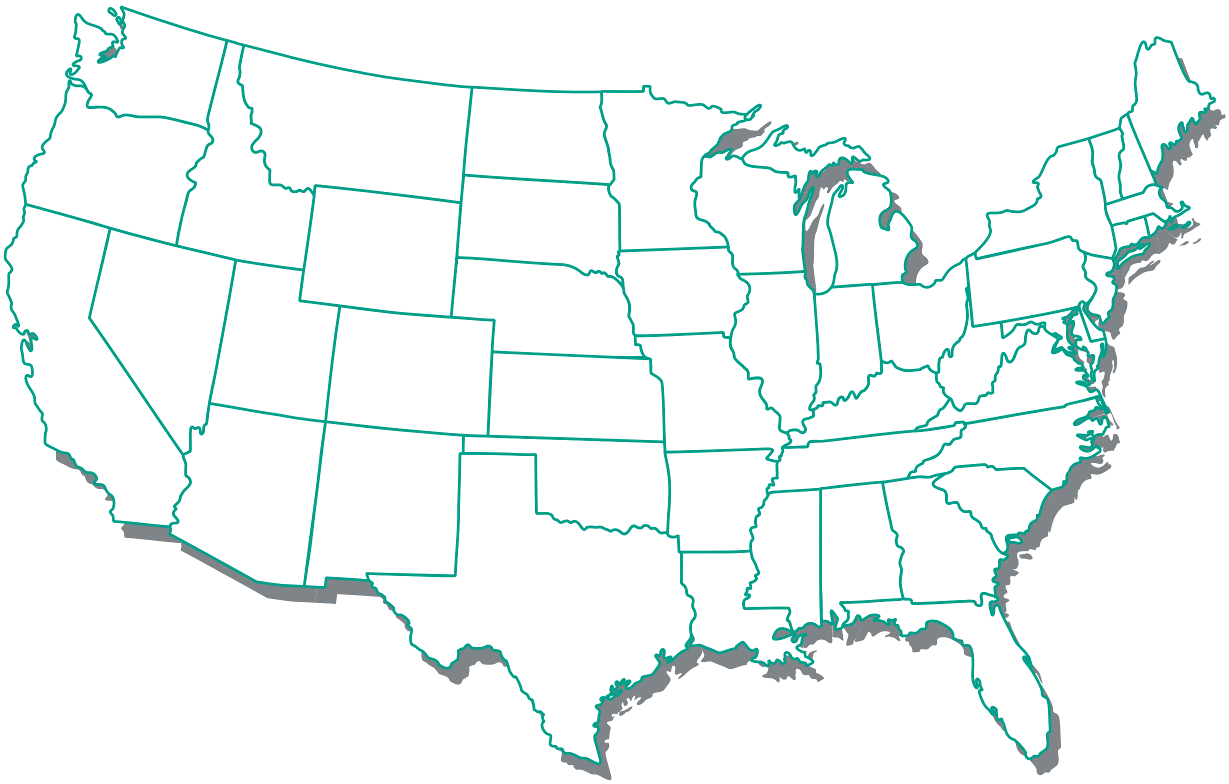
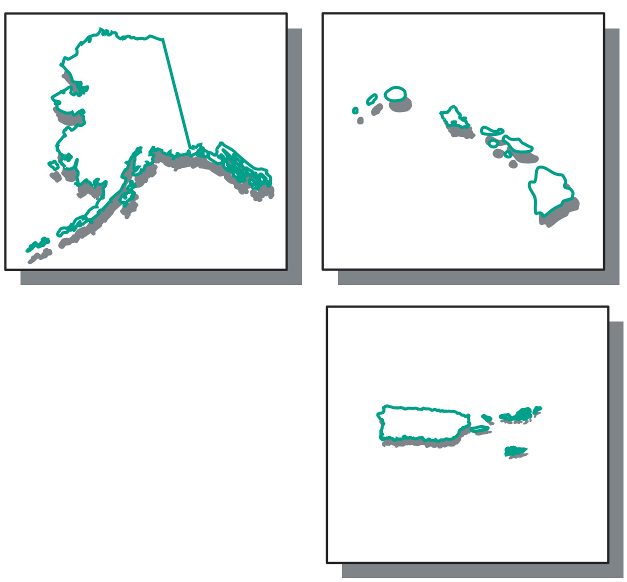
Regional Activity

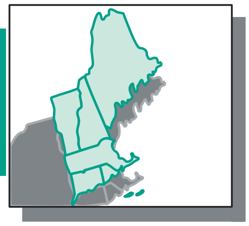




The following summaries of housing market conditions and activities have been prepared by economists in the U.S. Department of Housing and Urban Development's (HUD's) field offices. The reports provide overviews of economic and housing market trends within each region of HUD management. Also included are profiles of selected local housing market areas that provide a perspective of current economic conditions and their impact on the housing market. The reports and profiles are based on information obtained by HUD economists from state and local governments, from housing industry sources, and from their ongoing investigations of housing market conditions carried out in support of HUD's programs.

Regional Reports

New England



HUD Region I*

Since peaking at nearly 7.2 million jobs in mid-2008, nonfarm employment in the New England region continued to decline during the 12 months ending March 2010, averaging 6.7 million jobs, down 252,700 jobs, or 3.6 percent, compared with the loss of 6,800 jobs, or 0.9 percent, during the previous 12 months. The education and health services sector, representing 20 percent of the nonfarm jobs in the region, was the only sector to record growth, gaining 19,200 jobs, or 1.5 percent. Employment losses were most severe in the manufacturing and construction sectors, down 65,100 and 42,800 jobs, or 9.6 and 15.3 percent, respectively. Major losses in the service-providing sectors were recorded in the professional and business services and the trade sectors, with losses of 51,100 and 48,100 jobs, or 5.8 and 9.9 percent, respectively.

Each state in the region lost jobs during the 12 months ending March 2010. Massachusetts had the largest employment decline, with 114,100 jobs lost, or 3.5 percent, including losses of 26,500 jobs, or 9.4 percent, and 25,100 jobs, or 5.2 percent, in the manufacturing and the professional and business services sectors, respectively. Connecticut lost 68,800 jobs, a 4.0-percent decline, including 17,100 professional and business services jobs, 15,500 manufacturing jobs, and 14,100 retail and wholesale trade jobs, indicating declines of 8.4, 8.3, and 11.3 percent, respectively. Rhode Island lost 21,100 jobs, or 4.3 percent, which was the highest percentage decline in the region. Losing 9,200 and 18,900 jobs, Vermont and New Hampshire posted the smallest percentage declines at 3 and 2.9 percent, respectively. The unemployment rate in New England during the 12 months ending March 2010 was 8.7 percent, up from the 6.1-percent rate recorded during the previous 12-month period. Average unemployment rates for the states ranged from 6.7 percent in New Hampshire to 11.8 percent in Rhode Island.

Reduced home sales prices, which have been declining since late 2005, together with lower interest rates and the extension of federal tax credit programs, have led to increasing home sales levels in all New England states. The Massachusetts Association of REALTORS® (MAR) reported that sales of existing homes during the 12 months ending March 2010 were up 9 percent to 38,340 homes, and the median sales price was down nearly 3 percent to $294,700 compared with the sales price during the previous year. During the 12 months ending March 2009, the volume of sales declined 9 percent to 35,620 homes and the median sales price of $302,500 was down 12 percent from the median price during the 12 months ending March 2008. The inventory of homes during the 12 months ending March 2010 increased 2 percent to 27,360 listings, or 9.5 months of supply compared with the inventory during the previous 12 months; days on the market averaged 132 days, down 15 days from the previous 12-month period. According to the Rhode Island Association of REALTORS® (RIAR), during the 12 months ending March 2010, existing home sales in Rhode Island totaled 7,810, up 17 percent from the number of sales recorded during the previous 12 months. The median sales price was $200,600, down 9 percent from the price during the 12 months ending March 2009, which is one-half of the 18-percent decline in the median price during the previous 12 months. In Connecticut in the 12 months ending March 2010, the Warren Group reported that about 25,620 existing homes were sold, an increase of 10 percent from the 23,350 homes sold in the previous 12 months. The median sales price of $242,100 was down 9 percent from the $261,300 median sales price recorded during the 12-month period ending March 2009.

The Maine Real Estate Information System, Inc., reported that in Maine, during the 12 months ending March 2010, existing home sales increased 18 percent to 10,880 homes; however, the median sales price decreased by 6 percent to $164,200. According to the Northern New England Real Estate Network, Inc. (NNEREN), the number of existing homes sold in New Hampshire increased 8 percent to 10,940 homes during the 12 months ending March 2010, but the median sales price fell 7 percent to $213,300.

According to the Federal Housing Finance Agency, home prices in the New England region decreased by just under 1 percent during the fourth quarter of 2009 (the most recent data available) compared with home prices during the fourth quarter of 2008. Nationally, home prices declined by just over 1 percent. Price changes for the individual states ranged from a loss of just over 3 percent for Connecticut to an increase of just under 1 percent for Maine. According to Lender Processing Services Mortgage Performance Data, in March 2010, the number of homes in foreclosure, 90 days or more delinquent, or in REO (real estate owned) in the region increased by 46 percent to 111,920 compared with the number of homes during March 2009. This level represents a current rate of 7 percent in the region in March 2010 compared with a rate of 5 percent in March 2009. The national rate in March 2010 was 9 percent.

*For an explanation of HUD's regions, please turn to page 49 at the end of the Regional Reports section.

Condominium markets in the New England states have remained soft; however, sales are generally increasing and declines in median sales price are abating in some areas. According to the MAR, during the 12 months ending March 2010, condominium sales in Massachusetts totaled 16,180 units, an increase of 7 percent from the number sold during the previous 12 months, and the median sales price was $259,500, down only 2 percent. According to the NNEREN, condominium sales in New Hampshire increased by nearly 9 percent and the median sales price was down only 6 percent compared with the price recorded during the previous 12-month period. The RIAR reported that condominium sales in Rhode Island were up 7 percent to 1,220 units, but the median sales price was down 15 percent to $177,800. In Connecticut, the Warren Group reported that, during the same period, condominium sales totaled 7,650 units, down 3 percent from the previous 12 months, and that the median sales price of $178,200 was down more than 9 percent.

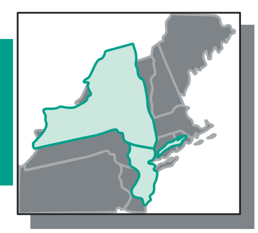
As recent price declines have been slowing and home sales have been increasing, the level of single-family construction may be stabilizing after declines that began in 2005. Based on preliminary data, for the 12 months ending March 2010, single-family construction activity, as measured by the number of homes permitted, increased slightly to 10,845 homes, which was less than a 1-percent increase from the number permitted during the previous 12 months. This total is only 25 percent of the 2004 annual peak total of 43,750 single-family homes and 31 percent of the 2000-to-2008 annual average of 34,670 homes permitted. The largest increase was in Massachusetts, where 4,355 units were permitted, an increase of 8 percent compared with the number permitted during the 12 months ending March 2009. Maine and Vermont had small increases of 2 and 5 percent, to 1,680 and 540 homes, respectively. Connecticut and New Hampshire had declines of 8 and 11 percent, to 2,060 and 1,420 homes, respectively, and Rhode Island was flat, issuing permits for 790 single-family homes.

Multifamily building activity, as measured by the number of units permitted, is still declining significantly. For the 12 months ending March 2010, 4,740 multifamily units were permitted, down 40 percent compared with the number permitted during the previous 12 months, based on preliminary data. This level of construction activity equals only 28 percent of the 16,930 units permitted in the most recent peak year of 2005 and 40 percent of the 2001-to-2008 annual average of 11,750 units. The two largest declines in multifamily building activity were in Massachusetts and Connecticut, where 4,350 and 1,140 units were permitted, down 53 and 38 percent, respectively, compared with the number permitted during the previous 12-month period. Maine permitted only 200 multifamily units, down from 425 a year earlier. New Hampshire and Vermont permitted 880 units and 310 units, increases of 9 and 2 percent, respectively, and Rhode Island permitted 200 multifamily units, no change from the previous 12 months .

In general, New England rental markets were balanced during the first quarter of 2010, with moderate changes in vacancy rates but also with declines in rents in all markets. According to Reis, Inc., metropolitan area apartment vacancy rates ranged from 3.4 to 7.9 percent, and declines in rents ranged from less than 1 percent to 3 percent. For the first quarter of 2010, the Boston metropolitan area rental market is balanced but, still showing the effects of significant numbers of new rental units in the recent weakened economic environment, had an apartment vacancy rate of 6.5 percent, up from the 6.4-percent rate recorded a year earlier. The average rent of $1,697 was down more than 2 percent from the previous year. The Hartford metropolitan area is balanced, with an apartment vacancy rate of 5.7 percent, up from 5.3 percent a year earlier. The average rent was unchanged at $968 from the rent during the first quarter of 2009. In Providence, the apartment vacancy rate was unchanged at 7.9 percent and the average rent was $1,207, down nearly 2 percent from the average rent for the previous year, as conditions remained soft. In southern Connecticut, both Fairfield County and New Haven County markets are balanced but tightened, with apartment vacancy rates of 5.3 and 3.4 percent, down from 6.0 and 4.1 percent, respectively. Average rents, however, were down 3 percent in Fairfield County and down less than 1 percent in New Haven County. In several smaller markets, vacancy rates were up and rents were either down or flat; the Manchester-Nashua rental vacancy rate increased from 4.3 to 4.5 percent and rents were unchanged. In central and western Massachusetts, vacancy rates in Worcester and Springfield were 5.1 and 5.5 percent, up from 3.7 and 4.5 percent, respectively. Rents were unchanged in Springfield and down less than 1 percent in Worcester.

New York/ New Jersey

HUD Region II



Nonfarm employment in the New York/New Jersey region during the 12-month period ending March 2010 declined by 373,800 jobs, or nearly 3 percent, to an average of 12.4 million jobs compared with number of jobs during the same period a year earlier. In New York State, during the 12 months ending March 2010, 236,000 jobs were lost, a 2.7-percent decline to 8.5 million jobs, and, in New Jersey, employment decreased by 137,800 jobs, or 3.4 percent, to 3.9 million jobs. These job losses were significantly higher than the 81,400 annual average job losses, a 0.6-percent decline, which occurred in the region during the 12 months ending March 2009.

Despite the decline in total employment in the region, limited job growth occurred in the education and health services and the government sectors. During the 12 months ending March 2010, employment in the education and health services sector increased by 39,400 jobs, or nearly 2 percent, to 2.3 million jobs, and the government sector increased by 1,800 jobs to 2.2 million jobs, an increase of 0.1 percent. These gains were offset, however, by declines in the other employment sectors in both states. Employment in the manufacturing sector declined 10 percent in the region, resulting in a loss of 53,200 and 29,500 jobs in New York and New Jersey, respectively. For the region, employment in the construction sector during the 12 months ending March 2010 declined by 61,700 jobs, or 12 percent, with approximately 17 percent of these job losses resulting from cutbacks in residential construction. Employment declined between 5 and 6 percent in the region's professional and business services and financial activities sectors, which lost 88,400 and 55,000 jobs, respectively. Nearly 70 percent of these job losses were in New York State.

Employment losses in New York City adversely affected statewide employment trends. During the 12-month period ending March 2010, total nonfarm employment in New York City decreased by 111,000 jobs, or nearly 3 percent, to 3.7 million jobs. This decline accounted for nearly 50 percent of the total job losses in New York State. The only employment sector in the city where growth occurred was the education and health services sector, which increased 2 percent to 737,500 jobs. This gain was offset by a 12-percent decrease in the manufacturing sector, which declined by 11,400 to 81,300 jobs. During the 12-month period ending March 2010, employment in the construction sector decreased by 13,500 jobs, or 10 percent, to 117,400 jobs. In addition, the professional and business services sector lost 567,000 jobs, a 6-percent decline, and the financial activities sector declined by 30,100 jobs to 429,300 jobs, an approximately 7-percent decline compared with the number of jobs during the previous 12 months.

For the 12-month period ending March 2010, the average annual unemployment rate in the New York/New Jersey region increased from 6.1 to 9.0 percent compared with the rate recorded during the same period a year earlier. During the 12 months ending March 2010, the unemployment rate in New York State increased from 6.1 to 8.7 percent and in New Jersey from 6.3 to 9.6 percent. In New York City, the unemployment rate increased from 6.3 to 9.9 percent.

Home sales market conditions in the New York/New Jersey region are mixed, but increased sales activity, partly due to the federal homebuyer tax credit programs, indicates that conditions are improving. During the first quarter of 2010, the New York State Association of REALTORS®, Inc., reported an 18-percent increase in existing single-family home sales (excluding parts of New York City), up to nearly 14,000 sales compared with the number recorded during the same quarter a year earlier. Similarly, during the first quarter of 2010, according to the Greater Capital Association of REALTORS®, Inc., existing home sales in the Albany-Schenectady-Troy metropolitan area increased to 1,350 homes sold, an 11-percent increase compared with the number sold during the same quarter in 2009. In the Rochester metropolitan area, the Greater Rochester Association of REALTORS®, Inc., reported a 7-percent increase in sales to 1,275 homes sold during the first quarter of 2010. Changes in median sales prices varied throughout the region. In New York, during the first quarter of 2010, the median sales price of an existing home sold increased to $220,000, a 13-percent increase compared with prices recorded during the same quarter a year earlier. During the first quarter of 2010, the median sales price of an existing single-family home sold in the Albany-Schenectady-Troy metropolitan area increased nearly 1 percent to $179,700. In the Rochester metropolitan area, the Greater Rochester Association of REALTORS®, Inc., reported that, during the first quarter of 2010, the median sales price of an existing home increased from $105,000 to $113,000, an 8-percent increase compared with the median sales price recorded during same quarter a year earlier. In March 2010, the median sales price of an existing home or condominium sold in the Buffalo-Niagara Falls metropolitan area remained stable at $100,000. According to March 2010 Lender Processing Services Mortgage Performance Data, the number of home loans in foreclosure, 90 or more days delinquent, or in REO (real estate owned) increased from 4.9 to 7.8 percent of the total home loans in New York compared with the number recorded during the same month a year earlier. Most of the foreclosures and delinquent mortgages in New York State were concentrated in downstate areas, including parts of New York City and Long Island.

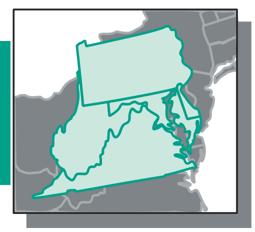
First quarter 2010 condominium/co-op market conditions in Manhattan remained generally soft. Although low mortgage interest rates contributed to an increase in total sales, the median sales price continued to decline. According to Prudential Douglas Elliman Real Estate, during the first quarter of 2010, sales of existing condominium and co-op housing increased nearly 100 percent to 2,385 units sold compared with 1,195 sold during the same quarter a year earlier. These increased sales resulted in a 23-percent reduction in the listing inventory to 8,025 units listed and a 27-percent decline in the number of days on the market to 124 days. The median sales price of an existing condominium/co-op in Manhattan in the first quarter of 2010, however, decreased to $868,000, an 11-percent decline compared with the median sales prices recorded during the same quarter a year earlier. The current listing inventory remains more than 10 percent above the 10-year average.

