

Leadership Loudoun

***Economic and Housing Market
Overview and Outlook***

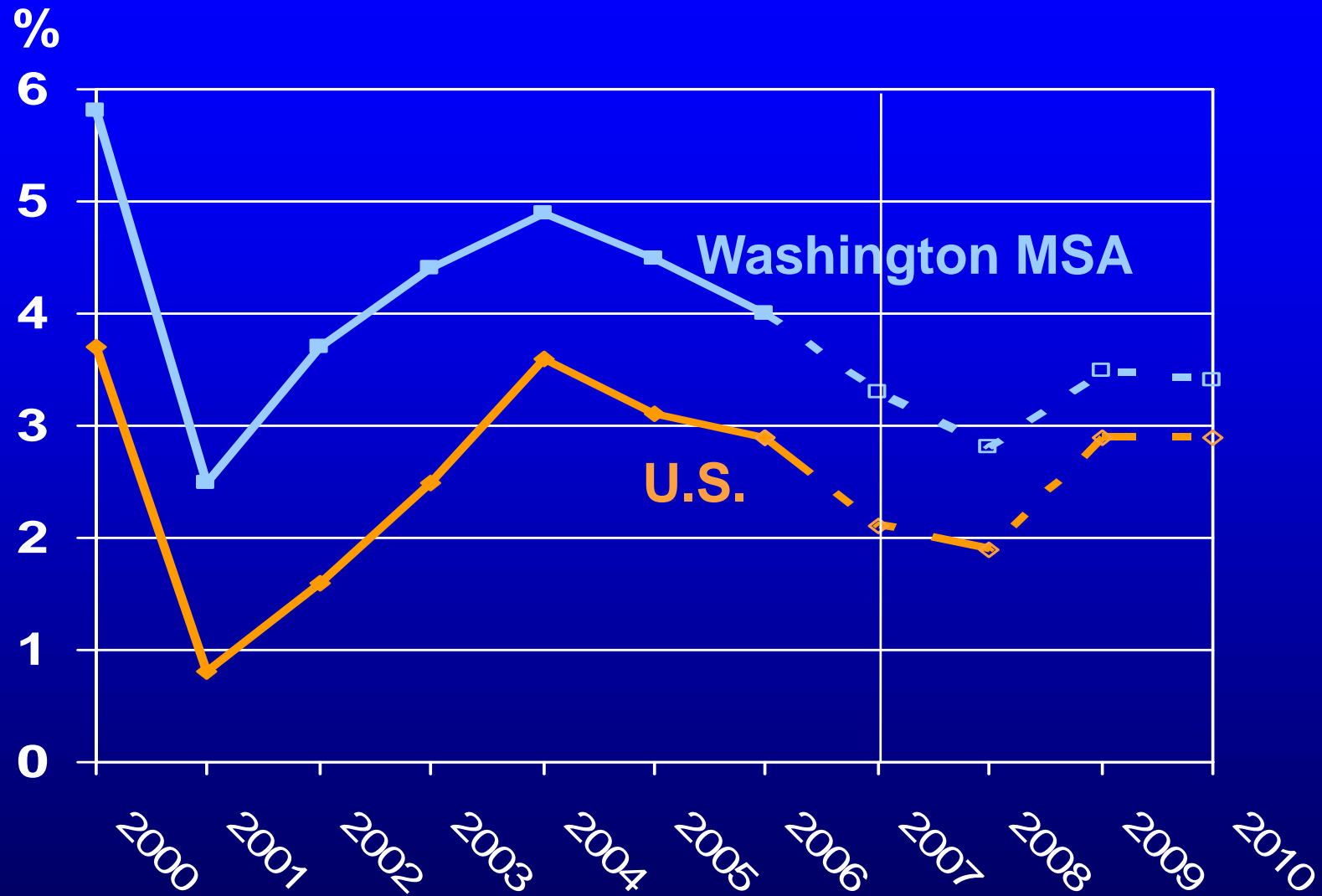
**John McClain, AICP
Senior Fellow and Deputy Director
Center for Regional Analysis
George Mason University**

