

National Economic & Real Estate Market Outlook

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Video Presentation at Fayetteville Association of
REALTORS®

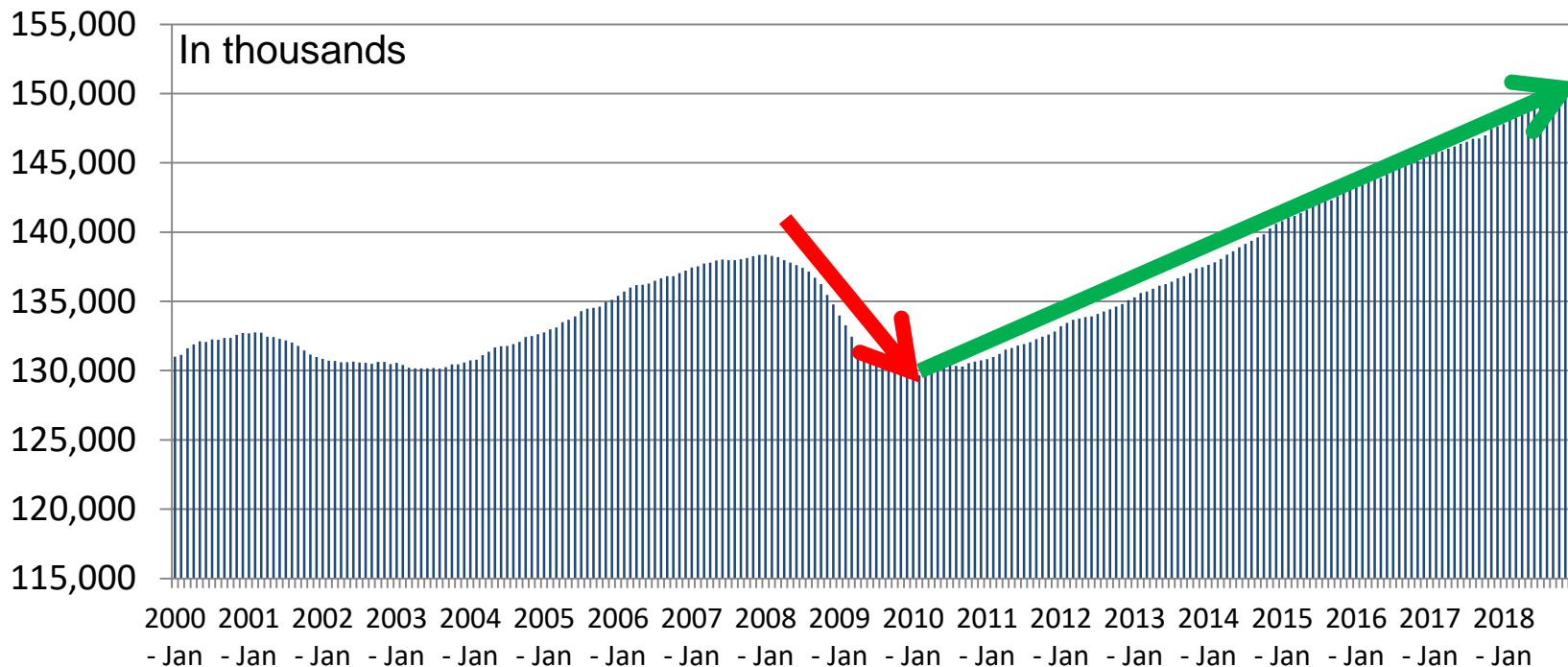
February 8, 2019

Good Economy

- Job Additions for 8 straight years
- Unemployment Rate 3.9%
- Record High Job Openings
- Historically Low Jobless Claims
- High Net Worth
- Wages picking up

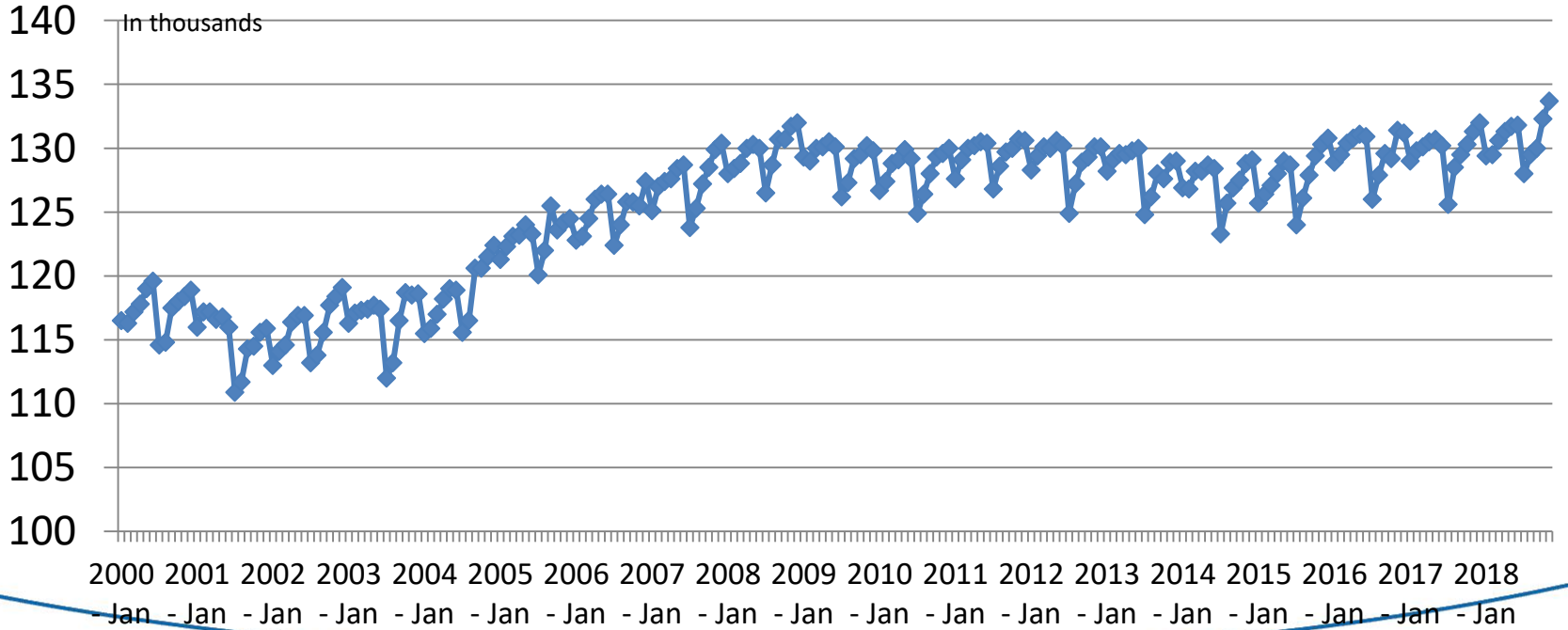
Jobs

(20 million gained from 2010)

