

# SNAPSHOT

A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY  
APRIL 2008



THE FEDERAL RESERVE BANK OF RICHMOND

RICHMOND ■ BALTIMORE ■ CHARLOTTE

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## FIFTH DISTRICT

### April Summary

Recent assessments of the Fifth District economy were generally downbeat, with losses in payroll employment, continued softness in District housing markets, and mixed results from District businesses.

On the employment front, District payrolls were down slightly in February (0.01 percent), though the region's unemployment rate edged lower 0.1 percentage points to 4.3 percent, remaining well below the 4.8 percent national average.

Fifth District real estate markets continued to soften according to recent data. Permitting activity across the District was down 6.8 percent in February, reflecting decreases seen in every jurisdiction except Maryland (11.2 percent increase) and North Carolina (0.4 percent increase). Permit issuance in the District was also down 27.0 percent from year-ago levels, marking the twenty-first consecutive month of year-over-year decline. In addition, District home sales fell 9.3 percent in the fourth quarter, versus a national decline of just 8.5 percent. Moreover, District home prices – as measured by the House Price Index (HPI) – were down by 0.1 percent in the fourth quarter, while U.S. prices inched up 0.1 percent. Nonetheless, over the past year, District home prices increased by 1.0 percent, slightly above the 0.8 percent increase experienced nationally.

Recent assessments of District households were also weaker. Income growth eased to its slowest pace since 2003 during the final quarter of the year and mortgage delinquency rates moved higher in every District jurisdiction.

Reports from District businesses were mixed. Manufacturing activity remained generally soft, but showed some signs of improvement. The index of overall manufacturing activity expanded for the first time in five months, supported by strong overseas demand for U.S. goods. However, hiring activity at District factories was limited and firms anticipated a slow down in shipments, new orders, and capital expenditures over the next six months. On the services side, retail sales edged down further, spurred by a sizable drop in big-ticket sales, and the pace of revenue growth at service providers cooled a bit.

### A Closer Look at...Personal Income

**Current Real Total Income (in millions):** \$945,875

**Change in Total Income from Last Quarter:** 0.0%

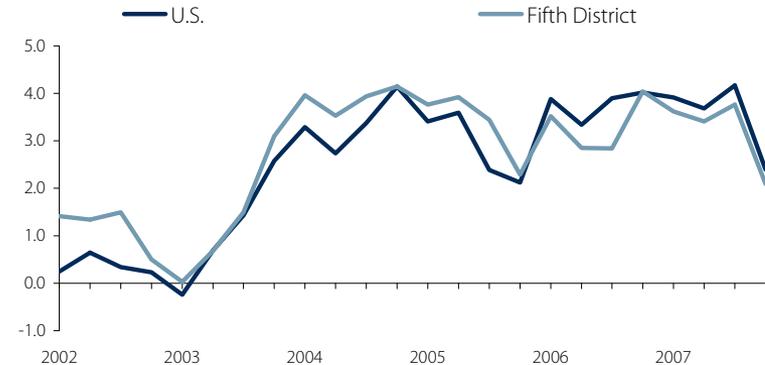
**Change in Total Income from a Year Ago:** 2.1%

**Largest Quarterly Increase:** The first quarter of 2000 when personal income grew 2.1%

**Largest Year-over-Year Increase:** The third quarter of 1998 when personal income grew 6.3%

#### Fifth District Real Personal Income

Year-over-Year Percent Change through 4Q:07



**FIFTH DISTRICT**

Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	February	137,993.0	-0.05	0.63
Fifth District - Total	February	14,002.5	-0.01	1.03
Construction	February	861.0	-0.37	-0.39
Manufacturing	February	1,243.9	-0.34	-2.32
Trade, Transportation, and Utilities	February	2,479.3	-0.14	0.62
Information	February	274.4	0.37	-0.36
Financial Activities	February	724.4	-0.04	-0.77
Professional and Business Services	February	2,005.1	-0.14	2.06
Education and Health Services	February	1,751.7	0.46	2.93
Leisure and Hospitality	February	1,333.6	0.05	2.03
Other Services	February	682.4	0.16	2.05
Government	February	2,598.8	0.22	1.52

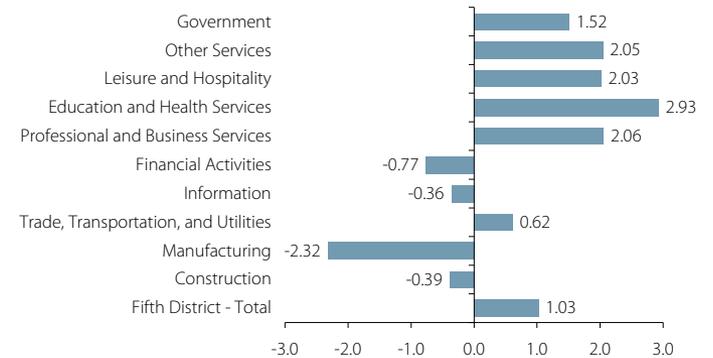
Unemployment Rate (SA)	February 08	January 08	February 07
United States	4.8	4.9	4.5
Fifth District	4.3	4.4	4.1

Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	February	153,374	-0.29	0.42
Fifth District	February	14,888	-0.19	0.77

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	February	1,388,337	-32.71	6.63
Fifth District	February	131,299	-39.93	12.67

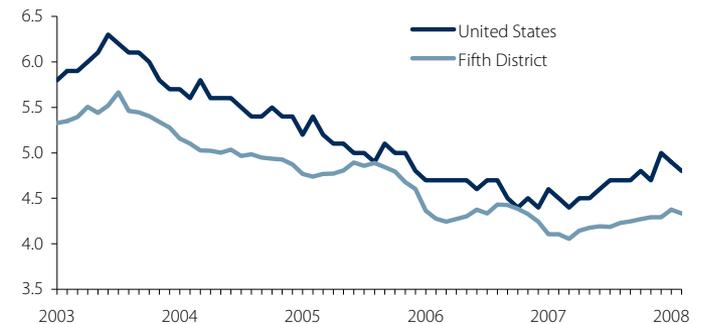
Fifth District Payroll Employment Performance

Year-over-Year Percent Change through February 2008



Fifth District Unemployment Rate

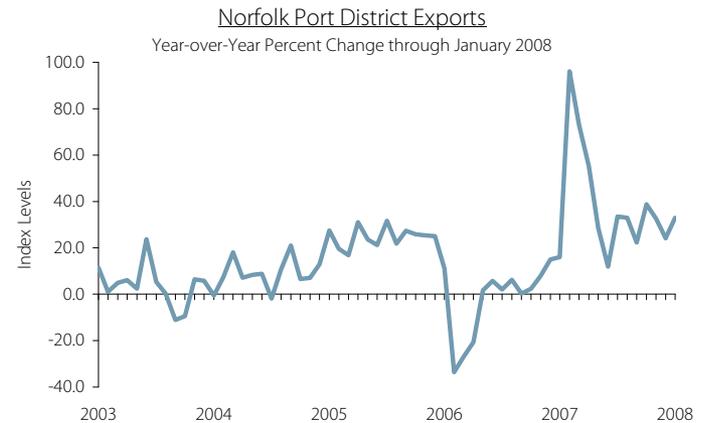
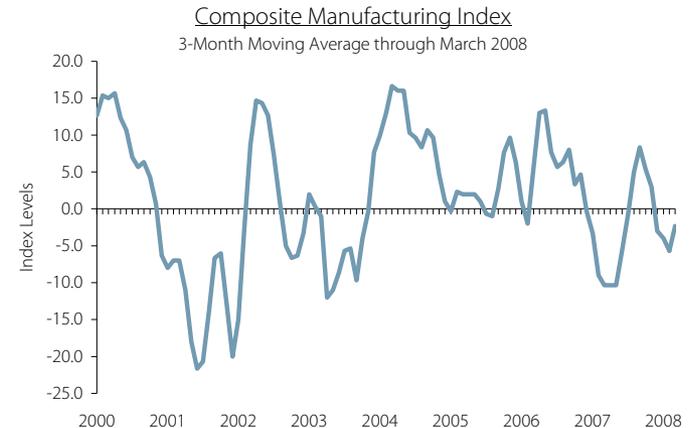
Through February 2008



**FIFTH DISTRICT**

Business Conditions

Manufacturing Survey (SA)	March 2008	February 2008	March 2007	
Composite Index	6	-5	-10	
Shipments	13	-4	-10	
New Orders	7	-5	-11	
Number of Employees	-5	-5	-9	
Expected Shipments - Six Months	14	23	26	
Raw Material Prices (SAAR)	4.97	3.23	2.44	
Finished Good Prices (SAAR)	1.98	1.88	1.24	
Service Sector Survey (SA)	March 2008	February 2008	March 2007	
Service Firm Revenues	4	9	11	
Service Firm Employment	5	1	11	
Retail Revenues	-30	-25	0	
Big-Ticket Sales	-55	-32	10	
Expected Retail Demand - Six Months	-8	4	10	
Service Firm Prices	0.66	0.93	0.50	
Retail Prices	2.29	2.26	1.42	
District Imports	Period	Level (\$mil)	MoM % Change	YoY % Change
Baltimore, Maryland	January	2,361.99	0.59	21.61
Wilmington, North Carolina	January	441.17	-9.97	-28.84
Charleston, South Carolina	January	3,091.06	-6.69	-2.86
Norfolk, Virginia	January	2,863.57	5.38	15.55
District Exports	Period	Level (\$mil)	MoM % Change	YoY % Change
Baltimore, Maryland	January	1,201.28	-16.97	24.67
Wilmington, North Carolina	January	210.47	-31.00	31.59
Charleston, South Carolina	January	1,443.22	-23.59	17.90
Norfolk, Virginia	January	2,124.16	0.62	32.91



**FIFTH DISTRICT**  
Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	4Q:07	9,944,623	-0.18	2.40
Fifth District	4Q:07	945,875	-0.02	2.09

Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	3Q:07	211,742	3.93	27.66
Fifth District	3Q:07	16,198	6.95	26.46

**FIFTH DISTRICT**  
Real Estate Conditions

Total Private Building Permits	Period	Level	MoM % Change	YoY % Change
United States	February	73,386	-3.35	-33.22
Fifth District	February	11,477	-6.76	-27.00

Total Private Housing Starts	Period	Level (000s)	MoM % Change	YoY % Change
United States (SAAR)	February	1,065	-0.56	-28.38
Fifth District (SAAR)	February	158	3.22	-25.63

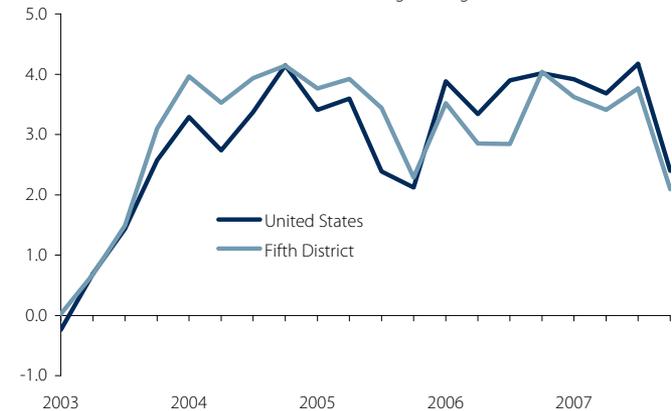
  

House Price Index (1980=100)	Period	Level	QoQ % Change	YoY % Change
United States	4Q:07	390	0.09	0.84
Fifth District	4Q:07	397	-0.11	1.01

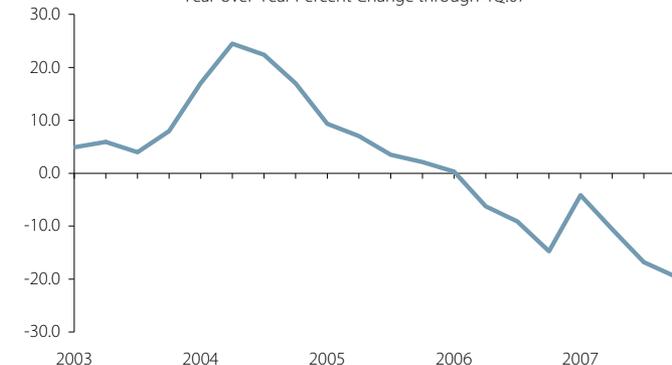
  

Existing Home Sales	Period	Level (000s)	QoQ % Change	YoY % Change
United States (SAAR)	4Q:07	4,957	-8.54	-20.85
Fifth District (SAAR)	4Q:07	477	-9.28	-19.57

Fifth District Real Personal Income  
Year-over-Year Percent Change through 4Q:07



Fifth District Existing Home Sales  
Year-over-Year Percent Change through 4Q:07



## DISTRICT OF COLUMBIA

### April Summary

Recent assessments of the District of Columbia's economy were mixed, with solid job numbers, but continued sluggishness in the housing market.

In labor markets, D.C. added 1,800 jobs to its payrolls in February after losing 900 jobs in January. Job gains were spread across sectors, with net job losses occurring in only two sectors: trade, transportation, and utilities, and financial activities. Over the past year, however, D.C. added a total of 9,100 jobs, for a 1.3 percent increase in payroll employment.

On the real estate front, residential permitting activity was down 9.1 percent in February – a decline almost three times the 3.3 percent pullback seen nationally. Permitting activity was also down 83.6 percent since February 2007. Additionally, existing home sales were down 13.0 percent in the fourth quarter, a more pronounced drop than the District decline of 9.3 percent and the national decline of 8.5 percent. D.C. home prices were also down in the fourth quarter (1.7 percent), although they were up 1.9 percent over the year.

Turning to households, D.C.'s unemployment rate edged down 0.3 percentage points to 5.9 percent in February. D.C.'s jobless rate was still two-tenths of a percentage point above its year-ago rate, however. Other household measures were less upbeat. Mortgage delinquencies in D.C. were up on both conventional and subprime mortgages during the fourth quarter, while income growth slipped to its slowest pace in over four years.

Economic conditions were similar at the metro area level. The Washington, D.C. metro area – which includes parts of Virginia, West Virginia, and Maryland – added 9,000 jobs to its economy in February, marking the metro area's largest year-over-year payroll gain since early 2007. Residential permitting activity, on the other hand, was down 11.7 percent in February and area housing prices fell 1.9 percent in the fourth quarter. Commercial vacancy rate data were mixed as office vacancies edged higher in the fourth quarter, while industrial rates moved lower. Still, both office and industrial vacancies in the D.C. metro area were up from the fourth quarter of last year.

