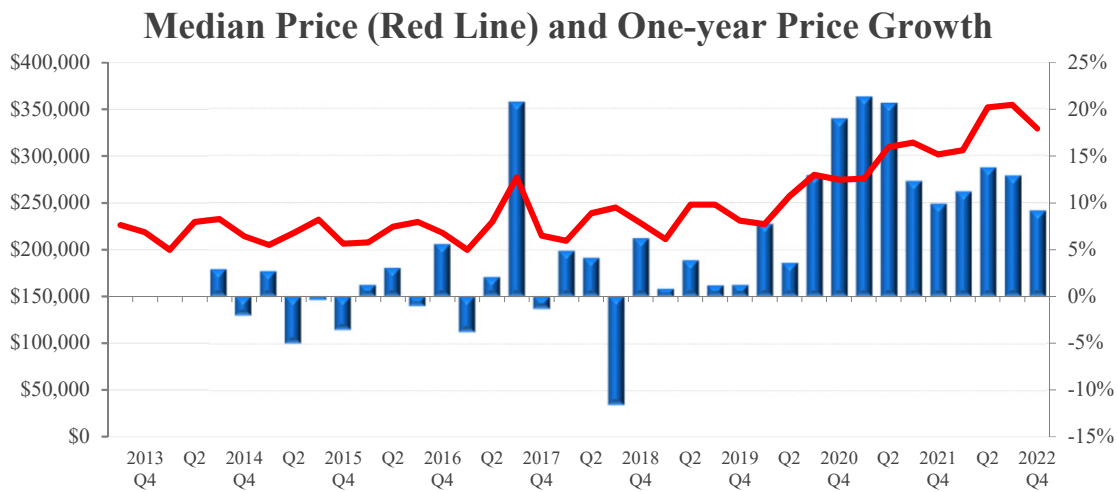


New Haven-Milford Area Local Market Report, Fourth Quarter 2022

Today's Market...



Local Price Trends			
Price Activity	New Haven	U.S.	Local Trend
Current Median Home Price (2022 Q4)	\$329,600	\$372,667	Prices are up from a year ago, but price growth is slowing
1-year (4-quarter) Appreciation (2022 Q4)	9.1%	4.2%	
3-year (12-quarter) Appreciation (2022 Q4)	42.6%	36.9%	
3-year (12-quarter) Housing Equity Gain*	\$98,400	\$100,367	Gains in the last 3 years have extended the trend of positive price growth after the recession
7-year (28 quarters) Housing Equity Gain*	\$123,100	\$151,900	
9-year (36 quarters) Housing Equity Gain*	\$111,100	\$175,767	

*Note: Equity gain reflects price appreciation only

	New Haven	U.S.	
Conforming Loan Limit**	\$726,200	\$1,089,300	Most buyers in this market have access to government-backed financing
FHA Loan Limit	\$472,030	\$1,089,300	
Local Median to Conforming Limit Ratio	45%	not comparable	

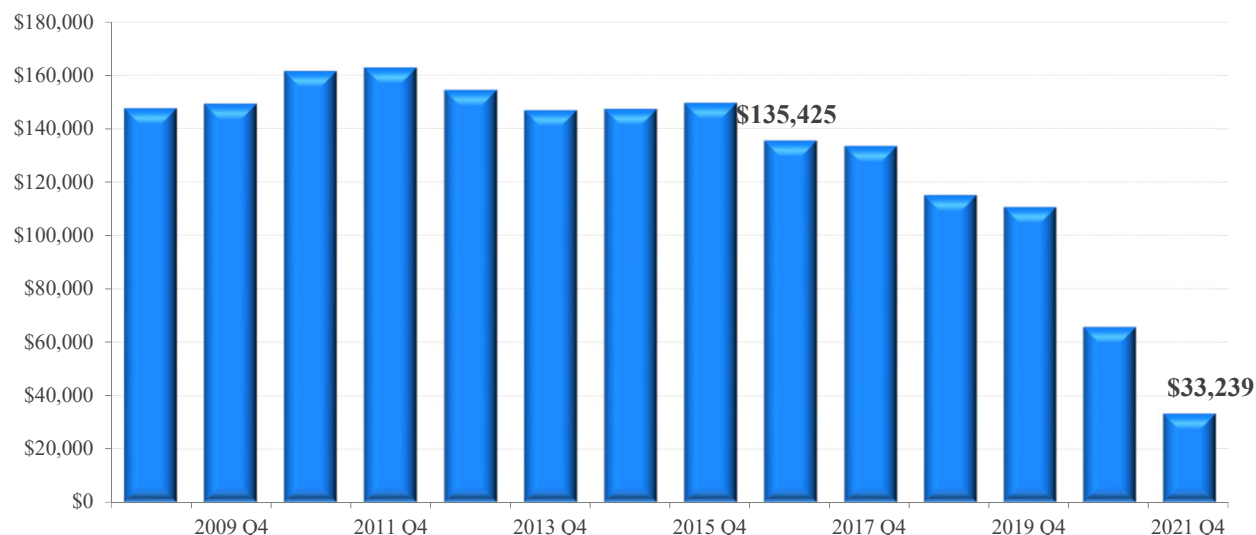
Note: limits are current and include the changes made on January 1st 2023.

