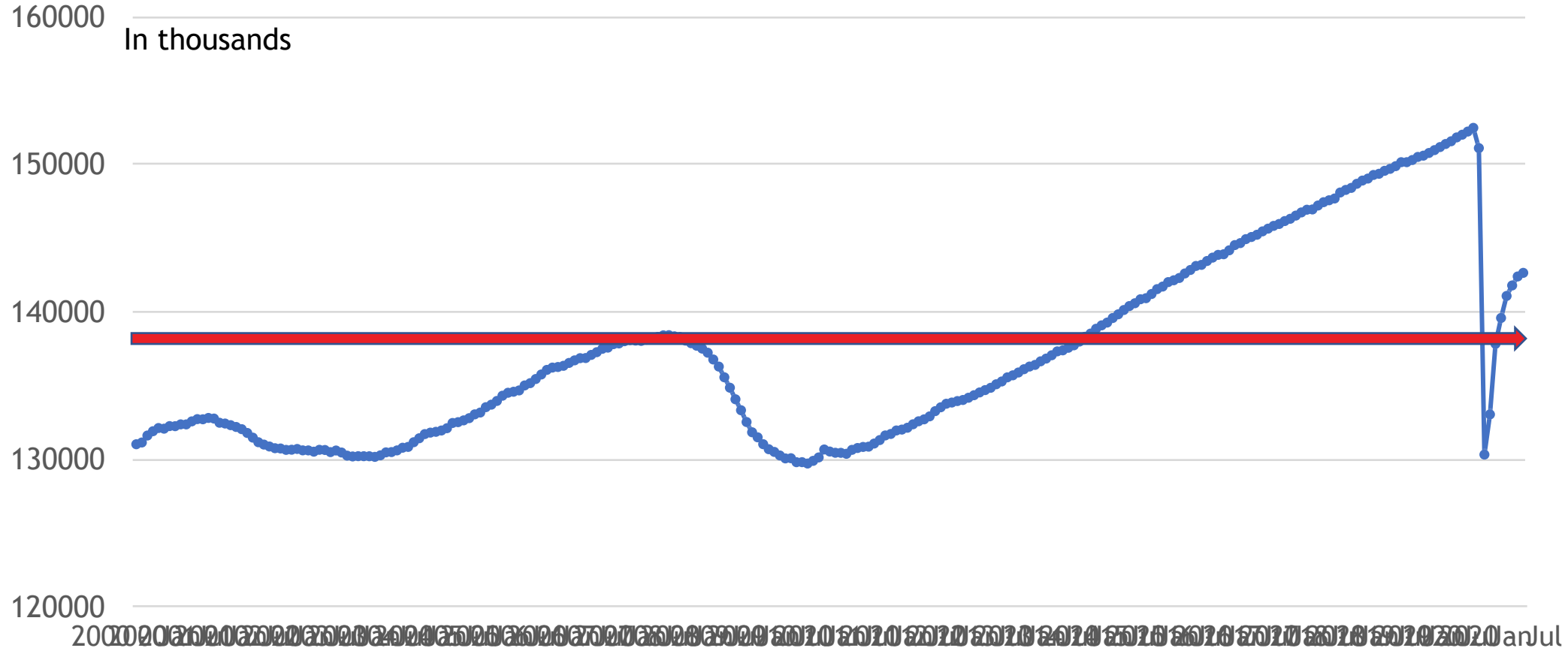


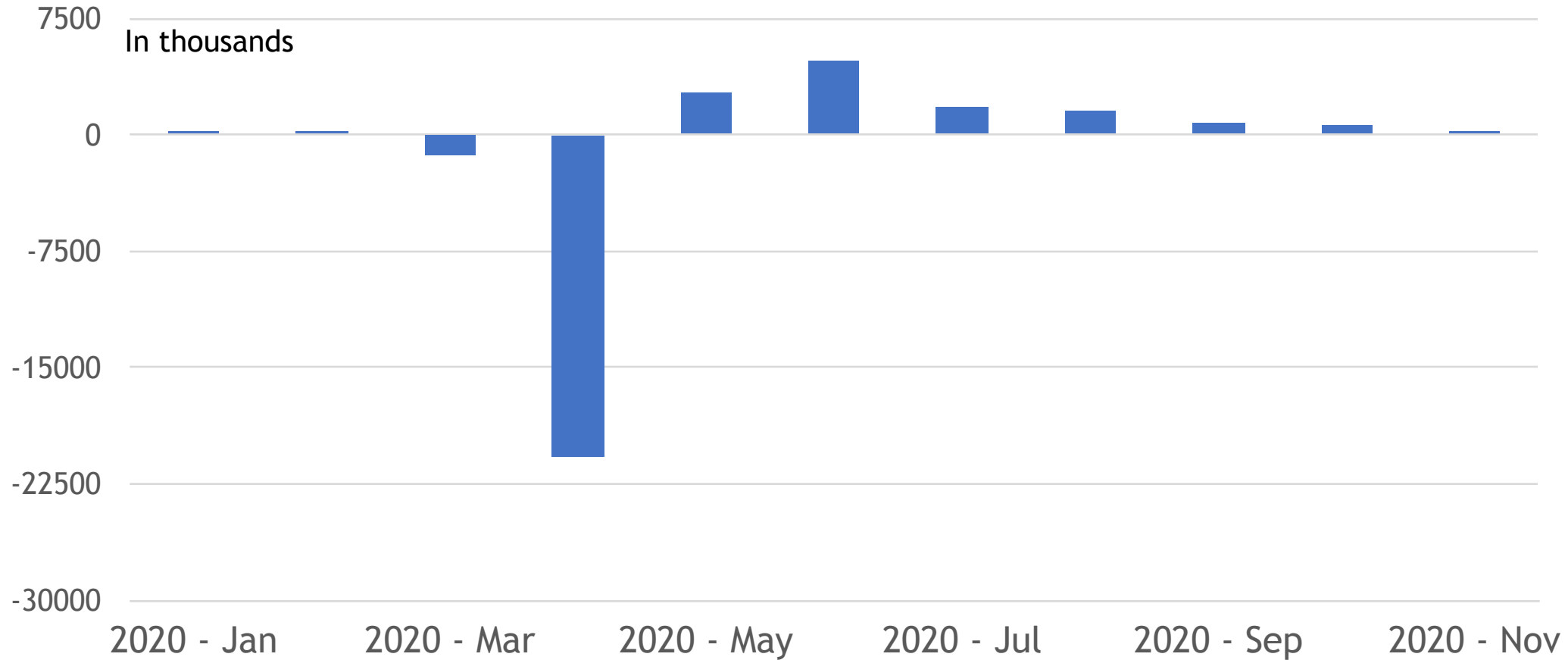
Impact of Pandemic on Real Estate and Economic Outlook

Lawrence Yun
Chief Economist and Senior Vice President
National Association of Realtors®

