



Economic Outlook: Housing Markets in Transition

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Zillow Home Value Index shows a dynamic history



Source: Zillow Home Value Index, September 2019.

U.S. housing started slowing significantly in 2019



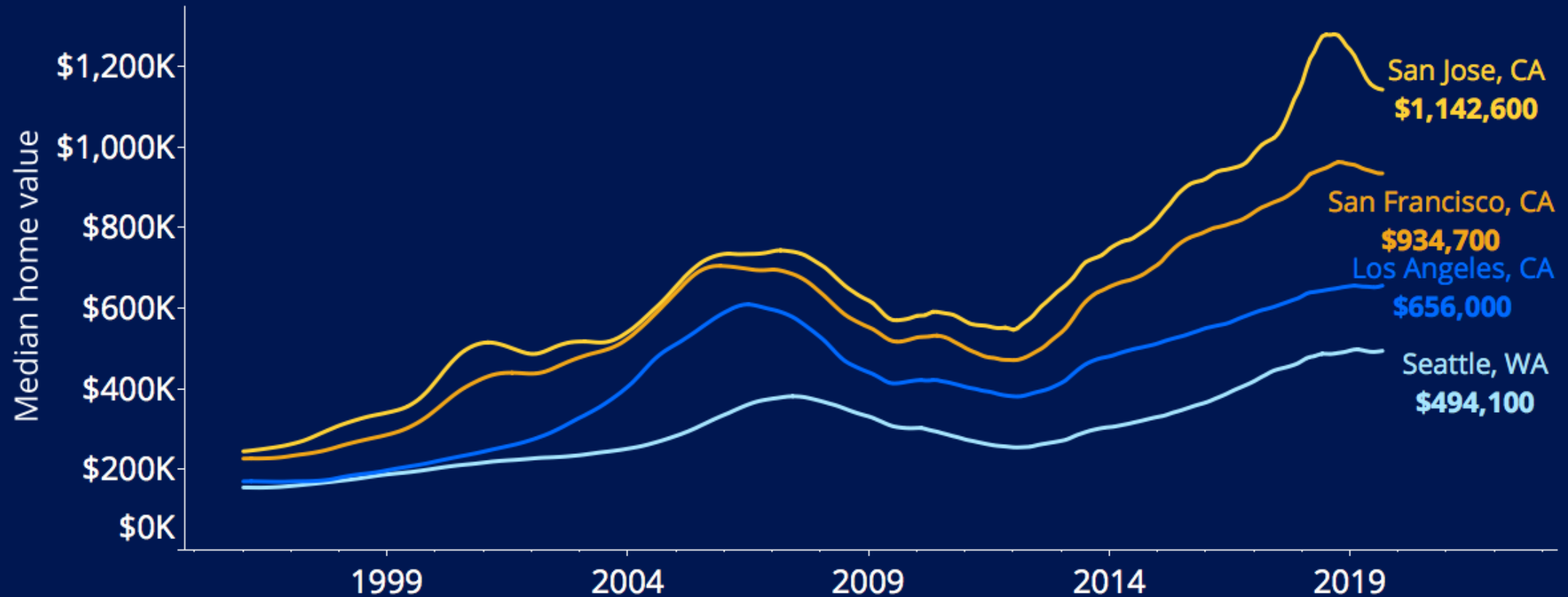
Source: Zillow Home Value Index, September 2019.

After a volatile spring, home values are now on the upswing again



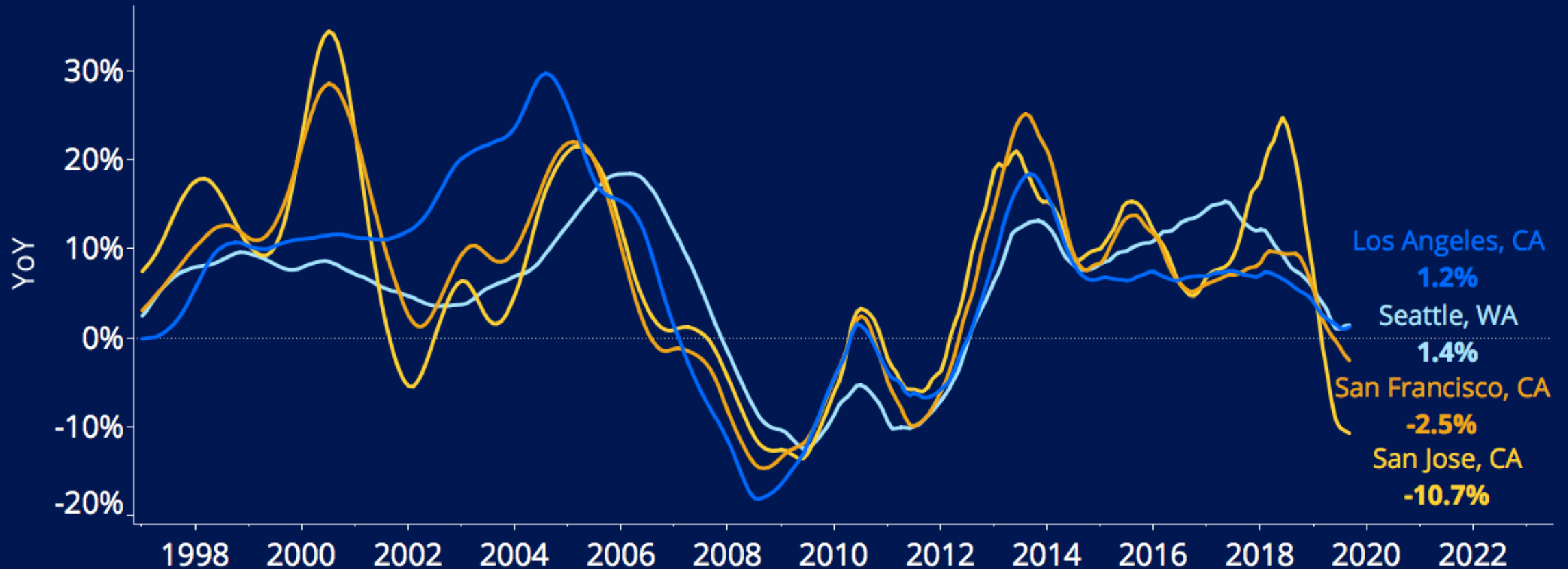
Source: Zillow Home Value Index, September 2019.

