



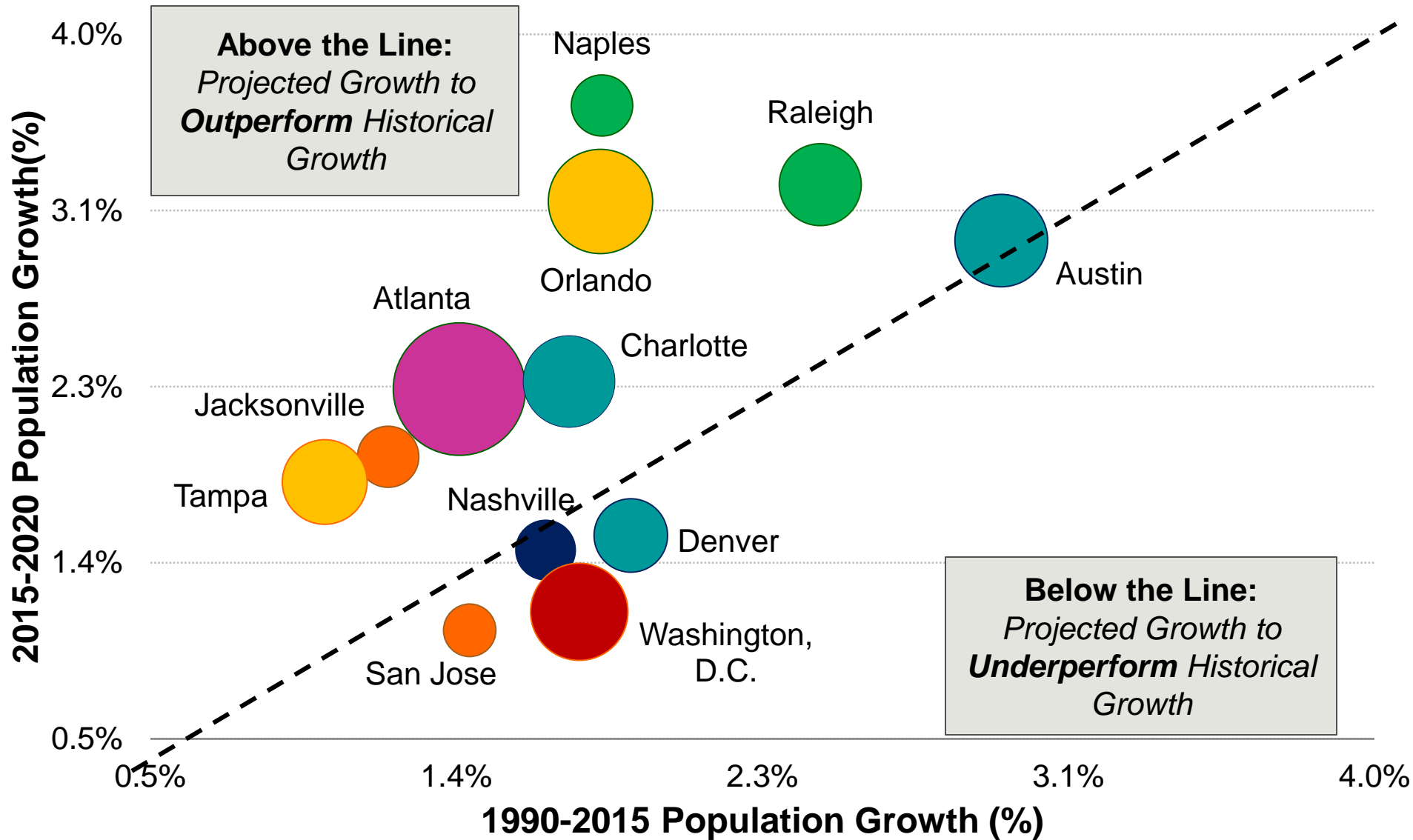
Central Florida Housing Market and Affordability



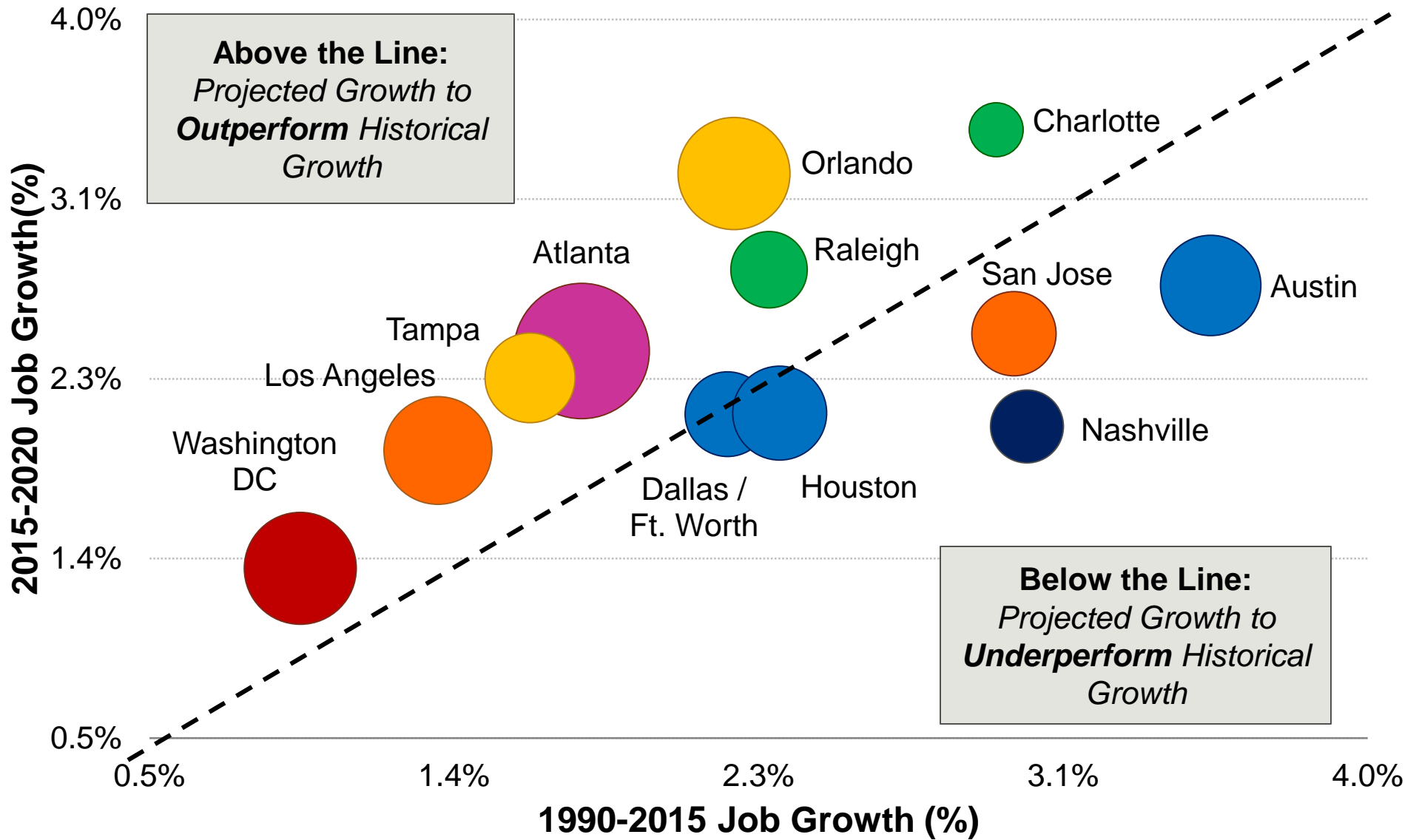
Orange County Regional Affordable Housing Summit
October 28, 2016

