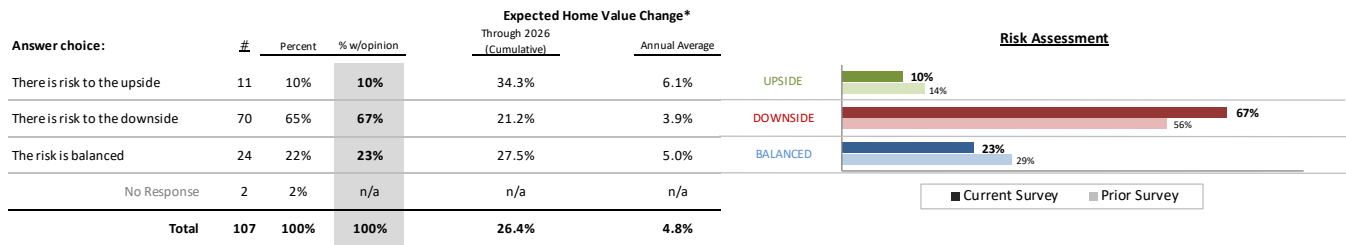


Topic: Risk Assessment of Home Price Forecast

Which choice best applies to your long-term outlook for home values?



*Mean expectations of respondents by answer choice. A total of 107 panelists participated in this quarter's survey.

Topic: Housing Market Transition

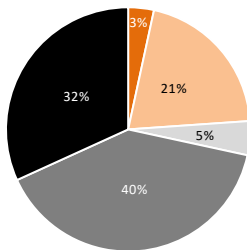
Home value growth that hit record highs in 2021 is now slowing in markets across the country, and in some areas, values have fallen month-over-month. Despite this transition, however, home buyers continue to face strong affordability headwinds, and in an environment of rising mortgage rates, more prospective home purchasers' homeownership hopes hinge on home prices falling from current levels, not merely slower price appreciation rates.

For each of the following geographic regions, please indicate your view of the likelihood of home prices declining from current levels region-wide during the next 12 months.

■ Highly unlikely ■ Somewhat unlikely ■ Not sure ■ Somewhat likely ■ Highly likely

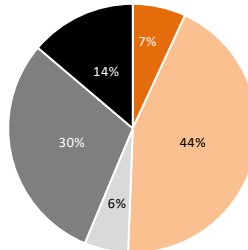
Expensive, coastal markets

(e.g., Seattle, San Francisco, Boston, New York)



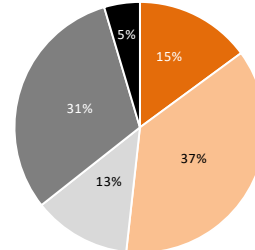
Fast-growing Southeast markets

(e.g., Atlanta, Nashville, Charlotte)



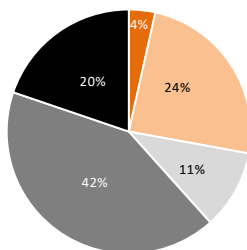
Relatively inexpensive Midwest markets

(e.g., Columbus, Indianapolis, Minneapolis/St. Paul)



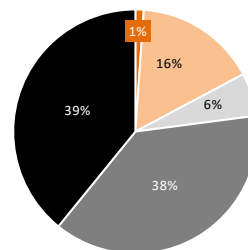
Inland West markets

(e.g., Phoenix, Salt Lake City, Las Vegas)



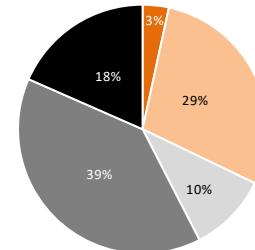
Pandemic superstar markets

(e.g., Boise, Austin, Raleigh)



