

# ***The Northern Virginia Economy And Housing Market***

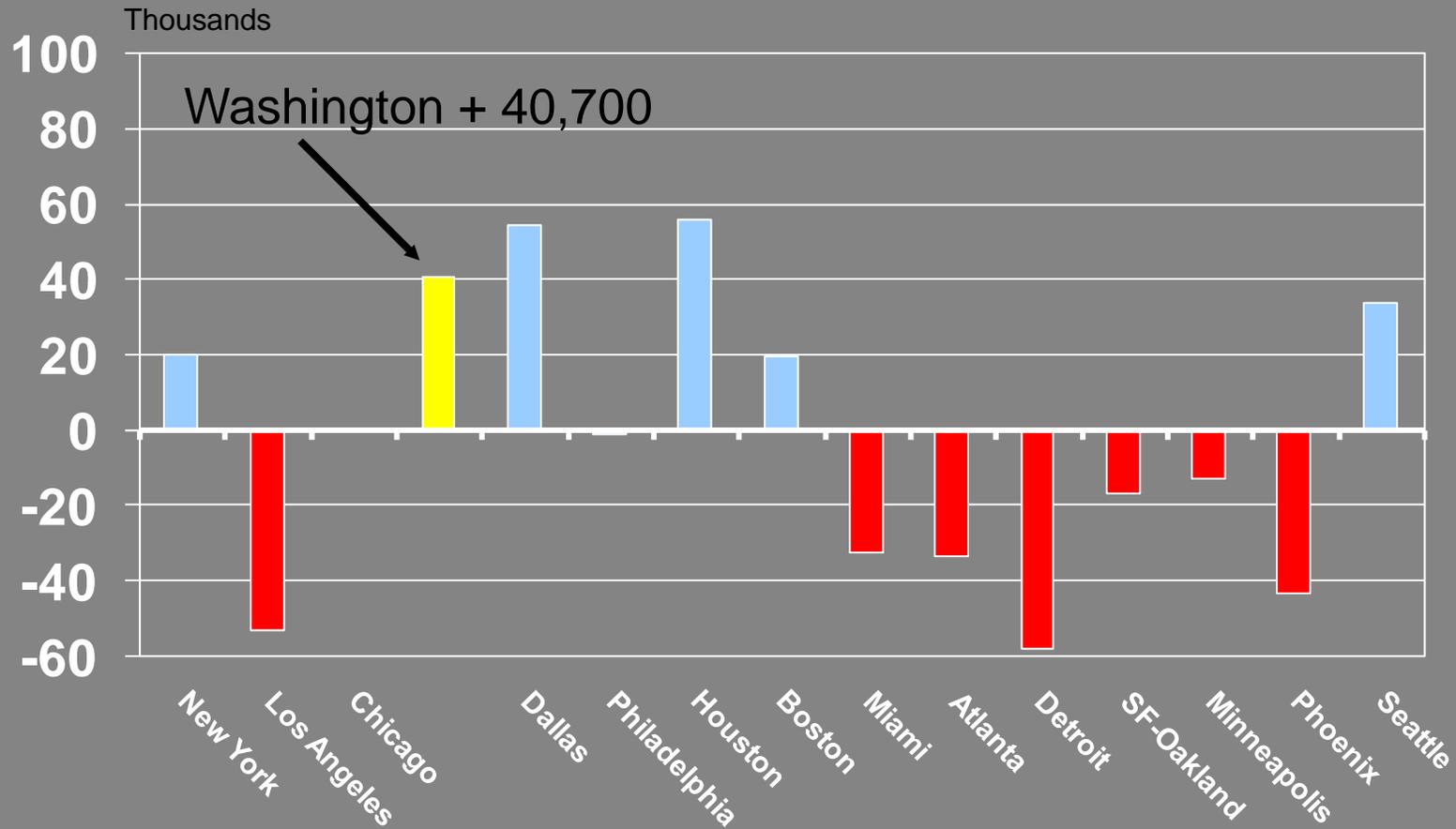
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# THE NORTHERN VIRGINIA ECONOMY

