

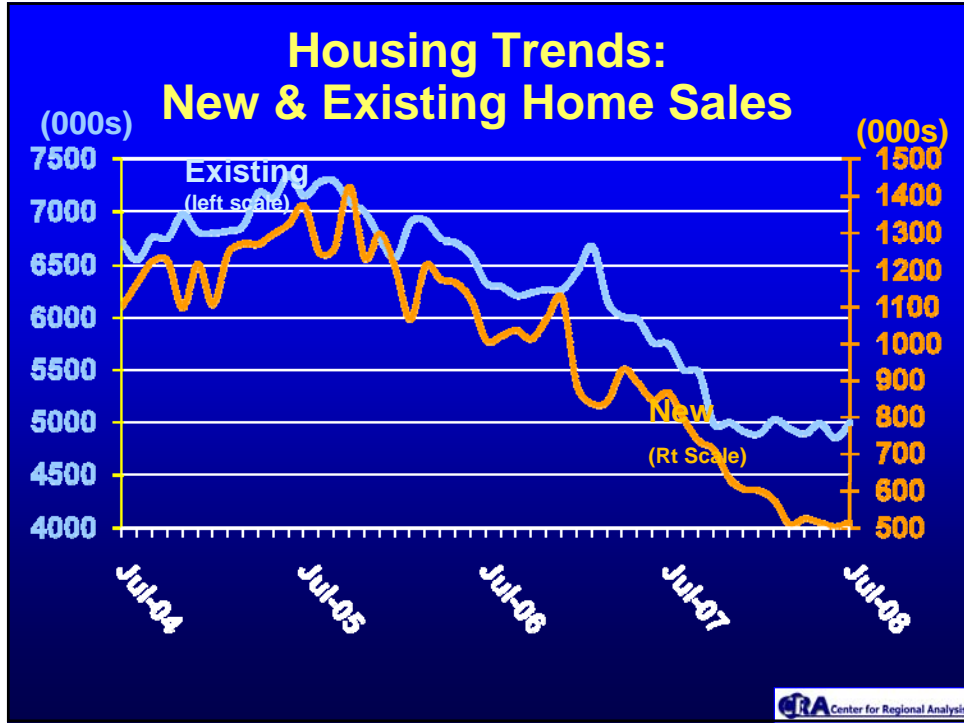
NVAR 2008 Economic Summit

The Housing Market Outlook

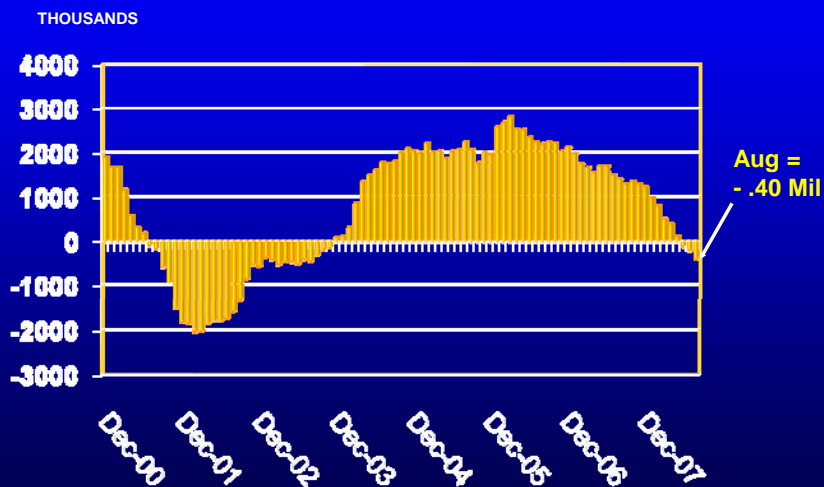
Stephen S. Fuller, PhD
Dwight Schar Faculty Chair and University Professor
Director, Center for Regional Analysis
George Mason University

