

Appraisal Institute Metro New Jersey Chapter

Patrick J. O'Keefe
Director of Economic Research



Households¹ Net Worth 2007 - 2009 (End of Year) \$ - Billions

		2007	2009	% Δ
Assets		78,795.4	68,177.5	-13.5%
	Financial	50,758.5	45,114.6	-11.1%
	Real Estate	23,391.4	18,206.9	-22.2%
	Consumer Durables	4,437.5	4,636.5	4.5%
	Other	207.9	219.5	5.6%
Liabilities		14,311.7	14,001.3	-2.2%
	Home Mortgages	10,484.2	10,262.3	-2.1%
	Consumer Credit	2,555.3	2,481.4	-2.9%
	Other	1,272.2	1,257.7	-1.1%
Net Worth		64,483.7	54,176.2	-16.0%

¹Includes nonprofit organizations

Source: Federal Reserve

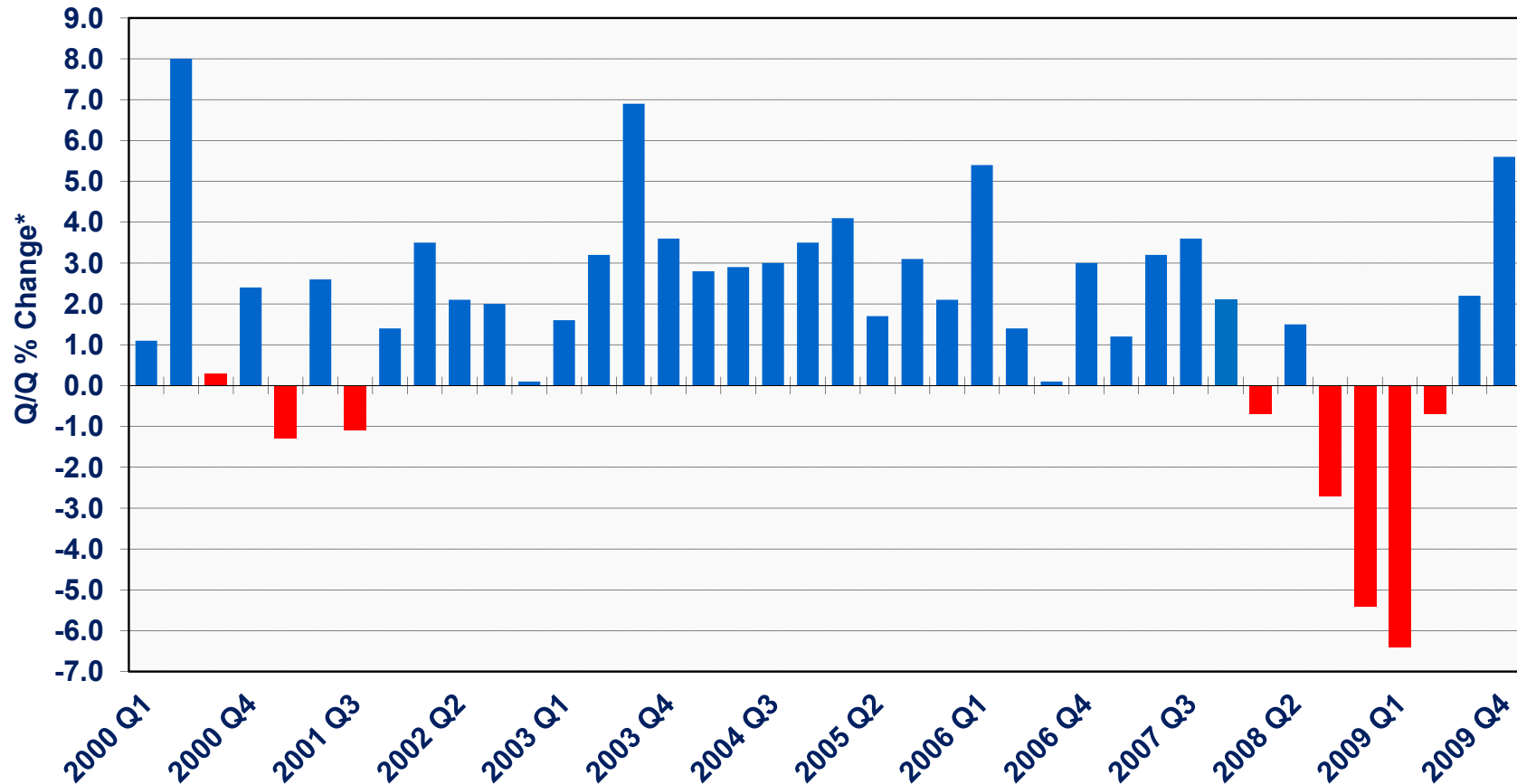
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Source: Federal Reserve

U.S. Real Gross Domestic Product Quarterly % Change 2000 – 2009



Seasonally adjusted annual rate

Source: Bureau of Economic Analysis

N.J. Economic Outlook 2010 - 2011



Indicator	2010		2011
	Jan - Jun	Jul - Dec	Jan - Jun
Economic			
◆ GDP*	↗	→	→
◆ Disposable Personal Income*	→	↗	→
◆ Employment	↗	↗	→
Real Estate (<i>residential</i>)			
◆ Resales	↗	→	→
◆ Starts	→	↗	→
◆ Prices*	↗	→	→
Real Estate (<i>non-residential</i>)			
◆ Occupancy Rate	→	→	↗
◆ Construction	↘	→	→

*Real (i.e., inflation-adjusted) change.

