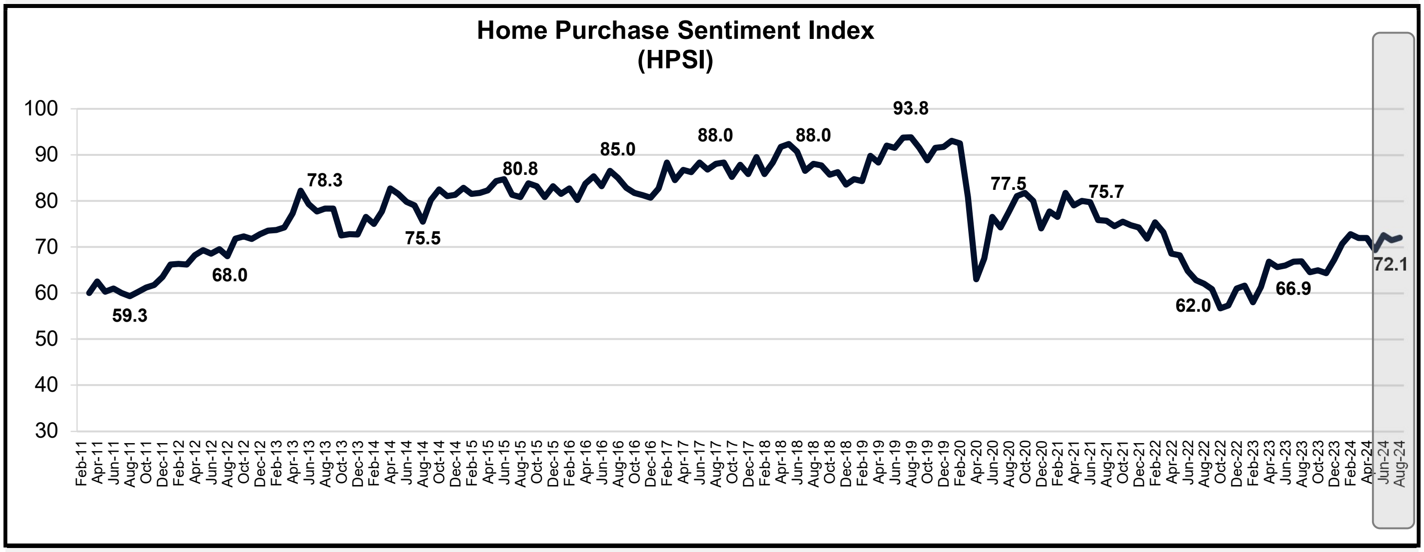
Fannie Mae

August 2024 Data Release

The Home Purchase Sentiment Index® (HPSI) is a composite index designed to track consumers' housing-related attitudes, intentions, and perceptions, using six questions from the National Housing Survey® (NHS).

The Home Purchase Sentiment Index

The HPSI increased by 0.6 points to 72.1 in August.



Components of the HPSI

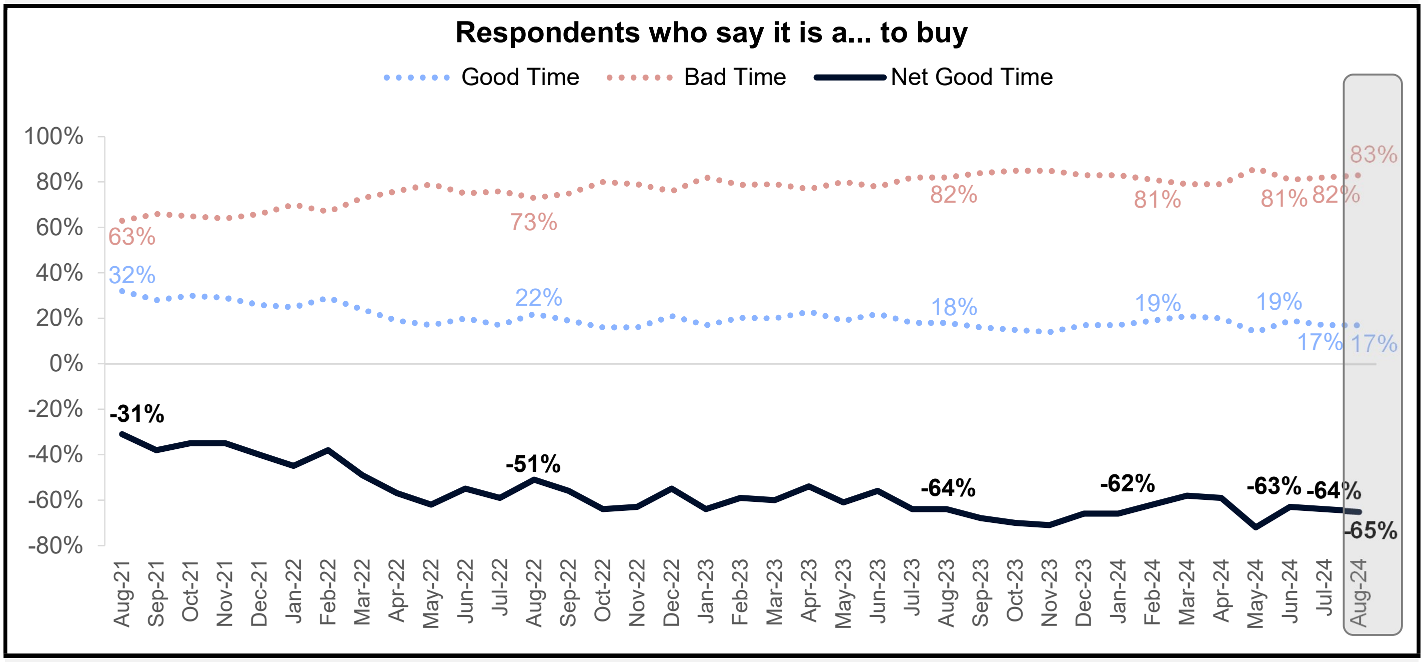
Two out of six HPSI components increased this month (Mortgage Rate Outlook and Job Loss Concern). Three HPSI components decreased this month (Home Price Outlook, Change in Household Income, and Buying Conditions). Selling Conditions remained unchanged.

