HOW'S THE MARKET?

THE JACKSON TEAM

Jun 2025

Are we going to go back to 4%? Per my forecast, unfortunately, we will not. It’s more likely that we’ll go back to 6%. **That will be the new normal, bouncing around 5.5%-6.5%.**

Lawrence Yun
Chief Economist, NAR

Mortgage Rate Projections

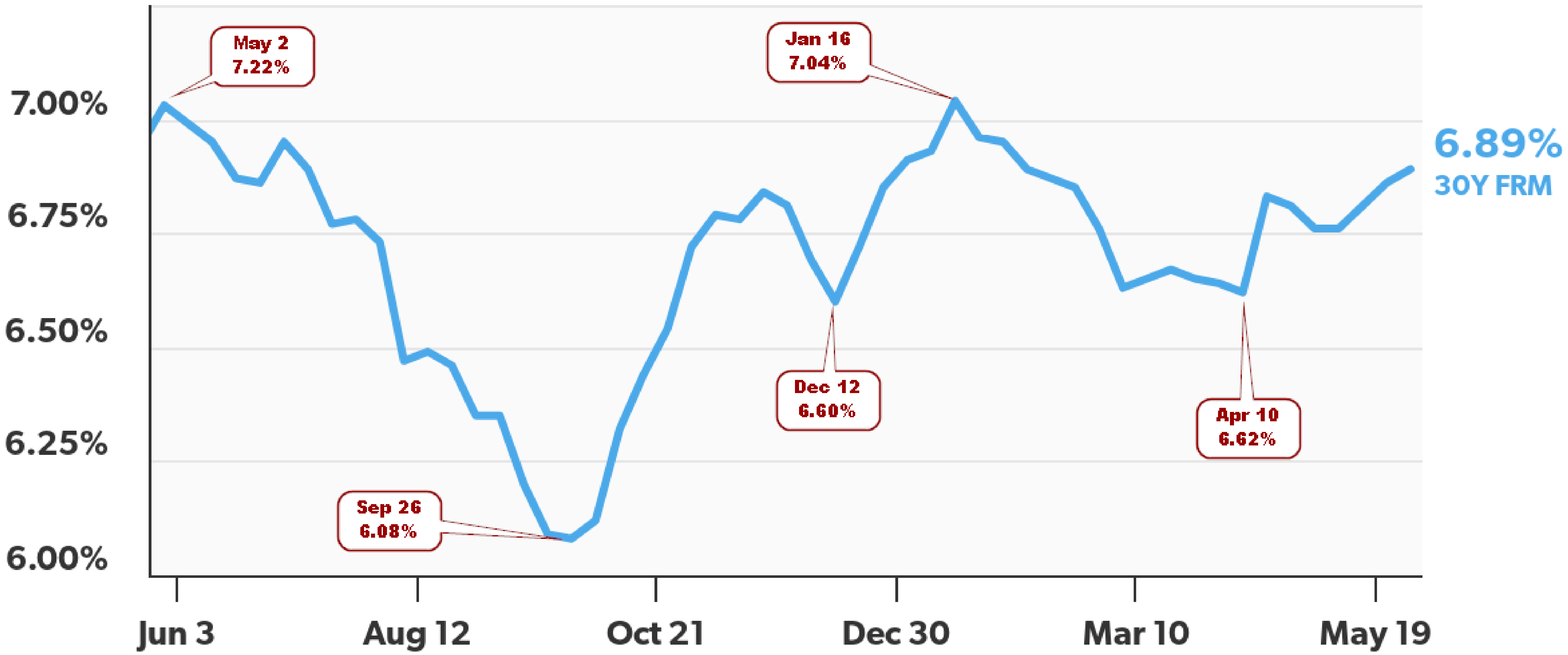
30-Year Fixed Rate

Quarter	Fannie Mae	MBA	Wells Fargo	Average of All Three
2025 Q4	6.10%	6.60%	6.30%	**6.67%**
2026 Q1	6.00%	6.50%	6.30%	**6.58%**
2026 Q2	5.90%	6.50%	6.35%	**6.45%**
2026 Q3	5.90%	6.40%	6.35%	**6.32%**
2026 Q4	5.80%	6.30%	6.40%	**6.33%**

Sources: Fannie Mae, MBA, Wells Fargo

Primary Mortgage Market Survey®

U.S. weekly average mortgage rates as of 05/29/2025



Lower mortgage rates are expected to boost the housing market, **but the lift will be modest given continued tightness in the existing inventory and homebuyers staying on the sidelines expecting further rate declines.**

Freddie Mac

Can People Afford a Home?

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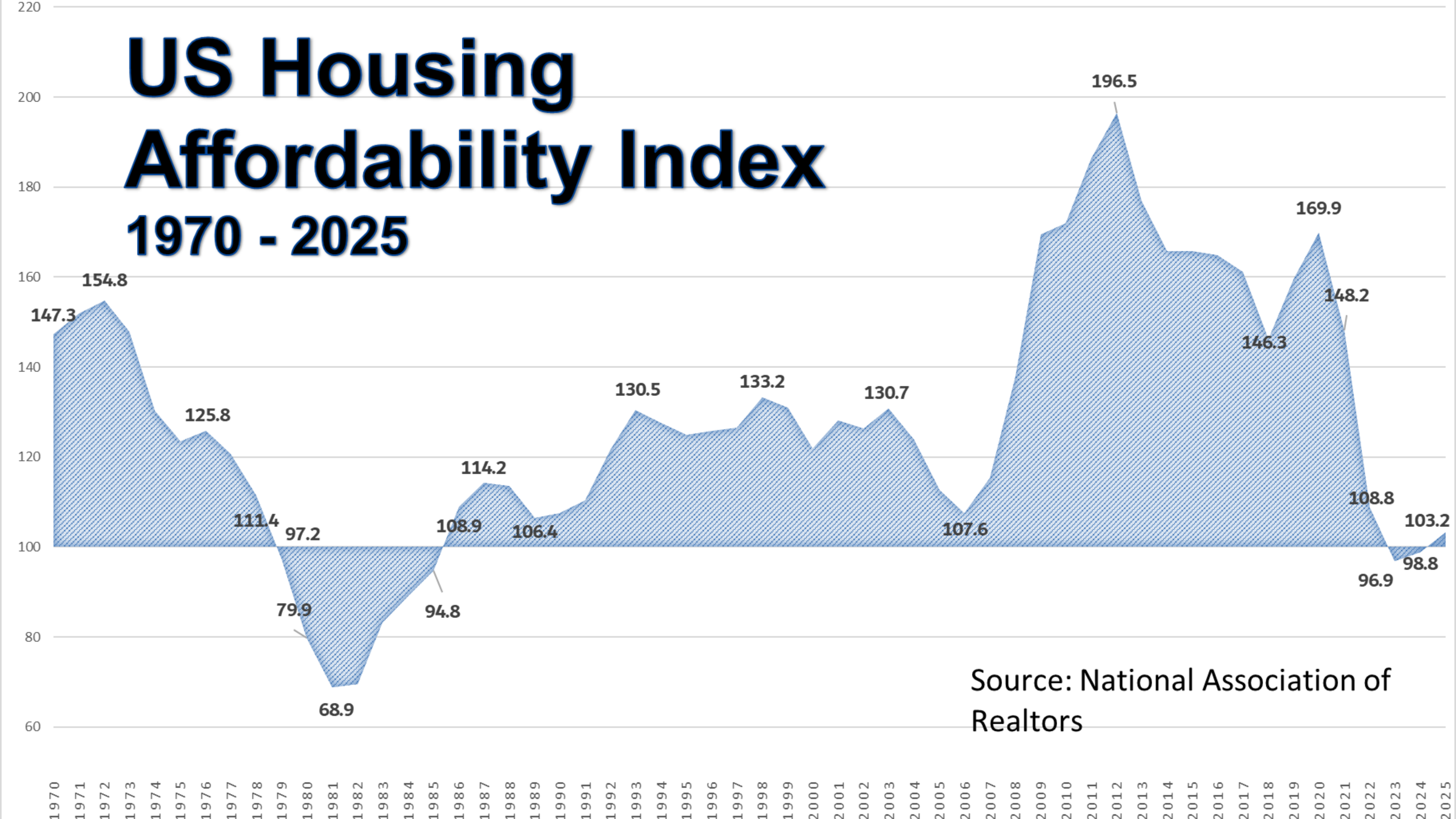
US Housing Affordability Index
1970 - 2025
Source: National Association of Realtors
147.3
154.8
125.8
111.4
97.2
79.9
68.9
94.8
108.9
114.2
106.4
130.5
133.2
130.7
107.6
196.5
169.9
148.2
146.3
108.8
96.9
98.8
103.2
220
200
180
160
140
120
100
80
60
1970
1971
1972
1973
1974
1975
1976
1977
1978
1979
1980
1981
1982
1983
1984
1985
1986
1987
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2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025

