

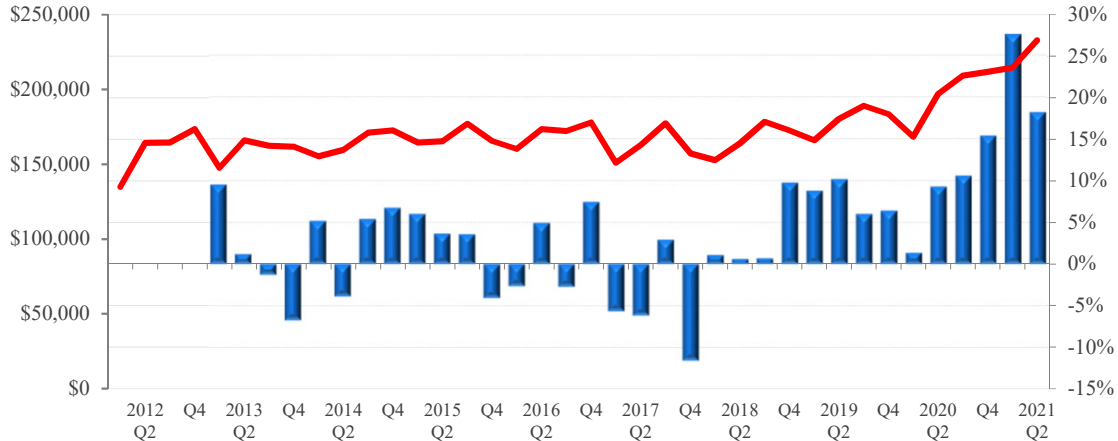
Glens Falls Area

Local Market Report, Second Quarter 2021

reflecting 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	Glens Falls	U.S.	Local Trend
Current Median Home Price (2021 Q2)	\$232,900	\$351,267	Prices are up from a year ago, but price growth is slowing
1-year (4-quarter) Appreciation (2021 Q2)	18.2%	21.9%	
3-year (12-quarter) Appreciation (2021 Q2)	42.2%	32.3%	
3-year (12-quarter) Housing Equity Gain*	\$69,100	\$85,667	Gains in the last 3 years have extended the trend of positive price growth after the recession
7-year (28 quarters) Housing Equity Gain*	\$73,300	\$139,433	
9-year (36 quarters) Housing Equity Gain*	\$68,700	\$170,333	

*Note: Equity gain reflects price appreciation only

	Glens Falls	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	46%	not comparable	

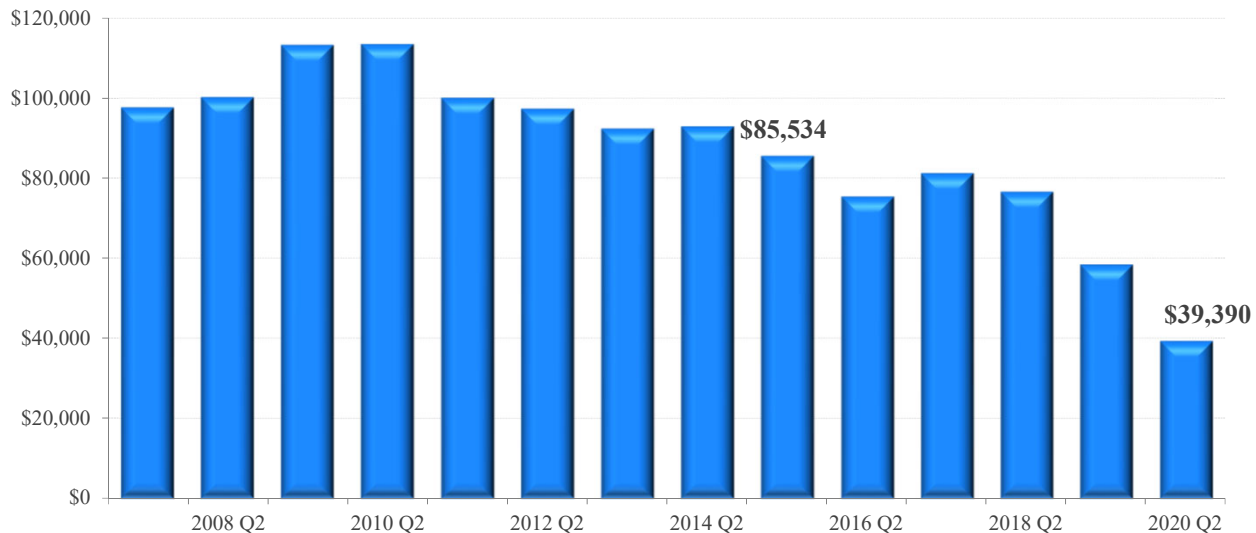
Note: limits are current and include the changes made on January 1st 2020.

