

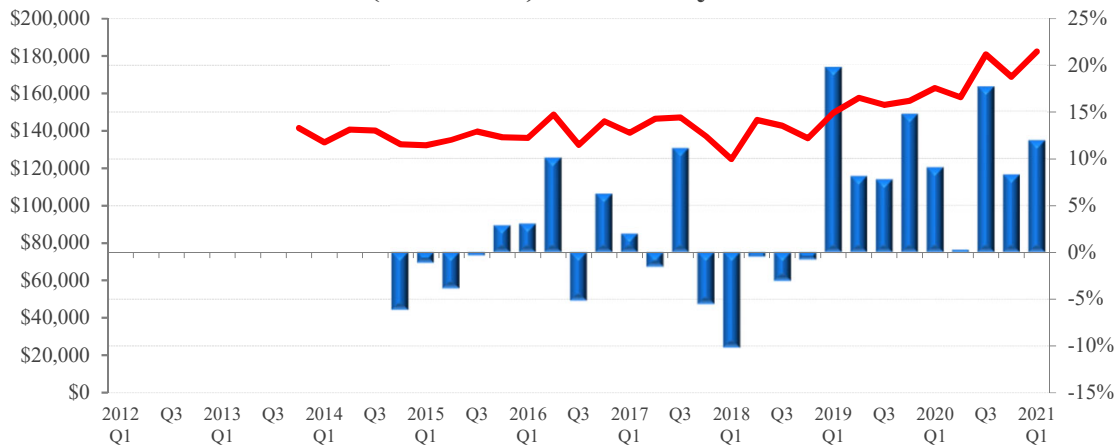
Cape Girardeau Area

Local Market Report, First Quarter 2021

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 | Cape Girardeau | U.S. | Local Trend |
| Current Median Home Price (2021 Q1) | \$182,400 | \$313,533 | Prices continue to grow relative to last year |
| 1-year (4-quarter) Appreciation (2021 Q1) | 11.9% | 15.1% | |
| 3-year (12-quarter) Appreciation (2021 Q1) | 46.0% | 28.6% | |
| 3-year (12-quarter) Housing Equity Gain* | \$57,500 | \$69,733 | Gains in the last 3 years have extended the trend of positive price growth after the recession |
| 7-year (28 quarters) Housing Equity Gain* | \$48,600 | \$122,533 | |
| 9-year (36 quarters) Housing Equity Gain* | NA | \$155,200 | |

*Note: Equity gain reflects price appreciation only

| | Cape Girardeau | U.S. | |
|---|----------------|----------------|---|
| Conforming Loan Limit** | \$510,400 | \$765,600 | Most buyers in this market have access to government-backed financing |
| FHA Loan Limit | \$331,760 | \$765,600 | |
| Local Median to Conforming Limit Ratio | 36% | not comparable | |

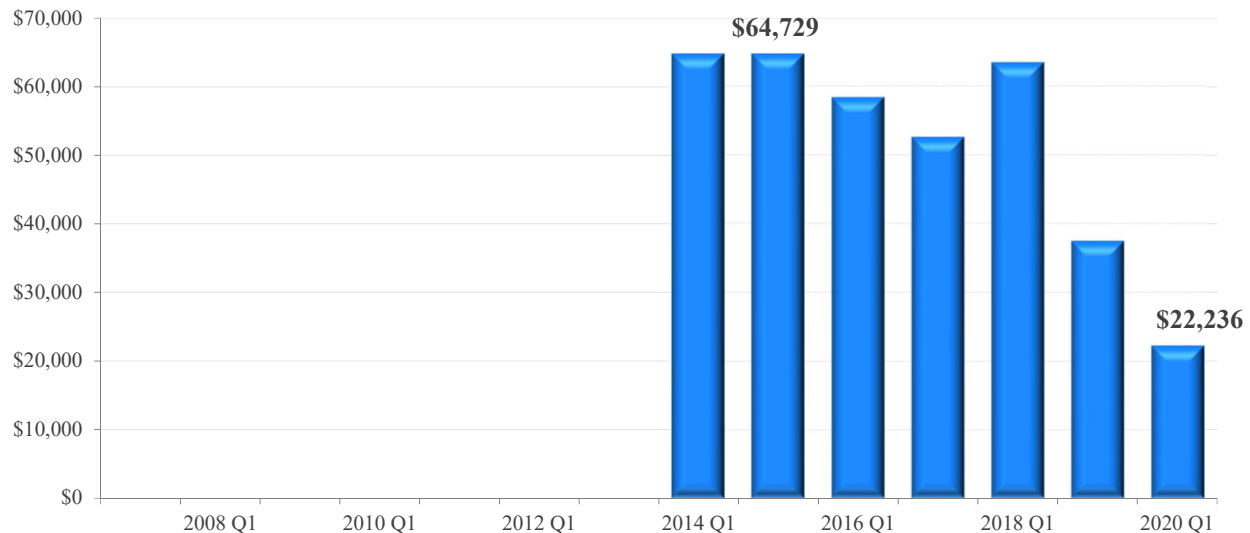
Note: limits are current and include the changes made on January 1st 2020.

