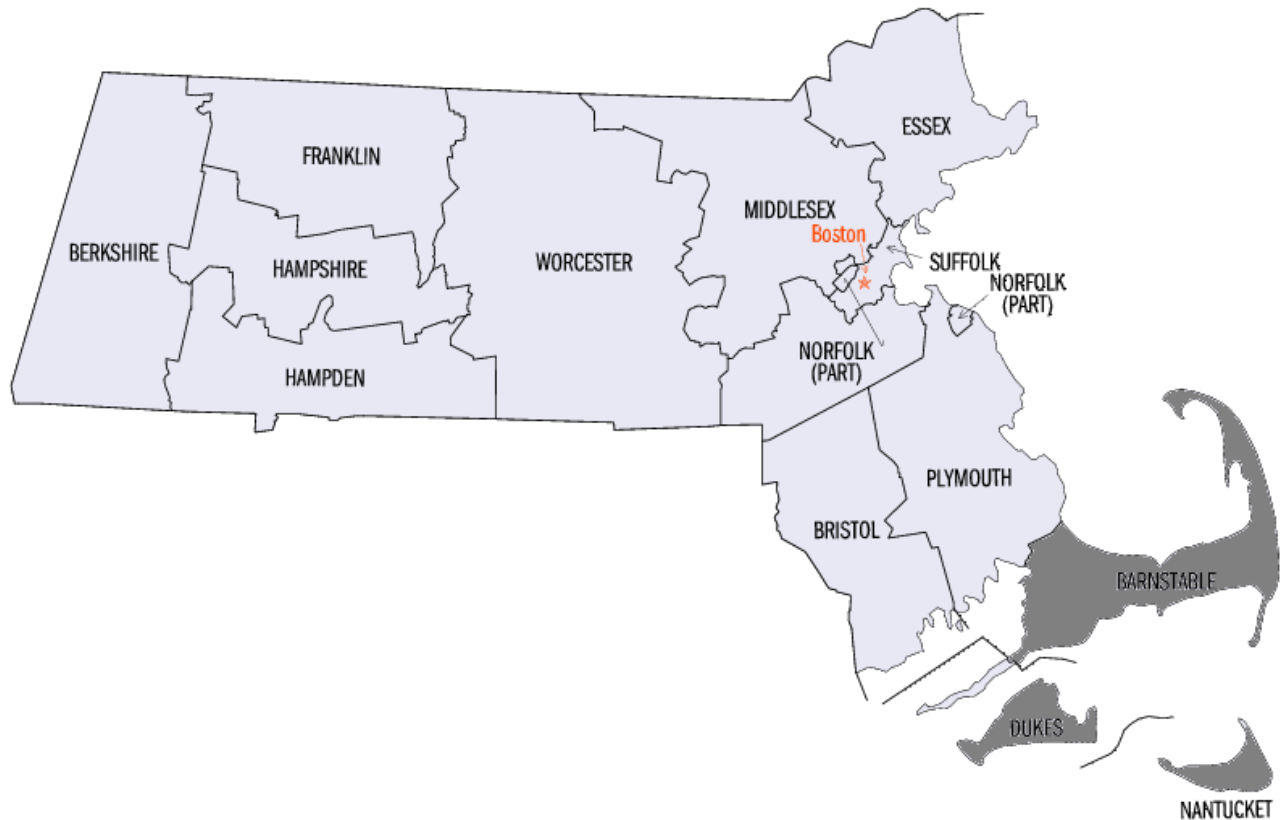


Economic and Market Watch Report

4th Quarter, 2007



*Click on a County to view economic and real estate information at the county and zip code level

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Economic and Market Watch Report

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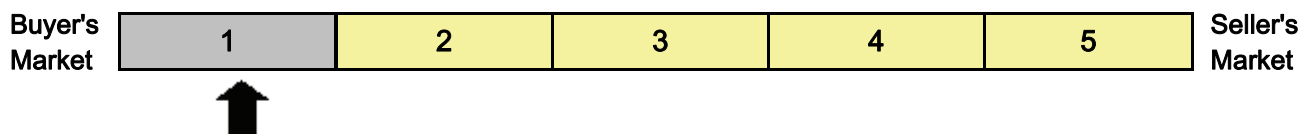
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Barnstable County, MA



Labor Market :

Employment declined by 13,368 jobs in October and November. The job losses brought about an increase in the average monthly unemployment rate from 3.8% in the third quarter to 4.1% for the first two months of the fourth quarter. Despite the job losses, the job situation still remains strong in Barnstable County. Combined with historically low mortgage rates, employment will help to build up demand for housing.

Housing Market :

	Q3' 07	Q4' 07	Q1' 08 (Forecast)
Average Price	\$558,900	\$450,800	↑
# Homes on the Market *	1,923	3,959	↓
# Homes Sold **	369	280	↔
# New Homes Built ***	166	120	↔
Avg # of Days on Market	139	119	↑

* Available as of Dec. 31, 2007.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
02532	\$407,900	N/A	22	N/A	107	95.9%
02534	\$7,000,000	N/A	1	N/A	460	78.2%
02536	\$542,200	N/A	24	N/A	101	92.9%
02537	\$469,200	N/A	11	N/A	109	95.9%
02540	\$505,700	N/A	17	N/A	105	94.4%
02553	\$222,500	N/A	1	N/A	555	96.8%
02556	\$587,000	N/A	5	N/A	120	94.6%
02559	\$253,300	N/A	4	N/A	112	96.7%

*** % Change of current quarter compared to the same quarter to year ago.

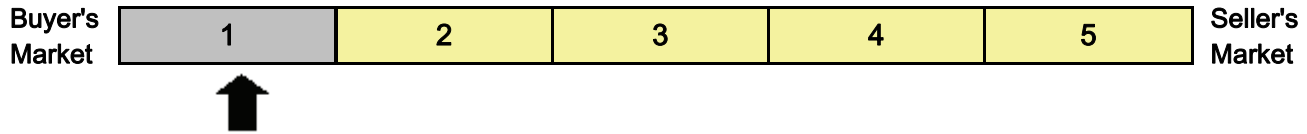
Barnstable County, MA

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
02562	\$319,500	N/A	2	N/A	83	91.5%
02563	\$364,300	N/A	15	N/A	119	94.9%
02574	\$275,000	N/A	1	N/A	20	88.1%
02601	\$222,500	N/A	18	N/A	110	93.5%
02630	\$988,000	N/A	3	N/A	94	97.6%
02631	\$400,200	N/A	14	N/A	157	95.3%
02632	\$403,000	N/A	4	N/A	168	95.9%
02633	\$1,422,500	N/A	2	N/A	53	83.8%
02635	\$440,000	N/A	1	N/A	27	97.9%
02637	\$585,000	N/A	1	N/A	54	94.4%
02638	\$423,000	N/A	4	N/A	58	93.9%
02639	\$309,800	N/A	5	N/A	50	96.1%
02641	\$492,500	N/A	2	N/A	28	95.8%
02642	\$559,200	N/A	4	N/A	169	95.6%
02644	\$305,500	N/A	8	N/A	106	94.1%
02645	\$419,600	N/A	7	N/A	116	95.4%
02646	\$526,500	N/A	3	N/A	85	90.8%
02647	\$642,500	N/A	2	N/A	25	97.1%
02648	\$414,500	N/A	2	N/A	105	97.6%
02649	\$334,200	N/A	30	N/A	154	93.9%
02653	\$675,000	N/A	1	N/A	44	96.4%
02655	\$498,500	N/A	8	N/A	69	92.4%
02657	\$350,000	N/A	1	N/A	94	92.3%
02659	\$3,300,000	N/A	1	N/A	162	91.7%
02660	\$293,100	N/A	11	N/A	194	91.9%
02664	\$359,400	N/A	15	N/A	154	92.0%
02668	\$574,000	N/A	2	N/A	151	96.1%
02670	\$421,800	N/A	2	N/A	151	96.5%
02673	\$406,800	N/A	14	N/A	71	96.0%
02675	\$389,600	N/A	11	N/A	117	94.9%
OTHER	\$400,000	N/A	1	N/A	187	74.1%

*** % Change of current quarter compared to the same quarter to year ago.

Berkshire County, MA



Labor Market :

Berkshire County saw 1,882 layoffs occur during October and November. Despite the decline in employment, the average monthly unemployment rate fell from 4.2% during the third quarter to 3.6% in the first two months of the fourth quarter. Despite the job losses, the labor market remains relatively strong leaving historically low mortgage rates to drive demand for housing.

Housing Market :

	Q3' 07	Q4' 07	Q1' 08 (Forecast)
Average Price	\$245,400	\$349,800	↑
# Homes on the Market *	139	361	↔
# Homes Sold **	23	21	↓
# New Homes Built ***	7	4	↓
Avg # of Days on Market	168	135	↑

* Available as of Dec. 31, 2007.

