

# Impact of Pandemic on Real Estate and Economic Outlook

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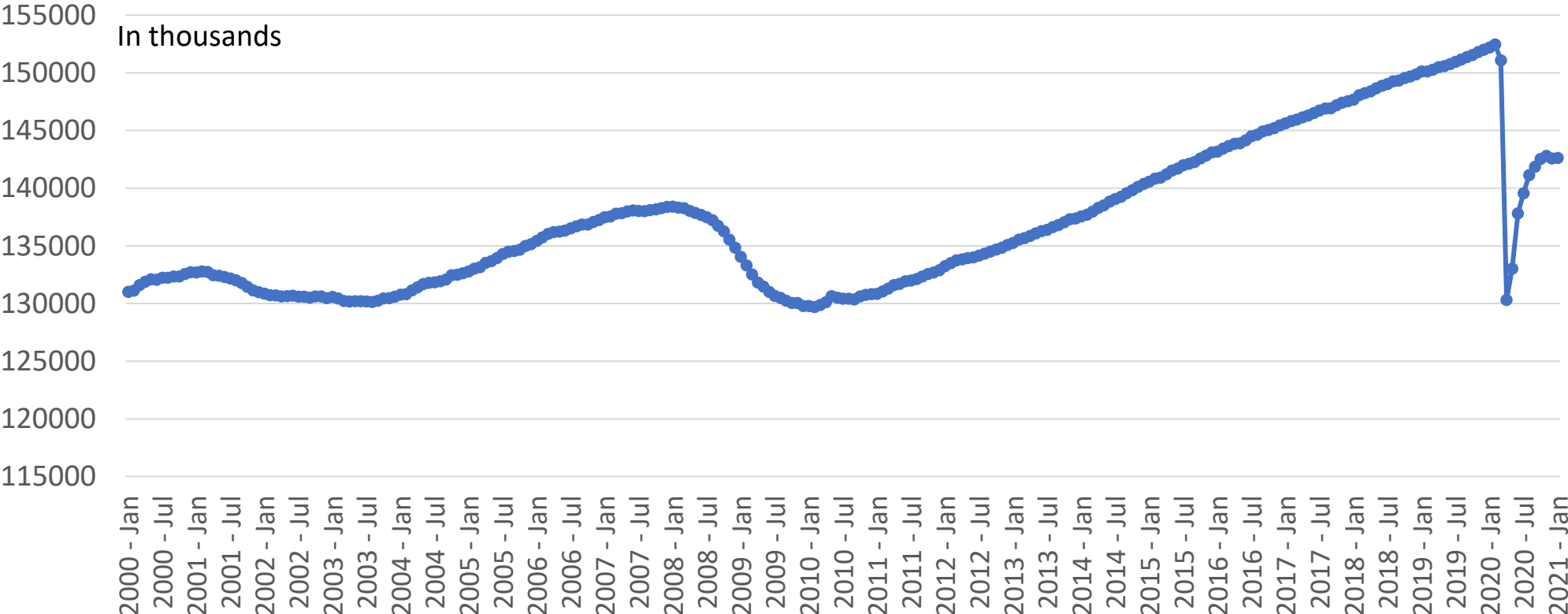


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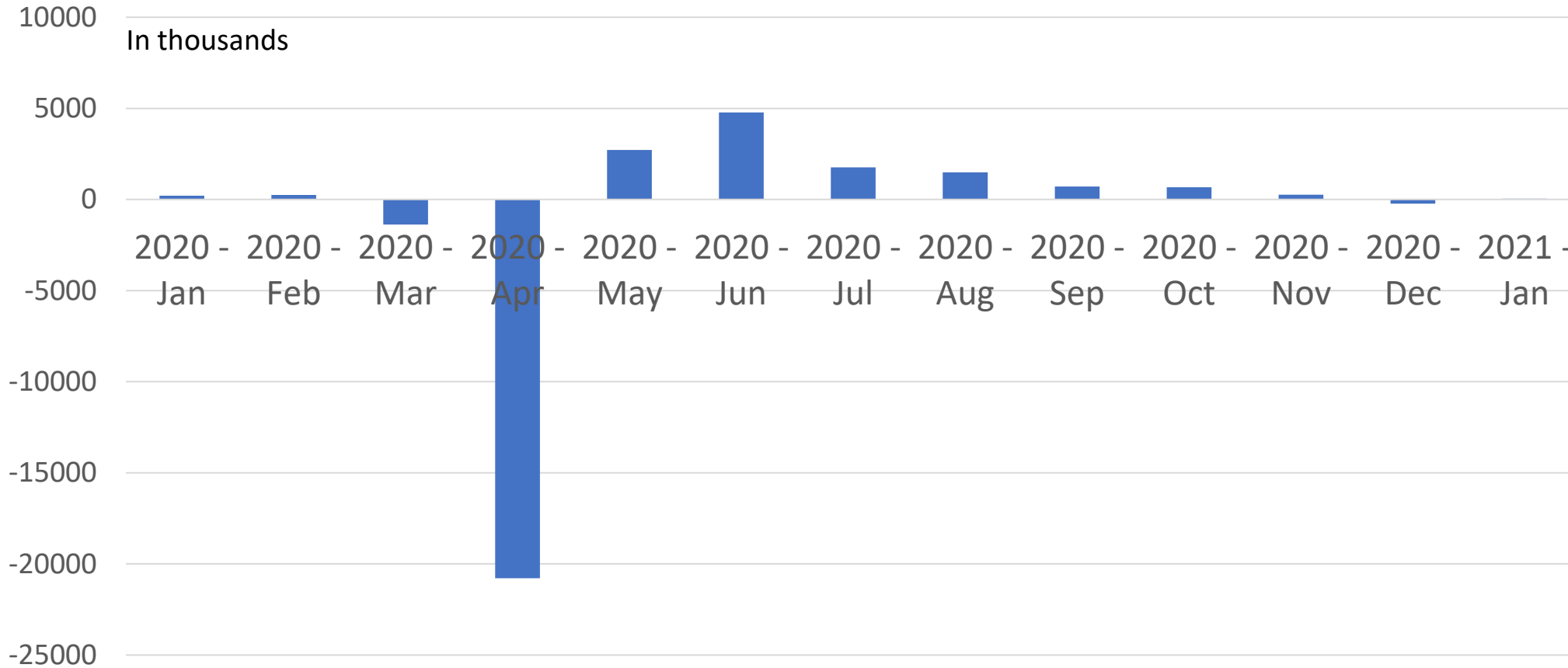


