

Q3 2024 Home Price Expectations Survey - Special Topics Questions

Field Period: July 30, 2024 - August 12, 2024

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*		Risk Assessment	Legend
				Through 2028 (Cumulative)	Annual Average		
There is risk to the upside	37	33%	33%	20.0%	3.7%	UPSIDE	
There is risk to the downside	31	28%	28%	17.1%	3.2%	DOWNSIDE	
The risk is balanced	43	38%	39%	22.3%	4.1%	BALANCED	
No Response	1	1%	n/a	33.4%	5.9%		
Total	112	100%	100%	20.2%	3.8%		

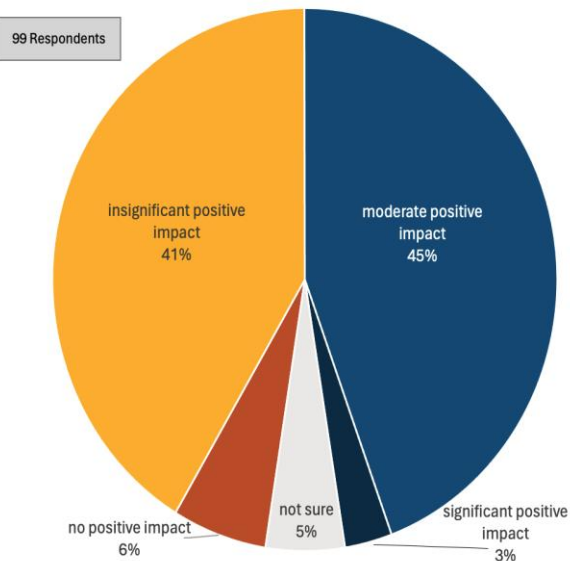
*Mean expectations of respondents by answer choice. 112 panelists participated in this quarter's survey.

Topic: The Home Supply Shortage

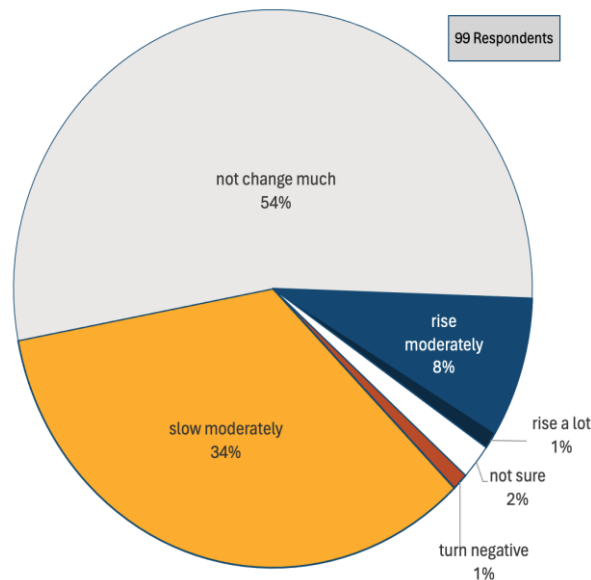
There's been a growing trend at both state and local levels to implement zoning & permitting reforms to increase housing supply and boost funding for affordable housing construction.

Which choice best reflects your view about the impact reforms implemented to date are likely to have on new construction of all home types in the coming five years?

Which choice best reflects your view concerning the marginal impact the added supply resulting from those reforms will likely have on home price growth in the coming five years?



As a result of those reforms, home price growth will...

