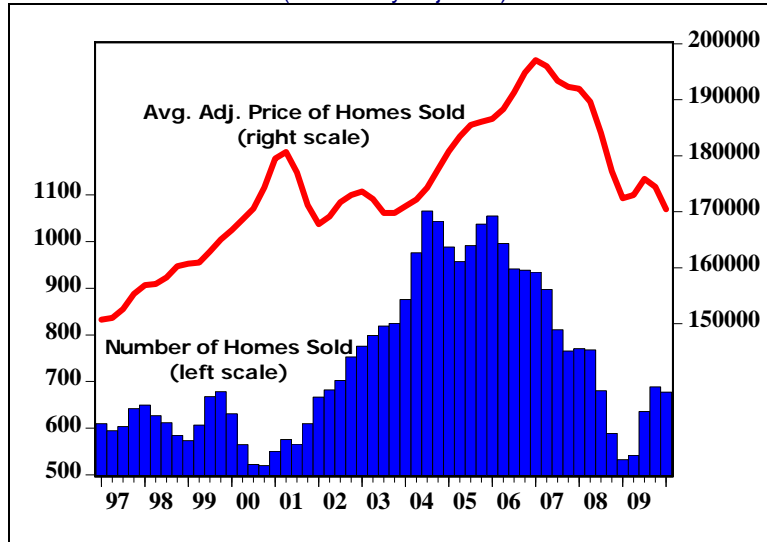


The Greensboro Housing Report, 2010.1

Current Outlook

The number of existing, single-family homes sold in the Greensboro area of Guilford County totaled 677 in the 1st quarter of 2010 after adjustment for seasonal variation.¹ The number sold was down -1.6 percent compared to the level of sales recorded in the 4th quarter, but it was 27.2 percent above the number sold during the 1st quarter one year ago.

Number and Prices of Existing Homes Sold, 1997.1 – 2010.1
(seasonally adjusted)



At the end of the 1st quarter of 2010, the inventory of homes on the Greensboro market was 2,608, or 5.9 times the number of homes sold in the 1st quarter. The inventory/sales ratio is up from what it was at the end of the 4th quarter. At the current sales pace, it will take 17.8 months to exhaust the inventory. The number of existing homes offered for sale was up 23.8 percent from what it was at the end of the 4th quarter, and it was 10.3 percent above the level one year ago.

The quality-adjusted price of the average home sold in the 1st quarter was off -2.3 percent from the previous quarter. The average quality-adjusted price of an existing home in Greensboro was \$170,447. The average this quarter was -1.1 percent below the average recorded in the 1st quarter of last year. By comparison, over the past year, overall consumer prices nationally have risen 2.2 percent.

Nationally, the pace of existing home sales has risen 4.3 percent over the past 12 months.² Average home prices are down -0.1 percent across the nation and -1.6 percent in the South. The national inventory of unsold homes is down -6.6 percent over the past 12 months and will take 8.2 months to sell at the existing pace of sales.

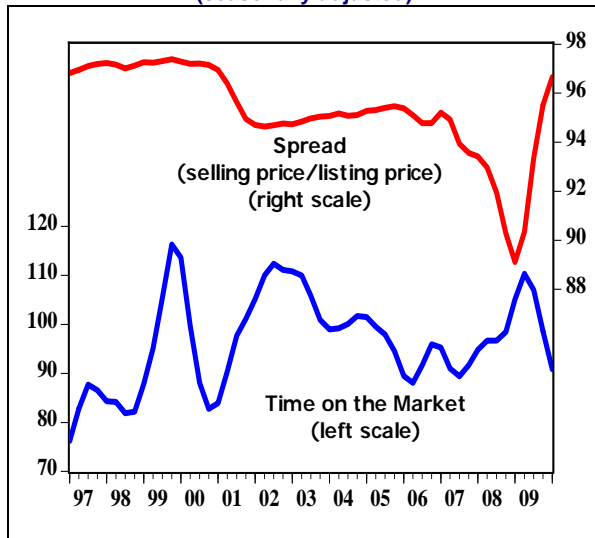
Among other indicators of housing demand, the average time on the market for existing homes sold was 90.9 days, down -7.9 percent from the average in the 4th quarter. The sale-list price spread, which shows the ratio of selling to listing price, was higher at 96.7 percent, indicating a decrease in the level of discounting in the market. Over the past year, time on the market has declined -13.6 percent, and the spread has increased, showing that the time to sell a home has declined, and sellers are getting a higher percentage of their listing price.

