



SNAPSHOT

A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

February 2014



Richmond • Baltimore • Charlotte

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FIFTH DISTRICT

February Summary

Economic activity in the Fifth Federal Reserve District was largely positive in recent months, with growth in labor markets and strengthening business conditions but some mixed reports in residential real estate.

Labor Markets: Firms in the Fifth District added 23,700 jobs (0.2 percent) to the economy in December and 175,900 jobs (1.3 percent) over the year. In December, the most positions were added in trade, transportation, and utilities (12,300 jobs) while the only two areas to contract were manufacturing and government that each shed 900 positions. On a year-over-year basis, all industries except "other" services and the government sector had positive job growth. The unemployment rate in the District fell 0.3 percentage point to 6.2 percent in December—the fifth consecutive month of decline. The reduction in the rate was due to a decrease in the number of unemployed while the labor force grew slightly, leaving the labor force participation rate unchanged at 62.7 percent. Lastly, real personal income in the District increased 0.4 percent in the third quarter and 1.8 percent over the preceding year.

Business Conditions: Fifth District business conditions were generally upbeat in January. The manufacturing composite index held strong as the result of solid performance in the indexes for volume of new orders and shipments. The index for employment remained positive but decelerated from December. Turning to the service sector, the revenues index in the retail subsector turned positive to a reading of 18 from -15 in December. In addition, the index for number of employees grew from a reading of 1 to 7 in January. In the non-retail subsector, the revenues index remained unchanged at 1 and the index for number of employees remained negative for the second straight month. Finally, the manufacturing survey reported a deceleration in price growth for both raw materials and finished goods. The service sector also reported decelerating price growth.

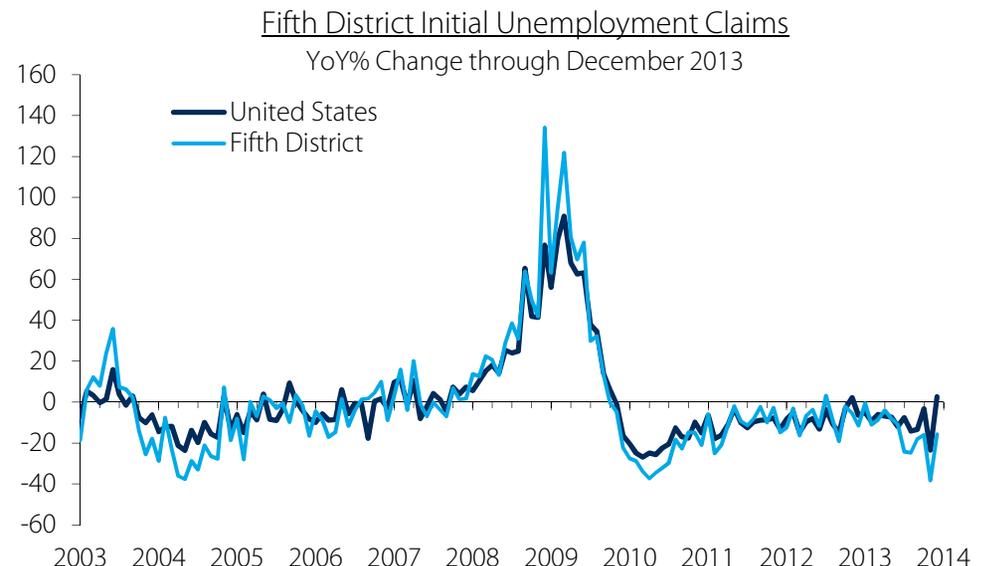
Housing Markets: Housing market activity varied across the Fifth District with mixed results in residential permitting, housing starts, and monthly changes to home prices, although all District states and D.C. posted appreciation in home values over the year. In the District as a whole, new residential permit activity was down 0.9 percent in December and down 2.8 percent over the prior year. Housing starts fell 15.1 percent from November and 6.3 percent from December 2012. Finally, according to CoreLogic Information Solutions, home prices in the District fell 0.3 percent in December but grew 5.7 percent since December 2012.

A Closer Look at... Unemployment Claims

Initial Claims (December 2013): 131,851 claims
Year-over-year Percent Change (December 2013): -15.6 percent
Highest Level since 2000: 365,738 claims (January 2002)

Characteristics of the Insured Unemployed (December 2013):

- Male:** 53.5 percent
- White:** 50.2 percent
- Black:** 36.4 percent
- Asian:** 0.6 percent
- Native American:** 2.1 percent
- Hispanic:** 4.8 percent
- Younger than 25:** 7.4 percent
- Older than 54:** 20.0 percent

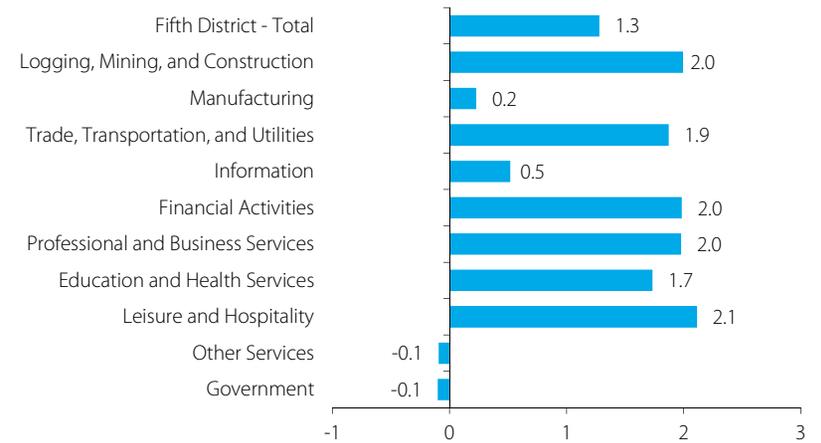


FIFTH DISTRICT

Labor Market Conditions

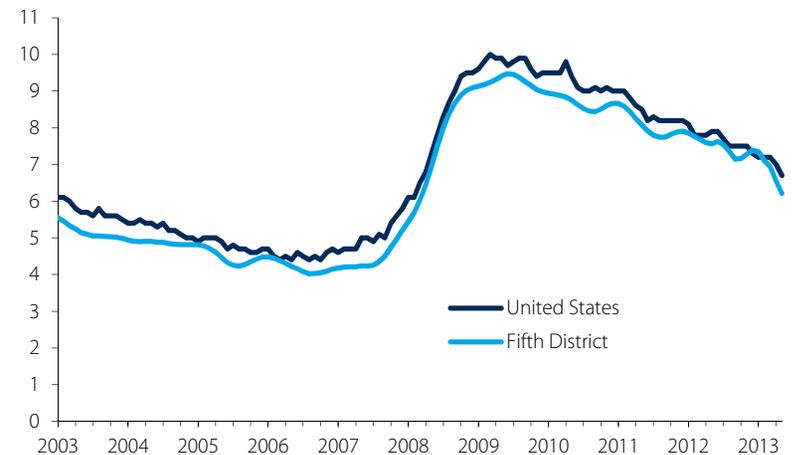
Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	December	136,877.0	0.05	1.62
Fifth District - Total	December	13,918.9	0.17	1.28
Logging, Mining, and Construction	December	680.6	0.03	1.99
Manufacturing	December	1,053.8	-0.09	0.23
Trade, Transportation, and Utilities	December	2,405.3	0.51	1.87
Information	December	232.3	0.04	0.52
Financial Activities	December	709.4	0.44	1.98
Professional and Business Services	December	2,134.5	0.09	1.98
Education and Health Services	December	1,953.4	0.08	1.73
Leisure and Hospitality	December	1,430.1	0.20	2.11
Other Services	December	639.7	0.53	-0.09
Government	December	2,679.9	-0.03	-0.10

Fifth District Payroll Employment Performance
Year-over-Year Percent Change through December 2013



Unemployment Rate (SA)	December 13	November 13	December 12
United States	6.7	7.0	7.9
Fifth District	6.2	6.5	7.6

Fifth District Unemployment Rate
Through December 2013



Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	154,937	-0.22	-0.35
Fifth District	December	15,305	0.02	-1.13

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	1,997,722	38.94	3.39
Fifth District	December	131,851	40.43	-15.64

February 2014

FEDERAL RESERVE BANK OF RICHMOND

FIFTH DISTRICT

Business Conditions

Manufacturing Survey (SA)	January 14	December 13	January 13
Composite Index	12	13	-10
Shipments	14	15	-11
New Orders	14	10	-14
Number of Employees	6	14	-4
Expected Shipments - Six Months	33	34	21
Raw Materials Prices (SAAR)	1.32	1.53	2.13
Finished Goods Prices (SAAR)	0.87	1.04	0.85
Service Sector Survey (SA)	January 14	December 13	January 13
Service Sector Employment	-2	1	-1
Services Firms Revenues	1	1	18
Retail Revenues	18	-15	-8
Big-Ticket Sales	-3	21	-24
Expected Retail Demand - Six Months	17	4	-6
Services Firm Prices	0.87	1.27	1.19
Retail Prices	1.47	1.52	1.64

District Imports	Period	Level (\$mil)	MoM % Change	YoY % Change
Baltimore, Maryland	December	2,864.44	-5.7	6.4
Wilmington, North Carolina	December	644.43	13.0	-13.9
Charleston, South Carolina	December	3,317.32	-4.5	6.2
Norfolk, Virginia	December	3,005.88	-4.6	5.5
District Exports	Period	Level (\$mil)	MoM % Change	YoY % Change
Baltimore, Maryland	December	2,864.44	74.3	59.5
Wilmington, North Carolina	December	644.43	92.1	53.2
Charleston, South Carolina	December	3,317.32	71.9	40.0
Norfolk, Virginia	December	3,005.88	17.2	8.4

Composite Manufacturing Index
3-Month Moving Average through January 2014



Norfolk Port District Exports
Year-over-Year Percent Change through December 2013



FIFTH DISTRICT

Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q3:13	13,203,069	0.56	2.46
Fifth District	Q3:13	108,530,700	0.43	1.82

Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q4:13	230,582	-11.26	-12.87
Fifth District	Q4:13	18,235	-5.93	-5.33

Real Estate Conditions

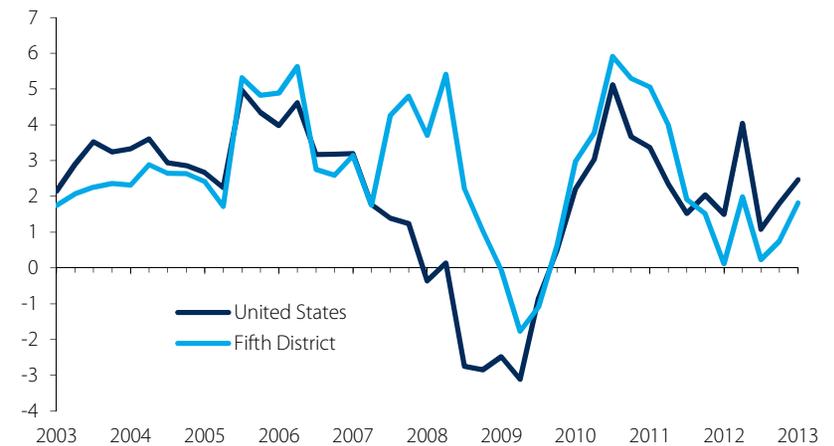
Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	75,485	5.25	15.91
Fifth District	December	8,957	-0.85	-2.77

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	999	-9.76	1.63
Fifth District	December	123	-15.07	-6.33

House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	December	164	-0.07	11.05
Fifth District	December	175	-0.29	5.70

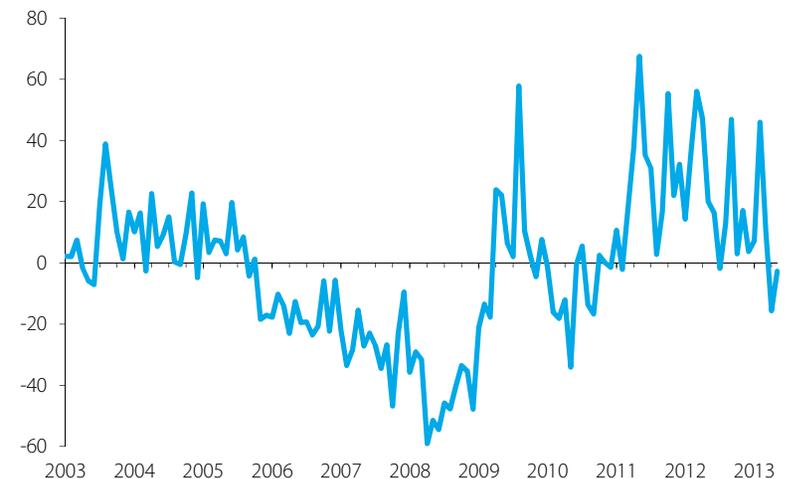
Fifth District Real Personal Income

Year-over-Year Percent Change through Q3:13



Fifth District Building Permits

Year-over-Year Percent Change through December 2013



DISTRICT OF COLUMBIA

February Summary

Recent economic activity in the District of Columbia varied with downbeat reports from labor markets, but generally improved conditions in housing markets and among D.C. households.

Labor Markets: Payroll employment in D.C. fell 0.3 percent (1,900 jobs) in December. The net job losses were spread across almost every industry with a notable contraction in “other” services, which shed 800 jobs—the industry’s largest single month decline since January 2002. Net job gains were reported only in government (400 jobs) and information services (100 jobs) while no change was reported in trade, transportation, and utilities. Total December employment in D.C. was down 0.1 percent from its year-ago level. However, when the view was broadened to the greater Washington D.C. MSA, December growth became positive with 1,800 jobs (0.1 percent) added in the month and 26,000 jobs (0.8 percent) added over the preceding year.

Household Conditions: Despite the payroll contractions, according to the household survey, the D.C. unemployment rate fell 0.5 percentage point to 8.1 percent in December as the number of unemployed fell. In addition, the labor force grew 0.7 percent in December, pushing the labor force participation rate up to 68.1 percent—the ninth highest rate in the country. In the third quarter, real personal income in D.C. rose 0.4 percent from the second quarter and 2.0 percent over the preceding year. Lastly, the share of all mortgages with payments more than 90 days late remained around 3.0 percent in the third quarter while the subprime 90+ day delinquency rate dropped 0.9 percentage point to 13.6 percent.

Housing Markets: The District of Columbia authorized 34 housing permits in December after issuing 22 in November and 532 in December 2012. Housing starts were also up 34.3 percent from November but down 93.8 percent over the prior year. Home prices increased marginally (0.1 percent) in December but more substantially (7.4 percent) on a year-over-year basis. In the greater Washington D.C. MSA, the trends were similar with permitting activity up 23.1 percent from November but down 33.2 percent since last year and home values appreciated 0.5 percent from November and 7.7 percent from December 2012.

A Closer Look at... Unemployment Claims

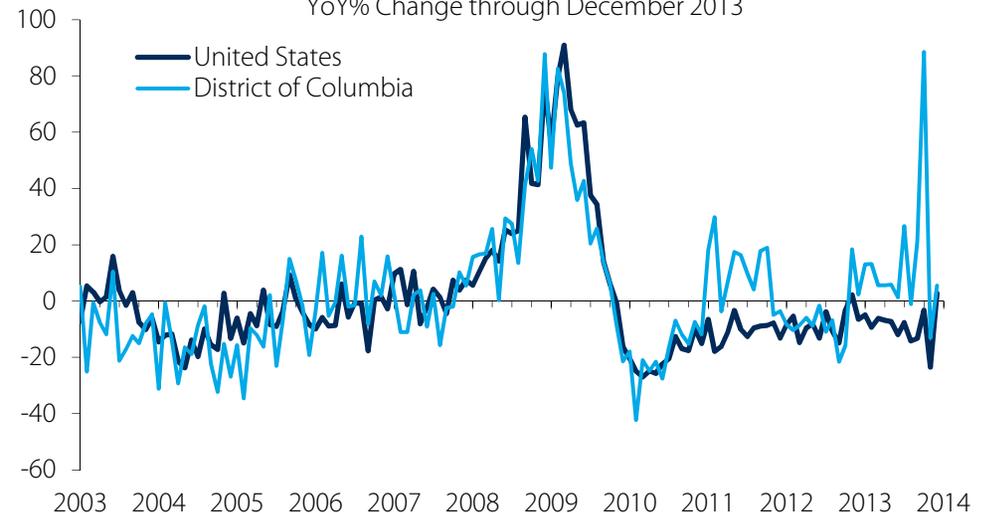
Initial Claims (December 2013): 1,871 claims
Year-over-year Percent Change (December 2013): 5.5 percent
Highest Level since 2000: 3,460 claims (October 2013)

Characteristics of the Insured Unemployed (December 2013):

- Male:** 47.2 percent
- White:** 20.3 percent
- Black:** 68.8 percent
- Asian:** 2.6 percent
- Native American:** 0.5 percent
- Hispanic:** 9.3 percent
- Younger than 25:** 7.3 percent
- Older than 54:** 19.2 percent

District of Columbia Initial Unemployment Claims

YoY% Change through December 2013



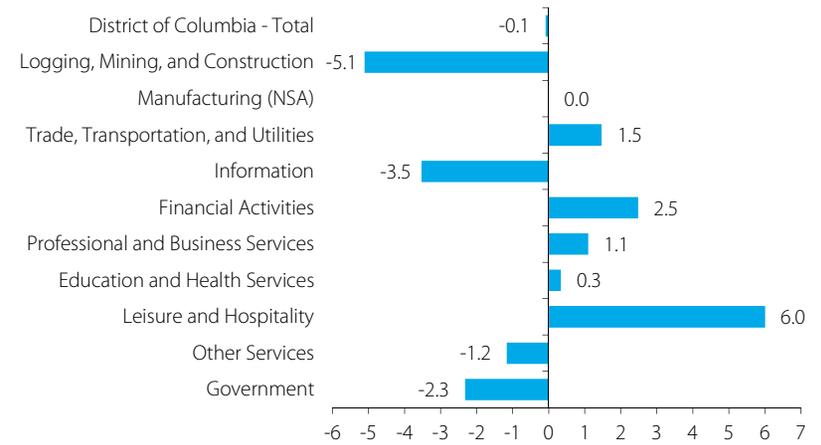
DISTRICT OF COLUMBIA

Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	December	136,877.0	0.05	1.62
Fifth District - Total	December	13,918.9	0.17	1.28
District of Columbia - Total	December	732.4	-0.26	-0.08
Logging, Mining, and Construction	December	13.0	-0.76	-5.11
Manufacturing (NSA)	December	0.9	0.00	0.00
Trade, Transportation, and Utilities	December	27.6	0.00	1.47
Information	December	16.4	0.61	-3.53
Financial Activities	December	28.9	-1.03	2.48
Professional and Business Services	December	156.3	-0.26	1.10
Education and Health Services	December	116.9	-0.43	0.34
Leisure and Hospitality	December	68.8	-0.43	6.01
Other Services	December	67.9	-1.16	-1.16
Government	December	235.7	0.17	-2.32
Washington, D.C. MSA	December	3,085.1	0.06	0.85

