

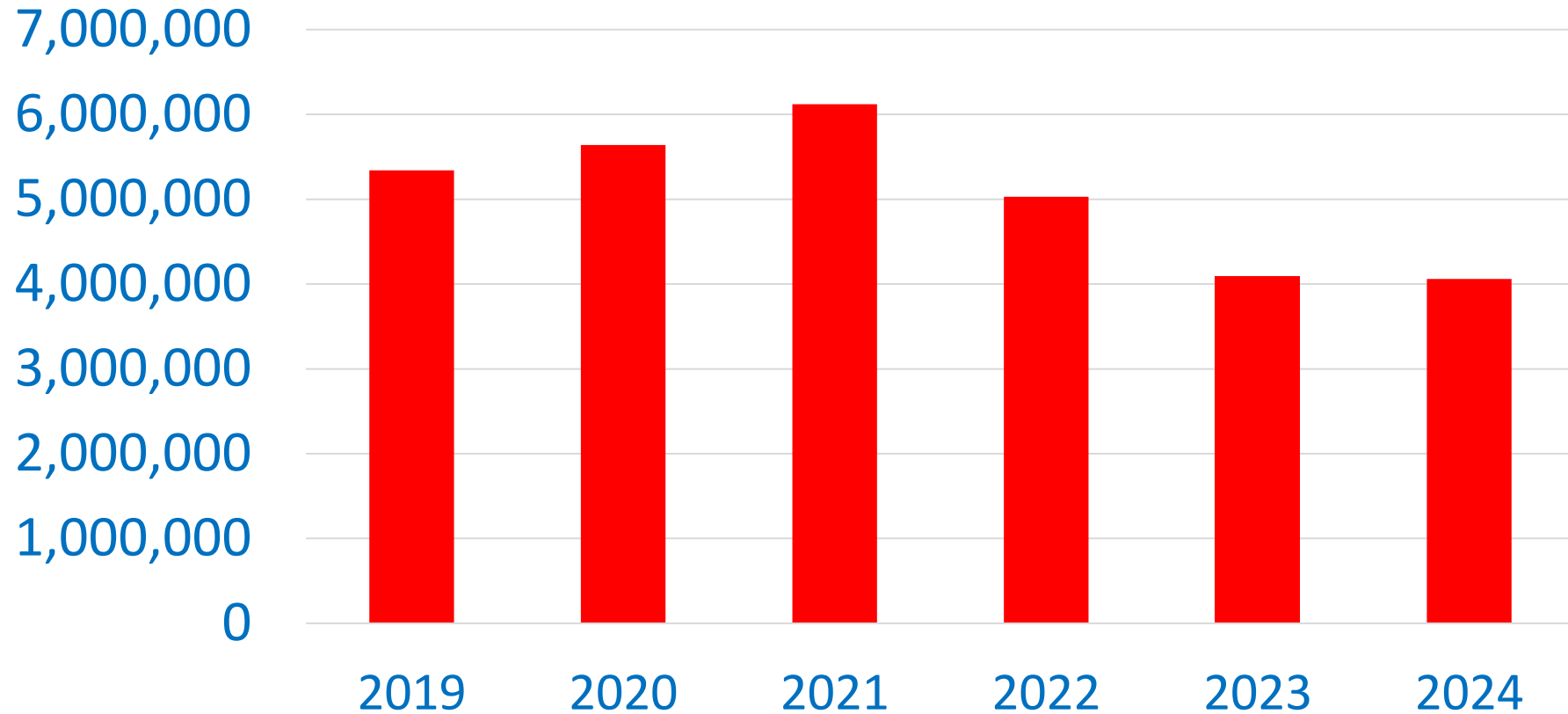
# Real Estate and Economic Outlook

Lawrence Yun, Ph.D.

Chief Economist

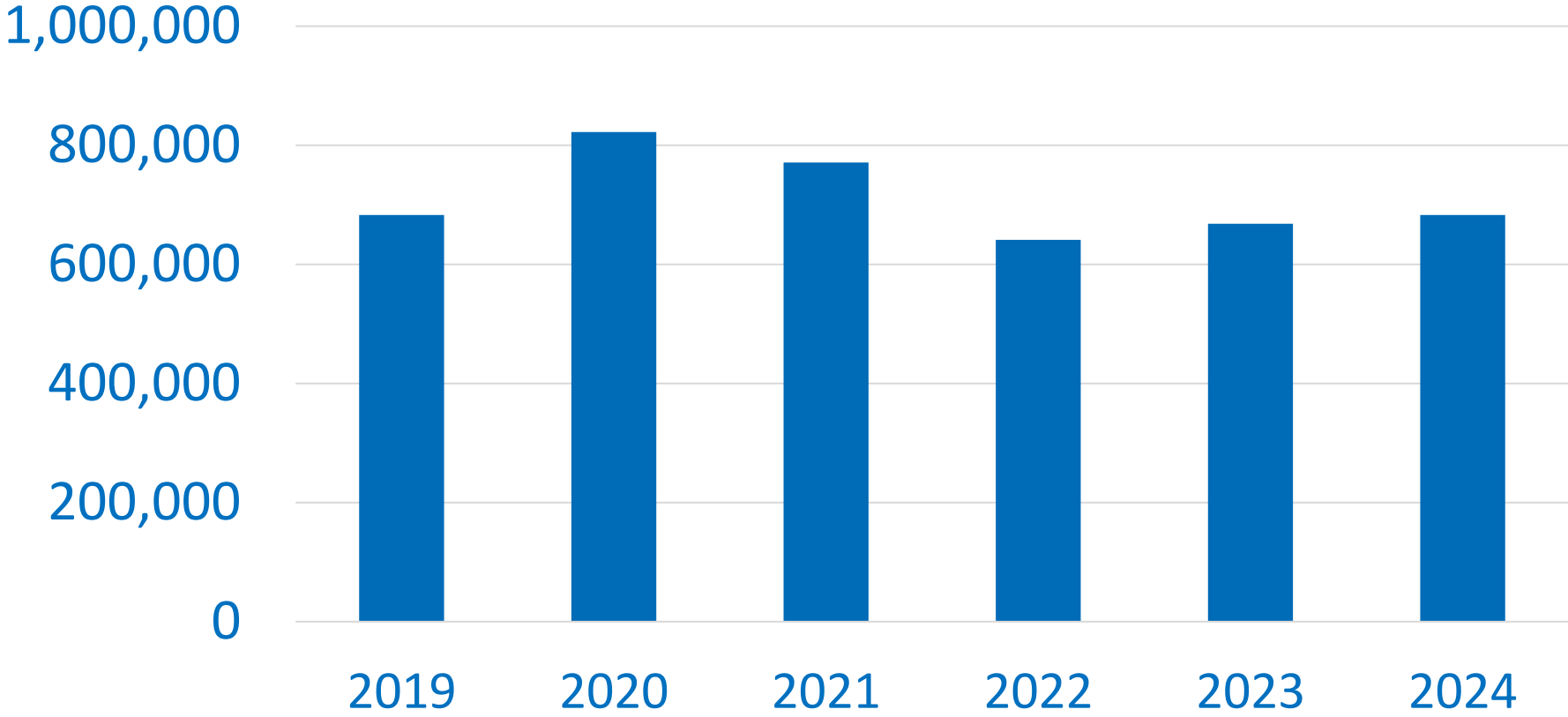
National Association of REALTORS®

## Existing Home Sales ... Two of Most Difficult Years



Source: NAR

# New Home Sales ... Gained .. Matching Pre-Covid



Source: NAR





**MAINE ASSOCIATION OF REALTORS®**

*Your Real Estate Experts*

**DECEMBER ONLY CHART**  
**December 1-31, 2023— December 1-31, 2024**

<u>County</u>	Number of Units Sold			Median Sales Price		
	<u>2023</u>	<u>2024</u>	<u>%Change</u>	<u>2023</u>	<u>2024</u>	<u>%Change</u>
Statewide	1024	1178	15.04%	\$ 350,500	\$ 400,000	14.12%

