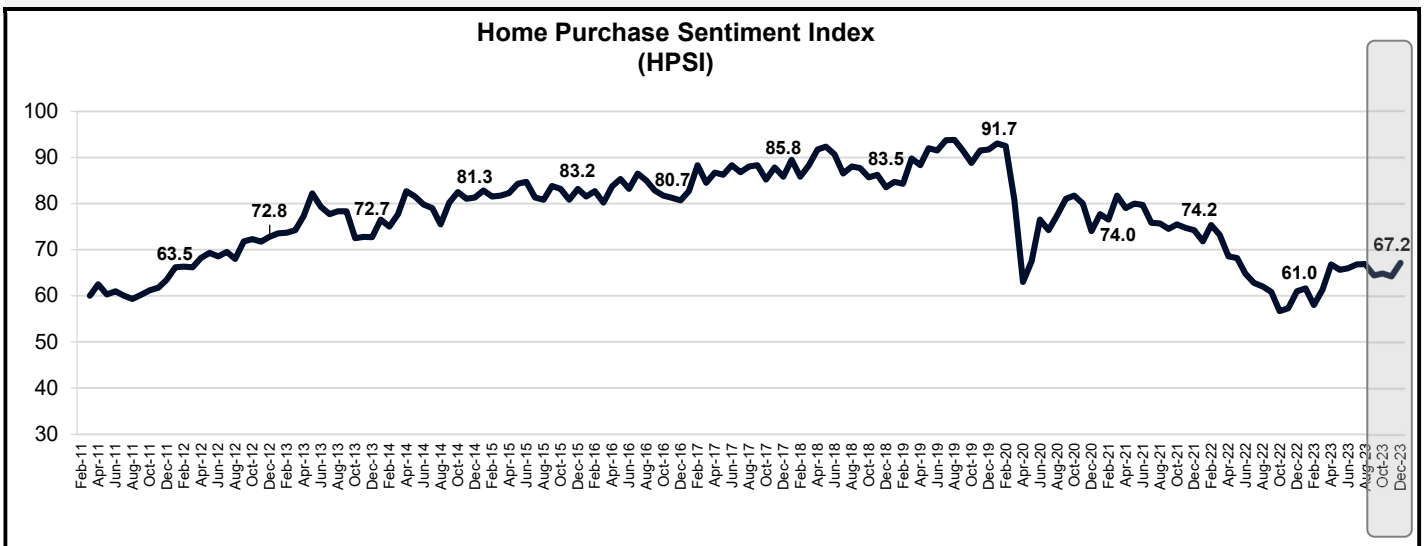# December 2023 Data Release

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 increased by 2.9 points to 67.2 in December.

Home Purchase Sentiment Index (HPSI)

Components of the HPSI

The increase in the HPSI this month was driven by net increases in two components (Mortgage Rate Outlook and Buying Conditions) and net decreases in three components (Selling Conditions, Job Loss Concern, and Home Price Outlook). Change in Household Income remained unchanged month-over-month.

	December 2023			Net Change	
				MoM	YoY
Buying Conditions	Good Time	Bad Time	Net Good Time to Buy	+5	-11
	17%	83%	-66%		
Selling Conditions	Good Time	Bad Time	Net Good Time to Sell	-5	+7
	57%	42%	16%		
Home Price Outlook (next 12 months)	Go Up	Go Down	Net Go Up	-2	+22
	39%	24%	15%		
Mortgage Rate Outlook (next 12 months)	Go Down	Go Up	Net Go Down	+22	+37
	31%	31%	0%		
Job Loss Concern (next 12 months)	Not Concerned	Concerned	Net Not Concerned	-3	-15
	75%	24%	50%		
Change in Household Income (past 12 months)	Significantly Higher	Significantly Lower	Net Significantly Higher	0	-3
	20%	13%	7%		

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

The net share of consumers who say it is a good time to buy a home increased 5 percentage points to -66%, an improvement from last month's third consecutive survey low. The share of consumers who say that it would be a bad time to buy dropped to 83%, while the share who say that it is a good time to buy rose to 17%.

Respondents who say it is a... to buy

······ Good Time   ······ Bad Time   —— Net Good Time
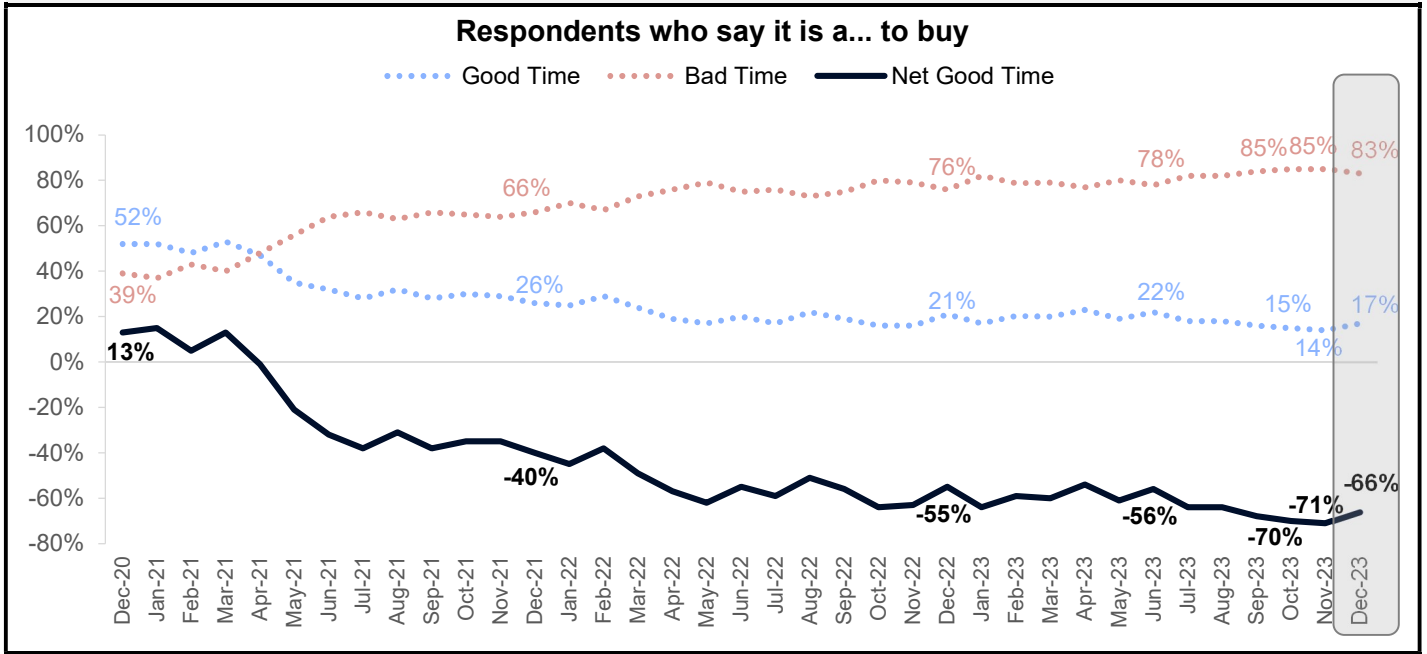
The share of consumers who say it is a bad time to sell increased 2 percentage points to 42% while the share who say it's a good time to sell decreased 3 percentage points to 57%. As a result, the net share of consumers who say it is a good time to sell dropped 5 percentage points to 16%, the lowest since February 2023.