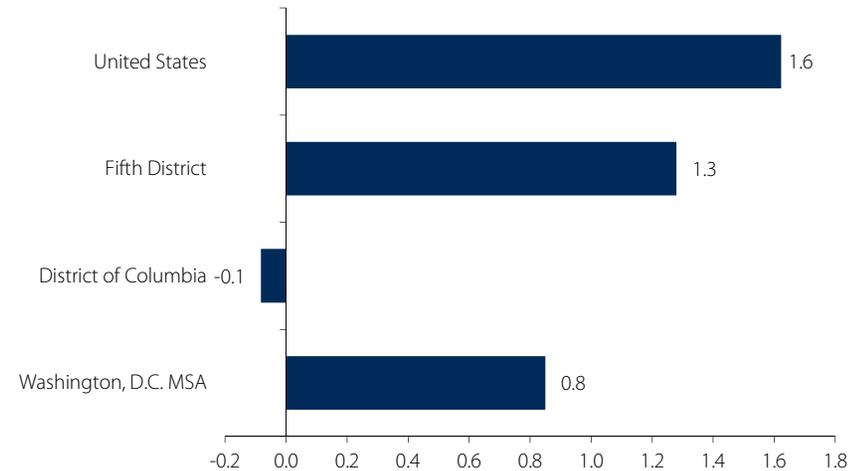
District of Columbia Payroll Employment Performance

Year-over-Year Percent Change through December 2013



District of Columbia Total Employment Performance

Year-over-Year Percent Change through December 2013



DISTRICT OF COLUMBIA

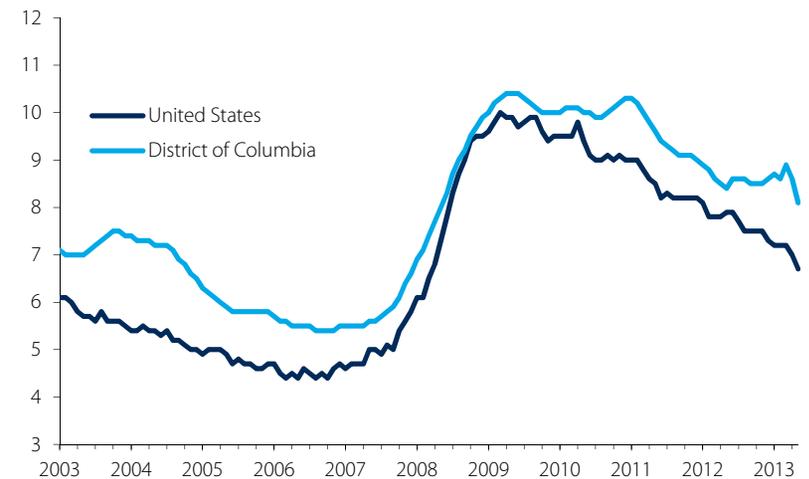
Labor Market Conditions

Unemployment Rate (SA)	December 13	November 13	December 12
United States	6.7	7.0	7.9
Fifth District	6.2	6.5	7.6
District of Columbia	8.1	8.6	8.4
Washington, D.C. MSA	5.1	5.4	5.4

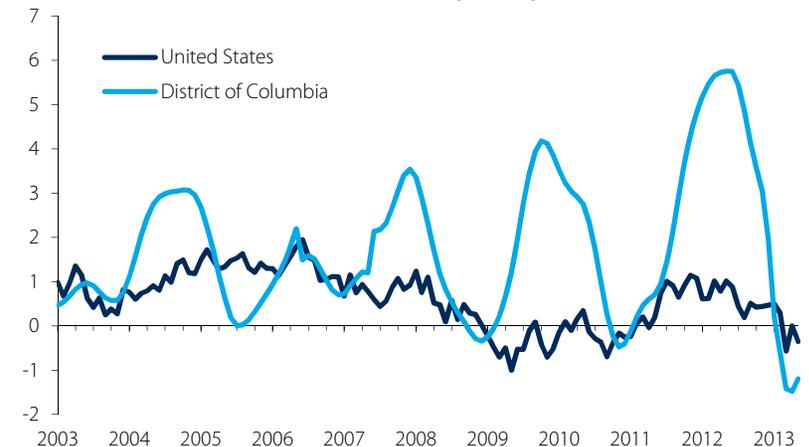
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	154,937	-0.22	-0.35
Fifth District	December	15,305	0.02	-1.13
District of Columbia	December	366	0.67	-1.19
Washington, D.C. MSA	December	3,186	0.14	-0.50

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	1,997,722	38.94	3.39
Fifth District	December	131,851	40.43	-15.64
District of Columbia	December	1,871	14.57	5.47

District of Columbia Unemployment Rate
Through December 2013



District of Columbia Labor Force
Year-over-Year Percent Change through December 2013



DISTRICT OF COLUMBIA

Household Conditions

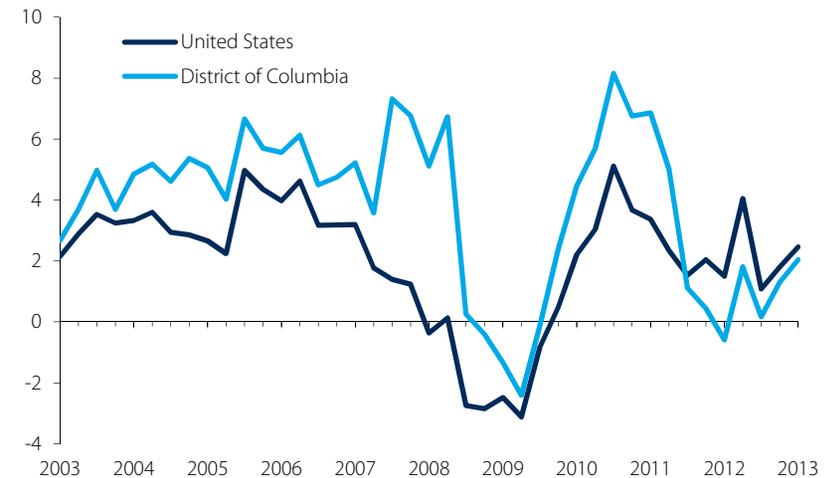
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q3:13	13,203,069	0.56	2.46
Fifth District	Q3:13	108,530,700	0.43	1.82
District of Columbia	Q3:13	45,217,333	0.39	2.04

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	2013	105.9	---	0.19

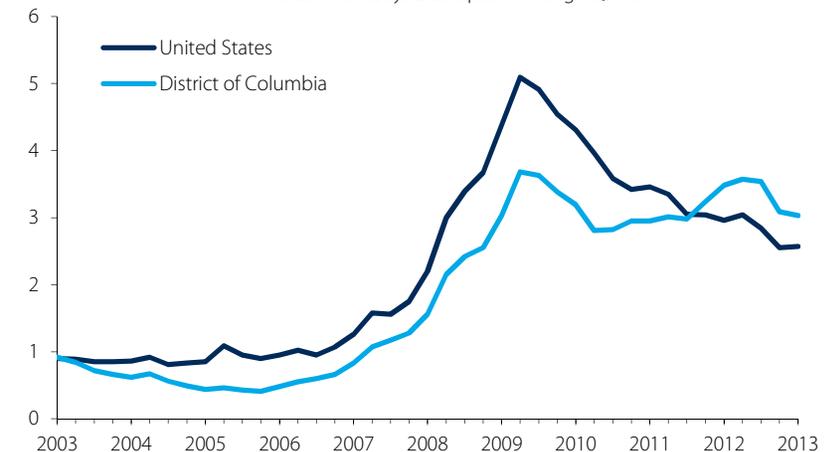
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q4:13	230,582	-11.26	-12.87
Fifth District	Q4:13	18,235	-5.93	-5.33
District of Columbia	Q4:13	161	-20.69	-16.15

Mortgage Delinquencies (% 90+ Days Delinquent)	Q3:13	Q2:13	Q3:12
United States			
All Mortgages	2.57	2.55	2.96
Prime	1.39	1.46	1.72
Subprime	9.24	9.10	9.36
District of Columbia			
All Mortgages	3.03	3.09	3.48
Prime	1.86	2.02	2.26
Subprime	13.57	14.48	14.05

District of Columbia Real Personal Income
Year-over-Year Percent Change through Q3:13



District of Columbia Mortgage Delinquencies
Percent 90+ Days Delinquent through Q3:13



DISTRICT OF COLUMBIA

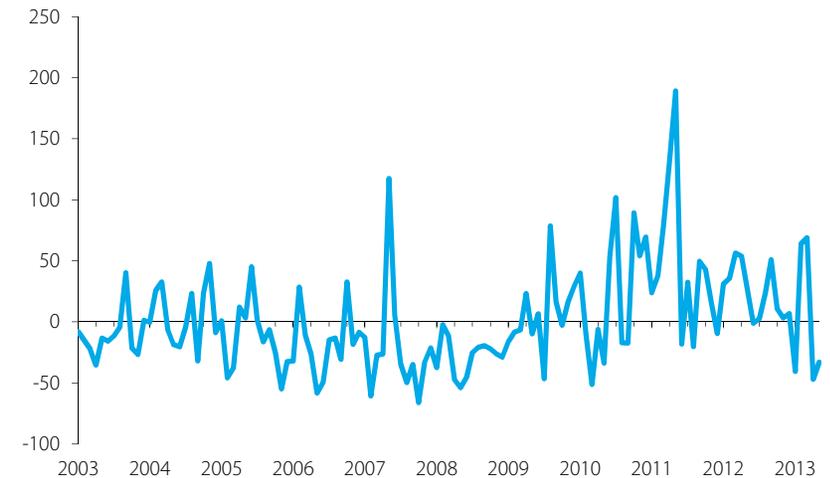
Real Estate Conditions

Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	75,485	5.25	15.91
Fifth District	December	8,957	-0.85	-2.77
District of Columbia	December	34	54.55	-93.61
Washington, D.C. MSA	December	1,578	23.09	-33.16

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	999	-9.76	1.63
Fifth District	December	123	-15.07	-6.33
District of Columbia	December	0.5	34.29	-93.79

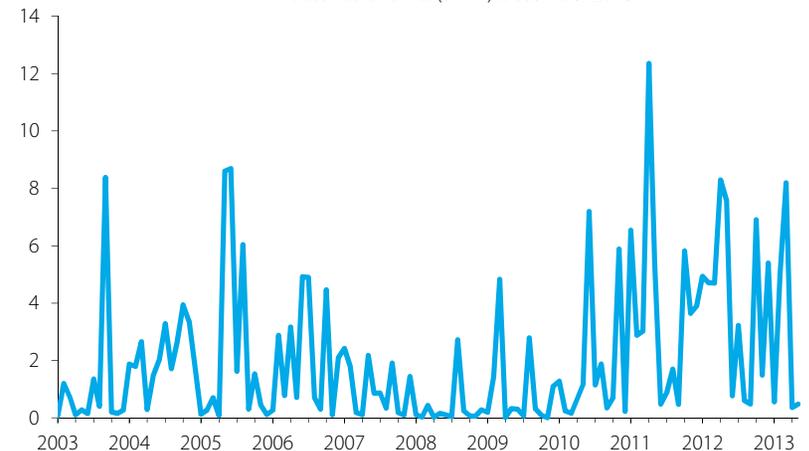
Washington, D.C. MSA Building Permits

Year-over-Year Percent Change through December 2013



District of Columbia Housing Starts

Thousands of Units (SAAR) December 2013



DISTRICT OF COLUMBIA

Real Estate Conditions

House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	December	164	-0.07	11.05
Fifth District	December	175	-0.29	5.70
District of Columbia	December	277	0.08	7.38
Washington, D.C. MSA	December	216	0.50	7.68

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	Q3:13	393	-2.61	8.34

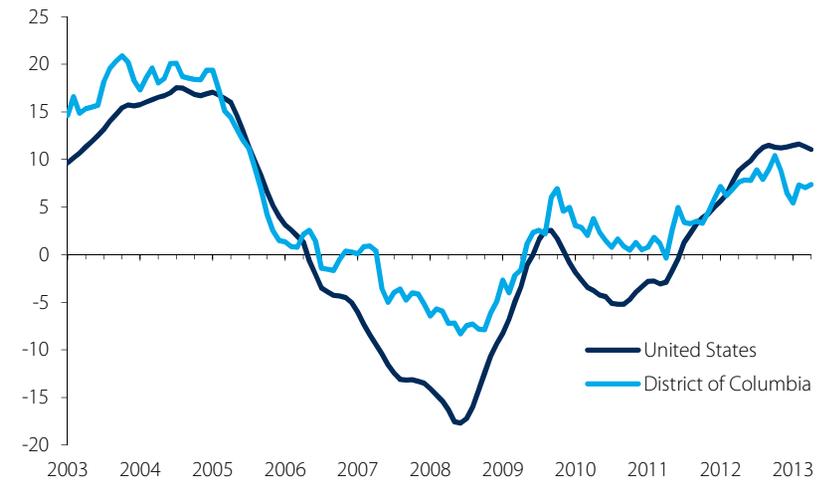
Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	Q3:13	365	0.00	7.99

Housing Opportunity Index (%)	Q3:13	Q2:13	Q3:12
Washington, D.C. MSA	66.4	70.1	74.5

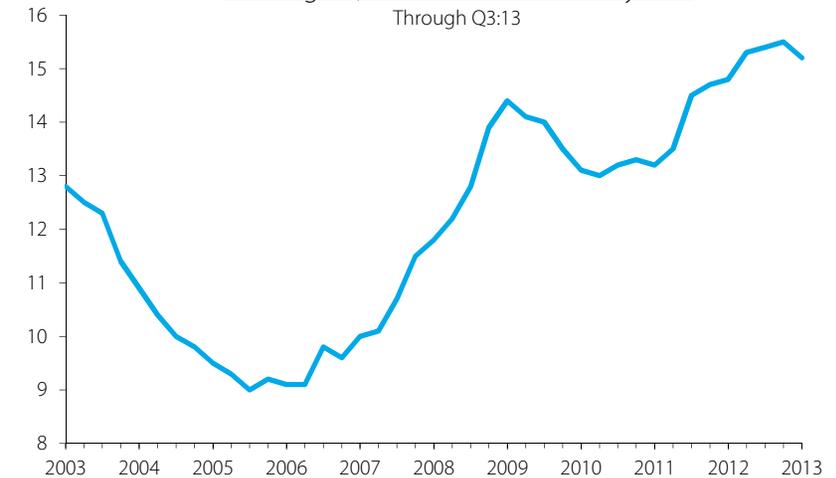
Commercial Vacancy Rates (%)	Q3:13	Q2:13	Q3:12
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Office Vacancies	Q3:13	Q2:13	Q3:12
Washington, D.C. MSA	15.2	15.5	14.8
Industrial Vacancies			
Washington, D.C. MSA	14.0	14.2	14.8
Retail Vacancies			
Washington, D.C. MSA	6.1	6.2	6.3

District of Columbia House Price Index (CoreLogic)
Year-over-Year Percent Change through December 2013



Washington, D.C. MSA Office Vacancy Rate
Through Q3:13



MARYLAND

February Summary

Recent reports on the Maryland economy were generally positive, with improvement in labor markets and household conditions but mixed results in residential real estate.

Labor Markets: Maryland added 7,300 jobs (0.3 percent) to the state economy in December, marking three consecutive months of job gains. The industries that added the most jobs were leisure and hospitality with 2,900 jobs (1.2 percent), professional business services with 2,700 jobs (0.6 percent) and trade, transportation, and utilities with 2,600 jobs (0.6 percent). Since December 2012, state payrolls grew 1.4 percent by adding 36,000 net new positions. Results were mixed at the metropolitan level with job gains in the Bethesda-Frederick metro division (2,700 jobs) and the Hagerstown MSA (200 jobs) and losses in every other metro area over the month. However, on a year over year basis, only the Salisbury MSA sustained net job losses; net hiring in the Cumberland MSA remained unchanged.

Household Conditions: The unemployment rate in Maryland dropped 0.3 percentage point to 6.1 percent in December with the number of unemployed falling and workers leaving the labor force. The labor force participation rate in the state fell 0.1 percentage point to 66.7 percent in December. In the third quarter, Maryland residents reported real personal income growth of 0.1 percent and growth of 1.2 percent over the preceding year. Meanwhile, the share of mortgages with payments 90 or more days late remained around 3.6 percent in the third quarter.

Housing Markets: Residential permitting activity in Maryland was down 19.4 percent in December and 15.7 percent since December 2012. Maryland housing starts were also down 31.0 percent in December, remaining 18.8 percent below the level reported in December 2012. Meanwhile, according to CoreLogic Information Solutions, home prices fell 0.1 percent in December but values appreciated 6.2 percent since December 2012. Turning to the state's metro areas, permitting activity was mixed in December and over the year with growth in the Baltimore and Salisbury MSAs, but declines in the Cumberland and Hagerstown MSAs. Home values depreciated in December among the state's metro areas but every MSA experienced house price growth since December 2012.

A Closer Look at... Unemployment Claims

Initial Claims (December 2013): 30,581 claims

Year-over-year Percent Change (December 2013): -1.9 percent

Highest Level since 2000: 48,693 claims (December 2009)

Characteristics of the Insured Unemployed (December 2013)*:

Male: 46.6 percent

White: 41.5 percent

Black: 32.2 percent

Asian: 0.0 percent

Native American: 0.3 percent

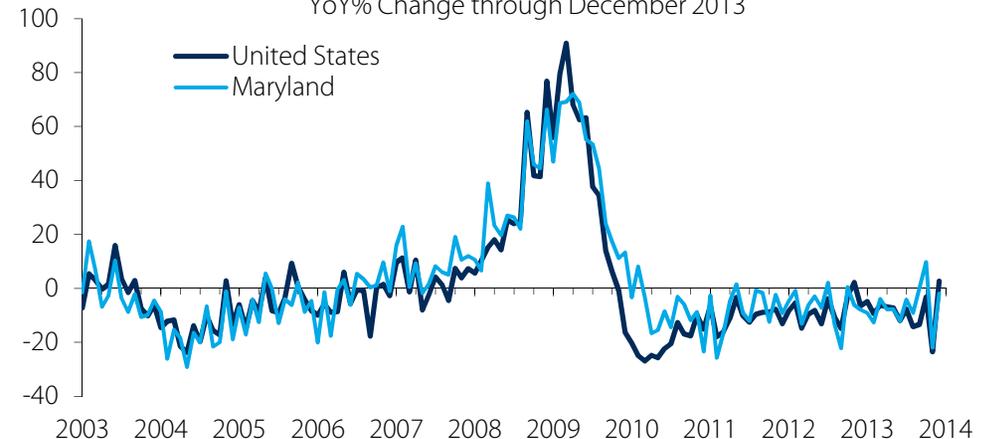
Hispanic: 5.0 percent

Younger than 25: 5.4 percent

Older than 54: 20.0 percent

Maryland Initial Unemployment Claims

YoY% Change through December 2013



*Approximately 19 percent of Maryland unemployment claims recipients did not report demographic information.

