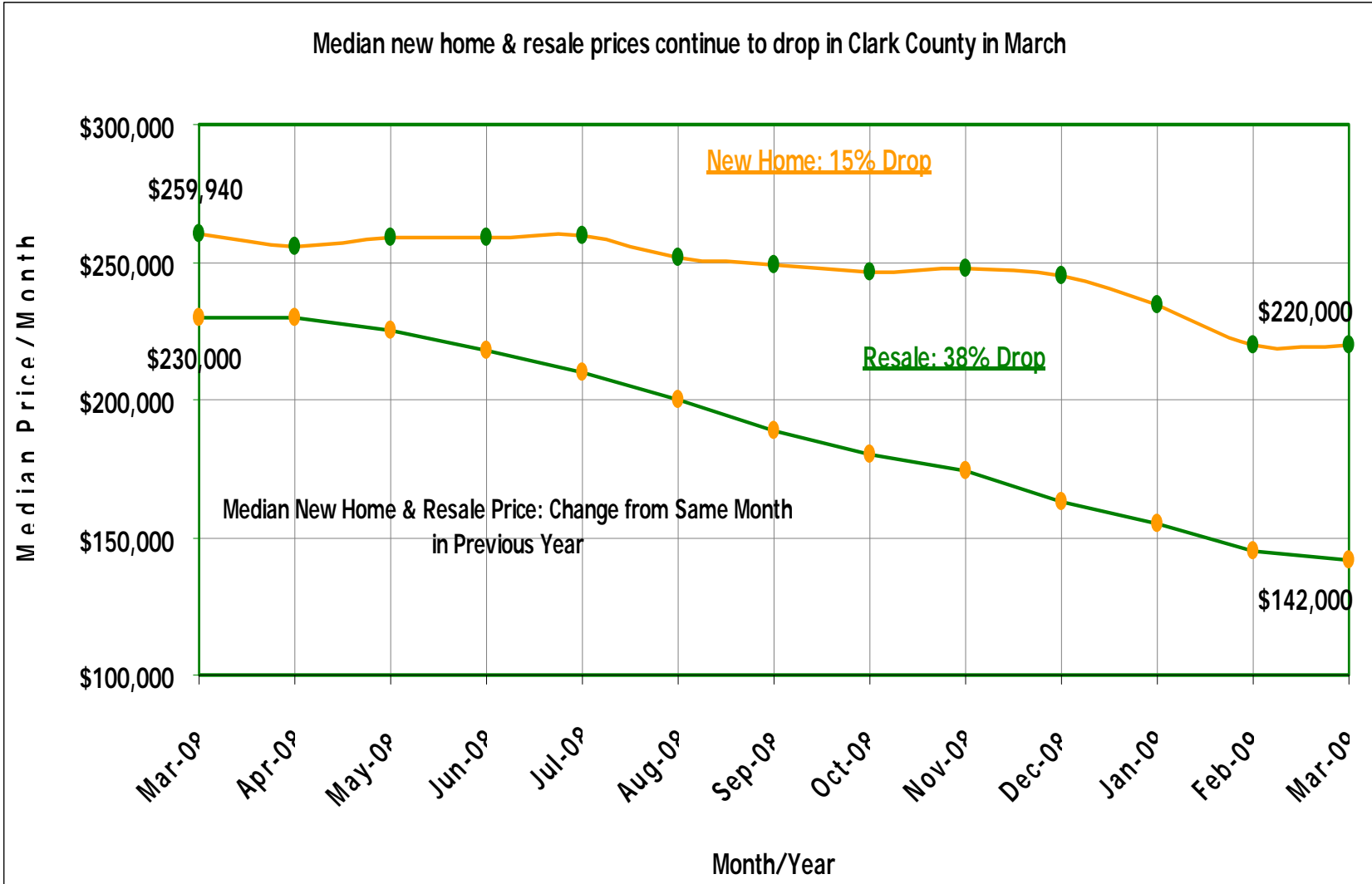


**ULI Housing Nevada's
Workforce in a New
Economic Paradigm
May 13, 2008**

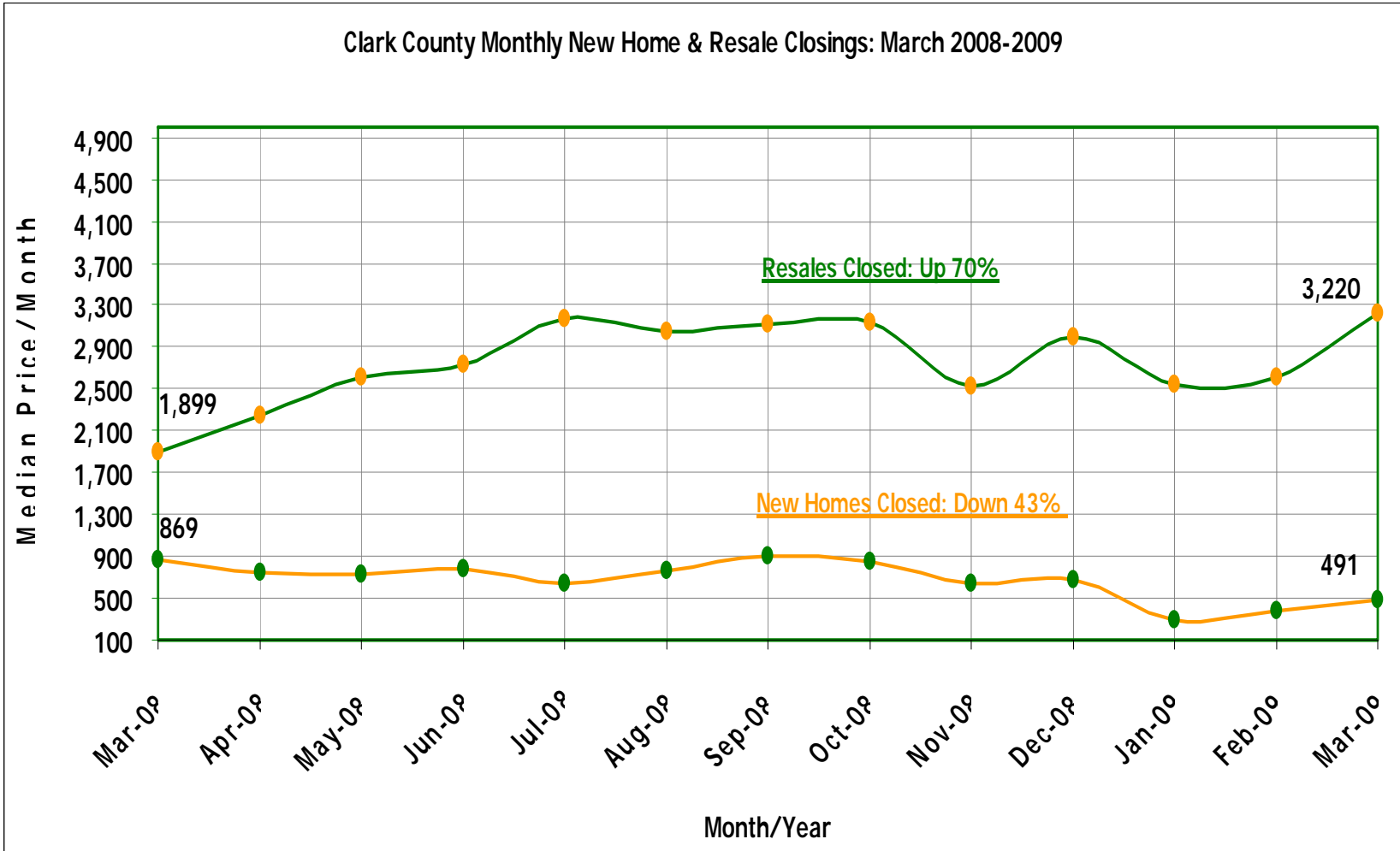
John Restrepo Presentation

