

U.S. Housing Monitor

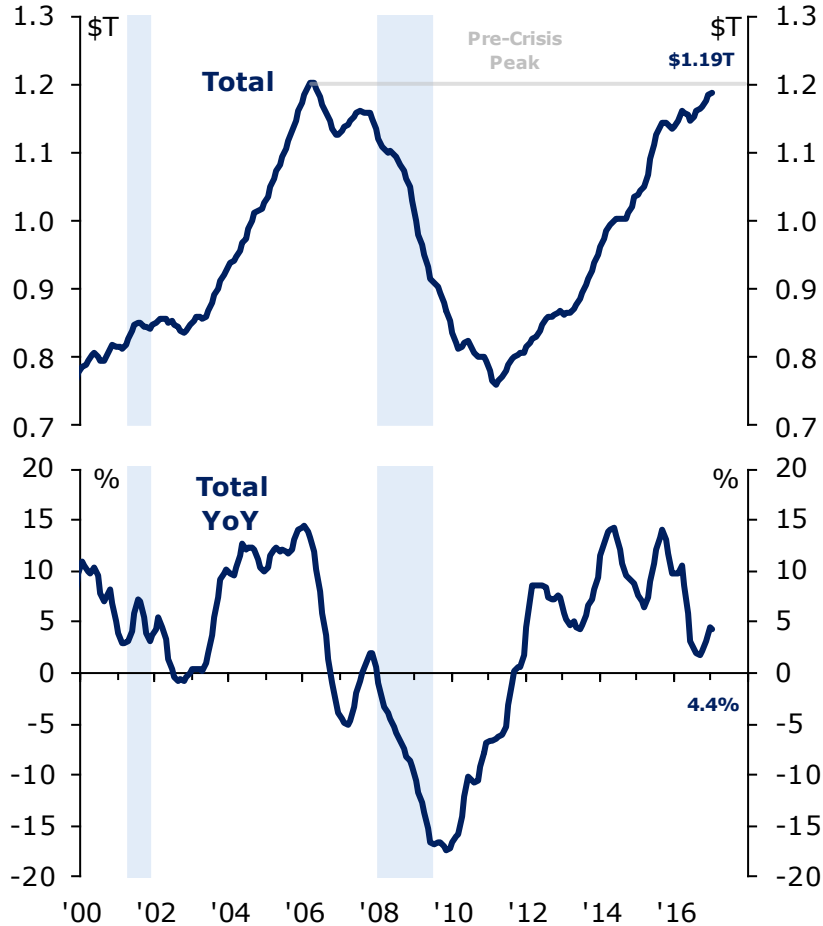
March 28, 2017

FLOATINGPATH

Construction Spending Slowing Down

The Pace Of Construction Spending Growth Has Slowed To Below 5%...

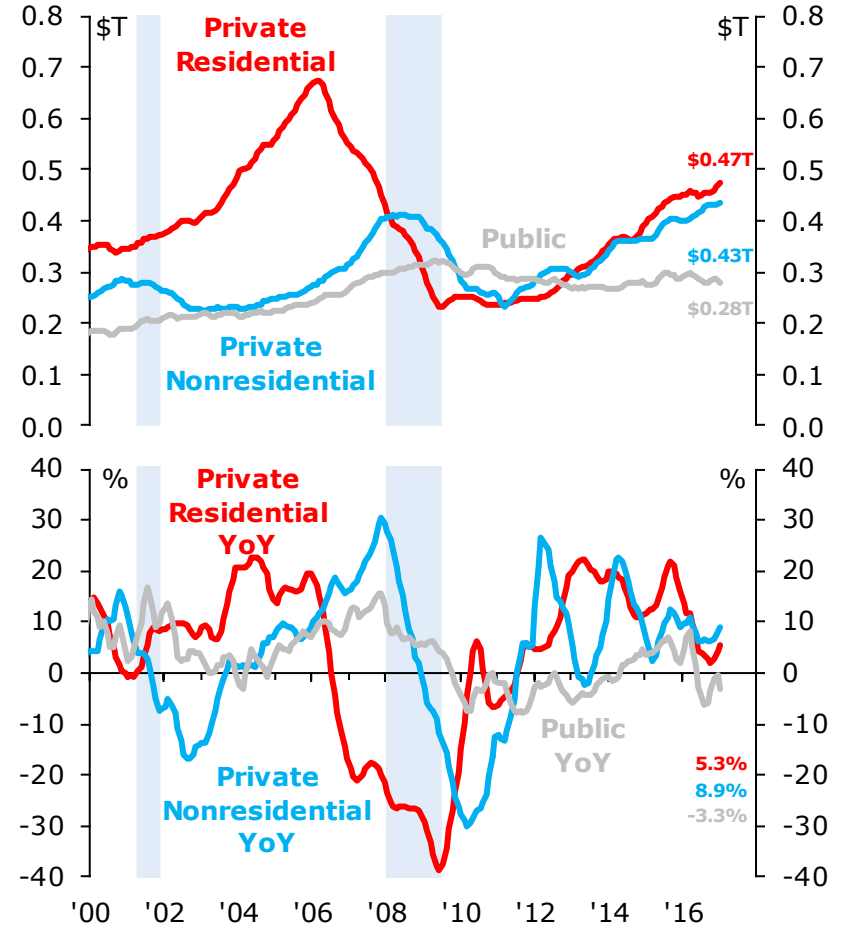
U.S. Construction Spending, SAAR, 3-Month MA



Source: Floating Path, Census Bureau

...Especially In The Public Sector, Where It Is Down Year Over Year

U.S. Construction Spending, SAAR, 3-Month MA

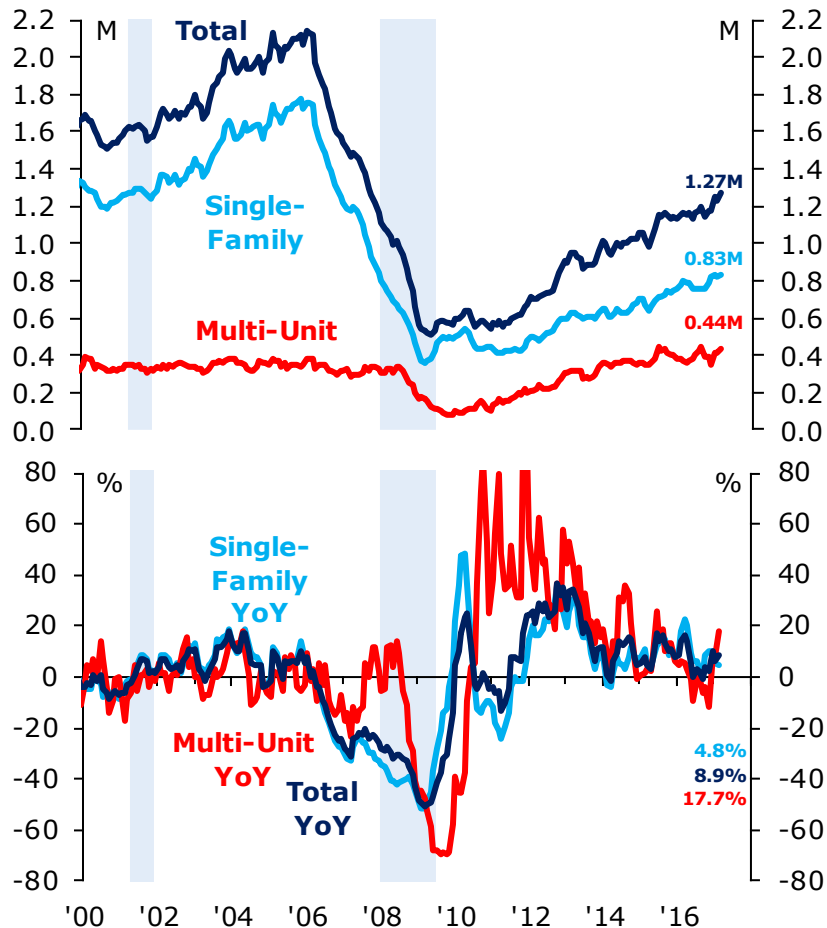


Source: Floating Path, Census Bureau

Building For A Renter Nation

The Total Housing Starts Trend Is Up 8.9% From A Year Ago...

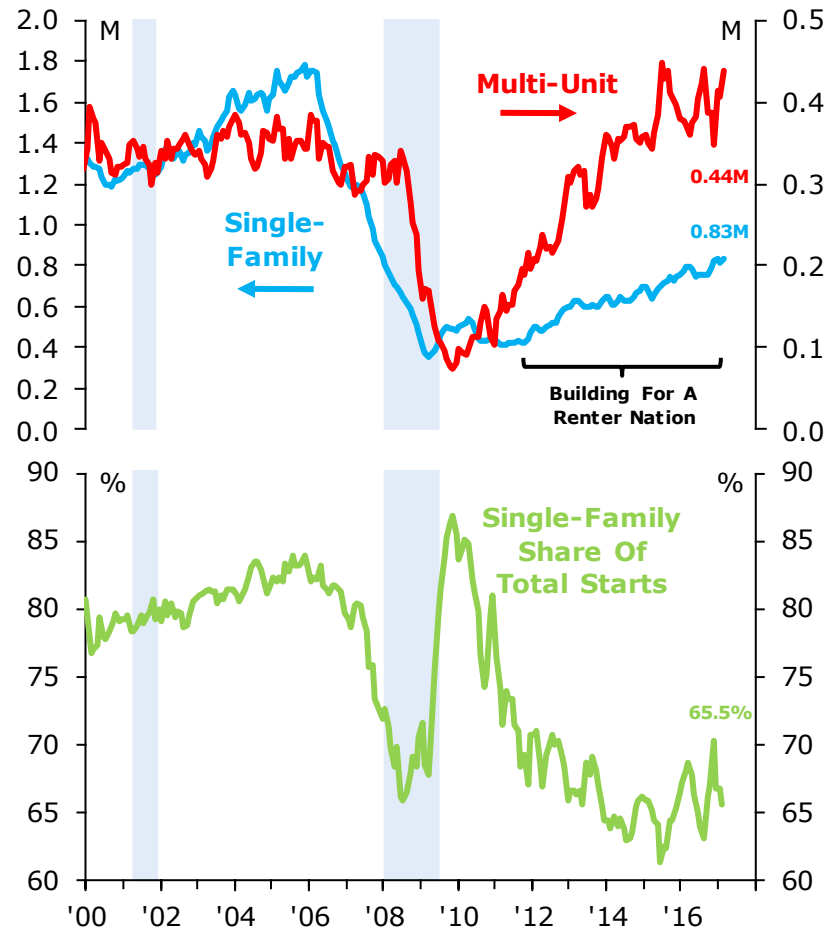
U.S. Housing Starts, SAAR, 3-Month MA



Source: Floating Path, Census Bureau

...Multi-Unit Starts Are Back To Above Pre-Crisis Pace, Single-Family Starts Are Not

