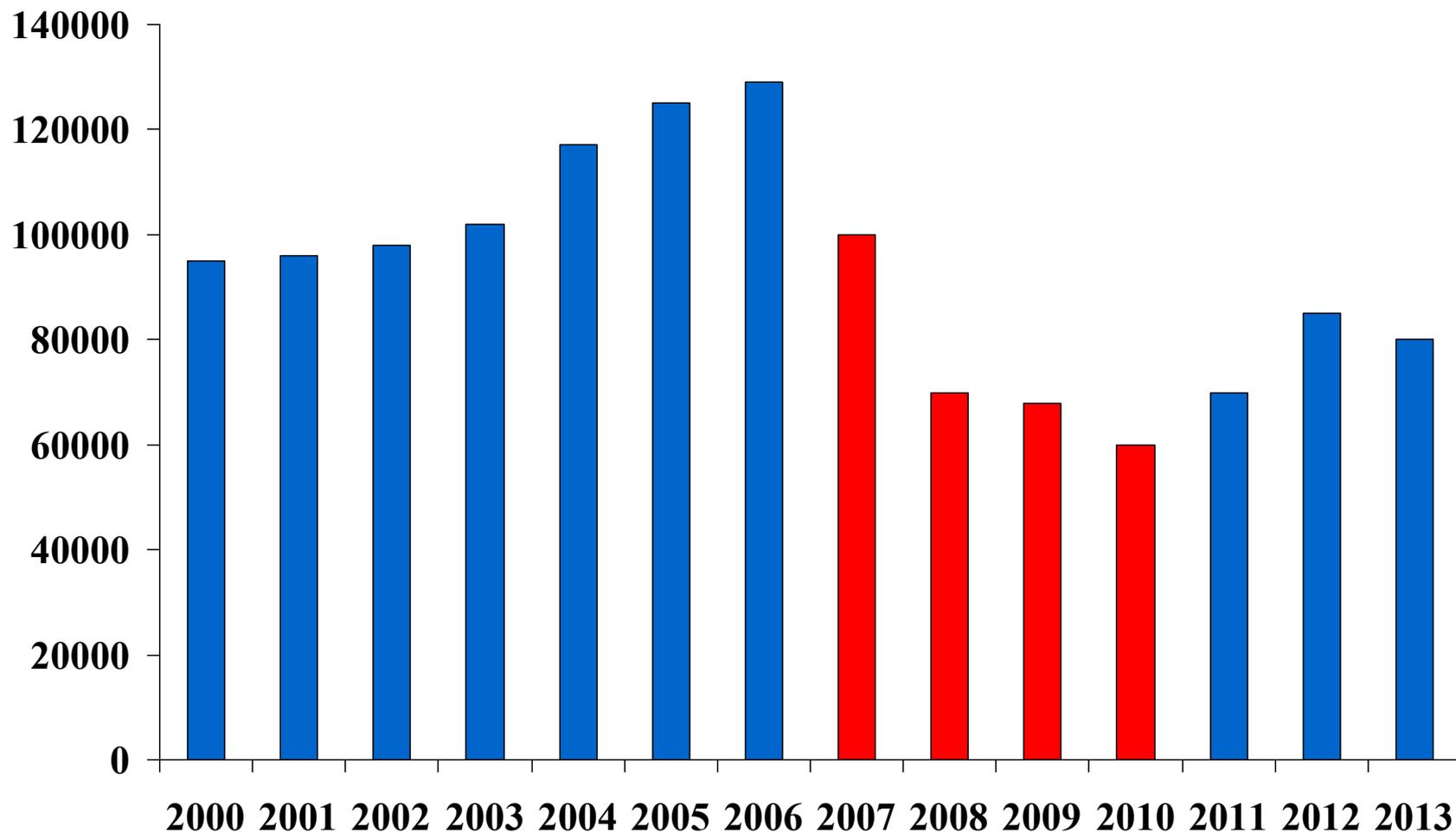


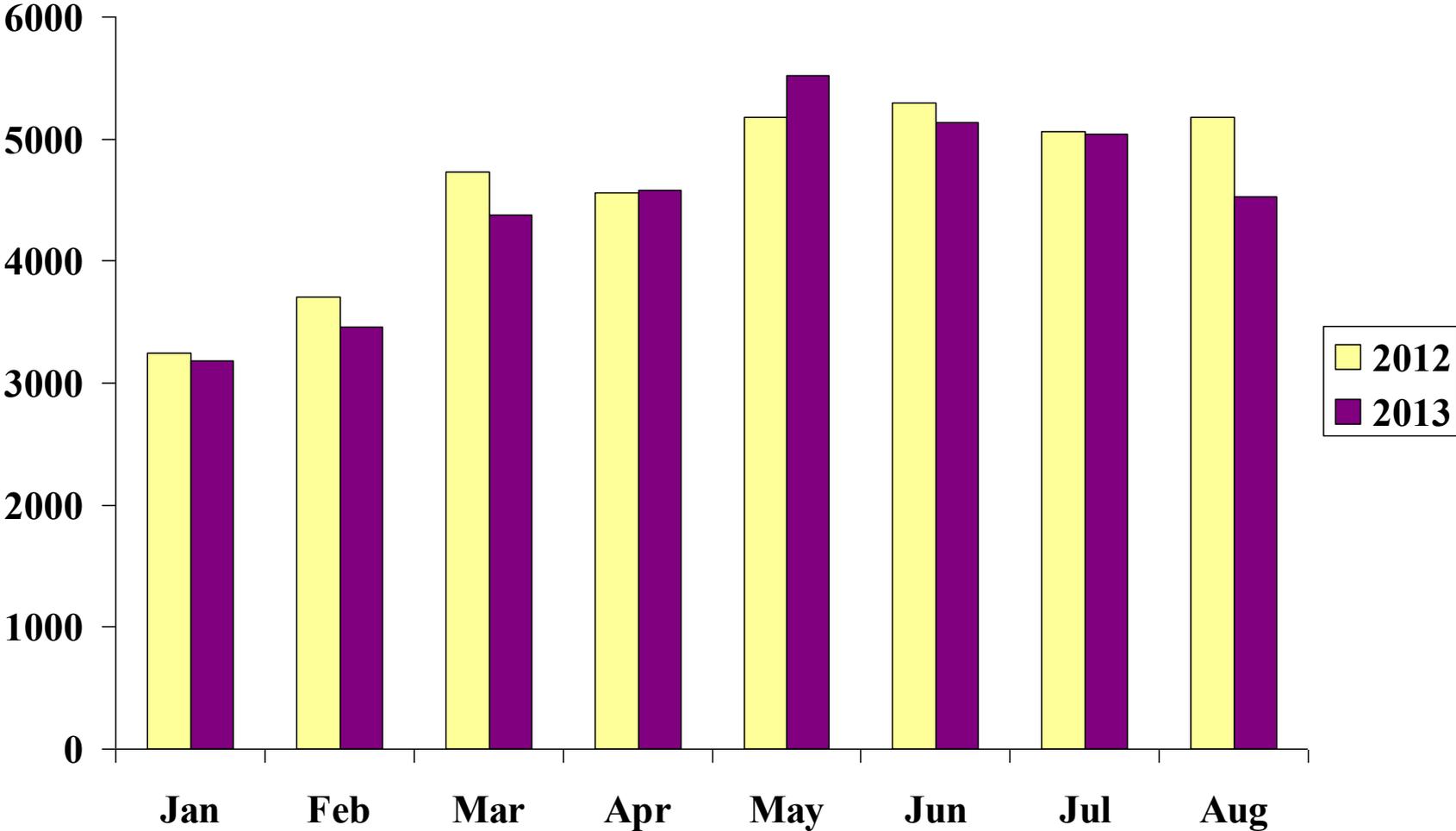
**Greater
Metro Atlanta
Market**

Metro Atlanta Homes Sold



125,000 Homes Sold In 2006. 60,000 Homes Sold in 2010. 2013 Closings Expected To Be Down Due To Lower Inventory & Higher Fallout Rates.