Local NAR Leadership

The Glens Falls market is part of region 2 in the NAR governance system, which includes all of New York, New Jersey, and Pennsylvania. The 2021 NAR Regional Vice President representing region 2 is Margaret Hartman.

Benefits of Ownership: Total Equity Appreciation

Total Equity Accrued to Owner by Year and Quarter of Purchase



Total Equity Gained** through 2021 Q2 from quarter in which home was of purchased

Price Activity	GlensFalls	U.S.	Local Trend
1-year (4-quarter)	\$39,390	\$68,283	Price appreciation and principle payments in the last 3 years have boosted total equity growth since the recession
3-year (12-quarter)*	\$76,628	\$97,874	
5-year (20-quarter)*	\$75,403	\$134,190	
7-year (28 quarters)*	\$92,900	\$165,448	
9-year (36 quarters)*	\$97,306	\$201,855	

*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...

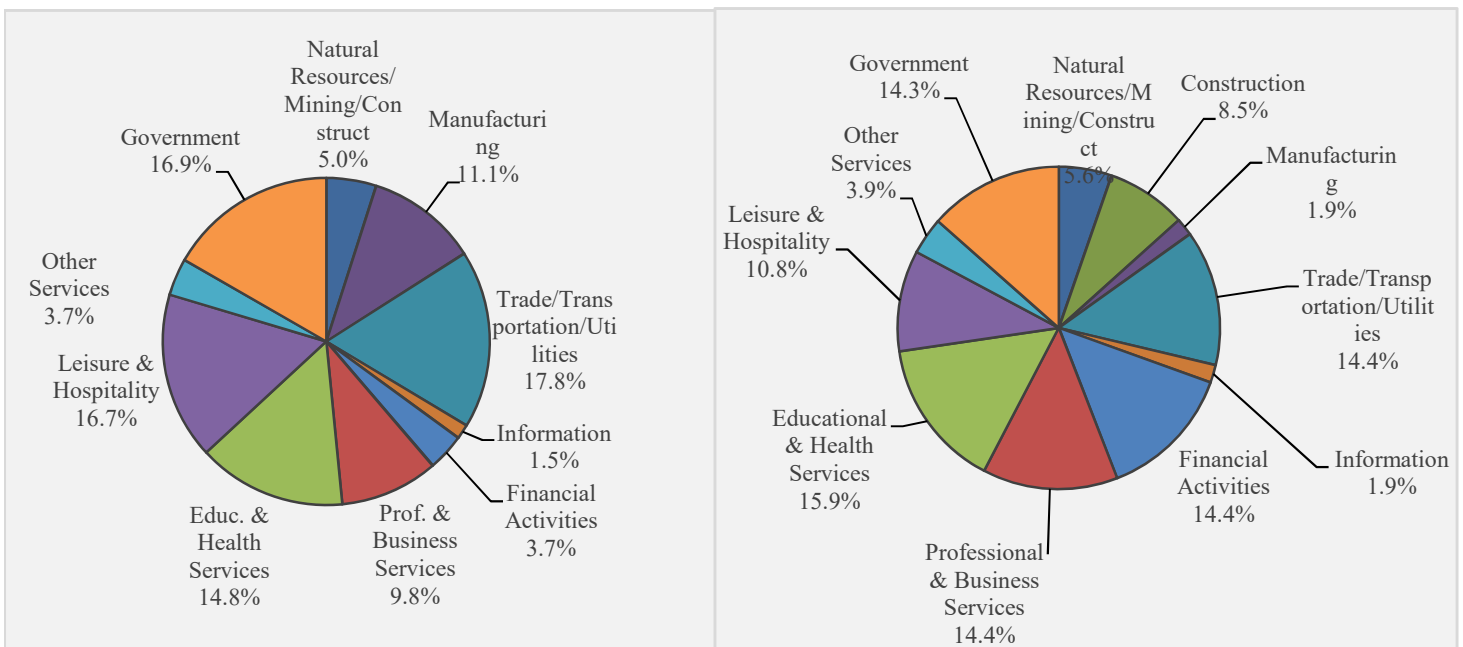


Local Economic Outlook	Glens Falls	U.S.	
12-month Job Change (Aug)	2,800	Not Comparable	Employment growth has eased, but remains positive
12-month Job Change (Jul)	4,200	Not Comparable	
36-month Job Change (Aug)	-5,000	Not Comparable	Unemployment in Glens Falls is better than the national average and improving
Current Unemployment Rate (Jul)	4.8%	5.4%	
Year-ago Unemployment Rate	9.8%	10.2%	Local employment growth is strong compared to other markets
1-year (12 month) Job Growth Rate	5.4%	-0.8%	

Share of Total Employment by Industry

Glens Falls Area

U.S.