Respondents who say it is a... to sell

······ Good Time   ······ Bad Time   —— Net Good Time
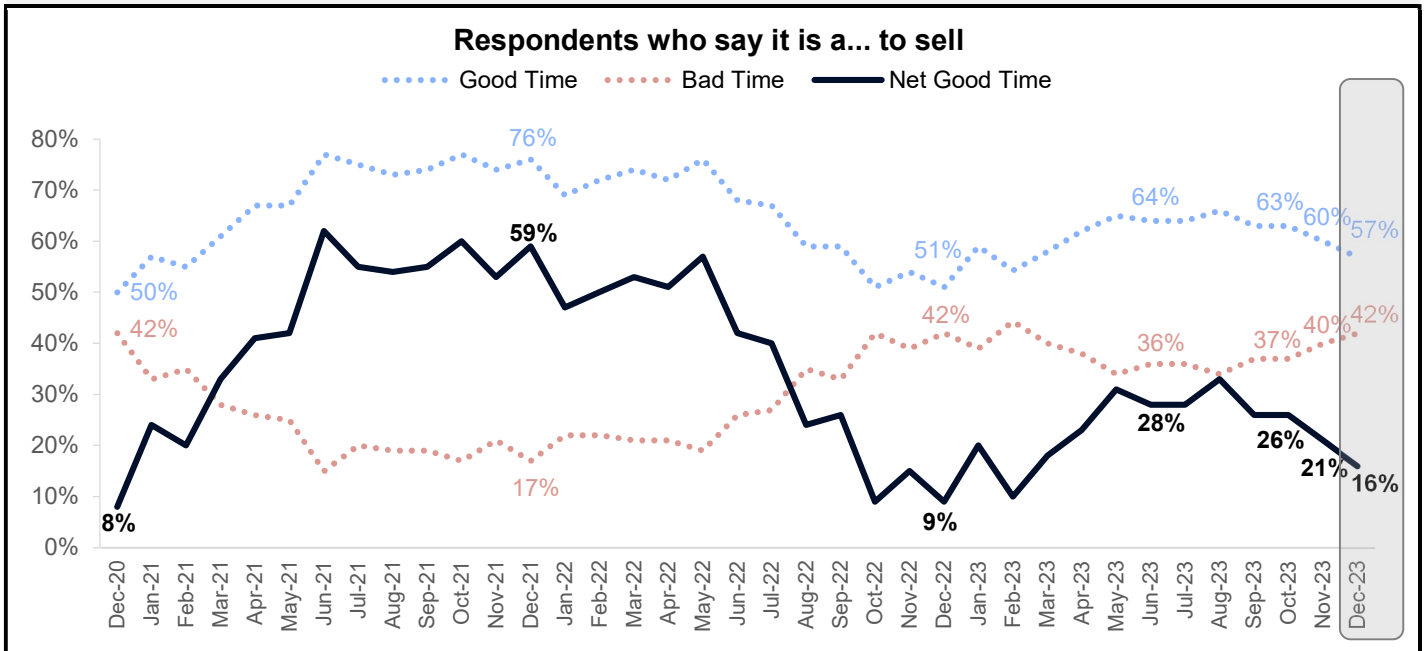
Components of the HPSI – Home Price and Mortgage Rate Expectations

The net share of consumers who say home prices will go up dropped 2 percentage points to 15%. While 39% of consumers expect home prices to go up, 24% expect prices to go down, and 36% expect it to stay the same.