Existing home sales in New Jersey increased significantly during the past year, but median sales prices continued to decline. According to the New Jersey Association of REALTORS®, the number of sales during the fourth quarter of 2009 (the latest information available) increased to 34,700 home sales, up 33 percent compared with the number sold during the same quarter a year earlier. With the number of existing home sales increasing in all three regions of the state, sales were up in Northern New Jersey by 36 percent to 16,300 homes sold, in Central New Jersey by 31 percent to 9,640 homes sold, and in Southern New Jersey by 30 percent to 8,780 homes sold. Despite these increases, the median sales price of an existing home sold in New Jersey in the fourth quarter of 2009 declined to $296,700, down 8 percent compared with the median sales price recorded during the same quarter last year. During the fourth quarter of 2009, the median sales price of an existing home sold in Northern New Jersey decreased by nearly 8 percent to $352,200. The median sales price of an existing home sold in Central New Jersey declined by 4 percent to $308,700 and nearly 9 percent to $203,700 in Southern New Jersey. According to March 2010 Lender Processing Services Mortgage Performance Data, the number of home loans in New Jersey that are in foreclosure, 90 days or more delinquent, and in REO increased from 5.9 to 9.3 percent of the existing loan inventory compared with the number recorded during the same month a year earlier.

Total housing construction (single-family and multifamily) in the New York/New Jersey region peaked at 100,500 units in 2005 and decreased by 30 percent from 2005 to 2008. For the 12-month period ending March 2010, single-family housing construction, as measured by the number of single-family building permits issued, decreased to 13,700 homes permitted, an 11-percent decline compared with the number permitted during the previous 12 months. This decrease included a 17-percent decline in the number of single-family homes permitted in New York, down to 6,100 homes permitted, and a 5-percent decline in New Jersey, down to 7,600 homes permitted. During the 12-month period ending in March 2010, the number of multifamily units permitted in the region declined 74 percent to 11,100 units permitted. The number of multifamily units permitted decreased in New York by nearly 80 percent to 7,100 units and in New Jersey by 57 percent to 4,000 units compared with the number permitted a year earlier.

Rental market conditions are mixed in the New York/New Jersey region. Based on preliminary first quarter data from Reis, Inc., the average apartment vacancy rate in New York City decreased significantly to 2.8 percent during the first quarter of 2010, down from the 3.4-percent rate recorded in the first quarter of 2009, and the rental market remains extremely tight. Apartment vacancy rates in Long Island and New Jersey increased, but rental markets remain balanced. Vacancy rates increased from 3.9 to 4.1 percent in Central New Jersey and from 4.6 to 5.3 percent in Northern New Jersey. During the first quarter of 2010, average monthly rents in Central New Jersey decreased less than 1 percent to $1,146, but in Northern New Jersey they declined to $1,481, down nearly 2 percent compared with the rent recorded during the same quarter a year earlier. According to Reis, Inc., average monthly apartment asking rents in New York City decreased nearly 3 percent to $2,754 a month; conversely, monthly apartment rents increased by less than 1 percent in most of the Upstate New York metropolitan areas. Reis, Inc., data indicates that apartment vacancy rates increased in the Buffalo, Rochester, and Syracuse metropolitan areas, but the markets in all three areas remain balanced. For the first quarter of 2010, apartment vacancy rates were 5.0 percent in Buffalo, 5.1 percent in Rochester, and 4.4 percent in Syracuse. During the first quarter of 2010, average monthly apartment asking rents increased by less than 1 percent to $685 in Syracuse, $729 in Buffalo, and $755 in Rochester.

Mid-Atlantic



HUD Region III

During the 12 months ending March 2010, employment levels in the Mid-Atlantic region continued the decline that began in mid-2008. Nonfarm employment averaged 13.6 million jobs during the 12-month period, down 422,000 jobs, or 3 percent, from the 14 million jobs averaged during the 12 months ending March 2009. The education and health services and the government sectors were the only employment sectors to add jobs. The education and health services sector grew by nearly 37,950 jobs, or 1.7 percent, which was down significantly from the 64,100 jobs added during the same period a year earlier. The government sector grew by 18,200 jobs, or 0.8 percent, but the state and local government subsector lost 2,300 jobs, or 0.1 percent, after gaining 20,450 jobs during the 12 months ending March 2009. Job declines were most severe in the manufacturing sector, which lost 112,000 jobs; in the construction sector, which lost nearly 90,400 jobs; and in the wholesale and retail trade subsectors, which lost a combined total of 85,200 jobs. The job losses represented declines of 10, 13, and 9.5 percent, respectively.

Total nonfarm employment declined in every state in the region and in the District of Columbia. On a percentage basis, Delaware reported the largest job decline of 4.4 percent; losses of 4,100 jobs in the construction sector and 3,600 jobs in the manufacturing sector accounted for 40 percent of the jobs lost in the state. In Pennsylvania, during the 12-month period, declines of 69,100 manufacturing jobs and 37,900 professional and business services jobs accounted for 57 percent of the 186,900 total jobs lost, down 3.2 percent from a year earlier. Virginia lost a total of 120,860 jobs, or 3.2 percent, and Maryland lost a total of 74,100 jobs, or 2.9 percent. In Virginia and Maryland, construction was the leading sector in the number of jobs lost, down 29,200 and 22,900, or 14 and 15 percent, respectively. In West Virginia, employment declined by 20,660 jobs, or 2.7 percent. A gain of 7,400 jobs in the federal government subsector helped the District of Columbia remain relatively stable, losing only 590 jobs, down less than 0.1 percent from a year earlier. During the 12 months ending March 2010, the regional unemployment rate averaged 7.9 percent, nearly 2 percent lower than the national rate of 9.7 percent but up from the regional average of 5.4 percent recorded during the 12 months ending March 2009. Unemployment rates among the states in the region ranged from 7 percent in Virginia to 8.7 percent in West Virginia. The District of Columbia reported an unemployment rate of 10.9 percent, up from 7.4 percent a year earlier.

The extension of homebuyer tax credit programs, lower interest rates, and a continued decline in home prices contributed to increased volume in existing home sales. In addition, both the number of days that homes stayed on the market and the existing levels of inventory declined, so, although sales markets remain soft in the region, a return to balance is under way. The Maryland Association of REALTORS® reported that, during the 12 months ending March 2010, 61,360 existing homes were sold in Maryland compared with approximately 43,020 homes sold during the 12 months ending March 2009. This 19-percent increase in sales was a significant improvement compared with the 22-percent decline reported during the 12 months ending December 2009. During the 12 months ending March 2010, the average home sales price declined 10 percent to $298,360, and the average monthly inventory of homes for sale declined 12 percent to 42,740 homes. In the Baltimore metropolitan area, sales volume increased 11 percent to 22,620 homes sold at an average price of $278,790, reflecting an 8-percent decline in average price from the 12 months ending March 2009.

According to the NATIONAL ASSOCIATION OF REALTORS®, the resale markets in Pennsylvania, Virginia, West Virginia, and Delaware improved during 2009 (the most recent data available) compared with the sales volume reported in 2008. The annual rate of home sales in the fourth quarter of 2009 increased 17 percent in Delaware to 13,600 homes sold compared with the annual rate of 11,600 reported in the fourth quarter of 2008. In Pennsylvania, an annual rate of 226,400 home sales was recorded, up nearly 27 percent compared with the rate of 178,800 in 2008. An annual rate of 115,600 homes was sold in Virginia, up 12 percent from 2008. In West Virginia, during the fourth quarter of 2009, an annual rate of 32,800 home sales was posted, a 41-percent increase from the annual rate during the fourth quarter of 2008.

In the Philadelphia metropolitan area, according to data from Trend and Metropolitan Regional Information Systems, Inc. (MRIS®), nearly 49,300 homes were sold during 2009 (the most recent data available), which is nearly 7 percent below the volume sold during 2008 but is a significant improvement over the 23-percent decline between 2007 and 2008. The average home sales price was $250,100, down 6 percent from the average price recorded in 2008. MRIS® reported a total of 65,800 homes sold in the Washington, D.C. metropolitan area during the 12 months ending March 2010, a 9-percent increase from the 60,180 homes sold during the same period a year earlier. Average home prices in this area were $360,225, down 4 percent from the average price of $376,250 reported a year earlier.

According to Lender Processing Services Mortgage Performance Data, in March 2010, the number of home loans in foreclosure, 90 days or more delinquent, or in REO (real estate owned) in the region increased by 39 percent to 237,280 compared with the number recorded during March 2009. This level represents a current rate of 6.7 percent of all loans recorded in the region compared with a rate of 4.8 percent in March 2009; it is still less than the current 9-percent rate for the nation.

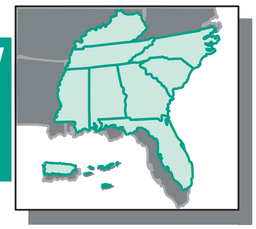
Improvement in the existing homes sales market has stimulated new single-family home construction, but development of multifamily units continues to be stymied by a lack of financing. For the region, during the 12 months ending March 2010, single-family homebuilding activity, as measured by the number of building permits issued, remained relatively stable after a 5-year trend of declining production. Based on preliminary data, the number of homes permitted decreased by only 0.5 percent to 39,180 homes compared with the number permitted during the 12-month period ending March 2009. The production of new homes increased in Delaware, up 21 percent to 2,970 homes, and in Maryland, up 12 percent to 8,050 homes. Pennsylvania, Virginia, and West Virginia permitted 12,040, 14,580, and 1,420 homes, respectively. The declines of 7, 2, and 15 percent in the three states were significantly below the 32-, 34-, and 44-percent declines reported during the previous 12-month period. The District of Columbia issued permits for 120 homes compared with 210 homes during the previous period. Multifamily construction activity, as measured by the number of units permitted, continued to decline but at almost one-half the rate of the 12-month period ending March 2009. Preliminary data for the 12 months ending March 2010 indicate that the number of multifamily units permitted declined by 2,430 units, or 17 percent, to 11,600 units compared with a 31-percent decline during the previous period. The number of multifamily units permitted in Delaware and the District of Columbia during the 12-month period ending March 2010 increased by 90 and 620 units to a total of 510 and 1,050 units, respectively. The largest multifamily reductions occurred in Maryland, Virginia, and Pennsylvania, which recorded decreases of 850, 990, and 960 units, respectively.

Apartment markets throughout the region remained soft during the first quarter of 2010, with vacancy rates for class A units in the three largest rental markets above 8.5 percent. In the Baltimore metropolitan area, Delta Associates reported that the vacancy rate increased to 8.7 percent from the 7.8-percent rate recorded during the first quarter of 2009. In the northern suburbs of the metropolitan area, vacancy rates were 14.9 percent, up from 6.2 percent a year earlier because two recently completed projects with a total of 200 units continue in lease-up and apartments face increased competition from reduced pricing at new condominium developments. In the southern suburbs, rates increased from 8.6 to 10.9 percent because 600 units are in lease-up. The market remains soft in the city of Baltimore, where the current vacancy rate is 10.7 percent, down from the 12.6-percent rate recorded in March 2009. Average rents in the Baltimore suburbs increased from $1,379 in the first quarter of 2009 to $1,450 in the first quarter of 2010; in the city of Baltimore, average rents declined from $1,700 to $1,670.

The apartment market in the suburbs of the Philadelphia metropolitan area was soft, but the Center City Philadelphia market tightened in response to lowered rents. In the New Jersey suburbs, Delta Associates reported an increase in vacancy rates from 10.5 percent in March 2009 to 13.6 percent at the end of the first quarter of 2010. Average rents rose from $1,320 to $1,365 and concessions increased from 5.8 to 7.1 percent of contract rent. In the suburbs in Pennsylvania, vacancy rates increased from 7.8 to 8.3 percent with concessions rising almost 2 percentage points to 7.4 percent. Average rents were $1,410 in March 2010, an increase from $1,380 a year earlier. Between March 2009 and March 2010, the apartment market tightened in Center City Philadelphia, where the vacancy rate fell from 7.6 to 4.2 percent and rents declined from $2,045 to $1,965. Concessions decreased from 7.5 to 6.5 percent of contract rent.

In the Washington, D.C. metropolitan area, the rental market was generally soft. Delta Associates reported an increase in vacancy rates in the garden apartment market from 7.8 percent in March 2009 to 8.2 percent at the end of the first quarter of 2010. The vacancy rate for Class A units in the Northern Virginia submarket increased from 5.9 to 8.2 percent; it was affected by vacancy rates of 14 percent in Prince William County and 24 percent in the Tyson's Corner area of Fairfax County, where a combined total of more than 500 units are currently in lease-up. Rates in suburban Maryland were highest in Charles County (15 percent, up from 5 percent a year earlier) and Prince Georges County (12 percent, down from 24 percent in March 2009). Rents in garden apartments average $1,625 in the Maryland suburbs that are close to Washington, DC, and $1,565 in Northern Virginia. Vacancy rates in highrise units increased from 6.7 to 13.2 percent in Northern Virginia but decreased in both the District of Columbia and the Maryland suburbs from 19.5 to 11.8 percent and from 27.5 to 13.7 percent, respectively. Rents for highrise apartments average $2,450 in the District of Columbia, $2,250 in suburban Maryland, and $2,190 in Northern Virginia.

Southeast/ Caribbean



HUD Region IV

After peaking at 27.4 million jobs in late 2007, employment in the Southeast/Caribbean region continued to decline during the 12 months ending March 2010. Nonfarm employment in the region averaged 25.1 million jobs, a decrease of 1.3 million jobs, or almost 5 percent, compared with the number of jobs recorded during the 12 months ending March 2009. Employment decreased in every major sector except the education and health services sector, which increased by 47,000 jobs, or 1.4 percent. The largest employment declines occurred in the manufacturing, construction, and trade sectors, with decreases of 318,400, 239,800, and 225,400 jobs, or 12, 19, and 5 percent, respectively.

Total nonfarm employment during the period fell in each of the eight states in the region, in Puerto Rico, and in the Virgin Islands. The declines ranged from 3.5 percent in the Virgin Islands to 5.3 percent in Florida. Job losses of 400,000 in Florida, 208,500 in Georgia, and 193,700 in North Carolina accounted for 62 percent of the job losses in the region. During the 12 months ending March 2010, the unemployment rate in the region averaged 11.1 percent, a 3.5-percentage point increase from the average rate of 7.6 percent recorded during the 12 months ending March 2009. The unemployment rate increased in every state in the region and in Puerto Rico, ranging from 10 percent in Georgia to 15.5 percent in Puerto Rico.

Most local housing markets in the Southeast/Caribbean region are soft because of weak economic conditions. Although some markets show early signs of stabilizing, according to Lender Processing Services Mortgage Performance Data, in March 2010, the number of home loans in foreclosure, 90 days or more delinquent, or in REO (real estate owned) in the region increased to 12 percent of total loans from 9 percent in March 2009. In Florida, the increase was from 14 to 19 percent of total loans, the highest percentage in the region. Lower sales prices from the sale of foreclosed and other distressed properties contributed to higher sales activity in Florida. According to data from the Florida Realtors®, during the 12 months ending March 2010, 170,400 existing homes were sold statewide, a 30-percent increase compared with the number sold in the 12 months ending March 2009. In comparison, an average 187,500 homes were sold annually between 2005 and 2007. The median price of an existing single-family home sold in Florida during the first quarter of 2010 was $133,700, a decrease of 5 percent from $140,900 during the first quarter of 2009. During the 12 months ending March 2010, sales of existing condominiums increased by 58 percent to 62,700 units statewide, surpassing the annual average of 60,600 units sold during the 2005-to-2007 period. The median price of an existing condominium sold during the first quarter of 2010 was $95,700, which is 13 percent less than the median price during the first quarter of 2009. In Miami, during the 12 months ending March 2010, single-family home sales increased by 38 percent to 6,850 and condominium sales increased by 49 percent to 7,475. During the first quarter of 2010, the median price of a single-family home sold in Miami was $197,500, a decrease of 4 percent compared with the price recorded during the first quarter of 2009, and the median price of a condominium unit sold was $138,800, a decrease of 8 percent from a year earlier.

According to data from the North Carolina Association of REALTORS®, Inc., the number of existing homes sold during the 12 months ending March 2010 declined by 2,350 homes, or almost 3 percent, to 82,550 compared with the 84,900 sold during the previous 12 months. The number of homes sold decreased in 13 of the 18 reported areas. The average price of a home in North Carolina decreased by $11,270, or 5 percent, during the past 12 months. Home prices fell in 15 of the 18 reported areas. Raleigh was the only one of the three largest metropolitan areas of North Carolina to record an increase in sales for the 12 months ending March 2010. In the other two largest areas, Charlotte and Greensboro, the year-to-year rate of decline in home sales and average home prices slowed compared with rates of decline recorded for the12-month periods ending December 2009 and September 2009. Sales of new and existing homes in Raleigh increased nearly 4 percent to 21,350 homes; the average home price decreased 8 percent to $221,600. In Charlotte, the number of existing homes sold declined by 8 percent to 22,500 homes; the average price of a home fell 6 percent to $202,900. The number of existing homes sold in Greensboro fell 4 percent to 11,275 homes, and the average price declined 7 percent to $157,500.

According to data from South Carolina REALTORS®, the number of homes sold in the state during the 12 months ending March 2010 was relatively unchanged at 43,900 compared with the number sold during the previous 12 months. Sales decreased in 9 of 15 reported areas of the state. Sales increased primarily in coastal areas, where sales had previously fallen more dramatically than in other areas of the state. During the first quarter of 2010, the median sales price of a home in South Carolina increased by nearly 2 percent to $138,000 compared with the median price recorded during the first quarter of 2009. The median price increased in 9 of 15 reported areas. Areas with median price declines were primarily in coastal areas. In Alabama, according to the Alabama Center for Real Estate, approximately 39,375 homes were sold during the 12 months ending March 2010, a 4-percent decline compared with the 40,850 homes sold during the 12 months ending March 2009. During the past 12 months, the average inventory of unsold homes decreased by almost 6 percent to 40,050 homes and the average sales price declined by 5 percent to $145,700.

Sales and prices of existing homes declined or remained relatively unchanged in the three largest metropolitan areas of Tennessee during the past year. During the 12 months ending March 2010, The Greater Nashville Association of REALTORS®, Inc., reported that sales of single-family homes in Nashville decreased by 2 percent to 18,000 units. Condominium sales in Nashville decreased 8 percent to 2,650 units. According to the Knoxville Area Association of REALTORS®, during the 12 months ending March 2010, single-family home sales in Knoxville totaled 9,650 homes, relatively unchanged from the number of homes sold during the previous 12 months. In the same period, condominium sales decreased by 4 percent to approximately 1,050 units. During the 12 months ending March 2010, the average price of a single-family home decreased by 5 percent to $172,200 and the average price of a condominium unit decreased by 4 percent to $159,300. In Memphis, single-family home sales fell by 4 percent to 11,150 homes and condominium sales remained flat at approximately 450 units during the past 12 months. Average prices for single-family homes and condominiums each remained relatively unchanged at $145,400 and $142,700, respectively.

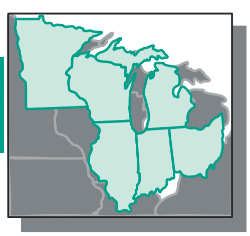
Single-family home construction activity, as measured by the number of building permits issued, declined in the region during the past 12 months but at a much lower rate than during the previous 12 months. According to preliminary data, during the 12 months ending March 2010, 113,000 homes were permitted, a decrease of 12,500 homes, or 10 percent, compared with the number permitted during the 12 months ending March 2009. In comparison, single-family unit permits decreased by 112,100, or 47 percent, to 125,500 units during the 12 months ending March 2009 compared with the 12 months ending March 2008. Between 2000 and 2007, an average of 399,300 single-family homes were permitted annually. Single-family home production declined in all states in the region during the past 12 months except Kentucky, where the number of permits increased by 2 percent to 5,575 homes permitted. The greatest decline occurred in Georgia, where 3,700 fewer units were permitted, a decrease of 22 percent. Multifamily construction in the region declined significantly during the past year in all states as apartment and condominium builders reduced production because of soft conditions in the condominium and rental housing markets. According to preliminary data, during the 12 months ending

March 2010, the number of multifamily units permitted declined from 57,450 to 27,850 units, or 52 percent. The largest decline occurred in Florida, where the number of multifamily units permitted declined by 12,800, or 69 percent, to 6,900 units. In North Carolina, the decline was by 5,900 to 7,450 units.