U.S. Housing Starts, SAAR, 3-Month MA

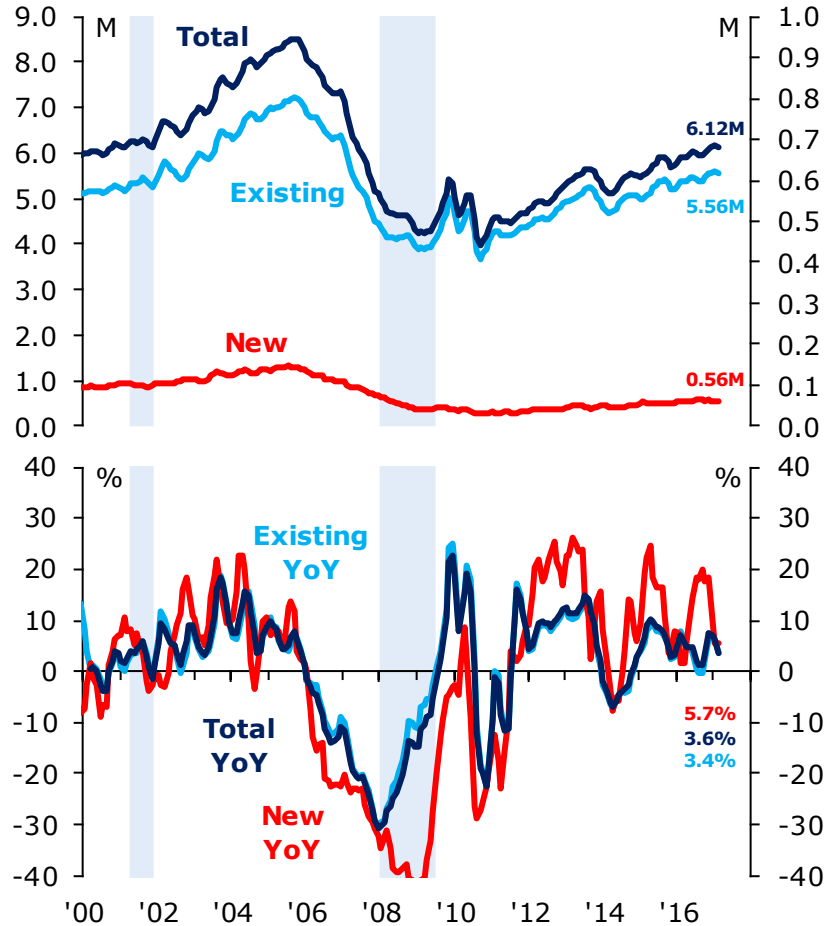


Source: Floating Path, Census Bureau

The New Home Sales Gap

Previously Occupied Residences Comprise The Bulk Of Home Sales Each Month...

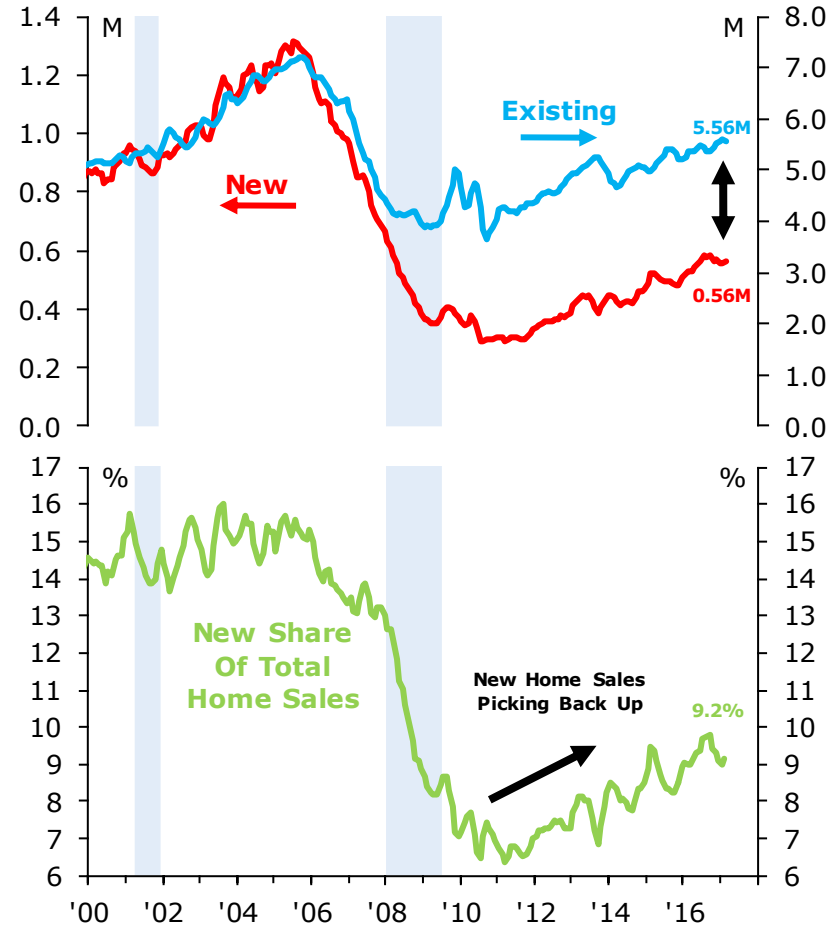
U.S. Home Sales, SAAR, 3-Month MA



Source: Floating Path, Census Bureau, National Association of Realtors

...The Sales Decline In New Homes Was Comparatively Sharper Than Existing Homes

U.S. Home Sales, SAAR, 3-Month MA

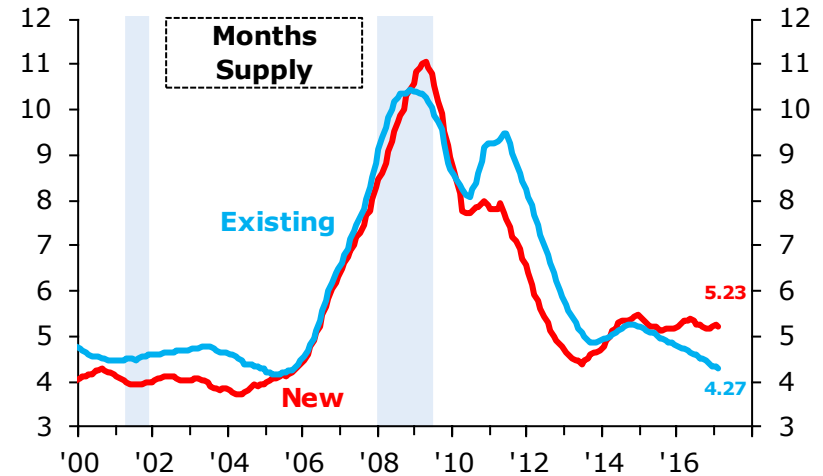
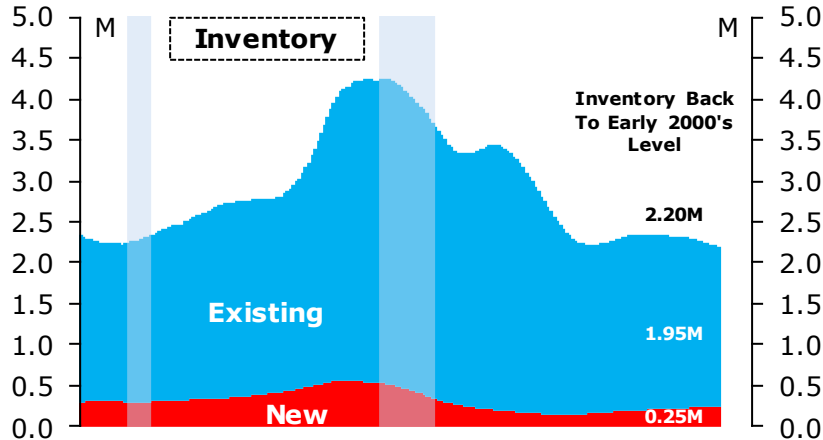


Source: Floating Path, Census Bureau, National Association of Realtors

Housing Inventory Back To Normal

At ~5 Months Supply, The Number Of Homes On The Market For Sale Is Back To Normal...