December 6, 2007

The Washington Economy

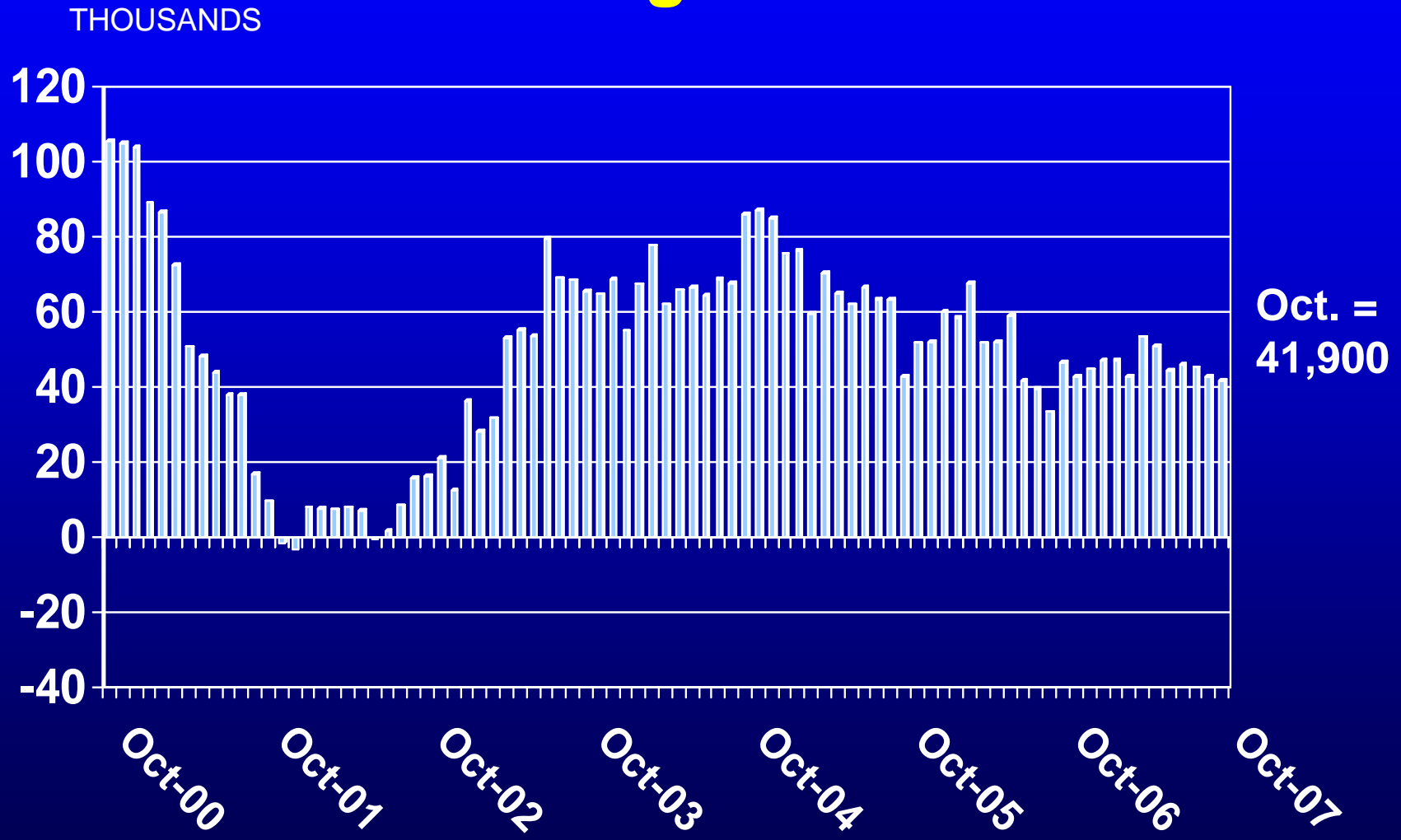
Current Performance

GDP 2000 - 2010



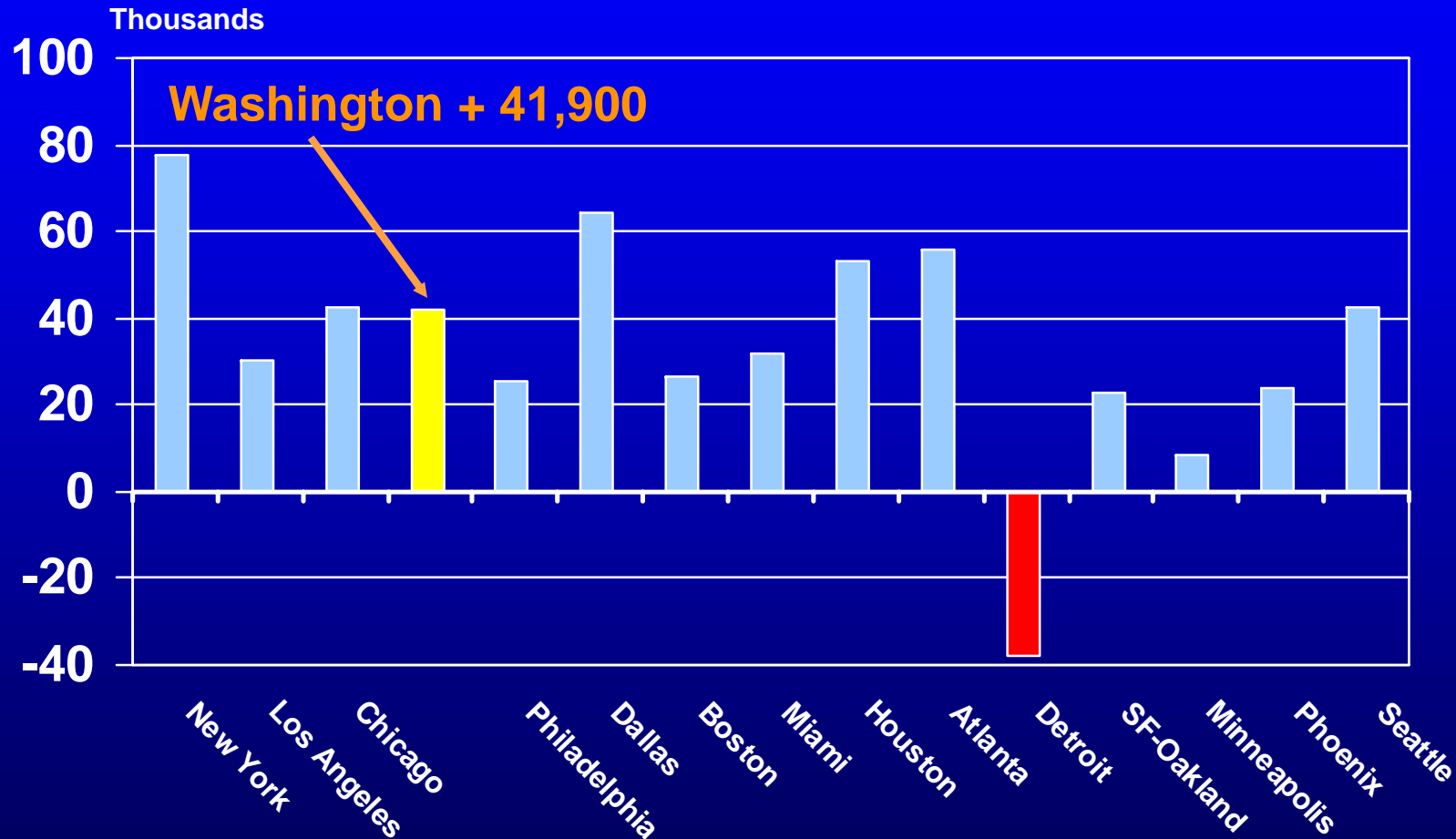
Source: Global Insight, GMU Center for Regional Analysis

