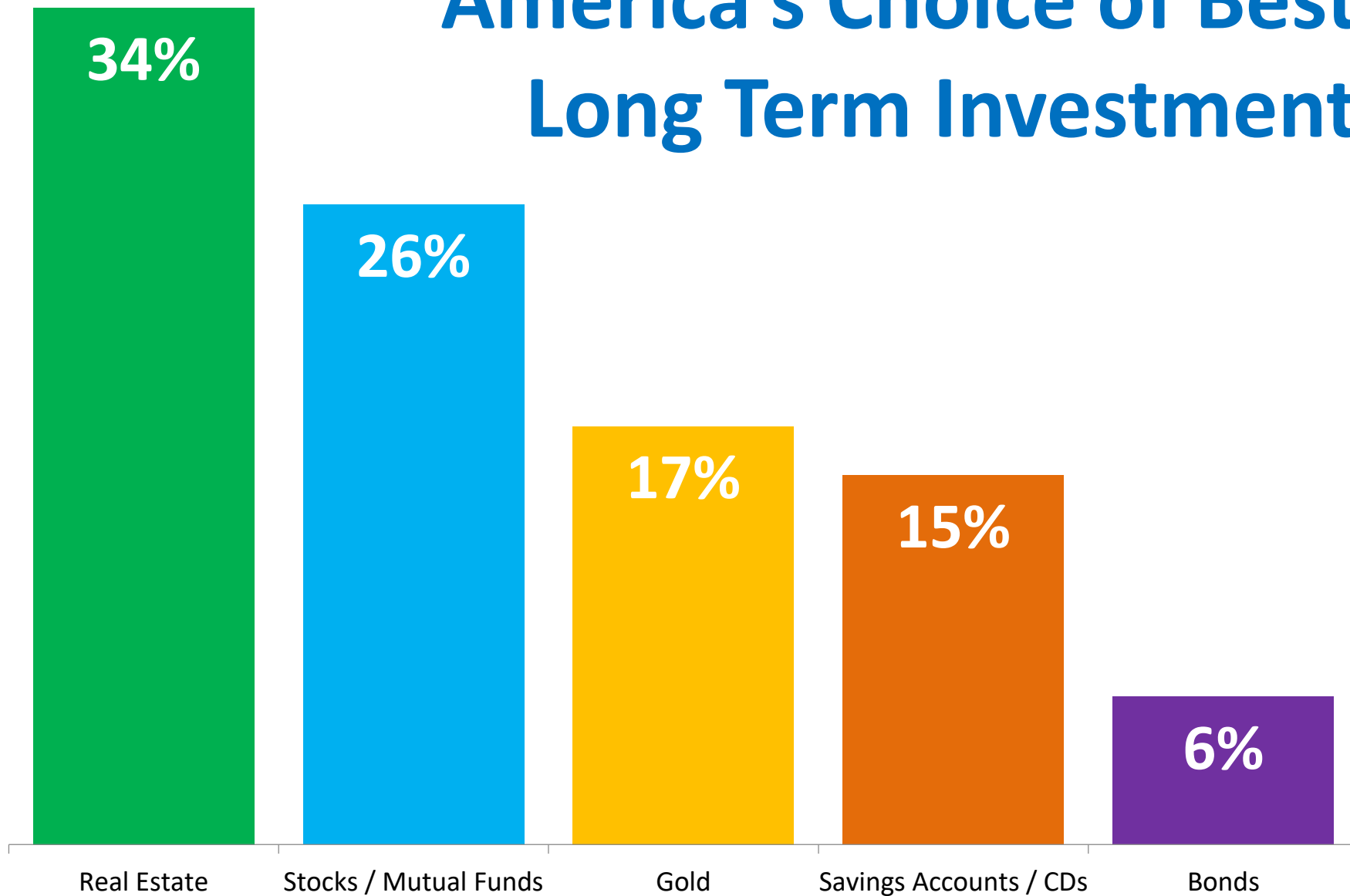
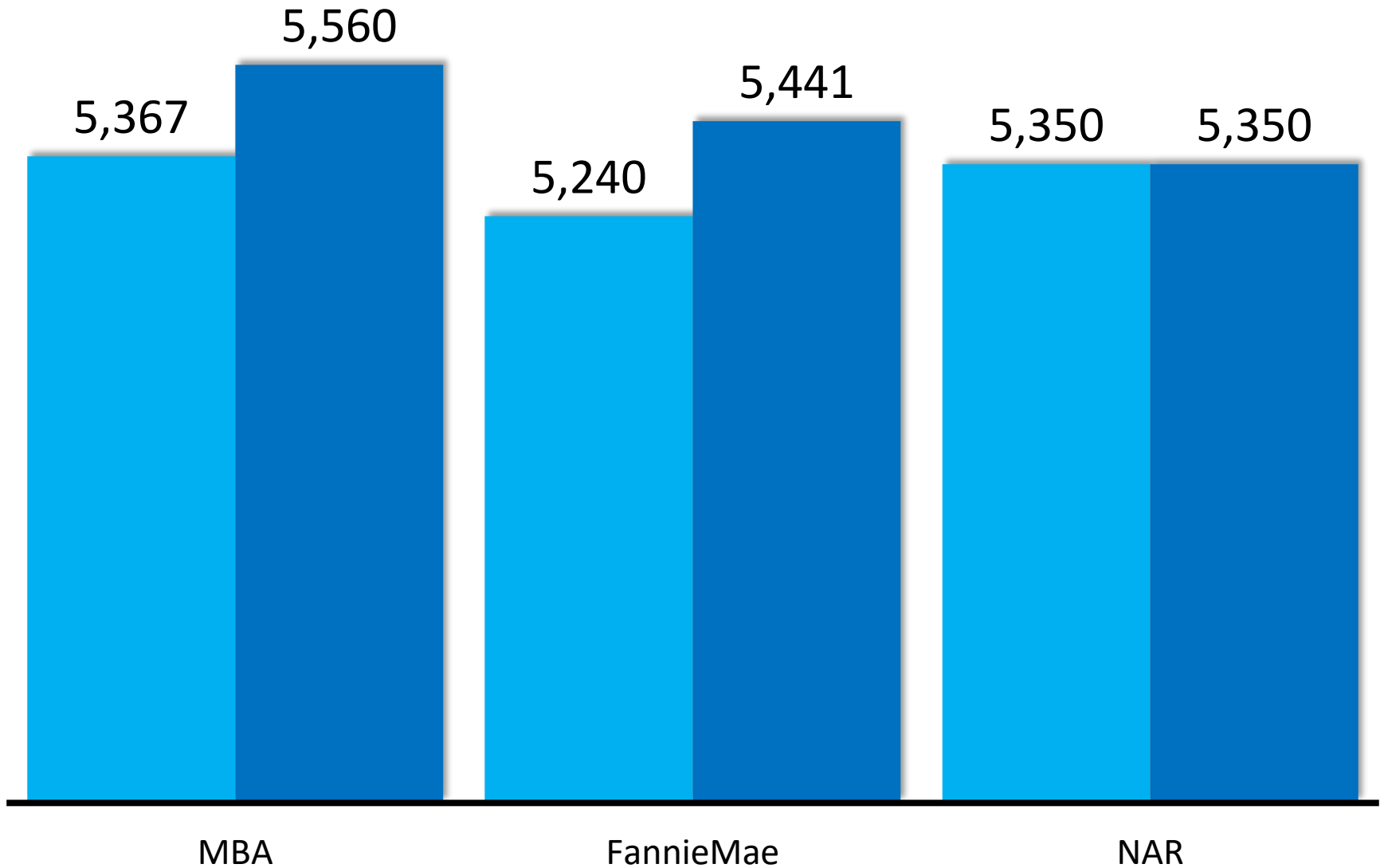


# National Housing Trends

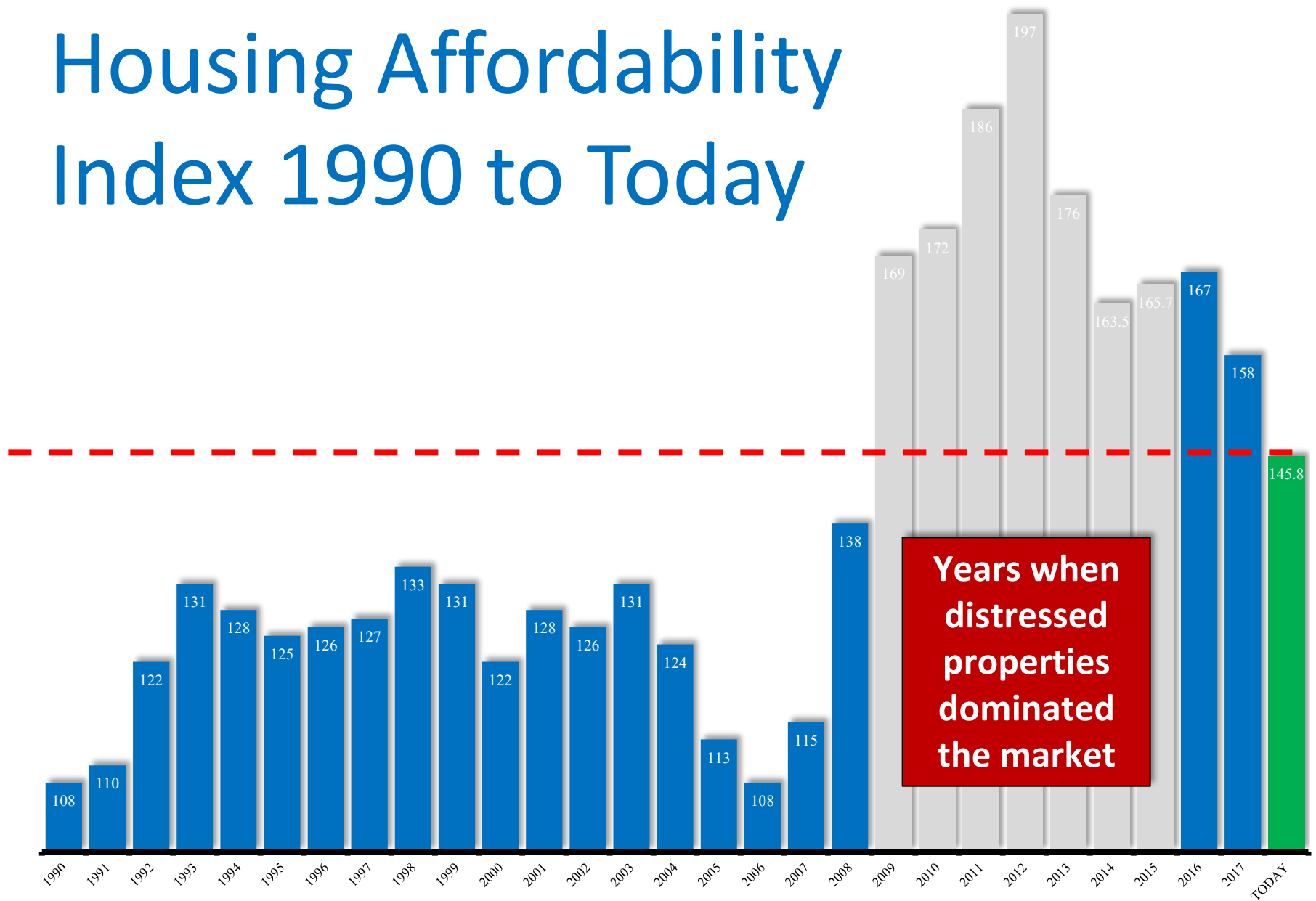
# America's Choice of Best Long Term Investment

