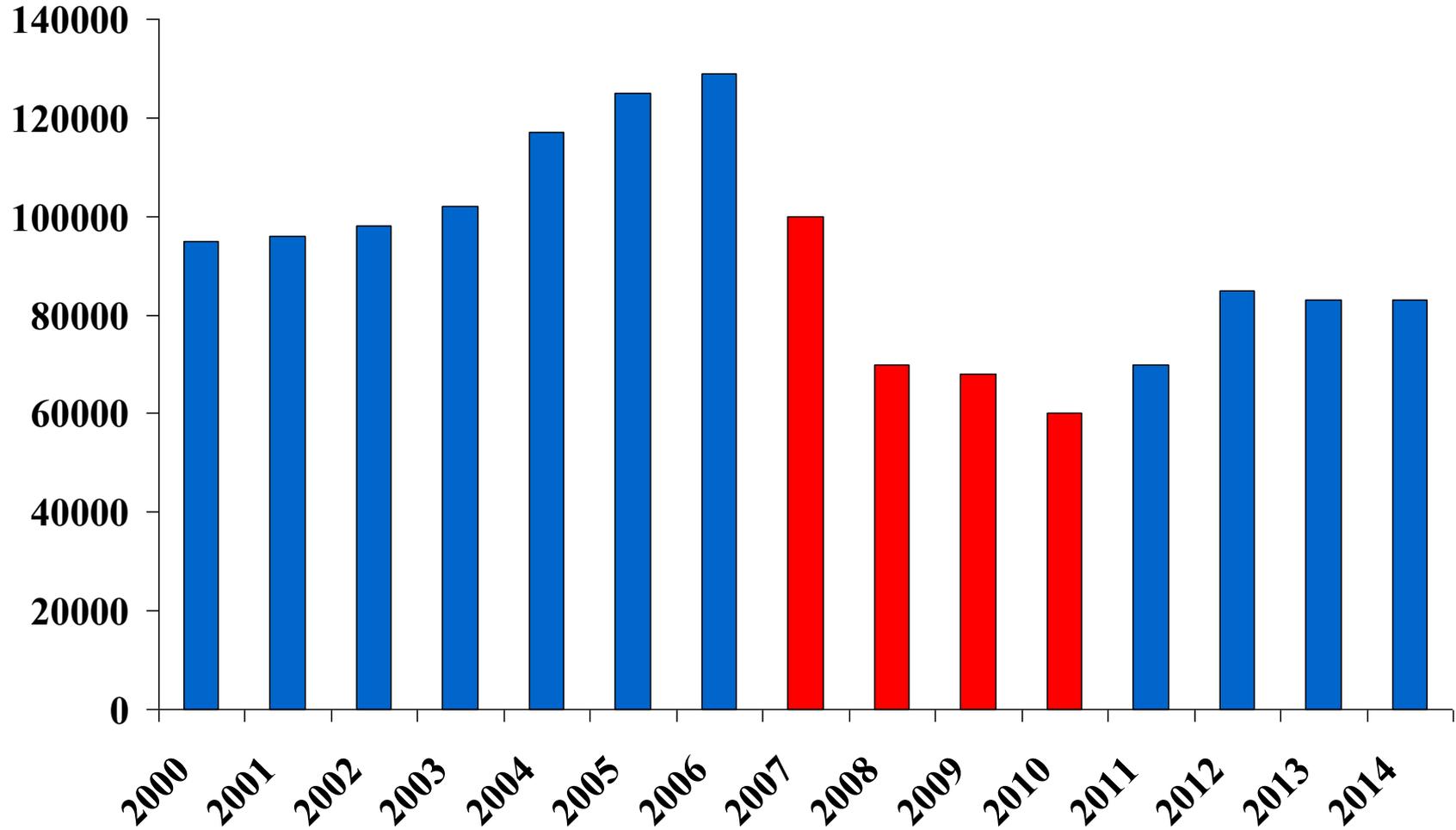


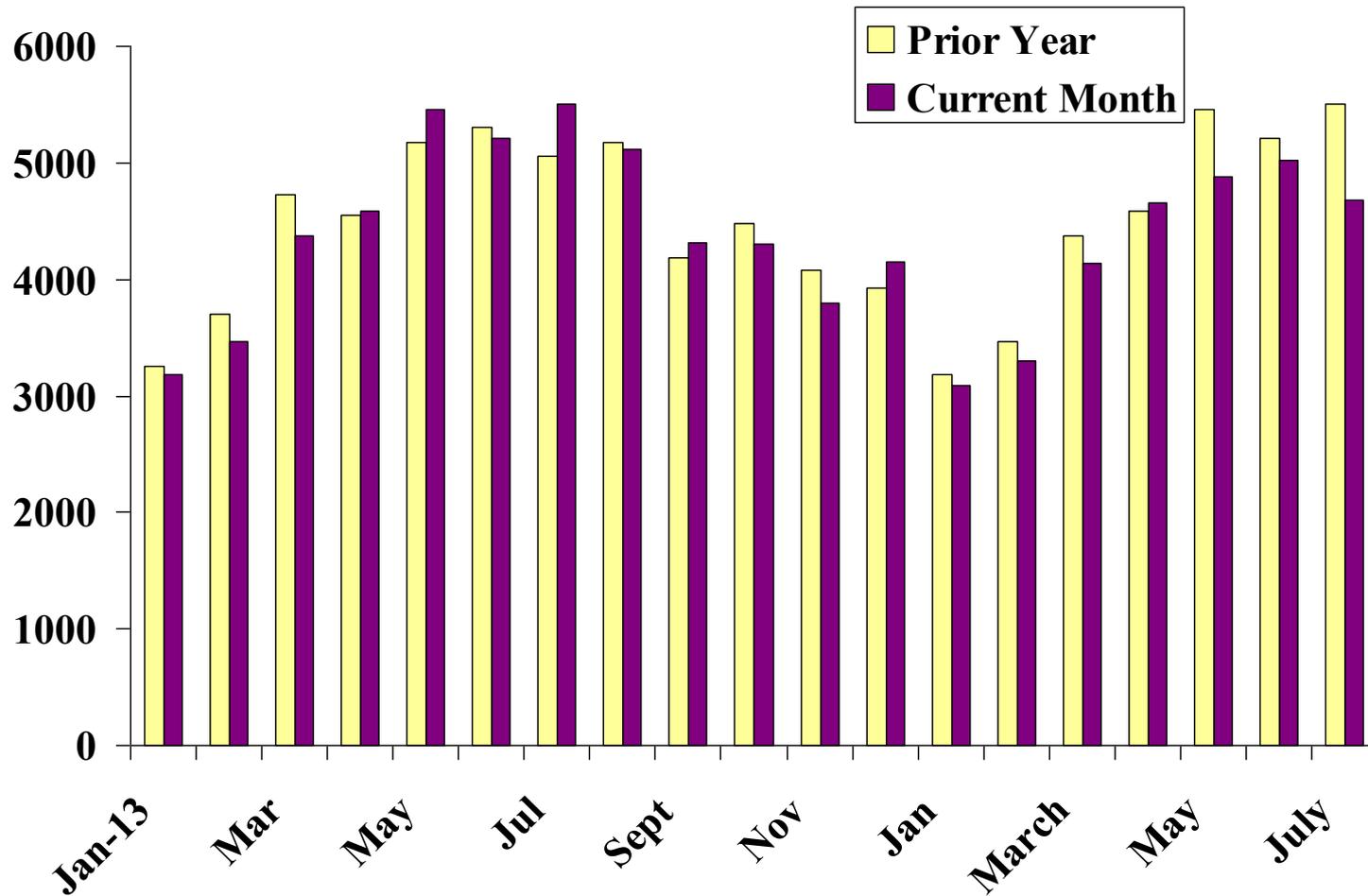
**Greater
Metro Atlanta
Market**

Metro Atlanta Homes Sold



**125,000 Homes Sold In 2006. 60,000 Homes Sold in 2010.
2014 YTD Closings Currently 2.5% Behind Closings In 2013.**

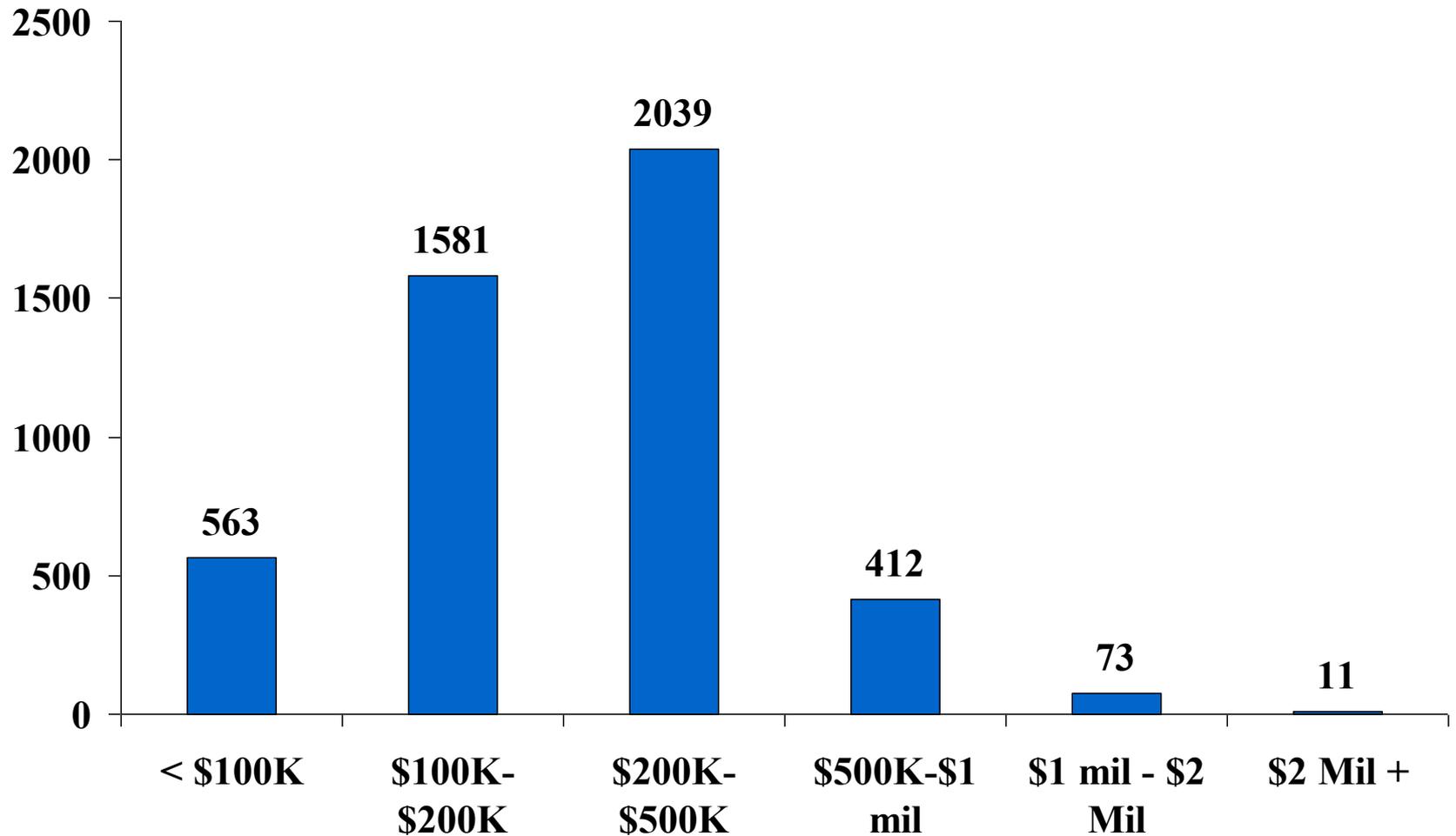
Metro Atlanta 2013-2014 Closings



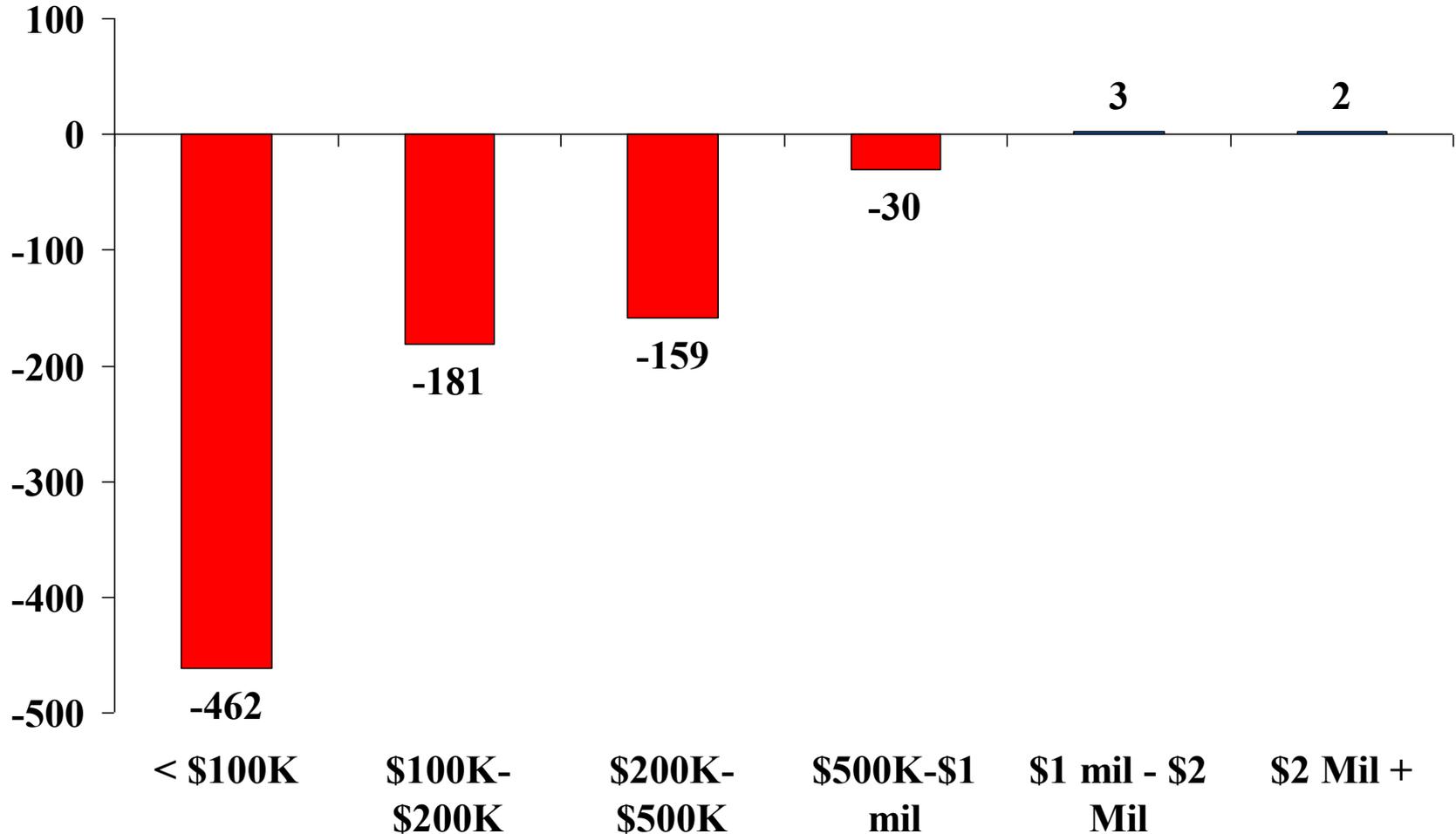
July Closings Down 14.4% Compared To June Closings.
July 2014 Closings Down 15% Compared To July 2013 Closings.

Metro Atlanta Closings – July 2014

(Number Of Transactions)

