

# The Barclays Real Estate A.G.E.N.T.

(Analyzing, Gauging, & Exploring Neighborhood Trends)

## U.S. Homebuilding & Building Products

### Matthew Bouley

+1 212 526 9029  
matthew.bouley@barclays.com  
BCI, US

### Marshall Mentz

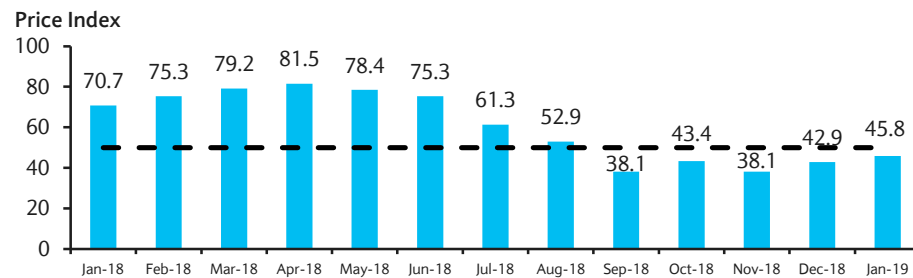
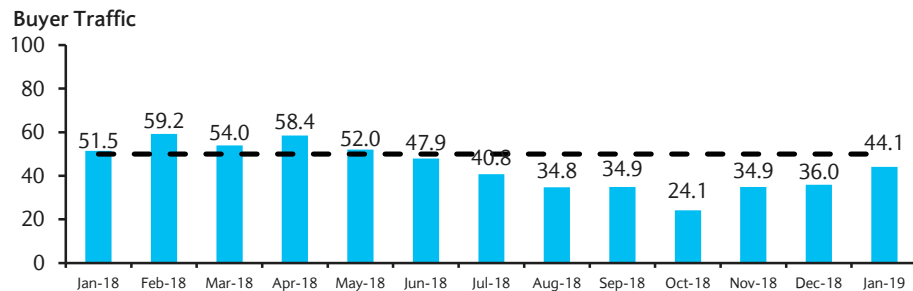
+1 212 526 5941  
marshall.mentz@barclays.com  
BCI, US

### Christina Chiu

+1 212 526 1341  
christina.chiu@barclays.com  
BCI, US

## Homebuilding & Building Products

February 5, 2019



Source: Barclays Research

Barclays Capital Inc. and/or one of its affiliates does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report.

Investors should consider this report as only a single factor in making their investment decision.

PLEASE SEE ANALYST CERTIFICATIONS AND IMPORTANT DISCLOSURES BEGINNING ON PAGE 45.

# January 2019 Real Estate A.G.E.N.T. Survey

## Lower Mortgage Rates and Ongoing Price Reductions Boost Traffic

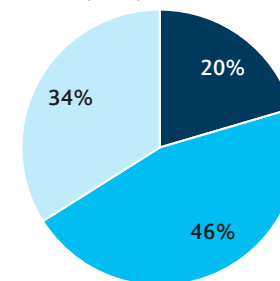
**Traffic Improves in January:** Our Buyer Traffic Index was higher in January at a reading of 44, up 8 pts from 36 in December, though still indicating traffic trends just below seasonal norms. Agents observed buyers responding to the stabilization of interest rates coupled with ongoing price reductions on re-sales and further builder incentives on new construction. Agents in multiple markets also observed demand spurred by healthy local job markets and corporate relocations. On the other hand, affordability challenges and a lack of quality lower-priced inventory continued to weigh on demand overall, with many prospective buyers showing limited urgency and preferring to wait for further price reductions or more listings during the Spring. This was exacerbated by stressed consumer confidence related to the government shutdown, economic uncertainty, and stock market volatility in January.

**Buyer Traffic Closer to Seasonal Expectations:** In January, 10 of 40 markets surveyed saw better-than-expected traffic (4 in December), 9 saw traffic in-line with expectations (9 in December), and 21 saw lower than expected traffic (27 in December). The Southeast was the strongest region during the month, increasing +25 pts sequentially to a reading of 52 supported by strength in Nashville, Charleston, and Raleigh, though Charlotte was still soft. The Mid-Atlantic and Pacific NW regions also demonstrated strong sequential improvements of +12 pts and +27 pts, respectively. Florida registered the lowest absolute traffic score of 35 (-3 pts m/m), led by weakness in Sarasota, Tampa, and Orlando, despite strength in Fort Myers and Jacksonville. California (+11 pts to 43 m/m) improved though remains slightly below normal.

**Prices Down Sequentially:** Our Home Price Index registered a 46 reading in January, up 3 pts from December, indicating prices again softened sequentially though reductions were less widespread than last month. Of the 40 markets surveyed, 13 saw higher prices m/m (5 in December), 7 experienced flat prices (14 in December) and 20 saw lower prices (21 in December). The Southeast (60) and Midwest (56) regions registered the greatest price increases, while California (30) registered the most widespread observations of price reductions.

	Buyer Traffic	Home Price	Incentive	Home Listings	Time to Sell
Month	Index	Index	Index	Index	Index
Aug-18	34.8	52.9	38.5	41.8	29.9
Sep-18	34.9	38.1	28.6	40.6	17.1
Oct-18	24.1	43.4	31.8	33.9	19.2
Nov-18	34.9	38.1	28.6	40.6	17.1
Dec-18	36.0	42.9	29.6	42.5	20.8
Jan-19	44.1	45.8	29.1	42.0	26.4
Change	8.1	2.9	(0.5)	(0.6)	5.6

January Buyer Traffic Index



■ Better than expected ■ In-line with expectations ■ Worse than expected

Source: Barclays Research

# Table of Contents

---

## Housing Markets:

- 3 Atlanta, Georgia
- 4 Austin, Texas
- 5 Baltimore, Maryland
- 6 Boston, Massachusetts
- 7 Charleston, South Carolina
- 8 Charlotte, North Carolina
- 9 Chicago, Illinois
- 10 Cincinnati, Ohio
- 11 Columbus, Ohio
- 12 Dallas, Texas
- 13 Denver, Colorado
- 14 Detroit, Michigan
- 15 Fort Myers, Florida
- 16 Houston, Texas
- 17 Inland Empire, California
- 18 Jacksonville, Florida
- 19 Kansas City, Missouri
- 20 Las Vegas, Nevada
- 21 Los Angeles, California
- 22 Miami, Florida
- 23 Minneapolis, Minnesota
- 24 Nashville, Tennessee

Source: Barclays Research

## Housing Markets Continued:

- 25 New York, New York-Northern New Jersey
- 26 Orange County, California
- 27 Orlando, Florida
- 28 Philadelphia, Pennsylvania-Southern New Jersey
- 29 Phoenix, Arizona
- 30 Portland, Oregon
- 31 Raleigh, North Carolina
- 32 Sacramento, California
- 33 San Antonio, Texas
- 34 San Diego, California
- 35 San Francisco, California
- 36 Sarasota, Florida
- 37 Seattle, Washington
- 38 Tampa, Florida
- 39 Tucson, Arizona
- 40 Virginia Beach, Virginia
- 41 Washington, D.C.
- 42 Wilmington, North Carolina

## Appendix:

- 43 Index Methodology
- 44 Summary Data

# Atlanta, GA – Traffic Reverts Back to Seasonal Norms

(24,508 single-family building permits in 2017, 3<sup>rd</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index jumped to 50 in January vs. a reading of 17 in December, indicating trends in line with seasonal expectations.
- Home prices were unchanged during the month. Our Price Index registered a reading of 50 vs. 33 in the prior period.
- The number of home listings decreased during the month (a reading of 88), while the time to sell increased (a reading of 33).

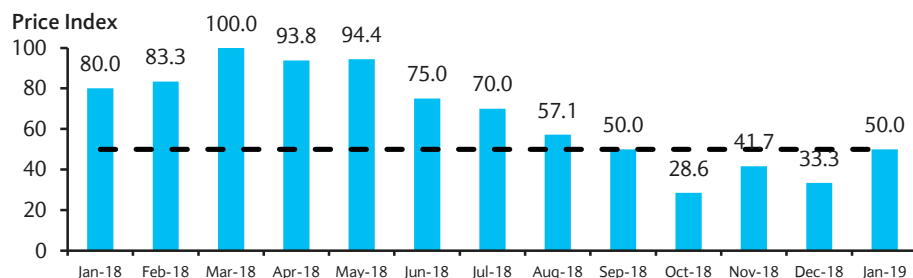
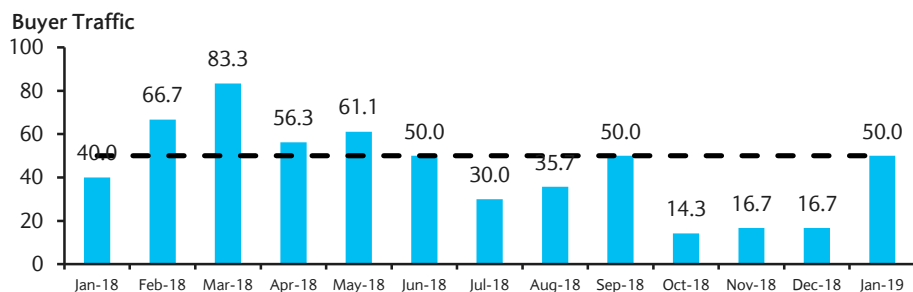
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	35.7	57.1	35.7	71.4	50.0
Sep-18	50.0	50.0	40.0	70.0	50.0
Oct-18	14.3	28.6	16.7	64.3	21.4
Nov-18	16.7	41.7	8.3	50.0	0.0
Dec-18	16.7	33.3	0.0	50.0	0.0
Jan-19	50.0	50.0	12.5	87.5	33.3
Change	33.3	16.7	12.5	37.5	33.3



Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

## Local Real Estate Agent Comments:

- “Holidays, rain, little inventory, high prices have contributed to the seasonality of buyer disinterest.”
- “Pent up demand from the slow autumn market.”
- “Continuing low inventory, higher interest rates, seasonal slowdown.”

# Austin, TX – Strong Traffic Readings Continue Supported by Healthy Job Market

(15,291 single-family building permits in 2017, 5<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index fell to 67 in January vs. a reading of 75 in December, indicating trends better than seasonal expectations.
- Home prices were unchanged during the month. Our Price Index remained flat at 50, the same level measured in the prior period.
- The number of home listings increased during the month (a reading of 42), while the time to sell also increased (a reading of 33).

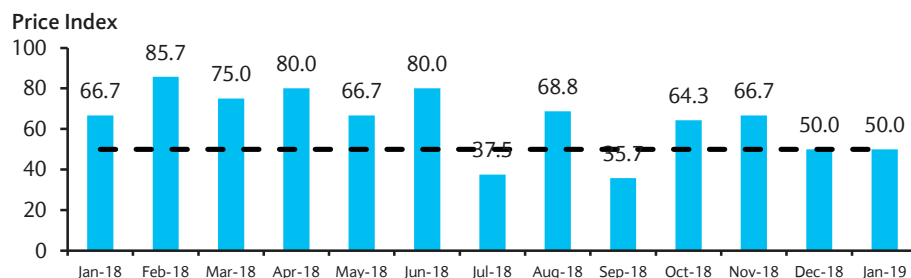
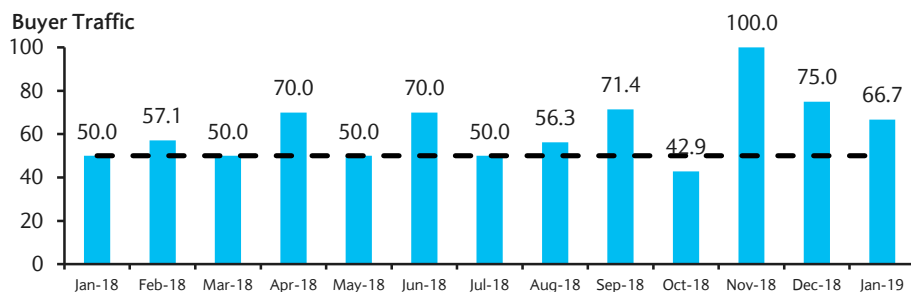
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	56.3	68.8	35.7	43.8	31.3
Sep-18	71.4	35.7	33.3	28.6	50.0
Oct-18	42.9	64.3	21.4	57.1	14.3
Nov-18	100.0	66.7	16.7	50.0	50.0
Dec-18	75.0	50.0	0.0	50.0	25.0
Jan-19	66.7	50.0	41.7	41.7	33.3
Change	(8.3)	0.0	41.7	(8.3)	8.3



## Local Real Estate Agent Comments:

- “More traffic but less serious buyers.”
- “Lower rates, new jobs.”
- “Jobs are growing.”
- “Very low inventory. Everything that is on the market has been on the market for many days.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Baltimore, MD – Traffic Improving with Interest Rate Downtick

(4,916 single-family building permits in 2017, 39<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 33 in January vs. a reading of 25 in December, indicating trends worse than seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 17 vs. 0 in the prior period.
- The number of home listings increased during the month (a reading of 25), while the time to sell also increased (a reading of 0).

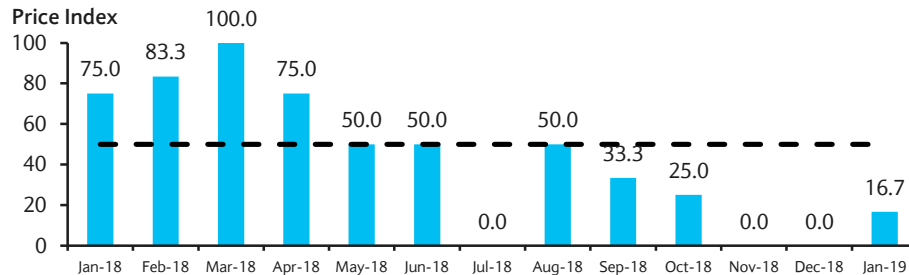
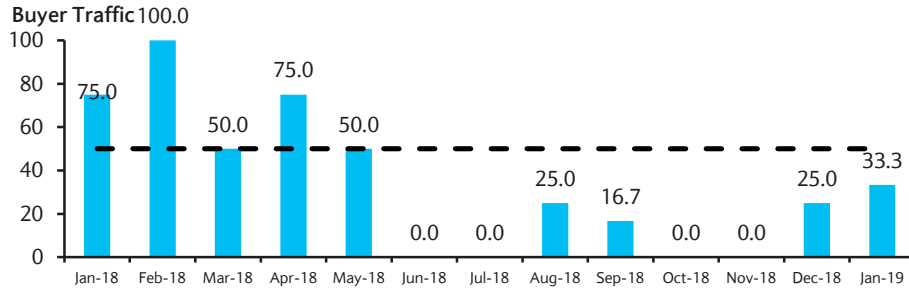
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	25.0	50.0	0.0	0.0	0.0
Sep-18	16.7	33.3	50.0	50.0	0.0
Oct-18	0.0	25.0	25.0	25.0	0.0
Nov-18	0.0	0.0	0.0	0.0	0.0
Dec-18	25.0	0.0	0.0	0.0	0.0
Jan-19	33.3	16.7	0.0	25.0	0.0
Change	8.3	16.7	0.0	25.0	0.0



Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

## Local Real Estate Agent Comments:

- “It seems like buyer activity picked up right after the New Year. Now that rates have trended down, buyers have re-started their home search.”
- “Higher interest rates and overall uncertainty.”
- “Higher end has gone cold. Entry level still waiting for rates and inventory to improve.”

# Boston, MA – Traffic Slows on Higher Prices

(4,961 single-family building permits in 2017, 33<sup>rd</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index fell to 40 in January vs. a reading of 70 in December, indicating trends worse than seasonal expectations.
- Home prices increased during the month. Our Price Index registered a reading of 60 vs. 40 in the prior period.
- The number of home listings increased during the month (a reading of 30), while the time to sell also increased (a reading of 30).

## Traffic Status:

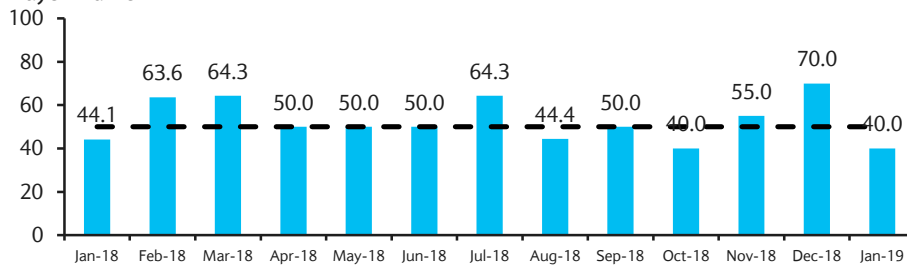


## Traffic Trend:

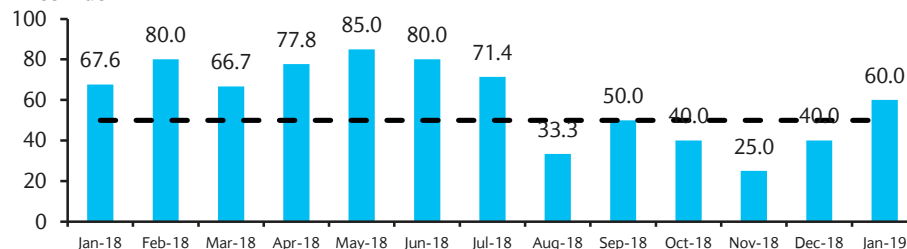


Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	44.4	33.3	56.3	61.1	27.8
Sep-18	50.0	50.0	50.0	28.6	28.6
Oct-18	40.0	40.0	40.0	40.0	0.0
Nov-18	55.0	25.0	50.0	35.0	20.0
Dec-18	70.0	40.0	50.0	40.0	20.0
Jan-19	40.0	60.0	50.0	30.0	30.0
Change	(30.0)	20.0	0.0	(10.0)	10.0

Buyer Traffic



Price Index



## Local Real Estate Agent Comments:

- “Weather has played a role, but government shutdown has also had some impact. Prices have been a big factor. They are higher than people can afford especially first time buyers.”
- “Post-Christmas spending freeze.”
- “Interest rates.”
- “No snow on the ground so better traffic.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Charleston, SC – Traffic Higher Despite Price Appreciation

(4,961 single-family building permits in 2017, 33<sup>rd</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 67 in January vs. a reading of 50 in December, indicating trends better than seasonal expectations.
- Home prices increased during the month. Our Price Index registered a reading of 67 vs. 100 in the prior period.
- The number of home listings decreased during the month (a reading of 67), while the time to sell was unchanged (a reading of 50).

