

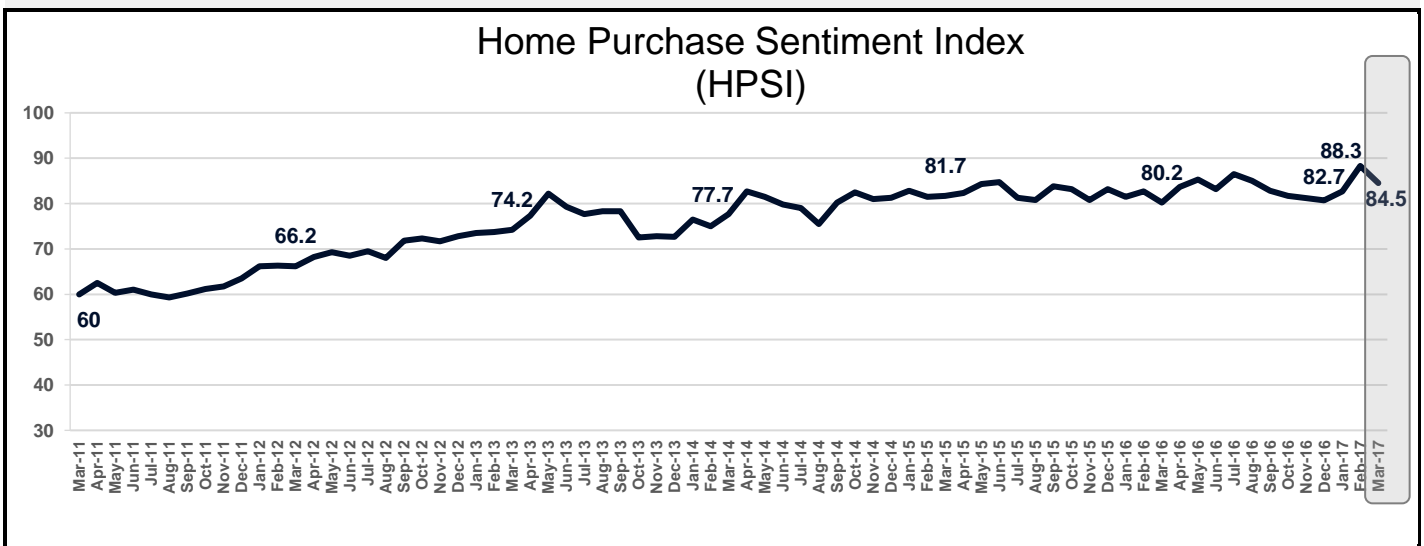


March 2017 Data Release

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 fell 3.8 points from February’s record high to 84.5 in March.



Components of the HPSI

The decline in the HPSI can be attributed to decreases in five of the six HPSI components. The largest decreases were in “Good Time To Buy” (-10), “Confidence About Not Losing Job” (-8), and “Household Income Is Significantly Higher” (-8).

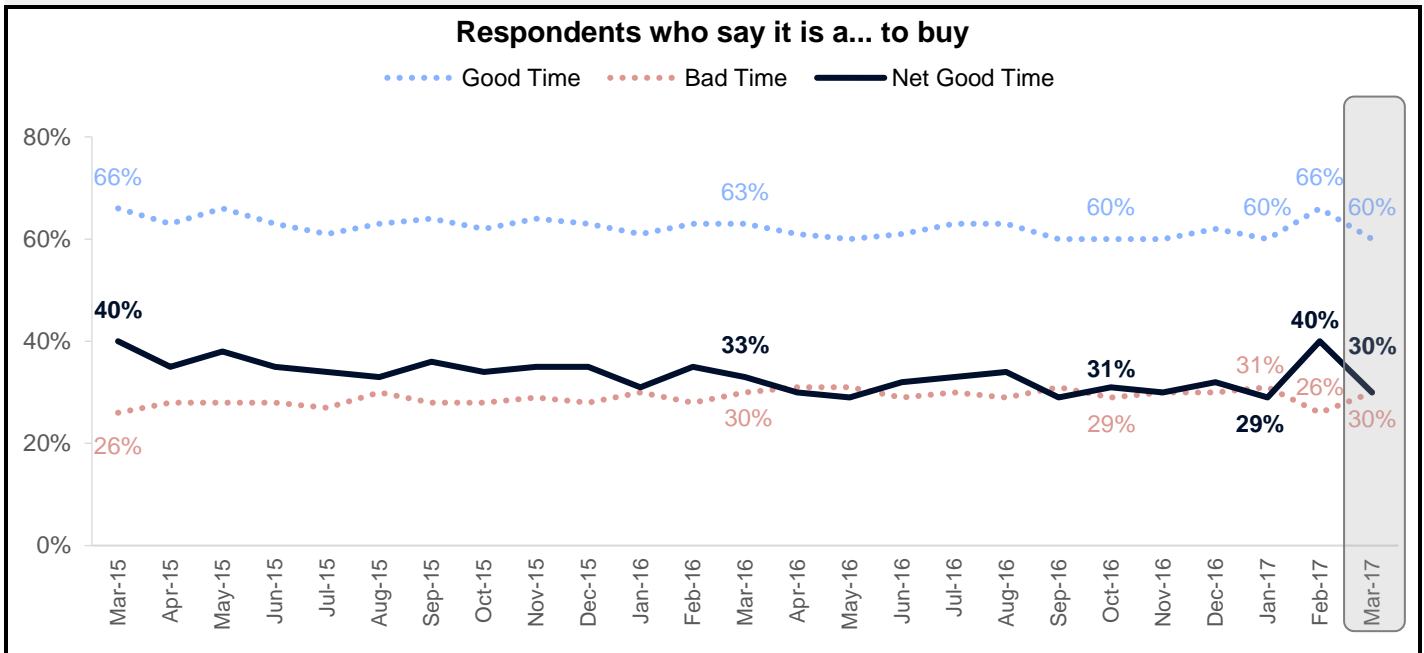
	March 2017*	Change Since Last Month	Change Since Last Year
March 2017 HPSI	84.5	-3.8	+4.3
Good Time To Buy	30	-10	-3
Good Time To Sell	31	+9	+32
Home Prices Will Go Up (next 12 months)	44	-1	+10
Mortgage Rates Will Go Down (next 12 months)	-60	-5	-15
Confidence About Not Losing Job (next 12 months)	70	-8	+2
Household Income Is Significantly Higher (past 12 months)	11	-8	0