Annual Job Change Washington MSA



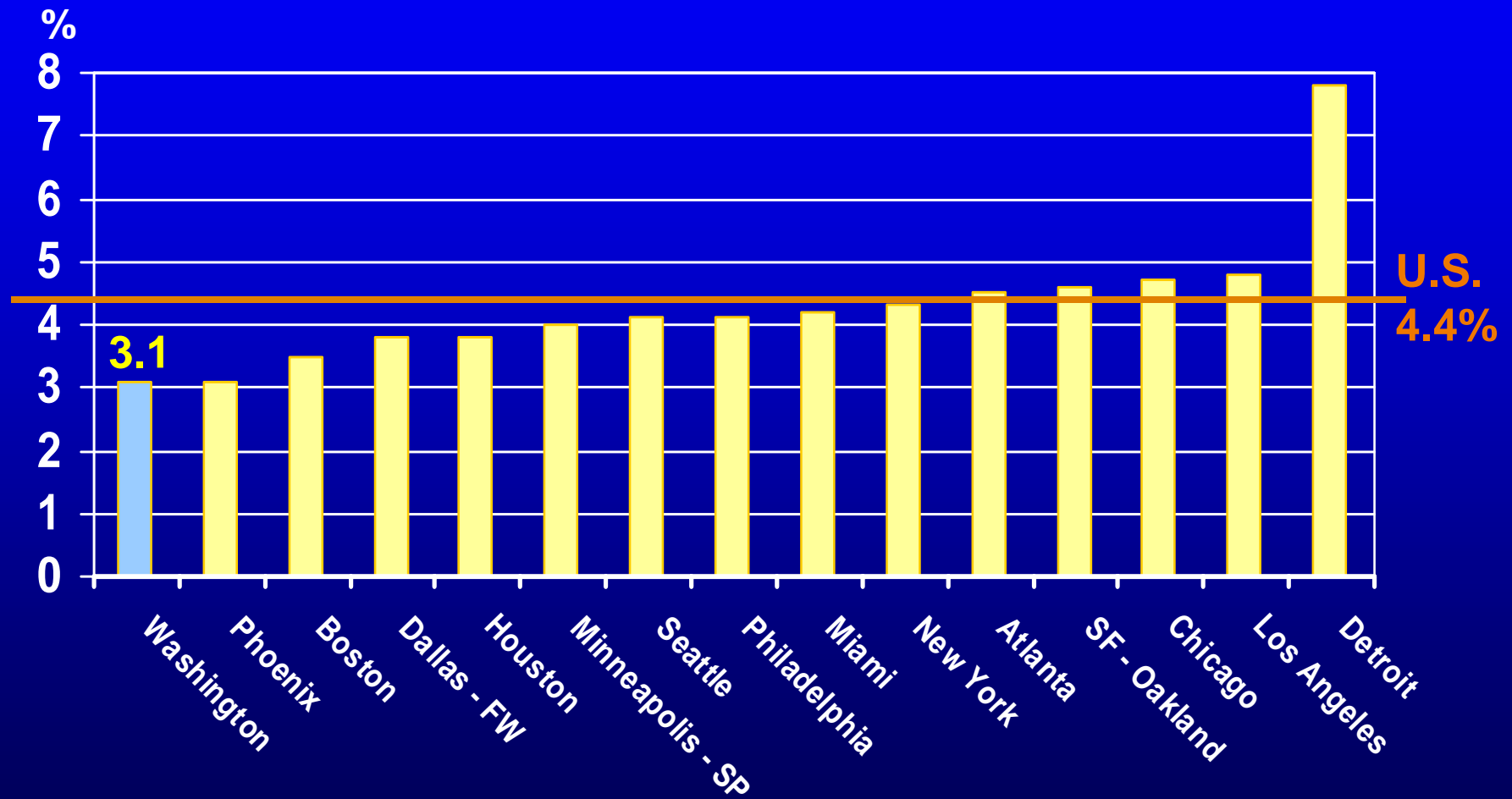
Source: BLS Establishment Survey

15 Largest Job Markets Job Change Oct 06 – Oct 07

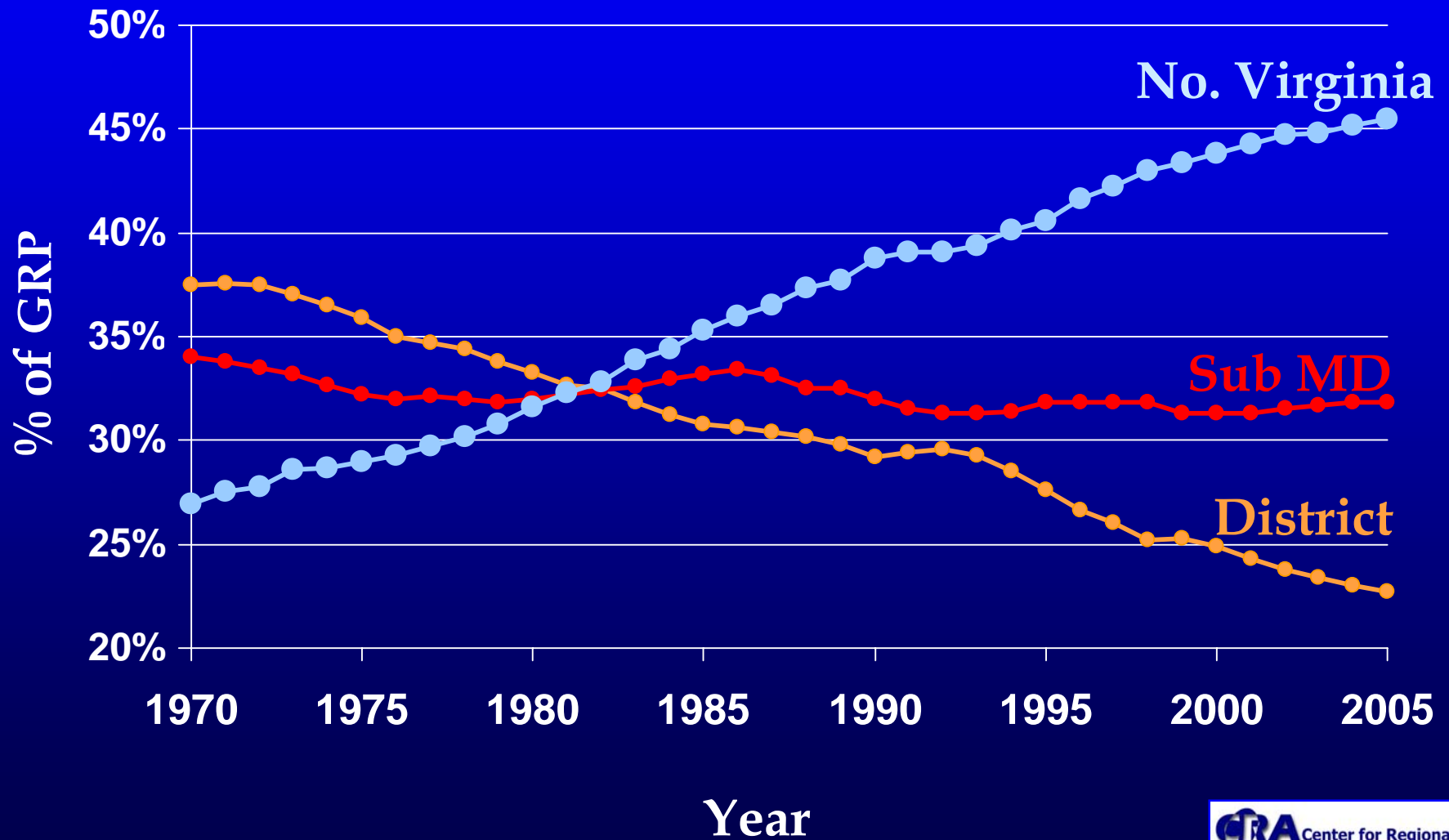


Ranked by Total Jobs

15 Largest Job Markets Ranked by Unemployment Rate October 2007

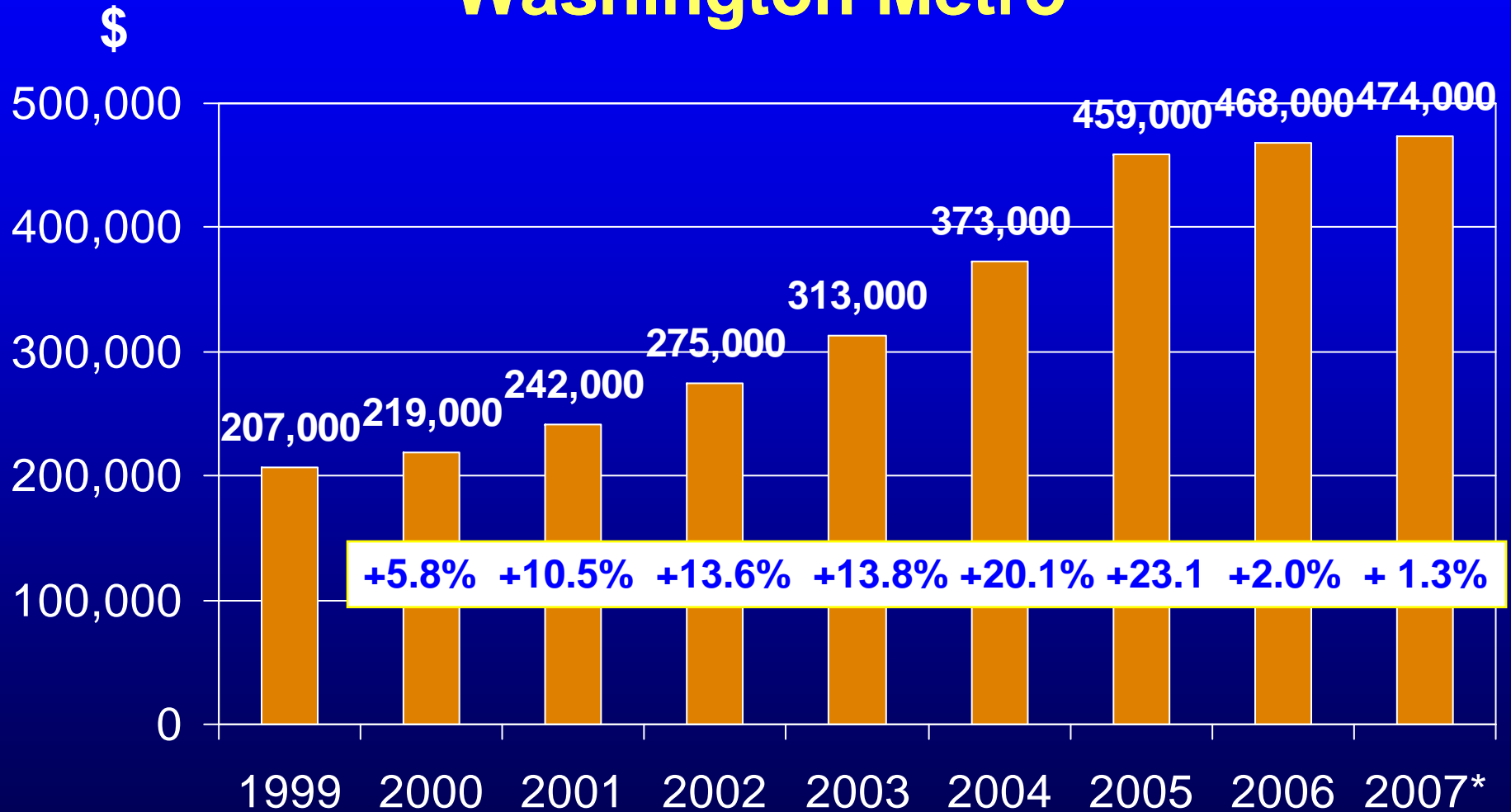


Share of Washington Area Economy 1970-2005



The Region's Housing Market

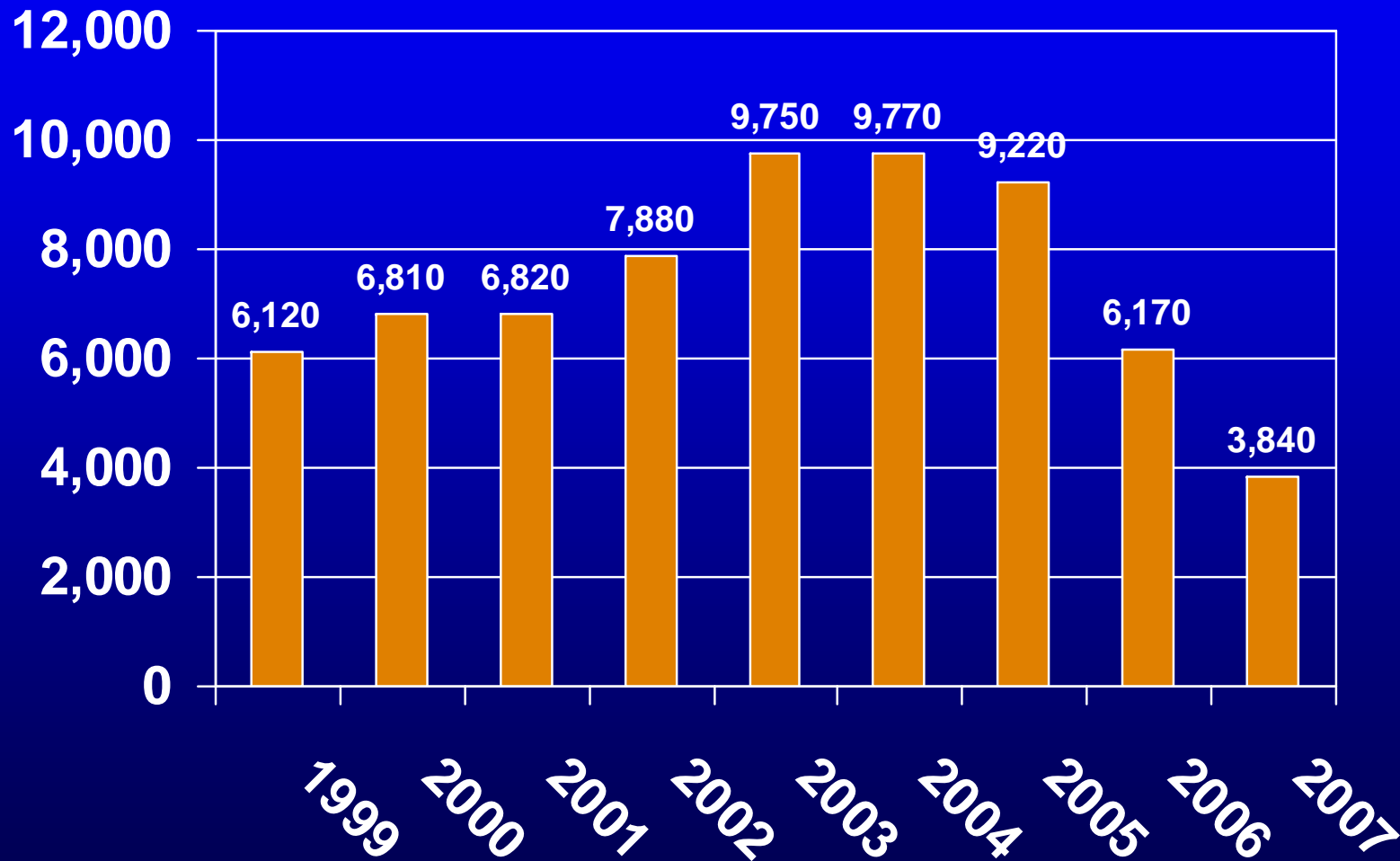
Average Sales Price All Housing Types Washington Metro