** May not add to total of zip codes.

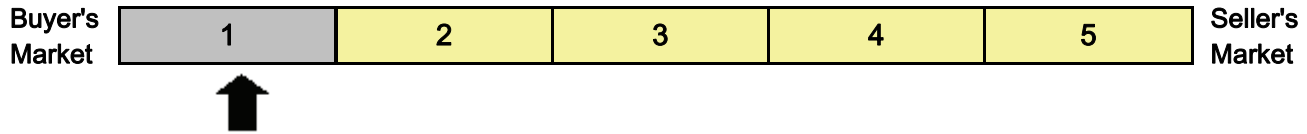
*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
01029	\$151,500	N/A	1	N/A	27	98.4%
01201	\$135,900	5.51%	5	0.00%	63	97.5%
01220	\$119,000	-28.18%	1	-50.00%	112	85.0%
01223	\$267,600	220.48%	6	200.00%	108	92.9%
01235	\$355,000	N/A	1	N/A	108	101.5%
01240	\$353,000	N/A	1	N/A	109	98.3%
01245	\$3,050,000	N/A	1	N/A	582	87.8%
01247	\$45,800	N/A	2	N/A	174	84.8%
01253	\$313,300	N/A	3	N/A	200	93.5%

*** % Change of current quarter compared to the same quarter to year ago.

Bristol County, MA



Labor Market :

In the first two months of the fourth quarter, 3,044 jobs were added to the payrolls of Bristol County. As a result of these new jobs, the average monthly unemployment rate fell from 5.9% during the third quarter to 4.8% for October and November. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q3' 07	Q4' 07	Q1' 08 (Forecast)
Average Price	\$335,800	\$278,100	↑
# Homes on the Market *	2,935	9,664	↔
# Homes Sold **	906	616	↓
# New Homes Built ***	184	122	↓
Avg # of Days on Market	143	120	↑

* Available as of Dec. 31, 2007.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
02048	\$280,200	-40.40%	31	47.62%	75	95.4%
02356	\$406,500	-14.78%	16	-23.81%	84	95.5%
02375	\$270,300	-36.77%	14	-17.65%	88	96.5%
02702	\$510,000	64.15%	1	-90.00%	70	94.6%
02703	\$266,200	-12.03%	65	44.44%	108	95.8%
02715	\$179,900	-54.35%	1	-83.33%	84	100.0%
02717	\$194,100	-36.28%	6	-14.29%	144	90.7%
02718	\$205,400	-32.88%	6	-60.00%	85	96.5%
02719	\$255,800	-14.79%	27	28.57%	122	94.8%

*** % Change of current quarter compared to the same quarter to year ago.

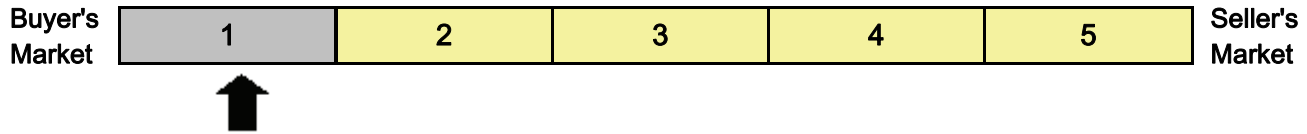
Bristol County, MA

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
02720	\$213,100	-25.90%	30	66.67%	143	95.8%
02721	\$190,600	-23.42%	19	0.00%	184	94.9%
02722	\$271,000	-20.64%	1	0.00%	95	96.8%
02723	\$238,700	-13.20%	5	66.67%	190	94.1%
02724	\$215,300	-14.60%	11	37.50%	157	95.7%
02725	\$258,500	-3.11%	4	33.33%	75	97.2%
02726	\$282,300	-5.90%	15	-31.82%	105	97.0%
02740	\$201,400	-6.67%	42	13.51%	99	94.9%
02743	\$275,800	-9.01%	10	-41.18%	89	96.5%
02744	\$162,100	-23.39%	8	60.00%	81	94.5%
02745	\$219,900	-11.83%	25	-32.43%	119	94.1%
02746	\$178,200	-16.61%	7	133.33%	129	95.2%
02747	\$309,600	-16.98%	16	-15.79%	186	94.2%
02748	\$590,600	62.43%	13	-50.00%	105	91.0%
02760	\$284,000	-31.99%	43	19.44%	98	96.6%
02763	\$322,500	N/A	2	N/A	629	95.6%
02764	\$362,000	3.64%	3	-57.14%	82	96.8%
02766	\$314,900	-13.44%	32	6.67%	111	99.1%
02767	\$327,500	-17.09%	13	-35.00%	108	96.2%
02769	\$400,000	-6.59%	14	0.00%	147	95.8%
02771	\$327,600	-10.78%	14	-30.00%	77	94.2%
02777	\$284,300	-16.87%	21	0.00%	113	95.8%
02779	\$263,900	-28.35%	8	-27.27%	209	93.9%
02780	\$255,400	-14.50%	70	25.00%	143	96.7%
02790	\$447,700	-4.40%	16	0.00%	182	94.5%
OTHER	\$348,400	-2.63%	7	75.00%	74	95.4%

*** % Change of current quarter compared to the same quarter to year ago.

Essex County, MA



Labor Market :

In the first two months of the fourth quarter, 2,430 jobs were added to the payrolls of Essex County. As a result of these new jobs, the average monthly unemployment rate fell from 4.8% during the third quarter to 4% for October and November. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q3' 07	Q4' 07	Q1' 08 (Forecast)
Average Price	\$486,200	\$371,000	↑
# Homes on the Market *	3,678	13,234	↔
# Homes Sold **	832	1,130	↓
# New Homes Built ***	165	141	↓
Avg # of Days on Market	124	116	↑

* Available as of Dec. 31, 2007.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
01810	\$416,600	-32.05%	58	11.54%	73	96.3%
01830	\$263,600	-17.91%	47	34.29%	134	97.5%
01832	\$236,100	-28.02%	45	221.43%	158	95.5%
01833	\$446,600	0.38%	13	18.18%	164	95.4%
01834	\$444,300	14.69%	9	-30.77%	140	96.0%
01835	\$267,200	-18.66%	25	13.64%	200	97.9%
01840	\$230,000	N/A	1	N/A	232	90.6%
01841	\$166,600	-25.16%	24	71.43%	135	95.5%
01843	\$211,600	-18.08%	16	-40.74%	107	93.7%

*** % Change of current quarter compared to the same quarter to year ago.

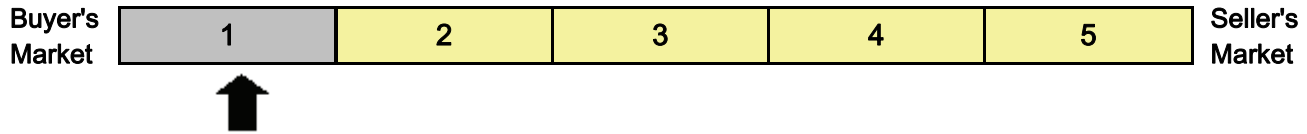
Essex County, MA

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
01844	\$262,000	-18.48%	64	23.08%	116	95.9%
01845	\$452,700	-16.75%	51	45.71%	128	96.1%
01860	\$398,300	14.72%	6	-25.00%	175	92.8%
01901	\$226,300	N/A	3	N/A	123	96.4%
01902	\$236,100	-17.79%	46	109.09%	99	95.5%
01904	\$268,800	-12.19%	23	9.52%	93	93.7%
01905	\$205,100	-22.66%	10	-9.09%	64	93.6%
01906	\$303,400	-16.65%	40	-9.09%	88	94.9%
01907	\$503,500	20.25%	30	66.67%	110	91.0%
01908	\$320,900	-28.40%	4	-20.00%	138	97.4%
01913	\$289,300	-23.40%	34	25.93%	103	96.4%
01915	\$337,900	-28.92%	83	53.70%	92	96.8%
01921	\$590,900	-3.08%	15	7.14%	158	93.0%
01922	\$356,000	42.97%	3	200.00%	156	96.7%
01923	\$372,600	-32.44%	41	70.83%	112	93.2%
01929	\$567,200	-1.24%	5	-37.50%	116	94.9%
01930	\$421,300	-31.66%	38	52.00%	147	94.1%
01938	\$389,300	-24.64%	26	100.00%	159	94.4%
01940	\$567,400	-0.40%	23	43.75%	93	96.2%
01944	\$587,400	-23.98%	7	0.00%	153	95.3%
01945	\$606,500	-12.02%	31	-16.22%	163	94.1%
01949	\$420,500	-23.25%	11	22.22%	129	97.0%
01950	\$486,700	1.40%	45	55.17%	101	94.1%
01951	\$583,000	26.52%	9	-18.18%	112	95.0%
01952	\$398,600	0.91%	24	41.18%	125	95.5%
01960	\$332,800	-10.10%	64	16.36%	111	95.3%
01966	\$488,100	-16.56%	22	120.00%	90	94.7%
01969	\$368,500	-32.14%	11	0.00%	85	97.5%
01970	\$285,800	-17.11%	86	207.14%	94	95.9%
01982	\$746,300	3.93%	13	0.00%	92	89.9%
01983	\$824,200	45.82%	6	-25.00%	206	89.7%
01984	\$785,300	-5.36%	10	66.67%	133	98.0%
01985	\$605,800	5.14%	8	0.00%	112	94.8%

*** % Change of current quarter compared to the same quarter to year ago.

Franklin County, MA



Labor Market :

In the first two months of the fourth quarter, 1,164 jobs were added to the payrolls of Franklin County. As a result of these new jobs, the average monthly unemployment rate fell from 4.3% during the third quarter to 3.5% for October and November. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q3' 07	Q4' 07	Q1' 08 (Forecast)
Average Price	\$233,700	\$186,700	↑
# Homes on the Market *	436	1,277	↔
# Homes Sold **	183	86	↓
# New Homes Built ***	31	10	↓
Avg # of Days on Market	126	108	↑

* Available as of Dec. 31, 2007.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
01072	\$147,000	-40.61%	2	0.00%	317	93.5%
01301	\$185,300	-9.57%	19	-40.63%	109	96.4%
01330	\$280,000	-58.52%	1	0.00%	56	93.6%
01337	\$291,000	-26.90%	5	25.00%	229	97.8%
01338	\$166,300	N/A	4	N/A	131	86.4%
01339	\$331,600	21.69%	3	50.00%	96	91.7%
01340	\$107,000	-36.69%	1	-66.67%	233	81.1%
01341	\$84,500	-81.01%	1	0.00%	50	105.8%
01342	\$305,000	-56.37%	1	0.00%	45	93.9%

