

ON THE ECONOMIC, POLITICAL & BUSINESS CLIMATE

COLDWELL BANKERS OUTLOOK

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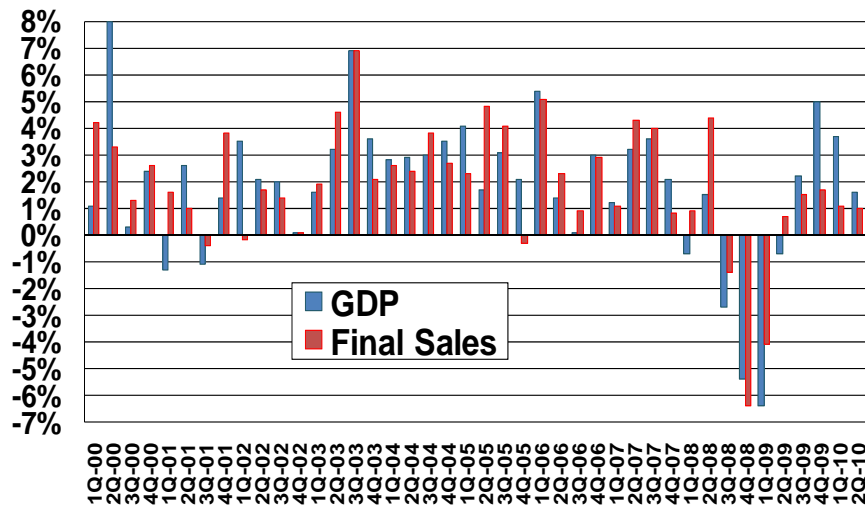
October 27, 2010
 Atlanta, GA



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 Atlanta, GA – October 27, 2010



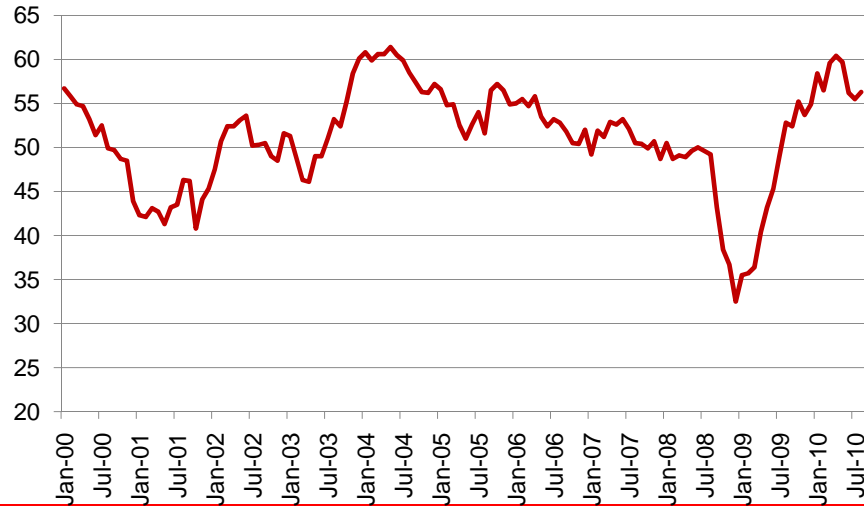
GDP vs Final Sales



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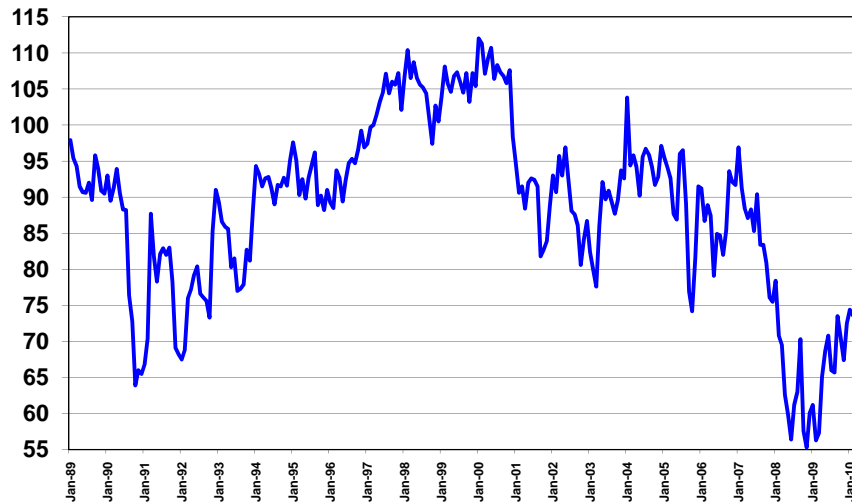
Institute of Supply Management's "PMI"



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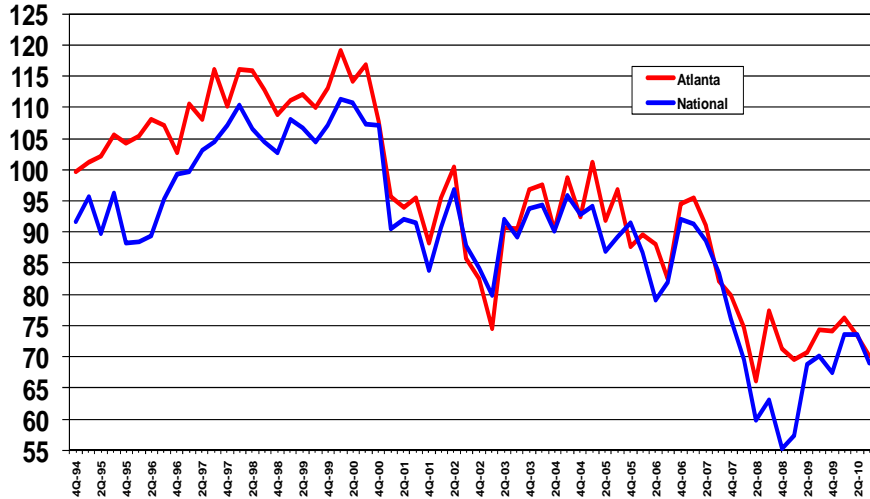
Consumer Sentiment



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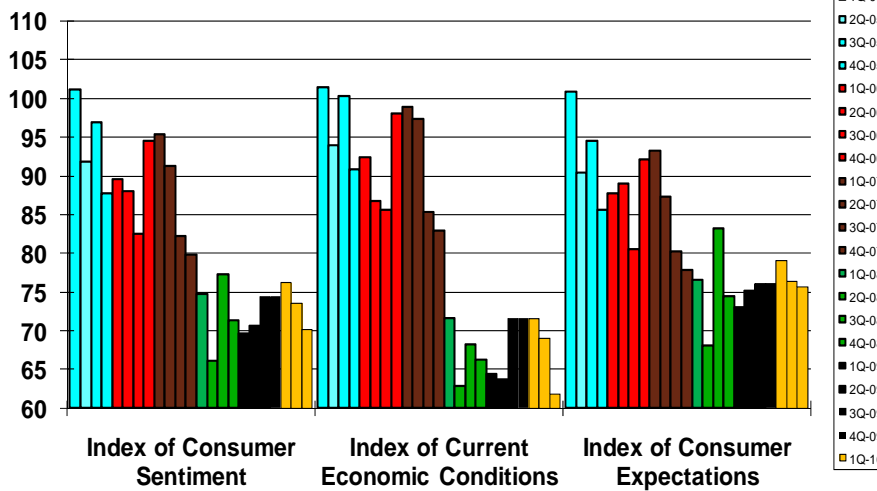
CONSUMER SENTIMENT



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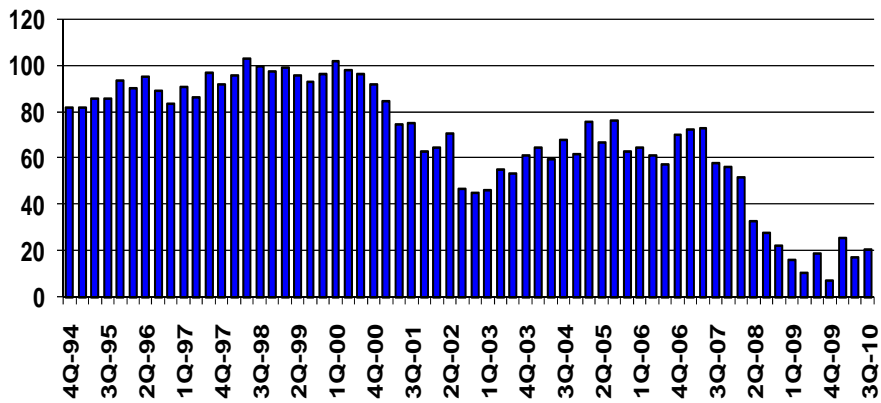
CONSUMER SENTIMENT