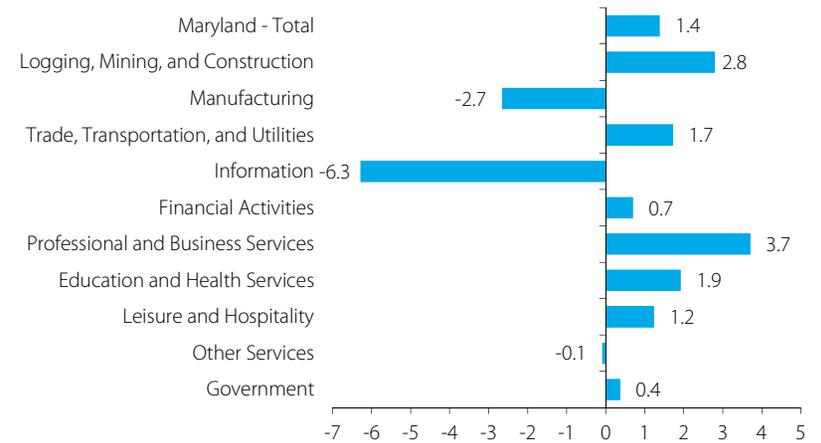
MARYLAND

Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	December	136,877.0	0.05	1.62
Fifth District - Total	December	13,918.9	0.17	1.28
Maryland - Total	December	2,625.2	0.28	1.39
Logging, Mining, and Construction	December	150.6	-0.07	2.80
Manufacturing	December	102.5	-1.54	-2.66
Trade, Transportation, and Utilities	December	459.7	0.57	1.73
Information	December	37.3	-1.32	-6.28
Financial Activities	December	144.2	0.70	0.70
Professional and Business Services	December	430.8	0.63	3.71
Education and Health Services	December	428.5	0.02	1.93
Leisure and Hospitality	December	252.7	1.16	1.24
Other Services	December	112.5	-0.09	-0.09
Government	December	506.4	0.06	0.38
Baltimore-Towson MSA - Total	December	1,351.3	-0.18	1.37
Bethesda-Frederick Metro Div. - Total	December	586.4	0.46	2.48
Cumberland MSA - Total	December	39.4	-0.51	0.00
Hagerstown MSA - Total	December	104.3	0.19	1.26
Salisbury MSA - Total	December	51.4	-0.77	-3.20

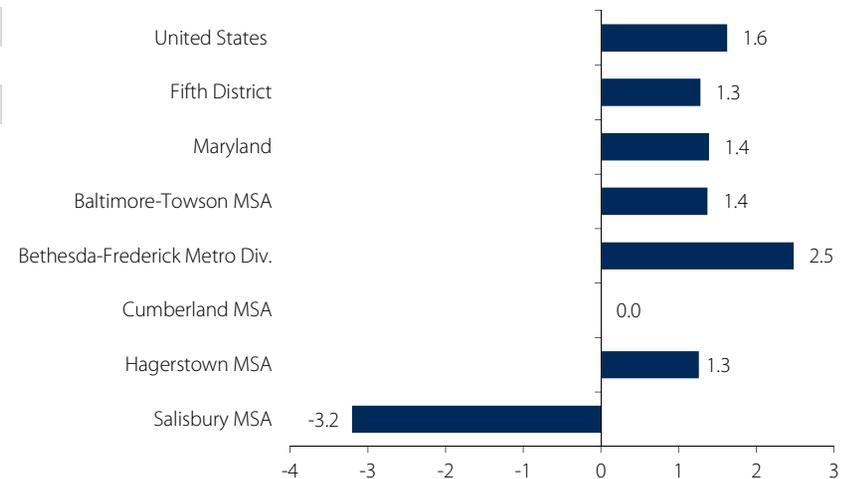
Maryland Payroll Employment Performance

Year-over-Year Percent Change through December 2013



Maryland Total Employment Performance

Year-over-Year Percent Change through December 2013



MARYLAND

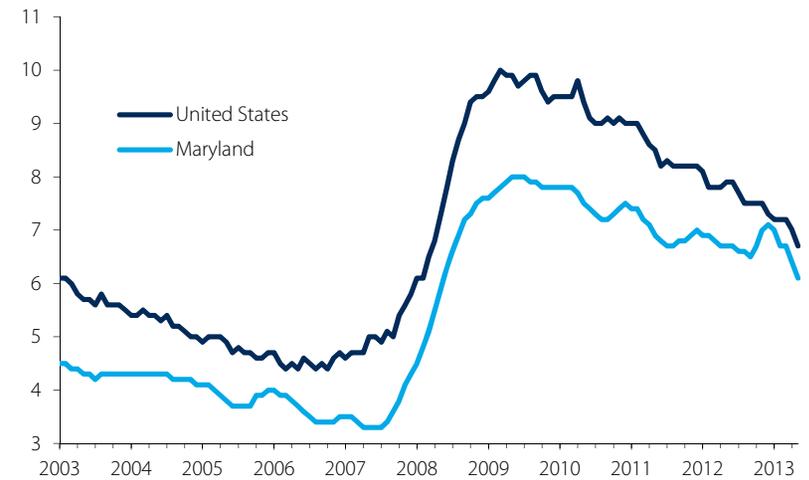
Labor Market Conditions

Unemployment Rate (SA)	December 13	November 13	December 12
United States	6.7	7.0	7.9
Fifth District	6.2	6.5	7.6
Maryland	6.1	6.4	6.7
Baltimore-Towson MSA	6.5	6.7	7.1
Bethesda-Frederick Metro Div.	4.8	5.0	5.2
Cumberland MSA	7.1	7.4	7.9
Hagerstown MSA	6.6	6.8	7.7
Salisbury MSA	8.3	8.5	8.7

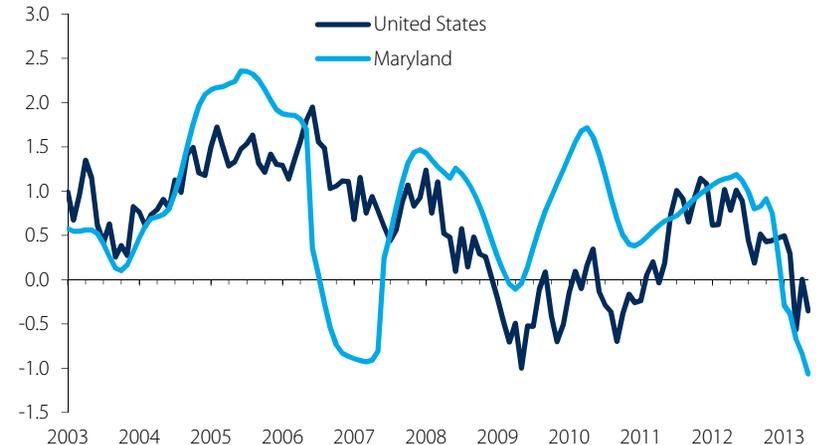
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	154,937	-0.22	-0.35
Fifth District	December	15,305	0.02	-1.13
Maryland	December	3,109	-0.10	-1.06
Baltimore-Towson MSA	December	1,474	-0.24	-0.71
Bethesda-Frederick Metro Div.	December	663	-0.24	-0.47
Cumberland MSA	December	50	0.00	-1.98
Hagerstown MSA	December	125	-0.16	-1.19
Salisbury MSA	December	63	0.00	-2.95

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	1,997,722	38.94	3.39
Fifth District	December	131,851	40.43	-15.64
Maryland	December	30,581	43.18	-1.87

Maryland Unemployment Rate
Through December 2013



Maryland Labor Force
Year-over-Year Percent Change through December 2013



MARYLAND

Household Conditions

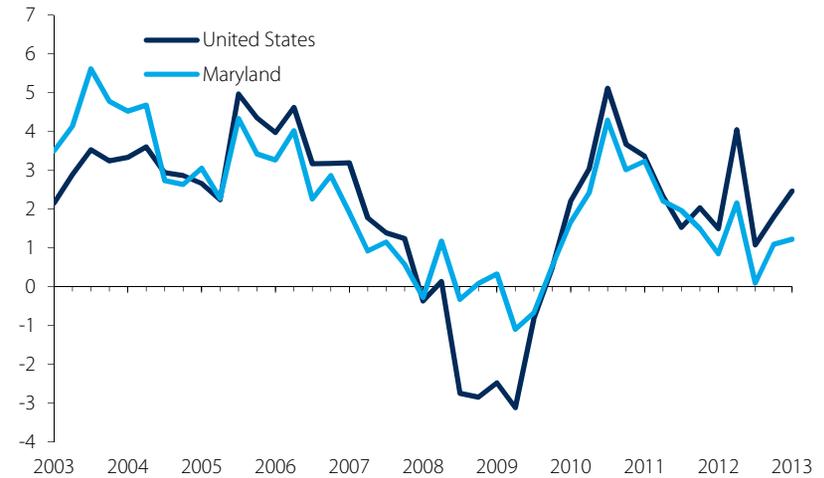
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q3:13	13,203,069	0.56	2.46
Fifth District	Q3:13	108,530,700	0.43	1.82
Maryland	Q3:13	301,393	0.12	1.22

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	2013	85.6	---	0.00
Bethesda-Frederick Metro Div.	2013	112.2	---	-1.06
Cumberland MSA	2013	53.3	---	---
Hagerstown MSA	2013	69.5	---	2.66
Salisbury MSA	2013	59.3	---	-7.92

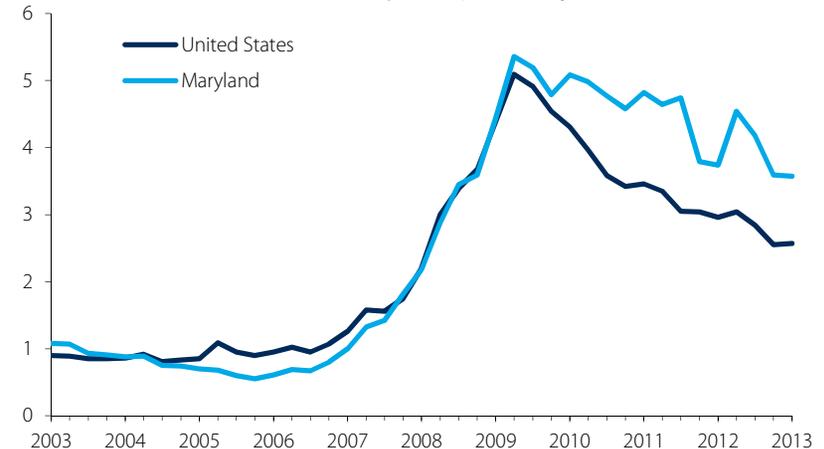
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q4:13	230,582	-11.26	-12.87
Fifth District	Q4:13	18,235	-5.93	-5.33
Maryland	Q4:13	5,189	-8.87	-1.14

Mortgage Delinquencies (% 90+ Days Delinquent)	Q3:13	Q2:13	Q3:12
United States			
All Mortgages	2.57	2.55	2.96
Prime	1.39	1.46	1.72
Subprime	9.24	9.10	9.36
Maryland			
All Mortgages	3.57	3.59	3.74
Prime	1.84	2.04	2.07
Subprime	12.74	11.33	11.38

Maryland Real Personal Income
Year-over-Year Percent Change through Q3:13



Maryland Mortgage Delinquencies
Percent 90+ Days Delinquent through Q3:13



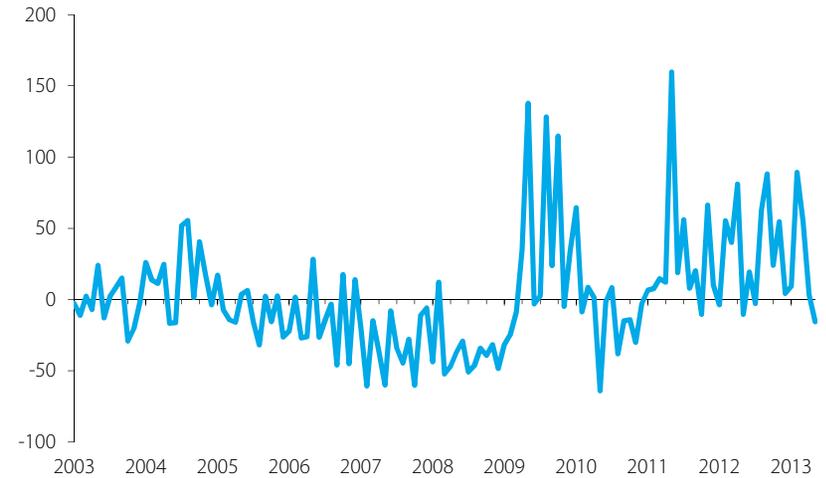
MARYLAND

Real Estate Conditions

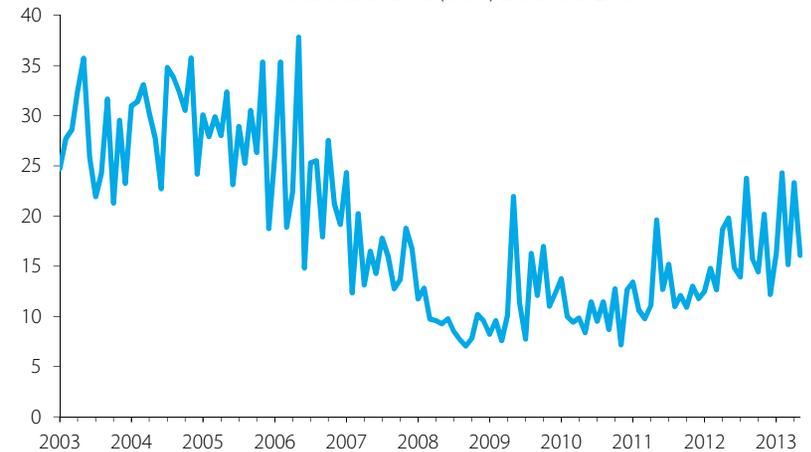
Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	75,485	5.25	15.91
Fifth District	December	8,957	-0.85	-2.77
Maryland	December	1,173	-19.38	-15.67
Baltimore-Towson MSA	December	466	19.79	0.87
Cumberland MSA	December	1	-50.00	-50.00
Hagerstown MSA	December	41	-65.55	-18.00
Salisbury MSA	December	24	4.35	300.00

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	999	-9.76	1.63
Fifth District	December	123	-15.07	-6.33
Maryland	December	16.1	-30.97	-18.78

Maryland Building Permits
Year-over-Year Percent Change through December 2013



Maryland Housing Starts
Thousands of Units (SAAR) December 2013



MARYLAND

Real Estate Conditions

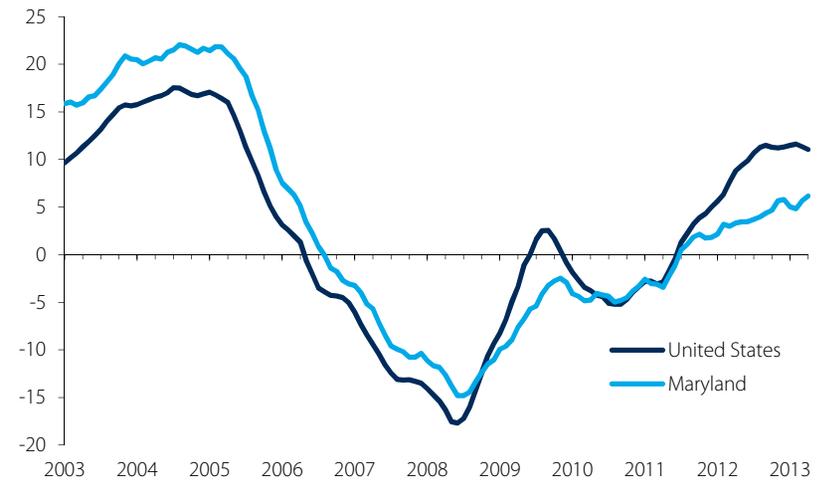
House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	December	164	-0.07	11.05
Fifth District	December	175	-0.29	5.70
Maryland	December	185	-0.08	6.15
Baltimore-Towson MSA	December	183	-0.06	4.98
Bethesda-Frederick Metro Div.	December	---	---	---
Cumberland MSA	December	184	-0.07	6.16
Hagerstown MSA	December	146	-0.07	5.02
Salisbury MSA	December	215	-0.07	4.80

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	Q3:13	267	1.45	4.84
Cumberland MSA	Q3:13	110	7.01	4.47
Hagerstown MSA	Q3:13	159	7.52	13.28

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	Q3:13	262	9.17	4.80
Bethesda-Frederick Metro Div.	Q3:13	378	5.59	0.80
Cumberland MSA	Q3:13	105	10.53	---
Hagerstown MSA	Q3:13	175	12.90	15.13
Salisbury MSA	Q3:13	140	3.70	10.24

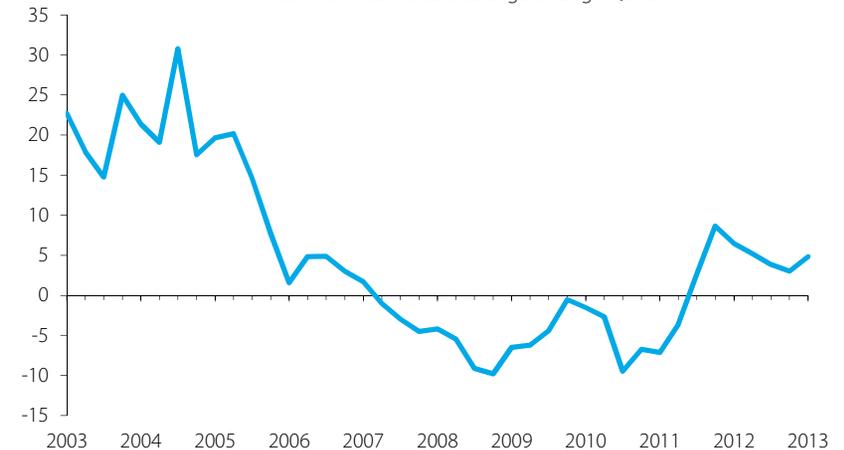
Maryland House Price Index (CoreLogic)

Year-over-Year Percent Change through December 2013



Baltimore-Towson MSA Median Home Sales Price (NAR)

Year-over-Year Percent Change through Q3:13



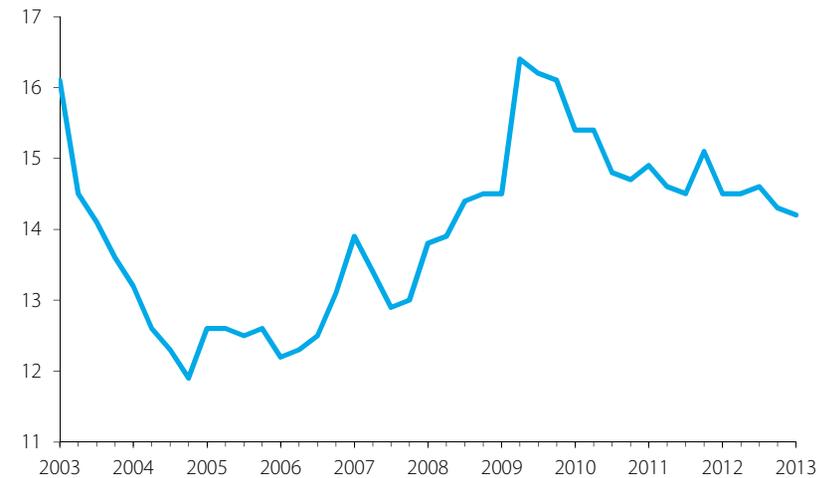
MARYLAND

Real Estate Conditions

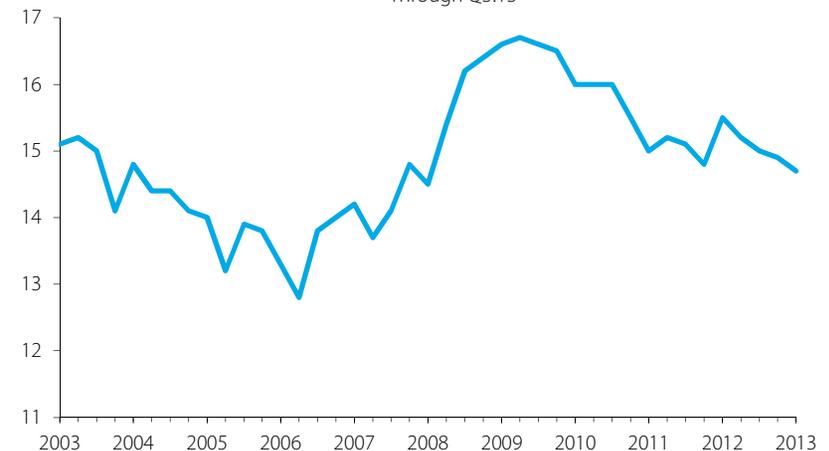
Housing Opportunity Index (%)	Q3:13	Q2:13	Q3:12
Baltimore-Towson MSA	69.9	77.5	74.3
Bethesda-Frederick Metro Div.	65.4	73.4	69.4
Cumberland MSA	90.0	94.7	---
Hagerstown MSA	85.0	89.8	92.0
Salisbury MSA	90.4	88.0	93.4

Commercial Vacancy Rates (%)	Q3:13	Q2:13	Q3:12
Office Vacancies			
Baltimore-Towson MSA	14.2	14.3	14.5
Retail Vacancies			
Baltimore-Towson MSA	7.3	7.1	7.7
Industrial Vacancies			
Baltimore-Towson MSA	14.7	14.9	15.5
Suburban Maryland (Washington, D.C. MSA)	14.6	14.6	15.2

Baltimore-Towson MSA Office Vacancy Rate
Through Q3:13



Baltimore-Towson MSA Industrial Vacancy Rate
Through Q3:13



NORTH CAROLINA

February Summary

Recent reports on the North Carolina economy were largely upbeat, with overall expansion in both labor and housing markets.