*** % Change of current quarter compared to the same quarter to year ago.

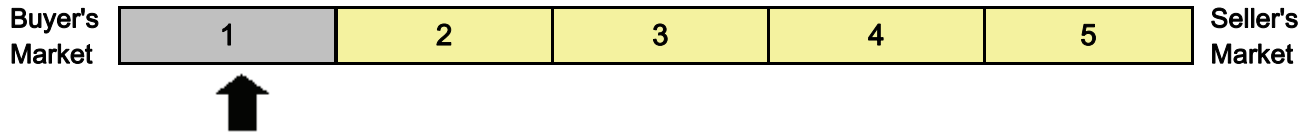
Franklin County, MA

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
01344	\$177,000	-10.83%	1	-80.00%	2	98.4%
01346	\$123,500	-30.42%	2	-33.33%	27	96.9%
01351	\$207,800	-4.02%	4	0.00%	112	95.6%
01354	\$114,000	-64.38%	1	0.00%	56	84.4%
01360	\$153,500	-21.96%	2	-50.00%	64	95.8%
01364	\$131,500	-35.29%	20	33.33%	83	93.8%
01367	\$263,800	N/A	2	N/A	75	90.2%
01370	\$224,900	56.40%	4	100.00%	66	87.9%
01373	\$251,000	-30.47%	5	66.67%	125	94.7%
01375	\$220,300	-12.48%	3	0.00%	84	96.6%
01376	\$162,900	-11.66%	4	0.00%	50	98.3%
01378	\$46,000	-74.23%	1	0.00%	418	85.2%

*** % Change of current quarter compared to the same quarter to year ago.

Hampden County, MA



Labor Market :

In the first two months of the fourth quarter, 3,531 jobs were added to the payrolls of Hampden County. As a result of these new jobs, the average monthly unemployment rate fell from 5.8% during the third quarter to 4.8% for October and November. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q3' 07	Q4' 07	Q1' 08 (Forecast)
Average Price	\$225,300	\$193,800	↑
# Homes on the Market *	2,232	7,280	↔
# Homes Sold **	929	588	↓
# New Homes Built ***	112	47	↓
Avg # of Days on Market	99	94	↑

* Available as of Dec. 31, 2007.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
01001	\$207,000	-17.86%	34	25.93%	73	96.6%
01008	\$125,000	N/A	2	N/A	132	104.4%
01009	\$81,800	-57.90%	2	-33.33%	40	96.3%
01010	\$229,400	-11.94%	7	16.67%	129	94.2%
01011	\$215,000	26.47%	1	-50.00%	189	98.2%
01013	\$173,000	-5.72%	26	-3.70%	79	96.0%
01020	\$203,200	-1.45%	44	25.71%	89	97.1%
01022	\$138,000	N/A	13	N/A	64	96.2%
01028	\$285,000	15.29%	17	-54.05%	85	96.2%

*** % Change of current quarter compared to the same quarter to year ago.

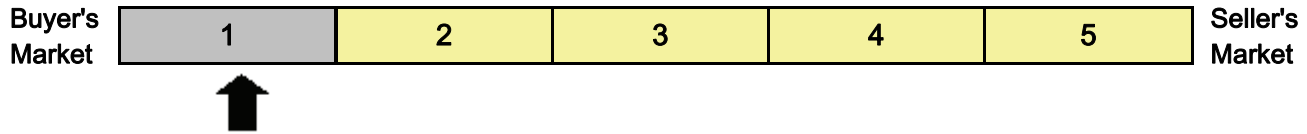
Hampden County, MA

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
01030	\$228,400	3.02%	7	-63.16%	66	97.8%
01034	\$178,300	-49.77%	3	-25.00%	197	88.6%
01036	\$282,400	-62.43%	5	66.67%	121	97.3%
01040	\$156,100	-24.48%	38	72.73%	84	95.3%
01056	\$261,600	25.83%	16	6.67%	79	96.5%
01057	\$217,200	-8.89%	14	16.67%	205	96.4%
01069	\$159,700	-29.46%	10	25.00%	115	98.3%
01071	\$220,000	-19.27%	4	33.33%	116	94.0%
01077	\$230,900	-11.70%	4	-81.82%	26	96.1%
01080	\$115,000	-38.30%	2	-75.00%	207	90.8%
01081	\$188,300	-3.49%	3	-40.00%	59	96.9%
01085	\$205,200	-19.69%	48	-33.33%	87	96.2%
01089	\$206,300	-5.45%	42	0.00%	89	95.4%
01095	\$291,900	-11.11%	24	-7.69%	96	95.9%
01101	\$159,500	-18.21%	2	0.00%	32	98.2%
01103	\$89,100	N/A	7	N/A	103	97.4%
01104	\$144,100	5.49%	30	-16.67%	77	96.8%
01105	\$114,900	-49.61%	5	66.67%	156	89.7%
01106	\$381,200	10.40%	21	-25.00%	81	95.4%
01107	\$184,000	0.60%	2	-66.67%	80	91.8%
01108	\$147,900	-2.50%	24	-22.58%	87	96.6%
01109	\$122,100	-14.32%	32	-3.03%	139	97.4%
01118	\$163,700	-2.50%	33	-21.43%	81	95.2%
01119	\$164,100	-2.96%	26	-40.91%	95	98.3%
01128	\$207,200	14.60%	6	0.00%	106	93.7%
01129	\$173,200	-6.93%	17	0.00%	94	96.6%
01151	\$136,800	-11.57%	10	-23.08%	55	98.4%
01521	\$200,500	0.50%	6	-25.00%	245	96.9%
OTHER	\$85,000	-66.72%	1	-75.00%	15	85.1%

*** % Change of current quarter compared to the same quarter to year ago.

Hampshire County, MA



Labor Market :

In the first two months of the fourth quarter, 4,073 jobs were added to the payrolls of Hampshire County. As a result of these new jobs, the average monthly unemployment rate fell from 4.1% during the third quarter to 3.2% for October and November. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q3' 07	Q4' 07	Q1' 08 (Forecast)
Average Price	\$305,300	\$258,500	↑
# Homes on the Market *	706	2,345	↔
# Homes Sold **	344	202	↓
# New Homes Built ***	32	21	↓
Avg # of Days on Market	123	105	↑

* Available as of Dec. 31, 2007.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
01002	\$353,600	-2.24%	23	27.78%	128	94.3%
01007	\$261,300	-1.17%	23	-4.17%	106	97.3%
01012	\$184,000	-16.74%	4	100.00%	135	94.5%
01027	\$256,100	3.47%	28	12.00%	90	97.4%
01032	\$141,500	-42.97%	2	-60.00%	63	97.6%
01033	\$231,600	10.87%	10	42.86%	103	98.1%
01035	\$359,000	16.63%	5	150.00%	189	92.8%
01038	\$351,800	27.93%	2	100.00%	139	94.6%
01050	\$252,800	-4.96%	6	500.00%	71	97.2%

*** % Change of current quarter compared to the same quarter to year ago.

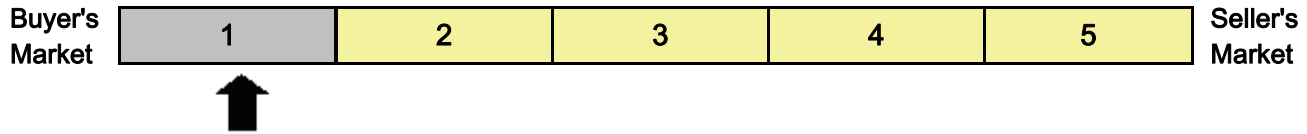
Hampshire County, MA

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
01053	\$168,500	N/A	4	N/A	40	95.2%
01060	\$250,100	-24.24%	25	56.25%	76	97.7%
01062	\$287,900	7.63%	13	18.18%	121	95.7%
01073	\$277,600	-12.79%	12	20.00%	72	99.3%
01075	\$238,000	3.03%	20	-25.93%	92	97.0%
01082	\$156,100	-18.53%	14	16.67%	137	97.7%
01096	\$317,100	43.48%	4	-20.00%	151	90.1%
01098	\$197,500	14.83%	5	400.00%	222	96.3%
01243	\$172,500	N/A	2	N/A	41	96.7%

*** % Change of current quarter compared to the same quarter to year ago.

Middlesex County, MA



Labor Market :

In the first two months of the fourth quarter, 5,169 jobs were added to the payrolls of Middlesex County. As a result of these new jobs, the average monthly unemployment rate fell from 3.8% during the third quarter to 3.2% for October and November. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q3' 07	Q4' 07	Q1' 08 (Forecast)
Average Price	\$580,500	\$440,800	↑
# Homes on the Market *	5,207	19,564	↔
# Homes Sold **	2,937	2,230	↓
# New Homes Built ***	432	289	↓
Avg # of Days on Market	93	96	↑

* Available as of Dec. 31, 2007.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
01431	\$242,200	11.77%	6	100.00%	90	95.5%
01432	\$340,400	27.40%	16	220.00%	159	93.6%
01434	\$450,000	N/A	1	N/A	76	92.0%
01450	\$468,300	1.06%	16	14.29%	153	96.5%
01460	\$445,300	24.52%	15	-6.25%	77	98.5%
01463	\$281,500	-15.64%	10	-33.33%	87	96.2%
01464	\$309,300	-17.43%	11	22.22%	146	96.8%
01469	\$266,400	-5.90%	10	-33.33%	88	96.7%
01474	\$265,000	-10.17%	1	0.00%	403	94.8%

