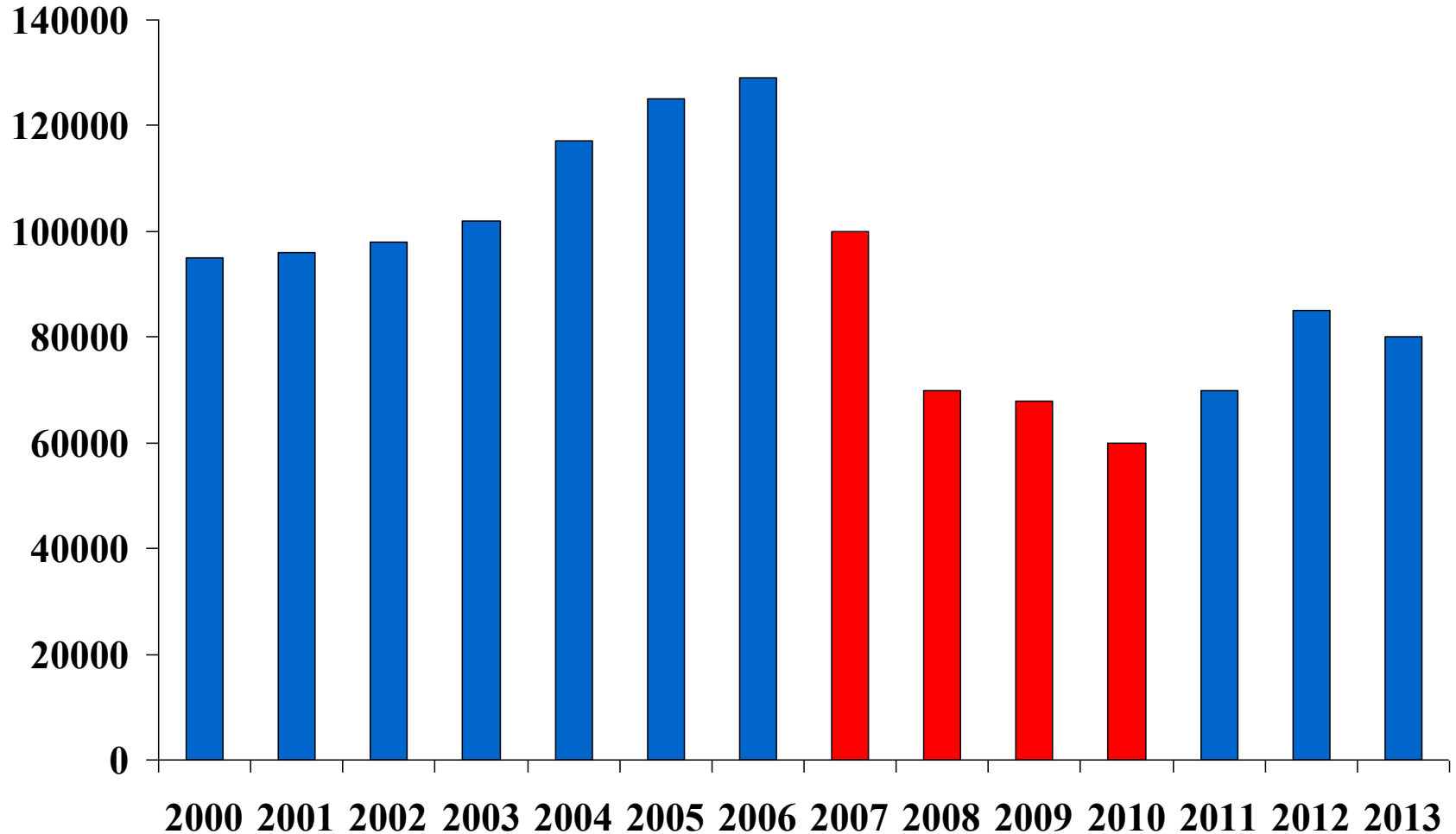


# Greater Metro Atlanta Market

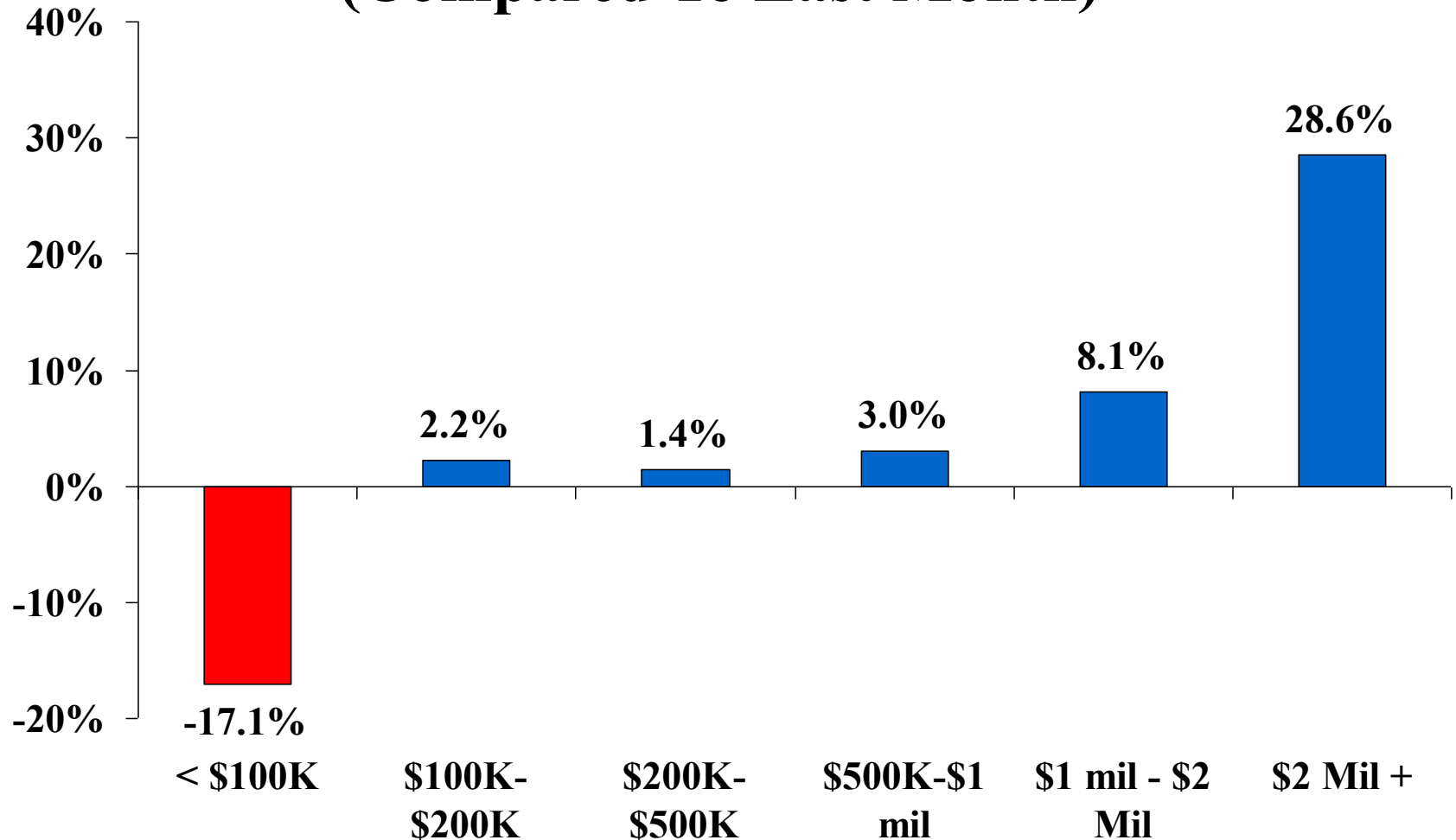
# **Metro Atlanta Homes Sold**



**125,000 Homes Sold In 2006. 60,000 Homes Sold in 2010. 2013 Closings Down Due To Low Inventory And Higher Fallout Rates.**

# Metro Atlanta Closings – July 2013

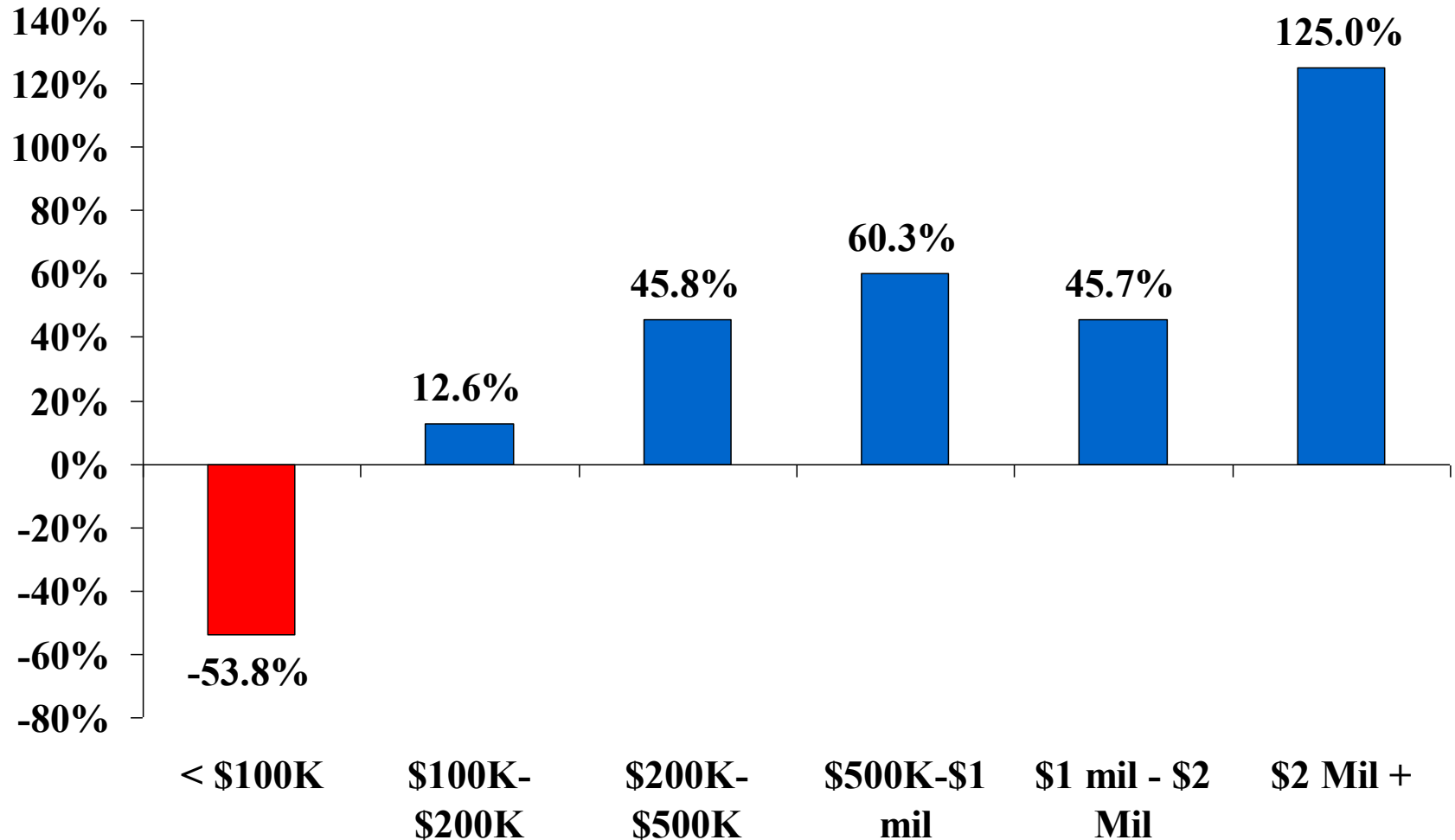
## (Compared To Last Month)



**Under \$100k Slowing Due To Fewer Investors**

# Metro Atlanta Closings – July 2013

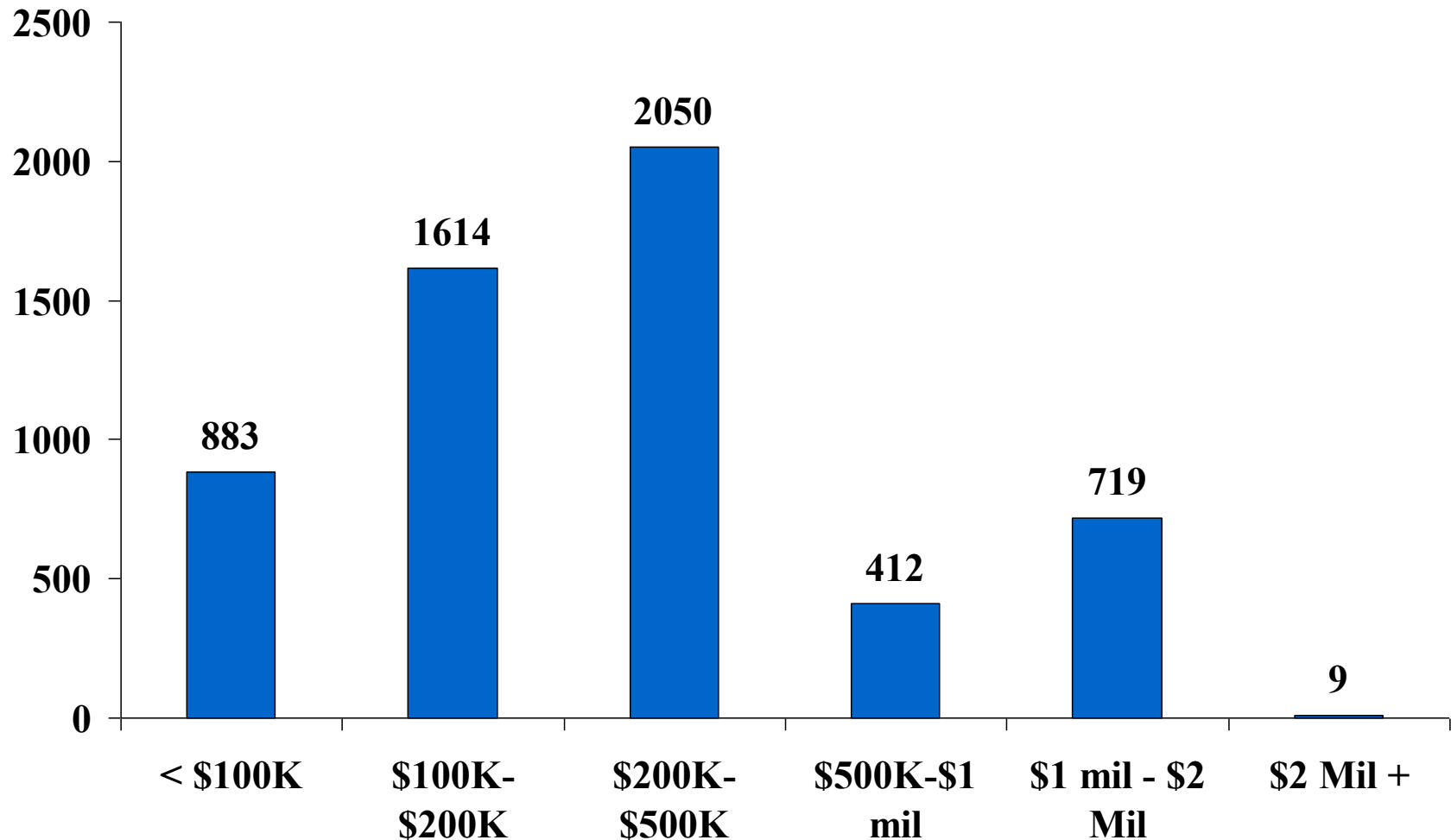
## (Compared To Same Month Last Year)



