

Welcome Business Forecasting Roundtable

Sponsored by:

RAYMOND JAMES®

Local Real Estate Update

Jim Kouns

Coldwell Banker Lunsford

INSIDE | 3C
CLASSIFIED ADVERTISING

OIL PER BARREL
\$79.66

Growth is likely slowing

THE ASSOCIATED PRESS

WASHINGTON — The recovery is losing steam.

The economy is now likely expanding at just half the brisk 5.9-percent pace at which the government on Friday estimated it grew last quarter. Business spending will make up for some of a slowdown in consumer spending — but not likely enough to reduce the jobless rate much.

All that adds up to a long slog ahead for an economy trying to get back on firm footing after the worst recession since the 1930s. The economy continues to grow. But it won't feel like much of a recovery this year amid high unemployment, record-high home foreclosures and tight credit.

Stuart Hoffman, chief economist at PNC Financial Services Group, called the year-end growth spurt "a one-hit wonder."

In a fresh reading on the nation's economic standing, the Commerce Department bumped up its growth estimate for the final quarter of 2009, from a 5.7 percent growth rate estimated a month ago. It was the strongest showing in six years.

Roughly two-thirds of the growth came from a burst of manufacturing — but not because consumer demand was especially strong. In fact, consumer spending weakened at the end of the year, even more than the government first thought.

EAST CENTRAL INDIANA BUSINESS

WWW.THESTARPRESS.COM

STILL WEAK



THE ASSOCIATED PRESS

A HOME IS SEEN advertised for sale in Alameda, Calif., in this Jan. 5 photo. Sales of previously occupied homes took a large drop for the second straight month in January, falling to the lowest level since summer. It was another sign the U.S. housing market's recovery is faltering.

Home sales plunge

Housing market shows weakness for a second month

THE ASSOCIATED PRESS

WASHINGTON — Sales of previously owned homes plunged in January to their lowest level since summer, evidence that high unemployment and tight lending standards are undercutting the government's attempts to prop up the market.

The results Friday, the weakest since June, were far worse than forecast and suggest the housing recovery will sputter without government support. The government has spent billions to keep mortgage rates

Home sales drop

In January, existing home sales dropped 7.2 percent, the lowest level since June 2009.

Seasonally adjusted annual rate



SOURCE: National Association of Realtors

that we're seeing those pro-

Keller Williams Realty near Houston, Texas.

"People are scared right now," he said.

The National Association of Realtors said that home sales fell 7.2 percent to a seasonally adjusted annual rate of 5.05 million from a downwardly revised pace of 5.44 million in December. Economists expected a slight increase to a rate of 5.5 million.

Home sales have been sluggish this winter even though the deadline for a tax credit for first-time buyers was extended. It had been set to expire on Nov. 30. That caused sales to