### A Closer Look at...Personal Income

**Current Real Total Income (in millions):** \$30,725

**Current Real Per Capita Income:** \$52,791

**Change in Total Income from Last Quarter:** -0.2%

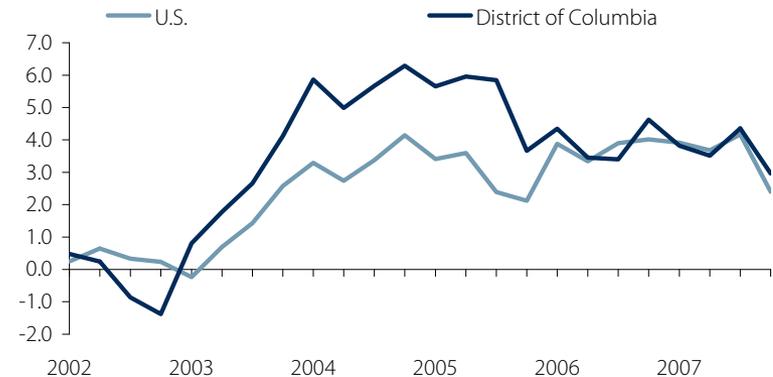
**Change in Total Income from a Year Ago:** 3.0%

**Largest Quarterly Increase:** The first quarter of 2000 when personal income grew 9.7%

**Largest Year-over-Year Increase:** The second quarter of 2001 when personal income grew 10.6%

District of Columbia Real Personal Income

Year-over-Year Percent Change through 4Q:07



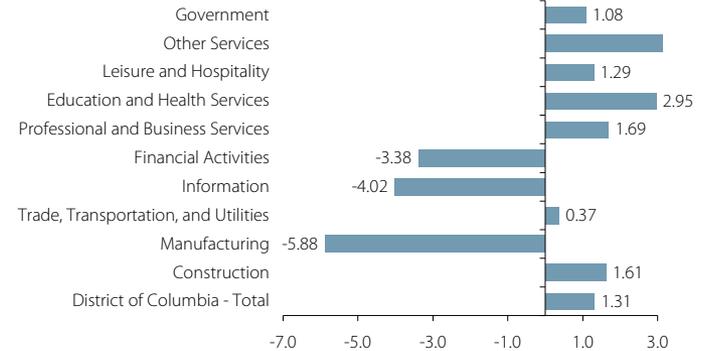
## DISTRICT OF COLUMBIA

### Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	February	137,993.0	-0.05	0.63
Fifth District - Total	February	14,002.5	-0.01	1.03
District of Columbia - Total	February	702.4	0.26	1.31
Construction	February	12.6	0.00	1.61
Manufacturing	February	1.6	0.00	-5.88
Trade, Transportation, and Utilities	February	27.3	-0.36	0.37
Information	February	21.5	0.00	-4.02
Financial Activities	February	28.6	-1.04	-3.38
Professional and Business Services	February	156.3	0.13	1.69
Education and Health Services	February	104.6	4.70	2.95
Leisure and Hospitality	February	55.0	0.36	1.29
Other Services	February	63.6	0.79	3.25
Government	February	233.7	0.09	1.08
Washington, D.C. MSA - Total	February	2,409.1	0.37	1.12
Unemployment Rate (SA)		February 08	January 08	February 07
United States		4.8	4.9	4.5
Fifth District		4.3	4.4	4.1
District of Columbia		5.9	6.2	5.7
Washington, D.C. MSA		3.5	3.7	3.2

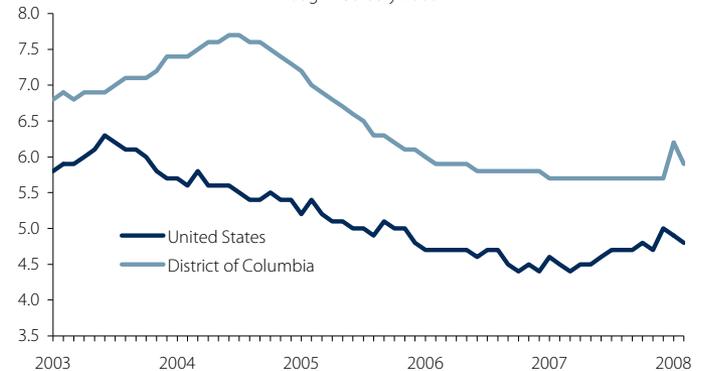
D.C. Payroll Employment Performance

Year-over-Year Percent Change through February 2008



D.C. Unemployment Rate

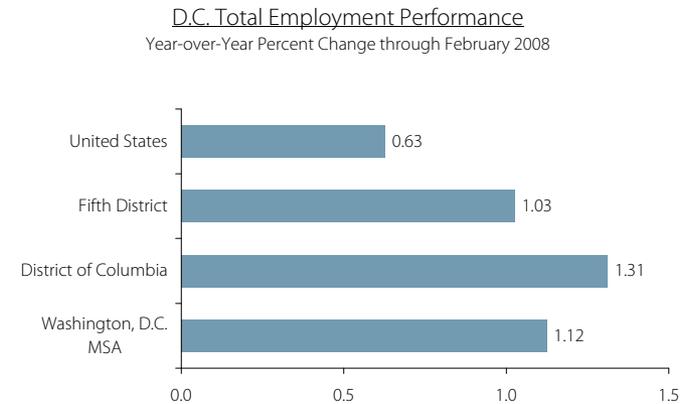
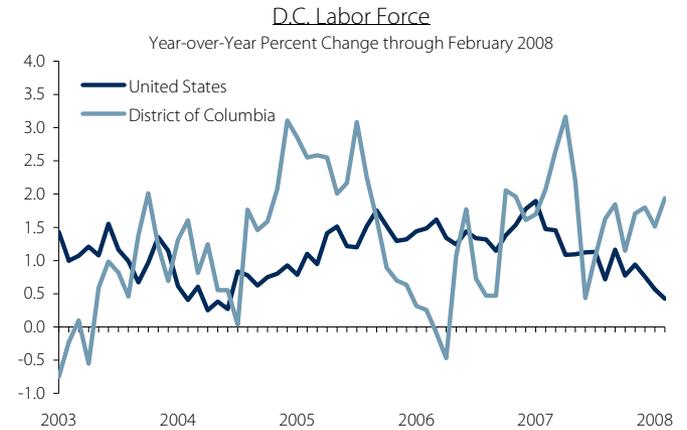
Through February 2008



## DISTRICT OF COLUMBIA

### Labor Market Conditions

Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	February	153,374	-0.29	0.42
Fifth District	February	14,888	-0.19	0.77
District of Columbia	February	332	0.85	1.94
Washington, D.C. MSA	February	2,352	0.12	1.10
Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	February	1,388,337	-32.71	6.63
Fifth District	February	131,299	-39.93	12.67
District of Columbia	February	1,152	-29.71	16.60

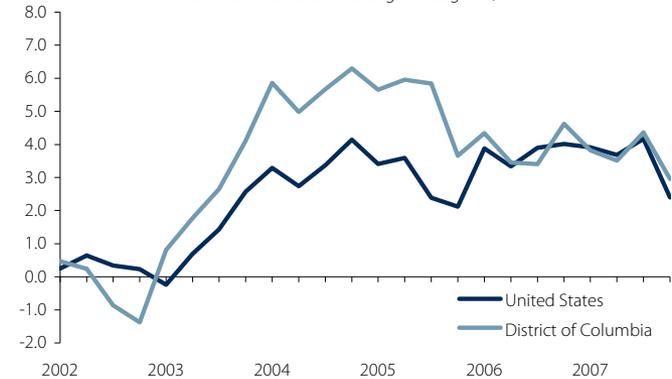


## DISTRICT OF COLUMBIA

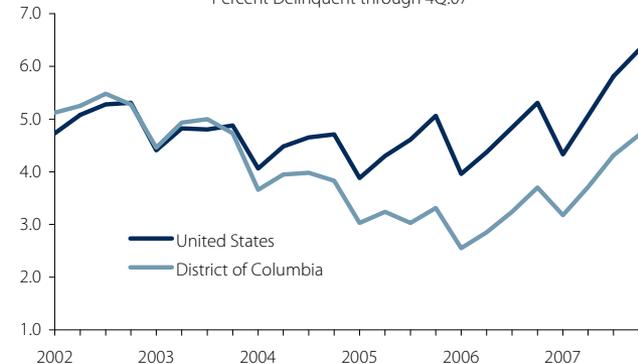
### Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	4Q:07	9,944,623	-0.18	2.40
Fifth District	4Q:07	945,875	-0.02	2.09
District of Columbia	4Q:07	30,725	-0.18	2.96
Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	2007	92.6	---	---
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	3Q:07	211,742	3.93	27.66
Fifth District	3Q:07	16,198	6.95	26.46
District of Columbia	3Q:07	164	3.80	20.59
Mortgage Delinquencies (% Delinquent)	4Q:07	3Q:07	4Q:06	
United States				
All Mortgages	6.31	5.81	5.31	
Conventional	3.55	3.25	2.79	
Subprime	18.82	16.68	14.27	
District of Columbia				
All Mortgages	4.70	4.31	3.70	
Conventional	2.85	2.75	2.33	
Subprime	18.34	15.63	11.23	

D.C. Real Personal Income  
Year-over-Year Percent Change through 4Q:07



D.C. Mortgage Delinquencies - All  
Percent Delinquent through 4Q:07



## DISTRICT OF COLUMBIA

### Real Estate Conditions

Total Private Building Permits	Period	Level	MoM % Change	YoY % Change
United States	February	73,386	-3.35	-33.22
Fifth District	February	11,477	-6.76	-27.00
District of Columbia	February	60	-9.09	-83.56
Washington, D.C. MSA	February	1,431	-11.72	-34.95
Total Private Housing Starts	Period	Level (000s)	MoM % Change	YoY % Change
United States	February	1,065.0	-0.56	-28.38
Fifth District	February	157.9	3.22	-25.63
District of Columbia	February	0.8	1.22	-83.06
Existing Home Sales	Period	Level (000s)	QoQ % Change	YoY % Change
United States (SAAR)	4Q:07	4,957.0	-8.54	-20.85
Fifth District (SAAR)	4Q:07	476.8	-9.28	-19.57
District of Columbia (SAAR)	4Q:07	8.0	-13.04	-4.76
Average Monthly Inventory	Period	Level	MoM % Change	YoY % Change
Washington, D.C. MSA	March	38,695	0.12	19.89
Median Asking Price	Period	Level (\$)	MoM % Change	YoY % Change
Washington, D.C. MSA	March	352,900	-0.42	-19.45

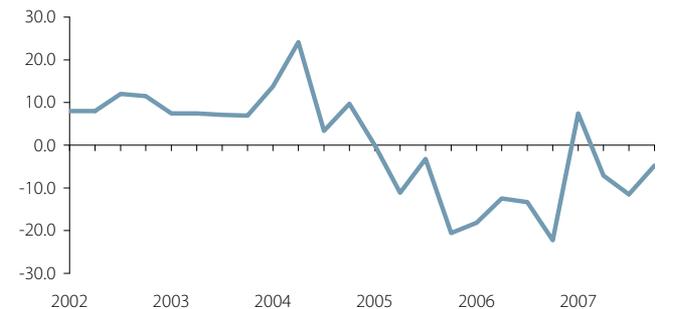
D.C. Building Permits

Year-over-Year Percent Change through February 2008



D.C. Existing Home Sales

Year-over-Year Percent Change through 4Q:07



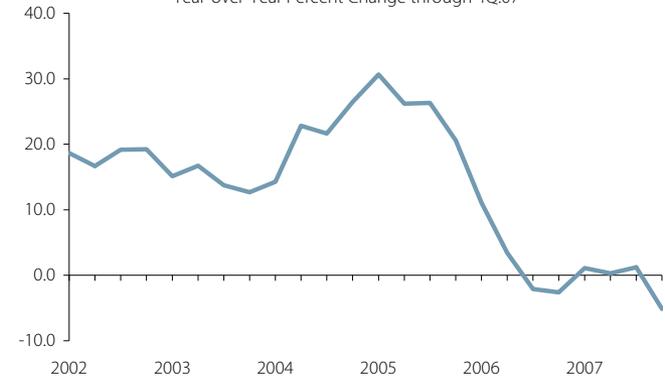
## DISTRICT OF COLUMBIA

### Real Estate Conditions

Median Home Sales Price - NAR	Period	Level (\$000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	4Q:07	400	-8.57	-5.10
Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	4Q:07	360	-2.96	-11.11
House Price Index (1980=100)	Period	Level	QoQ % Change	YoY % Change
United States	4Q:07	390	0.09	0.84
Fifth District	4Q:07	397	-0.11	1.01
District of Columbia	4Q:07	670	-1.67	1.87
Washington, D.C. MSA (1995=100)	4Q:07	275	-1.91	-2.87
Housing Opportunity Index <sup>2</sup> (%)	4Q:07	3Q:07	4Q:06	
Washington, D.C. MSA	41.3	35.0	24.0	
Commercial Vacancy Rates (%)	4Q:07	3Q:07	4Q:06	
Office Vacancies	Washington, D.C. MSA	10.7	10.0	9.3
Industrial Vacancies	Washington, D.C. MSA	14.1	15.5	13.9

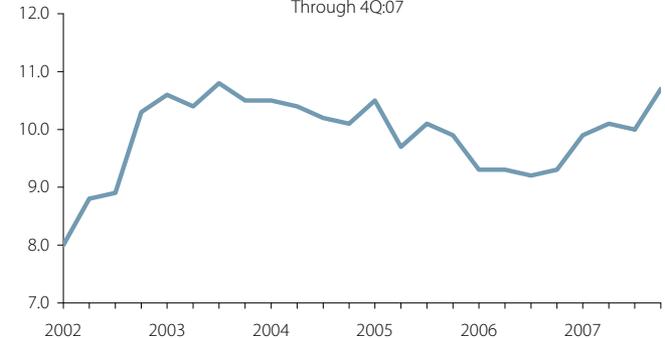
D.C. MSA Median Home Sales Price (NAR)

Year-over-Year Percent Change through 4Q:07



D.C. MSA Office Vacancy Rate

Through 4Q:07



## MARYLAND

### April Summary

Maryland's economy advanced at a modest pace in recent months, with gains in employment, but continued signs of weakness in housing.

