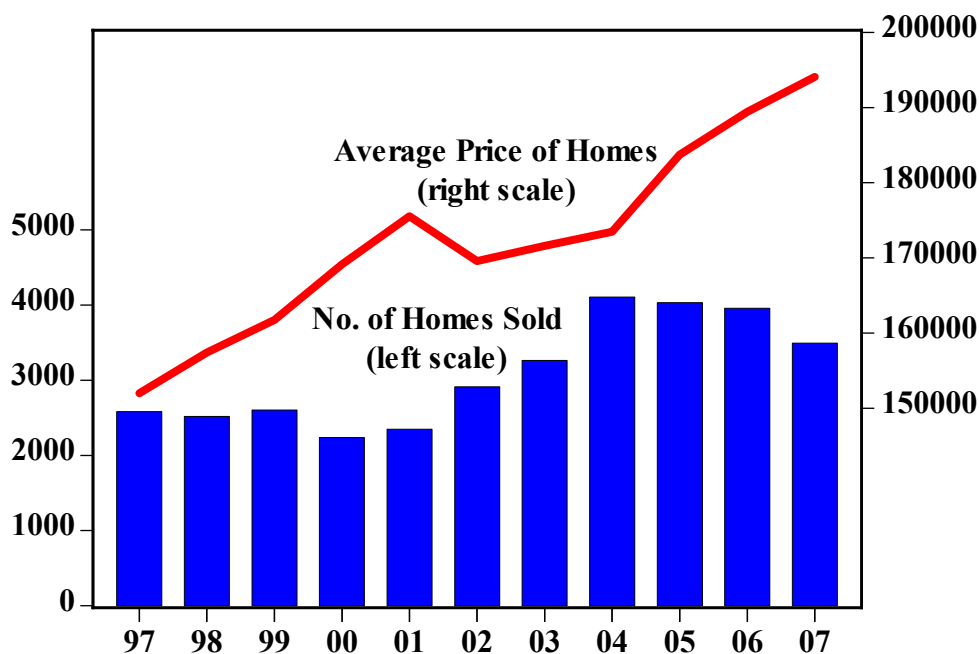


The Greensboro Housing Report, 2007

Current Outlook

The number of existing, single-family homes sold in the Greensboro area of Guilford County totaled 3,492 in 2007.¹ The number sold was down -11.8 percent compared to the level of sales recorded in 2006. Over the past two years, the number of homes sold has fallen at an average annual rate of -6.9 percent. Nationally, the pace of existing home sales has fallen -20.0 percent over the past 12 months and is down -19.4 percent in the South.²

Number of Existing Homes Sold, 1997 – 2007



At the end of the 4th quarter of 2007, the inventory of homes on the market totaled 2,224 or 0.64 times the number of homes sold during the year. At the current sales rate, it will take 7.7 months to exhaust the current inventory of homes on the market. Nationally, NAR estimates the inventory of unsold homes is up 12.3 percent over the past 12 months and will take 10.3 months to sell at the existing pace of sales. The number of existing homes offered for sale in Greensboro was up 8.8 percent from what it was at the end of 2006.

