

Market Profile - September	2009	2010
Average List Price (sold units)	\$440,307	\$480,911
Average Days on Market (sold units)	62	52
Active Inventory (Less Pendings)	5,124	5,444
New Listings	1,739	1,784
Months of Supply (MoS)	4.0	5.4
Units Sold	1,269	999
Average Sold Price	\$416,046	\$453,547
Sold to List Ratio	94.5%	94.3%

Fairfax County September 2010

Average sales price grew by 9% from 2009. The active inventory of homes for sale fell 6.2% to 5,444 while the average days on market declined 16.1%

With the continued, but slowing average price growth, sales declined 21.3% to 999 units compared to 1,269 units in 2009.

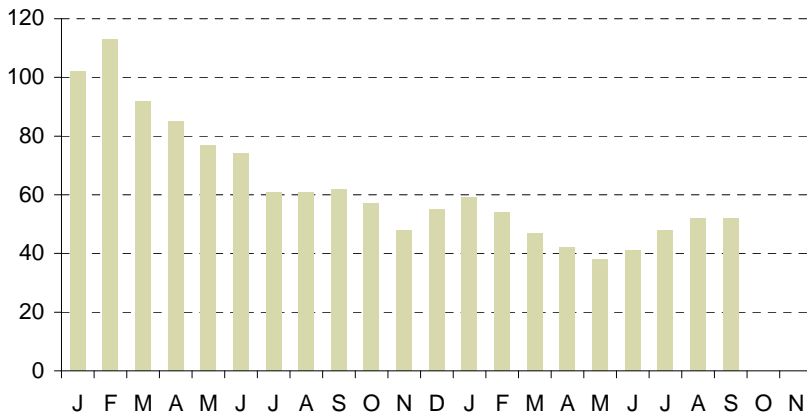
Expiration of the federal buyer credit programs has directly impacted market growth with year to date unit sales now down 30.8% from 2009.

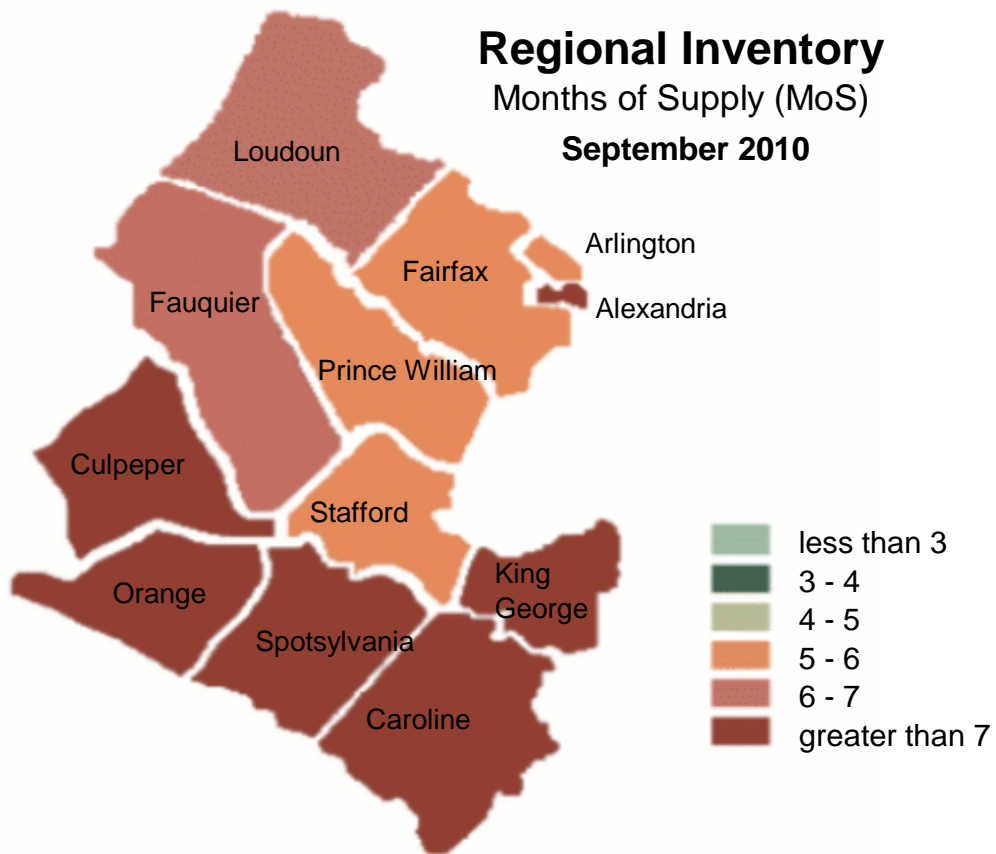
Pending sales contracts declined by 19.9% and supports the current outlook for limited growth in the Fairfax County market.