*** % Change of current quarter compared to the same quarter to year ago.

Middlesex County, MA

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
01701	\$359,400	-7.30%	48	-17.24%	84	96.0%
01702	\$286,000	-15.58%	35	45.83%	92	95.3%
01718	\$287,500	N/A	2	N/A	101	99.0%
01719	\$493,200	-12.80%	7	0.00%	95	95.8%
01720	\$428,800	-30.37%	38	58.33%	109	96.5%
01721	\$351,700	-11.54%	40	90.48%	88	96.7%
01730	\$526,200	6.71%	21	-19.23%	93	97.2%
01731	\$51,000	N/A	1	N/A	45	81.1%
01741	\$702,500	-39.36%	8	0.00%	137	92.4%
01742	\$800,100	-23.92%	30	3.45%	85	95.2%
01746	\$400,700	-13.10%	25	13.64%	146	97.8%
01748	\$596,600	15.29%	25	-32.43%	128	97.4%
01749	\$298,100	-22.35%	36	71.43%	176	98.3%
01752	\$268,700	-25.59%	53	1.92%	104	96.0%
01754	\$329,700	-12.41%	12	-20.00%	83	94.1%
01760	\$520,800	-5.45%	56	16.67%	92	96.2%
01770	\$971,400	-10.17%	9	28.57%	209	92.0%
01773	\$705,000	-24.74%	11	120.00%	128	94.0%
01775	\$437,300	-16.08%	6	-57.14%	208	98.3%
01776	\$736,700	-11.28%	41	46.43%	132	97.8%
01778	\$681,200	-2.87%	20	-28.57%	77	96.2%
01801	\$331,300	-10.09%	35	9.38%	108	96.3%
01803	\$437,000	-1.58%	24	-40.00%	120	97.0%
01821	\$318,200	-14.87%	44	4.76%	118	95.6%
01824	\$335,300	-18.85%	37	-11.90%	129	95.6%
01826	\$257,000	-20.16%	61	35.56%	87	97.4%
01827	\$418,900	-47.52%	1	0.00%	230	97.6%
01850	\$211,500	-0.98%	21	61.54%	59	94.6%
01851	\$208,700	-26.23%	34	61.90%	95	97.9%
01852	\$205,800	-28.42%	70	94.44%	105	95.9%
01854	\$193,900	-23.87%	46	170.59%	124	95.2%
01862	\$288,000	-20.33%	8	-27.27%	88	95.6%
01863	\$220,000	-31.01%	11	175.00%	106	96.6%
01864	\$436,300	-21.91%	43	104.76%	104	98.5%
01867	\$407,800	1.77%	31	-18.42%	98	96.1%
01876	\$325,300	-15.57%	68	94.29%	85	97.4%

*** % Change of current quarter compared to the same quarter to year ago.

Middlesex County, MA

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
01879	\$358,900	-18.12%	25	47.06%	113	97.4%
01880	\$387,900	-8.51%	46	84.00%	141	96.6%
01886	\$481,100	-7.37%	35	34.62%	78	96.7%
01887	\$418,300	4.52%	23	-28.13%	96	96.3%
01890	\$571,600	-25.22%	41	-2.38%	100	95.9%
02138	\$590,600	-50.36%	59	391.67%	136	98.4%
02139	\$510,100	-16.27%	51	537.50%	52	96.7%
02140	\$463,300	-23.27%	33	560.00%	110	96.6%
02141	\$371,600	17.22%	14	250.00%	109	94.1%
02142	\$1,035,000	N/A	3	N/A	124	95.4%
02143	\$418,500	-7.62%	22	214.29%	72	97.1%
02144	\$425,700	-33.40%	25	400.00%	74	96.9%
02145	\$295,200	-32.91%	24	1100.00%	102	96.6%
02148	\$310,700	-7.75%	57	39.02%	80	95.3%
02149	\$276,500	-19.76%	25	25.00%	118	95.6%
02155	\$357,400	-8.10%	74	76.19%	81	94.4%
02176	\$368,800	-11.28%	32	-23.81%	86	95.8%
02180	\$291,100	-31.71%	26	-21.21%	90	95.2%
02420	\$834,600	9.77%	30	-18.92%	72	96.7%
02421	\$802,100	9.23%	23	-11.54%	90	96.1%
02451	\$375,300	-13.00%	28	86.67%	65	97.1%
02452	\$377,400	-24.31%	23	228.57%	95	96.0%
02453	\$388,400	-10.40%	36	111.76%	55	97.6%
02454	\$490,800	6.12%	2	100.00%	13	98.3%
02456	\$420,000	N/A	1	N/A	21	95.5%
02458	\$626,600	-16.39%	19	90.00%	69	95.2%
02459	\$961,100	20.26%	23	-14.81%	76	96.0%
02460	\$598,700	-2.16%	16	220.00%	104	95.9%
02461	\$668,900	-13.73%	7	-22.22%	27	97.4%
02462	\$852,500	13.59%	2	-50.00%	102	94.8%
02464	\$470,600	9.70%	18	1700.00%	140	97.4%
02465	\$712,100	-2.51%	14	-12.50%	83	96.1%
02466	\$737,600	17.25%	10	100.00%	59	94.3%
02467	\$731,800	-46.82%	28	300.00%	95	95.7%
02468	\$955,600	-43.78%	5	0.00%	64	96.1%
02472	\$387,100	-10.77%	69	331.25%	46	96.6%

*** % Change of current quarter compared to the same quarter to year ago.

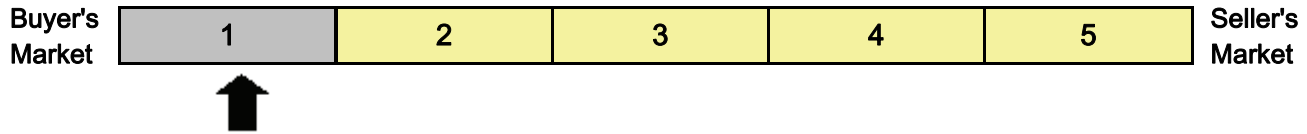
Middlesex County, MA

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
02474	\$410,400	-18.47%	34	13.33%	44	97.7%
02476	\$433,800	-12.72%	30	-3.23%	45	99.3%
02478	\$868,200	11.94%	35	105.88%	73	96.6%
02493	\$1,636,900	25.96%	14	-22.22%	83	93.0%
OTHER	\$377,600	-58.28%	4	300.00%	29	96.8%

*** % Change of current quarter compared to the same quarter to year ago.

Norfolk County, MA



Labor Market :

In the first two months of the fourth quarter, 2,267 jobs were added to the payrolls of Norfolk County. As a result of these new jobs, the average monthly unemployment rate fell from 4% during the third quarter to 3.4% for October and November. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q3' 07	Q4' 07	Q1' 08 (Forecast)
Average Price	\$609,400	\$440,600	↑
# Homes on the Market *	2,969	8,913	↓
# Homes Sold **	953	1,010	↔
# New Homes Built ***	124	99	↔
Avg # of Days on Market	93	91	↑

* Available as of Dec. 31, 2007.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
02019	\$297,200	-14.45%	29	7.41%	122	96.1%
02021	\$374,400	-26.23%	44	62.96%	85	93.9%
02025	\$1,097,700	-3.85%	11	-15.38%	173	94.0%
02026	\$476,900	32.80%	37	37.04%	85	96.8%
02030	\$931,400	-21.30%	11	83.33%	132	93.9%
02032	\$457,500	2.58%	10	233.33%	88	96.2%
02035	\$336,800	-9.22%	18	-18.18%	97	96.7%
02038	\$367,000	-16.78%	65	58.54%	92	98.2%
02052	\$562,500	-18.92%	11	-35.29%	88	98.9%

*** % Change of current quarter compared to the same quarter to year ago.

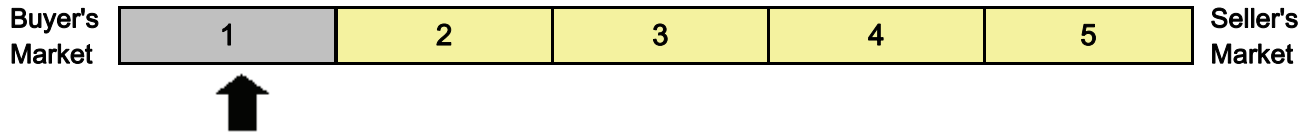
Norfolk County, MA

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
02053	\$367,900	-8.91%	17	-19.05%	125	96.5%
02054	\$307,100	-22.06%	19	280.00%	85	95.1%
02056	\$437,700	-4.68%	17	-19.05%	123	98.4%
02062	\$353,100	-17.73%	33	13.79%	72	97.5%
02067	\$467,100	8.91%	31	34.78%	125	94.6%
02072	\$279,100	-18.30%	53	29.27%	74	97.1%
02081	\$359,900	-13.57%	29	38.10%	91	95.3%
02090	\$597,500	10.81%	17	-10.53%	45	96.7%
02093	\$493,000	-2.22%	16	0.00%	138	99.1%
02169	\$303,300	-11.75%	66	73.68%	110	95.2%
02170	\$343,500	-7.79%	19	-24.00%	52	96.0%
02171	\$369,800	1.20%	35	94.44%	63	95.8%
02184	\$366,800	-12.19%	49	6.52%	101	96.4%
02186	\$542,100	7.18%	30	3.45%	78	95.8%
02188	\$315,100	-4.43%	20	53.85%	114	96.0%
02189	\$319,500	-3.01%	12	-29.41%	95	96.5%
02190	\$304,100	-12.64%	29	123.08%	68	96.4%
02191	\$270,400	-24.74%	8	33.33%	150	96.4%
02322	\$335,400	4.19%	8	166.67%	54	85.6%
02343	\$308,600	-0.58%	16	-23.81%	105	97.5%
02368	\$265,900	-19.86%	49	-3.92%	87	96.3%
02445	\$627,600	-51.51%	45	650.00%	65	96.5%
02446	\$544,000	-62.97%	48	433.33%	76	97.6%
02481	\$1,400,300	28.89%	22	-31.25%	79	92.1%
02482	\$633,300	-31.12%	18	-43.75%	121	95.1%
02492	\$676,600	-1.18%	34	6.25%	78	96.0%
02494	\$592,400	1.37%	17	183.33%	85	96.9%
02762	\$304,700	-6.73%	17	30.77%	105	96.9%

*** % Change of current quarter compared to the same quarter to year ago.

Plymouth County, MA



Labor Market :

In the first two months of the fourth quarter, 891 jobs were added to the payrolls of Plymouth County. As a result of these new jobs, the average monthly unemployment rate fell from 4.9% during the third quarter to 4% for October and November. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q3' 07	Q4' 07	Q1' 08 (Forecast)
Average Price	\$437,000	\$343,700	↑
# Homes on the Market *	3,704	10,441	↓
# Homes Sold **	681	815	↔
# New Homes Built ***	298	203	↔
Avg # of Days on Market	145	122	↑