	August 2024			Net Change	
				MoM	YoY
Buying Conditions	Good Time	Bad Time	Net Good Time to Buy	-1	-1
	17%	83%	-65%		
Selling Conditions	Good Time	Bad Time	Net Good Time to Sell	0	-2
	65%	34%	31%		
Home Price Outlook (next 12 months)	Go Up	Go Down	Net Go Up	-8	-2
	37%	25%	13%		
Mortgage Rate Outlook (next 12 months)	Go Down	Go Up	Net Go Down	+16	+41
	39%	26%	13%		
Job Loss Concern (next 12 months)	Not Concerned	Concerned	Net Not Concerned	+1	+2
	78%	21%	57%		
Change in Household Income (past 12 months)	Significantly Higher	Significantly Lower	Net Significantly Higher	-4	-7
	17%	14%	3%		

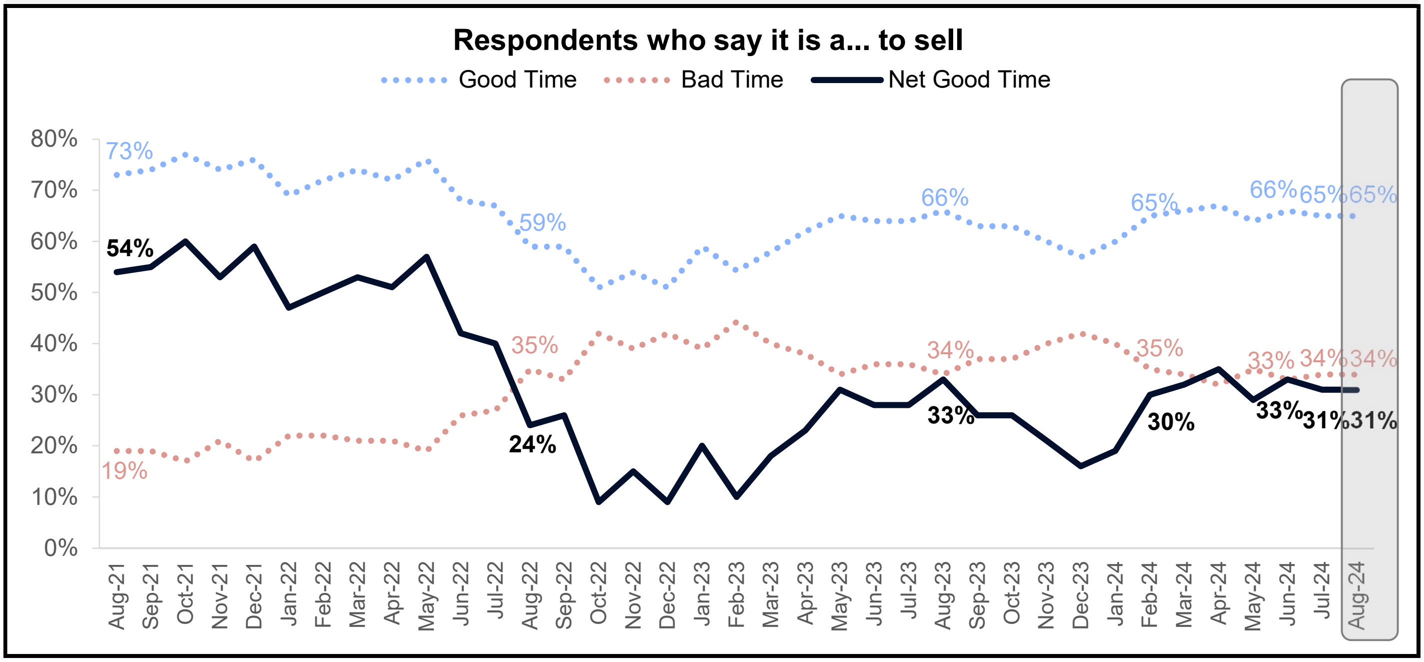
Note: *Calculations are made using unrounded and weighted response level data to help ensure precision in NHS data results from wave to wave. As a result, minor differences in calculated data (summarized results, net calculations, etc.) of up to 1 percentage point may occur due to rounding.*

Components of the HPSI – Good/Bad Time to Buy and Sell a Home

The net share of consumers who say it is a good time to buy a home decreased 1 percentage point to -65%. The share who say it is a good time to buy remained unchanged at 17%, while the share who say it is a bad time to buy increased 1 percentage point to 83%.

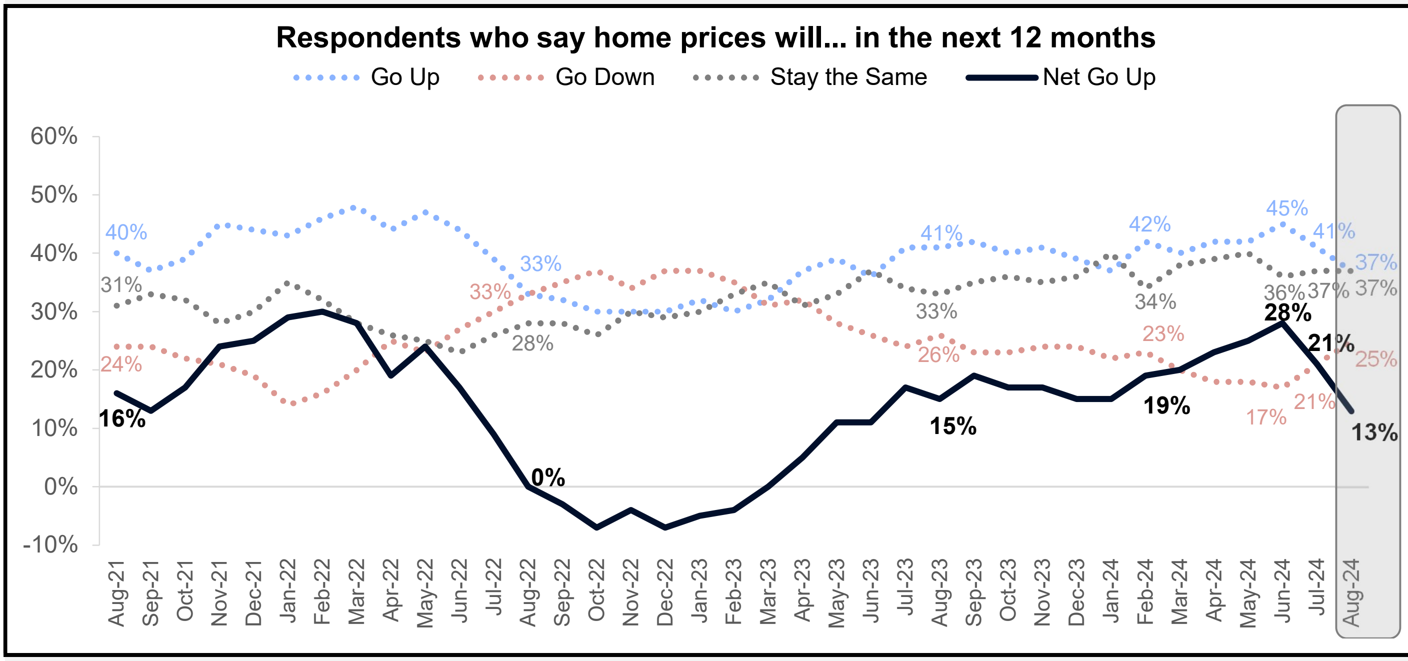


The share of consumers who say it is a bad time to sell remained unchanged at 34%, while the share who say it's a good time to sell also remained unchanged at 65%. As a result, the net share of consumers who say it is a good time to sell (31%) also remained unchanged.

