

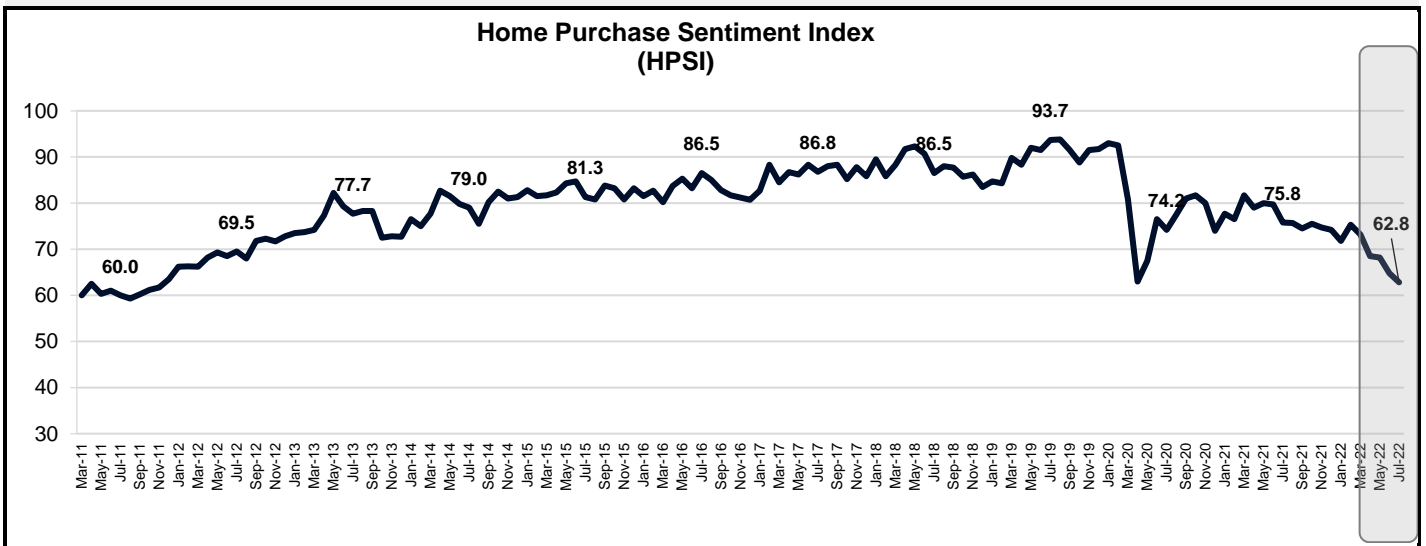


July 2022 Data Release

The Home Purchase Sentiment Index® (HPSI) is a composite index designed to track consumers' housing-related attitudes, intentions, and perceptions, using six questions from the National Housing Survey® (NHS).

The Home Purchase Sentiment Index

The HPSI decreased by 2.0 points to 62.8 in July.



Components of the HPSI

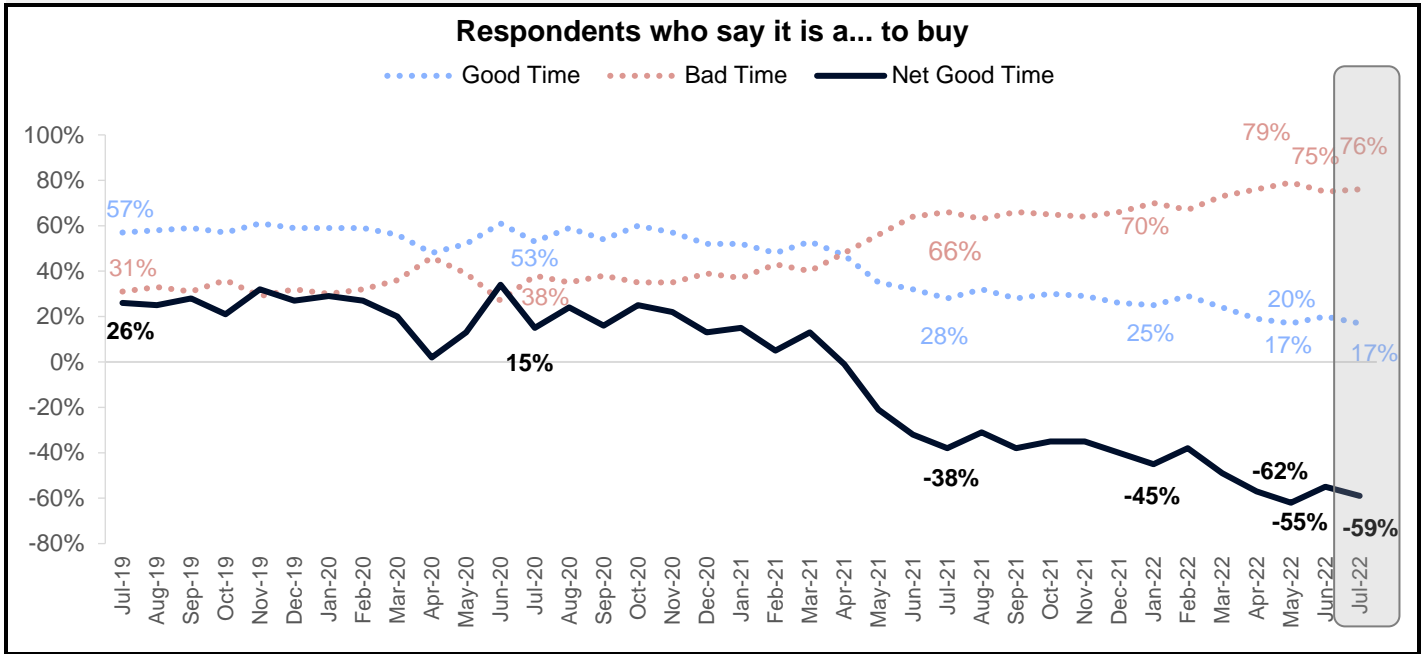
The decrease in the HPSI can be attributed to net decreases in four components this month: Home Price Outlook, Buying Conditions, Selling Conditions, and Job Loss Concern. There were net increases in two components: Change in Household Income and Mortgage Rate Outlook.