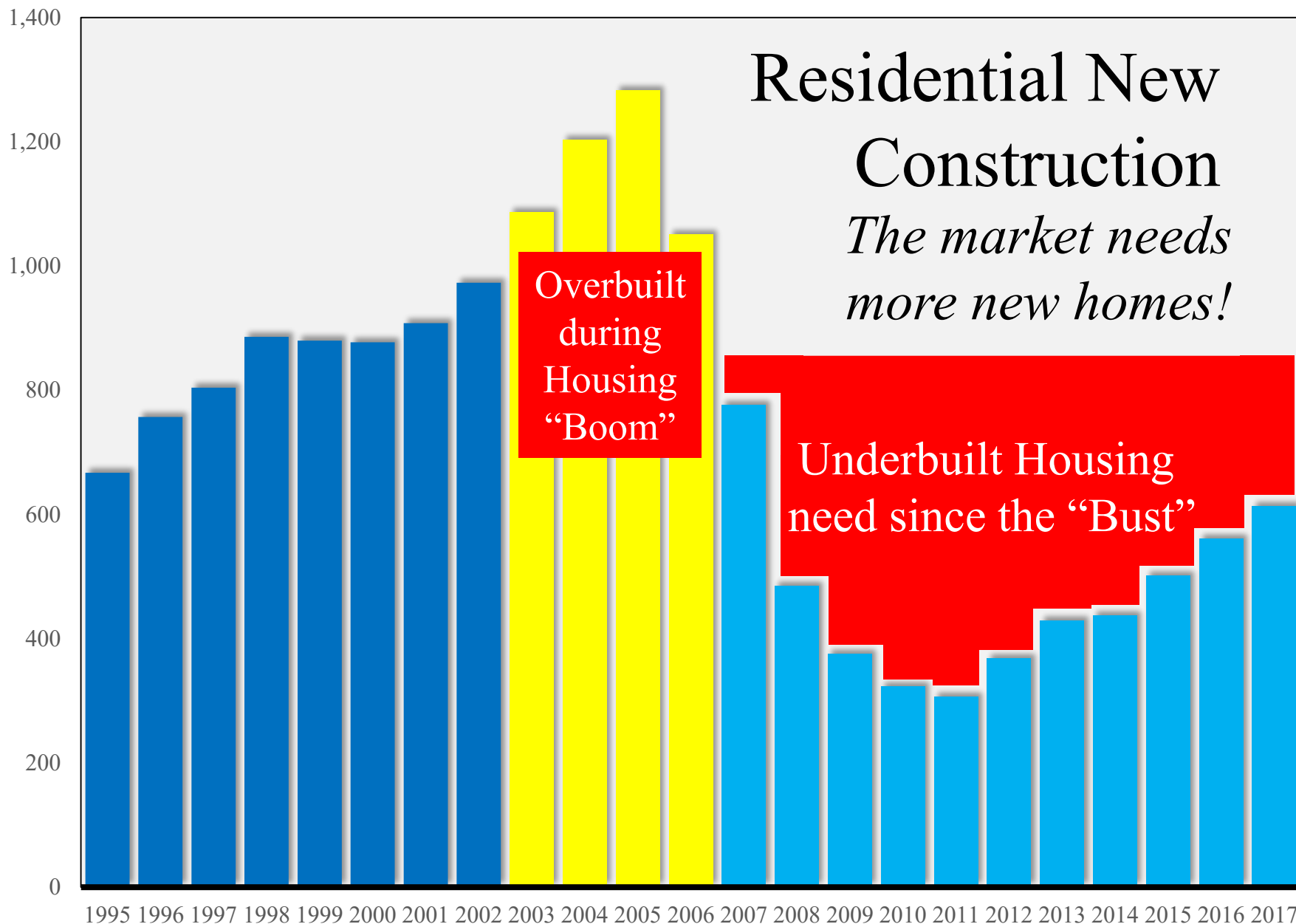


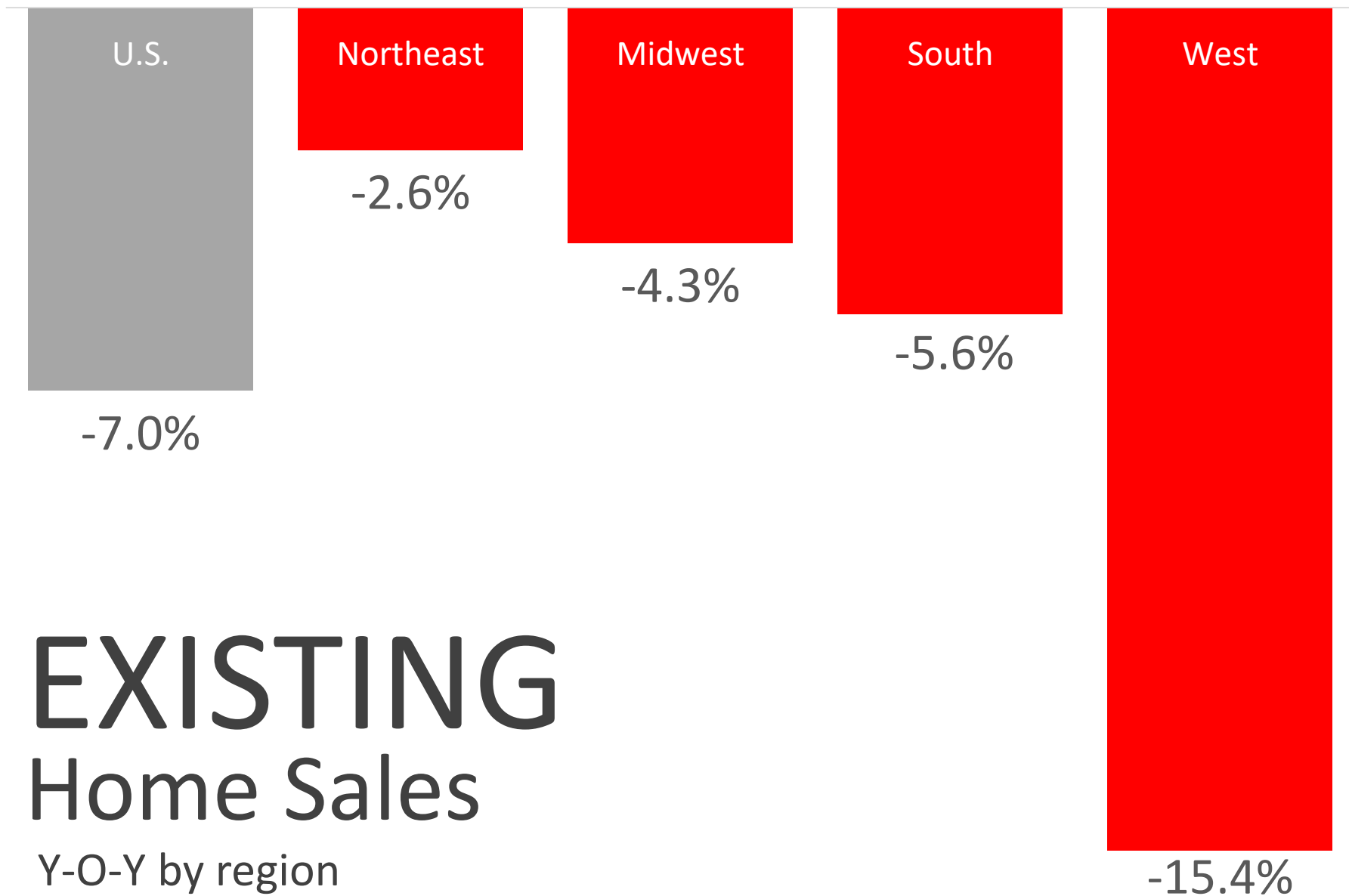
# Total Existing Home Sales *in thousands*

