The State of Real Estate 2006-07

“Home Sales Decline in 28 States, D.C.”
The Associated Press, August 2006
Google Hits 2006

Paris Hilton 45,100,000

2006 Election 124,000,000

Housing Price Decline 136,000,000
Looking Back to 2005

- Del. Co. Average Sale Price Exceeded $100,000 For The First Time
- The Ice Storm and Negative News Depressed Unit Sales in 2005
- There Was A Balanced Market Below $200M
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Units Sold

8.9% Increase
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Average Sale Price

- 2001: $94,000
- 2002: $86,000
- 2003: $98,000
- 2004: $102,000
- 2005: $102,000
- 2006: $102,000

3.8% Decrease
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Total Sales

4.8% Increase

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Sales (in $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>2002</td>
<td>$60,000,000</td>
</tr>
<tr>
<td>2003</td>
<td>$80,000,000</td>
</tr>
<tr>
<td>2004</td>
<td>$100,000,000</td>
</tr>
<tr>
<td>2005</td>
<td>$120,000,000</td>
</tr>
<tr>
<td>2006</td>
<td>$140,000,000</td>
</tr>
</tbody>
</table>
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Activity By Price Range

- Avg. Price was $97,450
- Median Price was $79,900
- 81.2% were $150,000 or less
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2006 Interest Rates

Jan | March | May | July | Sept. | Nov.
--- | --- | --- | --- | --- | ---
5.875 | 6.375 | 6.50% | 6.125 | 6.375 | 6.00%
5.50% | 6.00% | 6.50% | 7.00%

15 Yr Fixed
30 Yr Fixed

COLDWELL BANKER
LUNSFORD
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2007 Absorption Projections*

*Based on 2006 Sales
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Surrounding County Activity

- Units Sold Decreased 1%
- Sales Prices Increased In All But Madison Co.
- Average Sale Price Increased 4%
- Units Sold Decreased in All But Henry Co.
MIBOR Activity

- Overall Units Sold Decreased 1.9%
- Average Sale Price Increased 1% To $156,612
- Units Sold Up In Hendricks And Madison Co.
- Greatest Sales Price Increase Hamilton Co.
- Greatest Sales Price Decrease in Madison Co.
New Construction Activity

- 40 Units Sold In 2006
  Prices Ranged From $115,000 To $755,000
  Avg. Price $243,791

- 45 Units Available At Yr. End
  Prices Range $67,900 To $799,900
  Avg. Price $264,948

- 4 Units Pending At Yr. End
  Avg. Price $191,425
Delaware Co. Building Permits*

*Single Family, New Construction
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Affordability

Del Co. Median Income Is $45,394
The Median Priced Home In 2006 Was $79,900
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Summary

- The Local Market Did Not Experience The Declines
- Del. Co. Units Sold And Total Sales Volume Set
- Inventory Levels Decreased Significantly
- The Market Is Nearly Balanced Below $250M,
- We Continue to Have Competitive Affordable
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Positive Press

- Muncie Is The Nation’s 9th Most Affordable Market
- Muncie Is The Indiana’s Most Affordable Market
- Muncie Ranks As The Most Affordable College
Outlook For 2007

- Interest Rates Will Rise To Just Above 7%
- The State & Local Economy Will Continue To Improve
- Total Housing Inventory Will Continue Moving Toward A Balanced Level
- Average Sale Price Will Increase By 2-3%
- 2007 Should Be Another Good Year