

COMPREHENSIVE MARKET ANALYSIS REPORTS



Policy Development & Research

**New Orleans-Metairie-Kenner,
Louisiana
Metropolitan Statistical Area**

**Economic and Housing Market Conditions
Pre- and Post-Katrina and Rita:
A Comprehensive Market Analysis Special Report**

**As of September 1, 2005
With Updates to February 1, 2006**



ECONOMIC RESEARCH

U.S. Department of Housing and Urban Development

Foreword

This analysis has been prepared for the assistance and guidance of the U.S. Department of Housing and Urban Development (HUD) in its operations. The factual information, findings, and conclusions may also be useful to builders, mortgagees, and others concerned with local housing market conditions and trends. The analysis does not purport to make determinations regarding the acceptability of any mortgage insurance proposals that may be under consideration by the Department.

The factual framework for this analysis follows the guidelines and methods developed by HUD's Economic and Market Analysis Division. The analysis and findings are as thorough and current as possible based on information available on the "as-of" date from local and national sources. As such, findings or conclusions may be modified by subsequent developments. HUD wishes to express its appreciation to those industry sources, and federal, state and local government officials who provided data and information on local economic and housing market conditions.

Hurricanes Katrina in late August and Rita in September 2005 devastated the New Orleans-Metairie-Kenner, Louisiana Metropolitan Statistical Area. The destruction of infrastructure, commercial buildings, and residential housing units significantly impacted the economy and housing markets of the metropolitan area. The current statistical data used in the analysis has an as-of date of September 1, 2005, and excludes the impact of the hurricanes. Any comments and estimates, which are included in reference to market conditions between September 1, 2005, and February 1, 2006, are based on the best information available that was obtained from local sources during fieldwork.

This analysis takes into consideration changes in the economic, demographic, and housing inventory characteristics of the market area during two periods: from 1990 to 2000, and from 2000 to the as-of date of the analysis—September 1, 2005 (Current date). In the analysis, 1990 and 2000 refer to the dates of the decennial census—April 1 unless specified otherwise. This analysis presents counts and estimates of employment, population, households, and housing inventory as of the 1990 Census, 2000 Census, and Current date. Housing market conditions are updated where possible to February 1, 2006.

This analysis was prepared by W. Victor Crain and L. David Vertz, HUD field economists stationed in Denver and Ft. Worth, respectively, based on fieldwork conducted during the week of January 29, 2006. Questions regarding the findings and conclusions of the analysis may be addressed to Mr. Crain at 303-672-5072 or Mr. Vertz at 817-978-5416. The economists can be reached by email at w._victor_crain@hud.gov or leon_d._vertz@hud.gov.

Metropolitan Statistical Area and Housing Market Areas

The New Orleans-Metairie-Kenner, Louisiana Metropolitan Statistical Area (MSA) is located in the southeast region of the state. The MSA comprises seven parishes and five distinct housing market areas (HMAs). The five HMAs include the following:

- The Orleans Parish HMA (Orleans) consists of the city of New Orleans and serves as the central business district for the MSA. Orleans Parish is the hub of the leisure and hospitality industry in the MSA. Most of the colleges, universities, and hospitals in the area are located in the parish.
- The Jefferson Parish HMA (Jefferson) is located along the Interstate 10 (I-10) corridor and is adjacent to Orleans, St. Charles, and St. John the Baptist Parishes. The cities of Gretna, Kenner, and Metairie are located in Jefferson Parish as is the Louis Armstrong New Orleans International Airport. Northrop Grumman Ship Systems' Avondale Operations plant is the leading employer in Jefferson Parish and the MSA.
- The St. Tammany Parish HMA (St. Tammany) is located along the north shore of Lake Pontchartrain. Its largest cities are Covington, Mandeville, and Slidell. St. Tammany is the fastest growing HMA in the MSA and in Louisiana. Access to the New Orleans central business district is easily available via the Pontchartrain Causeway, I-10, I-12, and I-59. Much of the growth in St. Tammany can be attributed to its excellent public school system, which regularly receives national awards and accolades.
- The HMA of St. Bernard and Plaquemines Parishes (St. Bernard-Plaquemines) is bordered by Orleans Parish on the north and Jefferson Parish on the west. The northernmost areas of the two parishes are within 20 minutes of the New Orleans central business district. Cities and communities include St. Bernard and Chalmette in St. Bernard Parish and Belle Chasse in Plaquemines Parish. Major industries include fishing, oil and gas exploration, petrochemicals, and seafood processing. The leading employers include local governments, Chalmette Medical Center, and Murphy Oil USA, Inc.
- The St. Charles and St. John the Baptist Parishes HMA (St. Charles-St. John the Baptist) is located on the western edge of the MSA and is served by I-10, I-55, and I-310. Cities and communities include Hahnville and Luling in St. Charles Parish and LaPlace in St. John the Baptist Parish. Major industries within the parishes include agriculture and petrochemicals and leading employers include the Port of South Louisiana, DuPont, and Shell Chemical Company.

Most housing growth has occurred in three of the five HMAs. The first housing growth area is western St. Tammany, north of Mandeville and Covington, and pushing into adjacent Tangipahoa Parish. The second housing growth area is St. Charles-St. John the Baptist because of its proximity to Baton Rouge and the New Orleans central business

district. The west bank of Jefferson near the Huey P. Long Bridge constitutes the third housing growth area, although its population and housing growth have been modest.

Summary

All aspects of the MSA housing market were impacted by Hurricanes Katrina and Rita. The various studies and analyses that have been completed by other federal agencies and state and local agencies have all reached the conclusion that no part of the MSA went unscarred. Dr. Loren C. Scott's February 2006 analysis, *Advancing in the Aftermath: Tracking the Recovery from Katrina and Rita*, concludes that 434,216 homes in the MSA were damaged from wind and floodwaters and more than 207,000 were damaged so badly they were rendered uninhabitable.

At the time the hurricanes hit, the economy was showing signs that a slight recovery was under way. The annual average number of residents employed each month was up in all the HMAs in the MSA for the 12-month period ending August 2005 compared with the previous 12 months. Exhibit 1 summarizes resident employment in the MSA by HMA since 2000. Resident employment data since the hurricanes have not been released.

Exhibit 1 Resident Employment

Area	Number of Residents Employed		
	2000	Sept. 2003–Aug. 2004	Sept. 2004–Aug. 2005
New Orleans-Metairie-Kenner, Louisiana MSA	596,113	583,300	589,000
Orleans Parish	199,835	189,000	191,200
Jefferson Parish	221,581	215,000	217,500
St. Tammany Parish	92,450	97,400	98,600
St. Bernard and Plaquemines Parishes	40,913	40,000	40,450
St. Charles and St. John the Baptist Parishes	41,335	41,500	42,000

Source: U.S. Department of Labor, Bureau of Labor Statistics

The number of workers employed at nonfarm businesses was also rebounding before the hurricanes occurred, especially in the service-providing sectors. Since the hurricanes occurred, nonfarm employment in the MSA has fallen by approximately 35 percent. All employment sectors suffered losses but most notable were the education and health services and leisure and hospitality sectors. Trends in nonfarm employment since 2000 are summarized in Exhibit 2.

**Exhibit 2
Nonfarm Employment**

Nonfarm Employment Sector	Number of Workers Employed by Nonfarm Businesses				
	2000	Sept. 2003–Aug. 2004	Sept. 2004–Aug. 2005	Jan.–Aug. 2005	Sept. 2005–Jan. 2006
Total Nonfarm Employment	620,300	613,800	618,900	612,000	404,400
Goods-Producing	88,000	78,600	79,200	76,600	52,900
Service-Providing	532,400	535,100	539,700	535,400	351,500
Education and Health Services	77,100	84,500	84,900	81,500	41,800
Leisure and Hospitality	80,800	82,600	85,400	86,000	48,700
All Service-Providing Sectors	374,500	368,100	369,400	367,900	261,000

Notes: Numbers may not add due to rounding.
Numbers are either annual or 12-month averages.

Source: U.S. Department of Labor, Bureau of Labor Statistics—North American Industry Classification System (NAICS)

The population of the MSA had increased since the 2000 Census but at a slower rate than the 0.4-percent rate posted in the 1990s. As of Hurricane Katrina's landfall, the population of the MSA was estimated at 1,323,000 and the number of households was estimated to be 514,300. Hurricanes Katrina and Rita caused a dramatic decrease in the numbers of people and households in the MSA. As of February 1, 2006, the MSA has an estimated population of 894,000 and 342,500 households. Exhibit 3 outlines the changes in population and households since 1990.