Source: MAR

January 2025

Market Type



Key Details

Months of Inventory <b>1.54</b> ↓ 24.14% Month Over Month	Sold to List Price % <b>98%</b> ↓ 1.02% Month Over Month	Median Days in RPR <b>48</b> ↑ 9.09% Month Over Month	Median Sold Price <b>\$565,000</b> ↑ 13% Month Over Month
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Realtors Property Resource®, LLC

Source: Listings

Median Estimated Property Value ⓘ

Share

February 2025

Property Type SF + Condo/TH/Apt

Median Estimated Value ⓘ  
**\$550,460**

Last Month Change  
**+0.6%**

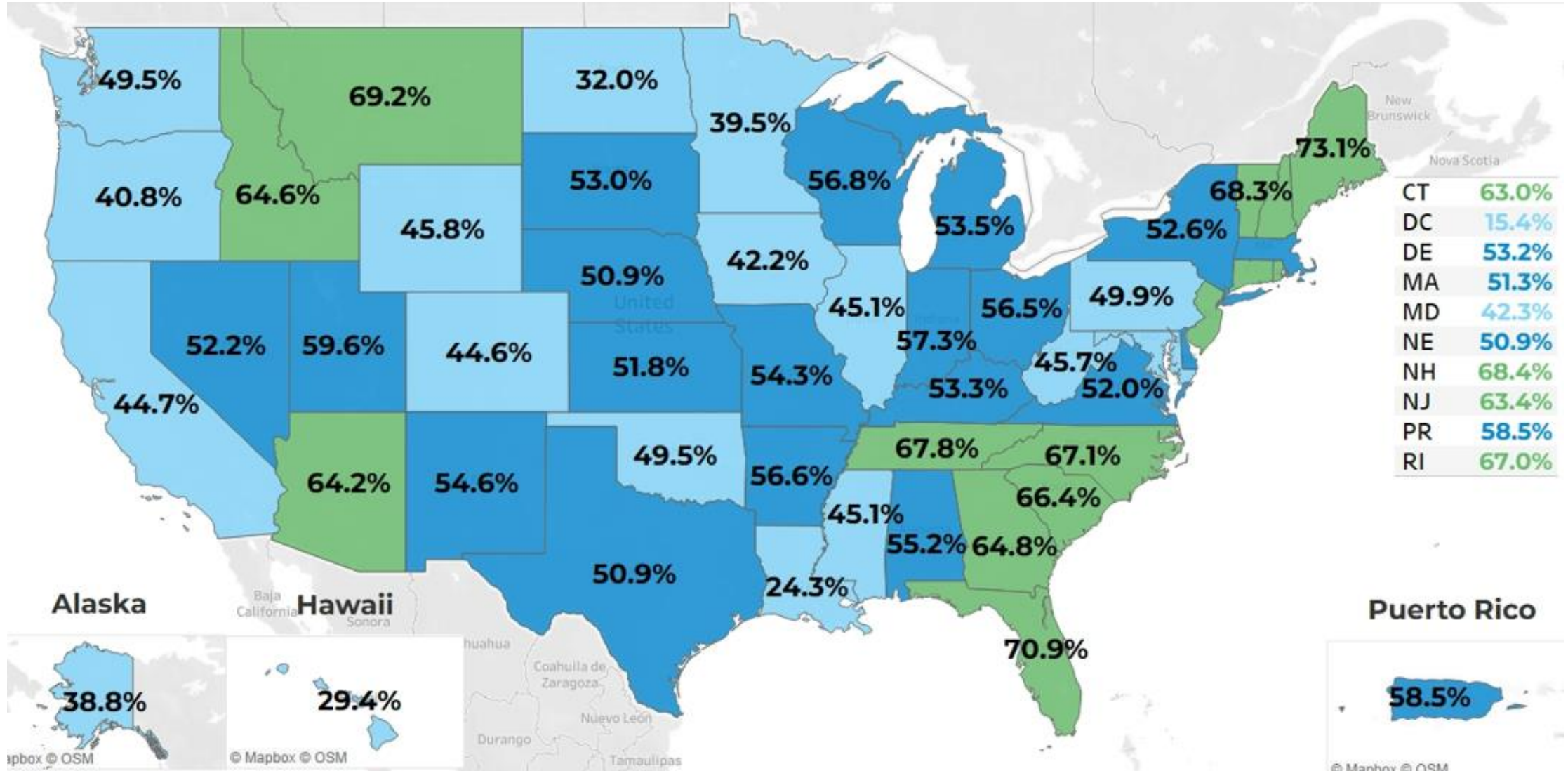
12 Month Change  
**+2.9%**



SCAN ME

# Home Price Gains Since Pre-COVID

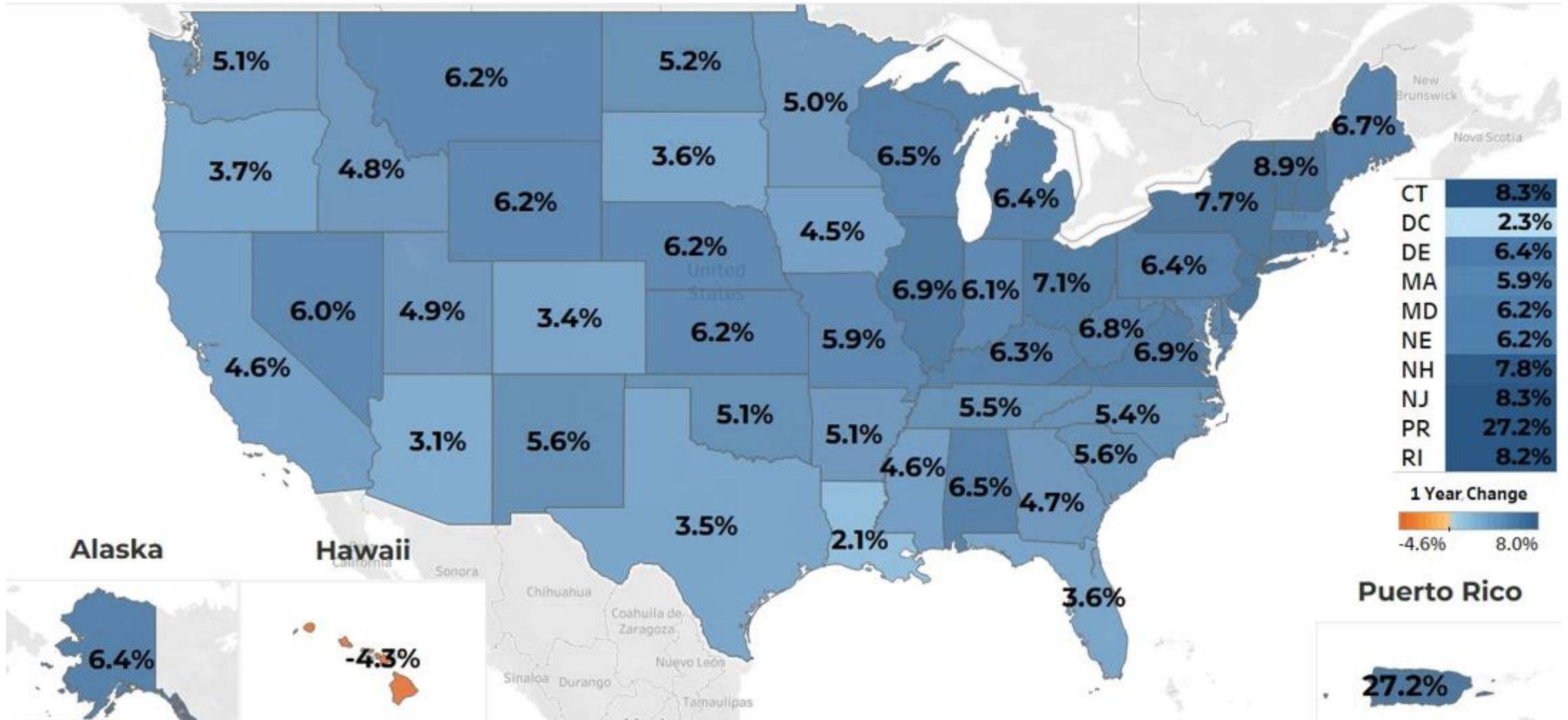
## % change from 2020 Q1 to 2024 Q4



Source: NAR Analysis of FHFA data

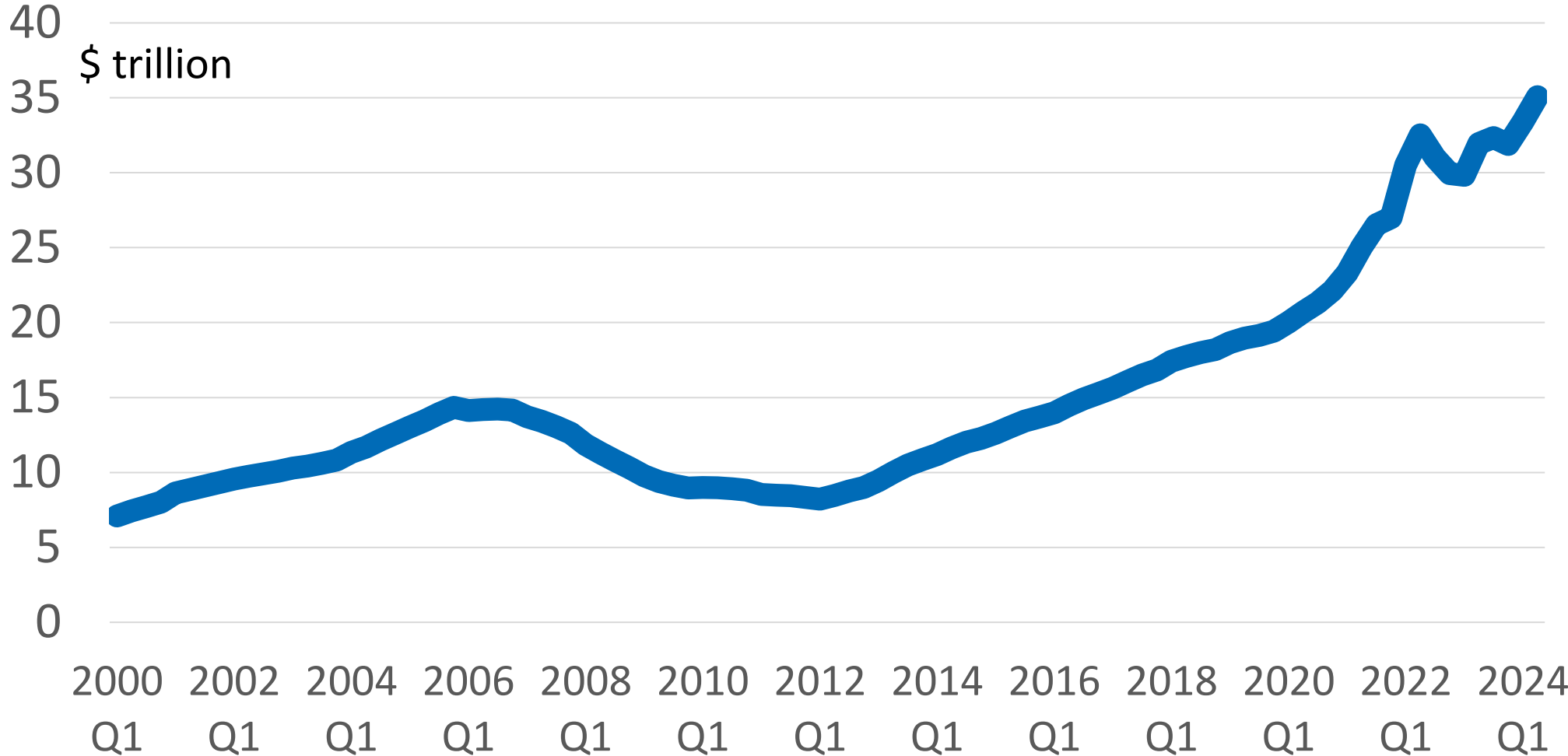