Affordability in Yuma

Median Household Income

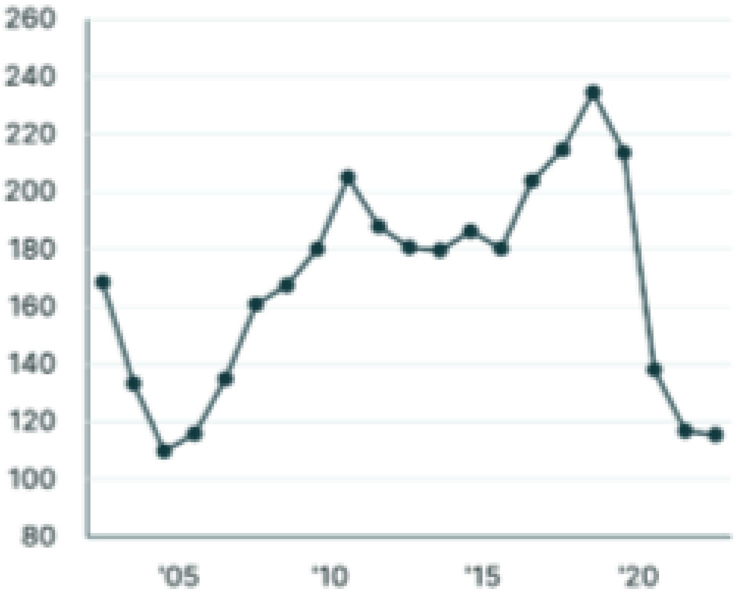
$56,901

National average: $80,630

Affordability Index

At 100, a household earning the median income can afford the median home price, with 20% down.

115



Affordability in Maricopa

Median Household Income

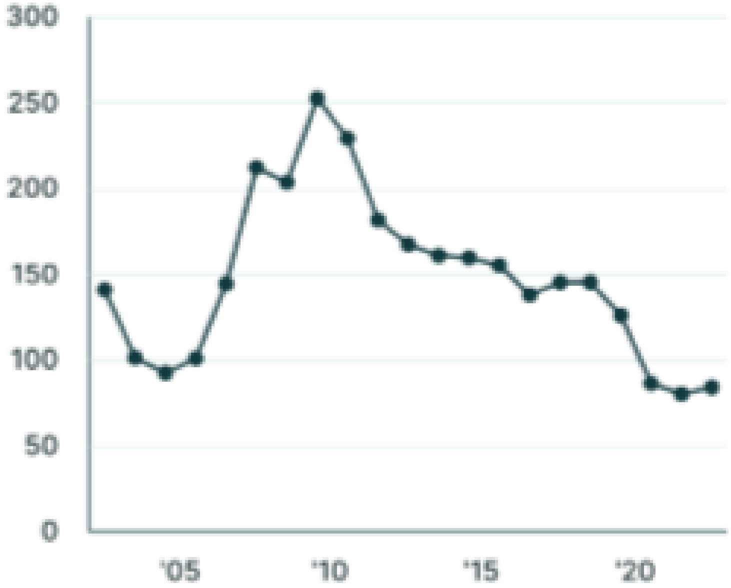
$91,883

National average: $80,630

Affordability Index

At 100, a household earning the median income can afford the median home price, with 20% down.

84



Affordability in Pima

Median Household Income

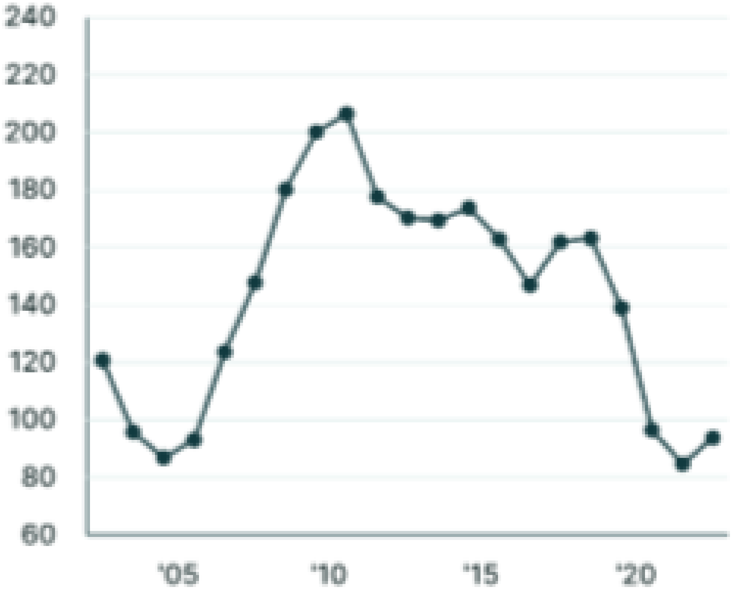
$69,410

National average: $80,630

Affordability Index

At 100, a household earning the median income can afford the median home price, with 20% down.

93



What about home prices?