**Under \$100k Slowing Due To Fewer Investors**

# **Metro Atlanta Closings – July 2013**

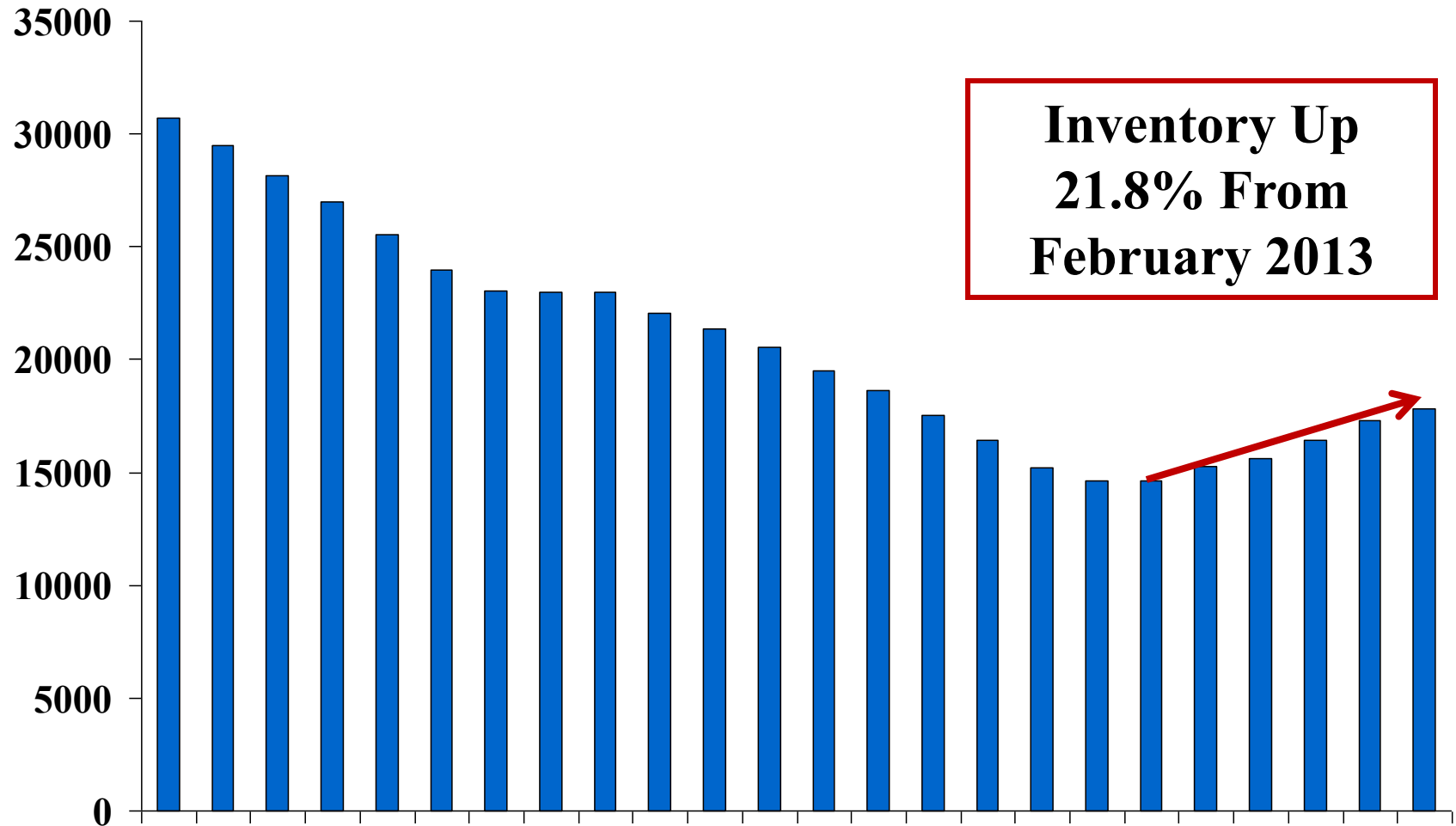
## **(Number Of Transactions)**



**Under \$100k Was Over 50% Of Transactions In 2010.  
Now Back to 15.5% - Reflecting Normal Distribution.**

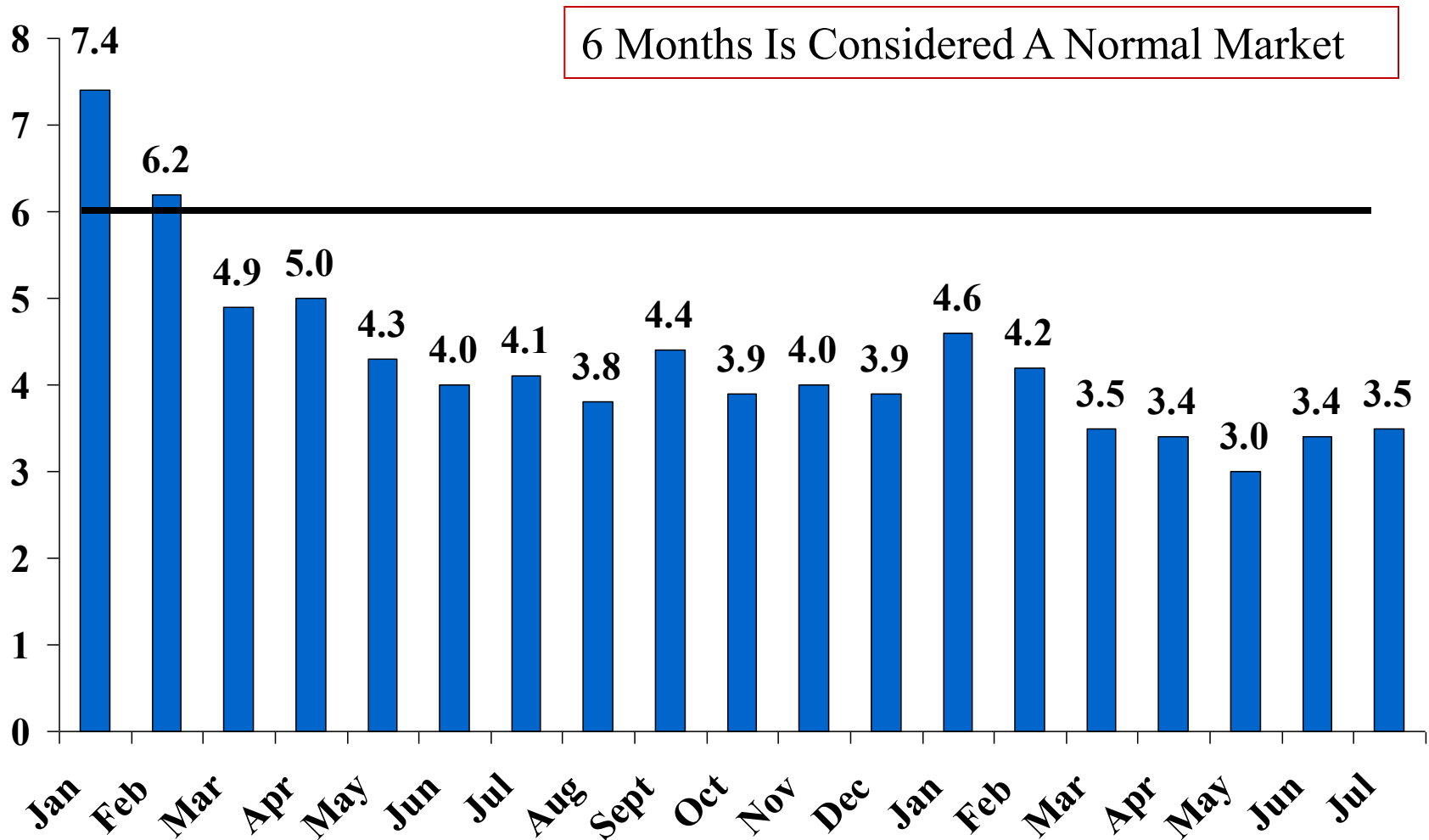
# Listed Inventory July 2011 – July 2013

## Residential Detached - Metro Atlanta



- Inventory Levels Down 13.1% from July 2012, 45.1% from July 2011

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



# Metro Atlanta Months of Inventory

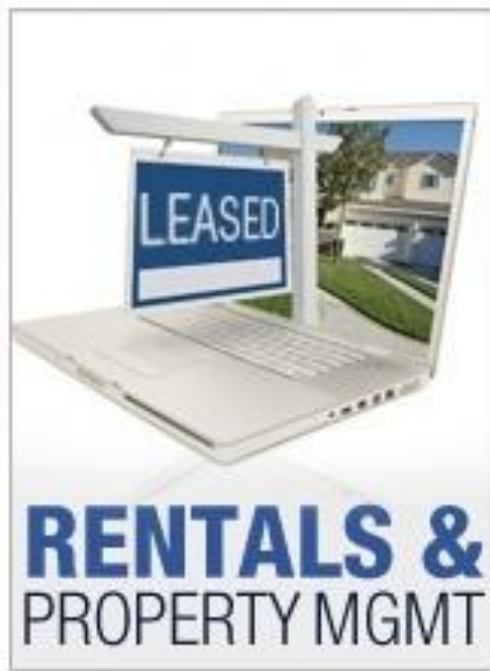
## (Based On Closed Sales)



