

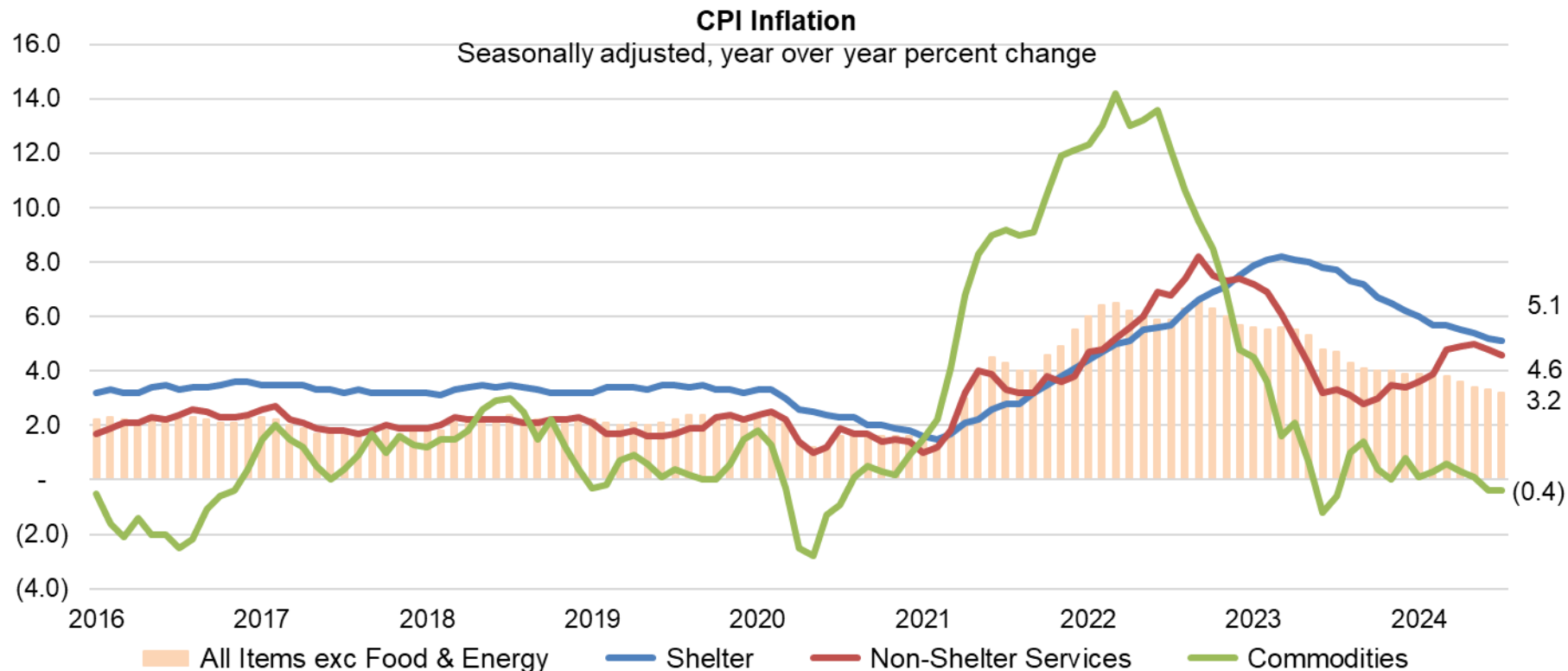
**Economic and Mortgage Market Outlook**  
**Prepared for the International Union for Housing Finance 32<sup>nd</sup> World Congress**  
**Session 1: Regional Developments in Housing Finance and the Economy**