# One Year Home Price Gains

## % change from 2023 Q4 to 2024 Q4



Source: NAR Analysis of FHFA data

# Household Equity in Real Estate in U.S.

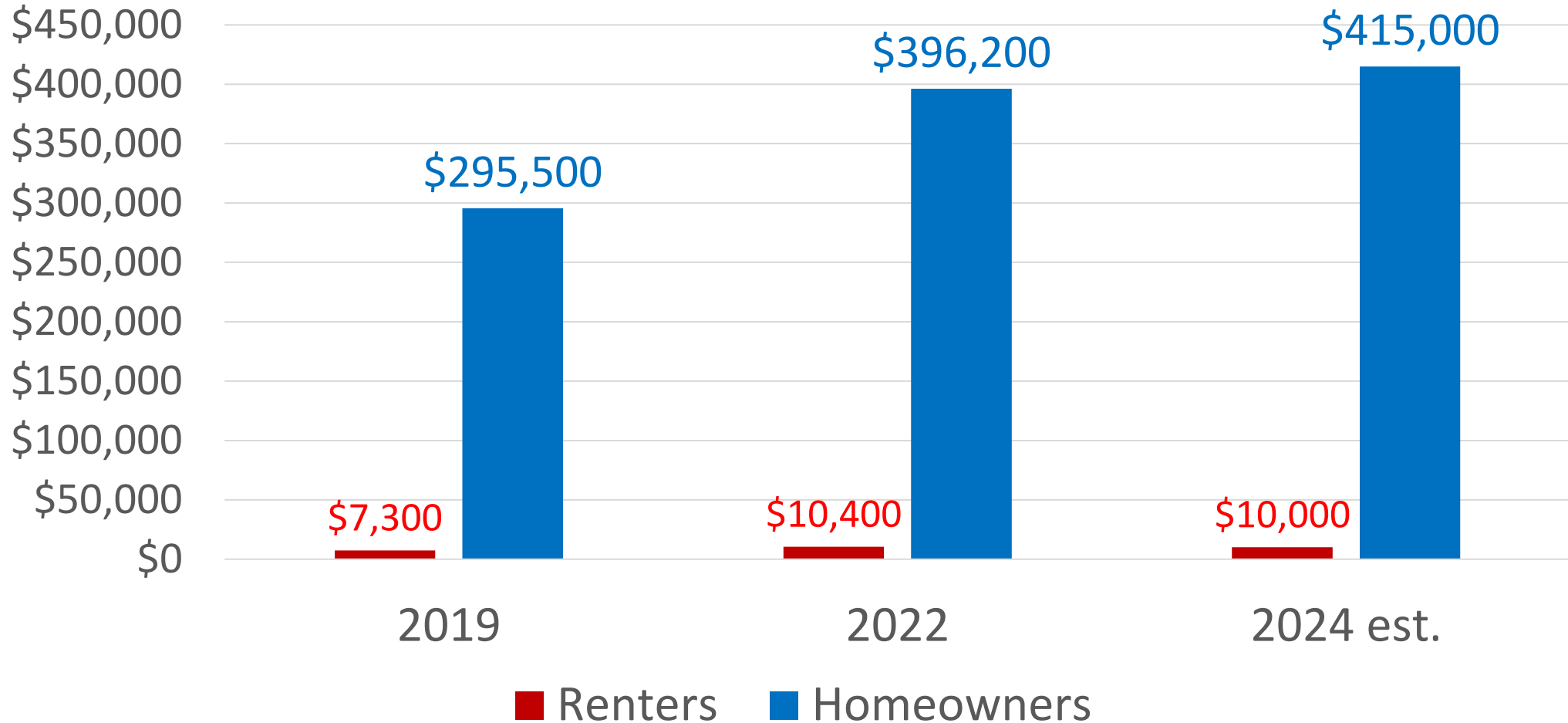


Source: Federal Reserve



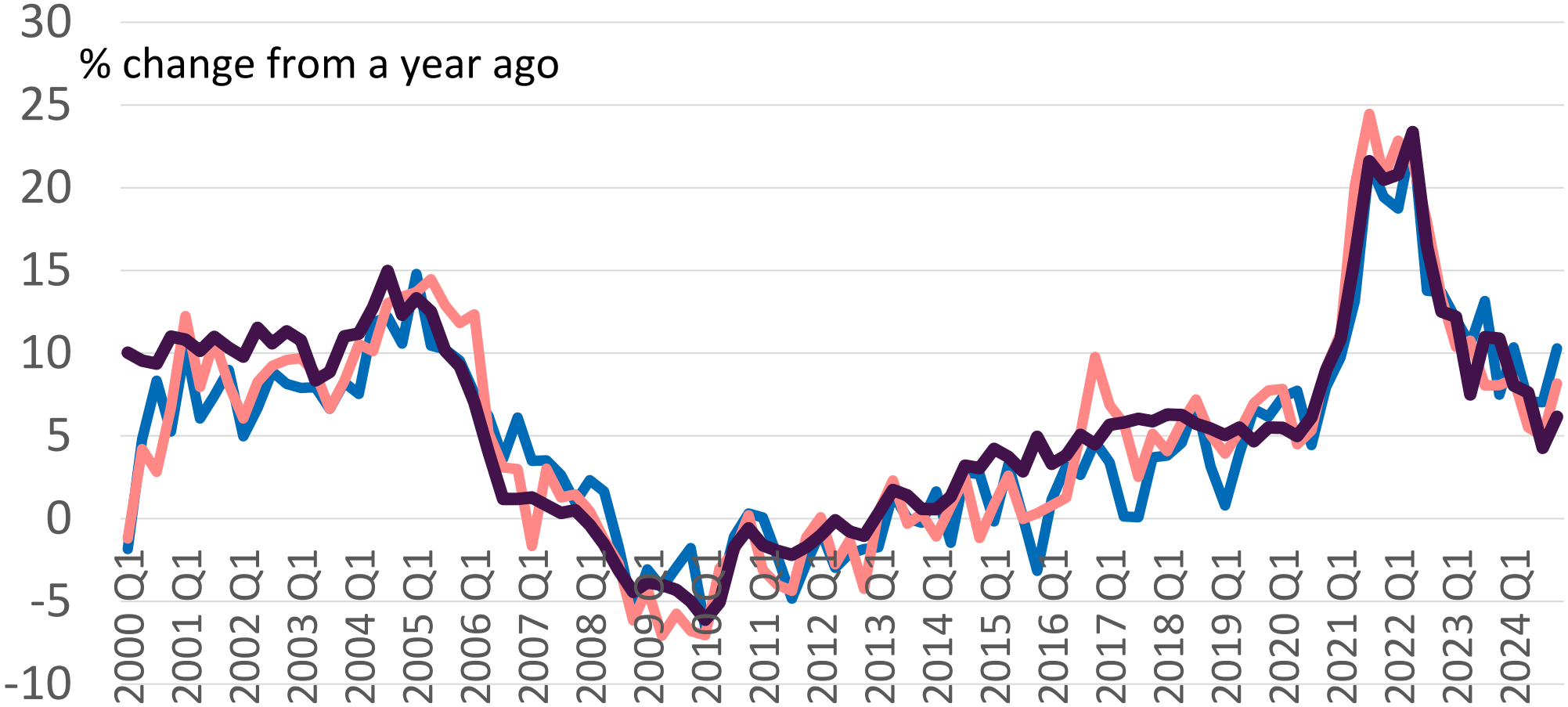


# Median Net Worth between Owners and Renters



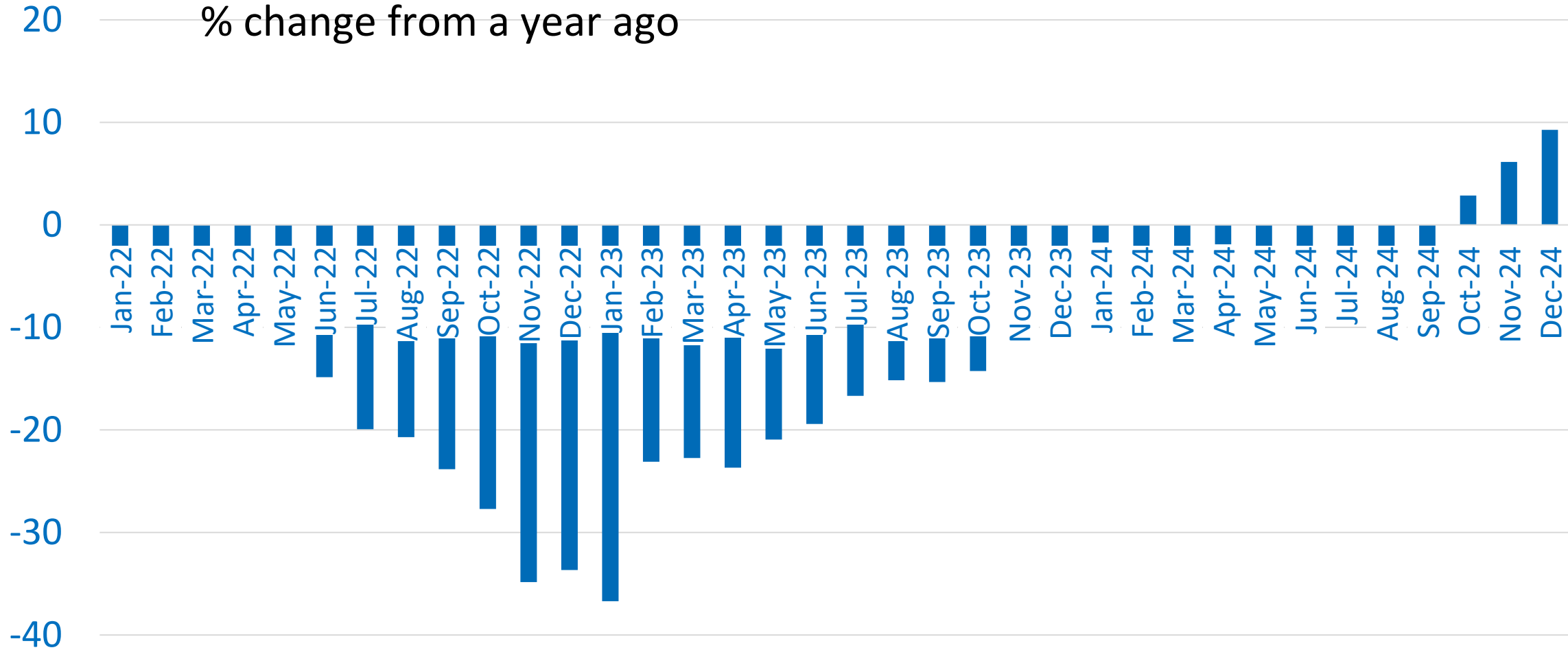
Source: Median Net Worth from Federal Reserve Survey of Consumer Finance