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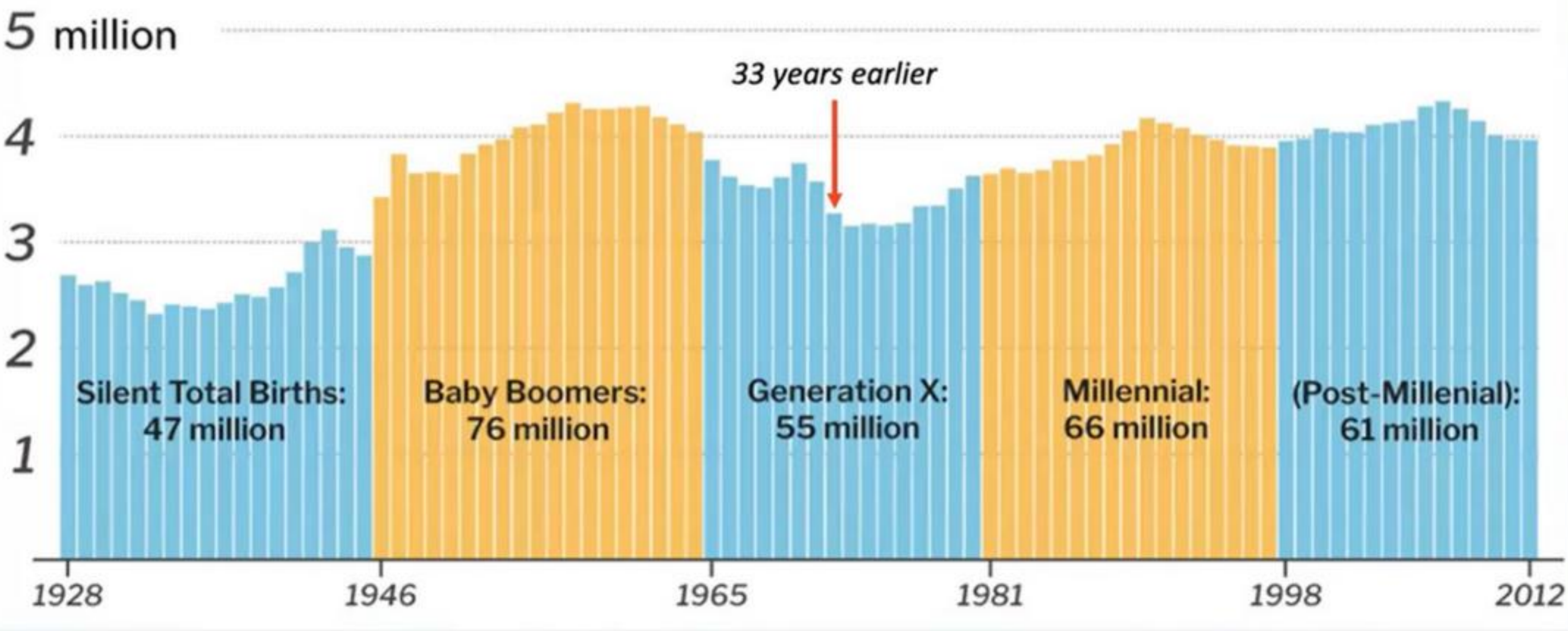
2025 Home Price Forecasts

