



# SNAPSHOT

A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

October 2014



Richmond • Baltimore • Charlotte

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**Sources & Notes**

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## FIFTH DISTRICT

### October Summary

The Fifth District economy improved somewhat in recent months, with some mixed employment reports, but generally improving business conditions and housing markets.

**Labor Markets:** Employers in the Fifth District added a combined 12,500 net new jobs to the economy in August. North and South Carolina continued to account for most of the job gains as Maryland and West Virginia reported small increases, and D.C. and Virginia lost jobs in the month. On a year-over-year basis, however, employment in every state in the Fifth District expanded for a combined 1.3 percent growth. Additionally, when compared to August 2013, every District industry except information and the government sector expanded. The unemployment rate in the Fifth District rose 0.3 percentage point to 6.3 percent in August as every state and D.C. reported increases in their respective unemployment rates. The higher unemployment rate was driven by a sharp uptick in the number of unemployed as well as a decrease in the labor force.

**Business Conditions:** According to the Fifth District manufacturing survey, the composite diffusion index rose from 12 in August to 14 in September. While all three of the underlying indexes increased in the month, the indexes for shipments and new orders rose only slightly while the index for number of employees rose moderately to a reading of 17 in September, up from 11 in August. In the service sector, the index for revenues was unchanged, but remained at an elevated reading of 21 in September. The index for number of employees in the overall service sector fell slightly, from 17 in August to 13, due to a decline in the index for the non-retail subsector as the index in the retail subsector was unchanged in the month. The manufacturing survey indicated that price growth in raw materials and finished goods accelerated slightly in September. At the same time, price growth in retail services decelerated somewhat while non-retail price growth accelerated marginally.

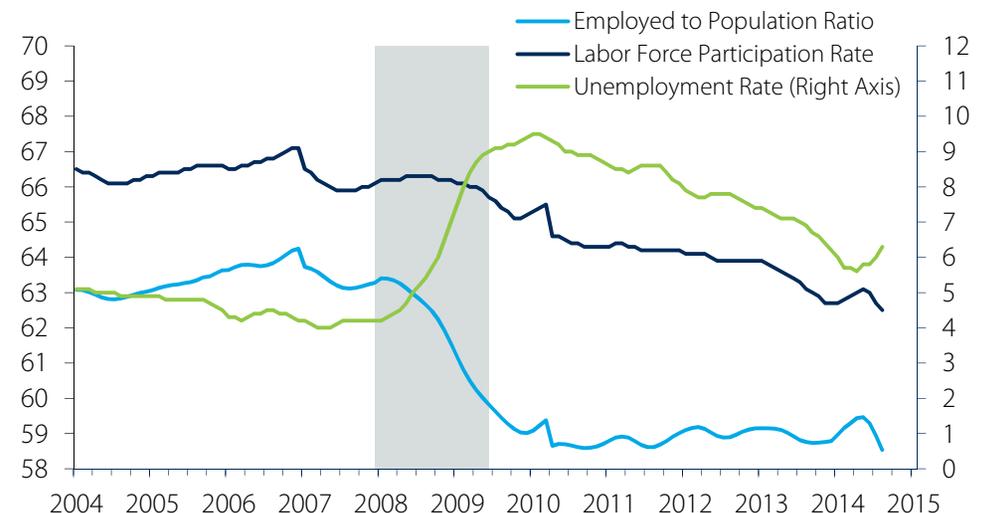
**Housing Markets:** Recent reports on housing markets were somewhat positive, especially when compared to the preceding year. The number of new residential permits issued in the Fifth District fell 10.0 percent in August but was 11.9 percent more than were issued in August 2013. Similarly, the number of housing starts declined 16.1 percent in the month but increased 3.3 percent on a year-over-year basis. According to CoreLogic Information Solutions, home values appreciated 1.0 percent in July and 4.5 percent since July 2013.

### A Closer Look at... Measures of Household Employment

The household survey conducted by the Bureau of Labor Statistics provides state data on the labor force, the number of employed, the number of unemployed, and the civilian noninstitutional population. Figures below compare recent trends in three measures of labor market health: (1) the share of the population that is employed, (2) the share of the population that is participating in the labor force, and (3) the share of the labor force that is unemployed.

	Employed to Population Ratio	Labor Force Participation Rate	Unemployment Rate
December 2007	63.3	66.1	4.2
June 2009	59.8	65.7	9.0
August 2014	58.5	62.5	6.3

Household Employment in the Fifth District  
Percent (SA), Through August 2014



FIFTH DISTRICT

Labor Market Conditions

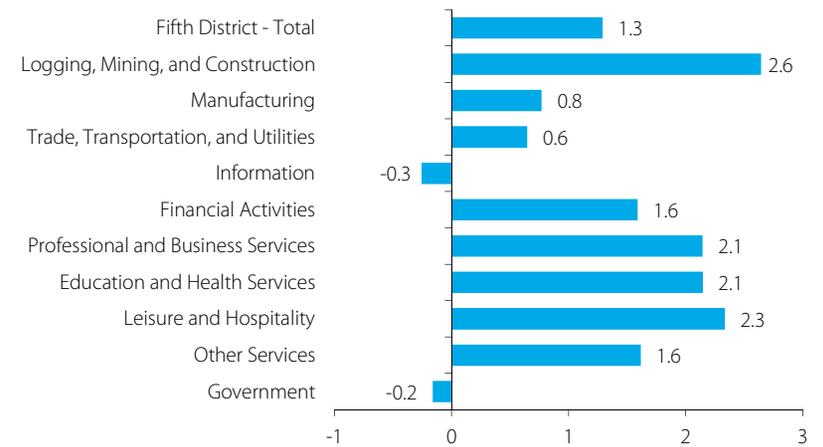
Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	August	139,118.0	0.10	1.82
Fifth District - Total	August	14,003.0	0.09	1.29
Logging, Mining, and Construction	August	695.4	-0.26	2.64
Manufacturing	August	1,061.3	0.09	0.77
Trade, Transportation, and Utilities	August	2,394.4	-0.23	0.65
Information	August	232.6	0.09	-0.26
Financial Activities	August	709.2	0.14	1.59
Professional and Business Services	August	2,152.9	-0.07	2.14
Education and Health Services	August	1,990.0	0.37	2.15
Leisure and Hospitality	August	1,447.9	-0.01	2.33
Other Services	August	660.5	0.18	1.62
Government	August	2,658.7	0.40	-0.16

Unemployment Rate (SA)	August 14	July 14	August 13
United States	6.1	6.2	7.2
Fifth District	6.3	6.0	6.9

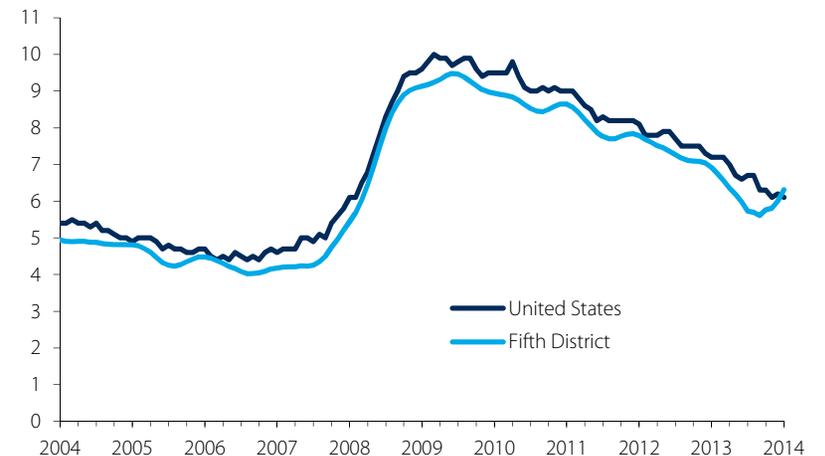
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	155,959	-0.04	0.34
Fifth District	August	15,383	-0.27	-0.05

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	1,063,463	-19.32	-12.83
Fifth District	August	71,104	-17.74	-26.35

Fifth District Payroll Employment Performance  
Year-over-Year Percent Change through August 2014



Fifth District Unemployment Rate  
Through August 2014



October 2014

FEDERAL RESERVE BANK OF RICHMOND

## FIFTH DISTRICT

### Business Conditions

Manufacturing Survey (SA)	September 14	August 14	September 13
Composite Index	14	12	0
Shipments	11	10	-1
New Orders	14	13	3
Number of Employees	17	11	-3
Expected Shipments - Six Months	41	43	37
Raw Materials Prices (SAAR)	2.10	1.39	2.08
Finished Goods Prices (SAAR)	1.17	0.76	1.37
Service Sector Survey (SA)	September 14	August 14	September 13
Service Sector Employment	13	17	5
Services Firms Revenues	18	18	12
Retail Revenues	37	37	6
Big-Ticket Sales	19	28	10
Expected Retail Demand - Six Months	30	36	4
Services Firm Prices	1.50	1.43	1.31
Retail Prices	1.98	2.32	1.53

District Imports	Period	Level (\$mil)	MoM % Change	YoY % Change
Baltimore, Maryland	July	2,950.95	-0.5	3.1
Wilmington, North Carolina	July	803.58	36.0	24.1
Charleston, South Carolina	July	4,171.64	11.4	14.0
Norfolk, Virginia	July	3,971.68	19.5	12.0
District Exports	Period	Level (\$mil)	MoM % Change	YoY % Change
Baltimore, Maryland	July	1,487.14	-19.4	-8.3
Wilmington, North Carolina	July	369.55	-20.4	-14.2
Charleston, South Carolina	July	2,386.13	-10.7	27.2
Norfolk, Virginia	July	2,514.65	0.7	2.9

Composite Manufacturing Index  
3-Month Moving Average through September 2014



Norfolk Port District Exports  
Year-over-Year Percent Change through July 2014



FIFTH DISTRICT

Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q2:14	13,502,802	0.96	2.42
Fifth District	Q2:14	1,315,790	0.82	1.54

Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q2:14	247,576	6.84	-12.92
Fifth District	Q2:14	18,869	6.09	-8.44

Real Estate Conditions

Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	87,166	-10.72	2.27
Fifth District	August	11,555	-10.00	11.92

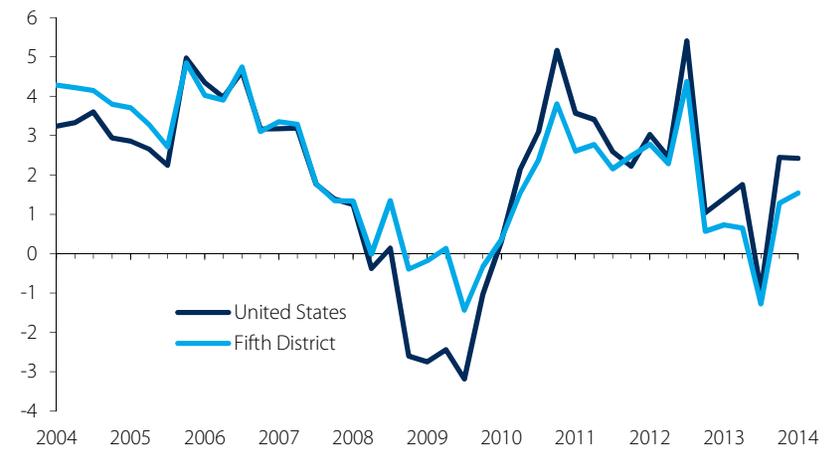
Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	956	-14.41	8.02
Fifth District	August	124	-16.14	3.26

House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	July	175	1.25	7.41
Fifth District	July	185	0.98	4.53

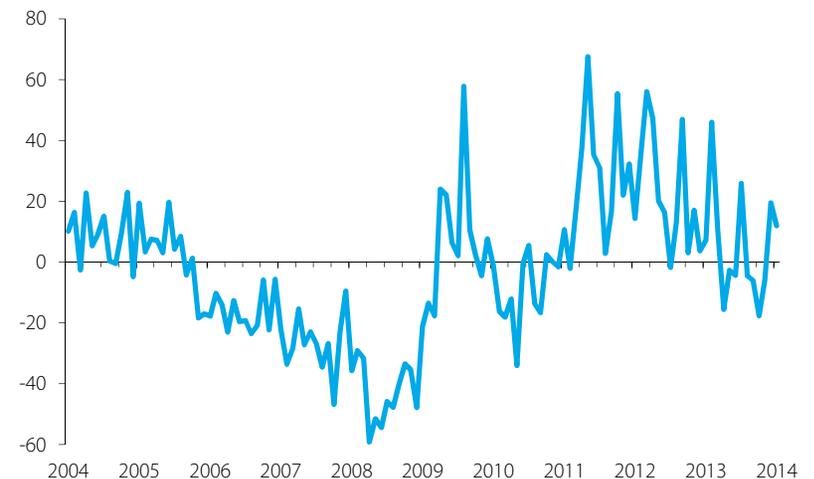
Fifth District Real Personal Income

Year-over-Year Percent Change through Q2:14



Fifth District Building Permits

Year-over-Year Percent Change through August 2014



## DISTRICT OF COLUMBIA

### October Summary

Recent reports on the District of Columbia economy were mixed, with payroll employment cuts, mixed household conditions, but somewhat positive housing market indicators.

**Labor Markets:** Firms in D.C. cut 4,200 net jobs (0.6 percent) in August; however, payroll employment expanded 1.0 percent (7,300 jobs) since August 2013. The monthly job losses were widespread across most industries, with the exception of gains in the information, education and health services, and "other" services industries. The largest contraction occurred in the government sector, which cut 2,900 positions (1.2 percent) in August. Additionally, the government sector was one of only four industries to lose jobs on a year-over-year basis; the other three were logging, mining, and construction, manufacturing, and the information industry. Employers in the greater Washington, D.C. MSA added 800 jobs in August. Furthermore, payroll employment in the MSA expanded 0.6 percent (17,300 jobs) on a year-over-year basis.

**Household Conditions:** The unemployment rate in D.C. increased 0.2 percentage point to 7.6 percent in August as the number of unemployed rose 3.1 percent in the month. Similarly, the unemployment rate in the greater Washington, D.C. MSA increased from 5.0 percent in July to 5.2 percent in August. In the second quarter of 2014, real personal income in D.C. rose 0.7 percent and increased 1.9 percent since the second quarter of 2013. Also in the second quarter of 2014, the share of mortgages with payments 90 or more days past due fell 0.1 percentage point to 2.9 percent. The prime delinquency rate edged down 0.1 percentage point to 1.8 percent while the subprime delinquency rate fell from 13.5 to 12.1 percent in the quarter.

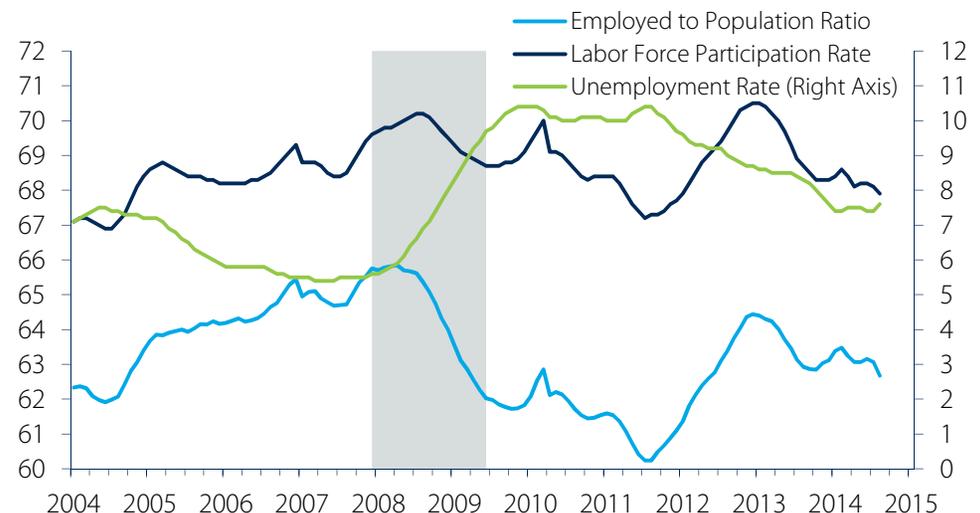
**Housing Markets:** Housing market reports were somewhat positive in recent months. In August, 779 new residential permits were issued in D.C., down from 922 the previous month, but up from the 48 permits issued in August 2013. Similarly, housing starts totaled 8,300 in August, down from 10,600 in July, but up significantly from approximately 600 in August of the prior year. According to CoreLogic Information Solutions, home values in D.C. appreciated 0.1 percent in July and 5.6 percent on a year-over-year basis. Meanwhile, home values in the greater Washington, D.C. metro area appreciated 1.3 percent in the month and 4.9 percent since July 2013. Lastly, permitting activity in the metro area decreased 21.2 percent in August but increased 73.8 percent since August 2013.

### A Closer Look at... Measures of Household Employment

The household survey conducted by the Bureau of Labor Statistics provides state data on the labor force, the number of employed, the number of unemployed, and the civilian noninstitutional population. Figures below compare recent trends in three measures of labor market health: (1) the share of the population that is employed, (2) the share of the population that is participating in the labor force, and (3) the share of the labor force that is unemployed.

