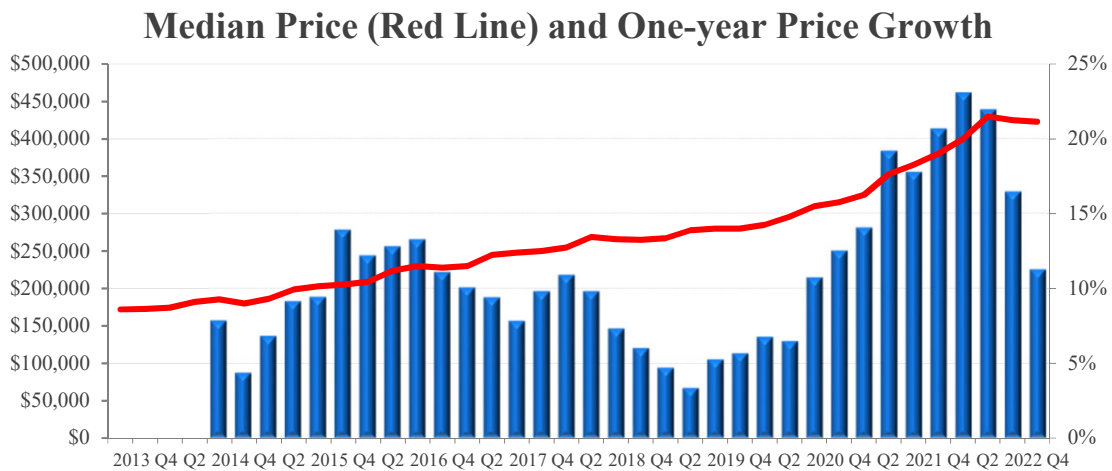


Orlando-Kissimmee-Sanford Area

Local Market Report, Fourth Quarter 2022

Today's Market...



Local Price Trends			
Price Activity	Orlando	U.S.	Local Trend
Current Median Home Price (2022 Q4)	\$422,700	\$372,667	Prices are up from a year ago, but price growth is slowing
1-year (4-quarter) Appreciation (2022 Q4)	11.2%	4.2%	
3-year (12-quarter) Appreciation (2022 Q4)	51.0%	36.9%	
3-year (12-quarter) Housing Equity Gain*	\$142,700	\$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*	\$217,700	\$151,900	
9-year (36 quarters) Housing Equity Gain*	\$250,200	\$175,767	

*Note: Equity gain reflects price appreciation only

	Orlando	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	58%	not comparable	

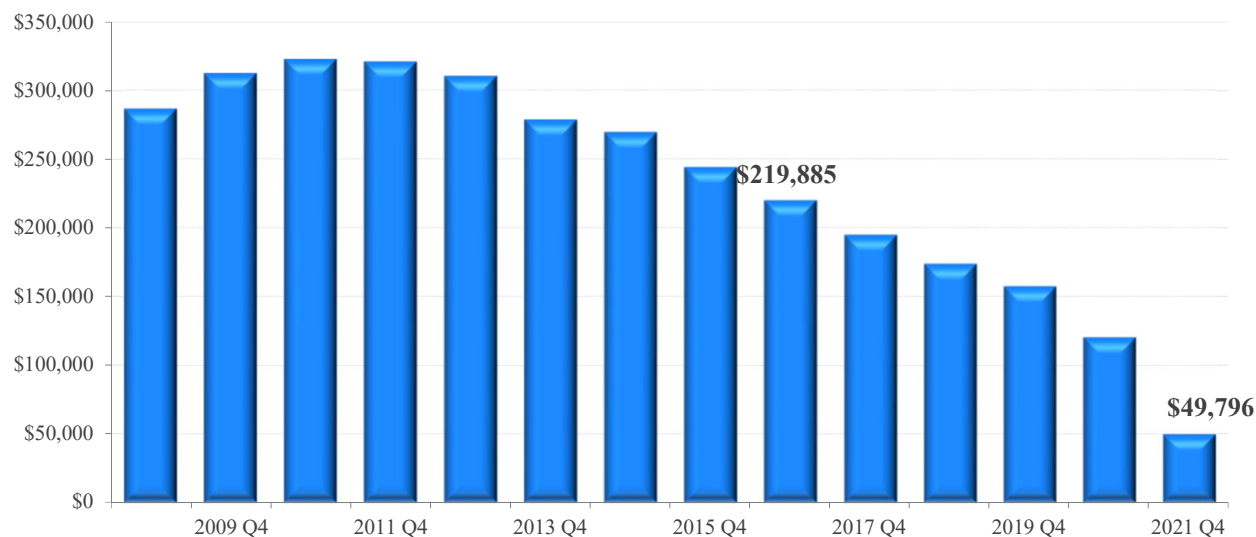
Note: limits are current and include the changes made on January 1st 2023.