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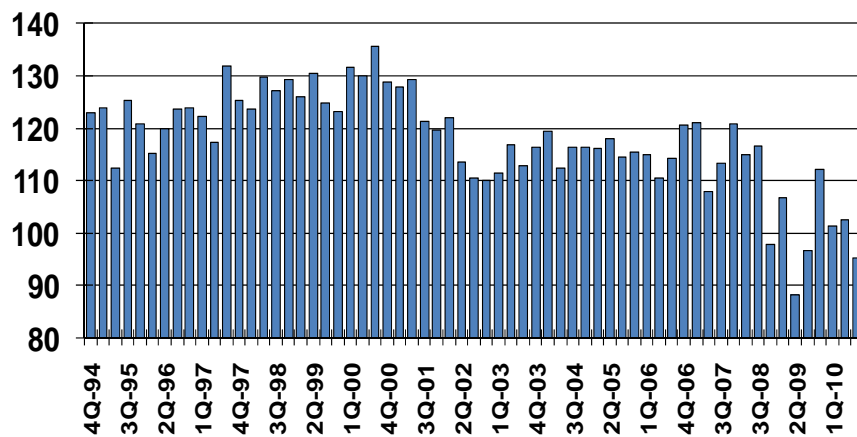
Better off or worse off than you were one year ago? (Index = up - down + 50)



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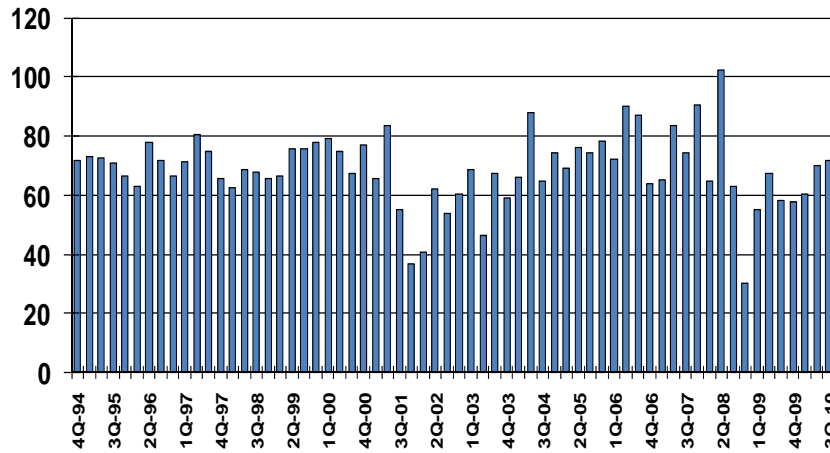
Are you worried about your job security? (Index = up - down + 50)



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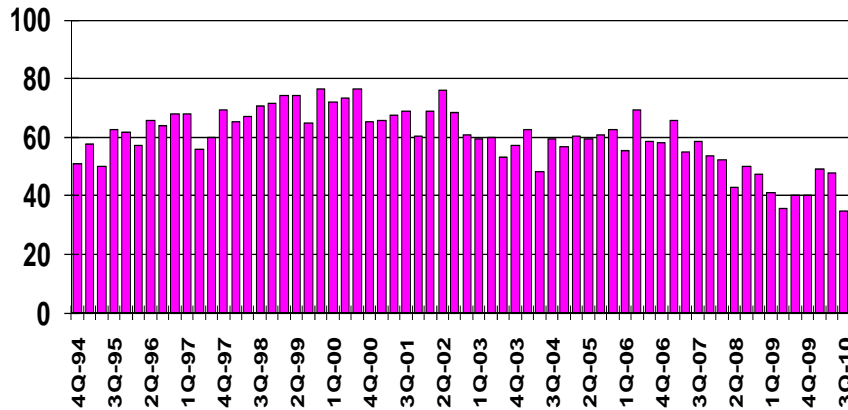
Over the next 12 months, will prices rise faster, slower or at the same rate? (Index = up - down + 50)



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Over the next 12 months, will your income rise more than prices, less than prices, or stay about the same? (Index = up - down + 50)

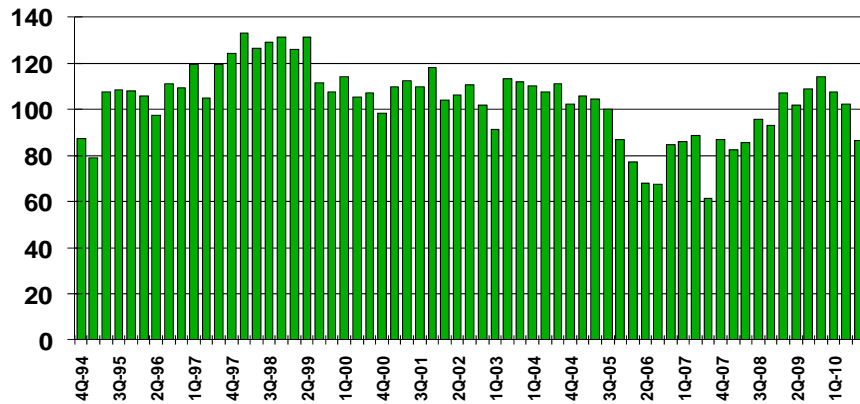


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In general, is it a GOOD time or BAD time to purchase a house?

(Index = up - down + 50)

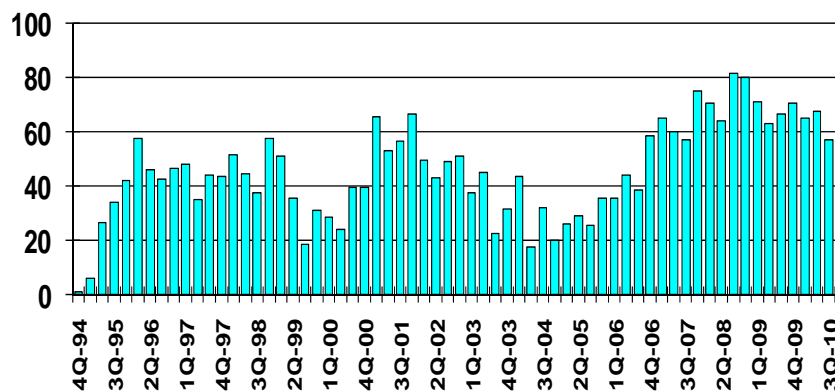


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Will Conditions for Buying a House be Better, Worse or the Same IN 6 MONTHS?

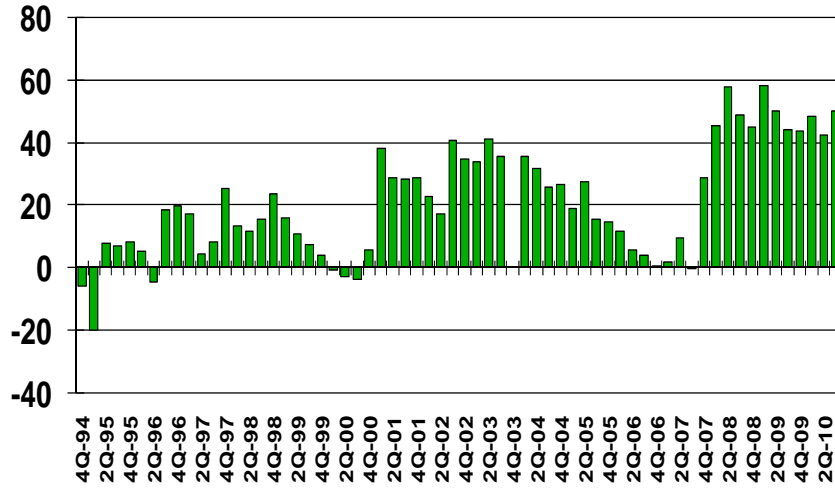
(Index = up - down + 50)



