

The Housing Outlook

David F. Seiders
Chief Economist
March 4, 2008



NAHB

NATIONAL ASSOCIATION
OF HOME BUILDERS

NAHB ECONOMIC AND HOUSING PRO-LEVEL FORECAST

	Economic Activity			Interest Rates				New Housing Units					Home Sales		Residential Fixed Investment**
	Real GDP	Consumer Price Index	Unemp. Rate	Federal Funds	Prime	Mortgages*		Starts			Mfg. Home Shipments	Total New Housing	New	Single-Family Existing	
						Fixed Rate	Adjustable Rate	Total	Single Family	Multi-family					
	Percent Change			Percent				Thousands of Units					Percent Chg.		
Annual Data ***															
1993	2.7%	3.0%	6.9%	3.02%	7.33%	4.05%	5.87%	1,292	1,131	161	255	1,546	674	3,421	8.2%
1994	4.0%	2.6%	6.1%	4.20%	8.36%	5.94%	7.08%	1,446	1,191	255	305	1,751	667	3,554	9.6%
1995	2.5%	2.8%	5.6%	5.84%	7.95%	6.16%	6.58%	1,361	1,082	279	341	1,702	670	3,514	-3.2%
1996	3.7%	2.9%	5.4%	5.30%	7.81%	5.84%	6.44%	1,469	1,154	314	362	1,830	756	3,783	8.0%
1997	4.5%	2.3%	4.9%	5.46%	7.60%	5.99%	6.35%	1,475	1,136	338	354	1,828	806	3,973	1.9%
1998	4.2%	1.5%	4.5%	5.35%	6.95%	5.13%	5.26%	1,621	1,278	344	374	1,995	889	4,492	7.6%
1999	4.4%	2.2%	4.2%	4.97%	7.43%	5.43%	5.64%	1,647	1,306	341	348	1,995	879	4,636	6.0%
2000	3.7%	3.4%	4.0%	6.24%	8.06%	6.26%	6.03%	1,573	1,232	341	250	1,823	880	4,614	0.8%
2001	0.8%	2.8%	4.7%	3.89%	6.97%	3.82%	5.02%	1,601	1,272	330	192	1,793	907	4,727	0.4%
2002	1.6%	1.6%	5.8%	1.67%	6.54%	2.64%	4.61%	1,710	1,363	347	168	1,878	976	4,998	4.8%
2003	2.5%	2.3%	6.0%	1.13%	5.82%	1.65%	4.02%	1,854	1,505	349	131	1,985	1,091	5,443	8.4%
2004	3.6%	2.7%	5.5%	1.35%	5.84%	2.38%	4.27%	1,950	1,604	345	130	2,079	1,201	5,914	10.0%
2005	3.1%	3.4%	5.1%	3.21%	5.87%	3.85%	4.29%	2,073	1,719	354	148	2,221	1,279	6,181	6.6%
2006	2.9%	3.2%	4.6%	4.96%	6.41%	4.81%	4.79%	1,812	1,474	338	118	1,930	1,049	5,703	-4.6%
2007	2.2%	2.9%	4.6%	5.02%	8.05%	6.34%	5.56%	1,344	1,039	306	95	1,440	773	4,958	-17.0%
2008	1.8%	3.3%	5.3%	2.59%	5.59%	5.80%	4.94%	1,003	719	284	95	1,098	603	4,325	-18.6%
2009	2.6%	2.2%	5.3%	3.13%	6.13%	6.25%	5.51%	1,134	838	296	102	1,236	718	4,700	7.0%
Quarterly Data ****															
2005															
Q1	3.1%	2.0%	5.3%	2.47%	5.44%	5.76%	4.17%	2,072	1,705	367	138	2,209	1,283	6,107	5.3%
Q2	2.8%	2.8%	5.1%	2.94%	5.91%	5.72%	4.24%	2,051	1,697	354	129	2,180	1,273	6,220	13.1%
Q3	4.5%	6.3%	5.0%	3.46%	6.43%	5.76%	4.49%	2,100	1,747	353	129	2,229	1,296	6,297	6.9%
Q4	1.2%	4.0%	4.9%	3.98%	6.97%	6.22%	5.06%	2,069	1,725	343	196	2,264	1,263	6,100	0.5%
2006															
Q1	4.8%	1.8%	4.7%	4.46%	7.43%	6.24%	5.31%	2,127	1,752	376	147	2,275	1,132	5,967	-0.7%
Q2	2.4%	3.7%	4.7%	4.91%	7.90%	6.60%	5.65%	1,861	1,520	341	122	1,983	1,086	5,777	-11.7%
Q3	1.1%	3.9%	4.6%	5.25%	8.25%	6.56%	5.66%	1,704	1,393	311	107	1,811	994	5,537	-20.4%
Q4	2.1%	-1.5%	4.4%	5.25%	8.25%	6.25%	5.50%	1,555	1,232	323	97	1,652	986	5,533	-17.2%
2007															
Q1	0.6%	3.7%	4.5%	5.26%	8.25%	6.22%	5.47%	1,460	1,172	288	94	1,554	853	5,573	-16.4%
Q2	3.8%	4.6%	4.5%	5.25%	8.25%	6.37%	5.55%	1,464	1,166	299	99	1,563	855	5,113	-11.8%
Q3	4.9%	2.8%	4.7%	5.07%	8.18%	6.55%	5.68%	1,300	990	310	96	1,396	730	4,757	-20.5%
Q4	0.6%	5.0%	4.8%	4.50%	7.52%	6.23%	5.55%	1,152	826	326	93	1,245	653	4,387	-25.2%
2008															
Q1	0.3%	3.5%	5.1%	3.27%	6.27%	5.75%	5.00%	1,025	725	300	95	1,120	580	4,250	-27.2%
Q2	1.0%	2.2%	5.2%	2.33%	5.33%	5.75%	4.90%	985	710	275	95	1,080	580	4,250	-14.6%
Q3	3.5%	2.2%	5.3%	2.25%	5.25%	5.80%	4.90%	985	710	275	95	1,080	610	4,350	-2.1%
Q4	2.8%	2.3%	5.4%	2.50%	5.50%	5.90%	4.95%	1,015	730	285	95	1,110	640	4,450	-1.8%
2009															
Q1	1.9%	2.3%	5.4%	2.75%	5.75%	6.10%	5.20%	1,060	770	290	100	1,160	680	4,550	11.1%
Q2	2.9%	2.2%	5.3%	3.00%	6.00%	6.20%	5.45%	1,105	810	295	100	1,205	705	4,650	13.8%
Q3	2.8%	2.2%	5.3%	3.25%	6.25%	6.30%	5.65%	1,160	860	300	105	1,265	730	4,750	17.9%
Q4	2.8%	2.2%	5.2%	3.50%	6.50%	6.40%	5.75%	1,210	910	300	105	1,315	755	4,850	20.6%