	July 2022			Net Change	
	Good Time	Bad Time	Net Good Time to Buy	MoM	YoY
Buying Conditions	17%	76%	-59%	-4	-21
Selling Conditions	67%	27%	40%	-2	-15
Home Price Outlook (next 12 months)	39%	30%	9%	-8	-16
Mortgage Rate Outlook (next 12 months)	6%	67%	-61%	+1	-9
Job Loss Concern (next 12 months)	78%	22%	56%	-1	-15
Change in Household Income (past 12 months)	24%	13%	11%	+2	-2

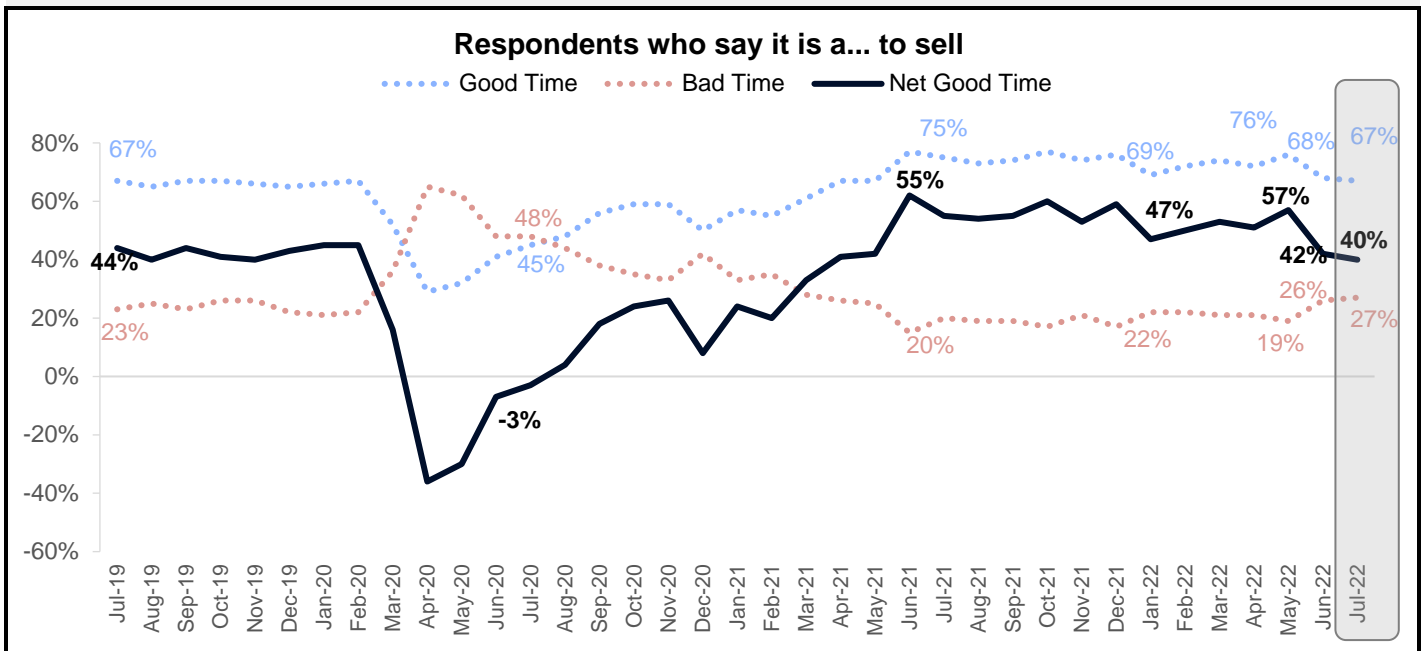


Components of the HPSI – Good/Bad Time to Buy and Sell a Home

In July, the net share of consumers who say it is a good time to buy decreased by 4 percentage points to -59%.



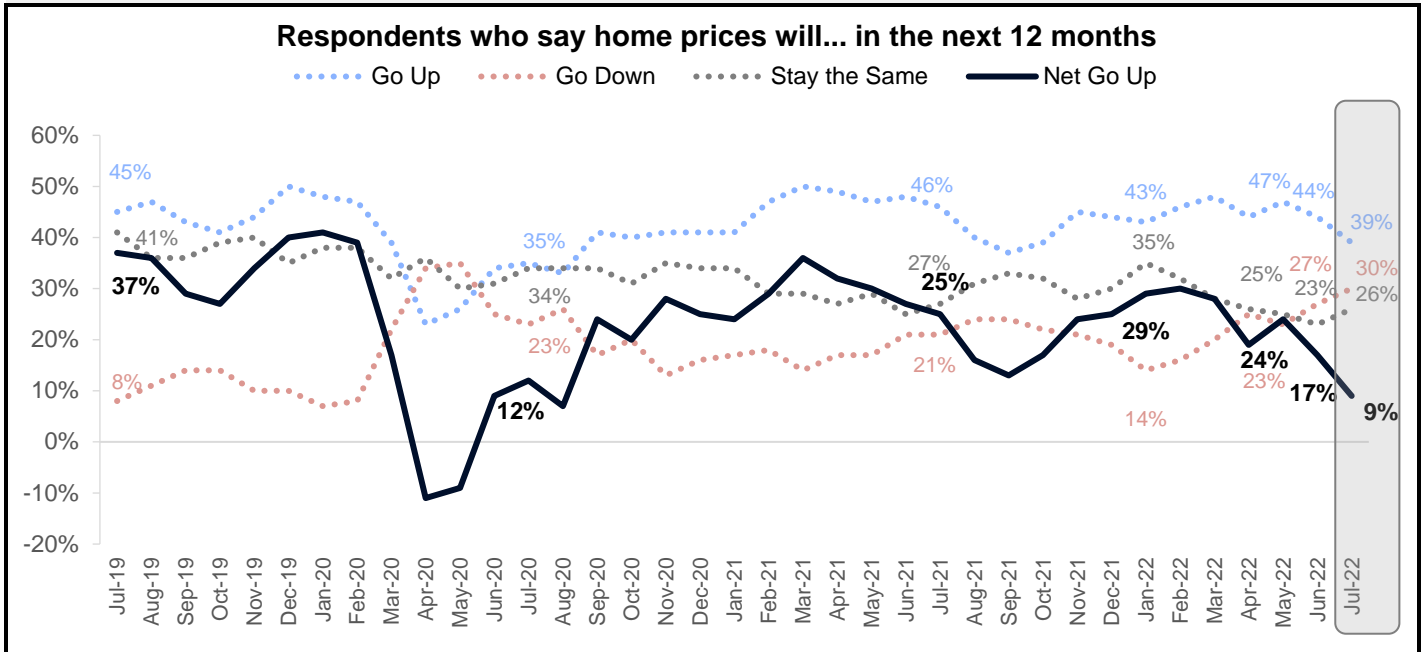
The net percentage of those who say it is a good time to sell decreased by 2 percentage points.