In labor markets, Maryland added 4,300 jobs in February for its fifth consecutive month of job gains. Over the past year, payroll employment in the state has increased 1.2 percent – the state's largest year-over-year percent increase since June of 2006. Job gains were spread across sectors, with the government and construction sectors accounting for the bulk of the growth.

On the real estate front, residential permitting activity in Maryland was up 11.2 percent in February – by far the largest increase in building permits among Fifth District jurisdictions. Nonetheless, permitting activity in the state was down sharply since February of 2007. In addition, existing home sales in Maryland fell 13.3 percent during the fourth quarter, marking the third consecutive quarter of decline. Home prices were also down in the final three months of 2007. Maryland home prices slipped 0.2 percent in the fourth quarter, compared to a District-wide decline of 0.1 percent and a national increase of 0.1 percent.

Turning to households, Maryland's unemployment rate inched down 0.1 percentage points to 3.4 percent in February, leaving Maryland with the lowest jobless rate among Fifth District jurisdictions. On a less positive note, mortgage delinquencies were up in the state both in the fourth quarter and over the past year, and income growth in the state eased to its slowest rate in two years.

Economic conditions were not uniform across metro areas, however. February payrolls were up in the Baltimore metro area, down in Hagerstown, and unchanged in the Bethesda area. Permitting activity was generally down in the state's major metro areas during February, while home prices were mixed. The Bethesda and Cumberland metro areas both saw fourth quarter decreases in home prices, while home prices in the Baltimore and Hagerstown metro areas were up slightly. In commercial markets, the Baltimore area saw both office and industrial vacancies increase over the course of 2007.

### A Closer Look at...Personal Income

**Current Real Total Income (in millions):** \$220,451

**Current Real Per Capita Income:** \$39,005

**Change in Total Income from Last Quarter:** 0.0%

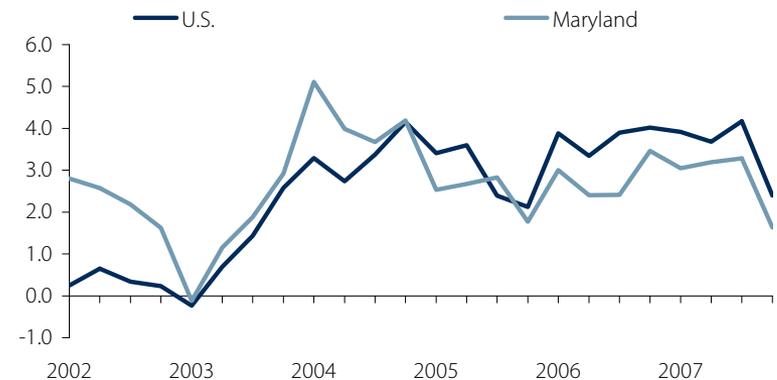
**Change in Total Income from a Year Ago:** 1.6%

**Largest Quarterly Increase:** The first quarter of 2000 when personal income grew 2.7%

**Largest Year-over-Year Increase:** The third quarter of 2000 when personal income grew 6.8%

#### Maryland Real Personal Income

Year-over-Year Percent Change through 4Q:07



## MARYLAND

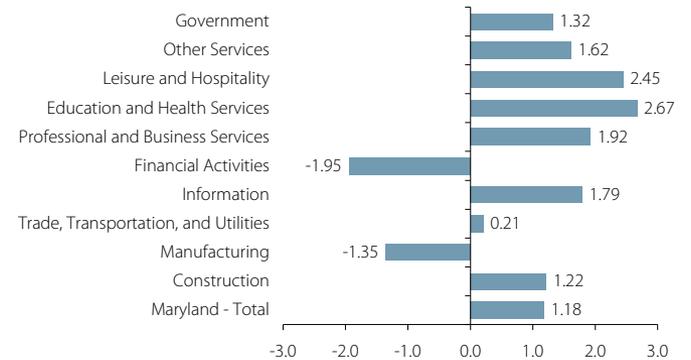
### Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	February	137,993.0	-0.05	0.63
Fifth District - Total	February	14,002.5	-0.01	1.03
Maryland - Total	February	2,630.3	0.16	1.18
Construction	February	191.1	0.63	1.22
Manufacturing	February	131.1	0.08	-1.35
Trade, Transportation, and Utilities	February	478.2	-0.10	0.21
Information	February	51.1	0.20	1.79
Financial Activities	February	156.1	-0.13	-1.95
Professional and Business Services	February	402.5	0.22	1.92
Education and Health Services	February	380.3	0.26	2.67
Leisure and Hospitality	February	238.5	0.13	2.45
Other Services	February	119.3	0.17	1.62
Government	February	482.1	0.25	1.32
Baltimore-Towson MSA - Total	February	1,305.4	0.42	0.96
Bethesda-Frederick MSA - Total	February	568.1	0.00	0.23
Cumberland MSA - Total	February	--	--	--
Hagerstown MSA - Total	February	100.6	-0.40	0.10

Unemployment Rate (SA)	February 08	January 08	February 07
United States	4.8	4.9	4.5
Fifth District	4.3	4.4	4.1
Maryland	3.4	3.5	3.6
Baltimore-Towson MSA	3.9	4.0	4.3
Bethesda-Frederick MSA	2.8	2.9	3.1
Cumberland MSA	6.0	6.0	6.9
Hagerstown MSA	5.3	4.9	5.2

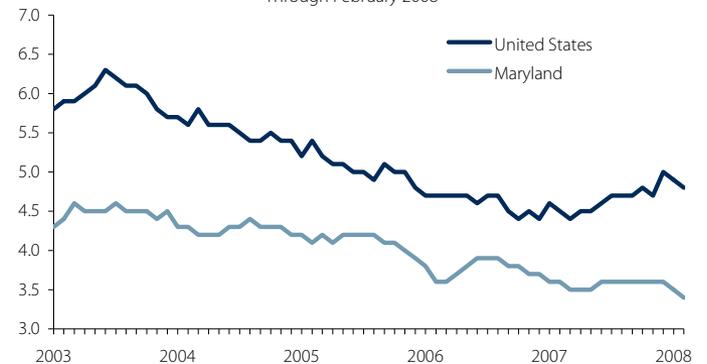
### Maryland Payroll Employment Performance

Year-over-Year Percent Change through February 2008



### Maryland Unemployment Rate

Through February 2008



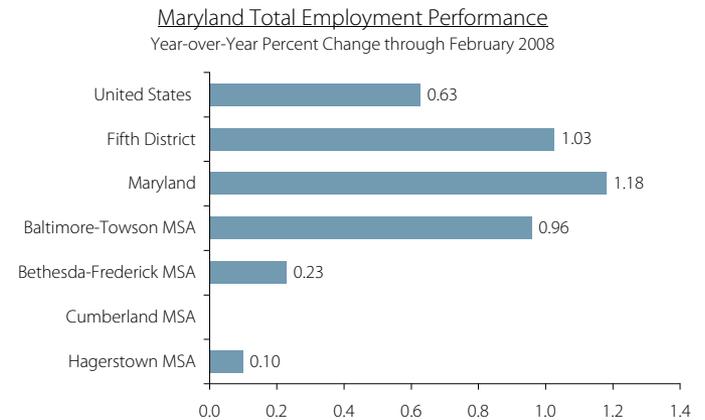
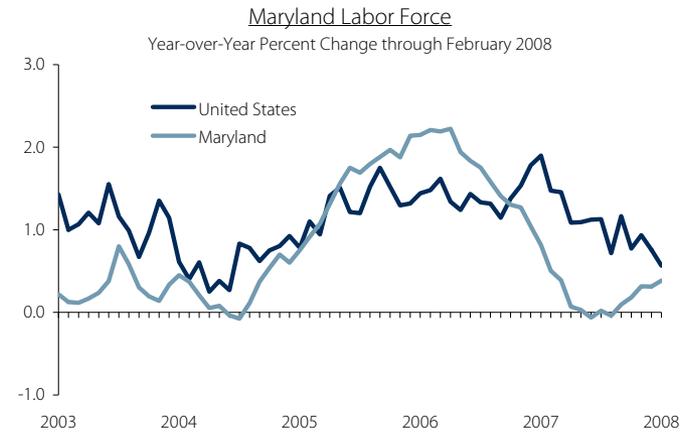
## MARYLAND

### Labor Market Conditions

Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	February	153,374	-0.29	0.42
Fifth District	February	14,888	-0.19	0.77
Maryland	February	2,993	0.13	0.66
Baltimore-Towson MSA	February	1,393	-0.11	-0.10
Bethesda-Frederick MSA	February	632	-0.24	-1.70
Cumberland MSA	February	49	0.41	-1.01
Hagerstown MSA	February	121	0.08	-0.98

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	February	1,388,337	-32.71	6.63
Fifth District	February	131,299	-39.93	12.67
Maryland	February	18,888	-31.26	6.61



## MARYLAND

### Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	4Q:07	9,944,623	-0.18	2.40
Fifth District	4Q:07	945,875	-0.02	2.09
Maryland	4Q:07	220,451	-0.05	1.63

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	2007	75.8	---	---
Bethesda-Frederick MSA	2007	101.1	---	---
Cumberland MSA	2007	46.6	---	---
Hagerstown MSA	2007	57.9	---	---

Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	3Q:07	211,742	3.93	27.66
Fifth District	3Q:07	16,198	6.95	26.46
Maryland	3Q:07	3,544	15.44	45.07

Mortgage Delinquencies (% Delinquent)	4Q:07	3Q:07	4Q:06
<b>United States</b>			
All Mortgages	6.31	5.81	5.31
Conventional	3.55	3.25	2.79
Subprime	18.82	16.68	14.27
<b>Maryland</b>			
All Mortgages	5.67	5.05	4.29
Conventional	3.07	2.64	2.20
Subprime	19.79	16.96	12.39

Maryland Real Personal Income  
Year-over-Year Percent Change through 4Q:07



Maryland Mortgage Delinquencies - All  
Percent Delinquent through 4Q:07

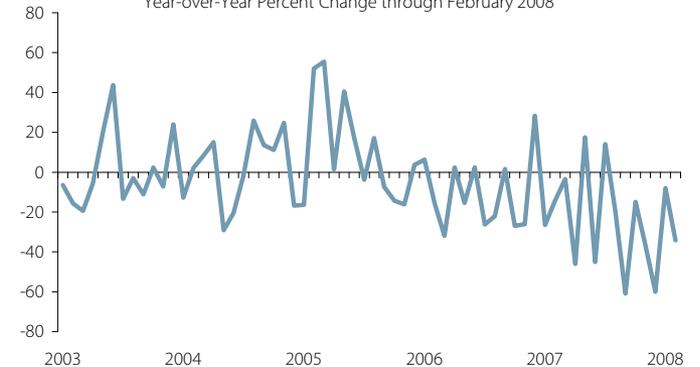


## MARYLAND

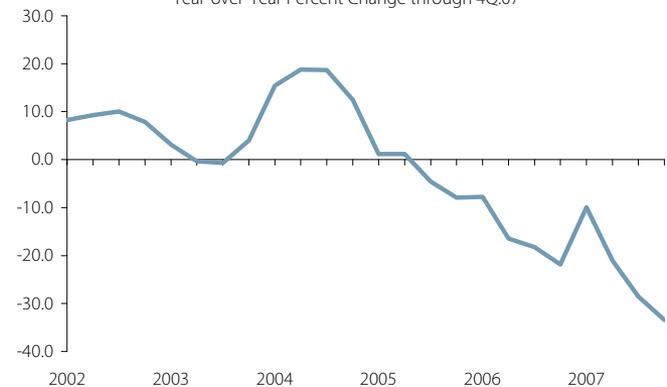
### Real Estate Conditions

Total Private Building Permits	Period	Level	MoM % Change	YoY % Change
United States	February	73,386	-3.35	-33.22
Fifth District	February	11,477	-6.76	-27.00
Maryland	February	1,238	11.23	-34.18
Baltimore-Towson MSA	February	280	-55.97	-48.24
Cumberland MSA	February	6	-14.29	-14.29
Hagerstown	February	119	-20.13	-6.30
Total Private Housing Starts	Period	Level (000s)	MoM % Change	YoY % Change
United States	February	1,065.0	-0.56	-28.38
Fifth District	February	157.9	3.22	-25.63
Maryland	February	17.0	23.14	-32.95
Existing Home Sales	Period	Level (000s)	QoQ % Change	YoY % Change
United States	4Q:07	4,957.0	-8.54	-20.85
Fifth District	4Q:07	476.8	-9.28	-19.57
Maryland	4Q:07	67.6	-13.33	-33.46
Average Monthly Inventory	Period	Level	MoM % Change	YoY % Change
Baltimore-Towson MSA	March	16,150	-0.33	16.66
Median Asking Price	Period	Level (\$)	MoM % Change	YoY % Change
Baltimore-Towson MSA	March	299,900	0.46	-9.10
Median Home Sales Price - NAR	Period	Level (\$000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	4Q:07	275	-5.59	-1.01
Cumberland MSA	4Q:07	117	8.26	18.98
Hagerstown MSA	4Q:07	192	-7.82	-10.19