September 11, 2008

The U.S. Economy



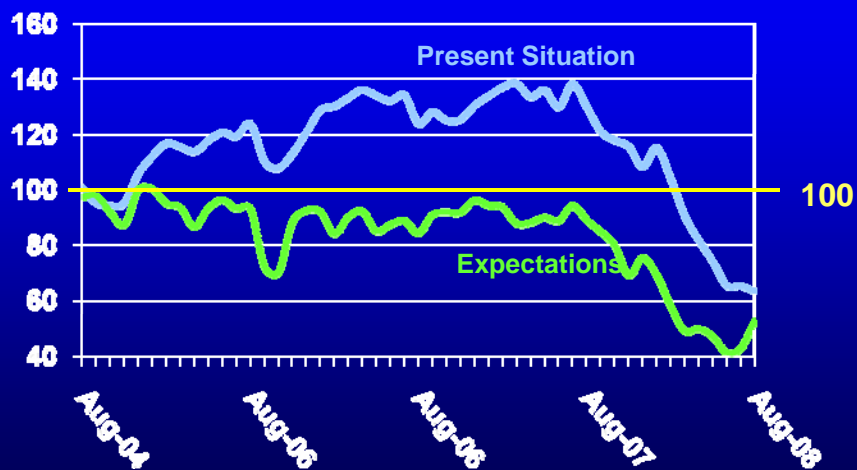
Annual Change in Jobs - US



Source: BLS Establishment Survey

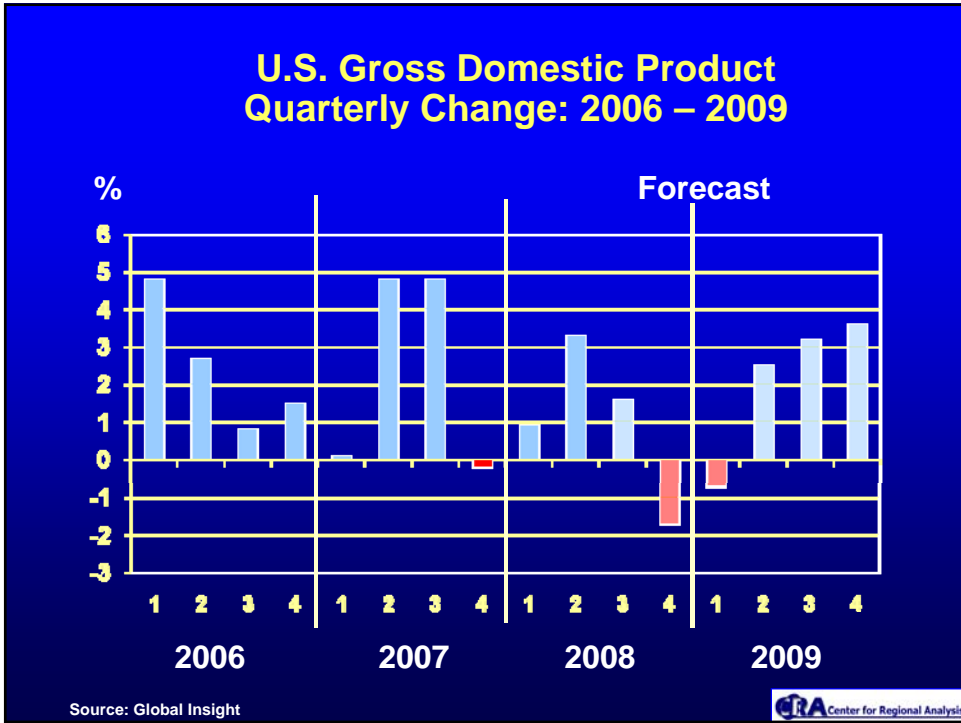
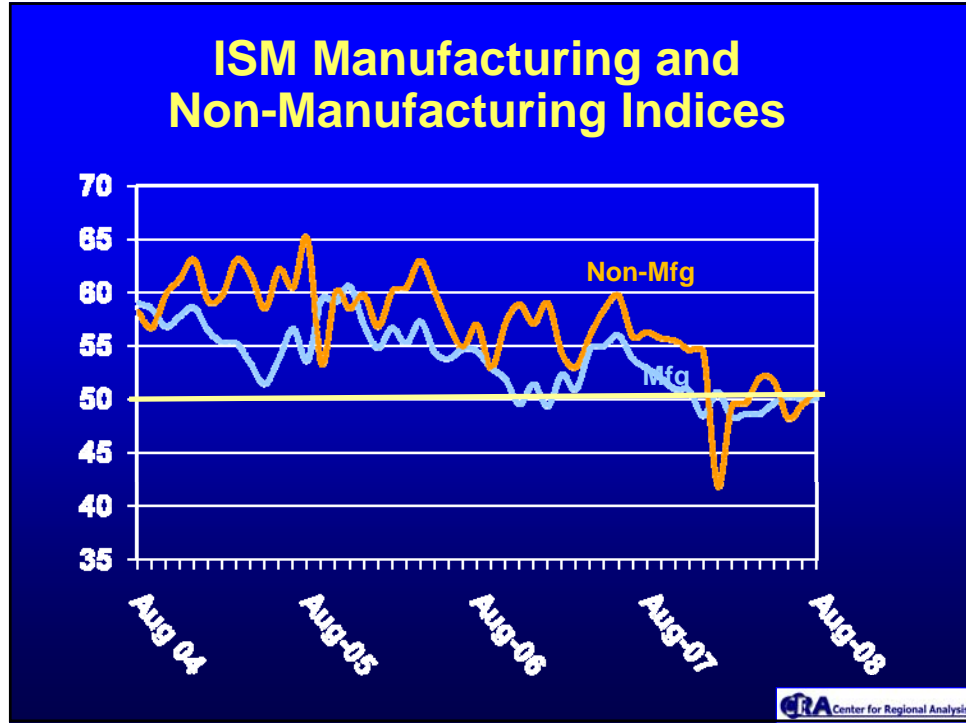
CRA Center for Regional Analysis

