

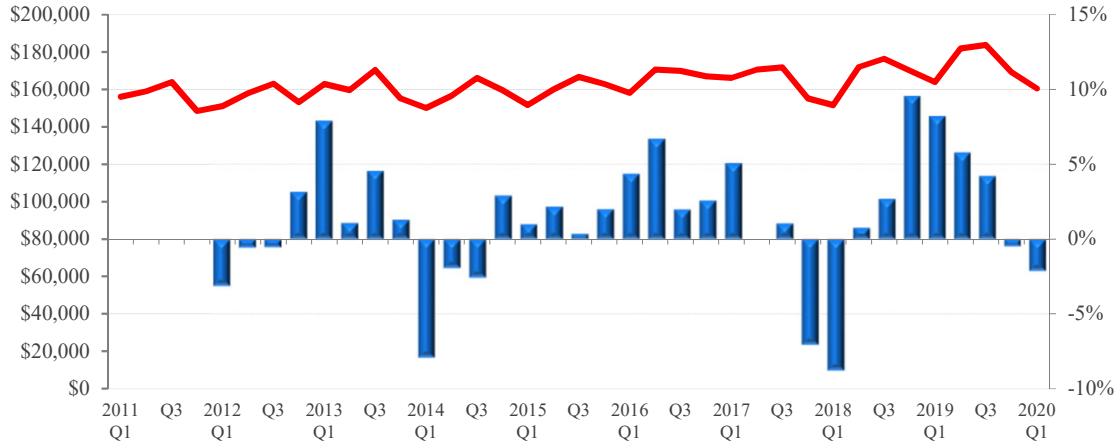
Shreveport-Bossier City Area

Local Market Report, First Quarter 2020

including the impact of COVID-19 on the local economy

Today's Market...

Median Price (Red Line) and One-year Price Growth



Local Price Trends			
Price Activity	Shreveport	U.S.	Local Trend
Current Median Home Price (2020 Q1)	\$160,500	\$272,433	Prices are down compared to a year earlier and continue to weaken
1-year (4-quarter) Appreciation (2020 Q1)	-2.1%	7.7%	
3-year (12-quarter) Appreciation (2020 Q1)	-3.4%	18.1%	
3-year (12-quarter) Housing Equity Gain*	-\$5,700	\$41,733	Price trends in the last three years added to the post-recession slump
7-year (28 quarters) Housing Equity Gain*	-\$2,500	\$96,500	
9-year (36 quarters) Housing Equity Gain*	\$4,500	\$114,500	

*Note: Equity gain reflects price appreciation only

	Shreveport	U.S.	
Conforming Loan Limit**	\$484,350	\$726,525	Most buyers in this market have access to government-backed financing
FHA Loan Limit	\$314,827	\$726,525	
Local Median to Conforming Limit Ratio	33%	not comparable	

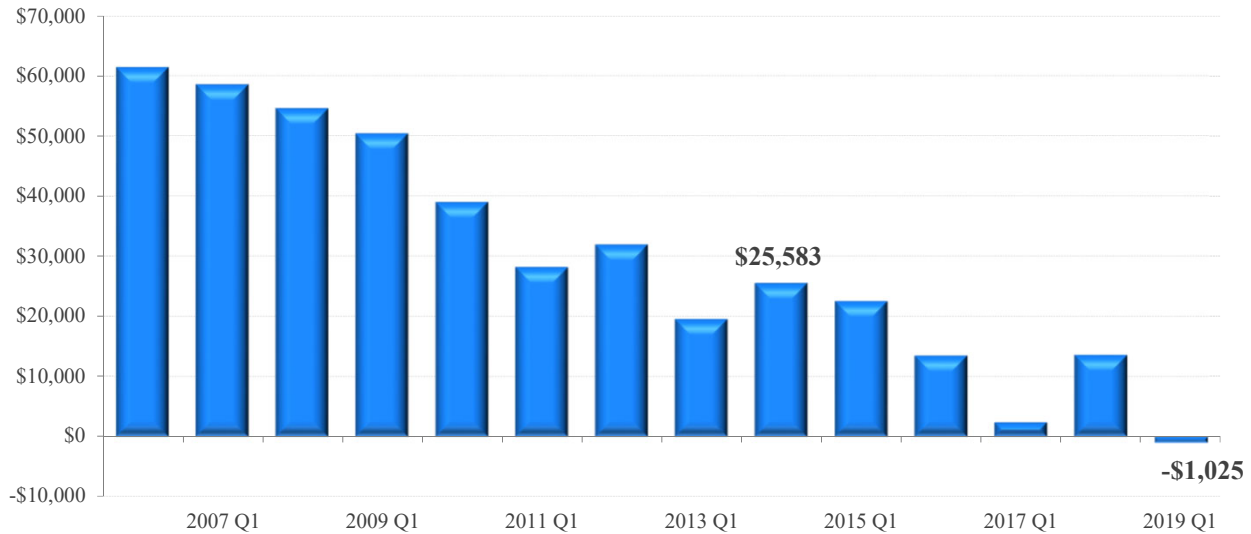
Note: limits are current and include the changes made on January 1st 2019.

