

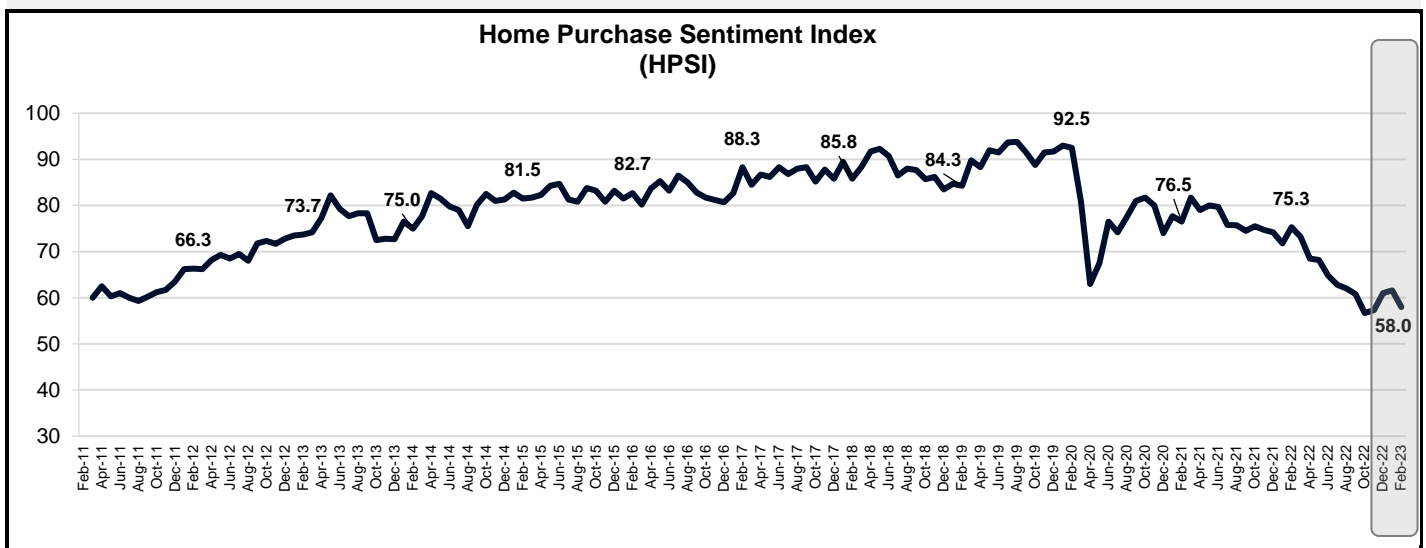


February 2023 Data Release

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 3.6 points to 58.0 in February.



Components of the HPSI

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

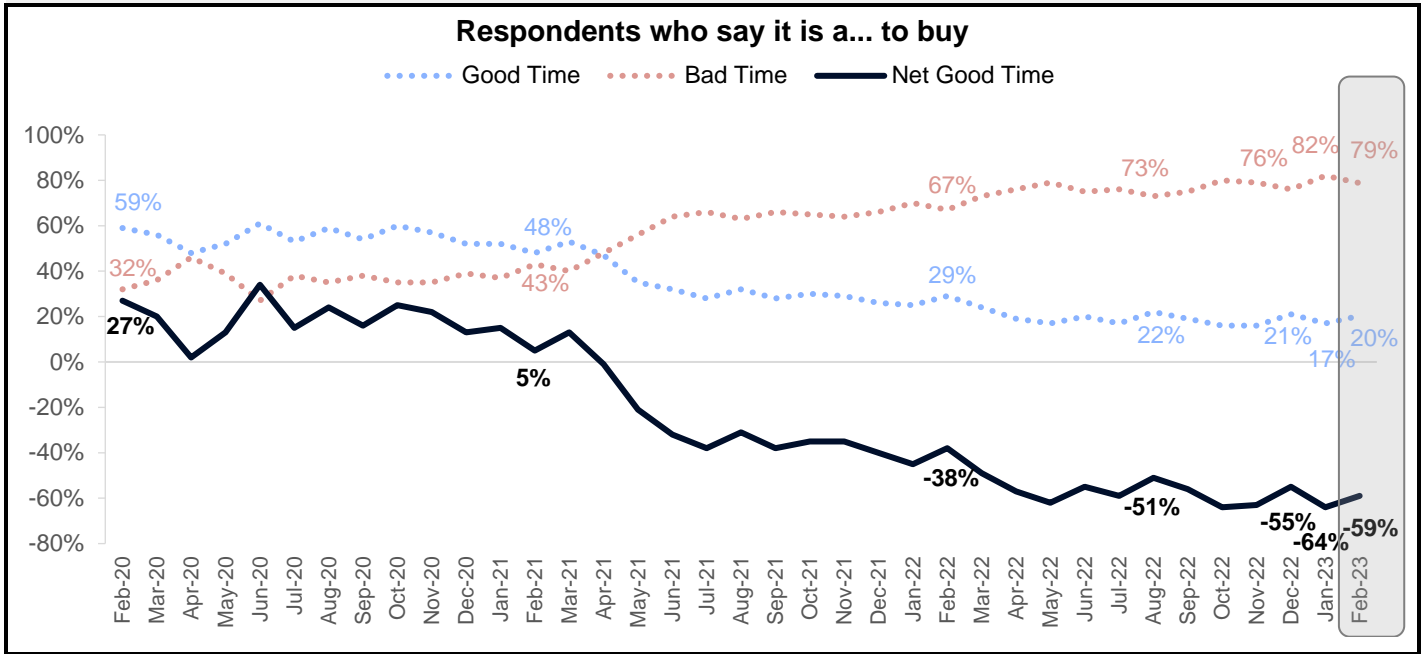
	February 2023			Net Change	
	Good Time	Bad Time	Net Good Time to Buy	MoM	YoY
Buying Conditions	20%	79%	-59%	+5	-21
Selling Conditions	54%	44%	10%	-10	-40
Home Price Outlook (next 12 months)	30%	35%	-4%	+1	-34
Mortgage Rate Outlook (next 12 months)	15%	55%	-40%	-1	+24
Job Loss Concern (next 12 months)	73%	24%	50%	-15	-28
Change in Household Income (past 12 months)	22%	12%	11%	-1	-4

Note: Calculations are made using unrounded and weighted response level data to help ensure precision in NHS data results from wave to wave. As a result, minor differences in calculated data (summarized results, net calculations, etc.) of up to 1 percentage point may occur due to rounding.