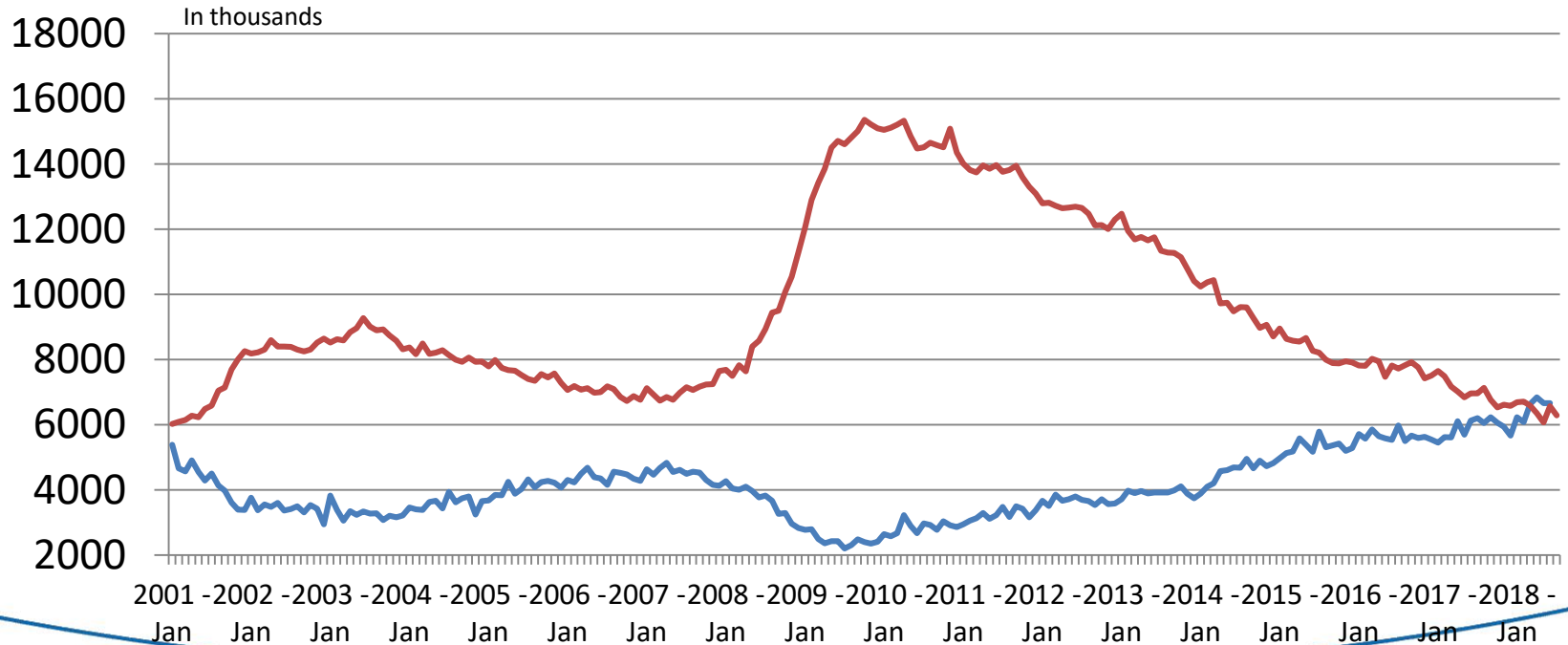


Total Jobs Fayetteville

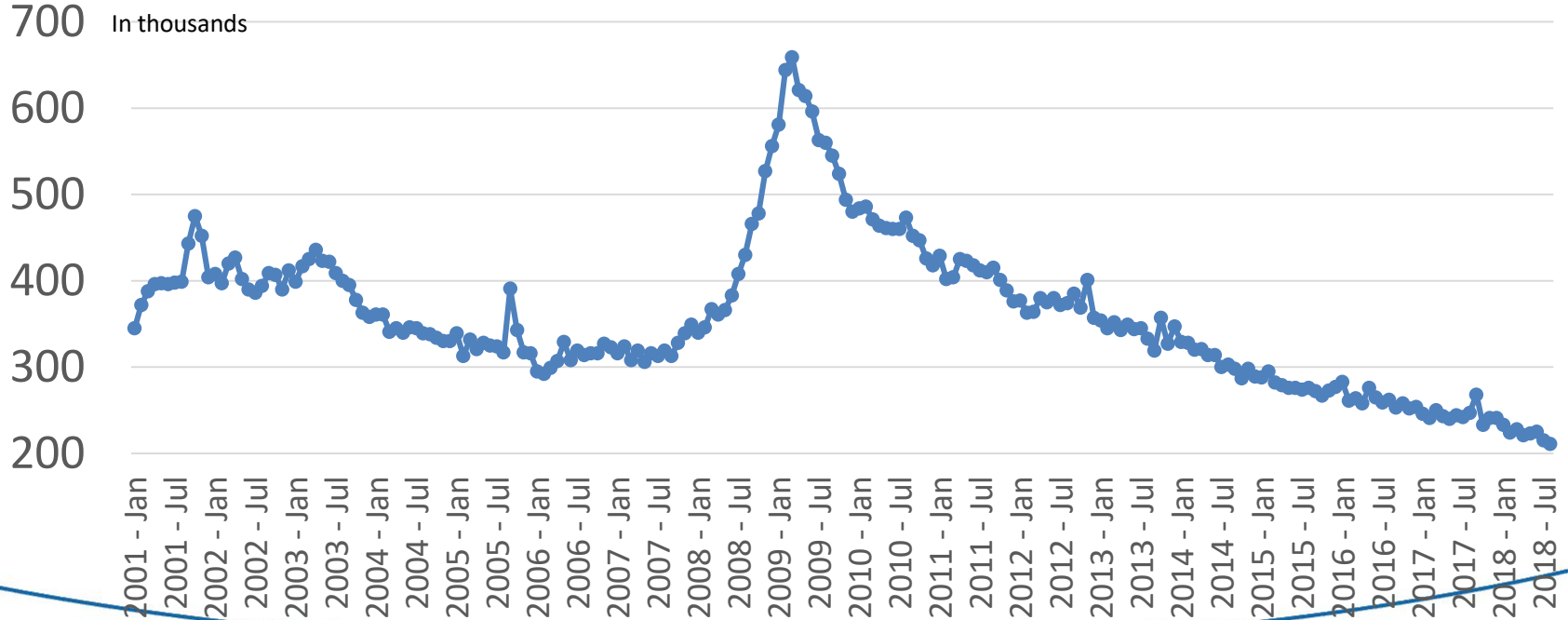
(12% growth vs 13% nationwide from 2000)



