

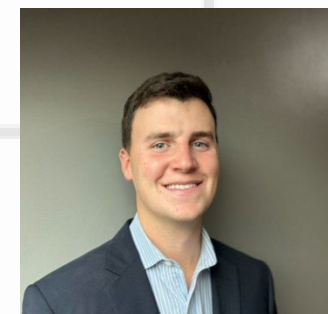
February 2024

Economic Recap: Housing, Rates & Construction Costs National & Local

We present the February edition of the Boston Trust Economic Snapshot: Housing, Rates & Construction Costs.

In February 2024, the Massachusetts housing market saw heightened activity with increased home sales, new listings, pending sales, and average prices compared to the previous year. Notably, mortgage rates surged to over 7% following the release of the January Jobs Report, impacting buyer affordability. Despite this, buyers are urged to explore alternative financing options. The rise in inventory benefits buyers, while sellers capitalize on growing demand from those entering the market due to lifestyle changes. Competitive pricing remains crucial for sellers to attract demand, especially with the spring market approaching. Looking forward, the trajectory of mortgage rates will continue to influence market dynamics as the spring market unfolds.

No matter how complex your next project may be, Boston Trust has the experience and knowledge to be your trusted lender.



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Monthly New Residential Sales, February 2024

March 25, 2024 – The U.S. Census Bureau and the U.S. Department of Housing and Urban Development (HUD) jointly announced the following new residential sales statistics for February 2024:

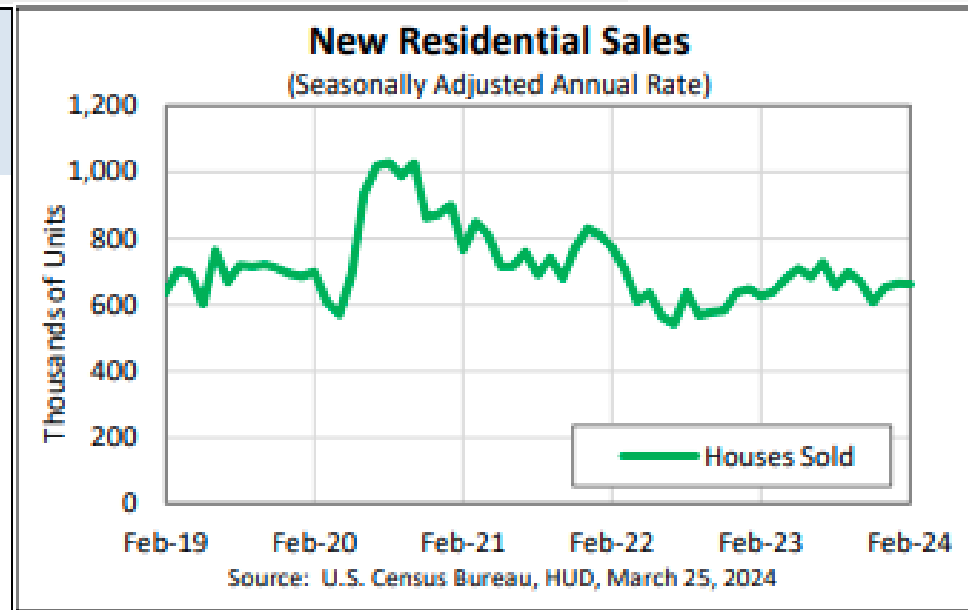
NEW RESIDENTIAL SALES FEBRUARY 2024

New Houses Sold¹: 662,000
New Houses For Sale²: 463,000
Median Sales Price: \$400,500

