Housing and Jobs

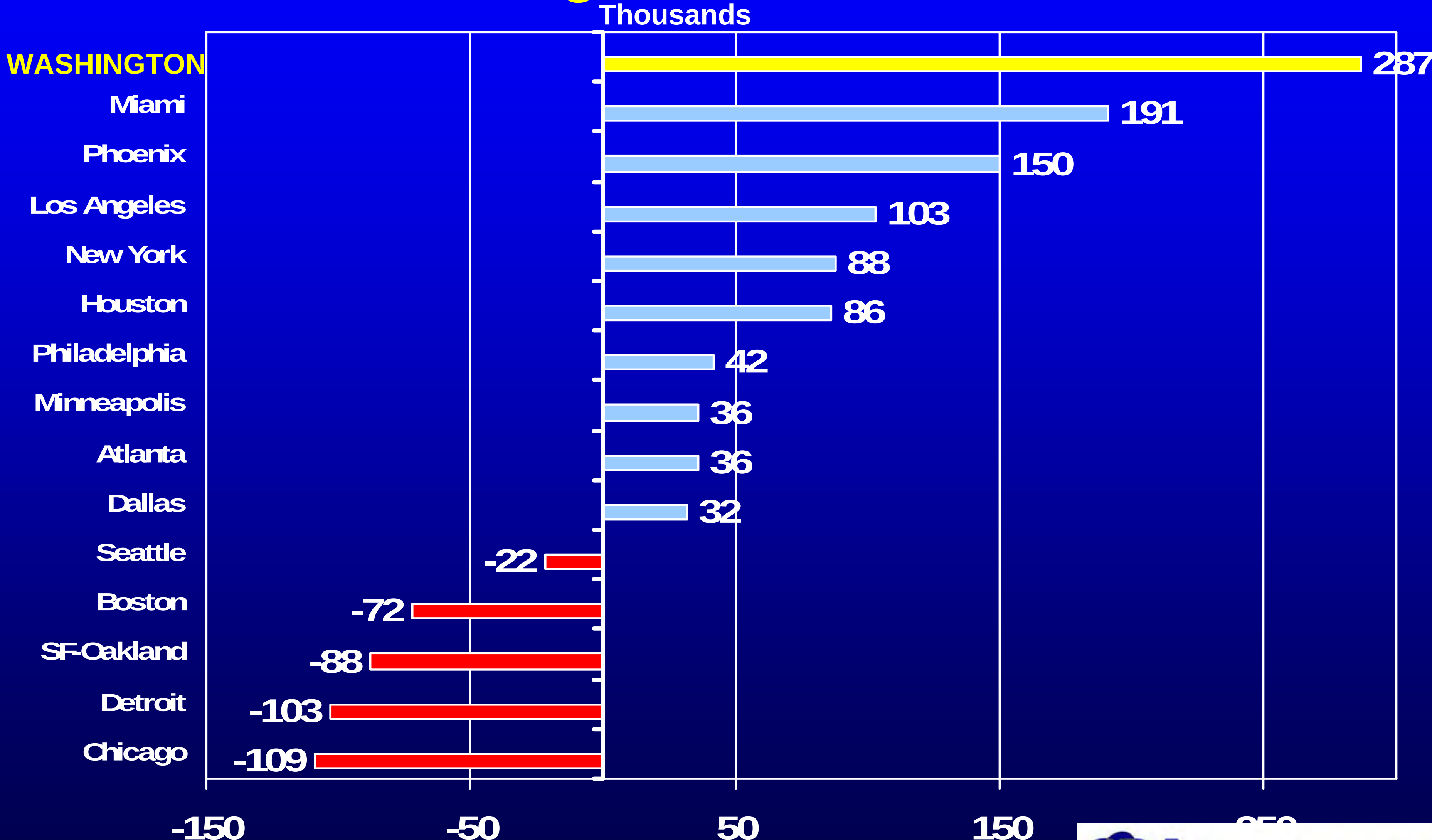
"We'll take it."

What is Happening?

- Nationally – Low mortgage interest rates
- Job growth driving demand
- Housing supply constrained by collective planning and zoning policies of the local governments

