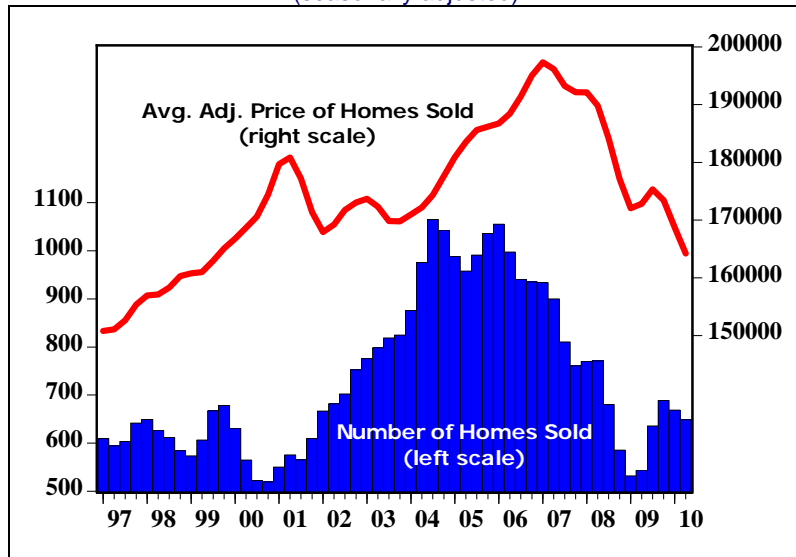


The Greensboro Housing Report, 2010.2

Current Outlook

The number of existing, single-family homes sold in the Greensboro area of Guilford County totaled 648 in the 2nd quarter of 2010 after adjustment for seasonal variation.¹ The number sold was down -3.1 percent compared to the level of sales recorded in the 1st quarter, but it was 19.2 percent above the number sold during the 2nd quarter one year ago.

Number and Prices of Existing Homes Sold, 1997.1 – 2010.2
(seasonally adjusted)



At the end of the 2nd quarter of 2010, the inventory of homes on the Greensboro market was 2,746, or 3.4 times the number of homes sold in the 2nd quarter. The inventory/sales ratio is down from what it was at the end of the 1st quarter. At the current sales pace, it will take 10.2 months to exhaust the inventory. The number of existing homes offered for sale was up 5.3 percent from what it was at the end of the 1st quarter, and it was 16.6 percent above the level one year ago.

The quality-adjusted price of the average home sold in the 2nd quarter was off -2.7 percent from the previous quarter. The average quality-adjusted price of an existing home in Greensboro was \$164,207. The average this quarter was -5.0 percent below the average recorded in the 2nd quarter of last year. By comparison, over the past year, overall consumer prices nationally have risen 1.8 percent.

Nationally, the pace of existing home sales has risen 19.2 percent over the past 12 months.² Average home prices are up 3.8 percent across the nation and 2.6 percent in the South. The national inventory of unsold homes is up 1.1 percent over the past 12 months and will take 8.3 months to sell at the existing pace of sales.

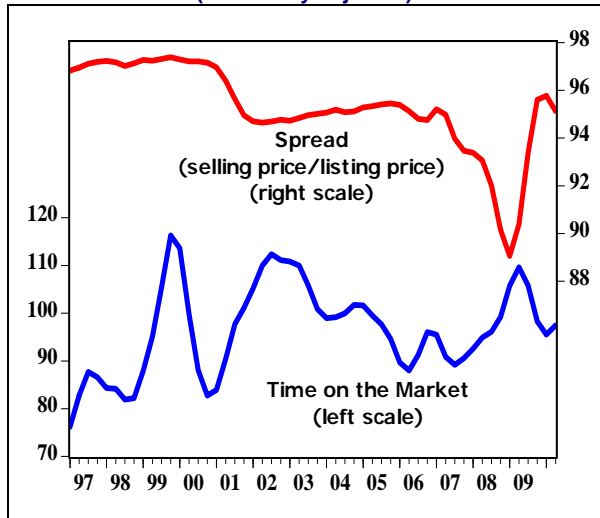
Among other indicators of housing demand, the average time on the market for existing homes sold was 97.5 days, up 2.0 percent from the average in the 1st quarter. The sale-list price spread, which shows the ratio of selling to listing price, was lower at 95.1 percent, indicating an increase in the level of discounting in the market. Over the past year, time on the market has declined -11.1 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.