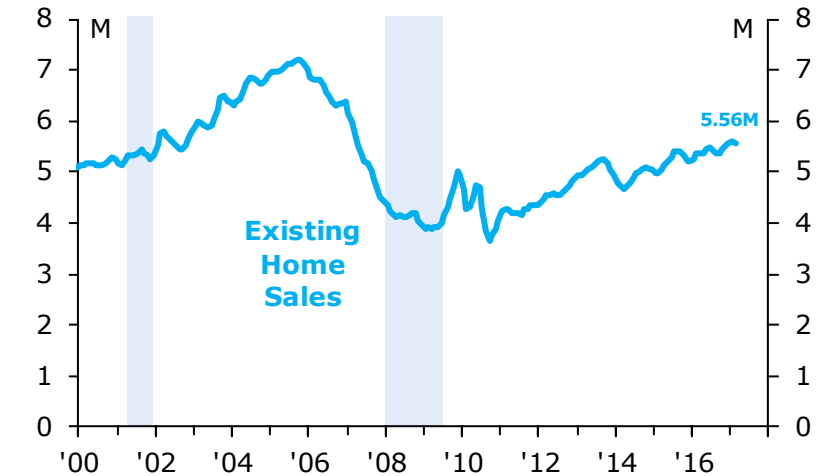
U.S. Visible Housing Inventory, 12-Month MA



Source: Floating Path, Census Bureau, National Association of Realtors

...And Distressed Homes Have Mostly Already Been Removed From The Market

U.S. Home Sales, SAAR, 3-Month MA

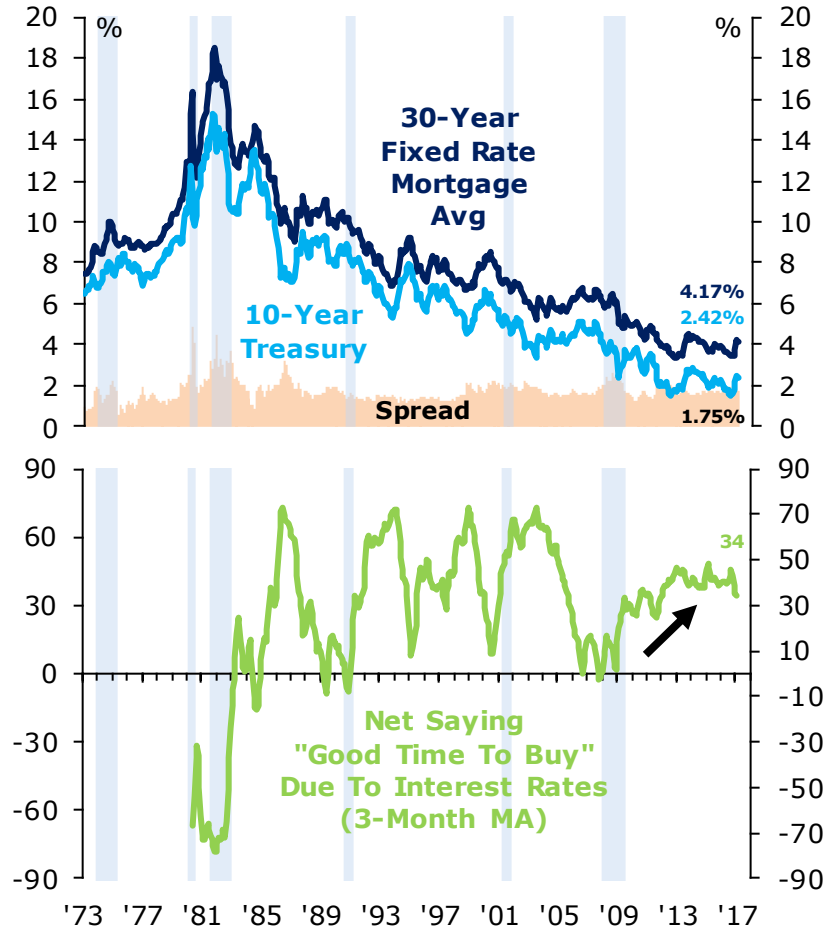


Source: Floating Path, National Association of Realtors

Rates Finally Low Enough?

Borrowing Costs Remain A Tailwind With Mortgage Rates Low...

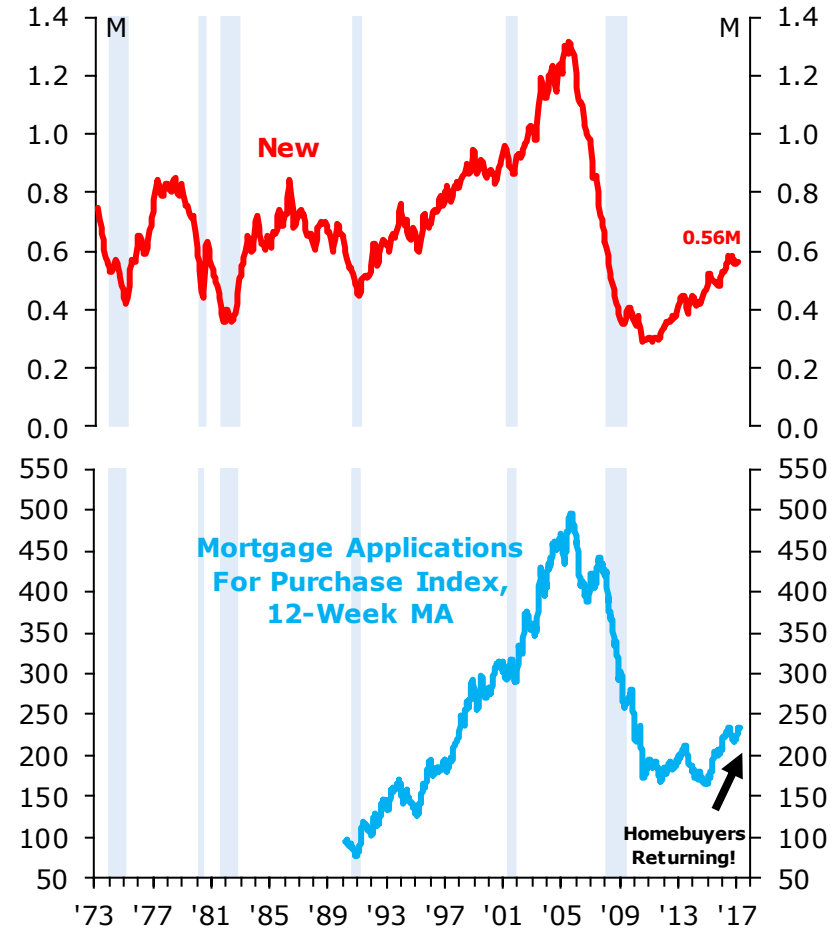
U.S. Interest Rates And Home Buying Sentiment



Source: Floating Path, Freddie Mac, University of Michigan

...Mortgage Applications Have Been Accelerating Since Early 2015

U.S. Home Sales, SAAR, 3-Month MA And Mortgage Apps

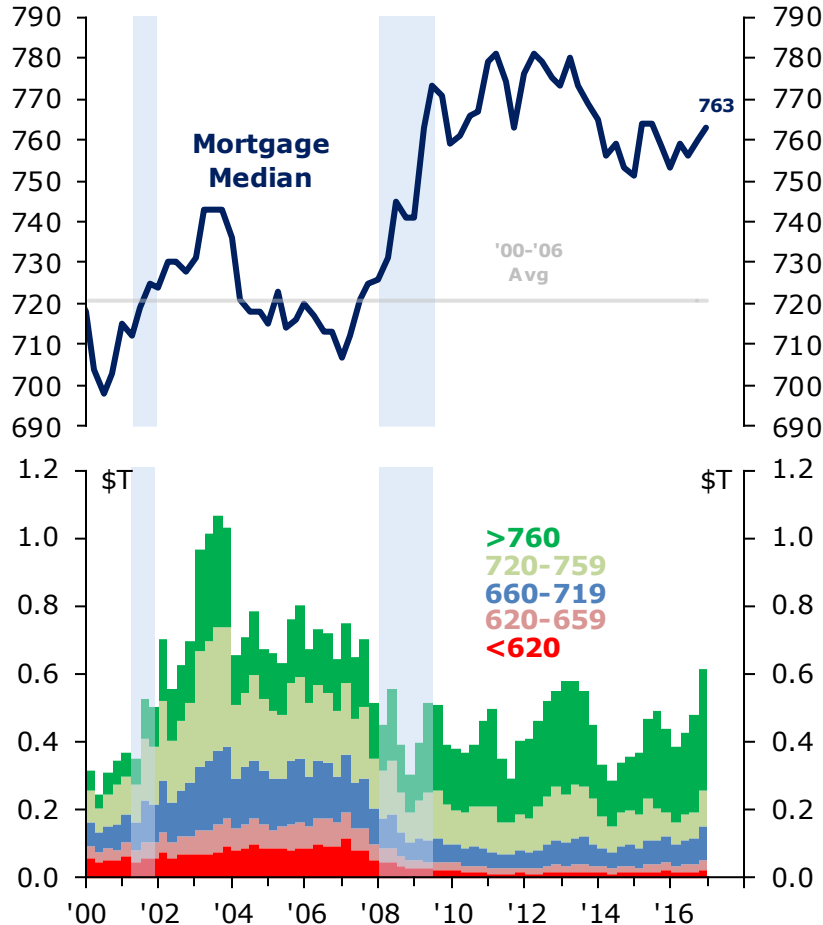


Source: Floating Path, Census Bureau, MBA

Mortgage Credit And Delinquency

The Median Credit Score Of New Mortgages In Q4 Increased To 763...