Next Release: April 23, 2024

¹Seasonally Adjusted Annual Rate (SAAR)
²Seasonally Adjusted

Source: U.S. Census Bureau, HUD, March 25, 2024

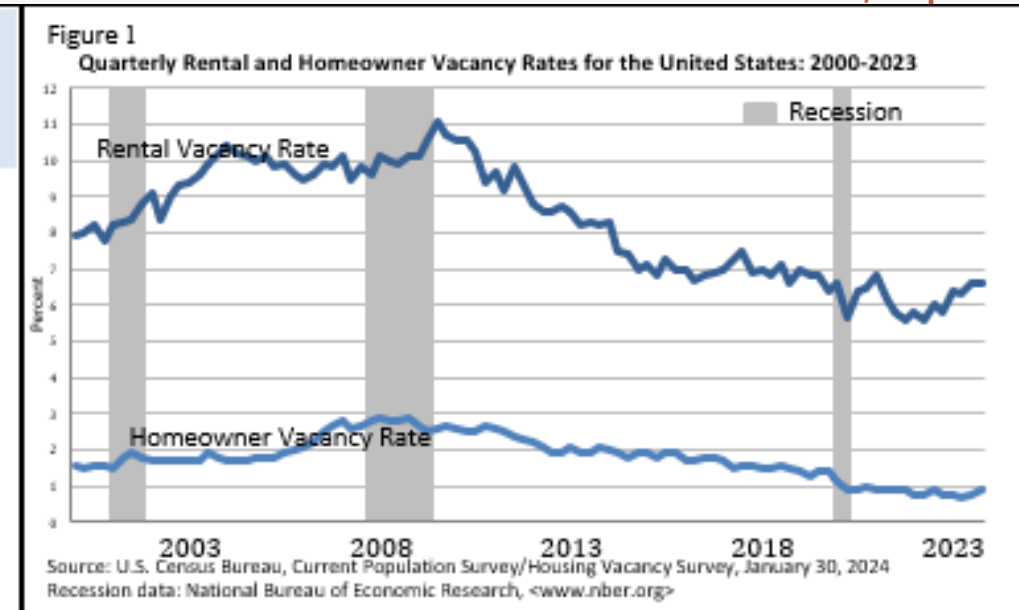


RESIDENTIAL VACANCIES AND HOMEOWNERSHIP FOURTH QUARTER 2023

Rental Vacancy Rate 6.6%
Homeowner Vacancy Rate 0.9%
Homeownership Rate 65.7%

Next release: April 30, 2024

Data are not adjusted for seasonality.
 Source: U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey, January 30, 2024



New Home Sales

In February 2024, sales of new single-family houses in the United States were estimated to be at a seasonally adjusted annual rate of 662,000. This represents a slight decrease of 0.3 percent from the revised January rate of 664,000. However, compared to February 2023, there was a notable increase of 5.9 percent in sales, reaching 625,000. These estimates, released jointly by the U.S. Census Bureau and the Department of Housing and Urban Development, provide insights into the current trends in the housing market.

Sales Price

The median sales price of new houses sold in February 2024 was \$400,500. The average sales price was \$485,000.

For Sale Inventory and Months' Supply

The seasonally-adjusted estimate of new houses for sale at the end of February was 463,000. This represents a supply of 8.4 months at the current sales rate.

Massachusetts 2024

MASSACHUSETTS

FEB | '24

SINGLE FAMILIES

← HOMES SOLD SAME 0% ↑ AVERAGE PRICE UP 12.6%



CONDOS

↑ HOMES SOLD UP 5.8% ↑ AVERAGE PRICE UP 6.7%



MULTI-FAMILIES

↑ HOMES SOLD UP 20.8% ↑ AVERAGE PRICE UP 8.2%



Per MLSPIN & Warren Data

Home sales in February 2024 increased by 3.6% year-over-year, totaling 3,467 compared to 3,348 in February 2023.

- Sales surged across all categories except for single-family homes, which remained stable year-over-year at 2,042.
- Condominium sales rose from 1,017 in February 2023 to 1,076 in February 2024, while multi-family sales increased from 289 to 349 during the same period.

The average sale price escalated by 10.3% year-over-year, reaching \$663,507, compared to \$601,349 in February 2023.

- Price appreciation extended across all property types: single-family homes averaged \$687,092 (up from \$610,139), condominiums averaged \$622,149 (up from \$583,015), and multi-family properties averaged \$653,019 (up from \$603,753).