* Available as of Dec. 31, 2007.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
02020	\$375,000	N/A	1	N/A	6	96.4%
02043	\$688,900	0.97%	40	-18.37%	98	97.4%
02045	\$407,600	-14.80%	29	61.11%	182	92.4%
02047	\$1,095,000	67.82%	1	-50.00%	0	93.7%
02050	\$439,600	-3.26%	38	8.57%	122	94.2%
02061	\$560,300	-22.40%	15	-37.50%	147	94.5%
02066	\$503,200	-15.51%	44	15.79%	125	94.4%
02301	\$209,500	-26.13%	77	42.59%	106	96.3%
02302	\$206,400	-18.03%	72	35.85%	101	96.7%

*** % Change of current quarter compared to the same quarter to year ago.

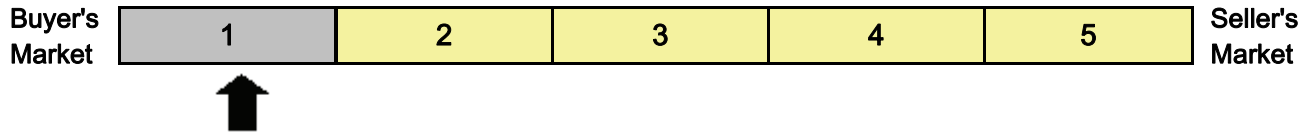
Plymouth County, MA

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
02303	\$270,000	N/A	1	N/A	99	90.0%
02324	\$318,500	-19.93%	23	-4.17%	84	96.0%
02330	\$290,400	-2.91%	19	35.71%	106	93.9%
02332	\$659,500	4.97%	21	40.00%	120	95.0%
02333	\$290,400	-13.34%	29	20.83%	98	96.8%
02338	\$224,100	-38.18%	13	116.67%	106	96.0%
02339	\$413,200	-29.58%	7	-68.18%	114	95.8%
02341	\$351,700	-6.76%	11	0.00%	88	93.4%
02346	\$312,500	-10.92%	41	32.26%	132	95.0%
02347	\$357,700	20.60%	19	58.33%	97	96.6%
02351	\$284,000	-10.78%	27	42.11%	157	96.5%
02359	\$328,400	-1.17%	35	94.44%	118	95.7%
02360	\$302,100	-22.87%	118	45.68%	129	95.7%
02364	\$378,100	-14.11%	15	-28.57%	195	93.6%
02367	\$345,000	8.66%	1	-50.00%	294	94.5%
02370	\$262,700	-22.37%	32	128.57%	94	95.4%
02379	\$306,200	-6.27%	14	100.00%	161	95.7%
02382	\$252,600	-17.02%	9	-40.00%	74	97.5%
02538	\$273,300	32.41%	4	-42.86%	138	92.6%
02558	\$255,900	-20.03%	5	400.00%	213	94.6%
02571	\$286,400	-3.70%	23	-8.00%	203	96.4%
02576	\$241,300	-22.09%	6	-33.33%	74	97.7%
02738	\$353,300	-17.61%	6	50.00%	110	94.6%
02739	\$482,700	6.63%	8	-38.46%	213	94.5%
02770	\$417,700	-1.14%	9	80.00%	136	94.1%
OTHER	\$217,500	-0.59%	2	0.00%	98	94.8%

*** % Change of current quarter compared to the same quarter to year ago.

Suffolk County, MA



Labor Market :

In the first two months of the fourth quarter, 2,065 jobs were added to the payrolls of Suffolk County. As a result of these new jobs, the average monthly unemployment rate fell from 5% during the third quarter to 4.1% for October and November. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q3' 07	Q4' 07	Q1' 08 (Forecast)
Average Price	\$474,900	\$485,300	↑
# Homes on the Market *	936	8,964	↓
# Homes Sold **	370	1,028	↔
# New Homes Built ***	18	9	↔
Avg # of Days on Market	92	81	↑

* Available as of Dec. 31, 2007.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
02108	\$1,137,100	-34.08%	12	1100.00%	116	93.8%
02109	\$832,800	N/A	17	N/A	110	94.2%
02110	\$847,400	N/A	8	N/A	136	93.2%
02111	\$765,800	N/A	21	N/A	93	95.9%
02113	\$372,300	N/A	12	N/A	28	96.8%
02114	\$633,700	N/A	23	N/A	84	94.2%
02115	\$521,700	-76.74%	23	1050.00%	76	96.1%
02116	\$963,100	-72.87%	110	3566.67%	71	95.8%
02118	\$767,700	N/A	74	N/A	75	95.9%

*** % Change of current quarter compared to the same quarter to year ago.

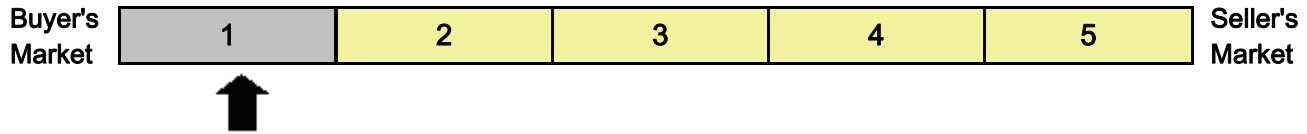
Suffolk County, MA

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
02119	\$246,400	-10.40%	18	800.00%	88	95.7%
02120	\$352,500	N/A	3	N/A	144	96.2%
02121	\$274,400	-0.33%	11	450.00%	122	99.2%
02122	\$263,300	-3.76%	27	575.00%	83	96.2%
02123	\$262,000	N/A	1	N/A	16	95.3%
02124	\$299,600	-26.46%	45	125.00%	82	94.9%
02125	\$267,100	-16.77%	15	87.50%	59	97.6%
02126	\$292,900	-12.54%	13	85.71%	73	94.6%
02127	\$402,400	-4.67%	116	1188.89%	77	95.9%
02128	\$287,300	2.10%	41	583.33%	127	90.6%
02129	\$505,800	-25.73%	53	960.00%	98	96.2%
02130	\$411,000	-13.66%	85	553.85%	63	97.3%
02131	\$326,300	-8.11%	30	25.00%	105	96.5%
02132	\$337,900	-18.87%	40	-6.98%	53	95.3%
02134	\$255,800	-42.90%	13	1200.00%	75	95.1%
02135	\$306,000	-35.86%	52	642.86%	68	95.8%
02136	\$311,300	-18.74%	27	0.00%	70	95.8%
02150	\$231,900	-23.41%	24	380.00%	102	94.5%
02151	\$256,000	-19.62%	51	70.00%	89	96.8%
02152	\$328,000	-11.69%	33	230.00%	130	95.9%
02210	\$991,200	N/A	6	N/A	60	96.1%
02215	\$446,500	N/A	24	N/A	43	94.8%

*** % Change of current quarter compared to the same quarter to year ago.

Worcester County, MA



Labor Market :

In the first two months of the fourth quarter, 2,769 jobs were added to the payrolls of Worcester County. As a result of these new jobs, the average monthly unemployment rate fell from 5.2% during the third quarter to 4.2% for October and November. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q3' 07	Q4' 07	Q1' 08 (Forecast)
Average Price	\$331,600	\$280,200	↑
# Homes on the Market *	5,382	16,644	↔
# Homes Sold **	965	1,088	↓
# New Homes Built ***	265	169	↓
Avg # of Days on Market	139	120	↑

* Available as of Dec. 31, 2007.

** May not add to total of zip codes.

*** During the first two months of 4th quarter.

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
01005	\$145,200	-37.76%	10	-28.57%	127	94.7%
01068	\$163,300	-41.99%	3	-40.00%	139	92.0%
01083	\$202,900	3.79%	9	125.00%	143	99.9%
01331	\$177,100	-5.75%	26	0.00%	108	96.5%
01366	\$229,000	14.50%	1	0.00%	246	100.0%
01368	\$412,500	N/A	1	N/A	43	82.5%
01420	\$187,000	-13.35%	51	2.00%	101	96.8%
01430	\$236,300	3.10%	11	0.00%	127	92.9%
01440	\$176,000	-32.07%	29	3.57%	129	95.5%

*** % Change of current quarter compared to the same quarter to year ago.

Worcester County, MA

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
01451	\$422,500	-10.28%	4	-33.33%	159	94.8%
01452	\$232,700	-9.38%	11	120.00%	171	96.6%
01453	\$204,300	-26.72%	46	27.78%	112	95.7%
01462	\$338,200	19.00%	16	128.57%	146	94.7%
01468	\$251,500	0.60%	11	0.00%	109	102.3%
01473	\$291,700	-16.06%	18	0.00%	102	98.7%
01475	\$181,800	-18.00%	13	-27.78%	122	97.3%
01501	\$207,500	-22.57%	25	0.00%	55	96.4%
01503	\$505,500	-9.73%	7	600.00%	208	100.8%
01504	\$281,900	-9.36%	13	62.50%	167	92.9%
01505	\$364,000	-36.78%	7	40.00%	90	92.4%
01506	\$212,800	-4.36%	6	50.00%	139	97.3%
01507	\$265,300	-15.96%	16	-5.88%	136	97.5%
01510	\$256,000	-5.95%	24	140.00%	91	97.0%
01515	\$223,500	-0.62%	2	-60.00%	87	100.0%
01516	\$355,300	-0.70%	5	-73.68%	159	97.9%
01518	\$321,200	-24.48%	4	300.00%	190	98.3%
01519	\$404,000	-7.76%	17	30.77%	118	99.1%
01520	\$320,700	6.16%	22	-43.59%	150	96.7%
01522	\$279,900	14.62%	5	66.67%	104	89.6%
01523	\$335,200	-8.44%	9	80.00%	62	83.6%
01524	\$271,800	-11.58%	9	-25.00%	215	99.9%
01527	\$261,200	-9.71%	14	7.69%	200	99.3%
01529	\$267,400	-24.10%	7	133.33%	155	98.0%
01532	\$470,200	-4.12%	28	-3.45%	115	99.8%
01534	\$341,400	-13.46%	7	0.00%	235	97.6%
01535	\$212,700	-7.36%	7	-12.50%	167	97.7%
01536	\$358,200	8.45%	14	75.00%	73	98.3%
01537	\$215,800	-35.58%	5	150.00%	90	102.0%
01540	\$250,500	4.51%	12	33.33%	122	97.0%
01541	\$477,300	11.44%	7	133.33%	227	86.7%
01543	\$298,500	-9.16%	12	-36.84%	78	95.0%
01545	\$391,800	-7.94%	53	-18.46%	136	96.6%
01550	\$202,500	2.12%	18	0.00%	131	95.5%
01560	\$269,800	-50.27%	8	300.00%	117	95.7%
01562	\$266,900	14.06%	16	-11.11%	112	96.5%