Consumer Confidence



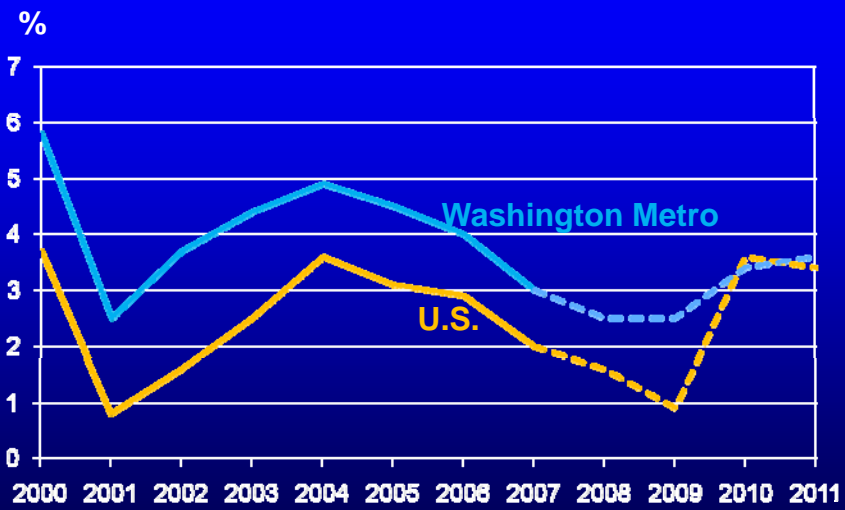
Source: Conference Board, GMU Center for Regional Analysis