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

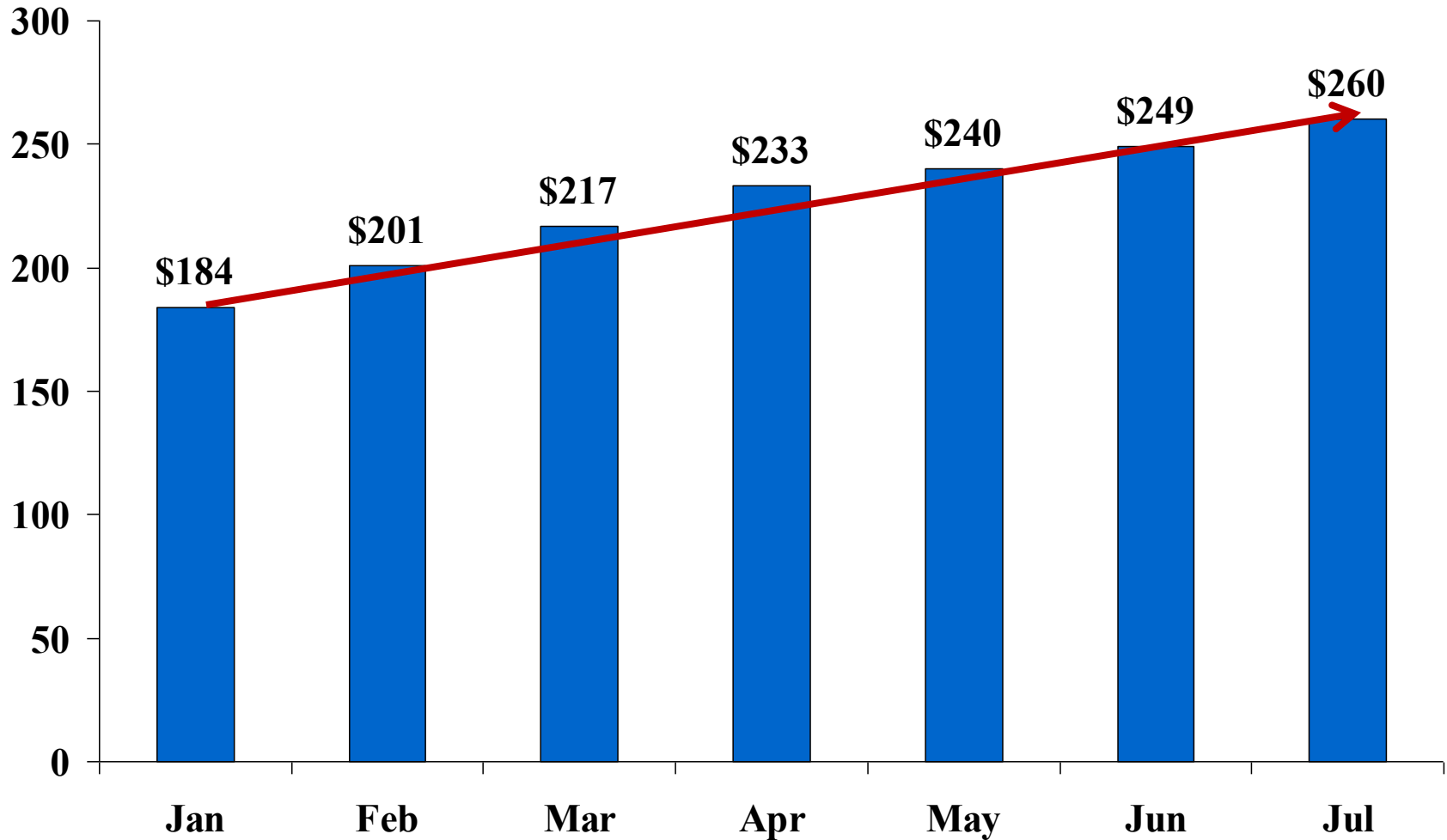


# **Investors See The Opportunity To Buy Low, Lease & Sell High For Single Family Properties!**



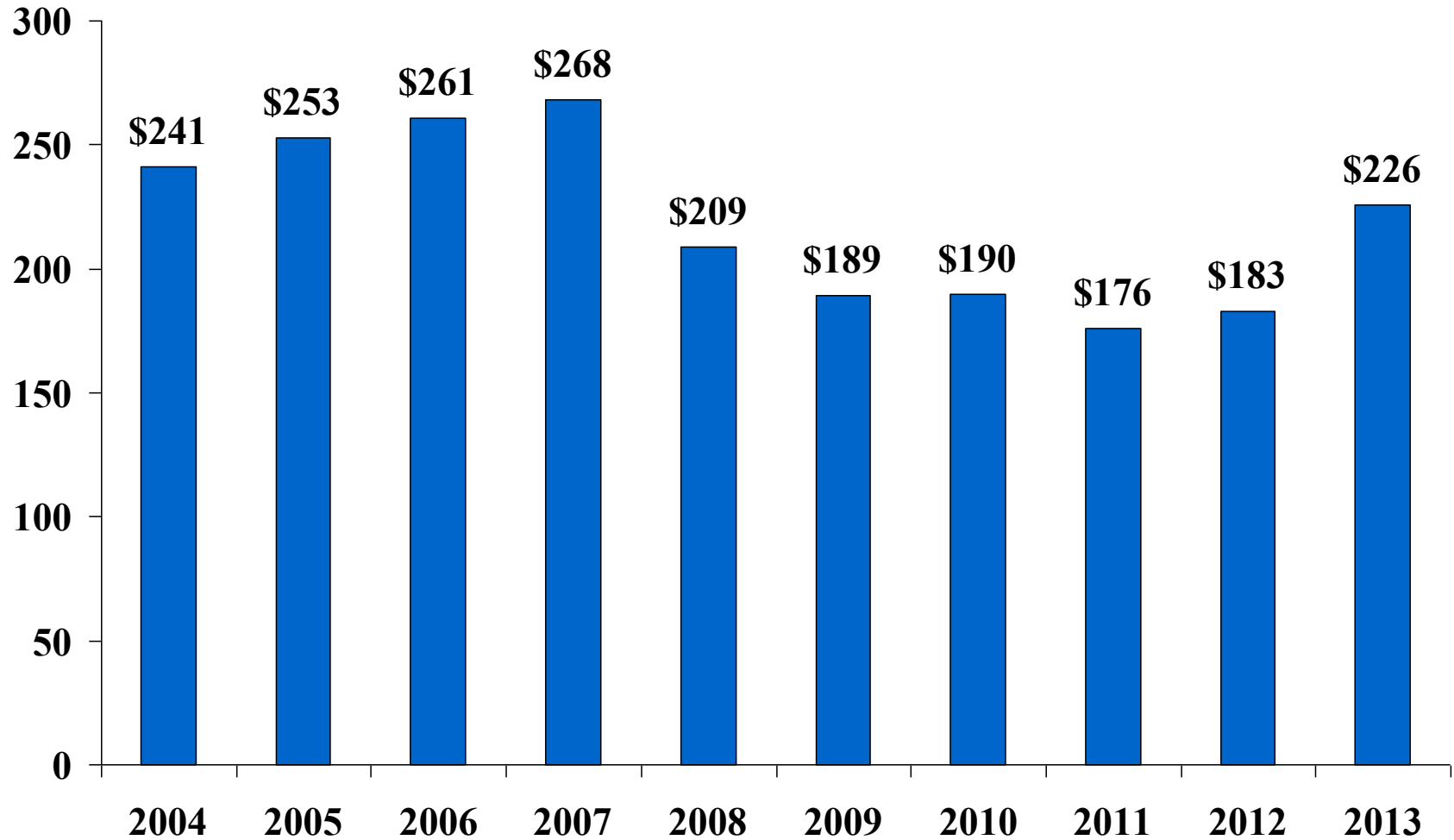
**This Is Causing A Shortage Of  
Inventory Under \$200,000.**

# Metro Atlanta 2013 Average Sale Prices



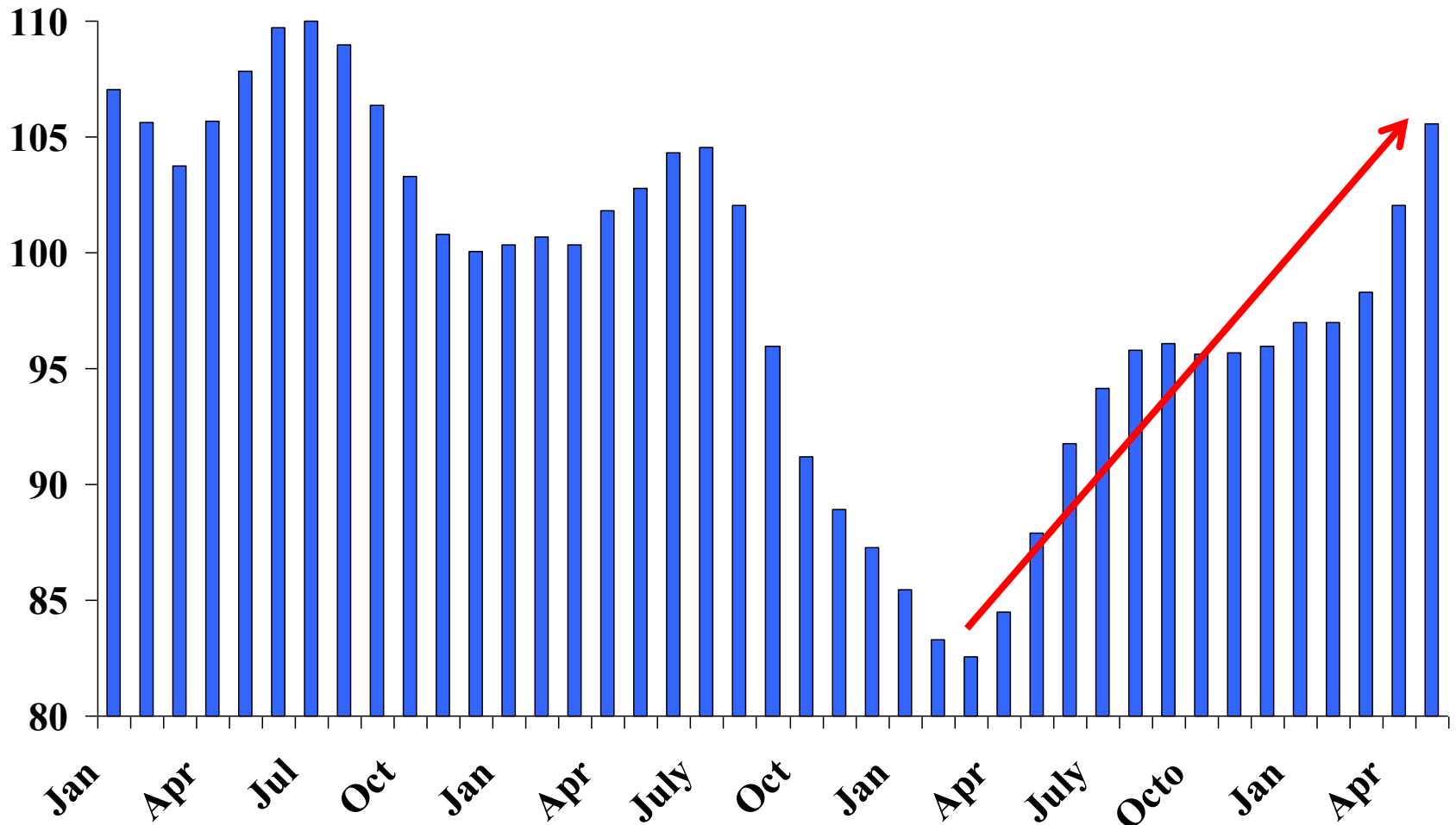
**Average Sales Price Up 41% In 2013**

# Metro Atlanta Average Annual Sale Price Trend



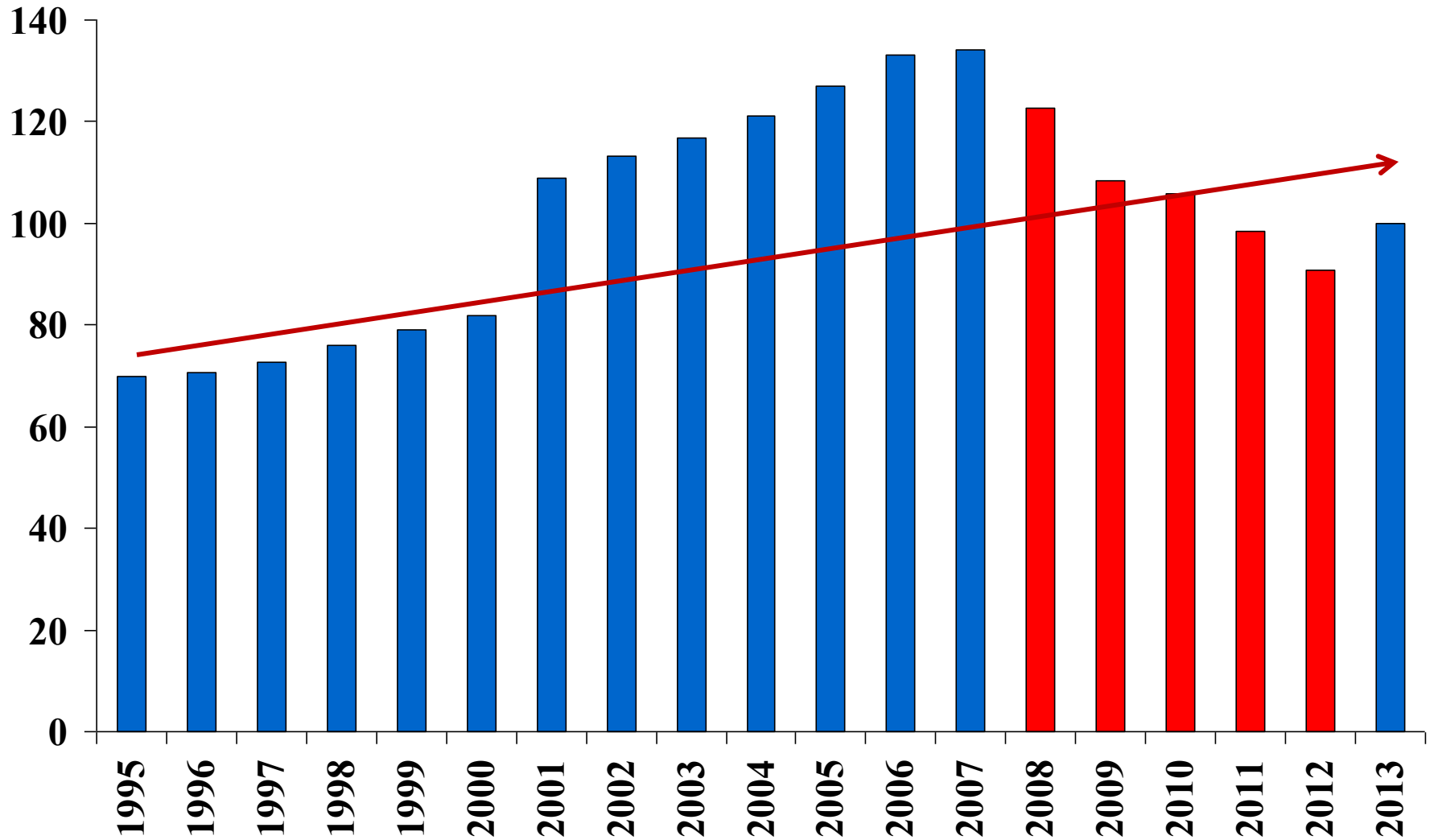
**Average Sales Price Increasing From Bottom Of 2011**

# Case-Shiller Index For Metro Atlanta



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

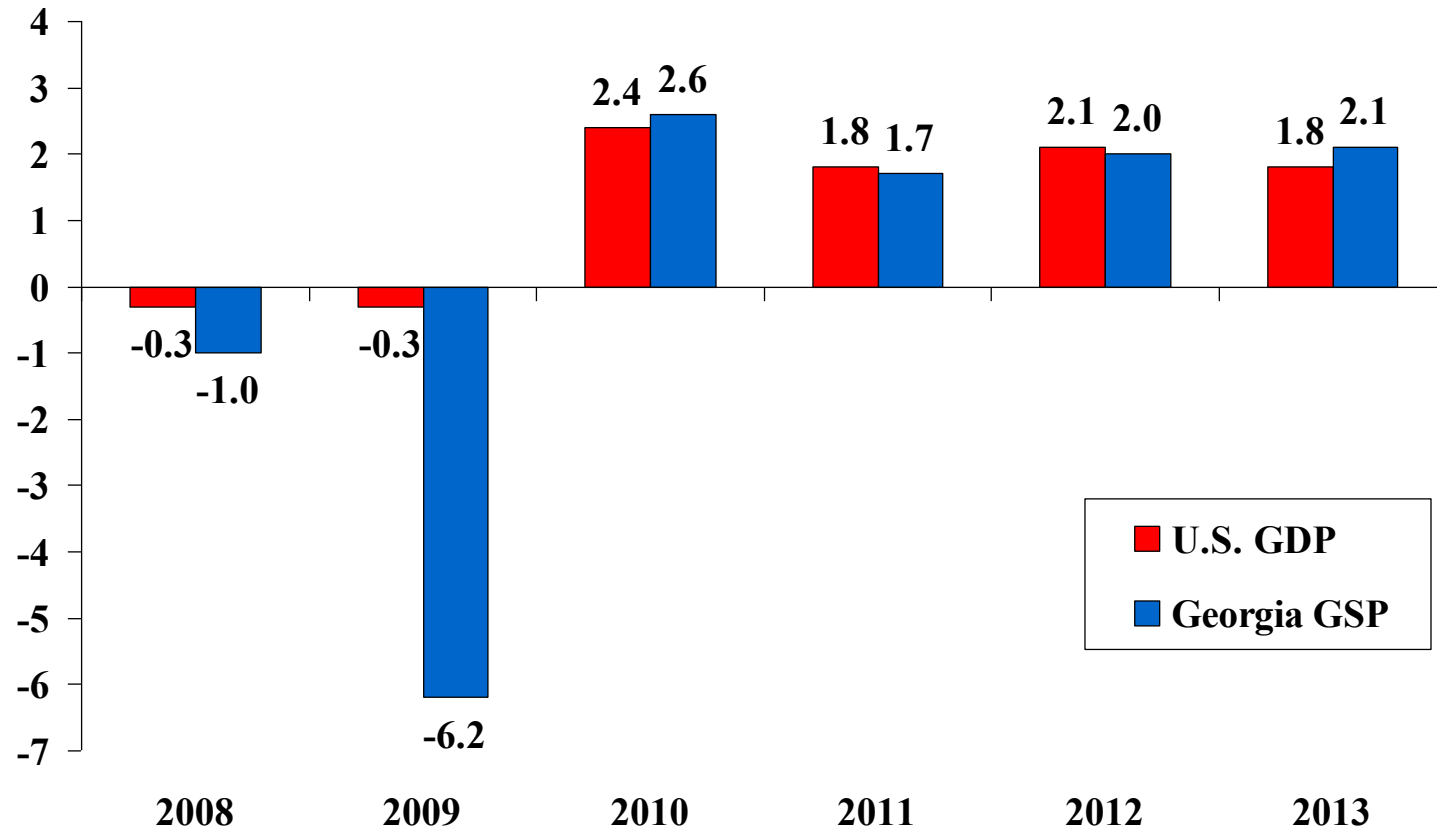
# Case-Shiller Home Values For Metro Atlanta



