

U.S. REAL ESTATE OUTLOOK:

# The Strongest & Weakest Markets

# 2019

March 1, 2019 to March 1, 2020

## Markets Remain Healthy Despite Continued Slowing

VEROFORECAST PROJECTIONS

# +3.7%

5% of U.S. Markets Expected to Depreciate

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

### Top 10

Though modest-sized MSAs dominate Top and Bottom 10, the large city of Phoenix moves into the Top 10 this quarter...

### Bottom 10

...and the large city of Hartford is in the projected Bottom 10.

Metro Areas Covered

# 349

Counties Covered

# 984

Zip Codes Covered

# 13,545

## TOP 10 MARKETS

VEROFORECAST PROJECTIONS

# +6.9% TO +10.2%

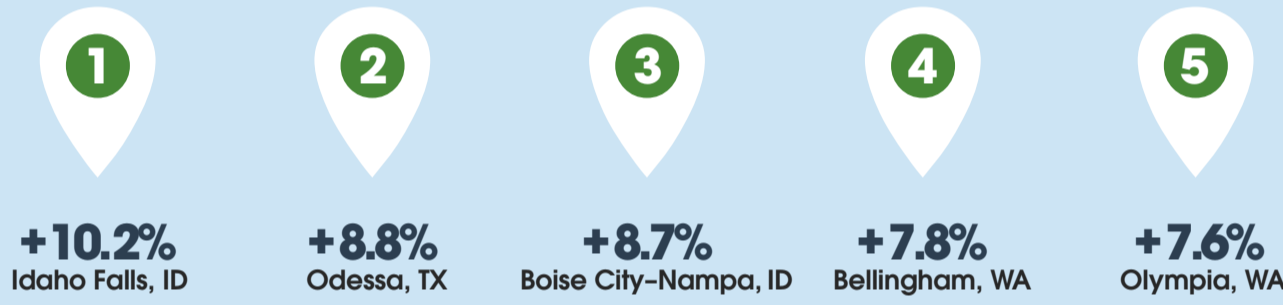
Home Price Appreciation Over 12 Months

### NORTHWEST MSAs DOMINATE

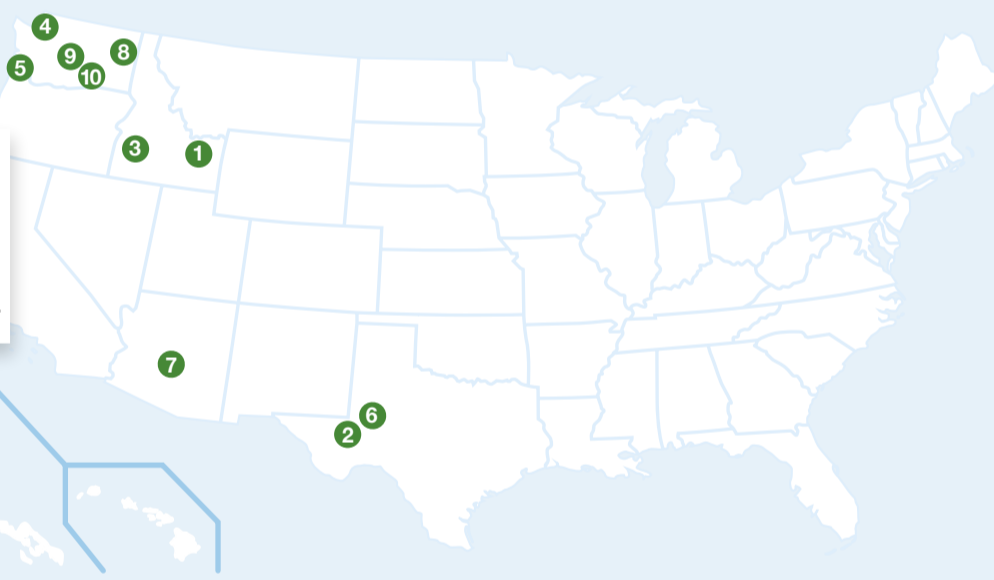
Washington occupies a whopping five spots in the Top 10, although mainstay Seattle is no longer among them. Neighboring Idaho holds two spots, with oil-rich Texas metros filling two more. Newcomer Phoenix rounds out the list.

- DRIVERS**
- Low Interest Rates
  - Limited Inventory
  - Low Unemployment

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



**TREND**  
Average Top 10 appreciation is projected to be about 7.9% — down slightly from last quarter's forecasted 8.3% average.