Expensive coastal markets are experiencing a dramatic price correction



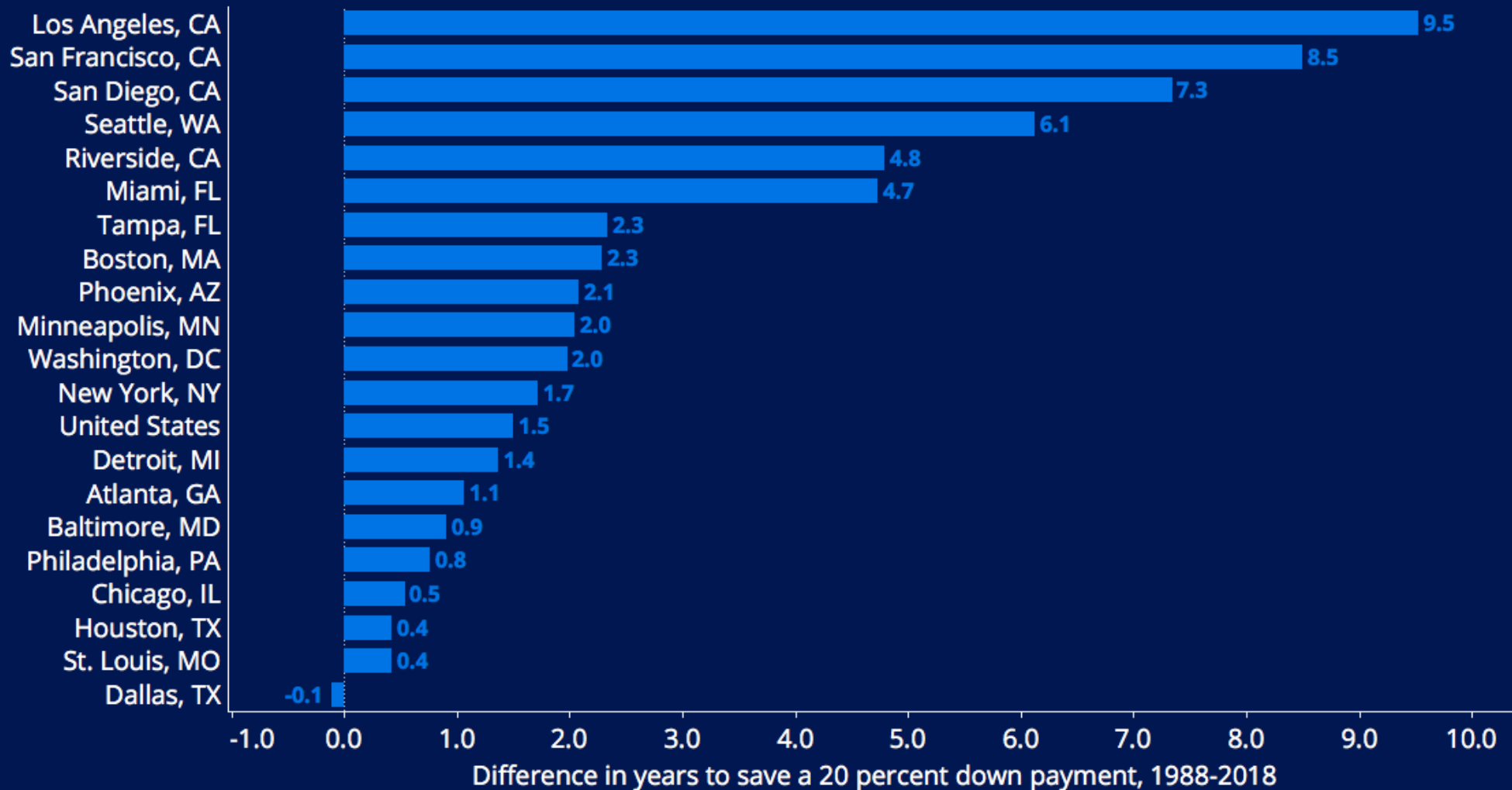
Source: Zillow Home Value Index, September 2019.

Looking at the past month, the brakes are coming off

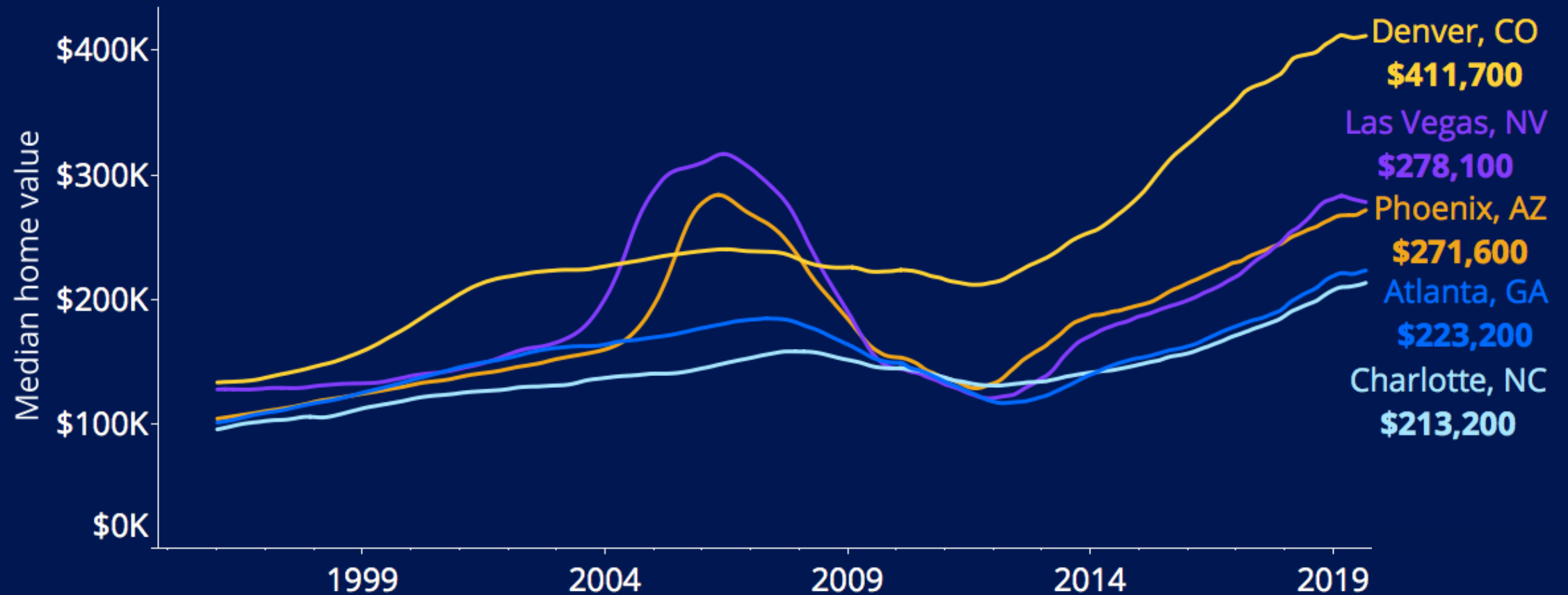


Source: Zillow Home Value Index, September 2019.