Home Prices Continue to Slide



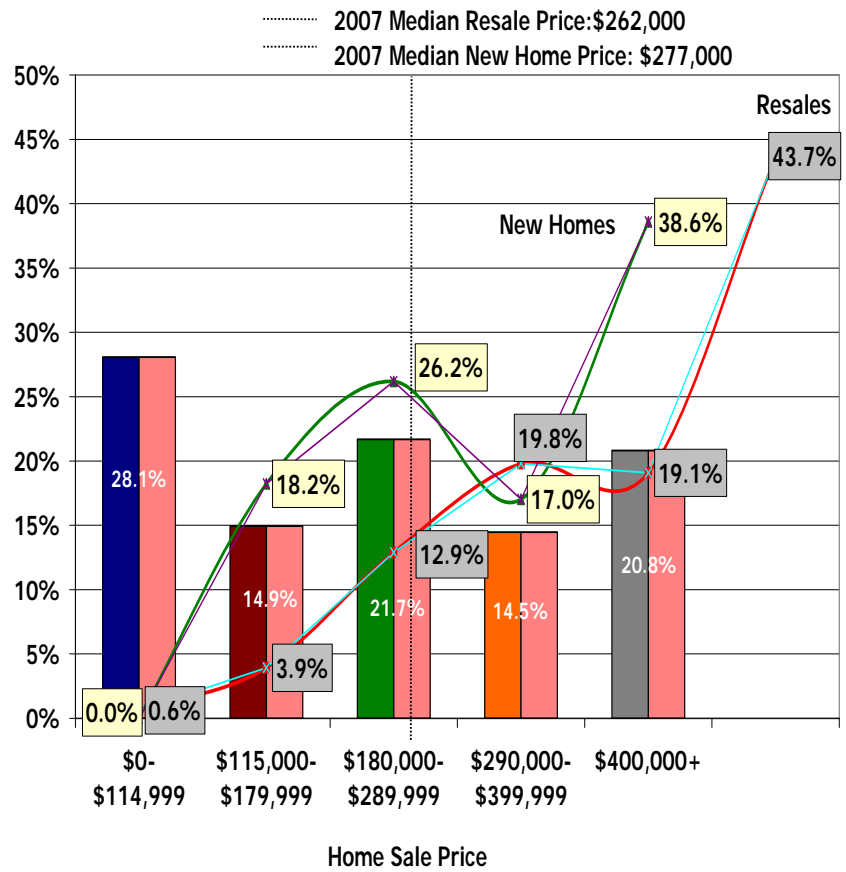
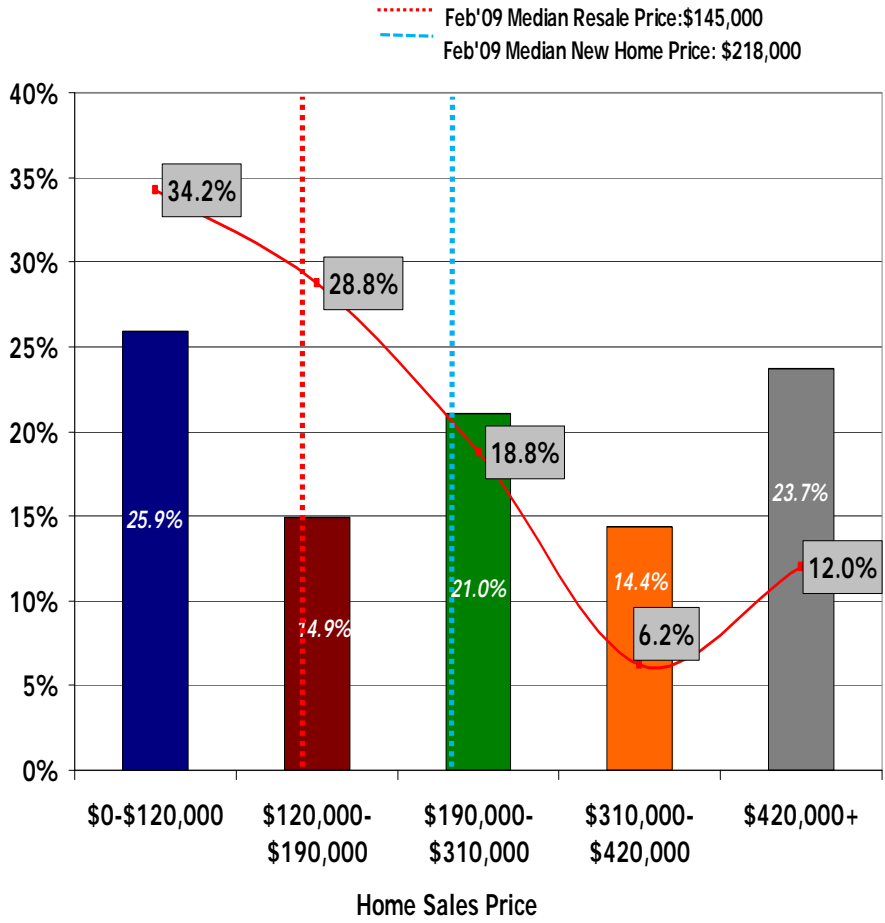
Source: Home Builders Research

Sales Velocity Improves Dramatically



Source: Home Builders Research

The availability of workforce housing has definitely improved in just 2 two years, especially at the lower HH income ranges . . . but for how long?