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

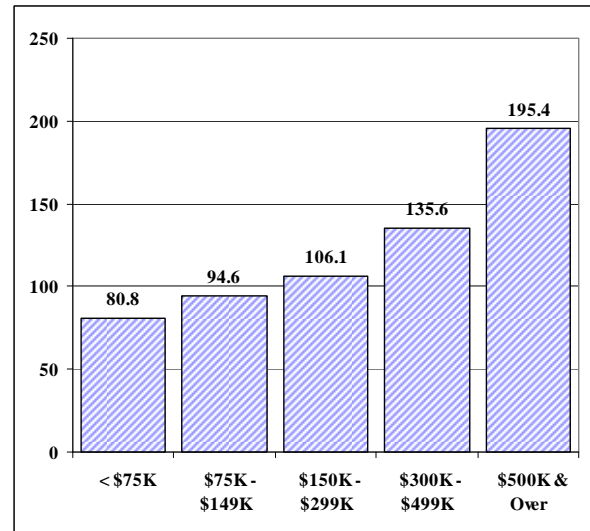
² This percentage is calculated from February 2009 to February 2010 using National Assn. of Realtors® data.

Time on the market (TOM) is higher for the highest priced homes (see the bar graph shown directly below).

Existing Homes, 1997.1 – 2010.1
(seasonally adjusted)



Time on the Market by Price Category
(in days)



Housing affordability is an important factor shaping housing demand. The affordability index gained 1.1 percent this quarter. Since the 1st quarter of 2009, the affordability index has risen 2.8 percent because of lower mortgage rates and housing prices.

Existing Home Sales Data

	2010.1	2009.4	2009.1	% Chg Last Qtr.	% Chg Last Yr.
<i>Seasonally Adjusted</i>					
Adj. Avg. Home Price	\$170,447	\$174,431	\$172,405	-2.3%	-1.1%
No. of Homes Sold	677	688	533	-1.6%	27.2%
Time on Market (days)	90.9	98.6	105.1	-7.9%	-13.6%
Spread: (sale price/list price)	96.7	95.5	89.1	1.2%	8.5%
Consumer Price Index (CPI-U)	216.7	216.2	212.0	0.3%	2.2%
<i>Not Seasonally Adjusted</i>					
Avg. Home Price	\$173,479	\$197,122	\$181,988	-12.0%	-4.7%
No. of Homes Sold	440	629	416	-30.0%	5.8%
< \$75K	102	75	66	36.0%	54.5%
\$75K - \$149K	151	223	146	-32.3%	3.4%
\$150K - \$299K	130	231	140	-43.7%	-7.1%
\$300K - \$499K	37	71	49	-47.9%	-24.5%
\$500K & Over	20	29	15	-31.0%	33.3%
Inventory, end of qtr.	2,608	2,107	2,364	23.8%	10.3%
Inventory/Sales	5.9	3.3	5.7	76.9%	4.3%
Affordability Index	113.7	112.5	110.6	1.1%	2.8%