*** % Change of current quarter compared to the same quarter to year ago.

Worcester County, MA

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
01564	\$407,600	25.07%	12	9.09%	86	100.0%
01566	\$305,100	-7.29%	16	-23.81%	131	97.3%
01568	\$374,600	-9.25%	12	0.00%	161	96.9%
01569	\$297,900	-19.00%	17	-34.62%	147	96.5%
01570	\$242,000	-29.83%	12	-36.84%	82	97.4%
01571	\$241,100	-10.74%	17	41.67%	102	97.7%
01581	\$428,900	-29.06%	22	22.22%	103	94.6%
01583	\$265,000	-1.19%	11	10.00%	127	97.0%
01585	\$263,600	17.16%	4	-60.00%	135	96.8%
01588	\$235,000	-28.77%	20	150.00%	159	97.0%
01590	\$413,200	17.15%	14	40.00%	239	97.3%
01602	\$201,400	-25.55%	25	-37.50%	101	93.5%
01603	\$182,300	-16.87%	24	0.00%	81	94.8%
01604	\$210,700	-4.40%	46	24.32%	110	94.8%
01605	\$235,000	-9.65%	30	15.38%	92	97.0%
01606	\$211,200	-12.15%	22	-45.00%	75	95.5%
01607	\$130,200	-44.48%	14	250.00%	125	93.2%
01608	\$409,000	N/A	1	N/A	85	99.7%
01609	\$287,400	-13.85%	27	285.71%	81	99.9%
01610	\$158,200	-16.78%	9	125.00%	131	93.5%
01611	\$157,500	-22.22%	4	100.00%	41	97.7%
01612	\$217,700	-18.43%	3	-62.50%	104	95.4%
01740	\$750,000	19.18%	5	-64.29%	55	99.9%
01747	\$317,600	3.18%	12	140.00%	74	93.4%
01756	\$454,000	-8.65%	11	-15.38%	105	93.5%
01757	\$307,600	-3.03%	44	25.71%	146	98.4%
01772	\$598,200	18.76%	15	36.36%	117	99.6%

*** % Change of current quarter compared to the same quarter to year ago.

Others

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
02539	\$410,000	-30.21%	1	0.00%	102	97.6%
02568	\$300,000	N/A	1	N/A	117	93.8%
02573	\$572,000	N/A	1	N/A	80	93.5%
02816	\$306,000	N/A	1	N/A	18	98.7%
02818	\$100,000	N/A	1	N/A	166	80.1%
02822	\$324,000	N/A	1	N/A	206	98.2%
02859	\$451,000	N/A	2	N/A	163	101.5%
02860	\$193,200	-12.97%	3	0.00%	116	92.4%
02861	\$274,400	16.87%	7	75.00%	78	94.2%
02863	\$191,500	N/A	2	N/A	14	99.5%
02864	\$341,300	-2.07%	11	-15.38%	141	95.4%
02865	\$272,000	-19.55%	2	-60.00%	82	97.1%
02871	\$302,800	-13.49%	2	100.00%	122	95.7%
02878	\$600,200	59.63%	8	-50.00%	186	96.2%
02880	\$90,000	N/A	1	N/A	41	90.9%
02888	\$175,000	-26.16%	1	-50.00%	162	87.5%
02889	\$193,000	-1.78%	2	100.00%	91	91.9%
02893	\$210,000	N/A	1	N/A	10	95.5%
02895	\$245,000	-1.92%	3	-40.00%	130	99.3%
02896	\$332,000	25.76%	2	100.00%	43	95.7%
02904	\$266,300	N/A	2	N/A	142	86.0%
02910	\$265,000	N/A	1	N/A	23	93.0%
02911	\$119,900	N/A	1	N/A	118	100.0%
02916	\$240,000	-8.75%	1	-50.00%	489	94.2%
02917	\$279,000	N/A	1	N/A	10	100.0%
02919	\$260,000	-9.44%	1	-50.00%	104	94.2%
03038	\$170,200	-44.60%	6	-25.00%	136	96.1%
03042	\$300,400	N/A	3	N/A	294	98.6%
03044	\$337,000	-11.55%	1	-50.00%	219	93.6%
03045	\$279,000	N/A	1	N/A	128	100.0%
03048	\$369,900	63.46%	1	-66.67%	160	98.7%
03049	\$233,200	N/A	3	N/A	168	94.2%
03051	\$294,800	-5.72%	6	100.00%	177	97.8%
03052	\$372,500	34.28%	1	-50.00%	65	99.4%

*** % Change of current quarter compared to the same quarter to year ago.

Others

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
03053	\$314,700	-12.58%	13	333.33%	176	97.2%
03054	\$233,800	N/A	7	N/A	84	97.4%
03055	\$239,800	-38.90%	5	150.00%	168	93.3%
03060	\$223,100	-30.00%	2	-60.00%	75	98.1%
03062	\$329,600	-4.10%	8	166.67%	42	97.7%
03063	\$288,000	-13.64%	4	0.00%	125	96.1%
03064	\$213,000	-23.46%	1	-66.67%	83	99.1%
03071	\$221,600	-28.65%	3	-66.67%	142	93.7%
03076	\$370,700	-2.40%	9	-10.00%	67	98.9%
03077	\$229,700	-2.38%	4	100.00%	27	100.4%
03079	\$256,800	-35.05%	13	-7.14%	176	93.7%
03084	\$339,000	N/A	1	N/A	42	100.0%
03087	\$381,600	-31.01%	17	112.50%	206	100.5%
03103	\$140,000	-42.51%	1	-50.00%	68	101.1%
03104	\$164,300	N/A	2	N/A	158	100.0%
03109	\$176,900	N/A	1	N/A	12	98.3%
03110	\$580,300	N/A	3	N/A	83	98.4%
03220	\$125,000	N/A	1	N/A	850	89.3%
03253	\$356,000	N/A	1	N/A	250	103.8%
03263	\$262,500	N/A	1	N/A	62	95.5%
03275	\$250,000	-20.63%	3	200.00%	218	102.1%
03290	\$200,000	N/A	1	N/A	97	95.2%
03301	\$276,500	N/A	2	N/A	191	107.0%
03303	\$294,800	N/A	1	N/A	329	121.4%
03304	\$176,000	-55.10%	1	0.00%	42	100.6%
03431	\$69,300	N/A	2	N/A	20	95.8%
03447	\$185,000	15.70%	1	0.00%	175	97.4%
03461	\$259,000	-6.13%	3	-50.00%	79	93.7%
03465	\$47,500	-66.17%	1	0.00%	98	79.8%
03470	\$50,000	-80.76%	1	0.00%	71	90.9%
03570	\$251,500	73.45%	1	0.00%	180	97.1%
03581	\$125,000	N/A	2	N/A	87	86.5%
03582	\$51,500	N/A	1	N/A	169	90.4%
03801	\$289,500	N/A	2	N/A	64	85.3%
03811	\$381,300	0.87%	4	300.00%	99	85.4%
03826	\$303,000	10.18%	2	100.00%	66	96.2%

*** % Change of current quarter compared to the same quarter to year ago.

Others

Data by Zip Codes for Q4 2007

Zip Code	Average Price	Price Change ***	Total # Homes Sold (Quarter)	% Change in # Homes Sold ***	Average Days on Market	% of Asking Price (Sold/ List Price)
03827	\$312,000	N/A	1	N/A	50	91.8%
03833	\$300,500	-34.29%	2	-33.33%	105	97.0%
03841	\$280,000	-15.54%	3	50.00%	49	95.2%
03842	\$324,800	N/A	7	N/A	125	96.0%
03848	\$191,100	-33.88%	4	0.00%	193	95.5%
03855	\$429,000	N/A	1	N/A	7	100.0%
03858	\$280,000	-26.32%	1	0.00%	154	86.2%
03865	\$238,300	-16.42%	6	50.00%	154	93.0%
03873	\$150,000	-43.10%	3	200.00%	80	86.7%
03874	\$118,900	-62.11%	11	266.67%	107	95.1%
03885	\$153,000	N/A	1	N/A	145	95.9%
04330	\$154,500	N/A	1	N/A	130	91.4%
06071	\$352,500	40.27%	2	-50.00%	106	94.2%
06076	\$260,000	34.85%	9	80.00%	59	96.5%
06082	\$219,100	1.67%	7	75.00%	96	96.3%
06093	\$226,500	7.86%	1	0.00%	156	90.6%
06226	\$105,000	N/A	1	N/A	16	89.4%
06239	\$240,000	N/A	1	N/A	25	100.0%
06241	\$275,000	26.44%	1	-50.00%	122	98.2%
06255	\$182,900	10.85%	1	0.00%	52	104.6%
06260	\$264,200	14.87%	6	500.00%	102	100.8%
06264	\$245,000	N/A	1	N/A	80	96.1%
06277	\$141,500	-40.17%	2	-60.00%	95	87.1%
06281	\$299,000	27.78%	1	0.00%	3	100.0%
06351	\$303,000	N/A	1	N/A	66	67.3%
06374	\$220,000	N/A	2	N/A	84	97.8%

*** % Change of current quarter compared to the same quarter to year ago.

Jekyll and Hyde...A Market with Two Faces

By Ken Fears
Manager, Regional Economics

Buyers have been bombarded with horror stories lately. Sales have fallen sharply, foreclosures have risen, inventories are near record levels, and homes are sitting on the market longer. Finally, out right price declines are being reported at the national level and in many local markets. But isn't this a good thing for buyers? Yes, and they are beginning to take note.