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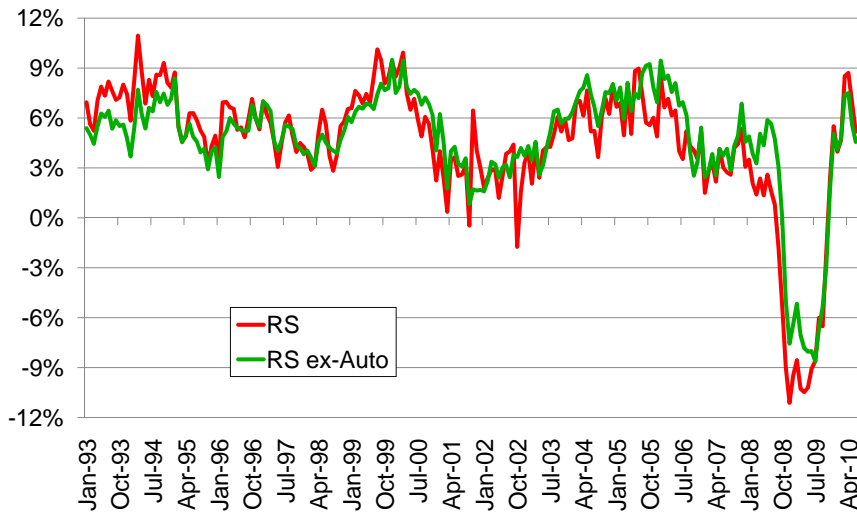
HOME BUYING PREMIUM



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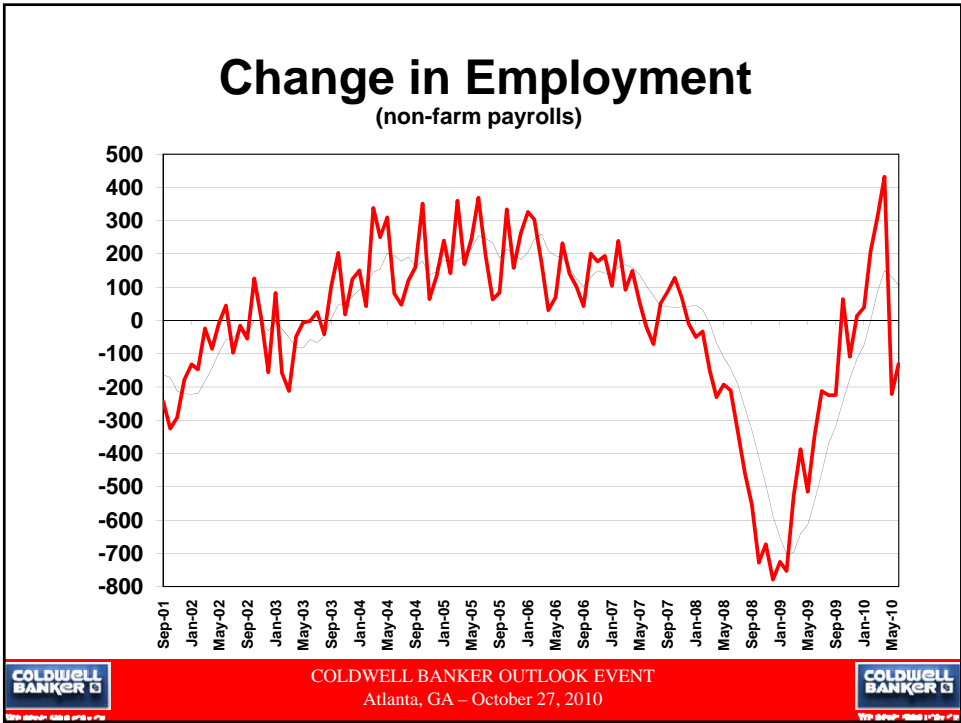
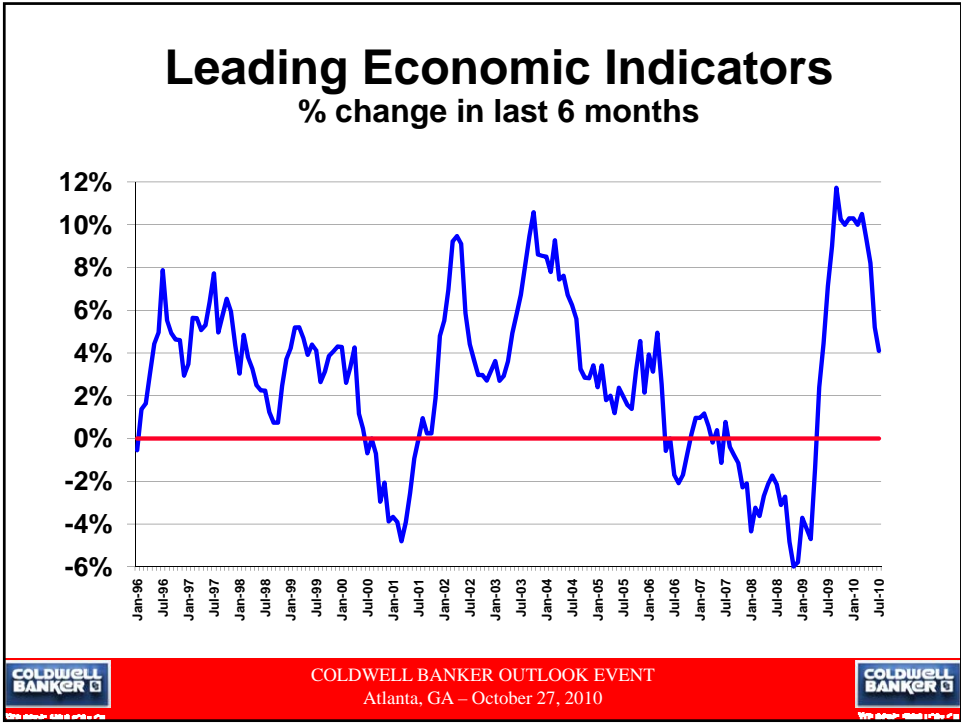


Retail Sales

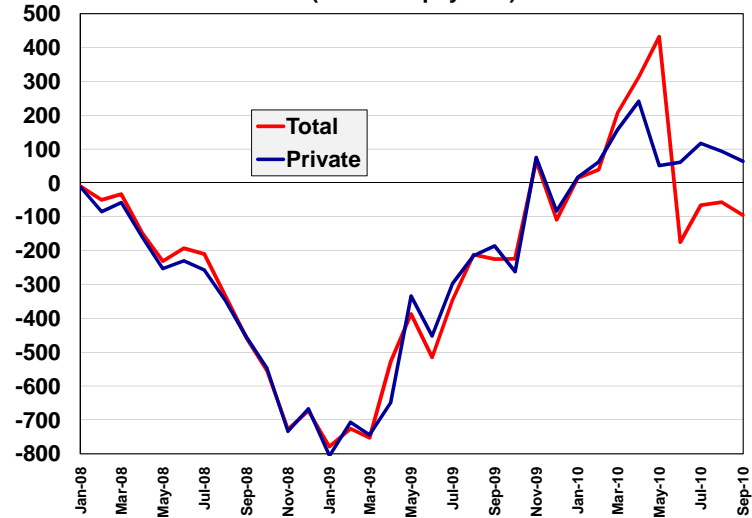


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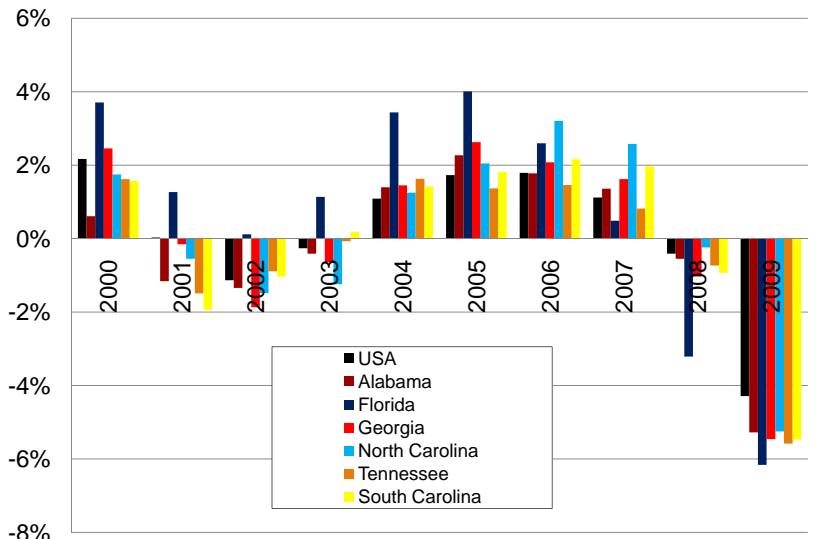