The Neighborhood Distribution of Existing Home Sales

During the 1st quarter, the largest number of sales of existing homes occurred in zip code 27410. This neighborhood, which encompasses much of northwest Greensboro, had a total of 88 sales. It was followed by zip code 27406 in southeast Greensboro which recorded a total of 70 sales. The Irving Park area in the northern section of the city (zip code 27408) recorded the highest average price of homes sold, with 37 sales averaging \$247,419. It was followed by the neighboring Lake Jeanette area (zip 27455) with 61 sales averaging \$241,945. The highest inventory to sales ratio was in zip code 27405 (northeast of the city), with a ratio of 19.1 mos. It was followed by zip code 27401 (encompassing and to the east of downtown Greensboro) with a ratio of 16.8 months. The lowest ratio was in zip code 27403 (west of UNCG), where at the existing pace of sales it will take 10.0 months to sell the listings in this area.

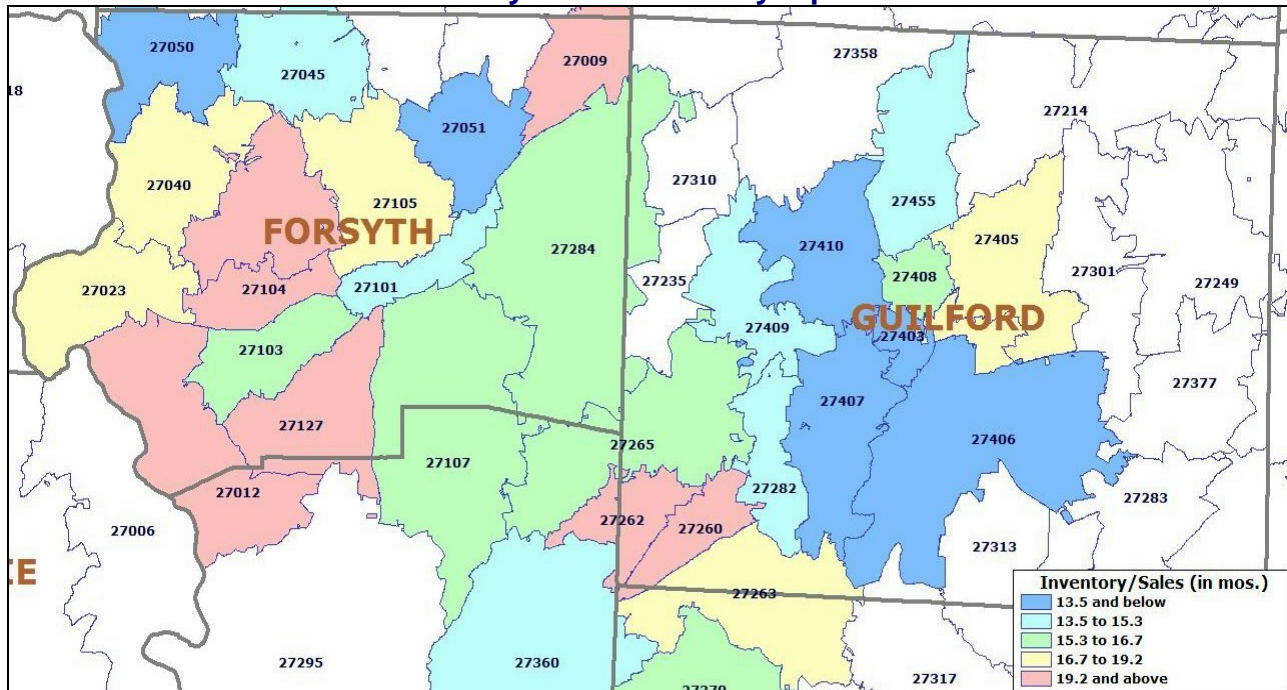
The Neighborhood Distribution of Existing Home Sales, 2010.1