* Net percentages of the component questions used to calculate HPSI, e.g. (Percent Good Time to Buy – Percent Bad Time to Buy) = 30

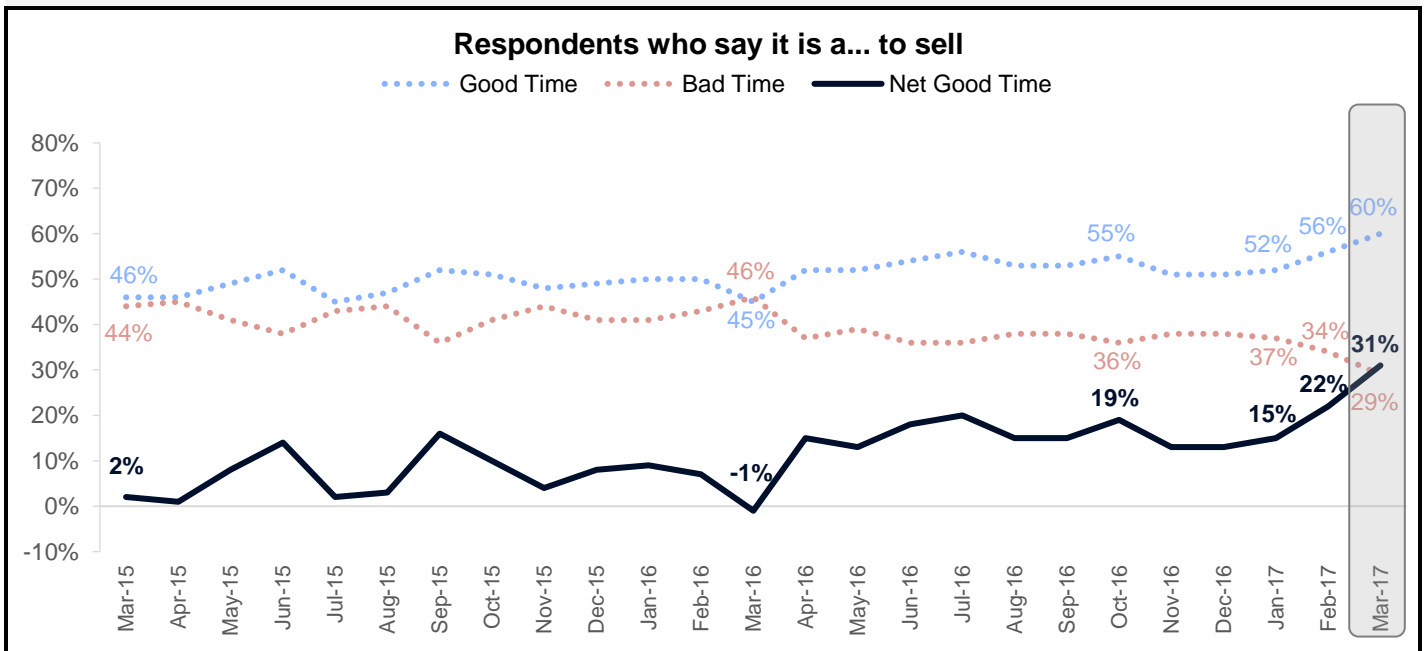


Components of the HPSI – Good/Bad Time to Buy and Sell a Home

The net share of Americans who say it is a good time to buy a house fell 10 percentage points to 30%, losing much of the increased optimism seen in February.



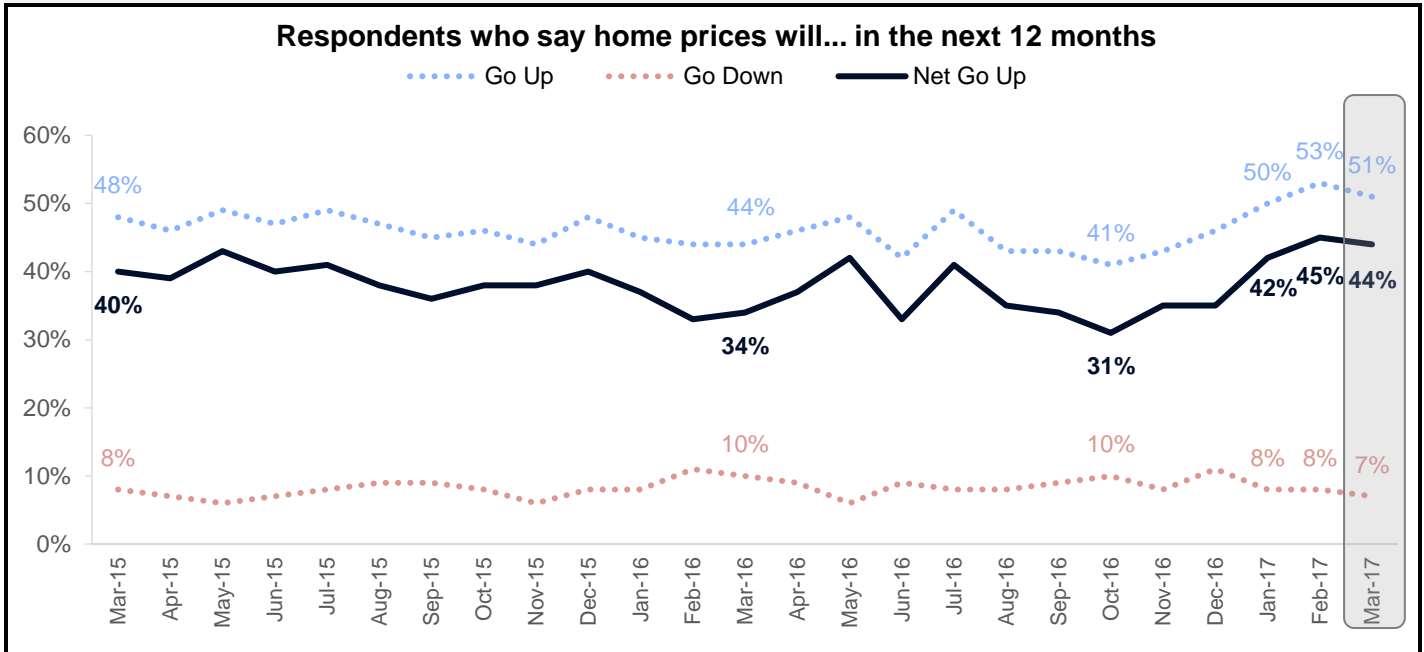
In March, the net percentage of those who say it is a good time to sell increased by 9 percentage points to 31%, reaching a new survey high for the second consecutive month.