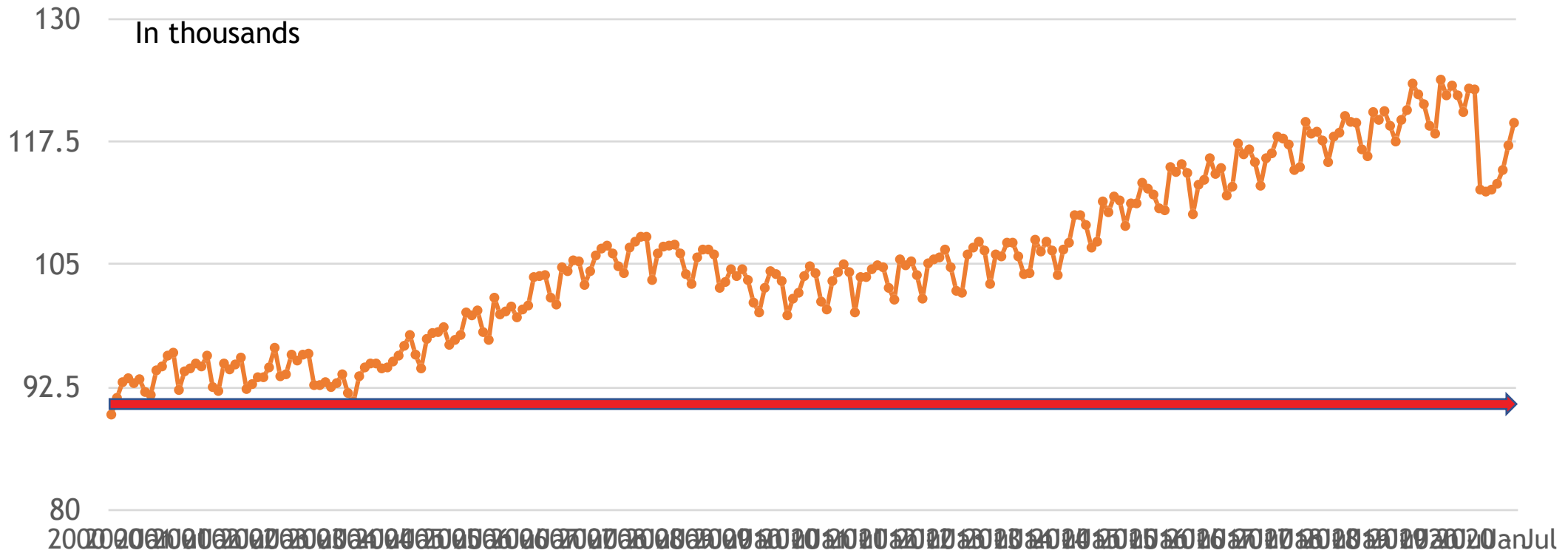
Jobs Recovery need another 9.8 million to get us to prior peak



Monthly Job Additions Fizzling Out?