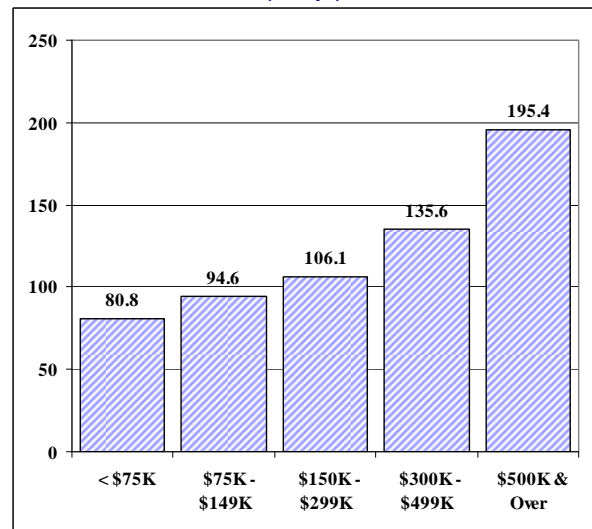
² This percentage is calculated from May 2009 to May 2010 using National Assn. of Realtors® data.

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

Existing Homes, 1997.1 – 2010.2
(seasonally adjusted)



Time on the Market by Price Category
(in days)



Housing affordability is an important factor shaping housing demand. The affordability index gained 3.9 percent this quarter. Since the 2nd quarter of 2009, the affordability index has risen 7.7 percent because of lower mortgage rates and housing prices.

Existing Home Sales Data

	2010.2	2010.1	2009.2	% Chg Last Qtr.	% Chg Last Yr.
<i>Seasonally Adjusted</i>					
Adj. Avg. Home Price	\$164,207	\$168,706	\$172,837	-2.7%	-5.0%
No. of Homes Sold	648	669	544	-3.1%	19.2%
Time on Market (days)	97.5	95.6	109.6	2.0%	-11.1%
Spread: (sale price/list price)	95.1	95.8	90.4	-0.7%	5.2%
Consumer Price Index (CPI-U)	218.2	217.0	214.3	0.5%	1.8%
<i>Not Seasonally Adjusted</i>					
Avg. Home Price	\$191,570	\$173,479	\$194,375	10.4%	-1.4%
No. of Homes Sold	804	440	633	82.7%	27.0%
< \$75K	119	102	88	16.7%	35.2%
\$75K - \$149K	256	151	198	69.5%	29.3%
\$150K - \$299K	295	130	247	126.9%	19.4%
\$300K - \$499K	109	37	80	194.6%	36.3%
\$500K & Over	25	20	20	25.0%	25.0%
Inventory, end of qtr.	2,746	2,608	2,356	5.3%	16.6%
Inventory/Sales	3.4	5.9	3.7	-42.4%	-8.2%
Affordability Index	119.3	114.8	110.9	3.9%	7.7%

The Neighborhood Distribution of Existing Home Sales

During the 2nd quarter, the largest number of sales of existing homes occurred in zip code 27410. This neighborhood in northwest Greensboro had a total of 122 sales. It was followed by zip code 27406, which is in the southeast section of the city, with a total of 92 sales. The highest average price of homes sold was recorded in zip code 27284 (located on the western edge of the county subsuming Kernersville) where 5 sales averaging \$402,300 were recorded. It was followed by the Summerfield area (zip 27358) with 30 sales averaging \$351,680. The highest inventory to sales ratio was in zip code 27215 (on the eastern edge of the county), with a ratio of 48.0 mos. It was followed by zip codes 27284 (on the western edge of the county) with a ratio of 19.2 months. The lowest ratio was in zip code 27317 (on the southern edge of the county along Hwy 220) where at the existing pace of sales it will take 2.3 months to sell the listing in this area.