Result: Housing Sales and Prices Increasing at Record Levels

Metro Comparisons
Job Change Last Five Years
15 Largest Metro Areas

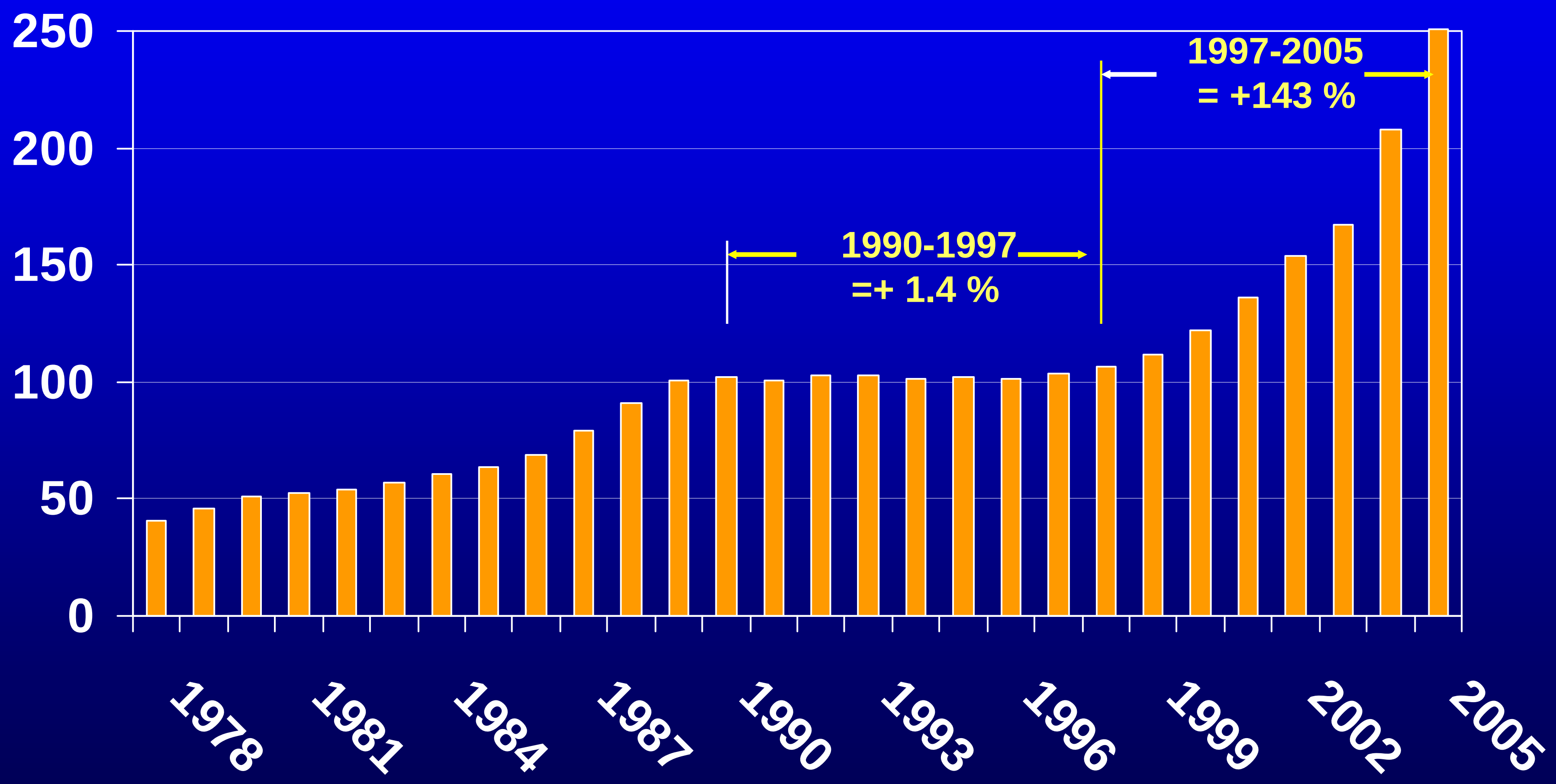


Source: BLS, GMU Center for Regional Analysis

Annual Data

CRA Center for Regional Analysis

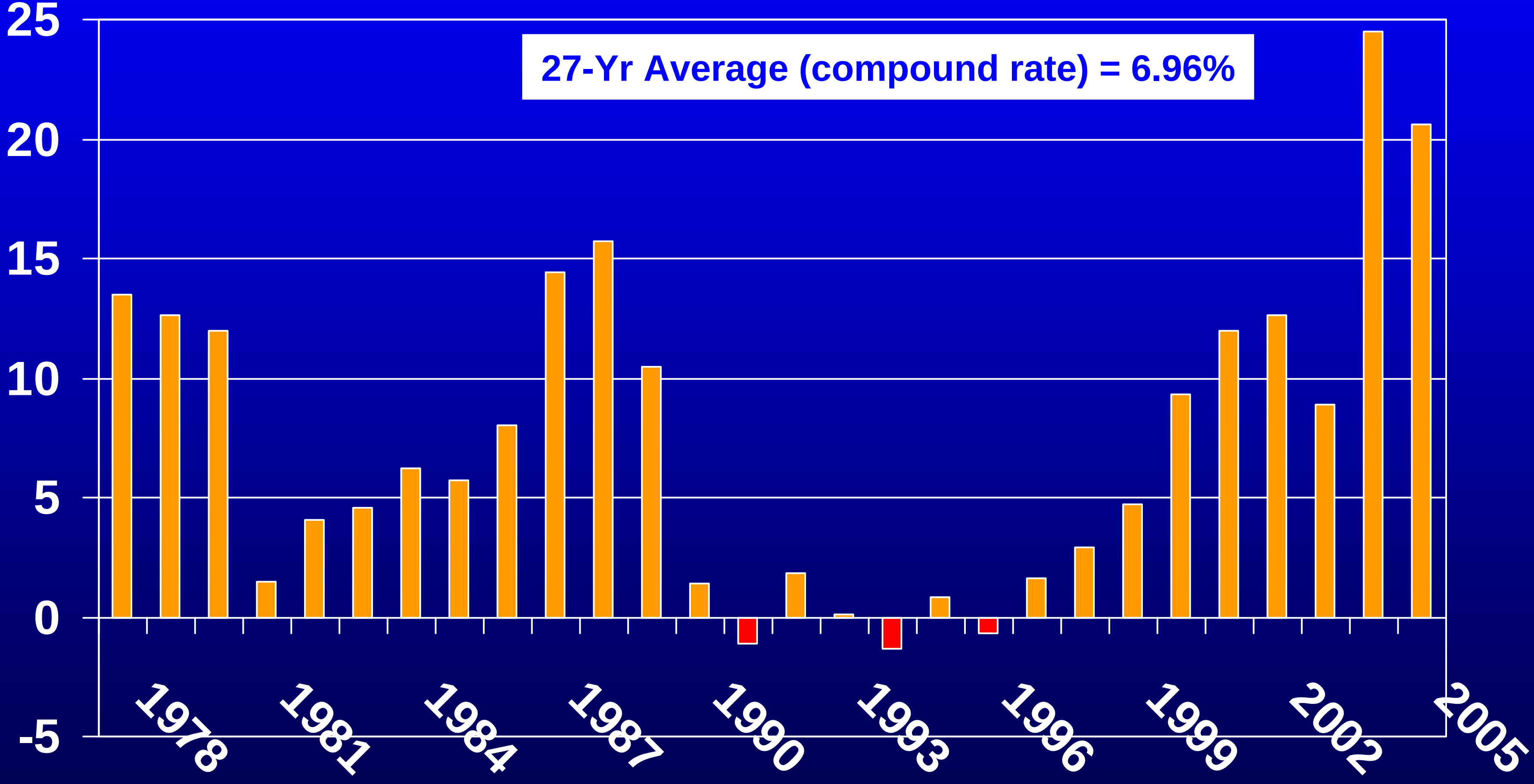
Housing Price Index
Washington PMSA
3rd Quarter Each Year



Source: Federal Office of Housing Enterprise Oversight, GMU Center for Regional Analysis

Housing Price Index
Annual % Change
Washington PMSA
3rd Quarter Each Year

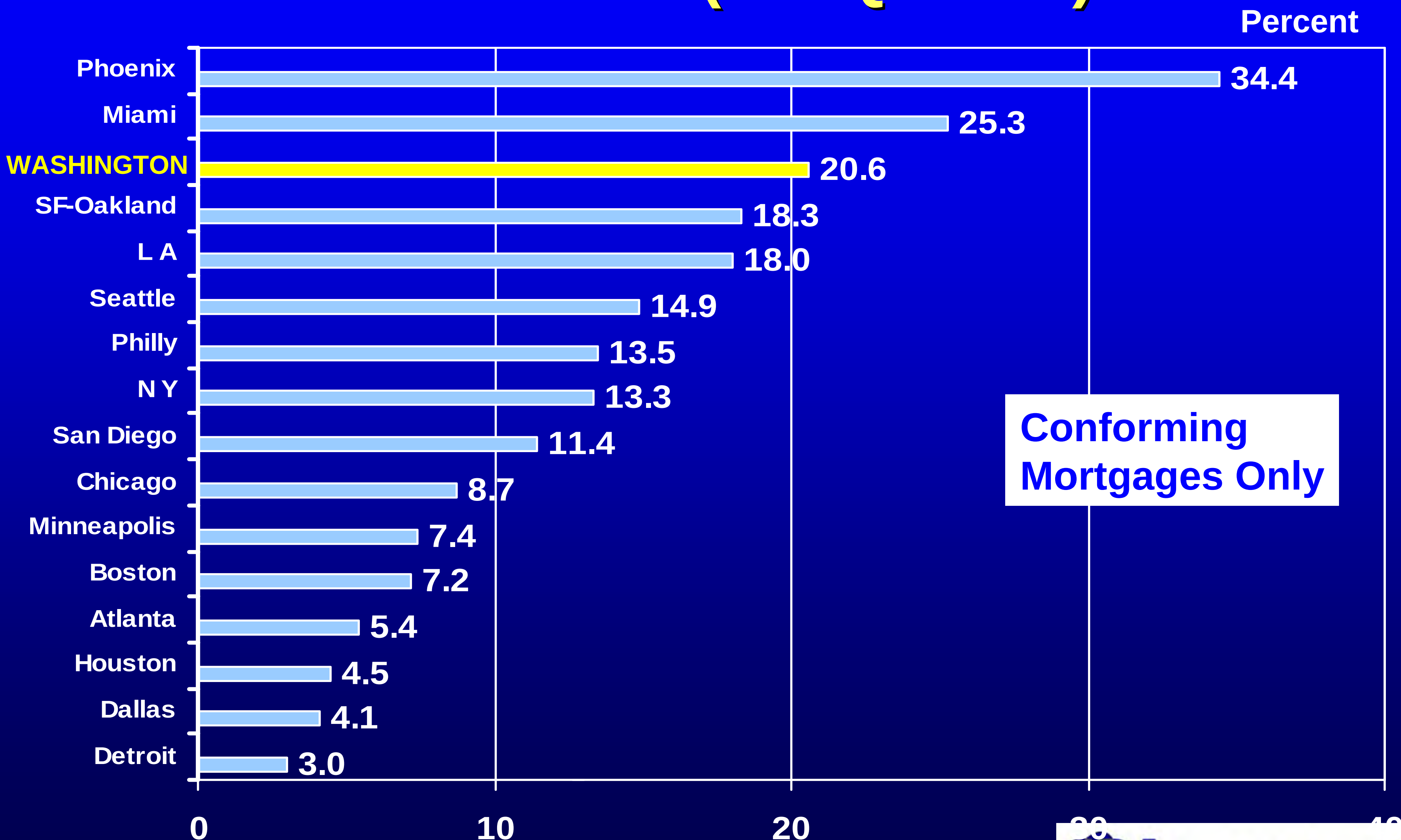
1995 Q1=100



Source: Federal Office of Housing Enterprise Oversight, GMU Center for Regional Analysis

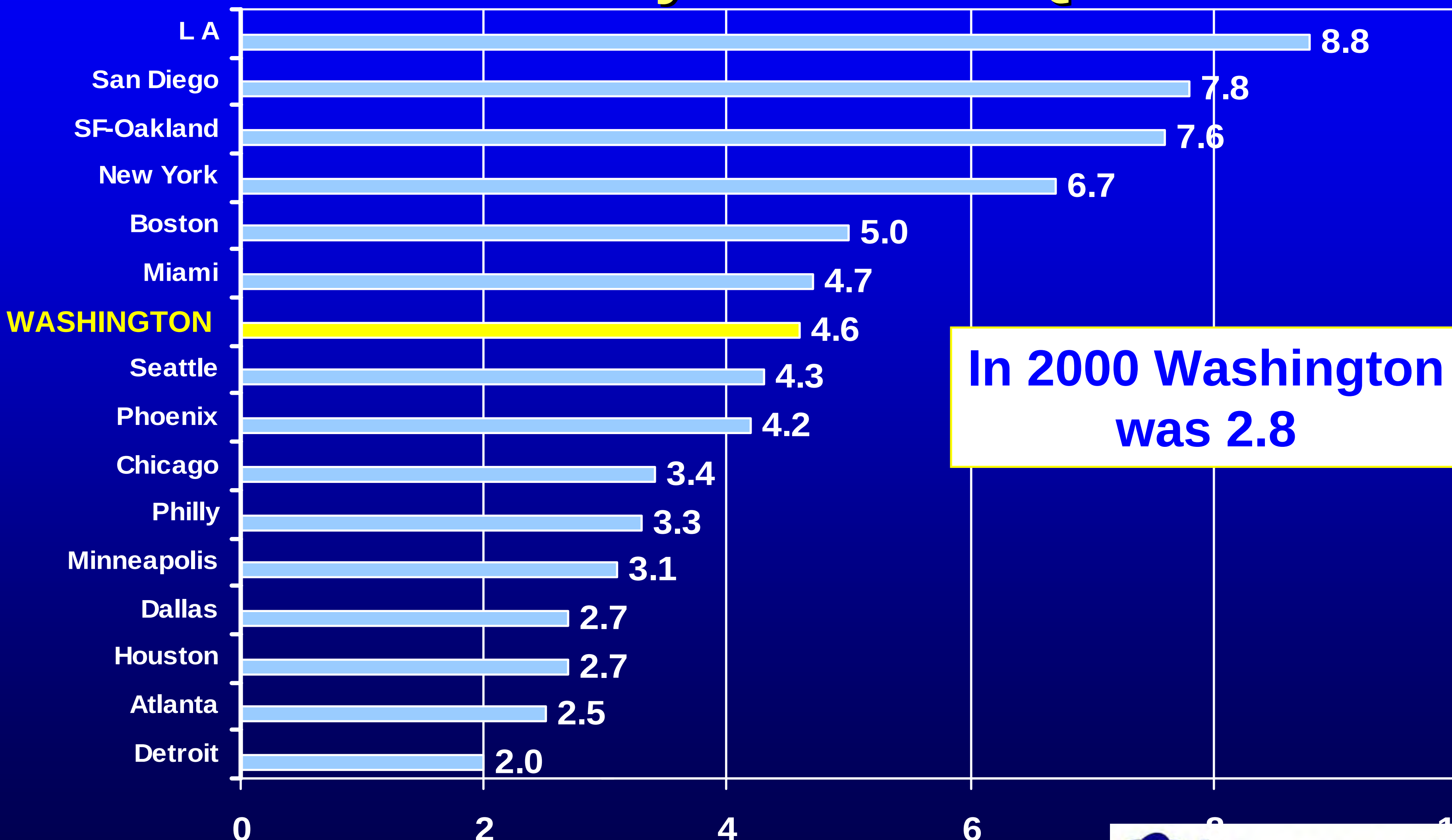
Center for Regional Analysis

Metro Comparisons
Annual Percent Change in House Prices
2004 –2005 (3rd Quarter)



