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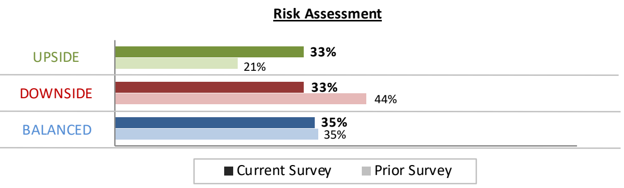
Q3 2023 Home Price Expectations Survey - **Supplemental Questions**

Field Period: July 31 - August 14, 2023

Topic: **Risk Assessment of Home Price Forecast**

Which choice best applies to your long-term outlook for home values?

Answer choice:	#	Percent	% w/opinion	Expected Home Value Change* Through 2027 (Cumulative)	Expected Home Value Change* Annual Average
There is risk to the upside	34	32%	**33%**	19.4%	3.6%
There is risk to the downside	34	32%	**33%**	15.3%	2.9%
The risk is balanced	36	34%	**35%**	19.6%	3.6%
No Response	3	3%	n/a	n/a	n/a
Total	**107**	**100%**	**100%**	**17.8%**	**3.3%**



*Mean expectations of respondents by answer choice. 107 panelists participated in this quarter's survey.

Topic: **Student Loan Payments -- The Impact on U.S. Housing**

On October 1st, after a 3 1/2 year pause, payments are set to resume on federal student loans--and more than 46 million borrowers have an FSL (aggregate unpaid balance: $1.65 trillion). Thirty million (nearly 70%) of these borrowers are 25-49 years of age with an average unpaid balance of about $38,000.

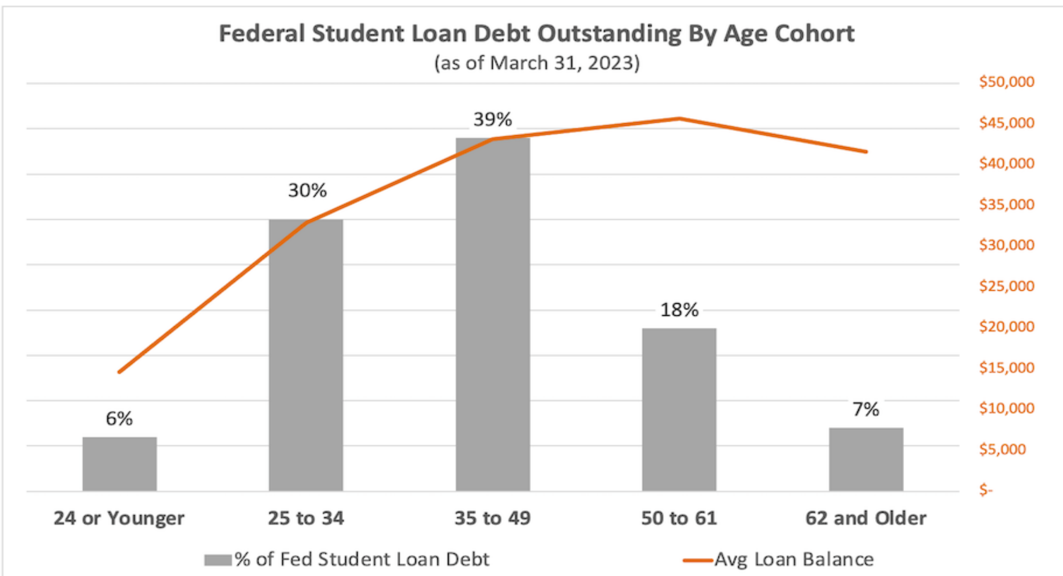


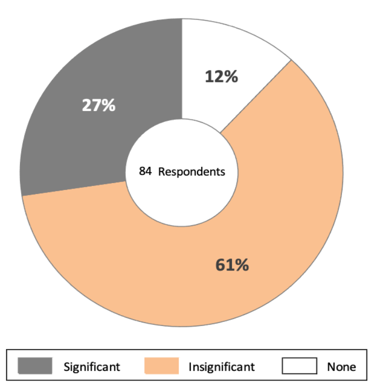
Chart data source: U.S. Department of Education (https://studentaid.gov/data-center/student/portfolio)

How significant and lasting a negative impact--if any--do you expect the resumption of federal student loan payments to have on each of the following?