Total vs. Private Employment (non-farm payrolls)



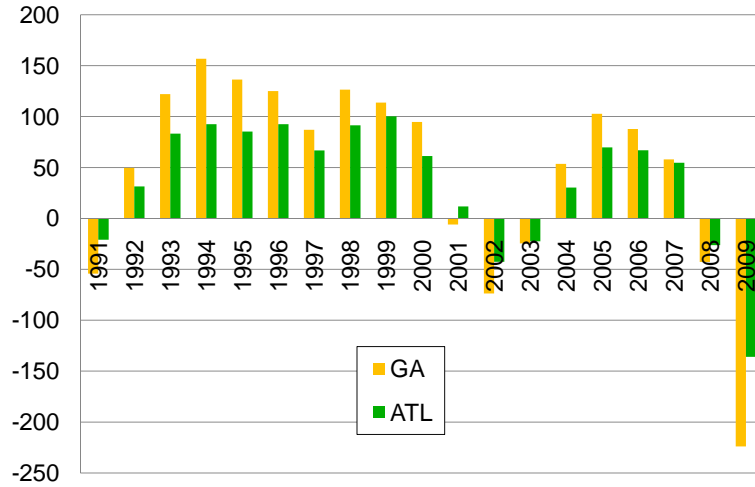
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Employment in SE



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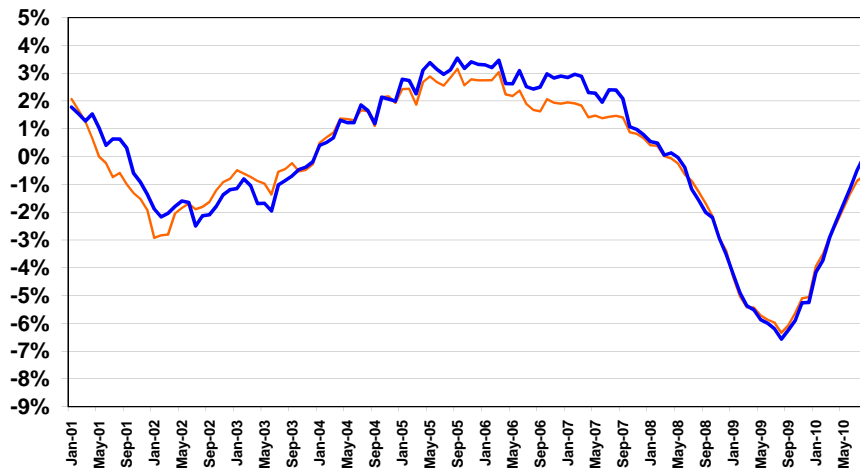
Employment in Georgia



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Change in Employment: Atlanta

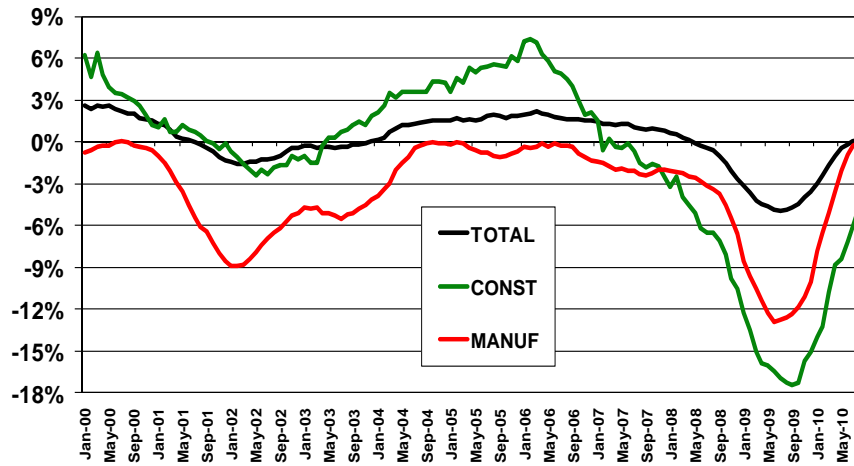


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Change in Employment: The Tale of Two Sectors

(12 Months Change)

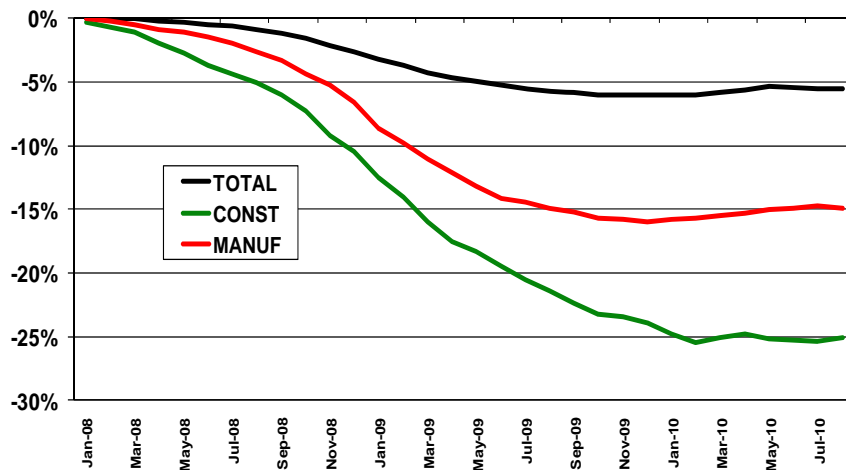


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Change in Employment: The Tale of Two Sectors

(Change from Peak)



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Prices: Inflation or Deflation?

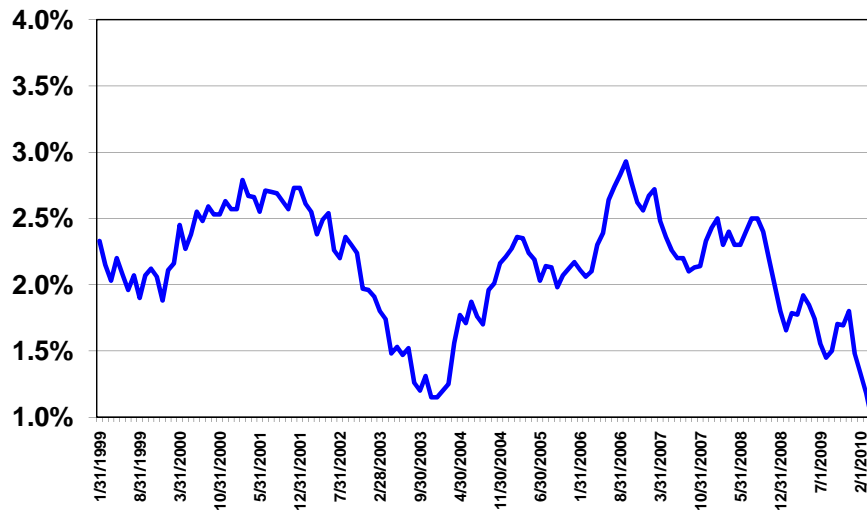
- CPI was up 0.1% in September being up 0.3%, up 0.3% and down 0.1% in previous 3 months.
- Core up flat in August, after being flat, up 0.1%, and up 0.2% in previous 3 months.
- Overall CPI up at an 1.1% annual rate over last 12 months. Core up 0.8% over same period.
- Energy prices up 3.8% over last 12 months.



