



# SNAPSHOT

A MONTHLY UPDATE OF THE FIFTH DISTRICT ECONOMY

July 2015



Richmond • Baltimore • Charlotte

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*Data updated as of July 1, 2015*



## FIFTH DISTRICT

### July Summary

Economic conditions in the Fifth District strengthened somewhat in recent months. Payroll employment expanded, business conditions improved slightly, and housing market indicators were generally positive, particularly on a year-over-year basis.

**Labor Markets:** Payroll employment in the Fifth District expanded 0.2 percent in May as employers added 30,700 jobs to the economy. Every industry except trade, transportation, and utilities and financial services expanded in the month. The leisure and hospitality industry, which added 11,200 jobs, accounted for more than a third of the net addition in May. Since May 2014, District employment grew 1.6 percent as jobs were added in every industry. The logging, mining, and construction industry had the largest year-over-year growth rate of 3.8 percent; however, total employment in the industry is rather small. Conversely, the District's largest employer is the government sector, which reported the smallest growth rate (0.1 percent) since May 2014. The household survey data indicated that the Fifth District unemployment rate ticked up 0.1 percentage point to 5.7 percent in May and was just below the 5.9 percent rate reported in May 2014.

**Business Conditions:** According to our manufacturing survey, the composite diffusion index rose from 1 in May to 6 in June. All three component indexes (shipments, new orders, and employment) rose in the month, with the largest increase coming in new orders, which moved from an index of 2 in May to 11 in June. The service sector survey indicated an increase in overall revenues as the indexes in both the retail and non-retail subsectors rose in the month. The index for the number of employees in the service sector declined slightly in June, but remained positive; however, the index in the retail subsector turned negative for the first time since February 2014. The manufacturing survey measure of prices indicated some acceleration of price growth in both raw materials and finished goods. Service sector price growth decelerated slightly for retail firms and was unchanged for services firms.

**Housing Markets:** Reports on housing markets were somewhat mixed, according to the most recent data; however, on a year-over-year basis, conditions generally improved. Fifth District jurisdictions issued a combined 12,100 new residential permits in May, which was 10.8 percent fewer than in April but 19.1 percent more than in May 2014. Housing starts totaled 130,000 in May, an 8.6 percent decline from the prior month but a 4.2 percent increase on a year-over-year basis. According to CoreLogic Information Solutions, District home values appreciated 1.7 percent in April and 3.6 percent since April 2014.

### A Closer Look at...Gross Domestic Product by State

#### Fifth District Gross Domestic Product (GDP):

Nominal GDP per capita in 2014: \$53,073

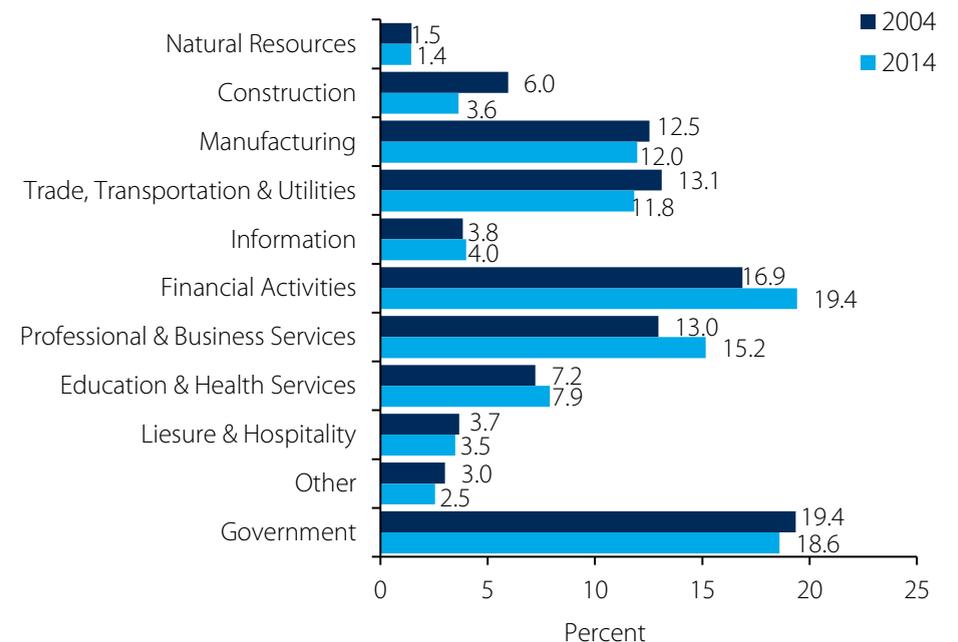
Real GDP growth from 2013 - 2014: 1.2 percent