Maryland Building Permits  
Year-over-Year Percent Change through February 2008



Maryland Existing Home Sales  
Year-over-Year Percent Change through 4Q:07

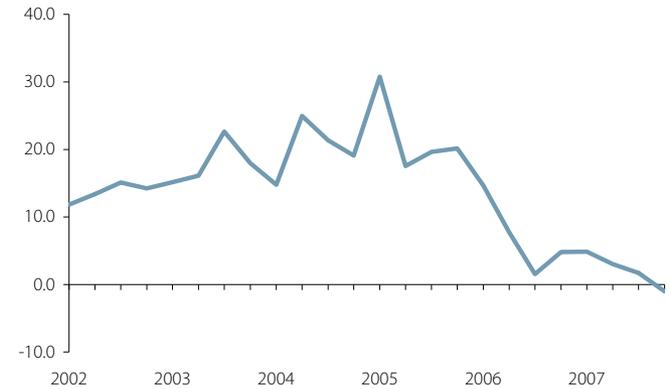


## MARYLAND

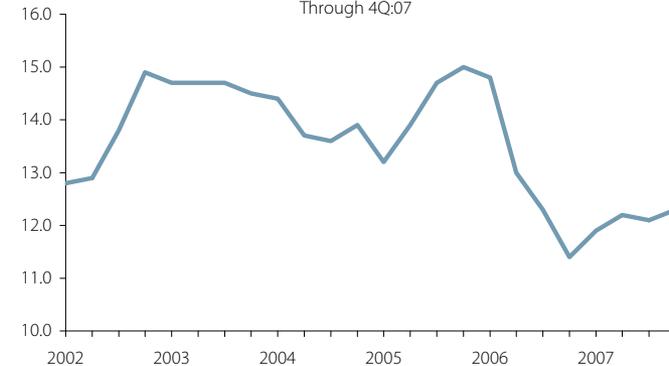
### Real Estate Conditions

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	4Q:07	266	-1.12	-1.12
Bethesda-Frederick MSA	4Q:07	---	---	---
Cumberland MSA	4Q:07	100	5.26	11.11
Hagerstown MSA	4Q:07	205	-10.48	-13.14
House Price Index (1980=100)	Period	Level	QoQ % Change	YoY % Change
United States	4Q:07	390	0.09	0.84
Fifth District	4Q:07	397	3.22	1.01
Maryland	4Q:07	542	-0.18	0.80
Baltimore-Towson MSA (1995=100)	4Q:07	261	0.14	1.97
Bethesda-Frederick MSA (1995=100)	4Q:07	260	-0.53	-2.65
Cumberland MSA (1995=100)	4Q:07	190	-0.59	9.62
Hagerstown MSA (1995=100)	4Q:07	237	0.06	-1.93
Housing Opportunity Index <sup>2</sup> (%)	4Q:07	3Q:07	4Q:06	
Baltimore-Towson MSA	47.8	45.4	44.1	
Bethesda-Frederick Metro Division	44.0	31.4	37.6	
Cumberland MSA	80.7	82.5	86.0	
Hagerstown MSA	49.0	37.1	38.7	
Commercial Vacancy Rates (%)	4Q:07	3Q:07	4Q:06	
Office Vacancies				
Baltimore	12.3	12.1	11.4	
Industrial Vacancies				
Baltimore	14.4	14.6	12.3	

Baltimore-Towson MSA Median Home Sales Price (NAR)  
Year-over-Year Percent Change through 4Q:07



Baltimore-Towson MSA Office Vacancy Rate  
Through 4Q:07



## NORTH CAROLINA

### April Summary

Economic conditions in North Carolina continued to weaken in recent months, as the pace of hiring tapered off, unemployment edged up, and housing market activity remained sluggish.

On the employment front, North Carolina was one of two states in the District to experience net job losses in February. North Carolina lost 3,700 jobs in February for its first month of job losses since July of 2007. Payrolls were generally down across the board, with the highest number of losses seen in manufacturing and business services. The household survey painted a similar picture as the state's jobless rate edged up to 5.0 percent in February – North Carolina's highest mark since late 2005. Additionally, both conventional and subprime mortgage delinquencies were up during the fourth quarter and over the past year. Delinquency rates in both categories finished the year above their corresponding national averages. There was some brighter news for North Carolina households, however, as personal income in the state grew 1.3 percent in the fourth quarter.

Turning to housing, residential permitting activity in North Carolina was up slightly in February (0.4 percent), but existing home sales were down 8.5 percent during the fourth quarter and 17.7 percent over the past year. Home prices in the state edged higher in the fourth quarter, though the 0.9 percent increase marked the state's smallest quarterly gain in three years.

Economic conditions were generally stronger at the metro area level. Despite the overall loss in employment statewide, hiring was rather brisk during February in the state's major metro areas, led by a 1.3 percent increase in the Durham MSA. Housing conditions were a bit more mixed. Residential permitting activity was up in the Greensboro-High Point and Raleigh-Cary MSAs, but down in the Charlotte and Durham areas. Home prices, on the other hand, rose in all four areas during the final three months of 2007, with the most pronounced increase in the Greensboro-High Point area (1.6 percent).

### A Closer Look at...Personal Income

**Current Real Total Income (in millions):** \$260,285

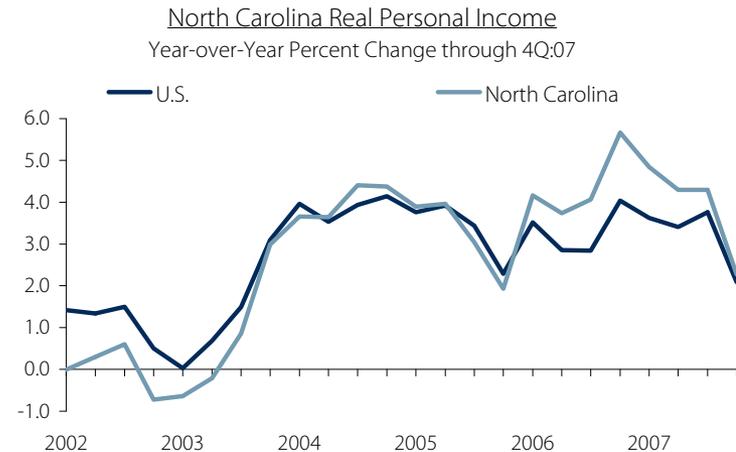
**Current Real Per Capita Income:** \$28,566

**Change in Total Income from Last Quarter:** 0.1%

**Change in Total Income from a Year Ago:** 2.3%

**Largest Quarterly Increase:** The first quarter of 2000 when personal income grew 2.2%

**Largest Year-over-Year Increase:** The third quarter of 1998 when personal income grew 6.8%



## NORTH CAROLINA

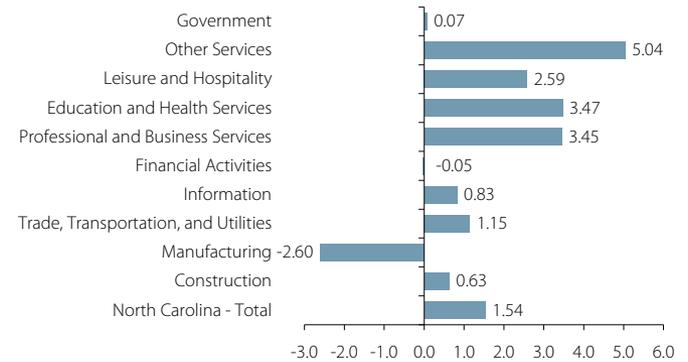
### Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	February	137,993.0	-0.05	0.63
Fifth District - Total	February	14,002.5	-0.01	1.03
North Carolina - Total	February	4,186.0	-0.09	1.54
Construction	February	255.9	-0.27	0.63
Manufacturing	February	532.1	-0.39	-2.60
Trade, Transportation, and Utilities	February	785.1	-0.18	1.15
Information	February	73.1	-0.18	0.83
Financial Activities	February	210.7	0.00	-0.05
Professional and Business Services	February	509.3	-0.51	3.45
Education and Health Services	February	524.1	0.21	3.47
Leisure and Hospitality	February	400.6	0.25	2.59
Other Services	February	185.4	0.22	5.04
Government	February	702.7	0.07	0.07
Charlotte MSA - Total	February	860.1	0.28	1.90
Durham MSA - Total	February	289.9	0.45	2.33
Greensboro-High Point MSA - Total	February	372.5	0.32	1.22
Raleigh-Cary MSA - Total	February	522.5	0.42	3.92

Unemployment Rate (SA)	February 08	January 08	February 07
United States	4.8	4.9	4.5
Fifth District	4.3	4.4	4.1
North Carolina	5.0	4.7	4.5
Charlotte MSA	5.4	5.4	4.6
Durham MSA	---	---	---
Greensboro-High Point MSA	5.5	5.4	5.1
Raleigh-Cary MSA	4.2	4.0	3.7

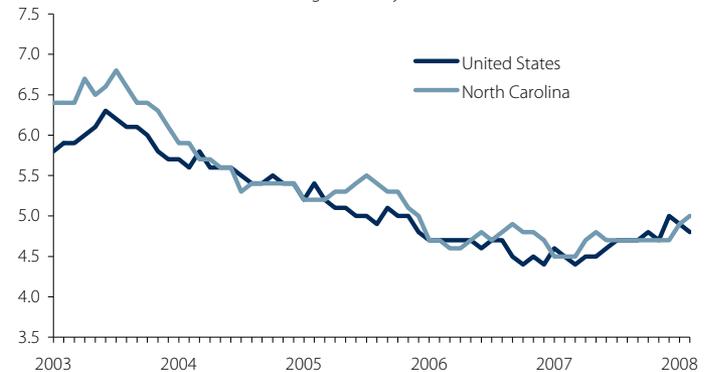
North Carolina Payroll Employment Performance

Year-over-Year Percent Change through February 2008



North Carolina Unemployment Rate

Through February 2008



## NORTH CAROLINA

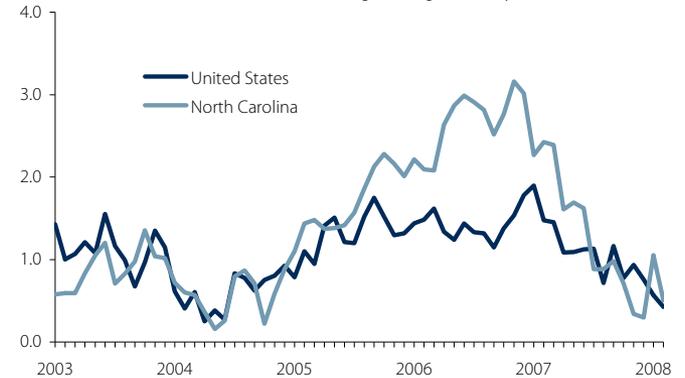
### Labor Market Conditions

Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	February	153,374	-0.29	0.42
Fifth District	February	14,888	-0.19	0.77
North Carolina	February	4,533	-0.32	0.51
Charlotte MSA	February	836	-0.10	-0.50
Durham MSA	February	---	---	---
Greensboro-High Point MSA	February	362	0.06	-2.64
Raleigh-Cary MSA	February	543	0.20	1.80

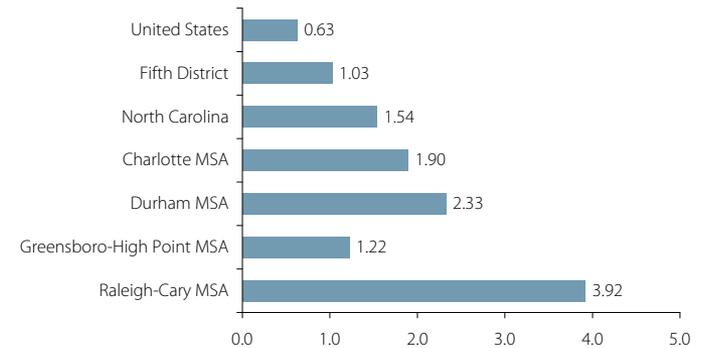
  

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	February	1,388,337	-32.71	6.63
Fifth District	February	131,299	-39.93	12.67
North Carolina	February	56,410	-42.48	18.08

North Carolina Labor Force  
Year-over-Year Percent Change through February 2008



North Carolina Total Employment Performance  
Year-over-Year Percent Change through February 2008



## NORTH CAROLINA

### Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	4Q:07	9,944,623	-0.18	2.40
Fifth District	4Q:07	945,875	-0.02	2.09
North Carolina	4Q:07	260,285	0.13	2.27

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Charlotte MSA	2007	60.2	---	---
Durham MSA	2007	60.1	---	---
Greensboro-High Point MSA	2007	53.6	---	---
Raleigh-Cary MSA	2007	69.8	---	---

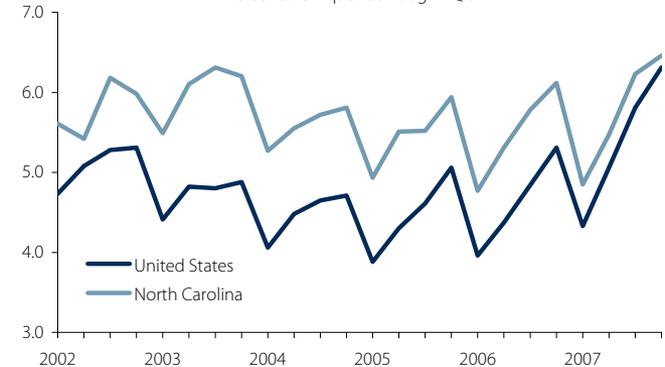
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	3Q:07	211,742	3.93	27.66
Fifth District	3Q:07	16,198	6.95	26.46
North Carolina	3Q:07	4,827	4.37	9.43

Mortgage Delinquencies (% Delinquent)	4Q:07	3Q:07	4Q:06
<b>United States</b>			
All Mortgages	6.31	5.81	5.31
Conventional	3.55	3.25	2.79
Subprime	18.82	16.68	14.27
<b>North Carolina</b>			
All Mortgages	6.46	6.23	6.12
Conventional	3.63	3.60	3.46
Subprime	19.19	17.49	15.97

North Carolina Real Personal Income  
Year-over-Year Percent Change through 4Q:07



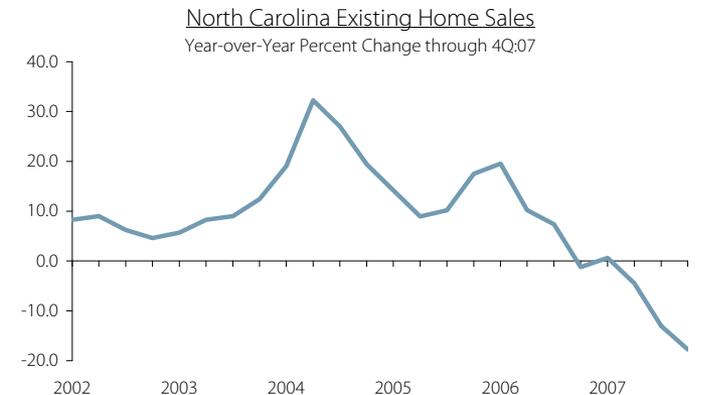
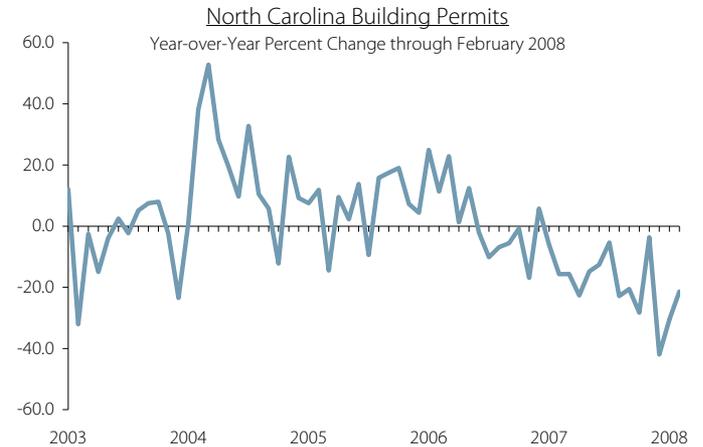
North Carolina Mortgage Delinquencies - All  
Percent Delinquent through 4Q:07