CRA Center for Regional Analysis

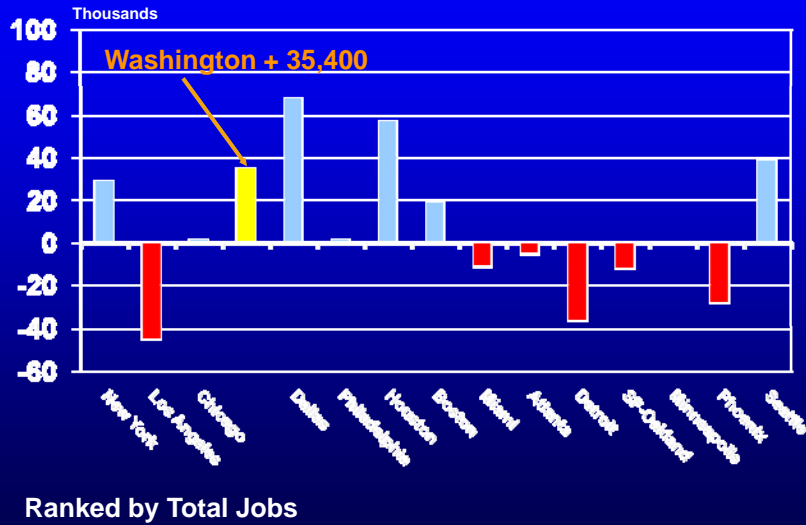


The Washington Economy

GDP/GRP 2000 - 2011

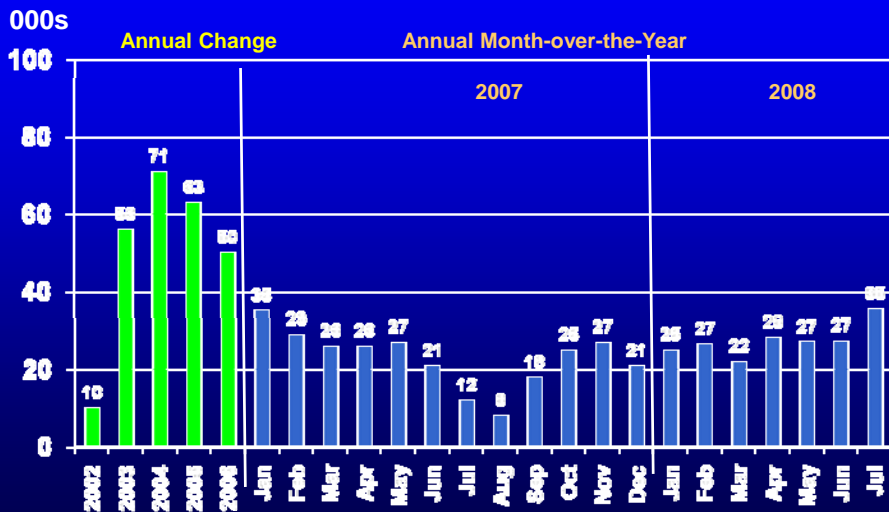


15 Largest Job Markets Job Change July 07– July 08



CRA Center for Regional Analysis

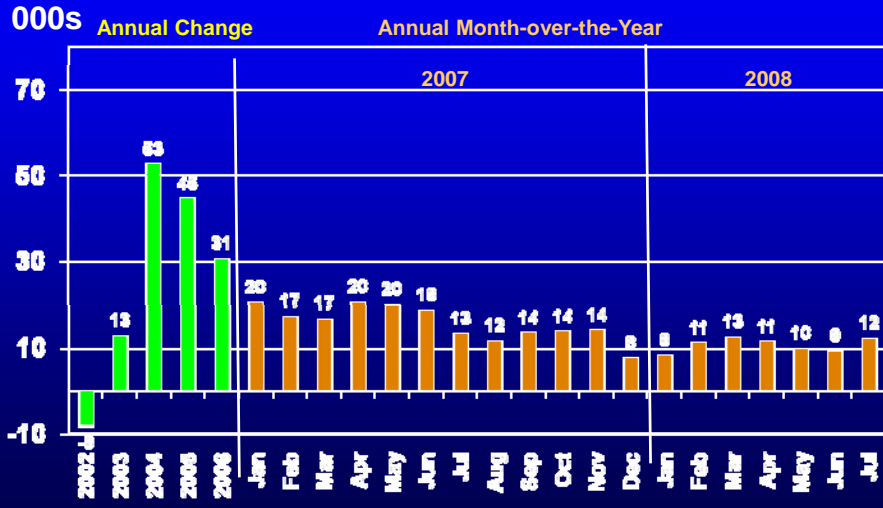
Annual Job Change Washington Metro Area



Source: BLS, GMU Center for Regional Analysis

CRA Center for Regional Analysis

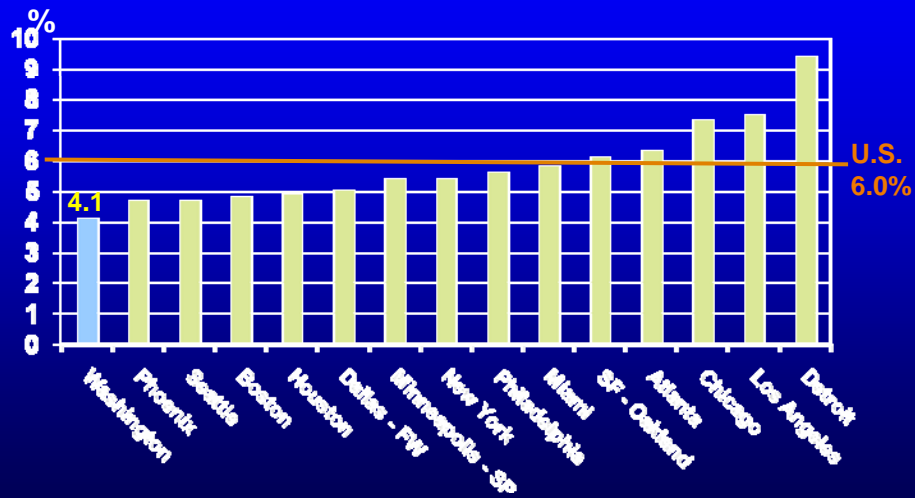
