



**RE MARKET
SENTIMENT SURVEY RESULTS
RCLCO Monthly Round-Up**

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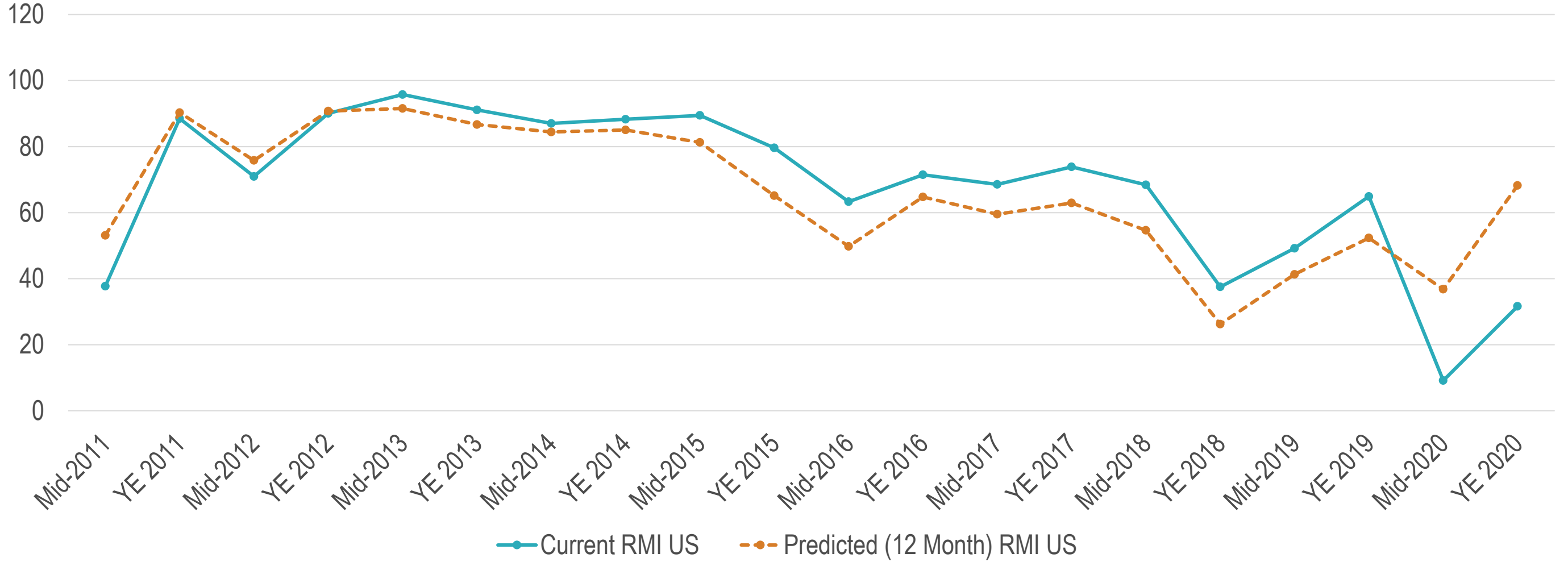
AGENDA

- » YE 2020 RCLCO Real Estate Market Sentiment Survey
- » RCLCO POV
- » Q&A

BIG BOUNCE BACK FROM AN HISTORIC LOW

CURRENT RMI INDEX BACK UP TO 32, FOLLOWING NADIR <10...

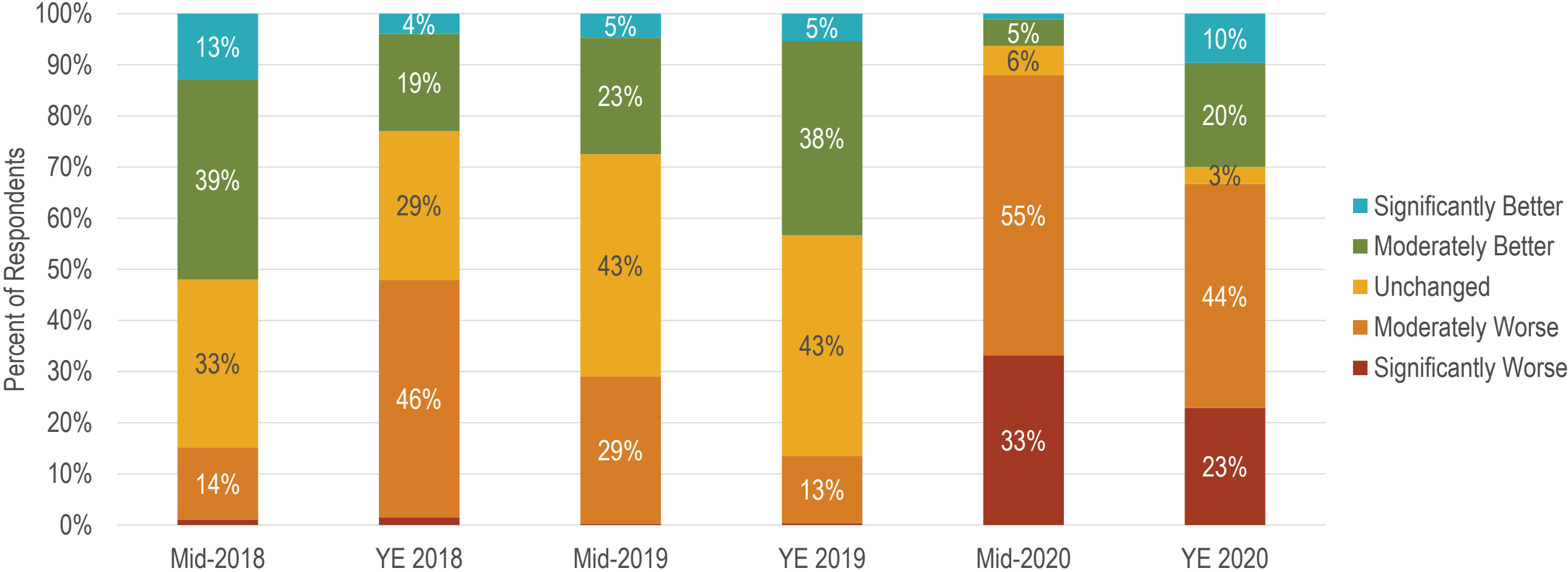
RCLCO National Real Estate Market Index



TWO-THIRDS = MODERATELY OR SIGNIFICANTLY WORSE CONDITIONS

HOWEVER, THIS IS UP FROM A WHOPPING 90% IN MID-YR 2020...