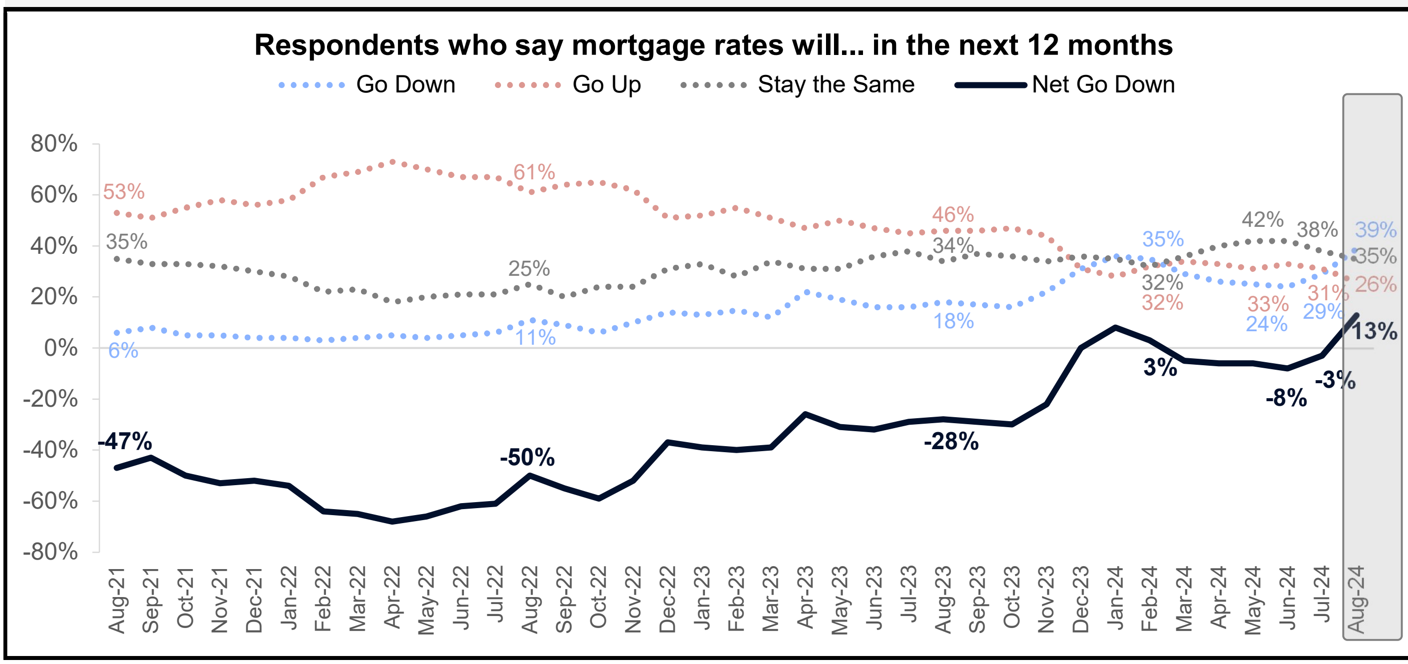


Components of the HPSI – Home Price and Mortgage Rate Expectations

The net share of consumers who say home prices will go up decreased 8 percentage points to 13%. While 25% expect home prices to go down, 37% of consumers expect home prices to go up. More than a third (37%) expect home prices to stay the same.

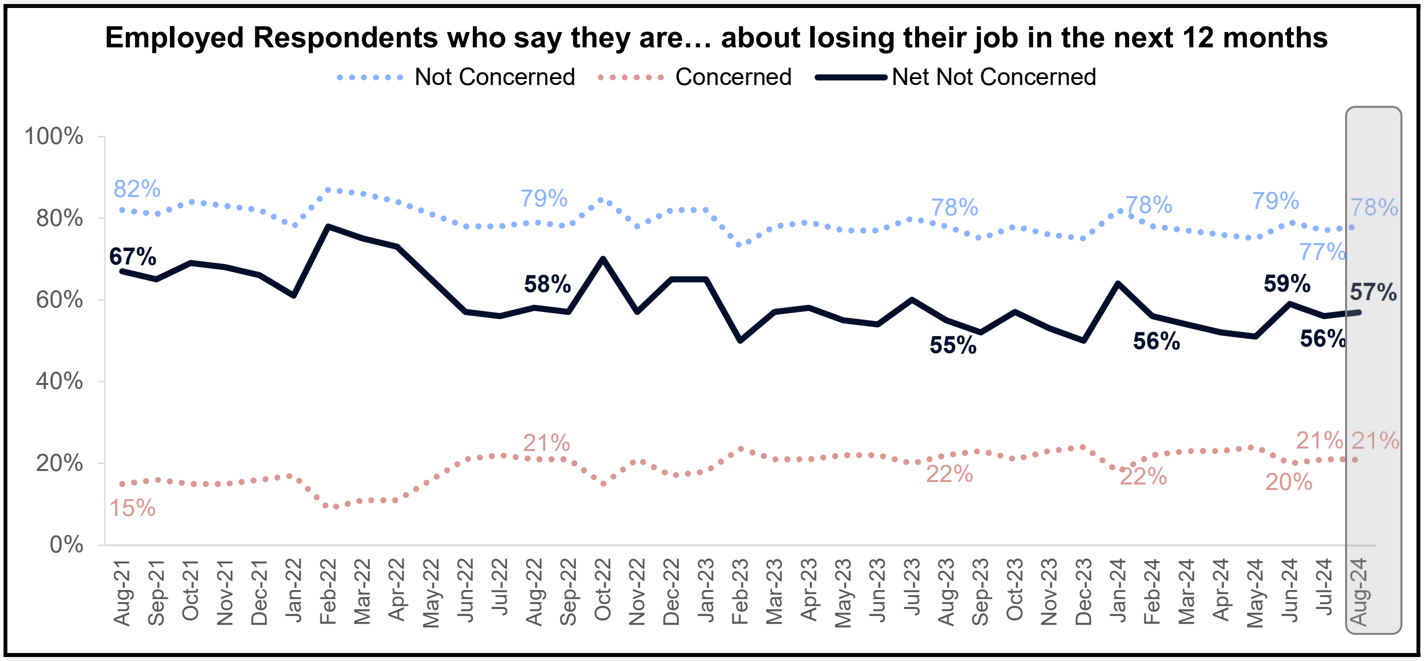


The net share of consumers who say mortgage rates will go down over the next 12 months increased 16 percentage points to 13%, a new survey high.