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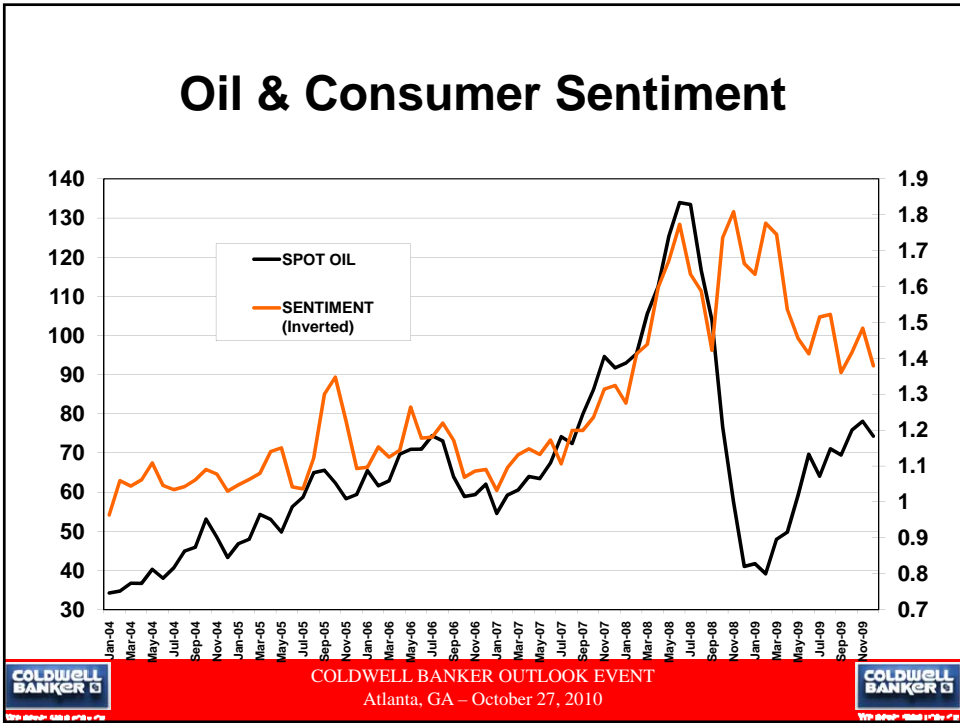
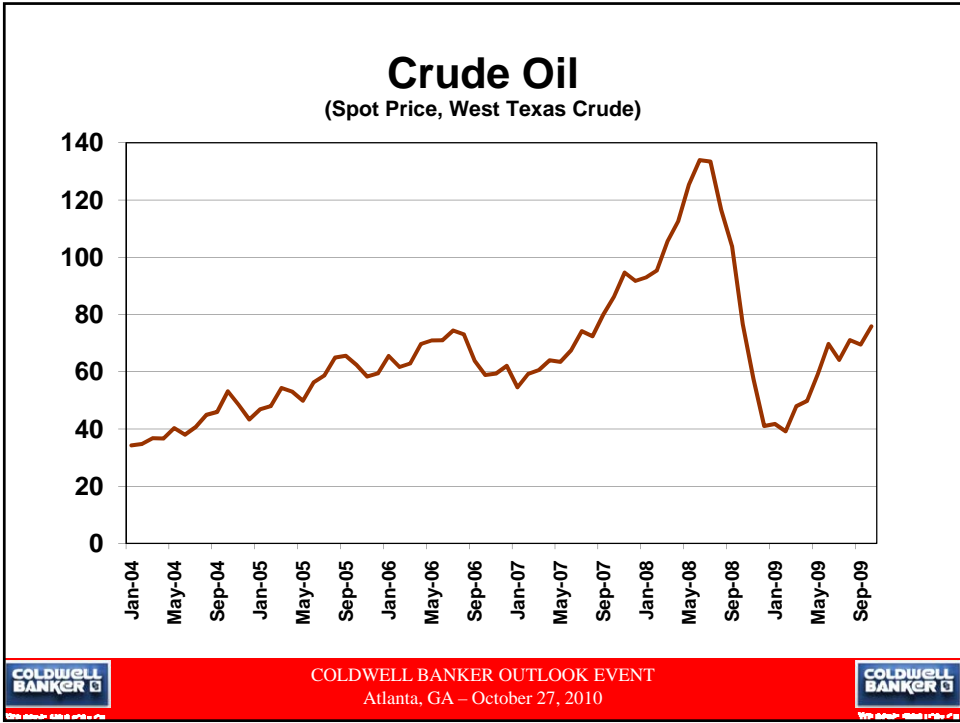


Core CPI

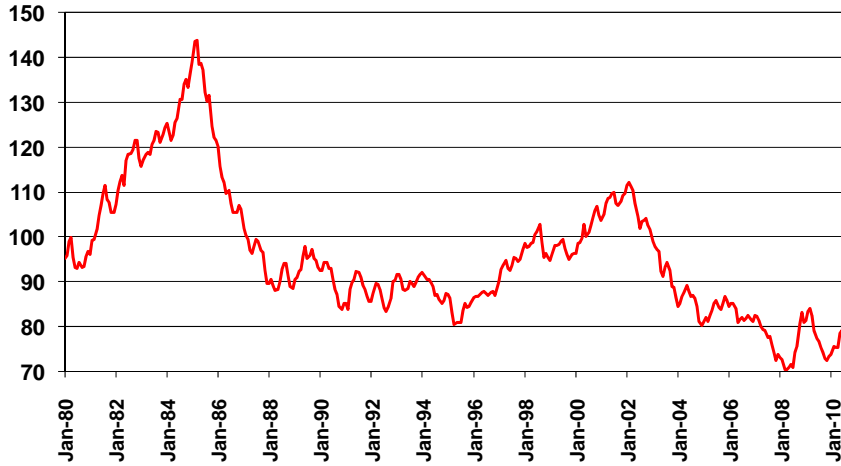


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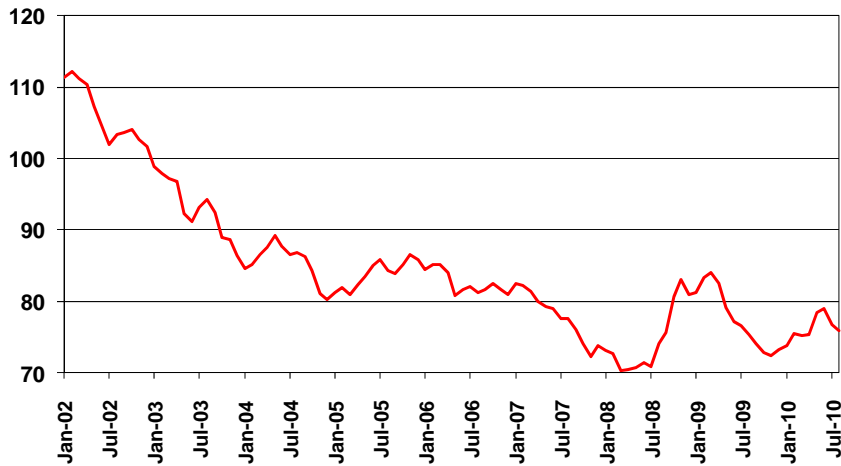
Foreign Exchange: \$ vs. Major Currencies



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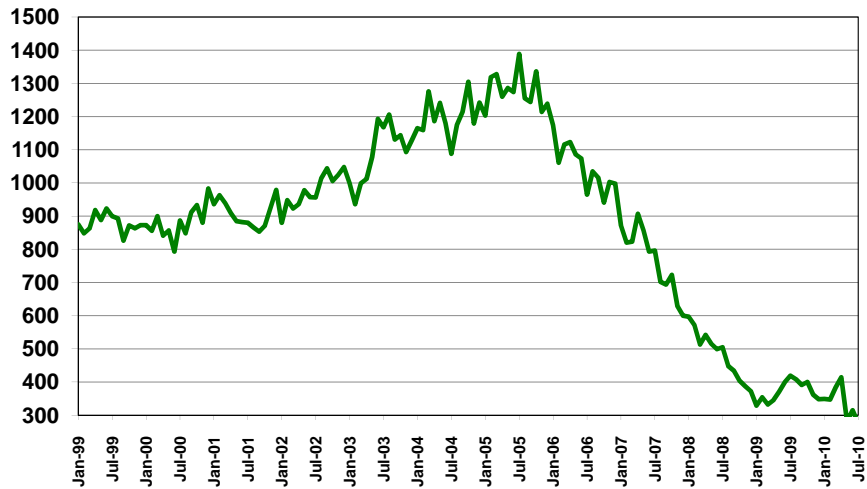
Foreign Exchange: \$ vs. Major Currencies