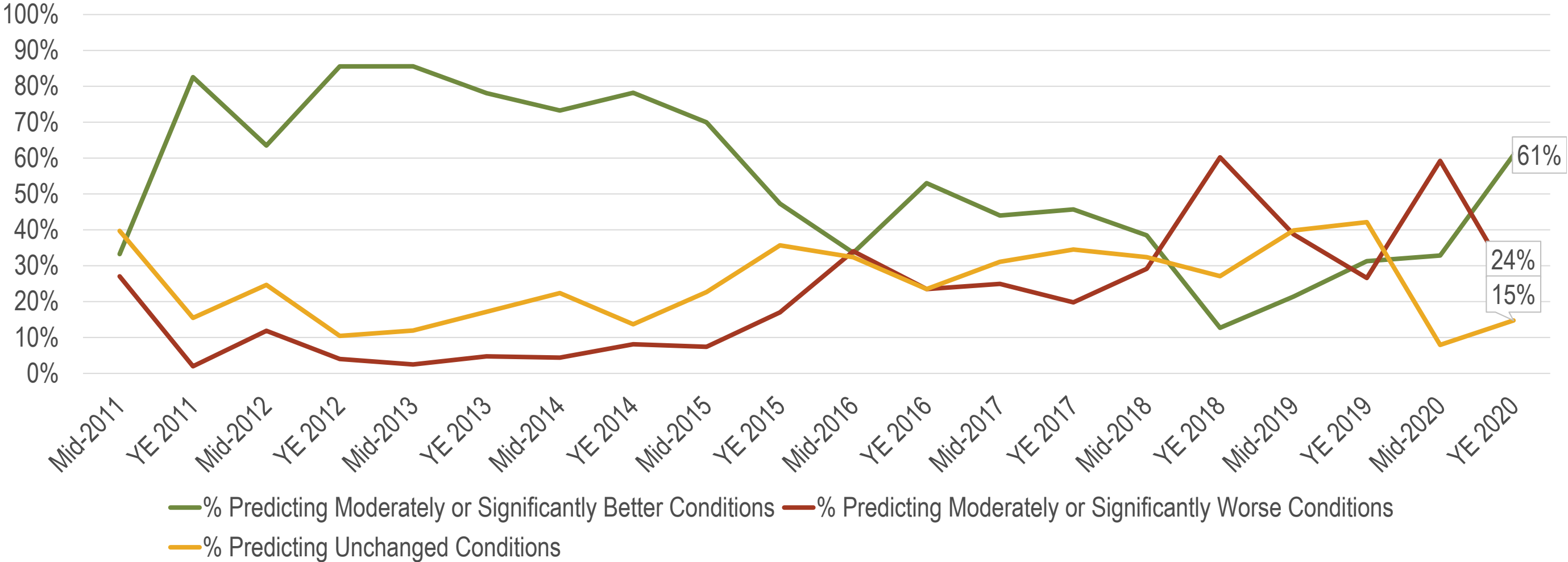
Current U.S. Market Sentiment Over Time



THE OUTLOOK LOOKS BRIGHT

180-DEGREE REVERSAL FROM JUST SIX MONTHS AGO...

12-Month U.S. Real Estate Market Predictions over Time



FEWER REAL ESTATE “FOOD GROUPS” IN DOWNTURN

RETAIL AND HOSPITALITY EXPECTED TO MOVE INTO RECOVERY 1 YR OUT...

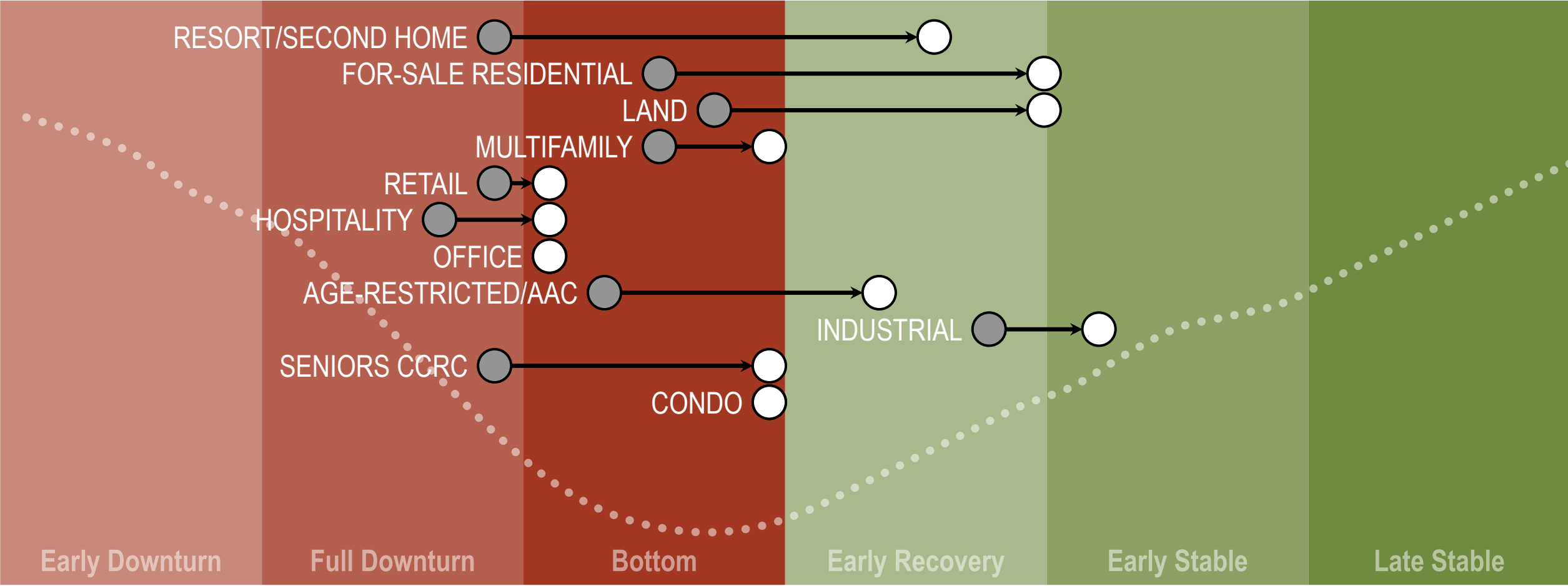
Sector	Mid-2020	2020 YE		Mid-2020	2020 YE		Mid-2020	2020 YE		Mid-2020	2020 YE	
	% Downturn	% Downturn		% Bottom	% Bottom		% Early Recovery	% Early Recovery		% One Year From Now in Early Recovery	% One Year From Now in Early Recovery	
Retail	57%	44%	+	16%	26%	-	5%	8%	+	17%	22%	+
Hospitality	55%	38%	+	26%	35%	-	7%	14%	+	31%	41%	+
Office	51%	45%	+	10%	16%	-	6%	10%	+	14%	20%	+
For-Rent Residential	40%	25%	+	9%	12%	-	7%	15%	+	22%	20%	-
For-Sale Residential	40%	12%	+	10%	6%	+	9%	14%	+	21%	12%	-
Industrial	11%	4%	+	5%	3%	+	11%	10%	-	12%	7%	-
Grand Total	43%	27%		12%	15%		8%	12%		20%	20%	

MOST SECTORS MOVED FROM CONTRACTION TO EXPANSION

OFFICE LINGERED AT THE BOTTOM...