Simple “back of the envelope” math can put the down payment in perspective

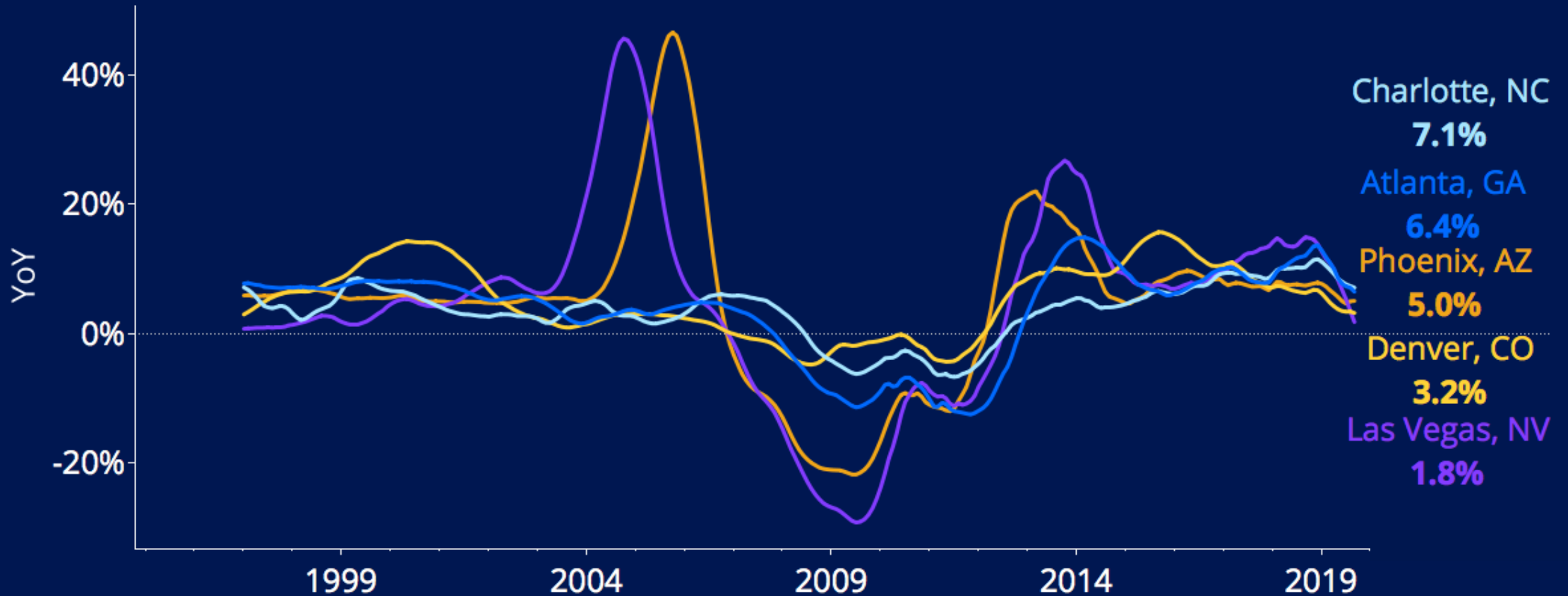


More affordable markets are more stable...



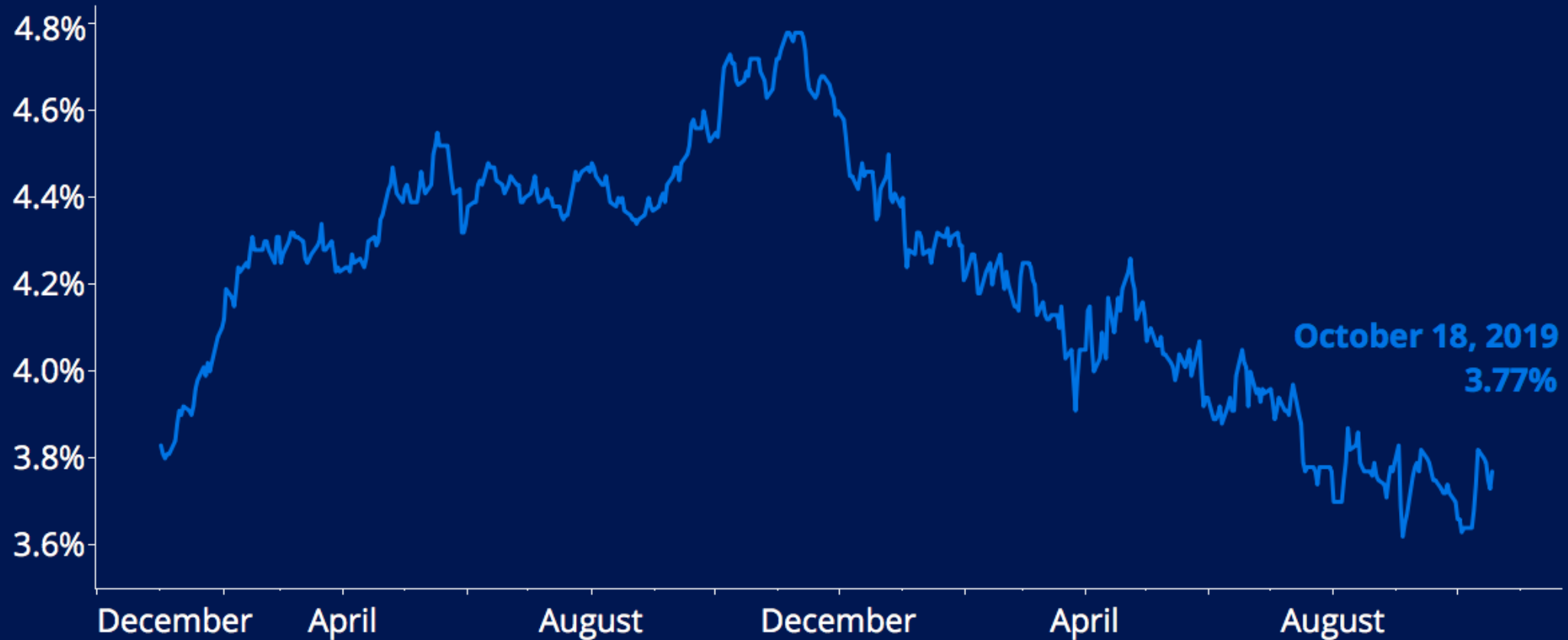
Source: Zillow Home Value Index, September 2019.

...but are also experiencing a slowdown at a milder level

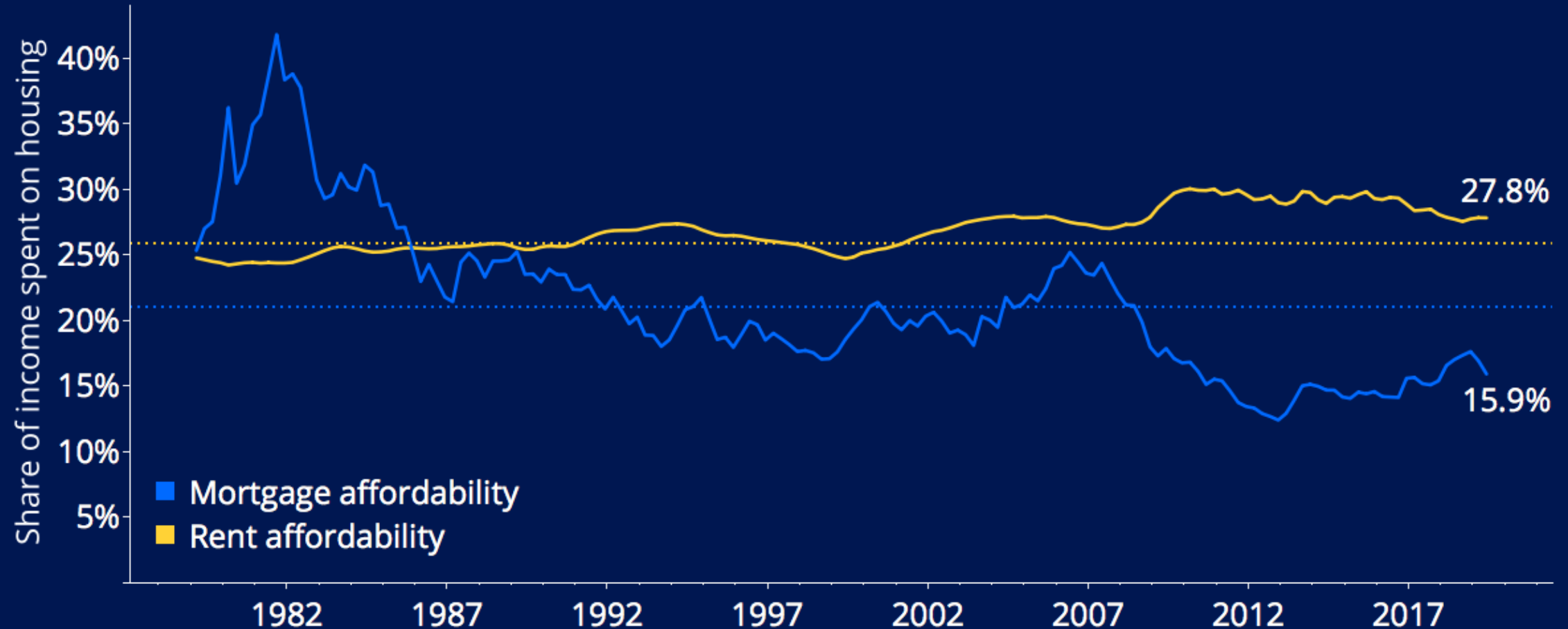


Source: Zillow Home Value Index, September 2019.