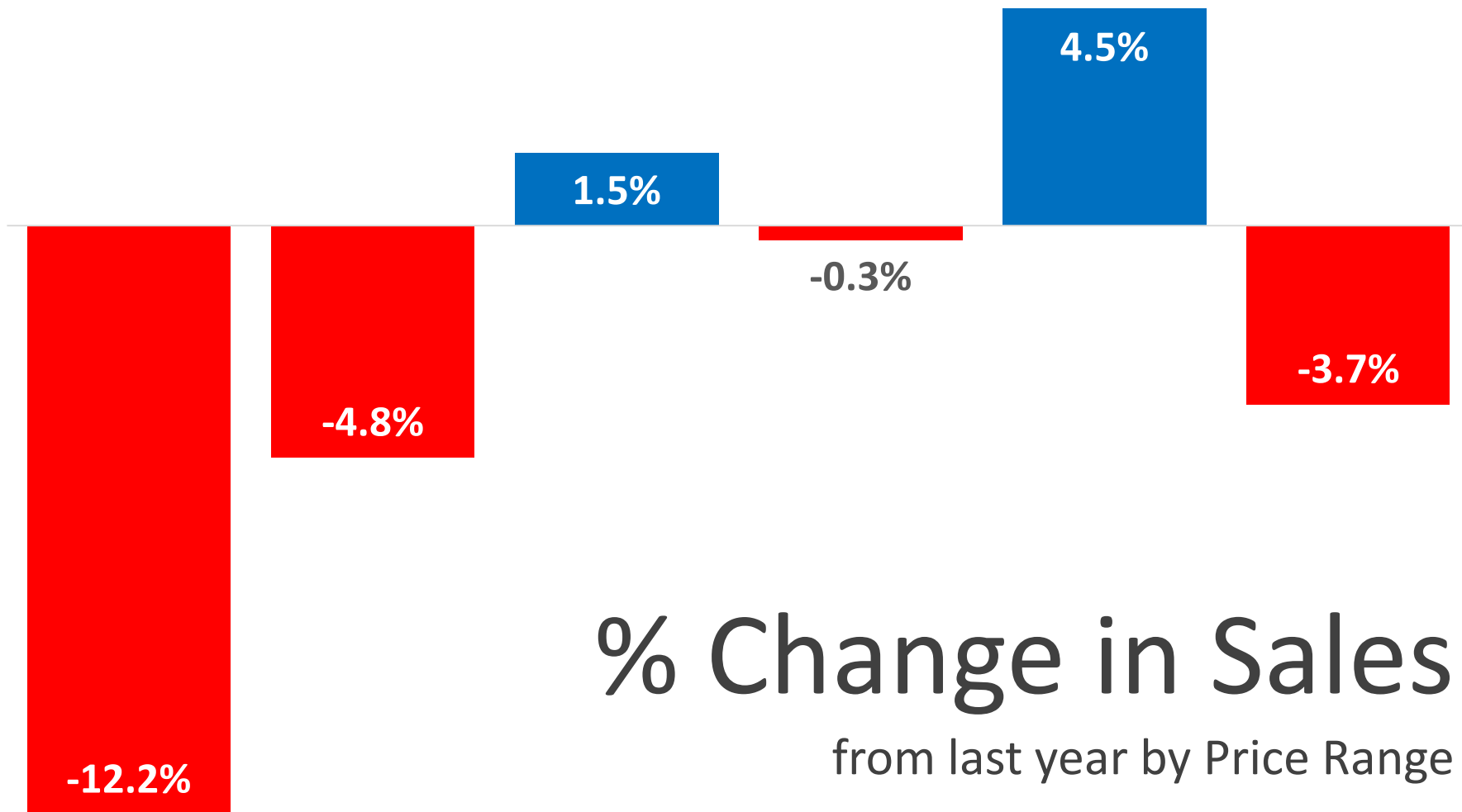


# Housing Affordability Index 1990 to Today



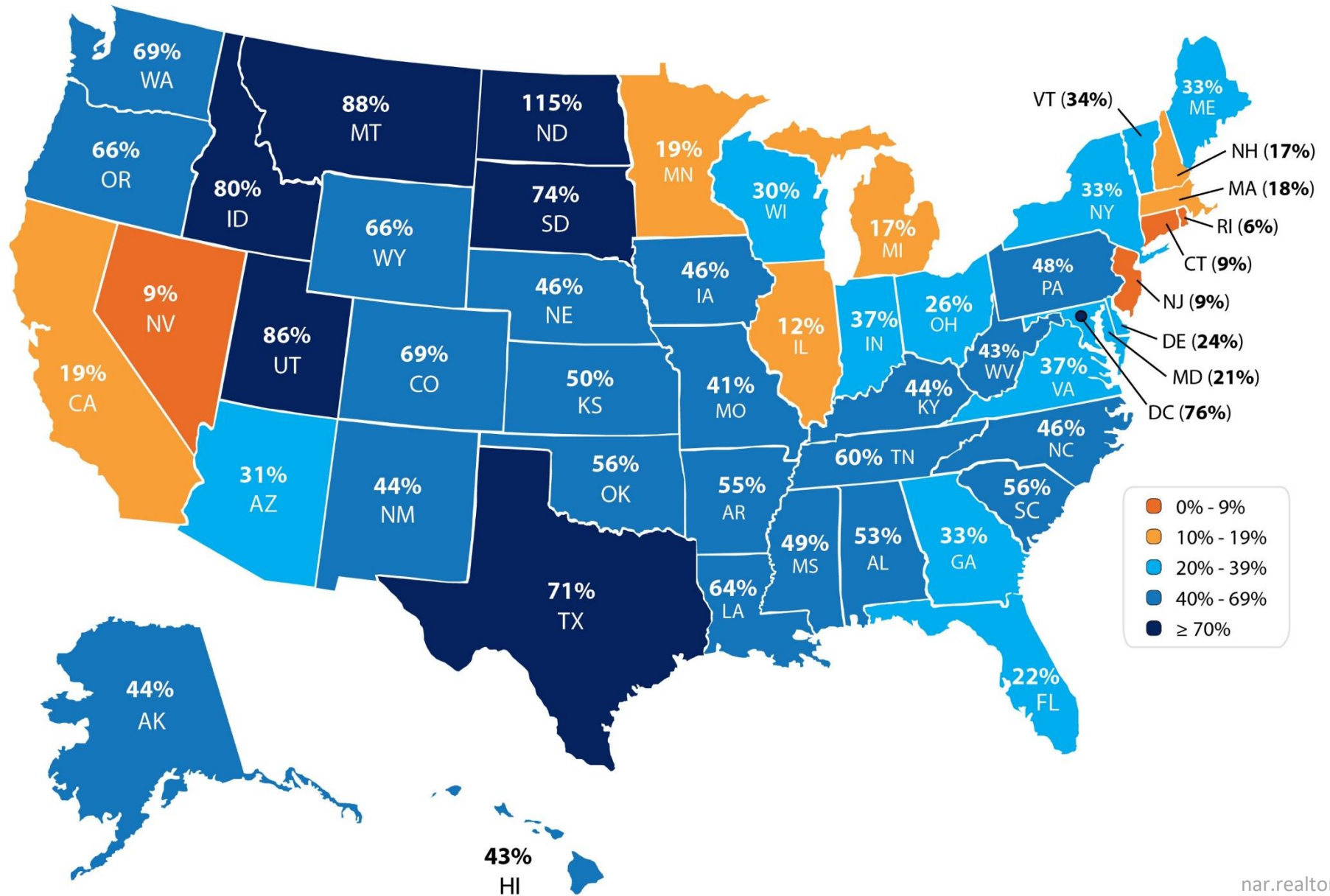






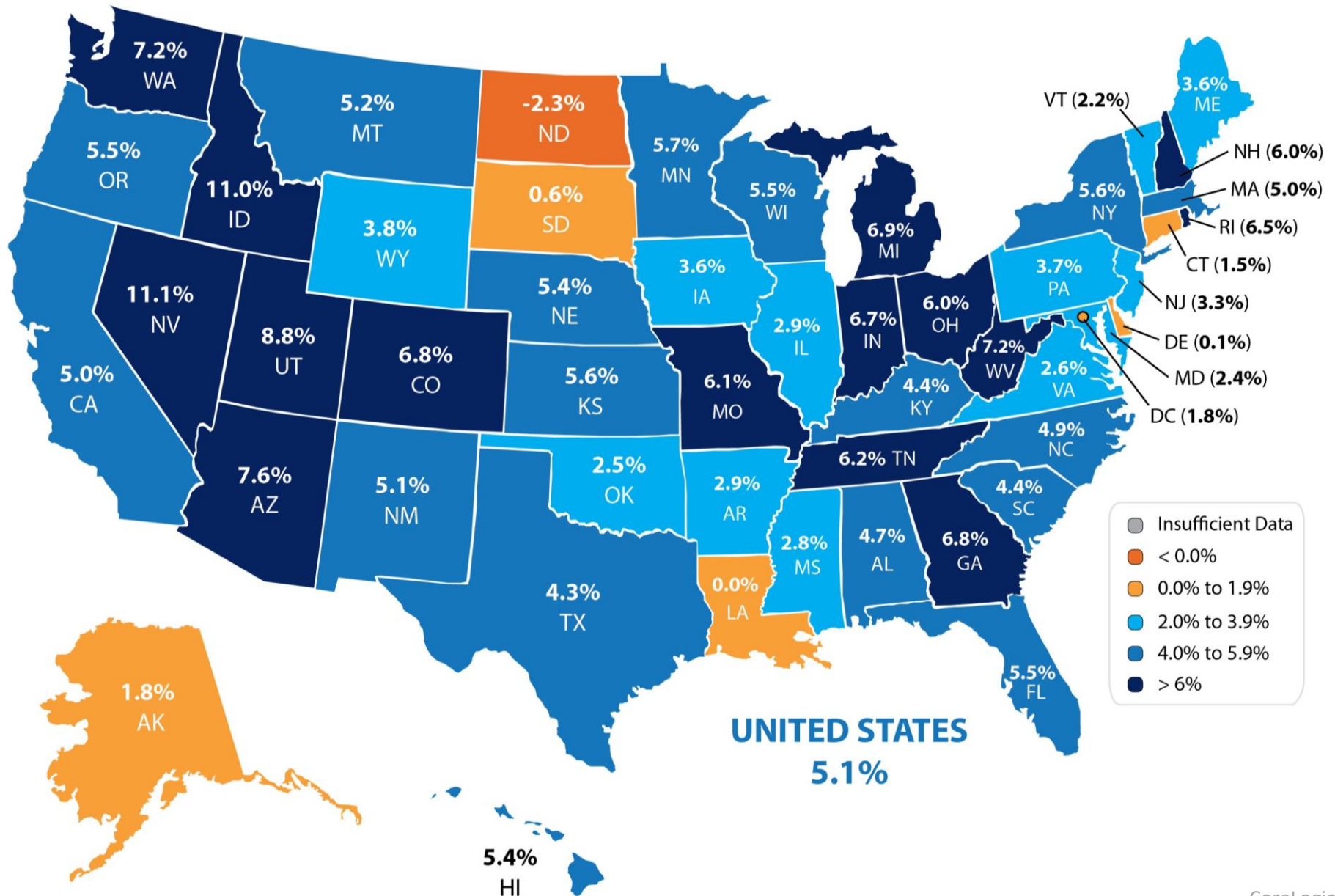
	\$0-100K	\$100-250K	\$250-500K	\$500-750K	\$750K-1M	\$1M+
■ %	-12.2%	-4.8%	1.5%	-0.3%	4.5%	-3.7%

# Increase in Home Values 2005-2018





# Year-Over-Year Change in Price



# Case Shiller Month-Over-Month Price Changes

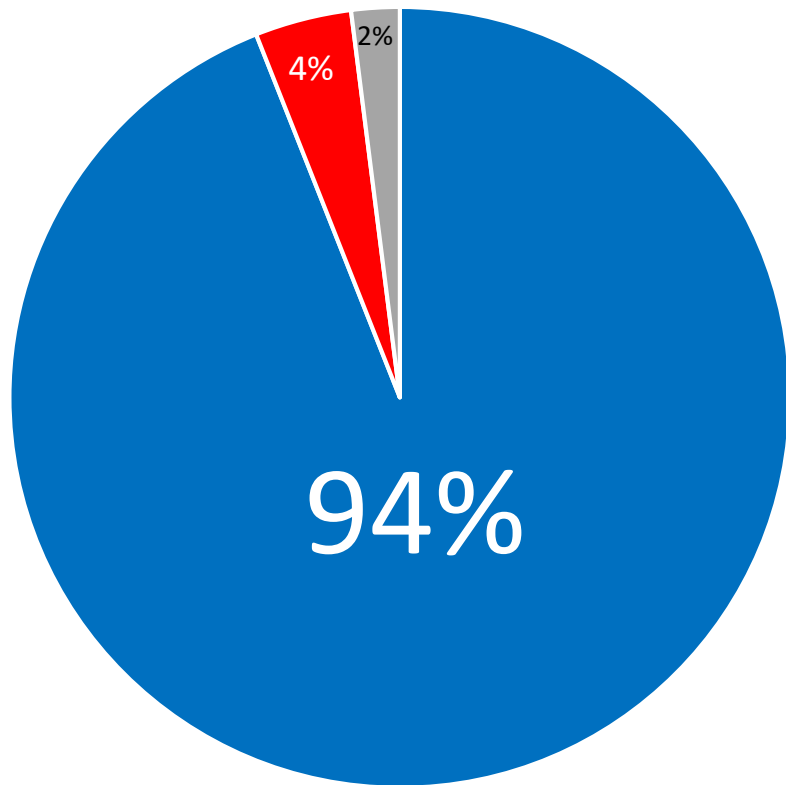
Metropolitan Area	Monthly Change
Atlanta	<b>.17%</b>
Boston	<b>.1%</b>
Charlotte	<b>.3%</b>
Chicago	<b>-.3%</b>
Cleveland	<b>-.5%</b>
Dallas	0%
Denver	<b>-.3%</b>
Detroit	0%
Las Vegas	<b>.3%</b>
Los Angeles	<b>.1%</b>
Miami	<b>.1%</b>

Metropolitan Area3	Monthly Change
Minneapolis	<b>-.1%</b>
New York	<b>.4%</b>
Phoenix	<b>.7%</b>
Portland	<b>-.6%</b>
San Diego	<b>-.1%</b>
San Francisco	<b>-.7%</b>
Seattle	<b>-1.1%</b>
Tampa	0%
Washington, D.C.	0%
All 20 Metros	0%
U.S. National	<b>.1%</b>

# What Will Home Prices Do in 2019?

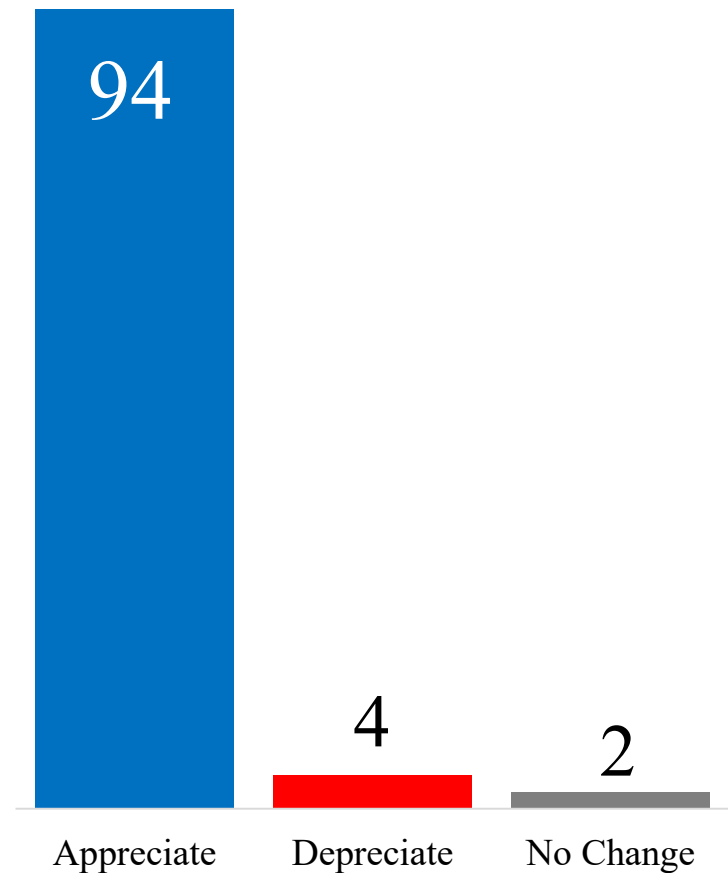
*projections of 100 economists, market analysts, and real estate experts*

BY PERCENTAGE



■ Appreciate ■ Depreciate ■ No Change

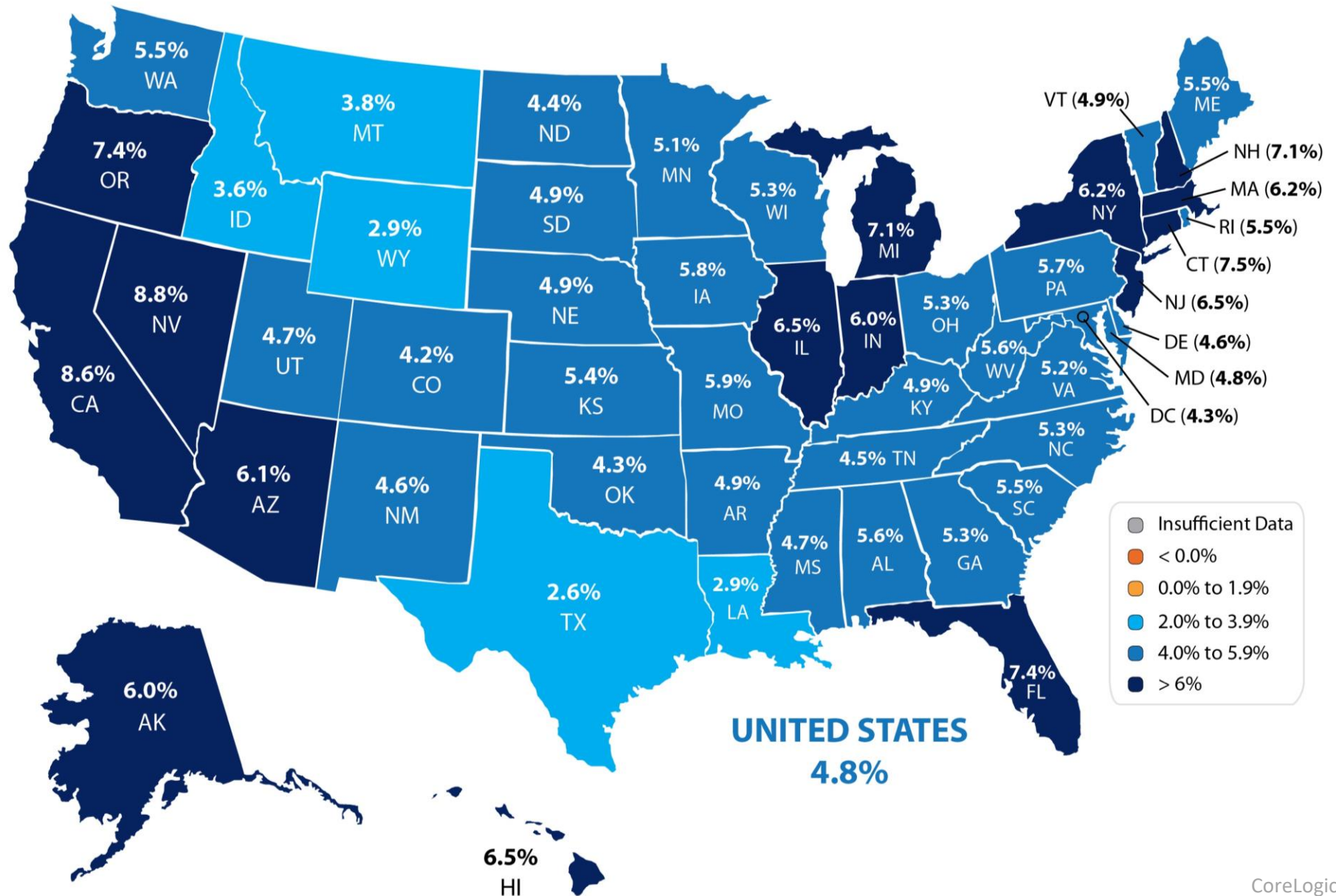
BY RAW NUMBERS



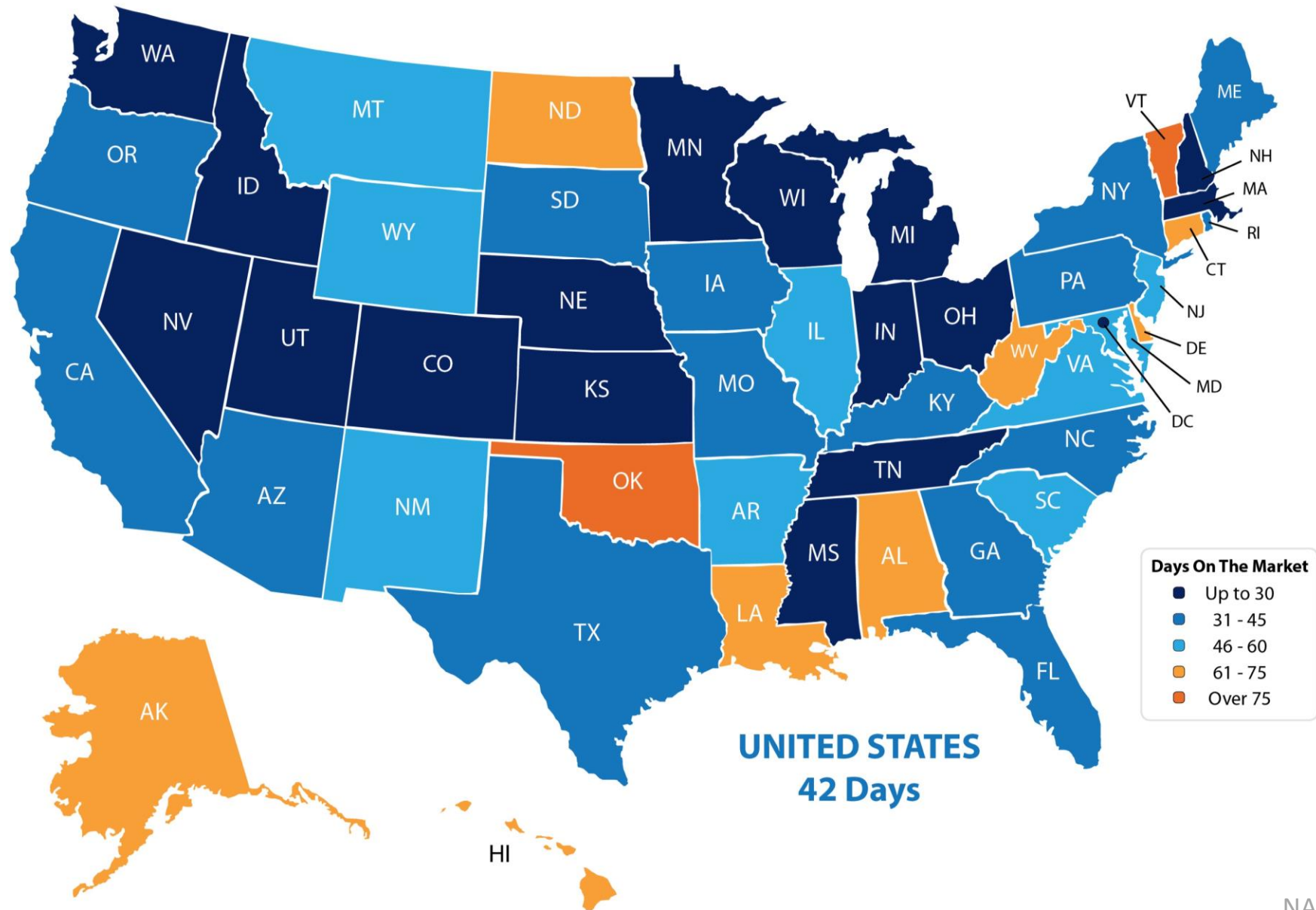
# Projected Home Price % Appreciation Going Forward

