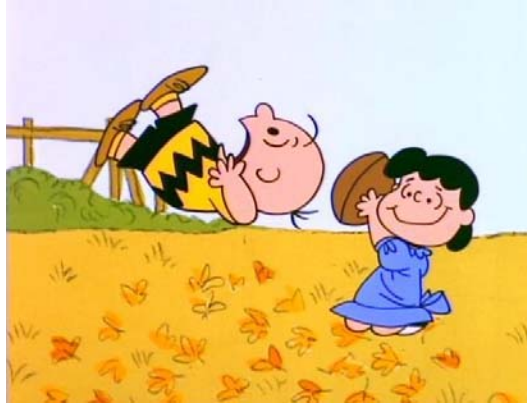


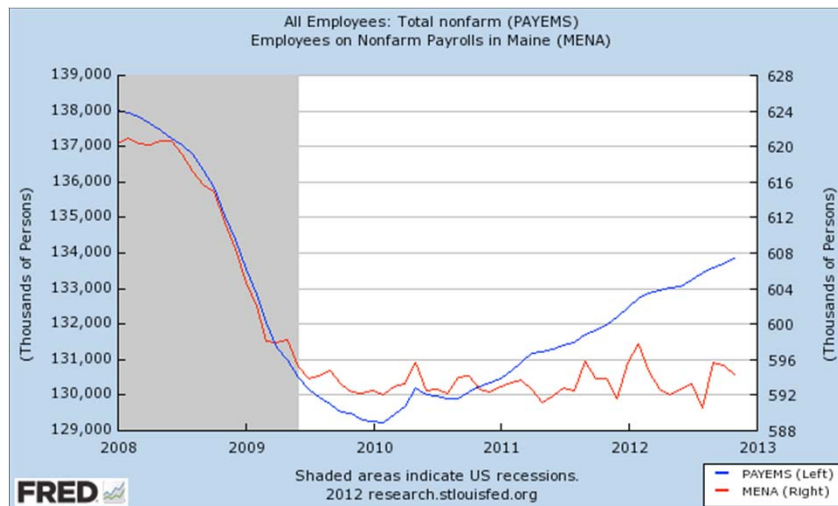
2013 MEREDA Forecast Conference Maine State Economic Forecast



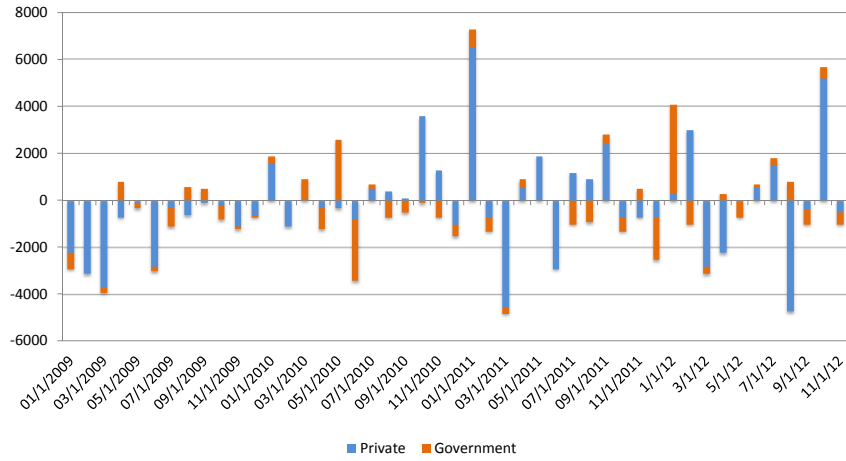
Charles S. Colgan
Muskie School of Public Service
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January 24, 2013