Local NAR Leadership

The New Haven-Milford market is part of region 1 in the NAR governance system, which includes all of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut. The 2023 NAR Regional Vice President representing region 1 is Joanne Breen.

Benefits of Ownership: Total Equity Appreciation

Total Equity Accrued to Owner by Year and Quarter of Purchase



Total Equity Gained through 2022 Q4 from quarter in which home was of purchased**

Price Activity	NewHaven	U.S.	Local Trend
1-year (4-quarter)	\$33,239	\$21,777	Price appreciation and principle payments in the last 3 years have boosted total equity growth since the recession
3-year (12-quarter)*	\$110,532	\$114,655	
5-year (20-quarter)*	\$133,407	\$147,773	
7-year (28 quarters)*	\$149,632	\$180,265	
9-year (36 quarters)*	\$146,807	\$207,943	

*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...

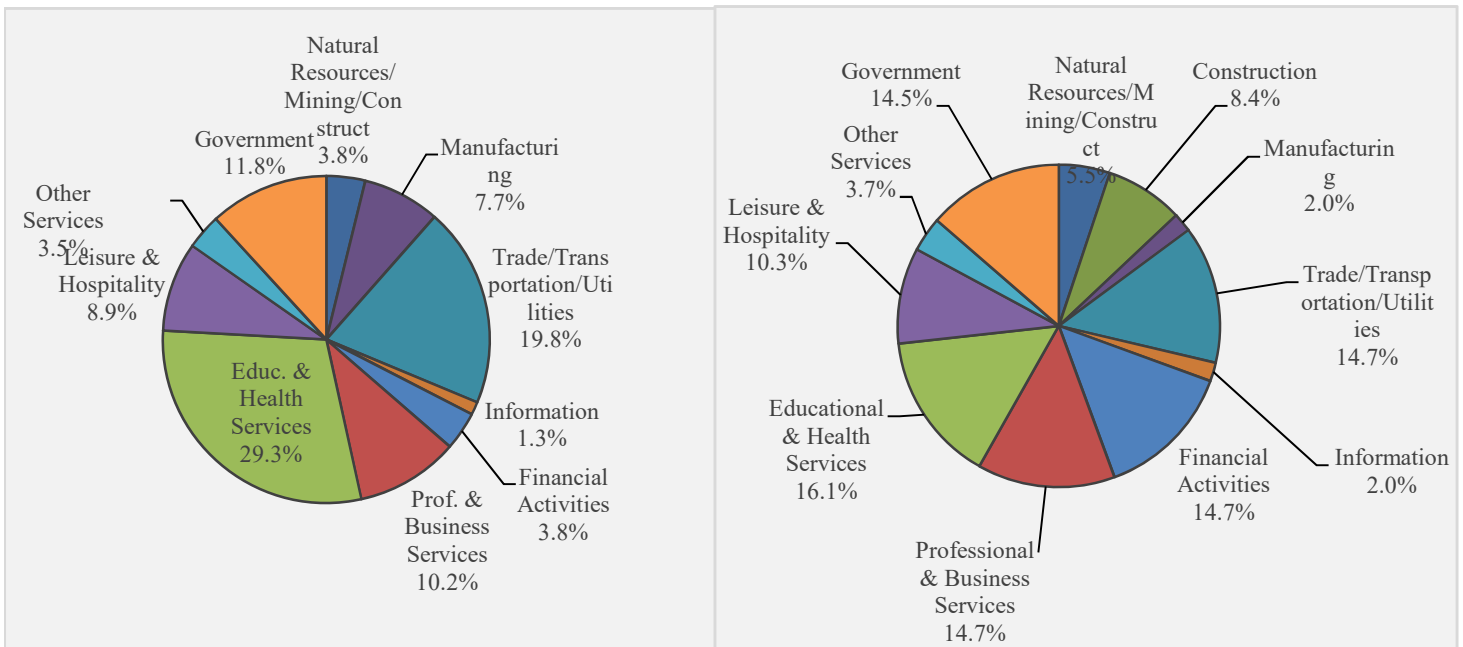


Local Economic Outlook	New Haven	U.S.	
12-month Job Change (Dec)	8,300	Not Comparable	Employment has held up and is on an upward trend
12-month Job Change (Nov)	8,100	Not Comparable	
36-month Job Change (Dec)	2,200	Not Comparable	Unemployment in New Haven is better than the national average and improving
Current Unemployment Rate (Dec)	2.9%	3.5%	
Year-ago Unemployment Rate	3.8%	3.9%	Local employment growth is poor and needs to improve
1-year (12 month) Job Growth Rate	2.8%	4.3%	

Share of Total Employment by Industry

New Haven-Milford Area

U.S.



12-month Employment Change by Industry (Dec - 2022)

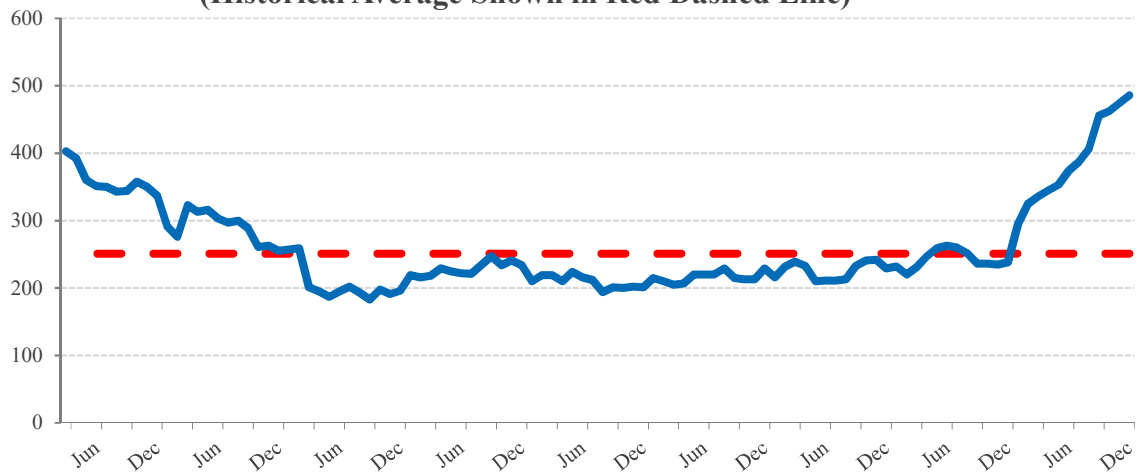
Goods Producing	NA	Information	0
Natural Resources/Mining/Construction	200	Financial Activities	-100
Natural Resources and Mining	NA	Prof. & Business Services	-900
Construction	NA	Educ. & Health Services	3,200
Manufacturing	400	Leisure & Hospitality	4,600
Service Providing Excluding Government	NA	Other Services	100
Trade/Transportation/Utilities	500	Government	100

State Economic Activity Index	Connecticut	U.S.	
12-month change (2022 - Dec)	3.9%	4.1%	Connecticut's economy is growing, but decelerated from last month's 4.05% change and lags the rest of the nation
36-month change (2022 - Dec)	0.4%	5.4%	