Supply & Demand

primarily a balanced market
with
general price stability

Average Days on Market 2009-2010

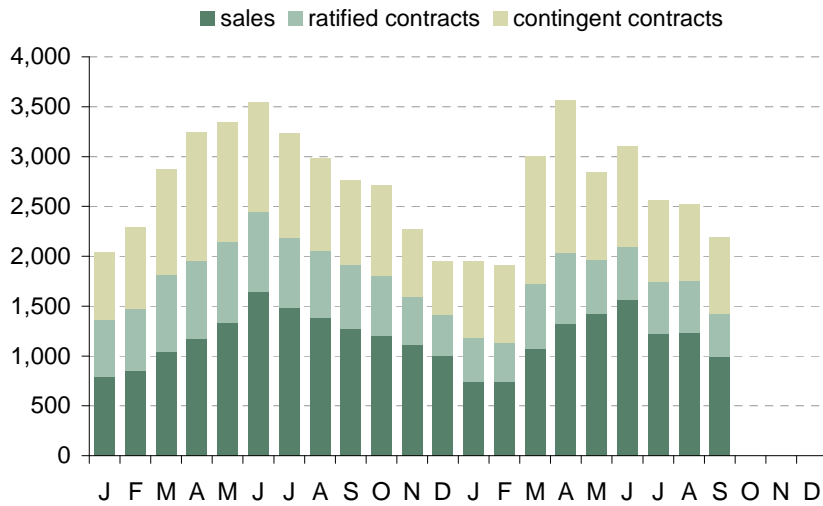




The average months of supply (MoS) for Fairfax County's total inventory equaled 5.4 in September and corresponds to a balanced market. It should be noted that the MoS data can be highly variable within a county or zipcode, and also across the active price ranges. For more detailed inventory information, see page 5 for a breakdown of Fairfax County's MoS data by price group in September and page 4 for the two year trended Months of Supply values.

When inventory levels are between 4 and 6 months, the market is considered to be balanced, home prices are stable or rising slightly, influenced more by inflation than by demand. When the inventory levels exceeds 6 months, the demand for housing is low, and prices are likely to fall. The high number of homes for sale will create a buyer's market, allowing buyer's more control and influence over price and terms to the majority of sellers. When inventory levels fall below 4, sellers will have greater control, creating a seller's market and a general trend of price growth.

Total Market Activity 2009 - 2010



Fairfax County September 2010

Total Market Activity

Sales	999
Ratified Contracts	422
Contingent Contracts	773

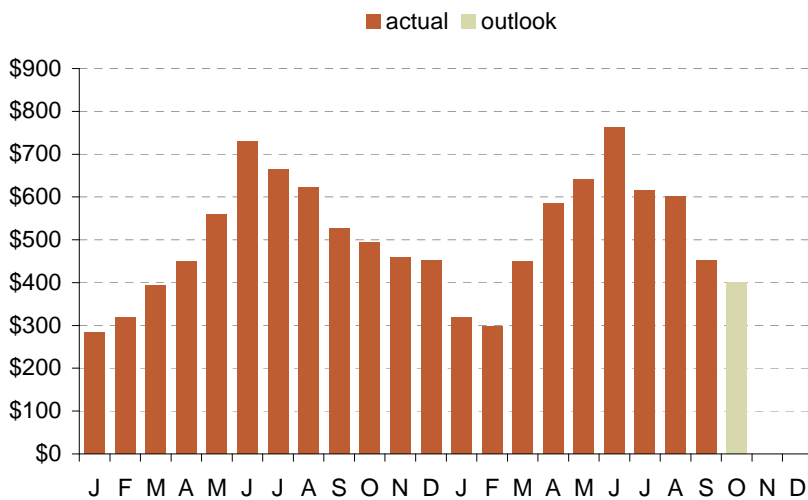
Total 2,194

Year over Year Change

Sales	-21.3%
Ratified Contracts	-34.7%
Contingent Contracts	-8.5%

Total -8.5%

Market Sales 2009-2010 (\$Million)



September's dollar volume fell by 14.2% over 2009 to \$453.1M. Year to date sales for the month totaled \$9,994.6M, a decline of 6% over September 2009.

