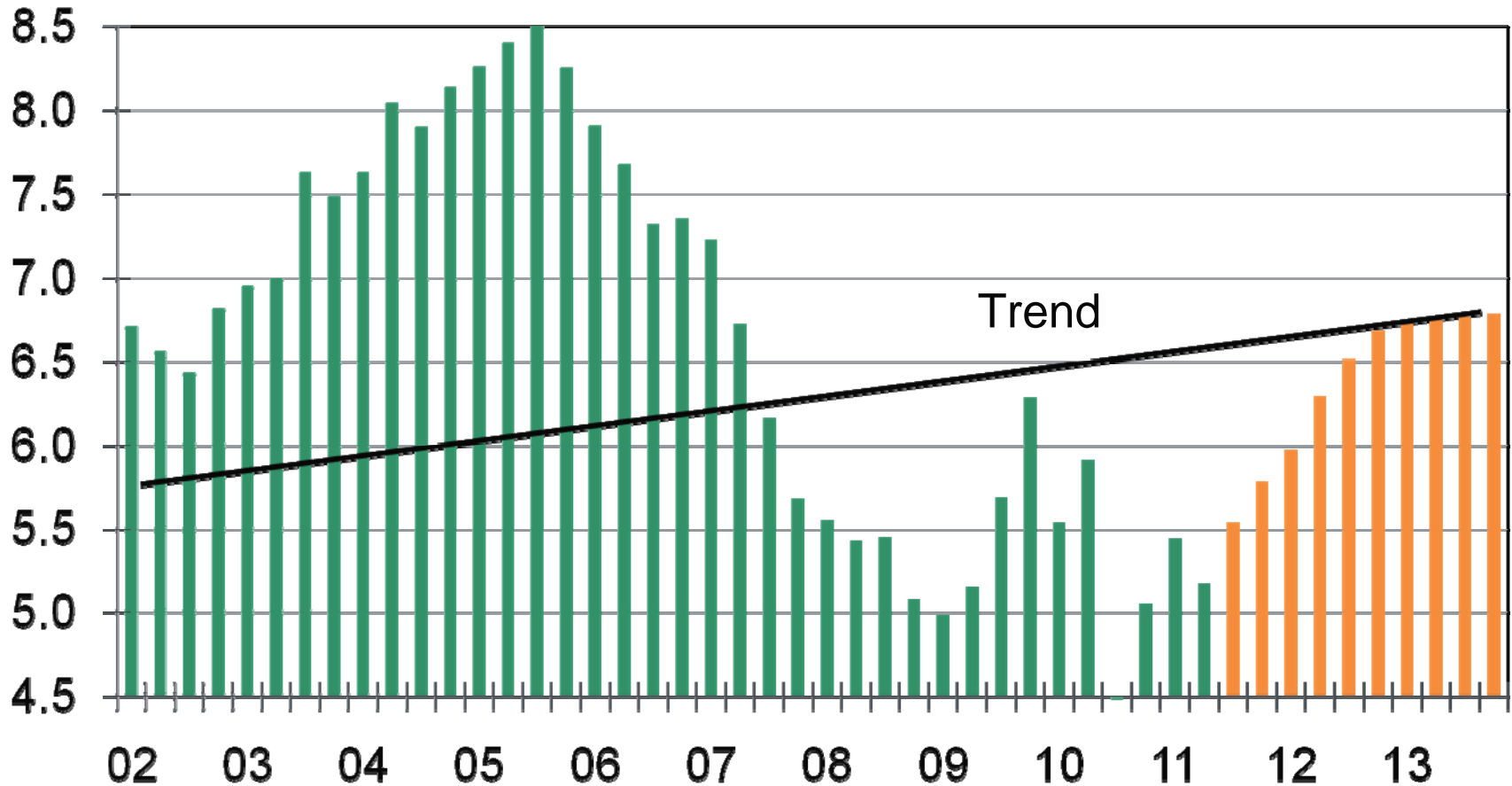


Housing Outlook

CELIA CHEN, SENIOR DIRECTOR

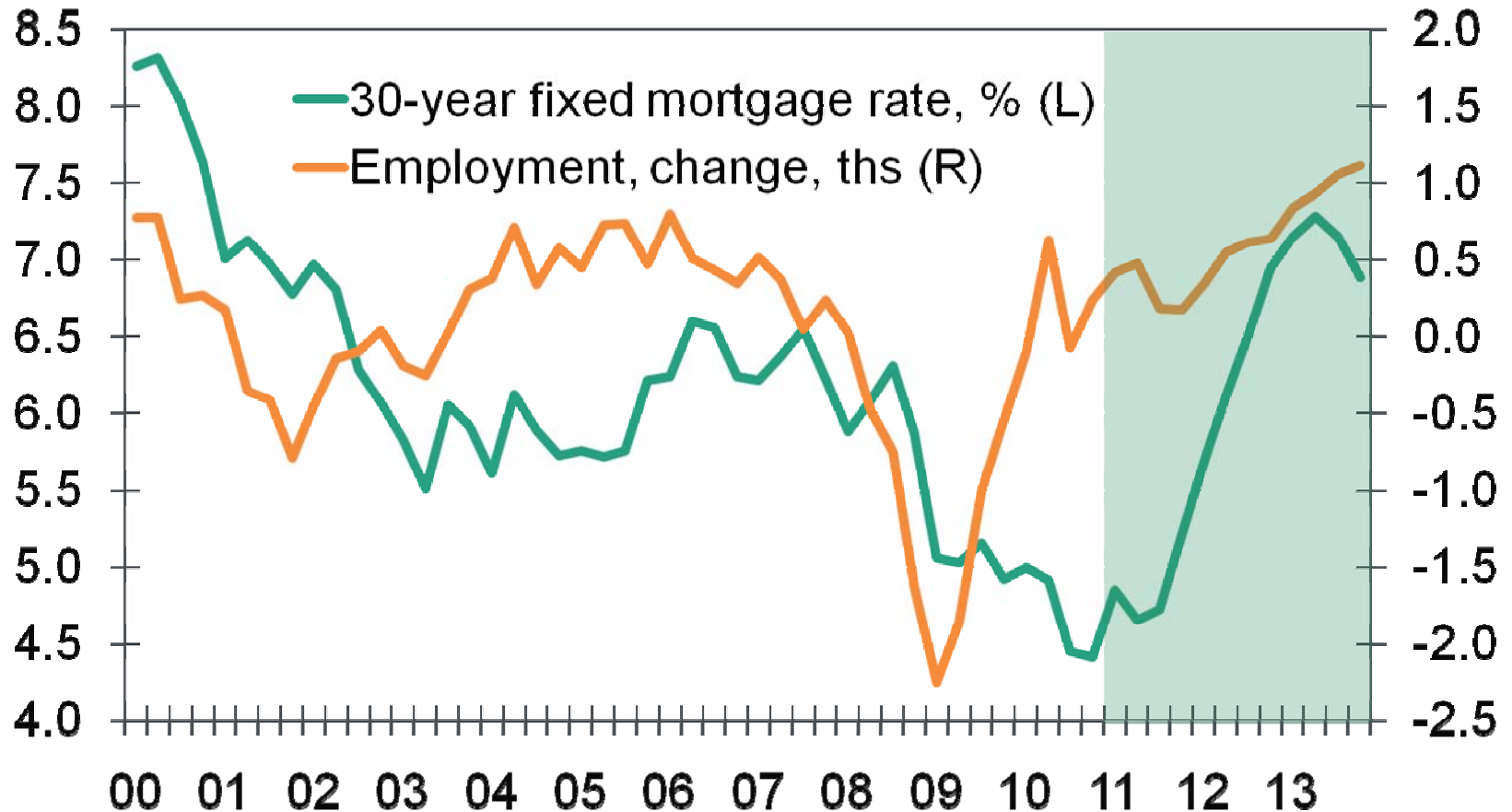
Housing Demand Has Hit Bottom