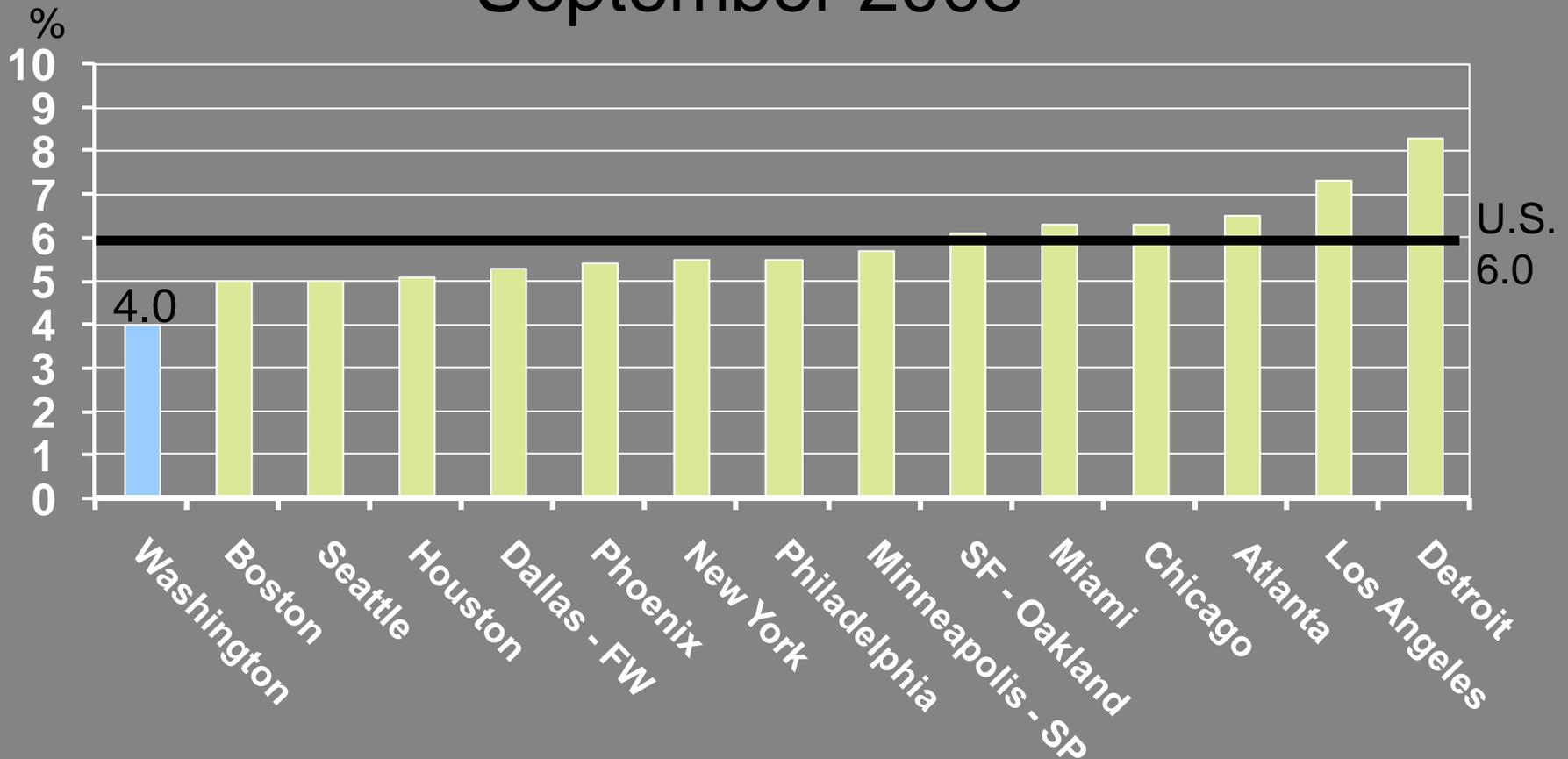
# 15 Largest Job Markets

## Job Change Sept. 07– Sept. 08

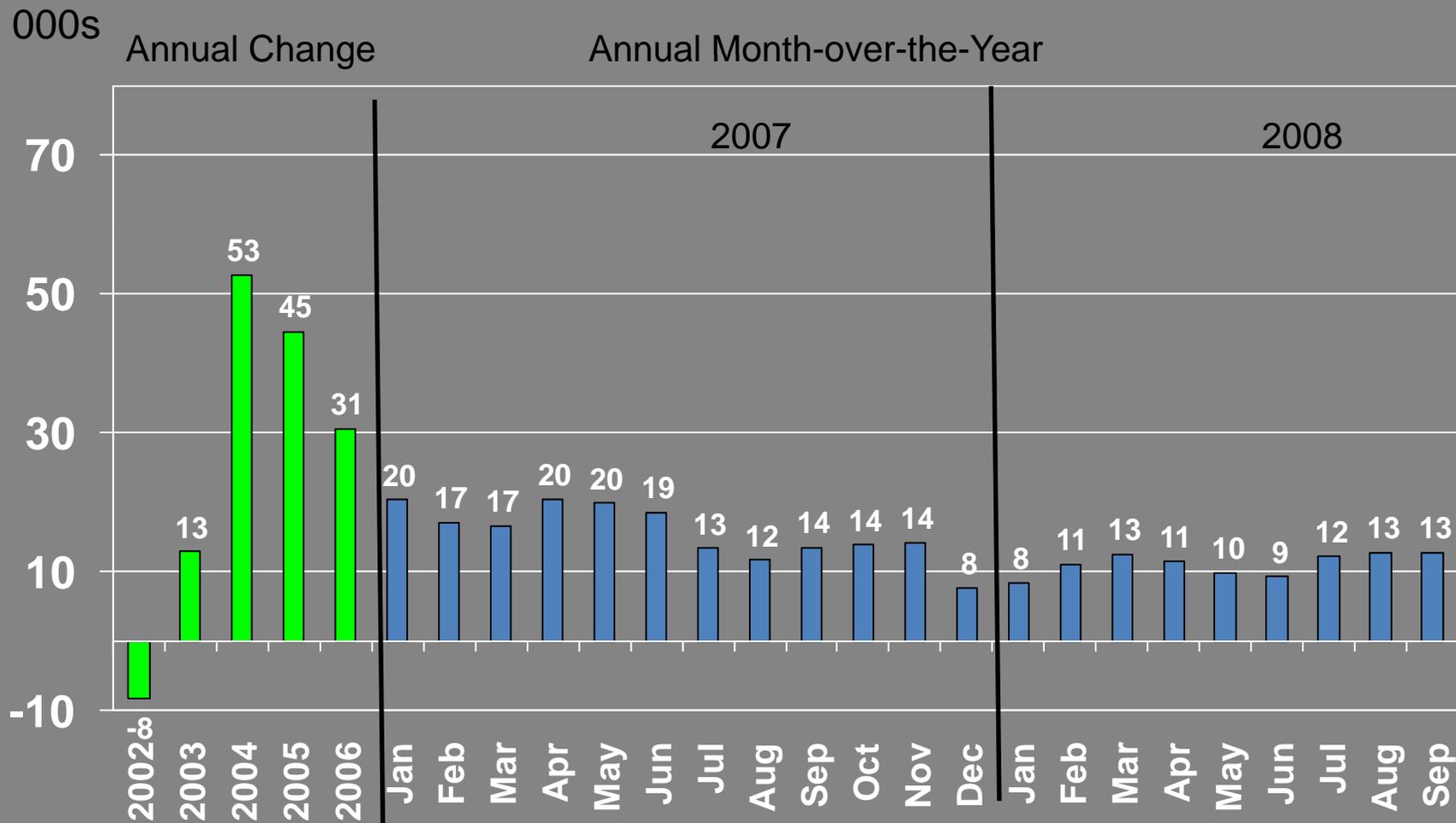


Ranked by Total Jobs

# 15 Largest Job Markets Ranked by Unemployment Rate September 2008



# Annual Job Change Northern Virginia

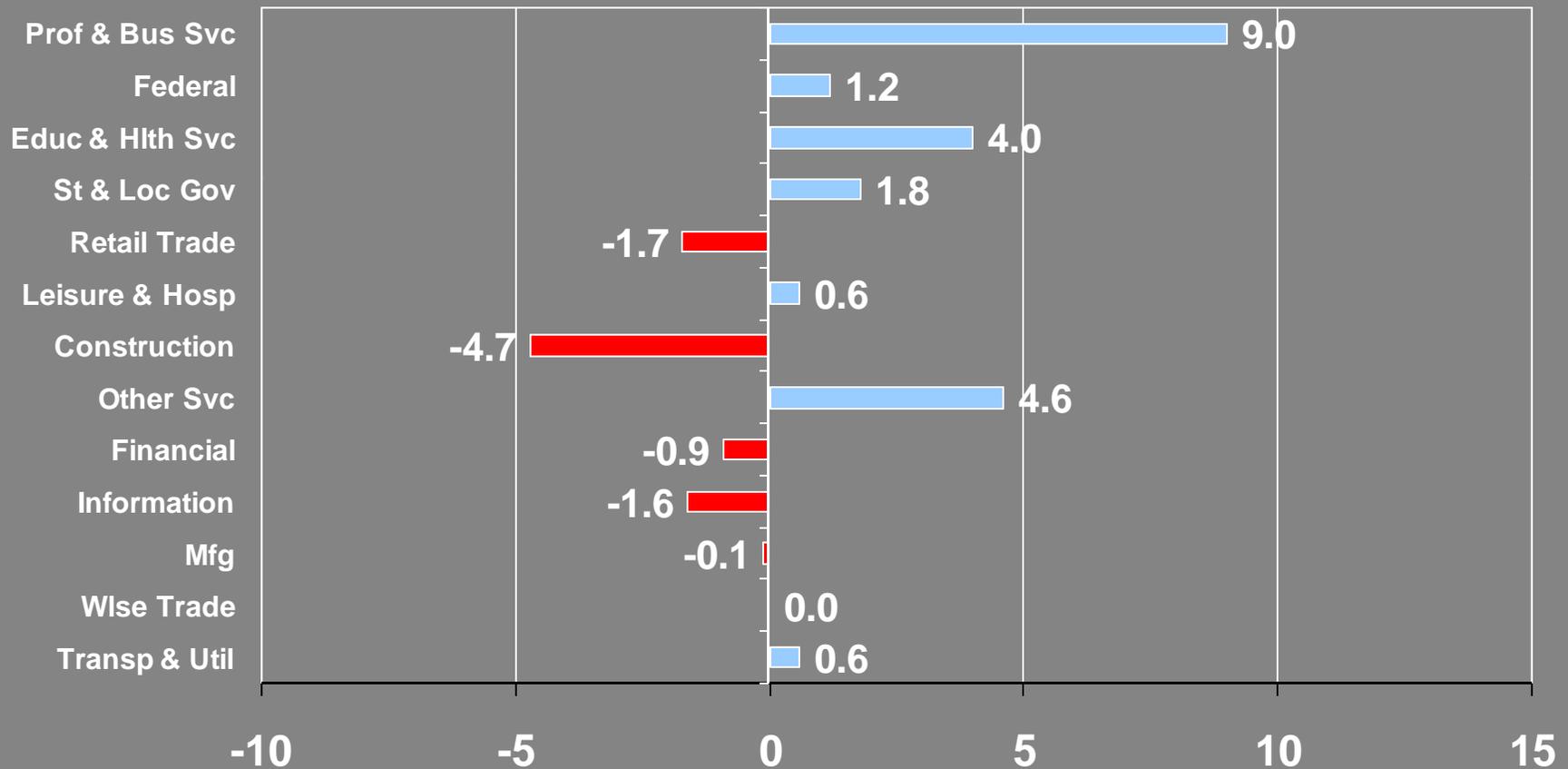