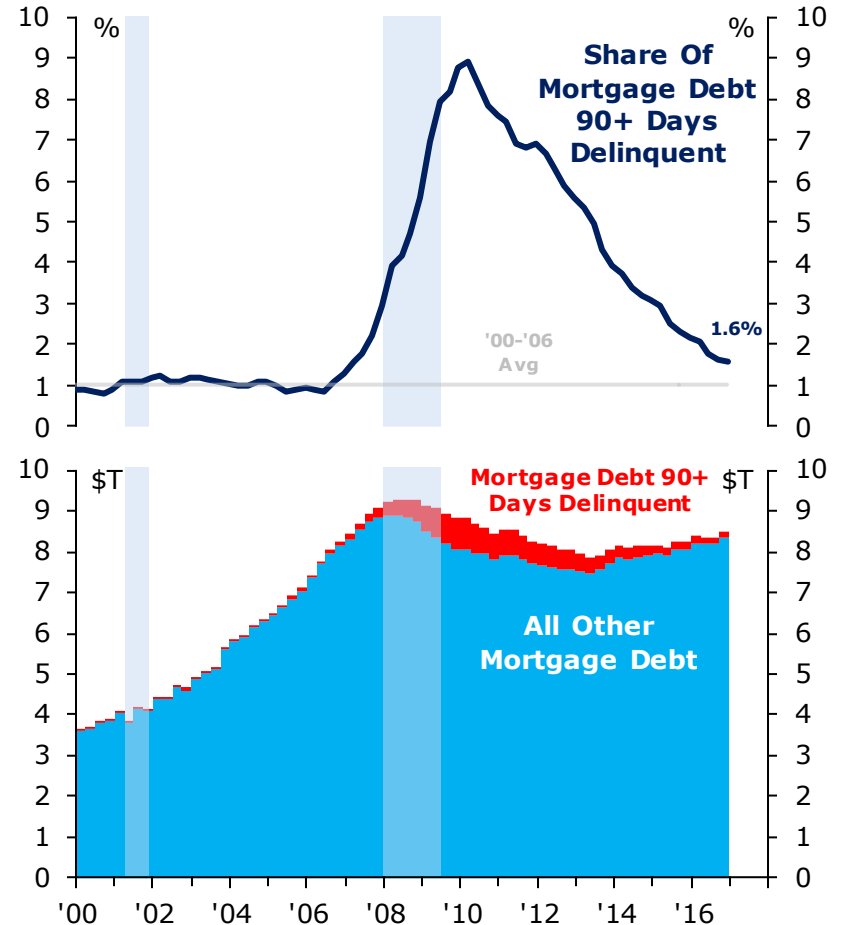
U.S. Mortgage Originations By Credit Score



Source: Floating Path, Federal Reserve

...The Share Of Mortgages That Were Seriously Delinquent Declined To 1.6%

U.S. Mortgage Delinquency

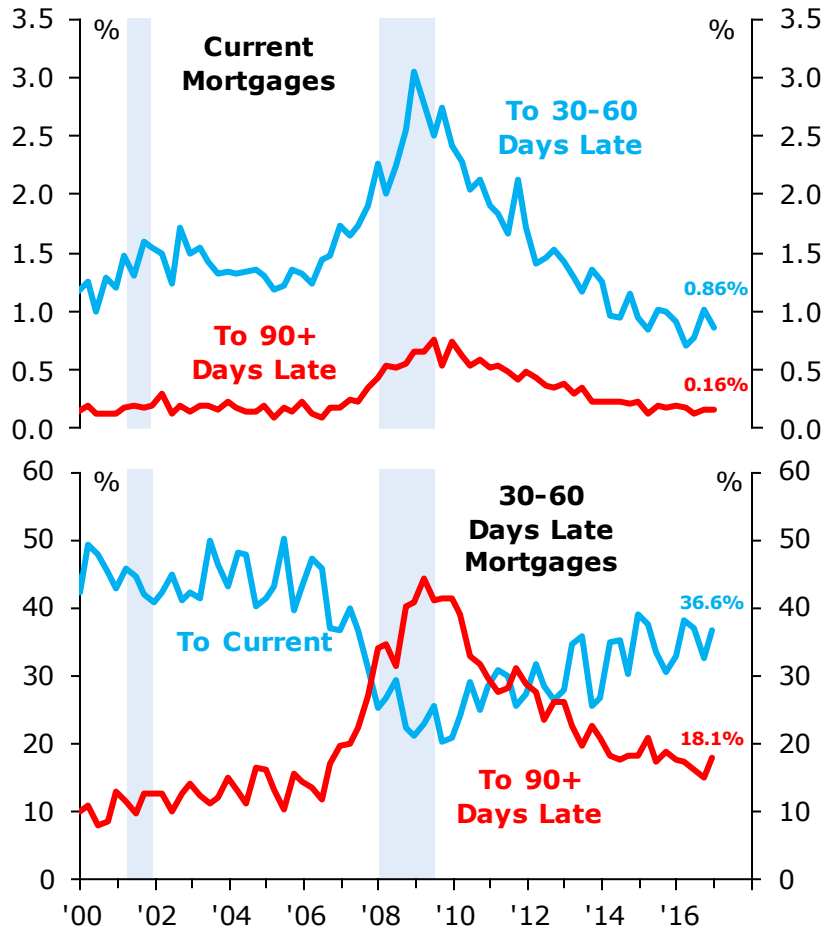


Source: Floating Path, Federal Reserve

Mortgage Transitions And Collections

In Q4, A Little Over 1.0% Of Current Mortgage Accounts Became Late On Payments...

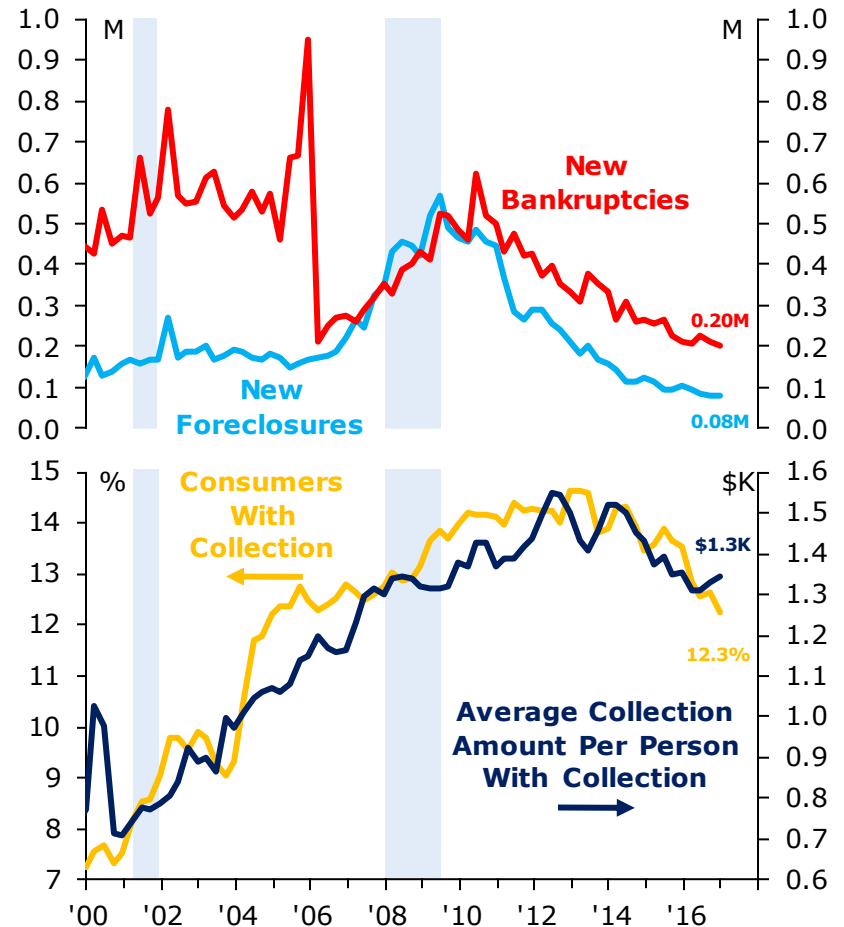
U.S. Quarterly Transition Rates For Mortgage Accounts



Source: Floating Path, Federal Reserve

...12.3% Of Consumers Have Debts With Third Party Collectors

U.S. Consumer Bankruptcies, Foreclosures, And Third Party Collections

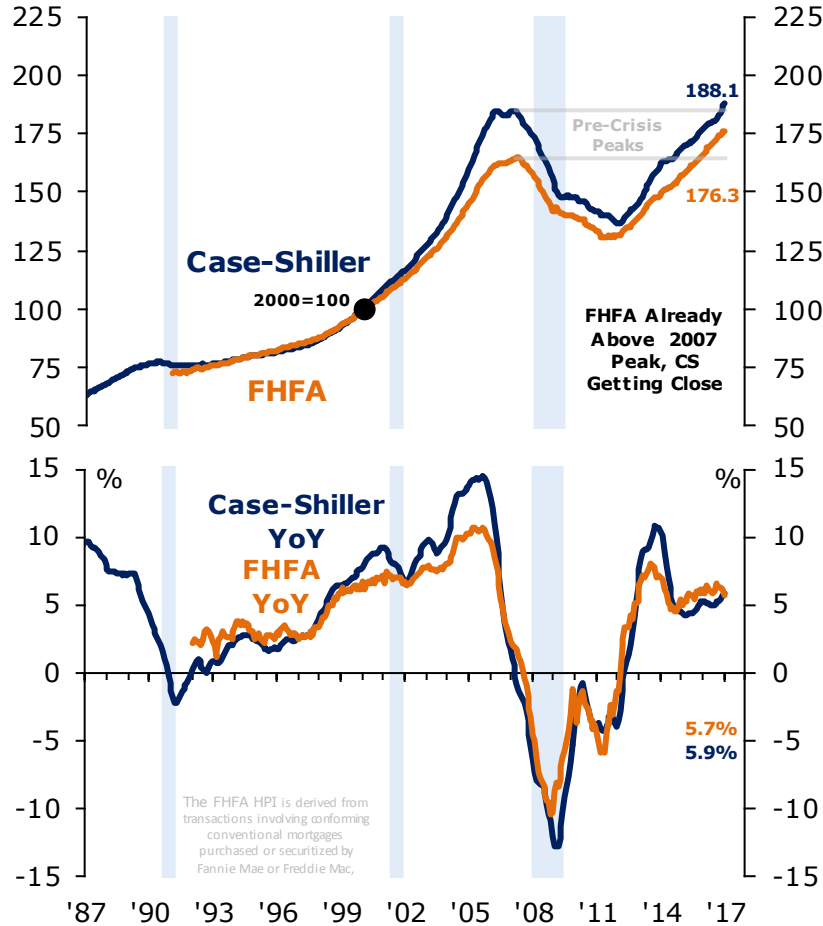


Source: Floating Path, Federal Reserve

House Prices Growing Steadily

National House Prices Continue To Increase On A Year Over Year Basis...