Respondents who say home prices will... in the next 12 months

······ Go Up   ······ Go Down   ······ Stay the Same   —— Net Go Up
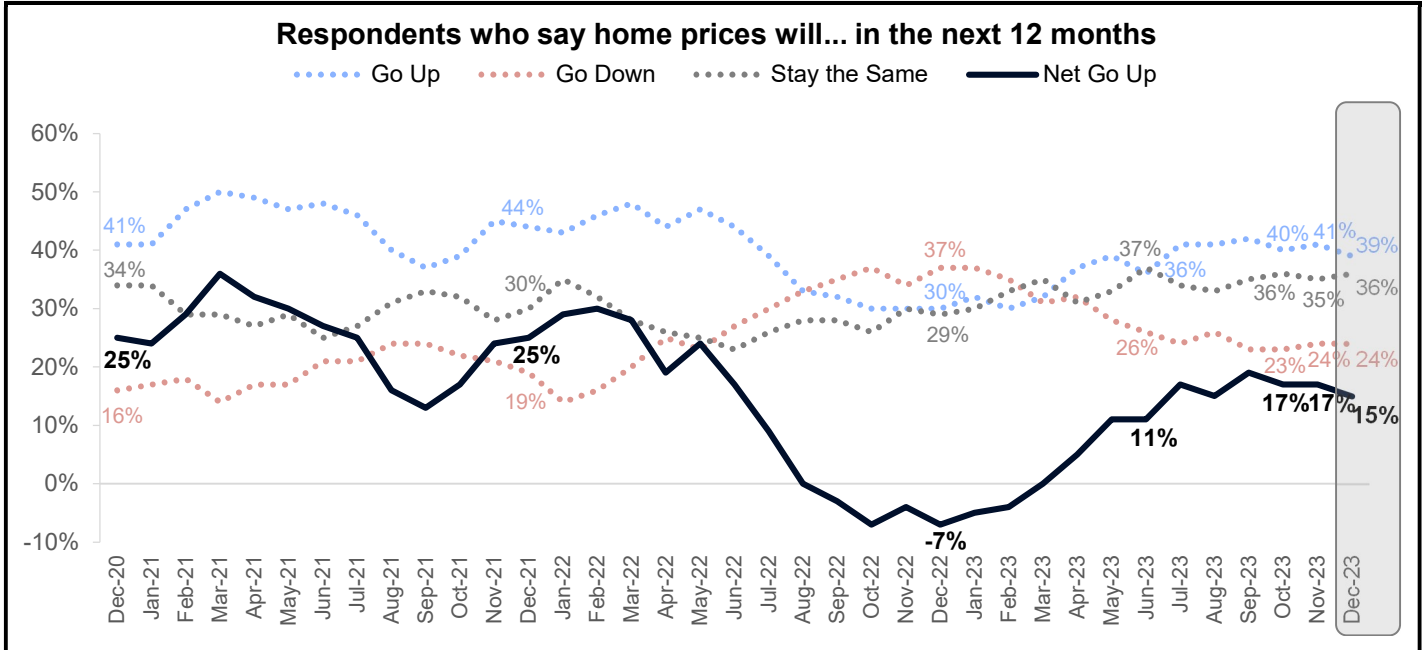
This month, the net share of those who say mortgage rates will go down over the next 12 months increased by 22 percentage points to 0% (a survey high last seen May 2020).

Respondents who say mortgage rates will... in the next 12 months

······ Go Down   ······ Go Up   ······ Stay the Same   —— Net Go Down
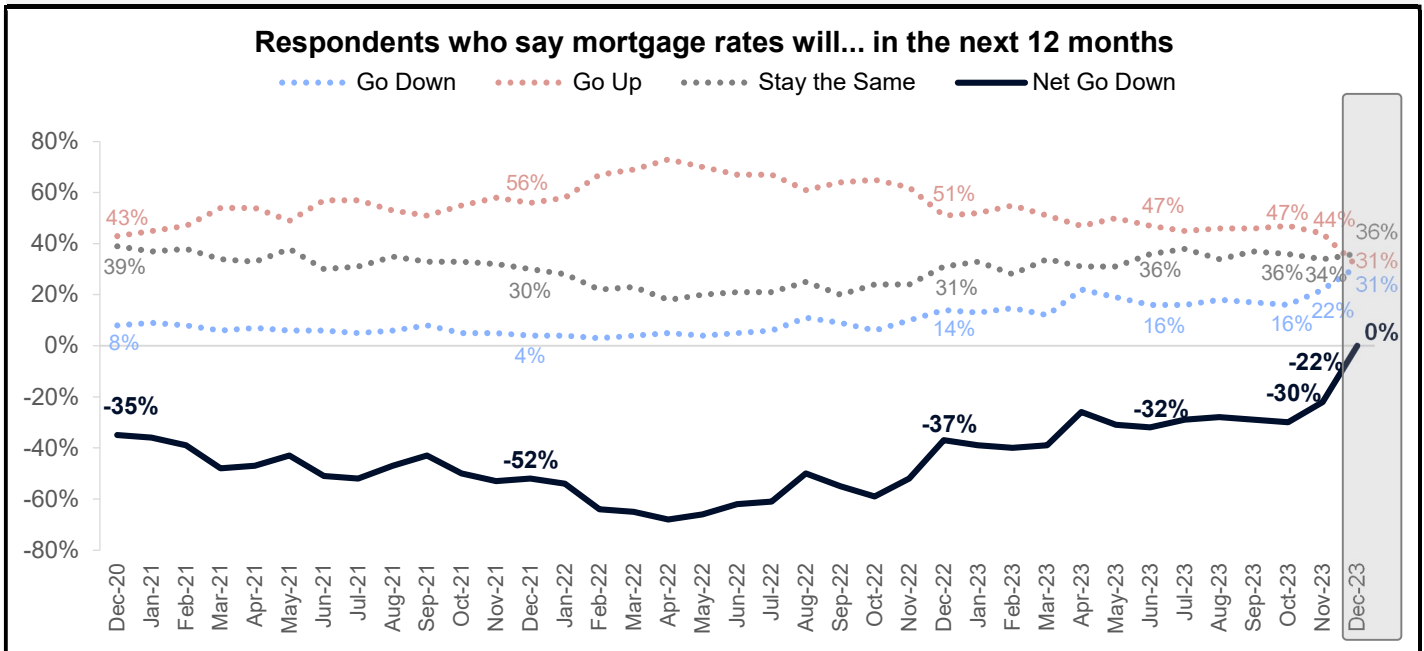
Components of the HPSI – Job Loss Concern and Household Incomes

In December, the net share of employed consumers who say they are not concerned about losing their job decreased 3 percentage points to 50%.

Employed Respondents who say they are… about losing their job in the next 12 months

