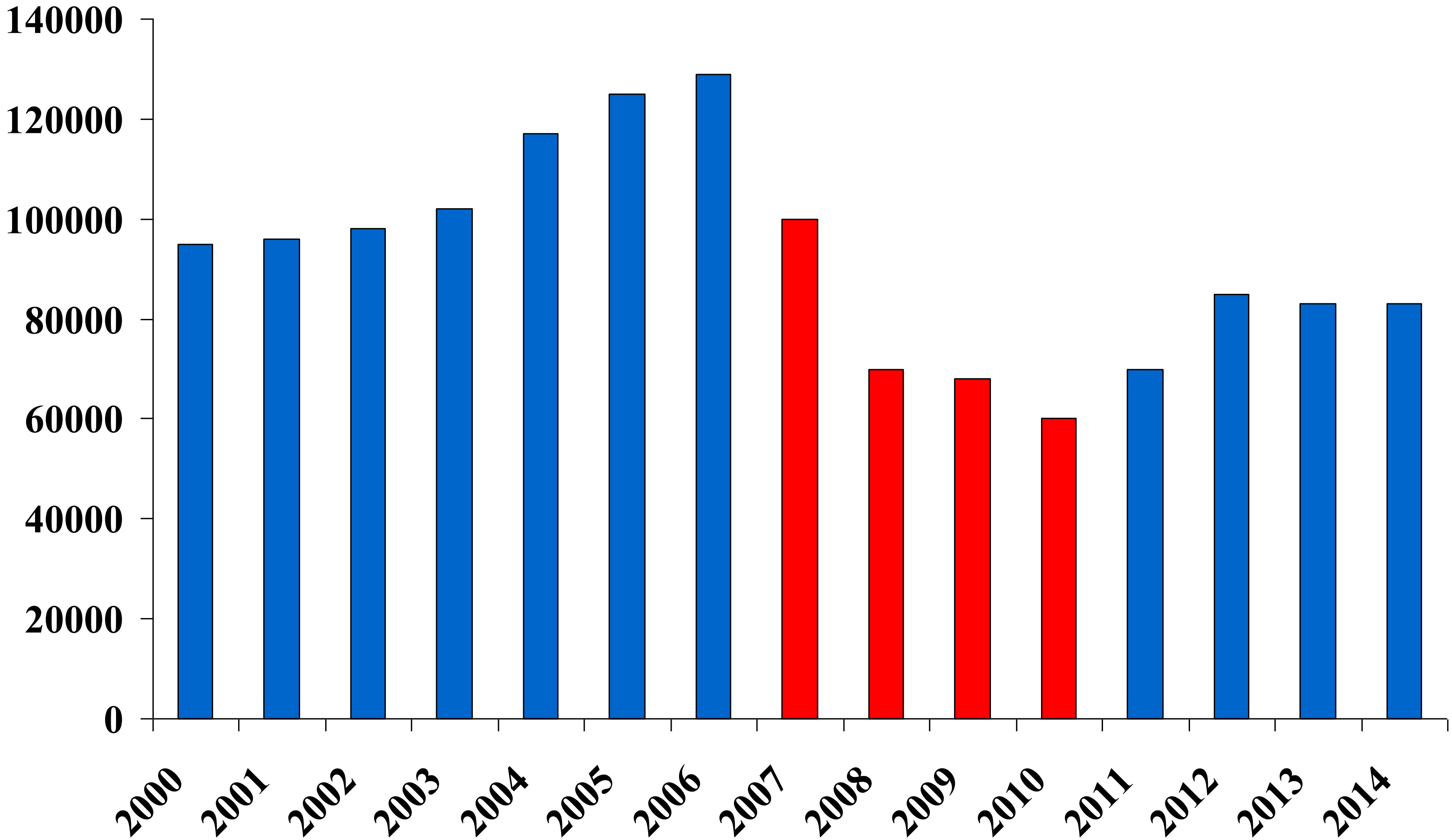
Greater Metro Atlanta Market

October 2014 Report

With Results Through September 2014

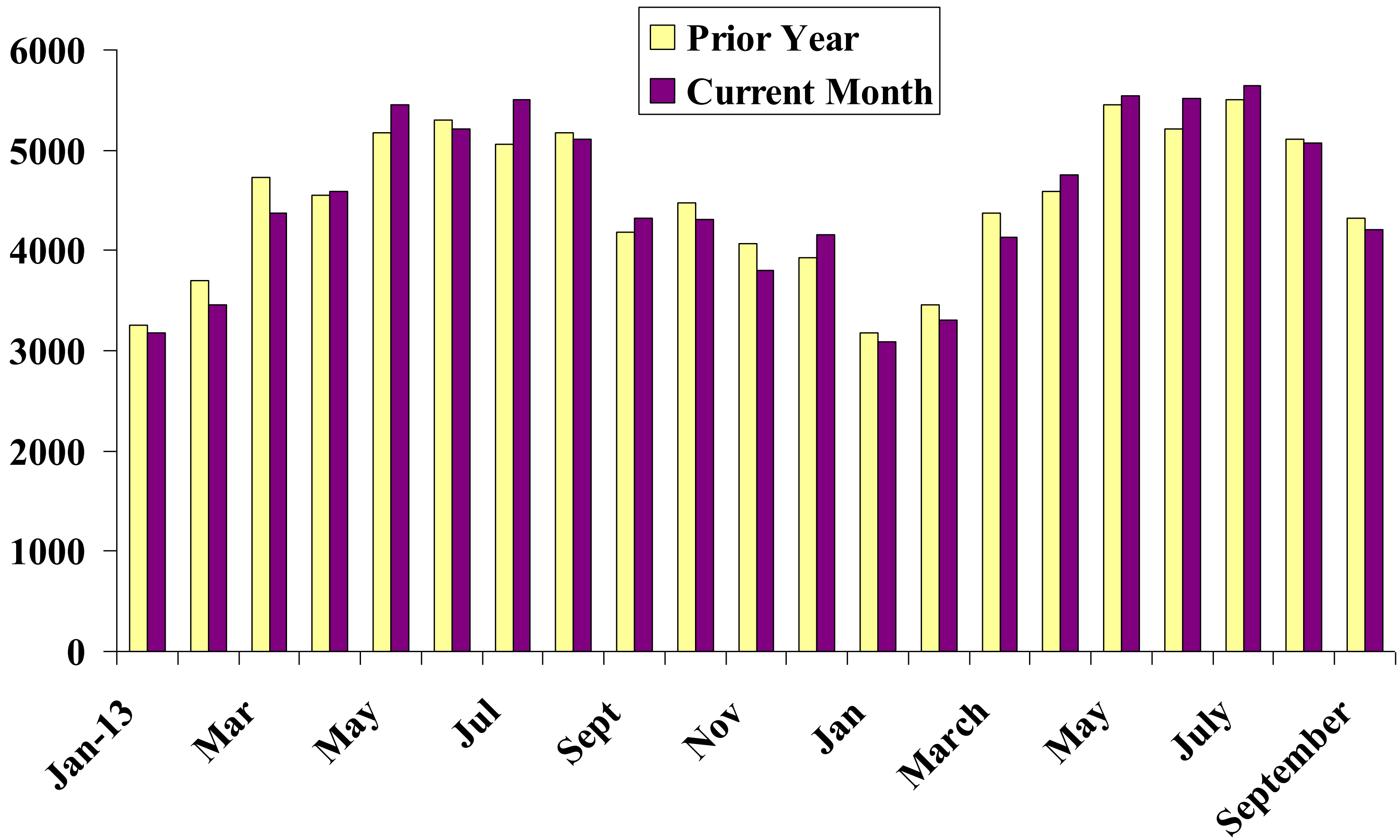
Metro Atlanta Homes Sold



125,000 Homes Sold In 2006. 60,000 Homes Sold in 2010.

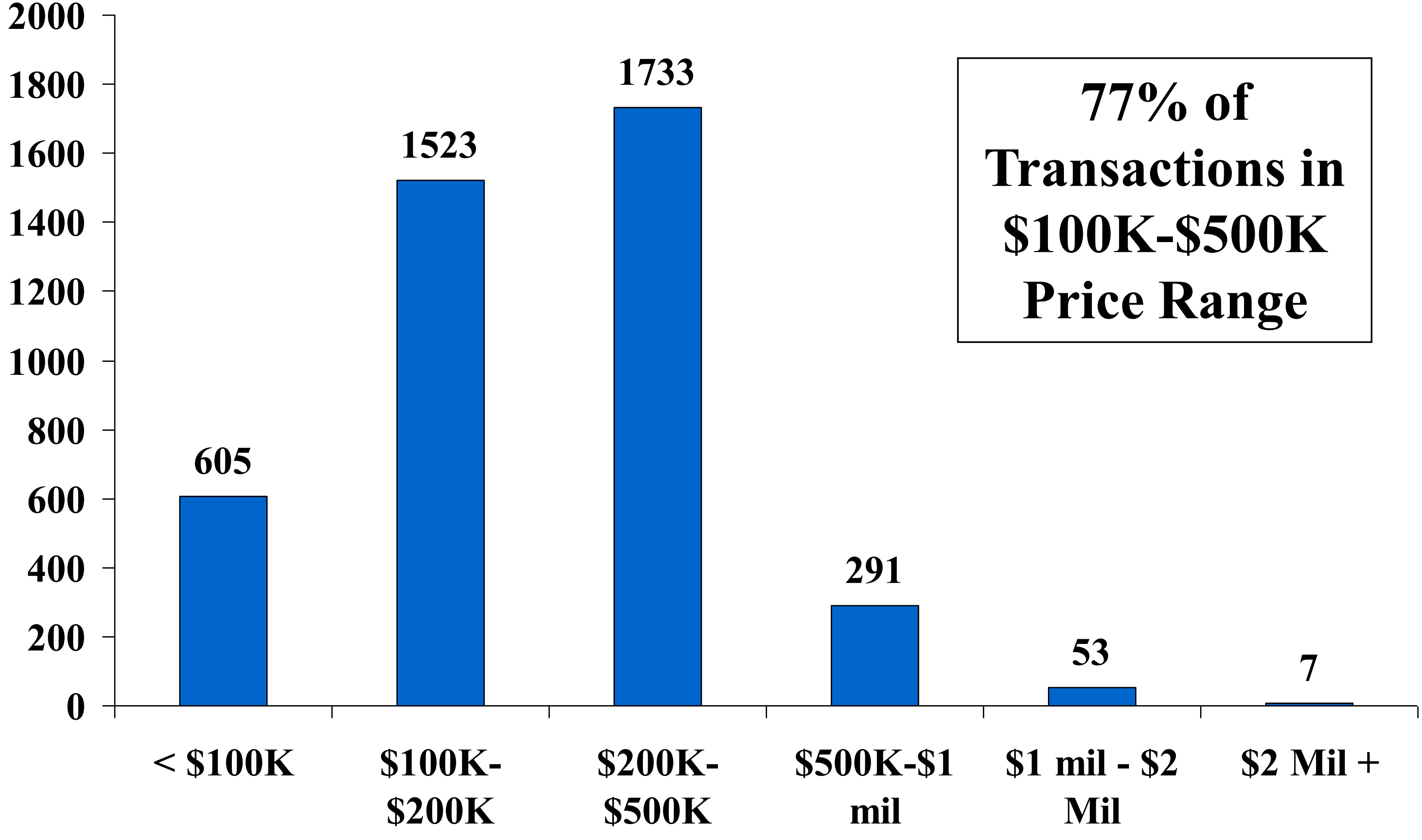
2014 YTD Closings 50 Units Ahead Of 2013 – Statistically Flat.