Labor Markets: Firms in North Carolina added 11,100 net new jobs (0.3 percent) to payrolls in December and 64,500 jobs (1.6 percent) since December 2012. The gains were spread across the majority of industries with the most jobs added in trade, transportation, and utilities (4,500 jobs) and "other" services (2,100 jobs) while the only industries to shed jobs were construction (500 jobs) and professional and business services (200 jobs). On a year-over-year basis, construction was the only industry to have contracted; in fact, the first three months of 2012 were the only other months since January 2008 when the industry reported year-over-year job gains. At the MSA level, employment changes were mostly positive in December with only the Durham and Winston-Salem MSAs reporting job losses in the month and all metro areas reporting job growth over the preceding year.

Household Conditions: The unemployment rate in North Carolina fell 0.5 percentage point from 7.4 percent to 6.9 percent in December due primarily to a 6.1 percent decline in the number of unemployed. Additionally, the labor force contracted slightly which reduced the participation rate by 0.1 percentage point to 61.2 percent. North Carolina residents reported real personal income growth of 0.6 percent in the third quarter and 2.0 percent over the prior year. Turning to mortgage delinquencies, the share of mortgages with payments more than 90 days late remained at 2.5 percent in the third quarter, which was 0.1 percentage point lower than the national average.

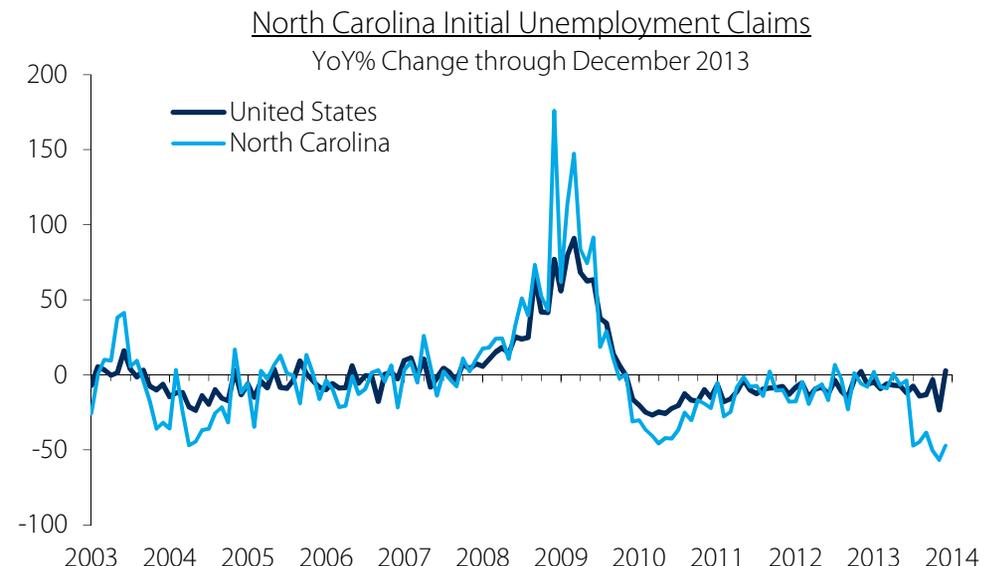
Housing Markets: The number of new residential permits in December was up 12.1 percent from November and 16.0 percent from December 2012. Meanwhile, housing starts in North Carolina were down slightly in December (4.0 percent) but up 11.8 percent from the preceding year. According to CoreLogic Information Solutions, home prices in the state fell 0.3 percent in December but values appreciated 4.3 percent since December 2012. Among North Carolina metro areas, permitting activity varied both in December and over the preceding year. Home values depreciated in December in all metro areas except for the Charlotte, Greenville, and Hickory MSAs, but prices grew over the preceding year in all but the Fayetteville, Greenville, and Jacksonville MSAs.

A Closer Look at... Unemployment Claims

Initial Claims (December 2013): 33,157 claims
Year-over-year Percent Change (December 2013): -47.3 percent
Highest Level since 2000: 187,624 claims (January 2002)

Characteristics of the Insured Unemployed (December 2013):

- Male:** 52.8 percent
- White:** 51.9 percent
- Black:** 39.4 percent
- Asian:** 1.0 percent
- Native American:** 1.6 percent
- Hispanic:** 4.9 percent
- Younger than 25:** 9.3 percent
- Older than 54:** 18.2 percent



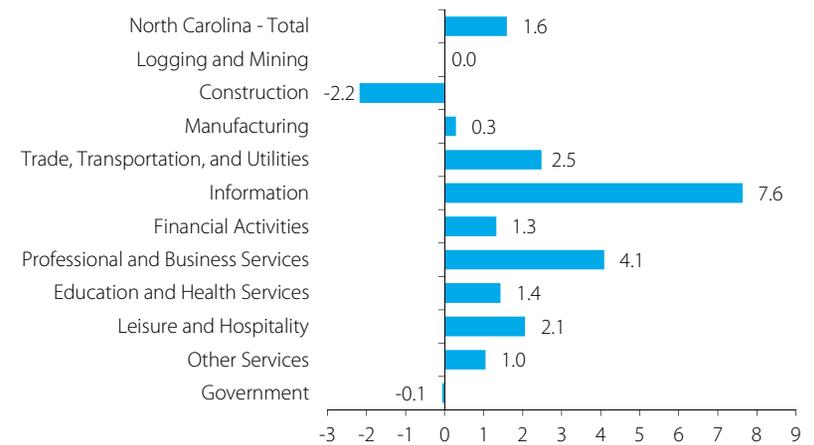
NORTH CAROLINA

Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	December	136,877.0	0.05	1.62
Fifth District - Total	December	13,918.9	0.17	1.28
North Carolina - Total	December	4,096.8	0.27	1.60
Logging and Mining	December	5.5	1.85	0.00
Construction	December	166.4	-0.30	-2.18
Manufacturing	December	444.2	0.16	0.29
Trade, Transportation, and Utilities	December	774.4	0.58	2.49
Information	December	74.7	0.40	7.64
Financial Activities	December	206.7	0.93	1.32
Professional and Business Services	December	565.0	-0.04	4.09
Education and Health Services	December	565.6	0.27	1.43
Leisure and Hospitality	December	435.5	0.05	2.06
Other Services	December	144.5	1.47	1.05
Government	December	714.3	0.07	-0.06
Asheville MSA - Total	December	175.7	0.34	1.86
Charlotte MSA - Total	December	889.6	0.53	2.58
Durham MSA - Total	December	292.6	-0.37	2.27
Fayetteville MSA - Total	December	130.2	0.23	0.31
Greensboro-High Point MSA - Total	December	349.4	0.17	1.60
Raleigh-Cary MSA - Total	December	538.1	0.67	2.44
Wilmington MSA - Total	December	142.0	0.57	1.79
Winston-Salem MSA - Total	December	208.7	-0.05	0.77

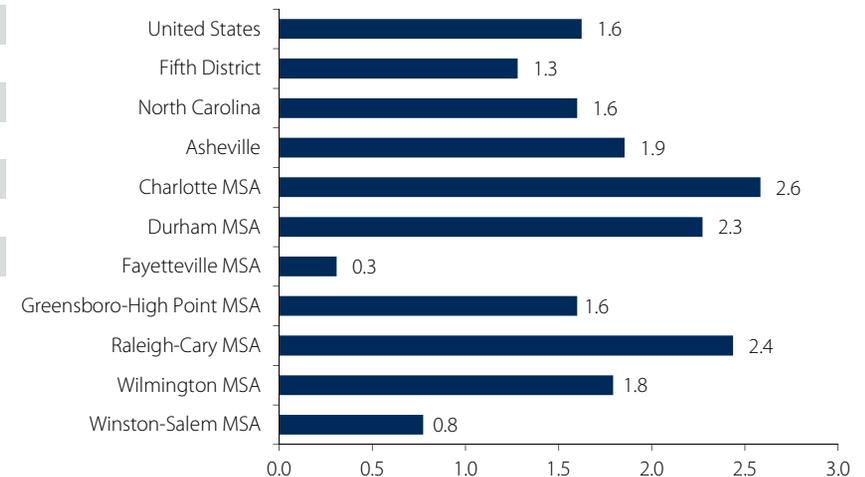
North Carolina Payroll Employment Performance

Year-over-Year Percent Change through December 2013



North Carolina Total Employment Performance

Year-over-Year Percent Change through December 2013



NORTH CAROLINA

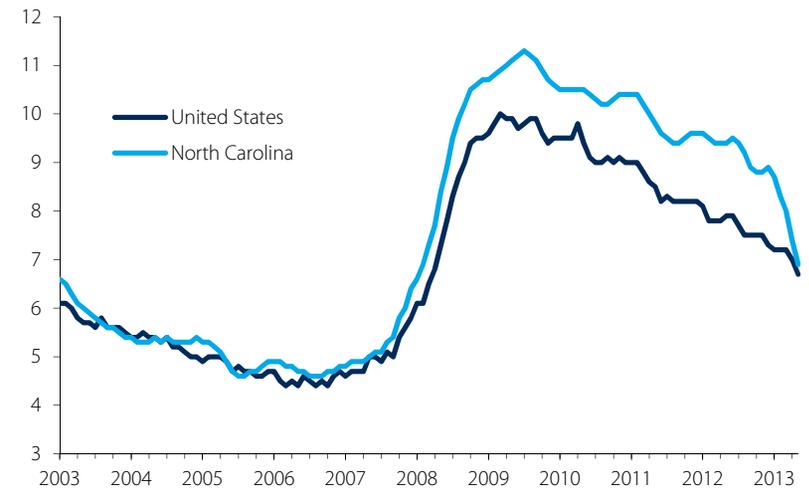
Labor Market Conditions

Unemployment Rate (SA)	December 13	November 13	December 12
United States	6.7	7.0	7.9
Fifth District	6.2	6.5	7.6
North Carolina	6.9	7.4	9.4
Asheville MSA	5.4	5.8	7.6
Charlotte MSA	7.0	7.5	9.4
Durham MSA	5.3	5.7	7.2
Fayetteville MSA	8.6	9.1	10.2
Greensboro-High Point MSA	7.4	7.8	9.8
Raleigh-Cary MSA	5.6	6.0	7.6
Wilmington MSA	7.3	7.8	9.6
Winston-Salem MSA	6.7	7.0	8.8

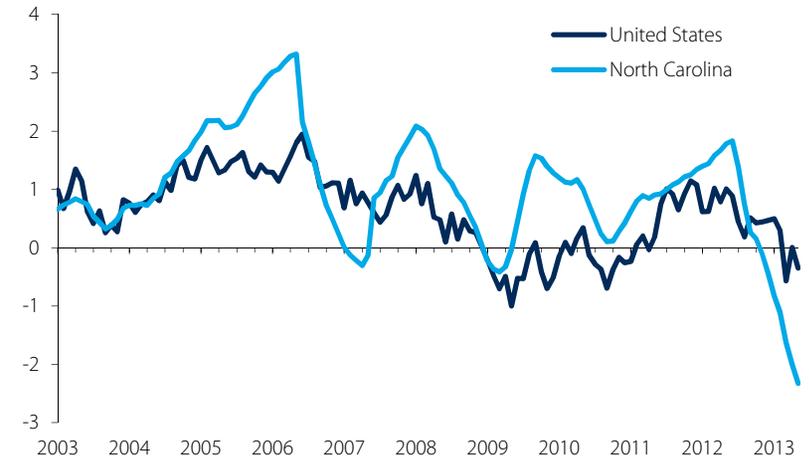
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	154,937	-0.22	-0.35
Fifth District	December	15,305	0.02	-1.13
North Carolina	December	4,656	-0.04	-2.33
Asheville MSA	December	217	-0.09	-2.04
Charlotte MSA	December	921	-0.18	-1.20
Durham MSA	December	276	0.07	-0.90
Fayetteville MSA	December	162	-0.25	-2.41
Greensboro-High Point MSA	December	367	-0.27	-2.45
Raleigh-Cary MSA	December	600	0.05	-1.40
Wilmington MSA	December	182	-0.16	-2.78
Winston-Salem MSA	December	240	-0.54	-2.64

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	1,997,722	38.94	3.39
Fifth District	December	131,851	40.43	-15.64
North Carolina	December	33,157	26.20	-47.25

North Carolina Unemployment Rate
Through December 2013



North Carolina Labor Force
Year-over-Year Percent Change through December 2013



NORTH CAROLINA

Household Conditions

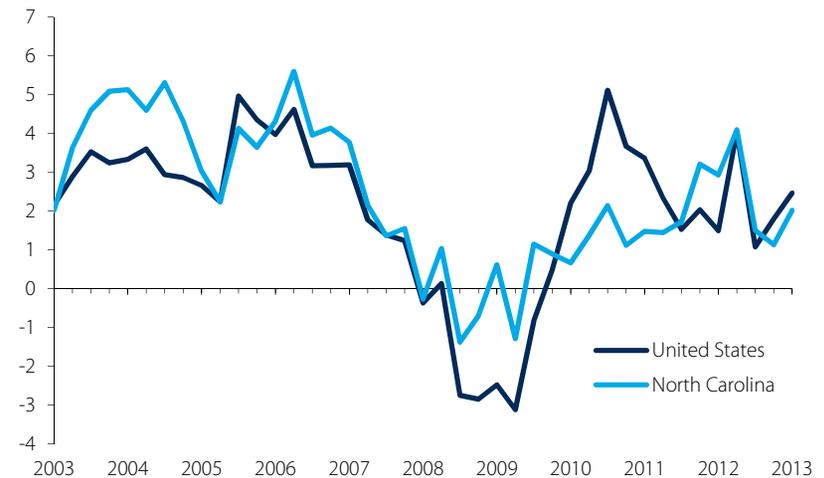
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q3:13	13,203,069	0.56	2.46
Fifth District	Q3:13	108,530,700	0.43	1.82
North Carolina	Q3:13	355,307	0.65	2.02

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Asheville MSA	2013	53.9	---	-7.71
Charlotte MSA	2013	64.1	---	-6.42
Durham MSA	2013	67.7	---	-1.46
Fayetteville MSA	2013	52.0	---	-1.33
Greensboro-High Point MSA	2013	54.5	---	-1.45
Raleigh-Cary MSA	2013	75.3	---	-5.76
Winston-Salem MSA	2013	59.5	---	-4.03

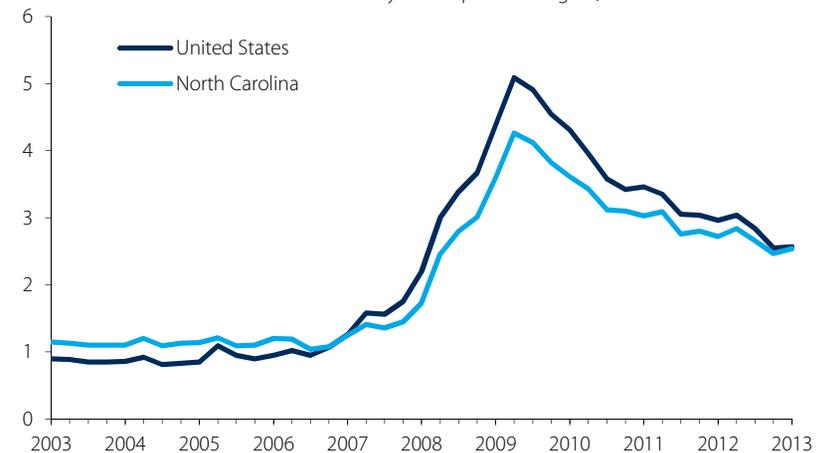
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q4:13	230,582	-11.26	-12.87
Fifth District	Q4:13	18,235	-5.93	-5.33
North Carolina	Q4:13	4,197	-6.92	-12.89

Mortgage Delinquencies (% 90+ Days Delinquent)	Q3:13	Q2:13	Q3:12
United States			
All Mortgages	2.57	2.55	2.96
Prime	1.39	1.46	1.72
Subprime	9.24	9.10	9.36
North Carolina			
All Mortgages	2.54	2.47	2.72
Prime	1.22	1.22	1.39
Subprime	10.07	9.86	9.64