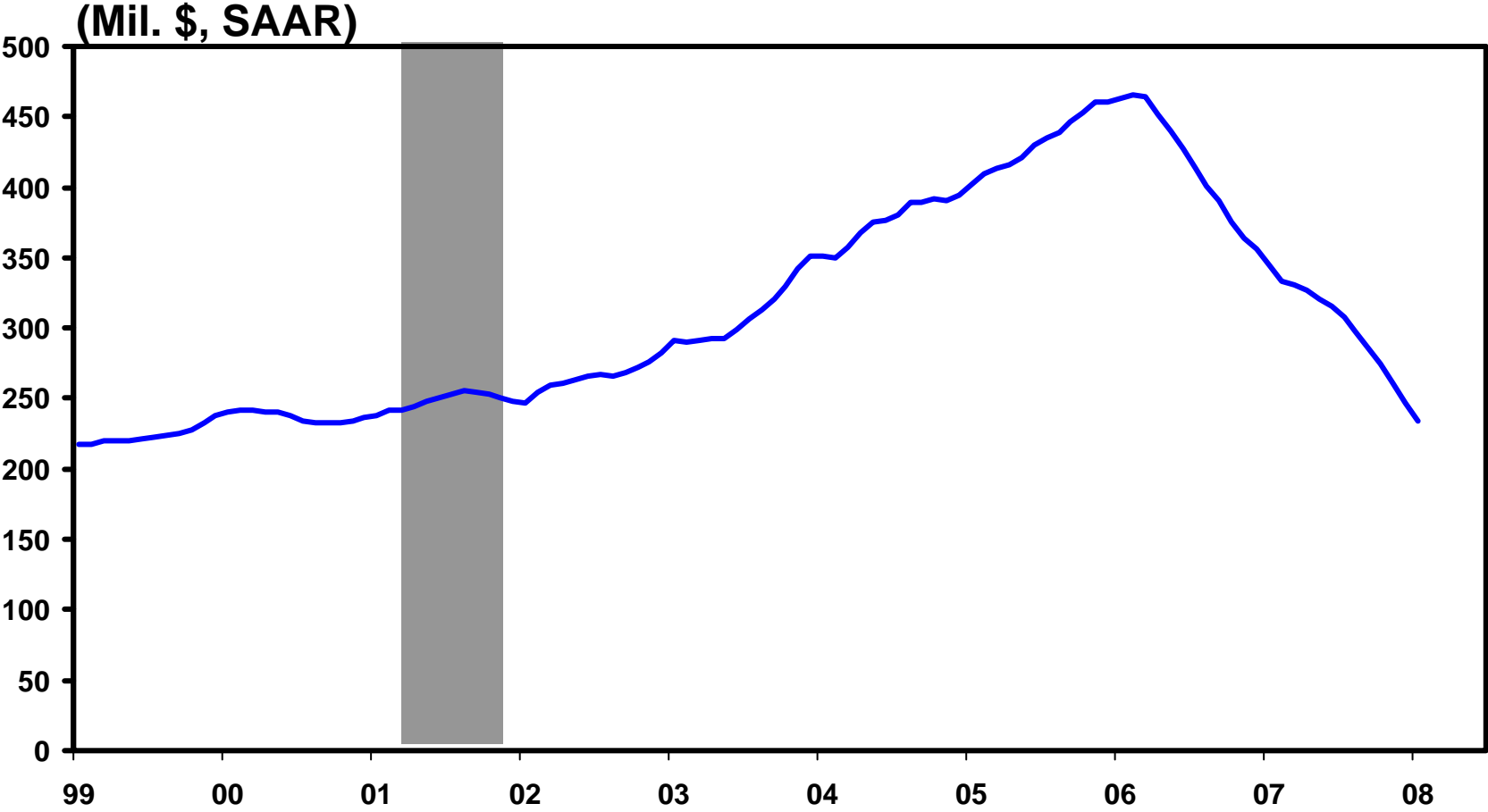
* Freddie Mac Commitment Rates: 30-Yr. Average conventional mortgage rate and 1-Yr. Adjustable Rate; forecast of these rates are produced by NAHB.

** Includes the dollar volume of construction put-in-place for new single-family and multifamily structures, manufactured home shipments, brokerage commissions on home sales, and improvements to existing structures (additions, alterations, and major replacements).