Source: Office of Federal Housing Enterprise Oversight, GMU Center for Regional Analysis

Metro Comparisons
Ratio of Median Value of New Housing to Median Family Income – Q3 2005

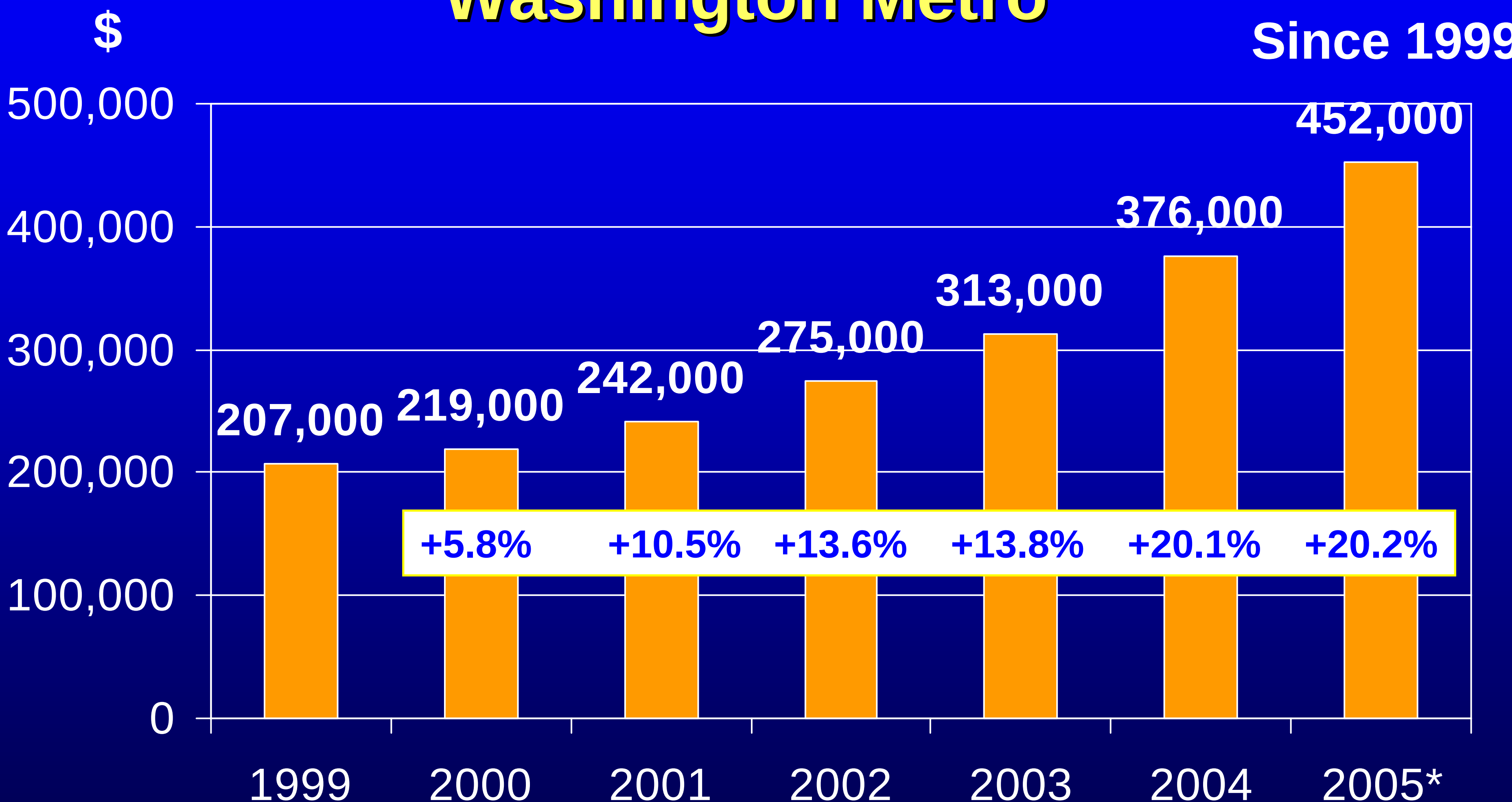


Source: NAHB/Wells Fargo, GMU Center for Regional Analysis

Center for Regional Analysis

Average Sales Price
All Housing Types
Washington Metro

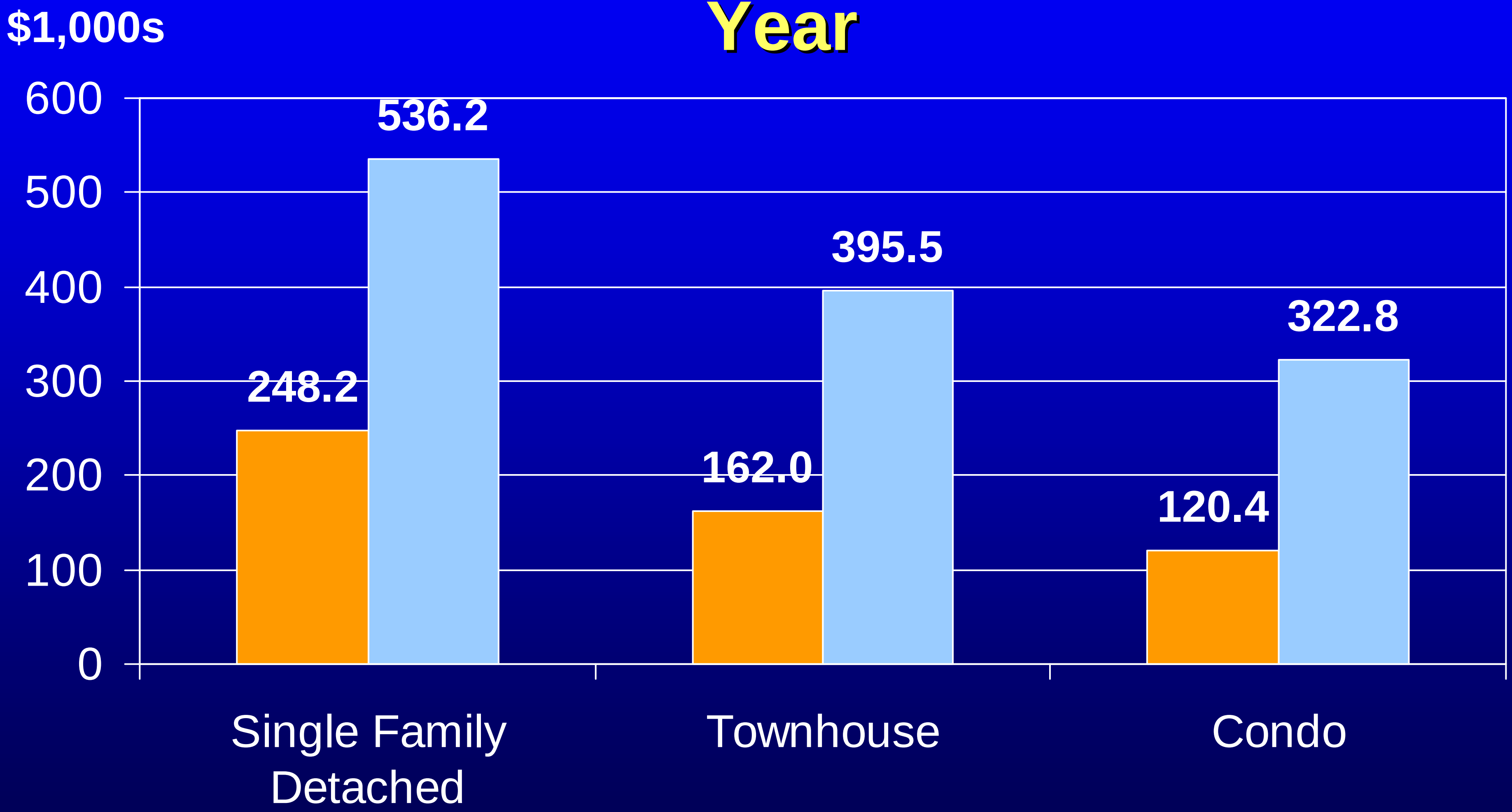
+ 118%
Since 1999



Source: MRIS, GMU Center for Regional Analysis

* Jan-Nov 2005

Average Sales Price by Type Washington MSA Annual Data Through November Each Year