North Carolina Real Personal Income
Year-over-Year Percent Change through Q3:13



North Carolina Mortgage Delinquencies
Percent 90+ Days Delinquent through Q3:13



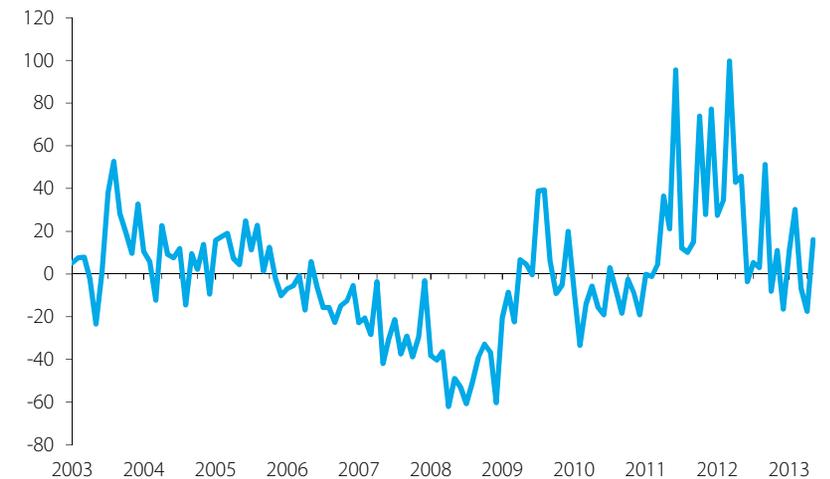
NORTH CAROLINA

Real Estate Conditions

Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	75,485	5.25	15.91
Fifth District	December	8,957	-0.85	-2.77
North Carolina	December	4,086	12.10	16.01
Asheville MSA	December	99	-40.00	7.61
Charlotte MSA	December	1,378	14.26	36.03
Durham MSA	December	135	-62.29	-3.57
Fayetteville MSA	December	60	-18.92	-82.04
Greensboro-High Point MSA	December	208	69.11	80.87
Greenville MSA	December	49	122.73	53.13
Hickory MSA	December	41	13.89	64.00
Jacksonville MSA	December	37	-2.63	-69.92
Raleigh-Cary MSA	December	1,186	39.53	27.12
Wilmington MSA	December	424	67.59	84.35
Winston-Salem MSA	December	70	12.90	75.00

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	999	-9.76	1.63
Fifth District	December	123	-15.07	-6.33
North Carolina	December	56.1	-4.01	11.78

North Carolina Building Permits
Year-over-Year Percent Change through December 2013



North Carolina Housing Starts
Thousands of Units (SAAR) December 2013



NORTH CAROLINA

Real Estate Conditions

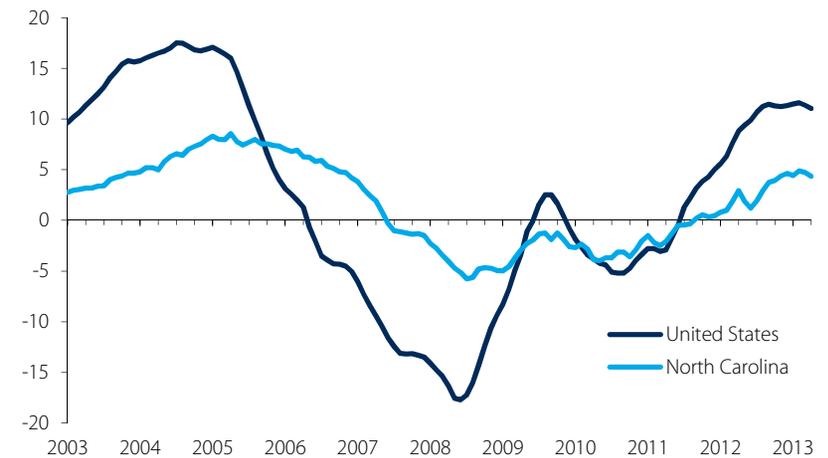
House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	December	164	-0.07	11.05
Fifth District	December	175	-0.29	5.70
North Carolina	December	132	-0.30	4.35
Asheville MSA	December	160	-0.19	11.04
Charlotte MSA	December	138	0.17	5.77
Durham MSA	December	136	-0.65	6.28
Fayetteville MSA	December	119	-0.64	-2.56
Greensboro-High Point MSA	December	112	-2.09	3.73
Greenville MSA	December	117	1.11	-4.42
Hickory MSA	December	112	0.50	0.93
Jacksonville MSA	December	145	-0.75	-1.83
Raleigh-Cary MSA	December	127	-0.15	5.82
Wilmington MSA	December	139	-0.71	5.06
Winston-Salem MSA	December	130	-1.56	2.43

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charlotte MSA	Q3:13	184	2.05	11.12
Durham MSA	Q3:13	192	-6.85	0.63
Greensboro-High Point MSA	Q3:13	136	0.15	8.10
Raleigh-Cary MSA	Q3:13	203	1.96	7.70

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Asheville MSA	Q3:13	195	5.41	8.94
Charlotte MSA	Q3:13	178	2.89	-2.20
Durham MSA	Q3:13	184	-5.64	0.00
Fayetteville MSA	Q3:13	131	3.97	-6.43
Greensboro-High Point MSA	Q3:13	140	2.19	0.72
Raleigh-Cary MSA	Q3:13	220	1.38	3.29
Winston-Salem MSA	Q3:13	128	-7.25	-3.03

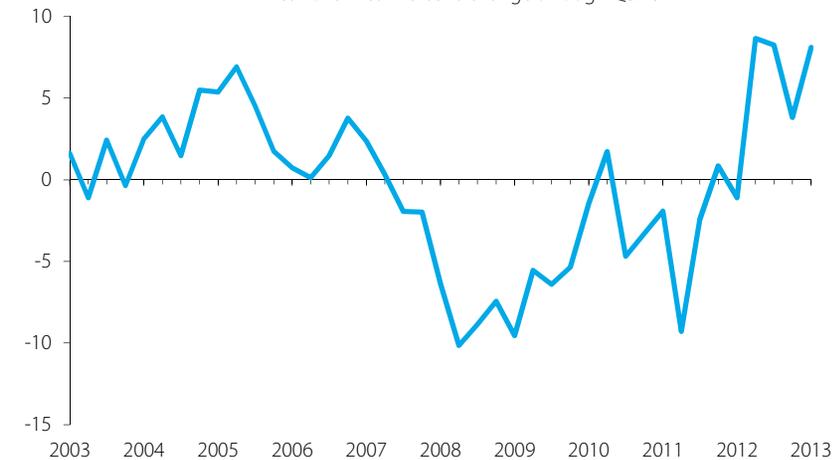
North Carolina House Price Index (CoreLogic)

Year-over-Year Percent Change through December 2013



Greensboro MSA Median Home Sales Price (NAR)

Year-over-Year Percent Change through Q3:13



NORTH CAROLINA

Real Estate Conditions

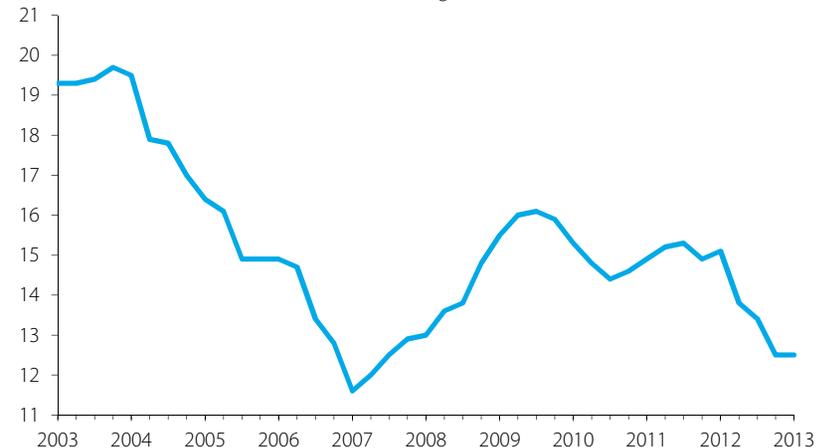
Housing Opportunity Index (%)	Q3:13	Q2:13	Q3:12
Asheville MSA	61.4	68.3	74.7
Charlotte MSA	70.7	74.1	70.2
Durham MSA	73.2	75.2	78.8
Fayetteville MSA	79.4	80.8	80.5
Greensboro-High Point MSA	74.1	79.6	77.9
Raleigh-Cary MSA	73.5	77.9	82.6
Winston-Salem MSA	84.0	84.8	85.9

Commercial Vacancy Rates (%)	Q3:13	Q2:13	Q3:12
Office Vacancies			
Raleigh/Durham	12.5	12.5	15.1
Charlotte	14.0	14.6	15.3
Retail Vacancies			
Raleigh/Durham	7.2	7.2	7.3
Charlotte	9.9	10.0	10.5
Industrial Vacancies			
Raleigh/Durham	13.6	12.9	14.3
Charlotte	10.0	12.3	14.0

Charlotte MSA Office Vacancy Rate
Through Q3:13



Raleigh/Durham CSA Industrial Vacancy Rate
Through Q3:13



SOUTH CAROLINA

February Summary

Economic conditions in South Carolina were generally upbeat, with expansion in labor markets and generally positive movements in residential real estate and among area households.

Labor Markets: South Carolina added 6,300 jobs (0.3 percent) to the economy in December and 36,800 jobs (2.0 percent) since December 2012. Looking at the state's industry figures shows gains of 3,200 jobs in trade, transportation, and utilities and 3,000 jobs in leisure and hospitality. The largest contraction occurred in the government sector, although the 1,100 net jobs lost were primarily due to a net loss of 1,200 jobs in state government. Local governments added 100 jobs and federal government employment remained unchanged. Drilling down to the metro level, all metro areas except the Sumter MSA reported monthly employment increases in December with the strongest performance coming from the Greenville MSA where firms added 1,800 jobs (0.6 percent) over the month and 4,400 jobs (1.4 percent) over the year.

Household Conditions: The South Carolina unemployment rate fell 0.5 percentage point to 6.6 percent in December as the number of unemployed declined by 6.4 percent. The labor force was virtually unchanged in December, but because population grew slightly, the participation rate dropped 0.1 percentage point to 58.0 percent. With regard to household balance sheets, third quarter real personal income in South Carolina grew 0.7 percent from the second quarter and 1.9 percent over the preceding year. Meanwhile, the share of mortgages with payments more than 90 days past due rose slightly to 2.3 percent in the third quarter but remained below the national 2.6 percent mark.

Housing Markets: South Carolina issued 1,686 residential permits in December which was 4.7 percent fewer than in November but 21.7 percent more than in December 2012. Similarly, housing starts were down 18.4 percent in December but up 17.3 percent over the prior year. Furthermore, according to CoreLogic Information Solutions, home prices fell 0.6 percent in December but rose 7.6 percent over the year. Turning to the state's metro areas, permitting activity varied across MSAs both in December and over the preceding year. Meanwhile, home values depreciated in December in all metro areas except the Myrtle Beach MSA; however, home values in all MSAs except the Sumter MSA appreciated since December 2012.

A Closer Look at... Unemployment Claims

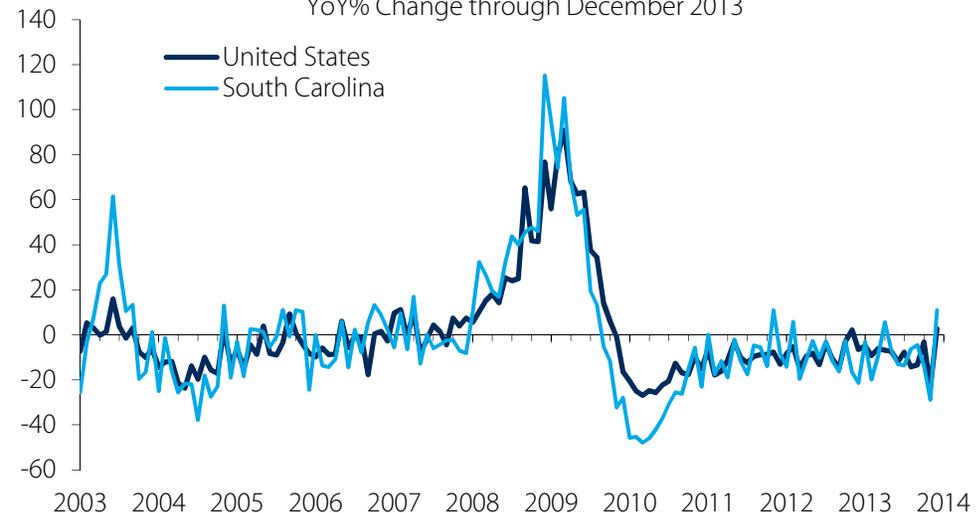
Initial Claims (December 2013): 25,973 claims
Year-over-year Percent Change (December 2013): 10.9 percent
Highest Level since 2000: 81,572 claims (January 2009)

Characteristics of the Insured Unemployed (December 2013):

- Male:** 51.5 percent
- White:** 50.9 percent
- Black:** 43.8 percent
- Asian:** 0.7 percent
- Native American:** 0.6 percent
- Hispanic:** 3.4 percent
- Younger than 25:** 8.6 percent
- Older than 54:** 19.7 percent

South Carolina Initial Unemployment Claims

YoY% Change through December 2013



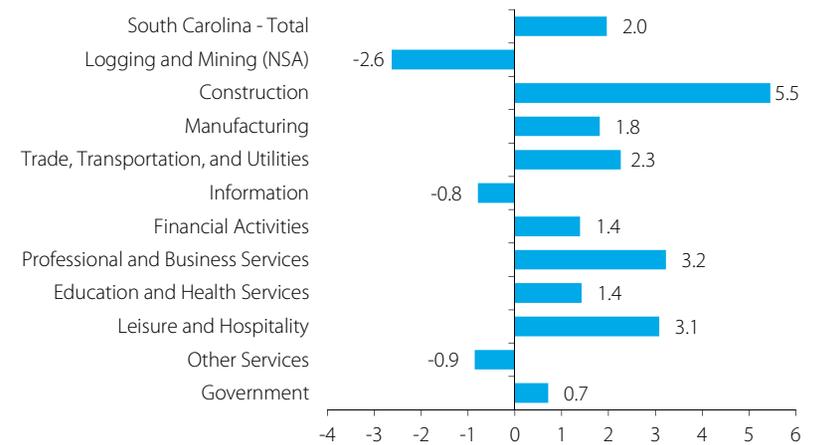
SOUTH CAROLINA

Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	December	136,877.0	0.05	1.62
Fifth District - Total	December	13,918.9	0.17	1.28
South Carolina - Total	December	1,913.3	0.33	1.96
Logging and Mining (NSA)	December	3.7	0.00	-2.63
Construction	December	83.1	-0.48	5.46
Manufacturing	December	224.7	0.22	1.81
Trade, Transportation, and Utilities	December	366.5	0.88	2.26
Information	December	25.1	0.00	-0.79
Financial Activities	December	101.8	-0.10	1.39
Professional and Business Services	December	240.0	0.17	3.23
Education and Health Services	December	213.8	-0.19	1.42
Leisure and Hospitality	December	230.7	1.32	3.08
Other Services	December	69.7	1.75	-0.85
Government	December	354.2	-0.31	0.71
Anderson MSA - Total	December	62.9	0.48	1.45
Charleston MSA - Total	December	310.5	0.03	1.24
Columbia MSA - Total	December	362.6	0.11	1.74
Florence MSA - Total	December	85.1	0.47	1.07
Greenville MSA - Total	December	314.2	0.58	1.42
Myrtle Beach MSA - Total	December	120.6	0.33	2.64
Spartanburg MSA - Total	December	125.0	0.32	0.56
Sumter MSA - Total	December	37.5	-0.53	0.54

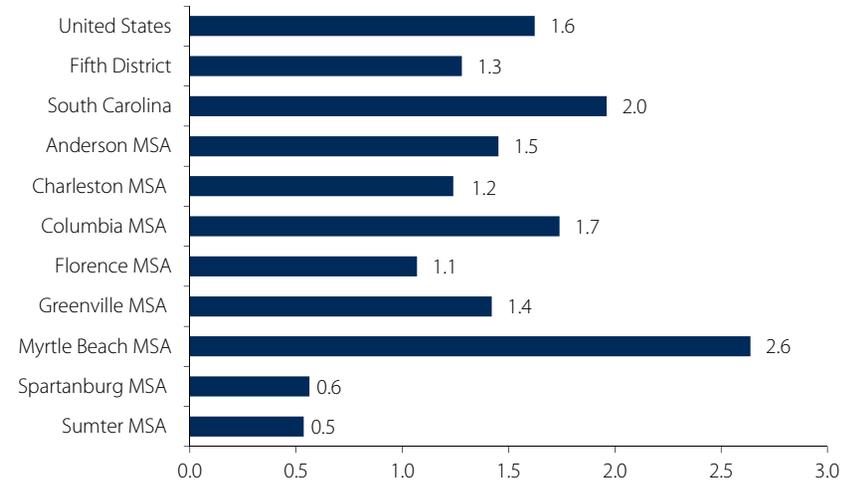
South Carolina Payroll Employment Performance

Year-over-Year Percent Change through December 2013



South Carolina Total Employment Performance

Year-over-Year Percent Change through December 2013



SOUTH CAROLINA

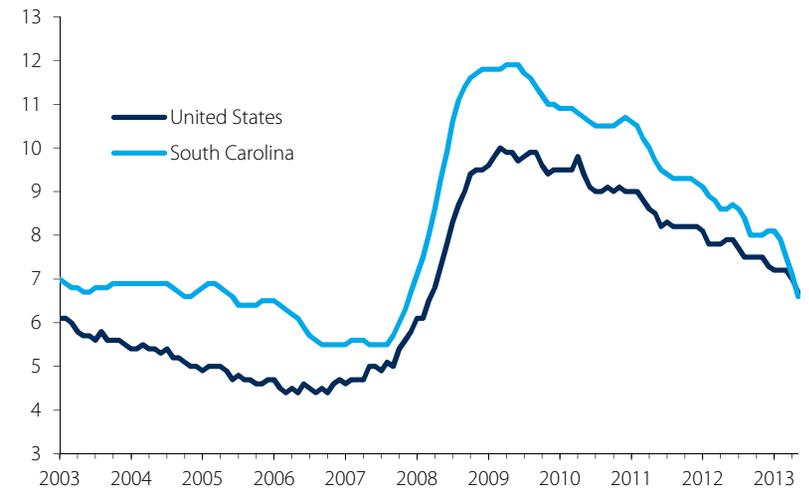
Labor Market Conditions

Unemployment Rate (SA)	December 13	November 13	December 12
United States	6.7	7.0	7.9
Fifth District	6.2	6.5	7.6
South Carolina	6.6	7.1	8.6
Anderson MSA	6.0	6.5	8.1
Charleston MSA	5.6	5.9	7.0
Columbia MSA	6.0	6.4	7.6
Florence MSA	7.9	8.5	9.5
Greenville MSA	5.5	5.9	7.1
Myrtle Beach MSA	7.3	8.0	9.6
Spartanburg MSA	6.6	7.1	8.5
Sumter MSA	7.4	8.0	9.8