······· Not Concerned ······· Concerned ——— Net Not Concerned
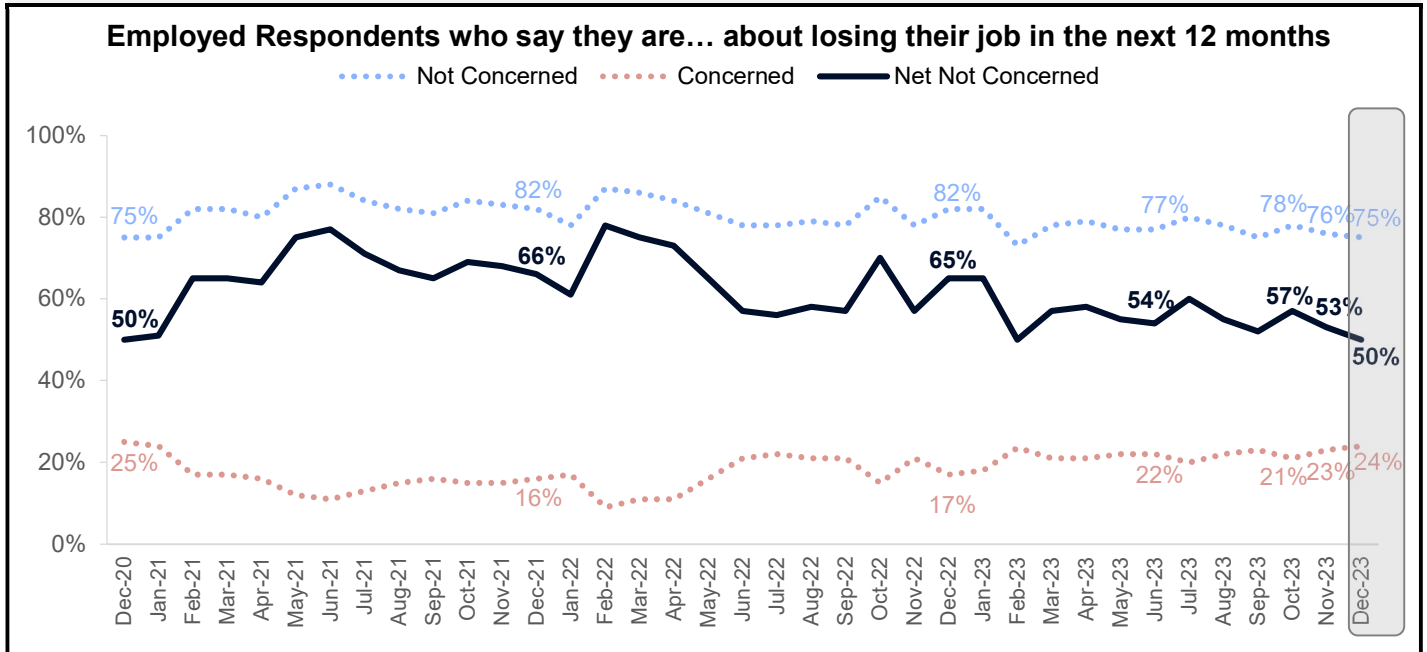
The net share of those who say their household income is significantly higher compared to a year ago remained unchanged month-over-month at 7%.

Respondents who say their household income is… compared to 12 months ago

······· Significantly Higher ······· Significantly Lower ······· About the Same ——— Net Significantly Higher
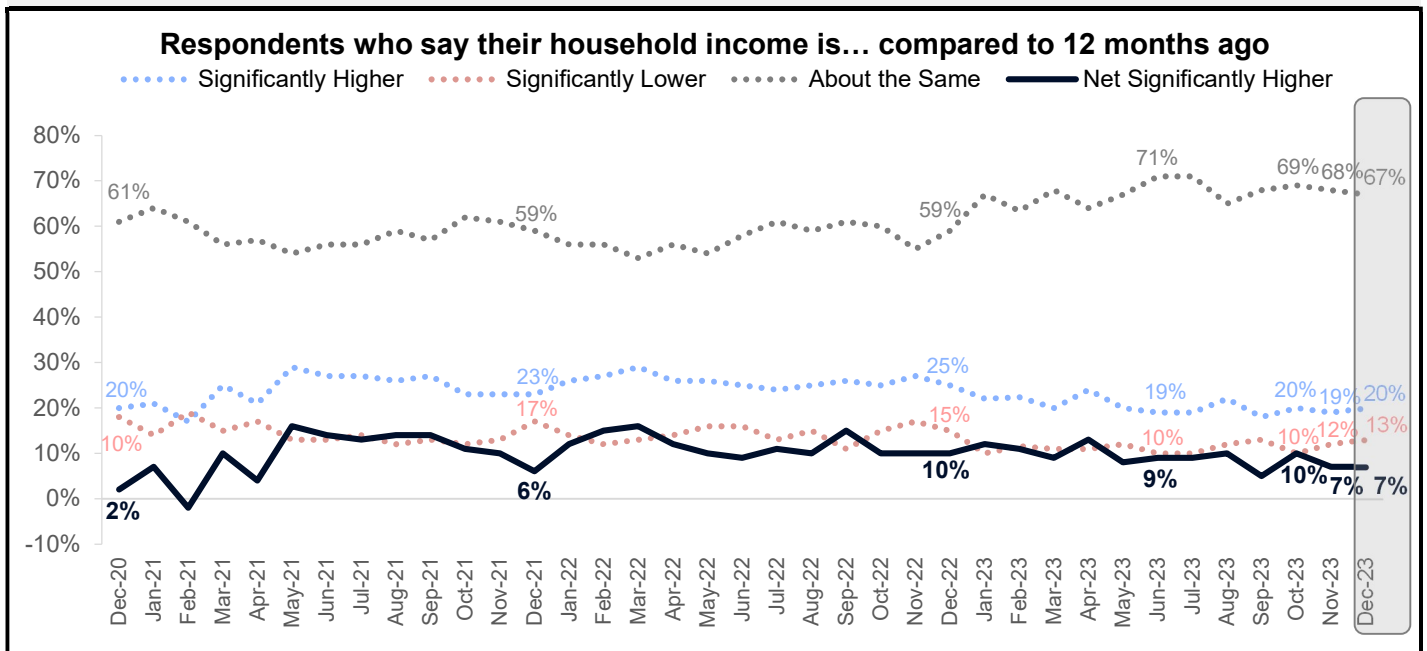
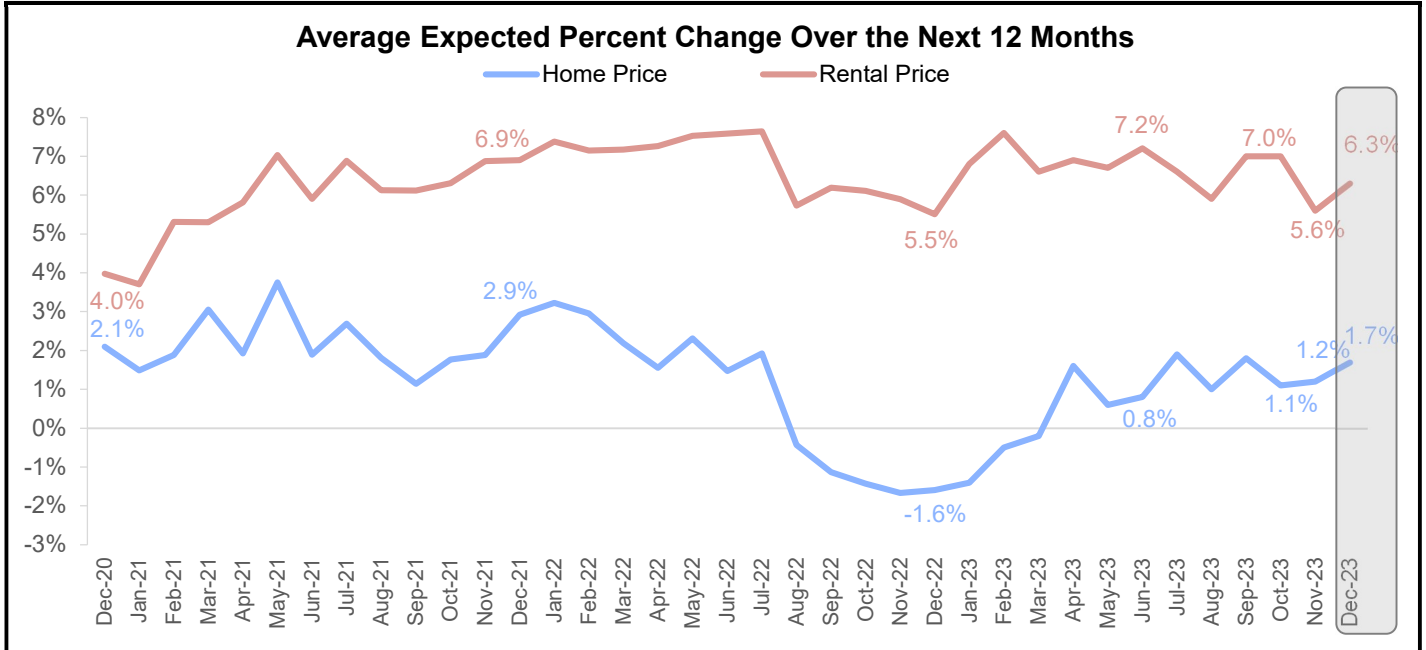# Additional National Housing Survey Key Indicators