Annual Job Change Northern Virginia



Source: BLS, GMU Center for Regional Analysis



15 Largest Job Markets Ranked by Unemployment Rate July 2008



Source: BLS, GMU Center for Regional Analysis

Data not seasonally adjusted



The Northern Virginia Housing Market

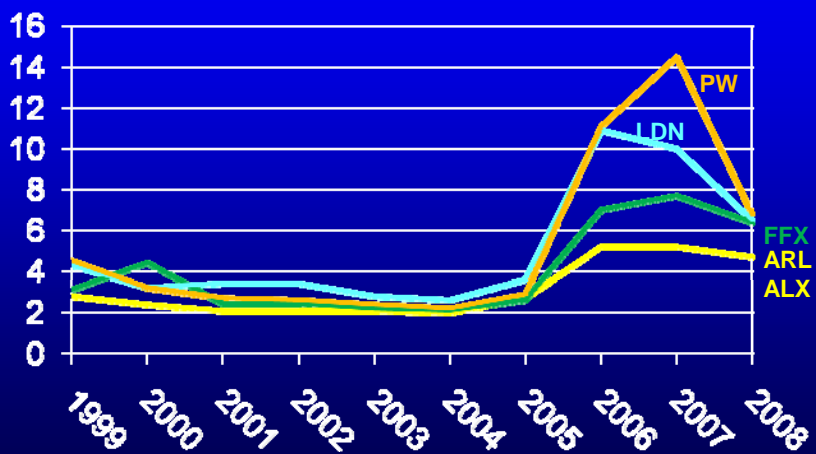
CRA Center for Regional Analysis

Sales and Total Active Listings Washington MSA, August Each Year



CRA Center for Regional Analysis

Total Active Listings Per Sale August Each Year



