

Figure 1: Houzz Renovation Barometer - Recent Business Activity Indicator, National

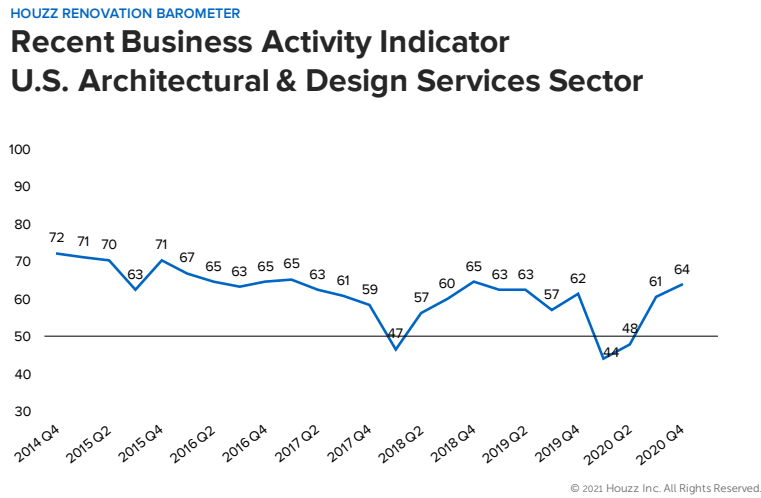


Figure 2: Houzz Renovation Barometer - Recent Business Activity Indicator, Components

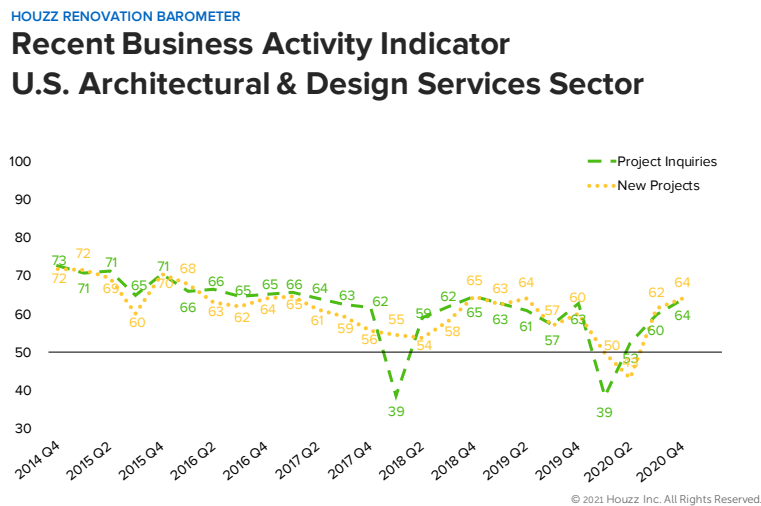


Figure 3: Houzz Renovation Barometer - Recent Business Activity Indicator, Subsectors

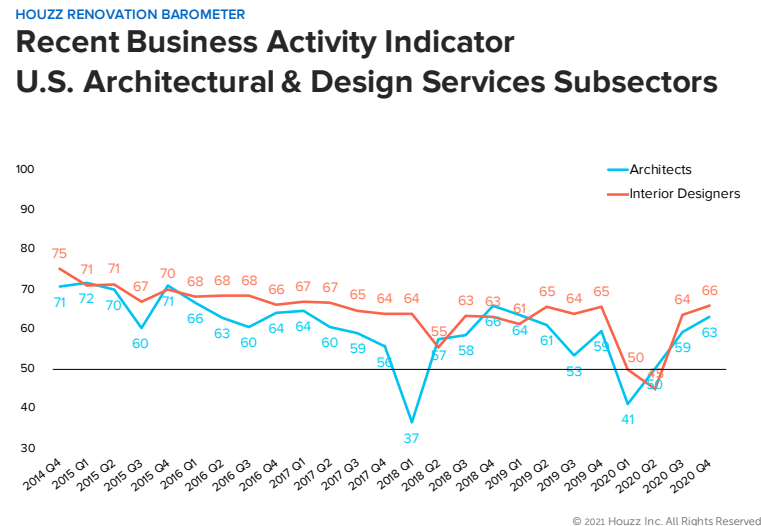


Table 1: Houzz Renovation Barometer - Recent Business Activity Indicator, National