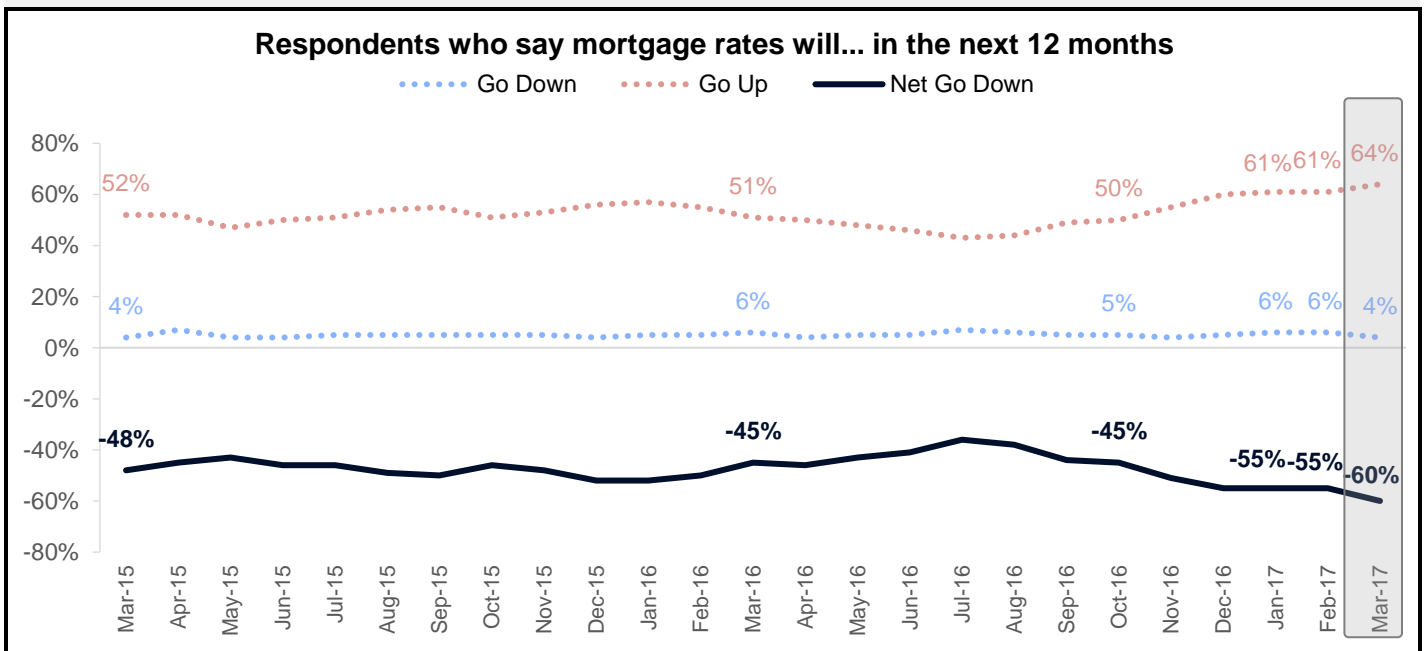


Components of the HPSI – Home Price and Mortgage Rate Expectations

The net share of Americans who say that home prices will go up decreased by 1 percentage point in March to 44%.



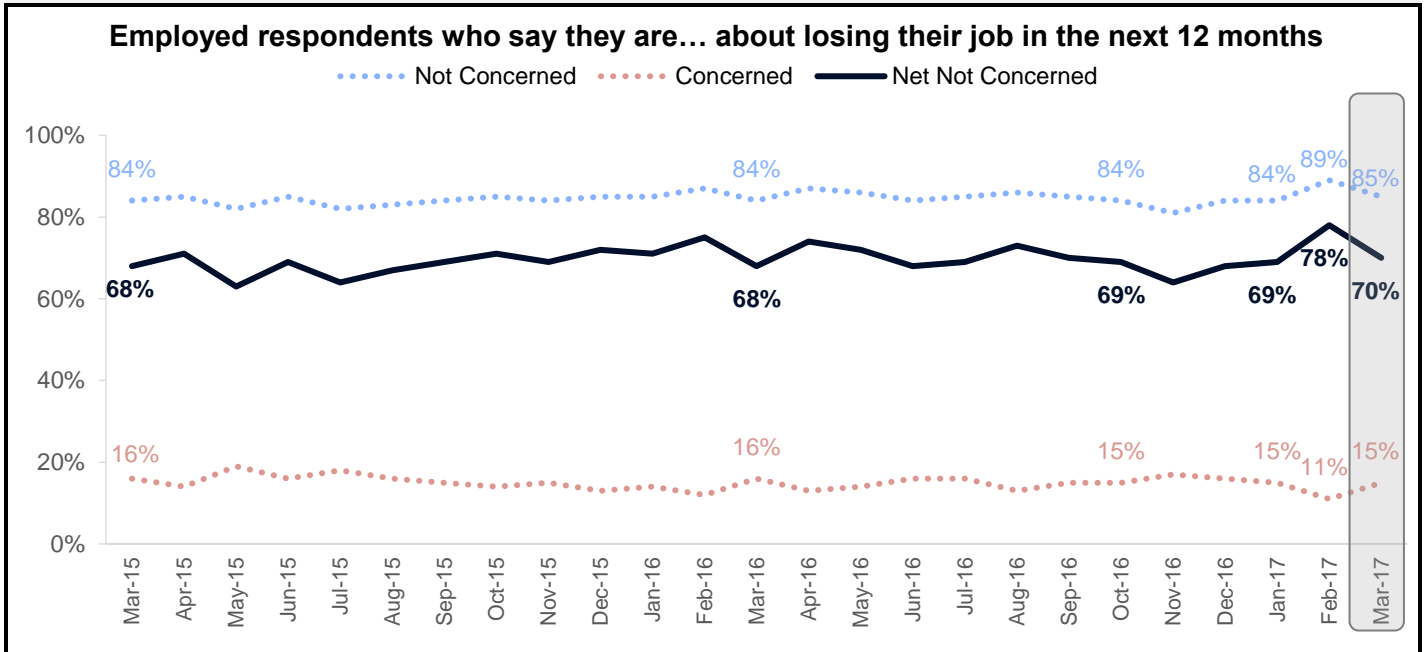
The net share of those who say mortgage rates will go down over the next twelve months fell 5 percentage points to a survey low of -60%.