Source	2018	2019	2020	2021	2022
HPES	+5.8	+3.8	+2.5	+2.5	+3.3
Zelman & Assoc.	+4.7	+3.5	+3.2	N/A	N/A
MBA	+6.3	+4.5	+3	+1.9	N/A
Freddie Mac	+5.1	+4.3	+2.9	N/A	N/A
NAR	+4.7	+3.8	+3	N/A	N/A
Fannie Mae	+5.4	+2.5	+2.8	N/A	N/A

# Forecasted Year-Over-Year % Change in Price



# Average Days on the Market





## HI



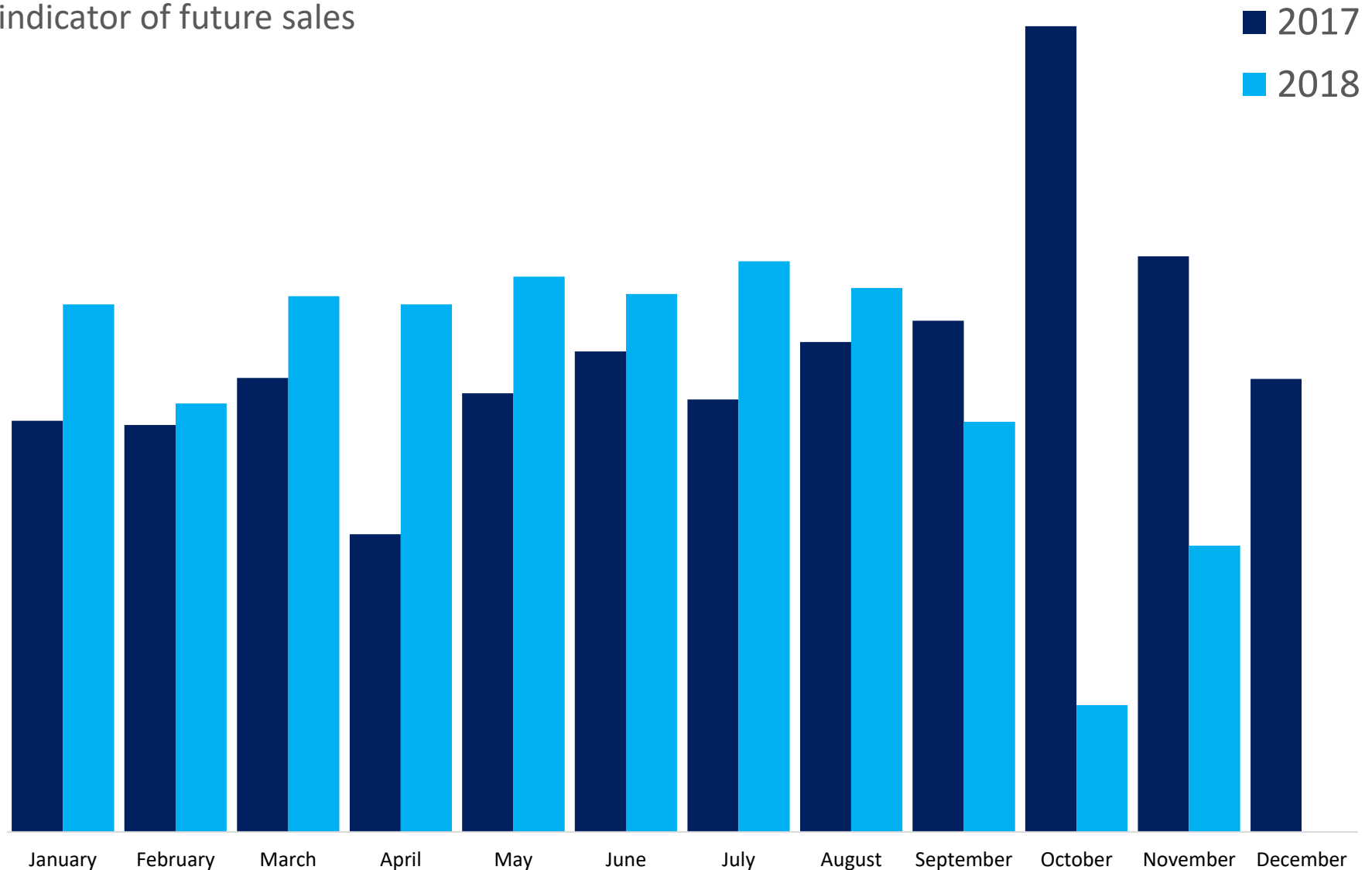
## HI





# Foot Traffic

indicator of future sales



# Historic Mortgage Rates by Decade

Decade	Average Rate
1970s	8.86%
1980s	12.7%
1990s	8.12%
2000s	6.29%

# Mortgage Rate Projections

Quarter	Freddie Mac	Fannie Mae	MBA	NAR	Average of All Four
2019 1Q	4.9	4.8	4.8	4.7	4.80
2019 2Q	5.0	4.8	4.9	4.8	4.88
2019 3Q	5.2	4.8	5.0	4.9	4.98
2019 4Q	5.3	4.8	5.0	5.0	5.03

# Mortgage Rates

## Freddie Mac

### 30-Year Fixed Rate



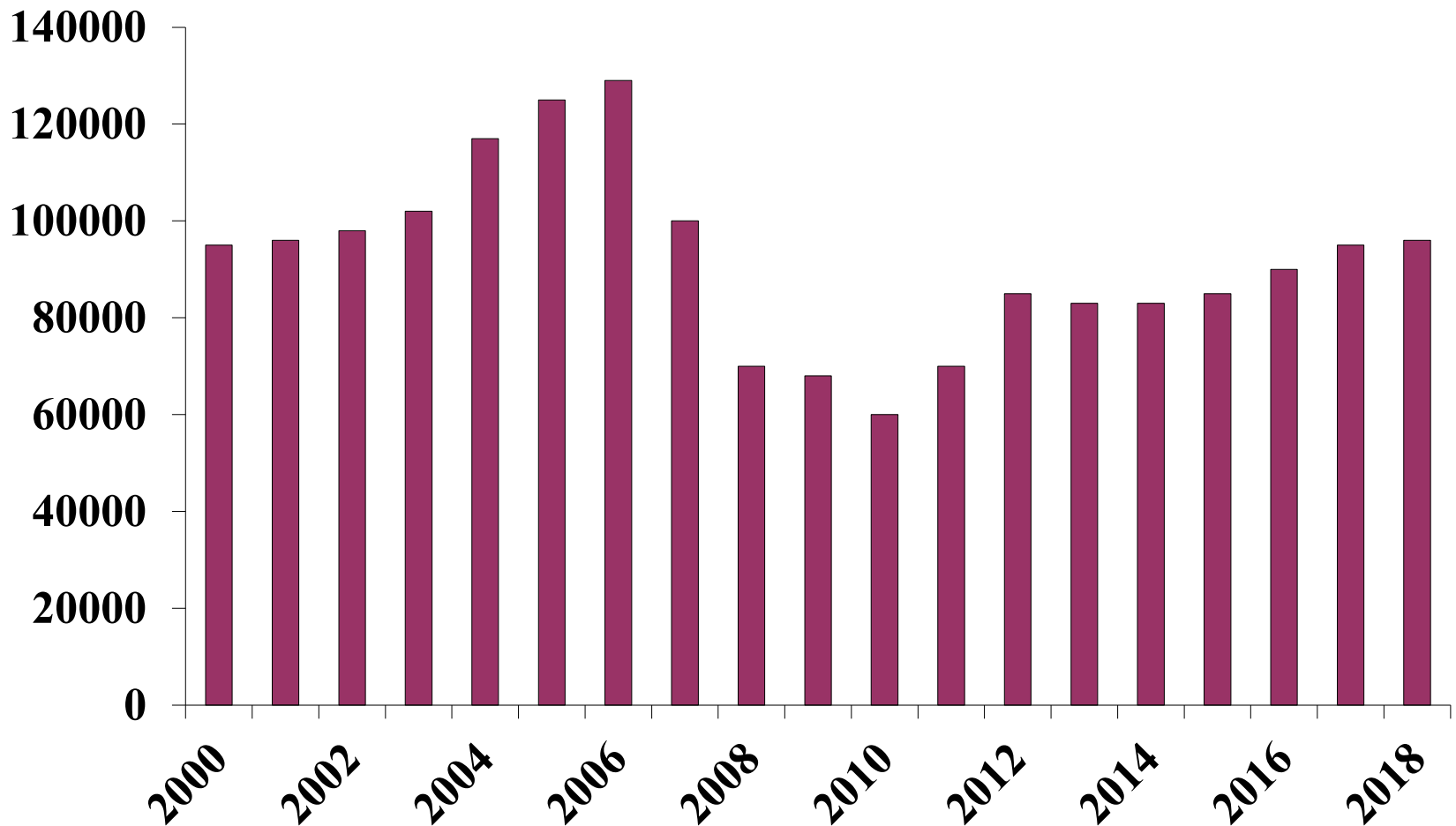
# Increasing Mortgage Rates Make A Significant Difference In Home Affordability

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**

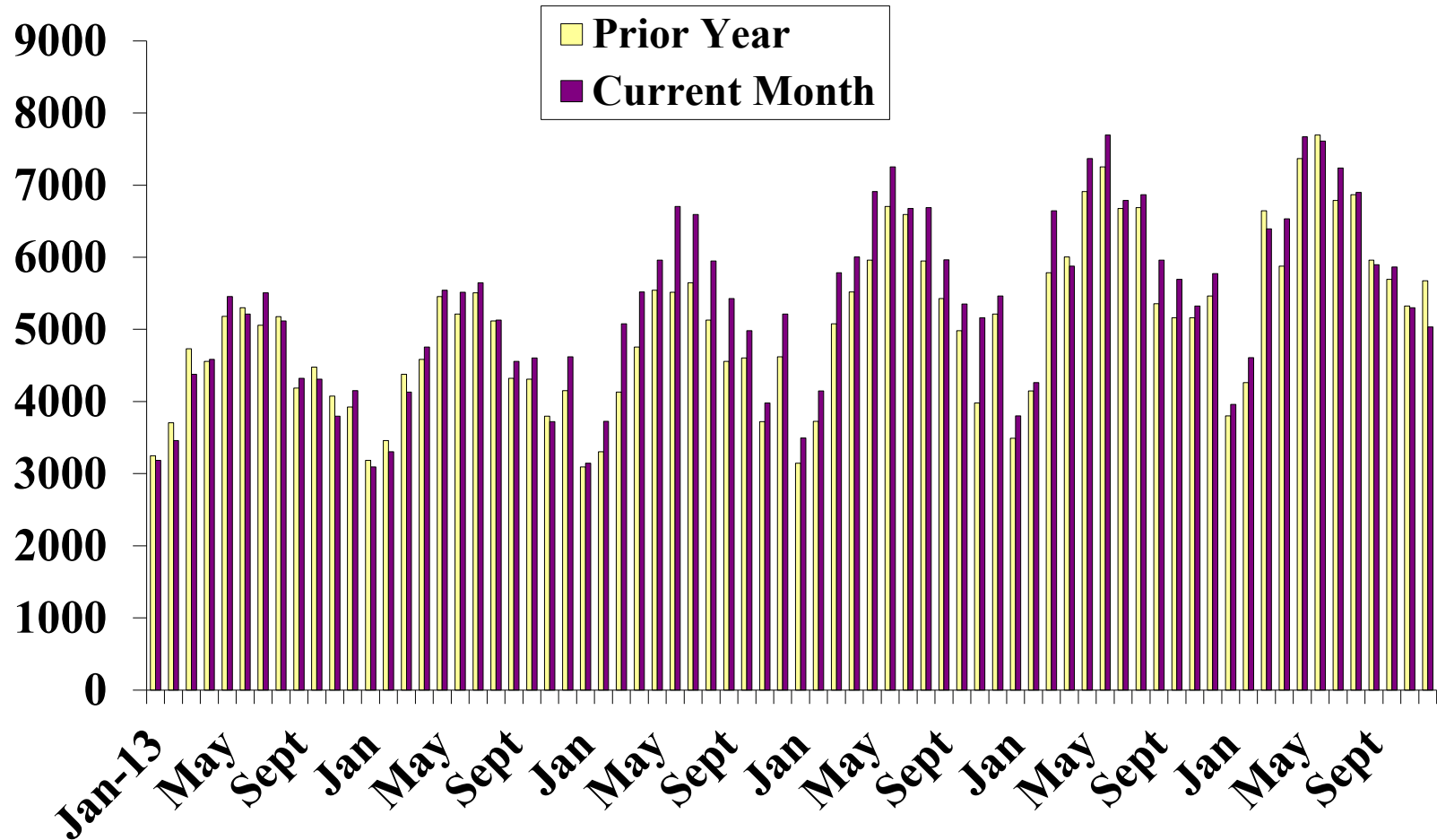
**January 2019 Report  
With Results Through December 2018**