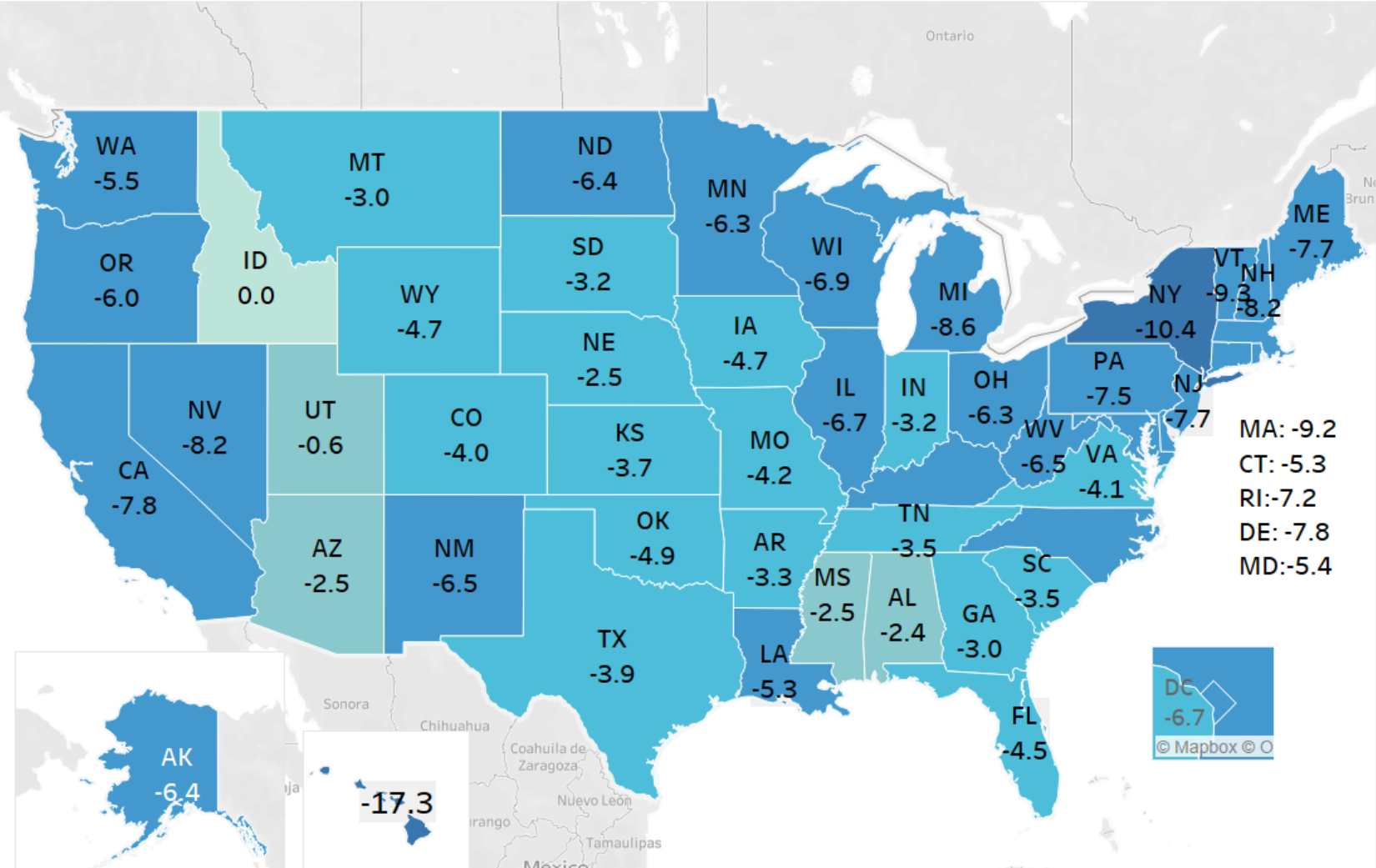


Jobs in Charlottesville



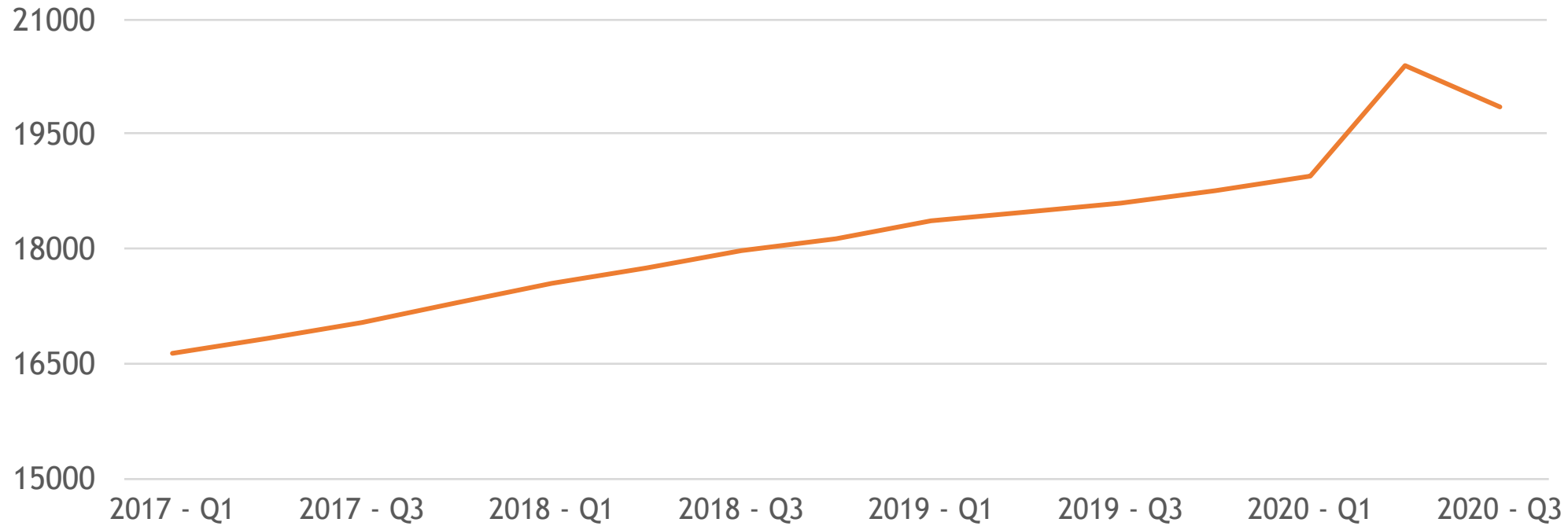
All States with Fewer Jobs ... U.S. average decline of 6.1%

Year-over-year Percent Change in Nonfarm Payroll Employment in October 2020

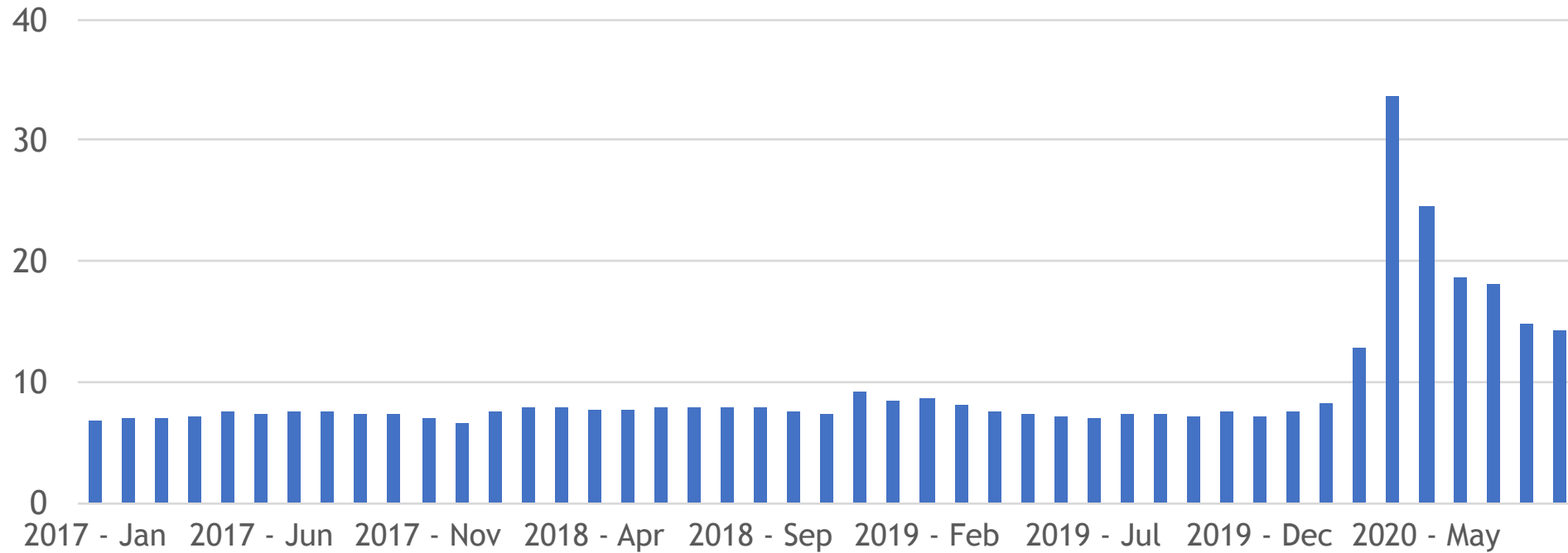


Income boosted from stimulus checks

(\$ billion)