Cycle Stage Movement over Past Six Months

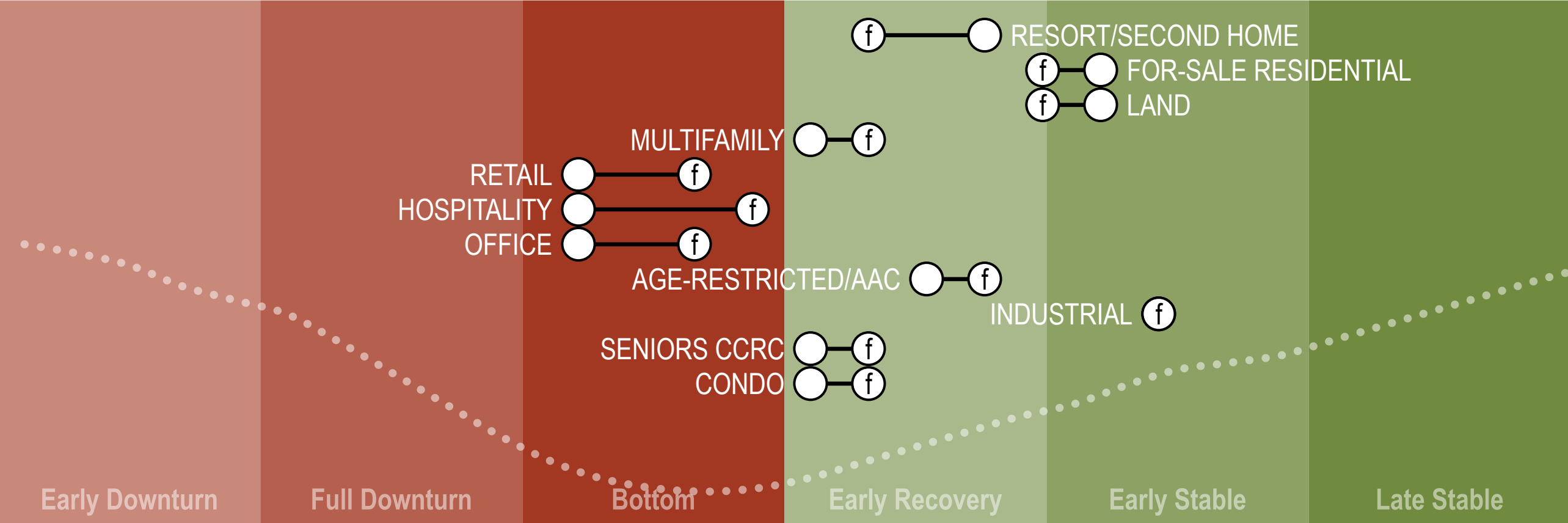
● Mid-2020 ○ YE 2020



MANY SECTORS EXPECTED TO MOVE FURTHER TOWARDS RECOVERY HOWEVER, HARDEST HIT RETAIL, HOSPITALITY AND OFFICE REMAIN AT BOTTOM...

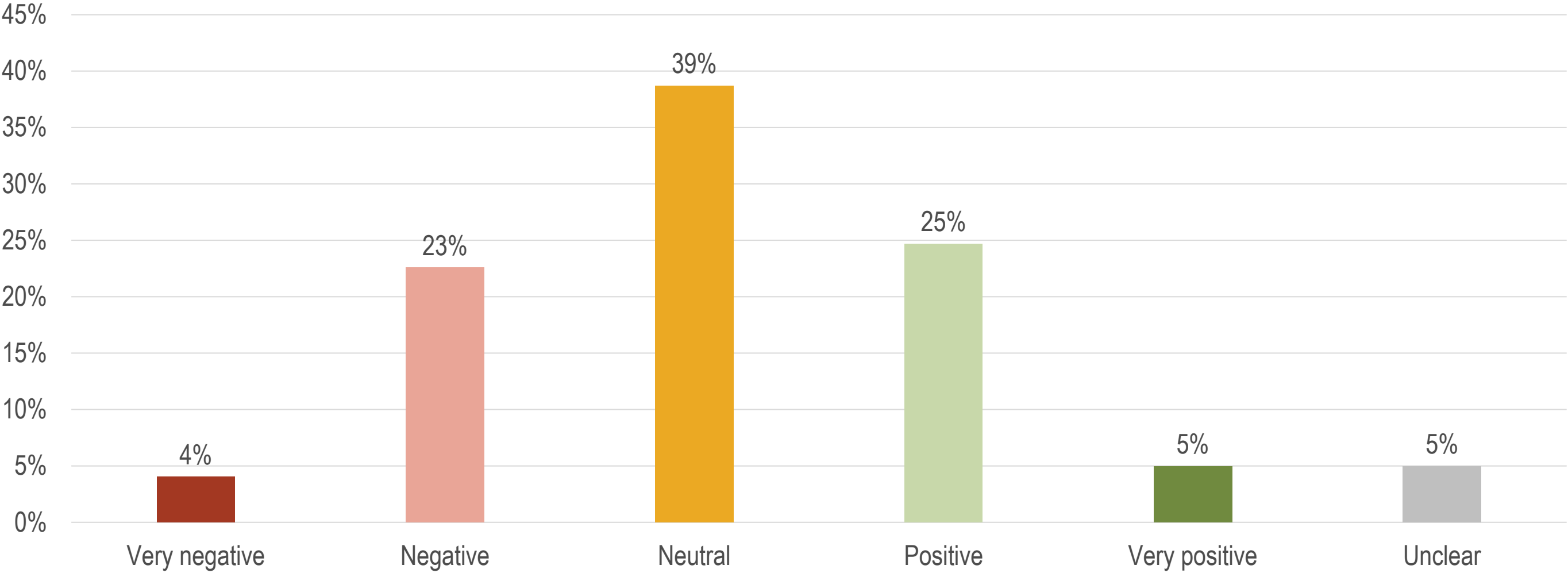
RCLCO Real Estate Cycle Chart

○ Current Cycle Stage ○ Future Cycle Stage



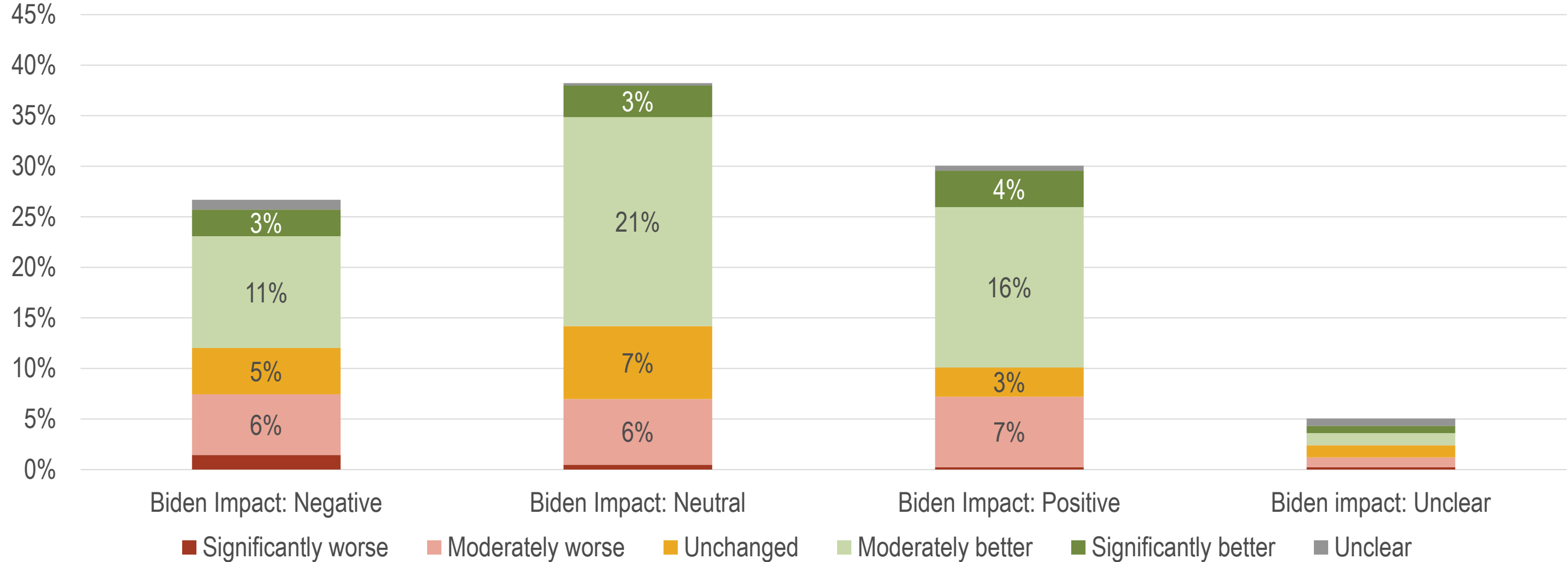
RESPONDENTS DIVIDED ON THE “BIDEN EFFECT” ON REAL ESTATE HOWEVER, THIS WAS BEFORE THE GEORGIA SENATE RACES WERE DECIDED...