Metro Atlanta 2013-2014 Closings

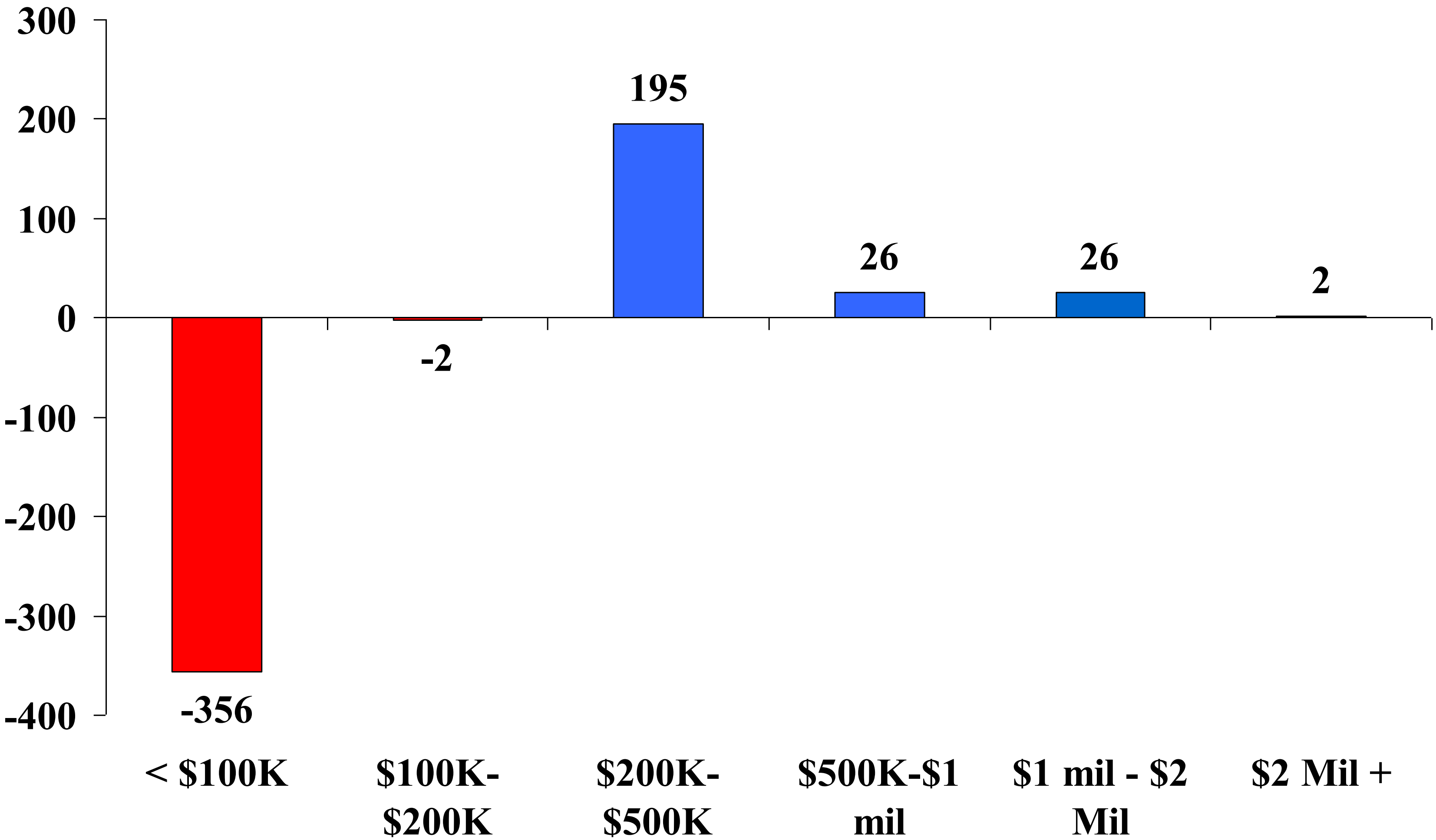


September Closings Down 16.9% Compared To August Closings.
September Closings Down 2.5% Compared To September 2013.

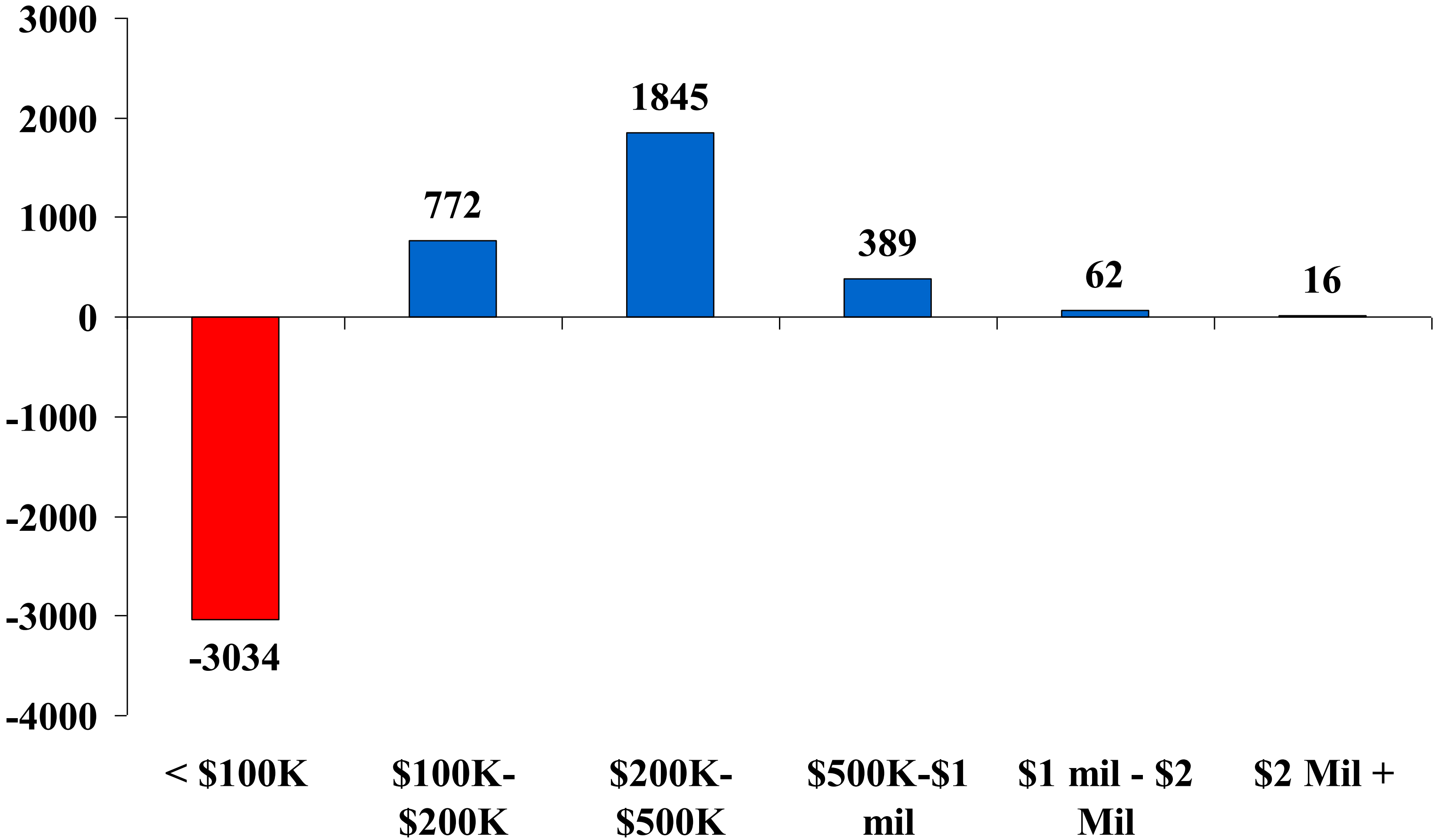
Metro Atlanta Closings – September 2014
(Number Of Transactions)



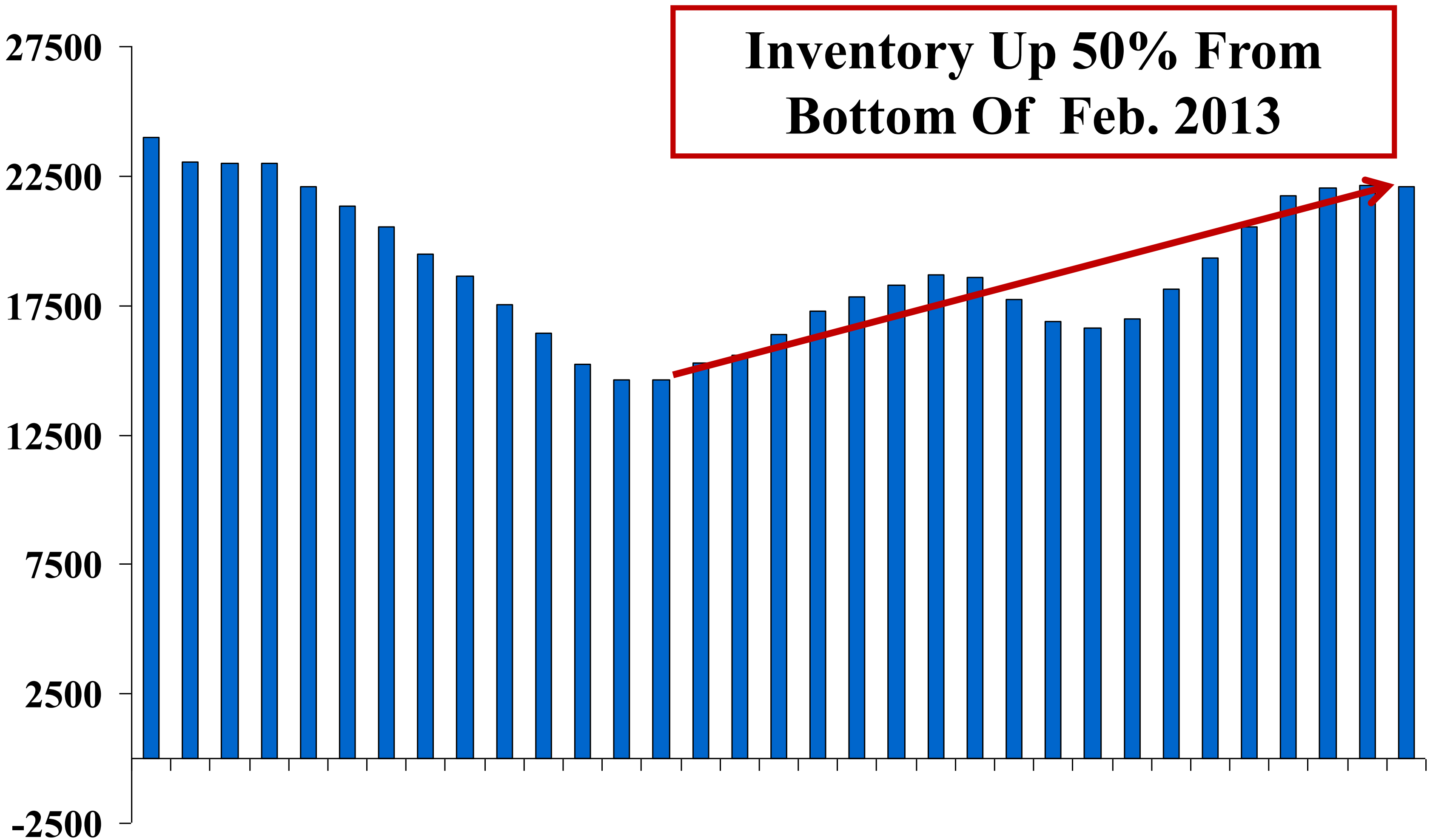
Metro Atlanta Closed Units By Price Point Sept. 2014 Compared To Sept. 2013