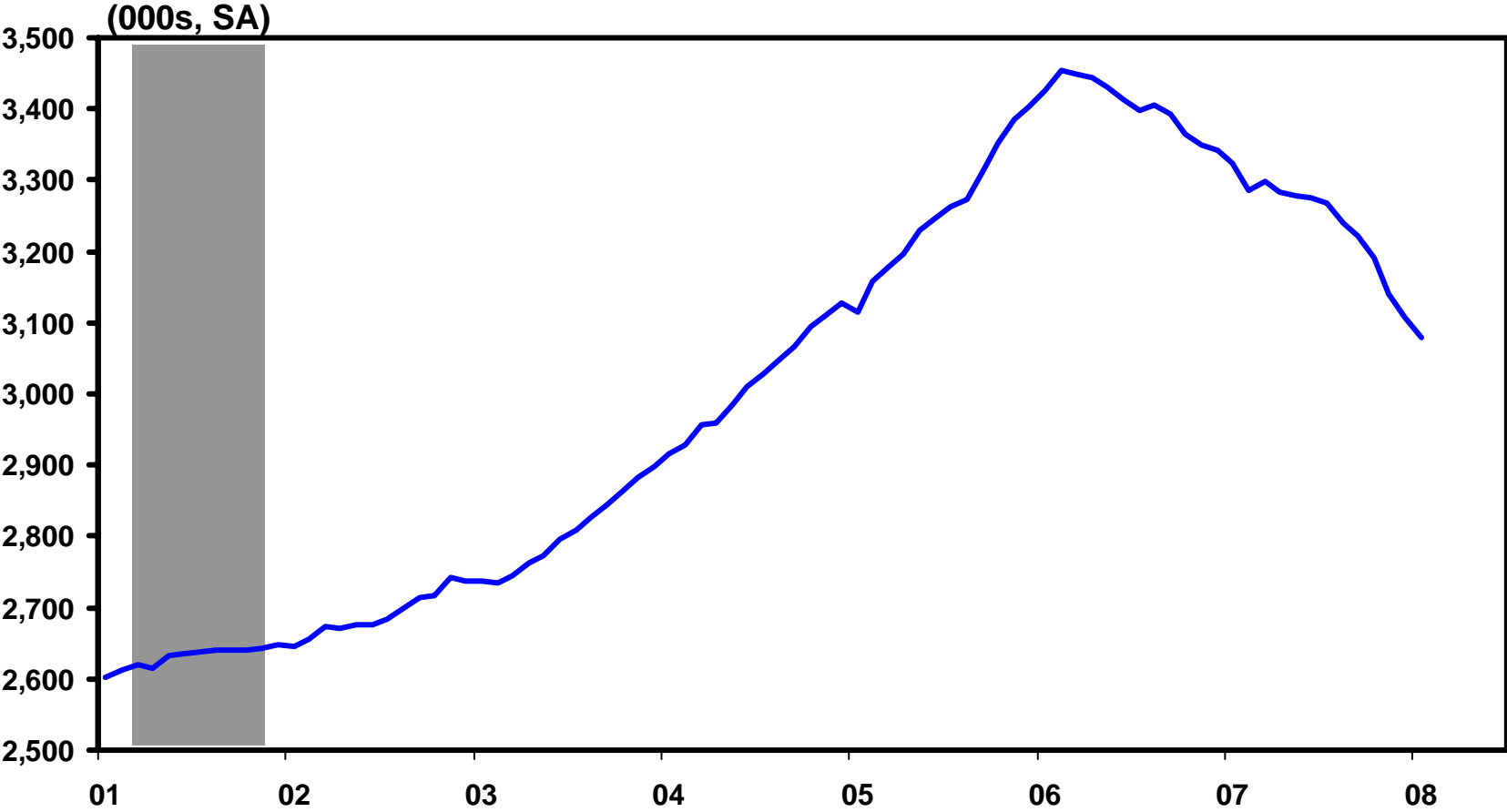
*** Annual totals are averages of seasonally adjusted quarterly data and may not match reported annuals from other sources.

**** All quarterly data are at annual rates, and all data except interest rates are seasonally adjusted.

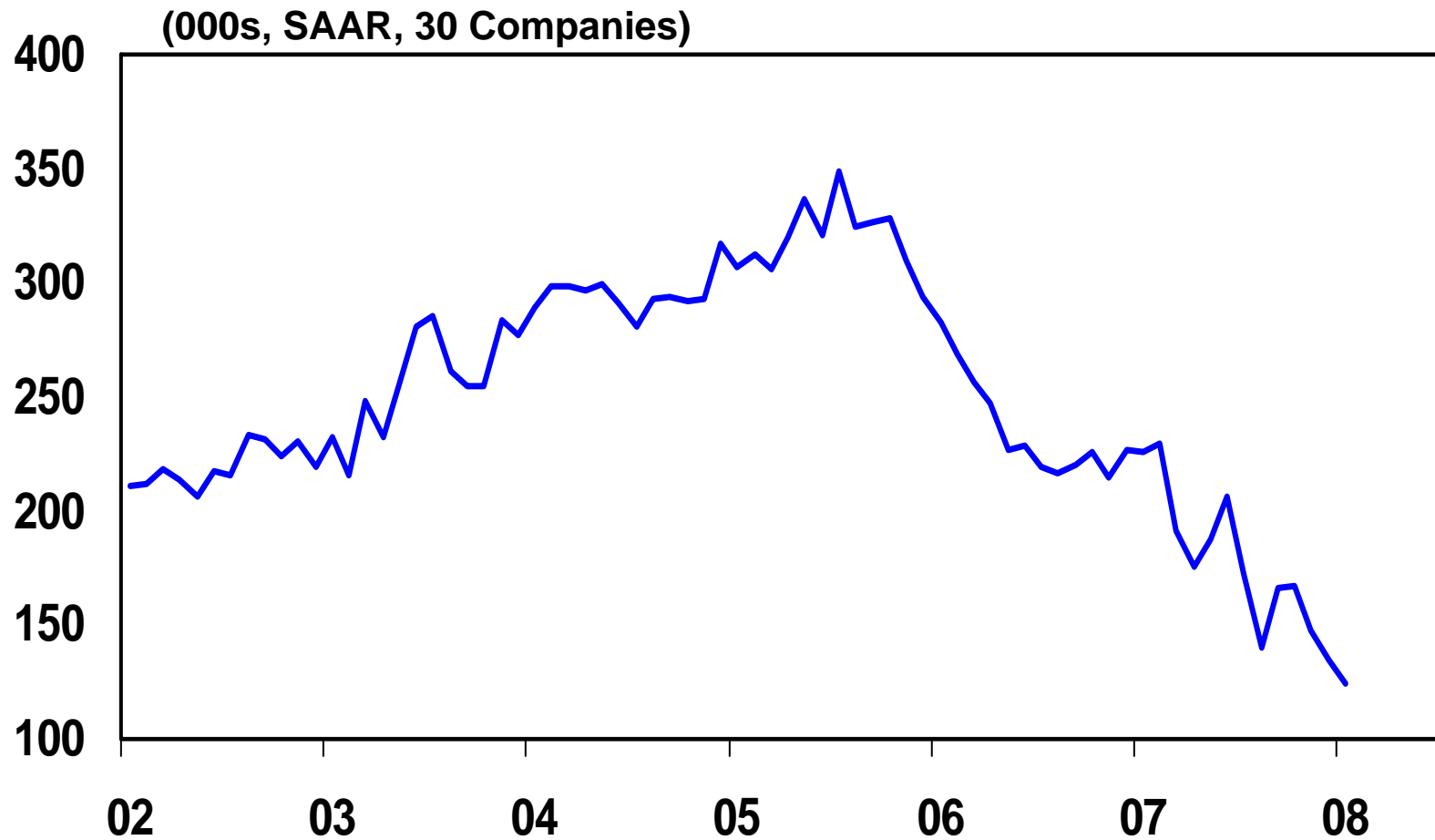
Construction Spending on New Single-Family Homes



