As Housing Market Improves, Interest in Special Function Rooms Is Recovering

% of respondents reporting popularity of room “increasing” minus % reporting “decreasing”; Q2 2015

- Outdoor living: 63% in 2015, 62% in 2014
- Mud room: 45% in 2015, 37% in 2014
- Home office: 38% in 2015, 34% in 2014
- Au pair/in-law suite: 39% in 2015, 33% in 2014
- Home auto. manage./mechanical room: 19% in 2015, 12% in 2014
- Exercise/fitness: 8% in 2015, 12% in 2014

Outdoor Living Areas, Home Offices, Mud Rooms Remain Most Popular Special Function Rooms

Most popular special function room, % of respondents, Q2 2015

Many Popular Home Features Focus on Making Homes More Energy Efficient and Accessible

% respondents reporting popularity of feature “increasing” minus % reporting “decreasing”; Q2 2015

Energy Efficiency and Home Automation Options Remain Popular Choices for Home Systems/Technologies

% reporting popularity of system “increasing” minus % reporting “decreasing”; Q2 2015

FIGURE 5  Products With Sustainable Characteristics Top List of Popular Products

% respondents reporting popularity of products “increasing” minus % reporting “decreasing”; Q2 2015

Project Billings and Inquiries at Residential Firms See Slower Growth in the Second Quarter

Diffusion index: 50 = no change from previous quarter; data are not seasonally adjusted

FIGURE 7  Project Backlogs at Firms Continue to Trend Up

Number of months of project backlogs, averages across all firms; data are not seasonally adjusted

Regional Business Conditions at Firms Moving Closer in Tandem in the Second Quarter

Diffusion index for billings: 50 = no change from previous quarter; data are not seasonally adjusted

### Remodeling Remains Strong, While Upper End of Construction Market Outperforms Other Sectors

% of respondents reporting sector “improving” minus % reporting “weakening”; Q2 2015

<table>
<thead>
<tr>
<th>Sector</th>
<th>2014</th>
<th>2015</th>
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</thead>
<tbody>
<tr>
<td>Remodeling: additions/alterations</td>
<td>70</td>
<td>64</td>
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<tr>
<td>Remodeling: kitchen/bath</td>
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<tr>
<td>First-time buyer/affordable homes</td>
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<tr>
<td>Move-up homes</td>
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<td>Custom/luxury homes</td>
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<td>Townhouse/condo</td>
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<td>Second/vacation homes</td>
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