Florida markets

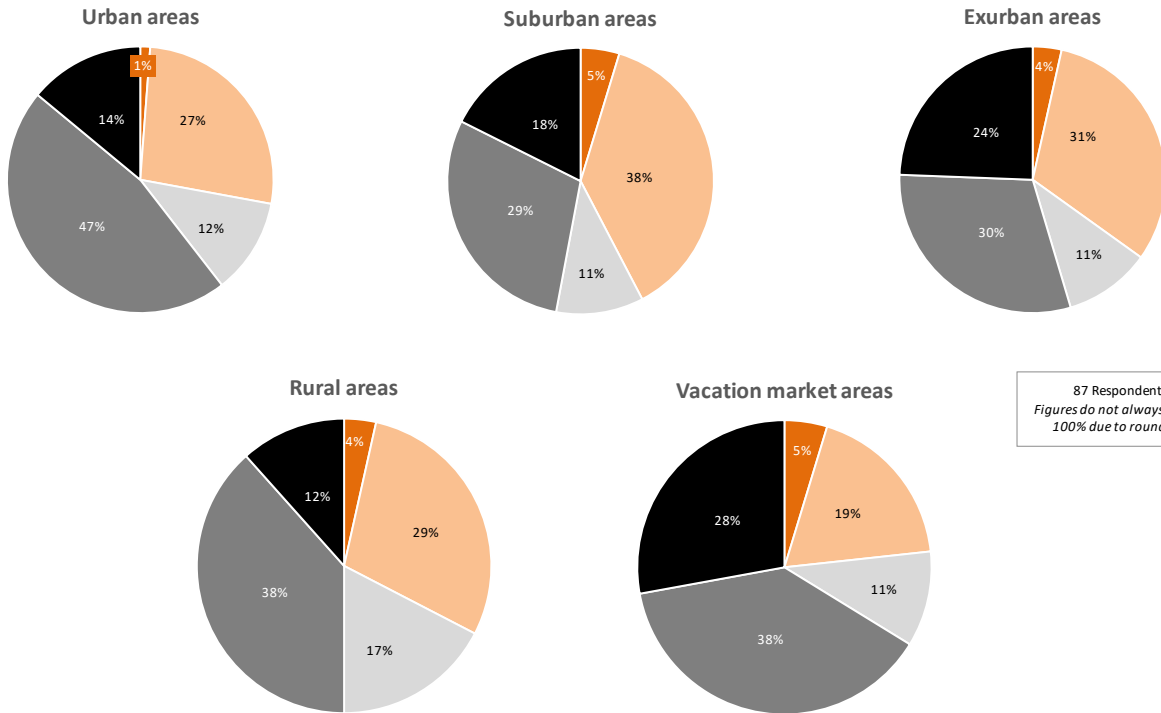
(e.g., Tampa, Orlando, Sarasota, Miami)



89 Respondents. Figures do not always sum to 100% due to rounding.

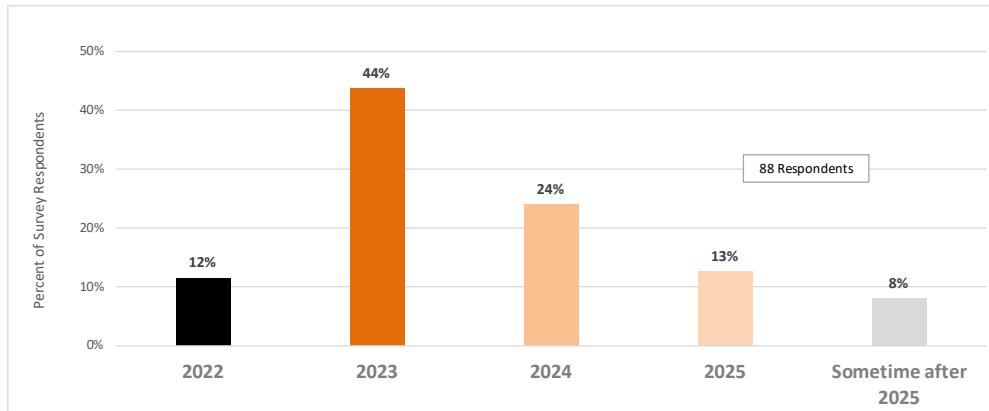
For each of the following market types, please indicate your view of the likelihood of home prices declining from current levels during the next 12 months.

■ Highly unlikely
 ■ Somewhat unlikely
 ■ Not sure
 ■ Somewhat likely
 ■ Highly likely



For home buyers, the housing market of late 2020 and 2021 was arguably the most competitive in decades. Sellers clearly had the upper hand as there were many more would-be buyers than available homes. While affordability remains a major obstacle for today's home buyers, competition among them is easing, leading to more listings with a price cut and fewer homes being sold above their list price.