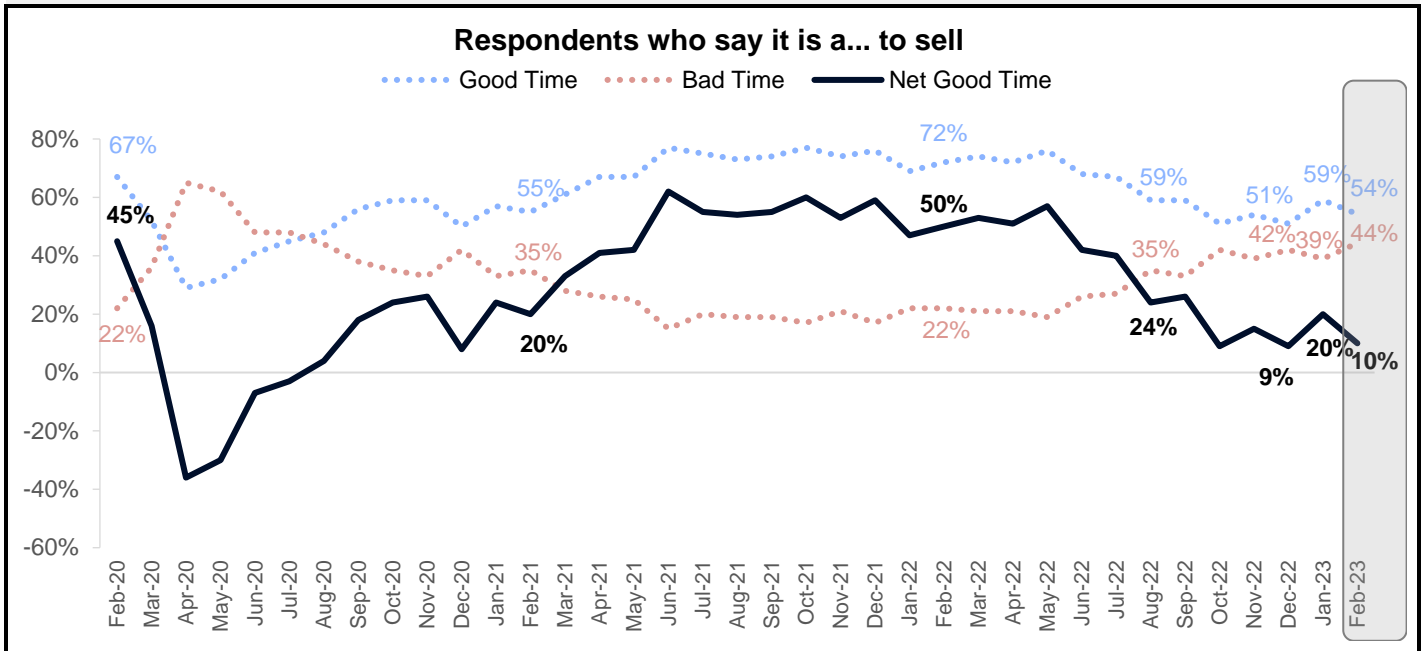


Components of the HPSI – Good/Bad Time to Buy and Sell a Home

In February, the net share of consumers who say it is a good time to buy increased by 5 percentage points to -59%.



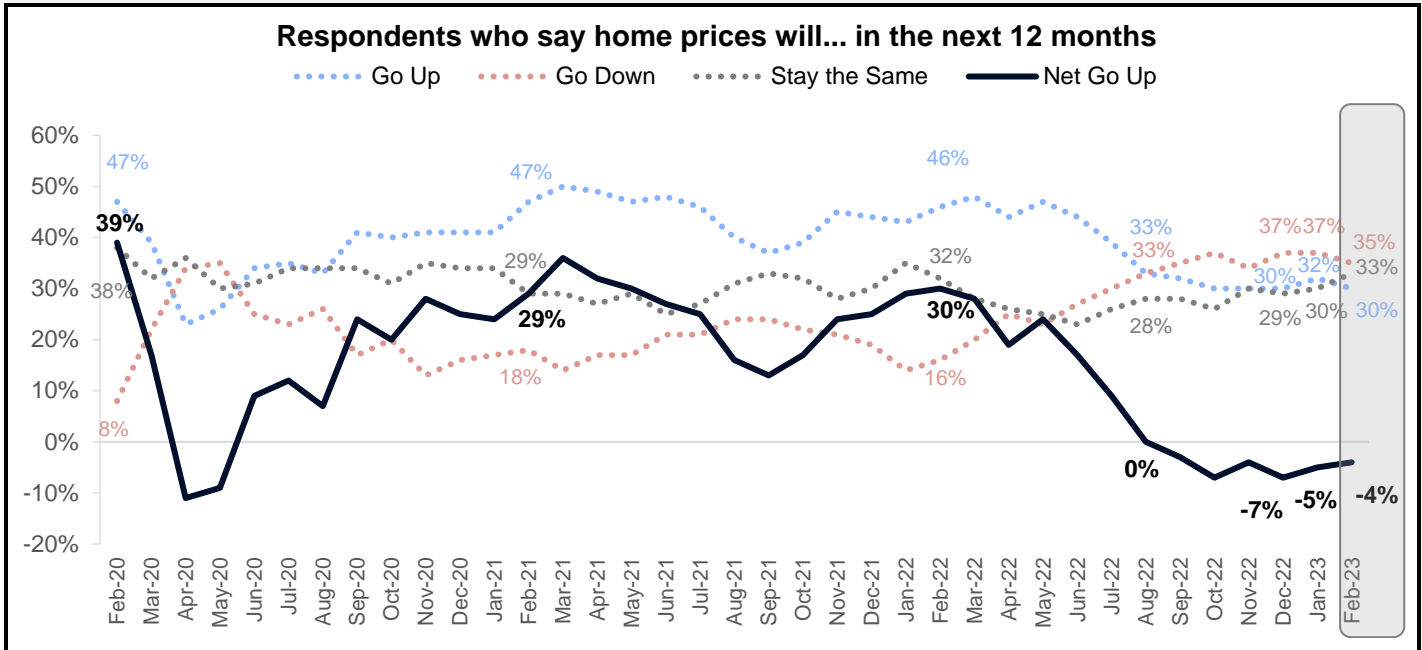
The net percentage of those who say it is a good time to sell decreased by 10 percentage points month-over-month to 10%.