President-Elect Impact on Real Estate Markets in the Next Year



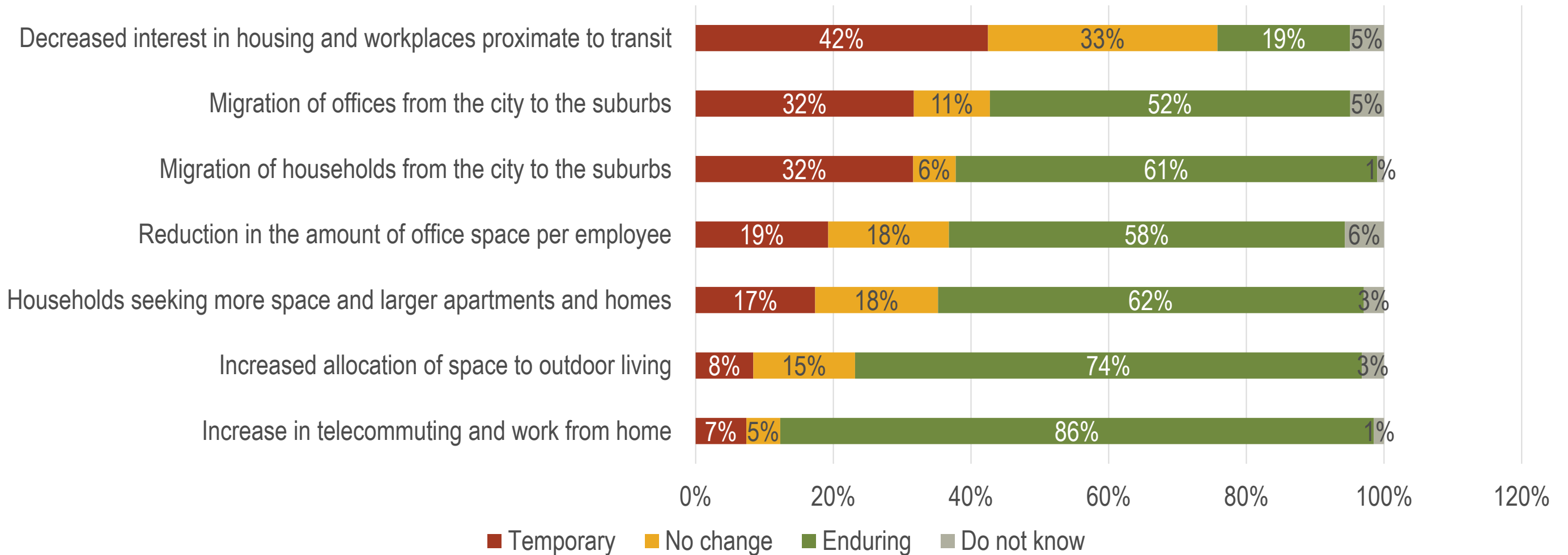
REGARDLESS OF NEW ADMINISTRATION, REAL ESTATE WILL IMPROVE EVEN THOSE WHO HAD A NEGATIVE VIEW, EXPECT CONDITIONS TO GET BETTER...

President-Elect Impact on Real Estate Markets in the Next Year



MANY PANDEMIC-DRIVE TRENDS ARE EXPECTED TO ENDURE WITH THE EXCEPTION OF THE CONTINUING ATTRACTION OF TOD...

Pandemic Trends Sentiments



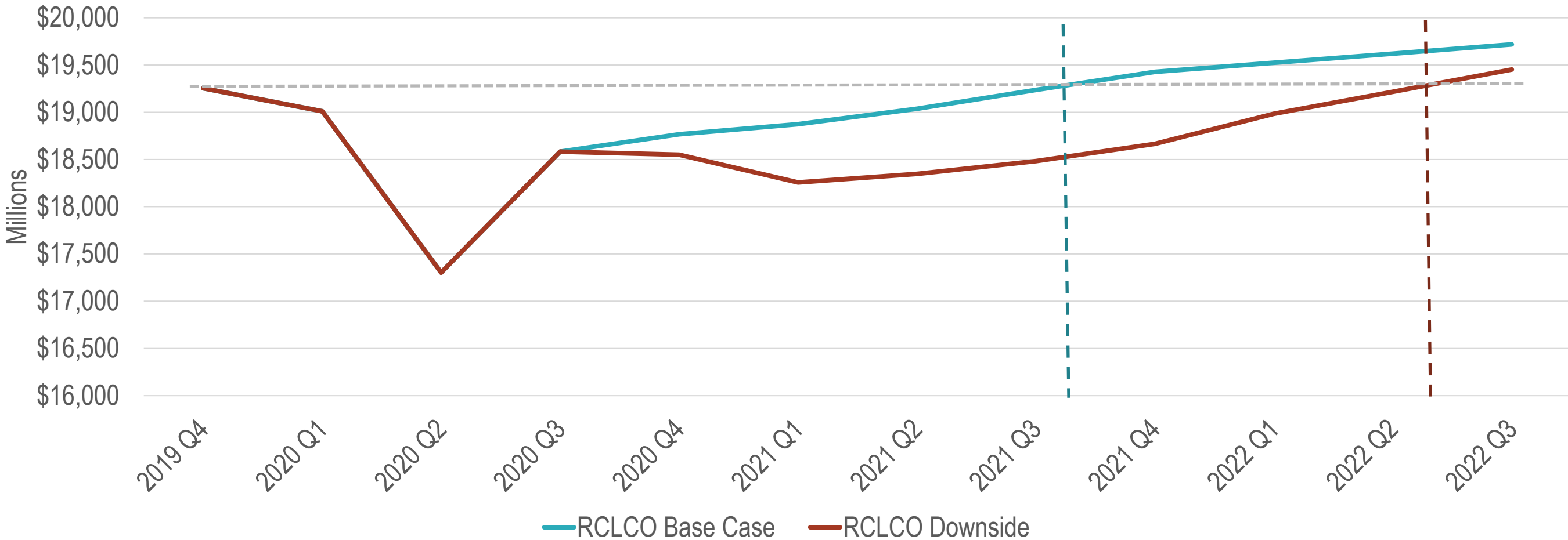
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RCLCO POV

BASE CASE STILL THE MOST LIKELY...