GREGG LOGAN, MANAGING DIRECTOR

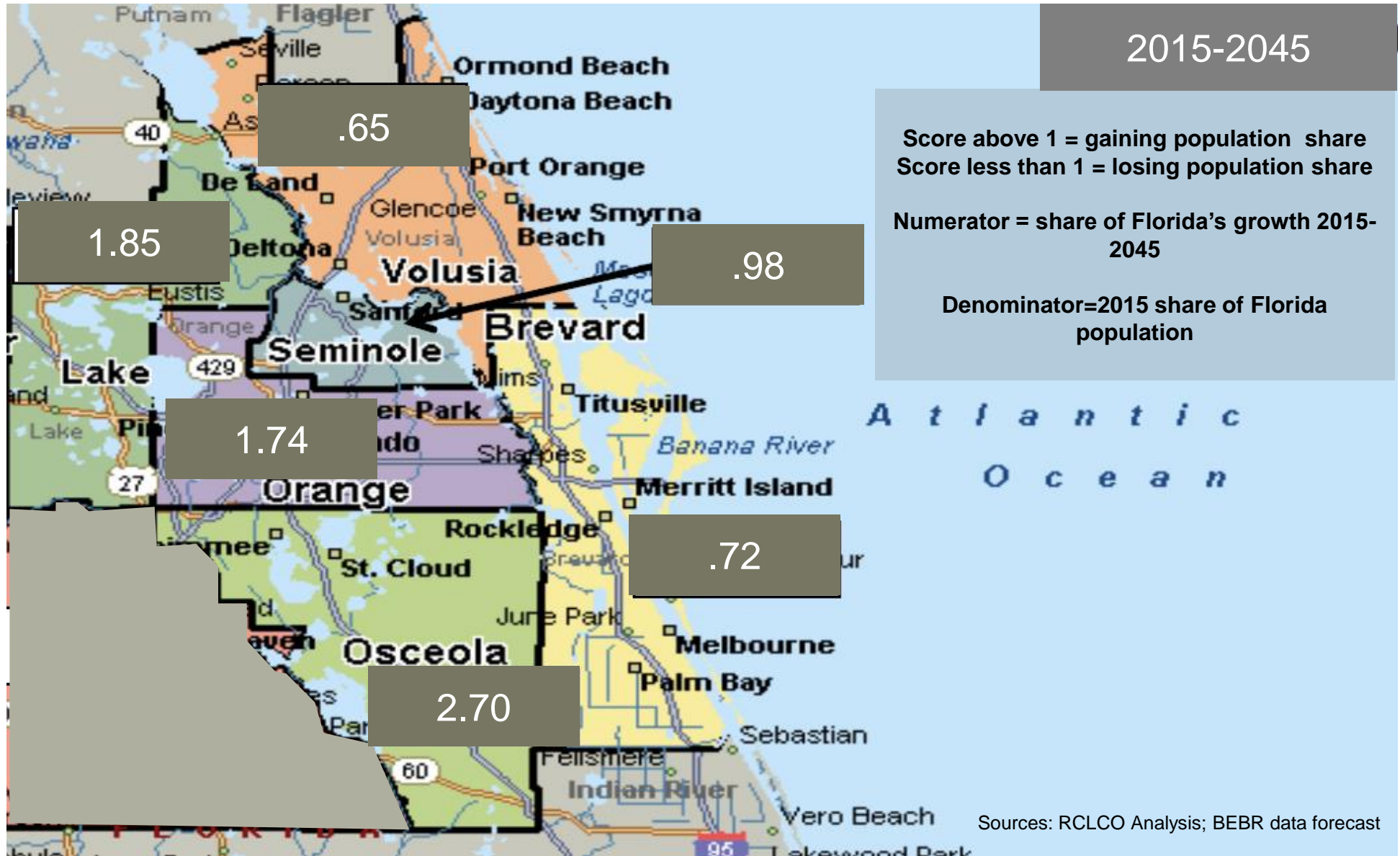
POPULATION - ORLANDO AMONG FASTEST GROWING AREAS



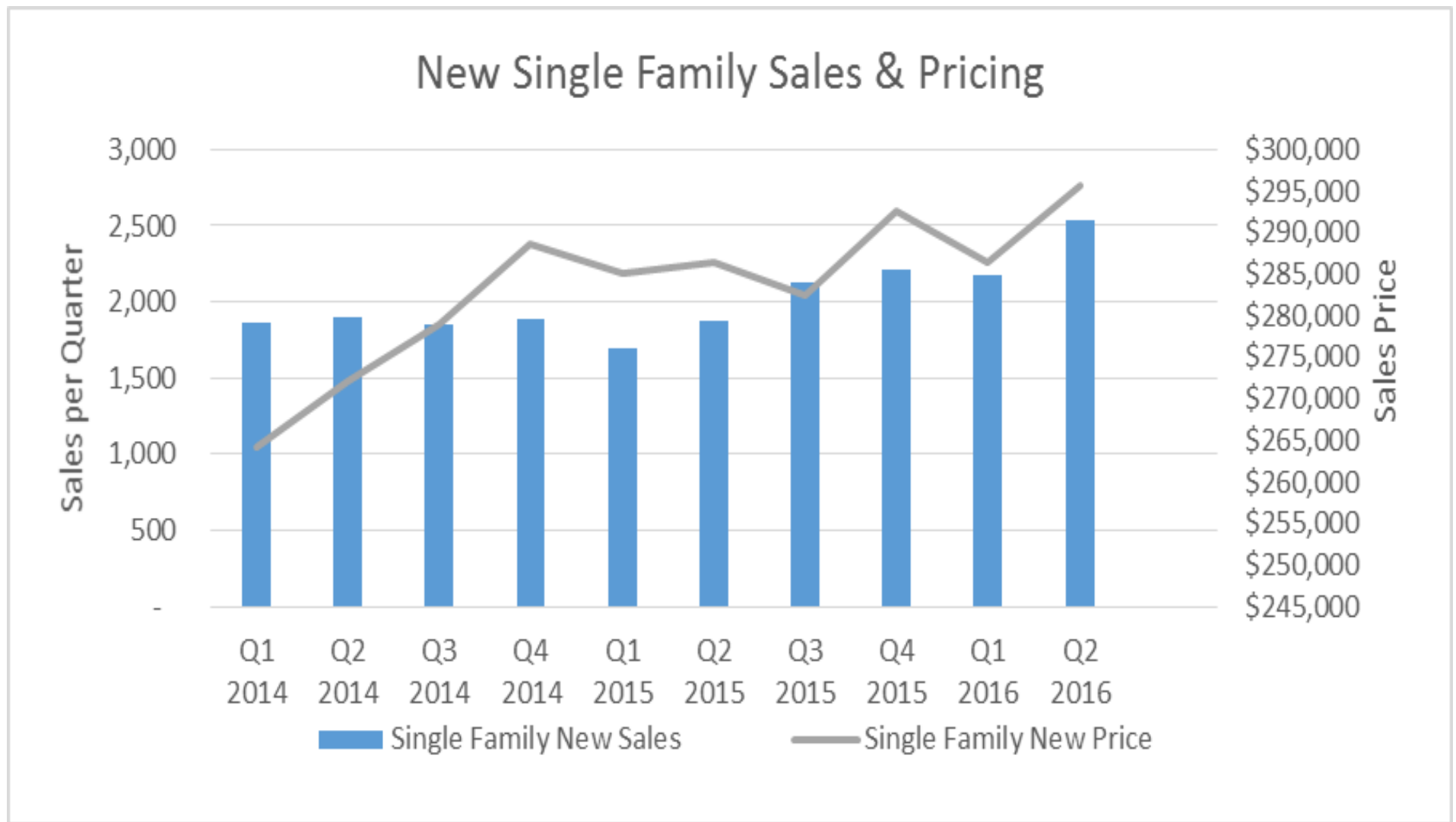
JOBS - ORLANDO AMONG FASTEST GROWING AREAS



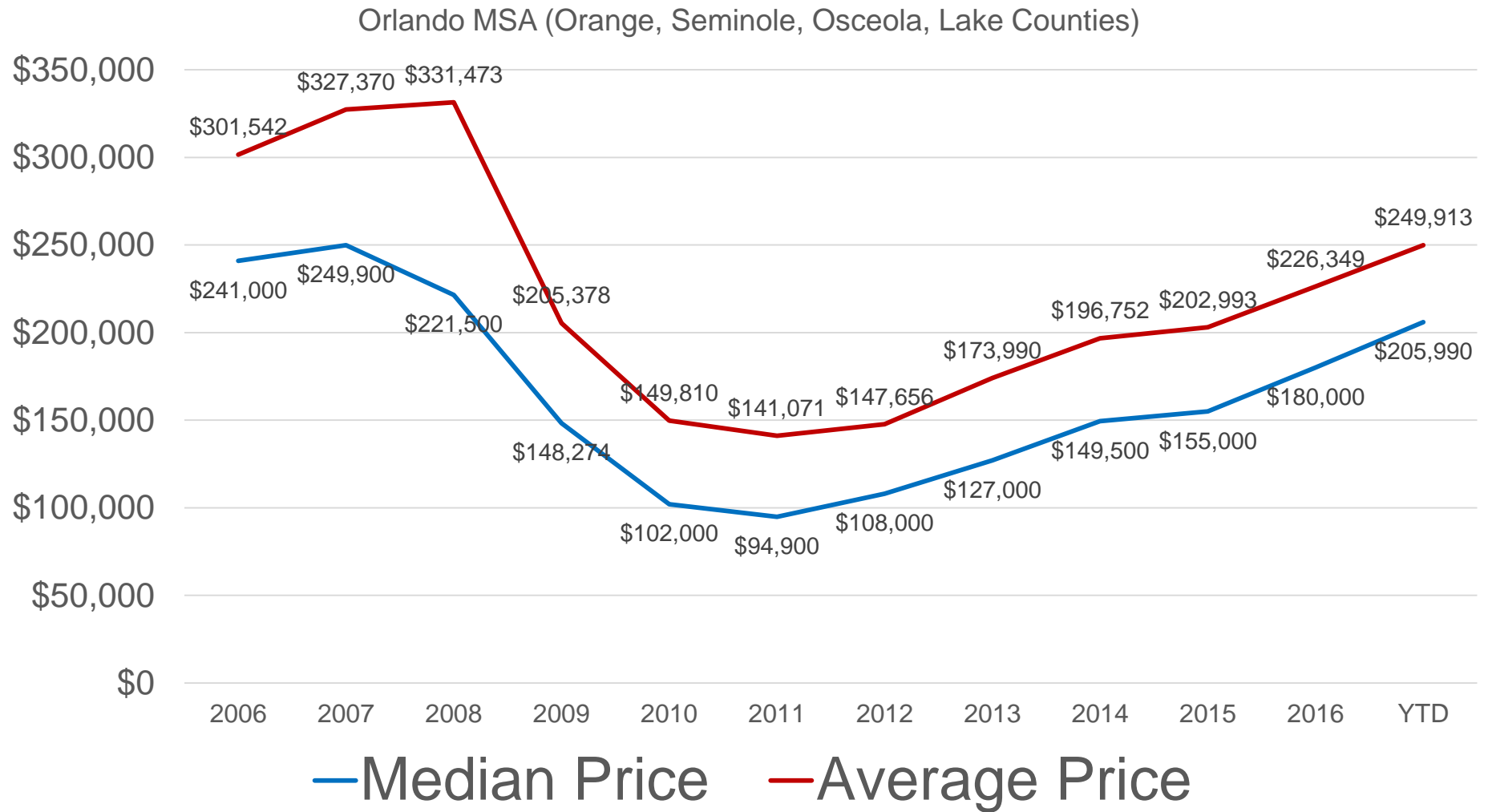
POPULATION GROWTH MOMENTUM INDEX LONG TERM 2015-2045



METRO AREA NEW HOME SALES INCREASING IN PRICE AND VOLUME

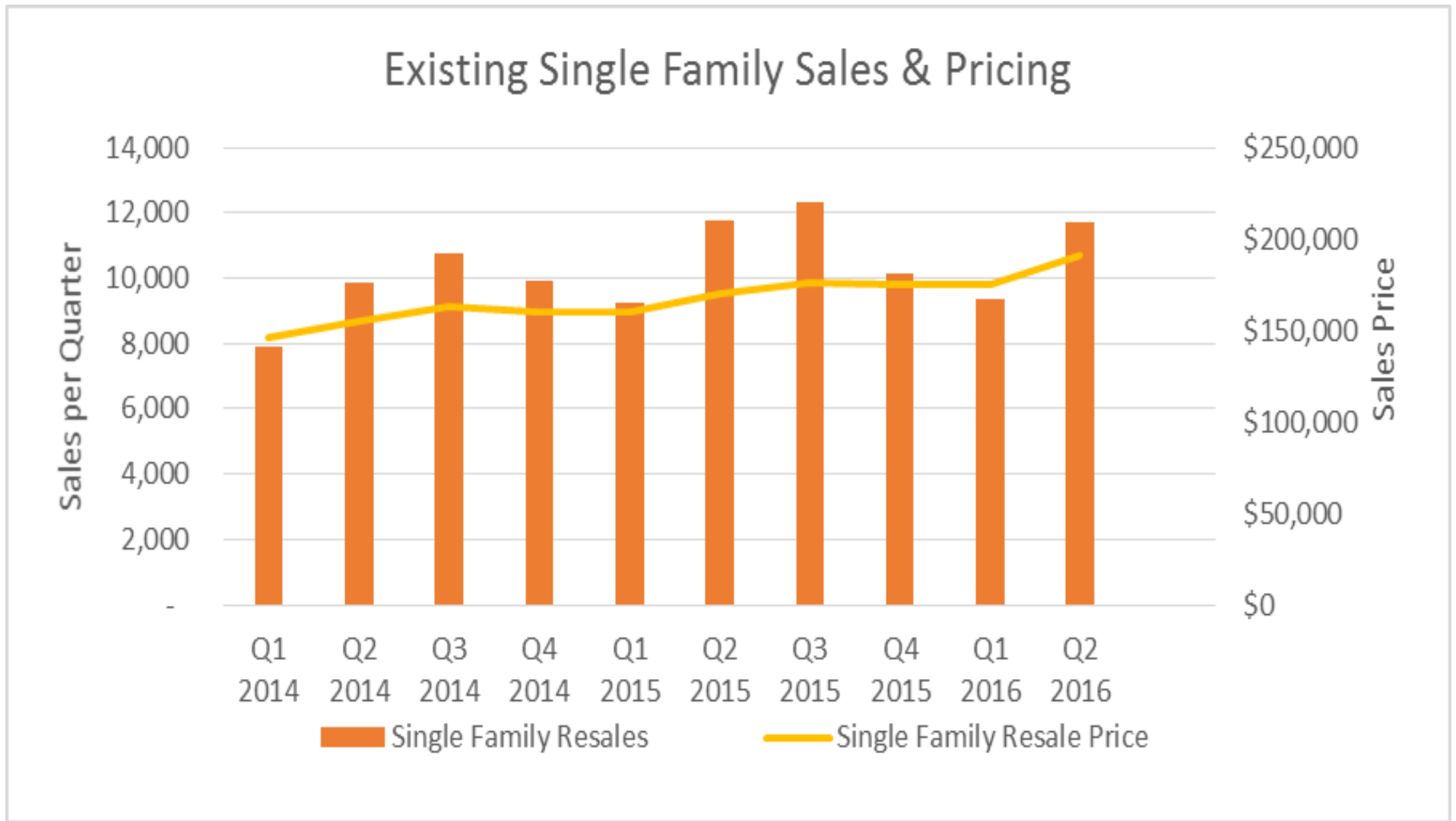


HOUSING PRICES RECOVERED BELOW PRIOR PEAK



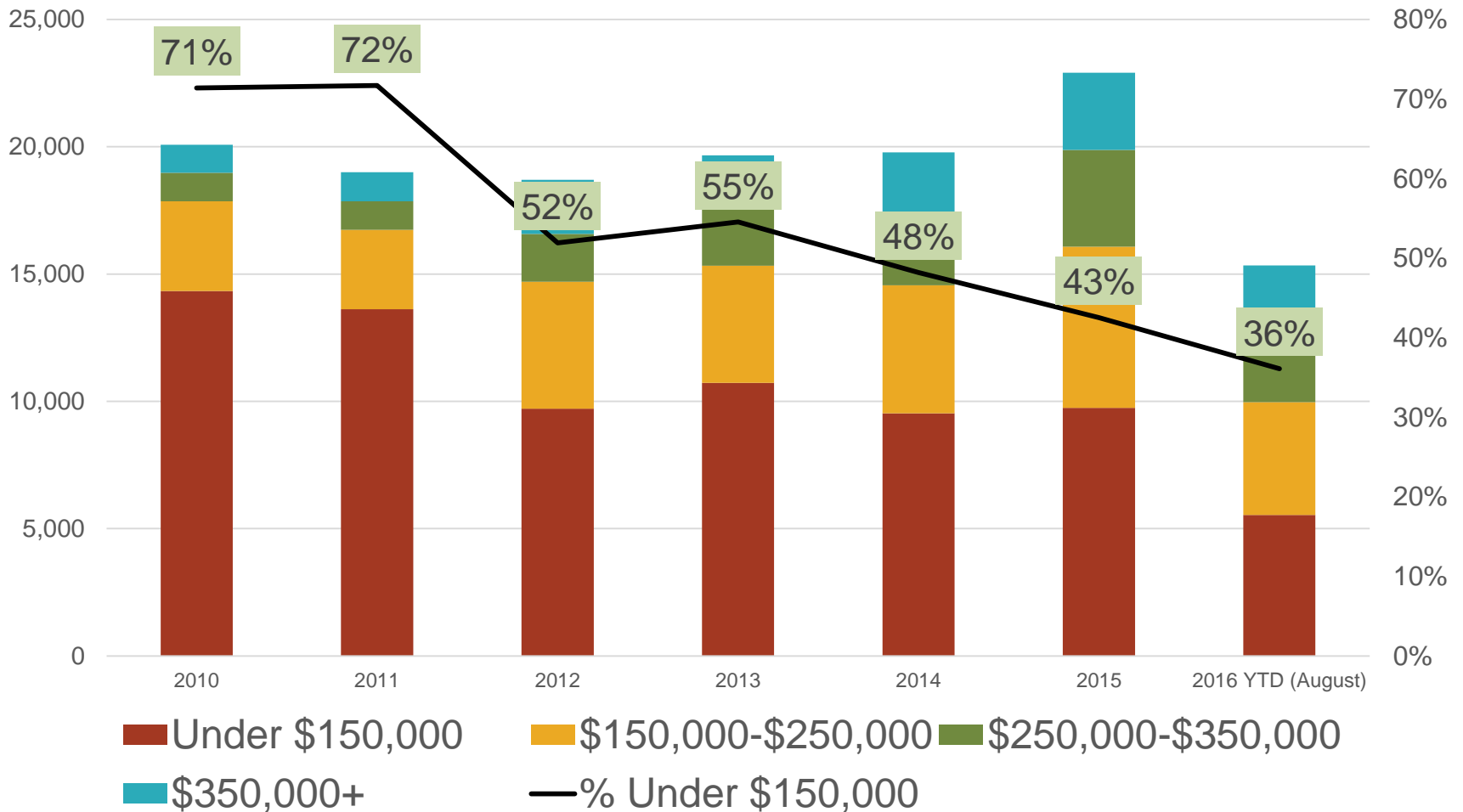