	Employed to Population Ratio	Labor Force Participation Rate	Unemployment Rate
December 2007	65.7	69.6	5.6
June 2009	62.0	68.7	9.7
August 2014	62.7	67.9	7.6

Household Employment in the District of Columbia  
Percent (SA), Through August 2014



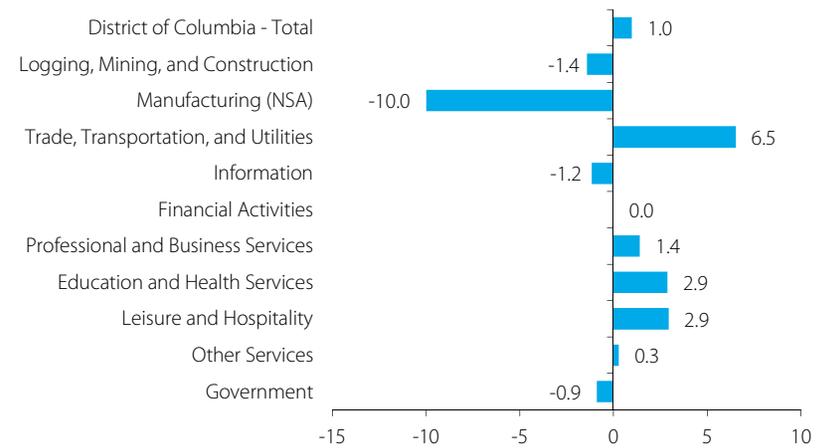
## DISTRICT OF COLUMBIA

### Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	August	139,118.0	0.10	1.82
Fifth District - Total	August	14,003.0	0.09	1.29
District of Columbia - Total	August	749.8	-0.56	0.98
Logging, Mining, and Construction	August	13.9	-0.71	-1.42
Manufacturing (NSA)	August	0.9	12.50	-10.00
Trade, Transportation, and Utilities	August	31.0	-0.96	6.53
Information	August	17.0	0.59	-1.16
Financial Activities	August	28.7	-0.69	0.00
Professional and Business Services	August	158.2	-0.94	1.41
Education and Health Services	August	128.6	0.16	2.88
Leisure and Hospitality	August	70.0	-0.43	2.94
Other Services	August	69.6	1.02	0.29
Government	August	231.9	-1.24	-0.90
Washington, D.C. MSA	August	3,095.0	0.03	0.56

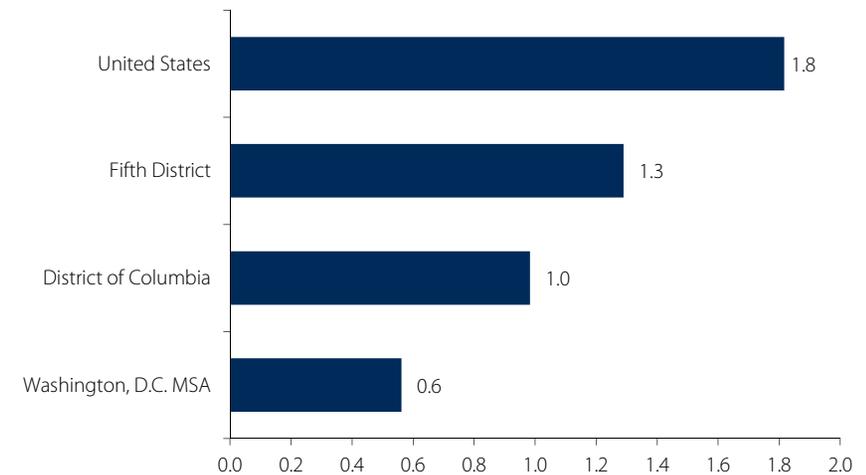
District of Columbia Payroll Employment Performance

Year-over-Year Percent Change through August 2014



District of Columbia Total Employment Performance

Year-over-Year Percent Change through August 2014



## DISTRICT OF COLUMBIA

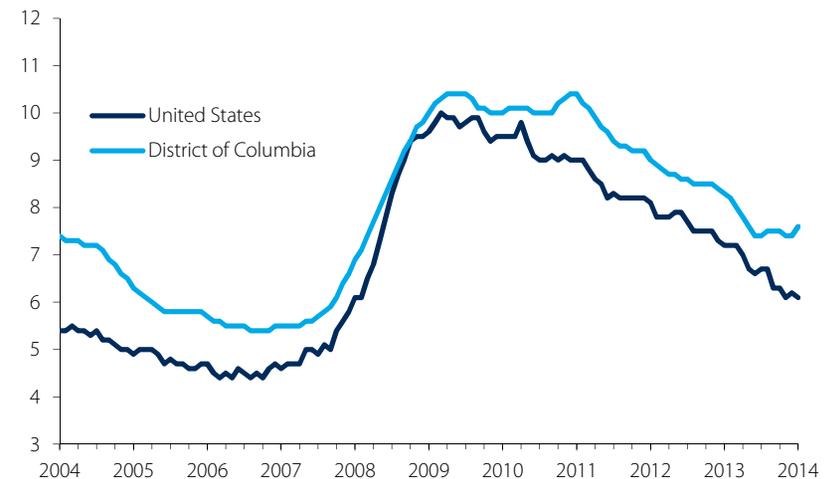
### Labor Market Conditions

Unemployment Rate (SA)	August 14	July 14	August 13
United States	6.1	6.2	7.2
Fifth District	6.3	6.0	6.9
District of Columbia	7.6	7.4	8.3
Washington, D.C. MSA	5.2	5.0	5.4

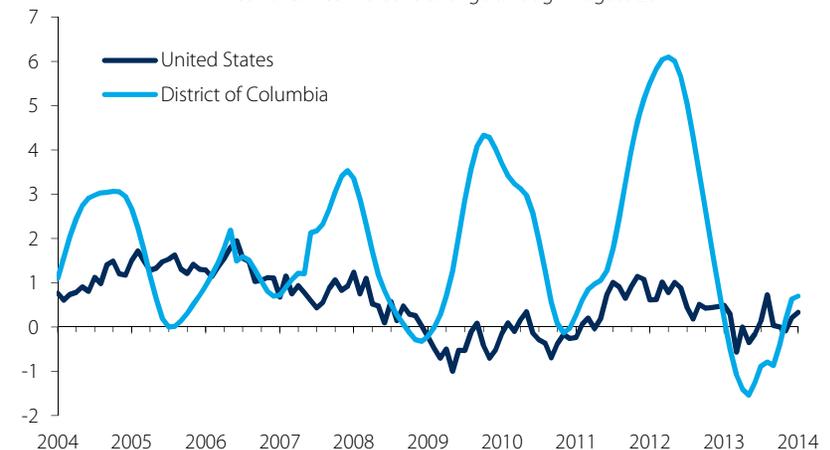
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	155,959	-0.04	0.34
Fifth District	August	15,383	-0.27	-0.05
District of Columbia	August	371	-0.18	0.70
Washington, D.C. MSA	August	3,225	-0.26	0.66

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	1,063,463	-19.32	-12.83
Fifth District	August	71,104	-17.74	-26.35
District of Columbia	August	1,673	-15.16	-11.06

District of Columbia Unemployment Rate  
Through August 2014



District of Columbia Labor Force  
Year-over-Year Percent Change through August 2014



## DISTRICT OF COLUMBIA

### Household Conditions

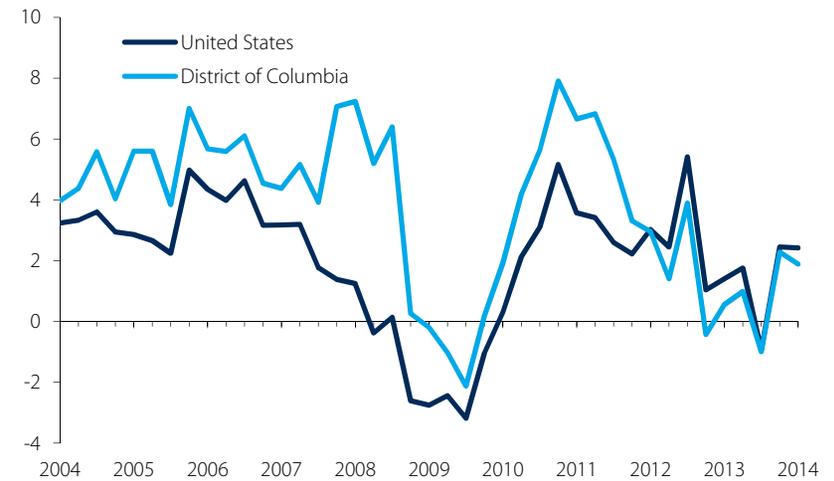
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q2:14	13,502,802	0.96	2.42
Fifth District	Q2:14	1,315,790	0.82	1.54
District of Columbia	Q2:14	46,360	0.69	1.89

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	2014	105.1	---	-0.76

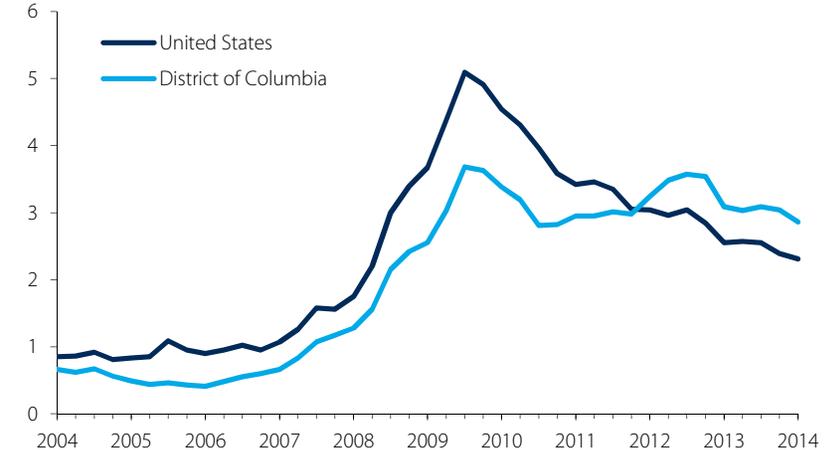
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q2:14	247,576	6.84	-12.92
Fifth District	Q2:14	18,869	6.09	-8.44
District of Columbia	Q2:14	180	6.51	-11.76

Mortgage Delinquencies (% 90+ Days Delinquent)	Q2:14	Q1:14	Q2:13
United States			
All Mortgages	2.31	2.39	2.55
Prime	1.28	1.28	1.46
Subprime	8.68	8.90	9.10
District of Columbia			
All Mortgages	2.86	3.04	3.09
Prime	1.84	1.88	2.02
Subprime	12.13	13.46	14.48

District of Columbia Real Personal Income  
Year-over-Year Percent Change through Q2:14



District of Columbia Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q2:14



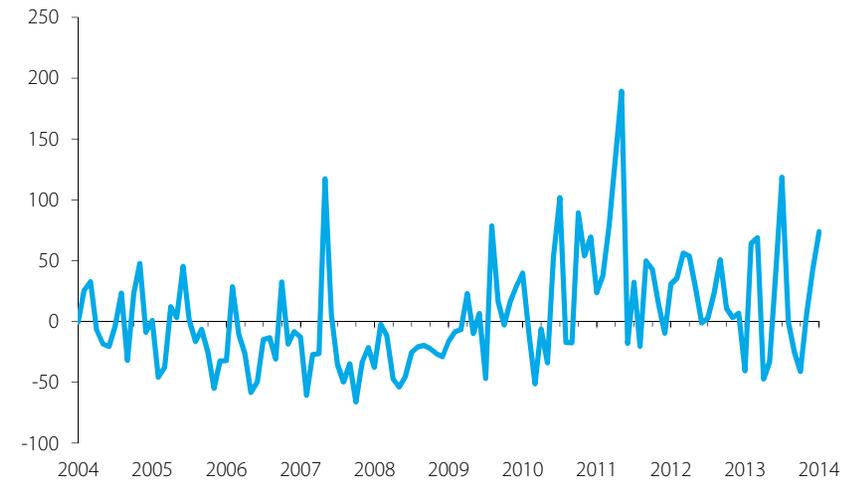
## DISTRICT OF COLUMBIA

### Real Estate Conditions

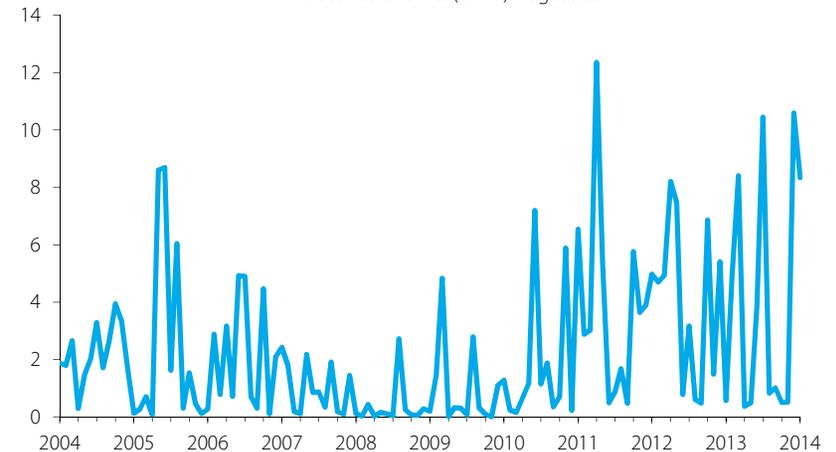
Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	87,166	-10.72	2.27
Fifth District	August	11,555	-10.00	11.92
District of Columbia	August	779	-15.51	1,522.92
Washington, D.C. MSA	August	2,230	-21.23	73.81

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	956	-14.41	8.02
Fifth District	August	124	-16.14	3.26
District of Columbia	August	8.3	-21.25	1,389.29

Washington, D.C. MSA Building Permits  
Year-over-Year Percent Change through August 2014



District of Columbia Housing Starts  
Thousands of Units (SAAR) August 2014



## DISTRICT OF COLUMBIA

### Real Estate Conditions

House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	July	175	1.25	7.41
Fifth District	July	185	0.98	4.53
District of Columbia	July	291	0.10	5.58
Washington, D.C. MSA	July	228	1.34	4.85

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	Q2:14	404	12.45	0.15

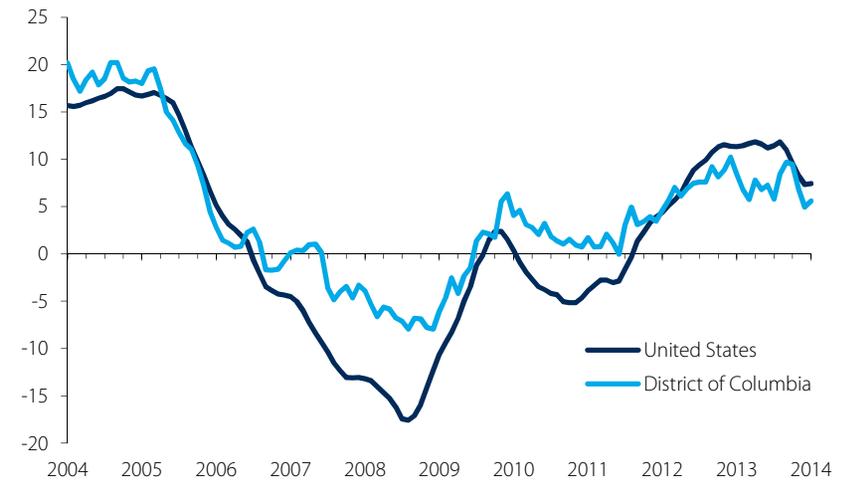
Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	Q2:14	360	9.09	-1.37

Housing Opportunity Index (%)	Q2:14	Q1:14	Q2:13
Washington, D.C. MSA	65.1	69.1	70.1

Commercial Vacancy Rates (%)	Q2:14	Q1:14	Q2:13
<b>Office Vacancies</b>			
Washington, D.C. MSA	15.7	15.8	15.5
<b>Industrial Vacancies</b>			
Washington, D.C. MSA	13.5	13.7	14.2
<b>Retail Vacancies</b>			
Washington, D.C. MSA	5.6	5.5	6.1

District of Columbia House Price Index (CoreLogic)

Year-over-Year Percent Change through July 2014



Washington, D.C. MSA Office Vacancy Rate

Through Q2:14



## MARYLAND

### October Summary

Reports on economic conditions in Maryland were somewhat mixed in recent months, with small employment gains, but mixed household and housing market indicators.

**Labor Markets:** Payroll employment in Maryland was little changed in August; firms added 600 net new jobs (0.0 percent) as government sector gains of 3,900 new jobs were largely offset by private sector reductions of 3,300 positions. Within the private sector, every industry contracted except the logging, mining, and construction, education and health services, and leisure and hospitality industries, which added 100 jobs, 2,500 jobs, and 700 jobs, respectively. On a year-over-year basis, employment grew 0.4 percent in Maryland and expanded in every industry except manufacturing, information, and the government sector. Employment in the state's metro areas expanded in every MSA in the month except the Baltimore-Towson MSA, which cut 1,700 jobs (0.1 percent). On a year-over-year basis, every MSA except Hagerstown reported employment growth.

**Household Conditions:** Maryland's unemployment rate rose 0.3 percentage point to 6.4 percent in August, but remained just below the 6.6 percent rate reported in August 2013. In the state's metro areas, unemployment rates increased in every MSA in August, but all remained below their year ago rates. In the second quarter of 2014, real personal income in Maryland rose 0.7 percent and increased 1.0 percent since the second quarter of 2013. Also in the second quarter, the share of mortgages with payments 90 or more days overdue fell 0.2 percentage point to 3.1 percent. The improvement in the total delinquency rate was due to a 0.6 percentage point decline in the FHA rate as the prime and VA delinquency rates were practically unchanged and the subprime rate edged up.

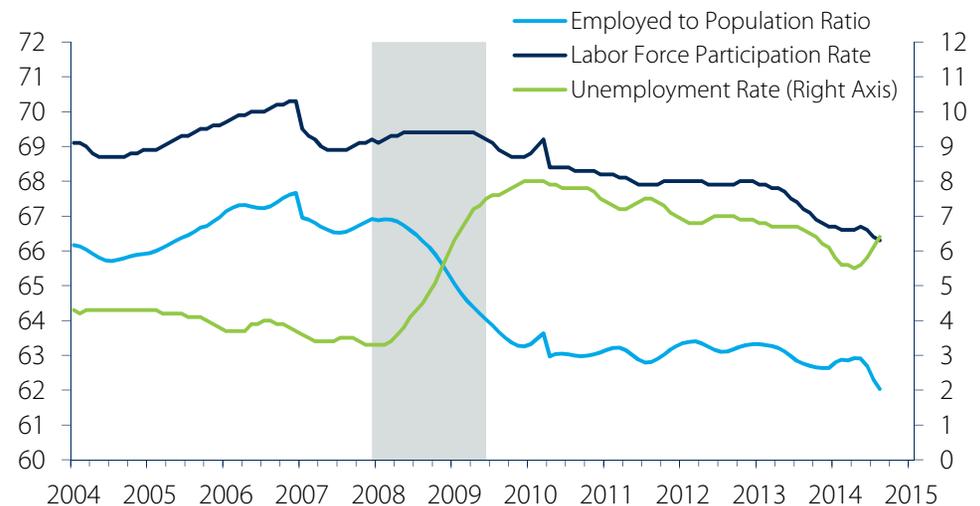
**Housing Markets:** Recent reports on housing markets were somewhat mixed. Maryland issued 1,345 new residential permits in August, down 29.1 percent from July and 5.0 percent fewer than in August 2013. Housing starts, which totaled 14,400 in August, were down 33.9 percent from the prior month and down 12.4 percent on a year-over-year basis. According to CoreLogic Information Solutions, home values in Maryland appreciated 1.1 percent in July and appreciated 2.9 percent since July of last year. Home values also appreciated in every MSA in July; on a year-over-year basis, home values appreciated in every metro area except the Salisbury MSA where prices declined 2.0 percent. Metro area permitting activity varied in August and on a year-over-year basis.

