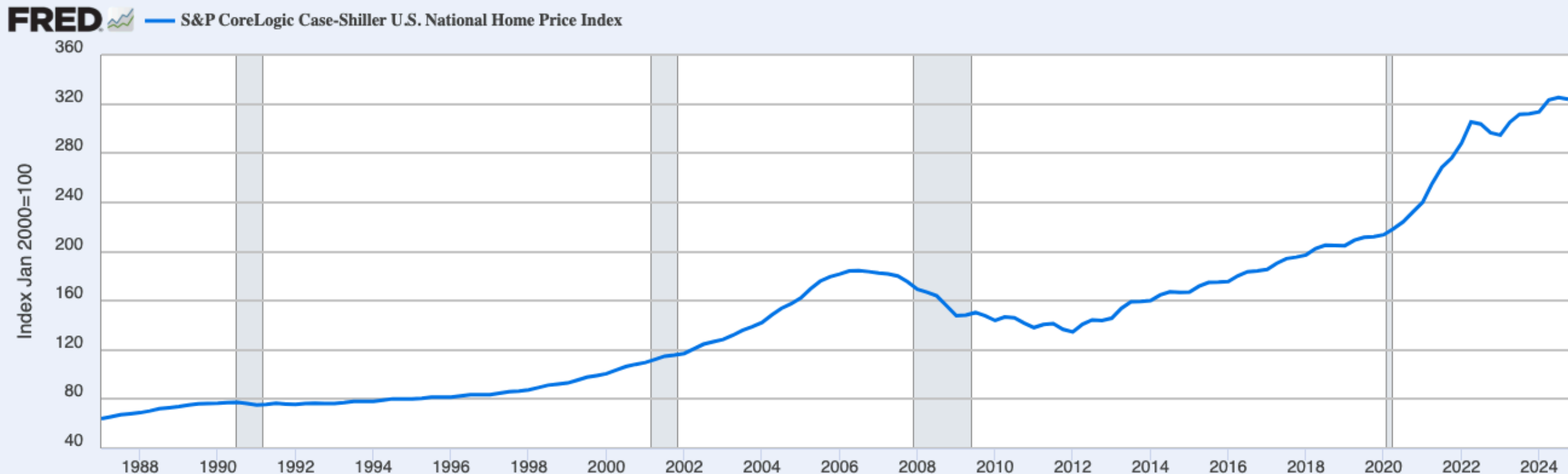




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Home Prices: Two Truths and a Lie



Source: S&P Dow Jones Indices LLC via FRED®
Shaded areas indicate U.S. recessions.