SOURCE: Orlando Regional Realtor Association

EXISTING HOME SALES ALSO INCREASING IN PRICING AND VOLUME



SUBSTANTIAL HOME SALES ACTIVITY DECLINING SHARE PRICED UNDER \$200,000

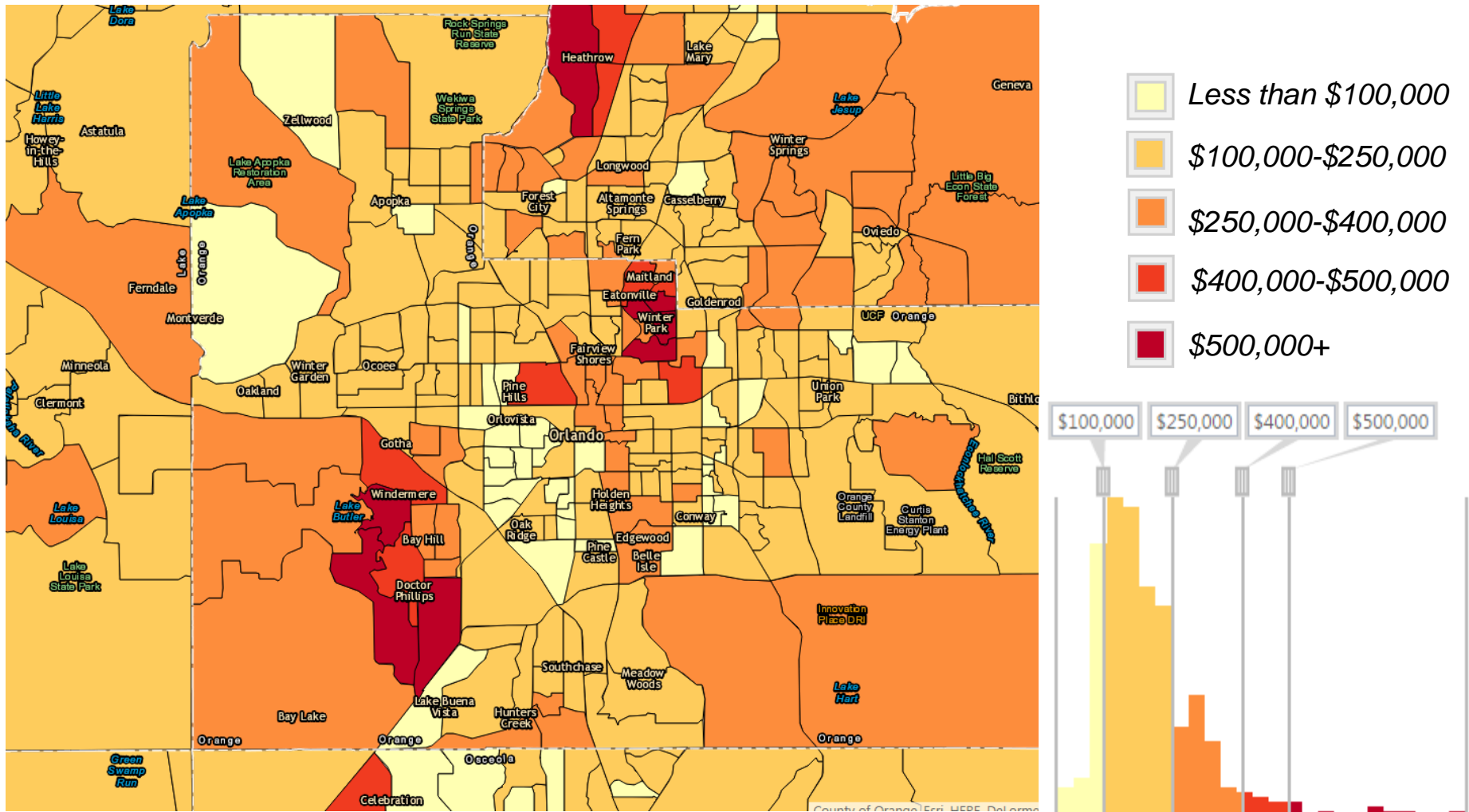
Distribution of Home Sales-Orange County



SOURCE: Orlando Regional Realtor Association

ORANGE COUNTY MEDIAN HOME VALUE BY CENSUS TRACT

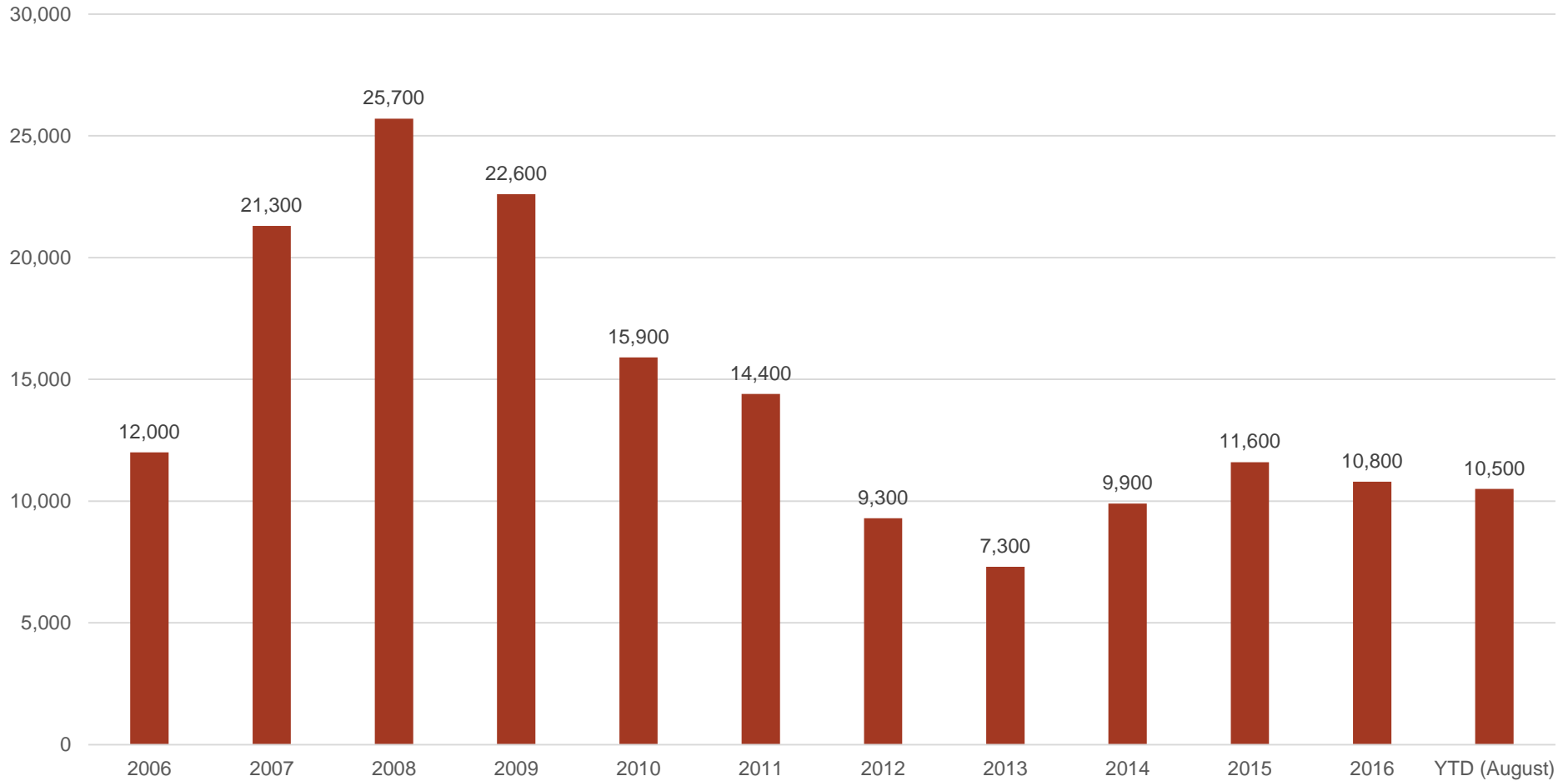
Higher Priced Homes (darker colors) Close to Highest Paying Jobs