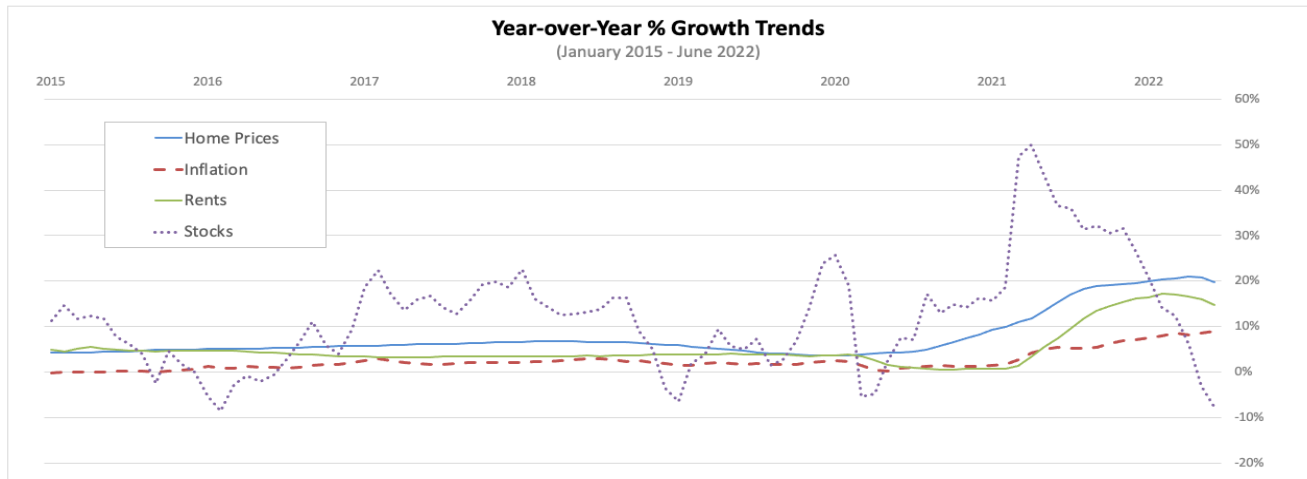
In what year do you expect U.S. housing market conditions to shift decidedly in favor of home buyers?



Figures do not sum to 100% due to rounding.

Topic: Expected relative growth rates of U.S. home values, rent prices, stock prices, and inflation

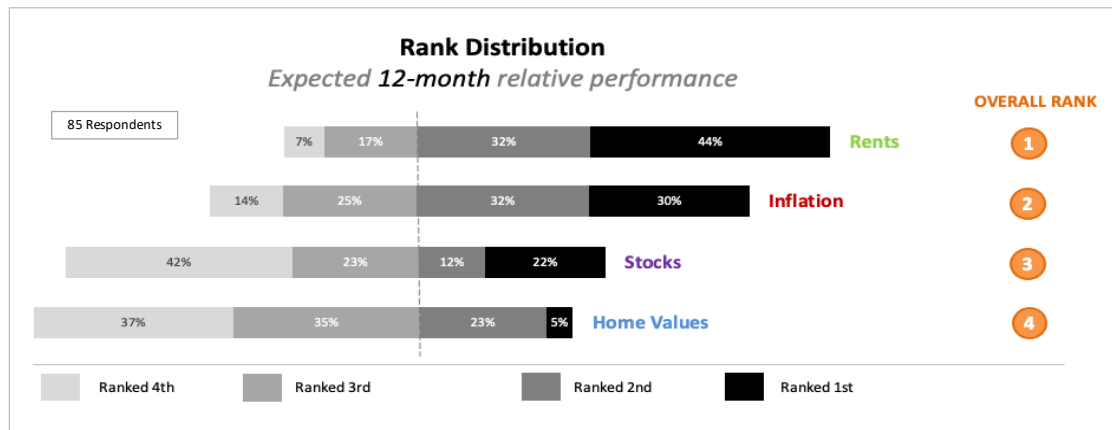
Price levels and volatility in various sectors of the U.S. economy have been elevated in recent years.