Percent Appreciation as of 12/6/2024

Births Underlying Each Generation



Inventory Shortage

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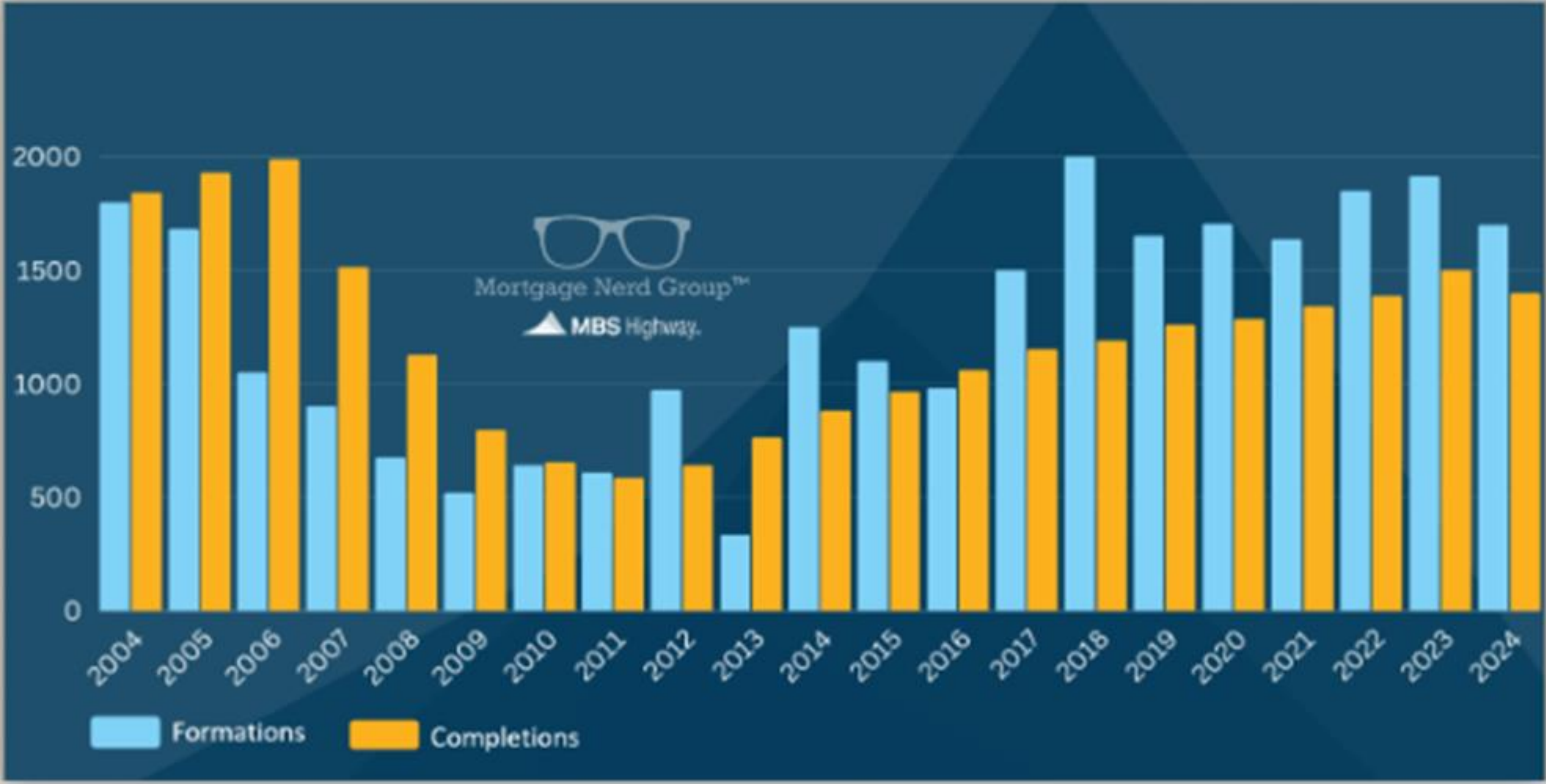
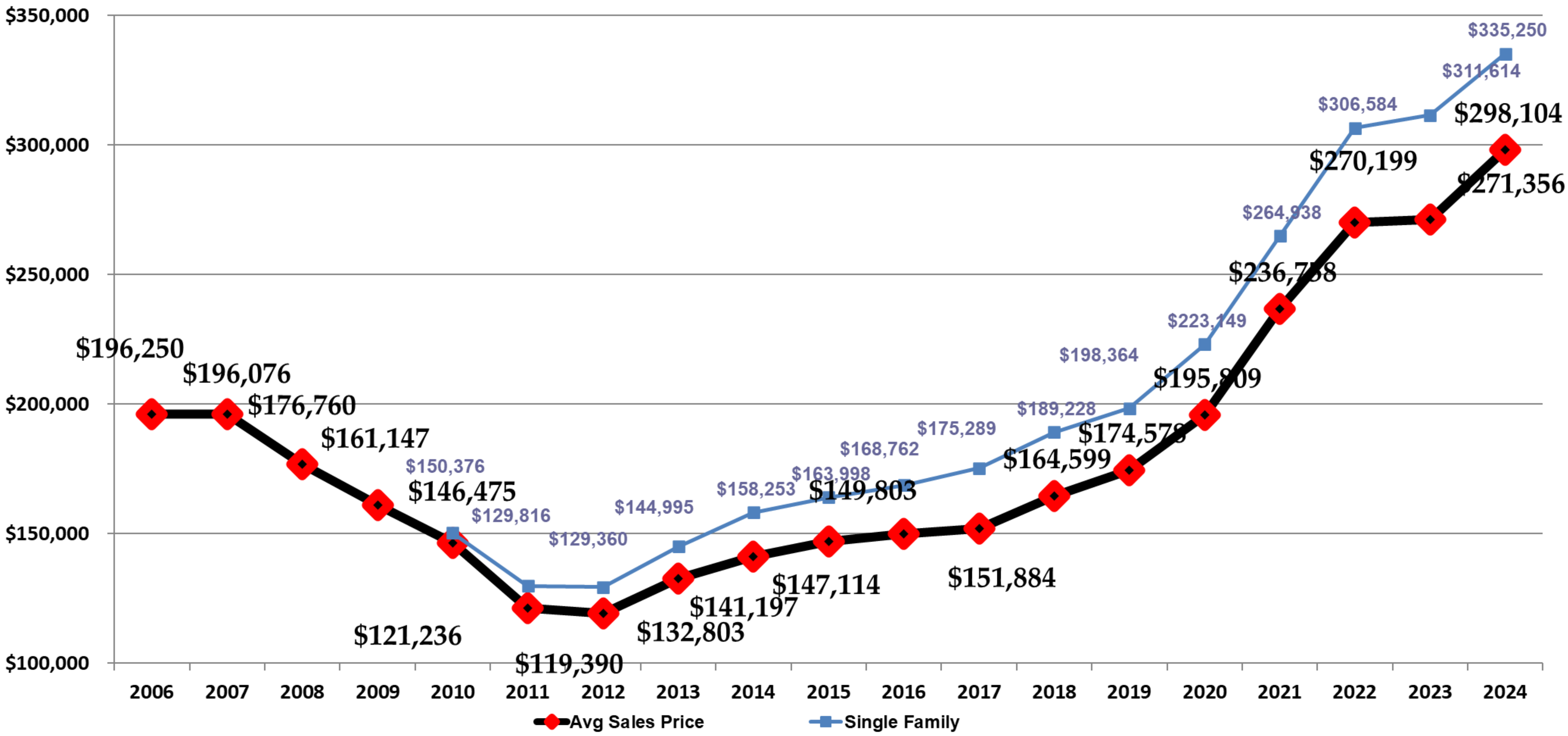
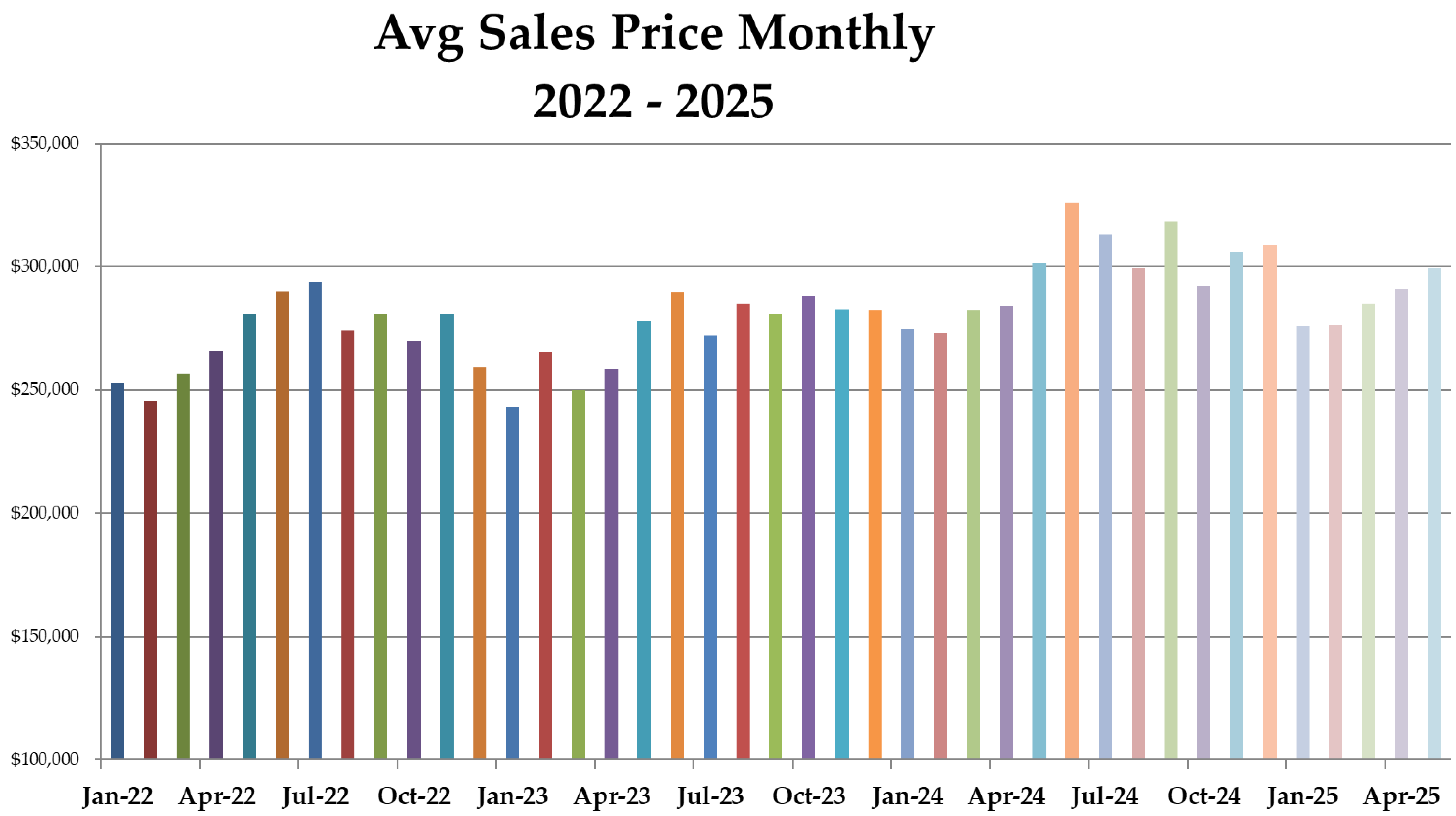
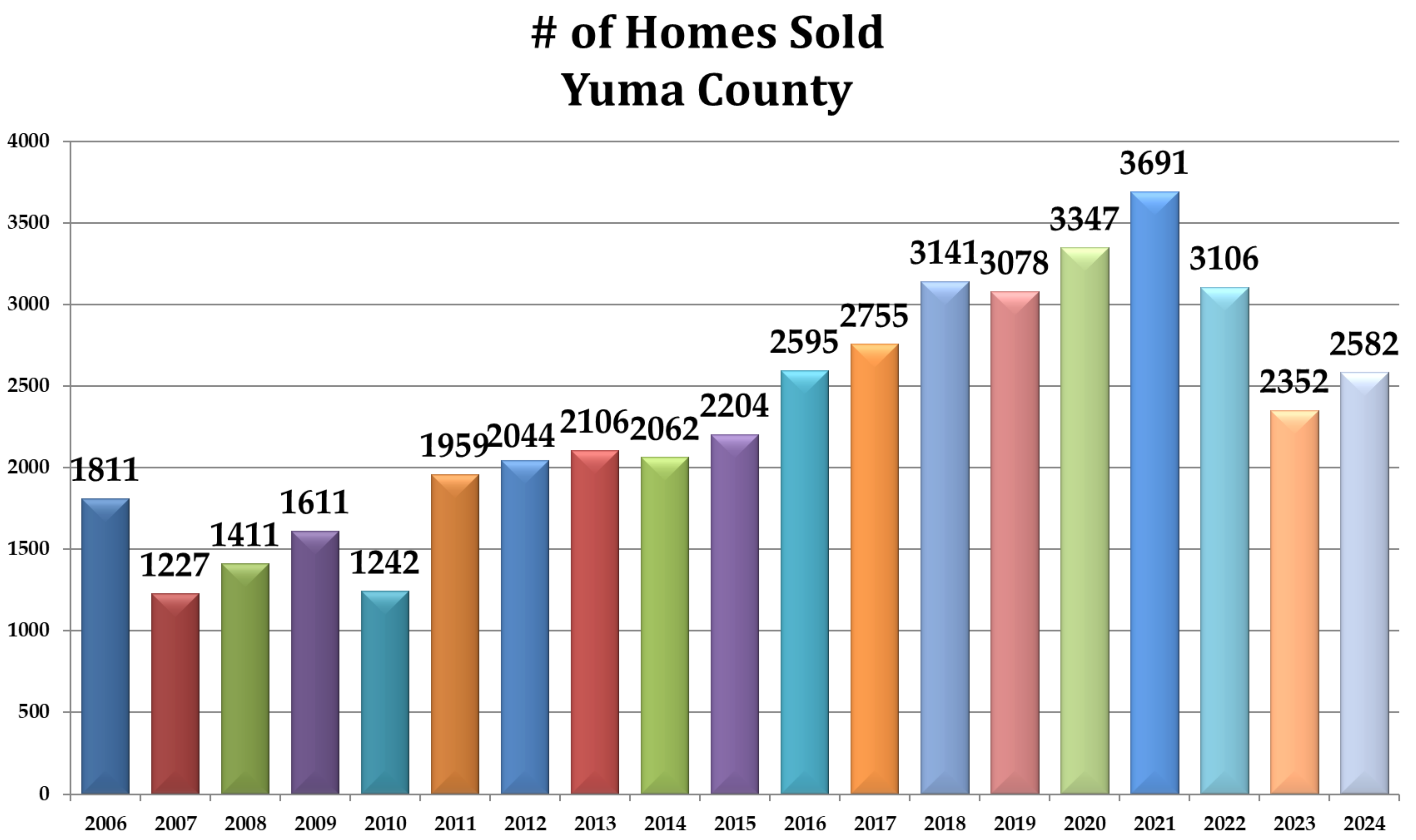