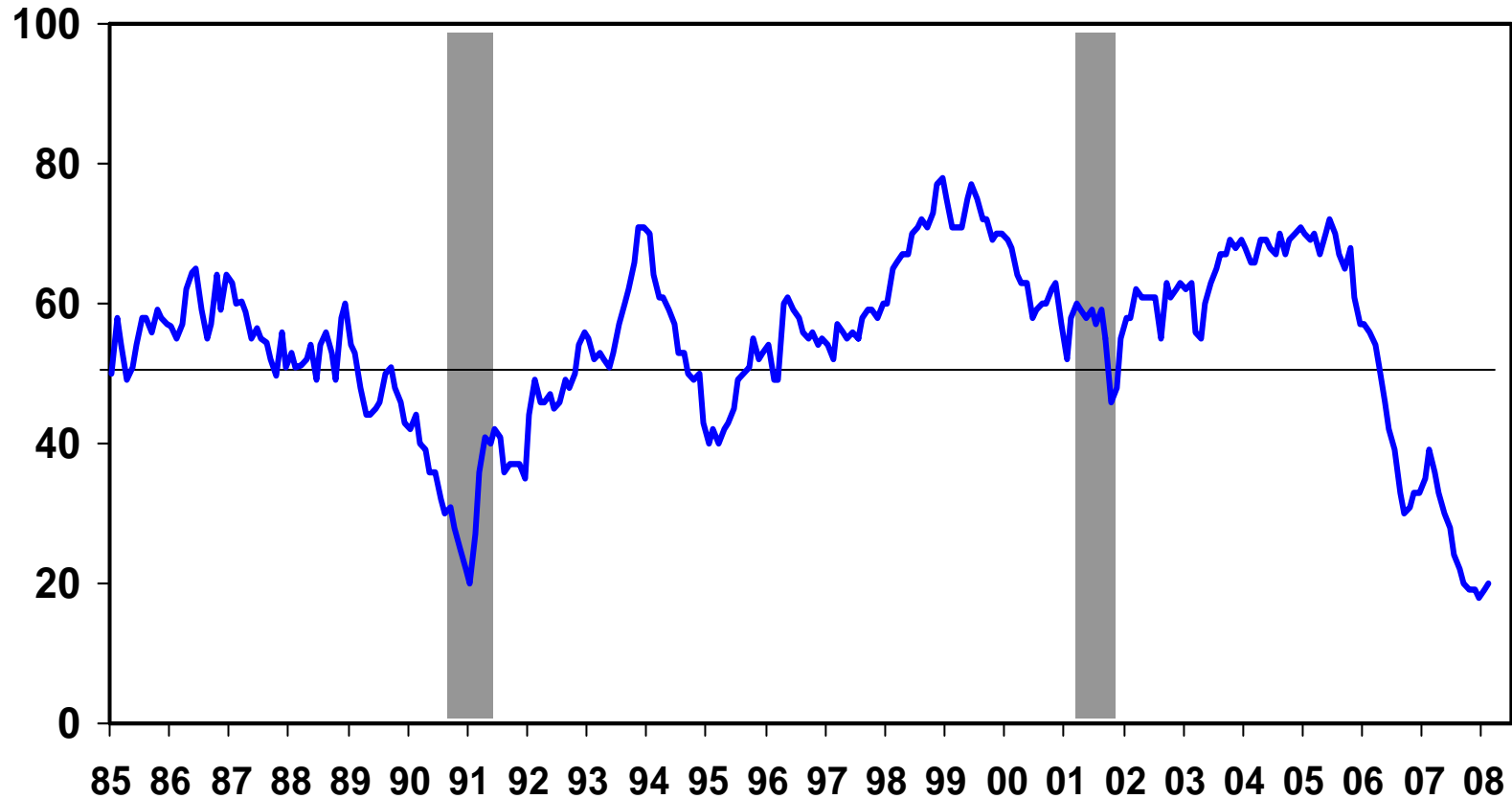
Payroll Employment in Home Building



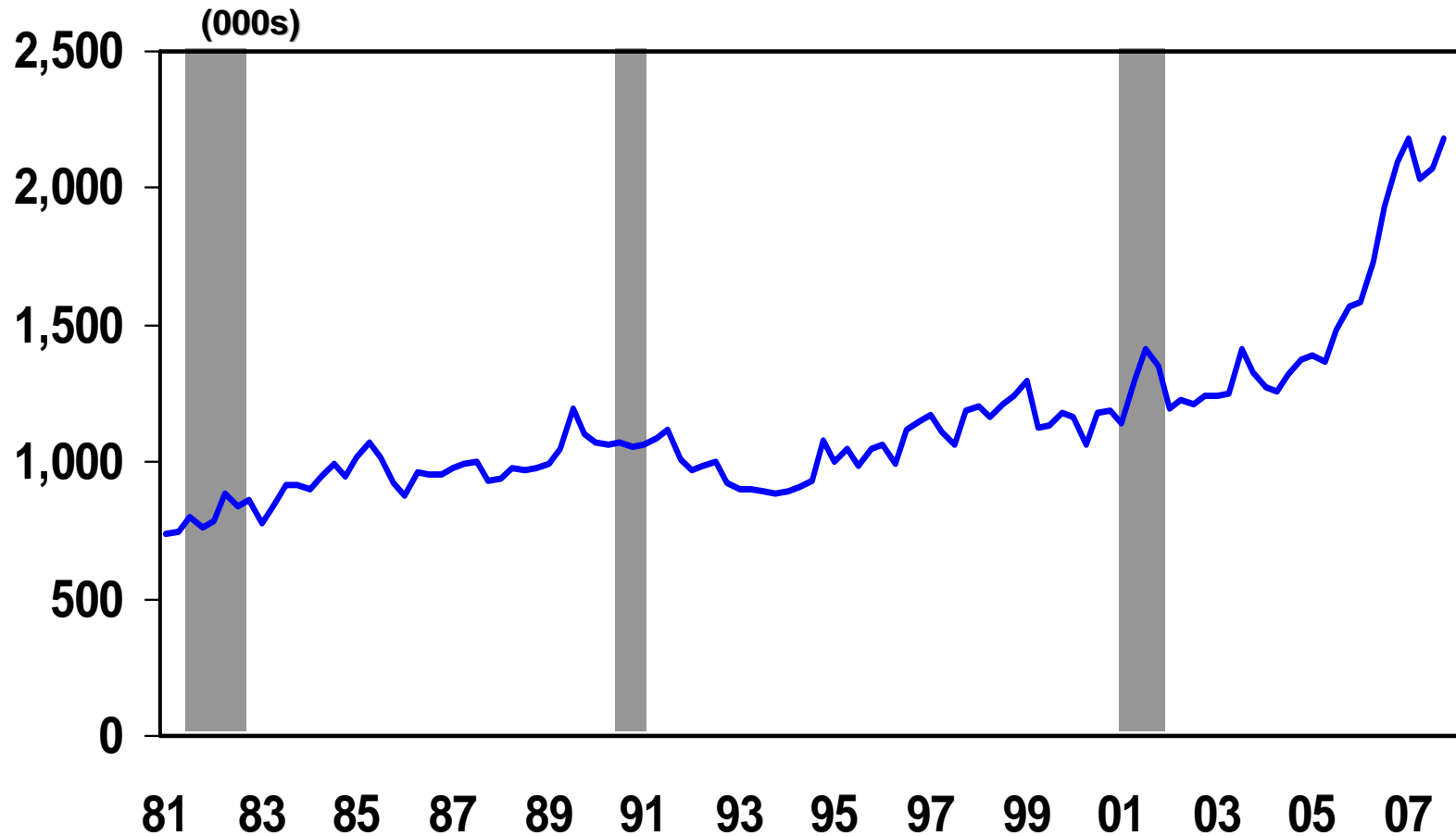
