

**NAIOP Forums at Development 2007
Atlanta, GA**

***The Outlook for the Economy
and the Building Industry,
2007-2010***

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

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Recessions: Then and Now

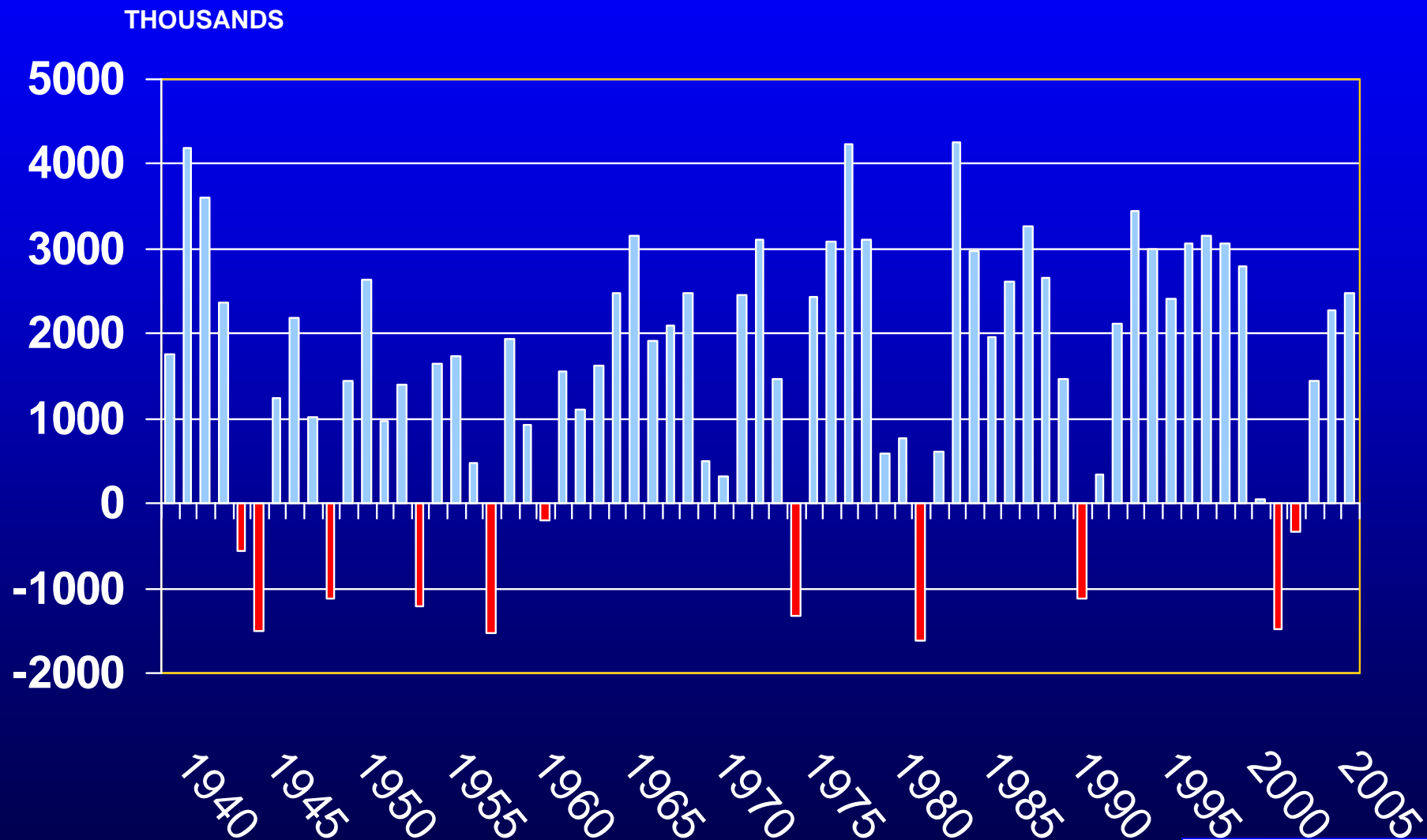
There have been 10 recessions since World War II:

- 8 recessions in 35 years or, on average, one recession every 4.4 years
- 2 recessions in 19 years or, on average, one recession every 9.5 years

Characteristic	Recession Average	2001 Recession
Length	12.4 months	9 months
Job Loss	- 2.4 percent	- 1.4 percent
Real GDP Change	- 2.0 percent	- 0.5 percent
Annual GDP Change 1990-1991 2001-2002		- 1.2 percent 0.8 percent