Yuma Avg Sales Price

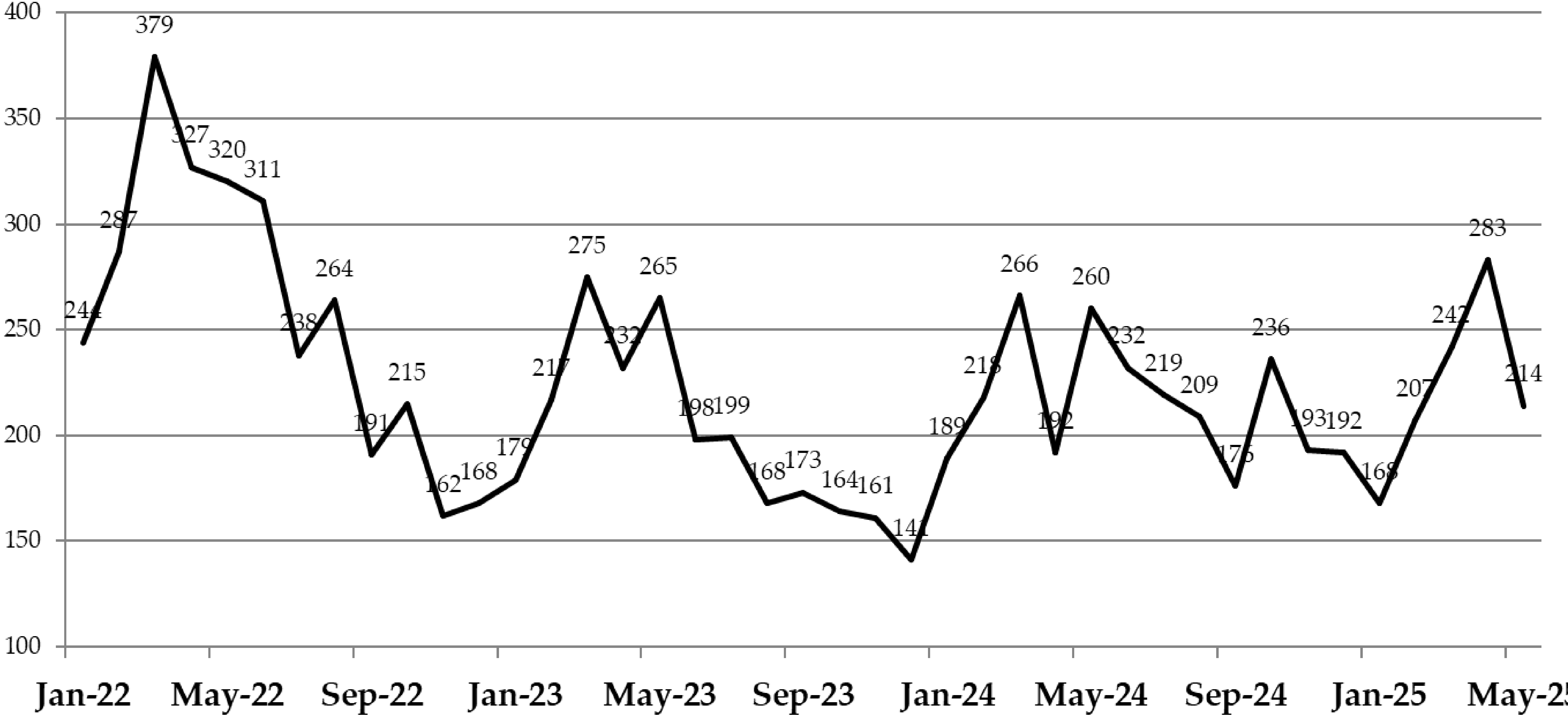


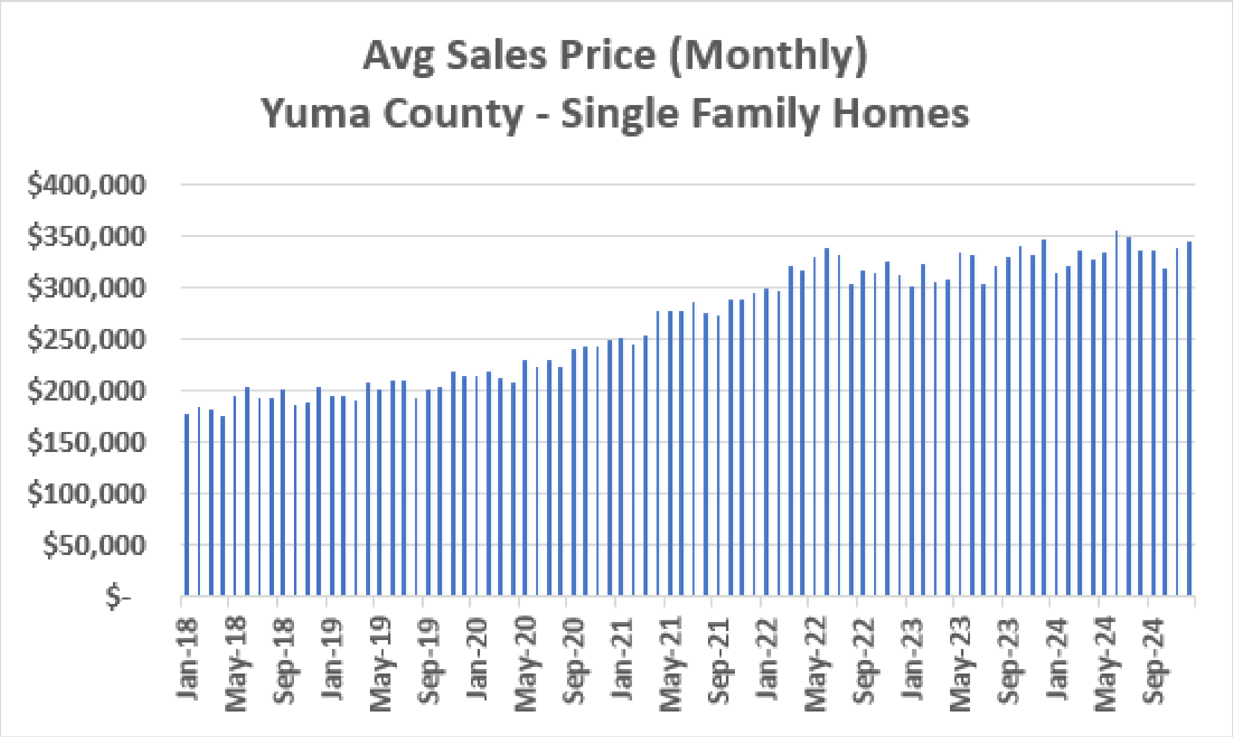

Avg Sales Price Monthly
2022 - 2025
$350,000
$300,000
$250,000
$200,000
$150,000
$100,000
Jan-22
Apr-22
Jul-22
Oct-22
Jan-23
Apr-23
Jul-23
Oct-23
Jan-24
Apr-24
Jul-24
Oct-24
Jan-25
Apr-25