Local NAR Leadership

The Cape Girardeau market is part of region 9 in the NAR governance system, which includes all of Missouri, Kansas, Arkansas, and Oklahoma. The 2021 NAR Regional Vice President representing region 9 is Doyle Yates.

Benefits of Ownership: Total Equity Appreciation

Total Equity Accrued to Owner by Year and Quarter of Purchase



Total Equity Gained** through 2021 Q1 from quarter in which home was of purchased

| Price Activity | Cape Girardeau | U.S. | Local Trend |
|-----------------------|----------------|-----------|--|
| 1-year (4-quarter) | \$22,236 | \$45,806 | Price appreciation and principle payments in the last 3 years have boosted total equity growth since the recession |
| 3-year (12-quarter)* | \$63,499 | \$81,443 | |
| 5-year (20-quarter)* | \$58,406 | \$117,278 | |
| 7-year (28 quarters)* | \$64,747 | \$145,583 | |
| 9-year (36 quarters)* | NA | \$182,361 | |

*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...

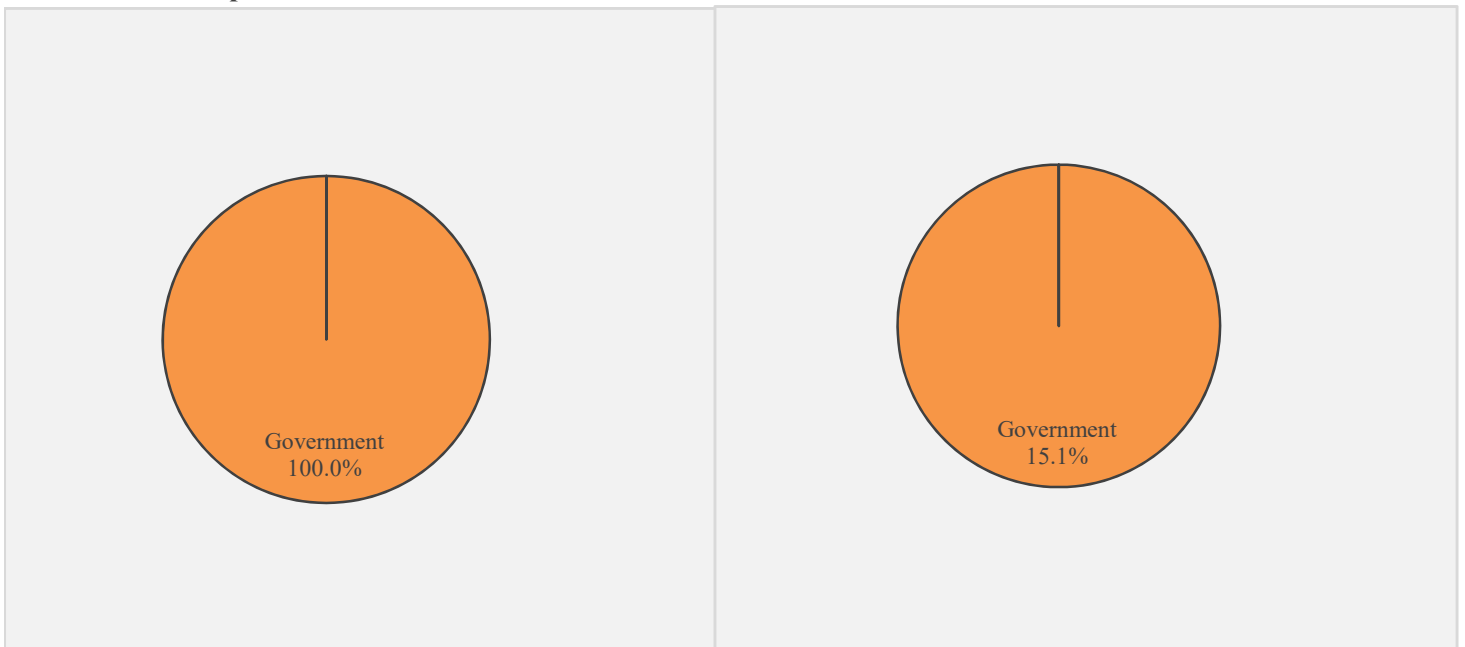


| Local Economic Outlook | Cape Girardeau | U.S. | |
|-----------------------------------|----------------|----------------|--|