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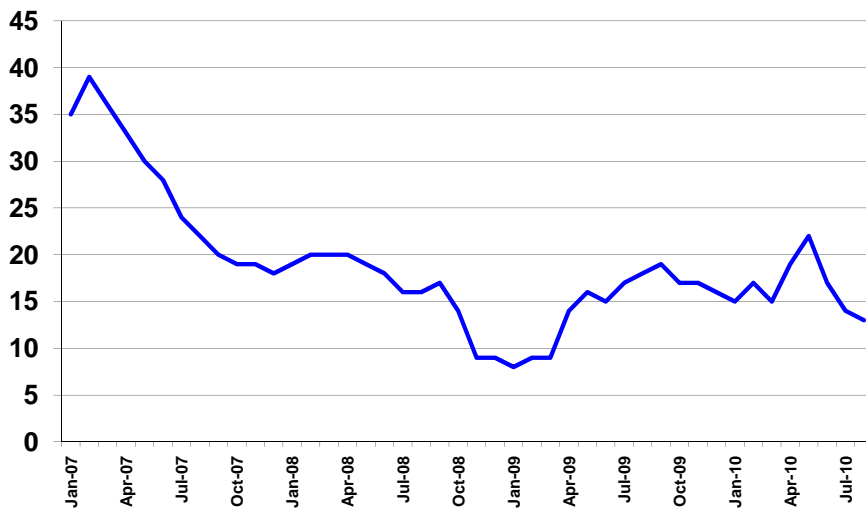
New Home Sales (Single Family, SSAR in thousands)



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NAHB Housing Market Index

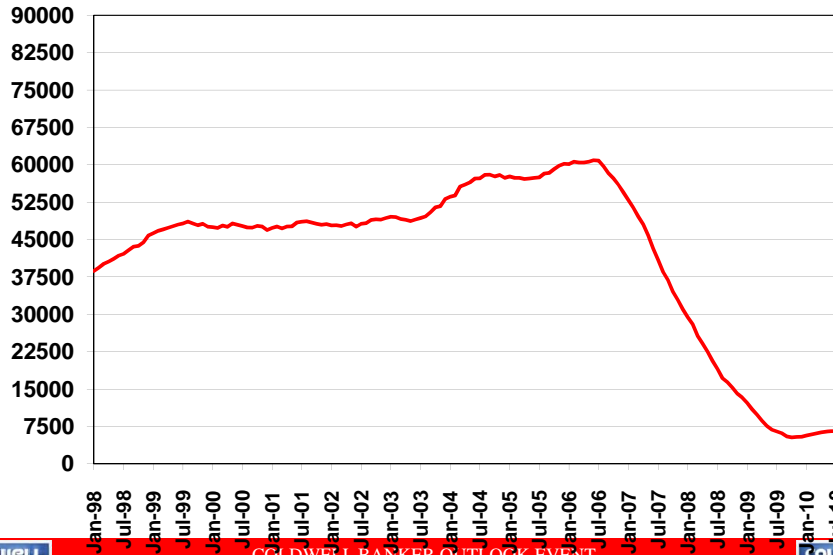


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Single Family Starts: Atlanta

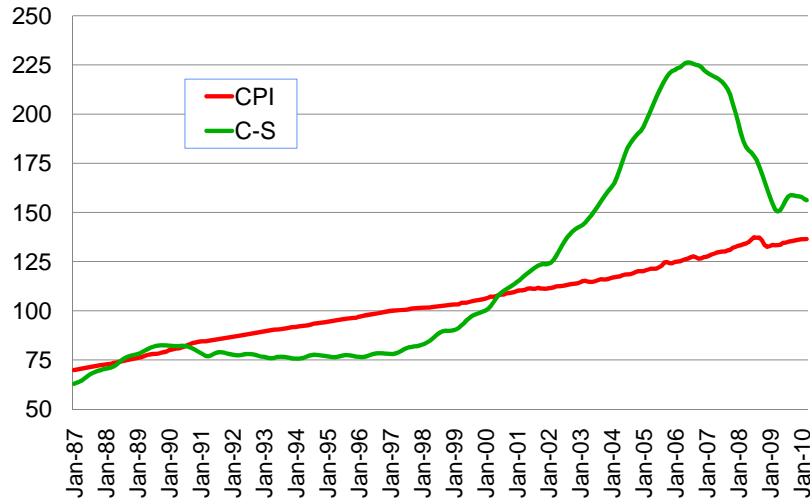
(12 month moving average)



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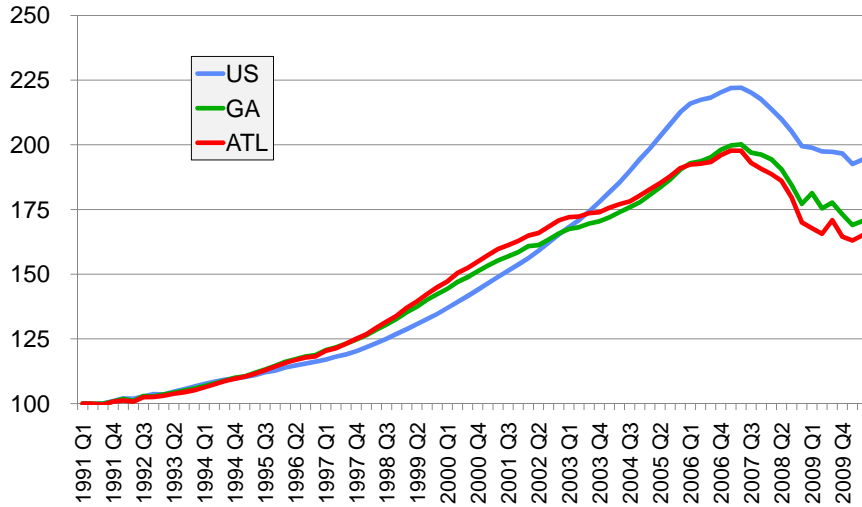
Home Prices verses CPI



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Prices: US/GA/ATL

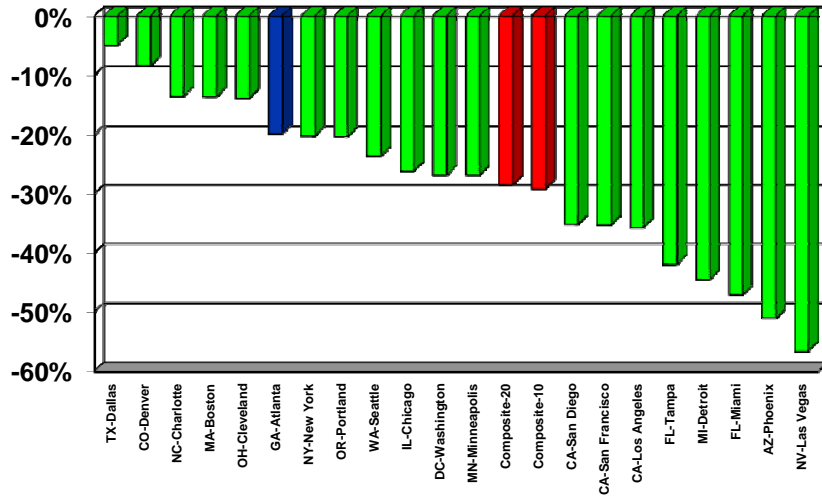


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CS/S&P Home Price Index

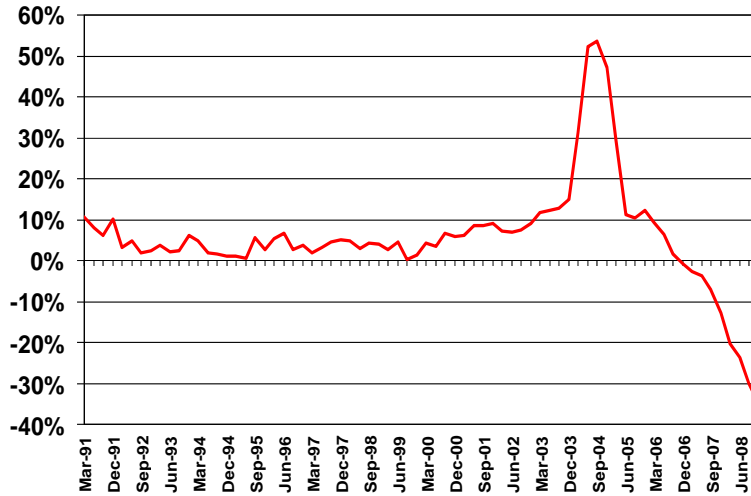
(FROM PEAK TO JUNE 2010)