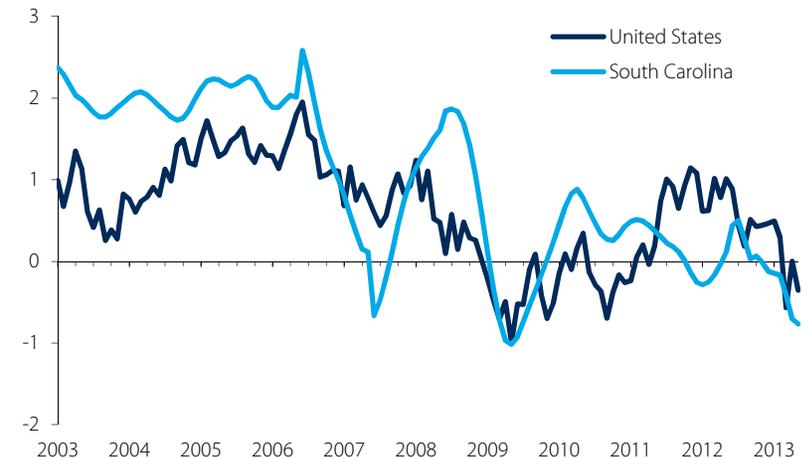
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	154,937	-0.22	-0.35
Fifth District	December	15,305	0.02	-1.13
South Carolina	December	2,154	0.04	-0.77
Anderson MSA	December	84	0.00	-1.30
Charleston MSA	December	333	-0.21	-0.75
Columbia MSA	December	371	-0.08	-0.43
Florence MSA	December	92	-0.11	-1.51
Greenville MSA	December	314	0.10	-0.66
Myrtle Beach MSA	December	130	0.00	-0.38
Spartanburg MSA	December	134	0.00	-1.90
Sumter MSA	December	44	-0.23	-2.25

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	1,997,722	38.94	3.39
Fifth District	December	131,851	40.43	-15.64
South Carolina	December	25,973	52.64	10.91

South Carolina Unemployment Rate
Through December 2013



South Carolina Labor Force
Year-over-Year Percent Change through December 2013



SOUTH CAROLINA

Household Conditions

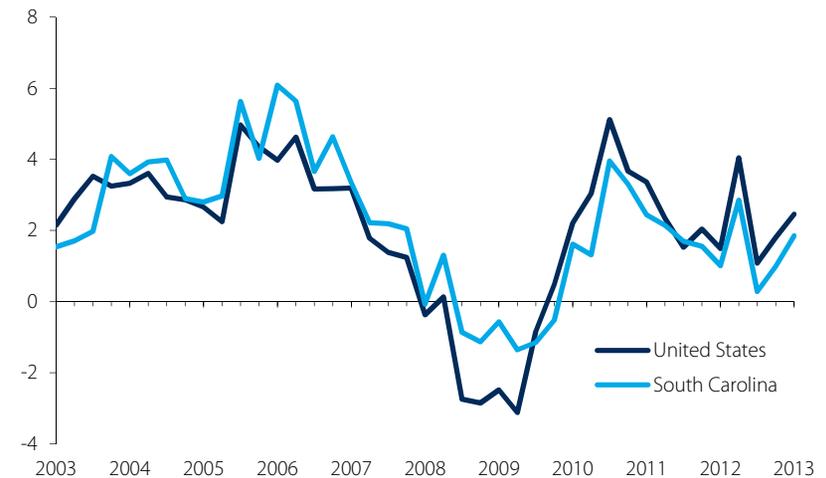
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q3:13	13,203,069	0.56	2.46
Fifth District	Q3:13	108,530,700	0.43	1.82
South Carolina	Q3:13	158,428	0.68	1.85

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Charleston MSA	2013	61.3	---	-2.70
Columbia MSA	2013	---	---	---
Greenville MSA	2013	58.0	---	-1.69

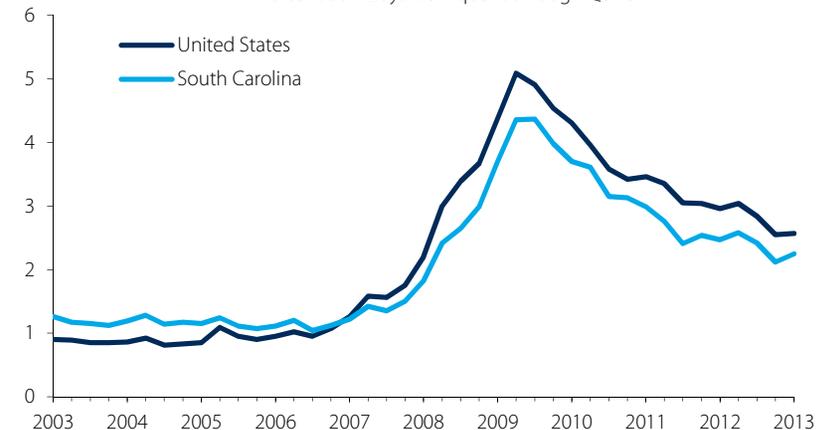
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q4:13	230,582	-11.26	-12.87
Fifth District	Q4:13	18,235	-5.93	-5.33
South Carolina	Q4:13	1,901	2.20	5.32

Mortgage Delinquencies (% 90+ Days Delinquent)	Q3:13	Q2:13	Q3:12
United States			
All Mortgages	2.57	2.55	2.96
Prime	1.39	1.46	1.72
Subprime	9.24	9.10	9.36
South Carolina			
All Mortgages	2.25	2.12	2.47
Prime	1.18	1.11	1.34
Subprime	7.85	7.88	8.13

South Carolina Real Personal Income
Year-over-Year Percent Change through Q3:13



South Carolina Mortgage Delinquencies
Percent 90+ Days Delinquent through Q3:13



SOUTH CAROLINA

Real Estate Conditions

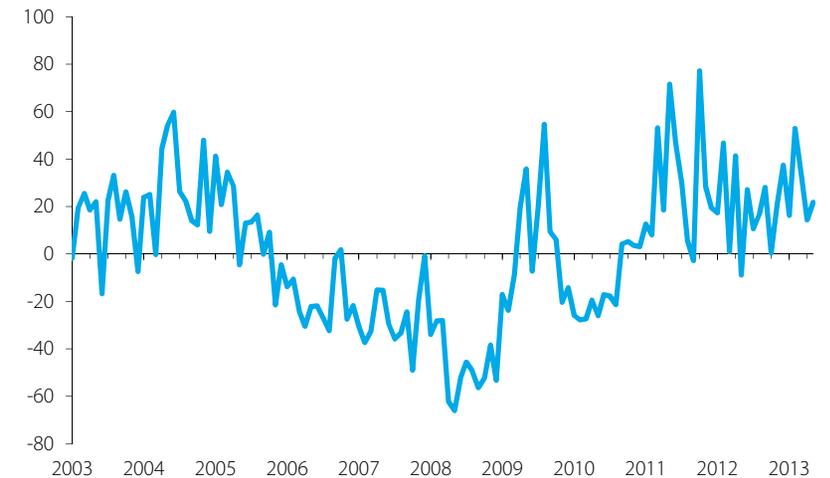
Total Private Building Permits (NSA) Period Level MoM % Change YoY % Change

United States	December	75,485	5.25	15.91
Fifth District	December	8,957	-0.85	-2.77
South Carolina	December	1,686	-4.75	21.73
Anderson MSA	December	74	117.65	57.45
Charleston MSA	December	258	-8.83	-4.44
Columbia MSA	December	269	-2.89	7.60
Florence MSA	December	27	12.50	-27.03
Greenville MSA	December	186	-18.42	-32.85
Myrtle Beach MSA	December	273	19.21	75.00
Spartanburg MSA	December	56	3.70	-16.42
Sumter MSA	December	77	266.67	541.67

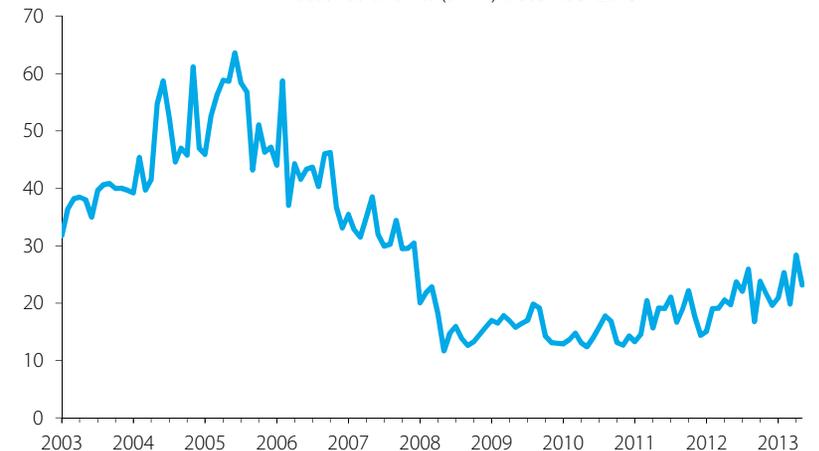
Total Private Housing Starts (SAAR) Period Level (000s) MoM % Change YoY % Change

United States	December	999	-9.76	1.63
Fifth District	December	123	-15.07	-6.33
South Carolina	December	23.1	-18.44	17.29

South Carolina Building Permits
Year-over-Year Percent Change through December 2013



South Carolina Housing Starts
Thousands of Units (SAAR) December 2013



SOUTH CAROLINA

Real Estate Conditions

House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	December	164	-0.07	11.05
Fifth District	December	175	-0.29	5.70
South Carolina	December	147	-0.60	7.58
Anderson MSA	December	---	---	---
Charleston MSA	December	167	-0.53	3.00
Columbia MSA	December	118	-1.95	0.36
Florence MSA	December	144	-1.86	3.22
Greenville MSA	December	134	-1.25	7.10
Myrtle Beach MSA	December	172	2.42	20.56
Spartanburg MSA	December	110	-0.60	3.84
Sumter MSA	December	110	-2.85	-10.55

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charleston MSA	Q3:13	228	1.61	7.56
Columbia MSA	Q3:13	148	-0.07	1.86
Greenville MSA	Q3:13	166	3.70	6.02
Spartanburg MSA	Q3:13	134	5.43	6.52

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charleston MSA	Q3:13	212	1.44	2.91
Columbia MSA	Q3:13	---	---	---
Greenville MSA	Q3:13	159	-0.62	1.92

South Carolina House Price Index (CoreLogic)
Year-over-Year Percent Change through December 2013



Charleston MSA Median Home Sales Price (NAR)
Year-over-Year Percent Change through Q3:13



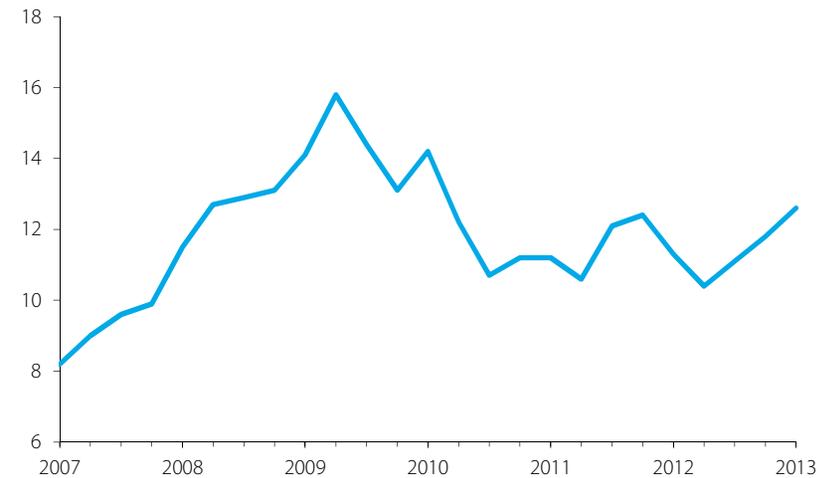
SOUTH CAROLINA

Real Estate Conditions

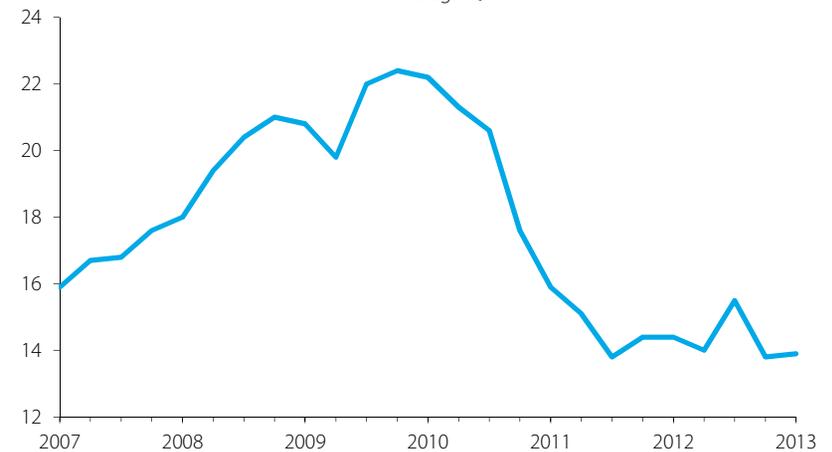
Housing Opportunity Index (%)	Q3:13	Q2:13	Q3:12
Charleston MSA	62.4	67.4	75.2
Columbia MSA	---	---	88.7
Greenville MSA	78.4	80.1	84.8

Commercial Vacancy Rates (%)	Q3:13	Q2:13	Q3:12
Office Vacancies			
Charleston	12.6	11.8	11.3
Industrial Vacancies			
Charleston	13.9	13.8	14.4

Charleston MSA Office Vacancy Rate
Through Q3:13



Charleston MSA Industrial Vacancy Rate
Through Q3:13



VIRGINIA

February Summary

Reports on the Virginia economy varied in recent months, with improving labor and household conditions, but less positive reports in housing.

Labor Markets: Firms in Virginia added 3,100 jobs (0.1 percent) in December and 31,500 jobs (0.8 percent) since December 2012. Job growth was mixed at the industry level with the largest gains in construction (2,500 jobs) and “other” services (1,300 jobs) and the largest losses from the leisure and hospitality sector that shed 2,600 jobs—giving up more than half of the 4,300 jobs gained in November. On a year-over-year basis, all industries except information, professional and business services, and the government sector posted net job gains. At the metro level, job growth in December was mixed, but only the Charlottesville and Lynchburg MSAs shed jobs over the year.

Household Conditions: The unemployment rate in Virginia fell 0.2 percentage point to 5.2 percent in November, driven by a reduction in the number of unemployed workers. Meanwhile the civilian labor force in the state grew slightly, which expanded the participation rate by 0.1 percentage point to 65.9 percent. Virginians reported real personal income growth of 0.1 percent in the third quarter and 1.2 percent over the prior year—slower than the U.S. year-over-year rate of 2.5 percent. Meanwhile, the share of mortgages with payments 90 days or more past due remained around 2.1 percent in the third quarter.

Housing Markets: Virginia issued 1,871 residential permits in December, a decrease of 6.0 percent over the prior month and 16.7 percent fewer than were issued in December 2012. The number of housing starts in Virginia also fell (19.5 percent) in December, remaining 19.7 percent below its level in December 2012. Furthermore, according to CoreLogic Information Solutions, home prices in the state decreased 0.3 percent in December but continued the persistent year-over-year growth in house prices by rising 5.7 percent since December 2012. Turning to the state’s metro areas, permitting activity generally declined with only the Roanoke MSA reporting growth in December and only the Winchester and Roanoke MSAs issuing more permits than in December 2012. All metro areas in the state excluding Danville posted house price decline in December, while only the Charlottesville and Lynchburg MSAs reported decline over the year.

A Closer Look at... Unemployment Claims

Initial Claims (December 2013): 30,053 claims

Year-over-year Percent Change (December 2013): 3.3 percent

Highest Level since 2000: 63,446 claims (December 2008)

Characteristics of the Insured Unemployed (December 2013):

Male: 58.0 percent

White: 49.3 percent

Black: 38.2 percent

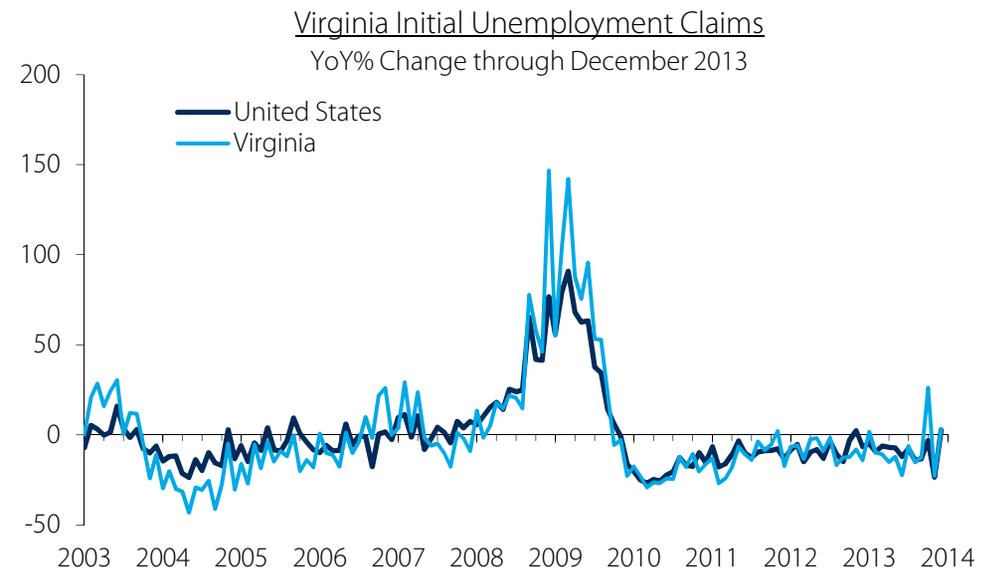
Asian: 0.5 percent

Native American: 7.6 percent

Hispanic: 5.1 percent

Younger than 25: 5.0 percent

Older than 54: 23.9 percent



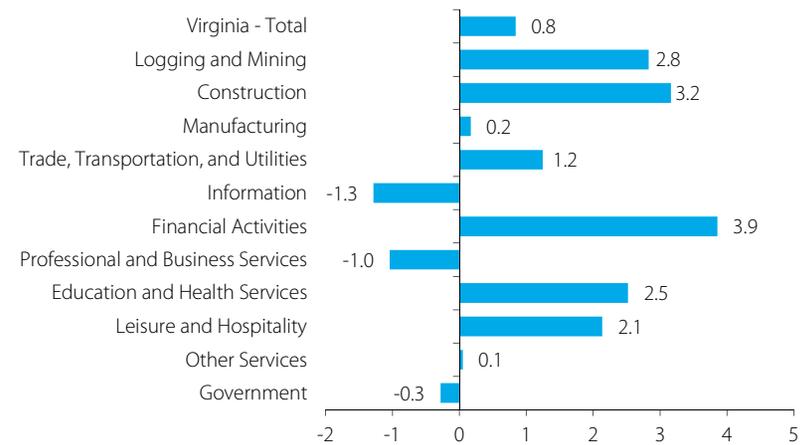
VIRGINIA

Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	December	136,877.0	0.05	1.62
Fifth District - Total	December	13,918.9	0.17	1.28
Virginia - Total	December	3,777.3	0.08	0.84
Logging and Mining	December	10.9	0.00	2.83
Construction	December	176.2	1.44	3.16
Manufacturing	December	232.9	0.00	0.17
Trade, Transportation, and Utilities	December	640.4	0.22	1.25
Information	December	69.3	0.29	-1.28
Financial Activities	December	199.3	0.20	3.86
Professional and Business Services	December	675.6	-0.04	-1.04
Education and Health Services	December	499.7	0.22	2.52
Leisure and Hospitality	December	367.9	-0.70	2.14
Other Services	December	191.3	0.68	0.05
Government	December	713.8	-0.13	-0.28
Blacksburg MSA - Total	December	74.2	-0.13	1.23
Charlottesville MSA - Total	December	100.3	-0.20	-0.40
Lynchburg MSA - Total	December	103.3	-1.62	-0.29
Northern Virginia - Total	December	1,373.2	-0.17	0.76
Richmond MSA - Total	December	633.6	-0.36	1.51
Roanoke MSA - Total	December	161.0	-0.06	1.00
Virginia Beach-Norfolk MSA - Total	December	762.7	0.16	1.19
Winchester MSA - Total	December	60.3	0.17	2.55