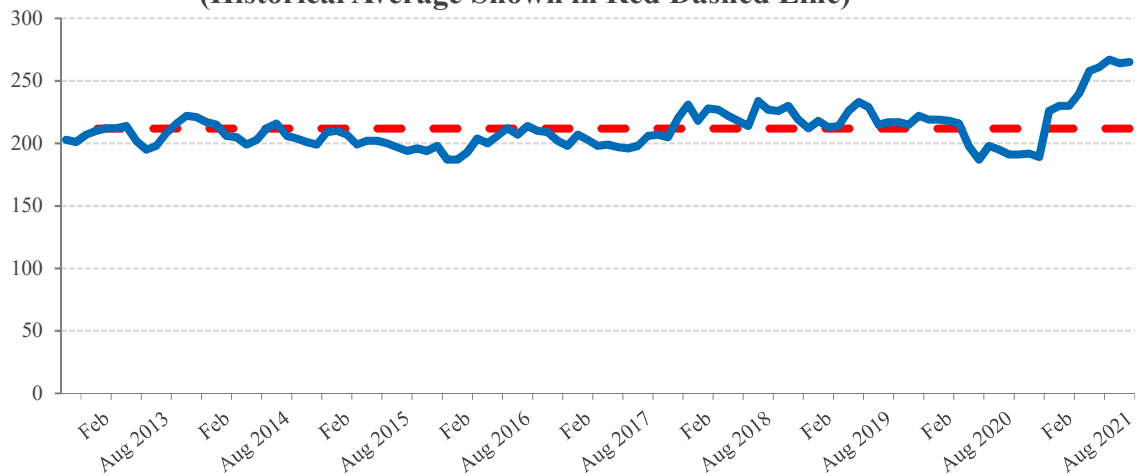
12-month Employment Change by Industry in the Glens Falls Area (Aug - 2021)

Goods Producing	NA	Information	0
Natural Resources/Mining/Construction	100	Financial Activities	100
Natural Resources and Mining	NA	Prof. & Business Services	400
Construction	NA	Educ. & Health Services	500
Manufacturing	300	Leisure & Hospitality	1,500
Service Providing Excluding Government	NA	Other Services	200
Trade/Transportation/Utilities	500	Government	600

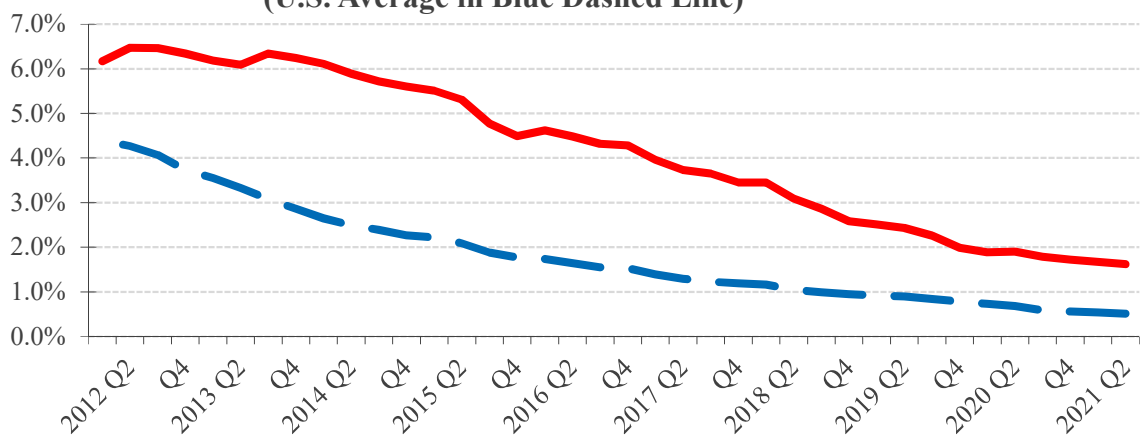
State Economic Activity Index	New York	U.S.	
12-month change (2021 - Jul)	21.6%	6.8%	New York's economy is stronger than the nation's, but slowed from last month's 22.59% change
36-month change (2021 - Jul)	-3.7%	2.7%	