**Exhibit 3
Population and Households**

Area	April 1, 1990	April 1, 2000	Sept. 1, 2005	Feb. 1, 2006
	Population			
New Orleans-Metairie-Kenner, Louisiana MSA	1,264,391	1,316,510	1,323,000	894,000
Orleans Parish	496,938	484,674	456,700	105,000
Jefferson Parish	448,306	455,466	454,900	425,000
St. Tammany Parish	144,508	191,268	219,800	248,000
St. Bernard and Plaquemines Parishes	92,206	93,986	94,800	16,000
St. Charles and St. John the Baptist Parishes	82,433	91,116	97,100	100,000
	Number of Households			
New Orleans-Metairie-Kenner, Louisiana MSA	463,391	498,587	514,300	342,500
Orleans Parish	188,235	188,251	186,100	37,200
Jefferson Parish	166,398	176,234	177,600	168,700
St. Tammany Parish	50,346	69,253	82,700	95,000
St. Bernard and Plaquemines Parishes	31,369	34,144	35,100	7,000
St. Charles and St. John the Baptist Parishes	27,043	30,705	32,900	34,600

Note: Numbers and averages may not add to MSA totals due to rounding.
Sources: 1990 and 2000—U.S. Census Bureau
September 1, 2005, Population and Households—Estimates by analyst
February 1, 2006, Population—Real Properties Associates, Inc.
February 1, 2006, Households—Estimate by analyst

The median family income in each of the HMAs rose during the 1990s but more than 50,000 families remained below the poverty level as of 2000. The median income levels for each of the HMAs and the number of families living below the poverty level in the MSA are highlighted in Exhibit 4.

Exhibit 4
2000 Median Family Income, Total Families, and Families Living Below the Poverty Level

Area	Median Family Income	Total Families	Below Poverty Level	Percentage Below Poverty Level (%)
New Orleans-Metairie-Kenner, Louisiana MSA	\$42,626	343,201	50,900	14.8
Orleans Parish	\$32,338	113,948	26,988	23.7
Jefferson Parish	\$45,834	120,841	13,055	10.8
St. Tammany Parish	\$55,346	52,971	4,041	7.6
St. Bernard and Plaquemines Parishes	*\$42,700	25,349	3,013	11.8
St. Charles and St. John the Baptist Parishes	*\$47,200	24,528	2,799	11.4

Note: *Median family incomes are estimated.
Source: 2000—U.S. Census Bureau

Low mortgage interest rates and innovative financing options kept the sales market strong before the hurricanes occurred. Since 1996, the average sales price of residential homes in the MSA increased by 6.4 percent a year to \$183,600 in 2004. In 2005, gains in average home sales prices were primarily due to the impact of Hurricanes Katrina and Rita. After an initial spike in average sales prices upwards of 20 percent in September and October 2005, the increases have moderated as more homes are being renovated and are reentering the sales market. Average home sales prices recorded since 1996 are highlighted in Exhibit 5.

Exhibit 5
Average Home Sales Prices

Area	Average Home Sales Price (\$)			
	1996	2004	Jan.–Aug. 2005	Sept.–Dec. 2005
New Orleans-Metairie-Kenner, Louisiana MSA	116,712	183,592	204,468	222,849
Orleans Parish	121,419	201,798	231,875	292,679
Jefferson Parish	113,513	185,181	202,145	221,976
St. Tammany Parish	128,049	185,233	209,586	224,003
St. Bernard and Plaquemines Parishes	77,061	123,042	133,483	279,163
St. Charles and St. John the Baptist Parishes	00,265	142,264	150,350	176,240

Notes: MSA and St. Charles and St. John the Baptist Parishes data include sales from St. James Parish. Sales in St. James Parish account for less than 5 percent of the total.
Based on information from Gulf South Real Estate Information Network, Inc., for the period 1996–2005.
Sources: New Orleans Metropolitan Association of REALTORS® and Gulf South Real Estate Information Network, Inc.

The apartment rental market was somewhat balanced before the hurricanes occurred. An estimated 35 percent of apartment units that were habitable before the storms were seriously damaged or destroyed and are unavailable for occupancy. Local sources estimate that by spring 2006, average rental prices will be about 20 percent higher “across the board” than pre-Katrina and pre-Rita price levels. As of February 1, 2006, available apartment units within the MSA are close to 100 percent occupied. Exhibit 6 presents a comparison of total rental inventory, renter tenure, and vacancies from 2000 through September 1, 2005.

Exhibit 6
Rental Inventory, Tenure, and Vacancy

Area	2000	Sept. 1, 2005	2000	Sept. 1, 2005	2000	Sept. 1, 2005
	Rental Units	Rental Units	Renter Tenure (%)	Renter Tenure (%)	Rental Vacancy (%)	Rental Vacancy (%)
New Orleans-Metairie-Kenner, Louisiana MSA	191,913	184,100	38.5	35.8	7.9	8.4
Orleans Parish	100,662	95,400	53.5	51.3	7.9	8.8
Jefferson Parish	63,685	60,500	36.1	34.1	7.2	8.7
St. Tammany Parish	13,534	14,700	19.5	17.7	10.8	6.0
St. Bernard and Plaquemines Parishes	8,274	8,000	24.2	22.9	6.5	6.0
St. Charles and St. John the Baptist Parishes	5,758	5,450	18.8	16.6	9.3	8.5

Sources: 2000—U.S. Census Bureau
Current—estimate by analyst

Introduction

Numerous economic and housing recovery plans and initiatives are being studied by citizen groups and local parish and city officials. A final recovery plan as of February 1, 2006, has not been approved. Before a final recovery plan can be approved, the Federal Emergency Management Agency (FEMA) new flood plain maps must be released. Because of insurance requirements and building codes, the recovery plan should be based on the new flood plain maps. Therefore, this analysis will not offer any comments about any of the proposed recovery plans or initiatives. The analysis does not provide a final conclusion or demand estimate for the future need of housing in the MSA. A followup to this analysis will be provided later when recovery plans or initiatives are approved. The following discussion and detailed tables provide the basis of the analysis presented in the summary.

Economy of the Area

Economy of the MSA as of Hurricane Katrina's Landfall

The economy of the MSA is tied heavily to the Port of South Louisiana and the Port of New Orleans, which provide global access to the Midwest region of the nation. Many petroleum, petrochemical, shipbuilding, and aerospace industries have corporate offices within the MSA. Northrop Grumman Corporation, a leader in the aerospace and shipping industry, is one of the leading employers and has an estimated 6,700 employees in the MSA. Tulane University is the leading private-sector employer, with an estimated 7,300 faculty and staff jobs distributed between the university and its hospitals. Hibernia National Bank employs 6,000 employees and, based on annual revenue, is among *Fortune* magazine's list of America's top 1,000 companies. Tourism in the MSA provides an annual economic impact estimated to be \$5.5 billion.

Buoyed by a growing economic base, employment expanded at a steady pace during the 1990s. The labor force increased by 4,100 people a year, and resident employment increased by 4,800 workers. All HMAs except for Orleans posted employment gains during the 1990s. Nonfarm employment growth averaged 8,300 jobs a year during the 1990s. Leading sectors that showed positive job growth were professional and business services, education and health services, and local government. By 1999, the unemployment rate in the MSA had fallen to 4.5 percent, down from 6.0 percent in 1990.

The national recession set the economy back in the early 2000s but a recent recovery was beginning to take hold before the hurricanes hit the area. For the period 2000 through August 2005, average resident employment fell by 0.2 percent, or by approximately 1,300 workers, a year. HMAs that lost employment included Jefferson, Orleans, and St. Bernard-Plaquemines. Moderate increases were recorded in St. Tammany and St. Charles-St. John the Baptist. In 2005, the economy of the MSA was recovering from job losses that occurred in 2002 and 2003; employment gains were recorded over the 12-month period ending in August. Resident employment increased by 1 percent to 589,000 workers during the same period, while nonfarm employment was up 0.8 percent. Table 1

shows the trends in labor force, employment, and unemployment from 1990 through August 2005.

From 2000 to 2001, the economy lost 10,300 nonfarm jobs and by 2002 employment had fallen to the 1997 levels. The hardest hit sectors were in manufacturing, which declined by 2,300 jobs, and professional and business services, which lost 2,700 jobs. Nonfarm employment losses in manufacturing and professional and business services have been at least partly offset by gains in the leisure and hospitality and education and health services sectors. Employment in the leisure and hospitality services sector expanded from 56,400 jobs in 1990 to 80,800 in 2000 and to 83,300 in 2004. The sector is expected to remain strong in the city of New Orleans, which hosts more than six million visitors each year. Local universities were another significant contributor to employment. The education and health services sector has been a consistent source of job growth. Tulane University, with its large employment base, provides the local economy with an estimated annual economic impact of \$842 million. Table 2 shows the trends in nonfarm employment by industry from 1990 through the Current date.

