

FACTORS IN HOME SALES

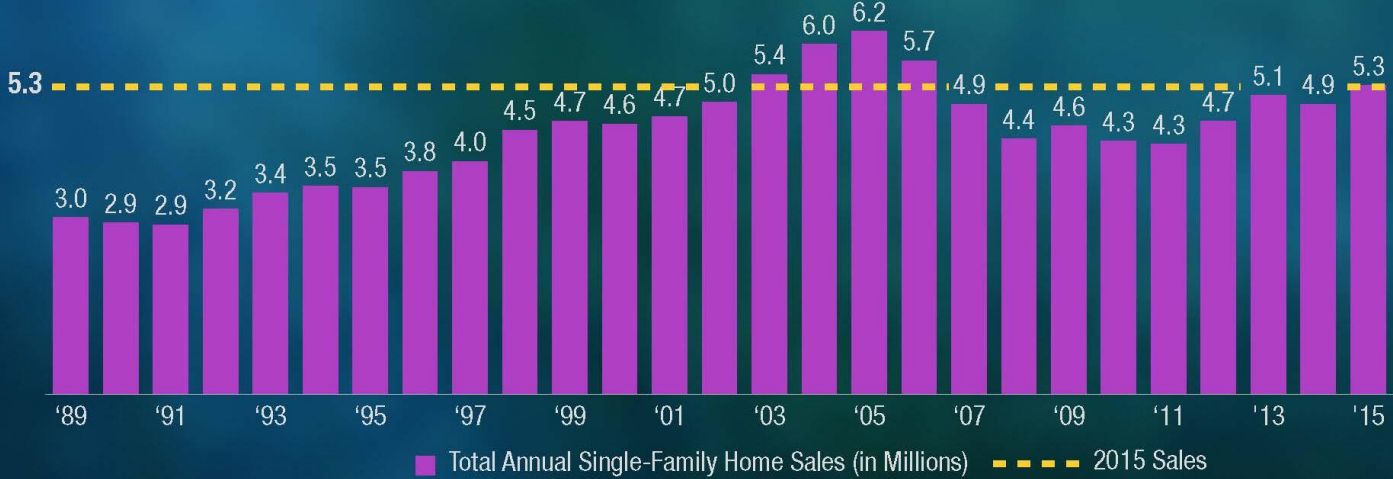
WHAT ARE TODAY'S CONDITIONS AND HOW DO THEY AFFECT THE SALE OF
YOUR HOME?



ANNUAL SALES YEAR OVER YEAR

1. Home Sales - Annual

5.26 million homes sold in 2015, making it the best year for home sales since 2006.

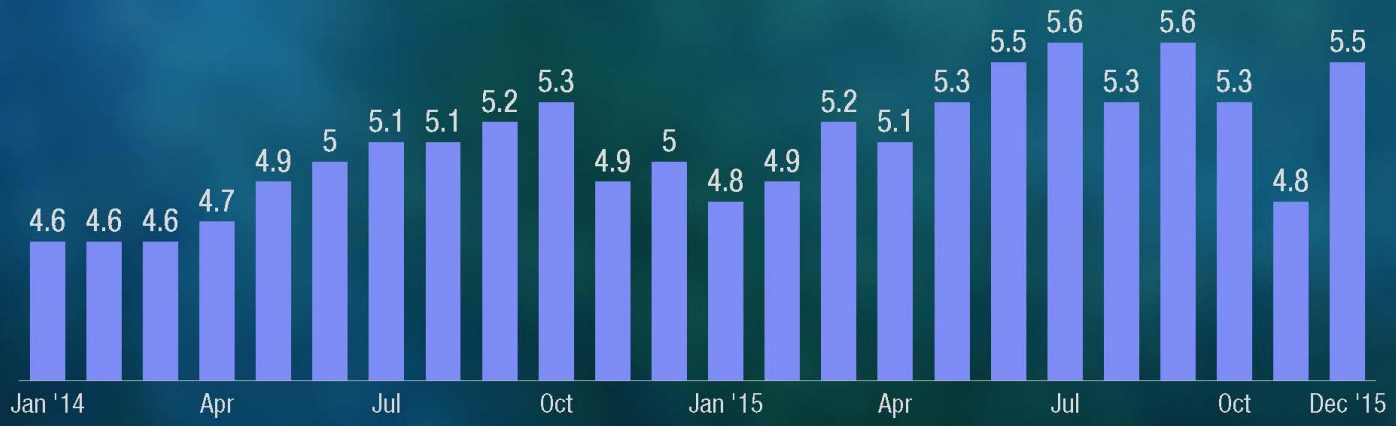


HOME SALES MONTH OVER MONTH

SHOWING THE BEST AND WORST MONTHS TO SELL

1. Home Sales - Monthly

2015 started modestly but quickly accelerated to the best summer months in several years.

