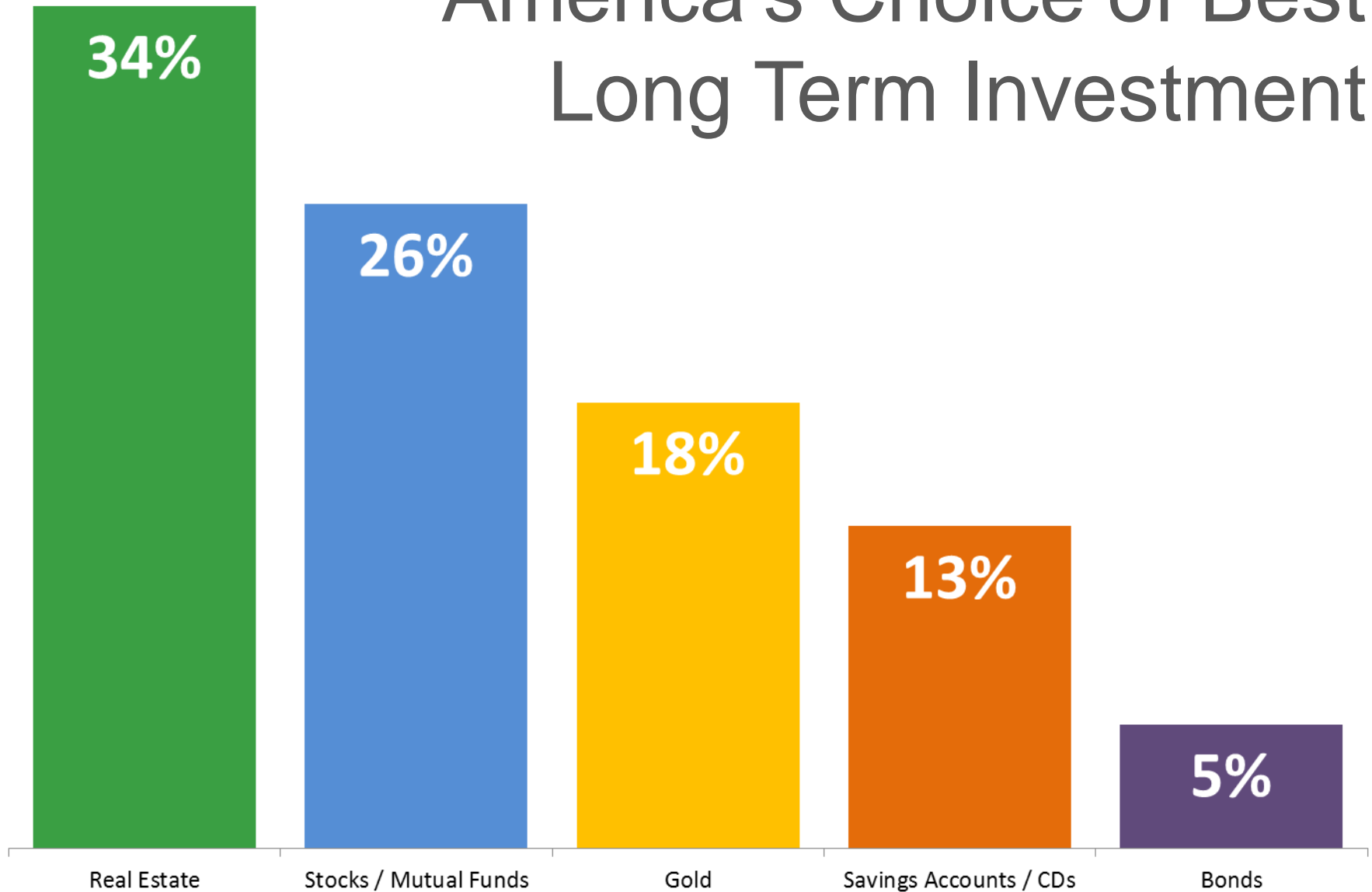


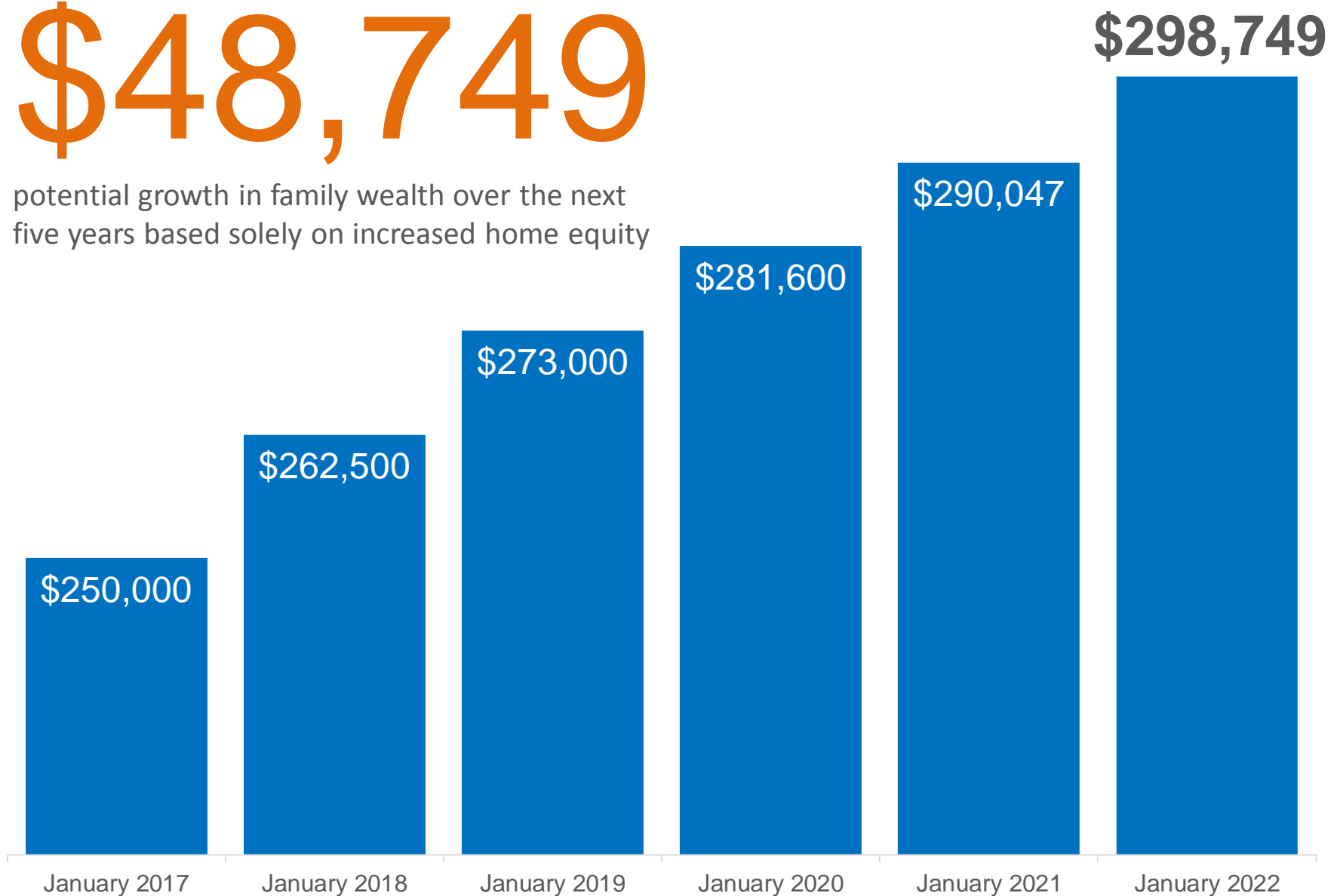
# National Housing Trends

# America's Choice of Best Long Term Investment



# \$48,749

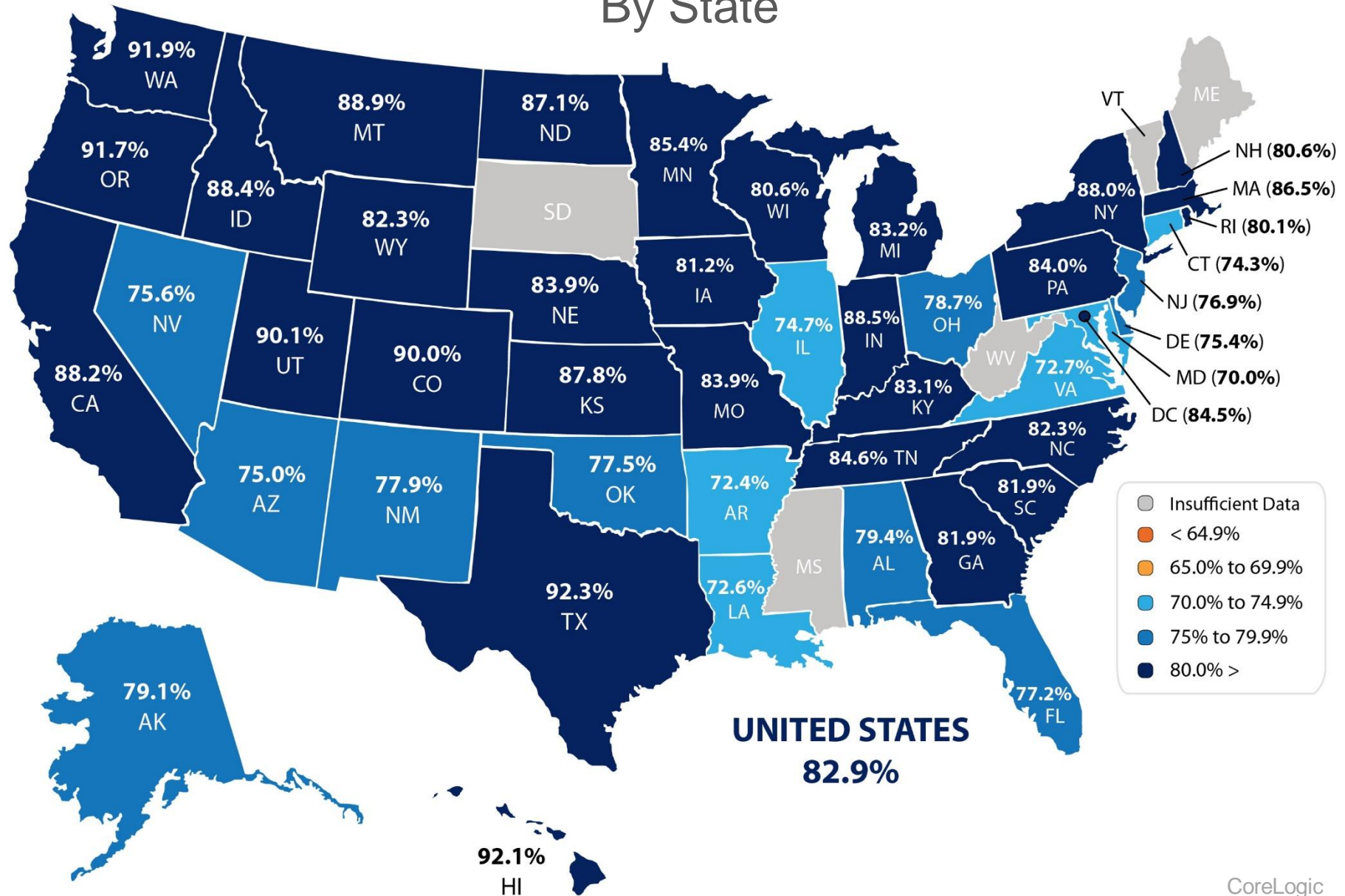
potential growth in family wealth over the next five years based solely on increased home equity



*Increased home equity based on price appreciation projected by the Home Price Expectation Survey*

# Significant Equity (> 20%)

## By State



# The Cost of **RENTING** vs. **BUYING**

HISTORICALLY:

NOW:

Percentage of Income Needed to Afford **Median Rent**

**25.8%**

**29.2%**

Percentage of Income Needed to Afford **Median Home**

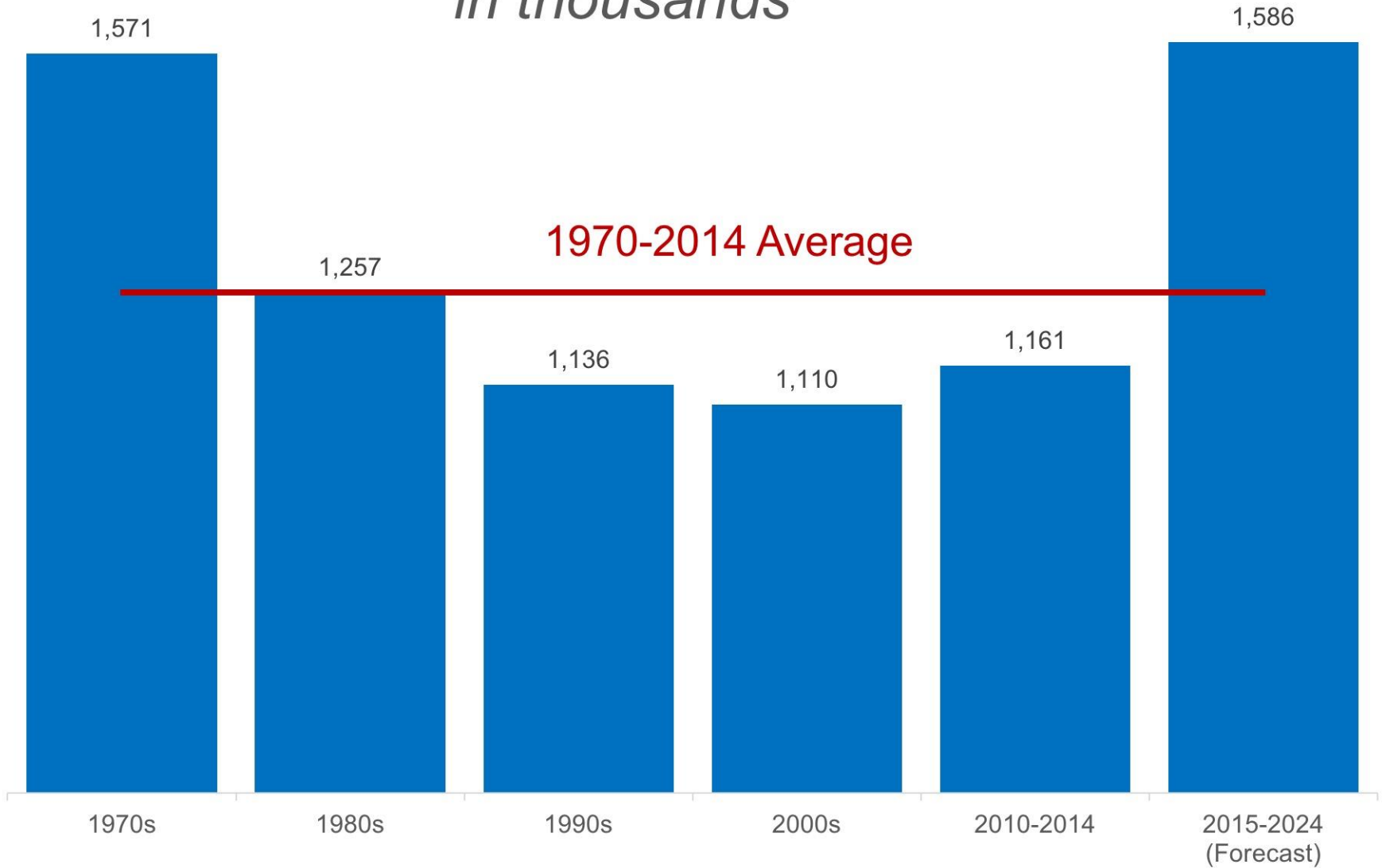
**21.0%**

**15.8%**



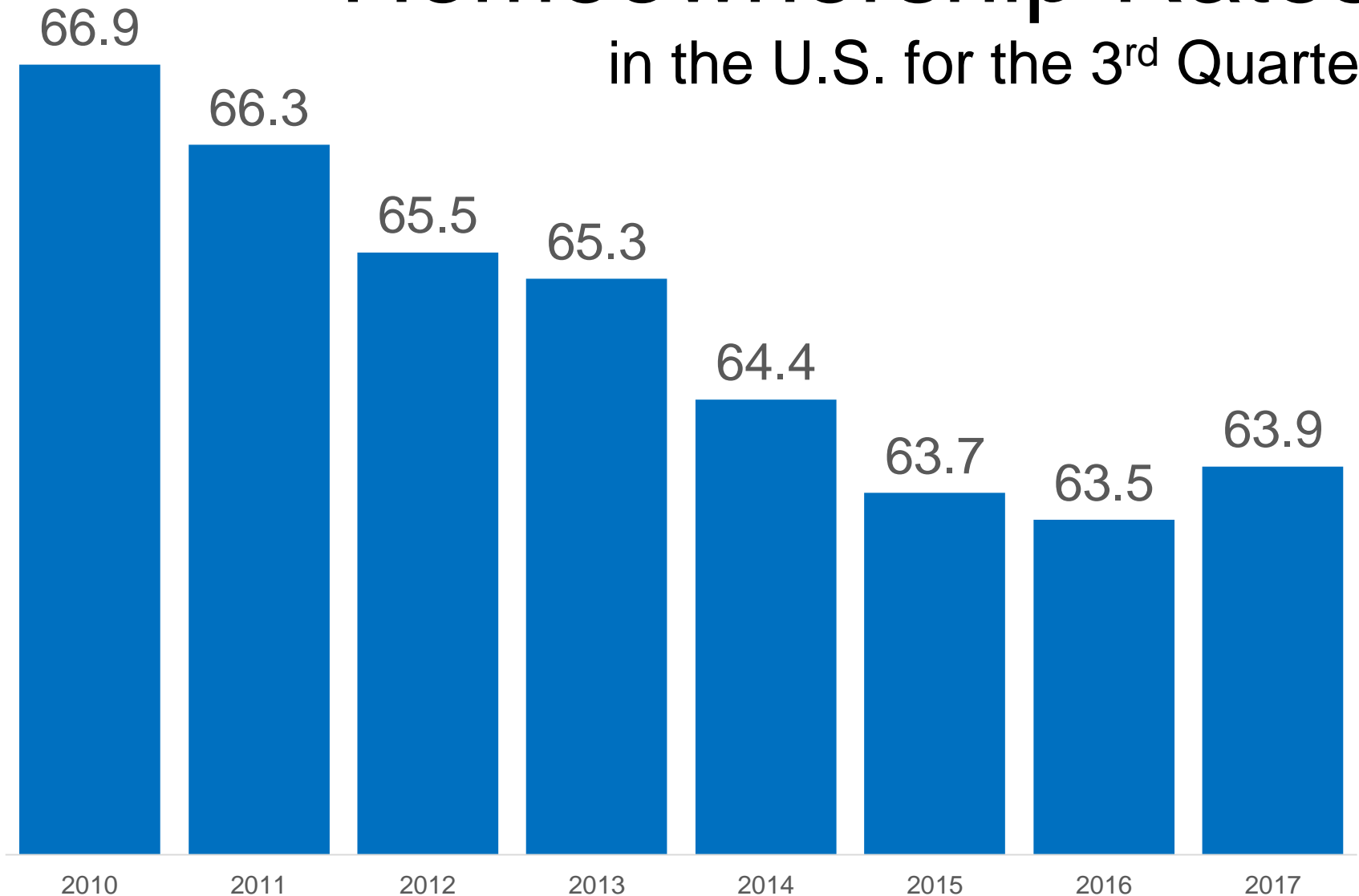
# Average Annual Household Formation

*in thousands*



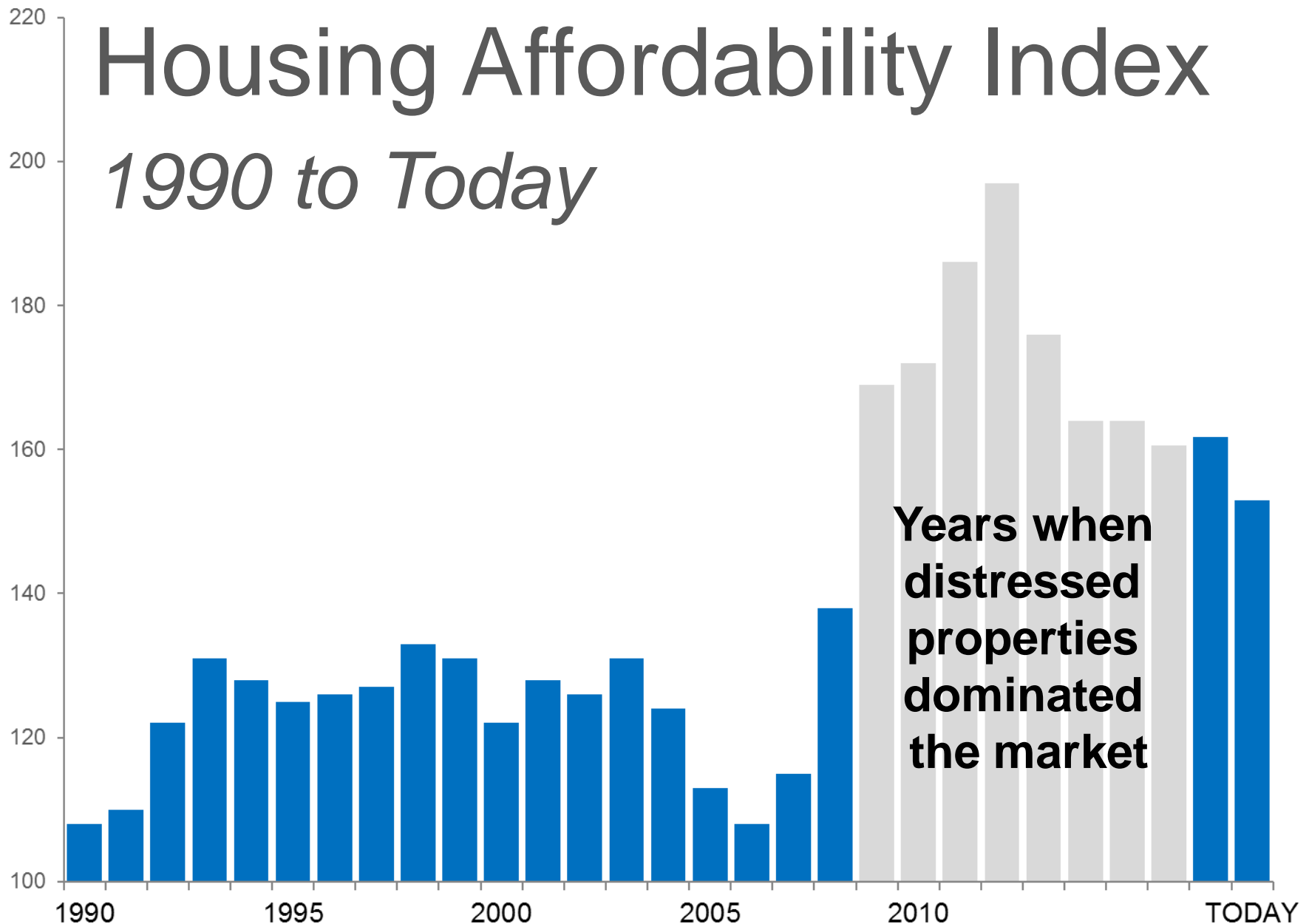
# Homeownership Rates

in the U.S. for the 3<sup>rd</sup> Quarter



# Housing Affordability Index

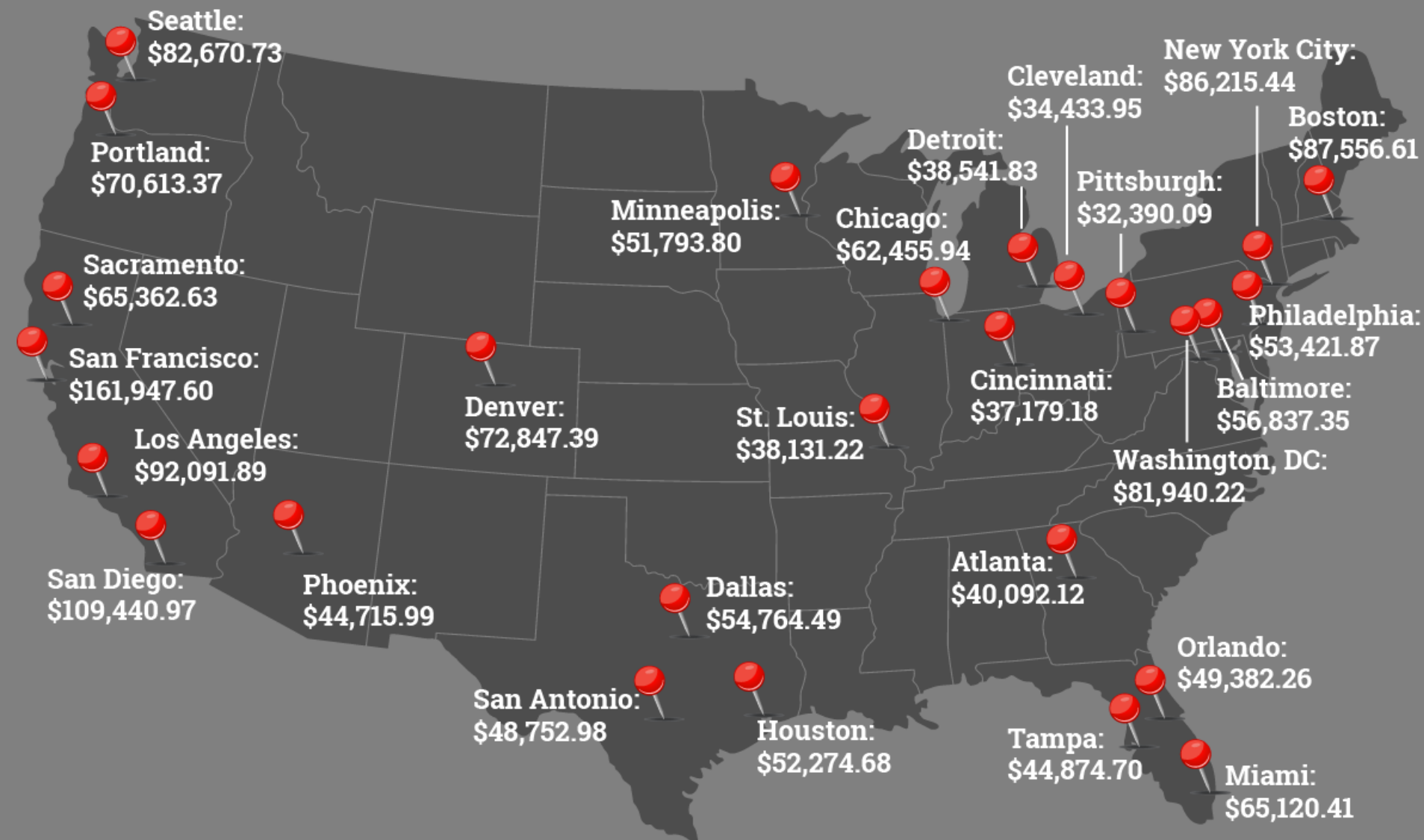
## *1990 to Today*





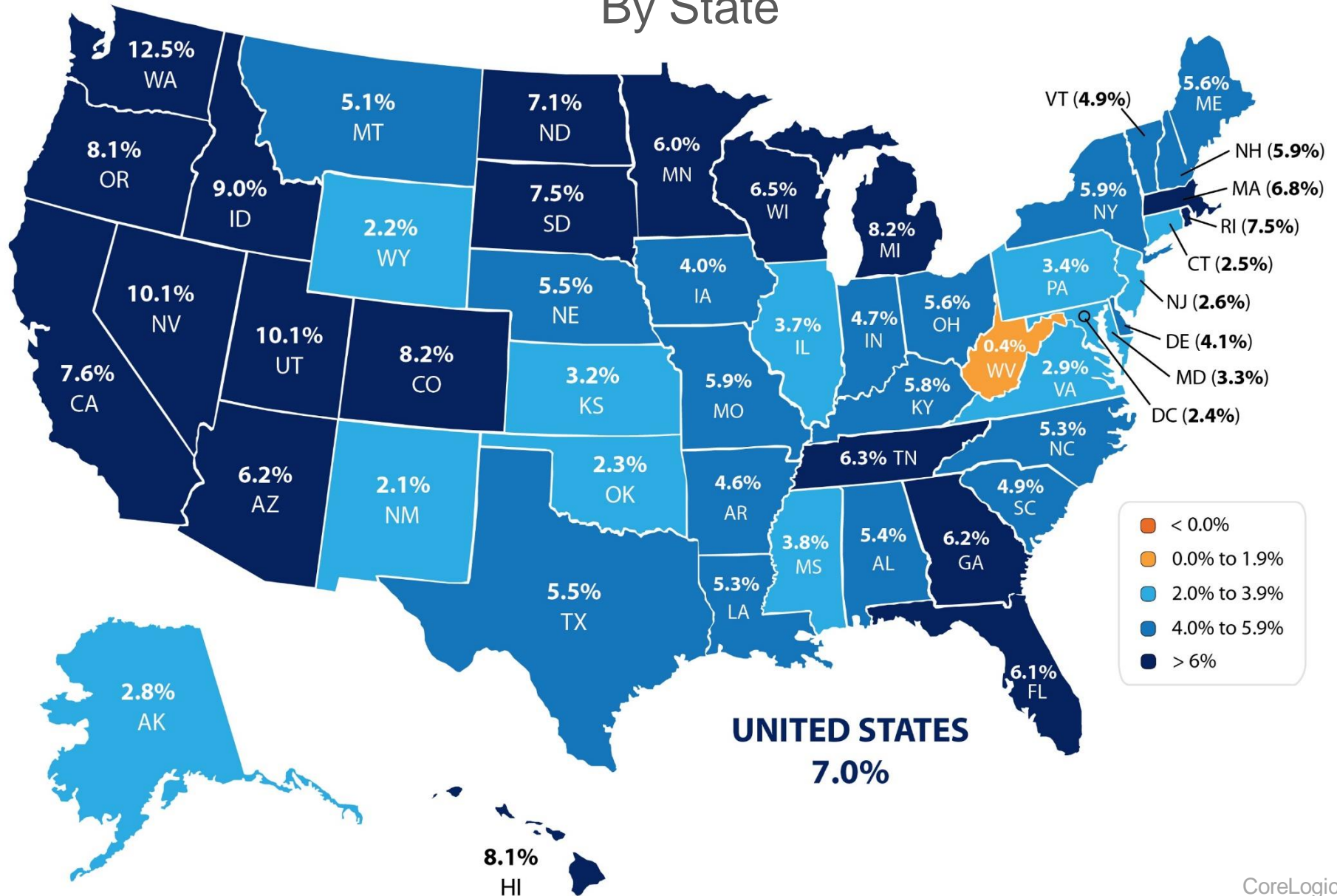
# The salary you need to buy a home in your area.