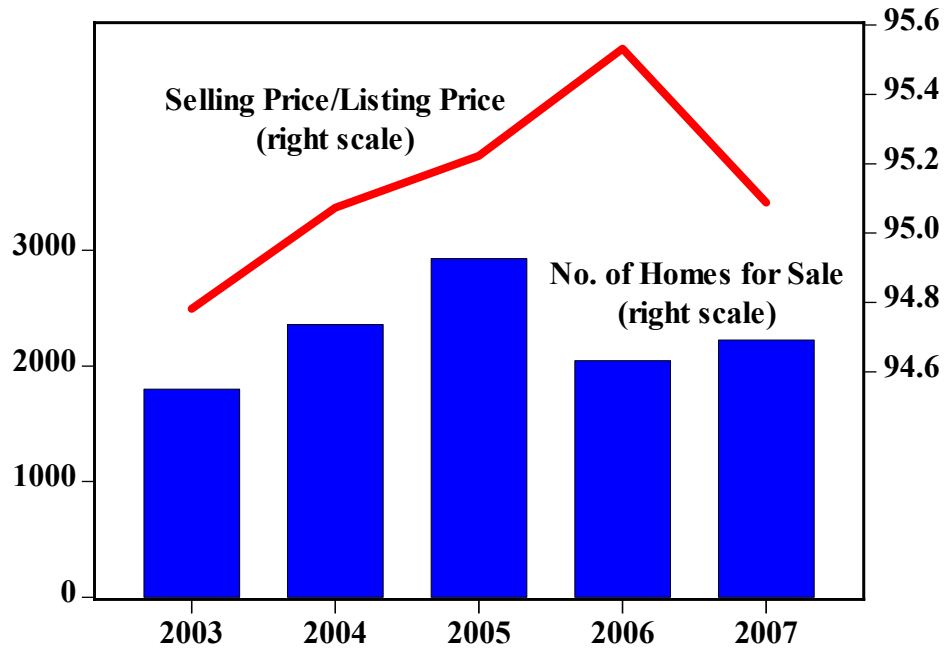
The quality-adjusted price of the average home sold in 2007 was up 2.5 percent from 2006. The average quality-adjusted price of an existing home in Greensboro was \$194,082. Nationally, the average price for existing homes reported by NAR was down -3.3 percent and -2.5 percent in the South.

The average time on the market for existing homes sold was 91.8 days, up 2.2 percent from the average in 2006. The sale-list price spread, which shows the ratio of selling to listing price, was slightly lower at 94.6 percent, indicating a small rise in the level of discounting in the market. These statistics suggest that home sellers need more time to sell their homes and are accepting offers with larger discounts from their initial listing price.

¹ The Greensboro area of Guilford County includes all of Guilford County except High Point and Jamestown.

² This percentage is calculated from November 2006 to November 2007 using National Assn. of Realtors® data.

Existing Homes, 1997 – 2007



Housing affordability has been an important factor shaping housing demand in recent years. In 2007, the affordability index averaged 104.83. Housing affordability was -0.8 percent lower than in 2006 because of higher housing prices.

Existing Home Sales Data, 2007 – 2004

	2007	2006	2005	% Chg 2007-06	Ave. Ann. % Chg 2007-05
Adj. Ave. Home Price	\$194,082	\$189,430	\$183,710	2.5%	2.8%
Ave. Home Price	\$215,477	\$213,840	\$207,024	0.8%	2.0%
Time on Market (days)	91.8	89.8	96.8	2.2%	-2.6%
Spread: (sale price/list price)	94.6	95.1	95.5	-0.5%	-0.5%
No. of Homes Sold	3,492	3,958	4,033	-11.8%	-6.9%
< \$150K	1,413	1,689	1,794	-16.3%	-11.3%
\$150K - \$349K	1,560	1,677	1,694	-7.0%	-4.0%
\$350K & Over	519	592	545	-12.3%	-2.4%
Inventory, end of year.	2,224	2,045	2,929	8.8%	-12.9%
Inventory/Sales	0.64	0.52	0.73	23.3%	-6.4%
Affordability Index	104.83	105.66	114.45	-0.8%	-4.3%
Consumer Price Index (CPI-U)	208.03	201.58	194.60	3.2%	3.4%

The Neighborhood Distribution of Existing Home Sales

During 2007, the largest number of sales of existing homes occurred in zip code 27410. This neighborhood, which takes in most of northwest Greensboro, had a total of 500 sales. It was followed by zip code 27406, encompassing the Forrest Oaks area in southeast Guilford County, which recorded a total of 437 sales. The highest average price of homes sold was recorded in the Summerfield area (zip code 27358). Homes in this neighborhood averaged \$417,884. The second highest average price was \$359,633 recorded in Oak Ridge area of Guilford County (zip code 27310).

The highest inventory-to-sales ratios were in zip codes 27233 (Climax/Julian) and 27284 (Kernersville), where the inventory level was equal to 12.0 months of sales. These were followed by zip code 27377, in the Stoney Creek/Whitsett area of eastern Guilford County, where the stock of homes for sale was equal to 11.6 months of sales. The lowest inventory-to-sales ratios were in zip codes 27409 and 27410 in the western part of the county.