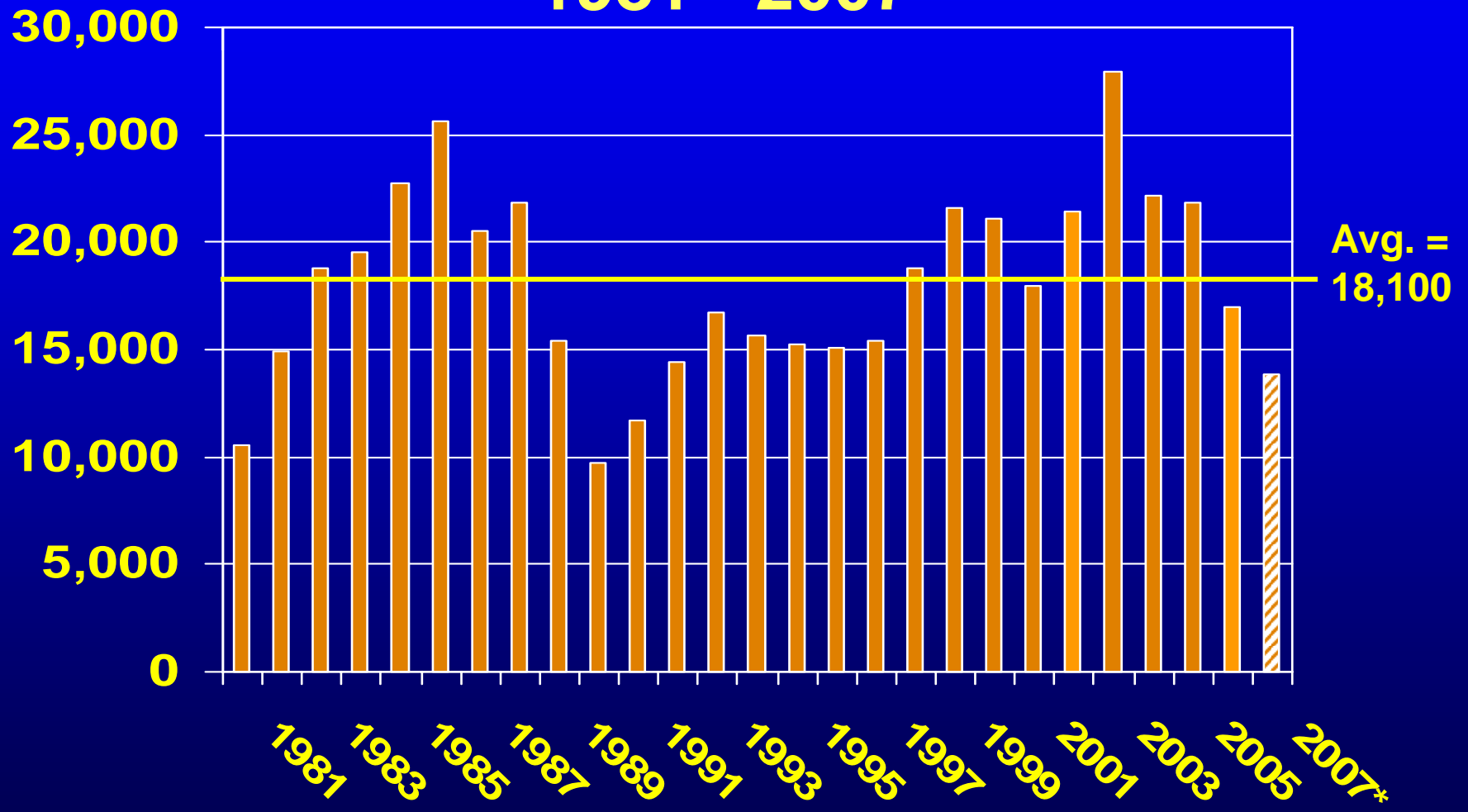
Source: MRIS, GMU Center for Regional Analysis