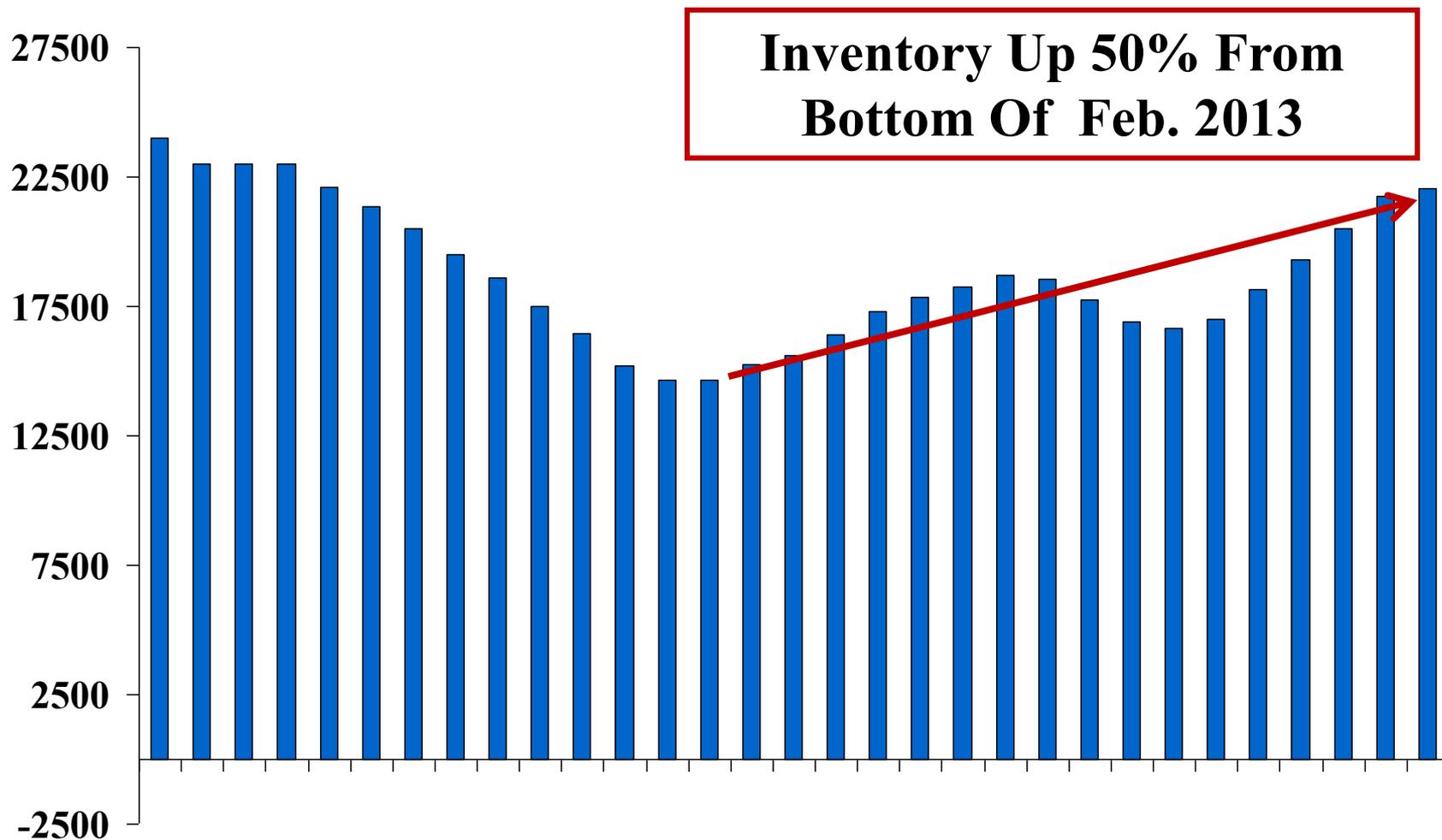


Metro Atlanta Closed Units By Price Point Compared To Same Period Last Year



Listed Inventory January 2012 - July 2014

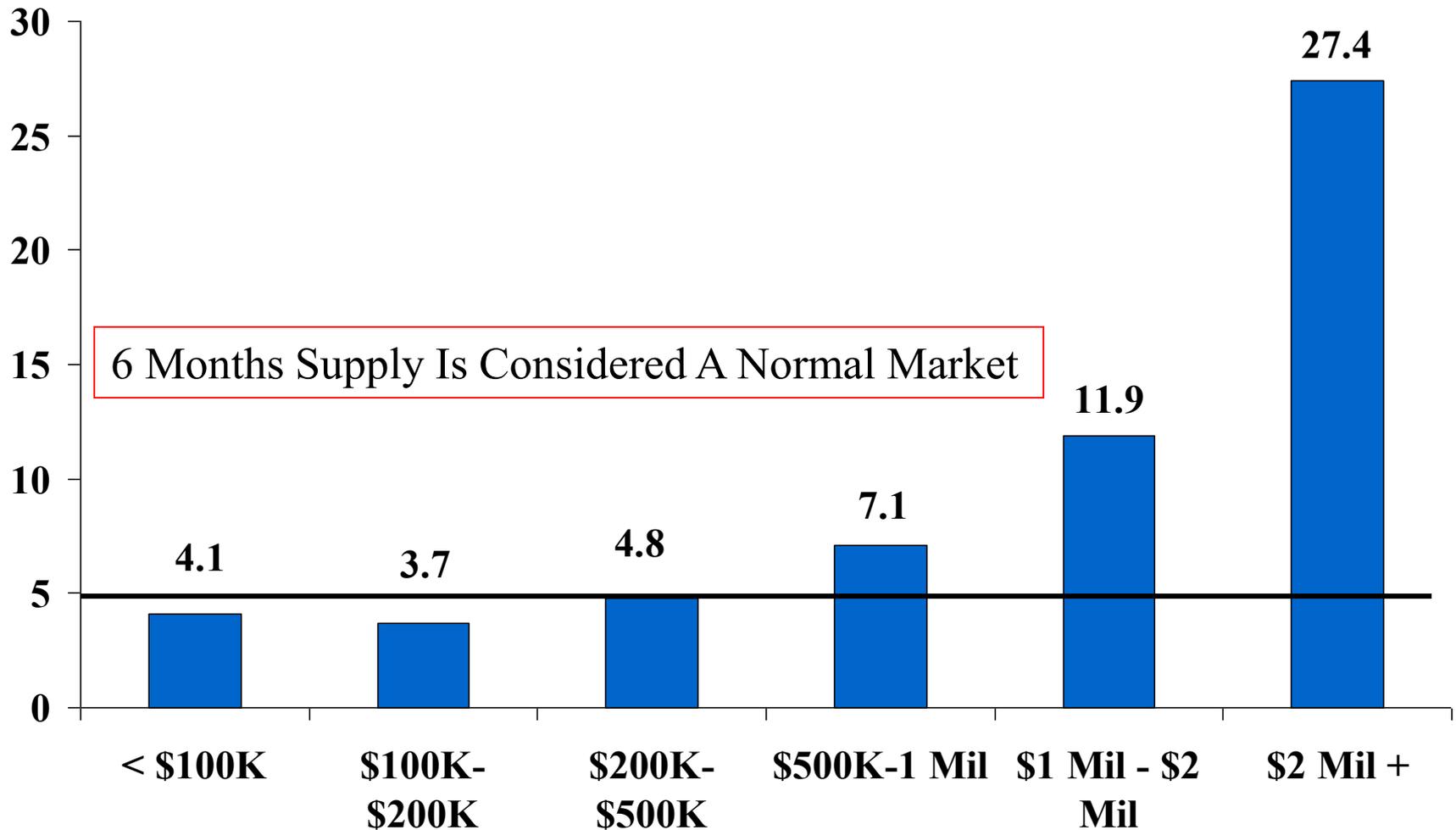
Residential Detached, Metro Atlanta



Inventory Up 1.4% from June 2014, Up 23.7% from July 2013

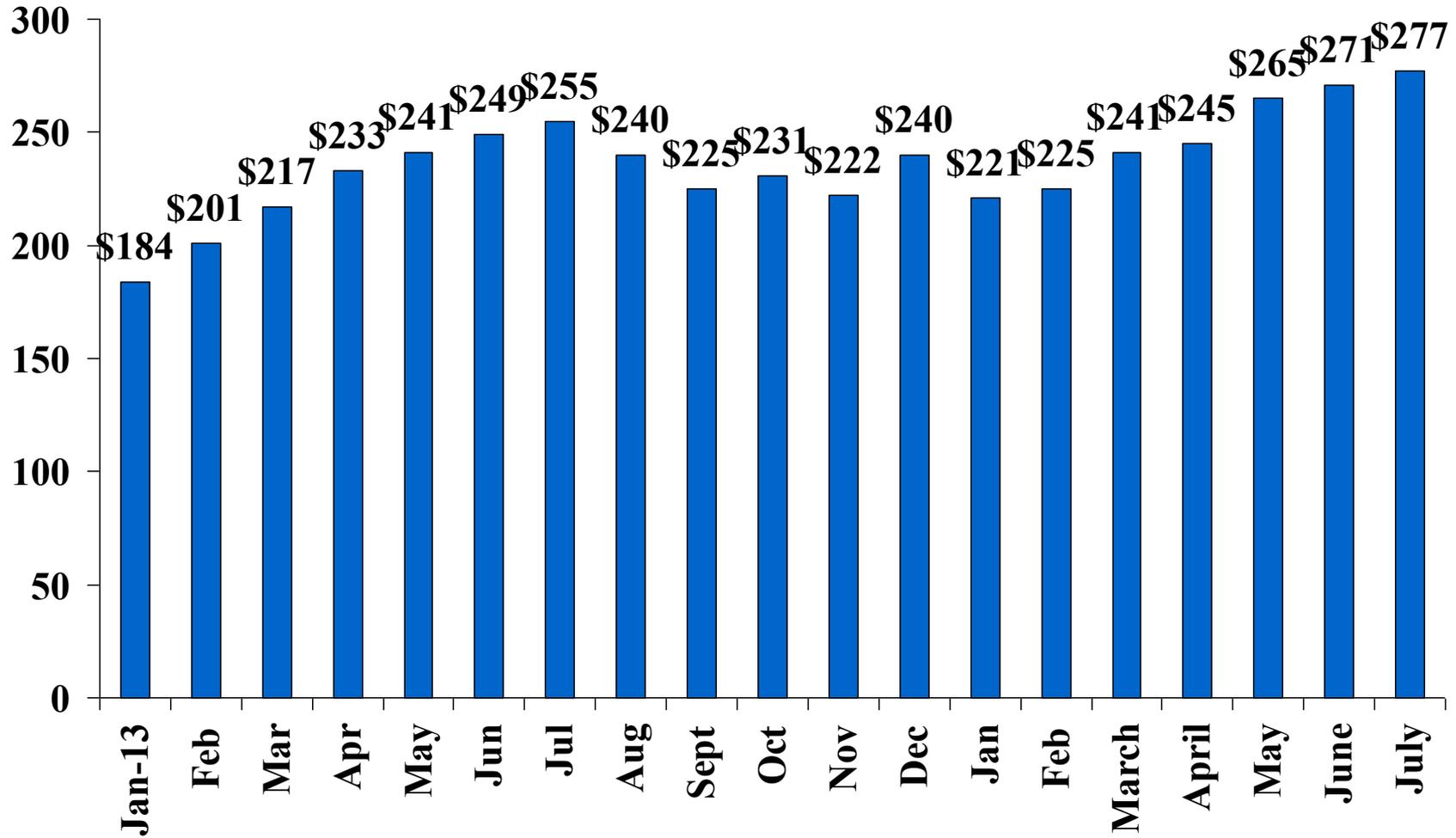
Metro Atlanta Months of Inventory