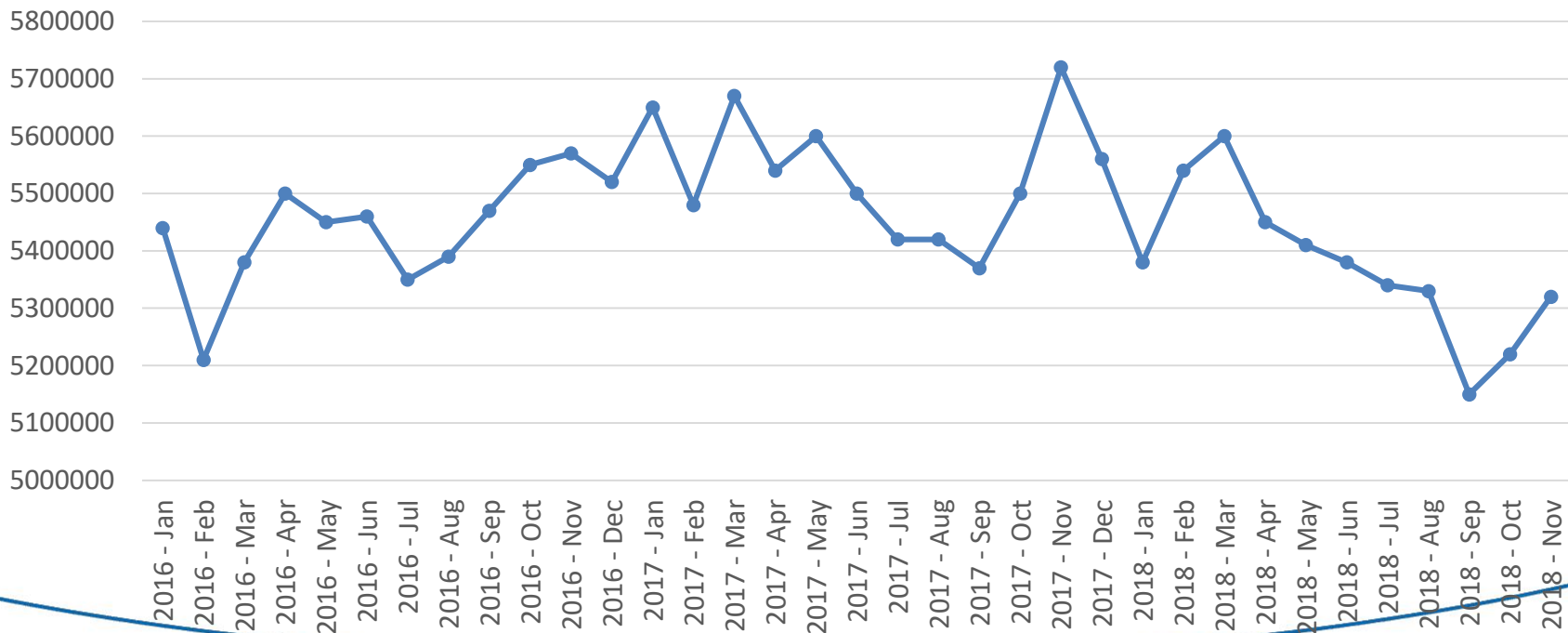
Job Openings = Unemployed



Weekly Initial Unemployment Insurance Filings

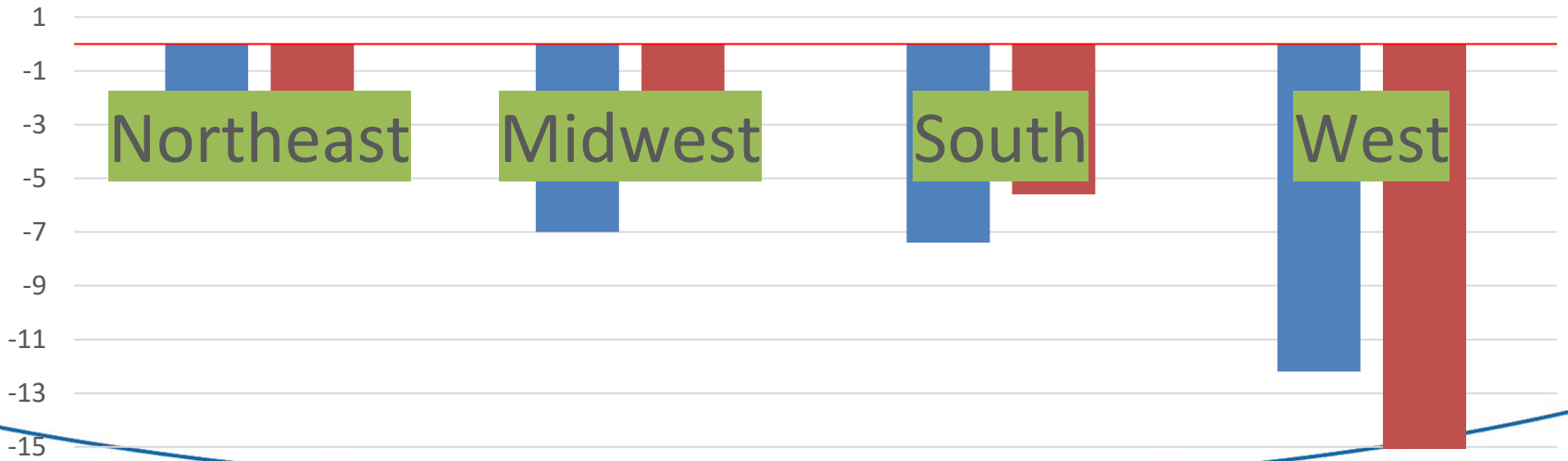


