

*From the Los Angeles Times*

# How low will they go?

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The Times asked economists to predict how much Southern California home prices would fall from their peak. Here is what they said:

\* **Michael T. Carney**, professor of finance and real estate, Cal Poly Pomona: At least 15%, bottoming at the end of 2009.

*"It could turn around, but I don't see it. Buyers will be reticent for quite a long time."*

\* **Delores A. Conway**, director, Casden Real Estate Economics Forecast, USC: A decline of 5% to 10% in areas of Los Angeles and Orange counties where housing supply is tight; 5% to 15% in other parts of those counties; and 10% to 20% in the Inland Empire.

*"The downturn will not be as severe in some areas. It really depends on the sub-market."*

\* **Edward E. Leamer**, director, UCLA Anderson Forecast: A drop of 20% to 25%, bottoming in 2009 or 2010.

*"It will get back to normal when people buy a home to live in, not invest in."*

\* **Kenneth Rosen**, professor of real estate and urban economics, UC Berkeley: A decline of 8% to 15%, bottoming in mid-2009. Affluent areas of Orange and Los Angeles counties will fare better than outlying areas.

*"Each location is different; each house is different. A very strong neighborhood might not see any decline."*

\* **Christopher F. Thornberg**, president, Beacon Economics: A 25% decline, bottoming in 2009. All areas will be affected.

*"If you sit around and pretend you will be immune from the downfall, you're fooling yourself."*

Source: Los Angeles Times