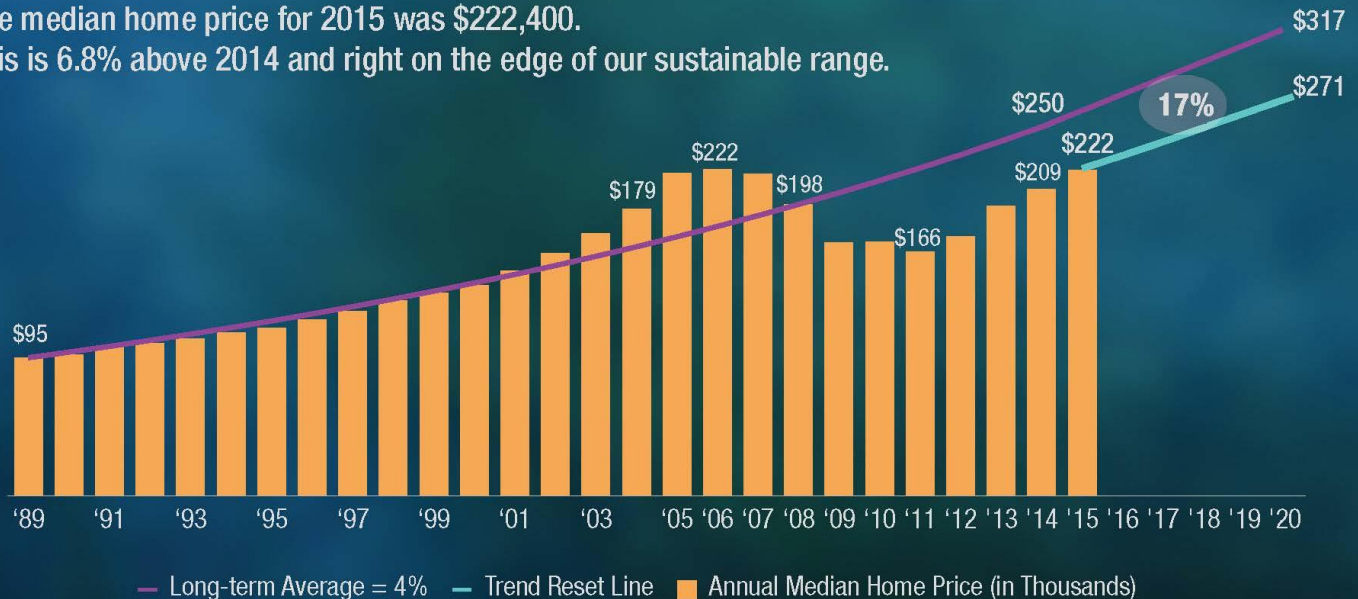


■ Seasonally Adjusted Annual Rate of Home Sales

ANNUAL PRICE COMPARISON YEAR OVER YEAR

2. Home Price - Annual

The median home price for 2015 was \$222,400.
This is 6.8% above 2014 and right on the edge of our sustainable range.