Net Home Sales at Large Builders



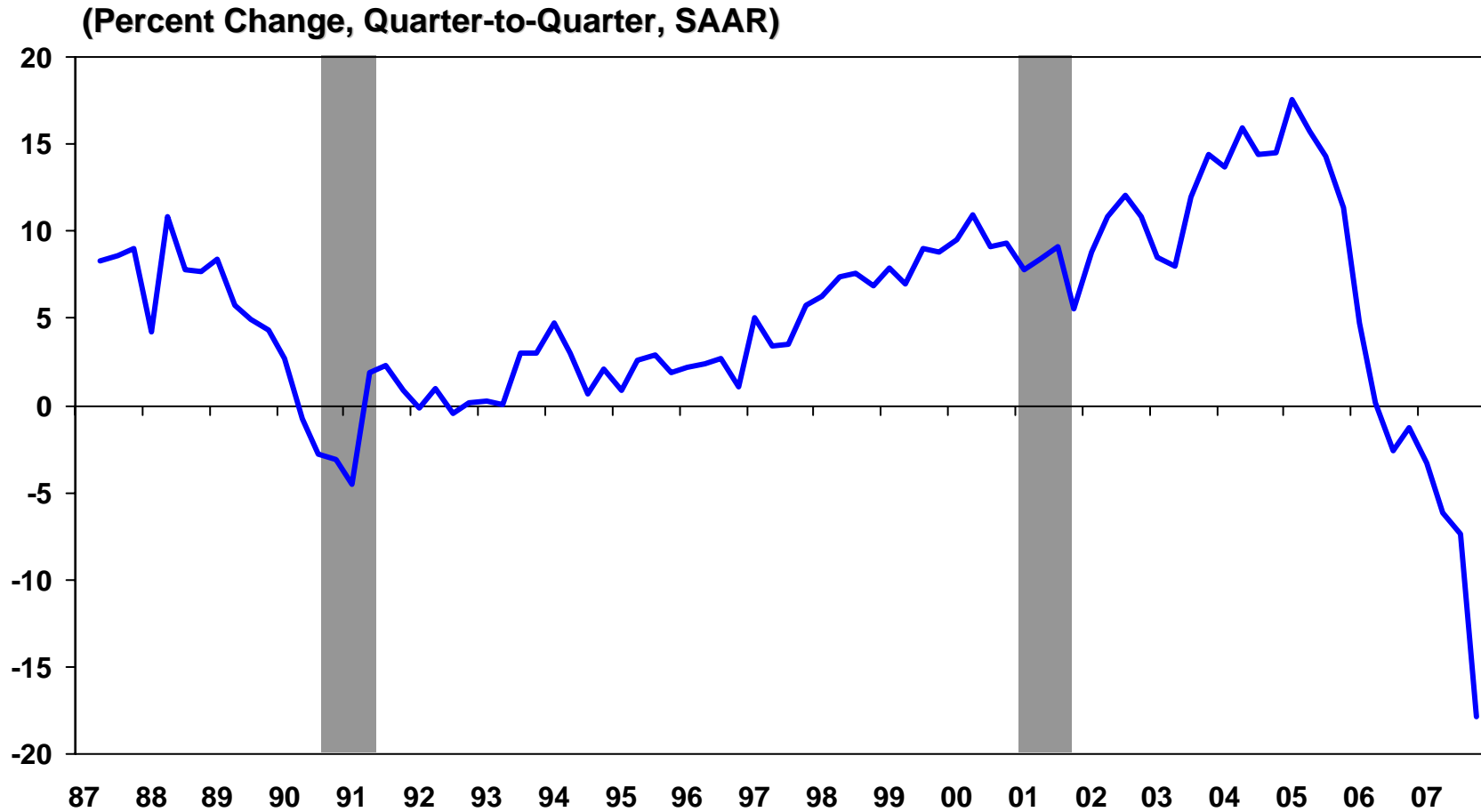
NAHB/Wells Fargo