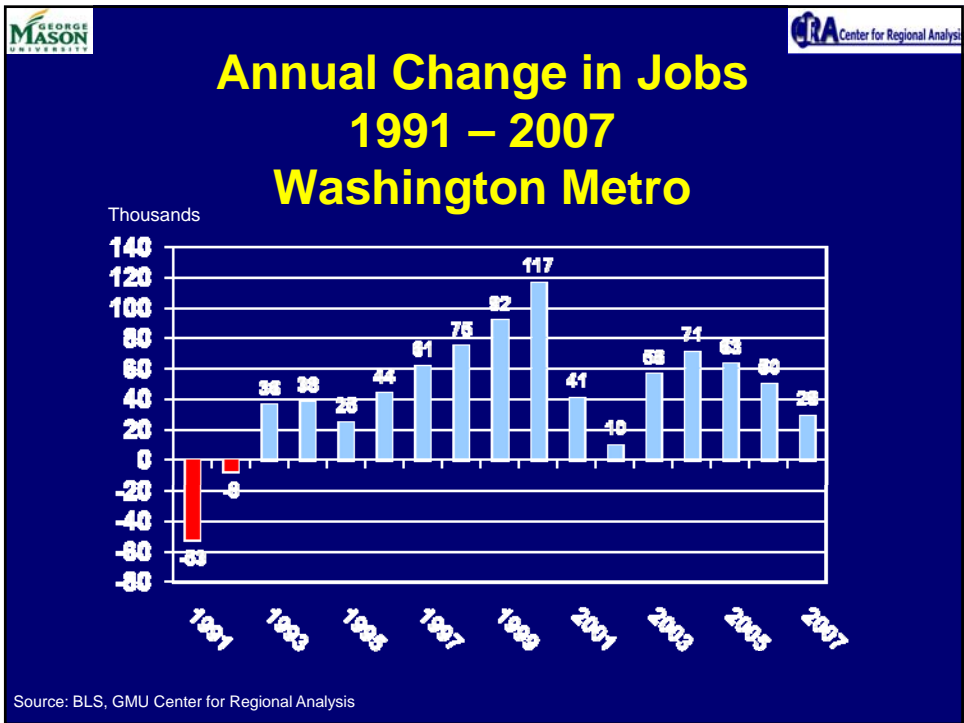


The Washington Region and Fairfax County Economy and Housing Market 2008 Status and Outlook

John McClain, AICP
 Senior Fellow and Deputy Director
 Center for Regional Analysis
 School of Public Policy, George Mason University