Apartment markets remained soft throughout the region during the first quarter of 2010, with 11 of the 19 markets surveyed by Reis, Inc., reporting vacancy rates above 10 percent. Vacancy rates in 14 of the 19 markets surveyed increased from the rates recorded during the first quarter of 2009. Exceptions were the eastern Tennessee markets of Chattanooga and Knoxville and the three South Carolina markets of Columbia, Charleston, and Greenville. Conditions have eased to a more balanced state in Chattanooga, where the vacancy rate fell to 6.1 percent, which is 2.7 percentage points lower than the rate recorded a year earlier. In Knoxville, the rate decreased slightly to 7.6 percent from 7.8 percent last year. Although vacancy rates decreased in the three South Carolina markets, soft market conditions continue with vacancy rates of 12 percent in Columbia, 11.6 percent in Charleston, and 10.9 percent in Greenville. As reported by Reis, Inc., apartment markets in the Southeast/Caribbean region accounted for the three highest vacancy rates in the nation, including 13.8 percent in Jacksonville, 13.2 percent in Memphis, and 12.8 percent in Greensboro-Winston Salem. All three markets recorded vacancy rate increases from a year earlier. The softer markets resulted from an oversupply of apartment units as demand contracted because of significant job losses in the areas. High vacancy rates flattened rent growth in most markets in the region. Although six markets recorded average asking rent increases for the period, for five of the six markets, the increases were negligible. Chattanooga recorded the largest rent increase of 1 percent, which occurred because of demand from construction workers building the Volkswagen assembly plant scheduled for completion next year. Rents held steady in Lexington but declined in the remaining 12 markets. The largest rent decrease occurred in Orlando, where the average asking rent declined by more than 2 percent as the vacancy rate rose to 11.5 percent.

MIDWEST

HUD Region V



Employment levels continued to decline in the Midwest region during the first quarter of 2010, extending job losses that began in 2007. In the 12 months ending March 2010, nonfarm employment decreased by nearly 1.2 million jobs, or 5 percent, to an average of 22.6 million jobs compared with a decline of 501,000 jobs in the previous 12-month period. The loss of jobs over the past 12 months is the largest in at least 5 years. The only sector to grow during the 12 months ending March 2010 was the education and health services sector, which added 50,700 jobs, an increase of 1.4 percent. Losses recorded in the manufacturing, professional and business services, and trade sectors led the region, decreasing by 431,300, 218,000, and 176,100 jobs, or 13.4, 7.4, and 4.8 percent, respectively. Transportation equipment manufacturing accounted for one-fifth of the losses in the manufacturing sector. Each of the six states in the region lost jobs. The most significant nonfarm employment declines occurred in Illinois, Ohio, and Michigan, which lost 284,300, 273,300, and 241,800 jobs, respectively. The rates of declines ranged from 3.9 percent in Minnesota to 5.9 percent in Michigan. The continued declines in employment in the Midwest region contributed to an average unemployment rate for the 12 months ending March 2010 of 10.7 percent, the highest rate recorded in more than a decade. The rate during the previous 12-month period ending March 2009 averaged 7.4 percent. Unemployment rates increased in each of the six states and ranged from 7.8 percent in Minnesota to 14.1 percent in Michigan.

Sales market conditions in the Midwest region are generally soft, with average sales price declines reported in most markets. During 2009, sales of existing homes in the Midwest region increased because of continued low mortgage interest rates, the federal homebuyer tax credit program, and declining sales prices in much of the region. According to the NATIONAL ASSOCIATION OF REALTORS®, regionwide sales activity in 2009 (the most recent data available) increased by nearly 27 percent to 1 million existing homes sold compared with the number sold in 2008. Contributing to price declines, foreclosure activity in the Midwest region increased between March 2009 and March 2010. According to Lender Processing Services Mortgage Performance Data, in March 2010, the percentage of mortgage loans in foreclosure, 90 days or more delinquent, or in REO (real estate owned) was 9.1 percent, an increase from the 6.5-percent rate recorded in March 2009. In Michigan, during the 12 months ending March 2010, market conditions were soft as the average sales price declined by 9 percent to $100,100, but sales increased by 11 percent to 114,000 homes, according to the Michigan Association of REALTORS®. The Illinois Association of REALTORS® reported that, for 2009, statewide existing home sales declined 1 percent from 2008, to 107,600 homes, and the average sales price declined 16 percent to $206,300. In the Chicago area, which includes nine Illinois counties, sales remained stable at 69,400 homes, but the average sales price declined 19 percent to $252,400. The percentage of mortgage loans in foreclosure, 90 days or more delinquent, or in REO in the Chicago area was particularly high at 10.9 percent, up from the 6.8-percent rate recorded a year earlier. The

Ohio Association of REALTORS® reported a decline in statewide sales of 2 percent to 104,100 new and existing properties sold, and a 1-percent decline in average sales prices to $132,100. In the Cincinnati and Columbus metropolitan areas, sales increased 2 and 5 percent, respectively, and each registered a decline in average prices of 2 percent to $154,300 and $159,000, respectively.

Sales market conditions are generally balanced in Indiana. For the 12 months ending March 2010, the Metropolitan Indianapolis Board of REALTORS® reported a 1-percent increase in existing home sales compared with the number of homes sold during the previous 12 months, up to 25,100 homes sold, but the average sales price remained stable at $140,300. The Minneapolis Area Association of REALTORS® identified a 16-percent increase in existing home sales for the 12 months ending March 2010, or 45,550 homes sold, but a decrease in the average price of 11 percent to $202,600. In Wisconsin, both Milwaukee and Madison registered increased home sales and decreased sales prices. Data from Multiple Listing Service, Inc. indicate that, for the 12 months ending March 2010, sales in Milwaukee increased 3 percent to 12,550 homes, but the average price declined nearly 9 percent to $201,900. In Madison, the South Central Wisconsin Multiple Listing Service indicated sales increased 12 percent to 9,550 homes sold, but the average sales price decreased 8 percent to $186,300.

Homebuilding, as measured by the number of building permits issued, continued to decline in the region (a trend that began in 2005), albeit at a decreasing rate, in response to the job losses and weak demand for new homes. During the 12 months ending March 2010, based on preliminary data, the number of single-family homes permitted fell 8 percent to 44,000 homes compared with a 42-percent decline recorded during the same period a year earlier. In Michigan, single-family permits declined by 10 percent to 5,300 homes, largely because of a 26-percent decline in the number of permits issued in the Detroit metropolitan area. In Illinois, the number of single-family permits issued decreased to 6,300 homes, a decline of almost 25 percent. In Wisconsin, the number of single-family homes permitted declined by nearly 12 percent to 6,600 homes, with Milwaukee recording a 15-percent decline to 950 homes.

In Ohio, during the 12 months ending March 2010, homebuilding activity remained stable at 9,800 homes permitted. Cincinnati and Columbus each reported increases of 15 percent in the number of single-family permits issued, likely because of the relatively stable market conditions in these metropolitan areas. Single-family construction activity declined by 2 percent to 9,500 homes in Indiana and by 3 percent to 6,500 homes in Minnesota.

Multifamily construction, as measured by the number of units permitted, declined in the Midwest region by 47 percent to 12,200 units for the 12 months ending March 2010. Each state registered declines in the level of multifamily construction activity, ranging from 27 percent, or a decrease of 925 units, in Ohio to 65 percent, or a decline of 825 units, in Illinois. Although the number of units permitted in Ohio declined, activity in the Columbus metropolitan area increased 16 percent to 1,700 units because of the relatively tight rental market conditions. The 65-percent decline in Illinois was mainly because of reduced activity in the Chicago metropolitan area, where the number of multifamily units permitted declined by 70 percent to 1,850 units. Although the weak condominium sales market slowed activity, the Chicago metropolitan area still accounted for approximately 75 percent of the 2,525 multifamily units permitted in Illinois during the past 12 months.

Multifamily construction activity during the 12 months ending March 2010 in Wisconsin, Indiana, and Minnesota declined by 47, 44, and 27 percent, respectively compared with construction activity over the same period a year earlier. In Wisconsin, units permitted totaled 2,175, down 1,900 units; in Indiana, permit volume was 2,500 units, a 1,950-unit decrease; and, in Minnesota, the number of units permitted declined by 630 units to 1,750. In Michigan, the weak economy contributed to a 56-percent decline in multifamily units permitted; the 650 units permitted represent the lowest number permitted in more than 16 years.

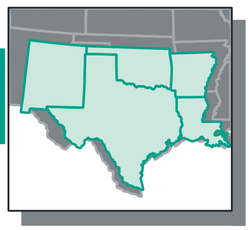
Conditions in major apartment markets in the region were generally mixed between balanced and soft in the first quarter of 2010. According to Reis, Inc., in the first quarter of 2010, the apartment market in the Chicago metropolitan area softened slightly but was still considered balanced. The apartment vacancy rate rose to 6.6 percent from the 6.0-percent rate recorded in the first quarter of 2009, and the average contract rent decreased 1 percent to $1,053 from $1,066. The downtown Chicago rental market was slightly soft as of the first quarter of 2010, with a vacancy rate of approximately 8 percent, down from 8.5 percent a year earlier, based on data from Reis, Inc.; concessions of 1 to 2 months' free rent were typical. Appraisal Research Counselors estimates 2,250 rental units are expected to enter the downtown Chicago market in 2010 compared with nearly 950 units in 2009.

In Indianapolis in the first quarter of 2010, market conditions were soft as the apartment vacancy rate increased to 10 percent from the 8.4-percent rate recorded in the first quarter of 2009, according to Reis, Inc., and the average rent decreased less than 1 percent to an average of $670. In Minneapolis, the apartment market softened slightly but remained balanced. GVA Marquette Advisors reported a rise in the vacancy rate in Minneapolis, from 4.9 percent in the first quarter of 2009 to 6.1 percent in the first quarter of 2010, and a decrease in the average rent by less than 1 percent to approximately $900. According to GVA Marquette Advisors, fewer than 500 new rental units are expected to enter the Minneapolis market in 2010, mainly due to lack of financing. Major

Ohio rental markets were generally soft as of the first quarter of 2010. In Cincinnati, according to Reis, Inc., the rental vacancy rate was approximately 8.2 percent, up from 7.5 percent a year earlier, and the rent averaged $700. In Cleveland, the vacancy rate was approximately 7.0 percent, up from 6.4-percent in the first quarter of 2009. Rents in Cleveland averaged $725 in the first quarter of 2010, down slightly from the average of $735 recorded a year earlier. The Columbus rental market is soft. According to Reis, Inc., in the first quarter of 2010, the vacancy rate was approximately 9.5 percent, up from 8.3 percent in the first quarter of 2009, and the average rent remained unchanged at approximately $680. The Milwaukee area rental market is balanced, with an estimated vacancy rate of 5.2 percent for the first quarter of 2010, and the Detroit metropolitan area rental market is soft, reporting a vacancy rate of 8.1 percent compared with the 7.6-percent rate recorded in the first quarter of 2009.

SOUTHWEST

HUD Region VI



Nonfarm employment in the Southwest region continued to decline in the first quarter of 2010, a trend that began in May 2009. During the 12 months ending March 2010, average nonfarm employment decreased by 496,300 jobs, or 3.1 percent, to 15.6 million jobs compared with a growth rate of 111,900 jobs, or 0.7 percent, during the 12 months ending March 2009. The only nonfarm employment sectors to gain jobs during the past year were the education and health services and the government sectors. The education and health services sector recorded the largest job growth among employment sectors in the region, adding 76,000 jobs, or 3.7 percent, led by Texas, which gained 53,200 jobs, or 4.1 percent. The government sector increased by 52,500 jobs, or 1.8 percent, with all states recording increased employment in the sector. Weakness in residential and commercial construction markets contributed to substantial job losses in the construction sector, which decreased by 119,500 jobs, or 12.1 percent, compared with a gain of 6,300 jobs, or 0.6 percent, a year earlier. The manufacturing sector, which had the greatest number of job losses in the region, was down by 142,800 jobs, or 10 percent.

During the 12 months ending March 2010, job losses occurred in every state in the Southwest region. Employment in Texas declined by 321,300 jobs, or 3 percent, with the construction, manufacturing, and professional and business services sectors each losing more than 85,000 jobs. In Oklahoma, employment decreased by 60,700 jobs, or 3.8 percent, largely due to losses of 21,200 and 16,300 jobs in the manufacturing and professional and business services sectors, respectively. Employment in Louisiana decreased by 44,600 jobs, or 2.3 percent, as a combined increase of 12,900 jobs in the education and health services, other services, and government sectors was more than offset by a loss of 29,700 jobs combined in the manufacturing, construction, and professional and business services sectors. In Arkansas, employment declined by 35,900 jobs, or 3.0 percent. A decrease of 30,900 jobs combined in the manufacturing, trade, and transportation and utilities sectors in Arkansas more than offset gains of 5,600 and 2,600 jobs in the education and health services and the government sectors, respectively. Employment in New Mexico, which declined for the fourth consecutive quarter, decreased by 33,800 jobs, or 4.0 percent, during the 12 months ending March 2010. During the same period, the unemployment rate in the region increased to 7.7 percent compared with the 5.4-percent rate recorded during the previous 12-month period. The average unemployment rates ranged from 6.6 percent in Oklahoma to 8.0 percent in Texas.

Sales market conditions in the Southwest region remained soft during the 12 months ending March 2010 as a result of the economic downturn. Market conditions improved, however, in several states in the region primarily because of increased sales that resulted from the first-time homebuyer tax credit program. According to the Oklahoma Association of REALTORS®, in Oklahoma, during the 12 months ending March 2010, 44,900 homes were sold, up 2 percent from the number sold a year earlier. In Oklahoma City, 16,200 homes were sold, representing an increase of 3 percent, while home sales in Tulsa increased by 1 percent to 12,800. Home sales had declined by more than 14 percent in both Oklahoma City and Tulsa during the 12 months ending March 2009. During the 12 months ending March 2010, the average home sales price in Oklahoma declined by 3 percent to $141,100; the average price increased by 1 percent during the same period a year earlier. The average home sales prices declined by 3 percent in Tulsa to $151,100 and by 4 percent in Oklahoma City to $147,200. A year earlier, average home sales prices in Tulsa were unchanged while in Oklahoma City they rose by 1 percent.

The Arkansas REALTORS® Association reported that during the 12 months ending March 2010 home sales for Arkansas totaled 24,600, up 5 percent from the number of home sales a year earlier. In Little Rock and Fayetteville, the total number of homes sold increased by 10 and 11 percent to 8,300 and 5,675, respectively. Statewide, the average home sales price decreased by 2 percent to $144,300. Average home sales prices in Fayetteville decreased 4 percent to $159,900 while in Little Rock they increased by 2 percent to $163,000.

The Greater Albuquerque Association of REALTORS® reported that in Albuquerque during the 12 months ending March 2010 home sales totaled 6,800, up 6 percent compared with home sales a year earlier. The average home sales price in Albuquerque declined by 6 percent to $213,600. According to the New Orleans Metropolitan Association of REALTORS®, sales were up 1 percent to 8,150 homes compared with a 25-percent decline in home sales during the 12 months ending March 2009. During the 12 months ending March 2010, average home sales prices declined in New Orleans by 1 percent to $201,700. In Baton Rouge, the number of home sales decreased 2 percent to 6,825, and the average home sales price declined approximately 4 percent to $191,200, based on data from the Greater Baton Rouge Association of REALTORS®.

In Texas, according to data from the Real Estate Center at Texas A&M University, home sales totaled 215,200, down 2 percent compared with sales a year earlier and down 19 percent compared with sales 2 years earlier. The level of sales was down in all major markets in the state with 3-percent declines recorded in Austin and Houston and 5- and 6-percent declines recorded in Dallas and Fort Worth, respectively. San Antonio home sales increased by 5 percent compared with sales a year earlier but decreased 20 percent compared with home sales recorded 2 years earlier. The average home sales price in Dallas, Fort Worth, Austin, and San Antonio decreased by 3 percent to $202,300, $138,500, $236,900, and $177,700, respectively. The average home sales price in Houston increased 1 percent to $204,400. The average home sales price for the state was $187,100, down 1 percent compared with the price a year earlier.

In the Southwest region, increased home sales in several states resulted in an increase in single-family home construction activity, as measured by the number of single-family building permits issued. During the 12 months ending March 2010, based on preliminary data, the number of single-family homes permitted in the region totaled 94,400, representing an increase of 2,500 homes, or 3 percent, compared with the number permitted during the 12 months ending March 2009. Texas recorded a 2-percent increase in the number of single-family homes permitted, up 1,450 to 68,900 homes. Louisiana recorded an 8-percent increase in the number permitted, which reflects the ongoing reconstruction efforts in the New Orleans area following Hurricane Katrina. The number of single-family homes permitted increased in Arkansas and Oklahoma by 6 and 4 percent, respectively, but decreased in New Mexico by 4 percent.

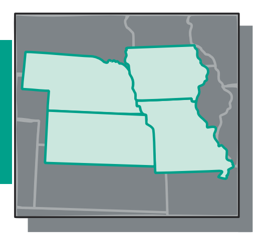
Rental housing market conditions in the Southwest region were soft during the first quarter of 2010 partly because of job losses in nearly all of the larger metropolitan areas. According to Reis, Inc., the apartment vacancy rate in Austin was 10.1 percent, up from 9.5 percent a year earlier, but the average rent was unchanged at $875. In Dallas, the apartment vacancy rate increased to 10.4 percent from the 8.5-percent rate recorded a year earlier, but the average rent was unchanged at $814. Rental markets in Fort Worth and Houston remained very soft, with vacancy rates of approximately 11.1 and 12.9 percent, respectively. Average rents in Fort Worth declined by 1 percent to $710 but in Houston were unchanged at $775. In San Antonio, the vacancy rate increased to 10.7 percent from the 10–percent rate recorded a year earlier, and the average rent increased nearly 1 percent to $700.

In Oklahoma City in the first quarter of 2010, the apartment vacancy rate rose to 10.1 percent from the 8.9-percent rate recorded a year earlier, but average rents were unchanged at $550, according to Reis, Inc. In Tulsa, the vacancy rate increased to 9.4 percent from 8.3 percent a year earlier, but average rents were unchanged at $580. The apartment vacancy rate in Little Rock was 8.6 percent, up from 7.5 percent a year earlier, and the average rent increased by 1 percent to $650. The apartment vacancy rate in Albuquerque declined slightly to 6.4 percent from the 6.8–percent rate recorded a year earlier, and the average rent declined nearly 1 percent to $710. In New Orleans, the vacancy rate increased to 11 percent during the fourth quarter of 2009, up from the 7.7-percent rate recorded a year earlier, and the average rent was down 1 percent to $850.

As a result of the soft rental markets, multifamily construction activity, as measured by the number of units permitted, decreased in the Southwest region during the first quarter of 2010, based on preliminary data. During the 12 months ending March 2010, 18,600 units were permitted, which reflects a 64-percent decline compared with the number of units permitted a year earlier. The number of multifamily units permitted in Texas declined 68 percent, down 28,200 units to 12,000. Louisiana recorded a decline of 64 percent, or 2,250 units, to 830. In the other states in the region, declines in the number of multifamily units permitted ranged from 48 percent in Arkansas to 64 percent in New Mexico. Oklahoma was the only state to record an increase, up 340 units, or 26 percent, to 1,650 multifamily units permitted.