Consumers expect rental prices to increase 6.3% on average over the next 12 months (a 0.7 percentage-point increase month-over-month). Home prices are expected to increase 1.7% on average over the next 12 months (a 0.5 percentage-point increase from last month).

Average Expected Percent Change Over the Next 12 Months

Home Price ——— Rental Price

The share of consumers who expect home rental prices to go up remained unchanged at 67%, and the share who expect rental prices to go down decreased 1 percentage points to 8%.

Respondents who say home rental prices will... in the next 12 months

Go Up ——— Go Down ·········· Stay the Same
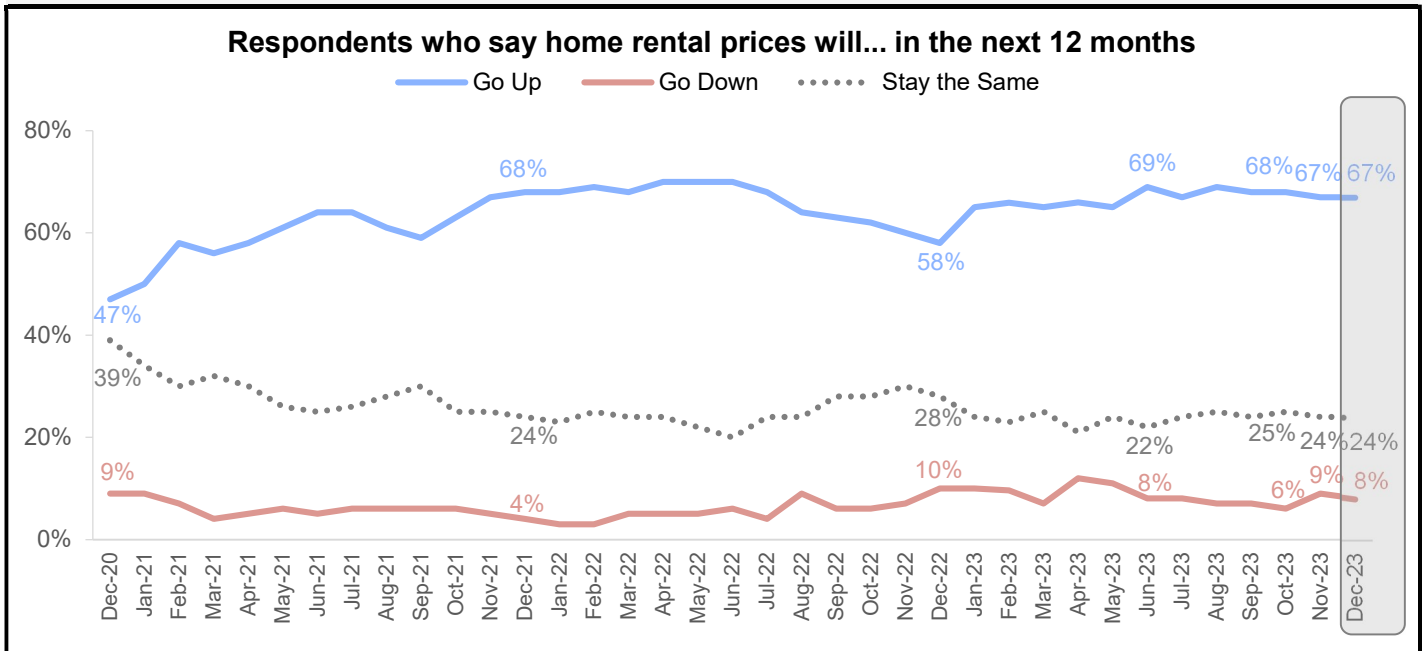
Additional National Housing Survey Key Indicators

The share of consumers who say they would buy a home if they were going to move decreased 1 percentage point to 65%. The share who say they would rent remained unchanged month-over-month at 33%.