Local NAR Leadership

The Orlando-Kissimmee-Sanford 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 2023 NAR Regional Vice President representing region 5 is Eric Sain.

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	Orlando	U.S.	Local Trend
1-year (4-quarter)	\$49,796	\$21,777	Price appreciation and principle payments in the last 3 years have boosted total equity growth since the recession
3-year (12-quarter)*	\$157,392	\$114,655	
5-year (20-quarter)*	\$194,675	\$147,773	
7-year (28 quarters)*	\$244,040	\$180,265	
9-year (36 quarters)*	\$278,389	\$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...

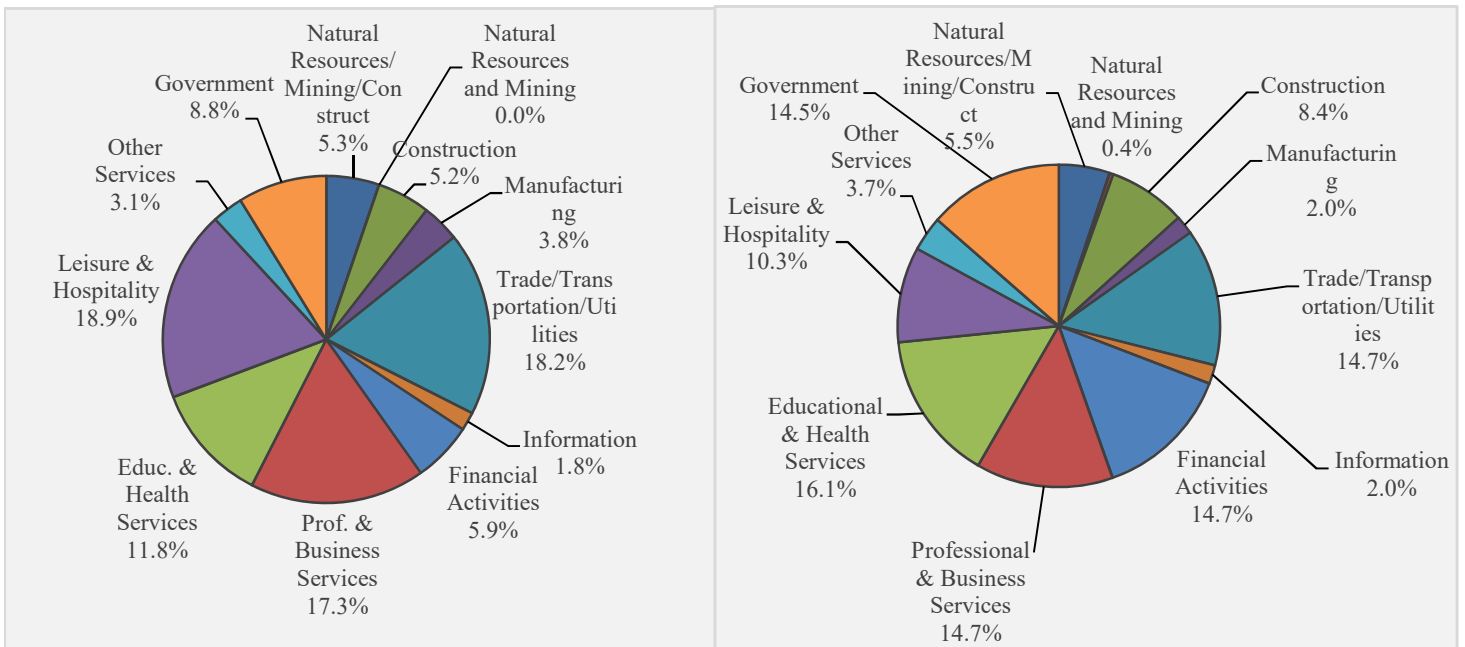


Local Economic Outlook	Orlando	U.S.	
12-month Job Change (Dec)	53,300	Not Comparable	Employment growth has eased, but remains positive
12-month Job Change (Nov)	61,800	Not Comparable	
36-month Job Change (Dec)	38,700	Not Comparable	Unemployment in Orlando is better than the national average and improving