# Metro Atlanta Homes Sold



**2018 Annual Closed Units 1.5% Higher Than 2017.  
Annual Pending Units Up 1.8%. Annual Closed Volume Up 7.4%.**

# Metro Atlanta 2013-2018 Closings

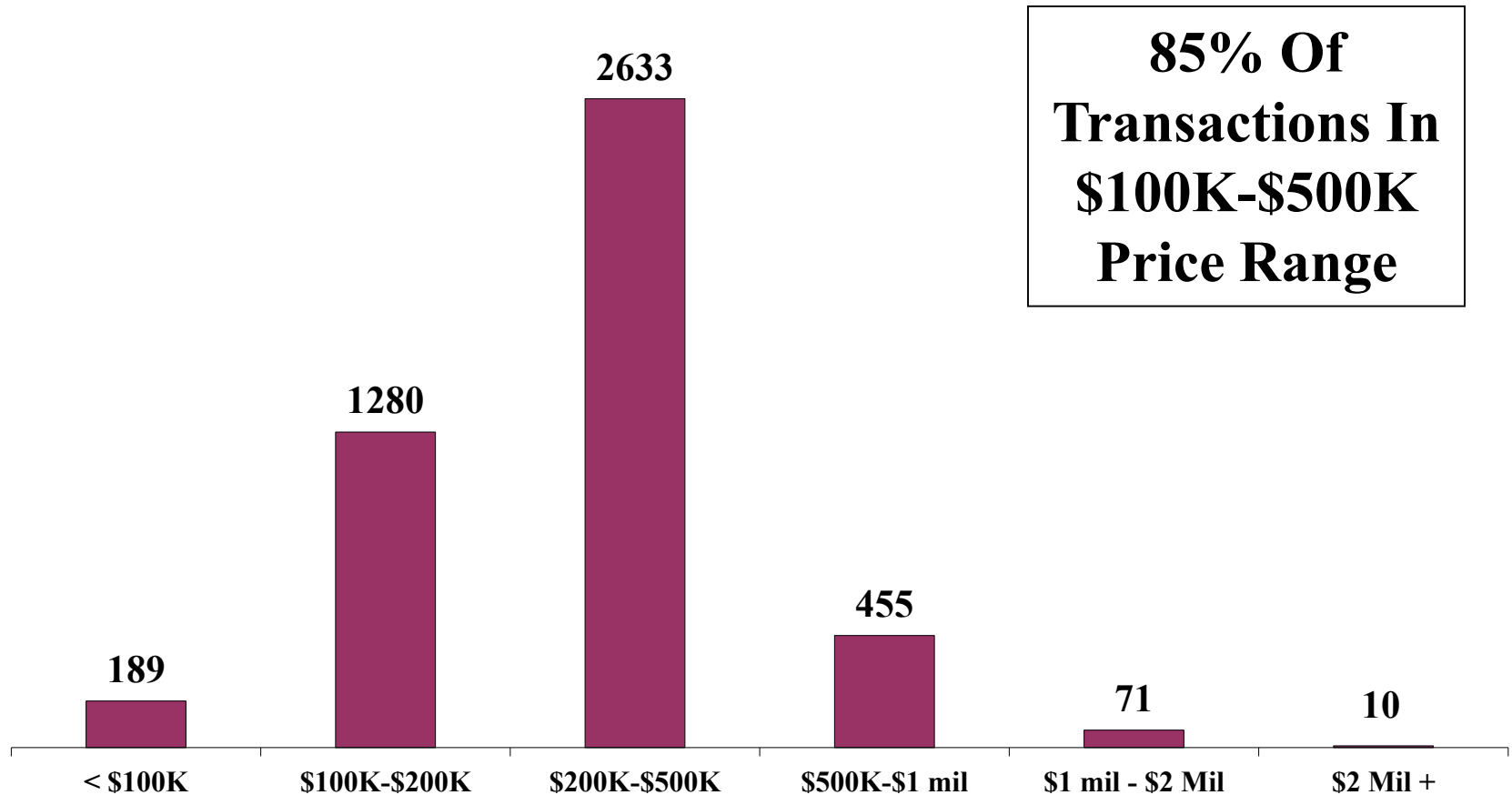


**December Closings Down 5% Compared To November Closings**  
**December 2018 Closings Down 11.3% Compared To December 2017**



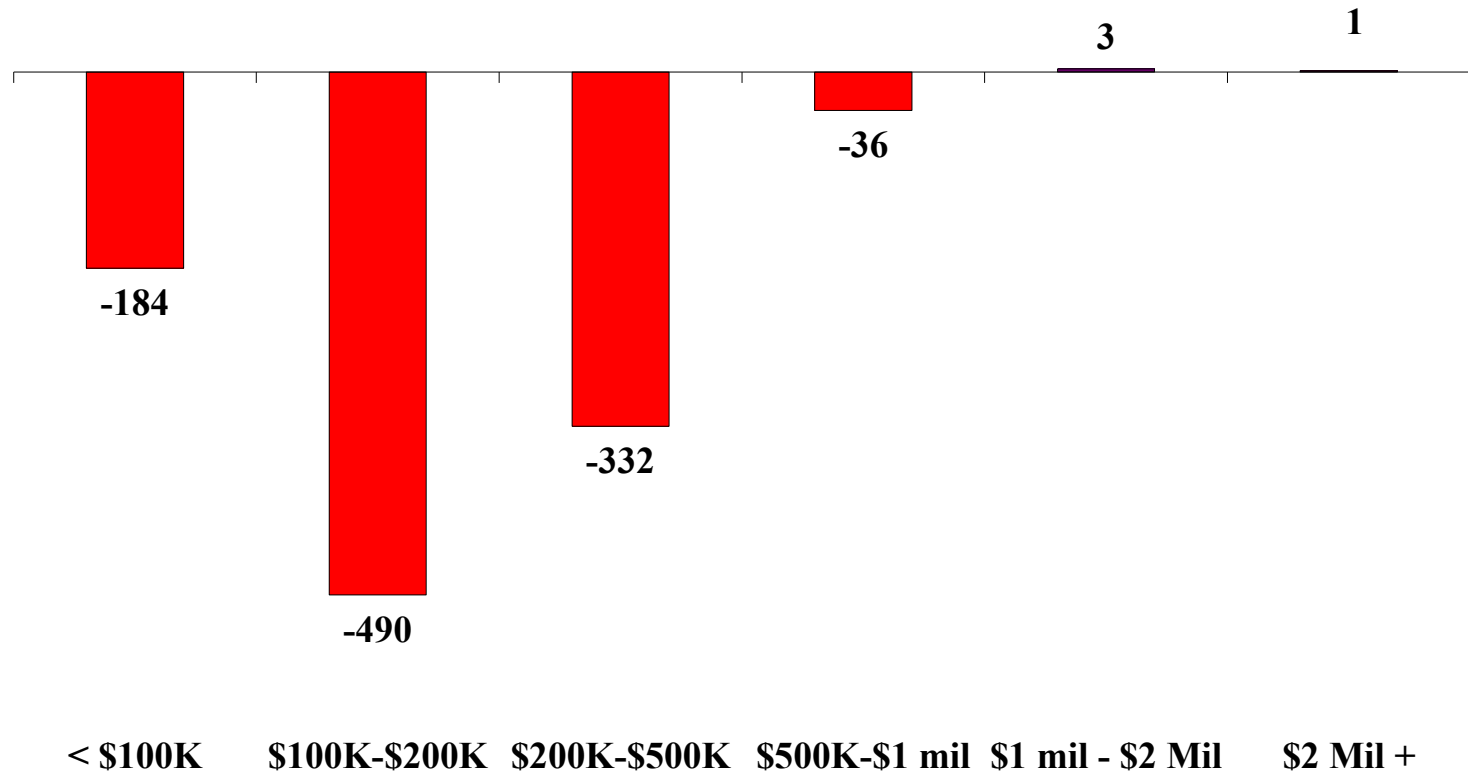
# Metro Atlanta Closings – December 2018

## (Number Of Transactions By Price)



# Metro Atlanta Closed Units By Price Point

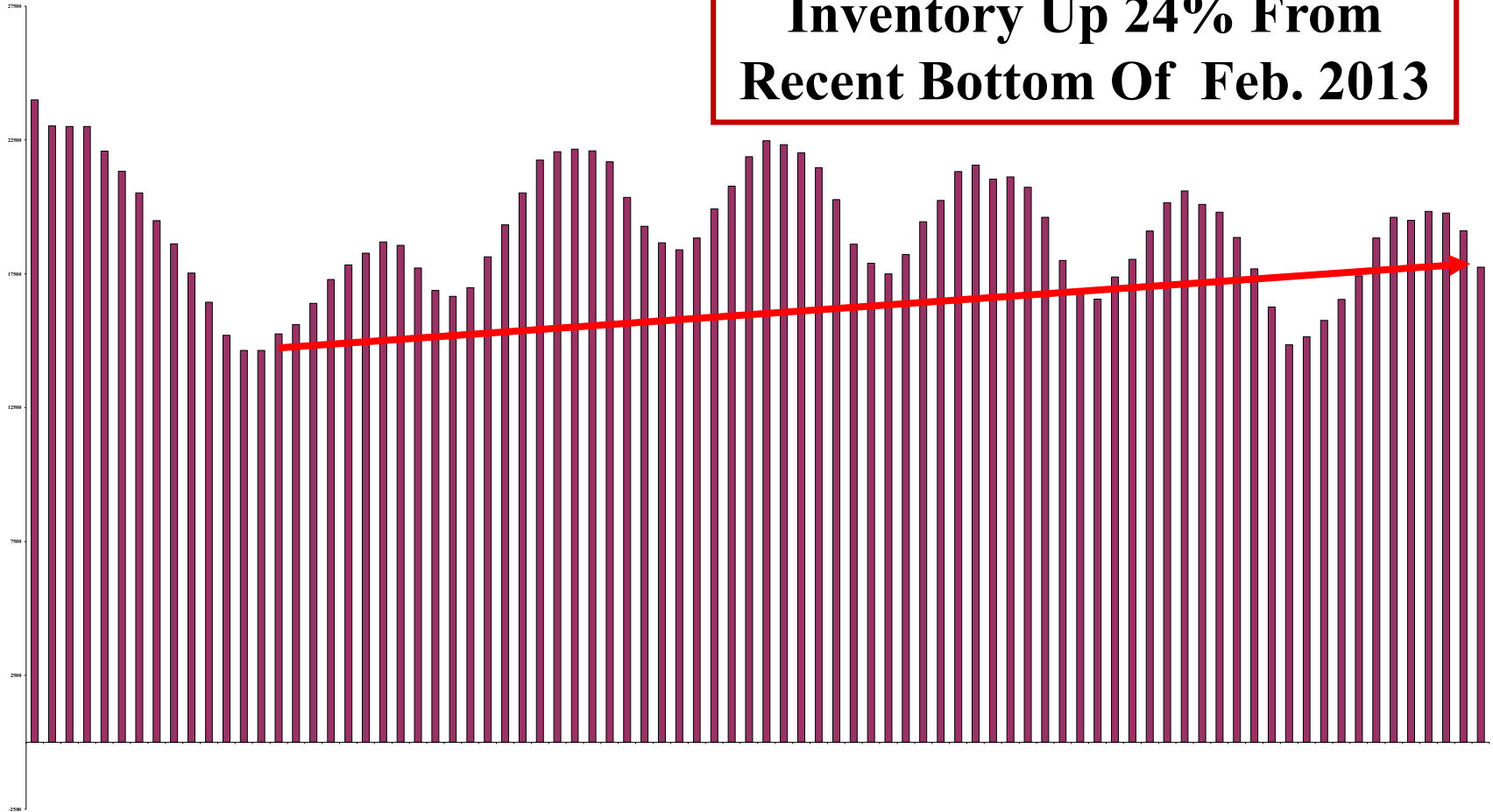
## December 2018 Compared To December 2017