# Home Price Appreciation in Bangor, Lewiston-Auburn, Portland



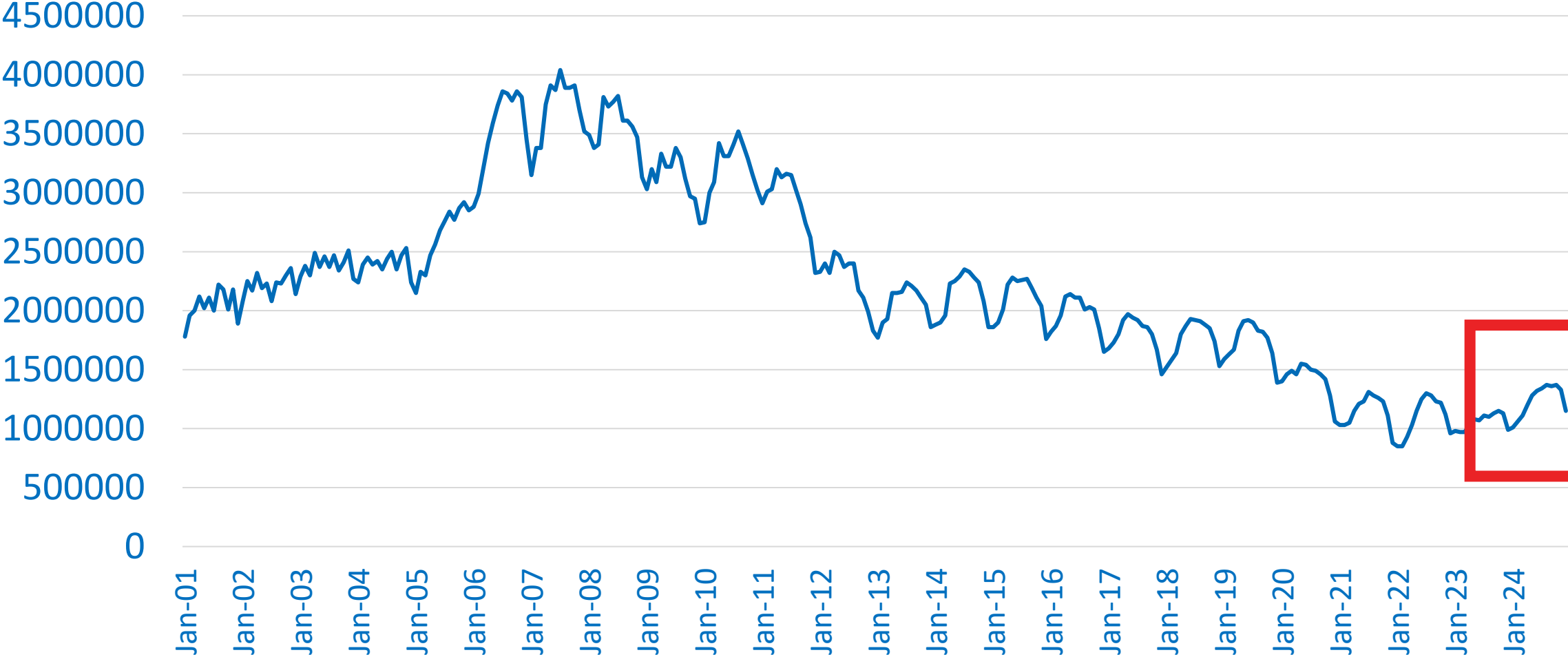
Source: FHFA

# Recent Home Sale Closings Nationwide



Source: NAR

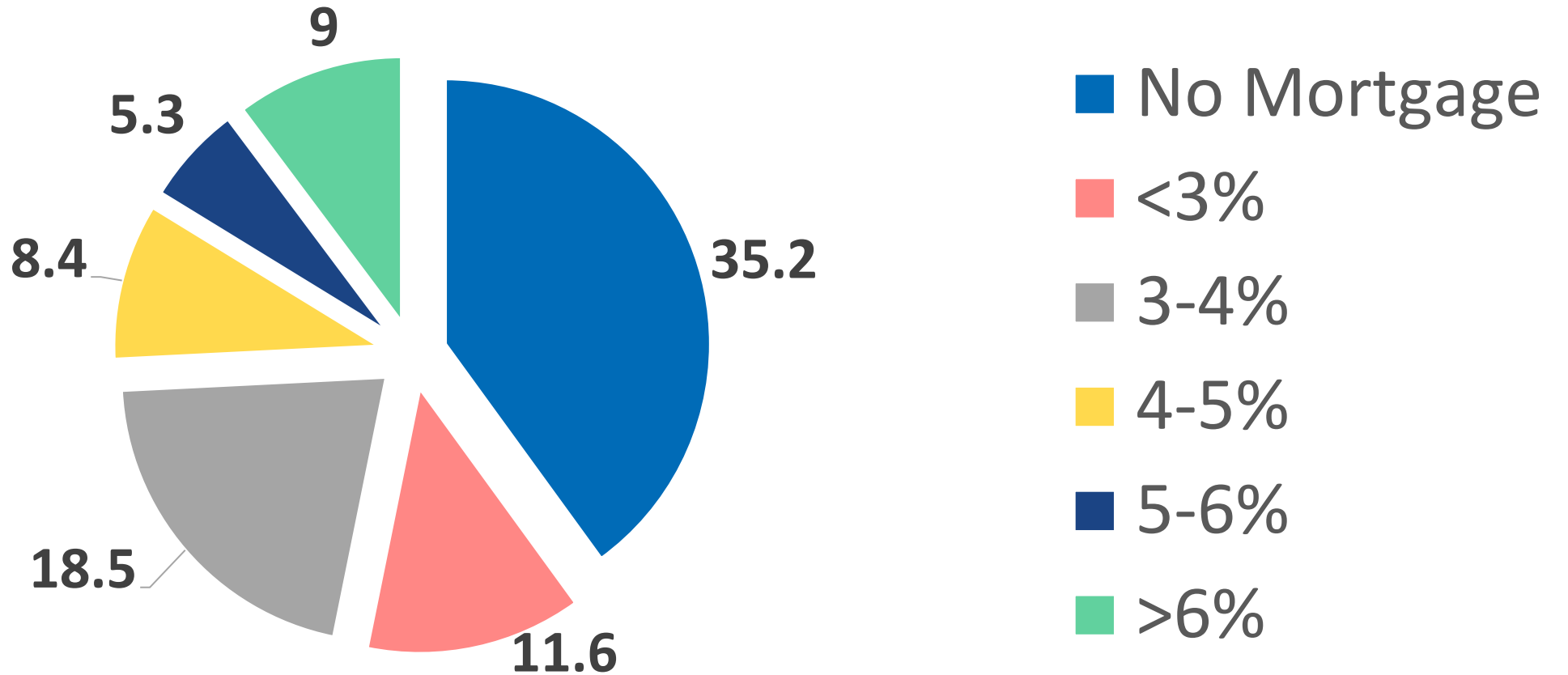
# National Inventory



Source: NAR

# 88 million Homeowners

## Distribution by Mortgage Rates



Source: NAR estimate using data on mortgage distribution by FHFA 2024 Q2

