

**MULTI-GENERATIONAL
MULTI-CULTURAL**

TIME

**The
Future
Of
Work**



→ MOBILE!

**April
2013**

**EARLY
SPRING**

MARKET SELLING SEASON



Regulation & Litigation



Economic Trends



More Short Sales

FORECLOSURE

**Appraisals
Improve**



**Low Mortgage Rates
For Now...**



**Inflation
Coming!**

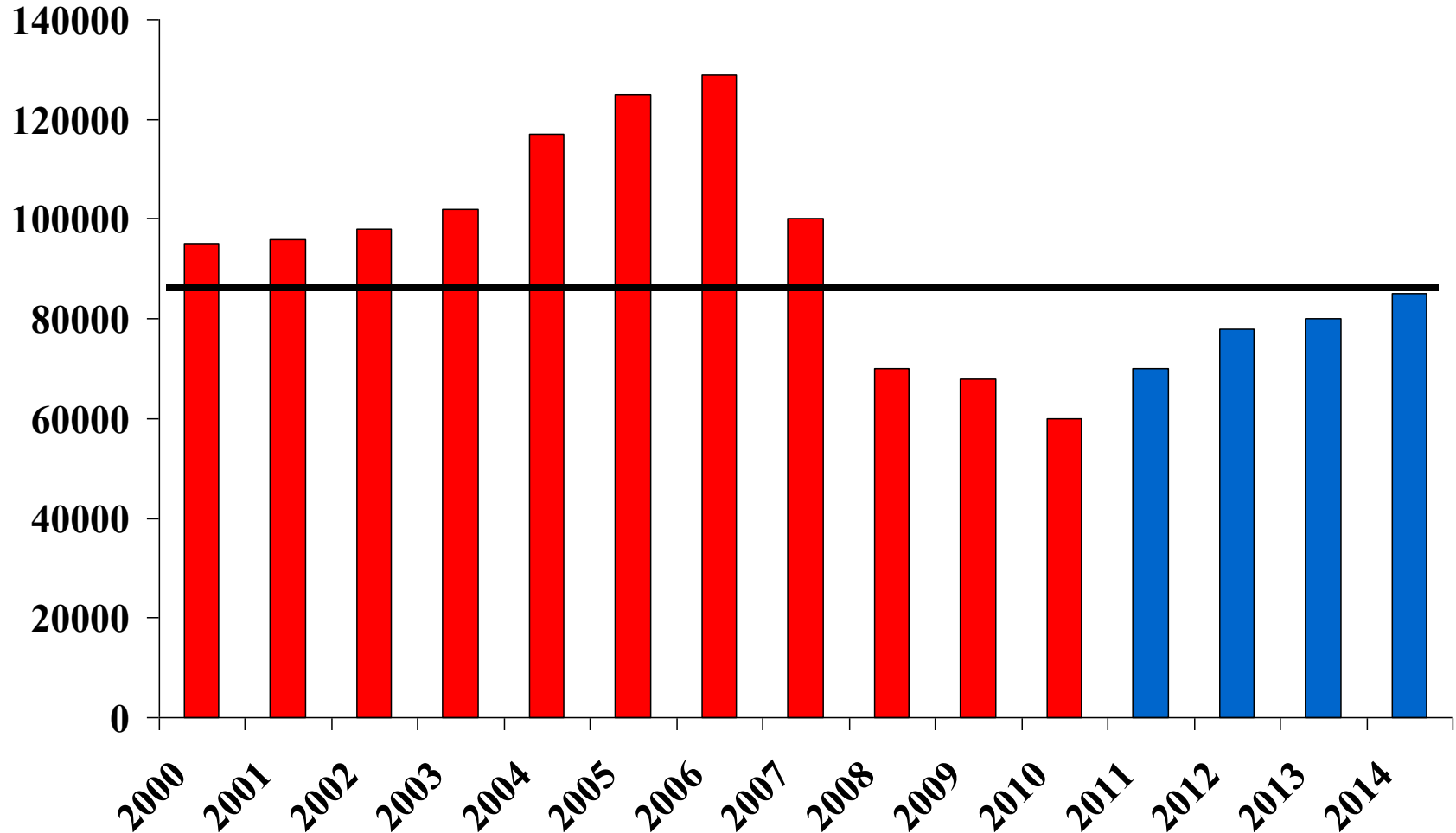
Case-Shiller Reports...



- Home Values Continue Recovery
- Still Down From Peak July 2007

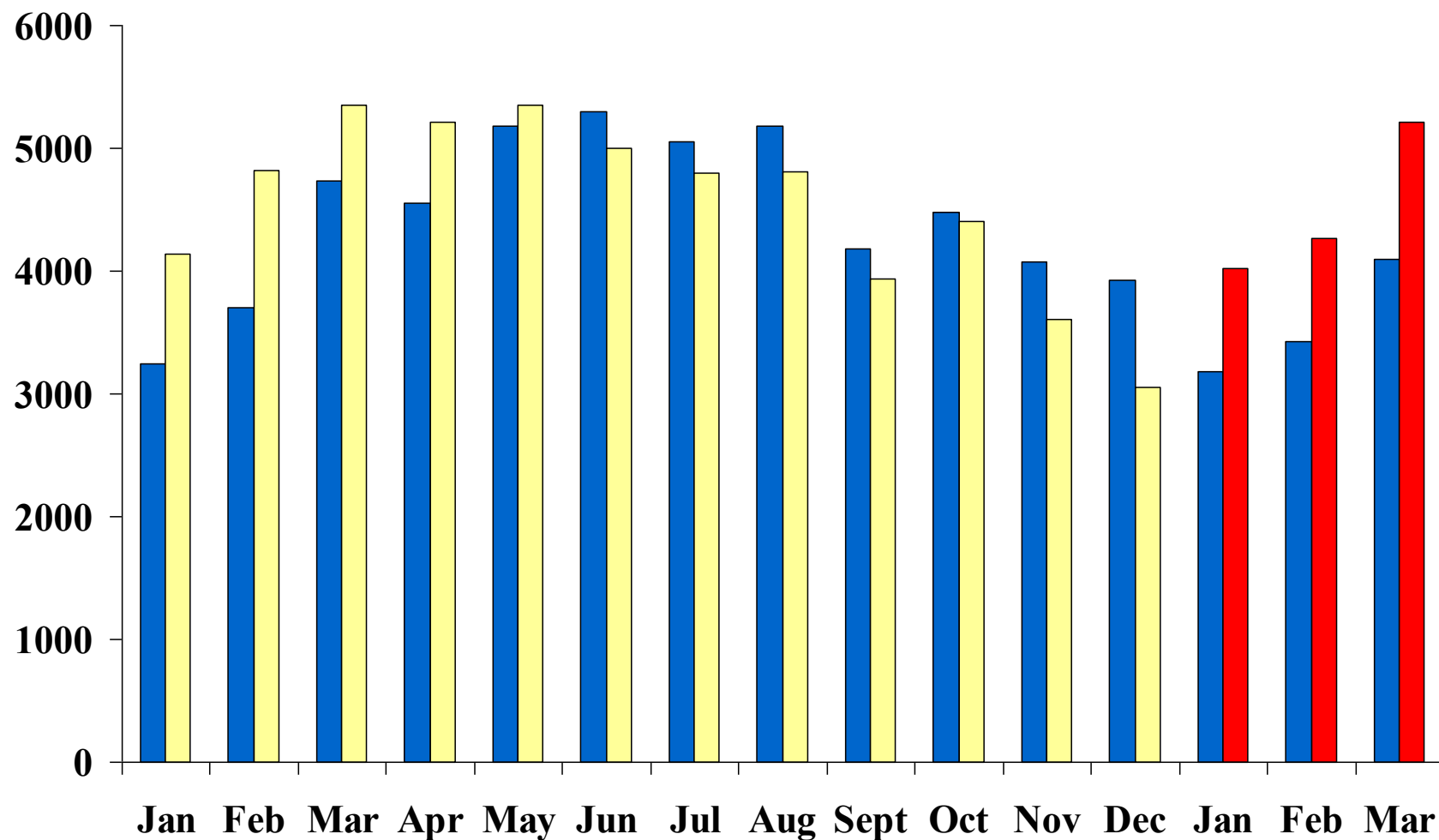


Metro Atlanta Homes Sold



- **125,000 Homes Sold In 2006. 60,000 Homes Sold in 2010.**
- **SmartNumbers Predicts Normal Market Should Be 80,000 – 85,000 Sales.**
- **Expect To See 75,000-80,000 Homes Sold In 2013. Moving Back To Normal.**

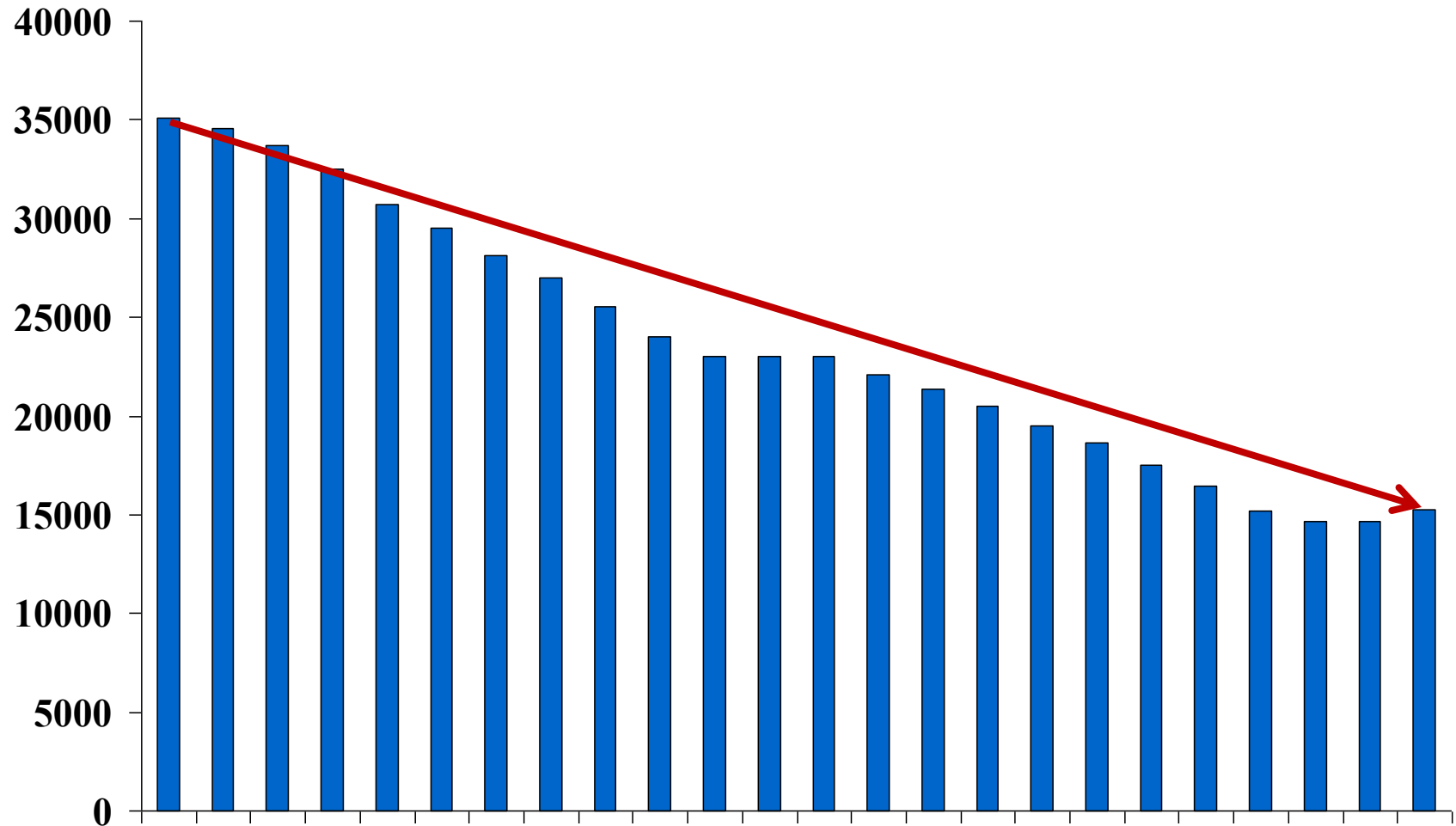
Closings Versus Pendings (2012 – Current)