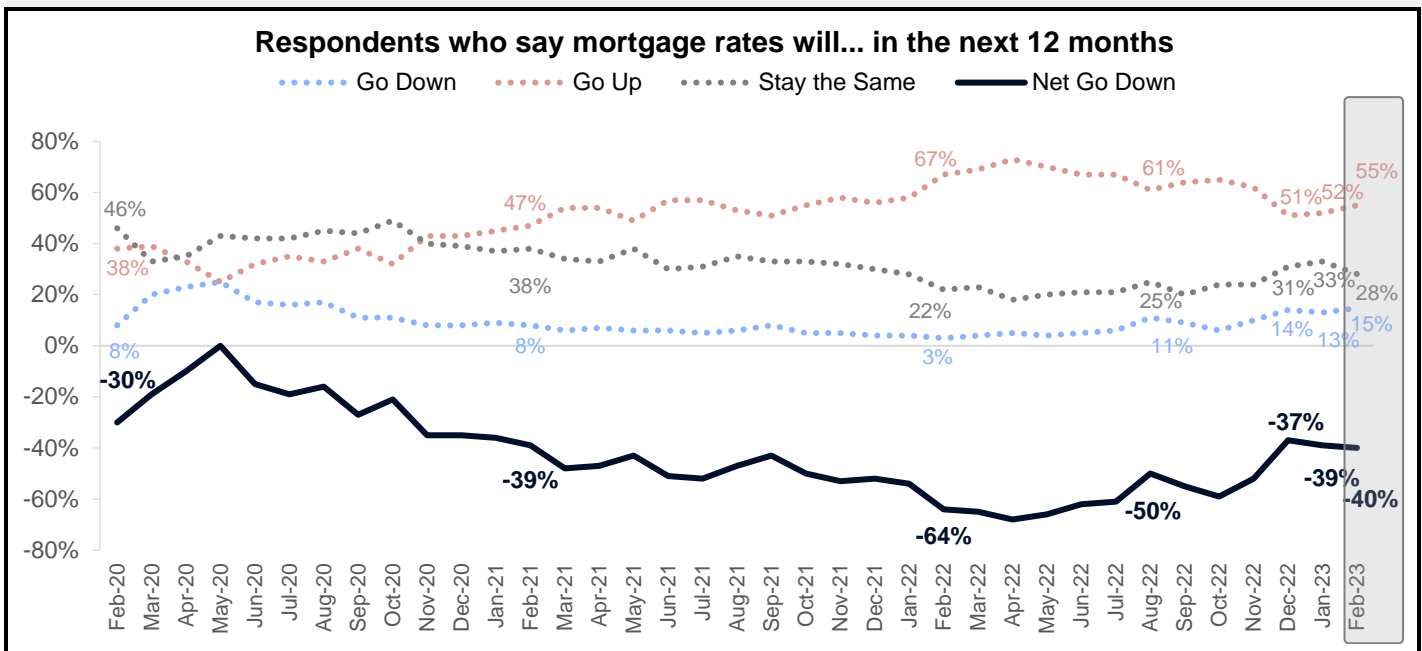


Components of the HPSI – Home Price and Mortgage Rate Expectations

The net share of consumers who say home prices will go up increased by 1 percentage point month-over-month to -4%.