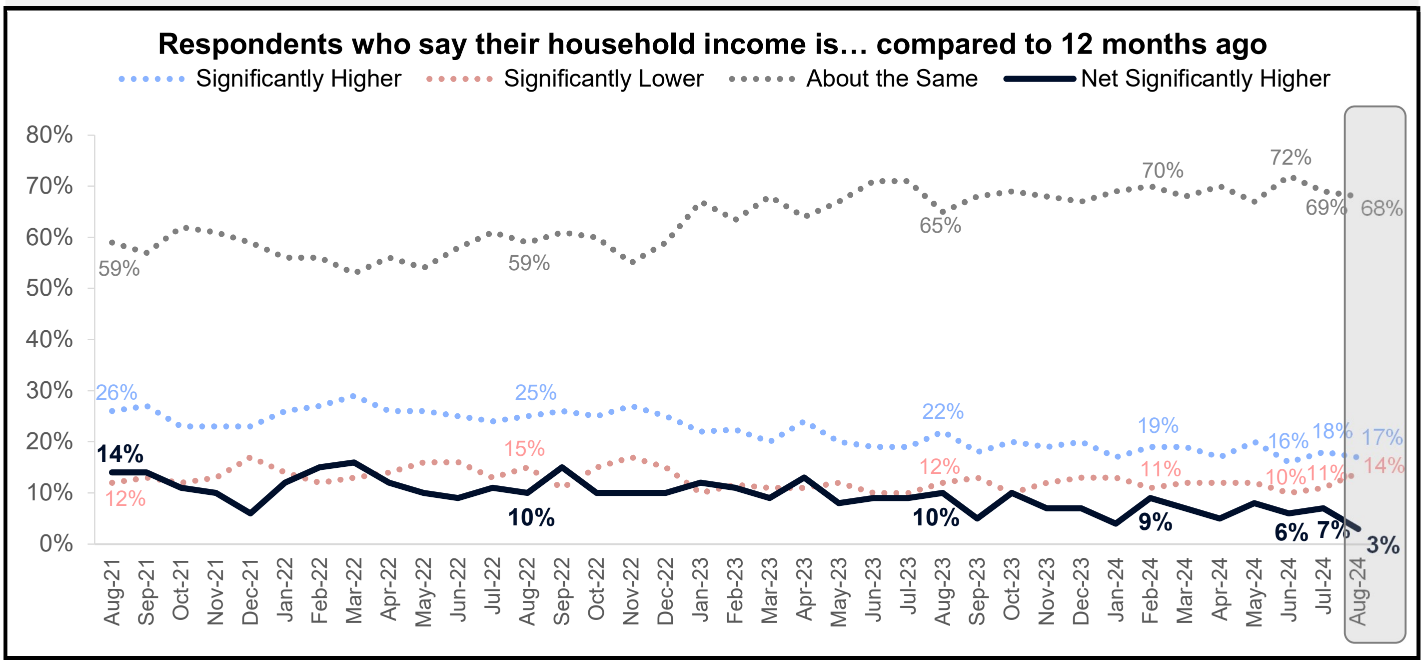


Components of the HPSI – Job Loss Concern and Household Incomes

In August, the net share of employed consumers who say they are not concerned about losing their job increased 1 percentage point to 57%.



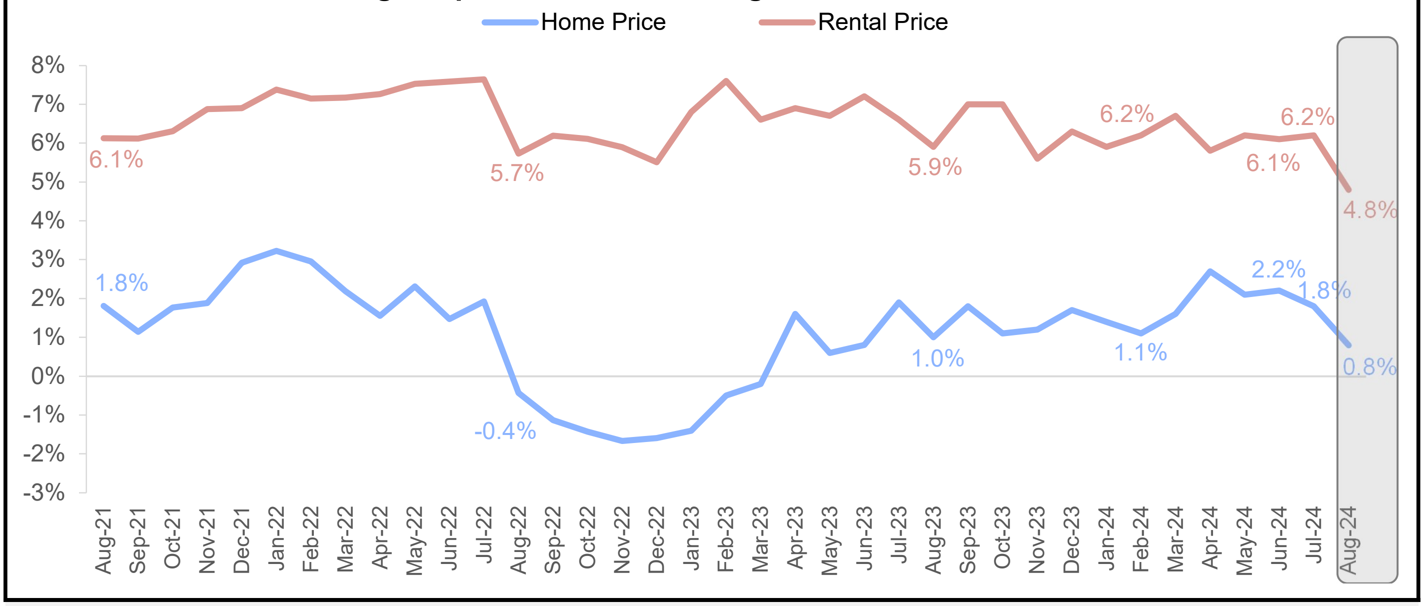
The net share who say their household income is significantly higher than a year ago decreased 4 percentage points to 3%. A majority (68%) say their household income is about the same as it was a year ago.