# Listed Inventory January 2012 – December 2018

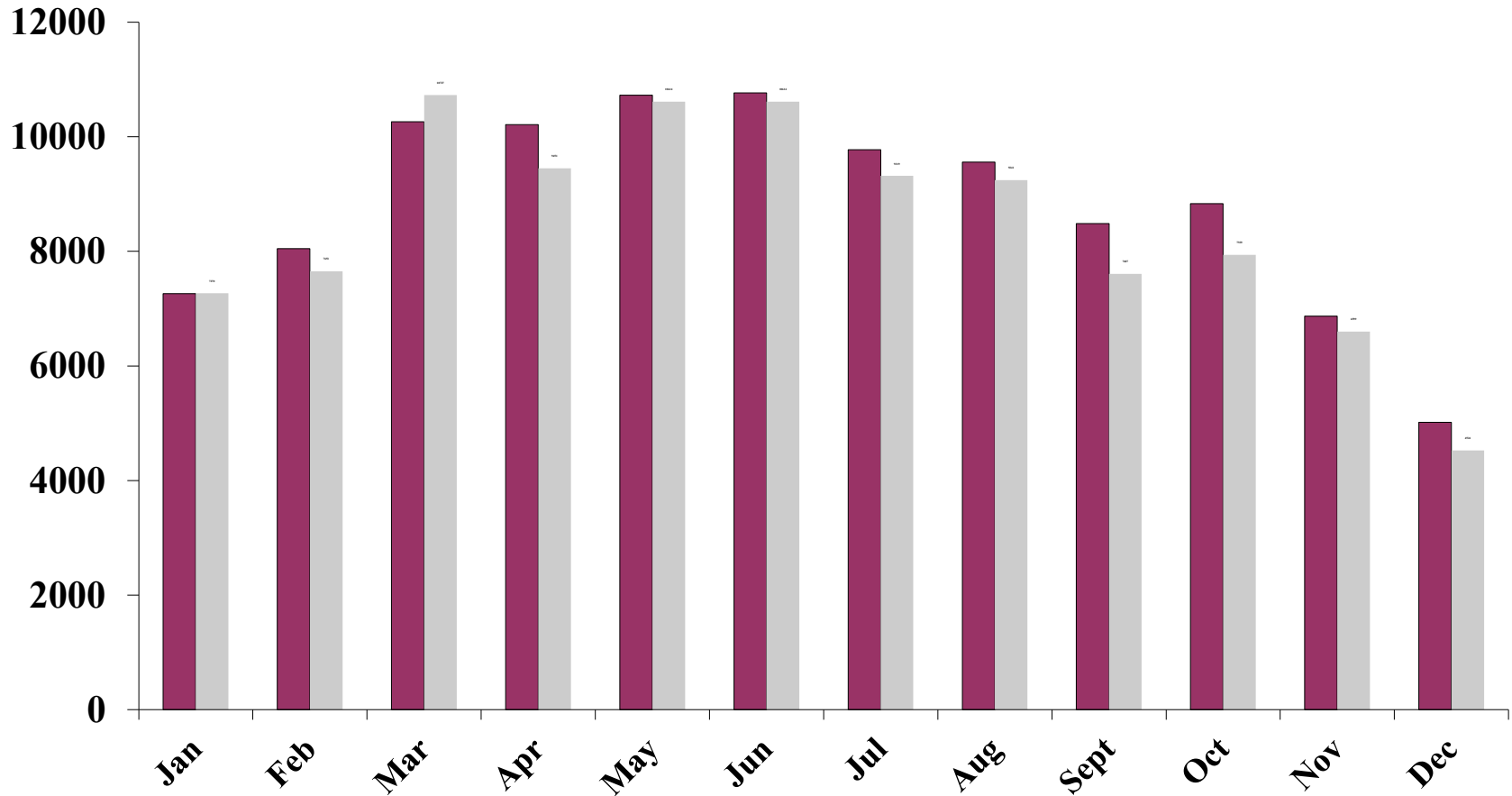
## Residential Detached, Metro Atlanta

**Inventory Up 24% From  
Recent Bottom Of Feb. 2013**



**Inventory Down 6.7% From Last Month,  
Up 9.1% Compared To Last Year**

# Metro Atlanta New Listings



**New Listings Up 10.8% Compared to Last Year.**

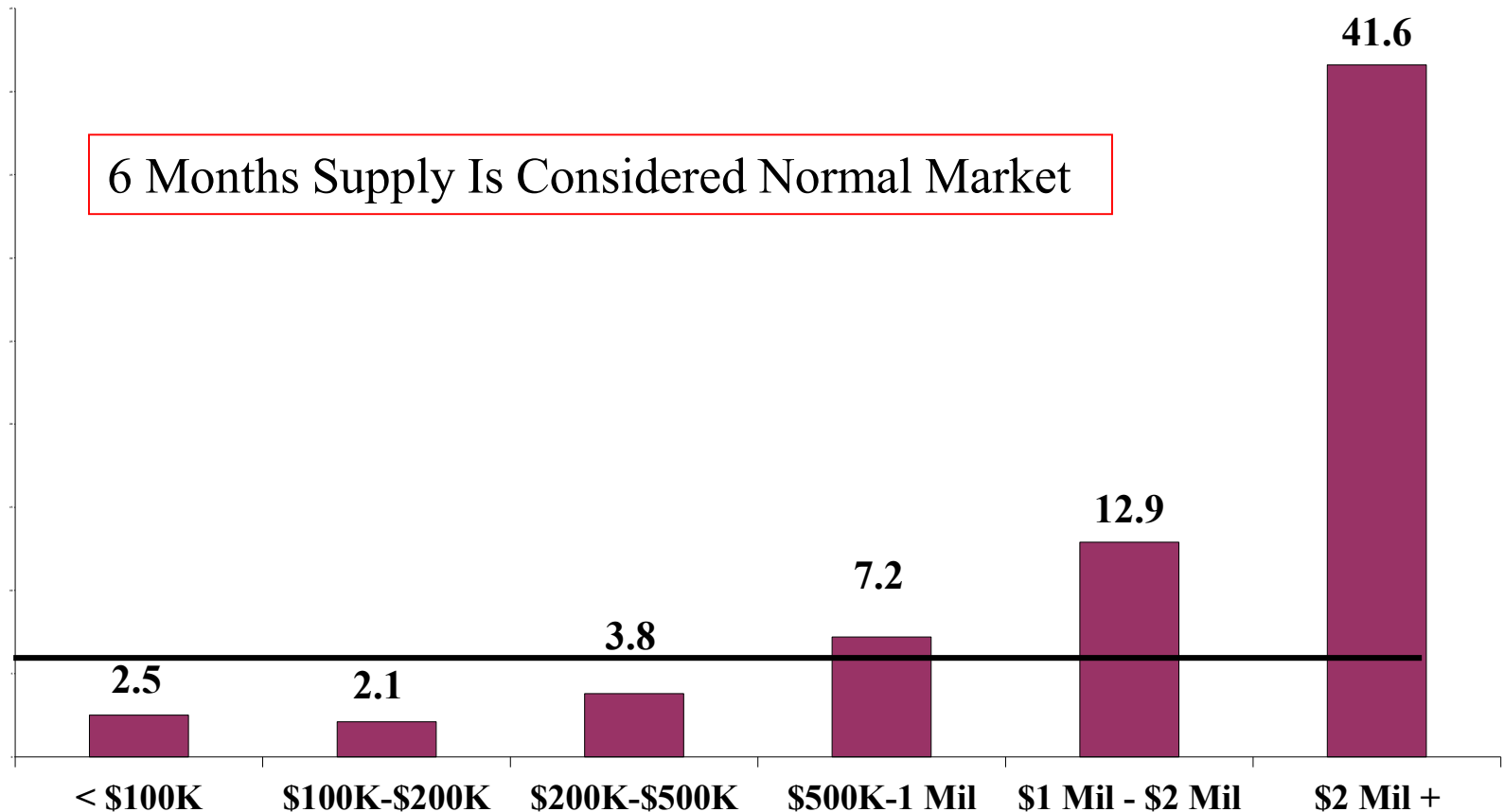
**Down 27.1% From Last Month. Annual New Listings Up 4.1%.**

# Months of Inventory Change The Market Strategy



# Metro Atlanta Months of Inventory

## (December 2018, Based On Closed Sales)



**Total Metro Atlanta “Months Of Inventory” Is 3.8 Months**

# Metro Atlanta Monthly Average Sale Prices 2013 - 2018



**ASP \$309,000 In December. ASP \$309,000 Last Month.  
Up 6.9% From Last December.**

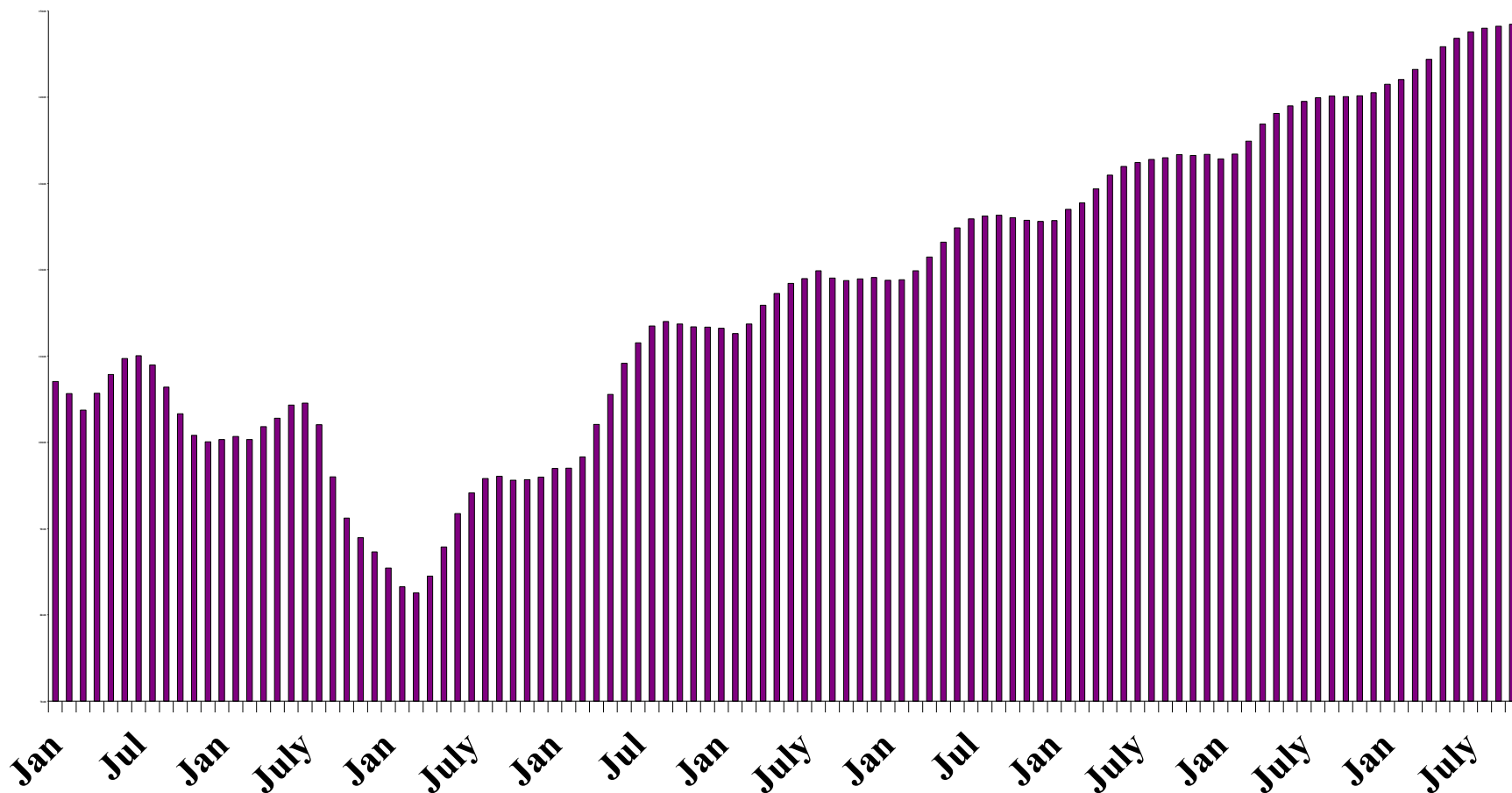
# Metro Atlanta Annual Average Sale Prices



**Annual ASP Up 74% From Bottom Of 2011**



# Case-Shiller Index For Metro Atlanta



**Jan 2010 Through Oct 2018 (Reported December 18, 2018)**  
**Home Values Up 75% From Recent Bottom Of March 2012.**

# Case-Shiller Gain/ Loss For Metro Atlanta

Comparisons Based On The Latest Case Shiller Index Compared To The Average Index For The Year Property Was Purchased.

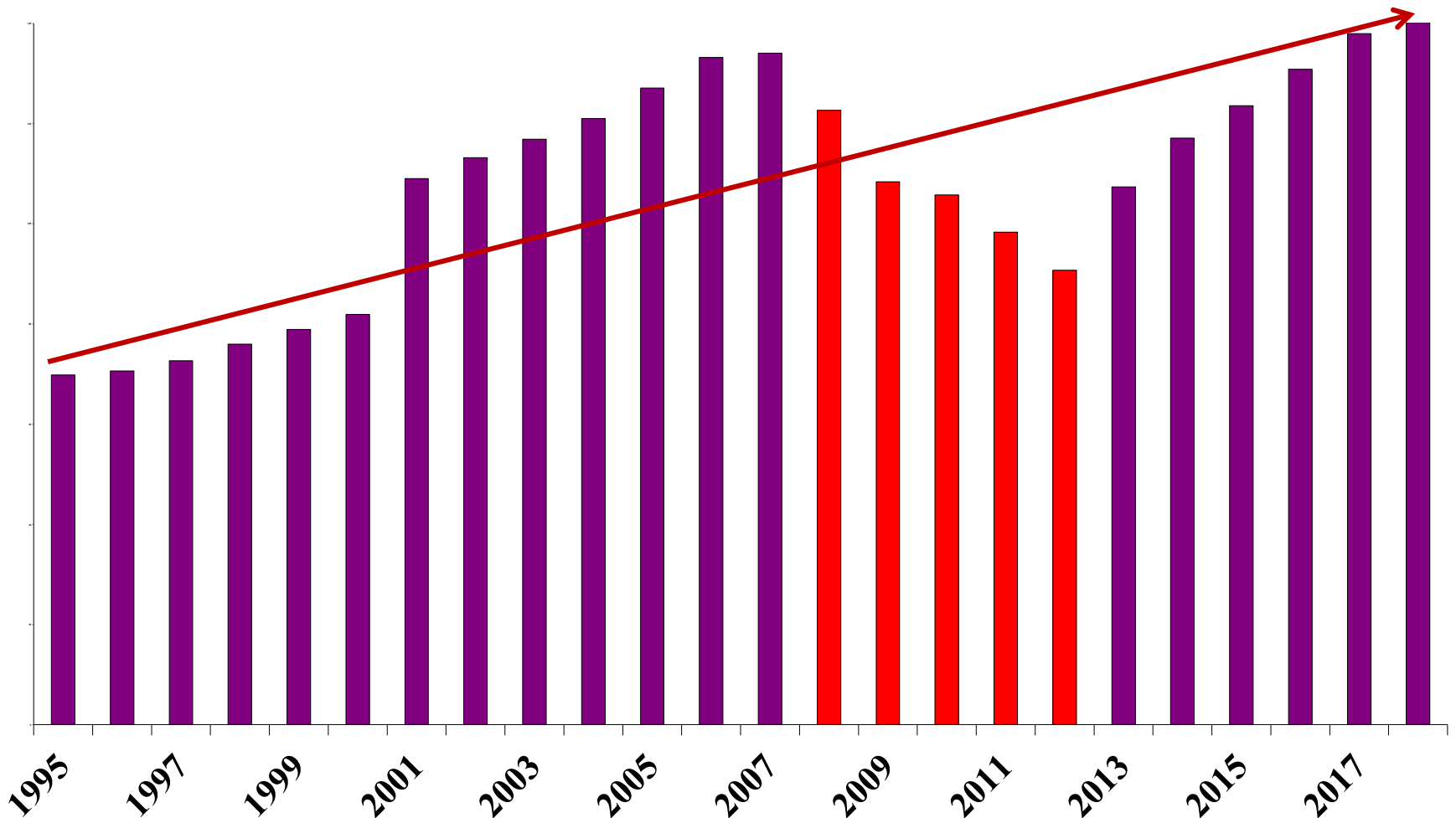
<b>Year Property Bought</b>	<b>Gain/ Loss</b>
2001	36.91%
2002	31.13%
2003	27.00%
2004	22.68%
2005	16.79%
2006	11.47%
2007	10.75%
2008	21.05%
2009	36.95%

<b>Year Property Bought</b>	<b>Gain/ Loss</b>
2010	40.36%
2011	50.94%
2012	63.65%
2013	38.28%
2014	26.77%
2015	20.14%
2016	13.47%
2017	7.62%
2018 YTD	1.97%

Case Shiller Index For Metro Atlanta - October 2018 As Reported December 18, 2018.