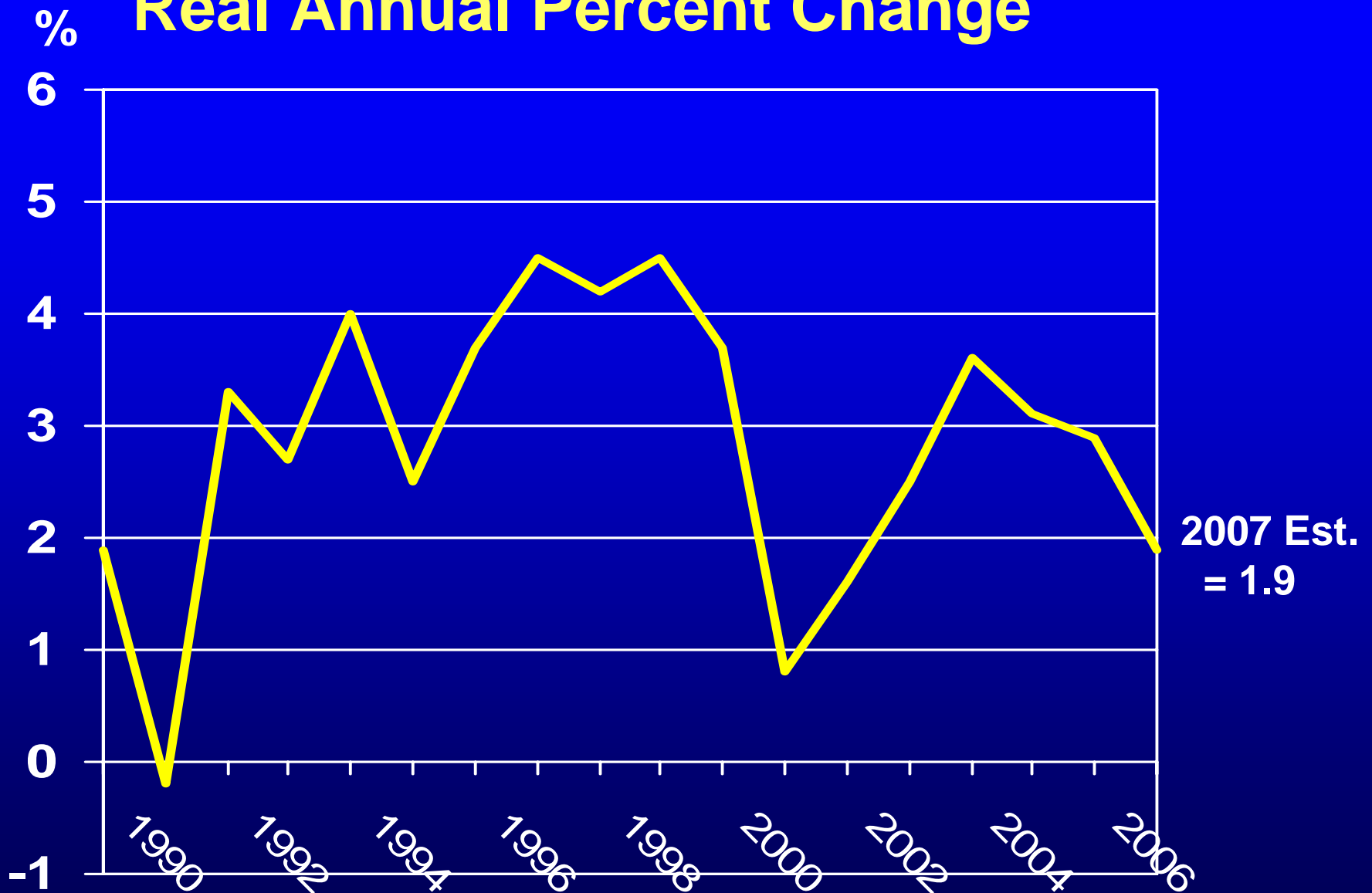
Past is Prologue

Annual Change in Jobs – US 1940 - 2006



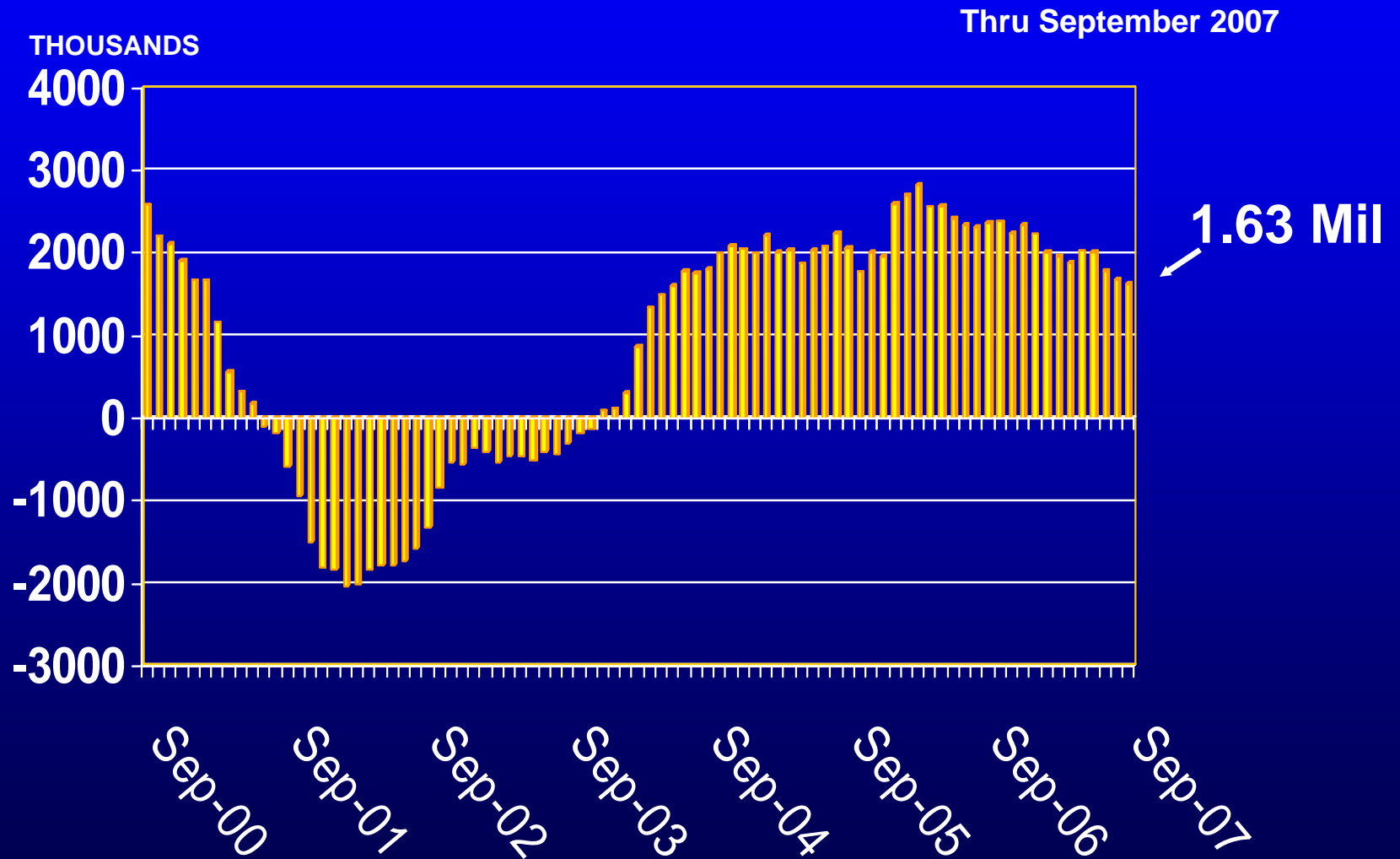
GDP 1990-2007

Real Annual Percent Change



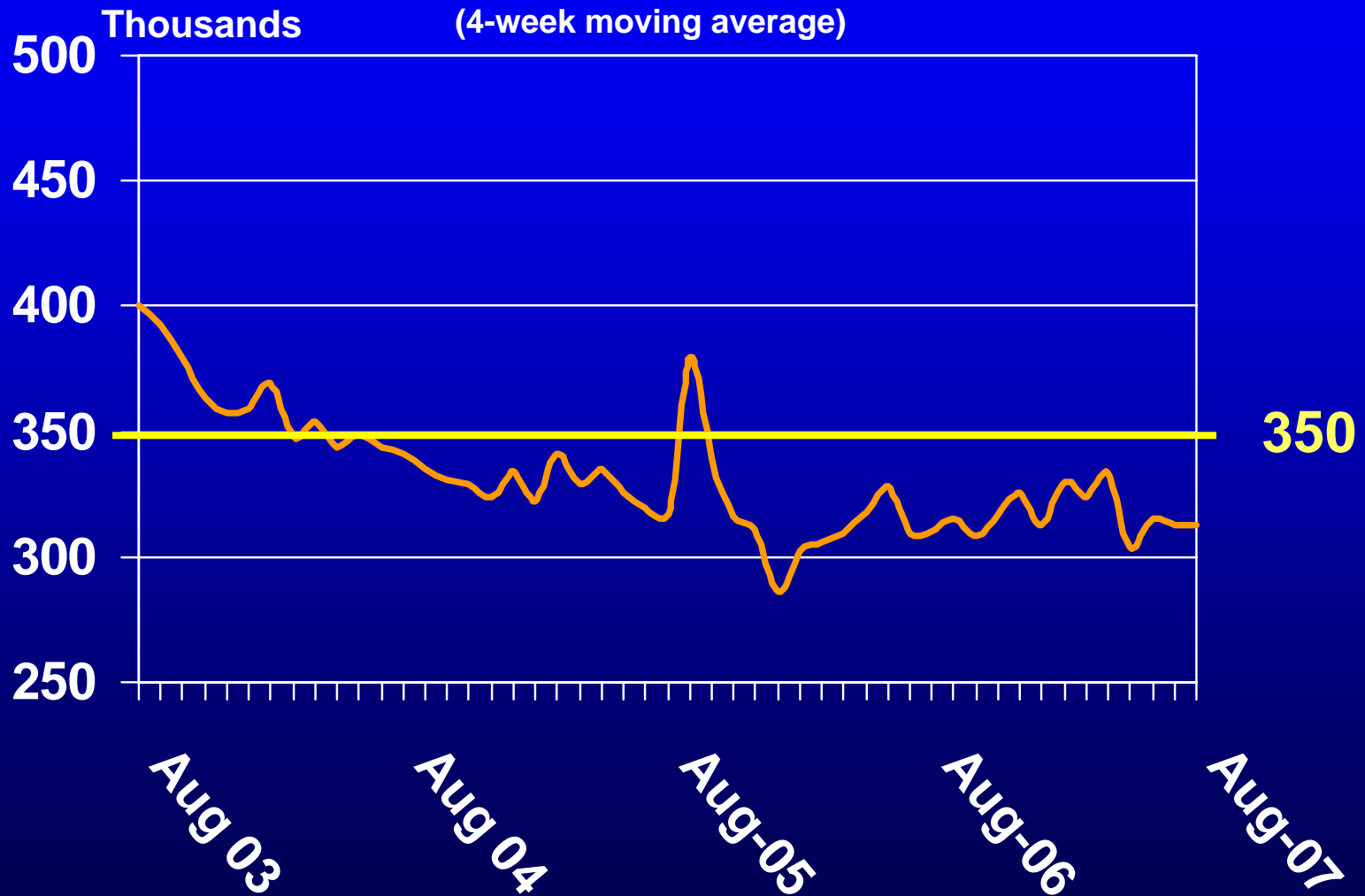
Source: Global Insight, GMU Center for Regional Analysis

