

U.S. REAL ESTATE OUTLOOK: The Strongest & Weakest Markets

Q4 2019 to Q4 2020

Top 100 Markets To Continue Rising Into December 2020

VEROFORECAST PROJECTIONS

+3.9%

Home Price Appreciation Over Next 12 Months in 100 Most Populated Metros

Overall Trend

Moderate home-price appreciation with very few geographic pockets of weakness.

Metro Areas Covered

349

Counties Covered

1005

Population Covered

82%

Zip Codes Covered

13,816

TOP 10 MARKETS

VEROFORECAST PROJECTIONS

+6.5% TO +10.1%

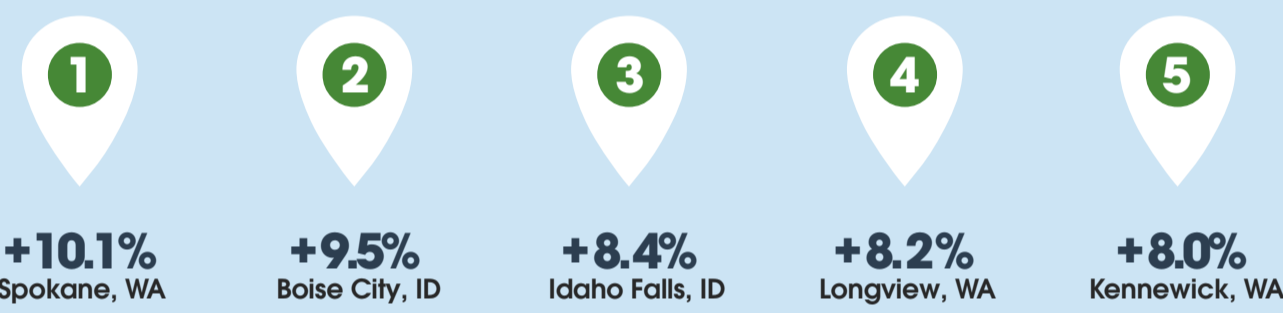
Home Price Appreciation Over 12 Months

PACIFIC NORTHWEST CONTINUES TO DOMINATE TOP 10

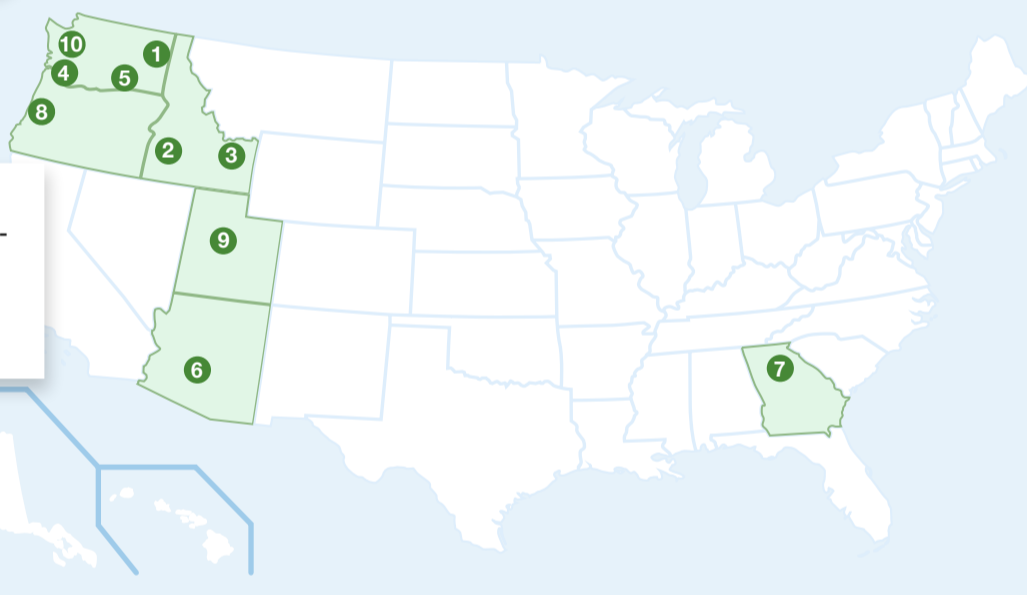
The Northwest shows continued strength, with Utah and Arizona each having one top market metro, and one metro in Georgia completing the Top 10.

- DRIVERS**
- Lower Interest Rates
 - Tight Inventory
 - Low Unemployment

TOP 5 MARKETS: FORECAST APPRECIATION OVER NEXT 12 MONTHS



TREND
Average Top 10 appreciation is projected to be 7.8% — up slightly from Q3's forecasted 7.1% average.