Micro Local Markets And Price Points May Have Significantly Different Outcomes.

# Case-Shiller Home Values For Metro Atlanta



Recent Bottom Was March 2012.

Metro Average Home Values Back To Normal Trend Line.

FTB 25 Years Old

# Buyer Type Yearly

FTB 33 Years Old

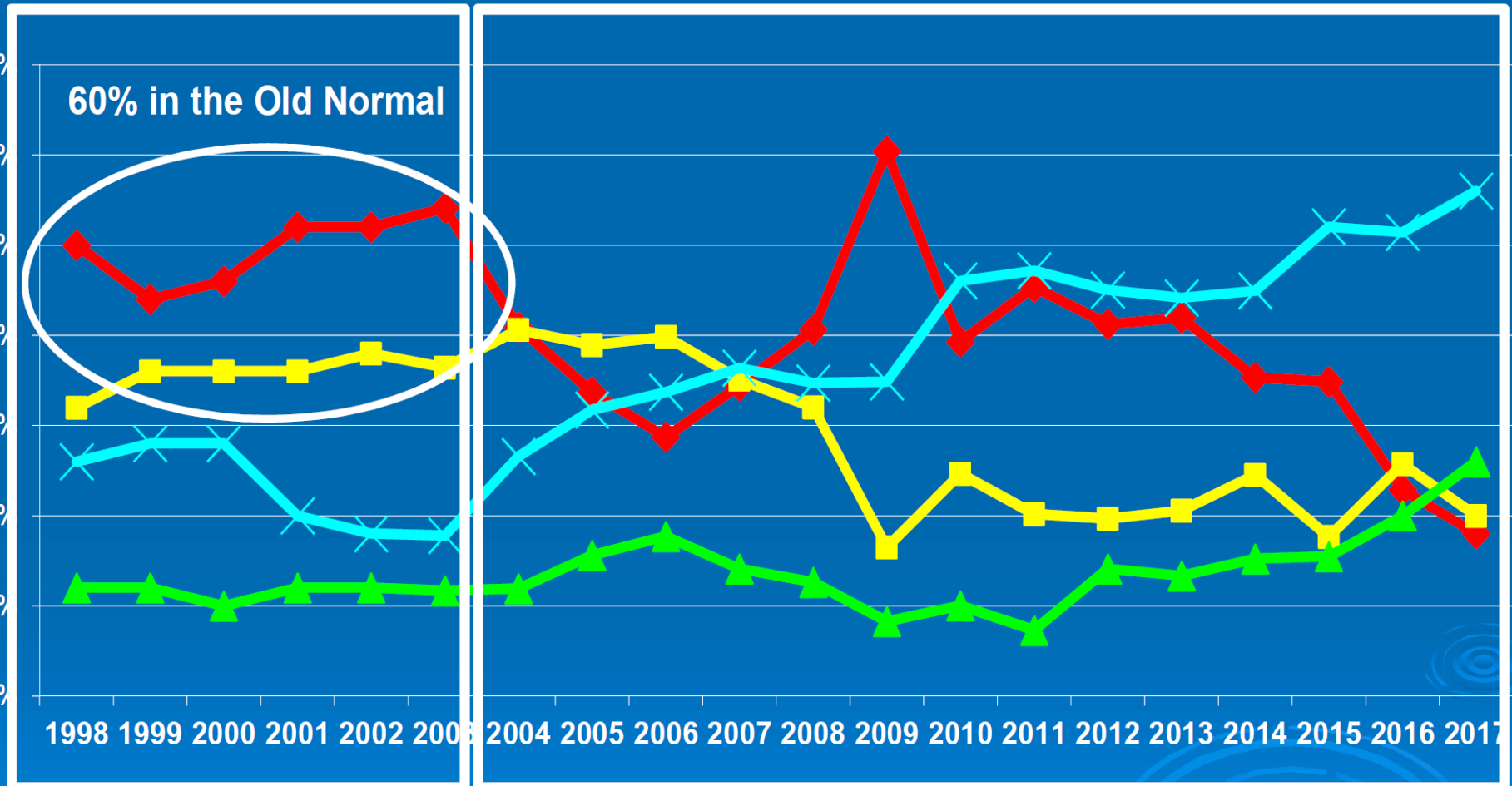
FMU 32 Years Old

FIRST TIME

FIRST MOVE UP

SECOND MOVE UP

THIRD OR HIGHER



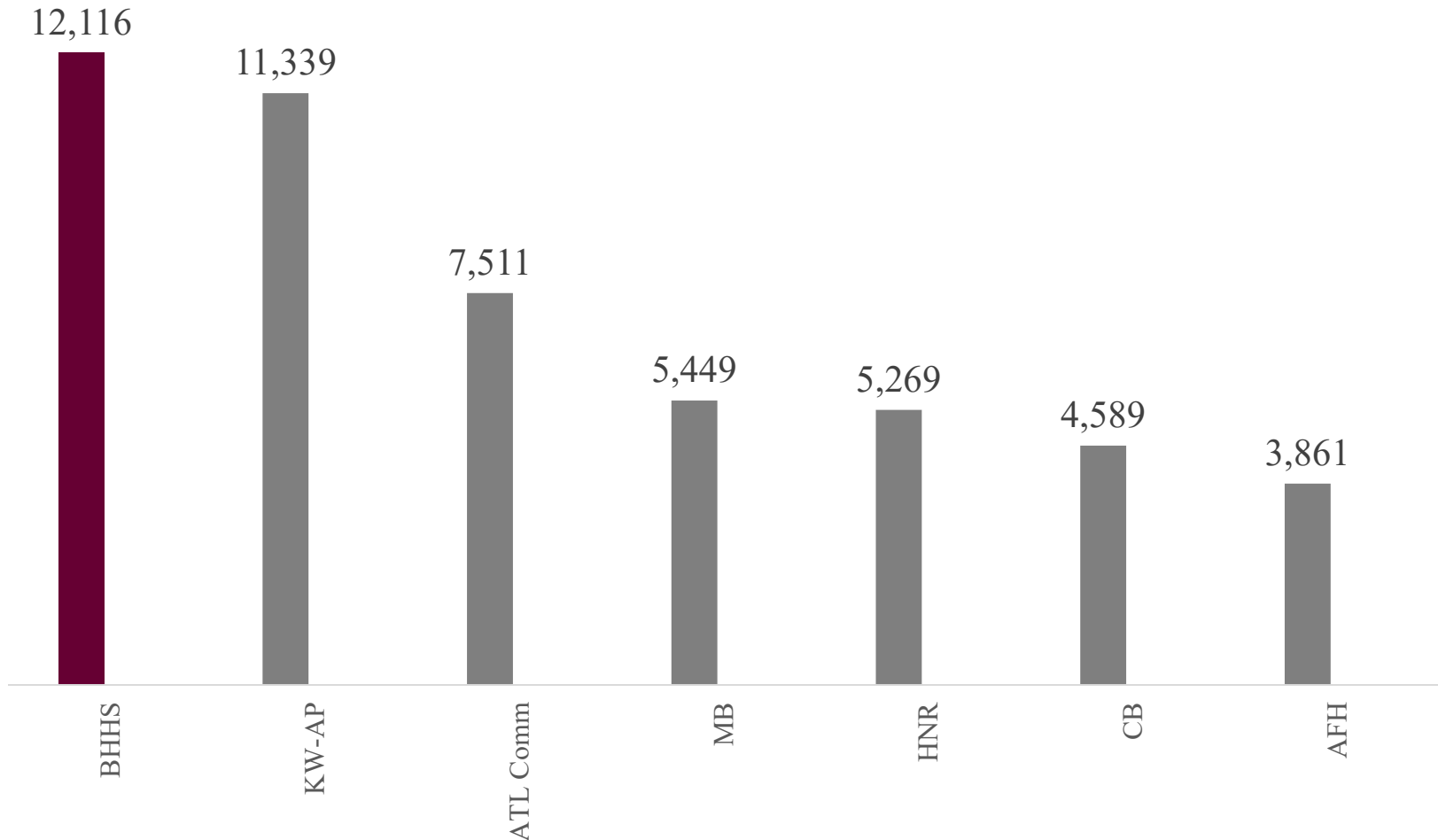
“Old Normal”

“New Normal”

# Berkshire Hathaway HomeServices Georgia Properties

# Annual Closed Units – 2018

## FMLS Counties + Southern Crescent

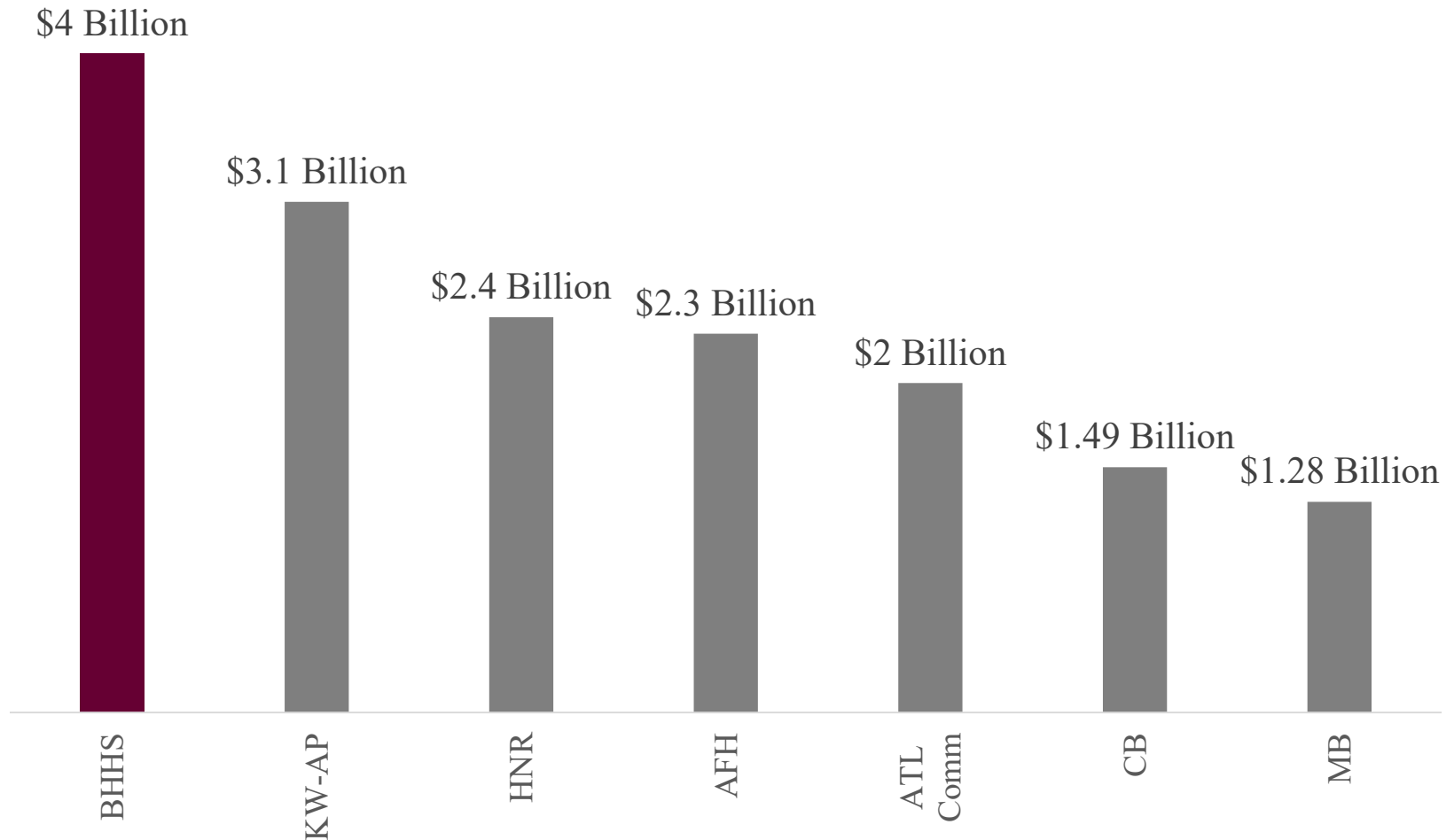


Information Provided By Trendgraphix and BHHS GP Internal Reports.

# Annual Closed Volume – 2018

## FMLS Counties + Southern Crescent

(\$ Volume in Billions)



Information Provided By Trendgraphix and BHHS GP Internal Reports.