Avg annual real GDP growth from 2004 - 2014: 1.4 percent

Share of U.S. GDP in 2014: 9.7 percent

#### Real Gross Domestic Product in the Fifth District

Share by Industry



FIFTH DISTRICT

Labor Market Conditions

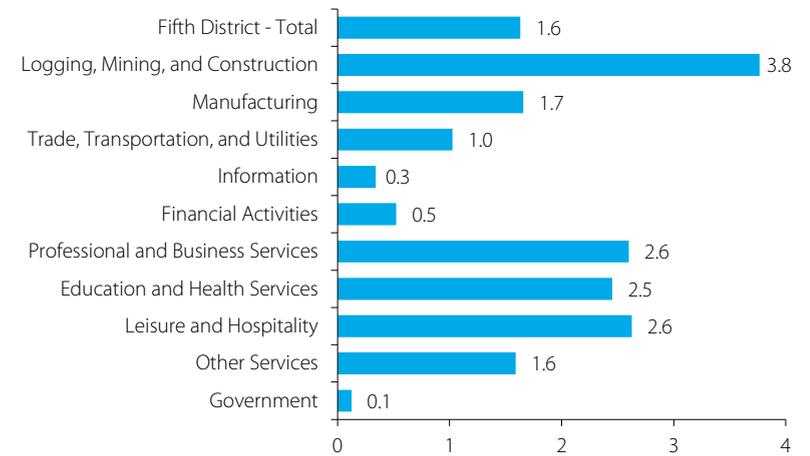
Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	May	141,679.0	0.20	2.21
Fifth District - Total	May	14,233.4	0.22	1.63
Logging, Mining, and Construction	May	713.5	1.01	3.77
Manufacturing	May	1,078.6	0.25	1.66
Trade, Transportation, and Utilities	May	2,434.7	-0.31	1.02
Information	May	236.9	0.85	0.34
Financial Activities	May	709.8	-0.15	0.52
Professional and Business Services	May	2,207.0	0.26	2.60
Education and Health Services	May	2,018.6	0.25	2.45
Leisure and Hospitality	May	1,485.4	0.76	2.63
Other Services	May	664.8	0.24	1.59
Government	May	2,684.1	0.15	0.12

Unemployment Rate (SA)	May 15	April 15	May 14
United States	5.5	5.4	6.3
Fifth District	5.7	5.6	5.9

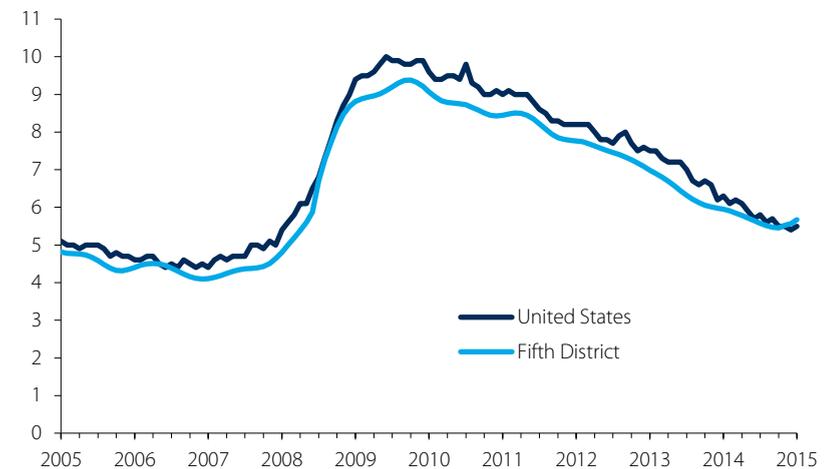
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	May	157,469	0.25	1.18
Fifth District	May	15,612	0.39	1.91

