

# Year-End Review: A Look Ahead



*2008 Press Conference*



# Jane Quill

## 2008 Chairman of the Board

# TODAY'S REALITIES

- **Housing Market Stabilization**
- **Mortgage Industry Lending Practices**
- **NOW is the Time**
- **Housing = Long Term Investment**
- **Stimulus Package is Needed**



# STIMULUS PACKAGE

- **\$7,500 Tax Credit for All**
- **2008 Loan Limit Permanent**  
*(FHA, Fannie Mae, Freddie Mac)*
- **Emergency Treasury Relief**
- **Prevent Banks in Real Estate**

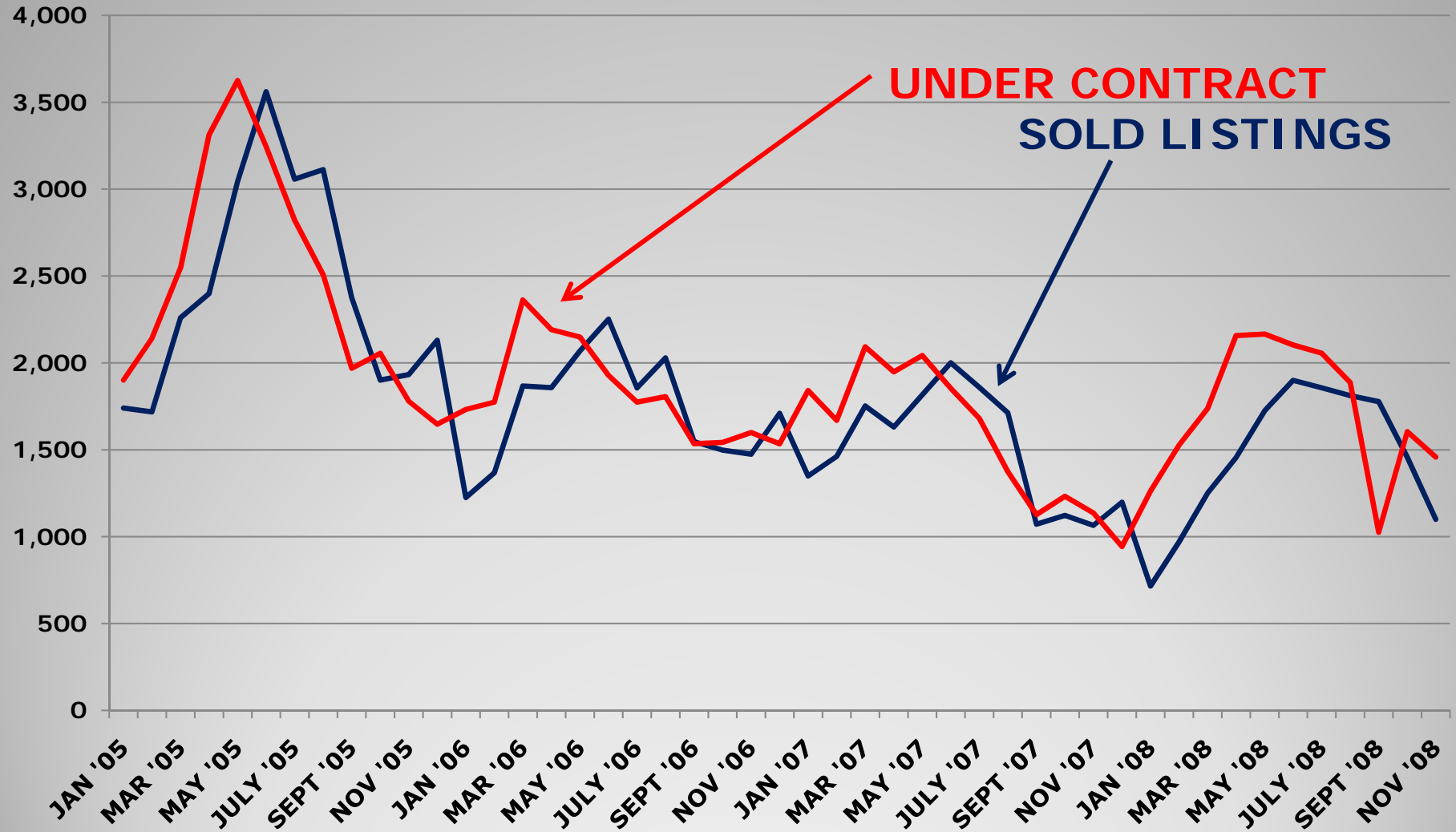
# FEDERAL RESERVE

- **Bernanke's New Policies**
- **Mortgage Bankers Predict:**  
*6% or less for 30-year fixed rate loan*
- **The Future is Brighter**