ANNUAL HOME PRICE APPRECIATION YEAR OVER YEAR

2. Home Price - Annual Appreciation

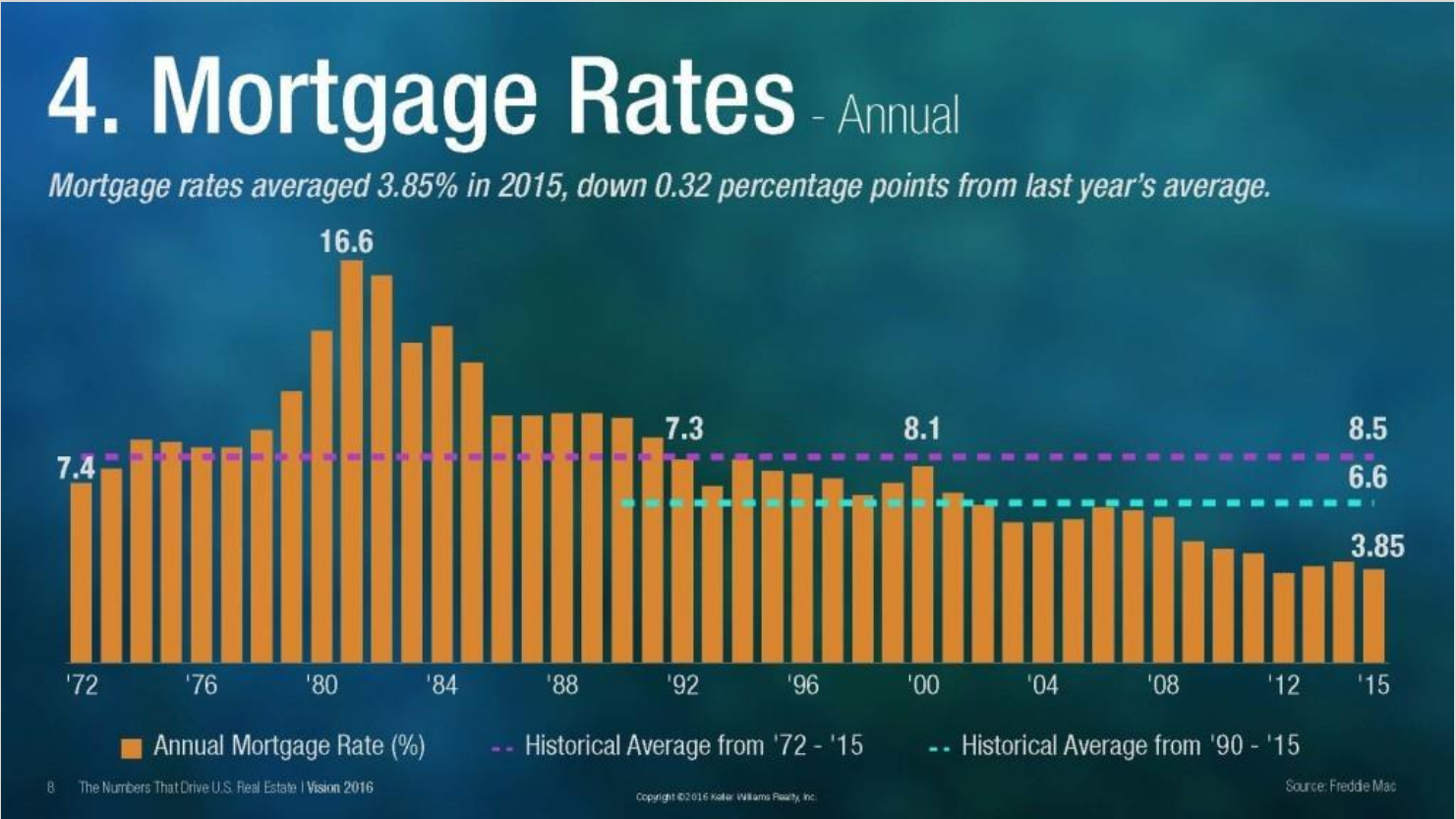
On an annual basis home prices appreciated 6.8% for 2015, just outside our 4%-6% band we consider sustainable.