### A Closer Look at... Measures of Household Employment

The household survey conducted by the Bureau of Labor Statistics provides state data on the labor force, the number of employed, the number of unemployed, and the civilian noninstitutional population. Figures below compare recent trends in three measures of labor market health: (1) the share of the population that is employed, (2) the share of the population that is participating in the labor force, and (3) the share of the labor force that is unemployed.

	Employed to Population Ratio	Labor Force Participation Rate	Unemployment Rate
December 2007	66.9	69.2	3.3
June 2009	64.0	69.2	7.5
August 2014	62.0	66.3	6.4

Household Employment in Maryland  
Percent (SA), Through August 2014



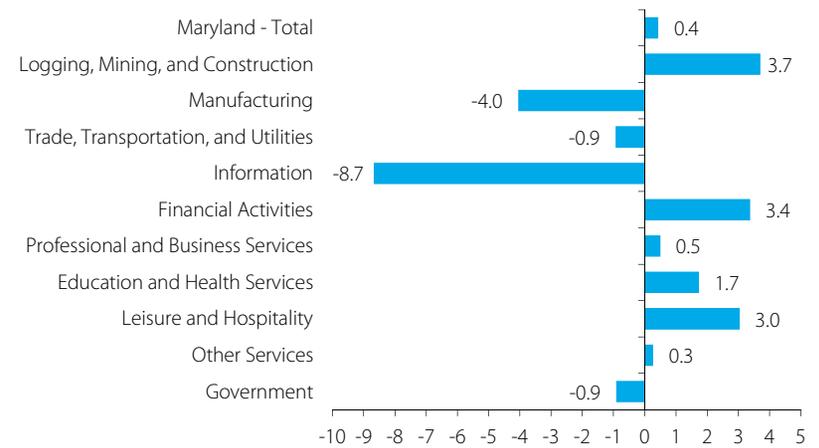
# MARYLAND

## Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	August	139,118.0	0.10	1.82
Fifth District - Total	August	14,003.0	0.09	1.29
Maryland - Total	August	2,608.3	0.02	0.44
Logging, Mining, and Construction	August	154.0	0.06	3.70
Manufacturing	August	101.9	-0.88	-4.05
Trade, Transportation, and Utilities	August	448.0	-0.51	-0.93
Information	August	35.8	-0.56	-8.67
Financial Activities	August	150.1	-0.60	3.37
Professional and Business Services	August	419.0	-0.45	0.50
Education and Health Services	August	428.2	0.59	1.73
Leisure and Hospitality	August	261.3	0.27	3.04
Other Services	August	110.9	-0.36	0.27
Government	August	499.1	0.79	-0.91
Baltimore-Towson MSA - Total	August	1,353.8	-0.13	1.85
Bethesda-Frederick Metro Div. - Total	August	573.3	0.14	0.16
Cumberland MSA - Total	August	40.2	0.50	2.55
Hagerstown MSA - Total	August	104.3	0.29	-0.29
Salisbury MSA - Total	August	53.2	0.57	1.72

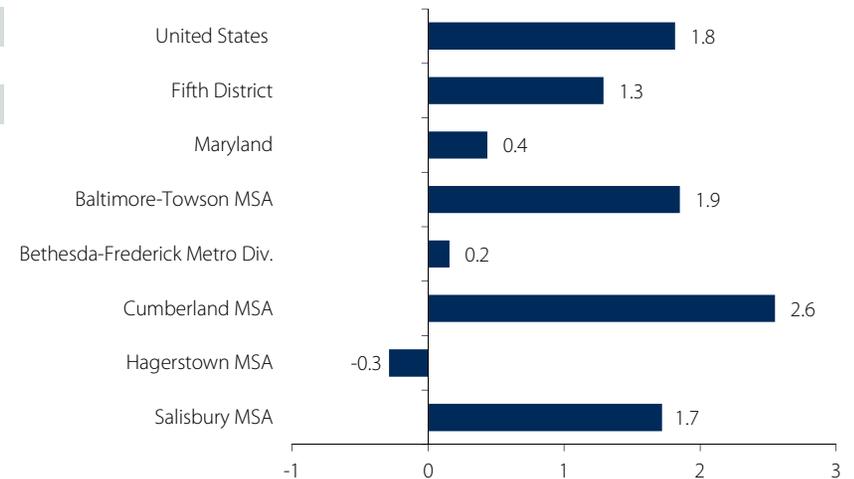
Maryland Payroll Employment Performance

Year-over-Year Percent Change through August 2014



Maryland Total Employment Performance

Year-over-Year Percent Change through August 2014



# MARYLAND

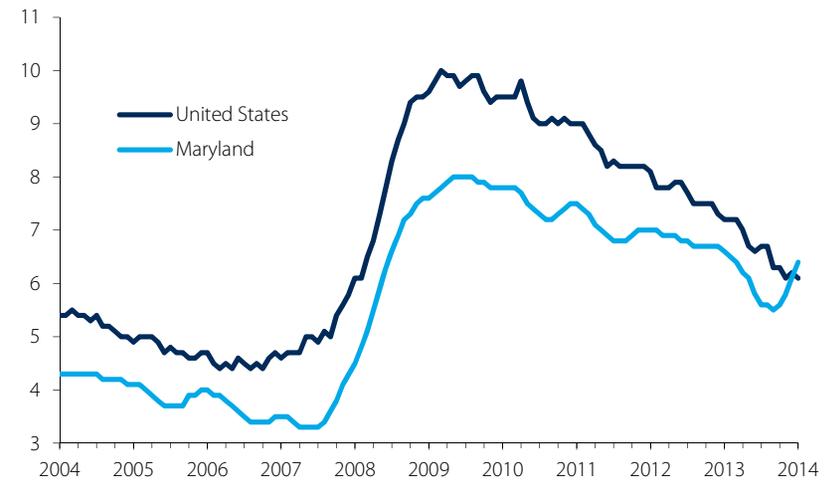
## Labor Market Conditions

Unemployment Rate (SA)	August 14	July 14	August 13
United States	6.1	6.2	7.2
Fifth District	6.3	6.0	6.9
Maryland	6.4	6.1	6.6
Baltimore-Towson MSA	6.4	6.2	6.7
Bethesda-Frederick Metro Div.	4.9	4.7	5.2
Cumberland MSA	7.0	6.8	7.3
Hagerstown MSA	6.8	6.6	7.0
Salisbury MSA	8.0	7.8	8.3

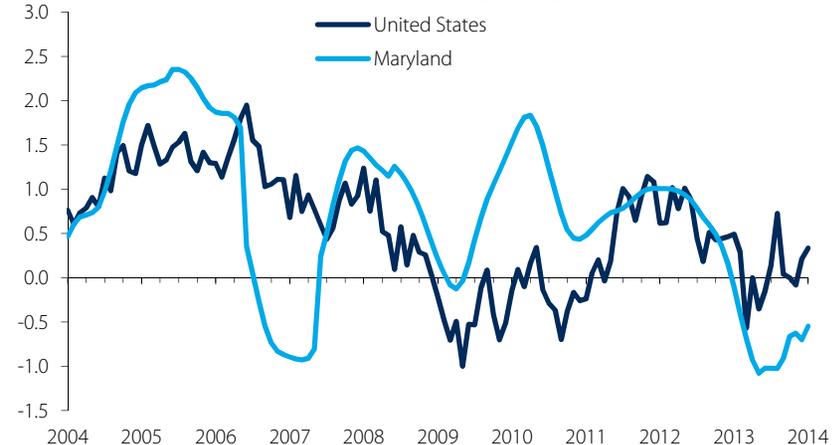
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	155,959	-0.04	0.34
Fifth District	August	15,383	-0.27	-0.05
Maryland	August	3,106	0.00	-0.55
Baltimore-Towson MSA	August	1,476	0.20	0.09
Bethesda-Frederick Metro Div.	August	656	0.09	-1.20
Cumberland MSA	August	50	0.00	0.00
Hagerstown MSA	August	124	-0.08	-1.27
Salisbury MSA	August	63	0.32	-1.26

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	1,063,463	-19.32	-12.83
Fifth District	August	71,104	-17.74	-26.35
Maryland	August	15,005	-14.53	-33.23

Maryland Unemployment Rate  
Through August 2014



Maryland Labor Force  
Year-over-Year Percent Change through August 2014



# SNAPSHOT

# A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

October 2014

FEDERAL RESERVE BANK OF RICHMOND

## MARYLAND

### Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q2:14	13,502,802	0.96	2.42
Fifth District	Q2:14	1,315,790	0.82	1.54
Maryland	Q2:14	301,097	0.65	0.97

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	2014	83.5	---	-2.45
Bethesda-Frederick Metro Div.	2014	111.3	---	-0.80
Cumberland MSA	2014	54.1	---	1.50
Hagerstown MSA	2014	67.6	---	-2.73
Salisbury MSA	2014	53.5	---	-9.78

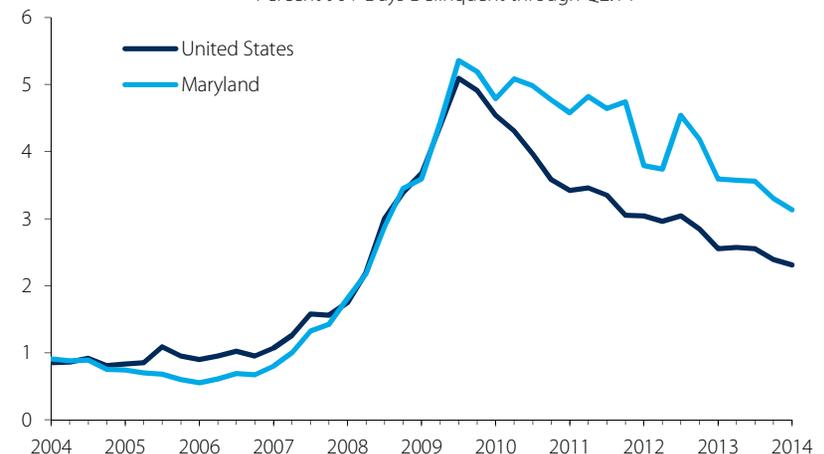
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q2:14	247,576	6.84	-12.92
Fifth District	Q2:14	18,869	6.09	-8.44
Maryland	Q2:14	5,459	7.40	-9.86

Mortgage Delinquencies (% 90+ Days Delinquent)	Q2:14	Q1:14	Q2:13
United States			
All Mortgages	2.31	2.39	2.55
Prime	1.28	1.28	1.46
Subprime	8.68	8.90	9.10
Maryland			
All Mortgages	3.13	3.30	3.59
Prime	1.74	1.75	2.04
Subprime	11.94	11.35	11.33

Maryland Real Personal Income  
Year-over-Year Percent Change through Q2:14



Maryland Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q2:14



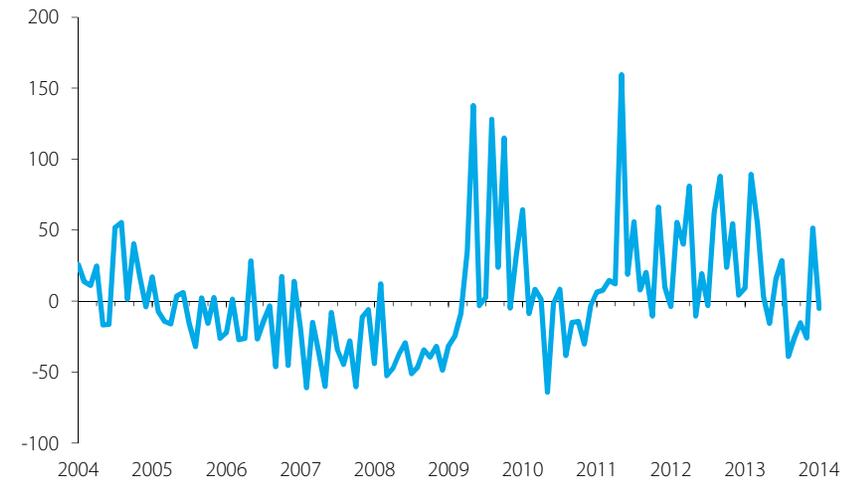
MARYLAND

Real Estate Conditions

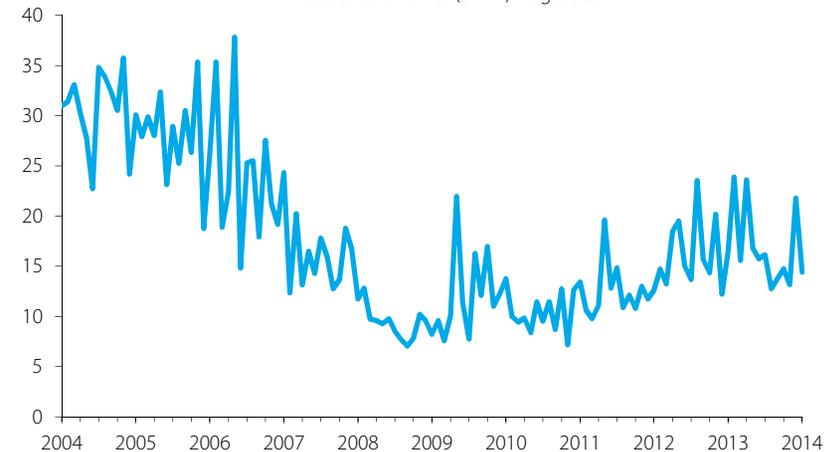
Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	87,166	-10.72	2.27
Fifth District	August	11,555	-10.00	11.92
Maryland	August	1,345	-29.14	-5.01
Baltimore-Towson MSA	August	591	-10.45	-28.28
Cumberland MSA	August	6	100.00	200.00
Hagerstown MSA	August	92	-17.86	-7.07
Salisbury MSA	August	243	-6.90	659.38

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	956	-14.41	8.02
Fifth District	August	124	-16.14	3.26
Maryland	August	14.4	-33.94	-12.36

Maryland Building Permits  
Year-over-Year Percent Change through August 2014



Maryland Housing Starts  
Thousands of Units (SAAR) August 2014



MARYLAND

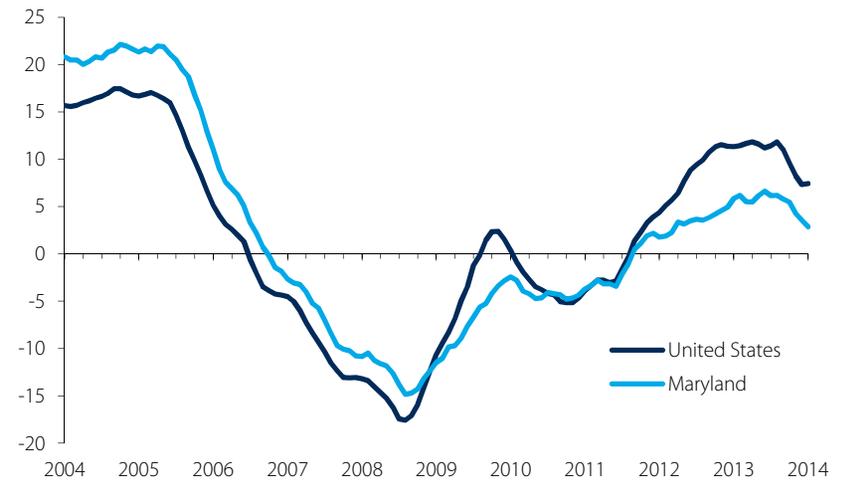
Real Estate Conditions

House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	July	175	1.25	7.41
Fifth District	July	185	0.98	4.53
Maryland	July	193	1.05	2.85
Baltimore-Towson MSA	July	192	1.02	2.48
Cumberland MSA	July	199	3.32	4.34
Hagerstown MSA	July	149	1.04	0.89
Salisbury MSA	July	207	0.78	-1.98

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	Q2:14	256	13.85	-2.70
Cumberland MSA	Q2:14	99	22.11	-3.21
Hagerstown MSA	Q2:14	153	7.98	3.59

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	Q2:14	240	5.73	0.00
Bethesda-Frederick Metro Div.	Q2:14	360	5.57	0.56
Cumberland MSA	Q2:14	91	18.18	-4.21
Hagerstown MSA	Q2:14	152	-1.94	-1.94
Salisbury MSA	Q2:14	120	-13.04	-11.11

Maryland House Price Index (CoreLogic)  
Year-over-Year Percent Change through July 2014



Baltimore-Towson MSA Median Home Sales Price (NAR)  
Year-over-Year Percent Change through Q2:14



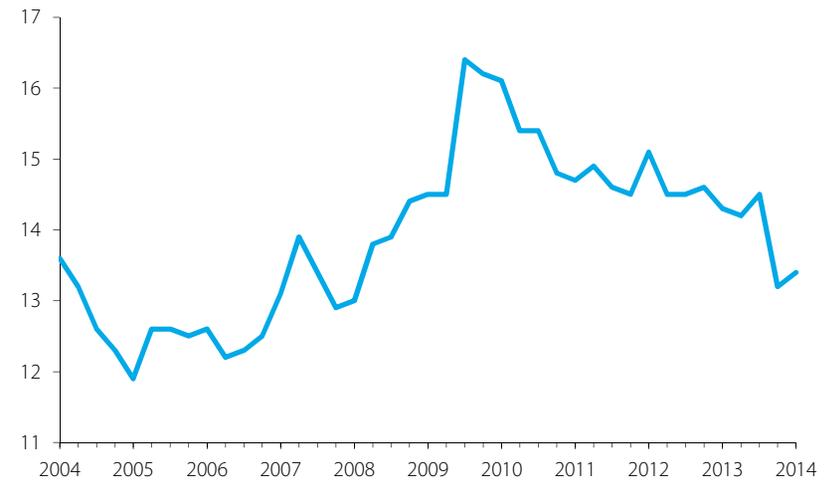
MARYLAND

Real Estate Conditions

Housing Opportunity Index (%)	Q2:14	Q1:14	Q2:13
Baltimore-Towson MSA	71.4	73.6	77.5
Bethesda-Frederick Metro Div.	67.6	69.2	73.4
Cumberland MSA	97.2	96.3	94.7
Hagerstown MSA	87.2	88.6	89.8
Salisbury MSA	90.5	77.9	88.0

Commercial Vacancy Rates (%)	Q2:14	Q1:14	Q2:13
<b>Office Vacancies</b>			
Baltimore-Towson MSA	13.4	13.2	14.3
<b>Retail Vacancies</b>			
Baltimore-Towson MSA	6.7	6.7	7.0
<b>Industrial Vacancies</b>			
Baltimore-Towson MSA	14.4	14.8	15.0
Suburban Maryland (Washington, D.C. MSA)	15.4	14.8	14.6

Baltimore-Towson MSA Office Vacancy Rate  
Through Q2:14



Baltimore-Towson MSA Industrial Vacancy Rate  
Through Q2:14



## NORTH CAROLINA

### October Summary

Recent economic reports on North Carolina were mostly positive as employment expanded, household conditions improved modestly, and housing market activity picked up.