# September 07 – September 08 Job Change By Sector – Northern VA

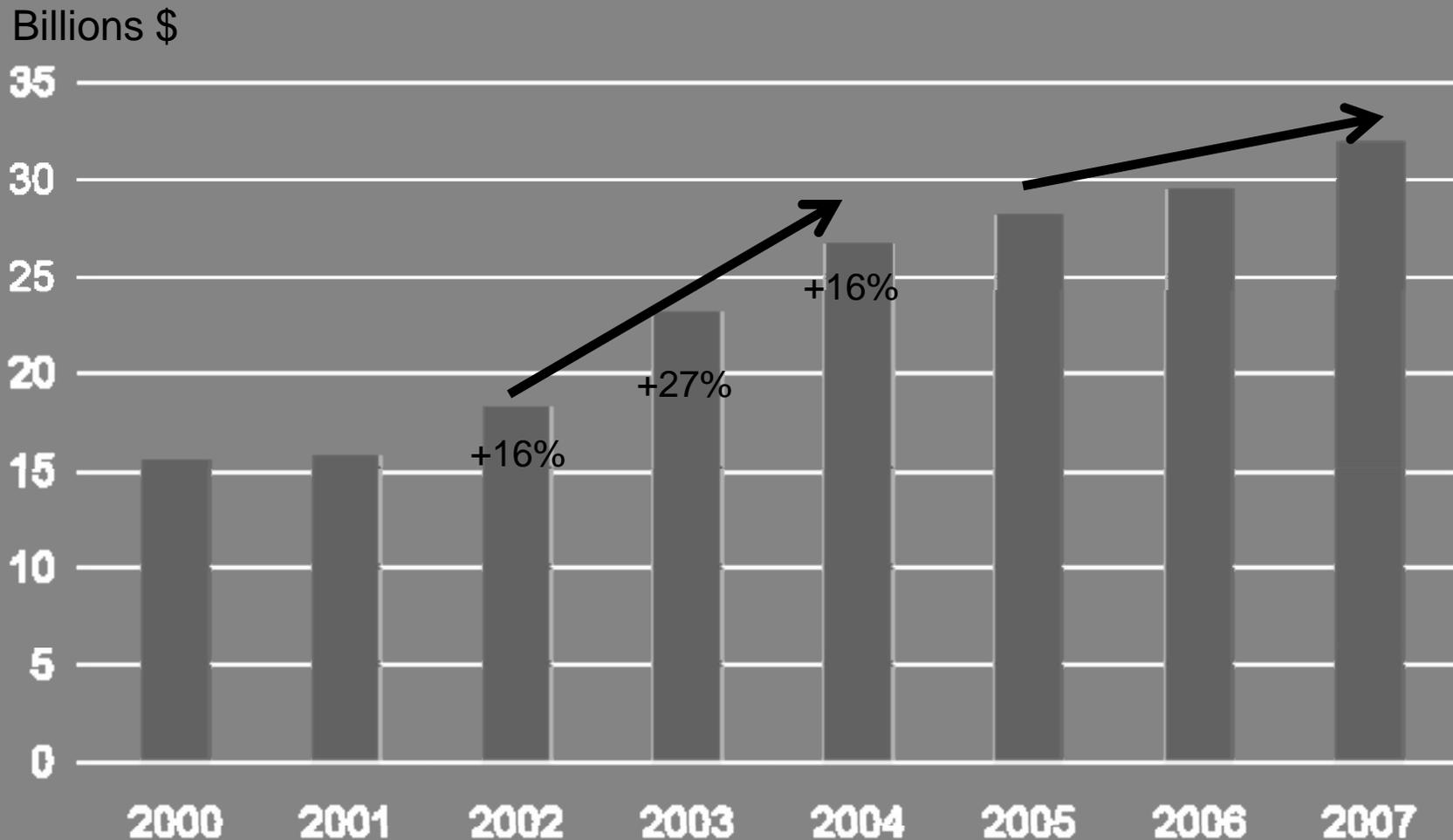
(Ranked by Size of Sector)

(000s)

Total = 12,800



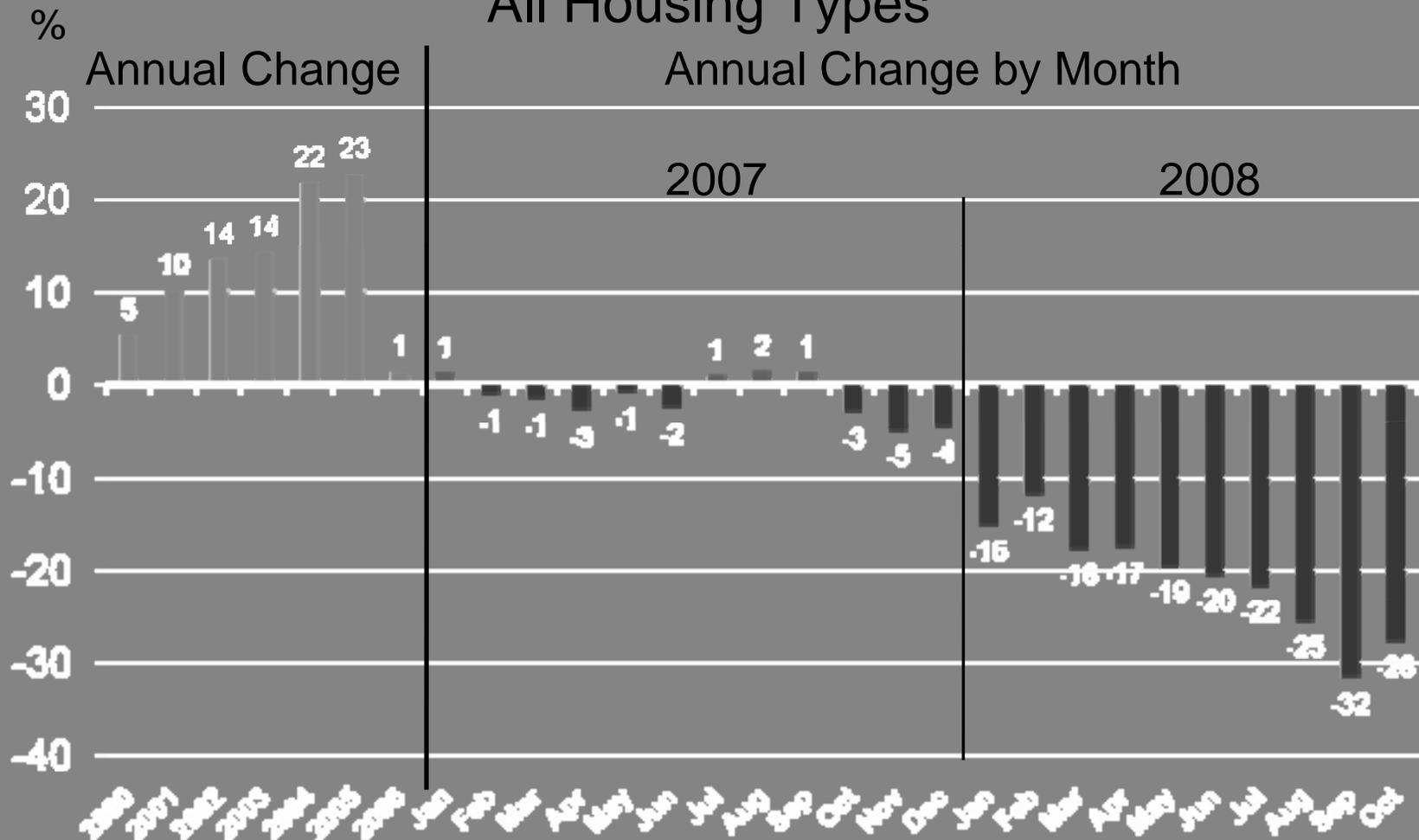
# Federal Procurement – Northern Virginia



Source: Consolidated Federal Funds Reports, Eagle Eye, Inc., GMU Center for Regional Analysis