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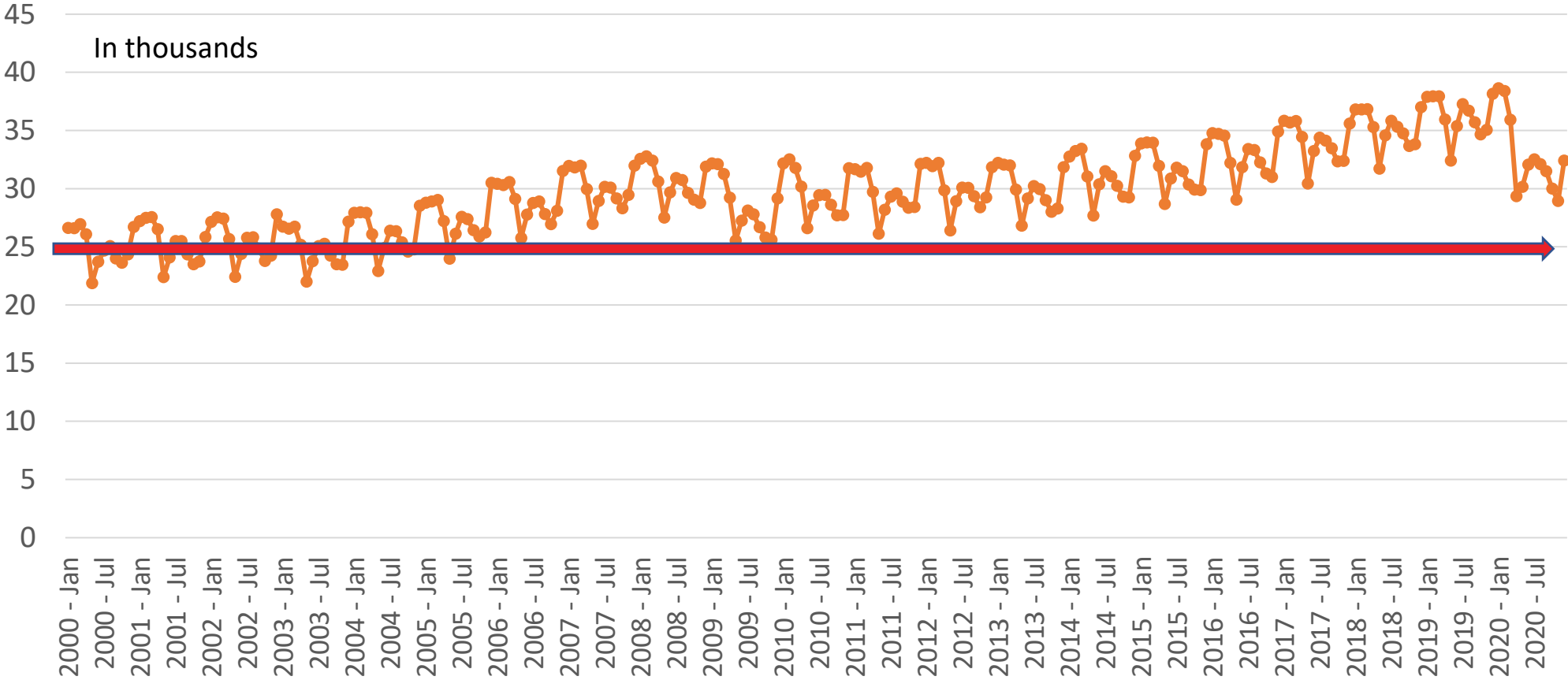
# Jobs Recovery ... need 10 million more jobs to reach pre-pandemic levels