**NORTH CAROLINA**

Real Estate Conditions

Total Private Building Permits	Period	Level	MoM % Change	YoY % Change
United States	February	73,386	-3.35	-33.22
Fifth District	February	11,477	-6.76	-27.00
North Carolina	February	5,396	0.39	-21.39
Charlotte MSA	February	1,224	-19.74	-23.74
Durham MSA	February	207	-10.00	-18.18
Greensboro-High Point MSA	February	376	74.07	-4.33
Raleigh-Cary MSA	February	1,083	15.21	-3.13
Total Private Housing Starts	Period	Level (000s)	MoM % Change	YoY % Change
United States	February	1,065.0	-0.56	-28.38
Fifth District	February	157.9	3.22	-25.63
North Carolina	February	74.2	11.12	-19.92
Existing Home Sales	Period	Level (000s)	QoQ % Change	YoY % Change
United States	4Q:07	4,957.0	-8.54	-20.85
Fifth District	4Q:07	476.8	-9.28	-19.57
North Carolina	4Q:07	185.6	-8.48	-17.73
Average Monthly Inventory	Period	Level	MoM % Change	YoY % Change
Raleigh-Cary MSA	March	11,648	1.65	28.44
Median Asking Price	Period	Level (\$)	MoM % Change	YoY % Change
Raleigh-Cary MSA	March	255,000	0.58	1.86
Median Home Sales Price - NAR	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charlotte MSA	4Q:07	205	-7.00	3.28
Durham MSA	4Q:07	178	-4.71	5.63
Greensboro-High Point MSA	4Q:07	151	-3.09	0.33
Raleigh-Cary MSA	4Q:07	236	2.66	3.97



**NORTH CAROLINA**

Real Estate Conditions

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charlotte MSA	4Q:07	172	-2.27	2.38
Durham MSA	4Q:07	180	1.12	6.51
Greensboro-High Point MSA	4Q:07	145	2.11	2.84
Raleigh-Cary MSA	4Q:07	211	-1.86	-6.22

House Price Index (1980=100)	Period	Level	QoQ % Change	YoY % Change
United States	4Q:07	390	0.09	0.84
Fifth District	4Q:07	397	-0.11	1.01
North Carolina	4Q:07	348	0.92	6.58
Charlotte MSA (1995=100)	4Q:07	180	0.06	6.09
Durham MSA (1995=100)	4Q:07	176	0.19	4.67
Greensboro-High Point MSA (1995=100)	4Q:07	159	1.63	3.85
Raleigh-Cary MSA (1995=100)	4Q:07	169	0.73	6.04

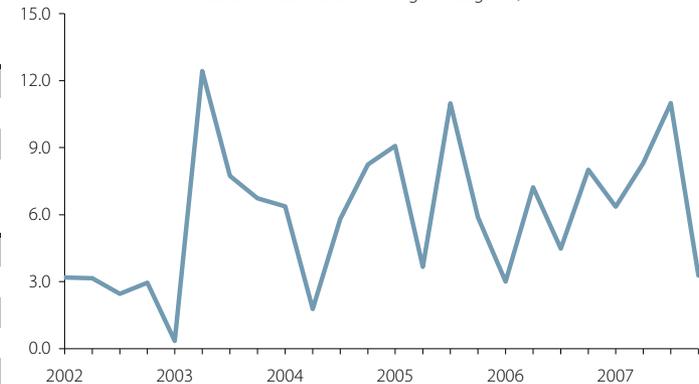
  

Housing Opportunity Index <sup>2</sup> (%)	4Q:07	3Q:07	4Q:06
Charlotte MSA	62.9	59.5	66.2
Durham MSA	59.9	59.1	65.0
Greensboro-High Point MSA	69.8	66.9	71.0
Raleigh-Cary MSA	60.2	57.6	56.5

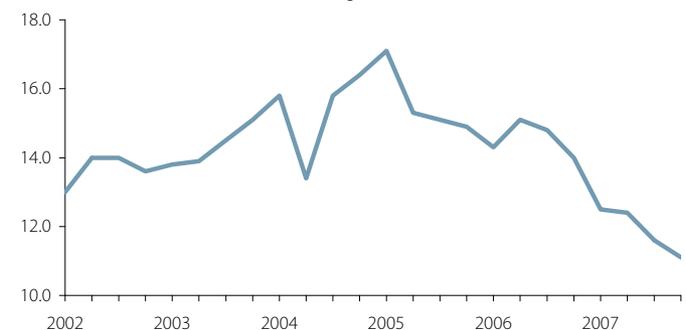
  

Commercial Vacancy Rates (%)	4Q:07	3Q:07	4Q:06
<b>Office Vacancies</b>			
Raleigh/Durham	14.7	14.2	15.1
Charlotte	11.1	11.6	14
<b>Industrial Vacancies</b>			
Raleigh/Durham	14	14.1	14.1
Charlotte	10.2	9.4	10.7

Charlotte MSA Median Home Sales Price (NAR)  
Year-over-Year Percent Change through 4Q:07



Charlotte MSA Office Vacancy Rate  
Through 4Q:07



## SOUTH CAROLINA

### April Summary

The South Carolina economy lost a bit of traction according to recent data.

On the job front, labor market conditions in the state were notably softer. South Carolina firms cut 11,800 jobs in February – the state’s largest payroll reduction in a single month since June of 2006. Payroll numbers were dragged down by sharp losses in construction (2,600 jobs), professional and business services (3,500 jobs), and leisure and hospitality (2,100 jobs). The state’s information sector was the only industry to add workers in February.

Housing activity in the state continued to slump. Residential permitting activity was down 16.5 percent in February, compared to a 6.8 percent decline District-wide and a 3.4 percent pullback nationally. Additionally, existing home sales slipped 13.4 percent in the fourth quarter – South Carolina’s largest quarterly decrease since 1993. Nonetheless, fourth quarter home prices in the Palmetto state increased 1.6 percent, which marked the state’s largest quarterly increase in 2007.

Reports from households were mixed. The state’s jobless rate fell to a seven-year low, ending February at 5.5 percent, although much of the reduction can be attributed to a sizable decline in the state’s labor force. In other household news, mortgage delinquencies increased both in February and over the past year, particularly among subprime borrowers. Additionally, household incomes in the state grew at their slowest pace in more than three years during the fourth quarter, up just 2.4 percent from a year earlier.

Despite the soft state data, economic conditions at the metro area level were generally solid. All of the state’s major metro areas experienced increases in payroll employment. In addition, fourth quarter home prices were up in Columbia, Greenville, and Spartanburg, though permitting activity was generally down across metro areas. On the commercial side, office vacancies edged up in the Charleston and Columbia metro areas over the final three months of 2007, while industrial vacancies in Charleston edged lower.

### A Closer Look at...Personal Income

**Current Real Total Income (in millions):** \$116,840

**Current Real Per Capita Income:** \$26,418

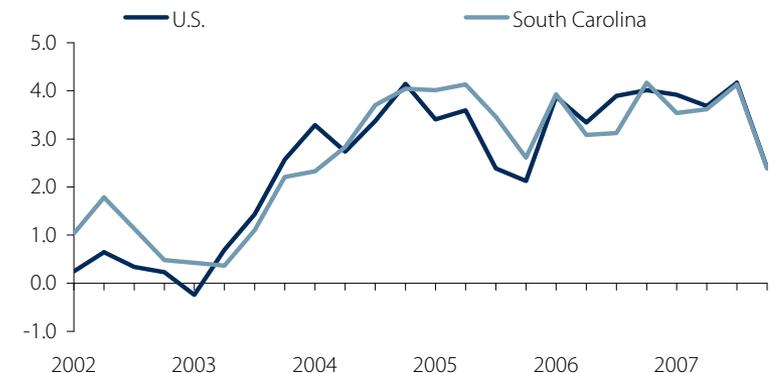
**Change in Total Income from Last Quarter:** 0.0%

**Change in Total Income from a Year Ago:** 2.4%

**Largest Quarterly Increase:** The first quarter of 2006 when personal income grew 1.8%

**Largest Year-over-Year Increase:** The third quarter of 1998 when personal income grew 7.0%

South Carolina Real Personal Income  
Year-over-Year Percent Change through 4Q:07



## SOUTH CAROLINA

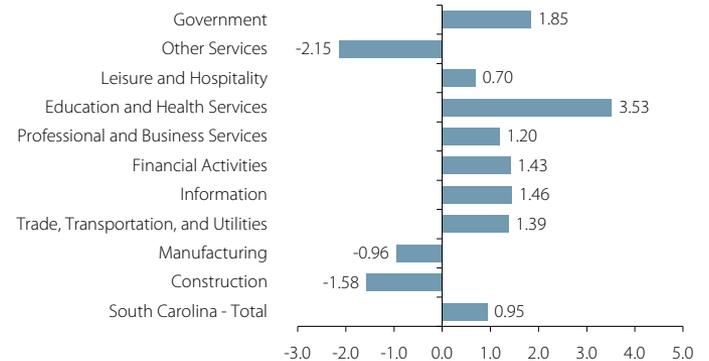
### Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	February	137,993.0	-0.05	0.63
Fifth District - Total	February	14,002.5	-0.01	1.03
South Carolina - Total	February	1,954.6	-0.60	0.95
Construction	February	124.6	-2.04	-1.58
Manufacturing	February	248.9	-0.12	-0.96
Trade, Transportation, and Utilities	February	378.8	-0.34	1.39
Information	February	27.8	0.72	1.46
Financial Activities	February	106.7	-0.93	1.43
Professional and Business Services	February	227.4	-1.52	1.20
Education and Health Services	February	205.4	-0.10	3.53
Leisure and Hospitality	February	216.6	-0.96	0.70
Other Services	February	72.9	-0.82	-2.15
Government	February	341.0	-0.09	1.85
Charleston MSA - Total	February	297.8	0.27	2.09
Columbia MSA - Total	February	368.6	0.30	1.88
Greenville MSA - Total	February	321.4	0.34	2.88
Spartanburg MSA - Total	February	125.6	0.00	0.96

Unemployment Rate (SA)	February 08	January 08	February 07
United States	4.8	4.9	4.5
Fifth District	4.3	4.4	4.1
South Carolina	5.5	6.1	5.8
Charleston MSA	4.7	5.0	5.0
Columbia MSA	4.9	5.5	5.6
Greenville MSA	5.0	5.4	5.9
Spartanburg MSA	-2.3	6.3	6.6

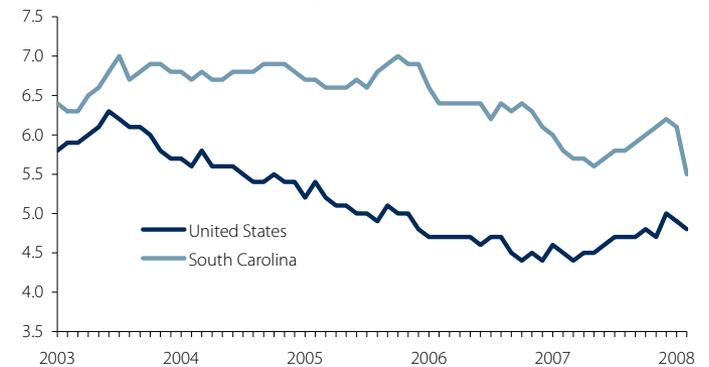
South Carolina Payroll Employment Performance

Year-over-Year Percent Change through February 2008



South Carolina Unemployment Rate

Through February 2008



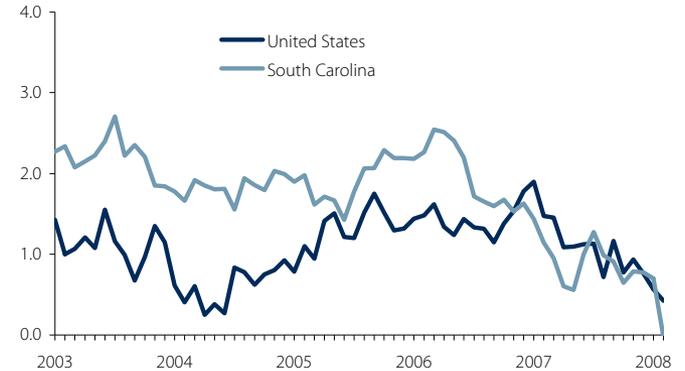
## SOUTH CAROLINA

### Labor Market Conditions

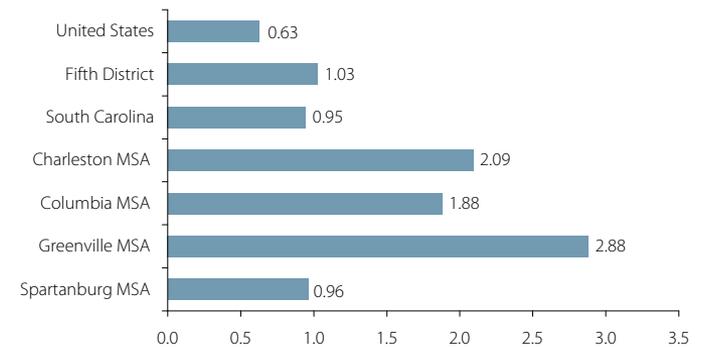
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	February	153,374	-0.29	0.42
Fifth District	February	14,888	-0.19	0.77
South Carolina	February	2,128	-0.82	-0.02
Charleston MSA	February	310	-0.29	-0.61
Columbia MSA	February	366	-0.60	-1.95
Greenville-Spartanburg MSA	February	313	-0.51	0.35