Jim Kouns
Broker, GRI, CRS

**COLDWELL
BANKER**

LUNSFORD

Delaware Co. Real Estate 2009 Market Review

All Real Estate
Markets Are

Local

Jim Kouns
Broker, GRI, CRS

**COLDWELL
BANKER** 

LUNSFORD

Delaware County Real Estate

2009 Market Review

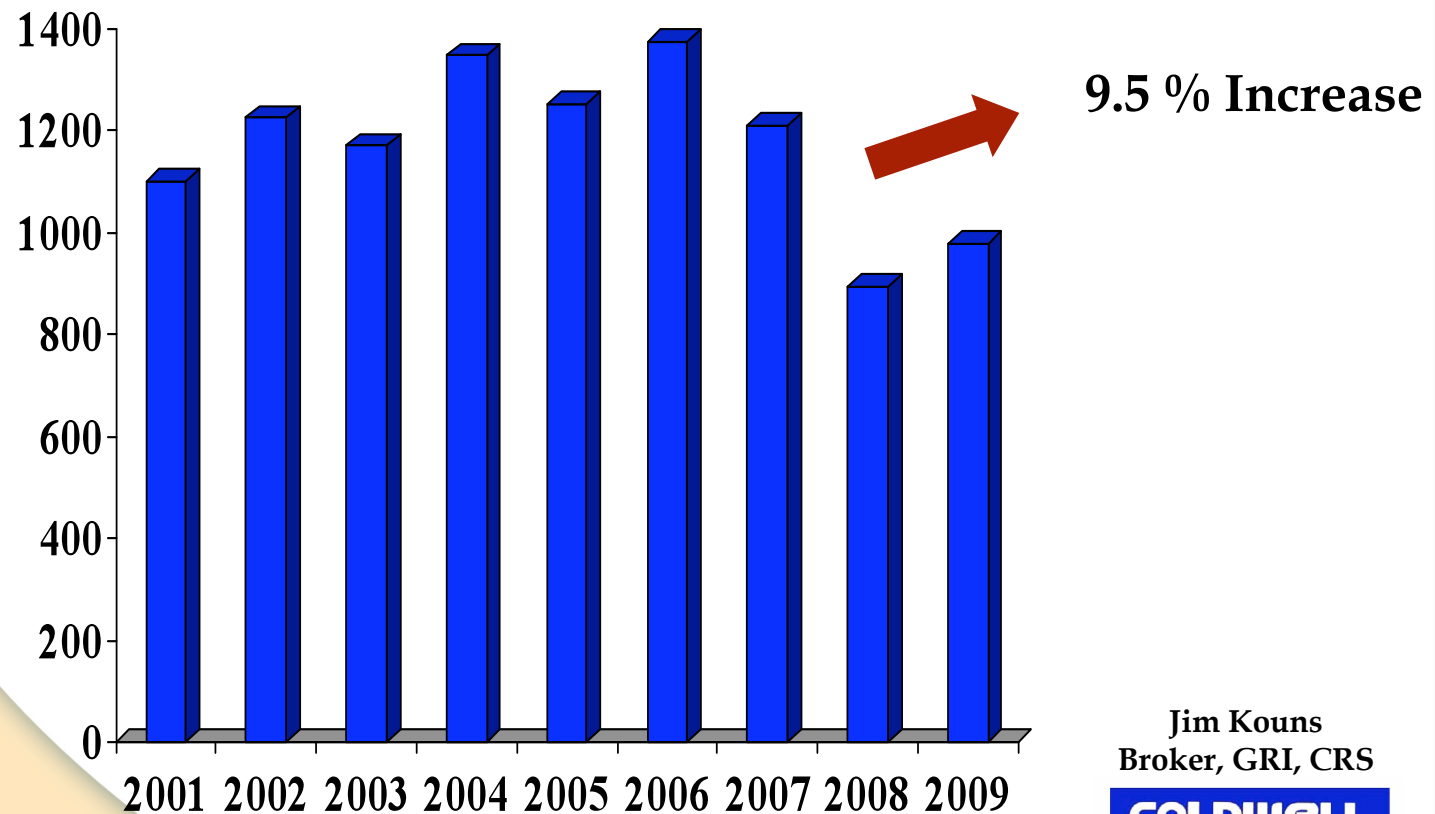
Jim Kouns
Broker, GRI, CRS



LUNSFORD

Delaware Co. Real Estate 2009 Market Review

Units Sold



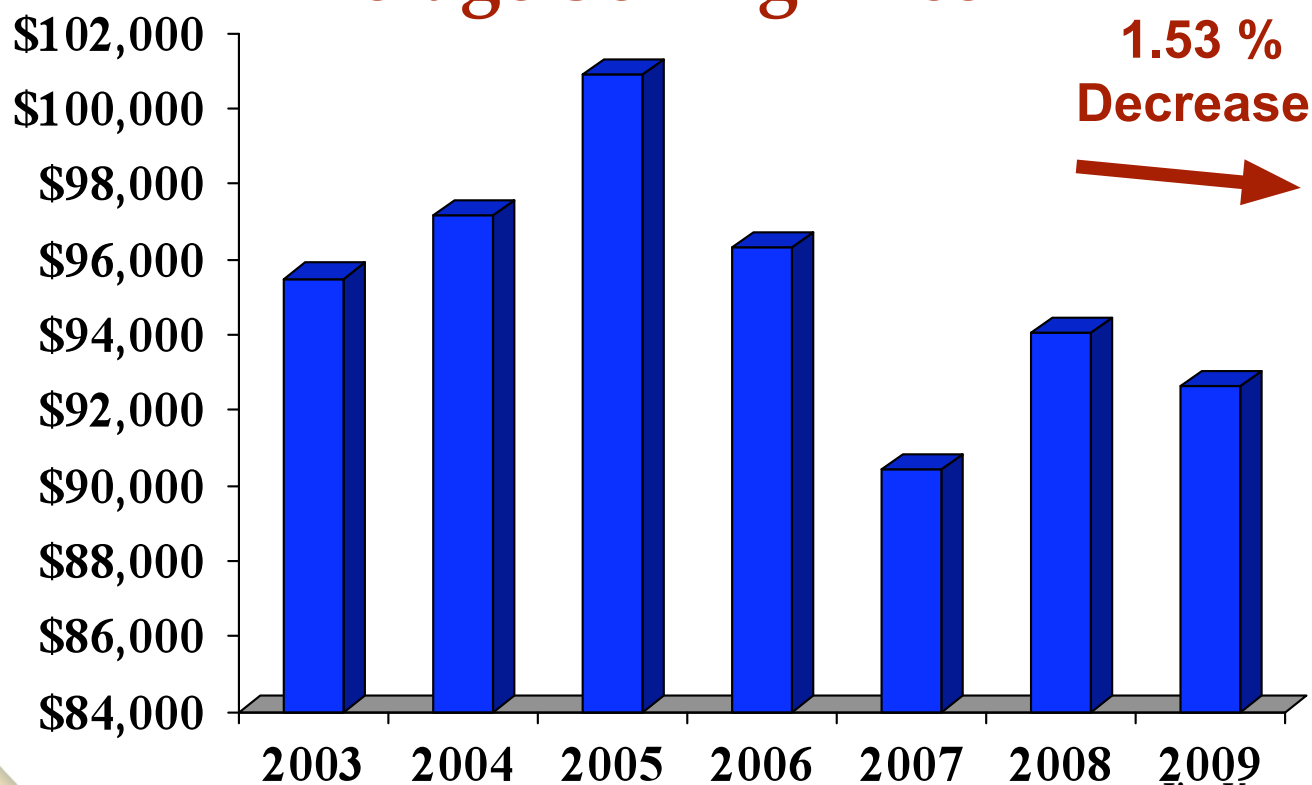
Jim Kouns
Broker, GRI, CRS

**COLDWELL
BANKER**

LUNSFORD

Delaware Co. Real Estate 2009 Market Review

Average Selling Price



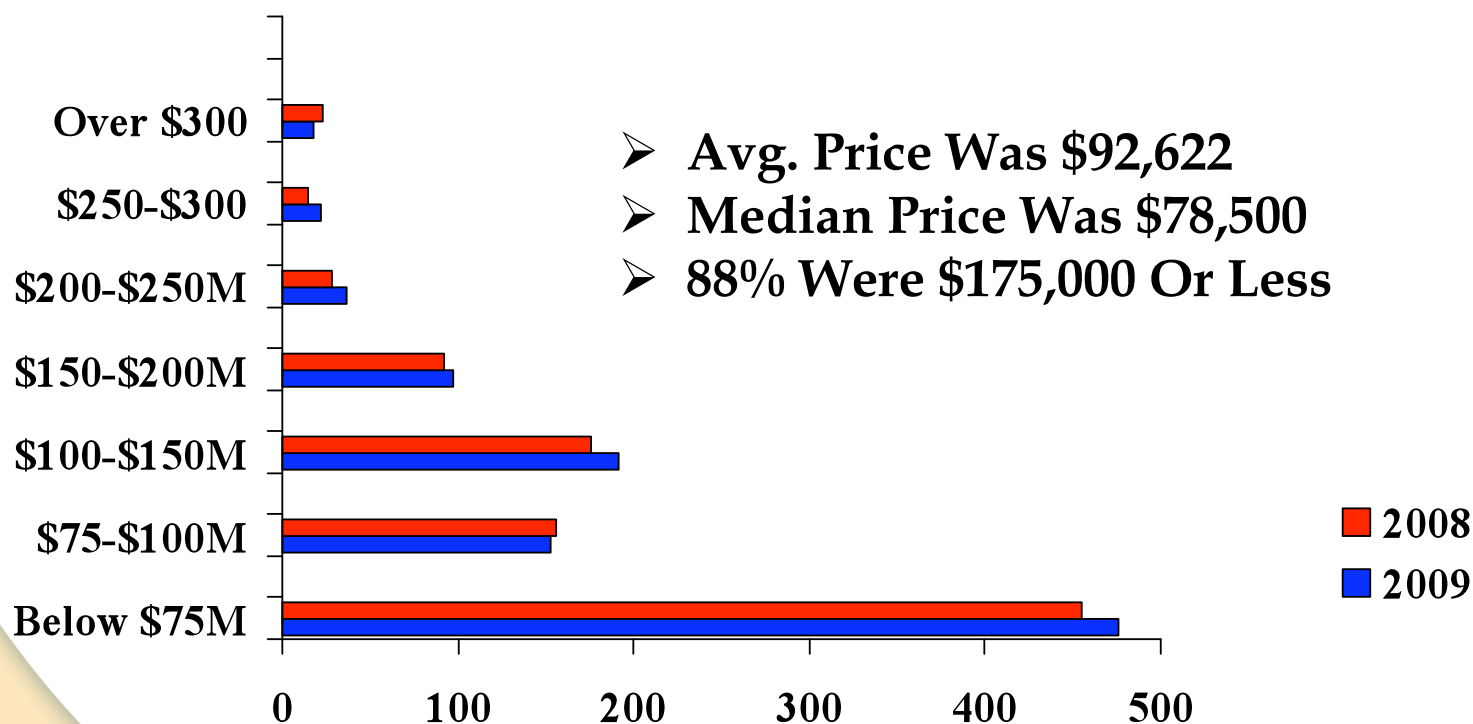
Jim Kouns
Broker, GRI, CRS

**COLDWELL
BANKER**

LUNSFORD