National Mortgage Foreclosure & Delinquency

Serious Delinquency Mortgage Payments (90 days past due or in foreclosure)

	February 2024	Month-over-month change	Year-over-year change	12-month trend
Total U.S. loan delinquency rate (loans 30 or more days past due, but not in foreclosure):	3.34%	↓ -1.29%	↓ -3.24%	
Total U.S. foreclosure pre-sale inventory rate:	0.40%	↓ -3.49%	↓ -13.22%	
Total U.S. foreclosure starts:	25,000	↓ -27.67%	↓ -16.15%	
Monthly Prepayment Rate (SMM):	0.42%	↑ 6.26%	↑ 20.05%	
Total U.S. foreclosure sales:	6,000	↓ -9.50%	↓ -15.82%	
Number of properties that are 30 or more days past due, but not in foreclosure:	1,782,000	↓ -21,000	↓ -29,000	
Number of properties that are 90 or more days past due, but not in foreclosure:	459,000	↓ -11,000	↓ -103,000	
Number of properties in foreclosure pre-sale inventory:	211,000	↓ -7,000	↓ -28,000	
Number of properties that are 30 or more days past due or in foreclosure:	1,993,000	↓ -28,000	↓ -57,000	

Legend
■ Low ■ High

- February saw the national delinquency rate decline to 3.34%, down 4 basis points from the previous month and 11 basis points from February 2023.
- While borrowers one payment behind increased by 10,000, those 60 days late and 90 or more days past due decreased to their lowest levels in three months.
- Delinquency inflows rose by 6.5% from January's eight-month low, while serious delinquencies dropped by 18% year over year to 459,000 cases.
- February recorded 25,000 foreclosure starts, representing 5.3% of serious delinquencies, the second lowest in twelve months.
- Active foreclosures fell by 7,000 to 211,000, 25% below pre-pandemic levels, with 6,000 foreclosure sales completed nationally, a 9% decrease from the previous month.
- Prepayment activity increased by 3 basis points in February, driven by a brief dip in rates, boosting refinance incentives.

United States Prime Rate

The Current U.S. (Fed) Prime Rate is: **8.50%**

March 20, 2024: The FOMC has voted to keep the target range for the fed funds rate at **5.25% - 5.50%**. Therefore, the **United States Prime Rate remains at 8.50%**

The next FOMC meeting and decision on short-term interest rates will be on **May 1, 2024**.

Primary Mortgage Market Survey®

U.S. weekly averages as of 03/28/2024

30-Yr FRM	1-Wk change	∨-0.08
	1-Yr change	∧0.47
6.79%	4-Wk avg.	6.82%
	52-Wk avg.	6.9%



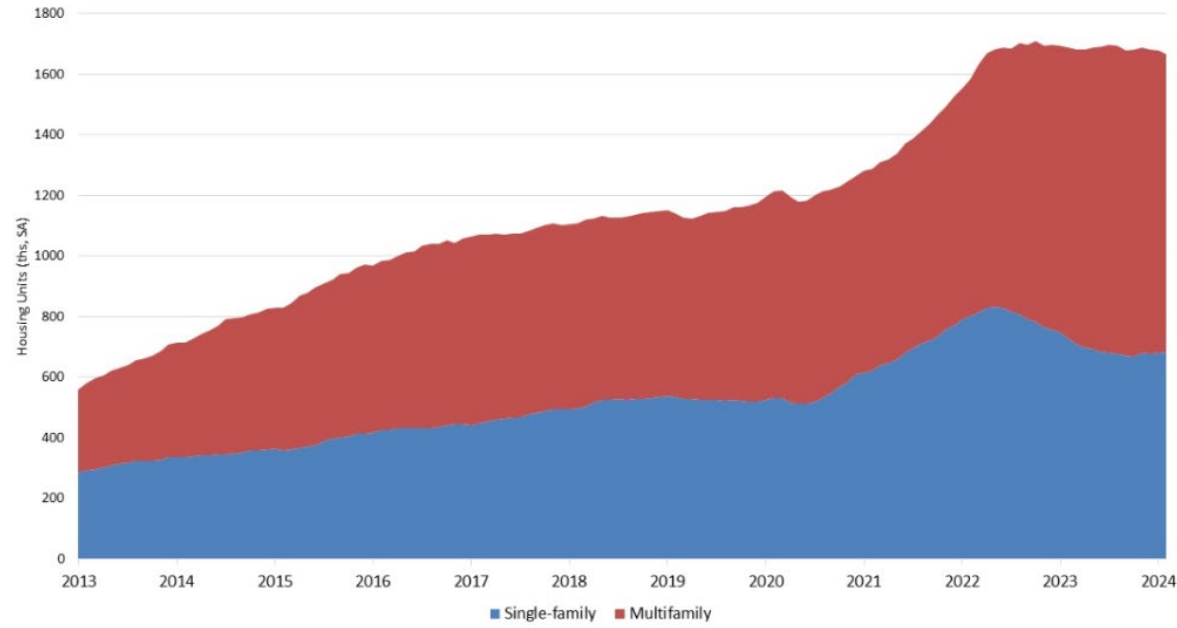
15-Yr FRM	1-Wk change	∨-0.1
	1-Yr change	∧0.55
6.11%	4-Wk avg.	6.18%
	52-Wk avg.	6.23%