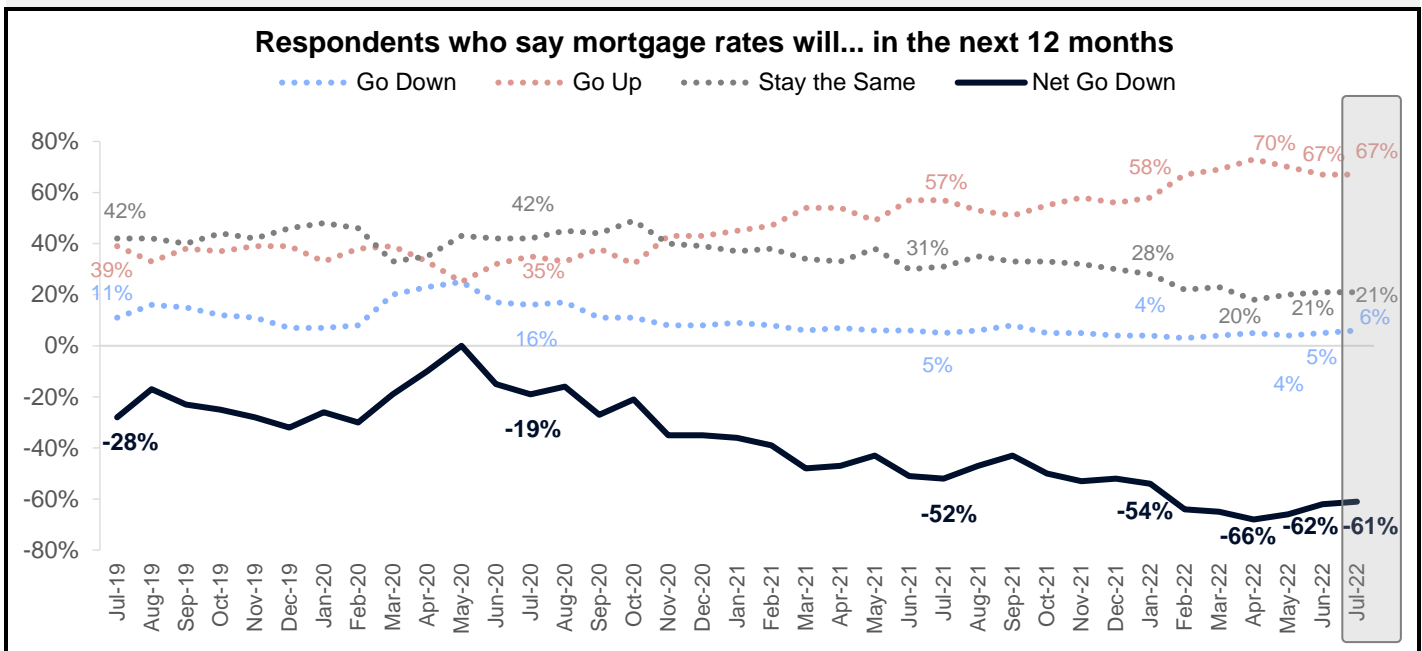


Components of the HPSI – Home Price and Mortgage Rate Expectations

The net share of consumers who say home prices will go up decreased by 8 percentage points, hitting their lowest levels since August 2020.



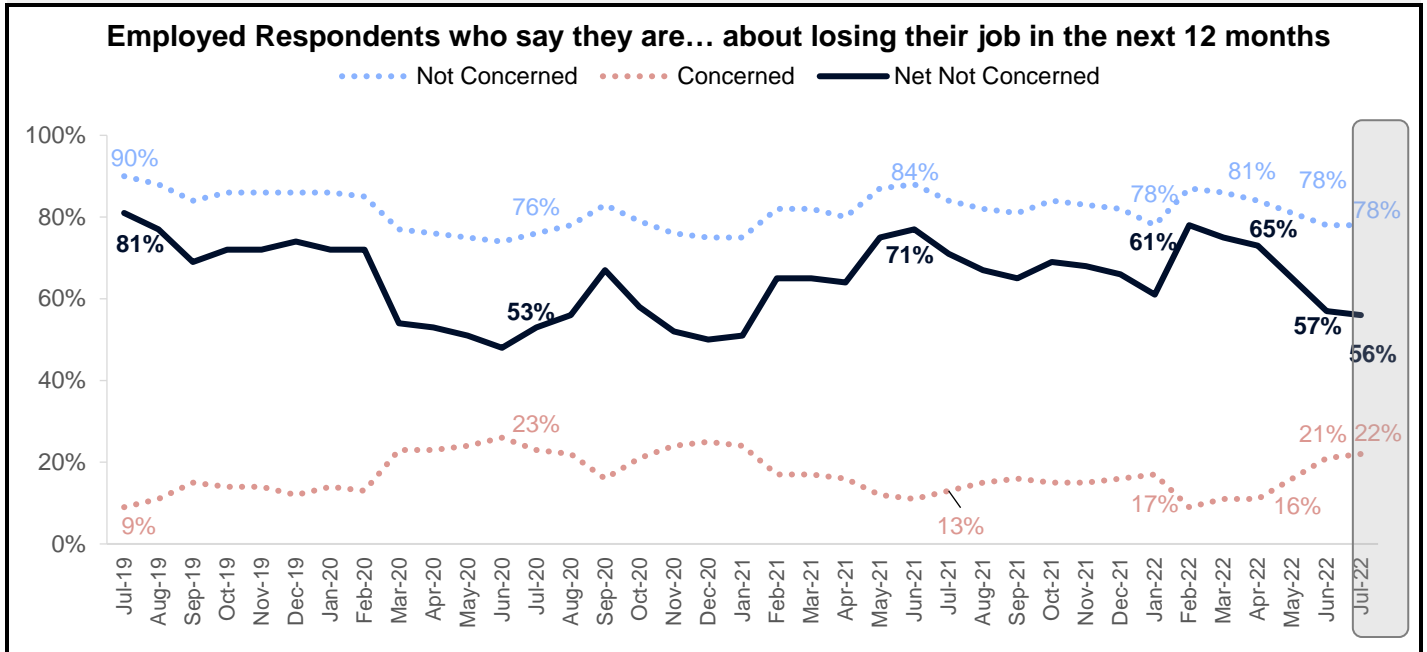
This month, the net share of those who say mortgage rates will go down over the next 12 months increased by 1 percentage point to -61%.