GDP and Employment U.S. & N.J. Distribution by Sector

	GDP – 2008		Jobs - 2009	
	<u>U.S.</u>	<u>N.J.</u>	<u>U.S.</u>	<u>N.J.</u>
Total	\$14.3T	\$475M	130.9M	3.8M
Goods	18.9%	13.1%	14.2%	10.4%
Private Services	68.2%	76.5%	68.6%	72.9%
Government	12.9%	10.4%	17.2%	16.7%

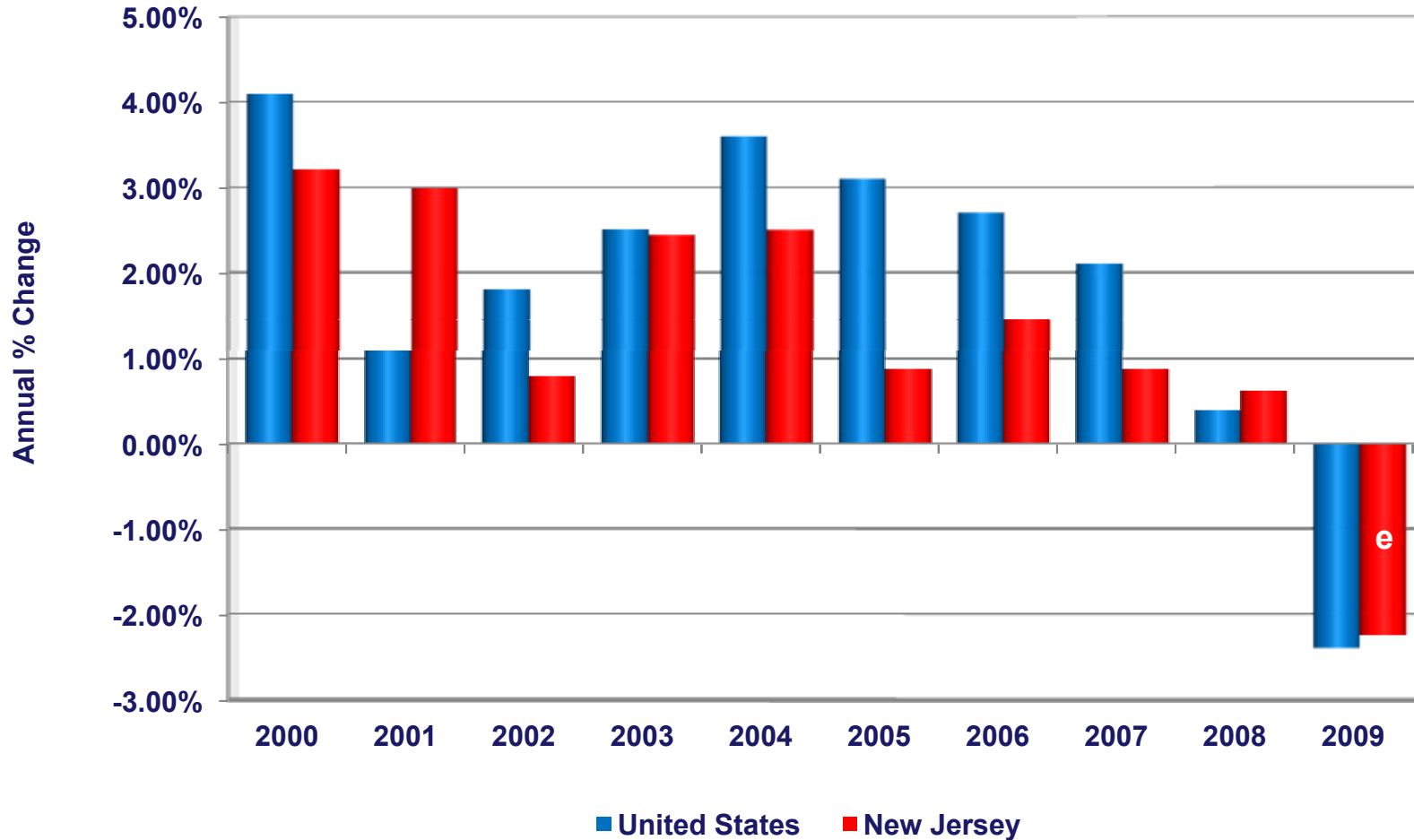
Sources: Bureau of Economic Analysis & Bureau of Labor Statistics

N.J. GDP and Employment Real Estate and Construction 2008

	GDP	Jobs
Total	\$474.9 Billion	4.1 Million Jobs
Construction	3.7%	4.1%
Real Estate & Leasing	15.7%	1.5%

Sources: Bureau of Economic Analysis and Bureau of Labor Statistics

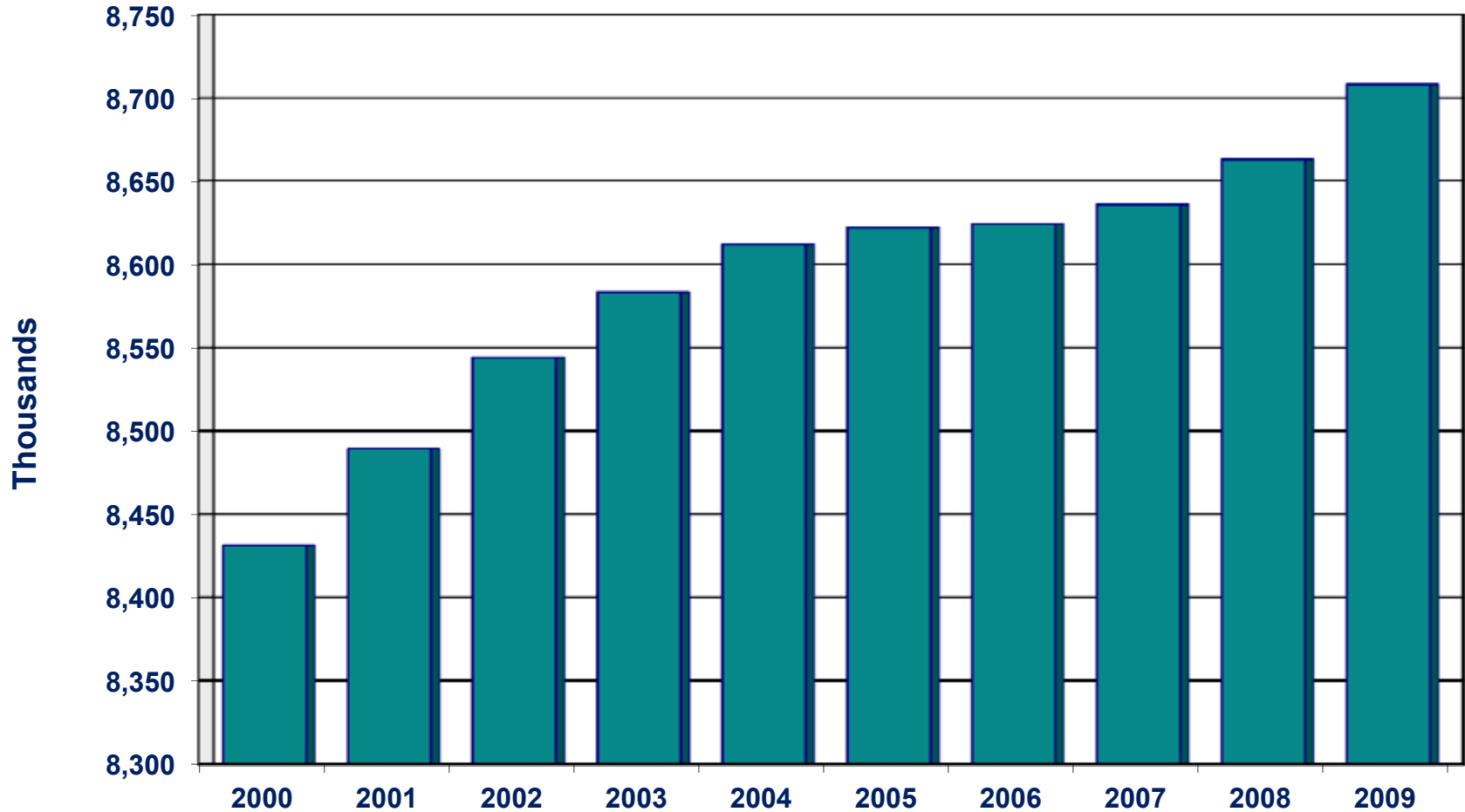
Real Gross Domestic Product U.S. and N.J. 2000 - 2009