# 2008 IN RECAP

- **Where's the Bottom?**
- **Local Economy is Strong**
- **Rebound in Home Sales**

# HOME SALES & PENDING



# Foreclosures, Falling Prices Spur Pr. William Home Sales

By Nick Miroff

Washington Post Staff Writer

Friday, October 17, 2008; Page A1

Freewheeling American capitalism may be falling out of fashion on Wall Street, but in the western suburbs of Northern Virginia, it is driving one of the greatest home-buying sprees the region has ever seen.

The epicenter of the boom is Prince William County, where enterprising investors are scavenging the wreckage of the housing bust at a furious pace. Last month, 1,116 homes were sold in the county, a 235 percent increase from the same period last year and more than in any other September on record, according to the **Northern Virginia Association of Realtors®**.



Real estate agent Tracy Comstock shows a Prince William County property to Chris James of Clifton, who has been investing in foreclosed housing. Buying and renting foreclosed properties is good for the community, he said.

(By Sarah L. Voisin – The Washington Post)

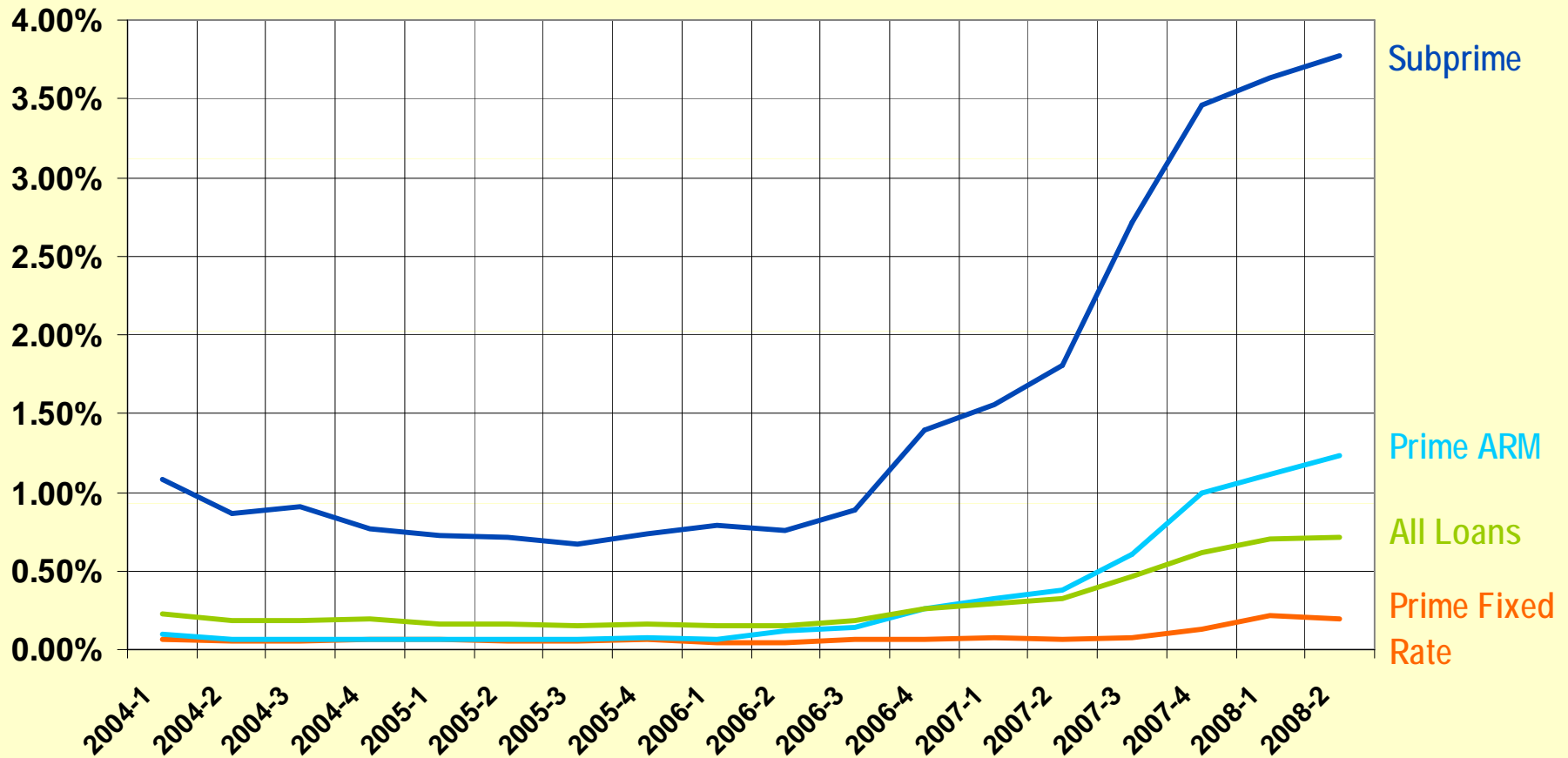
## FRONT PAGE NEWS

# REGIONAL FACTS

- **Continued Job Growth**
- **Federal Government**
- **Defense Base Closure and Realignment Commission (BRAC)**
- **Local Market Correction Continues**

# FORECLOSURE STATISTICS

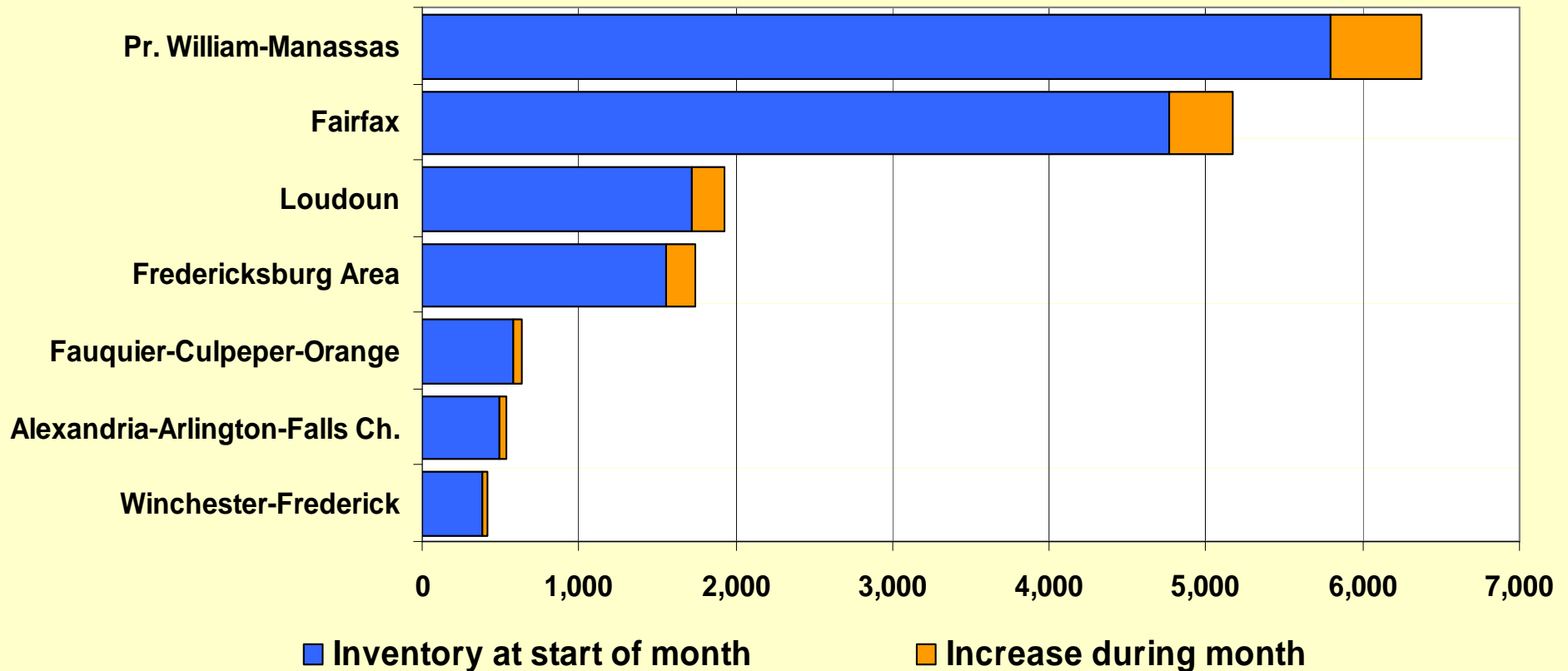
## Virginia Foreclosure Start Rate by Type of Loan