Current Unemployment Rate (Dec)	2.3%	3.5%	
Year-ago Unemployment Rate	3.2%	3.9%	Local employment growth is poor and needs to improve
1-year (12 month) Job Growth Rate	4.0%	4.3%	

Share of Total Employment by Industry

Orlando-Kissimmee-Sanford Area

U.S.



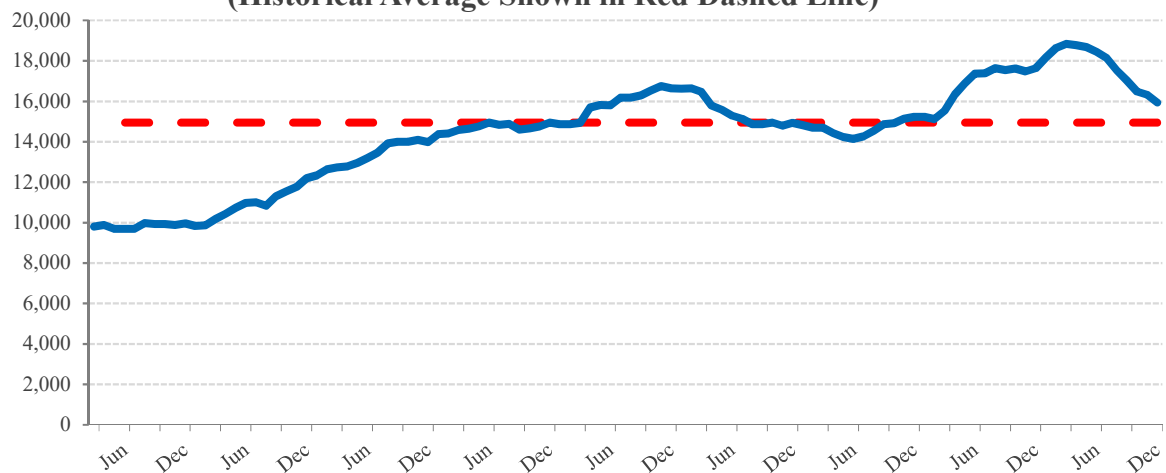
12-month Employment Change by Industry (Dec - 2022)

Goods Producing	NA	Information	700
Natural Resources/Mining/Construction	-8,400	Financial Activities	3,200
Natural Resources and Mining	0	Prof. & Business Services	5,400
Construction	-8,400	Educ. & Health Services	8,500
Manufacturing	5,300	Leisure & Hospitality	31,500
Service Providing Excluding Government	NA	Other Services	3,300
Trade/Transportation/Utilities	9,700	Government	2,600

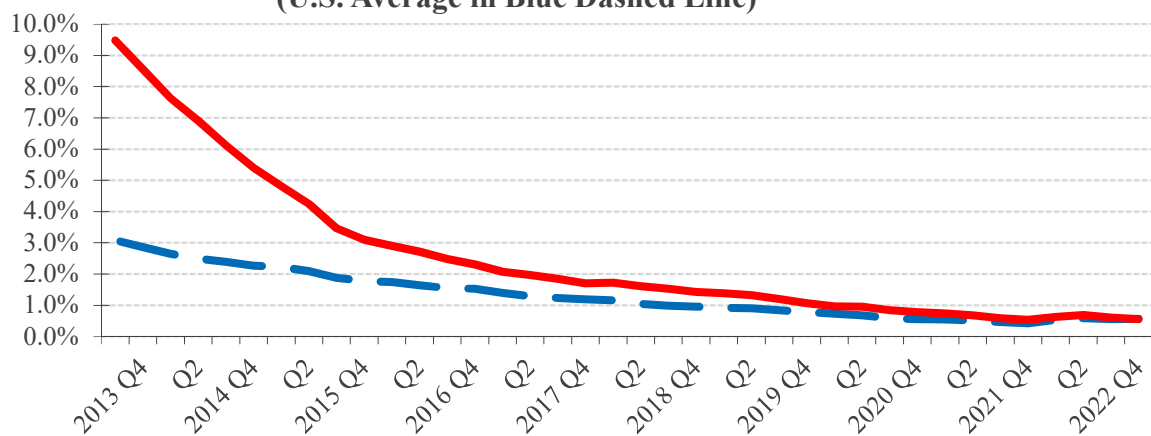
State Economic Activity Index	Florida	U.S.	
12-month change (2022 - Dec)	5.5%	4.1%	The economy of Florida has outpaced the rest of the nation and improved modestly from last month's 5.24% change
36-month change (2022 - Dec)	10.5%	5.4%	