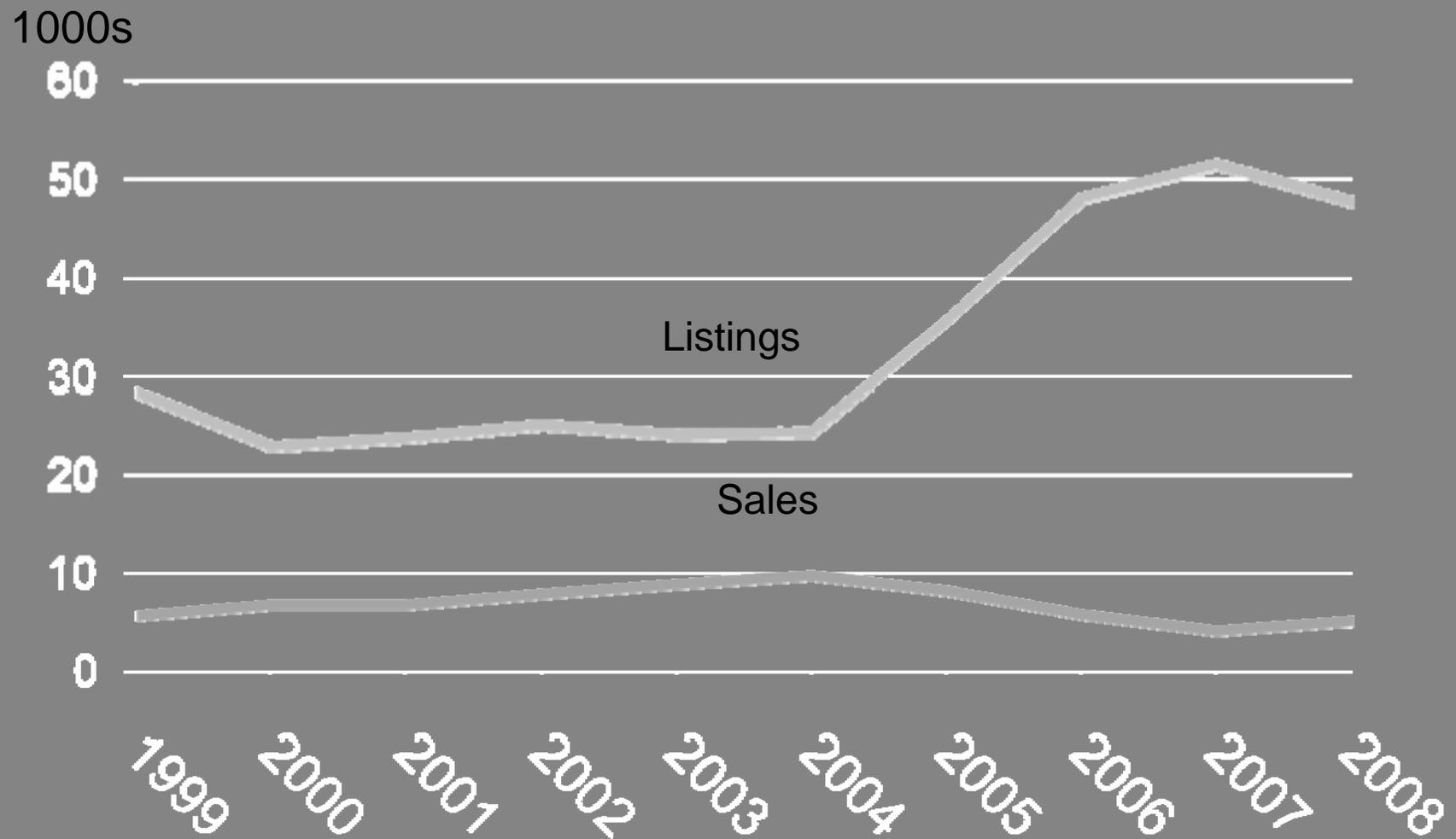
# THE NORTHERN VIRGINIA HOUSING MARKET

# Average Sales Price Percent Change Northern Virginia All Housing Types

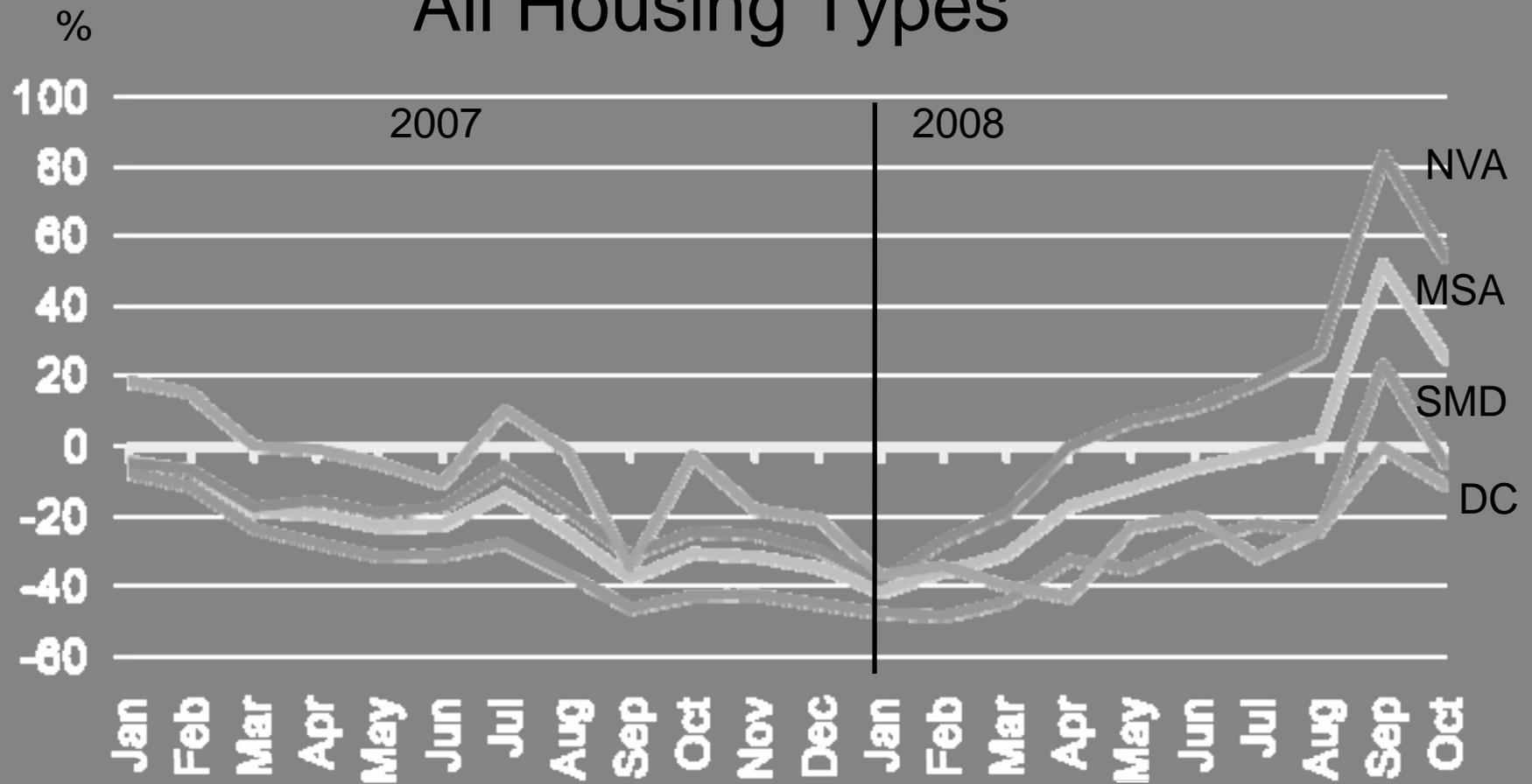


Source: MRIS, GMU Center for Regional Analysis