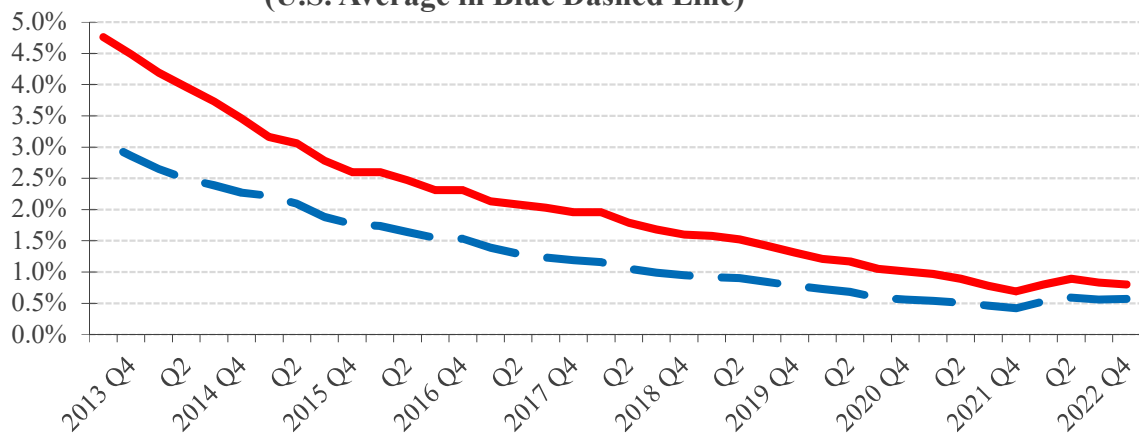
New Housing Construction

Local Fundamentals	New Haven	U.S.	
12-month Sum of 1-unit Building Permits through Dec	486	not comparable	The current level of construction is 93.5% above the long-term average
8-year average for 12-month Sum of 1-Unit Building Permits	251	not comparable	Production above trend for an extended period of time could cause prices to moderate as inventory is built up.
Single-Family Housing Permits (Dec) 12-month sum vs. a year ago	104.2%	-13.2%	Construction is on the rise relative to last year, suggesting that the local inventory has stabilized