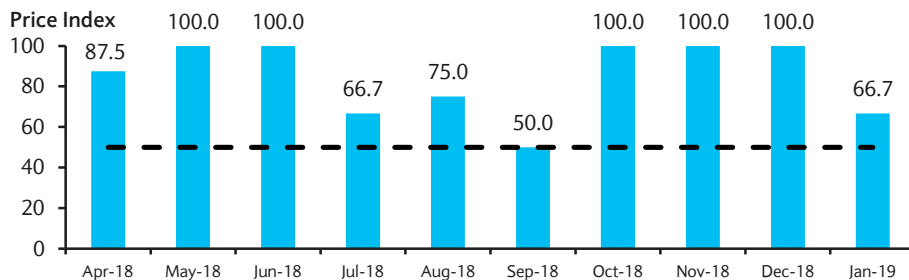
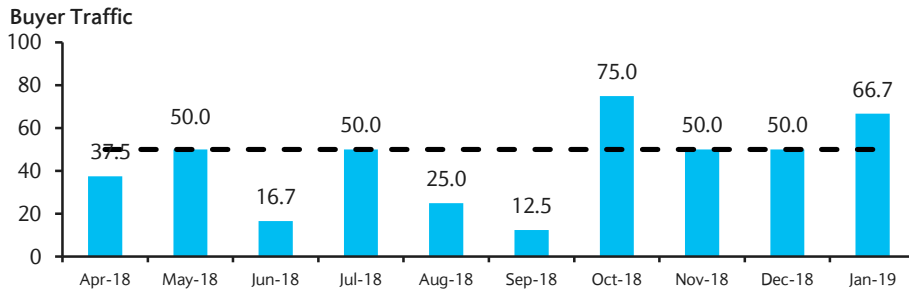
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	25.0	75.0	50.0	50.0	0.0
Sep-18	12.5	50.0	0.0	50.0	25.0
Oct-18	75.0	100.0	50.0	100.0	50.0
Nov-18	50.0	100.0	50.0	100.0	50.0
Dec-18	50.0	100.0	50.0	100.0	50.0
Jan-19	66.7	66.7	25.0	66.7	50.0
Change	16.7	(33.3)	(25.0)	(33.3)	0.0



## Local Real Estate Agent Comments:

- “Cold weather in Washington D.C. and the Northeast encouraging.”
- “Buyers not sure what they want to do. Getting back to normal after the holidays and taking their time.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau



# Charlotte, NC – Slow Demand Continues on High Mortgage Rates and Lack of Inventory

(13,970 single-family building permits in 2017, 8<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index edged higher to 17 in January vs. a reading of 13 in December, indicating trends worse than seasonal expectations.
- Home prices increased during the month. Our Price Index registered a reading of 67 vs. 75 in the prior period.
- The number of home listings decreased during the month (a reading of 67), while the time to sell increased (a reading of 17).

## Traffic Status:

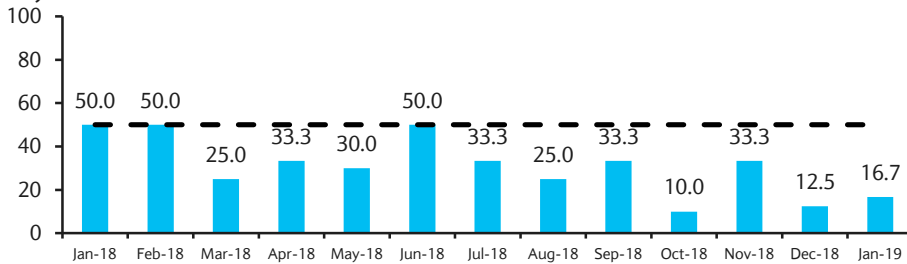


## Traffic Trend:

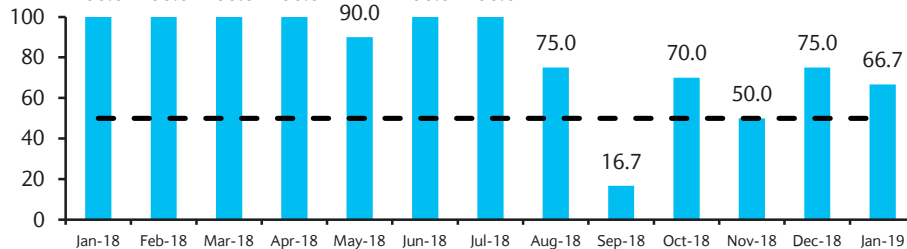


Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	25.0	75.0	50.0	62.5	25.0
Sep-18	33.3	16.7	16.7	33.3	16.7
Oct-18	10.0	70.0	20.0	30.0	20.0
Nov-18	33.3	50.0	33.3	50.0	16.7
Dec-18	12.5	75.0	50.0	75.0	25.0
Jan-19	16.7	66.7	50.0	66.7	16.7
Change	4.2	(8.3)	0.0	(8.3)	(8.3)

Buyer Traffic



Price Index



## Local Real Estate Agent Comments:

- “Higher rates combined with a lack of quality inventory.”
- “Seasonal, time of the year and the holidays have contributed to a slower market.”
- “Rising interest rates and the holiday season has slowed traffic.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Chicago, IL – Traffic Improves But Still Sluggish as Prices Decline Further

(8,312 single-family building permits in 2017, 19<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 41 in January vs. a reading of 31 in December, indicating trends worse than seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 27 vs. 28 in the prior period.
- The number of home listings was effectively unchanged during the month (a reading of 47), while the time to sell increased (a reading of 19).

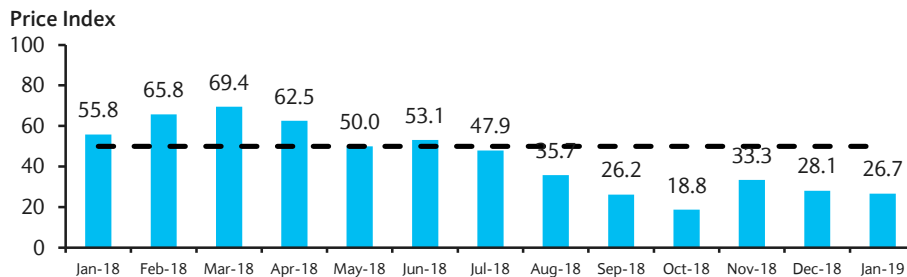
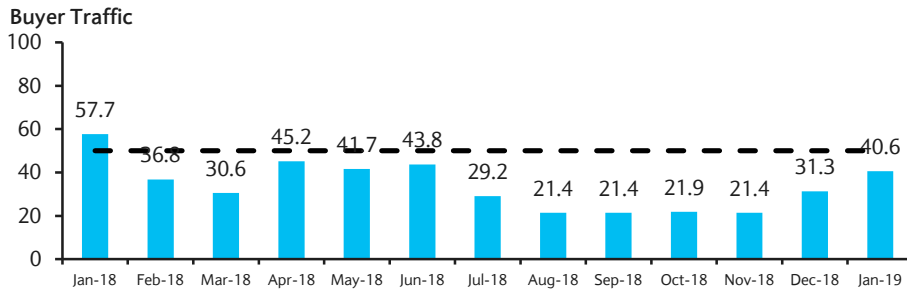
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	21.4	35.7	38.1	42.9	21.4
Sep-18	21.4	26.2	45.2	38.1	21.4
Oct-18	21.9	18.8	43.8	37.5	9.4
Nov-18	21.4	33.3	33.3	60.0	25.0
Dec-18	31.3	28.1	37.5	50.0	25.0
Jan-19	40.6	26.7	33.3	46.9	18.8
Change	9.4	(1.5)	(4.2)	(3.1)	(6.3)



## Local Real Estate Agent Comments:

- “Buyers are waiting and seeing where the economy is heading between the government shutdown and interest rates.”
- “Seasonal drop in prices and a drop in interest rates.”
- “Shortage of homes on the market.”
- “Time of year, interest rates have come down a little.”
- “Chicago politics, the weather and general economics.”
- “The market is still in its holiday hibernation.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Cincinnati, OH – Higher Incentives Driving Better Traffic Despite Limited Inventory

(4,440 single-family building permits in 2017, 43<sup>rd</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 50 in January vs. a reading of 25 in December, indicating trends in line with seasonal expectations.
- Home prices increased during the month. Our Price Index registered a reading of 100 vs. 50 in the prior period.
- The number of home listings decreased during the month (a reading of 100), while the time to sell also decreased (a reading of 100).

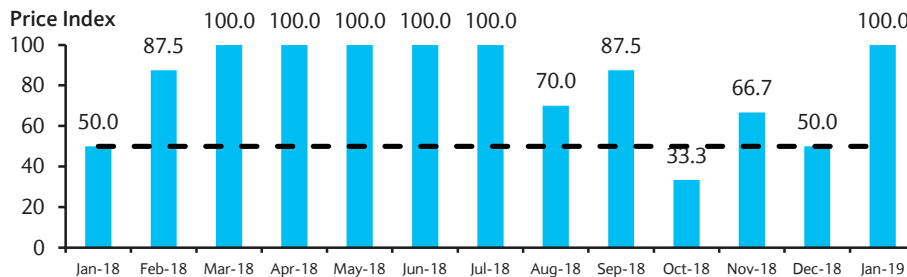
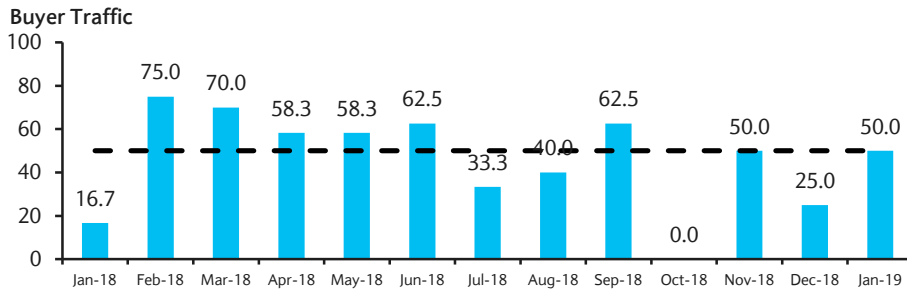
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	40.0	70.0	40.0	50.0	40.0
Sep-18	62.5	87.5	37.5	50.0	25.0
Oct-18	0.0	33.3	33.3	66.7	33.3
Nov-18	50.0	66.7	33.3	50.0	33.3
Dec-18	25.0	50.0	25.0	75.0	50.0
Jan-19	50.0	100.0	0.0	100.0	100.0
Change	25.0	50.0	(25.0)	25.0	50.0



## Local Real Estate Agent Comments:

- “Limited availability in inventory.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Columbus, OH – Limited Affordable Listings Drive Lower Traffic

(4,248 single-family building permits in 2017, 46<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index fell to 42 in January vs. a reading of 50 in December, indicating trends worse than seasonal expectations.
- Home prices increased during the month. Our Price Index registered a reading of 67 vs. 100 in the prior period.
- The number of home listings increased during the month (a reading of 33), while the time to sell also increased (a reading of 17).

## Traffic Status:

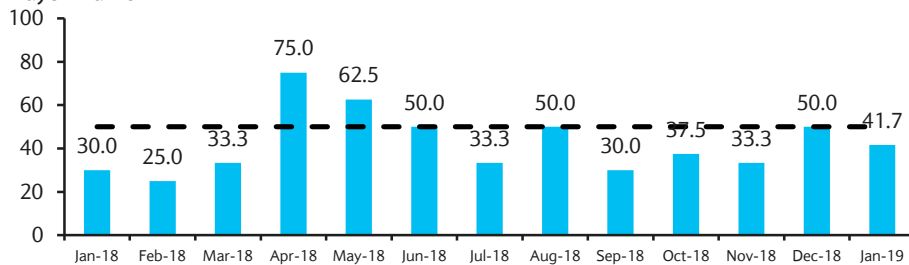


## Traffic Trend:

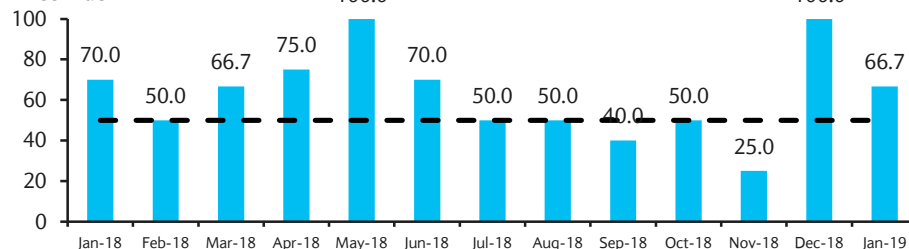


Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	50.0	50.0	50.0	50.0	50.0
Sep-18	30.0	40.0	40.0	20.0	20.0
Oct-18	37.5	50.0	37.5	12.5	25.0
Nov-18	33.3	25.0	0.0	75.0	0.0
Dec-18	50.0	100.0	50.0	0.0	50.0
Jan-19	41.7	66.7	25.0	33.3	16.7
Change	(8.3)	(33.3)	(25.0)	33.3	(33.3)

Buyer Traffic



Price Index



## Local Real Estate Agent Comments:

- “Higher pricing and limited available listings available under \$200K price range.”
- “Weather changes, still low inventory.”
- “Frigid weather, snow & post holiday slowdown.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Dallas, TX – Traffic Slips; Home Prices Still Elevated Despite Recent Reductions

(34,461 single-family building permits in 2017, 2<sup>nd</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index fell to 25 in January vs. a reading of 33 in December, indicating trends worse than seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 25 vs. 44 in the prior period.
- The number of home listings increased during the month (a reading of 25), while the time to sell also increased (a reading of 8).

## Traffic Status:

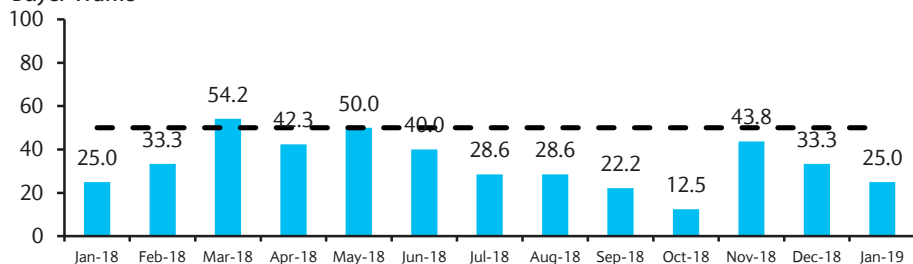


## Traffic Trend:

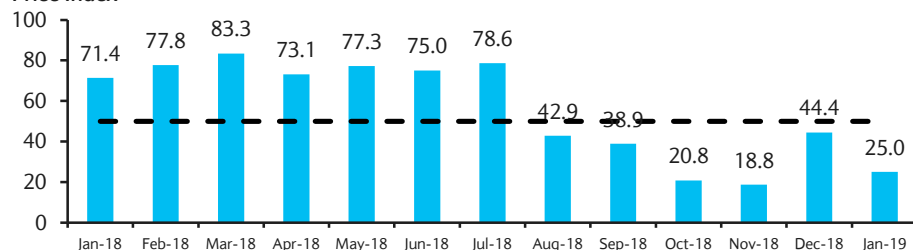


Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	28.6	42.9	35.7	28.6	14.3
Sep-18	22.2	38.9	31.3	27.8	0.0
Oct-18	12.5	20.8	4.2	16.7	0.0
Nov-18	43.8	18.8	14.3	12.5	12.5
Dec-18	33.3	44.4	12.5	27.8	11.1
Jan-19	25.0	25.0	33.3	25.0	8.3
Change	(8.3)	(19.4)	20.8	(2.8)	(2.8)

Buyer Traffic



Price Index



Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

## Local Real Estate Agent Comments:

- “Wide gap in seller expectations of pricing and buyer willingness to purchase at homes that have inflated values over the past 3 years. Increased mortgage rates driving buyers out of the market. Decrease in buyer demand from those moving into the DFW market.”
- “We are in a shifting market & prices are coming down.”
- “Continued relocation from out of state and improved rates.”
- “This time of year is always slower in our area. It usually picks up over the next 30 days.”
- “Winter, the weather, it’s usually slower this time of year.”