Normal seasonal patterns and September's level of pending contracts should yield a dollar sales volume of \$401.5M for the month of October.

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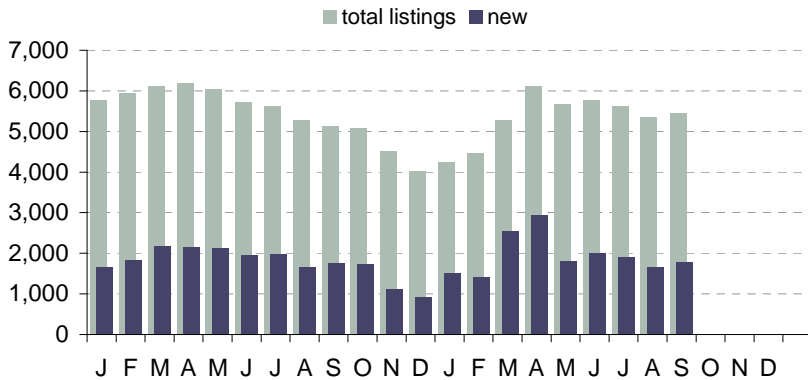
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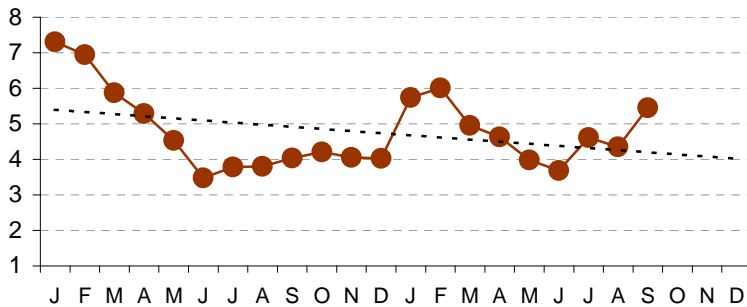
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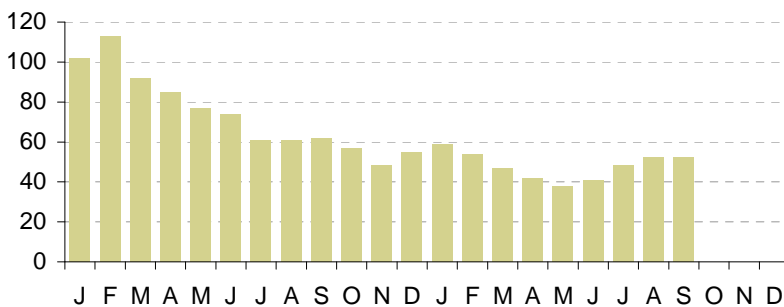
Listings 2009 - 2010



Average Months of Supply (MoS) 2009-2010



Average Days on Market (sold units)



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Fairfax County September 2010

Active listings (less pendings) grew by 6% from 2009 to 5,444. New listings in the month totaled 1,784, a growth of 2.6% from the new listing level in 2009.

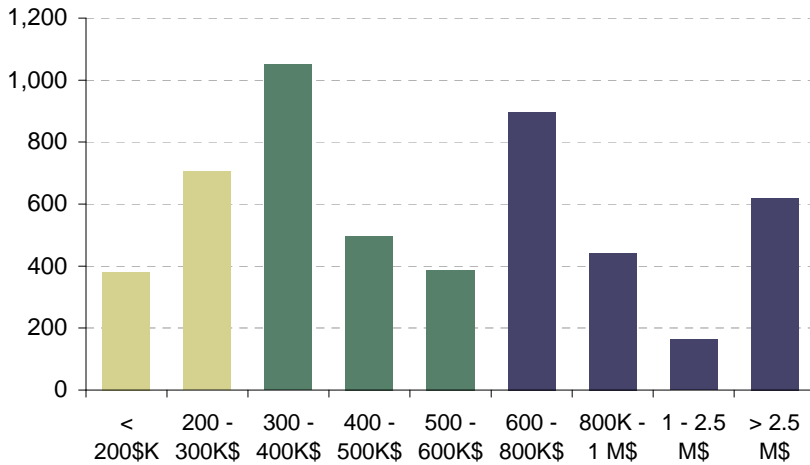
Average days on market fell by 16.1% to 52 from the 62 days reported in 2009.