Additional National Housing Survey Key Indicators

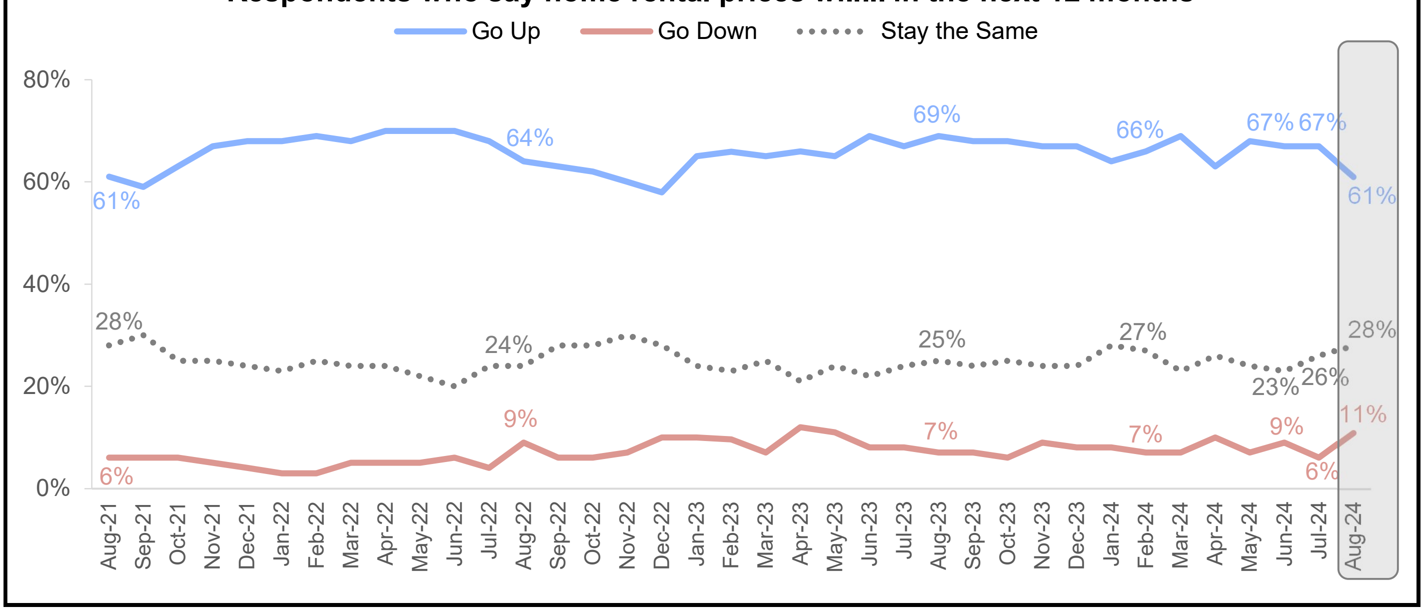
Over the next year, consumers expect rental prices to increase 4.8% on average (a 1.4 percentage-point decrease month-over-month) and home prices to increase 0.8% on average (a 1 percentage-point decrease from last month).

Average Expected Percent Change Over the Next 12 Months



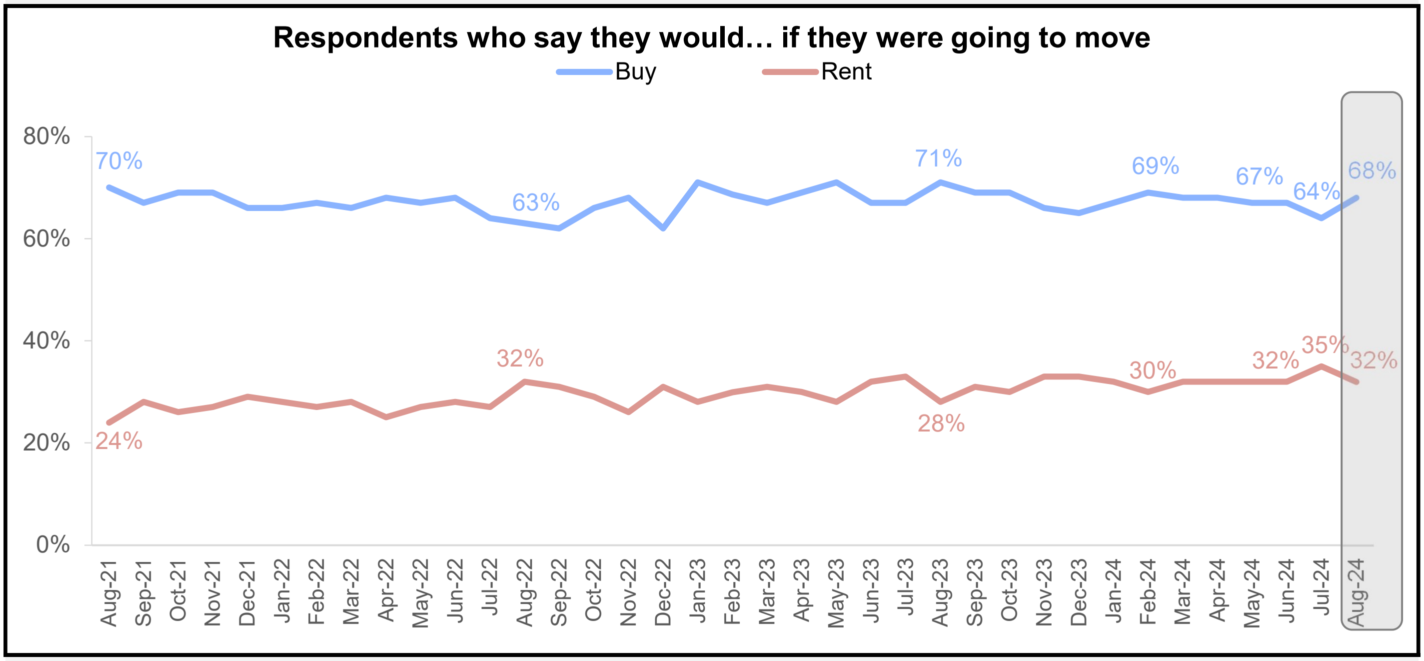
The share of consumers who expect home rental prices to go up decreased 6 percentage points to 61%, while the share who expect rental prices to go down increased 5 percentage points to 11%. Over a quarter (28%) of consumers expect home rental prices to stay the same.