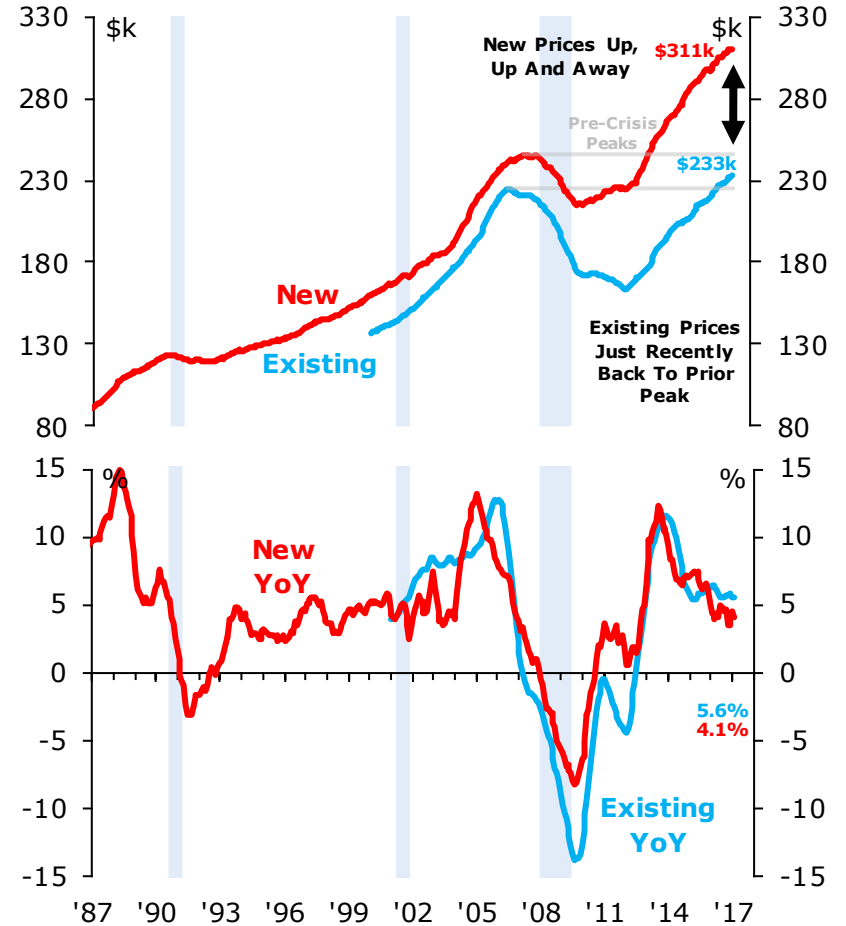
U.S. National House Price Indices



Source: Floating Path, S&P, FHFA

...New And Existing Home Purchase Prices Continue To Trend Higher

U.S. Median Home Sales Prices, 12-Month MA

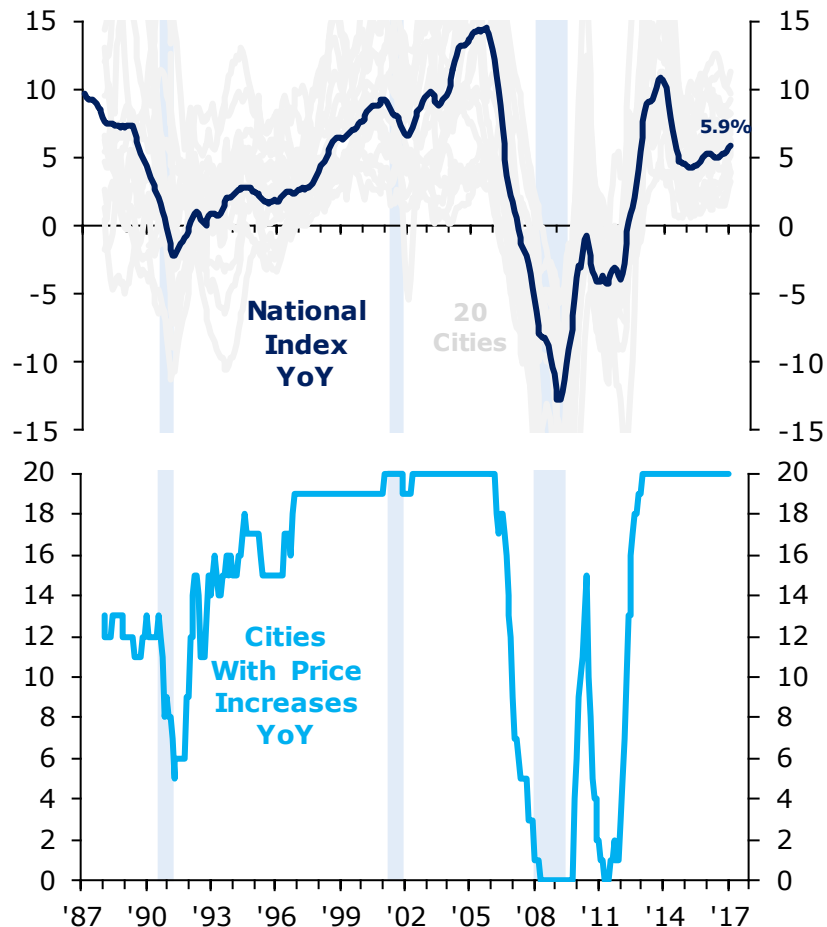


Source: Floating Path, Census Bureau, National Association of Realtors

Price Growth Broad Based Across Cities

Home Prices Have Increased From A Year Ago In 20 Of 20 Case-Shiller City Indices...

U.S. Case-Shiller National House Prices And Diffusion Index



Source: Floating Path, S&P

...Prices Nationally Are Now 1.9% Above Pre-Crisis Peak And 37.7% Above Post-Crisis Trough

U.S. Case-Shiller House Price Indices

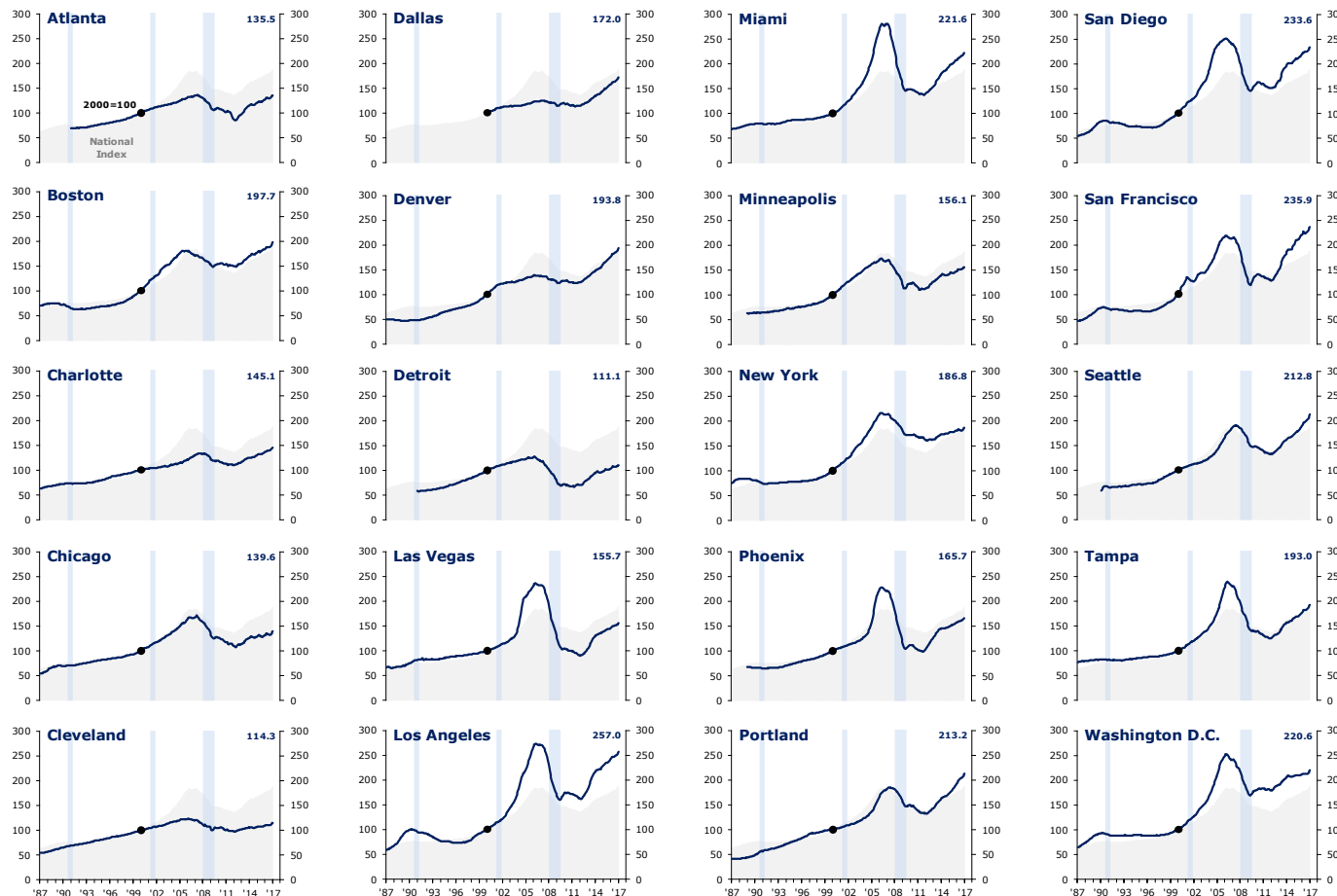
City	Δ YoY (%)	Δ From Peak (%)	Δ From Low (%)
U.S. National	5.9	1.9	37.7
20-City Comp.	5.7	-5.4	42.6
Atlanta	5.9	-0.4	58.9
Boston	7.0	9.3	32.8
Charlotte	6.0	8.4	31.9
Chicago	5.8	-18.5	30.4
Cleveland	3.9	-7.3	17.8
Dallas	8.2	36.9	51.3
Denver	9.2	39.1	57.4
Detroit	6.2	-13.1	65.8
Las Vegas	6.2	-34.0	72.0
Los Angeles	5.3	-5.9	60.8
Miami	6.7	-20.8	61.6
Minneapolis	5.4	-10.2	41.7
New York	3.2	-13.8	16.2
Phoenix	5.1	-27.3	66.8
Portland	9.7	15.0	61.9
San Diego	5.7	-7.2	60.7
San Francisco	6.3	7.6	96.8
Seattle	11.3	11.7	60.7
Tampa	8.1	-19.3	54.2
Wash. D.C.	3.9	-12.8	30.1