# Monthly Job Additions Fizzling Out



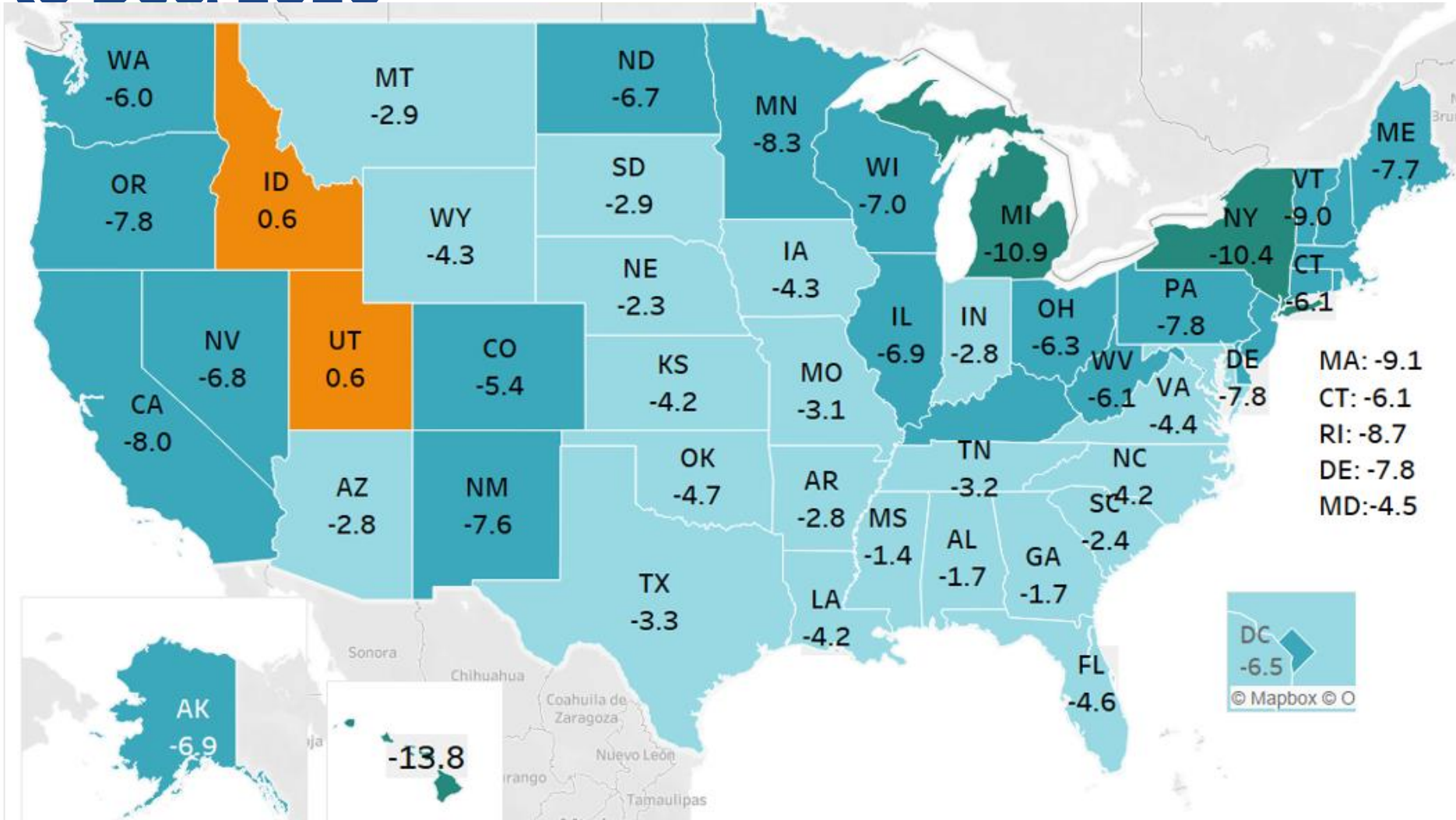
# Jobs in Eagle County



# Jobs in Denver



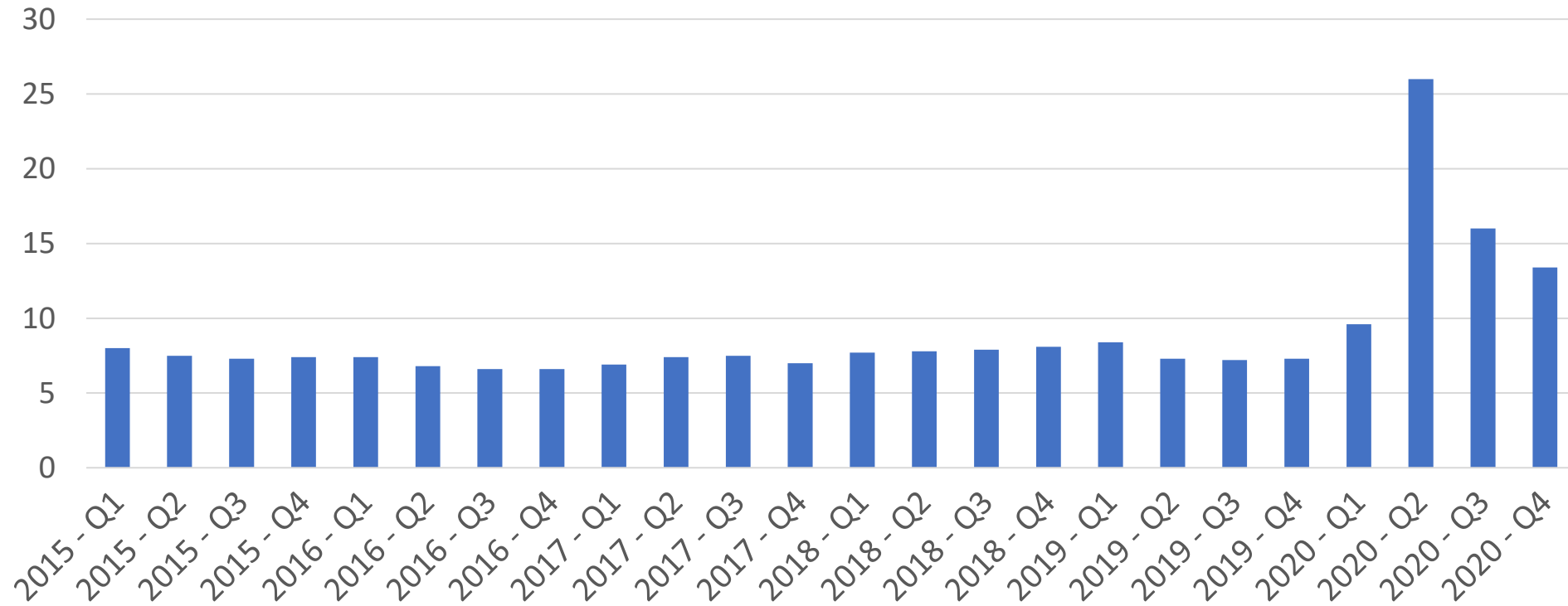
# State Level Employment Change over 12 months to Dec. 2020



## **GDP is lower but Income is higher from stimulus measures**

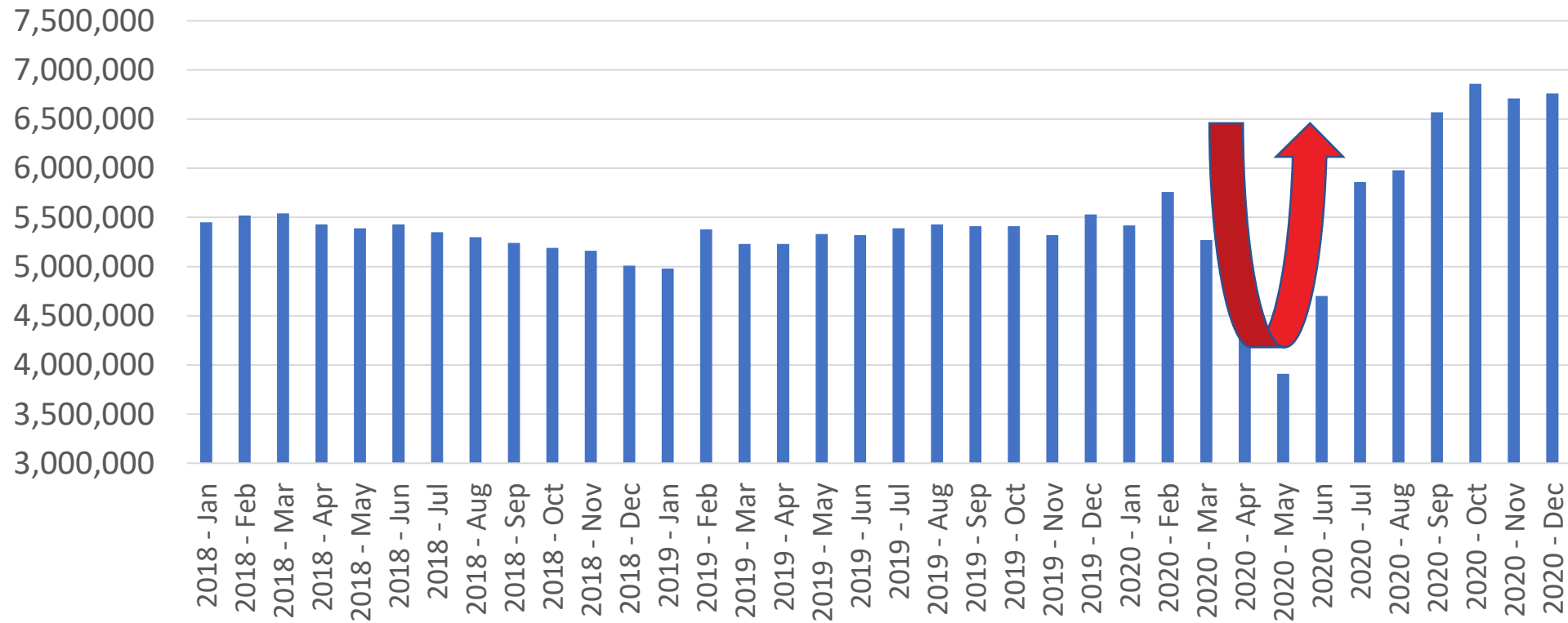
|         | <b>GDP<br/>(% change from a<br/>year ago)</b> | <b>Personal Income<br/>(% change from a<br/>year ago)</b> |
|---------|---|---|
| 2020 Q2 | -8.5%   | +10.7%  |
| 2020 Q4 | -1.2%   | +4.3%   |