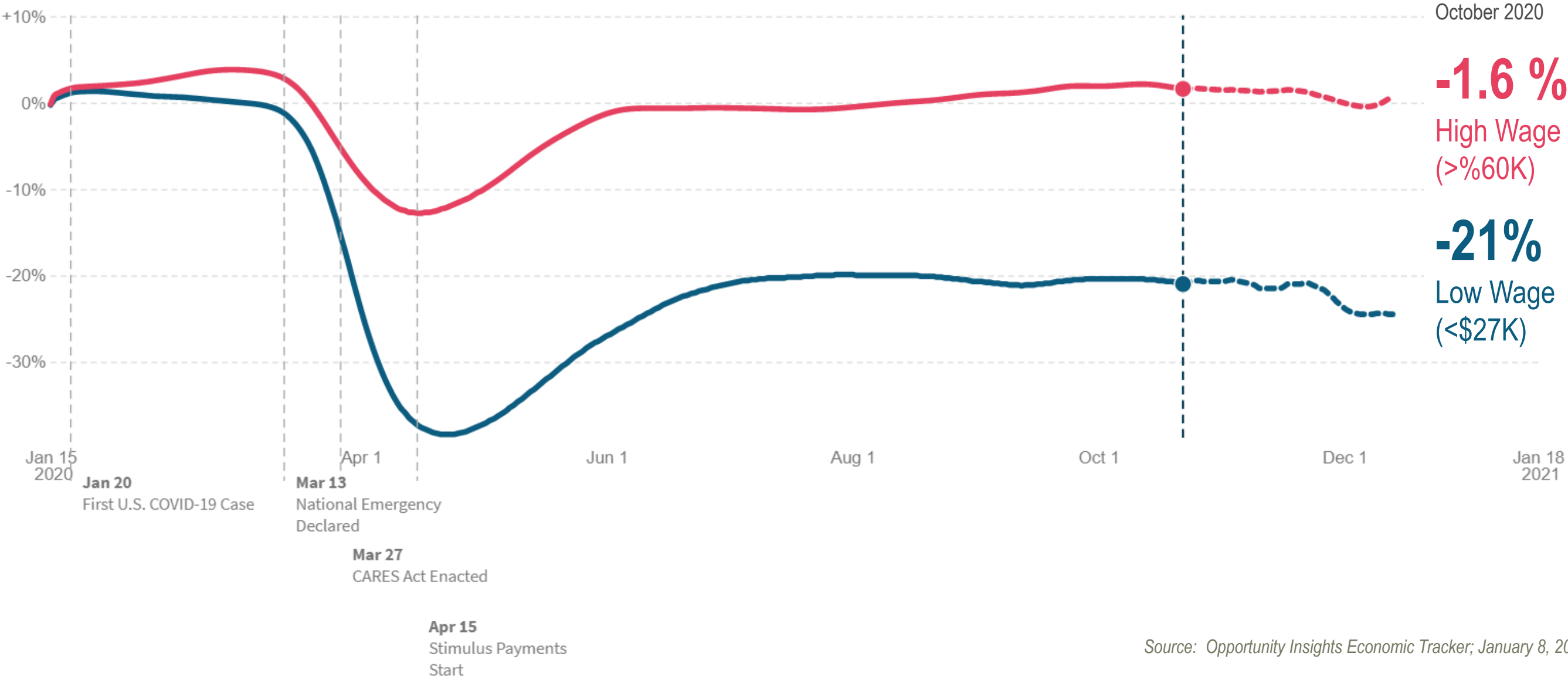
RCLCO U.S. GDP Recovery Scenarios
Base Case and Downside



K-SHAPED RECOVERY IS A THING

ECONOMIC RECOVERY WILL BE IMPACTED BY SLOW ENGAGEMENT OF LOW-WAGE WORKERS...

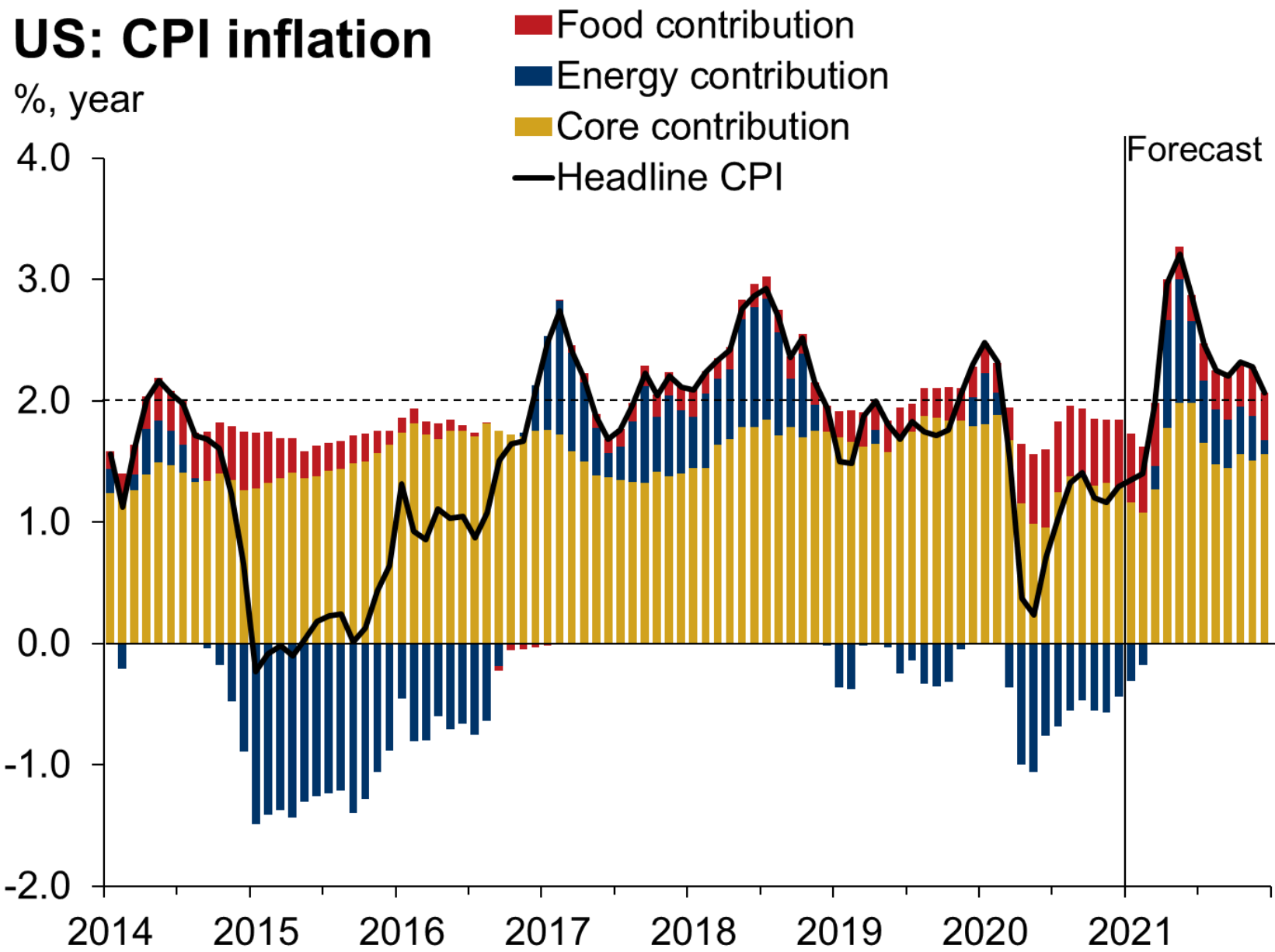
Percent Change In Employment
 High Wage (>\$60k) vs. Low Wage (<\$27k)