Mortgage rates have been intentionally lowered again



The power of mortgage rates to influence monthly affordability is incredible



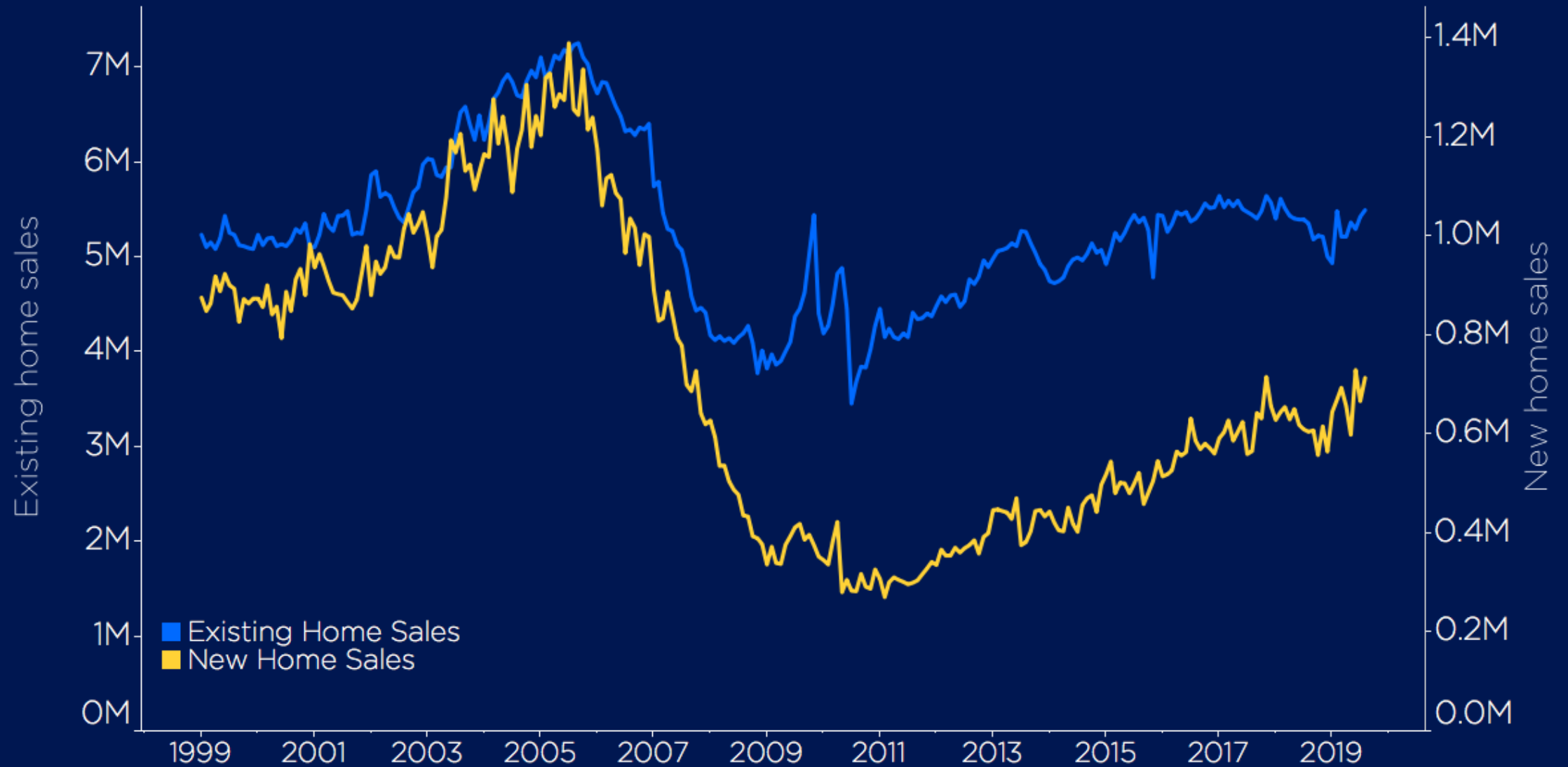
Reinvigorating demand, but inventory is still constrained



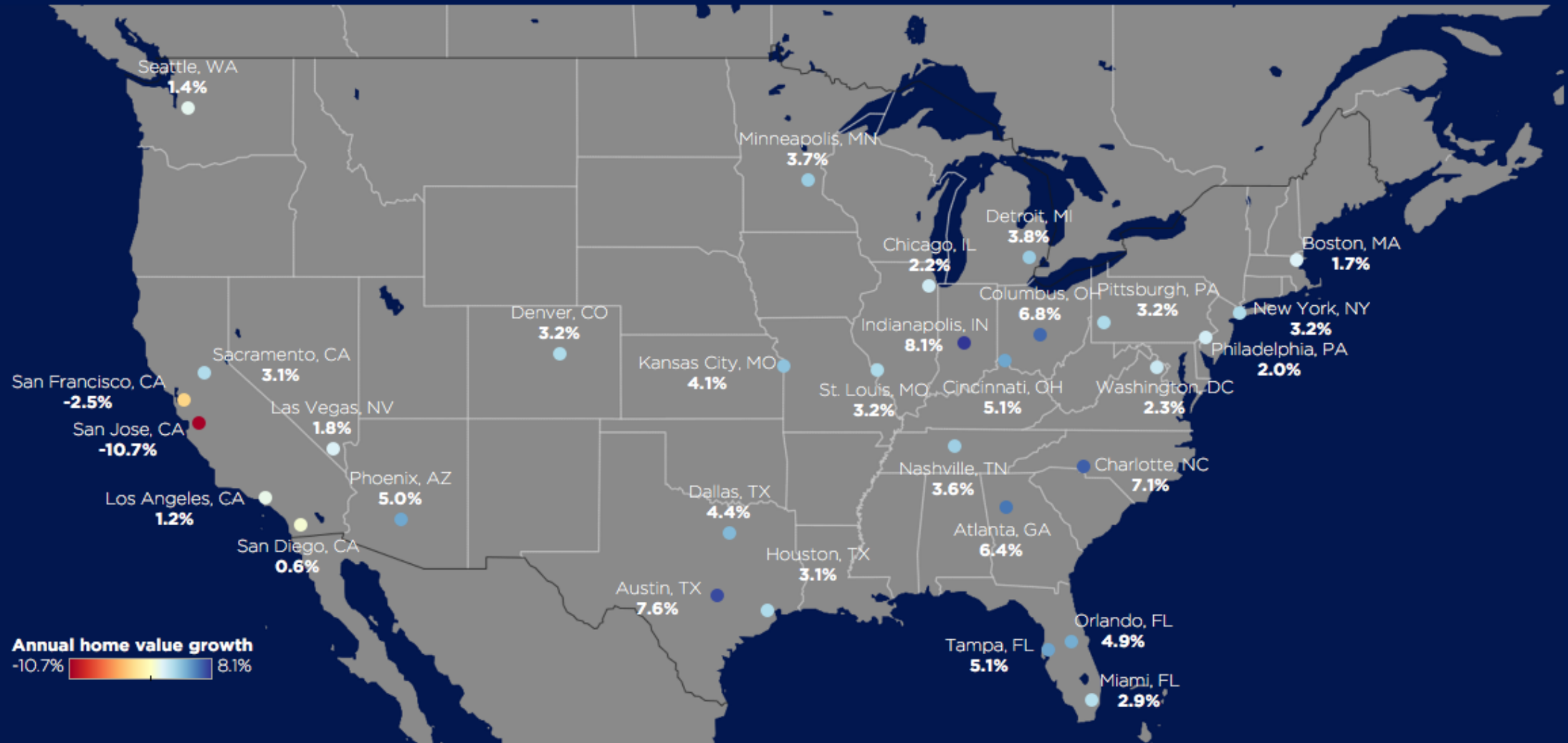
August housing starts were a breath of fresh air –
let's hope the trend continues