# Savings Rate Elevated ... Ready to be unleashed once herd immunity

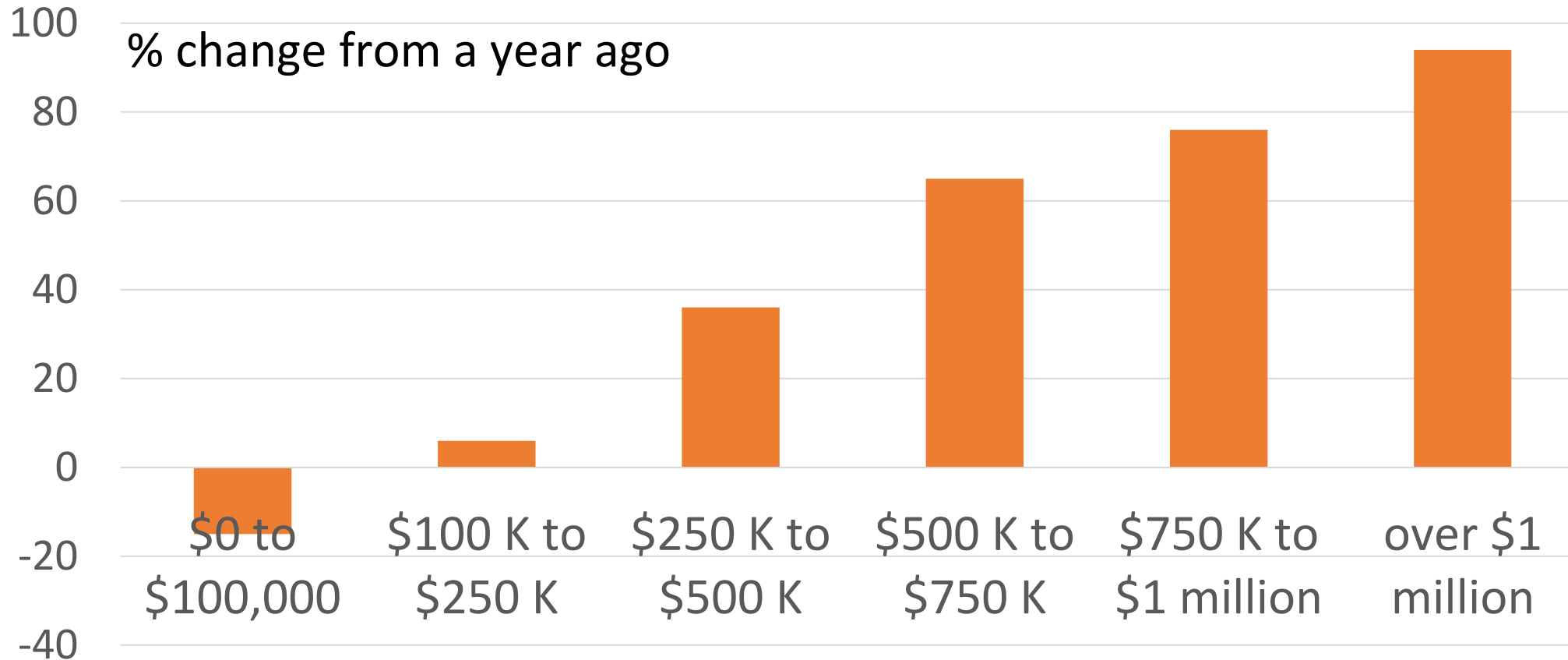




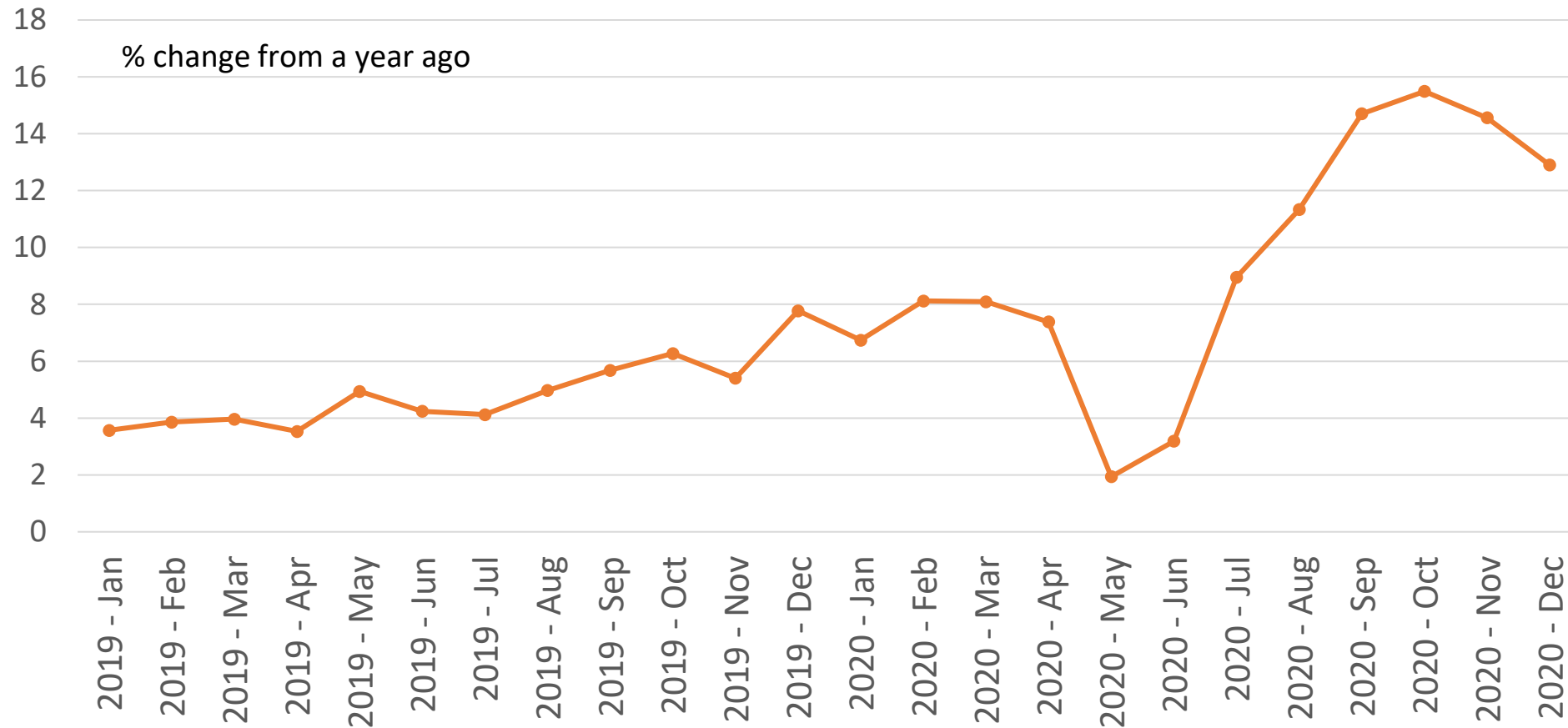
# Existing Home Sales makes a U-turn