The Neighborhood Distribution of Existing Home Sales, 2010.2

Zip	Price Range	No. Sales	Avg. Price	Spread	TOM	Inventory End of Qtr.	Inv./Sales
27214	< \$75K	0	n.a.	n.a.	n.a.	2	n.a.
27214	< \$75K	2	\$69,500	94.5	142.5	2	1.0
27214	\$75K - \$149K	5	\$115,049	98.7	129.2	19	3.8
27214	\$150K - \$299K	12	\$212,045	96.9	95.8	39	3.3
27214	\$300K - \$499K	2	\$331,450	99.2	120.5	22	11.0
27214	\$500K & Over	0	n.a.	n.a.	n.a.	4	0
27214	Total	21	\$186,747	97.3	110.5	86	4.1
27215	< \$75K	0	n.a.	n.a.	n.a.	0	n.a.
27215	\$75K - \$149K	1	\$140,000	96.6	58.0	2	2.0
27215	\$150K - \$299K	0	n.a.	n.a.	n.a.	11	n.a.
27215	\$300K - \$499K	0	n.a.	n.a.	n.a.	2	n.a.
27215	\$500K & Over	0	n.a.	n.a.	n.a.	1	n.a.
27215	Total	1	\$140,000	96.6	58.0	16	16.0
27233	< \$75K	0	n.a.	n.a.	n.a.	0	0
27233	\$75K - \$149K	0	n.a.	n.a.	n.a.	3	n.a.
27233	\$150K - \$299K	0	n.a.	n.a.	n.a.	3	n.a.
27233	\$300K - \$499K	0	n.a.	n.a.	n.a.	1	n.a.
27233	\$500K & Over	0	n.a.	n.a.	n.a.	1	n.a.
27233	Total	0	n.a.	n.a.	n.a.	8	n.a.
27235	< \$75K	0	n.a.	n.a.	n.a.	0	n.a.
27235	\$75K - \$149K	2	\$109,500	92.7	86.5	1	0.5
27235	\$150K - \$299K	9	\$230,646	97.6	92.4	13	1.4
27235	\$300K - \$499K	1	\$395,000	96.4	10.0	8	8.0
27235	\$500K & Over	0	n.a.	n.a.	n.a.	5	n.a.
27235	Total	12	\$224,151	96.7	84.6	27	2.3
27249	< \$75K	2	\$43,750	94.5	35.0	1	0.5
27249	\$75K - \$149K	4	\$123,100	99.1	69.5	8	2.0
27249	\$150K - \$299K	3	\$209,133	99.1	167.7	18	6.0
27249	\$300K - \$499K	1	\$416,000	109.8	154.0	4	4.0
27249	\$500K & Over	0	n.a.	n.a.	n.a.	1	.
27249	Total	10	\$162,330	99.2	100.5	32	3.2
27263	< \$75K	1	\$45,000	82.0	177.0	0	0
27263	\$75K - \$149K	1	\$135,000	96.5	176.0	4	4.0
27263	\$150K - \$299K	1	\$155,900	100.0	15.0	2	2.0
27263	\$300K - \$499K	0	n.a.	n.a.	n.a.	0	0
27263	\$500K & Over	0	n.a.	n.a.	n.a.	0	0
27263	Total	3	\$111,967	92.8	122.7	6	2.0