ANNUAL MONTHS SUPPLY OF INVENTORY SELLER'S MARKET VERSUS BUYER'S MARKET



ANNUAL MORTGAGE RATES YEAR OVER YEAR



ANNUAL AFFORDABILITY YEAR OVER YEAR

5. Affordability - Annual

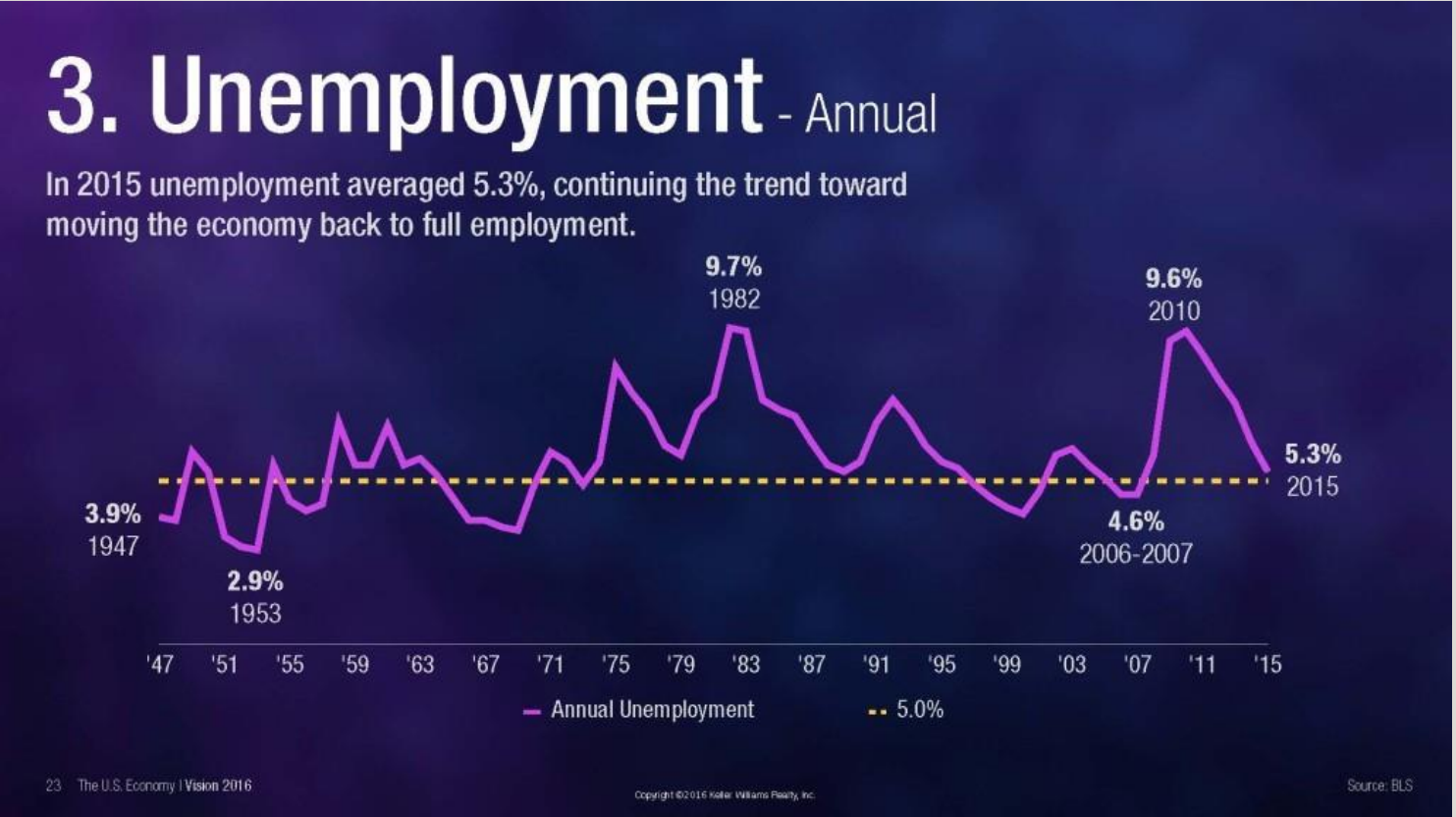
In 2015 affordability was flat despite growing home prices due to persistently low mortgage rates.