(June 2014, Based On Closed Sales)



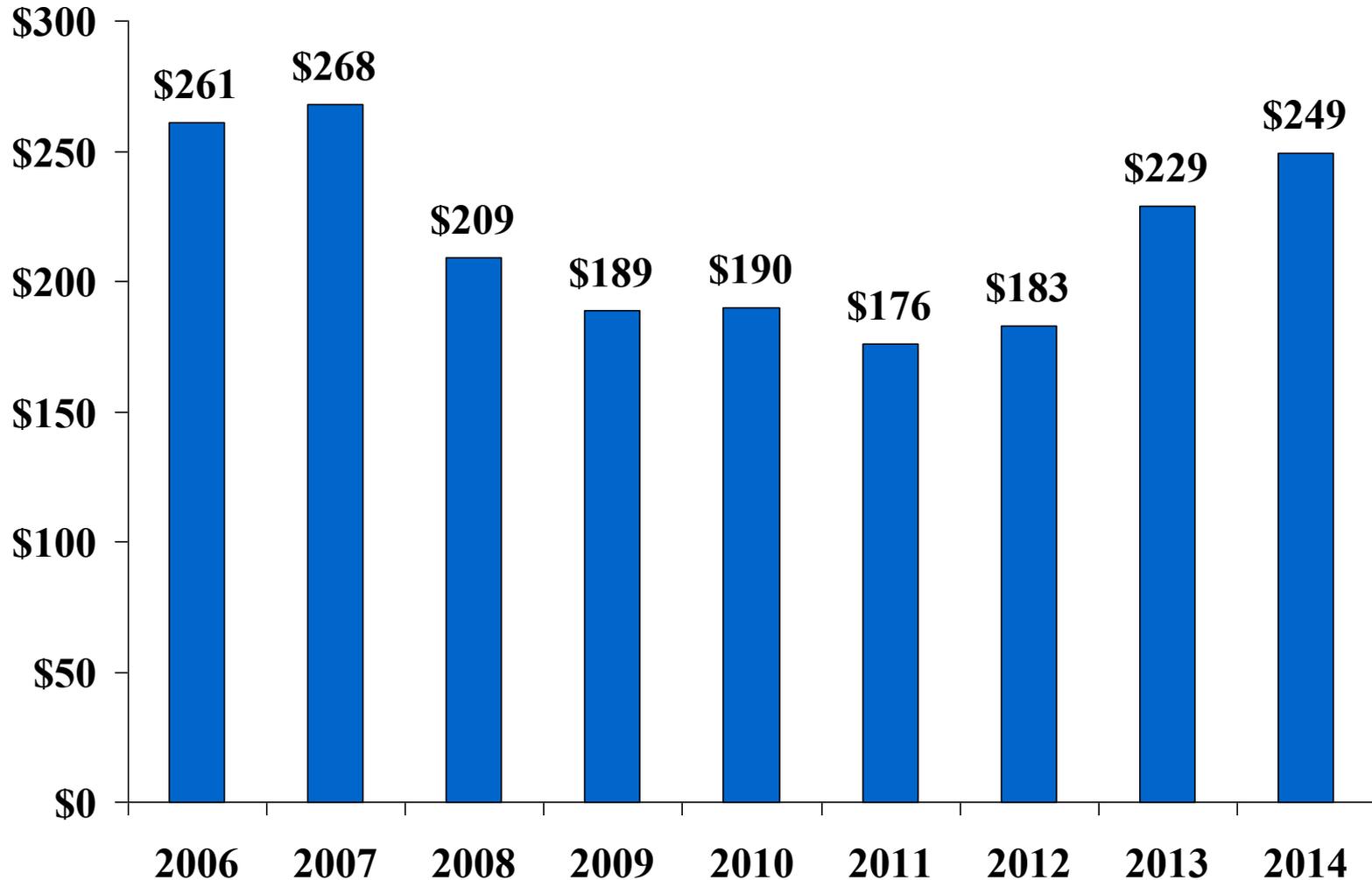
Overall “Months Of Inventory” Is 4.7 Months

Metro Atlanta Monthly Average Sale Prices



ASP Up 2.2% From Last Month & Up 8.6% From Last July

Metro Atlanta Annual Average Sale Prices



Annual ASP Up 41.5% From Bottom Of 2011

Metro Atlanta Foreclosure Comparisons

(Data by RealValuator)