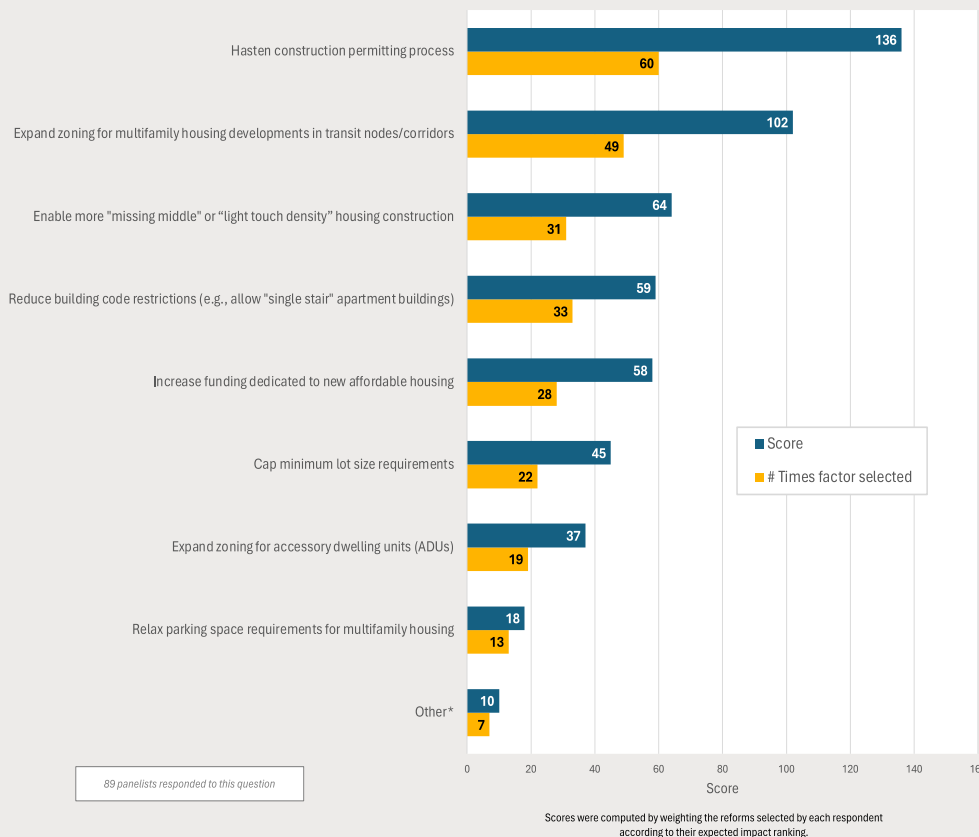


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Three potential state and local housing policy reforms that you believe would have the greatest positive impact on the overall U.S. housing supply if broadly enacted during the coming five years ranked from most to least impactful.

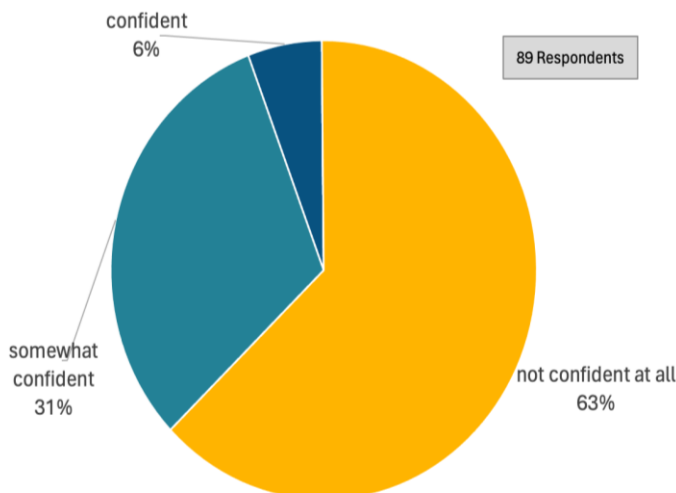
State & Local Housing Policy Reforms To Increase Supply



***Other suggested policy reforms:**

- Create homestead-like program to encourage people to move back into urban areas with high levels of empty lots & vacant properties
- Create public private partnership programs where public helps subsidize by providing land or tax credits
- Eliminate all off-street parking requirements
- Limit amount of large purchase and development for rental only
- Provide government subsidies (agency funding) of construction debt for projects targeting < 120% of AMI for individuals & households
- Provide tax credit for low income home builders.
- Restrict single-family rental construction
- Stop curbing suburban and exurban housing production
- Streamline planning/development process; reform environmental regulations (such as CEQA in CA).
- Tax incentives for low income housing construction by price range