**Labor Markets:** Firms in North Carolina added 12,500 net new jobs (0.3 percent) in August. The monthly gains were widespread as only the construction and the leisure and hospitality industries reported losses, each shedding 700 jobs. The government sector added the most jobs in the month, in both absolute (8,500 jobs) and percentage terms (1.2 percent), largely due to increases by local governments. On a year-over-year basis, employment in North Carolina grew 2.4 percent as every industry reported positive growth. At the metro level, employment expanded in August in every MSA except Charlotte, Wilmington, and Winston-Salem. While every MSA reported year-over-year employment gains, the Raleigh-Cary MSA, which added jobs in eleven of the last twelve months, posted the largest percentage growth (4.5 percent) in the state.

**Household Conditions:** North Carolina's unemployment rate rose from 6.5 percent in July to 6.8 percent in August, but remained well below the 8.0 percent mark reported last August. Unemployment rates at the metro level also increased in the month in every MSA except Fayetteville where the rate was unchanged at 7.5 percent—the highest in the state. In the second quarter of 2014, real personal income in North Carolina rose 1.0 percent and was 2.2 percent higher than the second quarter of 2013. Also in the second quarter, the share of mortgages with payments 90 or more days past due edged down 0.1 percentage point to 2.3 percent. The subprime delinquency rate fell from 10.4 percent to 9.8 percent in the quarter and the prime rate was unchanged.

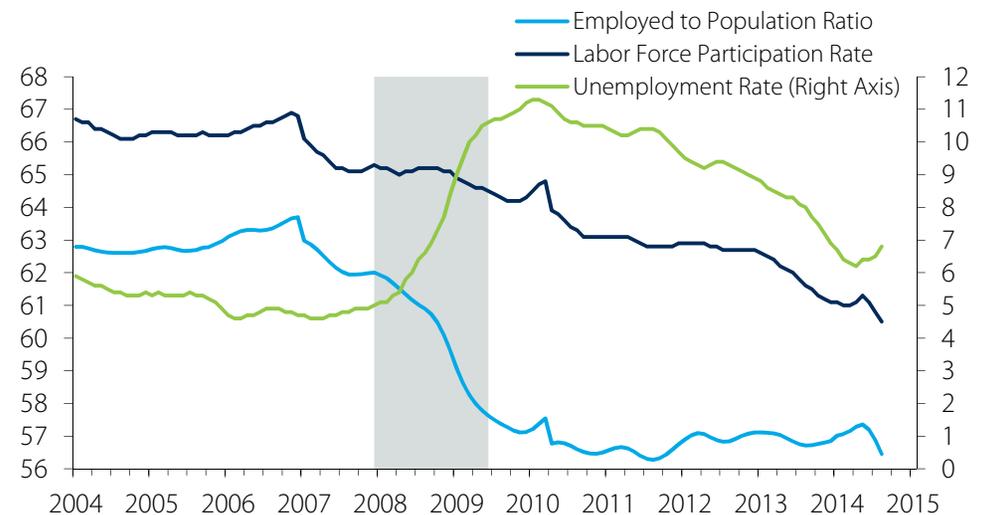
**Housing Markets:** In recent months, housing market reports were mostly positive. Jurisdictions in North Carolina issued 4,925 new residential permits in August, up 5.2 percent from July and 14.6 percent more than were issued last August. Housing starts totaled 52,700 in August, which was a 2.0 percent decline from July but a 5.7 percent increase over August 2013. According to CoreLogic Information Solutions, home values appreciated 0.8 percent in July and appreciated 4.7 percent on a year-over-year basis. Metro area home prices also rose across the entire state in the month and increased since July 2013 in every MSA except Durham, Fayetteville, and Jacksonville. Permitting activity in the state's metro areas varied in August and over the preceding year but increased over both periods in the Asheville, Hickory, Raleigh-Cary, and Winston-Salem MSAs.

### A Closer Look at... Measures of Household Employment

The household survey conducted by the Bureau of Labor Statistics provides state data on the labor force, the number of employed, the number of unemployed, and the civilian noninstitutional population. Figures below compare recent trends in three measures of labor market health: (1) the share of the population that is employed, (2) the share of the population that is participating in the labor force, and (3) the share of the labor force that is unemployed.

	Employed to Population Ratio	Labor Force Participation Rate	Unemployment Rate
December 2007	62.0	65.3	5.0
June 2009	57.6	64.5	10.6
August 2014	56.4	60.5	6.8

**Household Employment in North Carolina**  
Percent (SA), Through August 2014



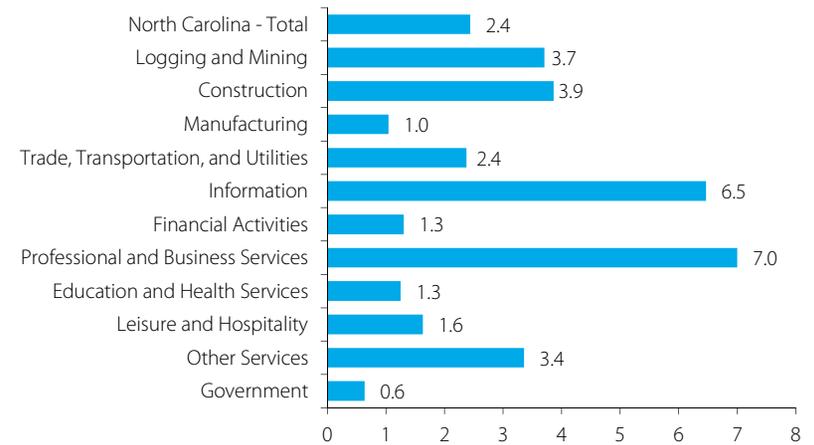
# NORTH CAROLINA

## Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	August	139,118.0	0.10	1.82
Fifth District - Total	August	14,003.0	0.09	1.29
North Carolina - Total	August	4,153.7	0.30	2.44
Logging and Mining	August	5.6	0.00	3.70
Construction	August	180.1	-0.72	3.86
Manufacturing	August	446.2	0.43	1.04
Trade, Transportation, and Utilities	August	775.9	0.00	2.37
Information	August	74.1	0.41	6.47
Financial Activities	August	210.3	0.53	1.30
Professional and Business Services	August	590.1	0.43	7.00
Education and Health Services	August	567.0	0.48	1.25
Leisure and Hospitality	August	437.1	-0.75	1.63
Other Services	August	153.9	0.07	3.36
Government	August	713.4	1.21	0.63
Asheville MSA - Total	August	178.3	0.45	2.35
Charlotte MSA - Total	August	896.2	-0.54	2.29
Durham MSA - Total	August	290.5	0.52	1.86
Fayetteville MSA - Total	August	131.2	0.38	0.38
Greensboro-High Point MSA - Total	August	350.4	1.07	1.07
Raleigh-Cary MSA - Total	August	567.4	0.44	4.53
Wilmington MSA - Total	August	146.3	-0.54	3.39
Winston-Salem MSA - Total	August	209.2	-0.52	0.10

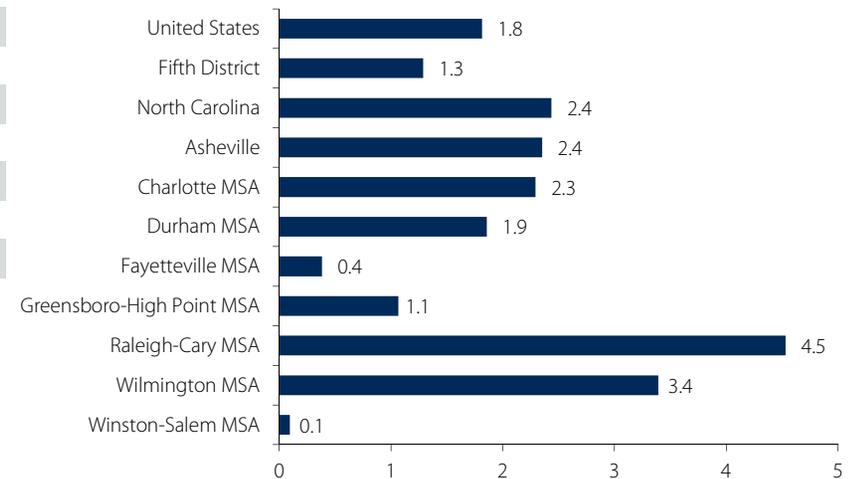
North Carolina Payroll Employment Performance

Year-over-Year Percent Change through August 2014



North Carolina Total Employment Performance

Year-over-Year Percent Change through August 2014



# NORTH CAROLINA

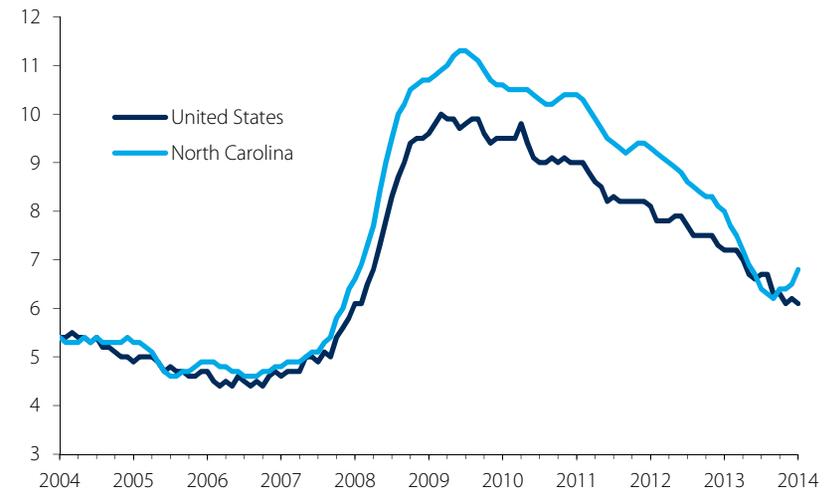
## Labor Market Conditions

Unemployment Rate (SA)	August 14	July 14	August 13
United States	6.1	6.2	7.2
Fifth District	6.3	6.0	6.9
North Carolina	6.8	6.5	8.0
Asheville MSA	5.1	5.0	6.1
Charlotte MSA	6.5	6.3	7.9
Durham MSA	5.1	5.0	6.0
Fayetteville MSA	7.5	7.5	8.8
Greensboro-High Point MSA	6.8	6.6	8.2
Raleigh-Cary MSA	5.2	5.1	6.2
Wilmington MSA	6.6	6.5	8.1
Winston-Salem MSA	6.0	5.9	7.2

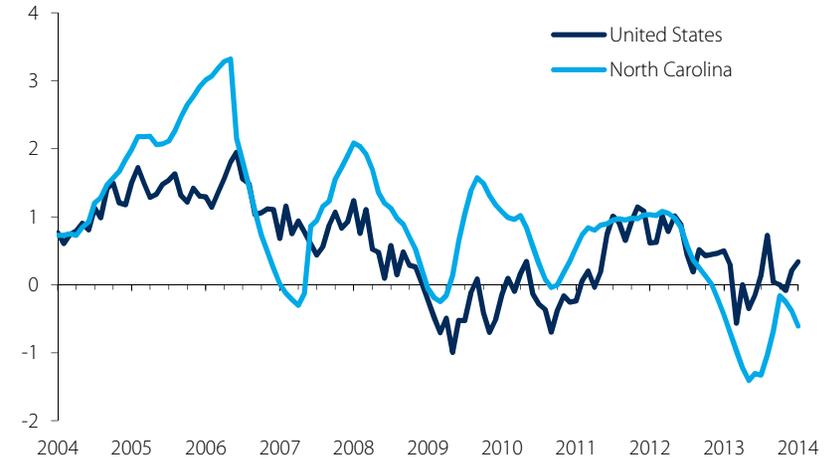
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	155,959	-0.04	0.34
Fifth District	August	15,383	-0.27	-0.05
North Carolina	August	4,656	-0.39	-0.61
Asheville MSA	August	216	-0.18	-0.64
Charlotte MSA	August	929	0.00	0.44
Durham MSA	August	273	-0.04	0.26
Fayetteville MSA	August	161	-0.31	-1.88
Greensboro-High Point MSA	August	365	-0.14	-1.06
Raleigh-Cary MSA	August	623	-0.03	2.00
Wilmington MSA	August	185	-0.16	0.38
Winston-Salem MSA	August	240	-0.21	-0.99

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	1,063,463	-19.32	-12.83
Fifth District	August	71,104	-17.74	-26.35
North Carolina	August	20,279	-13.82	-28.70

North Carolina Unemployment Rate  
Through August 2014



North Carolina Labor Force  
Year-over-Year Percent Change through August 2014



October 2014

FEDERAL RESERVE BANK OF RICHMOND

## NORTH CAROLINA

### Household Conditions

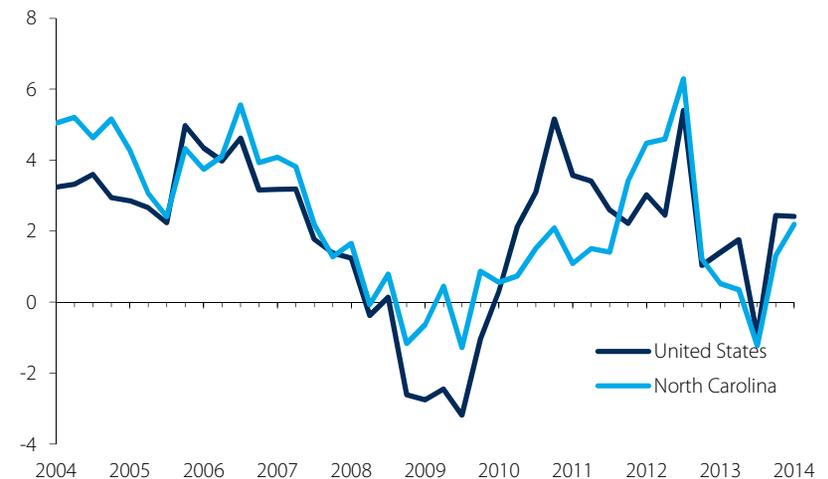
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q2:14	13,502,802	0.96	2.42
Fifth District	Q2:14	1,315,790	0.82	1.54
North Carolina	Q2:14	362,466	1.02	2.19

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Asheville MSA	2014	56.0	---	3.90
Charlotte MSA	2014	64.2	---	0.16
Durham MSA	2014	65.7	---	-2.95
Fayetteville MSA	2014	52.8	---	1.54
Greensboro-High Point MSA	2014	55.1	---	1.10
Raleigh-Cary MSA	2014	75.8	---	0.66
Winston-Salem MSA	2014	56.0	---	-5.88

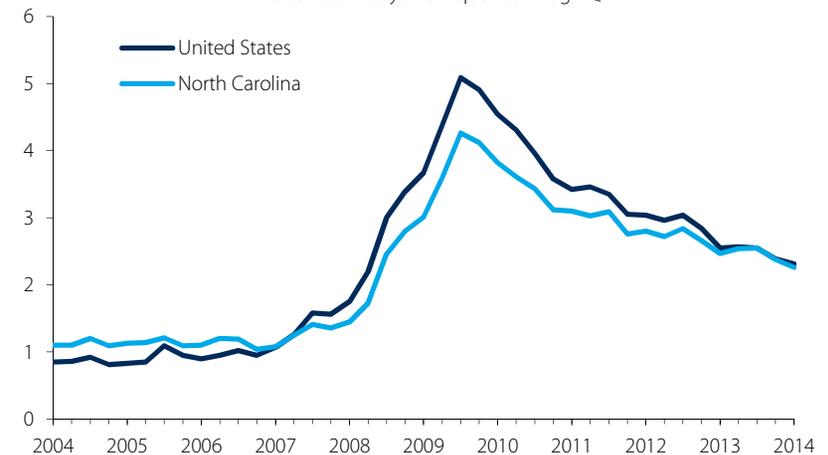
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q2:14	247,576	6.84	-12.92
Fifth District	Q2:14	18,869	6.09	-8.44
North Carolina	Q2:14	4,230	7.09	-9.65

Mortgage Delinquencies (% 90+ Days Delinquent)	Q2:14	Q1:14	Q2:13
United States			
All Mortgages	2.31	2.39	2.55
Prime	1.28	1.28	1.46
Subprime	8.68	8.90	9.10
North Carolina			
All Mortgages	2.26	2.38	2.47
Prime	1.14	1.14	1.22
Subprime	9.76	10.37	9.86

North Carolina Real Personal Income  
Year-over-Year Percent Change through Q2:14