a) U.S. Architectural & Design Services Sector: Overall

Quarter	Overall	Project Inquiries	New Projects
2014 Q4	72	73	72
2015 Q1	71	71	72
2015 Q2	70	71	69
2015 Q3	63	65	60
2015 Q4	71	71	70
2016 Q1	67	66	68
2016 Q2	65	66	63
2016 Q3	63	65	62
2016 Q4	65	65	64
2017 Q1	65	66	65
2017 Q2	63	64	61
2017 Q3	61	63	59
2017 Q4	59	62	56
2018 Q1	47	39	55
2018 Q2	57	59	54
2018 Q3	60	62	58
2018 Q4	65	65	65
2019 Q1	63	63	63
2019 Q2	63	61	64
2019 Q3	57	57	57
2019 Q4	62	63	60
2020 Q1	44	39	50
2020 Q2	48	53	43
2020 Q3	61	60	62
2020 Q4	64	64	64

b) U.S. Architectural & Design Services Subsector: Architects

Quarter	Overall	Project Inquiries	New Projects
2014 Q4	71	71	70
2015 Q1	72	71	72
2015 Q2	70	72	67
2015 Q3	60	64	57
2015 Q4	71	72	70
2016 Q1	66	65	68
2016 Q2	63	65	61
2016 Q3	60	64	57
2016 Q4	64	66	62
2017 Q1	64	65	64
2017 Q2	60	63	58
2017 Q3	59	62	55
2017 Q4	56	61	50
2018 Q1	37	26	47
2018 Q2	57	62	53
2018 Q3	58	62	55
2018 Q4	66	67	65
2019 Q1	64	65	62
2019 Q2	61	59	63
2019 Q3	53	54	52
2019 Q4	59	62	57
2020 Q1	41	33	49
2020 Q2	50	54	46
2020 Q3	59	60	57
2020 Q4	63	63	62

c) U.S. Architectural & Design Services Subsector: Interior Designers

Quarter	Overall	Project Inquiries	New Projects
2014 Q4	75	75	75
2015 Q1	71	71	71
2015 Q2	71	70	73
2015 Q3	67	67	66
2015 Q4	70	68	72
2016 Q1	68	68	68
2016 Q2	68	69	67
2016 Q3	68	66	71
2016 Q4	66	64	68
2017 Q1	67	67	67
2017 Q2	67	66	67
2017 Q3	65	63	66
2017 Q4	64	63	65
2018 Q1	64	60	68
2018 Q2	55	55	55
2018 Q3	63	63	64
2018 Q4	63	61	65
2019 Q1	61	59	63
2019 Q2	65	64	67
2019 Q3	64	62	65
2019 Q4	65	65	66
2020 Q1	50	47	52
2020 Q2	45	50	39
2020 Q3	64	59	68
2020 Q4	66	65	67

Table 2: Houzz Renovation Barometer - Recent Business Activity Indicator, Regional

a) U.S. Architectural & Design Services Sector: Overall, by U.S. Census Regional Divisions