Local NAR Leadership

The Shreveport-Bossier City market is part of region 10 in the NAR governance system, which includes all of Louisiana and Texas. The 2020 NAR Regional Vice President representing region 10 is Kaki Lybbert.

Benefits of Ownership: Total Equity Appreciation

Total Equity Accrued to Owner by Year and Quarter of Purchase



Total Equity Gained** through 2020 Q1 from quarter in which home was of purchased

Price Activity	Shreveport	U.S.	Local Trend
1-year (4-quarter)	\$1,025	\$23,185	Price trends in the last three years hindered equity gains, while owners continue to pay down principle
3-year (12-quarter)*	\$2,401	\$52,978	
5-year (20-quarter)*	\$22,608	\$87,425	
7-year (28 quarters)*	\$19,597	\$120,351	
9-year (36 quarters)*	\$28,261	\$138,556	

*Note: Equity gain reflects price and principle payments since purchase, prevailing 30-year fixed rate mortgage at time of purchase and a 10% downpayment. Downpayment is not included in total equity

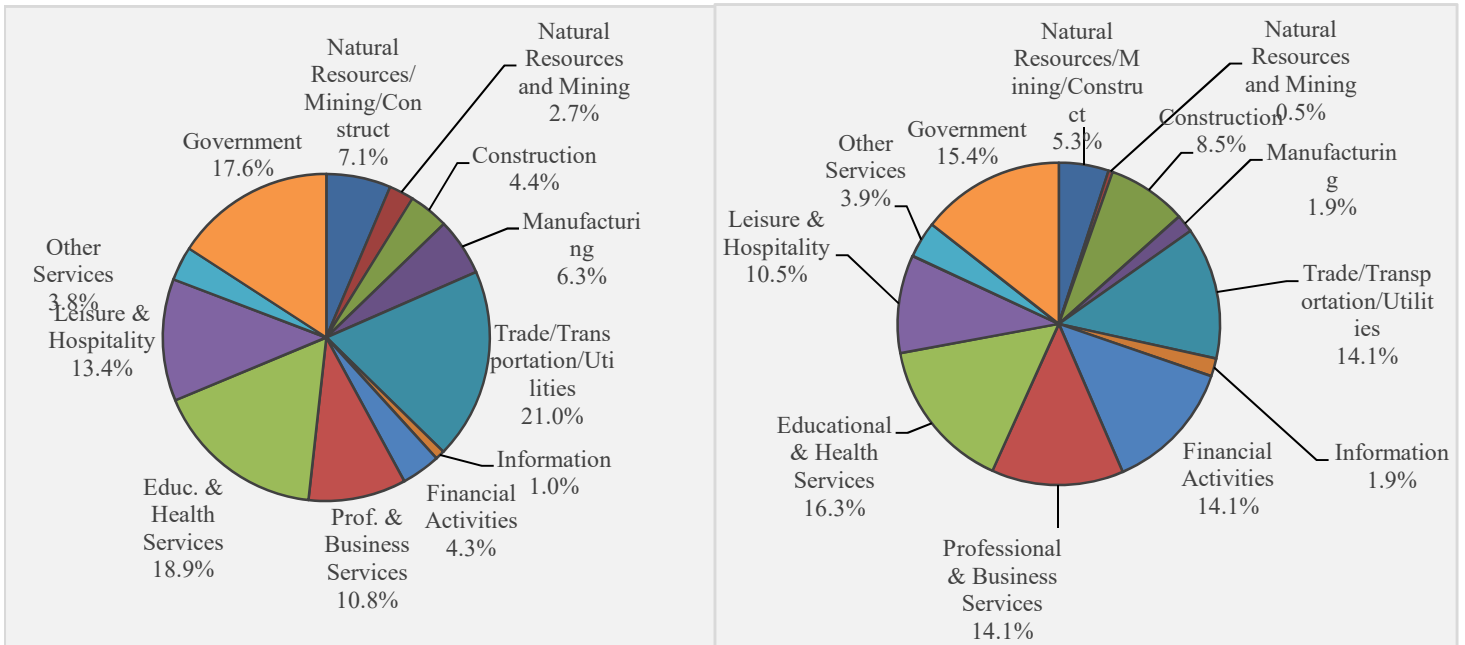
Drivers of Local Supply and Demand...