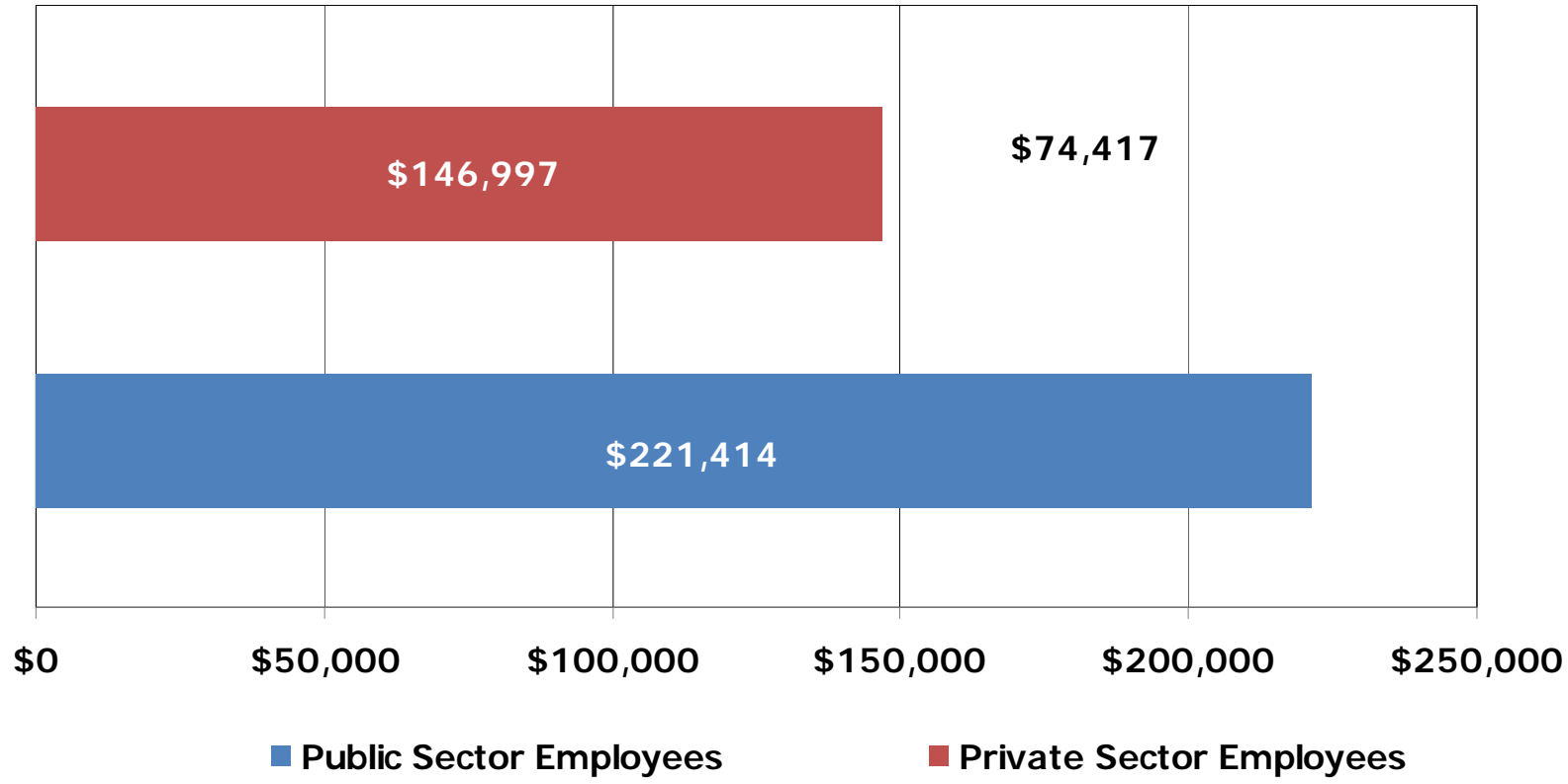


Price-Household Income Gap Analysis

Source: Home Builders Research, GLVAR, U.S. Census Bureau

Public sector workers lead by substantial number in the amount of house they can afford . . . by 50%.