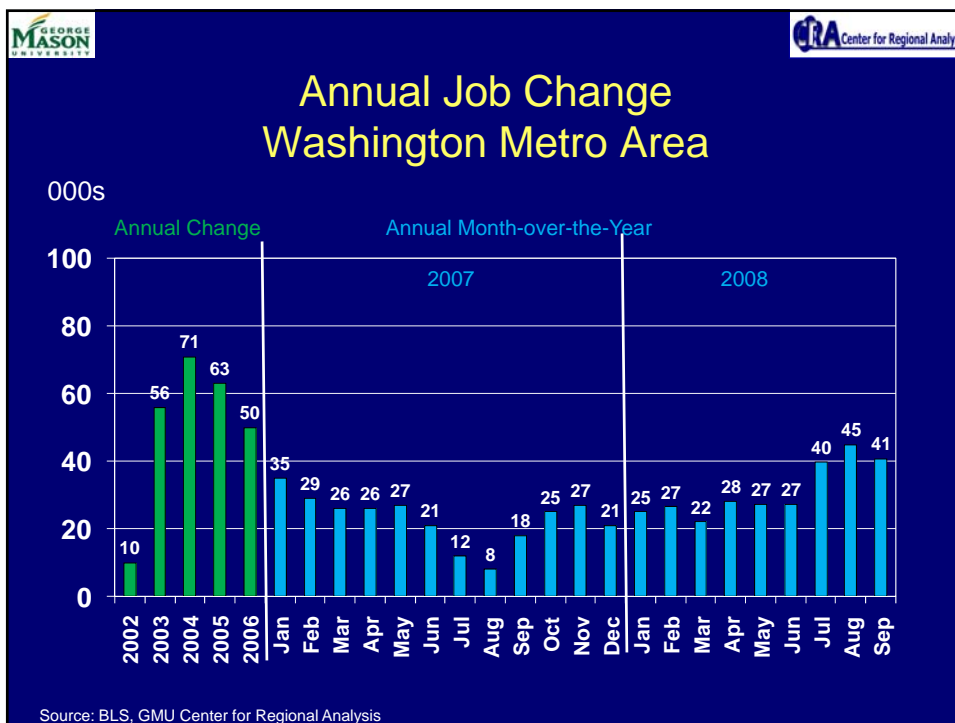
October 27, 2008

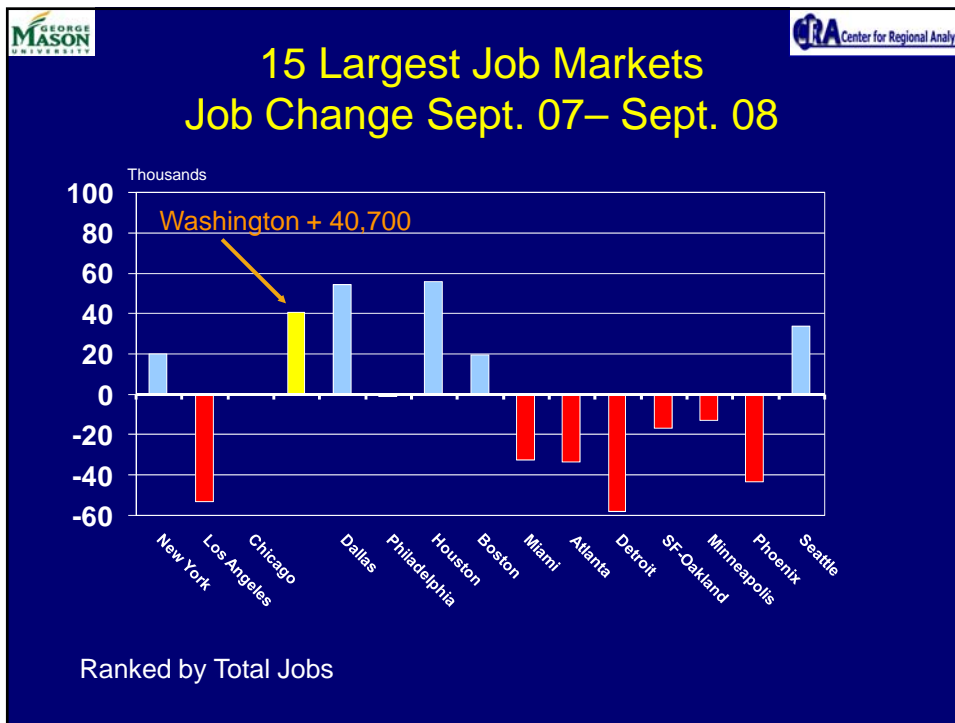
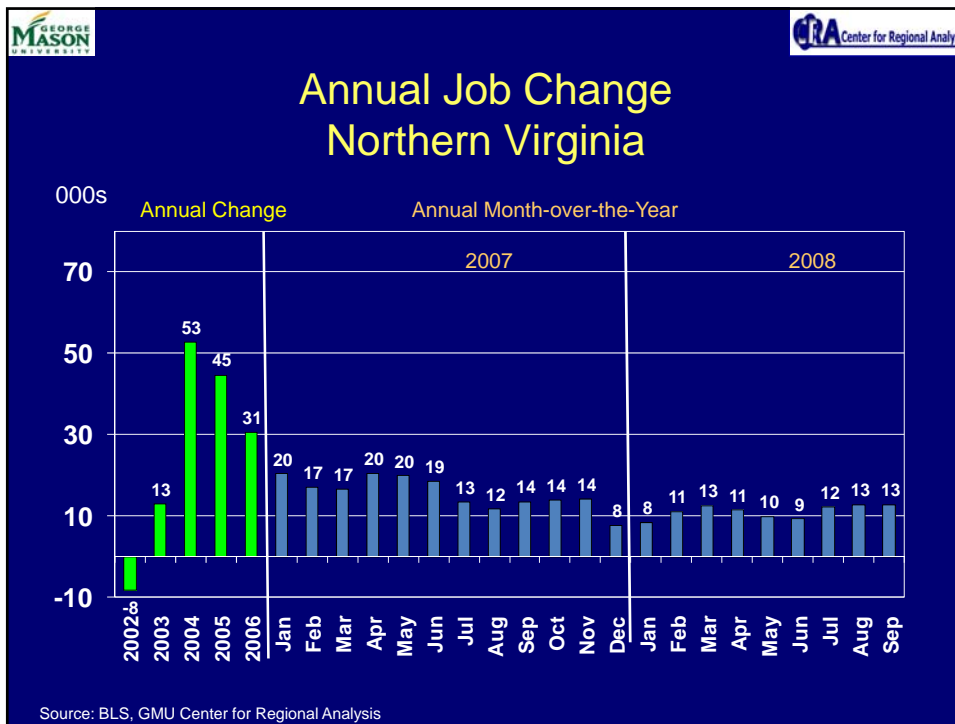