September 18, 2024

**Presented by:**  
Eddie Seiler, Ph.D.

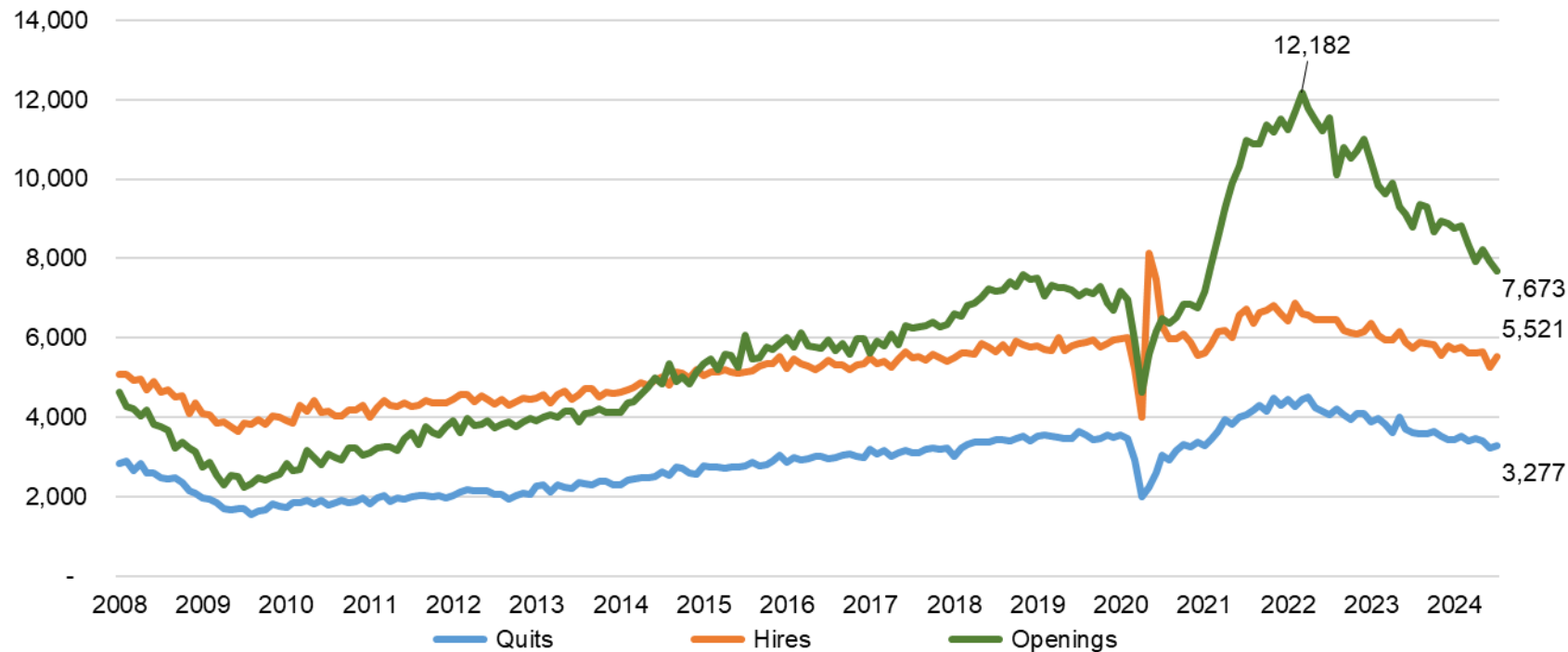


# U.S. Inflation Continuing to Come Down Steadily to Fed's 2% Target