New and existing home sales, mil



Sources: Census, Realtors, Moody's Analytics

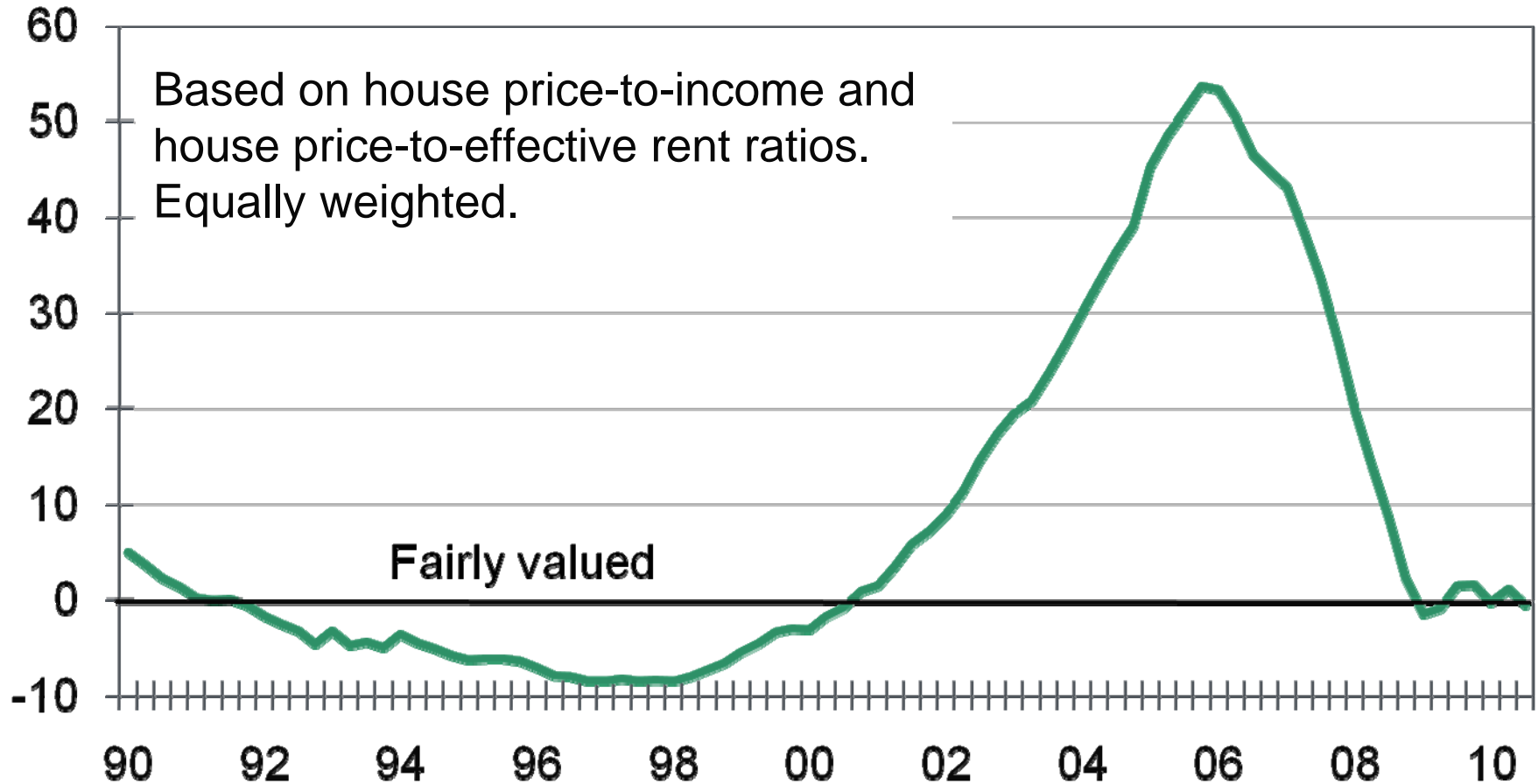
Slow Job Growth, But Rates Stay Affordable