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

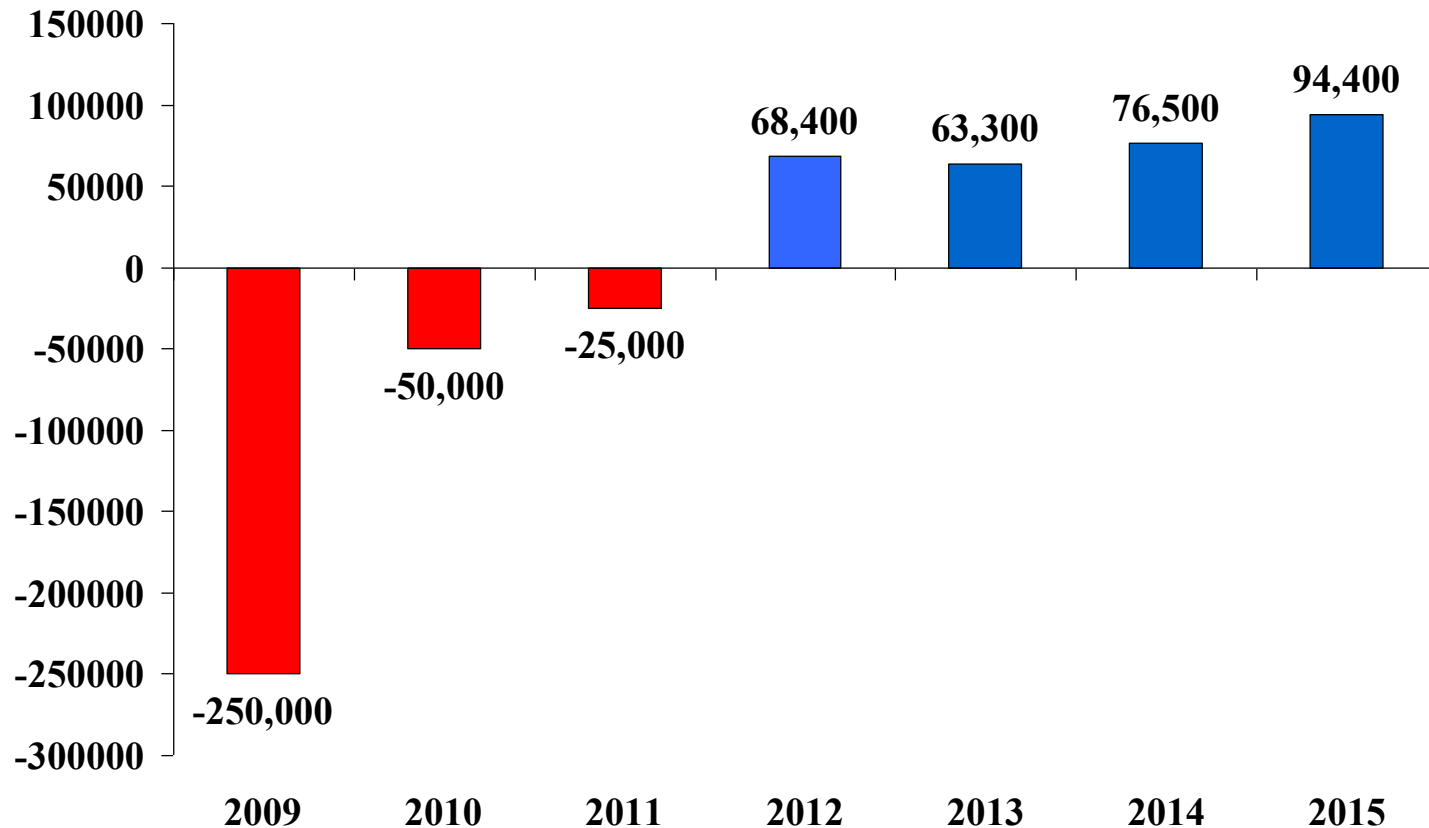
# Georgia Economy Outperforming The National Economy In 2013

(Terry College of Business – University of Georgia)



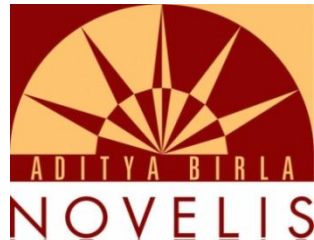
# More Jobs In Georgia!

(Data From Terry College of Business/ UGA& Georgia State Economic Forecasting Center)