Employment Trends in the HMAs for the Current 12-Month Period Ending June 2005

- In June 2005, employment in the Orleans HMA averaged 244,892 jobs, down 4,734 jobs compared with the previous 12-month period. Employment losses, primarily in the construction, finance and insurance, and the health care and social services industries, were offset by gains in the accommodations and food services, information, manufacturing, and arts, entertainment and recreation industries. Employment in Orleans depends heavily on the Port of New Orleans. Direct and indirect employment at the Port of New Orleans of 380,000 jobs includes transportation workers who may not consistently reside in the HMA. The port provides \$16.9 billion in combined annual income to these workers; this figure averages slightly less than \$45,000 per worker. The hurricanes caused extensive damage to the port, which will require more than \$500 million in repairs. Normally, more than 6,000 vessels pass through the port each year. Orleans Parish was founded on the shipping industry, and reconstruction of the port will play a crucial role in the parish's economic recovery. Table 3 shows the trends in employment by industry in the HMAs from July 2003 through June 2005.
- In Jefferson, employment was unchanged during the past year. Modest growth in the health care services, accommodation and food services, and the management of companies and enterprises industries offset losses in the construction, manufacturing, and wholesale trade sectors. The economy will receive a boost from the planned \$413 million expansion of the Huey P. Long Bridge. Jefferson Parish is home to the Louis Armstrong New Orleans International Airport. Based on Timothy P. Ryan's May 2004 study, *The Economic Impact of the Louis Armstrong International Airport*, the airport's annual economic impact on the economy of the MSA is more than \$1 billion, the equivalent of revenue generated from three Super Bowl games. The airport will be a crucial part of the area's recovery.

- By June 2005, employment in St. Tammany increased by 2,530 jobs distributed among most sectors. The information sector recorded the largest gain, at 13.6 percent, followed by professional and technical services, at 7.2 percent, and transportation and warehousing, at 6.9 percent.
- Employment in St. Bernard-Plaquemines averaged 32,793 jobs as of June 2005, an increase of 0.9 percent. Two of the fastest growing sectors have been education and health services and other services. Seafood processing within both parishes has had a favorable effect on the local and state economies. The fishing industry of Louisiana is the second largest in the United States, behind Alaska, and provides 26 percent of domestically consumed seafood. The Louisiana Department of Wildlife and Fisheries' estimates a potential loss of \$1.1 billion in retail fisheries revenue over the next year as a result of the hurricanes.
- Employment in St. Charles-St. John the Baptist increased by 3.4 percent to 35,565 jobs as of June 2005. The most significant job growth occurred in the construction, mining, and transportation and warehousing sectors. Many of the jobs within the transportation and warehousing sector were at the Port of South Louisiana.

The Impact of Hurricanes Katrina and Rita on the MSA

Although Hurricanes Katrina and Rita dramatically impacted all sectors of the economy, the leisure and hospitality and education and health services sectors were especially damaged. Since August 2005, nonfarm employment has fallen by approximately 35 percent to 404,400 jobs. Over the past 5 months, employment in the leisure and hospitality sector fell by 43 percent to 48,700 jobs and employment in the education and health services sector was down by almost 50 percent to 41,800 jobs. According to local sources, the lodging industry had approximately 38,000 hotel rooms on line before the hurricanes occurred. As of February 1, 2006, the number of rooms on line was reduced to 22,000; 14,000 of those rooms are occupied by evacuees, government employees, contractors, and other people. The remaining 8,000 rooms are open for general occupancy. The education and health services sectors suffered major setbacks as well. Dr. Scott's February 2006 analysis indicates that of the 48 area hospitals and medical centers, only 26 were operational on January 1, 2006.

Many local universities sustained catastrophic damage. In addition to damaged infrastructure, many have lost their student bases. January 2006 enrollment at the University of New Orleans is believed to have dropped to an estimated 10,000 students, down from the pre-Katrina enrollment level of 16,700 students. Losses of tuition and student housing have already prompted several universities to lay off faculty and staff and cut programs. The New Orleans public school system was devastated by direct and indirect impacts. The expected repair costs for 50 public schools were estimated to be at least \$1 billion. Very few public schools opened before the Thanksgiving holidays, and many were still closed as of February 1, 2006. The U.S. Department of Education estimates that 372,000 students from kindergarten through high school have been displaced. It is believed that many teachers have found jobs outside the MSA. The nature

of the school system's problems is a conundrum. Households with children will be reluctant to return without a functioning school system, but without students the massive expenditures needed for repairing all schools and retaining teachers on the payroll cannot be supported.

Considerable uncertainty exists about the cost and timing of reconstruction. It is estimated that as many as 30,000 workers are helping to rebuild in the MSA. Local sources indicate that the lowest wage paid to unskilled labor is now more than \$10 an hour. Workers such as framers with specific skills can expect average wages of \$20 to \$25 an hour. Labor shortages, shortages of materials, and delayed insurance settlements are slowing recovery and the rebuilding of the MSA.

Household Incomes

Between 1990 and 2000, the median family income of the MSA increased by an average of 4.5 percent a year, slightly less than the state average increase of 5.1 percent. Median family income varied by HMAs. The median family incomes provided by the 2000 Census were \$45,834 in Jefferson, \$32,338 in Orleans, and \$55,346 in St. Tammany and were estimated at \$42,700 in St. Bernard-Plaquemines and \$47,200 in St. Charles-St. John the Baptist. During the 1990s, the annual increase in median family income in St. Tammany was 5.8 percent, which was the highest increase in the MSA. HUD's Economic and Market Analysis Division estimated the 2006 median income for the MSA to be \$52,300, up from \$51,000 in 2005. HUD's 2006 median family income estimate was based on pre-Katrina data and should not be considered reliable in the current environment. The data needed to provide a better current estimate are not yet available.

Population

Between the 1990 and 2000 Censuses, the population of the MSA increased at an average annual rate of 0.4 percent, or approximately 5,200 a year. Population in St. Tammany increased significantly, averaging an additional 4,700 a year. Orleans was the only HMA to lose population, declining by an average of 1,225 a year. The 2000 Census reported that the total population of the MSA was 1,316,510 and that approximately 70 percent resided in either the Orleans or Jefferson HMAs.

From 2000 until Hurricane Katrina's landfall, population growth predominately occurred in the St. Tammany and St. Charles-St. John the Baptist HMAs. The population of St. Tammany increased by approximately 5,250 a year, slightly higher than the annual gains of the 1990s. The population of St. Charles-St. John the Baptist increased by an estimated 1,100 a year. The population in St. Bernard-Plaquemines grew by 150 a year, comparable to the population growth rate during the 1990s. Jefferson lost about 100 people a year and Orleans had an estimated loss of 5,150 people a year. Overall, the population of the MSA has increased since 2000 up until Hurricane Katrina occurred, but at a slower rate than in the 1990s. The lower rate can be attributed to a slower local economy. As of Hurricane Katrina's landfall, the total population of the MSA was estimated to be 1,323,000, an annual average increase of approximately 1,200 since 2000. Table 4 presents the trends in

population and household change in the MSA and its HMAs from April 1, 1990, through September 1, 2005.

Real Properties Associates, Inc., (RPA) of Metairie estimated the January 2006 population of the MSA to be 894,000. RPA's estimate is almost 30 percent less than the September 1, 2005, population estimate provided in this report. Comparing the two population estimates, Orleans dropped by 351,700 people and St. Bernard-Plaquemines is down by 78,800. The population in Jefferson decreased by 30,000, while St. Charles-St. John the Baptist increased slightly by 2,900, and St. Tammany increased by 28,000 people. The large population increase in the lesser impacted St. Tammany HMA has resulted from evacuees fleeing the devastated parishes of St. Bernard and Plaquemines.

Households

The slowing of the local economy since 2000 has affected population growth in the MSA, resulting in fewer household formations. The annual household growth of 2,900 households a year since 2000 is lower than the household growth rate of the 1990s. Since 2000, the number of households has increased by 2,500 a year in St. Tammany but has decreased by 400 a year in Orleans. All other HMAs have posted slight yearly increases ranging from 250 in Jefferson to 400 in St. Charles-St. John the Baptist. An estimated 514,300 households resided in the MSA as of Hurricane Katrina's landfall.

The loss of population because of the hurricanes has resulted in a dramatic decrease in the number of households in the MSA. Based on RPA's population estimate of 894,000, an estimated 342,500 households resided in the MSA as of February 1, 2006, a reduction of almost 35 percent since September 1, 2005. The number of households in St. Bernard-Plaquemines Parishes and Orleans Parish is estimated to have decreased by almost 80 percent in both HMAs and decreased in Jefferson by 5 percent. The number of households in the St. Tammany and St. Charles-St. John the Baptist HMAs is estimated to have increased by approximately 15 and 5 percent, respectively.