Delaware Co. Real Estate 2009 Market Review

2008 Vs 2009 Activity By Price Range

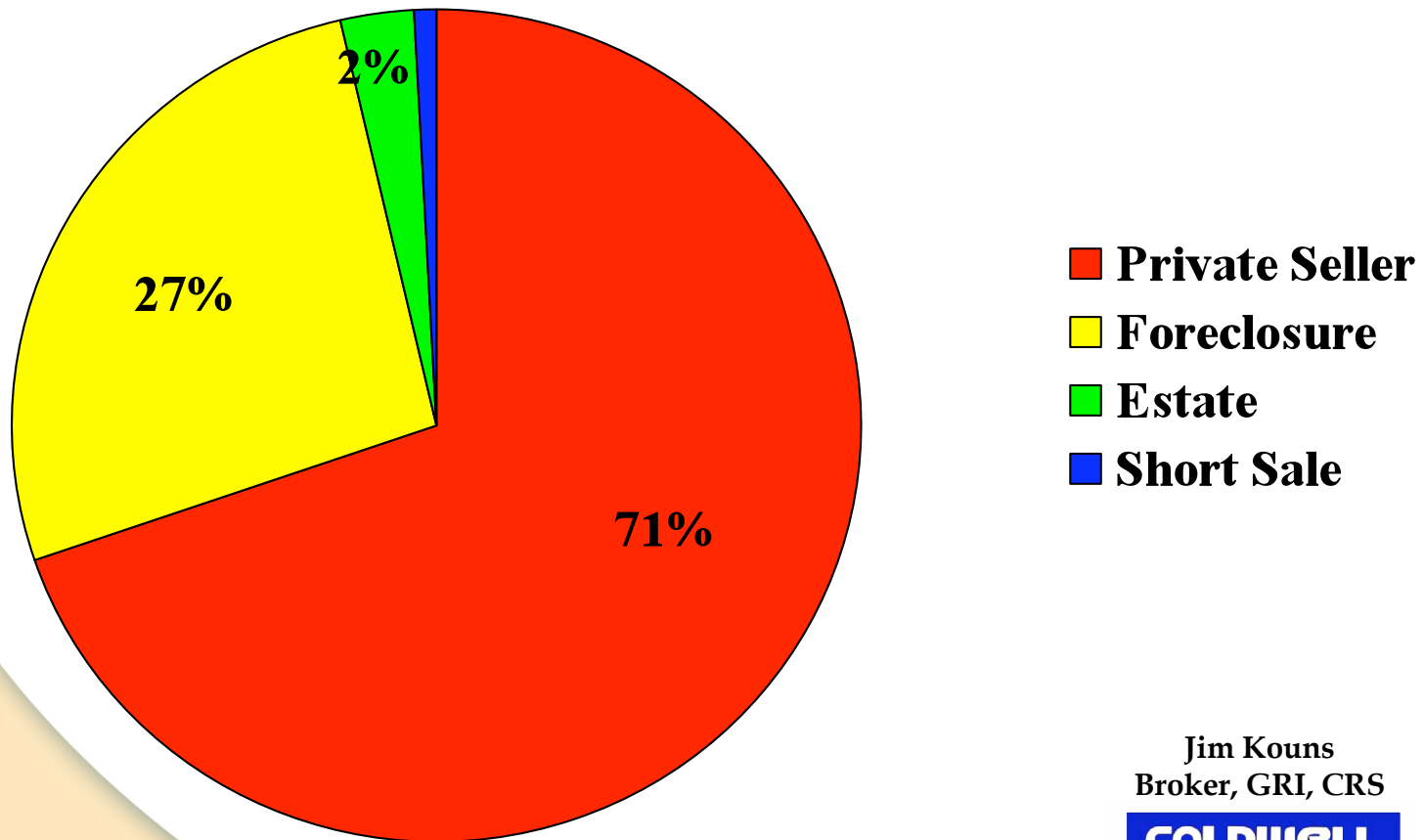


Jim Kouns
Broker, GRI, CRS



LUNSFORD

Delaware Co. Real Estate 2009 Market Review Sales By Type



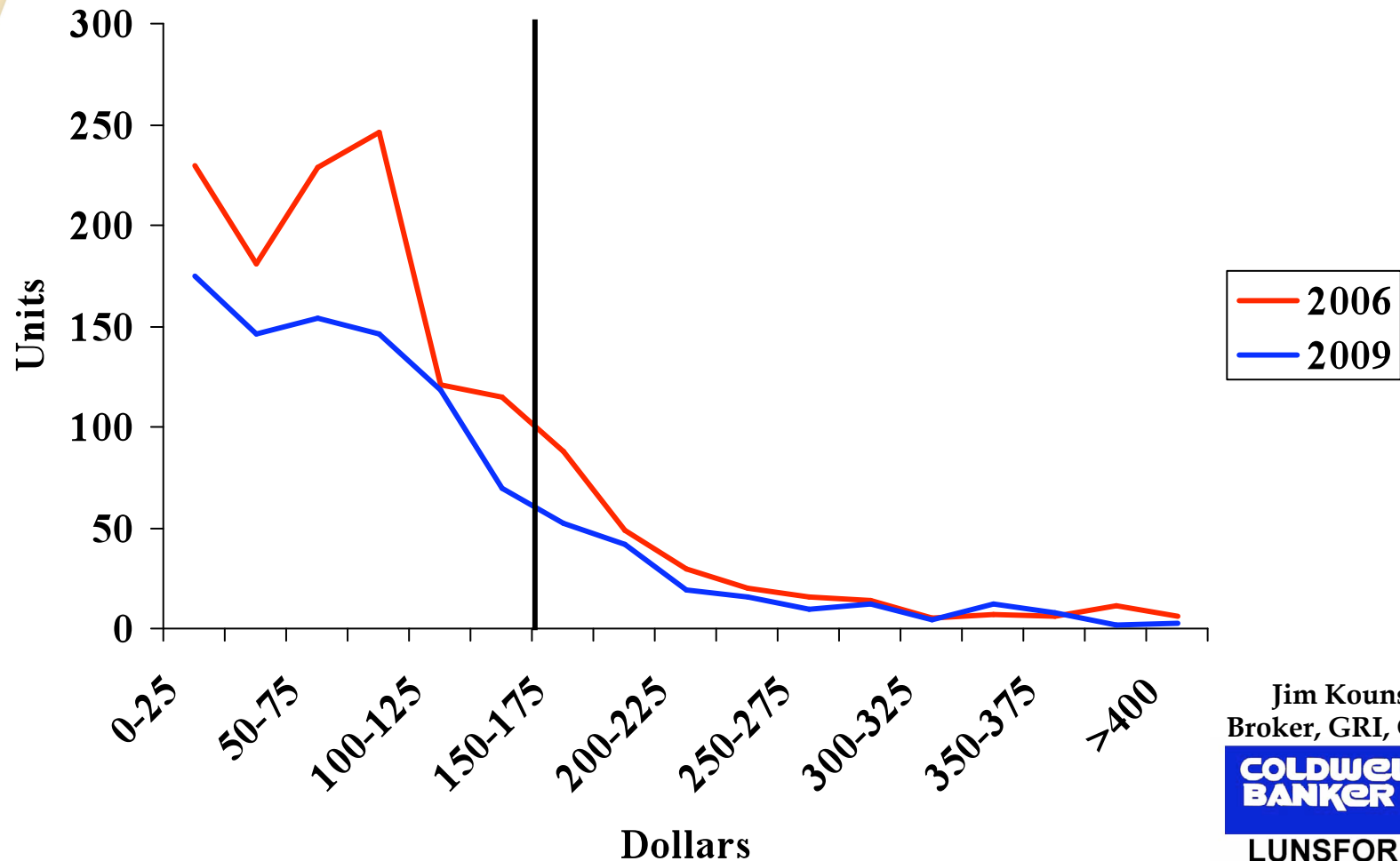
Jim Kouns
Broker, GRI, CRS

**COLDWELL
BANKER**

LUNSFORD

Delaware Co. Real Estate 2009 Market Review

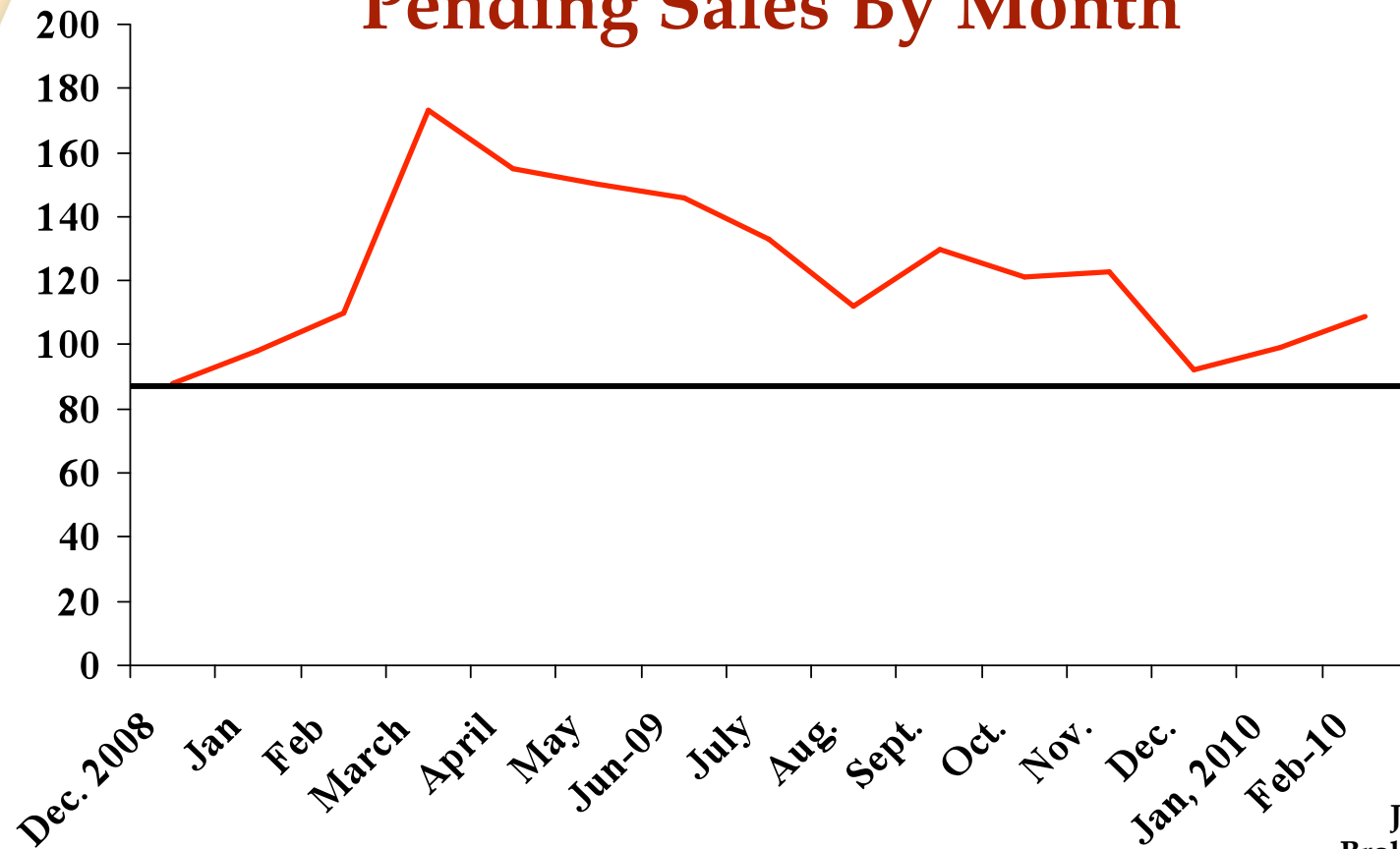
2009 Vs 2006 Price Distribution



Jim Kouns
Broker, GRI, CRS
**COLDWELL
BANKER**
LUNSFORD

Delaware Co. Real Estate 2009 Market Review

Pending Sales By Month



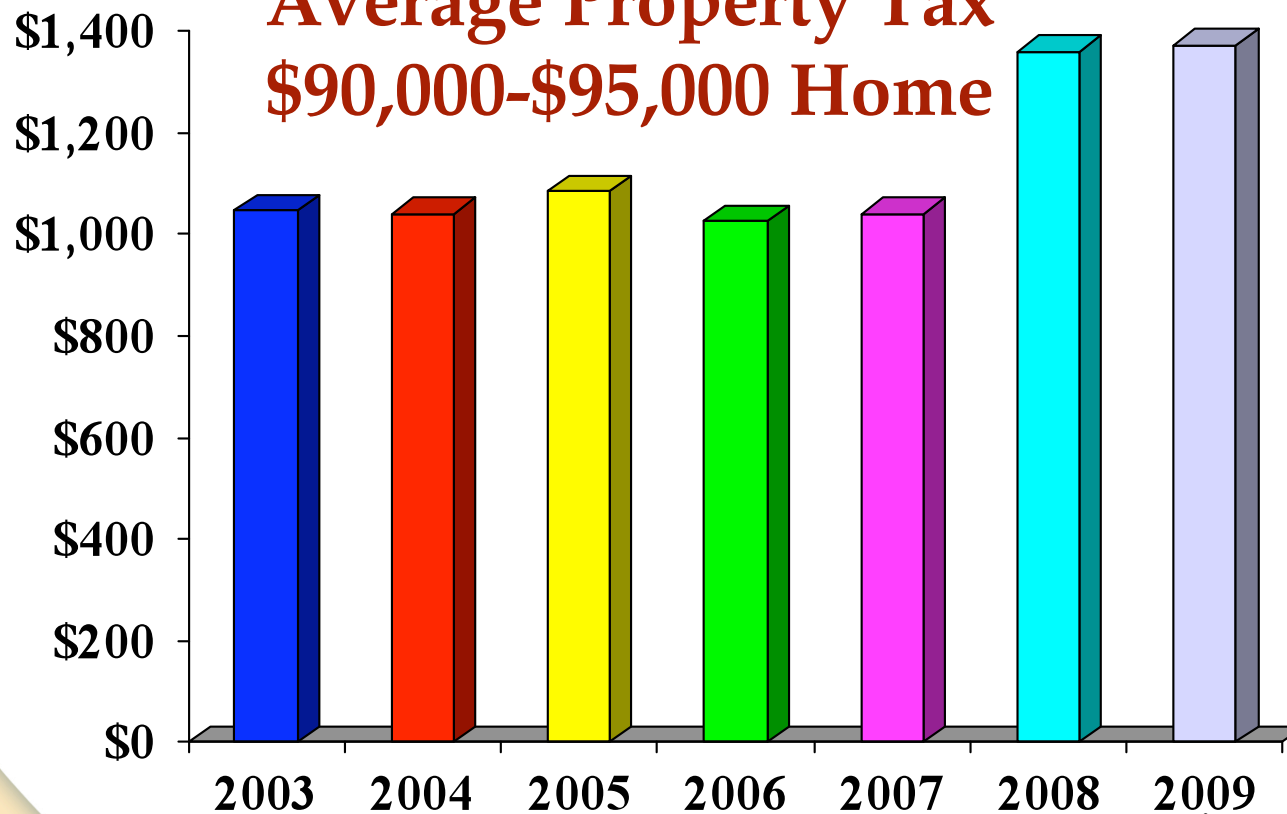
Jim Kouns
Broker, GRI, CRS



LUNSFORD