New home sales are trending up



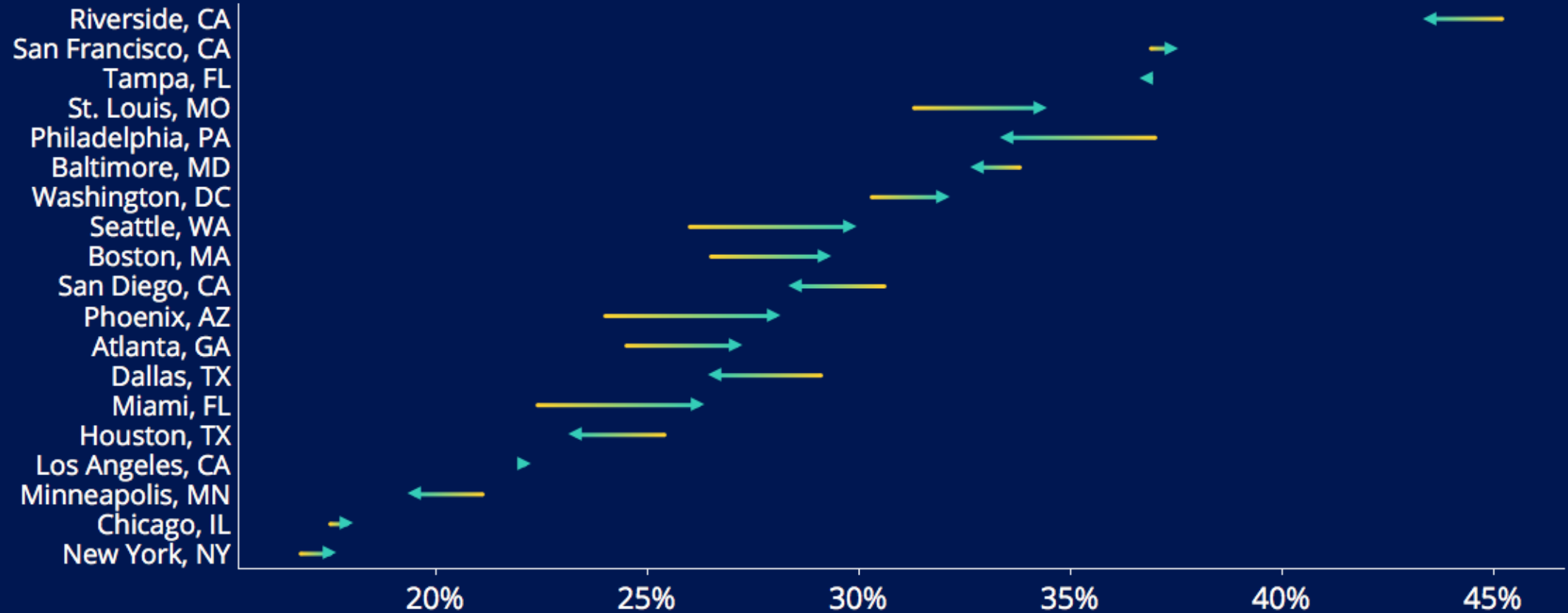
Significant variation in annual appreciation across the country



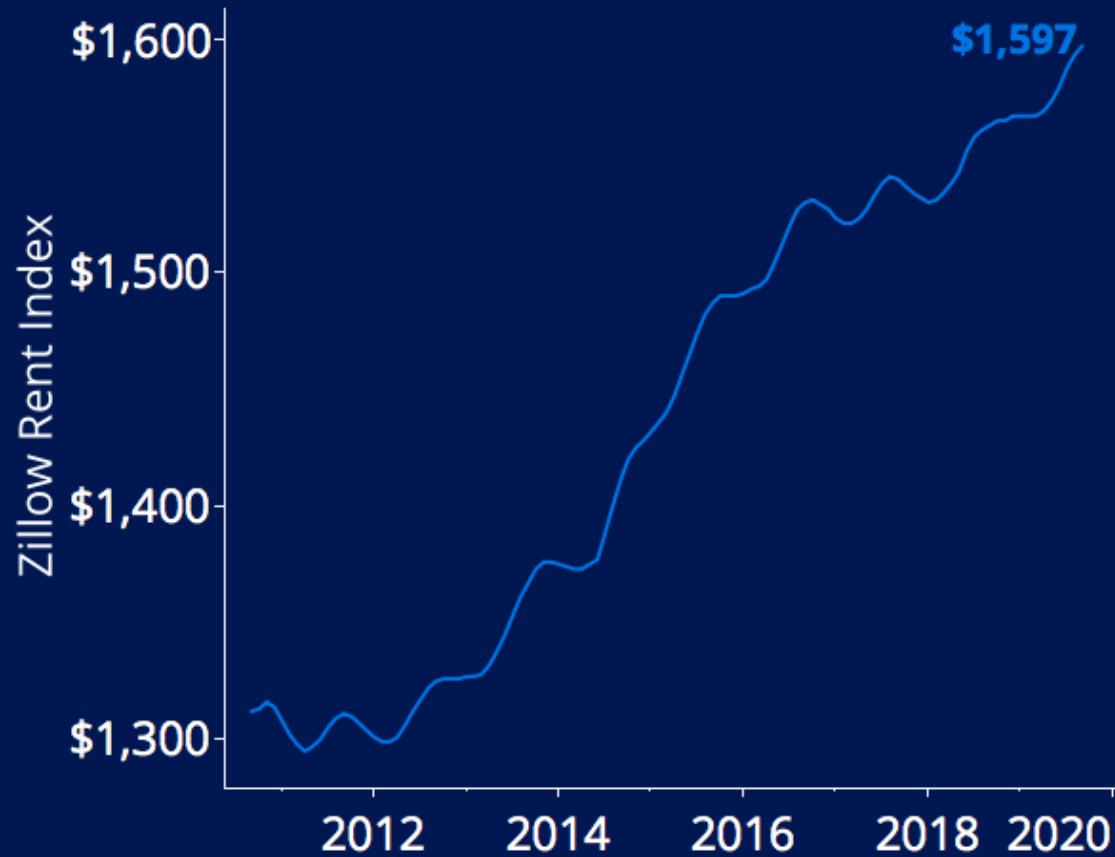
Source: Zillow Home Value Index, September 2019.