National: \$52,699.17



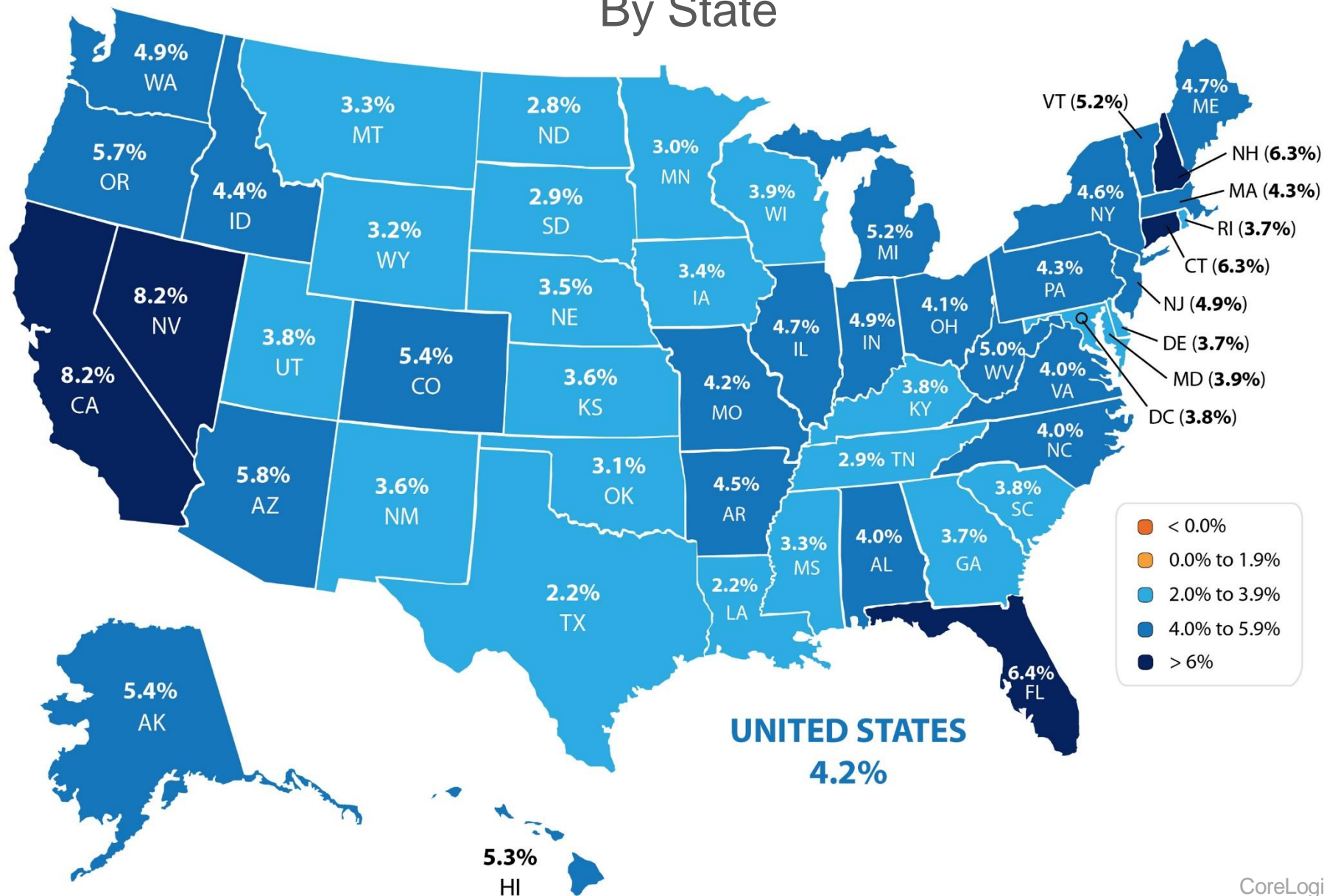
# Actual Year-Over-Year % Change in Price

## By State



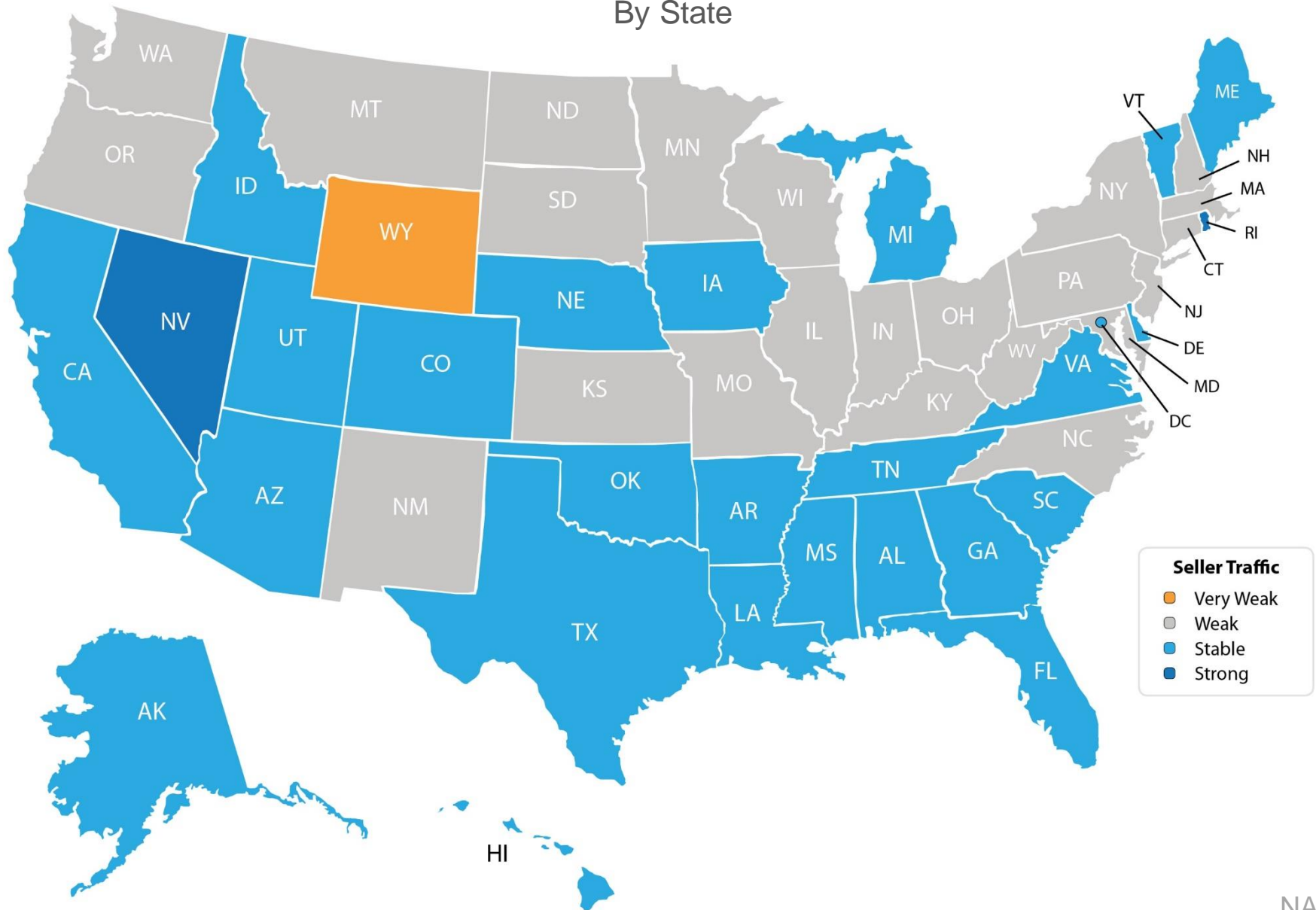
# Forecasted Year-Over-Year % Change in Price

## By State



# Seller Traffic

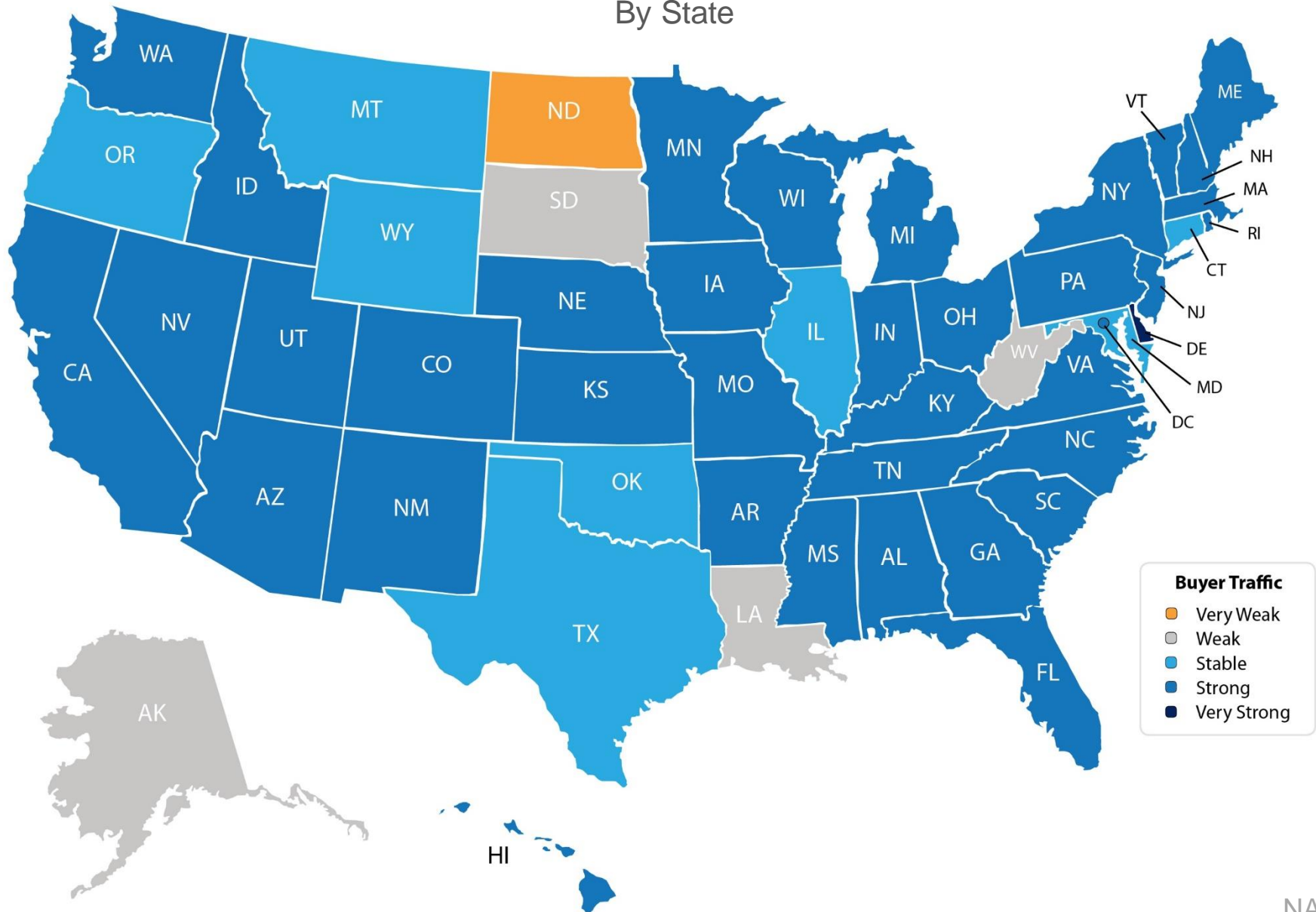
By State

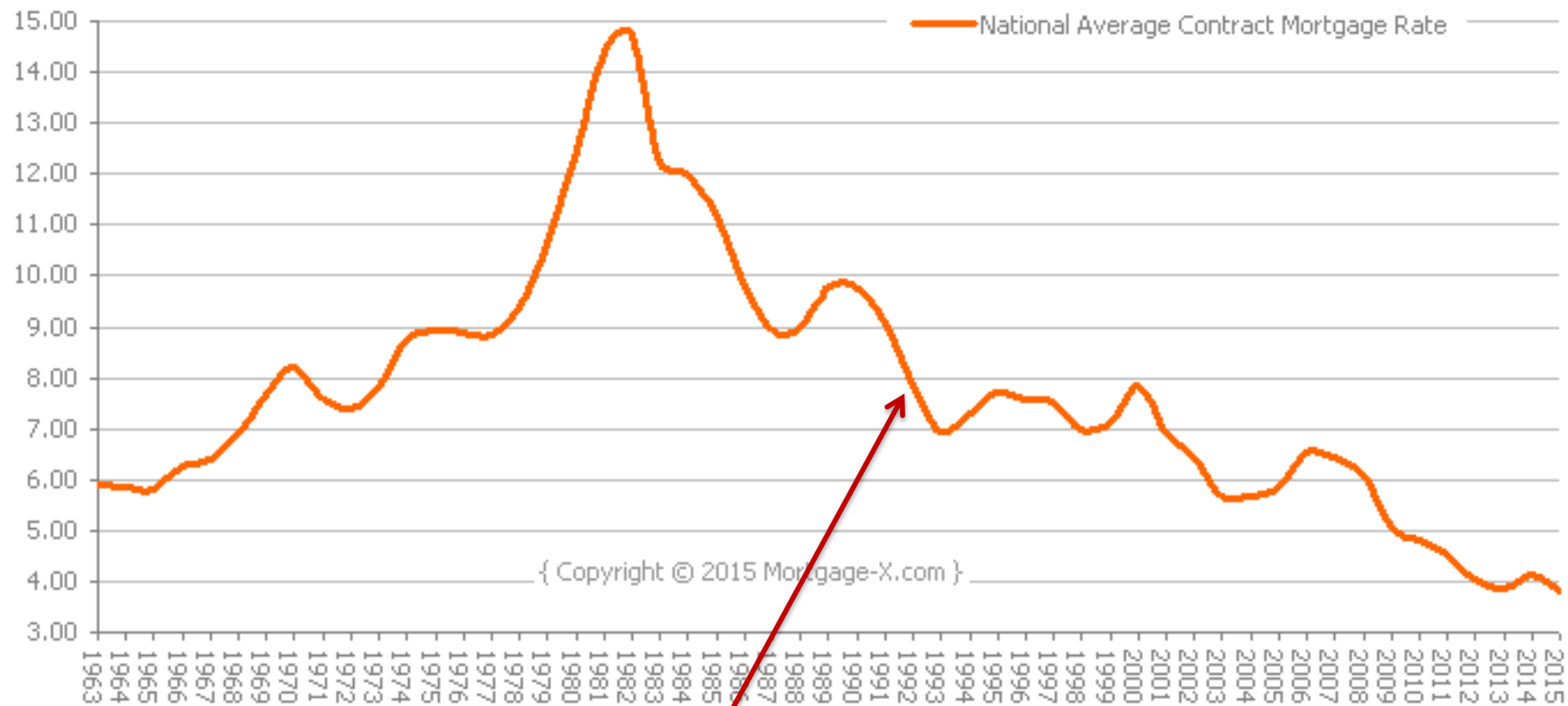




# Buyer Traffic

By State





**Historical Mortgage Rates Have Averaged Around 8%**

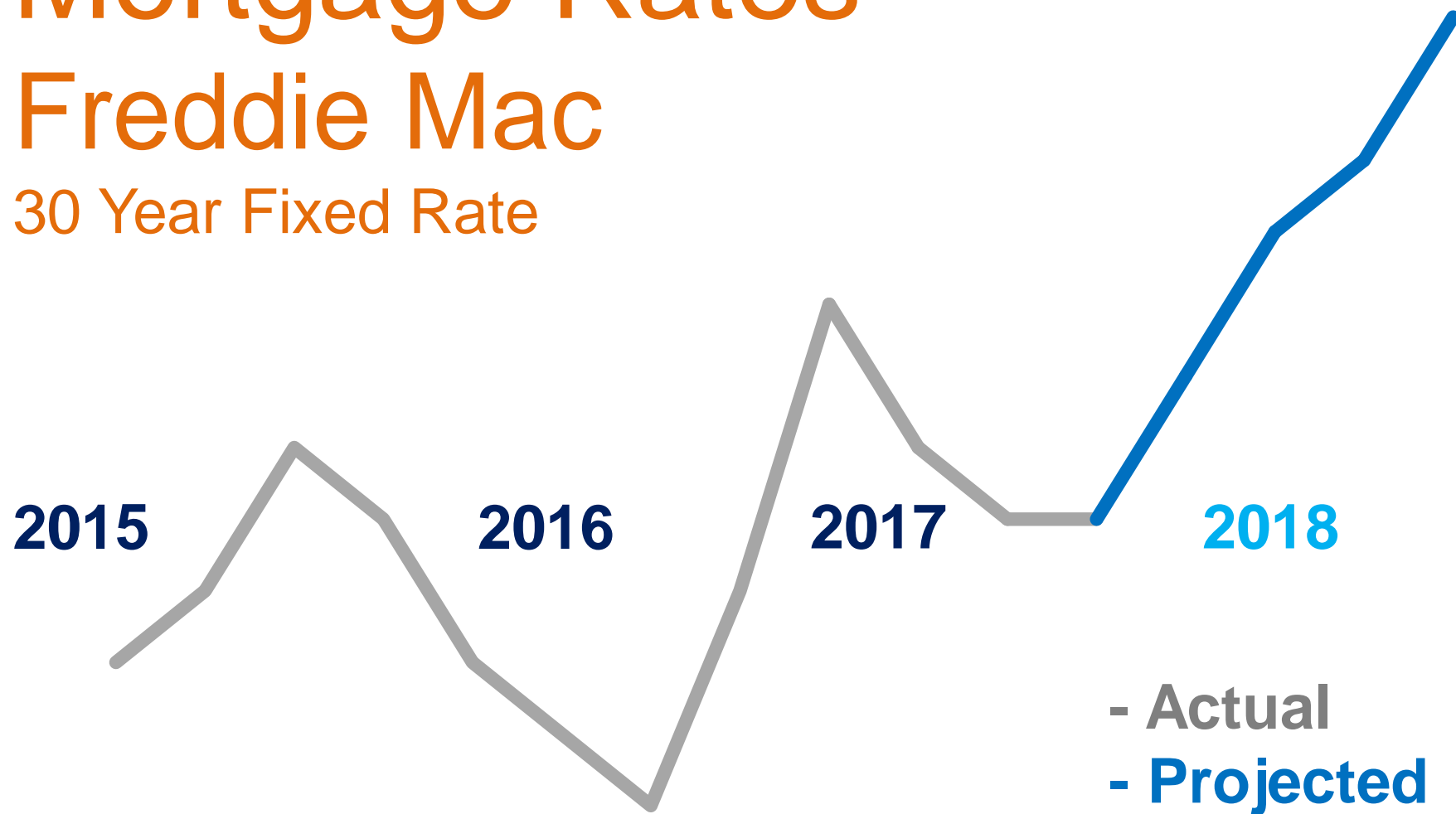
# Mortgage Rate Projections

Quarter	Freddie Mac	Fannie Mae	MBA	NAR	Average of All
2018 1Q	4.1	4.0	4.2	4.2	4.13
2018 2Q	4.3	4.1	4.4	4.3	4.28
2018 3Q	4.4	4.1	4.6	4.4	4.38
2018 4Q	4.6	4.2	4.8	4.5	4.53