# Denver, CO – Demand Lower With Shortage of Quality Affordable Inventory

(10,933 single-family building permits in 2017, 11<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index fell to 29 in January vs. a reading of 46 in December, indicating trends worse than seasonal expectations.
- Home prices declined during the month. Our Price Index remained flat at 29, the same level measured in the prior period.
- The number of home listings increased during the month (a reading of 33), while the time to sell also increased (a reading of 13).

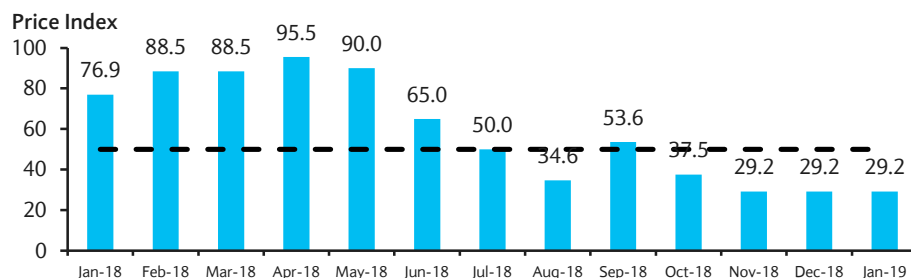
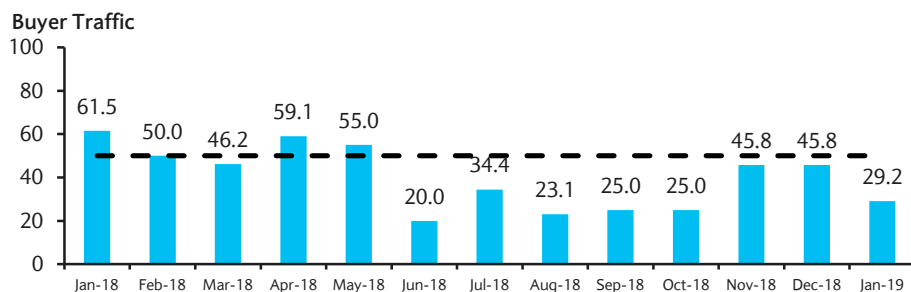
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	23.1	34.6	26.9	26.9	16.7
Sep-18	25.0	53.6	39.3	21.4	11.5
Oct-18	25.0	37.5	29.2	8.3	0.0
Nov-18	45.8	29.2	29.2	41.7	4.2
Dec-18	45.8	29.2	25.0	33.3	12.5
Jan-19	29.2	29.2	25.0	33.3	12.5
Change	(16.7)	0.0	0.0	0.0	0.0



Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

## Local Real Estate Agent Comments:

- “China stress, interest rate stress and now the government shutdown. Denver is making headway with the entry level buyer but we need more. We need higher quality entry level listings to get the market moving again.”
- “Lack of affordable housing is discouraging buyers.”
- “Houses on market in winter usually take a discounted price. Most buyers would rather house-hunt in the summer months so as to avoid changes in school during school year.”
- “Holidays and government shutdown.”
- “Seasonal and market correction on prices.”

# Detroit, MI – Traffic Below Normal But Trending Higher; Low Inventory in Lower-Priced Product

(6,613 single-family building permits in 2017, 24<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 39 in January vs. a reading of 27 in December, indicating trends worse than seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 32 vs. 36 in the prior period.
- The number of home listings increased during the month (a reading of 32), while the time to sell also increased (a reading of 14).

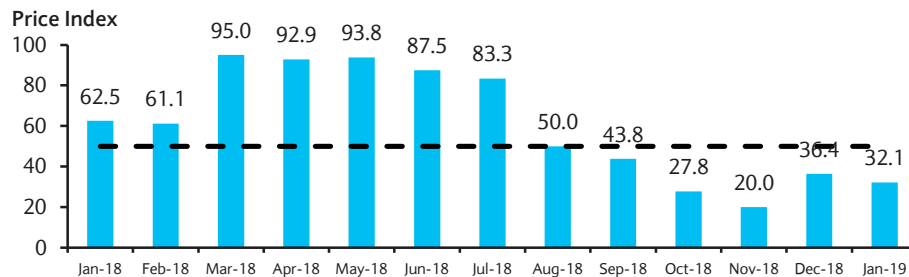
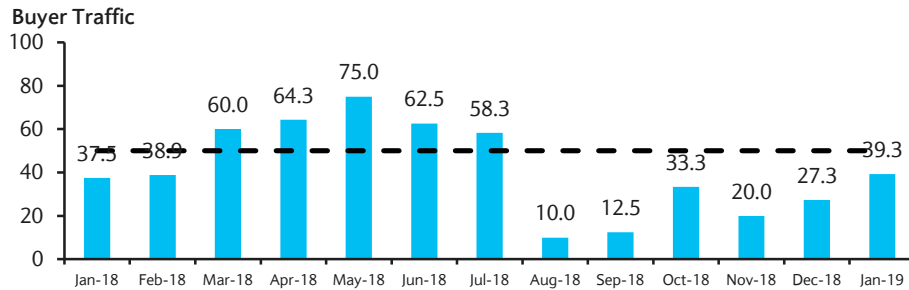
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	10.0	50.0	44.4	25.0	5.0
Sep-18	12.5	43.8	37.5	18.8	18.8
Oct-18	33.3	27.8	31.3	11.1	6.3
Nov-18	20.0	20.0	25.0	10.0	0.0
Dec-18	27.3	36.4	22.7	59.1	4.5
Jan-19	39.3	32.1	33.3	32.1	14.3
Change	12.0	(4.2)	10.6	(26.9)	9.7



## Local Real Estate Agent Comments:

- “Weather was better than usual. Pent-up demand, low inventory and fear of rising interest rates.”
- “Not enough lower priced product available.”
- “Economic uncertainty.”
- “Some sales but a fair amount of looking.”
- “Winter activity with some activity occurring.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Fort Myers, FL – Higher Traffic On Mortgage Rate Reduction

(4,798 single-family building permits in 2017, 40<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 64 in January vs. a reading of 38 in December, indicating trends better than seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 29 vs. 25 in the prior period.
- The number of home listings increased during the month (a reading of 7), while the time to sell also increased (a reading of 29).

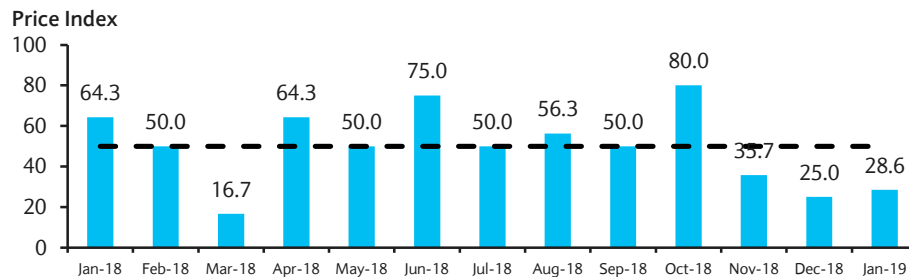
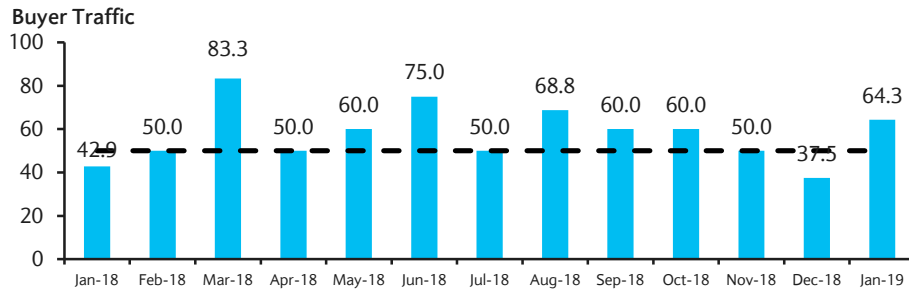
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	68.8	56.3	25.0	75.0	42.9
Sep-18	60.0	50.0	30.0	60.0	50.0
Oct-18	60.0	80.0	37.5	12.5	25.0
Nov-18	50.0	35.7	8.3	35.7	50.0
Dec-18	37.5	25.0	12.5	12.5	25.0
Jan-19	64.3	28.6	21.4	7.1	28.6
Change	26.8	3.6	8.9	(5.4)	3.6



## Local Real Estate Agent Comments:

- “More open-house traffic.”
- “More inventory and stable prices.”
- “Cold weather up North, mortgage rates backed down a bit.”
- “Good values still available in our market.”
- “Uncertainty in global economy, directions of the country and fluctuations in the stock market. Plus remaining concern about the Red Tide impact.”
- “Higher prices, higher rates and negative news regarding Red Tide.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau



# Houston, TX – Demand Returns on Price Reductions, Builder Incentives, and More Available Inventory

(39,014 single-family building permits in 2017, largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 50 in January vs. a reading of 30 in December, indicating trends in line with seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 21 vs. 25 in the prior period.
- The number of home listings increased during the month (a reading of 21), while the time to sell also increased (a reading of 21).

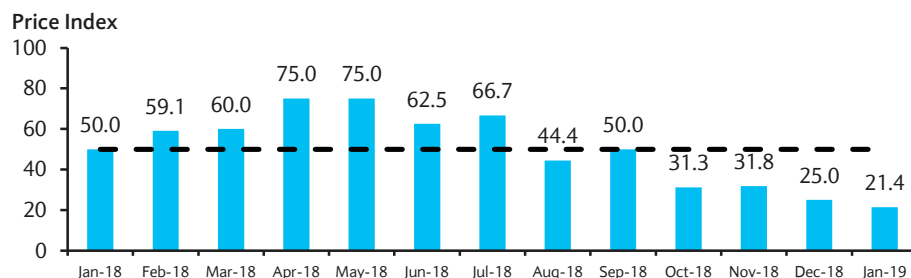
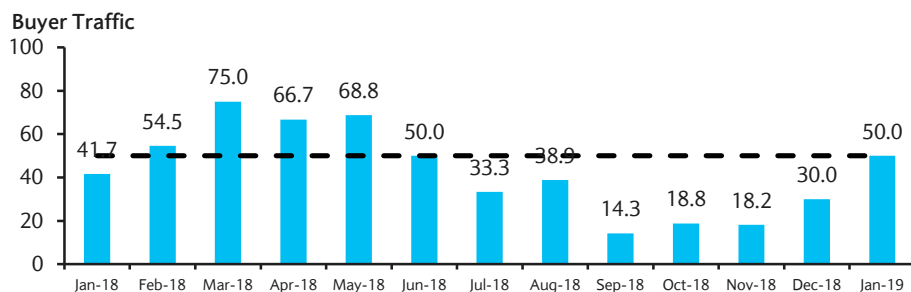
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	38.9	44.4	44.4	44.4	16.7
Sep-18	14.3	50.0	41.7	33.3	25.0
Oct-18	18.8	31.3	43.8	18.8	12.5
Nov-18	18.2	31.8	9.1	36.4	9.1
Dec-18	30.0	25.0	10.0	30.0	15.0
Jan-19	50.0	21.4	0.0	21.4	21.4
Change	20.0	(3.6)	(10.0)	(8.6)	6.4



## Local Real Estate Agent Comments:

- “Demand from all segments: move-up, empty-nesters moving down, first-time and newcomers. In particular the Luxury Market (\$750K and up) was surprisingly very strong.”
- “More inventory. Buyers realizing interest rates are still good and rental rates will continue to go up.”
- “Availability of inventory and price reductions.”
- “High Interest rates compared to what we are used to and the long tentacles of Harvey. Oil prices are bouncing around a little too much.”
- “Flood areas, devastation from Harvey.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Inland Empire, CA – Price Reductions Continue as Traffic Returns to Seasonal Norms

(9,905 single-family building permits in 2017, 14<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 50 in January vs. a reading of 36 in December, indicating trends in line with seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 20 vs. 21 in the prior period.
- The number of home listings increased during the month (a reading of 40), while the time to sell also increased (a reading of 10).

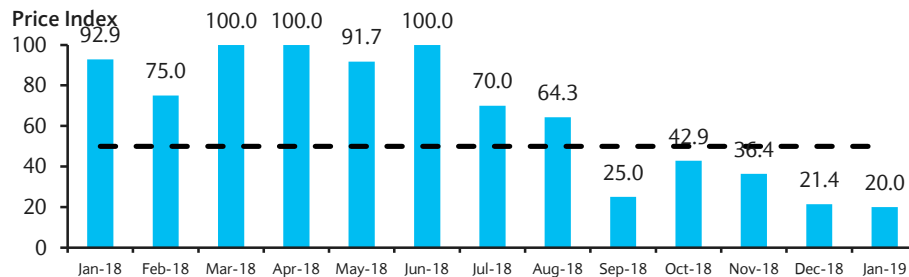
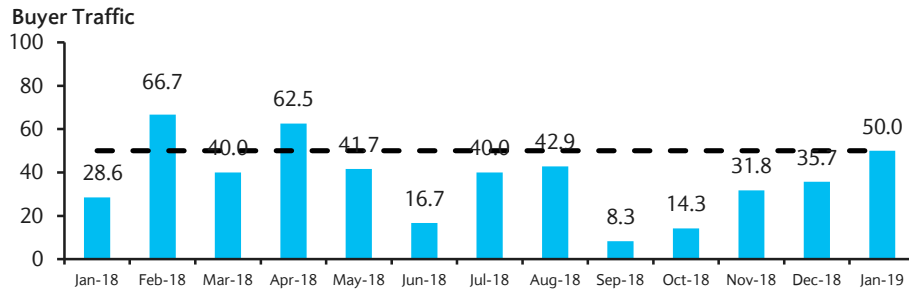
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	42.9	64.3	42.9	50.0	50.0
Sep-18	8.3	25.0	25.0	8.3	16.7
Oct-18	14.3	42.9	28.6	28.6	28.6
Nov-18	31.8	36.4	40.9	40.9	18.2
Dec-18	35.7	21.4	28.6	21.4	7.1
Jan-19	50.0	20.0	30.0	40.0	10.0
Change	14.3	(1.4)	1.4	18.6	2.9



Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

## Local Real Estate Agent Comments:

- “Still a lot of uncertainty around interest rates and the perception that the market is about to fail.”
- “Typical January in that it is after Christmas and people are out looking again.”
- “Holiday trends and cold weather reducing buyer traffic.”
- “No rain.”

# Jacksonville, FL – Traffic and Price Tracking In-Line with Seasonal Norms

(9,824 single-family building permits in 2017, 16<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index remained flat at 50 in January, indicating trends in line with seasonal expectations.
- Home prices were unchanged during the month. Our Price Index remained flat at 50, the same level measured in the prior period.
- The number of home listings decreased during the month (a reading of 60), while the time to sell increased (a reading of 30).

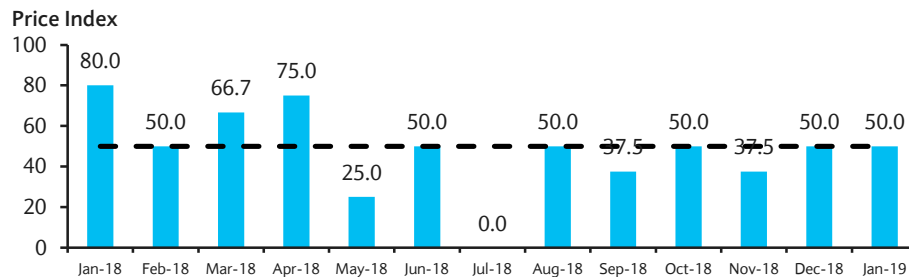
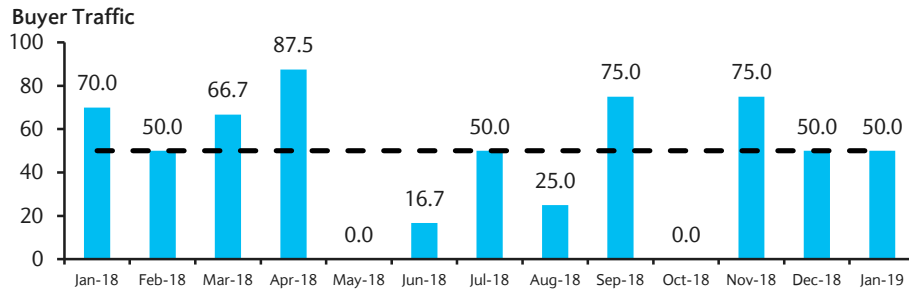
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	25.0	50.0	25.0	75.0	50.0
Sep-18	75.0	37.5	37.5	50.0	50.0
Oct-18	0.0	50.0	50.0	25.0	25.0
Nov-18	75.0	37.5	37.5	50.0	50.0
Dec-18	50.0	50.0	25.0	62.5	37.5
Jan-19	50.0	50.0	20.0	60.0	30.0
Change	0.0	0.0	(5.0)	(2.5)	(7.5)



## Local Real Estate Agent Comments:

- “After holiday slowdown, new year traffic has picked up, with listings that had been sitting on the market through the holidays purchased quickly within first weekend of 2019.”
- “Lack of inventory and needing to move/relocate.”
- “Relocation traffic starting to take hold.”
- “Recovering from the holidays.”
- “Never really busy this time of year.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Kansas City, MO – Traffic Improving But Still Low, With Inventory Still Tight

(5,920 single-family building permits in 2017, 30<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 30 in January vs. a reading of 13 in December, indicating trends worse than seasonal expectations.
- Home prices increased during the month. Our Price Index registered a reading of 70 vs. 50 in the prior period.
- The number of home listings decreased during the month (a reading of 80), while the time to sell increased (a reading of 30).