Delaware Co. Real Estate 2009 Market Review

**Average Property Tax
\$90,000-\$95,000 Home**



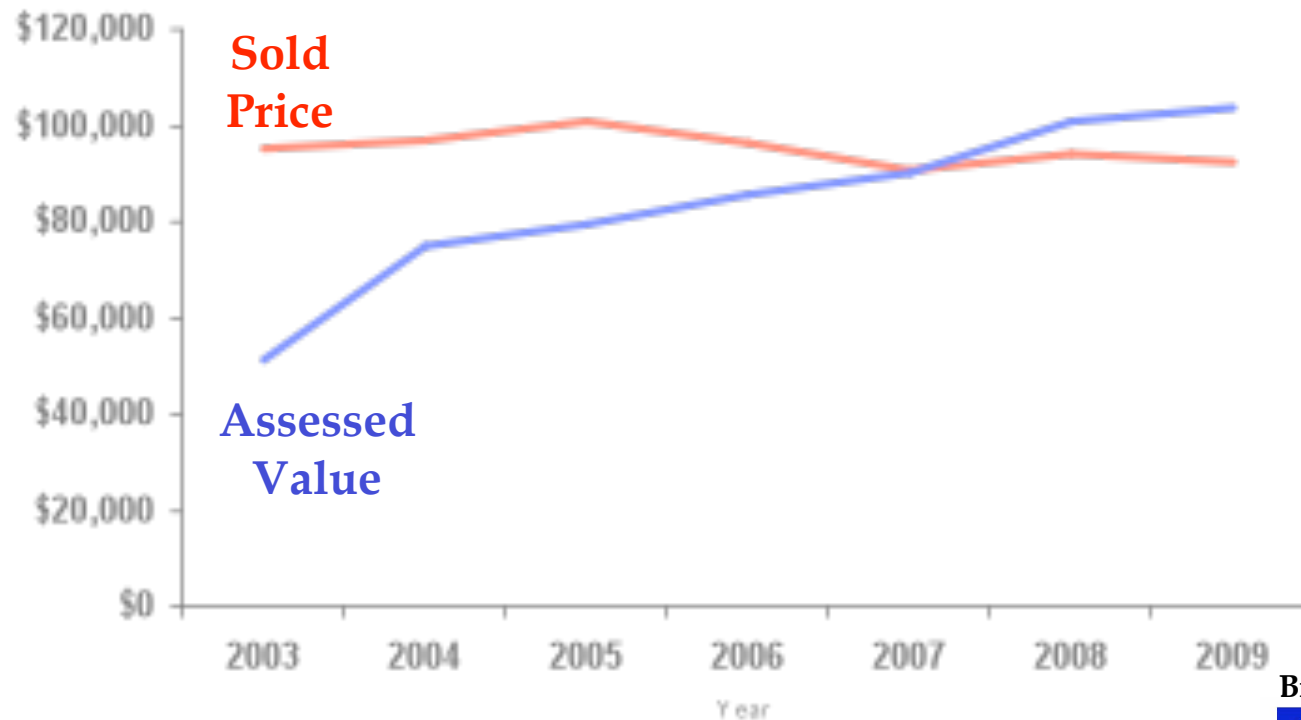
Jim Kouns
Broker, GRI, CRS

**COLDWELL
BANKER**

LUNSFORD

Delaware Co. Real Estate 2009 Market Review

Sale Price vs Assessed Value



Jim Kouns
Broker, GRI, CRS

**COLDWELL
BANKER**

LUNSFORD

Delaware Co. Real Estate 2009 Market Review

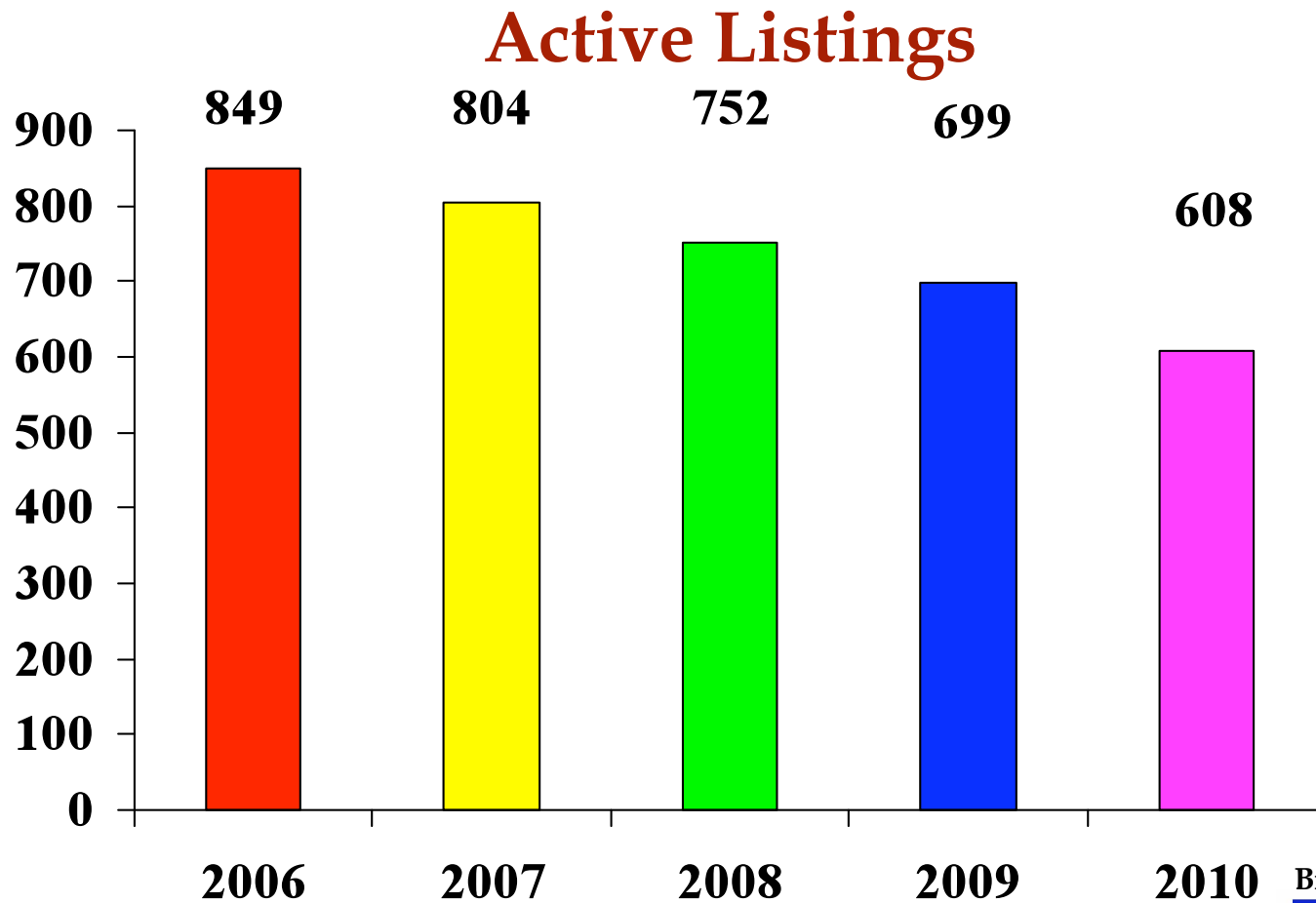


Jim Kouns
Broker, GRI, CRS

**COLDWELL
BANKER** 

LUNSFORD

Delaware Co. Real Estate 2009 Market Review



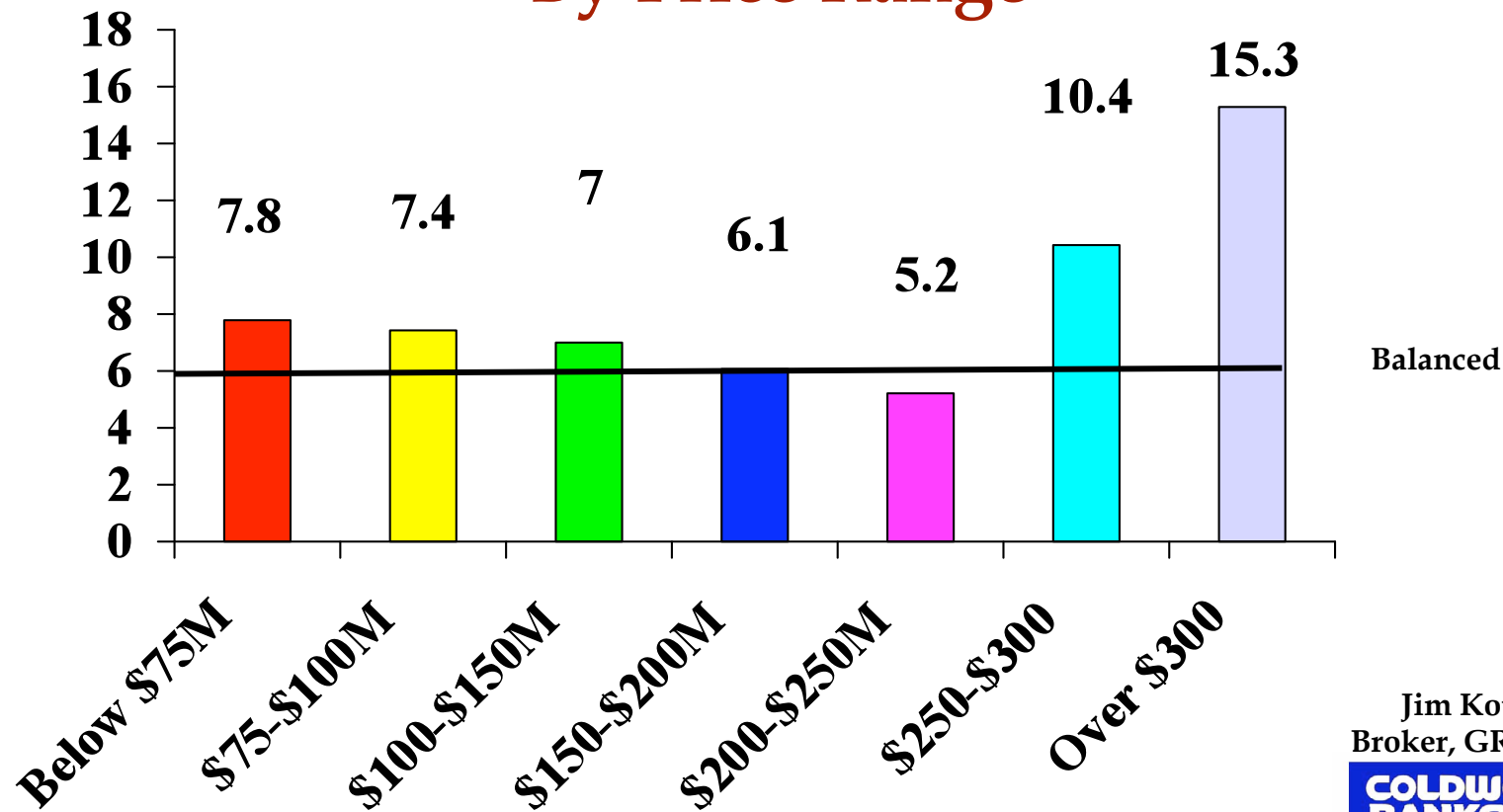
Jim Kouns
Broker, GRI, CRS

**COLDWELL
BANKER** 

LUNSFORD

Delaware Co. Real Estate 2009 Market Review