Zip	Price Range	No. Sales	Avg. Price	Spread	TOM	Inventory End of Qtr.	Inv./Sales
27401	< \$75K	8	\$46,538	92.9	96.5	44	5.5
27401	\$75K - \$149K	7	\$106,114	95.7	64.1	25	3.6
27401	\$150K - \$299K	1	\$248,000	95.9	147.0	17	17.0
27401	\$300K - \$499K	0	n.a.	n.a.	n.a.	7	n.a.
27401	\$500K & Over	1	568000	95	1	2	2.0
27401	Total	17	\$113,594	94.4	80.5	95	5.6
27403	< \$75K	6	\$63,416	94.2	72.5	38	6.3
27403	\$75K - \$149K	18	\$115,644	97.6	54.7	42	2.3
27403	\$150K - \$299K	15	\$220,933	95.6	56.2	40	2.7
27403	\$300K - \$499K	2	\$351,000	96.4	66.5	17	8.5
27403	\$500K & Over	0	n.a.	n.a.	n.a.	0	0
27403	Total	41	\$158,002	96.3	58.4	137	3.3
27405	< \$75K	17	\$53,788	89.6	69.8	77	4.5
27405	\$75K - \$149K	26	\$92,938	98.8	102.0	167	6.4
27405	\$150K - \$299K	1	\$156,000	94.6	149.0	44	44.0
27405	\$300K - \$499K	2	406250	95	165	4	2.0
27405	\$500K & Over	0	n.a.	n.a.	n.a.	1	n.a.
27405	Total	46	\$93,463	95.1	93.8	293	6.4
27406	< \$75K	15	\$57,520	88.1	60.6	61	4.1
27406	\$75K - \$149K	44	\$107,189	98.2	81.7	127	2.9
27406	\$150K - \$299K	10	\$212,550	94.3	101.6	92	9.2
27406	\$300K - \$499K	0	n.a.	n.a.	n.a.	17	n.a.
27406	\$500K & Over	1	520000	100	36	2	2.0
27406	Total	70	\$117,494	95.5	79.4	299	4.3
27407	< \$75K	12	\$51,563	88.2	119.0	33	2.8
27407	\$75K - \$149K	31	\$113,005	98.3	49.3	113	3.6
27407	\$150K - \$299K	19	\$192,589	97.7	64.7	73	3.8
27407	\$300K - \$499K	2	\$409,325	97.5	233.0	34	17.0
27407	\$500K & Over	2	\$805,000	81.4	272.5	32	16.0
27407	Total	66	\$154,693	95.8	78.8	285	4.3
27408	< \$75K	0	n.a.	n.a.	n.a.	0	0
27408	\$75K - \$149K	17	\$118,176	97.1	68.5	50	2.9
27408	\$150K - \$299K	10	\$206,300	95.2	72.4	60	6.0
27408	\$300K - \$499K	7	\$368,200	96.4	176.1	21	3.0
27408	\$500K & Over	3	\$835,033	94.6	79.3	58	19.3
27408	Total	37	\$247,419	96.2	90.8	189	5.1