Great Plains

HUD Region VII



During the 12-month period ending March 2010, nonfarm employment in the Great Plains region declined by 220,000 jobs to an average of 6.3 million jobs, its lowest level since the 12-month period ending March 2005. For the 12-month period ending March 2010, nonfarm employment fell 3.3 percent compared with a loss of 0.5 percent during the 12-month period ending March 2009. During the 12 months ending March 2010, job losses in the manufacturing and construction sectors combined accounted for 82 percent of all nonfarm jobs lost, falling by 84,000 and 95,000 jobs, or 11 and 25 percent, respectively. Job losses occurred in six other employment sectors during the same period, ranging from a decline of 6 percent in the professional and business services sector to 2 percent in the leisure and hospitality sector. Job increases during the period were recorded in the education and health services sector, up 1.8 percent, or 16,400 jobs, marking 5.5 years of annual job growth in excess of 10,000 jobs in this sector. Government sector employment increased by 14,000 jobs, or 1.3 percent. Nonfarm employment in Missouri declined by 101,000 jobs, or 4 percent, to an average of 2.7 million jobs. In Kansas, nonfarm employment decreased by 53,000 jobs, or 4 percent, to an average of 1.3 million jobs and, in Iowa, employment fell by 44,000 jobs, or 3 percent, to 1.5 million jobs. In Nebraska, employment declined by 18,000 jobs, or 2.2 percent, to an average of 928,000 jobs.

Primarily because of the effect of the national economic recession that began in 2008, the regional unemployment rate increased to 7.6 percent during the 12-month period ending March 2010, up from the 5.7-percent rate recorded during the 12 months ending March 2009. During the most recent period, Nebraska had the lowest average unemployment rate at 4.8 percent compared with 4.3 percent a year earlier. In Iowa, the unemployment rate averaged 6.3 percent compared with 4.8 percent a year earlier. The unemployment rate in Kansas during the 12-month period ending March 2010 increased to 6.9 percent, up from the 5-percent rate recorded during the 12-month period ending March 2009. Missouri recorded the greatest increase in the jobless rate, with an average of 9.5 percent compared with the 6.9-percent rate recorded during the previous 12-month period.

Sales market conditions in the Great Plains region are soft but improving. According to the NATIONAL ASSOCIATION OF REALTORS®, sales of existing single-family homes, condominiums, and cooperatives in the four Great Plains states decreased during 2009 (the most recent data available) by just 600 homes to 255,100 compared with a decline of 45,300 homes to 255,700 during 2008. Sales of existing homes decreased in Kansas from 60,400 homes sold in 2008 to 56,500 in 2009, a 6-percent decline compared with a decline of 14 percent in 2008. In Missouri, sales decreased from 108,700 homes sold to 105,900, a decline of 3 percent compared with a decline of 12 percent during the previous year. In Iowa, existing homes sales improved slightly during 2009, with 58,000 homes sold compared with 55,700 sold in 2008, an increase of 4 percent. In Nebraska, sales of existing homes increased 12 percent during 2009 compared with a decline of 16 percent in 2008.

In the region's metropolitan areas, sales housing markets were balanced in Omaha, but in Kansas City, Wichita, Des Moines, and St. Louis they were soft. Mainly because of population growth and the homebuyer tax credit program, existing home sales in Omaha during the 12 months ending March 2010 increased to 9,450, up from 7,950 homes sold during the 12 months ending March 2009, a 19-percent gain, but the average price of a home sold was unchanged at $149,100, according to the Omaha Board of REALTORS®. The Kansas City Regional Association of REALTORS® reported that existing home sales increased 4 percent to 23,550 homes, the average price rose 2 percent to $149,500, and the inventory of unsold existing homes increased 6 percent to 14,800 homes. According to the Des Moines Area Association of REALTORS®, existing home sales were unchanged from a year earlier at 7,400 homes, the average price decreased 4 percent to $159,875, and the inventory of unsold homes was unchanged at 5,625. The Wichita Area Association of REALTORS® reported that sales of existing homes declined 9 percent to 8,425 homes, the average price was unchanged at $120,700, and the inventory of unsold homes increased 15 percent to 3,775. According to BlockShopper, existing home sales in St. Louis declined 18 percent to 26,300 during the 12-month period ending March 2010, and HousingTracker reported that the average price of a home sold was unchanged at $165,550.

New home sales in Omaha during the 12-month period ending March 2010 increased 25 percent to 1,220 homes but the average price of a new home sold declined 14 percent to $248,050. In Wichita, new home sales decreased 26 percent to 980 homes, the average price of a new home sold increased 8 percent to $238,500, and the inventory of unsold new homes declined 33 percent to 500 homes. In Kansas City, new homes sales decreased 25 percent to 2,300 homes, the average sales price declined just 2 percent to $296,100, and the inventory of unsold new homes decreased 41 percent to 1,750 homes.

New construction, as measured by the number of building permits issued, rose 6 percent to 18,575 homes permitted compared with a 38-percent decrease in the region during the previous 12 months, based on preliminary data. In Iowa, the number of building permits issued for single-family homes during the 12 months ending March 2010 totaled 5,175, a 12-percent increase compared with the 32-percent decline recorded during the previous 12 months. New single-family construction activity in Kansas fell 9 percent to 3,375 compared with the 36-percent decline that occurred a year earlier. In Missouri, new single-family construction increased 10 percent to 5,925 homes compared with a decline of 50 percent a year earlier. In Nebraska, permits issued for single-family homes increased 6 percent to 4,075 homes compared with the 22-percent decline recorded a year earlier.

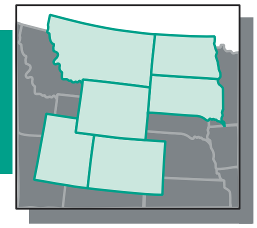
According to Lender Processing Services Mortgage Performance Data, the percentage of total loans in foreclosure, 90 days or more delinquent, or in REO (real estate owned) increased in all four states in the region between March 2009 and March 2010. Missouri had the greatest increase, rising from 4.3 percent to 5.9 percent. In Nebraska, the percentage of total loans in foreclosure, 90 days or more delinquent, or in REO increased from 3.1 to 3.9 percent and, in both Iowa and Kansas, it increased from 3.7 to 5.1 percent.

As of the first quarter of 2010, rental apartment markets in the Great Plains region were soft. Kansas City had the highest apartment vacancy rate and asking rents of all the major metropolitan areas in the region. According to Reis, Inc., in the first quarter of 2010, the Kansas City rental apartment vacancy rate increased to 10.3 percent, up from the 8.6-percent rate recorded in the first quarter of 2009, but the average asking rent was unchanged at $700. In Wichita, as of the first quarter of 2010, the rental apartment vacancy rate was 8.2 percent compared with 6.9 percent a year earlier. The average asking rent in Wichita increased during the past year from $510 to $520 and was the lowest among the major metropolitan areas in the region. The rental apartment vacancy rate in the St. Louis area rose to 9 percent in the first quarter of 2010 compared with 8.2 percent a year earlier, but the average asking rent was unchanged at $680.

According Reis, Inc., in the first quarter of 2010, the apartment vacancy rate in Des Moines increased to 7 percent, up from the 5.7-percent rate recorded in the first quarter of 2009, and the average asking rent increased 1 percent from $685 to $695. In Omaha, the apartment vacancy rate increased to 6.2 percent from 6 percent and the average asking rent was unchanged at $690. At 4.4 percent, Lincoln had the lowest apartment vacancy rate of all the metropolitan areas during the first quarter of 2010, down from the 5-percent rate recorded a year earlier, and the average asking rent during the fourth quarter of 2009 was $660 compared with $665 a year earlier.

Multifamily construction activity, as measured by the number of building permits issued, declined in the Great Plains region during the 12-month period ending March 2010 to 7,160 units, down 21 percent compared with a 24-percent decline a year earlier, based on preliminary data. In Nebraska, during the 12 months ending March 2010, construction activity declined 59 percent to 528 units compared with a decline of 28 percent a year earlier, and in Missouri it decreased 34 percent compared with a 17-percent decline a year earlier. During the 12 months ending March 2010, multifamily construction activity in Kansas increased by 13 percent compared with a 42-percent decline a year earlier. In Iowa, multifamily construction activity increased by 11 percent to 1,890 units compared with a decline of 12 percent during the previous 12 months.

Rocky Mountain



HUD Region VIII

After peaking at 5.1 million jobs in late 2008, nonfarm employment in the Rocky Mountain Region continued to decline through the first quarter of 2010. During the 12 months ending March 2010, nonfarm employment in the region decreased by 203,700 jobs, or 4 percent, to 4.9 million jobs. The most significant job losses have been in the goods-producing sectors—the manufacturing and the mining, logging, and construction sectors, including energy-related activities. During the 12 months ending March 2010, the manufacturing sector lost approximately 37,000 jobs, a decline of 10 percent, and the mining, logging, and construction sector lost 74,400 jobs, a 17-percent decline. Some service-providing sectors have lost jobs as well. The professional and business services sector lost 38,900 jobs, or 6.2 percent, and the leisure and hospitality sector lost 17,000 jobs, or 3.1 percent. The only sectors adding jobs in the past 12 months were education and health services, which rose by 14,200 jobs, or 2.4 percent, and government, which increased by 12,900 jobs, or 1.4 percent. Most of the latter growth was in state and local governments, which added 9,100 jobs.

The largest employment declines in the region occurred in Colorado and Utah, which lost 110,800 and 55,100 nonfarm jobs, or 4.7 and 4.4 percent, respectively. In Colorado and Utah, construction employment declined by 33,400 and 16,600 jobs, or 21 and 19 percent, respectively, and mining and logging decreased by 5,500 and 2,200 jobs, or 19 and 17 percent, respectively. Mining and logging employment declined by 16 percent in both Montana and Wyoming, which lost 1,300 and 4,600 jobs, respectively. Total nonfarm employment fell in the remaining states in the region except for North Dakota, where nonfarm employment was relatively unchanged for the 12 months ending March 2010. The number of jobs declined in Wyoming by 14,200, in Montana by 8,400, and in South Dakota by 8,400, or 4.8, 3.2, and 2 percent, respectively. The average unemployment rate in the region increased from 4.9 to 7 percent for the 12 months ending March 2010, with increases in all states. Average unemployment rates ranged from 4.3 percent in North Dakota to 7.9 percent in Colorado, all below the 9.7-percent national average.

Despite the weaker economy, sales of existing homes in the Rocky Mountain region increased during the fourth quarter of 2009, but markets remain soft in most areas. According to data from the NATIONAL ASSOCIATION OF REALTORS®, home sales in the region during the fourth quarter of 2009 were up 24 percent from a year earlier to a seasonally adjusted annual rate of 215,600 homes sold. This was the highest quarterly sales volume for the region in more than 2 years. The largest increase occurred in Utah, where the annual sales rate was up by 10,400 units, or 39 percent, from a year earlier. Despite the increase in sales volume, according to the housing price index issued by the Federal Housing Finance Agency, quality-controlled sales prices for existing homes in fourth quarter of 2009 were down 4 percent in the region. Continued weakness in the economy has also caused the foreclosure rate in the region to rise. In March 2010, according to Lender Processing Services Mortgage Performance Data, the percent of homes that are either in foreclosure, more than 90 days delinquent, or real estate owned increased in all states in the region to 5.2 percent compared with the 3.4-percent rate recorded in March 2009. State rates for March 2010 ranged from 2.3 percent in North Dakota to 6.5 percent in Utah. Rates in all states were well below the 9-percent national average.

Home sales markets in Utah's major metropolitan areas remain soft and home prices continue to fall, but increased sales activity and a decline in unsold inventories indicate that markets are beginning to turn around. According to NewReach, Inc., during the 12 months ending March 2010, sales of existing single-family homes in the Ogden-Clearfield metropolitan area were up 26 percent to 4,900 homes sold, the supply of unsold homes fell 18 percent to 7,800 homes, and the average sales price for existing homes was relatively unchanged at $203,500. In the Salt Lake City area, existing home sales were up 40 percent to 9,100 homes sold, the supply of unsold homes declined by 14 percent to 12,100, and the average sales price fell by nearly 8 percent to $255,300. In Provo-Orem, during the 12 months ending March 2010, according to the Utah County Association of REALTORS®, single-family home sales were up 29 percent to 4,550 homes sold, the number of active listings declined by 13 percent to 3,380 homes, and the average sales price fell 10 percent to $241,100.

In Colorado, home sales and prices rose in most of the larger metropolitan areas in the first quarter of 2010. According to data from the Colorado Association of REALTORS®, during the first quarter of 2010, sales of single-family homes in the Denver metropolitan area were at 6,700, relatively unchanged from a year earlier. The median price for single-family homes sold during the first quarter of 2010 increased by 18 percent from $190,700 to $224,200. In the Colorado Springs area during the first quarter of 2010, single-family sales volume was up 20 percent to 1,750 homes and the median price increased more than 2 percent to $182,700. In the Boulder metropolitan area, single-family home sales were up 20 percent to 480 homes sold, and the median price increased 10 percent to $360,000. In the Greeley metropolitan area, however, single-family sales were down nearly 8 percent to fewer than 600 units sold, but the median price increased more than 2 percent to $161,900. In Pueblo, single-family home sales were down less than 1 percent to approximately 350 homes sold, and the median sales price was down 2 percent to about $113,000.

Low demand for new homes in the Rocky Mountain region has left homebuilding activity flat compared with activity a year earlier and still down considerably from 2 years earlier. Based on preliminary data for the 12 months ending March 2010, single-family construction activity, as measured by the number of building permits issued, was relatively unchanged at 20,400 homes permitted but 46 percent below the level recorded 2 years earlier. Single-family construction remains well below the peak years of 2004 through 2006, when building activity averaged more than 72,000 homes a year for the region. In Colorado, the number of single-family homes permitted fell by 830, or 10 percent, to 7,700 homes. Single-family units permitted fell by 290 to 1,300 homes in Wyoming and by 120 to 1,300 homes in Montana. Single-family construction in Utah, however, increased by nearly 1,050 homes, or 19 percent, to 6,550 new homes.

Multifamily construction activity, as measured by the number of units permitted, totaled 8,400 units in the Rocky Mountain region during the 12 months ending March 2010, based on preliminary data. This number represents a decline of 3,500 units, or 30 percent, compared with the number permitted during the previous 12 months. Multifamily construction has fallen sharply since the peak years of 2000 to 2002, when nearly 23,000 units a year were permitted in the region. The decrease is partly due to a decline in demand for condominiums, but the slowing economy has also weakened demand for new apartments. The largest decrease occurred in Colorado, where multifamily permits fell by 2,920, or 56 percent, to 2,260 units. Most of the decline in Colorado was concentrated in the Denver metropolitan area, where multifamily building activity decreased by 2,200 units, but Colorado Springs and Fort Collins also had significant declines. Multifamily construction also decreased in Utah, falling by 1,200 units, or 32 percent, to 2,700 units. In contrast, the number of multifamily units permitted increased by nearly 540, or 75 percent, in North Dakota and nearly tripled from 370 to 1,000 units in Wyoming. Most of the increase in Wyoming was because of new apartments permitted in Casper and Cheyenne and in energy-producing areas such as Gillette and Rock Springs.

Rental market conditions remain balanced to soft throughout most of the Rocky Mountain region. The tight rental conditions that existed a year earlier in some areas have eased considerably. According to Reis, Inc., the average apartment vacancy rate in the Salt Lake City area was 7 percent in the first quarter of 2010, up from the 5.4-percent rate recorded a year earlier. During the first quarter of 2010, the average monthly apartment rent declined slightly, from $755 to $749. Because apartment construction has been strong in the Salt Lake City area, with more than 1,500 units permitted in 2008 and another 2,700 permitted in 2009, vacancies have increased. With nearly 2,500 apartments currently under construction, softer market conditions are expected to persist in the area for at least the next 12 months. Rental market conditions in the Fargo metropolitan area have also softened recently. According to Appraisal Services, Inc., as of March 2010, apartment vacancy rates in the area averaged 7.2 percent, up from the 5.4-percent rate recorded a year earlier.

Some rental markets, particularly in Colorado, are beginning to improve to more balanced conditions. According to Apartment Appraisers & Consultants, the apartment vacancy rate in the Denver metropolitan area averaged 6.9 percent in the first quarter of 2010, down from 8.2 percent a year earlier. In the Fort Collins-Loveland metropolitan area, the apartment vacancy rate in the first quarter of 2010 was 5.1 percent, down from 5.7 percent a year earlier, and the average monthly rent was $826, up from $810 a year earlier. Despite recent job losses in both areas, absorption has been strong because of continued population growth. In the Greeley metropolitan area, the apartment vacancy rate for the first quarter of 2010 was 7.9 percent, down from 8.5 percent a year earlier, and average monthly rents fell slightly to $680. In the Boulder metropolitan area, rental market conditions remain balanced, but the vacancy rate increased to 5.5 percent, up from 4.7 percent a year earlier. According to Reis, Inc., the average apartment vacancy rate in the Colorado Springs area was 7.7 percent for the first quarter of 2010, down from 9.4 percent a year earlier. During the first quarter of 2010, the average apartment rent rose by more than 1 percent to $708. The improved rental market resulted mostly from the arrival of 6,000 military transfers to Fort Carson Army Base in 2009.

PACIFIC

HUD Region IX

The economy in all four states of the Pacific region, during the first quarter of 2010, continued the decline that began in 2008. Nonfarm employment during the 12-month period ending March 2010 averaged 18.1 million jobs, a decline of 1.2 million jobs, or 6 percent, compared with nonfarm employment during the previous 12 months. During the most recent 12-month period, the goods-producing sectors lost 424,500 jobs, or 15.4 percent. The construction sector, with 244,100 job losses, or 23.7 percent, recorded the largest decline of any sector, because of a severe decline in homebuilding. Employment in the service-providing sectors fell by 733,600 jobs, or 4.5 percent, notably in the leisure and hospitality sector, retail trade subsector, and professional and business services sector, which lost 107,900, 137,400, and 222,000 jobs, or 4.8, 6.5, and 7.9 percent, respectively. The only employment sector to record job growth was the education and health services sector, which added nearly 23,000 jobs, or 1 percent.

Employment declined at a faster rate in every state in the region during the 12 months ending March 2010 compared with the rate of decline during the previous 12 months. In California, nonfarm employment fell by 857,300 jobs, or 5.8 percent, compared with a loss of 366,000 jobs during the previous 12-month period. The largest losses occurred in the professional and business services sector, construction sector, and retail trade subsector, which decreased by 170,500, 159,000, and 105,600 jobs, respectively. The education and health services sector added 12,800 jobs and was the only sector in California to increase employment. Employment in the San Francisco Bay Area declined by 198,400 jobs, or 6 percent, continuing a downward trend that started in mid-2008. In Southern California, employment fell by 506,000 jobs, or 6 percent. In Arizona, during the 12 months ending March 2010, employment fell by 6.7 percent, or nearly 171,300 jobs, compared with employment during the same period a year earlier. The construction sector in Arizona lost 50,600 jobs, accounting for nearly 30 percent of the state's job losses, as both residential and nonresidential building activity significantly declined. In Nevada, in the past 12 months, employment declined by 104,800 jobs, or 8 percent, compared with a loss of 51,900 jobs in the previous 12-month period, which occurred because of declines in convention business and tourism. During the 12 months ending March 2010, employment in Hawaii declined by 24,600 jobs, or 4 percent, compared with the 13,100 jobs lost in the state during the previous 12 months. After 2 years of decline, tourism started to improve in the first quarter of 2010. Because of the declining economy in each of the four states during the 12 months ending March 2010, the average unemployment rate in the Pacific region rose to 11.1 percent, up substantially from the 8-percent rate recorded a year earlier. Unemployment rates range from 6.9 percent in Hawaii to 12.6 percent in Nevada.