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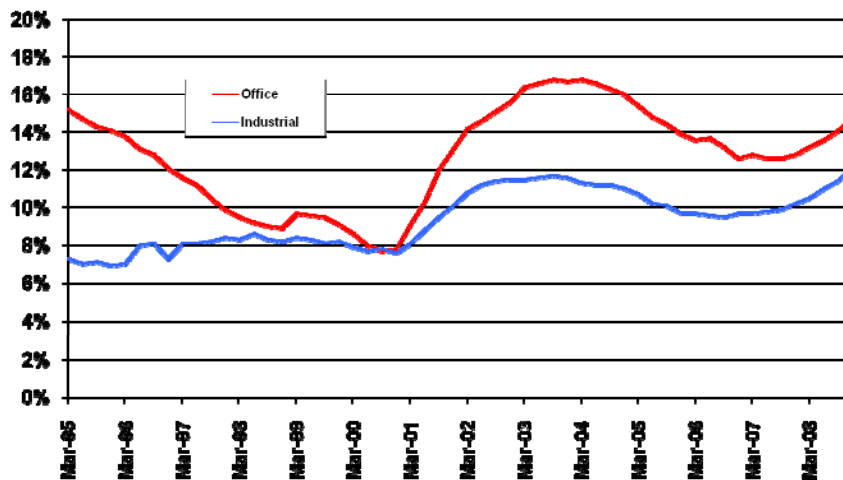
EXISTING HOME PRICES: Las Vegas



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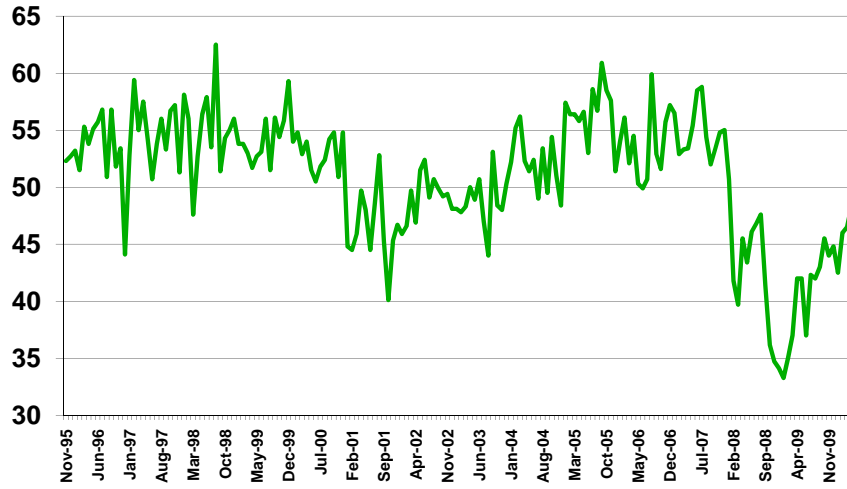
Commercial Vacancy Rates



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Architecture Billings Index(AIA)



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Federal Funds Rate

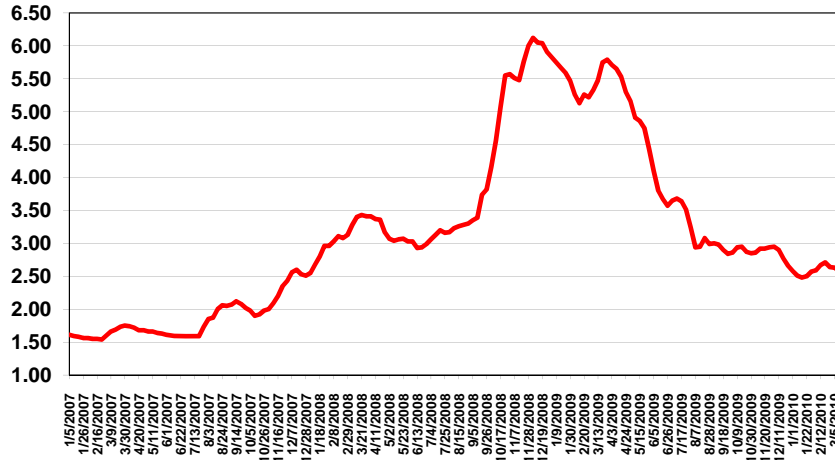


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The Risk Premium (Moody's BAA less 10-Year Treasury Bond)

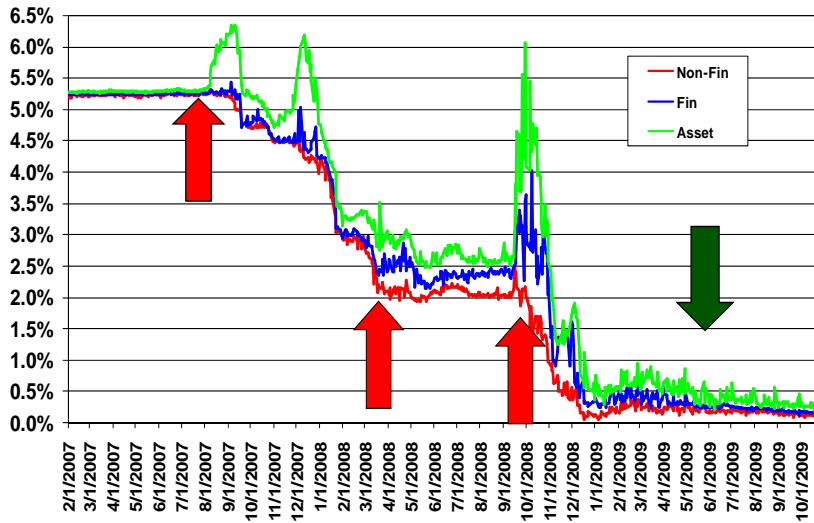
(source: Board of Governors of Federal Reserve System)



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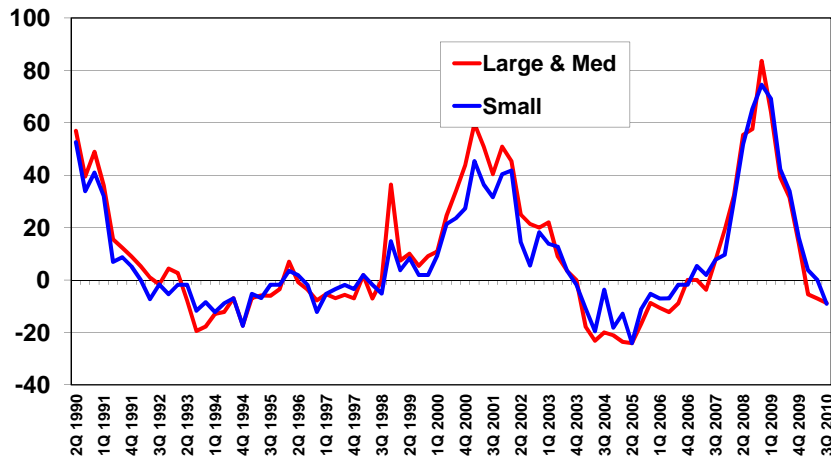
Commercial Paper Rates



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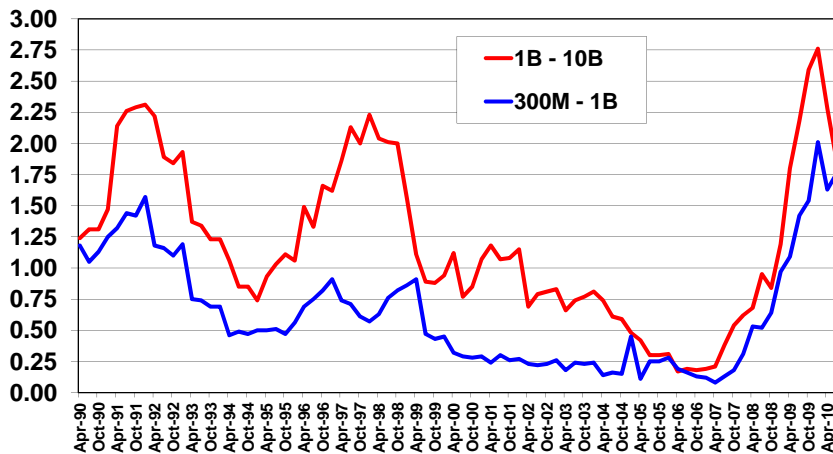
C&I Lending Getting Tighter? (Net % Tightening Standards for C&I Loans)