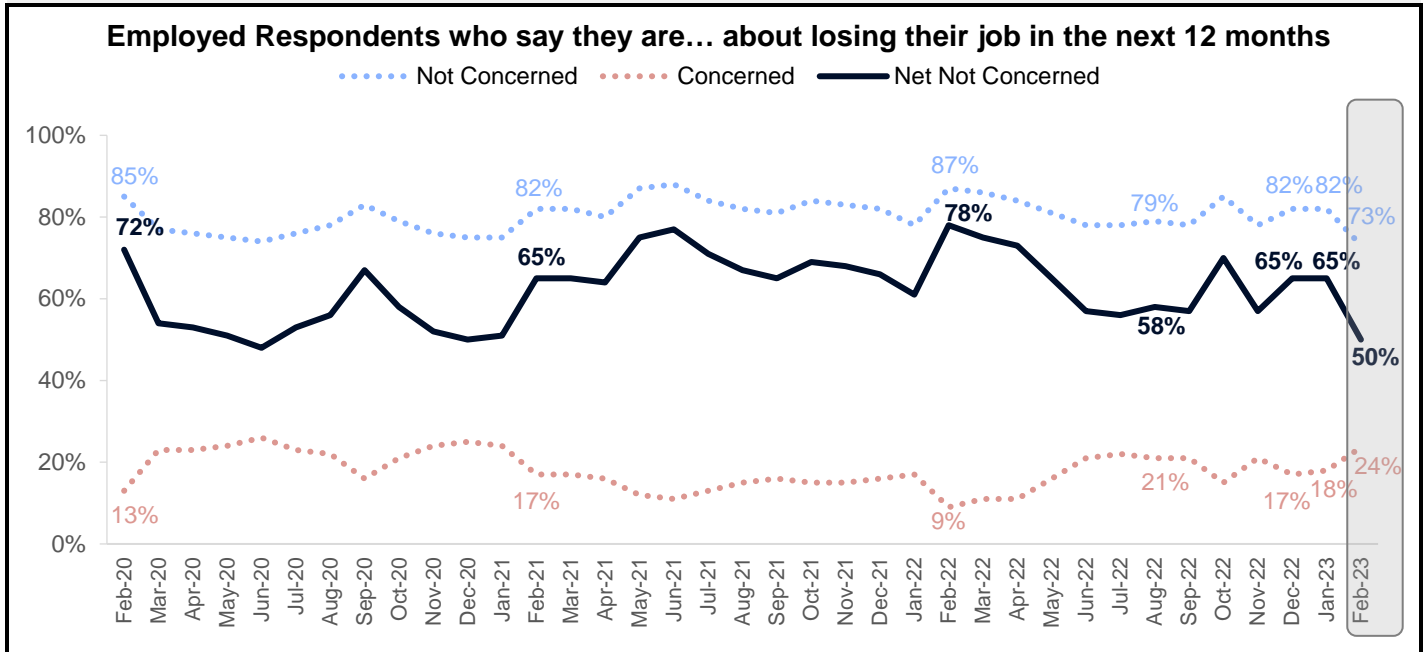
This month, the net share of those who say mortgage rates will go down over the next 12 months decreased by 1 percentage point to -40%.



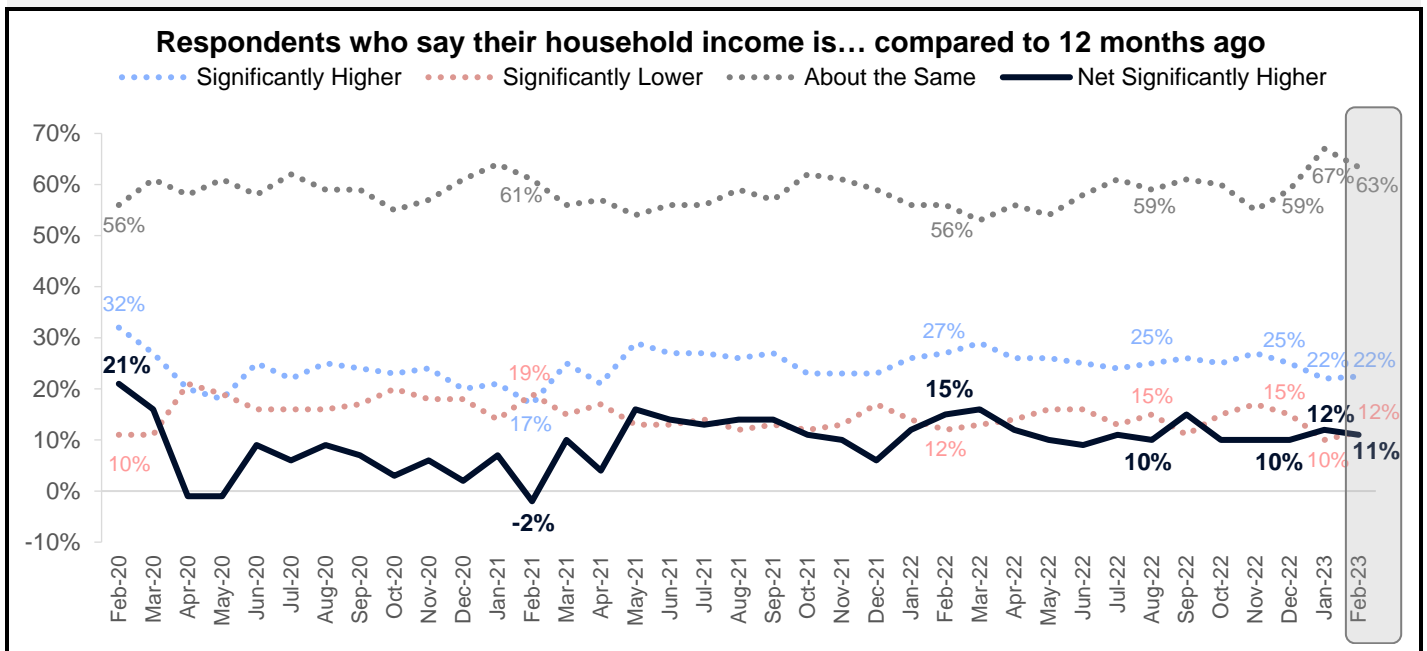


Components of the HPSI – Job Loss Concern and Household Incomes

In February, the net share of employed consumers who say they are not concerned about losing their job decreased 15 percentage points to 50%.