Although there are signs of improvement, sales market conditions in the region remain soft. The volume of existing home sales rose in most major markets in the Pacific region during the first quarter of 2010. The homebuyer tax credit program, more affordable home price levels, and low interest rates were the main factors in the sales increases. According to the California Association of REALTORS®, during the 12 months ending March 2010, the number of existing homes sold in the state increased by more than 2 percent to 516,600 homes. During the first quarter of 2010, the median sales price was $299,400, up more than 20 percent from the median price recorded during the same quarter a year earlier. During the same period, the median number of days a house remained on the market fell to approximately

40, down from 50 during the same period a year earlier. Foreclosed homes accounted for 43 percent of homes sold, a decrease from 58 percent of homes sold a year earlier. Contributing to the decline in foreclosure sales was that more lenders are agreeing to short sales, which prevents the homes from going into foreclosure. Short sales represent up to 17 percent of total existing sales in the major California counties. The level of new home sales in California remains low. According to Hanley Wood, LLC, new home sales in the 30 largest counties in California declined by 17 percent, from 34,900 homes in 2008 to 28,900 homes in 2009 (the most recent data available). During the 12 months ending March 2010, existing home sales increased in Honolulu to nearly 6,600 homes, up 11 percent from the previous 12-month period. The median prices for existing single-family homes and condominiums were $590,800 and $303,000, up 5 percent and unchanged, respectively, from the first quarter of 2009.

Sales housing market conditions improved in both Las Vegas and Phoenix during the past year. According to the *Las Vegas Housing Market Letter*, during the 12 month period ending March 2010, the volume of existing home sales rose 37 percent to 46,650 homes compared with the number sold during the same period a year earlier. The median price of an existing home was $124,500, a decline of more than 15 percent, or $22,800, from the first quarter of 2009 and down $163,500, or 57 percent, from the peak price recorded during the third quarter of 2006. According to Realty One Group, in March 2010, foreclosures accounted for 50 percent of sales, and short sales represented another 25 percent of the existing homes sold. Foreclosure sales are down from 75 percent and short sales increased significantly from the 8-percent rate recorded a year earlier. In Phoenix, according to the *Phoenix Housing Market Letter*, during the 12 months ending March 2010, the volume of existing home sales rose to 96,900 homes, 47 percent higher than the 65,800 sales recorded during the previous 12 months. In the first quarter of 2010, the median price of an existing home increased by 3 percent to approximately $124,800 compared with the median price recorded during the same period last year. The increase in sales volume did not extend to the new homes market. During the 12 months ending March 2010, sales of new homes declined 40 percent in both Phoenix and Las Vegas to 10,500 and 5,200 homes, respectively, compared with sales during previous 12-month period.

Single-family homebuilding activity, as measured by the number of building permits issued, declined by 2,600, or 5 percent, to 47,300 homes permitted during the 12 months ending March 2010, based on preliminary data, with declines in all states. In California, home construction activity decreased by nearly 6 percent to 25,600 homes permitted. Home construction activity in Hawaii decreased by nearly 12 percent to 1,950 homes permitted. The number of homes permitted during the past 12-month period in Arizona was 14,100, about the same as in the previous 12-month period. In Nevada, only 5,650 homes were permitted, approximately 10 percent less than were permitted in the previous 12-month period.

Rental market conditions in northern California ranged from tight in San Jose to balanced, but softening conditions in Sacramento in the first quarter of 2010. According to a Reis, Inc., survey, the apartment vacancy rate in San Francisco increased to 5 percent, up from the 4.3-percent rate recorded in the first quarter of 2009 as conditions are now more balanced compared with tight conditions a year ago. In the same survey, the vacancy rate declined in San Jose from 5.3 to 4.7 percent and in Oakland from 5.7 to 5.5 percent. At the same time, average rents declined by more than 4 percent to $1,810 in San Francisco, by more than 5 percent to $1,475 in San Jose, and by more than 3 percent to $1,329 in Oakland. In Sacramento, the rental market had a vacancy rate of 7.1 percent, up from the 6.5-percent rate recorded during the first quarter of 2009. The current average rent of $913 is nearly 3 percent less than the average rent during the first quarter of 2009.

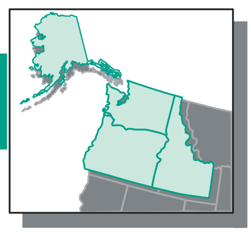
The rental markets were tight in San Diego and Santa Barbara Counties and balanced in the remainder of Southern California during the first quarter of 2010. Reis, Inc., reported that, from the first quarter of 2009 to the first quarter of 2010, the apartment rental vacancy rate was relatively unchanged at 4.8 percent in San Diego County and 5.5 percent in Los Angeles County. The vacancy rate increased from 7.6 to 8 percent in San Bernardino County, from 5 to 5.3 percent in Ventura County, and from 6 to 6.4 percent in Orange County. Vacancy rates remained unchanged in Riverside County and Santa Barbara County at 8 percent and 4.5 percent, respectively. Average rents declined throughout southern California during the first quarter of 2010 compared with average rents recorded during the first quarter of 2009. Average rents declined between 2 and 4 percent in Los Angeles, Orange, and Ventura Counties to $1,390, $1,510, and $1,400, respectively. In both Riverside and San Bernardino Counties, the average rent declined by more than 1 percent to $1,030 and, in San Diego County, by more than 1 percent to $1,320.

Phoenix and Las Vegas continued to have soft rental market conditions in the first quarter of 2010. According to Reis, Inc., in the first quarter of 2010, Phoenix and Las Vegas had vacancy rates of 12.1 and 11.5 percent, respectively, up from rates of 11.6 and 8.8 percent recorded in the first quarter of 2009. The high vacancy rates in Phoenix and Las Vegas contributed to the decline of average asking rents to $750 and $820, down 3 and 5 percent, respectively. Based on data from the Census Bureau, the Honolulu rental market softened slightly in the first quarter of 2010 but remained balanced, with a vacancy rate of 6.9 percent, up from the 5.7-percent rate recorded in the first quarter of 2009. Honolulu was one of the few places in the Pacific region where the change in average rents was positive: from the first quarter of 2009 to the first quarter of 2010, rents increased 3 percent to $1,150.

Multifamily construction activity, as measured by the number of units permitted, fell by 23,400 units, or 62 percent, to 14,600 units during the 12 months ending March 2010 compared with the number of units permitted in the previous 12 months, based on preliminary data for the region. Multifamily building activity decreased by 57 percent to 10,200 units permitted in California and by 74 percent to 1,900 units permitted in Nevada. In Arizona, the number of units permitted declined by 4,200, or nearly 79 percent, to 1,300 units. In Hawaii, the number of multifamily units permitted declined 35 percent to 1,200 units.

Northwest

HUD Region X



The Northwest regional economy during the 12 months ending March 2010, registered a 4.7-percent decline in nonfarm jobs to average 5.3 million jobs, down 263,000 jobs compared with the number recorded during the 12 months ending March 2009. Losses in the region during the 12 months ending March 2010 were led by Washington, where nonfarm employment averaged 2.8 million jobs, down 132,900 jobs, or 4.5 percent. Oregon had the second largest decline with 95,000 jobs lost, or 5.6 percent, to an average of 1.6 million nonfarm jobs. In Idaho, losses amounted to 34,700 jobs, a 5.4-percent decline, resulting in an average of 605,800 nonfarm jobs. In Alaska, employment decreased by only 300 jobs, or 0.1 percent, to average 322,100 nonfarm jobs.

Employment declines in the Northwest region were led by the construction and manufacturing sectors. The construction sector declined by 70,500 jobs, or 20 percent, primarily because of soft residential and commercial real estate markets. In Washington, construction employment declined by 40,900 jobs, or 21 percent, followed by the loss of 18,800 jobs in Oregon, also a 21-percent decline. In Idaho, construction sector employment decreased by 9,800 jobs, or 23 percent, but the relatively stable housing market conditions in Alaska limited construction losses to 1,000 jobs, a 6-percent decline. Regionwide, the manufacturing sector declined by 56,000 jobs, or 10.2 percent, with Washington losing 25,000 jobs, or 8.7 percent, and Oregon down by 24,300 jobs for a loss of 12.9 percent. Idaho lost 7,200 manufacturing jobs, down 11.9 percent compared with the number of manufacturing jobs recorded during the previous 12 months. Alaska's manufacturing sector gained 300 jobs, mainly because of oil industry-related hiring.

Regional nonfarm employment gains during the 12 months ending March 2010 occurred primarily in the education and health services sector, which added 17,300 jobs, or 2.5 percent. Employment in this sector increased by 9,000 jobs in Washington, 3,500 jobs in Idaho, 3,100 jobs in Oregon, and 1,700 jobs in Alaska. Government was the only other sector to increase, but, because of state and local government budget shortfalls, it was up by just 1,000 jobs regionally compared with a gain of 22,600 jobs during the previous 12 months. Every state in the region registered small gains in the government sector, except Washington, which lost 1,400 jobs.

Job losses throughout the Northwest region caused the average regional unemployment rate to increase from 6.7 to 9.2 percent between the 12 months ending March 2009 and the 12 months ending March 2010. The unemployment rate increased in every state in the region and ranged between 8.3 percent in Alaska and 11 percent in Oregon.

Sales housing market conditions were still soft in the Northwest region during the 12 months ending March 2010, but sales increased in most areas because of lower prices and the homebuyer tax credit program. According to Lender Processing Services Mortgage Performance Data, in March 2010, the percentage of mortgage loans in foreclosure, 90 days or more delinquent, or in REO (real estate owned) was 5.9 percent, an increase from the rate of 3.5 percent recorded in March 2009.

In Washington, during the 12 months ending March 2010, according to the Northwest Multiple Listing Service, new and existing home sales totaled 44,800 homes in the combined Puget Sound metropolitan areas of Seattle, Tacoma, Bremerton, and Olympia, 15 percent more than were sold during the previous 12 months. The average sales price of a home sold in the combined Puget Sound metropolitan areas was down 12 percent to $361,000. In the Seattle metropolitan area during the 12 months ending March 2010, 28,700 homes were sold, a 19-percent increase compared with the number sold during the same period in 2009. The average sales price of a home sold in the Seattle metropolitan area declined by 12 percent to $421,700. In the Bremerton and Olympia metropolitan areas, the average price declined by 9 percent to $294,000 and $259,700, respectively. Home sales increased by 13 percent in the Bremerton area and by 3 percent in the Olympia area. In the Tacoma metropolitan area, home sales increased 9 percent, but the average sales price was down 20 percent to $235,600 compared with the average price recorded during the same period a year earlier.

In Oregon, during the 12 months ending March 2010, according to data from the local multiple listing services, the number of new and existing single-family homes sold in the 11 largest markets totaled approximately 42,600, a 14-percent increase compared with the number sold during the previous 12 months. During the same 2010 period, the average price decreased by 11 percent to

$249,000. In the Portland-Vancouver-Beaverton, Oregon-Washington metropolitan area, the number of new and existing homes sold totaled 24,300, up 16 percent compared with the number sold during the 12 months ending March 2009, but the average price decreased 11 percent to $272,800. In Idaho, sales of new and existing homes in the 19 counties covered by the Intermountain Multiple Listing Service increased to 8,900 homes, up 34 percent, and the average price decreased 17 percent to $158,600. In the Boise metropolitan area, sales of new and existing homes totaled 7,000 units, a 40-percent increase compared with the total sold in the previous 12 months, but the average price decreased by 21 percent to $161,900. According to Lender Processing Services Mortgage Performance Data, the percentage of mortgage loans in foreclosure, 90 or more days delinquent, or in REO in Boise was 8.8 percent as of March 2010, up from the 5.6-percent rate recorded in March 2009. Market conditions were relatively stable in Anchorage where, according to the Alaska Multiple Listing Service, Inc., new and existing home sales totaled 2,375, a 2-percent decline; the average price remained relatively unchanged at $323,620.

Builders have continued to reduce new home construction throughout the Northwest region since 2007, which has been a 3-year trend, but the pace of decline moderated during the past 12 months. During the 12 months ending March 2010, based on preliminary data, single-family building activity, as measured by the number of building permits issued, totaled 21,650 homes, down by 800 homes, or 4 percent, compared with the previous 12-month total. Single-family activity totaled 11,600 homes in Washington and 5,350 in Oregon, declines of 2 and 7 percent, respectively, compared with the number permitted during the previous 12-month period. In Idaho, a decline of 2 percent to 4,090 homes permitted was recorded, and, in Alaska, single-family construction activity declined by 50 homes to 625 homes permitted.

Multifamily construction activity, as measured by the number of units permitted, slowed considerably in the Northwest region during the 12 months ending March 2010. Based on preliminary data, the number of units permitted in the region totaled 5,000, down 62 percent from the number of units permitted during the previous 12-month period. Washington, with a decline of 5,600 units, or 65 percent, to 3,070 units permitted, accounted for most of the regional decline of 8,250 units. In Oregon, 1,285 multifamily units were permitted, 2,160 fewer than the number permitted during the 12 months ending March 2009. In Idaho, multifamily activity declined by 545 units to a total of 380 units permitted. In Alaska, multifamily construction activity totaled 170 units, up by nearly 100 units compared with the number of units permitted during the previous 12 months.

Rental housing market conditions were mostly soft throughout much of the Northwest region during the 12 months ending March 2010 because of job losses, although declining rents and reduced levels of apartment production were starting to put downward pressure on vacancy rates in some market areas. According to data from Dupre+Scott Apartment Advisors, Inc., as of March 2010, the apartment rental vacancy rate in the Seattle metropolitan area was 5.9 percent, down from the 6.8-percent rate recorded in March 2009. The average asking rent for apartments in the Seattle metropolitan area was $990, down 5 percent from the average asking rent recorded a year earlier. The rate of concessions reported increased approximately 10 percentage points to more than 60 percent of surveyed properties between March 2009 and March 2010. In the Tacoma metropolitan area, the apartment vacancy rate was 7.6 percent, up from the 6.0-percent rate recorded a year earlier, partly because of deployments at Fort Lewis Army Base. The average asking rent of $811 in the Tacoma area was down 2 percent from the average asking rent a year earlier. On the eastern side of Washington in the Spokane metropolitan area, according to data from Reis, Inc., the apartment vacancy rate increased from 4.9 to 7 percent, and the average monthly rent decreased 1 percent to $630.

In the Portland-Vancouver-Beaverton metropolitan area, rental housing market conditions were slightly soft as of the first quarter of 2010. According to Reis, Inc., the apartment vacancy rate was 6.4 percent, up from the 5.9-percent rate recorded in the first quarter of 2009. The average rent decreased 1 percent to $815 over the same period. In the Boise metropolitan area, rental housing market conditions were soft during the first quarter of 2010, with an apartment vacancy rate of 8.7 percent, up from the 7.7-percent rate recorded in the same quarter a year earlier. The average rent was $690 in the Boise area, representing a decline of 2 percent during the past 12 months. In Anchorage, rental market conditions were tight to balanced with an estimated apartment vacancy rate of 4.5 percent, similar to the rate recorded a year earlier based on data from the Alaska Housing Finance Corporation. The average apartment rent in Anchorage increased approximately 4 percent to an estimated $970.

HUD's 10 regions are grouped as follows:

- **Region I, New England:** Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.
- **Region II, New York/New Jersey:** New Jersey and New York.
- **Region III, Mid-Atlantic:** Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, and West Virginia.
- **Region IV, Southeast/Caribbean:** Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, Puerto Rico/U.S. Virgin Islands, South Carolina, and Tennessee.
- **Region V, Midwest:** Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin.
- **Region VI, Southwest:** Arkansas, Louisiana, New Mexico, Oklahoma, and Texas.
- **Region VII, Great Plains:** Iowa, Kansas, Missouri, and Nebraska.
- **Region VIII, Rocky Mountain:** Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming.
- **Region IX, Pacific:** Arizona, California, Hawaii, and Nevada.
- **Region X, Northwest:** Alaska, Idaho, Oregon, and Washington.

Housing Market Profiles

Anchorage, Alaska

The Anchorage metropolitan area, consisting of the municipality of Anchorage and the Matanuska-Susitna Borough, is located in south central Alaska and is the primary hub for commerce and services in the state. The metropolitan area population, estimated at nearly 380,000 as of March 2010, comprises 54 percent of the state's population. The population rose 2 percent during the past 12 months, which is slightly slower than the 2.3–percent rate during the previous 12 months but faster than the 1.3-percent average annual growth rate recorded from 2006 through 2009.

Nonfarm employment decreased by 600 jobs to an average of 170,600 during the 12 months ending March 2010, a 0.4-percent decline compared with nonfarm employment during the previous 12 months, which marked the end of a 20-year growth trend. Nonfarm losses were led by the construction sector, which lost 730 jobs, or 7 percent, due to private sector layoffs; public sector construction was supported by a $700 million expansion project at the Port of Anchorage and a $220 million correctional facility. The transportation and utilities sector declined by 430 jobs, or 3.5 percent, and the information sector registered a loss of 360 jobs, a 7-percent decline. The government and the education and health services sectors, which account for 21 and 14 percent of total nonfarm employment in the area, respectively, were the only sectors that grew during the past 12 months. The government sector added 825 jobs, or 2.4 percent, primarily at the U.S. Army's Fort Richardson and Elmendorf Air Force Base. The combined military installations, which have nearly 3,000 civilian and 14,000 military personnel, accounted for an estimated $1.6 billion in federal defense spending in the metropolitan area during 2009. The education and health services sector increased by 1,200 jobs, or 5 percent, largely due to hiring in the healthcare and social services industries. Providence Health & Services, with approximately 4,000 employees, is the largest private sector employer in the area, followed by Carrs/Safeway, with an estimated 1,800 employees, and the FedEx Corporation, with approximately 1,300 employees.

Sales market conditions in the Anchorage metropolitan area are slightly soft due to recent job losses. Approximately 2,375 single-family homes were sold during the 12 months ending March 2010, based on Alaska Multiple Listing Service, Inc., data, down 2 percent from the 2,425 homes sold in the previous 12-month period. The pace of sales, however, has been declining gradually since 2004, when annual volume peaked at 3,350 sales. Average annual sales price gains of 11 percent during the 2000-through-2005 period caused the number of home sales to decline starting in 2005. Moderate price declines followed, beginning in mid-2008 after prices reached a peak of $327,000 for new and existing single-family homes. During the 12 months ending March 2010, the average single-family sales price was essentially flat at $323,620 compared with the sales price during the previous 12-month period. The condominium market registered an 8-percent decline in new and existing unit sales, with 1,000 units sold; the average sales price declined less than 1 percent to $193,100.

Single-family construction activity, as measured by the number of permits issued, increased by 50 homes during the 12 months ending February 2010 to 320 homes permitted, based on preliminary data. Recent construction activity is down considerably from earlier in the 2000s. From 2000 through 2005, an average of 960 homes was permitted each year. New detached single-family homes typically start at $350,000; new condominiums start around $200,000. Multifamily building activity, as measured by the number of units permitted, has outpaced single-family construction nearly every year during the 2000s in the metropolitan area, with approximately 10 to 20 percent of the 8,350 units permitted since 2000 intended for condominiums. The number of multifamily permits issued peaked in 2003 at 1,580 units and averaged 1,045 units annually from 2000 through 2006, after which volume began to decline rapidly. The number of units permitted totaled just 600 in 2007 and 200 in 2008 due to constraints in the lending markets and waning sales demand. During the 12 months ending February 2010, the number of multifamily units permitted totaled 250, based on preliminary data, compared with 160 units permitted during the previous 12 months.