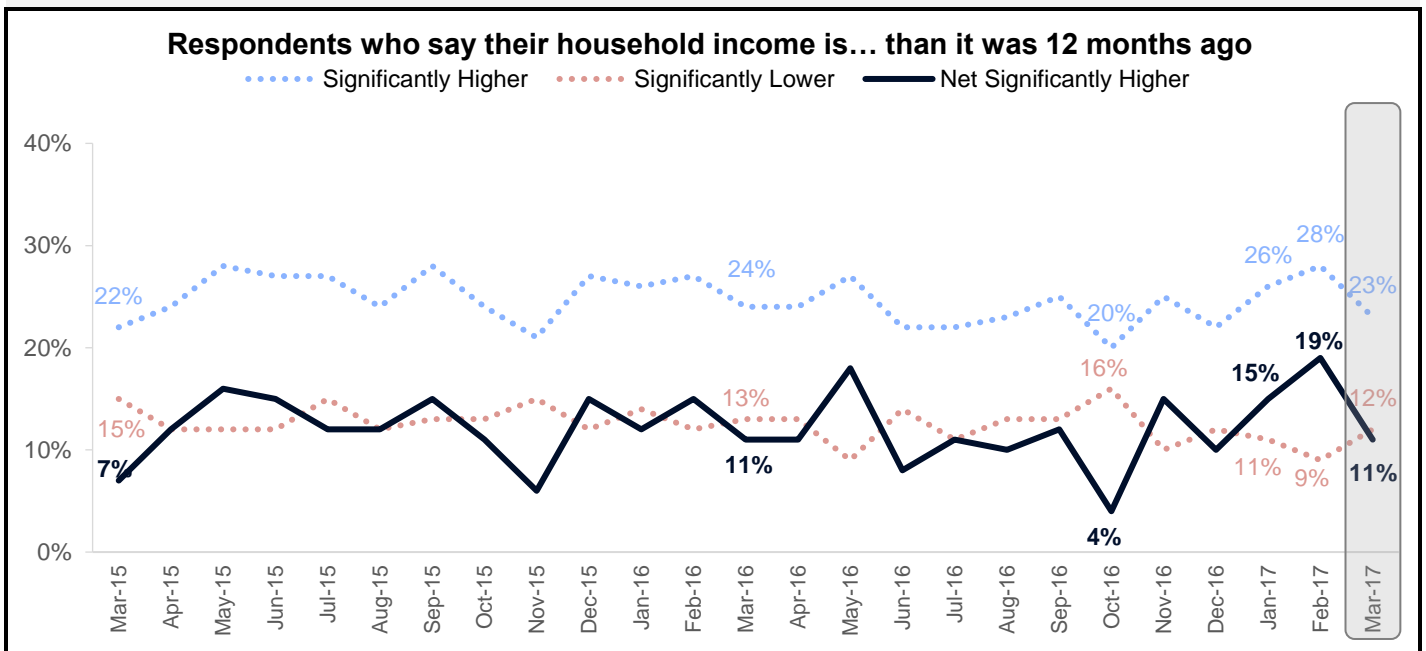


Components of the HPSI – Job Concerns and Household Incomes

The net share of employed Americans who say they are not concerned about losing their job fell 8 percentage points to 70%, as those employed express more measured expectations than in February.



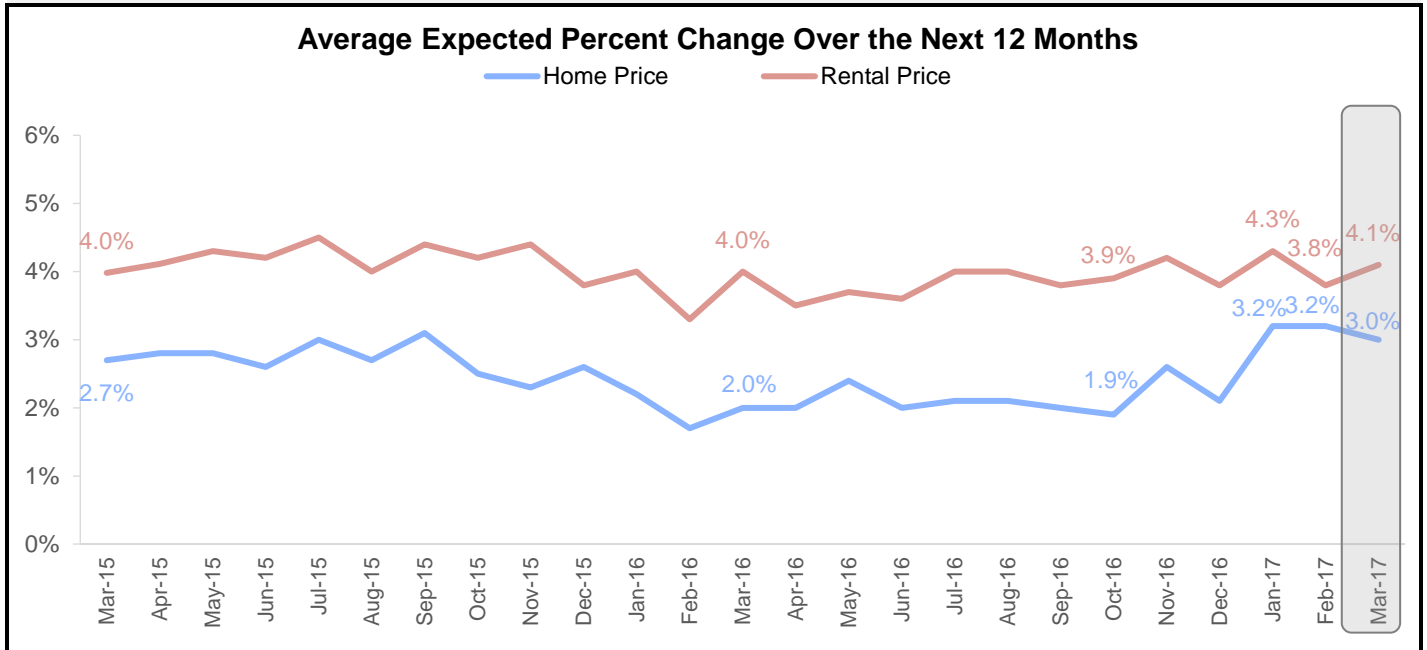
The net share of Americans who say their household income is significantly higher than it was 12 months ago fell 8 percentage points to 11% in March, declining from last month's survey high.