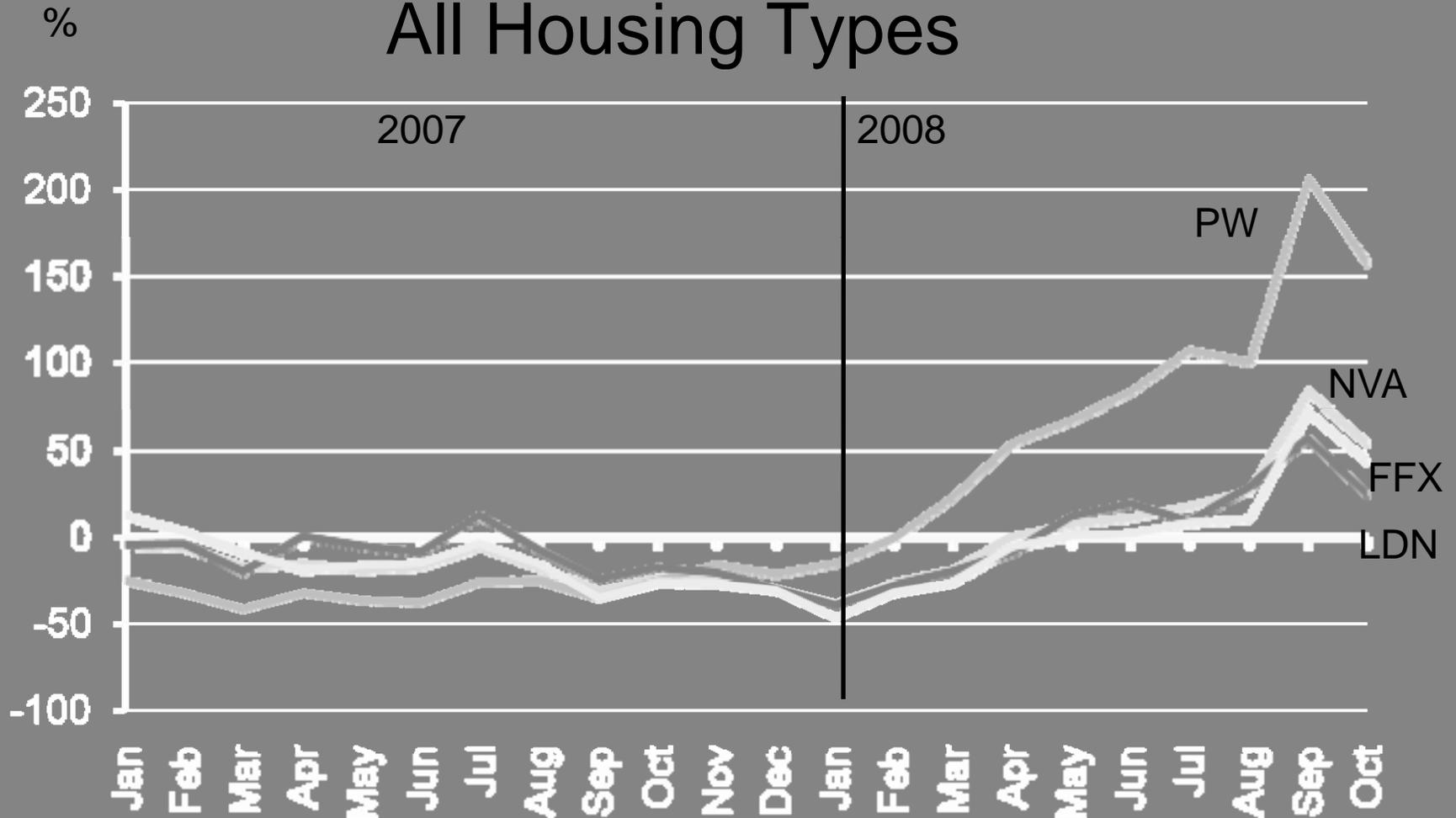
# Sales and Total Active Listings Washington MSA, October Each Year



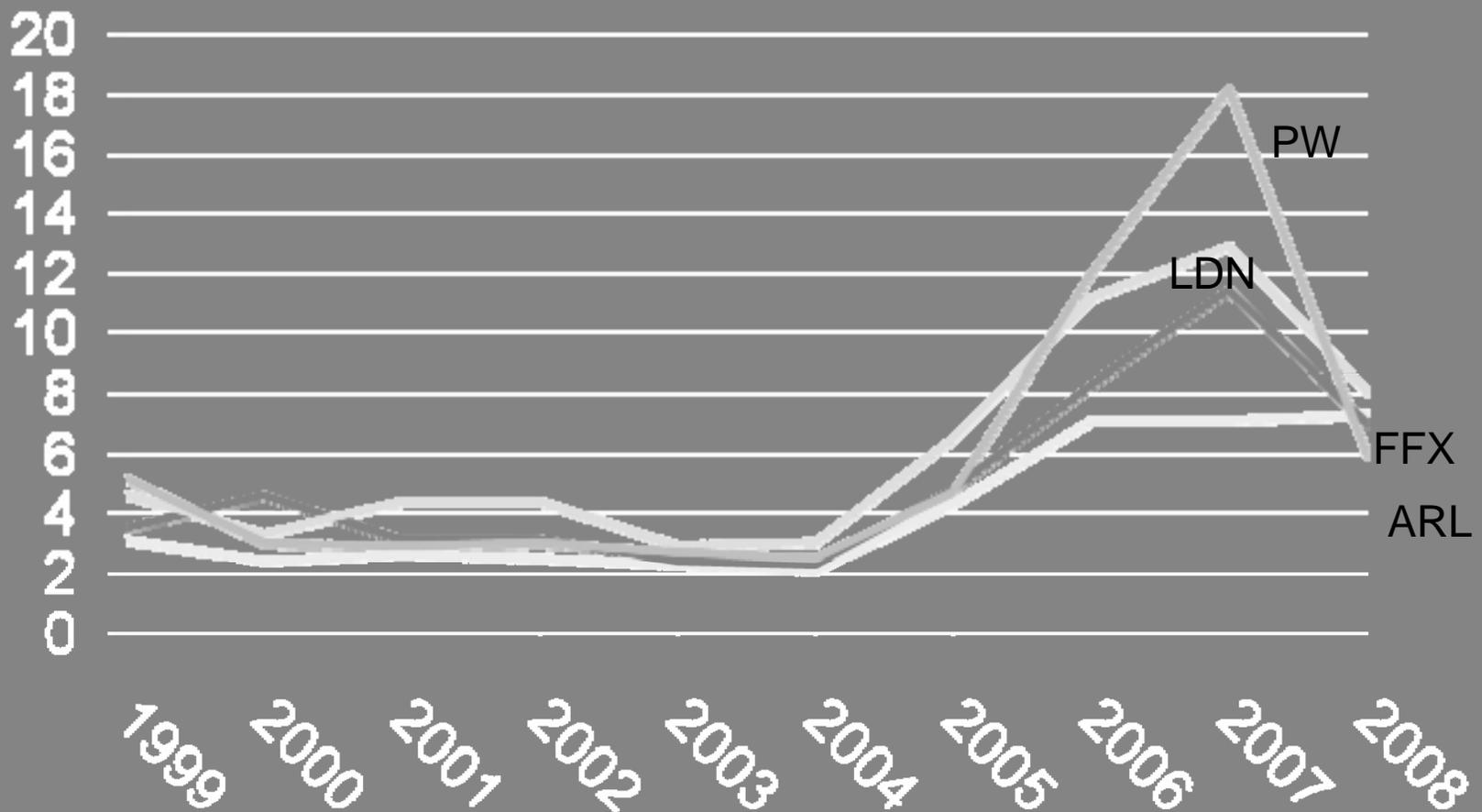
# Units Sold Percent Change By Subregion All Housing Types