Metro Atlanta Closed Units By Price Point 2014 YTD Compared To 2013 YTD



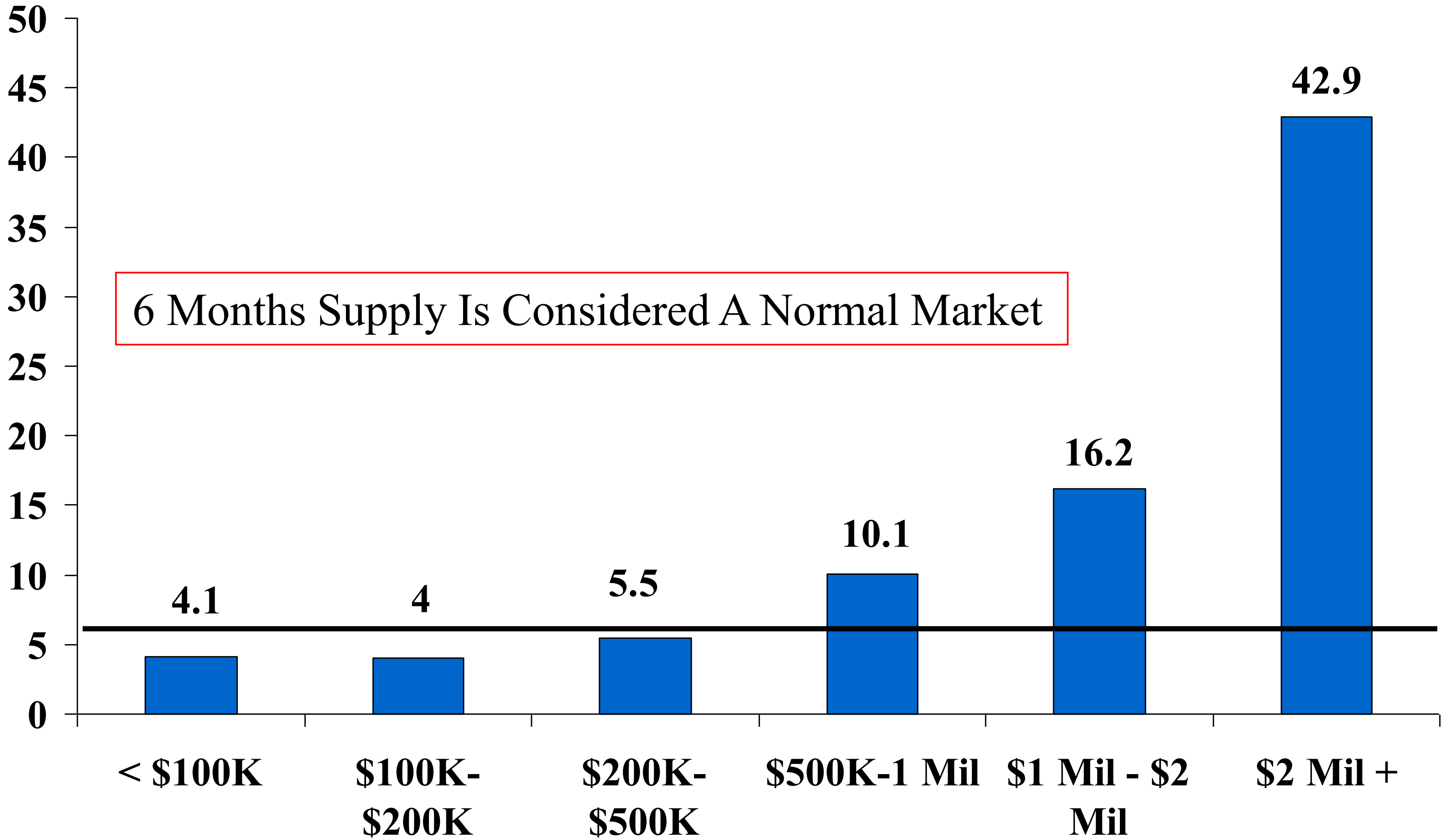
Listed Inventory January 2012 - September 2014
Residential Detached, Metro Atlanta



Inventory Down .3% from August 2014, Up 18.2% from Sept 2013

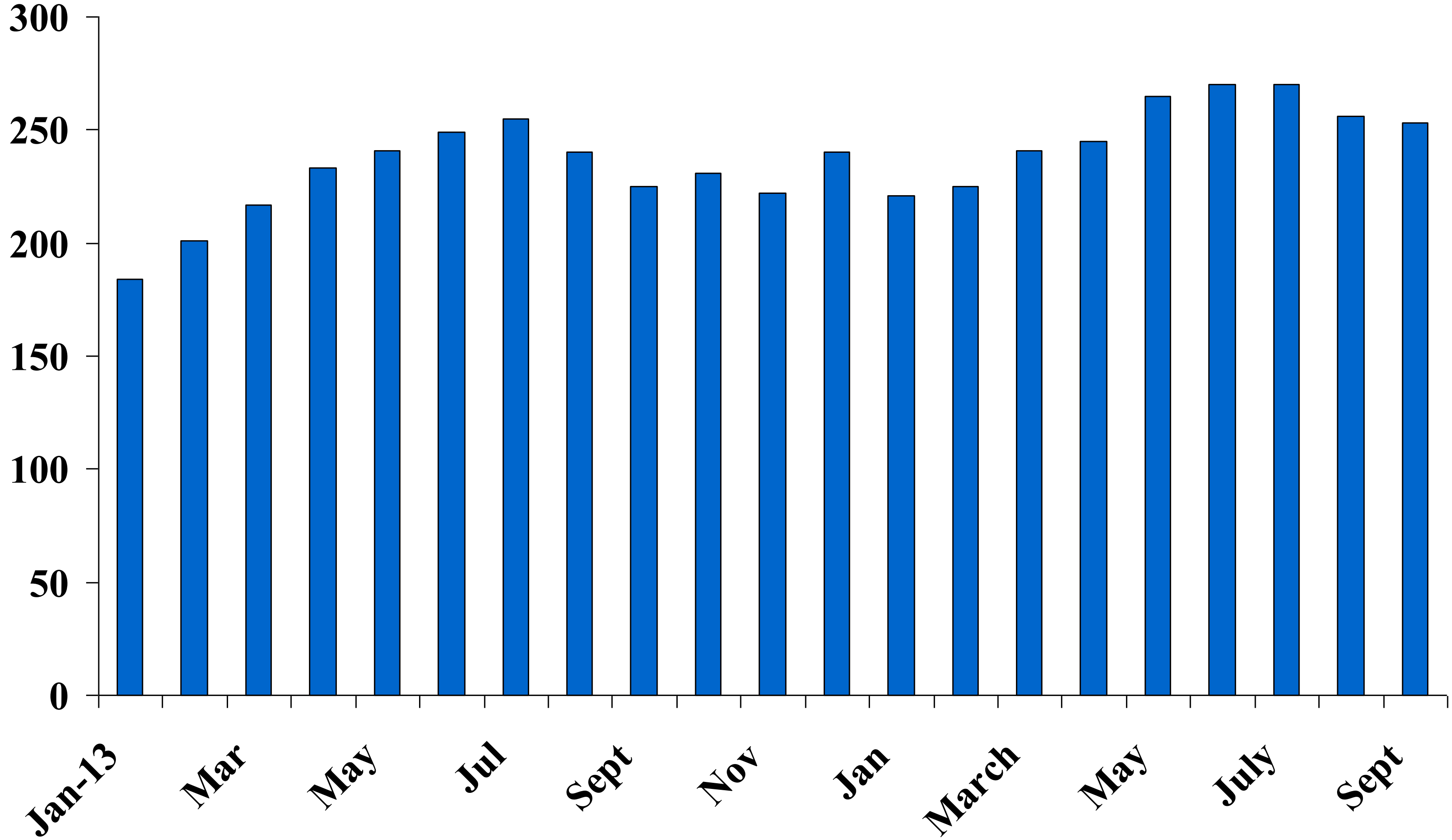
Metro Atlanta Months of Inventory

(September 2014, Based On Closed Sales)



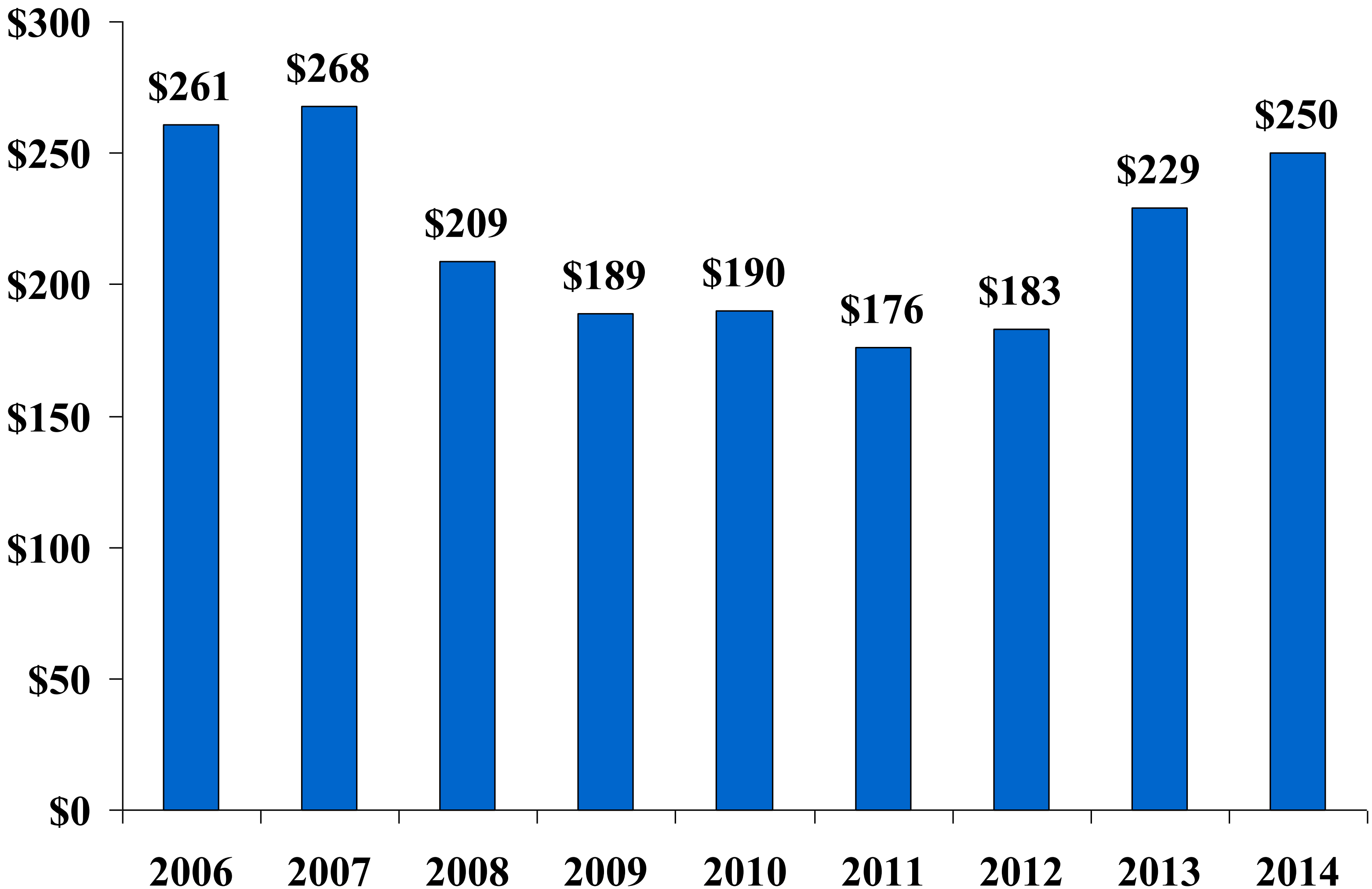
Metro "Months Of Inventory" Is 5.2 Months Vs. 4.4 Last Month

Metro Atlanta Monthly Average Sale Prices



ASP Is $253,000 in September. ASP Was $256,000 in August.
Down .1% From Last Month. Up 13% From Last September.