e - author's estimate

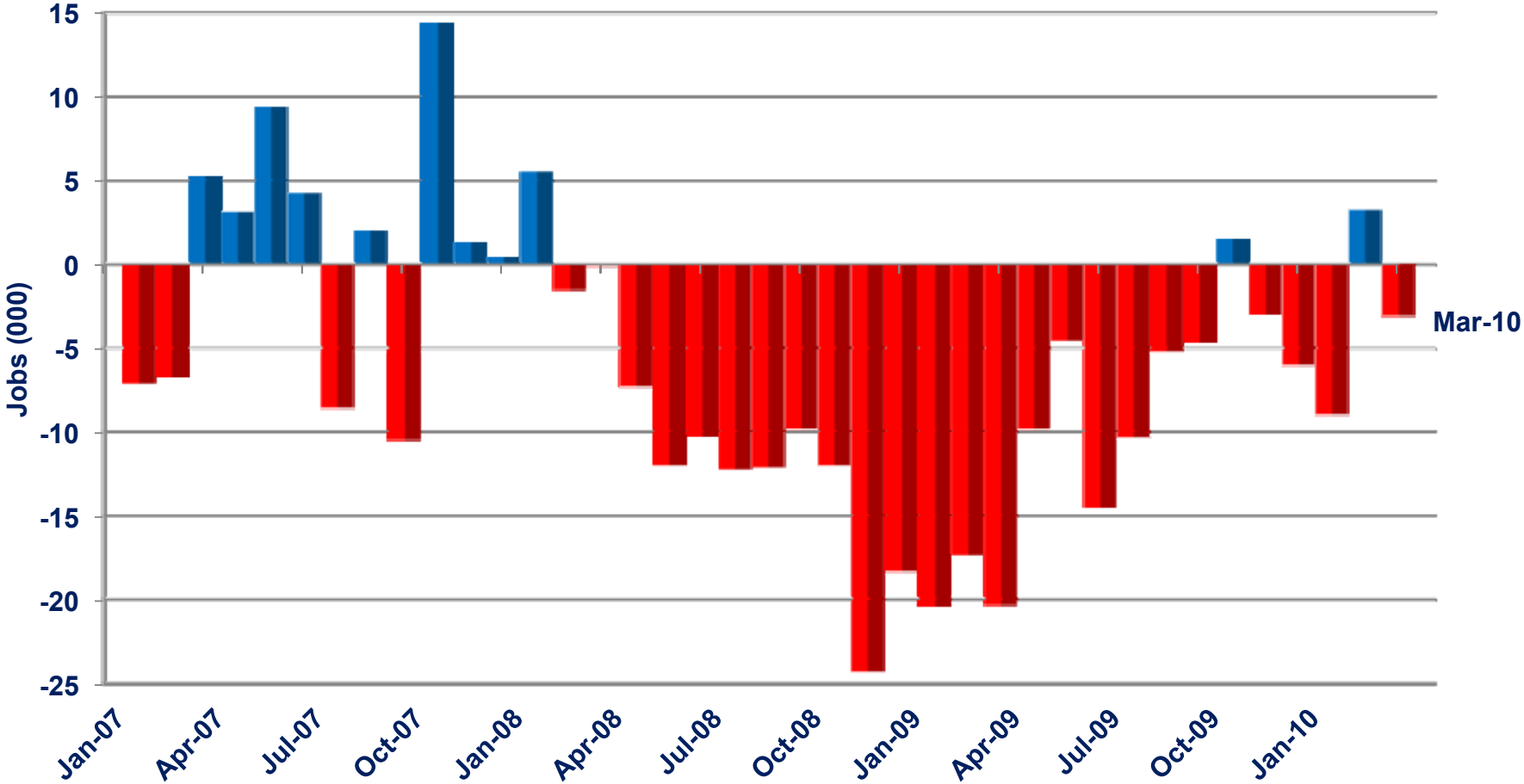
Source: Bureau of Economic Analysis

N.J. Population Estimates 2000 - 2009



Source: Census Bureau

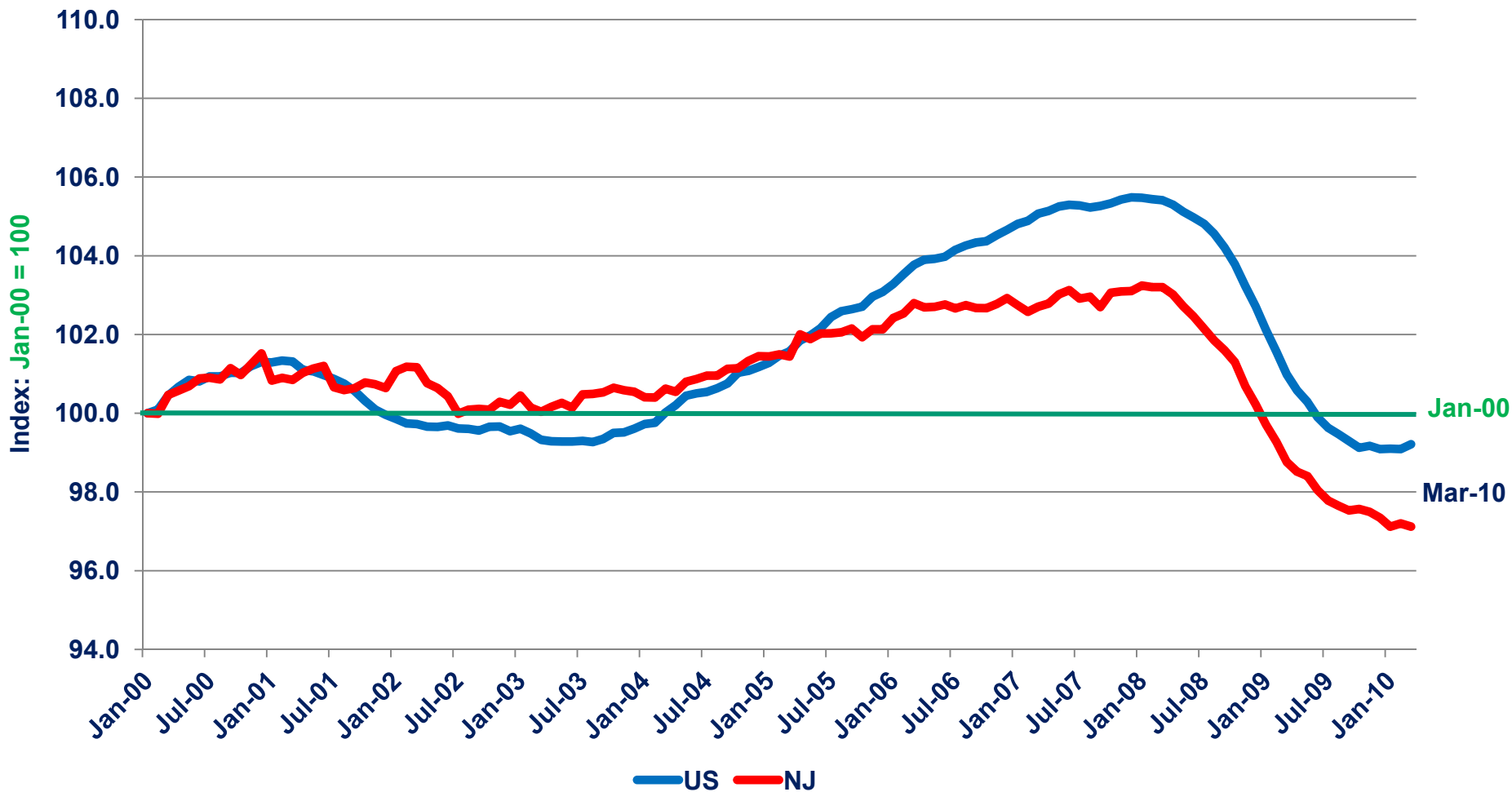