**2013 Fallout Rate Increasing Due To Multiple Offers, Appraisal Problems.
Many Buyers Making Offers, Then Withdrawing Prior To Due Diligence .**

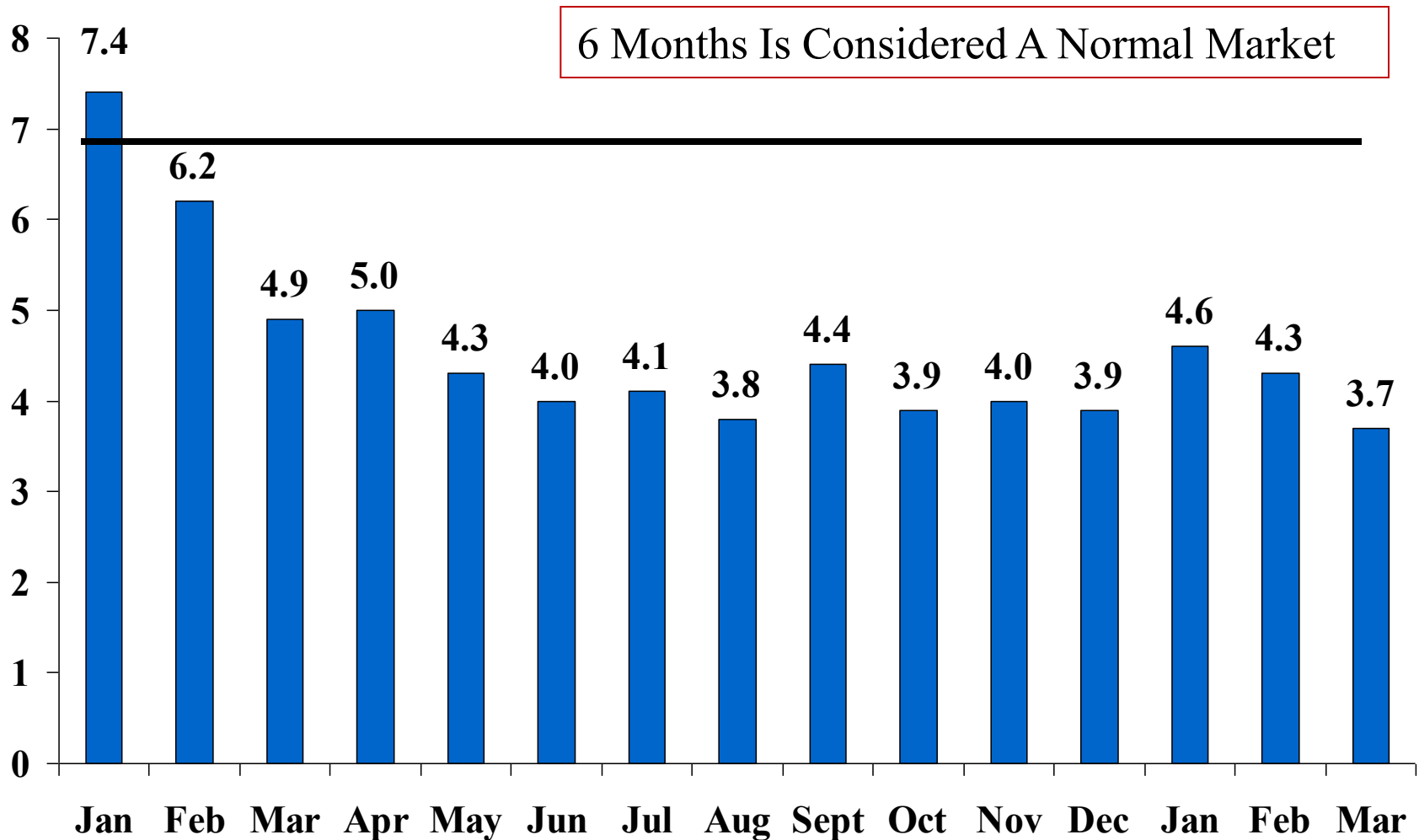
Listed Inventory March 2011 – March 2013

Residential Detached - Metro Atlanta



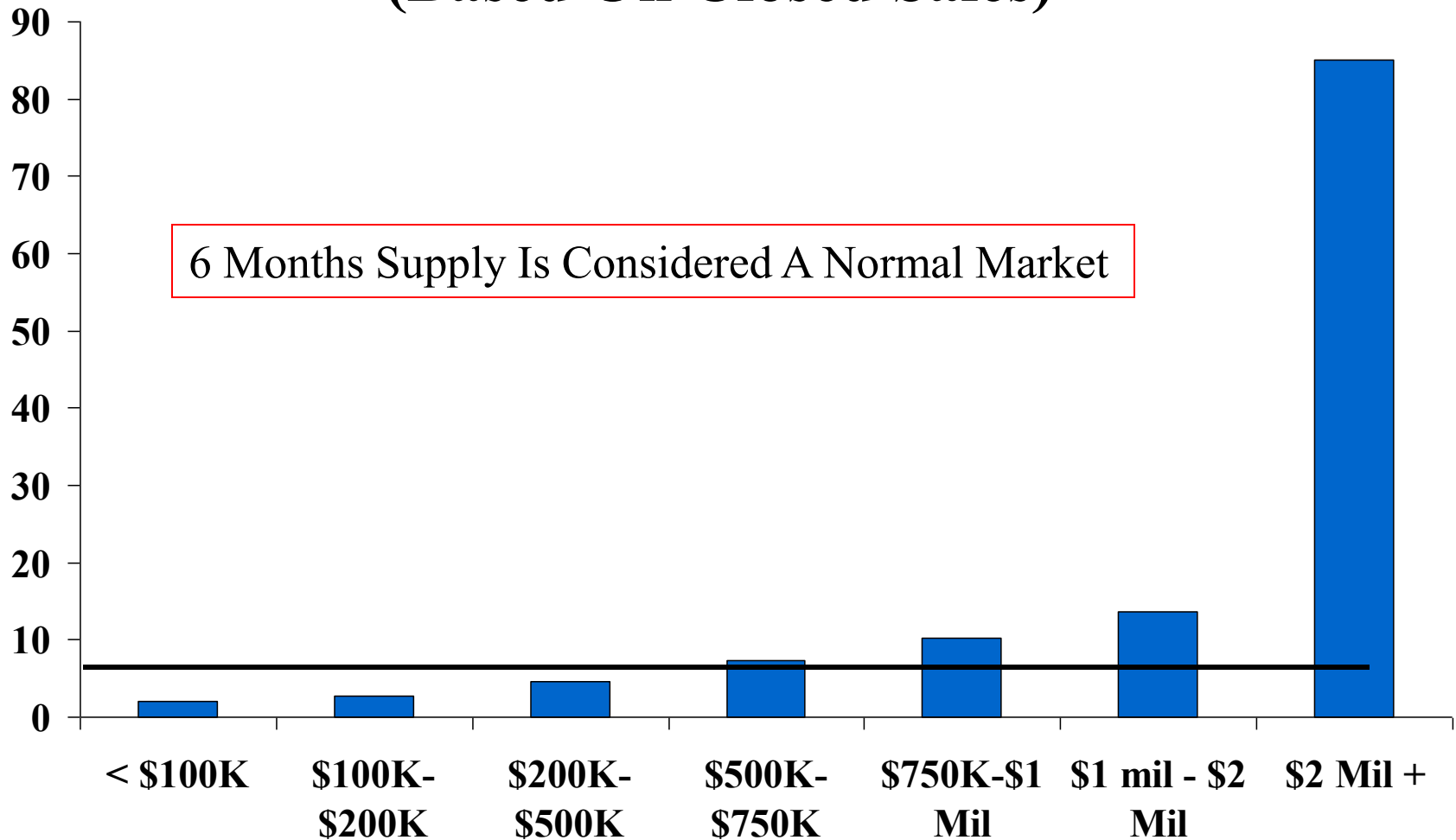
- **Inventory Levels Down 36.4% from Mar 2012, 56.4% from Mar 2011**

Metro Atlanta – Months Of Supply (Based Upon Closed Sales)







Metro Atlanta Months of Inventory

(Based On Closed Sales)



It Is A Sellers Market Below \$500K In Most Areas.

	 Pre-Foreclosures		 Foreclosures		 REO Sales		 Market Sales	
Date	Activity	Average Amount	Activity	Average Amount	Activity	Average Amount	Activity	Average Amount
Jan-11	7659	\$312,262	2198	\$136,401	1638	\$99,992	1717	\$225,040
Feb-11	8212	\$200,772	2145	\$138,300	2111	\$97,801	2015	\$210,826
Mar-11	8168	\$196,603	2386	\$131,900	2815	\$96,816	2730	\$229,070
Apr-11	5921	\$183,509	2558	\$129,441	2697	\$100,483	2813	\$216,742
May-11	7110	\$183,570	1863	\$126,627	2758	\$89,985	3108	\$233,568
Jun-11	5742	\$186,531	2286	\$129,408	2758	\$94,355	3305	\$246,197
Jul-11	6518	\$187,092	2028	\$128,298	1864	\$91,207	2662	\$262,147
Aug-11	7396	\$342,668	2522	\$125,874	2767	\$86,985	3376	\$224,621
Sep-11	4912	\$184,386	2906	\$122,930	2655	\$82,462	3058	\$207,613
Oct-11	6115	\$239,774	2090	\$127,519	2447	\$82,125	2683	\$199,839
Nov-11	7277	\$189,315	2251	\$131,826	2133	\$85,775	2551	\$199,262
Dec-11	5115	\$181,397	2954	\$117,830	2503	\$89,140	2928	\$196,537
Totals	80145	\$215,657	28187	\$128,863	29146	\$91,427	32946	\$220,955

(Source: RealValuator)

REO Sales Are 47% Of Total Sales In 2011.
In 2010, REO Sales Were Over 60%.