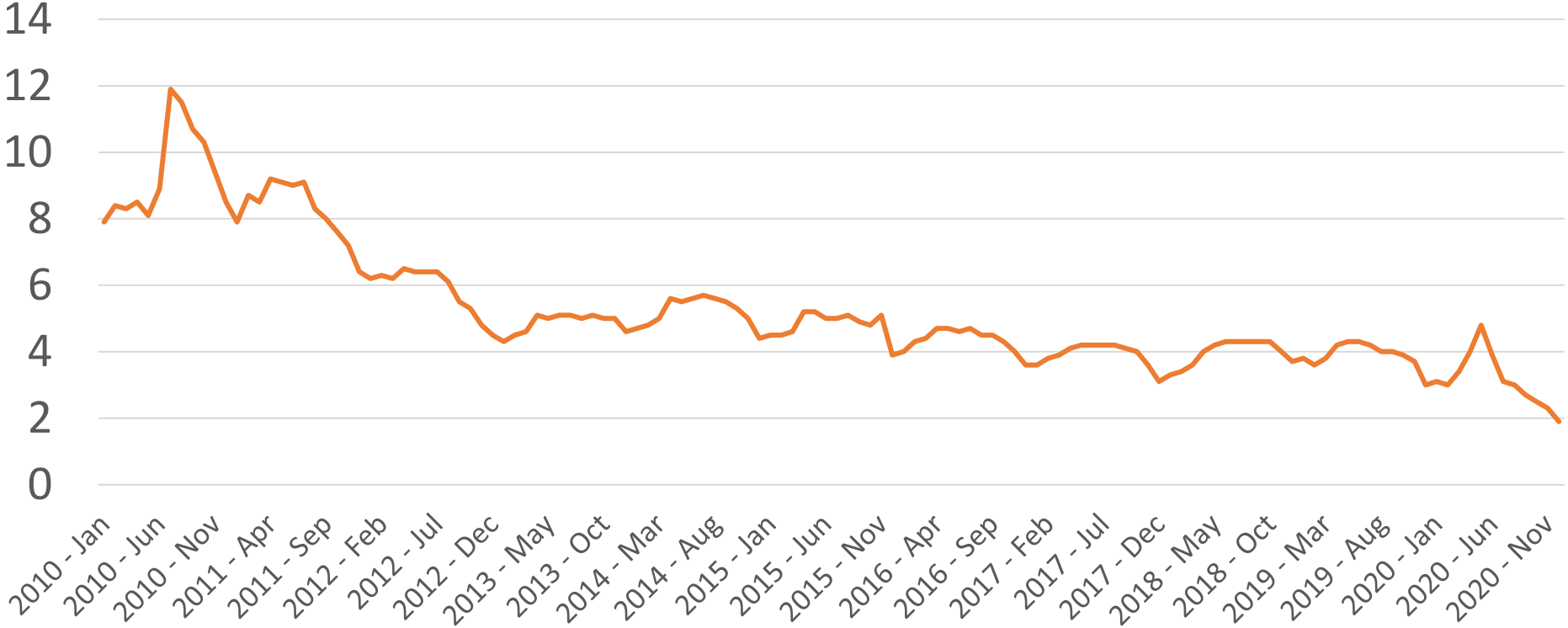
# Home Sales Growth stronger in the Upper-end



# Double-digit Home Price Appreciation

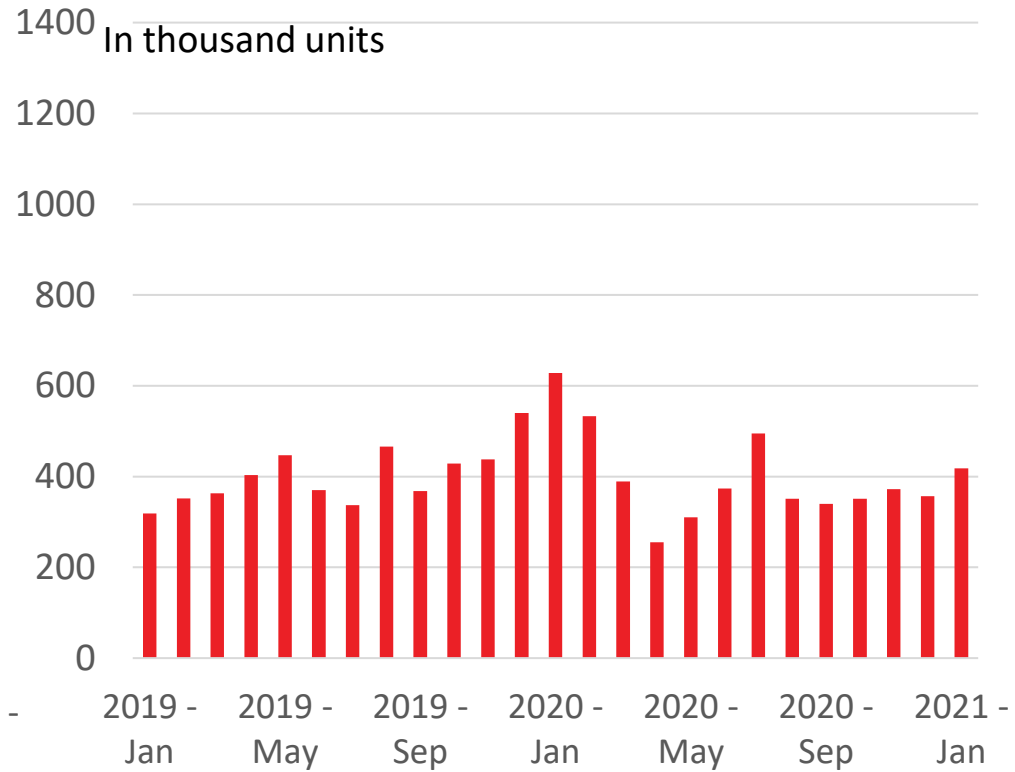
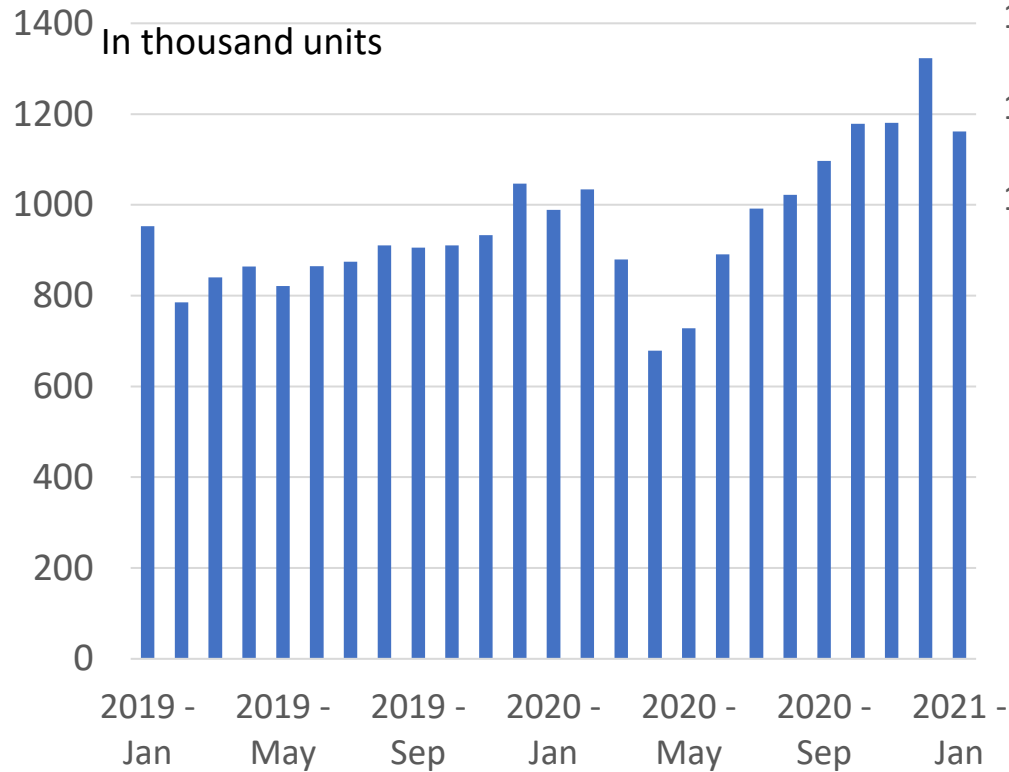