# Mortgage Rates

## Freddie Mac

### 30 Year Fixed Rate



	2015 Q1	2015 Q2	2015 Q3	2015 Q4	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4
Rate	3.7	3.8	4.0	3.9	3.7	3.6	3.5	3.8	4.2	4.0	3.9	3.9	4.1	4.3	4.4	4.6



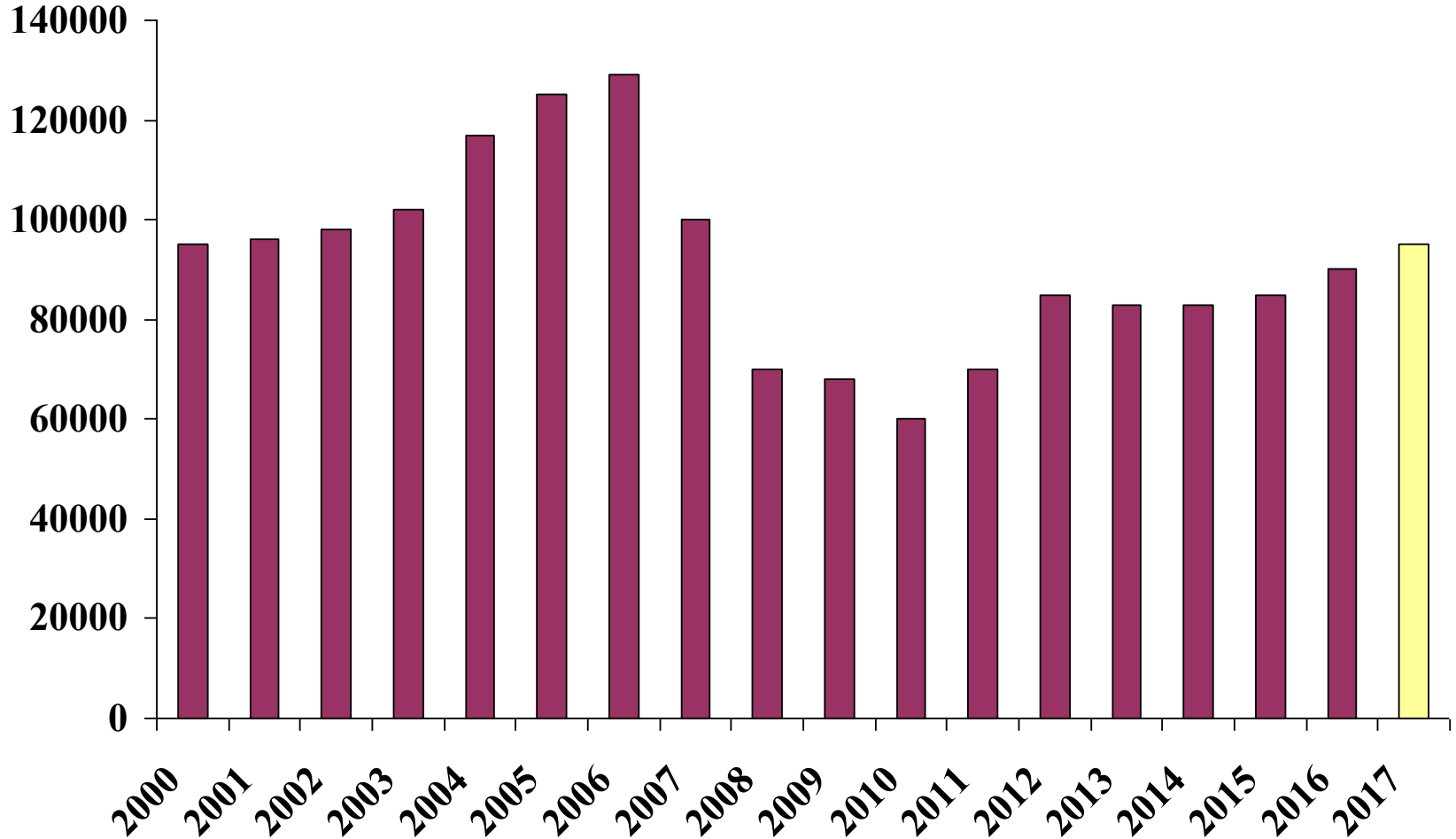
# Increasing Mortgage Rates Make A Significant Difference In Home Affordability

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

# **Greater Metro Atlanta Market**

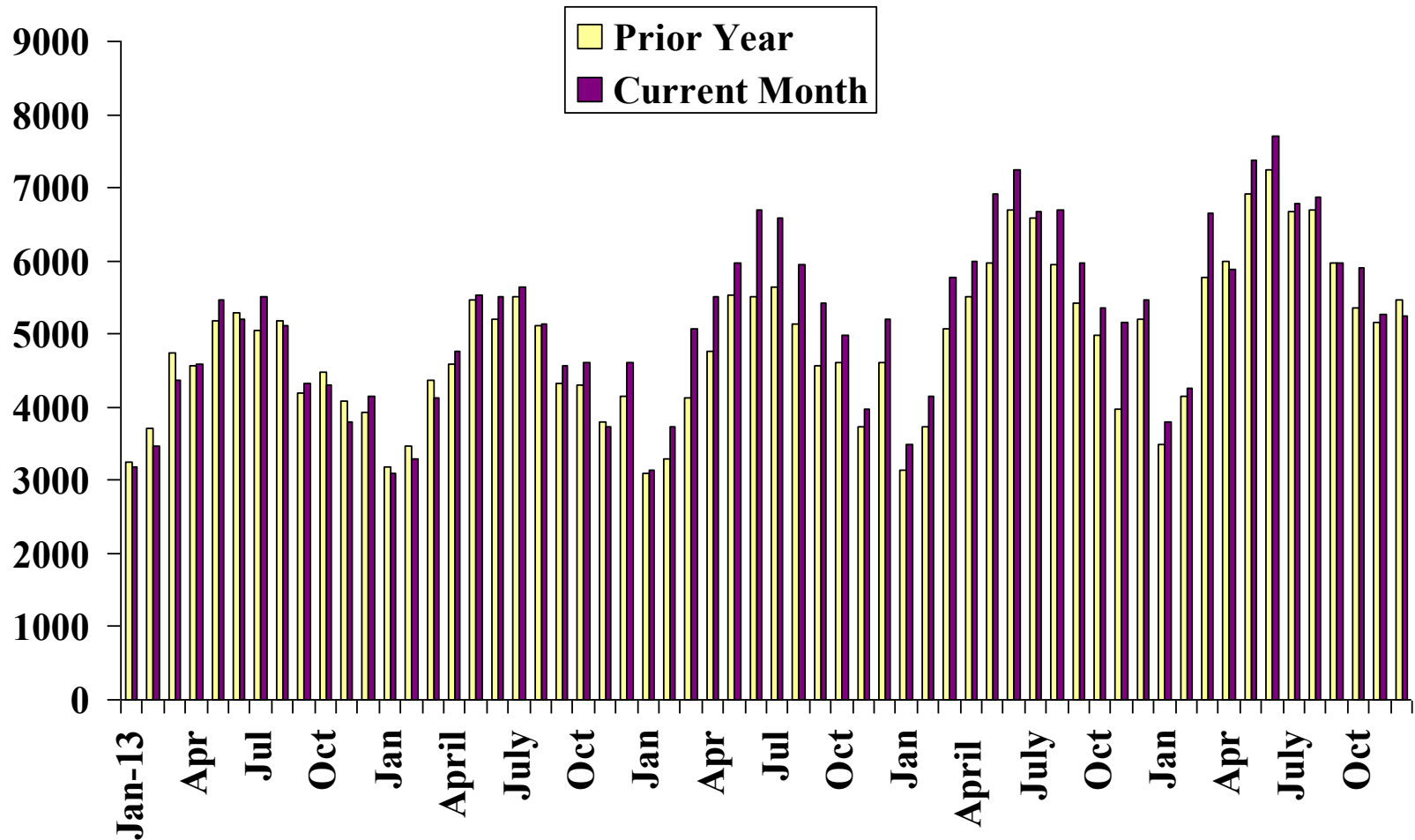
**January 2018 Report  
With Results Through December 2018**

# Metro Atlanta Homes Sold



**125,000 Homes Sold In 2006. 60,000 Homes Sold In 2010.**  
**2017 Closings 4% Higher Than 2016.**

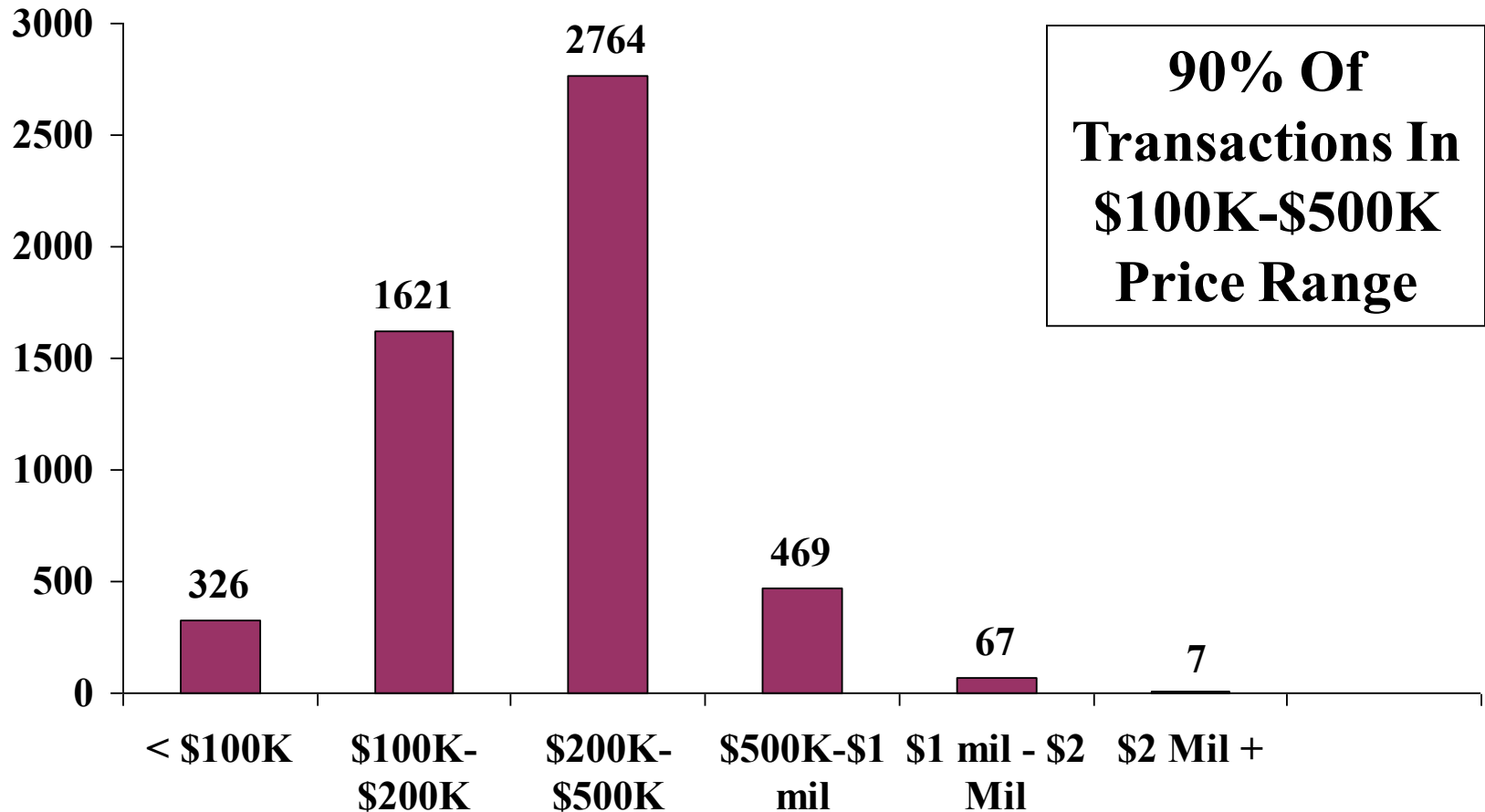
# Metro Atlanta 2013-2017 Closings



**December Closings Down .2% Compared To November Closings.**  
**December 2017 Closings Down 3.8% Compared To December 2016.**

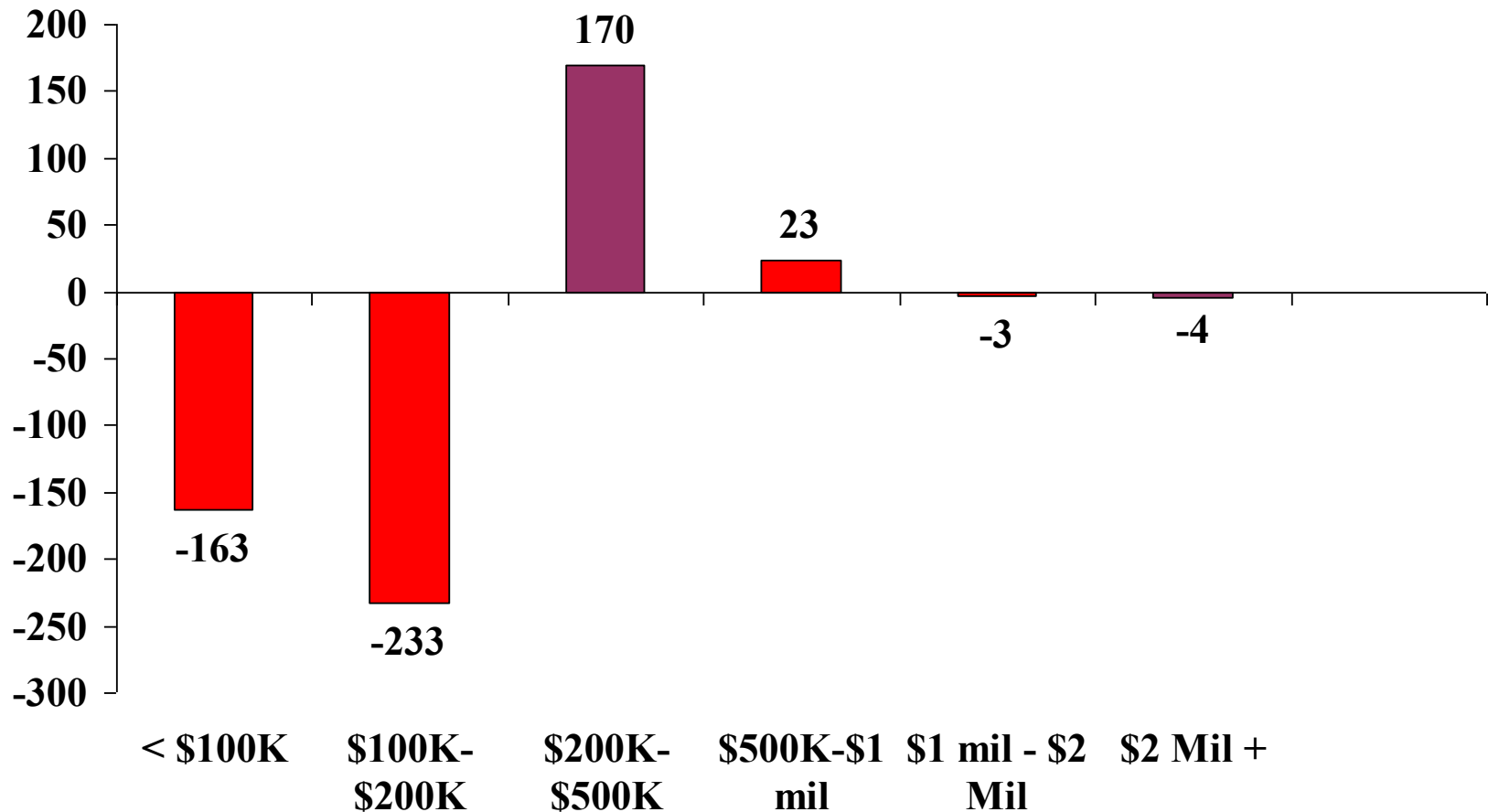
# Metro Atlanta Closings – December 2017