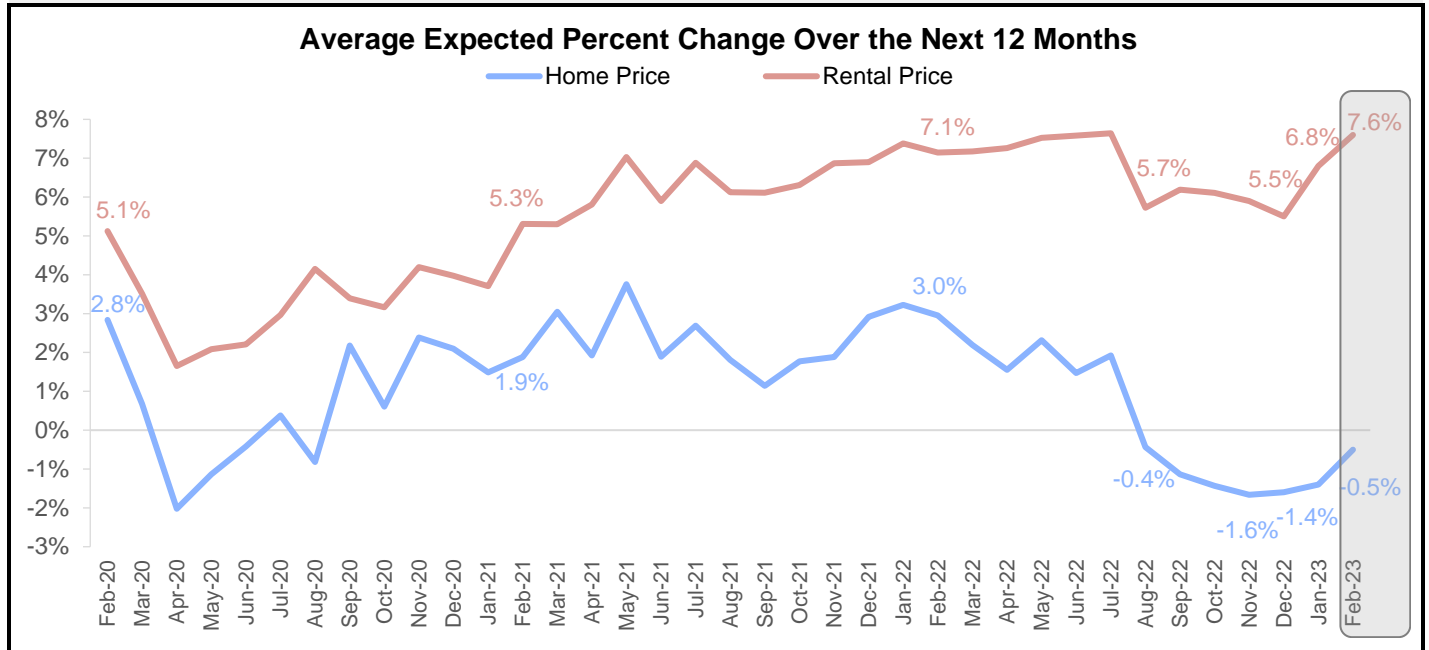
The net share of those who say their household income is significantly higher compared to a year ago decreased 1 percentage point to 11%.



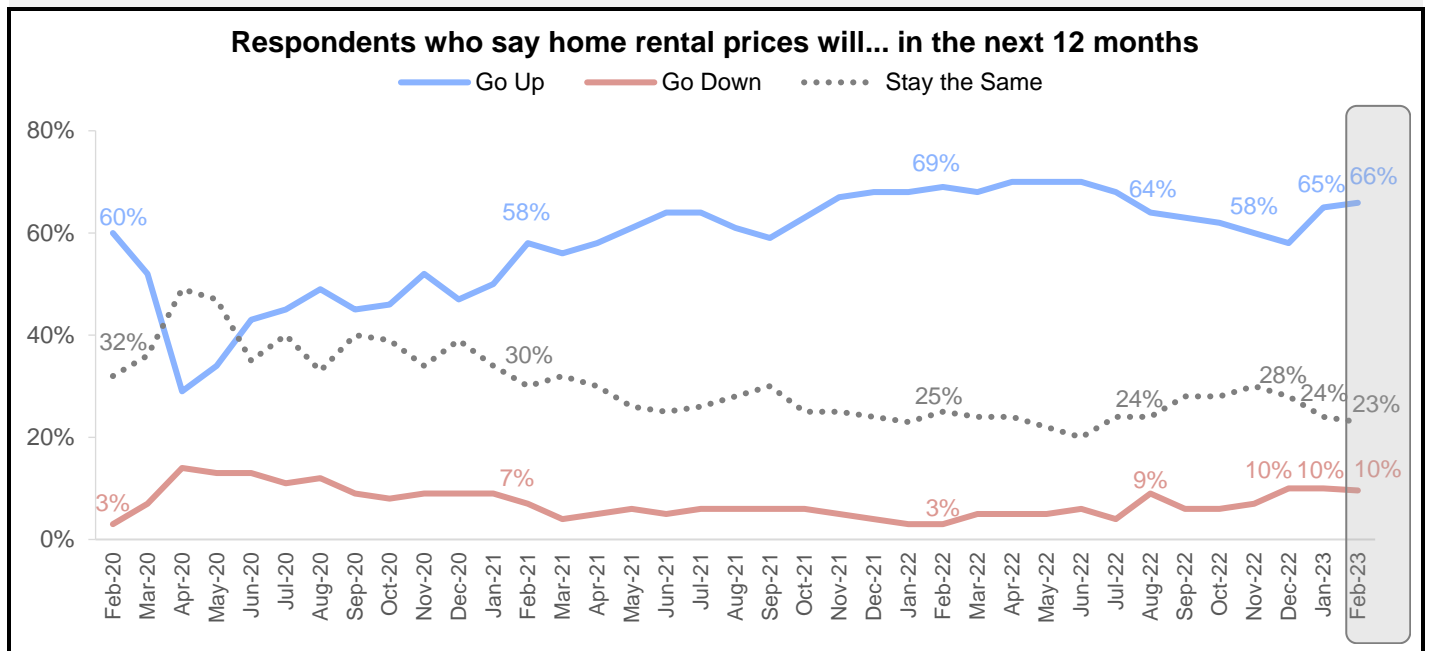


Additional National Housing Survey Key Indicators

On average, consumers expect rental prices to increase 7.6% over the next 12 months, a 0.8 percentage point increase from last month. Home prices are expected to decrease 0.5% on average over the next 12 months.



