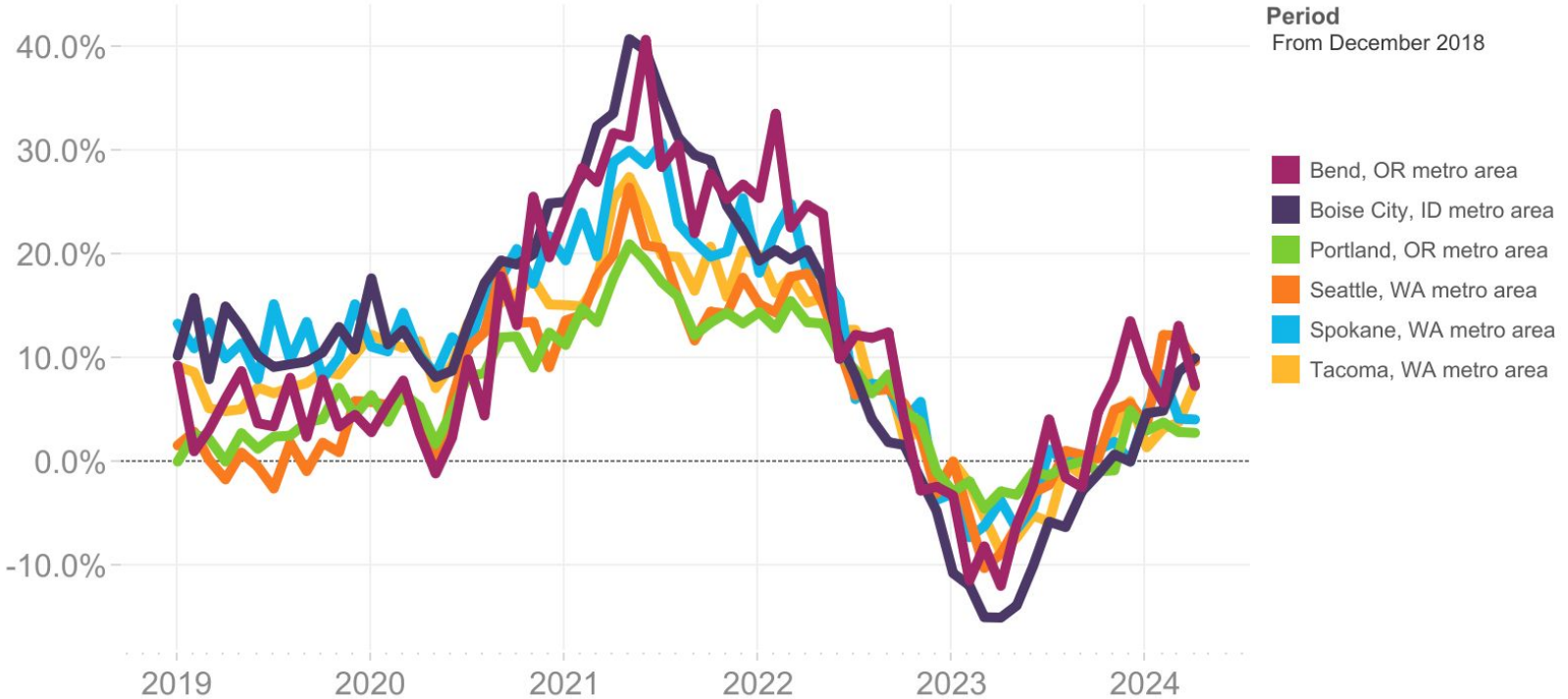
Region
Multiple values

Property Type
All Residential

Show Values As
Year-Over-Year Change

Seasonally Adjusted
False

Median Sale Price



State
All

Region Type
Metro

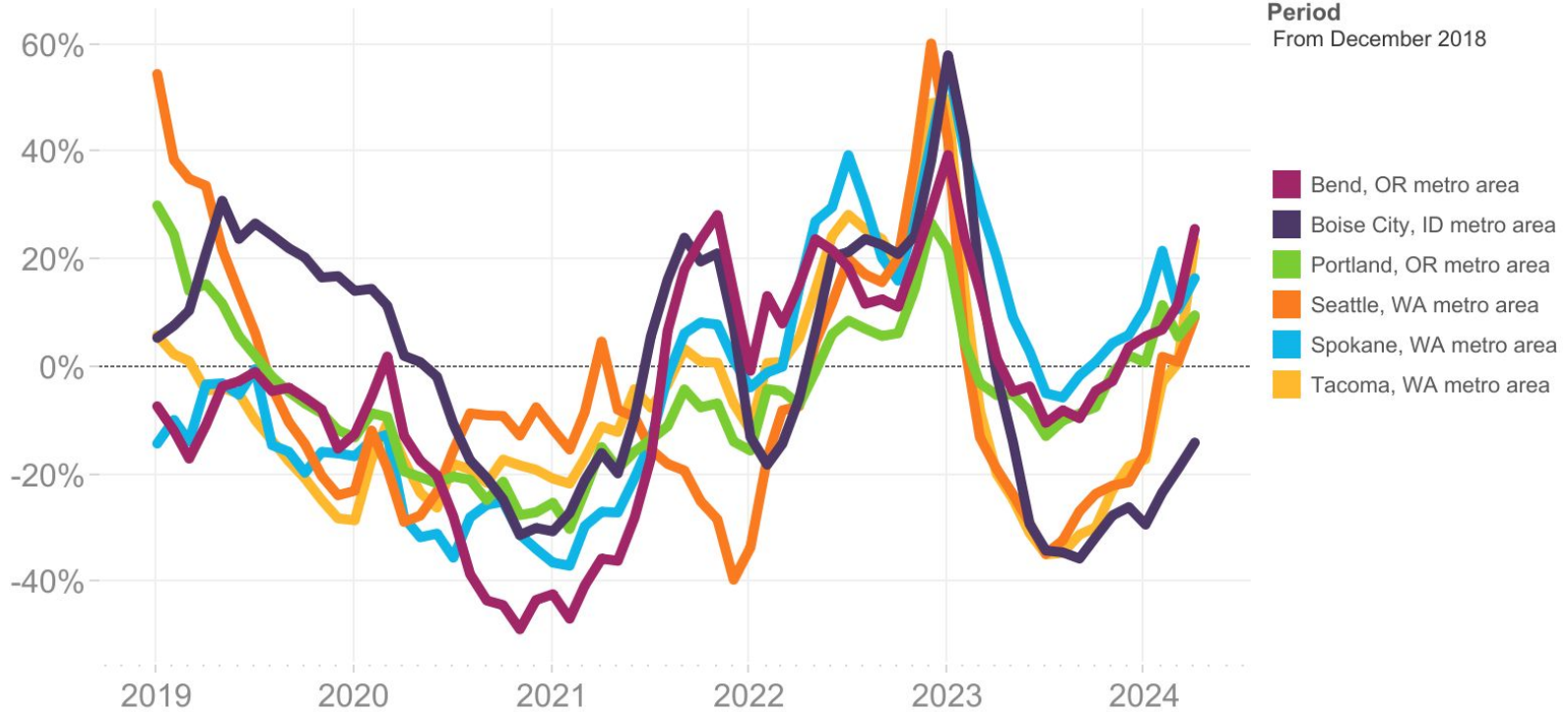
Region
Multiple values

Property Type
All Residential

Show Values As
Year-Over-Year Change

Seasonally Adjusted
False

Active Listings



State
All

Region Type
Metro

Region
Multiple values

Property Type
All Residential

Show Values As
Year-Over-Year Change

Seasonally Adjusted
False

New Listings

