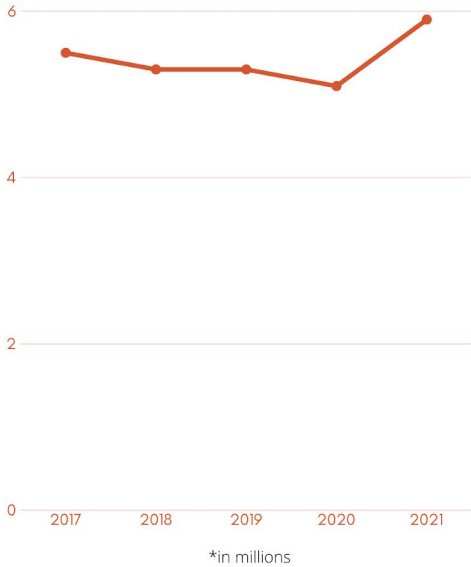


REAL ESTATE REPORT 2020

THE FOLLOWING REPORT IS PROVIDED BY OFFRS.COM A LEADER IN PREDICTIVE ANALYTICS FOR REAL ESTATE. THE PREDICTIVE MODELS AND ALGORITHMS WHICH PREDICT FUTURE EVENTS ARE BASED ON THE LIMITED DATA COLLECTED AND PROVIDE INSIGHTS INTO FUTURE OUTCOMES.

REAL ESTATE MARKET PREDICTION

Machine Learning algorithms predict the next 24 months in real estate sales.



SUMMARY HIGHLIGHTS:

- Expect a slow down of Real Estate sales due to Covid-19 in 2020. Estimated drop of 12% for 2020. Original estimates were 5.52M Home Sales. Current models suggest 4.8M Home Sales in 2020. The primary drivers for the adjustment are the impact of Covid-19 which includes a slow-down of new home construction and market conditions.
- Expect a surge of Home Sales in 2021 which will include home sales increasing up to 38% in major markets and up to 5.9M total for U.S. market. The primary drivers in the predictive model include interest rates, the strengthening of the U.S. dollar, the shift of investment portfolios into real estate and the drop in home valuations.
- Expect Home Valuations do rapidly decline in 2020 and stabilize in early 2021. Current estimates are 15% in most markets, but some markets may see upwards of 18% off current valuations.

KEY FACTORS DRIVING PREDICTION MODEL

The Covid-19 Event has been the primary driving force behind the shifts in the model. This includes the following events:

- Interest Rates at 0%
- Stock Market
- Expected Slow Down of New Home Building
- Financial Stress due to expected Job Loss
- Movement of Investment into Real Estate due to lower Home Values

EARLY INDICATORS

The following are early indicators that are primary variables used in our predictive modeling:

- Housing Starts estimated drop 4%, however Permits were at a 13-year high in January. There is a short-term concern on permits being processed and ability to start construction due to shutdowns caused by Covid-19.
- Lower Interest Rates and instability in the Stock Market will drive investment into the housing market.
- Estimated increase in unemployment based on recent job reporting including 70,000+ filing for unemployment in early March.

ABOUT OFFRS.COM

Since 2012, offr.com has been a leader in Big Data and Predictive Analytics for real estate agents and brokerages nationwide. offr.com serves thousands of real estate professionals from major national franchise brands and large independent real estate brokerages across the U.S. offr.com is part of the Constellation Real Estate Group, which is a division of Constellation Software, Inc. The Constellation Real Estate Group operates a diverse group of leading technology brands in the real estate and mortgage industries.

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