Local Economic Outlook	Shreveport	U.S.	
12-month Job Change (Mar)	-3,200	Not Comparable	Employment continues to decline and will weigh on demand in some areas
12-month Job Change (Feb)	-1,200	Not Comparable	
36-month Job Change (Mar)	-1,700	Not Comparable	Shreveport's unemployment situation is worse than the national average and weighs on confidence
Current Unemployment Rate (Mar)	6.7%	4.4%	
Year-ago Unemployment Rate	4.4%	3.8%	Local employment growth is poor and needs to improve
1-year (12 month) Job Growth Rate	-1.8%	1.3%	

Share of Total Employment by Industry

Shreveport-Bossier City Area

U.S.



12-month Employment Change by Industry in the Shreveport-Bossier City Area (Mar - 2020)

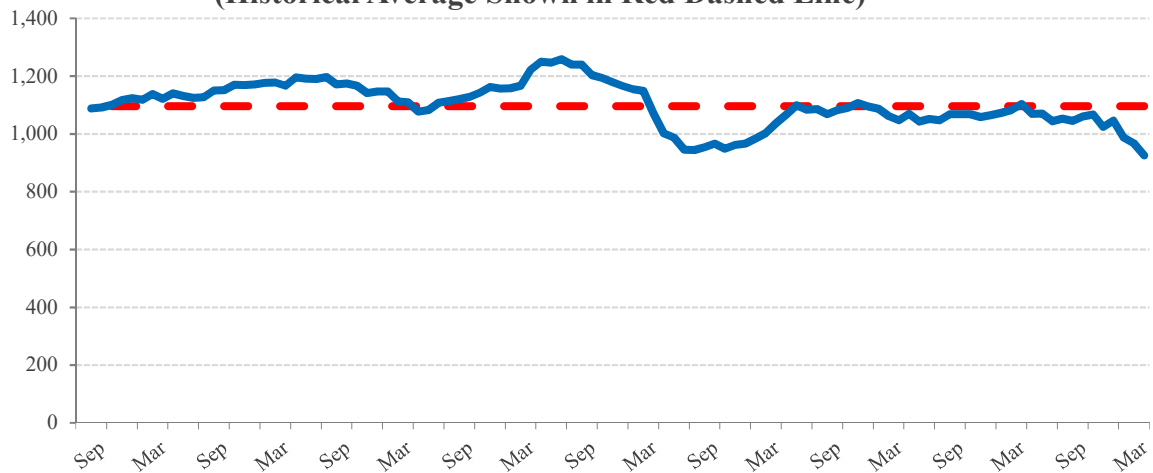
Goods Producing	NA	Information	-100
Natural Resources/Mining/Construction	-700	Financial Activities	0
Natural Resources and Mining	-600	Prof. & Business Services	-300
Construction	-100	Educ. & Health Services	100
Manufacturing	0	Leisure & Hospitality	0
Service Providing Excluding Government	NA	Other Services	100
Trade/Transportation/Utilities	-300	Government	0

State Economic Activity Index	Louisiana	U.S.	
12-month change (2020 - Mar)	-1.5%	1.2%	The economy of Louisiana is still in recession, but improved modestly from last month's -13.46% change
36-month change (2020 - Mar)	NA	7.0%	