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

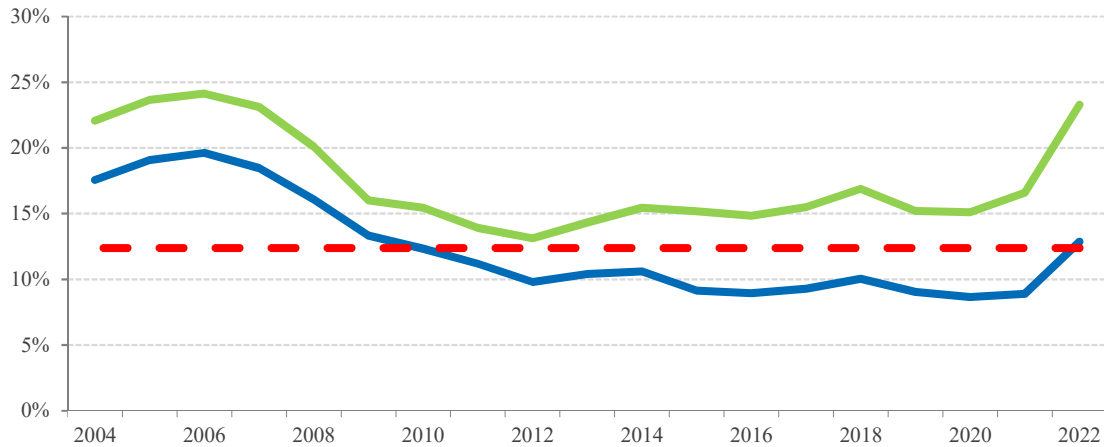


**State Total Foreclosure Rate vs. U.S Average
(U.S. Average in Blue Dashed Line)**



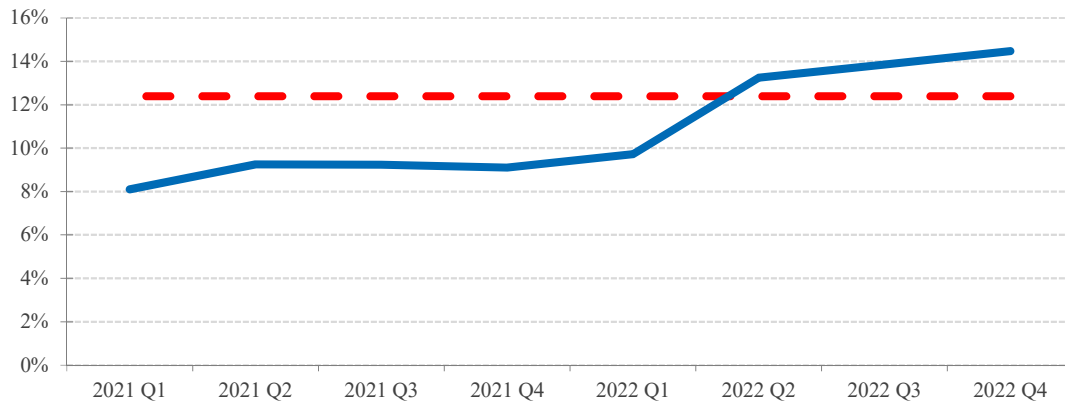
Affordability

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

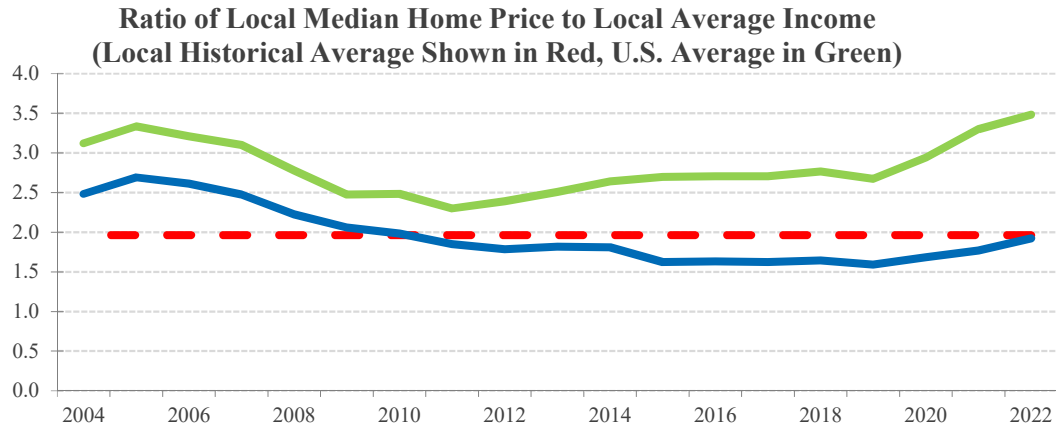


Monthly Mortgage Payment to Income	New Haven	U.S.	
Ratio for 2022	12.9%	23.3%	Weak by local standards and could weigh on demand
Ratio for 2022 Q4	14.5%	24.5%	
Historical Average	12.4%	17.8%	More affordable than most markets

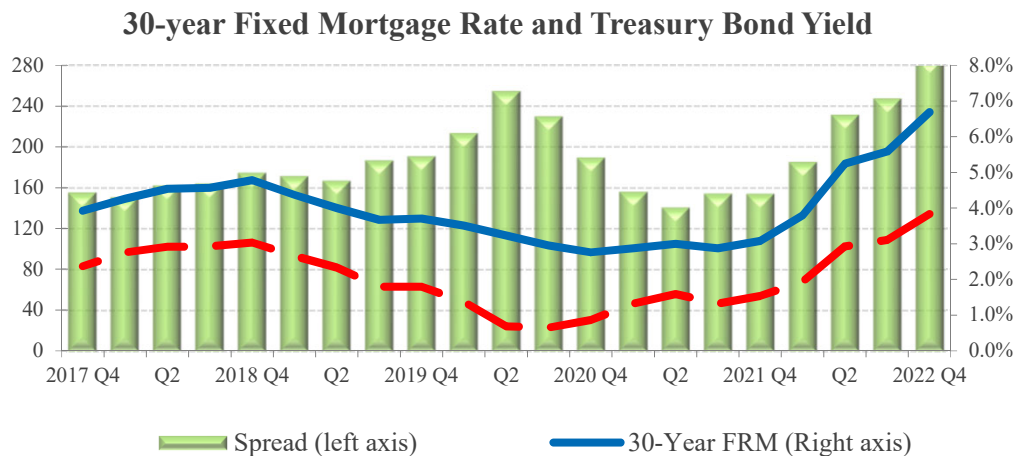
Recent Trend - Local Mortgage Servicing Cost to Income
(Historical Average Shown in Red Dashed Line)



Median Home Price to Income	New Haven	U.S.	
Ratio for 2022	1.9	3.5	The price-to-income ratio has fallen and is below the historical average
Ratio for 2022 Q4	1.9	3.2	
Historical Average	2.0	2.8	Affordable compared to most markets



The Mortgage Market



In the last quarter of 2022, mortgage rates surpassed twice the 7 percent threshold. According to the mortgage finance provider Freddie Mac, the 30-year fixed mortgage rate rose to 6.7 percent in Q4 2022 from 3.1 percent a year earlier. However, rates started to move down in December as inflation slowed down. For the first-time in the last couple of years, inflation rate was lower than a year ago. Prices continue to increase but slower than the previous year. As long as inflation eases, mortgage rates will continue to drop. NAR forecasts the 30-year fixed mortgage rate to average 6.1 percent in Q1 2023.

Geographic Coverage for this Report

The New Haven area referred to in this report covers the geographic area of the New Haven-Milford 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:

New Haven County

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