For months now the media has been portraying the downside of the transition of this housing market from a sellers' to a buyers market. But for every loser there is a winner and now it is buyers' time to reap the benefits. The recent shake up in the mortgage market has conferred on buyers the last of the important prerequisites for it to truly be a buyers market. Despite what many pundits have argued for a year or more, it has not been a buyers' market. Home sales slowed and days on market rose, but buyers were not buying...and they shouldn't have. Prices were flat or rising in the face of mortgage rates that were climbing. From June of 2005 to July of 2007 the average 30-year fixed, conforming mortgage climbed from 5.6% to 6.7%. This combination pushed affordability down as monthly payments rose beyond what was realistic for most buyers. Consequently, many would-be buyers chose to forgo buying rather than get stuck with risky loans.

But the recent sub-prime fallout pushed already extended sellers to do things that they were hoping not to; to accept appraisals, to fix issues with their property prior to sale, and to make price or financing concessions. The last straw snapped with the virtual elimination of the sub-prime market. During the hay-day of the housing market, buyers could scarcely use FHA loans, which carry average rates of 6.5% versus 9.5% for sub-prime, because FHA mortgages require appraisals, more paper work and took significantly more time. Sellers simply would not entertain bids from bidders with these mortgages in the face of so many other buyers who were willing to find other means of financing that were more appealing for sellers. Now, sellers don't have that luxury and buyers have the upper hand on this and many other parts of the negotiation process.

The winds are blowing with buyers who've been disgruntled and move to the side lines. But soon they will face rising rents and they will be forced to ask themselves whether to continue to rent or to buy. When they re-evaluate this decision, they will find a much more pleasant landscape.

But this opportunity has not been extended to all segments of the buying market. The recent mortgage market melt-down extended the spread between loans that fall under the conforming loan limit of \$417,000 and those that do not. The \$417,000 limit is crucial to investors in mortgage backed securities because it is the maximum value of a mortgage that the GSEs will back. This implicit insurance against default risk is the only thing that has kept funding in the mortgage market at all. Buyers that are using mortgages above this limit, called jumbo loans, face much higher mortgage rates, while conforming rates have slipped. On average, the spread between conforming and jumbo rates rose to 96 basis points (e.g. the difference between 6.0% and 6.96% for example) versus just 23 basis points back in early July of 2007.

Here in the area covered by the MLS Property Information Network roughly 26.5% of the market falls into the jumbo category, while the rest are conforming. In the fourth quarter of 2007, sales of homes in the jumbo price range rose by 32.9% compared to the same period in 2006. Sales of homes in the conforming category rose by 9.4%. This analysis suggests that, by comparison, the sharp increase in jumbo rates is not having a strong effect on properties priced over the conforming limit.

The difference for a buyer on the margin between a conforming loan and a jumbo loan is immense. It is the difference between a door wide open and a door firmly shut. This market can seem dire for those in higher priced markets, but the door is not shut to all. The opportunities for those who can find homes under the conforming loan limit are boundless and buyers' agents should be steering their clients with this in mind. Likewise, seller's agents should take note, that moving their clients to market to this category, via reduced price, forgoing improvements, help with financing or closing costs or any other means to help the buyer afford the down payment that might put them into a conforming loan, is critical. FHA reform has reduced many of the once onerous requirements on these loans, making them more appealing to sellers. Finally, NAR has worked tirelessly to get the conforming loan limit raised by Congress. If this legislation is passed, it will help to restore confidence in a substantial portion of the jumbo market and re-energize the higher-end market.

Spinning the Wheels

Lawrence Yun, NAR Chief Economist

Though unlikely given abundant pent-up demand, we are faced with the possibility that the housing market could spur a vicious cycle. The market is fragile due to excessive pessimism among potential home buyers. A lack of buyers pushes up inventory. High inventory depresses home prices. Falling home prices raise foreclosures. Higher foreclosures lead to further pessimism among potential buyers. The cycle starts again.

This situation, driven by a lack of buyer confidence, not only impacts homeowners and the housing industry but could easily spread to the broader economy. Any further weakening in the housing market and its related housing wealth impact will likely throw GDP growth into negative territory — by a full two percentage points. That could push the economy into a virtually “no-growth zone” and very close to an economic recession.

Why are buyers hesitant? Obviously each household makes its own decision as to whether or not it’s time to purchase a home. But there are several major factors that may be holding buyers back.

Anticipated lower home prices are holding back many people from buying a home now. Foreclosures will continue to rise in 2008. Rising foreclosures also push prices downward. In addition, the psychological effect of rising foreclosures affect people’s outlook on housing.

Anticipated lower interest rates are also restraining potential buyers. It is widely believed that the Federal Reserve will be cutting interest rates in the next two meetings of the Federal Open Market Committee. While there is no direct relationship between a Fed rate cut and mortgage rate changes, many consumers perceive that mortgage rates will fall with the later cuts. I should note here that NAR advocates a one-time large rate cut rather than a series of small rate cuts in order to end the delay in home buying.

Subprime lending has virtually disappeared since August, 2007. It had comprised about 20% of mortgage originations. While some subprime lending will return, it will do so with improved underwriting standards, a stricter and sounder regulatory environment, and with proper pricing of risk. But the timing of its return remains very uncertain. A recent pick-up in FHA loan endorsement is very encouraging in bringing some would be subprime borrowers into loans with much safer interest rates and in helping some homeowners refinance out of the riskier subprime loans.

The jumbo mortgage market is not functioning. Current conforming mortgages average about 6%. Based on historical trends, rates on jumbo loans would be about 6.2% or 6.3%. Rather, the rates are closer to 7% due to the investor fear of anything U.S. mortgage that does not have a (perceived) backing of the U.S. government. Any rational home buyer will balk at such a higher interest rate.

How to stop this vicious cycle? Any boost to buyer confidence will have a significant impact in reviving the housing market and in lifting the economy. As I mentioned briefly last month in this column, one policy measure that can lift buyer confidence is raising the GSE (Fannie Mae, Freddie Mac) loan limits. A simple lifting of the loan limit from its current \$417,000 to \$625,000 would enable more households to enter the housing market using a conventional mortgage. The direct higher sales would likely induce other hesitant buyers into the marketplace. More home sales will lower inventory and thus strengthen home prices. Any strengthening in home prices could possibly have the biggest impact in lowering foreclosures.

What does that mean in “real life?” We estimate raising the GSE loan limit to \$625,000 will result in:

- 348,000 additional home sales
- \$44 billion in increased economic activity
- \$274 to \$411 per month savings in interest payments for consumers who get new “GSE jumbo” loans versus current private jumbo loans
- potentially 500,000 refinancings of jumbo loans at lower interest rates
- a reduction in the national months’ supply of homes on the market by one month
- strengthen home prices by two to three percentage points
- a reduction in the number of foreclosures by 140,000 to 210,000

All this will help improve our economy. Each home sale contributes to GDP. In 2001, a typical first-time home buyer spent \$3,500 on furniture, carpet, painting, faucets, and other items after purchasing a home. Trade-up buyers spent \$5,000. Obviously those amounts would be greater today – conservatively, I’d say the average would be \$4,500.

There is also income generated by real estate services (moving companies, mortgage lending, inspection, appraisers, etc.), estimated to be about 9% of the home sale price. A \$417,000 home sale generates \$37,500 in direct economic activity. There is also the multiplier effect. The home inspector who earned a fee on that home sale goes out to dinner at a restaurant. The owner of that restaurant buys a plasma screen TV. The TV salesperson takes his/her sales commission and takes a vacation. The vacation resort hires additional workers. Those workers will buy a home ...

It’s another cycle – but not a vicious one.

The Forecast

By Lawrence Yun, *Vice President, NAR Research*

The weakness in the U.S. economy in the fourth quarter of 2007 was affirmed by very soft job figures for December. Only 18,000 net new payroll jobs were added during the month compared to 119,000 monthly job gains for the rest of 2007 and 189,000 (monthly) in 2006. The unemployment rate rose to 5.0%, its highest level in two years, after having treaded at around 4.5% in the first half of 2007.

Current housing market conditions remain weak. The national existing home sales have been right at or near 5 million for the past three months, possibly hinting at stabilization and a formation of a bottom. But the current annualized sales pace would only match the 1998 annual figures (10 years ago) and are down 20% from a year ago and down 30% from the peak year of 2005. The current level of activity is far below that of even the pre-boom year of 2001.

New home construction and new home sales have contracted even more. Recent new single-family housing starts have been in the range of 800,000 to 900,000 and new home sales have fallen well below 700,000. Those figures are down by roughly 50% from their respective peak annual figures in 2005. Though the cutbacks are hampering the economy, they have brought down housing inventory. Housing supply is one of those figures that is usually not in the headlines, but new home inventory has been trending down for more than a year. There were 570,000 new homes for sale in the summer of 2007. There were 509,000 at end of November.

The near-term forecast continues to point toward weak conditions. NAR's pending home sales index remains soft, though it has been essentially flat for the past four months. Will housing demand return solidly by spring of 2008 — even after we account for the normal higher sales activity in the spring months? It is a bit uncertain. On the one hand we have a sizable pent-up demand from 4 million job gains in the past two years. On the other hand, we have buyers waiting it out, hoping for lower home prices and lower interest rates. Because of this push and pull on the consumer psyche the forecast has become more uncertain. Improved financial capacity and improved housing affordability will be enticing for some consumers. Yet, other consumers will continue to wait out to see the bottom in housing before making the move.

As to the MLSPIN serving region, home sales fell 21% in 2007 even though the region added 54,800 jobs in the past 24 months. With the stimulative packages of tax cuts and lower interest rates underway, the economy will avoid recession. The higher loan limit on FHA and GSE loans will further permit more people to access low interest rate loans. It is possible there could be a quick turnaround to the housing market. A market timing strategy nearly always brings regrets – bought too early or bought too late. But people who are purchasing for a non-flipping reason of five or more years can be nearly guaranteed that they will come out ahead. But, no one should over-extend herself to become a homeowner. It is in no one's interest to see rising and then falling homeownership rate. It is SUSTAINABLE homeownership that benefits all.