Months Inventory By Price Range



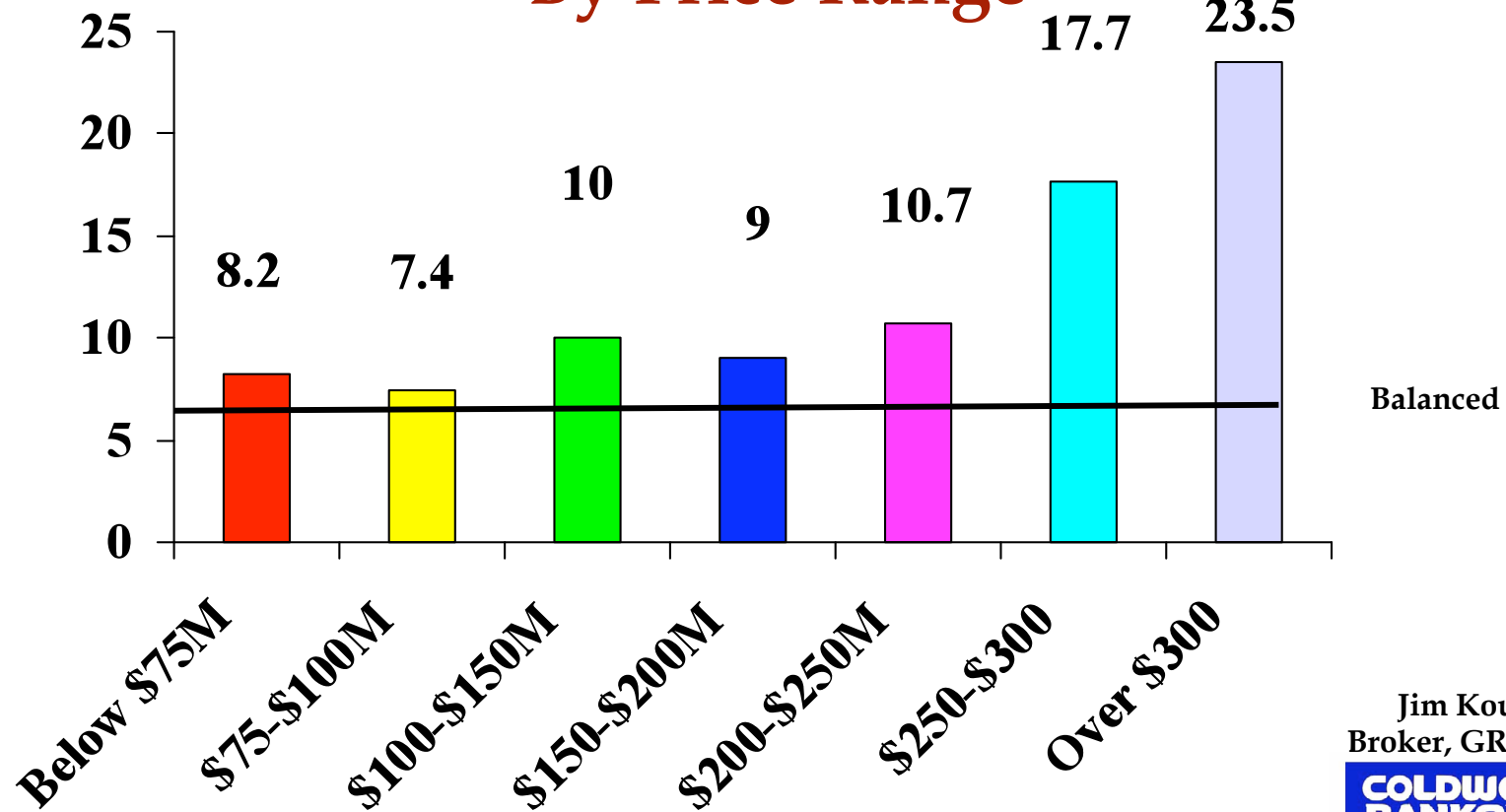
Jim Kouns
Broker, GRI, CRS



LUNSFORD

Delaware Co. Real Estate 2008 Market Review

Months Inventory By Price Range



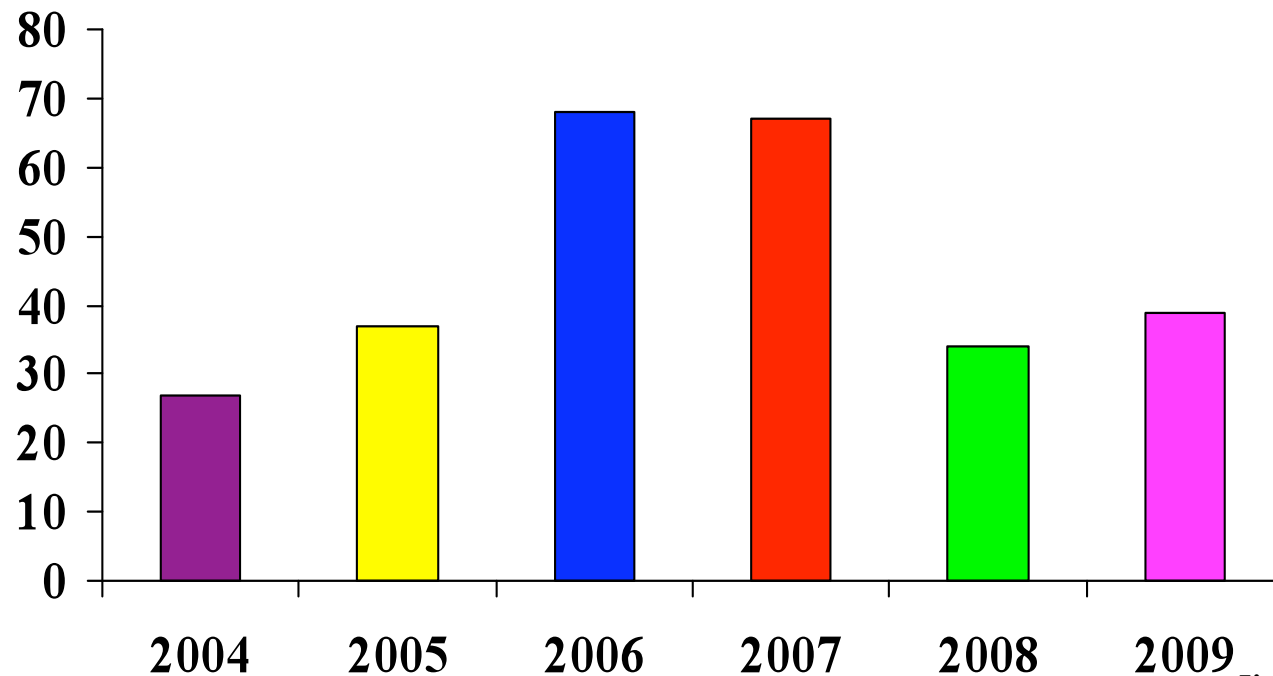
Jim Kouns
Broker, GRI, CRS

**COLDWELL
BANKER**

LUNSFORD

Delaware Co. Real Estate 2009 Market Review

Condo/Villa Units Sold



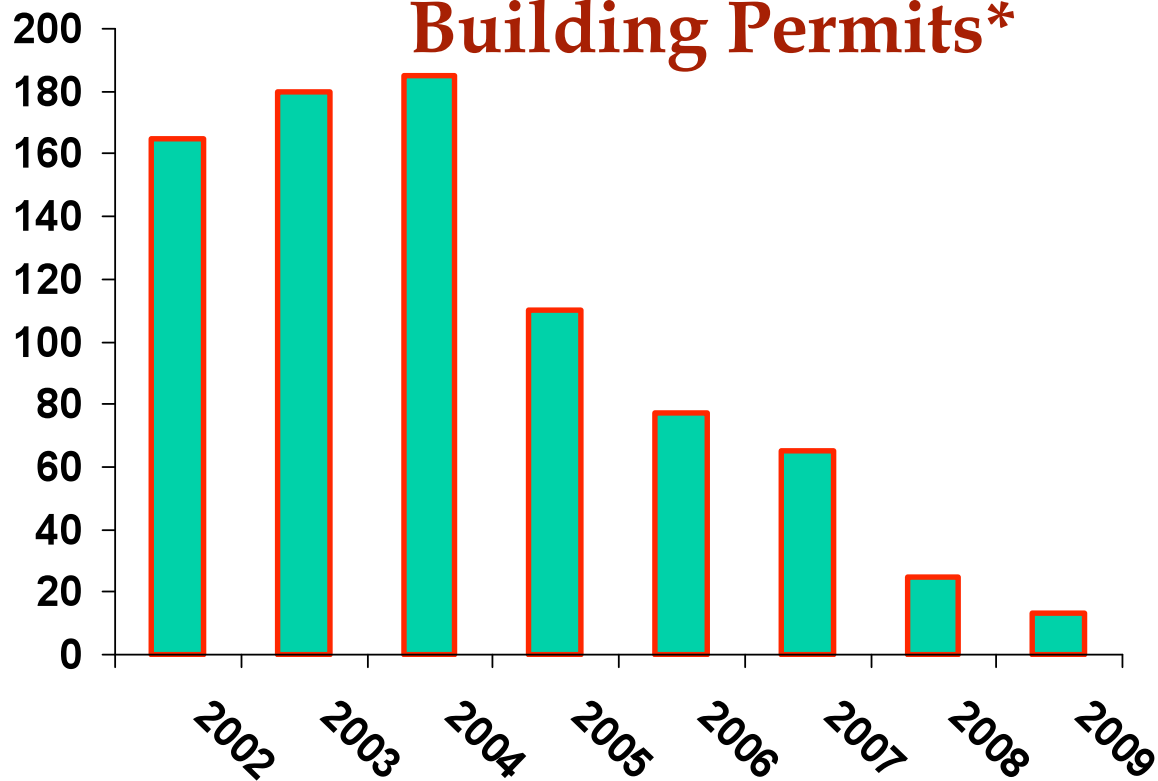
Jim Kouns
Broker, GRI, CRS



LUNSFORD

Delaware Co. Real Estate 2009 Market Review

County-Issued Building Permits*



*Single Family, New Construction

Jim Kouns
Broker, GRI, CRS




LUNSFORD

Delaware Co. Real Estate 2009 Market Review

- 980 Homes Sold in 2009 (+9.5%)