Pending home sales marked as contract declined 34.7% to 422, while those marked as contingent declined 8.5% from 2009 to 773 total units

At the current sales rate, MoS has grown by 35% (YoY) and is now 5.4, versus 4.0 in 2009. For the near term, seasonally adjusted MoS is expected to stabilize at 4-5 months and create the basis for general price stability.



Total Listings by Price Group



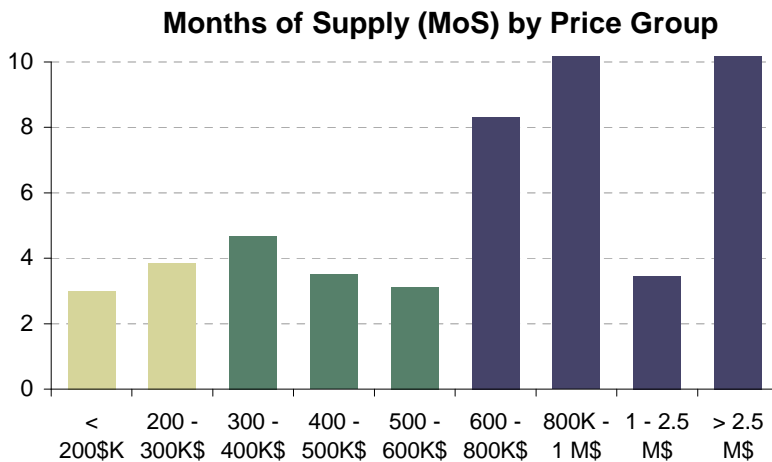
Fairfax County September 2010

Total Listings 5,444

price group	% change
< 200K\$	7.4%
200 - 300K\$	13.7%
300 - 400K\$	20.4%
400 - 500K\$	9.7%
500 - 600K\$	7.5%
600 - 800K\$	17.4%
800K - 1 M\$	8.6%
1 - 2.5 M\$	3.2%
> 2.5 M\$	12.0%

Months of Supply Metrics

- < 4 seller's market
- = 4 - 6 balanced
- > 6 buyer's market



In September the months of supply averaged 5.4 for the total inventory. The most favorable MoS statistics were in the < 200K\$ price range with 3.0 months, while homes in the > 2.5 M\$ price group averaged 206.3 months.



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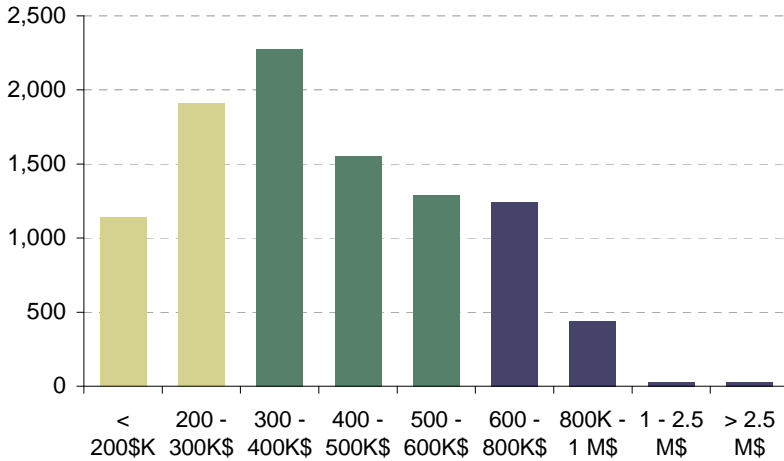
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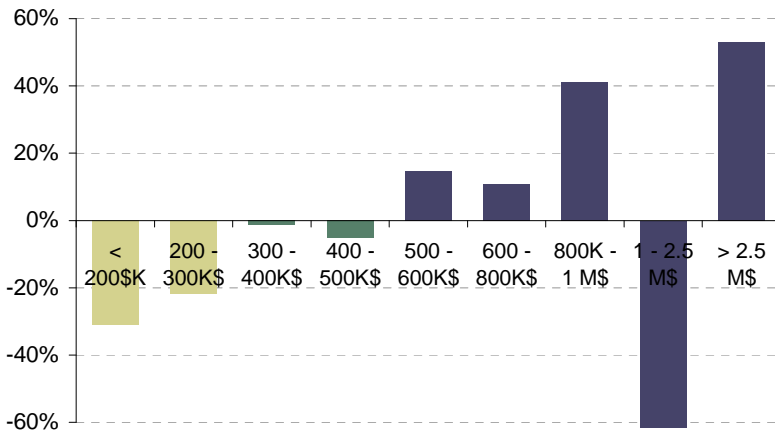
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Year to Date Sales by Price Group