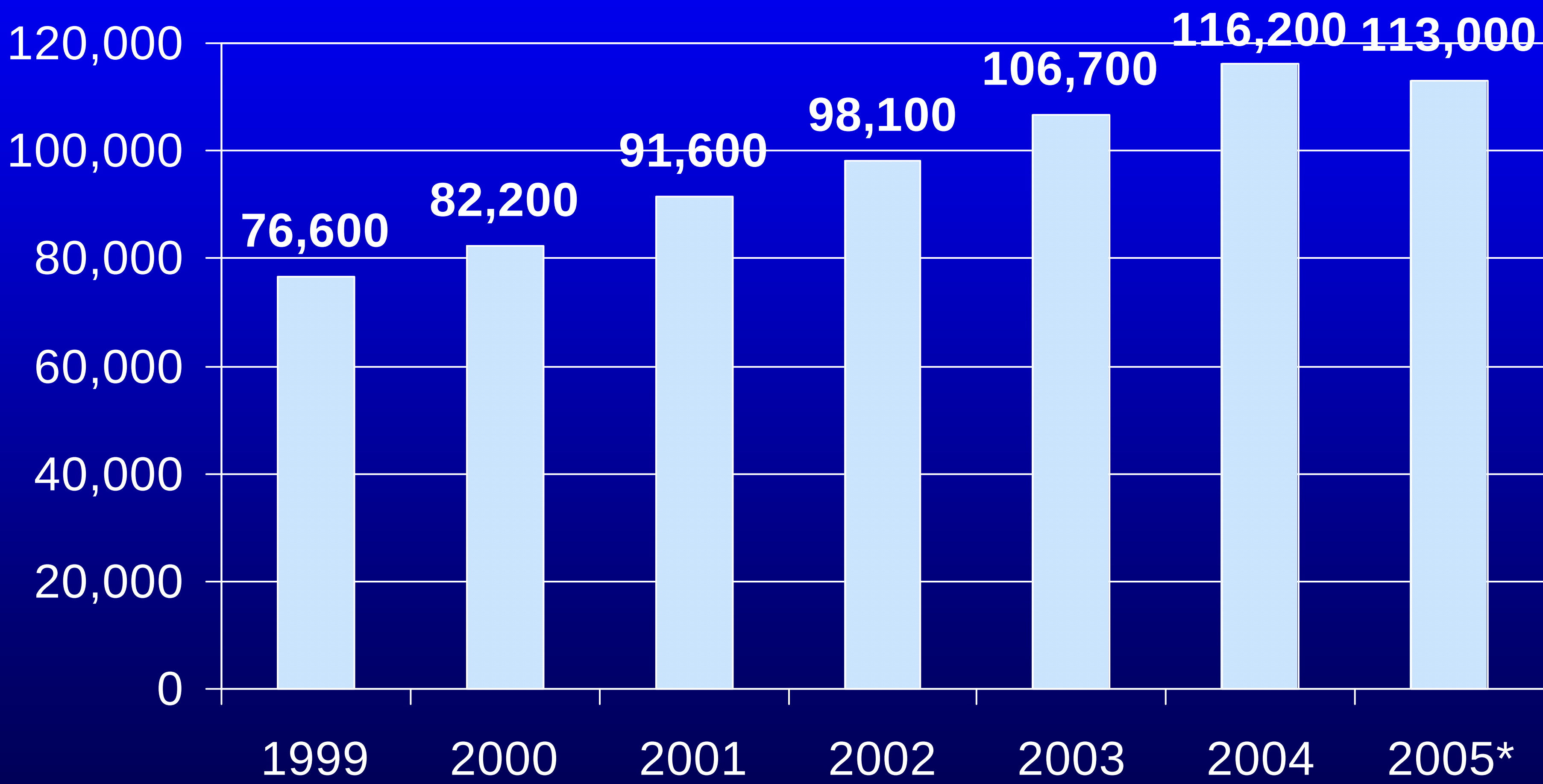


Source: MRIS, GMU Center for Regional Analysis

Center for Regional Analysis

Units Sold Each Year
All Housing Types
Washington MSA

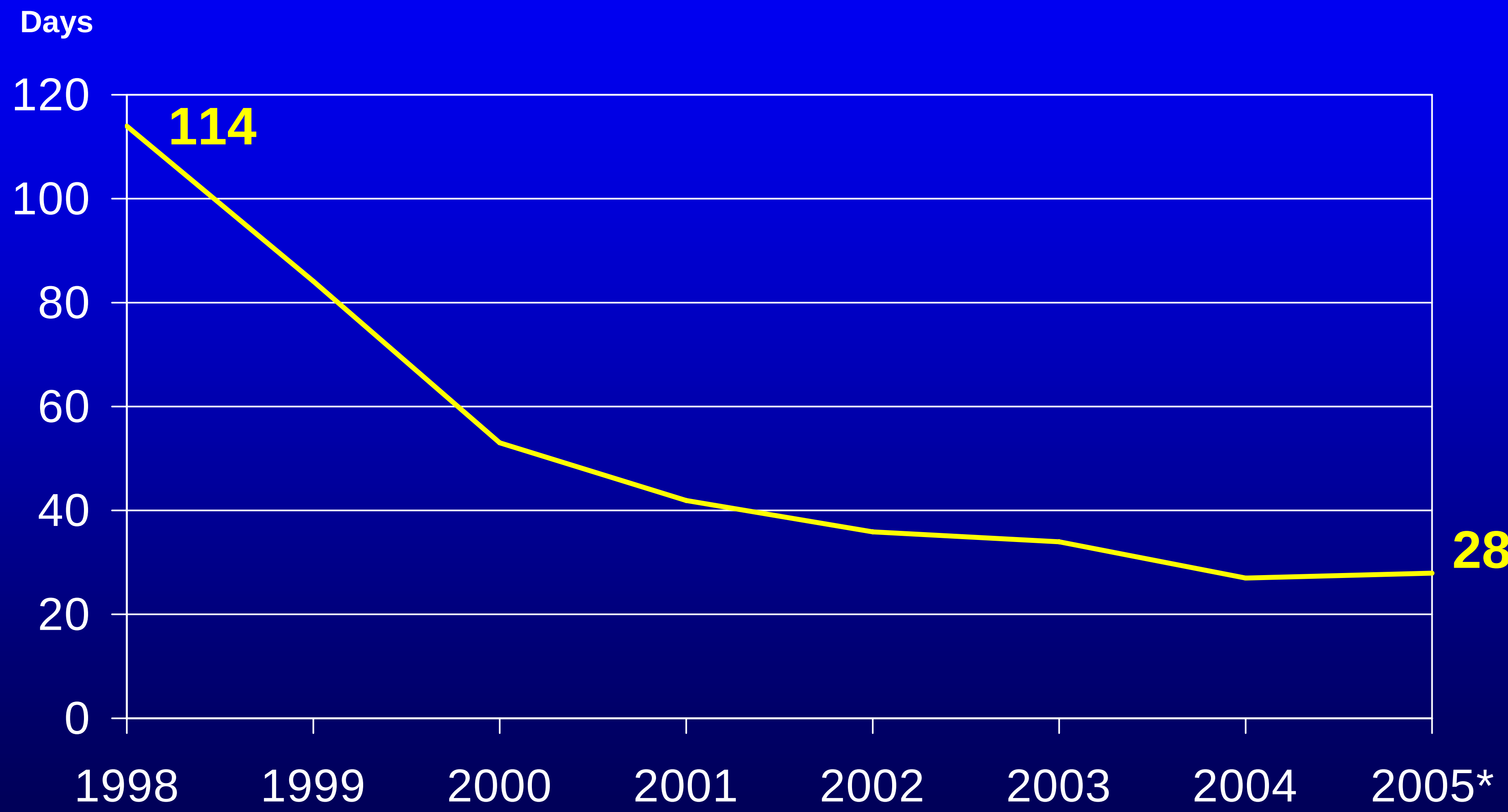
+ 47.5%
Since 1999



Source: MRIS, GMU Center for Regional Analysis

* Jan – Nov Data Extrapolated

Average Days on Market
All Housing Types

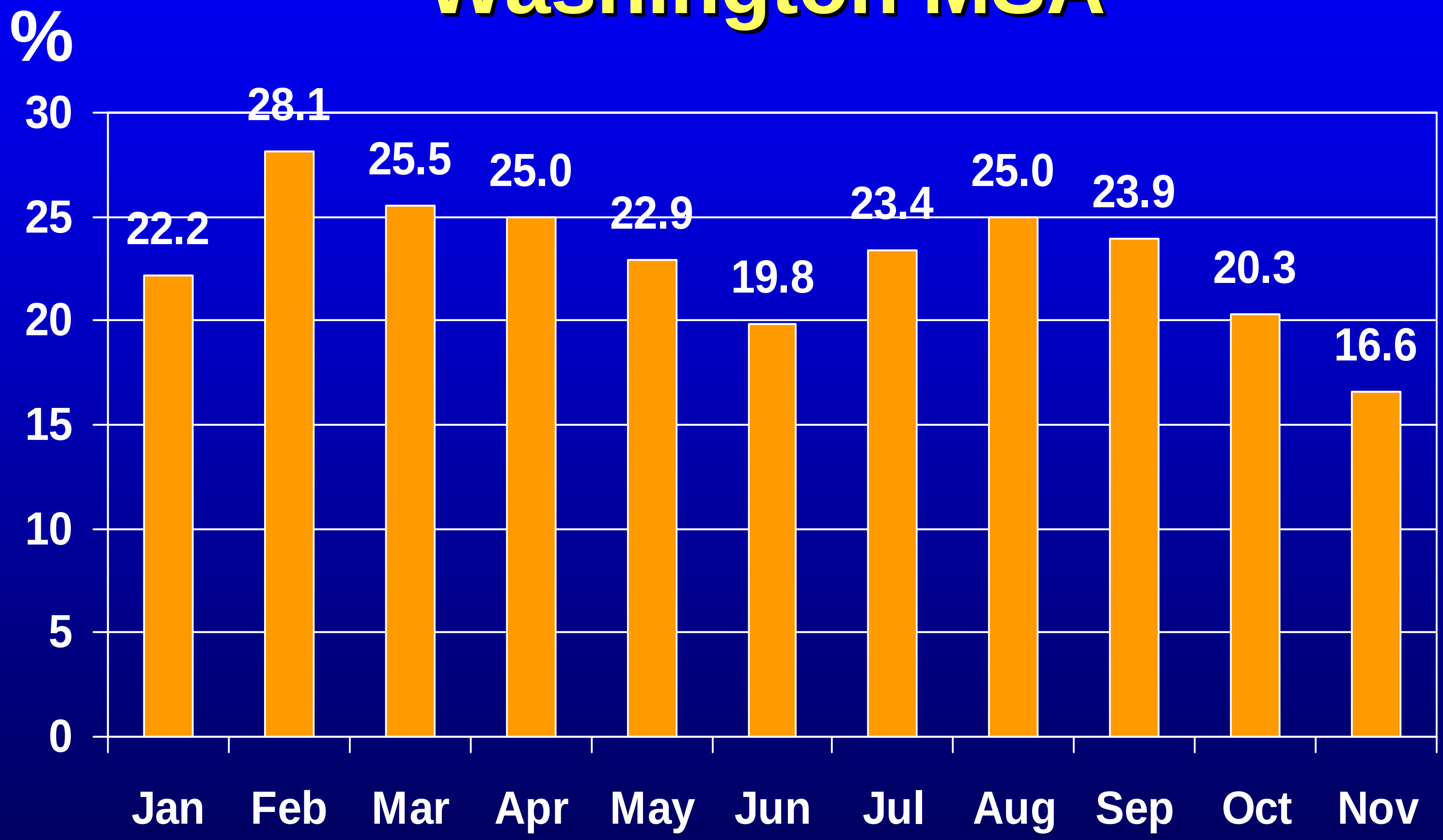


* Jan – Nov Data Extrapolated

Source: MRIS, GMU Center for Regional Analysis