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	February	1,388,337	-32.71	6.63
Fifth District	February	131,299	-39.93	12.67
South Carolina	February	25,574	-38.91	32.32

South Carolina Labor Force  
Year-over-Year Percent Change through February 2008



South Carolina Total Employment Performance  
Year-over-Year Percent Change through February 2008



## SOUTH CAROLINA

### Household Conditions

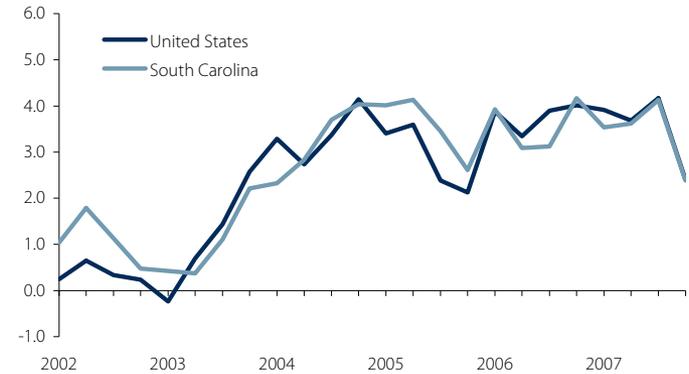
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	4Q:07	9,944,623	-0.18	2.40
Fifth District	4Q:07	945,875	-0.02	2.09
South Carolina	4Q:07	116,840	-0.01	2.39

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Charleston MSA	2007	55.4	---	---
Columbia MSA	2007	58.2	---	---
Greenville MSA	2007	52.9	---	---

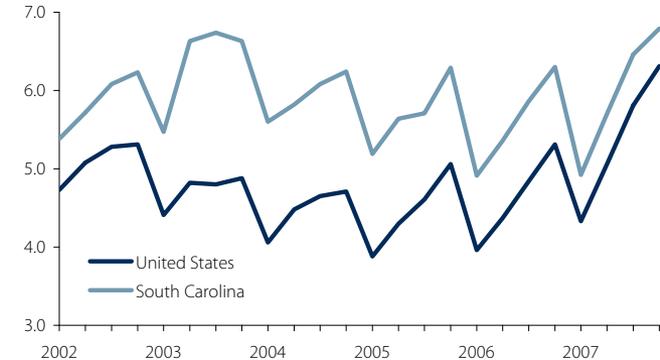
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	3Q:07	211,742	3.93	27.66
Fifth District	3Q:07	16,198	6.95	26.46
South Carolina	3Q:07	1818	3.83	15.36

Mortgage Delinquencies (% Delinquent)	4Q:07	3Q:07	4Q:06
United States			
All Mortgages	6.31	5.81	5.31
Conventional	3.55	3.25	2.79
Subprime	18.82	16.68	14.27
South Carolina			
All Mortgages	6.79	6.46	6.30
Conventional	4.07	4.04	3.83
Subprime	19.64	17.28	16.61

South Carolina Real Personal Income  
Year-over-Year Percent Change through 4Q:07



South Carolina Mortgage Delinquencies - All  
Percent Delinquent through 4Q:07

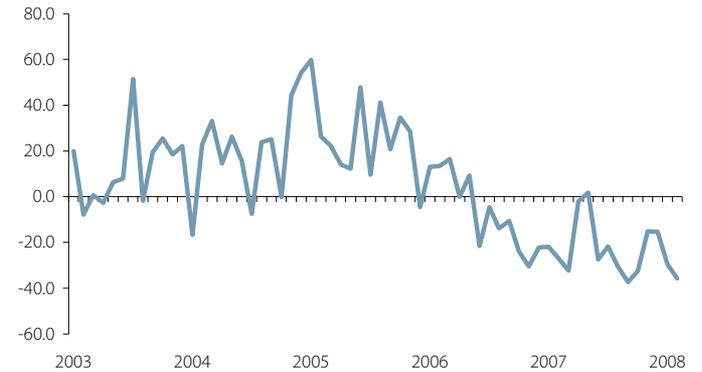


**SOUTH CAROLINA**

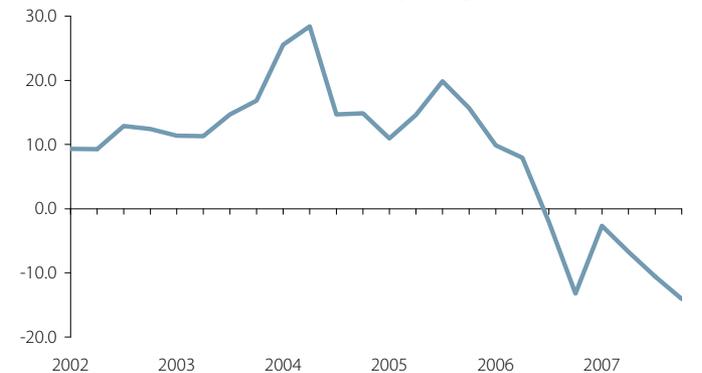
Real Estate Conditions

Total Private Building Permits	Period	Level	MoM % Change	YoY % Change
United States	February	73,386	-3.35	-33.22
Fifth District	February	11,477	-6.76	-27.00
South Carolina	February	2,081	-16.49	-35.81
Charleston MSA	February	317	-9.17	-36.47
Columbia MSA	February	332	-3.49	-36.03
Greenville MSA	February	351	-36.53	-15.63
Spartanburg MSA	February	108	13.68	-33.74
Total Private Housing Starts	Period	Level (000s)	MoM % Change	YoY % Change
United States	February	1,065.0	-0.56	-28.38
Fifth District	February	157.9	3.22	-25.63
South Carolina	February	28.6	-7.56	-34.63
Existing Home Sales	Period	Level (000s)	QoQ % Change	YoY % Change
United States	4Q:07	4,957.0	-8.54	-20.85
Fifth District	4Q:07	476.8	-9.28	-19.57
South Carolina	4Q:07	88.0	-13.39	-14.06
Median Home Sales Price - NAR	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charleston MSA	4Q:07	205	-3.67	-3.03
Columbia MSA	4Q:07	145	-3.08	---
Greenville MSA	4Q:07	155	-2.63	3.60
Spartanburg MSA	4Q:07	121.8	-9.38	0.41

South Carolina Building Permits  
Year-over-Year Percent Change through February 2008



South Carolina Existing Home Sales  
Year-over-Year Percent Change through 4Q:07

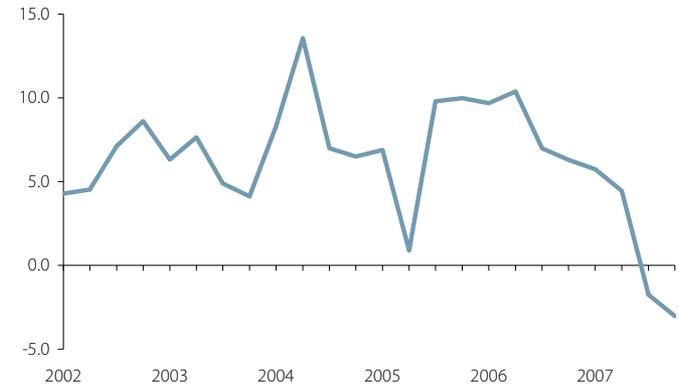


## SOUTH CAROLINA

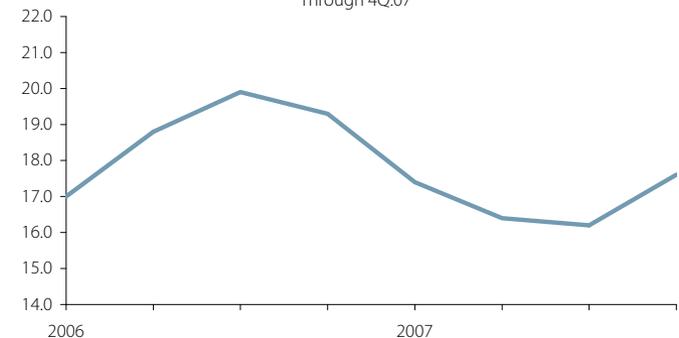
### Real Estate Conditions

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charleston MSA	4Q:07	209	-0.48	3.47
Columbia MSA	4Q:07	---	---	---
Greenville MSA	4Q:07	151	-2.58	5.59
House Price Index (1980=100)	Period	Level	QoQ % Change	YoY % Change
United States	4Q:07	390	0.09	0.84
Fifth District	4Q:07	397	-0.11	1.01
South Carolina	4Q:07	322	1.59	3.77
Charleston MSA (1995=100)	4Q:07	274	-0.03	1.99
Columbia MSA (1995=100)	4Q:07	176	0.84	2.91
Greenville MSA (1995=100)	4Q:07	169	1.16	5.25
Spartanburg MSA (1995=100)	4Q:07	161	3.45	3.45
Housing Opportunity Index <sup>2</sup> (%)	4Q:07	3Q:07	4Q:06	
Charleston MSA	46.2	43.9	49.5	
Columbia MSA	72.1	---	---	
Greenville MSA	65.6	62.5	73.3	
Commercial Vacancy Rates (%)	4Q:07	3Q:07	4Q:06	
Office Vacancies				
Charleston	14.9	14.8	----	
Columbia	17.6	16.2	19.3	
Greenville	---	17.5	15.6	
Industrial Vacancies				
Charleston	8.4	10.6	---	
Greenville	---	10.4	11.1	
Retail Vacancies				
Greenville	---	10.8	10.8	

Charleston MSA Median Home Sales Price (NAR)  
Year-over-Year Percent Change through 4Q:07



Columbia MSA Office Vacancy Rate  
Through 4Q:07



## VIRGINIA

### April Summary

Recent assessments of economic conditions in Virginia were mixed, with a pickup in hiring activity, but continued sluggishness in the housing market.

Virginia added 4,700 jobs to its economy in February after losing 7,500 jobs the previous month. Job gains on the services side of the state's economy, particularly in the professional and business services and government sectors, more than offset further job losses at construction and manufacturing firms.

Despite the solid job numbers, Virginia's unemployment rate inched up a tenth of a percentage point to 3.5 percent in February. Nonetheless, Virginia's jobless rate was still well below the District-wide rate of 4.3 percent and the national rate of 4.8 percent. Other household data were more downbeat. Household income growth in the state eased to its slowest pace in over a year. In addition, delinquency rates on conventional mortgages rose 0.2 percentage points in the fourth quarter and were 0.9 percentage points higher than in the fourth quarter of 2006. Similarly, delinquencies on subprime mortgages rose 2.4 percentage points in the final quarter of 2007 to finish at 18.2 percent – the state's highest mark on record.

Turning to real estate, residential permitting activity in Virginia was down 16.9 percent in February and 21.0 percent over the year. Moreover, existing home sales fell 7.4 percent in the fourth quarter of 2007, while home prices in the state declined for the first time since 1996.

Drilling down, economic conditions were generally stronger at the metro area level. Residential permitting activity was down in the Roanoke and Virginia Beach-Norfolk metro areas, but was up in Lynchburg and Richmond. And on the employment front, all four of Virginia's major metro areas experienced an increase in payroll employment both in February and over the past year. On the commercial side, although both office and industrial vacancy rates in Richmond were up in the final three months of 2007, both were down since the fourth quarter of 2006.

### A Closer Look at...Personal Income

**Current Real Total Income (in millions):** \$271,922

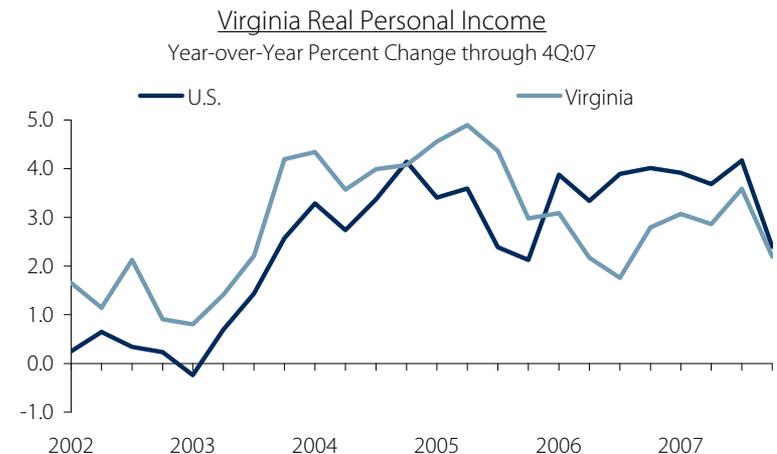
**Current Real Per Capita Income:** \$35,079

**Change in Total Income from Last Quarter:** -0.1%

**Change in Total Income from a Year Ago:** 2.2%

**Largest Quarterly Increase:** The fourth quarter of 1999 when personal income grew 2.0%

**Largest Year-over-Year Increase:** The first quarter of 1999 when personal income grew 7.0%



## VIRGINIA

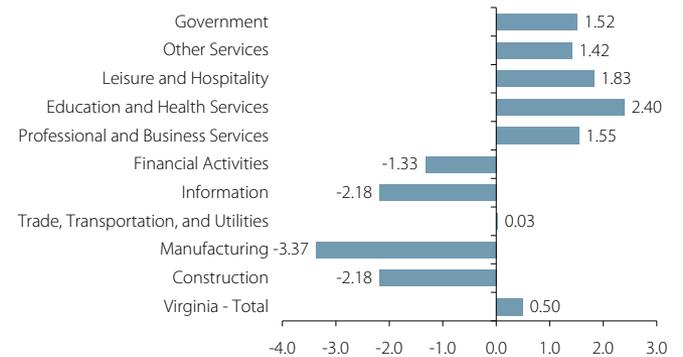
### Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	February	137,993.0	-0.05	0.63
Fifth District - Total	February	14,002.5	-0.01	1.03
Virginia - Total	February	3,771.9	0.12	0.50
Construction	February	237.4	-0.38	-2.18
Manufacturing	February	272.4	-0.69	-3.37
Trade, Transportation, and Utilities	February	667.2	-0.10	0.03
Information	February	89.6	0.67	-2.18
Financial Activities	February	192.8	0.63	-1.33
Professional and Business Services	February	649.0	0.39	1.55
Education and Health Services	February	422.1	0.17	2.40
Leisure and Hospitality	February	350.4	0.09	1.83
Other Services	February	185.3	0.27	1.42
Government	February	693.6	0.49	1.52
Lynchburg MSA - Total	February	108.7	0.28	1.78
Richmond MSA - Total	February	629.0	0.03	0.72
Roanoke MSA - Total	February	161.8	0.06	0.12
Virginia Beach-Norfolk MSA - Total	February	765.9	0.37	0.66