Respondents who say they would… if they were going to move

— Buy   — Rent
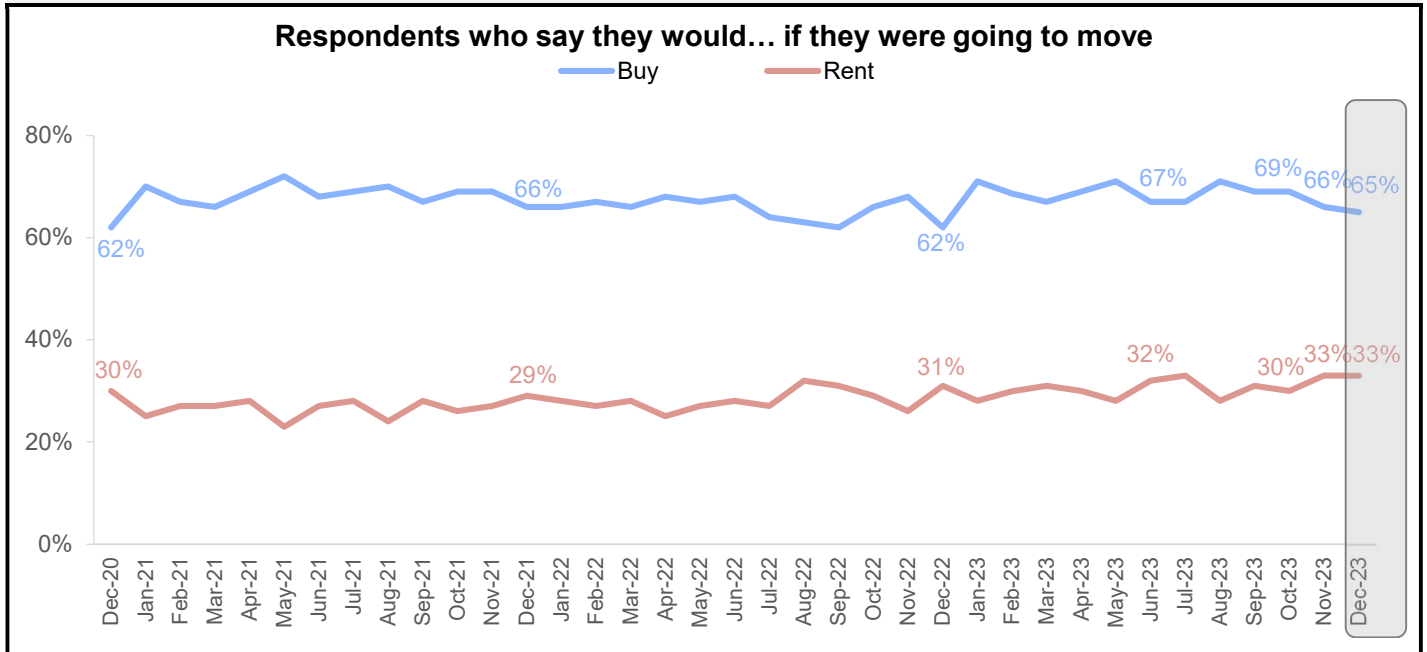
The share of consumers who say getting a mortgage would be difficult decreased 2 percentage point to 57% while the share who say getting a mortgage would be easy increased 2 percentage points to 43%.

Respondents who think it would be… to get a home mortgage today

— Easy   — Difficult
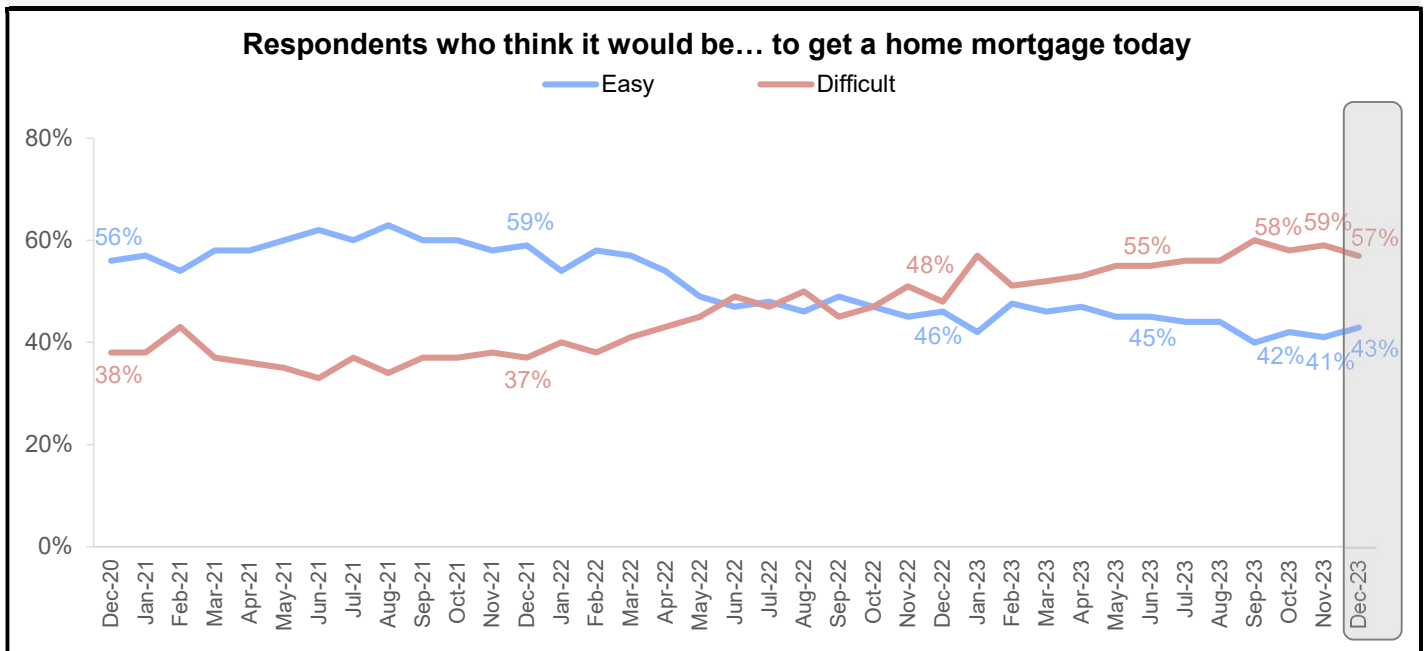
Additional National Housing Survey Key Indicators

The share of consumers who expect their personal financial situation to get better remained unchanged at 30%, and the share who expect it to get worse also remained unchanged at 20%. The share who expect their personal financial situation to stay the same also remained at 50%.