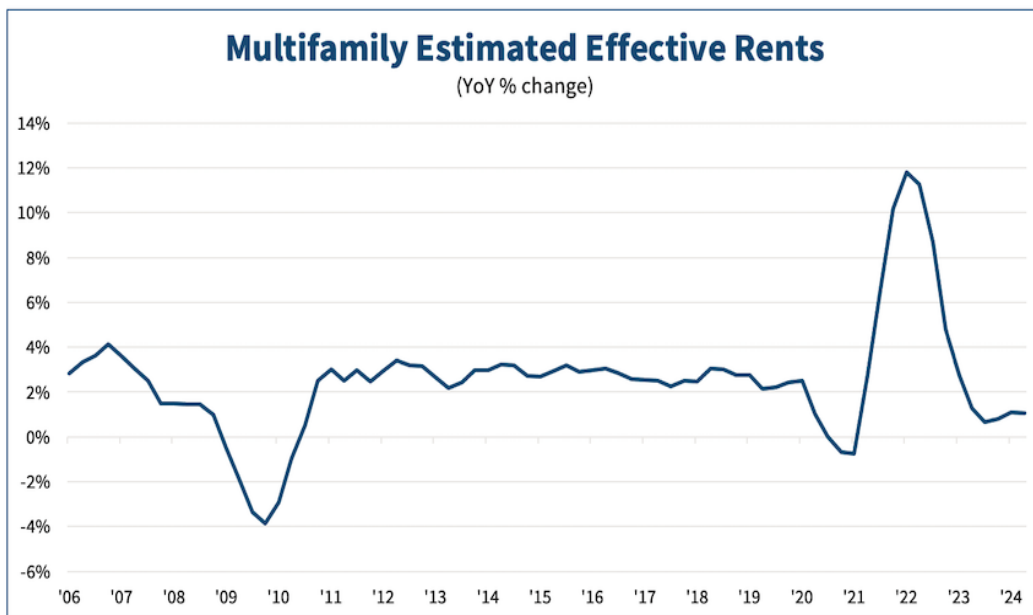
How confident are you that the initiatives you selected above will be enacted widely enough in the coming five years to provide a significant boost to the nation's home supply?



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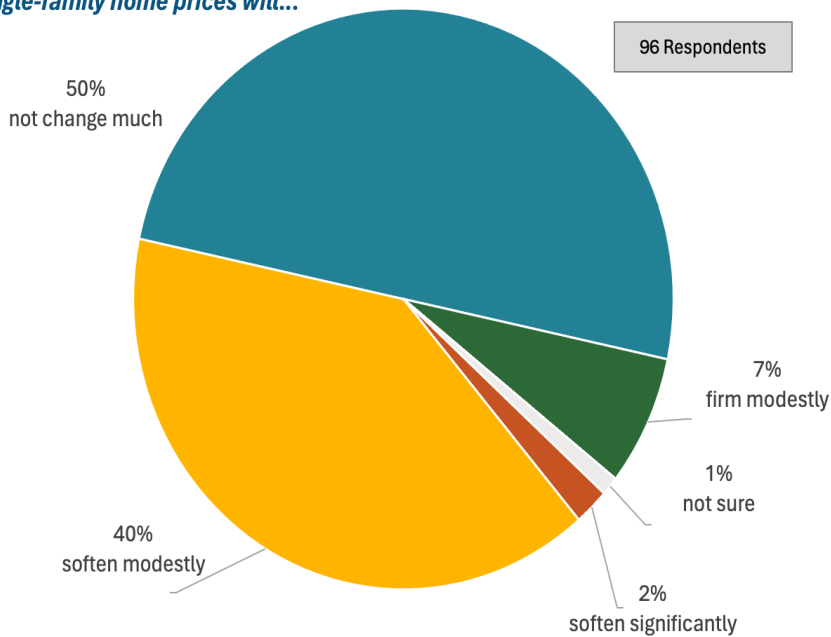
A decades-high construction rate of new multifamily housing units over the past two years has slowed the national rent price growth rate.