The Neighborhood Distribution of Existing Home Sales, continued

Zip	Price Range	No. Sales	Avg. Price	Spread	TOM	Inventory End of Qtr.	Inv./Sales
27283	< \$75K	1	\$40,000	88.9	113.0	2	2.0
27283	\$75K - \$149K	2	\$116,700	101.3	146.5	3	1.5
27283	\$150K - \$299K	1	\$215,000	93.5	26.0	3	3.0
27283	\$300K - \$499K	0	n.a.	n.a.	n.a.	7	n.a.
27283	\$500K & Over	0	n.a.	n.a.	n.a.	0	0
27283	Total	4	\$122,100	96.2	108.0	15	3.8
27284	< \$75K	0	n.a.	n.a.	n.a.	0	0
27284	\$75K - \$149K	0	n.a.	n.a.	n.a.	2	n.a.
27284	\$150K - \$299K	2	\$280,000	98.3	366.0	3	1.5
27284	\$300K - \$499K	1	\$367,500	98.0	10.0	13	13.0
27284	\$500K & Over	2	\$542,000	96.9	198.5	14	7.0
27284	Total	5	\$402,300	97.7	227.8	32	6.4
27301	< \$75K	0	n.a.	n.a.	n.a.	0	0
27301	\$75K - \$149K	7	\$126,629	97.4	72.4	19	2.7
27301	\$150K - \$299K	13	\$204,562	97.2	113.7	62	4.8
27301	\$300K - \$499K	0	n.a.	n.a.	n.a.	2	n.a.
27301	\$500K & Over	0	n.a.	n.a.	n.a.	0	0
27301	Total	20	\$177,286	97.3	99.2	83	4.2
27310	< \$75K	1	\$70,500	94.1	57.0	0	0
27310	\$75K - \$149K	2	\$104,500	88.5	107.0	2	1.0
27310	\$150K - \$299K	7	\$230,500	95.9	69.6	19	2.7
27310	\$300K - \$499K	17	\$365,887	96.6	138.1	46	2.7
27310	\$500K & Over	1	\$505,000	84.2	14.0	29	29.0
27310	Total	28	\$307,789	95.3	111.4	96	3.4
27313	< \$75K	0	n.a.	n.a.	n.a.	0	0
27313	\$75K - \$149K	2	\$118,500	92.4	30.0	7	3.5
27313	\$150K - \$299K	1	\$257,000	95.2	388.0	7	7.0
27313	\$300K - \$499K	1	\$385,000	97.5	19.0	3	3.0
27313	\$500K & Over	0	n.a.	n.a.	n.a.	1	n.a.
27313	Total	4	\$219,750	94.4	116.8	18	4.5
27317	< \$75K	1	\$124,000	95.5	50.0	1	1.0
27317	\$75K - \$149K	0	n.a.	n.a.	n.a.	0	0
27317	\$150K - \$299K	3	\$202,833	95.3	219.3	2	0.7
27317	\$300K - \$499K	0	n.a.	n.a.	n.a.	0	0
27317	\$500K & Over	0	n.a.	n.a.	n.a.	0	0
27317	Total	4	\$183,125	95.4	177.0	3	0.8
27357	< \$75K	0	n.a.	n.a.	n.a.	0	0
27357	\$75K - \$149K	2	\$94,000	94.2	93.0	3	1.5
27357	\$150K - \$299K	5	\$222,800	95.9	198.4	19	3.8
27357	\$300K - \$499K	4	\$416,125	96.7	101.8	16	4.0
27357	\$500K & Over	1	\$600,000	88.2	217.0	8	8.0
27357	Total	12	\$297,208	95.3	150.2	46	3.8
27358	< \$75K	0	n.a.	n.a.	n.a.	0	0
27358	\$75K - \$149K	2	\$89,593	105.4	34.5	5	2.5
27358	\$150K - \$299K	10	\$221,450	96.0	59.5	35	3.5
27358	\$300K - \$499K	14	\$414,764	94.5	170.5	71	5.1
27358	\$500K & Over	4	\$587,500	93.9	201.5	65	16.3
27358	Total	30	\$351,680	95.6	128.6	176	5.9