Respondents who say home rental prices will... in the next 12 months

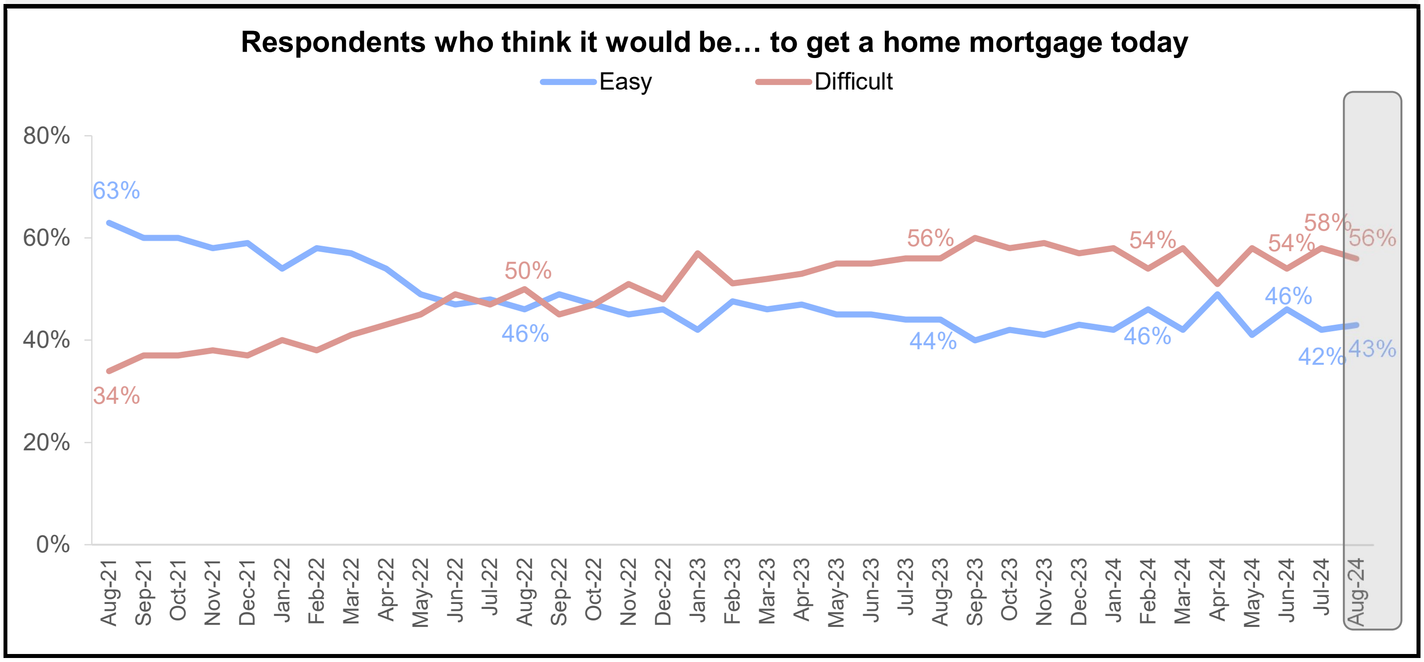


Additional National Housing Survey Key Indicators

The share of consumers who say they would buy a home if they were going to move increased to 68% this month. The share who say they would rent dropped to 32% from last month's survey high.

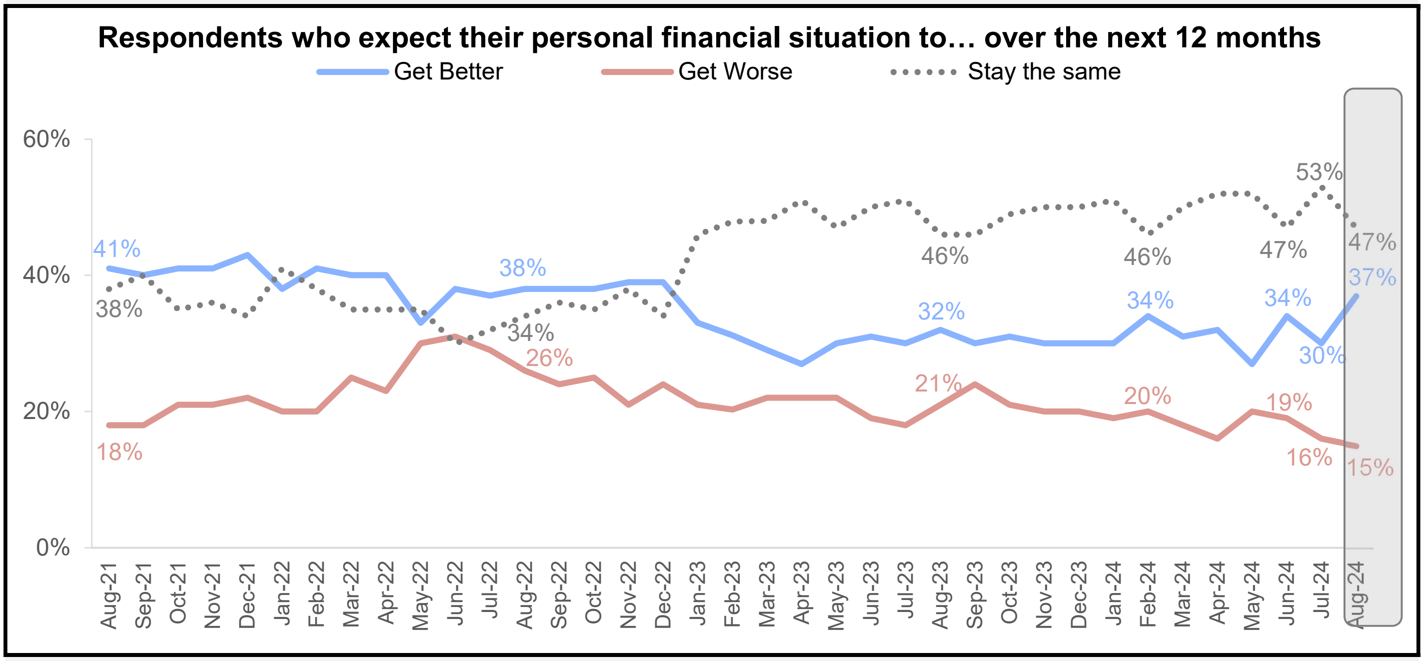


The share of consumers who say getting a mortgage would be difficult decreased 2 percentage points to 56%, while the share who say getting a mortgage would be easy increased 1 percentage point to 43%.