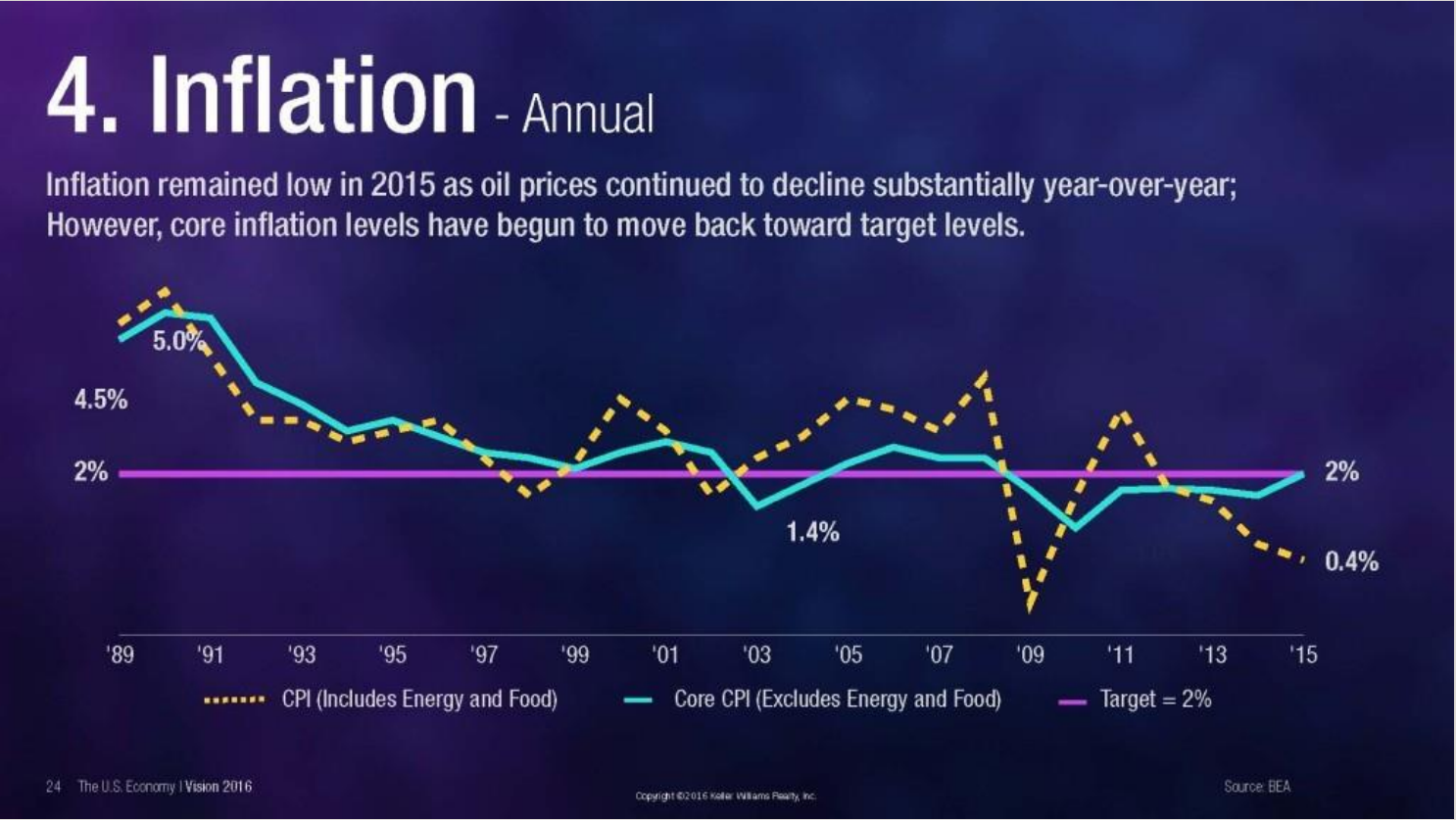
ANNUAL GROSS DOMESTIC PRODUCT YEAR OVER YEAR



ANNUAL UNEMPLOYMENT YEAR OVER YEAR



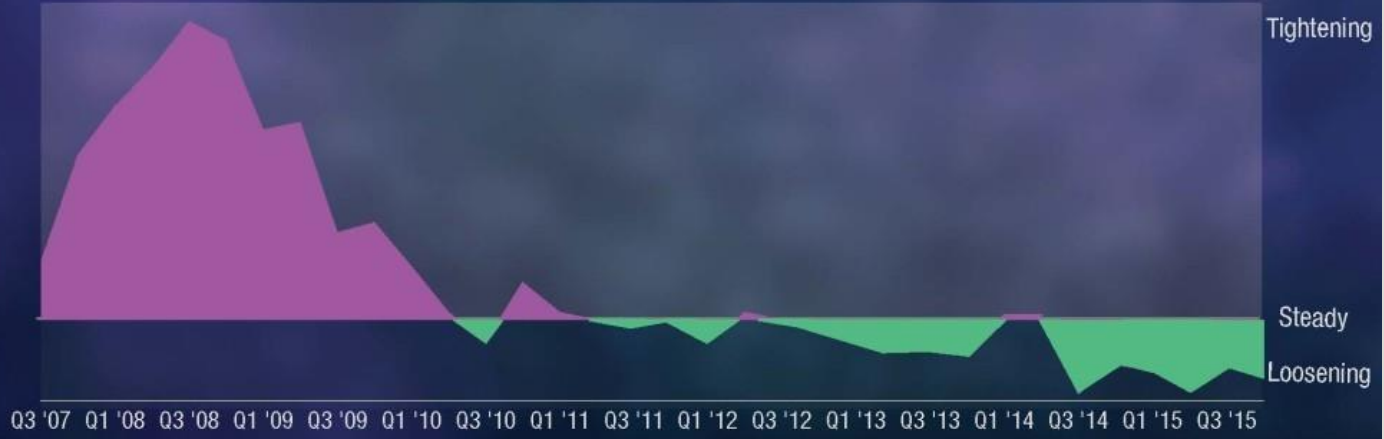
ANNUAL INFLATION YEAR OVER YEAR