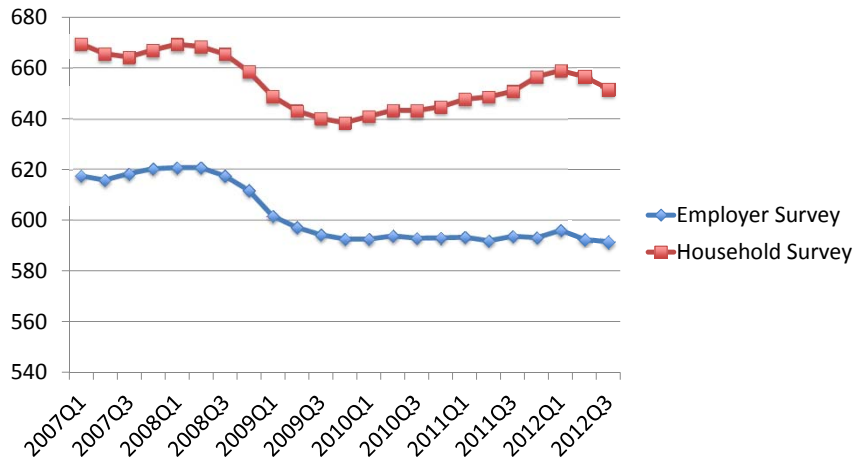
The U.S. recovery is painfully slow;
the recovery in Maine has yet to start



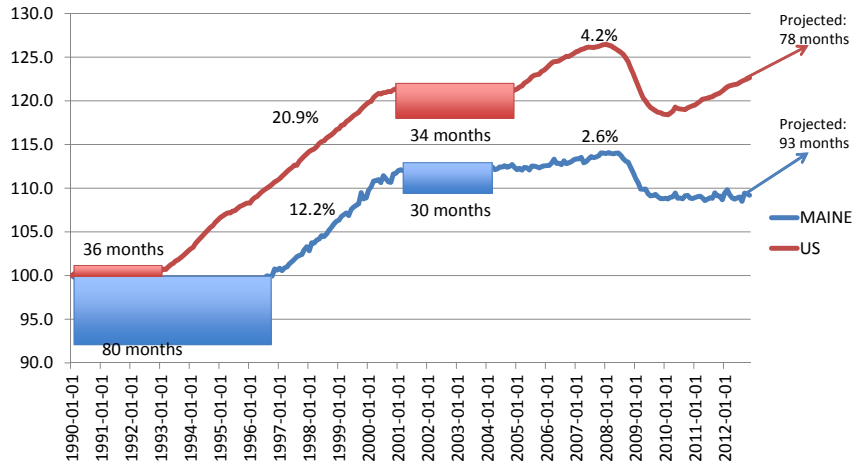
In Maine: A lot of noise in the employment data leading nowhere



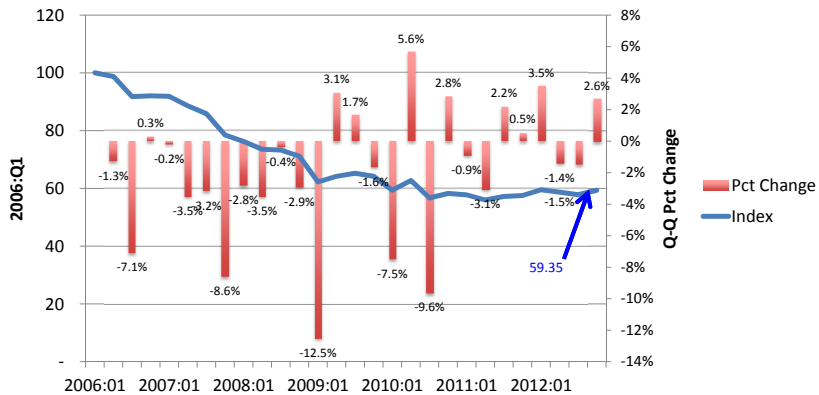
A little better performance when self-employment is considered, but...