Pre-Foreclosures

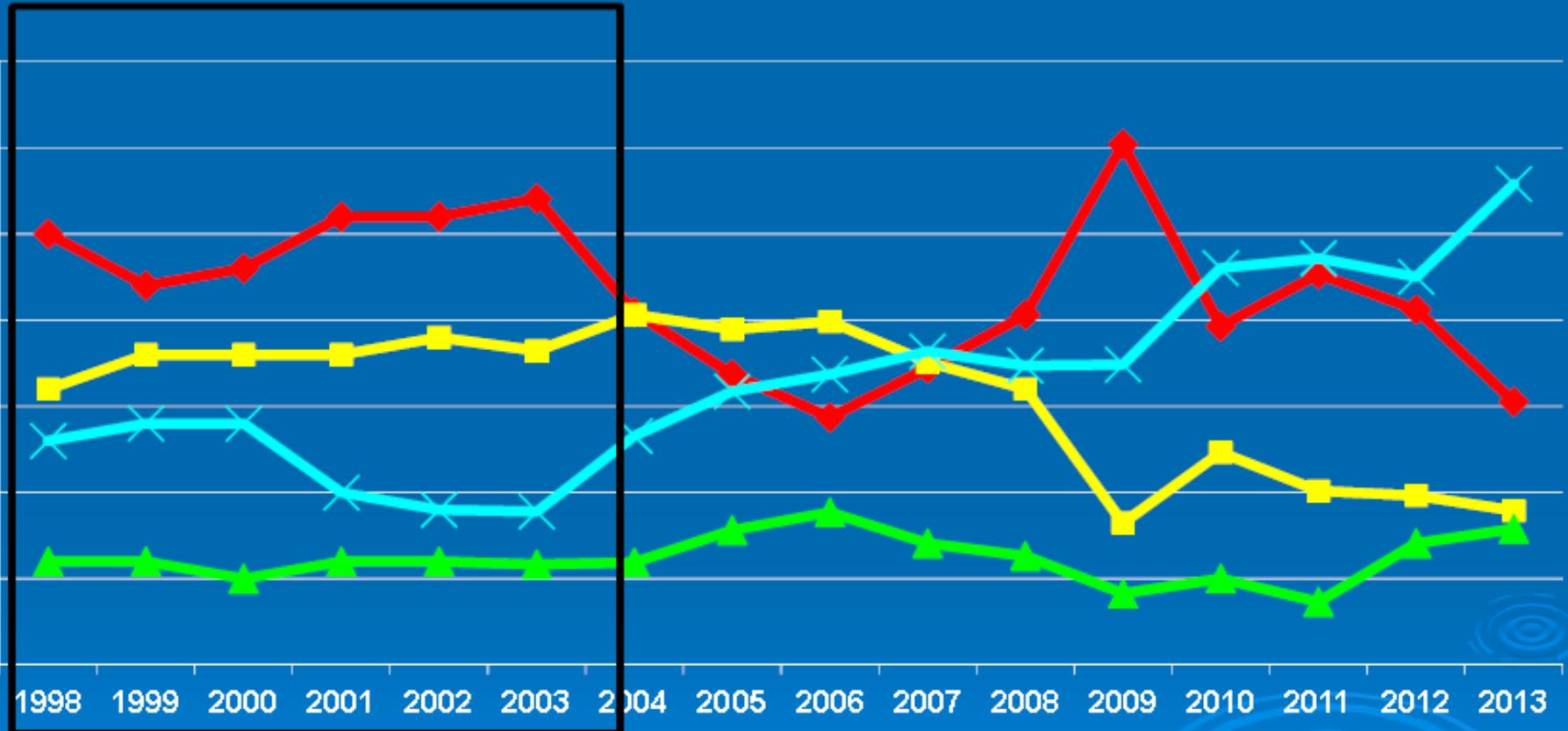

Foreclosures


REO Sales

| Date | Activity | Average Amount | Activity | Average Amount | Activity | Average Amount |
|--------|---|------------------|-------------|------------------|-------------|------------------|
| Aug-13 | 2362 | \$177,454 | 968 | \$132,872 | 421 | \$99,045 |
| Sep-13 | 2137 | \$178,833 | 687 | \$128,058 | 345 | \$95,344 |
| Oct-13 | 2004 | \$178,019 | 631 | \$174,726 | 312 | \$98,324 |
| Nov-13 | 1704 | \$173,679 | 730 | \$179,306 | 300 | \$95,458 |
| Dec-13 | 1826 | \$174,734 | 571 | \$126,950 | 302 | \$108,392 |
| Jan-14 | 1446 | \$170,353 | 612 | \$131,975 | 263 | \$112,970 |
| Feb-14 | 1202 | \$175,582 | 390 | \$117,748 | 280 | \$110,227 |
| Mar-14 | 1221 | \$171,424 | 396 | \$124,415 | 282 | \$115,570 |
| Apr-14 | 1353 | \$168,873 | 333 | \$129,344 | 259 | \$94,009 |
| May-14 | 1215 | \$173,849 | 400 | \$120,430 | 212 | \$126,217 |
| Jun-14 | 1011 | \$179,730 | 281 | \$141,739 | 170 | \$113,613 |
| Jul-14 | 1067 | \$180,446 | 127 | \$124,272 | 128 | \$117,981 |
| Totals | 18548 notices 13996 properties | \$175,248 | 6126 | \$135,986 | 3274 | \$107,263 |

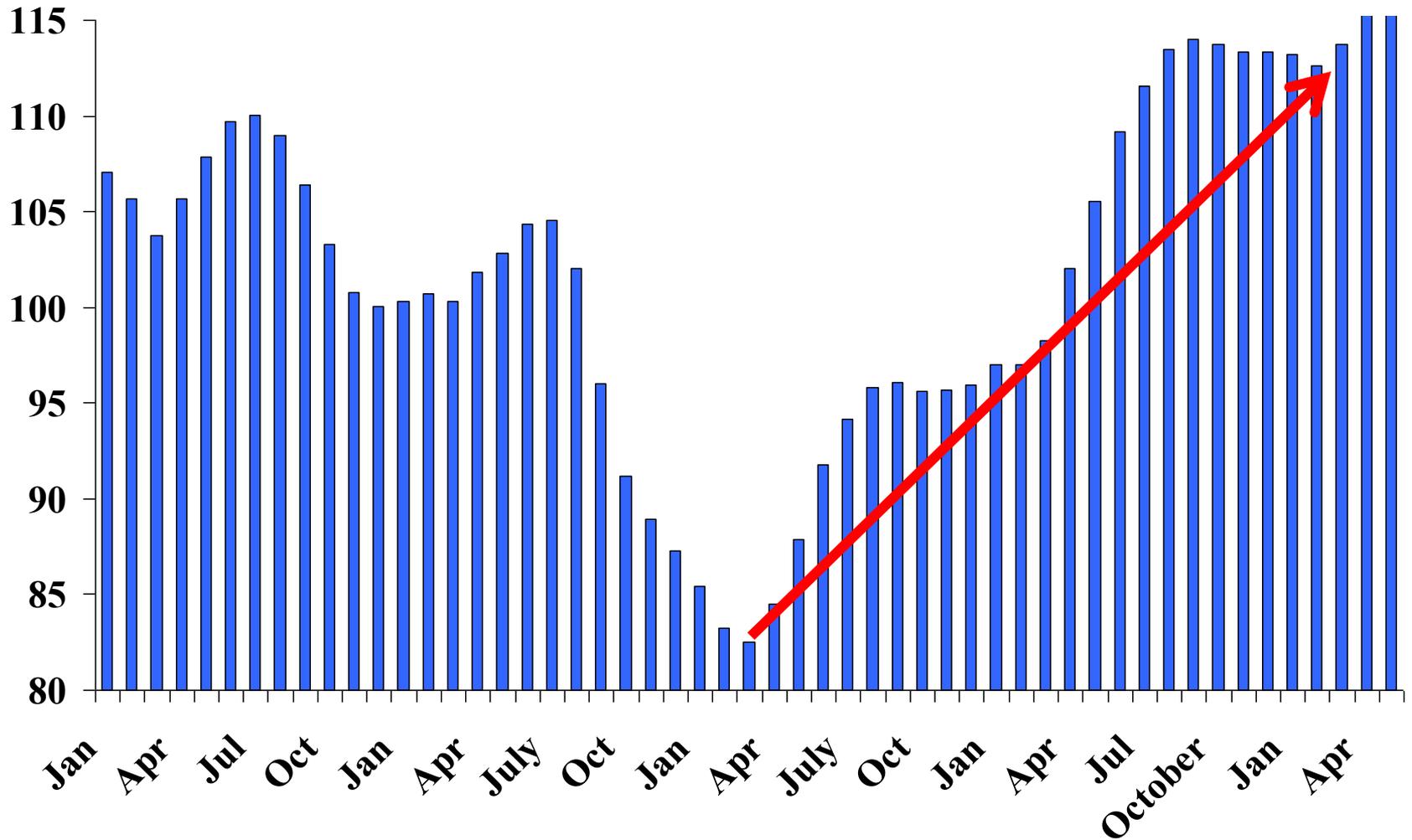
Baby Boomers Are #1 Buyer Segment

- ◆ FIRST TIME
- FIRST MOVE UP
- ▲ SECOND MOVE UP
- ✕ THIRD OR HIGHER



“Normal”
Atlanta

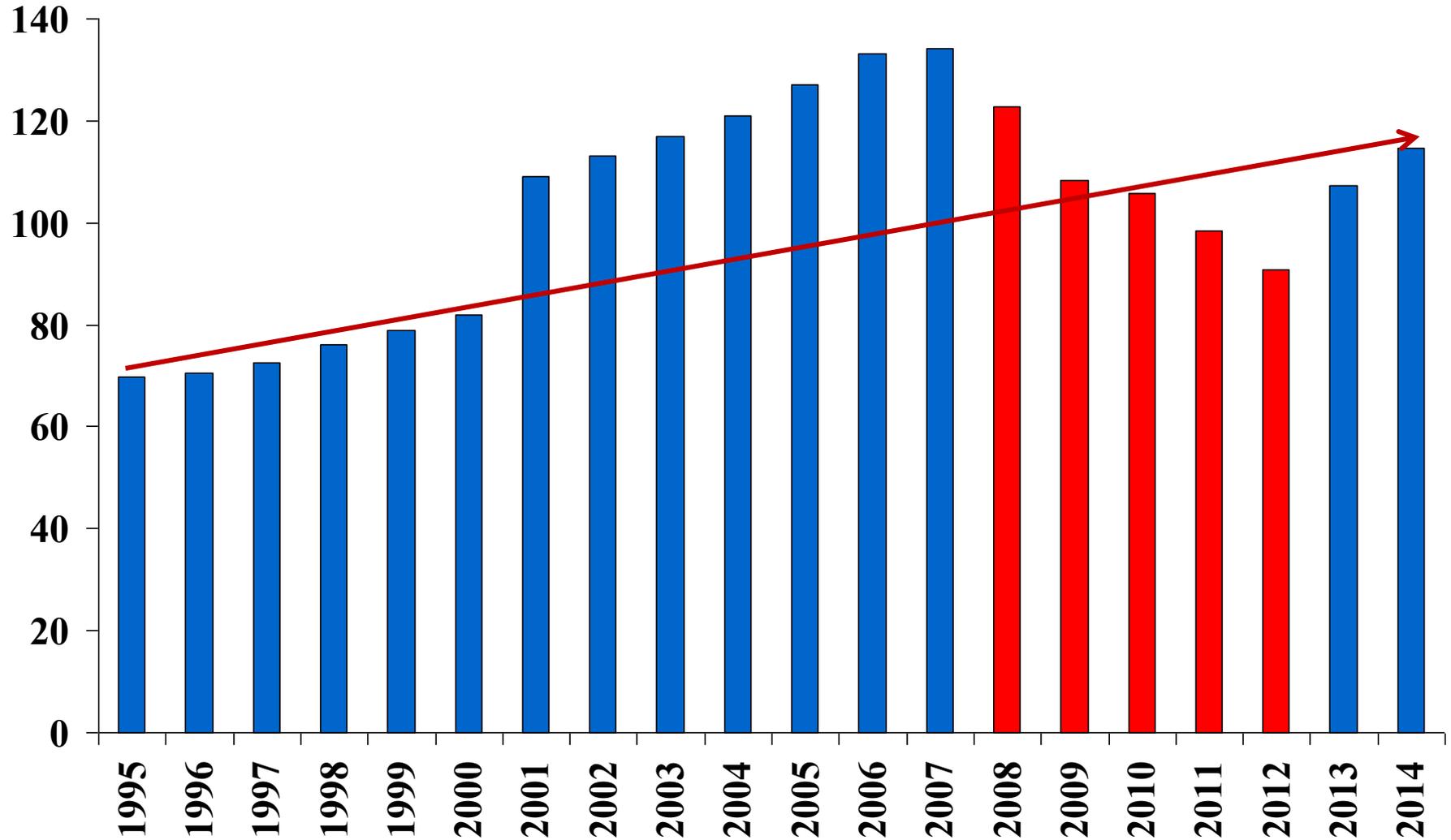
Case-Shiller Index For Metro Atlanta



January 2010 Through May 2014 (Reported July 29, 2014)

Home Values Up 42% From Bottom of March 2012.