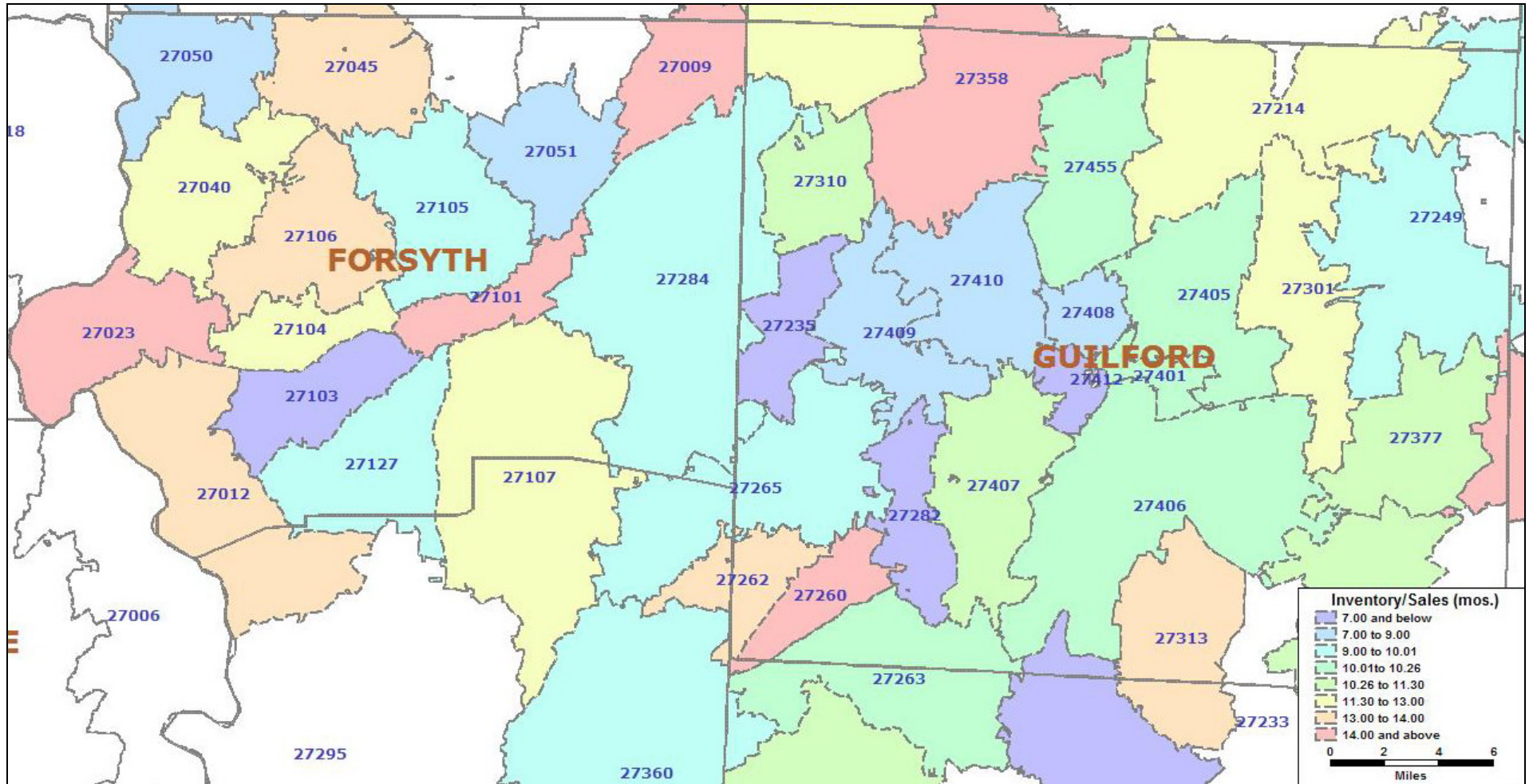
The Neighborhood Distribution of Existing Home Sales, continued