Top 10 Markets

- | | | | |
|---------------------------------|--------|------------------------------|-------|
| 1. Spokane, WA | +10.1% | 6. Phoenix—Mesa—Glendale, AZ | +7.1% |
| 2. Boise City—Nampa, ID | +9.5% | 7. Gainesville, GA | +6.9% |
| 3. Idaho Falls, ID | +8.4% | 8. Eugene—Springfield, OR | +6.7% |
| 4. Longview, WA | +8.2% | 9. Provo—Orem, UT | +6.7% |
| 5. Kenniwick—Pasco—Richland, WA | +8.0% | 10. Olympia, WA | +6.5% |

MARKETS WITH DEPRECIATION ARE ALMOST NON-EXISTENT

VEROFORECAST PROJECTIONS

-0.5% TO +1.4%

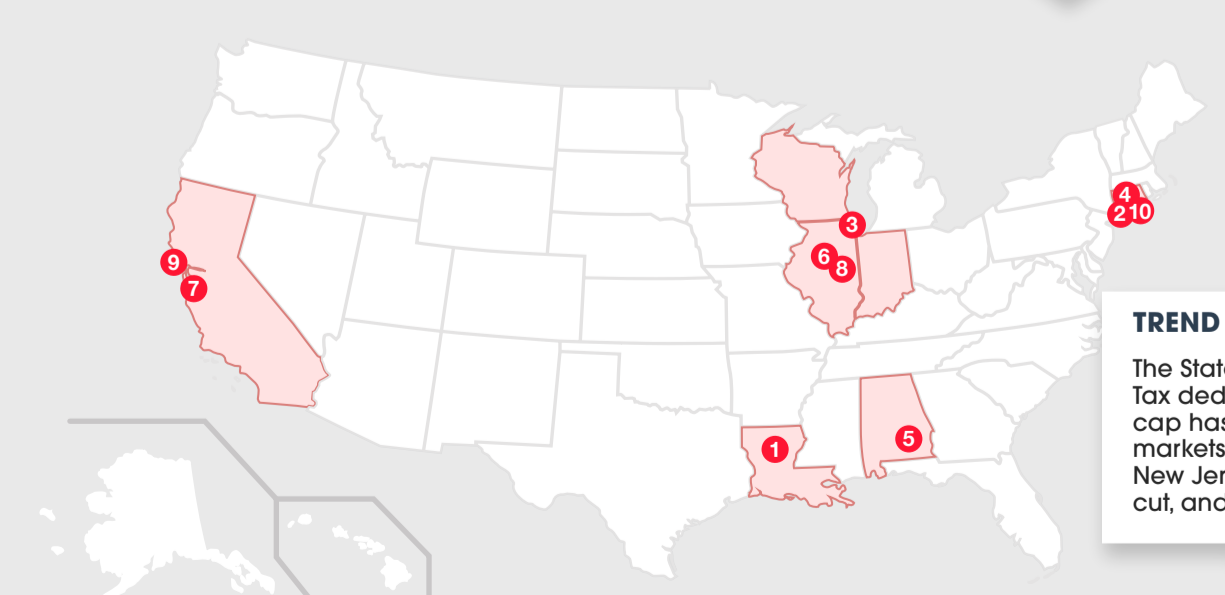
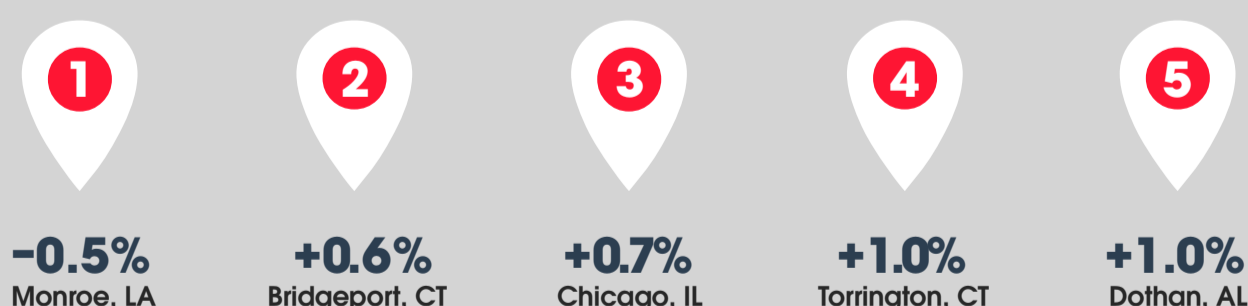
Home Price Depreciation or Appreciation Over 12 Months

MSAs Geographically Spread Throughout the Country

Relatively small markets with declining population and plenty of inventory will cause weakness in the home prices in these markets.

- DRIVERS**
- Flat/Declining Population
 - Higher Unemployment
 - High Inventory

ONLY ONE MARKET PROJECTED TO DECREASE



TREND
The State and Local Tax deduction (SALT) cap has softened markets in New York, New Jersey, Connecticut, and California

Bottom 10 Markets

- | | | | |
|--|-------|--|-------|
| 1. Monroe, LA | -0.5% | 6. Bloomington—Normal, IL | +1.1% |
| 2. Bridgeport—Stamford—Norwalk, CT | +0.6% | 7. Santa Cruz—Watsonville, CA | +1.2% |
| 3. Chicago—Joliet—Naperville, IL-IN-WI | +0.7% | 8. Champaign—Urbana, IL | +1.3% |
| 4. Torrington, CT | +1.0% | 9. Santa Rosa—Petaluma, CA | +1.3% |
| 5. Dothan, AL | +1.0% | 10. Hartford—West Hartford—East Hartford, CT | +1.4% |