The Neighborhood Distribution of Existing Home Sales, 2007

Zip	Price Range	No. Sales	Ave. Price	Spread	TOM	Inventory End of Yr.	Inv./Sales
27214	< \$150K	32	\$124,834	92.5	85.6	16	0.50
27214	\$150K - \$349K	67	\$231,102	97.0	146.9	66	0.99
27214	\$350K & Over	13	\$426,160	97.3	147.7	14	1.08
27214	Total	112	\$223,380	95.7	129.5	96	0.90
27215	< \$150K	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
27215	\$150K - \$349K	7	\$181,443	97.3	39.9	5	0.71
27215	\$350K & Over	2	\$411,250	96.8	187.5	3	1.50
27215	Total	9	\$232,511	97.2	72.7	8	0.90
27233	< \$150K	1	\$129,500	93.2	47.0	3	3.00
27233	\$150K - \$349K	3	\$221,467	98.8	60.0	1	0.33
27233	\$350K & Over	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
27233	Total	4	\$198,475	\$97	\$57	4	1.00
27235	< \$150K	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
27235	\$150K - \$349K	26	\$273,985	97.6	115.4	15	0.58
27235	\$350K & Over	10	\$412,116	98.9	144.1	10	1.00
27235	Total	36	\$312,354	97.9	123.4	25	0.70
27249	< \$150K	31	\$114,256	92.8	133.6	13	0.42
27249	\$150K - \$349K	28	\$196,231	95.3	132.0	13	0.46
27249	\$350K & Over	2	\$426,168	96.5	49.5	5	2.50
27249	Total	61	\$162,111	94.0	130.1	31	0.50
27263	< \$150K	3	\$119,900	86.6	57.7	5	1.67
27263	\$150K - \$349K	5	\$161,500	95.9	95.6	2	0.40
27263	\$350K & Over	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
27263	Total	8	\$145,900	\$92	\$81	7	0.90
27283	< \$150K	9	\$126,377	96.8	71.0	4	0.44
27283	\$150K - \$349K	3	\$181,000	93.1	89.3	6	2.00
27283	\$350K & Over	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
27283	Total	12	\$140,033	\$96	\$76	10	0.80
27284	< \$150K	4	\$113,375	92.5	97.8	3	0.75
27284	\$150K - \$349K	9	\$194,556	95.1	74.2	2	0.22
27284	\$350K & Over	11	\$454,332	98.3	86.5	19	1.73
27284	Total	24	\$91,854	51.1	44.1	24	1.00
27301	< \$150K	29	\$119,509	91.2	81.4	15	0.52
27301	\$150K - \$349K	60	\$197,529	94.6	130.6	33	0.55
27301	\$350K & Over	1	\$385,000	98.7	37.0	1	1.00
27301	Total	90	\$174,472	93.6	113.7	49	0.50

The Neighborhood Distribution of Existing Home Sales, 2007 (continued)