Pre-Foreclosures



Foreclosures



REO Sales

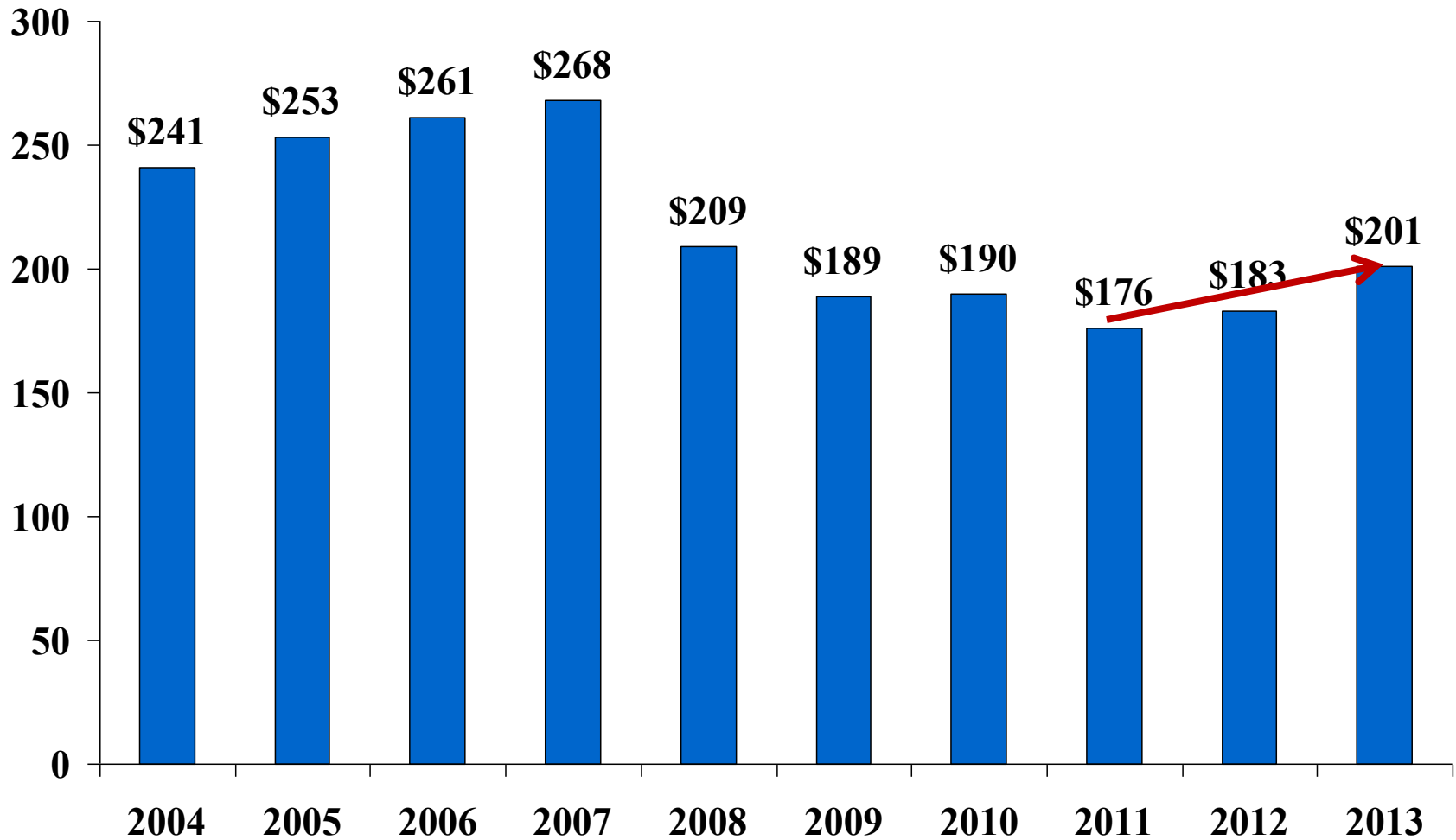


Market Sales

Date	Activity	Average Amount	Activity	Average Amount	Activity	Average Amount	Activity	Average Amount
Apr-12	8930	\$240,737	2976	\$164,030	3401	\$104,337	6703	\$254,225
May-12	11925	\$206,600	2673	\$149,487	3614	\$102,135	7383	\$308,303
Jun-12	10264	\$201,758	3754	\$147,096	3745	\$106,657	8349	\$289,748
Jul-12	12903	\$241,127	3171	\$148,915	3402	\$100,854	8303	\$277,337
Aug-12	8295	\$259,165	2336	\$206,998	3442	\$97,854	8723	\$289,360
Sep-12	9806	\$217,879	2282	\$162,949	2775	\$107,476	7021	\$257,033
Oct-12	9965	\$232,122	3078	\$195,963	2794	\$99,808	7805	\$299,046
Nov-12	7501	\$243,003	3019	\$219,995	2410	\$106,807	7526	\$287,030
Dec-12	6615	\$253,199	2311	\$210,702	2125	\$142,563	8342	\$406,744
Jan-13	6905	\$228,315	1335	\$299,264	1902	\$168,747	6101	\$253,801
Feb-13	5729	\$222,068	1207	\$288,471	1852	\$108,538	6361	\$258,993
Mar-13	5546	\$234,594	332	\$345,727	1095	\$126,886	3902	\$258,350
Totals	104384	\$231,714	28474	\$211,633	32557	\$114,388	86519	\$286,664

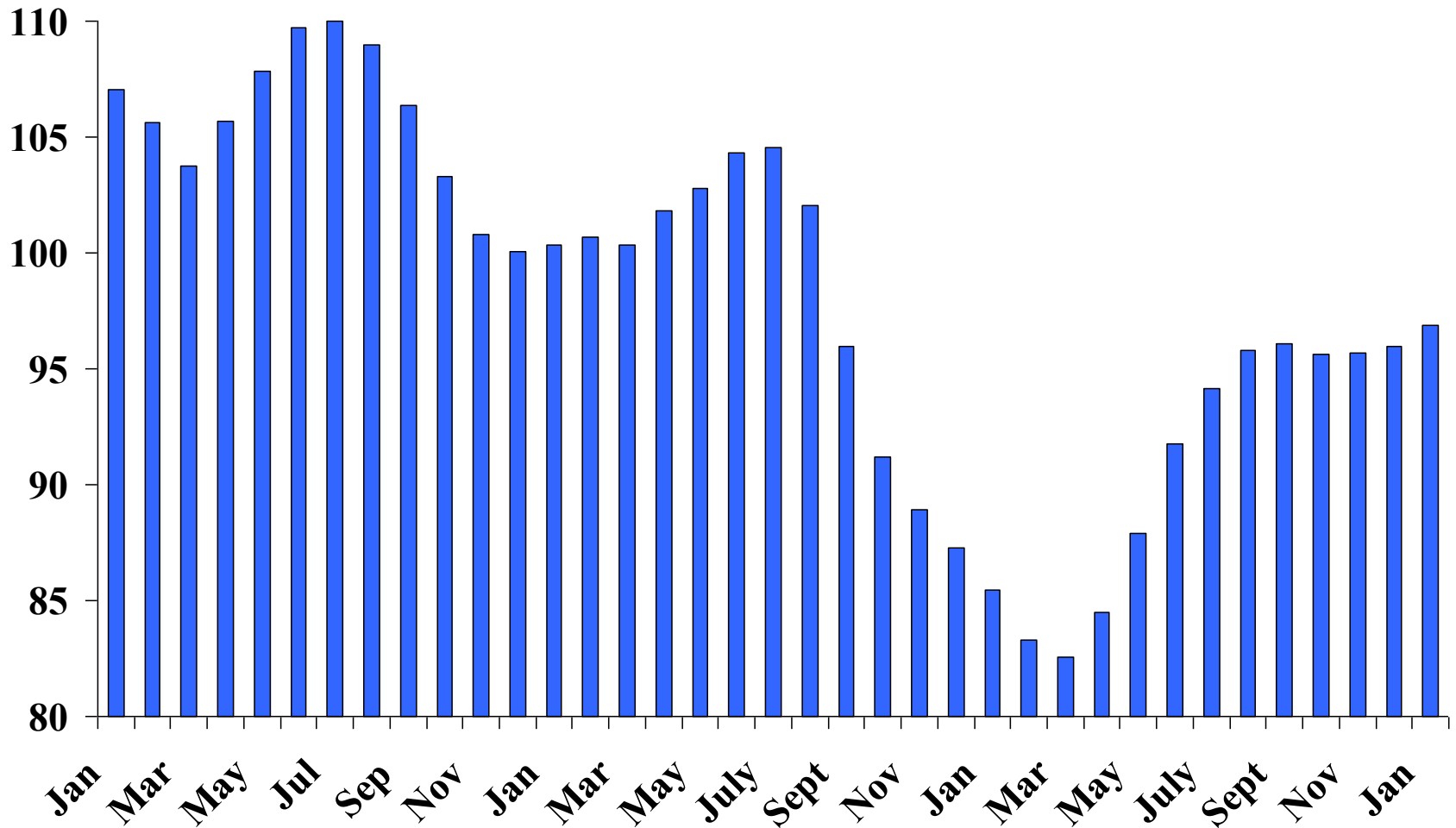
REO Sales Are 37% Of Total Sales In Last 12 Months. Resales Outpacing Bank-Owned Sales.