Annual Change in Jobs - US

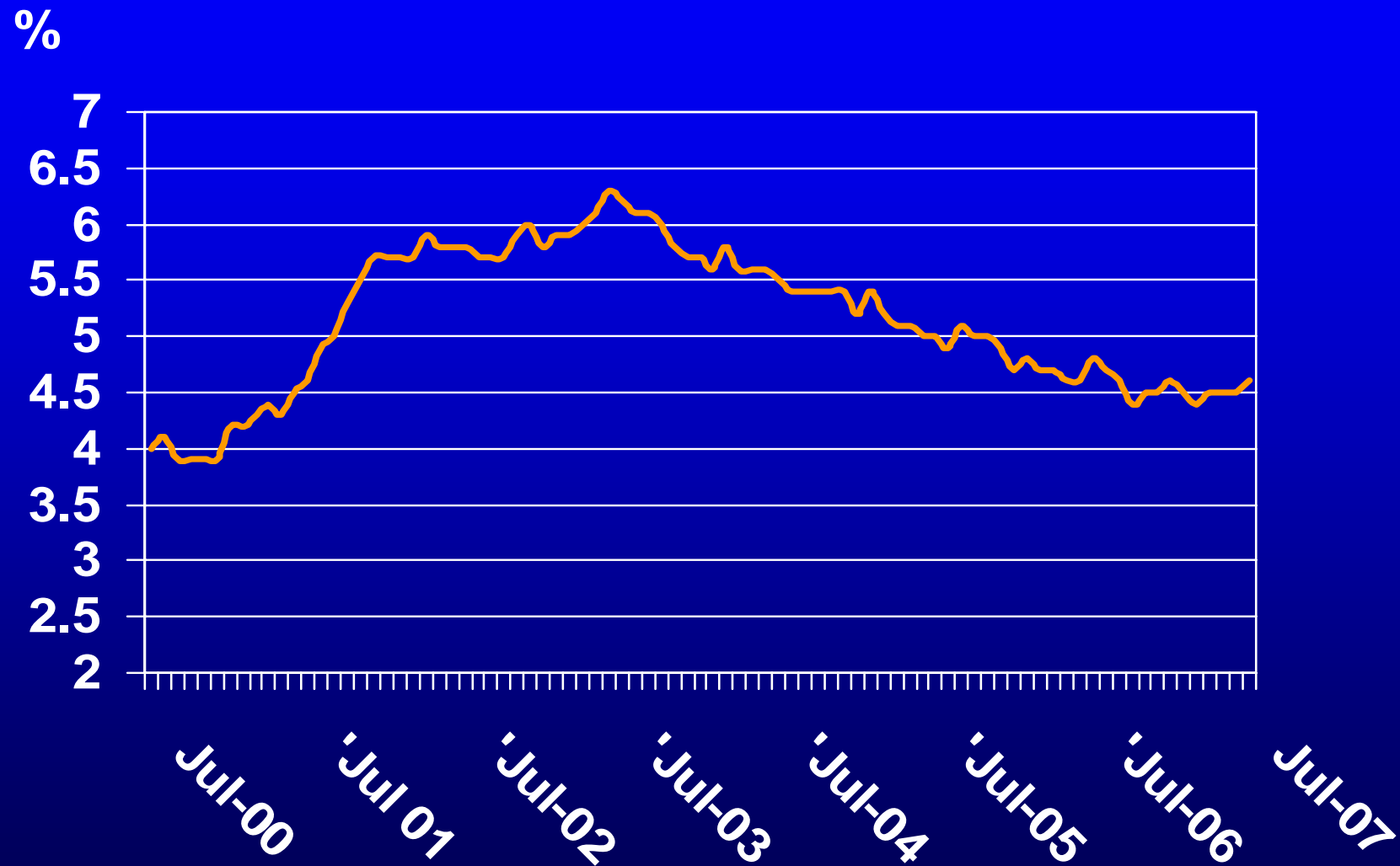


Source: BLS Establishment Survey

Initial Unemployment Claims

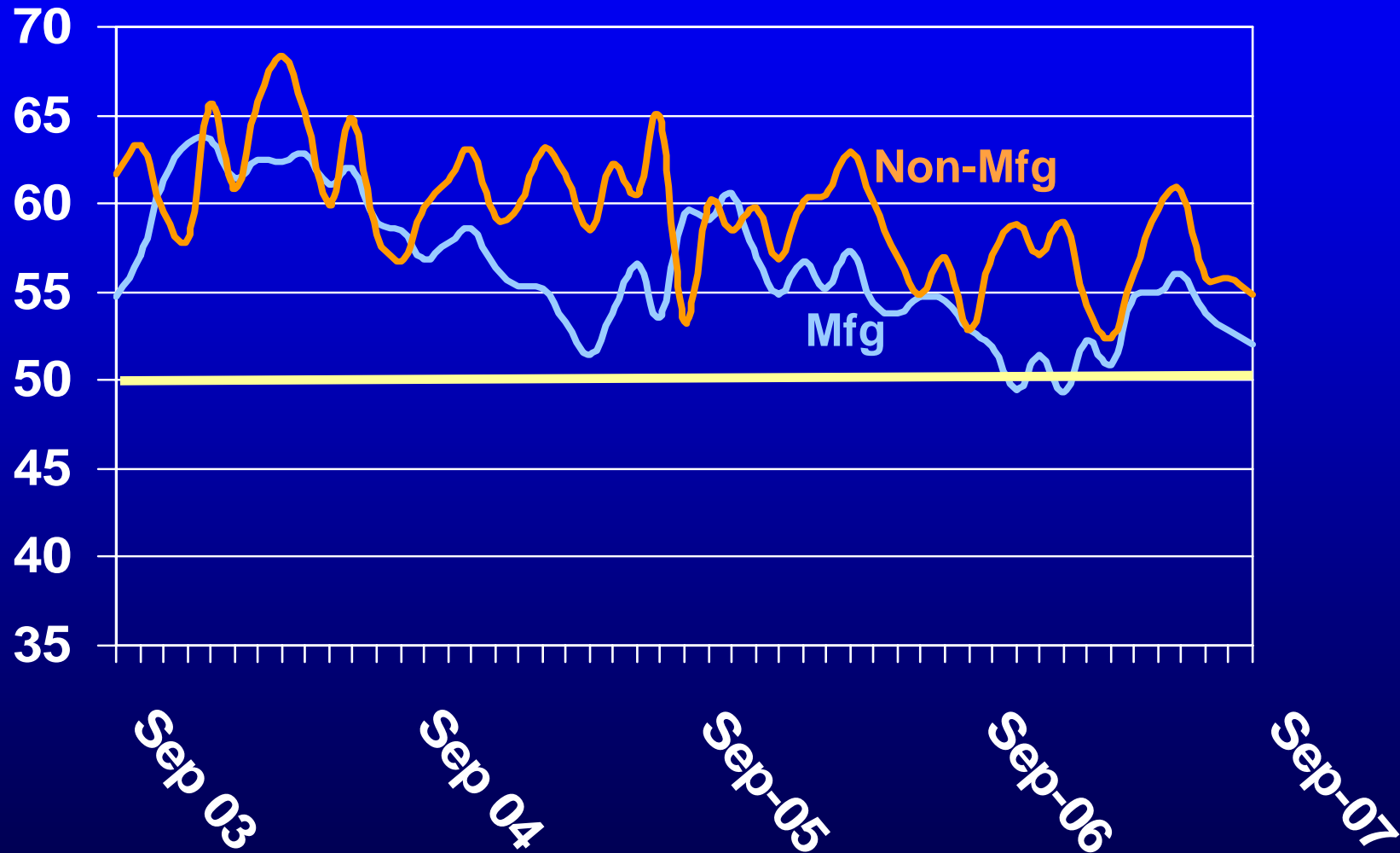


U.S. Unemployment Rate

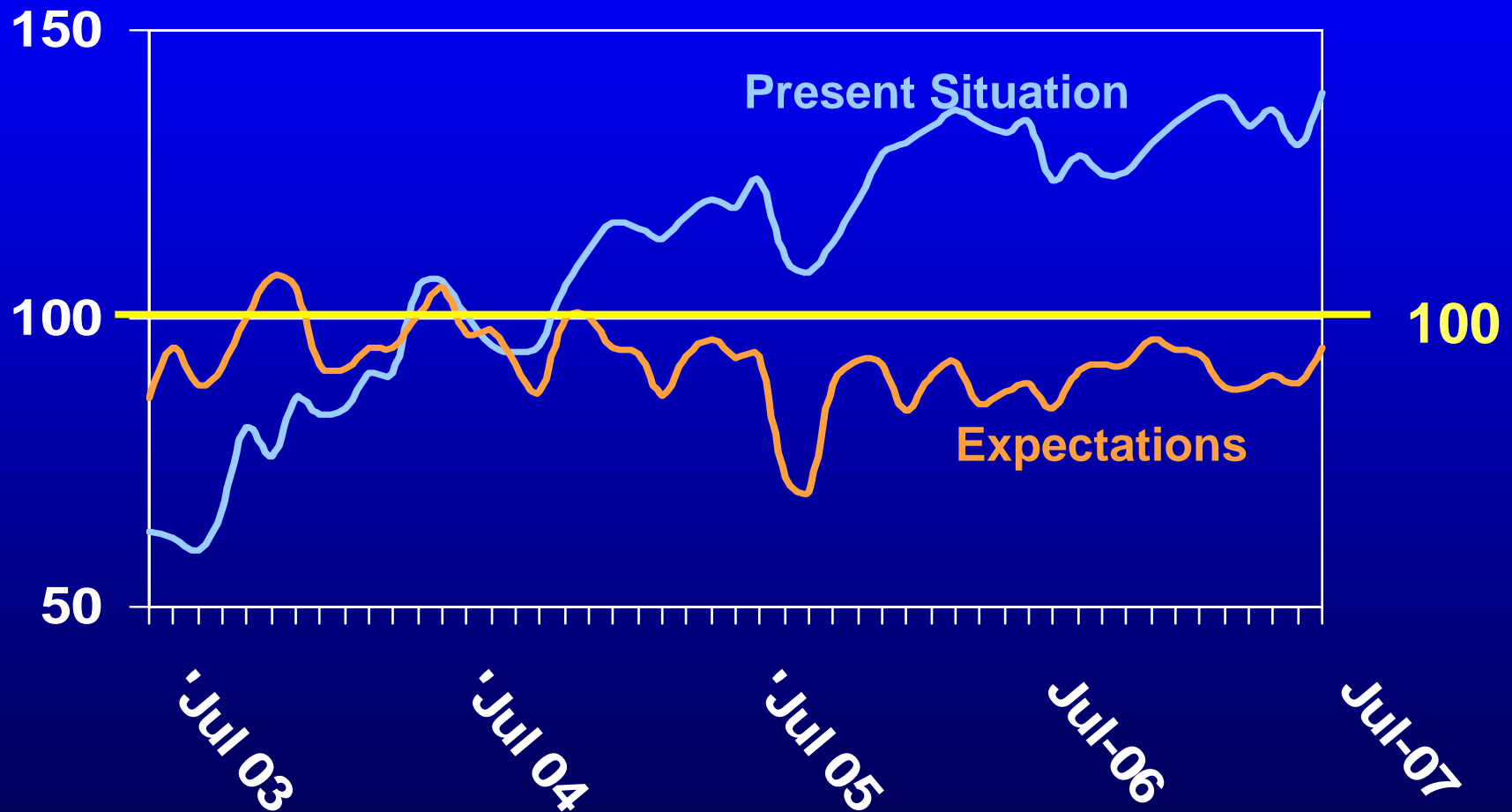