* Estimated

Total Existing Units Sold Washington Metro Area September Each Year

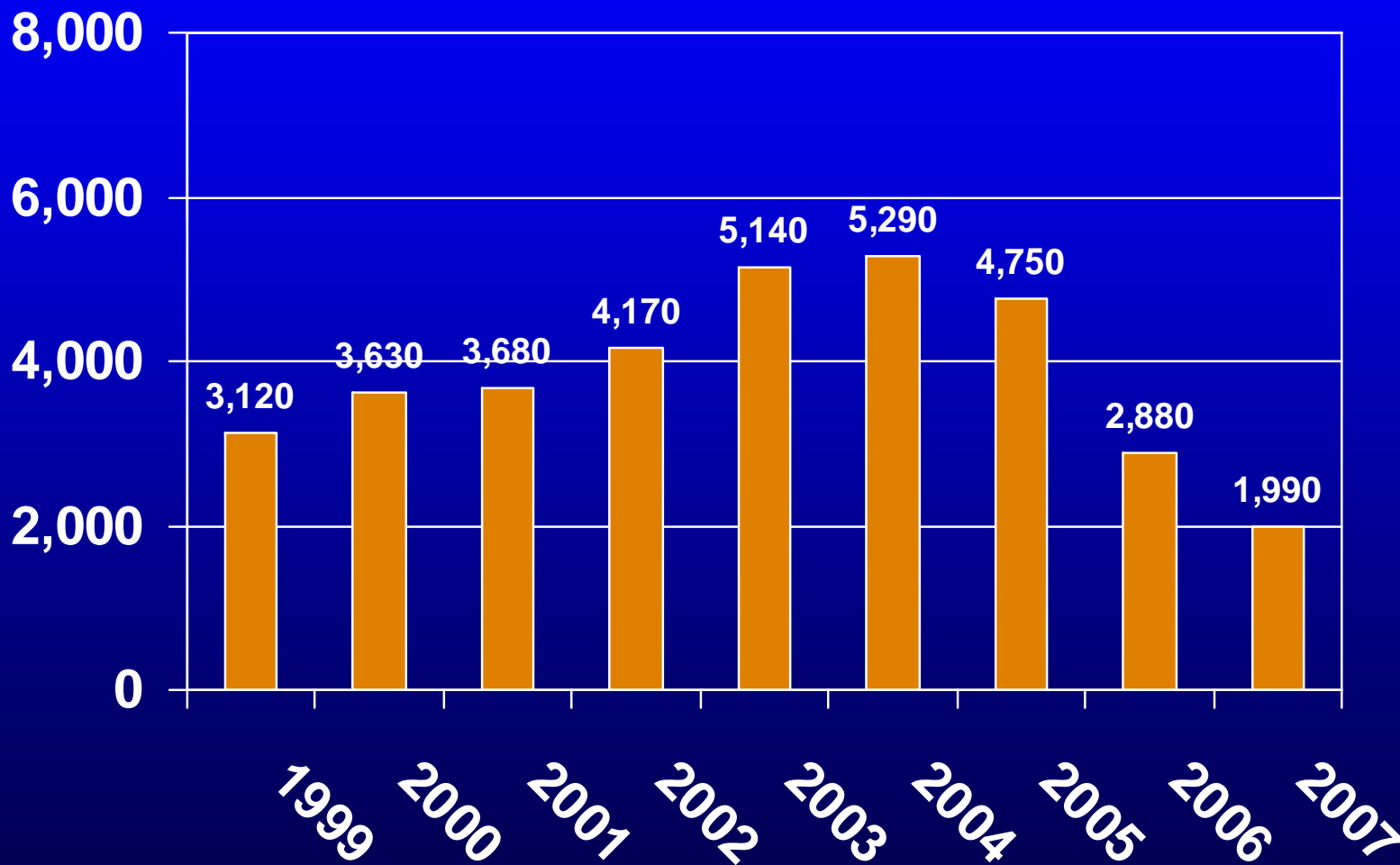


New Home Sales Washington Metro Area 1981 - 2007



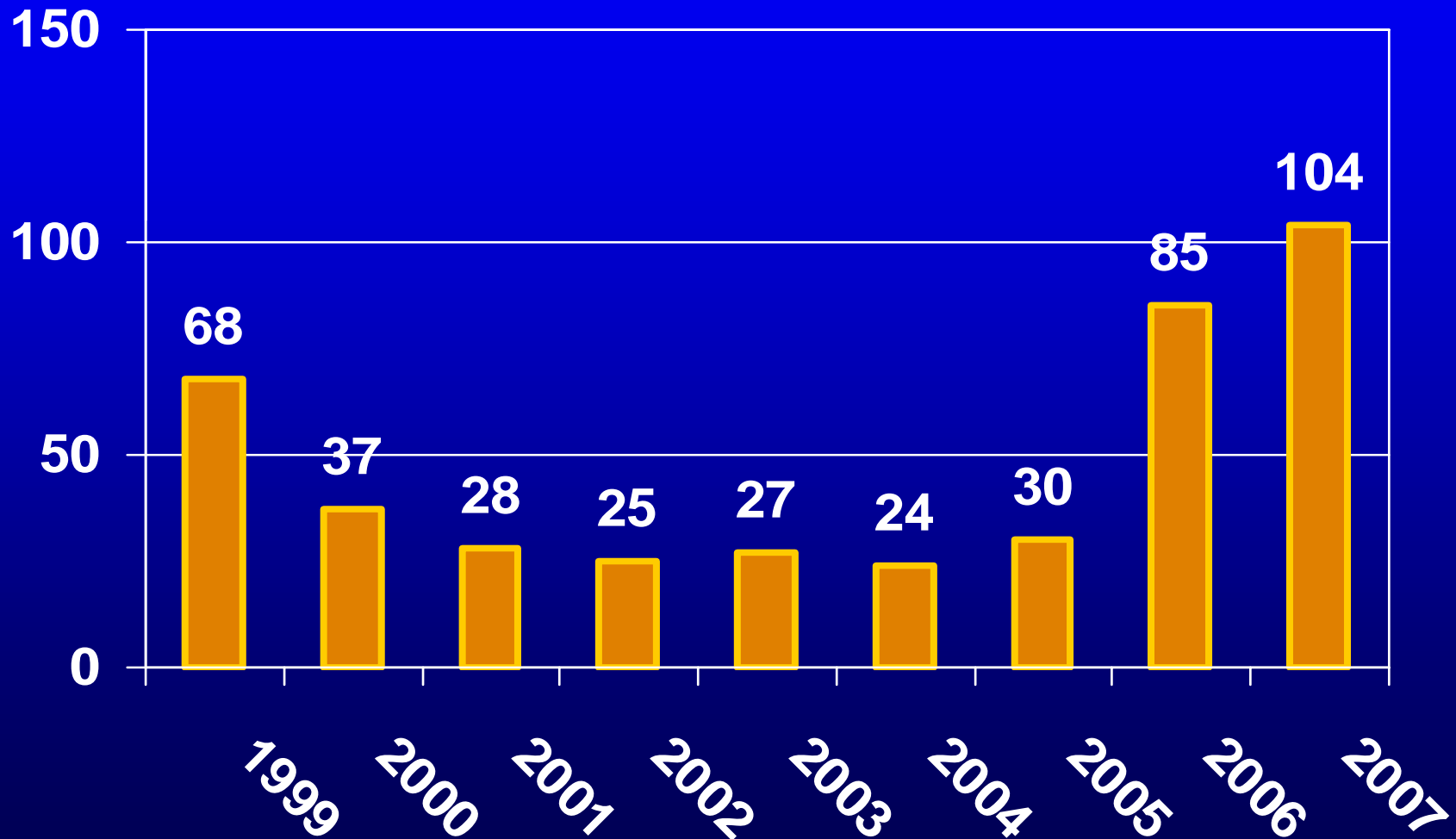
* 2007 Annualized

Total Existing Units Sold Northern Virginia September Each Year



Days on Market September Each Year Northern Virginia

Days



Source: MRIS, GMU Center for Regional Analysis

Sales and Listings Northern Virginia September Each Year



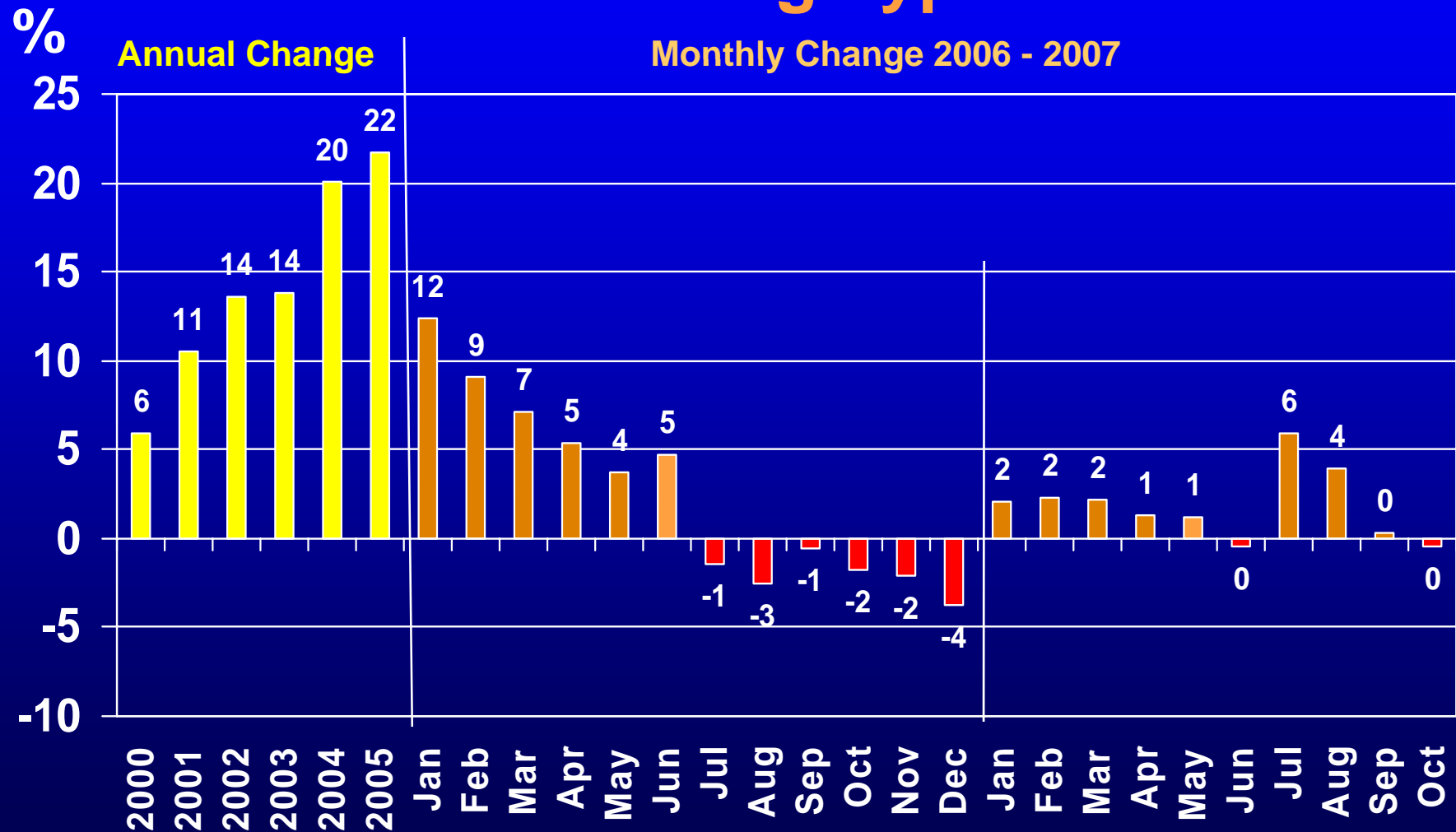
Source: MRIS, GMU Center for Regional Analysis

Percent Change in Inventories of Existing Homes Month-Over-the-Year-Change 2000 – 2007, MSA