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U.S. and Washington Area Recent Recessions

U.S.	Washington Area GRP Change
3/01 - 11/01 (8)	2.5 %
7/90 - 3/91 (8)	0.2 %
7/81 - 11/82 (16)	3.1 %
1/80 - 7/80 (6)	2.3 %



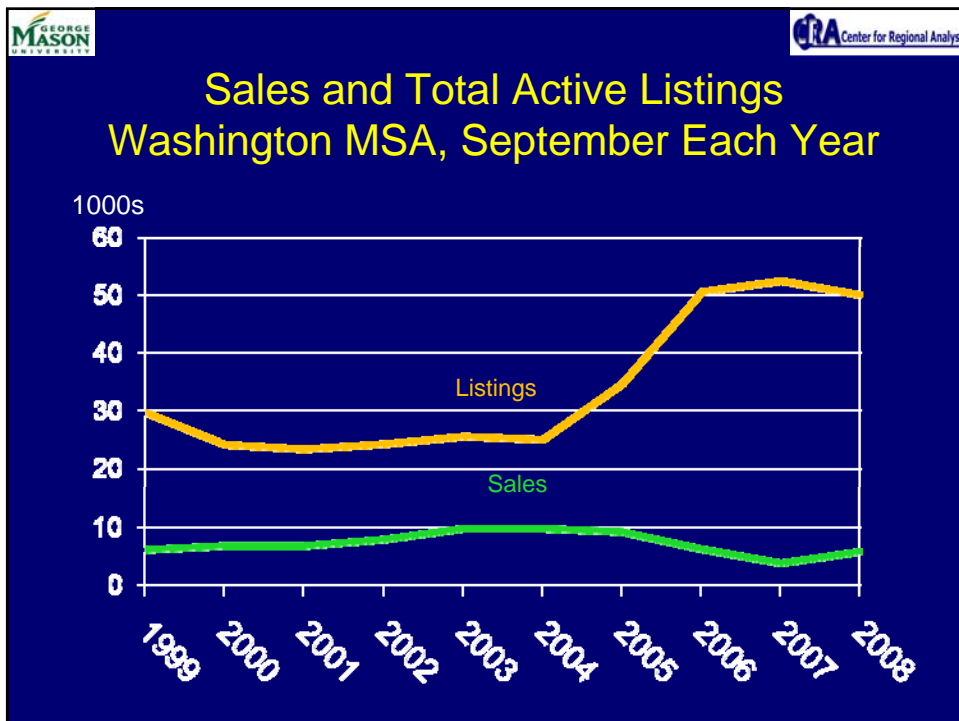


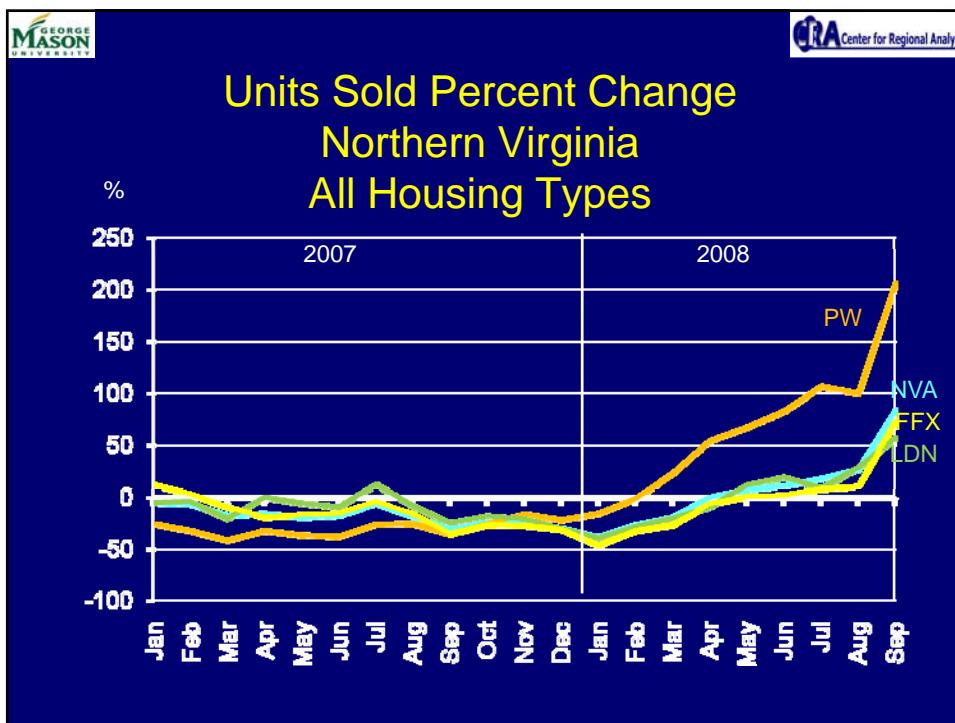
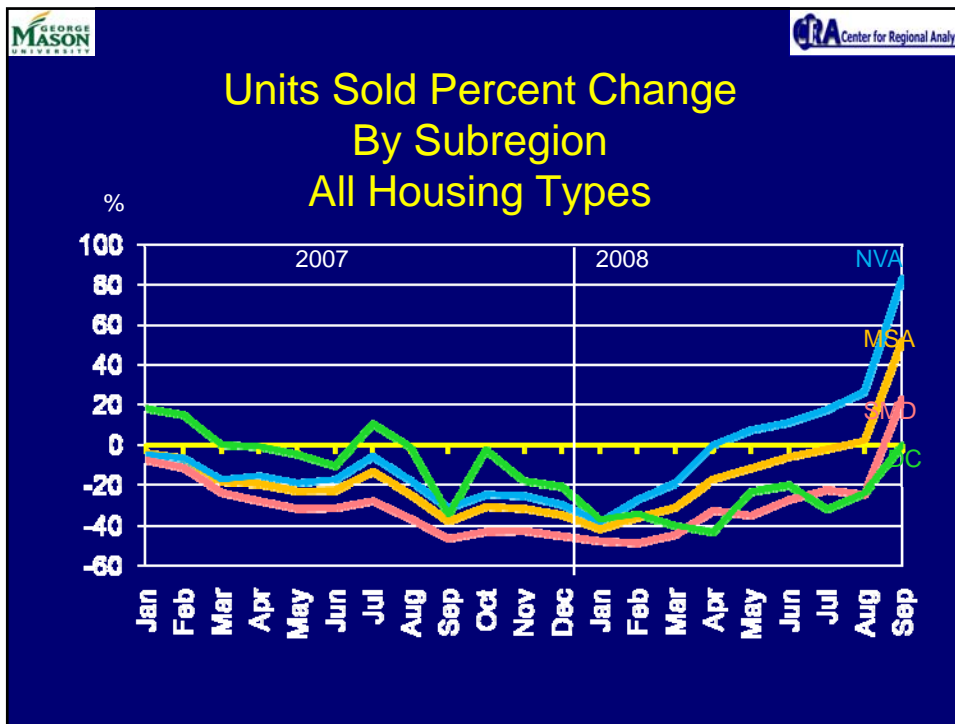