N.J. Jobs Month-on-Month Change 2007 - 2010



Seasonally adjusted

Source: Bureau of Labor Statistics

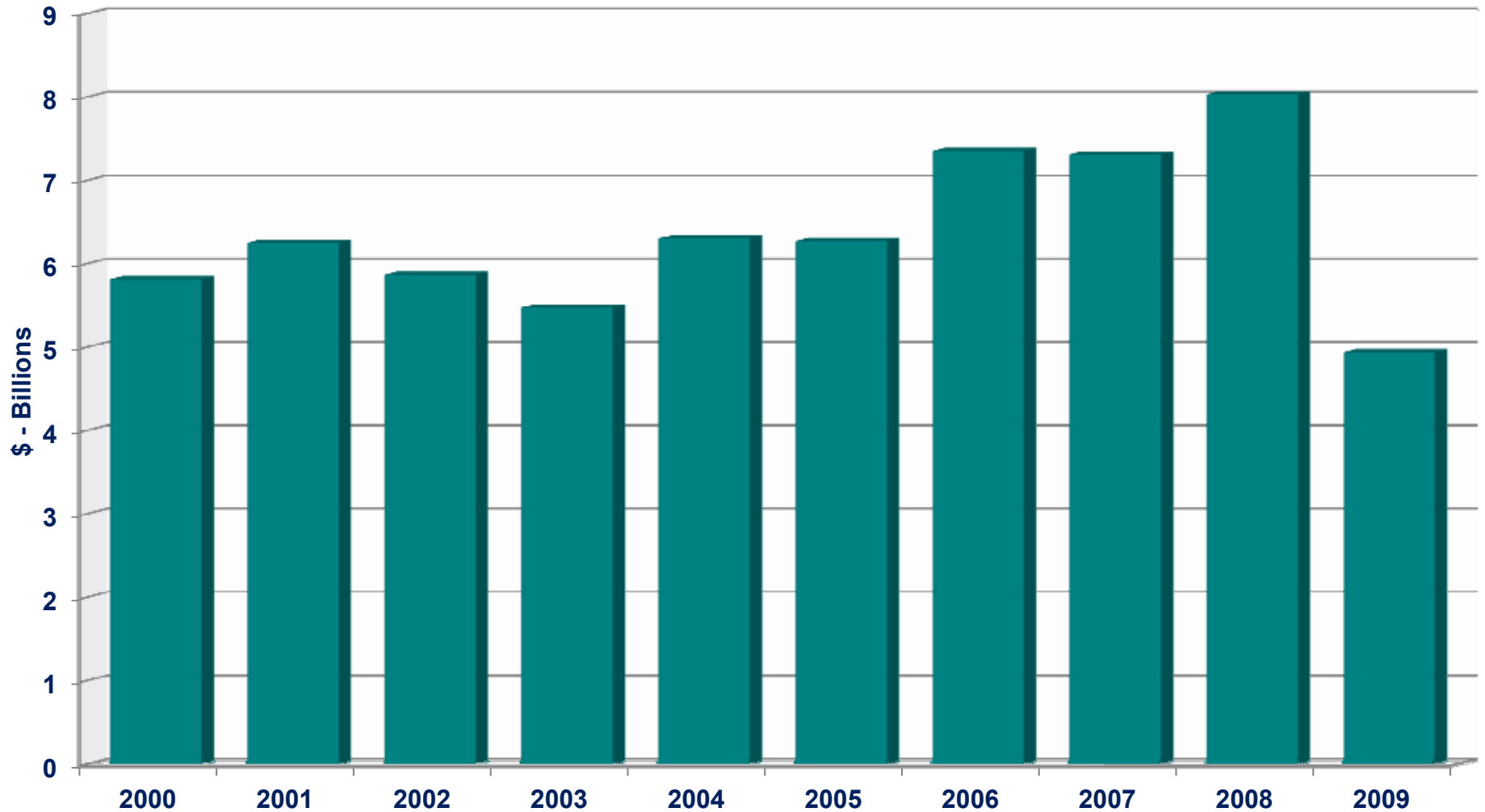
Employment Index U.S. and N.J. 2000 - 2010