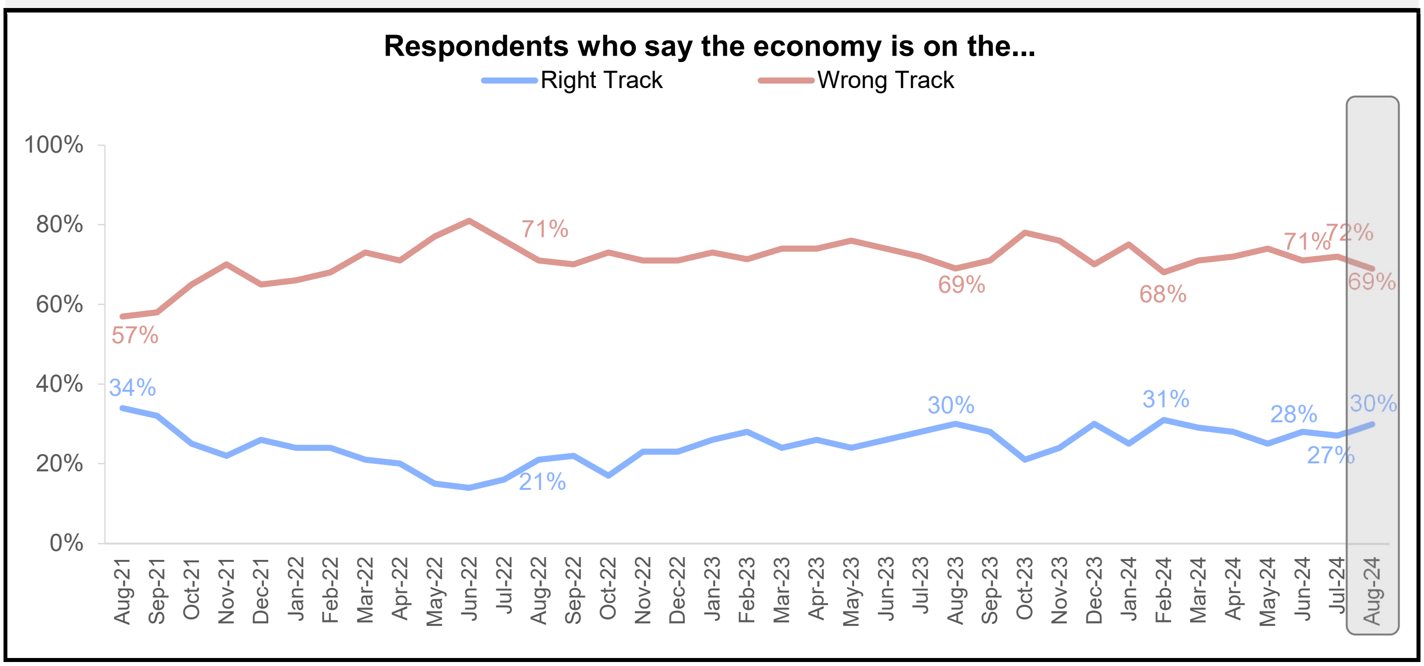


Additional National Housing Survey Key Indicators

The share of consumers who expect their personal financial situation to get better increased 7 percentage points to 37% while the share who expect it to get worse decreased 1 percentage point to 15%. The share who expect their personal financial situation to stay the same decreased 6 percentage points to 47%.



The share of consumers who say the economy is on the right track increased 3 percentage points to 30%, while the share who say the economy is on the wrong track decreased 3 percentage points to 69%.



The National Housing Survey®

August 2024

APPENDIX

About the Survey

The National Housing Survey® polled a nationally representative sample of 1,044 household financial decision makers (margin of error ± 3.90 percentage points) aged 18 and older between August 1st and August 19th, 2024. Most of the data collection occurred during the first two weeks of this period.

The survey was fielded through AmeriSpeak ®, NORC at the University of Chicago's probability-based panel, in coordination with Fannie Mae and PSB Insights.

The statistics in this release were estimated from sample surveys and are subject to sampling variability as well as non-sampling error, including bias and variance from response, nonreporting, and under-coverage, though weighting corrections have been applied. Averages of expected price changes were calculated after converting responses of "stay the same" to 0% and after excluding outliers, which were defined to be responses that were more than two standard deviations from the mean.

How the Home Purchase Sentiment Index (HPSI) is Calculated*	
Net Good Time to **Buy** *Very or Somewhat Good Time To Buy – Very or Somewhat Bad Time To Buy*	Q12
Net Good Time to **Sell** *Very or Somewhat Good Time To Sell – Very or Somewhat Bad Time To Sell*	Q13
Net **Home Prices** Will Go Up (next 12 months) *Home Prices Will Go Up – Home Prices Will Go Down*	Q15
Net **Mortgage Rates** Will Go Down (next 12 months) *Mortgage Rates Will Go Down – Mortgage Rates Will Go Up*	Q20B
Net Confident About Not Losing **Job** (next 12 months) *Among Employed Respondents, Not at All or Not Very Concerned about Losing Job – Very or Somewhat Concerned about Losing Job*	Q112B
Net Household **Income** is Significantly Higher (past 12 months) *Income is Significantly Higher – Income is Significantly Lower*	Q116

$$HPSI = \frac{Q12 + Q13 + Q15 + Q20B + Q112B + Q116}{6} + 63.5$$

* The HPSI calculation includes the addition of a constant of 63.5 in order to set the index's initial value at 60 as of March 2011, in range with the **Index of Consumer Sentiment** and the **Consumer Confidence Index**

Time Series Data: https://www.fanniemae.com/media/document/xlsx/nhs-monthly-indicator-data-090724

HPSI Overview: https://www.fanniemae.com/media/document/pdf/hpsi-overviewpdf

HPSI White Paper: https://www.fanniemae.com/media/document/pdf/hpsi-whitepaperpdf