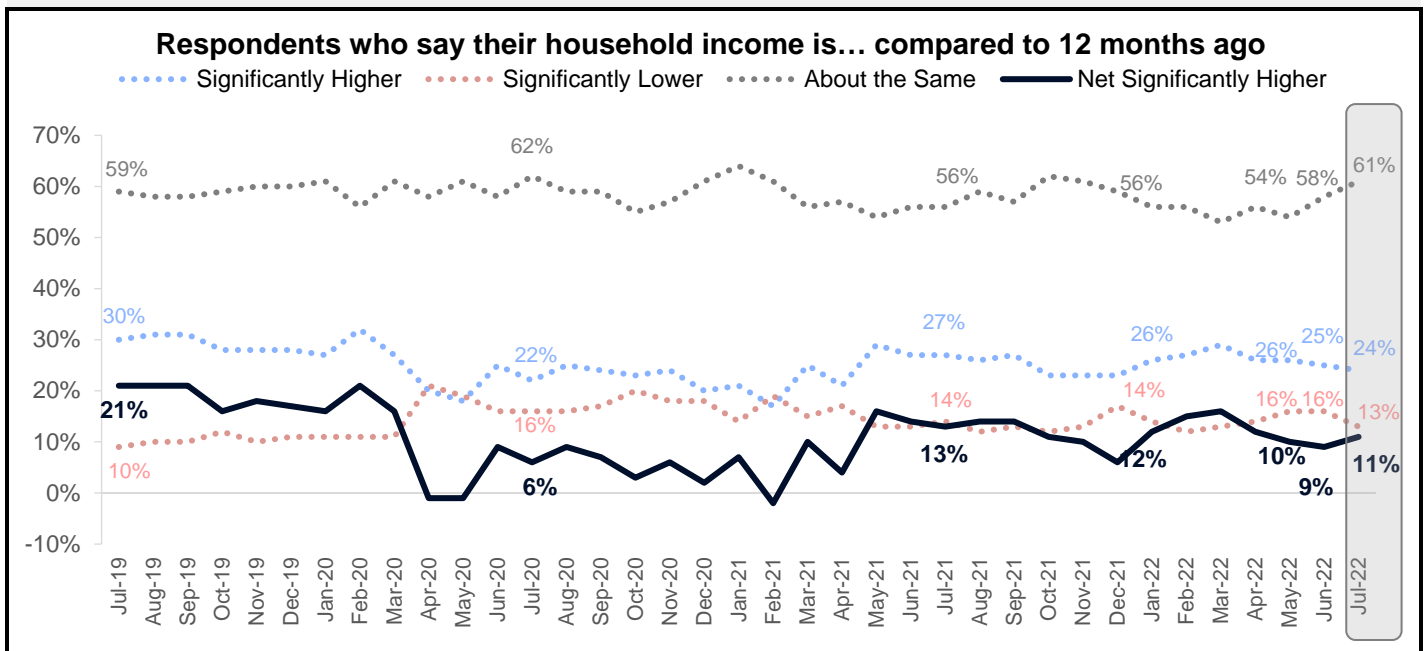


Components of the HPSI – Job Loss Concern and Household Incomes

In July, the net share of employed consumers who say they are not concerned about losing their job decreased 1 percentage point to 56%, continuing the downward trend since February.



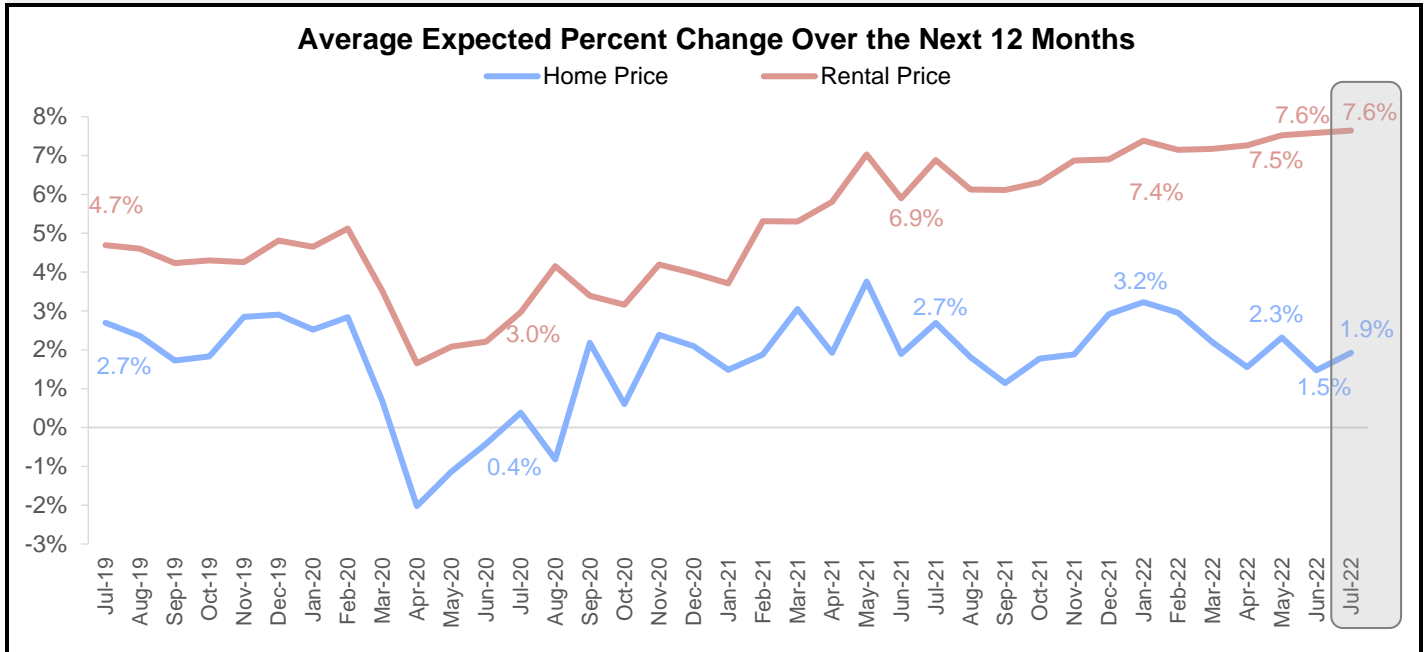
The net share of those who say their household income is significantly higher than it was 12 months ago increased 2 percentage points to 11%.