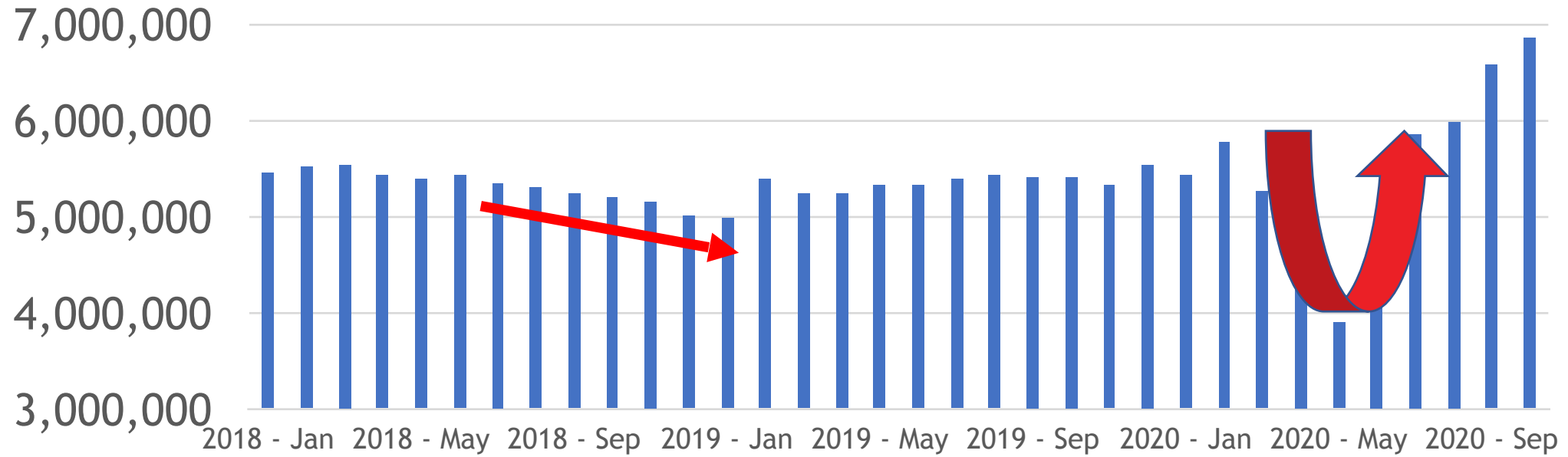


Savings Rate still elevated ... ready to pump up the economy after vaccine

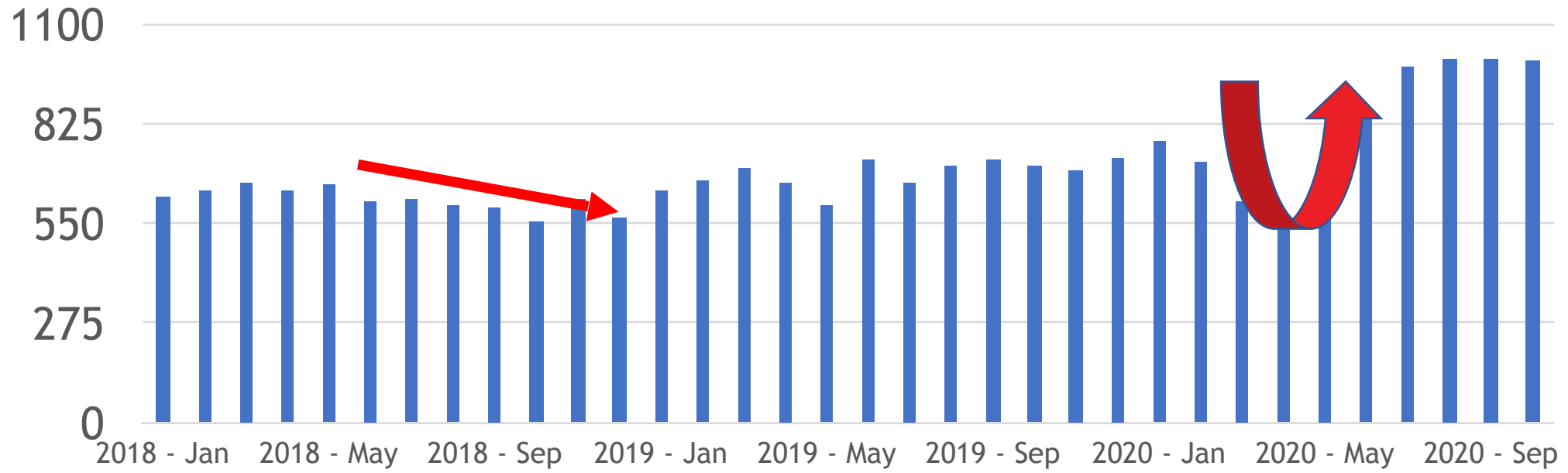


Remarkable Housing Market