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

# Major Group Moves



***Baxter***



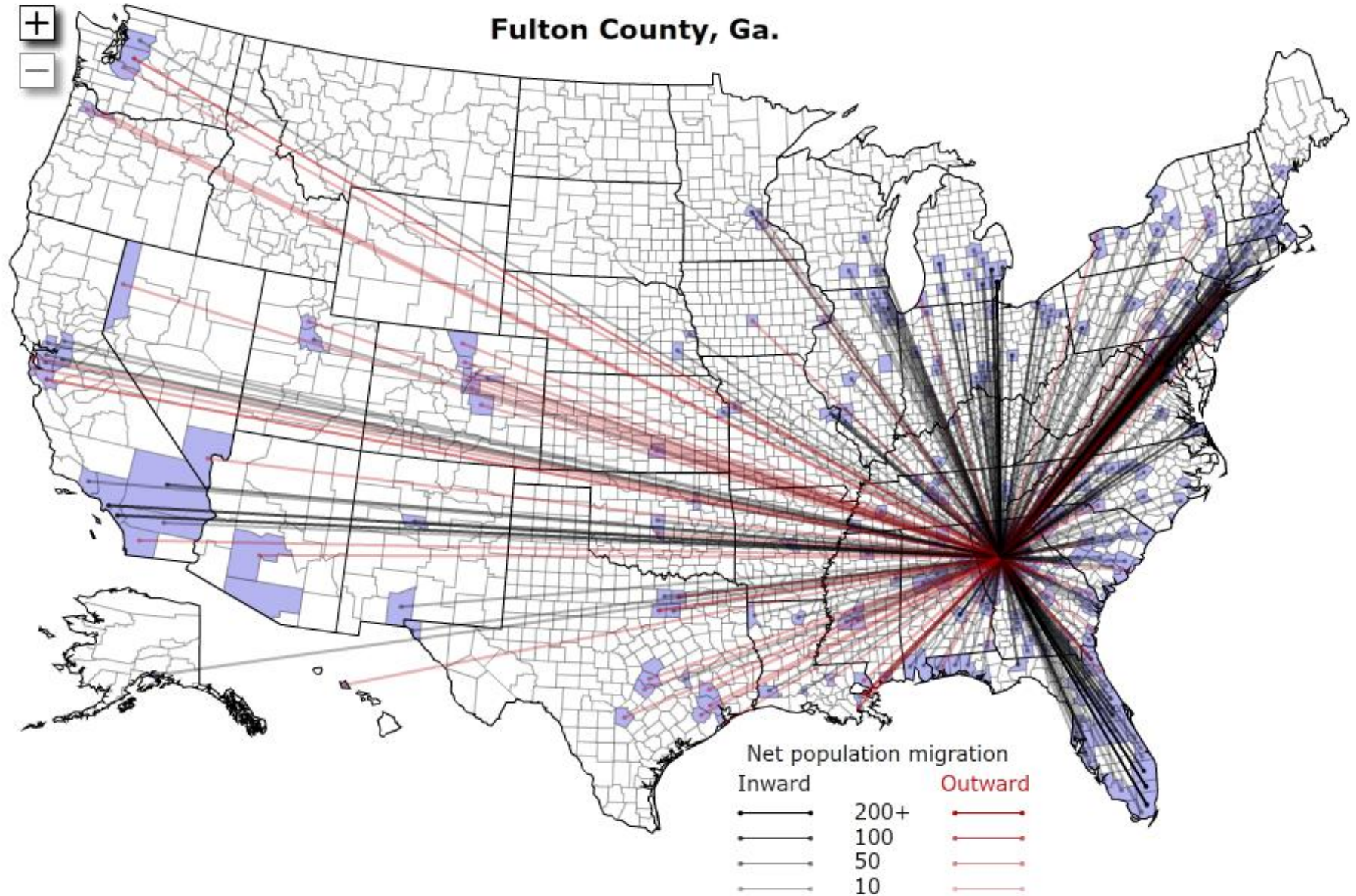
**PORSCHE**



# And More Coming ...

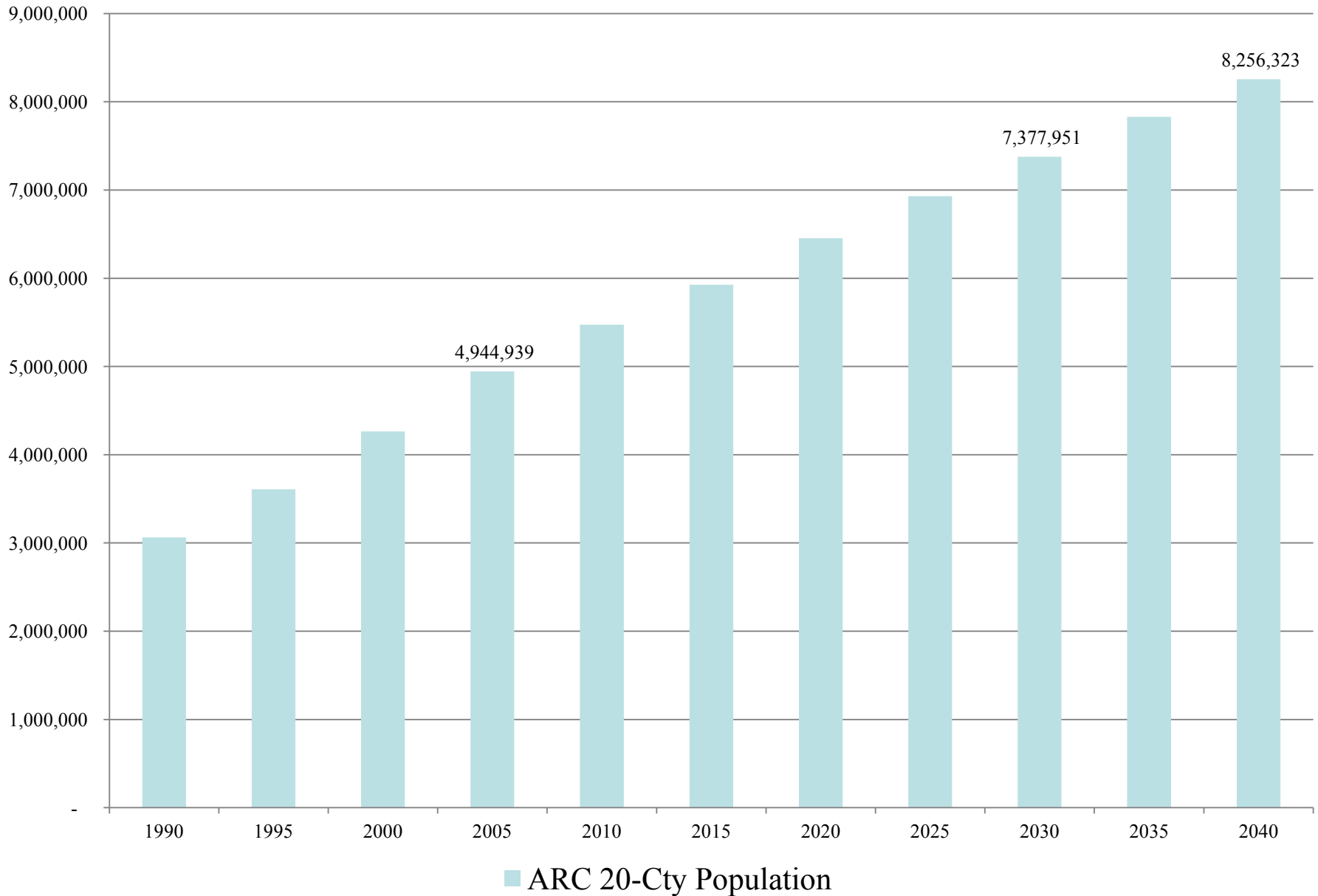


# Rustbelt To Sunbelt



# Forecast Population Growth

*20-County Forecast Area*



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

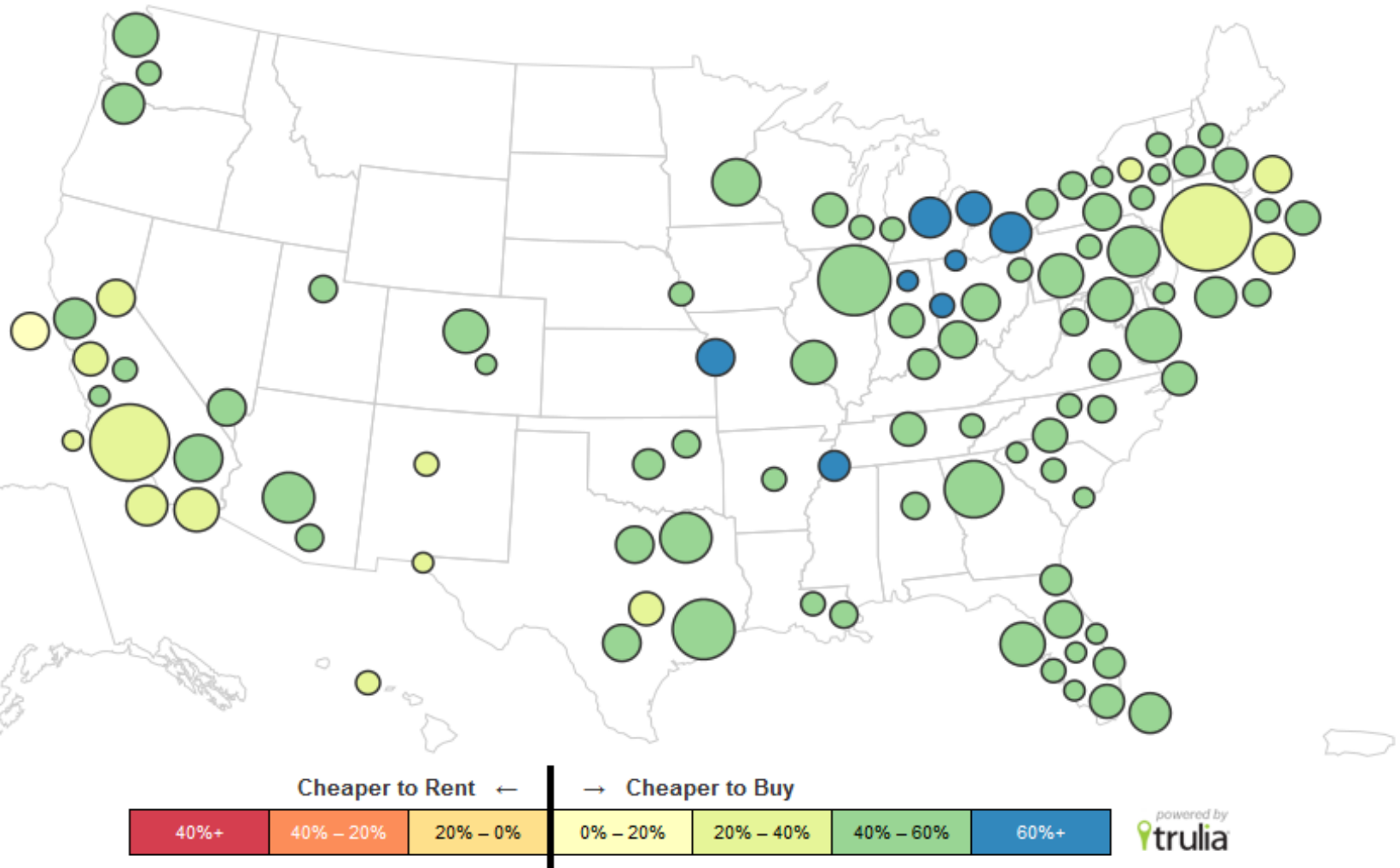
|               | Total Population | Rank of Share |       |     |       |       |
|---------------|------------------|---------------|-------|-----|-------|-------|
|               |                  | Under 20      | 20-64 | 65+ | 25-39 | 45-59 |
| Dallas        | 6,144,489        | 3             | 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

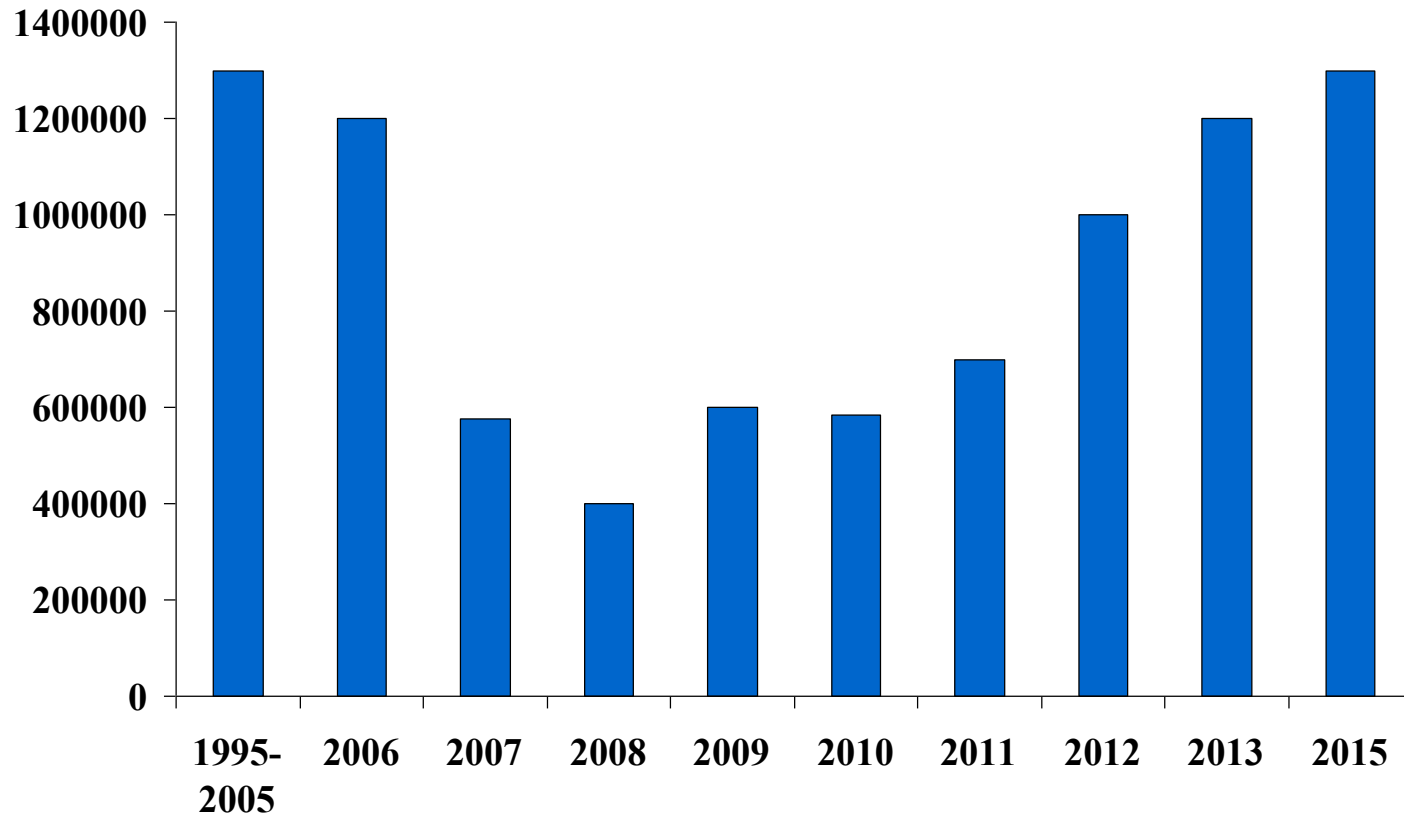
Source: Census Bureau

# Metro Atlanta Is 56% Better To Buy Than Rent



# **U. S. Household Formation Trends**

## **Demand For 1st Time Buyers Will Be Strong!**

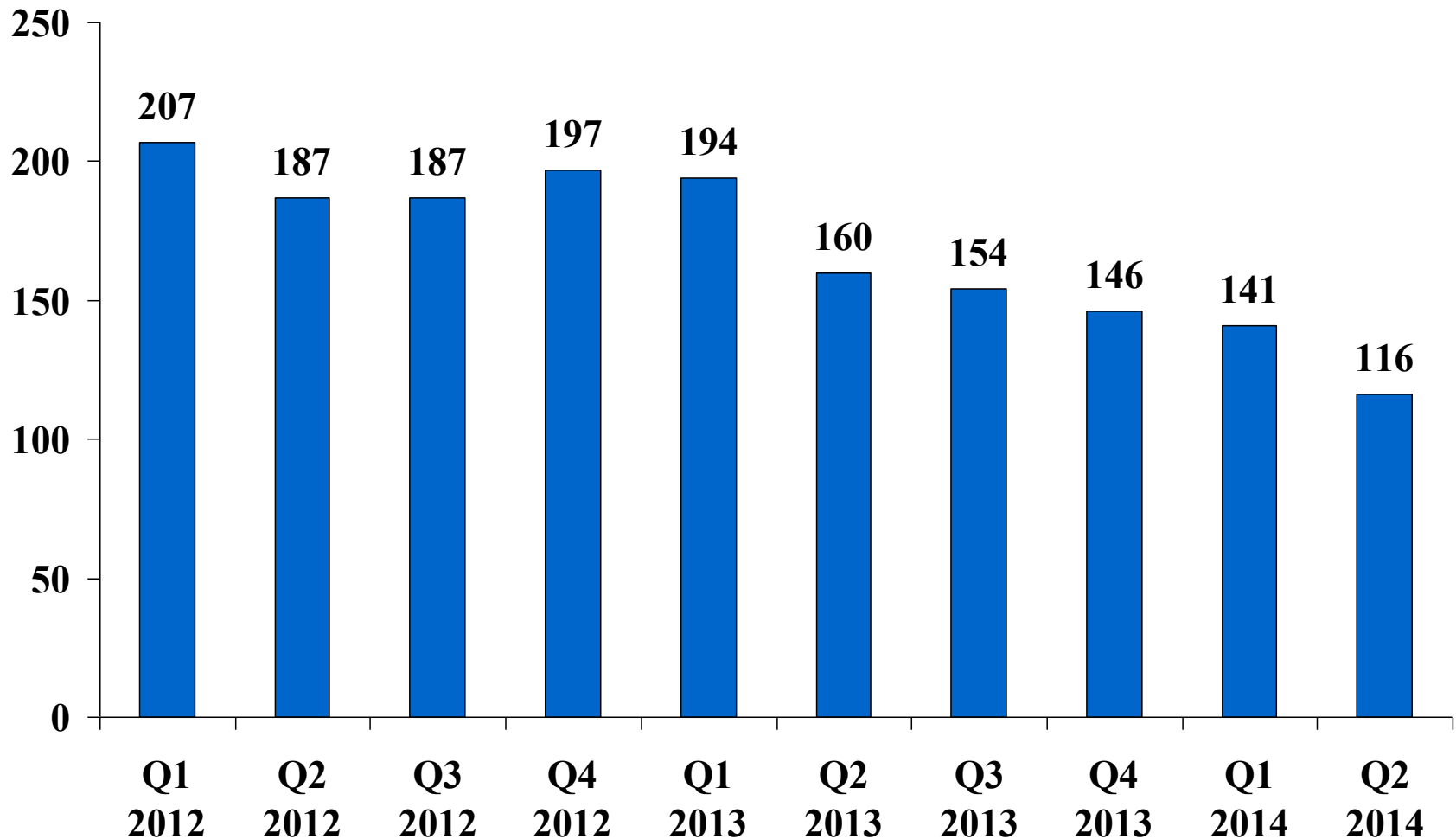


Source: U.S. Census, JCHS Household Growth Projections, Goldman Sachs

- **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!**

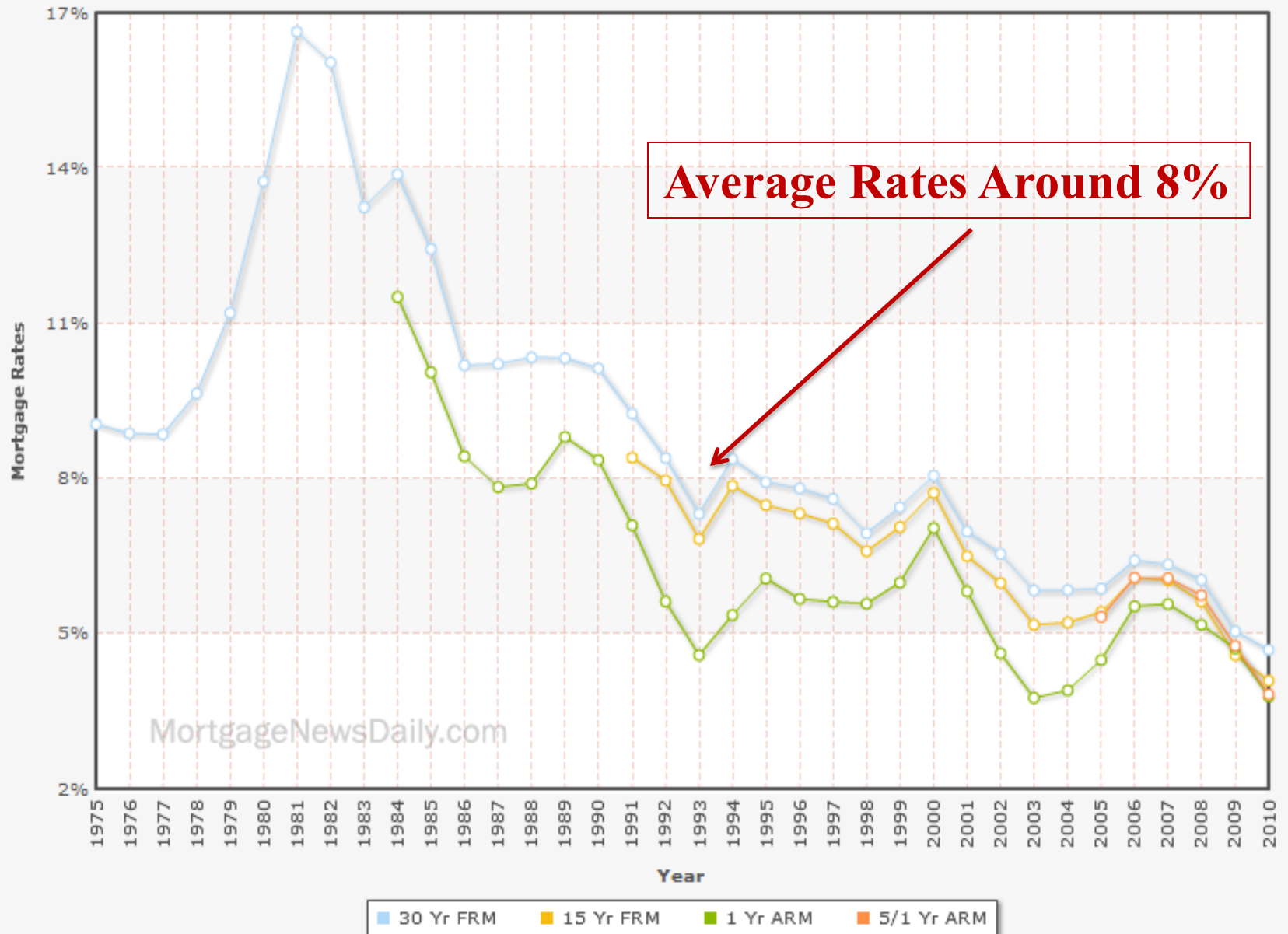
# National Housing Affordability Index

(Combination of home prices and mortgage rates)