Seasonally adjusted; shading indicates recession

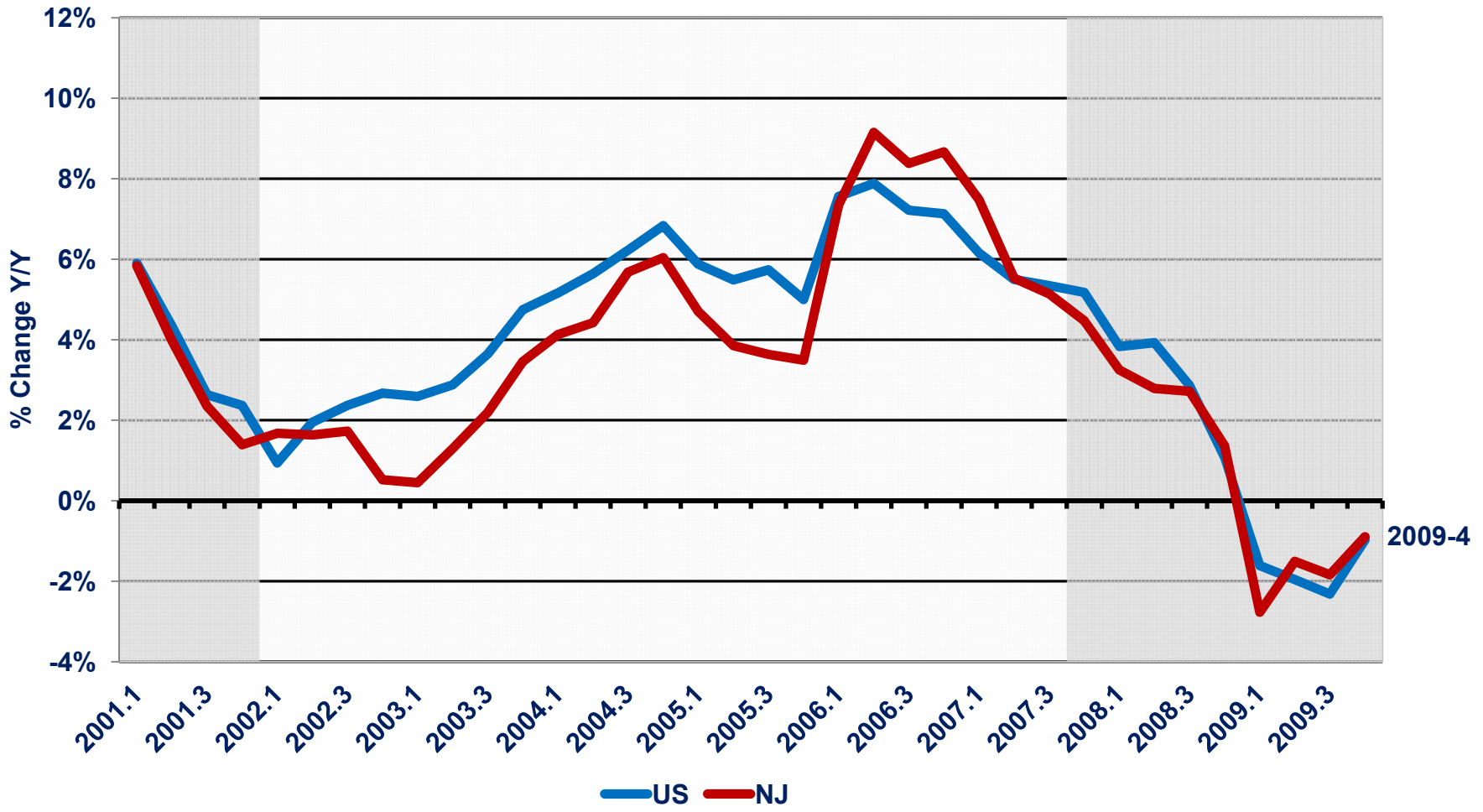
Source: Bureau of Labor Statistics

N.J. Nonresidential Construction Dollar Value of Construction Authorized 2000 - 2009



