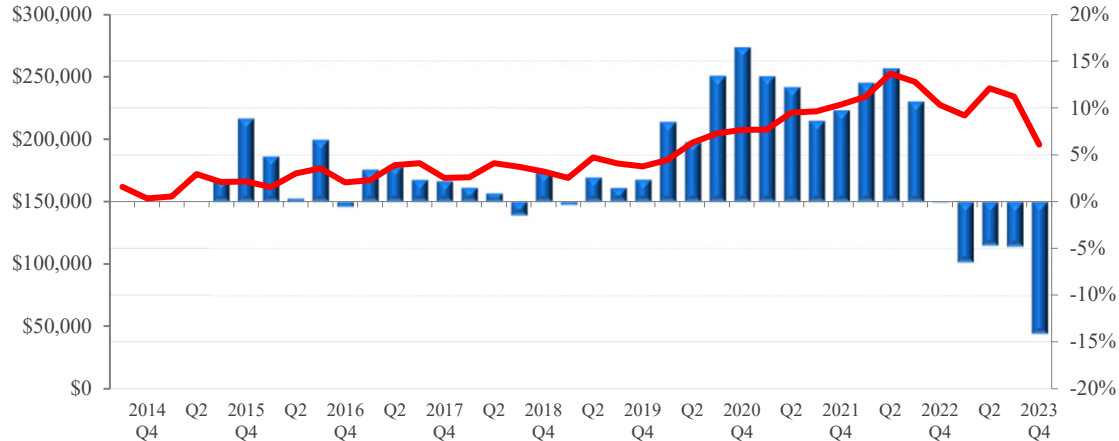


Jackson Area

Local Market Report, Fourth Quarter 2023

Today's Market...

Median Price (Red Line) and One-year Price Growth



Local Price Trends

| Price Activity | Jackson | U.S. | Local Trend |
|--|-----------|-----------|--|
| Current Median Home Price (2023 Q4) | \$195,500 | \$387,300 | Prices are down compared to a year earlier and continue to weaken |
| 1-year (4-quarter) Appreciation (2023 Q4) | -14.1% | 3.9% | |
| 3-year (12-quarter) Appreciation (2023 Q4) | -5.8% | 24.5% | |
| 3-year (12-quarter) Housing Equity Gain* | -\$12,000 | \$76,300 | Price trends in the last three years have undercut the steady post-recession price trend |
| 7-year (28 quarters) Housing Equity Gain* | \$30,300 | \$153,367 | |
| 9-year (36 quarters) Housing Equity Gain* | \$42,900 | \$179,667 | |

*Note: Equity gain reflects price appreciation only

| | Jackson | U.S. | |
|--|-----------|----------------|---|
| Conforming Loan Limit** | \$766,550 | \$1,149,825 | Most buyers in this market have access to government-backed financing |
| FHA Loan Limit | \$498,257 | \$1,149,825 | |
| Local Median to Conforming Limit Ratio | 26% | not comparable | |

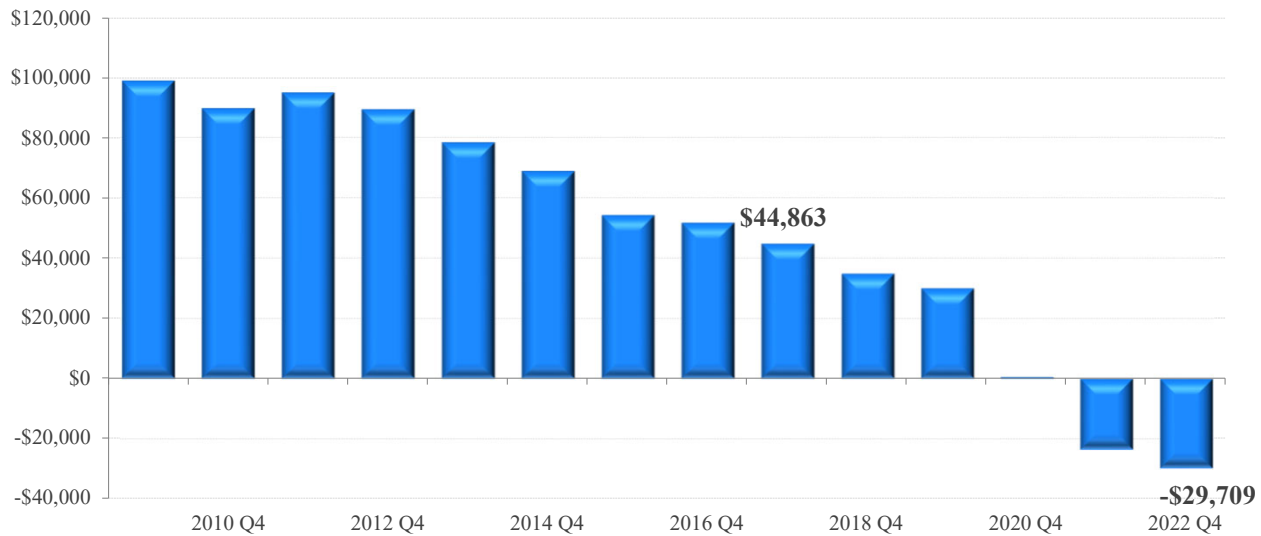
Note: limits are current and include the changes made on January 1st 2024.