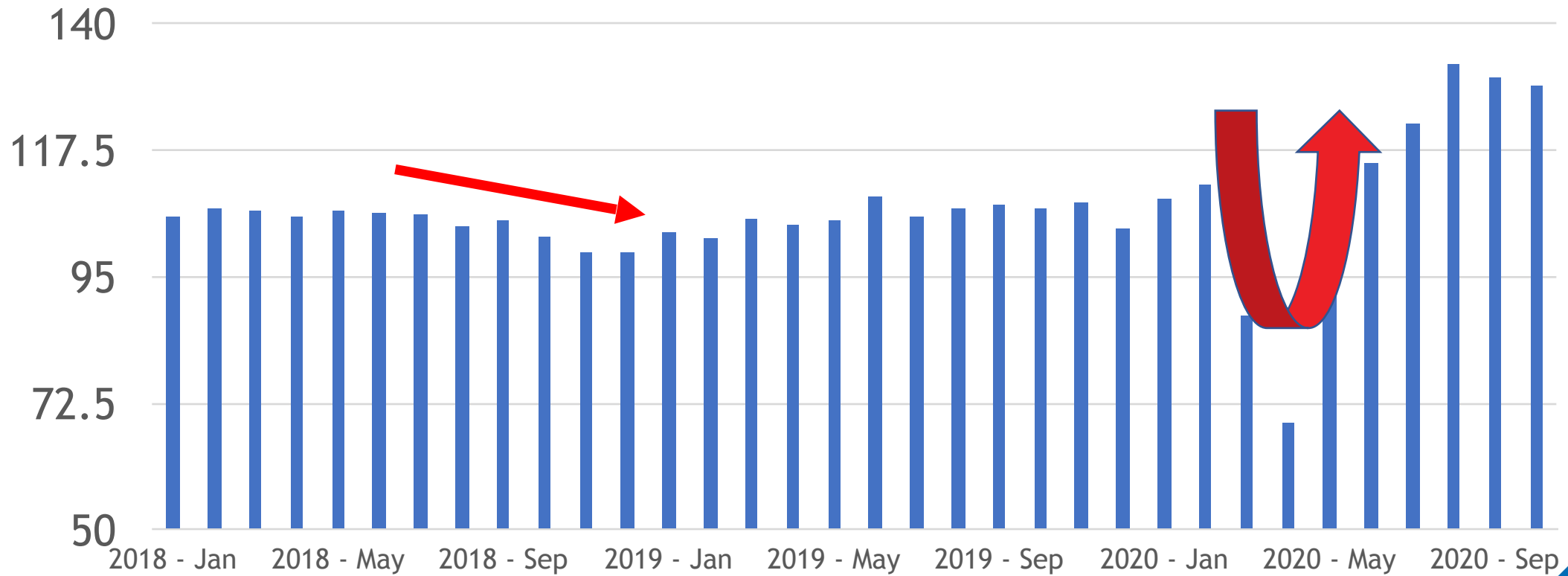
Existing Home Sales



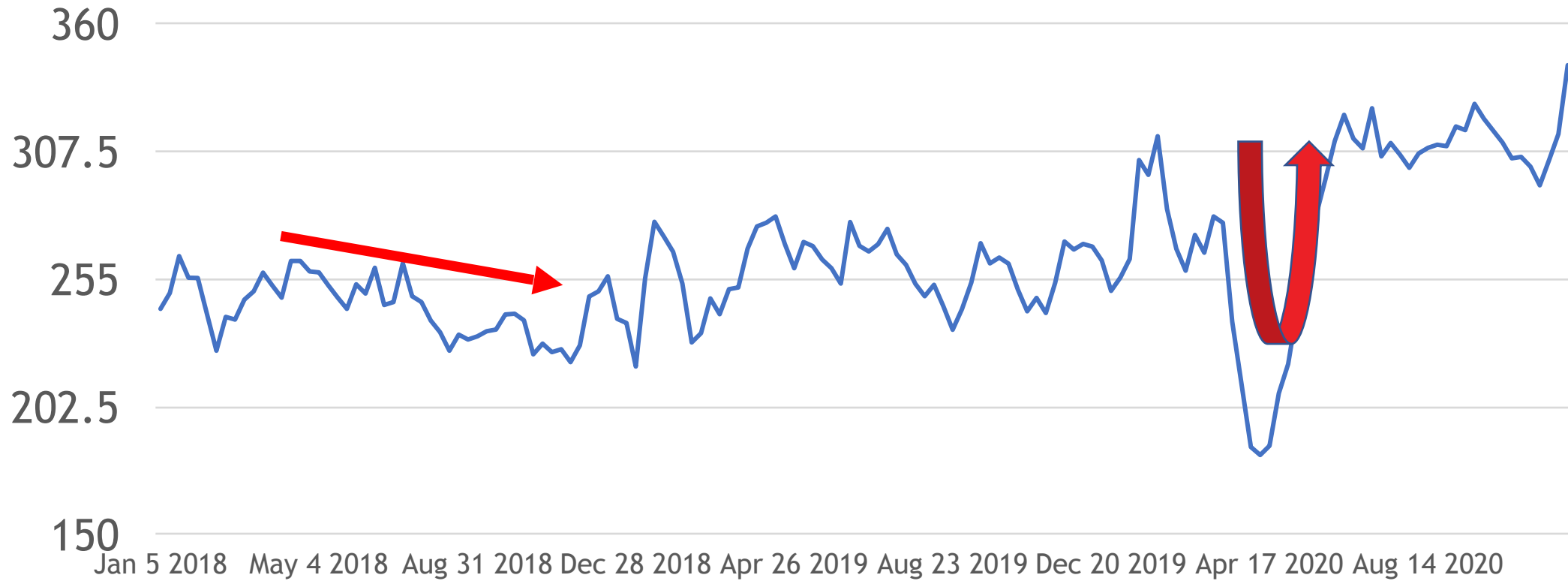
New Home Sales



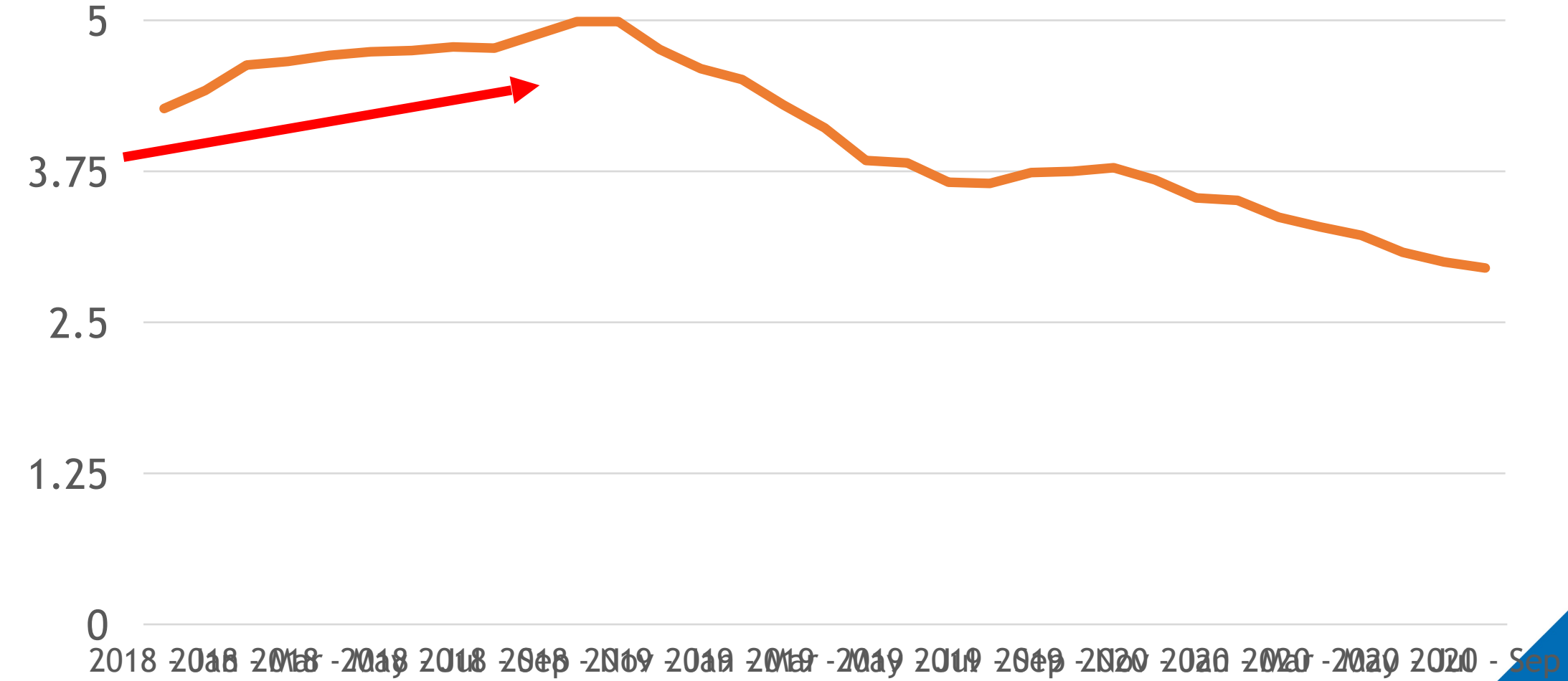
Pending Contract ... Breaking Out Higher