Housing Inventory

During the 1990s the housing inventory in the MSA increased slowly, posting gains of 1,500 units a year. Despite a slowdown in household growth, additions to the housing inventory have increased by approximately 1,950 units a year since 2000. Most of the increase occurred in St. Tammany and St. Charles-St. John the Baptist. As of Hurricane Katrina's landfall, the housing inventory in the MSA was estimated at 568,100 housing units. Table 5 presents trends in housing inventory, occupancy, and vacancy by tenure in the MSA and the individual HMAs for 1990 through September 1, 2005.

Single-family building permit activity in the MSA increased from about 2,000 units in 1990 to almost 3,700 units by 1999. Close to 1,750 single-family homes a year were permitted in St. Tammany, accounting for almost one-half of the annual average homes permitted in the MSA. Since 2000, single-family building permit activity in the MSA has increased slightly, averaging 1.6 percent a year. Jefferson, Orleans, and St. Tammany accounted for 85 percent of the units permitted since 2000. For the 12-month period

ending August 2005, single-family units permitted in all HMAs totaled 5,632 units, up from 5,564 units in the previous 12-month period. An estimated 2,000 single-family homes were under construction as of Hurricane Katrina's landfall. Prehurricane home sales prices in new developments ranged from approximately \$90 a square foot including the lot for a starter home to more than \$140 a square foot for a custom luxury home. Although some speculative homes were being built, most home builders delayed permitting until sales contracts were executed.

During the 1990s, almost 5,700 multifamily units were permitted in the MSA. These additional units were evenly divided among Jefferson, Orleans, and St. Tammany. As the economy improved during the last half of the 1990s, multifamily building permit activity increased. Approximately 75 percent, or 4,230, of the total multifamily units permitted for the decade were recorded from 1995 through 1999.

The economy of the MSA began to contract in the early 2000s. At the same time, strong multifamily building permit activity persisted in Jefferson, Orleans, and St. Tammany. Almost 2,600 multifamily units were permitted from 2000 through 2002. From 2003 through 2004, activity fell sharply in Jefferson, where fewer than 100 units were permitted. Building activity in Orleans continued at a moderate pace, with 722 units permitted. Building activity in St. Tammany remained steady to meet the demand from a growing population base, and 621 units were permitted during the 2003 through 2004 period.

For the 12-month period ending August 2005, multifamily units permitted in all HMAs totaled 530 units, down slightly from the previous 12-month period. Permit activity shifted from buildings with five or more units to duplexes. Of the 530 units permitted, approximately 260 were for duplexes. An estimated 250 multifamily units were under construction on September 1, 2005, with most located in Orleans. Table 6 presents trends in single-family and multifamily building permit activity from 1990 to August 2005.

According to Dr. Scott's February 2006 analysis, the impact of the hurricanes damaged more than 434,000 homes, of which 207,000 housing units were deemed uninhabitable. Orleans and St. Bernard-Plaquemines received the brunt of the hurricane winds and levee breaches. According to local estimates, more than 80 percent of the housing units in Orleans and almost 100 percent of the units in St. Bernard-Plaquemines were damaged or destroyed. Jefferson and St. Tammany sustained heavy flood and wind damage. Most of the damage that occurred in the St. Charles-St. John the Baptist HMA was due to high winds, but some flood damage also occurred. The Apartment Association of Greater New Orleans estimated that of the 50,000 apartment units tracked in the MSA, more than 35 percent have been seriously damaged or destroyed. Renovations have begun on some of the multifamily developments, but repairs will not begin on most of them until insurance claims are settled and new FEMA flood plain maps are issued. Multifamily building permit activity has been almost nonexistent since September 2005. Only eight duplex units have been permitted.

Since September 1, 2005, permits for new single-family homes have fallen dramatically in the MSA. According to the Census Bureau, for the period September 2005 through

January 2006 the number of permits issued totaled 478 compared with 2,530 permits issued from September 2004 through January 2005. Almost 50 percent of the permits issued since September 2005 were in St. Charles-St. John the Baptist, 30 percent were in Jefferson, and 20 percent were in St. Tammany. No new single-family homes were permitted in Orleans or St. Bernard-Plaquemines.

As a result of labor and material shortages throughout the MSA, current construction time for a standard 1,200- to 1,500-square-foot, single-family home is 8 to 9 months compared with 4 to 5 months before the hurricanes occurred. Construction costs have increased to an estimated \$115 to \$120 a square foot excluding the lot, an increase of approximately 20 percent compared with prehurricane conditions. Local builders and developers estimate that the average amount of time they must wait to start construction after sales contracts are signed can exceed 1 year.

In December 2005, a national home builder announced plans to build as many as 20,000 homes on a 3,000-acre site near Avondale in Jefferson Parish. The site is located about 30 minutes away from the New Orleans central business district. Although no specific plans have been released, the home builder is considering other areas in St. Tammany Parish near Covington, Mandeville, and Slidell.

Rental Market Conditions

The rental market in the MSA tightened during the 1990s because of the significant loss of rental units due to deterioration, abandonment, or demolition and apartment conversions to condominiums. During the decade, the rental market lost almost 18,000 units, or approximately 7.0 percent of the 1990 rental inventory. Of the 18,000 units, more than 10,000 were located in Orleans. A slower economy since 2000 dampened demand for rental units. The shift in tenure from renter to homeownership further eased the demand for rental units. As of Hurricane Katrina's landfall, the rental vacancy rate in the MSA, which includes all types of rental properties, including single-family homes, was estimated to be 8.4 percent, up from the 7.9 percent rate recorded in 2000. The rental vacancy rate in the HMAs ranged from 6.0 percent in both St. Tammany and St. Bernard-Plaquemines to 8.8 percent in Orleans. St. Tammany has posted the largest decrease in rental vacancy rates since 2000, with rates declining from 10.8 percent to 6.0 percent.

Before Hurricanes Katrina and Rita occurred, the apartment rental market was somewhat balanced. The apartment vacancy rate excluding single-family rental units was 5 to 6 percent. Single-family rental vacancy rates are typically higher than apartment vacancy rates because the housing stock is typically older and in need of repair. According to Larry G. Schedler and Associates, although apartment rents varied throughout the MSA, the average rent of \$664 has increased very little since spring 2004. The New Orleans Historic Center's average rent of \$1,021 was the highest of all the market areas. The lowest rent of \$550 was recorded in Orleans, followed by \$639 in Jefferson and \$759 in St. Tammany.

Of the estimated 18,000 apartment units that were seriously damaged or destroyed by the hurricanes, only a few have been renovated and have reentered the market. The number

of units under renovation could not be determined, but a quick turnaround of damaged units cannot be expected.

The estimated 30,000 apartment units that are habitable are 100 percent occupied. As previously discussed, the hurricanes damaged more than one-third of the inventory, creating massive increases in demand for the remaining units. Essentially, neither rental vacancies nor a normal rental market governed by the forces of supply and demand exist. Legal and social pressures currently govern asking rents in New Orleans; without these pressures, rents would be much higher. Local apartment complex surveys indicate that rents have increased significantly, but the available estimates are imprecise. Information from Larry G. Schedler and Associates suggests rent increases of 15 to 20 percent or more. Reis, Inc., which could not provide its normal quarterly time series estimates of rent and vacancy changes because so much of the large apartment complex inventory had become uninhabitable, suggests that rent increases may have been as high as 40 percent. Larger apartment developments are trying to recover increasing repair and operating expenses but generally have not tried to charge rents as high as what they could obtain. For example, a group of three or four construction workers who want to rent a two-bedroom unit might find paying two to three times the prehurricane monthly rent to be a bargain relative to a long-term hotel bill. Upward pressures on rents are expected to continue. Area labor and repair costs have significantly increased as have the already high insurance premiums.

Sales Market Conditions

Historically low mortgage interest rates and numerous downpayment assistance programs kept the sales market strong up until the hurricanes hit. Residential sales in the MSA increased from 10,214 units sold in 1996 to 11,631 units sold in 2004, or 1.5 percent a year. From 1996 through 2004, the average sales price of a home increased by \$6,700, or 6.4 percent annually. Orleans recorded the largest home sales price increase, at 7.3 percent, followed by 7.0 percent in Jefferson, 6.6 percent in St. Bernard-Plaquemines, 5.1 percent in St. Tammany, and 4.6 percent in St. Charles-St. John the Baptist. Table 7 presents trends in residential sales activity from 1996 through December 2005.