North Carolina Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q2:14



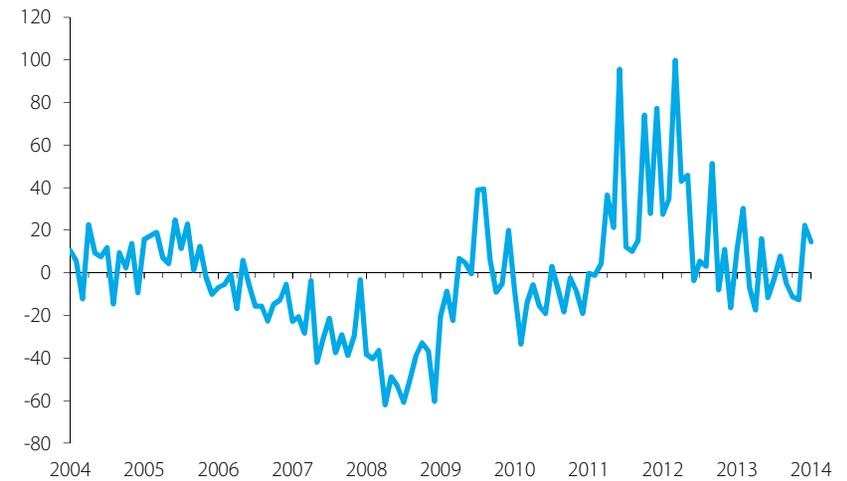
## NORTH CAROLINA

### Real Estate Conditions

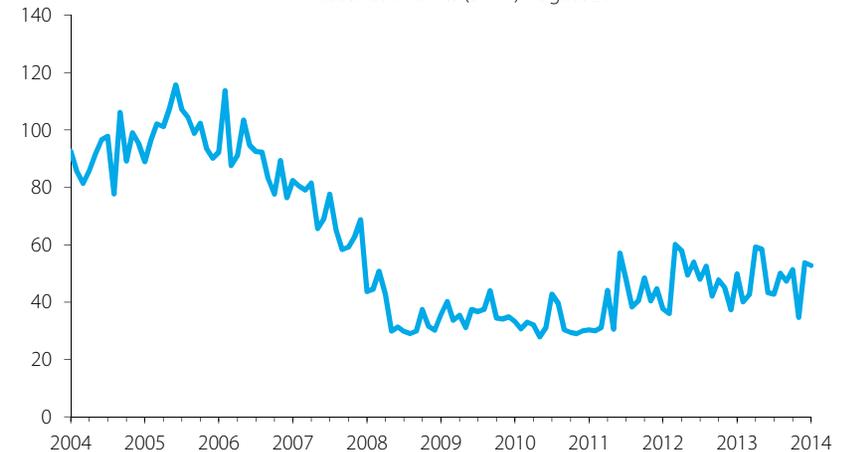
Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	87,166	-10.72	2.27
Fifth District	August	11,555	-10.00	11.92
North Carolina	August	4,925	5.15	14.59
Asheville MSA	August	132	4.76	14.78
Charlotte MSA	August	1,501	-10.44	72.93
Durham MSA	August	210	6.60	-70.09
Fayetteville MSA	August	86	-43.05	-20.37
Greensboro-High Point MSA	August	175	-29.44	-44.62
Greenville MSA	August	30	0.00	-45.45
Hickory MSA	August	44	7.32	15.79
Jacksonville MSA	August	69	-25.81	-71.37
Raleigh-Cary MSA	August	1,391	32.10	78.10
Wilmington MSA	August	223	6.70	-25.67
Winston-Salem MSA	August	419	170.32	264.35

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	956	-14.41	8.02
Fifth District	August	124	-16.14	3.26
North Carolina	August	52.7	-1.97	5.71

North Carolina Building Permits  
Year-over-Year Percent Change through August 2014



North Carolina Housing Starts  
Thousands of Units (SAAR) August 2014



## NORTH CAROLINA

### Real Estate Conditions

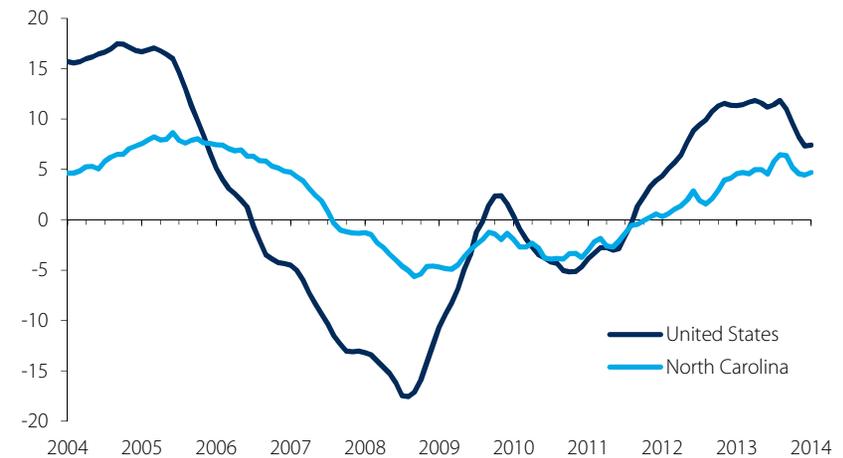
House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	July	175	1.25	7.41
Fifth District	July	185	0.98	4.53
North Carolina	July	140	0.84	4.68
Asheville MSA	July	177	0.92	5.91
Charlotte MSA	July	148	0.93	6.48
Durham MSA	July	139	0.94	-0.22
Fayetteville MSA	July	120	3.15	-1.95
Greensboro-High Point MSA	July	118	0.59	2.39
Greenville MSA	July	126	0.84	1.64
Hickory MSA	July	109	0.84	0.79
Jacksonville MSA	July	141	0.85	-4.96
Raleigh-Cary MSA	July	133	0.54	4.83
Wilmington MSA	July	148	0.39	2.45
Winston-Salem MSA	July	136	1.10	2.06

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charlotte MSA	Q2:14	204	21.55	13.05
Durham MSA	Q2:14	204	11.98	-0.92
Greensboro-High Point MSA	Q2:14	137	13.46	1.10
Raleigh-Cary MSA	Q2:14	212	9.52	6.44

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Asheville MSA	Q2:14	201	15.52	8.65
Charlotte MSA	Q2:14	183	10.91	5.78
Durham MSA	Q2:14	194	7.78	-0.51
Fayetteville MSA	Q2:14	119	-1.65	-5.56
Greensboro-High Point MSA	Q2:14	141	11.02	2.92
Raleigh-Cary MSA	Q2:14	230	6.98	5.99
Winston-Salem MSA	Q2:14	145	11.54	5.07

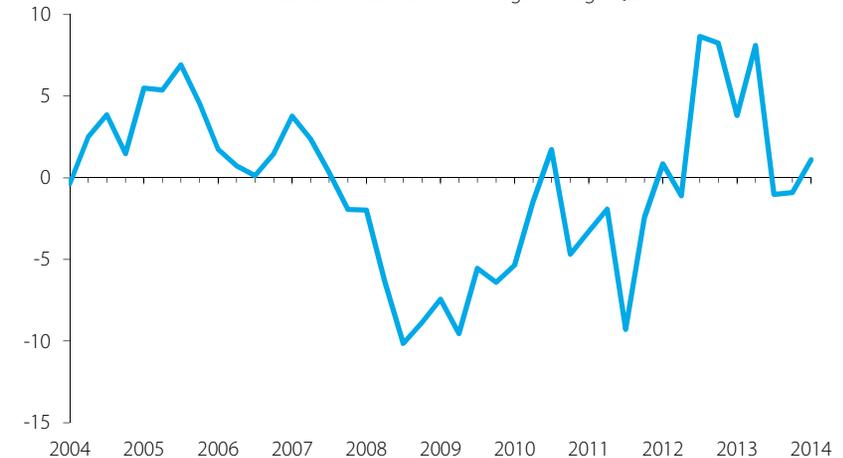
North Carolina House Price Index (CoreLogic)

Year-over-Year Percent Change through July 2014



Greensboro MSA Median Home Sales Price (NAR)

Year-over-Year Percent Change through Q2:14



## NORTH CAROLINA

### Real Estate Conditions

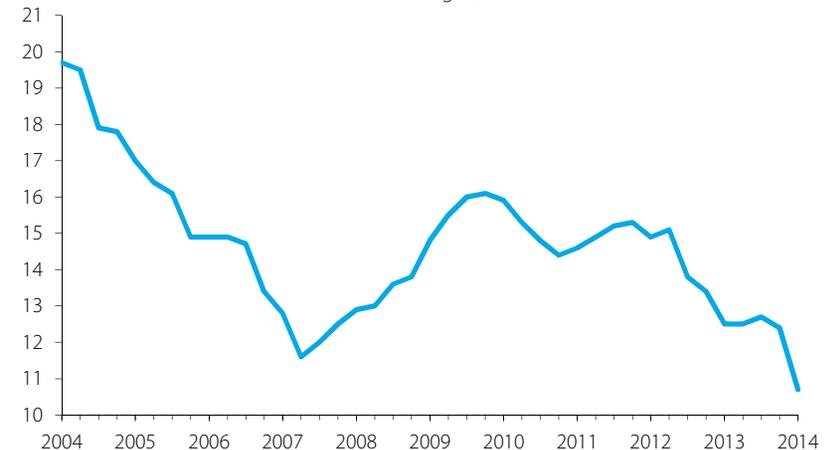
Housing Opportunity Index (%)	Q2:14	Q1:14	Q2:13
Asheville MSA	62.3	68.6	68.3
Charlotte MSA	68.9	74.2	74.1
Durham MSA	71.1	73.7	75.2
Fayetteville MSA	79.0	82.8	80.8
Greensboro-High Point MSA	76.4	78.9	79.6
Raleigh-Cary MSA	70.2	72.4	77.9
Winston-Salem MSA	77.1	80.8	84.8

Commercial Vacancy Rates (%)	Q2:14	Q1:14	Q2:13
<b>Office Vacancies</b>			
Raleigh/Durham	10.7	12.4	12.5
Charlotte	12.9	13.5	14.6
<b>Retail Vacancies</b>			
Raleigh/Durham	6.7	7.1	7.3
Charlotte	8.2	8.4	9.0
<b>Industrial Vacancies</b>			
Raleigh/Durham	13.1	13.1	12.5
Charlotte	9.5	9.8	12.2

Charlotte MSA Office Vacancy Rate  
Through Q2:14



Raleigh/Durham CSA Industrial Vacancy Rate  
Through Q2:14



## SOUTH CAROLINA

### October Summary

South Carolina's economy improved somewhat in recent months as jobs were added and housing markets showed some strength, while household conditions were slightly mixed.

**Labor Markets:** Payroll employment expanded 0.3 percent in August as firms in South Carolina added 5,000 net new jobs. In the month, the greatest number of jobs was added in the education and health services industry, which added 2,800 jobs (1.3 percent), followed by the leisure and hospitality industry, which added 1,200 jobs (0.5 percent). Employment expanded in August in every industry except logging and mining, construction, trade, transportation, and utilities, and information. On a year-over-year basis, employment rose 1.8 percent in the state as every industry expanded except information, financial services, and "other" services. In the state's metro areas, employment growth varied in August but every MSA reported growth on a year-over-year basis ranging from 0.3 percent in Charleston to 5.8% in the Myrtle Beach MSA.

**Household Conditions:** The unemployment rate in South Carolina rose sharply from 5.8 percent to 6.4 percent in August as the number of unemployed rose in the month. Metro area unemployment rates all rose in August as well, with the largest increases in Florence and Sumter, where unemployment rates now stand at 7.1 percent and 7.0 percent, respectively. In the second quarter of 2014, real personal income rose 0.9 percent and increased 2.5 percent since the second quarter of 2013, outpacing the national year-over-year growth rate of 2.4 percent. Meanwhile, the share of mortgages with payments 90 or more days overdue fell 0.1 percentage point to 2.2 percent as the subprime and FHA delinquency rates improved while the prime and VA rates were virtually unchanged.

**Housing Markets:** Housing market reports were somewhat positive in recent months. South Carolina issued 2,151 new residential permits in August, which was 8.6 percent fewer than in the prior month but 18.6 percent more than were issued in August 2013. Similarly, housing starts totaled 23,000 in August, which was 14.7 percent less than July but 9.4 percent more than August of last year. Home values, according to CoreLogic Information Solutions, appreciated 1.8 percent in July and 7.9 percent on a year-over-year basis. Home values in the state's metro areas appreciated in every MSA except Columbia in July and in every MSA except Sumter on a year-over-year basis. Permitting activity slowed in August in every MSA except Columbia and Greenville; however, activity was up in every MSA except Florence and Sumter when compared to the preceding year.

### A Closer Look at... Measures of Household Employment

The household survey conducted by the Bureau of Labor Statistics provides state data on the labor force, the number of employed, the number of unemployed, and the civilian noninstitutional population. Figures below compare recent trends in three measures of labor market health: (1) the share of the population that is employed, (2) the share of the population that is participating in the labor force, and (3) the share of the labor force that is unemployed.

	Employed to Population Ratio	Labor Force Participation Rate	Unemployment Rate
December 2007	59.1	62.6	5.0
June 2009	54.8	62.0	11.7
August 2014	54.2	57.9	6.4

Household Employment in South Carolina  
Percent (SA), Through August 2014



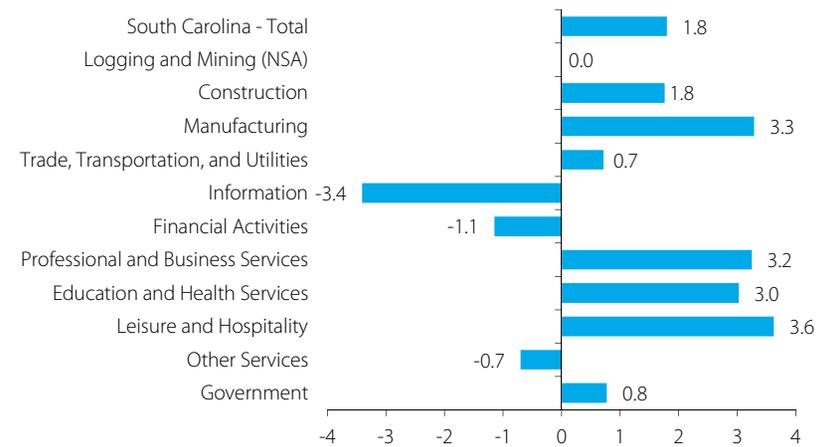
## SOUTH CAROLINA

### Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	August	139,118.0	0.10	1.82
Fifth District - Total	August	14,003.0	0.09	1.29
South Carolina - Total	August	1,932.1	0.26	1.80
Logging and Mining (NSA)	August	3.7	-2.63	0.00
Construction	August	80.9	-0.25	1.76
Manufacturing	August	232.4	0.43	3.29
Trade, Transportation, and Utilities	August	366.8	-0.11	0.71
Information	August	25.5	-2.67	-3.41
Financial Activities	August	94.8	0.00	-1.15
Professional and Business Services	August	248.0	0.32	3.25
Education and Health Services	August	224.9	1.26	3.02
Leisure and Hospitality	August	231.5	0.52	3.63
Other Services	August	70.9	0.57	-0.70
Government	August	352.7	0.06	0.77
Anderson MSA - Total	August	67.0	0.75	2.92
Charleston MSA - Total	August	313.0	0.58	0.26
Columbia MSA - Total	August	363.5	0.69	0.53
Florence MSA - Total	August	85.8	-0.58	2.02
Greenville MSA - Total	August	320.2	0.19	2.30
Myrtle Beach MSA - Total	August	125.0	0.00	5.84
Spartanburg MSA - Total	August	130.4	-0.76	1.48
Sumter MSA - Total	August	38.2	-0.26	1.87

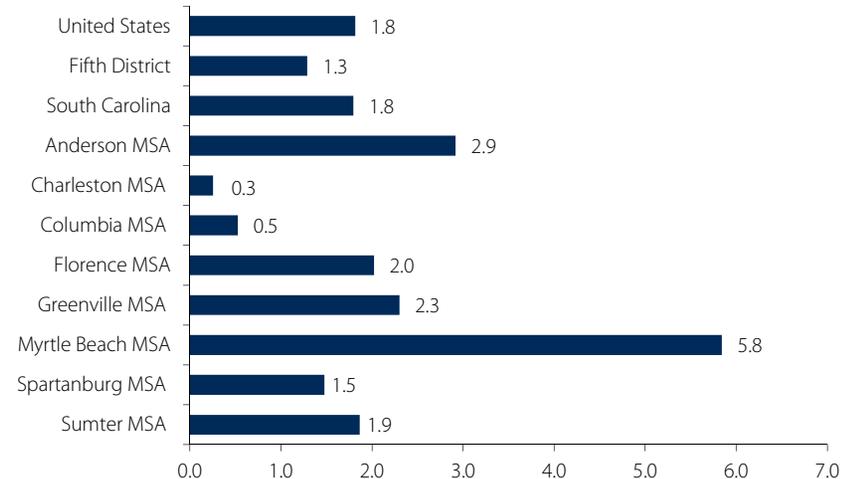
South Carolina Payroll Employment Performance

Year-over-Year Percent Change through August 2014



South Carolina Total Employment Performance

Year-over-Year Percent Change through August 2014



## SOUTH CAROLINA

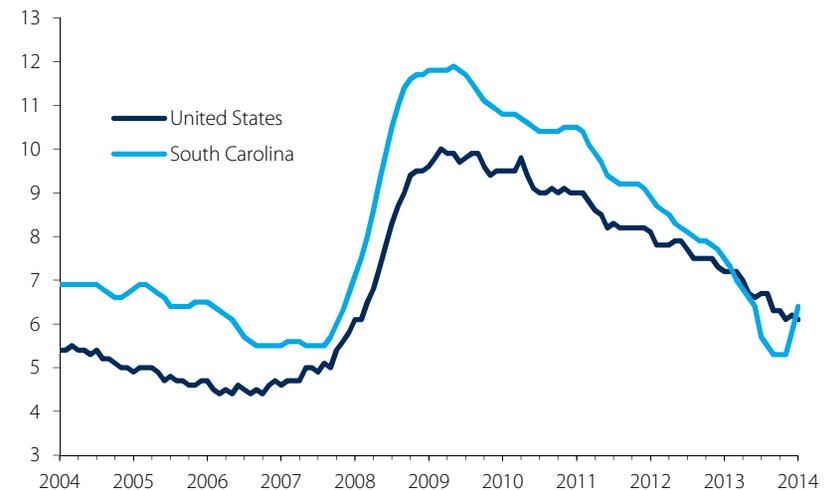
### Labor Market Conditions

Unemployment Rate (SA)	August 14	July 14	August 13
United States	6.1	6.2	7.2
Fifth District	6.3	6.0	6.9
South Carolina	6.4	5.8	7.5
Anderson MSA	5.6	5.1	6.8
Charleston MSA	5.3	4.8	6.2
Columbia MSA	5.6	5.2	6.7
Florence MSA	7.1	6.5	8.7
Greenville MSA	5.3	4.8	6.3
Myrtle Beach MSA	6.8	6.3	8.5
Spartanburg MSA	5.8	5.3	7.2
Sumter MSA	7.0	6.4	8.5