New Housing Construction			
Local Fundamentals	Orlando	U.S.	
12-month Sum of 1-unit Building Permits through Dec	15,945	not comparable	The current level of construction is 6.7% above the long-term average
8-year average for 12-month Sum of 1-Unit Building Permits	14,943	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	-9.6%	-13.2%	Construction continues to decline from last year

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

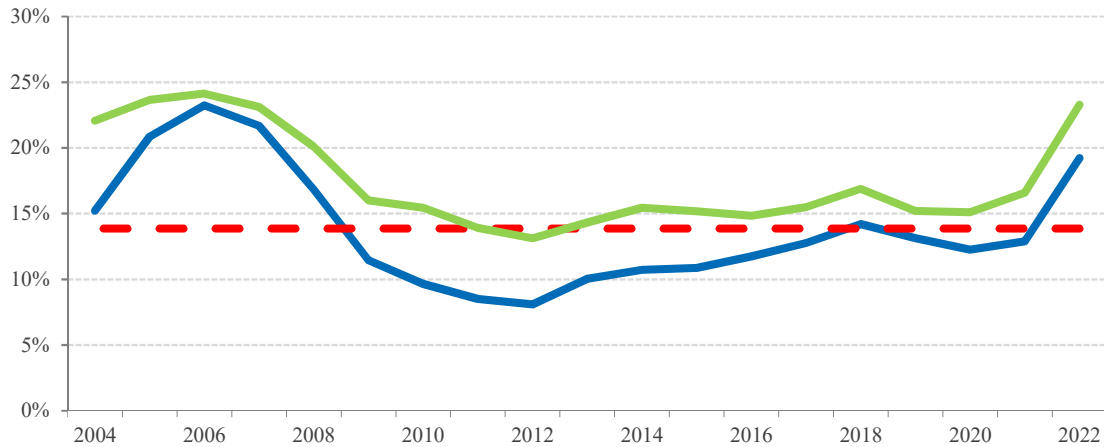


State Total Foreclosure Rate vs. U.S. Average
(U.S. Average in Blue Dashed Line)