Source: BLS, Seasonally Adjusted

ISM Manufacturing and Non-Manufacturing Indices

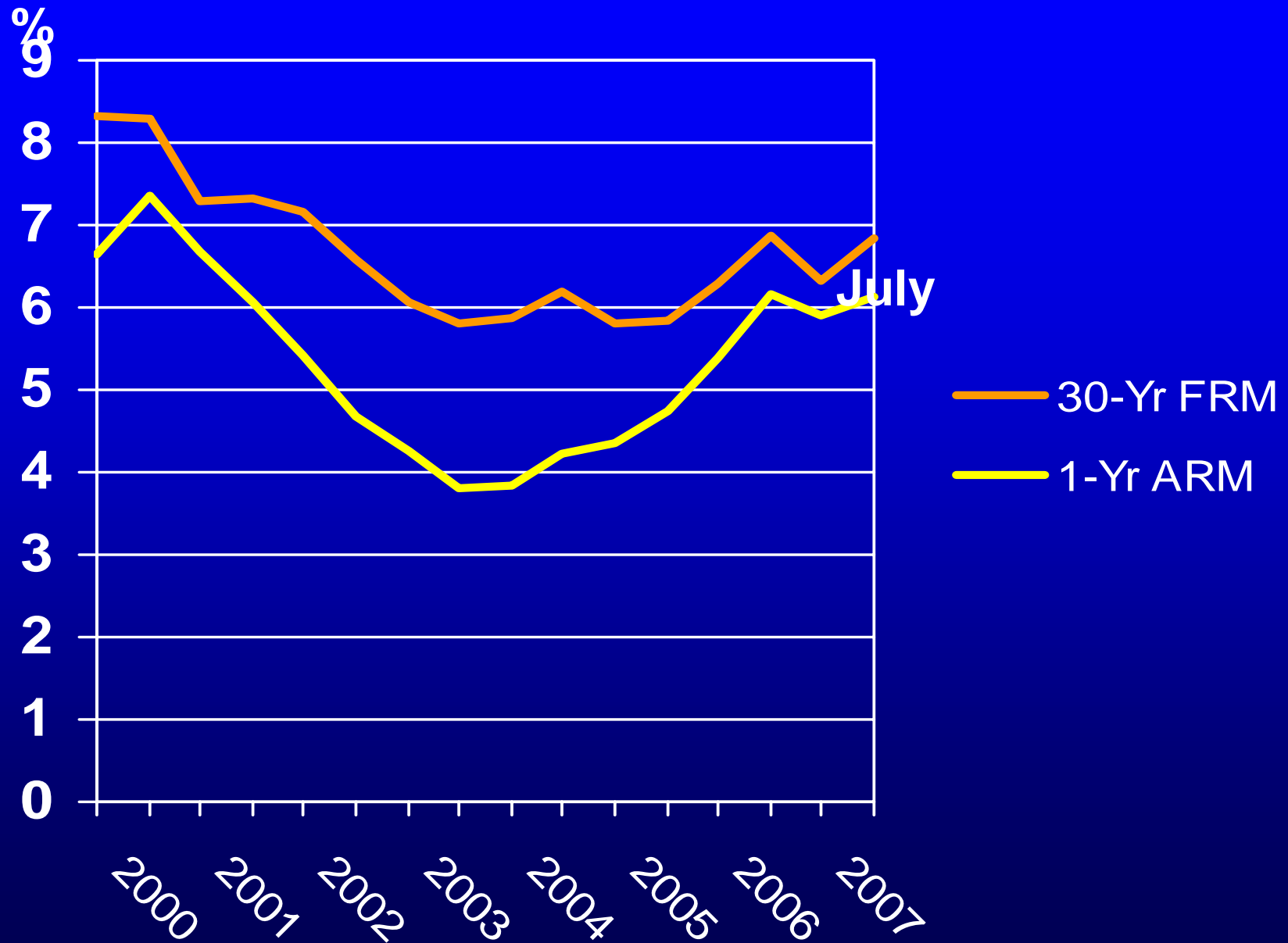


Consumer Confidence



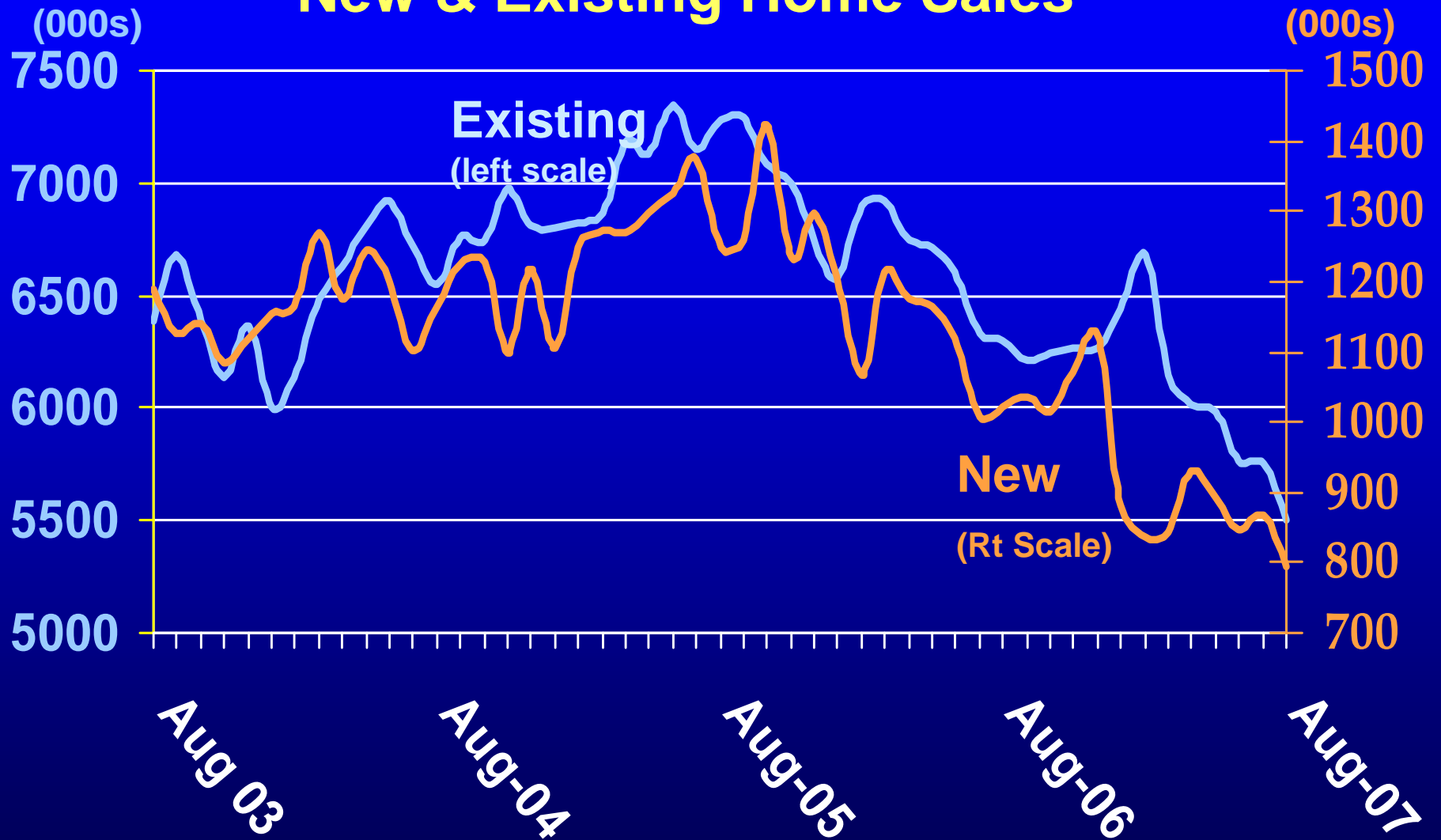
Source: Conference Board, GMU Center for Regional Analysis

