What Drove **Home Price Growth** and Can it Continue?

↑33%

in home prices over the last 2 years

The price of homes surged dramatically in 2020 and 2021, and Freddie Mac predicts that home prices will continue to appreciate in 2022, albeit at a slower rate. Here are the main factors driving the growth of home prices in 2022.

**LOW SUPPLY**

↓69%

homes for sale in 2020 (vs. 15 years ago)

**SURGE IN BUYERS**

↑6.6m

at first-time homebuying age (vs. peak in 2006)

**MIGRATION PATTERNS**

↑3x

the migration out of the largest cities (vs. pre-COVID)

**LOW RATES**

↓1.5%

average mortgage rate (vs. prior 3 years)

**NOT A MAIN DRIVER OF HOME PRICE GROWTH:**

**INVESTOR PURCHASES**

↑3% investor’s share of home purchases (vs. 2019)

Although investor purchases have received a lot of attention, Freddie Mac found that they are not a main driver of housing demand nationally.

Learn more about the factors driving house prices [here](#).