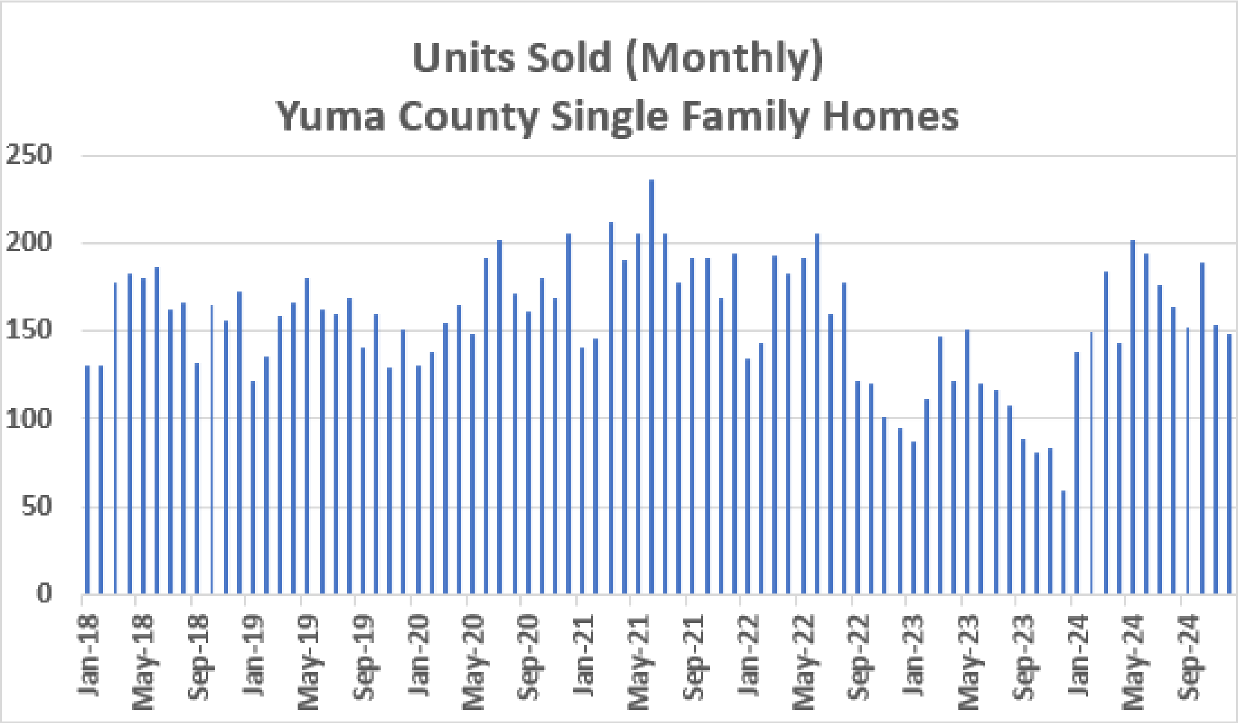


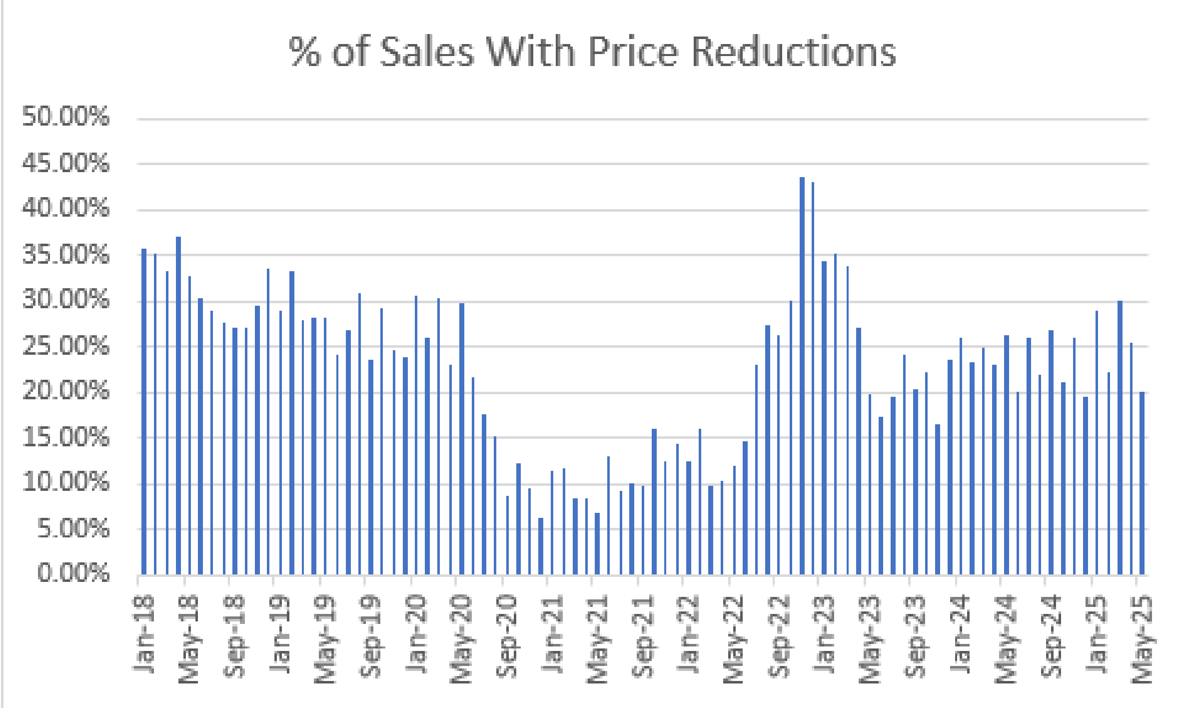
# of Homes Sold
Yuma County
4000
3500
3000
2500
2000
1500
1000
500
0
1811
1227
1411
1611
1242
1959
2044
2106
2062
2204
2595
2755
3141
3078
3347
3691
3106
2352
2582
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024

Resale Units Sold Monthly - 2022 - 2025




Avg Sales Price (Monthly)
Yuma County - Single Family Homes
$400,000
$350,000
$300,000
$250,000
$200,000
$150,000
$100,000
$50,000
$-
Jan-18
May-18
Sep-18
Jan-19
May-19
Sep-19
Jan-20
May-20
Sep-20
Jan-21
May-21
Sep-21
Jan-22
May-22
Sep-22
Jan-23
May-23
Sep-23
Jan-24
May-24
Sep-24


Units Sold (Monthly)
Yuma County Single Family Homes
250
200
150
100
50
0
Jan-18
May-18
Sep-18
Jan-19
May-19
Sep-19
Jan-20
May-20
Sep-20
Jan-21
May-21
Sep-21
Jan-22
May-22
Sep-22
Jan-23
May-23
Sep-23
Jan-24
May-24
Sep-24


% of Sales With Price Reductions
50.00%
45.00%
40.00%
35.00%
30.00%
25.00%
20.00%
15.00%
10.00%
5.00%
0.00%
Jan-18
May-18
Sep-18
Jan-19
May-19
Sep-19
Jan-20
May-20
Sep-20
Jan-21
May-21
Sep-21
Jan-22
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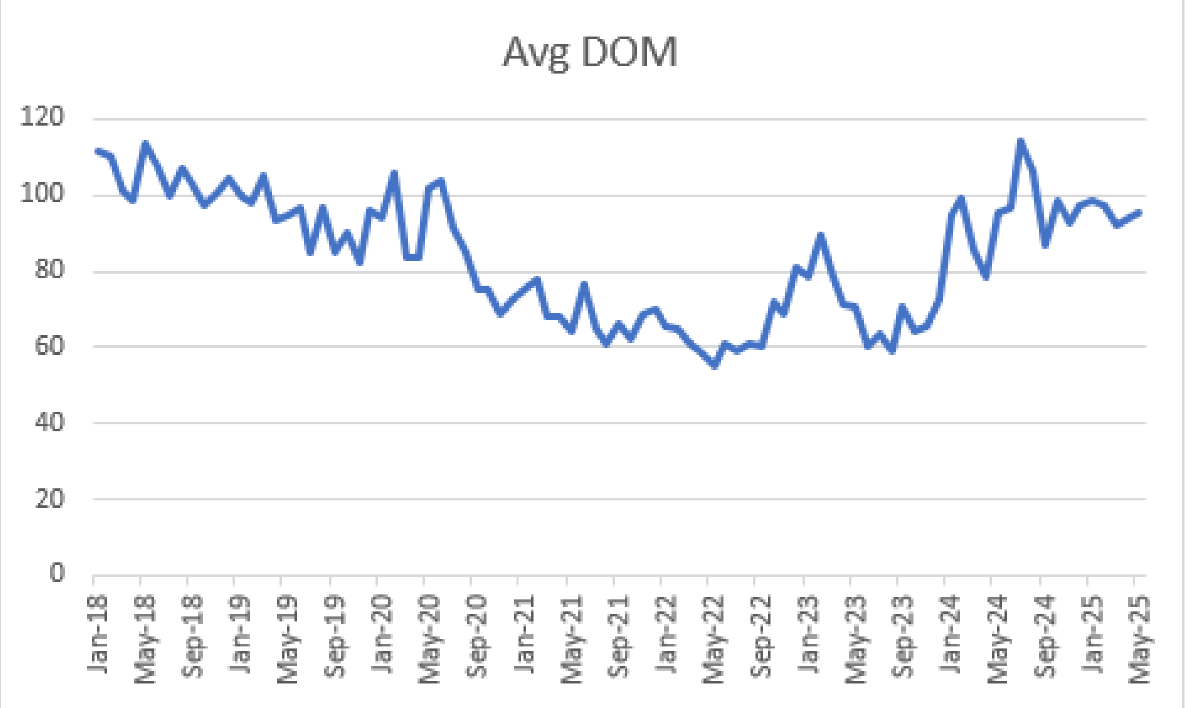
May-24
Sep-24
Jan-25
May-25