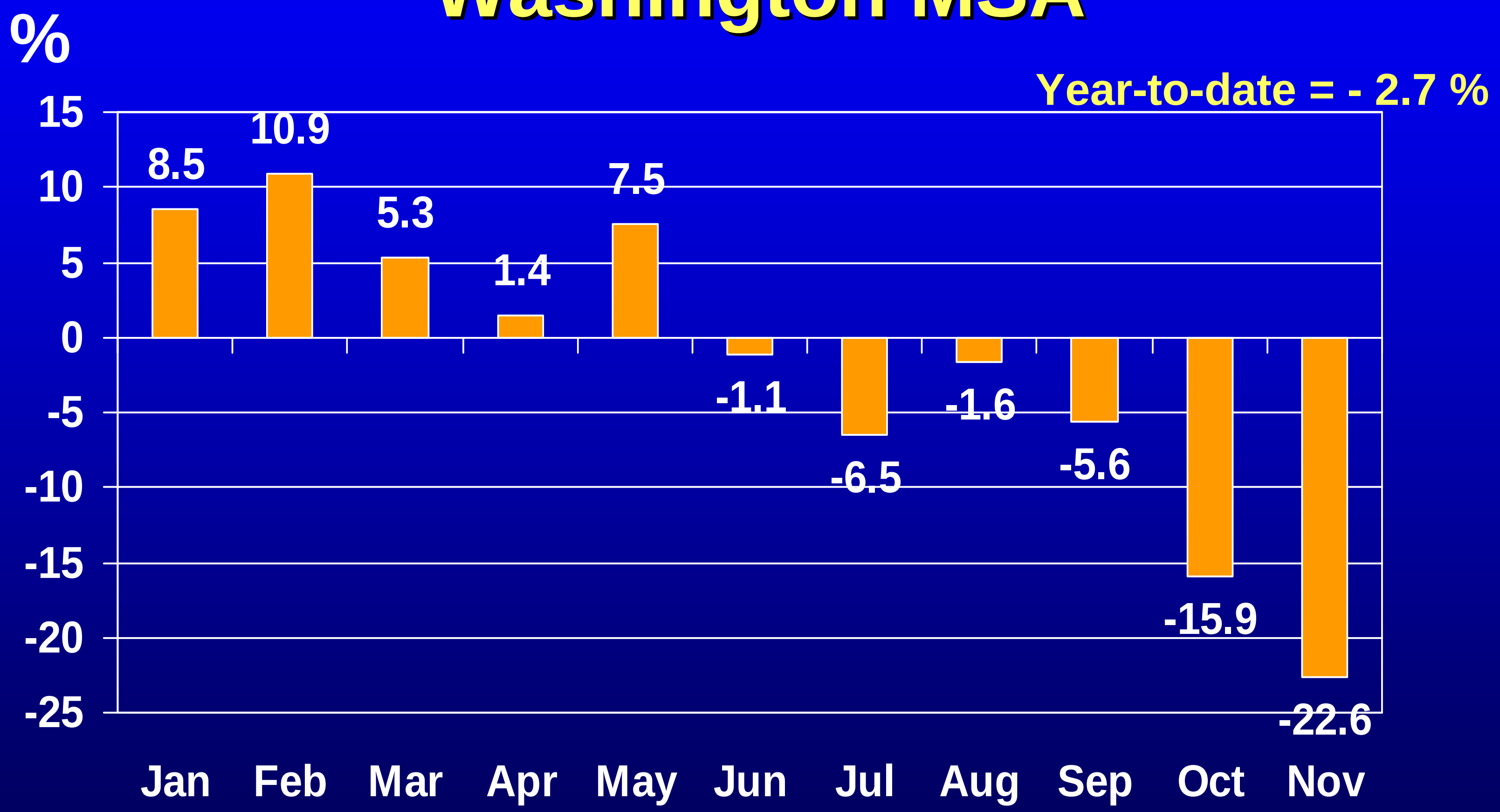
Center for Regional Analysis

Average Sales Price Percent Change
Month-over-the-year, All types
2004 – 2005
Washington MSA



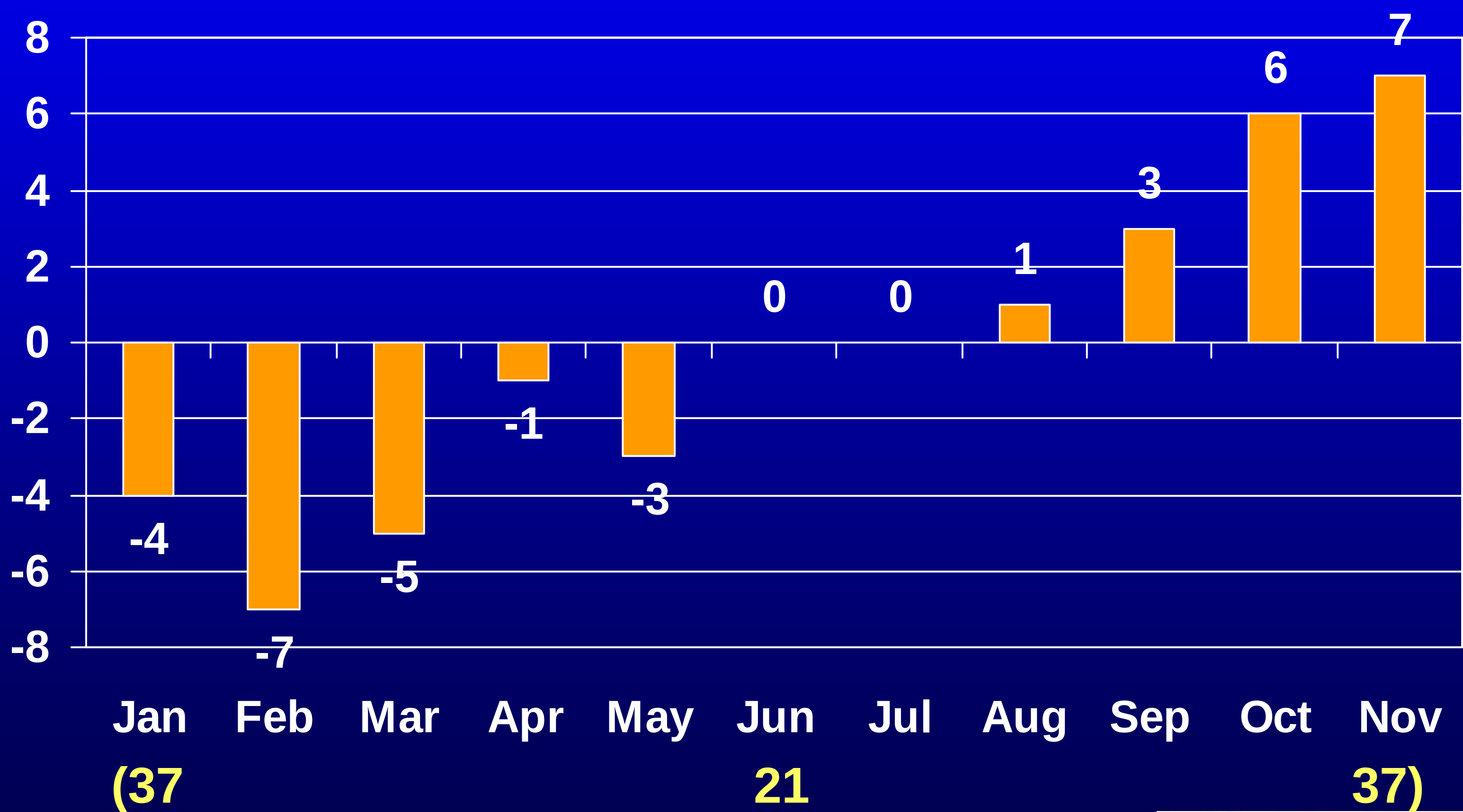
Center for Regional Analysis

Total Unit Sales Change
Month-over-the-year, All Types
2004 – 2005
Washington MSA



CRA Center for Regional Analysis

Average Days on the Market Change
Month-over-the-year, All Types
2004 – 2005
Washington MSA