Rental market conditions in the Anchorage metropolitan area are moderately tight, with an estimated apartment rental vacancy rate of 4.5 percent as of March 2010, down slightly from 4.7 percent a year earlier. Low levels of new rental supply during the past 2 years, previous employment growth, and the 30-percent increase in the number of military employees and family members in the area since 2005 have contributed to the tighter rental market conditions. Approximately 40,000 military and family members live in the area, an estimated one-half of which live in offbase housing. According to a survey by the Alaska Housing Finance Corporation, in 2009, average contract rents for apartments increased between 3 and 5 percent for 1-, 2-, and 3-bedroom apartments to approximately $865, $1,050, and $1,200, respectively, from average rents in 2008. Projects currently under construction include 240 barracks units at Fort Richardson and a 59-unit Low-Income Housing Tax Credit complex for seniors that will have a combination of market-rate and rent-restricted units.

Baton Rouge, Louisiana

The Baton Rouge metropolitan area, which consists of nine parishes located in southeast Louisiana, is bisected by the Mississippi River. The city of Baton Rouge, located in East Baton Rouge Parish, is the state capital and second largest city in Louisiana, after New Orleans. The city of Baton Rouge accounts for approximately 30 percent of the 779,000 people estimated to reside in the metropolitan area as of April 1, 2010.

The metropolitan area is situated approximately 80 miles northwest of New Orleans and recorded a significant increase in net in-migration during the year following the landfall of Hurricane Katrina in September 2005. Many evacuees from New Orleans relocated to Baton Rouge and the surrounding cities. According to the Census Bureau, from July 2005 through July 2006, net in-migration in the metropolitan area totaled approximately 34,900 people, compared with an average annual increase of 4,700 previously in the decade. Since July 2006, net in-migration has declined to an average of 3,550 people annually, because many of the temporary residents have relocated to other cities or returned to New Orleans and because job losses in the area have increased in recent months.

Economic conditions in the metropolitan area continued to weaken during the past year. Nonfarm employment growth reached its most recent peak of 3.7 percent, or 13,300 jobs, during the 12 months ending March 2008. Since that time, employment growth has steadily declined because the metropolitan area has been affected by the national recession. During the 12 months ending February 2010, nonfarm employment declined by 1.4 percent, or 5,200 jobs, to 369,000 after a decline of 0.1 percent during the previous 12-month period. The largest declines in the current 12-month period occurred in the professional and business services and the trade sectors, which decreased by 2,900 and 1,400 jobs, respectively. The unemployment rate increased from 4.8 to 6.8 percent during the same period.

Despite overall declines, employment rose by at least 1,000 jobs each in two of the largest sectors in the metropolitan area: the government and the education and health services sectors. The government sector added 1,000 jobs during the 12 months ending February 2010, due wholly to hiring by state and local governments. Because Baton Rouge is the state capital and the location of Louisiana State University (LSU), government is the largest employment sector in the metropolitan area, accounting for 25 percent of all jobs. According to a March 2009 study by LSU, the university enrolls more than 28,000 students and employs 6,100 full-time and 9,400 part-time workers. The university has an annual economic impact of nearly $1.2 billion on the Baton Rouge metropolitan area, which is comparable to 3 percent of the metropolitan area's gross domestic product.

The education and health services sector grew by 1,800 jobs, or 3.9 percent, due in part to new construction and the expansion of several hospital facilities. Other leading employers in the area include Turner Industries Group, L.L.C., an industrial construction and maintenance service company, and Exxon Mobil Corporation, which employ 8,325 and 4,275 workers, respectively.

The recent slow economy and increased single-family building activity after Hurricane Katrina occurred have resulted in a soft sales market in the metropolitan area. According to the Greater Baton Rouge Association of REALTORS®, 6,825 new and existing homes sold during the 12 months ending March 2010, representing a decrease of 2 percent compared with the number of home sales recorded during the previous 12 months. During the 12 months preceding the occurrence of Hurricane Katrina, home sales totaled 9,175, before increasing to a high of 12,750 during the 12 months ending August 2006, when a large number of evacuees moved to the area. Since that time, home sales have steadily declined. During the 12 months ending March 2010, the average sales price declined approximately 4 percent from $199,300 to $191,200, due in part to an increased number of foreclosed homes entering the market. According to data from First American CoreLogic, Inc., the rate of foreclosures among outstanding mortgage loans in the Baton Rouge metropolitan area increased from 1.3 percent in January 2009 to 2.0 percent in January 2010.

Despite the slow pace of home sales, builders have recently increased new home construction activity from the very low levels recorded during the previous 2 years. During the 12 months ending February 2010, single-family construction activity, as measured by the number of permits issued, totaled 2,700 homes, representing an increase of approximately 20 percent compared with the 2,225 homes permitted during the previous 12 months, based on preliminary data. After Hurricane Katrina, single-family building activity reached a peak of 6,425 homes permitted in 2006, then declined steadily until the recent increase. Building activity is still well below the average of 3,750 units permitted annually during the first half of the decade.

The Baton Rouge metropolitan area rental housing market is currently soft, with an estimated overall vacancy rate of 10 percent, significantly higher than the vacancy rate of 6.1 percent reported in the 2008 American Community Survey. Softening of the rental market is attributed to declining economic conditions and significant additions to the rental inventory from 2006 through 2008. The current vacancy rate is still slightly below the pre-Hurricane Katrina level of 11.3 percent, but it is well above the 4.2-percent rate recorded in July 2006 when Hurricane Katrina evacuees sought housing in the Baton Rouge area. According to data from Cook, Moore, & Associates, average rents declined 1 percent to $640 for one-bedroom units, remained unchanged at $790 for two-bedroom units, and increased 2 percent to $960 for three-bedroom units between the fall of 2008 and the fall of 2009. Concessions, such as one month's free rent, have become increasingly common in the market, particularly among Class A properties.

The supply of new multifamily units, as measured by the number of units permitted, has decreased significantly in recent months as builders have responded to the soft market conditions. During the 12 months ending February 2010, permits were issued for fewer than 90 multifamily units, based on preliminary data—less than in any year in the past decade. From 2006 through 2008, a total of approximately 5,925 units were permitted, with an average of 1,975 units permitted annually and more than double the number of units constructed annually from 2000 through 2005. The increased building volume was in response to the tight rental market that occurred after Hurricane Katrina evacuees relocated to the Baton Rouge area. Condominium units are estimated to account for approximately 15 percent of multifamily permits issued since 2000. Multifamily projects currently under construction include The Cottages of Baton Rouge, a 382-unit upscale student apartment complex in Baton Rouge, and two mid-scale apartment complexes in Denham Springs totaling approximately 460 units.

Cleveland, Ohio

The Cleveland metropolitan area consists of five counties—Cuyahoga, Geauga, Lake, Lorain, and Medina—located in northeast Ohio on the coast of Lake Erie. The region is a center for technology, aerospace industries, health services, and education. Cleveland State University, which has 1,640 faculty and staff and an enrollment of more than 16,000 students, has an estimated $420 million annual impact on the Cleveland metropolitan area economy, according to the university. Cleveland is also home to Case Western Reserve University, which has nearly 6,000 faculty and staff and 10,000 students. As of April 1, 2010, the population of the metropolitan area was estimated at 2.1 million, a decrease of 3,200, or less than 1 percent, compared with the population as of April 1, 2009. During the same period, the population declined in the city of Cleveland by 70,750, or 1.0 percent.

Nonfarm employment in the metropolitan area increased by 1,000 jobs a year, or about 1 percent annually, from 2004 to 2006, when the number of jobs peaked at 1,075,000. The economy began to lose jobs in the first quarter of 2007, and, during the 12-month period ending February 2010, nonfarm employment averaged 994,500 jobs, a loss of 57,000 jobs, or 5.7 percent, compared with nonfarm employment during the previous 12 months. Three employment sectors accounted for most of the jobs losses. The largest decline was in the manufacturing sector, which recorded a loss of 20,400 jobs, or 15 percent, attributable to job losses in transportation equipment and fabricated metal product manufacturing. The professional and business services sector lost 12,400 jobs, or 8.8 percent. The construction industry recorded the largest percentage decline, 16.3 percent, or 6,200 jobs, which resulted from the decline in housing production.

Despite the overall decrease in nonfarm employment during the past 12 months, the education and health services sector increased by 2.7 percent, or 4,900 jobs, as a result of local hospital expansion. This sector includes the two leading employers in the area: Cleveland Clinic Health System, with more than 23,700 employees, and University Hospitals, with 17,100 workers. University Hospitals is currently constructing a $229 million cancer hospital, which is scheduled to open in May 2011. Cleveland Clinic Health System is building specialty clinics and hospitals, which are valued at nearly $1 billion and are expected to open in 2011. Construction employment is expected to increase because the Ohio Department of Transportation has initiated a $450 million Cleveland Innerbelt Modernization Plan, involving the reconstruction of portions of U.S. Interstate 71 (I-71), I-77, and I-90. During the 12-month period ending February 2010, the average unemployment rate in the metropolitan area was 8.8 percent, an increase from the 6.6-percent rate recorded during the previous 12-month period.

Due to a contracting economy and a slightly declining population, the sales housing market in the Cleveland metropolitan area is soft, with an estimated 3.0-percent vacancy rate. According to the Northern Ohio Regional Multiple Listing Service, during the 12 months ending March 2010, the number of new and existing single-family homes sold decreased by 6 percent to 16,800 homes compared with 17,800 homes sold a year earlier. During the 12 months ending March 2010, existing condominium sales remained flat at 1,720 units. The average sales price of new and existing homes increased to $135,000 during the 12 months ending March 2010, up nearly 4 percent compared with $130,000 for the same period a year earlier. The average sales price of new and existing condominiums decreased to $117,200, or 6 percent, compared with $124,800 during the previous 12-month period. The inventory of unsold new homes decreased from approximately 15,475 in February 2009 to 14,840 in February 2010; it had been as high 25,500 in July 2008.

Due to the large inventory of unsold homes, builders have reduced single-family home construction, as measured by the number of building permits issued. Based on preliminary data for the 12 months ending February 2010, the number of homes permitted totaled 1,775, a 15-percent decrease from the 2,100 homes permitted during the same period a year earlier. New home construction has steadily declined from the peak level of 6,725 single-family homes permitted in 2004.

Multifamily construction in the Cleveland metropolitan area has also slowed in response to declining demand resulting from employment and population declines. The increased availability of condominium and single-family homes for rent has also shifted some occupancy away from apartments. For the 12 months ending February 2010, 275 multifamily units were permitted, compared with the 335 units permitted during the same period a year earlier, based on preliminary data. According to Reis, Inc., 205 units, or 75 percent of the 275 multifamily units under construction at the end of 2009, were intended for rental occupancy. From 2002 to 2006, an average of 640 multifamily units a year was added to the rental inventory.

The limited rental development during the past 2 years has helped maintain balanced rental market conditions in the metropolitan area. Based on preliminary first quarter 2010 data from REIS, Inc., the apartment vacancy rate for the metropolitan area was 7.0 percent, up from 6.6 percent a year earlier. The average rent in the Cleveland area declined by nearly 1 percent from the first quarter of 2009 to the first quarter of 2010. In 2009, the average asking apartment rent was approximately $530 for a one-bedroom unit, $620 for a two-bedroom unit, and $795 for a three-bedroom unit. The Flats and Warehouse District, a submarket in downtown Cleveland with newer upscale apartments, had the highest vacancy rate of any submarket in the metropolitan area, at 11 percent in 2009, up from 7.3 percent in 2008.

El Paso, Texas

The El Paso metropolitan area, located in western Texas along the Mexican border, consists of El Paso County. The metropolitan area is home to the University of Texas at El Paso (UTEP) and Fort Bliss, headquarters for the U.S. Army Air Defense Artillery School, the William Beaumont Army Medical Center, and the U.S. Army Sergeants Major Academy. As the leading employer in the area, with approximately 23,500 military and 7,000 civilian personnel, Fort Bliss has an annual estimated $3.3 billion impact on the economy of the metropolitan area, according to the U.S. Army. UTEP, with 21,000 students and more than 2,550 faculty and staff, has an annual $335 million impact on the metropolitan area economy, according to UTEP.

As of April 1, 2010, the estimated population of the metropolitan area was 756,100,representing an increase of 4,800, or 0.6 percent, since July 2009 compared with an average increase of 1.6 percent annually between 2007 and 2009. Between 2000 and 2007, net migration was negative, with an average of 2,600 people leaving the area each year. Since 2008, net migration has been positive, with an average of 1,500 people coming into the area annually, primarily because military personnel have been reassigned to Fort Bliss. Net in-migration is expected to continue during the next 3 years. As a result of Base Realignment and Closure legislation (BRAC), an additional 37,300 soldiers and their families are expected to relocate to the area during the next 3 years.

Nonfarm employment in the metropolitan area averaged 271,500 jobs during the 12 months ending February 2010, down 6,350 jobs, or 2.3 percent, from the number of nonfarm jobs during the same period a year earlier. The wholesale and retail trade and manufacturing sectors lost the most jobs, declining by 3,100 and 2,250 jobs, or 6.8 and 11.6 percent, respectively. Offsetting some of the losses, the education and health services sector grew by 1,850 jobs, or 5.5 percent, compared with the number a year earlier because new medical facilities opened. The El Paso area is the regional center in western Texas for medical services, medical research, and education. The government sector increased by 1,600 jobs, or 2.5 percent. Growth in the government sector was primarily in the federal and local government subsectors, which added 810 and 600 jobs, respectively. The additional federal jobs largely resulted from the $5 billion expansion project at Fort Bliss, which consists of constructing new facilities and housing to accommodate incoming military personnel and their families. As a result of the economic downturn, the average unemployment rate increased from 6.7 percent during the 12 months ending February 2009 to 9.2 percent during the 12 months ending February 2010.

Sales housing market conditions in the El Paso metropolitan area are currently soft, with an estimated vacancy rate of 2.2 percent, but they have improved compared with market conditions a year earlier. According to the Real Estate Center at Texas A&M University, during the 12 months ending February 2010, the number of new and existing single-family homes sold totaled 5,350, an increase of 12 percent from the 4,780 homes sold during the previous 12-month period. Home sales volume peaked at 7,250 homes in 2006. During the 12 months ending February 2010, the average sales price of an existing home was approximately $151,800, down 5 percent compared with the average price recorded during the same period a year earlier. Prices for new 1,000-square-foot homes with two-car garages start at $85,000. An estimated 4,000 military personnel own homes off base and approximately 31,700 retired military households live in the area.

The level of new home construction remained relatively unchanged during the past 12 months. In the metropolitan area, based on preliminary data, single-family home construction, as measured by the number of building permits issued, declined by about 60 homes to 2,600 homes during the 12 months ending February 2010, a 2-percent decrease compared with the number of homes permitted during the previous 12 months. Current construction levels are well below the peak reached in 2005, when 4,300 homes were permitted, and 43 percent below the average of 3,700 homes permitted annually from 2004 to 2007. An estimated 660 homes are currently under construction in the metropolitan area.

Rental housing market conditions in the El Paso metropolitan area are soft compared with the balanced conditions a year earlier. According to the El Paso Apartment Association (EPAA), the apartment vacancy rate is currently 9 percent, up from 7 percent in February 2009. Soft conditions can be attributed to the declining economy and to an increase in the number of single-family homes being offered as rental units. According to the EPAA, average effective apartment rents are $600 for a one-bedroom unit, $735 for a two-bedroom unit, and $925 for a three-bedroom unit. About one-fourth of the apartment complexes are offering concessions that typically include 1 month's free rent, no security deposit, and no application fee.

Multifamily construction activity, as measured by the number of units permitted, declined during the 12 months ending February 2010 in the El Paso metropolitan area. Multifamily construction totaled 540 units based on preliminary data, down 34 percent compared with the number of units permitted during the same period a year earlier. Multifamily development peaked in 2007, when 1,190 units were permitted. Nearly all of the multifamily development in the area consists of apartments, with an estimated 1,000 units currently under construction. New developments, primarily marketed to Fort Bliss soldiers, include The Bungalows at North Hills and Mountain Vista apartments, 342- and 160-unit apartment communities, respectively, which opened in late 2008. Effective average rents in these two developments range from about $590 to $680 for a one-bedroom unit, $700 to $820 for a two-bedroom unit, and $995 for a three-bedroom unit. The Bungalows at Hueco Estates, a 431-unit complex under construction, is expected to be complete by the end of 2010. The average rents at this project are expected to be about $675, $750, and $1,300 for one-, two-, and three-bedroom units, respectively.

Lubbock, Texas

The Lubbock metropolitan area, consisting of Lubbock and Crosby Counties, is located on the plains of northwest Texas. As of April 1, 2010, the population of the metropolitan area was estimated at 279,600, an increase of 1.5 percent, compared with the estimate as of April 1, 2009, and a slight increase from the average 1.3-percent increase recorded annually from 2005 through 2009. The city of Lubbock, known as the Hub City, is a regional center for education and health care institutions. It is the most populous city in the metropolitan area, accounting for approximately 80 percent of the area population. A low cost of living and consistent job gains from 2004 through 2008 have contributed to population growth in the area.

During the 12 months ending February 2010, nonfarm employment averaged 129,000 jobs, a decline of 1,900 jobs, or 1.4 percent, compared with the nonfarm employment during previous 12 months. In contrast, during the 12 months ending February 2009, employment had increased by 1,900 jobs, or 1.5 percent, from the number of jobs recorded a year earlier. During the past 12 months, sectors with significant declines included information, trade, and professional and business services, which lost 600, 800, and 900 jobs, or 12.5, 3.6, and 8.6 percent, respectively. Partly offsetting these losses, the education and health services sector added 700 jobs, or 3.4 percent, and the government sector added 600 jobs, or 1.9 percent. The largest public sector employer in the metropolitan area is Texas Tech University, with 9,700 employees. The leading private sector employers in the metropolitan area include Covenant Health System, United Supermarkets, and AT&T Communications, with 5,000, 2,600, and 2,400 employees, respectively. Despite the recent decline in the information sector, a $12.5 million expansion project by Tyler Technologies, a software company, is expected to add more than 100 jobs by 2011. During the 12 months ending February 2010, the average unemployment rate increased to 6.0 percent from 4.5 percent during the previous 12 months.

The sales housing market is moderately soft as a result of area job losses. According to the Real Estate Center at Texas A&M University, during the 12 months ending February 2010, the number of single-family homes sold in the metropolitan area declined to about 3,150, a 1-percent decrease compared with the number of homes sold during the previous 12-month period. The current level of sales remains well below the 3,500 homes sold during the peak year of 2007 but is the same as the average number of homes sold each year from 2004 through 2006. Average sales prices for single-family homes in the area declined by 2 percent during the most recent 12-month period, from $135,600 to $133,500. According to data from Lender Processing Services Mortgage Performance Data, in Lubbock County in January 2010, the percentage of mortgage loans in foreclosure, at least 90 days delinquent, or Real Estate Owned was 3.7 percent, an increase from the rate of 2.9 percent recorded in January 2009.

The slowing economy and declining home sales caused builders to reduce single-family home construction, as measured by the number of building permits issued. During the 12 months ending February 2010, about 760 single-family homes were permitted, a 16-percent decline compared with the 900 homes permitted during the previous 12 months, based on preliminary data. The current level of activity remains well below the annual average of 1,325 single-family homes permitted during the peak years from 2002 through 2006. Prices for new, three-bedroom, single-family homes in the city of Lubbock start at about $90,000. New developments include Monterey and North Pointe, both with more than 1,000 homes and prices starting at $90,000, and Bacon Crest, with 1,000 homes and prices starting at $160,000.