Economic and Housing Market Outlook: February 2008

	Quarterly									2007	2008	2009	
	2007.2	2007.3	2007.4	2008.1	2008.2	2008.3	2008.4	2009.1	2009.2				2009.3
U.S. Economy													
<i>Annual Growth Rate</i>													
Real GDP	3.8	4.9	0.6	1.2	2.2	2.7	2.9	2.9	2.5	2.8	2.2	2.2	2.7
Nonfarm Payroll Employment	0.9	0.8	0.8	0.0	0.5	1.0	1.2	1.3	1.4	1.5	1.1	0.6	1.4
Consumer Prices	6.0	1.9	4.3	2.4	2.2	1.3	1.5	1.4	1.3	1.3	2.9	2.7	1.4
Real Disposable Income	-0.8	4.5	0.3	1.0	2.0	2.8	3.1	4.7	3.4	3.3	3.1	1.7	3.5
Consumer Confidence	110	107	106	91	87	85	85	86	90	92	103	87	92
<i>Percent</i>													
Unemployment Rate	4.5	4.7	4.8	5.1	5.2	5.4	5.4	5.3	5.2	5.1	4.6	5.3	5.2
<i>Interest Rates, Percent</i>													
Fed Funds Rate	5.3	5.1	4.5	3.2	3.0	3.0	3.0	3.3	3.5	3.8	5.0	3.0	3.6
3-Month T-Bill Rate	4.7	4.3	3.4	2.7	2.7	2.8	2.9	3.2	3.4	3.6	4.4	2.8	3.5
Prime Rate	8.3	8.2	7.5	6.2	6.0	6.0	6.0	6.3	6.5	6.8	8.1	6.0	6.6
Corporate Aaa Bond Yield	5.6	5.8	5.5	5.1	5.2	5.3	5.4	5.5	5.6	5.7	5.6	5.2	5.7
10-Year Government Bond	4.8	4.7	4.3	3.7	3.8	4.0	4.2	4.3	4.4	4.5	4.6	3.9	4.5
30-Year Government Bond	5.0	4.9	4.6	4.0	4.2	4.3	4.5	4.6	4.7	4.8	4.8	4.3	4.8
<i>Mortgage Rates, percent</i>													
30-Year Fixed Rate	6.3	6.6	6.2	5.6	5.6	5.8	5.9	6.1	6.2	6.3	6.3	5.7	6.3
1-Year Adjustable	5.5	5.7	5.6	5.1	4.9	4.8	4.7	4.8	4.9	5.0	5.5	4.9	5.0
National Housing Indicators													
<i>Thousands</i>													
Existing Single-Family Sales	5,917	5,420	4,957	4,912	4,982	5,637	5,884	5,845	5,530	5,411	5,652	5,380	5,595
New Single-Family Sales	855	730	654	641	633	633	643	678	675	703	774	637	685
Housing Starts	1,464	1,300	1,151	1,111	1,085	1,075	1,056	1,056	1,051	1,073	1,354	1,082	1,068
Single-Family Units	1,166	990	830	791	781	773	752	737	726	748	1,046	774	742
Multifamily Units	299	310	321	320	304	302	305	319	325	326	308	307	326
Residential Construction*	491	463	433	406	395	392	389	387	385	388	473	396	388
<i>Percent Change -- Year Ago</i>													
Existing Single-Family Sales	-10.7	-13.8	-20.9	-23.5	-15.8	4.0	18.7	19.0	11.0	-4.0	-12.8	-4.8	4.0
New Single-Family Sales	-21.3	-26.6	-33.7	-24.9	-26.0	-13.3	-1.7	5.8	6.8	11.1	-26.4	-17.7	7.6
Housing Starts	-21.3	-23.7	-26.0	-23.9	-25.9	-17.3	-8.2	-4.9	-3.1	-0.2	-24.8	-20.1	-1.3
Single-Family Units	-23.3	-28.9	-32.6	-32.5	-33.0	-21.9	-9.5	-6.8	-7.0	-3.3	-28.6	-26.0	-4.2
Multifamily Units	-12.4	-0.3	-0.7	10.8	1.7	-2.7	-5.0	-0.1	6.9	8.0	-8.3	-0.2	6.0
Residential Construction	-16.5	-16.5	-18.3	-19.8	-19.4	-15.4	-10.0	-4.8	-2.5	-1.1	-16.9	-16.4	-1.9
National Home Prices													
<i>Thousands of Dollars</i>													
Existing Home Prices	223.9	221.2	208.0	200.9	214.9	228.7	216.1	207.8	223.1	237.2	218.9	216.3	223.2
New Home Prices	241.0	241.0	231.6	235.7	231.1	242.0	236.2	241.1	240.4	253.1	246.9	236.3	248.2
<i>Percent Change -- Year Ago</i>													
Existing Home Prices	-1.3	-1.7	-5.2	-6.1	-4.0	3.4	3.9	3.4	3.8	3.7	-1.4	-1.2	3.2
New Home Prices	-2.1	2.0	-5.5	-7.9	-4.1	0.4	2.0	2.3	4.0	4.6	0.2	-4.3	5.0
Local Region													
Payroll Jobs (in thousands)	2484.4	2479.5	2514.3	2455.7	2499.3	2494.4	2539.4	2480.2	2526.8	2529.3	2466.7	2497.2	2519.7
Home Sales	8399	7417	9393	3560	8567	7855	10858	3838	9192	8365	30429	30840	32612
Home Prices (in thousand \$)	441.6	461.5	372.5	404.7	435.5	466.6	383.7	417.7	449.4	483.4	422.0	421.6	451.5
<i>Percent Change -- Year Ago</i>													
Jobs	1.2%	1.2%	1.1%	0.8%	0.6%	0.6%	1.0%	1.0%	1.1%	1.4%	0.7%	1.2%	0.9%
Home Sales	-32.0%	-33.8%	30.8%	-31.8%	2.0%	5.9%	15.6%	7.8%	7.3%	6.5%	-21.3%	1.4%	5.7%
Home Prices	1.4%	5.4%	-7.8%	-4.4%	-1.4%	1.1%	3.0%	3.2%	3.2%	3.6%	-0.9%	-0.1%	7.1%

Quarterly figures are seasonally adjusted annual rates.

* Billion dollars

Source: Forecast produced using Macroeconomic Advisers quarterly model of the U.S. economy.

Assumptions and simulations by Dr. Lawrence Yun.

This table reflects data available through January 18, 2008.

Monthly Indicator	Recent Statistics	Likely Direction Over the Next Six Months	Forecast
<p>Existing Home Sales registered 5.0 million seasonally adjusted annualized units in November – a slight 0.4% increase from October’s pace but 20.0% lower than the pace in November of 2006. The median price of an existing single-family home was \$210,200 – the first monthly price increase since June. The inventory of existing homes available for sale eased to a 10.3 month supply.</p>	Nov 07 5,000 Oct 07 4,980 Nov 06 6,250	↔	Even sales over the near term and then beginning to rise measurably
<p>New Home Sales declined 9% in November to a seasonally adjusted annual rate of 647,000. The pace was 34.4% off that of November of 2006 and the lowest level since the mid-1990s. The inventory of new homes available for sale at the end of November was at a 9.3 months supply. The good news is that inventory is likely past its peak, and most of the measurable declines in sales have already occurred.</p>	Nov 07 647 Oct 07 711 Nov 06 987	↓	Most of the big declines already taken place, but there could be few more rounds of modest declines
<p>Housing Starts posted a seasonally adjusted annual rate of 1.19 million units – 3.7% off October’s level and 24.2% below that of November 2006. Looking even further back, the latest data represents a 48% decline from the pace in January 2006. Housing permits, generally a reliable future indicator housing starts, fell 1.5% to 1.15 million. Declines are needed due to high inventory. More cutbacks are encouraged to better help stabilize the housing market.</p>	Nov 07 1,187 Oct 07 1,232 Nov 06 1,565	↓	New home inventory has been falling but more is required
<p>Housing Affordability dipped ever so slightly in November. NAR’s Housing Affordability Index stood at 119.3 for the month, off from October’s revised reading of 119.4. The lower average 30-year mortgage rate was offset by an increase in the median price of an existing single-family home. Even so, affordability conditions are better compared to a year ago, when the index was 110.7.</p>	Nov 07 119.3 Oct 07 119.4 Nov 06 110.7	↑	Rising wages and low interest rates push up affordability
<p>Mortgage Rates The 30-year fixed mortgage rate trended lower in December to an average of 6.10%. That is the lowest rate since the peak of the housing boom in October 2005. Low mortgage rates are being influenced by continuous rate cuts by the Federal Reserve. Still, Wall Street is expecting further rate cuts early this year to curb a growing fear of recession.</p>	Dec 07 6.10% Nov 07 6.21% Dec 06 6.14%	↔	Interest rates will remain at near historic lows through the first half of 2008
<p>Employment Job creation was very weak in December, with 18,000 net new jobs added to the economy. About 150,000 new jobs would be considered healthy. The good news: November’s employment figure was revised upward to 115,000 and over the past 12 months 1.3 million jobs have been created. The unemployment rate ticked up to 5%, but is still near historic lows.</p>	Dec 07 18 Nov 07 110 12-month total 1.3 million	↔	Job gains, though modest, will continue — sustained net job cuts are unlikely
<p>Economic Growth Real gross domestic product – GDP – grew 4.9% in the third quarter of 2007. This is the third and final “estimate” of GDP growth based on more complete data. Growth in exports, personal consumption expenditures (PCE), private inventory investment, non-residential structures, federal government spending, equipment and software, and state and local government spending helped offset negative growth in residential fixed investment.</p>	2007:III 4.9% 2007:II 3.8% 2006:III 1.1%	↔	Very slow growth in the first half of 2008 but no economic recession

Notes: All rate are seasonally adjusted. New home sales, existing home sales, and housing starts are shown in thousands. Employment growth is shown as month-to-month change in thousands. Inflation is shown as the month-to-month change in the Consumer Price Index. Sources: NAR, Bureau of the Census, Bureau of Labor Statistics, Freddie Mac, and the Mortgage Bankers Association