Local NAR Leadership

The Jackson market is part of region 5 in the NAR governance system, which includes all of Georgia, Florida, Alabama, Mississippi, Virgin Islands, and Puerto Rico. The 2024 NAR Regional Vice President representing region 5 is Faron W. King.

Benefits of Ownership: Total Equity Appreciation

Total Equity Accrued to Owner by Year and Quarter of Purchase



Total Equity Gained through 2023 Q4 from quarter in which home was of purchased**

| Price Activity | Jackson | U.S. | Local Trend |
|-----------------------|-----------------|-----------|---|
| 1-year (4-quarter) | \$29,709 | \$18,387 | Price trends in the last three years hindered equity gains, while owners continue to pay down principle |
| 3-year (12-quarter)* | \$582 | \$95,158 | |
| 5-year (20-quarter)* | \$34,873 | \$151,356 | |
| 7-year (28 quarters)* | \$51,778 | \$183,780 | |
| 9-year (36 quarters)* | \$68,924 | \$215,076 | |

*Note: Equity gain reflects price and principle payments since purchase, prevailing 30-year fixed rate mortgage at time of purchase and a 10% downpayment. Downpayment is not included in total equity

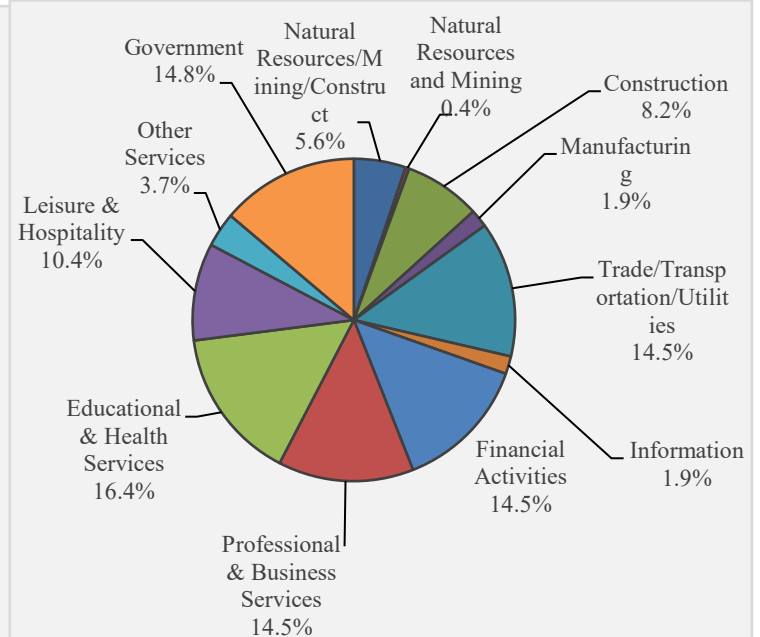
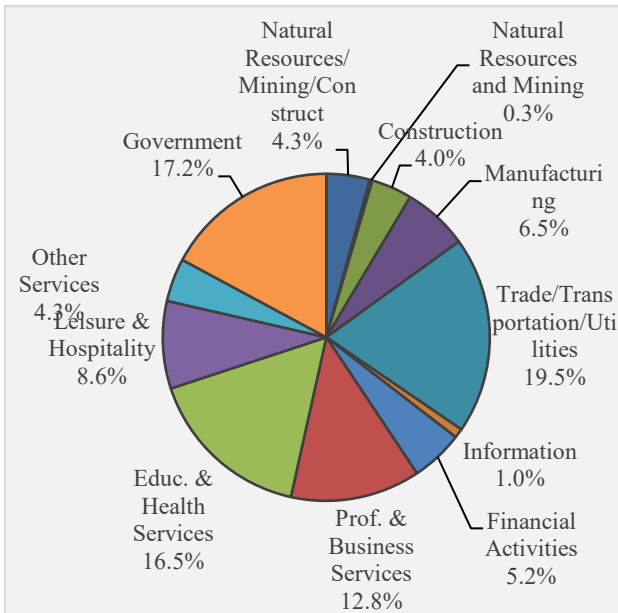
Drivers of Local Supply and Demand...