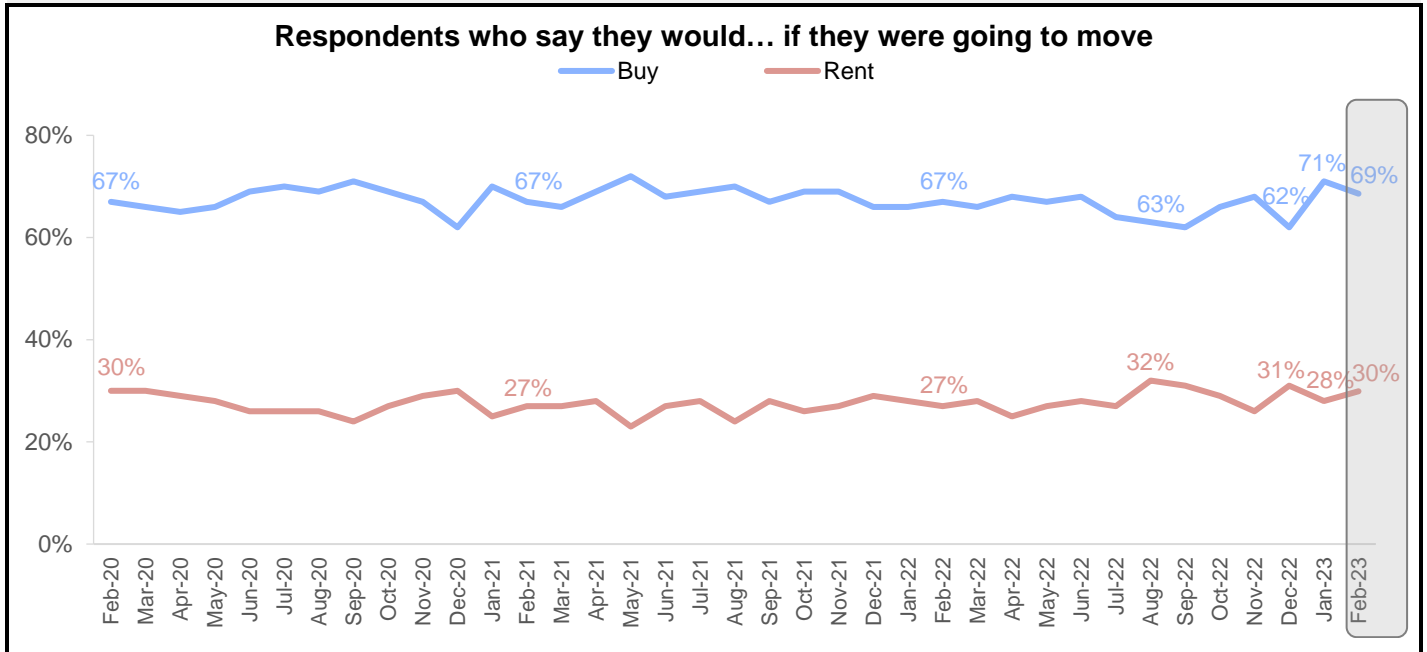
The share of consumers who expect home rental prices to go up increased 1 percentage point to 66%, while the share who expect rental prices to go down stayed the same at 10% month over month.