Sources: BLS, Freddie Mac, Moody's Analytics

Housing Is Appropriately Valued

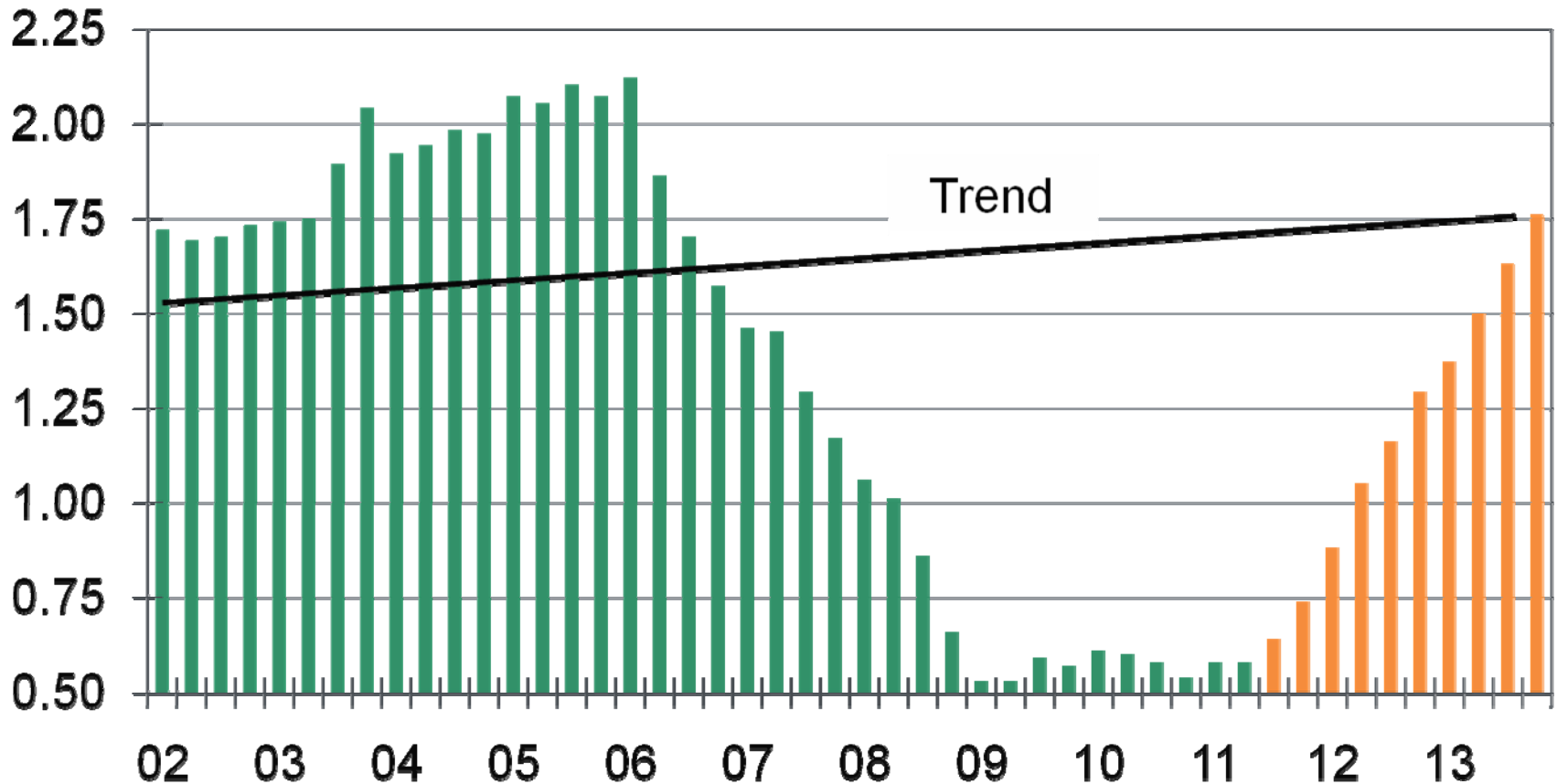
% over or under valued



Sources: PPR, BEA, BOC, Fiserv, Moody's Analytics