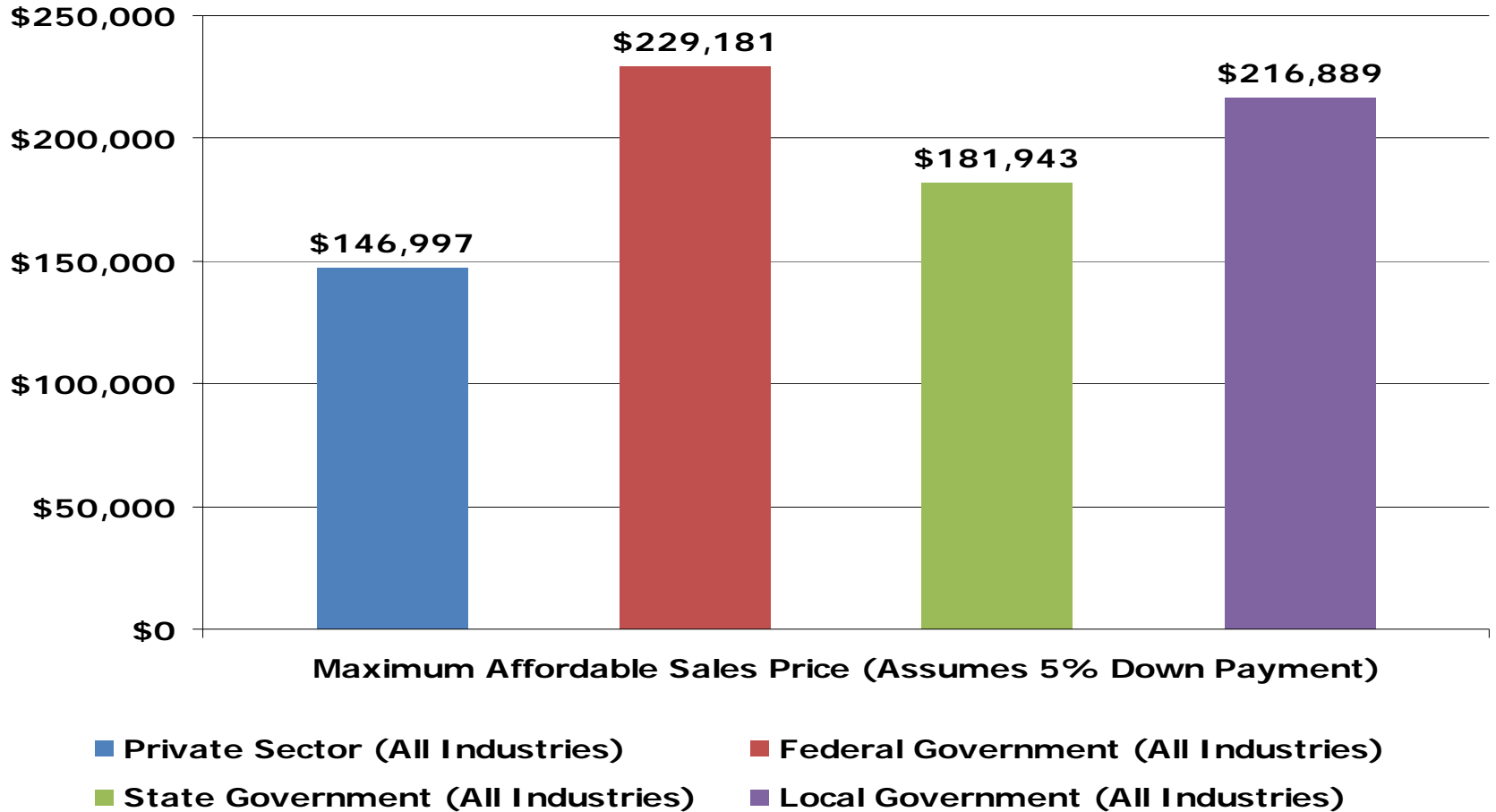
Maximum Affordable Sales Price
Public Sector vs. Private Sector
(All Industries)