## (Number Of Transactions By Price)



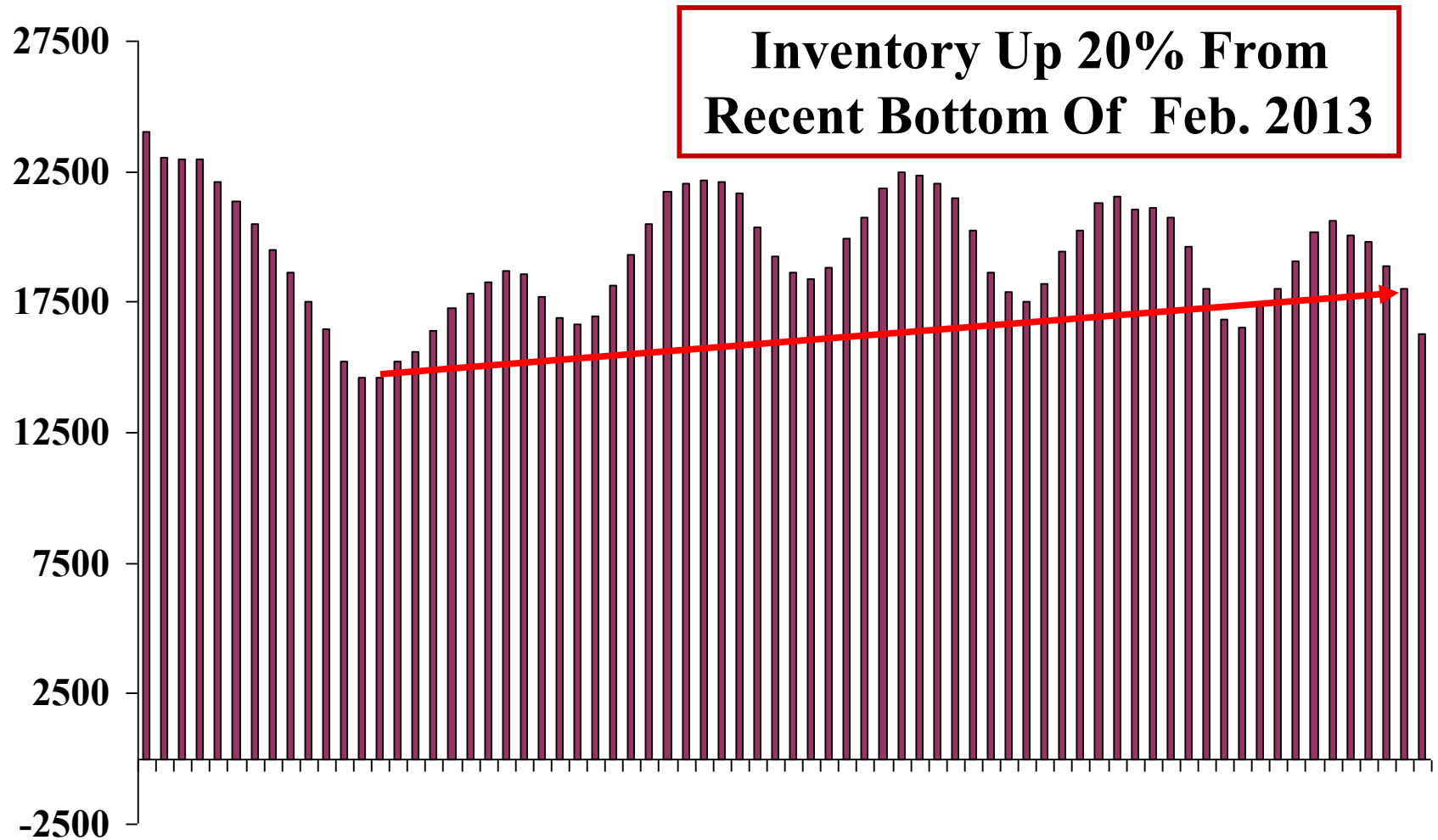
# Metro Atlanta Closed Units By Price Point

## December 2017 Compared To December 2016



# Listed Inventory January 2012 – December 2017

## Residential Detached, Metro Atlanta



**Inventory Down 8.1% From Last Month,  
Down 9.6% Compared To Last Year**

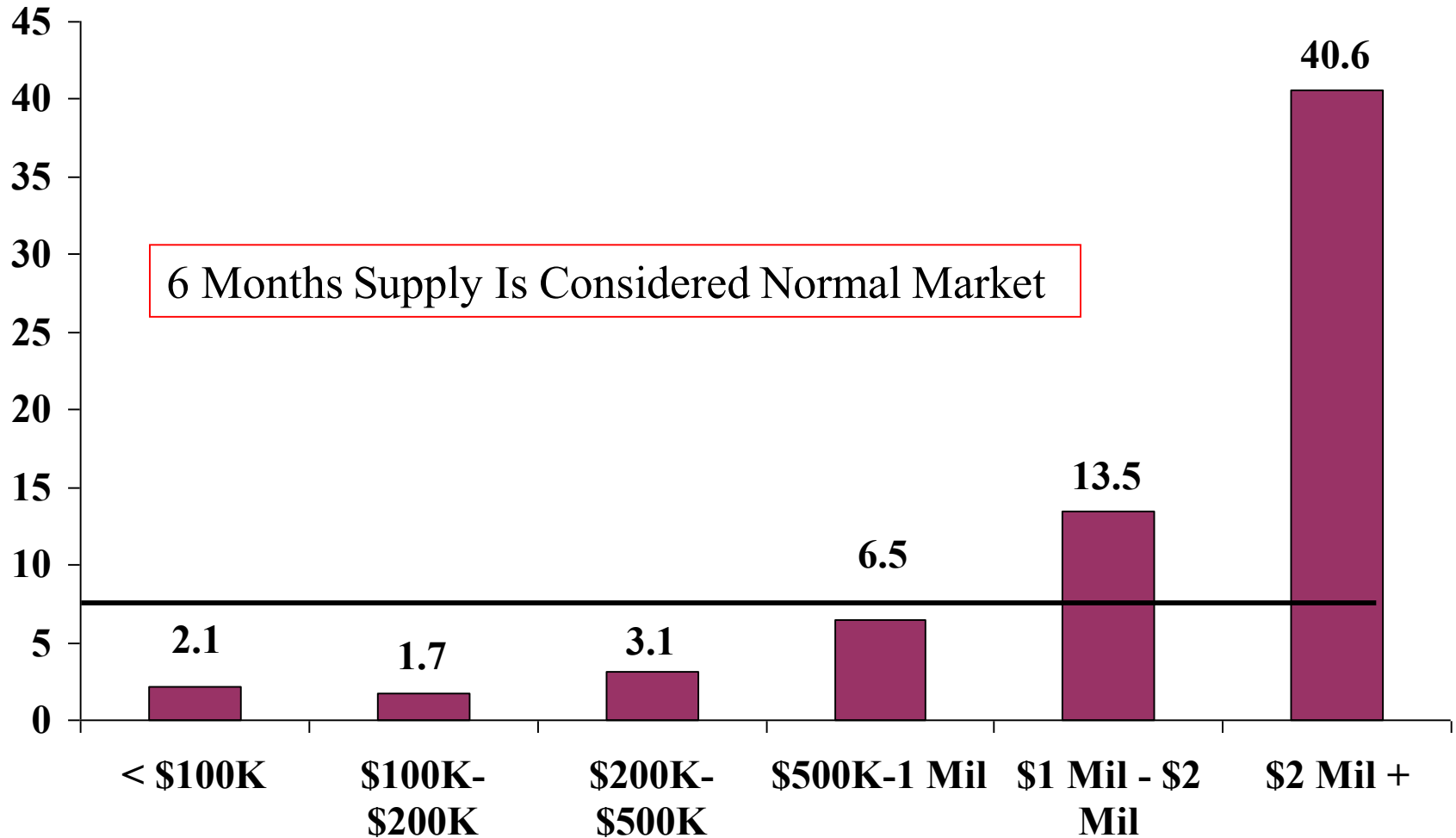
# Months of Inventory Change The Market Strategy





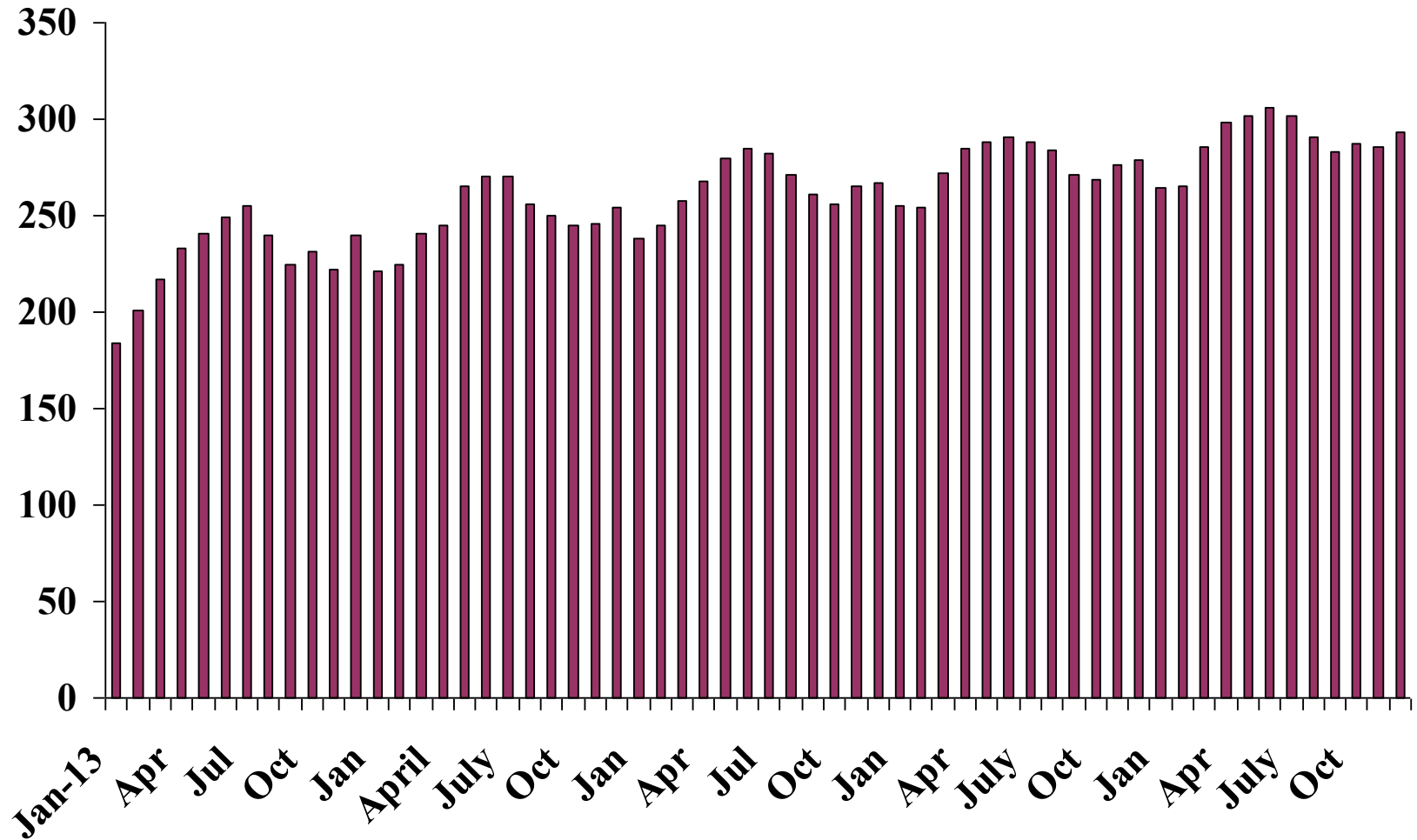
# Metro Atlanta Months of Inventory

## (December 2017, Based On Closed Sales)



**Total Metro Atlanta “Months Of Inventory” Is 3.1 Months**

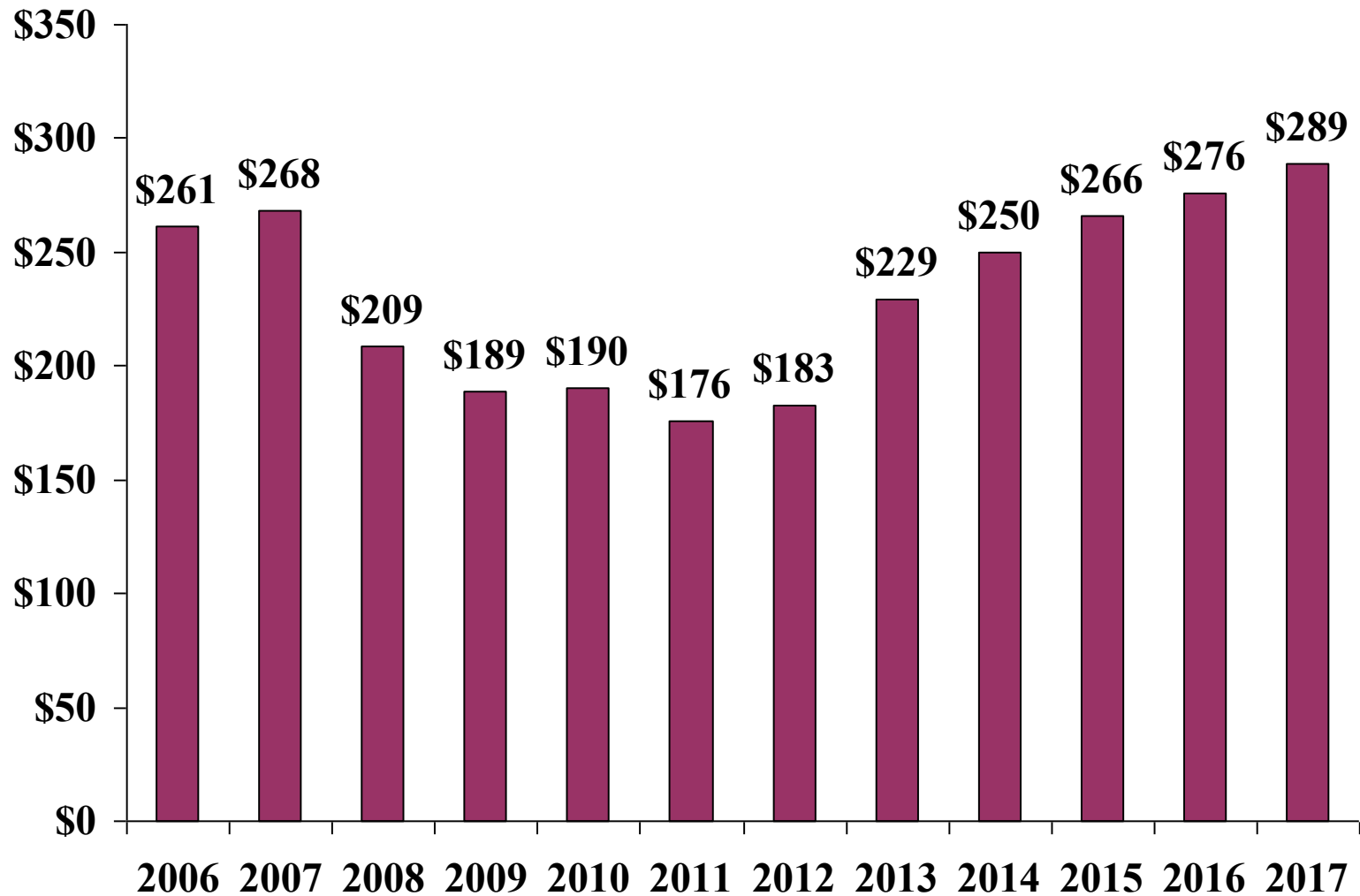
# Metro Atlanta Monthly Average Sale Prices