Metro Atlanta 2013 Closings

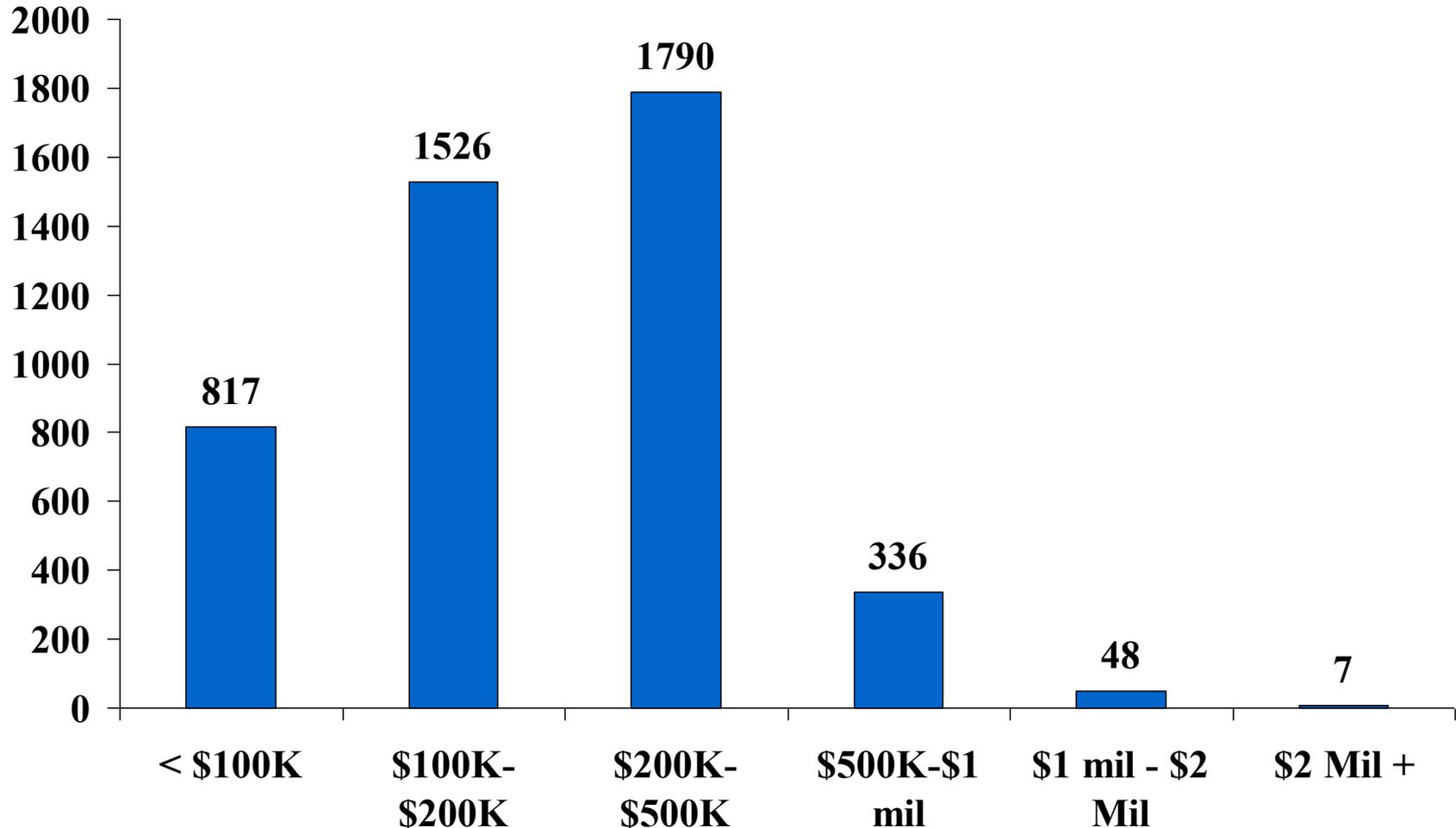


August Closings Down 17.1% Compared To July Closings

YTD 2013 Closings Down 1.8% Compared To YTD 2012 Closings

Metro Atlanta Closings – August 2013

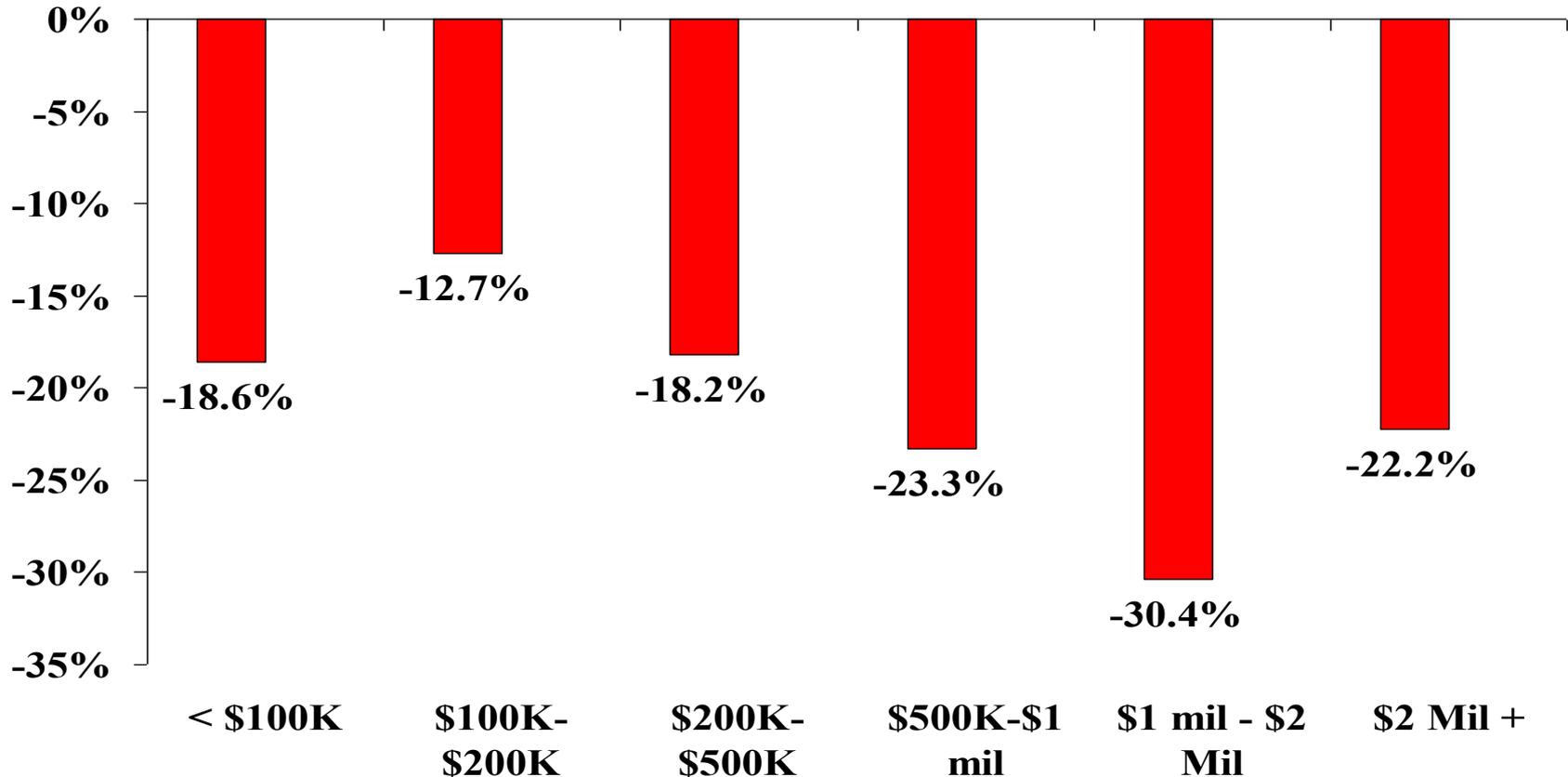
(Number Of Transactions)



**Under \$100k Was Over 50% Of Transactions In 2010.
Back to 18% - Reflecting More Normal Distribution.**

Metro Atlanta Closings

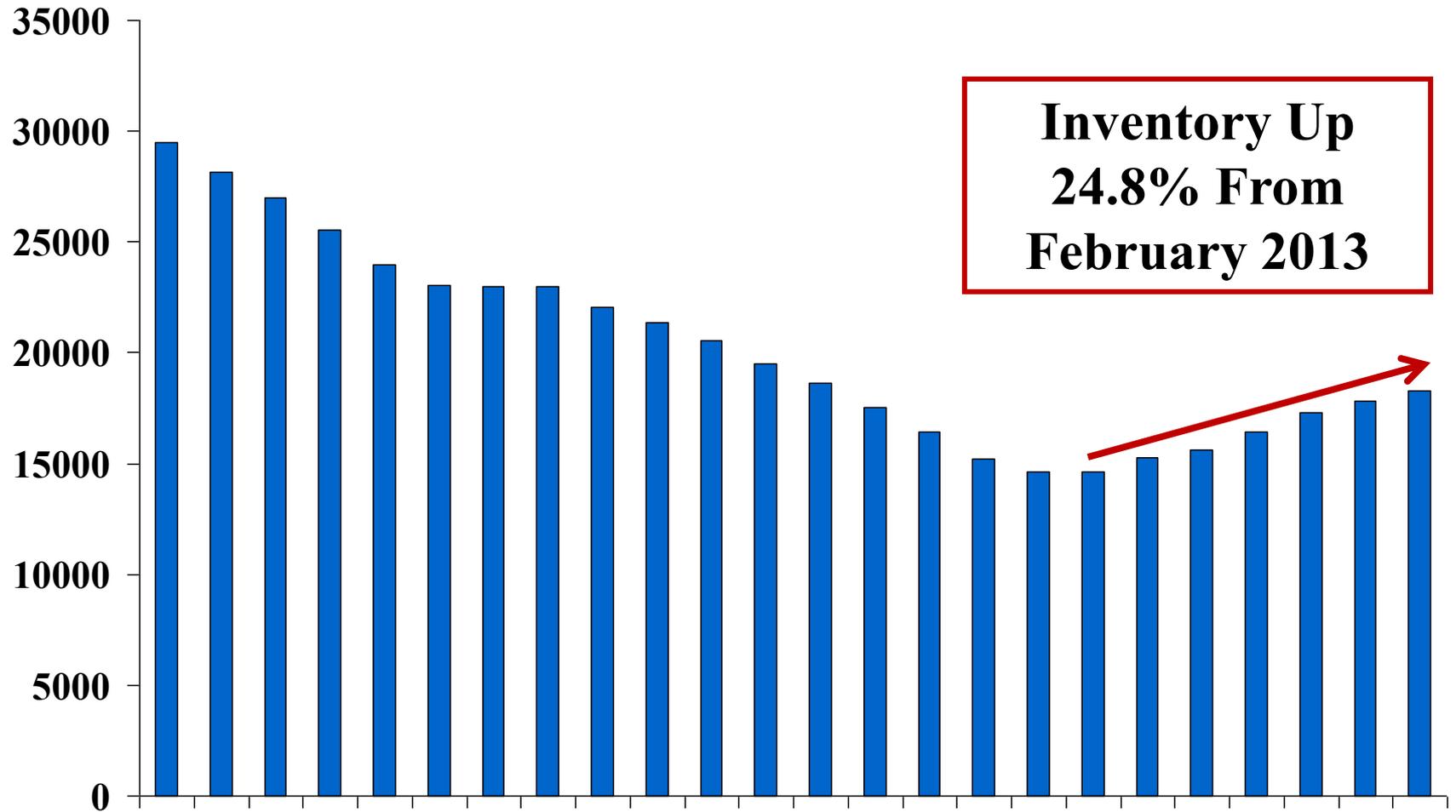
August 2013 Compared To July 2013



All Price Ranges Lower – Reflects “Back To School” Seasonality

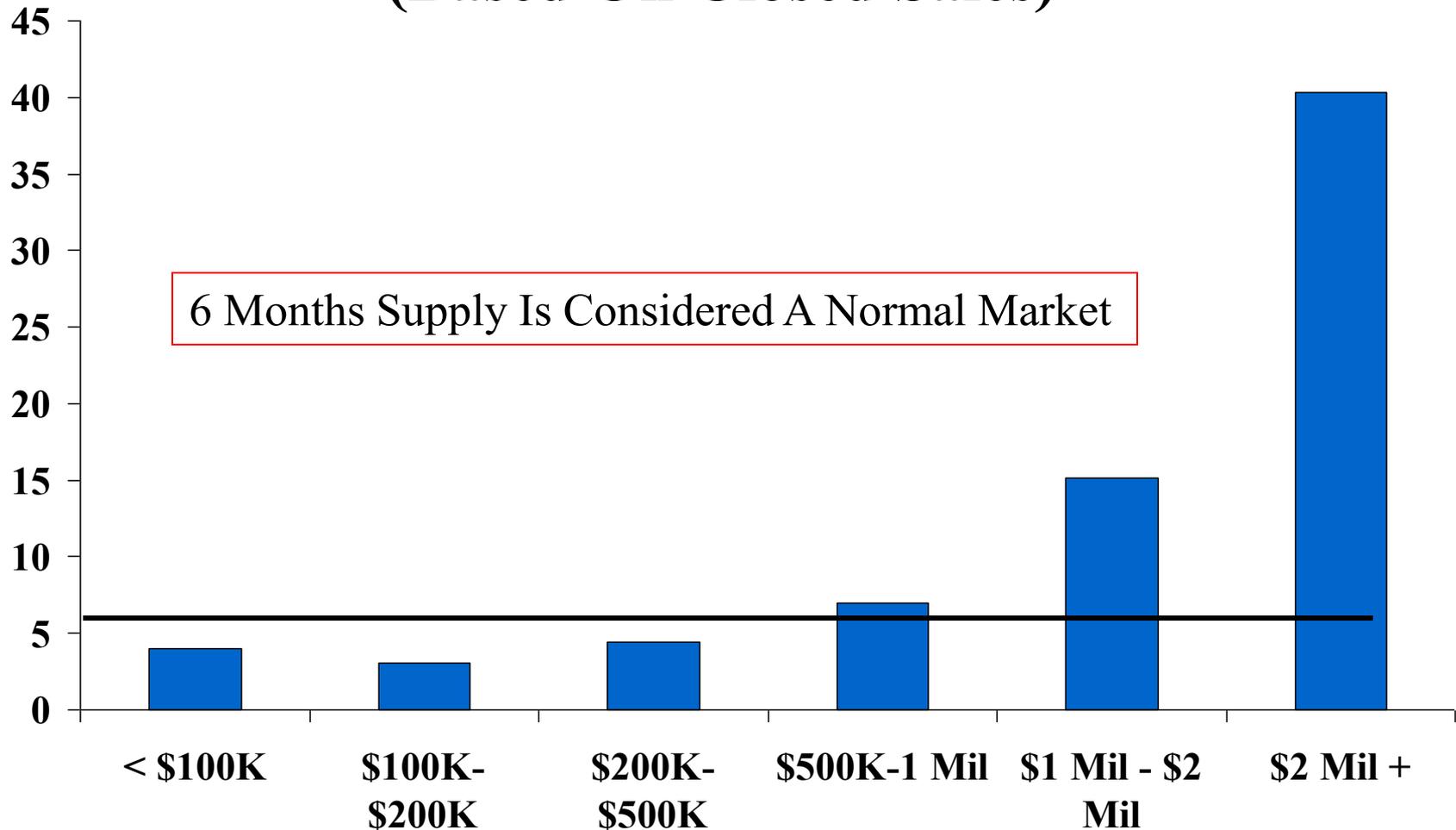
Listed Inventory August 2011 - August 2013