| 12-month Job Change (May) | 2,400 | Not Comparable | Employment growth has eased, but remains positive |
| 12-month Job Change (Apr) | 3,900 | Not Comparable | |
| 36-month Job Change (May) | -900 | Not Comparable | Unemployment in Cape Girardeau is better than the national average and improving |
| Current Unemployment Rate (May) | 3.8% | 5.8% | |
| Year-ago Unemployment Rate | 8.5% | 13.3% | Local employment growth is strong compared to other markets |
| 1-year (12 month) Job Growth Rate | 5.7% | -4.0% | |

Share of Total Employment by Industry

Cape Girardeau Area

U.S.



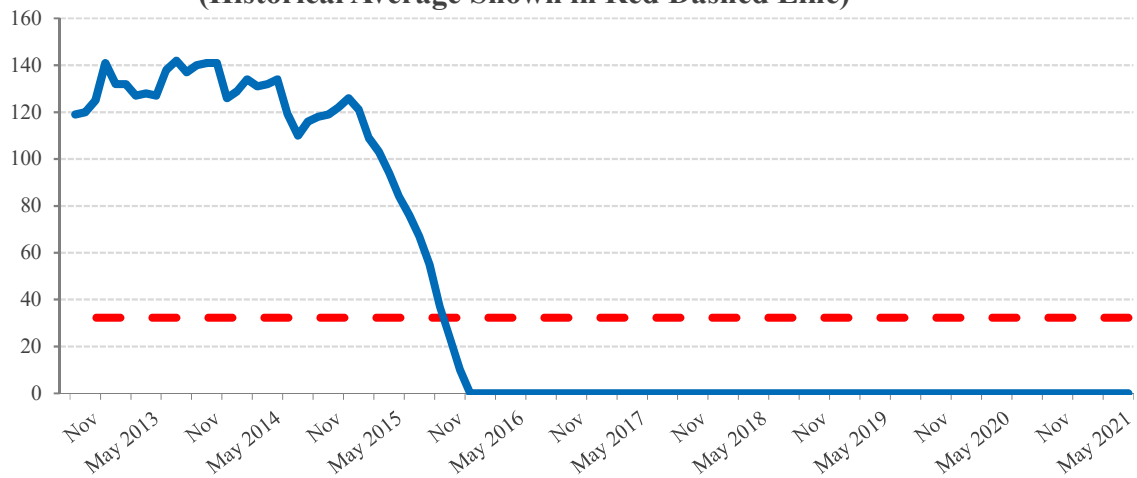
12-month Employment Change by Industry in the Cape Girardeau Area (May - 2021)

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

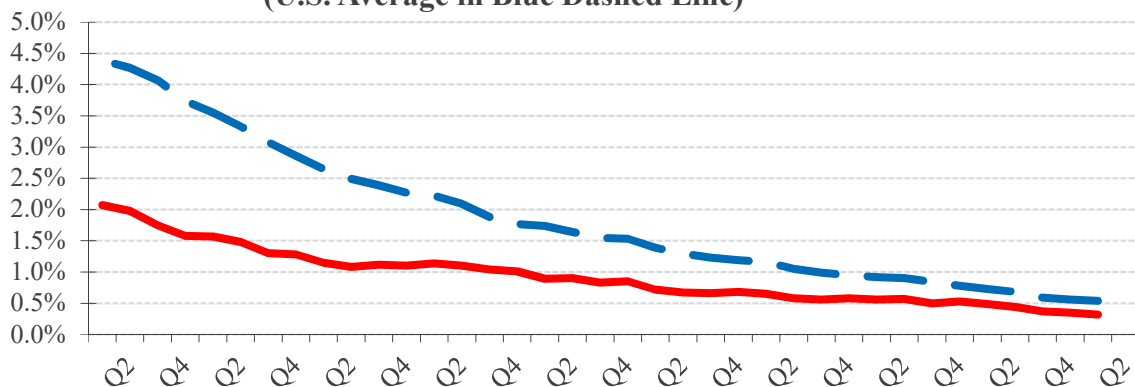
| State Economic Activity Index | Missouri | U.S. | |
|-------------------------------|----------|------|--|
| 12-month change (2021 - May) | 12.1% | 7.7% | Missouri's economy is stronger than the nation's, but slowed from last month's 18.72% change |
| 36-month change (2021 - May) | 1.7% | 1.8% | |