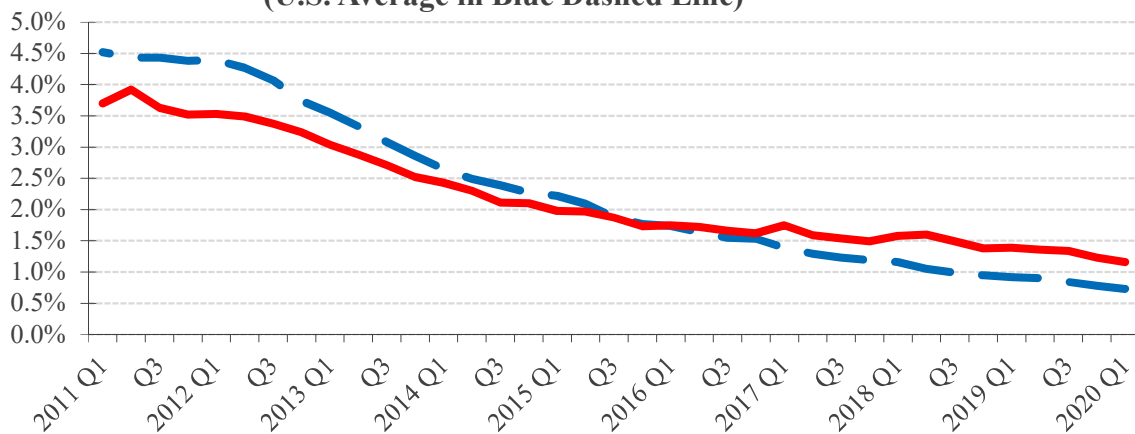
New Housing Construction

Local Fundamentals	Shreveport	U.S.	
12-month Sum of 1-unit Building Permits through Mar	926	not comparable	The current level of construction is 15.5% below the long-term average
8-year average for 12-month Sum of 1-Unit Building Permits	1,096	not comparable	Reduced construction will limit new supply to the market, allowing demand to catch up with inventory more quickly
Single-Family Housing Permits (Mar) 12-month sum vs. a year ago	-16.1%	5.5%	Construction continues to decline from last year

Construction: 12-month Sum of Local Housing Permits
(Historical Average Shown in Red Dashed Line)



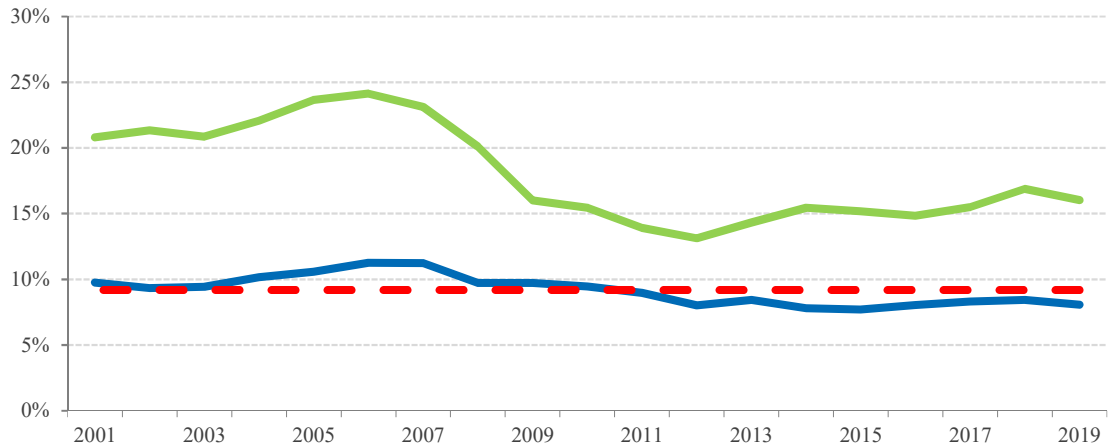
State Total Foreclosure Rate vs. U.S. Average
(U.S. Average in Blue Dashed Line)