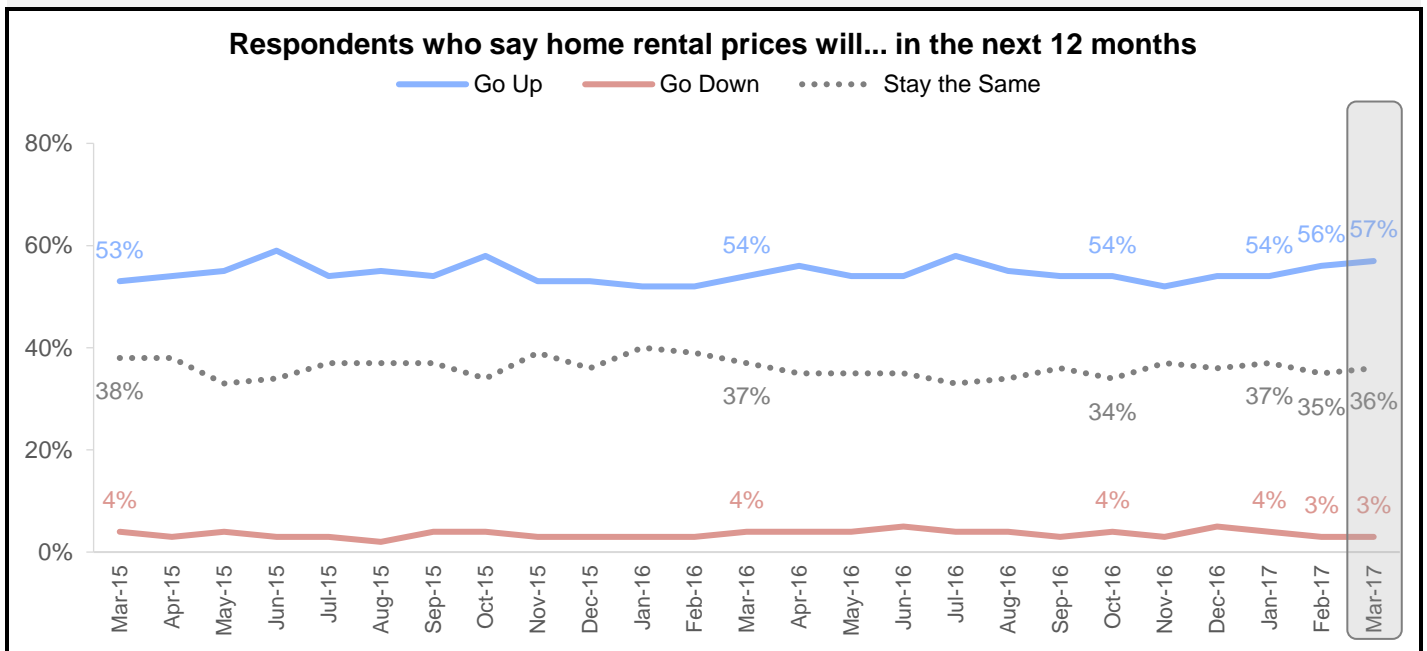


Additional National Housing Survey Key Indicators

On average, Americans expect rental prices to rise 4.1% over the next 12 months. They expect home prices to rise 3.0% over the next 12 months.