Zip	Price Range	No. Sales	Avg. Price	Spread	TOM	Inventory End of Qtr.	Inv./Sales
27377	< \$75K	1	\$70,000	94.6	10.0	1	1.0
27377	\$75K - \$149K	5	\$121,652	97.1	19.8	4	0.8
27377	\$150K - \$299K	10	\$204,540	94.8	112.9	34	3.4
27377	\$300K - \$499K	1	\$347,500	93.9	511.0	18	18.0
27377	\$500K & Over	0	n.a.	n.a.	n.a.	5	n.a.
27377	Total	17	\$180,657	95.4	102.9	62	3.6
27401	< \$75K	19	\$34,856	84.2	66.2	46	2.4
27401	\$75K - \$149K	6	\$92,848	99.4	143.0	29	4.8
27401	\$150K - \$299K	5	\$232,600	90.2	164.0	18	3.6
27401	\$300K - \$499K	2	\$330,000	96.4	26.0	9	4.5
27401	\$500K & Over	0	n.a.	n.a.	n.a.	5	n.a.
27401	Total	32	\$95,073	88.7	93.3	107	3.3
27403	< \$75K	23	\$44,009	87.5	74.1	34	1.5
27403	\$75K - \$149K	13	\$98,100	94.4	152.4	29	2.2
27403	\$150K - \$299K	15	\$206,533	97.6	57.8	43	2.9
27403	\$300K - \$499K	5	\$366,800	98.2	46.2	18	3.6
27403	\$500K & Over	0	n.a.	n.a.	n.a.	0	0
27403	Total	56	\$128,920	92.8	85.4	124	2.2
27405	< \$75K	27	\$41,612	91.2	63.1	71	2.6
27405	\$75K - \$149K	47	\$110,997	96.8	95.5	163	3.5
27405	\$150K - \$299K	10	\$176,773	96.5	117.7	42	4.2
27405	\$300K - \$499K	0	n.a.	n.a.	n.a.	4	n.a.
27405	\$500K & Over	0	n.a.	n.a.	n.a.	1	n.a.
27405	Total	84	\$96,525	95.0	87.7	281	3.3
27406	< \$75K	21	\$48,193	91.5	91.3	72	3.4
27406	\$75K - \$149K	47	\$117,784	97.6	86.5	121	2.6
27406	\$150K - \$299K	20	\$202,436	98.8	90.5	99	5.0
27406	\$300K - \$499K	4	\$361,250	95.5	327.5	19	4.8
27406	\$500K & Over	0	n.a.	n.a.	n.a.	3	n.a.
27406	Total	92	\$130,887	96.4	98.9	314	3.4
27407	< \$75K	14	\$46,528	85.4	55.3	30	2.1
27407	\$75K - \$149K	39	\$111,408	95.8	84.0	113	2.9
27407	\$150K - \$299K	20	\$189,120	97.3	93.4	70	3.5
27407	\$300K - \$499K	3	\$330,000	96.9	115.7	33	11.0
27407	\$500K & Over	2	\$560,000	89.9	246.5	39	19.5
27407	Total	78	\$139,599	94.2	86.6	285	3.7
27408	< \$75K	1	\$72,500	96.7	244.0	0	0
27408	\$75K - \$149K	28	\$124,041	97.3	78.1	53	1.9
27408	\$150K - \$299K	30	\$210,238	96.9	78.2	68	2.3
27408	\$300K - \$499K	11	\$388,091	95.4	174.0	26	2.4
27408	\$500K & Over	4	\$606,000	96.8	166.0	69	17.3
27408	Total	74	\$223,592	96.8	99.4	216	2.9
27409	< \$75K	0	n.a.	n.a.	n.a.	2	n.a.
27409	\$75K - \$149K	2	\$136,500	95.3	255.0	7	3.5
27409	\$150K - \$299K	9	\$210,544	97.5	87.1	18	2.0
27409	\$300K - \$499K	1	\$325,000	97.0	144.0	7	7.0
27409	\$500K & Over	0	n.a.	n.a.	n.a.	0	0
27409	Total	12	\$207,742	97.1	119.8	34	2.8
27410	< \$75K	1	\$65,000	72.3	93.0	0	0
27410	\$75K - \$149K	18	\$131,200	94.6	98.1	26	1.4
27410	\$150K - \$299K	84	\$221,348	96.3	71.2	199	2.4
27410	\$300K - \$499K	13	\$385,881	95.4	130.5	74	5.7
27410	\$500K & Over	6	\$629,375	90.8	204.8	43	7.2
27410	Total	122	\$244,365	95.5	88.2	342	2.8