INFLATION TO INCREASE IN 2021 BUT FED COMMITTED TO LOWER FOR LONGER

US: CPI inflation

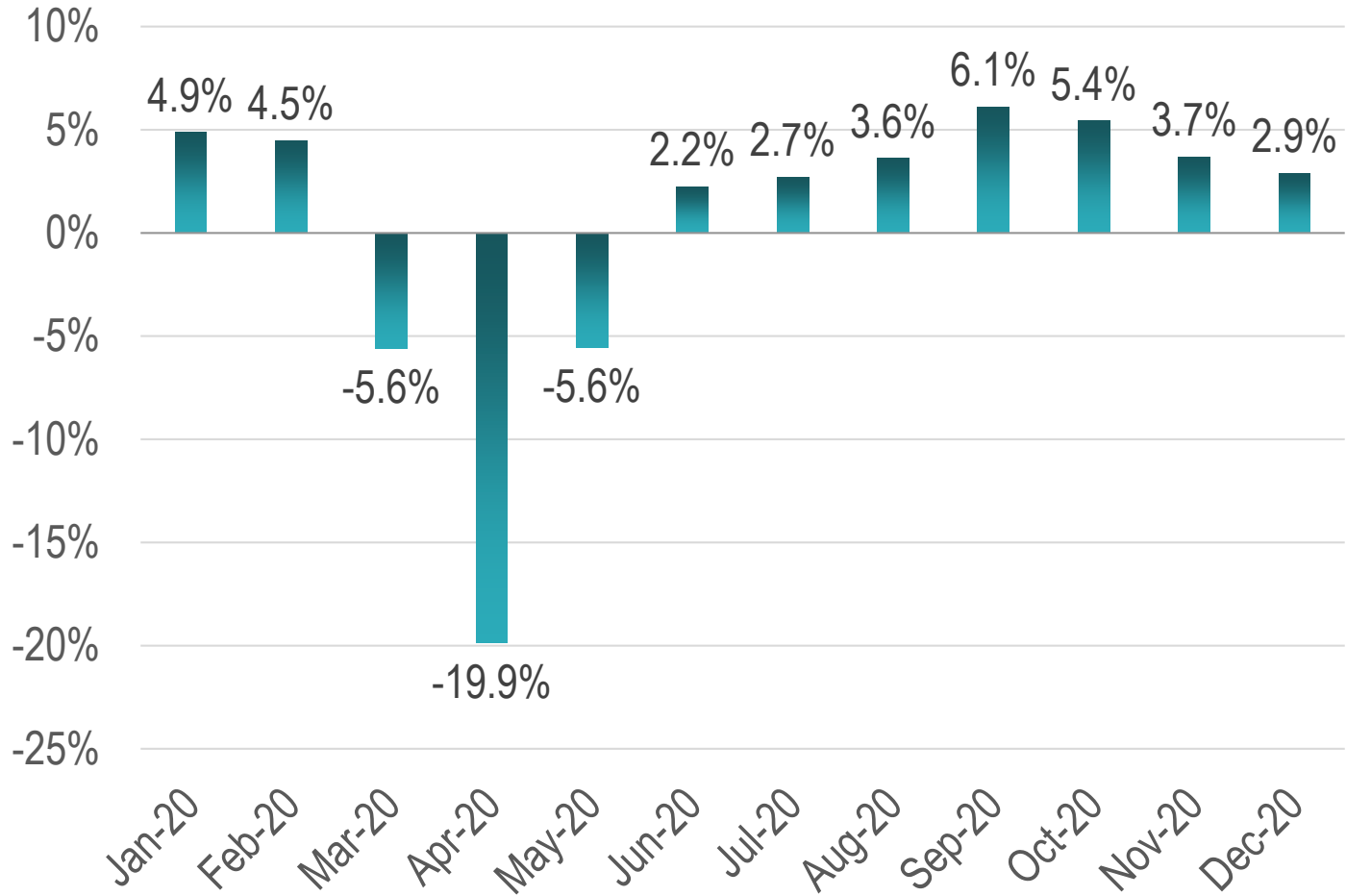
%, year



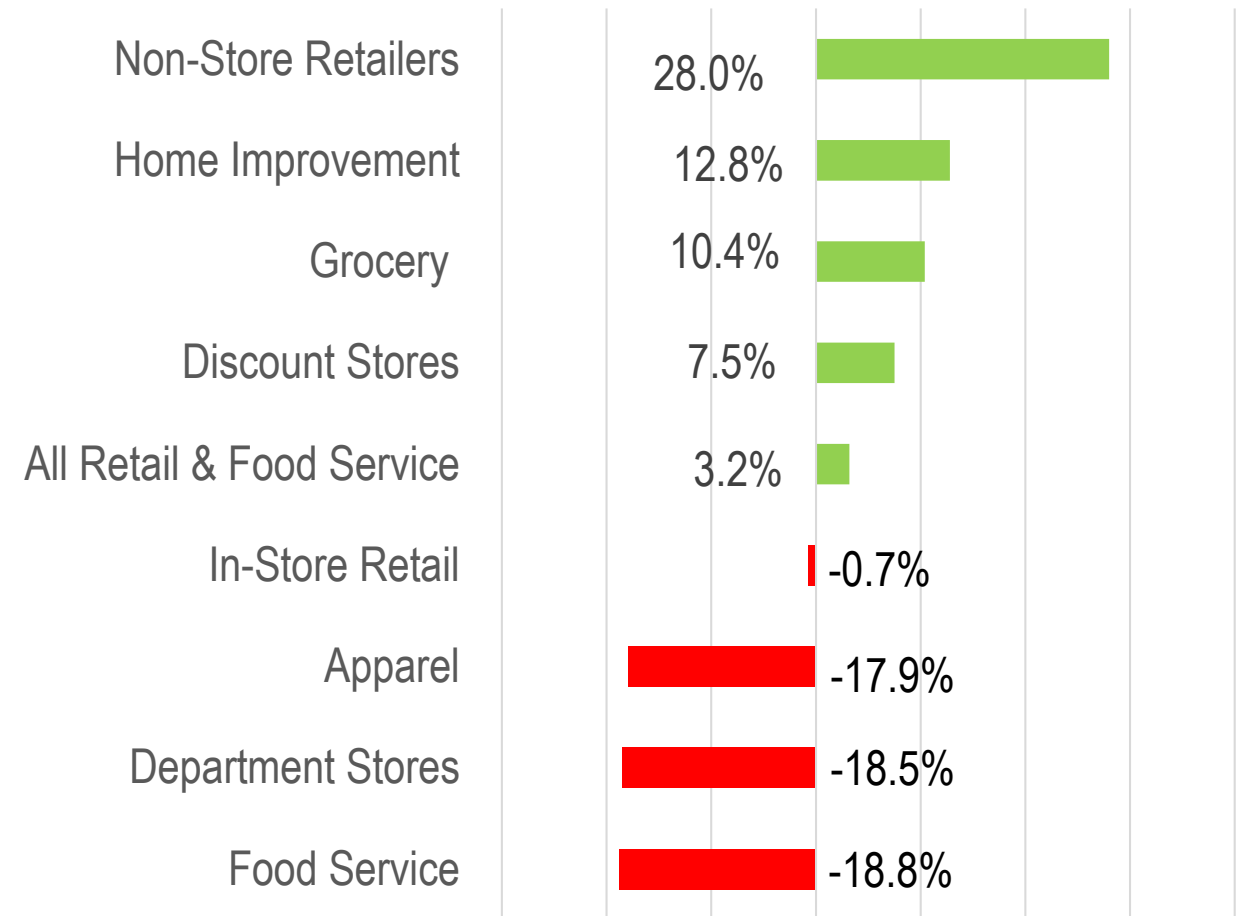
Source: Oxford Economics