Case-Shiller Home Values For Metro Atlanta



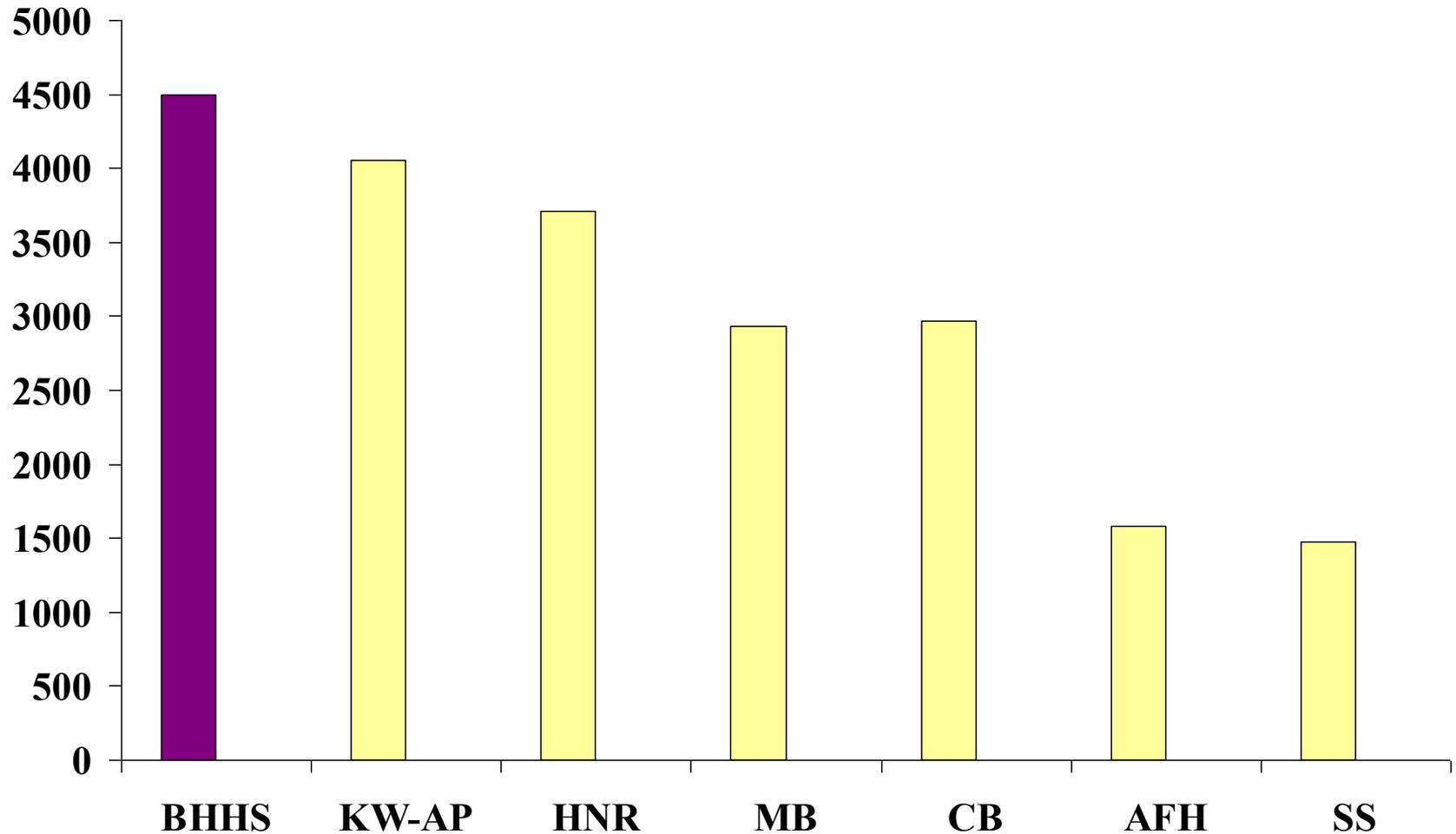
Peak For Values Was July 2007. Recent Bottom Was Feb 2012.

Current Home Values Moving Back To Normal Trend Line.

**Berkshire Hathaway
HomeServices
Georgia Properties**

YTD Transactions – July 2014

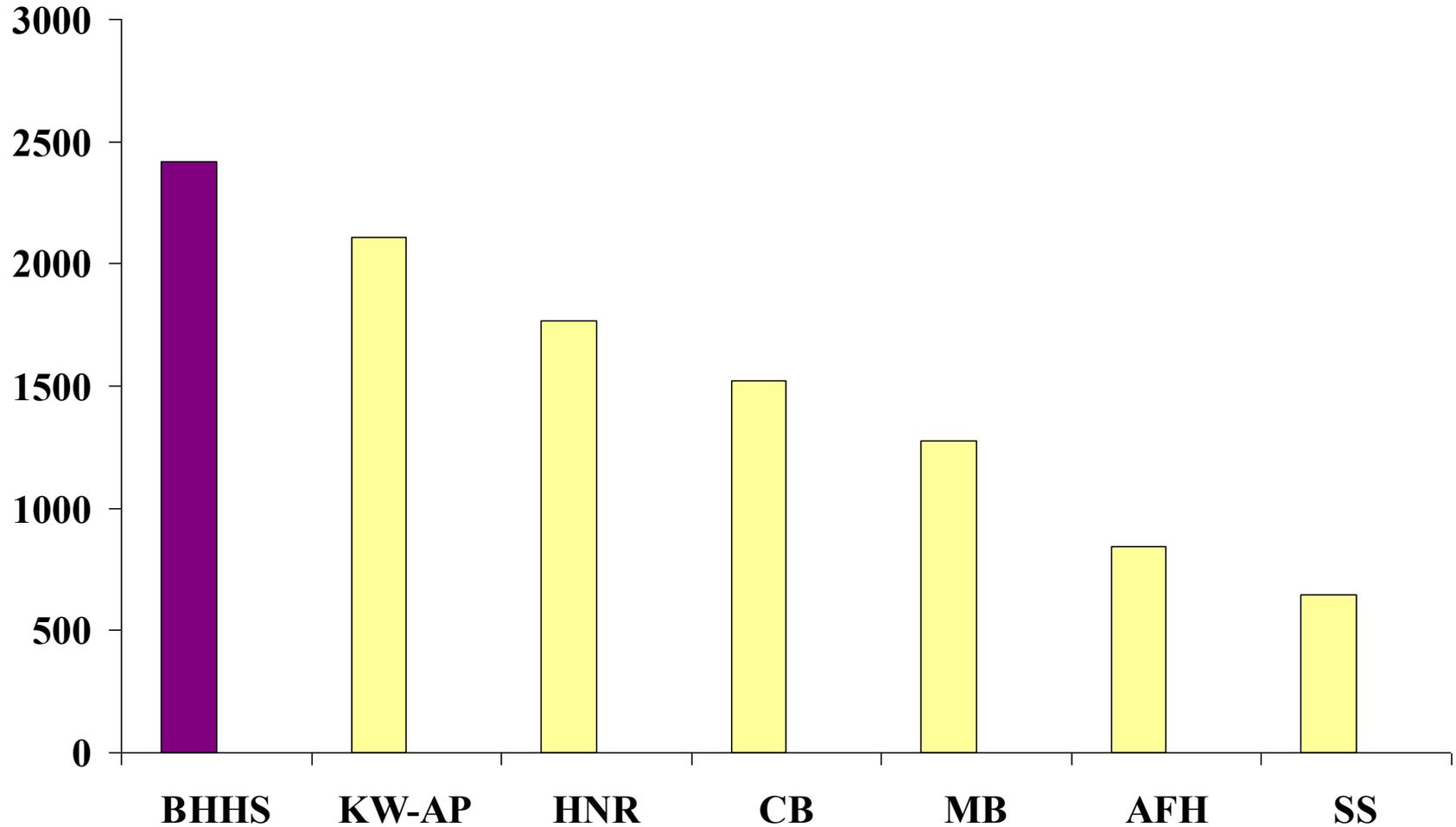
FMLS Counties + Southern Crescent



Information Provided By Trendgraphix.

YTD Listing Sales – July 2014

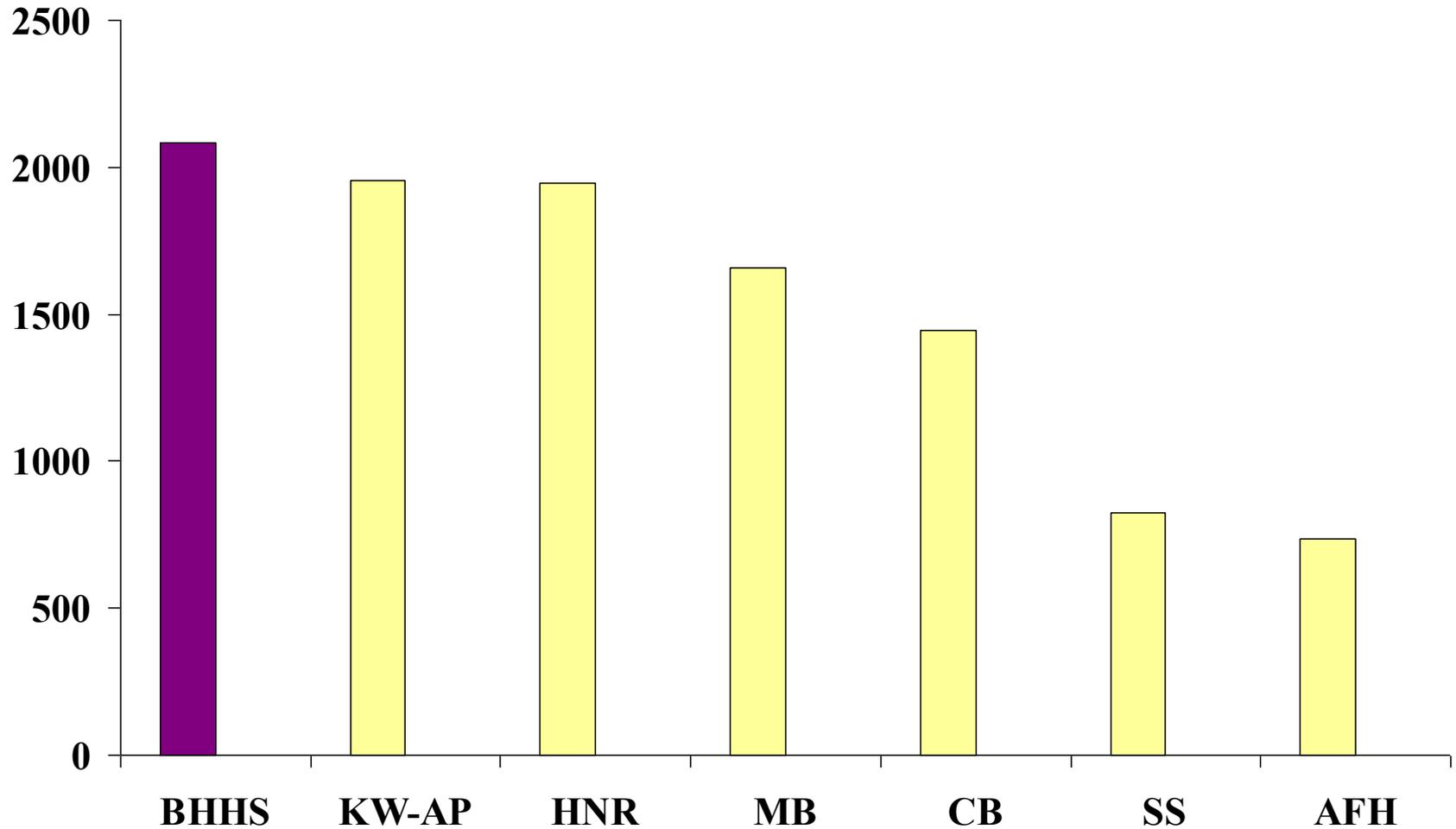
FMLS Counties + Southern Crescent



Information Provided By Trendgraphix.