The evolving appeal of different metros for big moves

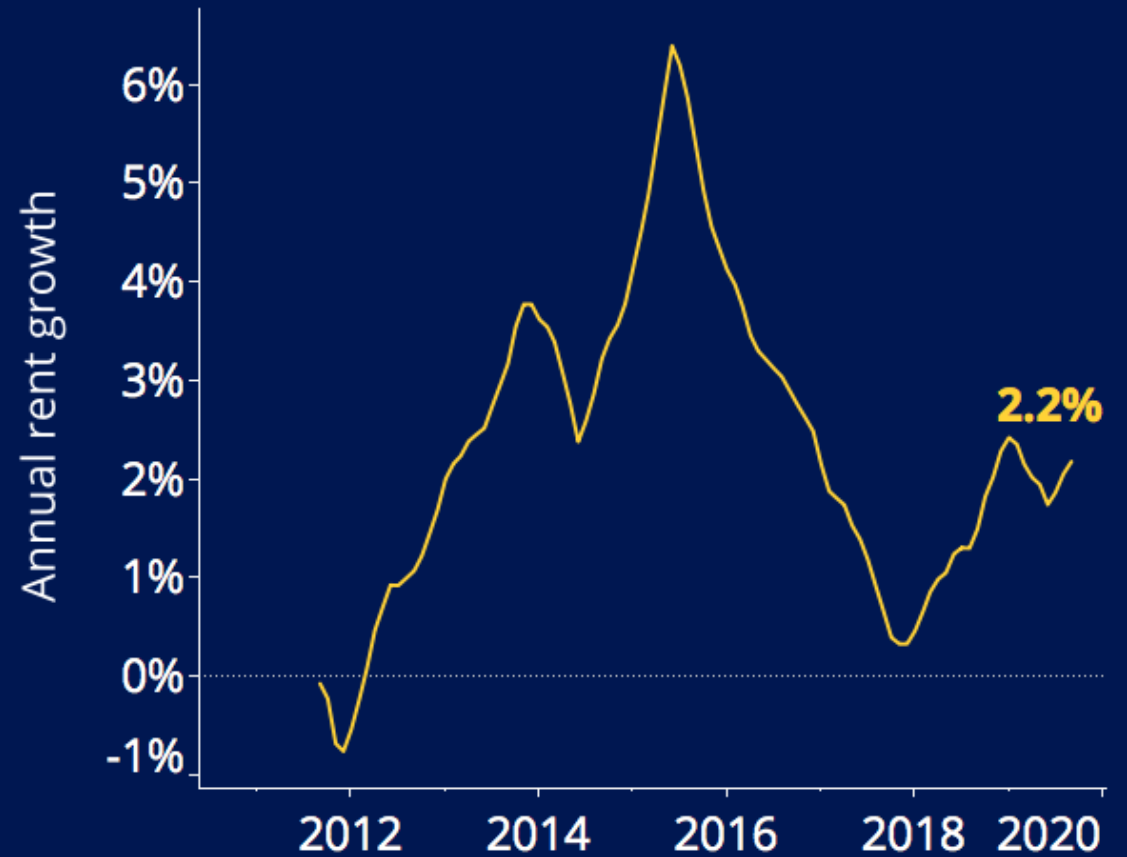
Share of searches for rentals in these metros that originate outside the area, in **2018** and **2019**



Alternatively, rent appreciation is back on

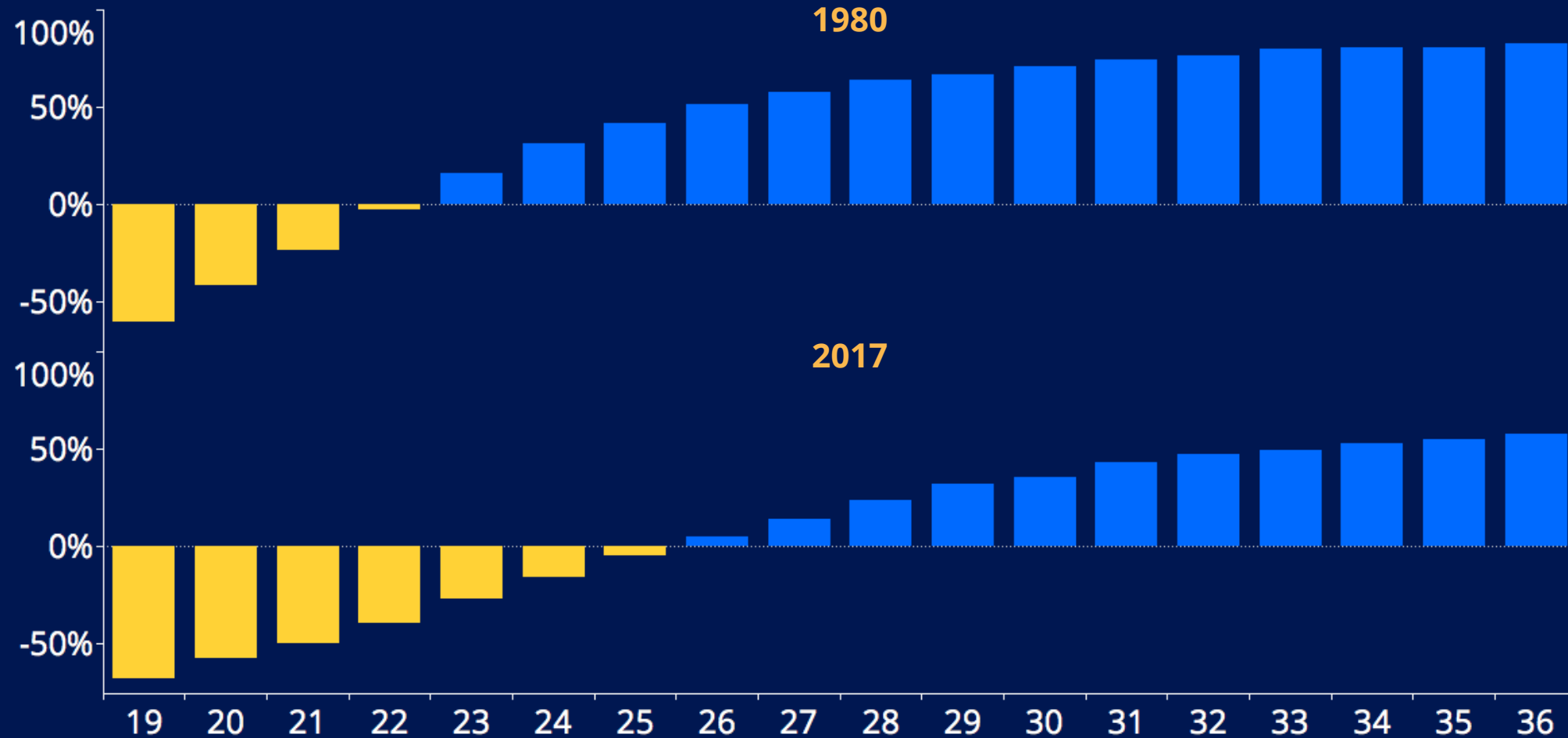


Source: Zillow Rent Index, September 2019.