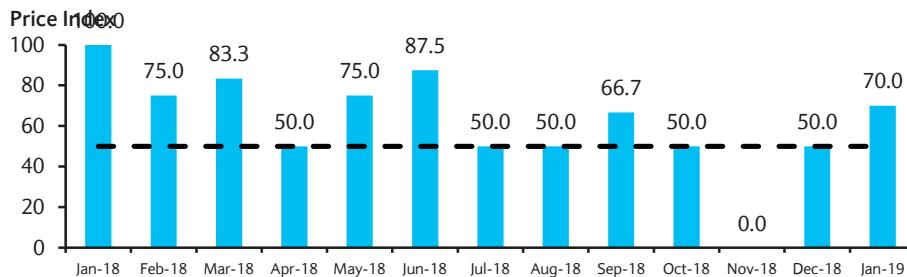
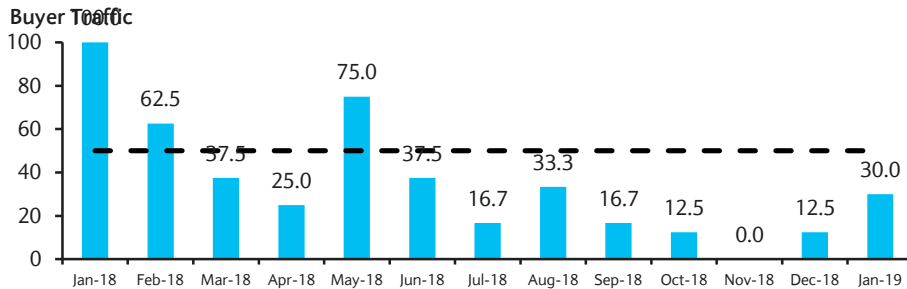
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	33.3	50.0	50.0	33.3	16.7
Sep-18	16.7	66.7	50.0	66.7	33.3
Oct-18	12.5	50.0	25.0	50.0	25.0
Nov-18	0.0	0.0	0.0	50.0	0.0
Dec-18	12.5	50.0	12.5	75.0	25.0
Jan-19	30.0	70.0	30.0	80.0	30.0
Change	17.5	20.0	17.5	5.0	5.0



## Local Real Estate Agent Comments:

- “Low inventory, holiday and higher interest rates.”
- “Higher interest rates, unstable economy, and government shutdown. Erratic political situation contributing to the market slowdown.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Las Vegas, NV – Affordability Challenges and High Mortgage Rates Continue to Pressure Traffic

(9,740 single-family building permits in 2017, 17<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index edged lower to 38 in January vs. a reading of 39 in December, indicating trends worse than seasonal expectations.
- Home prices increased during the month. Our Price Index registered a reading of 56 vs. 44 in the prior period.
- The number of home listings increased during the month (a reading of 25), while the time to sell also increased (a reading of 6).

## Traffic Status:

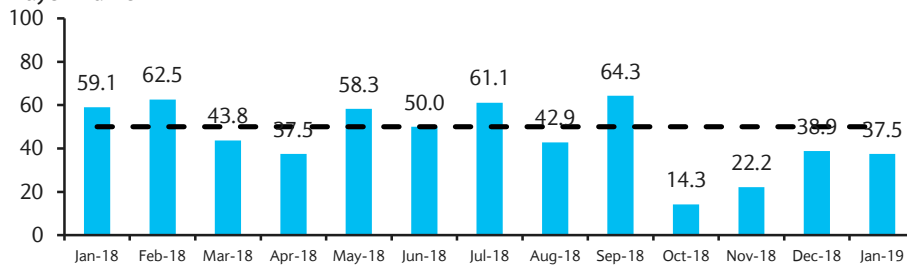


## Traffic Trend:

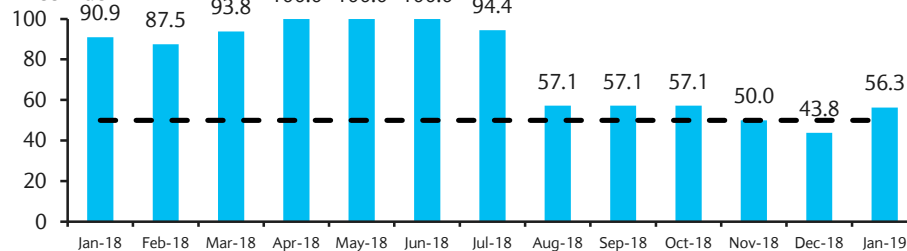


Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	42.9	57.1	28.6	42.9	64.3
Sep-18	64.3	57.1	35.7	50.0	42.9
Oct-18	14.3	57.1	28.6	28.6	35.7
Nov-18	22.2	50.0	11.1	22.2	5.6
Dec-18	38.9	43.8	16.7	5.6	5.6
Jan-19	37.5	56.3	18.8	25.0	6.3
Change	(1.4)	12.5	2.1	19.4	0.7

Buyer Traffic



Price Index



## Local Real Estate Agent Comments:

- “Price of single family homes and condos, and increase in interest rates has kept the majority of median income prospective purchasers unable to afford a purchase.”
- “Traffic typically picks up at the end of January. This year, this seems to be the case as of the last week.”
- “The market just stopped from November through December of last year.”
- “Interest rates.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Los Angeles, CA – Traffic Stuck Below Normal Despite Price Reductions and Rate Downtick

(4,936 single-family building permits in 2017, 37<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 32 in January vs. a reading of 23 in December, indicating trends worse than seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 29 vs. 18 in the prior period.
- The number of home listings increased during the month (a reading of 32), while the time to sell also increased (a reading of 7).

## Traffic Status:

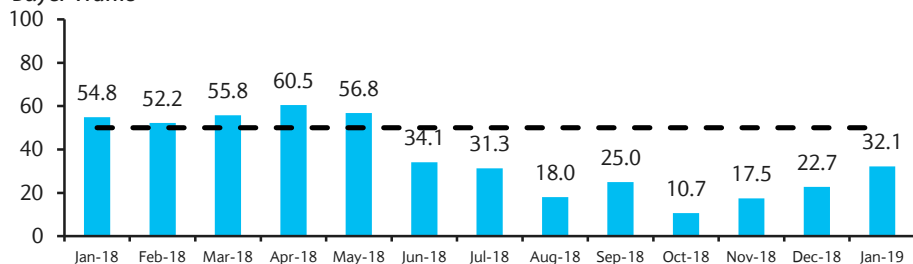


## Traffic Trend:

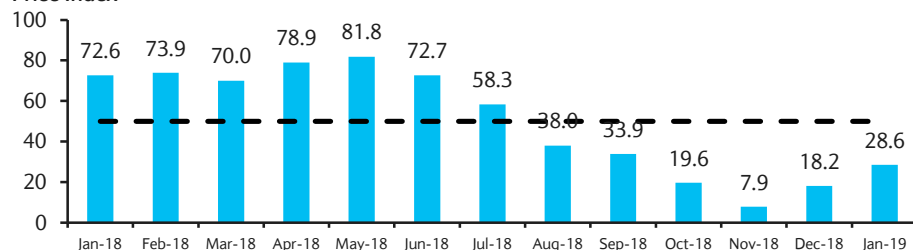


Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	18.0	38.0	27.5	20.0	10.0
Sep-18	25.0	33.9	35.7	16.1	3.6
Oct-18	10.7	19.6	29.5	37.5	12.5
Nov-18	17.5	7.9	36.7	23.7	2.5
Dec-18	22.7	18.2	30.6	42.9	2.4
Jan-19	32.1	28.6	29.2	32.1	7.1
Change	9.4	10.4	(1.4)	(10.7)	4.8

Buyer Traffic



Price Index



## Local Real Estate Agent Comments:

- “Many areas still have low inventory, exception being the higher-end (over \$2 million) with lots of inventory, where demand has been soft for well over a year.”
- “Mortgage interest rates have come down or stabilized causing more buyers to get off the fence this month “
- “Politically induced economic disruption is causing market to pause.”
- “Buyers waiting to see what will happen with rates.”
- “Interest rate, trade war, consumer confidence is lower.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Miami, FL – Financial Market Volatility Keeps Traffic Softer Than Usual

(6,494 single-family building permits in 2017, 25<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 43 in January vs. a reading of 33 in December, indicating trends worse than seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 36 vs. 28 in the prior period.
- The number of home listings increased during the month (a reading of 21), while the time to sell also increased (a reading of 21).

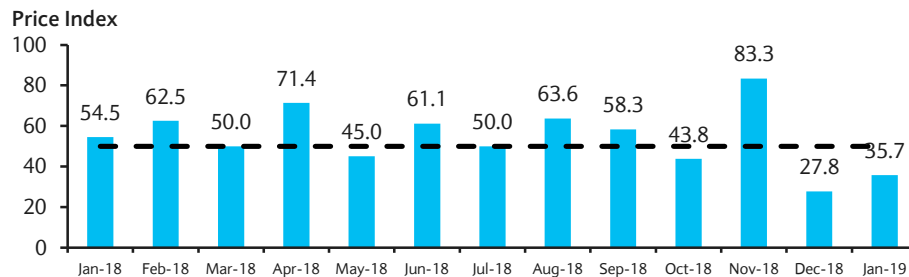
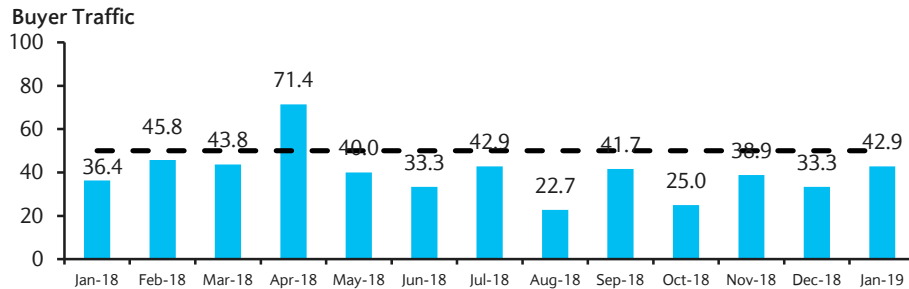
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	22.7	63.6	40.0	31.8	36.4
Sep-18	41.7	58.3	41.7	16.7	16.7
Oct-18	25.0	43.8	33.3	21.4	0.0
Nov-18	38.9	83.3	56.3	31.3	27.8
Dec-18	33.3	27.8	33.3	33.3	22.2
Jan-19	42.9	35.7	33.3	21.4	21.4
Change	9.5	7.9	0.0	(11.9)	(0.8)



## Local Real Estate Agent Comments:

- “Market instability. Government shutdown.”
- “Prices decreasing.”
- “Uncertainty in financial markets.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Minneapolis, MN – Prices Decline as Demand Ticks Up

(8,620 single-family building permits in 2017, 18<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 60 in January vs. a reading of 50 in December, indicating trends better than seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 40 vs. 50 in the prior period.
- The number of home listings increased during the month (a reading of 20), while the time to sell also increased (a reading of 40).

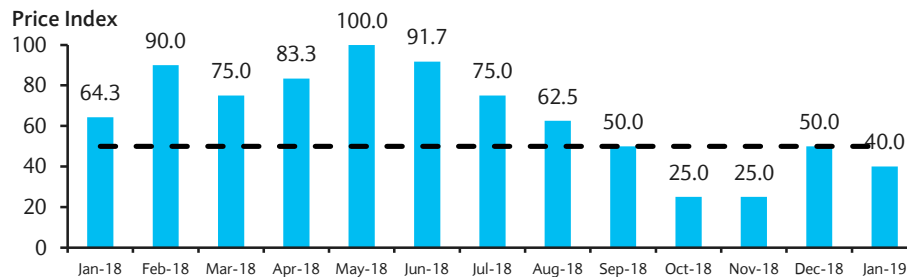
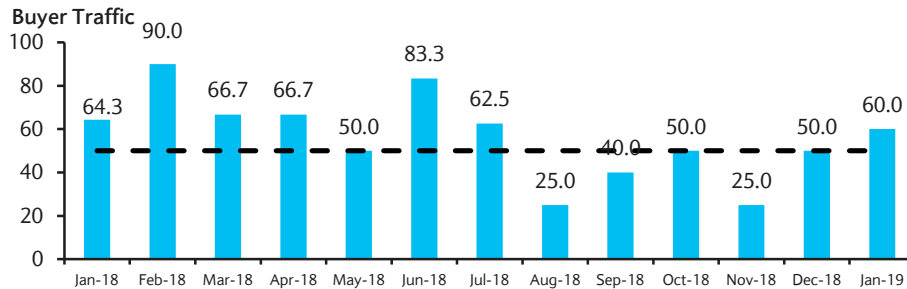
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	25.0	62.5	50.0	62.5	37.5
Sep-18	40.0	50.0	50.0	50.0	60.0
Oct-18	50.0	25.0	37.5	62.5	37.5
Nov-18	25.0	25.0	25.0	33.3	8.3
Dec-18	50.0	50.0	50.0	41.7	25.0
Jan-19	60.0	40.0	30.0	20.0	40.0
Change	10.0	(10.0)	(20.0)	(21.7)	15.0



## Local Real Estate Agent Comments:

- “Low inventory in the lower price range.”
- “Seasonal.”
- “Winter months and holidays.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau



# Nashville, TN – Traffic Recovers Supported by Job Growth, Builder Incentives

(12,719 single-family building permits in 2017, 9<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index jumped to 75 in January vs. a reading of 0 in December, indicating trends better than seasonal expectations.
- Home prices increased during the month. Our Price Index registered a reading of 63 vs. 50 in the prior period.
- The number of home listings decreased during the month (a reading of 63), while the time to sell was unchanged (a reading of 50).

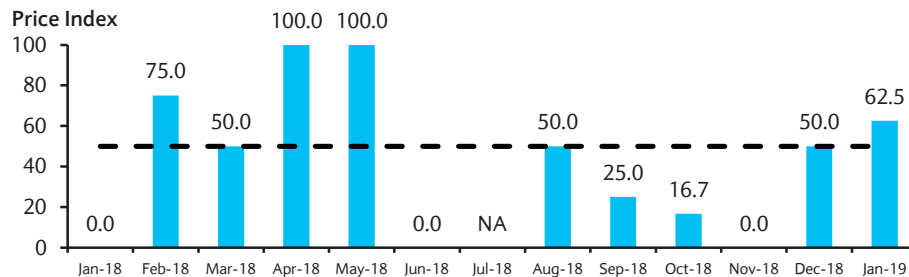
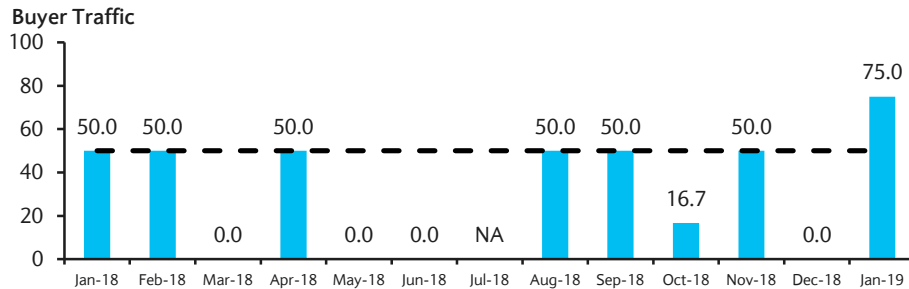
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	50.0	50.0	0.0	0.0	0.0
Sep-18	50.0	25.0	0.0	0.0	0.0
Oct-18	16.7	16.7	0.0	16.7	0.0
Nov-18	50.0	0.0	0.0	0.0	0.0
Dec-18	0.0	50.0	0.0	50.0	25.0
Jan-19	75.0	62.5	37.5	62.5	50.0
Change	75.0	12.5	37.5	12.5	25.0



## Local Real Estate Agent Comments:

- “Entry level home inventory is low and in high demand. Early move up homes (\$400,000 to \$600,000) are also in high demand in certain zip codes. However in some areas, pricing is leveling off and coming down and builders are offering strong incentives on many of their finished or soon to be completed inventory.
- “More businesses and people moving to the area.”
- “Corporate relocations helping the market.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# New York-Northern NJ – Traffic Improving But Buyers Continue to Wait for Reductions and Rate Stability

(10,260 single-family building permits in 2017, 13<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 44 in January vs. a reading of 33 in December, indicating trends worse than seasonal expectations.
- Home prices were effectively unchanged during the month. Our Price Index registered a reading of 46 vs. 50 in the prior period.
- The number of home listings was effectively unchanged during the month (a reading of 46), while the time to sell increased (a reading of 36).