YTD Buyers Represented – July 2014

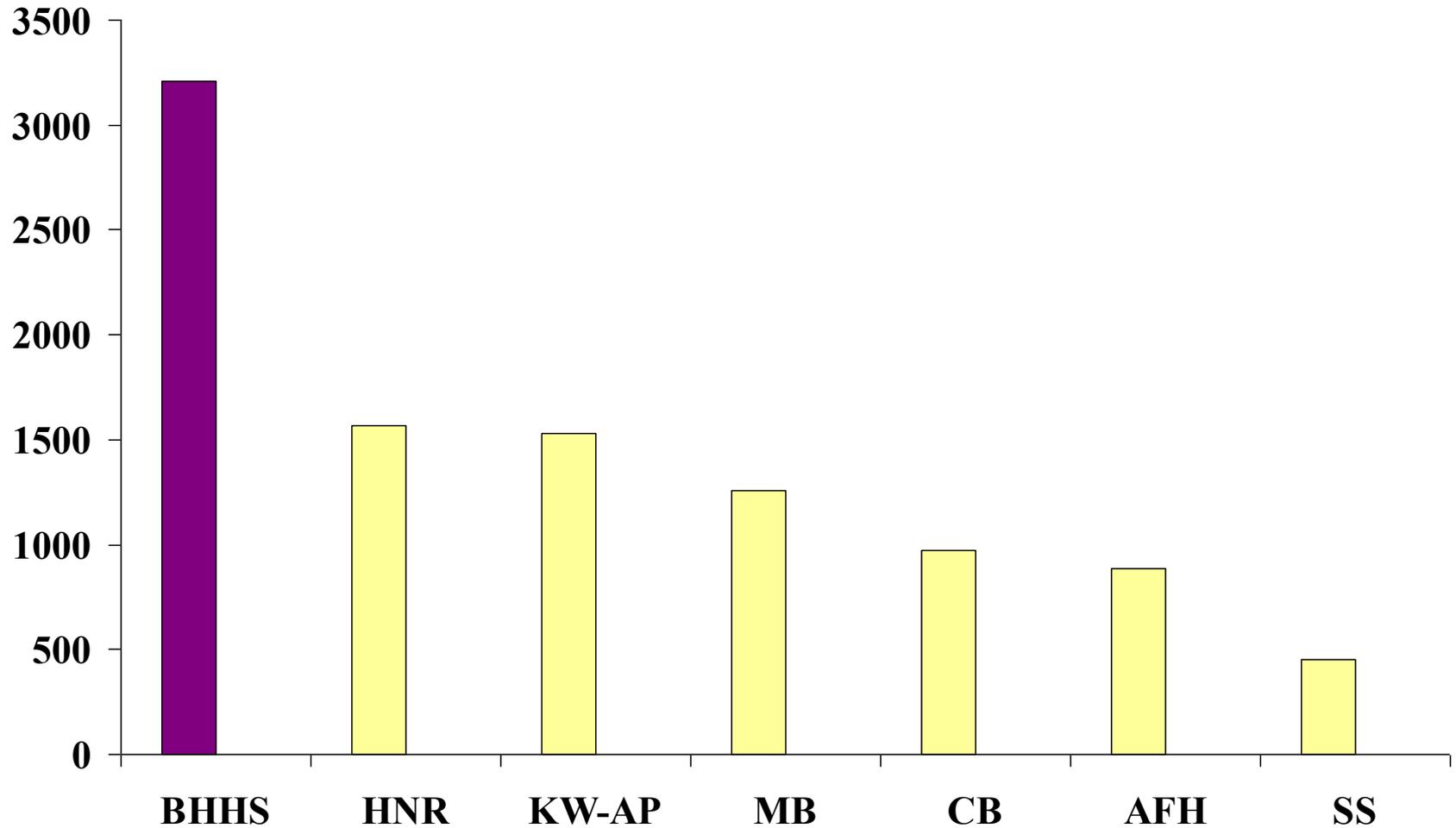
FMLS Counties + Southern Crescent



Information Provided By Trendgraphix.

YTD Listing Inventory – July 2014

FMLS Counties + Southern Crescent

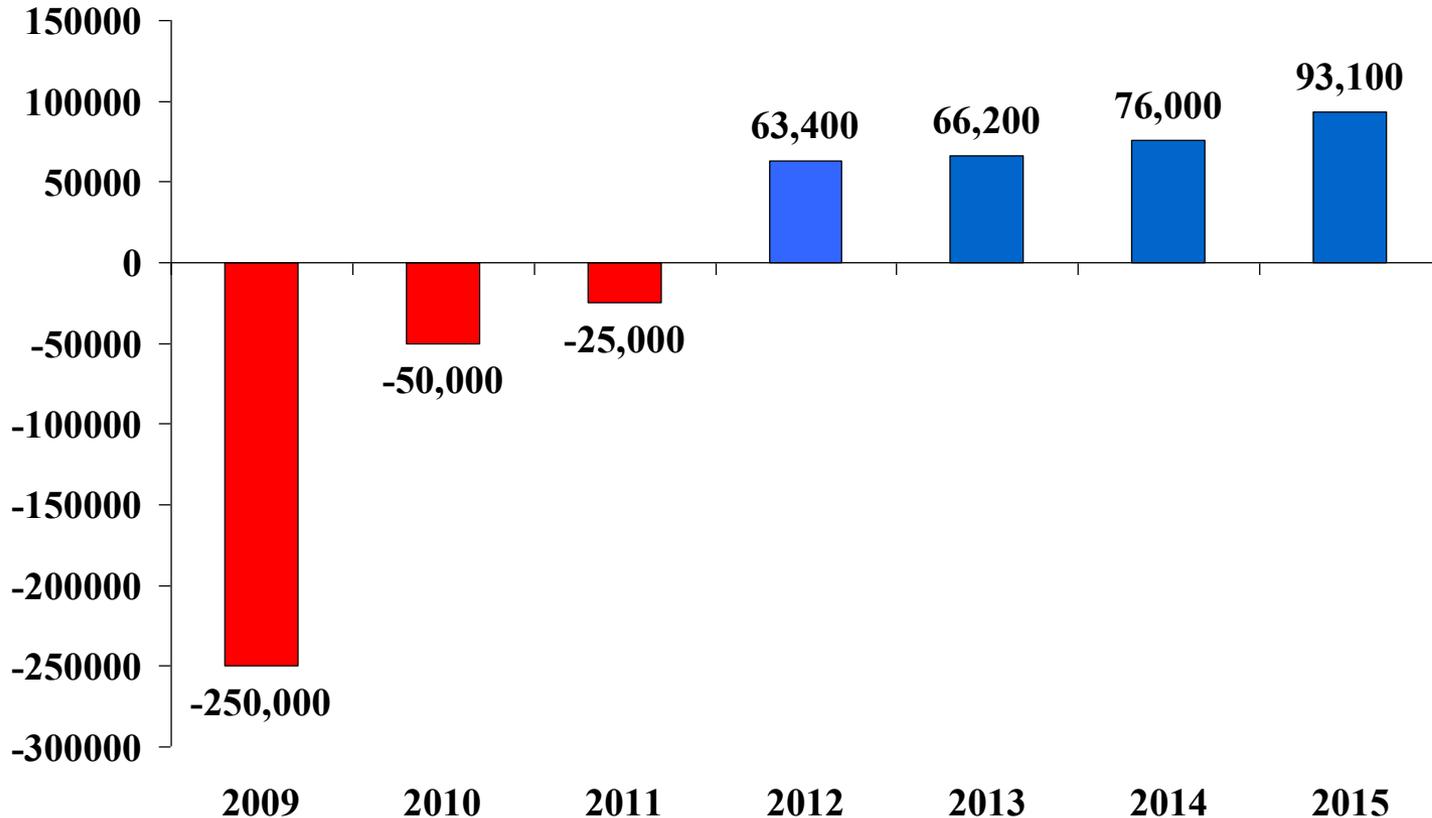


Information Provided By Trendgraphix and BHHS GP Internal Reports.

Economic & Housing Trends

More Jobs In Georgia!

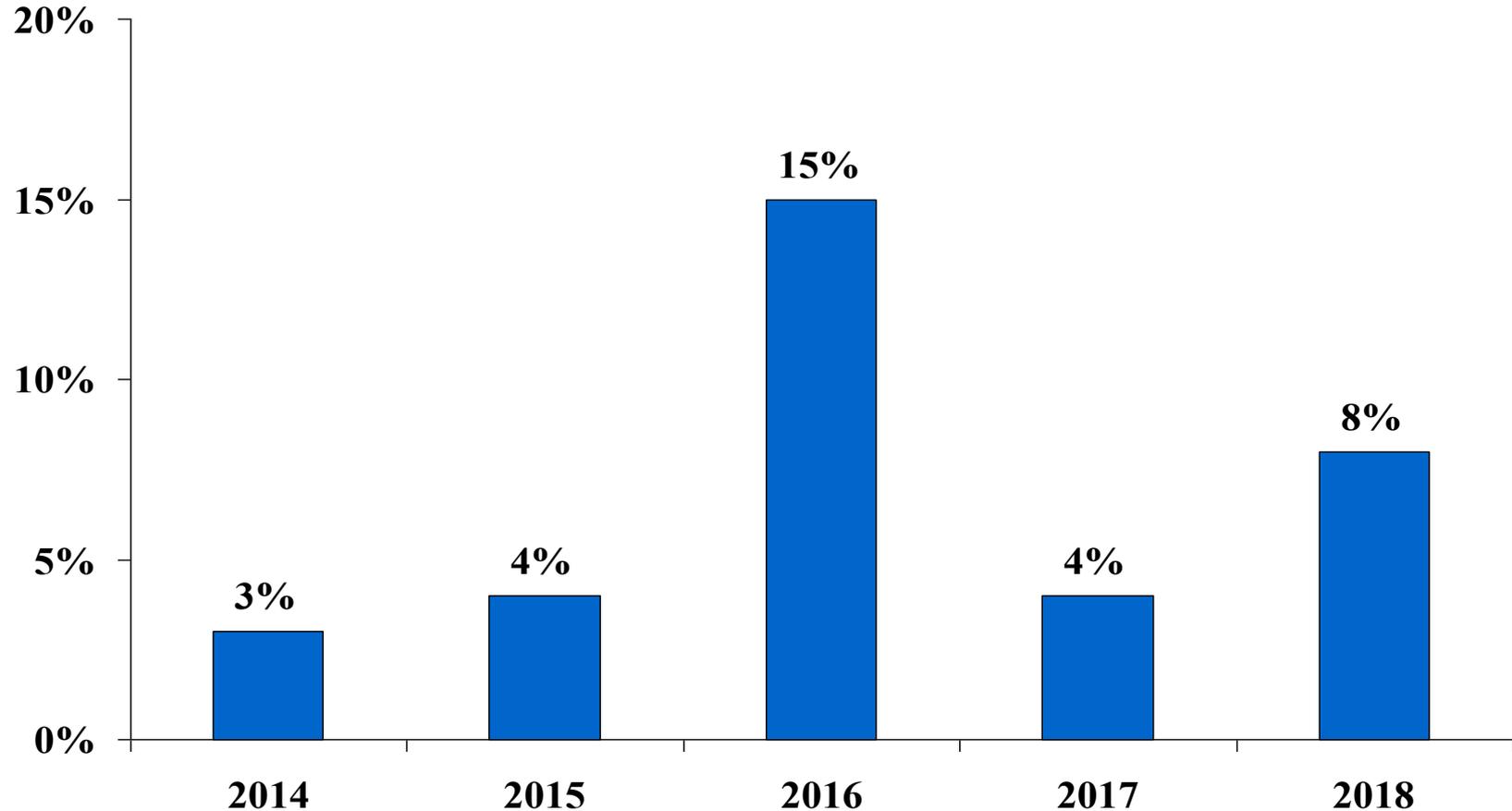
(Reports From UGA Terry College of Business/
Georgia State Economic Forecasting Center)



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

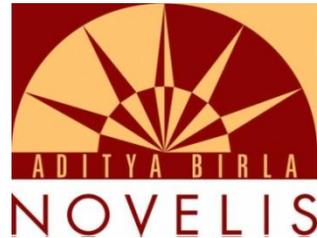
Home Value Trends For Metro Atlanta

Forecast By Rajeev Dhawan, GSU Economic Forecasting Center
Provided At ABR Residential Summit on 2/10/14



- Average Annual Appreciation is 6.8%. Drivers Include Job Growth, Population Growth, Pent-Up Demand, Historically Reasonable Mortgages, New Homes Help Drive Up Overall Values.