Existing Home Sales - Sideways Since 2016



Regional Variations

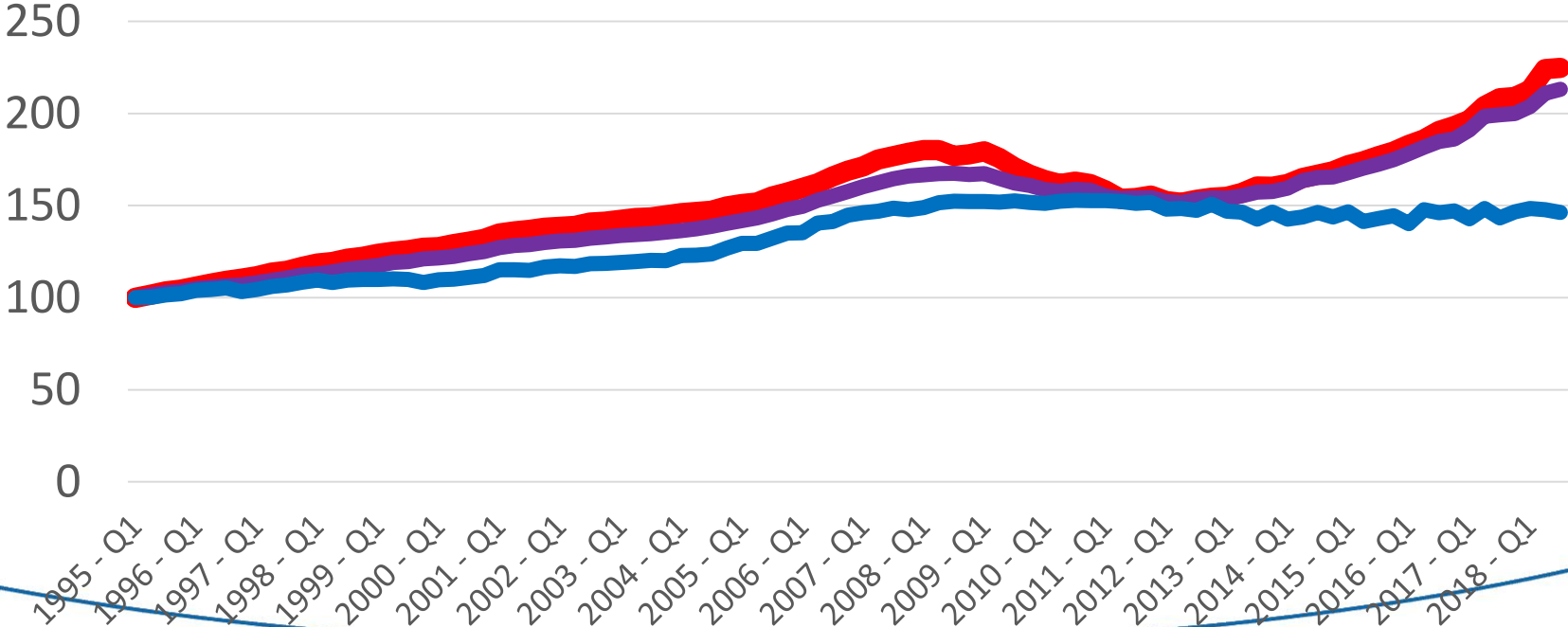
% change in Pending Contracts from one year ago
% change in Closings from one year ago