Affordability

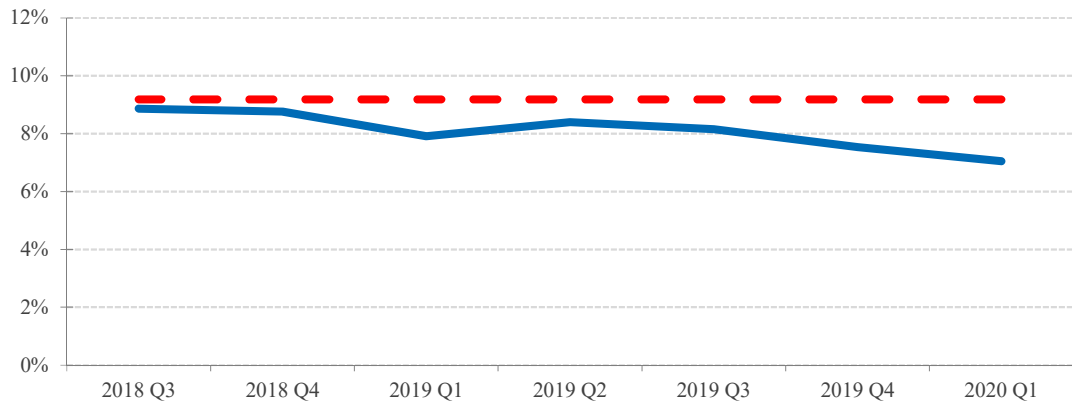


Long-Term Trend: Ratio of Local Mortgage Servicing Cost to Income
(Local Historical Average Shown in Red, U.S. Average in Green)

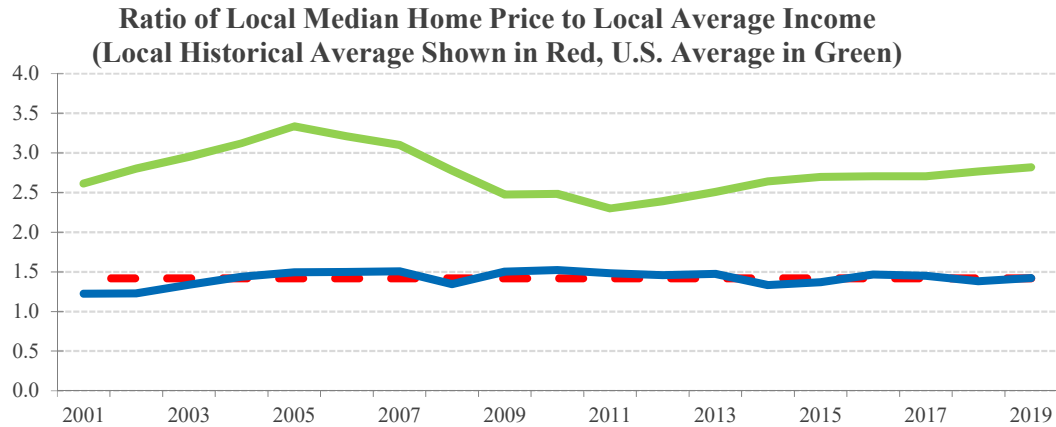


Monthly Mortgage Payment to Income	Shreveport	U.S.	
Ratio for 2019	8.1%	16.0%	Historically strong, but weaker than the fourth quarter of 2019
Ratio for 2020 Q1	7.0%	14.6%	
Historical Average	9.2%	18.4%	More affordable than most markets