Year to Date %Change by Price Group



Fairfax County September 2010

Market strength was primarily concentrated in the 300-600K\$ segment, with a growth of 1% (YtD) over 2009. In the lower price segment, YtD sales declined by 25.5%.

Month's Sales	YoY %change
< 200K\$	-24.9%
200 - 300K\$	-30.2%
300 - 400K\$	-24.3%
400 - 500K\$	-29.7%
500 - 600K\$	-17.3%
600 - 800K\$	-8.5%
800K - 1 M\$	30.0%
1 - 2.5 M\$	23.7%
> 2.5 M\$	50.0%

YtD Sales	YoY%change
< 200K\$	-30.9%
200 - 300K\$	-21.9%
300 - 400K\$	-1.2%
400 - 500K\$	-5.1%
500 - 600K\$	14.6%
600 - 800K\$	10.6%
800K - 1 M\$	41.2%
1 - 2.5 M\$	-93.0%
> 2.5 M\$	52.9%

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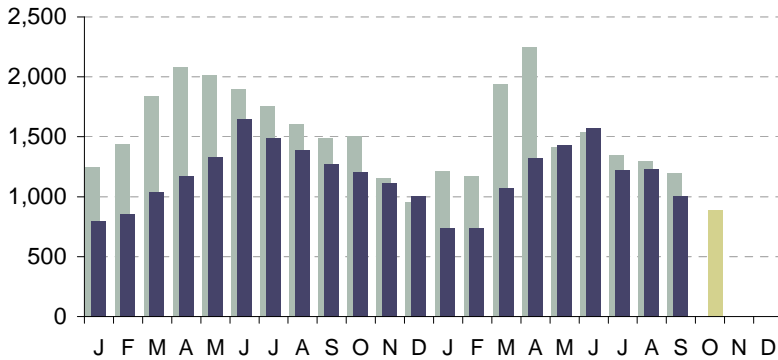


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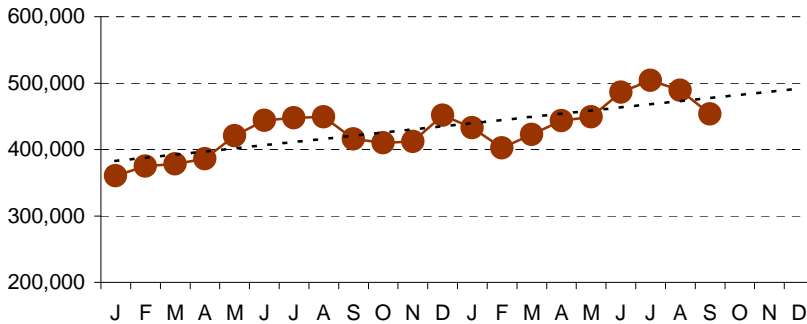
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Unit Sales 2009 - 2010