Homebuilding Is at Bottom

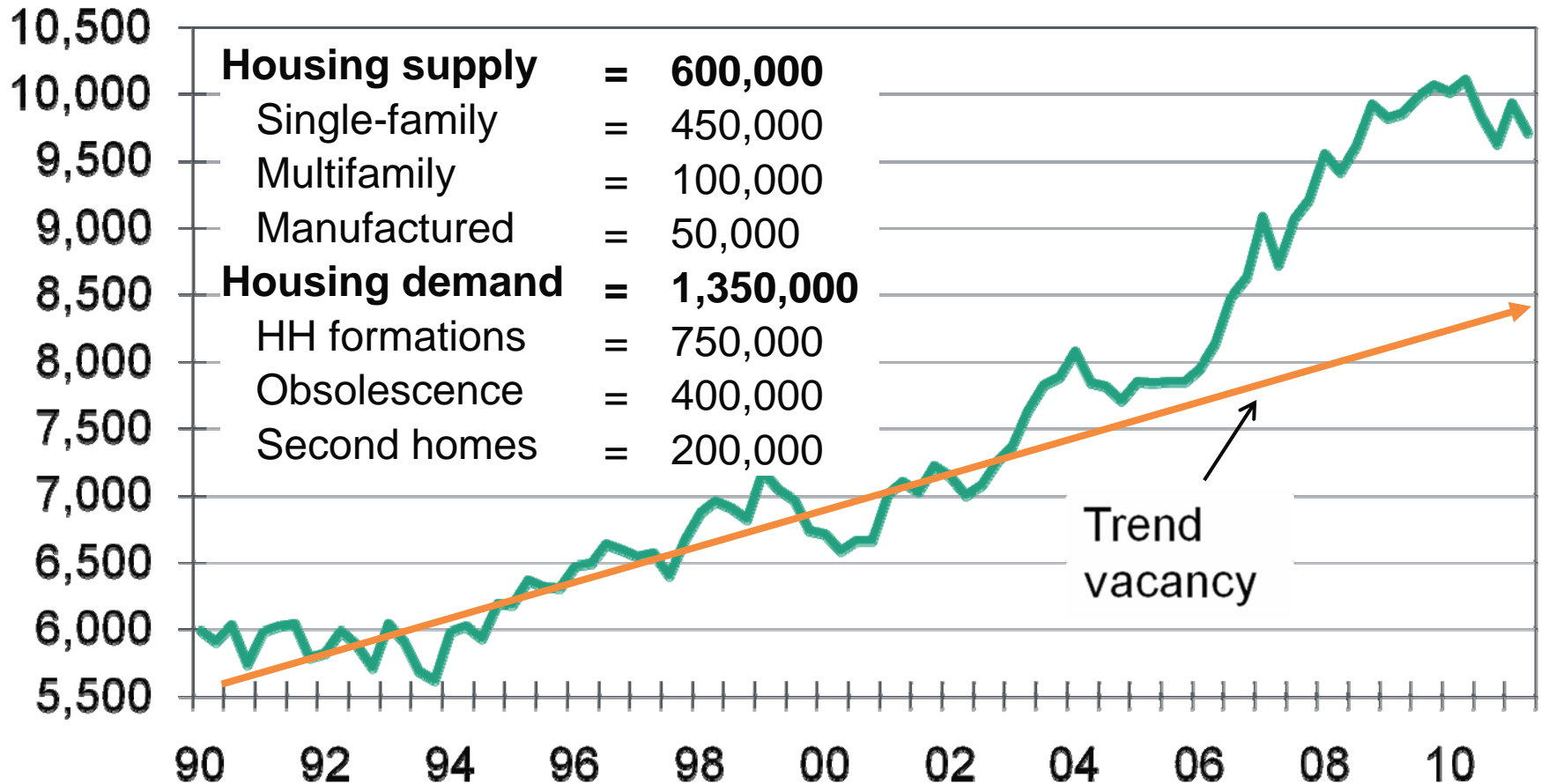
Single-family and multifamily starts, mil



Sources: Census, Moody's Analytics

Market Is Awash in Inventories...