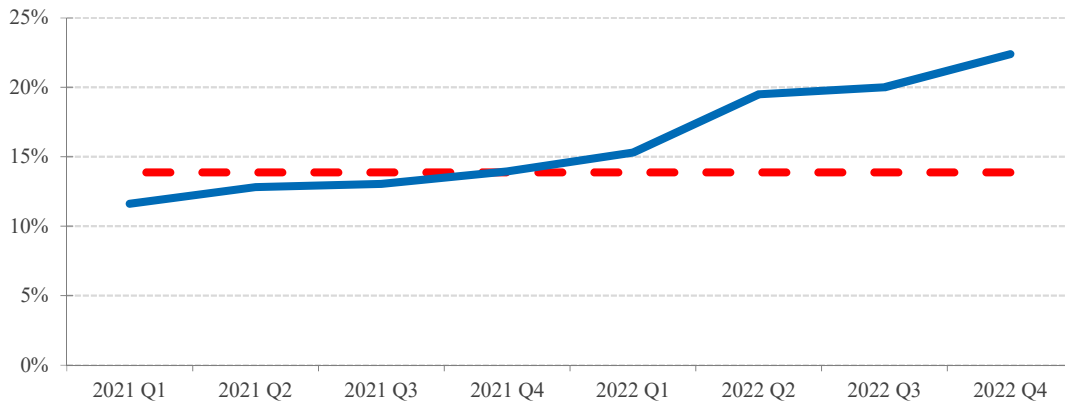
Affordability

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

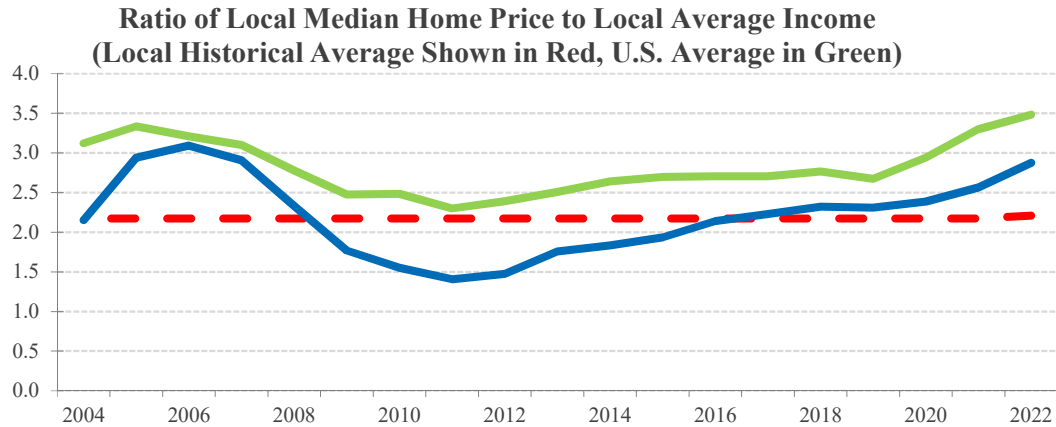


Monthly Mortgage Payment to Income	Orlando	U.S.	
Ratio for 2022	19.2%	23.3%	Weak by local standards and could weigh on demand
Ratio for 2022 Q4	22.4%	24.5%	
Historical Average	13.9%	17.8%	More affordable than most markets

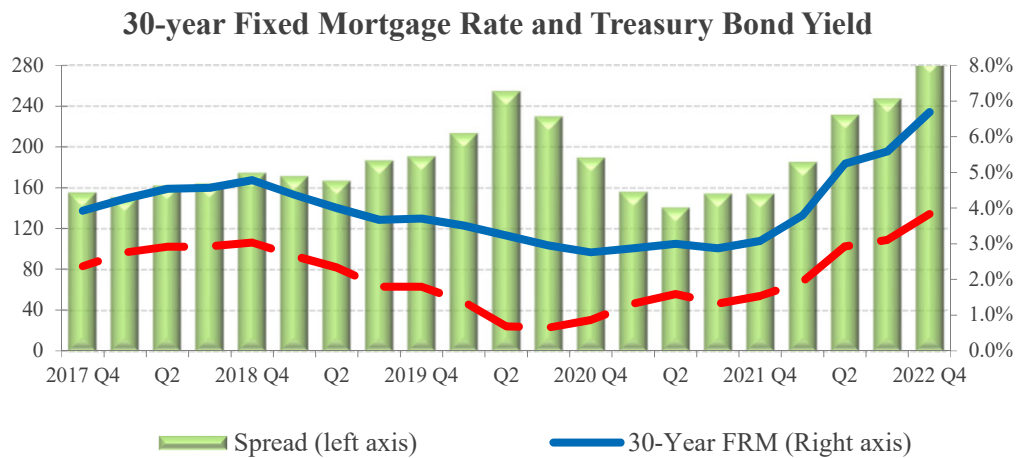
Recent Trend - Local Mortgage Servicing Cost to Income
(Historical Average Shown in Red Dashed Line)



Median Home Price to Income	Orlando	U.S.	
Ratio for 2022	2.9	3.5	The price-to-income ratio eased, but could be better
Ratio for 2022 Q4	2.9	3.2	
Historical Average	2.2	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 Orlando area referred to in this report covers the geographic area of the Orlando-Kissimmee-Sanford 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:

Lake County, Orange County, Osceola County, and Seminole County

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