Residential Detached, Metro Atlanta



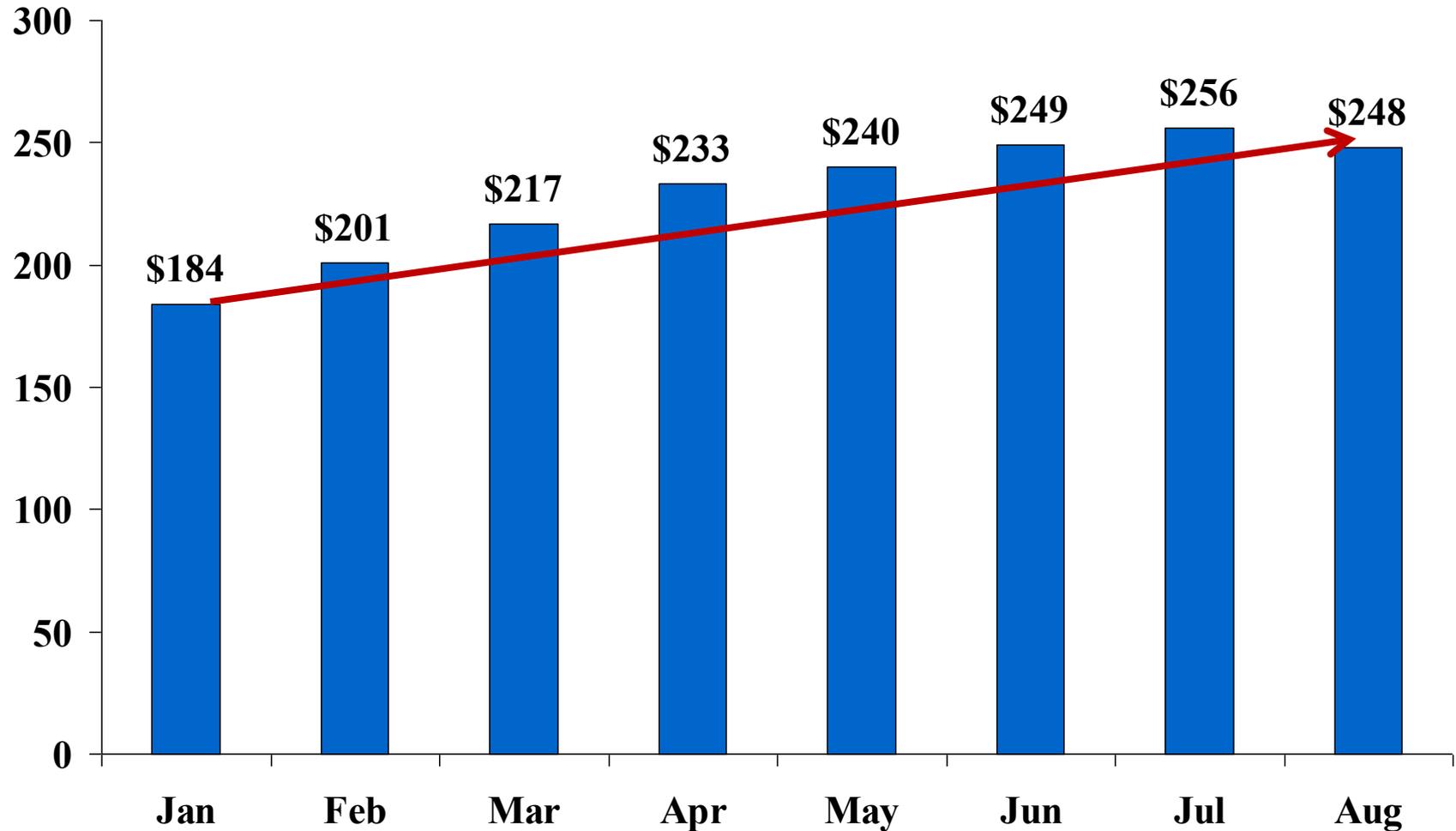
Inventory Down 6.3% from August 2012, Down 41% from August 2011

Metro Atlanta Months of Inventory (Based On Closed Sales)



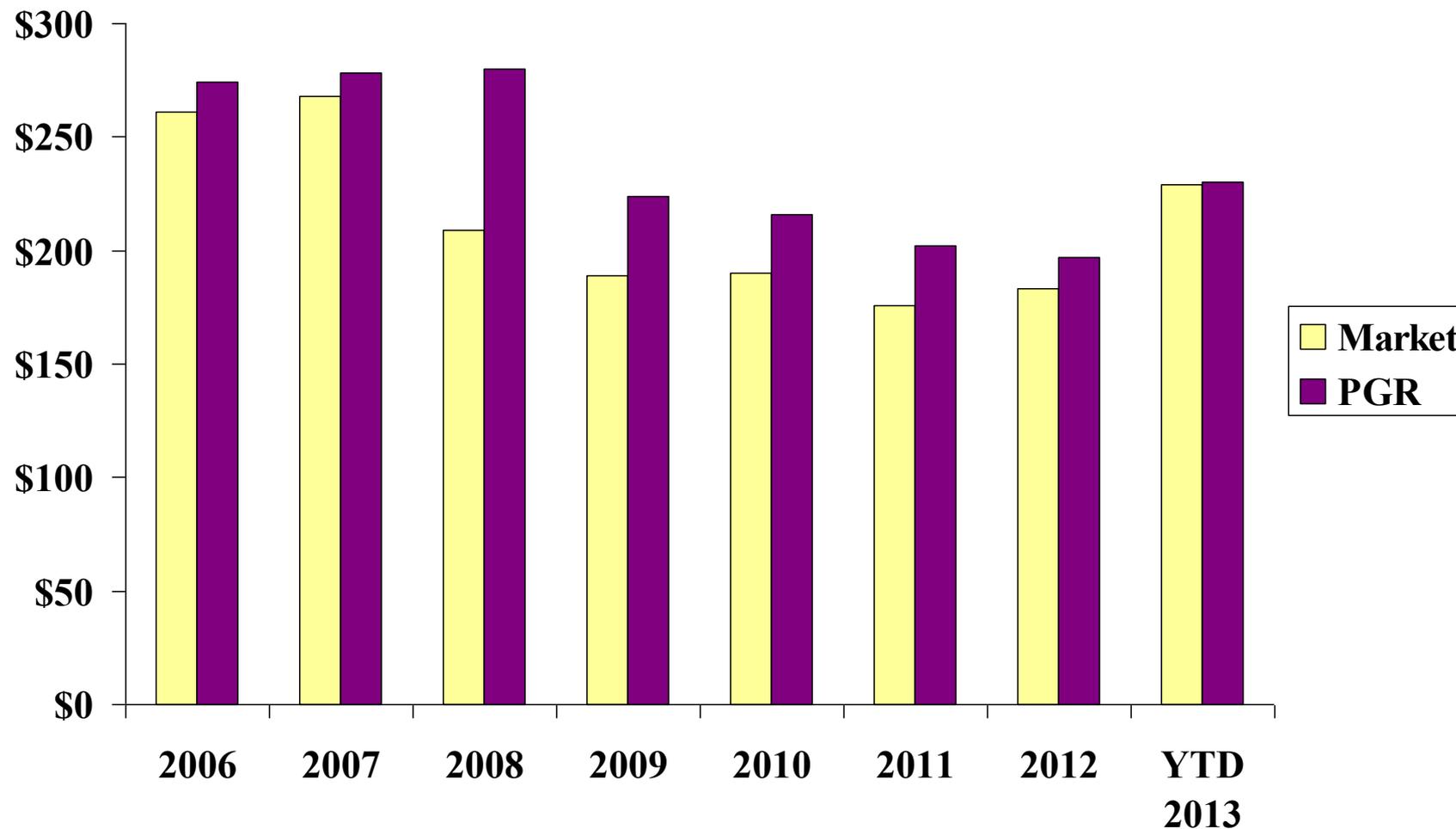
**Months Of Inventory Up 21% From Last Month.
Reflects Normal “Back To School” Seasonal Slowing.**

Metro Atlanta 2013 Average Sale Prices



**ASP Down 3.2% From Last Month
But Remains Up 35% In 2013**

Metro Atlanta Average Annual Sale Prices



Average Sales Price Increasing From Bottom Of 2011

Metro Atlanta Foreclosure Comparisons

(Data by RealValuator)

		 Pre-Foreclosures	 Foreclosures	 Market Sales	 REO Sales	 New Listings					
Date		Activity	Average Amount	Activity	Average Amount	Activity	Average Amount	Activity	Average Amount	Activity	Average Amount
7-12 Mos	Sep-12	9,537	\$178,017	1,857	\$156,718	5,798	\$233,025	1,834	\$140,942	7,774	\$275,359
	Oct-12	9,686	\$177,466	2,628	\$158,197	6,768	\$231,670	1,884	\$132,638	8,174	\$270,459
	Nov-12	7,288	\$183,660	2,535	\$155,160	6,466	\$229,526	1,614	\$138,338	6,299	\$265,584
	Dec-12	6,390	\$177,108	2,112	\$156,997	7,118	\$261,439	1,519	\$155,643	4,881	\$251,786
	Jan-13	6,699	\$181,546	1,356	\$155,498	5,218	\$220,244	1,350	\$130,270	7,712	\$274,638
	Feb-13	5,526	\$182,352	1,669	\$159,054	6,053	\$225,280	1,365	\$130,615	7,412	\$289,237
4-6 Mos	Mar-13	5,353	\$182,164	1,492	\$163,693	8,369	\$235,376	1,236	\$153,561	8,817	\$291,469
	Apr-13	6,363	\$183,977	1,343	\$161,945	9,017	\$237,289	961	\$131,374	9,183	\$295,800
	May-13	6,159	\$178,957	874	\$177,448	9,437	\$248,154	962	\$138,786	9,250	\$288,549
1-3 Mos	Jun-13	6,220	\$179,984	910	\$166,341	7,695	\$269,284	631	\$142,477	8,865	\$288,525
	Jul-13	8,283	\$180,456	799	\$150,171	7,342	\$260,223	592	\$128,028	8,930	\$283,926
	Aug-13	7,956	\$189,008	94	\$232,622	2,375	\$244,380	196	\$153,136	8,367	\$277,802
Grand Total		85,460 notices 44,372 properties	\$181,225	17,669	\$166,154	81,656	\$241,324	14,144	\$139,651	95,664	\$279,428

Case-Shiller Index For Metro Atlanta (July 2013 Results - Reported September 2013)

