

NAIOP

COMMERCIAL REAL ESTATE
DEVELOPMENT ASSOCIATION

Development '09

The Annual Meeting for
Commercial Real Estate

SURVIVING PAST DOWNTURNS IN THE COMMERCIAL REAL ESTATE INDUSTRY

Presented by

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DEVELOPMENT '09: THE ANNUAL MEETING FOR COMMERCIAL REAL ESTATE

RECESSION FROM 1973 - 2009

Identifier	Recession Begins	Recession Last month	Total Months	GDP Shrinkage	Highest Unemployment	Recession Shape	Month it Occurred
Oil Crisis	Nov., 1973	Feb., 1975	16	3.2%	9%	U	May, 1975
Inflation	Jan., 1980	June, 1980	6	2.2%	7.8%	W	July, 1980
Inflation 2	Jan., 1981	Oct., 1982	16	2.7%	10.8%	W	Nov., 1982
S & L	July, 1990	Feb., 1991	9	1.4%	7.8%	V	June, 1992
Dot Com	March, 2001	Oct., 2001	8	.3%	6.3%	V	June, 2003
Financial	Dec., 2007	Nov., 2009??	24	3.9%*	9.8%*	U or L	Current

PRICE OF A BARREL OF OIL

2008\$

Year	Low \$	High \$	% Increase <Decrease>	Recession Starts	President	Term Jan. – Jan.
'73-'74	17	43	250%	November, 1973	Ford	8/74 – '77
'78 -'80	39	77	197%	January, 1980	Carter	'77 – '81
'80 – '86	25	77	308%		Reagan	'81 – '89
'88 – '90	25	32	128%	July, 1990	Bush '41	'89 – '93
'90 – '98	12	32	267%		Clinton	'93 – '01
'98 – '99	12	32	267%	March, 2001	Clinton	'93 –'01
'04 – '08	25	95	380%	December, 2007	Bush '43	'01 - '09

VACANCY RATES @ YEAREND

	Vacancy %	Availability %			Vacancy %	Availability %
Year	Office	Industrial		Year	Office	Industrial
1987	18.5	na		2000	8.5	6.8
1988	18.0	na		2001	14.1	10.0
1989	18.0	na		2002	16.4	11.3
1990	18.5	10.1		2003	16.8	11.7
1991	18.9	10.9		2004	15.4	11.1
1992	18.5	10.7		2005	13.6	9.8
1993	16.7	9.9		2006	12.6	9.5
1994	15.1	8.8		2007	12.6	9.5
1995	13.8	8.0		2008	14.0	11.4
1996	12.1	7.8				
1997	9.8	7.7				
1998	8.8	7.8				
1999	9.5	7.5				

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DISCUSSION