Housing Market Index



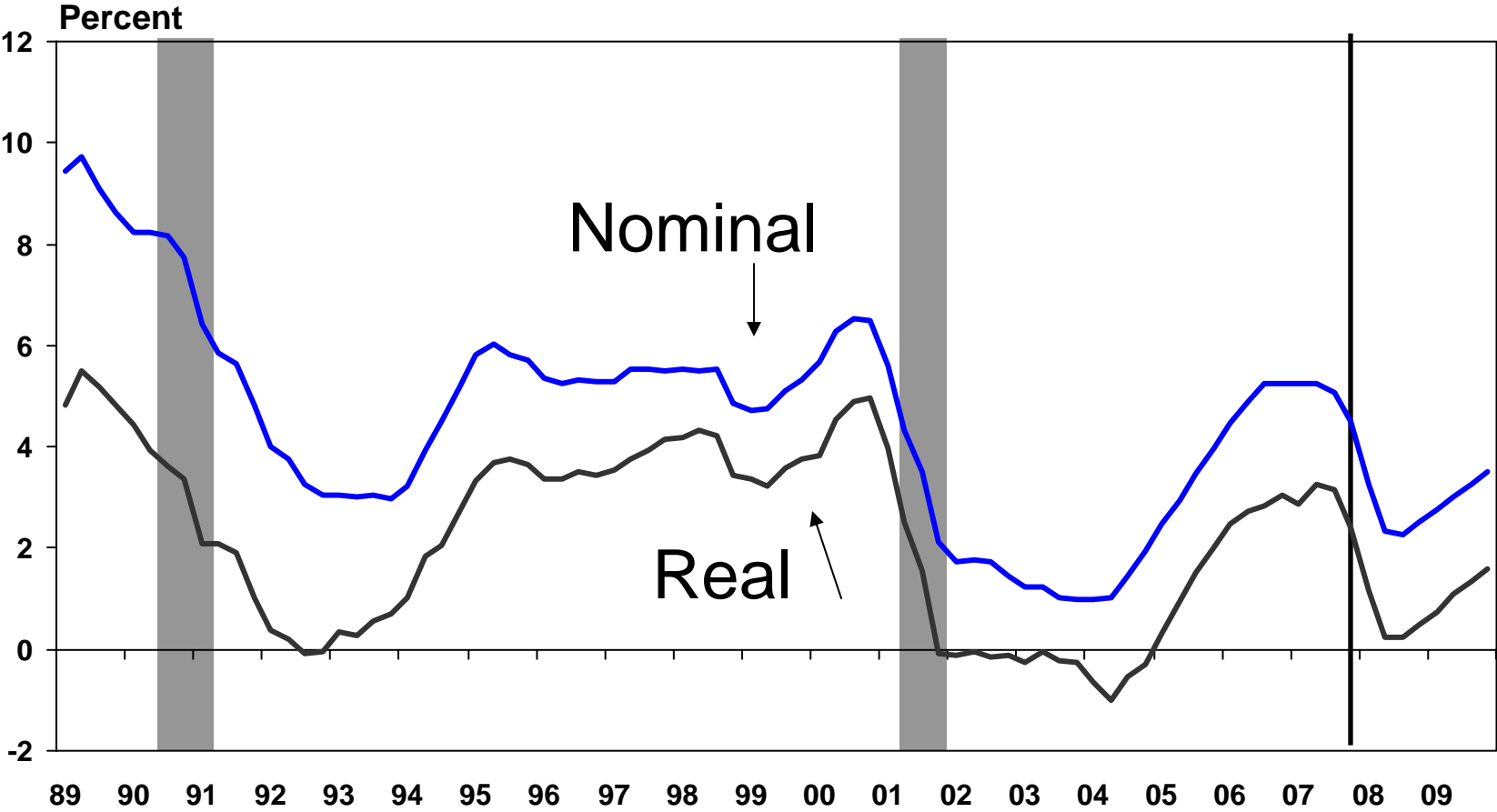
Vacant Year-Round Housing Units For Sale