Rental housing market conditions in the Lubbock metropolitan area are soft. According to ALN Systems, Inc., the apartment vacancy rate averaged 10 percent for the 12 months ending February 2010, unchanged from the vacancy rate during the same period a year earlier. Average effective apartment rents, which include concessions, are estimated at $550 for a one-bedroom unit, $690 for a two-bedroom unit, and $1,050 for a three-bedroom unit. Average rents have increased by about 3 percent during the past 12 months.

Multifamily construction activity, as measured by the number of units permitted, resumed during the past year, following nearly no activity during the previous year. Based on preliminary data, during the 12 months ending February 2010, approximately 260 multifamily units were permitted compared with 30 units permitted during the previous 12 months. A 208-unit apartment complex, Windsor Creek, accounts for most multifamily units currently under construction; its completion is expected by August 2010. The current level of activity remains well below the annual average of 2,000 units permitted during the peak years of 2003 and 2004, when the North Overton area, which is immediately east of Texas Tech, was redeveloped. The current level of activity also remains below the average of 550 units permitted each year from 2005 through 2008.

Montgomery, Alabama

Located in central Alabama, about 90 miles south of Birmingham, the Montgomery metropolitan area includes Autauga, Elmore, Lowndes, and Montgomery Counties. Montgomery is the principal city and state capital. As of April 1, 2010, the metropolitan area population was estimated at 367,700, with approximately 60 percent of the population residing in Montgomery County. The average annual rate of population growth has slowed to nearly zero during the past 2 years, down from an average annual rate of 1.2 percent from 2004 to 2007. About 12,500 military and civilian personnel are employed at Maxwell Air Force Base, Gunter Annex, and the U.S. Air Force Air University that, together, according to the Air University 2008 Education Digest, have an annual $1.5 billion impact on the metropolitan area economy.

During the 12 months ending March 2010, average nonfarm employment totaled 169,400 jobs, down 4 percent, or 7,100 jobs, compared with average nonfarm employment during the previous 12-month period. The largest declines occurred in the manufacturing and the professional and business services sectors, which decreased by 1,800 jobs, or 9.6 percent, and 1,100 jobs, or 5.2 percent, respectively, compared with the average number of jobs in those sectors during the previous 12-month period. The only sector to add jobs was the government sector, which added 100 jobs, or 0.2 percent. The average unemployment rate increased from 5.8 percent during the 12 months ending February 2009 to 9.8 percent during the 12 months ending February 2010.

As the home of the state capital, the metropolitan area has 44,000 jobs in the government sector, which represents 26 percent of total nonfarm employment. Baptist Health System, Inc., is the largest private-sector employer in the area, with approximately 3,500 employees. Hyundai Motor Manufacturing Alabama (HMMA), LLC, built a $1.4 billion manufacturing plant in south Montgomery in 2004 and is now the second largest private-sector employer in the area with approximately 2,700 employees. Beginning in 2002, a number of suppliers followed HMMA to Alabama, invested an additional $650 million in facilities, and added about 6,000 manufacturing jobs in the metropolitan area and surrounding counties. In 2007, HMMA invested $270 million in a second engine plant at the Montgomery location. Many HMMA suppliers in the area also serve Hyundai's sister company, Kia Motors Manufacturing, Inc., which is located in West Point, Georgia, about 80 miles northeast of Montgomery.

The sales housing market in the metropolitan area is slightly soft due to recent job losses, with an estimated vacancy rate of 2.5 percent, but the inventory of unsold homes has declined during the 12 months ending March 2010 compared with the inventory of unsold homes during the previous 12 months. According to the Alabama Center for Real Estate, approximately 3,480 existing homes were sold during the 12 months ending March 2010, a 4-percent decline from the 3,600 homes sold during the 12 months ending March 2009 and 44 percent below the recent peak of 6,200 homes sold during 2005. The average price of an existing home sold during the 12 months ending March 2010 was $145,700, down about 5 percent from the average price during the previous 12 months. The average inventory of unsold homes for the 12 months ending March 2010 was approximately 3,100, or 6 percent less than the average inventory of unsold homes during previous 12 months. The area has not been significantly affected by foreclosures.

The softer sales market has resulted in decreased single-family construction activity, as measured by the number of building permits issued. According to preliminary and local data, during the 12 months ending February 2010, permits were issued for about 400 single-family homes, down 9 percent compared with the number of permits issued during the previous 12 months. Single-family home construction peaked during 2004 when the HMMA plant was completed, with 1,660 homes permitted, before declining to an average of 1,400 homes permitted for each year from 2005 to 2007. New developments include Grand Park in Millbrook and Woodland Creek in east Montgomery; starting prices for these new homes are $120,000 and $400,000, respectively. The Town of Hampstead development is currently under construction in southeast Montgomery, with homes and rowhouses starting at $162,000; completion of all 1,500 units is expected by 2015.

The overall rental housing market is currently soft, due to recent job losses and increased construction of apartments between 2001 and 2007. According to Rock Apartment Advisors, Inc., the apartment vacancy rate was 12.6 percent in June 2009, up from 10.3 percent in June 2008. The average rent in June 2009 was about $650, up more than 1 percent from the average rent in June 2008, primarily as a result of higher priced new inventory in Prattville, Millbrook, and east Montgomery. Average rents for new inventory in the Prattville and east Montgomery areas start at $715 and $800 per month, respectively. According to preliminary and local data, permits were issued for about 400 apartment units during the 12 months ending February 2010 compared with about 120 units permitted during the previous 12 months. In the Montgomery area, average asking rents for one-, two-, and three-bedroom apartment units are about $580, $670, and $830, respectively. New apartment development includes the 272-unit Watermark at Eastchase apartments in east Montgomery, part of the existing Eastchase development, expected to be completed by July 2011. Rents for one-, two-, and three-bedroom units are expected to be $760, $850, and $1,010, respectively.

Ogden-Clearfield, Utah

The Ogden-Clearfield metropolitan area, consisting of Davis, Morgan, and Weber Counties, is located just north of Salt Lake City. The metropolitan area is home to Hill Air Force Base (AFB), which employs more than 22,000 military and civilian personnel. The metropolitan area is also home to a large service center for the Internal Revenue Service that employs 6,000 people. Consequently, government sector employment in the metropolitan area accounts for about 25 percent of jobs compared with 17 percent of jobs in both the state and the nation. As of April 1, 2010, the population of the metropolitan area was estimated at 548,000, an increase of 9,200, or 1.7 percent, since April 1, 2009. Due primarily to recent job losses, population growth is down from the 2.6-percent annual average that was recorded during the previous 3 years.

Hill AFB, the largest single-site employer in Utah, provides a vital source of stability to the Ogden-Clearfield economy. According to The University of Utah, the base contributes more than $3.5 billion annually to the Utah economy, with much of the impact in the Ogden-Clearfield area. In addition to its direct spending, the base broke ground in 2008 on the Falcon Hill Aerospace Research Park, a 550-acre, $1.5 billion public-private venture located on the west side of the base. The project will replace 1.5 million square feet of antiquated U.S. Air Force buildings with retail, hotel, office, and restaurant space over the course of 15 to 20 years. Nearly 2 million square feet of commercial and supporting retail space are planned for the first phase, with completion expected in late 2012, assuming market conditions improve.

Nonfarm employment declined by 7,100 jobs, or 3.5 percent, to an average of 192,500 jobs during the 12 months ending March 2010. Before turning negative in 2008, nonfarm employment increased by an average annual rate of 5,700 jobs, or 3 percent, from 2003 to 2007. During the past 12 months, the mining, logging, and construction sector accounted for 38 percent of job losses in the metropolitan area, with a decline of 18 percent, or 2,700 jobs, primarily in residential construction employment. The only significant job gains were in the education and health services and the government sectors. The education and health services sector increased by 800 jobs, or 3.6 percent, somewhat below the 4.3-percent increase recorded during the previous 12 months. Due to job gains in the federal government subsector, government employment increased by 270 jobs, or 0.6 percent. During the 12 months ending February 2010, the unemployment rate increased to an average of 6.2 percent, up from 3.9 percent during the previous 12 months.

As a result of the slowing economy and tighter credit standards, the sales market in the Ogden-Clearfield metropolitan area is currently soft, although recent increases in sales activity indicate the market may be beginning to recover. According to NewReach, Inc., approximately 4,900 existing single-family homes were sold during the 12 months ending March 2010, representing an increase of 26 percent compared with the previous 12 months, but still down significantly from the record 7,500 homes sold in 2006. In 2008 and 2009, home sales totaled 4,600 and 4,875, respectively. The average sales price of existing single-family homes in the metropolitan area increased by nearly 1 percent to $203,400 during the 12 months ending March 2010 and remains slightly below the record of $217,900 recorded in 2007. According to Lender Processing Services Mortgage Performance Data, from March 2009 to March 2010, the number of loans that are 90 days or more delinquent, in REO, or in foreclosure increased from 3 percent to 5.3 percent.

Builders responded to the increased sales activity by slightly increasing new home construction activity, as measured by the number of building permits issued. According to The University of Utah, single-family construction activity peaked in 2005, with 3,850 homes permitted, and declined in 2008 to just more than 1,000 homes permitted. During the 12 months ending February 2010, 1,250 single-family homes were permitted, a 34-percent increase compared with the number permitted during the previous 12 months, based on preliminary data. Current single-family home construction activity is concentrated in the southern Davis County cities of Farmington, Layton, and North Salt Lake and the central Weber County city of West Haven; when combined, these cities account for nearly one-half of the total single-family homebuilding activity in the metropolitan area. Prices for new single-family three-bedroom, three-bathroom homes start at $190,000 in Farmington and $180,000 in West Haven.

The condominium sales market in the Ogden-Clearfield metropolitan area is also soft. According to NewReach, Inc., 1,100 condominiums were sold during the 12 months ending March 2010, an increase of nearly 28 percent from the number sold during the previous 12 months. During the 12 months ending March 2010, the average condominium sales price declined by nearly 5 percent to $152,800 and remains just below the record $161,200 sales price reached in 2007. According to The University of Utah, 320 condominiums were permitted during the 12 months ending February 2010 compared with 340 permitted during the previous 12 months. In recent years, condominiums have averaged about 15 percent of residential sales volume and 20 percent of for-sale construction activity. Sales prices for new three-bedroom, three-bath condominiums start at $140,000 in Clearfield and at $130,000 in Ogden.

The Ogden-Clearfield rental market is somewhat soft, with an average apartment vacancy rate of 6.6 percent during 2009, according to Reis, Inc. Vacancies are up significantly from the 5.1 percent recorded in 2008, primarily because several larger projects were completed and entered lease-up during 2009. According to The University of Utah, during the 12 months ending February 2010, about 140 apartment units were permitted compared with 230 permitted during the previous 12 months. The average apartment asking rent remained relatively unchanged at $686. With the completion of the FrontRunner North commuter rail in 2008, several transit-oriented developments (TODs) are currently anticipated throughout the metropolitan area. A 324-unit TOD project, Park Lane Village Apartments, is expected to start construction this year near the Farmington Station commuter rail stop. Residents are anticipated to move into the apartments in mid 2011; proposed average rents are $800 for a one-bedroom unit, $1,025 for a two-bedroom unit, and $1,150 for a three-bedroom unit.

Orlando-Kissimmee, Florida

Located in central Florida, the Orlando-Kissimmee metropolitan area comprises Lake, Orange, Osceola, and Seminole Counties. The tourism industry is the foundation of the local economy. The metropolitan area is home to numerous attractions, including Walt Disney World Resort, Sea World Orlando, and Universal Studios Orlando Resort. During 2008, 48.9 million leisure and convention visitors came to the metropolitan area, contributing an estimated $30 billion in spending, according to the Orlando/Orange County Convention & Visitors Bureau, Inc. The number of visitors to the area is estimated to have declined by more than 9 percent to 44.3 million in 2009.

As of April 1, 2010, the Orlando-Kissimmee metropolitan area had an estimated population of 2.1 million. Orange County is the most populated county and accounts for approximately 52 percent of the total area population. The weak economy has reduced net in-migration and subsequently slowed population growth during the past few years. Since 2006, population has grown by an average of 26,550, or 1.3 percent, annually compared with record growth of 65,500, or 3.6 percent, annually from 2003 through 2006.

Major amusement parks and ongoing conventions are significant contributors to the local economy, making the leisure and hospitality sector the largest employment sector in the metropolitan area, accounting for approximately 19 percent of total employment and employing an average of 189,800 people during the 12-month period ending February 2010. The leading employer, Walt Disney World, employs 62,000 people. Weak economic conditions nationally, however, have led to a slowdown in tourism during the past year, resulting in job losses in the sector. During the 12 months ending February 2010, the leisure and hospitality sector lost 8,300 jobs, a 4.2-percent decline from the previous 12-month period. In 2009, Walt Disney World laid off 1,400 workers in the Orlando-Kissimmee metropolitan area.

Total nonfarm employment in the Orlando-Kissimmee metropolitan area has also declined over the past 12 months. During the 12 months ending February 2010, nonfarm employment decreased by 62,650 jobs, or 5.9 percent, from the previous 12 months to 1,003,000. The construction sector had the largest decline, losing 17,400 jobs, a 25-percent decline from the previous 12-month period, following the downturn of the real estate market. The professional and business services sector lost 12,100 jobs during the 12 months ending February 2010, a 6.7-percent decline from the previous 12 months. In May 2009, ACCENT Marketing Services, LLC, laid off 430 employees at its call center in the city of Eustis. The trade sector had the third largest decline, decreasing by 11,200 jobs, or 6.7 percent, as many retail stores in the area closed. The education and health services sector was the only sector that added jobs during the 12 months ending February 2010, increasing by 1,450, or 1.2 percent, from the previous 12 months. During the 12 months ending February 2010, the unemployment rate averaged 11.3 percent, up from 6.7 percent during the previous 12-month period.

The declining economy has contributed to current soft conditions in the Orlando-Kissimmee sales market. Although the sales market is soft, existing home sales have increased during the past 12 months because of lower home prices due to increased foreclosures and short sale transactions. According to the Orlando Regional REALTOR® Association, approximately 31,850 existing homes were sold in the metropolitan area during the 12 months ending February 2010 compared with 19,050 during the 12-month period ending February 2009, an increase of 12,750 homes, or 67 percent. Total sales peaked in 2007 when 37,450 homes sold. The median price of existing homes was down 22 percent in February 2010 at $110,000 compared with $141,000 in February 2009. According to Metrostudy, during the fourth quarter of 2009, foreclosures and short sales accounted for approximately two-thirds of total existing home sales in the metropolitan area. Loans more than 90 days delinquent, in foreclosure, or in REO (real estate owned) increased to 21 percent of total loans in March 2010 from 15 percent in March 2009, according to mortgage performance data from Lender Processing Services Mortgage Performance Data.

Due to soft market conditions, home builders have reduced single-family home production in recent years. Single-family home construction, as measured by the number of single-family building permits issued, was down 15 percent, or 710 homes, to a total of 4,025 homes permitted during the 12 months ending February 2010 compared with the number permitted during the previous 12-month period, based on preliminary data. Construction of single-family homes peaked in 2004 when approximately 27,500 homes were permitted. From 2004 through 2008, the number of homes permitted decreased by an average of 4,450 homes, or 16 percent, annually.

The overall rental market in the Orlando-Kissimmee metropolitan area is soft due to job losses and recent condominium reversions. Condominium conversions peaked in 2005 when approximately 19,000 apartment units were converted to condominiums, according to CB Richard Ellis. Many of these condominiums have been "reverted" back into the rental market in recent years, contributing to high rental vacancy rates. The overall rental vacancy rate is estimated at 13 percent compared with the 2008 American Community Survey estimate of 14.6 percent. The apartment market is also soft with an 11.1-percent vacancy rate as of March 2010, according to ALN Systems, Inc. apartment data. The vacancy rate has decreased from 12.9 percent in March 2009, when construction of new apartments slowed and an increased number of people moved into the more conventional rental options, as opposed to single-family homes and condominiums. The average rent decreased by 4 percent in March 2010 to approximately $840 compared with the average rent in March 2009. Average rents were $710 for a one-bedroom unit, $850 for a two-bedroom unit, and $980 for a three-bedroom unit. According to ALN Systems, Inc. apartment data, an estimated 48 percent of properties are offering rental concessions, with an average discount of 11 percent of asking rent.

Multifamily construction activity, as measured by the number of units permitted, was down considerably in the past year when builders slowed new condominium completions. The number of multifamily units permitted was down by almost 75 percent, totaling 940 units during the 12 months ending February 2010 compared with 3,750 units during the previous 12-month period, based on preliminary data. Virtually none of the multifamily permits issued during the past 12 months were for condominiums; during the previous 12 months, condominiums accounted for approximately 20 percent of the multifamily units permitted. According to Charles Wayne Consulting, Inc., approximately 1,250 multifamily for-sale units, which include townhomes, condominiums, duplex units, and condominium conversions, were started in 2009 compared with 2,775 units started in 2008, representing a decline of 55 percent. Landmark at Universal, a $42 million apartment complex, is currently under construction near the Universal Studios Orlando Resort. The 312-unit project, expected to open at the end of

2010, will consist of one-, two-, and three-bedroom units with rents ranging from $900 to $1,400 per month.

Phoenix-Mesa-Scottsdale, Arizona

The Phoenix-Mesa-Scottsdale metropolitan area in central Arizona consists of Maricopa and Pinal Counties. Located in the Sonoran Desert, the area averages more than 300 days of sunshine each year and is a popular retirement destination. As of April 1, 2010, the metropolitan area had an estimated population of approximately 4.2 million, accounting for more than one-half of Arizona's total population. Although the area grew substantially from 2005 to 2008, adding an average 136,200 people, or 3.5 percent, a year, the population has declined by an estimated 30,000 people, or approximately 1 percent, a year since 2008. The recent reverse in population growth has partially resulted from high unemployment and new employer sanctions affecting illegal immigrants.

Employment growth in Phoenix began to slow in 2007; however, it was not until 2008 that the number of jobs started to decline. During the 12 months ending March 2010, employment decreased by 131,100 jobs to an average of 1.7 million, a 7.2 percent decline compared with employment during the 12 months ending March 2009. During this period, the construction sector lost the largest number of jobs, declining by 37,900 jobs, or 30 percent, from 128,400 to 90,500 jobs. Since 2007, 88,300 construction jobs have been lost due to soft market conditions in residential and commercial real estate. Also during the 12 months ending March 2010, in the goods-producing sector, manufacturing employment declined by 12 percent, or 15,100 jobs, down from 126,300 to 111,300, accelerating a trend that began in 2008. In the service-providing sector, the professional and business services sector had the largest number of losses, declining by 28,800 jobs, or 10 percent, from 300,900 to 272,100 jobs. The average unemployment rate increased to 8.8 percent during the 12 months ending March 2010, compared with 6.2 percent during the previous 12 months.

The only sectors that grew during the recent 12-month period were the federal government and the education and health services sectors. Federal government employment was up 0.4 percent, or 100 jobs, from 22,900 to 23,000; education and health services employment increased 2.6 percent, or 5,800 jobs, from 220,000 to 225,800. In 2010, construction will begin on two expansion projects at Chandler Regional Medical Center that will cost $135 million and add a total of 200 new jobs in the education and health services sector in 2011 and 2012. In addition, an estimated 80 new construction jobs will be created for the expansions. Other planned expansions in 2010 continue to add jobs, including 650 jobs at the new Talking Stick Resort in Scottsdale, 450 jobs at United Services Automobile Association (USAA) in north Phoenix, and 350 jobs at Conair Corporation in Glendale. The top three employers in Maricopa County are Bashas' Supermarkets, with 10,460 employees; US Airways, Inc., with 10,380 employees; and Banner Health System, with 10,212 employees, according to the *Phoenix Business Journal*.