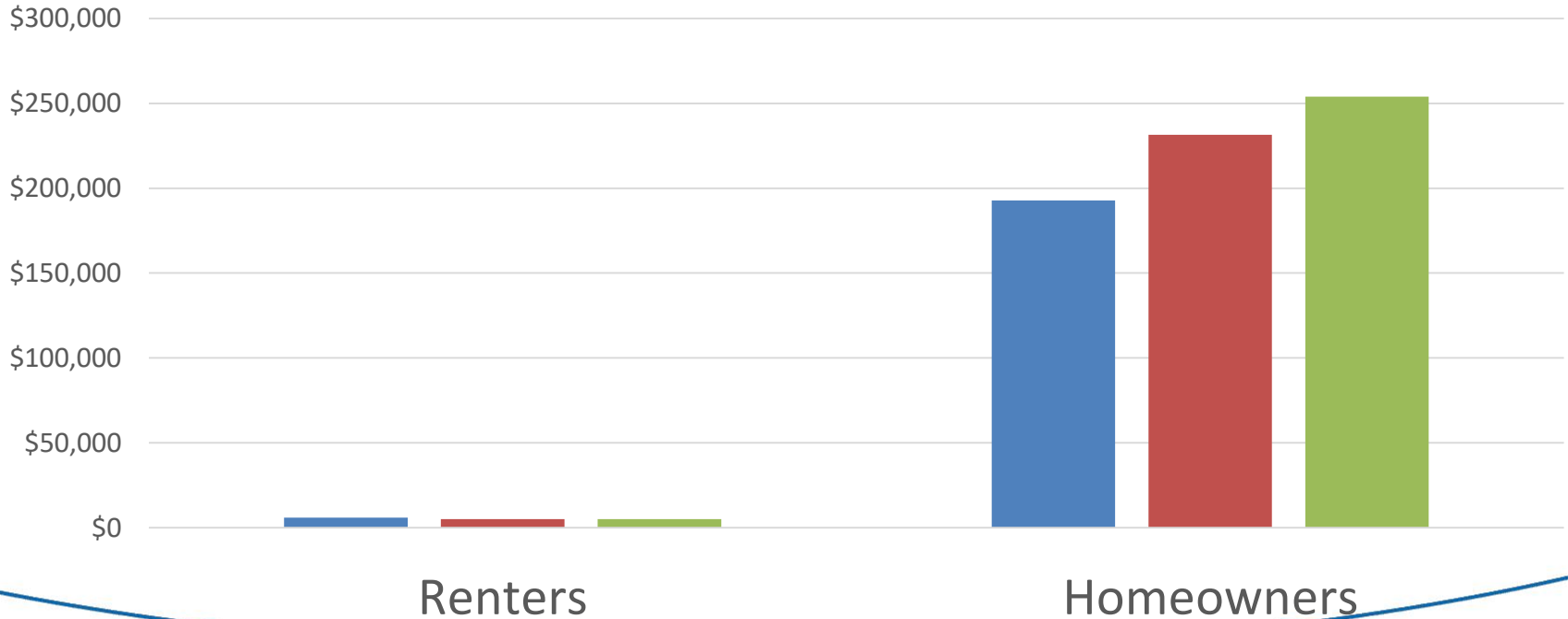
Home Prices Boom

(Constant Quality Index)

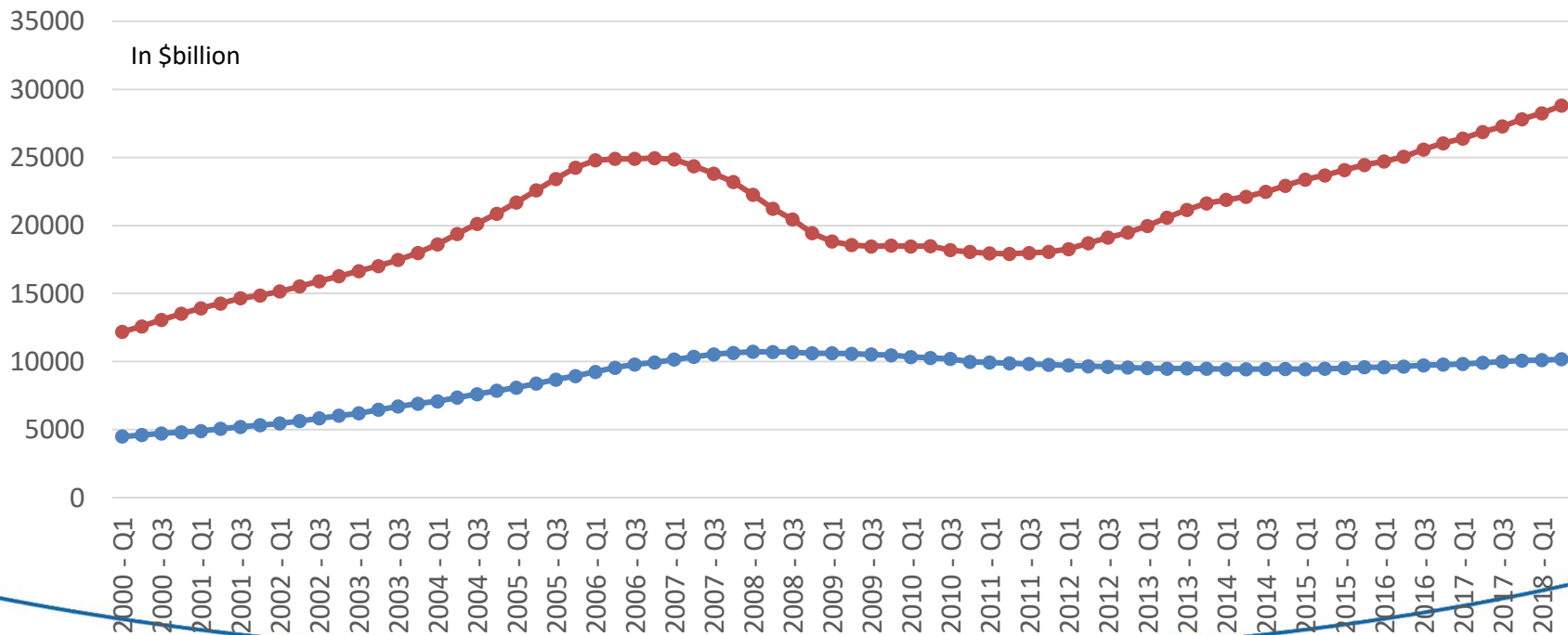
Fayetteville Lagging Behind Charlotte and Raleigh