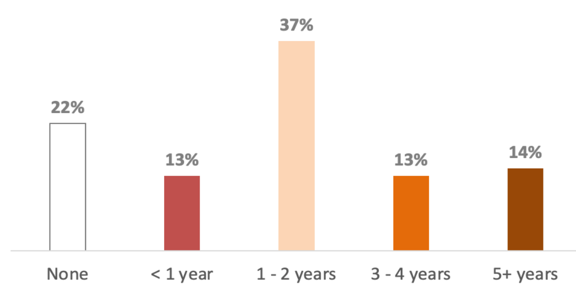
Expected Negative Impact

Expected Duration

Household Formation



Figures do not sum to 100% due to rounding.



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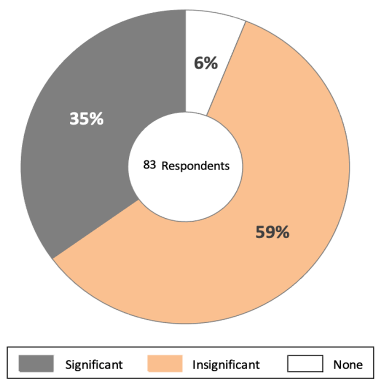
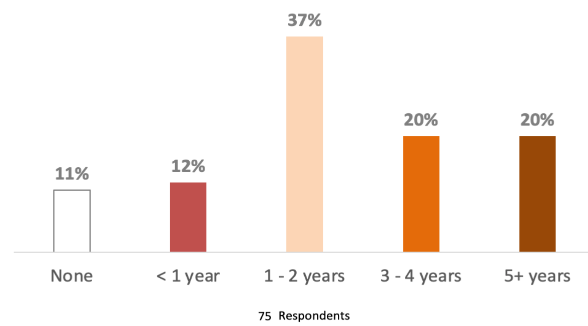
How significant and lasting a negative impact--if any--do you expect the resumption of federal student loan payments to have on each of the following? (cont'd)

Expected Negative Impact | *Expected Duration*

Homeownership Rate





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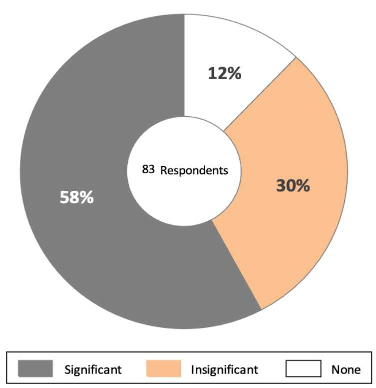
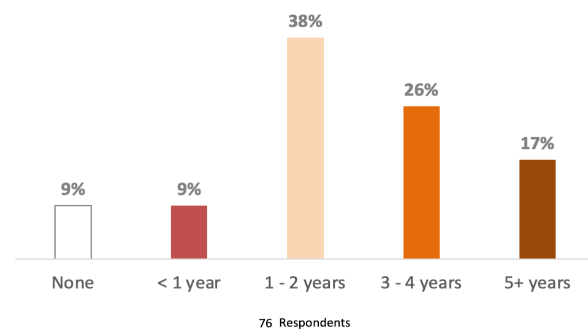
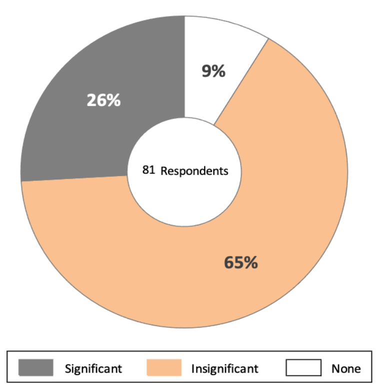
Mortgage Affordability

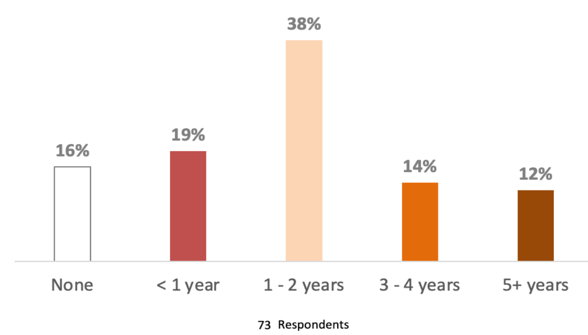




Figures do not sum to 100% due to rounding.