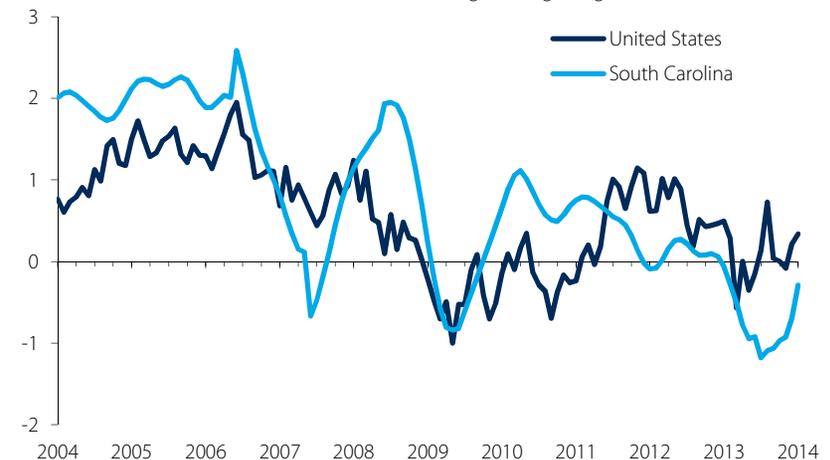
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	155,959	-0.04	0.34
Fifth District	August	15,383	-0.27	-0.05
South Carolina	August	2,174	0.27	-0.29
Anderson MSA	August	88	0.46	0.57
Charleston MSA	August	334	0.51	-0.92
Columbia MSA	August	373	0.32	-0.80
Florence MSA	August	93	0.76	-0.11
Greenville MSA	August	318	0.32	0.06
Myrtle Beach MSA	August	132	0.69	1.93
Spartanburg MSA	August	139	0.29	-0.22
Sumter MSA	August	44	0.46	-0.45

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	1,063,463	-19.32	-12.83
Fifth District	August	71,104	-17.74	-26.35
South Carolina	August	13,713	-24.13	-29.26

South Carolina Unemployment Rate  
Through August 2014



South Carolina Labor Force  
Year-over-Year Percent Change through August 2014



## SOUTH CAROLINA

### Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q2:14	13,502,802	0.96	2.42
Fifth District	Q2:14	1,315,790	0.82	1.54
South Carolina	Q2:14	162,992	0.91	2.52

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Charleston MSA	2014	61.9	---	0.98
Columbia MSA	2014	---	---	---
Greenville MSA	2014	58.2	---	0.34

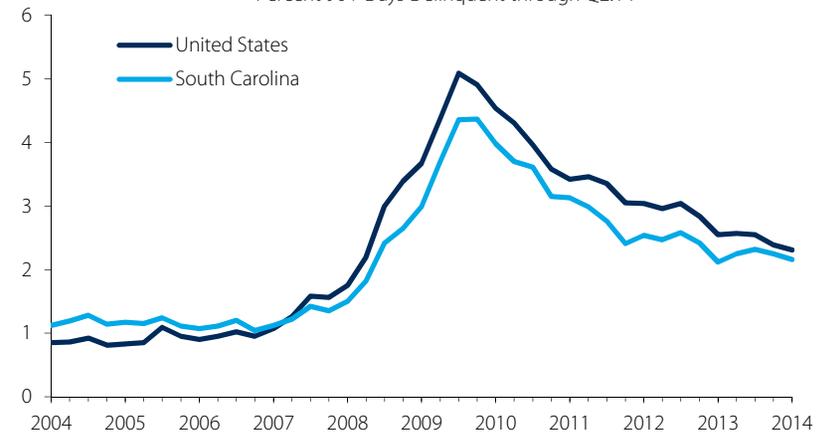
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q2:14	247,576	6.84	-12.92
Fifth District	Q2:14	18,869	6.09	-8.44
South Carolina	Q2:14	1,847	1.04	3.30

Mortgage Delinquencies (% 90+ Days Delinquent)	Q2:14	Q1:14	Q2:13
United States			
All Mortgages	2.31	2.39	2.55
Prime	1.28	1.28	1.46
Subprime	8.68	8.90	9.10
South Carolina			
All Mortgages	2.16	2.25	2.12
Prime	1.24	1.22	1.11
Subprime	7.84	8.33	7.88

South Carolina Real Personal Income  
Year-over-Year Percent Change through Q2:14



South Carolina Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q2:14



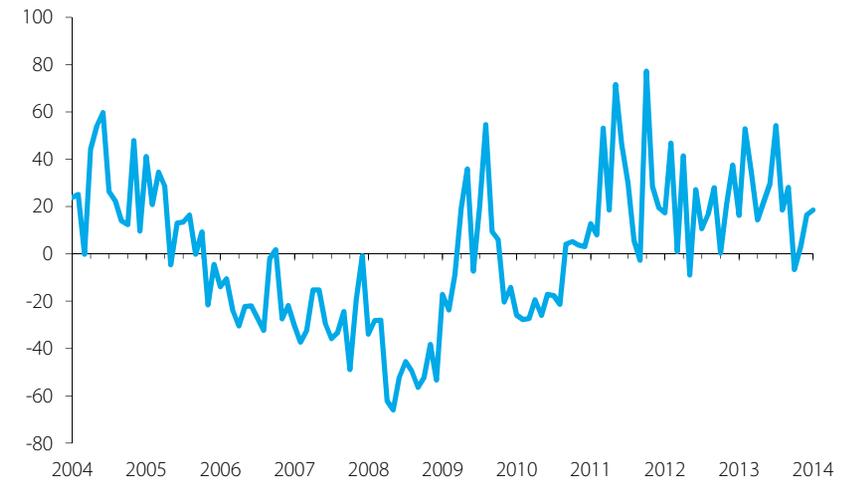
## SOUTH CAROLINA

### Real Estate Conditions

Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	87,166	-10.72	2.27
Fifth District	August	11,555	-10.00	11.92
South Carolina	August	2,151	-8.55	18.58
Charleston MSA	August	424	-1.17	36.33
Columbia MSA	August	360	2.56	28.57
Florence MSA	August	26	-33.33	-25.71
Greenville MSA	August	394	15.20	69.83
Myrtle Beach MSA	August	472	-21.20	107.02
Spartanburg MSA	August	72	-37.93	9.09
Sumter MSA	August	23	-20.69	-68.92

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	956	-14.41	8.02
Fifth District	August	124	-16.14	3.26
South Carolina	August	23.0	-14.74	9.41

South Carolina Building Permits  
Year-over-Year Percent Change through August 2014



South Carolina Housing Starts  
Thousands of Units (SAAR) August 2014



## SOUTH CAROLINA

### Real Estate Conditions

House Price Index (2000=100)      Period      Level      MoM % Change      YoY % Change

United States	July	175	1.25	7.41
Fifth District	July	185	0.98	4.53
South Carolina	July	156	1.80	7.85
Charleston MSA	July	177	1.56	5.18
Columbia MSA	July	125	-0.26	2.18
Florence MSA	July	169	5.22	9.11
Greenville MSA	July	146	0.62	6.90
Myrtle Beach MSA	July	162	0.71	11.71
Spartanburg MSA	July	128	0.48	3.99
Sumter MSA	July	114	2.99	-5.68

Median Home Sales Price - NAR (NSA)      Period      Level (\$000s)      QoQ % Change      YoY % Change

Charleston MSA	Q2:14	234	2.01	4.33
Columbia MSA	Q2:14	157	12.01	5.74
Greenville MSA	Q2:14	165	5.36	3.51
Spartanburg MSA	Q2:14	129	8.88	1.42

Median Home Sales Price - NAHB      Period      Level (\$000s)      QoQ % Change      YoY % Change

Charleston MSA	Q2:14	210	7.69	0.48
Columbia MSA	Q2:14	---	---	---
Greenville MSA	Q2:14	165	10.00	3.13

South Carolina House Price Index (CoreLogic)

Year-over-Year Percent Change through July 2014



Charleston MSA Median Home Sales Price (NAR)

Year-over-Year Percent Change through Q2:14



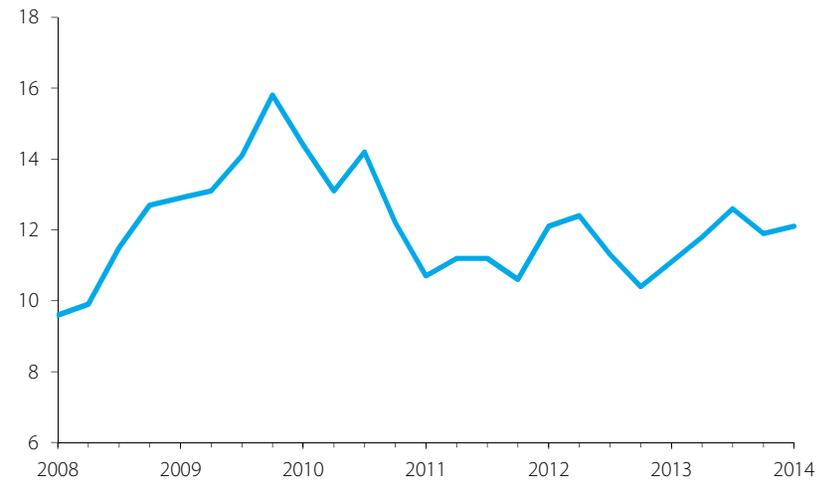
## SOUTH CAROLINA

### Real Estate Conditions

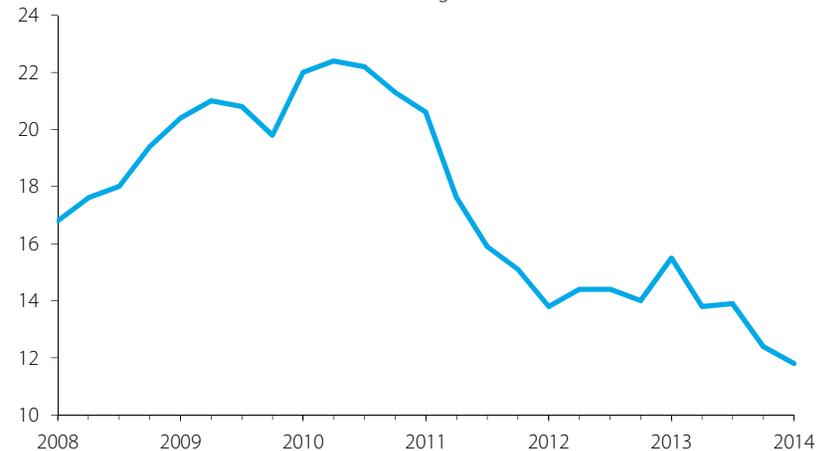
Housing Opportunity Index (%)	Q2:14	Q1:14	Q2:13
Charleston MSA	62.9	66.3	62.4
Columbia MSA	---	---	---
Greenville MSA	73.4	79.8	78.4

Commercial Vacancy Rates (%)	Q1:14	Q4:13	Q1:13
<b>Office Vacancies</b>			
Charleston	12.1	11.9	11.1
<b>Industrial Vacancies</b>			
Charleston	11.8	12.4	15.5

Charleston MSA Office Vacancy Rate  
Through Q1:14



Charleston MSA Industrial Vacancy Rate  
Through Q1:14



## VIRGINIA

### October Summary

Recent reports on Virginia's economy were mixed with a slight contraction in employment, slight increases in unemployment rates, and somewhat mixed housing market conditions.

**Labor Markets:** Firms in Virginia cut 1,500 net jobs (0.0 percent) in August; however, on a year-over-year basis, employers added 18,600 positions (0.5 percent). In the month, jobs were added in several industries, including 2,200 jobs in leisure and hospitality and 1,700 jobs in the government sector; however, losses in construction, manufacturing, trade, transportation, and utilities, professional services, and education and health services outweighed the gains from other industries. Since August 2013, every industry except trade, transportation, and utilities, information, professional and business services, and government have expanded. At the metro level, employment growth varied both in the month and over the year. The largest year-over-year decline occurred in Lynchburg, which contracted 1.5 percent, while the largest increase came from Richmond, which expanded 1.9 percent.

**Household Conditions:** Virginia's unemployment rate increased 0.3 percentage point to 5.6 percent in August but remained below the national rate of 6.1 percent. In the state's metro areas, unemployment rates rose in every MSA except Blacksburg, which was unchanged at 5.6 percent in August. The Northern Virginia metro area's unemployment rate increased 0.4 percentage point to 4.7 percent, which is slightly higher than it was last August. In the second quarter of 2014, real personal income in Virginia rose 0.7 percent and increased 1.1 percent since the second quarter of 2013. Additionally, the share of mortgages with payments 90 or more days past due fell from 1.9 percent to 1.8 percent as the subprime and FHA delinquency rates declined while the prime and VA rates held steady.

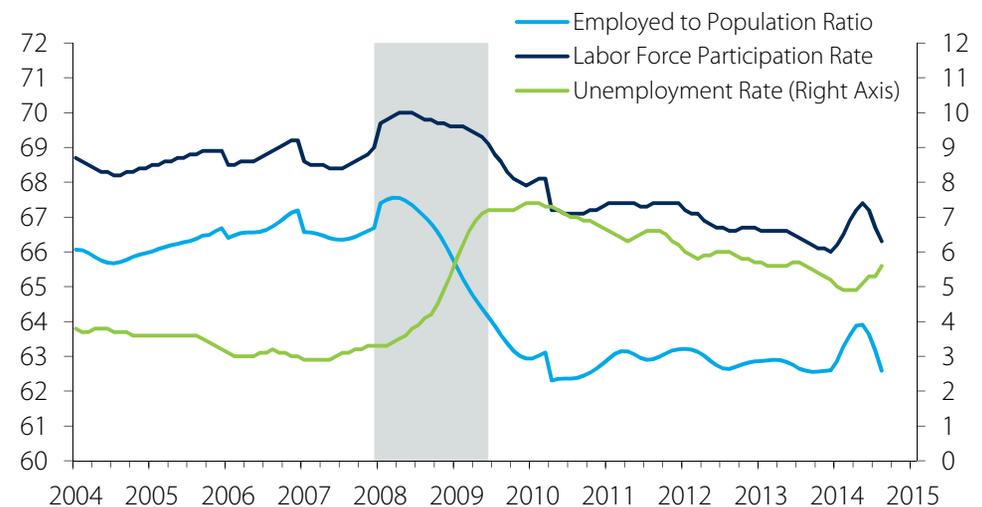
**Housing Markets:** Recent reports on housing markets were somewhat mixed. Virginia issued 2,125 new residential permits in August, 23.5 percent fewer than issued in the prior month and 14.6 percent fewer than issued in August 2013. Similarly, housing starts totaled 22,800 in August, which was a decline of 28.7 percent from July and a year-over-year decline of 21.2 percent. According to CoreLogic Information Solutions, home values appreciated 0.8 percent in July and 3.6 percent since July of last year. In the state's metro areas, home values appreciated in the month in every MSA except Danville and Winchester while, on a year-over-year basis, home values appreciated in every MSA except Harrisonburg. Metro area permitting activity mostly declined in August with only the Richmond and Winchester MSAs reporting more permits issued in the month.

### A Closer Look at... Measures of Household Employment

The household survey conducted by the Bureau of Labor Statistics provides state data on the labor force, the number of employed, the number of unemployed, and the civilian noninstitutional population. Figures below compare recent trends in three measures of labor market health: (1) the share of the population that is employed, (2) the share of the population that is participating in the labor force, and (3) the share of the labor force that is unemployed.

	Employed to Population Ratio	Labor Force Participation Rate	Unemployment Rate
December 2007	66.7	69.0	3.3
June 2009	64.1	69.1	7.2
August 2014	62.6	66.3	5.6

Household Employment in Virginia  
Percent (SA), Through August 2014



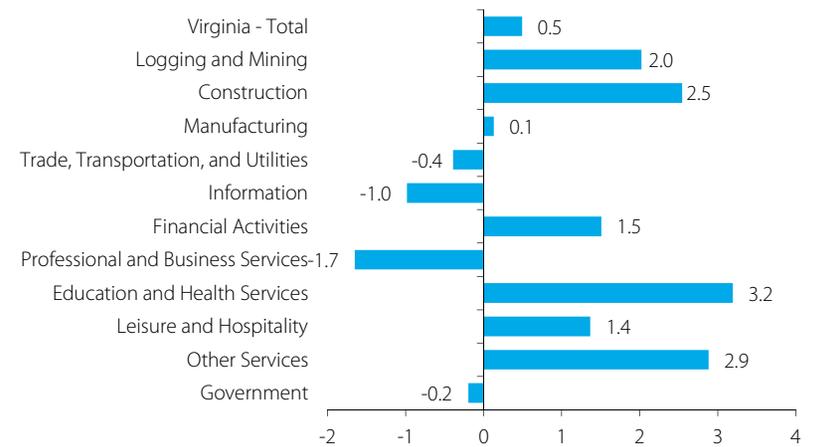
VIRGINIA

Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	August	139,118.0	0.10	1.82
Fifth District - Total	August	14,003.0	0.09	1.29
Virginia - Total	August	3,787.1	-0.04	0.49
Logging and Mining	August	10.1	1.00	2.02
Construction	August	181.4	-0.22	2.54
Manufacturing	August	231.1	-0.34	0.13
Trade, Transportation, and Utilities	August	637.9	-0.36	-0.39
Information	August	70.6	0.86	-0.98
Financial Activities	August	195.1	0.62	1.51
Professional and Business Services	August	666.6	-0.37	-1.65
Education and Health Services	August	514.0	-0.41	3.19
Leisure and Hospitality	August	370.7	0.60	1.37
Other Services	August	199.9	0.40	2.88
Government	August	709.7	0.24	-0.20
Blacksburg MSA - Total	August	73.4	0.55	1.66
Charlottesville MSA - Total	August	103.7	0.39	-0.58
Lynchburg MSA - Total	August	100.4	-0.10	-1.47
Northern Virginia - Total	August	1,378.5	-0.03	0.60
Richmond MSA - Total	August	646.0	0.03	1.91
Roanoke MSA - Total	August	156.3	-0.45	-1.33
Virginia Beach-Norfolk MSA - Total	August	754.5	0.16	-0.08
Winchester MSA - Total	August	59.4	-0.34	1.37