SOURCE: Esri

INVENTORY OF ALL HOMES FOR SALE REMAINS LOW, INDICATING A TIGHT HOUSING MARKET

Orlando MSA (Orange, Seminole, Osceola, Lake)

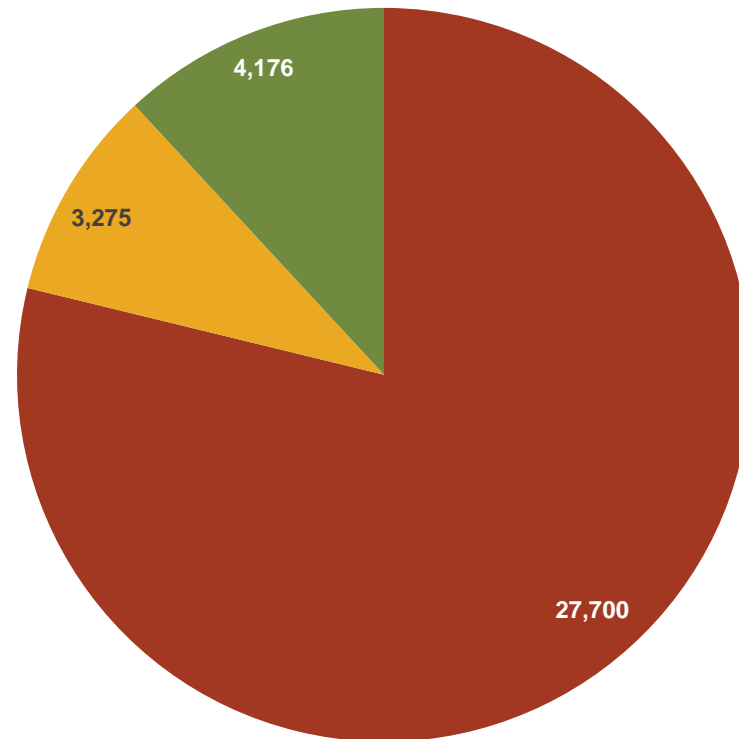


SOURCE: Orlando Regional Realtor Association

HOME SALES DISTRIBUTION BY HOUSING TYPE

SINGLE-FAMILY HOMES DOMINATE

Orlando MSA

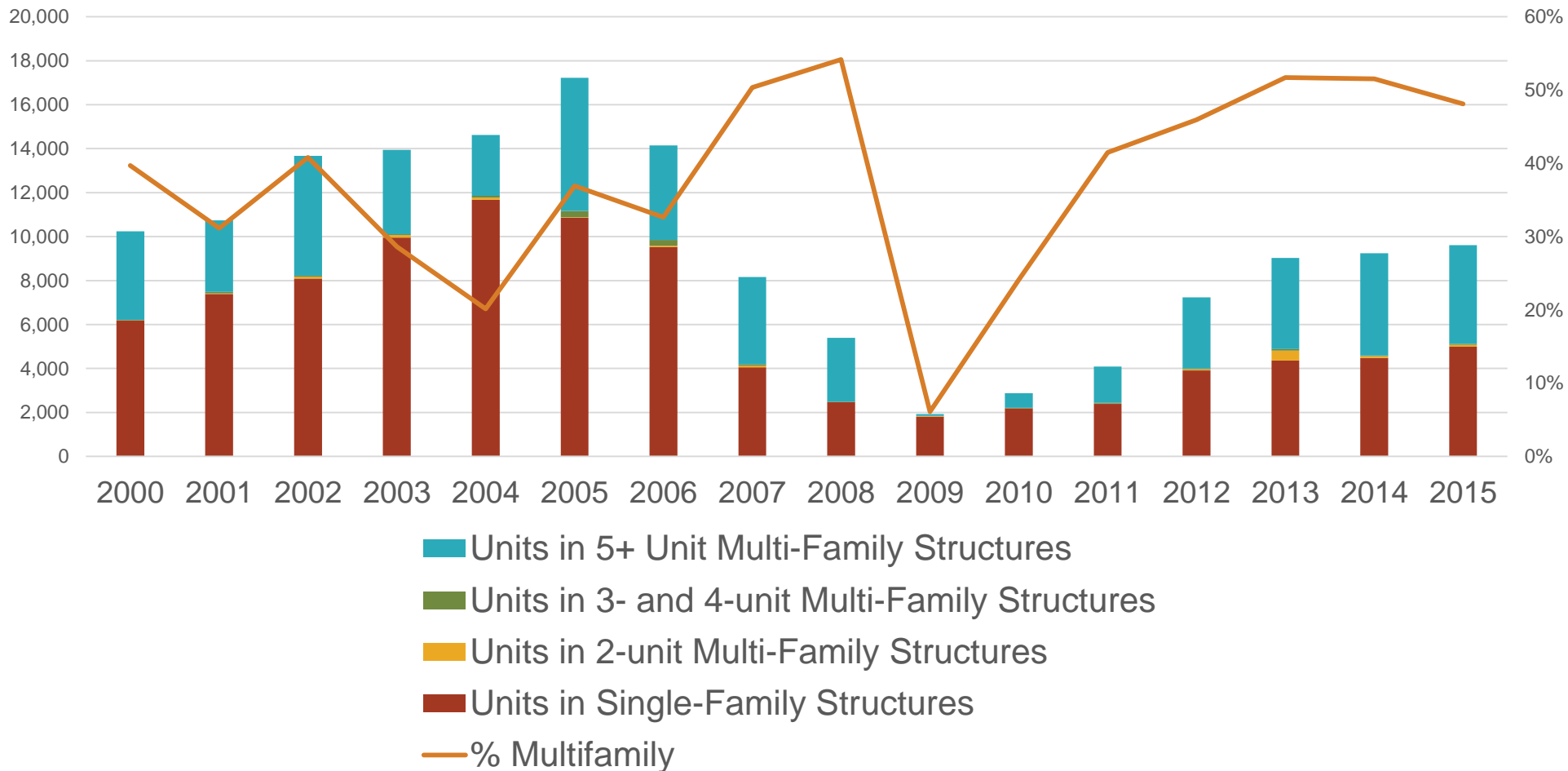


■ Single Family Homes ■ Duplex Townhomes Villas ■ Condominiums

SOURCE: Orlando Regional Realtor Association

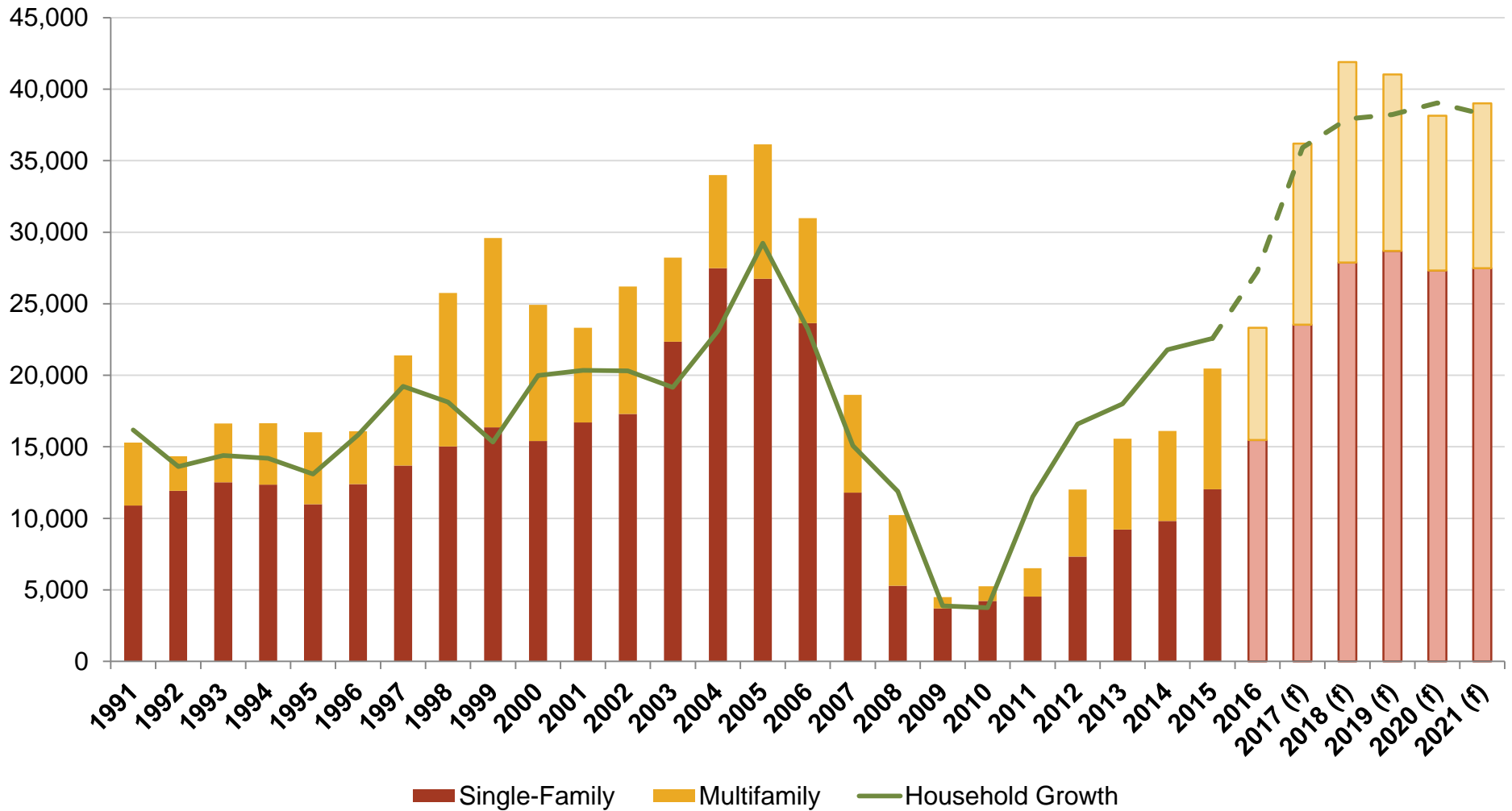