Source: Floating Path, S&P

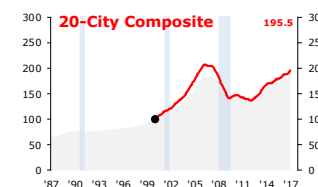
House Price Indices Across Cities

Since 2000, House Prices Have Appreciated More Than The National Index In 10 Of 20 Cities...Prices Have Appreciated The Most In California, With Los Angeles, San Francisco, And San Diego On Top

U.S. Case-Shiller House Price Indices



City	Δ From 2000 (%)
Los Angeles	157.0
San Francisco	135.9
San Diego	133.6
Miami	120.6
Wash. D.C.	113.2
Portland	112.8
Seattle	112.8
Boston	97.7
20-City Comp.	95.5
Denver	93.8
Tampa	93.0
U.S. National	88.1
New York	86.8
Dallas	72.0
Phoenix	65.7
Minneapolis	56.1
Las Vegas	55.7
Charlotte	45.1
Chicago	39.6
Atlanta	35.5
Cleveland	14.3
Detroit	11.1

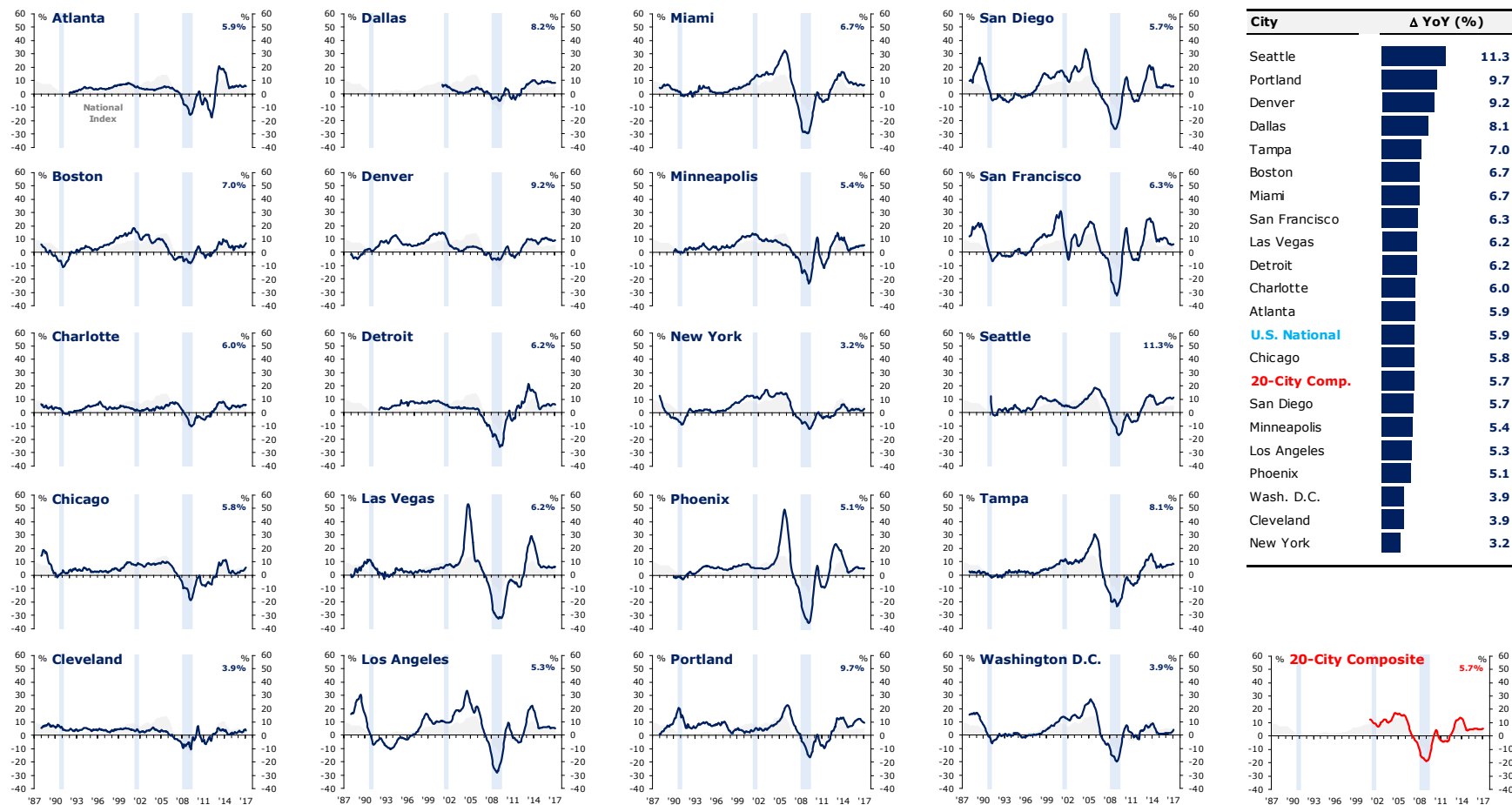


Source: Floating Path, S&P

House Price Growth Across Cities

Of The 20 Case-Shiller City Indices, Prices Have Risen The Most Year Over Year On The West Coast, With Seattle And Portland On Top...Prices Are Increasing At The Slowest Rate In New York City

U.S. Case-Shiller House Price Indices YoY

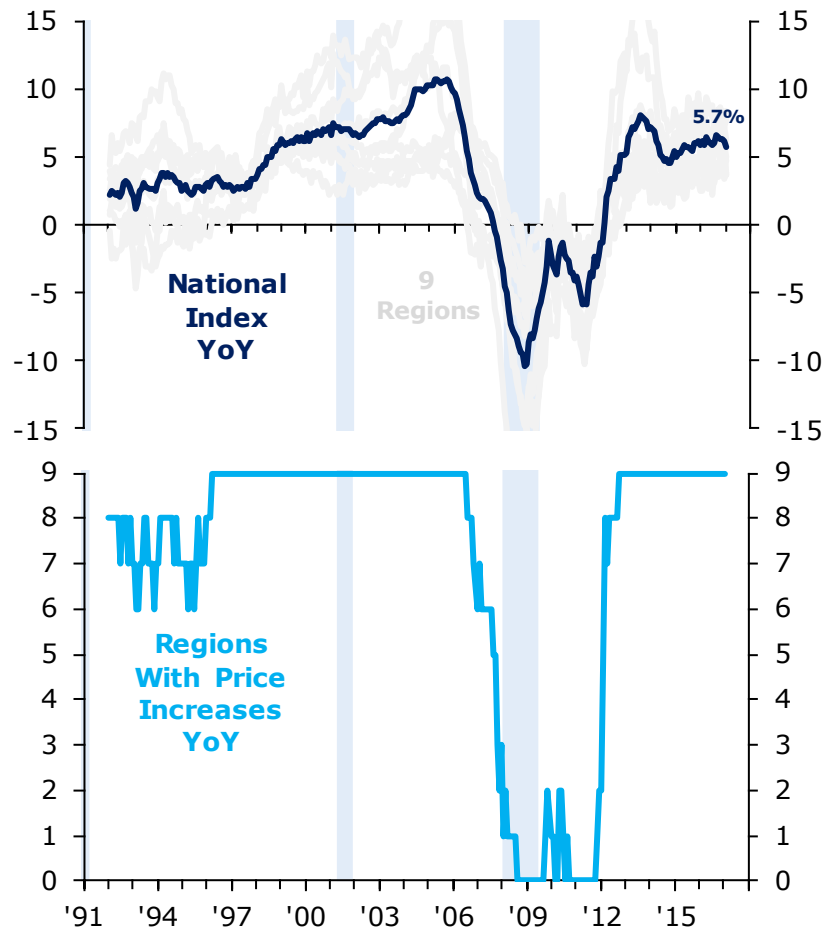


Source: Floating Path, S&P

Price Growth Broad Based Regionally

FHFA Home Prices Have Increased From A Year Ago In 9 Of 9 Regional Indices...