The Neighborhood Distribution of Existing Home Sales, continued

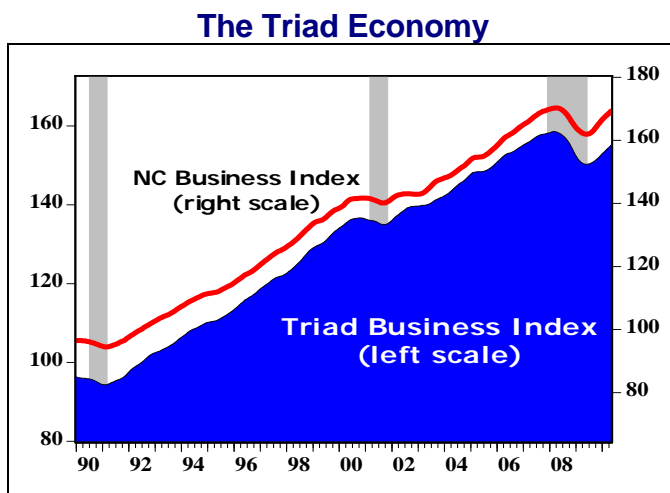
Zip	Price Range	No. Sales	Avg. Price	Spread	TOM	Inventory End of Qtr.	Inv./Sales
27455	< \$75K	3	\$65,500	85.5	42.0	0	0
27455	\$75K - \$149K	19	\$129,445	96.7	111.5	38	2.0
27455	\$150K - \$299K	25	\$201,648	96.9	73.6	83	3.3
27455	\$300K - \$499K	28	\$392,698	96.8	117.5	88	3.1
27455	\$500K & Over	5	\$565,100	95.9	229.2	61	12.2
27455	Total	80	\$268,977	96.3	106.5	270	3.4

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 2nd quarter.³ The Dixon Hughes Triad Business Index, which tracks the pace of economic activity in the 8-county Triad, region rose at an average annual rate of 2.4 percent since the start of the year.⁴

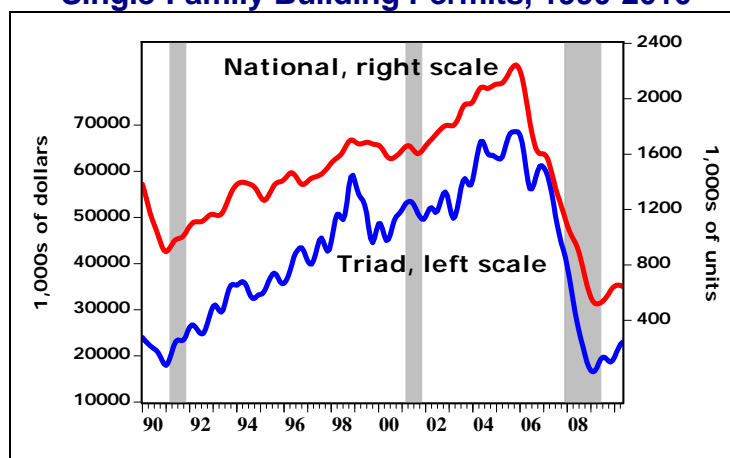


Total nonagricultural wage and salary employment (employer survey) in the Piedmont Triad was up 0.3% in May, recording a 4th consecutive increase since February.