Mortgage Rates

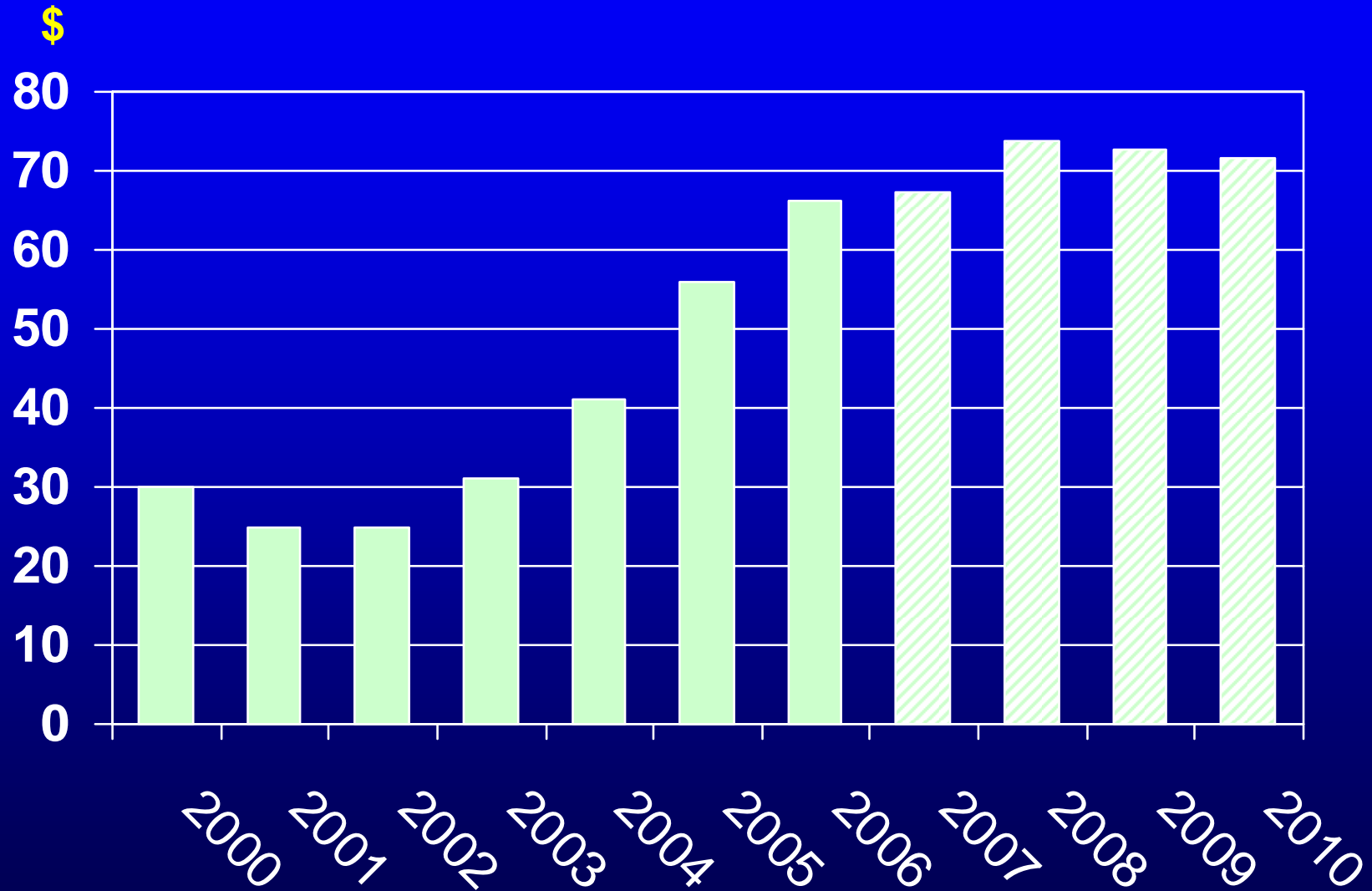


Source: HSH, GMU Center for Regional Analysis

Housing Trends: New & Existing Home Sales



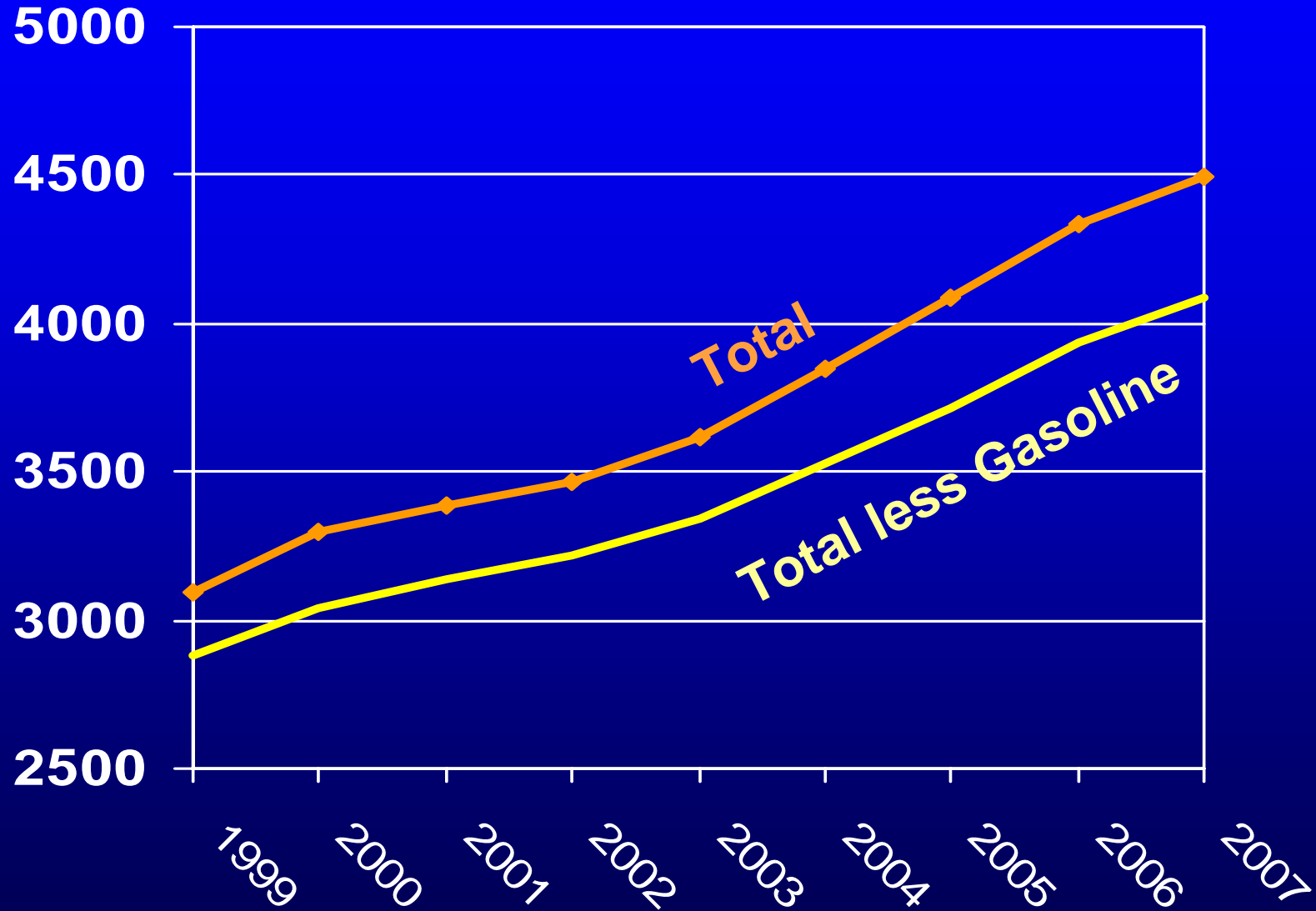
Average Annual Oil Prices (\$ Per Barrel)