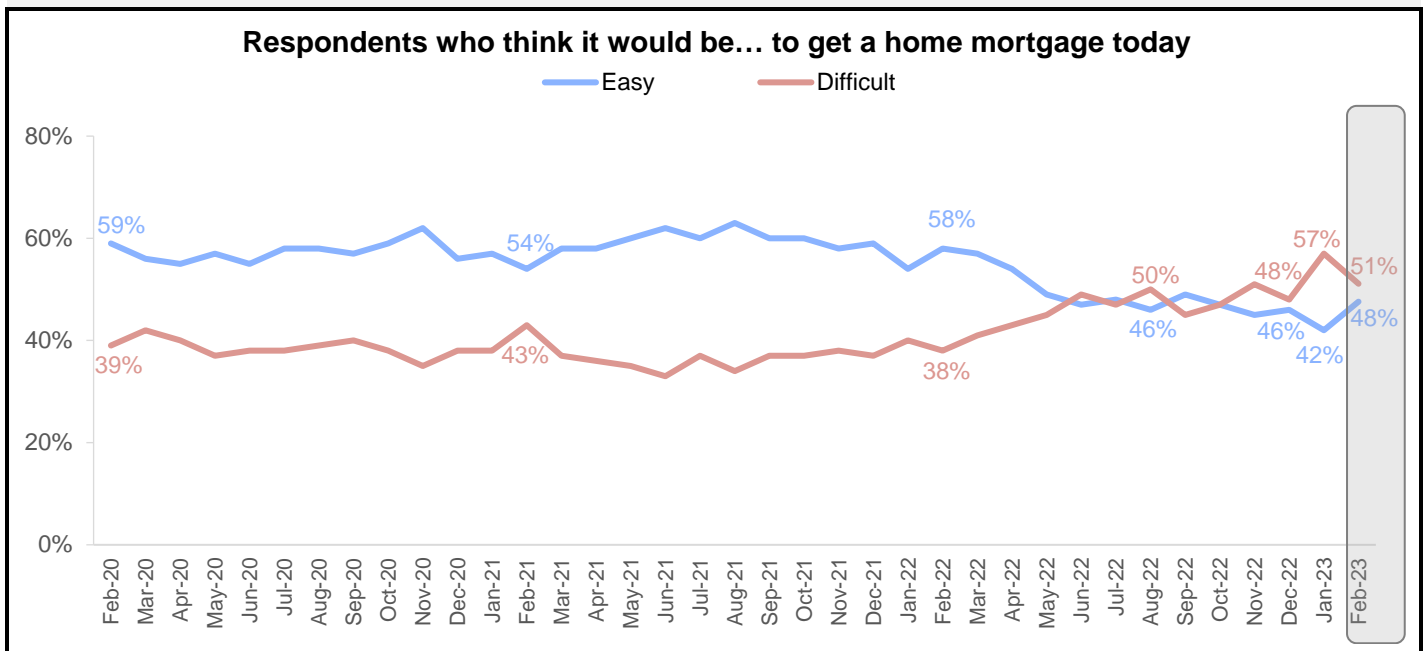


Additional National Housing Survey Key Indicators

The share of consumers who say they would buy a home if they were going to move decreased by 2 percentage points to 69%. The share who say they would rent increased 2 percentage points to 30%.



The share of consumers who say getting a mortgage would be easy increased 6 percentage point month-over-month to 48%, while the share of those who say it would be difficult decreased 6 percentage points to 51%.

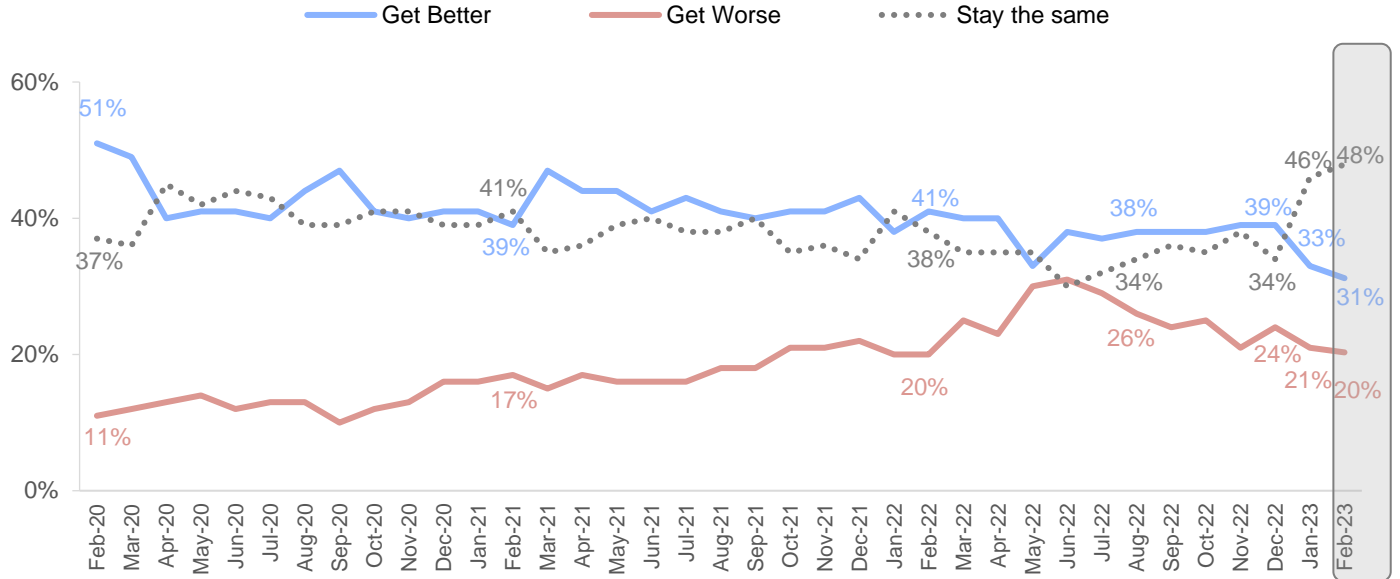




Additional National Housing Survey Key Indicators

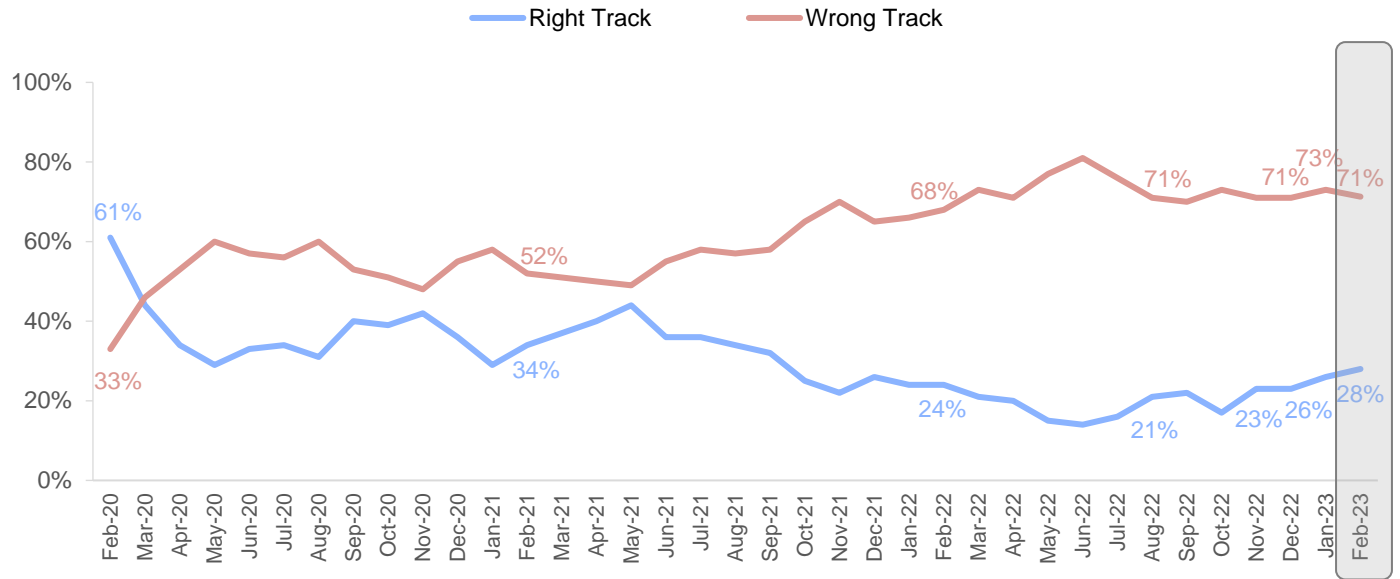
The share of consumers who expect their personal financial situation to get better decreased 2 percentage points to 31%, a new survey low, while the share who expect it to get worse decreased 1 percentage point to 20%. The share who expect it to stay the same increased 2 percentage points to 48%, a new survey high,

