

Q4 2021 Zillow Home Price Expectations Survey - Supplemental Questions

Topic: Risk Assessment of Home Price Forecast

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

Answer choice:	#	Percent	% w/opinion	Expected Home Value Change*		Risk Assessment	
				Through 2026 (Cumulative)	Annual Average		
There is risk to the upside	25	24%	25%	47.1%	6.6%	UPSIDE	
There is risk to the downside	41	39%	40%	40.6%	5.8%	DOWNSIDE	
The risk is balanced	36	34%	35%	44.2%	6.3%	BALANCED	
No Response	4	4%	n/a	n/a	n/a		
Total	106	100%	100%	43.3%	6.2%		

*Mean expectations of respondents by answer choice. A total of 106 panelists participated in this quarter's survey.

Topic: Housing Supply

While housing starts overall have been solid through the pandemic, the overall level of housing construction activity remains well below past peak levels reached in the 2000s, 1980s and 1970s.

Do you agree or disagree with the following statement:
"The housing stock of the United States is underbuilt."
(99 respondents)

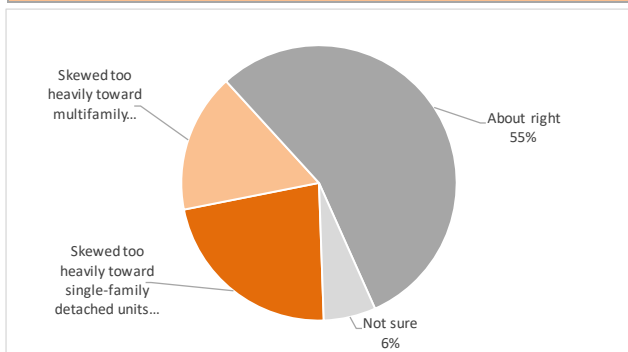


(For the 83 panelists who responded "agree" to the preceding question)
Do you feel that the housing supply shortage is more concentrated
in the single-family or multifamily market segment?

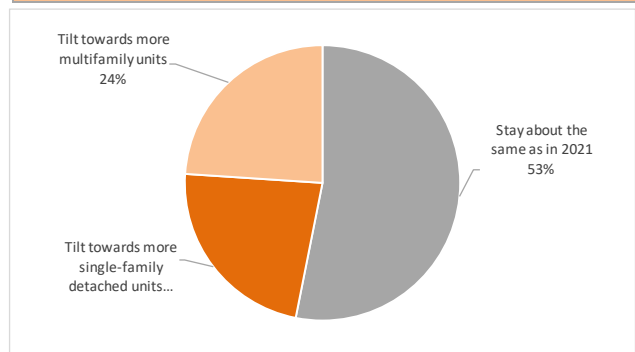


Among the 1.21 million homes started through the first 9 months of 2021, 71% were single-family detached residences, and 29% were units within multifamily projects.

In your opinion, is this distribution...
(98 respondents)



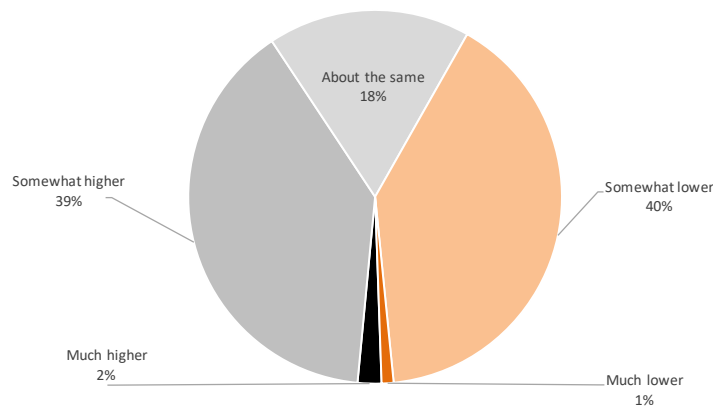
In 2022, do you expect this distribution to:
(96 respondents)