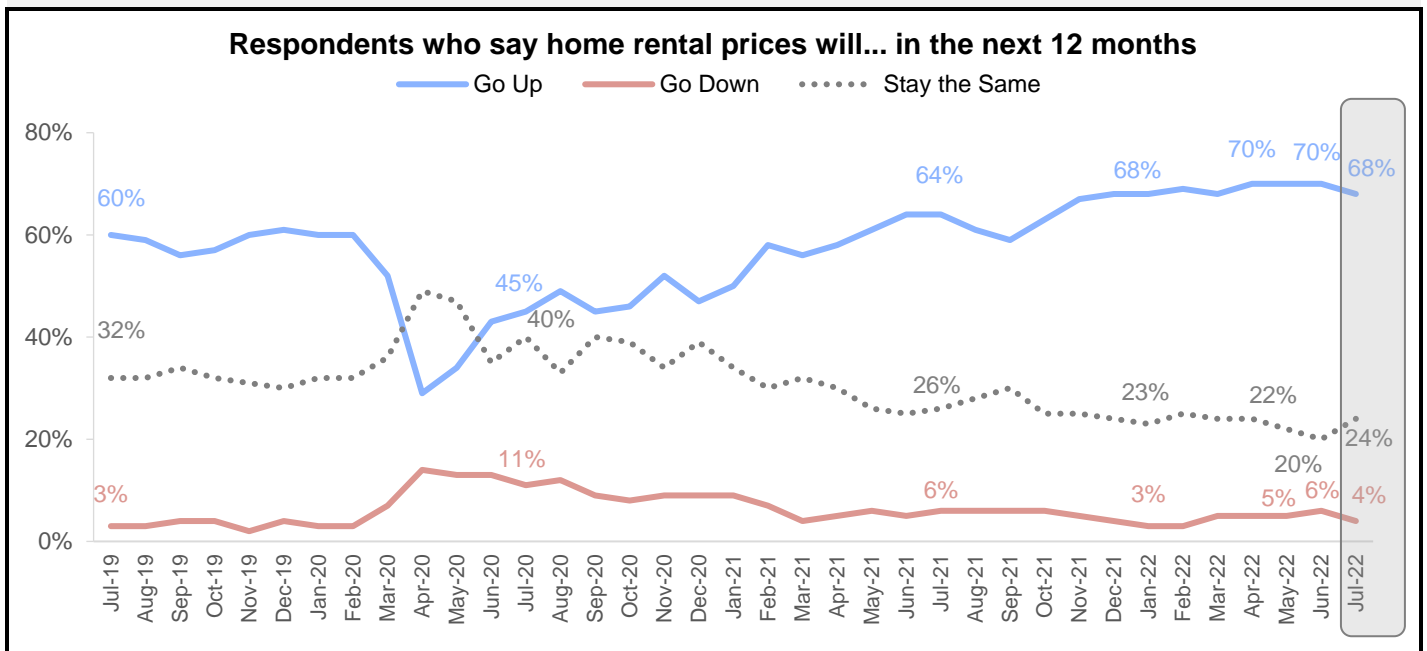


Additional National Housing Survey Key Indicators

On average, consumers expect rental prices to increase 7.6% over the next 12 months, maintaining the survey high reached last month. Consumers also expect home prices to increase 1.9% over the next 12 months, a 0.4 percentage point increase from last month.



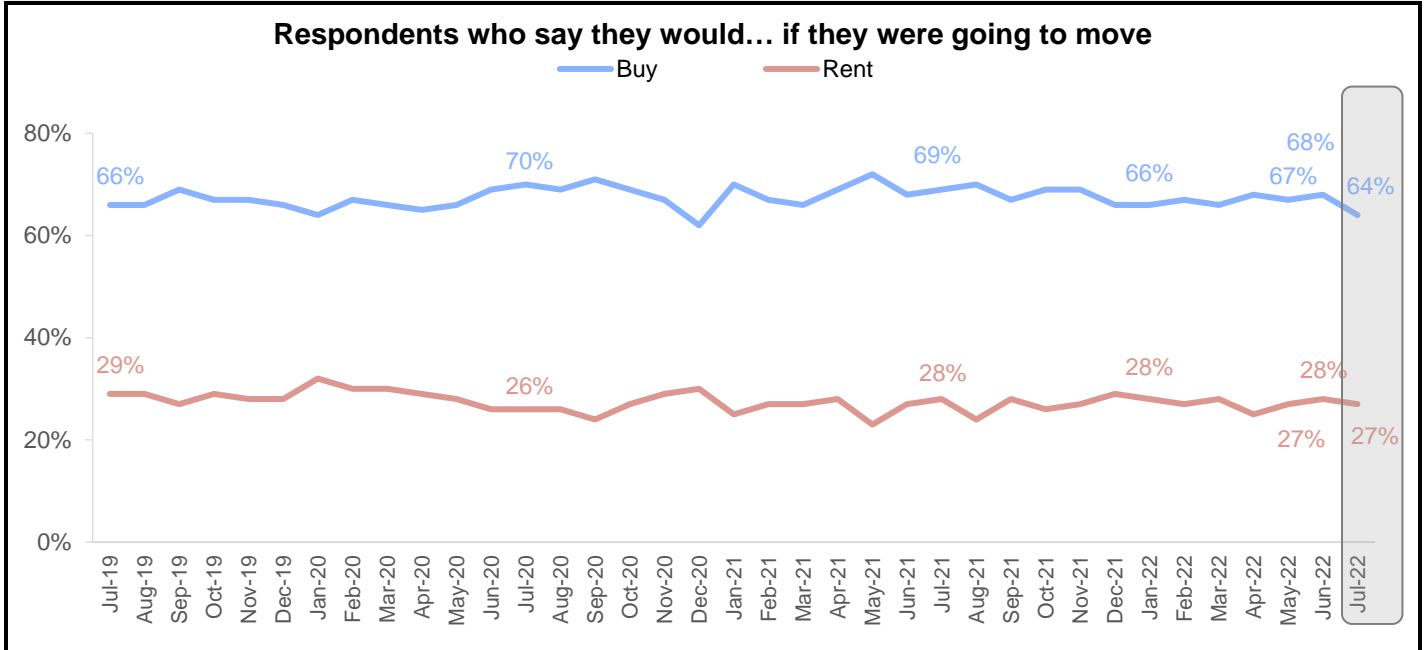
The net share of consumers who expect home rental prices to go up remained at 64%.