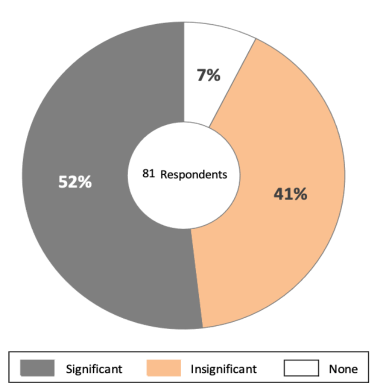
Mortgage Delinquency

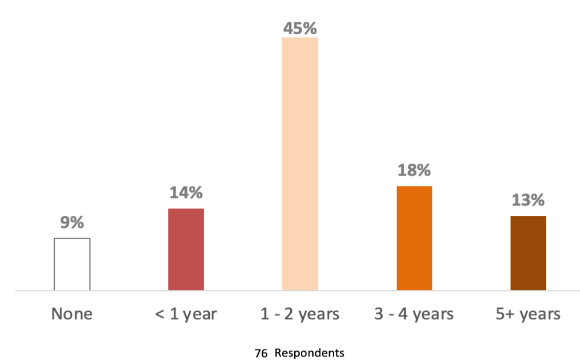




Figures do not sum to 100% due to rounding.

Rent Affordability



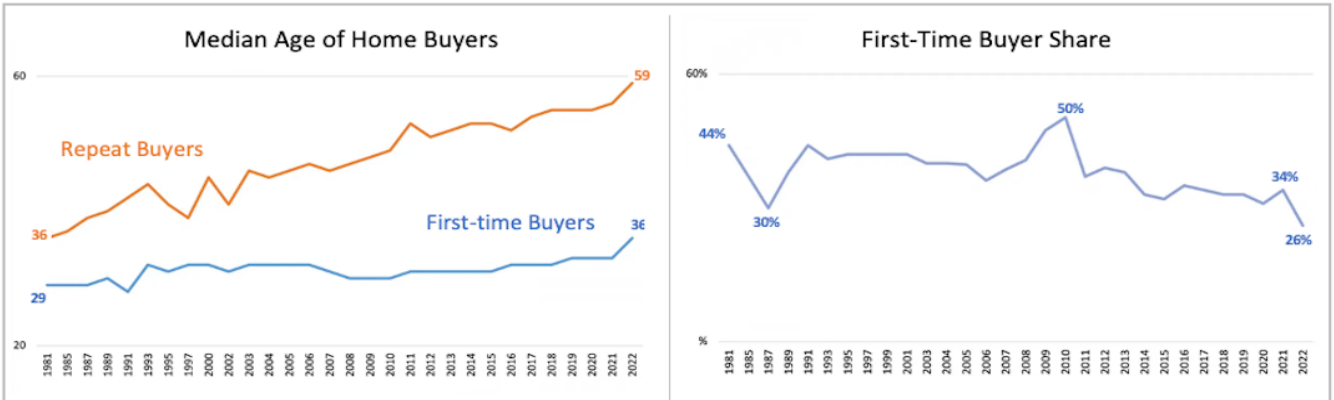


Q3 2023 Home Price Expectations Survey - **Supplemental Questions**

Field Period: July 31 - August 14, 2023

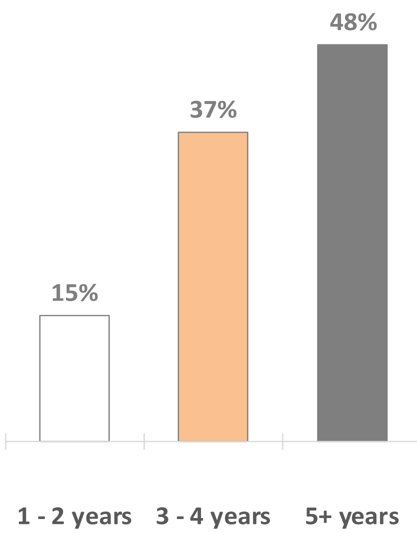
Topic: **Age & Market Share of First-Time Home Buyers**

The most recent NAR Profile of Home Buyers and Sellers study revealed that the median age of repeat home buyers and first-time home buyers hit all-time highs in 2022--each jumping by 3 years, to 59 years and 36 years, respectively--and that the first-time buyer share (among primary residence buyers) fell to an all-time low.

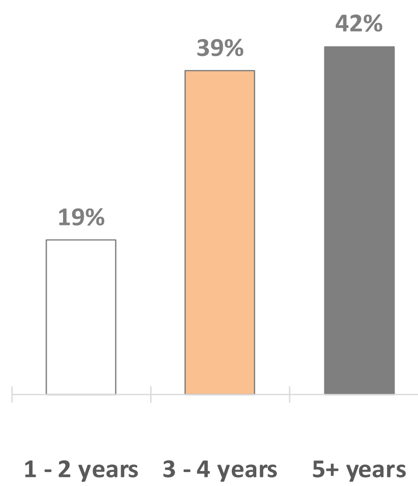


Source: *NAR Profile of Home Buyers and Sellers*

About how much time do you expect will pass before...
...the median age of first-time buyers returns to its 2021 level (33) or lower?