Source: Mortgage Bankers Association & Virginia Housing Development Authority

# BANK-OWNED PROPERTIES

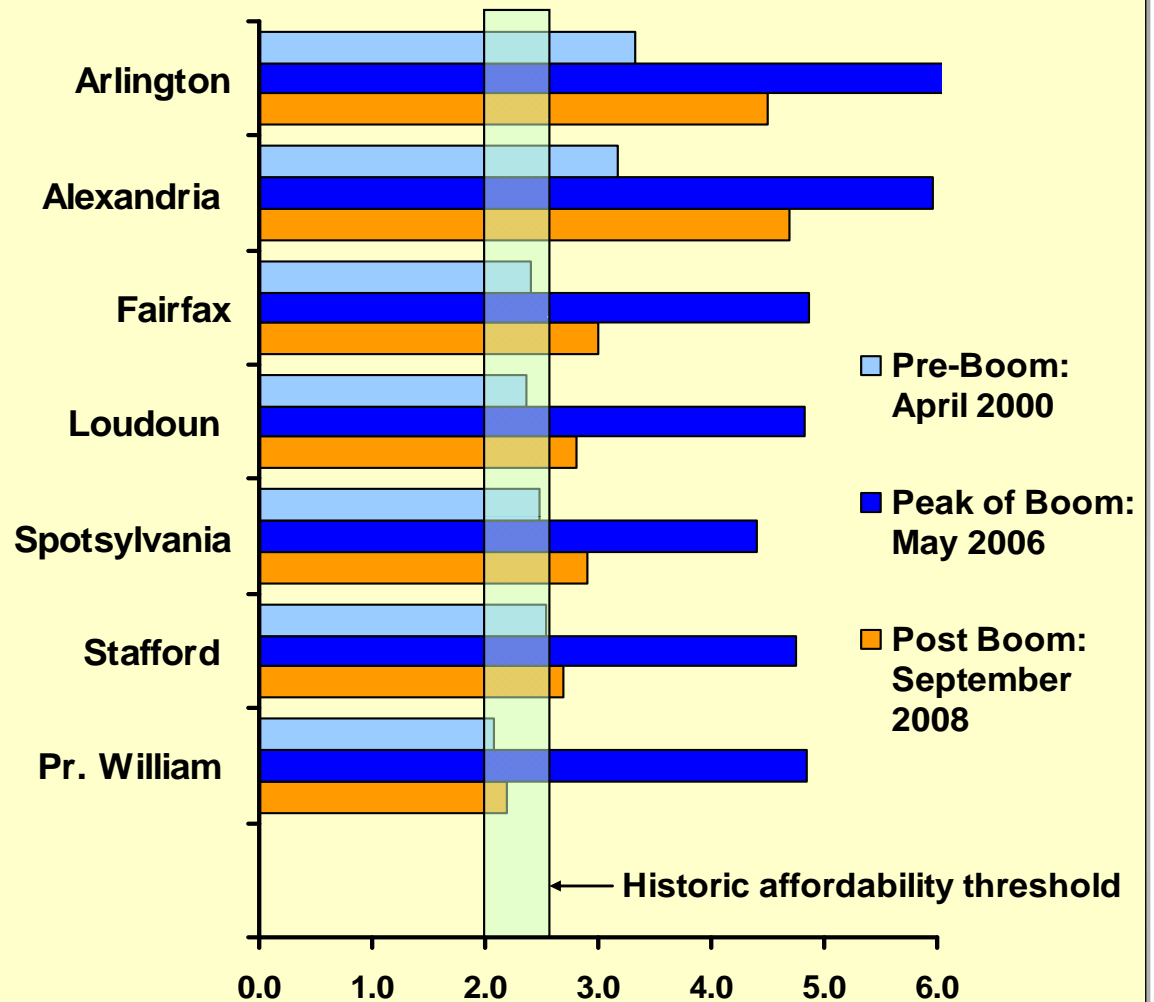
## Inventory of Bank-Owned Homes - October 2008