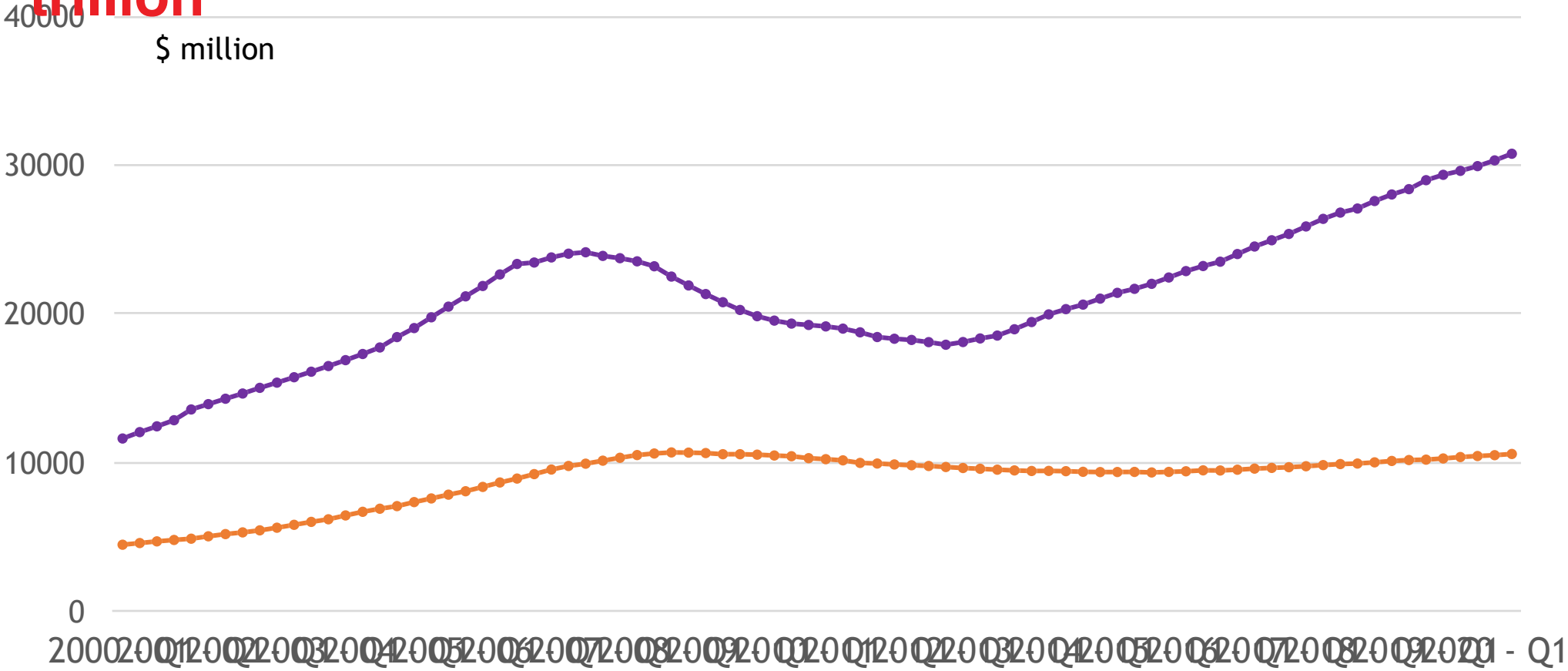
Mortgage Application to Buy a Home



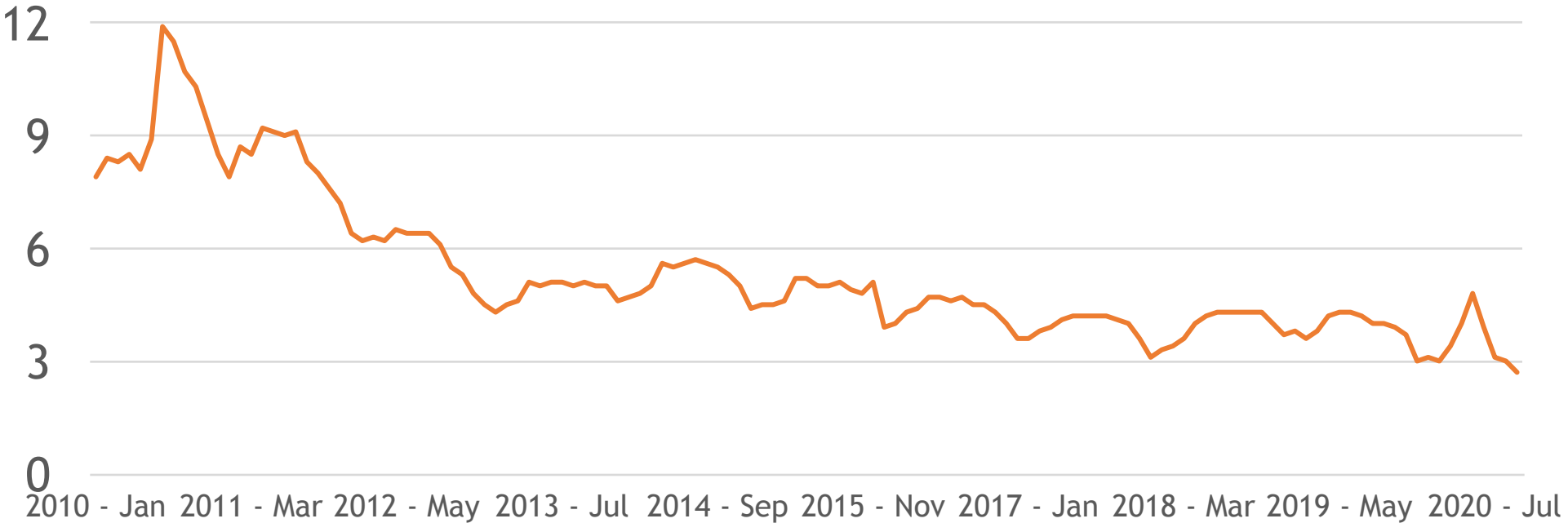
30-Year Mortgage Rates



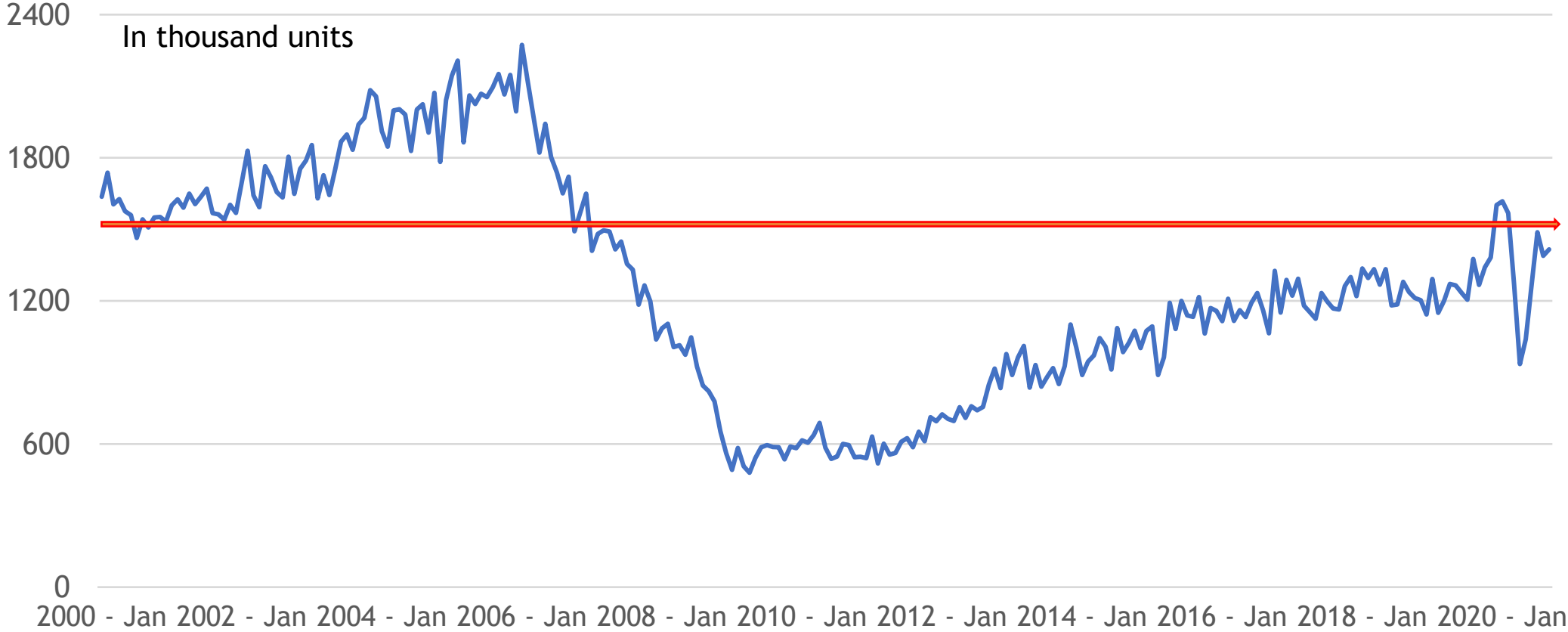
Housing Asset Valuation minus Mortgage Outstanding = \$20.2 trillion