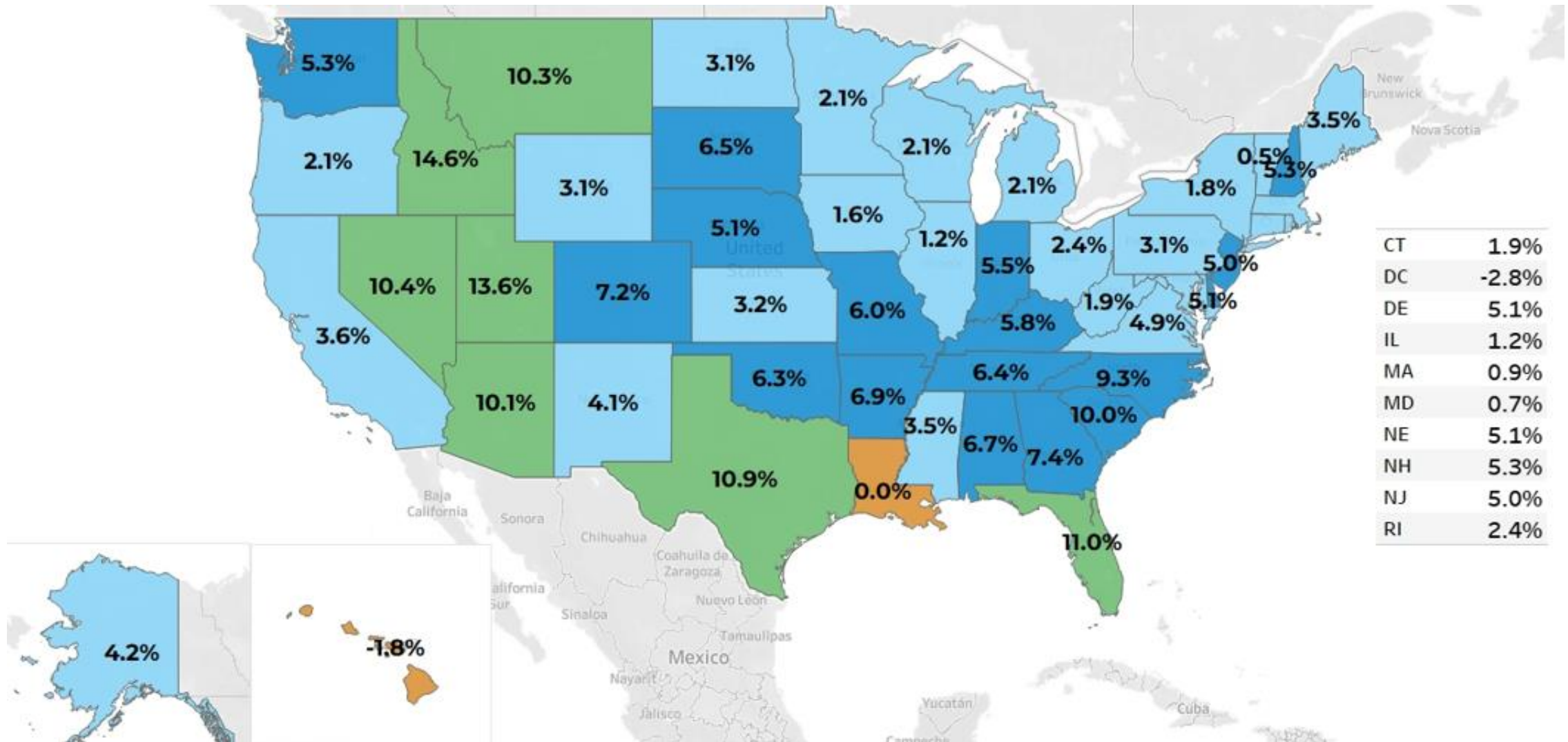
**Home Sales Depend Mainly on**

**Jobs and Mortgage Rates**

**New Factor: Inventory Availability**

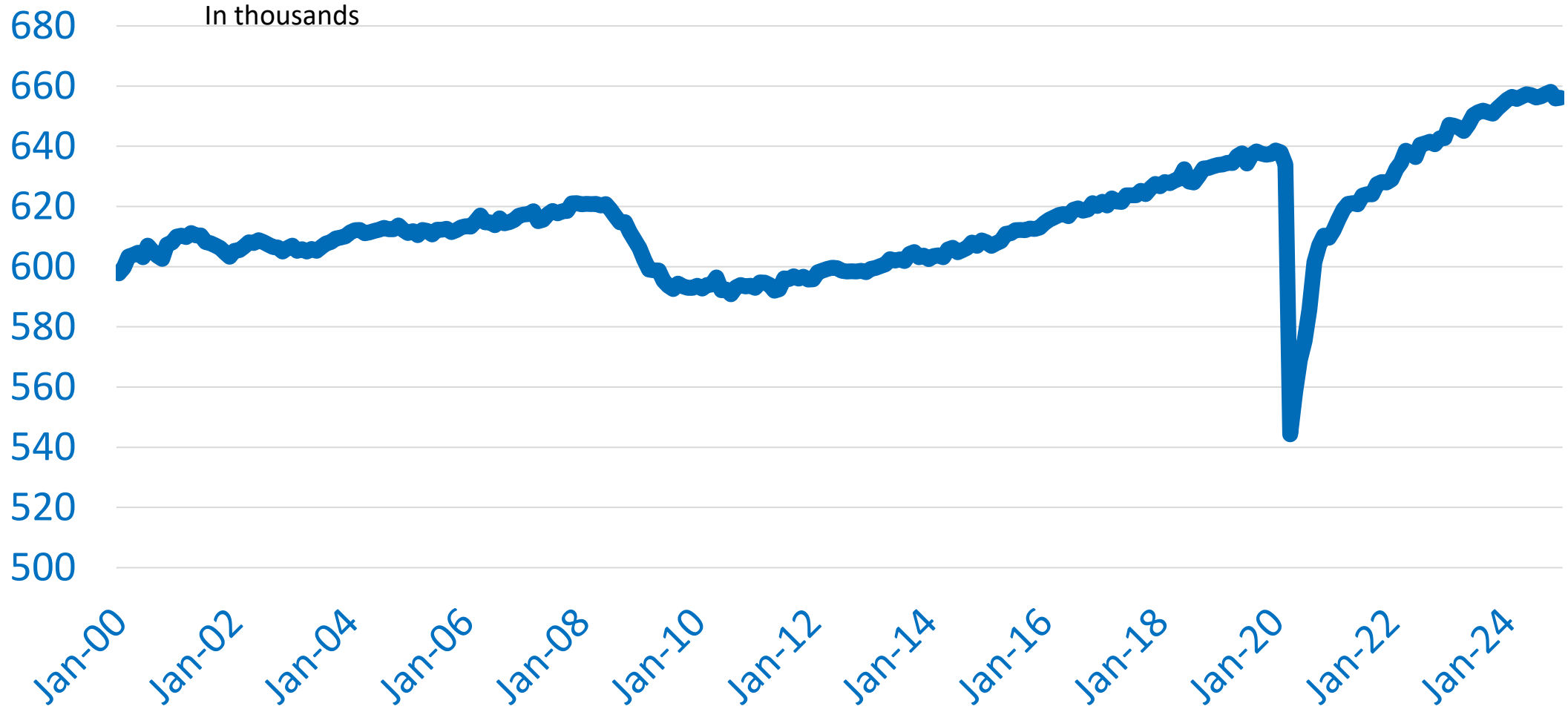
# Job Gains Since Pre-COVID Record High Payroll Employment

## % change from March 2020 to December 2024



Source: NAR Analysis of BLS data

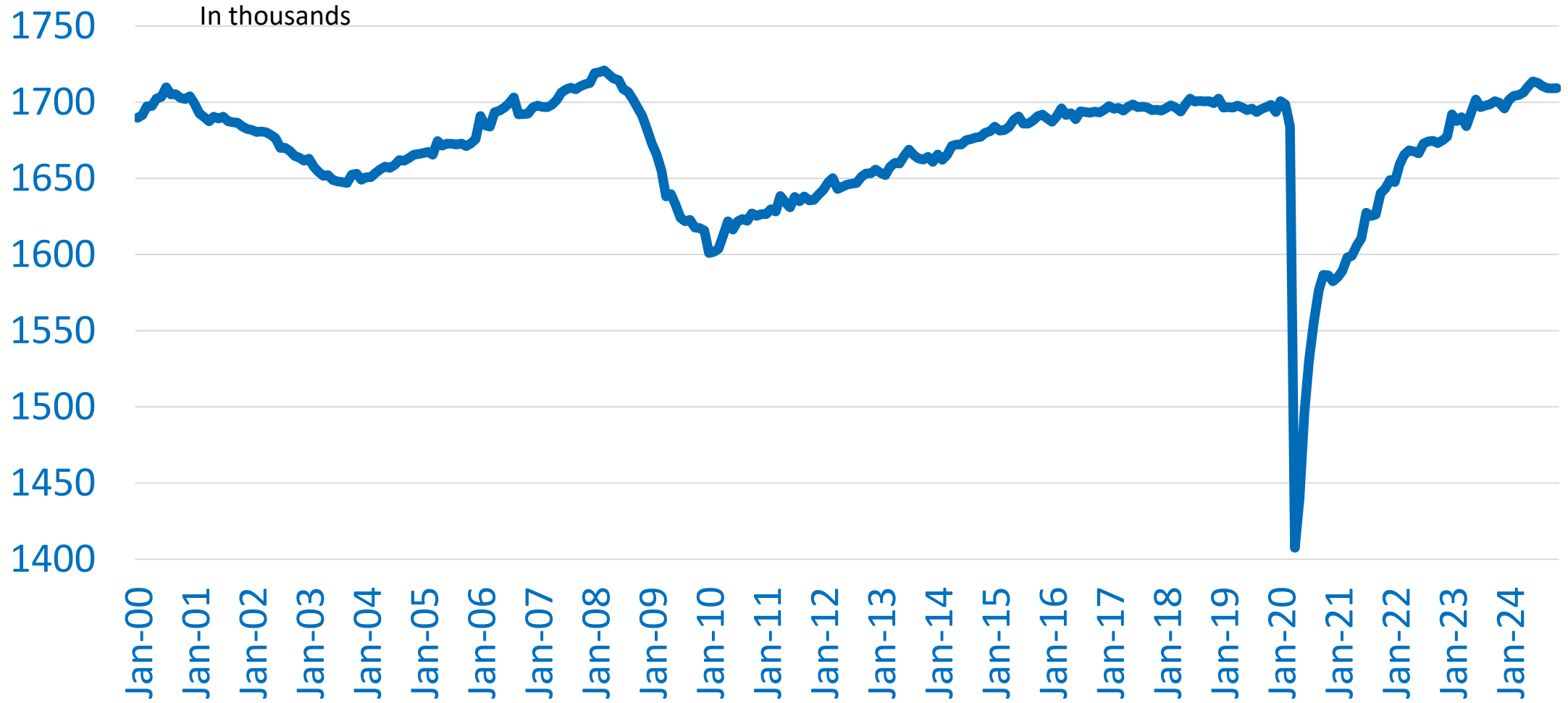
# Total Jobs in Maine (+60,000 from 2000)