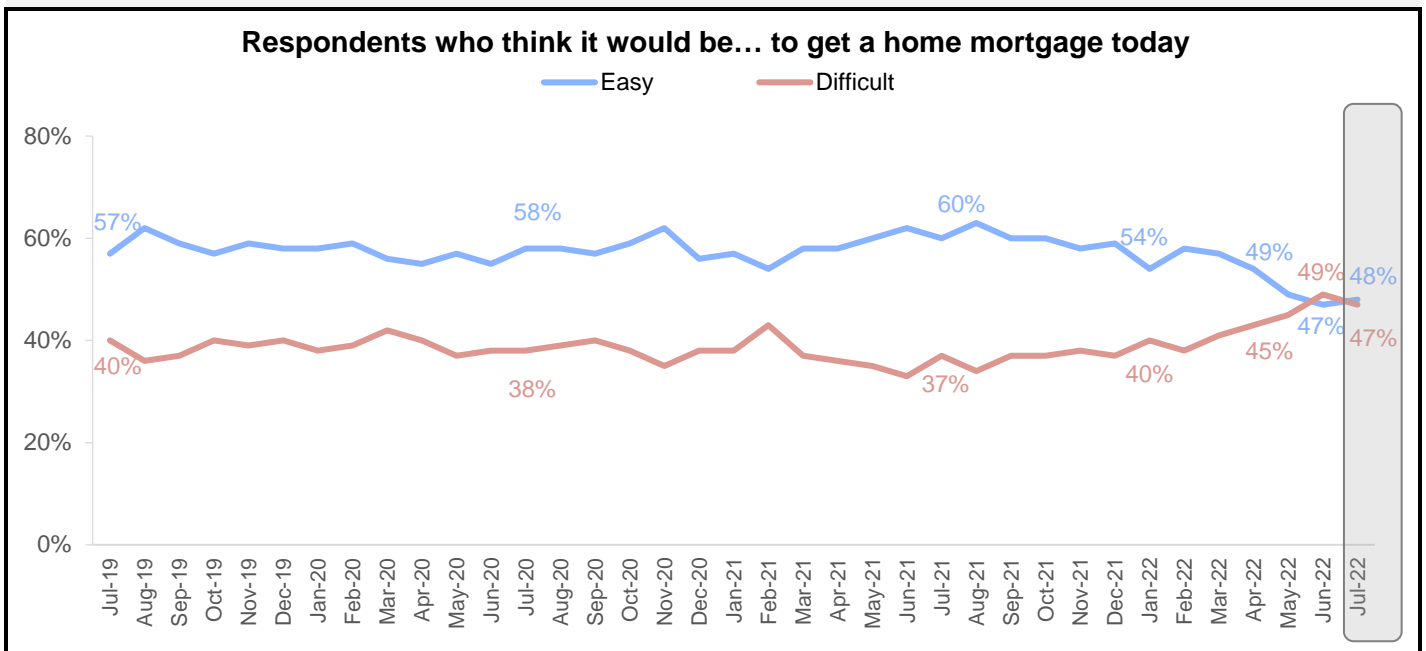


Additional National Housing Survey Key Indicators

The share of consumers who say they would buy a home if they were going to move decreased by 4 percentage points to 64%. The share who say they would rent decreased 1 percentage point to 27%.



The share of consumers who say getting a mortgage would be easy increased 1 percentage point to 48%, while the share of those who say it would be difficult decreased 2 percentage points to 47%.