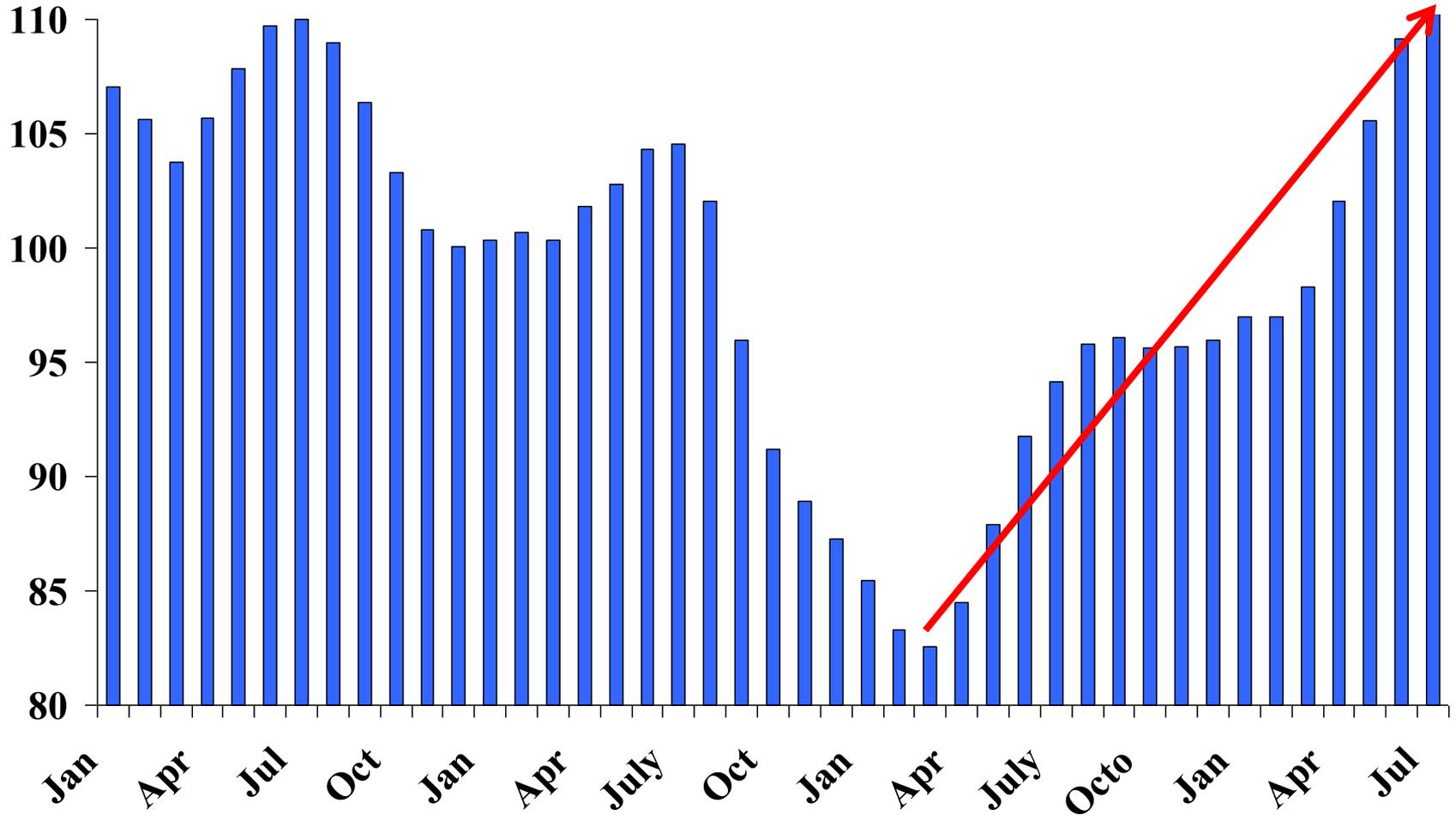
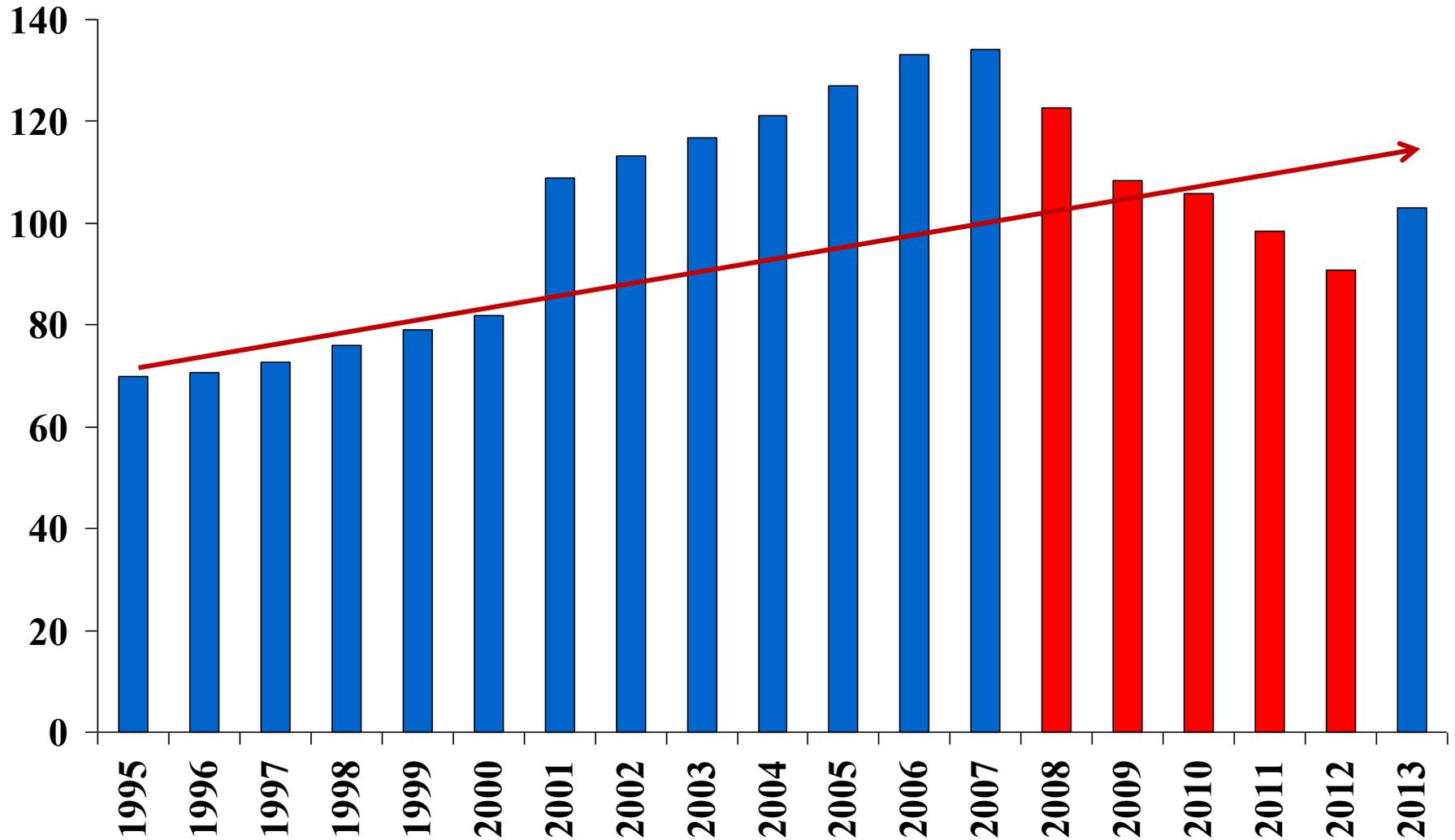


Chart Shows Index Results January 2010 Through June 2013
Home Values Up 35% From Bottom of March 2012

Case-Shiller Home Values For Metro Atlanta

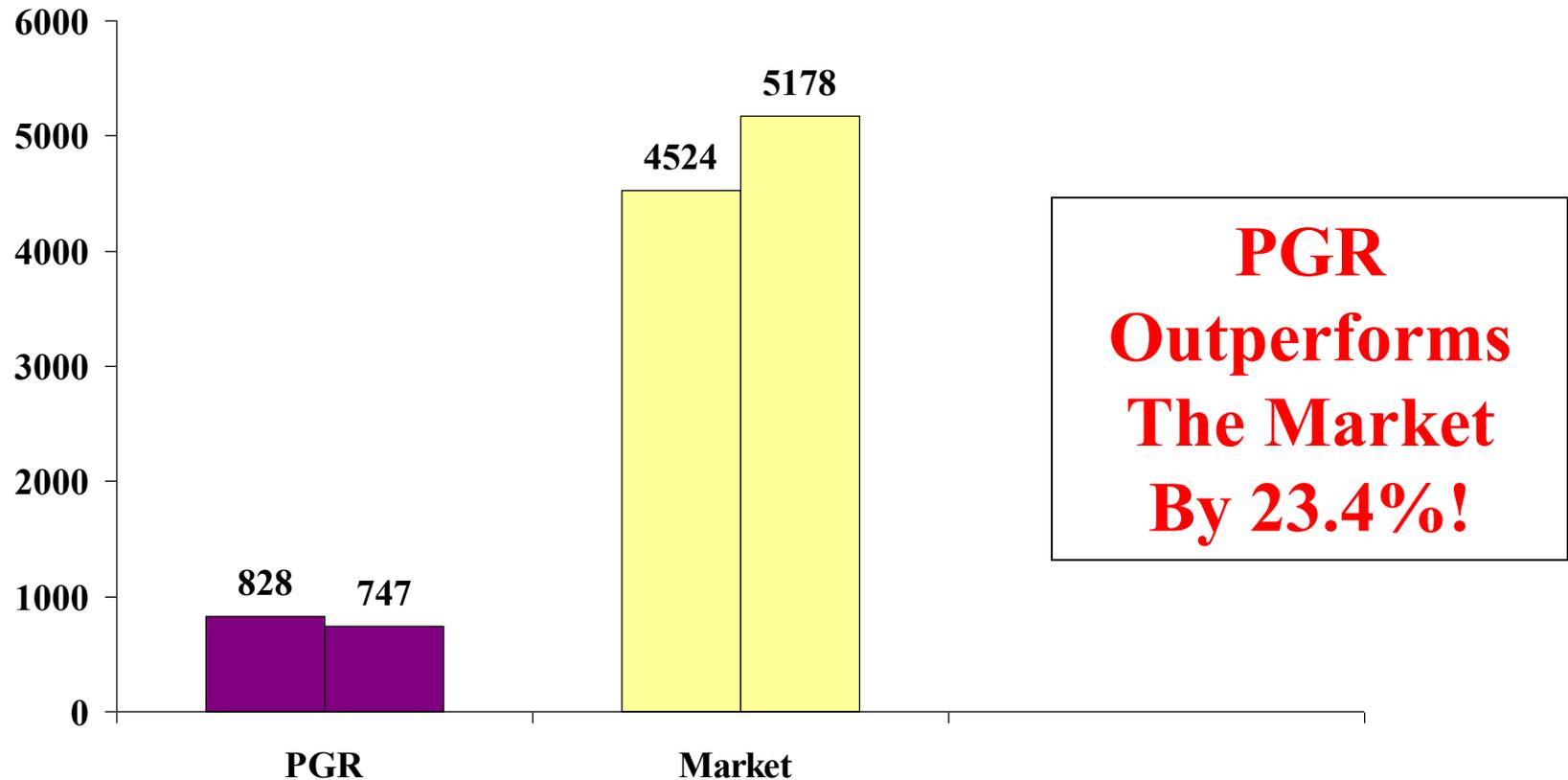


- Peak was July 2007. Current Home Values Remain Below The Normal Trend Line. But Prices Are Correcting!

Prudential Georgia Realty Performance



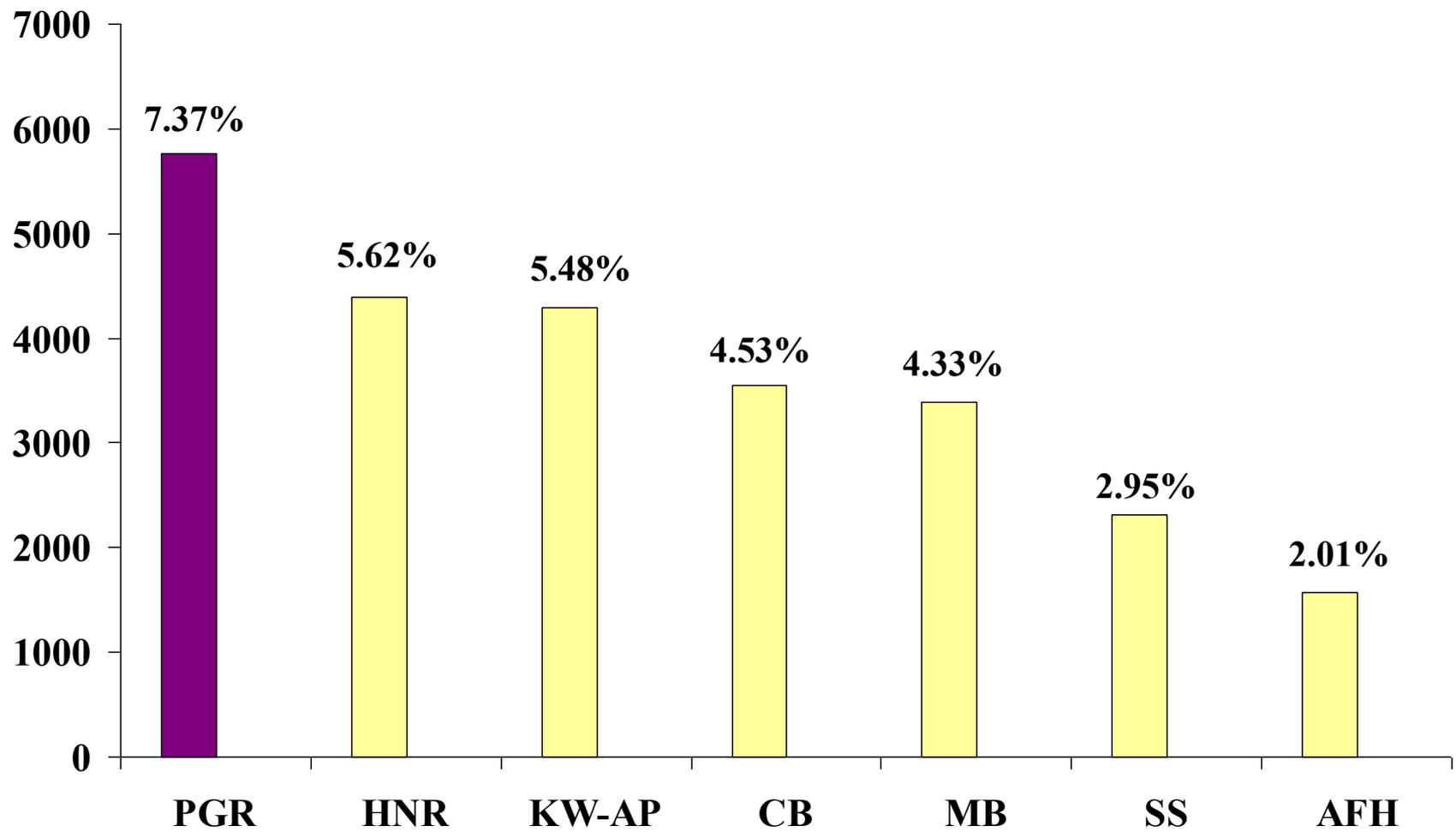
August 2013 Closings Vs. August 2012 Closings