Major Group Moves

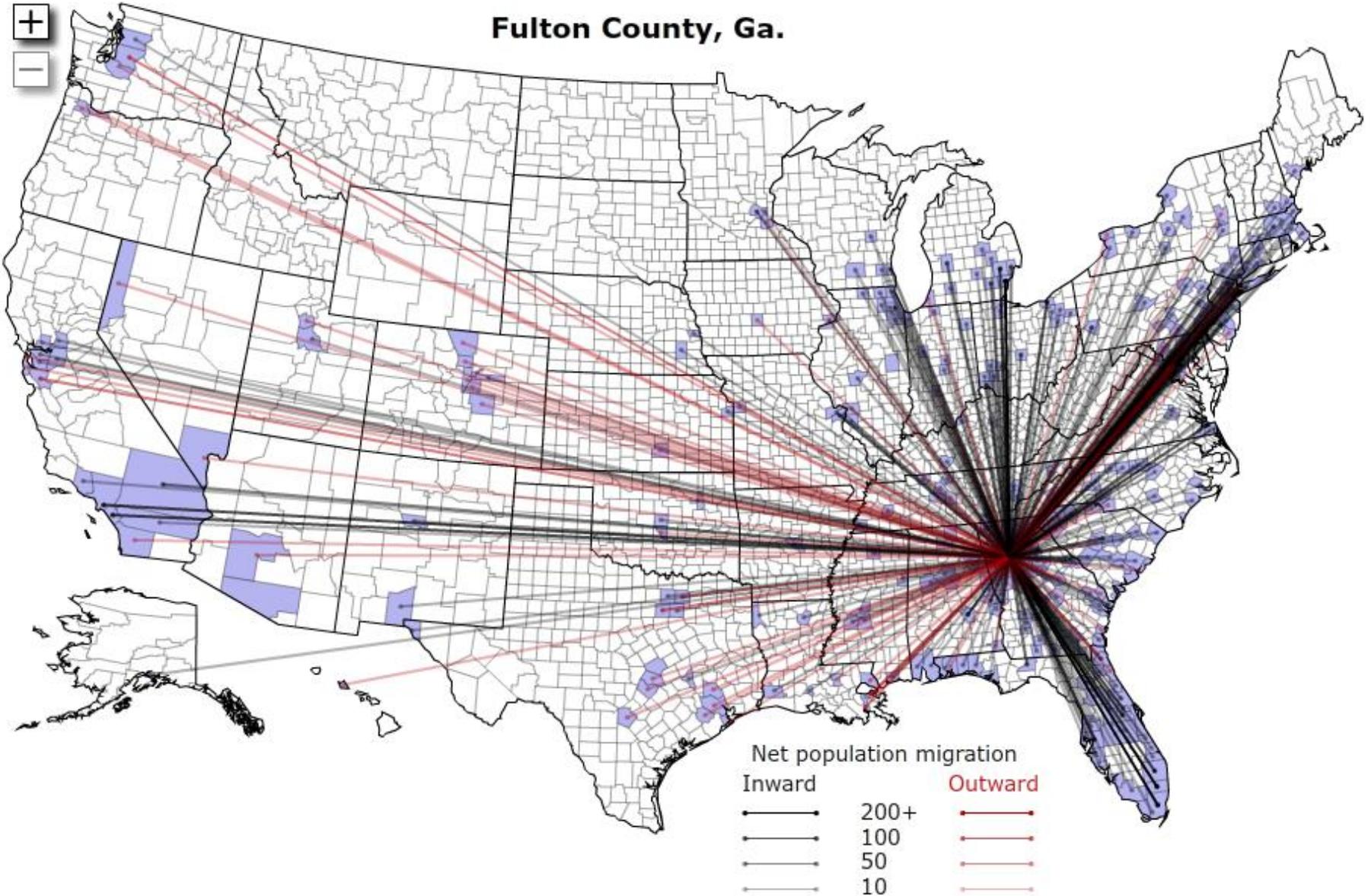


PORSCHE



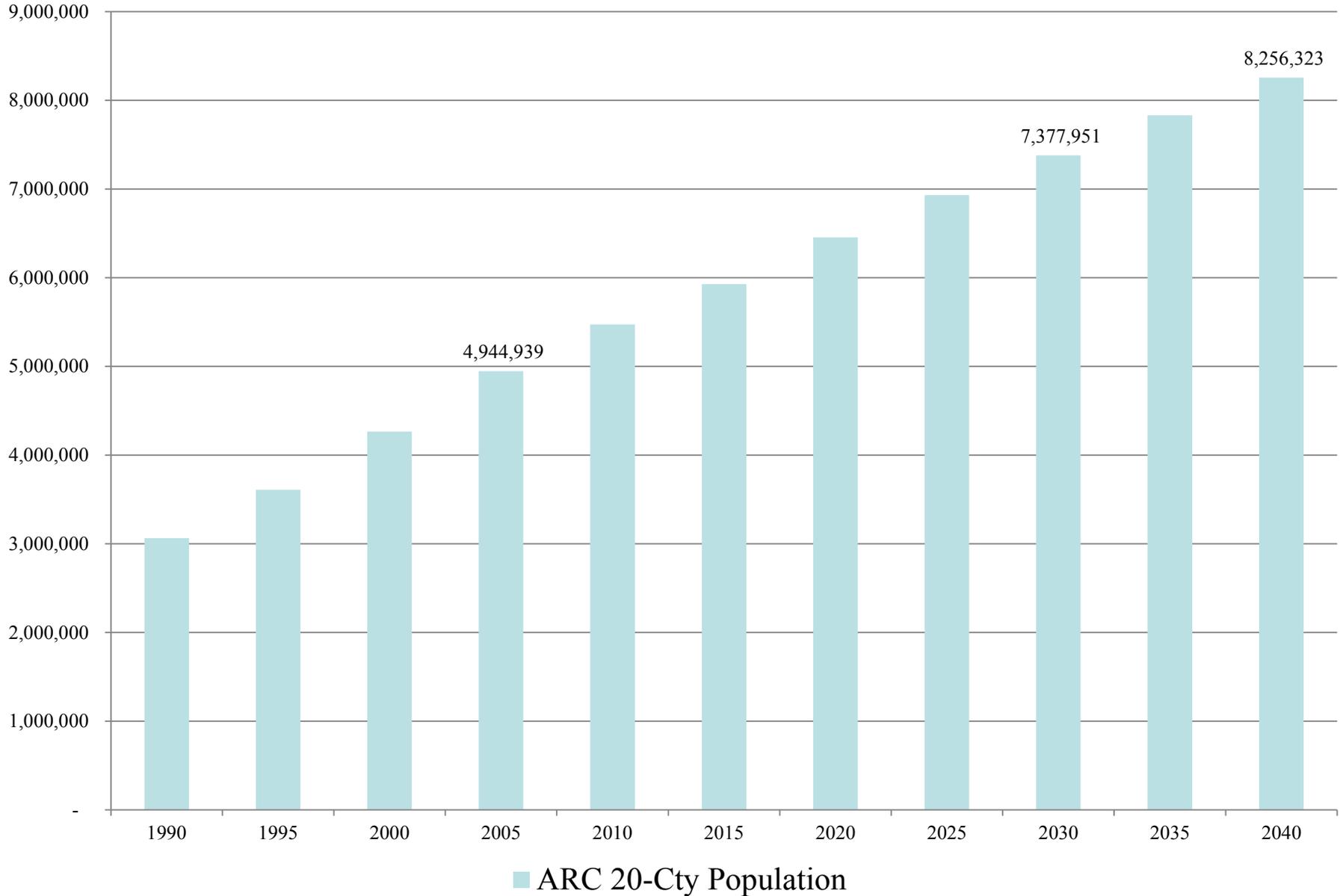
And More Coming ...

Rustbelt To Sunbelt



Forecast Population Growth

20-County Forecast Area



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

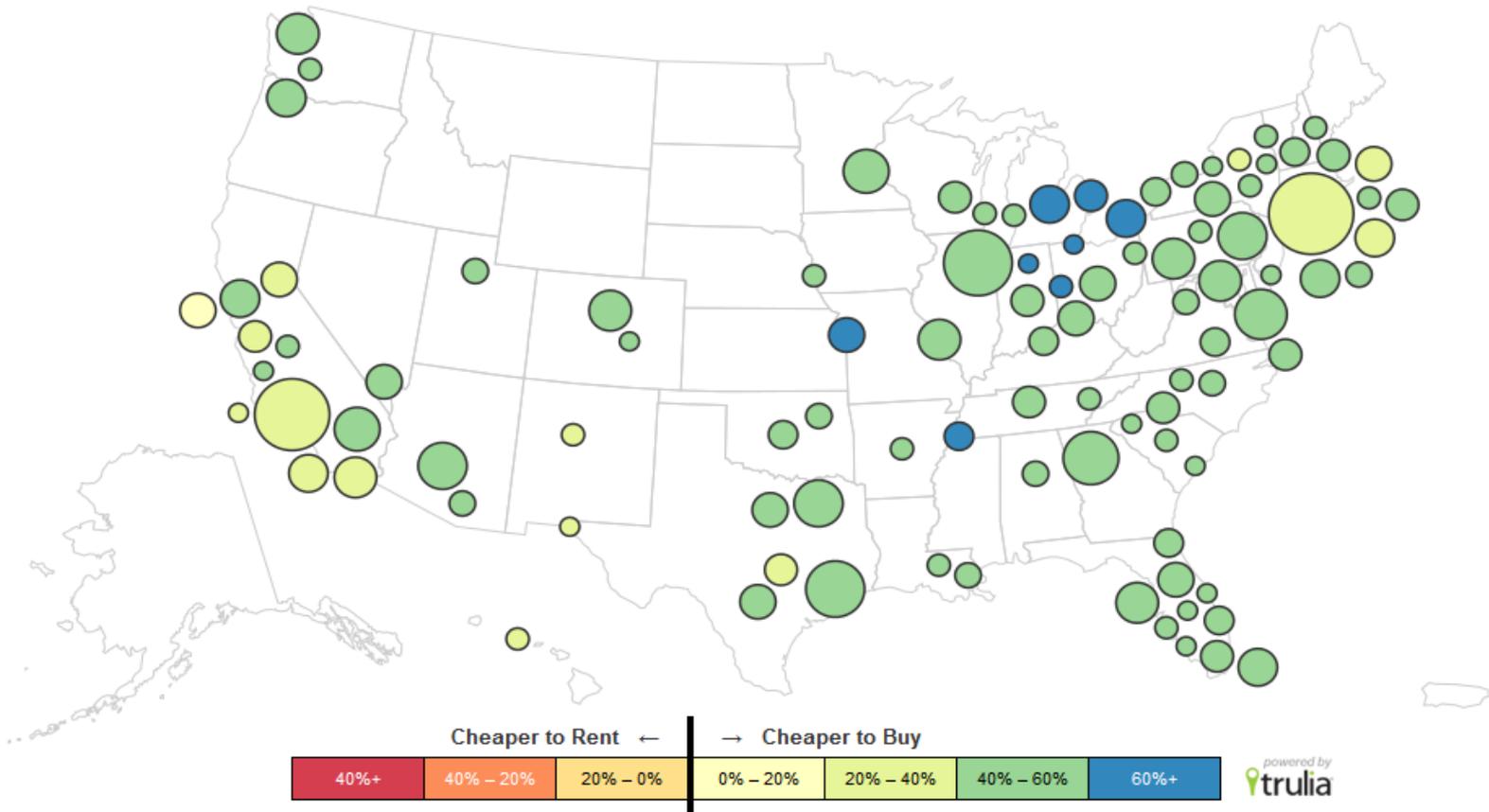
| | Total Population | Rank of Share | | | | |
|----------------|------------------|---------------|----------|-----------|----------|-----------|
| | | Under 20 | 20-64 | 65+ | 25-39 | 45-59 |
| Dallas | 6,144,489 | 3 | 9 | 25 | 1 | 24 |
| Atlanta | 5,271,550 | 5 | 6 | 27 | 2 | 19 |
| Phoenix | 4,179,427 | 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 | 1 | 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