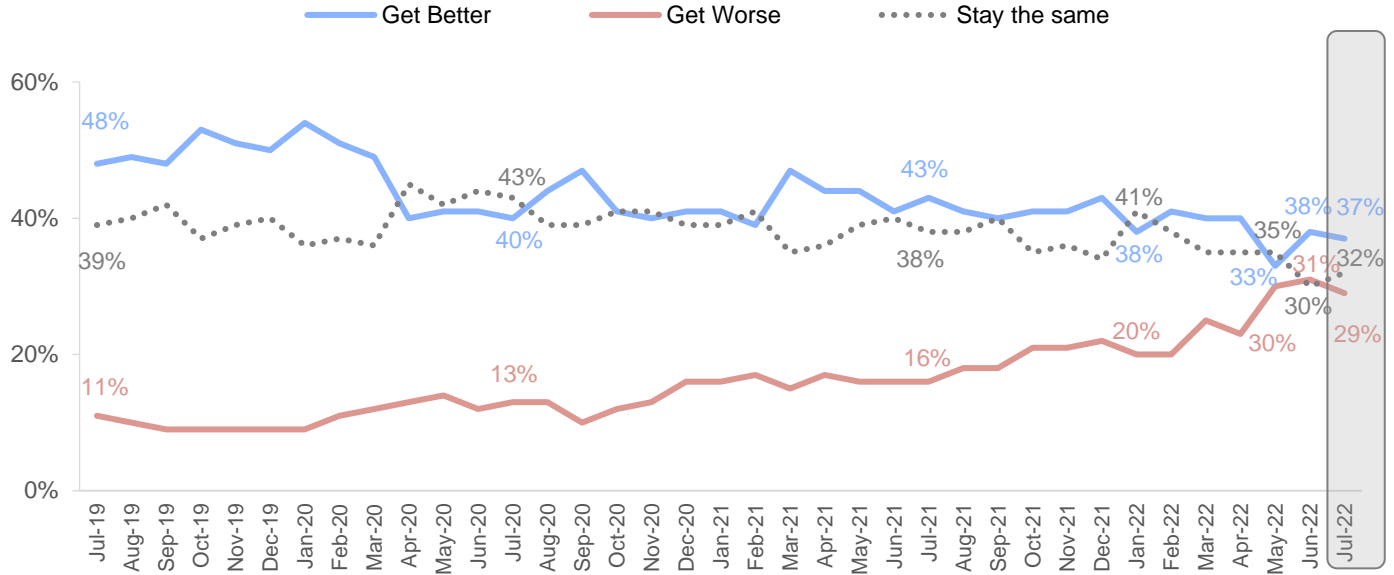




Additional National Housing Survey Key Indicators

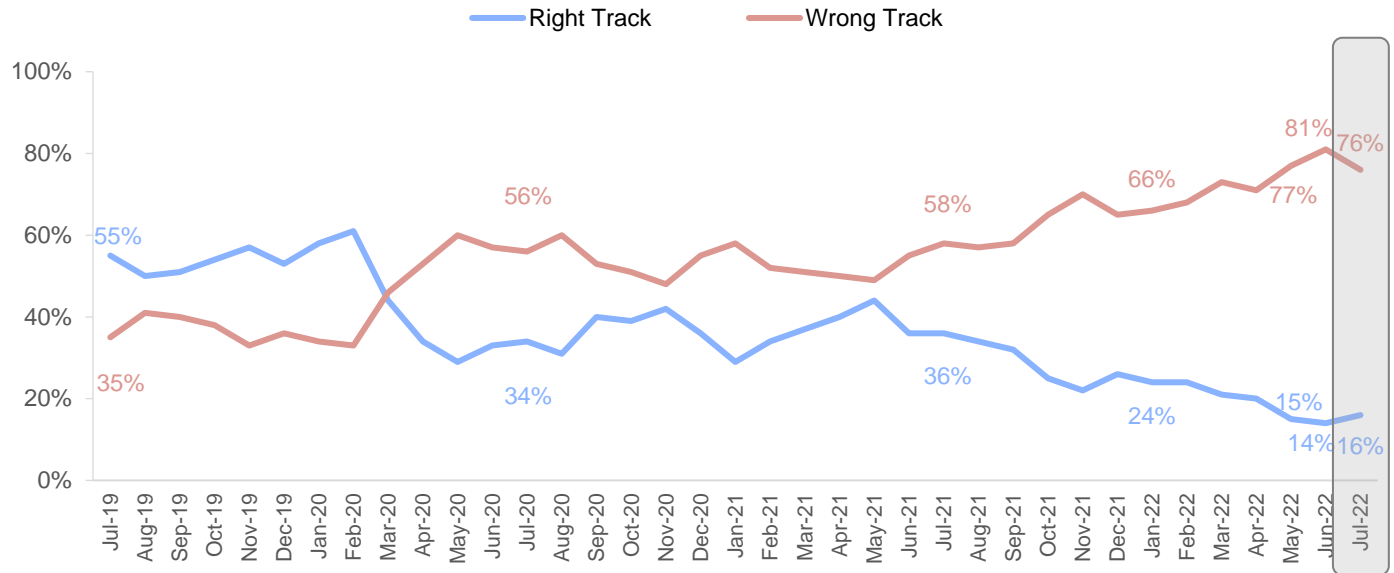
The share of consumers who expect their personal financial situation to get better decreased 1 percentage point to 37%. The share who expects it to stay the same increased two percentage points to 32%, and the share who expect it to get worse decreased 2 percentage points to 29% from last month's survey high.

Respondents who expect their personal financial situation to... over the next 12 months



The share of consumers in July who say the economy is on the wrong track decreased 5 percentage points to 76%. The share who say it is on the right track increased 2 percentage points to 16%.

Respondents who say the economy is on the...





The National Housing Survey®

July 2022

APPENDIX

About the Survey

The National Housing Survey® polled a nationally representative sample of 1,005 household financial decision makers (margin of error ±3.1%) aged 18 and older between July 1st and July 21st, 2022.

Interviews were conducted by ReconMR, in coordination with Fannie Mae and PSB Insights.

The statistics in this release were estimated from sample surveys and are subject to sampling variability as well as nonsampling error, including bias and variance from response, nonreporting, and undercoverage. Averages of expected price changes were calculated after converting responses of “stay the same” to 0% and after excluding outliers, which were defined to be responses that were more than two standard deviations from the mean.

How the Home Purchase Sentiment Index (HPSI) is Calculated*	
Net Good Time to Buy <i>Very or Somewhat Good Time To Buy – Very or Somewhat Bad Time To Buy</i>	Q12
Net Good Time to Sell <i>Very or Somewhat Good Time To Sell – Very or Somewhat Bad Time To Sell</i>	Q13
Net Home Prices Will Go Up (next 12 months) <i>Home Prices Will Go Up – Home Prices Will Go Down</i>	Q15
Net Mortgage Rates Will Go Down (next 12 months) <i>Mortgage Rates Will Go Down – Mortgage Rates Will Go Up</i>	Q20B
Net Confident About Not Losing Job (next 12 months) <i>Among Employed Respondents, Not at All or Not Very Concerned about Losing Job – Very or Somewhat Concerned about Losing Job</i>	Q112B
Net Household Income is Significantly Higher (past 12 months) <i>Income is Significantly Higher – Income is Significantly Lower</i>	Q116
$HPSI = \frac{Q12 + Q13 + Q15 + Q20B + Q112B + Q116}{6} + 63.5$	
* The HPSI calculation includes the addition of a constant of 63.5 in order to set the index's initial value at 60 as of March 2011, in range with the Index of Consumer Sentiment and the Consumer Confidence Index	

Time Series Data: <https://www.fanniemae.com/media/document/xlsx/nhs-monthly-indicator-data-060722>

HPSI Overview: <https://www.fanniemae.com/media/document/pdf/hpsi-overviewpdf>

HPSI White Paper: <https://www.fanniemae.com/media/document/pdf/hpsi-whitepaperpdf>