### Top 10 Markets

1. Idaho Falls, ID	+ 10.2%	6. Midland, TX	+ 7.5%
2. Odessa, TX	+ 8.8%	7. Phoenix-Mesa-Glendale, AZ	+ 7.1%
3. Boise City-Nampa, ID	+ 8.7%	8. Spokane, WA	+ 7.0%
4. Bellingham, WA	+ 7.8%	9. Yakima, WA	+ 6.9%
5. Olympia, WA	+ 7.6%	10. Kennewick-Pasco-Richland, WA	+ 6.9%

## BOTTOM 10 MARKETS

VEROFORECAST PROJECTIONS

# -1.9% TO -0.2%

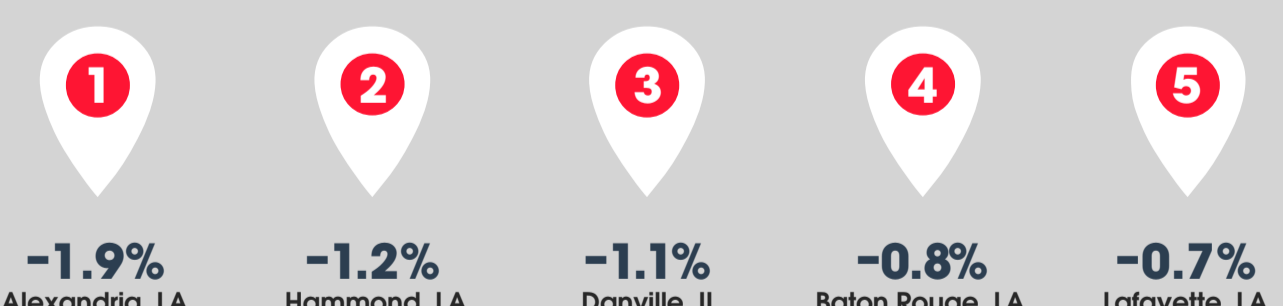
Home Price Depreciation Over 12 Months

### LOUISIANA HAS HALF BOTTOM 10 SPOTS

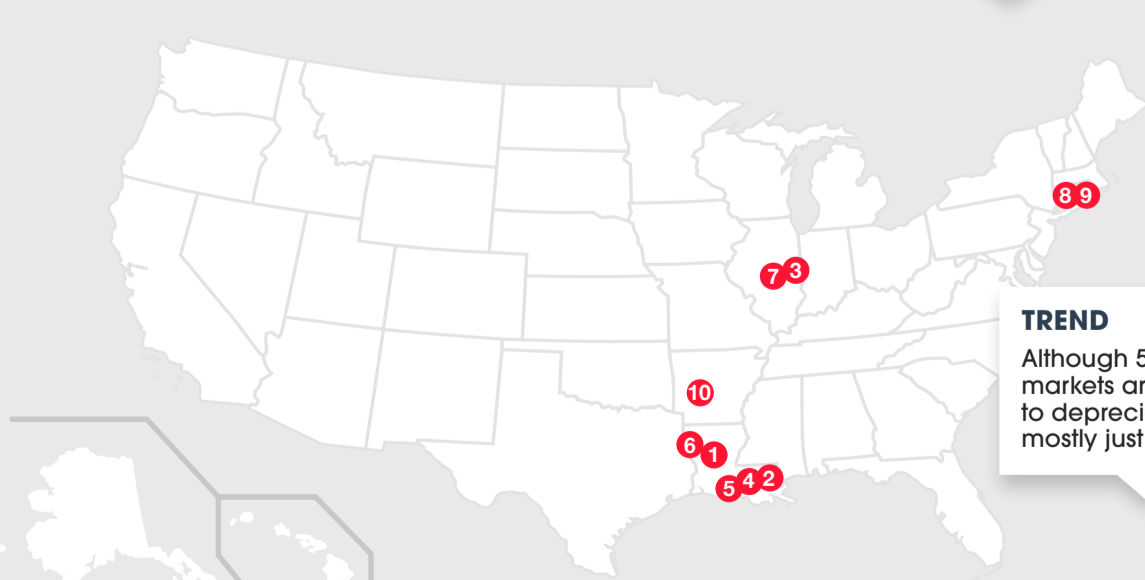
Louisiana is forecast to do uniformly poorly, while the states of Connecticut and Illinois have two cities among the group. One Arkansas MSA rounds out the Bottom 10.

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

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



**TREND**  
Although 5% of markets are forecast to depreciate, it is mostly just -1% or -2%.



### Bottom 10 Markets

1. Alexandria, LA	- 1.9%	6. Shreveport-Bossier City, LA	- 0.7%
2. Hammond, LA	- 1.2%	7. Decatur, IL	- 0.4%
3. Danville, IL	- 1.1%	8. Hartford-West Hartford-East Hartford, CT	- 0.3%
4. Baton Rouge, LA	- 0.8%	9. Norwich-New London, CT	- 0.3%
5. Lafayette, LA	- 0.7%	10. Hot Springs, AR	- 0.2%