| Local Economic Outlook | Jackson | U.S. | |
|-----------------------------------|---------|----------------|---|
| 12-month Job Change (Dec) | 5,100 | Not Comparable | Employment growth has eased, but remains positive |
| 12-month Job Change (Nov) | 5,200 | Not Comparable | |
| 36-month Job Change (Dec) | 19,200 | Not Comparable | Unemployment in Jackson is better than the national average and improving |
| Current Unemployment Rate (Dec) | 2.2% | 3.7% | |
| Year-ago Unemployment Rate | 2.8% | 3.5% | Local employment growth is poor and needs to improve |
| 1-year (12 month) Job Growth Rate | 1.8% | 2.3% | |

Share of Total Employment by Industry

Jackson Area

U.S.



12-month Employment Change by Industry (Dec - 2023)

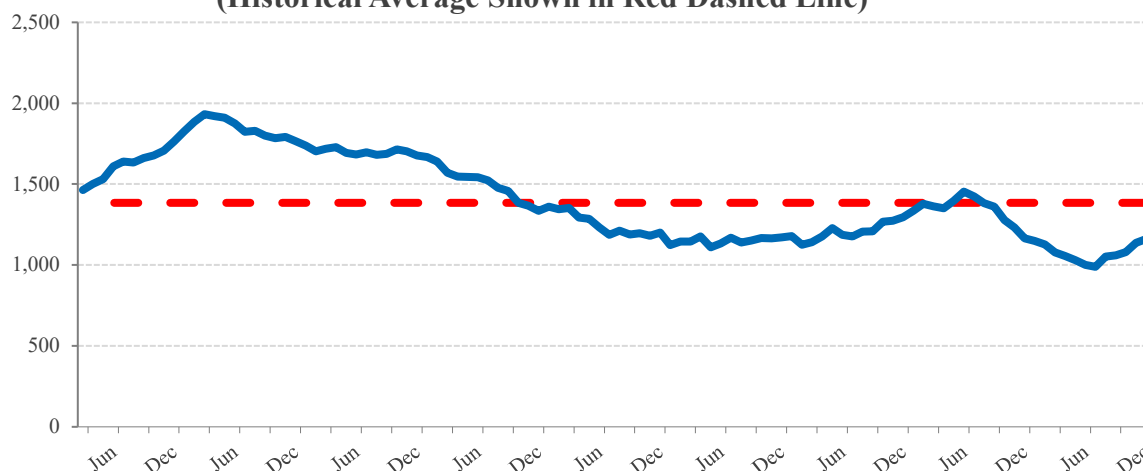
| | | | |
|--|-------|---------------------------|-------|
| Goods Producing | NA | Information | 0 |
| Natural Resources/Mining/Construction | 200 | Financial Activities | -100 |
| Natural Resources and Mining | 0 | Prof. & Business Services | 100 |
| Construction | 200 | Educ. & Health Services | 5,100 |
| Manufacturing | 0 | Leisure & Hospitality | -500 |
| Service Providing Excluding Government | NA | Other Services | 100 |
| Trade/Transportation/Utilities | 1,200 | Government | -900 |

| State Economic Activity Index | Mississippi | U.S. | |
|-------------------------------|-------------|-------|--|
| 12-month change (2023 - Dec) | 1.2% | 3.0% | Mississippi's economy is growing, but decelerated from last month's 1.36% change and lags the rest of the nation |
| 36-month change (2023 - Dec) | 7.4% | 14.3% | |