Center for Regional Analysis

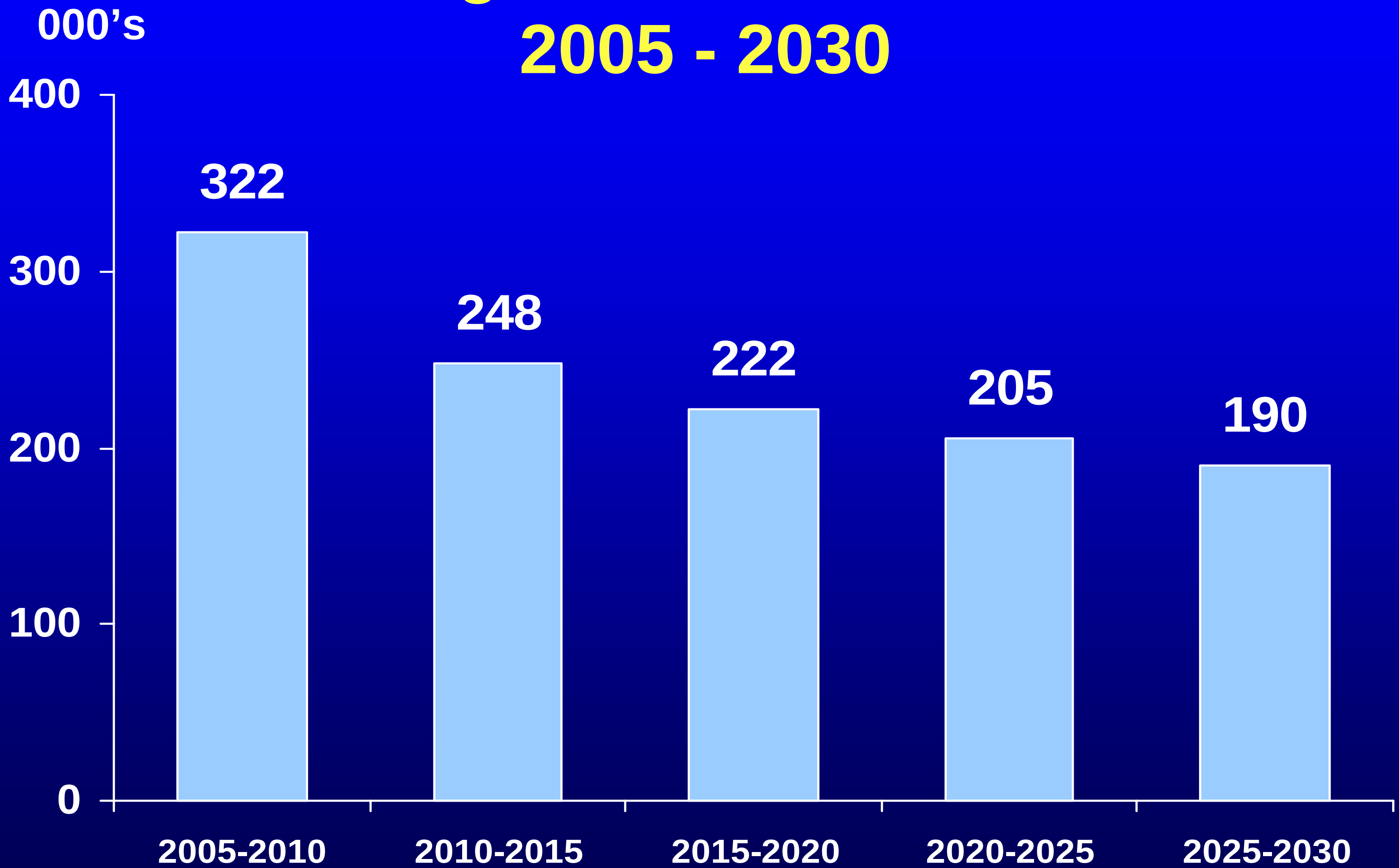
Summary of Jobs/Households Forecasts – COG Round 7