New Housing Construction			
Local Fundamentals	Glens Falls	U.S.	
12-month Sum of 1-unit Building Permits through Aug 2021	265	not comparable	The current level of construction is 25.1% above the long-term average
8-year average for 12-month Sum of 1-Unit Building Permits	212	not comparable	Production above trend for an extended period of time could cause prices to moderate as inventory is built up.
Single-Family Housing Permits (Aug 2021) 12-month sum vs. a year ago	38.7%	26.8%	Construction is on the rise relative to last year, suggesting that the local inventory has stabilized

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

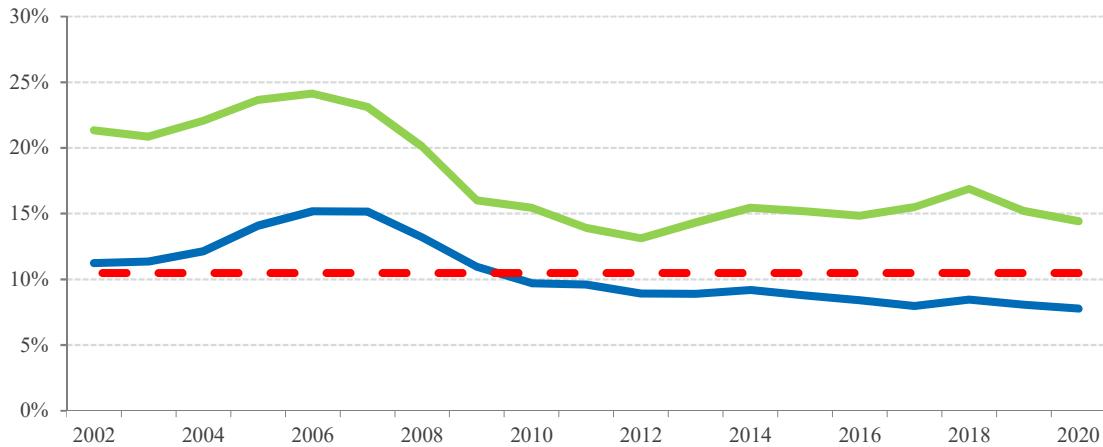


**State Total Foreclosure Rate vs. U.S Average
(U.S. Average in Blue Dashed Line)**



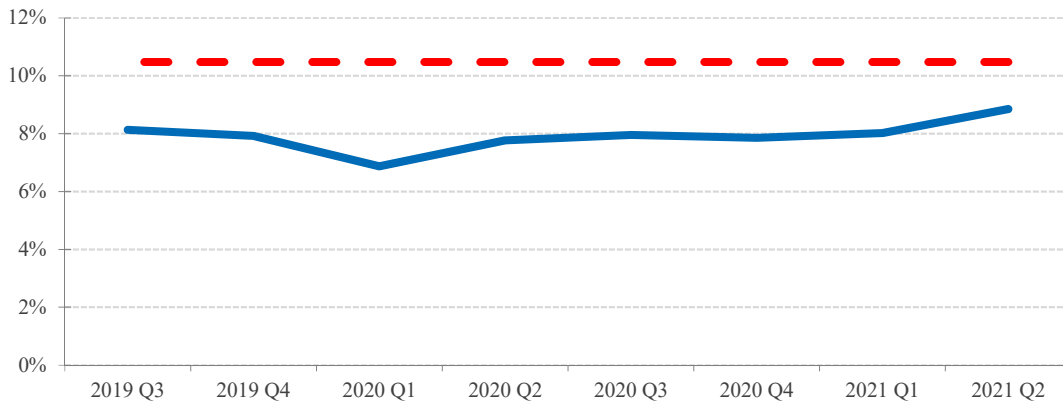
Affordability

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

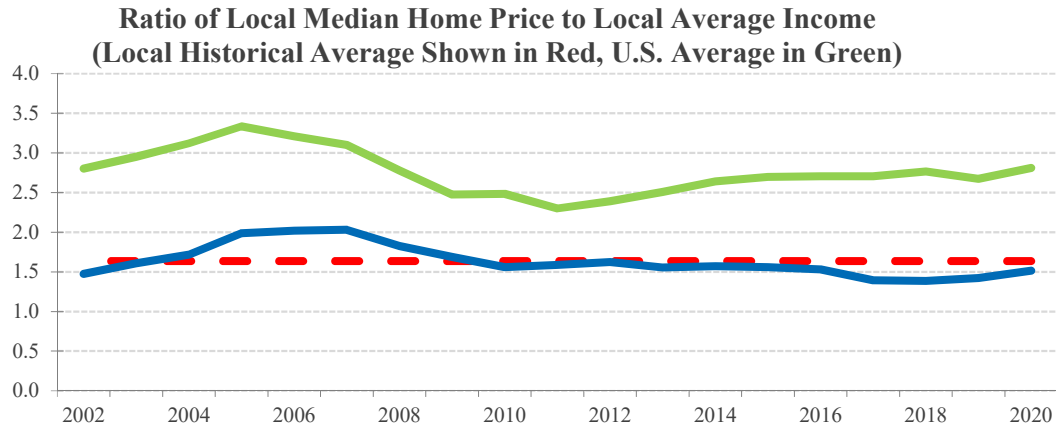


Monthly Mortgage Payment to Income	Glens Falls	U.S.	
Ratio for 2020	7.8%	14.4%	Historically strong, but weaker than the first quarter of 2021
Ratio for 2021 Q2	8.9%	16.0%	
Historical Average	10.5%	18.0%	More affordable than most markets

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



Median Home Price to Income	Glens Falls	U.S.	
Ratio for 2020	1.5	2.8	The price-to-income ratio is high by historic standards and getting worse
Ratio for 2021 Q2	1.7	3.2	
Historical Average	1.6	2.7	Affordable compared to most markets