Source: BLS

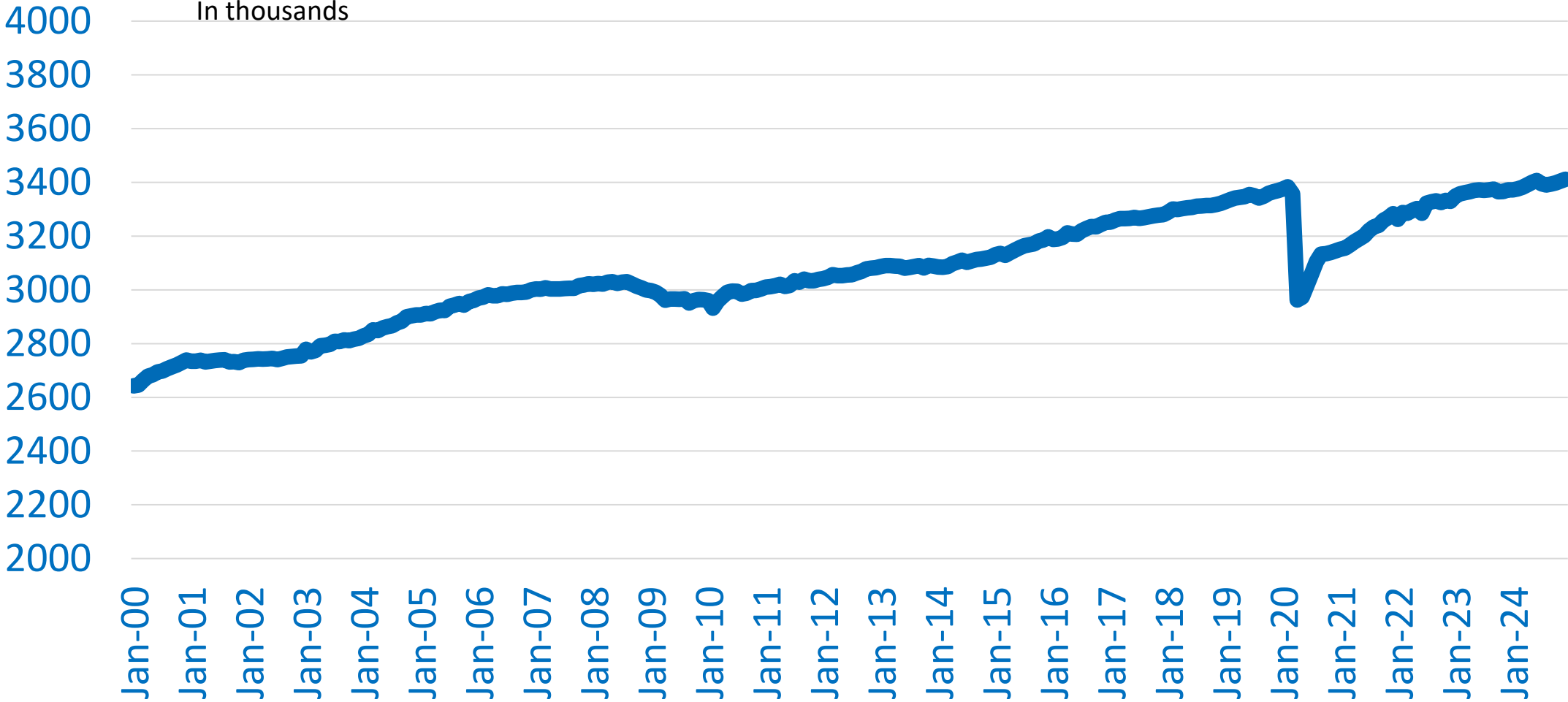


# Total Jobs in Connecticut



Source: BLS

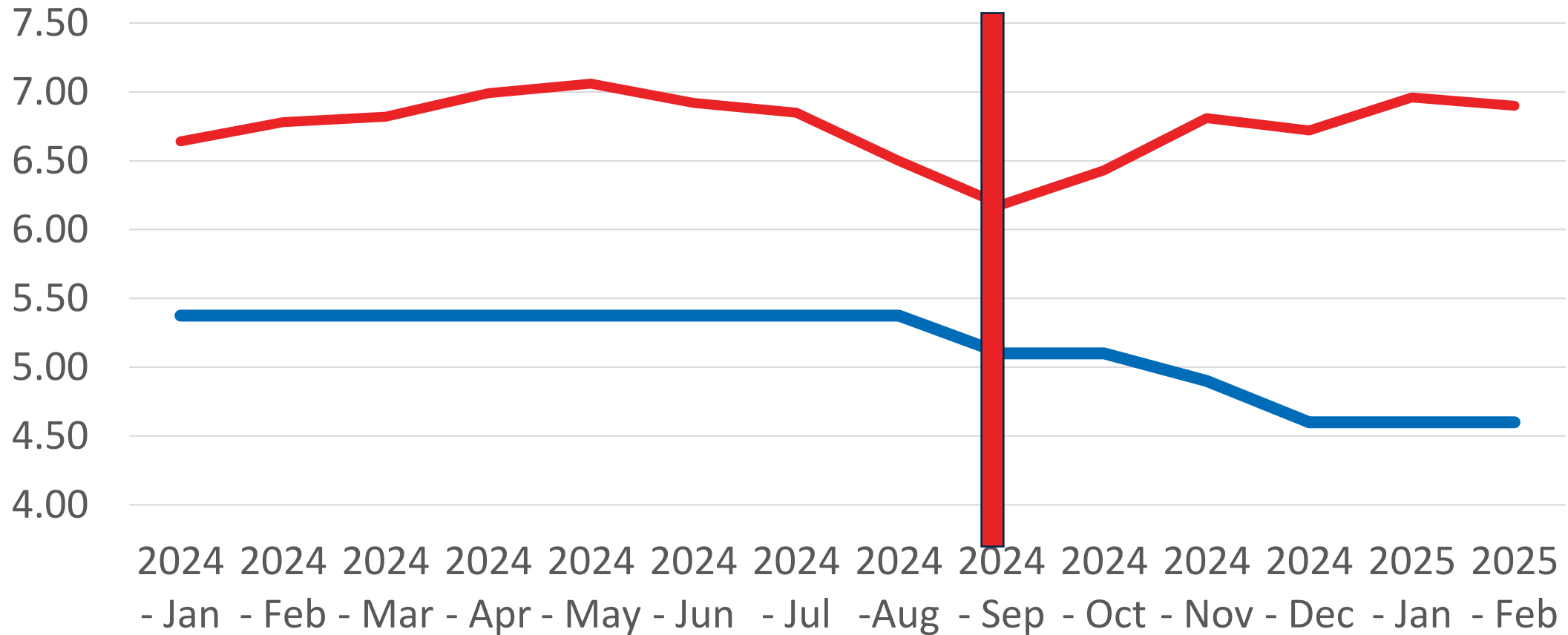
# Total Jobs in Washington DC Metro +600,000 from 2000 to 2024