The Neighborhood Distribution of Existing Home Sales, continued

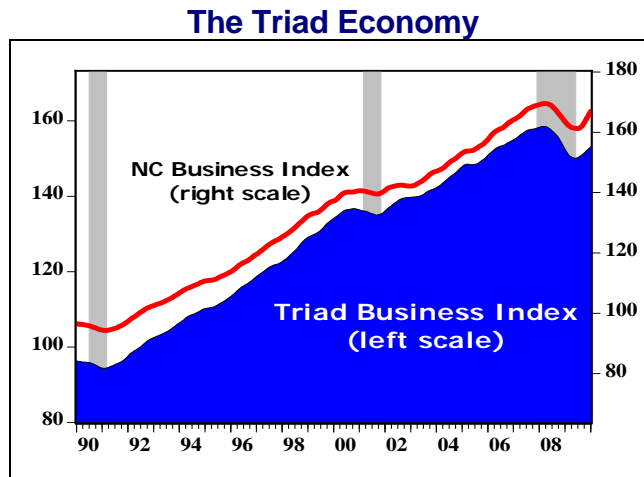
Zip	Price Range	No. Sales	Avg. Price	Spread	TOM	Inventory End of Qtr.	Inv./Sales
27409	< \$75K	0	n.a.	n.a.	n.a.	2	n.a.
27409	\$75K - \$149K	4	\$123,825	98.8	73.5	10	2.5
27409	\$150K - \$299K	2	\$213,500	96.9	201.5	19	n.a.
27409	\$300K - \$499K	0	n.a.	n.a.	n.a.	2	n.a.
27409	\$500K & Over	1	n.a.	n.a.	n.a.	0	0
27409	Total	7	\$153,717	98.2	116.2	33	4.7
27410	< \$75K	0	n.a.	n.a.	n.a.	1	n.a.
27410	\$75K - \$149K	29	\$128,019	96.6	65.7	17	0.6
27410	\$150K - \$299K	45	\$196,890	97.2	103.8	200	4.4
27410	\$300K - \$499K	10	\$363,830	98.2	127.5	64	n.a.
27410	\$500K & Over	4	\$657,121	100.0	94.0	43	10.8
27410	Total	88	\$214,084	97.2	93.5	325	3.7
27455	< \$75K	0	n.a.	n.a.	n.a.	1	n.a.
27455	\$75K - \$149K	18	\$120,072	97.0	84.8	46	2.6
27455	\$150K - \$299K	25	\$226,338	97.1	111.6	76	3.0
27455	\$300K - \$499K	16	\$368,077	98.4	185.6	94	5.9
27455	\$500K & Over	2	\$524,819	99.2	76.5	58	29.0
27455	Total	61	\$241,945	97.5	122.0	275	4.5

Inventory-Sales Ratios by Zip Code



Economic Trends in the Piedmont Triad

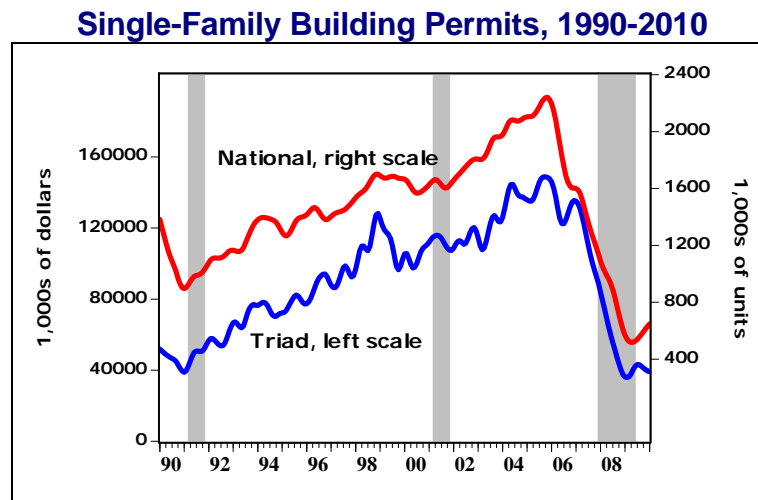
Economic conditions in the eight-county Piedmont Triad region improved modestly during the 1st quarter.³ The Dixon Hughes Triad Business Index which tracks the pace of economic activity in the 8-county Triad region rose 0.3 percent in January.⁴



Total nonagricultural wage and salary employment (employer survey) in the Piedmont Triad was off -0.3 percent in January. Over the past 12 months, employment has fallen -4.5 percent. For the nation as a whole, employment declined -3.0 percent during the same period.

The number of persons in the Triad employed in the service-producing sector slipped -0.2 percent in January but higher employment was recorded in professional and business services.

Residential building permits in the Triad, which reflect planned construction, declined -1.3 percent in January, but are up 8.0 percent over the past year.



The number of real estate foreclosures in the Triad increased 1.6 percent in March and have risen 29.6 percent over the past 12 months. Nationally, foreclosures were down 2.0 percent in January but have risen 6.0 percent over the past 12 months. There were 9,954 reported foreclosures in the Triad over the past year.

