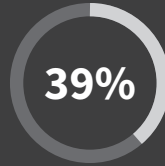


CONFIDENCE INDEX

26.4

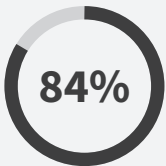
March 2020

The HousingIQ/Kentucky REALTORS® Confidence Index is a composite measure that captures Kentucky REALTOR® expectations about the housing market over the next twelve months. It is derived from three sub-indices – Price Expectation Index, Buyer Power Index, and Homeowner Stress Index. A value of 50 corresponds to respondents anticipating no change in market conditions over the next twelve months. A value of 100 corresponds to all respondents agreeing that market conditions will improve.

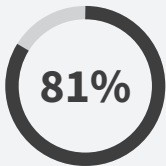


of respondents expect lower sales volume in the next twelve months.

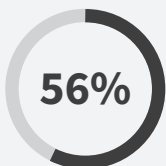
KENTUCKY REALTORS® CORONAVIRUS IMPACT BY THE NUMBERS



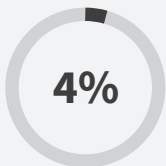
said their sellers had not removed their homes from the market.



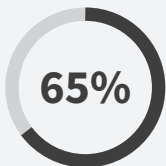
reported holding fewer open houses.



said their buyers were not significantly motivated by recent rate cuts.



said their sellers had removed their homes from market and refinanced.



said their buyers were significantly discouraged by recent stock market losses.

PRICE EXPECTATION INDEX: **36.2**

The Price Expectation Index reflects respondents' perception of future home price trends. A value of 50 corresponds to respondents anticipating current trends to sustain over the next twelve months and a value of 100 corresponds to all respondents anticipating an improvement in price appreciation.

25.5% of respondents expect home prices to fall by more than 2% in the next twelve months.

BUYER POWER INDEX: **75.8**

The Buyer Power Index gauges the balance of bargaining power between buyers and sellers. A value of 50 corresponds to the current trend sustaining whereas a value of 100 corresponds to all respondents agreeing that the power would shift to the buyer within the next twelve months.

68% of respondents expect more houses to sell below asking price in the next twelve months.

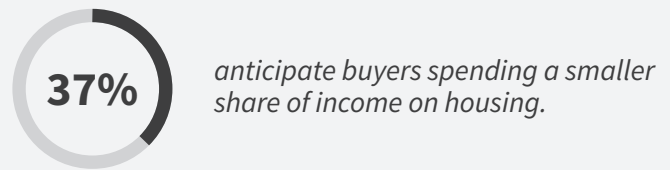
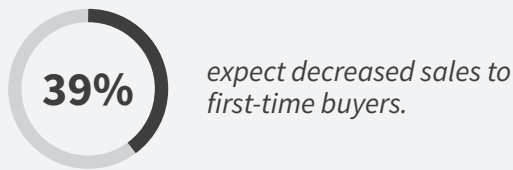
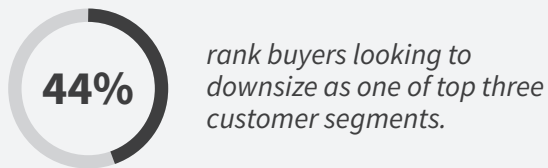
HOMEOWNER STRESS INDEX: **81.1**

The Homeowner Stress index measures the unfavorable financial situation of homeowners. It is derived from questions that measure the anticipated change in distressed sales, delinquencies, etc. A value of 50 corresponds to respondents anticipating no change from the current situation and a value of 0 corresponds to all respondents agreeing that homeowner situation will improve within the next twelve months.

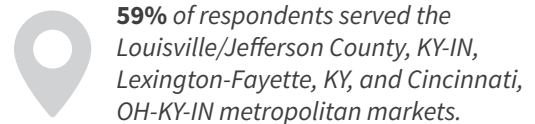
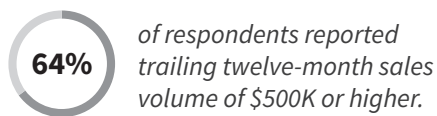
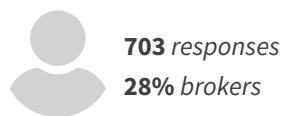
69.4% of respondents expect number of distressed sales to increase in the next twelve months.

KENTUCKY REALTORS® BY THE NUMBERS

IN THE NEXT TWELVE MONTHS:



SURVEY RESPONDENTS



The survey was administered to the Kentucky REALTORS® membership between March 20 and March 24, 2020. The survey margin of error at the 95% confidence level is +/-3.5%.

ABOUT THE HOUSINGIQ SURVEY OF KENTUCKY REALTORS®

Developed and administered by HousingIQ, the Survey of REALTORS® is designed to systematically harness the ears-to-the-ground local market knowledge of REALTORS® and create new insights about the housing market. The survey consists of semantic differential questions concerning realtor expectations of house prices, sales, homeowner stress, and buyer demographics. The responses provide three distinct forward-looking measures—Price Expectation Index, Buyer Power Index, and the Homeowner Stress Index. A headline Confidence Index is obtained by summarizing the three measures to reflect the prevailing expertise and wisdom of REALTORS®.