Source: BLS

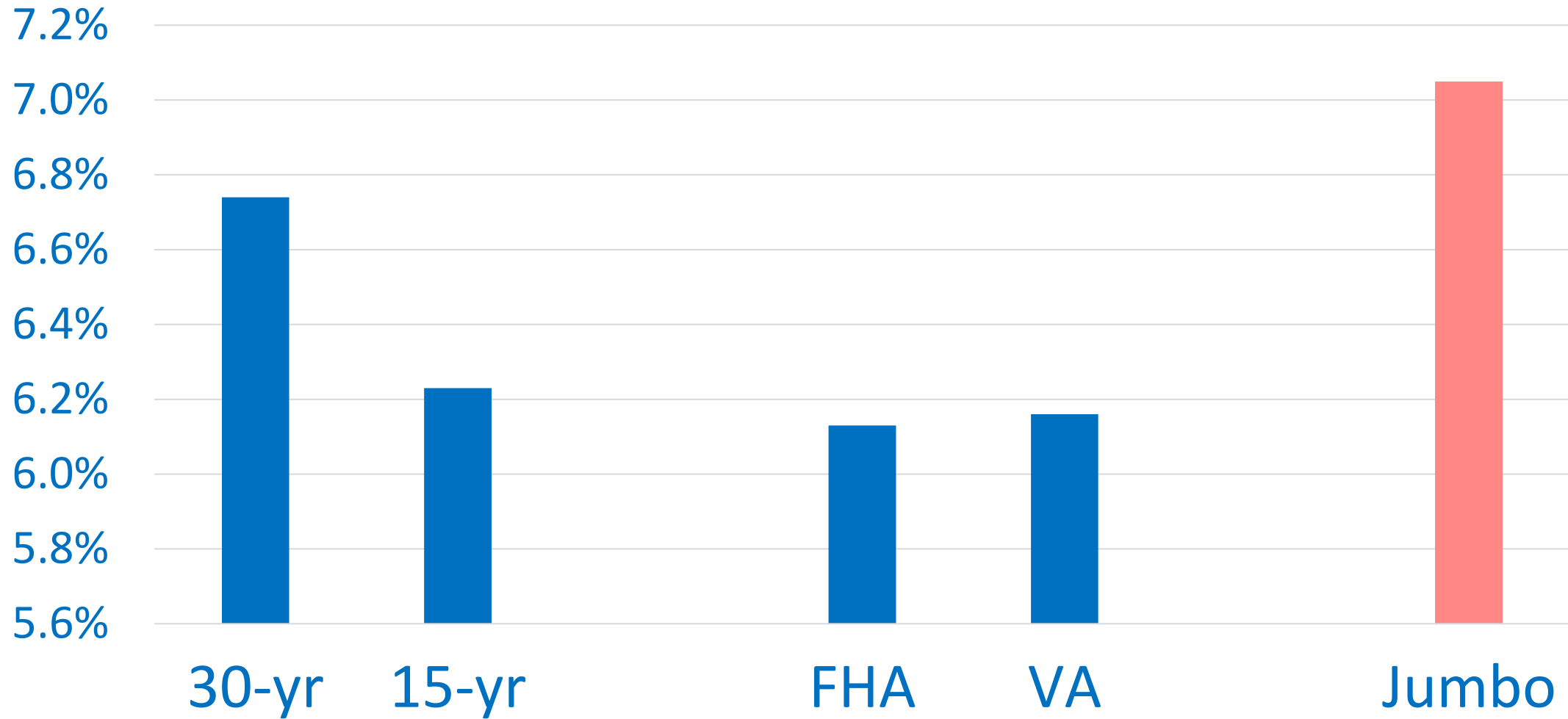


# Fed Rate Cuts from September Did not bring down Mortgage Rates



Source: Federal Reserve and Freddie Mac Mortgage Rate

# Average Mortgage Rate early-March



Source: Mortgage News Daily

# Prospect of Falling Inflation and Falling Mortgage Rates

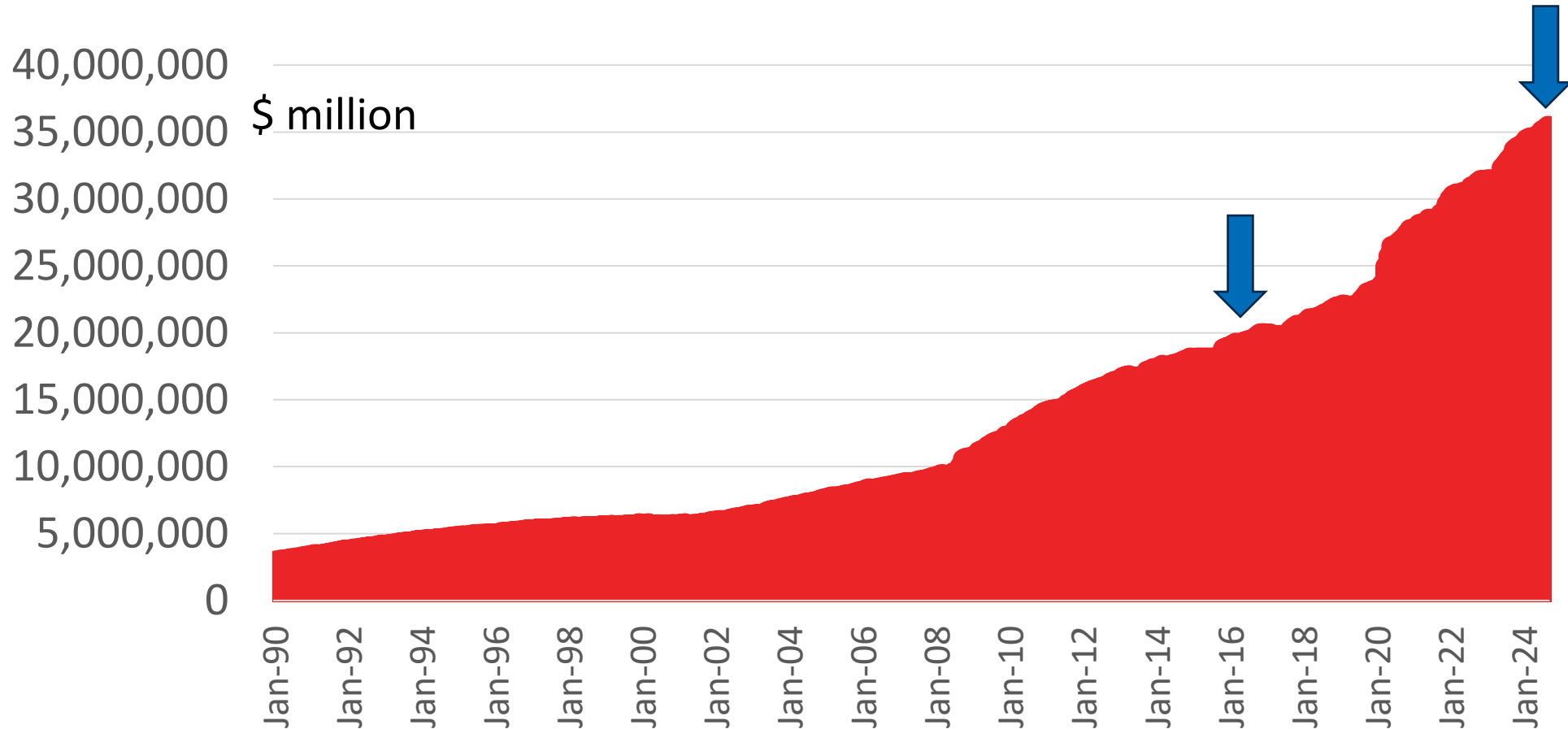
- **Tariff ... inflationary**
- **Deregulation ... disinflationary**
- **Oil Summit ?... disinflationary**

# Unleaded Gasoline Price



Source: Energy Information Administration

# National Debt (cumulative of all past deficits)



Source: Congressional Budget Office

# Forecast



# Nationwide Forecast

	2025	2026
Existing Home Sales	+9%	+13%
New Home Sales	+11%	+8%
Median Home Price	2%	2%
Mortgage Rate	Near 6%	Near 6%
Job Gains	Near 2 million	Near 2 million

**Thank You !**