Metro Atlanta Average Sale Price Trend



Average Sales Price Increasing From Bottom Of 2011

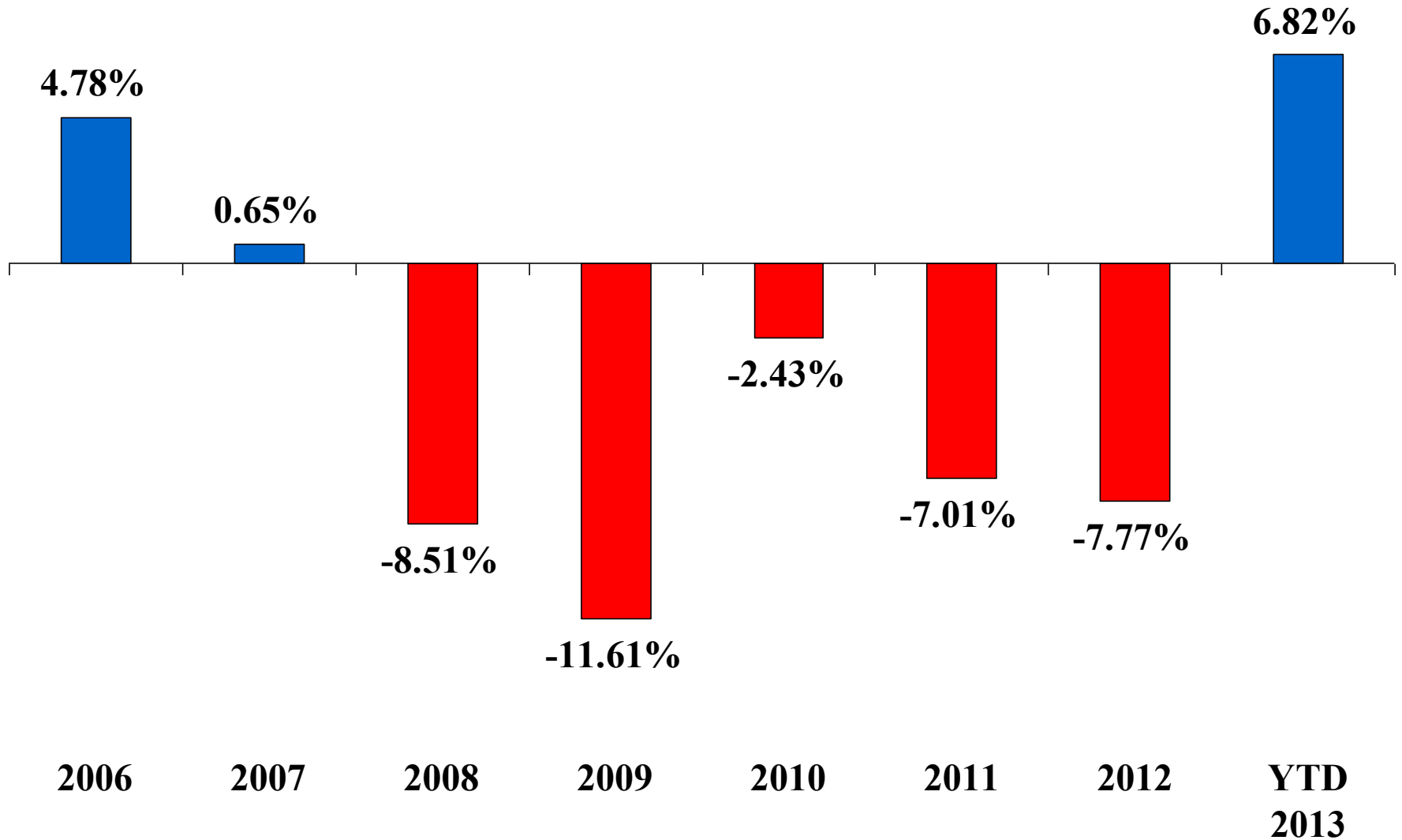
Case-Shiller Index For Metro Atlanta



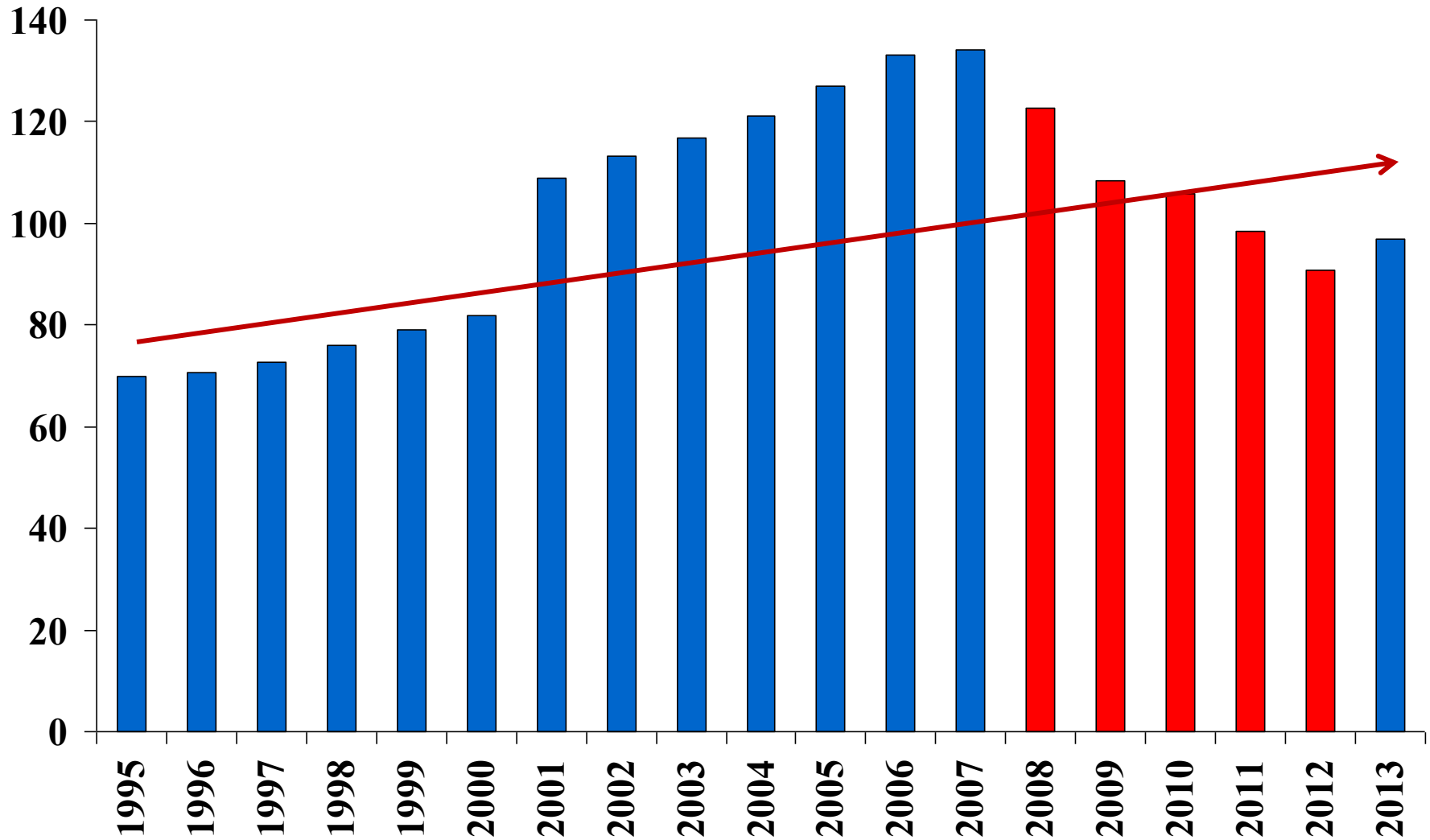
**Chart Shows Index Results January 2010 Through January 2013
(As Reported March 2013)**

Annual Case-Shiller Index (Metro Atlanta)

Home Values Up 13% In Last Year – But Still Down 29% From Peak.



Case-Shiller Home Values For Metro Atlanta

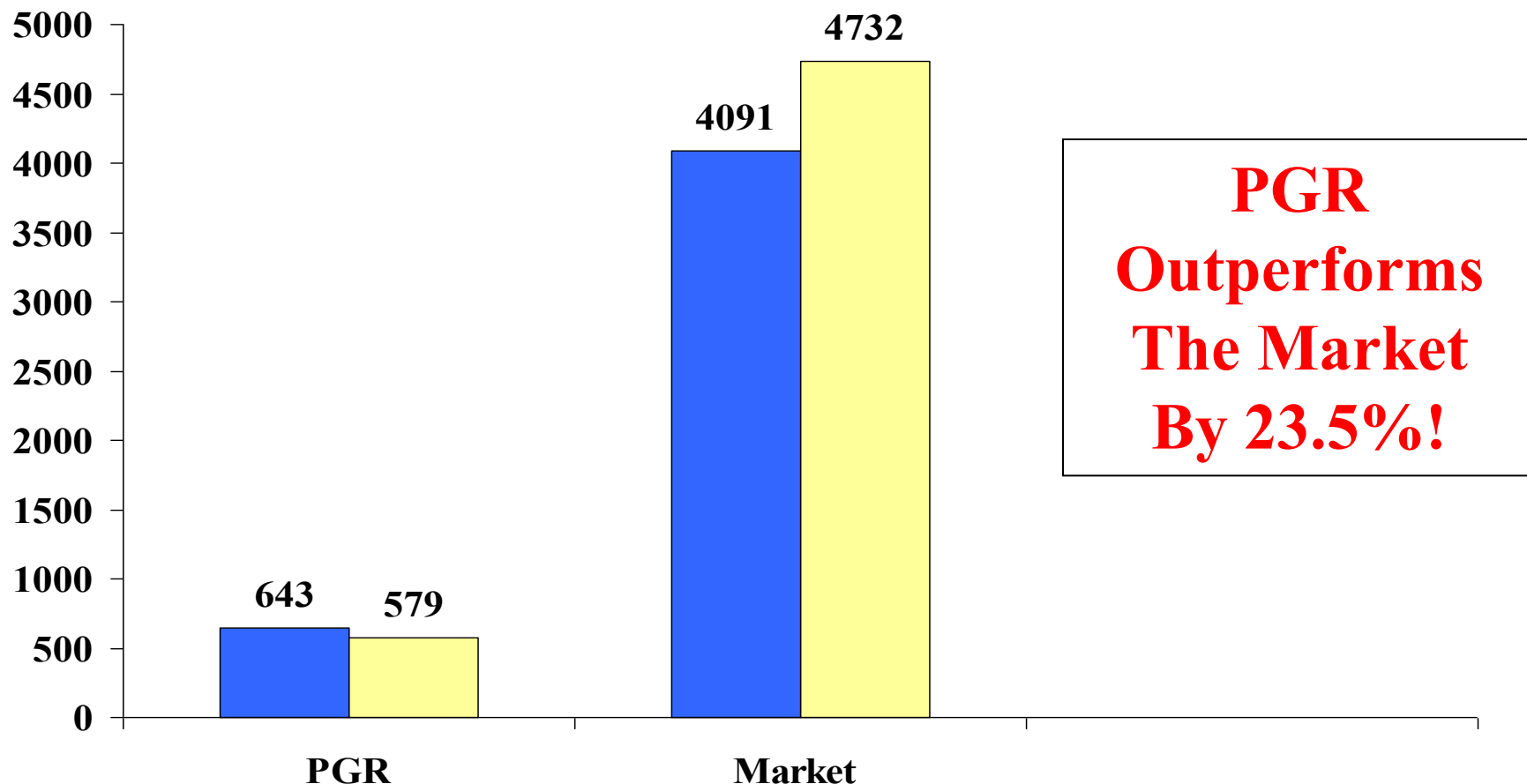


- Peak was July 2007. Current Home Values Remain Below The Normal Trend Line. But Prices Are Slowly Correcting!

Prudential Georgia Realty

Ranked #1 In Homes Sold – 2009, 2010, 2011, 2012 and YTD 2013

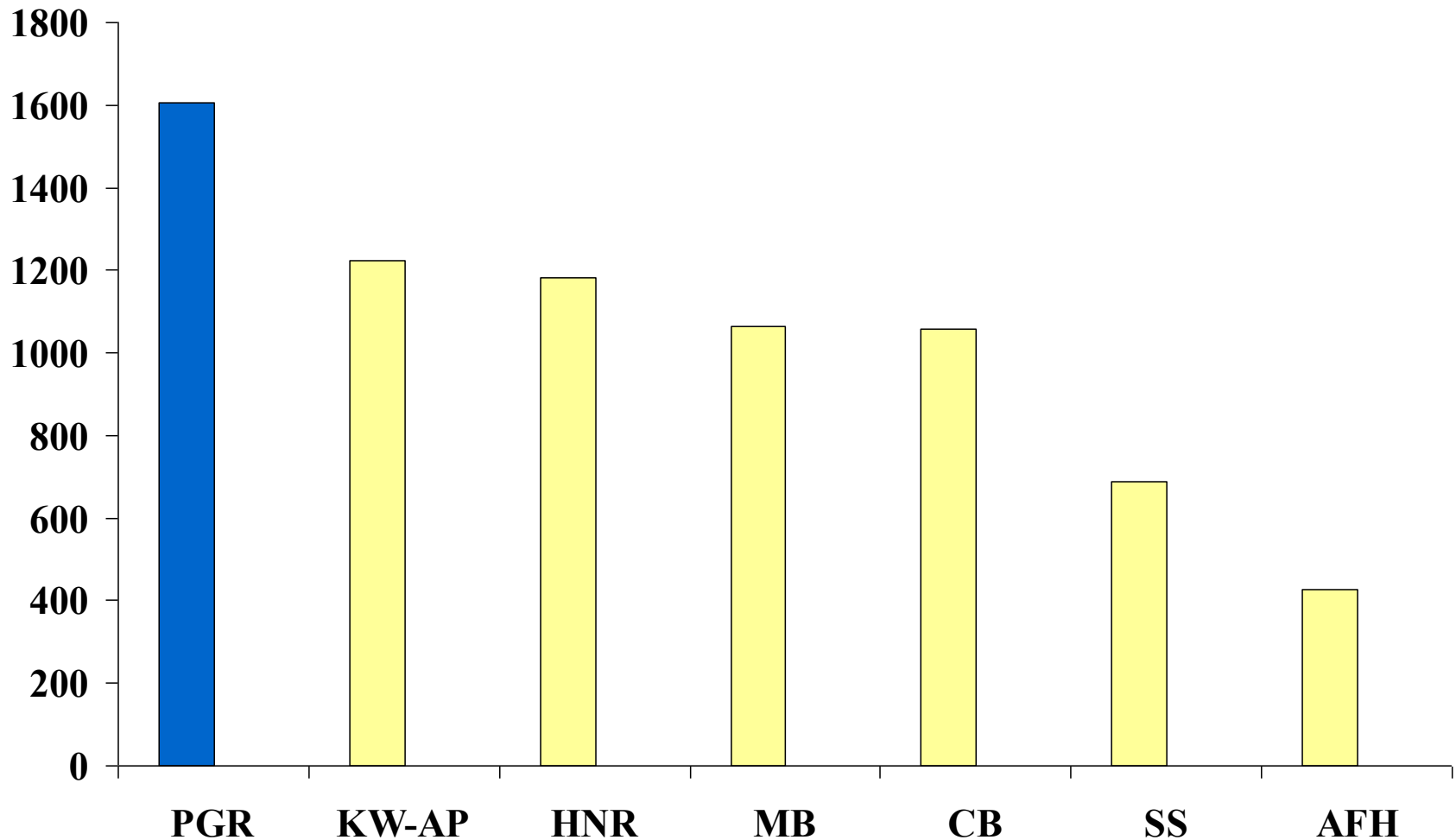
March 2012 Closings Vs. March 2011



PGR Up 11%. The Market Was Down 13.5%.

YTD Transactions – March 2013

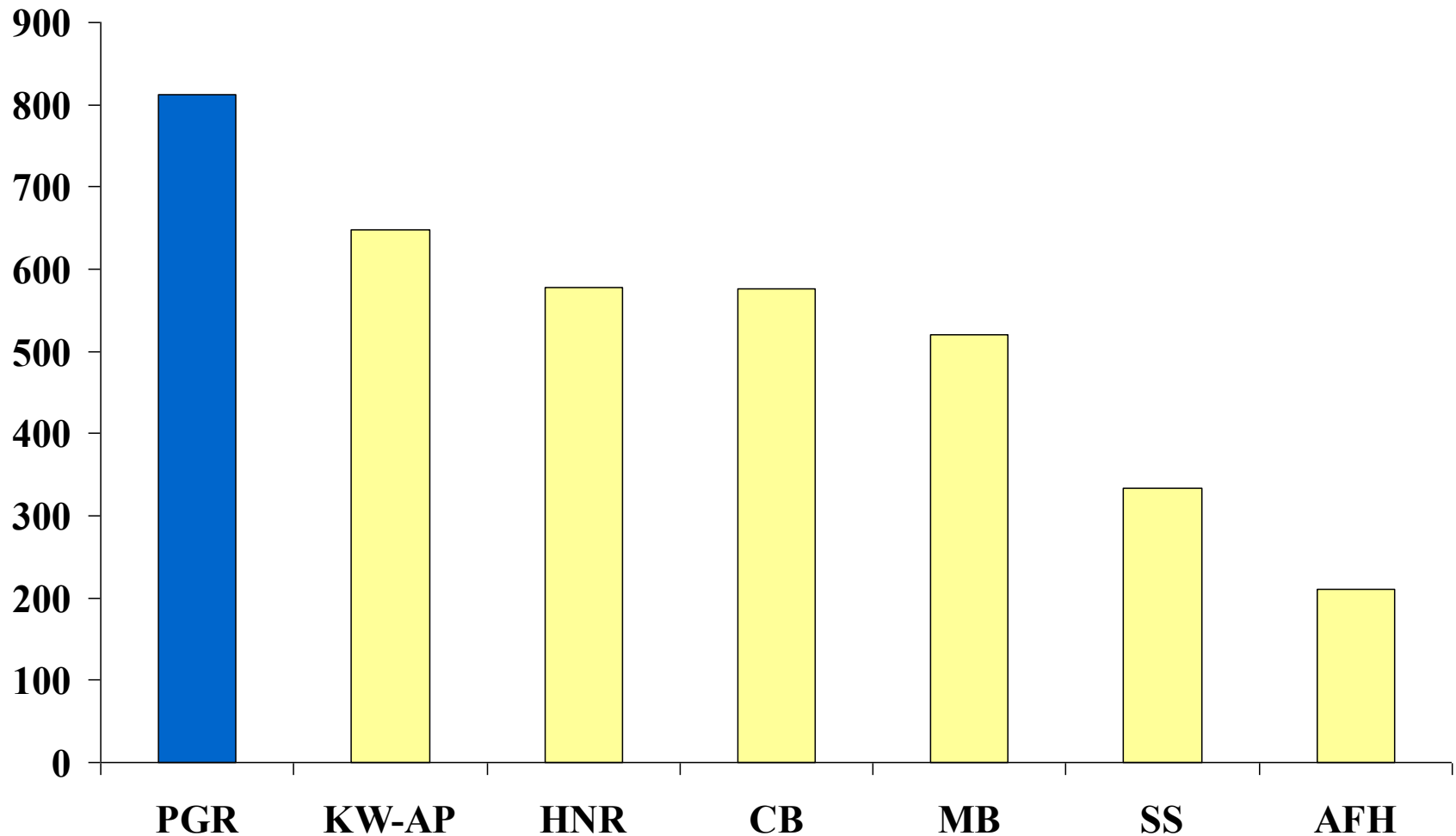
FMLS Counties + Southern Crescent



Information Provided By Trendgraphix. PGR Numbers Internal.