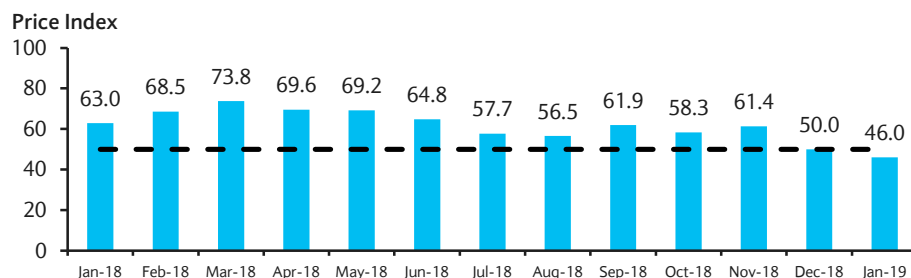
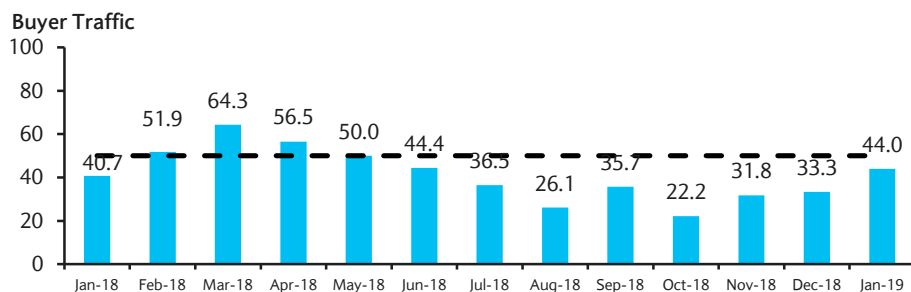
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	26.1	56.5	38.9	50.0	37.0
Sep-18	35.7	61.9	47.2	42.5	27.5
Oct-18	22.2	58.3	45.8	41.7	30.6
Nov-18	31.8	61.4	47.5	43.2	15.9
Dec-18	33.3	50.0	47.4	45.2	23.8
Jan-19	44.0	46.0	40.5	46.0	36.0
Change	10.7	(4.0)	(6.9)	0.8	12.2



Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

## Local Real Estate Agent Comments:

- “Hesitation in this entire metro area to pay-up for properties. Buyers are hovering and waiting for reductions.”
- “Traffic has been limited to buyers who were unable to afford/find homes last year and are trying to get a jump on the market. New listing activity is quite limited though.”
- “Sellers lowering prices.”
- “Seasonally slow, but there is a lack of qualified inventory, except in the luxury category.”
- “Lack of international buyers in Manhattan, new tax law capping property tax and state/local income taxes reduce the number of buyers.”

# Orange County, CA – Traffic Sluggish as Affordability Remains Challenged

(4,942 single-family building permits in 2017, 36<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index edged higher to 36 in January vs. a reading of 33 in December, indicating trends worse than seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 43 vs. 25 in the prior period.
- The number of home listings increased during the month (a reading of 21), while the time to sell also increased (a reading of 0).

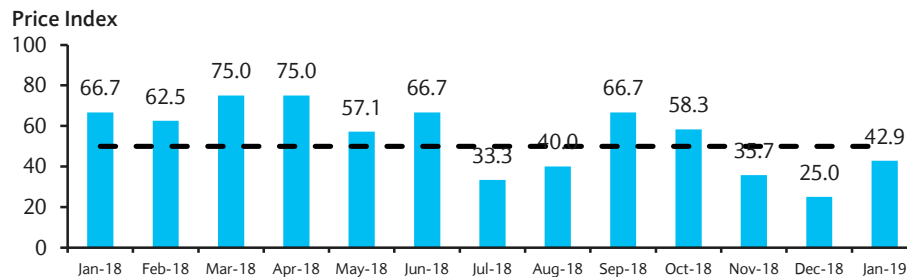
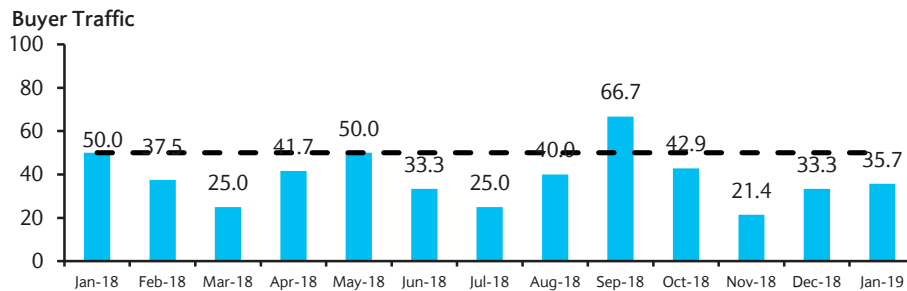
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	40.0	40.0	50.0	10.0	10.0
Sep-18	66.7	66.7	33.3	0.0	16.7
Oct-18	42.9	58.3	25.0	14.3	0.0
Nov-18	21.4	35.7	42.9	14.3	0.0
Dec-18	33.3	25.0	41.7	33.3	0.0
Jan-19	35.7	42.9	28.6	21.4	0.0
Change	2.4	17.9	(13.1)	(11.9)	0.0



## Local Real Estate Agent Comments:

- “Winter holidays, higher interest rates, and stock market volatility.”
- “Weather and more rain in this time of year slowing down traffic.”
- “Higher price points and higher interest rates.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Orlando, FL – Stock Market, Political Uncertainty Keeps Traffic Sidelined

(14,951 single-family building permits in 2017, 6<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index fell to 38 in January vs. a reading of 50 in December, indicating trends worse than seasonal expectations.
- Home prices increased during the month. Our Price Index registered a reading of 75 vs. 40 in the prior period.
- The number of home listings was unchanged during the month (a reading of 50), while the time to sell increased (a reading of 25).

## Traffic Status:

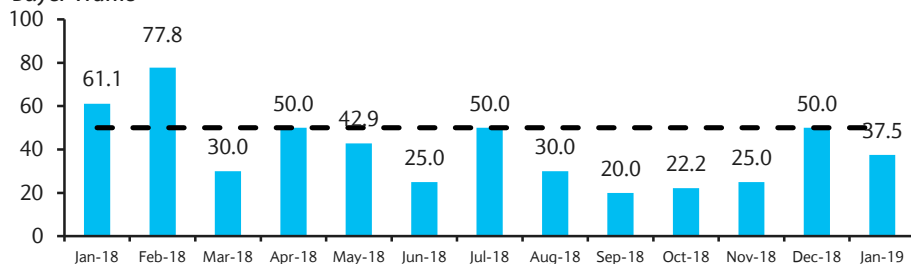


## Traffic Trend:

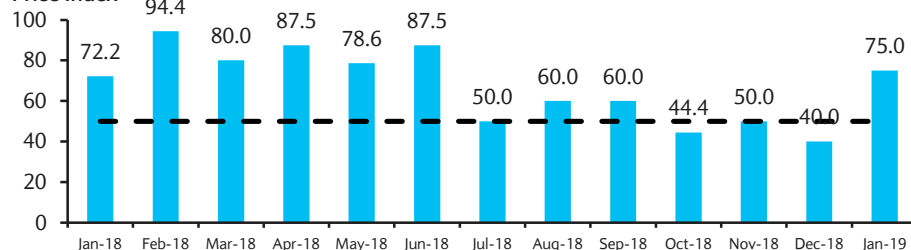


Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	30.0	60.0	60.0	60.0	20.0
Sep-18	20.0	60.0	50.0	40.0	40.0
Oct-18	22.2	44.4	37.5	33.3	33.3
Nov-18	25.0	50.0	37.5	62.5	25.0
Dec-18	50.0	40.0	25.0	50.0	25.0
Jan-19	37.5	75.0	37.5	50.0	25.0
Change	(12.5)	35.0	12.5	0.0	0.0

Buyer Traffic



Price Index



Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

## Local Real Estate Agent Comments:

- “Low inventory.”
- “No buyer urgency.”
- “Government shutdown and stock market volatility.”
- “Interest rate perception.”

# Philadelphia, PA-Southern NJ – Demand Ticks Higher Following Interest Rate Move

(7,136 single-family building permits in 2017, 21<sup>st</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 64 in January vs. a reading of 45 in December, indicating trends better than seasonal expectations.
- Home prices were unchanged during the month. Our Price Index registered a reading of 50 vs. 55 in the prior period.
- The number of home listings decreased during the month (a reading of 86), while the time to sell increased (a reading of 43).

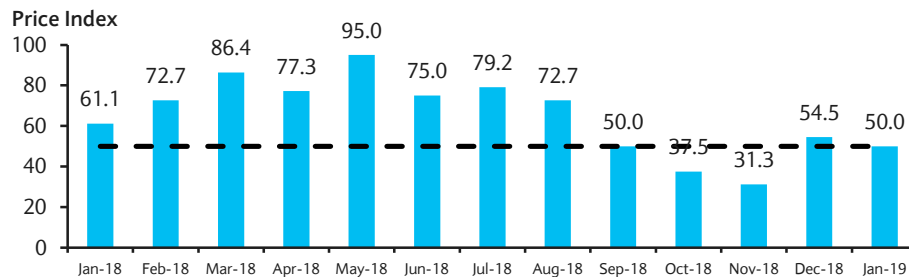
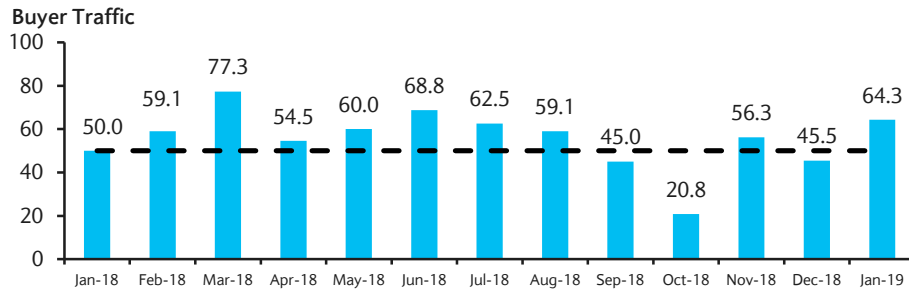
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	59.1	72.7	44.4	45.5	72.7
Sep-18	45.0	50.0	50.0	40.0	50.0
Oct-18	20.8	37.5	31.8	54.5	45.8
Nov-18	56.3	31.3	37.5	62.5	50.0
Dec-18	45.5	54.5	40.0	81.8	36.4
Jan-19	64.3	50.0	50.0	85.7	42.9
Change	18.8	(4.5)	10.0	3.9	6.5



## Local Real Estate Agent Comments:

- “Weather has been better than expected. Retreat in interest rates has increased traffic.”
- “Interest rates backing off.”
- “Traffic better than expected given low inventory.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Phoenix, AZ – Underlying Demand Spurred by Local Economy, but Low Inventory and High Prices are Challenges

(20,455 single-family building permits in 2017, 4<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index edged higher to 33 in January vs. a reading of 32 in December, indicating trends worse than seasonal expectations.
- Home prices were effectively unchanged during the month. Our Price Index registered a reading of 46 vs. 50 in the prior period.
- The number of home listings increased during the month (a reading of 38), while the time to sell also increased (a reading of 21).

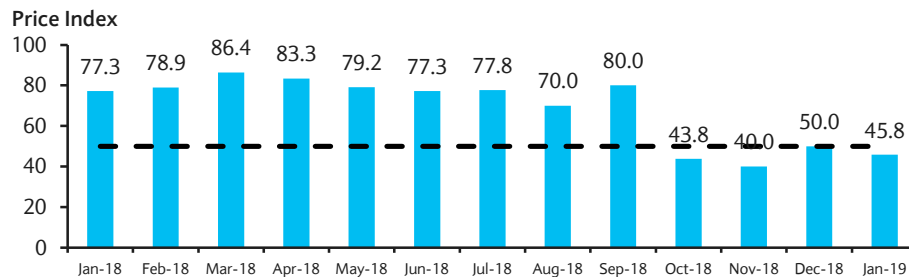
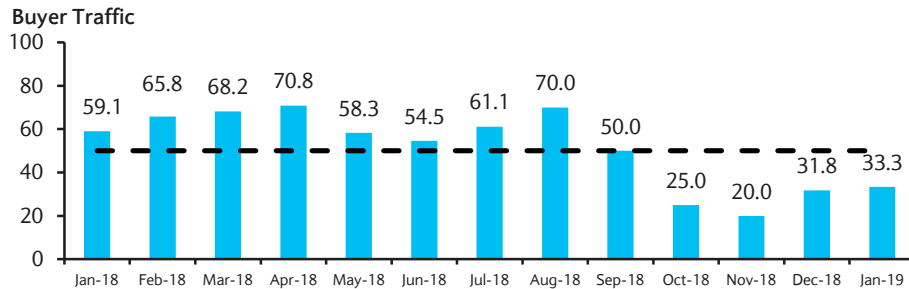
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	70.0	70.0	44.4	70.0	65.0
Sep-18	50.0	80.0	50.0	60.0	65.0
Oct-18	25.0	43.8	37.5	43.8	37.5
Nov-18	20.0	40.0	40.0	40.0	15.0
Dec-18	31.8	50.0	40.0	50.0	40.0
Jan-19	33.3	45.8	33.3	37.5	20.8
Change	1.5	(4.2)	(6.7)	(12.5)	(19.2)



## Local Real Estate Agent Comments:

- “Population growth spurred by job growth. It depends on the price range as to whether home prices have increased or decreased. We had a holiday lull that caused some homes to linger so prices were reduced in order to get fresh exposure in the MLS. Also, Millennials are taking longer to make a decision/choose their property. Length of time to sell depends on the price range also.”
- “Limited inventory, price increases and decreased snowbird demand.”
- “Government shutdown and interest rate uncertainty.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Portland, OR – Stabilizing Rates, Lower Prices, and More Inventory Options Drive Higher Traffic

(6,814 single-family building permits in 2017, 23<sup>rd</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index jumped to 61 in January vs. a reading of 30 in December, indicating trends better than seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 33 vs. 30 in the prior period.
- The number of home listings increased during the month (a reading of 33), while the time to sell also increased (a reading of 17).

## Traffic Status:

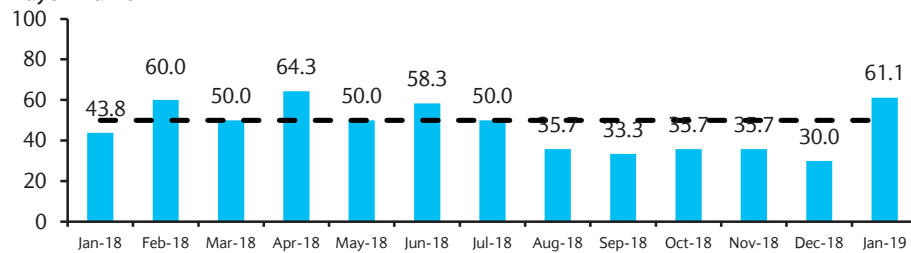


## Traffic Trend:

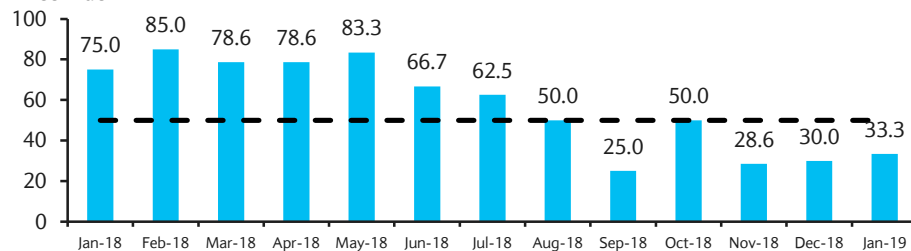


Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	35.7	50.0	42.9	7.1	28.6
Sep-18	33.3	25.0	33.3	58.3	25.0
Oct-18	35.7	50.0	42.9	28.6	0.0
Nov-18	35.7	28.6	35.7	57.1	7.1
Dec-18	30.0	30.0	30.0	30.0	0.0
Jan-19	61.1	33.3	22.2	33.3	16.7
Change	31.1	3.3	(7.8)	3.3	16.7

Buyer Traffic



Price Index



## Local Real Estate Agent Comments:

- “Falling house prices, increasing inventory, and stabilizing interest rates.”
- “Buyers are realizing that sellers are considering offers, and lowest interest rates in 8 months.”
- “Attempting to beat price and interest rate hikes.”
- “Portland is the more affordable major city on the west coast.”
- “Move-in from out of state.”
- “Inventory remains low, winter weather has been mild so far.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Raleigh, NC – Traffic Ticks Up with Job Growth, but Affordability Challenges and Low Inventory Weigh

(10,875 single-family building permits in 2017, 12<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 54 in January vs. a reading of 32 in December, indicating trends in line with seasonal expectations.
- Home prices increased during the month. Our Price Index registered a reading of 58 vs. 45 in the prior period.
- The number of home listings increased during the month (a reading of 38), while the time to sell also increased (a reading of 25).