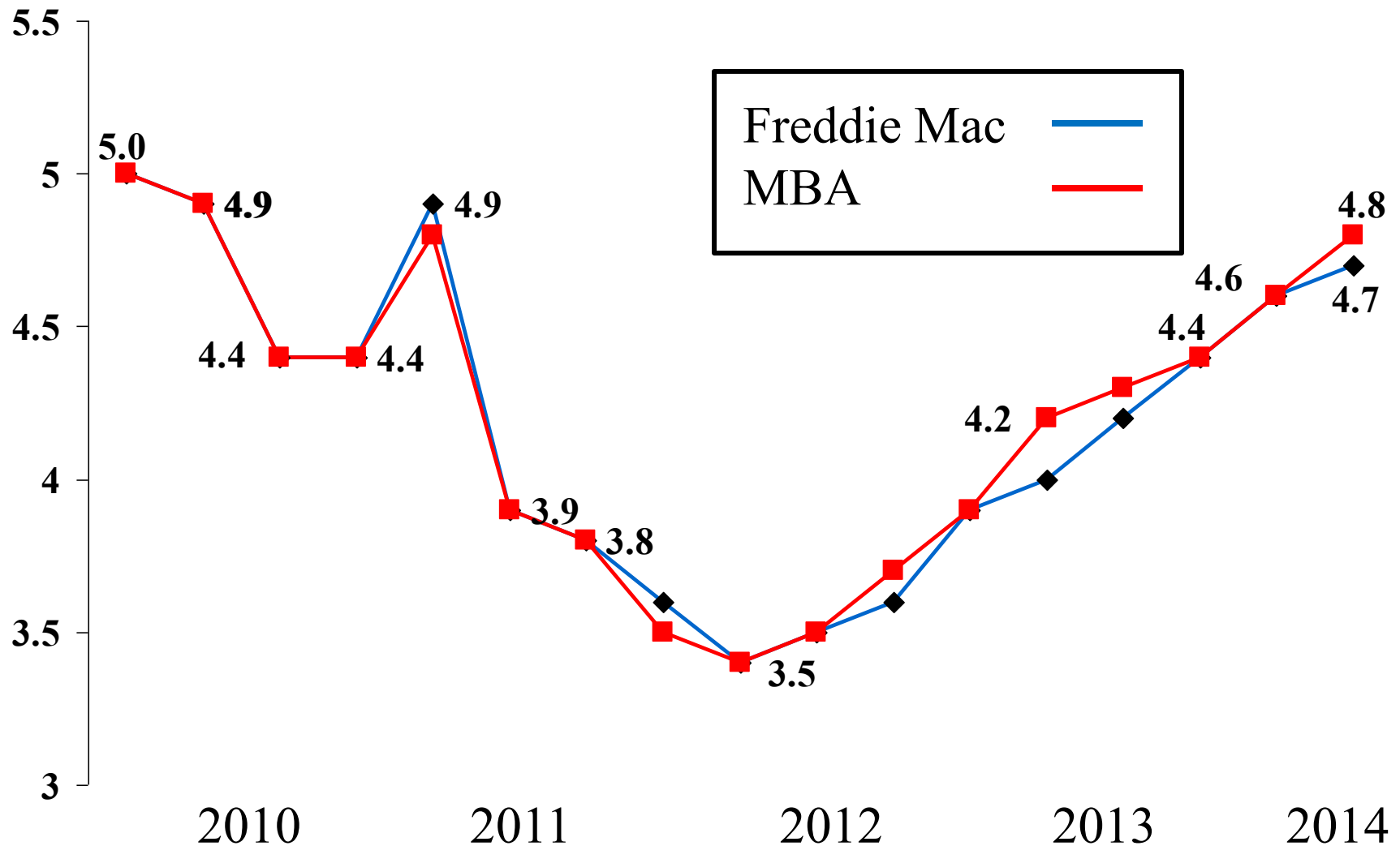


**Prices Improving and Mortgage Rates Rising.  
But Home Affordability Remains Historically Favorable.**

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



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





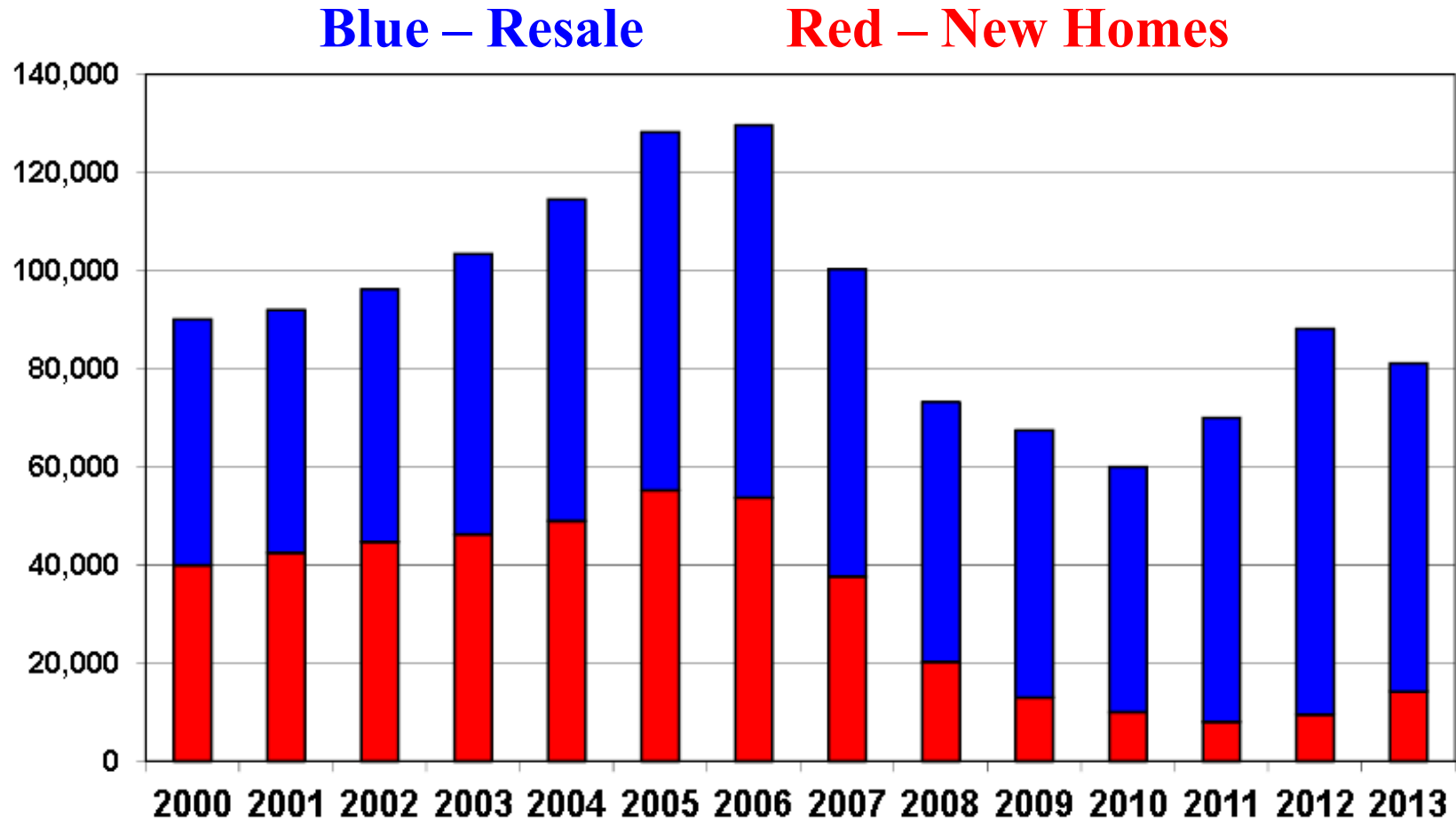
# Increasing Mortgage Rates Make A Significant Difference In Home Affordability

| Amount Of Mortgage | 3.5% Mortgage | 30-Year Cost | 5% Mortgage | 30-Year Cost | 8% Mortgage | 30-Year Cost |
|--------------------|---------------|--------------|-------------|--------------|-------------|--------------|
| \$200,000          | \$898         | \$323,280    | \$1,073     | \$386,280    | \$1,467     | \$528,120    |
| \$300,000          | \$1,347       | \$484,920    | \$1,610     | \$579,600    | \$2,201     | \$792,360    |
| \$400,000          | \$1,796       | \$646,560    | \$2,147     | \$772,920    | \$2,935     | \$1,056,600  |
| \$500,000          | \$2,245       | \$808,200    | \$2,684     | \$966,240    | \$3,668     | \$1,320,480  |
| \$1 million        | \$4,490       | \$1,616,400  | \$5,368     | \$1,932,480  | \$7,337     | \$2,641,320  |

# Metro Atlanta New Homes

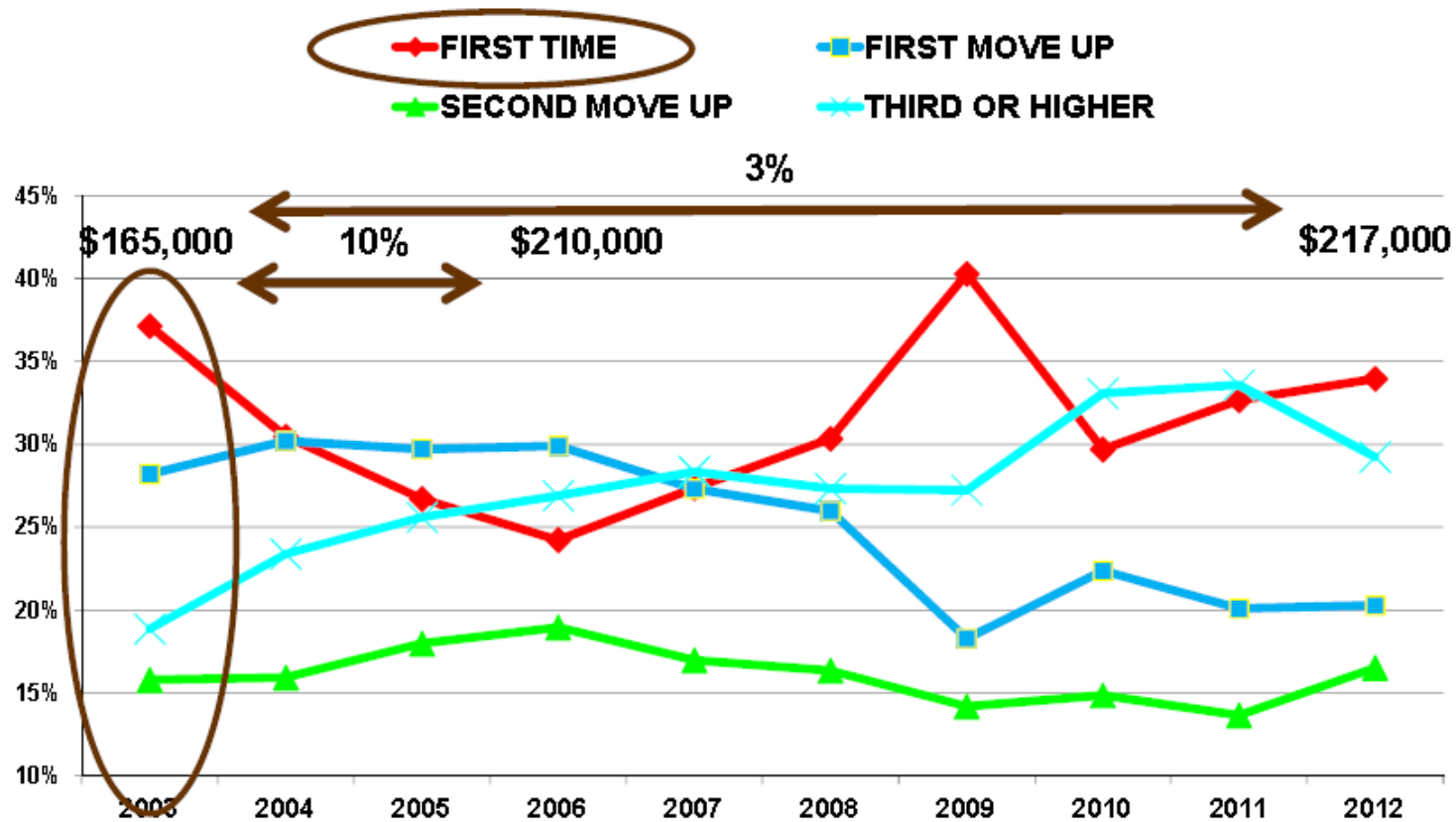
Charts Provided By SmartNumbers and ViaSearch

# Metro Atlanta Closings



New Homes Closings Up 55% From Last Year. Resale Units In 2012 At Levels Not Seen Since 2006. But Almost 50% Of Resale Units From Investors Under \$200k.

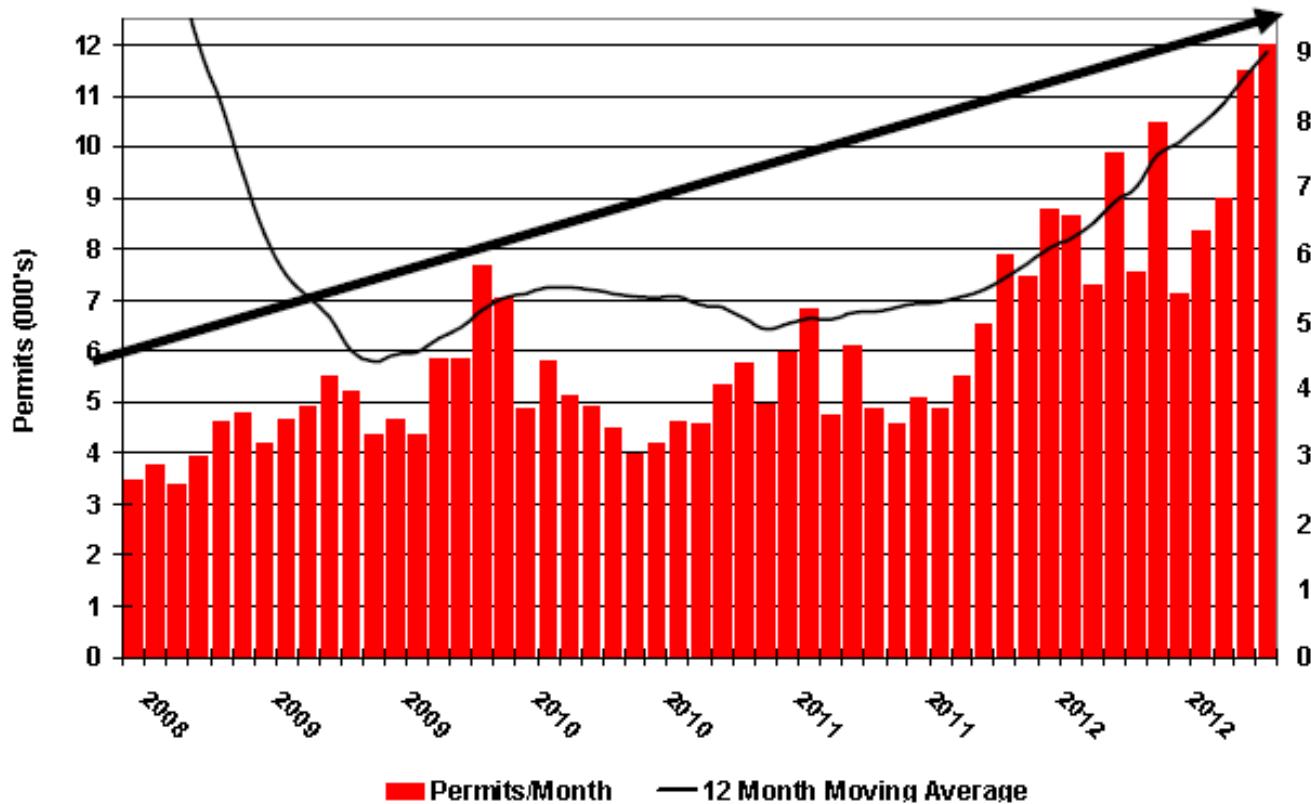
# Buyer Types For New Homes



First Time Buyers And Baby Boomers Remain Most Active Segments.  
We Are Looking To See The 1<sup>st</sup> & 2<sup>nd</sup> Move-Up Buyers Return.