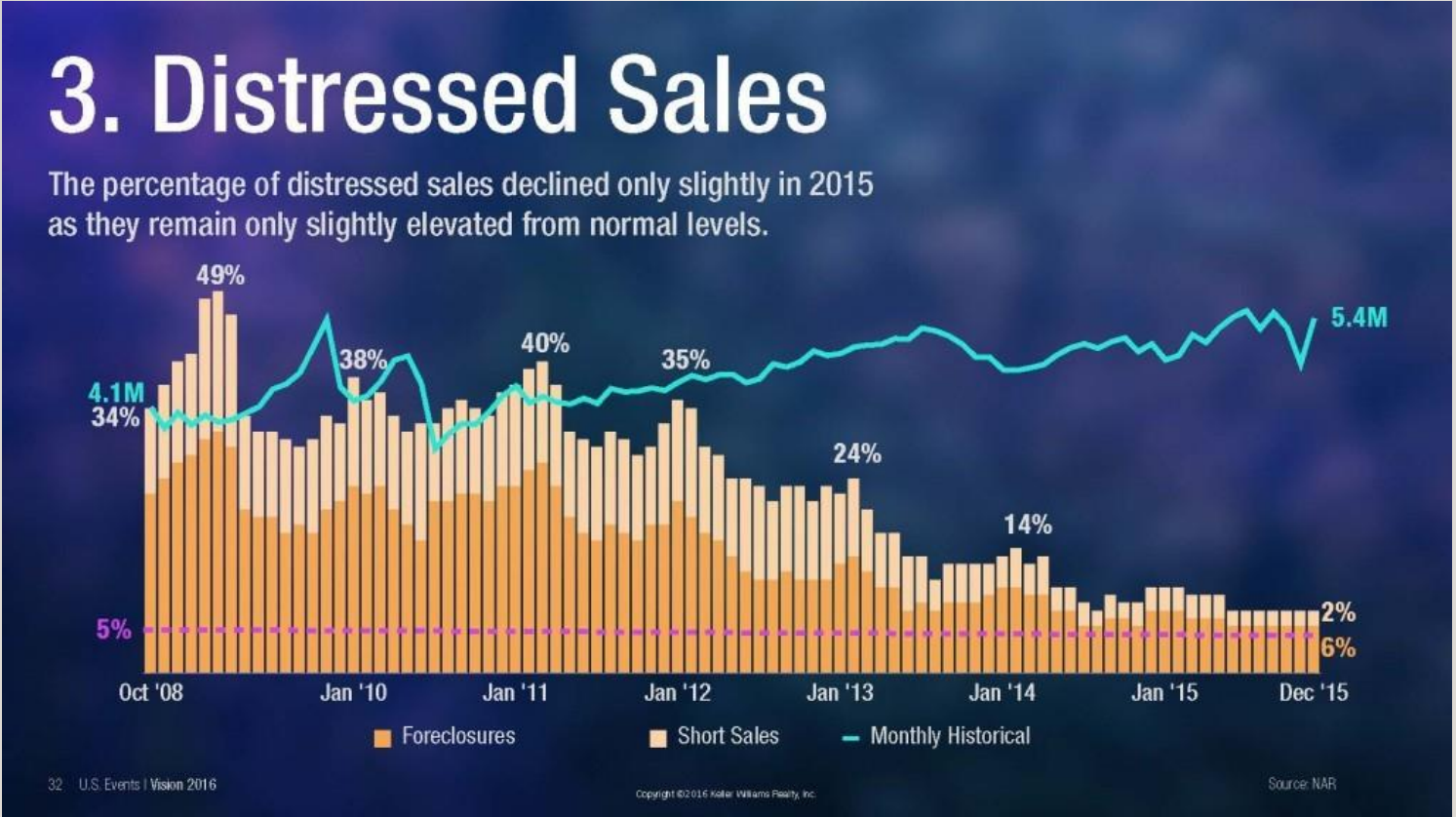
CREDIT CONDITIONS

2. Credit Conditions

In 2015 banks continued to loosen mortgage lending standards with more than 10% of banks loosening standards on net in every quarter of 2015.