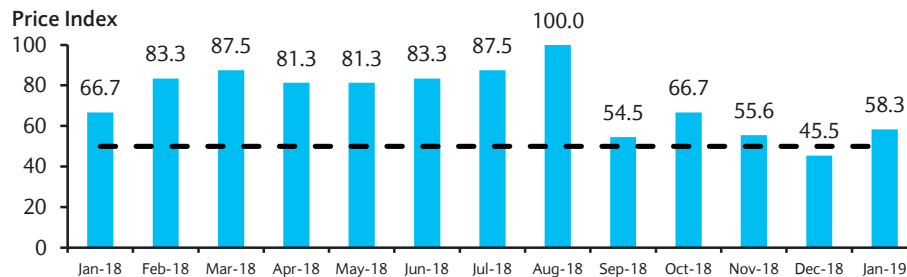
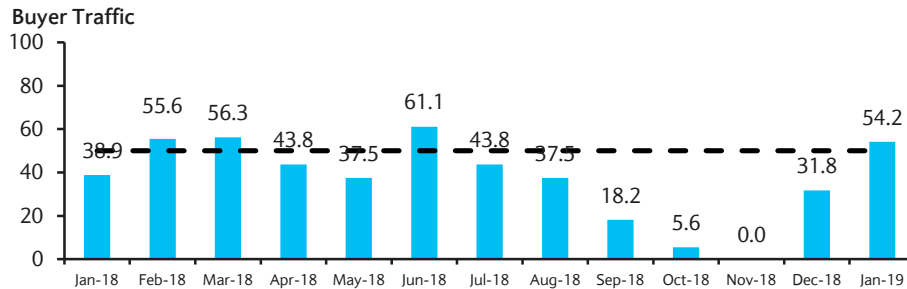
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	37.5	100.0	62.5	25.0	62.5
Sep-18	18.2	54.5	50.0	59.1	22.7
Oct-18	5.6	66.7	38.9	55.6	22.2
Nov-18	0.0	55.6	38.9	50.0	0.0
Dec-18	31.8	45.5	40.0	50.0	5.0
Jan-19	54.2	58.3	33.3	37.5	25.0
Change	22.3	12.9	(6.7)	(12.5)	20.0



## Local Real Estate Agent Comments:

- “Slowly getting out of the holiday season and saw pickup in number of buyers over the last week.”
- “Job relocation is still best driving force, also have local customers looking to upgrade.”
- “Business growth in the area.”
- “Housing affordability.”
- “Low inventory.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau



# Sacramento, CA – Influx of Traffic On Better Mortgage Rates, More Inventory

(6,854 single-family building permits in 2017, 22<sup>nd</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 58 in January vs. a reading of 50 in December, indicating trends better than seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 42 vs. 50 in the prior period.
- The number of home listings increased during the month (a reading of 42), while the time to sell also increased (a reading of 17).

## Traffic Status:

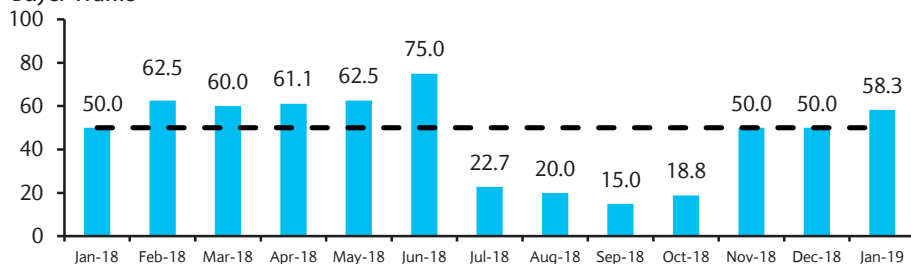


## Traffic Trend:

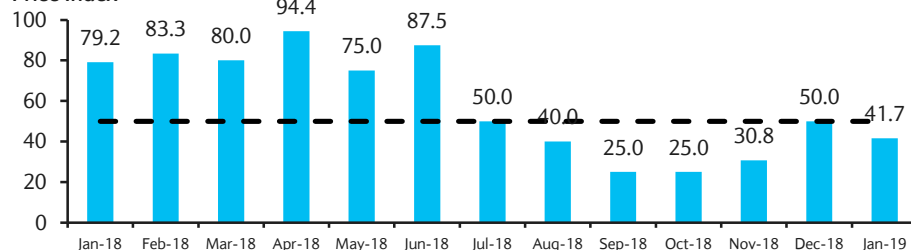


Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	20.0	40.0	50.0	20.0	5.0
Sep-18	15.0	25.0	35.0	5.0	0.0
Oct-18	18.8	25.0	21.4	6.3	6.3
Nov-18	50.0	30.8	26.9	34.6	11.5
Dec-18	50.0	50.0	37.5	18.8	6.3
Jan-19	58.3	41.7	50.0	41.7	16.7
Change	8.3	(8.3)	12.5	22.9	10.4

Buyer Traffic



Price Index



Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

## Local Real Estate Agent Comments:

- “Factors for better traffic include: interest rates are still low, low inventories, retiring buyers from the Bay Area, Millennial buyers, affordability index.”
- “Rates have stabilized and people that are sitting on the fence are starting to make their purchases.”
- “Stable mortgage rate and slightly improved inventory.”
- “Demand picking up after the holidays.”
- “Seasonal, lack of inventory, pricing.”

# San Antonio, TX – Buyers Step Back in View of Higher Prices and Lower Inventories

(7,428 single-family building permits in 2017, 20<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index fell to 33 in January vs. a reading of 75 in December, indicating trends worse than seasonal expectations.
- Home prices increased during the month. Our Price Index registered a reading of 83 vs. 75 in the prior period.
- The number of home listings decreased during the month (a reading of 83), while the time to sell was unchanged (a reading of 50).

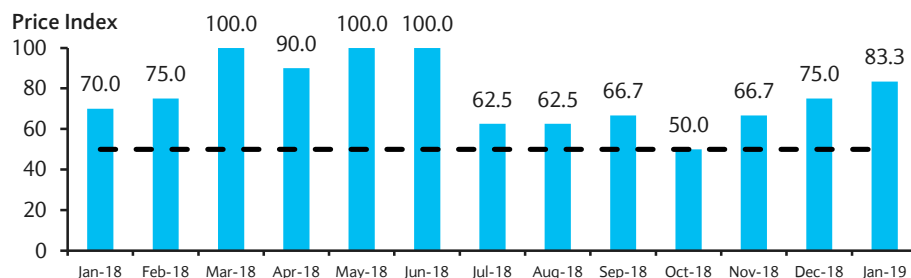
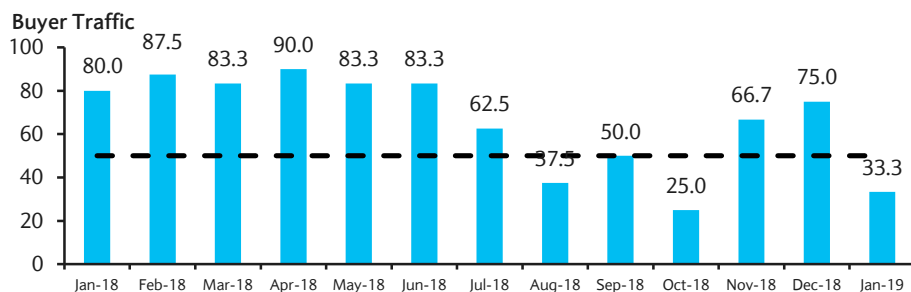
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	37.5	62.5	12.5	25.0	37.5
Sep-18	50.0	66.7	33.3	50.0	33.3
Oct-18	25.0	50.0	25.0	50.0	25.0
Nov-18	66.7	66.7	0.0	50.0	16.7
Dec-18	75.0	75.0	25.0	50.0	0.0
Jan-19	33.3	83.3	33.3	83.3	50.0
Change	(41.7)	8.3	8.3	33.3	50.0



## Local Real Estate Agent Comments:

- “Considering weather, the holidays, we really expected even worse traffic.”
- “Strong seller’s market.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# San Diego, CA – Traffic Soft But Recovering After Lull with Help from Price Drops, Stabilizing Interest Rates

(4,074 single-family building permits in 2017, 48<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 38 in January vs. a reading of 12 in December, indicating trends worse than seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 21 vs. 18 in the prior period.
- The number of home listings increased during the month (a reading of 33), while the time to sell also increased (a reading of 4).

## Traffic Status:

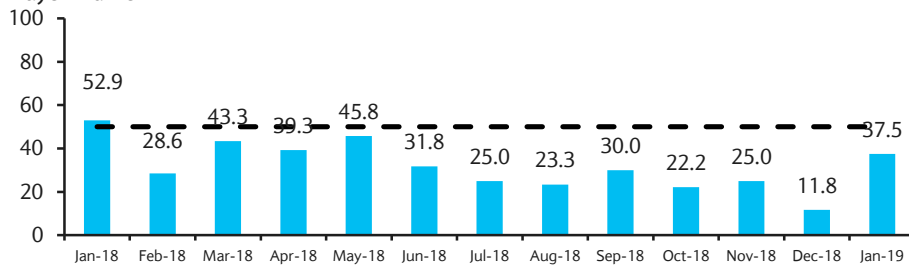


## Traffic Trend:

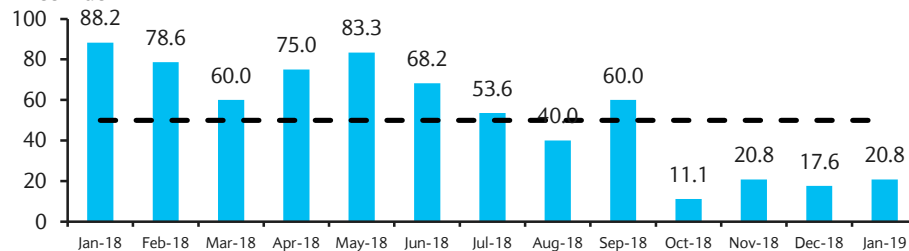


Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	23.3	40.0	32.1	16.7	7.1
Sep-18	30.0	60.0	40.0	30.0	5.0
Oct-18	22.2	11.1	37.5	5.6	0.0
Nov-18	25.0	20.8	15.0	20.8	0.0
Dec-18	11.8	17.6	31.3	29.4	2.9
Jan-19	37.5	20.8	29.2	33.3	4.2
Change	25.7	3.2	(2.1)	3.9	1.2

Buyer Traffic



Price Index



Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

## Local Real Estate Agent Comments:

- “I believe serious buyers are finally ready to buy after a drought from October-December. Increased traffic in Open Houses and actual offers being written.”
- “Seeing multiple price drops on properties. Offers are still coming in far below list. Sellers are slowly starting to adjust to a buyers market.”
- “Better economy, stabilized interest rates and more buyer confidence as a result.”
- “Market seems to be nearing end of the cycle, exacerbated by government shutdown.”

# San Francisco, CA – Traffic Patterns Near Seasonal Norms But Economic, Political, and Tax Concerns Weigh

(4,756 single-family building permits in 2017, 41<sup>st</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 45 in January vs. a reading of 38 in December, indicating trends in line with seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 24 vs. 22 in the prior period.
- The number of home listings was effectively unchanged during the month (a reading of 48), while the time to sell increased (a reading of 8).

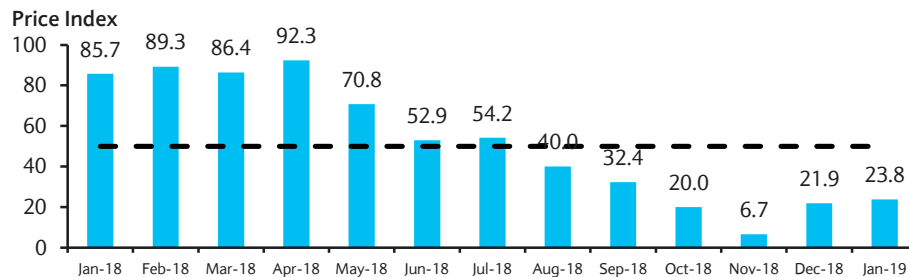
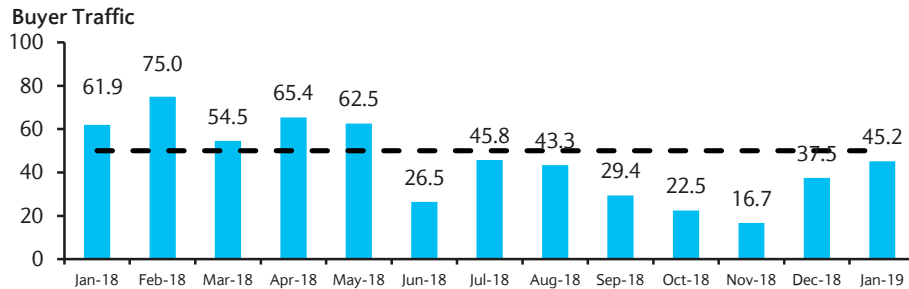
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	43.3	40.0	31.8	28.6	17.9
Sep-18	29.4	32.4	37.5	16.7	6.3
Oct-18	22.5	20.0	37.5	15.0	2.5
Nov-18	16.7	6.7	37.5	40.0	0.0
Dec-18	37.5	21.9	40.9	56.7	13.3
Jan-19	45.2	23.8	34.4	47.5	7.5
Change	7.7	1.9	(6.5)	(9.2)	(5.8)



## Local Real Estate Agent Comments:

- “Seasonal market slowdown continues with some slight uptick in buyer traffic. Extended government shutdown had minimal effect as local buyers did not experience financing issues with the shutdown. More are concerned about changes in tax laws and political uncertainty.”
- “Despite the uncertainty in the economy the lack of inventory has supported the market.”
- “Traffic patterns consistent with long-term seasonal norms. Buyers remain concerned about trade-war risks and anti-immigration policies. The government shutdown weighs on buyers already burdened by SALT and mortgage deduction cuts.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Sarasota, FL – Soft Traffic Persists; Price Reductions More Widespread

(6,066 single-family building permits in 2017, 29<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index fell to 0 in January vs. a reading of 25 in December, indicating trends worse than seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 25 vs. 50 in the prior period.
- The number of home listings increased during the month (a reading of 0), while the time to sell also increased (a reading of 0).

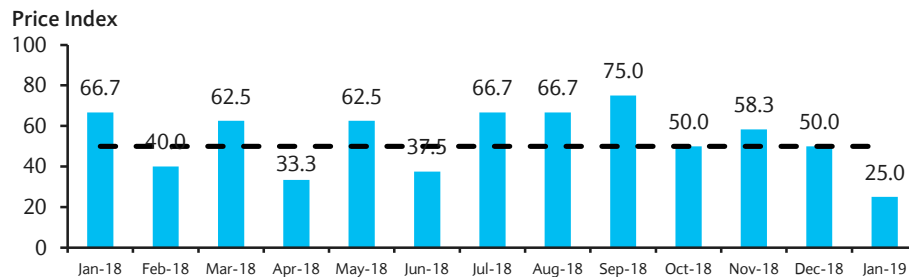
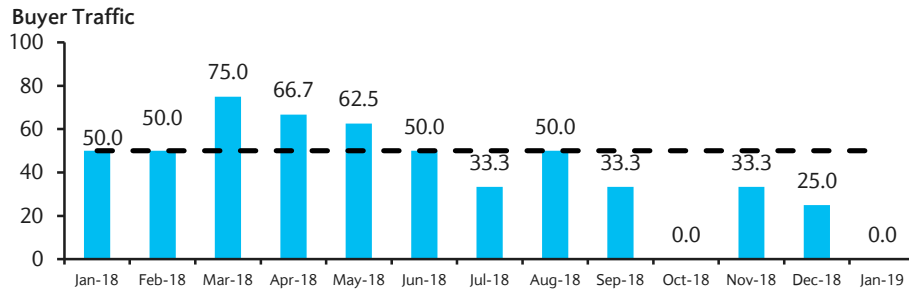
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	50.0	66.7	50.0	33.3	33.3
Sep-18	33.3	75.0	50.0	66.7	33.3
Oct-18	0.0	50.0	33.3	16.7	33.3
Nov-18	33.3	58.3	41.7	33.3	41.7
Dec-18	25.0	50.0	12.5	25.0	37.5
Jan-19	0.0	25.0	0.0	0.0	0.0
Change	(25.0)	(25.0)	(12.5)	(25.0)	(37.5)



## Local Real Estate Agent Comments:

- “Uncertainty in the market, concerns about red tide. Holidays are always a little slow but this is much slower than that. Still slightly better than last month but below expectation.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Seattle, WA – Little Buyer Urgency and Continued Price Cuts

(9,901 single-family building permits in 2017, 15<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 36 in January vs. a reading of 13 in December, indicating trends worse than seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 36 vs. 25 in the prior period.
- The number of home listings increased during the month (a reading of 36), while the time to sell also increased (a reading of 14).