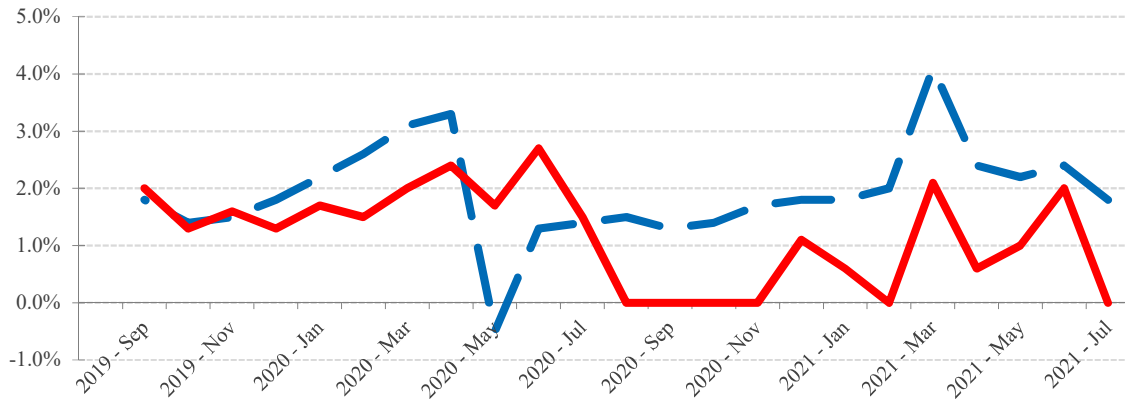
The Mortgage Market



In the second quarter of 2021, mortgage rates were higher than the previous quarter as the economy grew faster than expected with millions of Americans resuming traveling, going to restaurants, bars, events and shows. Nevertheless, mortgage rates were still lower than a year earlier. According to the mortgage finance provider Freddie Mac, the 30-year fixed mortgage rate was 3.00 percent in Q2 2021 compared to 3.23 percent a year earlier. What to expect from mortgage rates in the upcoming quarters? Rates are expected to rise further as the Fed will likely start reducing its bond purchases before the end of the year and raise interest rates by the middle of next year. NAR forecasts the 30-year fixed mortgage rate to reach 3.5% by mid-2022.

REALTOR® Price Expectations

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



Source: NAR

REALTOR® Price Expectations	New York	U.S.	
2021 - Aug	0.0%	1.1%	REALTORS® expect weaker price growth in New York than in the U.S. in the next 12 months. Their price expectations for the local market remained at the same level as a year ago.
Prior 12 months	0.0%	1.4%	

Geographic Coverage for this Report

The Glens Falls area referred to in this report covers the geographic area of the Glens Falls 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:

Warren County and Washington County

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