# Units Sold Percent Change Northern Virginia All Housing Types

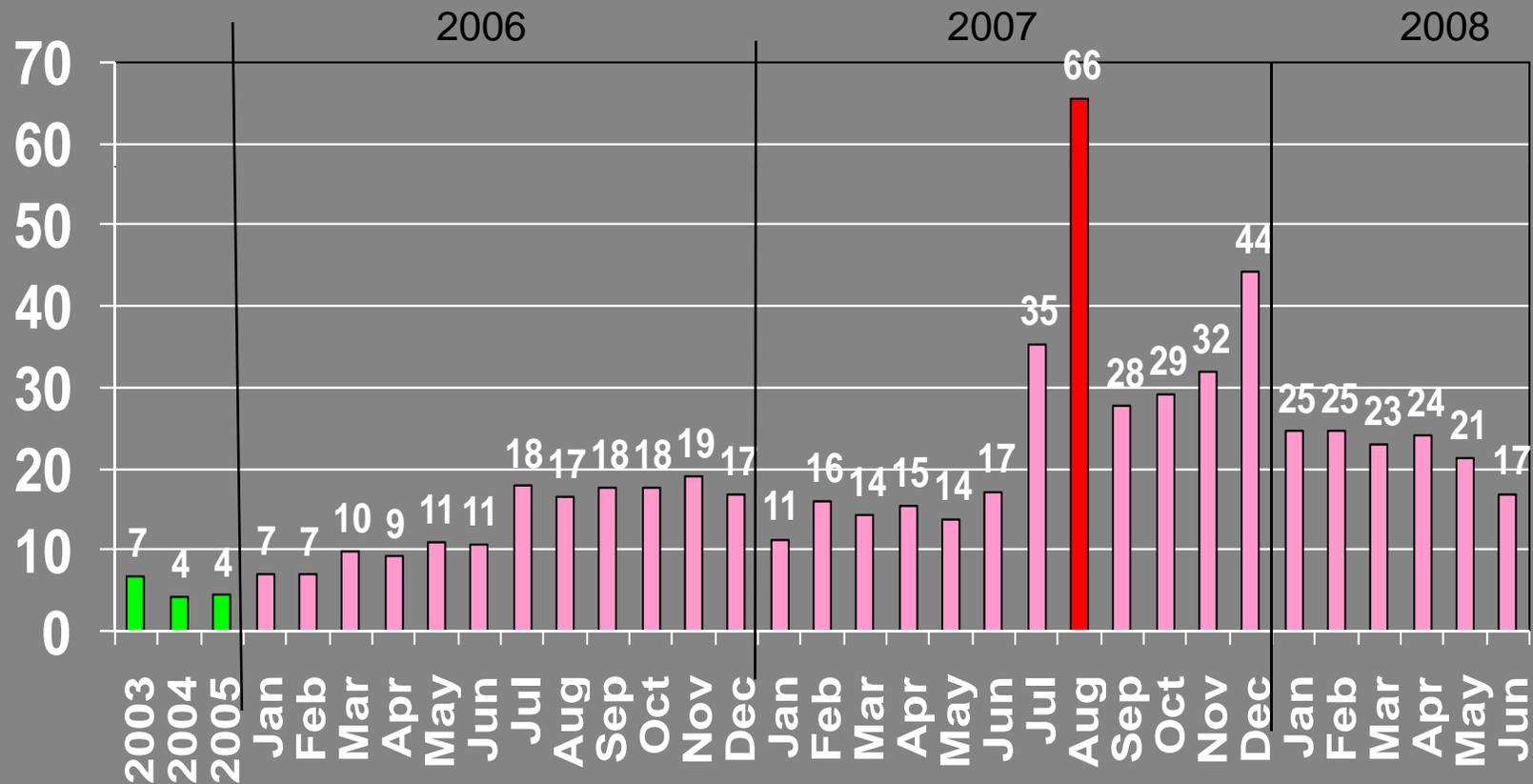


# Total Active Listings Per Sale October Each Year

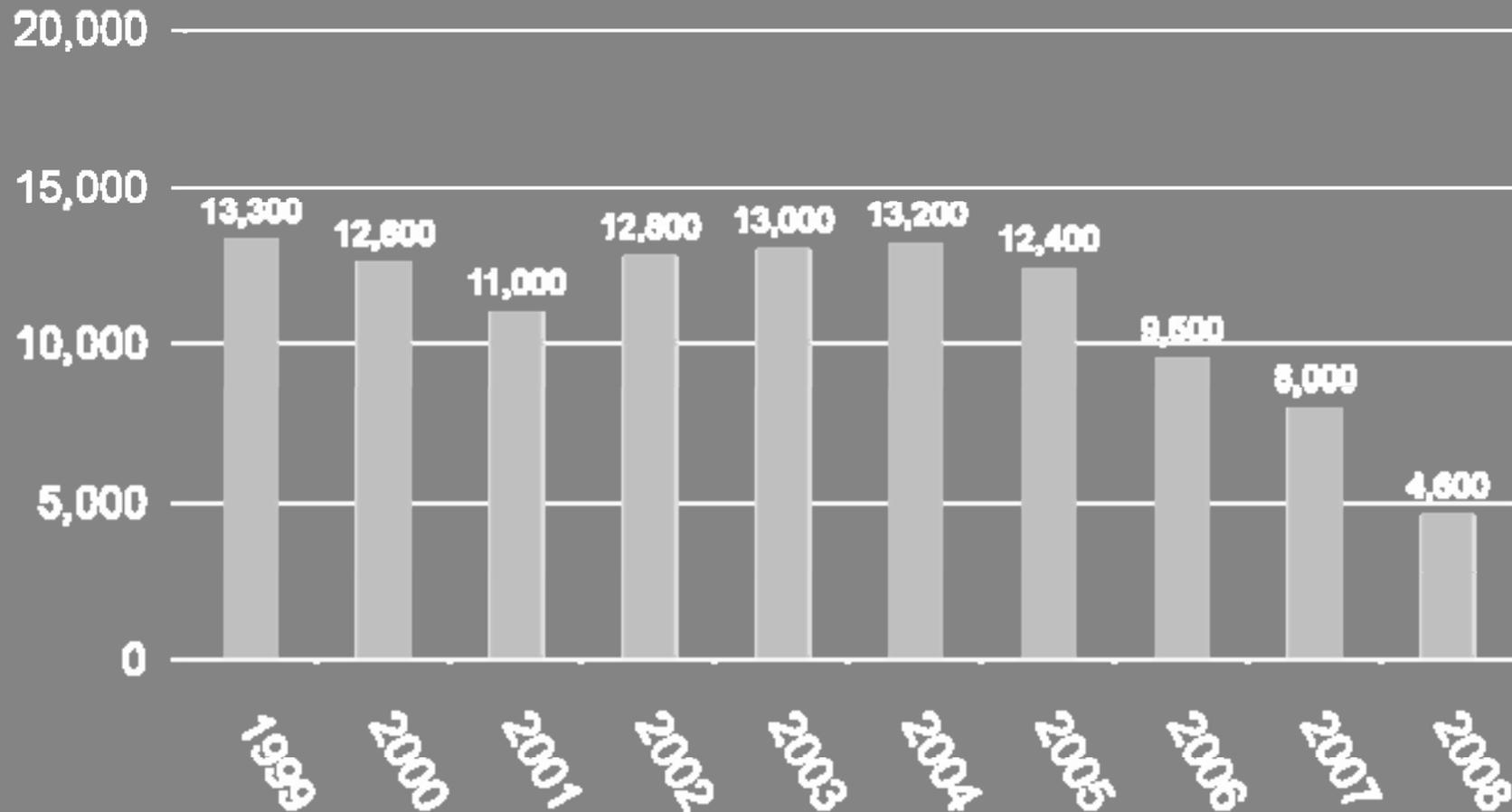


# New Housing Contract Kick-Out Rate Washington MSA All Housing Types

%



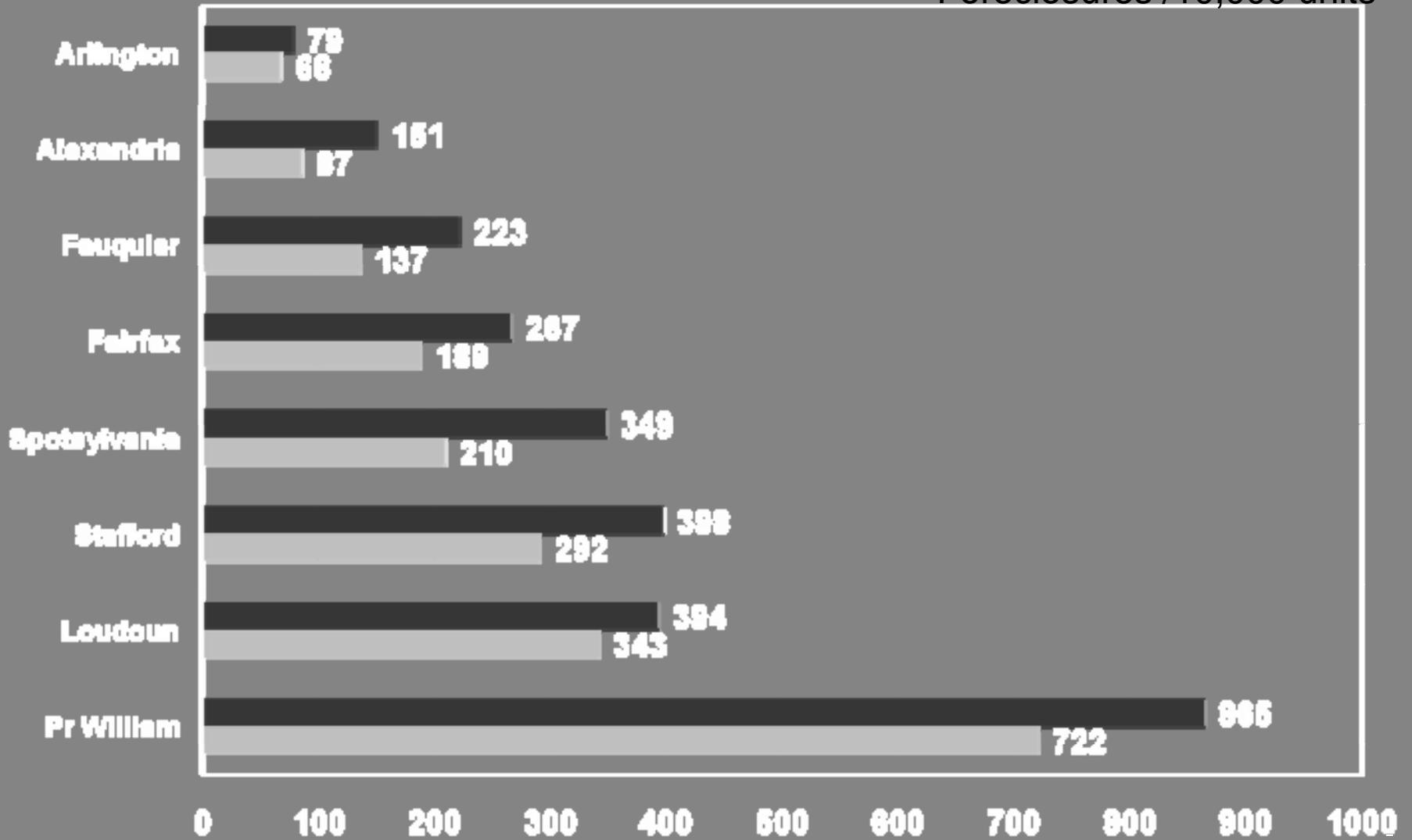
# New Housing Sales Washington Metro Area First Half of Each Year