- Average Sale Price Was Stable (-1.53%)
- Property Taxes Are Decreasing
- Interest Rates Are Very Attractive
- Listing Inventories Are Much Lower
- Muncie Remains Indiana's Most Affordable Housing Market*
- Muncie Is The 8th Most Affordable Market In The US*

*Source: Coldwell Banker 2009 Affordability Survey.

Jim Kouns
Broker, GRI, CRS
**COLDWELL
BANKER** 
LUNSFORD

2008



Jim Kouns
Broker, GRI, CRS

**COLDWELL
BANKER** 

LUNSFORD



5516 www.fotosearch.com

Jim Kouns
Broker, GRI, CRS



LUNSFORD

2009



Jim Kouns
Broker, GRI, CRS

**COLDWELL
BANKER** 

LUNSFORD

CENTER FOR BUSINESS AND ECONOMIC RESEARCH

MILLER COLLEGE OF BUSINESS BALL STATE UNIVERSITY

The US Economic Outlook

Gary Santoni, PhD

Ball State University

Root Mean Squared Error (RMSE)

2009 Forecast

	Real GDP	Inflation	10-yr T-bond	Unempl.	RMSE
Consensus	1.5	3.3	4.3	7.1	1.9
Model	3.5	3.8	4.0	6.9	2.5
Blue Chip	1.4	2.0	3.9	6.9	1.5
Avg. Forecast	2.1	3.0	4.0	6.9	2.0
Actual	0.1	0.7	3.3	9.2	

US Economy in 2010

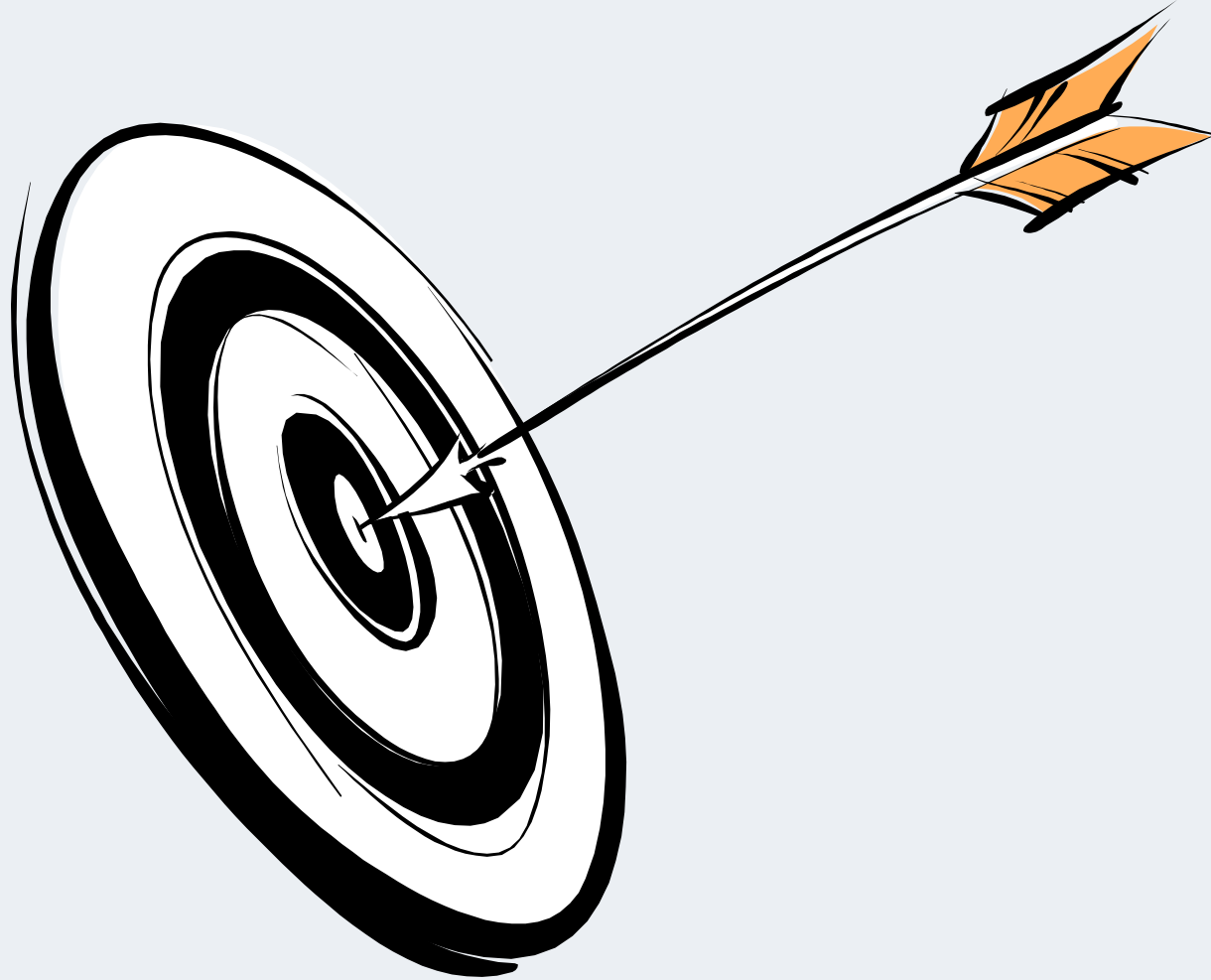
Variable	2009 Avg.	TIME SERIES FORECAST 2009					CONSENSUS	
		Q1	Q2	Q3	Q4	2010 Avg.	Round Table	Blue Chip
Real GDP Growth	0.1	4.7	2.8	3.9	5.0	4.1	3.0	2.9
Inflation	0.7	1.4	1.1	2.0	0.7	1.3	2.0	1.5
Unemployment Rate	9.2	10.7	11.1	11.4	11.4	11.2	9.6	9.9
10-yr Treasury Bond	3.3	3.5	3.5	3.5	3.6	3.5	3.9	3.9