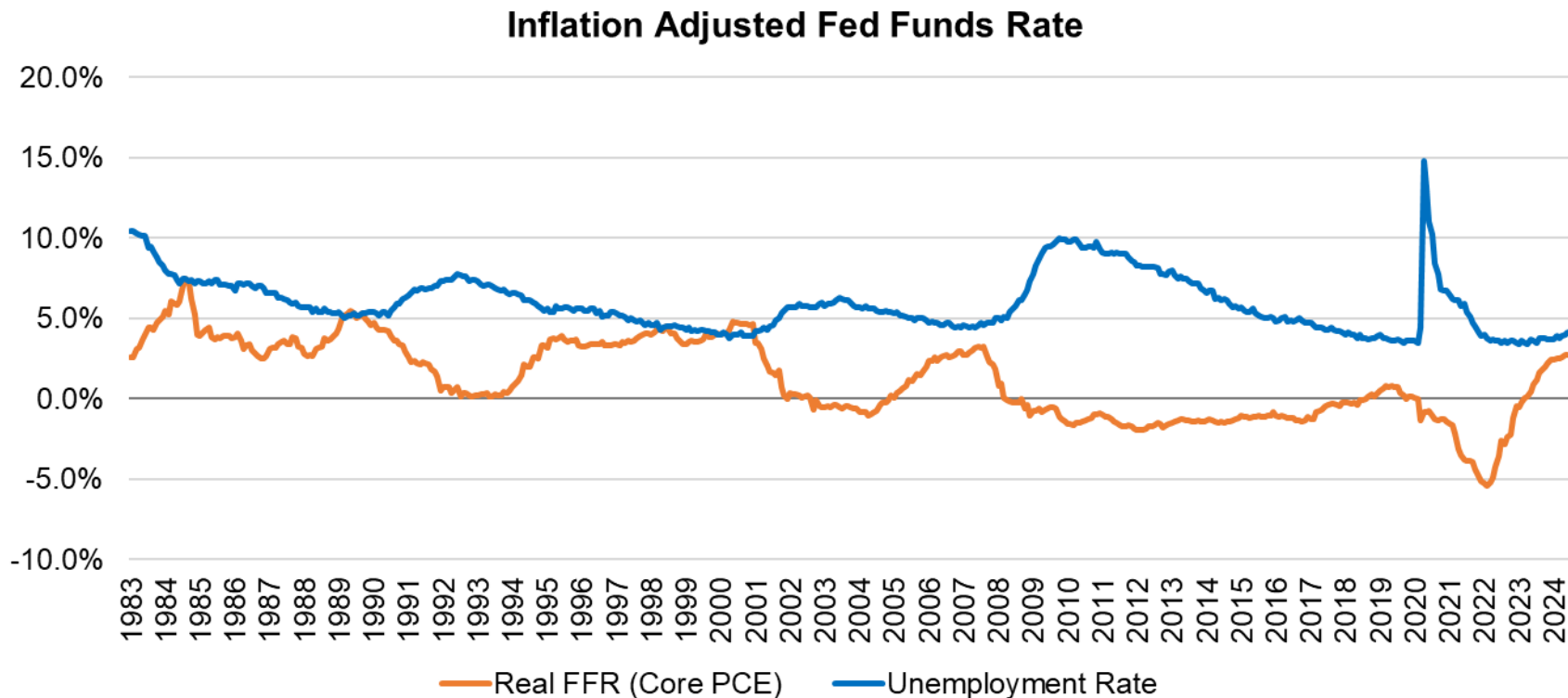


# U.S. Job Market Cooling

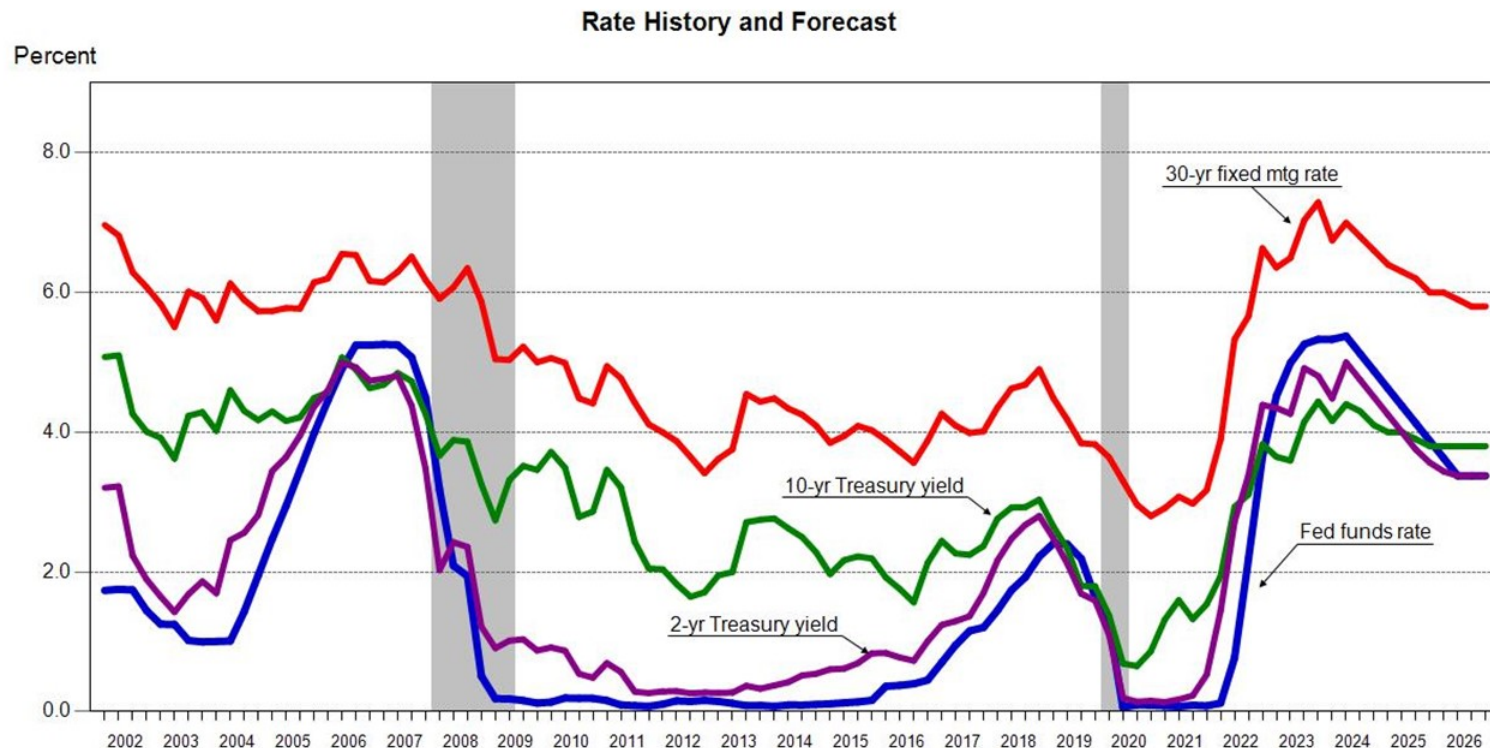
Private Job Openings, Hires, and Quits  
Seasonally adjusted, thousands