The number of persons in the Triad employed in the service-providing sector was up 0.3% in May, and higher employment was recorded this month in retail trade, professional and business services, education and health care, other services, and government.

Residential building permits in the Triad, which reflect planned construction, were up 2.5% this month. Over the past 12 months, the pace of planned residential building has risen 24.7%.

Single-Family Building Permits, 1990-2010



The number of real estate foreclosures in the Triad increased 18.7 percent in 2nd quarter compared to the 2nd quarter of last year and is up 9.5 percent since the 1st of the year. There were 2,754 reported foreclosures in the Triad in the 2nd quarter.

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 1.42 million in 2009, growing at an average annual rate of 1.3 percent since 2000. Population in Forsyth County totaled 359,638, rising at an annual rate of 1.8 percent since 2000. In Guilford County, population totaled 480,362 in 2009, growing 1.4 percent annually since 2000. The pace of population growth in the Triad decelerated in 2009, with population growing 1.1 percent from 2008 to 2009. The rate of population growth in Forsyth and Guilford Counties also slowed in 2009, growing more rapidly than the nation, but slower than the state.

Population Change in the Triad & the Nation, 2009-2000

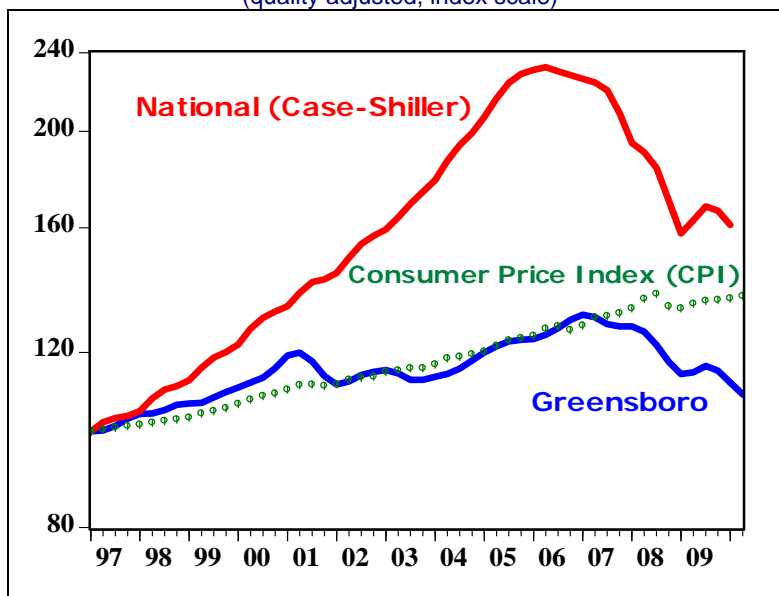
Area	2009	2008	2000	Avg. Ann. % Chg.	
				2008-09	2000-09
Alamance County	150,358	147,910	131,521	1.7%	1.5%
Davidson County	158,582	157,991	147,664	0.4%	0.8%
Davie County	41,420	41,082	35,061	0.8%	1.9%
Forsyth County	359,638	355,140	307,007	1.3%	1.8%
Guilford County	480,362	474,108	422,519	1.3%	1.4%
Randolph County	142,151	140,963	131,018	0.8%	0.9%
Stokes County	46,150	46,140	44,832	0.0%	0.3%
Yadkin County	37,713	37,701	36,513	0.0%	0.4%
Triad	1,416,374	1,401,035	1,256,135	1.1%	1.3%
North Carolina	9,380,884	9,247,134	8,079,383	1.4%	1.7%
United States	307,006,550	304,374,846	282,171,957	0.9%	0.9%

Source: Census Bureau

Since the first quarter of 1997, existing home prices in Greensboro have risen at an average annual rate of 0.6 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 5.4 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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