Zip	Price Range	No. Sales	Ave. Price	Spread	TOM	Inventory End of Yr.	Inv./Sales
27310	< \$150K	2	\$122,728	93.6	110.0	3	1.50
27310	\$150K - \$349K	51	\$247,324	96.2	69.2	18	0.35
27310	\$350K & Over	65	\$455,041	96.5	100.3	49	0.75
27310	Total	118	\$359,633	96.3	87.0	70	0.60
27313	< \$150K	5	\$116,600	91.7	114.4	3	0.60
27313	\$150K - \$349K	24	\$194,577	93.8	108.7	8	0.33
27313	\$350K & Over	3	\$447,833	92.3	165.3	3	1.00
27313	Total	32	\$206,136	93.3	114.9	14	0.40
27357	< \$150K	5	\$99,592	95.0	114.4	2	0.40
27357	\$150K - \$349K	53	\$246,450	98.0	114.5	34	0.64
27357	\$350K & Over	21	\$491,807	97.0	108.8	26	1.24
27357	Total	79	\$302,376	97.5	113.0	62	0.80
27358	< \$150K	7	\$117,086	88.0	97.3	1	0.14
27358	\$150K - \$349K	68	\$243,631	96.1	65.0	30	0.44
27358	\$350K & Over	98	\$560,281	95.5	155.4	103	1.05
27358	Total	173	\$417,884	95.4	117.5	134	0.80
27377	< \$150K	10	\$115,134	97.8	116.0	4	0.40
27377	\$150K - \$349K	49	\$241,964	95.0	162.6	46	0.94
27377	\$350K & Over	13	\$437,031	96.9	112.2	20	1.54
27377	Total	72	\$259,569	95.7	147.0	70	0.97
27401	< \$150K	68	\$71,285	89.4	114.4	55	0.81
27401	\$150K - \$349K	14	\$215,729	93.5	73.9	12	0.86
27401	\$350K & Over	4	\$492,688	91.5	117.3	5	1.25
27401	Total	86	\$114,399	90.2	107.9	72	0.80
27403	< \$150K	97	\$83,577	89.6	84.8	63	0.65
27403	\$150K - \$349K	82	\$226,825	96.0	50.9	37	0.45
27403	\$350K & Over	11	\$427,136	92.4	99.1	6	0.55
27403	Total	190	\$165,291	92.5	71.0	106	0.60
27405	< \$150K	325	\$98,543	92.6	93.9	243	0.75
27405	\$150K - \$349K	64	\$175,386	97.9	139.8	74	1.16
27405	\$350K & Over	2	\$444,950	97.0	75.0	3	1.50
27405	Total	391	\$112,893	93.5	101.3	320	0.80
27406	< \$150K	309	\$100,146	92.1	90.5	219	0.71
27406	\$150K - \$349K	116	\$214,578	95.4	97.9	117	1.01
27406	\$350K & Over	12	\$391,042	92.8	140.2	27	2.25
27406	Total	437	\$138,510	93.0	93.8	363	0.80
27407	< \$150K	228	\$105,747	93.3	78.9	83	0.36
27407	\$150K - \$349K	150	\$211,360	95.6	90.4	83	0.55
27407	\$350K & Over	10	\$473,650	95.9	106.8	31	3.10
27407	Total	388	\$156,059	94.3	84.1	197	0.50
27408	< \$150K	79	\$121,591	92.0	72.9	29	0.37
27408	\$150K - \$349K	103	\$210,928	95.7	62.5	34	0.33
27408	\$350K & Over	51	\$605,011	95.5	101.9	62	1.22
27408	Total	233	\$266,896	94.4	74.7	125	0.50
27409	< \$150K	11	\$121,009	97.3	39.3	5	0.45
27409	\$150K - \$349K	43	\$221,712	97.3	84.9	10	0.23
27409	\$350K & Over	2	\$403,500	95.1	13.5	4	2.00
27409	Total	56	\$208,423	97.2	73.4	19	0.30
27410	< \$150K	70	\$135,363	96.2	39.5	7	0.10
27410	\$150K - \$349K	356	\$222,084	96.2	62.9	138	0.39
27410	\$350K & Over	74	\$474,120	94.8	104.9	68	0.92
27410	Total	500	\$247,245	96.0	65.8	213	0.40

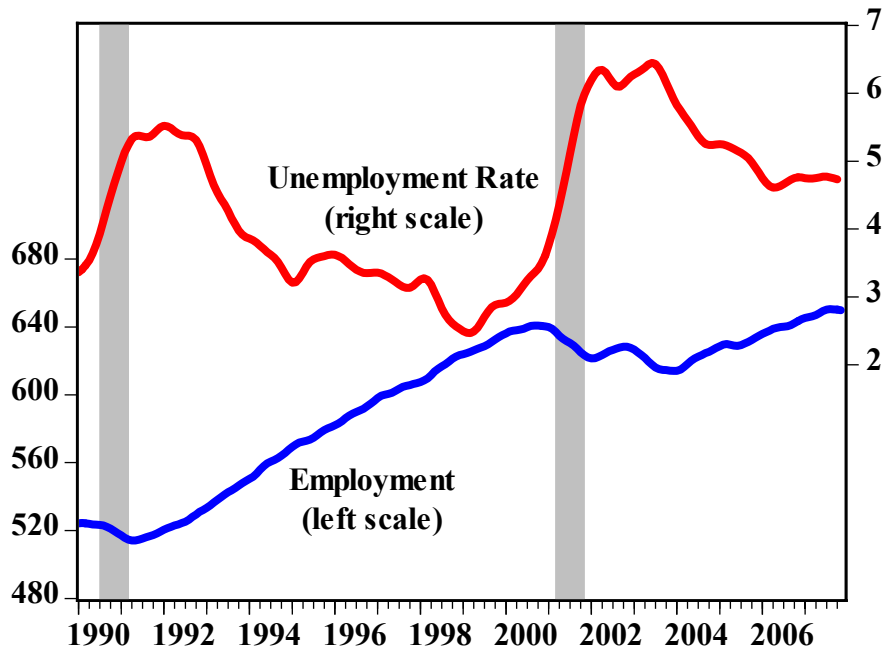
The Neighborhood Distribution of Existing Home Sales, 2007 (continued)