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



The share of consumers who say the economy is on the wrong track decreased 2 percentage points to 71%. The share who say the economy is on the right track increased 2 percentage points to 28%.

Respondents who say the economy is on the...





The National Housing Survey®

February 2023

APPENDIX

About the Survey

The National Housing Survey® polled a nationally representative sample of 1,005 household financial decision makers (margin of error ± 4.03%) aged 18 and older between February 1st and February 19th, 2023.

The survey was fielded through AmeriSpeak®, NORC at the University of Chicago's probability-based panel, 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, though weighting corrections have been applied. 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
$HPSI = \frac{Q12 + Q13 + Q15 + Q20B + Q112B + Q116}{6} + 63.5$	
<small>* 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</small>	

Time Series Data: <https://www.fanniemae.com/media/document/xlsx/nhs-monthly-indicator-data-030723>

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

February 2022	75.3
March 2022	73.2
April 2022	68.5
May 2022	68.2
June 2022	64.8
July 2022	62.8
August 2022	62.0
September 2022	60.8
October 2022	56.7
November 2022	57.3
December 2022	61.0
January 2023	61.6
February 2023	58.0

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
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
August 2022	22	73	-51
September 2022	19	75	-56
October 2022	16	80	-64
November 2022	16	79	-63
December 2022	21	76	-55
January 2023	17	82	-64
February 2023	20	79	-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
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
August 2022	59	35	24
September 2022	59	33	26
October 2022	51	42	9
November 2022	54	39	15
December 2022	51	42	9
January 2023	59	39	20
February 2023	54	44	10

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
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
August 2022	33	33	28	0
September 2022	32	35	28	-3
October 2022	30	37	26	-7
November 2022	30	34	30	-4
December 2022	30	37	29	-7
January 2023	32	37	30	-5
February 2023	30	35	33	-4



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
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
August 2022	61	11	25	-50
September 2022	64	9	20	-55
October 2022	65	6	24	-59
November 2022	62	10	24	-52
December 2022	51	14	31	-37
January 2023	52	13	33	-39
February 2023	55	15	28	-40

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

	% Concerned	% Not Concerned	Net % Not Concerned
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
August 2022	21	79	58
September 2022	21	78	57
October 2022	15	85	70
November 2022	21	78	57
December 2022	17	82	65
January 2023	18	82	65
February 2023	24	73	50



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
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
August 2022	25	15	59	10
September 2022	26	11	61	15
October 2022	25	15	60	10
November 2022	27	17	55	10
December 2022	25	15	59	10
January 2023	22	10	67	12
February 2023	22	12	63	11

Average home/rental price change expectation

	% Home Price Change	% Rental Price Change
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
August 2022	-0.4	5.7
September 2022	-1.1	6.2
October 2022	-1.4	6.1
November 2022	-1.7	5.9
December 2022	-1.6	5.5
January 2023	-1.4	6.8
February 2023	-0.5	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
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
August 2022	64	9	24
September 2022	63	6	28
October 2022	62	6	28
November 2022	60	7	30
December 2022	58	10	28
January 2023	65	10	24
February 2023	66	10	23

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

	% Buy	% Rent
February 2022	67	27
March 2022	66	28
April 2022	68	25
May 2022	67	27
June 2022	68	28
July 2022	64	27
August 2022	63	32
September 2022	62	31
October 2022	66	29
November 2022	68	26
December 2022	62	31
January 2023	71	28
February 2023	69	30



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

	% Difficult	% Easy
February 2022	38	58
March 2022	41	57
April 2022	43	54
May 2022	45	49
June 2022	49	47
July 2022	47	48
August 2022	50	46
September 2022	45	49
October 2022	47	47
November 2022	51	45
December 2022	48	46
January 2023	57	42
February 2023	51	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
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
August 2022	38	26	34
September 2022	38	24	36
October 2022	38	25	35
November 2022	39	21	38
December 2022	39	24	34
January 2023	33	21	46
February 2023	31	20	48



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

	% Right Track	% Wrong Track
February 2022	24	68
March 2022	21	73
April 2022	20	71
May 2022	15	77
June 2022	14	81
July 2022	16	76
August 2022	21	71
September 2022	22	70
October 2022	17	73
November 2022	23	71
December 2022	23	71
January 2023	26	73
February 2023	28	71