St. Charles-St. John the Baptist has attracted households from other parts of the MSA and the state due to the proximity of the HMA to Baton Rouge and the New Orleans central business district, affordable housing, and highly rated school systems. The average home sales price in the HMA has increased by 5.8 percent a year since 2000 and reached \$160,563 in 2005. During this period, the number of sales totaled almost 1,000 units a year. Post-Katrina sales in St. Charles-St. John the Baptist have picked up dramatically. During the last 4 months of 2005, sales totaled almost 490 units, an annual rate of nearly 1,500 units, or 50 percent higher than the pre-Katrina rate. The average sales price increased to \$176,240, up 17.2 percent compared with the first 8 months of 2005.

The average home sales price in the MSA was nearly \$210,000 for year-end 2005, up from \$183,600 in 2004. The already large increase in the average home sales price was accelerated by the impact of Hurricanes Katrina and Rita. Through the first 8 months of

2005, the average home sales price in the MSA (including St. James Parish) was \$204,500, or 11.4 percent higher than in 2004. From September through December 2005, the average home sales price increased to almost \$222,900, an increase of 9.0 percent compared with the first 8 months of 2005. Of the approximately 3,400 residential sales that have been recorded since August 2005, almost 50 percent have been in St. Tammany. After an initial spike in home sales prices during September and October 2005, prices have started to subside as more homes are being renovated and are reentering the sales market. In Orleans, most of the sales have been in areas that received minimal storm damage. Home sales prices have remained strong. In St. Bernard-Plaquemines, a limited number of homes are on the market and demand is high. Table 8 presents residential sales data for the MSA and its HMAs for calendar year 2005.

Table 1
Labor Force and Employment
New Orleans-Metairie-Kenner, Louisiana MSA
1990 to August 2005 (1 of 3)

New Orleans-Metairie-Kenner, Louisiana MSA	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Labor Force	584,400	599,046	597,690	585,968	601,617	607,120	615,984	623,086	629,488	625,712
Employment	549,166	557,040	543,532	533,119	550,641	561,438	573,883	588,179	597,002	597,501
Unemployment	35,234	42,006	54,158	52,849	50,976	45,682	42,101	34,907	32,486	28,211
Rate (%)	6.0	7.0	9.1	9.0	8.5	7.5	6.8	5.6	5.2	4.5
	2000	2001	2002	2003	2004	Previous 12 Mos.^a	Current 12 Mos.^b			
Labor Force	625,316	618,810	611,974	612,169	613,149	612,800	619,500			
Employment	596,113	588,775	579,441	579,986	585,165	583,300	589,000			
Unemployment	29,203	30,035	32,533	32,183	27,984	29,500	30,500			
Rate (%)	4.7	4.9	5.3	5.3	4.6	4.8	4.9			
	2000	2001	2002	2003	2004	Previous 12 Mos.^a	Current 12 Mos.^b			
Labor Force	210,523	206,639	202,245	199,960	200,185	199,750	203,000			
Employment	199,835	195,560	190,172	188,047	189,726	189,000	191,200			
Unemployment	10,688	11,079	12,073	11,913	10,459	10,750	11,800			
Rate (%)	5.1	5.4	6.0	6.0	5.2	5.4	5.8			

^a September 2003 through August 2004.

^b September 2004 through August 2005.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Table 1
Labor Force and Employment
New Orleans-Metairie-Kenner, Louisiana MSA
1990 to August 2005 (2 of 3)

Jefferson Parish	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Labor Force	228,891	235,537	234,783	228,640	234,112	235,106	237,740	240,452	242,118	240,482
Employment	216,761	220,624	215,376	210,403	216,562	219,989	224,209	228,840	231,532	230,889
Unemployment	12,130	14,913	19,407	18,237	17,550	15,117	13,531	11,612	10,586	9,593
Rate (%)	5.3	6.3	8.3	8.0	7.5	6.4	5.7	4.8	4.4	4.0
	2000	2001	2002	2003	2004	Previous 12 Mos.^a	Current 12 Mos.^b			
Labor Force	231,485	228,220	225,114	224,896	225,432	224,900	228,100			
Employment	221,581	218,139	214,119	213,914	215,824	215,000	217,500			
Unemployment	9,904	10,081	10,995	10,982	9,608	9,900	10,600			
Rate (%)	4.3	4.4	4.9	4.9	4.3	4.4	4.6			
	2000	2001	2002	2003	2004	Previous 12 Mos.^a	Current 12 Mos.^b			
Labor Force	68,632	72,303	73,992	74,858	79,222	82,238	85,909	90,177	93,333	94,912
Employment	64,797	67,545	67,736	68,641	73,277	77,064	81,516	86,263	89,697	91,839
Unemployment	3,835	4,758	6,256	6,217	5,945	5,174	4,393	3,914	3,636	3,073
Rate (%)	5.6	6.6	8.5	8.3	7.5	6.3	5.1	4.3	3.9	3.2
	2000	2001	2002	2003	2004	Previous 12 Mos.^a	Current 12 Mos.^b			
Labor Force	96,330	97,533	98,844	101,267	101,431	101,200	102,500			
Employment	92,450	93,344	94,379	96,915	97,780	97,400	98,600			
Unemployment	3,880	4,189	4,465	4,352	3,651	3,800	3,900			
Rate (%)	4.0	4.3	4.5	4.3	3.6	3.8	3.8			

^a September 2003 through August 2004.

^b September 2004 through August 2005.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Table 1
Labor Force and Employment
New Orleans-Metairie-Kenner, Louisiana MSA
1990 to August 2005 (3 of 3)

St. Bernard and Plaquemines Parishes	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Labor Force	41,633	42,188	42,237	40,953	42,036	42,462	42,635	43,186	43,496	43,077
Employment	38,724	38,986	37,882	36,961	38,112	38,775	39,600	40,639	41,124	40,947
Unemployment	2,909	3,202	4,355	3,992	3,924	3,687	3,035	2,547	2,372	2,130
Rate (%)	7.0	7.6	10.3	9.7	9.3	8.7	7.1	5.9	5.5	4.9
	2000	2001	2002	2003	2004	Previous 12 Mos.^a	Current 12 Mos.^b			
Labor Force	43,142	42,664	42,179	42,193	42,132	42,100	42,600			
Employment	40,913	40,429	39,733	39,777	40,132	40,000	40,450			
Unemployment	2,229	2,235	2,446	2,416	2,000	2,100	2,150			
Rate (%)	5.2	5.2	5.8	5.7	4.7	5.0	5.1			
St. Charles and St. John the Baptist Parishes	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Labor Force	37,780	39,462	39,792	40,009	40,730	41,240	42,571	42,831	43,738	44,137
Employment	35,290	36,186	35,574	35,261	36,741	37,668	38,943	40,166	41,170	41,586
Unemployment	2,490	3,276	4,218	4,748	3,989	3,572	3,628	2,665	2,568	2,551
Rate (%)	6.6	8.3	10.6	11.9	9.8	8.7	8.5	6.2	5.9	5.8
	2000	2001	2002	2003	2004	Previous 12 Mos.^a	Current 12 Mos.^b			
Labor Force	43,838	43,755	43,594	43,855	43,968	43,900	44,400			
Employment	41,335	41,304	41,039	41,334	41,703	41,500	42,000			
Unemployment	2,503	2,451	2,555	2,521	2,265	2,400	2,400			
Rate (%)	5.7	5.6	5.9	5.7	5.2	5.5	5.4			

^a September 2003 through August 2004.

^b September 2004 through August 2005.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Table 2
Nonfarm Employment by Industry
New Orleans-Metairie-Kenner, Louisiana MSA
1990 to September 1, 2005 (1 of 2)

Employment Sector	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Total Nonfarm	536.2	543.0	544.4	553.4	569.5	584.0	596.1	610.5	617.6	618.9
Goods-Producing	91.2	93.5	88.6	84.9	86.7	87.9	90.0	94.7	97.1	92.6
Nat. Res., Mining, & Const.	44.3	45.4	41.8	40.3	41.4	43.0	44.4	48.0	49.9	45.1
Construction	27.5	29.7	28.3	28.1	29.2	30.8	31.5	34.4	36.0	33.2
Manufacturing	46.9	48.1	46.8	44.6	45.3	44.8	45.6	46.7	47.1	47.5
Service-Providing	445.1	449.5	455.8	468.6	482.8	496.2	506.1	515.8	520.5	526.2
Trade	96.9	94.7	93.7	95.7	96.0	97.4	98.0	98.8	98.6	99.3
Wholesale Trade	27.3	26.9	25.9	26.1	26.6	27.4	27.4	28.3	29.0	28.9
Retail Trade	69.6	67.8	67.8	69.6	69.4	70.0	70.6	70.5	69.6	70.4
Transport. & Utilities	33.8	33.3	31.8	32.5	32.7	30.7	30.3	30.5	30.0	29.3
Information	8.7	8.9	8.7	9.1	9.3	9.6	10.4	10.8	10.2	10.0
Financial Activities	38.9	36.8	35.0	34.4	33.7	33.4	33.7	34.3	34.2	34.4
Prof. & Bus. Svcs.	52.6	56.5	59.5	62.4	64.6	67.2	68.4	70.8	73.2	73.2
Edu. & Health Svcs.	58.7	61.8	64.9	66.3	69.8	73.8	75.6	76.9	76.9	77.4
Leisure & Hospitality	56.4	55.7	57.8	59.4	64.5	70.2	73.5	74.2	74.7	77.1
Other Services	20.4	20.9	20.6	21.0	21.1	21.7	22.0	22.2	22.6	23.5
Government	78.6	80.9	84.1	87.9	91.1	92.3	94.3	97.3	100.1	102.0
Federal	16.4	16.5	16.7	16.7	16.3	16.0	16.1	15.9	15.9	15.9
State	21.6	22.2	22.4	23.7	25.1	25.6	25.7	25.3	25.1	24.9
Local	40.6	42.2	44.8	47.5	49.7	50.8	52.5	56.0	59.1	61.2

Notes: Figures are in thousands.
Numbers may not add to totals due to rounding.