SINGLE FAMILY PERMITTING HAS NOT RECOVERED WHILE MULTIFAMILY IS ON TRACK

Orange County



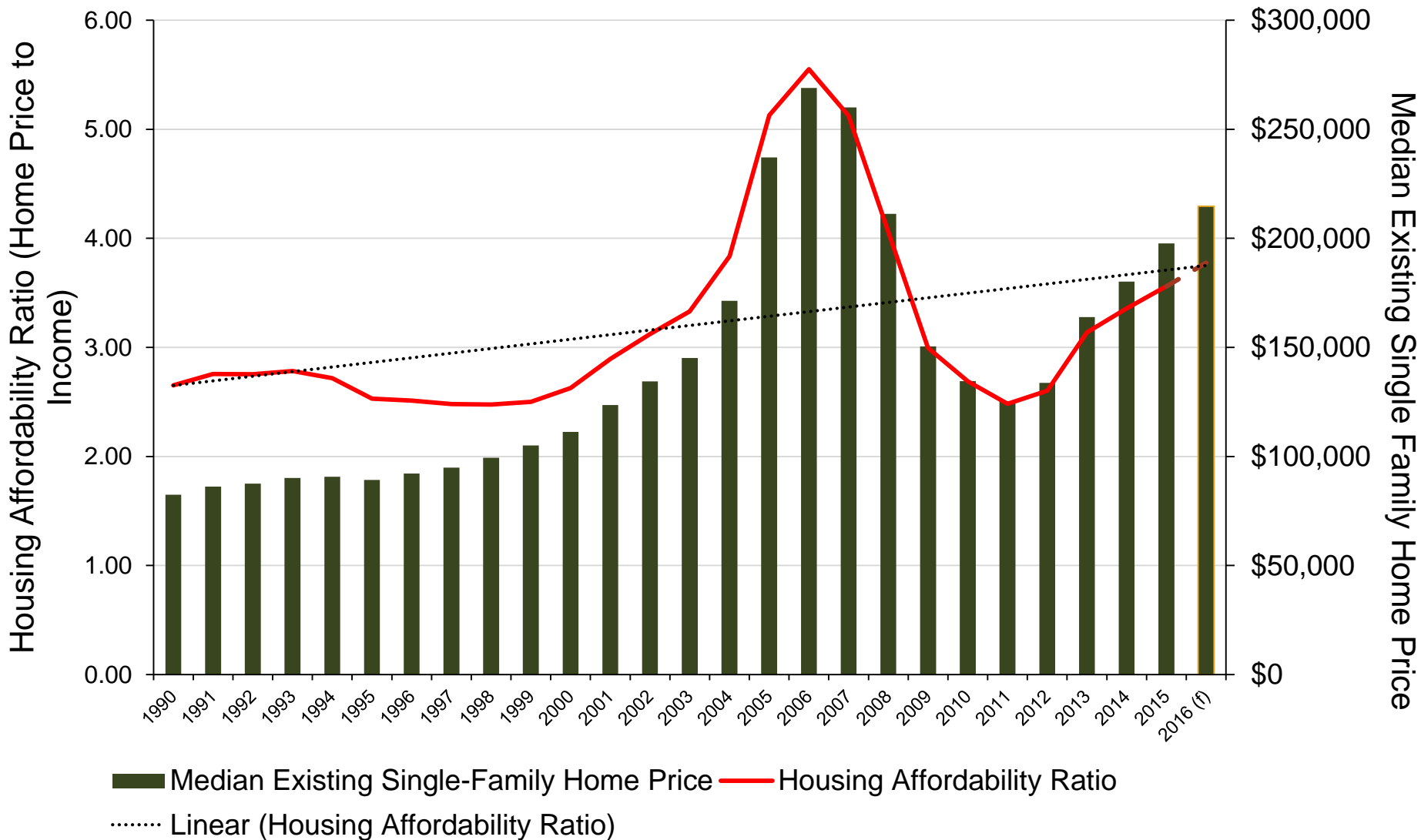
HOUSING PERMITS COMPARED TO HOUSEHOLD GROWTH

Orlando MSA (Orange, Seminole, Osceola, Lake)



Source: RCLCO; Moody's Analytics

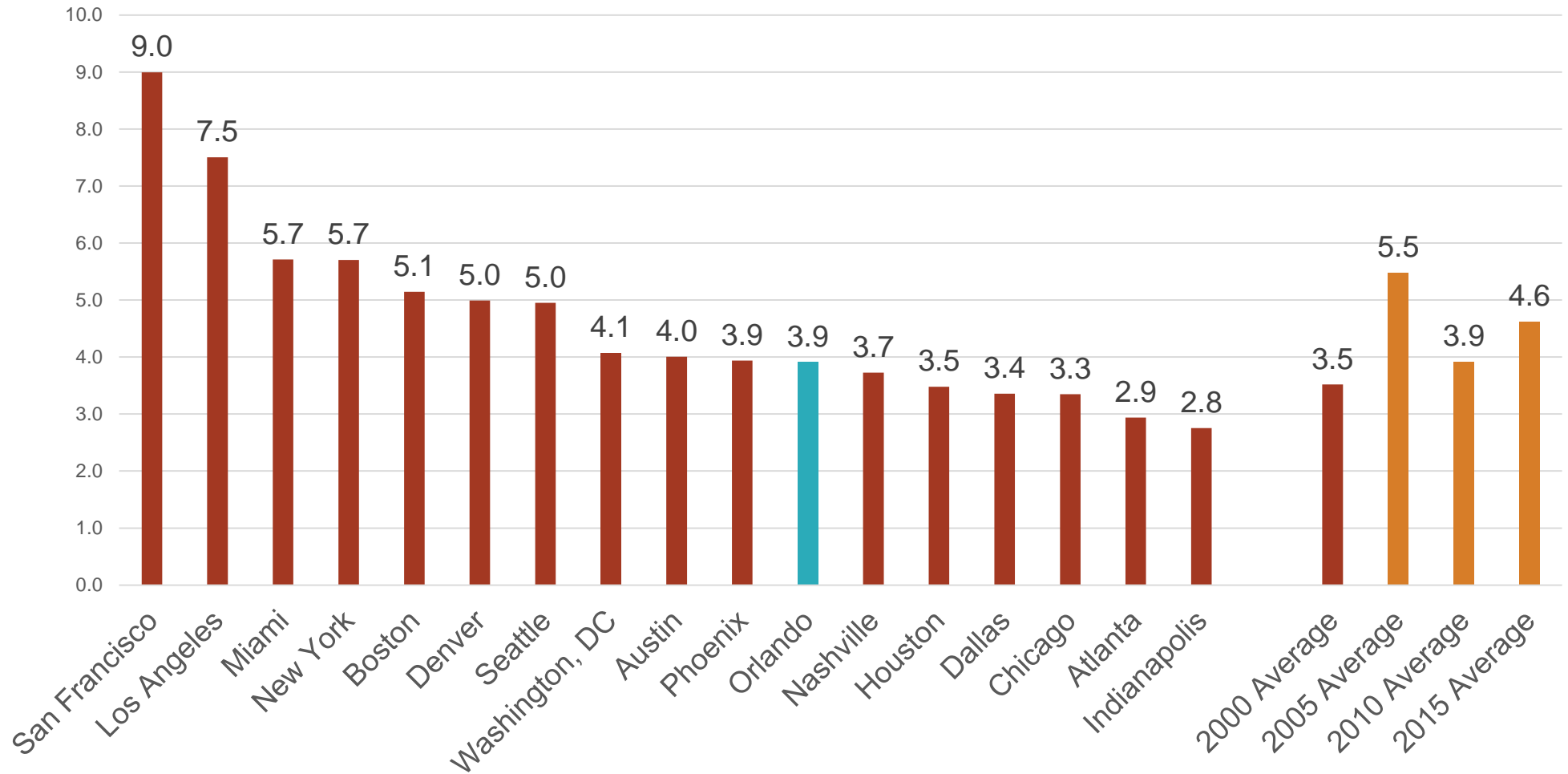
METRO AREA LONG TERM TREND TO LOWER AFFORDABILITY



Source: RCLCO; Moody's Analytics

METRO-WIDE AFFORDABILITY

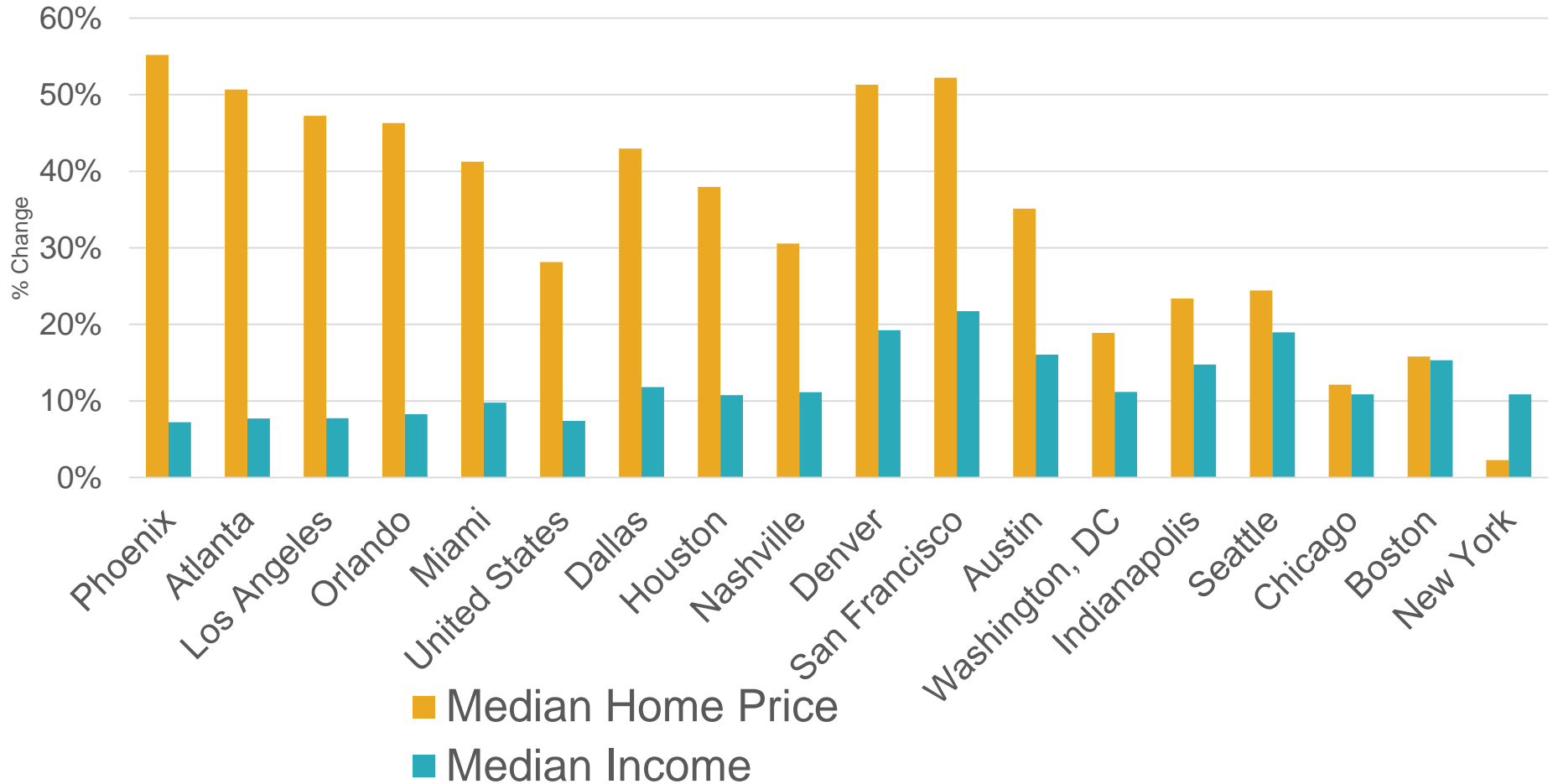
Median Resale Single-Family Home Price as a Multiple of Median Household Income, 2015