Source: Fannie Mae Multifamily ESR

What impact do you expect this recent increase in multifamily home completions will have on single-family home prices in the next five years?

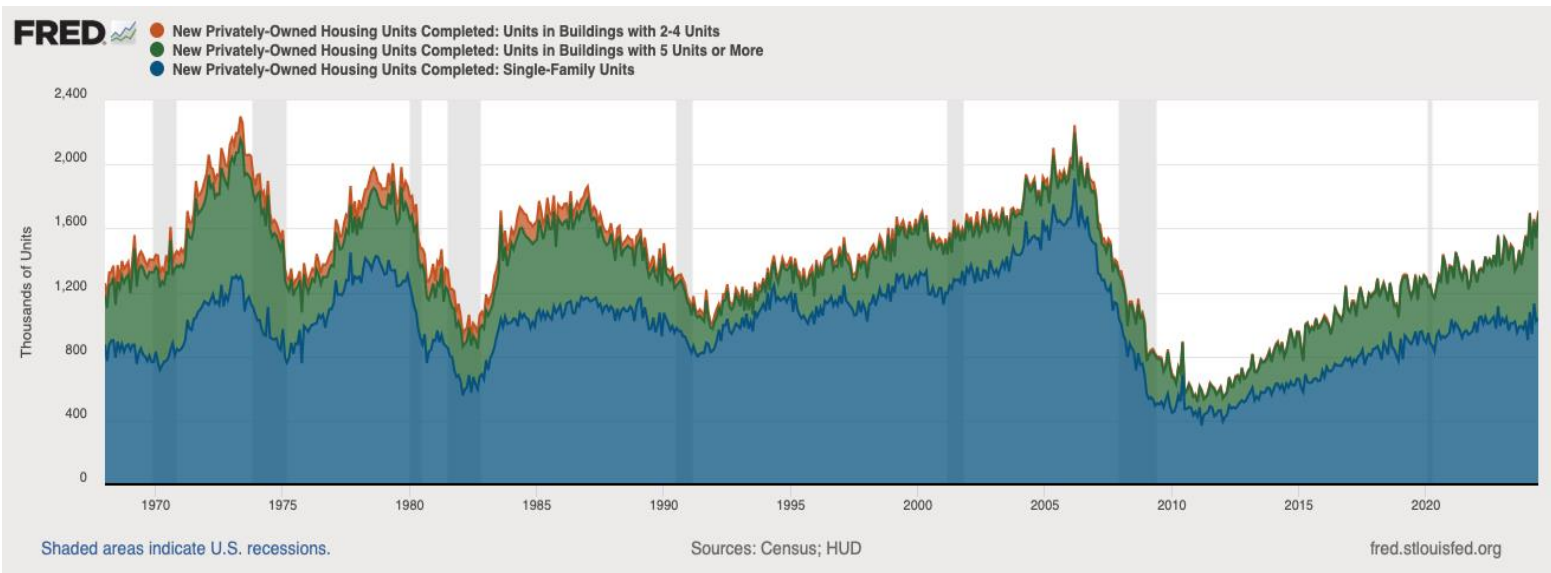
Single-family home prices will...