Metro Atlanta Annual Average Sale Prices



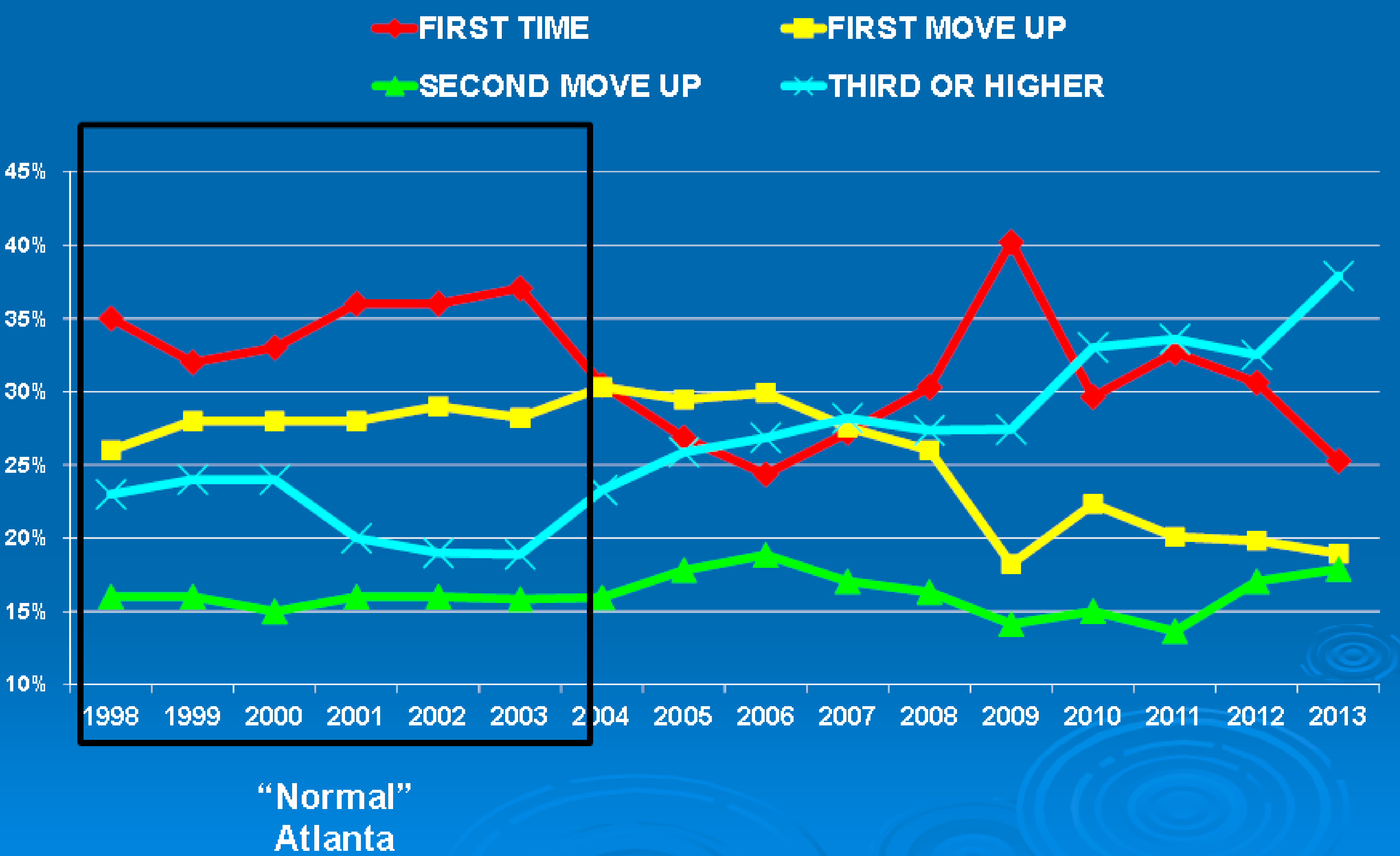
Annual ASP Up 42% From Bottom Of 2011

Metro Atlanta Foreclosure Comparisons

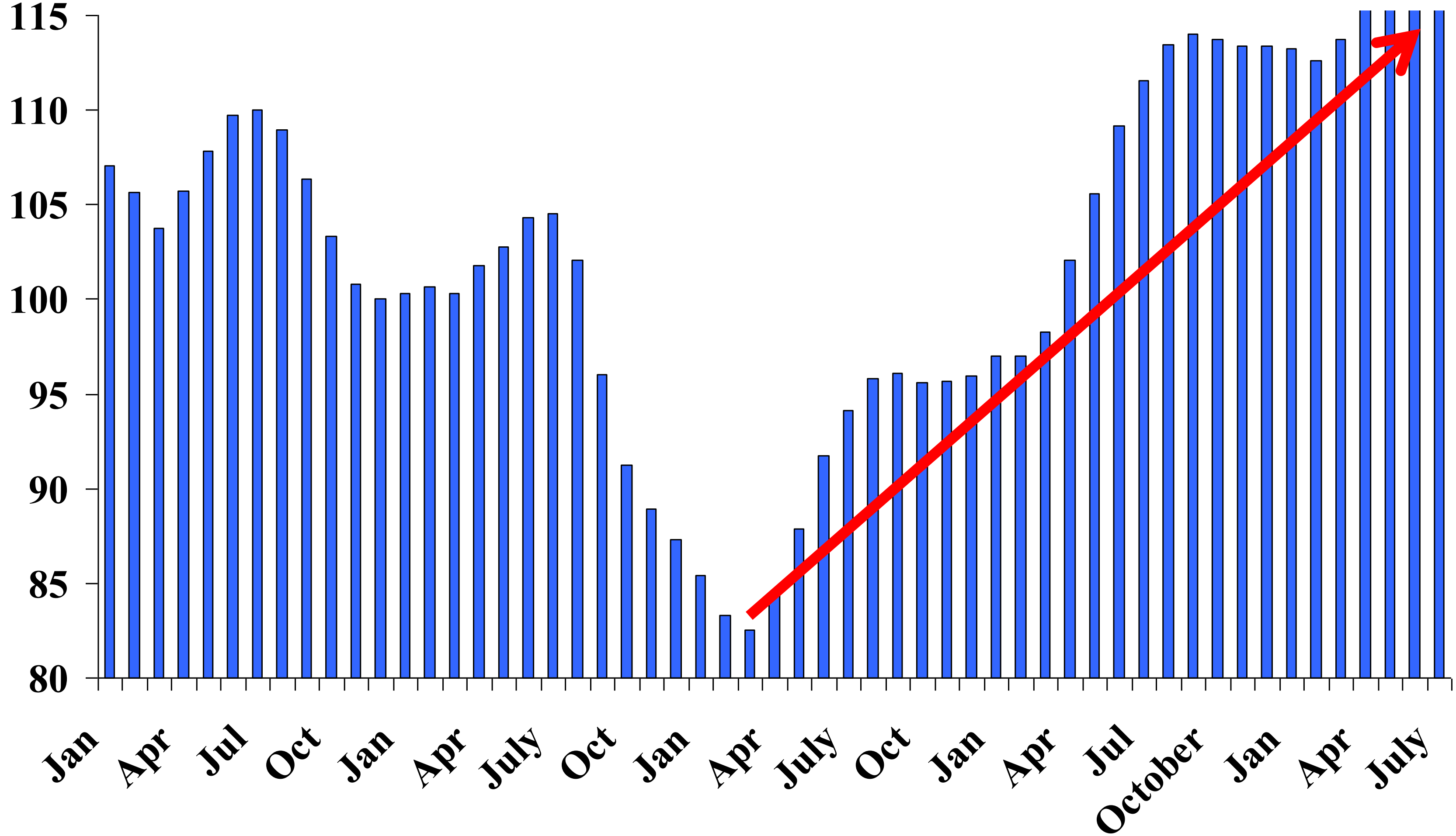
(Data by RealValuator)

Date	Pre-Foreclosures Activity	Pre-Foreclosures Average Amount	Foreclosures Activity	Foreclosures Average Amount	REO Sales Activity	REO Sales Average Amount
Oct-13	2016	$175,618	520	$159,229	232	$121,747
Nov-13	1709	$175,990	613	$136,632	223	$118,934
Dec-13	1838	$174,111	494	$142,721	228	$133,910
Jan-14	1473	$170,877	545	$148,559	211	$132,950
Feb-14	1230	$176,295	356	$128,626	226	$128,912
Mar-14	1239	$173,905	387	$134,676	222	$138,034
Apr-14	1394	$170,277	322	$141,298	198	$113,390
May-14	1287	$174,160	423	$132,093	177	$145,541
Jun-14	1073	$180,191	339	$148,915	146	$128,438
Jul-14	1167	$179,146	307	$133,320	169	$128,412
Aug-14	1135	$178,807	246	$132,478	121	$130,757
Sep-14	1162	$174,397	55	$125,149	68	$111,469
Totals	**16723 notices 12738 properties**	**$175,315**	**4607**	**$138,642**	**2221**	**$127,708**

Baby Boomers Are #1 Buyer Segment

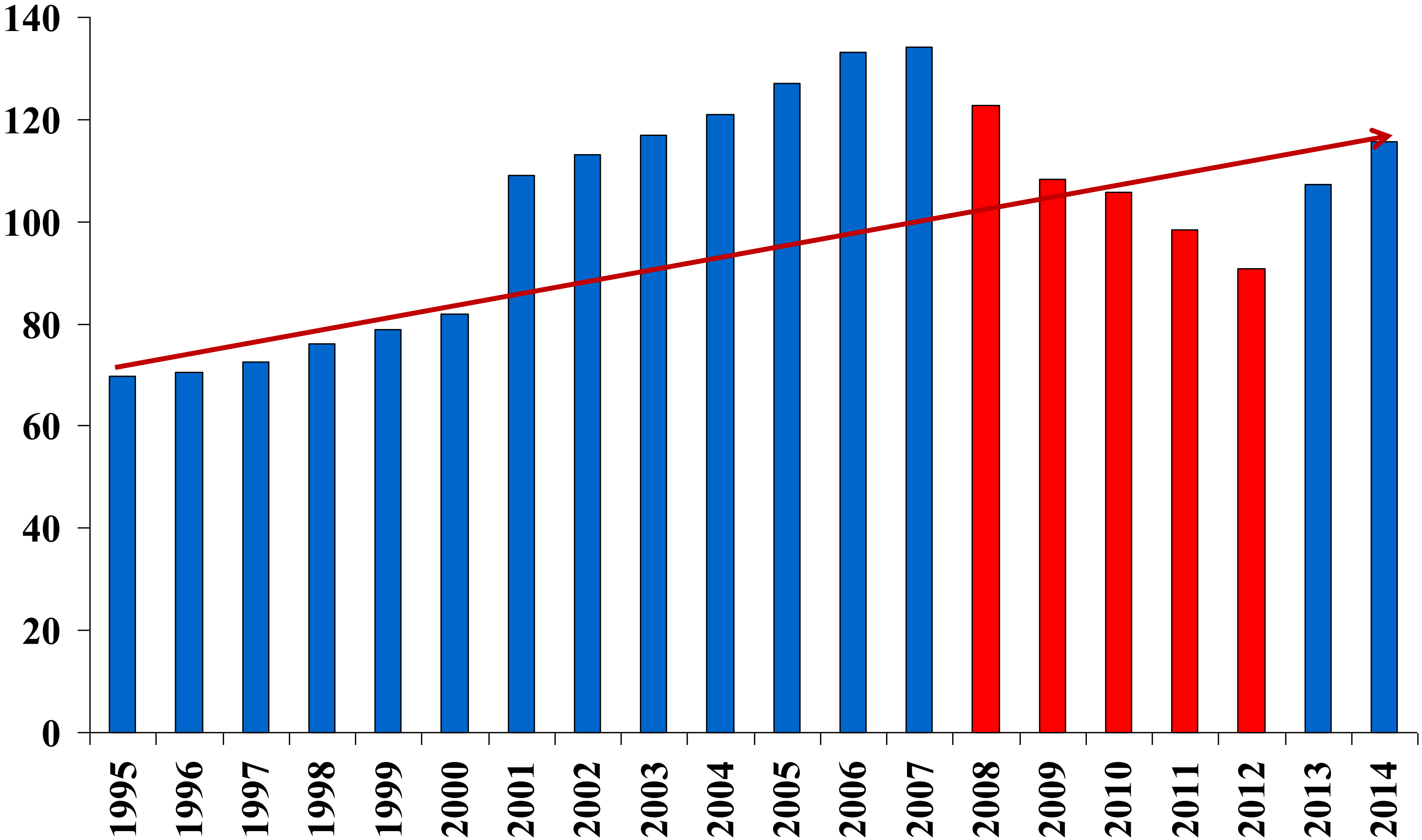


Case-Shiller Index For Metro Atlanta



January 2010 Through July 2014 (Reported Sept 30, 2014)
Home Values Up 44% From Bottom of March 2012.