# New Home Permits

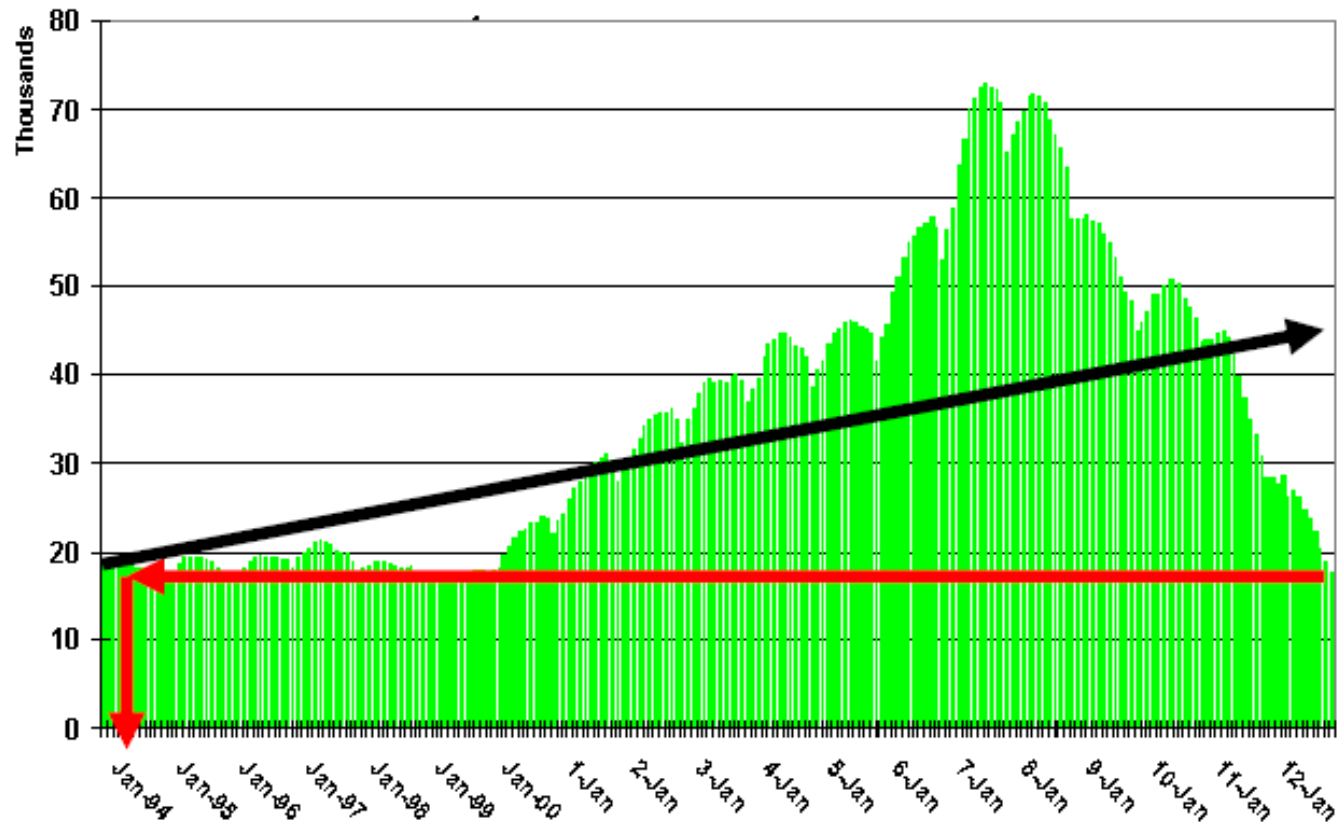
Permit Trend 10/2008 - 3/2013 Atlanta



New Home Starts Growing Steadily!

# Metro Atlanta Inventory

(Black Arrow Is Population Trend)

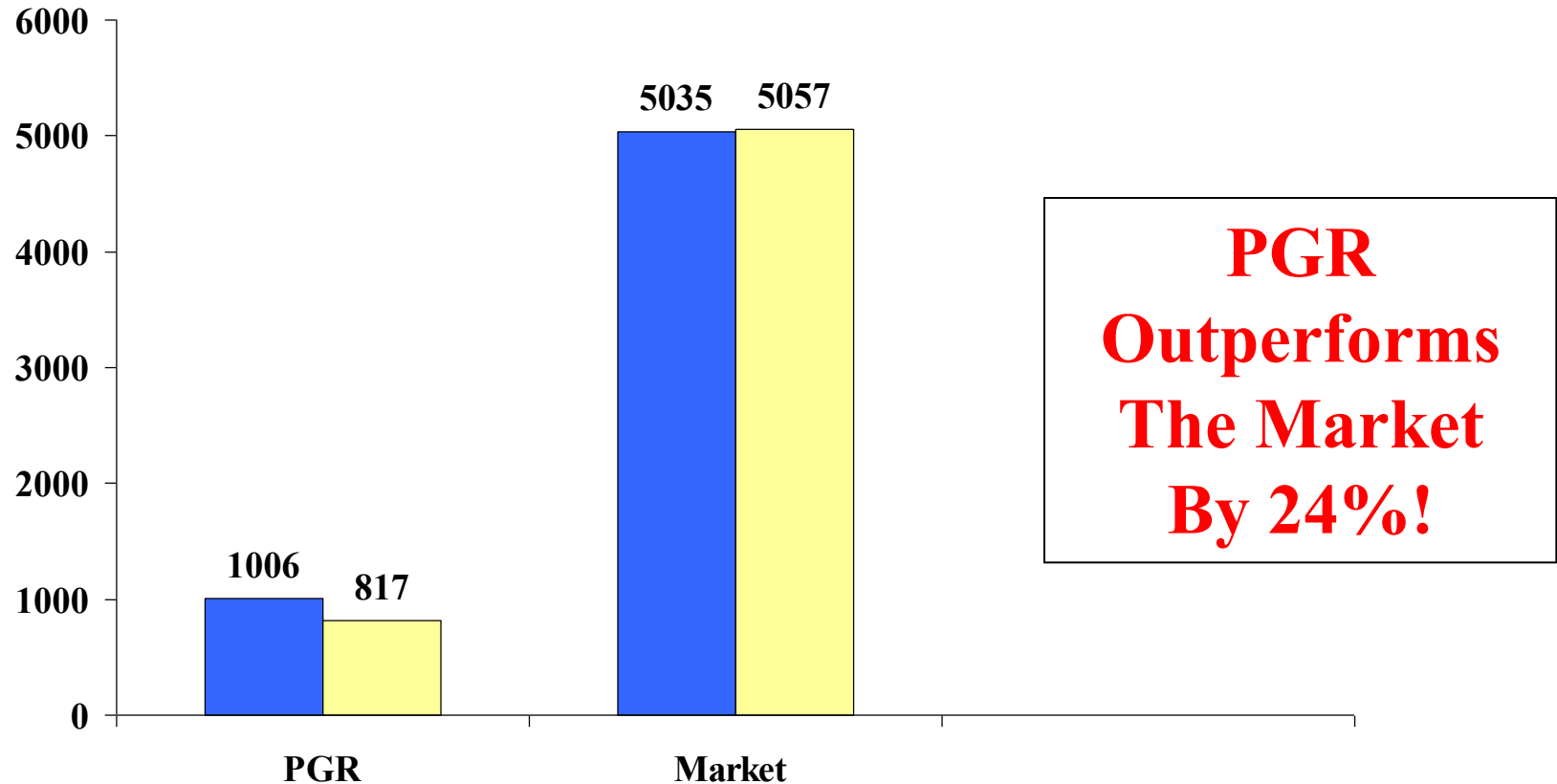


Population Trends Growing Faster Than Inventory

# Prudential Georgia Realty

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

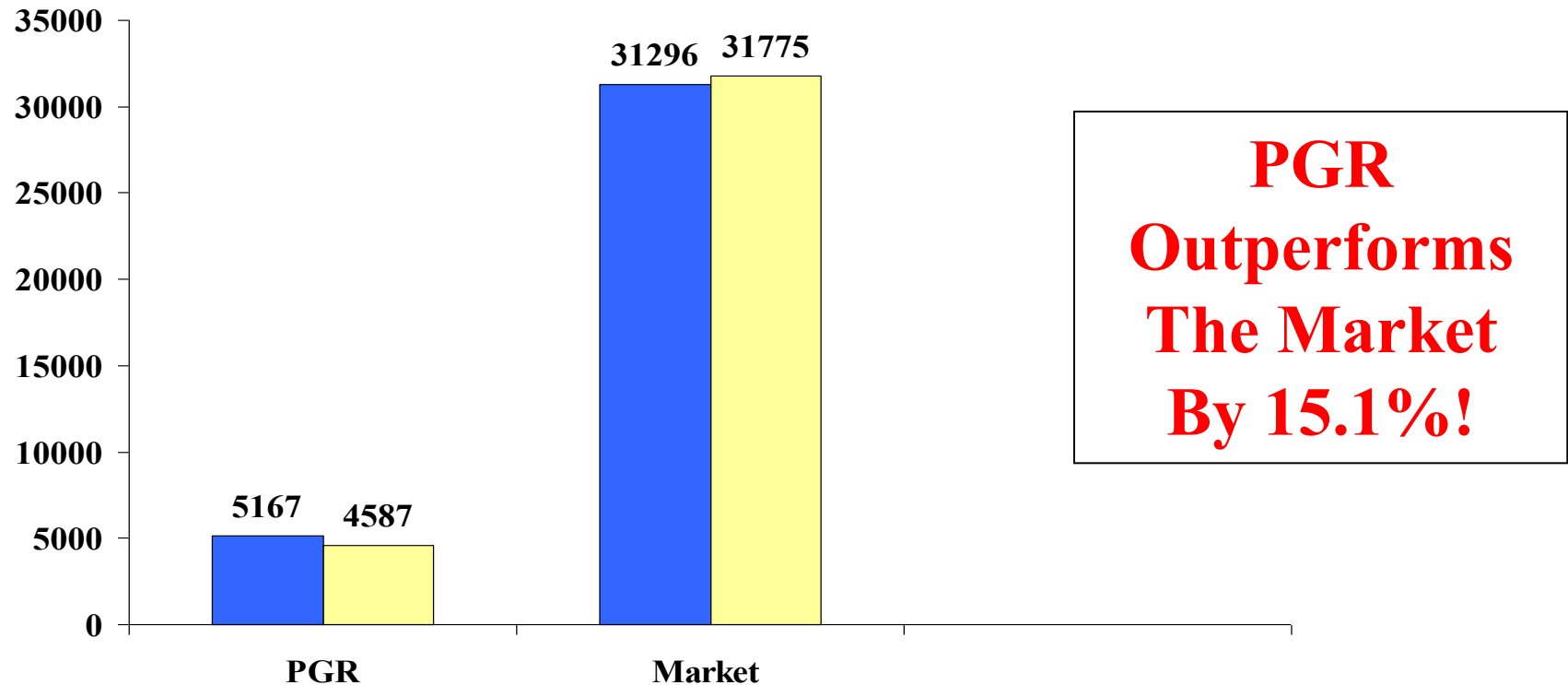
# July 2013 Closings Vs. July 2012 Closings



- PGR Closings Were Up 23% Compared To July 2012.
- The Market Was Down 1% Compared To July 2012.



