

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

Q3 2019 to Q3 2020

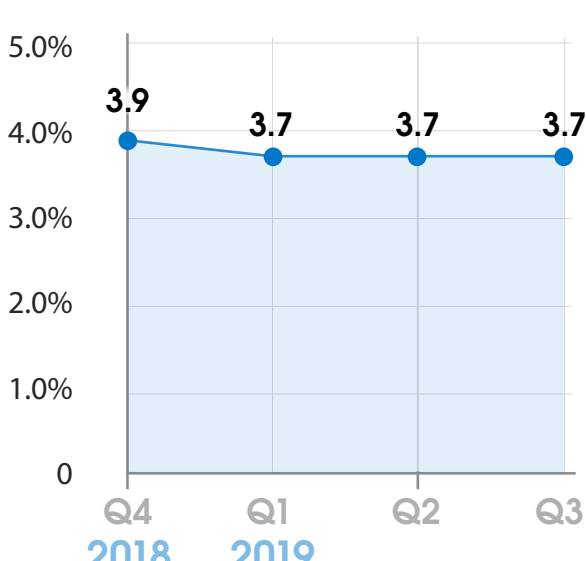
## Home Value Forecast Price Stability, With Modest Appreciation

VeroFORECAST PROJECTIONS

# +3.7%

99% 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 continues to help prop up values.

### The Top & Bottom 10

The Top 10 markets dominated by cities in three states—WA, ID & TX.

Metro Areas Covered

# 344

Counties Covered

# 1002

Zip Codes Covered

# 13,801

## TOP 10 MARKETS

VeroFORECAST Projections

# +6.6% TO +8.6%

Home Price Appreciation Over 12 Months

### NORTHWEST MSAs CONTINUE TO DOMINATE TOP 10

Washington state and Idaho show continued strength, with two oil-rich Texas metros, and the Phoenix metro area completing the Top 10.

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

### TOP 5 MARKETS: FORECAST APPRECIATION OVER NEXT 12 MONTHS

1

**+8.6%**  
Kennewick, WA

2

**+8.5%**  
Boise City, ID

3

**+8.3%**  
Pocatello, ID

4

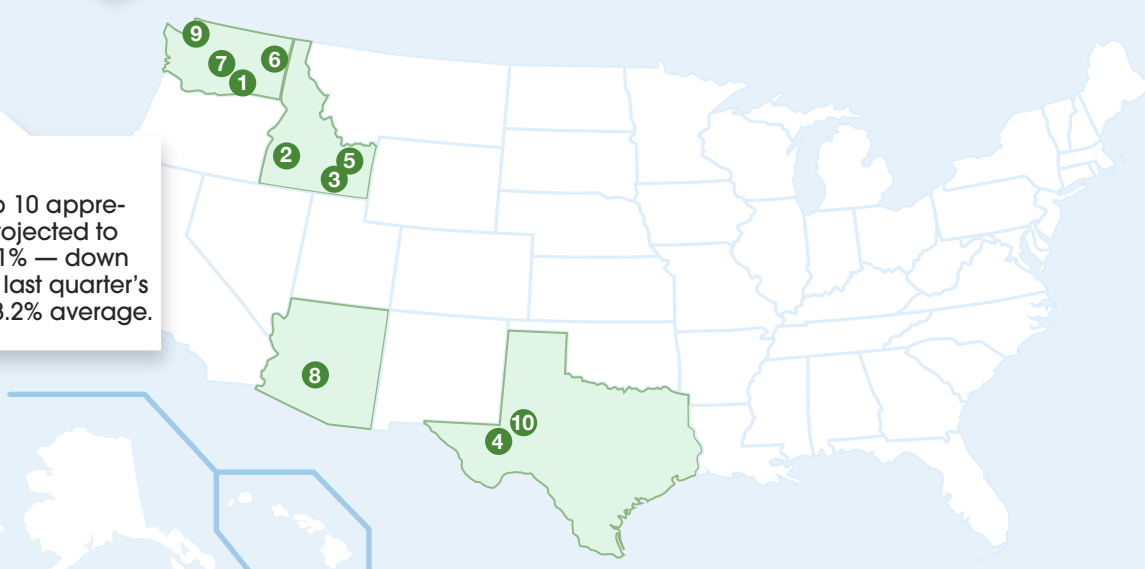
**+8.2%**  
Odessa, TX

5

**+8.2%**  
Idaho Falls, ID

**TREND**

Average Top 10 appreciation is projected to be about 7.1% — down slightly from last quarter's forecasted 8.2% average.



### Top 10 Markets

1. Kennewick-Pasco-Richland, WA	+ 8.6%	6. Spokane, WA	+ 7.4%
2. Boise City-Nampa, ID	+ 8.5%	7. Yakima, WA	+ 7.2%
3. Pocatello, ID	+ 8.3%	8. Phoenix-Mesa-Glendale, AZ	+ 6.8%
4. Odessa, TX	+ 8.2%	9. Bellingham, WA	+ 6.7%
5. Idaho Falls, ID	+ 8.2%	10. Midland, TX	+ 6.6%

## ONLY 4 MARKETS PROJECTED TO DECREASE

VeroFORECAST Projections

# -0.1% TO -0.9%

### MSAs Geographically Spread Throughout the Country

Relatively small market 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

### WEAKEST 5 MARKETS: FORECAST DEPRECIATION OVER NEXT 12 MONTHS

1

**-0.9%**  
Kokomo, IN

2

**-0.7%**  
Grand Forks, ND

3

**-0.1%**  
New Haven, CT

4

**-0.1%**  
Cape Coral, FL