**ASP \$293,000 In December. ASP \$286,000 Last Month.**

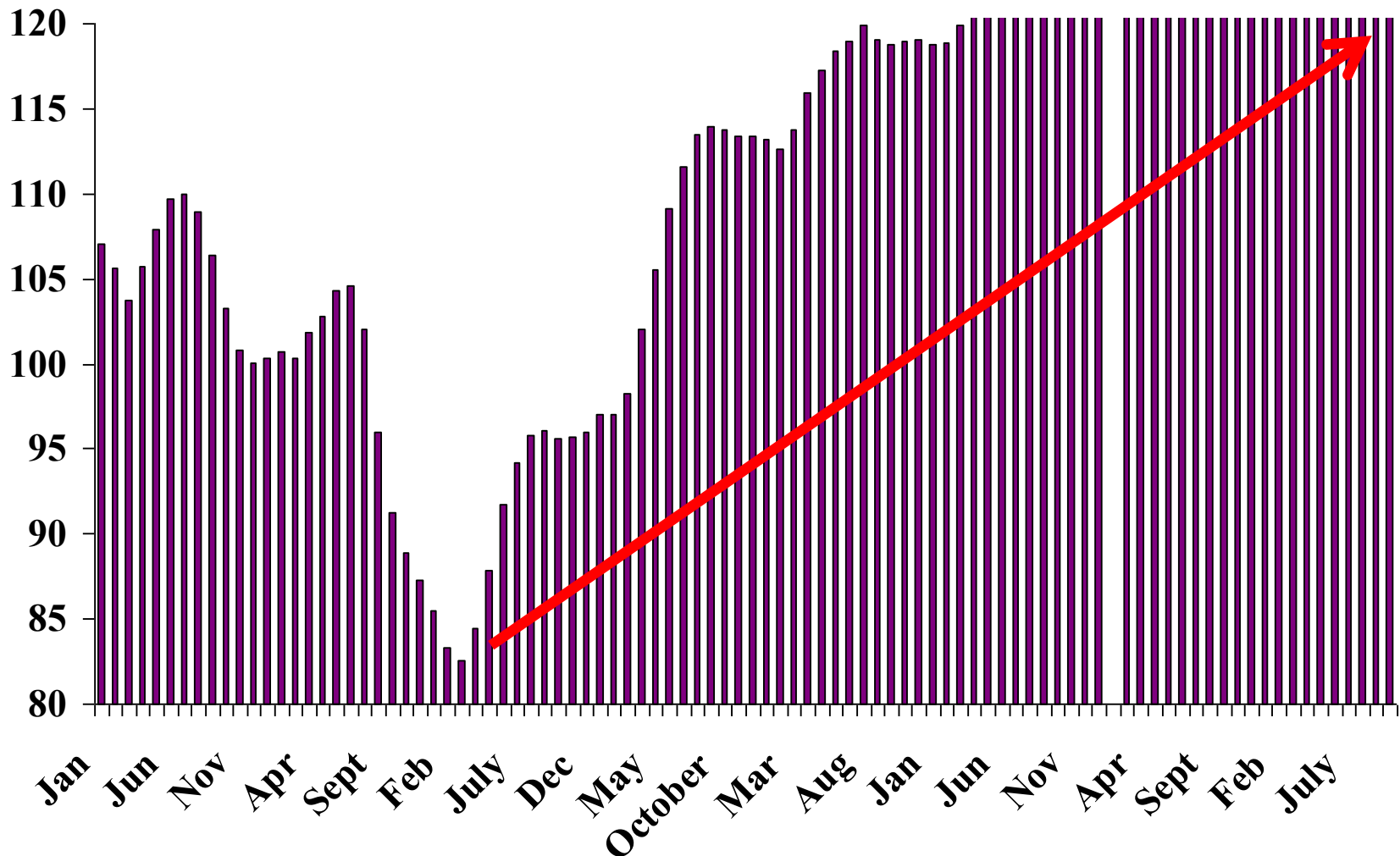
**Up 2.4% From Last Month. Up 5% From Last November.**

# Metro Atlanta Annual Average Sale Prices



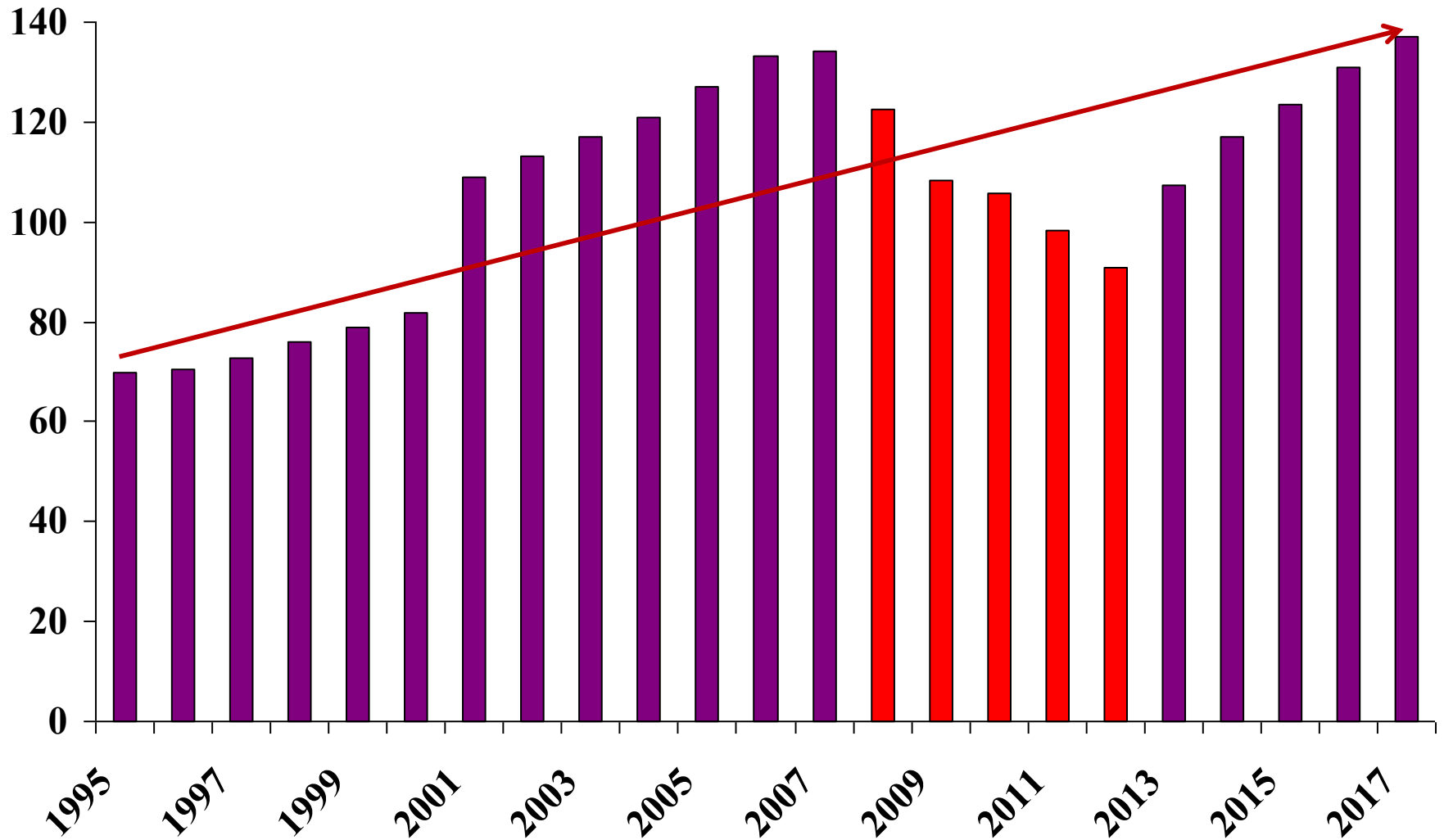
**Annual ASP Up 64% From Bottom Of 2011**

# Case-Shiller Index For Metro Atlanta



**Jan 2010 Through October 2017 (Reported December 26, 2017)**  
**Home Values Up 69% From Recent Bottom Of March 2012.**

# Case-Shiller Home Values For Metro Atlanta

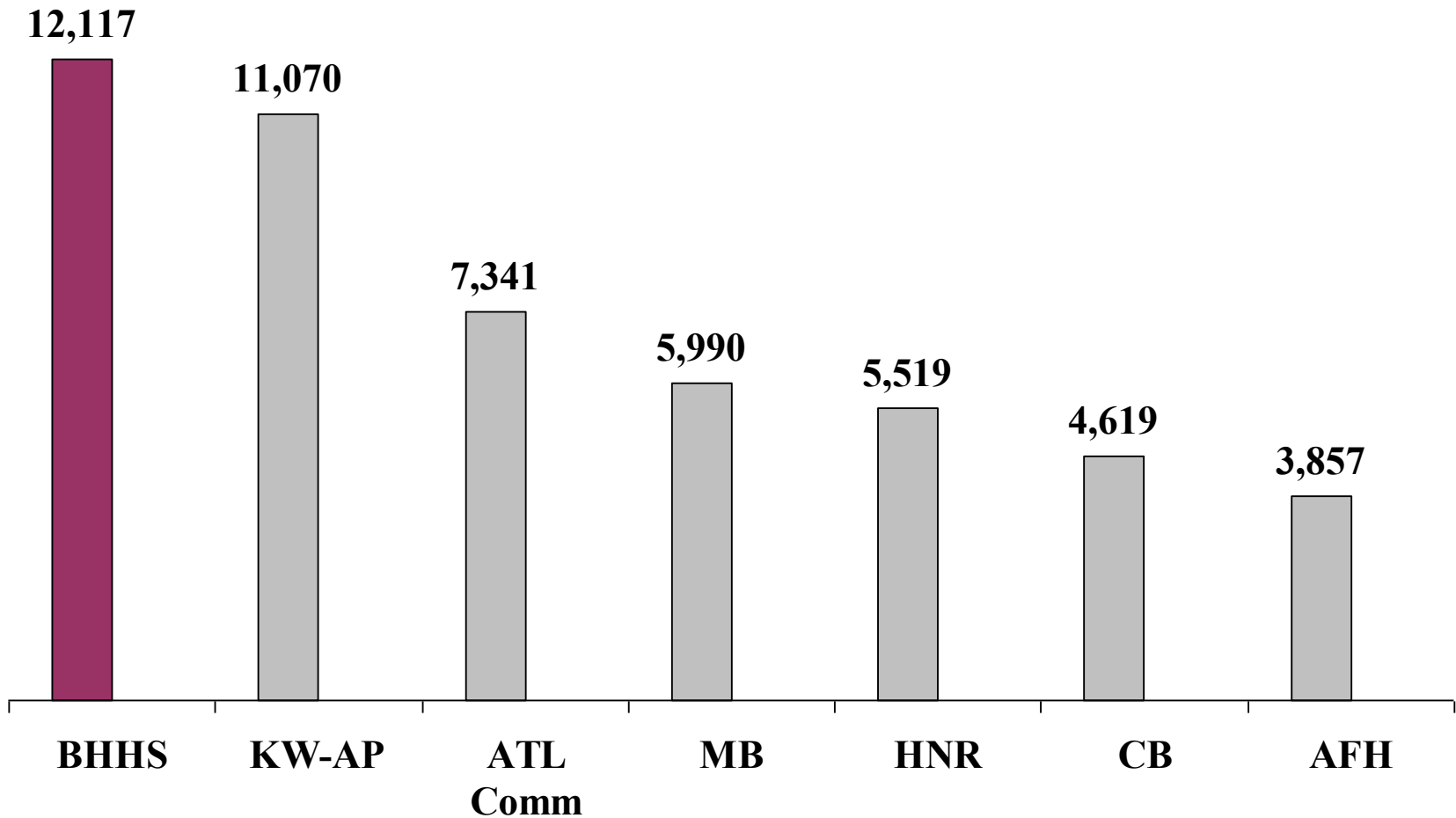


Peak For Values Was July 2007. Recent Bottom Was March 2012.  
Metro Average Home Values Back To Normal Trend Line.

# Berkshire Hathaway HomeServices Georgia Properties

# **Closed Units – Full Year 2017**

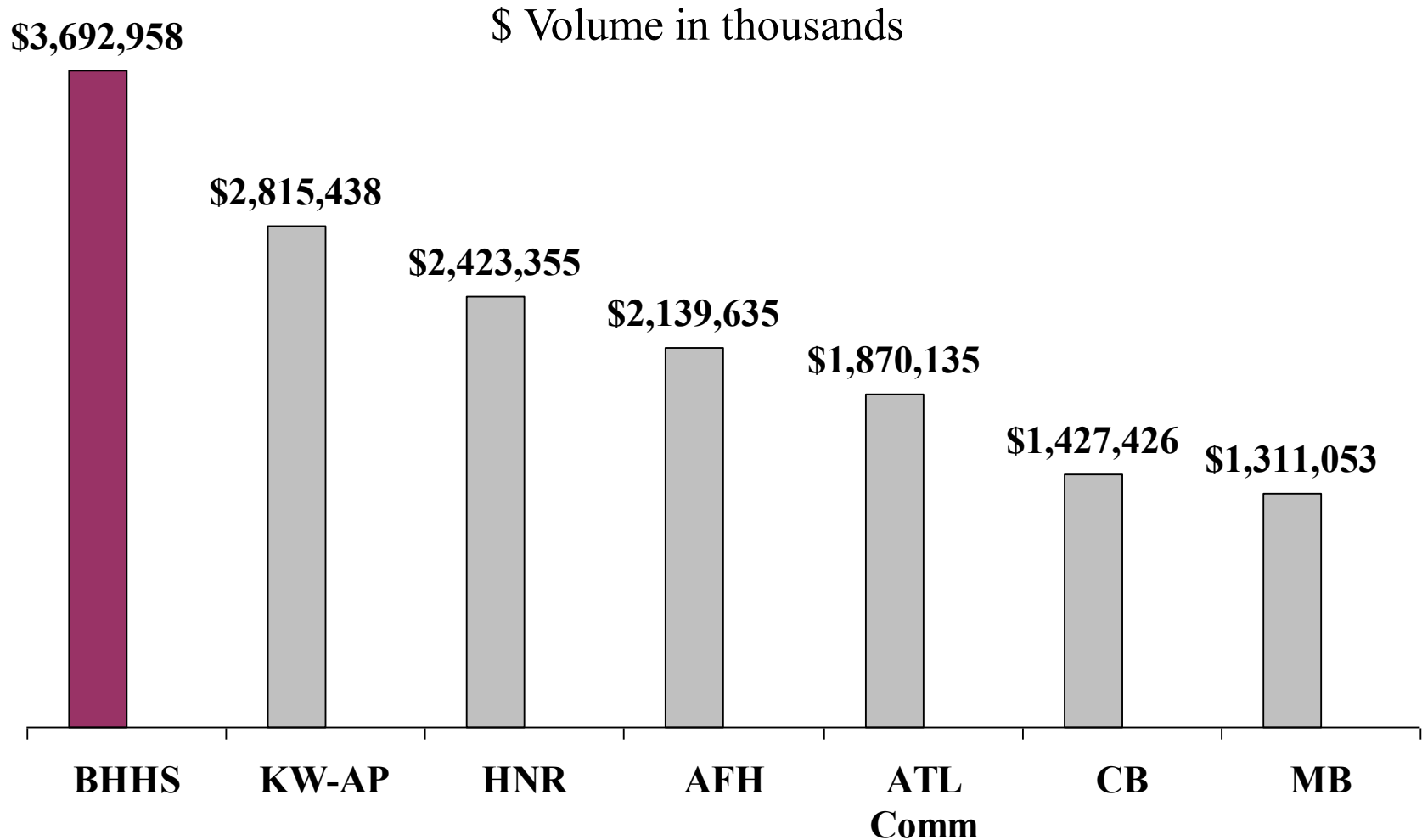
## **FMLS Counties + Southern Crescent**