| New Housing Construction | | | |
|---|----------------|----------------|--------------------------|
| Local Fundamentals | Cape Girardeau | U.S. | |
| 12-month Sum of 1-unit Building Permits through May 2021 | | not comparable | Local Data Not Available |
| 8-year average for 12-month Sum of 1-Unit Building Permits | 32 | not comparable | Local Data Not Available |
| Single-Family Housing Permits (May 2021) 12-month sum vs. a year ago | NA | 29.0% | Local Data Not Available |

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

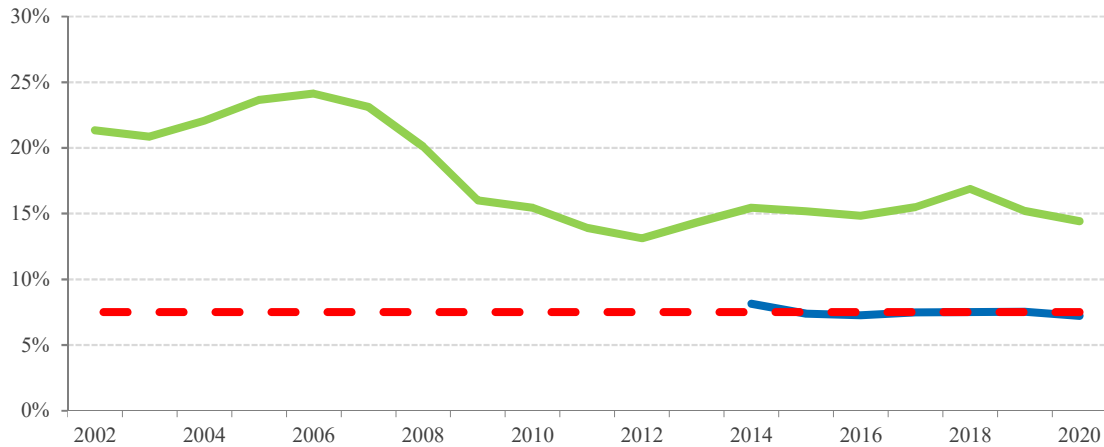


**State Total Foreclosure Rate vs. U.S Average
(U.S. Average in Blue Dashed Line)**



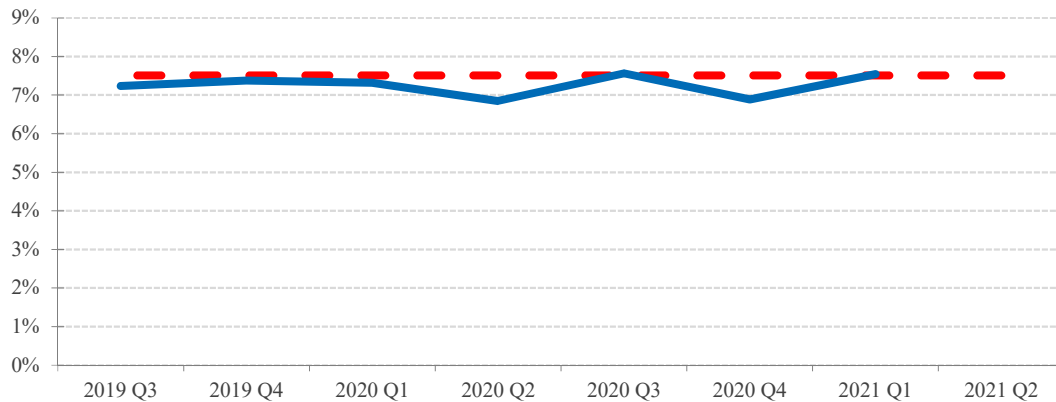
Affordability

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

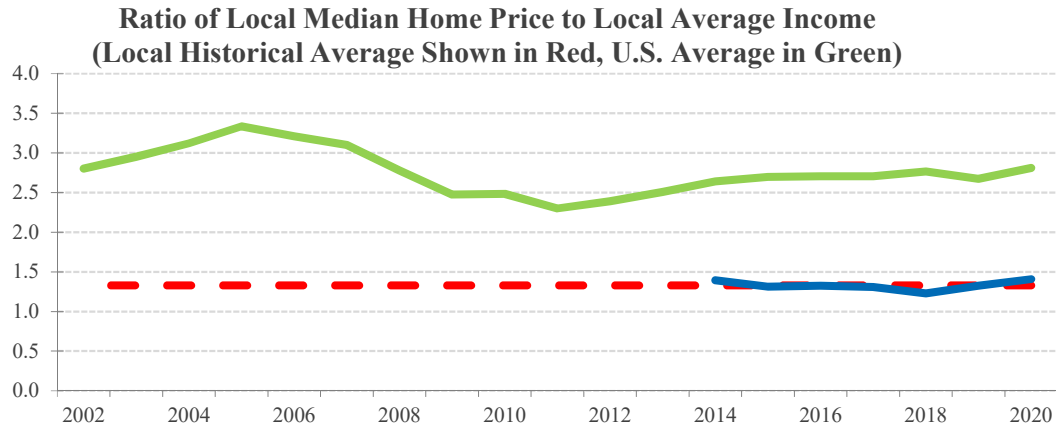


| Monthly Mortgage Payment to Income | Cape Girardeau | U.S. | |
|------------------------------------|----------------|-------|---|
| Ratio for 2020 | 7.2% | 14.4% | Weak by local standards and could weigh on demand |
| Ratio for 2021 Q1 | 7.5% | 14.0% | |
| Historical Average | 7.5% | 18.0% | More affordable than most markets |

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



| Median Home Price to Income | Cape Girardeau | U.S. | |
|-----------------------------|----------------|------|---|
| Ratio for 2020 | 1.4 | 2.8 | The price-to-income ratio is high by historic standards and getting worse |
| Ratio for 2021 Q1 | 1.5 | 2.8 | |
| Historical Average | 1.3 | 2.7 | Affordable compared to most markets |