- **PGR Closings Were Up 10.8% Compared To August 2012.**
- **The Market Was Down 12.6% Compared To August 2012.**

YTD Transactions – August 2013

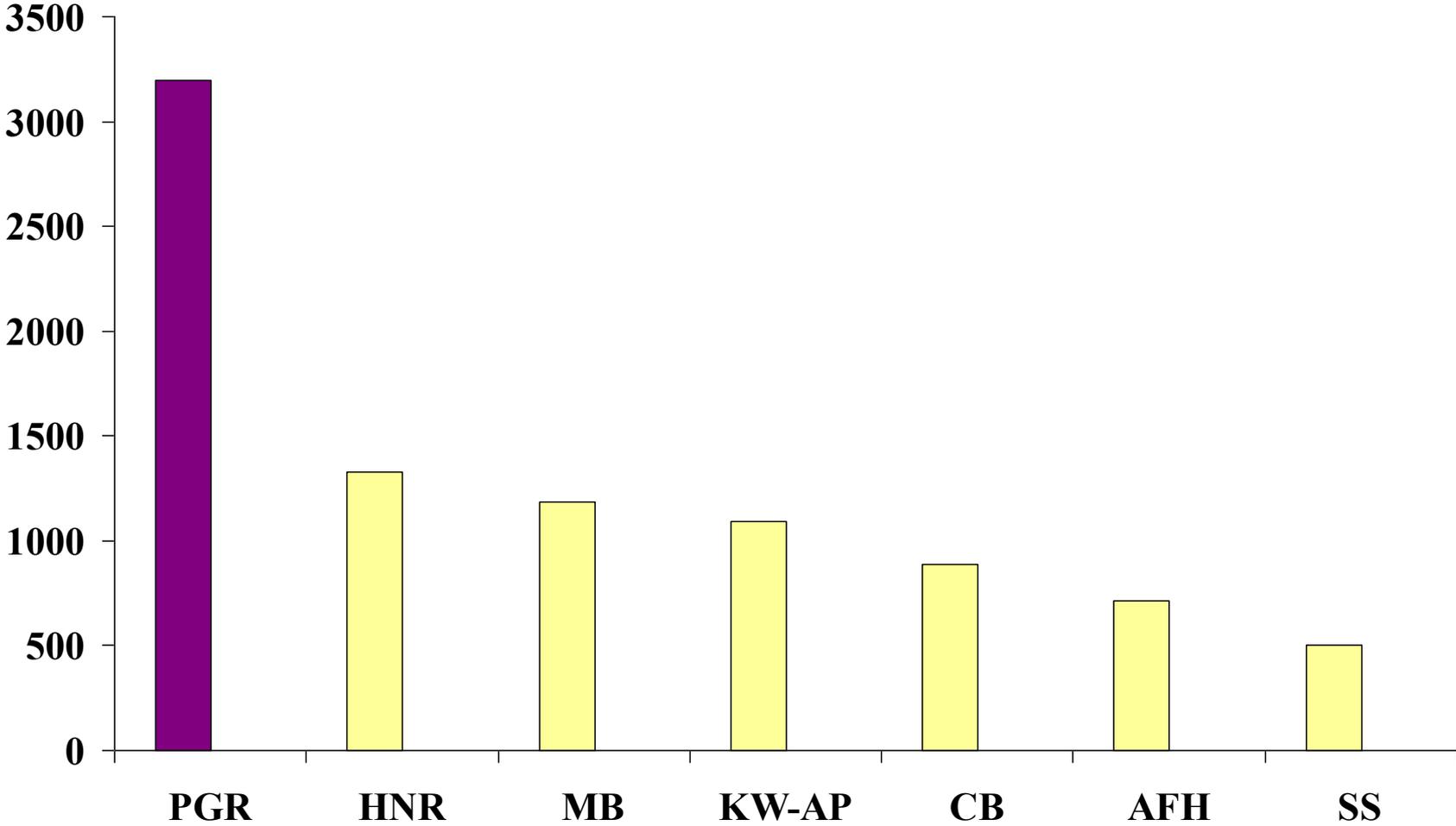
FMLS Counties + Southern Crescent



Information Provided By Trendgraphix.

Current Listing Inventory – August 2013

FMLS Counties + Southern Crescent

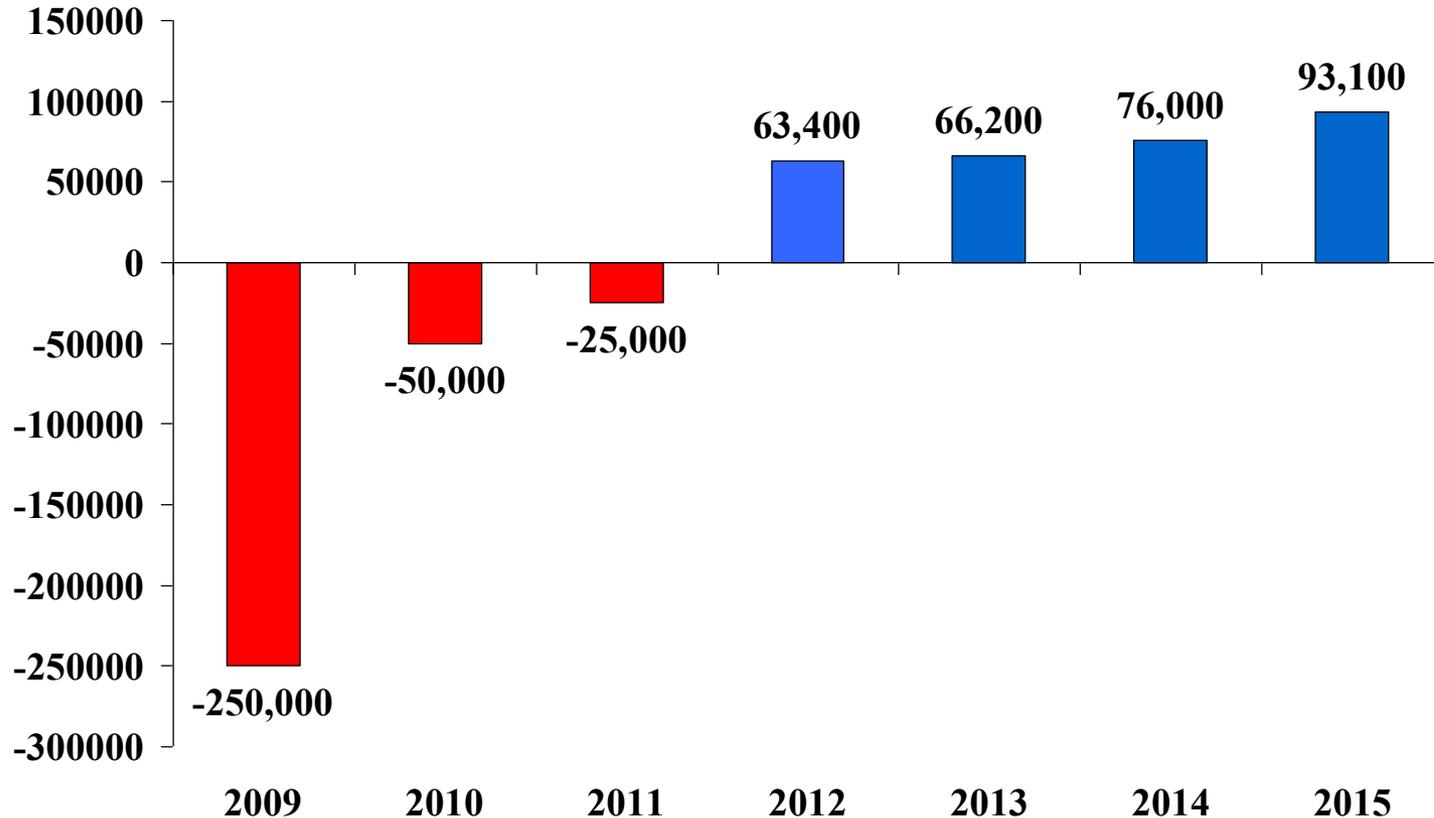


Information Provided By Trendgraphix. PGR Numbers Internal.

Economic & Housing Trends

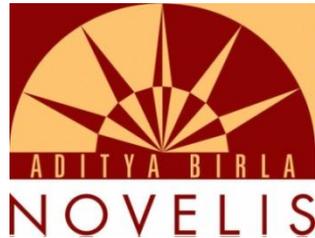
More Jobs In Georgia!

(August 2013 Reports From UGA Terry College of Business/
Georgia State Economic Forecasting Center)