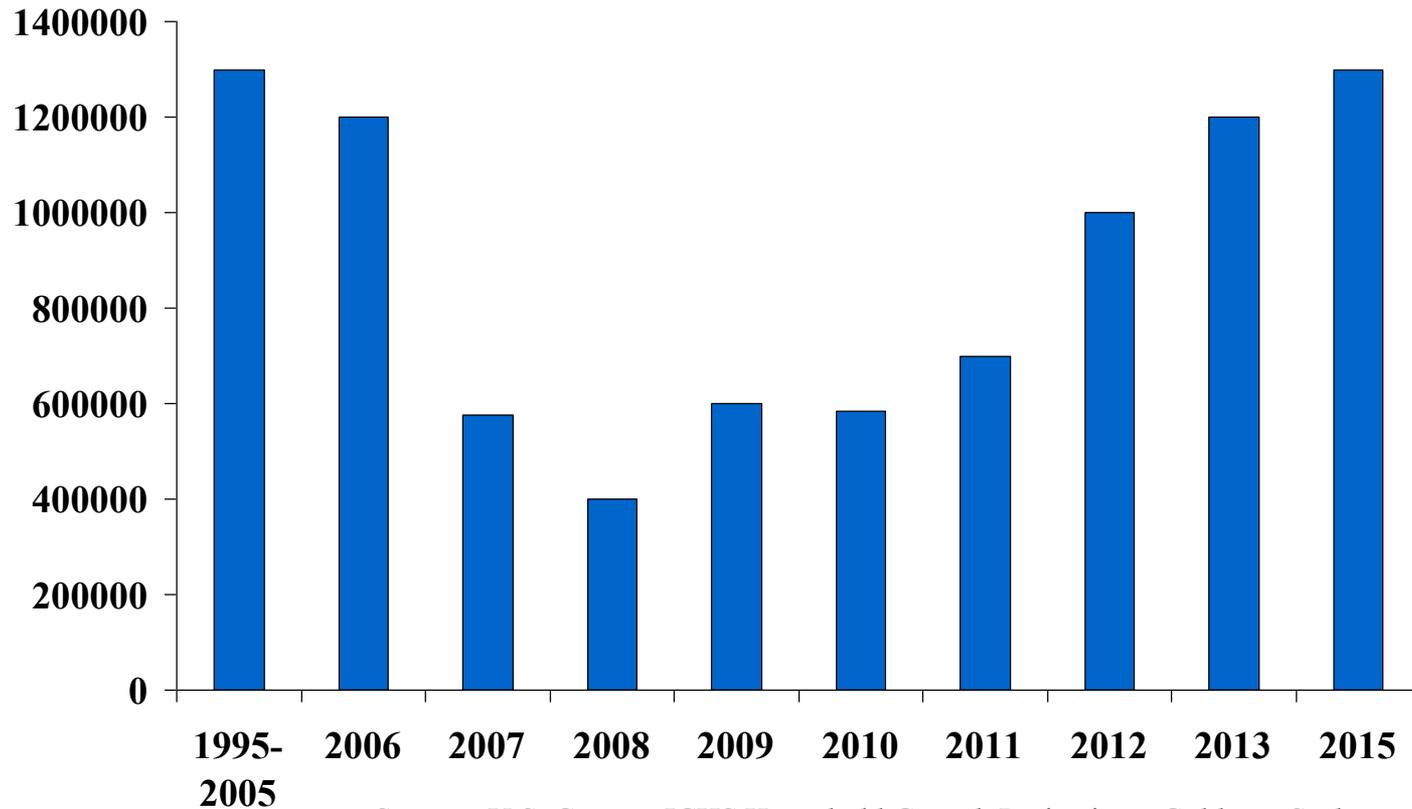
Metro Atlanta Is 56% Better To Buy Than Rent



Rental Bubble May Be Looming With Over 13,000 Multi-Family Rental Units Under Construction Or Proposed

U. S. Household Formation Trends

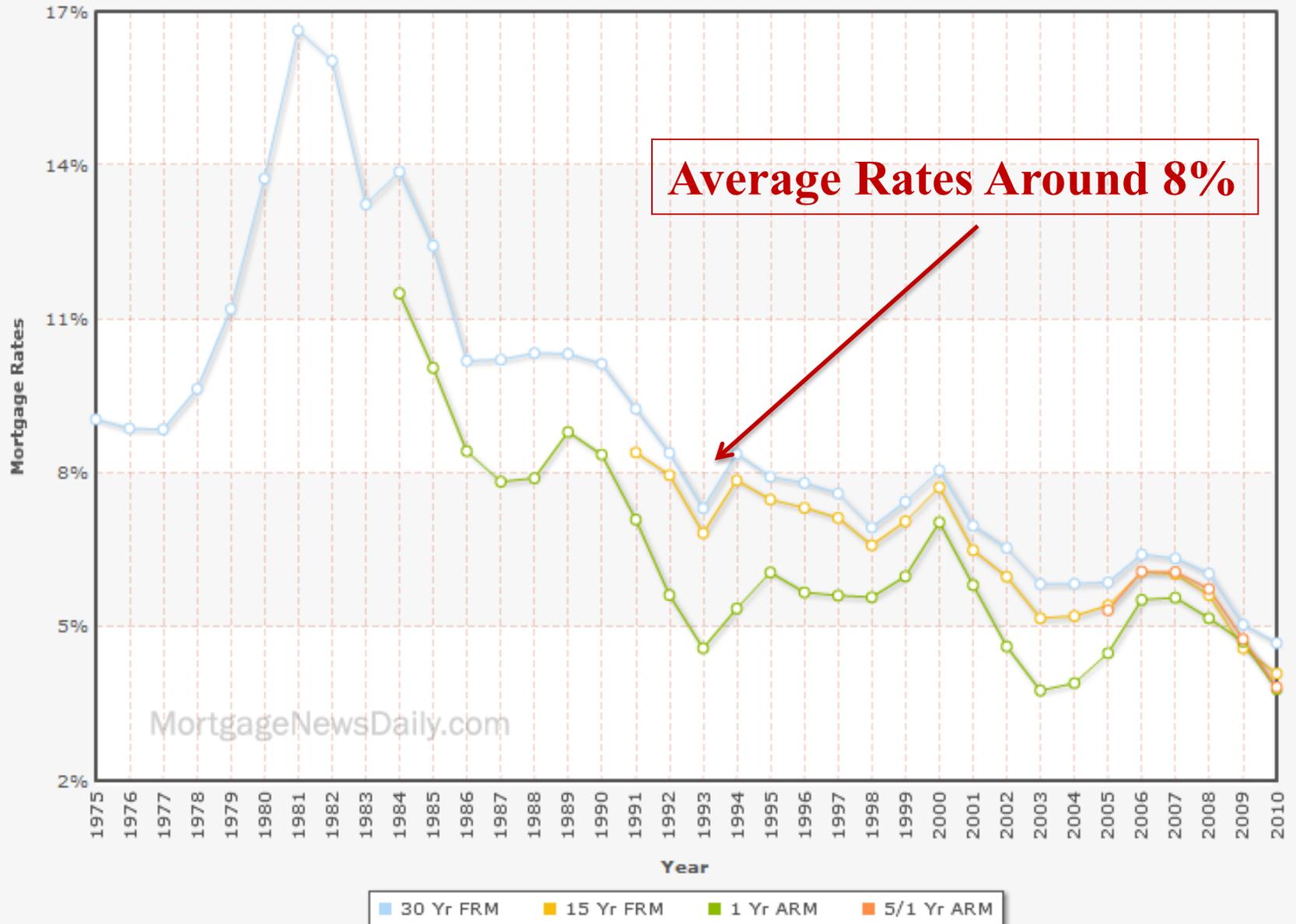
Demand For 1st Time Buyers Will Be Strong!



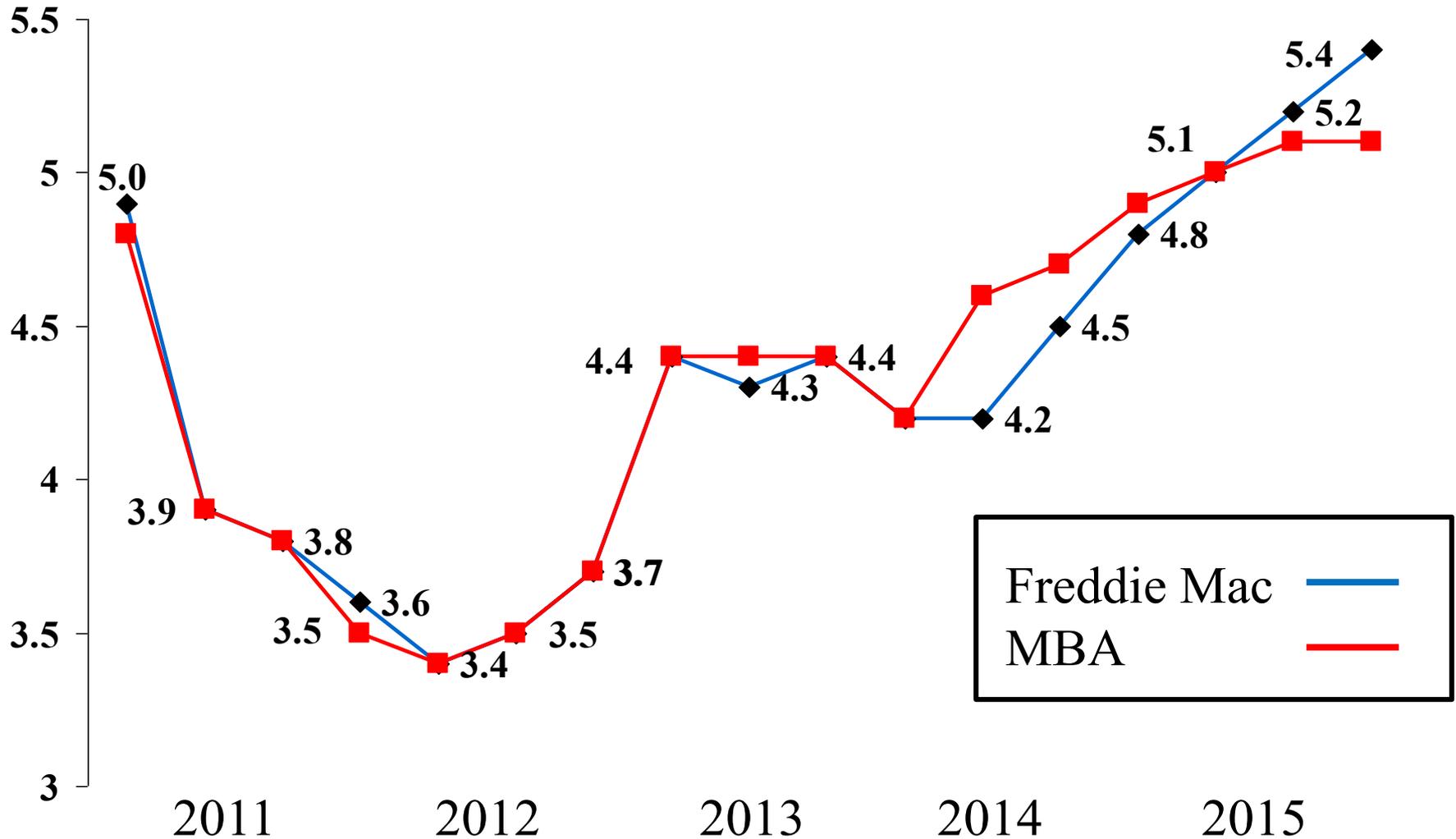
Source: U.S. Census, JCHS Household Growth Projections, Goldman Sachs

- **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!**

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



Freddie Mac & Mortgage Bankers Association 30-Year Fixed Rate Forecast (July 2014) 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 |