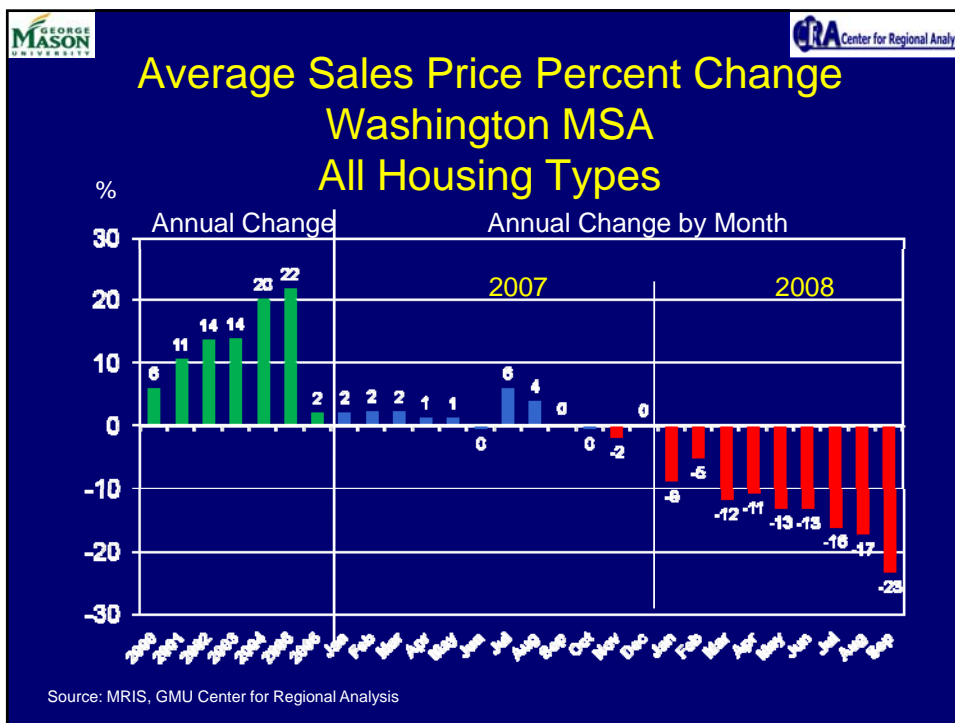
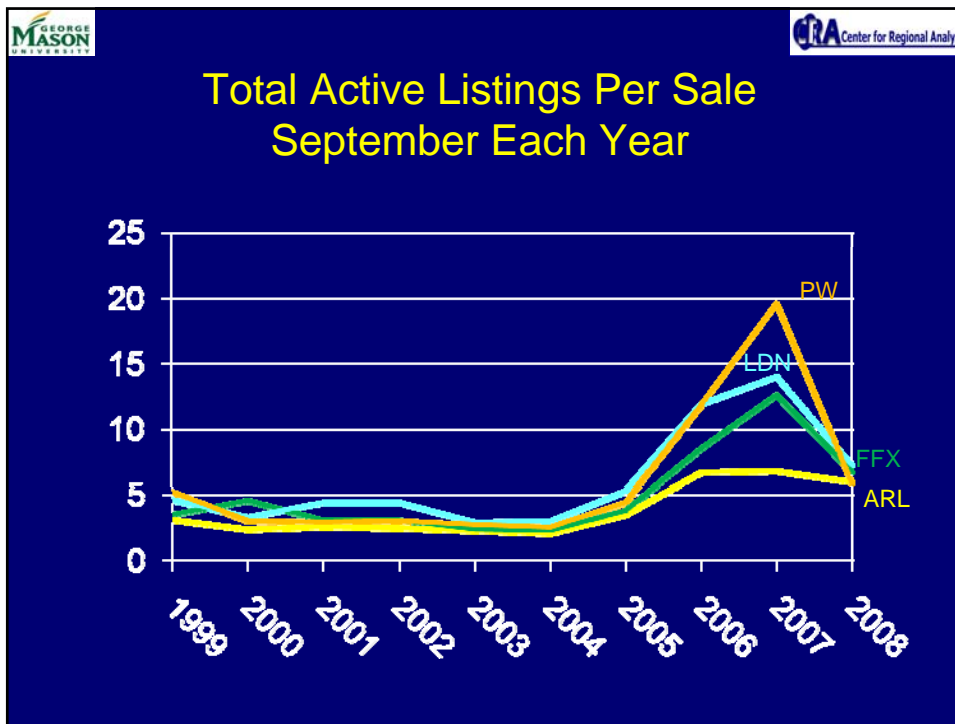
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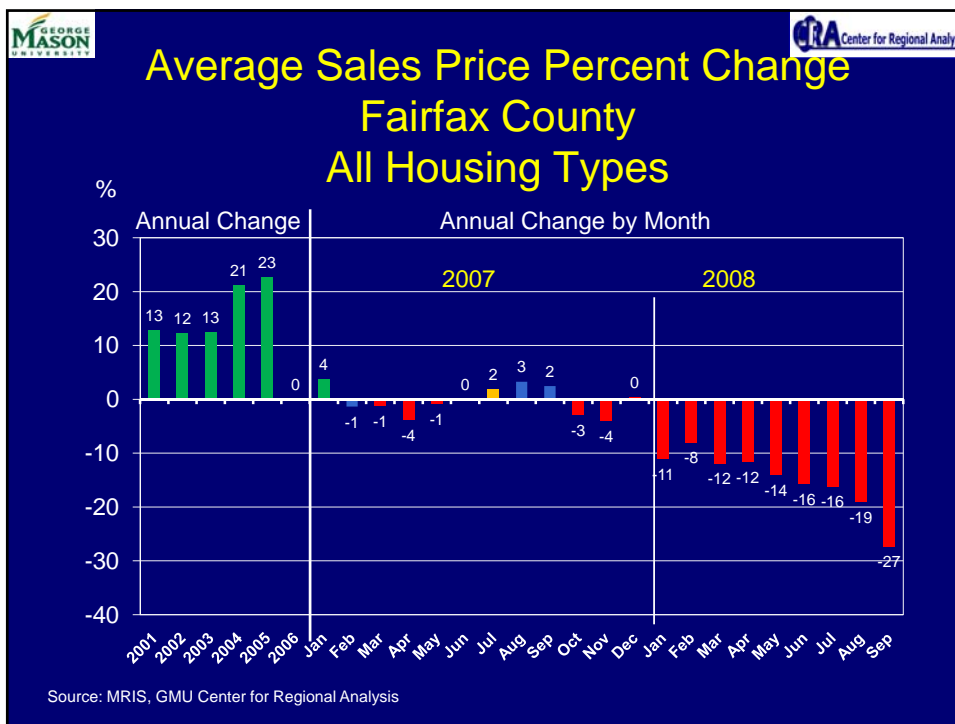
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The Housing Market









**Fairfax County
September Existing Sales Statistics**

	2007	2008	% Change
Average Price	\$526,700	\$382,900	-27%
Median Price	\$435,000	\$326,000	-25%
Sales	729	1257	72%
Days on Market	89	96	8%
Sales by Price Range			
>\$500,000	281	268	-5%
\$400-\$500,000	164	148	-10%
< \$400,000	284	841	+196%

Sept 2008 Average Price = February 2004



THE OUTLOOK

- Housing Market Continuing to Adjust
- Sub-Prime Mortgages Resets Ending Next Several Months
- ARMS Will Continue Longer
- Underlying Economic Fundamentals OK
- Federal Policy Effects?
- Recovering Slowly Beginning Q3 2009??
- Workforce Housing Challenge



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