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	May	1,015,544	-11.90	-14.07
Fifth District	May	68,137	-0.79	-13.63

Fifth District Payroll Employment Performance  
Year-over-Year Percent Change through May 2015



Fifth District Unemployment Rate  
Through May 2015



FIFTH DISTRICT

Business Conditions

Manufacturing Survey (SA)

	June 15	May 15	June 14
Composite Index	6	1	4
Shipments	0	-1	2
New Orders	11	2	5
Number of Employees	4	3	4
Expected Shipments - Six Months	38	34	24
Raw Materials Prices (SAAR)	0.92	0.70	1.47
Finished Goods Prices (SAAR)	0.52	0.38	0.66

	June 15	May 15	June 14
Service Sector Survey (SA)			
Service Sector Employment	8	11	8
Services Firms Revenues	20	17	8
Retail Revenues	17	-12	-3
Big-Ticket Sales	-5	-13	5
Expected Retail Demand - Six Months	10	-13	1
Services Firm Prices	1.32	1.33	1.25
Retail Prices	1.04	1.62	1.57

District Imports

	Period	Level (\$mil)	MoM % Change	YoY % Change
Baltimore, Maryland	April	3,151.51	-6.0	0.8
Wilmington, North Carolina	April	723.16	10.8	-11.6
Charleston, South Carolina	April	4,537.36	1.4	11.4
Norfolk, Virginia	April	3,561.19	-7.6	3.4

District Exports

	Period	Level (\$mil)	MoM % Change	YoY % Change
Baltimore, Maryland	April	1,585.63	10.2	-17.0
Wilmington, North Carolina	April	388.62	5.9	20.7
Charleston, South Carolina	April	2,930.71	19.1	28.6
Norfolk, Virginia	April	2,531.67	-14.6	-10.9

Composite Manufacturing Index  
3-Month Moving Average through June 2015



Norfolk Port District Exports  
Year-over-Year Percent Change through April 2015



FIFTH DISTRICT

Household Conditions

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

United States	Q1:15	13,923,991	1.45	4.15
Fifth District	Q1:15	1,354,353	1.51	3.85

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

United States	Q1:15	206,922	1.25	-10.70
Fifth District	Q1:15	16,697	0.80	-6.12

Real Estate Conditions

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

United States	May	111,135	6.02	20.50
Fifth District	May	12,100	-10.80	19.07

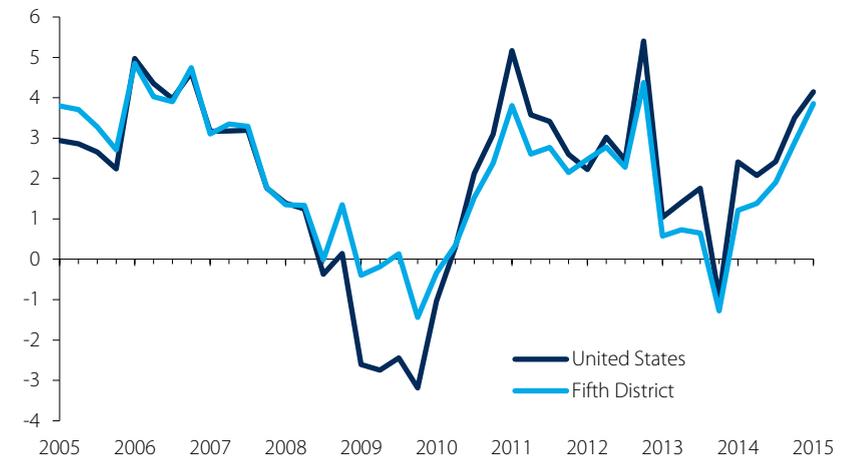
Total Private Housing Starts (SAAR)                      Period              Level (000s)      MoM % Change      YoY % Change