Source: RCLCO; Moody's Analytics

CHANGE IN HOME PRICE VS INCOME TRENDS

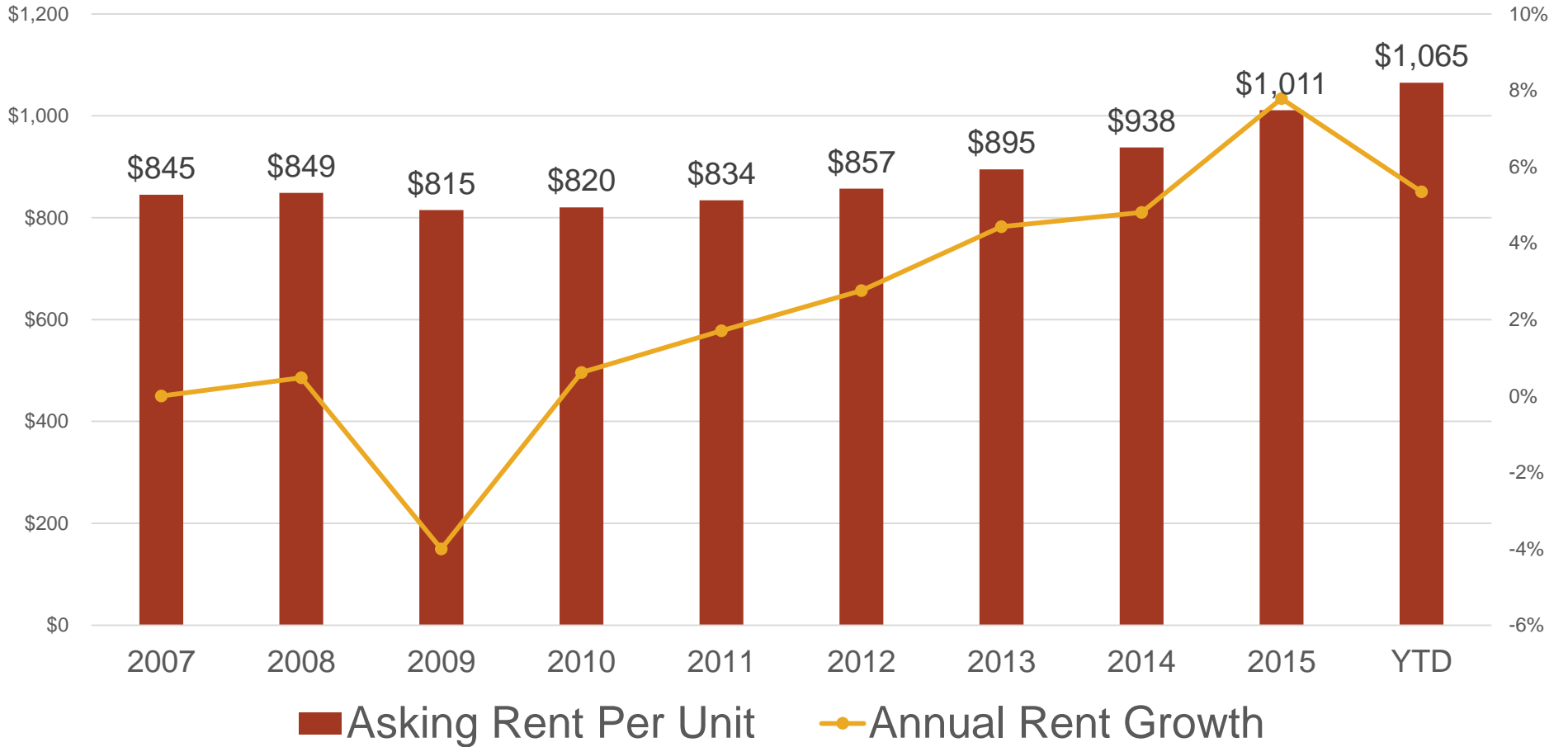
Change in Median Resale Single-Family Home Price and Median Household Income, 2010-2015