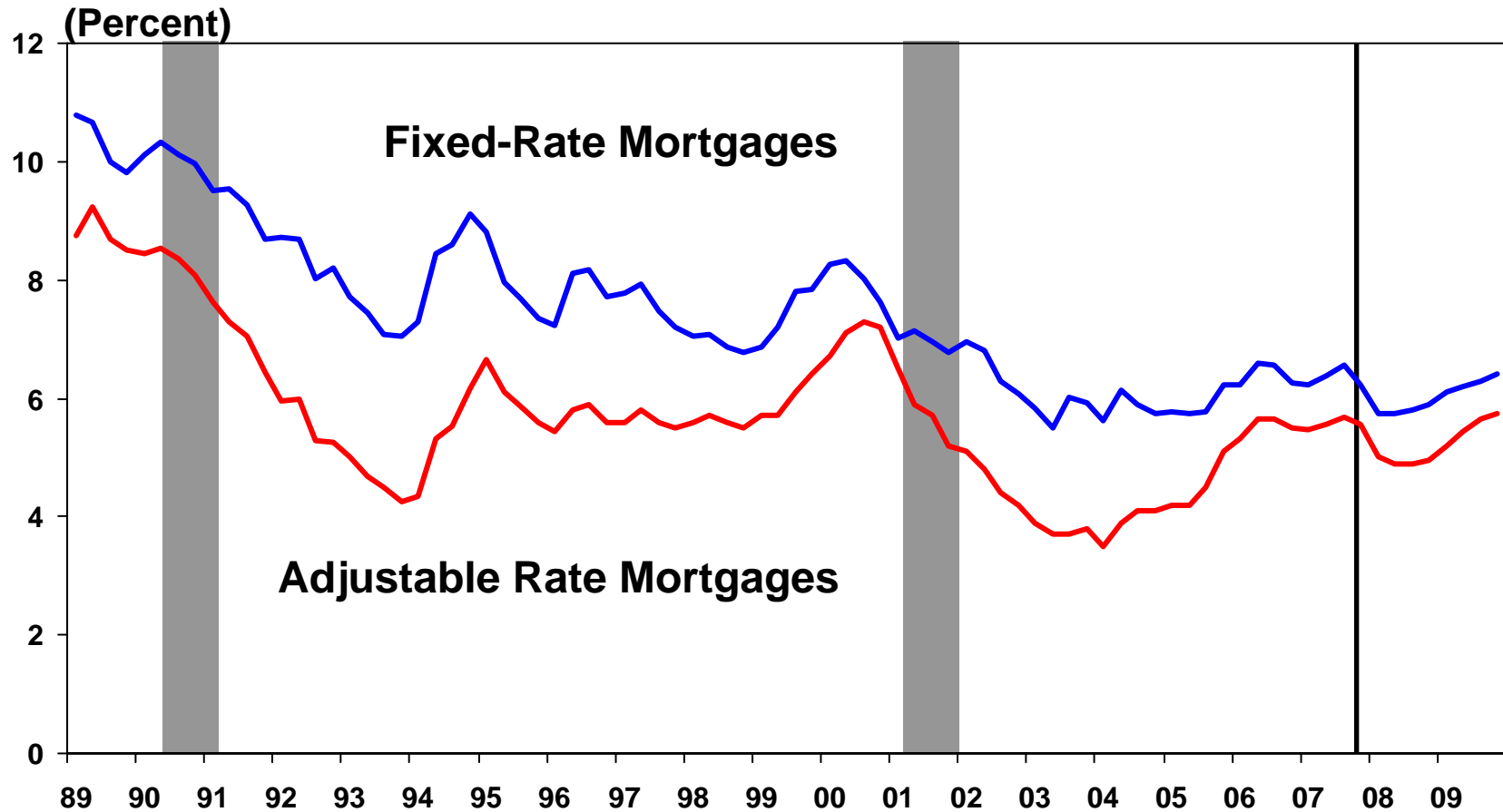
S&P/Case-Shiller Home Price Index (National Index, Quarterly)