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

Major Group Moves

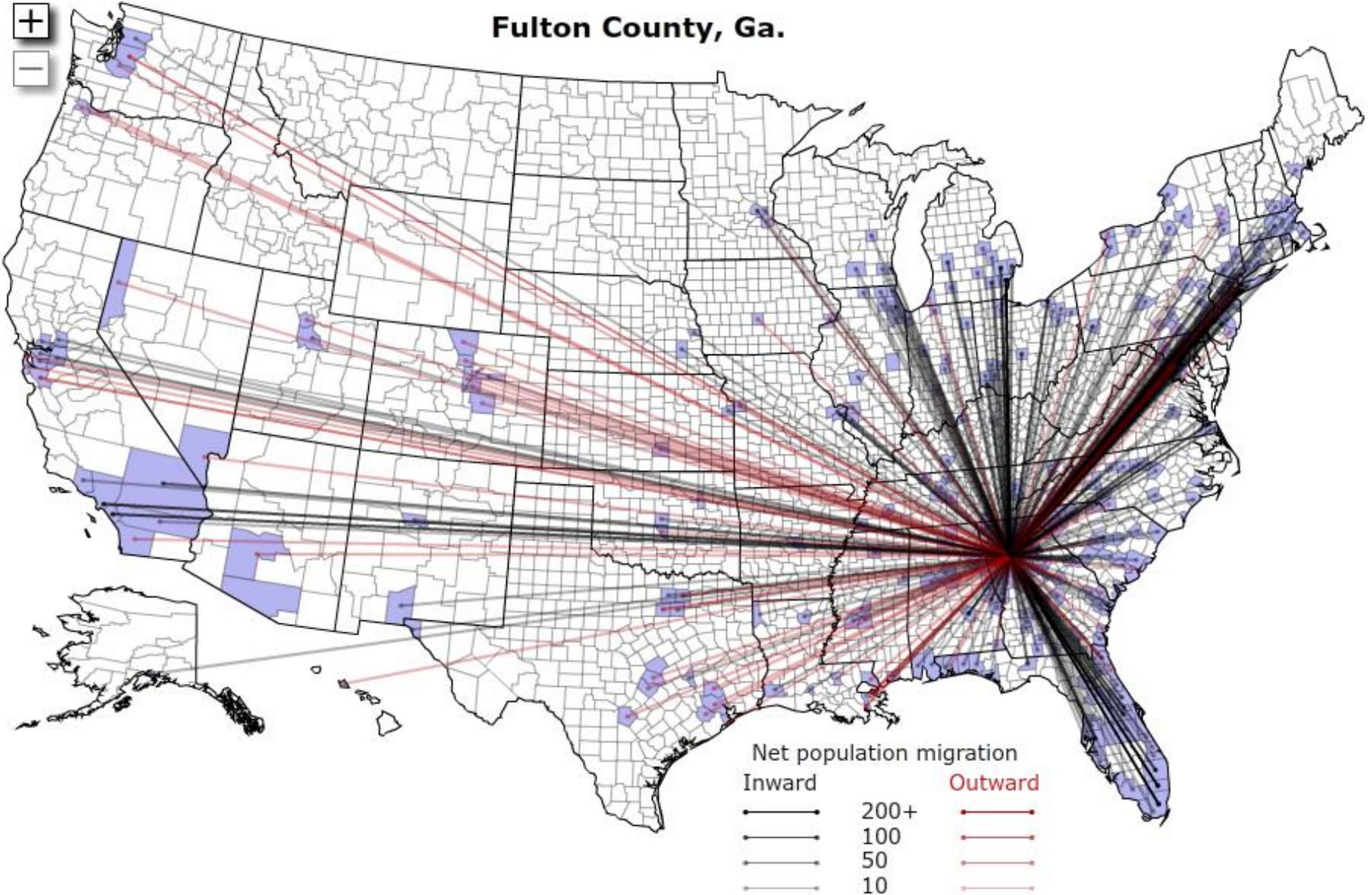


PORSCHE



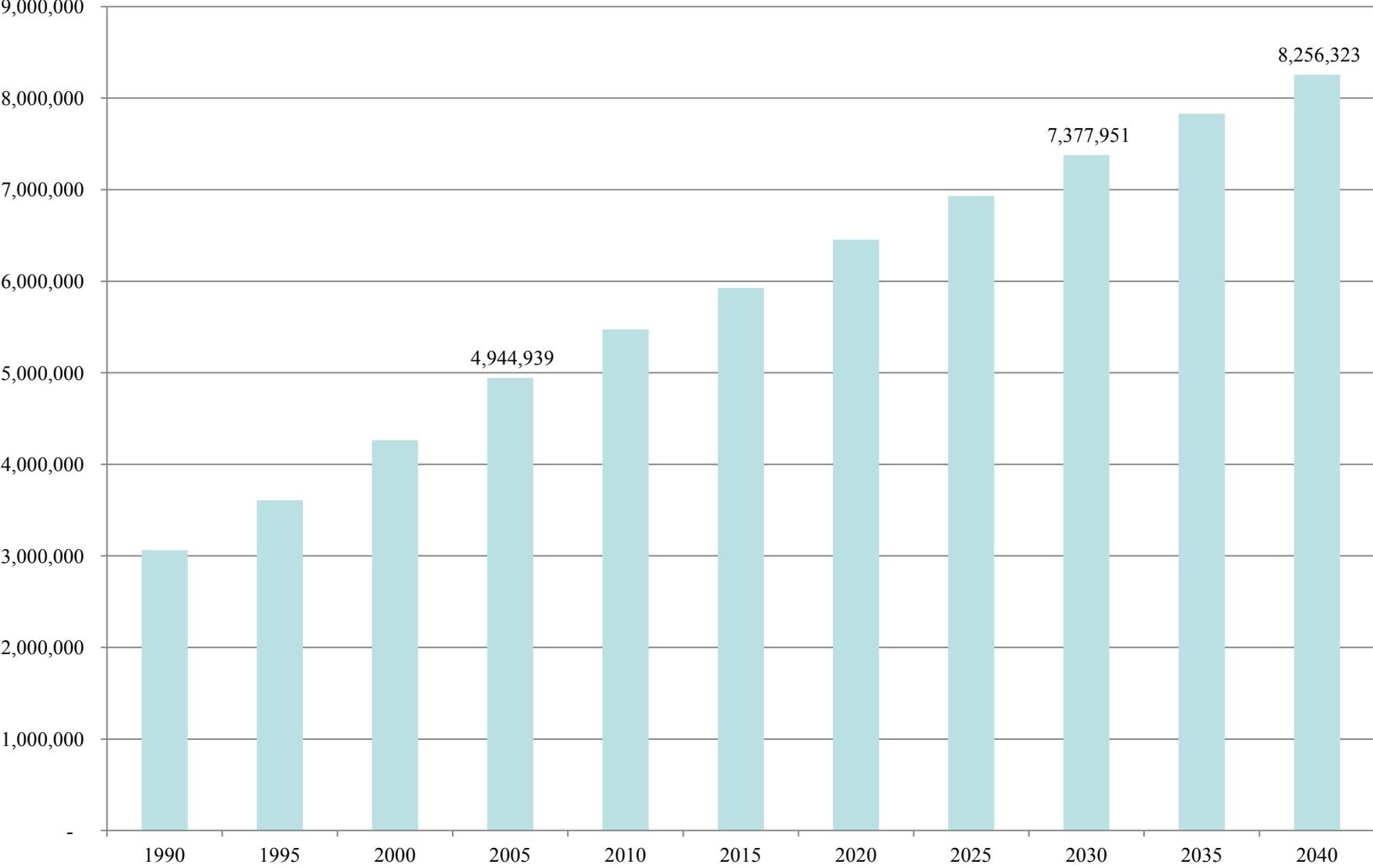
And More Coming ...

Rustbelt To Sunbelt



Forecast Population Growth

20-County Forecast Area



■ ARC 20-Cty Population

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

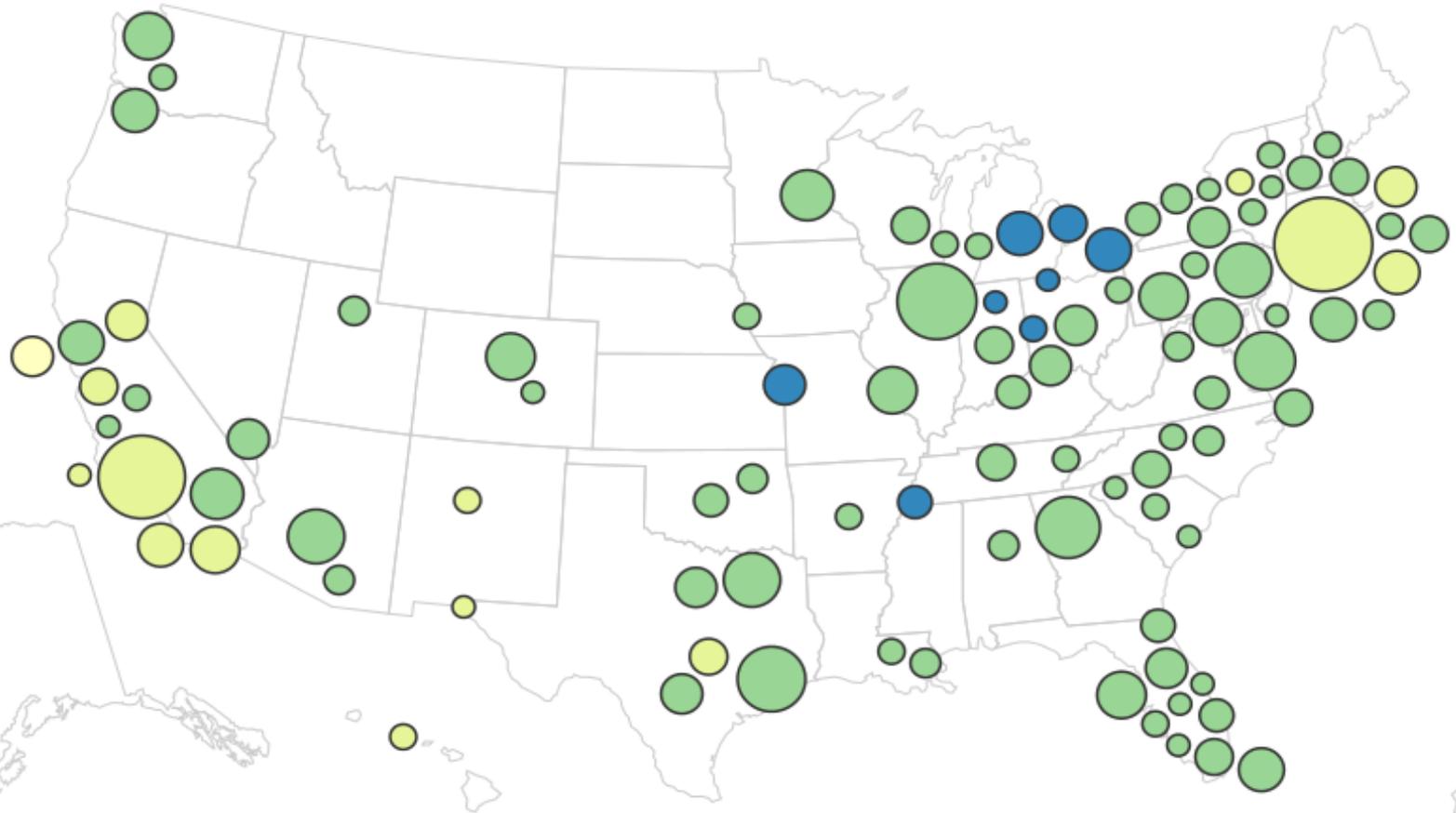
	Total Population	Rank of Share				
		Under 20	20-64	65+	25-39	45-59
Dallas	6,144,489	3	9	25	1	24
Atlanta	5,271,550	5	6	27	2	19
Phoenix	4,179,427	4	24	15	4	26
Denver	2,466,591	11	5	24	4	12
Riverside	4,081,371	1	27	22	5	27
Houston	5,629,127	2	10	26	6	21
Portland	2,174,631	19	2	19	7	7
Seattle	3,309,347	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:

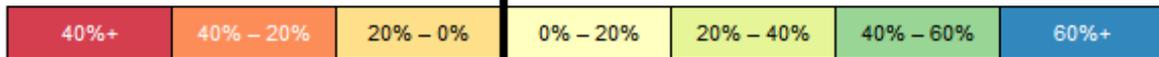
- **#2 Population Age 25-39**
- **#5 Population Under 20**

Source: Census Bureau

Metro Atlanta Is 56% Better To Buy Than Rent



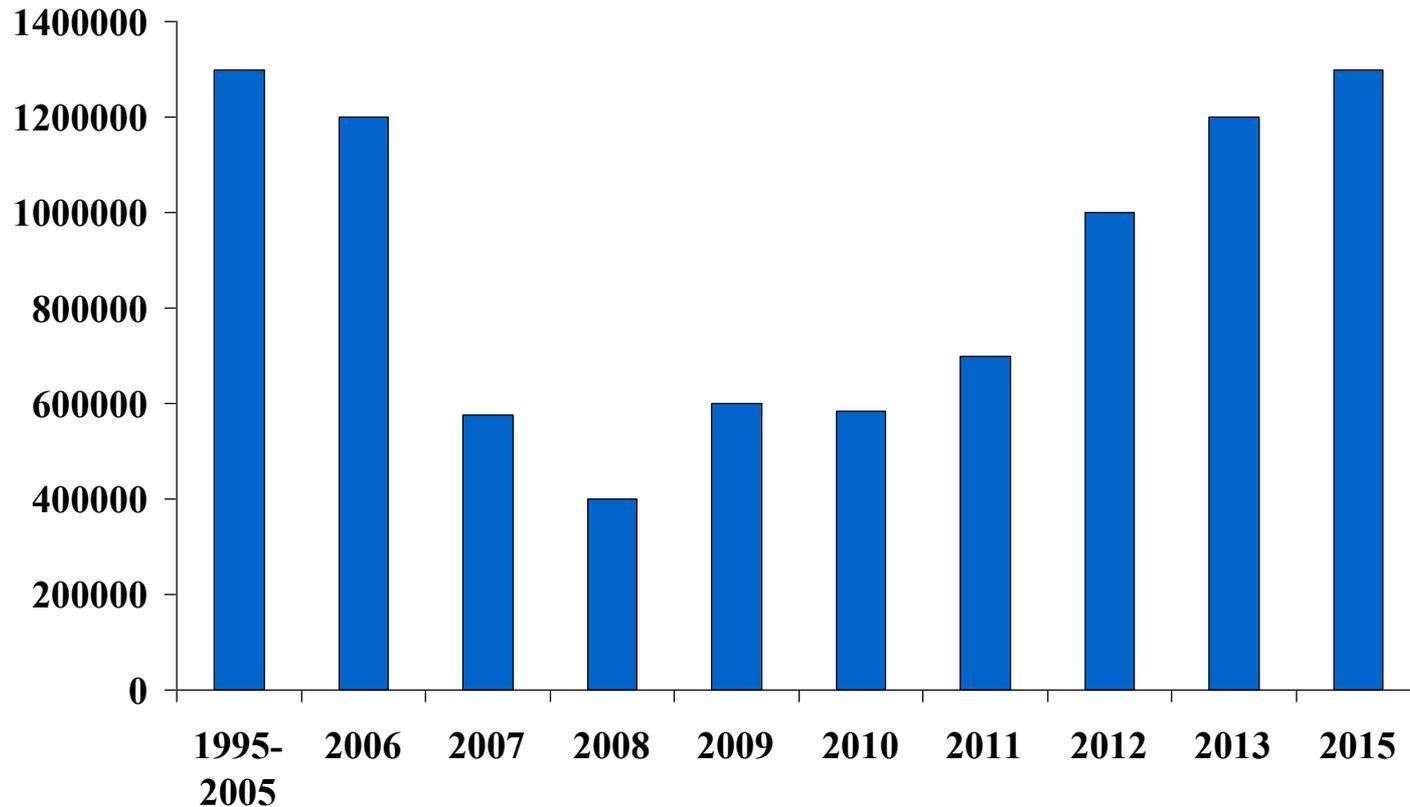
Cheaper to Rent ← → Cheaper to Buy



powered by
trulia

U. S. Household Formation Trends

Demand For 1st Time Buyers Will Be Strong!