RETAIL SALES HAVE BEEN STRONG SINCE JUNE AS CONSUMERS CUT BACK ON TRAVEL AND SERVICES

U.S. Retail Sales YoY % Change
(Excluding Vehicle Sales)

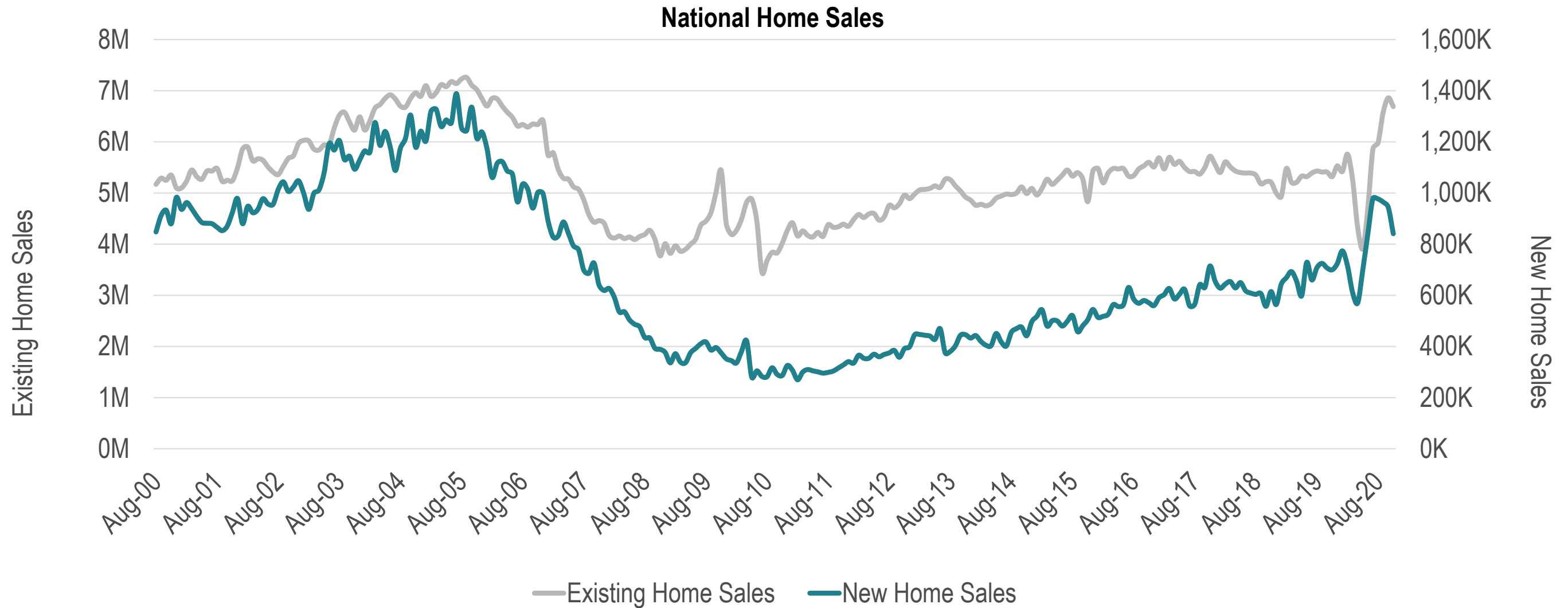


Change in Monthly Sales
Nov. vs. Jan. 2020 (SA)