DISTRESSED HOME SALES YEAR OVER YEAR 2008 - 2015



UNDERWATER HOMES QUARTER OVER QUARTER Q2 '10 TO Q3 '15

4. Underwater Homes

Underwater homes continue to return to equity as prices rise, increasing the pool of homes that could be available to list over the next few years.



NEW HOME CONSTRUCTION YEAR OVER YEAR 2007 TO 2015 & HISTORICAL

6. New Home Construction

Single family home construction increased 10.4% in 2015. While new home construction continues to improve, the 715,000 homes started is still well below the historical average of 1 million.

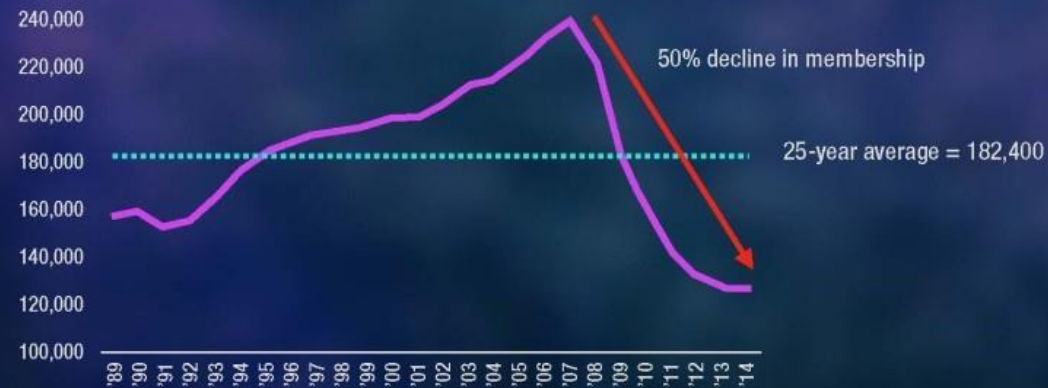


BUILDER CAPACITY

NATIONAL AMERICAN HOME BUILDER MEMBERSHIP

7. Builder Capacity

NAHB Membership



OIL PRICES YEAR OVER YEAR

8. Oil Prices

While declining oil prices should continue to benefit consumers, they also appear to signal a global demand slump that could act as a slowdown for the economy in the near term.



STUDENT LOAN DEBT YEAR OVER YEAR 2003 TO 2015

9. Student Loan Debt

Between 2003 and 2015 the total amount of student loan debt nearly quintupled, going from \$241 billion to \$1.2 trillion. A 398% increase.

- 75% of recent graduates had student loans, with balances averaging \$29,400. At 6.5%, that is a payment of \$333 per month.



THE WORLD'S WEALTHY THE RICH HAVE BECOME RICHER AND LARGER

1. The World's Wealthy

Year	HNWI* in US (in Thousands)	HNWI in Canada (in Thousands)	Global HNWI (in Millions)	Wealth of Global HNWIs (in US\$ Trillions)
2005	2,669	232	8.8	\$33.4
2006	2,920	248	9.5	\$37.2
2007	3,019	281	10.1	\$40.7
2008	2,460	231	8.6	\$32.8
2009	2,866	251	10	\$39
2010	3,104	282	10.9	\$42.7
2011	3,068	280	11	\$42
2012	3,436	298	12	\$46.2
2013	4,006	320	13.7	\$52.6
2014	4,351	331	14.6	\$56.4
2005 - 2014	63% increase	43% increase	66% increase	69% increase

*HNWI = High Net Worth Individuals

ALLOCATION OF FINANCIAL INVESTMENTS

WHERE IS THE MONEY GOING

2. Allocation of Financial Investments - Globally

Year	Real Estate	Cash/Deposits	Fixed Income	Stock Market	Alternative Investments
2004	16%	13%	24%	28%	19%
2005	16%	13%	21%	30%	20%
2006	24%	14%	21%	31%	10%
2007	14%	17%	27%	33%	9%
2008	18%	21%	29%	25%	7%
2009	18%	17%	31%	29%	6%
2010	19%	14%	29%	33%	5%
2012	20%	28%	16%	26%	10%
2013	18.7%	26.6%	15.7%	24.8%	13%
2014	17.6%	25.6%	16.9%	26.8%	13%