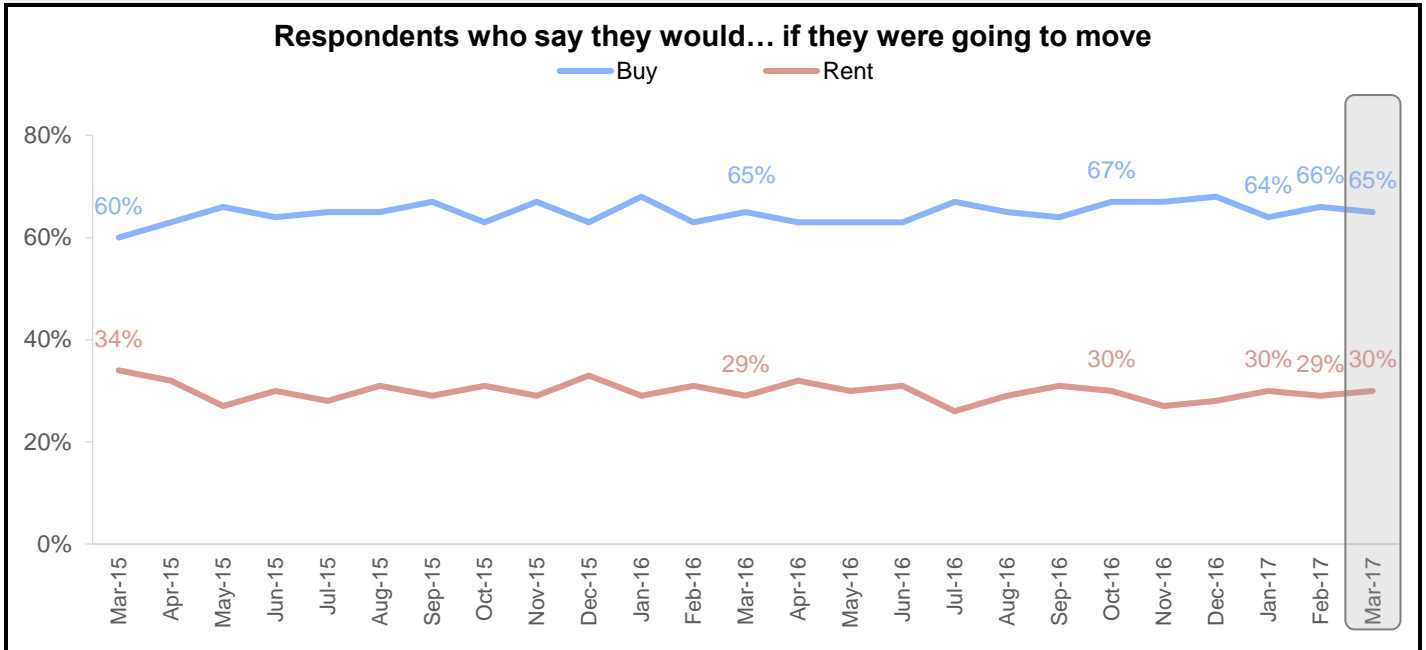
The percentage of Americans who expect home rental prices to go up rose 1 percentage point to 57%, while the share of Americans who expect home rental prices to go down remained constant at 3%.



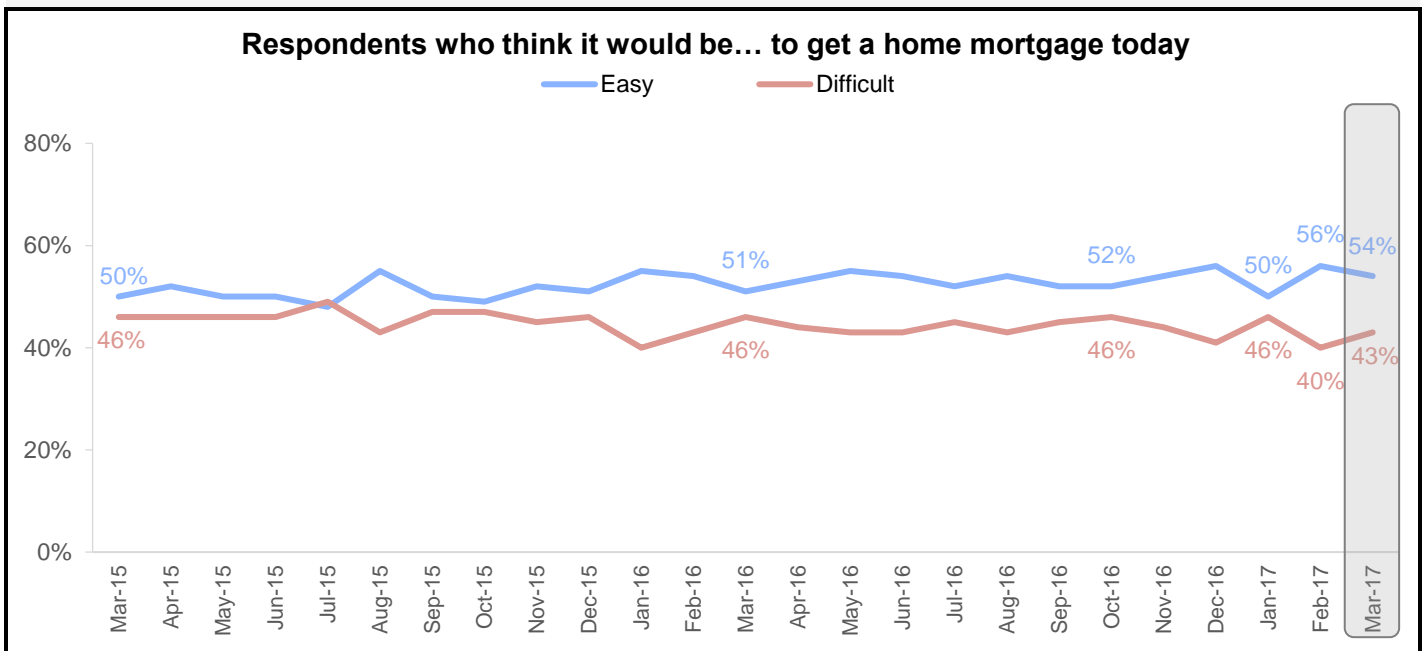


Additional National Housing Survey Key Indicators

The share of Americans who would buy if they were going to move fell 1 percentage point to 65%, while the share who would rent rose 1 percentage point to 30%.



The share of Americans who say getting a mortgage would be easy fell 2 percentage points to 54%, while the share who say it would be difficult rose 3 percentage points to 43%.