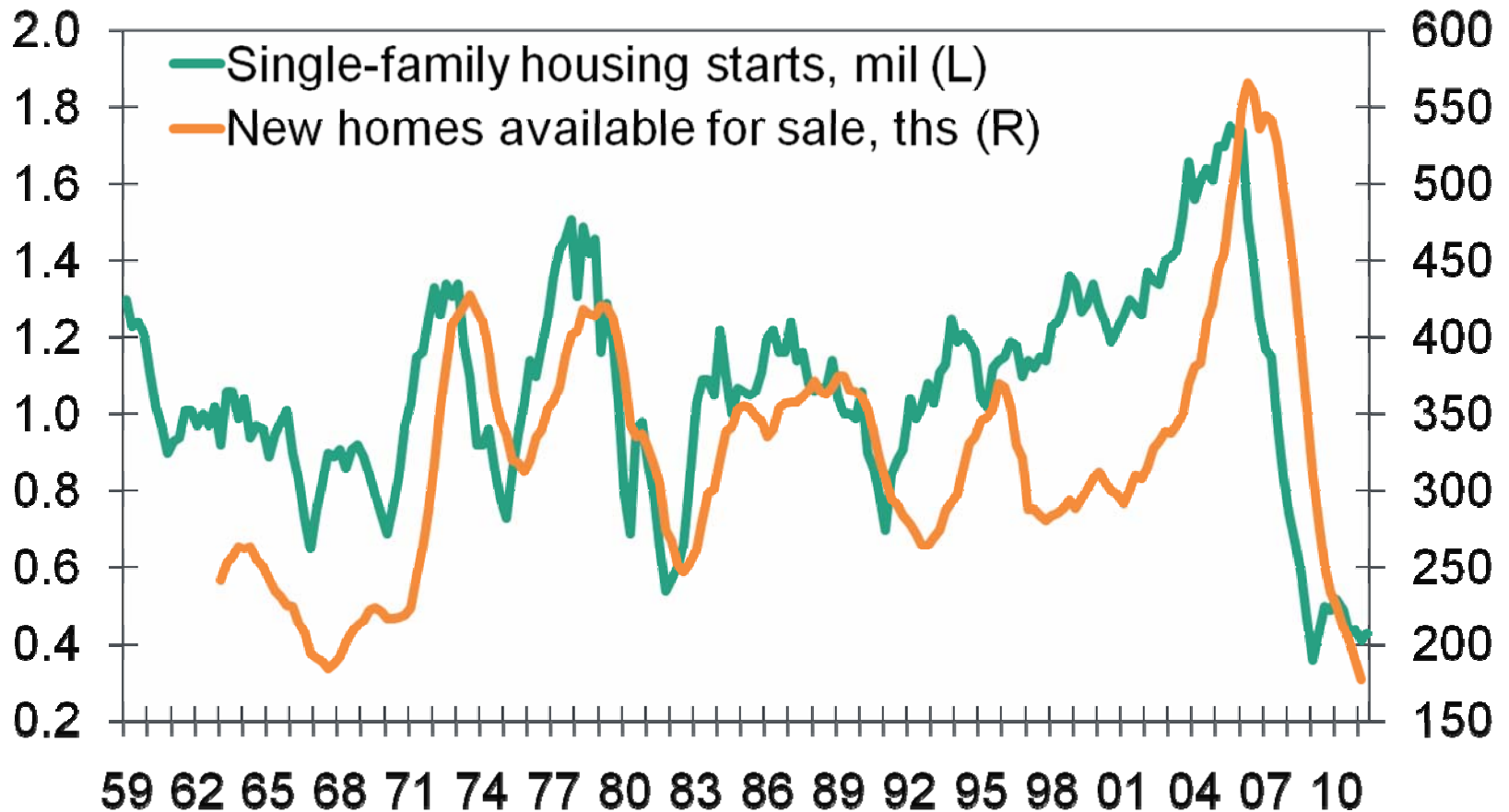
Vacant homes for sale, for rent and held off market, the