HOME INVENTORY SUPPLY YEAR OVER YEAR 2008 TO 2015

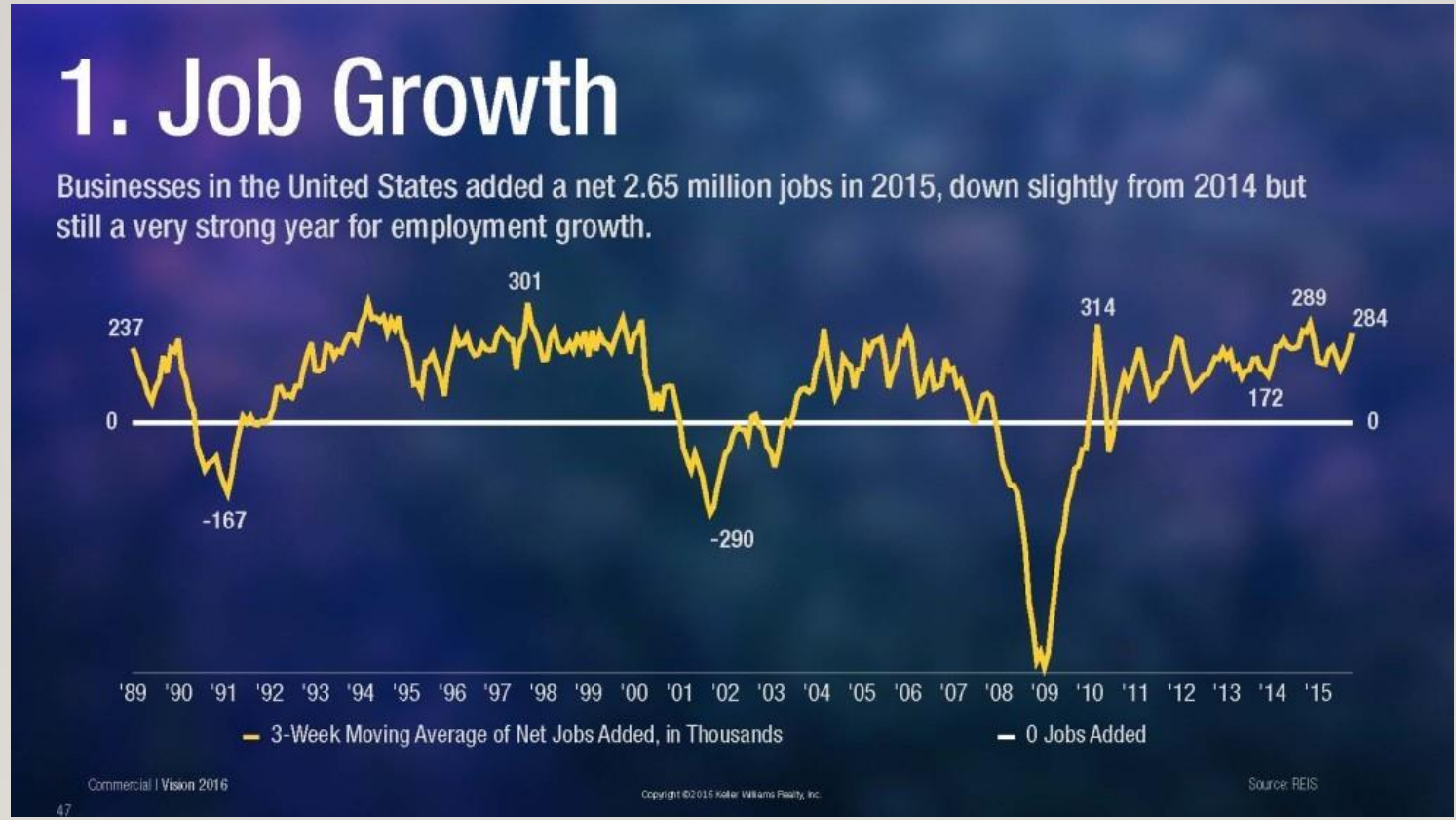
3. Months Supply of Inventory



DAYS ON THE MARKET (LUXURY, MOVE-UP & STARTER) YEAR OVER YEAR 2008 TO 2015



JOB GROWTH YEAR OVER YEAR 1989 TO 2015



LOAN DELINQUENCY RATES YEAR OVER YEAR 1991 TO 2015