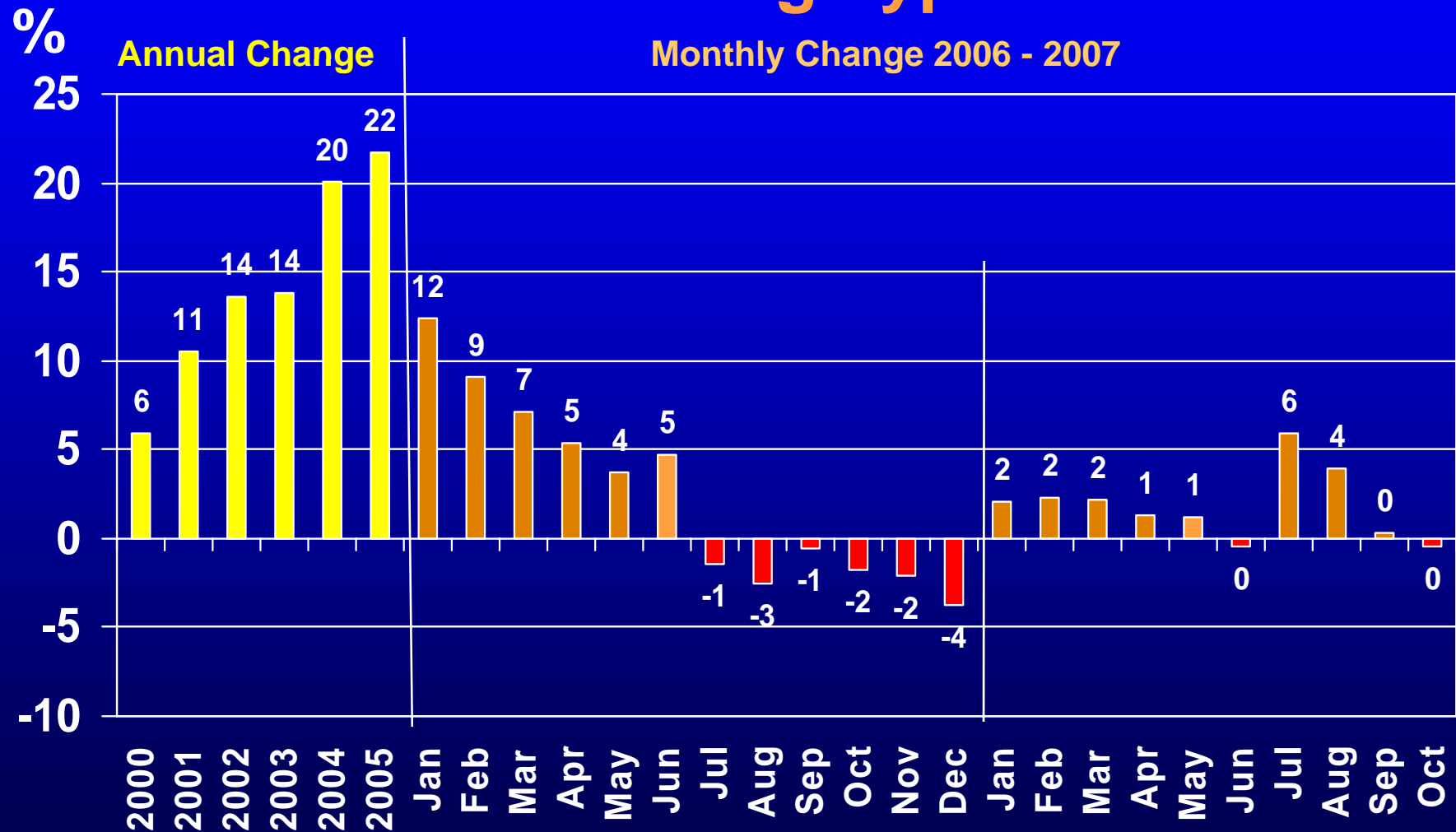


Source: NVAR, MRIS, GMU Center for Regional Analysis

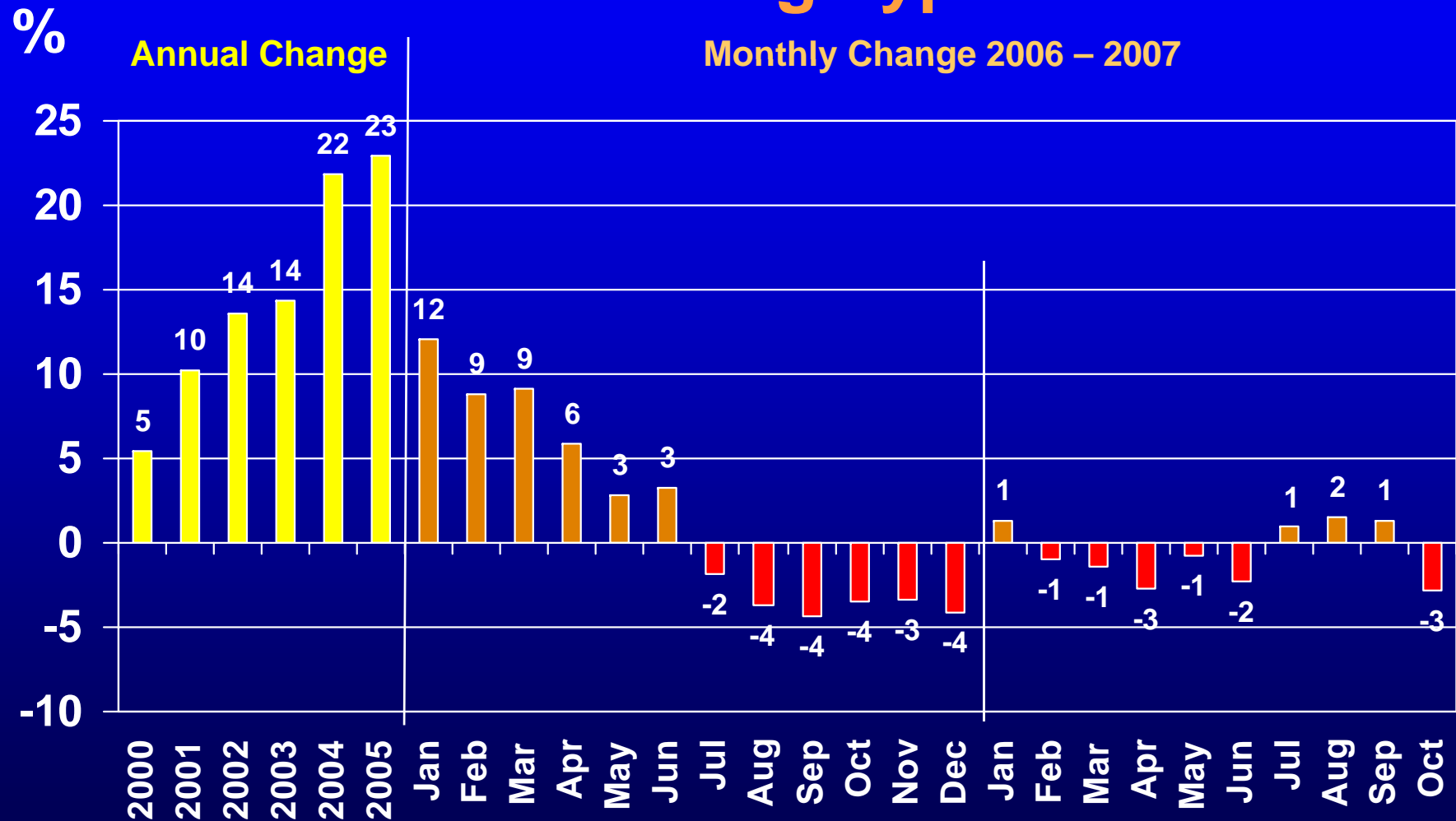
Average Sales Price Percent Change Washington MSA All Housing Types