Source: U.S. Department of Labor, Bureau of Labor Statistics—North American Industry Classification System (NAICS)

Table 2
Nonfarm Employment by Industry
New Orleans-Metairie-Kenner, Louisiana MSA
1990 to September 1, 2005 (2 of 2)

Employment Sector	2000	2001	2002	2003	2004	Previous 12 Mos.^a	Current 12 Mos.^b
Total Nonfarm	620.3	621.2	610.9	611.2	615.6	613.8	618.9
Goods-Producing	88.0	85.3	80.5	79.8	78.6	78.6	79.2
Nat. Res., Mining, & Const.	42.9	41.9	39.4	40.5	39.5	39.6	40.3
Construction	31.8	31.2	30.1	31.4	30.8	30.8	30.9
Manufacturing	45.1	43.4	41.0	39.3	39.0	39.0	38.8
Service-Providing	532.4	535.9	530.5	531.4	536.9	535.1	539.7
Trade	99.0	97.4	94.6	94.0	94.6	94.8	93.4
Wholesale Trade	28.5	28.3	27.2	26.7	26.1	26.4	25.8
Retail Trade	70.5	69.1	67.4	67.3	68.5	68.4	67.6
Transport. & Utilities	29.0	29.8	29.3	27.9	28.1	27.8	29.1
Information	10.8	10.7	9.6	9.7	9.8	9.7	9.7
Financial Activities	34.9	35.2	36.0	34.8	35.2	34.6	34.9
Prof. & Bus. Svcs.	74.3	74.6	71.9	72.6	73.3	73.7	73.2
Edu. & Health Svcs.	77.1	80.0	81.5	83.6	84.0	84.5	84.9
Leisure & Hospitality	80.8	81.6	80.3	81.9	83.3	82.6	85.4
Other Services	23.7	23.7	24.1	23.0	22.7	22.8	22.7
Government	102.9	103.0	103.2	103.9	105.5	104.7	106.5
Federal	16.2	16.2	16.0	16.2	15.8	16.0	15.4
State	24.7	24.9	25.2	25.7	27.1	26.3	28.3
Local	62.0	61.9	62.0	62.0	62.6	62.4	62.8

^a September 2003 through August 2004.

^b September 2004 through August 2005.

Notes: Figures are in thousands.

Numbers may not add to totals due to rounding.

Source: U.S. Department of Labor, Bureau of Labor Statistics—NAICS

Table 3
Quarterly Census of Employment and Wages
New Orleans-Metairie-Kenner, Louisiana MSA
July 2003 through June 2005 (1 of 3)

	New Orleans-Metairie-Kenner, Louisiana MSA				Orleans Parish			
	Previous 12 Mos. ^a	Current 12 Mos. ^b	Absolute Change	Percent (%)	Previous 12 Mos. ^a	Current 12 Mos. ^b	Absolute Change	Percent (%)
Total Covered Employment	601,611	601,986	376	0.1	249,626	244,892	- 4,734	- 1.9
Agriculture, Forestry, Fishing, & Hunting	664	621	- 43	- 6.5	81	62	- 20	- 24.3
Mining	9,001	8,423	- 579	- 6.4	4,397	4,130	- 266	- 6.1
Utilities	5,127	4,975	- 153	- 3.0	1,978	1,933	- 45	- 2.3
Construction	32,833	32,269	- 564	- 1.7	6,869	6,137	- 732	- 10.7
Manufacturing	41,295	41,295	0	0	7,835	8,003	168	2.1
Wholesale Trade	26,483	25,902	- 582	- 2.2	6,297	6,121	- 176	- 2.8
Retail Trade	69,068	69,002	- 66	- 0.1	19,341	18,977	- 365	- 1.9
Transportation & Warehousing	29,169	29,195	26	0.1	13,316	13,182	- 135	- 1.0
Information	10,360	10,981	620	6.0	4,777	5,517	740	15.5
Finance & Insurance	23,485	22,521	- 964	- 4.1	10,491	9,398	- 1,093	- 10.4
Real Estate & Rental & Leasing	11,831	11,655	- 176	- 1.5	4,384	4,077	- 307	- 7.0
Professional & Technical Services	29,850	29,784	- 66	- 0.2	14,981	14,724	- 257	- 1.7
Management of Companies & Enterprises	8,023	8,385	362	4.5	4,611	4,587	- 24	- 0.5
Administrative & Waste Services	37,792	37,276	- 516	- 1.4	16,106	15,419	- 687	- 4.3
Education Services	54,234	54,928	694	1.3	30,849	30,321	- 528	- 1.7
Health Care & Social Services	79,544	79,385	- 160	- 0.2	35,111	33,091	- 2,021	- 5.8
Arts, Entertainment, & Recreation	15,546	15,831	284	1.8	8,337	8,687	350	4.2
Accommodation & Food Services	68,086	70,919	2,833	4.2	34,592	35,884	1,292	3.7
Other Services, except Public Adm.	17,840	17,492	- 348	- 1.9	7,588	7,425	- 162	- 2.1
Public Administration	30,640	30,271	- 369	- 1.2	17,316	16,768	- 548	- 3.2

* Data are nonpublishable.

^a July 2003 through June 2004.

^b July 2004 through June 2005.

Notes: Due to unclassified and nonpublishable data, major divisions may not add to parish or MSA totals. The MSA includes employment data from St. James Parish.

Source: Louisiana Department of Labor

Table 3
Quarterly Census of Employment and Wages
New Orleans-Metairie-Kenner, Louisiana MSA
July 2003 through June 2005 (2 of 3)

	Jefferson Parish				St. Tammany Parish			
	Previous 12 Mos. ^a	Current 12 Mos. ^b	Absolute Change	Percent (%)	Previous 12 Mos. ^a	Current 12 Mos. ^b	Absolute Change	Percent (%)
Total Covered Employment	212,842	213,846	1,004	0.5	65,212	67,742	2,530	3.9
Agriculture, Forestry, Fishing, & Hunting	83	84	1	0.6	143	143	-1	-0.4
Mining	2,196	2,028	-169	-7.7	208	197	-11	-5.1
Utilities	1,465	1,402	-63	-4.3	419	416	3	-0.6
Construction	14,491	14,022	-469	-3.2	4,345	4,470	125	2.9
Manufacturing	18,277	17,886	-392	-2.1	1,974	2,010	36	1.8
Wholesale Trade	13,811	13,115	-696	-5.0	2,621	2,758	138	5.3
Retail Trade	31,015	31,271	256	0.8	11,630	11,594	-36	-0.3
Transportation & Warehousing	8,955	8,875	-80	-0.9	1,897	2,028	131	6.9
Information	3,867	3,588	-279	-7.2	1,202	1,366	163	13.6
Finance & Insurance	9,394	9,494	100	1.1	2,289	2,378	89	3.9
Real Estate & Rental & Leasing	4,860	4,895	35	0.7	1,096	1,150	54	4.9
Professional & Technical Services	10,293	10,254	-38	-0.4	3,006	3,222	217	7.2
Management of Companies & Enterprises	2,060	2,384	324	15.7	910	975	65	7.2
Administrative & Waste Services	16,023	16,159	136	0.8	2,070	2,036	-34	-1.6
Education Services	*	*	*	*	*	*	*	*
Health Care & Social Services	26,704	27,782	1,078	4.0	11,554	12,135	582	5.0
Arts, Entertainment, & Recreation	5,171	5,023	-149	-2.9	1,083	1,130	47	4.3
Accommodation & Food Services	21,316	22,277	960	4.5	7,428	7,911	483	6.5
Other Services, except Public Adm.	6,861	6,585	-277	-4.0	1,745	1,777	33	1.9
Public Administration	6,714	6,613	-101	-1.5	2,682	2,809	126	4.7

* Data are nonpublishable.