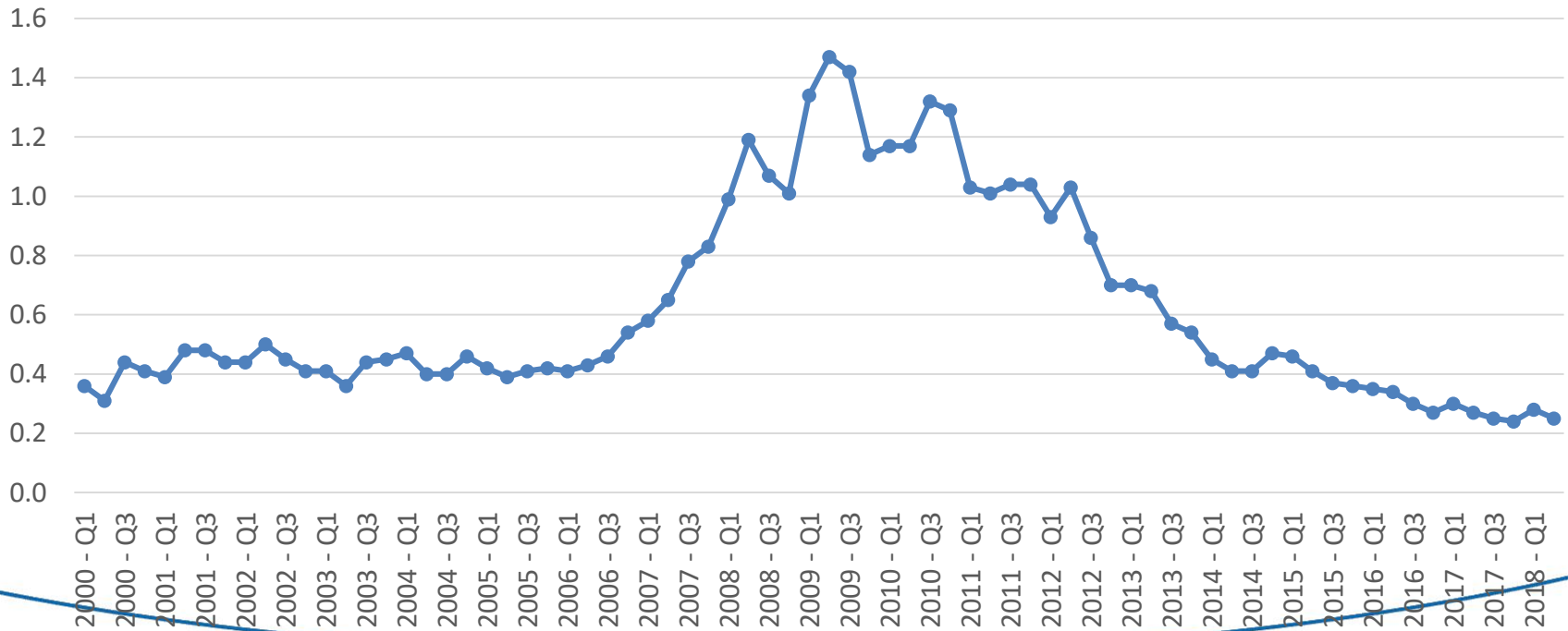
Wealth: From 2000 to 2016 to 2018



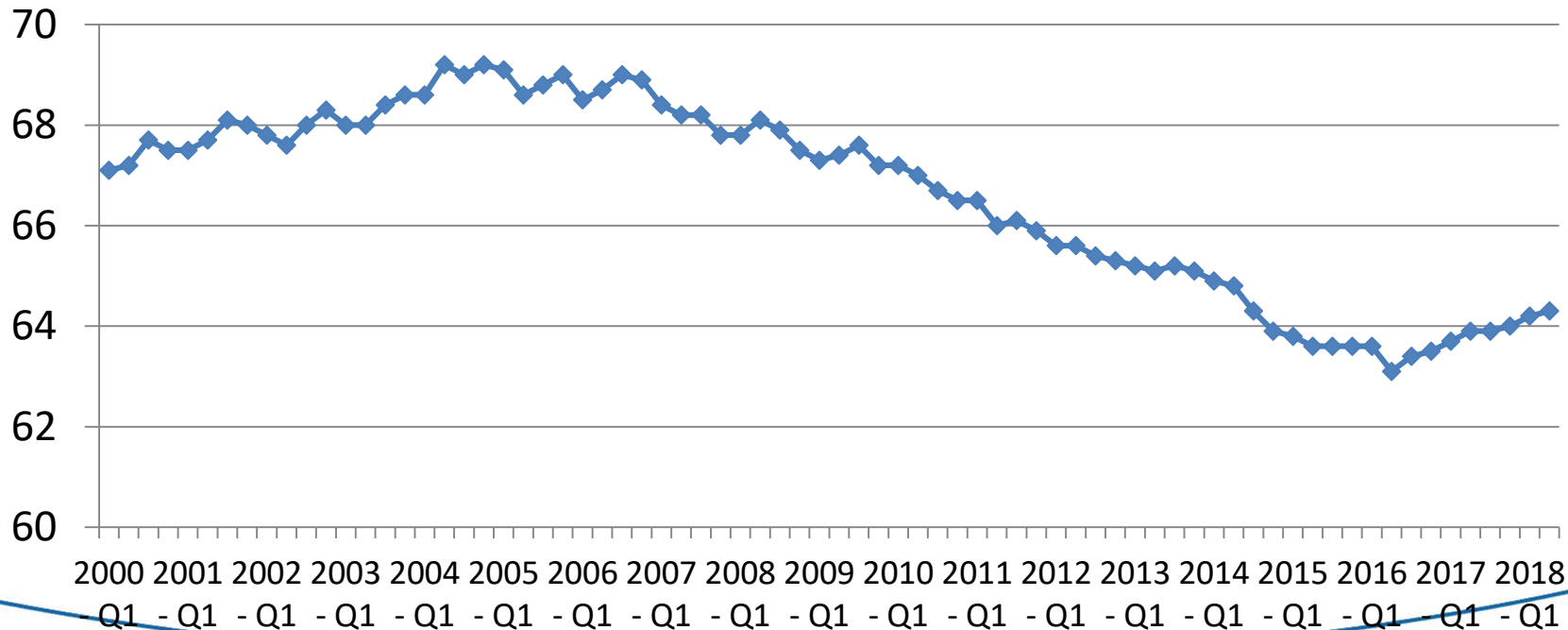
Real Estate Wealth = Asset - Mortgage



Last Stage of Delinquency: In Foreclosure

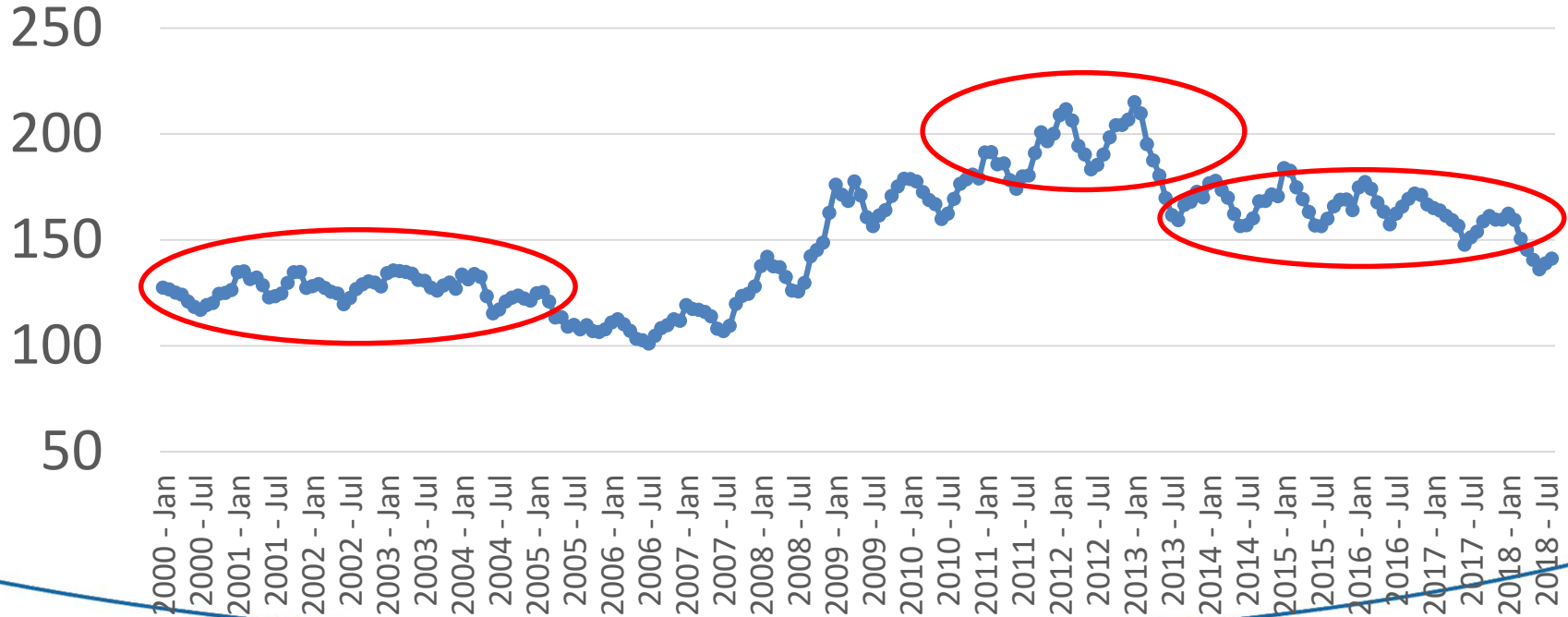


Homeownership Rate Trying to Make a Comeback



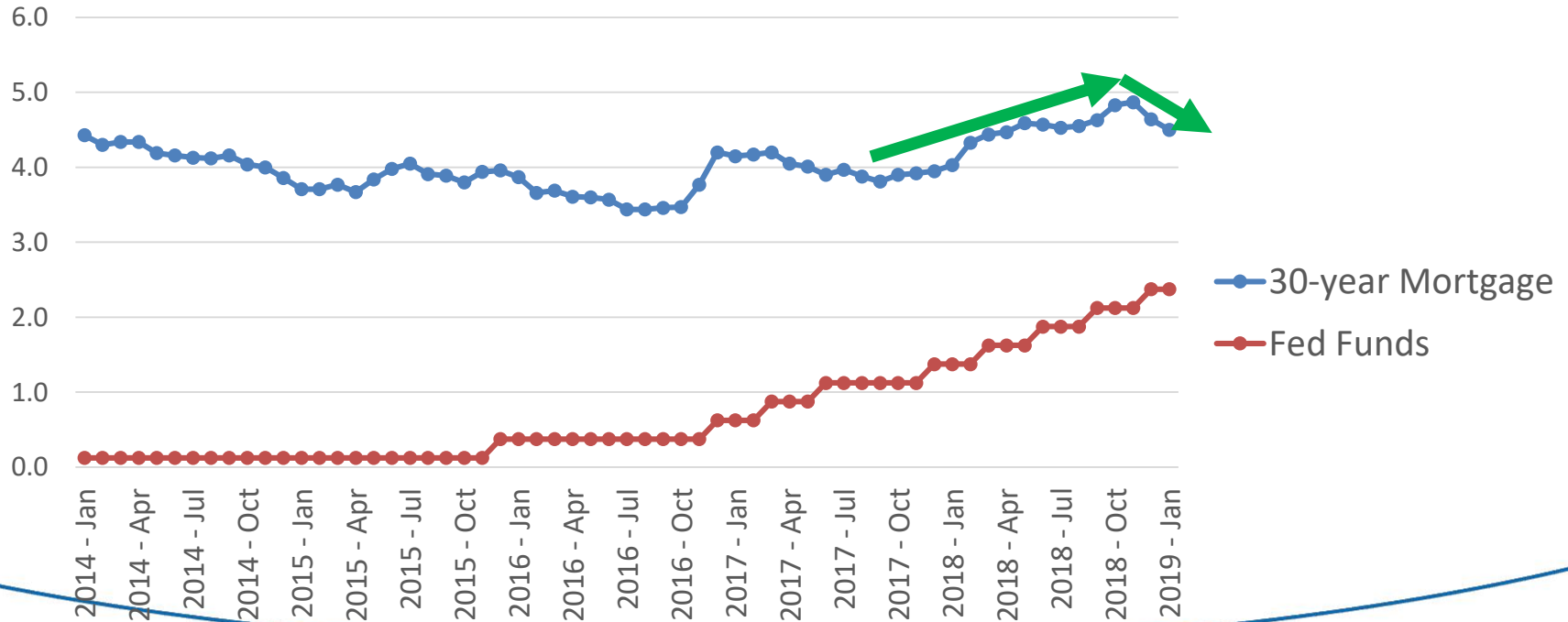
Affordability Index

Weakest in 10 years



Source: NAR