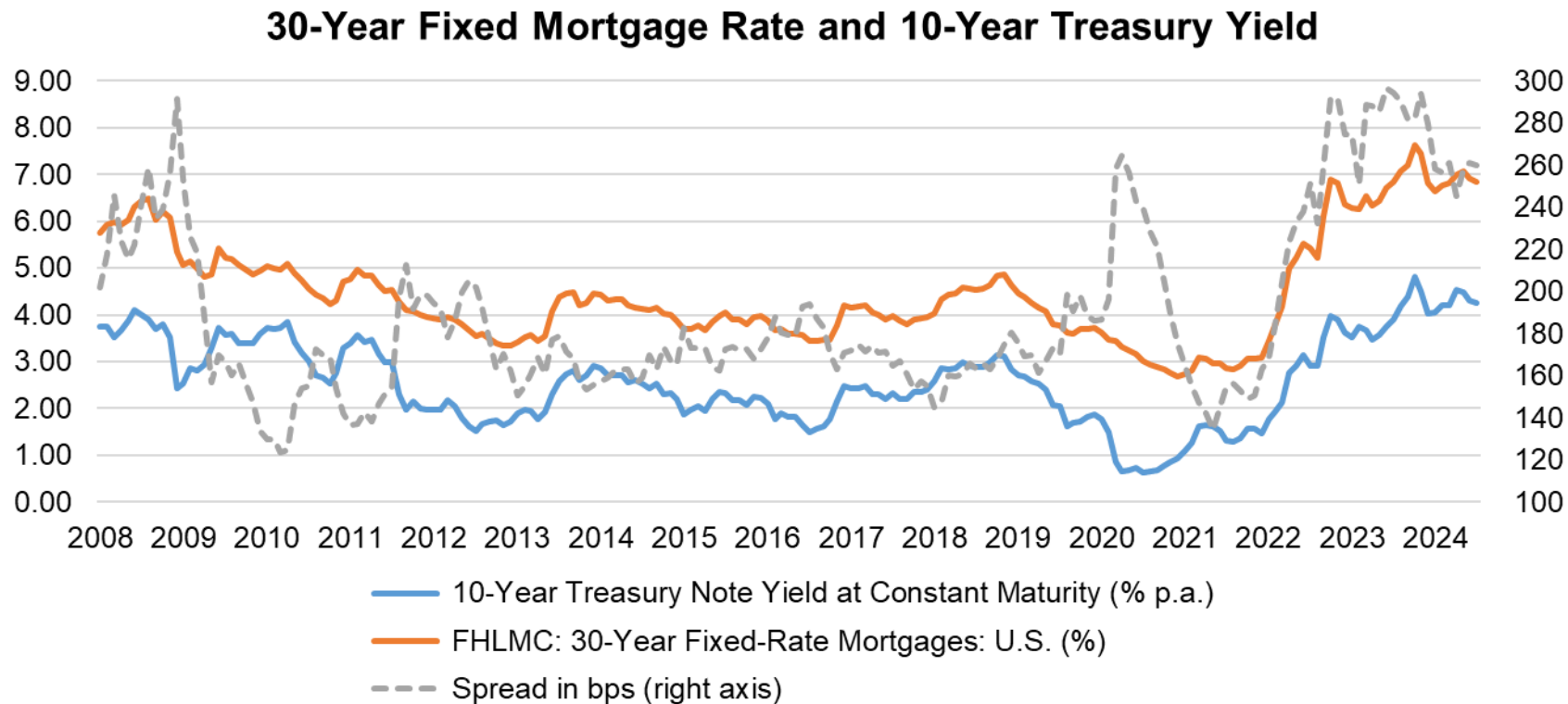
# Turning Point for the U.S. Funds Rate?