Source: RCLCO; Moody's Analytics

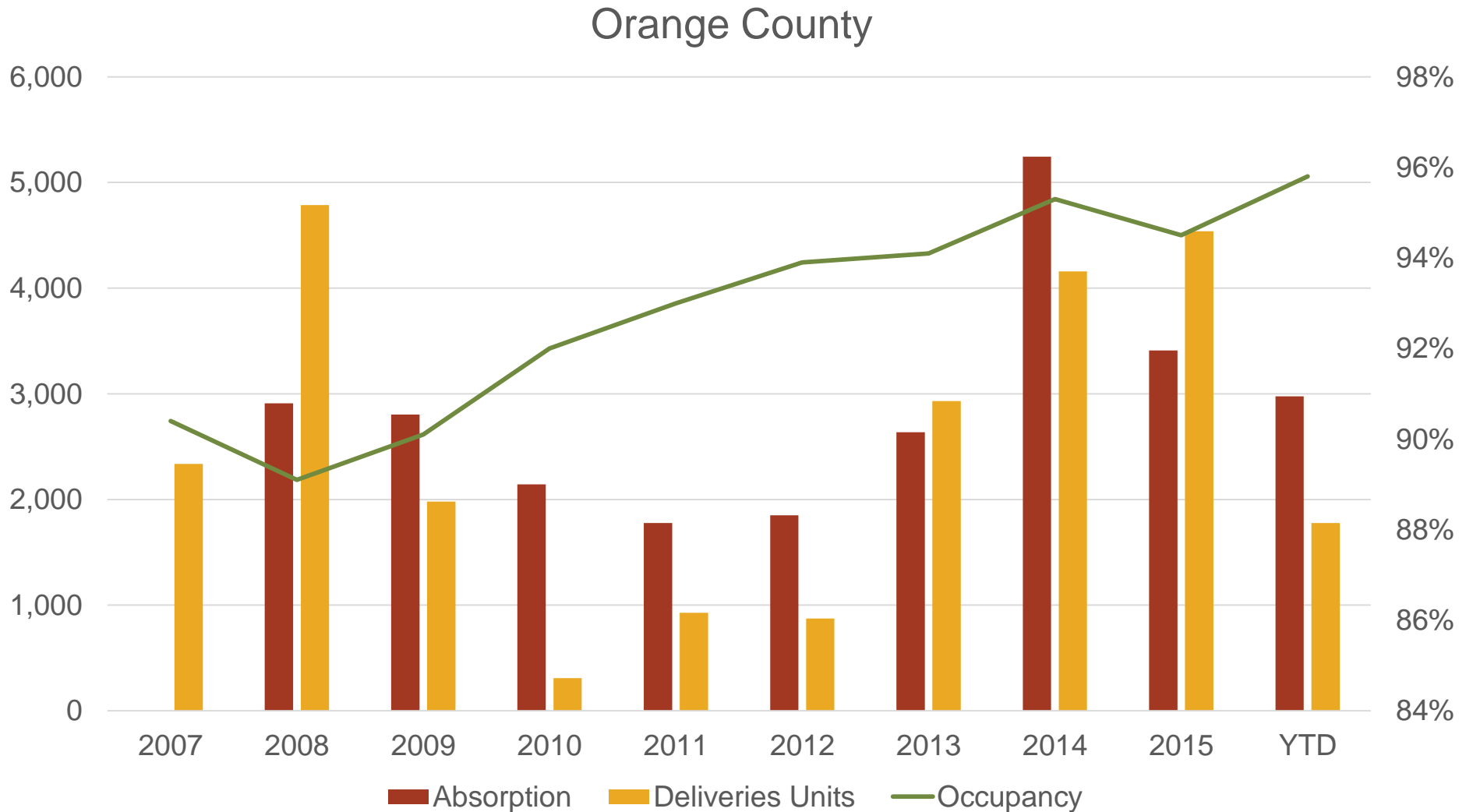
HIGH INCREASE IN RENTAL RATES

Orange County



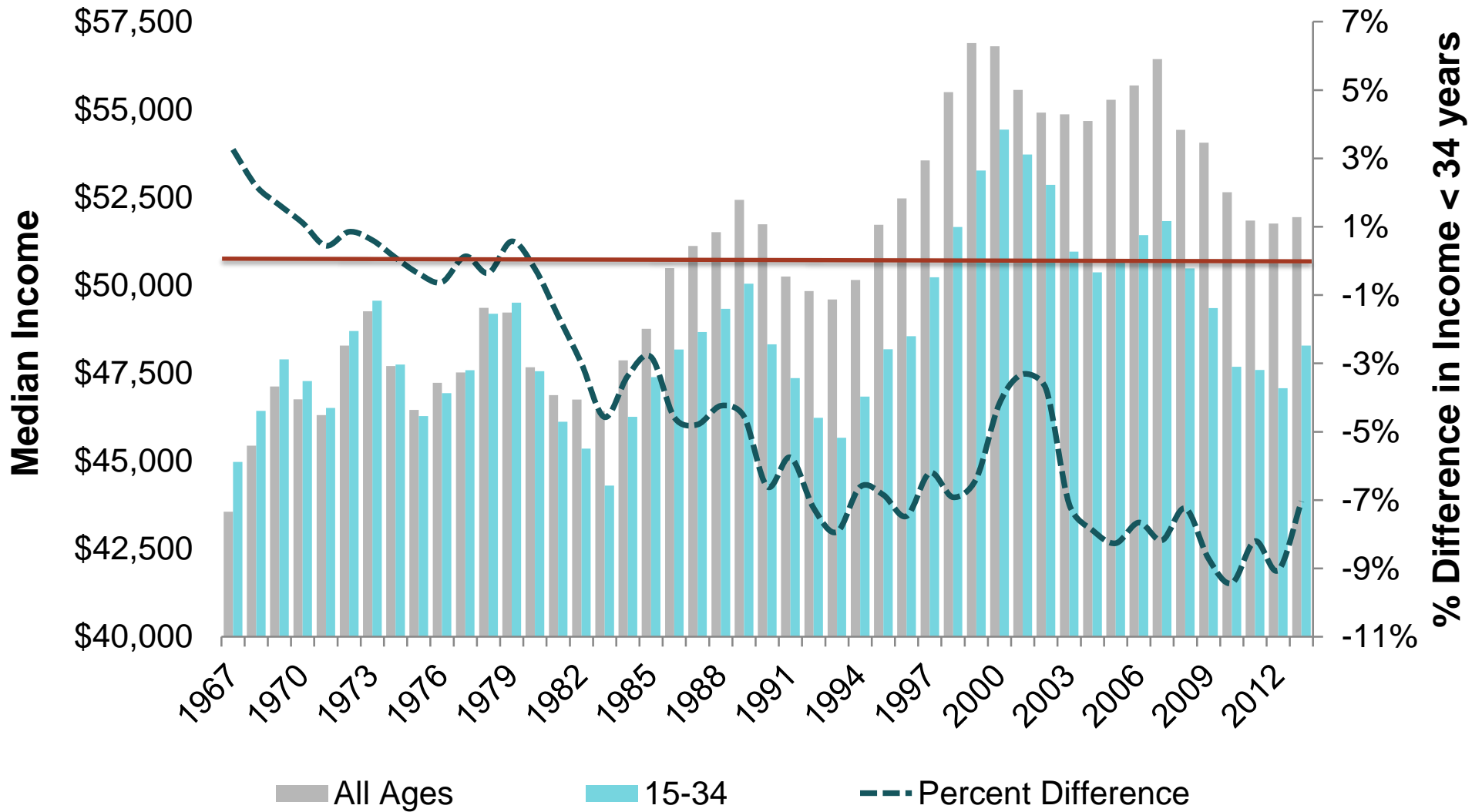
Source: CoStar; RCLCO

RENTAL ABSORPTION AND DELIVERIES BALANCED, OCCUPANCY RATES INCREASING



Source: CoStar; RCLCO

MEDIAN INCOME OF YOUNG ADULTS

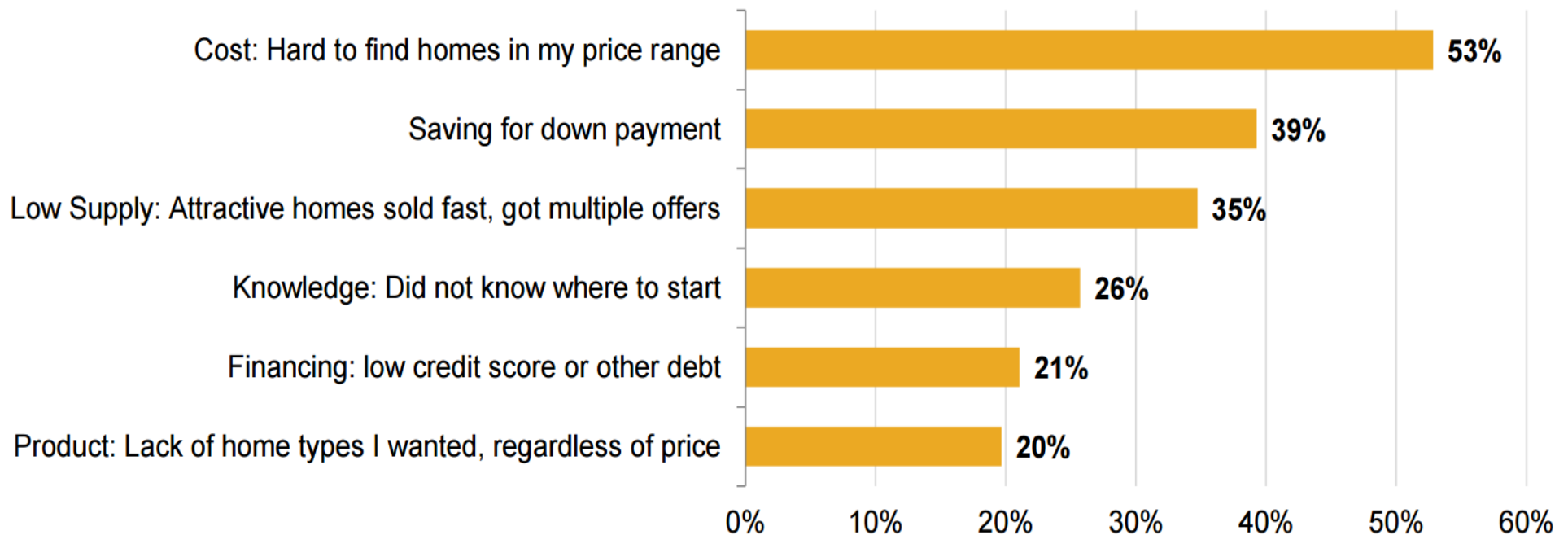


Source: Moody's Analytics

FEWER FIRST TIME HOME BUYERS

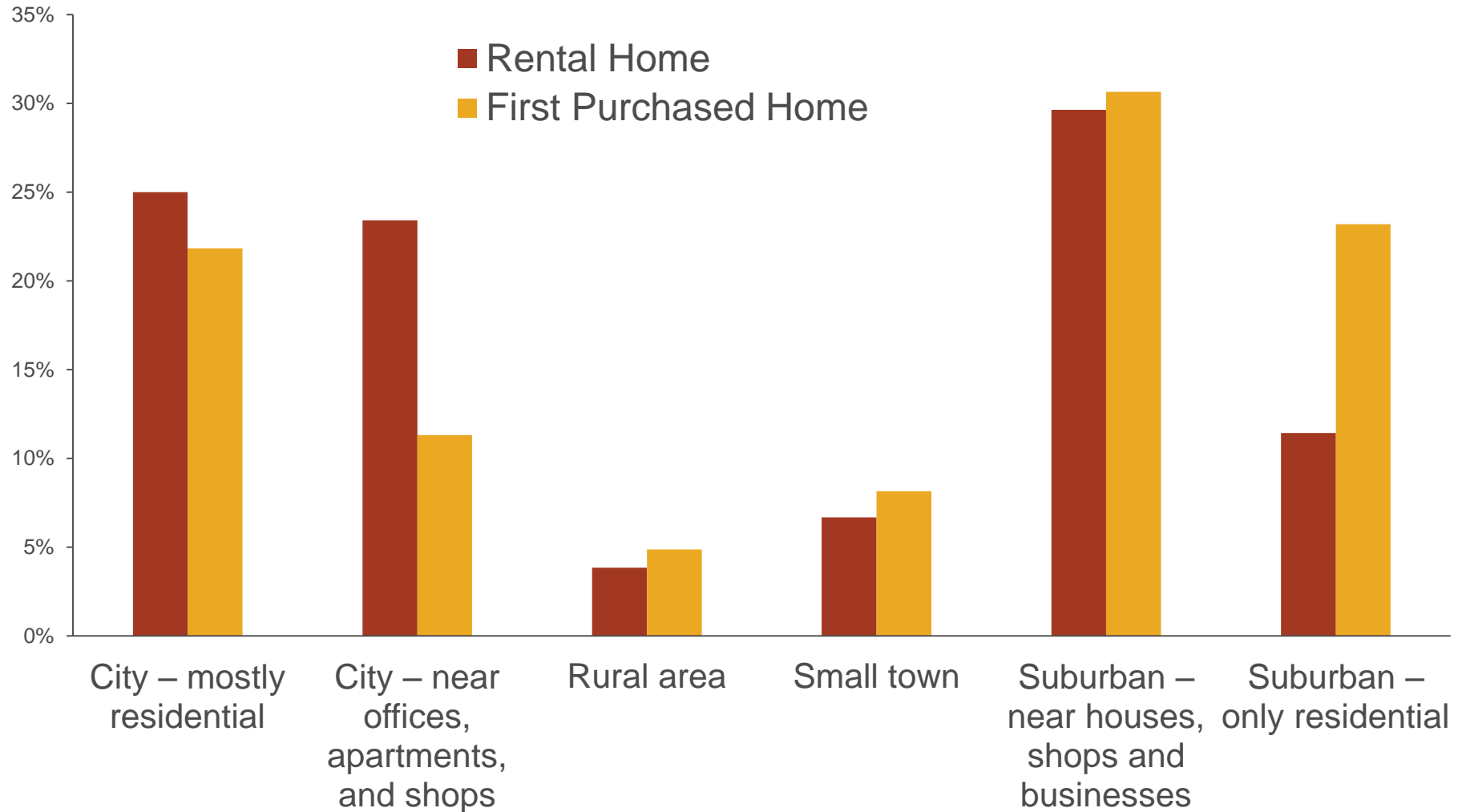
- Share of first-time buyers feel third straight year to 32% (2015)
 - 8% below the long-term average of 40%
 - Lowest level since 1987

Deterrents to Purchasing A Home, According to Sample of 2014-2015 First-Time Buyers



Source: RCLCO December 2015 national survey of recent first-time homebuyers. N=1,077

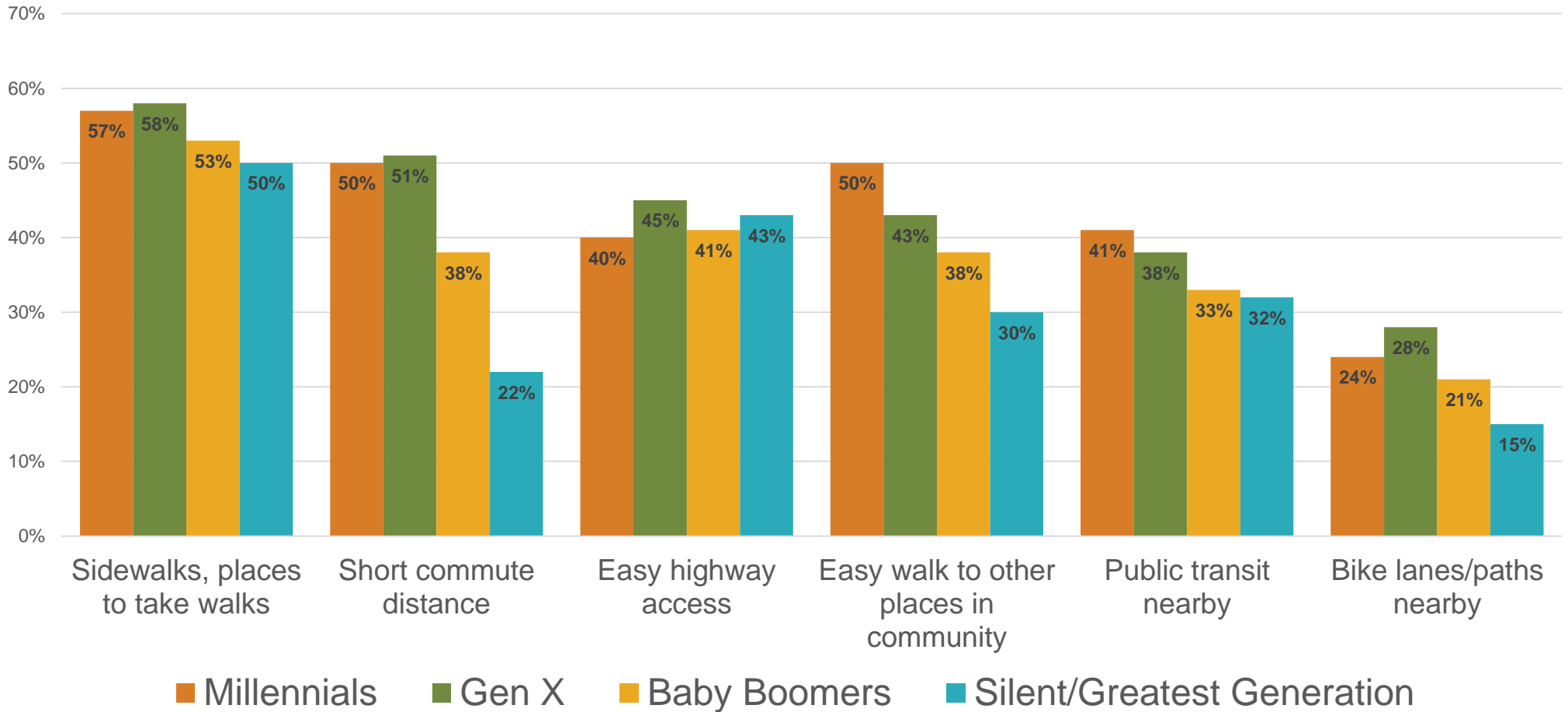
FIRST TIME BUYERS LARGELY MOVE TO SUBURBS



Source: RCLCO December 2015 national survey of recent first-time homebuyers. N=1,077

WHERE PEOPLE WANT TO LIVE - WHAT'S IMPORTANT

"Very Important" in Deciding Where to Live

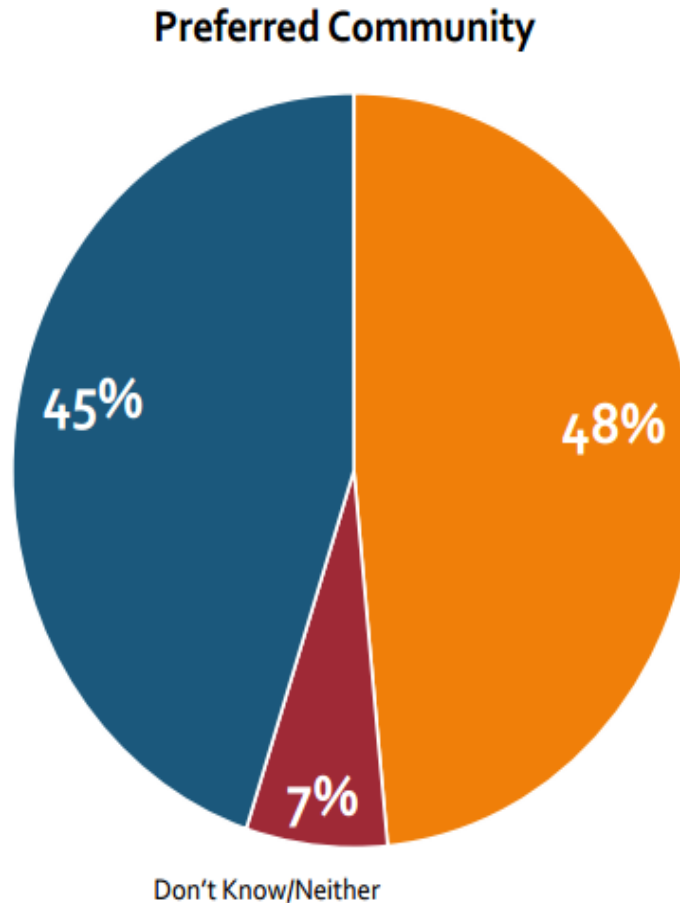


Source: NAR

PREFERRED COMMUNITY CHARACTERISTICS

Community A:
(conventional suburb)
 Houses with large yards
 and you have to drive to
 the places you need to
 go.