A weak economy and a declining population have exacerbated an already soft home sales market; however, home sales are up to their highest level since 2006, mostly because of low sales prices. According to Arizona State University (ASU) Realty Studies, the median sales price of existing single-family homes declined 44 percent from $262,000 during the first quarter of 2007 to $145,600 during the first quarter of 2010. Despite this drastic decline, the median sales price of existing single-family homes is up 4 percent from $140,000 during the first quarter of 2009. The median sales price of existing condominiums and townhomes declined by 15 percent from approximately $118,000 in the first quarter of 2009 to $100,000 in the first quarter of 2010. During this period, the number of existing single-family homes sold increased by 10 percent from 24,100 to approximately 26,500, and the number of existing condominiums and townhomes sold increased by 70 percent from approximately 2,450 to 4,200. Foreclosure sales currently account for about 40 percent of total sales, whereas the historical average is about 3 percent, according to ASU Realty Studies.

New home sales continue to decline as sales market conditions remain soft. According to Hanley Wood, LLC, the number of new single-family homes sold during the fourth quarter of 2009 was approximately 1,575, down 34 percent from 1,175 in the fourth quarter of 2008. The number of new condominiums and townhomes sold was also down from 280 to 220 for the same period. The median sales price for new single-family homes declined by 5 percent from $208,200 to $198,700 for single-family homes, and from $180,900 to $150,200, or 17 percent, for condominiums and townhomes. The number of new home sales is now down 82 percent from the 10,025 sold in the fourth quarter of 2004.

In response to the continued decline in new home sales, home builders have kept residential construction, as measured by the number of permits issued, at low levels. According to preliminary data, during the 12 months ending March 2010, the number of permits issued for single-family homes declined by 600 to 9,525, down 6 percent from the 10,125 homes permitted during the previous 12 months. Single-family homebuilding activity, which peaked in 2005 when permits were issued for approximately 60,950 homes, has been declining each year since then. The number of multifamily units permitted is also down, decreasing by 92 percent from the 5,350 units permitted during the 12 months ending March 2009 to 425 units permitted during the 12 months ending March 2010, according to preliminary data. Although condominiums accounted for approximately 40 percent of permits issued for multifamily units in 2005, nearly all permits issued during the past 12 months for multifamily units are estimated to be for rental use.

Apartment market conditions in the Phoenix metropolitan area are currently soft. A growing number of single-family homes and condominiums for rent have increased already high apartment vacancies and put downward pressure on rents. In addition, net out-migration and households doubling up have reduced demand. According to Real Data, the apartment vacancy rate as of the fourth quarter of 2009 was 13.4 percent, up from 12.5 percent in the fourth quarter of 2008. The highest vacancies were in western Phoenix, where vacancy rates ranged from 20 to 30 percent, partly due to the out-migration of Hispanic households concentrated in this area that have been affected by new employer sanction laws on illegal immigrants. The western submarkets of Phoenix have been particularly hard hit by single-family home foreclosures; they also have the lowest average monthly gross rent at approximately $575. The North Scottsdale/Fountain Hills submarket had the lowest average vacancy rate, at 6.6 percent, and one of the highest average monthly gross rents, at approximately $920. Real Data reports that the average rent was $770 as of the fourth quarter of 2009, down from $785 in the fourth quarter of 2008.

San Francisco-San Mateo-Redwood City, California

The San Francisco-San Mateo-Redwood City metropolitan division encompasses the two counties of Marin and San Mateo and the city-county of San Francisco (hereafter called the city of San Francisco). The metropolitan division is located on two peninsulas that are connected by the Golden Gate Bridge at the opening of the San Francisco Bay. As of April 1, 2010, the population of the area is estimated at 1,820,000, reflecting a 0.8-percent growth from the estimated population a year earlier, which is slightly slower than the 1.1-percent annual increase in the preceding 2 years. The University of California, San Francisco (UCSF), a medical research school, is the leading employer in the area, with 23,100 faculty and staff and a $1.8 billion impact on the greater San Francisco Bay Area economy.

After nearly 4 years of economic expansion, the metropolitan area began to lose jobs in the first quarter of 2009, 1 year after job losses began in the rest of California. In the 12 months ending March 2010, nonfarm employment decreased sharply by 57,000 jobs across all sectors to average 931,500, a 5.8-percent loss compared with nonfarm employment during the previous 12-month period. About 55 percent of total losses occurred in the professional and business services, construction, and trade sectors, with declines of 13,500, 8,950, and 8,100, or 6, 21, and 7 percent, respectively. Declines in construction employment resulted from recent decreases in new office production. Companies that announced the largest number of layoffs in 2009 included Macy's West Central headquarters with 1,500 layoffs, United Airlines with 1,200, and JP Morgan Chase Bank with 530. In the 12 months ending March 2010, the average unemployment rate rose to 9.2 percent compared with 5.9 percent in the previous 12-month period.

Upcoming public sector activity will contribute to job growth in the construction sector this year. UCSF will begin site work in May for a new 289-bed hospital. Completion of the $1.6 billion UCSF Medical Center at Mission Bay is anticipated for 2014. In the city of San Francisco, the Transbay Terminal will become the $1.2 billion Transbay Transit Center, the terminus for the proposed high-speed train that would link the San Francisco Bay Area with Los Angeles. Work will begin this autumn and is expected to end in 2017. The tourism industry is also significant, notably in the city of San Francisco, where 15.4 million visitors spent $7.8 billion in 2009, according to the San Francisco Convention & Visitors Bureau. The San Francisco Port Authority is also beginning extensive work along the waterfront. One of the largest developments is the $175 million project to relocate the Exploratorium museum to the newly refurbished Piers 15 and 17. Construction is scheduled to begin in the spring of 2010 and to be completed by April 2012.

The sales housing market in the metropolitan division is slightly soft. According to MDA DataQuick®, the volume of new and existing home sales totaled 14,850 in the 12 months ending March 2010, which represents an 11-percent increase compared with the decade-low sales volume recorded in the previous 12-month period. San Mateo County and the city of San Francisco accounted for 43 and 39 percent of total sales, respectively. For the 12 months ending March 2010, the median sales price was $647,300 in the city of San Francisco, $635,300 in Marin County, and $571,000 in San Mateo County. For the entire metropolitan division, the median sales price was $612,100, a 7-percent decrease from the median price recorded for the 12 months ending March 2009 and 23 percent below the peak of $798,400 attained during the 12 months ending November 2007.

Since the tightening of credit standards began in August 2007, jumbo mortgages, which previously constituted the vast majority of all loans in the area, became more difficult to obtain. In 2008, the conforming loan limit in the area was increased to $729,750 from $417,000, preventing a deeper decline in sales activity. Sales prices, however, continued to decrease as a result of weakening employment conditions and increasing foreclosure activity. According to Lender Processing Services Mortgage Performance data, 4.1 percent of total loans were at least 90 days delinquent, in foreclosure, or were Real Estate Owned in January 2010, up from 2.3 percent in January 2009. Although foreclosure activity has increased, the metropolitan division has the lowest incidence level in the greater San Francisco Bay Area and is far below the 11.7-percent foreclosure rate for the entire state.

Single-family home construction, as measured by the number of building permits issued, continued to decrease for the second consecutive year in response to softer conditions. During the 12 months ending February 2010, 410 single-family permits were issued, a 17-percent decline from the number issued during the previous 12-month period, based on preliminary data. The number of permits averaged about 1,500 single-family homes every year from 1994 through 2007. About 65 percent of new single-family home construction was in San Mateo County, 30 percent in Marin County, and 5 percent in the city of San Francisco.

Sales of new homes, including new townhomes and new condominiums, are a minor part of the residential sales market, constituting only 10 percent of all home sales in 2009. According to Hanley Wood, LLC, nearly 1,400 new homes were sold during 2009, a 7-percent decrease compared with the number sold during 2008. From 2008 to 2009, the median sales price of new homes declined by 7 percent to $677,800. At the end of December 2009, 650 units were either available for sale or under construction, down 16 percent from December 2008. Nearly 70 percent of the new homes sold were in the city of San Francisco, where the for-sale inventory is primarily in highrise and midrise condominium developments.

Multifamily construction, as measured by the number of units permitted, has declined sharply since 2009. During the 12 months ending February 2010, permits for 630 multifamily units were issued, a 72-percent decrease from the number issued in the previous 12-month period, based on preliminary data. According to the McGraw-Hill Construction Pipeline database, construction of 8,700 multifamily units, one-half of which are townhomes and condominiums, is currently being deferred until market conditions improve.

The rental housing market in the San Francisco-San Mateo-Redwood City metropolitan division is slightly soft, with an overall vacancy rate of 5.3 percent. Rising unemployment has diminished demand, especially for market-rate rental units. According to MPF Research, the apartment rental vacancy rate was 5.5 percent in the fourth quarter of 2009, up from 4.6 percent in the fourth quarter of 2008. In the fourth quarter of 2009, the average rent was nearly $1,850, a 5-percent decrease from the average rent recorded in the fourth quarter of 2008. In the fourth quarter of 2009, average apartment rents were approximately $1,550 for a one-bedroom unit, $2,175 for a two-bedroom unit, and $2,475 for a three-bedroom unit. Six apartment projects with about 380 income-restricted units are scheduled for completion in 2010. Hunters View, a public-private venture in the city of San Francisco, broke ground in April 2010 and is one of the largest multifamily projects under construction. The $250 million three-phase project will replace about 270 public housing units and add 80 affordable rental units for low-income households. The 110-unit first phase will be ready for initial occupancy in 2012. The Hunters View development will also include 200 to 450 units for sale, 20 percent of which will be available to low-income households. Construction of the for-sale units is anticipated to begin in 2011.

Units Authorized by Building Permits, Year to Date: HUD Regions and States

HUD Region and State	2010 Through March			2009 Through March			Ratio: 2010/2009 Through March		
	Total	Single Family	Multi-family*	Total	Single Family	Multi-family*	Total	Single Family	Multi-family*
Connecticut	624	530	94	519	267	252	1.202	1.985	0.373
Maine	503	480	23	392	342	50	1.283	1.404	0.460
Massachusetts	1,664	1,043	621	1,810	723	1,087	0.919	1.443	0.571
New Hampshire	722	350	372	319	257	62	2.263	1.362	6.000
Rhode Island	170	170	0	142	82	60	1.197	2.073	
Vermont	461	443	18	118	105	13	3.907	4.219	1.385
New England	**4,144**	**3,016**	**1,128**	**3,300**	**1,776**	**1,524**	**1.256**	**1.698**	**0.740**
New Jersey	2,679	1,777	902	2,563	1,303	1,260	1.045	1.364	0.716
New York	3,462	2,132	1,330	3,008	1,598	1,410	1.151	1.334	0.943
New York/New Jersey	**6,141**	**3,909**	**2,232**	**5,571**	**2,901**	**2,670**	**1.102**	**1.347**	**0.836**
Delaware	814	771	43	476	458	18	1.710	1.683	2.389
District of Columbia	280	2	278	259	43	216	1.081	0.047	1.287
Maryland	3,044	2,081	963	2,320	1,472	848	1.312	1.414	1.136
Pennsylvania	4,342	3,747	595	3,303	2,616	687	1.315	1.432	0.866
Virginia	5,213	4,112	1,101	4,596	3,409	1,187	1.134	1.206	0.928
West Virginia	410	308	102	379	326	53	1.082	0.945	1.925
Mid-Atlantic	**14,103**	**11,021**	**3,082**	**11,333**	**8,324**	**3,009**	**1.244**	**1.324**	**1.024**
Alabama	3,062	2,404	658	2,343	1,757	586	1.307	1.368	1.123
Florida	11,590	9,078	2,512	9,658	5,632	4,026	1.200	1.612	0.624
Georgia	4,463	4,063	400	3,637	3,129	508	1.227	1.298	0.787
Kentucky	1,631	1,437	194	1,394	985	409	1.170	1.459	0.474
Mississippi	1,127	1,110	17	1,287	1,066	221	0.876	1.041	0.077
North Carolina	8,861	7,483	1,378	7,182	5,135	2,047	1.234	1.457	0.673
South Carolina	4,410	3,935	475	3,560	2,875	685	1.239	1.369	0.693
Tennessee	4,714	3,179	1,535	3,353	2,524	829	1.406	1.260	1.852
Southeast/Caribbean	**39,858**	**32,689**	**7,169**	**32,414**	**23,103**	**9,311**	**1.230**	**1.415**	**0.770**
Illinois	2,151	1,735	416	1,590	1,205	385	1.353	1.440	1.081
Indiana	2,883	2,340	543	2,100	1,542	558	1.373	1.518	0.973
Michigan	1,662	1,477	185	903	797	106	1.841	1.853	1.745
Minnesota	1,722	1,260	462	1,626	720	906	1.059	1.750	0.510
Ohio	3,270	2,547	723	2,219	1,891	328	1.474	1.347	2.204
Wisconsin	1,821	1,534	287	1,411	972	439	1.291	1.578	0.654
Midwest	**13,509**	**10,893**	**2,616**	**9,849**	**7,127**	**2,722**	**1.372**	**1.528**	**0.961**
Arkansas	1,436	1,213	223	1,596	806	790	0.900	1.505	0.282
Louisiana	2,750	2,635	115	3,070	2,633	437	0.896	1.001	0.263
New Mexico	1,173	1,051	122	1,100	774	326	1.066	1.358	0.374
Oklahoma	2,337	1,920	417	1,689	1,563	126	1.384	1.228	3.310
Texas	22,169	18,854	3,315	20,638	14,034	6,604	1.074	1.343	0.502
Southwest	**29,865**	**25,673**	**4,192**	**28,093**	**19,810**	**8,283**	**1.063**	**1.296**	**0.506**
Iowa	1,364	1,076	288	747	683	64	1.826	1.575	4.500
Kansas	951	776	175	1,613	647	966	0.590	1.199	0.181
Missouri	1,939	1,514	425	1,318	890	428	1.471	1.701	0.993
Nebraska	970	879	91	776	644	132	1.250	1.365	0.689
Great Plains	**5,224**	**4,245**	**979**	**4,454**	**2,864**	**1,590**	**1.173**	**1.482**	**0.616**
Colorado	3,137	2,389	748	1,841	1,340	501	1.704	1.783	1.493
Montana	415	320	95	259	232	27	1.602	1.379	3.519
North Dakota	293	167	126	76	16	60	3.855	10.440	2.100
South Dakota	452	429	23	568	253	315	0.796	1.696	0.073
Utah	2,206	1,824	382	2,360	929	1,431	0.935	1.963	0.267
Wyoming	628	307	321	242	186	56	2.595	1.651	5.732
Rocky Mountain	**7,131**	**5,436**	**1,695**	**5,346**	**2,956**	**2,390**	**1.334**	**1.839**	**0.709**
Arizona	4,046	3,515	531	2,475	1,864	611	1.635	1.886	0.869
California	10,168	6,361	3,807	7,175	4,205	2,970	1.417	1.513	1.282
Hawaii	1,354	401	953	843	453	390	1.606	0.885	2.444
Nevada	2,071	1,788	283	1,312	709	603	1.579	2.522	0.469
Pacific	**17,639**	**12,065**	**5,574**	**11,805**	**7,231**	**4,574**	**1.494**	**1.669**	**1.219**
Alaska	115	113	2	83	75	8	1.386	1.507	0.250
Idaho	1,286	1,150	136	1,010	623	387	1.273	1.846	0.351
Oregon	1,756	1,591	165	2,013	1,068	945	0.872	1.490	0.175
Washington	4,874	3,859	1,015	3,782	2,214	1,568	1.289	1.743	0.647
Northwest	**8,031**	**6,713**	**1,318**	**6,888**	**3,980**	**2,908**	**1.166**	**1.687**	**0.453**
United States	**145,645**	**115,660**	**29,985**	**119,053**	**80,072**	**38,981**	**1.223**	**1.444**	**0.769**

*Multifamily is two or more units in structure. Source: Census Bureau, Department of Commerce

Units Authorized by Building Permits, Year to Date: 50 Most Active Core Based Statistical Areas** (Listed by Total Building Permits)

CBSA	CBSA Name	2010 Through March		
		Total	Single Family	Multifamily*
26420	Houston-Sugar Land-Baytown, TX	7,437	6,568	869
19100	Dallas-Fort Worth-Arlington, TX	5,199	4,271	928
47900	Washington-Arlington-Alexandria, DC-VA-MD-WV	3,418	2,321	1,097
35620	New York-Northern New Jersey-Long Island, NY-NJ-PA	3,357	1,634	1,723
38060	Phoenix-Mesa-Scottsdale, AZ	2,858	2,476	382
42660	Seattle-Tacoma-Bellevue, WA	2,612	1,670	942
31100	Los Angeles-Long Beach-Santa Ana, CA	2,250	890	1,360
12060	Atlanta-Sandy Springs-Marietta, GA	2,175	1,897	278
12420	Austin-Round Rock, TX	2,029	1,771	258
41700	San Antonio, TX	1,964	1,565	399
36740	Orlando-Kissimmee, FL	1,818	1,406	412
29820	Las Vegas-Paradise, NV	1,816	1,554	262
34980	Nashville-Davidson--Murfreesboro, TN	1,774	1,187	587
45300	Tampa-St. Petersburg-Clearwater, FL	1,754	1,190	564
16740	Charlotte-Gastonia-Concord, NC-SC	1,747	1,435	312
40140	Riverside-San Bernardino-Ontario, CA	1,739	1,377	362
37980	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	1,681	1,412	269
12580	Baltimore-Towson, MD	1,538	840	698
39580	Raleigh-Cary, NC	1,496	1,398	98
41180	St. Louis, MO-IL	1,438	1,158	280
26900	Indianapolis, IN	1,373	1,044	329
19740	Denver-Aurora, CO	1,322	1,029	293
18140	Columbus, OH	1,282	715	567
16980	Chicago-Naperville-Joliet, IL-IN-WI	1,260	914	346
33100	Miami-Fort Lauderdale-Miami Beach, FL	1,249	772	477
33460	Minneapolis-St. Paul-Bloomington, MN-WI	1,172	828	344
14460	Boston-Cambridge-Quincy, MA-NH	1,161	727	434
36420	Oklahoma City, OK	1,161	795	366
27260	Jacksonville, FL	1,134	1,044	90
47260	Virginia Beach-Norfolk-Newport News, VA-NC	1,134	860	274
38900	Portland-Vancouver-Beaverton, OR-WA	1,102	1,008	94
41860	San Francisco-Oakland-Fremont, CA	1,050	591	459
22180	Fayetteville, NC	1,023	431	592
41740	San Diego-Carlsbad-San Marcos, CA	998	597	401
16700	Charleston-North Charleston, SC	997	857	140
17900	Columbia, SC	926	789	137
40060	Richmond, VA	879	626	253
32820	Memphis, TN-MS-AR	872	450	422
21340	El Paso, TX	869	693	176
17140	Cincinnati-Middletown, OH-KY-IN	867	798	69
37860	Pensacola-Ferry Pass-Brent, FL	861	456	405
32580	McAllen-Edinburg-Mission, TX	840	770	70
40900	Sacramento--Arden-Arcade--Roseville, CA	791	541	250
46140	Tulsa, OK	783	777	6
38300	Pittsburgh, PA	712	626	86
12260	Augusta-Richmond County, GA-SC	670	622	48
41620	Salt Lake City, UT	669	494	175
12940	Baton Rouge, LA	667	667	0
36540	Omaha-Council Bluffs, NE-IA	657	655	2
28140	Kansas City, MO-KS	653	451	202

*Multifamily is two or more units in structure. **As per new Office of Management and Budget metropolitan area definitions. CBSA = Core Based Statistical Area.
Source: Census Bureau, Department of Commerce