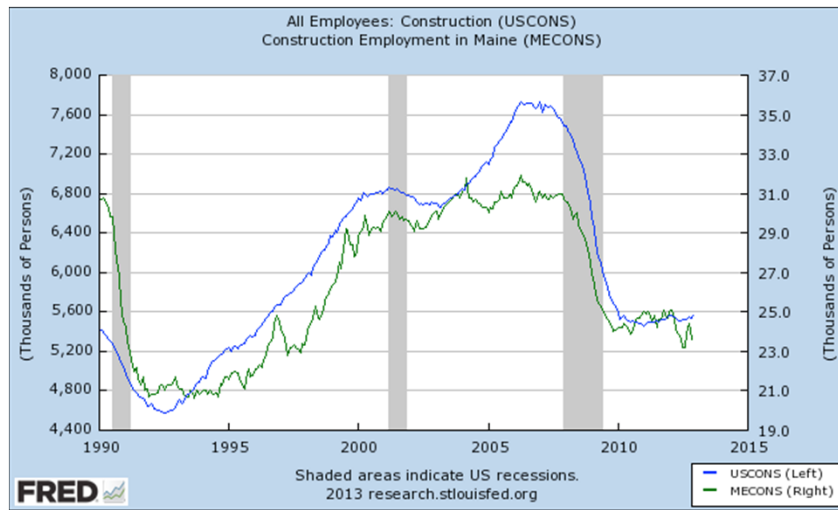
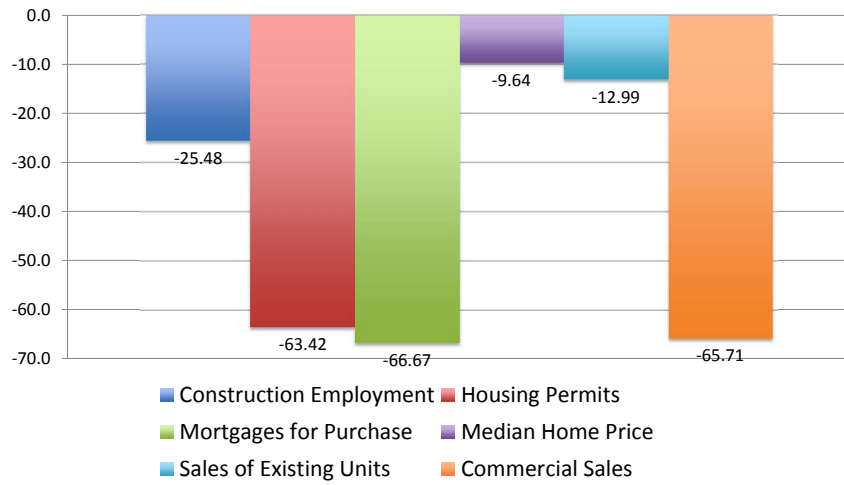
From Recession to Recovery