Max. Affordable House Price: Private vs. Total Sector

Source: Home Builders Research, GLVAR, U.S. Census Bureau

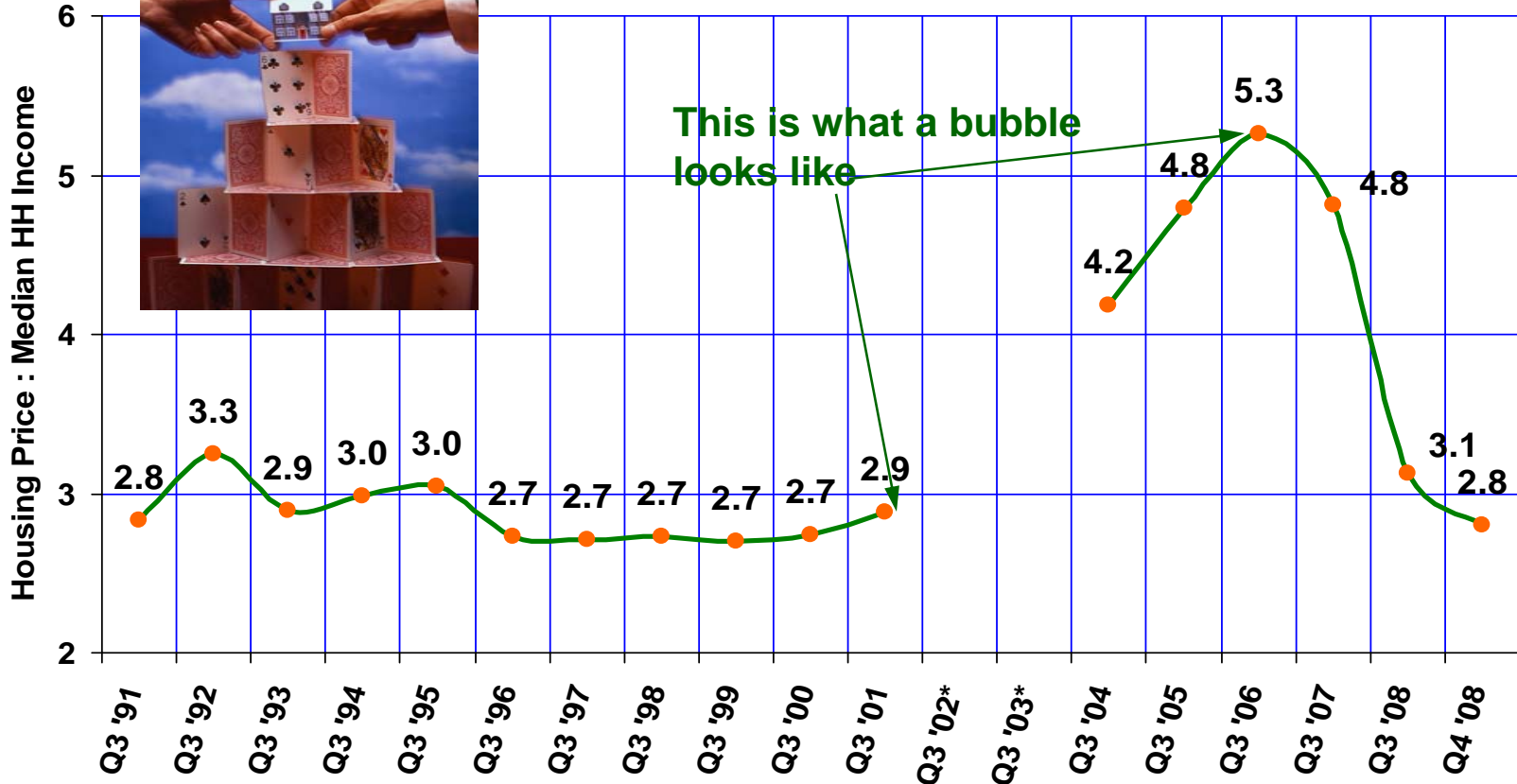
Federal employees are the top earners.



Max. Affordable House Price: Private vs. Public Sector Groups

Source: Home Builders Research, GLVAR, U.S. Census Bureau

Who would of have thought just a few years ago that we had a “house of cards” in residential real estate.



*Ratio values were not available in Q2, 2002-Q3, 2003.
Sources: National Association of Home Builders & Wells Fargo.

Clark County House Price/HH Income Ratio: Q3 1991-Q4, 2008

Final Thoughts

- **Affordability has improved dramatically, that's the good news. The bad news, it's because we are in recession.**
- **Housing demand was driven by high population growth but also by cheap and easy credit, not likely to see again for awhile.**
- **Its all about job growth and wealth.**
- **Job growth will return in 2 years but how about wealth and credit. . . will renters take the lead?**
- **Long term community sustainability based on diversified economy & diversified tax-base.**

More Information

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