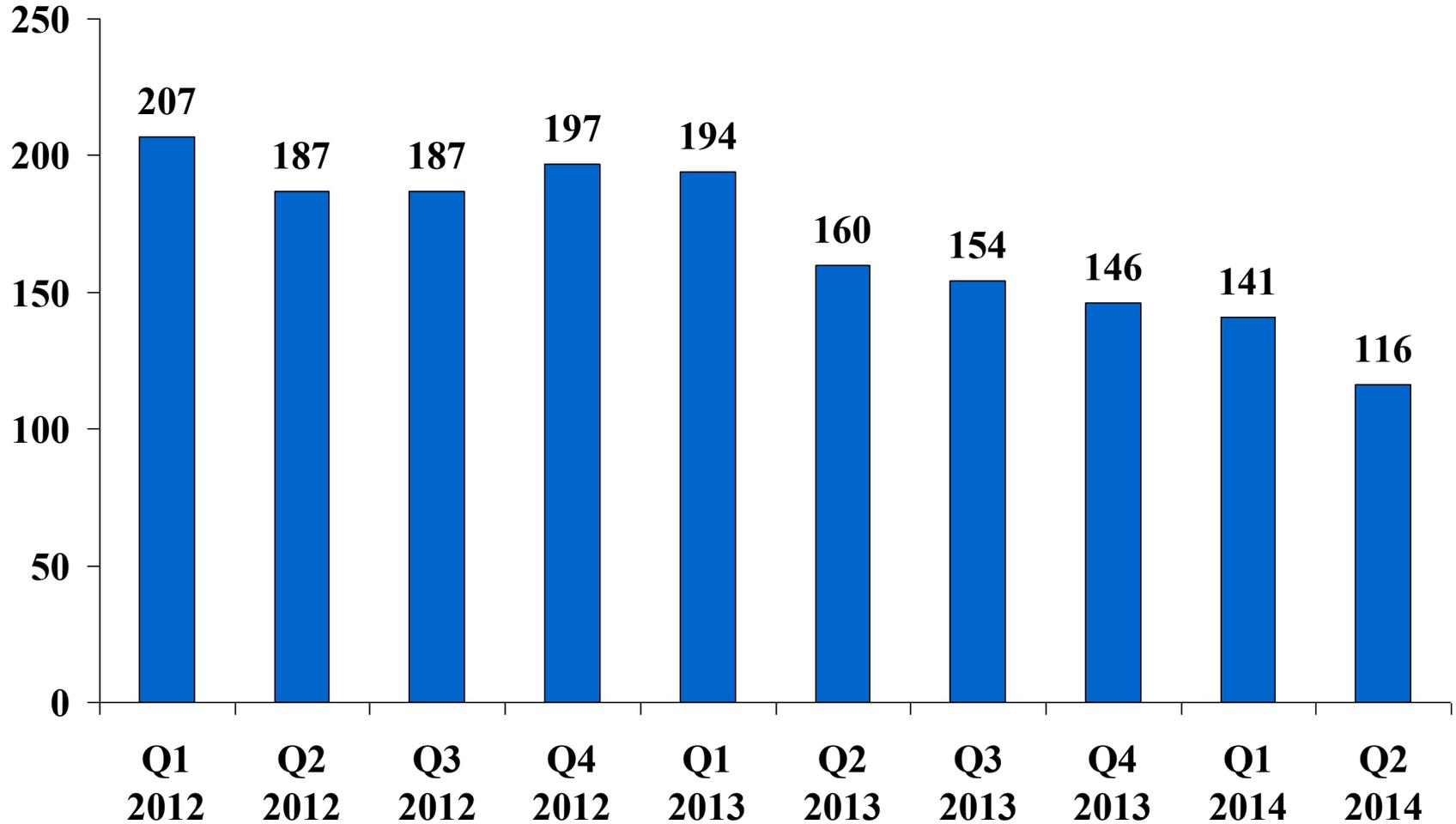


Source: U.S. Census, JCHS Household Growth Projections, Goldman Sachs

- **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!**

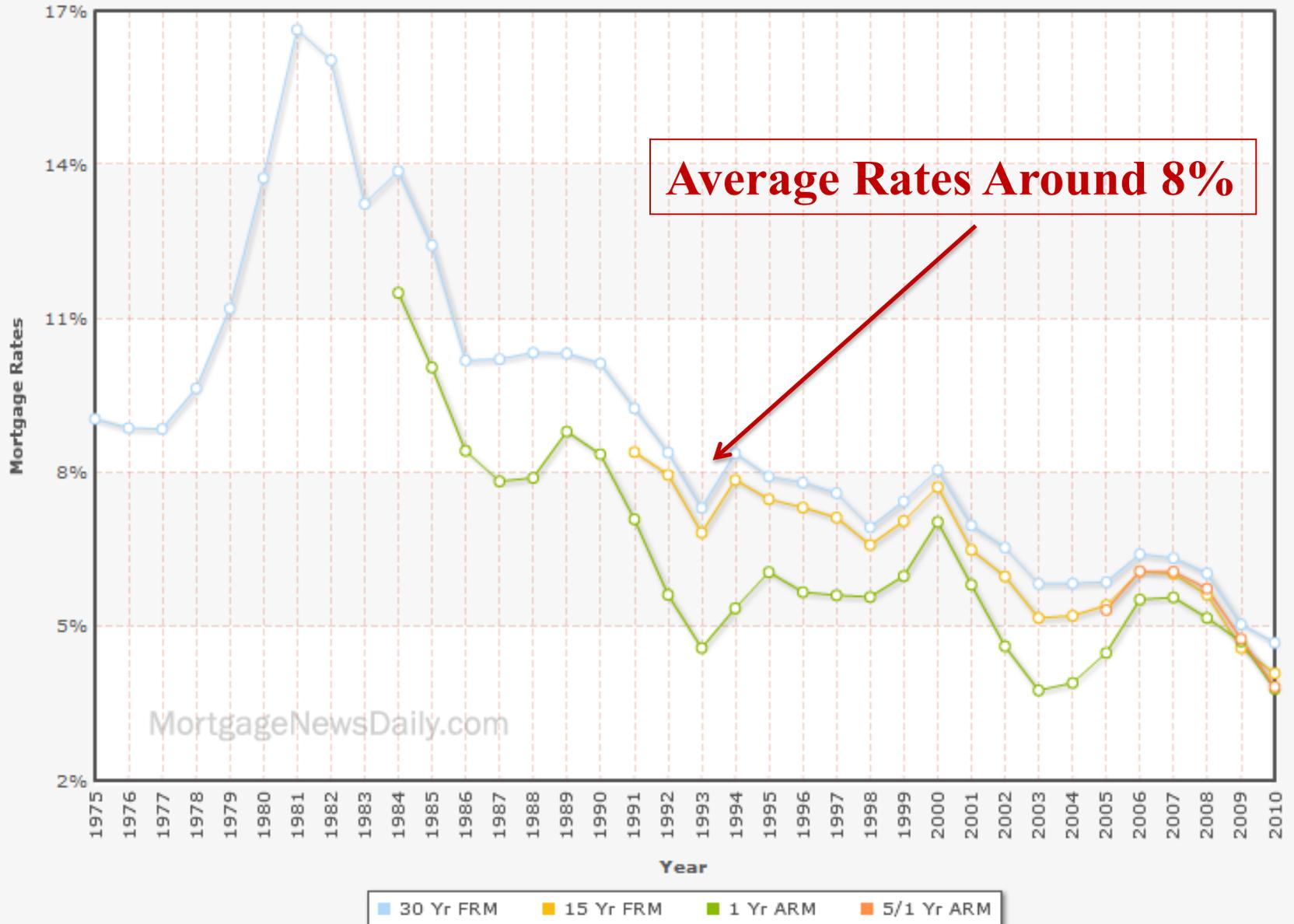
National Housing Affordability Index

(Combination of home prices and mortgage rates)

