

U.S. REAL ESTATE OUTLOOK: The Strongest & Weakest Markets 2019

June 1, 2019 to June 1, 2020

Home Value Appreciation Levels Off After Downward Trend

VeroFORECAST PROJECTIONS

+3.7%

95% of U.S. Markets Expected to Appreciate

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



Contributing Factors

Softening of mortgage interest rates are helping to prop up values.

The Top & Bottom 10

Both are dominated by small-to-moderate-sized MSAs, with housing supply a key discriminator.

Metro Areas Covered

343

Counties Covered

987

Zip Codes Covered

13,719

TOP 10 MARKETS

VeroFORECAST Projections

+7.2% TO +9.7%

Home Price Appreciation Over 12 Months

NORTHWEST MSAs DOMINATE TOP 10

Washington state and Idaho each contribute four spots with two oil-rich Texas metros, including top-ranked Odessa, completing the Top 10

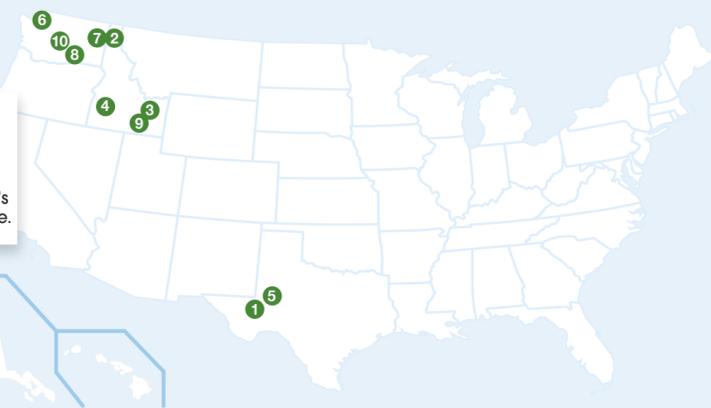
DRIVERS

- Lower Interest Rates
- Population Trends
- Low Unemployment

TOP 5 MARKETS: FORECAST APPRECIATION OVER NEXT 12 MONTHS



TREND
Average Top 10 appreciation is projected to be about 8.2% — up slightly from last quarter's forecasted 7.9% average.



Top 10 Markets

1. Odessa, TX	+ 9.7%	6. Bellingham, WA	+ 7.8%
2. Coeur D'Alene, ID	+ 9.5%	7. Spokane, WA	+ 7.4%
3. Idaho Falls, ID	+ 9.4%	8. Kennewick-Pasco-Richland, WA	+ 7.2%
4. Boise City-Nampa, ID	+ 9.1%	9. Pocatello, ID	+ 7.2%
5. Midland, TX	+ 8.0%	10. Yakima, WA	+ 7.2%

BOTTOM 10 MARKETS

VeroFORECAST Projections

-1.9% TO -0.3%

Home Price Depreciation Over 12 Months

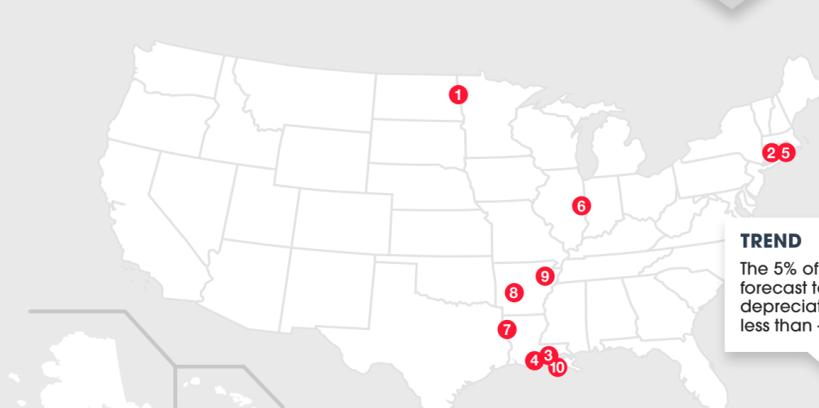
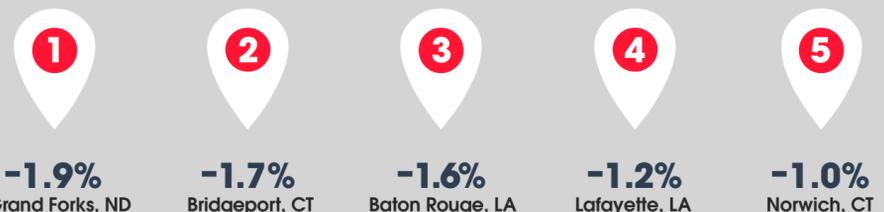
MSAs IN FIVE STATES CREATE BOTTOM 10

Four Louisiana markets are forecast to anchor the lowest ranks, with two each from Connecticut and Arkansas, and one each from Illinois and North Dakota.

DRIVERS

- Flat/Declining Population
- Higher Unemployment
- High Inventory

WEAKEST 5 MARKETS: FORECAST DEPRECIATION OVER NEXT 12 MONTHS



TREND
The 5% of markets forecast to depreciate will dip less than -2%.

Bottom 10 Markets

1. Grand Forks, ND-MN	- 1.9%	6. Danville, IL	- 0.9%
2. Bridgeport-Stamford-Norwalk, CT	- 1.7%	7. Shreveport-Bossier City, LA	- 0.7%
3. Baton Rouge, LA	- 1.6%	8. Hot Springs, AR	- 0.6%
4. Lafayette, LA	- 1.2%	9. Jonesboro, AR	- 0.4%
5. Norwich-New London, CT	- 1.0%	10. Houma-Bayou Cane-Thibodaux, LA	- 0.3%