# Fed Funds Rate: Expect Two Cuts This Year

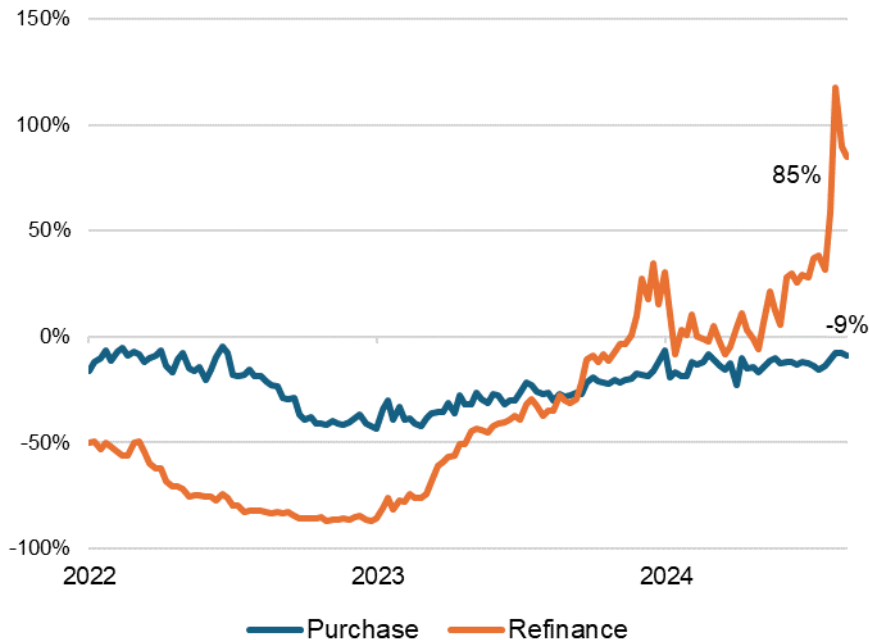


# Spreads in U.S. Narrower But Still Wider Than Historical Averages

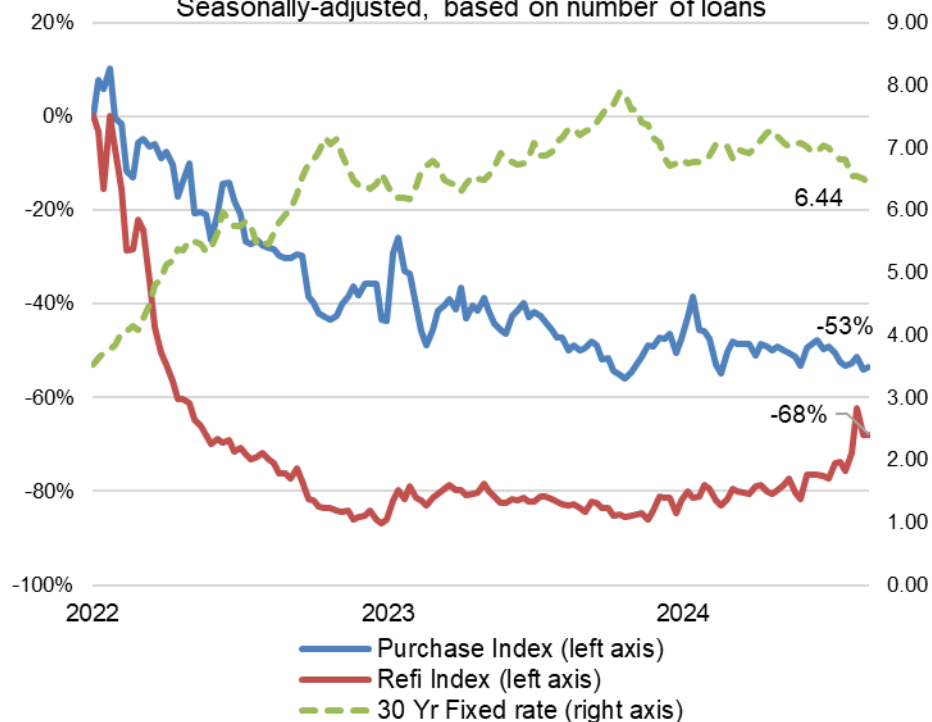


# U.S. Refinance Applications Have Picked Up

**Purchase and Refinance Applications**  
YOY pct chg, based on # loans

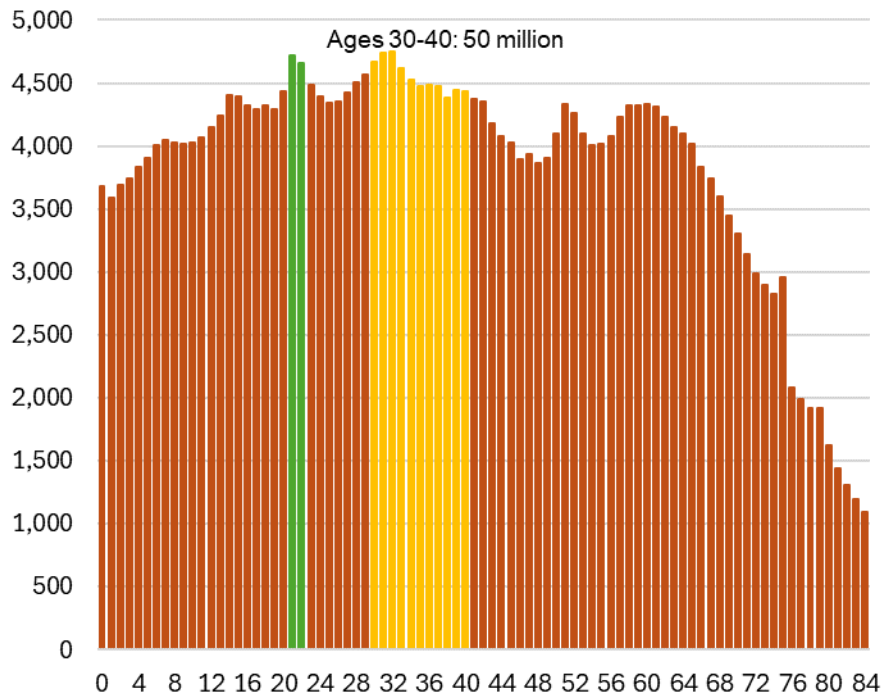


**Change in Applications Relative to January 2022**  
Seasonally-adjusted, based on number of loans

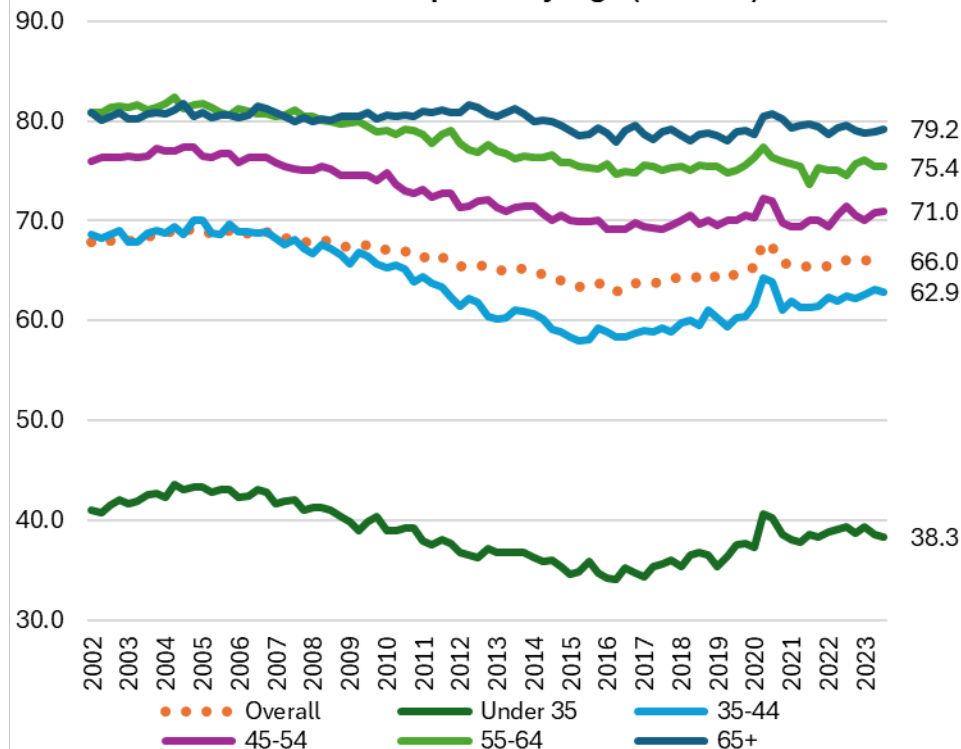


# Demographic Support for Home Purchases in the United States

Population by Age: Census Bureau 2022 Estimates  
(Thousands)