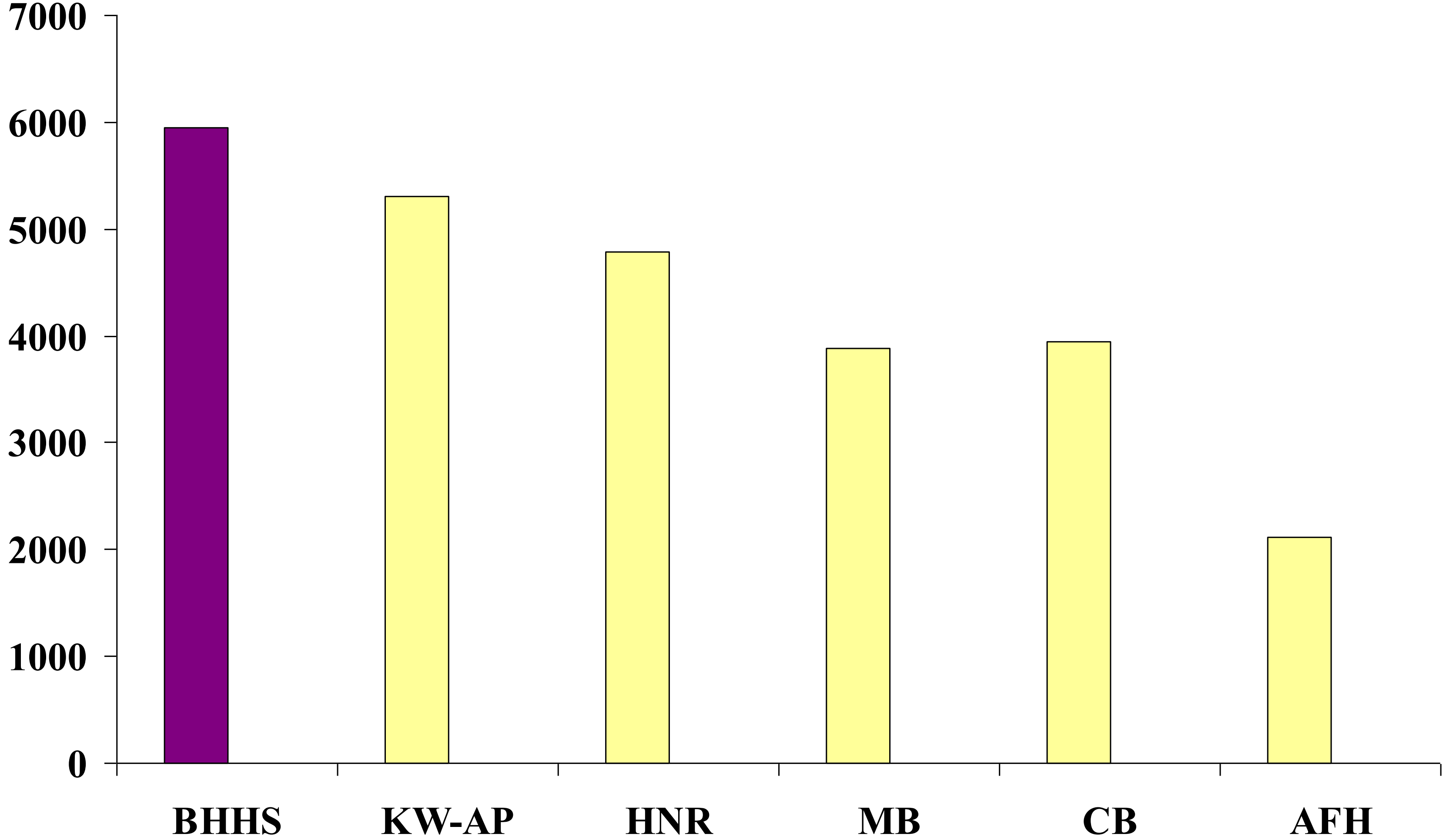
Case-Shiller Home Values For Metro Atlanta



Peak For Values Was July 2007. Recent Bottom Was Feb 2012.
Current Home Values Moving Back To Normal Trend Line.

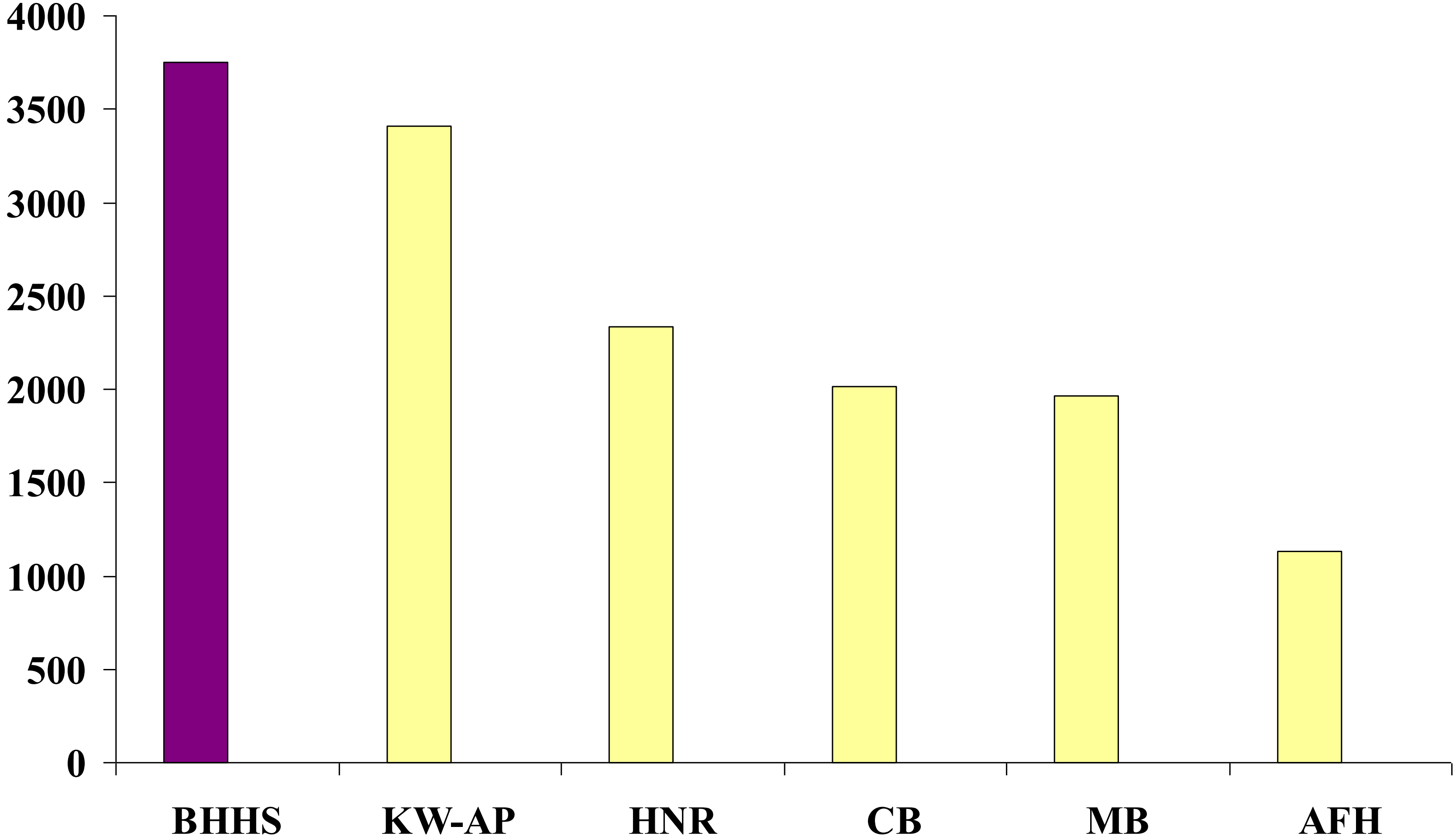
Berkshire Hathaway HomeServices Georgia Properties

YTD Transactions – Sept. 2014
FMLS Counties + Southern Crescent



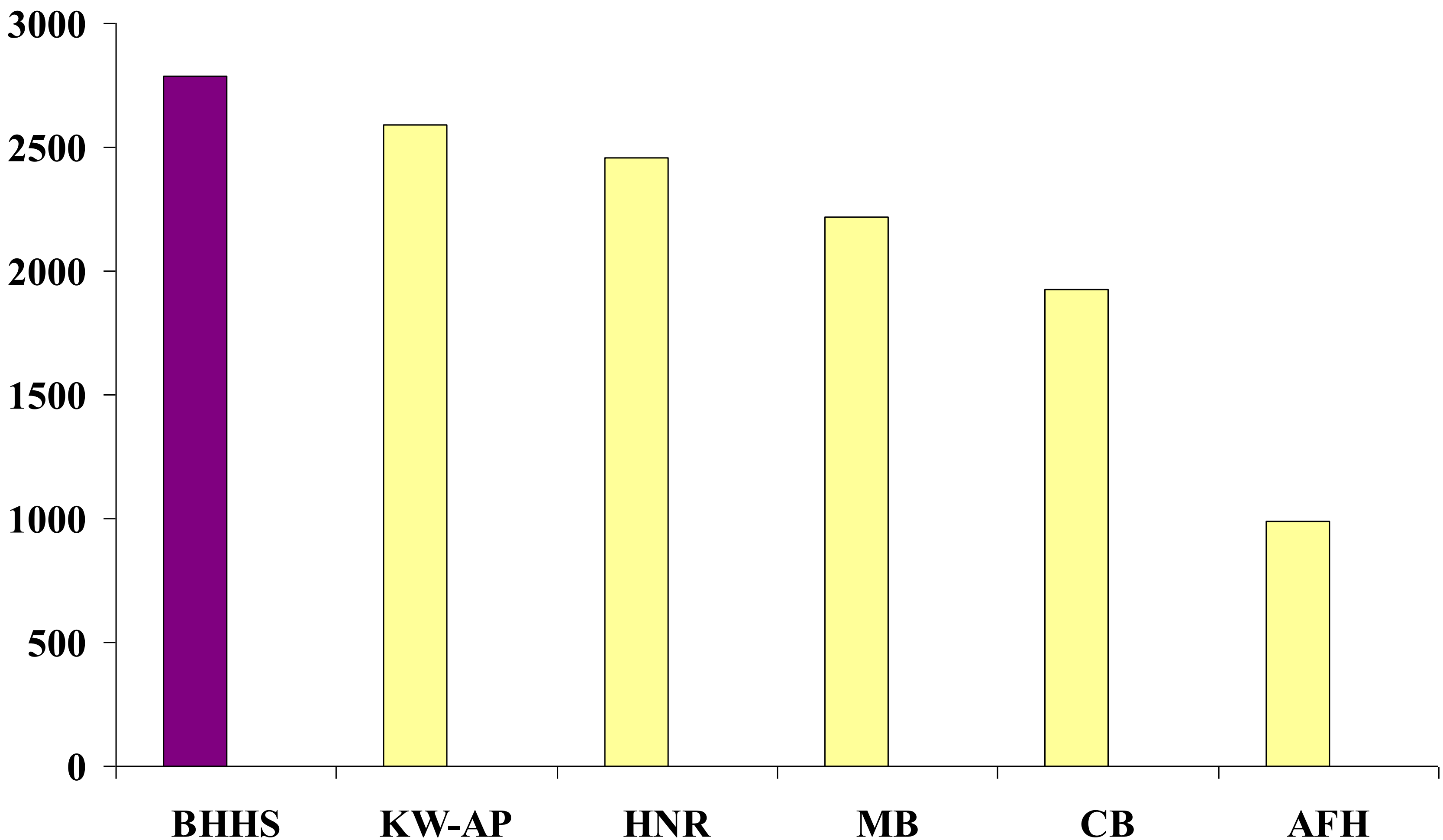
Information Provided By Trendgraphix.