U.S. FHFA National House Prices And Diffusion Index

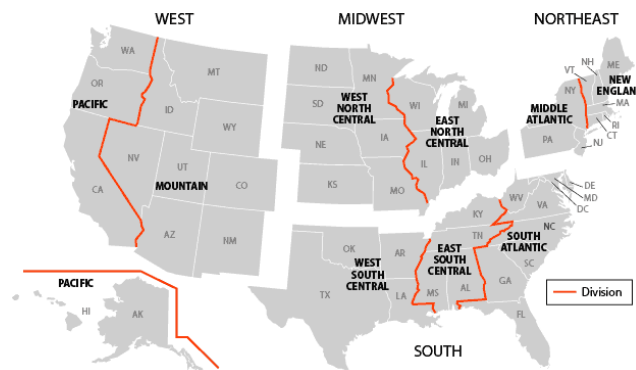


Source: Floating Path, FHFA

...Prices Nationally Are 7.0% Above Their Pre-Crisis Peak And 35.2% Above Post-Crisis Trough

U.S. FHFA National House Price Indices

Region	Δ YoY (%)	Δ From Peak (%)	Δ From Low (%)
U.S. National	5.7	7.0	35.2
Pacific	7.8	-2.0	62.3
Mountain	8.3	7.3	58.6
W. N. Central	4.7	12.7	27.8
E. N. Central	5.0	3.8	28.3
W. S. Central	6.0	29.7	51.0
E. S. Central	3.6	10.2	27.0
South Atlantic	6.2	1.4	40.6
Middle Atlantic	3.8	-0.6	14.7
New England	3.7	-0.8	18.9

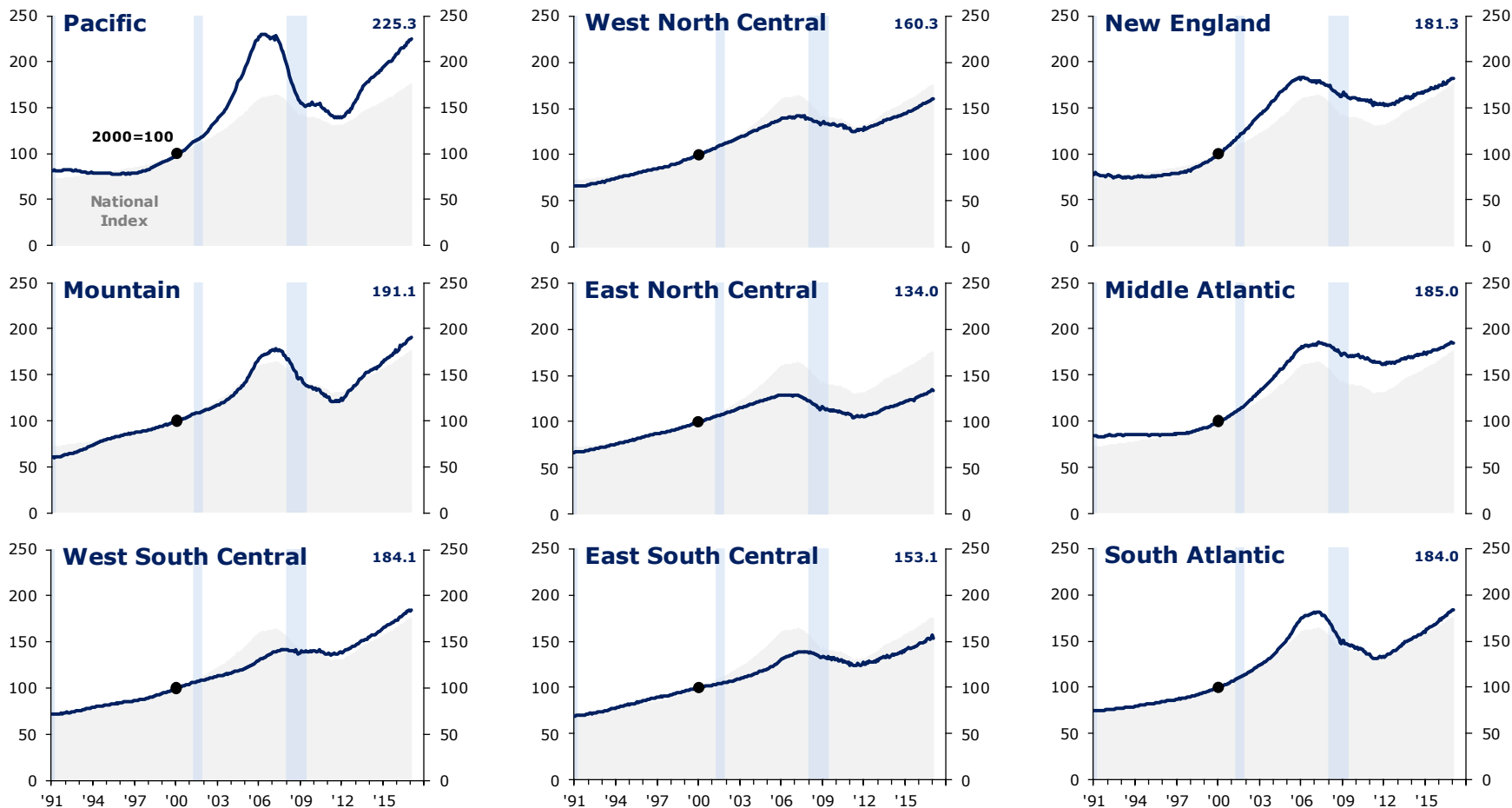


Source: Floating Path, FHFA

House Price Indices Across Regions

Since 2000, FHFA House Prices Have Grown The Most In The Pacific And The Least In The East North Central Census Regions

U.S. FHFA National House Price Indices

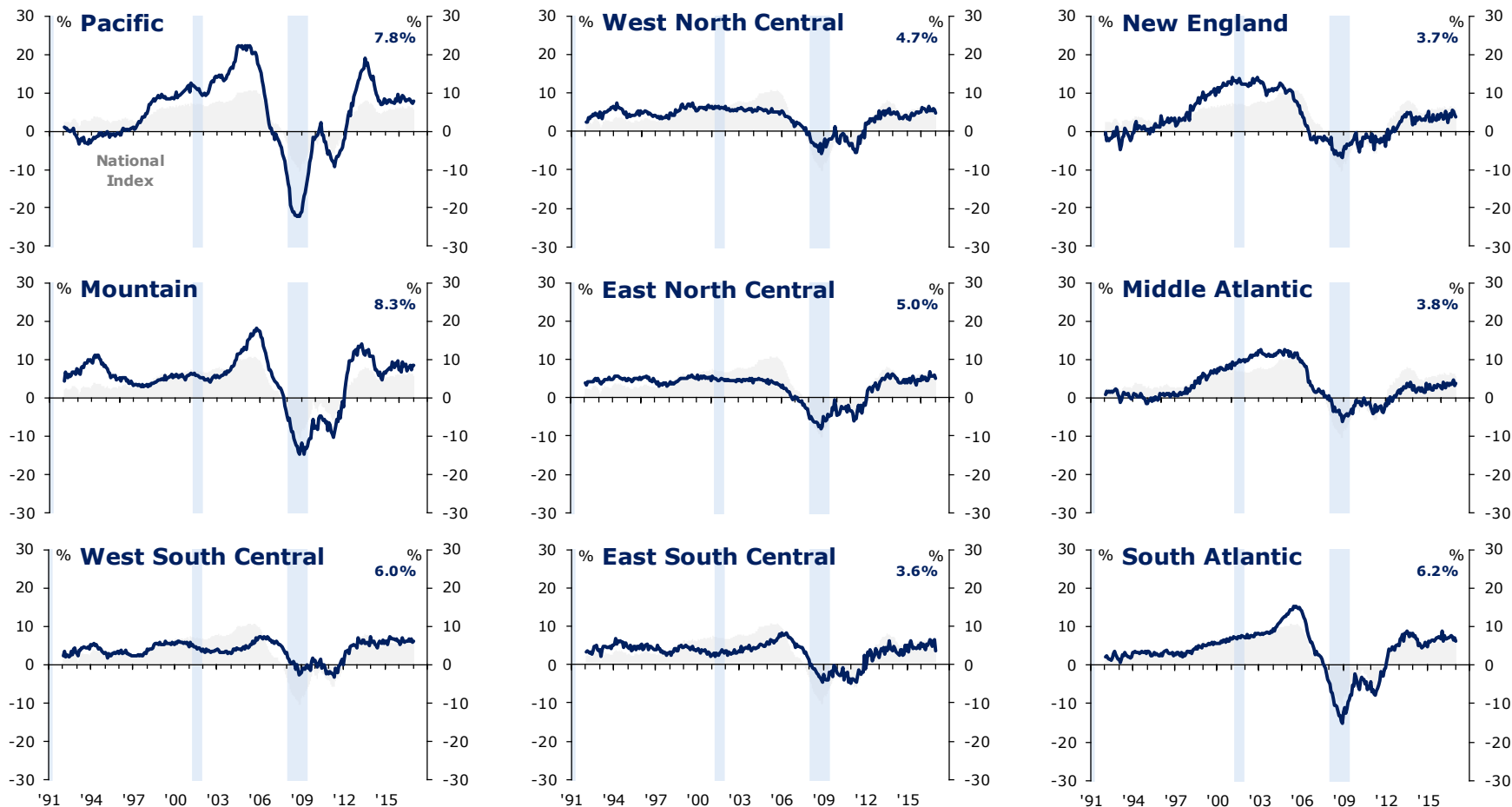


Source: Floating Path, FHFA

House Price Growth Across Regions

FHFA Home Prices Have Increased From A Year Ago In 9 Of 9 Regional Indices, Rising By The Most In The Mountain Region Where They Are Up 8.3%