Zip	Price Range	No. Sales	Ave. Price	Spread	TOM	Inventory End of Yr.	Inv./Sales
27455	< \$150K	73	\$123,254	96.1	64.1	21	0.29
27455	\$150K - \$349K	165	\$236,512	96.2	89.9	70	0.42
27455	\$350K & Over	113	\$503,271	96.0	104.5	90	0.80
27455	Total	351	\$298,837	96.1	89.2	181	0.50

Economic Trends in the Piedmont Triad

Economic conditions in the eight-county Piedmont Triad region improved in 2007.³ The seasonally adjusted rate of unemployment in the Triad was 4.6 percent in November, down -0.2 percentage points from the revised figure for November 2006. The national unemployment rate was 4.7 percent, up 0.2 percentage points from last year.

Employment and Unemployment in the Piedmont Triad, 1990 - 2007

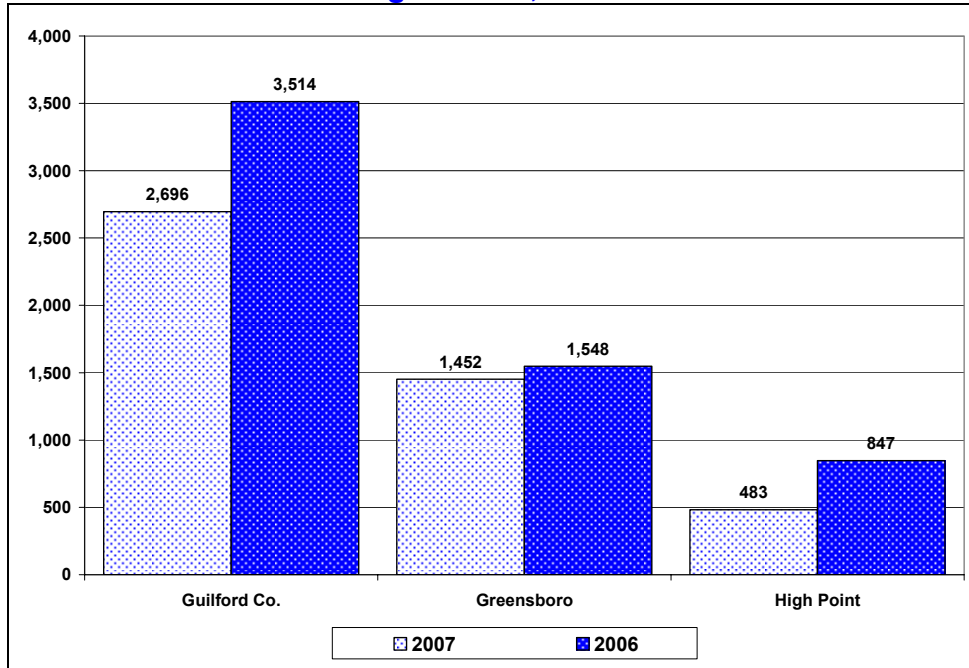


Total nonagricultural wage and salary employment (employer survey) in the Piedmont Triad was up 1.0 percent over the past 12 months. For the nation as a whole, employment rose 1.1 percent during the same period. Manufacturing employment in the region dropped -2.0 percent during the year, while construction employment was up 1.2 percent.