Topic: Home Sales Outlook for 2022

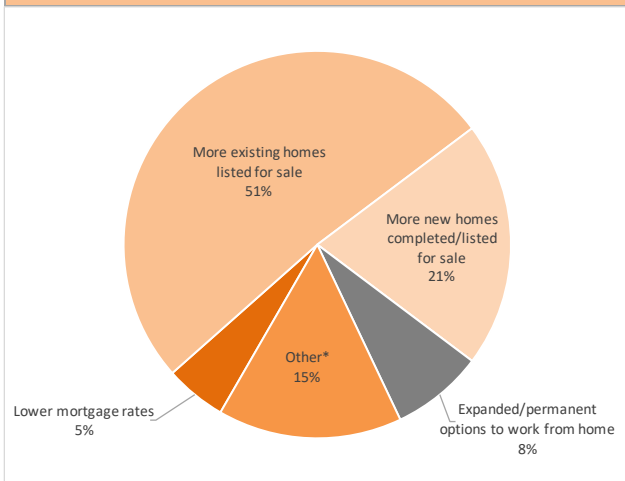
Zillow currently projects 6.04 million existing home sales in 2021. The latest new home sales estimate from the U.S. Census Bureau shows we are on pace for about 784,000 new single-family home sales in 2021. Combined, that is 6.79 million total home sales projected for 2021.

Which of the following choices best reflects your outlook for total U.S. homes sales in 2022?
Relative to 2021, total home sales volume in 2022 will be...
(97 respondents)



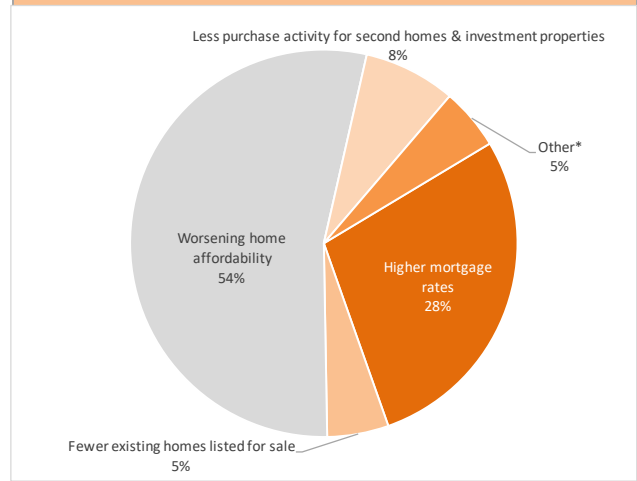
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(39 panelists who responded "higher" to the preceding question answered the following probe)
The most important factor driving next year's home sales higher will be...



*Other: Continued migration out of cities (2), demographics (2), diminished pandemic-related health concerns (1), improved home affordability (1)

(39 panelists who responded "lower" to the preceding question answered the following probe)
The most important factor driving next year's home sales lower will be...



*Other: Persistent/elevated pandemic-related health concerns; Less buyer demand and more inventory

Topic: Home Value Outlook for Downtown Markets

Recent Zillow research found that while home values within a short commute of downtown job centers in many large, expensive metros generally remain higher than those farther away, the rate of home value growth has been higher over the past two years in areas farther from the downtown core -- a reversal of pre-pandemic trends.