Source: Global Insight

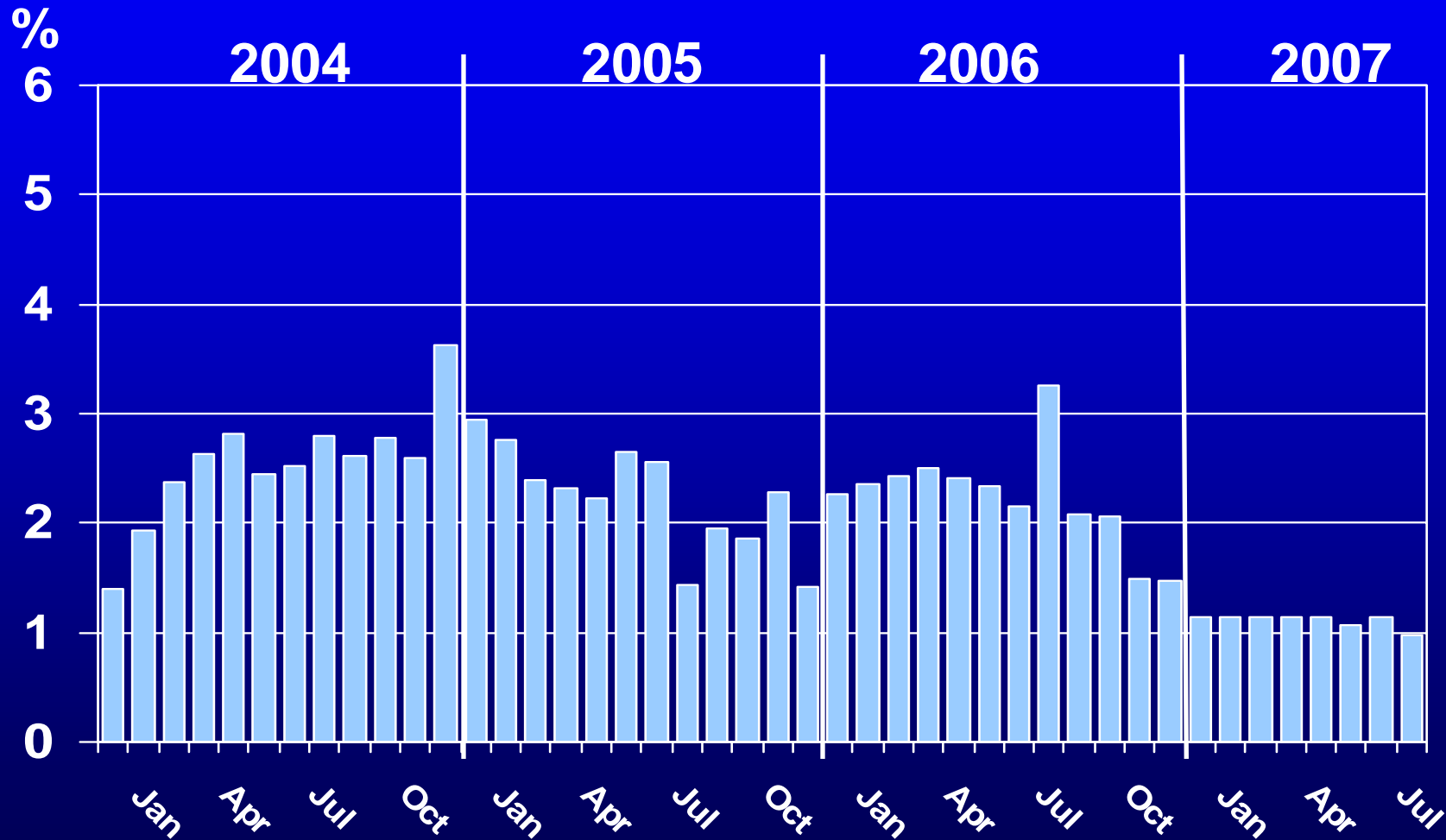
Total U.S. Retail Sales

Billions \$

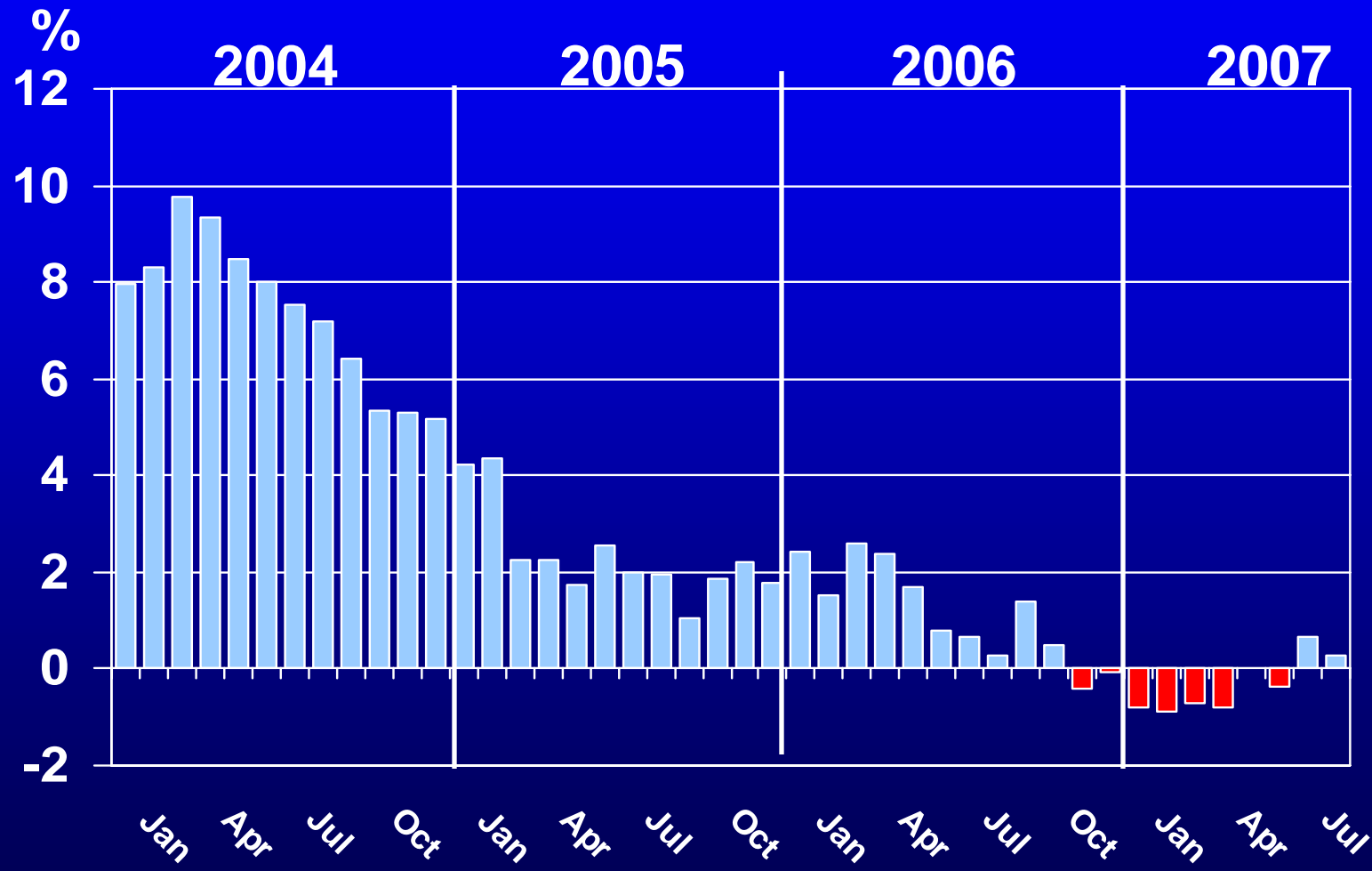


Source: Census, GMU Center for Regional Analysis

U.S. Coincident Index Monthly Over-the-Year Percent Changes



U.S. Leading Index Monthly Over-the-Year Percent Changes



The Outlook for the U.S. Economy and Construction Industry

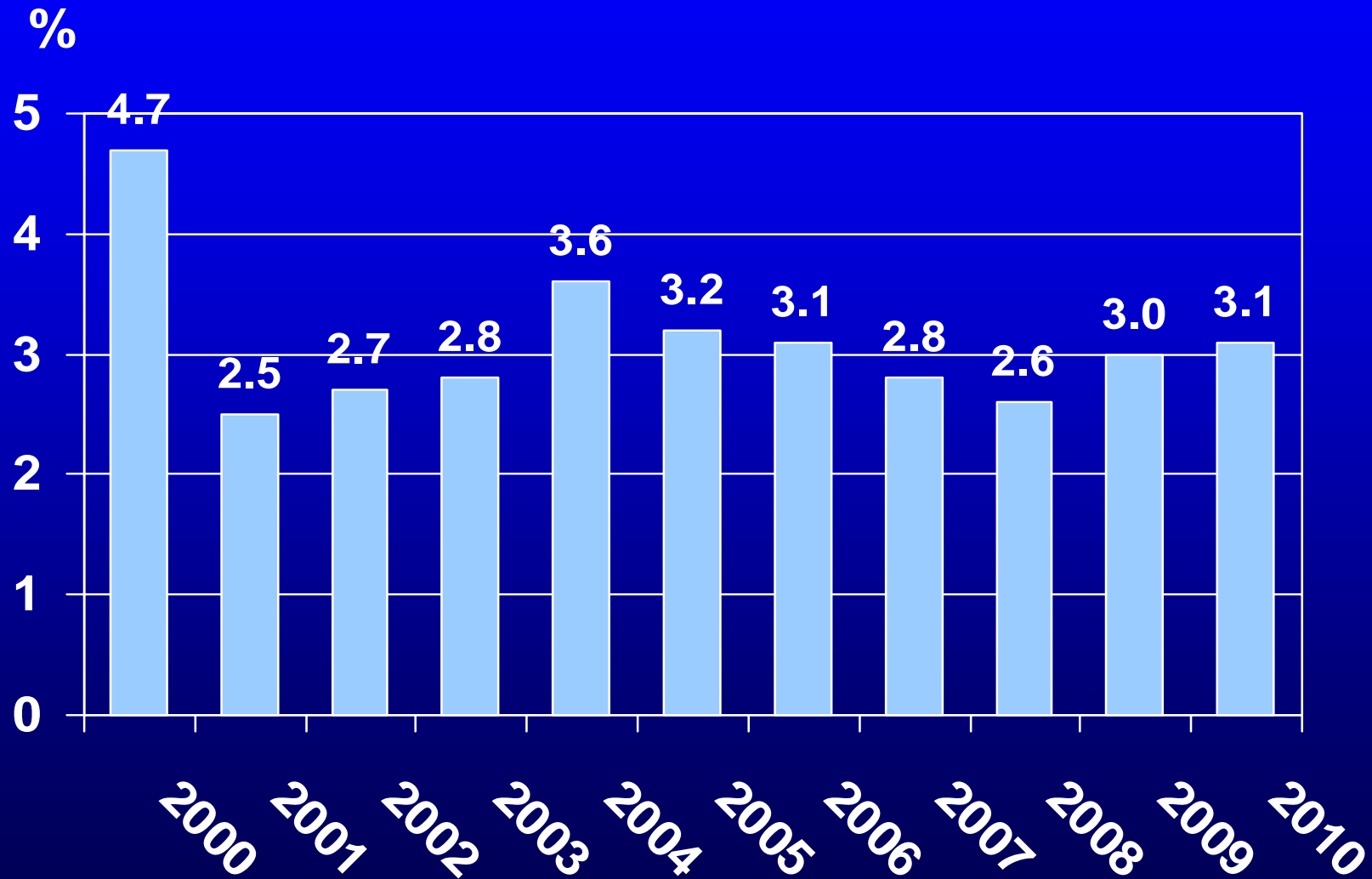
Changing Composition of GDP

Percent Share

	1998	2003	2006	2007
Consumer Spending	67.6	70.9	67.7	66.8
Business Investment	16.8	15.7	18.8	18.4
Government Consumption	17.9	18.4	18.4	19.2
Federal	6.2	6.6	6.4	6.3
State & Local	11.7	11.7	12.0	12.9
Net Exports	- 1.4	- 5.0	-4.9	- 4.5
	100.0	100.0	100.0	100.0

Source: US Statistical Abstract, GMU Center for Regional Analysis

Growth in Total Consumption Outlays (Annual %)