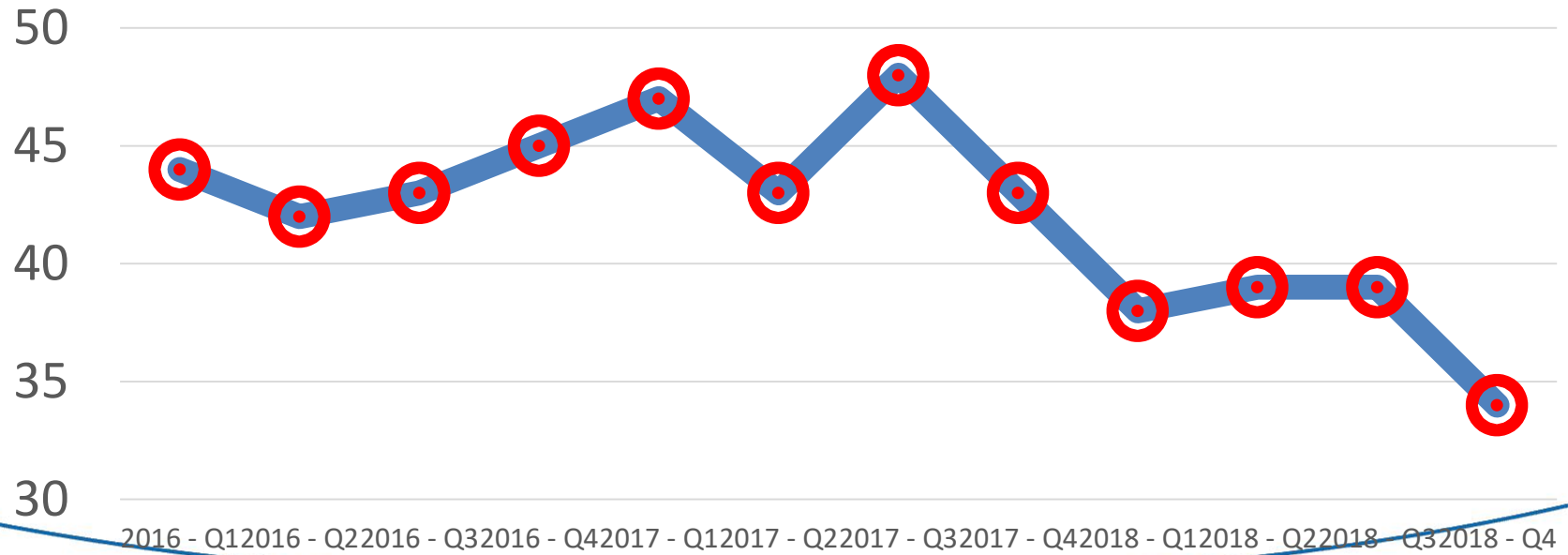
Fed Policy and Mortgage Rates



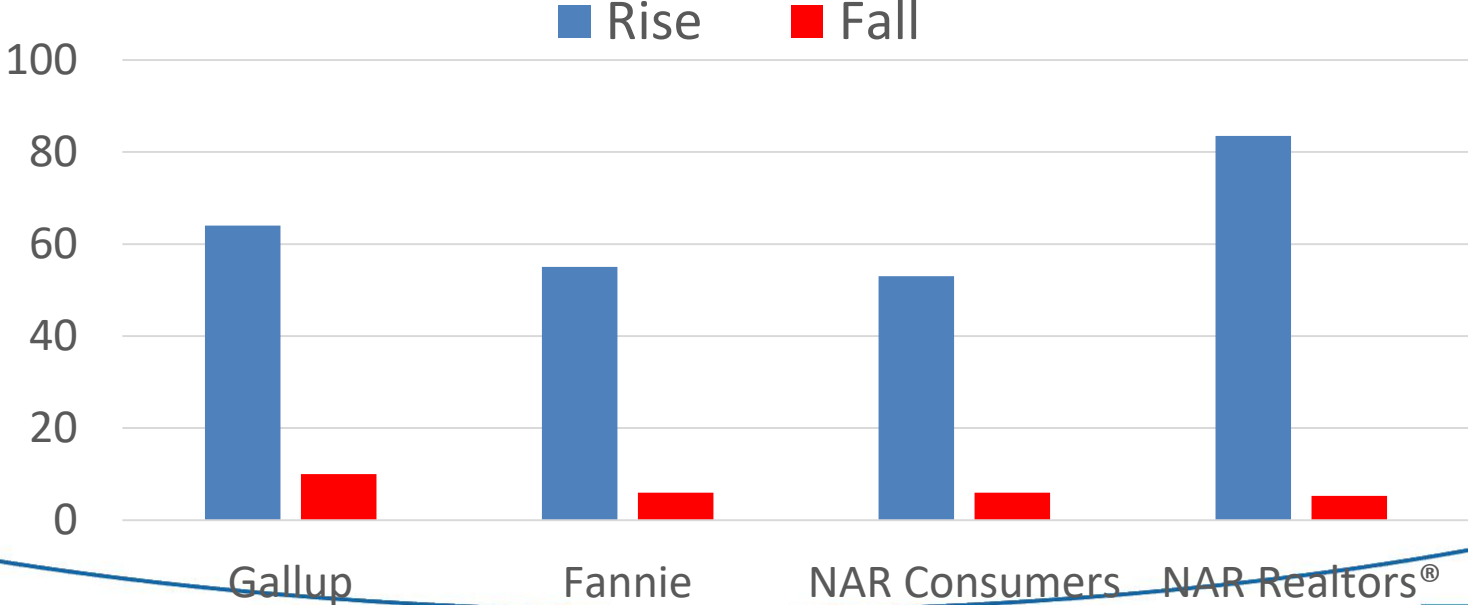
Diminished Optimism

NAR Survey of Consumers

% Strongly indicating Good Time to Buy



Home Price Expectation



Tax Reform

- Tax cut for nearly all
- Mortgage interest cap at \$750,000; SALT cap at \$10,000
- Over 95% of Homeowners in NC will be fully able to deduct
- However, many will not itemize and do a standard deduction

National Forecast

Year	Existing Home Sales	Mortgage Rate	Total Jobs	Unemployment Rate
2018	5.3 million	4.6%	149 million	3.9%
2019	Roughly Same	5.2%	151 million	4.0%

Fayetteville Forecast

- Plentiful Affordable Homes
- Need Jobs and Higher Paying Jobs
- Good Catch-Up Potential with Big NC Cities
- Higher Home Sales and Higher Home Prices
- Dollar Volume Up 3% to 6% in 2019

Thank You !