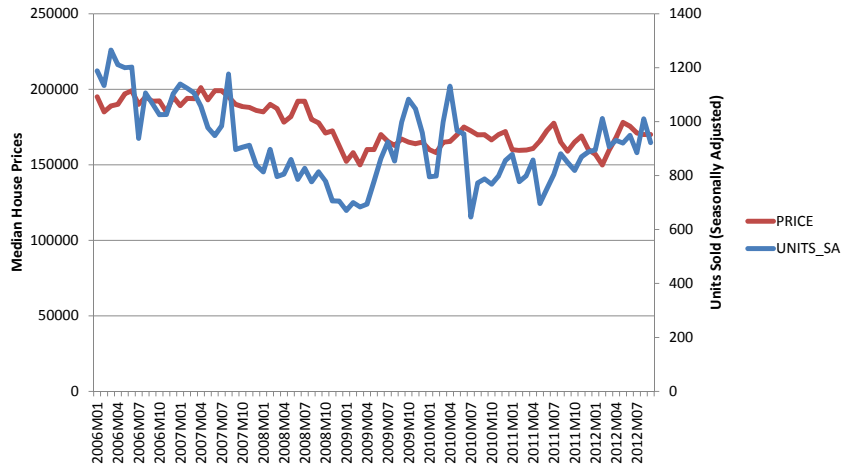
The MEREDA Real Estate Index



2012:Q4 Index Values relative to 2006:Q1

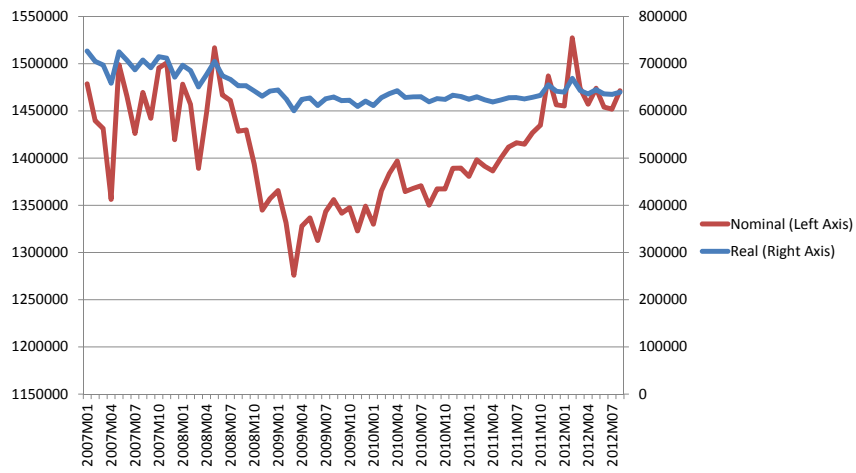


Existing housing sales have also been increasing, but median price for SF homes has barely budged