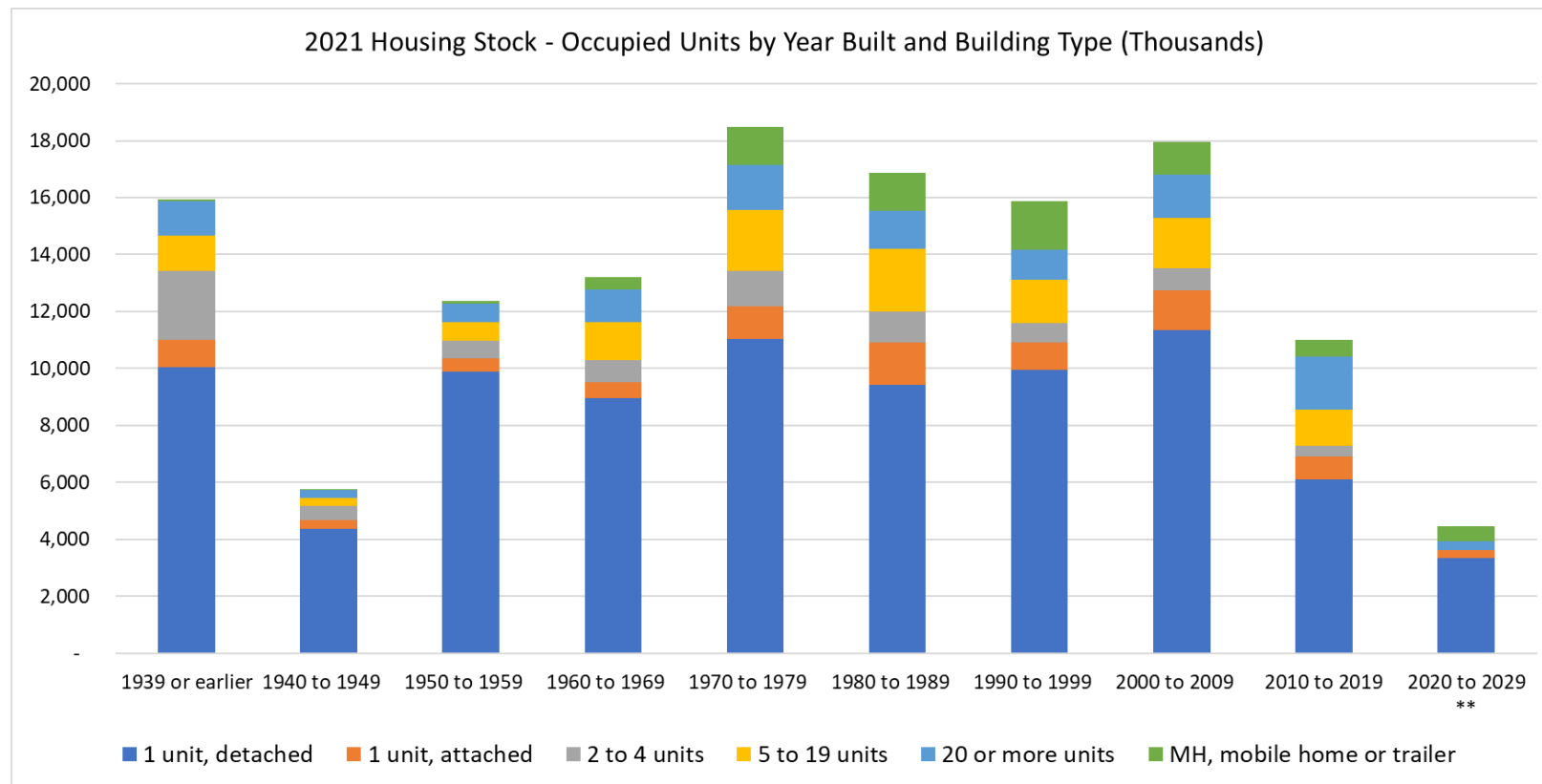


Homeownership Rate by Age (Percent)