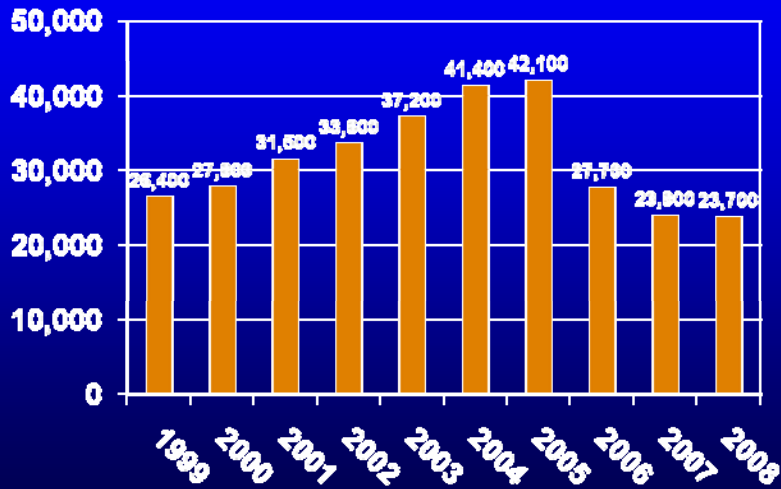
CRA Center for Regional Analysis

Units Sold Percent Change Northern Virginia All Housing Types



CRA Center for Regional Analysis

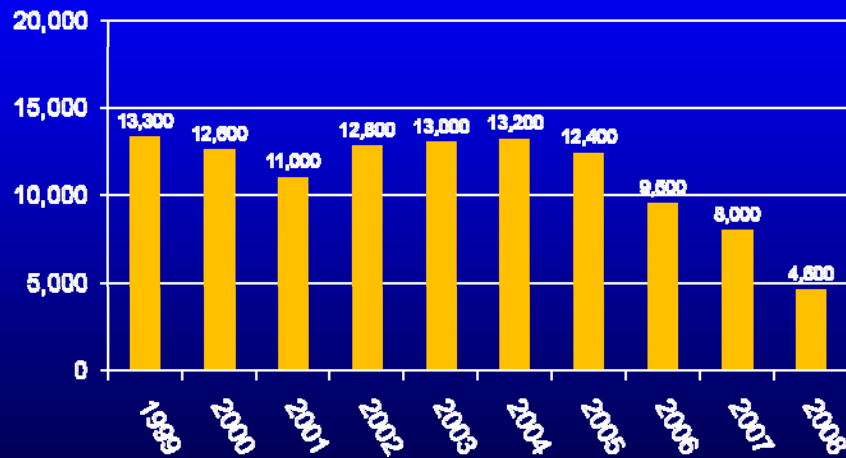
Total Units Sold Northern Virginia Jan - Aug Each Year



Source: MRIS, GMU Center for Regional Analysis

CRA Center for Regional Analysis

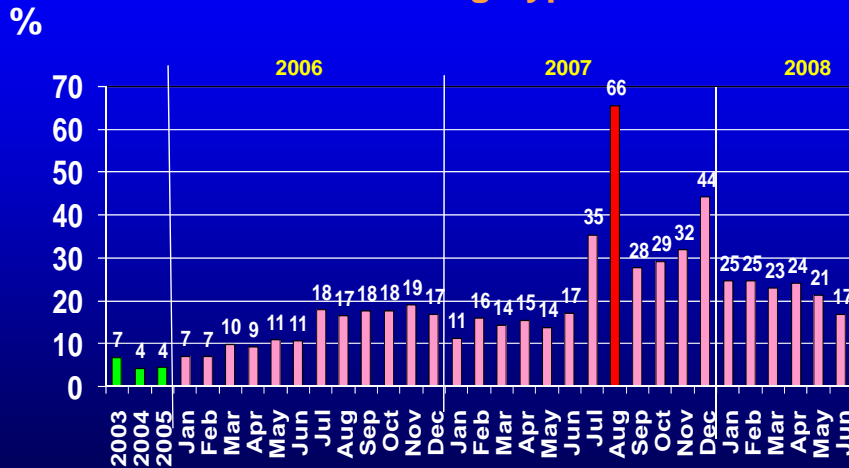
New Housing Sales Washington Metro Area First Half of Each Year