Home Purchase Sentiment Index Over the Past 12 Months

July 2021	75.8
August 2021	75.7
September 2021	74.5
October 2021	75.5
November 2021	74.7
December 2021	74.2
January 2022	71.8
February 2022	75.3
March 2022	73.2
April 2022	68.5
May 2022	68.2
June 2022	64.8
July 2022	62.8

Percent of respondents who say it is a good or bad time to buy

	% Good Time to Buy	% Bad Time to Buy	Net % Good Time to Buy
July 2021	28	66	-38
August 2021	32	63	-31
September 2021	28	66	-38
October 2021	30	65	-35
November 2021	29	64	-35
December 2021	26	66	-40
January 2022	25	70	-45
February 2022	29	67	-38
March 2022	24	73	-49
April 2022	19	76	-57
May 2022	17	79	-62
June 2022	20	75	-55
July 2022	17	76	-59



Percent of respondents who say it is a good or bad time to sell			
	% Good Time to Sell	% Bad Time to Sell	Net % Good Time to Sell
July 2021	75	20	55
August 2021	73	19	54
September 2021	74	19	55
October 2021	77	17	60
November 2021	74	21	53
December 2021	76	17	59
January 2022	69	22	47
February 2022	72	22	50
March 2022	74	21	53
April 2022	72	21	51
May 2022	76	19	57
June 2022	68	26	42
July 2022	67	27	40

Percent of respondents who say home prices will go up, go down, or stay the same in the next 12 months				
	% Go Up	% Go Down	% Stay the Same	Net % Prices Will Go Up
July 2021	46	21	27	25
August 2021	40	24	31	16
September 2021	37	24	33	13
October 2021	39	22	32	17
November 2021	45	21	28	24
December 2021	44	19	30	25
January 2022	43	14	35	29
February 2022	46	16	32	30
March 2022	48	20	28	28
April 2022	44	25	26	19
May 2022	47	23	25	24
June 2022	44	27	23	17
July 2022	39	30	26	9



Percent of respondents who say mortgage rates will go up, go down, or stay the same in the next 12 months

	% Go Up	% Go Down	% Stay the Same	Net % Rates Will Go Down
July 2021	57	5	31	-52
August 2021	53	6	35	-47
September 2021	51	8	33	-43
October 2021	55	5	33	-50
November 2021	58	5	32	-53
December 2021	56	4	30	-52
January 2022	58	4	28	-54
February 2022	67	3	22	-64
March 2022	69	4	23	-65
April 2022	73	5	18	-68
May 2022	70	4	20	-66
June 2022	67	5	21	-62
July 2022	67	6	21	-61

Percent of employed respondents who say are concerned or not concerned about losing their job

	% Concerned	% Not Concerned	Net % Not Concerned
July 2021	13	84	71
August 2021	15	82	67
September 2021	16	81	65
October 2021	15	84	69
November 2021	15	83	68
December 2021	16	82	66
January 2022	17	78	61
February 2022	9	87	78
March 2022	11	86	75
April 2022	11	84	73
May 2022	16	81	65
June 2022	21	78	57
July 2022	22	78	56



Percent of respondents who say their household income is higher, lower, or about the same compared to 12 months ago

	% Significantly Higher	% Significantly Lower	% About the Same	Net % Higher
July 2021	27	14	56	13
August 2021	26	12	59	14
September 2021	27	13	57	14
October 2021	23	12	62	11
November 2021	23	13	61	10
December 2021	23	17	59	6
January 2022	26	14	56	12
February 2022	27	12	56	15
March 2022	29	13	53	16
April 2022	26	14	56	12
May 2022	26	16	54	10
June 2022	25	16	58	9
July 2022	24	13	61	11

Average home/rental price change expectation

	% Home Price Change	% Rental Price Change
July 2021	2.7	6.9
August 2021	1.8	6.1
September 2021	1.1	6.1
October 2021	1.8	6.3
November 2021	1.9	6.9
December 2021	2.9	6.9
January 2022	3.2	7.4
February 2022	3.0	7.1
March 2022	2.2	7.2
April 2022	1.6	7.3
May 2022	2.3	7.5
June 2022	1.5	7.6
July 2022	1.9	7.6



Percent of respondents who say home rental prices will go up, go down, or stay the same in the next 12 months

	% Go Up	% Go Down	% Stay the Same
July 2021	64	6	26
August 2021	61	6	28
September 2021	59	6	30
October 2021	63	6	25
November 2021	67	5	25
December 2021	68	4	24
January 2022	68	3	23
February 2022	69	3	25
March 2022	68	5	24
April 2022	70	5	24
May 2022	70	5	22
June 2022	70	6	20
July 2022	68	4	24

Percent of respondents who say they would buy or rent if they were going to move

	% Buy	% Rent
July 2021	69	28
August 2021	70	24
September 2021	67	28
October 2021	69	26
November 2021	69	27
December 2021	66	29
January 2022	66	28
February 2022	67	27
March 2022	66	28
April 2022	68	25
May 2022	67	27
June 2022	68	28
July 2022	64	27



Percent of respondents who think it would be difficult or easy for them to get a home mortgage today

	% Difficult	% Easy
July 2021	37	60
August 2021	34	63
September 2021	37	60
October 2021	37	60
November 2021	38	58
December 2021	37	59
January 2022	40	54
February 2022	38	58
March 2022	41	57
April 2022	43	54
May 2022	45	49
June 2022	49	47
July 2022	47	48

Percent of respondents who expect their personal financial situation to get better, get worse, or stay the same in the next 12 months

	% Get Better	% Get Worse	% Stay the Same
July 2021	43	16	38
August 2021	41	18	38
September 2021	40	18	40
October 2021	41	21	35
November 2021	41	21	36
December 2021	43	22	34
January 2022	38	20	41
February 2022	41	20	38
March 2022	40	25	35
April 2022	40	23	35
May 2022	33	30	35
June 2022	38	31	30
July 2022	37	29	32



Percent of respondents who think the economy is on the right track or the wrong track

	% Right Track	% Wrong Track
July 2021	36	58
August 2021	34	57
September 2021	32	58
October 2021	25	65
November 2021	22	70
December 2021	26	65
January 2022	24	66
February 2022	24	68
March 2022	21	73
April 2022	20	71
May 2022	15	77
June 2022	14	81
July 2022	16	76