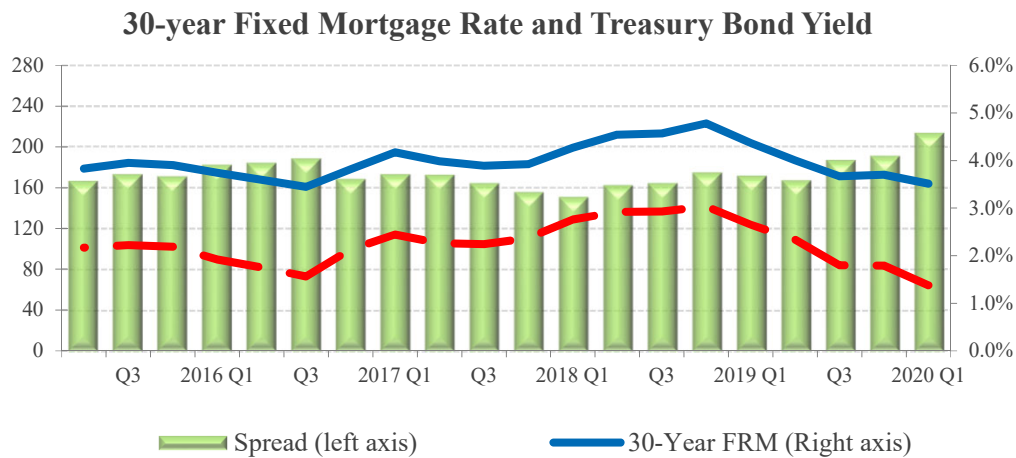
Recent Trend - Local Mortgage Servicing Cost to Income
(Historical Average Shown in Red Dashed Line)



Median Home Price to Income	Shreveport	U.S.	
Ratio for 2019	1.4	2.8	The price-to-income ratio rose, but is better than the historic average
Ratio for 2020 Q1	1.3	2.7	
Historical Average	1.4	2.7	Affordable compared to most markets



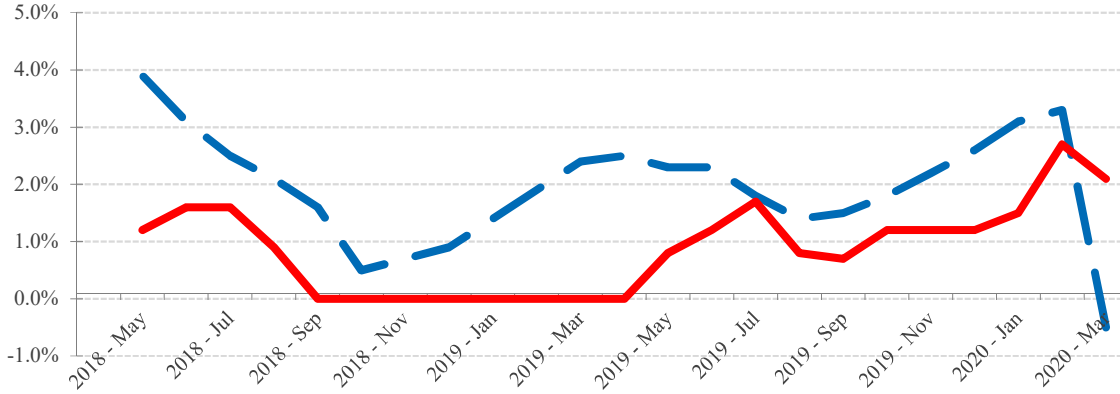
The Mortgage Market



The first quarter of the year mostly encompassed a pre-pandemic economy that was characterized by low unemployment and a robust economy. Nevertheless, as a result of the COVID-19 outbreak, mortgage rates reached a then-historical low in March of 2020 fueling an increase in refinance activities. Specifically, at the end of the first quarter, mortgage rates declined 90 basis points compared to a year earlier. According to the mortgage finance provider Freddie Mac, the 30-year fixed rate mortgage dropped to 3.51 percent in Q1 2020 from 4.37 percent in Q1 2019. Looking ahead, NAR is forecasting the 30-year fixed rate mortgage to average 3.20 percent for 2020.

REALTOR® Price Expectations

REALTOR® Price Expectations for the Next 12 Months
(U.S. Average in Blue Dashed Line)



Source: NAR

REALTOR® Price Expectations	Louisiana	U.S.	
2020 - Mar	2.1%	-0.5%	REALTORS® expect higher price growth in Louisiana than in the U.S. in the next 12 months. Their price expectations are also higher than a year ago.
Prior 12 months	0.0%	2.4%	



Geographic Coverage for this Report

The Shreveport area referred to in this report covers the geographic area of the Shreveport-Bossier City metro area as officially defined by the Office of Management and Budget of the U.S. Government. The official coverage area includes the following counties:

Bossier Parish, Caddo Parish, De Soto Parish, and Webster Parish

More information on the OMB's geographic definitions can be found at https://obamawhitehouse.archives.gov/omb/bulletins_default/