Unemployment Rate (SA)	February 08	January 08	February 07
United States	4.8	4.9	4.5
Fifth District	4.3	4.4	4.1
Virginia	3.5	3.4	2.9
Lynchburg MSA	3.9	4.0	3.6
Richmond MSA	3.9	3.9	3.3
Roanoke MSA	3.9	3.8	3.3
Virginia Beach-Norfolk MSA	4.1	4.1	3.4

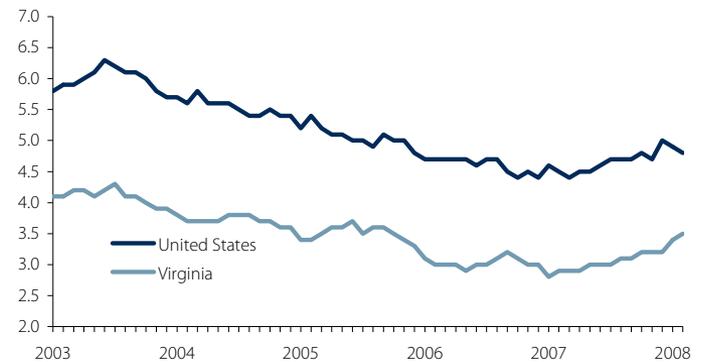
### Virginia Payroll Employment Performance

Year-over-Year Percent Change through February 2008



### Virginia Unemployment Rate

Through February 2008



## VIRGINIA

### Labor Market Conditions

Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	February	153,374	-0.29	0.42
Fifth District	February	14,888	-0.19	0.77
Virginia	February	4,090	-0.07	1.54
Lynchburg MSA	February	123	-0.24	1.57
Richmond MSA	February	644	-0.14	0.92
Roanoke MSA	February	156	-0.06	0.26
Virginia Beach-Norfolk MSA	February	815	0.18	1.77

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	February	1,388,337	-32.71	6.63
Fifth District	February	131,299	-39.93	12.67
Virginia	February	23,202	-39.04	-1.55

Virginia Labor Force  
Year-over-Year Percent Change through February 2008



Virginia Total Employment Performance  
Year-over-Year Percent Change through February 2008



## VIRGINIA

### Household Conditions

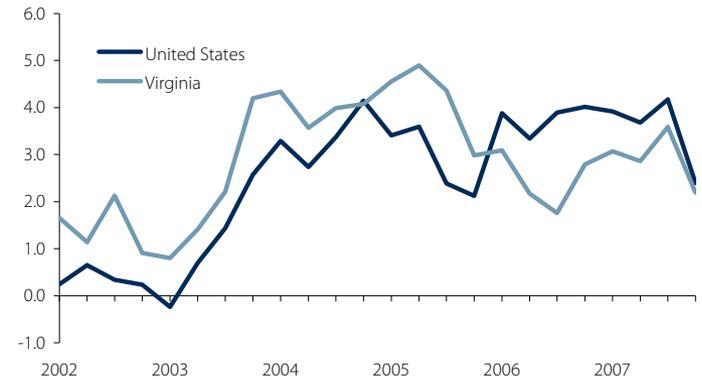
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	4Q:07	9,944,623	-0.18	2.40
Fifth District	4Q:07	945,875	-0.02	2.09
Virginia	4Q:07	271,922	-0.13	2.19

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Richmond MSA	2007	68.7	---	---
Roanoke MSA	2007	56.3	---	---
Virginia Beach-Norfolk MSA	2007	64.1	---	---

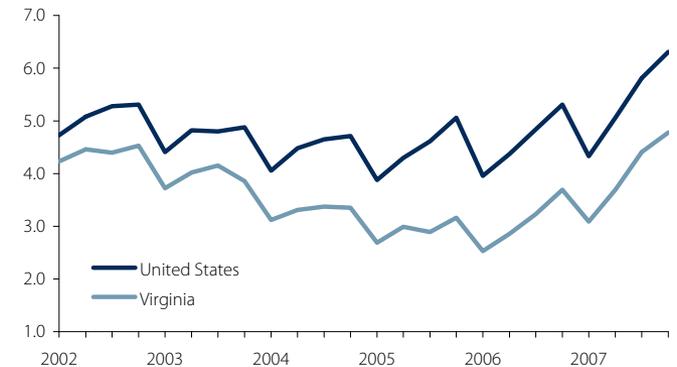
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	3Q:07	211,742	3.93	27.66
Fifth District	3Q:07	16,198	6.95	26.46
Virginia	3Q:07	4,774	8.01	39.80

Mortgage Delinquencies (% Delinquent)	4Q:07	3Q:07	4Q:06
<b>United States</b>			
All Mortgages	6.31	5.81	5.31
Conventional	3.55	3.25	2.79
Subprime	18.82	16.68	14.27
<b>Virginia</b>			
All Mortgages	4.78	4.41	3.69
Conventional	2.70	2.50	1.95
Subprime	18.15	15.77	12.14

Virginia Real Personal Income  
Year-over-Year Percent Change through 4Q:07



Virginia Mortgage Delinquencies - All  
Percent Delinquent through 4Q:07



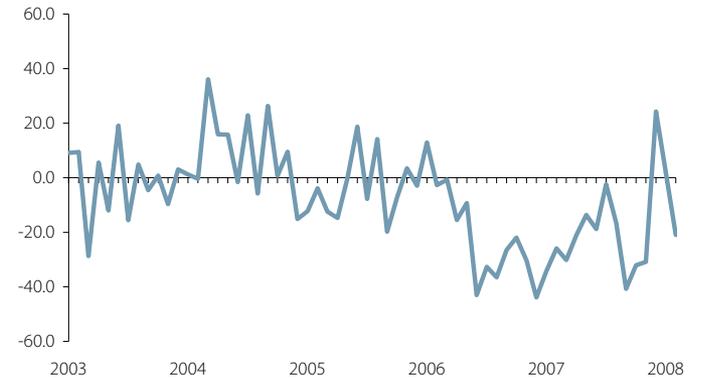
## VIRGINIA

### Real Estate Conditions

Total Private Building Permits	Period	Level	MoM % Change	YoY % Change
United States	February	73,386	-3.35	-33.22
Fifth District	February	11,477	-6.76	-27.00
Virginia	February	2,427	-16.88	-20.97
Lynchburg MSA	February	91	56.90	10.98
Richmond MSA	February	597	65.83	12.43
Roanoke MSA	February	97	-11.82	44.78
Virginia Beach-Norfolk MSA	February	407	-26.13	-41.35
Total Private Housing Starts	Period	Level (000s)	MoM % Change	YoY % Change
United States	February	1,065.0	-0.56	-28.38
Fifth District	February	157.9	3.22	-25.63
Virginia	February	33.4	-7.99	-19.54
Existing Home Sales	Period	Level (000s)	QoQ % Change	YoY % Change
United States	4Q:07	4,957.0	-8.54	-20.85
Fifth District	4Q:07	476.8	-9.28	-19.57
Virginia	4Q:07	100.4	-7.38	-20.06
Average Monthly Inventory	Period	Level	MoM % Change	YoY % Change
Virginia Beach-Norfolk MSA	March	14,205	1.48	14.53
Median Asking Price	Period	Level (\$)	MoM % Change	YoY % Change
Virginia Beach-Norfolk MSA	March	316,900	-0.32	-9.09

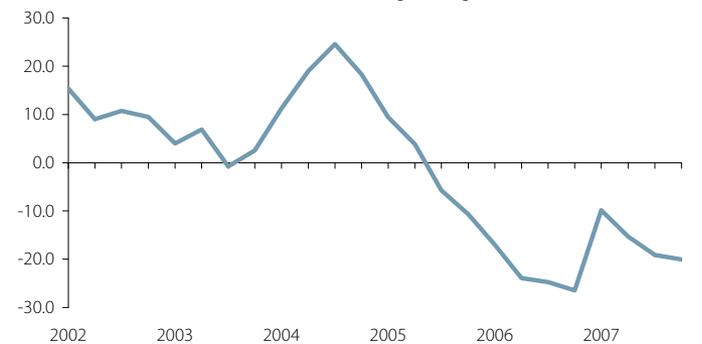
Virginia Building Permits

Year-over-Year Percent Change through February 2008



Virginia Existing Home Sales

Year-over-Year Percent Change through 4Q:07

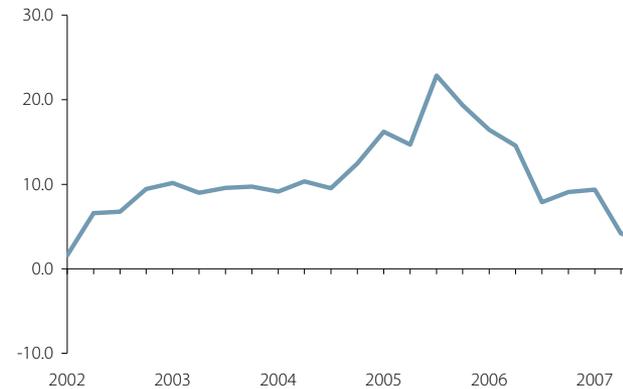


**VIRGINIA**

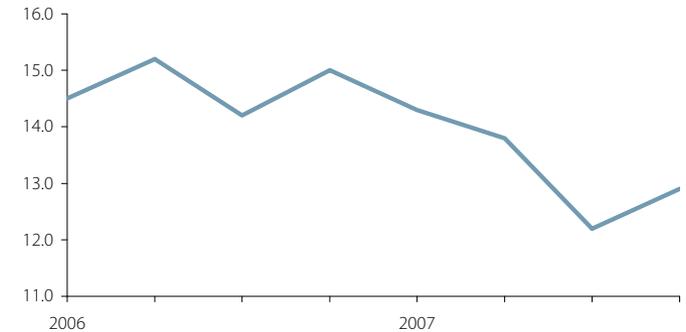
Real Estate Conditions

Median Home Sales Price - NAR	Period	Level (\$000s)	QoQ % Change	YoY % Change
Richmond MSA	4Q:07	226	-5.49	-1.61
Virginia Beach-Norfolk MSA	4Q:07	236	-7.45	0.34
Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Richmond MSA	4Q:07	230	-2.13	2.22
Roanoke MSA	4Q:07	184	-8.00	-5.64
Virginia Beach-Norfolk MSA	4Q:07	220	-2.22	2.33
House Price Index (1980=100)	Period	Level	QoQ % Change	YoY % Change
United States	4Q:07	390	0.09	0.84
Fifth District	4Q:07	397	-0.11	1.01
Virginia	4Q:07	478	-0.58	0.81
Lynchburg MSA (1995=100)	4Q:07	195	1.37	5.36
Richmond MSA (1995=100)	4Q:07	227	0.19	3.75
Roanoke MSA (1995=100)	4Q:07	194	-0.46	2.96
Virginia Beach-Norfolk MSA (1995=100)	4Q:07	262	0.44	3.05
Housing Opportunity Index <sup>2</sup> (%)	4Q:07	3Q:07	4Q:06	
Richmond MSA	54.6	50.5	54.3	
Roanoke MSA	59.1	45.8	52.9	
Virginia Beach-Norfolk MSA	50.1	46.7	46.0	
Commercial Vacancy Rates (%)	4Q:07	3Q:07	4Q:06	
Office Vacancies	Richmond	12.9	12.2	15.0
Industrial Vacancies	Richmond	7.8	7.3	9.2
Retail Vacancies	Richmond	0.0	7.2	5.2

Richmond MSA Median Home Sales Price (NAR)  
Year-over-Year Percent Change through 4Q:07



Richmond MSA Office Vacancy Rate  
Through 4Q:07



## WEST VIRGINIA

### April Summary

West Virginia's economy advanced at a modest pace in February, behind solid growth in payroll employment and some encouraging signs in the state's housing markets.

On the employment front, West Virginia added 2,600 jobs to its economy in February after experiencing two consecutive months of payroll declines. Gains were concentrated in three sectors – educational and health services, leisure and hospitality, and government – led by a 2.0 percent increase in education employment.

Turning to households, West Virginia's unemployment rate inched up in February to 4.6 percent – slightly higher than the 4.3 percent District-wide mark, but still below the 4.8 percent national rate. Other household measures were less encouraging. Mortgage delinquency rates in West Virginia remained among the highest in the District and income growth in the state cooled to its slowest pace in two years.

Real estate conditions in West Virginia were mixed. Residential permitting activity was down 19.8 percent in February and 7.7 percent over the past twelve months. On the flip side, existing home sales were up 6.3 percent in the fourth quarter of 2007, following two consecutive quarters of decline. Home prices in the state were also up in the fourth quarter.

Economic conditions were mixed across metro areas. Payrolls in the Morgantown metro area increased 3.7 percent in February, while employers in the Charleston, Huntington, and Parkersburg metro areas trimmed payrolls. Similarly, while residential permitting activity fell in the Charleston and Huntington metro areas, construction activity picked up in the Morgantown metro area and was generally unchanged in the Parkersburg metro area. On a brighter note, all four major metro areas posted increases in home prices during the fourth quarter that outpaced home appreciation rates experienced nationally.