## Traffic Status:

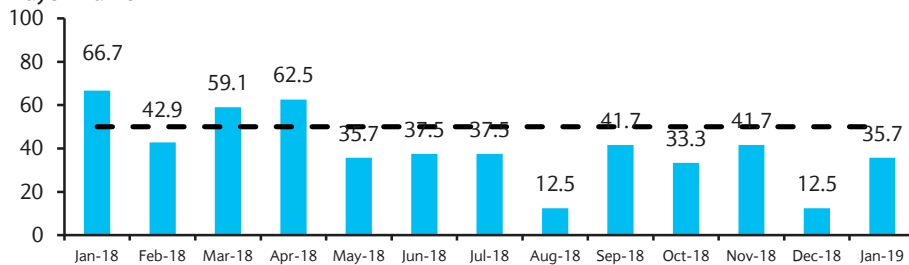


## Traffic Trend:

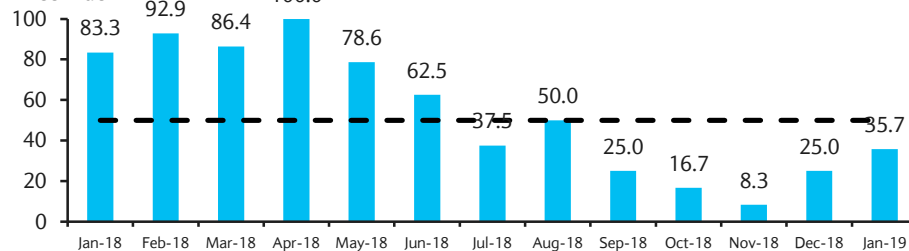


Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	12.5	50.0	37.5	0.0	0.0
Sep-18	41.7	25.0	33.3	8.3	8.3
Oct-18	33.3	16.7	0.0	0.0	0.0
Nov-18	41.7	8.3	30.0	16.7	0.0
Dec-18	12.5	25.0	25.0	0.0	0.0
Jan-19	35.7	35.7	35.7	35.7	14.3
Change	23.2	10.7	10.7	35.7	14.3

Buyer Traffic



Price Index



Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

## Local Real Estate Agent Comments:

- “Holidays, rising interest rates. Buyers have wanted to wait until February, a big listing month in our market.”
- “Buyers are afraid due to prices dropping and economic worries.”
- “We have more inventory now than in several years.”
- “Time of year, lack of affordable inventory.”
- “Market leveling.”

# Tampa, FL – Depressed Traffic Levels Continue Amidst Elevated Home Prices and Increasing Inventory

(12,658 single-family building permits in 2017, 10<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index fell to 17 in January vs. a reading of 33 in December, indicating trends worse than seasonal expectations.
- Home prices declined during the month. Our Price Index remained flat at 42, the same level measured in the prior period.
- The number of home listings increased during the month (a reading of 17), while the time to sell also increased (a reading of 17).

## Traffic Status:

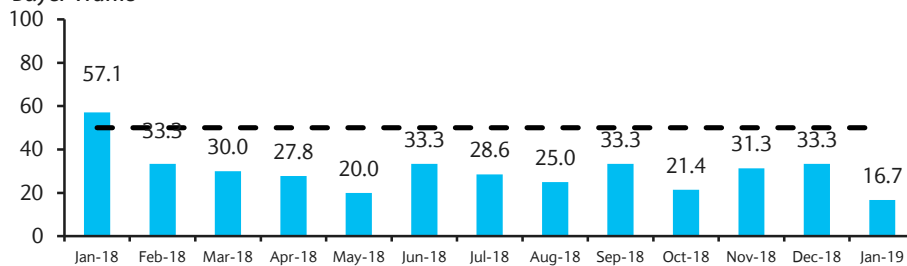


## Traffic Trend:

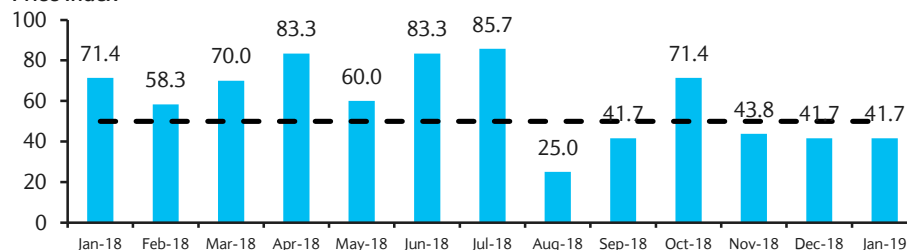


Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	25.0	25.0	12.5	75.0	25.0
Sep-18	33.3	41.7	33.3	58.3	25.0
Oct-18	21.4	71.4	28.6	50.0	35.7
Nov-18	31.3	43.8	14.3	50.0	12.5
Dec-18	33.3	41.7	25.0	41.7	33.3
Jan-19	16.7	41.7	33.3	16.7	16.7
Change	(16.7)	0.0	8.3	(25.0)	(16.7)

Buyer Traffic



Price Index



## Local Real Estate Agent Comments:

- “Overpriced housing and a lack of knowledge from new buyers in negotiations.”
- “Interest rate uncertainty, overall economic conditions.”
- “Higher interest rates.”
- “Overbuilding and the market seems to be leveling out. Sellers are pricing too high.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Tucson, AZ – Healthy Demand Despite Limited Inventory and Economic Concerns

(2,697 single-family building permits in 2017, 65<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 70 in January vs. a reading of 40 in December, indicating trends better than seasonal expectations.
- Home prices increased during the month. Our Price Index registered a reading of 60 vs. 50 in the prior period.
- The number of home listings increased during the month (a reading of 40), while the time to sell was unchanged (a reading of 50).

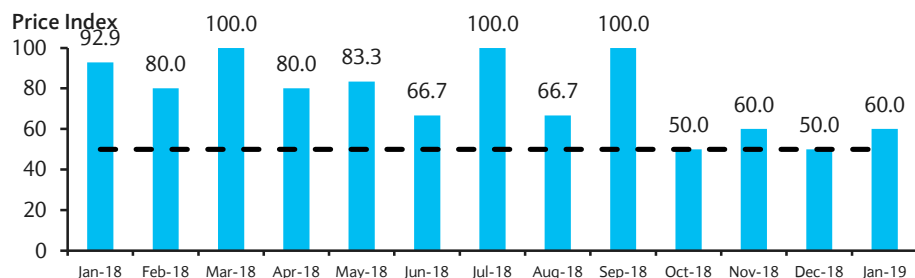
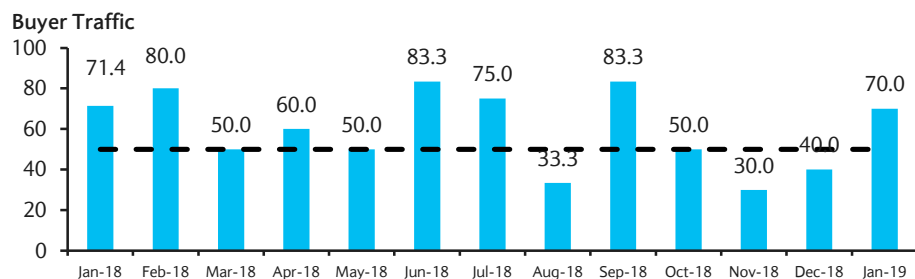
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	33.3	66.7	33.3	100.0	66.7
Sep-18	83.3	100.0	50.0	66.7	83.3
Oct-18	50.0	50.0	37.5	50.0	50.0
Nov-18	30.0	60.0	40.0	40.0	20.0
Dec-18	40.0	50.0	40.0	40.0	40.0
Jan-19	70.0	60.0	40.0	40.0	50.0
Change	30.0	10.0	0.0	0.0	10.0



Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

## Local Real Estate Agent Comments:

- “Affordability is still there in the Tucson Market.”
- “Traffic is very active. Multiple offers on many properties, especially in the lower price range.”
- “Low inventory may be discouraging buyers. Sellers holding in place waiting for trail signs in 2019.”
- “The volatile stock market caused by difficult trade issues with China and government shutdown.”



# Virginia Beach, VA – Traffic Back to Seasonal Norms with Rate-Driven Urgency

(4,282 single-family building permits in 2017, 45<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index rose to 50 in January vs. a reading of 25 in December, indicating trends in line with seasonal expectations.
- Home prices were unchanged during the month. Our Price Index registered a reading of 50 vs. 33 in the prior period.
- The number of home listings increased during the month (a reading of 0), while the time to sell was unchanged (a reading of 50).

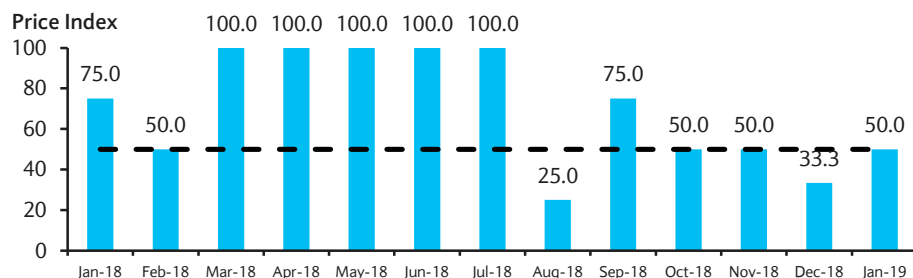
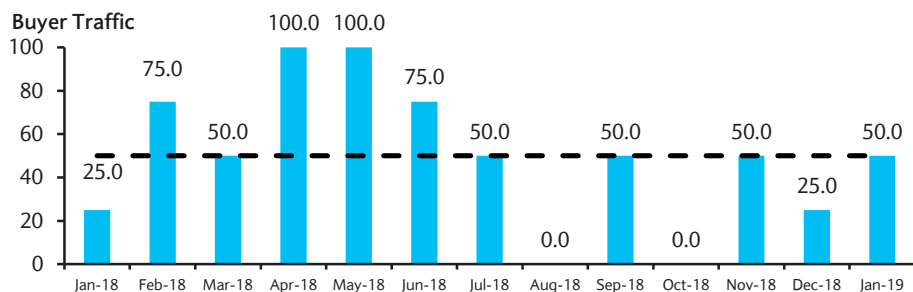
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	0.0	25.0	50.0	50.0	25.0
Sep-18	50.0	75.0	50.0	75.0	75.0
Oct-18	0.0	50.0	50.0	50.0	0.0
Nov-18	50.0	50.0	50.0	25.0	25.0
Dec-18	25.0	33.3	50.0	33.3	37.5
Jan-19	50.0	50.0	0.0	0.0	50.0
Change	25.0	16.7	(50.0)	(33.3)	12.5



## Local Real Estate Agent Comments:

- “Fear of rising interest rates.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Washington, D.C. – Traffic Slips on Government Shutdown, Though Rate Downtick Supportive

(14,419 single-family building permits in 2017, 7<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index fell to 45 in January vs. a reading of 50 in December, indicating trends worse than seasonal expectations.
- Home prices declined during the month. Our Price Index registered a reading of 40 vs. 46 in the prior period.
- The number of home listings was effectively unchanged during the month (a reading of 55), while the time to sell increased (a reading of 45).

## Traffic Status:

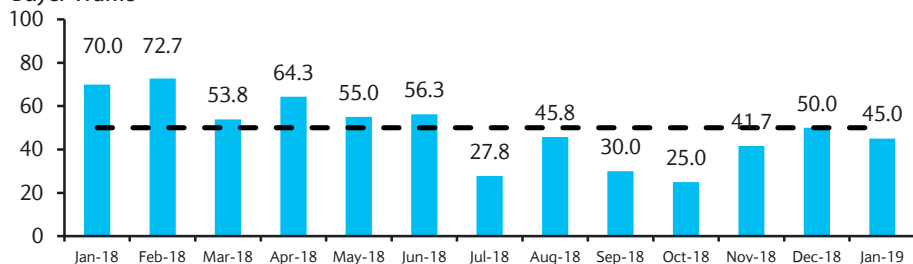


## Traffic Trend:

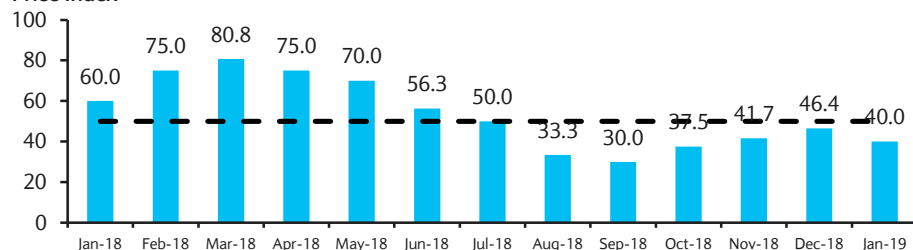


Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	45.8	33.3	41.7	45.8	37.5
Sep-18	30.0	30.0	30.0	20.0	20.0
Oct-18	25.0	37.5	25.0	33.3	12.5
Nov-18	41.7	41.7	41.7	66.7	41.7
Dec-18	50.0	46.4	42.9	69.2	32.1
Jan-19	45.0	40.0	35.0	55.0	45.0
Change	(5.0)	(6.4)	(7.9)	(14.2)	12.9

Buyer Traffic



Price Index



## Local Real Estate Agent Comments:

- “Government shutdown has had an impact on the market.”
- “Government shutdown, lack of consumer confidence due to the stock market trend.”
- “Weather and interest rates.”
- “Lower interest rates are driving buyers out earlier than usual.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# Wilmington, NC – Traffic In-Line Post-Hurricane; Price Increases Continue

(1,585 single-family building permits in 2017, 104<sup>th</sup> largest market in the country)

## Synopsis:

- Traffic levels within our index remained flat at 50 in January, indicating trends in line with seasonal expectations.
- Home prices increased during the month. Our Price Index registered a reading of 57 vs. 63 in the prior period.
- The number of home listings decreased during the month (a reading of 57), while the time to sell also decreased (a reading of 57).

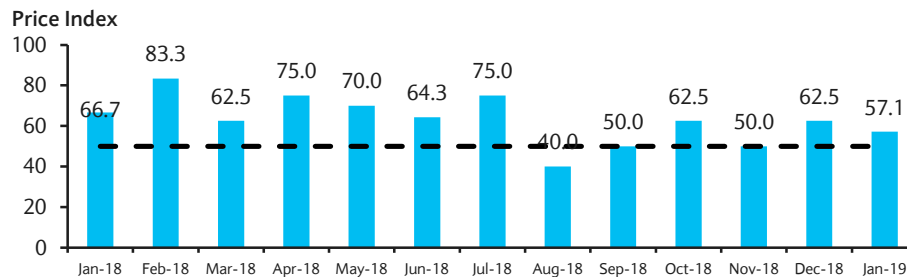
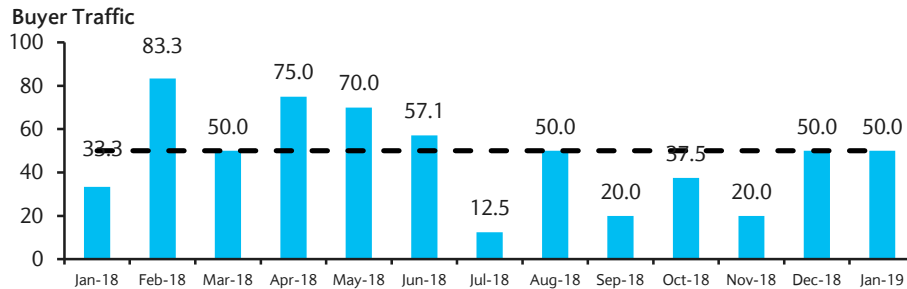
## Traffic Status:



## Traffic Trend:



Month	Buyer Traffic Index	Home Price Index	Incentive Index	Home Listings Index	Time to Sell Index
Aug-18	50.0	40.0	50.0	62.5	37.5
Sep-18	20.0	50.0	50.0	60.0	20.0
Oct-18	37.5	62.5	50.0	37.5	50.0
Nov-18	20.0	50.0	50.0	60.0	20.0
Dec-18	50.0	62.5	50.0	62.5	37.5
Jan-19	50.0	57.1	50.0	57.1	57.1
Change	0.0	(5.4)	0.0	(5.4)	19.6



## Local Real Estate Agent Comments:

- “Delayed market after Florence. Continued strong attractiveness of the area.”
- “Seasonal just gearing up for spring selling season.”
- “Seasonal resort market.”
- “Price and lack of inventory.”
- “Hurricane Florence has damaged our area and the market has slowed down a lot.”

Note: Buyer Traffic: <50 – worse than expected; =50 in-line; >50 – better than expected. Home Price: <50 – decreased m/m; =50 flat m/m; >50 – increased m/m. Incentive, Listings, Time to Sell: <50 – increased m/m; =50 flat m/m; >50 – decreased m/m.