US Economy in 2010

Variable	2009 Avg.	TIME SERIES FORECAST 2009					CONSENSUS	
		Q1	Q2	Q3	Q4	2010 Avg.	Round Table	Blue Chip
Real GDP Growth	0.1	4.7 (6.2)	2.8 (6.0)	3.9 (4.0)	5.0 (4.3)	4.1 (5.1)	3.0	2.9
Inflation	0.7	1.4 (0.8)	1.1 (0.6)	2.0 (0.8)	0.7 (1.0)	1.3 (0.8)	2.0	1.5
Unemployment Rate	9.2	10.7 (10.0)	11.1 (9.8)	11.4 (9.5)	11.4 (9.1)	11.2 (9.6)	9.6	9.9
10-yr Treasury Bond	3.3	3.5 (3.5)	3.5 (3.6)	3.5 (3.6)	3.6 (3.6)	3.5 (3.6)	3.9	3.9

CENTER FOR BUSINESS AND ECONOMIC RESEARCH

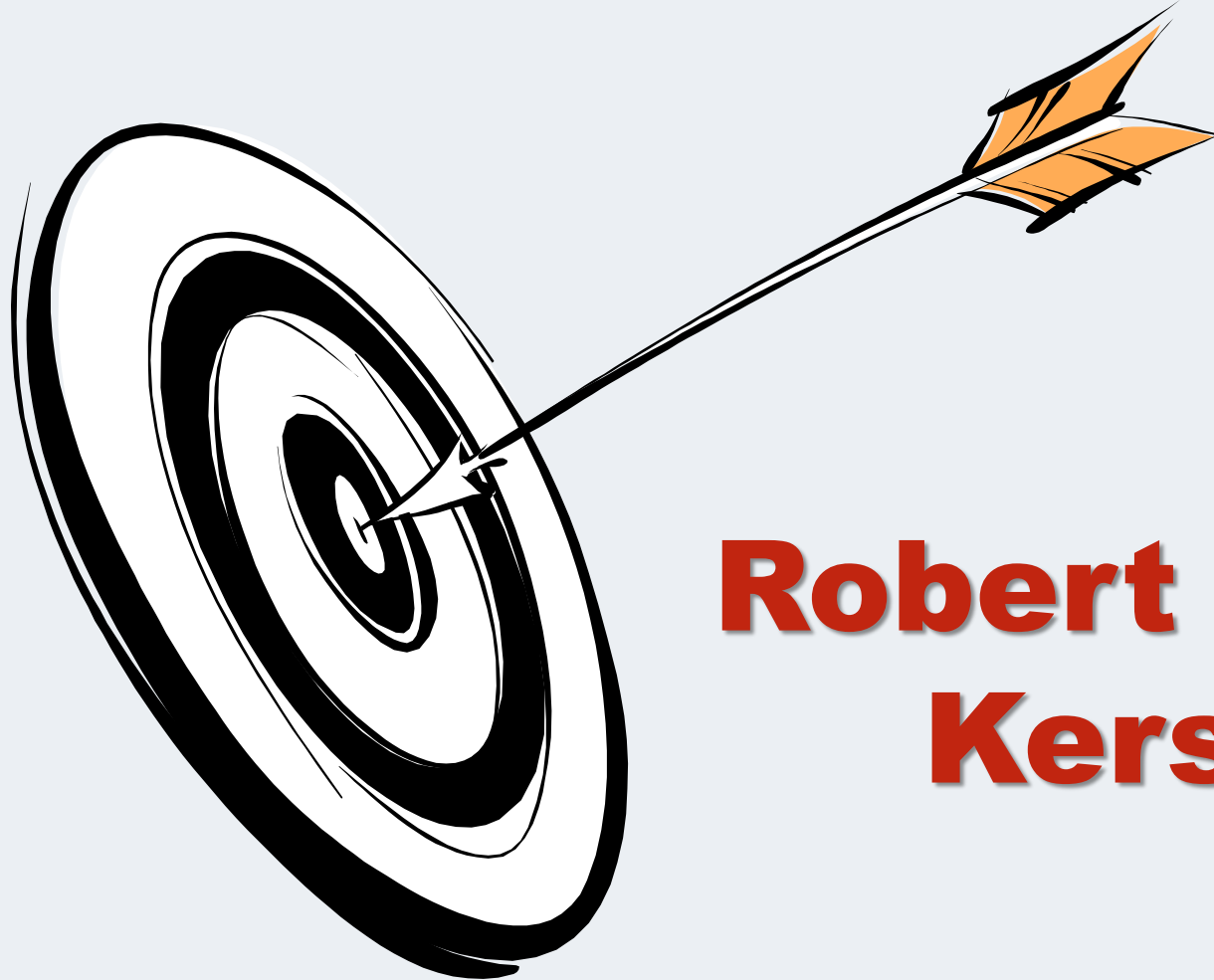
2009 Golden Dart Award



MILLER COLLEGE OF BUSINESS BALL STATE UNIVERSITY

CENTER FOR BUSINESS AND ECONOMIC RESEARCH

2009 Golden Dart Award



**Robert
Kersey**

MILLER COLLEGE OF BUSINESS

BALL STATE UNIVERSITY

CENTER FOR BUSINESS AND ECONOMIC RESEARCH

MILLER COLLEGE OF BUSINESS BALL STATE UNIVERSITY

CENTER FOR BUSINESS AND ECONOMIC RESEARCH

The members of the

Business Forecasting Roundtable

of Muncie, Indiana

extend their appreciation to

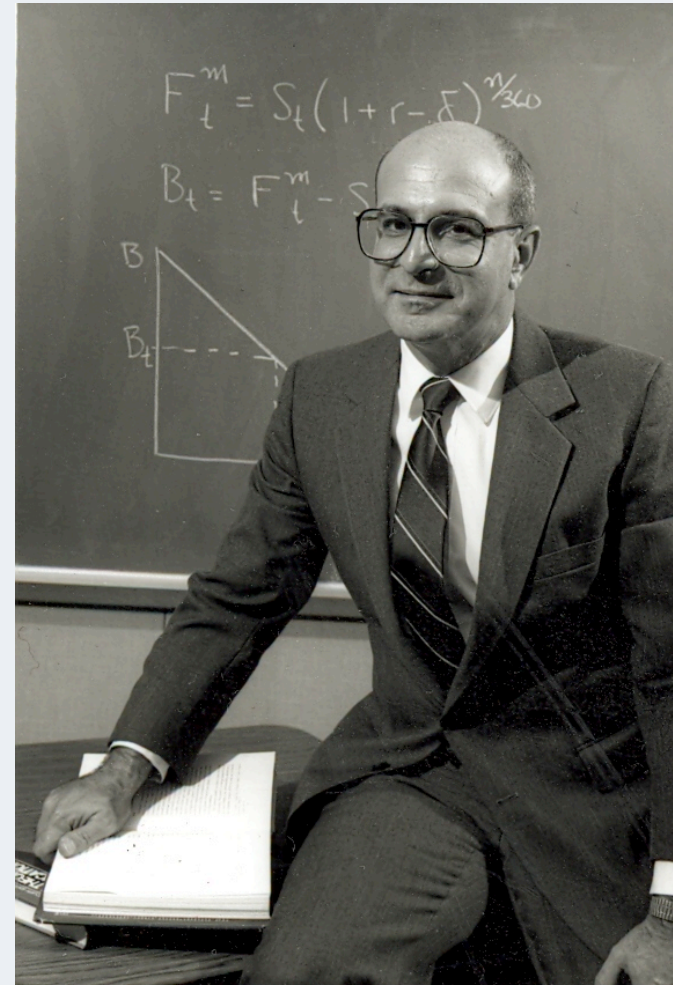
Dr. Gary Santoni

for his expert quarterly analyses and forecasts

of the U.S. National Economy

and his continued support from

October 1999 to March 2010.



MILLER COLLEGE OF BUSINESS

BALL STATE UNIVERSITY

Thank you
RAYMOND JAMES®