Source: Department of Community Affairs

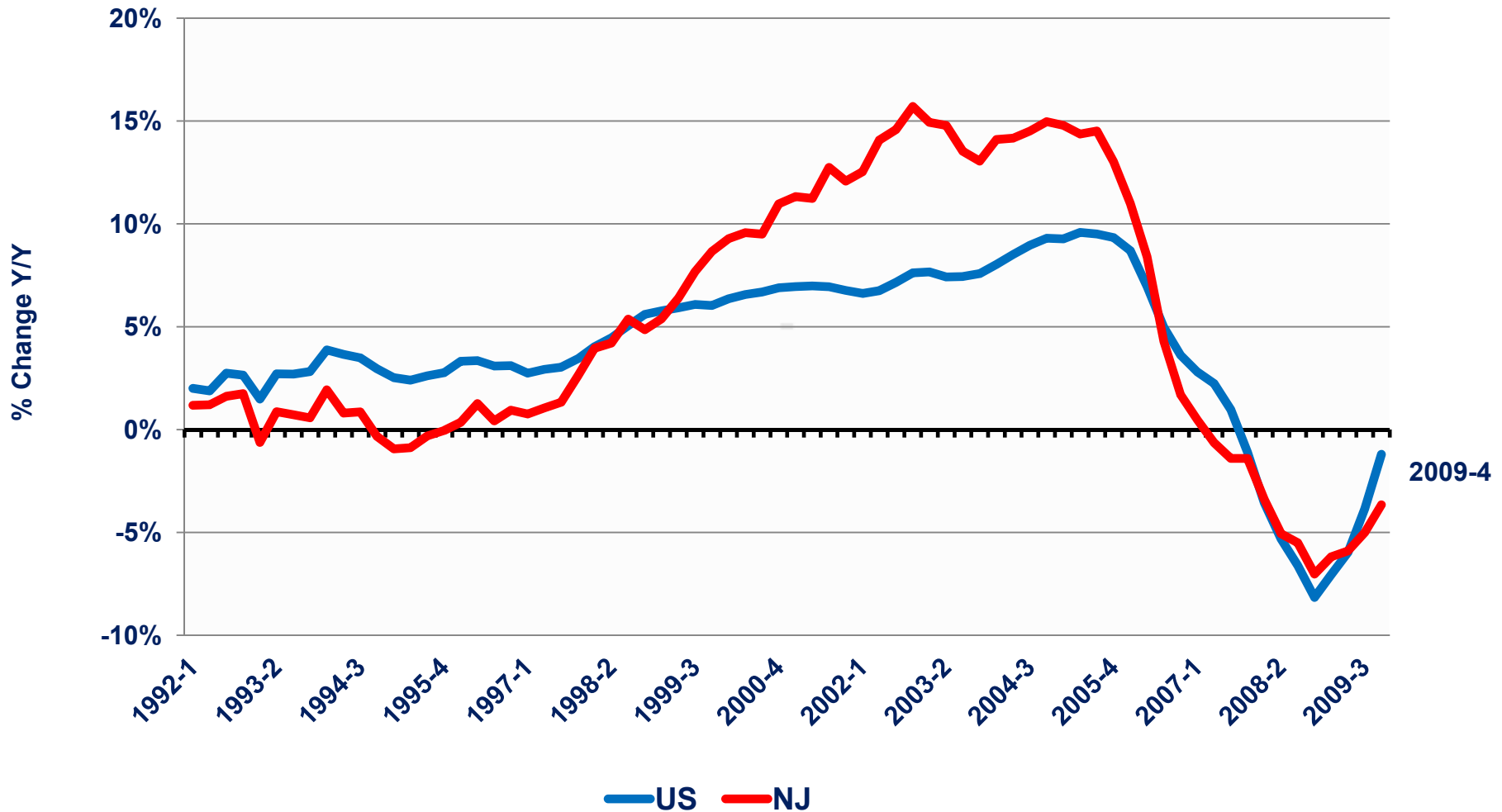
Personal Income U.S. and N.J. Percent Change - Year-on-Year



Seasonally adjusted; shading indicates recession

Source: Bureau of Economic Analysis

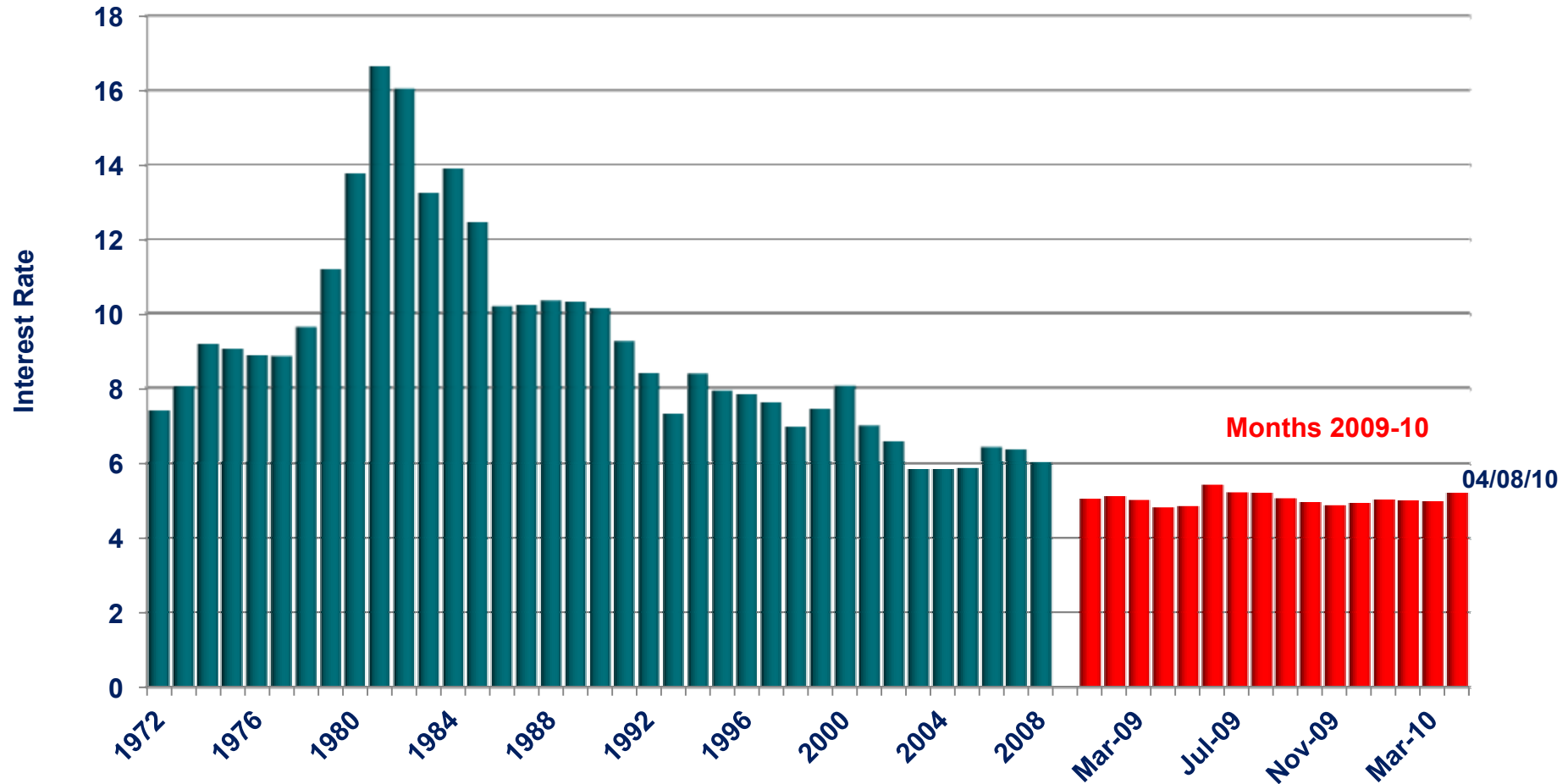
Housing Prices U.S. and N.J. % Change Year-on-Year