Regional Growth 2000 – 2030

Average Annual Growth 80-00 vs. 05-30

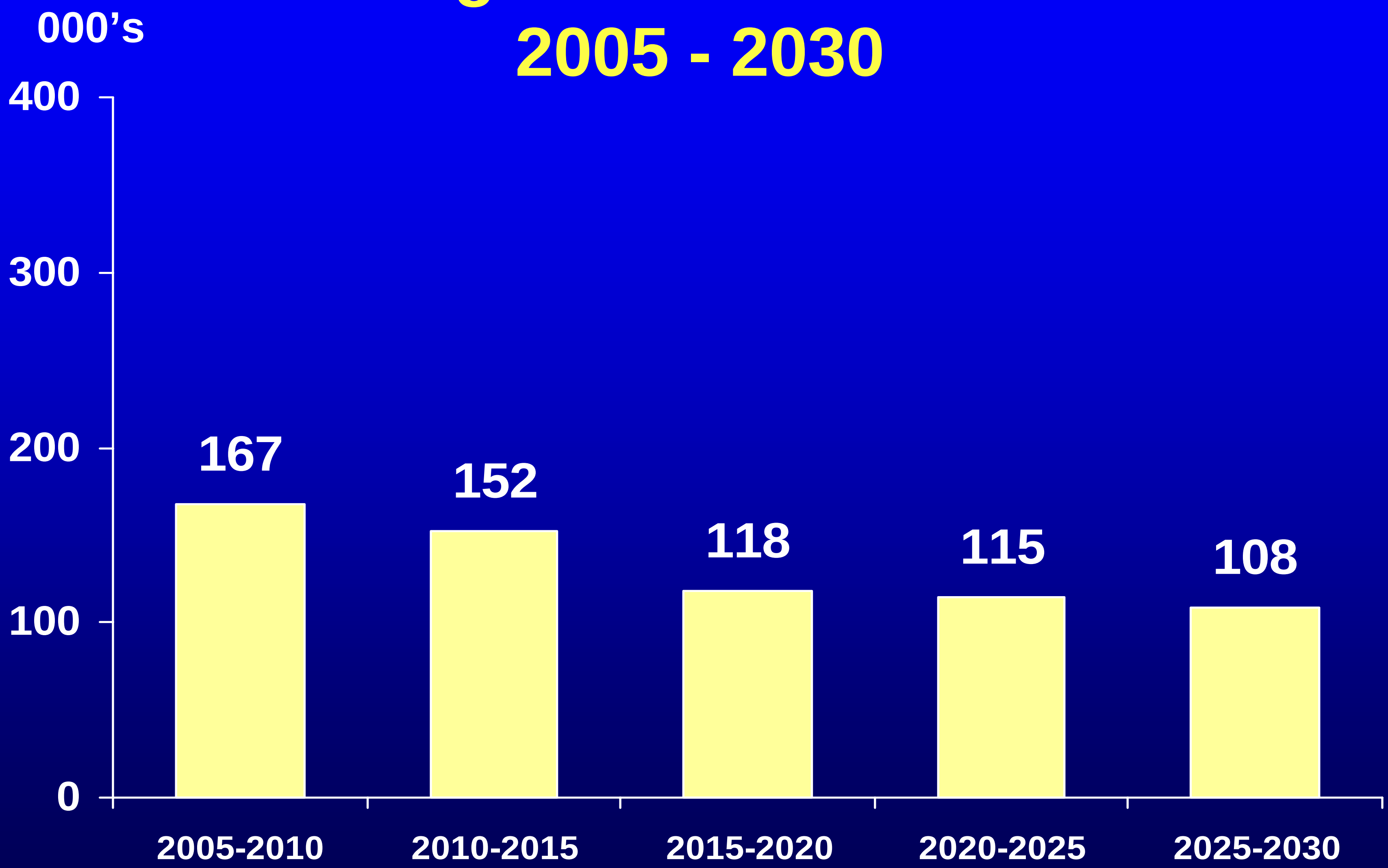
Center for Regional Analysis

Employment Forecasts – Study Area
Change in 5-Year Periods
2005 - 2030



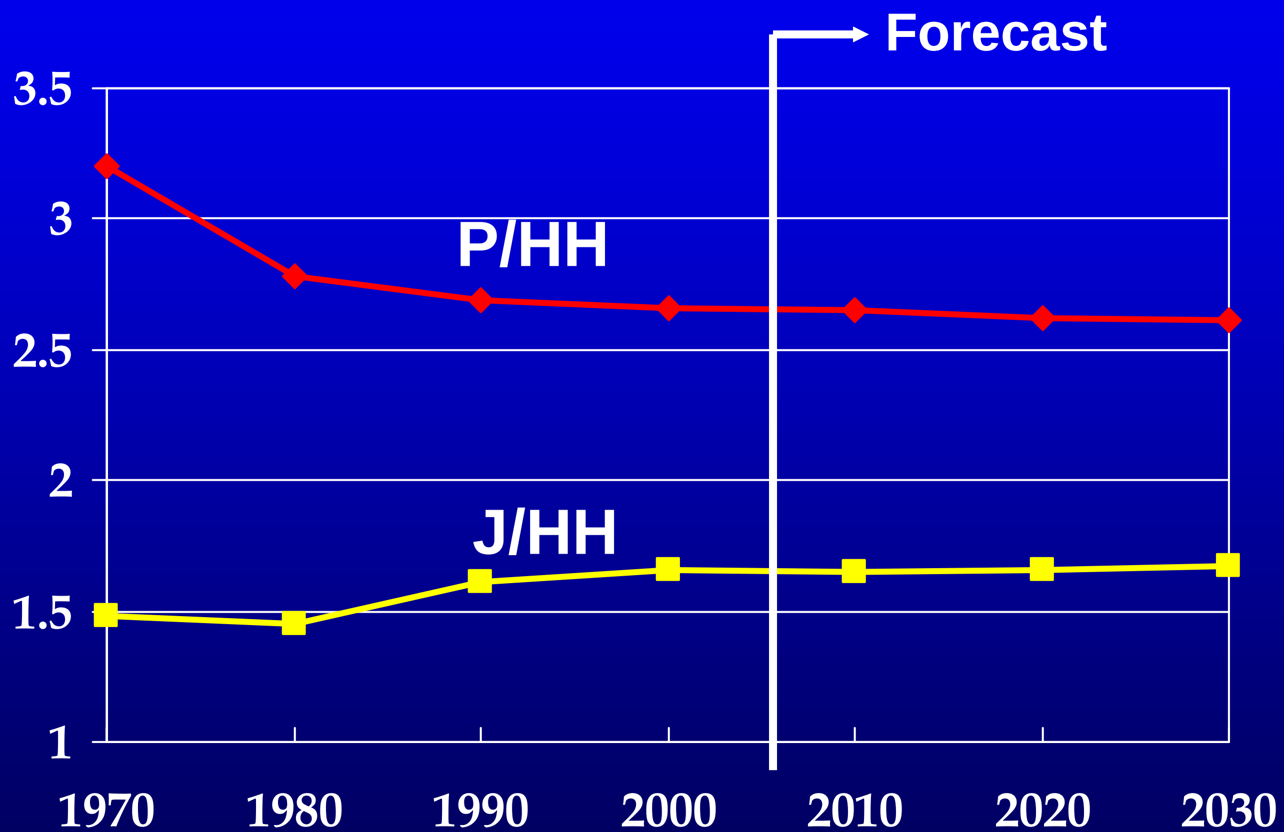
CRA Center for Regional Analysis

Household Forecasts – Study Area
Change in 5-Year Periods
2005 - 2030



Center for Regional Analysis

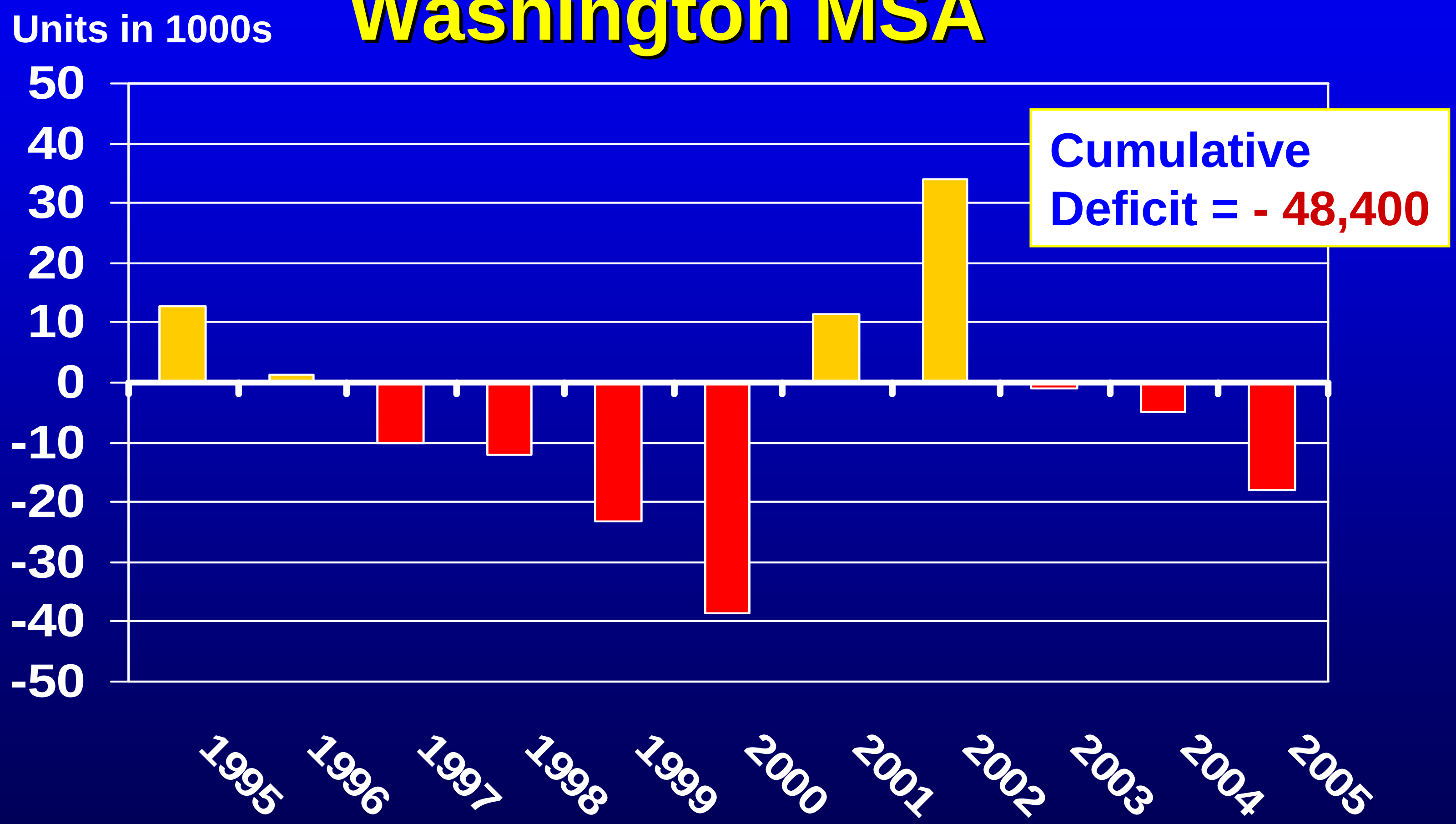
Population per HH vs. Jobs per HH



Sources: Census, NPA, CRA

Center for Regional Analysis

Annual Change In Housing Demand vs. Housing Supply 1995 - 2005 Washington MSA

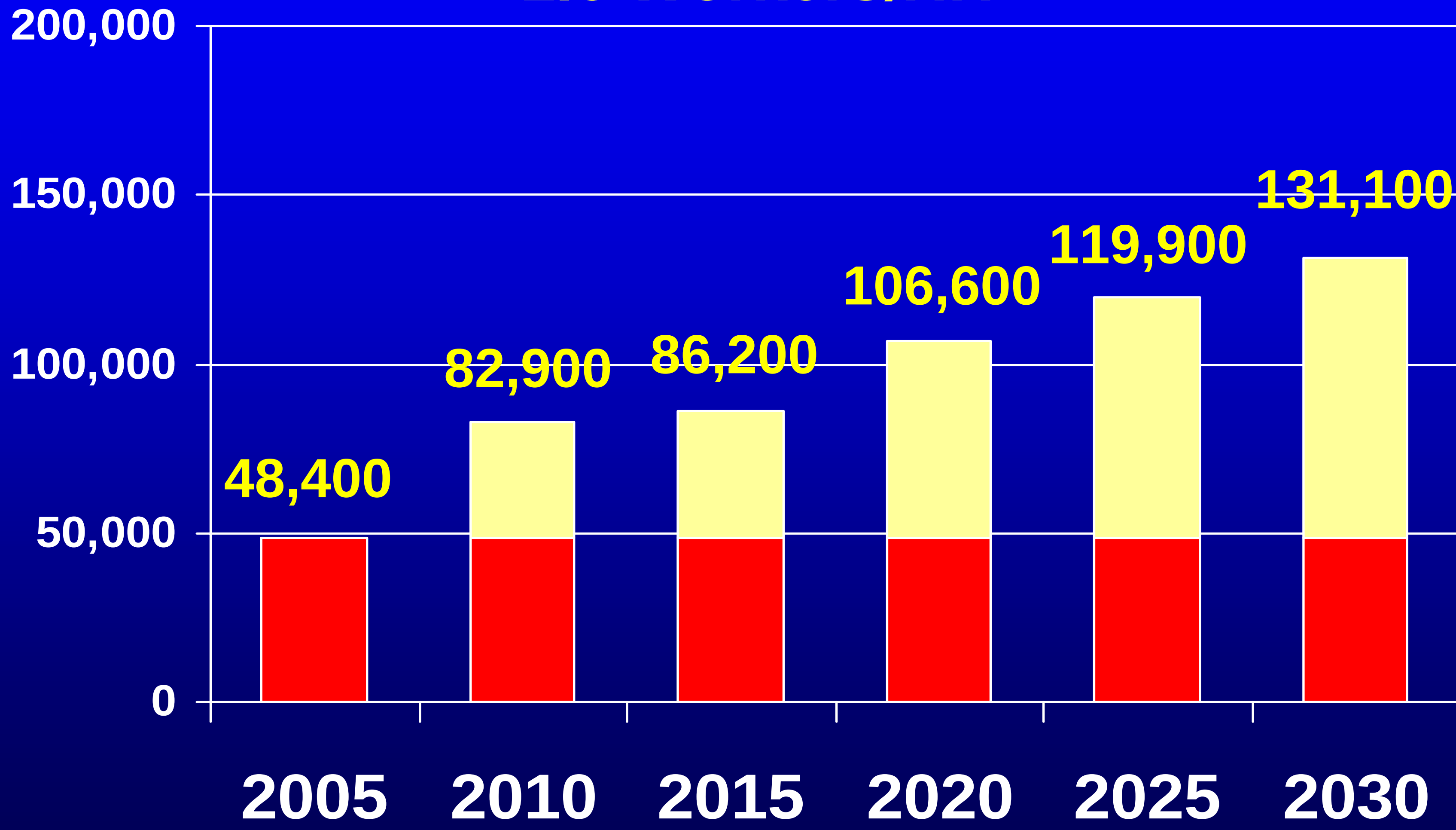


Source: CRA

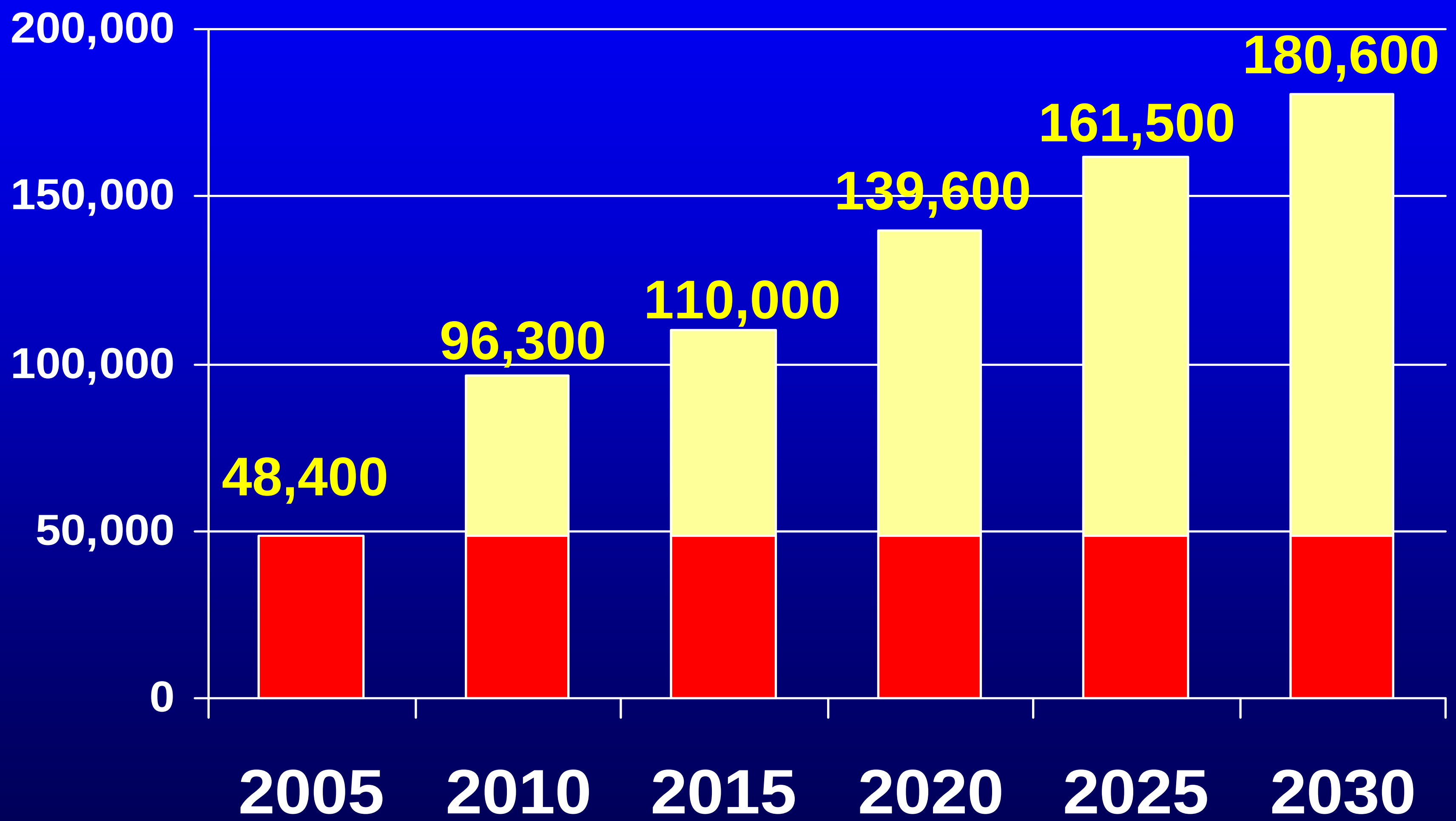
Supply = Building Permits, Demand = Jobs/ 1.5 workers/unit