Sources: Census, Moody's Analytics

...But Homebuilding Exceptionally Weak

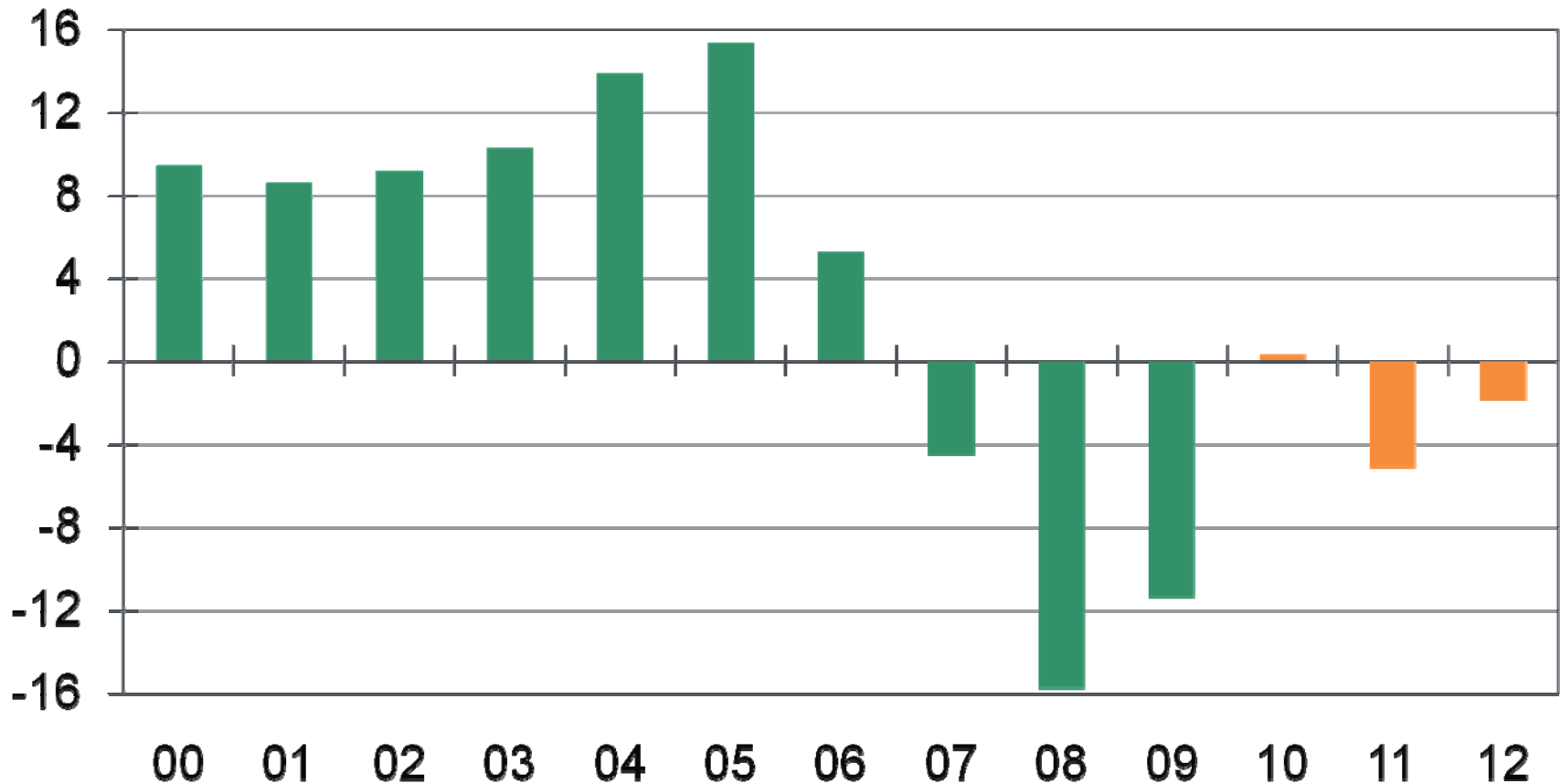
mils



Sources: Census, Realtors

Another Round of House Price Declines...

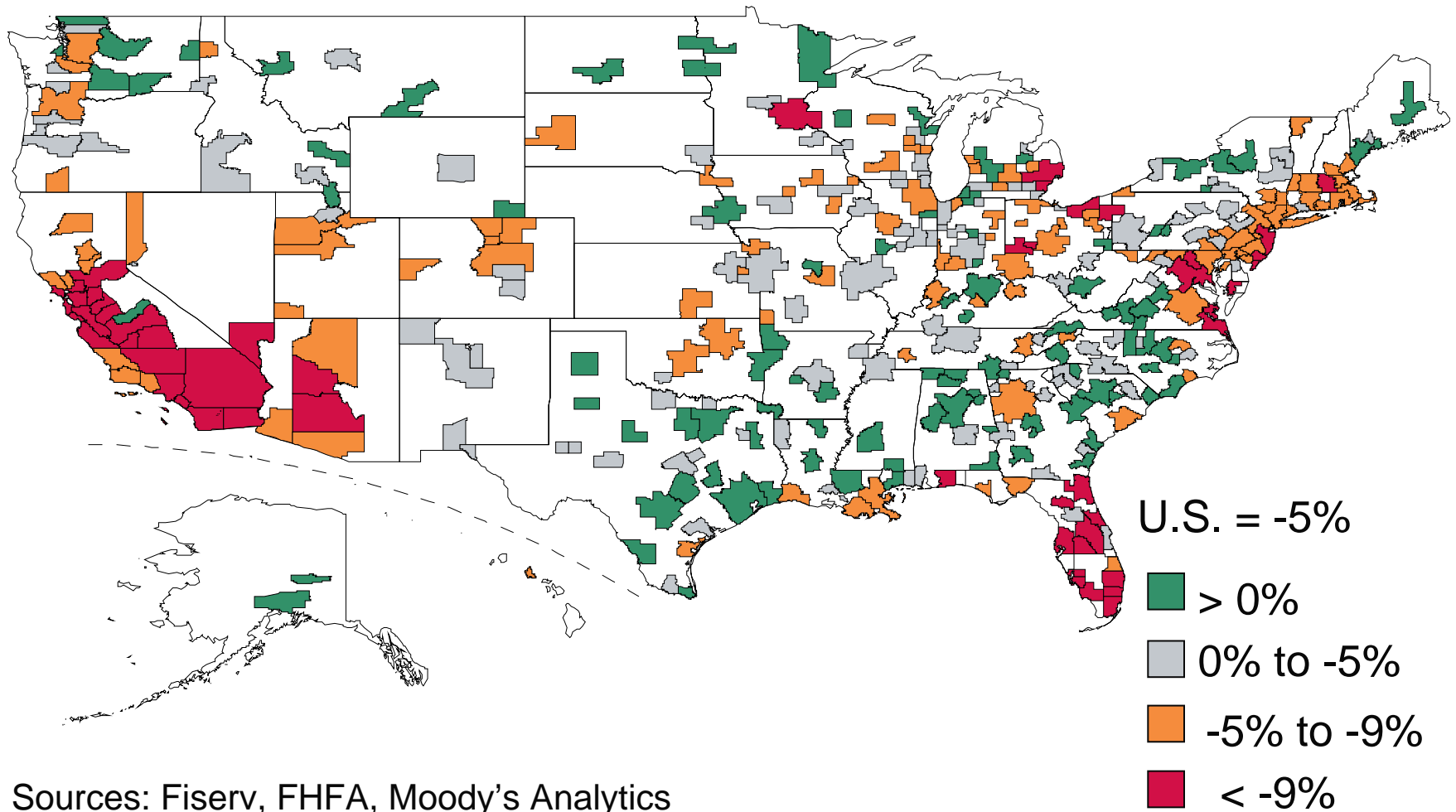
Case Shiller® Home Price Index: 2000Q1=100