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

Get Better   Get Worse   Stay the same
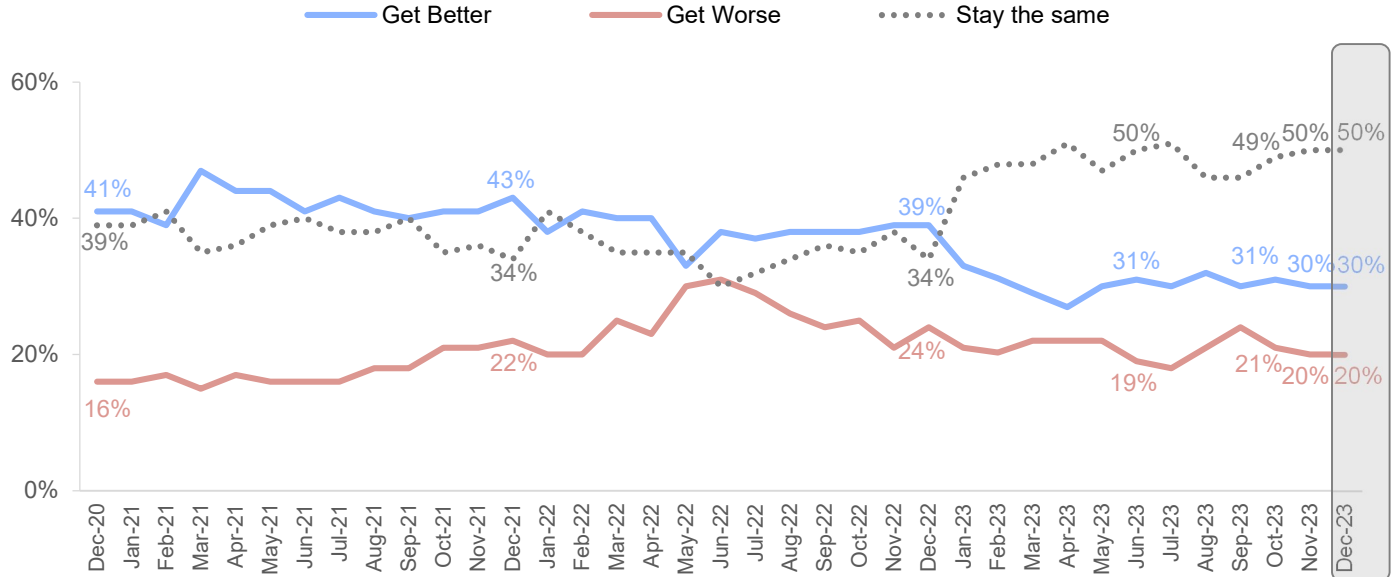
The share of consumers who say the economy is on the wrong track decreased 6 percentage points to 70% while the share who say the economy is on the right track increased 6 percentage points to 30%.

Respondents who say the economy is on the...

Right Track   Wrong Track
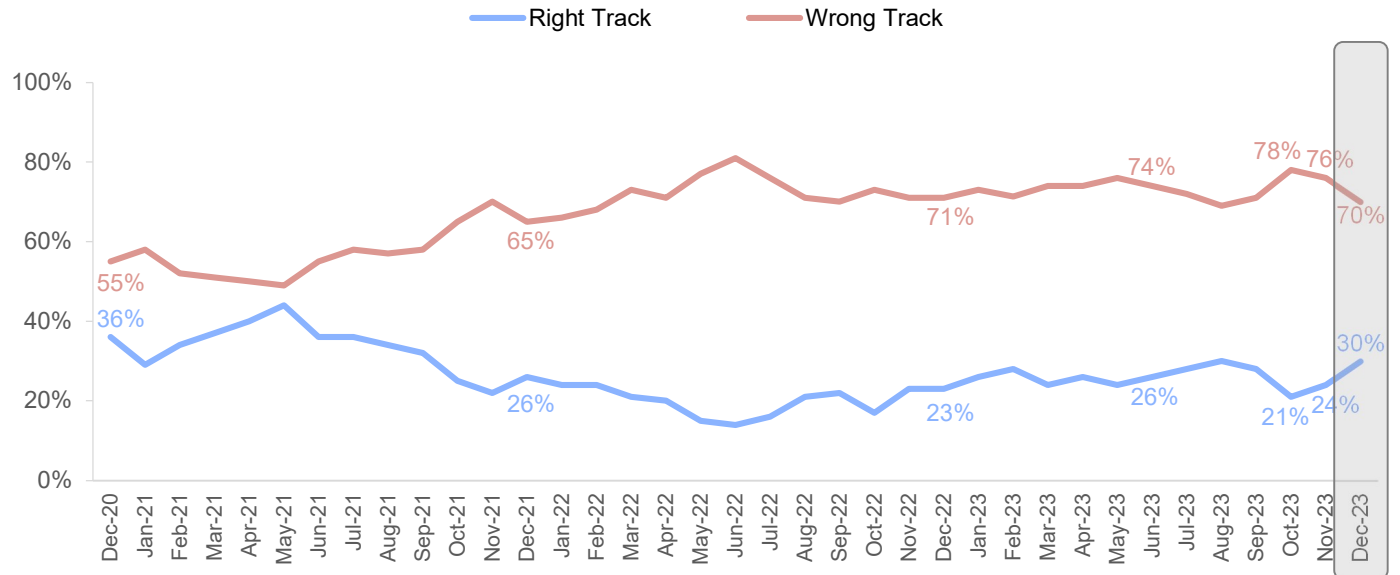
The National Housing Survey®