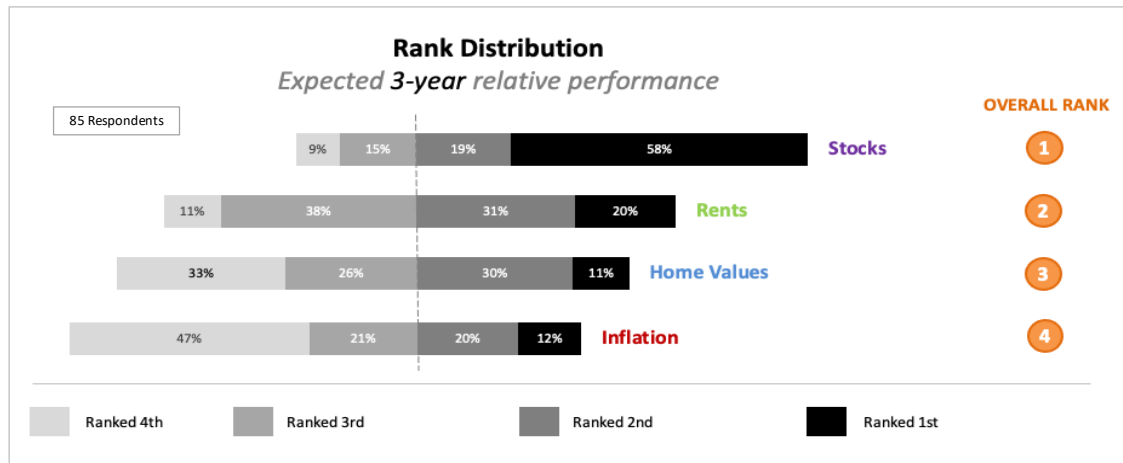
Data sources

Home Prices Zillow Home Value Index (ZHVI)
Inflation U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers: All Items in U.S. City Average, retrieved from FRED, Federal Reserve Bank of St. Louis
Rents Zillow Observed Rent Index (ZORI)
Stocks S&P Dow Jones Indices LLC, S&P 500 [SP500], retrieved from FRED, Federal Reserve Bank of St. Louis

The four indicators above ranked from highest to lowest according to the growth rate expected over the coming 12 months



The four indicators above ranked from highest to lowest according to the growth rate expected over the coming 3 year period



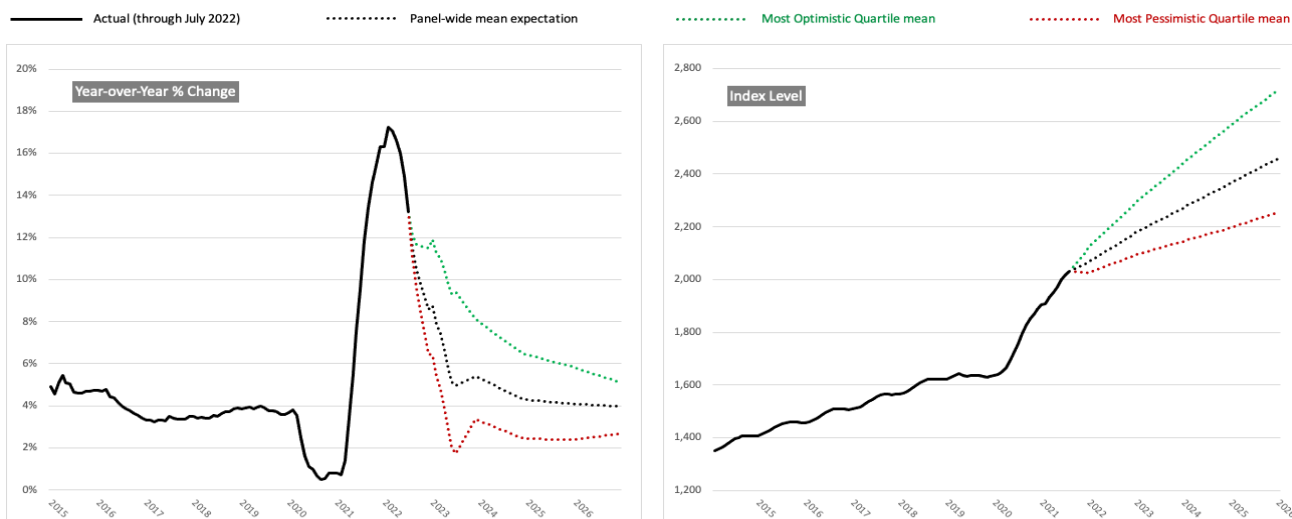
Topic: Expected U.S. Rent Price Growth Rate

The growth rate in U.S. rent prices has begun cooling after surging last year.

What are your expectations for annual rent price growth nationally through 2026?

U.S. Home Rent Price Expectations (2022-2026)

Based on panelists' projections of the U.S. Zillow Observed Rent Index (ZORI)



95 respondents

Quartiles are based on panelists' expected cumulative rent price change through Q4 2026.

Expected Year-over-Year % Change (December/December)

		2022	2023	2024	2025	2026
Panel-wide mean	1-Year	8.6%	5.4%	4.3%	4.1%	4.0%
	Cumulative	8.6%	14.5%	19.4%	24.3%	29.3%
Optimistic Quartile mean	1-Year	11.5%	8.1%	6.5%	5.9%	5.1%
	Cumulative	11.5%	20.5%	28.3%	35.9%	42.9%
Pessimistic Quartile mean	1-Year	6.5%	3.4%	2.4%	2.4%	2.7%
	Cumulative	6.5%	10.1%	12.7%	15.4%	18.5%

Implied Year-end ZORI Levels (derived from expected YoY % rent change data)

	2022	2023	2024	2025	2026
Panel-wide mean	2067	2179	2272	2366	2460
Optimistic Quartile mean	2121	2294	2442	2586	2718
Pessimistic Quartile mean	2026	2094	2146	2197	2255