Source: Hanley-Wood, GMU Center for Regional Analysis

CRA Center for Regional Analysis

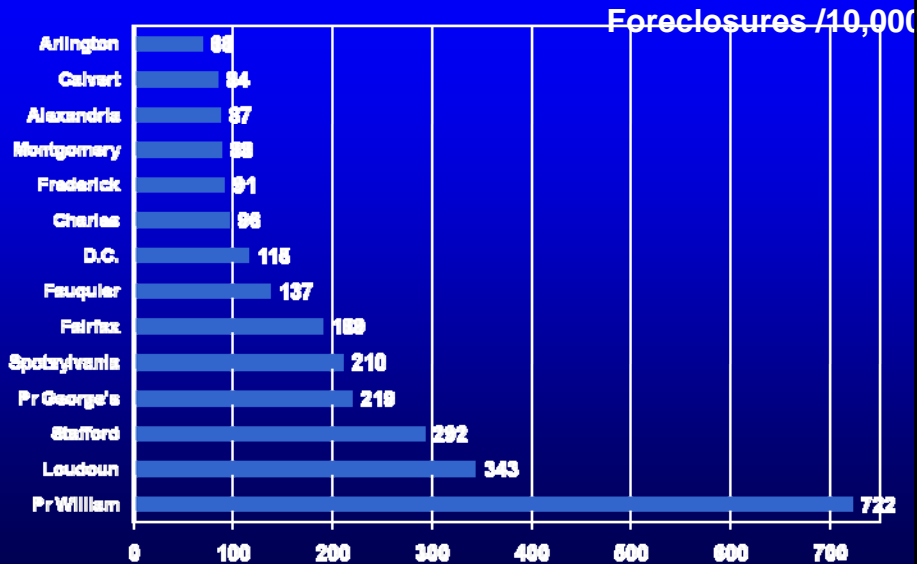
New Housing Contract Kick-Out Rate Washington MSA All Housing Types



Source: Hanley-Wood, GMU Center for Regional Analysis



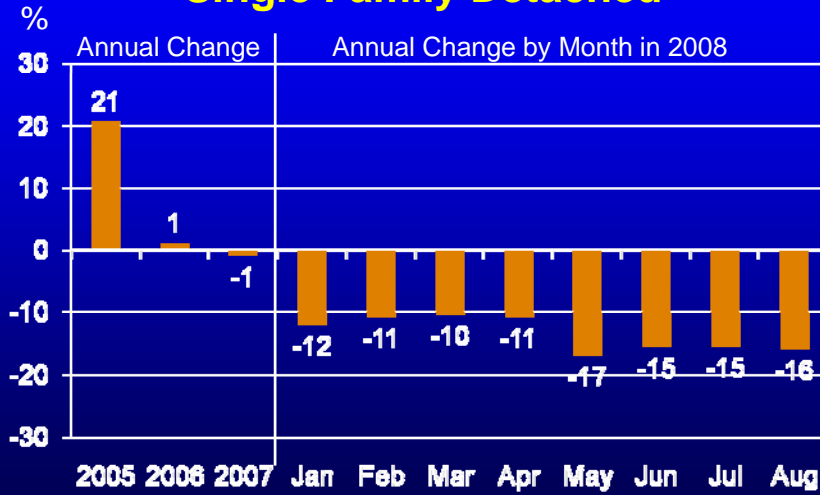
Mortgage Foreclosure Rates by County – April 30, 2008