December 2023
APPENDIX

About the Survey

The National Housing Survey® polled a nationally representative sample of 1,002 household financial decision makers (margin of error ± 4.08%) aged 18 and older between December 1st and December 18th, 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 non-sampling error, including bias and variance from response, nonreporting, and under-coverage, 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** *Very or Somewhat Good Time To Buy – Very or Somewhat Bad Time To Buy*	Q12
Net Good Time to **Sell** *Very or Somewhat Good Time To Sell – Very or Somewhat Bad Time To Sell*	Q13
Net **Home Prices** Will Go Up (next 12 months) *Home Prices Will Go Up – Home Prices Will Go Down*	Q15
Net **Mortgage Rates** Will Go Down (next 12 months) *Mortgage Rates Will Go Down – Mortgage Rates Will Go Up*	Q20B
Net Confident About Not Losing **Job** (next 12 months) *Among Employed Respondents, Not at All or Not Very Concerned about Losing Job – Very or Somewhat Concerned about Losing Job*	Q112B
Net Household **Income** is Significantly Higher (past 12 months) *Income is Significantly Higher – Income is Significantly Lower*	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-010724

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

December 2022	61.0
January 2023	61.6
February 2023	58.0
March 2023	61.3
April 2023	66.8
May 2023	65.6
June 2023	66.0
July 2023	66.8
August 2023	66.9
September 2023	64.5
October 2023	64.9
November 2023	64.3
December 2023	**67.2**

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
December 2022	21	76	-55
January 2023	17	82	-64
February 2023	20	79	-59
March 2023	20	79	-60
April 2023	23	77	-54
May 2023	19	80	-61
June 2023	22	78	-56
July 2023	18	82	-64
August 2023	18	82	-64
September 2023	16	84	-68
October 2023	15	85	-70
November 2023	14	85	-71
December 2023	**17**	**83**	**-66**

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
December 2022	51	42	9
January 2023	59	39	20
February 2023	54	44	10
March 2023	58	40	18
April 2023	62	38	23
May 2023	65	34	31
June 2023	64	36	28
July 2023	64	36	28
August 2023	66	34	33
September 2023	63	37	26
October 2023	63	37	26
November 2023	60	40	21
December 2023	**57**	**42**	**16**

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
December 2022	30	37	29	-7
January 2023	32	37	30	-5
February 2023	30	35	33	-4
March 2023	32	31	35	0
April 2023	37	32	31	5
May 2023	39	28	33	11
June 2023	36	26	37	11
July 2023	41	24	34	17
August 2023	41	26	33	15
September 2023	42	23	35	19
October 2023	40	23	36	17
November 2023	41	24	35	17
December 2023	**39**	**24**	**36**	**15**

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
December 2022	51	14	31	-37
January 2023	52	13	33	-39
February 2023	55	15	28	-40
March 2023	51	12	34	-39
April 2023	47	22	31	-26
May 2023	50	19	31	-31
June 2023	47	16	36	-32
July 2023	45	16	38	-29
August 2023	46	18	34	-28
September 2023	46	17	37	-29
October 2023	47	16	36	-30
November 2023	44	22	34	-22
December 2023	**31**	**31**	**36**	**0**

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

	% Concerned	% Not Concerned	Net % Not Concerned
December 2022	17	82	65
January 2023	18	82	65
February 2023	24	73	50
March 2023	21	78	57
April 2023	21	79	58
May 2023	22	77	55
June 2023	22	77	54
July 2023	20	80	60
August 2023	22	78	55
September 2023	23	75	52
October 2023	21	78	57
November 2023	23	76	53
December 2023	**24**	**75**	**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
December 2022	25	15	59	10
January 2023	22	10	67	12
February 2023	22	12	63	11
March 2023	20	11	68	9
April 2023	24	11	64	13
May 2023	20	12	67	8
June 2023	19	10	71	9
July 2023	19	10	71	9
August 2023	22	12	65	10
September 2023	18	13	68	5
October 2023	20	10	69	10
November 2023	19	12	68	7
December 2023	**20**	**13**	**67**	**7**

Average home/rental price change expectation		
	% Home Price Change	% Rental Price Change
December 2022	-1.6	5.5
January 2023	-1.4	6.8
February 2023	-0.5	7.6
March 2023	-0.2	6.6
April 2023	1.6	6.9
May 2023	0.6	6.7
June 2023	0.8	7.2
July 2023	1.9	6.6
August 2023	1.0	5.9
September 2023	1.8	7.0
October 2023	1.1	7.0
November 2023	1.2	5.6
December 2023	**1.7**	**6.3**

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
December 2022	58	10	28
January 2023	65	10	24
February 2023	66	10	23
March 2023	65	7	25
April 2023	66	12	21
May 2023	65	11	24
June 2023	69	8	22
July 2023	67	8	24
August 2023	69	7	25
September 2023	68	7	24
October 2023	68	6	25
November 2023	67	9	24
December 2023	**67**	**8**	**24**

Percent of respondents who say they would buy or rent if they were going to move		
	% Buy	% Rent
December 2022	62	31
January 2023	71	28
February 2023	69	30
March 2023	67	31
April 2023	69	30
May 2023	71	28
June 2023	67	32
July 2023	67	33
August 2023	71	28
September 2023	69	31
October 2023	69	30
November 2023	66	33
December 2023	**65**	**33**

Percent of respondents who think it would be difficult or easy for them to get a home mortgage today		
	% Difficult	**% Easy**
December 2022	48	46
January 2023	57	42
February 2023	51	48
March 2023	52	46
April 2023	53	47
May 2023	55	45
June 2023	55	45
July 2023	56	44
August 2023	56	44
September 2023	60	40
October 2023	58	42
November 2023	59	41
December 2023	**57**	**43**

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**
December 2022	39	24	34
January 2023	33	21	46
February 2023	31	20	48
March 2023	29	22	48
April 2023	27	22	51
May 2023	30	22	47
June 2023	31	19	50
July 2023	30	18	51
August 2023	32	21	46
September 2023	30	24	46
October 2023	31	21	49
November 2023	30	20	50
December 2023	**30**	**20**	**50**

Percent of respondents who think the economy is on the right track or the wrong track		
	% Right Track	% Wrong Track
December 2022	23	71
January 2023	26	73
February 2023	28	71
March 2023	24	74
April 2023	26	74
May 2023	24	76
June 2023	26	74
July 2023	28	72
August 2023	30	69
September 2023	28	71
October 2023	21	78
November 2023	24	76
December 2023	**30**	**70**