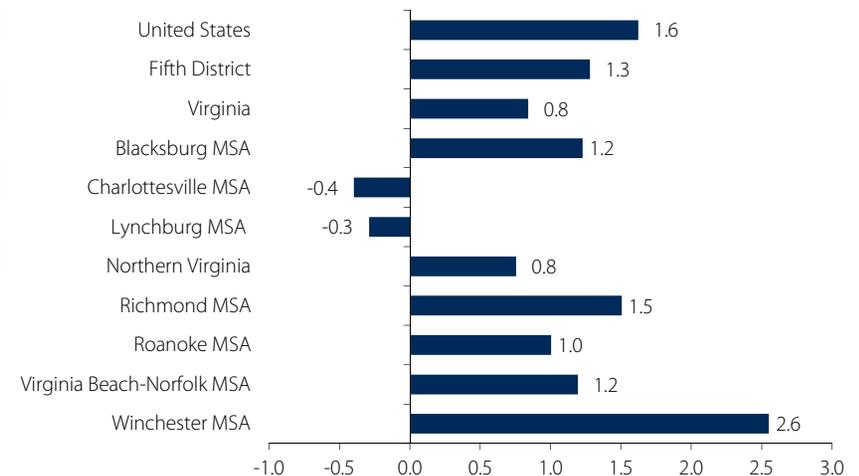
Virginia Payroll Employment Performance

Year-over-Year Percent Change through December 2013



Virginia Total Employment Performance

Year-over-Year Percent Change through December 2013



VIRGINIA

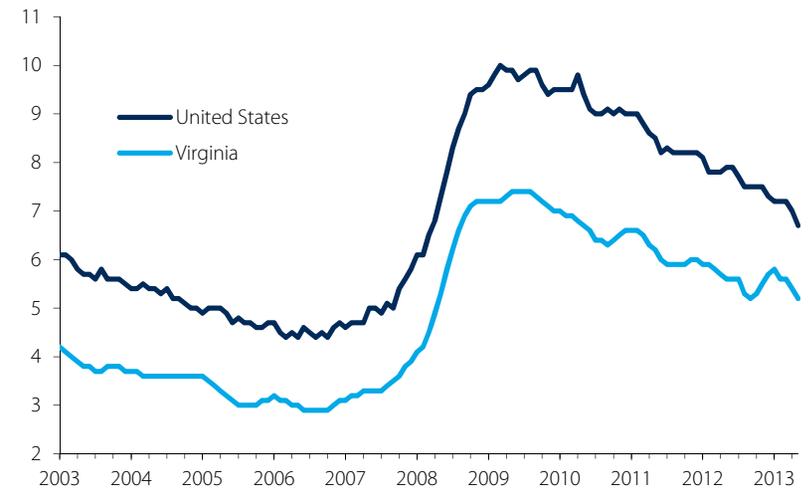
Labor Market Conditions

Unemployment Rate (SA)	December 13	November 13	December 12
United States	6.7	7.0	7.9
Fifth District	6.2	6.5	7.6
Virginia	5.2	5.4	5.6
Blacksburg MSA	5.7	5.9	6.2
Charlottesville MSA	4.5	4.6	4.9
Lynchburg MSA	5.8	6.1	6.4
Northern Virginia (NSA)	3.9	4.0	4.3
Richmond MSA	5.5	5.7	6.1
Roanoke MSA	5.4	5.6	5.8
Virginia Beach-Norfolk MSA	5.6	5.8	6.2
Winchester MSA	4.9	5.0	5.6

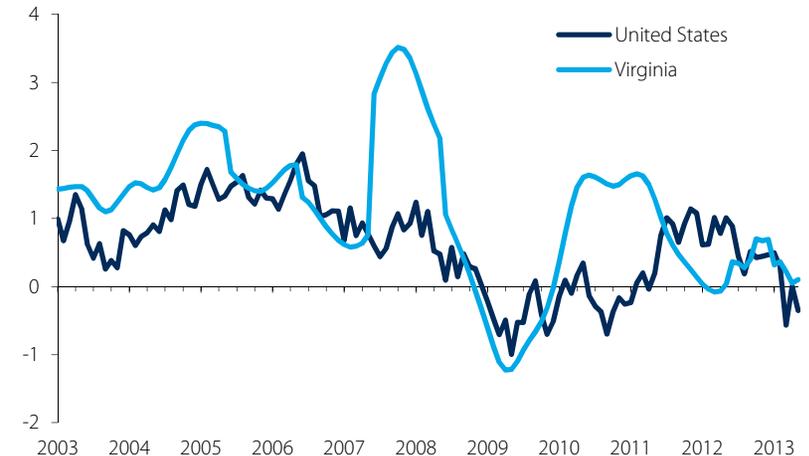
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	154,937	-0.22	-0.35
Fifth District	December	15,305	0.02	-1.13
Virginia	December	4,225	0.15	0.10
Blacksburg MSA	December	84	0.24	0.60
Charlottesville MSA	December	107	-0.09	-0.93
Lynchburg MSA	December	121	0.00	0.25
Northern Virginia (NSA)	December	1,537	0.16	0.52
Richmond MSA	December	670	0.21	0.48
Roanoke MSA	December	159	0.19	0.19
Virginia Beach-Norfolk MSA	December	834	-0.05	0.57
Winchester MSA	December	69	0.14	1.46

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	1,997,722	38.94	3.39
Fifth District	December	131,851	40.43	-15.64
Virginia	December	30,053	46.11	3.34

Virginia Unemployment Rate
Through December 2013



Virginia Labor Force
Year-over-Year Percent Change through December 2013



VIRGINIA

Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q3:13	13,203,069	0.56	2.46
Fifth District	Q3:13	108,530,700	0.43	1.82
Virginia	Q3:13	376,856	0.10	1.24

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Richmond MSA	2013	73.9	---	-2.25
Roanoke MSA	2013	63.6	---	---
Virginia Beach-Norfolk MSA	2013	73.3	---	3.39

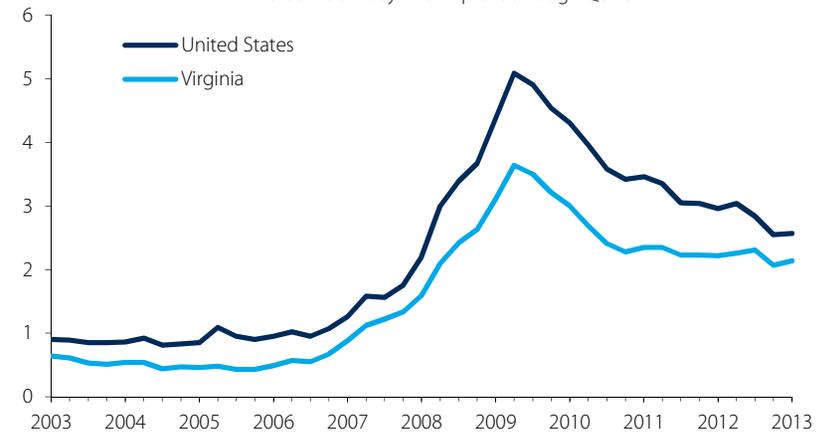
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q4:13	230,582	-11.26	-12.87
Fifth District	Q4:13	18,235	-5.93	-5.33
Virginia	Q4:13	6,009	-4.25	-4.86

Mortgage Delinquencies (% 90+ Days Delinquent)	Q3:13	Q2:13	Q3:12
United States			
All Mortgages	2.57	2.55	2.96
Prime	1.39	1.46	1.72
Subprime	9.24	9.10	9.36
Virginia			
All Mortgages	2.14	2.07	2.22
Prime	1.02	1.03	1.12
Subprime	9.87	10.06	9.30

Virginia Real Personal Income
Year-over-Year Percent Change through Q3:13



Virginia Mortgage Delinquencies
Percent 90+ Days Delinquent through Q3:13



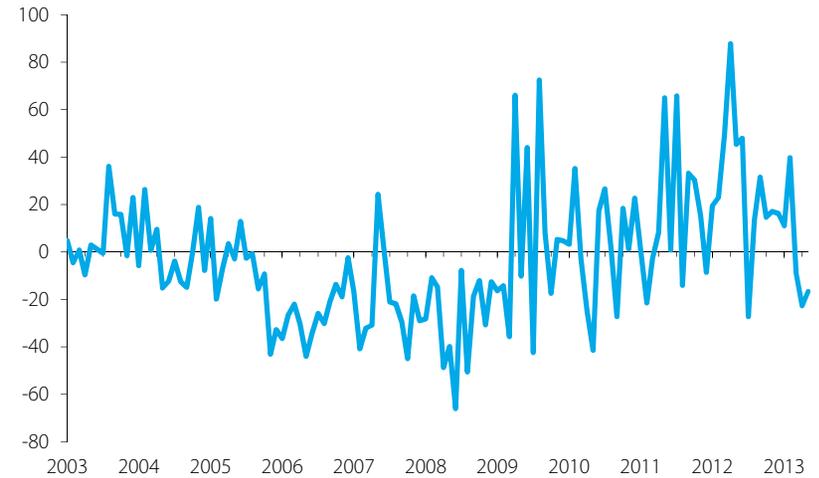
VIRGINIA

Real Estate Conditions

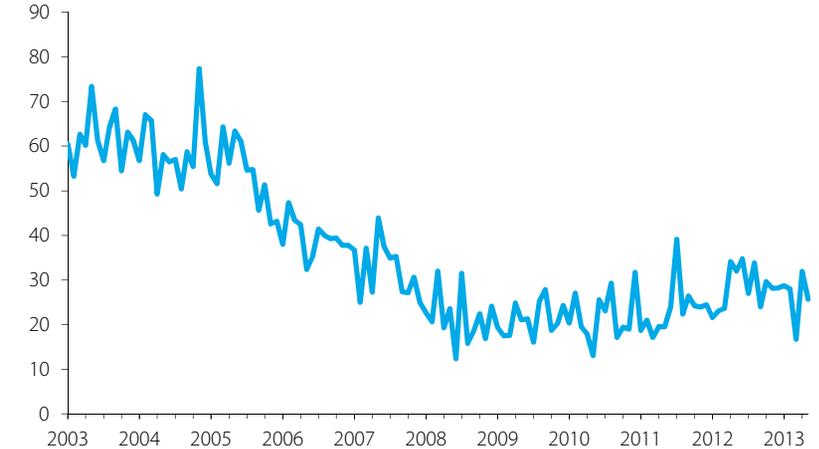
Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	75,485	5.25	15.91
Fifth District	December	8,957	-0.85	-2.77
Virginia	December	1,871	-5.98	-16.66
Charlottesville MSA	December	34	-8.11	-33.33
Danville MSA	December	8	-52.94	-20.00
Harrisonburg MSA	December	11	-59.26	-60.71
Lynchburg MSA	December	24	-65.71	-68.00
Richmond MSA	December	258	-38.72	-7.86
Roanoke MSA	December	84	170.97	250.00
Virginia Beach-Norfolk MSA	December	228	-28.97	-48.53
Winchester MSA	December	18	-47.06	50.00

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	999	-9.76	1.63
Fifth District	December	123	-15.07	-6.33
Virginia	December	25.7	-19.48	-19.68

Virginia Building Permits
Year-over-Year Percent Change through December 2013



Virginia Housing Starts
Thousands of Units (SAAR) December 2013



VIRGINIA

Real Estate Conditions

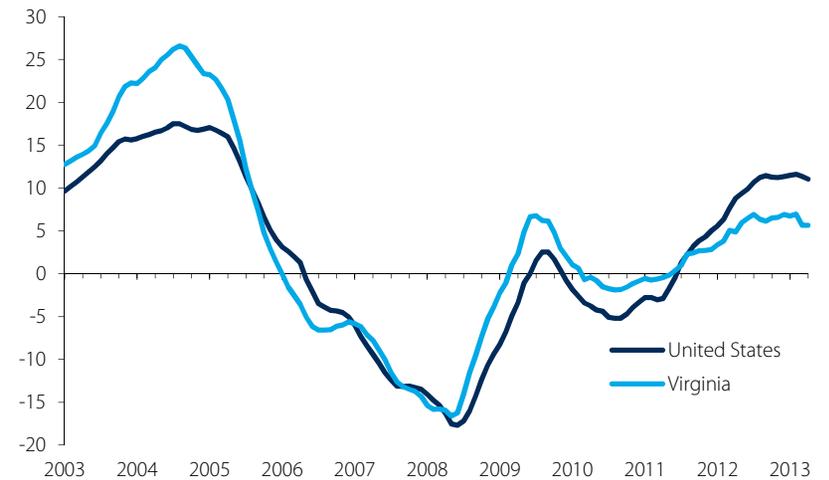
House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	December	164	-0.07	11.05
Fifth District	December	175	-0.29	5.70
Virginia	December	199	-0.30	5.66
Blacksburg MSA	December	134	-0.30	4.45
Charlottesville MSA	December	167	-0.30	-0.85
Danville MSA	December	206	2.99	13.56
Harrisonburg MSA	December	195	-4.19	1.84
Lynchburg MSA	December	137	-3.49	-0.20
Richmond MSA	December	152	-1.19	4.02
Roanoke MSA	December	138	-0.30	2.36
Virginia Beach-Norfolk MSA	December	178	-0.32	2.04
Winchester MSA	December	165	-0.72	3.60

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Richmond MSA	Q3:13	---	---	---
Virginia Beach-Norfolk MSA	Q3:13	201	0.25	1.26

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Richmond MSA	Q3:13	205	2.50	9.63
Virginia Beach-Norfolk MSA	Q3:13	195	-1.52	0.52

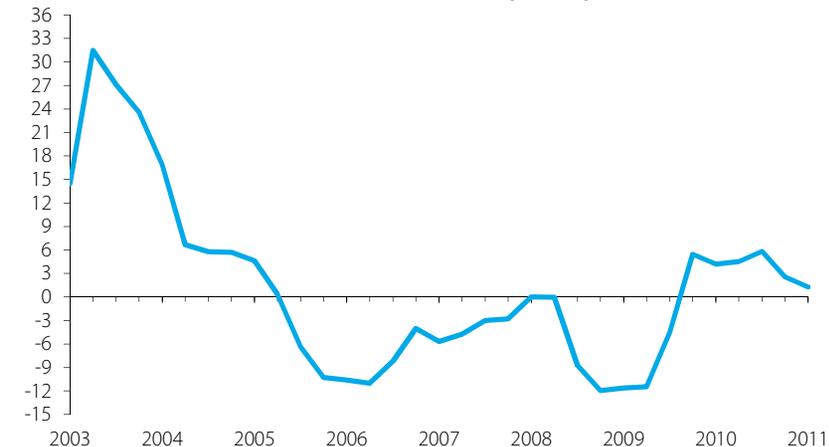
Virginia House Price Index (CoreLogic)

Year-over-Year Percent Change through December 2013



Virginia Beach-Norfolk MSA Median Home Sales Price (NAR)

Year-over-Year Percent Change through Q3:13



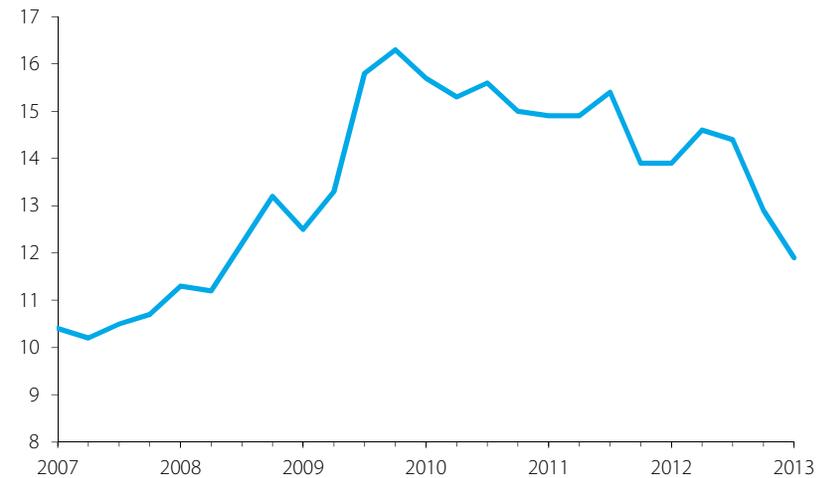
VIRGINIA

Real Estate Conditions

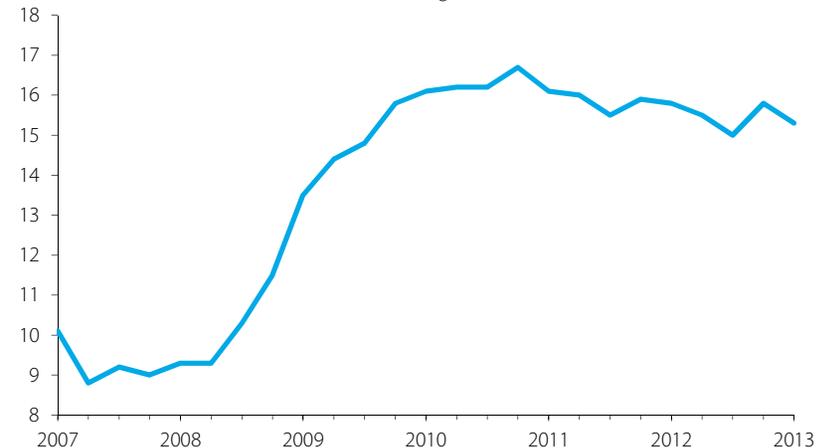
Housing Opportunity Index (%)	Q3:13	Q2:13	Q3:12
Richmond MSA	75.4	80.4	83.9
Roanoke MSA	83.8	87.3	83.6
Virginia Beach-Norfolk MSA	78.7	81.6	82.2

Commercial Vacancy Rates (%)	Q3:13	Q2:13	Q3:12
Office Vacancies			
Norfolk	13.2	13.8	13.3
Richmond	11.9	12.9	13.9
Industrial Vacancies			
Northern Virginia	14.9	15.4	15.3
Richmond	15.3	15.8	15.8

Richmond MSA Office Vacancy Rate
Through Q3:13



Richmond MSA Industrial Vacancy Rate
Through Q3:13



WEST VIRGINIA

February Summary

Recent economic activity was mixed in West Virginia with some slowdown in labor markets, mixed indicators in housing, and overall improvement in household balance sheets.