Source: RealtyTrac, GMU Center for Regional Analysis



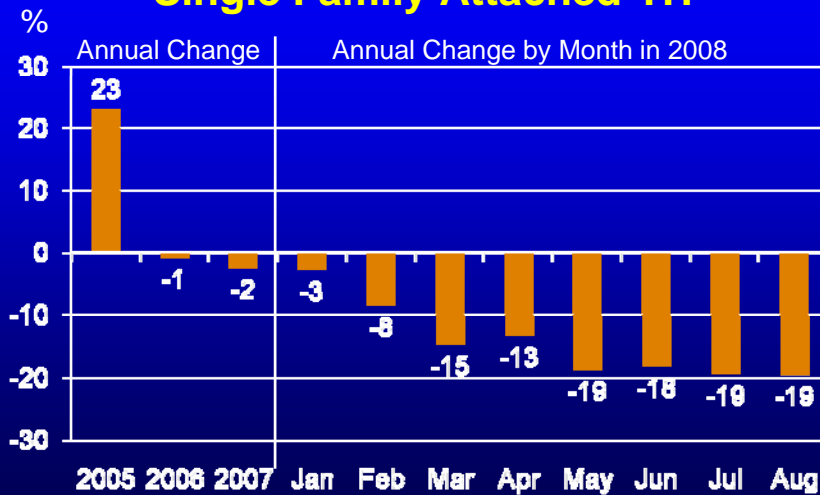
Average Sales Price Percent Change NVAR Single Family Detached



Source: MRIS, GMU Center for Regional Analysis



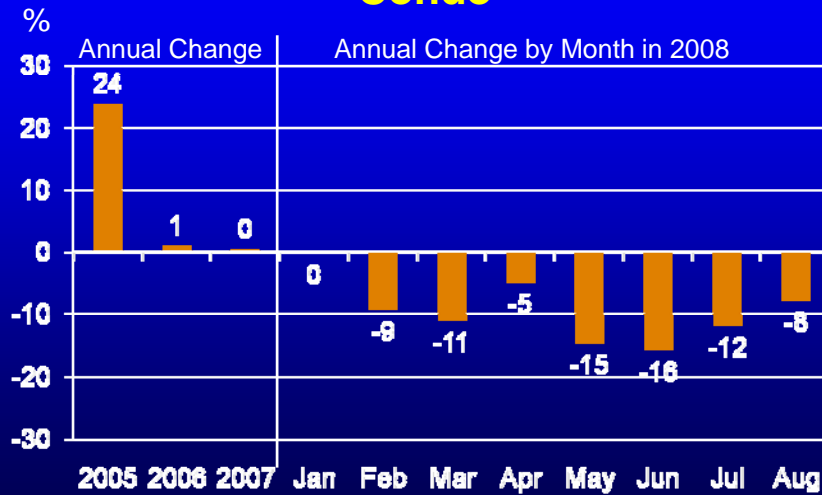
Average Sales Price Percent Change NVAR Single Family Attached-TH



Source: MRIS, GMU Center for Regional Analysis



Average Sales Price Percent Change NVAR Condo



Source: MRIS, GMU Center for Regional Analysis



Virginia Housing Market – Existing Units 2nd Quarter 2008 vs. 2nd Quarter 2007

MLS Area	Average Price	Sales	Pending Sales
Dulles	-18%	+ 7%	+ 37%
NVAR	-14%	- 7%	+ 10%
Prince William	- 34%	+ 72%	+ 129%
Richmond Metro	- 2%	- 23%	- 26%
Roanoke Valley	0 %	- 22%	N/A
Tidewater	- 2%	- 21%	- 15%
Virginia	- 7%	- 13%	- 20%

Source: VAR Multiple Listing Services, GMU Center for Regional Analysis



THE OUTLOOK

- Housing Market Continuing to Adjust
- Sub-Prime Mortgages Resets Ending Next Several Months
- ARMS Will Continue Longer
- Underlying Economic Fundamentals are Good
- Federal Policy Effects?
- Recovering Slowly Beginning Q2 2009??

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