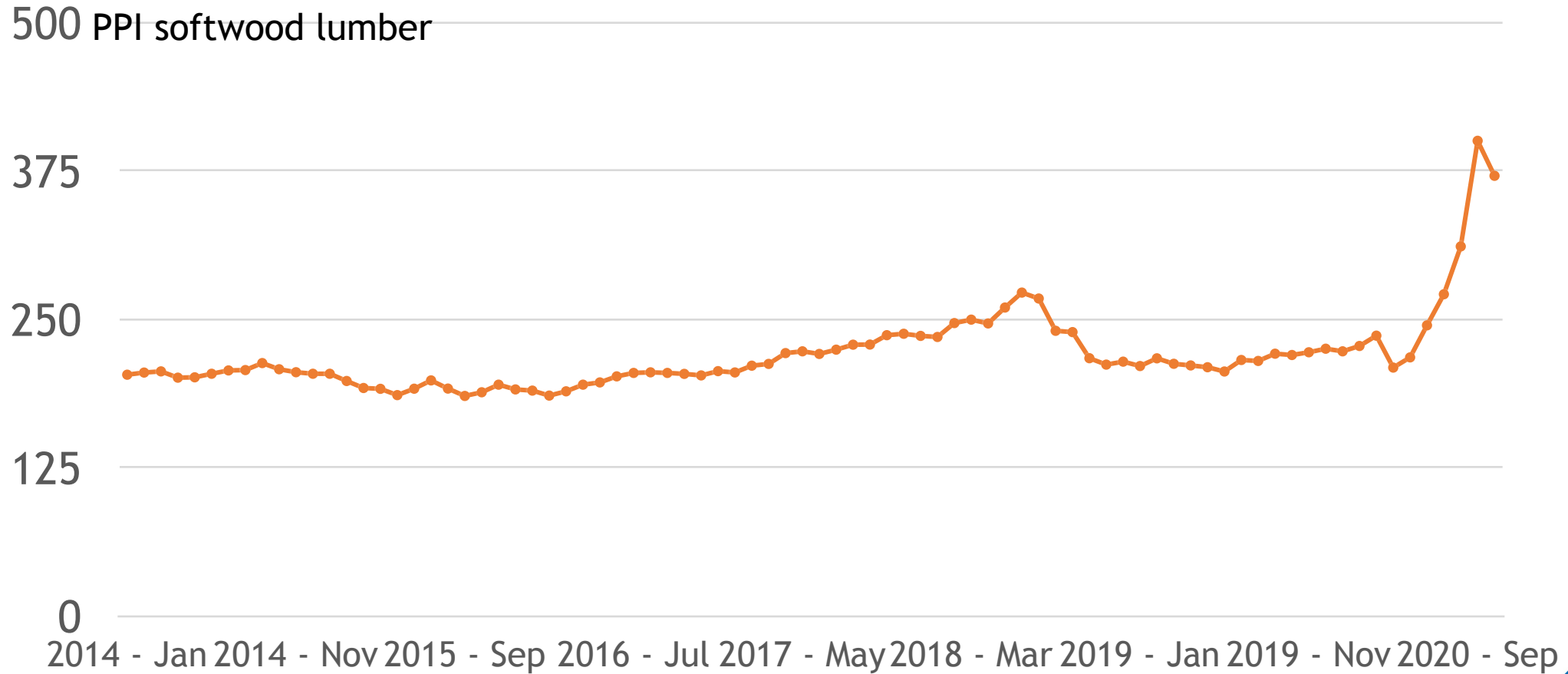
Months Supply of Existing Home Inventory



Housing Starts ... Need a Huge Ramp Up

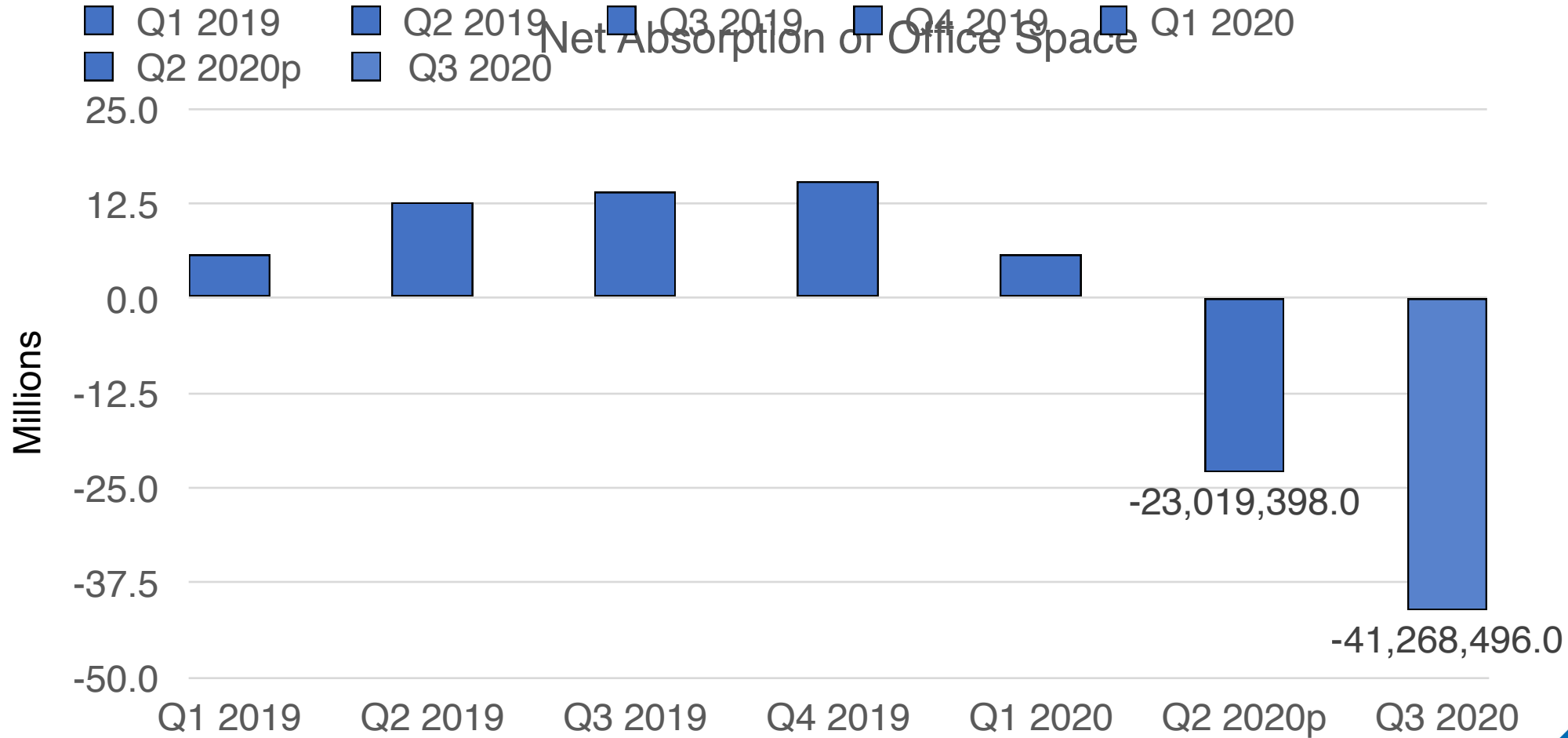


Price of Softwood Lumber



Work-From-Home and Change in Location Preference?