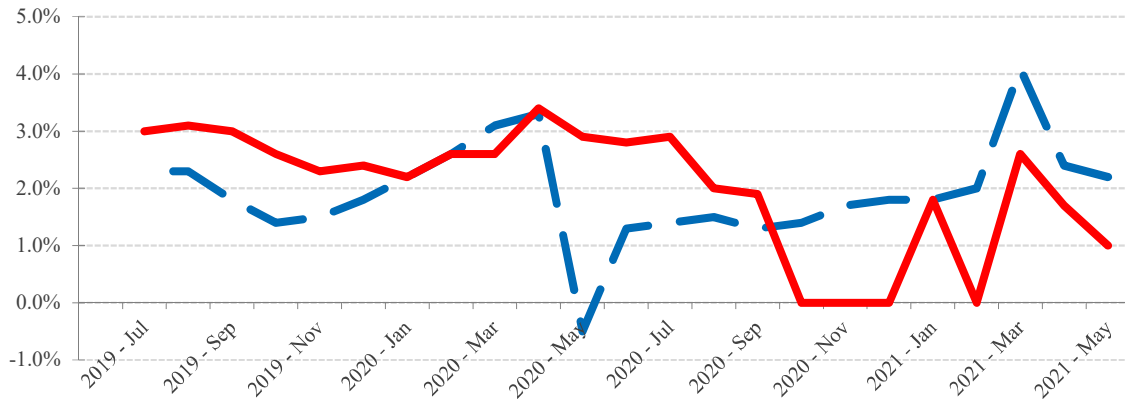
The Mortgage Market



Mortgage rates kicked off 2021 with a new record low. Nevertheless, rates were trending upward for the rest of the first quarter as COVID-19 vaccine became available to more Americans and millions of people received stimulus payments. According to the mortgage finance provider Freddie Mac, the 30-year fixed mortgage rate was 2.88 percent in Q1 2021 compared to 3.51 percent a year earlier. Thus, homebuyers have excellent purchasing power at these historically low mortgage rates. What to expect about mortgage rates in the upcoming quarters? Rates are more likely to rise than fall as inflation will pick up in the following months. NAR is forecasting the 30-year mortgage rate to average 3.1% for the second quarter of 2021.

REALTOR® Price Expectations

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



Source: NAR

| REALTOR® Price Expectations | Missouri | U.S. | |
|-----------------------------|----------|------|---|
| 2021 - May | 0.0% | 1.8% | REALTORS® expect weaker price growth in Missouri than in the U.S. in the next 12 months. Their price expectations for the local market are more modest than a year ago. |
| Prior 12 months | 2.9% | 1.4% | |

Geographic Coverage for this Report

The Cape Girardeau area referred to in this report covers the geographic area of the Cape Girardeau 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:

Alexander County, IL; Bollinger County, MO; Cape Girardeau County, MO

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