^a July 2003 through June 2004.

^b July 2004 through June 2005.

Notes: Due to unclassified and nonpublishable data, major divisions may not add to parish or MSA totals.

Source: Louisiana Department of Labor

Table 3
Quarterly Census of Employment and Wages
New Orleans-Metairie-Kenner, Louisiana MSA
July 2003 through June 2005 (3 of 3)

	St. Bernard and Plaquemines Parishes				St. Charles and St. John the Baptist Parishes			
	Previous 12 Mos. ^a	Current 12 Mos. ^b	Absolute Change	Percent (%)	Previous 12 Mos. ^a	Current 12 Mos. ^b	Absolute Change	Percent (%)
Total Covered Employment	32,508	32,793	285	0.9	34,381	35,565	1,184	3.4
Agriculture, Forestry, Fishing, & Hunting	59	51	-8	-13.4	58	61	3	5.2
Mining	1,887	1,750	-138	-7.3	276	626	349	126.4
Utilities	127	132	5	3.7	1,019	939	-81	-7.9
Construction	3,188	3,180	-7	-0.2	3,707	4,301	595	16.0
Manufacturing	3,791	3,737	-54	-1.4	7,132	7,071	-60	-0.8
Wholesale Trade	1,156	1,201	45	3.9	2,462	2,681	219	8.9
Retail Trade	3,271	3,356	86	2.6	3,188	2,918	-270	-8.5
Transportation & Warehousing	2,553	2,562	10	0.4	2,063	2,440	377	18.3
Information	165	100	-65	-39.4	316	307	-9	-2.8
Finance & Insurance	557	530	-27	-4.8	609	528	-81	-13.3
Real Estate & Rental & Leasing	809	822	13	1.6	538	678	140	26.1
Professional & Technical Services	619	636	16	2.6	738	820	82	11.1
Management of Companies & Enterprises	216	182	-34	-15.7	151	162	10	6.7
Administrative & Waste Services	877	846	-31	-3.5	2,412	2,474	62	2.6
Education Services	2,698	3,787	1,090	40.4	*	*	*	*
Health Care & Social Services	3,202	3,288	86	2.7	2,474	2,415	-59	-2.4
Arts, Entertainment, & Recreation	410	420	10	2.4	393	366	-27	-6.9
Accommodation & Food Services	2,538	2,625	88	3.4	1,926	1,901	-26	-1.3
Other Services, except Public Adm.	1,031	1,076	45	4.4	530	555	25	4.6
Public Administration	2,304	2,379	75	3.3	1,205	1,451	246	20.4

* Data are nonpublishable.

^a July 2003 through June 2004.

^b July 2004 through June 2005.

Notes: Due to unclassified and nonpublishable data, major divisions may not add to parish or MSA totals.

Source: Louisiana Department of Labor

Table 4
Population and Household Trends
New Orleans-Metairie-Kenner, Louisiana MSA
April 1, 1990 to September 1, 2005

	April 1, 1990	April 1, 2000	Current Date	Average Annual Change			
				1990 to 2000		2000 to Current	
				Number	Rate (%)	Number	Rate (%)
Population							
New Orleans-Metairie-Kenner, Louisiana MSA	1,264,391	1,316,510	1,323,000	5,200	0.4	1,200	0.1
Orleans Parish	496,938	484,674	456,700	-1,225	-0.2	-5,150	-1.1
Jefferson Parish	448,306	455,466	454,900	720	0.2	-100	-0.02
St. Tammany Parish	144,508	191,268	219,800	4,675	2.8	5,250	2.6
St. Bernard and Plaquemines Parishes	92,206	93,986	94,800	180	0.2	150	0.2
St. Charles and St. John the Baptist Parishes	82,433	91,116	97,100	870	1.0	1,100	1.2
Households							
New Orleans-Metairie-Kenner, Louisiana MSA	463,391	498,587	514,300	3,520	0.7	2,900	0.6
Orleans Parish	188,235	188,251	186,100	0	0.0	-400	-0.2
Jefferson Parish	166,398	176,234	177,600	980	0.6	250	0.1
St. Tammany Parish	50,346	69,253	82,700	1,900	3.2	2,500	3.3
St. Bernard and Plaquemines Parishes	31,369	34,144	35,100	280	0.9	180	0.5
St. Charles and St. John the Baptist Parishes	27,043	30,705	32,900	360	1.3	400	1.3

Notes: Rate of change is calculated on a compound basis.
Average annual changes are rounded for comparison.
Numbers and averages may not add to MSA totals due to rounding.
Sources: 1990 and 2000—U.S. Census Bureau
Current—Estimates by analyst

Table 5
Housing Inventory, Tenure, and Vacancy
New Orleans-Metairie-Kenner, Louisiana MSA
1990, 2000, and September 1, 2005 (1 of 2)

	New Orleans-Metairie-Kenner, Louisiana MSA			Orleans Parish			Jefferson Parish			St. Tammany Parish		
	1990	2000	Current	1990	2000	Current	1990	2000	Current	1990	2000	Current
Total Housing Inventory	533,488	548,629	568,100	225,573	215,091	215,000	185,072	187,907	191,100	57,993	75,398	88,500
Occupied Units	463,391	498,587	514,300	188,235	188,251	186,000	166,398	176,234	177,600	50,346	69,253	82,700
Owners	270,289	306,674	330,200	82,279	87,589	90,600	104,611	112,549	117,100	38,177	55,719	68,000
%	58.3	61.5	64.2	43.7	46.5	48.7	62.9	63.9	65.9	75.8	80.5	82.3
Renters	193,102	191,913	184,100	105,956	100,662	95,400	61,787	63,685	60,500	12,169	13,534	14,700
%	41.7	38.5	35.8	56.3	53.5	51.3	37.1	36.1	34.1	24.2	19.5	17.7
Vacant Units	70,097	50,042	53,800	37,338	26,840	29,000	18,674	11,673	13,500	7,647	6,145	5,800
For Sale	8,389	4,967	5,400	3,778	2,016	2,100	2,374	1,332	1,400	1,307	1,004	1,200
Rate (%)	3.0	1.6	1.6	4.4	2.3	2.3	2.2	1.2	1.2	3.3	1.8	1.8
For Rent	29,928	16,413	16,800	17,043	8,648	9,100	8,889	4,956	5,800	1,813	1,646	940
Rate (%)	13.4	7.9	8.4	13.9	7.9	8.8	12.5	7.2	8.7	12.9	10.8	6.0
Other Vacant	31,780	28,662	31,600	16,517	16,176	17,800	7,411	5,385	6,300	4,527	3,495	3,660

Note: Numbers may not add to totals due to rounding.
Sources: 1990 and 2000—U.S. Census Bureau
Current—Estimates by analyst

Table 5
Housing Inventory, Tenure, and Vacancy
New Orleans-Metairie-Kenner, Louisiana MSA
1990, 2000, and September 1, 2005 (2 of 2)

	St. Bernard and Plaquemines Parishes			St. Charles and St. John the Baptist Parishes		
	1990	2000	Current	1990	2000	Current
Total Housing Inventory	34,579	37,271	38,170	30,271	32,962	35,250
Occupied Units	31,369	34,144	35,000	27,043	30,705	32,950
Owners	23,792	25,870	27,000	21,430	24,947	27,500
%	75.8	75.8	77.1	79.2	81.2	83.4
Renters	7,577	8,274	8,000	5,613	5,758	5,450
%	24.2	24.2	22.9	20.8	18.8	16.6
Vacant Units	3,210	3,127	3,170	3,228	2,257	2,300
For Sale	327	307	320	603	308	340
Rate (%)	1.4	1.2	1.2	2.7	1.2	1.2
For Rent	1,143	571	510	1,040	592	510
Rate (%)	13.1	6.5	6.0	15.6	9.3	8.5
Other Vacant	1,740	2,249	2,340	1,585	1,357	1,450

Note: Numbers may not add to totals due to rounding.
Sources: 1990 and 2000—U.S. Census Bureau
Current—Estimates by analyst

Table 6
Residential Building Permit Activity
New Orleans-Metairie-Kenner, Louisiana MSA
1990 to August 2005 (1 of 3)

New Orleans-Metairie-Kenner, Louisiana MSA	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Total	2,273	2,450	3,266	3,621	4,114	4,008	4,718	4,112	4,359	4,907
Single-Family	1,970	2,312	3,005	3,361	3,606	3,256	3,661	3,575	3,678	3,728
Multifamily	303	138	261	260	508	752	1,057	537	681	1,179
	2000	2001	2002	2003	2004	Previous 12 Mos.^a	Current 12 Mos.^b			
Total	4,167	4,438	5,383	6,129	6,400	6,185	6,162			
Single-Family	3,475	3,499	4,326	5,357	5,698	5,564	5,632			
Multifamily	692	939	1,057	772	702	621	530			
	2000	2001	2002	2003	2004	Previous 12 Mos.^a	Current 12 Mos.^b			
Total	204	151	182	194	229	276	991	395	335	1,151
Single-Family	185	147	178	180	215	253	350	346	324	369
Multifamily	19	4	4	14	14	23	641	49	11	782
	2000	2001	2002	2003	2004	Previous 12 Mos.^a	Current 12 Mos.^b			
Total	679	627	616	917	887	759	989			
Single-Family	348	455	438	530	552	558	591			
Multifamily	331	172	178	387	335	201	398			

^a September 2003 through August 2004.