Source: Hanley-Wood, GMU Center for Regional Analysis

# Mortgage Foreclosure Rates by County – April 30 & August 11

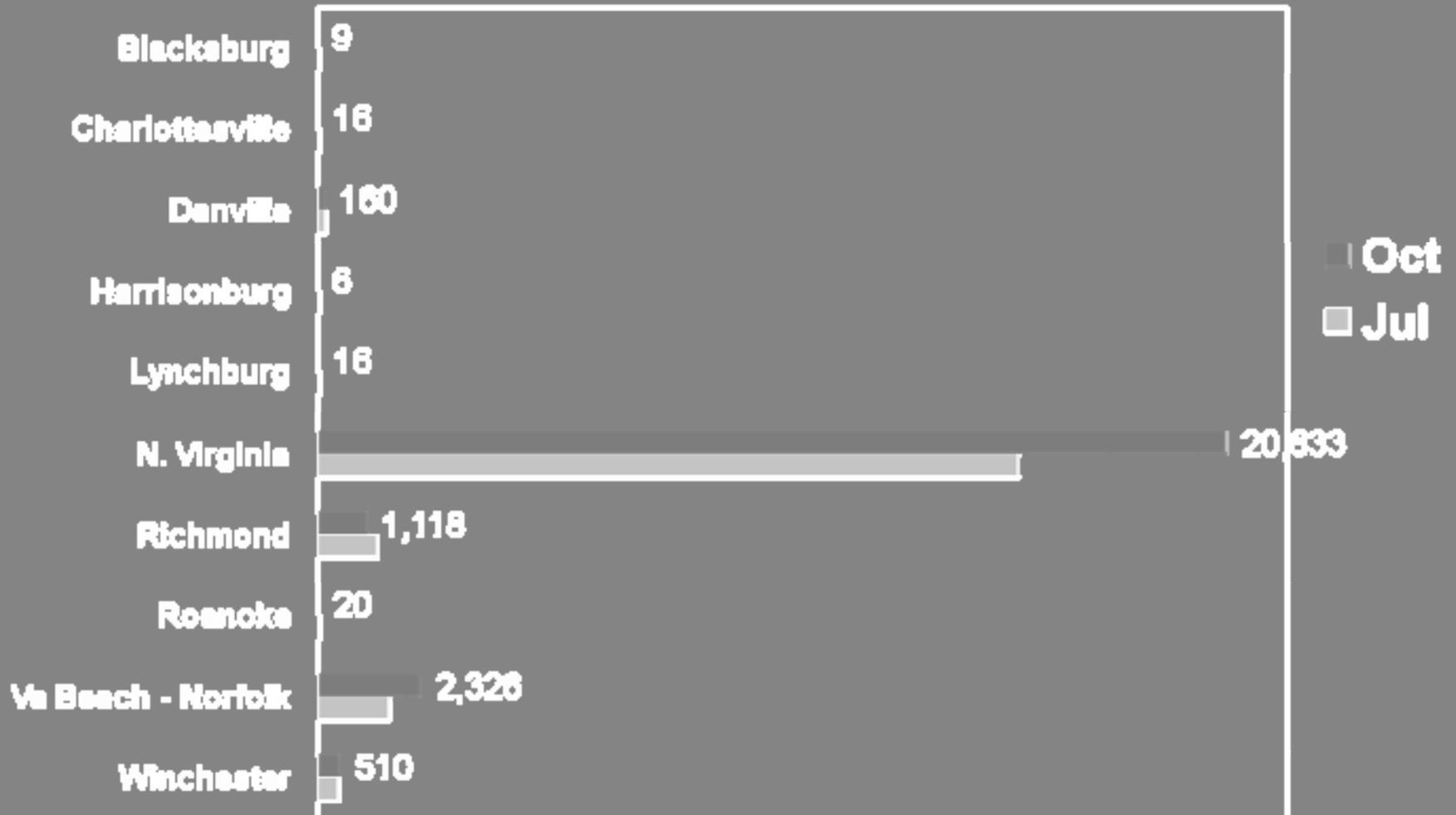
Foreclosures /10,000 units



# Foreclosure Activity

## Virginia Metropolitan Areas

### July 15 and Oct 15, 2008



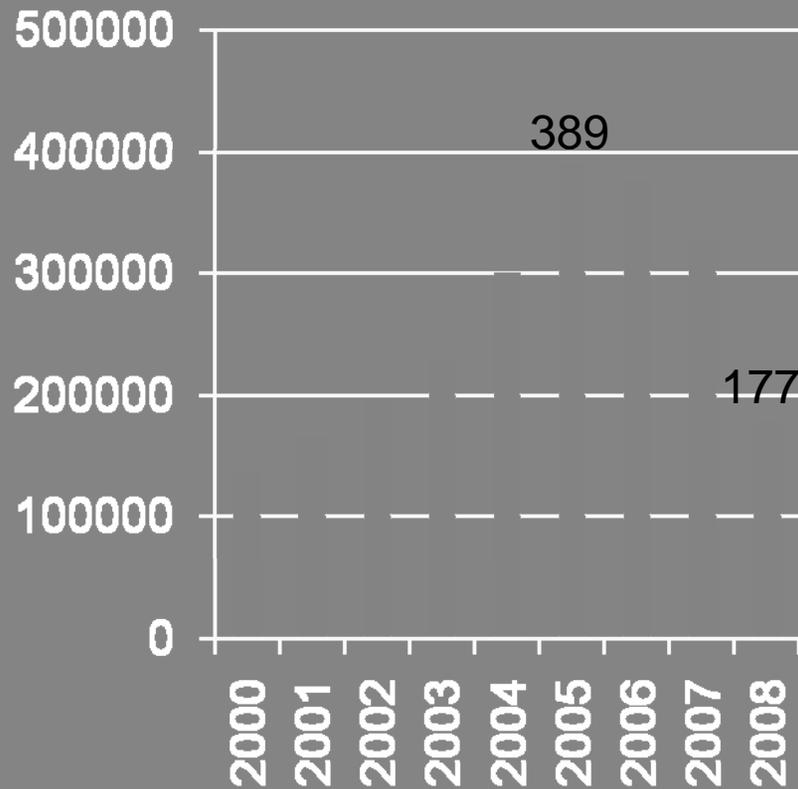
## Virginia Housing Market – Existing Units 3<sup>rd</sup> Quarter 2008 vs. 3<sup>rd</sup> Quarter 2007

MLS Area	Prices	Sales	Pending Sales
Dulles	-23%	+ 27%	+ 58%
NVAR	-19%	+ 15%	+ 27%
Prince William	- 42%	+ 145%	+ 194%
Richmond	- 2%	- 2%	- 7%
Roanoke Valley	- 4%	- 26%	- 18%
Tidewater	- 3%	- 18%	- 3%
Virginia	+ 1%	- 5%	+ 10%