Source: Barclays Research, Census Bureau

# January 2019 A.G.E.N.T. Survey Data

January, 2019	Buyer Traffic Index	Home Price Index	Incentive Index	Listings Index	Time to Sell Index
Atlanta, GA	50.0	50.0	12.5	87.5	33.3
Austin, TX	66.7	50.0	41.7	41.7	33.3
Baltimore, MD	33.3	16.7	0.0	25.0	0.0
Boston, MA	40.0	60.0	50.0	30.0	30.0
Charleston, SC	66.7	66.7	25.0	66.7	50.0
Charlotte, NC	16.7	66.7	50.0	66.7	16.7
Chicago, IL	40.6	26.7	33.3	46.9	18.8
Cincinnati, OH	50.0	100.0	0.0	100.0	100.0
Columbus, OH	41.7	66.7	25.0	33.3	16.7
Dallas, TX	25.0	25.0	33.3	25.0	8.3
Denver, CO	29.2	29.2	25.0	33.3	12.5
Detroit, MI	39.3	32.1	33.3	32.1	14.3
Fort Myers, FL	64.3	28.6	21.4	7.1	28.6
Houston, TX	50.0	21.4	0.0	21.4	21.4
Inland Empire, CA	50.0	20.0	30.0	40.0	10.0
Jacksonville, FL	50.0	50.0	20.0	60.0	30.0
Kansas City, MO	30.0	70.0	30.0	80.0	30.0
Las Vegas, NV	37.5	56.3	18.8	25.0	6.3
Los Angeles, CA	32.1	28.6	29.2	32.1	7.1
Miami, FL	42.9	35.7	33.3	21.4	21.4
Minneapolis, MN	60.0	40.0	30.0	20.0	40.0
Nashville, TN	75.0	62.5	37.5	62.5	50.0
New York, NY	44.0	46.0	40.5	46.0	36.0
Orange County, CA	35.7	42.9	28.6	21.4	0.0
Orlando, FL	37.5	75.0	37.5	50.0	25.0
Philadelphia, PA	64.3	50.0	50.0	85.7	42.9
Phoenix, AZ	33.3	45.8	33.3	37.5	20.8
Portland, OR	61.1	33.3	22.2	33.3	16.7
Raleigh, NC	54.2	58.3	33.3	37.5	25.0
Sacramento, CA	58.3	41.7	50.0	41.7	16.7
San Antonio, TX	33.3	83.3	33.3	83.3	50.0
San Diego, CA	37.5	20.8	29.2	33.3	4.2
San Francisco, CA	45.2	23.8	34.4	47.5	7.5
Sarasota, FL	0.0	25.0	0.0	0.0	0.0
Seattle, WA	35.7	35.7	35.7	35.7	14.3
Tampa, FL	16.7	41.7	33.3	16.7	16.7
Tucson, AZ	70.0	60.0	40.0	40.0	50.0
Virginia Beach, VA	50.0	50.0	0.0	0.0	50.0
Washington, D.C.	45.0	40.0	35.0	55.0	45.0
Wilmington, NC	50.0	57.1	50.0	57.1	57.1
Total Index Level	44.1	45.8	29.1	42.0	26.4

Source: Barclays Research

# Index Methodology

---

We survey real estate agents, as we believe agents provide an accurate assessment of local housing market trends in both the new and existing home markets. We view trends in the existing home market as crucial to homebuilders as it represents over 90% of total sales, and trends in the existing home market often dictate trends in the new home market.

Each month, we survey agents about trends in buyer traffic levels, home prices, incentives, inventory levels, and the length of time needed to sell a home. This month we received responses from 381 real estate agents across the country. We review responses and calculate a diffusion index for each of the questions, with a level above 50 indicating positive trends, a level below 50 indicating worsening trends, and a level of 50 indicating neutral trends.

**1) Are traffic levels in-line, better, or worse than your expectations for this time of year?** Traffic tends to be seasonal - generally more traffic in Spring and less in Fall/Winter, so we ask about traffic relative to expectations for this time of year rather than vs. last month. A Buyer Traffic Index above 50 means that traffic was better than agents' expectations, a Buyer Traffic Index of 50 means that traffic was in-line with expectations, and a Buyer Traffic Index below 50 means that traffic was worse than expectations.

**2) Have prices remained the same, increased, or decreased over the past 30 days?** A Home Price Index above 50 indicates that prices increased over the past 30 days, a Home Price Index of 50 indicates that prices were flat, and a Home Price Index below 50 indicates that prices decreased.

**3) Have incentives remained the same, increased, or decreased over the past 30 days?** An incentive index above 50 indicates that incentives decreased over the past 30 days, an incentive index of 50 indicates that incentives were unchanged, and an incentive index below 50 indicates that incentives increased.

**4) Do you see the same, more, or fewer listings as compared with 30 days ago?** An inventory (listings) index above 50 indicates that the inventory of homes for sale decreased over the past 30 days, an inventory index of 50 indicates that inventories were unchanged, and an inventory index below 50 indicates that inventories increased.

**5) Does it take the same, more, or less time to sell a house?** A time to sell index above 50 indicates that the time needed to sell a home decreased over the past 30 days, a time to sell index of 50 indicates that the time needed to sell a home was unchanged, and a time to sell index below 50 indicates that the time needed to sell a home increased.

---

Source: Barclays Research

# Analyst Certification and Important Disclosures

---

## **Analyst(s) Certification(s):**

I, Matthew Bouley, hereby certify (1) that the views expressed in this research report accurately reflect my personal views about any or all of the subject securities or issuers referred to in this research report and (2) no part of my compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

## **Important Disclosures:**

Barclays Capital Inc. and/or one of its affiliates does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision.

Barclays Research is produced by the Investment Bank of Barclays Bank PLC and its affiliates (collectively and each individually, "Barclays"). All authors contributing to this research report are Research Analysts unless otherwise indicated. The publication date at the top of the report reflects the local time where the report was produced and may differ from the release date provided in GMT.

## **Availability of Disclosures:**

Where any companies are the subject of this research report, for current important disclosures regarding those companies please refer to <https://publicresearch.barclays.com> or alternatively send a written request to: Barclays Research Compliance, 745 Seventh Avenue, 13th Floor, New York, NY 10019 or call +1-212-526-1072.

The analysts responsible for preparing this research report have received compensation based upon various factors including the firm's total revenues, a portion of which is generated by investment banking activities, the profitability and revenues of the Markets business and the potential interest of the firm's investing clients in research with respect to the asset class covered by the analyst.

Analysts regularly conduct site visits to view the material operations of covered companies, but Barclays policy prohibits them from accepting payment or reimbursement by any covered company of their travel expenses for such visits.

Barclays Research Department produces various types of research including, but not limited to, fundamental analysis, equity-linked analysis, quantitative analysis, and trade ideas. Recommendations contained in one type of Barclays Research may differ from those contained in other types of Barclays Research, whether as a result of differing time horizons, methodologies, or otherwise.

In order to access Barclays Statement regarding Research Dissemination Policies and Procedures, please refer to <https://publicresearch.barcap.com/S/RD.htm>. In order to access Barclays Research Conflict Management Policy Statement, please refer to: <https://publicresearch.barcap.com/S/CM.htm>.

# Important Disclosures (cont'd)

---

## **Risk Disclosure(s)**

Master limited partnerships (MLPs) are pass-through entities structured as publicly listed partnerships. For tax purposes, distributions to MLP unit holders may be treated as a return of principal. Investors should consult their own tax advisors before investing in MLP units.

## **Disclosure Legend:**

**A:** Barclays Bank PLC and/or an affiliate has been lead manager or co-lead manager of a publicly disclosed offer of securities of the issuer in the previous 12

**B:** An employee or non-executive director of Barclays Bank PLC and/or an affiliate is a director of this issuer.

**CD:** Barclays Bank PLC and/or an affiliate is a market-maker in debt securities issued by this issuer.

**CE:** Barclays Bank PLC and/or an affiliate is a market-maker in equity securities issued by this issuer.

**D:** Barclays Bank PLC and/or an affiliate has received compensation for investment banking services from this issuer in the past 12 months.

**E:** Barclays Bank PLC and/or an affiliate expects to receive or intends to seek compensation for investment banking services from this issuer within the next 3

**FA:** Barclays Bank PLC and/or an affiliate beneficially owns 1% or more of a class of equity securities of this issuer, as calculated in accordance with US

**FB:** Barclays Bank PLC and/or an affiliate beneficially owns a long position of more than 0.5% of a class of equity securities of this issuer, as calculated in

**FC:** Barclays Bank PLC and/or an affiliate beneficially owns a short position of more than 0.5% of a class of equity securities of this issuer, as calculated in

**GD:** One of the analysts on the fundamental credit coverage team (or a member of his or her household) has a financial interest in the debt or equity securities of

**GE:** One of the analysts on the fundamental equity coverage team (or a member of his or her household) has a financial interest in the debt or equity securities of

**H:** This issuer beneficially owns more than 5% of any class of common equity securities of Barclays PLC.

**I:** Barclays Bank PLC and/or an affiliate is party to an agreement with this issuer for the provision of financial services to Barclays Bank PLC and/or an affiliate.

**J:** Barclays Bank PLC and/or an affiliate is a liquidity provider and/or trades regularly in the securities of this issuer and/or in any related derivatives.

**K:** Barclays Bank PLC and/or an affiliate has received non-investment banking related compensation (including compensation for brokerage services, if applicable)

**L:** This issuer is, or during the past 12 months has been, an investment banking client of Barclays Bank PLC and/or an affiliate.

**M:** This issuer is, or during the past 12 months has been, a non-investment banking client (securities related services) of Barclays Bank PLC and/or an affiliate.

**N:** This issuer is, or during the past 12 months has been, a non-investment banking client (non-securities related services) of Barclays Bank PLC and/or an

**O:** Not in use.

**P:** A partner, director or officer of Barclays Capital Canada Inc. has, during the preceding 12 months, provided services to the subject company for remuneration,

**Q:** Barclays Bank PLC and/or an affiliate is a Corporate Broker to this issuer.

**S:** This issuer is a Corporate Broker to Barclays PLC.

**T:** Barclays Bank PLC and/or an affiliate is providing equity advisory services to this issuer.

**U:** The equity securities of this Canadian issuer include subordinate voting restricted shares.

**V:** The equity securities of this Canadian issuer include non-voting restricted shares.

# Important Disclosures (cont'd)

---

## **Guide to the Barclays Fundamental Equity Research Rating System:**

Our coverage analysts use a relative rating system in which they rate stocks as Overweight, Equal Weight or Underweight (see definitions below) relative to other In addition to the stock rating, we provide industry views which rate the outlook for the industry coverage universe as Positive, Neutral or Negative (see definitions

### **Stock Rating**

**Overweight** - The stock is expected to outperform the unweighted expected total return of the industry coverage universe over a 12-month investment horizon.

**Equal Weight** - The stock is expected to perform in line with the unweighted expected total return of the industry coverage universe over a 12-month investment horizon.

**Underweight** - The stock is expected to underperform the unweighted expected total return of the industry coverage universe over a 12-month investment horizon.

**Rating Suspended** - The rating and target price have been suspended temporarily due to market events that made coverage impracticable or to comply with applicable regulations and/or firm policies in certain circumstances including where the Investment Bank of Barclays Bank PLC is acting in an advisory capacity in

### **Industry View**

**Positive** - industry coverage universe fundamentals/valuations are improving.

**Neutral** - industry coverage universe fundamentals/valuations are steady, neither improving nor deteriorating.

**Negative** - industry coverage universe fundamentals/valuations are deteriorating.

### **Distribution of Ratings:**

Barclays Equity Research has 1550 companies under coverage.

46% have been assigned an Overweight rating which, for purposes of mandatory regulatory disclosures, is classified as a Buy rating; 54% of companies with this rating are investment banking clients of the Firm; 75% of the issuers with this rating have received financial services from the Firm.

37% have been assigned an Equal Weight rating which, for purposes of mandatory regulatory disclosures, is classified as a Hold rating; 47% of companies with 15% have been assigned an Underweight rating which, for purposes of mandatory regulatory disclosures, is classified as a Sell rating; 33% of companies with this

### **Guide to the Barclays Research Price Target:**

Each analyst has a single price target on the stocks that they cover. The price target represents that analyst's expectation of where the stock will trade in the next

### **Top Picks:**

Barclays Equity Research's "Top Picks" represent the single best alpha-generating investment idea within each industry (as defined by the relevant "industry To see a list of companies that comprise a particular industry coverage universe, please go to <https://publicresearch.barclays.com>.



# Important Disclosures (cont'd)

---

## **Types of investment recommendations produced by Barclays Equity Research:**

In addition to any ratings assigned under Barclays' formal rating systems, this publication may contain investment recommendations in the form of trade ideas,

## **Disclosure of other investment recommendations produced by Barclays Equity Research:**

Barclays Equity Research may have published other investment recommendations in respect of the same securities/instruments recommended in this research

## **Legal entities involved in producing Barclays Research:**

Barclays Bank PLC (Barclays, UK)  
Barclays Capital Inc. (BCI, US)  
Barclays Bank Ireland Plc, Frankfurt Branch (BBI, Frankfurt)  
Barclays Securities Japan Limited (BSJL, Japan)  
Barclays Bank PLC, Hong Kong branch (Barclays Bank, Hong Kong)  
Barclays Capital Canada Inc. (BCCI, Canada)  
Barclays Bank Mexico, S.A. (BBMX, Mexico)  
Barclays Securities (India) Private Limited (BSIPL, India)  
Barclays Bank PLC, India branch (Barclays Bank, India)  
Barclays Bank PLC, Singapore branch (Barclays Bank, Singapore)

## **Disclaimer:**

This publication has been produced by Barclays Research Department in the Investment Bank of Barclays Bank PLC and/or one or more of its affiliates (collectively and each individually, "Barclays"). It has been distributed by one or more Barclays affiliated legal entities listed below. It is provided to our clients for information purposes only, and Barclays makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose. Media organisations are prohibited from re-publishing any opinion or recommendation concerning a debt issuer or debt security contained in any Barclays publication. Without limiting any of the foregoing and to the extent permitted by law, in no event shall Barclays, nor any affiliate, nor any of their respective officers, directors, employees, agents, advisors or consultants, be liable for any loss or damage, whether direct or indirect, arising from the use of the information contained in this publication. Other than disclosures relating to Barclays, the information contained in this publication has been obtained from sources that Barclays Research believes to be reliable, but Barclays does not represent or warrant that it is accurate or complete. Barclays is not responsible for, and makes no warranties whatsoever as to, the information or opinions contained in any written, electronic, audio or video presentations of third parties that are accessible via a direct hyperlink in this publication. The views in this publication are solely and exclusively those of the authoring analyst(s) and are subject to change, and Barclays Research has no obligation to update or revise the views expressed herein. The value of and income from any investment may fluctuate from day to day as a result of changes in relevant economic markets (including changes in market interest rates). This document is being distributed (1) only by or with the approval of an authorised person (Barclays Bank PLC) or (2) to, and is directed at (a) persons in the United Kingdom having professional experience in matters relating to investments and who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (b) high net worth companies, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) of the Order; or (c) other persons to whom it may otherwise lawfully be communicated (all such persons being "Relevant Persons"). Any investment or investment activity to which this communication relates is only available to and will only be engaged in with Relevant Persons. Any other persons who receive this communication should not rely on or act upon it. Barclays Bank PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The Investment Bank of Barclays Bank PLC undertakes U.S. securities business in the name of its wholly owned subsidiary Barclays Capital Inc., a FINRA and SIPC member. Non-U.S. persons should contact and execute transactions through a Barclays Bank PLC branch or affiliate in their home jurisdiction unless local regulations require otherwise. Barclays Bank PLC, Paris Branch (registered in France under Paris RCS number 381 066 281) is regulated by the Autorité des marchés financiers and the Autorité de contrôle prudentiel. Registered office 34/36 Avenue de Friedland 75008 Paris.

# Important Disclosures (cont'd)

---

This material is distributed in Canada by Barclays Capital Canada Inc., a registered investment dealer, a Dealer Member of IIROC ([www.iiroc.ca](http://www.iiroc.ca)), and a Member of All Barclays research reports are distributed to institutional investors in Japan by Barclays Securities Japan Limited. Barclays Securities Japan Limited is a joint-stock company incorporated in Japan with registered office of 6-10-1 Roppongi, Minato-ku, Tokyo 106-6131, Japan. It is a subsidiary of Barclays Bank PLC and a registered financial instruments firm regulated by the Financial Services Agency of Japan. Registered Number: Kanto Zaimukyokucho (kinsho) No. 143.

Barclays Bank PLC, Hong Kong Branch is distributing this material in Hong Kong as an authorised institution regulated by the Hong Kong Monetary Authority. All Indian securities-related research and other equity research produced by Barclays' Investment Bank are distributed in India by Barclays Securities (India) Telephone No: +91 2267196000. Fax number: +91 22 67196100. Any other reports produced by Barclays' Investment Bank are distributed in India by Barclays Barclays Bank PLC distributes this material in Germany.

This material is distributed in Mexico by Barclays Bank Mexico, S.A.

Nothing herein should be considered investment advice as defined in the Israeli Regulation of Investment Advisory, Investment Marketing and Portfolio Management Barclays Bank PLC in the Dubai International Financial Centre (Registered No. 0060) is regulated by the Dubai Financial Services Authority (DFSA). Principal Barclays Bank PLC in the UAE is regulated by the Central Bank of the UAE and is licensed to conduct business activities as a branch of a commercial bank Barclays Bank PLC in the Qatar Financial Centre (Registered No. 00018) is authorised by the Qatar Financial Centre Regulatory Authority (QFCRA). Barclays This material is distributed in the UAE (including the Dubai International Financial Centre) and Qatar by Barclays Bank PLC.

This material is not intended for investors who are not Qualified Investors according to the laws of the Russian Federation as it might contain information about or

This material is distributed in Singapore by the Singapore branch of Barclays Bank PLC, a bank licensed in Singapore by the Monetary Authority of Singapore. For This material is distributed to persons in Australia by either Barclays Bank PLC, Barclays Capital Inc., Barclays Capital Securities Limited or Barclays Capital IRS Circular 230 Prepared Materials Disclaimer: Barclays does not provide tax advice and nothing contained herein should be construed to be tax advice. Please be advised that any discussion of U.S. tax matters contained herein (including any attachments) (i) is not intended or written to be used, and cannot be used, by you for the purpose of avoiding U.S. tax-related penalties; and (ii) was written to support the promotion or marketing of the transactions or other matters addressed herein. Accordingly, you should seek advice based on your particular circumstances from an independent tax advisor.

© Copyright Barclays Bank PLC (2019). All rights reserved. No part of this publication may be reproduced or redistributed in any manner without the prior written permission of Barclays. Barclays Bank PLC is registered in England No. 1026167. Registered office 1 Churchill Place, London, E14 5HP. Additional information regarding this publication will be furnished upon request.