YTD Listing Sales – September 2014
FMLS Counties + Southern Crescent



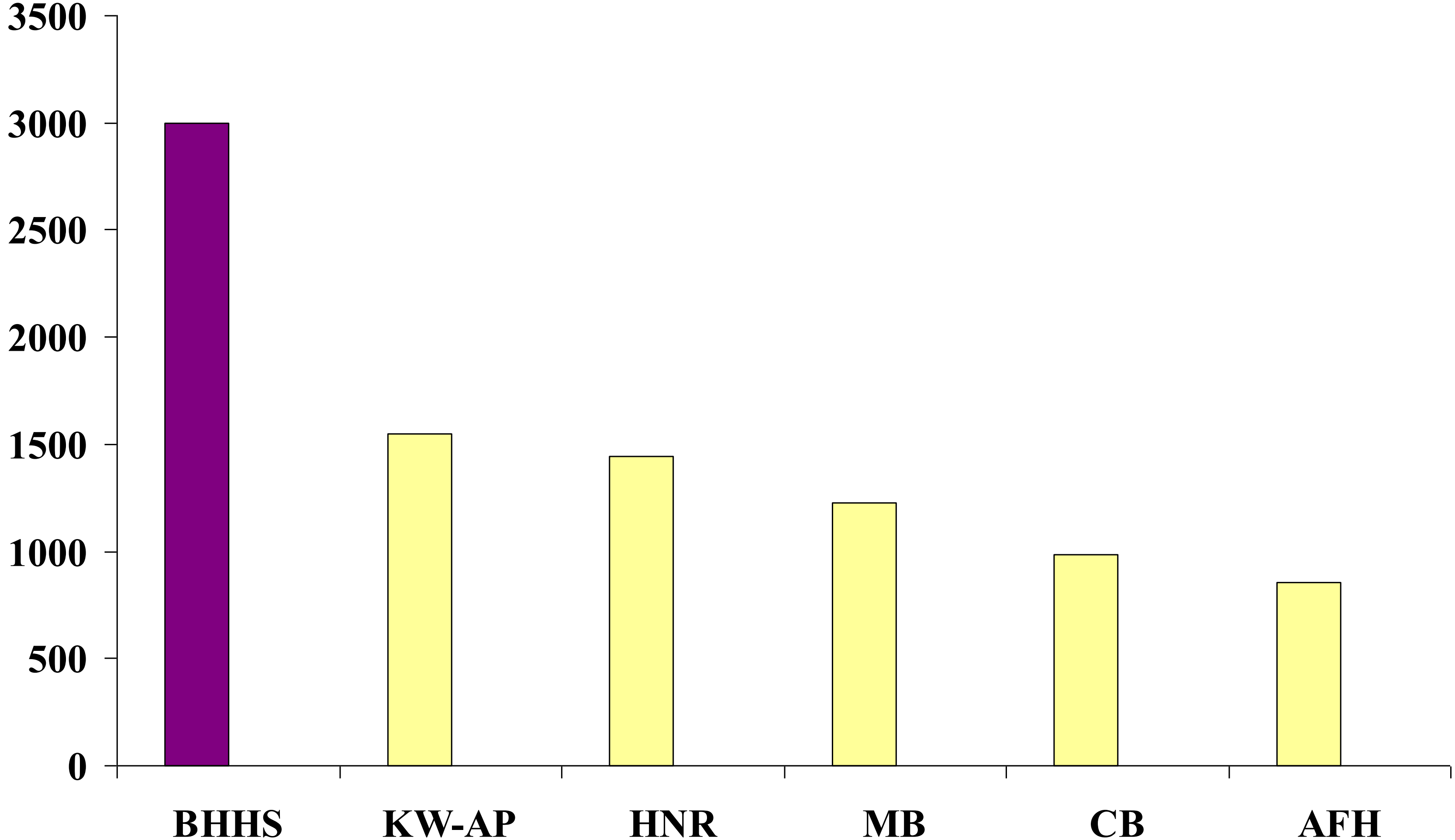
Information Provided By Trendgraphix.

YTD Buyers Represented – September 2014
FMLS Counties + Southern Crescent



Information Provided By Trendgraphix.

YTD Listing Inventory – September 2014
FMLS Counties + Southern Crescent

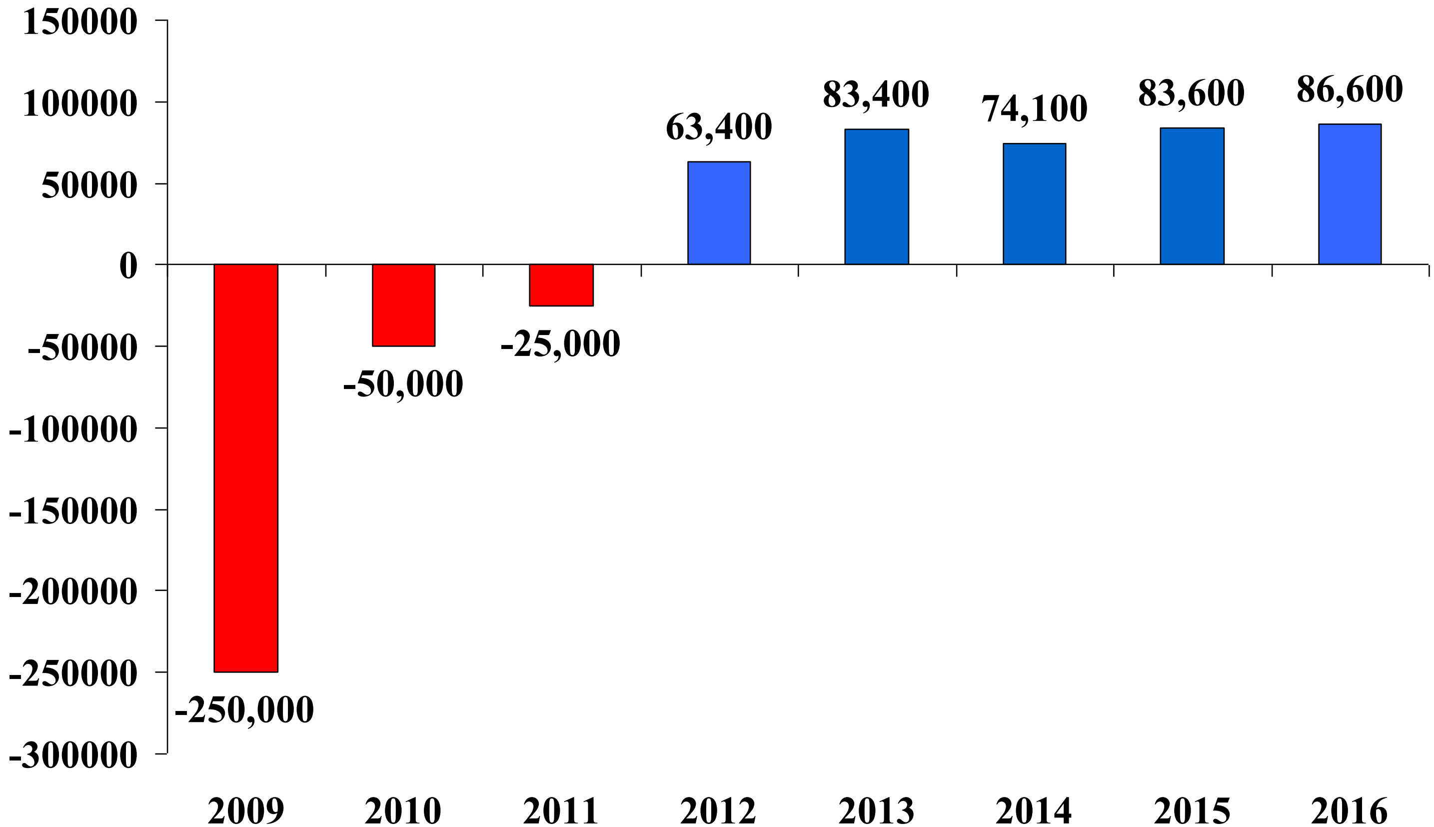


Information Provided By Trendgraphix and BHHS GP Internal Reports.