Sources: Fiserv, Moody's Analytics

...In These Metro Areas

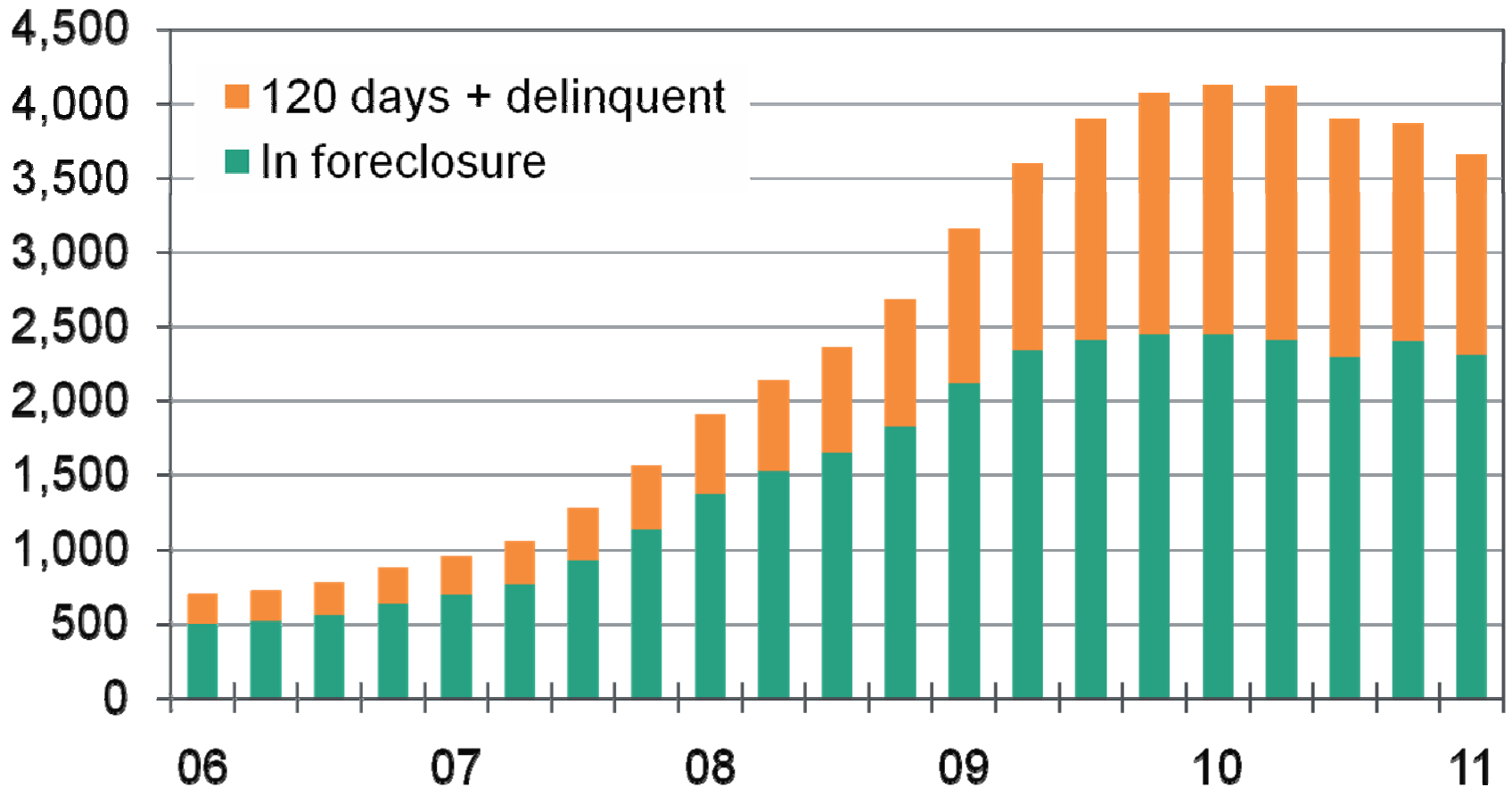
Case-Shiller house price index, % decline, 2011q1 to trough