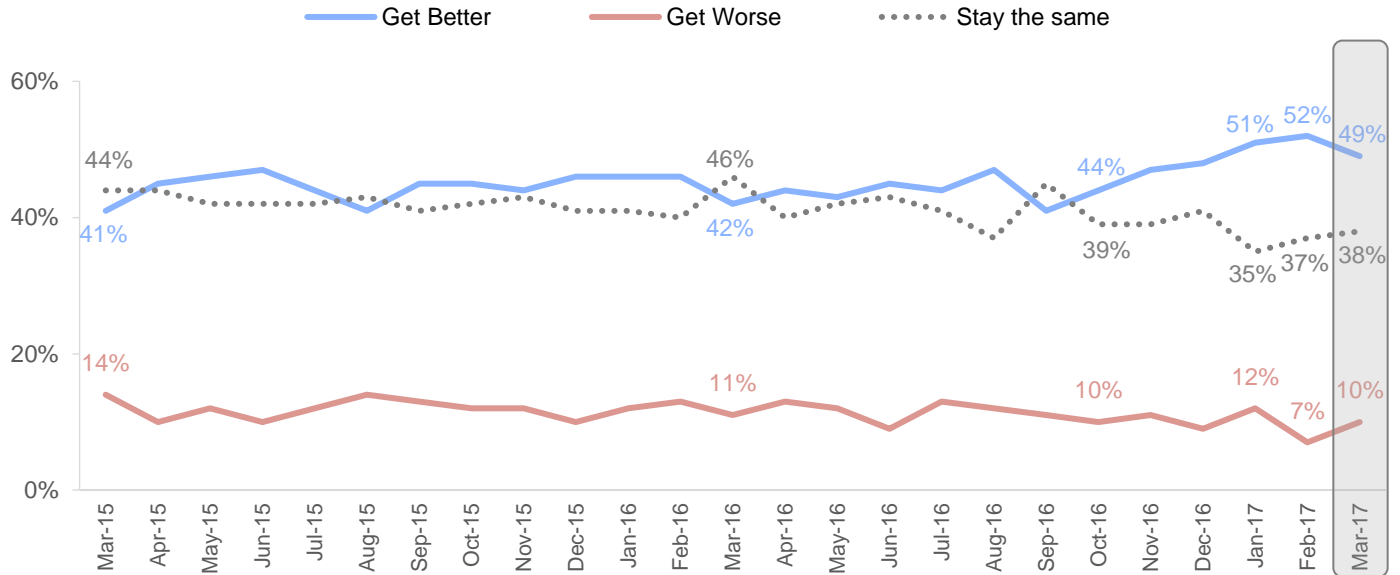




Additional National Housing Survey Key Indicators

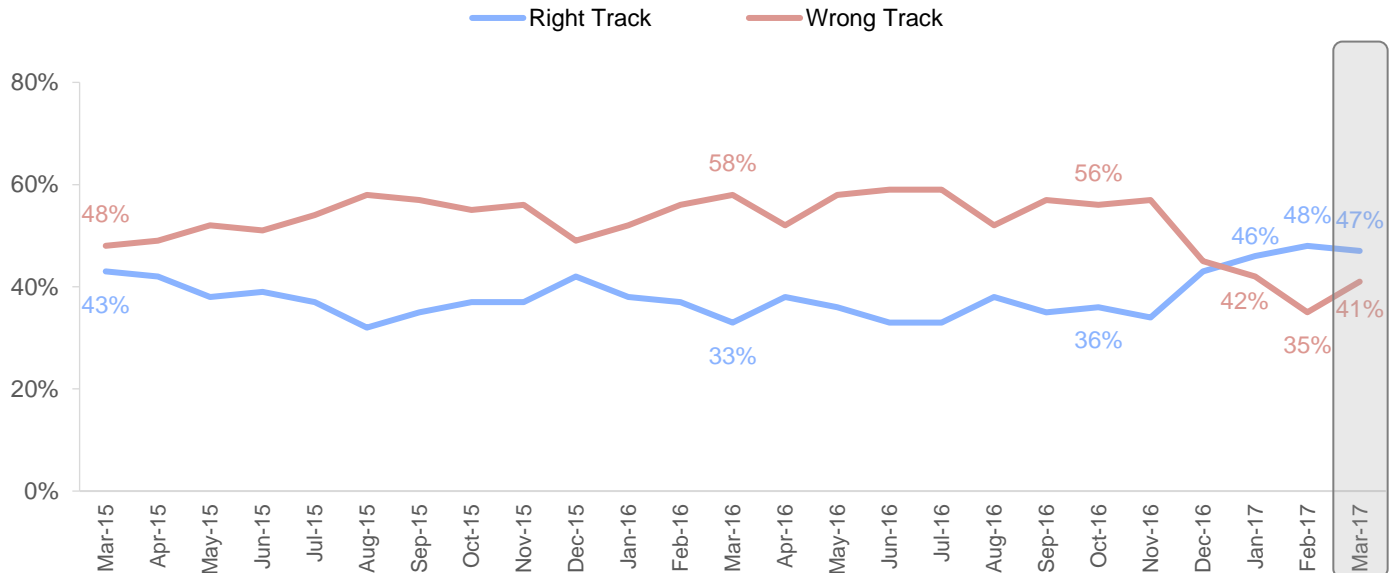
The share of Americans who expect their personal financial situation to get better fell by 3 percentage points to 49%, as the share who expect it to remain the same rose by 1 percentage point to 38%. The share who expect it to get worse over the next 12 months rose 3 percentage points to 10%, up from February's survey-low.

Respondents who expect their personal financial situation to... over the next 12 months



The share of Americans who say the economy is on the right track fell 1 percentage point to 47%. The share of Americans who say the economy is on the wrong track rose 6 percentage points to 41%.

Respondents who say the economy is on the...





The National Housing Survey®

March 2017

APPENDIX

About the Survey

The National Housing Survey® polled a nationally representative sample of 1,001 household financial decision makers (margin of error ±3.1%) aged 18 and older between March 1, 2017 and March 26, 2017. Most of the data collection occurred during the first two weeks of this period.

Interviews were conducted by Penn Schoen Berland, in coordination with Fannie Mae.

The statistics in this release were estimated from sample surveys and are subject to sampling variability as well as nonsampling error, including bias and variance from response, nonreporting, and undercoverage. 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 means.