Quarter	East North Central Division	East South Central Division	Middle Atlantic Division	Mountain Division	New England Division	Pacific Division	South Atlantic Division	West North Central Division	West South Central Division
2014 Q4	69	57	65	66	67	66	64	63	60
2015 Q1	69	67	75	80	70	77	77	78	70
2015 Q2	71	72	73	69	67	76	71	75	73
2015 Q3	70	63	64	63	66	65	62	64	64
2015 Q4	60	68	65	64	53	64	62	62	68
2016 Q1	75	73	72	71	63	70	67	79	67
2016 Q2	70	71	64	66	64	63	68	80	70
2016 Q3	66	75	66	62	69	60	69	71	62
2016 Q4	51	49	58	54	55	60	62	58	59
2017 Q1	74	82	66	65	63	70	64	73	74
2017 Q2	67	77	60	67	56	67	63	73	64
2017 Q3	58	68	62	58	67	62	69	55	67
2017 Q4	54	49	50	49	49	55	53	46	50
2018 Q1	56	37	49	43	50	58	50	39	42
2018 Q2	64	55	64	58	52	58	55	54	56
2018 Q3	61	64	65	63	60	60	64	61	62
2018 Q4	59	63	59	60	62	54	62	63	61
2019 Q1	62	66	64	65	68	62	68	61	65
2019 Q2	64	68	62	64	64	63	67	65	69
2019 Q3	57	60	57	58	56	54	60	55	63
2019 Q4	55	58	57	61	57	56	58	56	56
2020 Q1	48	50	48	48	41	40	49	48	46
2020 Q2	50	45	42	48	41	46	47	45	53
2020 Q3	64	56	65	61	62	66	63	58	62
2020 Q4	64	54	63	62	60	65	66	57	57

b) U.S. Architectural & Design Services Subsector: Architects, by U.S. Census Regional Divisions

Quarter	East North Central Division	East South Central Division	Middle Atlantic Division	Mountain Division	New England Division	Pacific Division	South Atlantic Division	West North Central Division	West South Central Division
2014 Q4	70	52	61	61	62	64	60	63	54
2015 Q1	68	60	74	81	66	78	79	76	71
2015 Q2	70	63	75	67	65	77	72	79	76
2015 Q3	74	53	63	60	63	65	58	64	64
2015 Q4	57	73	64	62	50	64	61	62	66
2016 Q1	76	66	72	69	63	68	64	81	69
2016 Q2	69	62	62	66	60	62	69	83	67
2016 Q3	66	75	66	57	66	57	69	64	60
2016 Q4	49	51	55	51	49	55	62	56	55
2017 Q1	79	81	61	62	55	70	62	72	74
2017 Q2	71	71	54	63	53	68	64	70	63
2017 Q3	60	70	56	59	65	58	70	52	70
2017 Q4	49	43	44	42	44	52	49	39	43
2018 Q1	47	20	39	29	40	53	38	22	29
2018 Q2	67	58	66	62	53	60	56	57	59
2018 Q3	60	63	65	63	59	56	64	63	63
2018 Q4	57	63	60	62	64	53	64	67	61
2019 Q1	61	66	64	65	71	59	70	59	66
2019 Q2	62	66	59	61	61	62	65	62	68
2019 Q3	55	57	54	53	49	51	56	48	58
2019 Q4	52	56	52	58	54	54	57	54	54
2020 Q1	45	48	48	43	36	37	48	45	41
2020 Q2	57	51	45	54	42	50	51	47	57
2020 Q3	59	50	62	57	58	66	59	49	58
2020 Q4	64	54	62	60	60	66	64	49	53

c) U.S. Architectural & Design Services Subsector: Interior Designers, by U.S. Census Regional Divisions