U.S. FHFA National House Price Indices

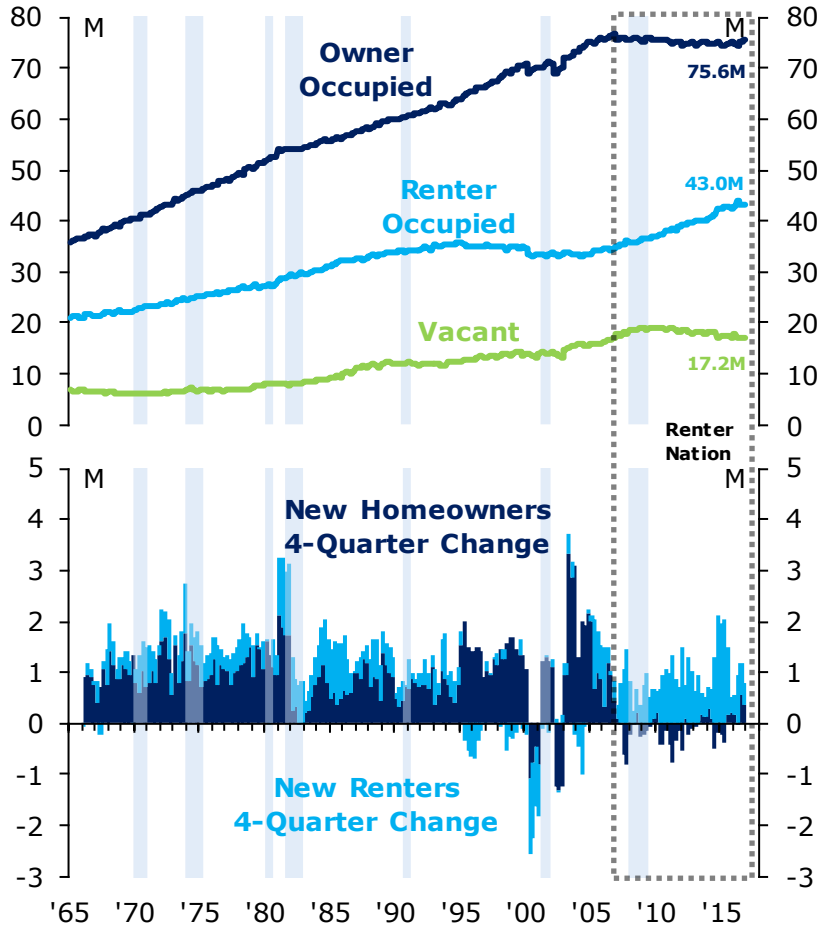


Source: Floating Path, FHFA

A Decade Of Renters

Unlike Over The Prior Decades, Only Renters Have Been Growing In Recent Years...

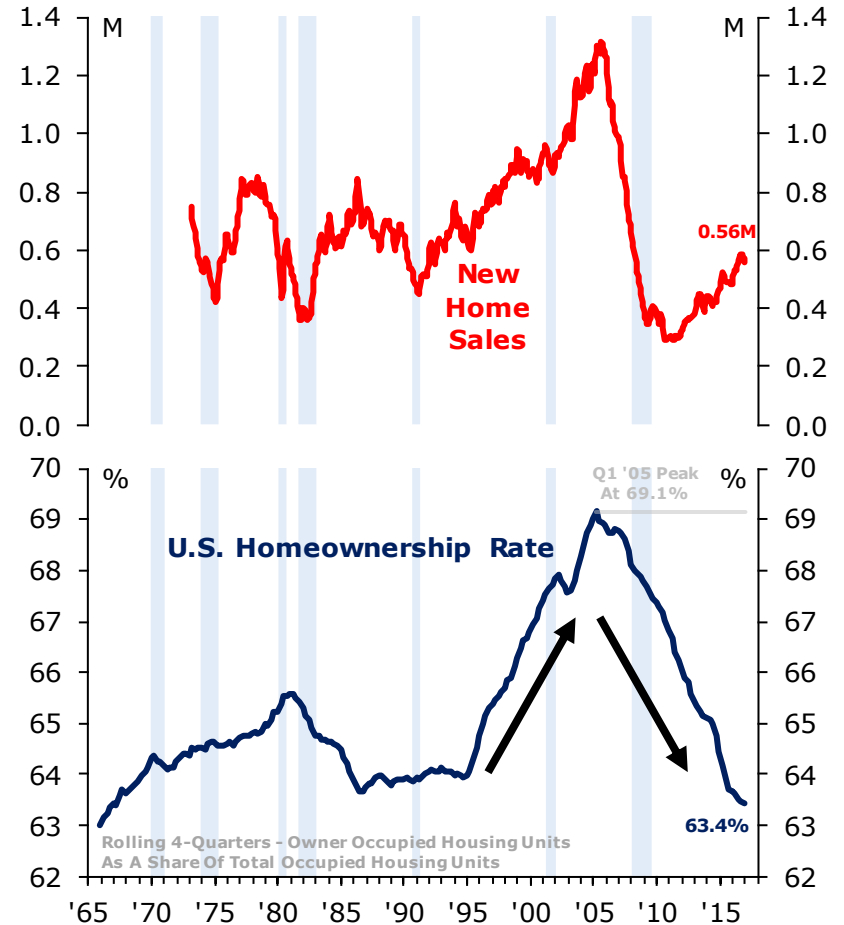
U.S. Housing Units



Source: Floating Path, Census Bureau

...After Rising From '95-'04, Homeownership Has Dropped Back Down To Below 64%

U.S. New Home Sales, SAAR, 3-Month MA And Homeownership

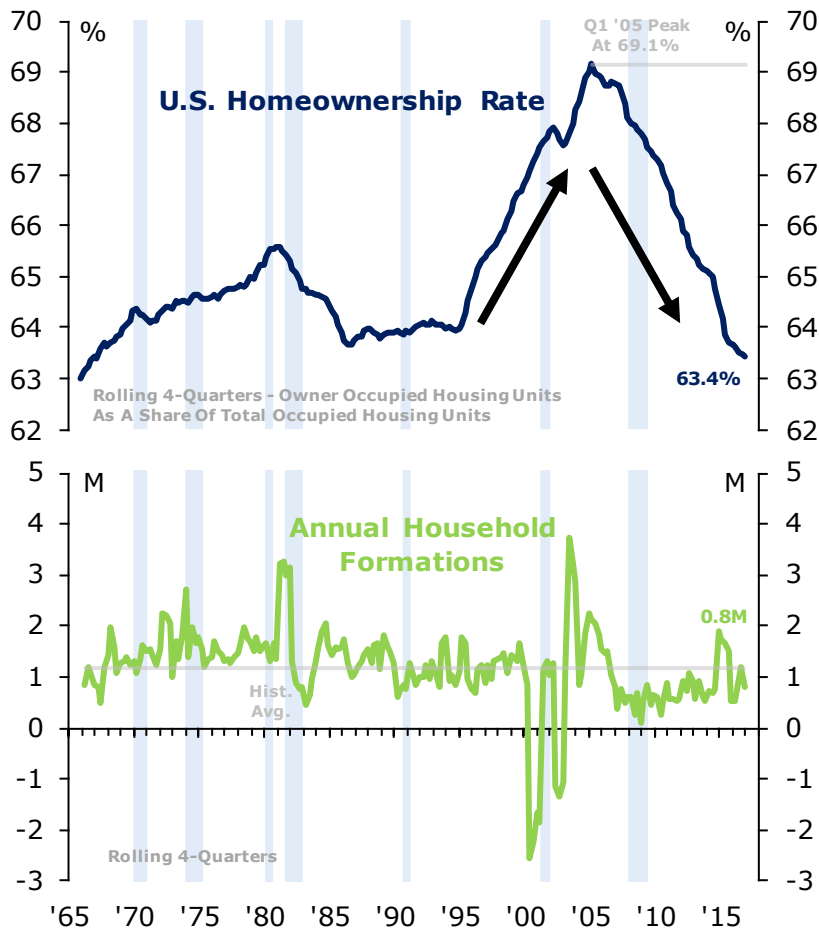


Source: Floating Path, Census Bureau

Crowded Living, Pent-Up Demand

Homeownership And Household Growth Are Low, Where Are The Homebuyers?...

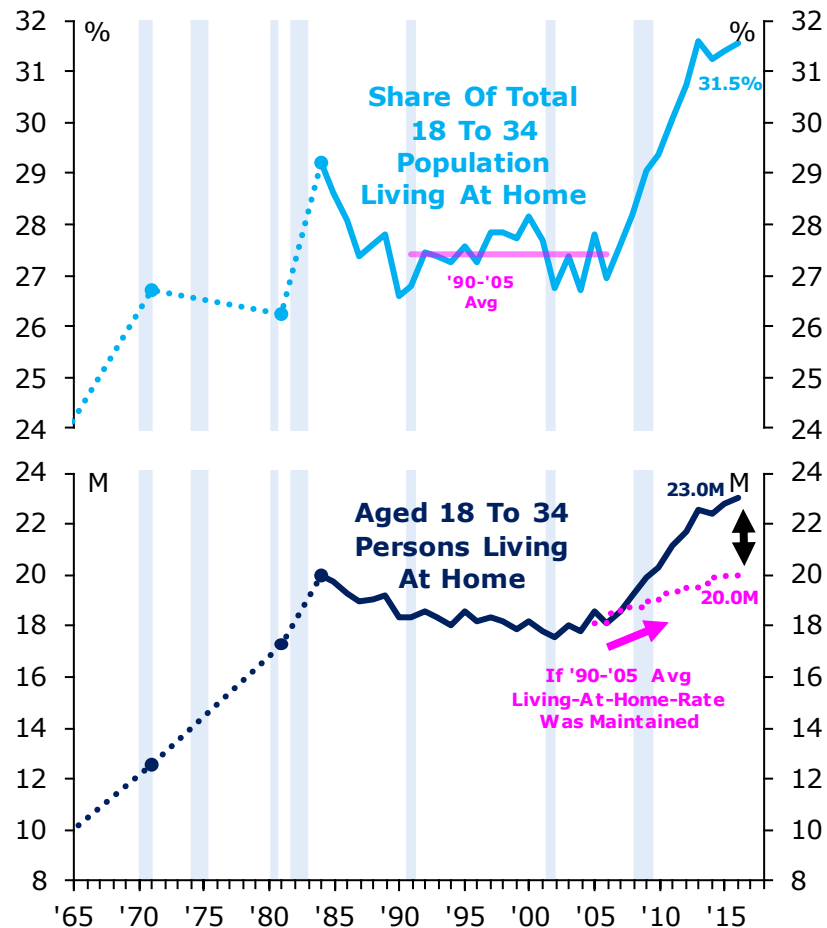
U.S. Homeownership And Household Formations



Source: Floating Path, Census Bureau

...Millions Of Potential Buyers (And Renters) Are Still Living In The Basement

U.S. Persons Aged 18 To 34 Living At Home



Source: Floating Path, Census Bureau