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!**

Major Group Moves

First Data

ADITYA BIRLA NOVELIS

Baxter

STATE FARM INSURANCE

PORSCHE

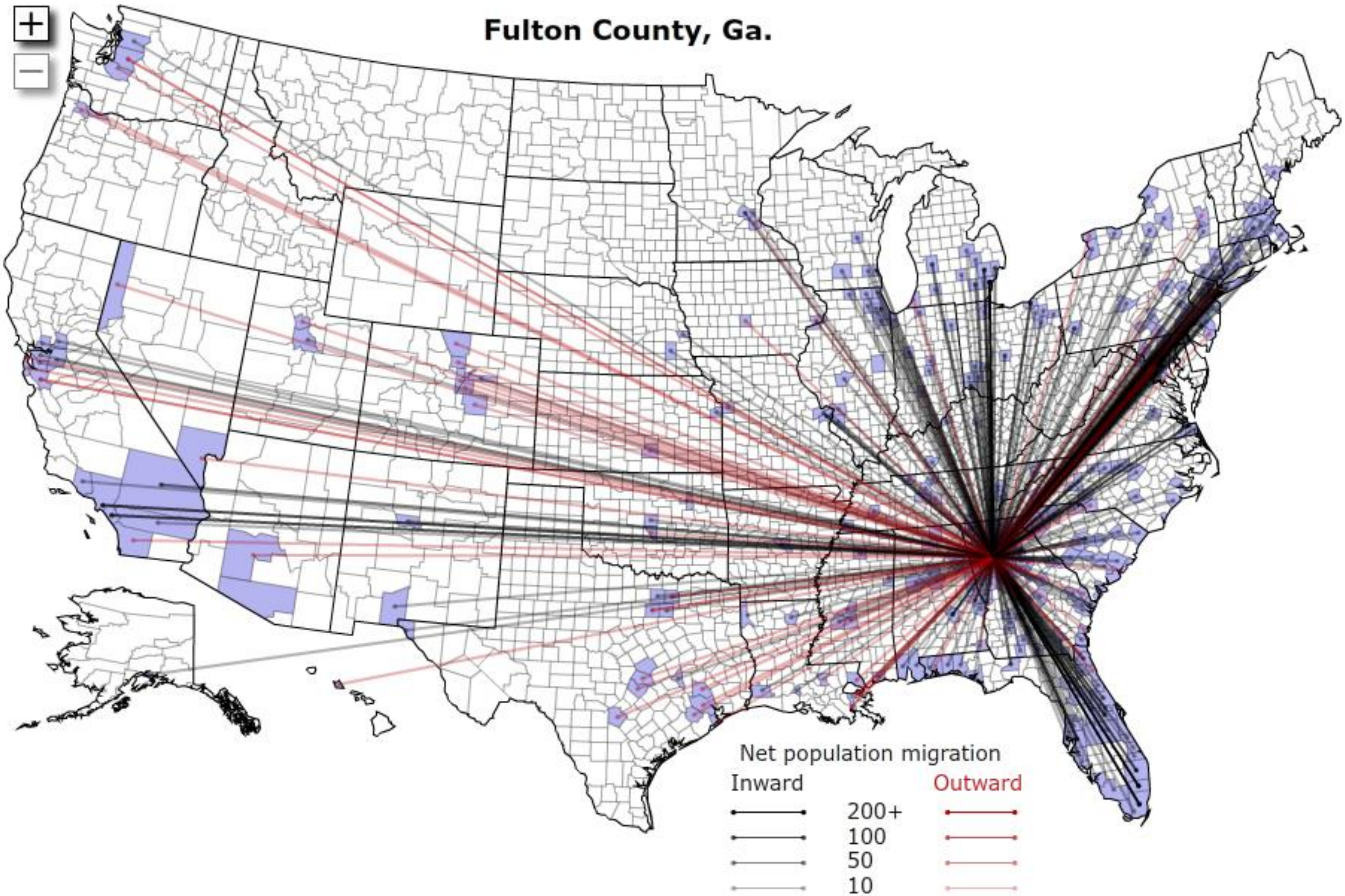
GM

CAT

NCR

And More Coming …

Rustbelt To Sunbelt



Top Destination For Moves

<u>Top Metro Areas To Move To:</u>

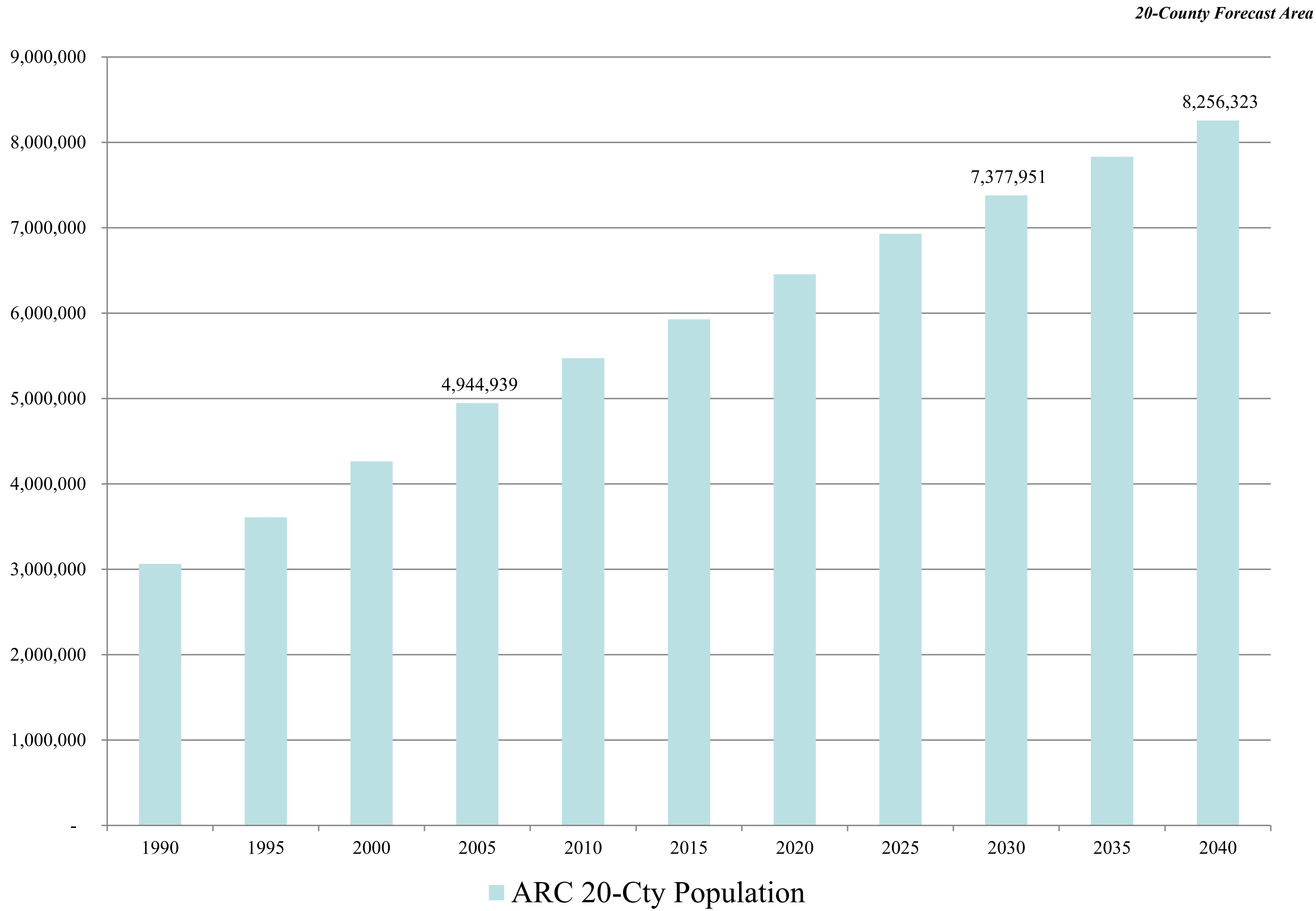
1. Chicago
2. Washington D.C.
3. Atlanta
4. Boston
5. Los Angeles
6. Dallas
7. Phoenix
8. New York
9. Minneapolis
10. San Diego
11. Houston
12. Philadelphia
13. Denver
14. Seattle
15. St. Louis

<u>Top Metro Areas To Move From:</u>

1. Washington, D.C.
2. Dallas
3. Atlanta
4. Houston
5. Phoenix
6. Chicago
7. Seattle
8. Los Angeles
9. Denver
10. San Jose, California
11. Portland
12. Charlotte, N.C.
13. Minneapolis
14. Boston
15. San Diego

*Survey by United Van Lines

Forecast Population Growth



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

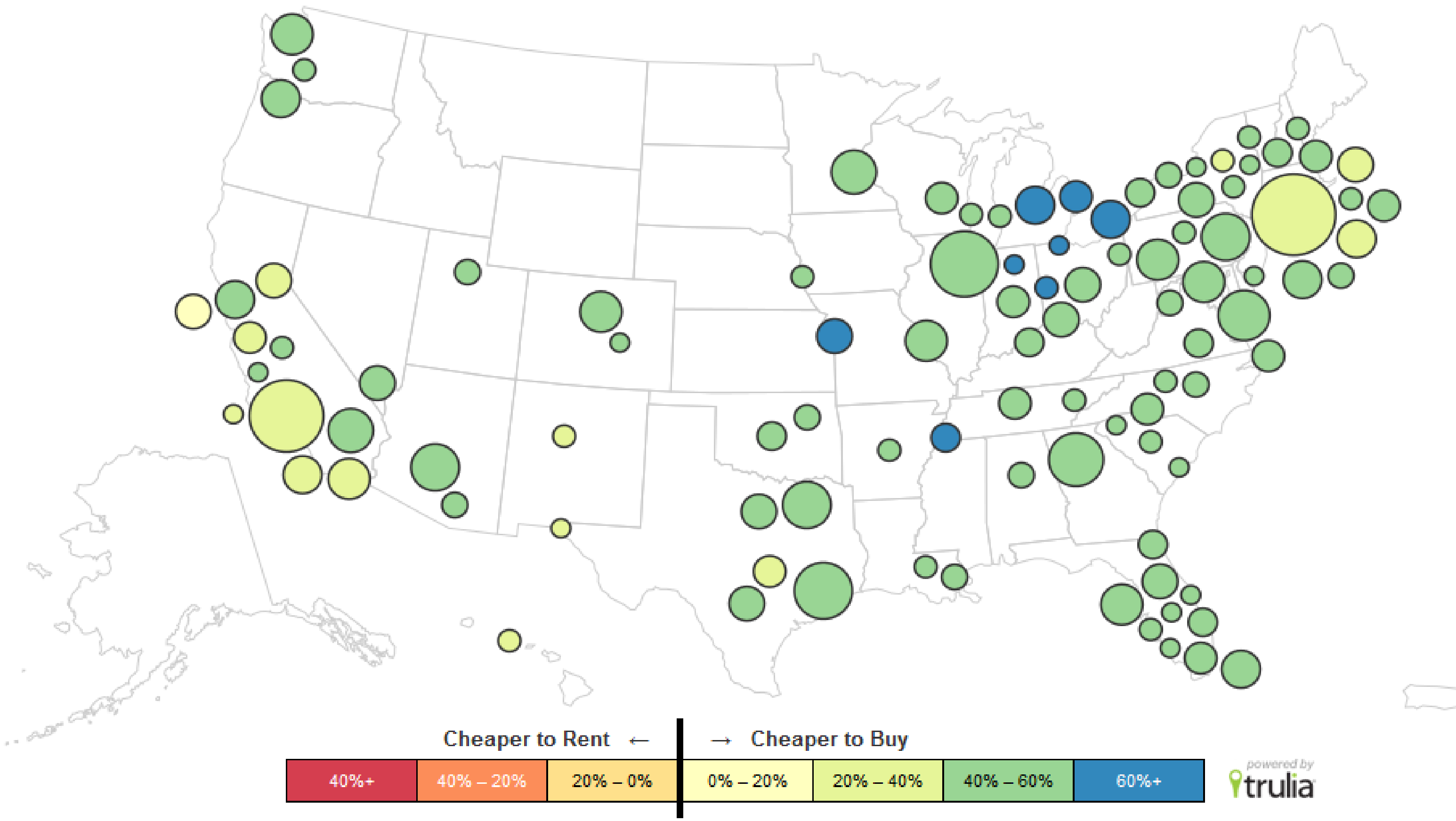
		Rank of Share				
	Total Population	Under 20	20-64	65+	25-39	45-59
Dallas	6,144,489	3	9	25	1	24
Atlanta	5,271,550	5	6	27	2	19
Phoenix	4,179,427	4	24	15	[illegible]	26
Denver	2,466,591	11	5	24	4	12
Riverside	4,081,371	1	27	22	5	27
Houston	5,629,127	2	10	26	6	21
Portland	2,174,631	19	[illegible]	19	7	7
Seattle	3,309,347	22	1	20	8	3
Sacramento	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Washington	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Los Angeles	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
San Diego	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
San Francisco	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Orlando	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Minneapolis	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Chicago	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
New York	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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**