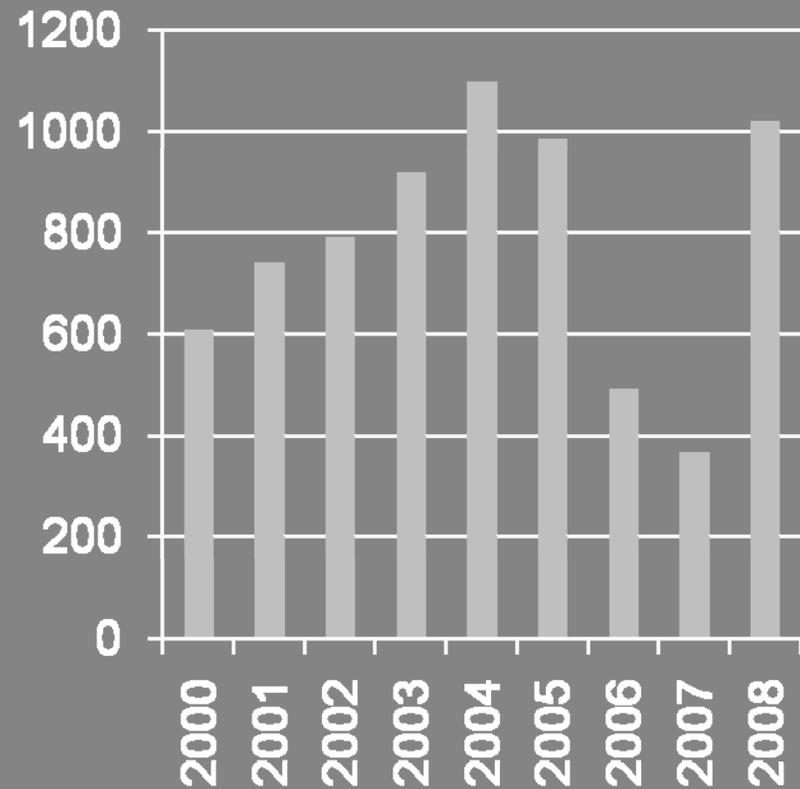
Source: VAR Multiple Listing Services, GMU Center for Regional Analysis

# Prince William Housing Market October Each Year

## Median Sales Price

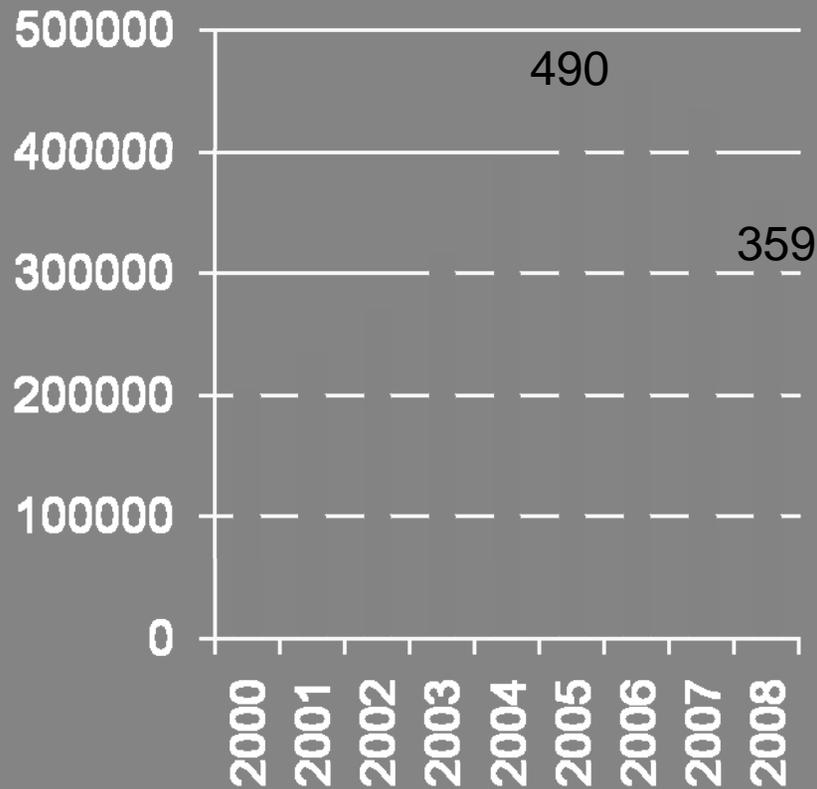


## Sales

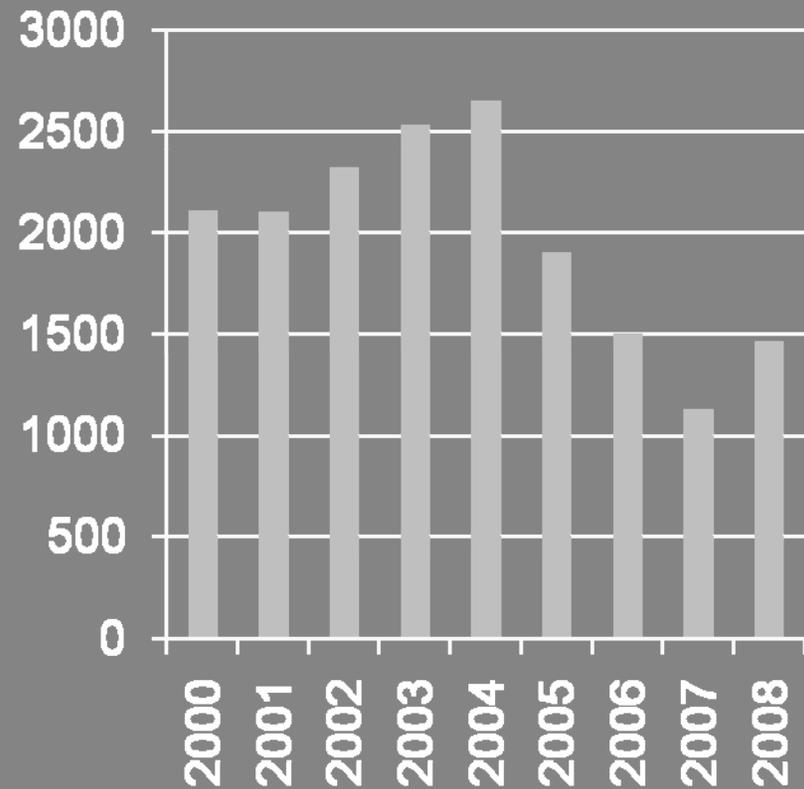


# NVAR Housing Market October Each Year

## Median Sales Price



## Sales



# THE OUTLOOK FOR NORTHERN VIRGINIA'S HOUSING MARKET

- Foreclosures Will Take Time to Work Through
  - Many Sub-primes Will Have Reset by Early 2009
  - Alt-As will take much longer
  - Some Areas Face Danger of Prime Mortgages Going into Foreclosure Because of Falling Prices
- Fiscal Impacts of Declines in Residential Property Values Will Invoke Large Toll on Government Tax Revenues
- Federal Policy Effects – How Long For Current Actions to Turn the Current Situation?
- Increases in Sales A Sign the Tide is Turning?
- Prices and Market Recovery Will be a Mix by Geography – Areas with Good Transportation and Access to Jobs Recovering Soon, Most Areas Will Take Longer

# THE OUTLOOK FOR NORTHERN VIRGINIA'S ECONOMY

- Underlying Economic Fundamentals are Still OK
  - Federal Procurement Moderating Trend to Continue & Will Grow But Will Not be the Economic Driver as in the Past
  - Sectors Related to Housing Market Will Take Some Time to Recover – Will Depend on Housing Market Recovery
  - Long-term Prosperity/Recovery Will Require Adequate Workforce, Workforce Housing, Improved Mobility / Traffic Congestion Relief
  - Need Long-Term Economic Strategy To Build on Region's Strengths & Adjust to Any Shifts in Procurement Policy
- Federal Policy Effects – How Long For Current Actions to Turn the Current Situation?
- Recovering Slowly Late 2009 At National Level ?? – Northern Virginia Jobs Will Continue Slow Growth

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