fred.stlouisfed.org

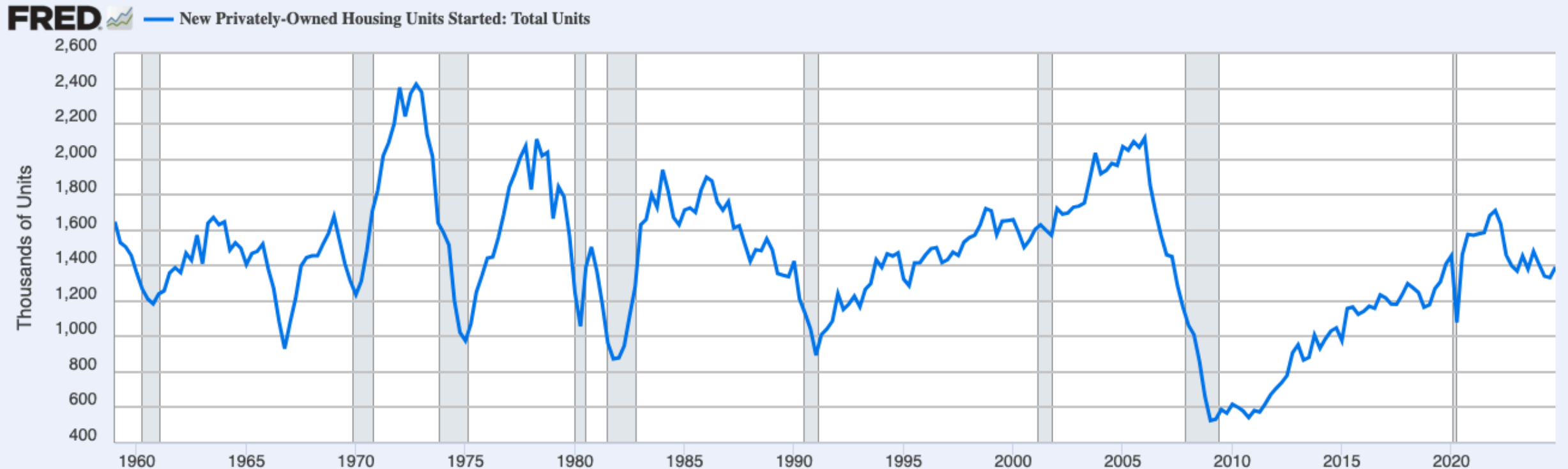
Home prices are unaffordable





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Home Prices: Two Truths and a Lie



Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development via FRED®
Shaded areas indicate U.S. recessions.

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Construction of homes is down





Home Prices: Two Truths and a Lie

Correlation Matrix

	Home Prices	New Home Starts	Interest Rates
Home Prices	-		
New Home Starts	1%	-	
Interest Rates	-73%	26%	-

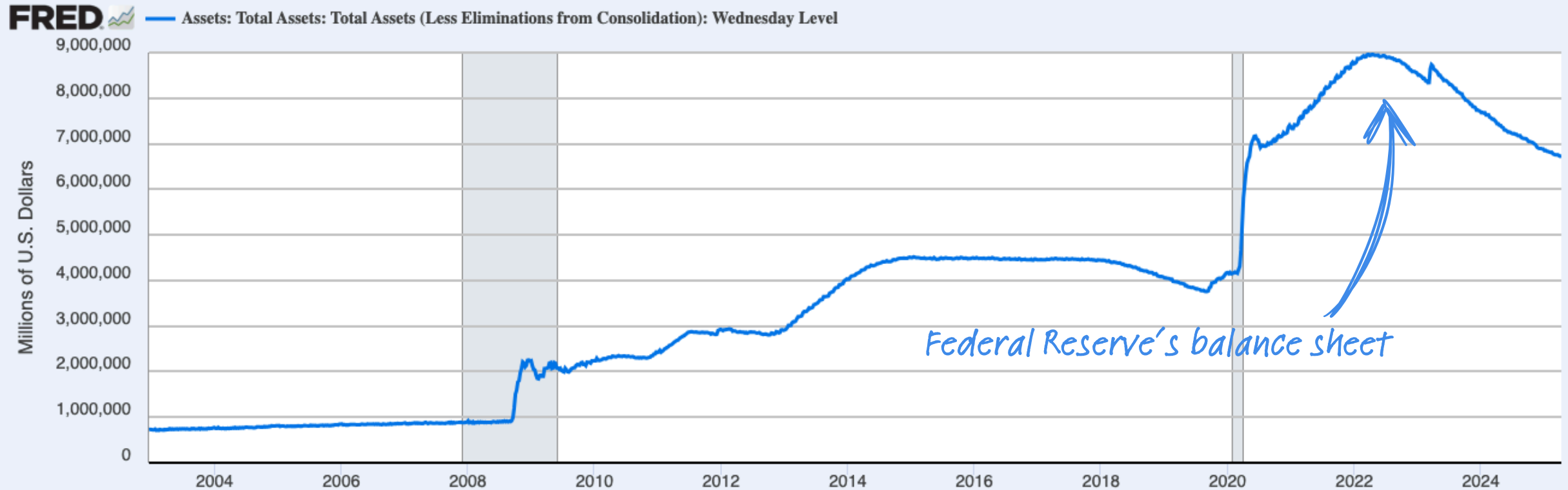
Less construction drives unaffordability





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Home Prices: Two Truths and a Lie



Source: Board of Governors of the Federal Reserve System (US) via FRED®
Shaded areas indicate U.S. recessions.

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Hypothesis: Primary driver of home price unaffordability...



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Estimated Costs to U.S. Taxpayers in 2025 Dollars (trillions)