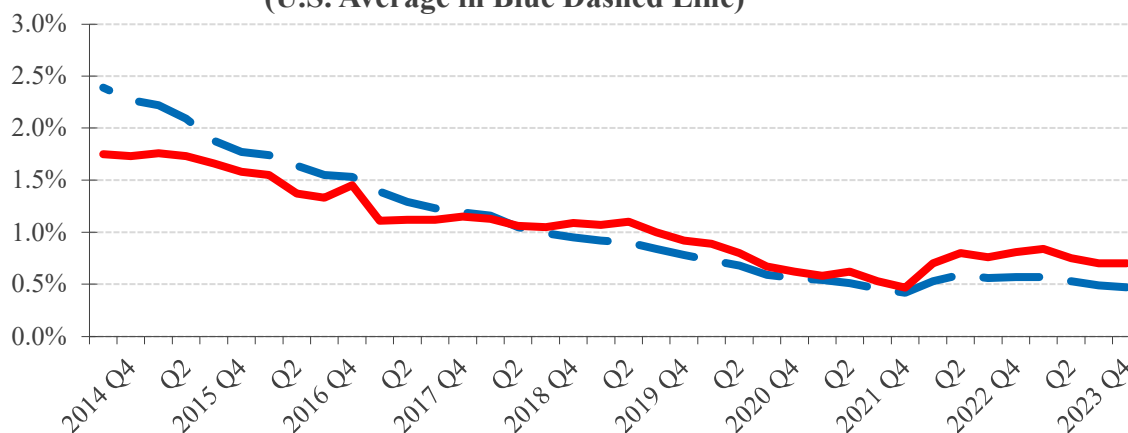
New Housing Construction

| Local Fundamentals | Jackson | U.S. | |
|--|---------|----------------|---|
| 12-month Sum of 1-unit Building Permits through Dec | 1,161 | not comparable | The current level of construction is 16.1% below the long-term average |
| 8-year average for 12-month Sum of 1-Unit Building Permits | 1,385 | not comparable | Reduced construction will limit new supply to the market, allowing demand to catch up with inventory more quickly |
| Single-Family Housing Permits (Dec) 12-month sum vs. a year ago | -0.3% | -6.1% | Construction is down from last year, but appears to have bottomed. |

Construction: 12-month Sum of Local Housing Permits
(Historical Average Shown in Red Dashed Line)

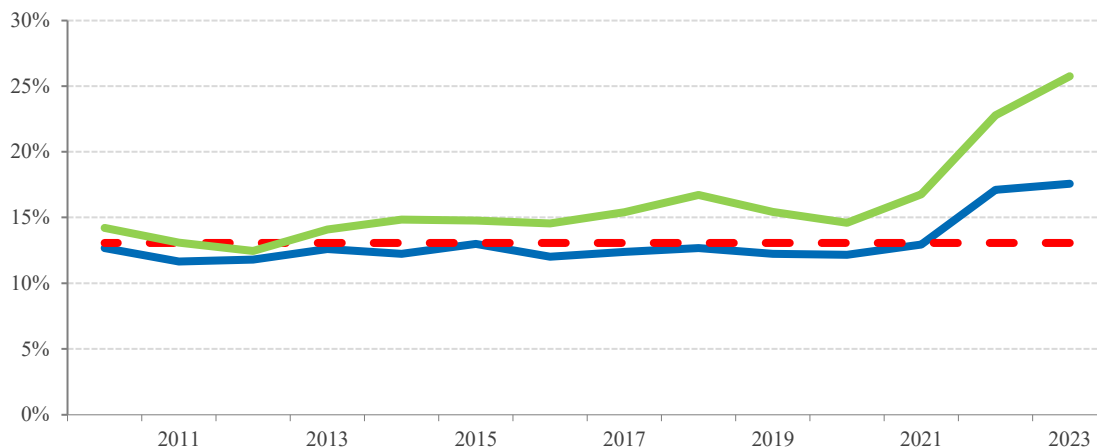


State Total Foreclosure Rate vs. U.S. Average
(U.S. Average in Blue Dashed Line)