About how much time do you expect will pass before...
...the first-time buyer share of primary residence purchasers returns to its 2021 level (34% or higher)?



86 Respondents

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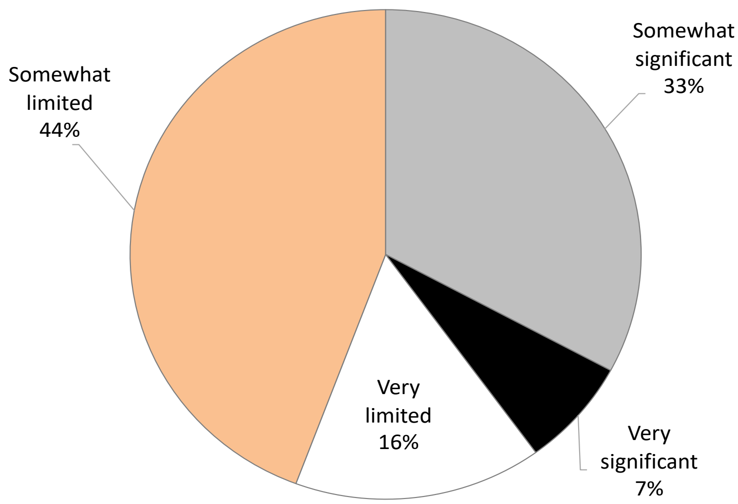
Topic: **Rated Home Equity Investment Securities**

A few weeks ago, the first guidelines for rated home equity investment-backed securities were published--a critical first step to foster product design standards and to create secondary market liquidity. (Home Equity Investments--HEIs--are contracts that enable homeowners to tap equity without borrowing against, or selling, their homes: a homeowner receives a lump sum cash payment from the HEI investor in exchange for a fixed, minority stake in their property; thus, the investor shares in any change--increase or decrease--in the home's value). In certain markets, institutional purchasers of newly-built and existing single-family homes have some observers fretting that individual buyers are being crowded-out of homeownership.

In certain markets, institutional purchasers of newly-built and existing single-family homes have some observers fretting that individual buyers are being crowded-out of homeownership.

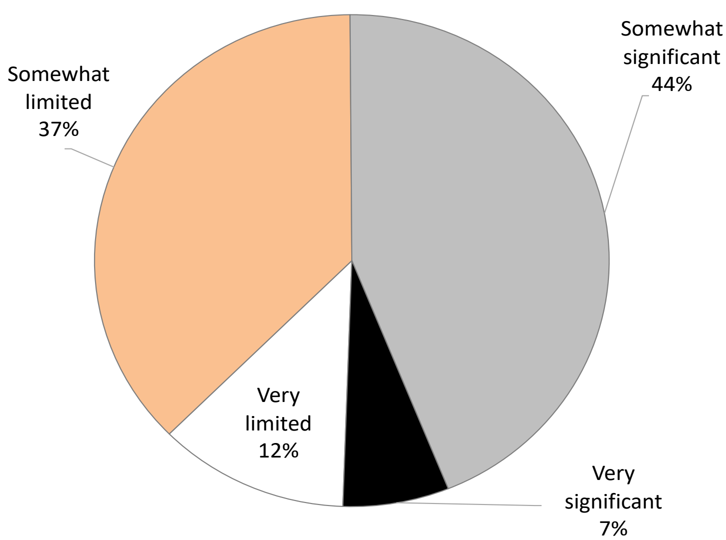
Which of the following choices best reflects your view re: the potential appeal of rated HEI-backed securities to institutional investors (e.g., as an alternative or complement to buy-to-rent/build-to-rent/i-buying strategies, mortgage-backed securities or other credit instruments)?



82 Respondents
Chart excludes indeterminate responses

In recent years, record-high home prices have driven home equity to record levels.

Which of the following choices best reflects your view re: the potential appeal of HEI contracts to homeowners as a debt-free liquidity and risk management product (e.g., to monetize a portion of their accumulated home equity to diversify wealth, mitigate exposure to home price risk, pay-down/avoid high cost loans)?



82 Respondents
Chart excludes indeterminate responses