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.

⁴ See, <http://www.triadbizindex.com/>

Longer-Term Trends

The population of the Triad totaled 1.39 million in 2008, growing at an average annual rate of 1.3 percent since 2000. Guilford County's population was 472,216 in 2008, rising 1.4 percent annually since 2000. The pace of population growth in the Triad accelerated in 2008, with population growing 1.6 percent from 2007 to 2008. The rate of population growth in Guilford County also increased in 2008, growing more rapidly than the nation, but slower than the state.

Population Change in the Triad & the Nation, 2008-2000

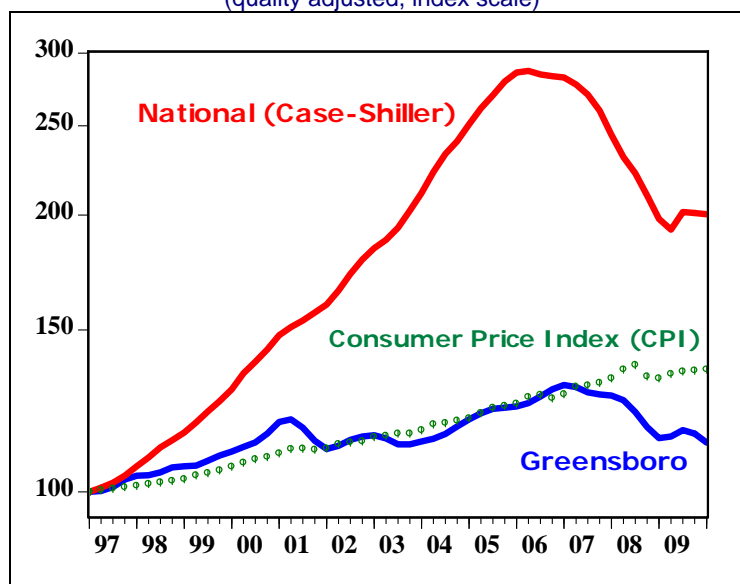
Area	Population 2008	Percent Change 2008-07	Percent Change 2008-00
Alamance County	148,053	2.25%	1.56%
Davidson County	158,166	1.34%	0.90%
Davie County	40,971	1.50%	2.05%
Forsyth County	343,028	1.60%	1.44%
Guilford County	472,216	1.76%	1.44%
Randolph County	141,186	1.20%	0.99%
Stokes County	46,171	0.51%	0.40%
Yadkin County	37,954	0.74%	0.54%
Triad	1,387,745	1.59%	1.30%
North Carolina	9,222,414	2.00%	1.72%
United States	304,059,724	0.92%	0.97%

Source: Census Bureau

Since the first quarter of 1997, existing home prices in Greensboro have risen at an average annual rate of 1.0 percent, lagging the consumer price index (CPI), which has increased an average of 2.4 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 5.5 percent annual rate from 1997.1 through the 1st quarter of 2010, according to the S&P Case-Shiller 10-City Home Price Index.

Existing Housing Prices in Greensboro & the Nation

(quality adjusted, index scale)



In 2009, the average existing home that was sold had 2,105 square feet of floor space. It was 1.5 stories high, had 2.4 bathrooms, and 1.3 garage parking spaces. The average home had 0.86 fireplaces. The average age of existing homes sold was 24.8 years. Seventy-five percent of exiting homes sold were in the city limits of Greensboro, and 32 percent of all homes were in the northwest part of Guilford County. A total of 2,408 single-family homes were sold through Triad MLS in the Greensboro area of Guilford County.

Characteristics of Existing Homes Sold, 2009

Square Footage	2,105
Floors	1.5
Baths	2.4
Garage Spaces	1.3
Fireplaces	0.86
Age	24.8
In the City	75%
Northwest	32%
Number Sold	2,408

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: 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.

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