YTD Listing Sales – March 2013

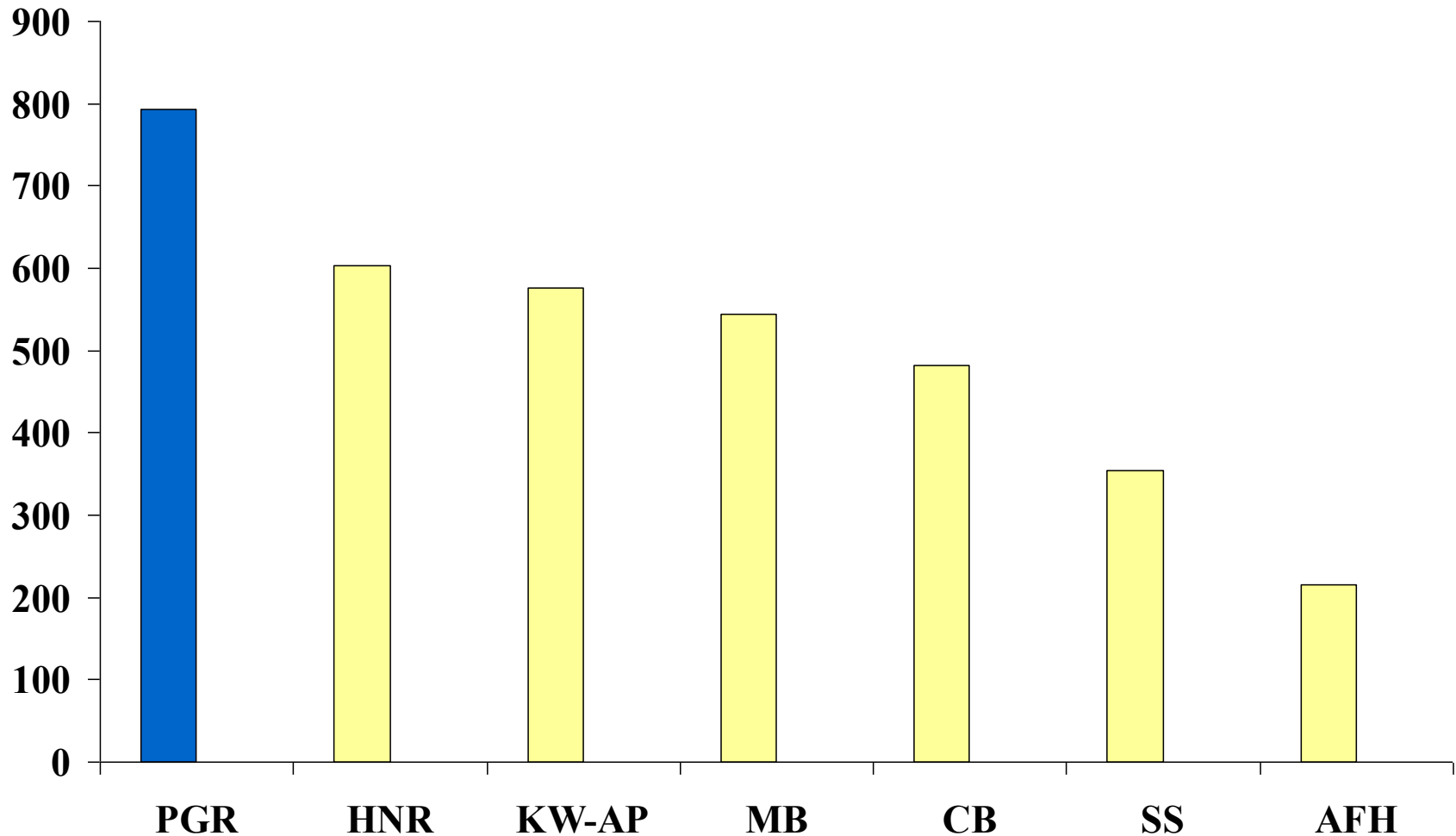
FMLS Counties + Southern Crescent



Information Provided By Trendgraphix.

Buyer Sales Units – March 2013

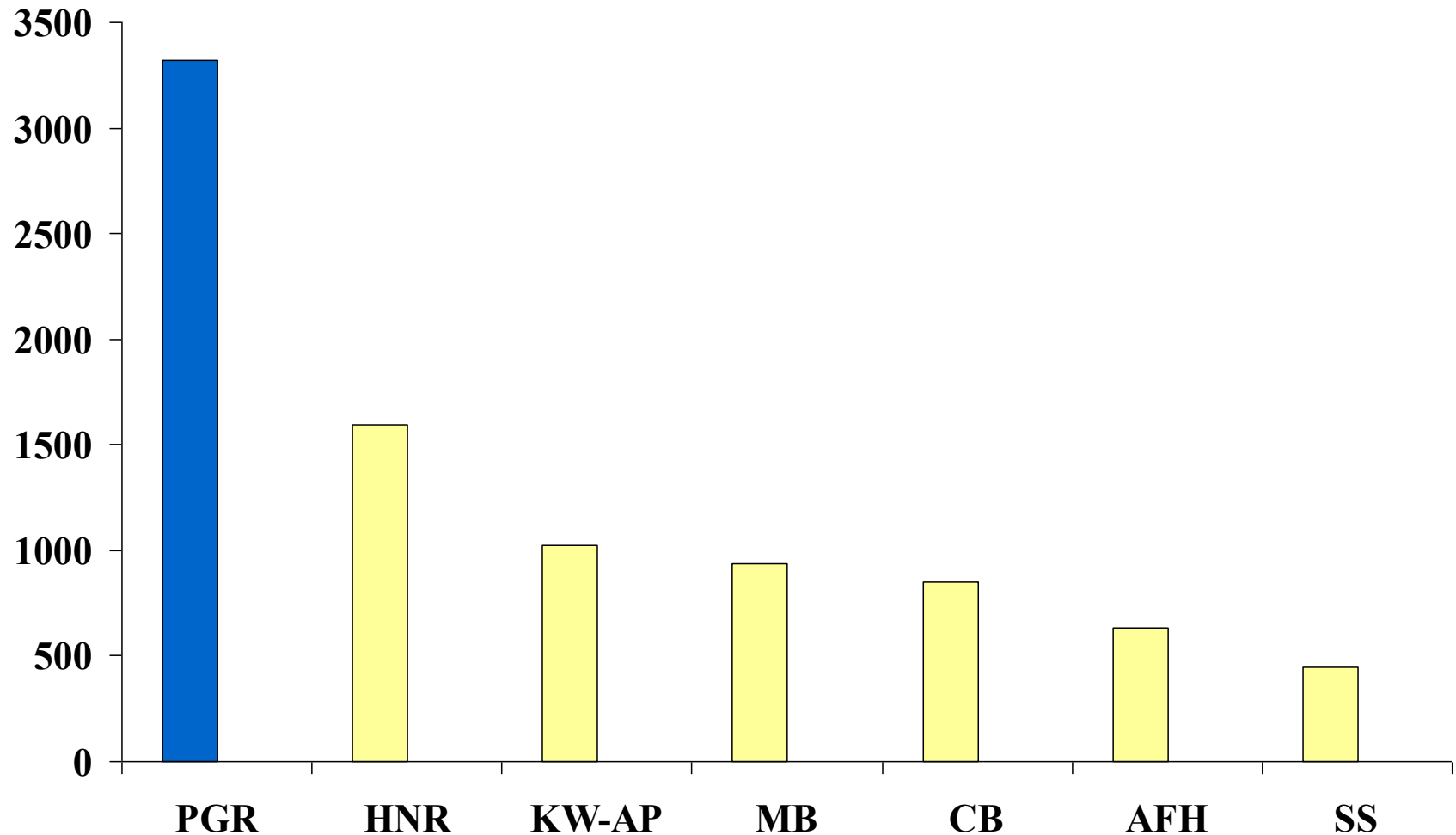
FMLS Counties + Southern Crescent



Information Provided By Trendgraphix.

Current Listing Inventory – March 2013

FMLS Counties + Southside



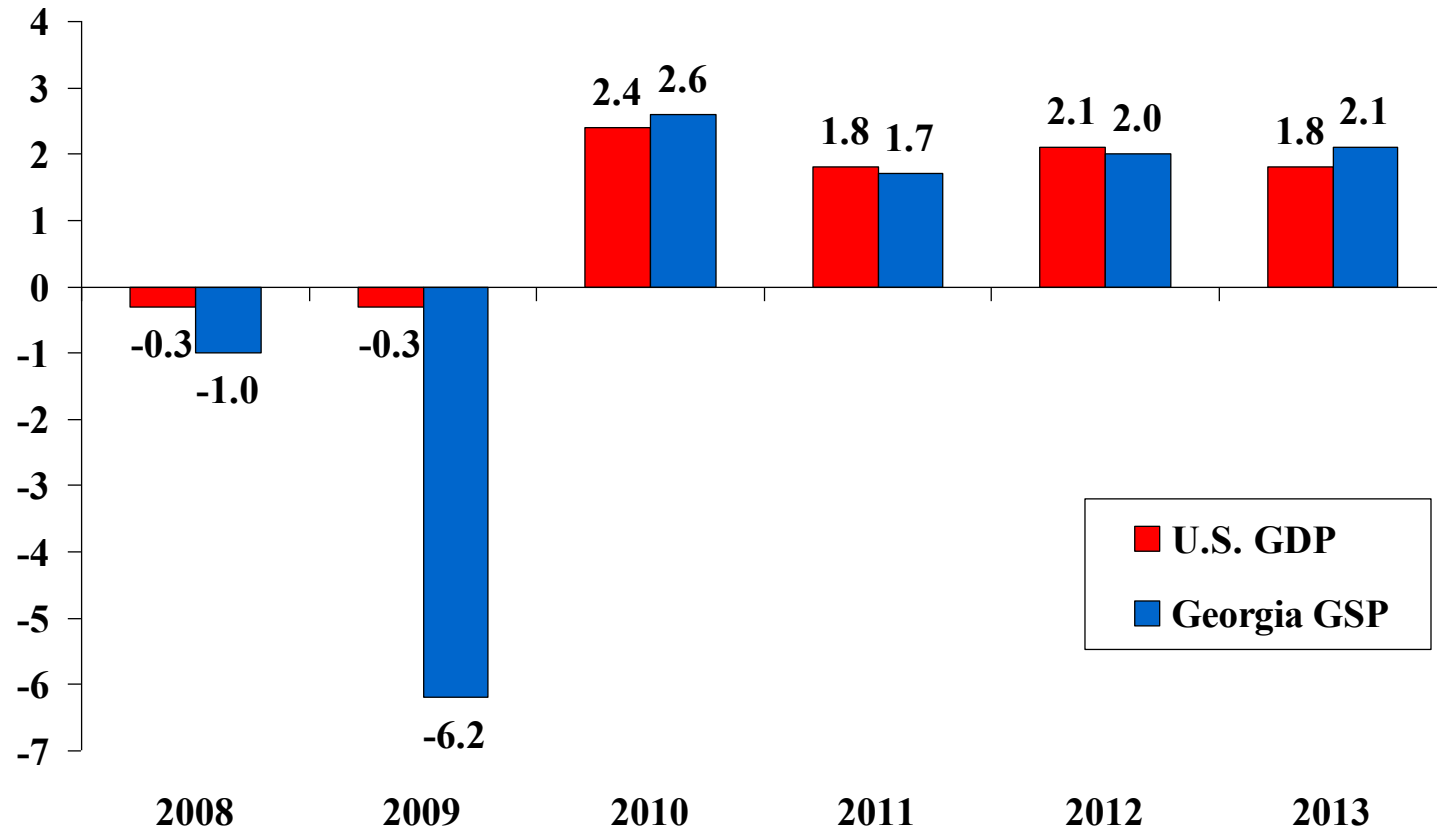
Information Provided By Trendgraphix. PGR Numbers Internal.