Center for Regional Analysis

Deficit Supply of New Housing vs. Calculated Demand for New Housing 1.6 Workers/HH



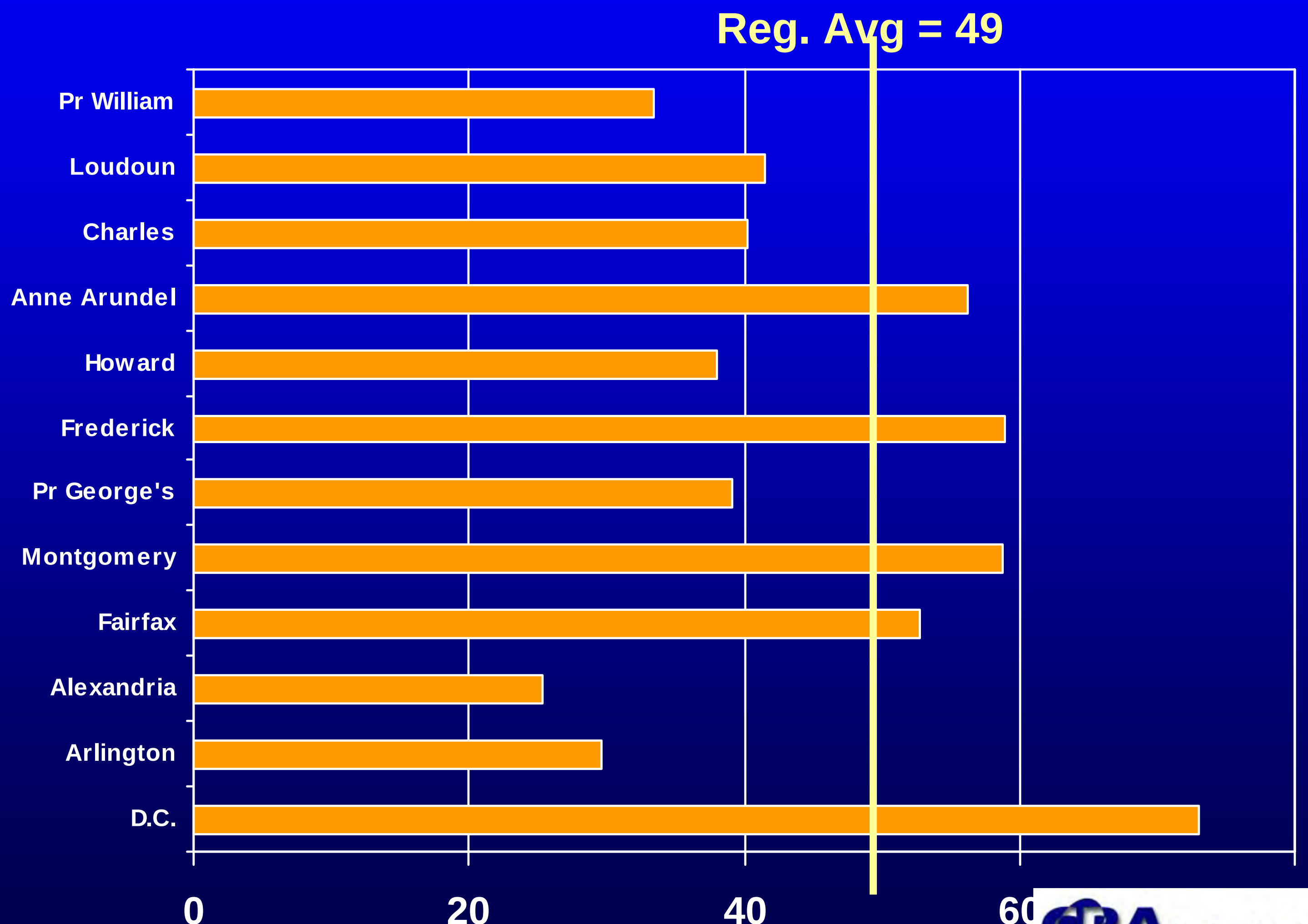
Deficit Supply of New Housing vs. Calculated Demand for New Housing 1.5 Workers/HH



Inadequate Housing Supply will result in

- Increased costs of housing – and even more serious for affordable housing
- Increased demand for housing further and further from employment centers
- Longer, more congested and “odd-hour” commutes
- Diminished economic potential
- Diminished fiscal capacity

Per Cent Work in Own County (Jurisdictions with 100,000+ Pop.

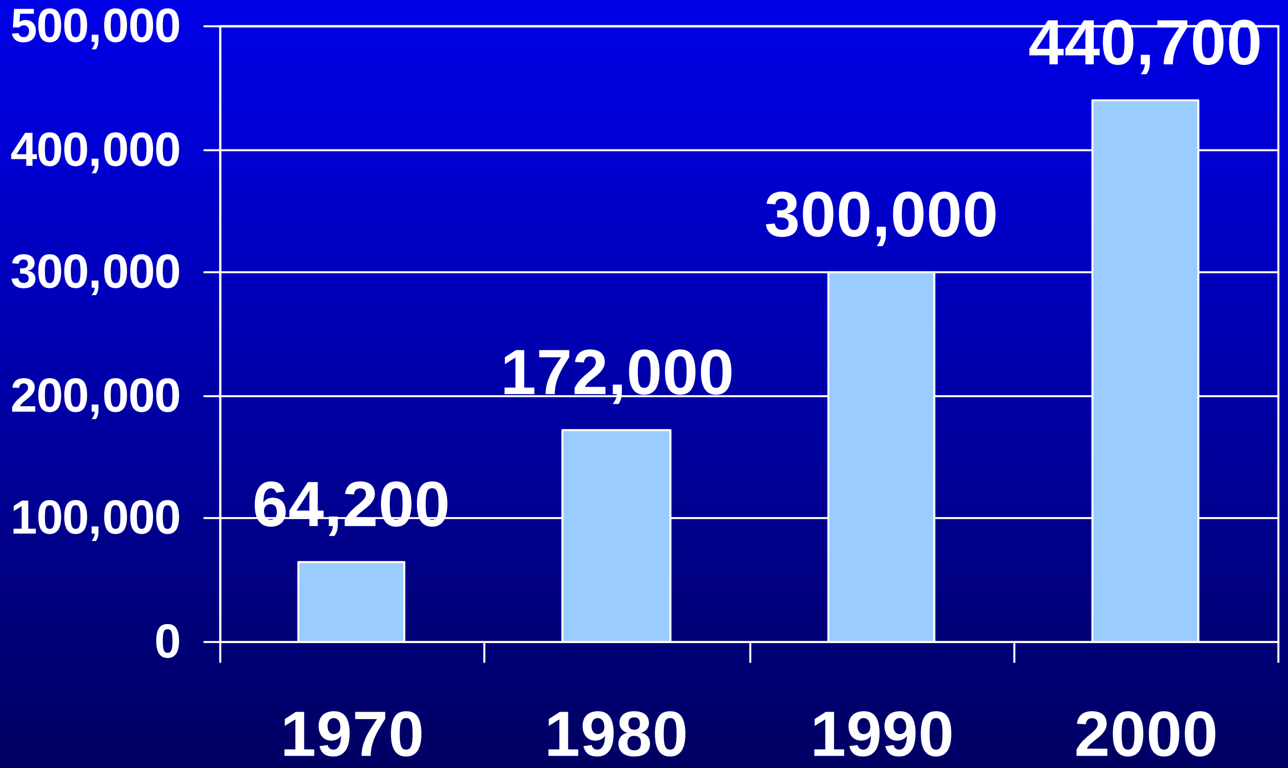


Fairfax Commuting

	1990	2000	Change	% Chg
Live and Work Here	268,100	308,300	40,200	15.0%
Live Here, Work Elsewhere	229,800	236,900	7,100	3.1%
Live Elsewhere, Work Here	175,200	238,200	63,000	36.0%

Center for Regional Analysis

Workers Commuting into Beltway and Central Jurisdictions from Outer Counties: 1970-2000



Solutions

- Better planning and zoning strategy – times have changed
- Redevelopment in areas of high access to jobs
- Affordable dwelling unit ordinances should be applied to mid- and high-rise
- Washington Area Housing Trust Fund
- Local Community Initiatives