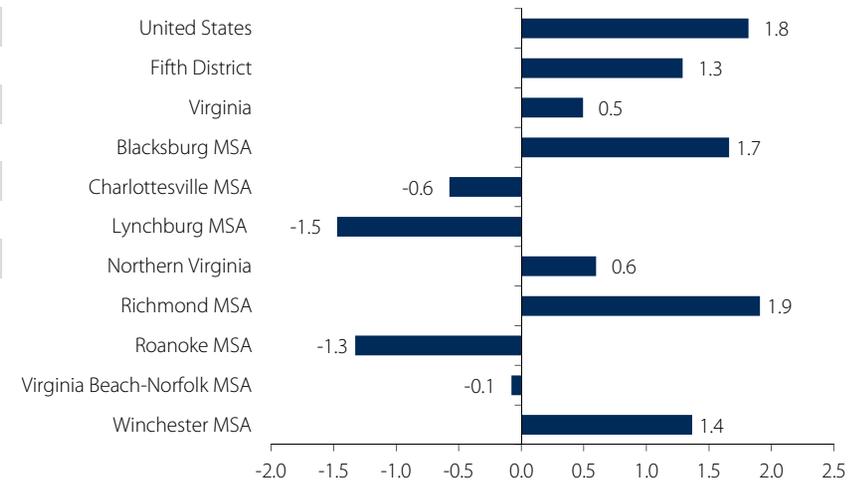
Virginia Payroll Employment Performance

Year-over-Year Percent Change through August 2014



Virginia Total Employment Performance

Year-over-Year Percent Change through August 2014



VIRGINIA

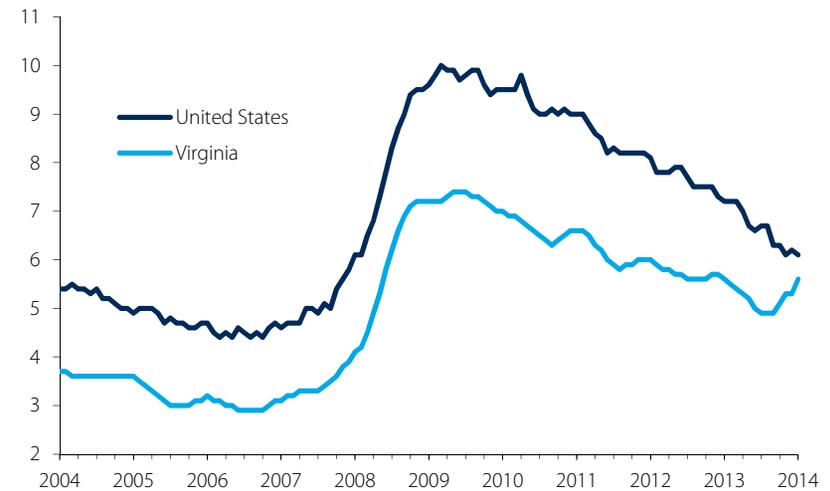
Labor Market Conditions

Unemployment Rate (SA)	August 14	July 14	August 13
United States	6.1	6.2	7.2
Fifth District	6.3	6.0	6.9
Virginia	5.6	5.3	5.6
Blacksburg MSA	5.6	5.6	5.8
Charlottesville MSA	4.6	4.4	4.6
Lynchburg MSA	6.2	6.0	6.3
Northern Virginia (NSA)	4.7	4.3	4.5
Richmond MSA	5.7	5.5	5.8
Roanoke MSA	5.6	5.4	5.8
Virginia Beach-Norfolk MSA	5.8	5.7	6.0
Winchester MSA	4.9	4.8	5.3

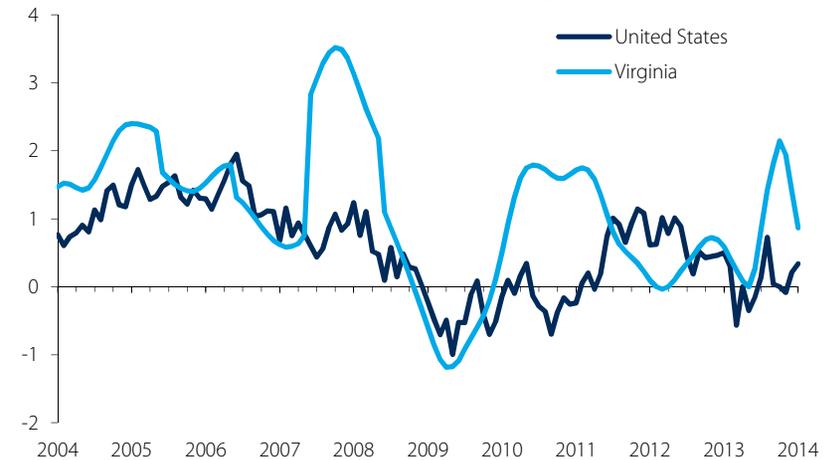
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	155,959	-0.04	0.34
Fifth District	August	15,383	-0.27	-0.05
Virginia	August	4,277	-0.59	0.87
Blacksburg MSA	August	84	-0.47	1.69
Charlottesville MSA	August	111	-0.36	0.36
Lynchburg MSA	August	120	-0.42	-0.75
Northern Virginia (NSA)	August	1,573	-1.63	1.13
Richmond MSA	August	690	-0.29	2.31
Roanoke MSA	August	157	-0.69	-0.51
Virginia Beach-Norfolk MSA	August	840	-0.31	0.73
Winchester MSA	August	70	-0.85	1.46

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	1,063,463	-19.32	-12.83
Fifth District	August	71,104	-17.74	-26.35
Virginia	August	16,308	-18.04	-14.38

Virginia Unemployment Rate  
Through August 2014



Virginia Labor Force  
Year-over-Year Percent Change through August 2014



# VIRGINIA

## Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q2:14	13,502,802	0.96	2.42
Fifth District	Q2:14	1,315,790	0.82	1.54
Virginia	Q2:14	380,848	0.72	1.06

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Richmond MSA	2014	72.9	---	-1.35
Roanoke MSA	2014	62.9	---	---
Virginia Beach-Norfolk MSA	2014	70.6	---	-3.68

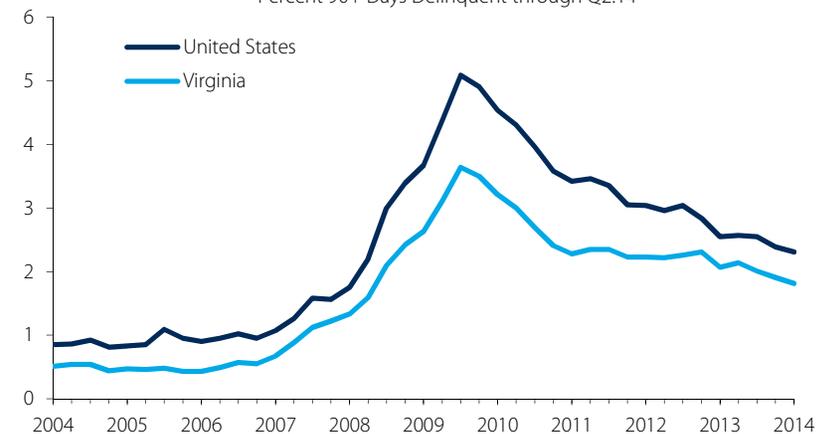
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q2:14	247,576	6.84	-12.92
Fifth District	Q2:14	18,869	6.09	-8.44
Virginia	Q2:14	6,227	5.03	-9.60

Mortgage Delinquencies (% 90+ Days Delinquent)	Q2:14	Q1:14	Q2:13
United States			
All Mortgages	2.31	2.39	2.55
Prime	1.28	1.28	1.46
Subprime	8.68	8.90	9.10
Virginia			
All Mortgages	1.81	1.91	2.07
Prime	0.86	0.88	1.03
Subprime	9.26	9.58	10.06

Virginia Real Personal Income  
Year-over-Year Percent Change through Q2:14



Virginia Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q2:14



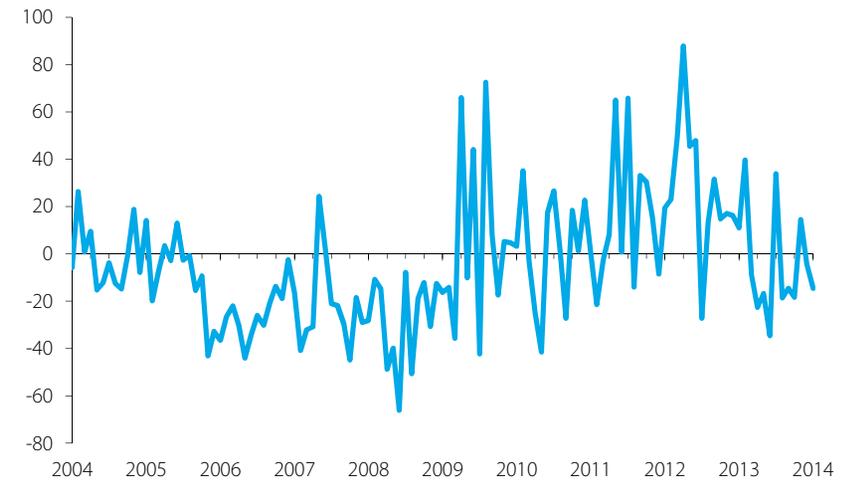
VIRGINIA

Real Estate Conditions

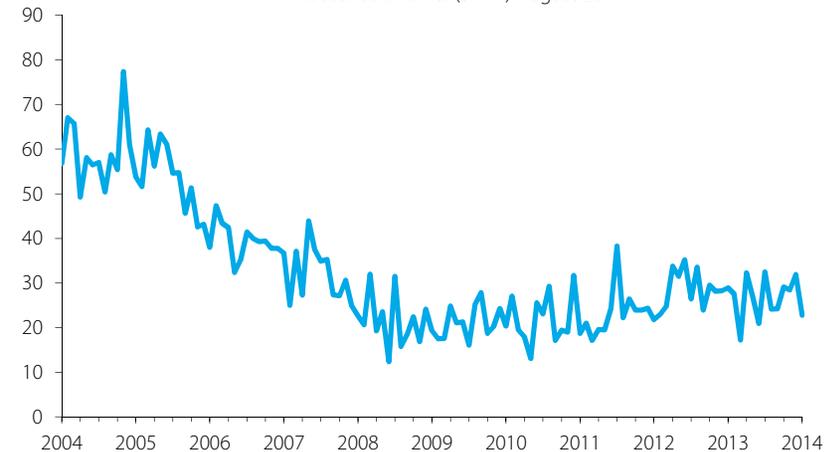
Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	87,166	-10.72	2.27
Fifth District	August	11,555	-10.00	11.92
Virginia	August	2,125	-23.53	-14.59
Charlottesville MSA	August	43	-12.24	26.47
Harrisonburg MSA	August	24	-31.43	-17.24
Lynchburg MSA	August	28	-88.28	-50.88
Richmond MSA	August	419	37.38	28.92
Roanoke MSA	August	37	-24.49	5.71
Virginia Beach-Norfolk MSA	August	315	-26.57	-62.85
Winchester MSA	August	54	12.50	145.45

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	956	-14.41	8.02
Fifth District	August	124	-16.14	3.26
Virginia	August	22.8	-28.73	-21.20

Virginia Building Permits  
Year-over-Year Percent Change through August 2014



Virginia Housing Starts  
Thousands of Units (SAAR) August 2014



VIRGINIA

Real Estate Conditions

House Price Index (2000=100)

Period	Level	MoM % Change	YoY % Change	
United States	July	175	1.25	7.41
Fifth District	July	185	0.98	4.53
Virginia	July	210	0.83	3.58
Blacksburg MSA	July	140	0.83	3.25
Charlottesville MSA	July	180	0.97	1.64
Danville MSA	July	195	-0.15	3.99
Harrisonburg MSA	July	202	0.82	-3.78
Lynchburg MSA	July	144	0.82	5.77
Richmond MSA	July	164	0.69	4.46
Roanoke MSA	July	143	0.89	2.09
Virginia Beach-Norfolk MSA	July	187	0.63	1.18
Winchester MSA	July	185	-0.37	5.06

Median Home Sales Price - NAR (NSA)

Period	Level (\$000s)	QoQ % Change	YoY % Change	
Richmond MSA	Q2:14	---	---	
Virginia Beach-Norfolk MSA	Q2:14	200	14.29	0.00

Median Home Sales Price - NAHB

Period	Level (\$000s)	QoQ % Change	YoY % Change	
Richmond MSA	Q2:14	205	15.17	2.50
Virginia Beach-Norfolk MSA	Q2:14	192	10.34	-3.03

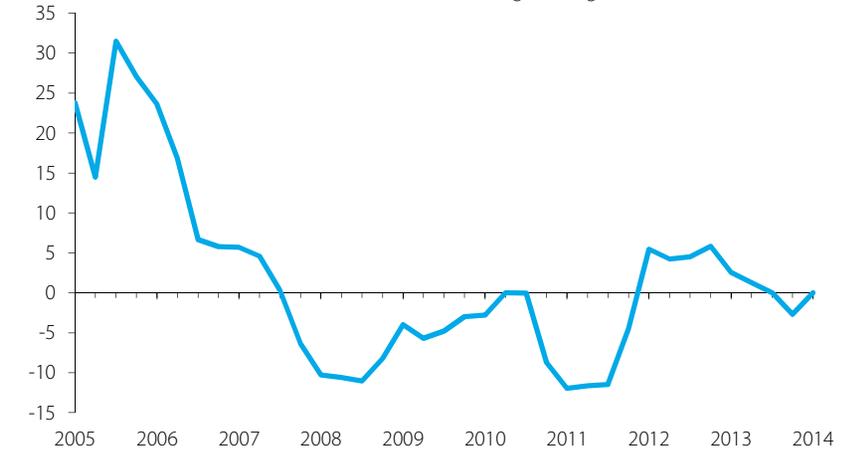
Virginia House Price Index (CoreLogic)

Year-over-Year Percent Change through July 2014



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

Year-over-Year Percent Change through Q2:14



VIRGINIA

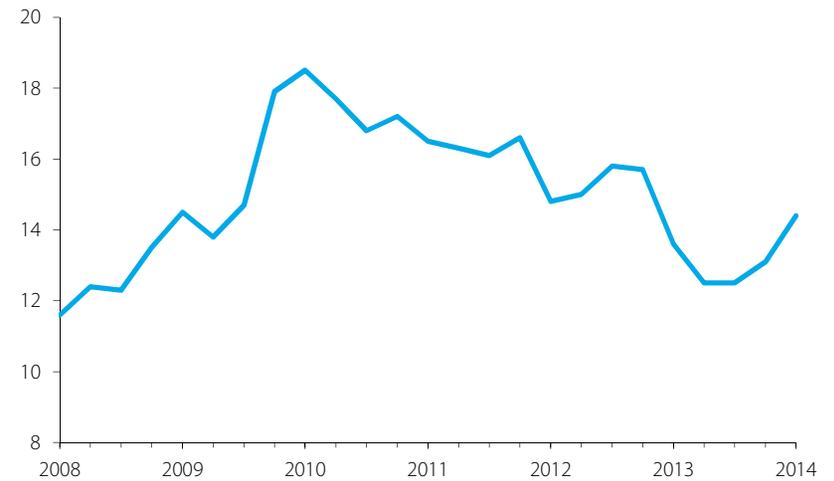
Real Estate Conditions

Housing Opportunity Index (%)	Q2:14	Q1:14	Q2:13
Richmond MSA	75.3	80.1	80.4
Roanoke MSA	82.8	86.4	87.3
Virginia Beach-Norfolk MSA	78.0	81.6	81.6

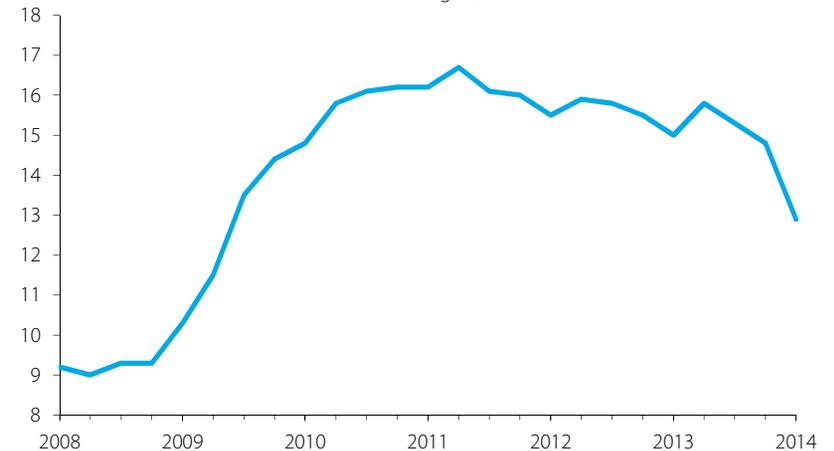
Commercial Vacancy Rates (%)	Q2:14	Q1:14	Q2:13
Office Vacancies			
Norfolk	12.4	12.6	13.7
Richmond	14.4	13.1	13.6

Industrial Vacancies	Q2:14	Q1:14	Q2:13
Northern Virginia	14.2	14.2	15.4
Richmond	---	12.9	15.8

Richmond MSA Office Vacancy Rate  
Through Q2:14



Richmond MSA Industrial Vacancy Rate  
Through Q1:14



## WEST VIRGINIA

### October Summary

Economic reports on West Virginia were somewhat mixed in recent months as employment rose slightly, but household conditions and housing market indicators were mixed.

**Labor Markets:** Payroll employment in West Virginia increased slightly as firms added 100 net new jobs (0.0 percent) to the state's economy. Despite the small net gain in total employment, the majority of industries reported declines in the month; jobs were added in logging and mining, information, professional and business services, and education and health services while losses were sustained in the remaining industries. On a year-over-year basis, employment in the state grew 1.1 percent as firms added 8,200 new positions. The professional and business services industry, which added 5,700 new jobs, reported the highest growth rate of 8.7 percent. At the metro level, payrolls expanded in Charleston and Parkersburg in August, and contracted in Huntington and Morgantown; however, every MSA reported growth on a year-over-year basis.