**Improving Economy
in Georgia!**

Georgia Economy Outperforming The National Economy In 2013

(Terry College of Business – University of Georgia)

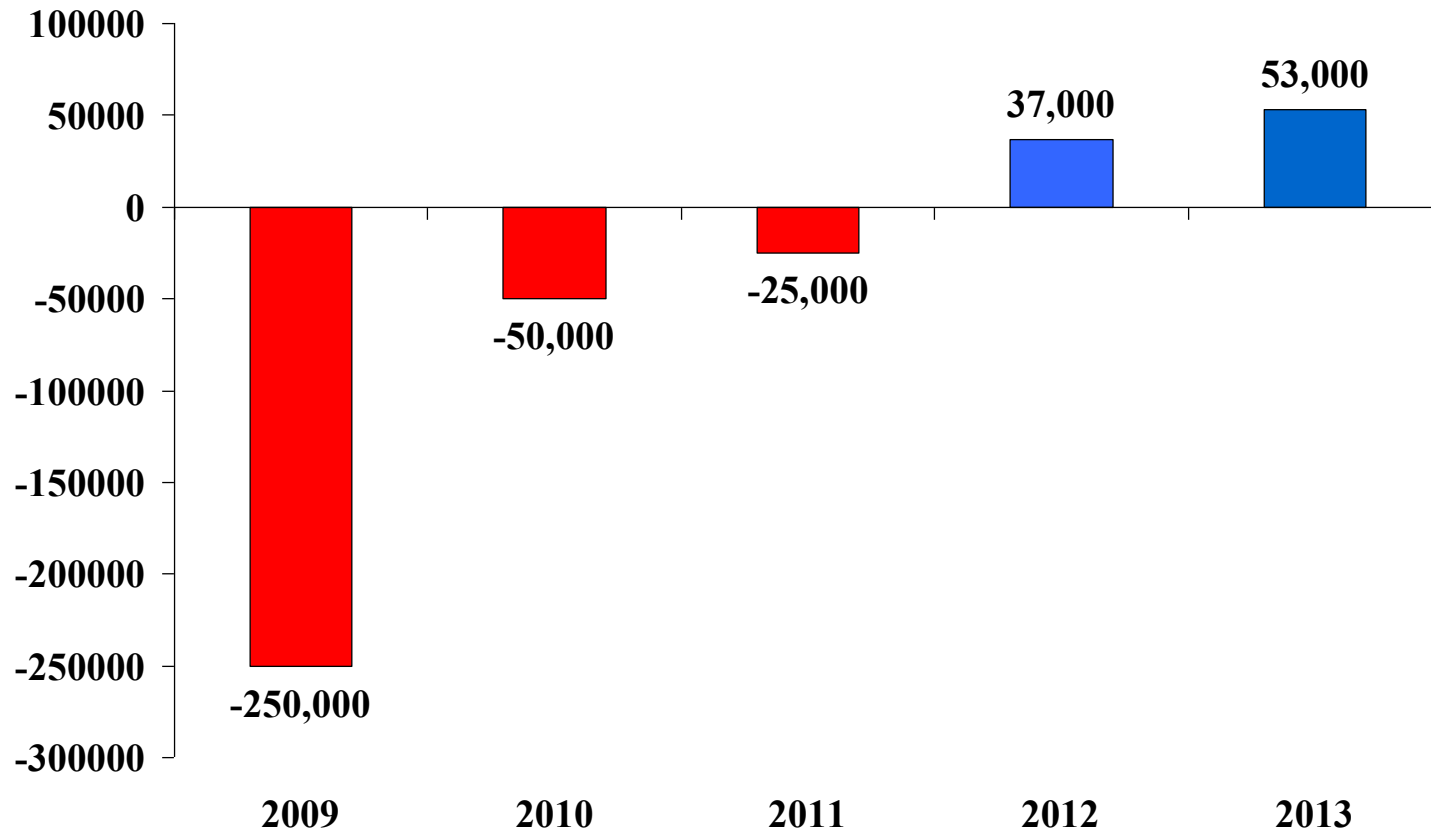




**More Jobs
In Georgia!**

More Jobs In Georgia

(Terry College of Business – University of Georgia)

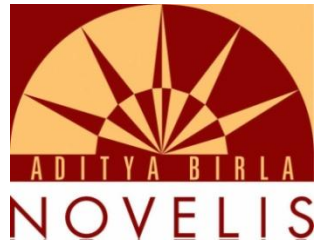


- Georgia Lost 325,000 Jobs In The Great Recession.
- 2012 Restarted Positive Job Growth Trend!



**Buyer Demand
Will Be Higher**

Major Group Moves



Baxter

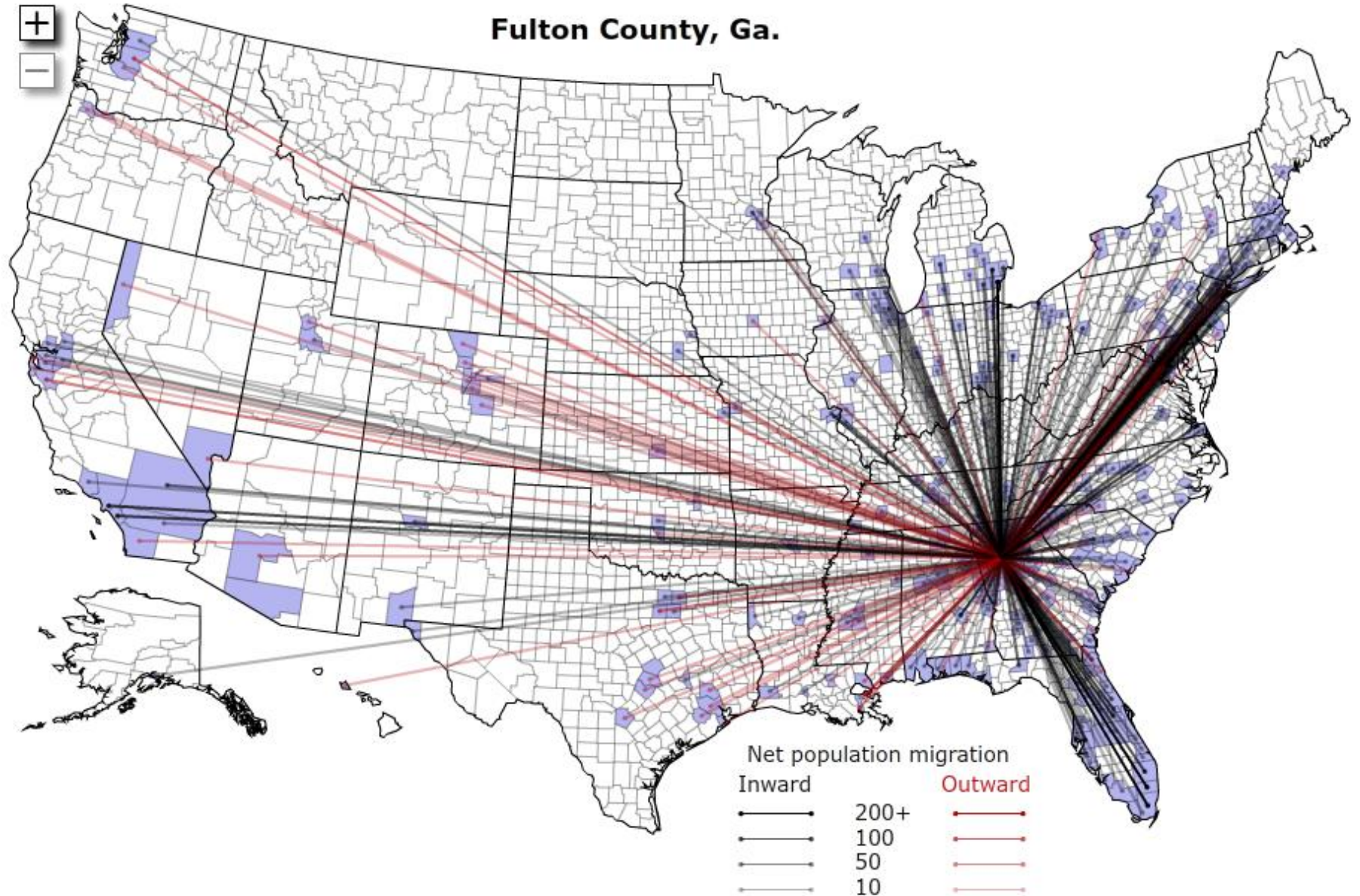


PORSCHE



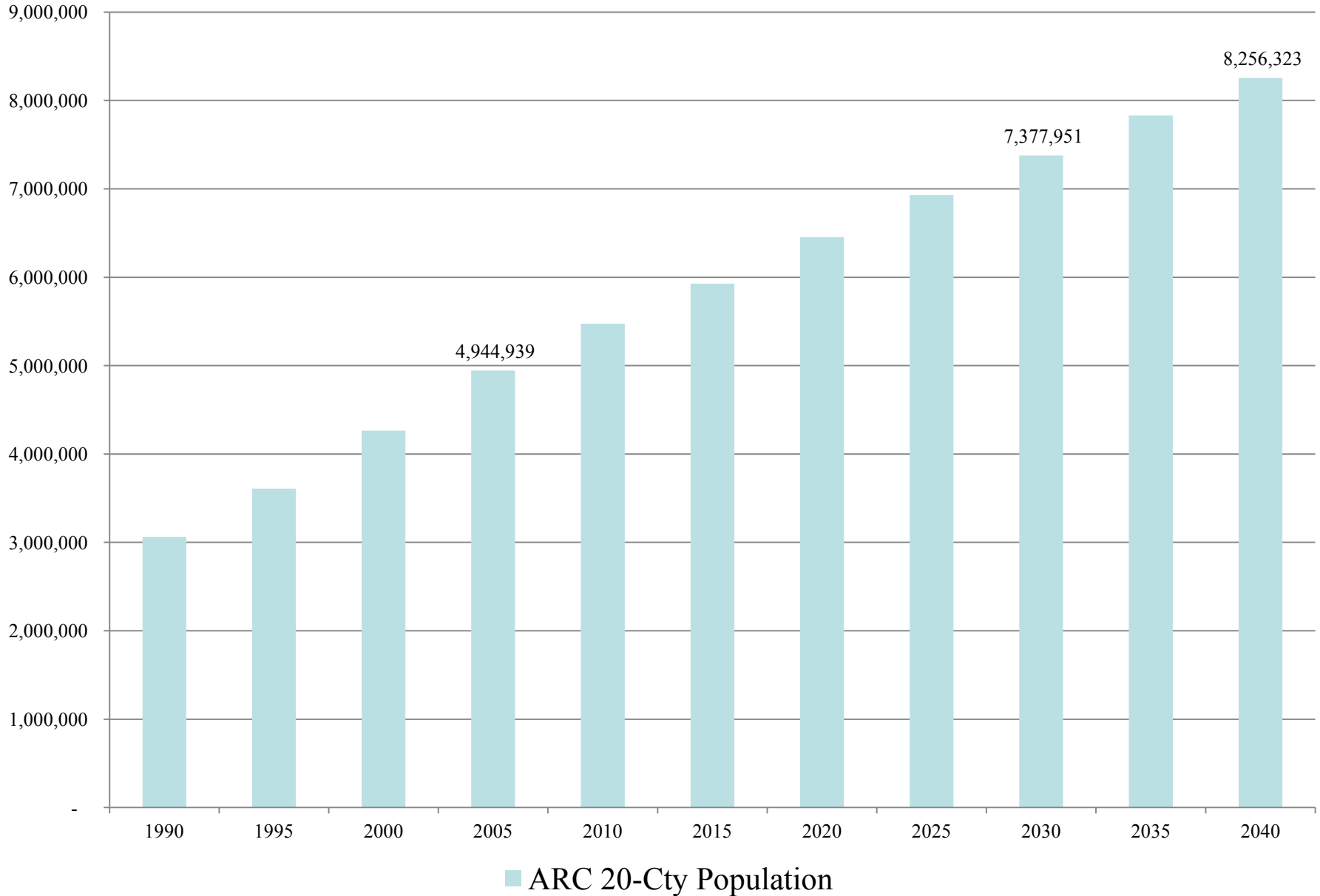
And More Coming ...