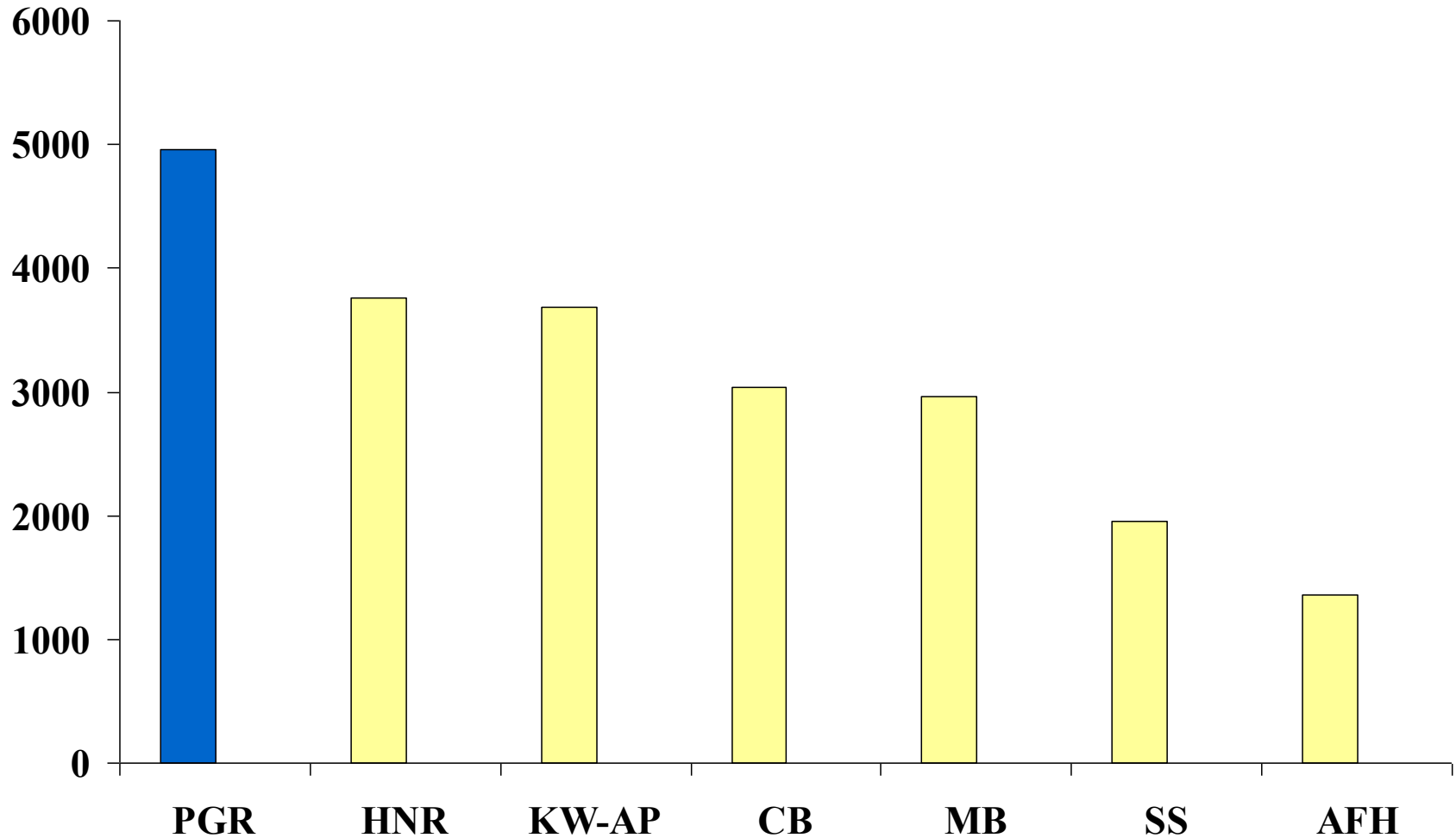
# YTD 2013 Closings Vs. YTD 2012 Closings (Data As of July 2013)



- PGR Closings Were Up 12.6% Compared To YTD 2012.
- The Market Was Down 2.5% Compared To YTD 2012.

# **YTD Transactions – July 2013**

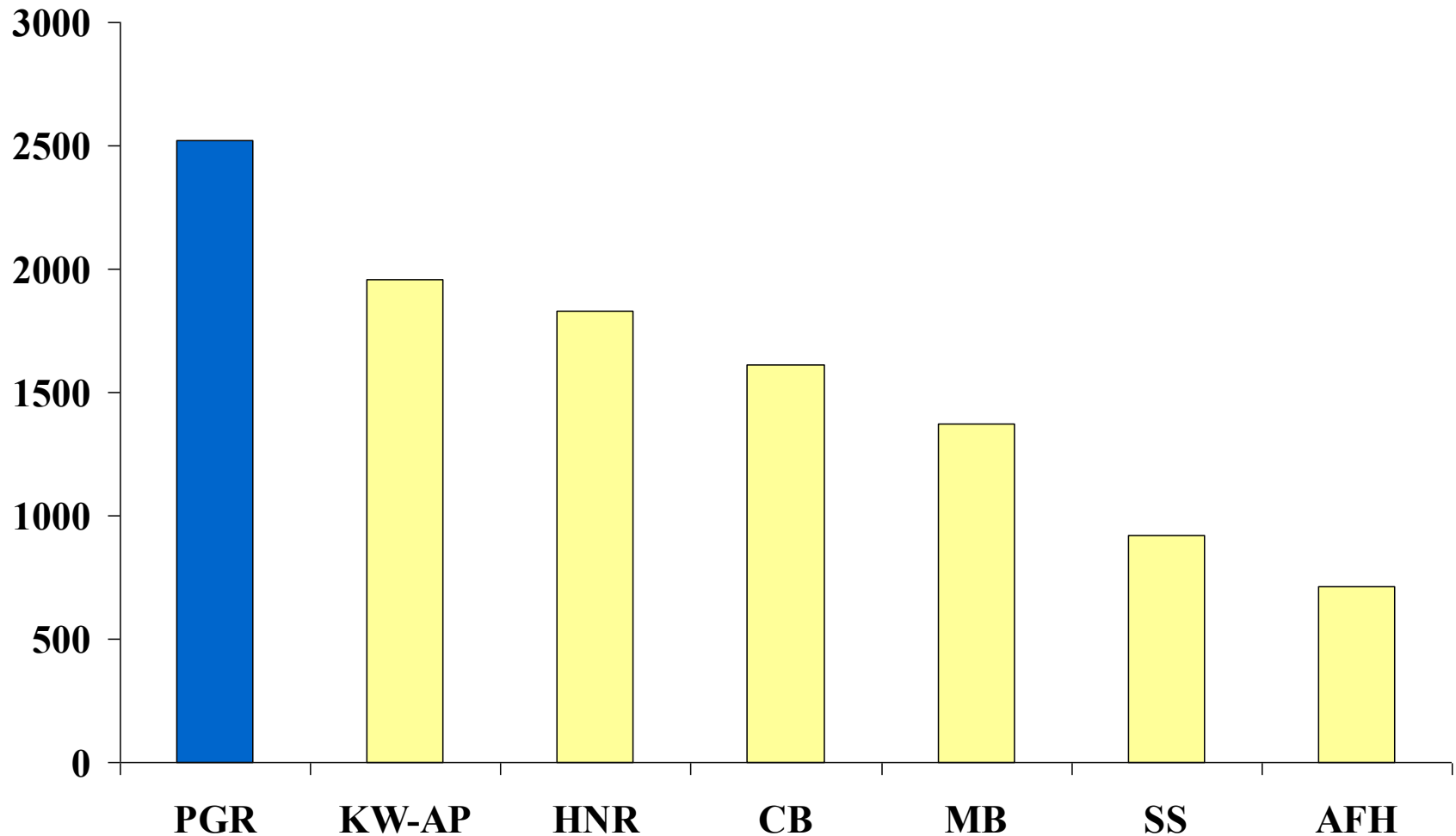
## **FMLS Counties + Southern Crescent**



**Information Provided By Trendgraphix.**

# **YTD Listing Sales – July 2013**

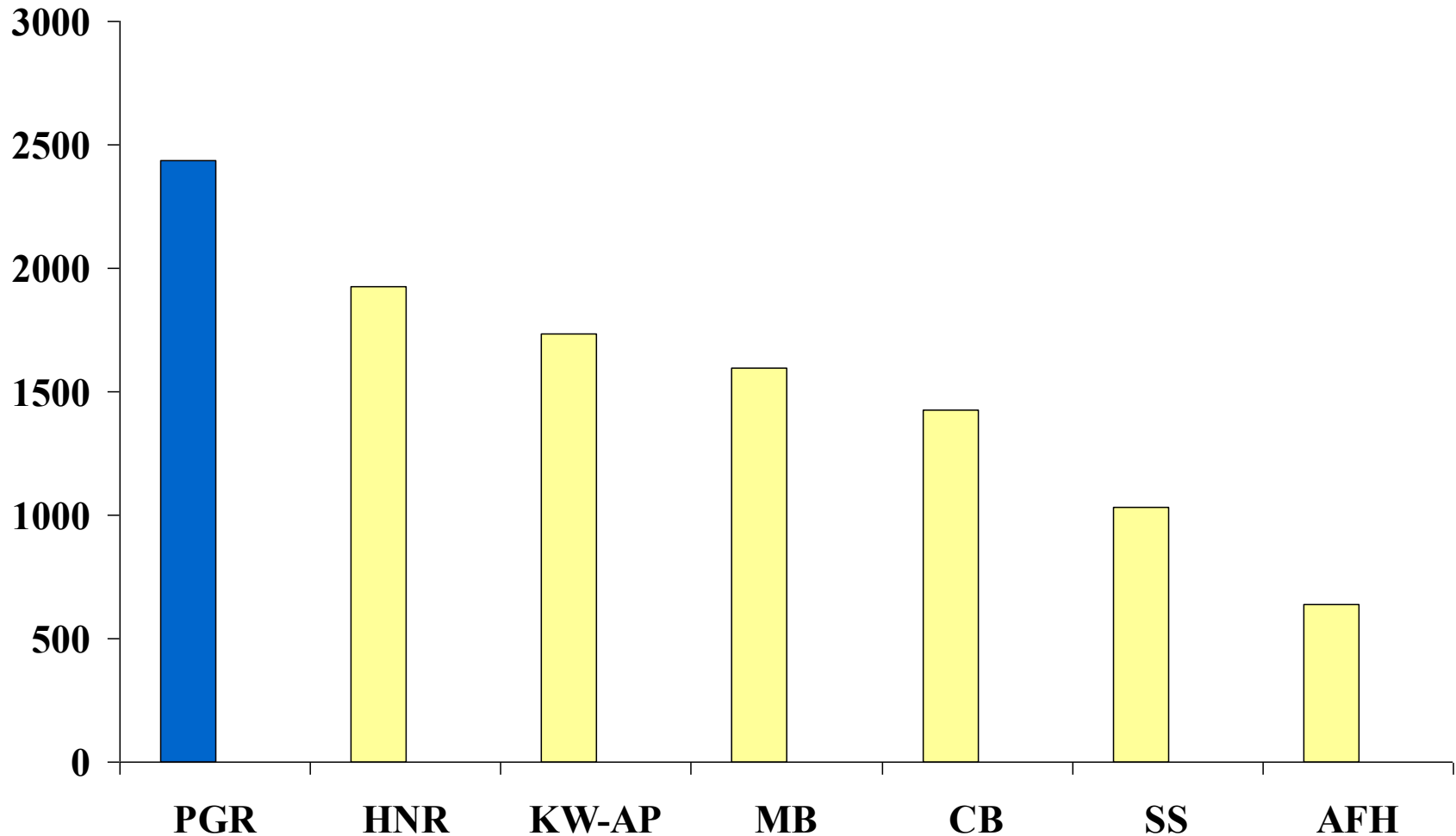
## **FMLS Counties + Southern Crescent**



**Information Provided By Trendgraphix.**

# Buyer Sales Units – July 2013

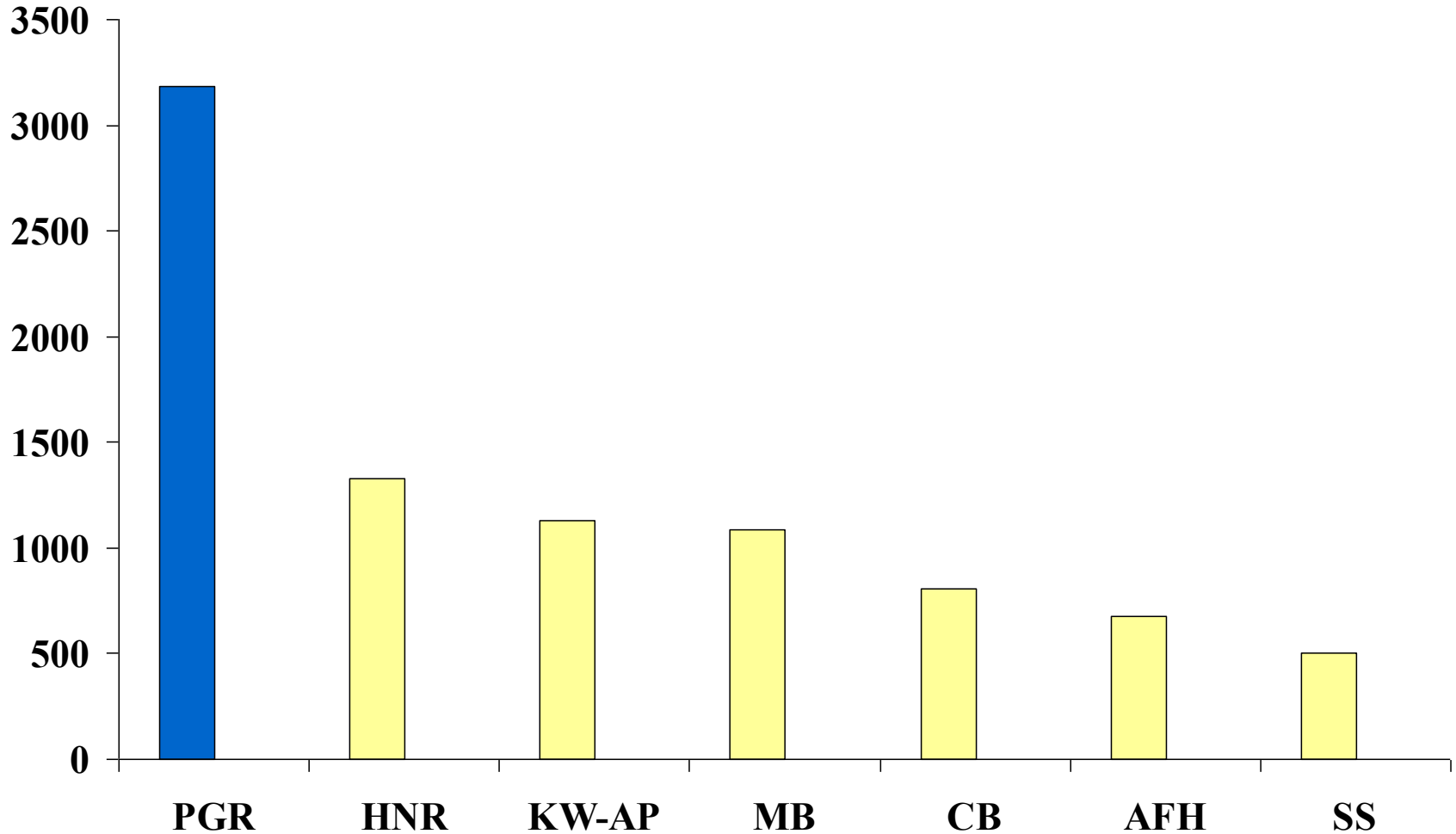
## FMLS Counties + Southern Crescent



Information Provided By Trendgraphix.

# Current Listing Inventory – July 2013

## FMLS Counties + Southern Crescent



Information Provided By Trendgraphix. PGR Numbers Internal.