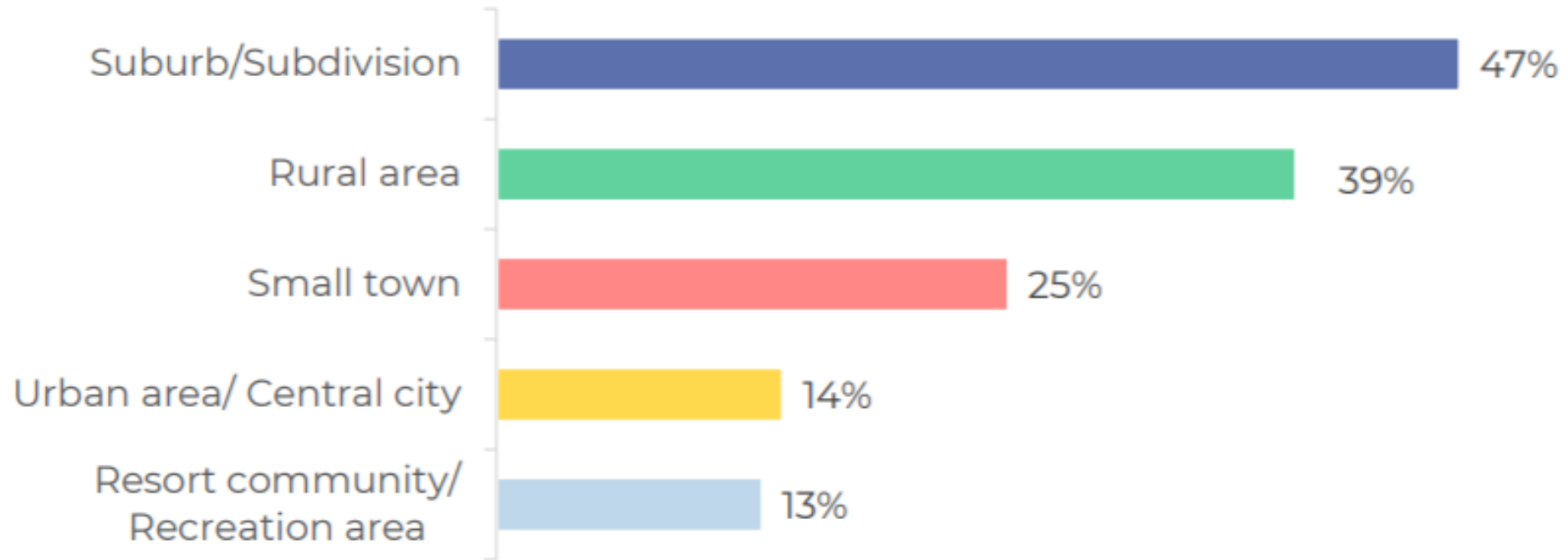
Office Occupancy Falls (-74 million square feet in Q2 and Q3)



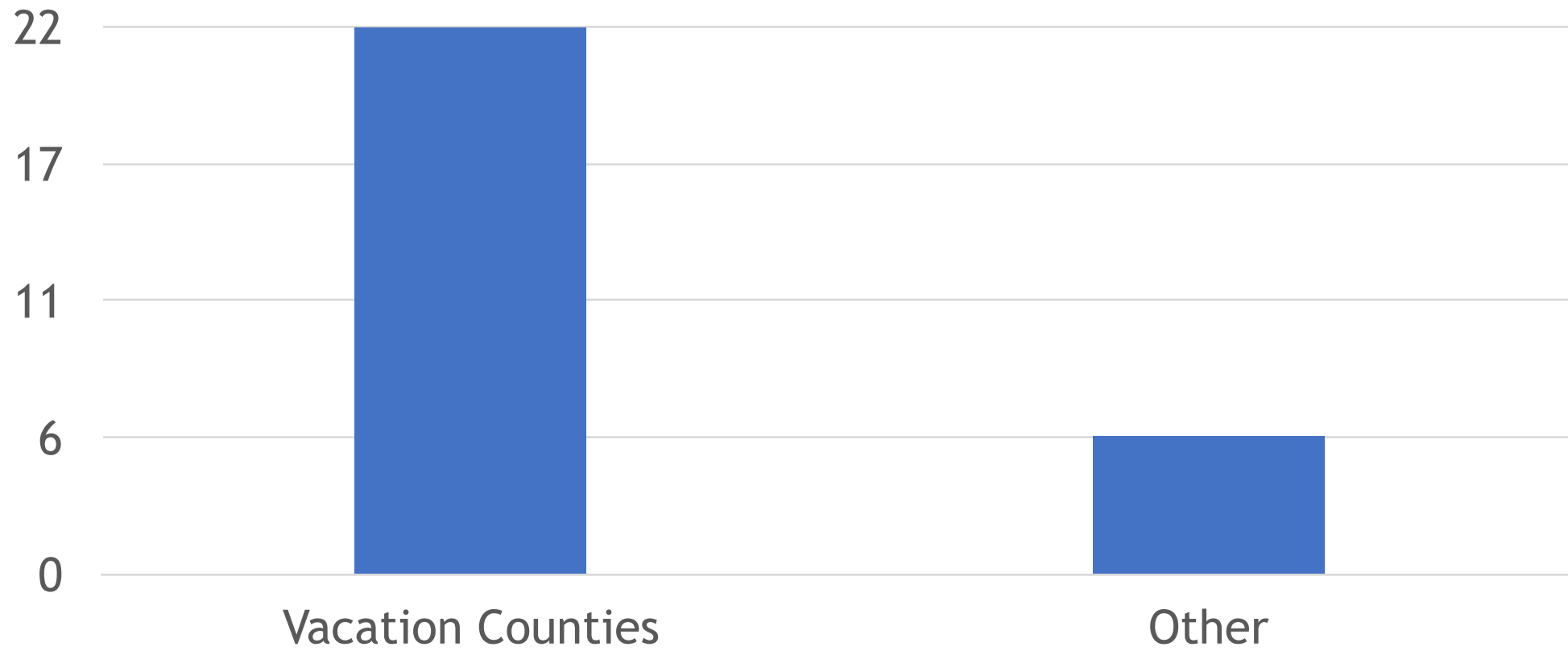
Source: Cushman and Wakefield

REALTOR® Survey about their Clients Residential Choice

WHICH BEST DESCRIBES THE LOCATIONS OF THE HOMES IN WHICH THESE CLIENTS ARE NOW INTERESTED IN PURCHASING? (CHECK ALL THAT APPLY)



Home Sales in Vacation Counties much Stronger



Economic Forecast

	2019	2020 Forecast	2021 Forecast
GDP Growth	2.3%	-5%	+4%
Job Gains	+2.2 million	- 7 million	+ 3 million
10-Year Treasury	2.1%	0.9%	1.0%
Consumer Price Inflation	1.8%	1.0%	1.6%

Housing Market Forecast

	2019	2020 Forecast	2021 Forecast
Mortgage Rates	3.9%	3.0%	3.1%
New Home Sales	+11%	+20%	+23%
Existing Home Sales	0%	3%	9%
Home Price	4.9%	6%	3%

Biden Presidency

Homebuyer tax credit ... \$15,000 at closing

1031 exchange vulnerable ... land sales to developable lots

Looser Monetary Policy

Bigger Fiscal Policy ... extend mortgage forbearance?

Temporary Lockdown to contain virus?

Thank You