Avg DOM
120
100
80
60
40
20
0
Jan-18
May-18
Sep-18
Jan-19
May-19
Sep-19
Jan-20
May-20
Sep-20
Jan-21
May-21
Sep-21
Jan-22
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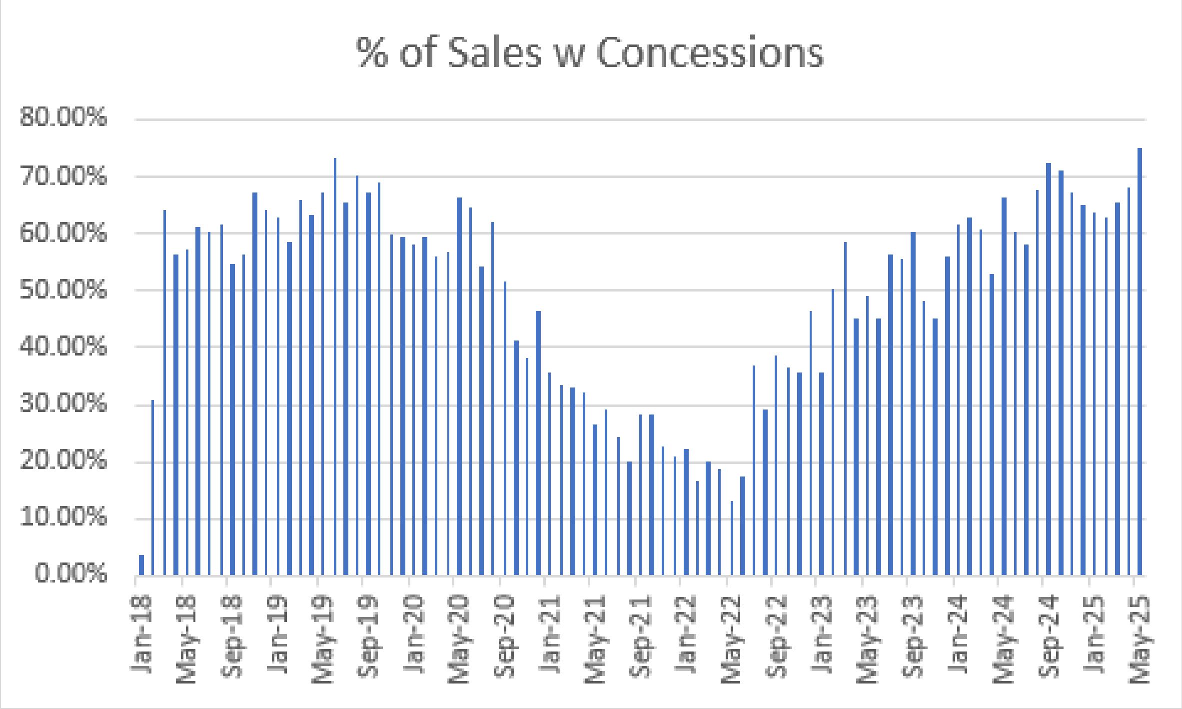
Sep-24
Jan-25
May-25


% of Sales w Concessions
80.00%
70.00%
60.00%
50.00%
40.00%
30.00%
20.00%
10.00%
0.00%
Jan-18
May-18
Sep-18
Jan-19
May-19
Sep-19
Jan-20
May-20
Sep-20
Jan-21
May-21
Sep-21
Jan-22
May-22
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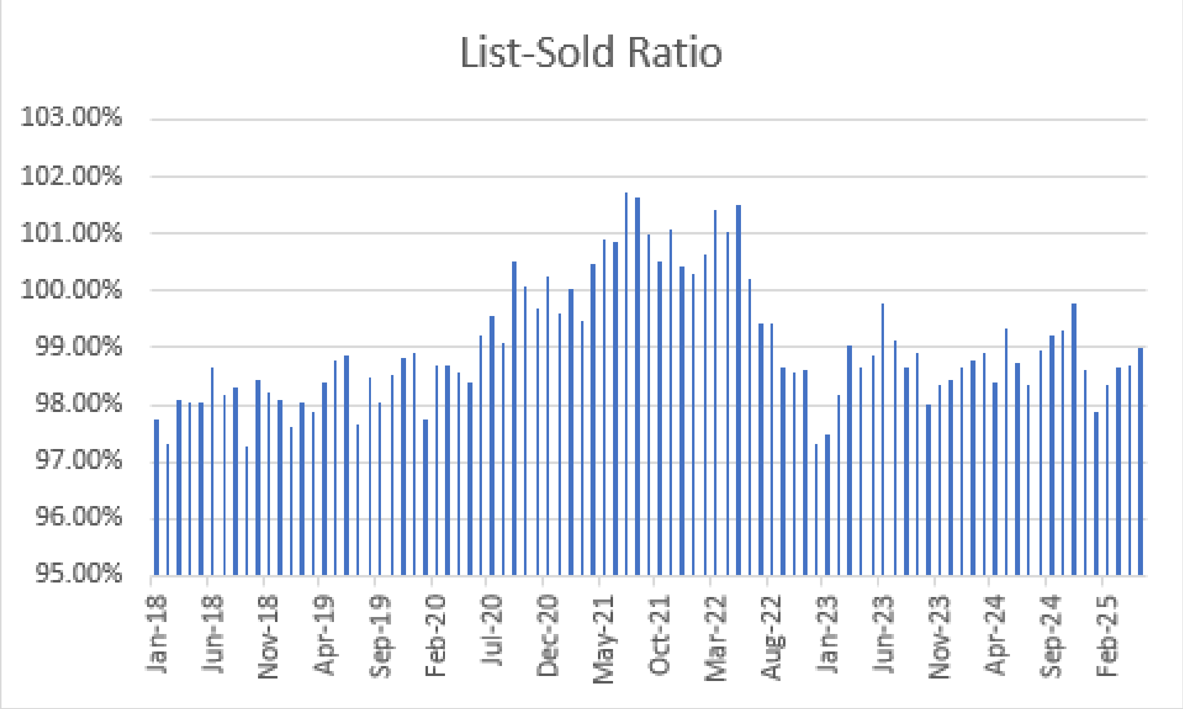
Sep-24
Jan-25
May-25


List-Sold Ratio
103.00%
102.00%
101.00%
100.00%
99.00%
98.00%
97.00%
96.00%
95.00%
Jan-18
Jun-18
Nov-18
Apr-19
Sep-19
Feb-20
Jul-20
Dec-20
May-21
Oct-21
Mar-22
Aug-22
Jan-23
Jun-23
Nov-23
Apr-24
Sep-24
Feb-25

Loan amount	$400,000
Interest Rate (Annual)	6.99%
Loan period in years	30
Number of payments per year	12
Monthly Payment	$2,658.52
Total Payments	360

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3-2-1 BUY DOWN						POINTS
Interest Rate	Payment	Payment	Monthly Subsidy	# of Payments	Annual Subsidy Pymnts	
3.99%	$2,658.52	$1,907.36	$751.16	12	$9,013.92	
4.99%	$2,658.52	$2,144.84	$513.68	12	$6,164.16	
5.99%	$2,658.52	$2,395.63	$262.89	12	$3,154.68	
				3/2/1 Buydown Cost	$18,332.76	4.58

2-1 BUY DOWN						
Interest Rate	Payment	Payment	Monthly Subsidy	# of Payments	Annual Subsidy Pymnts	
4.99%	$2,658.52	$2,144.84	$513.68	12	$6,164.16	
5.99%	$2,658.52	$2,395.63	$262.89	12	$3,154.68	
				2/1 Buydown Cost	$9,318.84	2.33

Home Equity Is Far Outpacing Mortgage Debt

Total Homeowner Equity and Home Mortgage Debt, in Trillions