Average Sales Price Percent Change Washington MSA All Housing Types

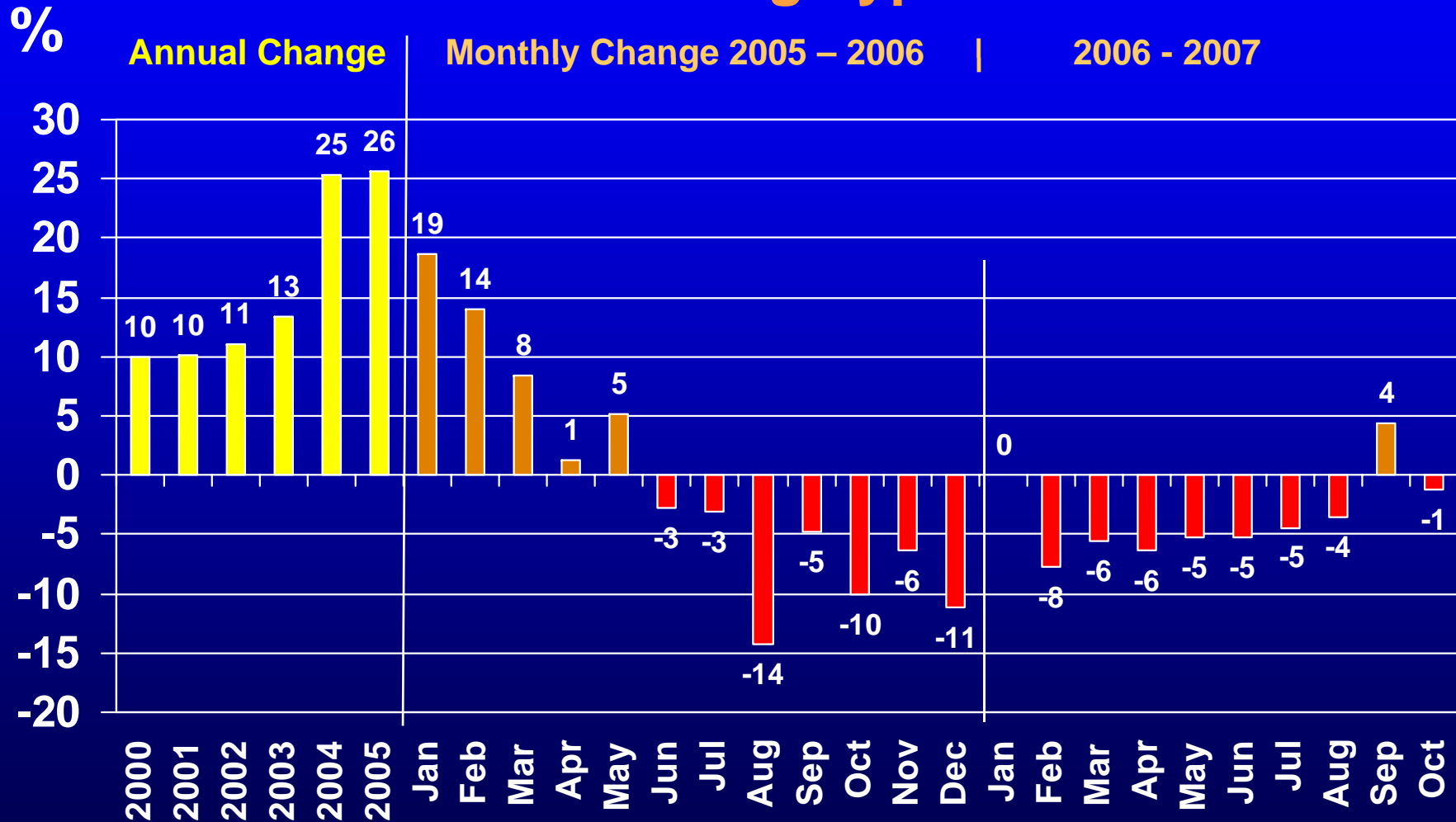


Average Sales Price Percent Change Northern Virginia All Housing Types

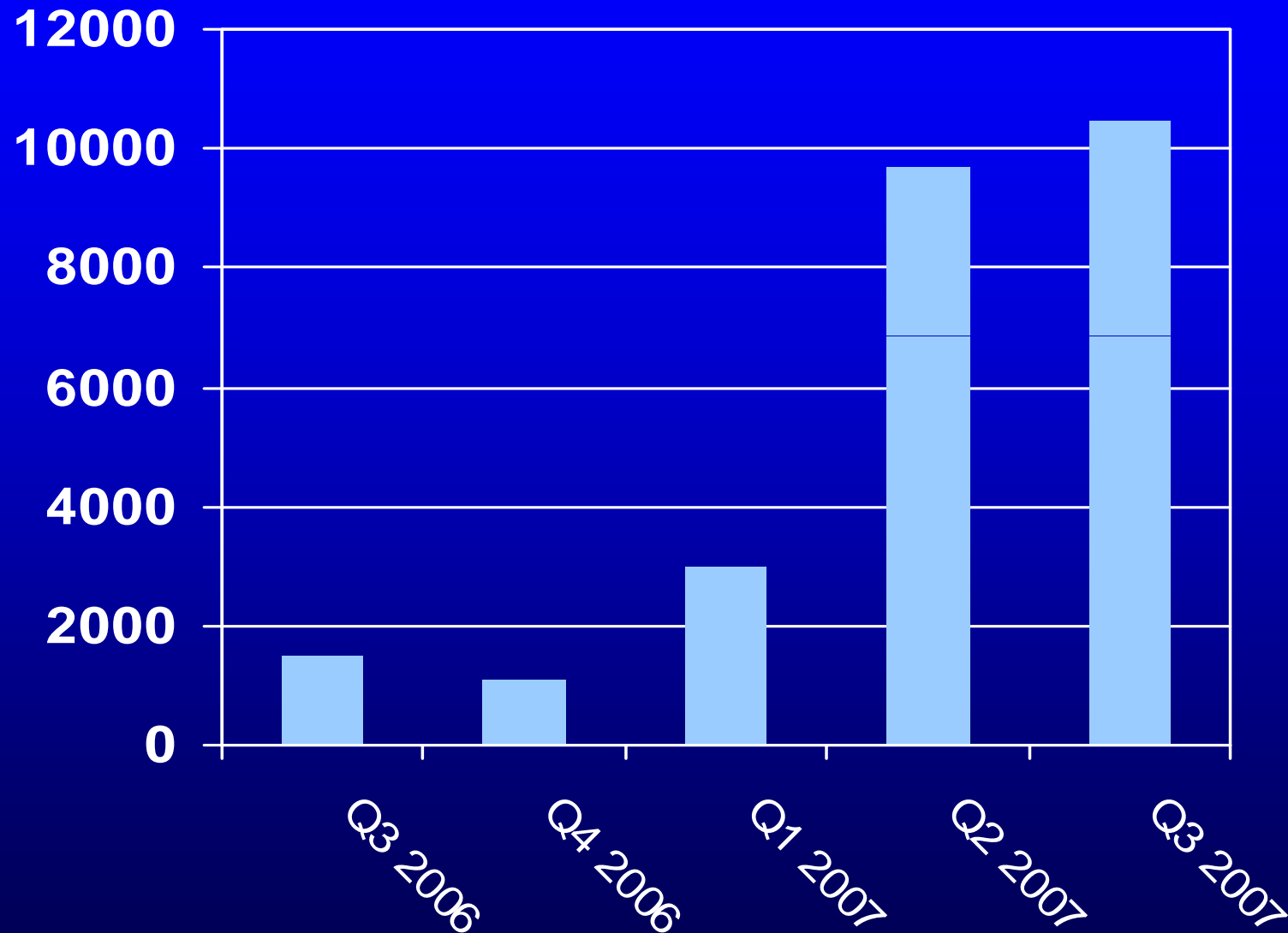


Source: MRIS, GMU Center for Regional Analysis

Average Sales Price Percent Change Loudoun County All Housing Types



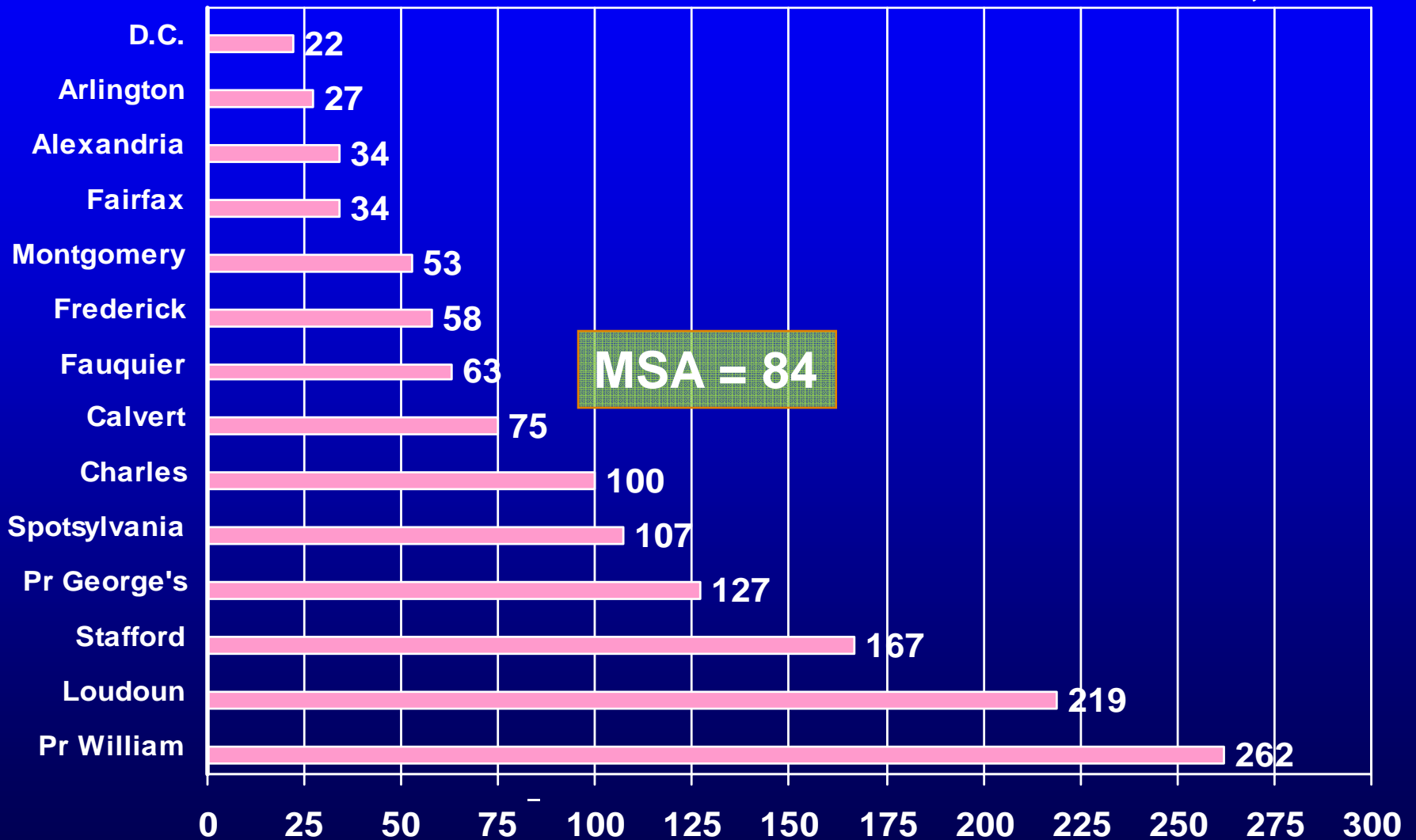
Washington Metro Area Foreclosure Trends



Source: Global Insight, GMU Center for Regional Analysis

Mortgage Foreclosure Rates by County – Nov 30, 2007

Foreclosures /10,000 units



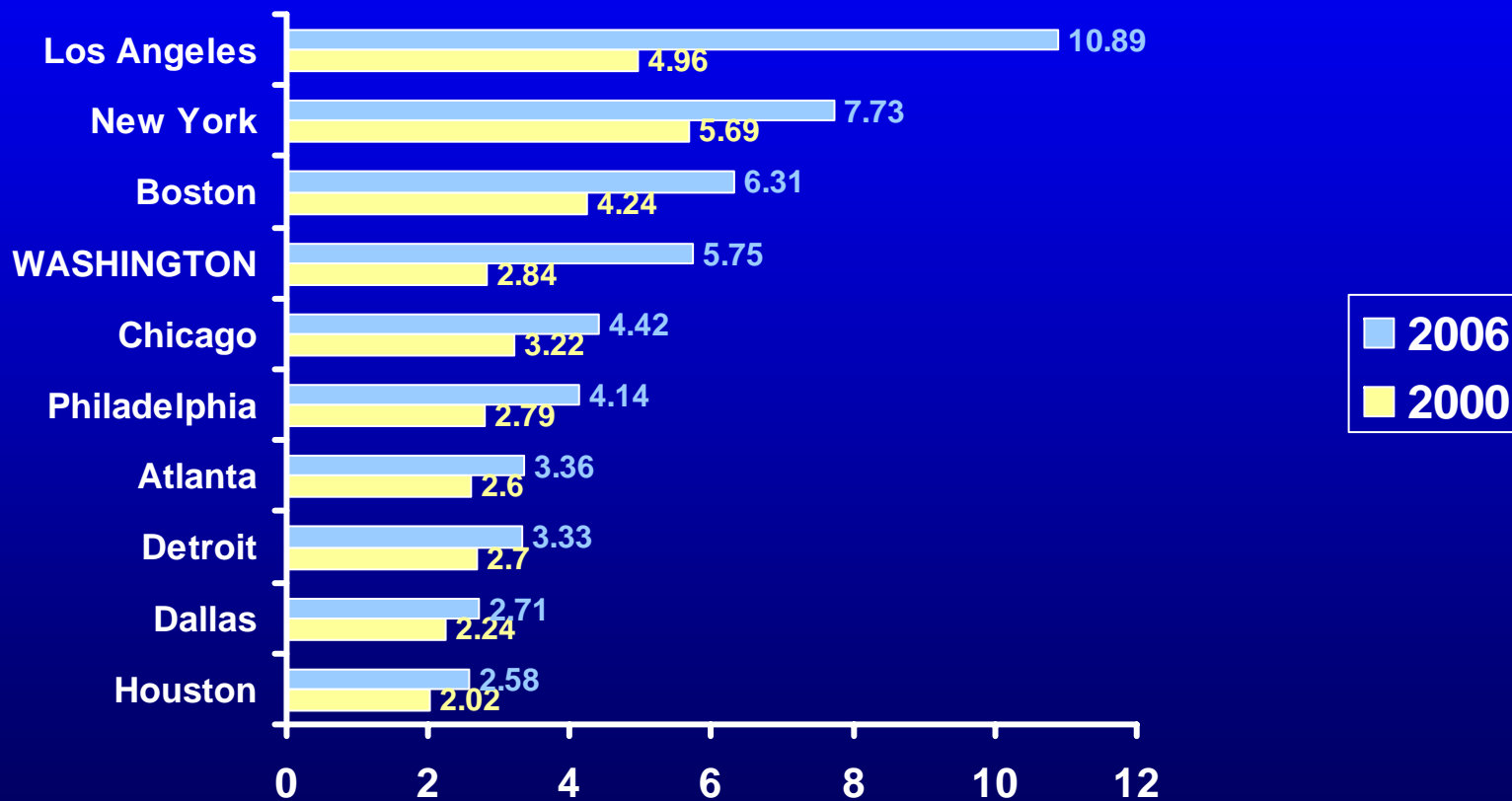
Threats to the Washington Region Economy's Future Performance