Source: RealtyTrac & Virginia Housing Development Authority

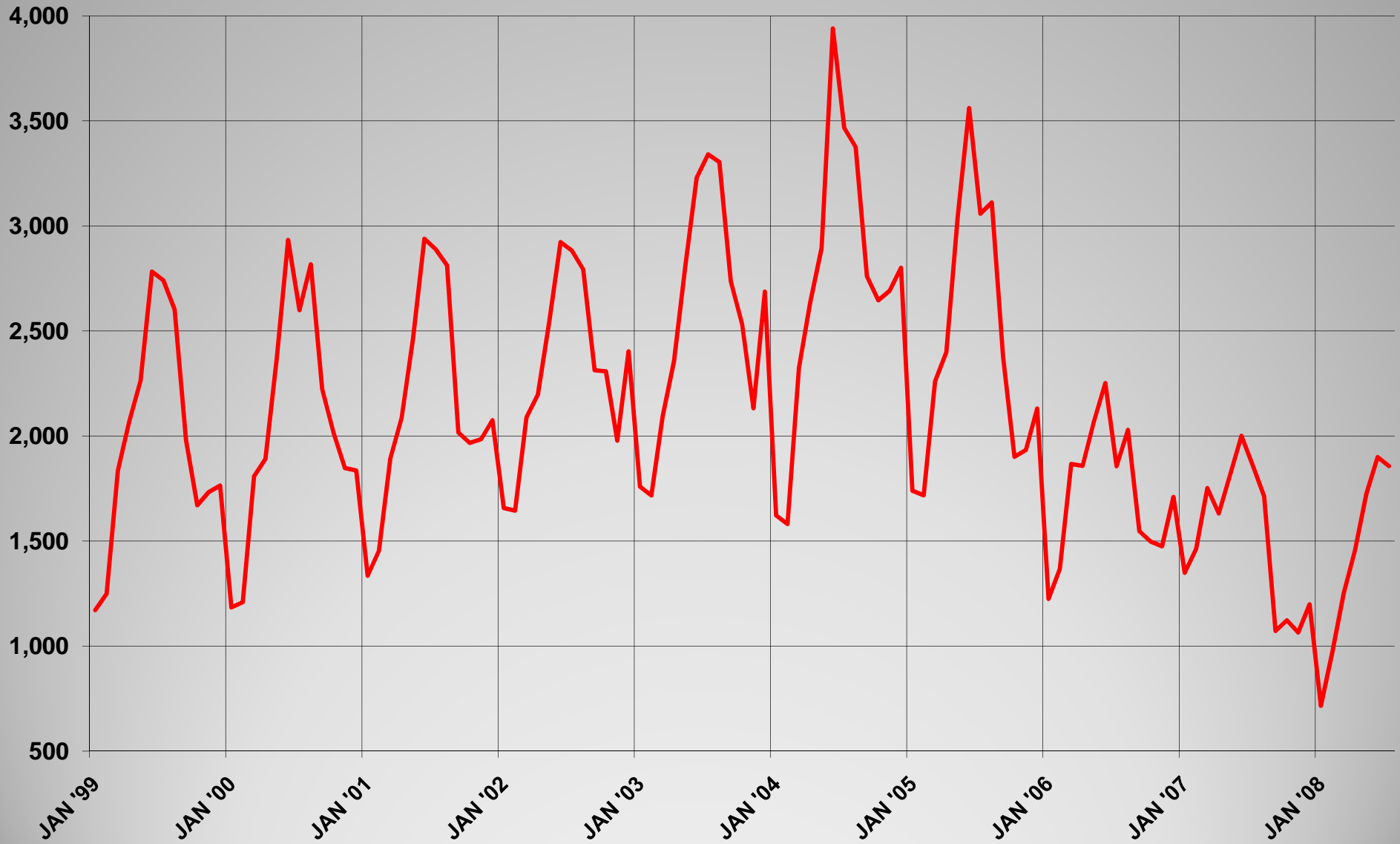
# INCOME VS. PRICE

## Ratio of Median Home Price to Median Household Income

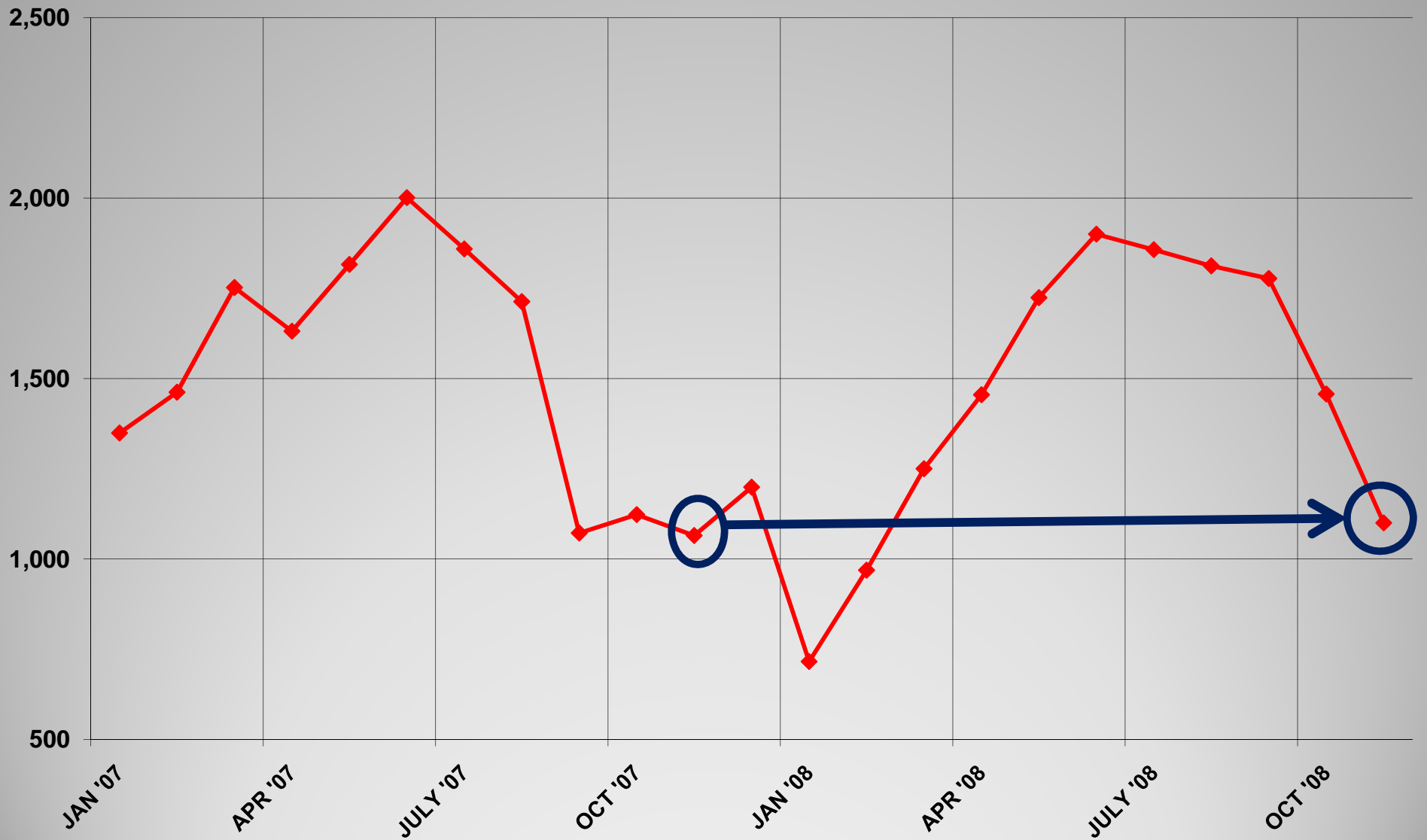


Source: MRIS, Census Bureau & Virginia Housing Development Authority

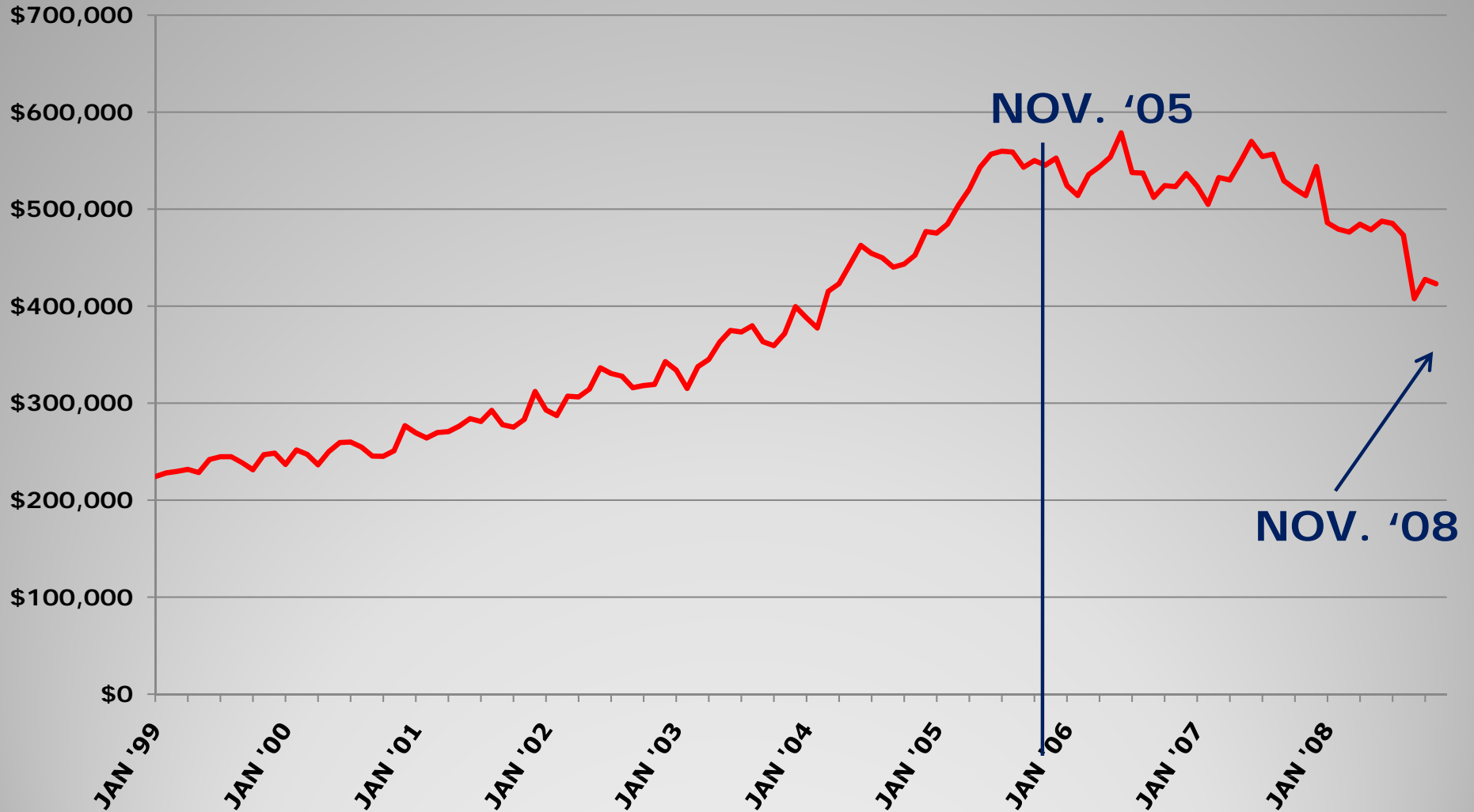
# NOVA SALES: Jan. '99 to Nov. '08



# NOVA SALES: 2007 to 2008



# MONTHLY AVERAGE SOLD PRICE



Source: MRIS for the NVAR Region only

# NOVEMBER 2007 vs. 2008

- Existing Home Sales  3.29%
- Days on Market 91 vs. 99 in 2007
- Median Sales Price  21%

# WHAT IT ALL MEANS

- Home Sales Increasing
- Current Average Price = Affordability
- Realtor<sup>®</sup> & Consumer Education
- Buyers & Sellers “Bill of Rights”

# 2009 OUTLOOK

- **Increased Opportunities for Homebuyers**
- **Decreased Foreclosures**
- **Restored Consumer Confidence**

# OPTIMISM IN THE MARKET

- Better Mortgages
- Home Values Stabilize
- Robust Inventory
- Strong Local Fundamentals
- Rail to Dulles
- Low Interest Rates Predicted

*Breathing New Life into the Economy*

Check [www.NVAR.com](http://www.NVAR.com)  
click on "Market Statistics"

*Please contact us for local  
market information.*

*Thank You!*