Quarter	East North Central Division	East South Central Division	Middle Atlantic Division	Mountain Division	New England Division	Pacific Division	South Atlantic Division	West North Central Division	West South Central Division
2014 Q4	67	64	72	74	74	71	71	62	70
2015 Q1	72	79	76	78	77	75	74	83	68
2015 Q2	72	86	70	74	70	75	70	69	68
2015 Q3	63	79	66	67	72	65	69	65	64
2015 Q4	66	60	67	67	60	65	65	62	70
2016 Q1	72	86	72	74	65	73	71	75	64
2016 Q2	71	87	66	66	72	66	66	74	73
2016 Q3	65	75	67	69	75	65	70	81	66
2016 Q4	54	45	64	57	63	67	61	60	68
2017 Q1	65	86	73	71	76	69	68	76	74
2017 Q2	60	87	69	74	60	66	62	78	67
2017 Q3	54	66	72	56	68	70	65	60	62
2017 Q4	61	60	60	60	58	59	58	57	61
2018 Q1	70	67	67	66	68	67	69	68	65
2018 Q2	61	50	62	52	51	56	52	50	51
2018 Q3	63	65	64	63	61	65	65	59	61
2018 Q4	61	62	58	58	59	56	59	57	61
2019 Q1	65	65	64	65	64	67	65	66	65
2019 Q2	69	71	65	71	70	65	69	70	72
2019 Q3	61	64	61	68	67	58	67	66	70
2019 Q4	62	61	65	66	61	58	61	61	60
2020 Q1	54	54	49	57	49	45	51	55	54
2020 Q2	39	37	37	39	38	39	41	44	46
2020 Q3	72	65	69	68	69	66	69	73	68
2020 Q4	63	55	65	65	60	63	70	70	64

Methodology

The Houzz Renovation Barometer is based on a quarterly online survey sent to a U.S. panel of businesses with an online profile on Houzz. The Barometer keeps a pulse on home renovation market conditions via three distinct indices that track expected, current and recent business activity in two related industry sectors: the construction sector and the architectural and design services sector.

The Expected Business Activity Indicator is based on survey questions that ask businesses to report whether they expect the number of *project inquiries* and *new projects** to increase, decrease or remain unchanged in the upcoming quarter relative to the prior quarter. Scores for each component are then computed as seasonally adjusted diffusion indices on a scale of 0 to 100, with index values over 50 indicating that a greater proportion of firms reported quarter-over-quarter increases than decreases. The *new projects* component includes reported changes to the number of new projects and the size of new projects and uses 80% and 20% weights, respectively, to arrive at the final *new projects* component.

The Recent Business Activity Indicator is based on survey questions that ask businesses to report whether they observed the actual number of *project inquiries* and *new projects** increasing, decreasing or remaining unchanged in the most recent quarter relative to the prior quarter. Scores for each component are then computed as seasonally adjusted diffusion indices similar to the Expected Business Activity Indicator. The *new projects* component includes reported changes to the number of new projects and the size of new projects and uses 80% and 20% weights, respectively, to arrive at the final *new projects* component.

The Recent Business Activity Indicator scores can be compared with the Expected Business Activity Indicator scores for any given quarter to see whether actual activity met, exceeded or fell short of expectations.

Finally, the Backlog Indicator is based on survey questions that ask businesses to report wait times in weeks before a company can start work on a new midsize project at the start of the upcoming quarter. Scores are computed as average wait times without a seasonal adjustment.

The Houzz Renovation Barometer is nationally representative of business activity related to work performed on owner-occupied existing homes, as reported by businesses who report that in the last 12 months at least 20% of their revenues came from residential remodeling services. Each of the three indicators is available for two subsectors in the construction sector (build-only remodelers and design and build remodelers) and for two subsectors in the architectural and design services sector (architects and interior designers), as well as for nine regions that follow the U.S. Census Bureau divisions.

The aggregated national sector-level indices are computed by 1) aggregating regional subsector indices to national levels using division-level weights derived from the 2016 U.S. Census County Business Patterns survey and 2) aggregating national sector-level indices to sector levels using subsector weights derived from the 2016 U.S. Census County Business Patterns survey and 2016 BLS Current Employment Statistics Peak Trough series. Final national weights are equally distributed for build-only remodelers and design and build remodelers in the construction sector. The final national weights are 63% and 37% for architects and interior designers, respectively in the architectural and design services subsector.

The Houzz Renovation Barometer survey for the current quarter was fielded January 7, 2021 through January 25, 2021. N=1,588 (572 design and build remodelers, 229 build-only remodelers, 309 architects and 478 interior designers).