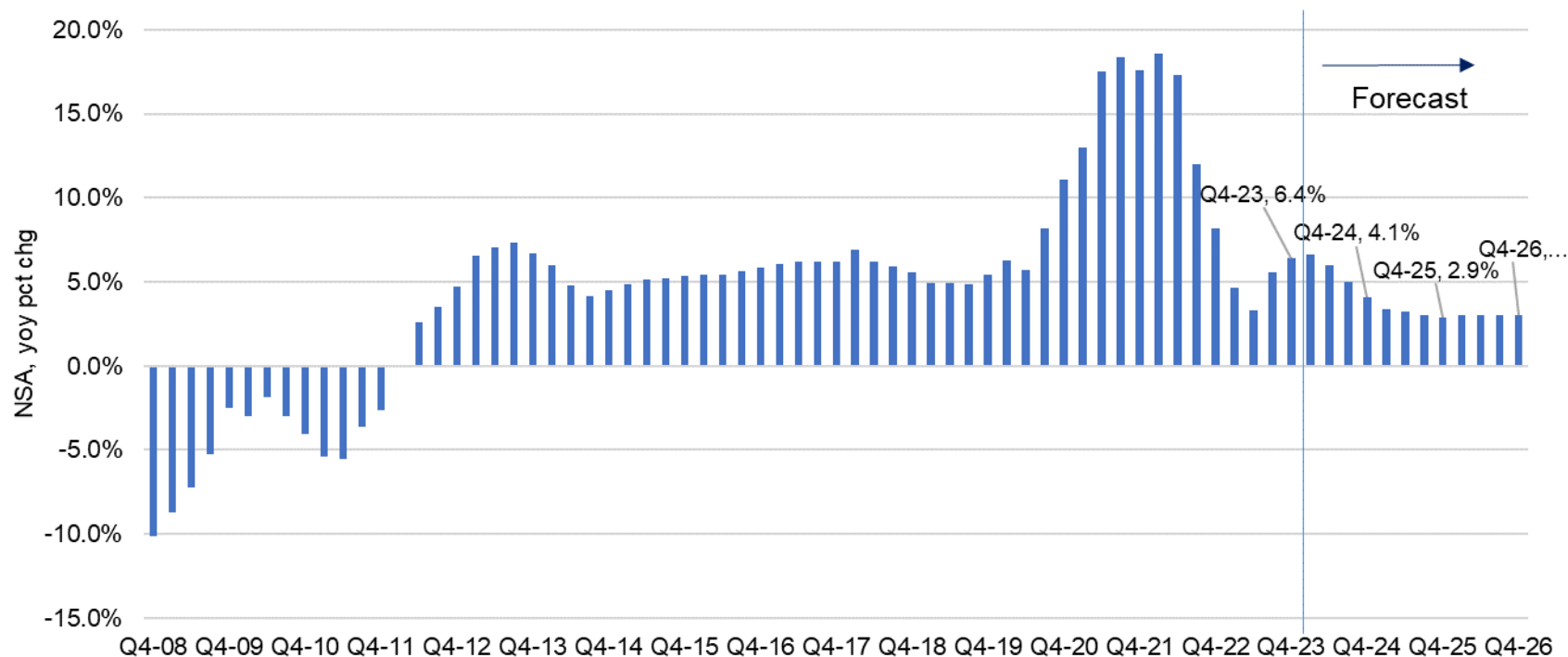


# Structural Undersupply of Housing in U.S.



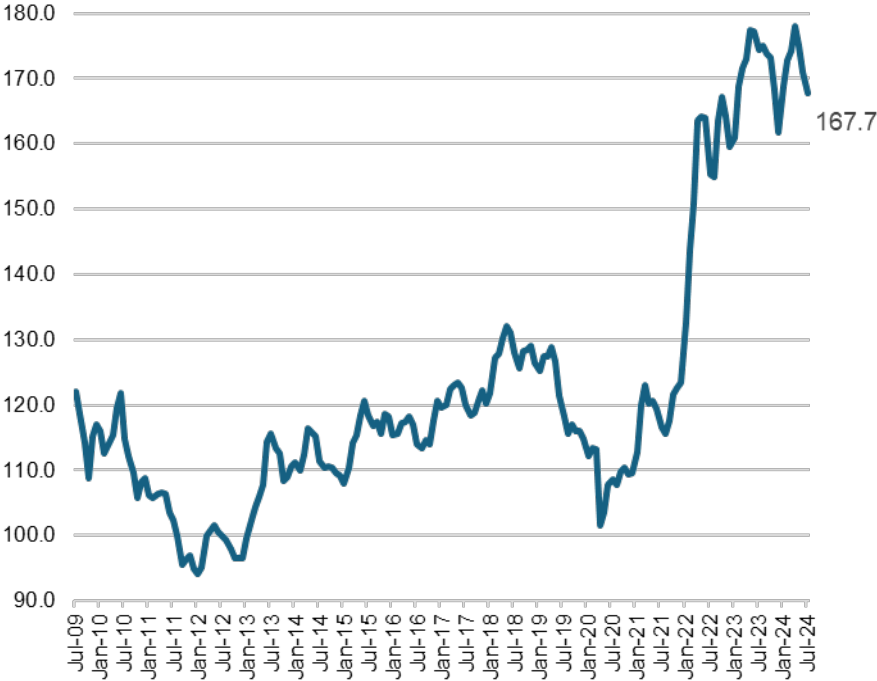
# U.S. National House Price Appreciation Moderating But Expected To Remain Positive