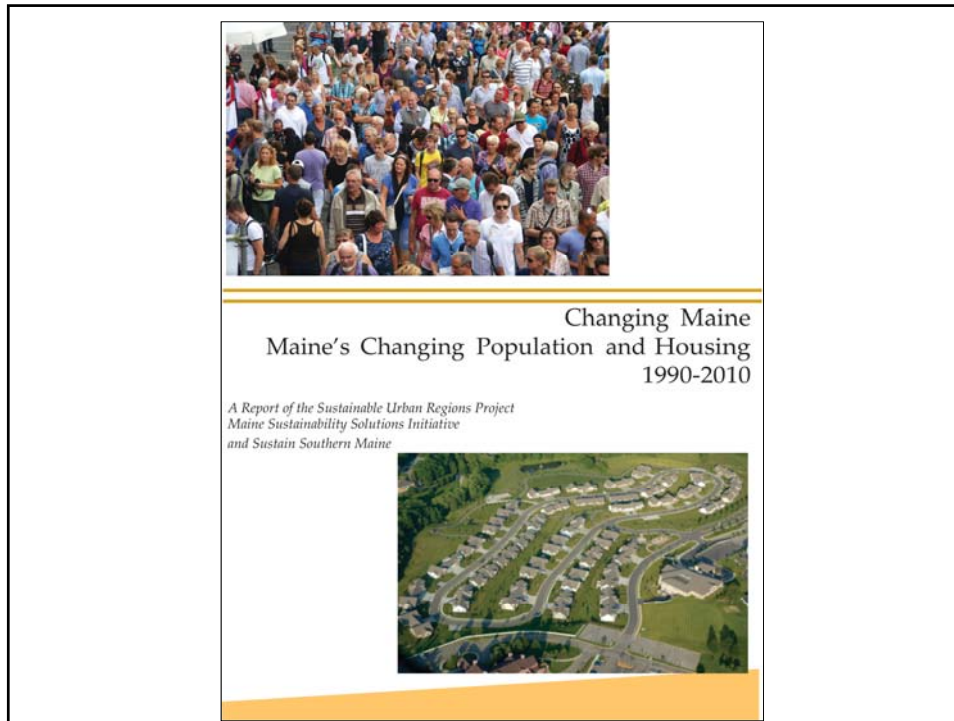


Source: Maine Association of Realtors

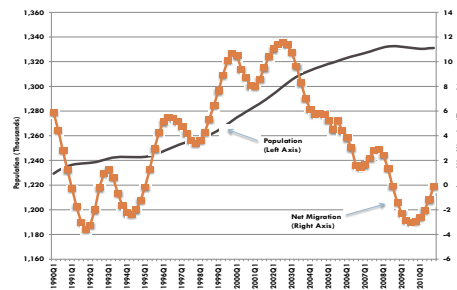
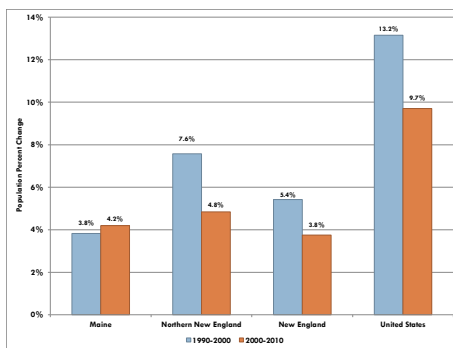
Retail sales in Maine have shown recovery in nominal dollars but not in real dollars



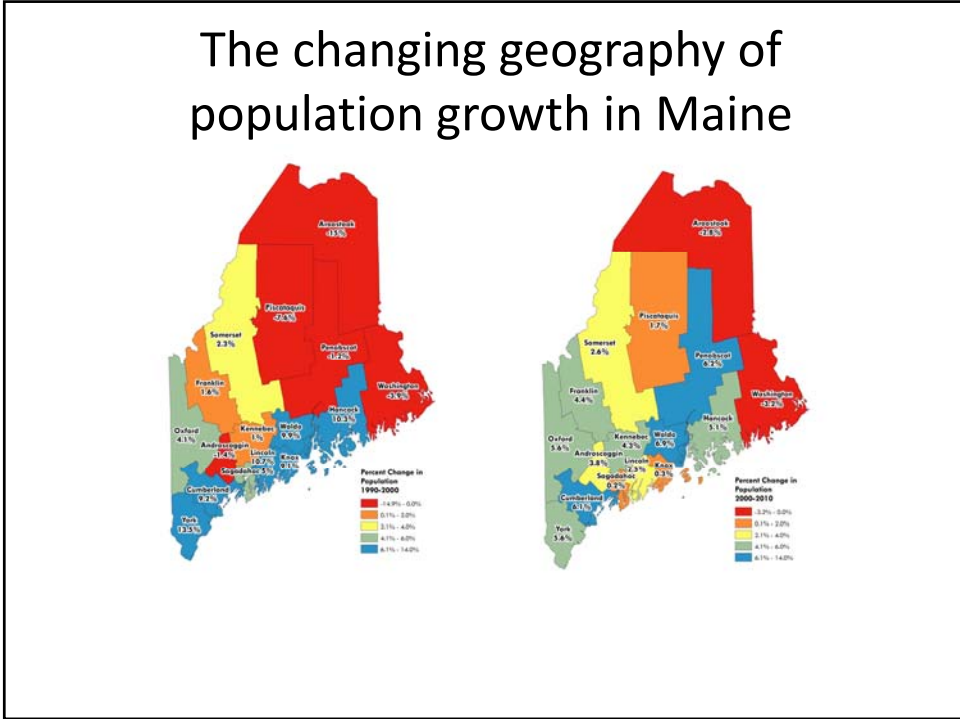
Seasonally Adjusted Monthly Retail Sales Source: Maine Revenue Services, BLS