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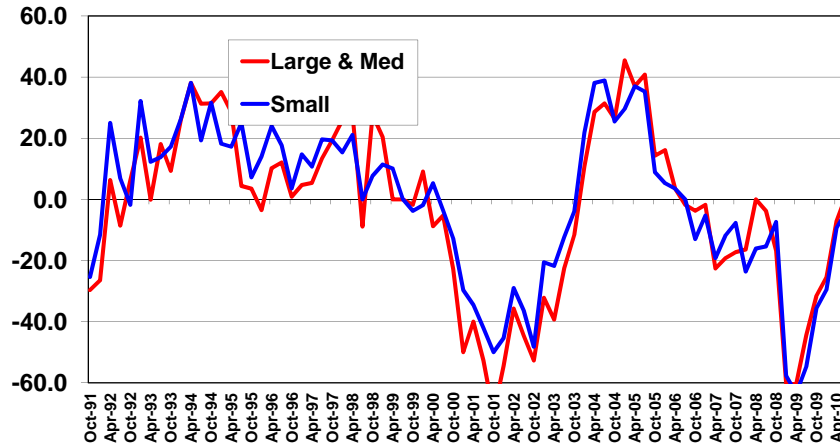
Net Charge Offs (South Atlantic Region)



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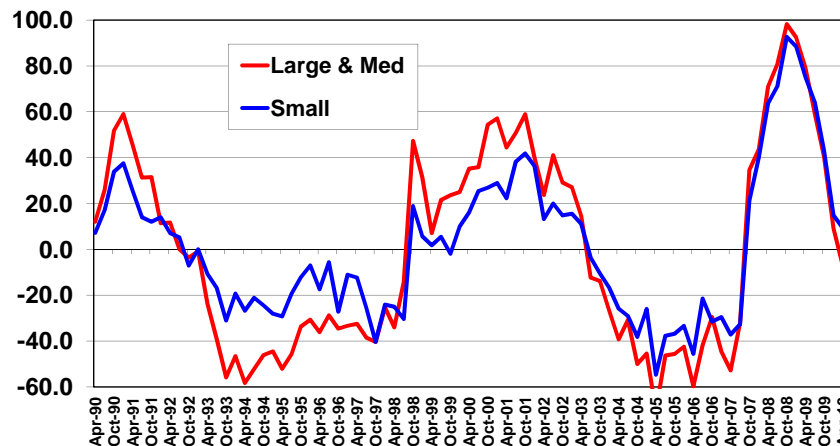
Loans Demand Firming? (Net % Reporting Stronger Demand for C&I Loans)



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Spreads Tightening? (Net % Increasing Spread of Loans over COF)



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Equity Markets

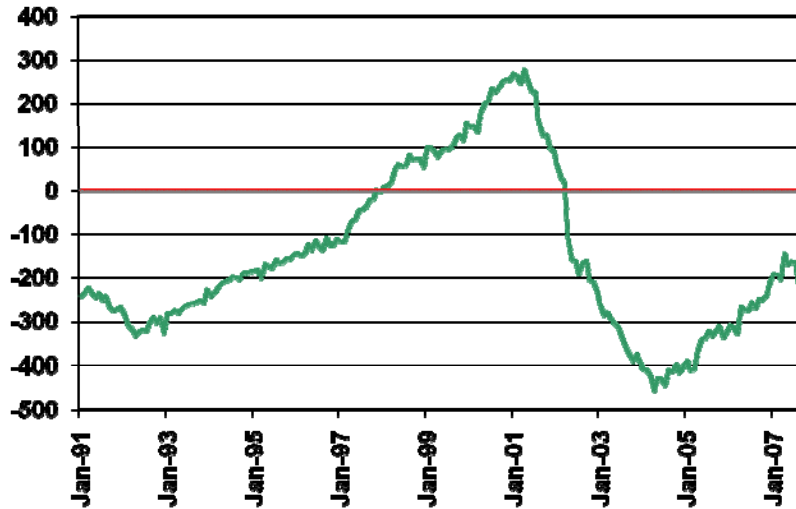


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Federal Budget Surplus

(source: US Department of Treasury)

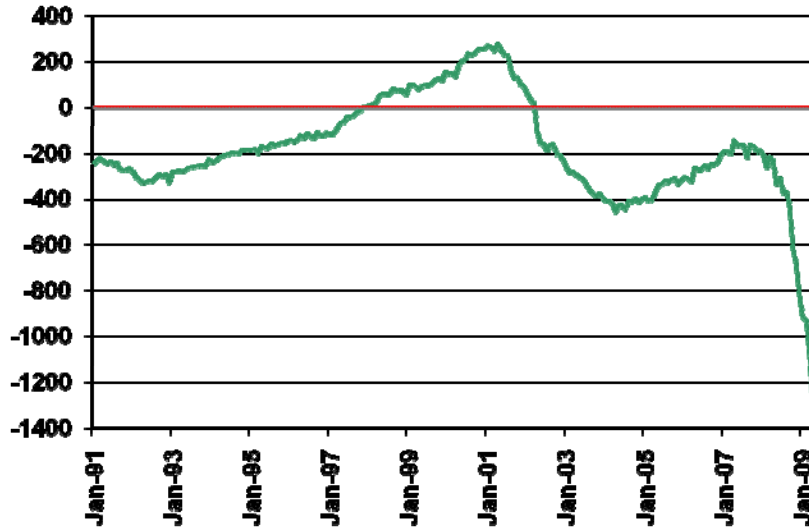


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Federal Budget Surplus

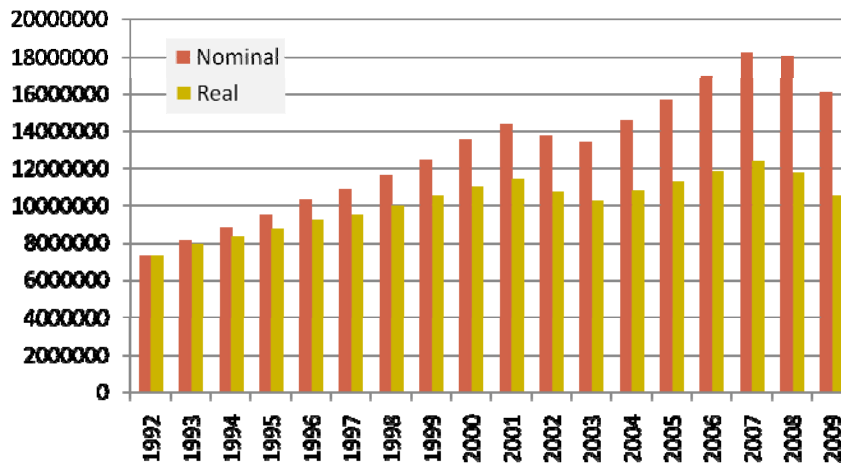
(source: US Department of Treasury)



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GA: Nominal versus “Real” Tax Revenues



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Currents Issues in Fiscal Affairs

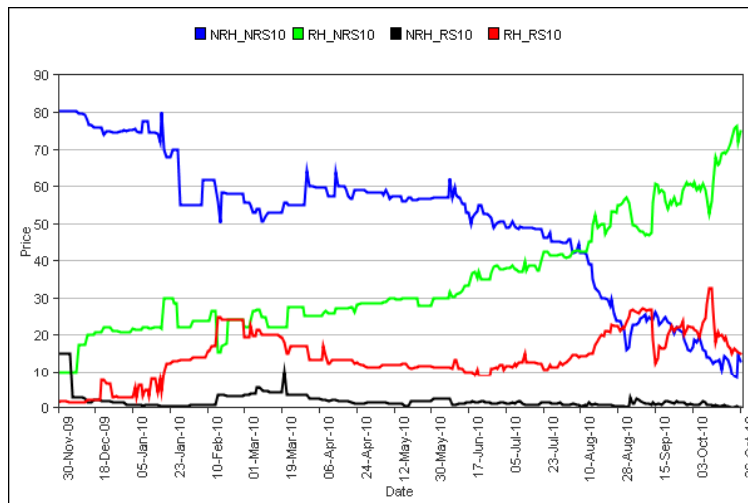
- “Bush Cuts” sunset
- Sensitivity of federal & state tax revenues to economic activity.
- Tax Reform
 - » Federal: Is a VAT coming
 - » State: Tax reviews under way
- Local Fiscal Picture
 - » RE valuation and revenues



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Election 2010



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