**Household Conditions:** The unemployment rate in West Virginia increased from 6.3 percent in July to 6.6 percent in August—slightly above the 6.5 percent rate reported in August 2013. Unemployment rates also increased in August in every MSA except Huntington where the rate was unchanged at 6.1 percent and remained the highest in the state. In the second quarter of 2014, real personal income in the Mountain State rose 1.0 percent but increased at a slightly lower rate, 0.7 percent, since the second quarter of 2013. Also in the second quarter, the share of mortgages with payments 90 or more days overdue edged up 0.1 percentage point to 2.0 percent. Increases in the prime and FHA delinquency rates offset declines in the subprime and VA delinquency rates of 0.6 and 0.1 percentage point, respectively.

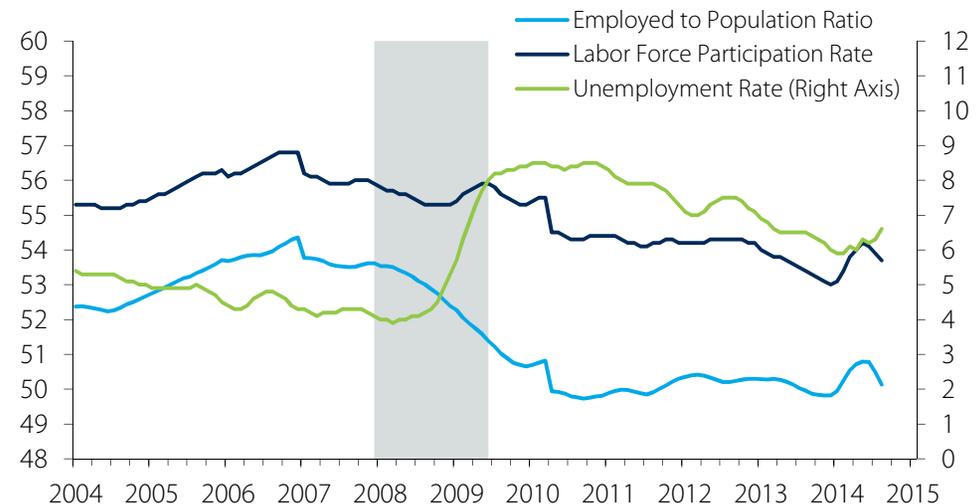
**Housing Markets:** Housing market reports were somewhat mixed in recent months. Jurisdictions in West Virginia issued 230 new residential permits in August, up 12.8 percent from July but 11.5 percent fewer than issued in August 2013. Similarly, housing starts totaled 2,500 in August, which was a 5.1 percent increase in the month but an 18.5 percent decline from last August. According to CoreLogic Information Solutions, home values in West Virginia depreciated 1.7 percent in July but appreciated 5.8 since July 2013. In the state's metro areas, home values depreciated in every MSA except Huntington in the month; however, values have appreciated in every MSA on a year-over-year basis. Permitting activity at the metro level was mixed in August and over the prior year.

### A Closer Look at... Measures of Household Employment

The household survey conducted by the Bureau of Labor Statistics provides state data on the labor force, the number of employed, the number of unemployed, and the civilian noninstitutional population. Figures below compare recent trends in three measures of labor market health: (1) the share of the population that is employed, (2) the share of the population that is participating in the labor force, and (3) the share of the labor force that is unemployed.

	Employed to Population Ratio	Labor Force Participation Rate	Unemployment Rate
December 2007	53.6	55.9	4.1
June 2009	51.4	55.9	8.0
August 2014	50.1	53.7	6.6

Household Employment in West Virginia  
Percent (SA), Through August 2014



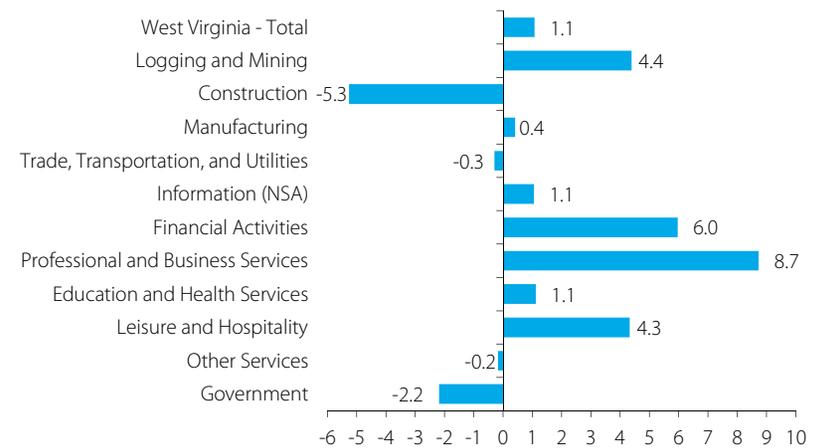
## WEST VIRGINIA

### Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	August	139,118.0	0.10	1.82
Fifth District - Total	August	14,003.0	0.09	1.29
West Virginia - Total	August	772.0	0.01	1.07
Logging and Mining	August	33.3	0.60	4.39
Construction	August	32.4	-0.31	-5.26
Manufacturing	August	48.8	-0.61	0.41
Trade, Transportation, and Utilities	August	134.8	-0.22	-0.30
Information (NSA)	August	9.6	1.05	1.05
Financial Activities	August	30.2	-0.66	5.96
Professional and Business Services	August	71.0	1.57	8.73
Education and Health Services	August	127.3	1.03	1.11
Leisure and Hospitality	August	77.3	-0.90	4.32
Other Services	August	55.3	-0.72	-0.18
Government	August	151.9	-0.46	-2.19
Charleston MSA - Total	August	147.1	1.31	0.48
Huntington MSA - Total	August	113.8	-0.35	0.53
Morgantown MSA - Total	August	69.1	-0.29	2.07
Parkersburg MSA - Total	August	70.0	0.14	0.14

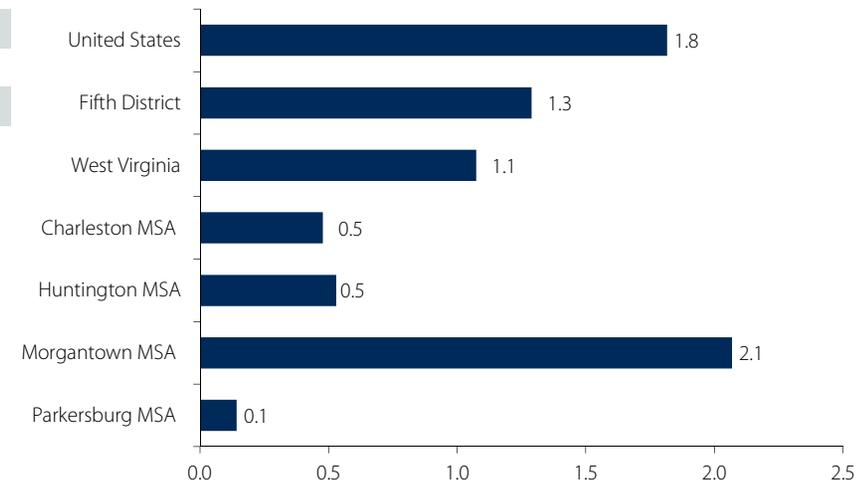
West Virginia Payroll Employment Performance

Year-over-Year Percent Change through August 2014



West Virginia Total Employment Performance

Year-over-Year Percent Change through August 2014



## WEST VIRGINIA

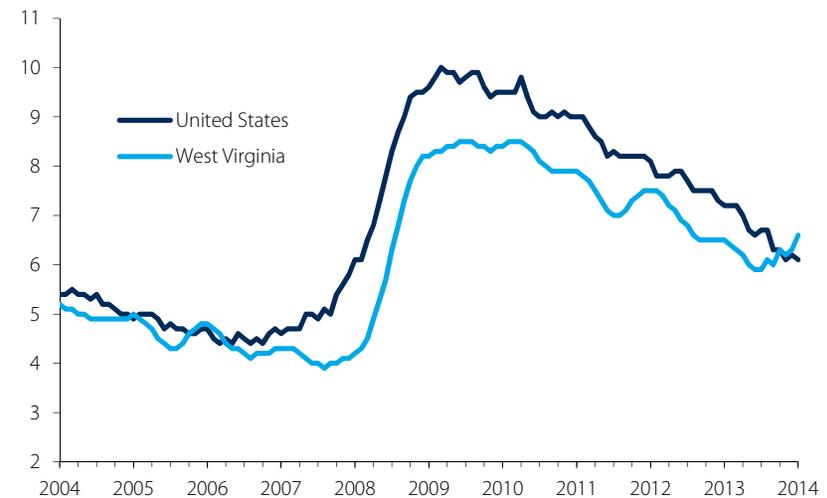
### Labor Market Conditions

Unemployment Rate (SA)	August 14	July 14	August 13
United States	6.1	6.2	7.2
Fifth District	6.3	6.0	6.9
West Virginia	6.6	6.3	6.5
Charleston MSA	5.9	5.7	5.8
Huntington MSA	6.1	6.1	7.0
Morgantown MSA	4.3	4.2	4.3
Parkersburg MSA	5.6	5.4	6.4

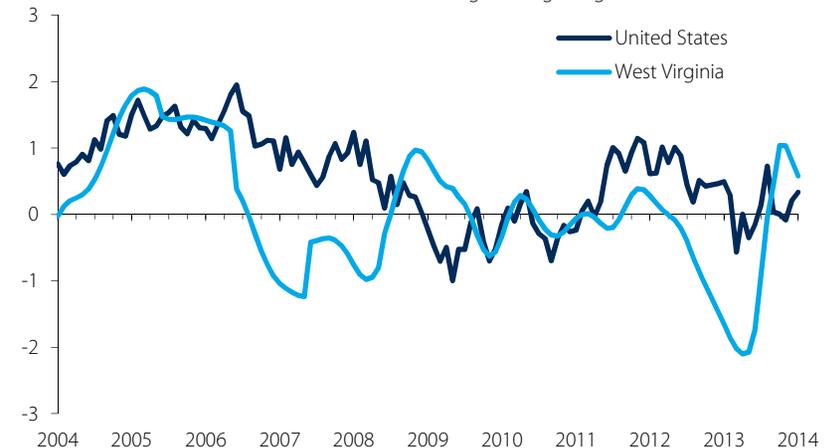
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	155,959	-0.04	0.34
Fifth District	August	15,383	-0.27	-0.05
West Virginia	August	799	-0.42	0.58
Charleston MSA	August	136	0.00	1.19
Huntington MSA	August	125	-0.56	-0.48
Morgantown MSA	August	69	-0.14	2.82
Parkersburg MSA	August	76	0.13	0.53

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	1,063,463	-19.32	-12.83
Fifth District	August	71,104	-17.74	-26.35
West Virginia	August	4,126	-23.65	-22.36

West Virginia Unemployment Rate  
Through August 2014



West Virginia Labor Force  
Year-over-Year Percent Change through August 2014



## WEST VIRGINIA

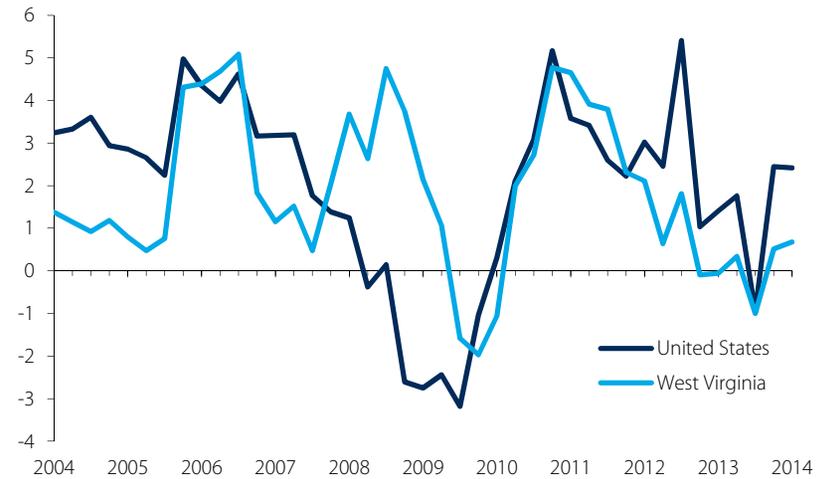
### Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q2:14	13,502,802	0.96	2.42
Fifth District	Q2:14	1,315,790	0.82	1.54
West Virginia	Q2:14	62,027	0.98	0.68

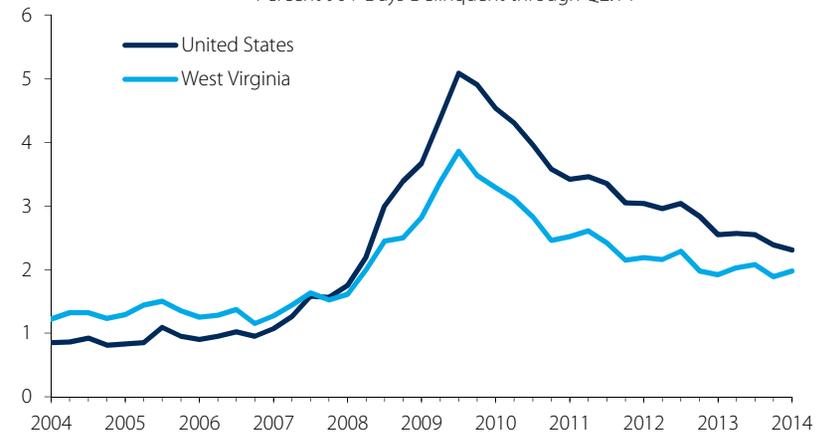
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q2:14	247,576	6.84	-12.92
Fifth District	Q2:14	18,869	6.09	-8.44
West Virginia	Q2:14	926	11.97	-6.56

Mortgage Delinquencies (% 90+ Days Delinquent)	Q2:14	Q1:14	Q2:13
United States			
All Mortgages	2.31	2.39	2.55
Prime	1.28	1.28	1.46
Subprime	8.68	8.90	9.10
West Virginia			
All Mortgages	1.98	1.89	1.92
Prime	1.23	1.05	1.03
Subprime	8.27	8.86	8.58

West Virginia Real Personal Income  
Year-over-Year Percent Change through Q2:14



West Virginia Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q2:14



October 2014

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## WEST VIRGINIA

### Real Estate Conditions

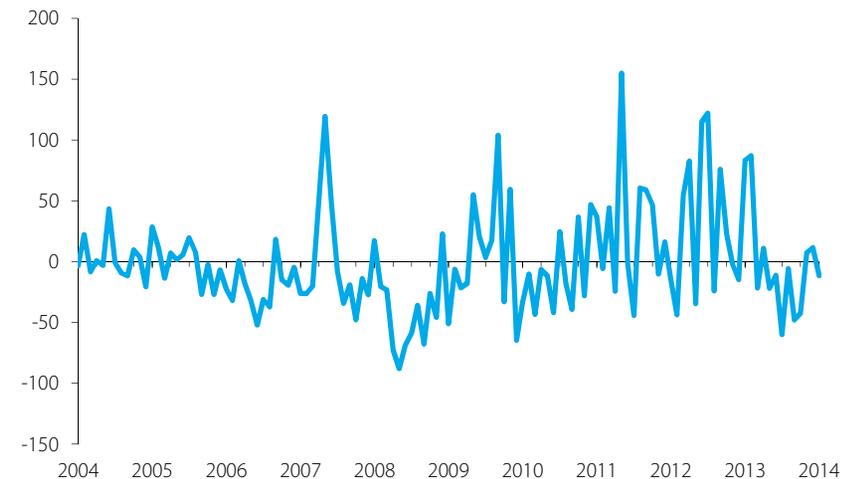
Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	August	87,166	-10.72	2.27
Fifth District	August	11,555	-10.00	11.92
West Virginia	August	230	12.75	-11.54
Charleston MSA	August	2	100.00	-88.24
Huntington MSA	August	12	20.00	50.00
Morgantown MSA	August	0	---	---
Parkersburg MSA	August	8	-33.33	100.00

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	August	956	-14.41	8.02
Fifth District	August	124	-16.14	3.26
West Virginia	August	2.5	5.13	-18.54

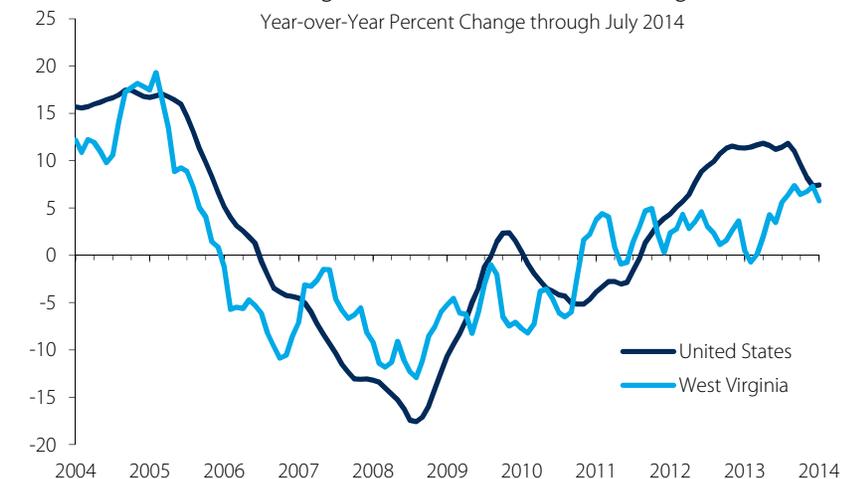
House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	July	175	1.25	7.41
Fifth District	July	185	0.98	4.53
West Virginia	July	134	-1.74	5.76
Charleston MSA	July	133	-1.75	5.90
Huntington MSA	July	149	0.13	6.46
Morgantown MSA	July	134	-1.74	5.76
Parkersburg MSA	July	123	-1.54	5.41

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charleston MSA	Q2:14	131	7.20	-3.32

West Virginia Building Permits  
Year-over-Year Percent Change through August 2014



West Virginia House Price Index (CoreLogic)  
Year-over-Year Percent Change through July 2014



## SOURCES

## 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>

## 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 Delinquencies

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>

## Commercial Vacancy Rates

CB Richard Ellis

Haver Analytics

<http://www.cbre.com>

## 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>

## Housing Opportunity Index

National Association of Home Builders/Wells Fargo

Haver Analytics

<http://www.nahb.org>

## 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 Measures of Household Employment**

Bureau of Labor Statistics

Haver Analytics

<http://www.bls.gov>

SA - Seasonally Adjusted

NSA - Not Seasonally Adjusted

SAAR - Seasonally Adjusted Annual Rate