Q17. Imagine for a moment that you are moving to another community. These questions are about the kind of community where you would like to live. Please select the community where you would prefer to live.

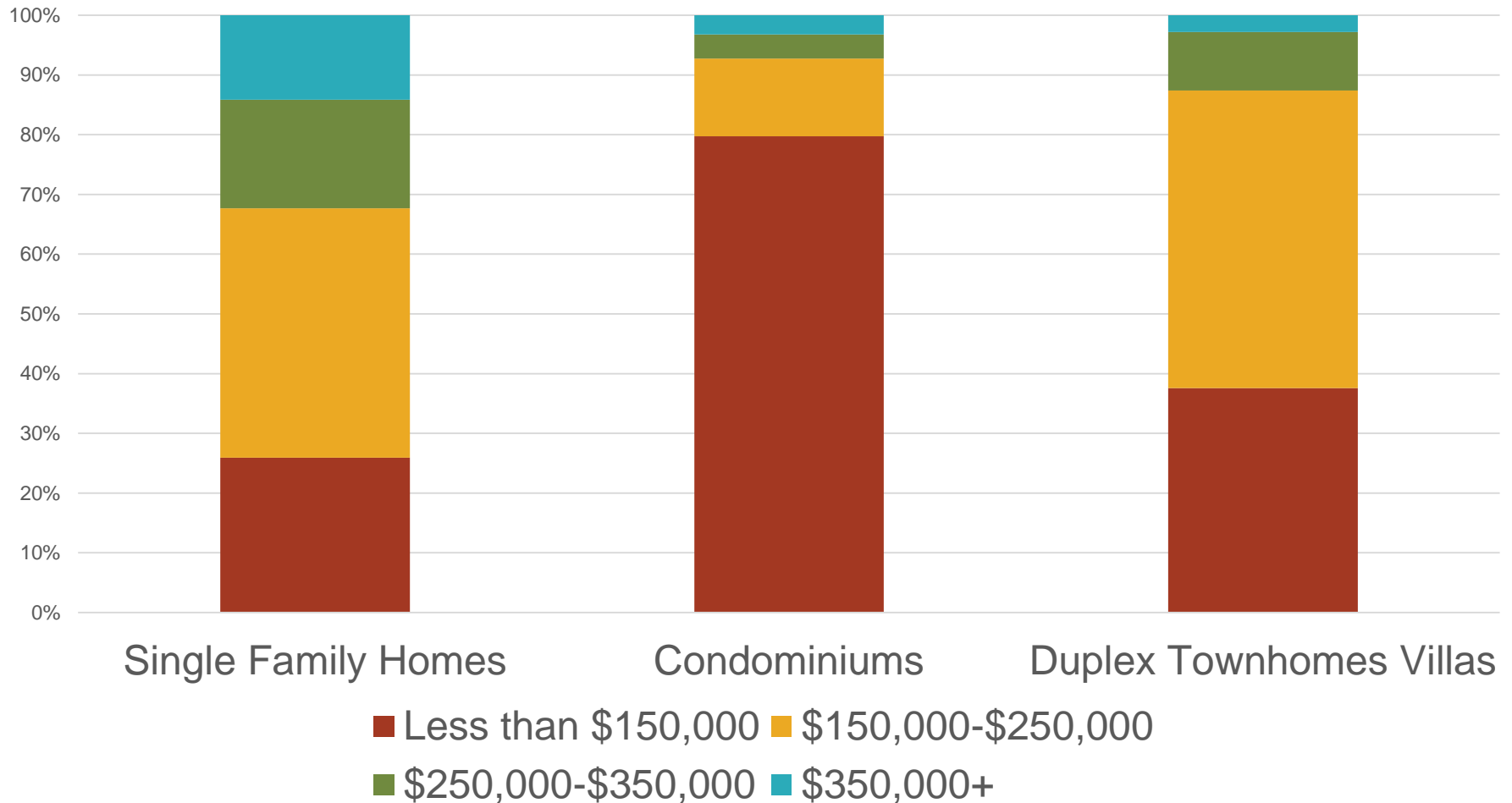


Community B:
(walkable community)
 Houses with small yards
 and it is easy to walk to
 the places you need to
 go.

Source: NAR

HIGHER DENSITY ATTACHED HOUSING ARE “VALUE ORIENTED” PRODUCTS

Price Distribution by Housing Type-Orlando MSA (Orange, Seminole, Osceola, Lake)



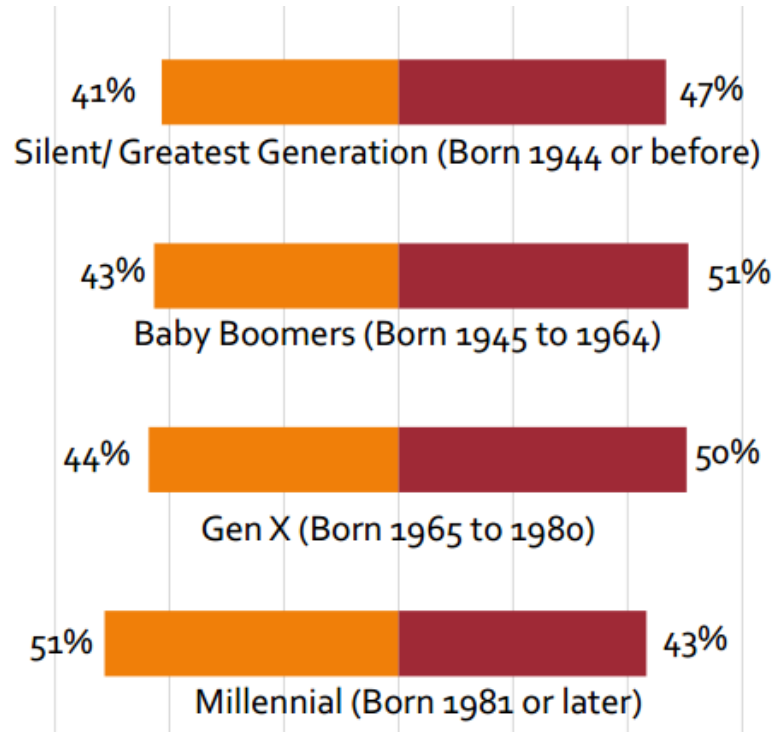
SOURCE: Orlando Regional Realtor Association

GENERATIONAL PREFERENCES

**Home A:
(attached, walkable)**
Own/rent an apartment/townhouse, and you have an easy walk to shops/restaurants & have a shorter commute

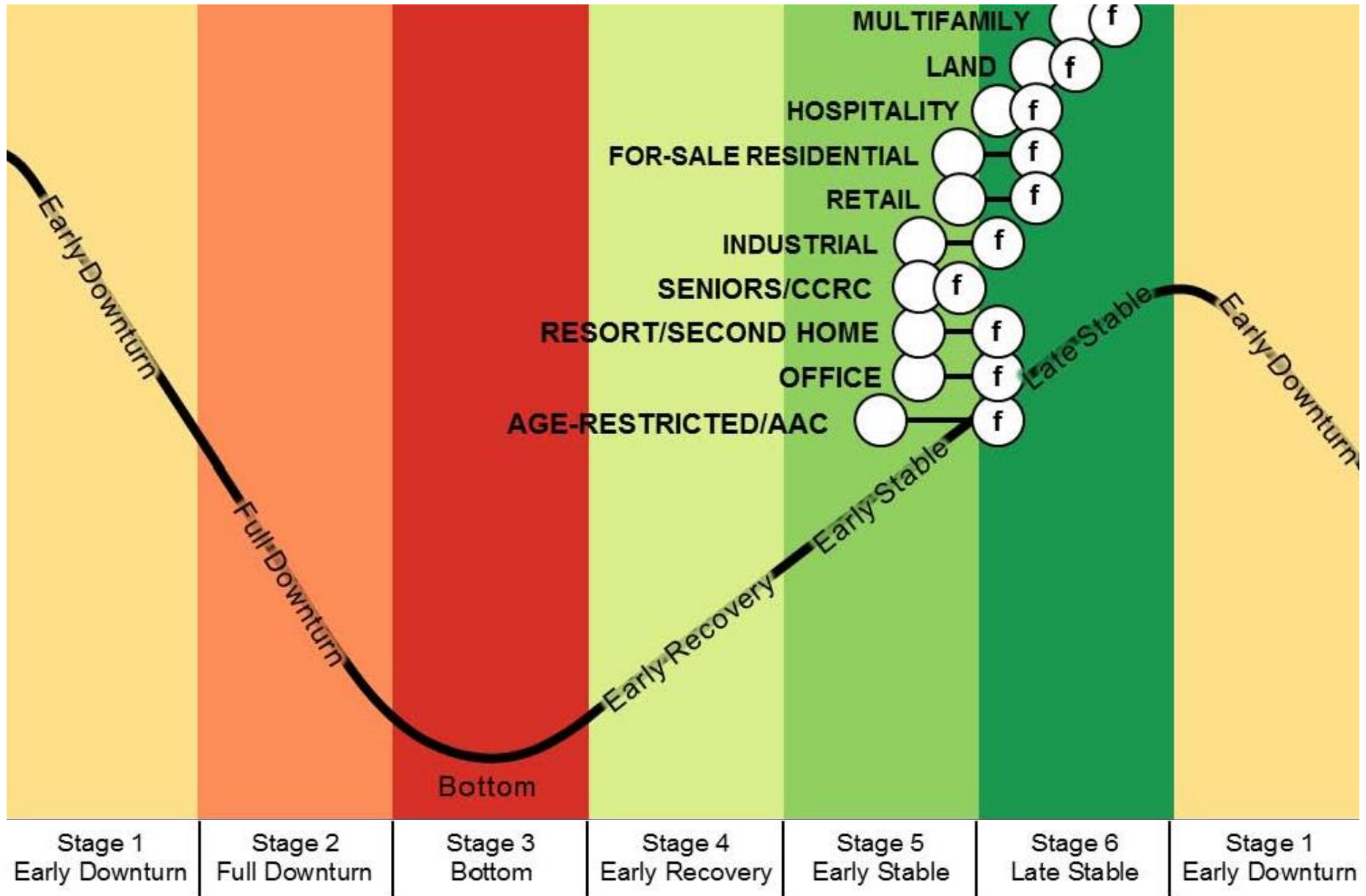
**Home B:
(detached, conventional)**
Own/rent detached, single-family house, and you have to drive to shops, restaurants, & have a longer commute

Q18. Imagine for a moment that you are moving to another community. These questions are about the kind of community where you would like to live. Please select the community where you would prefer to live.



Source: NAR

WHERE ARE WE IN THE REAL ESTATE CYCLE



ABOUT RCLCO

- RCLCO's mission is to add value to our clients by helping them make **strategic, effective and enduring decisions about real estate**
- RCLCO provides **market and economic analysis, strategic planning, management consulting, and implementation services** to real estate investors, developers, financial institutions, public agencies, and anchor institutions
- Offices in California, Florida, Texas and Washington, DC



Gregg Logan

Managing Director

Phone: (407) 515-4999

glogan@rclco.com

RCLCO

964 Lake Baldwin Lane

Suite 100

Orlando, FL 32814

Phone: (407) 516-6592

Fax: (407) 515-6599

www.rclco.com