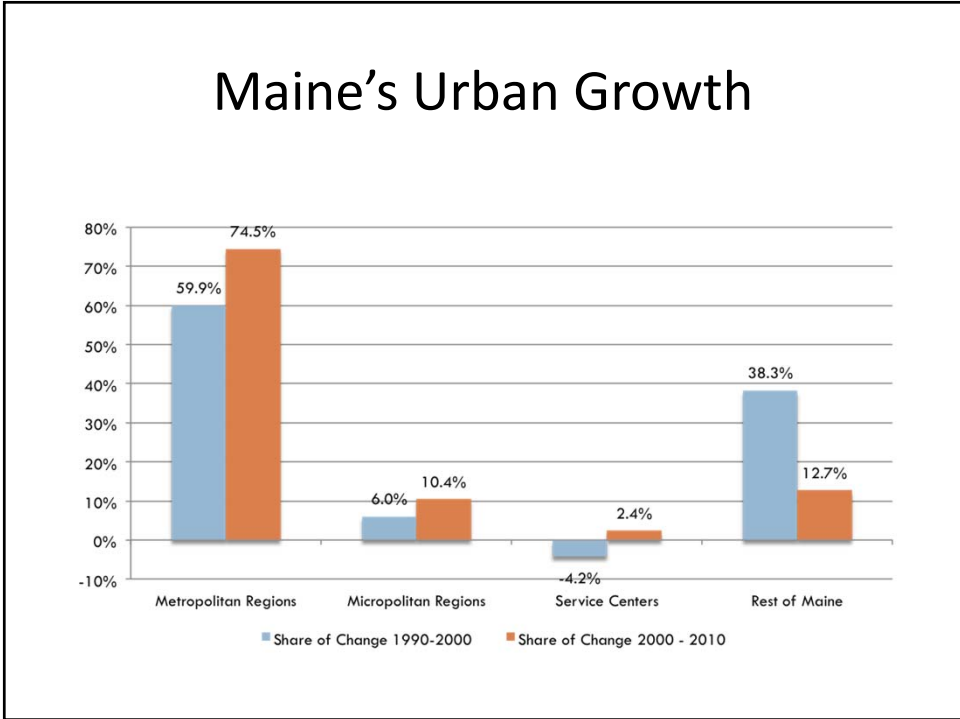
Maine population growth over 2000-2010 was more rapid than 1990s, but most of the growth was in the early part of the decade