Labor Markets: West Virginia payrolls contracted 0.3 percent (2,200 jobs) in December but added 7,700 jobs (1.0 percent) over the preceding year. Driving the total net losses in the month were the 1,800 jobs lost in construction and smaller losses in several other industries. Small gains were reported in logging and mining, trade, transportation, and utilities, and financial activities while information services employment remained unchanged. Growth in the logging and mining industry in West Virginia accelerated in the last three months, enabling 12.6 percent year-over-year growth in December. Of the major metropolitan areas, the Parkersburg MSA was the only one to post job gains in the month and the Morgantown MSA posted the only year-over-year growth.

Household Conditions: The unemployment rate in West Virginia fell 0.1 percentage point to 5.9 percent in December as the number of unemployed workers in the state fell. The size of the West Virginia civilian labor force also fell in December, which reduced the participation rate by 0.1 percentage point to 53.3 percent. West Virginia residents also reported third quarter real personal income growth of 0.5 percent and 1.7 percent growth over the preceding year. Finally, the share of West Virginia mortgages with payments more than 90 days past due remained around 2.0 percent in the third quarter, well below the national 2.6 percent mark.

Housing Markets: West Virginia issued 107 residential building permits in December after issuing 152 in November and compared to 137 in December 2012. Meanwhile, housing starts were down 39.8 percent in December and 24.6 percent over the preceding year. According to CoreLogic Information Solutions, West Virginia home prices fell 1.6 percent in December but increased 2.1 percent over the year. At the metro level, no MSA issued more permits in December than in November and only the Huntington MSA posted year-over-year increase in new permit levels. Lastly, home values depreciated in all metro areas in December although all but the Charleston MSA reported house price growth over the year.

A Closer Look at... Unemployment Claims

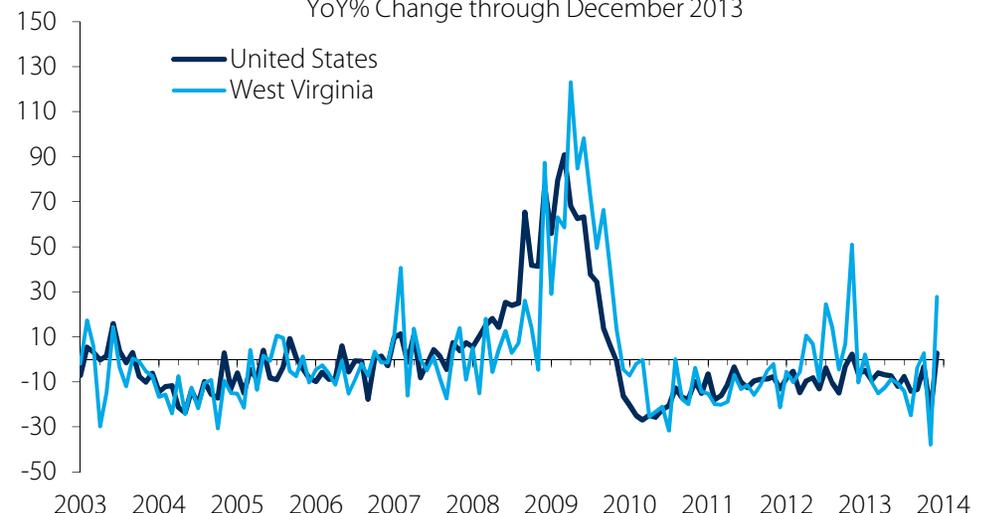
Initial Claims (December 2013): 10,216 claims
Year-over-year Percent Change (December 2013): 27.7 percent
Highest Level since 2000: 14,973 claims (January 2002)

Characteristics of the Insured Unemployed (December 2013):

- Male:** 73.7 percent
- White:** 89.2 percent
- Black:** 3.3 percent
- Asian:** 0.2 percent
- Native American:** 0.3 percent
- Hispanic:** 1.9 percent
- Younger than 25:** 10.0 percent
- Older than 54:** 18.9 percent

West Virginia Initial Unemployment Claims

YoY% Change through December 2013



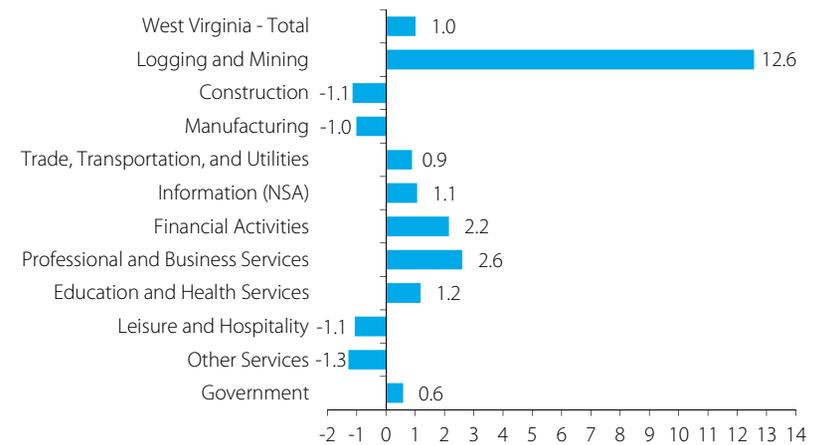
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Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	December	136,877.0	0.05	1.62
Fifth District - Total	December	13,918.9	0.17	1.28
West Virginia - Total	December	773.9	-0.28	1.00
Logging and Mining	December	36.7	1.38	12.58
Construction	December	34.5	-4.96	-1.15
Manufacturing	December	48.6	-1.02	-1.02
Trade, Transportation, and Utilities	December	136.7	0.44	0.89
Information (NSA)	December	9.5	0.00	1.06
Financial Activities	December	28.5	0.71	2.15
Professional and Business Services	December	66.8	-0.30	2.61
Education and Health Services	December	128.9	-0.23	1.18
Leisure and Hospitality	December	74.5	-0.40	-1.06
Other Services	December	53.8	-0.55	-1.28
Government	December	155.5	-0.06	0.58
Charleston MSA - Total	December	146.6	-0.74	-0.68
Huntington MSA - Total	December	114.1	0.00	-0.35
Morgantown MSA - Total	December	69.8	-0.71	2.95
Parkersburg MSA - Total	December	69.2	0.44	0.00

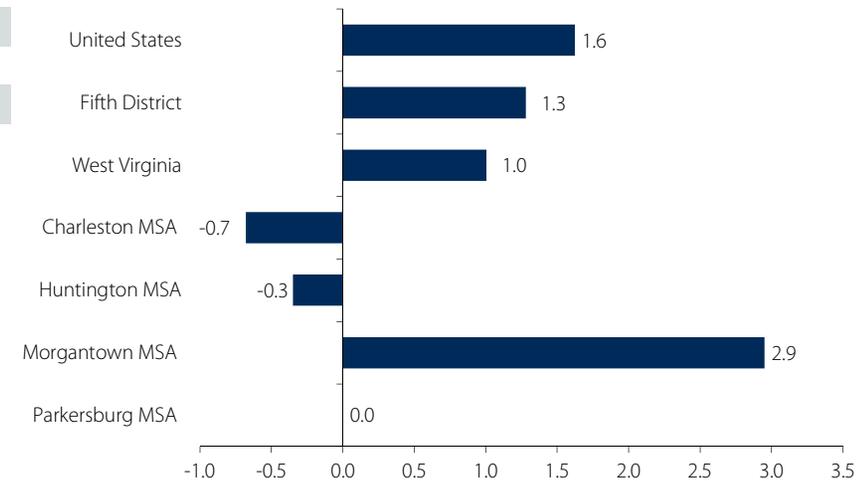
West Virginia Payroll Employment Performance

Year-over-Year Percent Change through December 2013



West Virginia Total Employment Performance

Year-over-Year Percent Change through December 2013



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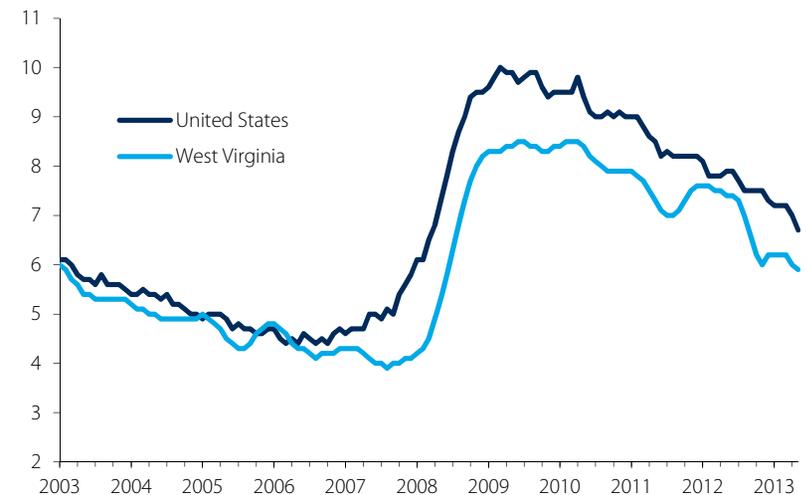
Labor Market Conditions

Unemployment Rate (SA)	December 13	November 13	December 12
United States	6.7	7.0	7.9
Fifth District	6.2	6.5	7.6
West Virginia	5.9	6.0	7.4
Charleston MSA	5.4	5.5	7.1
Huntington MSA	6.8	7.0	7.3
Morgantown MSA	3.8	3.9	5.3
Parkersburg MSA	6.3	6.5	7.1

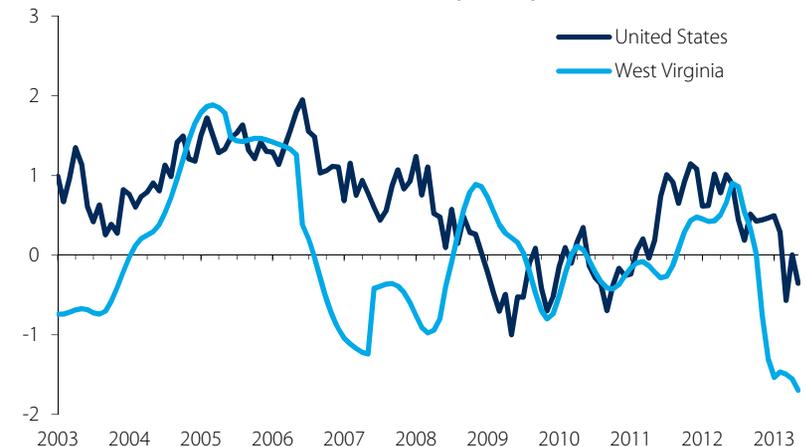
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	154,937	-0.22	-0.35
Fifth District	December	15,305	0.02	-1.13
West Virginia	December	795	-0.08	-1.70
Charleston MSA	December	134	-0.60	-2.69
Huntington MSA	December	124	-0.32	-2.51
Morgantown MSA	December	69	0.00	1.03
Parkersburg MSA	December	74	-0.14	-1.99

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	1,997,722	38.94	3.39
Fifth District	December	131,851	40.43	-15.64
West Virginia	December	10,216	45.05	27.70

West Virginia Unemployment Rate
Through December 2013



West Virginia Labor Force
Year-over-Year Percent Change through December 2013



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Household Conditions

Real Personal Income (SA) Period Level (\$mil) QoQ % Change YoY % Change

United States	Q3:13	13,203,069	0.56	2.46
Fifth District	Q3:13	108,530,700	0.43	1.82
West Virginia	Q3:13	62,121,384	0.46	1.66

Non-Business Bankruptcies Period Level QoQ % Change YoY % Change

United States	Q4:13	230,582	-11.26	-12.87
Fifth District	Q4:13	18,235	-5.93	-5.33
West Virginia	Q4:13	778	-7.60	-11.69

Mortgage Delinquencies (% 90+ Days Delinquent) Q3:13 Q2:13 Q3:12

United States				
All Mortgages		2.57	2.55	2.96
Prime		1.39	1.46	1.72
Subprime		9.24	9.10	9.36
West Virginia				
All Mortgages		2.03	1.92	2.16
Prime		1.04	1.03	1.07
Subprime		9.29	8.58	9.05

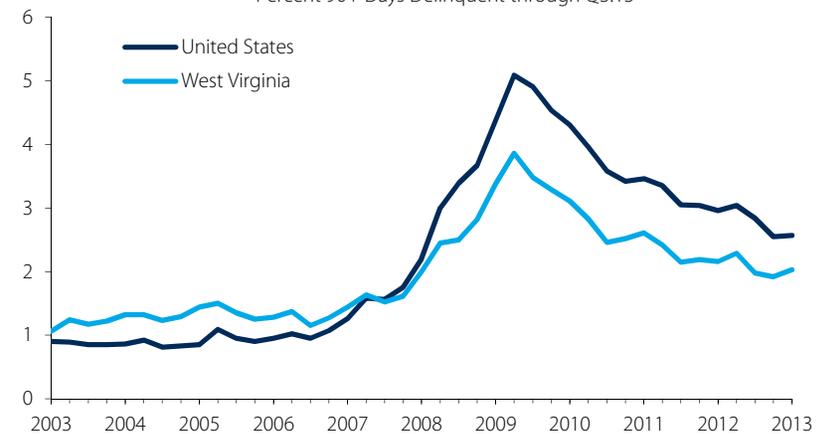
West Virginia Real Personal Income

Year-over-Year Percent Change through Q3:13



West Virginia Mortgage Delinquencies

Percent 90+ Days Delinquent through Q3:13



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Real Estate Conditions

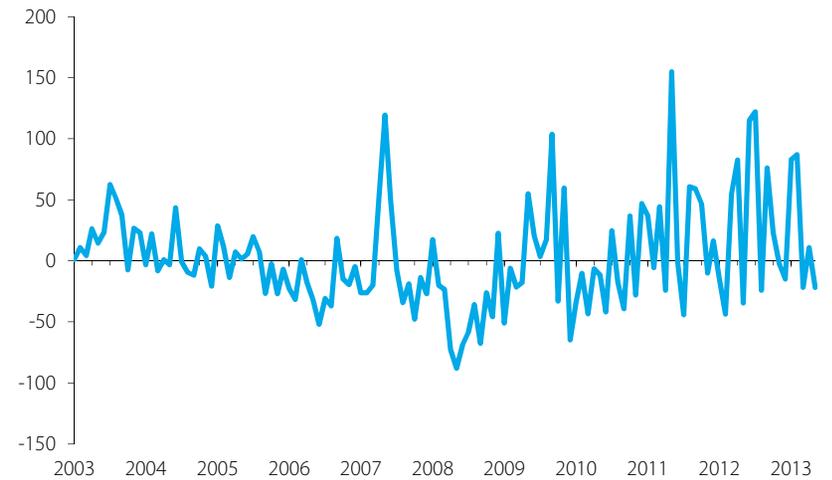
Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	December	75,485	5.25	15.91
Fifth District	December	8,957	-0.85	-2.77
West Virginia	December	107	-29.61	-21.90
Charleston MSA	December	4	-63.64	-42.86
Huntington MSA	December	7	-80.00	133.33
Morgantown MSA	December	0	-100.00	-100.00
Parkersburg MSA	December	7	0.00	0.00

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	December	999	-9.76	1.63
Fifth District	December	123	-15.07	-6.33
West Virginia	December	1.5	-39.75	-24.62

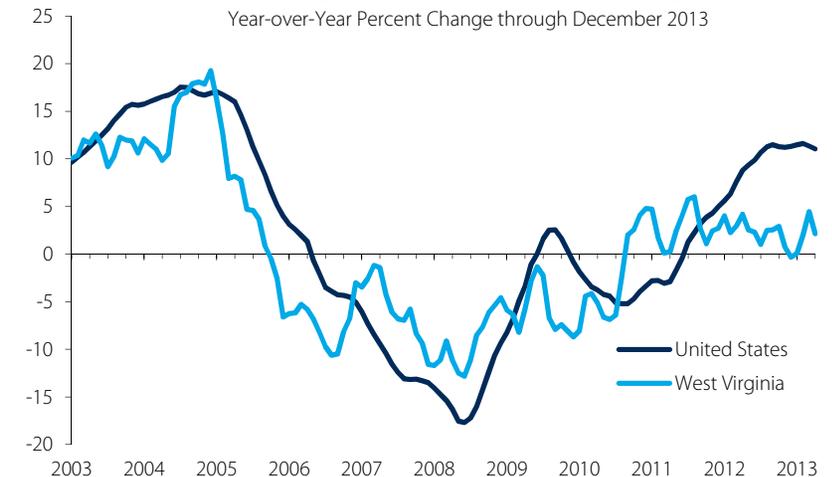
House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	December	164	-0.07	11.05
Fifth District	December	175	-0.29	5.70
West Virginia	December	122	-1.56	2.14
Charleston MSA	December	128	-0.94	-0.78
Huntington MSA	December	128	-1.56	4.32
Morgantown MSA	December	122	-1.56	2.14
Parkersburg MSA	December	117	-1.73	1.39

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charleston MSA	Q3:13	140	3.39	0.94

West Virginia Building Permits
Year-over-Year Percent Change through December 2013



West Virginia House Price Index (CoreLogic)
Year-over-Year Percent Change through December 2013



SOURCES

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House Price Index
 CoreLogic Information Solutions
 Federal Reserve Bank of Richmond

NOTES

1 Manufacturing & Service Sector Surveys

Each index equals the percentage of responding firms reporting increase minus the percentage reporting decrease. All firms surveyed are located within the Fifth Federal Reserve District.

2 Manufacturing Composite Index

The weighted average of the shipments (33 percent), new orders (40 percent) and employment (27 percent) indexes.

3 Mortgage Delinquency Rate

The number of mortgages 90 days past due as a percentage of the total number of mortgages at the end of the period. The delinquency rate does not include loans in the process of foreclosure.

4 Building Permits & Housing Starts

Data on District of Columbia building permits and housing starts are often volatile, leading to disproportionately large percentage changes.

5 Housing Opportunity Index

Share of homes sold considered to be affordable to a family earning the area's median income.

6 House Price Index

Repeat sales index, measuring the average price changes in repeat sales on the same single family properties.

7 Median Home Sales Price - NAR

Single family homes.

8 Median Home Sales Price - NAHB

Total Home Sales.

9 Unemployment Claims

Department of Labor

Haver Analytics

<http://workforcesecurity.doleta.gov/unemploy/chariu.asp>

SA - Seasonally Adjusted

NSA - Not Seasonally Adjusted

SAAR - Seasonally Adjusted Annual Rate