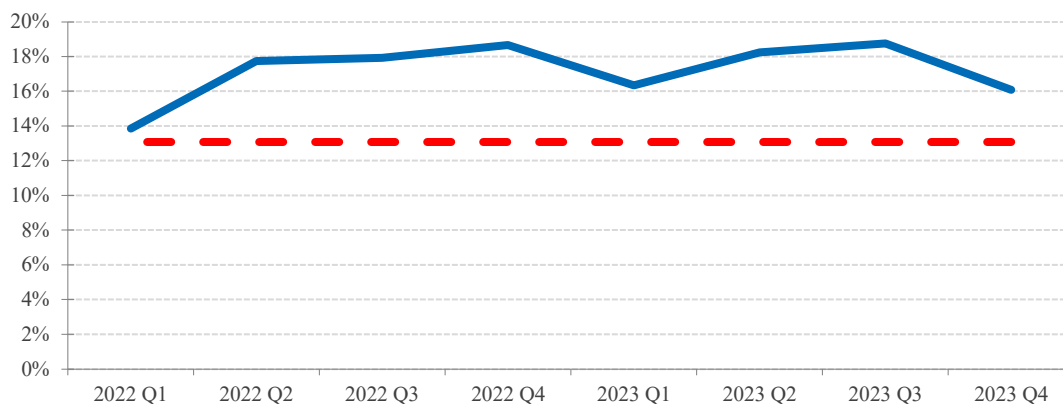
Affordability

Long-Term Trend: Ratio of Local Mortgage Servicing Cost to Income
(Local Historical Average Shown in Red, U.S. Average in Green)

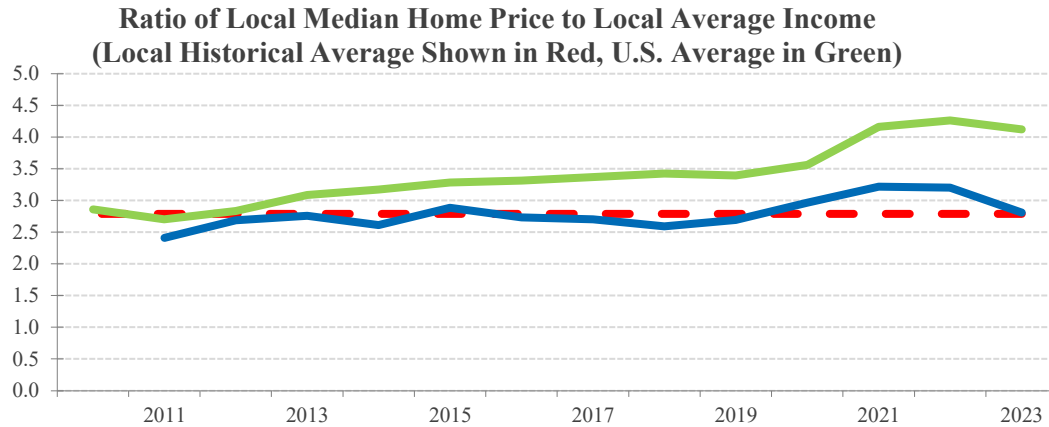


| Monthly Mortgage Payment to Income | Jackson | U.S. | |
|------------------------------------|---------|-------|--|
| Ratio for 2023 | 17.6% | 25.8% | Weak by local standards, but better than the third quarter of 2023 |
| Ratio for 2023 Q4 | 16.1% | 25.5% | |
| Historical Average | 13.1% | 17.0% | More affordable than most markets |

Recent Trend - Local Mortgage Servicing Cost to Income
(Historical Average Shown in Red Dashed Line)



| Median Home Price to Income | Jackson | U.S. | |
|-----------------------------|---------|------|--|
| Ratio for 2023 | 2.8 | 4.1 | The price-to-income ratio has fallen and is below the historical average |
| Ratio for 2023 Q4 | 2.4 | 3.9 | |
| Historical Average | 2.8 | 3.4 | Affordable compared to most markets |



The Mortgage Market



Throughout much of the final quarter of the year, mortgage rates remained elevated near 7.5 percent. According to the mortgage provider Freddie Mac, the 30-year fixed mortgage rate rose to 7.3 percent in the fourth quarter of 2023 from 6.7 percent the previous year. Nevertheless, rates fell below 7 percent at the end of year as the Federal Reserve continued to halt its interest rates hikes. With lower interest rates on the horizon, mortgage rates are expected to continue their downward trend in 2024, thereby enhancing affordability for potential homebuyers.

NAR forecasts the 30-year fixed mortgage rate to average 6.8 percent in the first quarter of 2024, with a further decline expected to bring them below 6.6% by the end of the first half.

Geographic Coverage for this Report

The Jackson area referred to in this report covers the geographic area of the Jackson metro area as officially defined by the Office of Management and Budget of the U.S. Government. The official coverage area includes the following counties:

Copiah County, Hinds County, Madison County, Rankin County, Simpson County, and Yazoo County

More information on the OMB's geographic definitions can be found at https://obamawhitehouse.archives.gov/omb/bulletins_default/