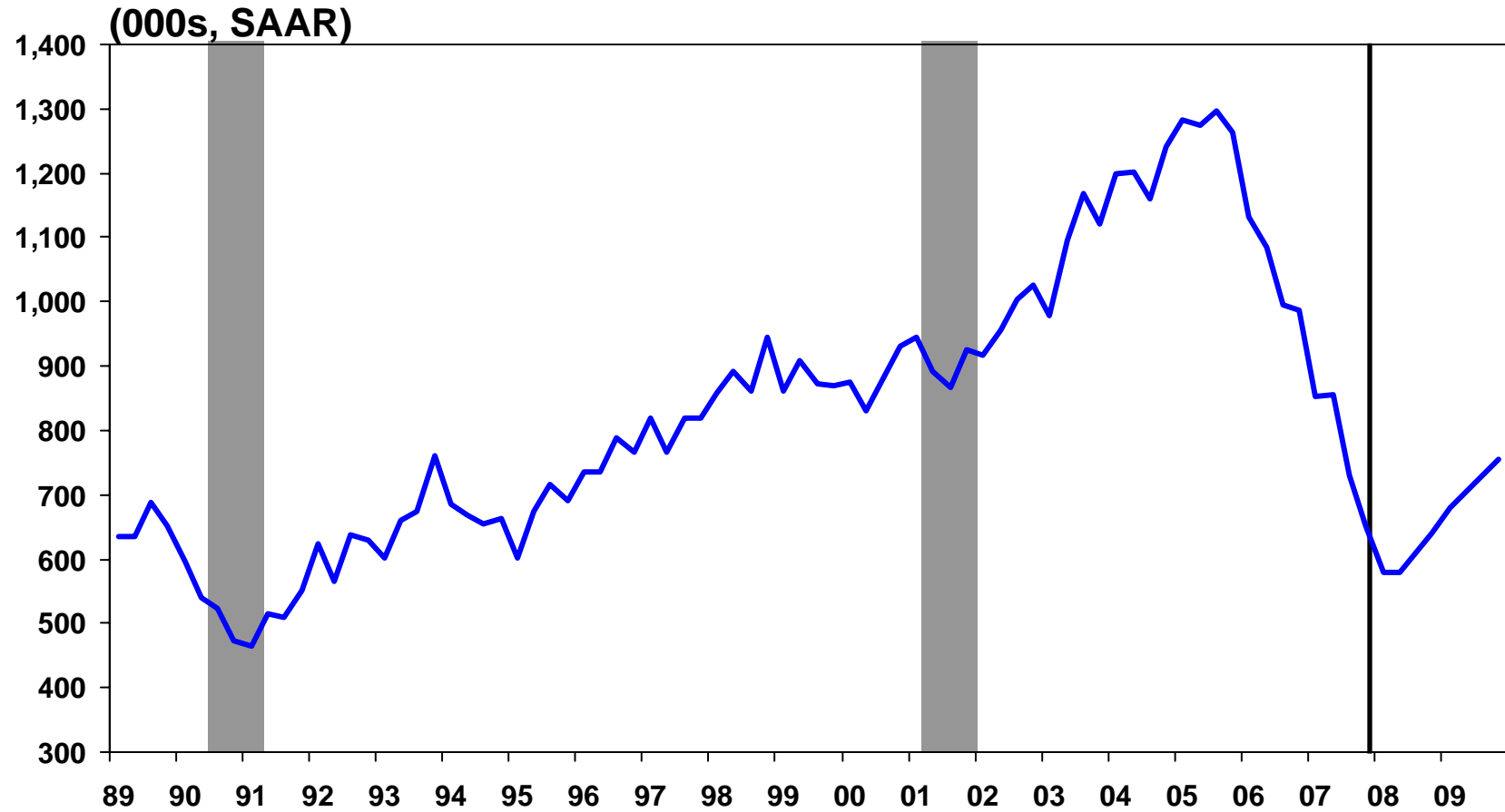
Fed Funds Rate: Nominal & Real



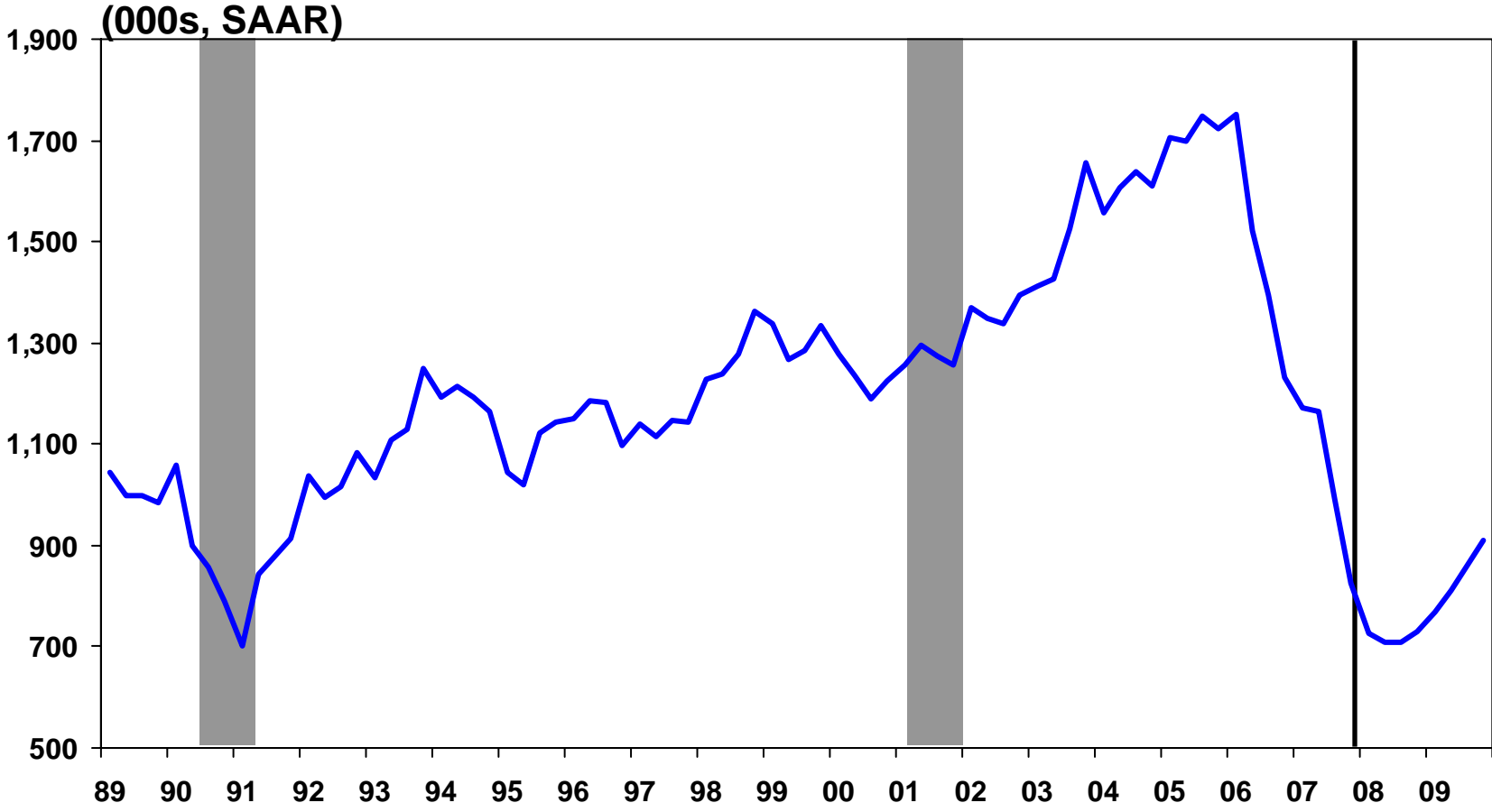
Prime Conventional Conforming Home Mortgage Rates



New Home Sales



Single-Family Housing Starts



Residential Fixed Investment