Rustbelt To Sunbelt



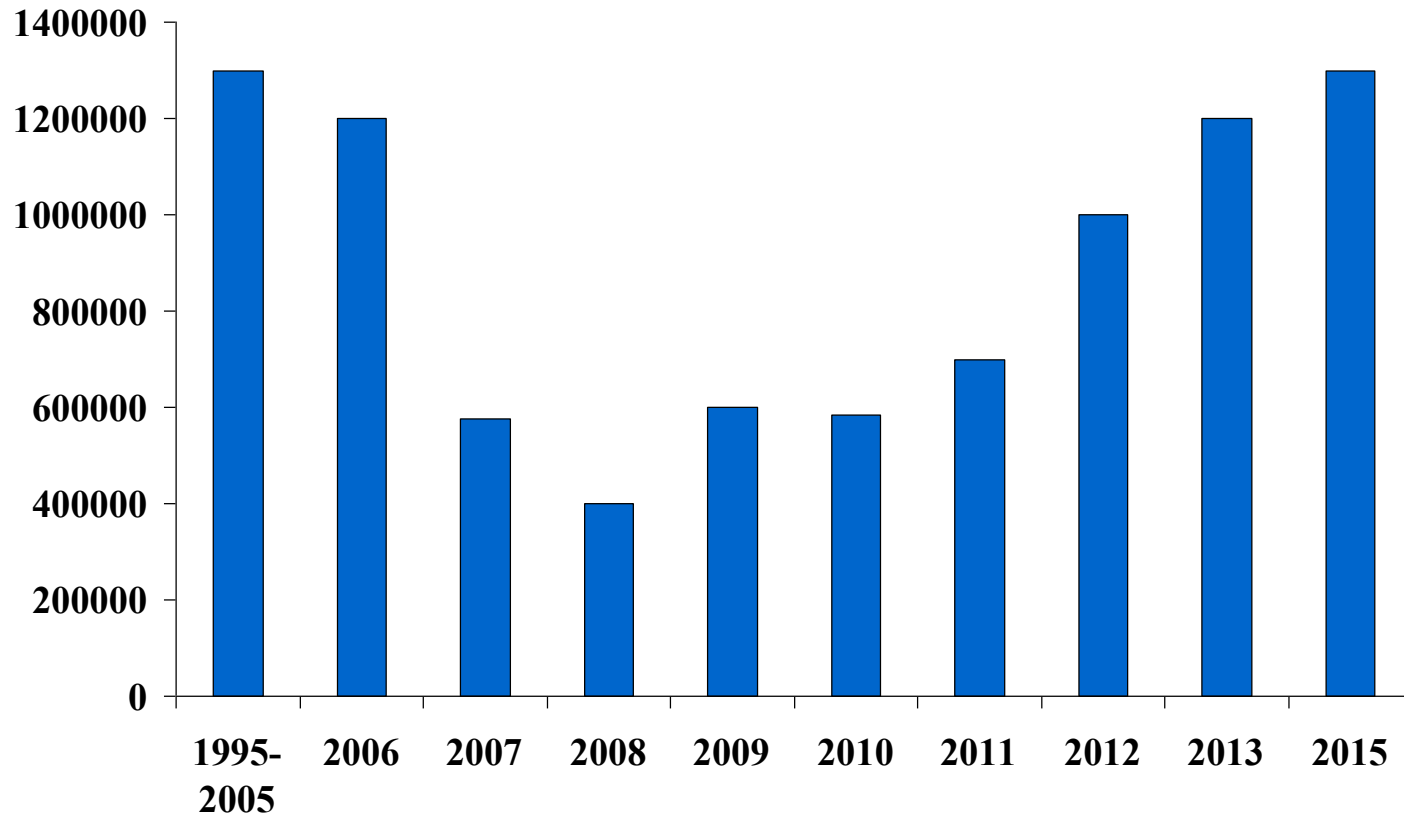
Forecast Population Growth

20-County Forecast Area



U. S. Household Formation Trends

Demand For 1st Time Buyers Will Be Strong!



Source: U.S. Census, JCHS Household Growth Projections, Goldman Sachs

- **New Household Formation Dropped From 1.2 Mil (2006) To 400,000 (2008)**
- **Growing To 1.2 Million In 2013. Lots Of Pent-Up Demand.**
- **4 Million Students Per Year Graduate From College For Next 10 Years!**

Baby Boomers Are Coming To Be Close To Their Children & Grandchildren.

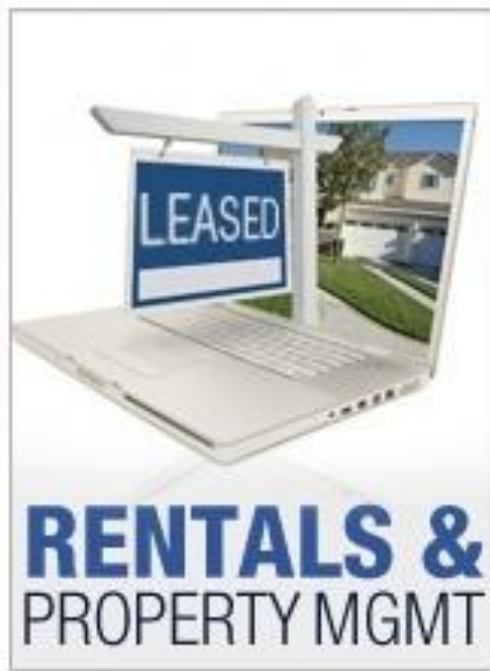
	Total Population	Rank of Share				
		Under 20	20-64	65+	25-39	45-59
Dallas	6,144,489	3	9	25	1	24
Atlanta	5,271,550	5	6	27	2	19
Phoenix	4,179,427	4	24	15	4	26
Denver	2,466,591	11	5	24	4	12
Riverside	4,081,371	1	27	22	5	27
Houston	5,629,127	2	10	26	6	21
Portland	2,174,631	19	2	19	7	7
Seattle	3,309,347	22	1	20	8	3
Sacramento						
Washington						
Los Angeles						
San Diego						
San Francisco						
Orlando						
Minneapolis						
Chicago						
New York						
Boston	4,482,857	23	8	9	18	10
Cincinnati	2,134,864	9	19	13	19	14
Baltimore	2,668,056	17	11	11	20	9
Detroit	4,467,592	13	18	12	21	5
Philadelphia	5,827,962	16	21	5	22	13
St. Louis	2,802,282	15	20	7	23	8
Miami	5,413,212	24	26	3	24	17
Tampa	2,723,949	25	25	1	25	16
Cleveland	2,096,471	20	23	4	26	2
Pittsburgh	2,355,712	27	22	2	27	1

Metro Atlanta Has The:

- #2 Population Age 25-39
- #5 Population Under 20

Source: Census Bureau

Investors See The Opportunity To Buy Low, Lease & Sell High For Single Family Properties!