## FHFA Purchase Only House Price Index, MBA Forecast

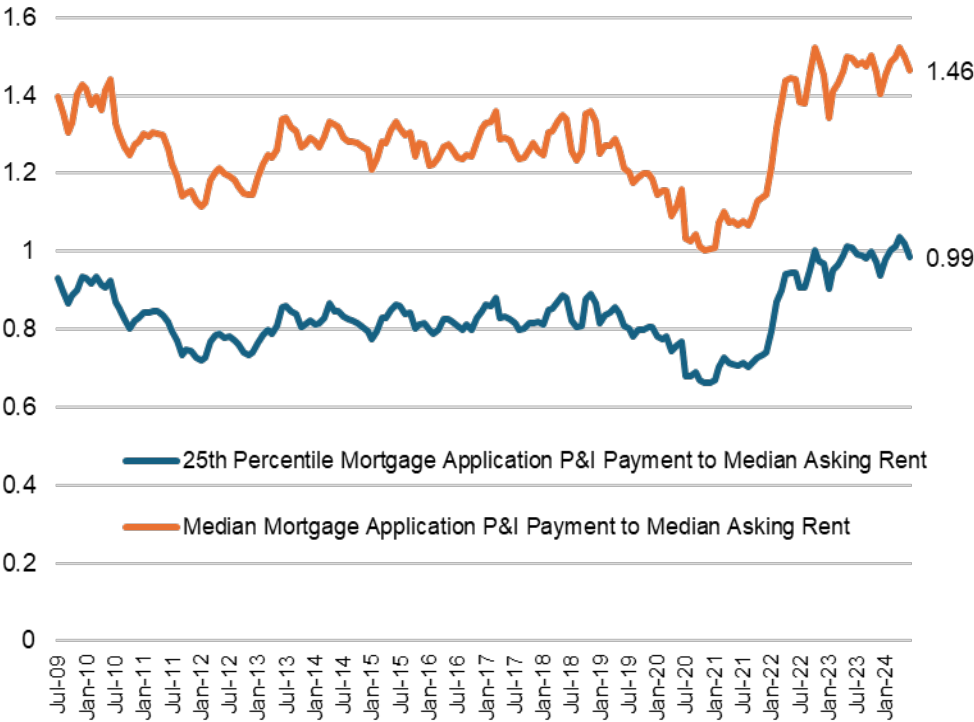


# Affordability Conditions Have Worsened

Purchase Applications Payment Index for All U.S.  
(March 2012 = 100)



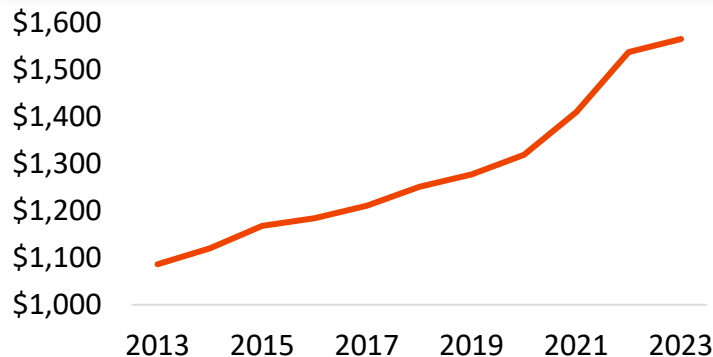
Mortgage Payment to Rent Ratio





# Rising Property Insurance Impacts Affordability for Owners (Especially Those With Fixed or Low Income)

## Average Insurance Premium

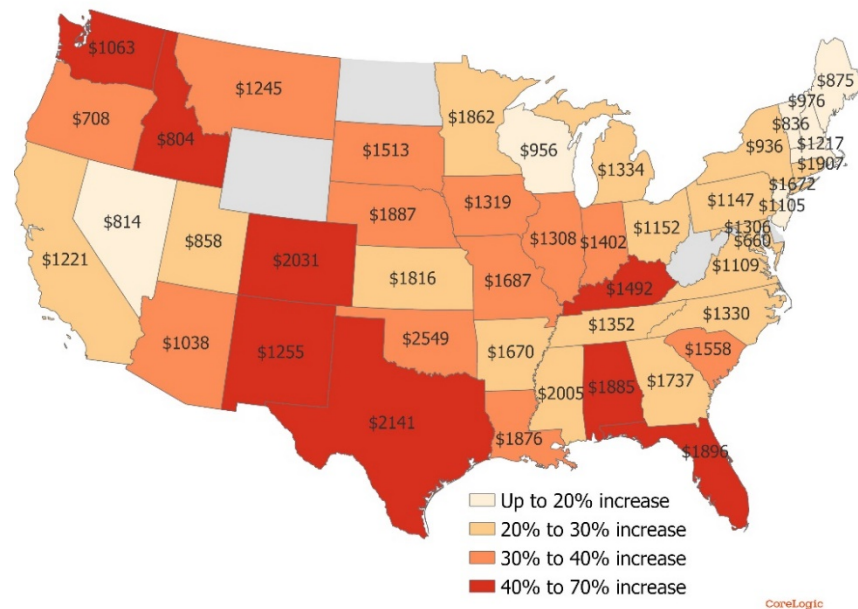


▪ 2021 to 2023 average increase: 35%

▪ **Top 5 states with highest increases:**

- Florida 68%
- New Mexico 47%
- Idaho 46%
- Colorado 46%
- Texas 46%

## Homeowner Insurance Premium and change from 2021



# Contact Information and MBA Resources

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**MBA Research:** [www.mba.org/research](http://www.mba.org/research)

**Research Institute of Housing America (RIHA):** [www.housingamerica.org](http://www.housingamerica.org)

**MBA Forecasts and Commentary:** <https://www.mba.org/news-and-research/forecasts-and-commentary>

**Chart of the Week:** <https://www.mba.org/news-and-research/research-and-economics/chart-of-the-week>

**MBA Member-Only Research Portal:** <https://www.mba.org/news-and-research/research-and-economics/single-family-research/single-family-research-for-mba-members-only>