Purchase only index; seasonally adjusted

Source: Federal Housing Finance Administration

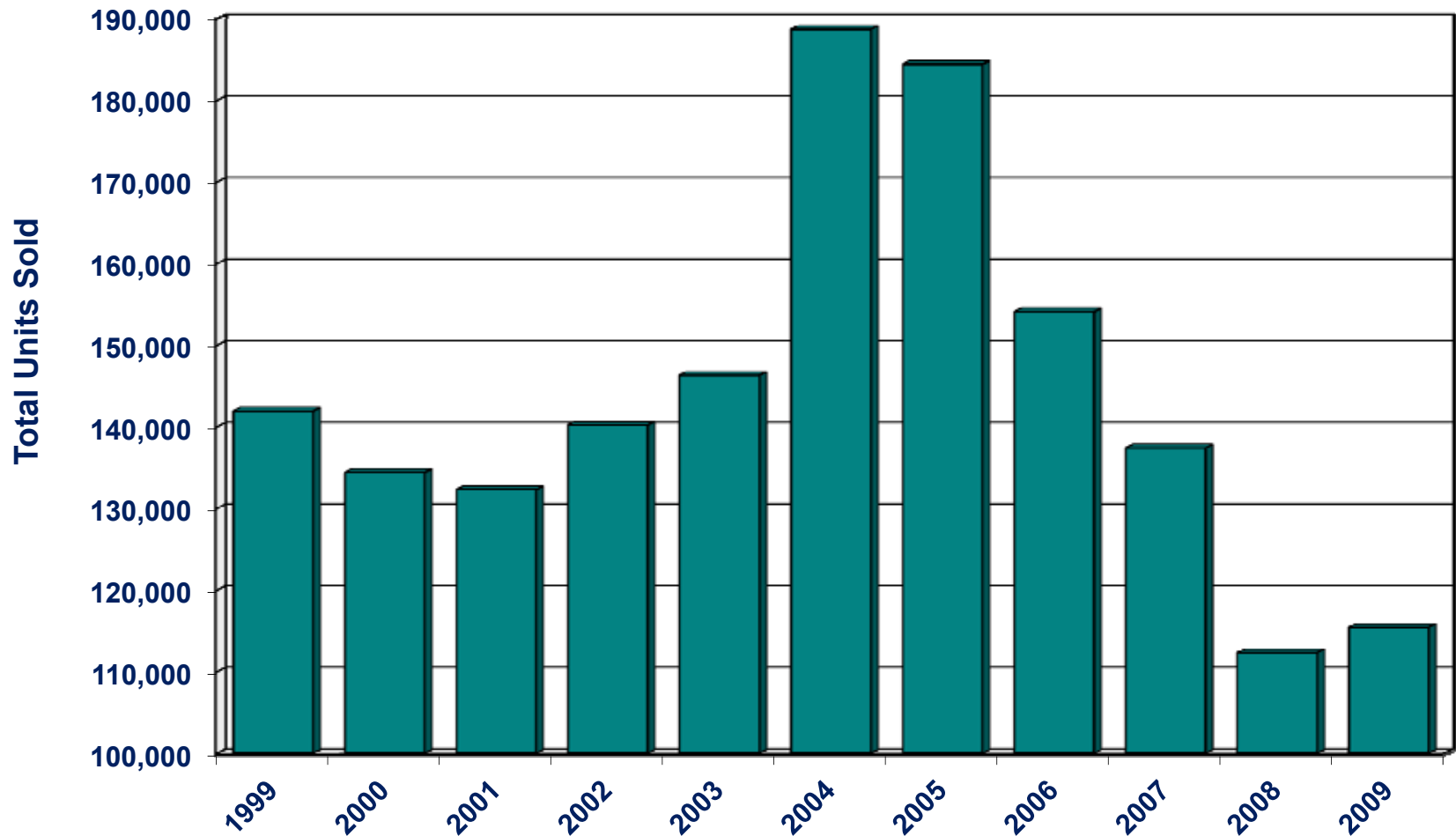
30 Year Fixed Rate Mortgage Interest Rates* 1972 - 2010