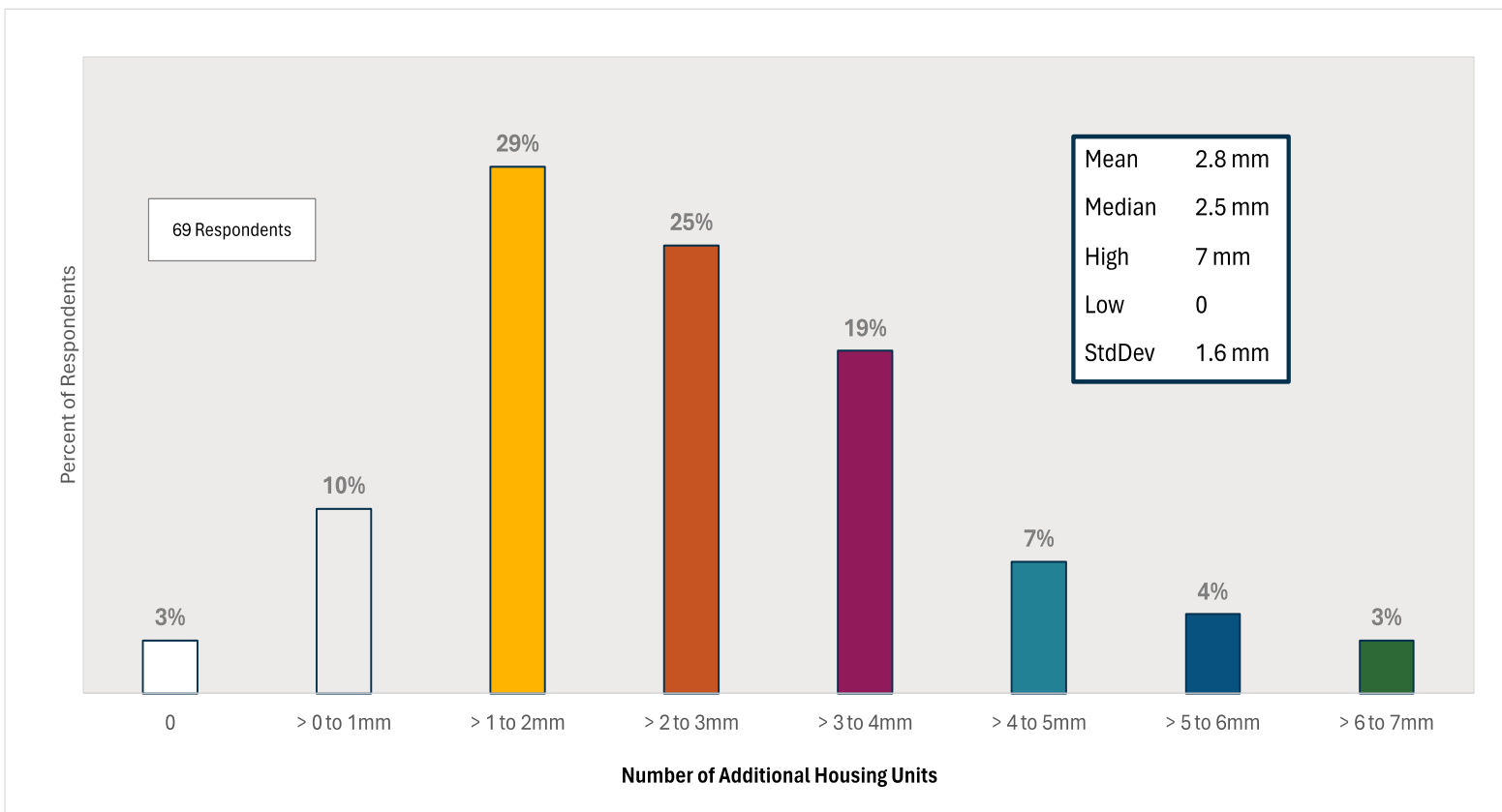
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Since the Great Financial Crisis, total housing construction has significantly lagged the pace of prior decades, likely leading to cumulative under-production of homes relative to underlying demographic demand.



Approximately how many additional housing units--single family homes and multifamily units combined--do you believe are needed to catch-up to underlying demographic demand?



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