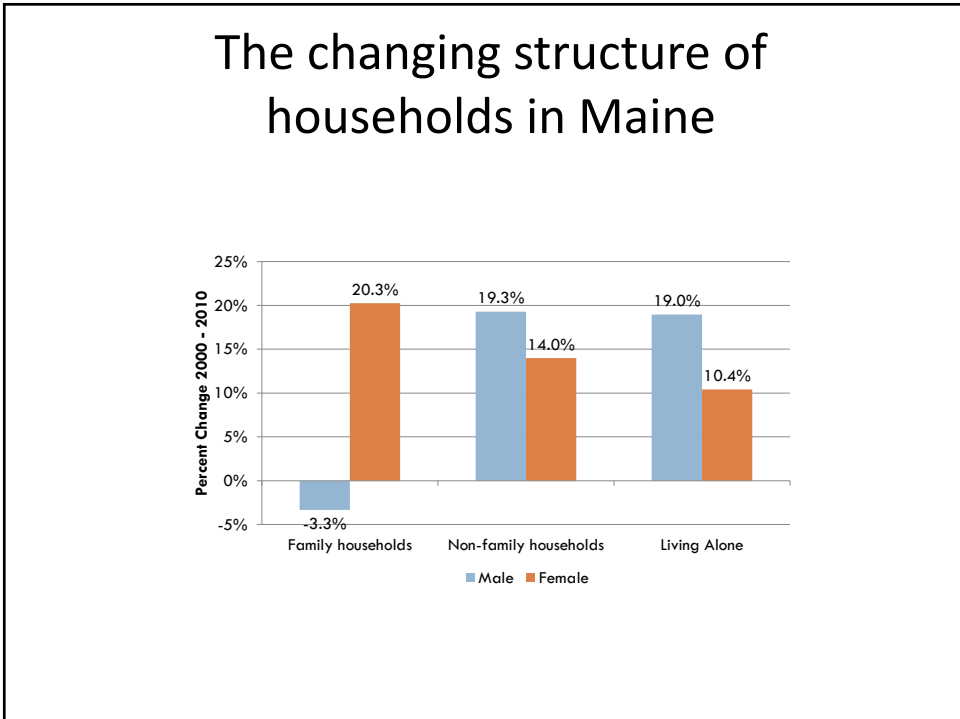
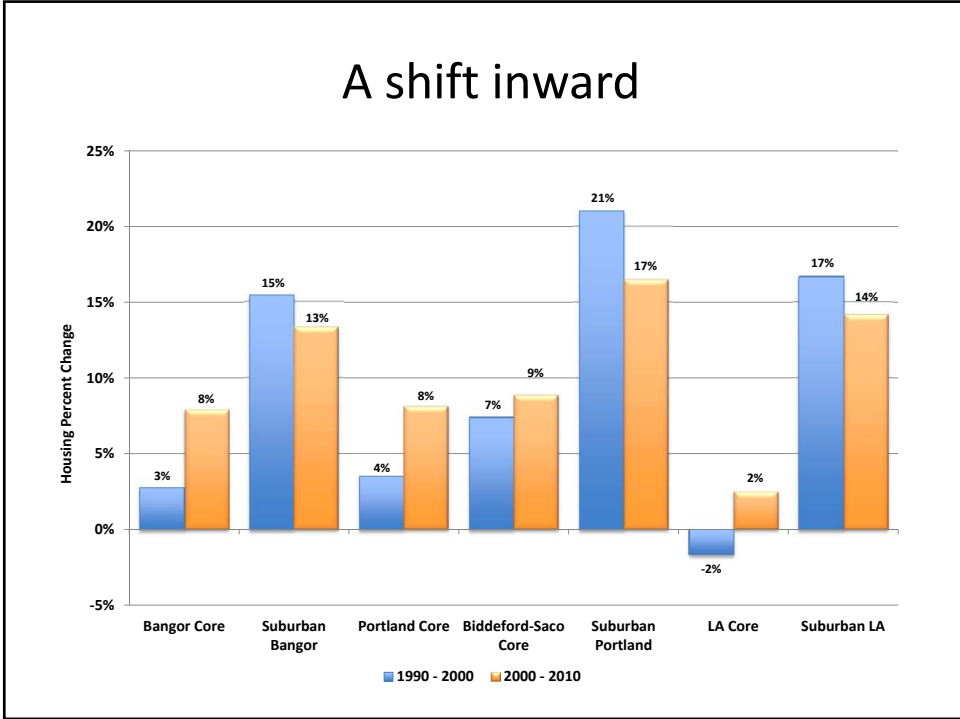