^b September 2004 through August 2005.

Source: U.S. Census Bureau, Building Permit Survey

Table 6
Residential Building Permit Activity
New Orleans-Metairie-Kenner, Louisiana MSA
1990 to August 2005 (2 of 3)

Jefferson Parish	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Total	705	648	876	874	1,127	920	848	739	1,055	920
Single-Family	517	646	726	714	826	657	626	635	722	820
Multifamily	188	2	150	160	301	263	222	104	333	100
	2000	2001	2002	2003	2004	Previous 12 Mos.^a	Current 12 Mos.^b			
Total	817	1,236	1,304	1,195	1,217	1,259	1,216			
Single-Family	699	715	937	1,168	1,173	1,232	1,167			
Multifamily	118	521	367	27	44	27	49			
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
St. Tammany Parish										
Total	930	1,185	1,716	2,092	2,196	2,219	2,166	2,283	2,230	2,063
Single-Family	920	1,155	1,629	2,054	2,071	1,884	2,037	1,967	1,931	1,795
Multifamily	10	30	87	38	125	335	129	316	299	268
	2000	2001	2002	2003	2004	Previous 12 Mos.^a	Current 12 Mos.^b			
Total	2,019	1,841	2,727	3,123	3,440	3,375	3,209			
Single-Family	1,798	1,648	2,244	2,775	3,167	3,030	3,159			
Multifamily	221	193	483	348	273	345	50			

^a September 2003 through August 2004.

^b September 2004 through August 2005.

Source: U.S. Census Bureau, Building Permit Survey

Table 6
Residential Building Permit Activity
New Orleans-Metairie-Kenner, Louisiana MSA
1990 to August 2005 (3 of 3)

St. Bernard and Plaquemines Parishes	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Total	272	291	235	217	318	378	347	340	291	305
Single-Family	186	189	215	173	250	247	282	272	253	280
Multifamily	86	102	20	44	68	131	65	68	38	25
	2000	2001	2002	2003	2004	Previous 12 Mos.^a	Current 12 Mos.^b			
Total	226	288	225	310	254	225	183			
Single-Family	214	242	211	300	250	217	181			
Multifamily	12	46	14	10	4	8	2			
	2000	2001	2002	2003	2004	Previous 12 Mos.^a	Current 12 Mos.^b			
Total	426	446	511	584	602	567	552			
Single-Family	416	439	496	584	556	527	534			
Multifamily	10	7	15	0	46	40	18			

**St. Charles and St. John
the Baptist Parishes**

St. Charles and St. John the Baptist Parishes	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Total	162	175	257	244	244	215	366	355	448	468
Single-Family	162	175	257	240	244	215	366	355	448	464
Multifamily	0	0	0	4	0	0	0	0	0	4
	2000	2001	2002	2003	2004	Previous 12 Mos.^a	Current 12 Mos.^b			
Total	426	446	511	584	602	567	552			
Single-Family	416	439	496	584	556	527	534			
Multifamily	10	7	15	0	46	40	18			

^a September 2003 through August 2004.

^b September 2004 through August 2005.

Source: U.S. Census Bureau, Building Permit Survey

Table 7
Residential Sales Activity
New Orleans-Metairie-Kenner, Louisiana MSA
1996 to December 2005 (1 of 2)

Year	New Orleans-Metairie-Kenner, Louisiana MSA			Orleans Parish			Jefferson Parish			St. Tammany Parish		
	No. of Sales	Average Sales Price (\$)	Annual Change (%)	No. of Sales	Average Sales Price (\$)	Annual Change (%)	No. of Sales	Average Sales Price	Annual Change (%)	No. of Sales	Average Sales Price (\$)	Annual Change (%)
1996	10,214	116,712	NA	2,716	121,419	NA	3,404	\$113,513	11.1	2,782	128,049	NA
1997	10,533	125,607	7.6	2,917	124,995	2.9	3,410	\$123,526	8.8	2,954	141,478	10.5
1998	11,072	132,495	5.5	2,999	136,330	9.1	3,643	\$127,887	3.5	3,112	145,988	3.2
1999	10,887	139,460	5.3	2,915	145,281	6.6	3,440	\$138,783	8.5	3,182	148,278	1.6
2000	10,665	147,161	5.5	2,818	162,265	11.7	3,395	\$142,370	2.6	3,138	153,789	3.7
2001	10,710	148,907	1.2	2,682	163,484	0.8	3,384	\$143,635	0.9	3,218	156,928	2.0
2002	10,796	161,191	8.3	2,762	184,192	12.7	3,422	\$154,152	7.3	3,286	166,541	6.1
2003	11,660	170,092	5.5	3,048	192,352	4.4	3,345	\$164,905	7.0	3,709	174,580	4.8
2004	11,631	183,592	7.9	3,045	201,798	4.9	3,153	\$185,181	12.3	3,887	187,233	7.2
2005	11,933	209,757	14.3	2,471	238,591	18.2	2,976	\$207,983	12.3	4,779	214,877	14.8

NA = not applicable.

Notes: MSA includes all seven parishes in addition to St. James Parish. Sales in St. James Parish are less than 5 percent of the total.
Based on information from Gulf South Real Estate Information Network, Inc. (GSREIN) for the period 1994 through 2005.

Sources: New Orleans Metropolitan Association of REALTORS® (NOMAR) and GSREIN

Table 7
Residential Sales Activity
New Orleans-Metairie-Kenner, Louisiana MSA
1996 to December 2005 (2 of 2)

Year	St. Bernard and Plaquemines Parishes			St. Charles and St. John the Baptist Parishes		
	No. of Sales	Average Sales Price (\$)	Annual Change (%)	No. of Sales	Average Sales Price (\$)	Annual Change (%)
1996	511	77,061	NA	801	100,265	NA
1997	459	83,732	8.7	793	101,924	1.7
1998	419	89,359	6.7	899	111,770	9.7
1999	479	94,775	6.1	871	115,015	2.9
2000	501	100,844	6.4	813	117,777	2.4
2001	537	101,732	0.9	889	124,457	5.7
2002	475	107,827	6.0	851	123,979	- 0.4
2003	546	117,924	9.4	1,012	131,892	6.4
2004	557	123,042	4.3	989	142,264	7.9
2005	470	146,811	19.3	1,237	160,563	12.9

NA = not applicable.

Notes: MSA and St. Charles and St. John the Baptist Parishes sales data include sales from St. James Parish. Sales in St. James Parish are less than 5 percent of the total.

Based on information from GSREIN for the period 1994 through 2005.

Sources: NOMAR and GSREIN

Table 8
Residential Sales Activity
New Orleans-Metairie-Kenner, Louisiana MSA
Calendar Year 2005

	Residential Sales			Average Sales Price			
	Jan.– Aug. 2005	Sept.– Dec. 2005	Total Sold	Jan.– Aug. 2005 (\$)	Sept.– Dec. 2005 (\$)	Increase (\$)	Percent (%)
New Orleans-Metairie-Kenner, Louisiana MSA	8,499	3,434	11,933	204,468	222,849	18,381	9.0
Orleans Parish	2,198	273	2,471	231,875	292,679	60,803	26.2
Jefferson Parish	2,100	876	2,976	202,145	221,976	19,831	9.8
St. Tammany Parish	3,025	1,754	4,779	209,586	224,003	14,418	6.9
St. Bernard and Plaquemines Parishes	427	43	470	133,483	279,163	145,680	109.1
St. Charles and St. John the Baptist Parishes	749	488	1,237	150,350	176,240	25,890	17.2

Notes: Based on information from GSREIN for Calendar Year 2005.
MSA and St. Charles and St. John the Baptist Parishes sales data include sales from St. James Parish. Sales in St. James Parish account for less than 5 percent of the total.

Sources: NOMAR and GSREIN