Source: Global Insight

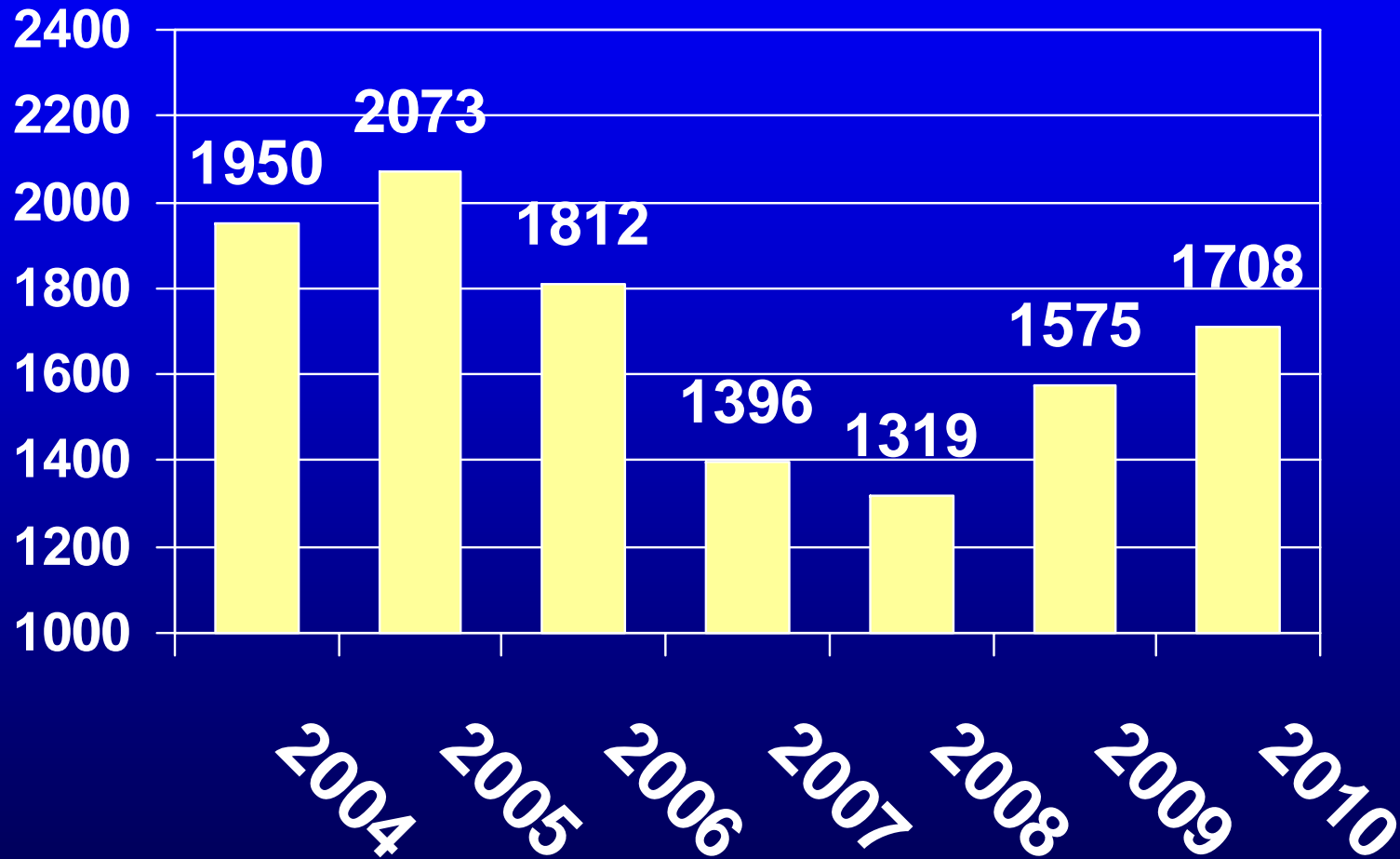
Total Value of New Construction U.S., 2000 – 2010 (\$ in billions)