Sources: Fiserv, FHFA, Moody's Analytics

A Mountain of Distressed Homes

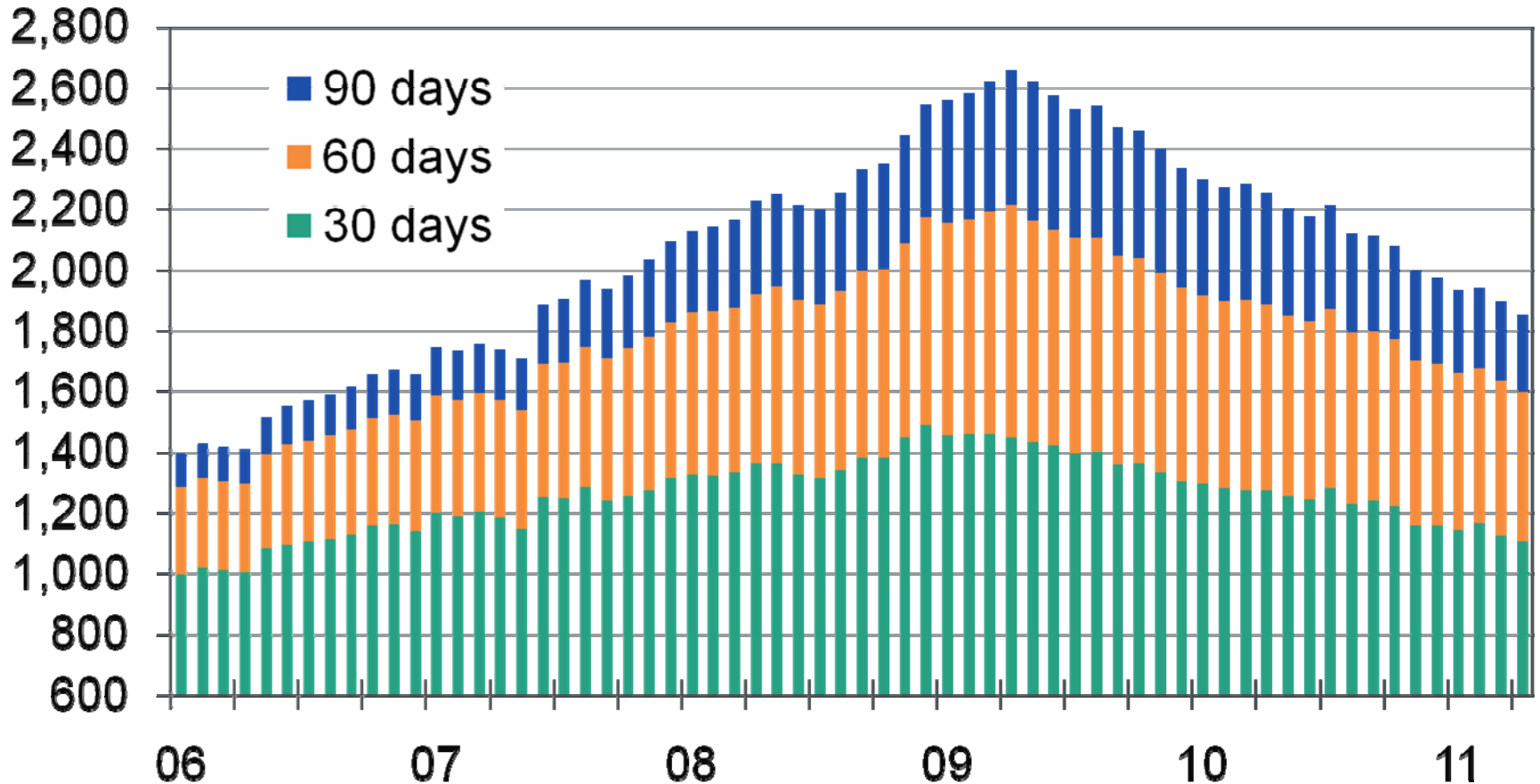
First mortgage loans, ths



Sources: Equifax, Moody's Analytics

...But Early Stage Delinquency Is Falling Fast

First mortgage loans 30-90 days delinquent, ths, SA



Sources: Equifax, Moody's Analytics

United States
121 North Walnut Street
Suite 500
West Chester, PA 19380
+1.610.235.5299

United Kingdom
One Canada Square
Canary Wharf
London E14 5FA
+44.20.7772.5454

Australia
Level 10
1 O'Connell Street
Sydney, NSW, 2000
Australia
+61.2.9270.8111

www.economy.com



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