### A Closer Look at...Personal Income

**Current Real Total Income (in millions):** \$45,653

**Current Real Per Capita Income:** \$25,036

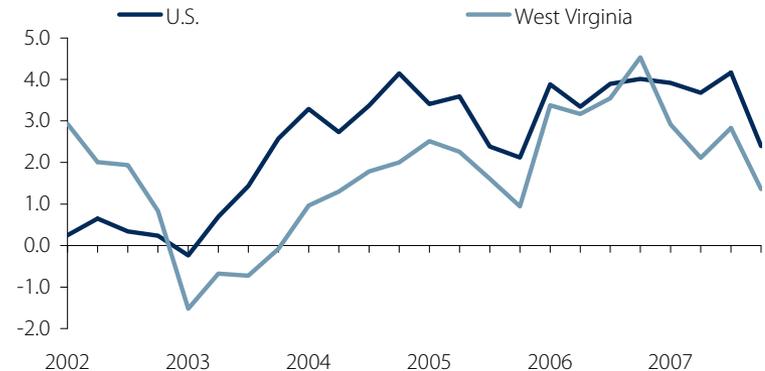
**Change in Total Income from Last Quarter:** 0.0%

**Change in Total Income from a Year Ago:** 1.4%

**Largest Quarterly Increase:** The first quarter of 2006 when personal income grew 2.5%

**Largest Year-over-Year Increase:** The fourth quarter of 2006 when personal income grew 4.5%

West Virginia Real Personal Income  
Year-over-Year Percent Change through 4Q:07



## WEST VIRGINIA

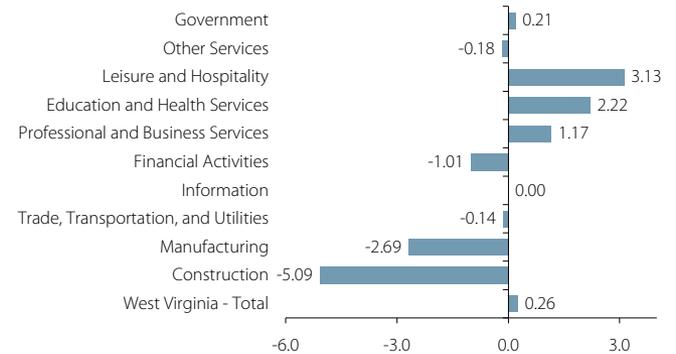
### Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	February	137,993.0	-0.05	0.63
Fifth District - Total	February	14,002.5	-0.01	1.03
West Virginia - Total	February	693.6	0.34	0.26
Construction	February	37.3	0.27	-5.09
Manufacturing	February	57.8	-0.17	-2.69
Trade, Transportation, and Utilities	February	142.7	0.35	-0.14
Information	February	11.3	0.00	0.00
Financial Activities	February	29.5	0.00	-1.01
Professional and Business Services	February	60.6	-0.49	1.17
Education and Health Services	February	115.2	0.61	2.22
Leisure and Hospitality	February	72.5	1.26	3.13
Other Services	February	55.9	0.18	-0.18
Government	February	145.7	0.55	0.21
Charleston MSA - Total	February	147.8	-0.27	0.07
Huntington MSA - Total	February	118.7	-0.34	1.37
Morgantown MSA - Total	February	62.5	3.65	3.82
Parkersburg MSA - Total	February	71.9	-0.96	1.13

Unemployment Rate (SA)	February 08	January 08	February 07
United States	4.8	4.9	4.5
Fifth District	4.3	4.4	4.1
West Virginia	4.6	4.4	4.6
Charleston MSA	5.0	4.3	4.9
Huntington MSA	5.4	5.0	5.4
Morgantown MSA	4.0	3.4	3.7
Parkersburg MSA	6.2	5.9	5.6

West Virginia Payroll Employment Performance

Year-over-Year Percent Change through February 2008



West Virginia Unemployment Rate

Through February 2008



## WEST VIRGINIA

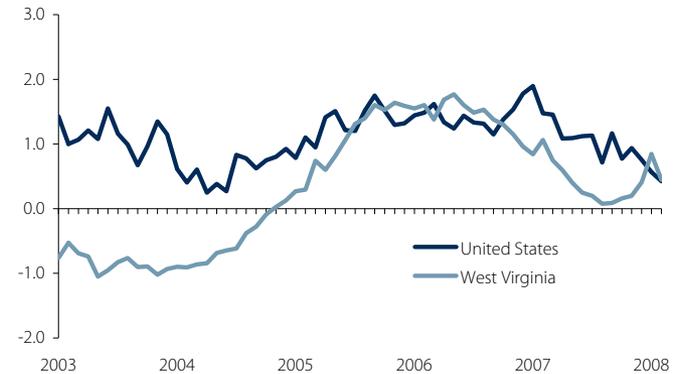
### Labor Market Conditions

Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	February	153,374	-0.29	0.42
Fifth District	February	14,888	-0.19	0.77
West Virginia	February	812	-0.06	0.45
Charleston MSA	February	137	0.00	-0.80
Huntington MSA	February	132	-0.15	-1.79
Morgantown MSA	February	63	3.61	1.77
Parkersburg MSA	February	79	-0.50	-1.50

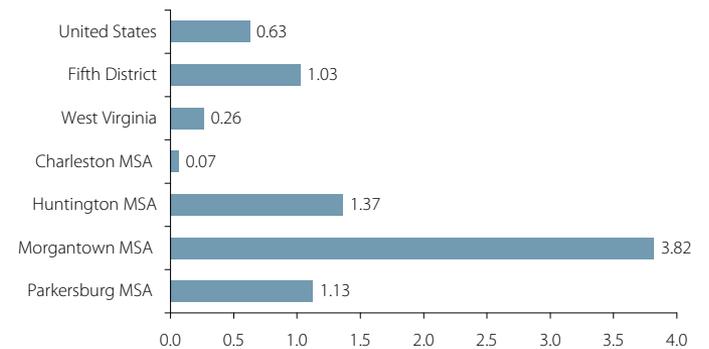
  

Initial Unemployment Claims (NSA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	February	1,388,337	-32.71	6.63
Fifth District	February	131,299	-39.93	12.67
West Virginia	February	6,073	-47.01	-15.17

West Virginia Labor Force  
Year-over-Year Percent Change through February 2008



West Virginia Total Employment Performance  
Year-over-Year Percent Change through February 2008



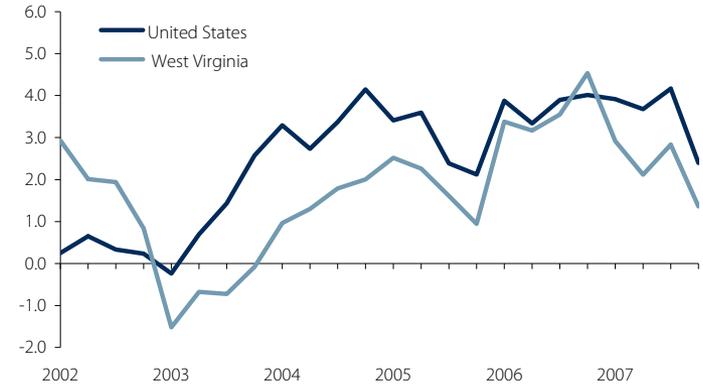
## WEST VIRGINIA

### Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	4Q:07	9,944,623	-0.18	2.40
Fifth District	4Q:07	945,875	-0.02	2.09
West Virginia	4Q:07	45,653	-0.04	1.36
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	3Q:07	211,742	3.93	27.66
Fifth District	3Q:07	16,198	6.95	26.46
West Virginia	3Q:07	1,071	-4.46	29.35
Mortgage Delinquencies (% Delinquent)	4Q:07	3Q:07	4Q:06	
United States				
All Mortgages	6.31	5.81	5.31	
Conventional	3.55	3.25	2.79	
Subprime	18.82	16.68	14.27	
West Virginia				
All Mortgages	7.88	7.27	7.44	
Conventional	5.16	5.06	5.20	
Subprime	22.22	19.23	19.16	

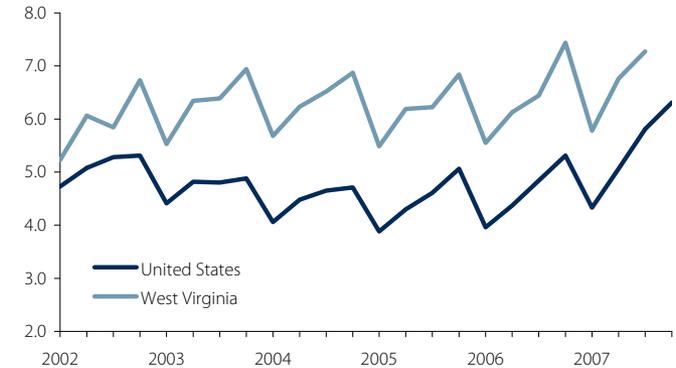
West Virginia Real Personal Income

Year-over-Year Percent Change through 4Q:07



West Virginia Mortgage Delinquencies - All

Percent Delinquent through 4Q:07

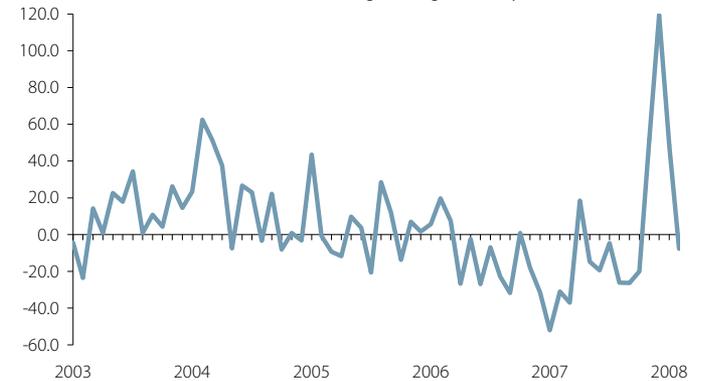


**WEST VIRGINIA**

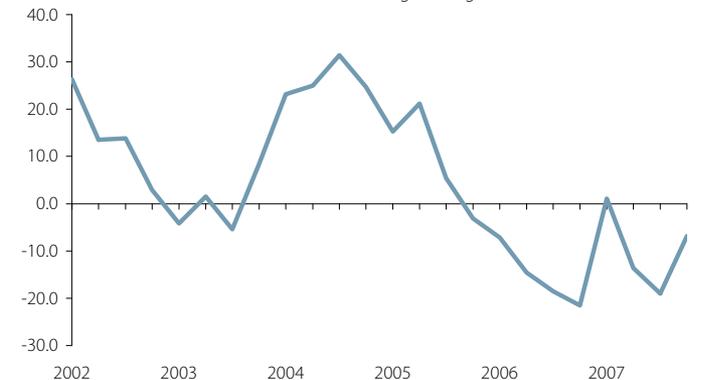
Real Estate Conditions

Total Private Building Permits	Period	Level	MoM % Change	YoY % Change
United States	February	73,386	-3.35	-33.22
Fifth District	February	11,477	-6.76	-27.00
West Virginia	February	275	-19.83	-7.72
Charleston MSA	February	10	-37.50	-56.52
Huntington MSA	February	10	-9.09	150.00
Morgantown MSA	February	60	53.85	5900.00
Parkersburg MSA	February	10	0.00	400.00
Total Private Housing Starts	Period	Level (000s)	MoM % Change	YoY % Change
United States	February	1,065.0	-0.56	-28.38
Fifth District	February	157.9	3.22	-25.63
West Virginia	February	3.8	-11.27	-5.50
Existing Home Sales	Period	Level (000s)	QoQ % Change	YoY % Change
United States	4Q:07	4,957.0	-8.54	-20.85
Fifth District	4Q:07	476.8	-9.28	-19.57
West Virginia	4Q:07	27.2	6.25	-6.85
House Price Index (1980=100)	Period	Level	QoQ % Change	YoY % Change
United States	4Q:07	390	0.09	0.84
Fifth District	4Q:07	397	-0.11	1.01
West Virginia	4Q:07	236	0.33	3.04
Charleston MSA (1995=100)	4Q:07	160	2.31	4.72
Huntington MSA (1995=100)	4Q:07	172	0.51	4.93
Morgantown MSA (1995=100)	4Q:07	185	0.67	4.85
Parkersburg MSA (1995=100)	4Q:07	162	2.46	4.11
Median Home Sales Price - NAR	Period	Level (\$ 000s)	QoQ % Change	YoY % Change
Charleston MSA	4Q:07	123	-0.41	7.52

West Virginia Building Permits  
Year-over-Year Percent Change through February 2008



West Virginia Existing Home Sales  
Year-over-Year Percent Change through 4Q:07



**Payroll Employment / Unemployment**

Bureau of Labor Statistics  
 Haver Analytics  
<http://www.bls.gov>

**Civilian Labor Force**

Bureau of Labor Statistics  
 Haver Analytics  
<http://www.bls.gov/cps>

**Unemployment Insurance Claims**

U.S. Department of Labor  
 Haver Analytics  
<http://www.dol.gov>

**District Imports / Exports**

U.S. Census Bureau  
 Haver Analytics  
<http://www.census.gov>

**Personal Income**

Bureau of Economic Analysis  
 Haver Analytics  
<http://www.bea.gov>

**Median Family Income**

National Association of Home Builders/Wells Fargo  
 Haver Analytics  
<http://www.nahb.org>

**Bankruptcy Filings**

Administrative Office of the U.S. Courts  
 Haver Analytics  
<http://www.uscourts.gov/library.html>

**Mortgage Loans Past Due**

Mortgage Bankers Association of America  
 Haver Analytics  
<http://www.mortgagebankers.org>

**Private Building Permits**

U.S. Census Bureau  
 Haver Analytics  
<http://www.census.gov>

**Private Housing Starts**

Bank of Tokyo-Mitsubishi  
 Haver Analytics  
<http://www.bk.mufg.jp/english/index.html>

**Existing Home Sales**

National Association of Realtors  
 Haver Analytics  
<http://www.realtor.org>

**Pending Home Sales Index**

National Association of Realtors  
 Haver Analytics  
<http://www.realtor.org>

**Months' Supply of Home**

National Association of Realtors  
 Haver Analytics  
<http://www.realtor.org>

**Median Home Sales Price - NAR**

National Association of Realtors  
 Haver Analytics  
<http://www.realtor.org>

**Median Home Sales Price - NAHB**

National Association of Home Builders/Wells Fargo  
 Haver Analytics  
<http://www.nahb.org>

**House Price Index**

Office of Federal Housing Enterprise Oversight  
 Haver Analytics  
<http://www.ofheo.gov>

**Housing Opportunity Index**

National Association of Home Builders/Wells Fargo  
 Haver Analytics  
<http://www.nahb.org>

**Commercial Vacancy Rates**

CB Commercial Real Estate Group, Inc.  
 Haver Analytics  
<http://www.cbre.com>

**Home Inventory / Asking Price**

Housing Tracker.Net  
<http://www.housingtracker.net/>

**NOTES**

<sup>1</sup> Pending Home Sales Index: Measure of signed real estate contracts for existing single-family homes, condos, and co-ops

<sup>2</sup> Housing Opportunity Index: Share of homes sold considered to be affordable to a family earning the area's median income

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