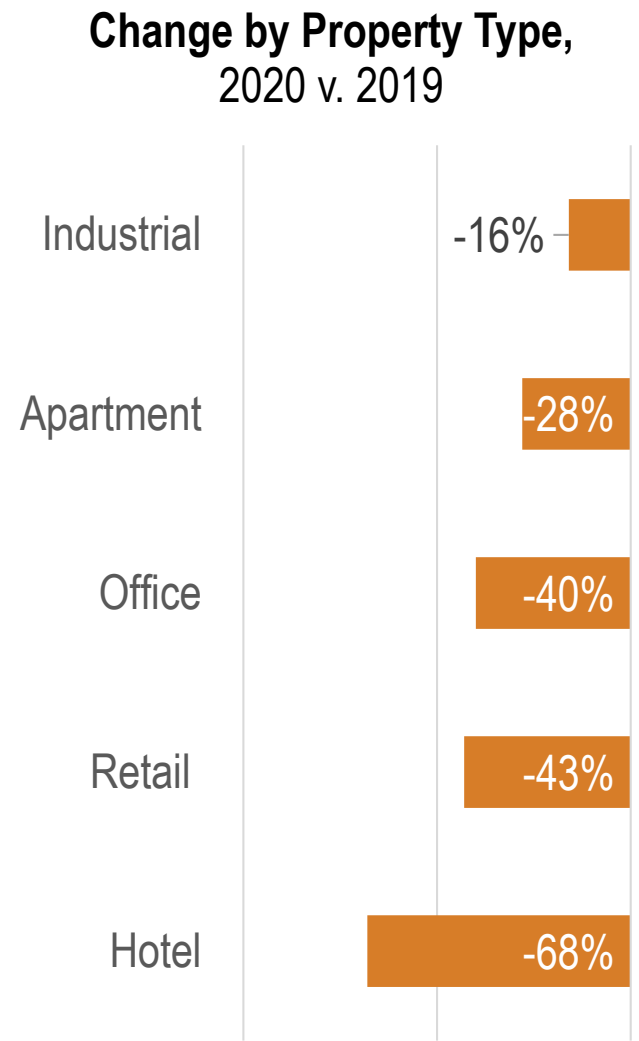
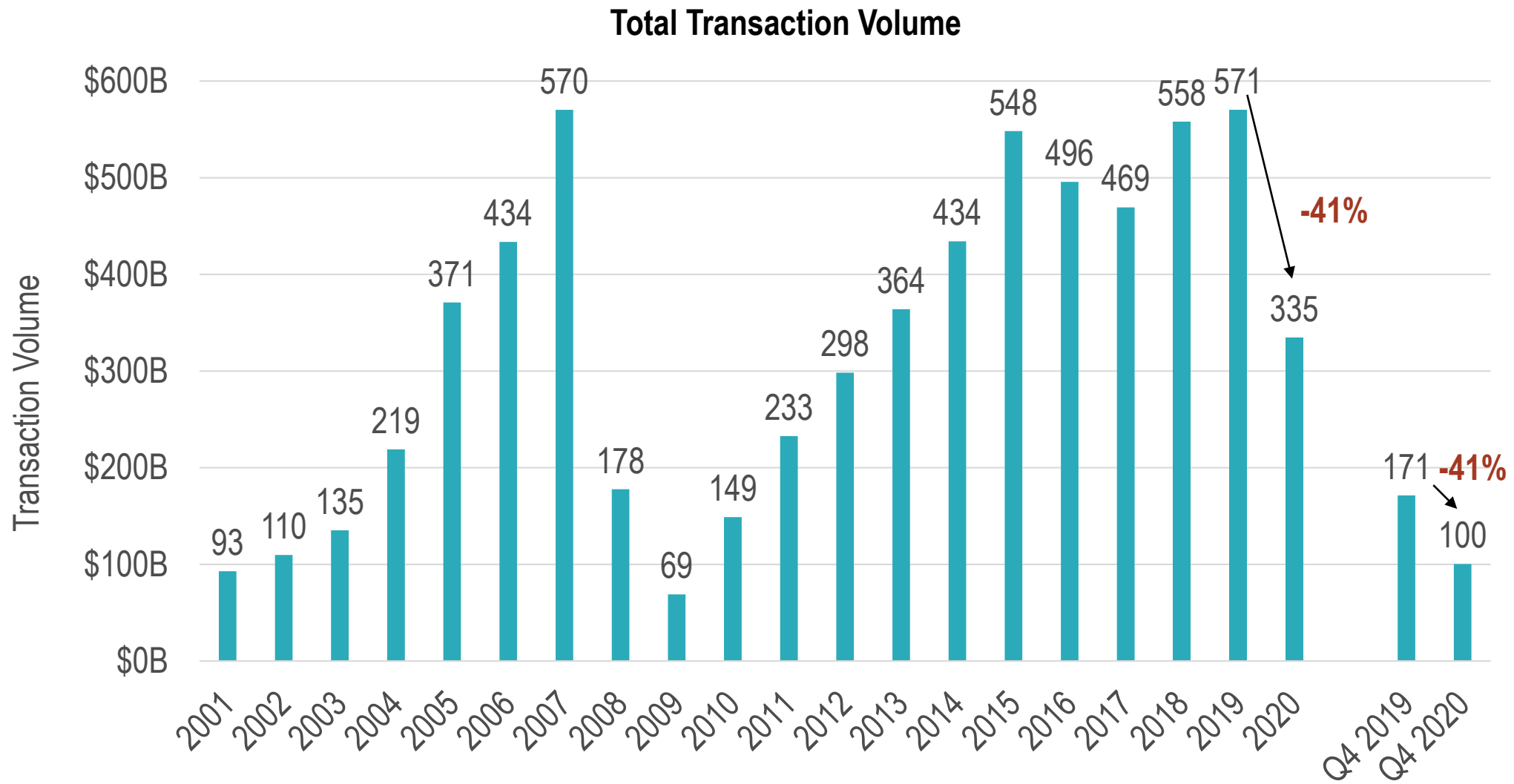
HOME SALES WILL CONTINUE TO CLIMB

SEARCH FOR MORE SPACE, LOWER DENSITY TO DRIVE NEAR TERM DEMAND



REAL ESTATE TRANSACTION VOLUME DROPS BY 41% YOY

HOTEL AND RETAIL FELL THE MOST



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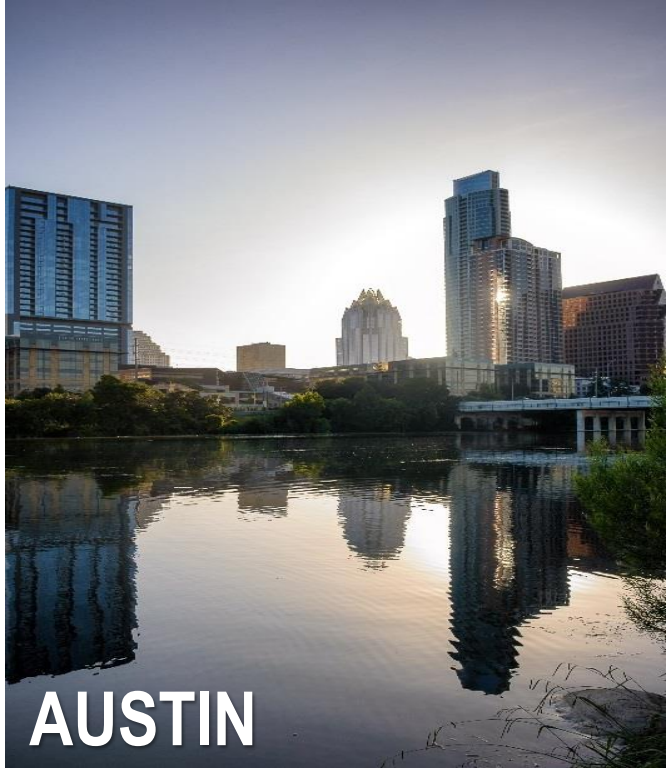


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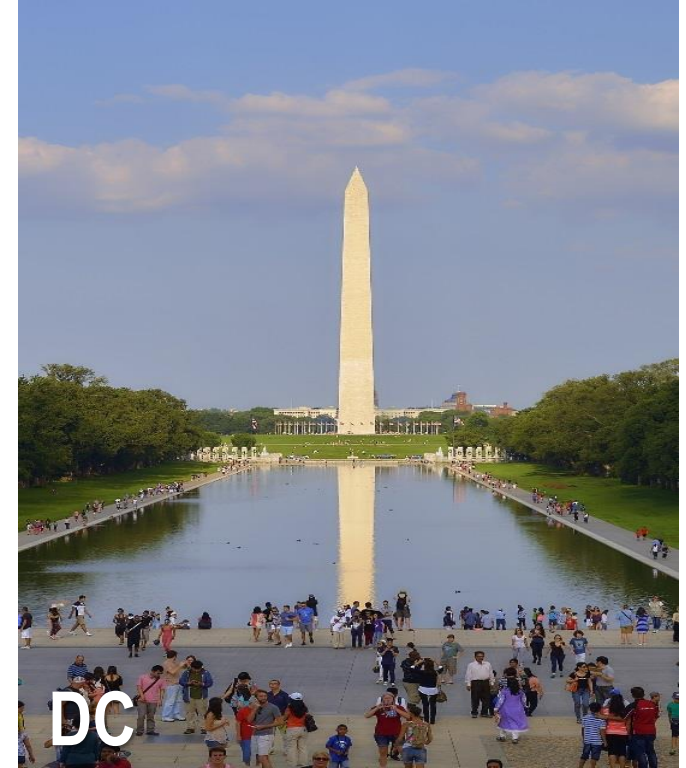
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