How the Home Purchase Sentiment Index (HPSI) is Calculated*	
Net Good Time to Buy <i>Very or Somewhat Good Time To Buy – Very or Somewhat Bad Time To Buy</i>	Q12
Net Good Time to Sell <i>Very or Somewhat Good Time To Sell – Very or Somewhat Bad Time To Sell</i>	Q13
Net Home Prices Will Go Up (next 12 months) <i>Home Prices Will Go Up – Home Prices Will Go Down</i>	Q15
Net Mortgage Rates Will Go Down (next 12 months) <i>Mortgage Rates Will Go Down – Mortgage Rates Will Go Up</i>	Q20B
Net Confident About Not Losing Job (next 12 months) <i>Not at All or Not Very Concerned about Losing Job – Very or Somewhat Concerned about Losing Job (Employed respondents only)</i>	Q112B
Net Household Income is Significantly Higher (past 12 months) <i>Income is Significantly Higher – Income is Significantly Lower</i>	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: <http://fanniemae.com/resources/file/research/housingsurvey/xls/nhs-monthly-indicator-data-040717.xlsx>

HPSI Overview: <http://fanniemae.com/resources/file/research/housingsurvey/pdf/hpsi-overview.pdf>

HPSI White Paper: <http://fanniemae.com/resources/file/research/housingsurvey/pdf/hpsi-whitepaper.pdf>



Home Purchase Sentiment Index Over the Past 12 Months

March 2016	80.2
April 2016	83.7
May 2016	85.3
June 2016	83.2
July 2016	86.5
August 2016	85.0
September 2016	82.8
October 2016	81.7
November 2016	81.2
December 2016	80.7
January 2017	82.7
February 2017	88.3
March 2017	84.5

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
March 2016	63	30	33
April 2016	61	31	30
May 2016	60	31	29
June 2016	61	29	32
July 2016	63	30	33
August 2016	63	29	34
September 2016	60	31	29
October 2016	60	29	31
November 2016	60	30	30
December 2016	62	30	32
January 2017	60	31	29
February 2017	66	26	40
March 2017	60	30	30



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
March 2016	45	46	-1
April 2016	52	37	15
May 2016	52	39	13
June 2016	54	36	18
July 2016	56	36	20
August 2016	53	38	15
September 2016	53	38	15
October 2016	55	36	19
November 2016	51	38	13
December 2016	51	38	13
January 2017	52	37	15
February 2017	56	34	22
March 2017	60	29	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	Net % Prices Will Go Up
March 2016	44	10	34
April 2016	46	9	37
May 2016	48	6	42
June 2016	42	9	33
July 2016	49	8	41
August 2016	43	8	35
September 2016	43	9	34
October 2016	41	10	31
November 2016	43	8	35
December 2016	46	11	35
January 2017	50	8	42
February 2017	53	8	45
March 2017	51	7	44



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	Net % Rates Will Go Down
March 2016	51	6	-45
April 2016	50	4	-46
May 2016	48	5	-43
June 2016	46	5	-41
July 2016	43	7	-36
August 2016	44	6	-38
September 2016	49	5	-44
October 2016	50	5	-45
November 2016	55	4	-51
December 2016	60	5	-55
January 2017	61	6	-55
February 2017	61	6	-55
March 2017	64	4	-60

Percent of employed respondents who say are concerned or not concerned about losing their job

	% Concerned	% Not Concerned	Net % Not Concerned
March 2016	16	84	68
April 2016	13	87	74
May 2016	14	86	72
June 2016	16	84	68
July 2016	16	85	69
August 2016	13	86	73
September 2016	15	85	70
October 2016	15	84	69
November 2016	17	81	64
December 2016	16	84	68
January 2017	15	84	69
February 2017	11	89	78
March 2017	15	85	70



Percent of respondents who say their household income is higher, lower, or about the same compared to 12 months ago

	% Significantly Higher	% Significantly Lower	Net % Higher
March 2016	24	13	11
April 2016	24	13	11
May 2016	27	9	18
June 2016	22	14	8
July 2016	22	11	11
August 2016	23	13	10
September 2016	25	13	12
October 2016	20	16	4
November 2016	25	10	15
December 2016	22	12	10
January 2017	26	11	15
February 2017	28	9	19
March 2017	23	12	11

Average home/rental price change expectation

	% Home Price Change	% Rental Price Change
March 2016	2.0	4.0
April 2016	2.0	3.5
May 2016	2.4	3.7
June 2016	2.0	3.6
July 2016	2.1	4.0
August 2016	2.1	4.0
September 2016	2.0	3.8
October 2016	1.9	3.9
November 2016	2.6	4.2
December 2016	2.1	3.8
January 2017	3.2	4.3
February 2017	3.2	3.8
March 2017	3.0	4.1



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
March 2016	54	4	37
April 2016	56	4	35
May 2016	54	4	35
June 2016	54	5	35
July 2016	58	4	33
August 2016	55	4	34
September 2016	54	3	36
October 2016	54	4	34
November 2016	52	3	37
December 2016	54	5	36
January 2017	54	4	37
February 2017	56	3	35
March 2017	57	3	36

Percent of respondents who say they would buy or rent if they were going to move

	% Buy	% Rent
March 2016	65	29
April 2016	63	32
May 2016	63	30
June 2016	63	31
July 2016	67	26
August 2016	65	29
September 2016	64	31
October 2016	67	30
November 2016	67	27
December 2016	68	28
January 2017	64	30
February 2017	66	29
March 2017	65	30



Percent of respondents who think it would be difficult or easy for them to get a home mortgage today

	% Difficult	% Easy
March 2016	46	51
April 2016	44	53
May 2016	43	55
June 2016	43	54
July 2016	45	52
August 2016	43	54
September 2016	45	52
October 2016	46	52
November 2016	44	54
December 2016	41	56
January 2017	46	50
February 2017	40	56
March 2017	43	54

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
March 2016	42	11	46
April 2016	44	13	40
May 2016	43	12	42
June 2016	45	9	43
July 2016	44	13	41
August 2016	47	12	37
September 2016	41	11	45
October 2016	44	10	39
November 2016	47	11	39
December 2016	48	9	41
January 2017	51	12	35
February 2017	52	7	37
March 2017	49	10	38



Percent of respondents who think the economy is on the right track or the wrong track

	% Right Track	% Wrong Track
March 2016	33	58
April 2016	38	52
May 2016	36	58
June 2016	33	59
July 2016	33	59
August 2016	38	52
September 2016	35	57
October 2016	36	56
November 2016	34	57
December 2016	43	45
January 2017	46	42
February 2017	48	35
March 2017	47	41