- **Slowing Federal Spending**
- **Area's Rising Cost of Living**
- **Increasing Oil Prices**
- **Turmoil in Financial Markets**
- **Continuing Weakness in RE Market**

Federal Spending by Type 1983 - 2006

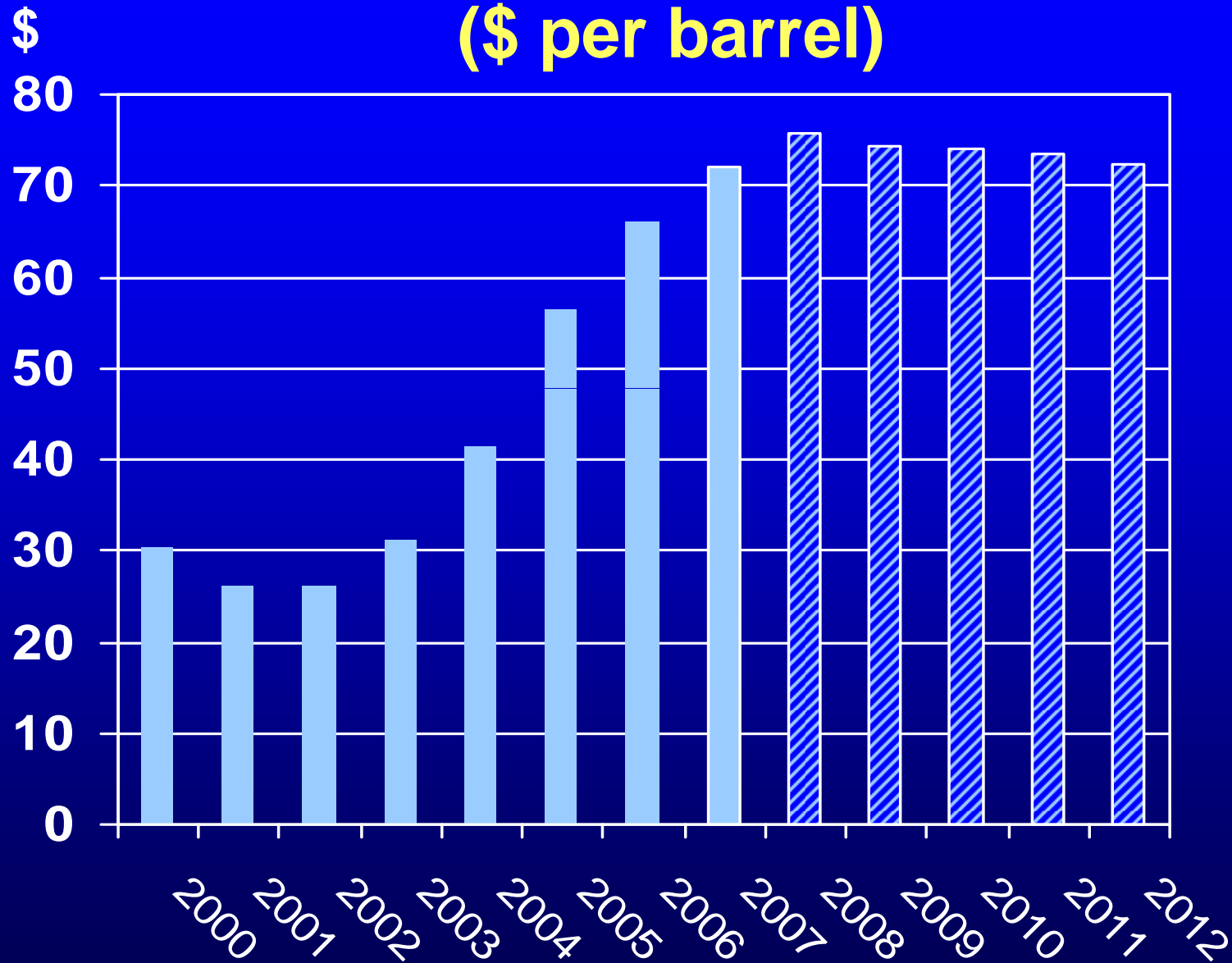


Ratio of Median Housing Value to Median Household Income 2000 - 2006



Source: 2000 Census, 2006 ACS, CRA

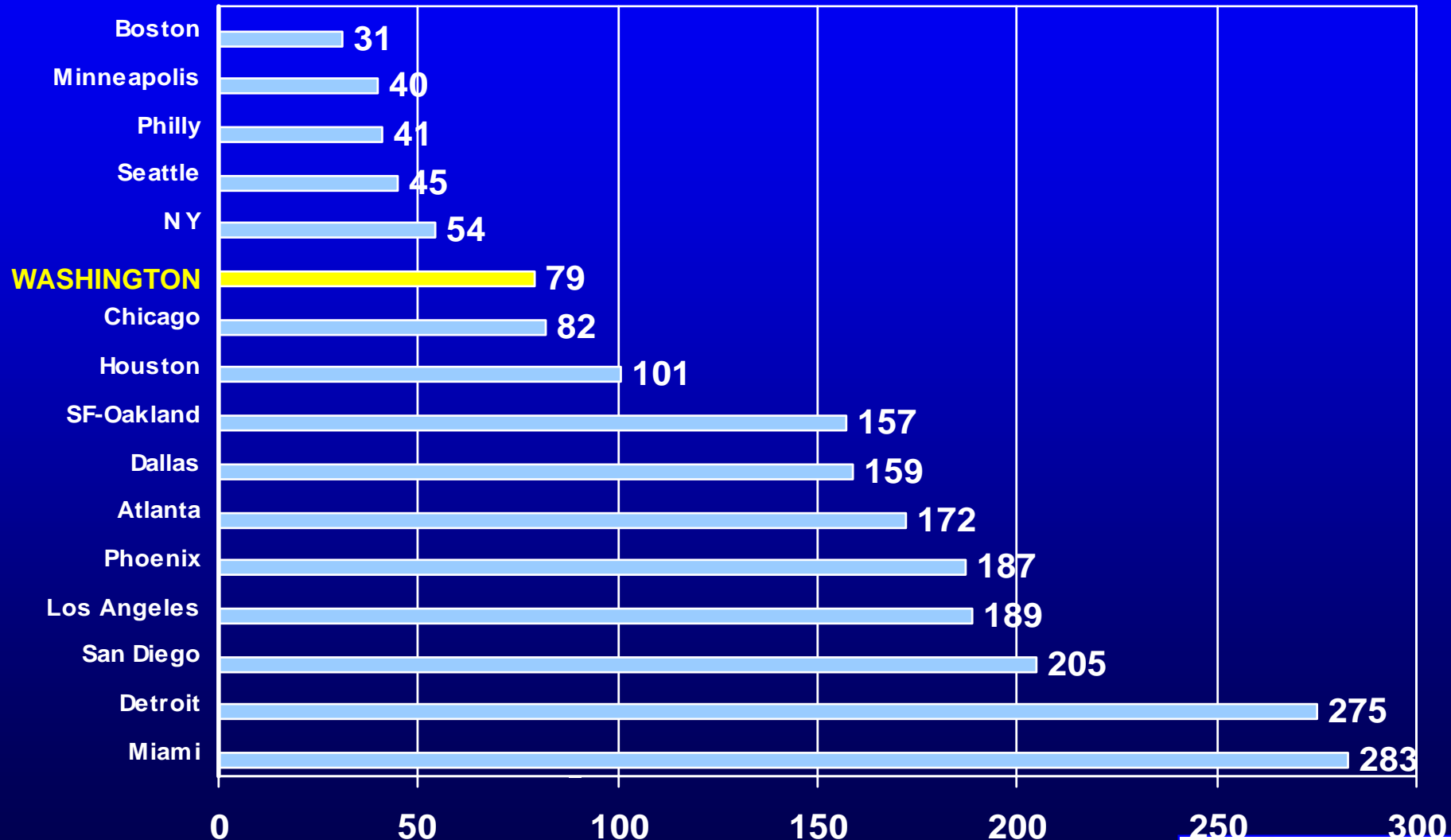
Average Annual Oil Prices (\$ per barrel)



Source: Global Insight, GMU Center for Regional Analysis

Metro Comparisons Mortgage Foreclosure Rates Q3 - 2007

Foreclosures /10,000 Units



Source: RealtyTrac, GMU Center for Regional Analysis

Five-Year Forecast

Employment Change by Sub-state Region (000s)

	2006	2007	2008	2009	2010	2011
D.C.	6.1	5.3	4.8	5.0	4.6	4.1
S. MD	10.6	10.5	11.2	12.6	12.5	11.6
No. VA	30.5	28.7	31.4	31.4	29.6	25.9
REGION	47.2	44.5	47.4	49.0	46.7	41.6

1.6% 1.5% 1.6% 1.6% 1.5% 1.3%

Average Annual Change 1990-2006 = 45,000/yr

Based on 2006 BLS Benchmarked Data.



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