*Annual average 1972 - 2008; monthly 2009 - 2010

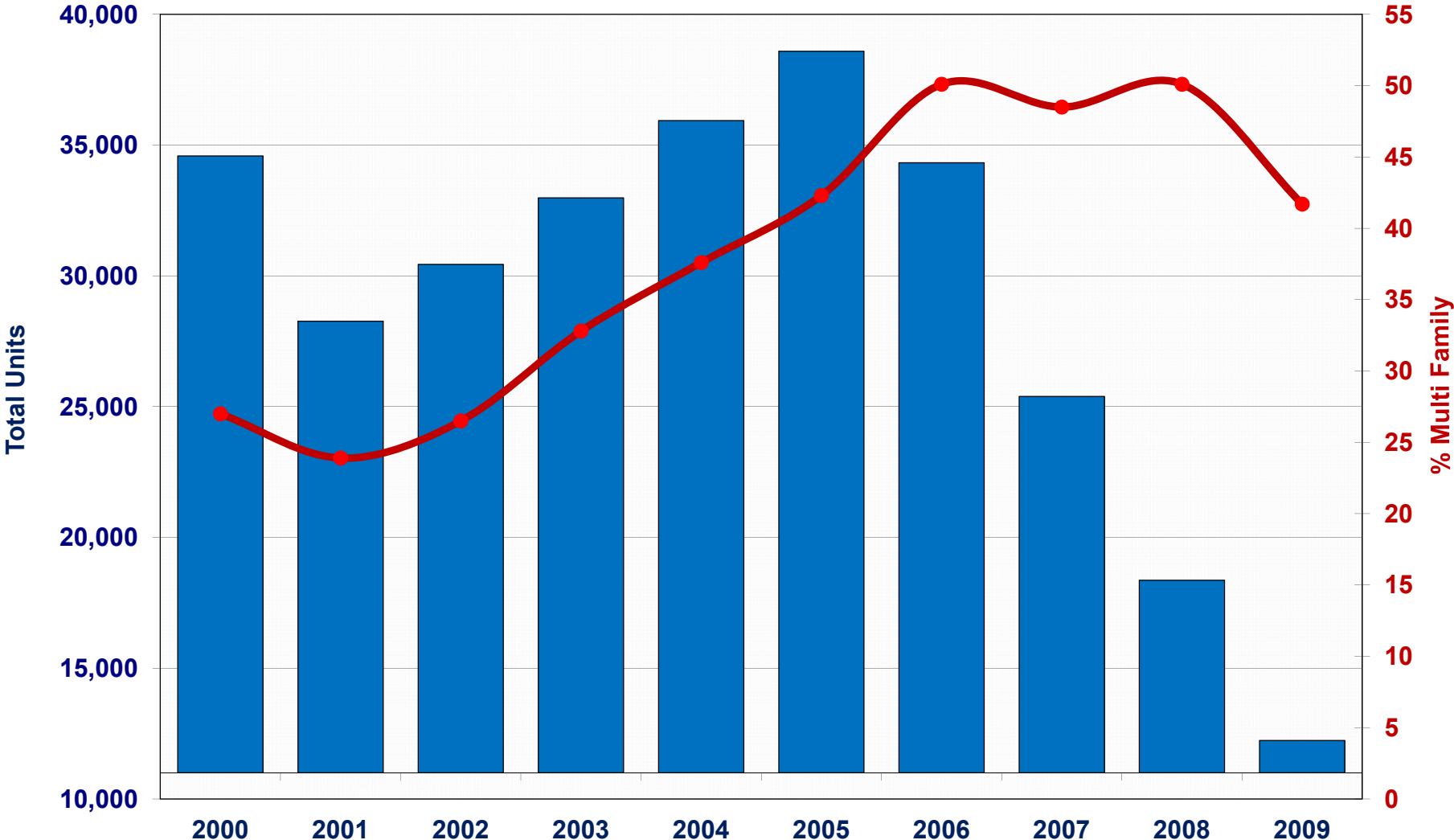
Source: Freddie Mac

Sales of Existing Units New Jersey 1999 – 2009



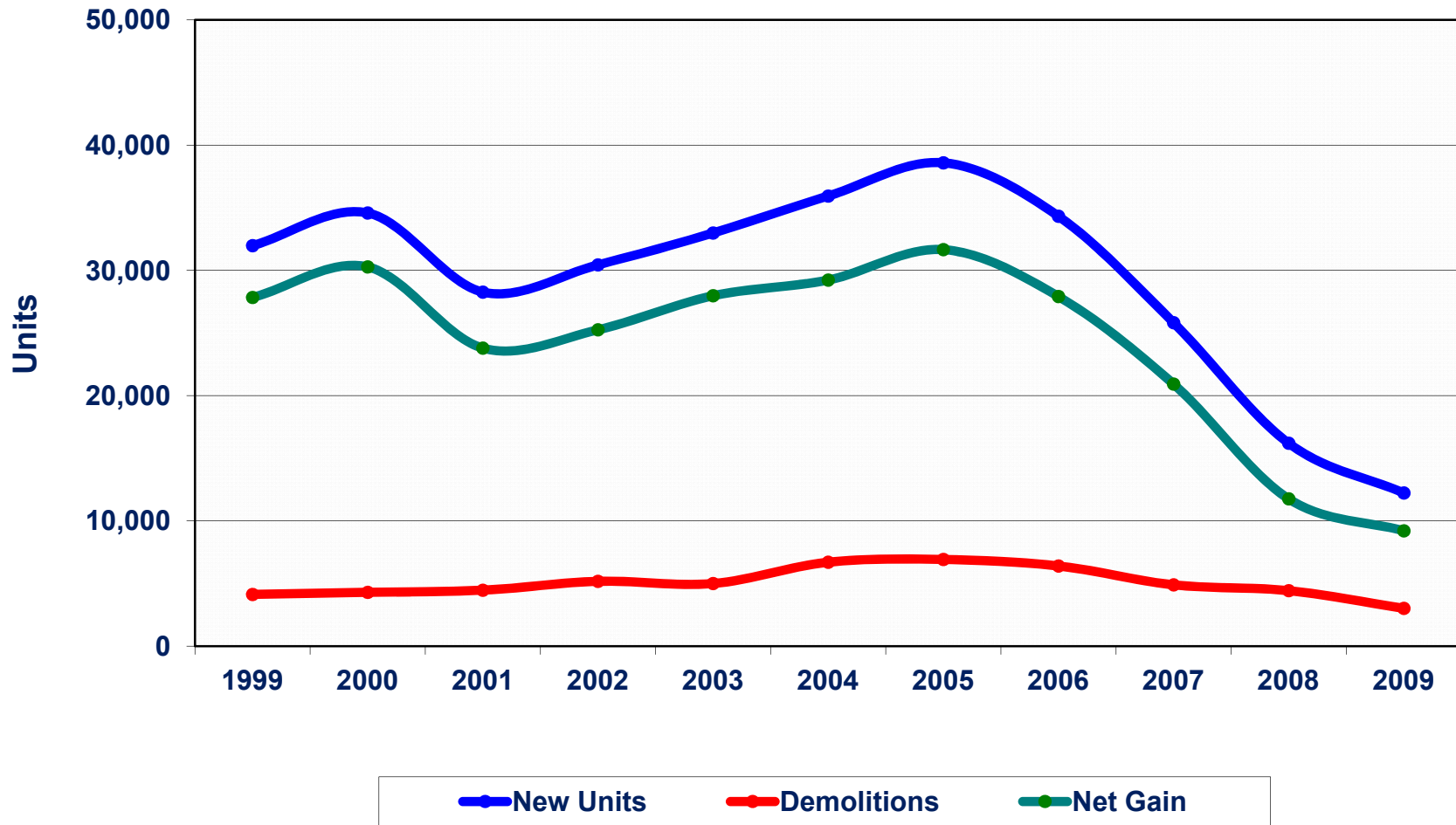
Source: National Association of Realtors®

N.J. Building Permits Structural Type 2000 – 2009



Source: Census Bureau

N.J. Housing Stock Change 1999 - 2009



Source: Department of Community Affairs

N.J. Economic Outlook 2010 - 2011



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