Construction

February 2024

Housing Units Under Construction



SINGLE FAMILY:



MULTI-FAMILY:

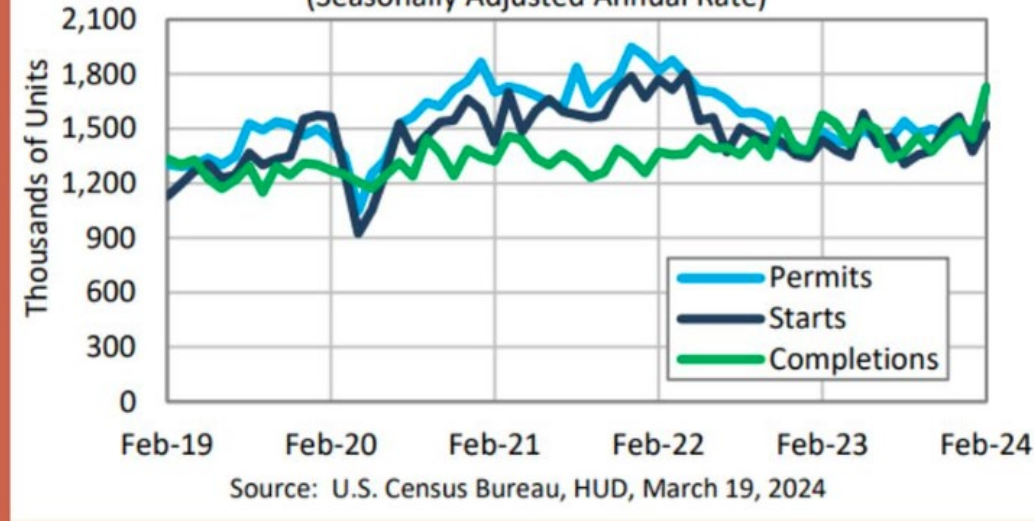


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February 2024

New Residential Construction

(Seasonally Adjusted Annual Rate)



Building Permits: ↑ 1.9% MoM

Housing Starts: ↑ 10.7% MoM

Housing Completions: ↑ 19.7% MoM

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U.S. CONSTRUCTION MATERIAL COST CHANGES

From Producer Price Index (PPI) Series

February 2024

Materials	MoM	YoY
Asphalt	-14% ↓	3.4% ↑
Paint Materials	-0.2% ↓	-0.9% ↓
Softwood Lumber	-3% ↓	-10.4% ↓
Hardwood Lumber	1.5% ↑	0.5% ↑
Hardwood Flooring	0.4% ↑	1.1% ↑
Millwork	1.4% ↑	-1.5% ↓
Plywood	-0.4% ↓	-0.5% ↓
Plumbing Fixtures	-0.2% ↓	1.4% ↑
Heating Equipment	0.1% ↑	3% ↑
Lighting Fixtures	0.4% ↑	3% ↑
Cement	0.1% ↑	6.5% ↑
Copper Wire	-0.1% ↓	-5.1% ↓
Domestic Water Heaters	0%	0.1% ↑
Hardware	-1% ↓	-1% ↓

Boston Trust

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An aerial, high-angle photograph of a city harbor, likely New York City. The image is heavily faded and has a light beige tint. In the center, a large cargo ship is docked at a pier. The surrounding area is filled with buildings, streets, and other infrastructure. The text "Fast Financing you can Trust" is overlaid in a dark red, serif font across the middle of the image.

Fast Financing you can Trust