# Shrinking Inventory

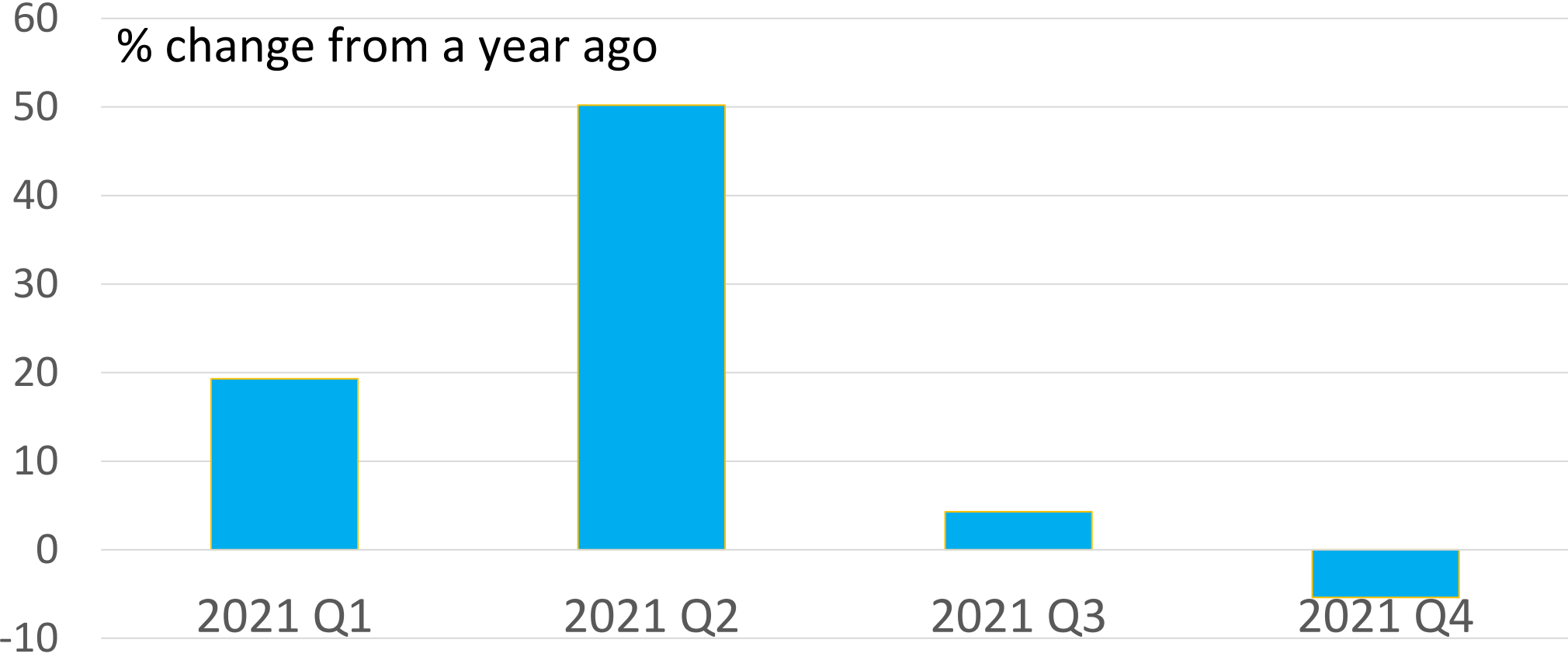


# Single-Family Housing Starts Ramping up ..

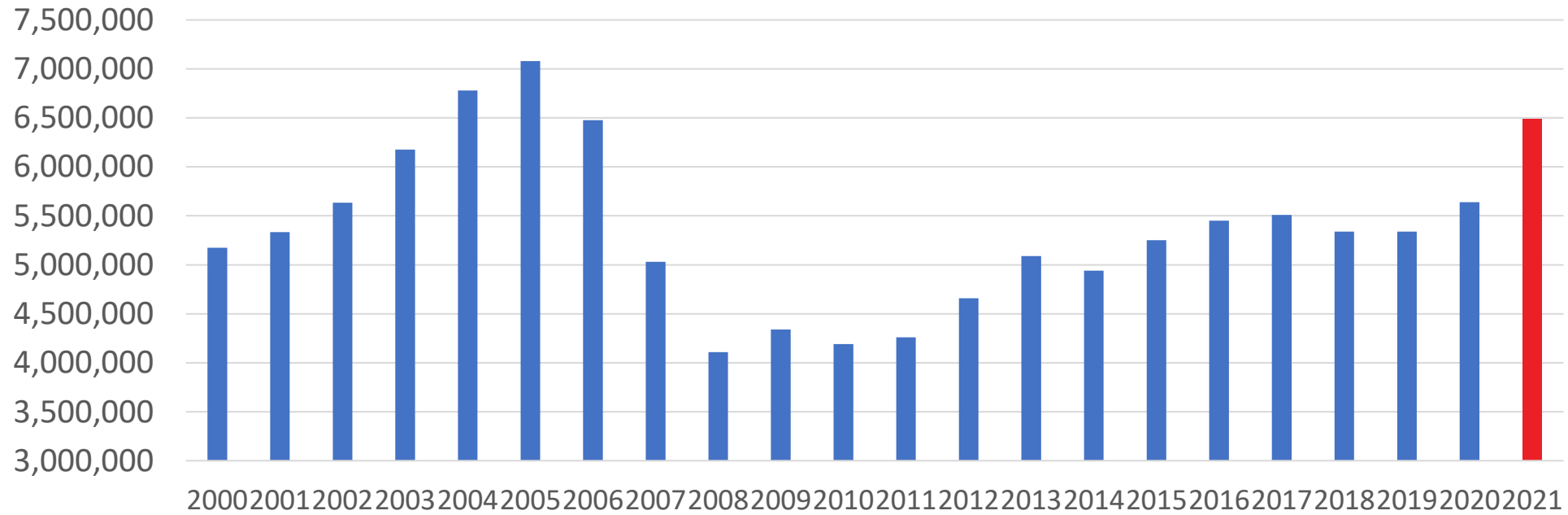
## Multifamily Flat



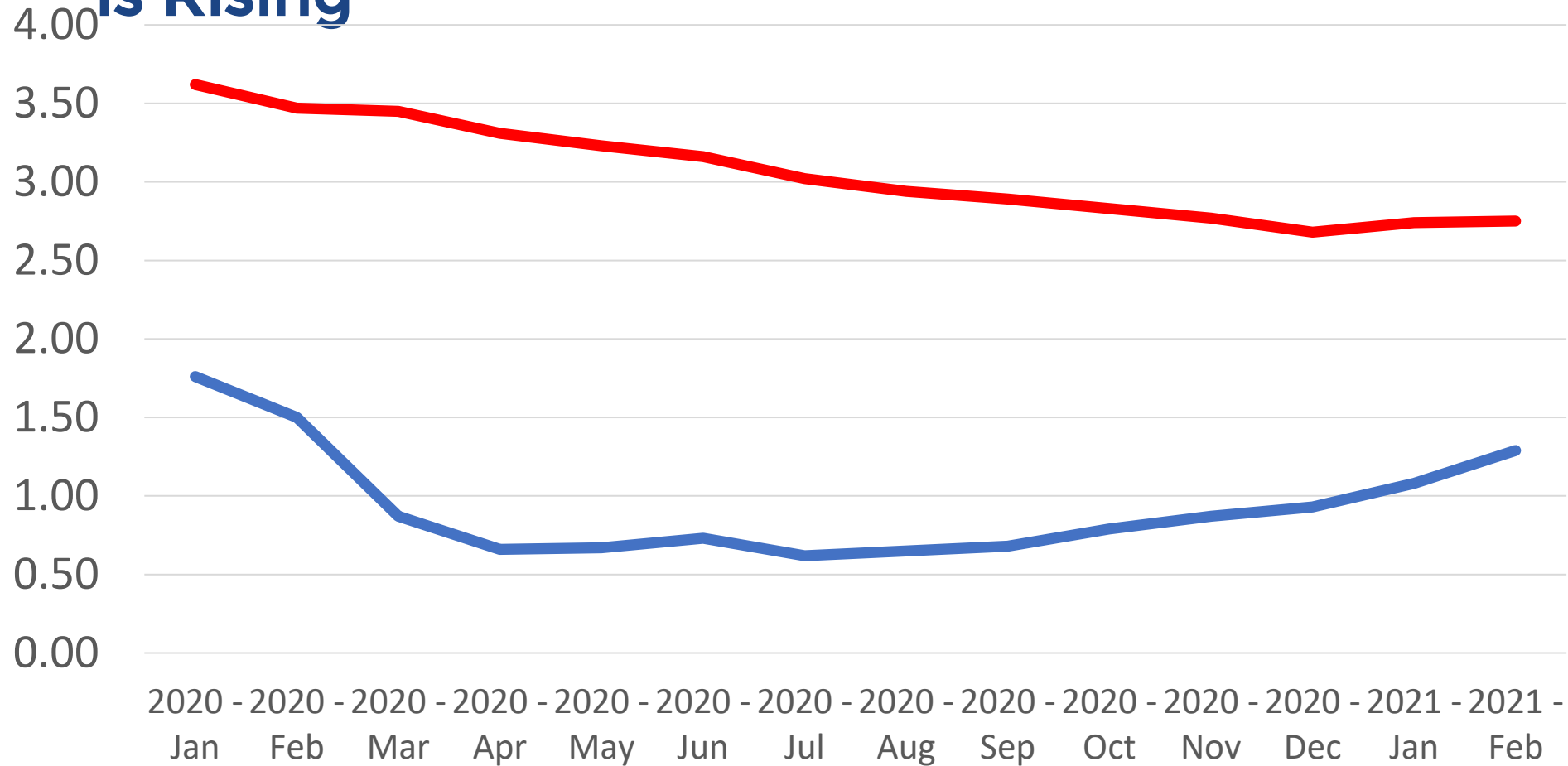
# Likely Path of Home Sales in 2021



# Existing Home Sales: Annual and Forecast

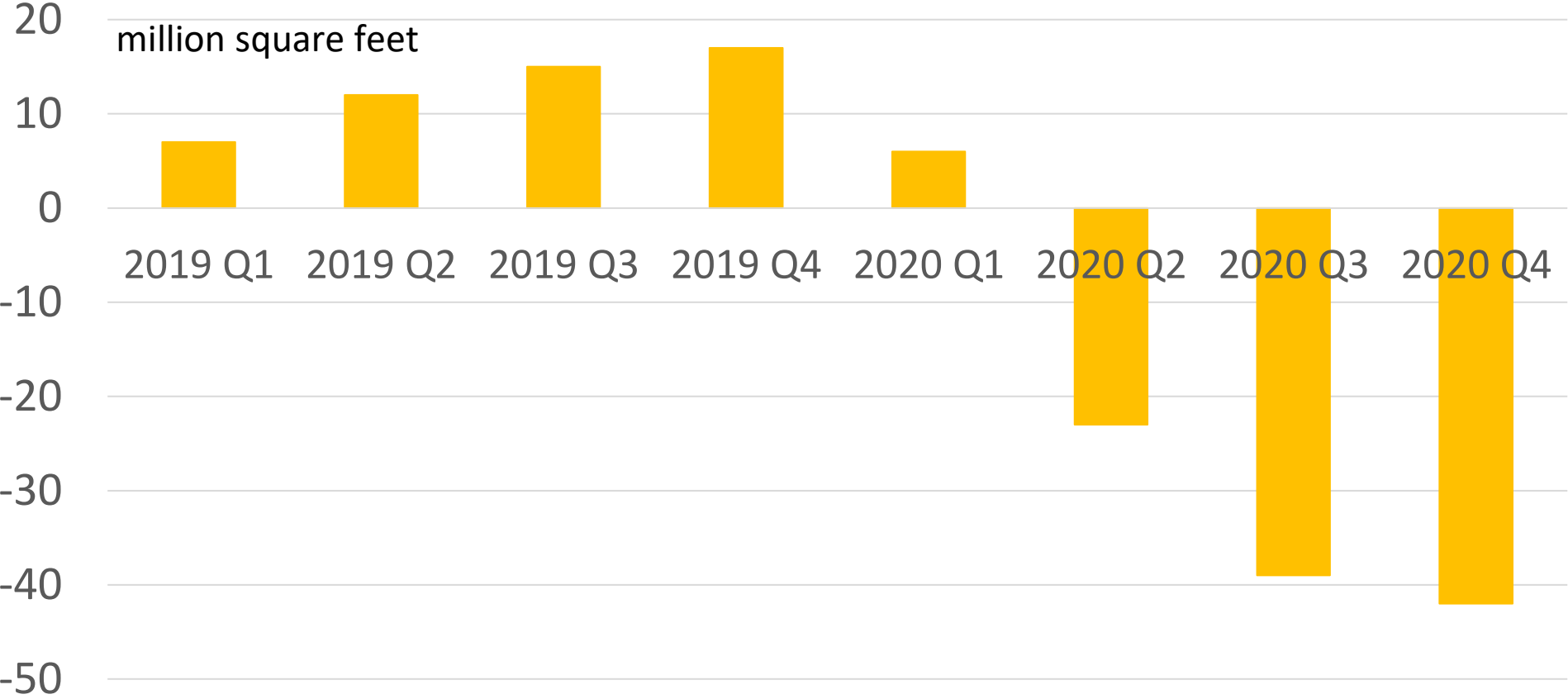


# Mortgage Rates to Rise ... Because 10-year Treasury Yield is Rising

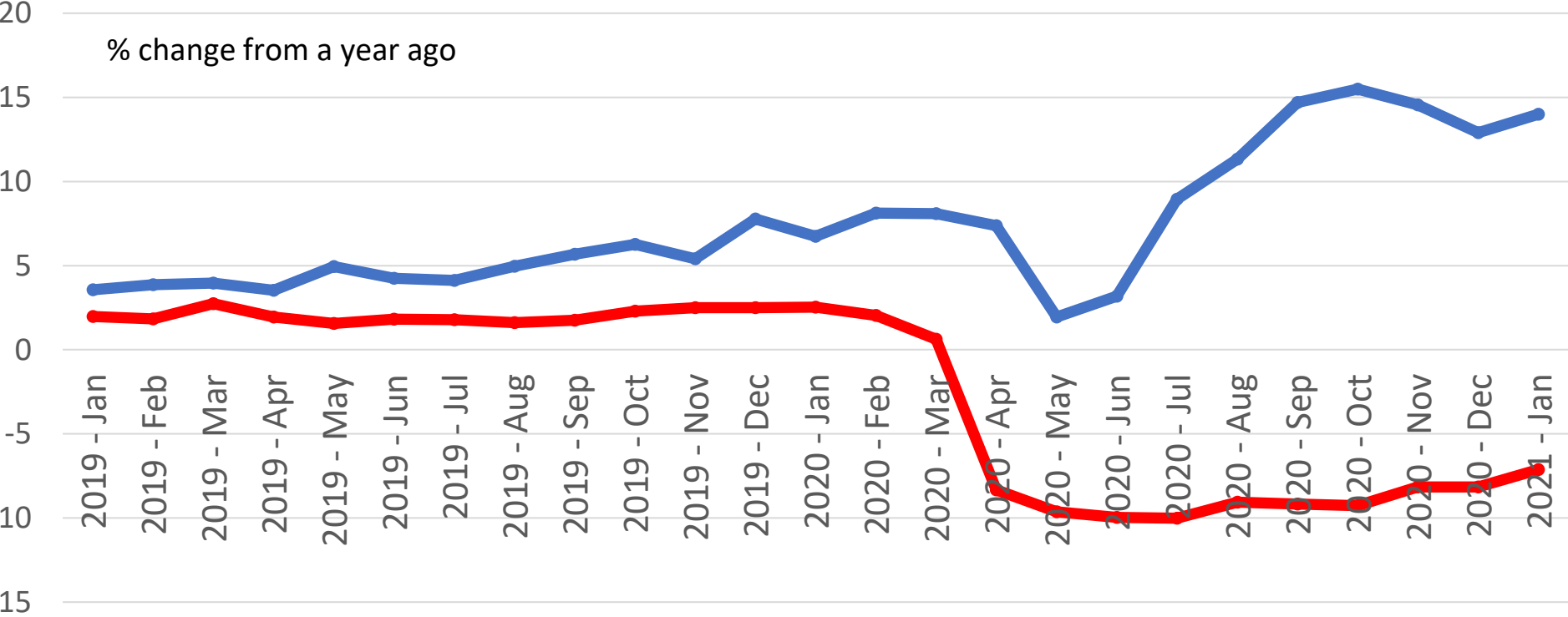




# Office Leasing (Net Absorption)



# Real Estate Price Growth: Residential and Commercial



# Economic Forecast

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|                             | 2019         | 2020        | 2021<br>Forecast |
|-----------------------------|--------------|-------------|------------------|
| GDP Growth                  | 2.3%         | -3.5%       | +4%              |
| Job Gains                   | +2.2 million | - 9 million | + 3 million      |
| 10-Year<br>Treasury         | 2.1%         | 0.9%        | 1.3%             |
| Consumer Price<br>Inflation | 1.8%         | 1.3%        | 2.3%             |

# Housing Market Forecast

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|                     | 2019 | 2020 | 2021<br>Forecast |
|---------------------|------|------|------------------|
| Mortgage Rates      | 3.9% | 3.0% | 3.1%             |
| New Home Sales      | +11% | +19% | +24%             |
| Existing Home Sales | 0%   | +6%  | +15%             |
| Home Price          | +5%  | +7%  | +3%              |

# THANK YOU.

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