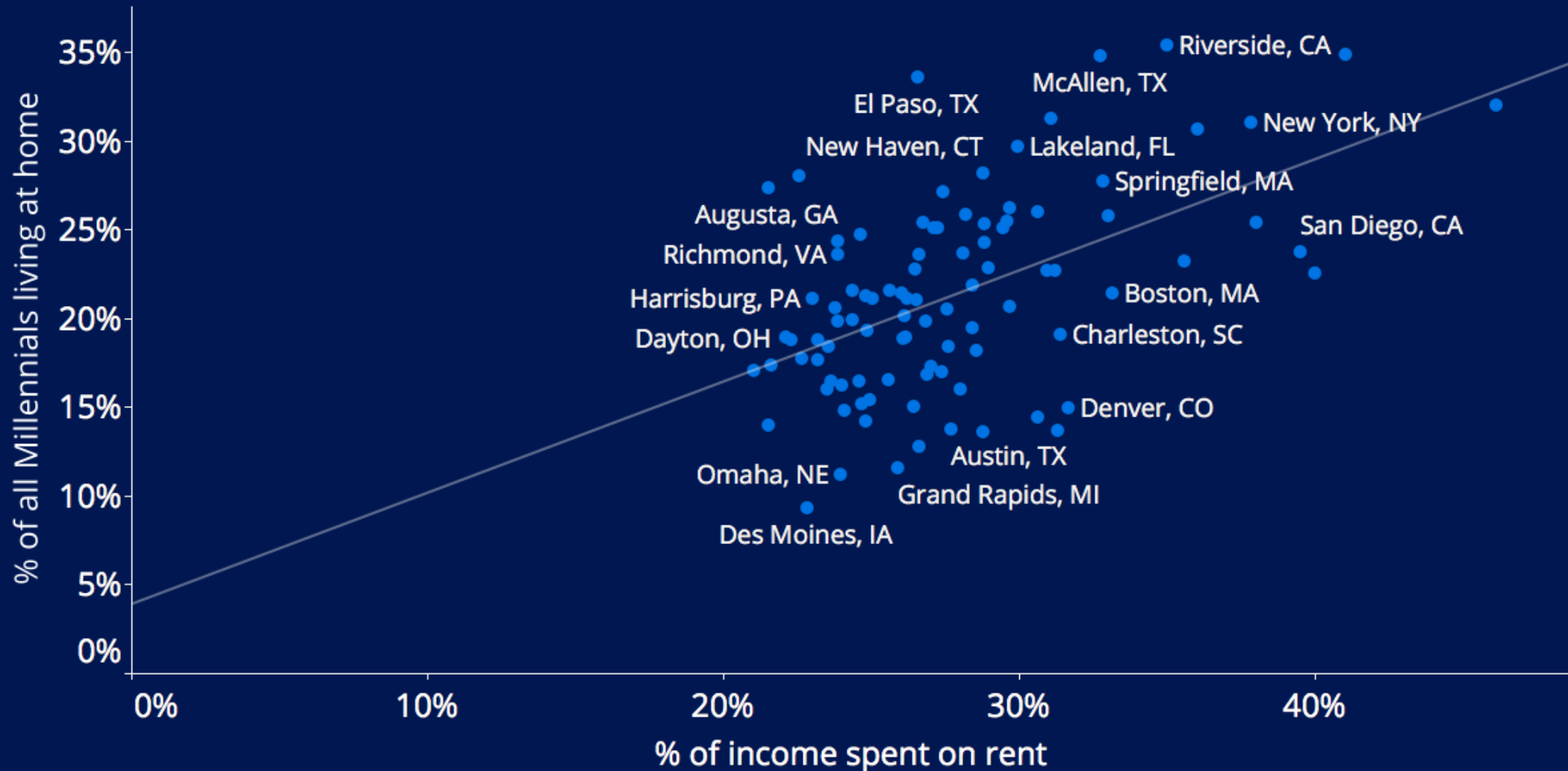


Driven by affordability, forming your own household comes later in life

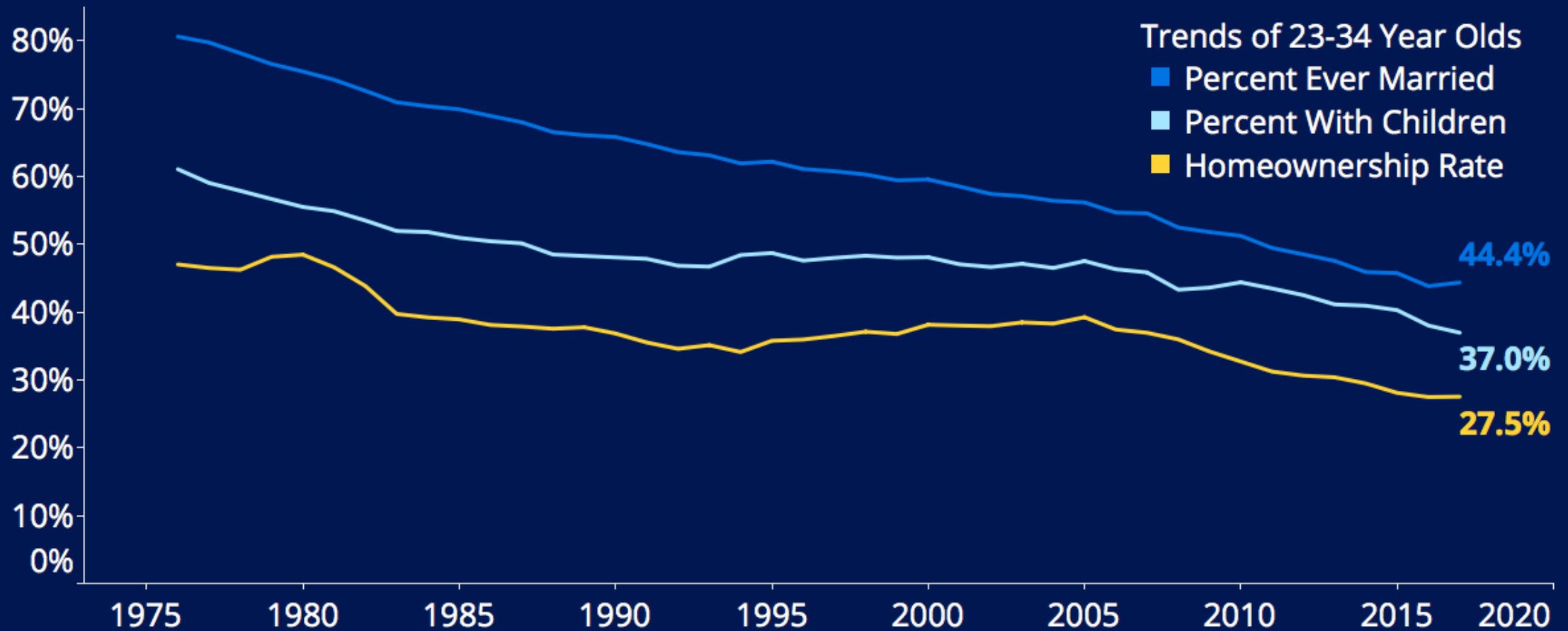
Percentage point difference in share of people living independently versus with parents or roommates, by age



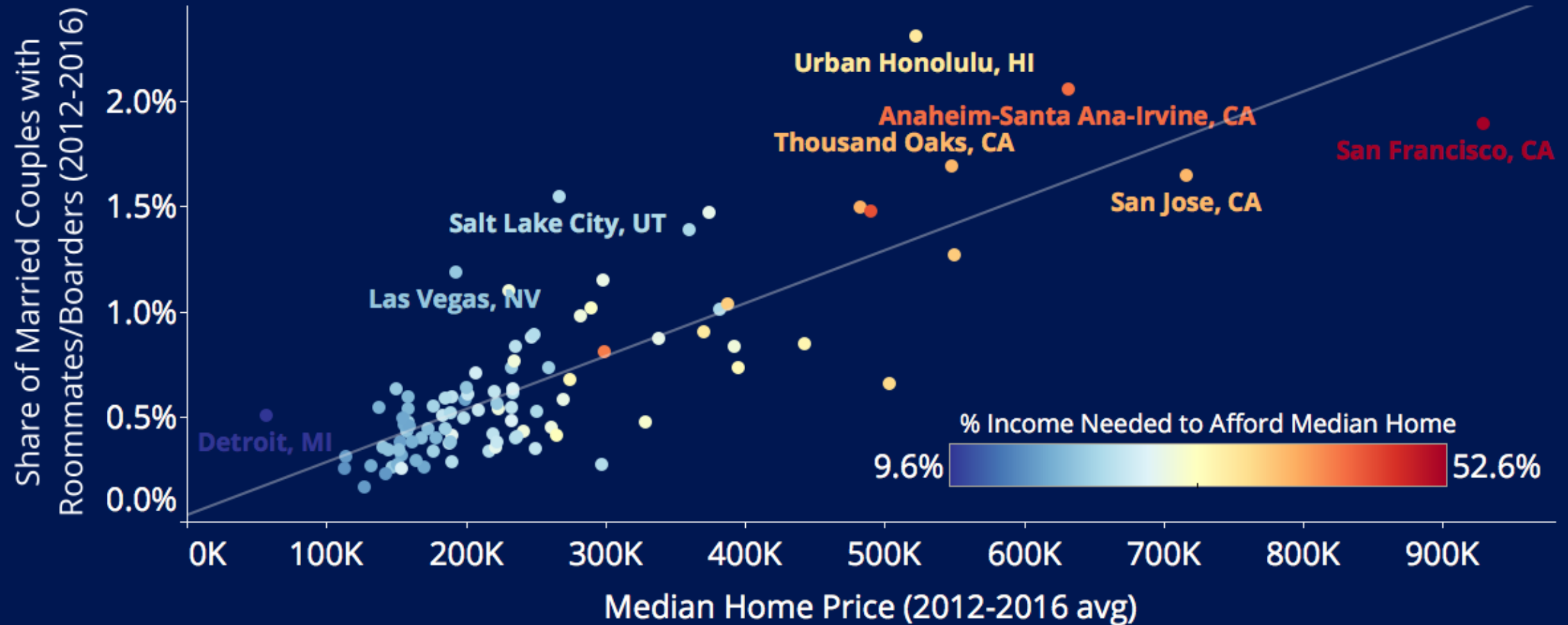
More millennials live at home in places where rent consumes a larger share of income