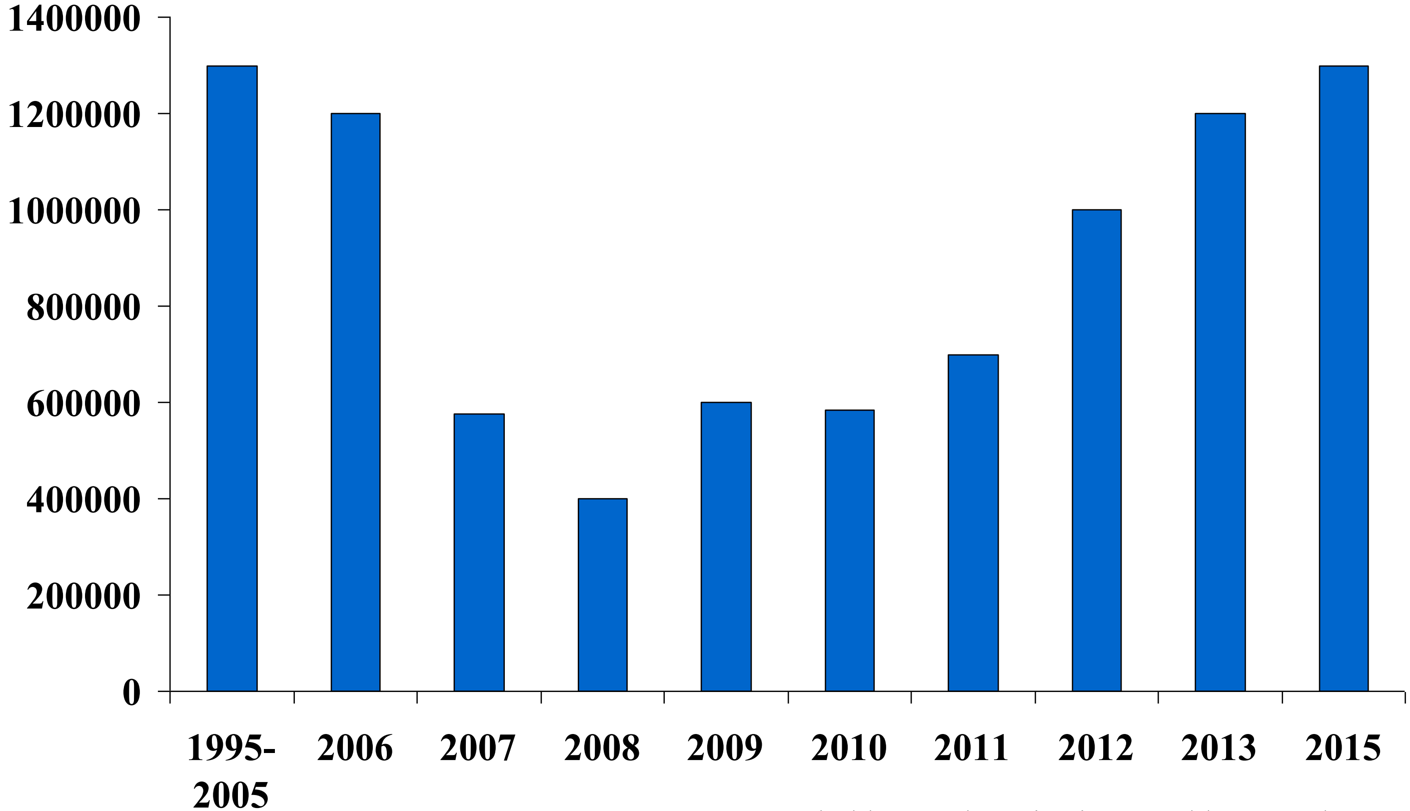
Source :Census Bureau

Metro Atlanta Is 56% Better To Buy Than Rent



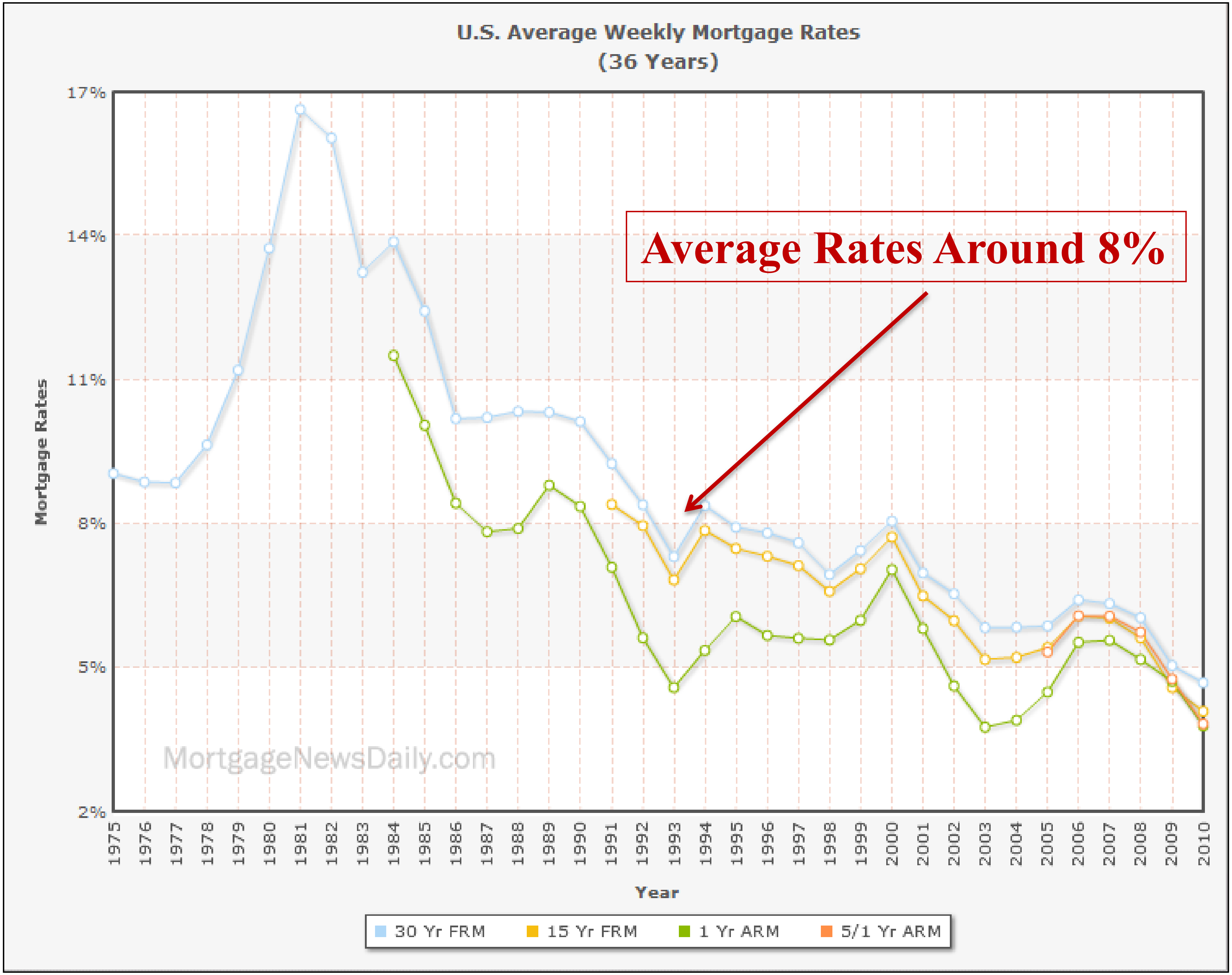
Rental Bubble May Be Looming With Over 13,000 Multi-Family Rental Units Under Construction Or Proposed

U. S. Household Formation Trends
Demand For 1st Time Buyers Will Be Strong!

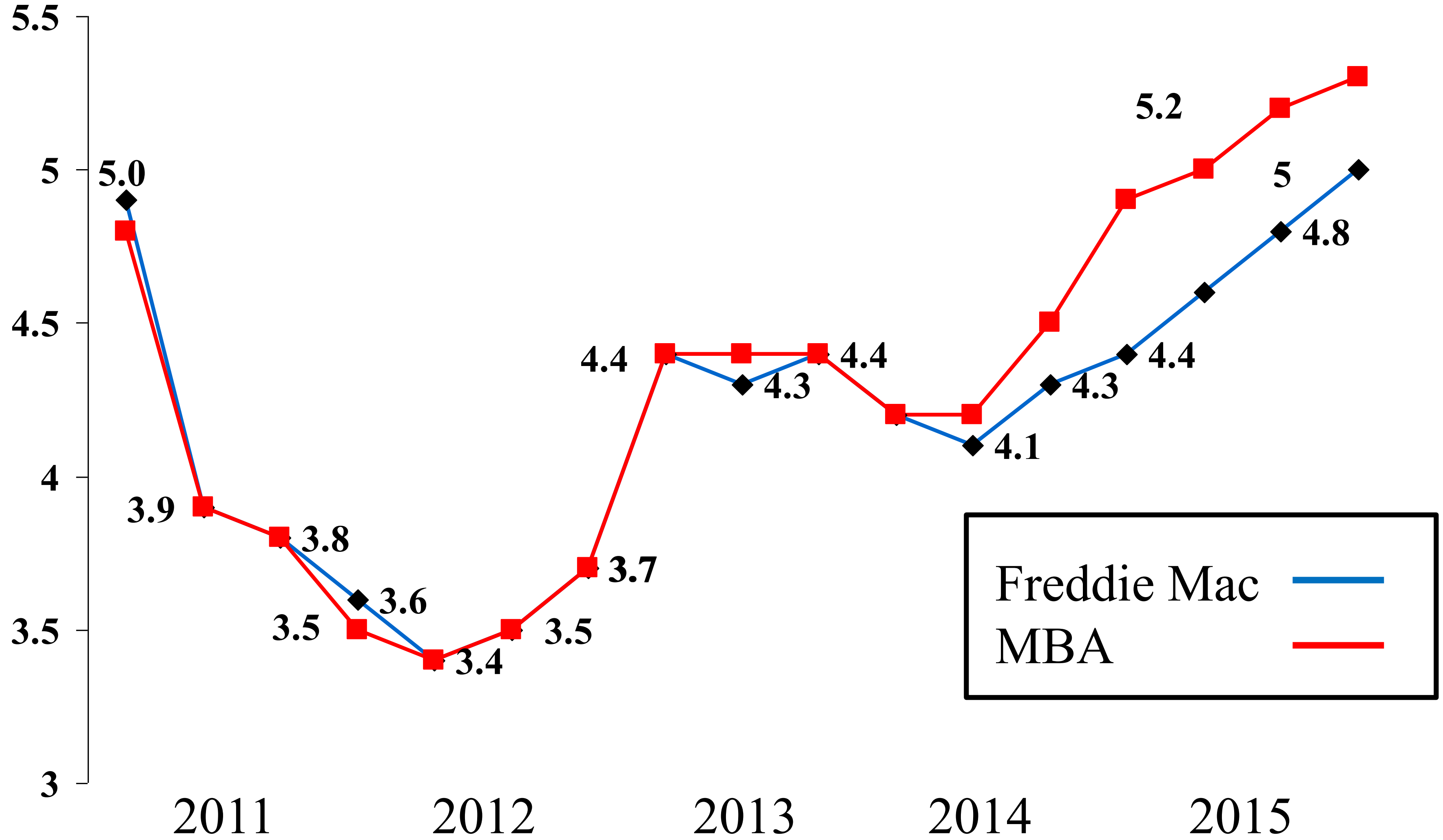


Source: U.S. Census, JCHS Household Growth Projections, Goldman Sachs

- **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)
Average Rates Around 8%
Mortgage Rates
17%
14%
11%
8%
5%
2%
1975 1976 1977 1978 1979 1980 1981 1982 1983 1984 1985 1986 1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010
Year
MortgageNewsDaily.com
30 Yr FRM
15 Yr FRM
1 Yr ARM
5/1 Yr ARM

Freddie Mac & Mortgage Bankers Association
30-Year Fixed Rate Forecast (Sept. 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