**Information Provided By Trendgraphix and BHHS GP Internal Reports.**

# Closed Volume – Full Year 2017

## FMLS Counties + Southern Crescent

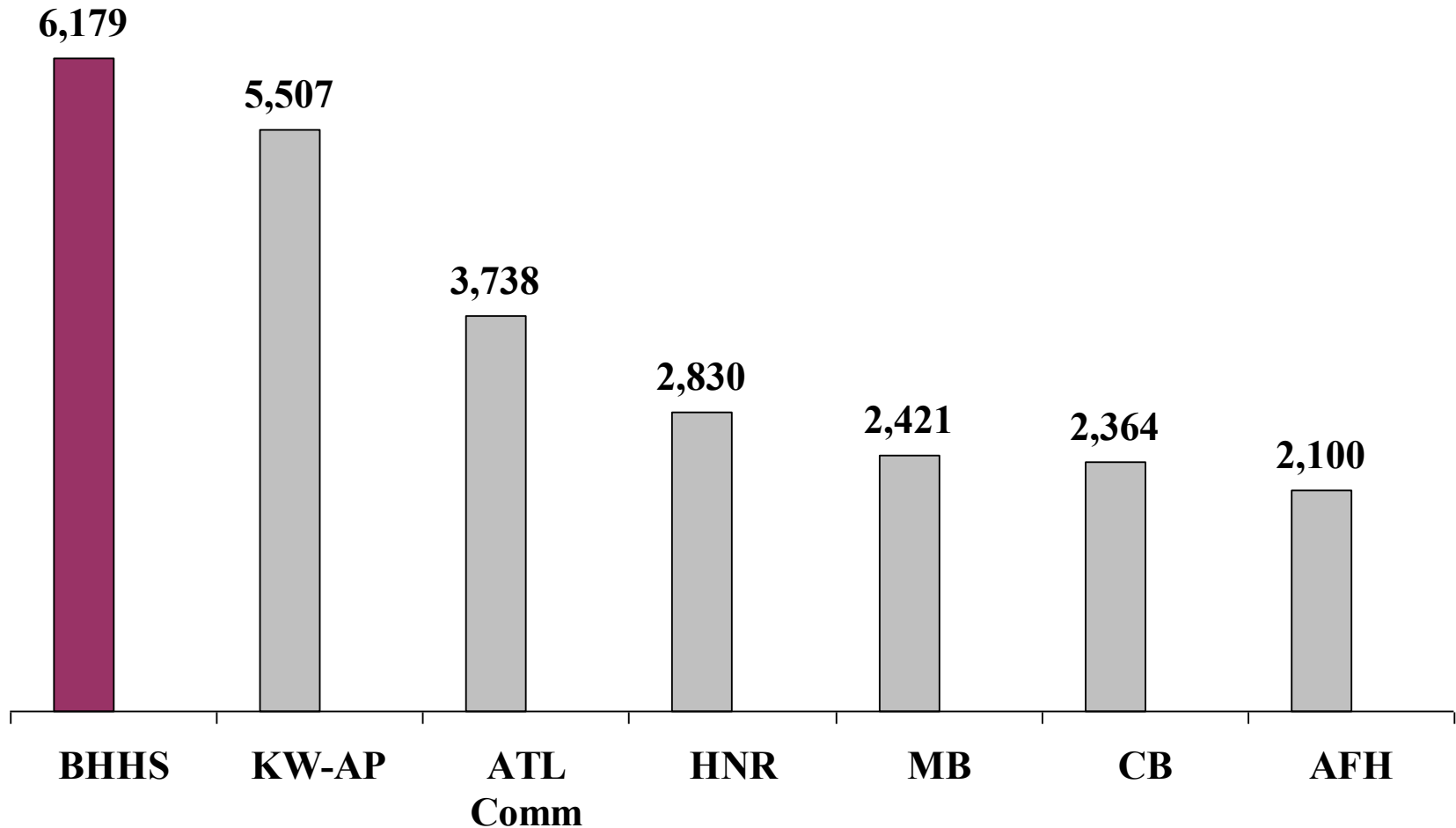


Information Provided By Trendgraphix and BHHS GP Internal Reports.



# **Listing Sales – Full Year 2017**

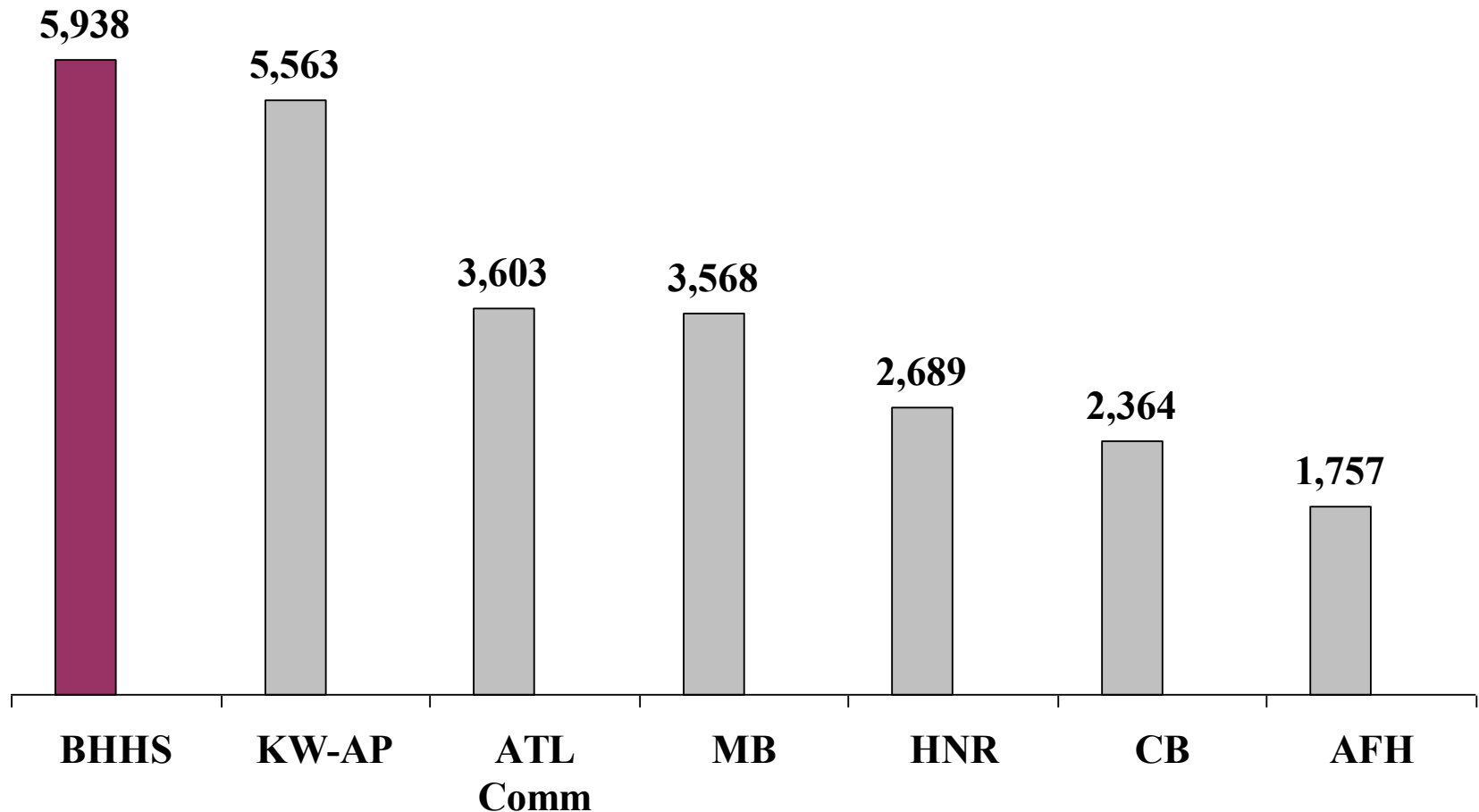
## **FMLS Counties + Southern Crescent**



**Information Provided By Trendgraphix and BHHS GP Internal Reports.**

# Buyer Sales – Full Year 2017

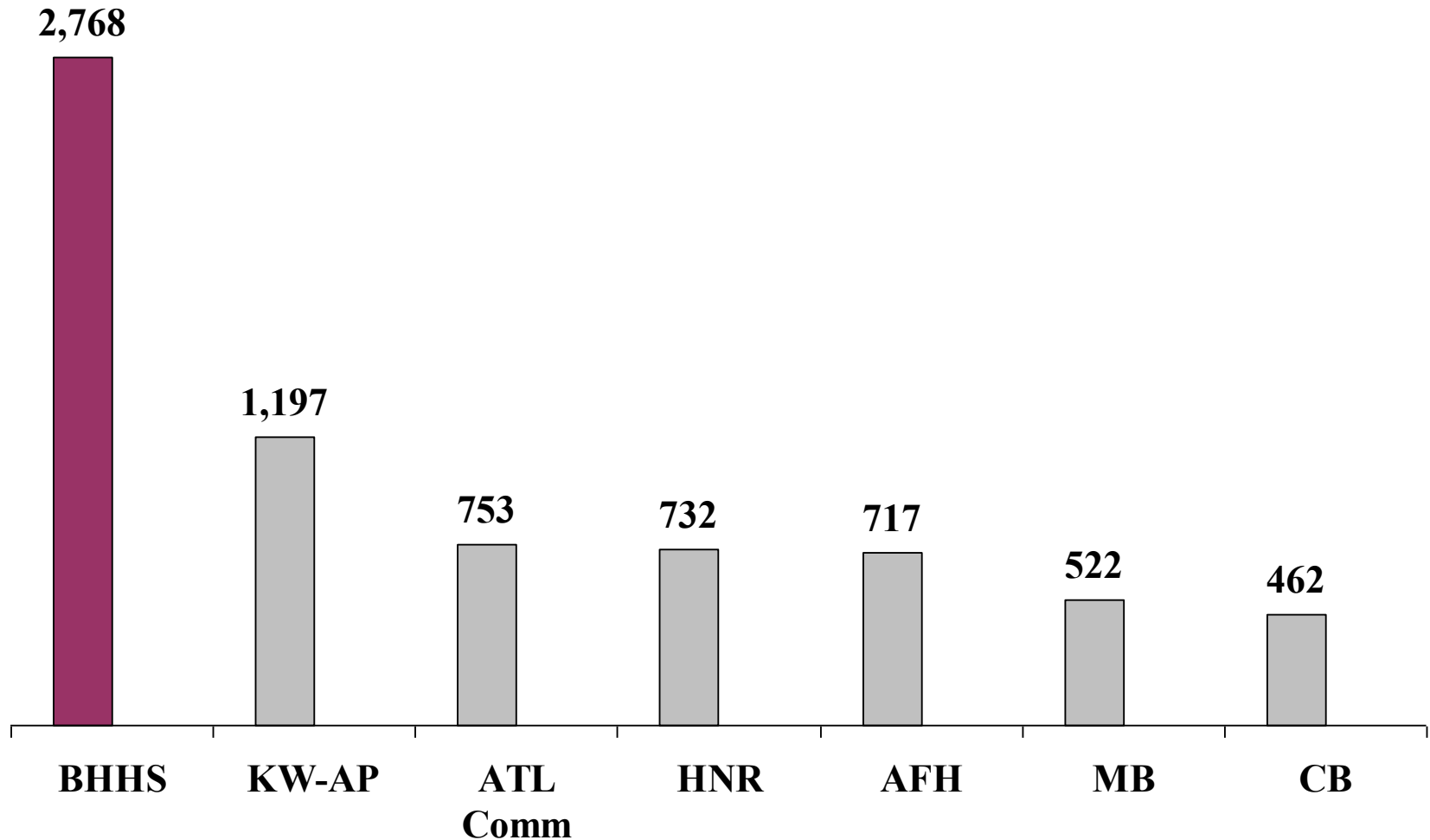
## FMLS Counties + Southern Crescent



Information Provided By Trendgraphix and BHHS GP Internal Reports.

# Current Listing Inventory – December 2017

## FMLS Counties + Southern Crescent



Information Provided By Trendgraphix and BHHS GP Internal Reports.

# Georgia Economic & Housing Trends

# Top States For Business

## CNBC Survey

VIEW RANKINGS: [Data Table](#) | [Chart](#) | [Maps](#)

Overall	State	Workforce	Cost of Doing Business	Infra-structure	Economy	Quality of Life	Technology and Innovation	Education	Business Friendliness	Cost of Living	Access to Capital
1	Utah	12	19	13	3	13	16	23	10	22	24
2	Texas	8	23	2	1	37	10	40	18	21	7
3	Colorado	1	37	29	2	12	8	25	9	32	8
4	Minnesota	15	35	5	17	2	9	2	27	27	21
5	North Carolina	9	18	30	11	30	7	28	15	18	2
6	Washington	11	30	39	6	8	1	24	30	37	10
7	Michigan	29	12	27	7	32	6	19	30	10	4
8	Georgia	7	31	4	9	37	13	33	14	17	6
9	Iowa	37	2	16	29	9	23	17	15	12	40
10	Florida	14	32	10	4	26	17	26	22	28	14

# Buyers Moving To Atlanta!

Here is the Top 10 List including previous rank:

1. Atlanta (1)

2. Phoenix (4)

3. Tampa/Sarasota (2)

4. Dallas/Fort Worth (3)

5. Orlando (5)

6. Denver (7)

7. Houston (8)

8. Seattle (6)

9. Las Vegas (10)

10. Chicago (9)

Penske Truck Rental published their latest moving destination list and **Atlanta was ranked #1 for the 6<sup>th</sup> year in a row.** The trend of moving to the sunbelt has returned. Desirable attributes that help Metro Atlanta include a business friendly environment, low cost of living for a metro area, airport, moderate weather with 4 seasons and a high quality of life.