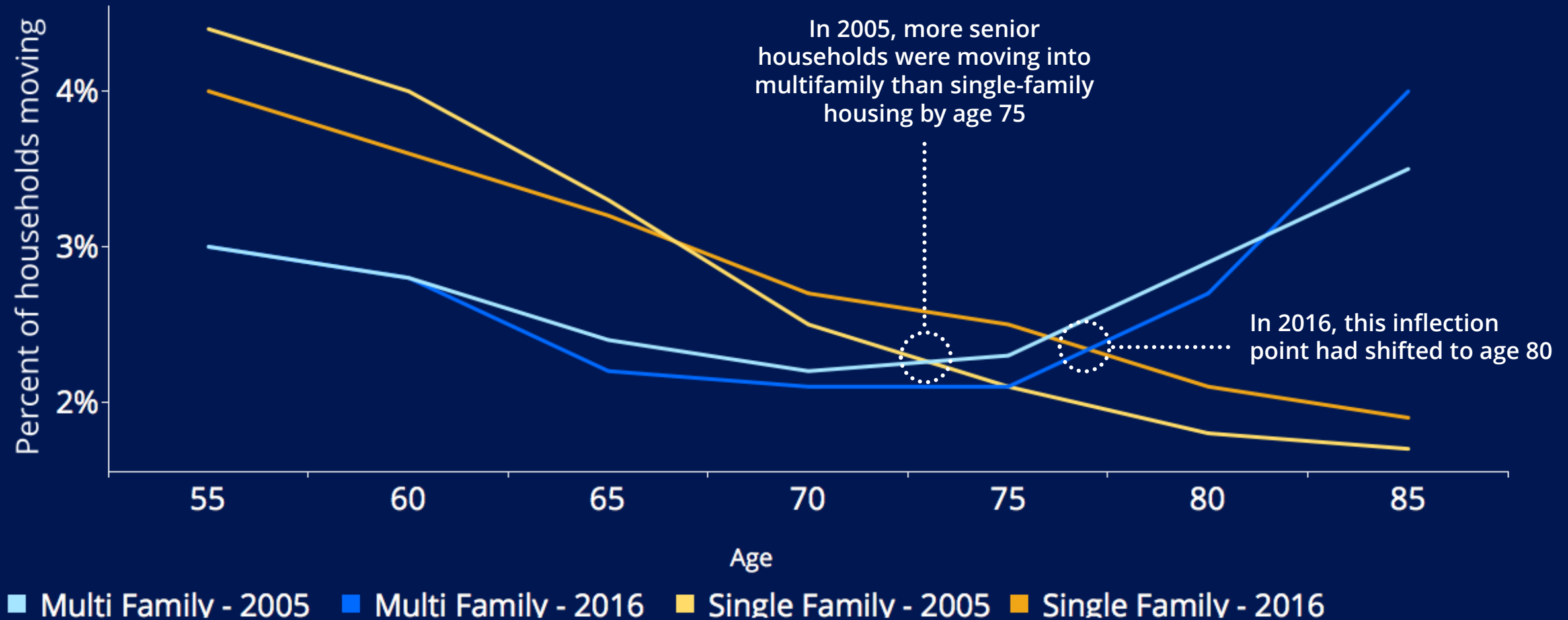
Indicators of adulthood are delayed in areas beyond housing too



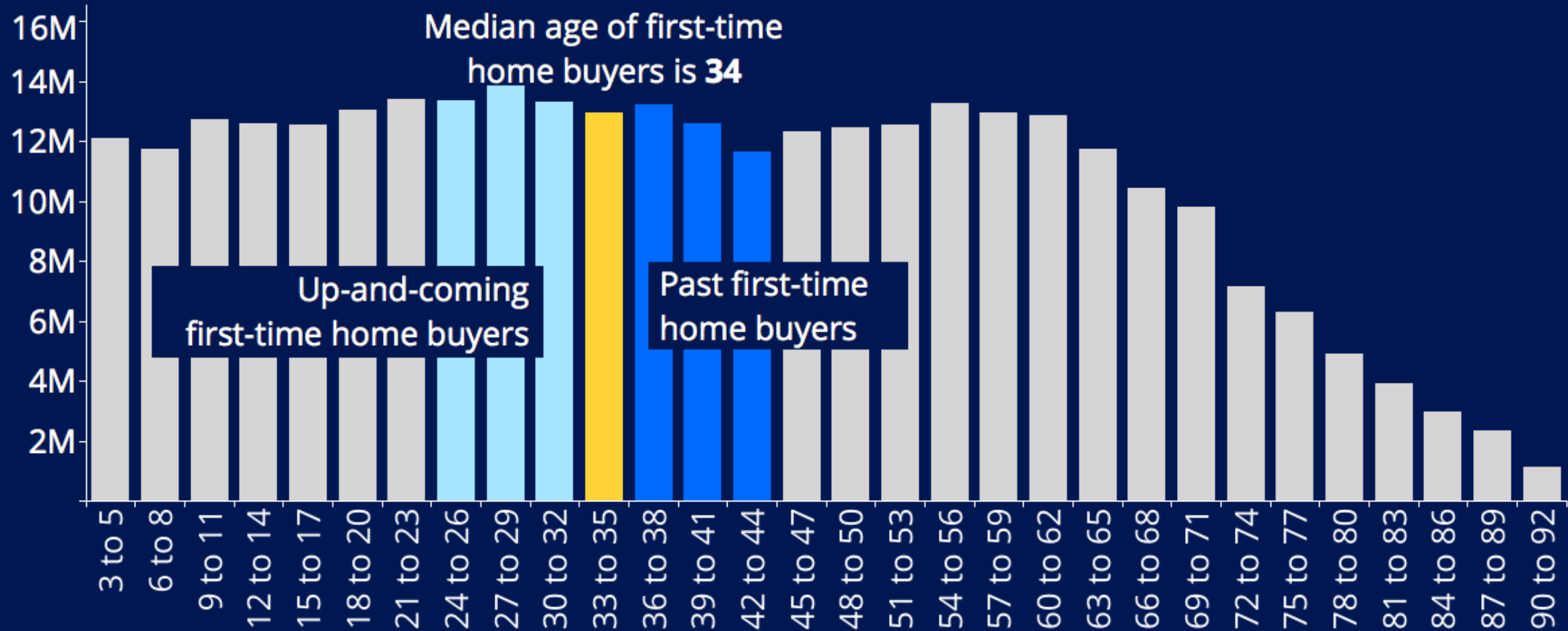
Married couples with roommates more common



Seniors are downsizing later, aging in place



Let's take some time to think about the generations hitting life's major housing milestones – they're coming





Thank you

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