Home Purchase Sentiment Index Over the Past 12 Months

August 2023	66.9
September 2023	64.5
October 2023	64.9
November 2023	64.3
December 2023	67.2
January 2024	70.7
February 2024	72.8
March 2024	71.9
April 2024	71.9
May 2024	69.4
June 2024	72.6
July 2024	71.5
August 2024	**72.1**

Percent of respondents who say it is a good or bad time to buy

	% Good Time to Buy	% Bad Time to Buy	Net % Good Time to Buy
August 2023	18	82	-64
September 2023	16	84	-68
October 2023	15	85	-70
November 2023	14	85	-71
December 2023	17	83	-66
January 2024	17	83	-66
February 2024	19	81	-62
March 2024	21	79	-58
April 2024	20	79	-59
May 2024	14	86	-72
June 2024	19	81	-63
July 2024	17	82	-64
August 2024	**17**	**83**	**-65**

Percent of respondents who say it is a good or bad time to sell			
	% Good Time to Sell	% Bad Time to Sell	Net % Good Time to Sell
August 2023	66	34	33
September 2023	63	37	26
October 2023	63	37	26
November 2023	60	40	21
December 2023	57	42	16
January 2024	60	40	19
February 2024	65	35	30
March 2024	66	34	32
April 2024	67	32	35
May 2024	64	35	29
June 2024	66	33	33
July 2024	65	34	31
August 2024	**65**	**34**	**31**

Percent of respondents who say home prices will go up, go down, or stay the same in the next 12 months				
	% Go Up	% Go Down	% Stay the Same	Net % Prices Will Go Up
August 2023	41	26	33	15
September 2023	42	23	35	19
October 2023	40	23	36	17
November 2023	41	24	35	17
December 2023	39	24	36	15
January 2024	37	22	40	15
February 2024	42	23	34	19
March 2024	40	20	38	20
April 2024	42	18	39	23
May 2024	42	18	40	25
June 2024	45	17	36	28
July 2024	41	21	37	21
August 2024	**37**	**25**	**37**	**13**

Percent of respondents who say mortgage rates will go up, go down, or stay the same in the next 12 months				
	% Go Up	% Go Down	% Stay the Same	Net % Rates Will Go Down
August 2023	46	18	34	-28
September 2023	46	17	37	-29
October 2023	47	16	36	-30
November 2023	44	22	34	-22
December 2023	31	31	36	0
January 2024	28	36	35	8
February 2024	32	35	32	3
March 2024	34	29	36	-5
April 2024	33	26	40	-6
May 2024	31	25	42	-6
June 2024	33	24	42	-8
July 2024	31	29	38	-3
August 2024	**26**	**39**	**35**	**13**

Percent of employed respondents who say are concerned or not concerned about losing their job			
	% Concerned	% Not Concerned	Net % Not Concerned
August 2023	22	78	55
September 2023	23	75	52
October 2023	21	78	57
November 2023	23	76	53
December 2023	24	75	50
January 2024	18	82	64
February 2024	22	78	56
March 2024	23	77	54
April 2024	23	76	52
May 2024	24	75	51
June 2024	20	79	59
July 2024	21	77	56
August 2024	**21**	**78**	**57**

Percent of respondents who say their household income is higher, lower, or about the same compared to 12 months ago				
	% Significantly Higher	% Significantly Lower	% About the Same	Net % Higher
August 2023	22	12	65	10
September 2023	18	13	68	5
October 2023	20	10	69	10
November 2023	19	12	68	7
December 2023	20	13	67	7
January 2024	17	13	69	4
February 2024	19	11	70	9
March 2024	19	12	68	7
April 2024	17	12	70	5
May 2024	20	12	67	8
June 2024	16	10	72	6
July 2024	18	11	69	7
August 2024	**17**	**14**	**68**	**3**

Average home/rental price change expectation		
	% Home Price Change	% Rental Price Change
August 2023	1.0	5.9
September 2023	1.8	7.0
October 2023	1.1	7.0
November 2023	1.2	5.6
December 2023	1.7	6.3
January 2024	1.4	5.9
February 2024	1.1	6.2
March 2024	1.6	6.7
April 2024	2.7	5.8
May 2024	2.1	6.2
June 2024	2.2	6.1
July 2024	1.8	6.2
August 2024	**0.8**	**4.8**

Percent of respondents who say home rental prices will go up, go down, or stay the same in the next 12 months			
	% Go Up	% Go Down	% Stay the Same
August 2023	69	7	25
September 2023	68	7	24
October 2023	68	6	25
November 2023	67	9	24
December 2023	67	8	24
January 2024	64	8	28
February 2024	66	7	27
March 2024	69	7	23
April 2024	63	10	26
May 2024	68	7	24
June 2024	67	9	23
July 2024	67	6	26
August 2024	**61**	**11**	**28**

Percent of respondents who say they would buy or rent if they were going to move		
	% Buy	% Rent
August 2023	71	28
September 2023	69	31
October 2023	69	30
November 2023	66	33
December 2023	65	33
January 2024	67	32
February 2024	69	30
March 2024	68	32
April 2024	68	32
May 2024	67	32
June 2024	67	32
July 2024	64	35
August 2024	**68**	**32**

Percent of respondents who think it would be difficult or easy for them to get a home mortgage today		
	% Difficult	% Easy
August 2023	56	44
September 2023	60	40
October 2023	58	42
November 2023	59	41
December 2023	57	43
January 2024	58	42
February 2024	54	46
March 2024	58	42
April 2024	51	49
May 2024	58	41
June 2024	54	46
July 2024	58	42
August 2024	**56**	**43**

Percent of respondents who expect their personal financial situation to get better, get worse, or stay the same in the next 12 months			
	% Get Better	% Get Worse	% Stay the Same
August 2023	32	21	46
September 2023	30	24	46
October 2023	31	21	49
November 2023	30	20	50
December 2023	30	20	50
January 2024	30	19	51
February 2024	34	20	46
March 2024	31	18	50
April 2024	32	16	52
May 2024	27	20	52
June 2024	34	19	47
July 2024	30	16	53
August 2024	**37**	**15**	**47**

Percent of respondents who think the economy is on the right track or the wrong track		
	% Right Track	**% Wrong Track**
August 2023	30	69
September 2023	28	71
October 2023	21	78
November 2023	24	76
December 2023	30	70
January 2024	25	75
February 2024	31	68
March 2024	29	71
April 2024	28	72
May 2024	25	74
June 2024	28	71
July 2024	27	72
August 2024	**30**	**69**