Source: FMI

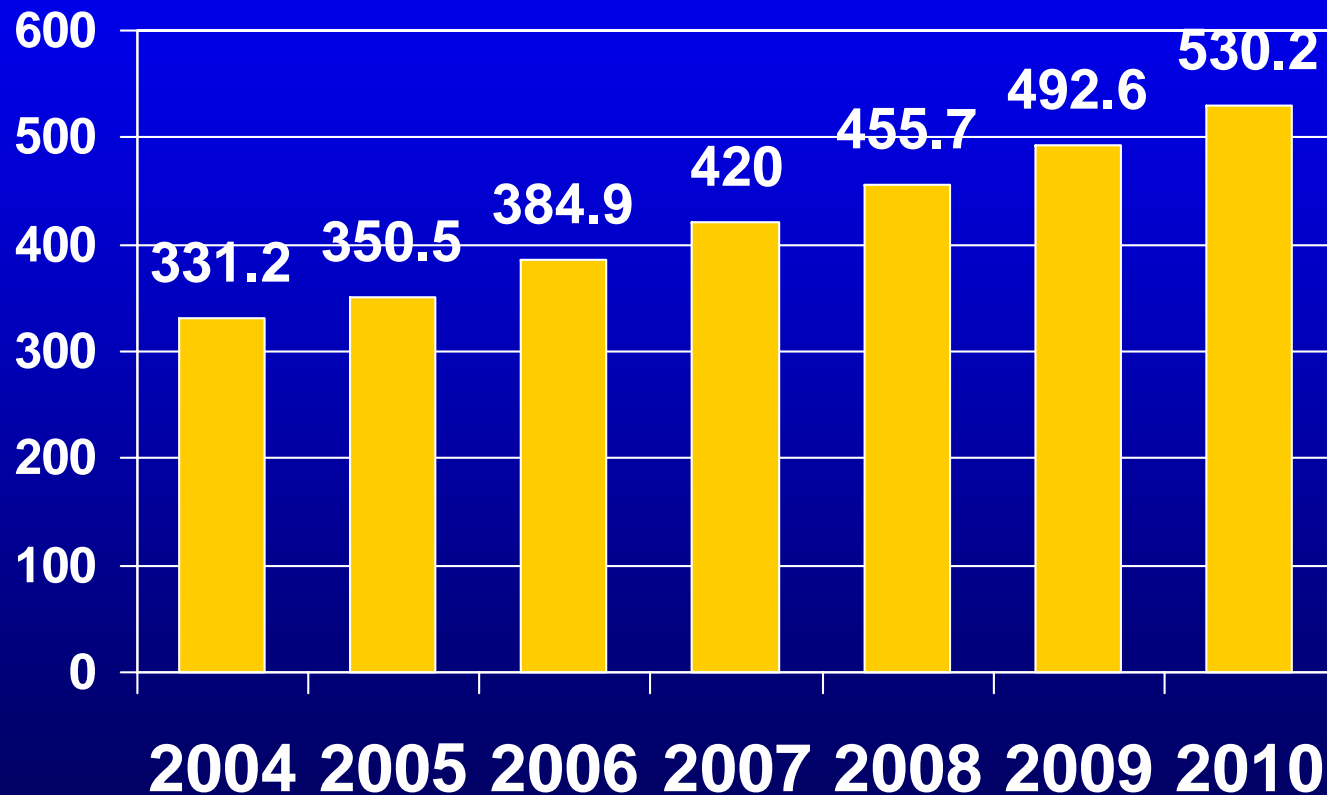
Total Residential Units 2004 - 2010

Thousands

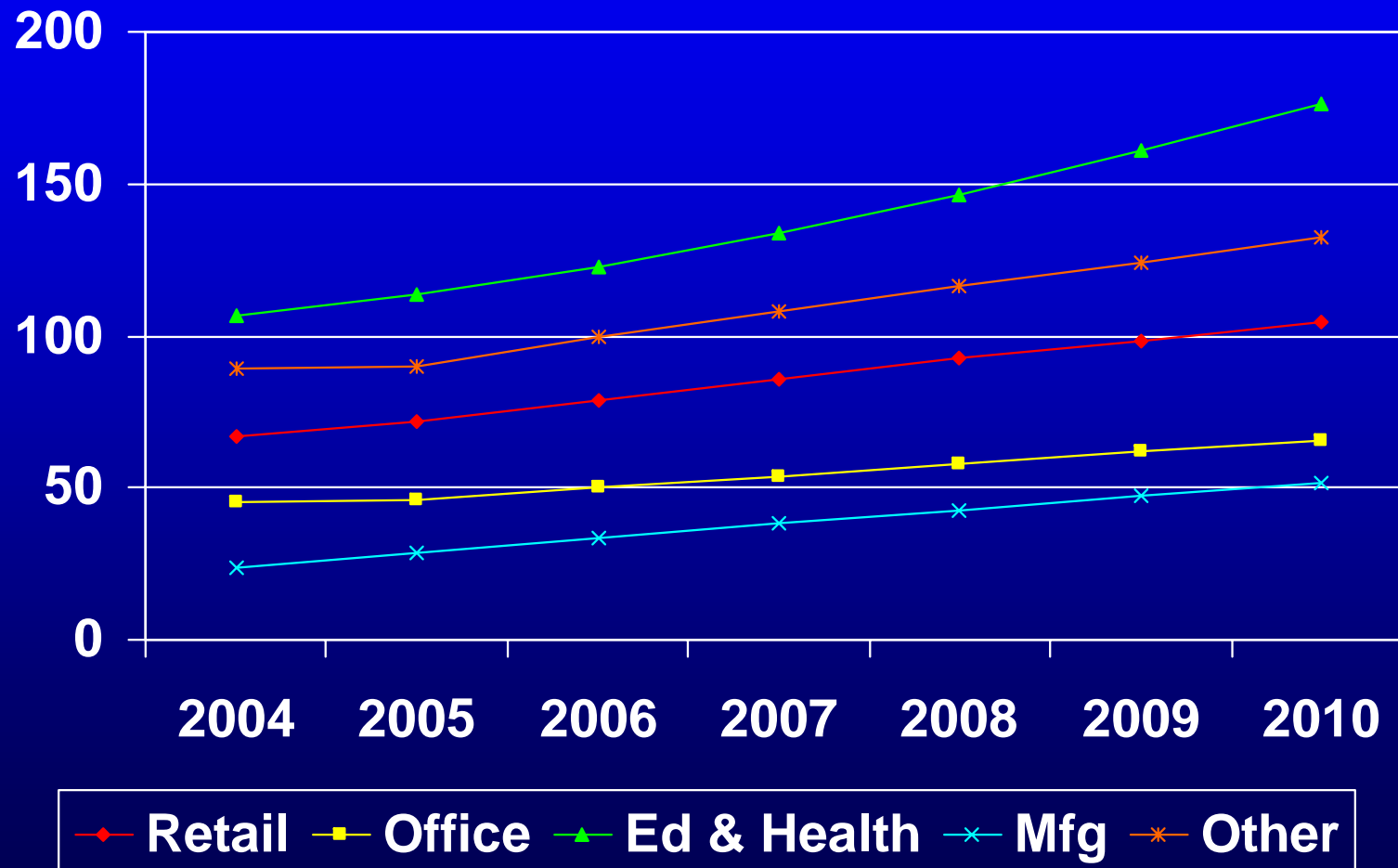


Source: Global Insight

US Non-Residential Construction 2004 – 2010 (billions of current \$)

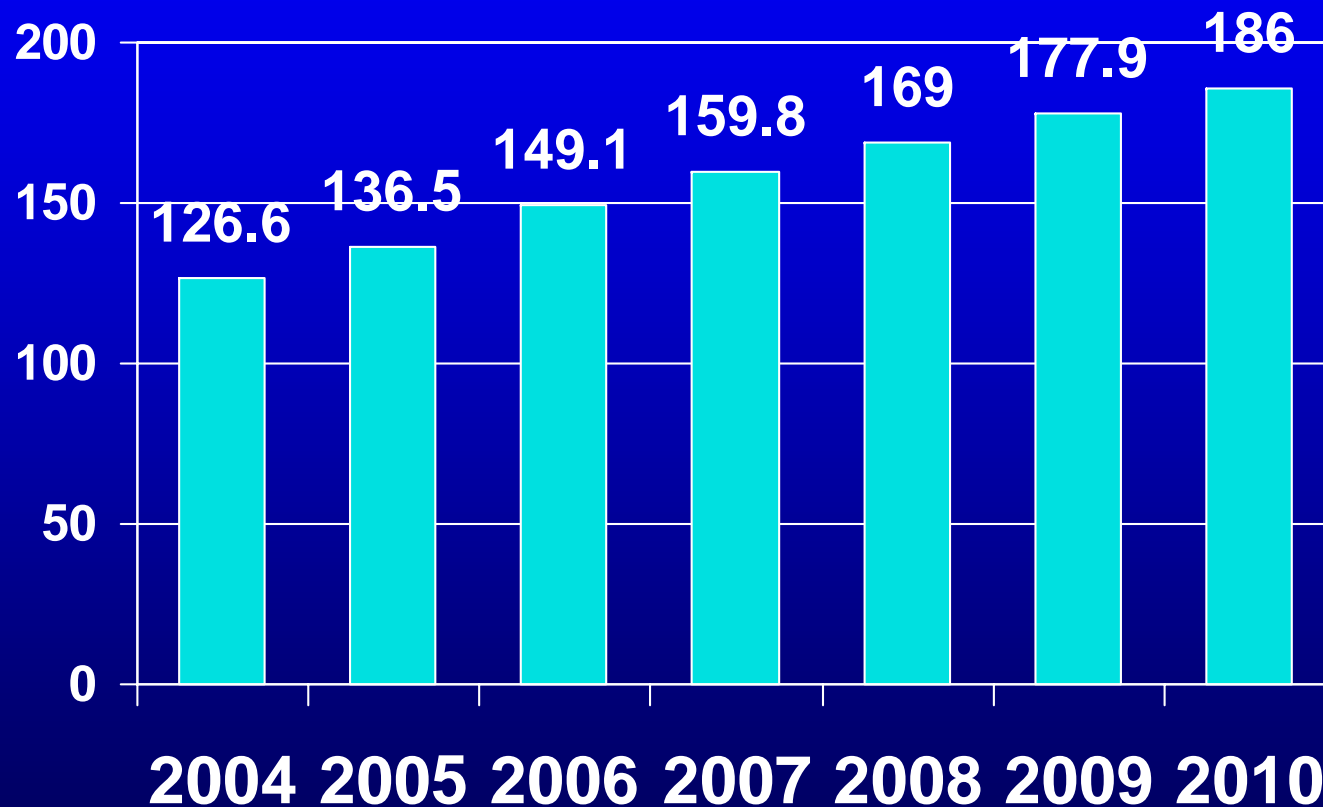


US Non-Residential Construction by Sector 2004 – 2010 (billions of current \$)

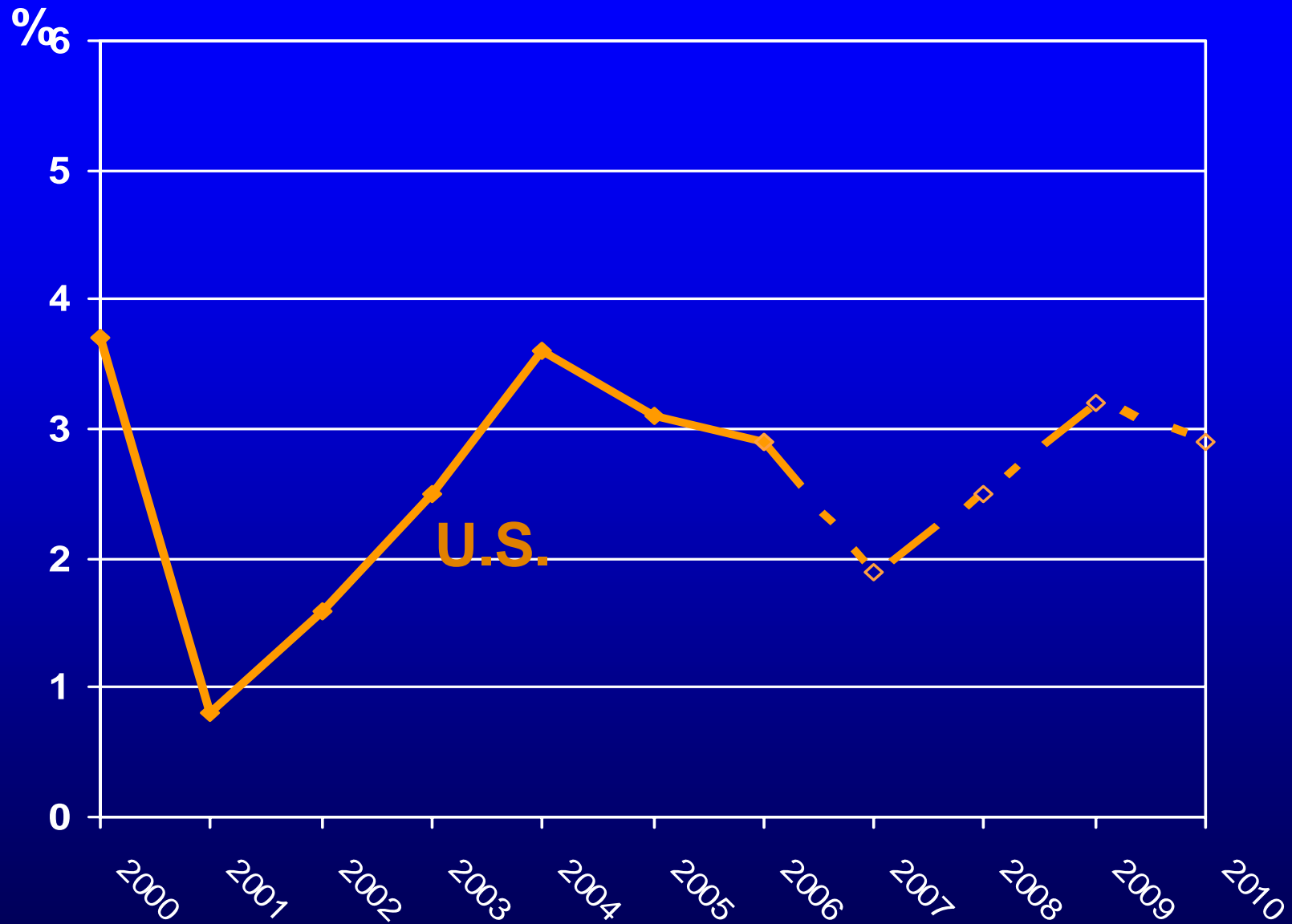


Source: FMI

US Non-Building Construction 2004 – 2010 (billions of current \$)



GDP: 2000 - 2010



Source: Global Insight, BEA



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