AMAZON HQ2 AND FOR-SALE HOUSING
Impact on for sale housing

- Current state of for-sale housing
- How does typical Amazon worker fit in
- Lessons learned from Seattle
- What we’ve seen already
HOME OWNERSHIP

Overall Ownership Rate in Region is 61% vs 64% Nationally

Source: Nielsen Demographics Pop-Facts 2018
LIST PRICES TREND HIGHER THIS FALL

Listing Price Y/Y% for the Past 12 Months
SALE PRICES SHOW STEADY GROWTH

Median Sale Price Y/Y (Annualized) Ranges from Flat to +6%
AGE OF INVENTORY AROUND HQ2 DECLINING

Days on Market Y/Y for the Past 12 Months

Source: Realtor.com
SALES ARE MIXED

Number of Transactions Y/Y (Annualized)

Source: Realtor.com
HOW DOES TYPICAL AMAZON WORKER FIT IN?
LIST PRICES VARY IN THE AREA

Arlington County Has Highest List Price at $640,000 (Nov 2018)

Source: Realtor.com
### AVERAGE WAGE AMAZON WORKER - $150,000

- 36 percent of income = $4,500
- Assumption: Taxes & Insurance: 1.5% to 1.9%

<table>
<thead>
<tr>
<th>Mortgage Rate</th>
<th>High-Tax Max Price</th>
<th>Low-Tax Max Price</th>
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<tr>
<td>4.75%</td>
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<td>$765,000</td>
<td>$815,000</td>
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<td>5.25%</td>
<td>$750,000</td>
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Source: Amazon Press Release, Realtor.com calculations
STUDYING SEATTLE
SEATTLE COMPARISON

• Analyzed home sales data around HQ1 in Seattle back to 2008

• Steady campus expansions, but 2 distinct phases
  – 1) Towers 1 & 2: Amazon buys up space in 2012 to prep the campus;
  – 2) Spheres – construction in 2015

• Findings:
  – Around expansions, sales prices within one mile of campus increase at 2-4x pace of surrounding county in year after expansion
  – Since 2008, home sales prices within 1-5 miles of Amazon’s HQ1 have appreciated 83 percent, compared to 67 percent within 1 mile and 56 percent for the surrounding county
WHAT WE SEE NOW
Buyer interest spiked after HQ2 announcement, but has tapered
## HQ2 Keywords in Home Listings by Area

<table>
<thead>
<tr>
<th>Location</th>
<th>‘National Landing’</th>
<th>‘Amazon’</th>
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<tbody>
<tr>
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THANK YOU