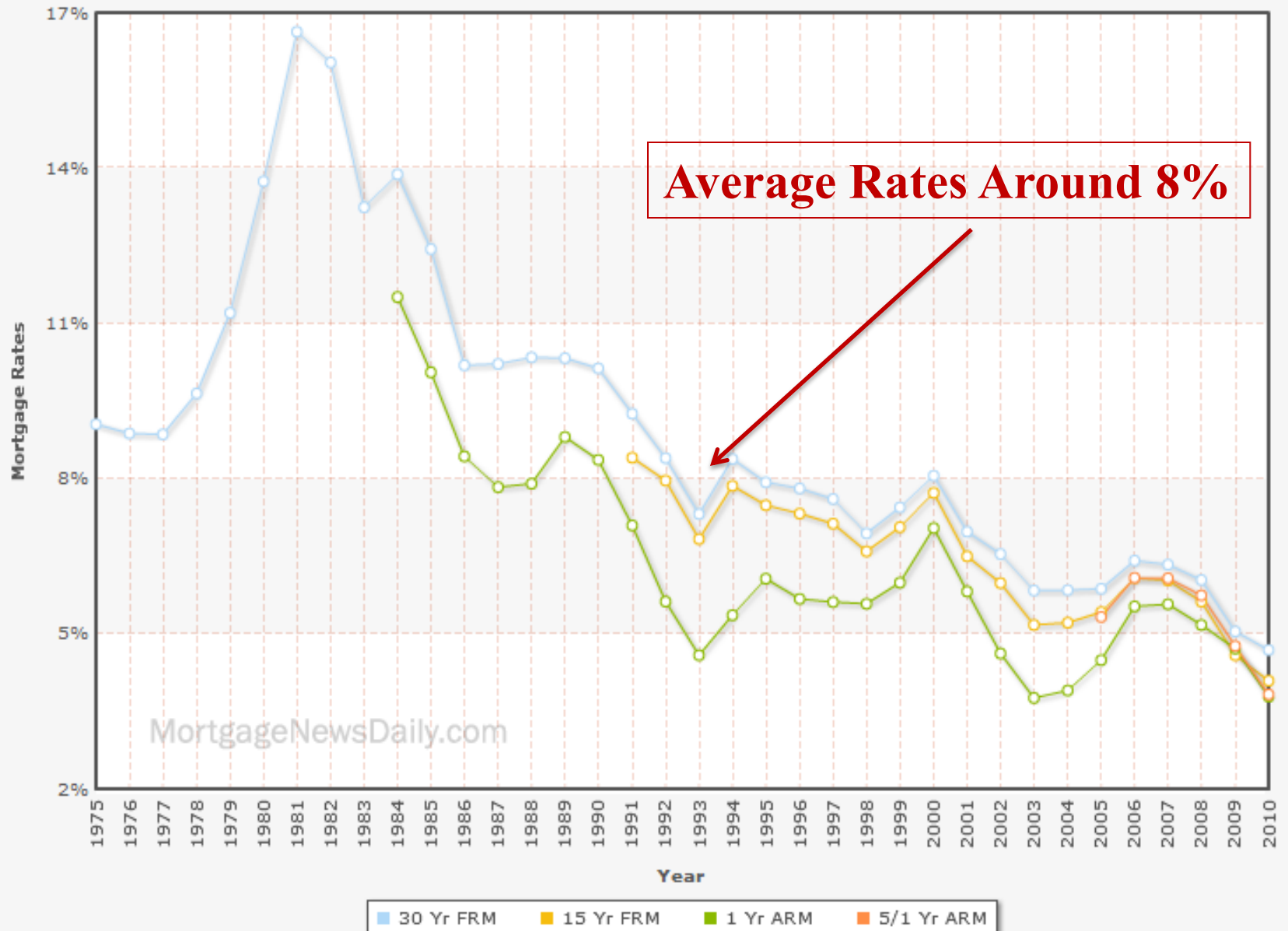


**This Is Causing A Shortage Of
Inventory Under \$200,000.**

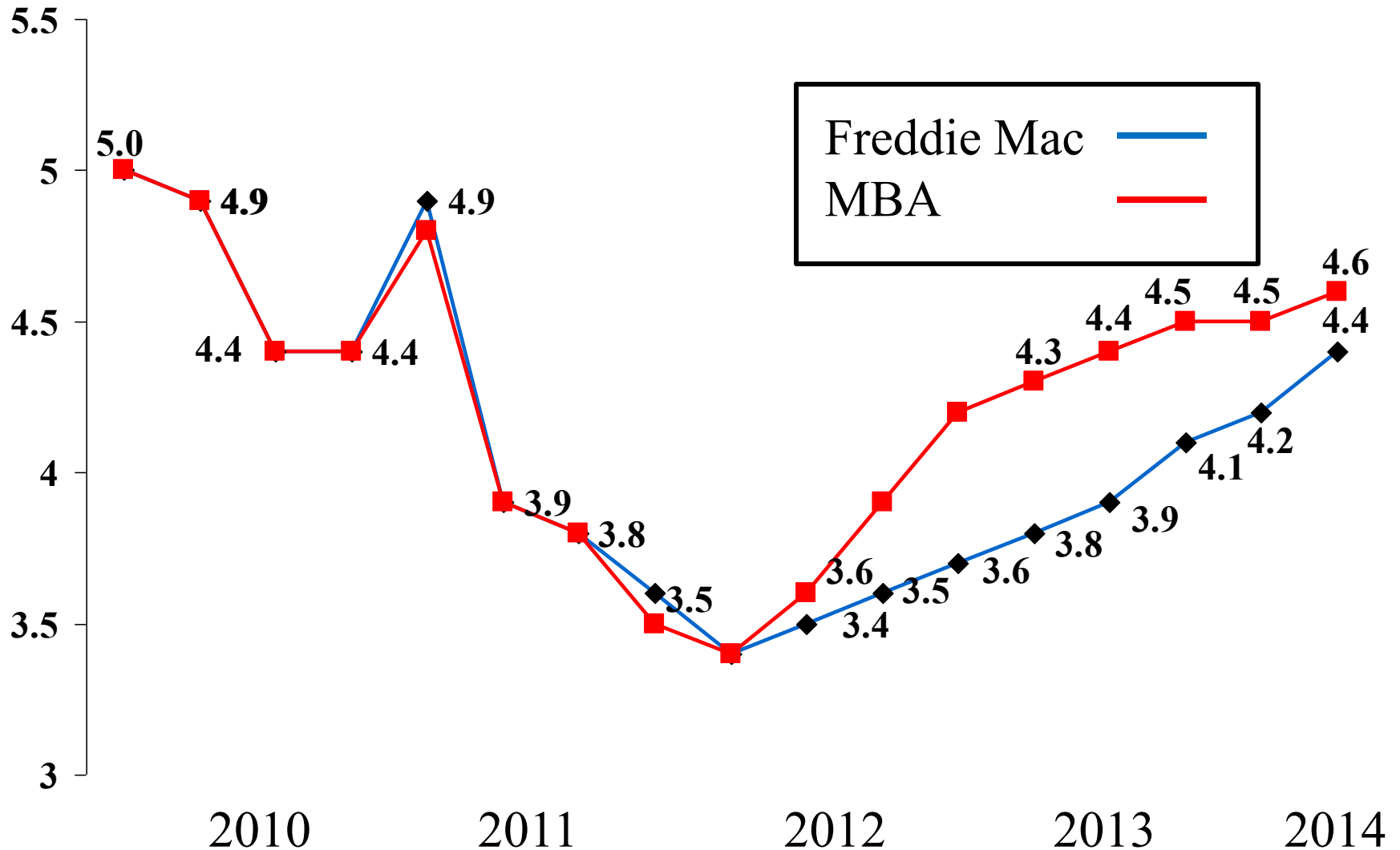


Home Affordability (Prices + Mortgage Rates)

U.S. Average Weekly Mortgage Rates (36 Years)

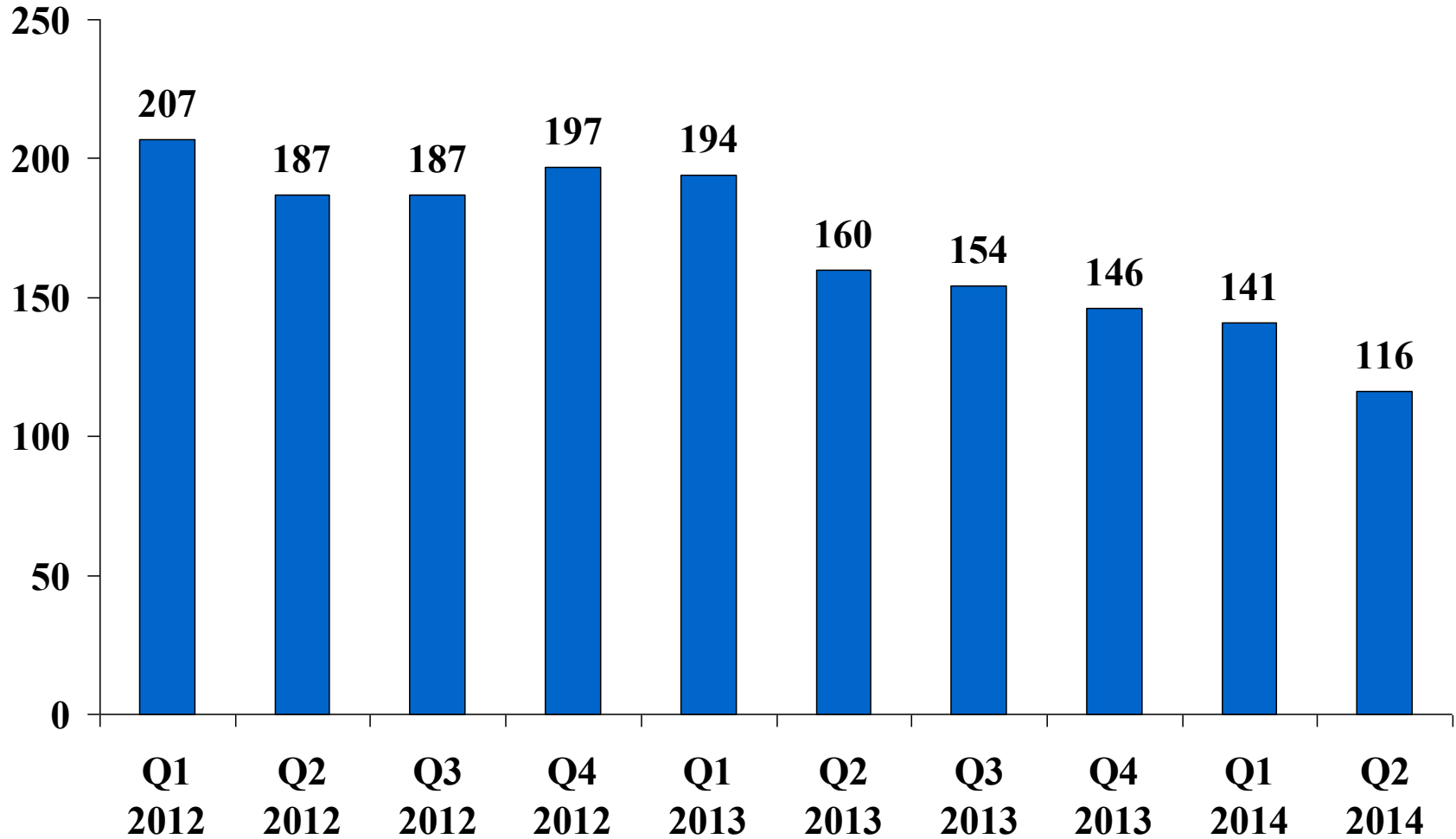


Freddie Mac & Mortgage Bankers Association 30-Year Fixed Rate Forecast (March 2013) 2010 – 2014 Quarterly Averages



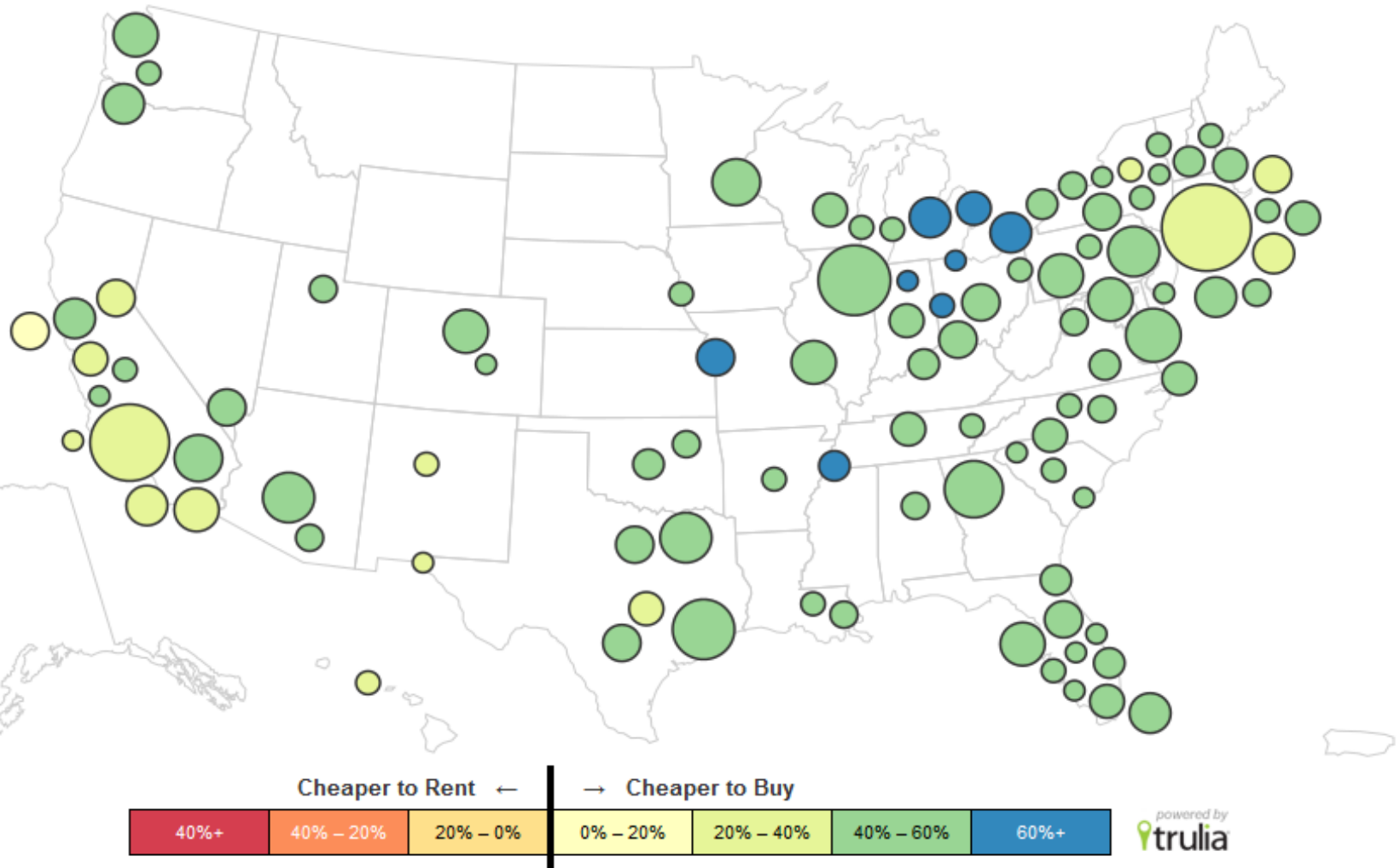
National Housing Affordability Index

(Combination of home prices and mortgage rates)

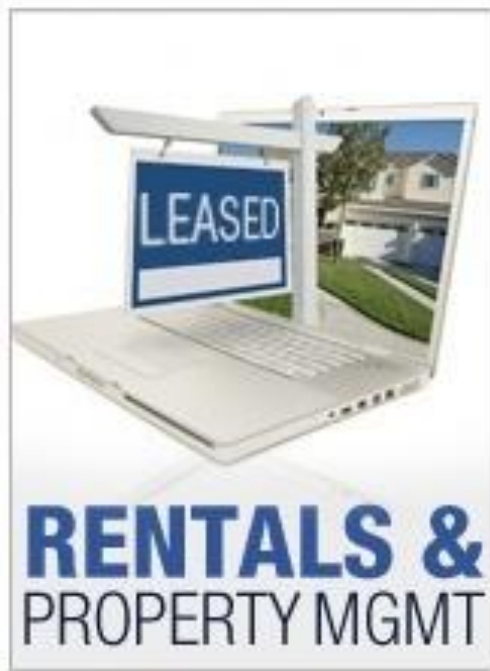


Affordability Remains High – But Prices Improving

Metro Atlanta Is 56% Better To Buy Than Rent



Investors See The Opportunity To Buy Low, Lease & Sell High For Single Family Properties!



**This Is Causing A Shortage Of
Inventory Under \$200,000.**