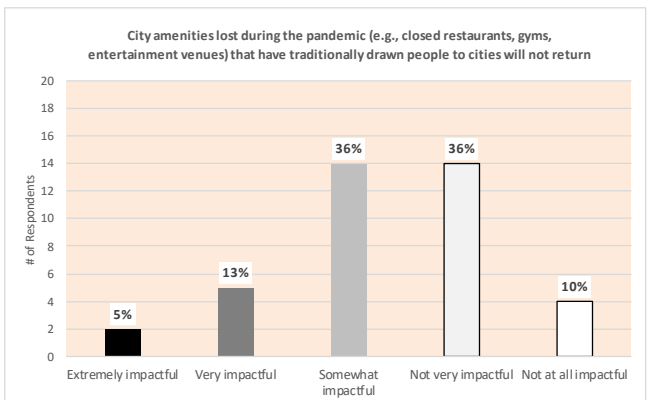
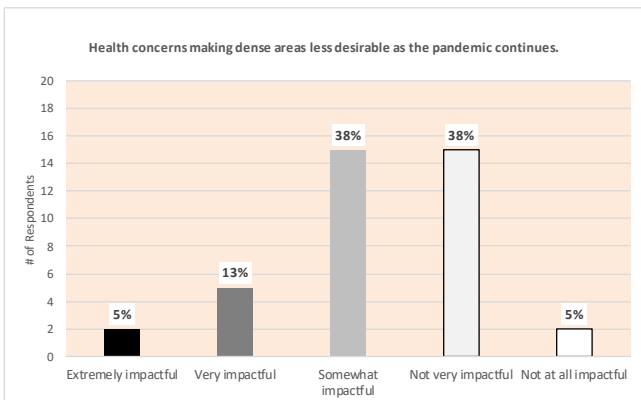
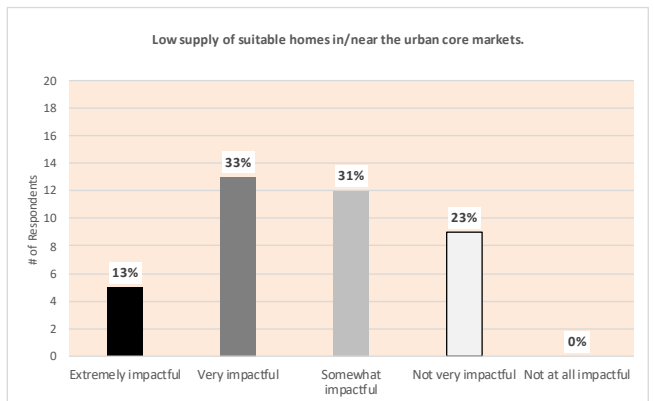
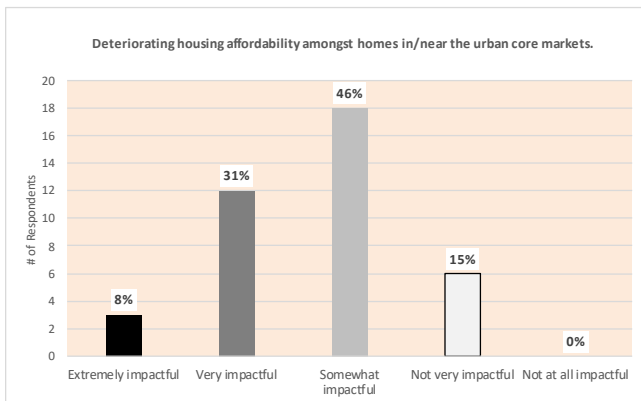
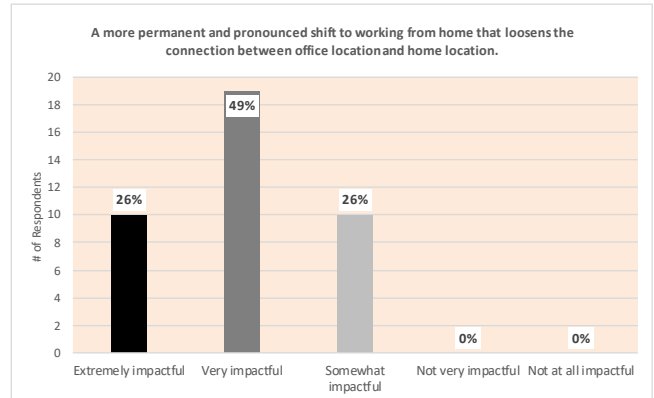
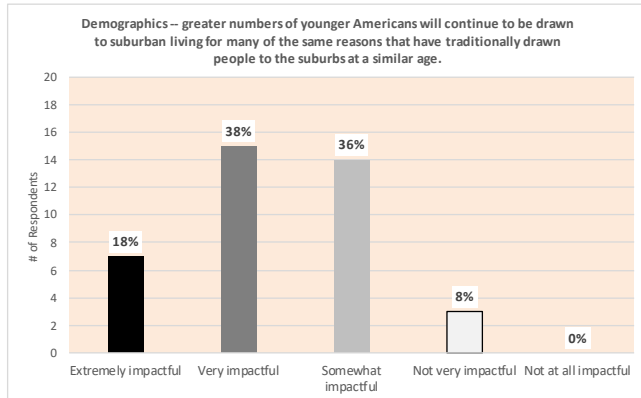
Do you expect this trend of higher home value growth in areas outside of the downtown core to continue into 2022?

(97 Respondents. Chart excludes 7 indeterminate responses)



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(39 panelists who responded "yes" to the preceding question answered the following probe)
Please indicate your view re: how impactful each of the following factors will be in continuing the current trend.



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(28 panelists who responded "no" to the preceding question answered the following probe)
Please indicate your view re: how impactful each of the following factors will be in reversing the current trend.