The changing geography of population growth in Maine

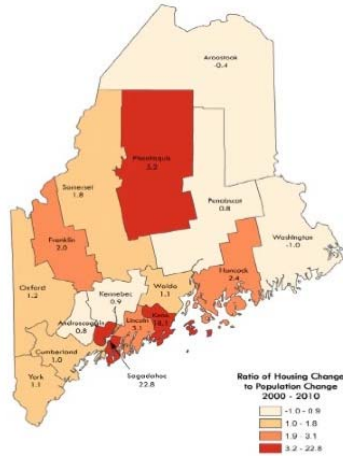


Maine's Urban Growth

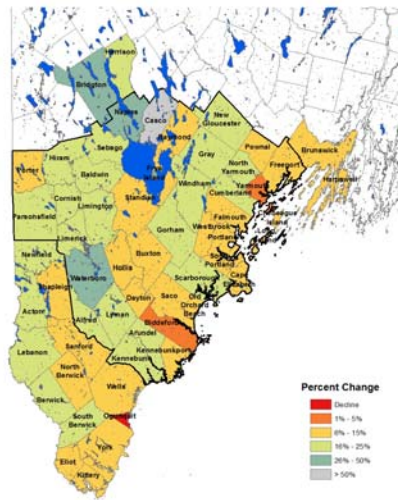




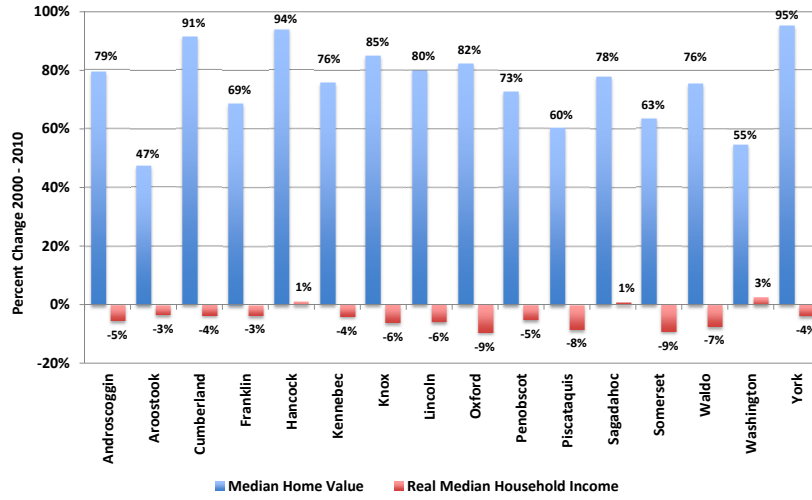
Population change does not always explain housing growth



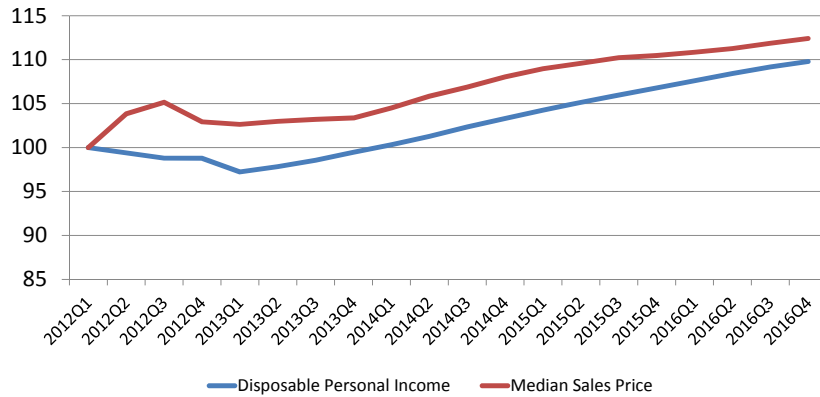
Seasonal Housing has and will continue to play a major role in residential property growth



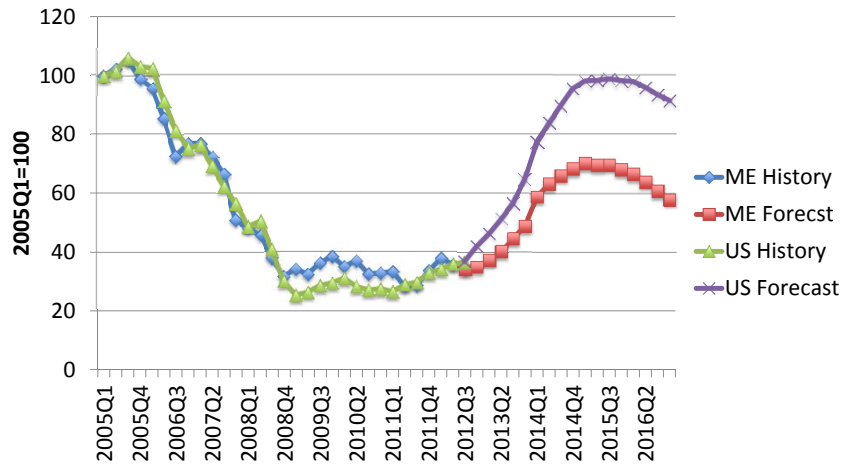
Affordability remains an issue- because of income growth



Median home price increases will be slightly faster than income increases.



Housing growth has also shown some sings of life- but Maine's recovery not likely to be as large as the U.S. relative to pre-recession peak



Employment trends over the decade indicate important changes ahead in commercial real estate