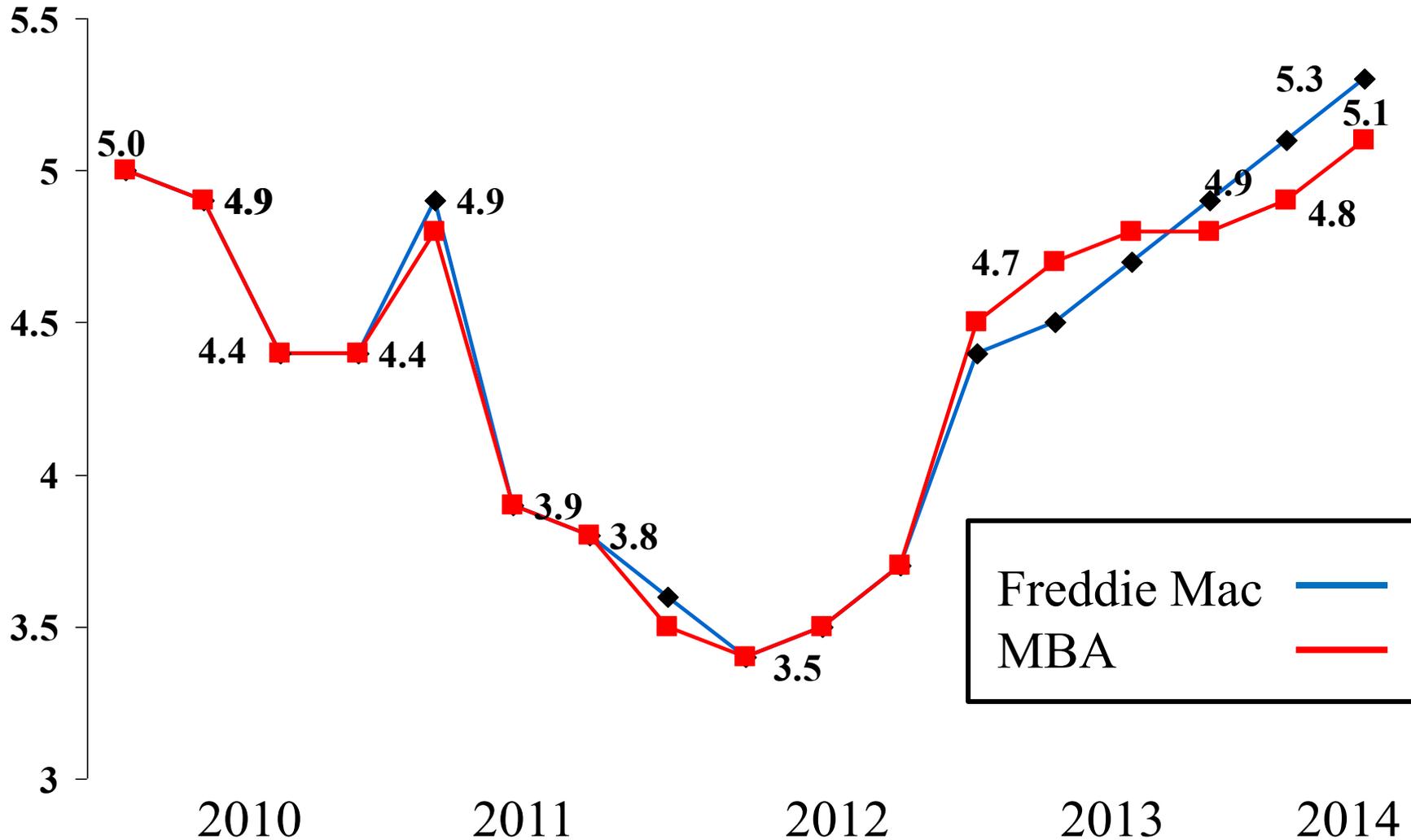


**Prices Improving and Mortgage Rates Rising.
But Home Affordability Remains Historically Favorable.**

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



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



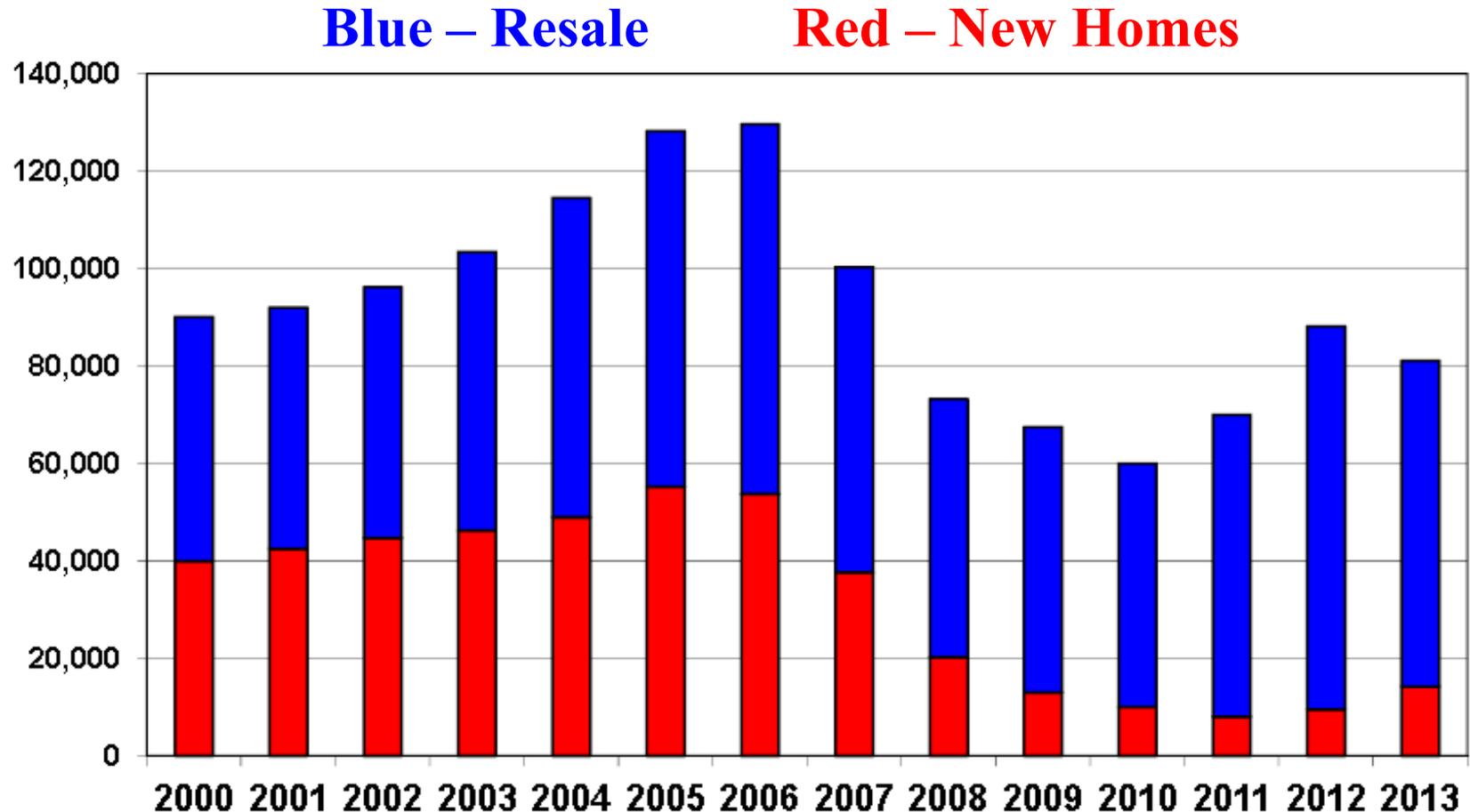
Increasing Mortgage Rates Make A Significant Difference In Home Affordability

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

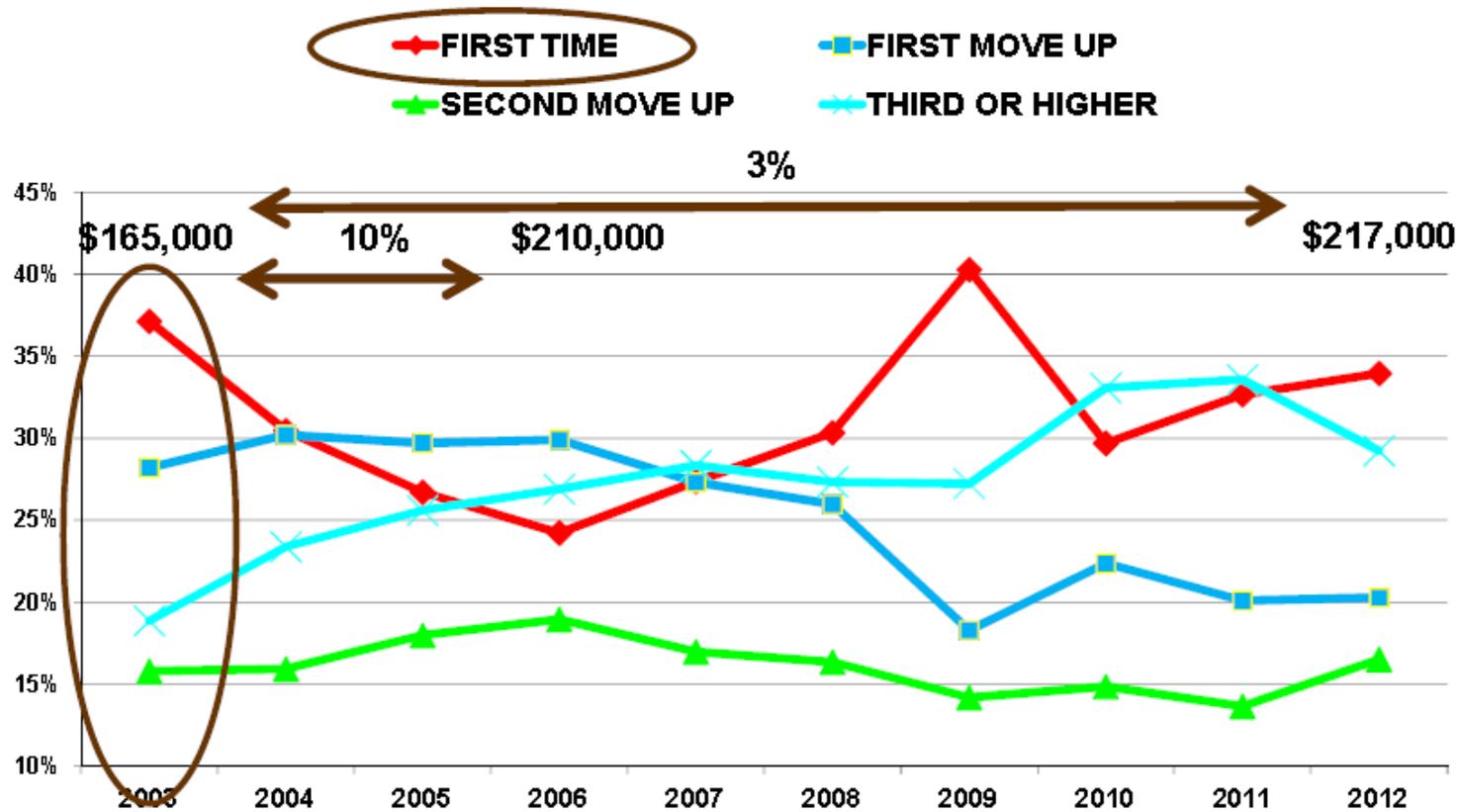
Charts Provided By SmartNumbers and ViaSearch

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.

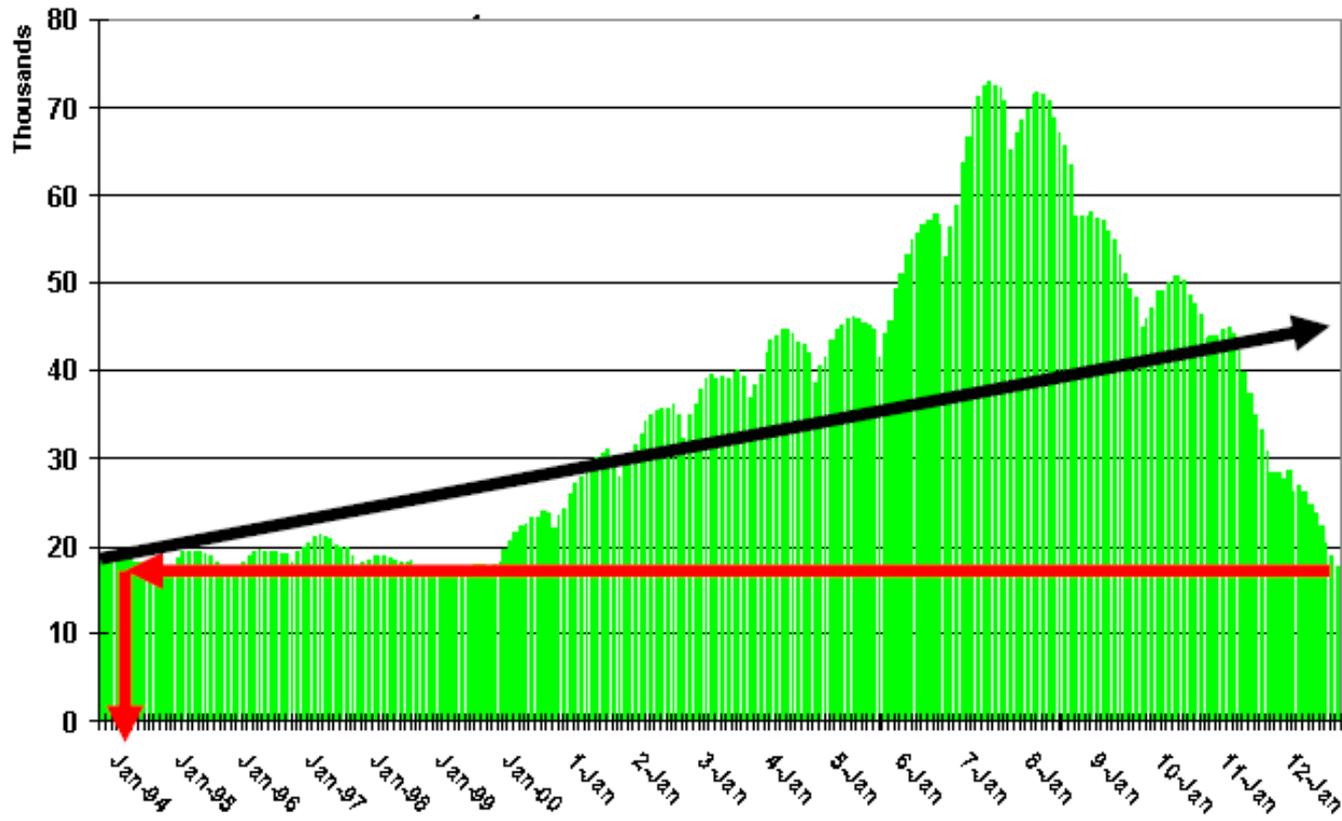
Buyer Types For New Homes



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

Metro Atlanta Inventory

(Black Arrow Is Population Trend)



Population Trends Growing Faster Than Inventory