# Top 10 Markets With Highest Share Of Renters Qualified To Buy

1. Toledo, Ohio: 46%
2. Little Rock, Ark.: 46%
3. Dayton, Ohio: 44%
4. Lakeland, Fla.: 41%
5. St. Louis, Mo.: 41%
6. Columbia, S.C.: 41%
7. Atlanta: 40%
8. Columbus, Ohio: 38%
9. Tampa, Fla.: 38%
10. Ogden, Utah: 38%



# 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	7	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

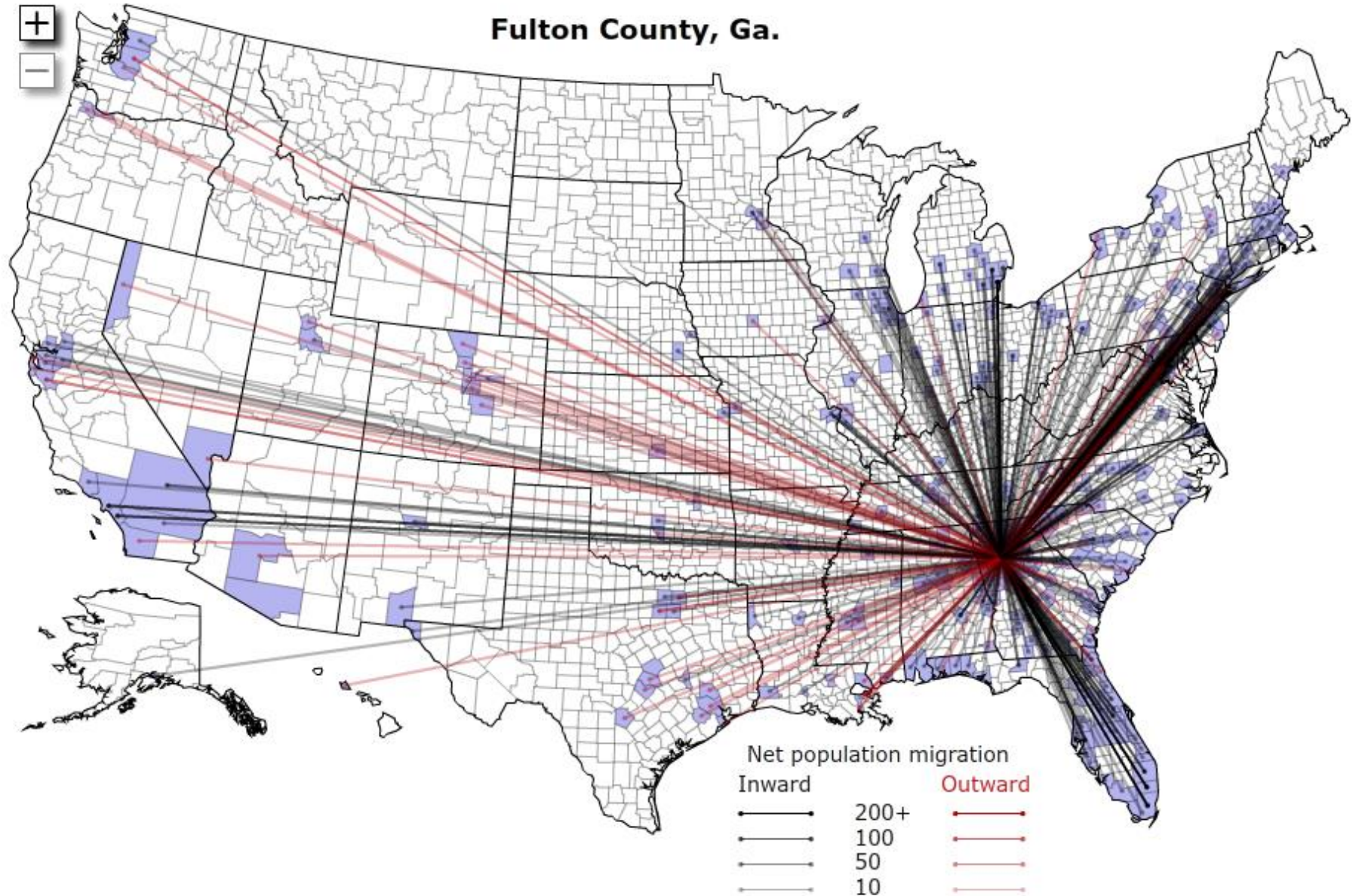
**Metro Atlanta Has The:**

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

Source: Census Bureau

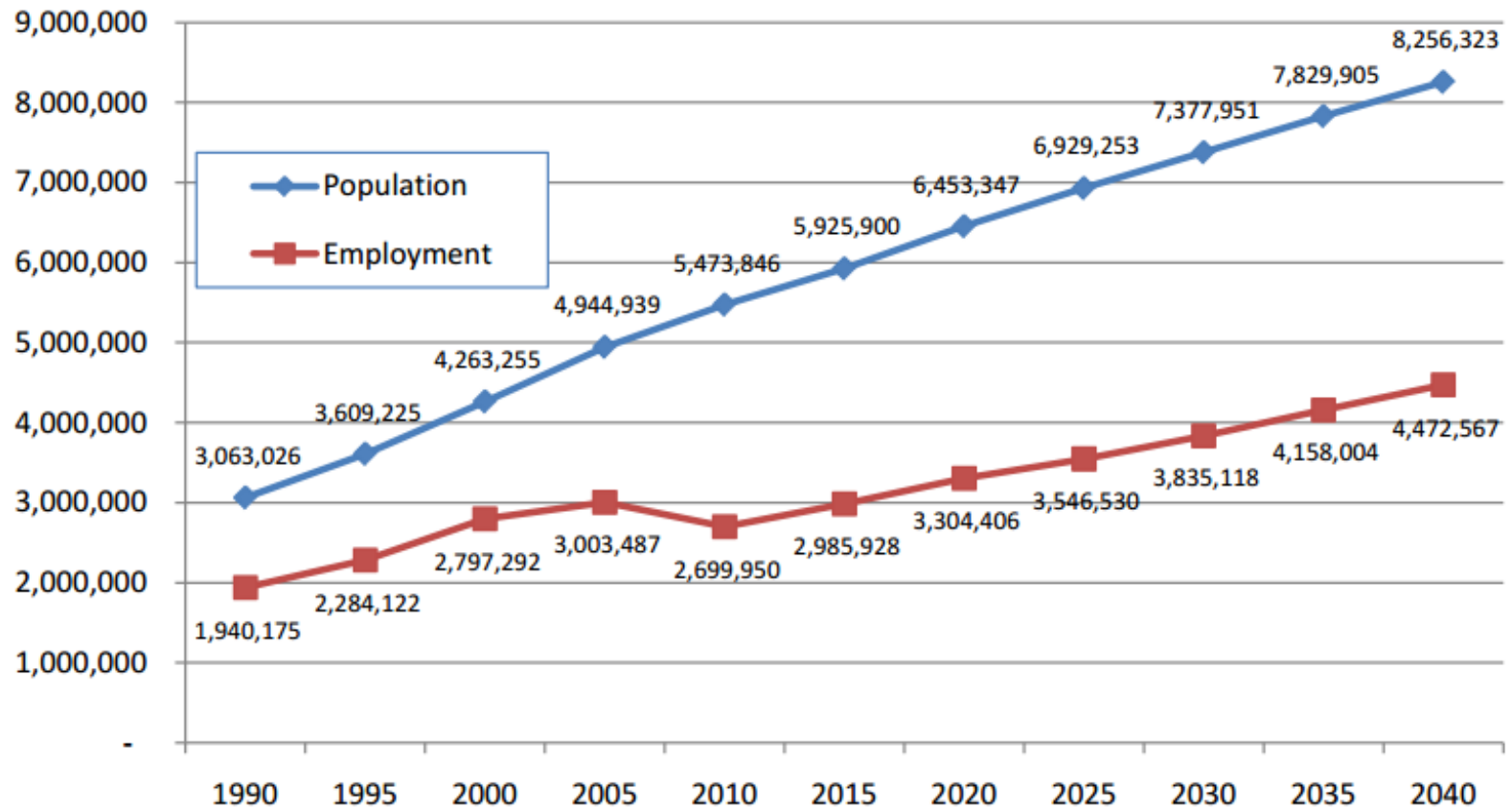


# Rustbelt To Sunbelt



# Population & Employment Growth Trends

Figure 1: ARC's Population and Employment Forecasts (1990 - 2040) – 20-County Region



Source: ARC

FTB 25 Years Old

## Buyer Type Yearly

FMU 32 Years Old

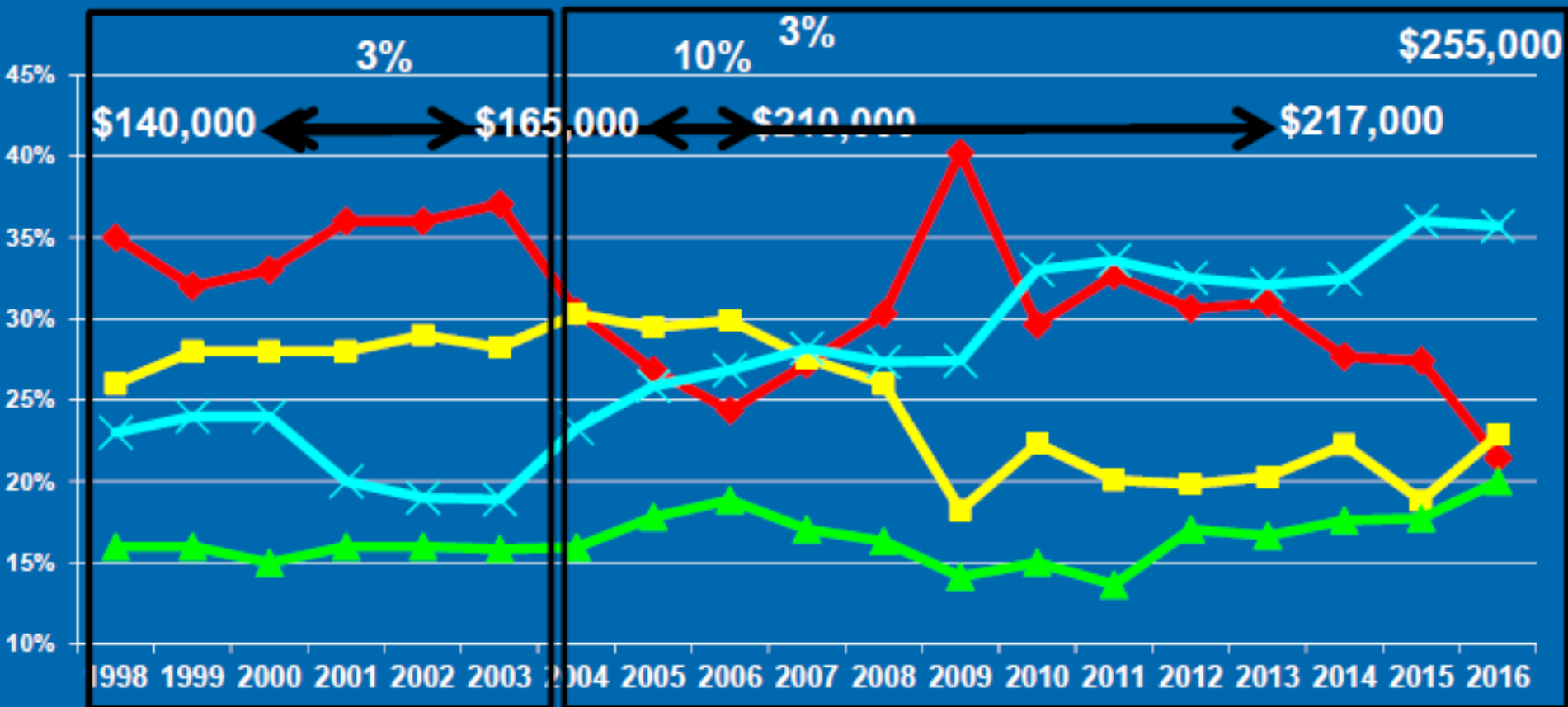
FTB 33 Years Old

FIRST TIME

FIRST MOVE UP

SECOND MOVE UP

THIRD OR HIGHER



“Old Normal”

“New Normal”



# South Atlantic

## Fast Facts of Buyers:

- Median Age: 49
- Median Income: \$101,700
- 28% are first-time buyers
- 82% are buyers of previously owned homes
- 85% bought through an agent/broker
- 68% Married couple and 16% single females
- Median years expected to live in home: 15
- 22% veterans and 3% active-duty service

## Fast Facts of Sellers:

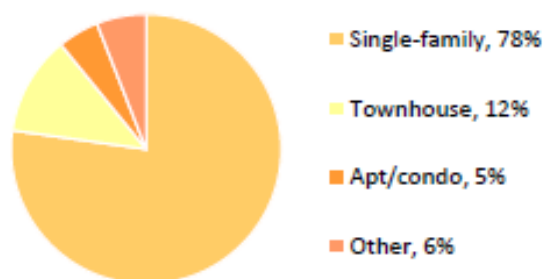
- Median Age: 56
- 91% used an agent/broker to sell their home
- Number one reason to sell home: Move closer to friends or family
- 12% delayed or stalled their home sale because their home was worth less than their mortgage
- Median number of weeks to sell home: 4
- Median percent of listing price received: 98%
- For-Sale-By-Owner (FSBO): 7%

## Senior Related Housing (50 years and older)

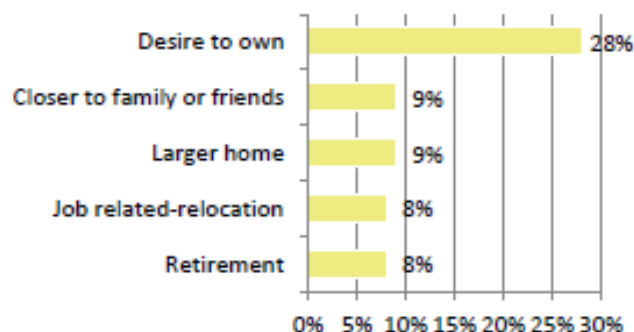
Buyers:  
17%

Sellers:  
5%

## Type of Home Purchased



## Reasons to Purchase Home



## Multi Generational Housing

14% of buyers bought multi generational home

Young adults over age 18: 32%

Aging family members: 37%

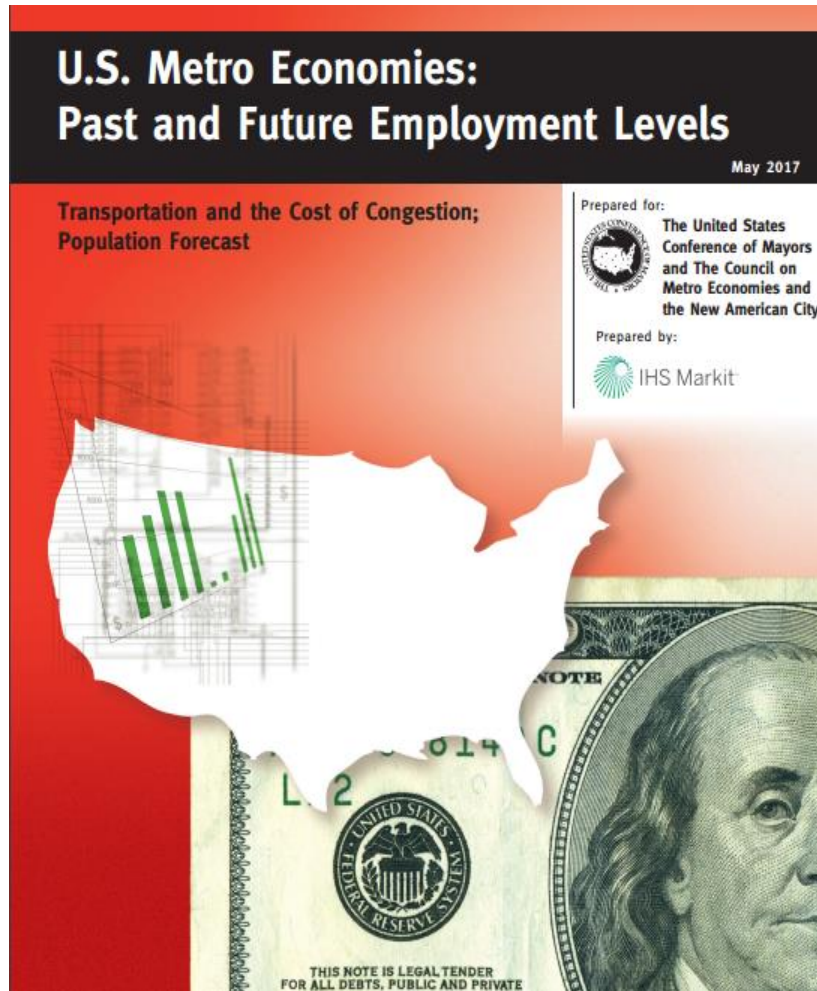
## Student Loan Debt

- 23% have student loan debt
- Typical amount of debt: \$25,400
- Delay from purchase: 3 years





# Population & Employment Growth Trends



- U.S. Conference of Mayors Report predicts that Metro Atlanta will be the 6<sup>th</sup> largest city in the nation by 2046.
- Metro Atlanta will grow from 5.8 million residents to 8.6 million residents.
- That means 2.8 million people will move to our area!
- This is great news for our long-term real estate values!