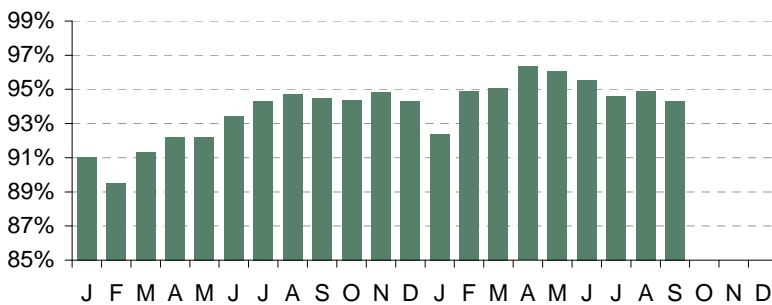
■ pending contracts ■ sales ■ outlook



Average Sales Price 2009-2010



Sold to List Price Ratio 2009 - 2010



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**Fairfax County
September 2010**

Unit sales fell by 21.3% to 999 from the September 2009 total of 1,269 homes. Pending sales and contingent contracts declined 19.9% to 1195 units.

With the continuing workout of bank owned forecloses and short sales, the year to date conversion of pending contracts to sales fell from 85% in 2009 to 84% in 2010.

Year over year sales prices continue their growth but at a slowing rate. The average sale price grew 9% from 2009 to \$453.5K. The majority of the change in the price trend results from a shift in the mix of homes sold rather than an actual growth across the price groups

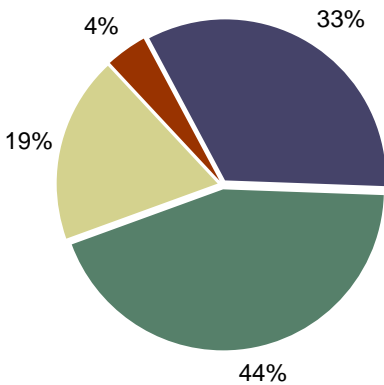
(see page 6)

September's sold to list price ratio declined to 94.3% (YoY) from 2009. Sustained improvement in this measure usually anticipates a stronger overall market

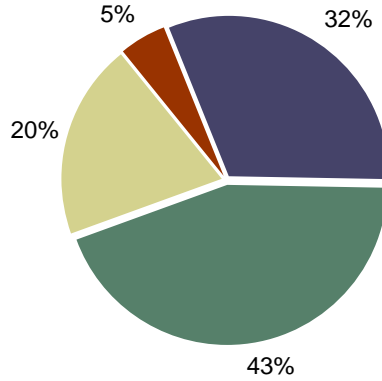


Year to Date Sales

■ Condominium
 ■ 2 bedrooms
 ■ 3 bedrooms
 ■ 4+ bedrooms



2009 ytd 10,963



2010 ytd 10,299

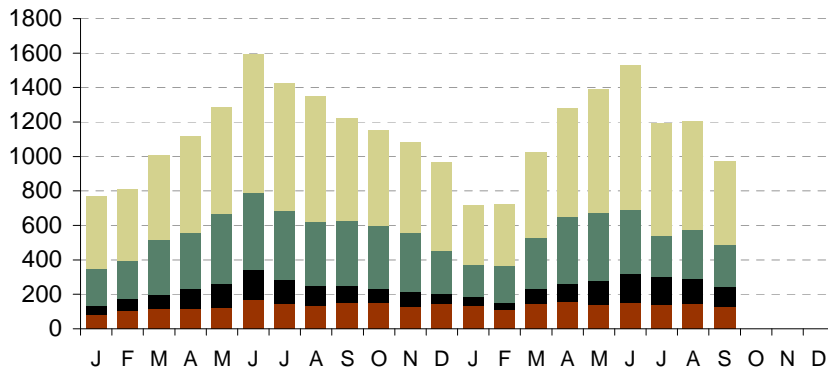
Fairfax County September 2010

Year to date unit sales totaled 10,299 down 6.1% from the 10,963 units sold through September 2009.

Condominium	2,035
2 bedrooms	472
3 bedrooms	3,251
4+ bedrooms	4,541
Total	10,299

Financing (# of contracts) 2009 - 2010

■ Cash
 ■ VA
 ■ FHA
 ■ Conventional



Ytd Financing Trends

	2009	2010
November		
Conventional	49%	51%
FHA	28%	26%
VA	9%	10%
Assumption	3%	2%
Cash	10%	12%
Seller	0%	0%
Other	1%	1%

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