# Georgia Economic & Housing Trends



# Top State For Business

Site Selection Magazine



6 Years in a Row!

2018

2017

2016

2015

2014

2013

# 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.

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

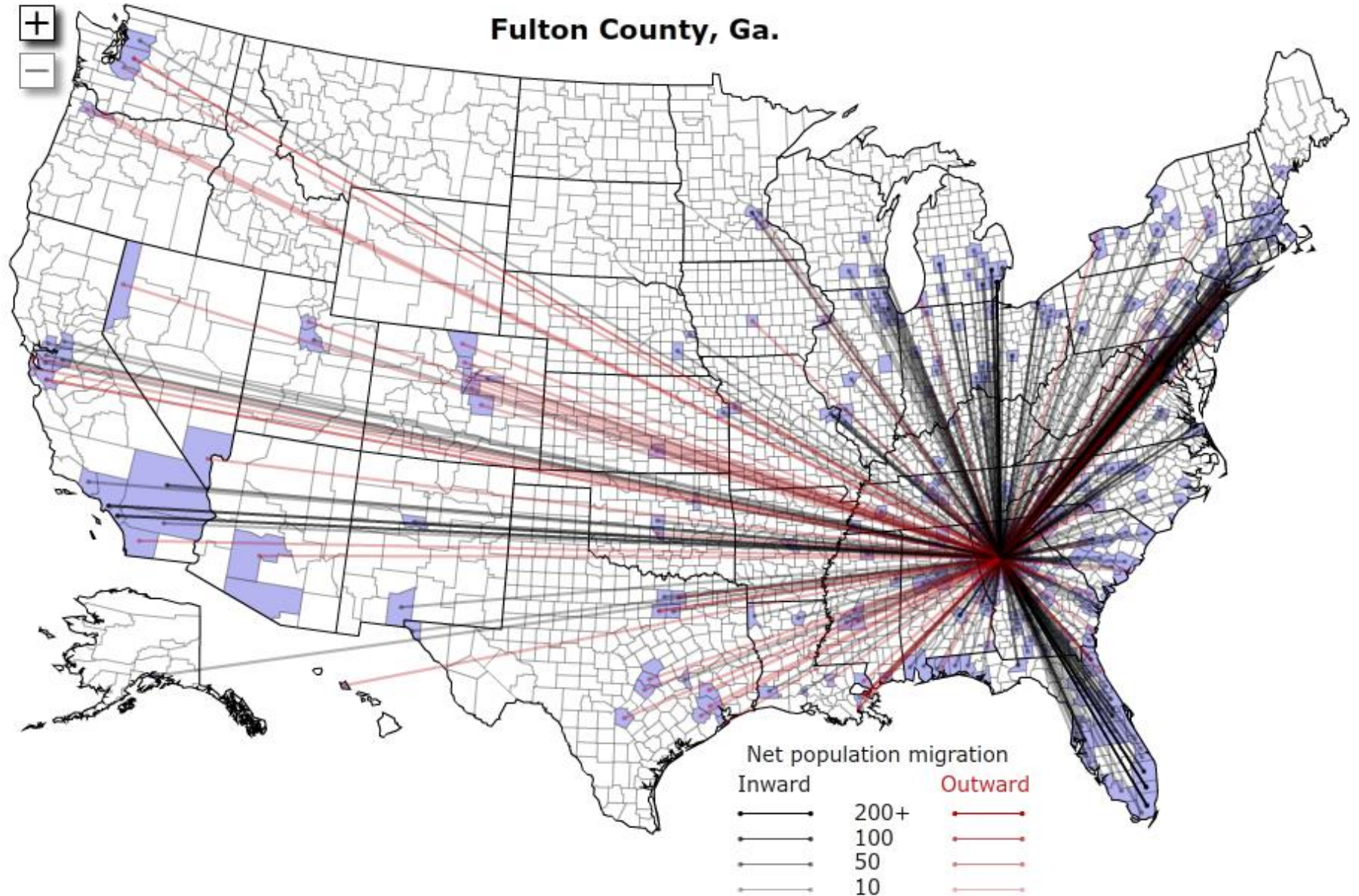
	Total Population	Rank of Share				
		Under 20	20-64	65+	25-39	45-59
Dallas	6,144,489	3	9	25	1	24
Atlanta	5,271,550	5	6	27	2	19
Phoenix	4,179,427	4	24	15	4	26
Denver	2,466,591	11	5	24	4	12
Riverside	4,081,371	1	27	22	5	27
Houston	5,629,127	2	10	26	6	21
Portland	2,174,631	19	2	19	7	7
Seattle	3,309,347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

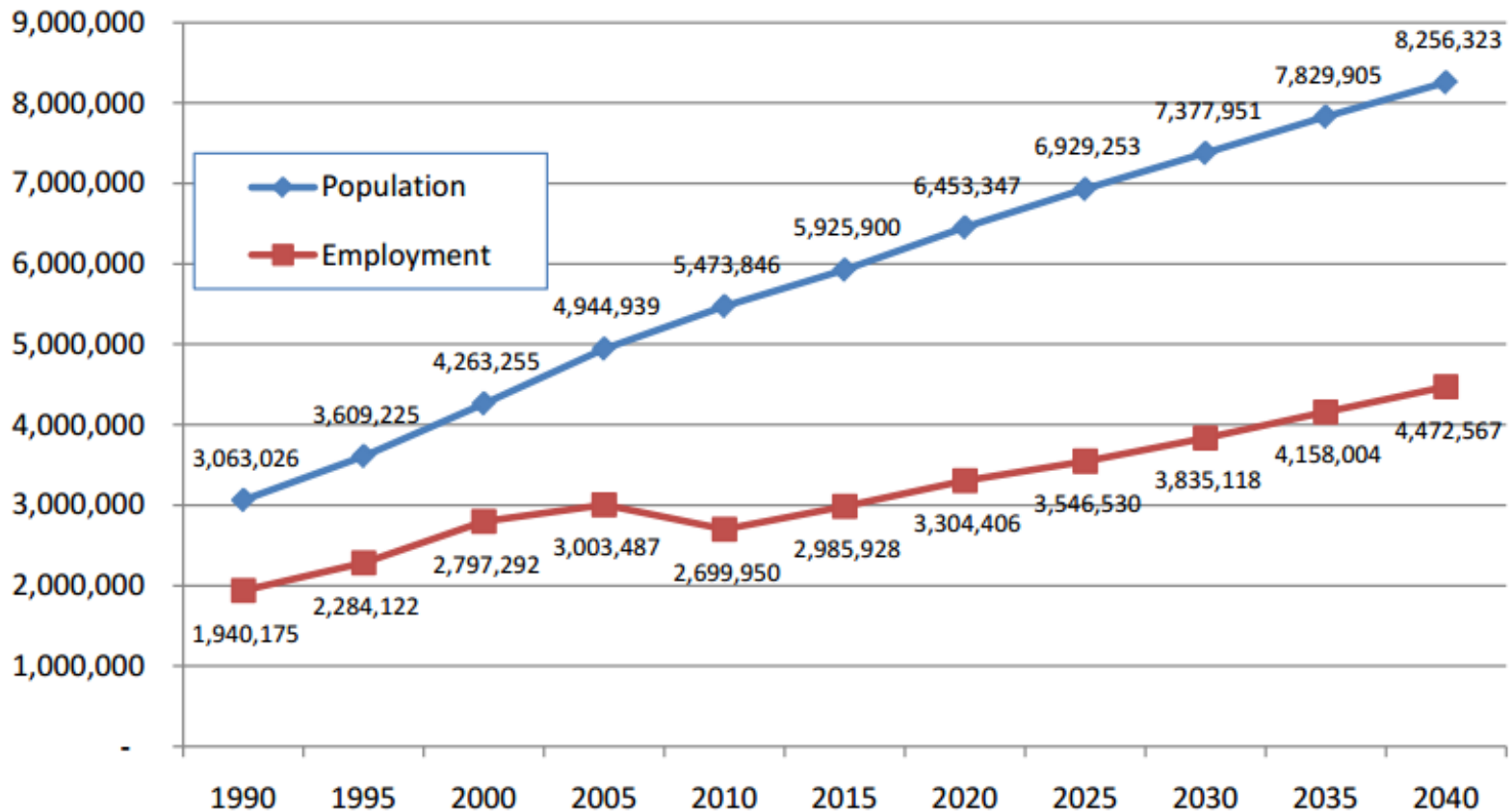
Source: Census Bureau

# Rustbelt To Sunbelt



# Population & Employment Growth Trends

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

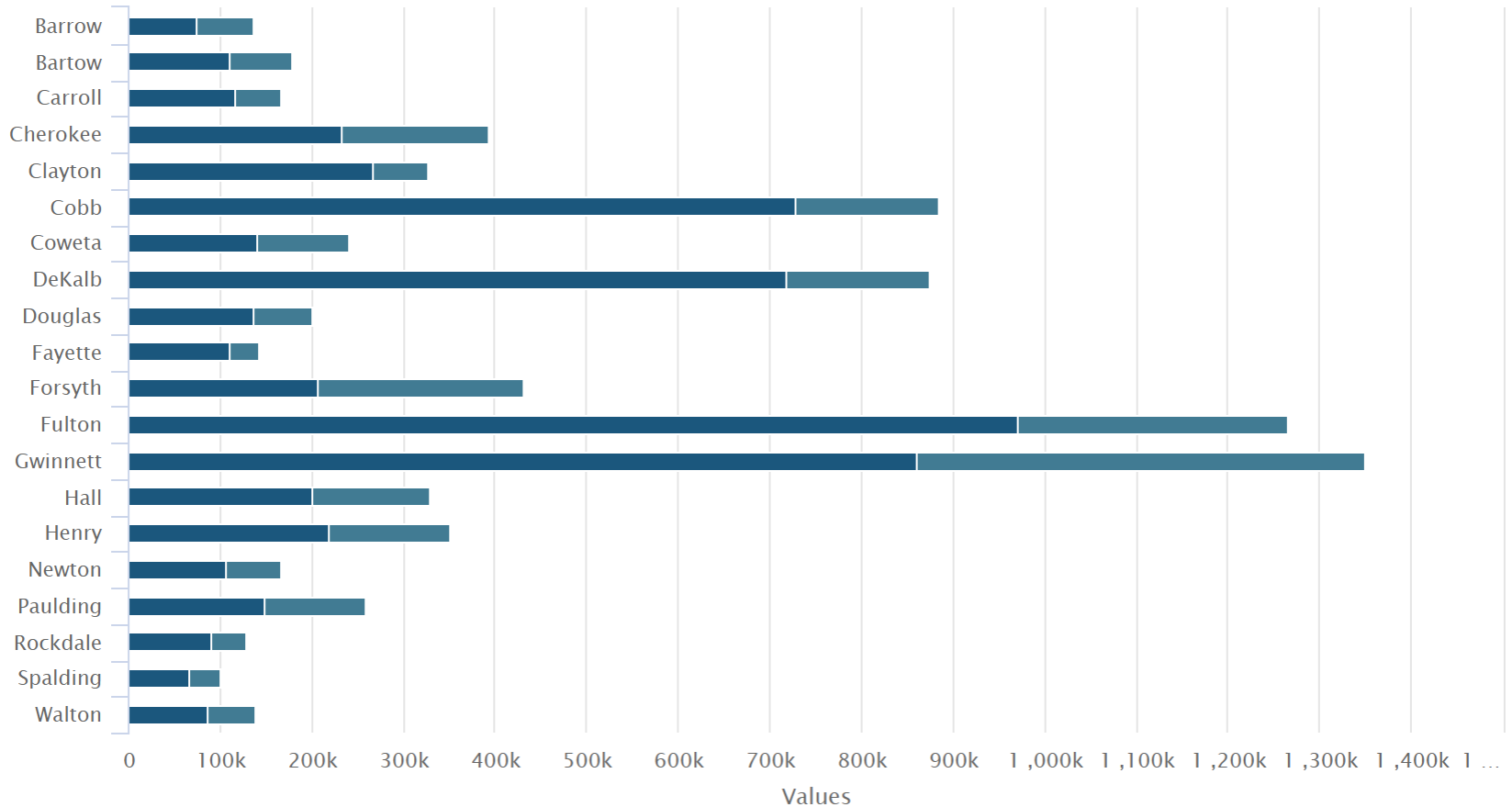


Source: ARC

# Population By County

## Forecast Highlights

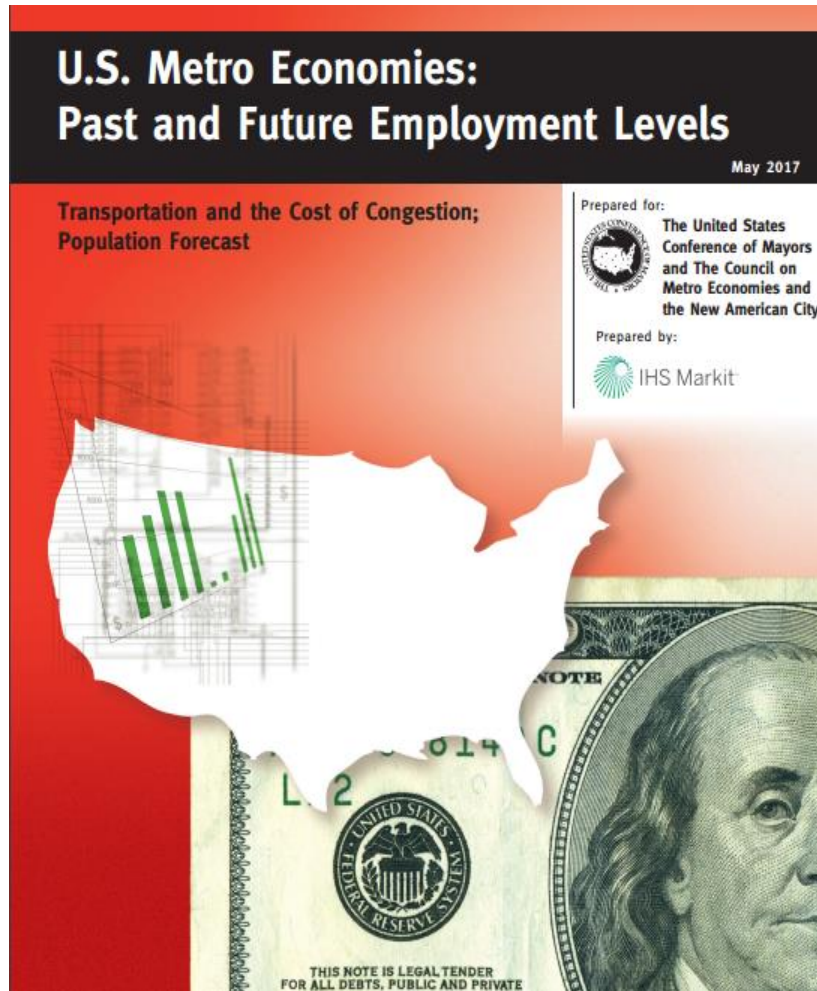
### 2040 Population Increase



● 2040 Net Increase ● 2015 Population



# 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!