Planned single-family residential construction declined during the year. Residential building permits (which reflect plans for future construction) were off -23.3 percent in Guilford County as a whole during the first 11 months of 2007 compared to the same period in 2006. Permits declined -6.2 percent in Greensboro and were off -43.0 percent in High Point.

³ The Triad is defined as the eight-county area that is composed of the Burlington MSA, the Greensboro/High Point MSA, and the Winston-Salem MSA.

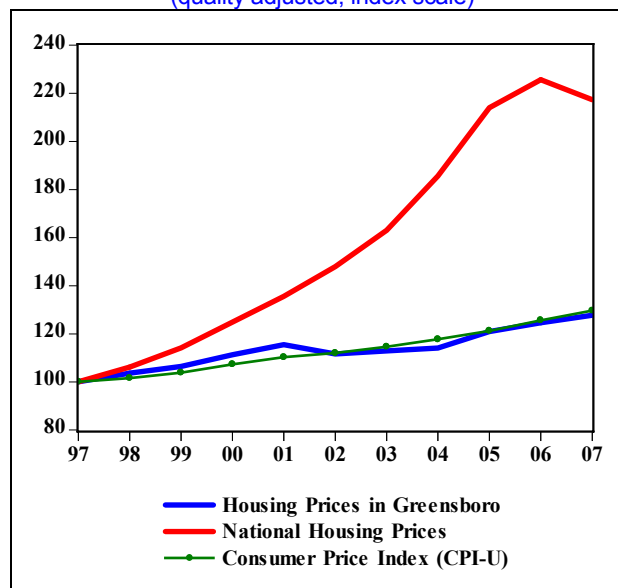
Building Permits, 2007-2006⁴



Longer-Term Trends

Since 1997, existing home prices in Greensboro have risen at an average annual rate of 2.5 percent, lagging the consumer price index (CPI), which has increased an average of 2.6 percent annually. The appreciation of housing prices in Greensboro has lagged substantially the rise in housing prices nationally. For the nation as a whole, existing home prices have risen at a 8.1 percent annual rate from 1997 through 2007, according to the S&P Case-Shiller 10-City Home Price Index. Over the past year, the Case-Shiller Index has fallen -3.7 percent, while prices in Greensboro are up 2.5 percent.

Existing Housing Prices in Greensboro & the Nation (quality adjusted, index scale)



⁴ Figures reflect year-to-date totals through November.

In 2007, the average existing home that was sold had 2,104 square feet of floor space. It was 1.5 stories high, had 2.4 bathrooms, and 1.8 garage parking spaces. Eighty-nine percent had fireplaces. The average age of existing homes sold was 23 years. Seventy-six percent of exiting homes sold were in the city limits of Greensboro, and 34 percent of all homes were in the northwest part of Guilford County.

Characteristics of Existing Homes Sold, 2007

Square Footage	2,104
Floors	1.5
Baths	2.4
Garage Spaces	1.8
Fireplaces	89%
Age	23
In the City	76%
Northwest	34%
Number Sold	3,492

Methodology

The *Greensboro Housing Report* uses data from the Triad MLS to track the pace of housing activity in Guilford County, excluding High Point and Jamestown. Average home price numbers reflect quality-adjusted averages. These averages are constructed using the multiple regression approach. Among the independent variables in the analysis are: neighborhood housing prices, square footage, number of baths, age, and other amenities of the structure. This approach to calculating quality-adjusted prices is discussed in: G. D. Jud & T. G. Seaks, "Sample Selection Bias in Estimating Housing Sales Prices," *Journal of Real Estate Research*, Vol. 9, No. 3, (1994), pp. 289-298.

The affordability index measures changes in the income-payment ratio. The loan payment is calculated as the monthly payment necessary to finance a 90 percent, 30-year loan on the average house price at prevailing interest rates. The income measure is average household income, as reported by the U.S. Department of Commerce, Bureau of Economic Analysis. The sales-list price spread is the ratio of selling price to listing price.

The *Greensboro Housing Report* is compiled for the Triad MLS by Dr. G. Donald Jud, *Jud & Associates*, 722 Rollingwood Drive, Greensboro, NC 27410 - 6165. Phone: 336-294-3655; Email: GDonaldJud@JudAssociates.com.