United States	May	1,036	-11.07	5.07
Fifth District	May	130	-8.60	4.18

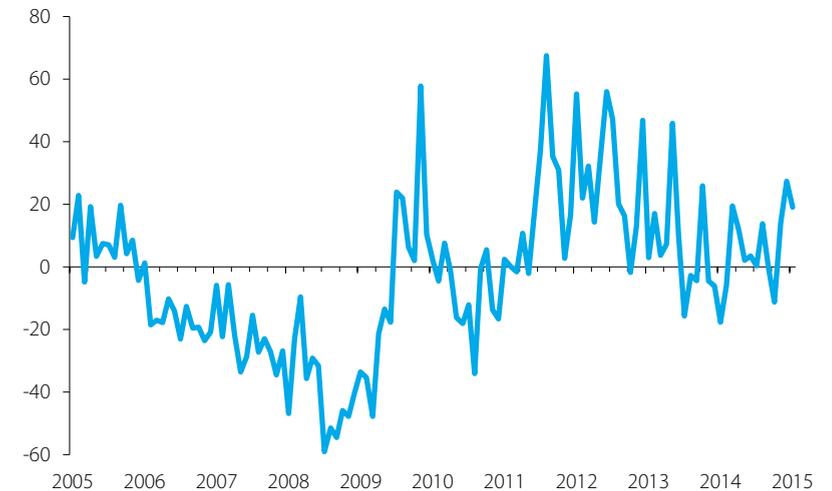
House Price Index (2000=100)                      Period              Level              MoM % Change      YoY % Change

United States	April	181	2.69	6.81
Fifth District	April	183	1.71	3.57

Fifth District Real Personal Income  
Year-over-Year Percent Change through Q1:15



Fifth District Building Permits  
Year-over-Year Percent Change through May 2015



## DISTRICT OF COLUMBIA

### July Summary

Recent reports on the District of Columbia's economy were generally positive. Household conditions and housing markets improved while employment rose due primarily to strong growth in education and health services.

**Labor Markets:** Payroll employment in D.C. grew 0.5 percent in May as firms added 3,700 jobs to the economy in the month. Virtually all of the net job gain was in the education and health services industry, which added 4,700 jobs (3.8 percent). In fact, the only other industries to add jobs in the month were logging, mining, and construction and "other" services. Four industries (information, professional and business services, leisure and hospitality, and government) contracted in May while employment in the remaining industries was unchanged. On a year-over-year basis, employment in D.C. expanded 1.7 percent as every industry except information grew. The professional and business services industry added 4,900 jobs (3.1 percent), for the largest absolute gain, while the trade, transportation, and utilities industry posted the largest percentage gain of 3.6 percent. In the greater Washington, D.C. MSA, total employment expanded 0.2 percent in May as 7,600 jobs were added in the metro area; on a year-over-year basis, employment in the MSA grew 1.9 percent.

**Household Conditions:** The unemployment rate in D.C. fell 0.2 percentage point to 7.3 percent in May as the number of unemployed fell 3.0 percent. In the first quarter of 2015, real personal income in D.C. rose 1.5 percent and increased 3.3 percent since the first quarter of 2014. Also in the first quarter of 2015, the share of mortgages with payments 90 or more days past due declined 0.4 percentage point to 1.6 percent—the lowest rate since the third quarter of 2008. The prime delinquency rate fell from 1.2 percent to 1.0 percent in the quarter while the subprime rate declined from 8.4 percent to 7.1 percent.

**Housing Markets:** D.C. issued 649 new residential permits in May, up from 244 permits in April and up from only 41 permits issued in May 2014. In the greater Washington, D.C. MSA, 1,755 permits were issued in May, which was 33.8 percent fewer than in the prior month but 12.1 percent more than were issued in May 2014. Housing starts in D.C. totaled 7,000 in May, up from 2,600 in April and up from just 500 in May 2014. According to CoreLogic Information Solutions, home values in D.C. appreciated 1.7 percent in April and appreciated 1.3 percent on a year-over-year basis. Home values in the Washington, D.C. metro area appreciated 2.4 percent in the month and 1.6 percent since April 2014.

### A Closer Look at...Gross Domestic Product by State

#### District of Columbia Gross Domestic Product (GDP):

Nominal GDP per capita in 2014: \$175,253

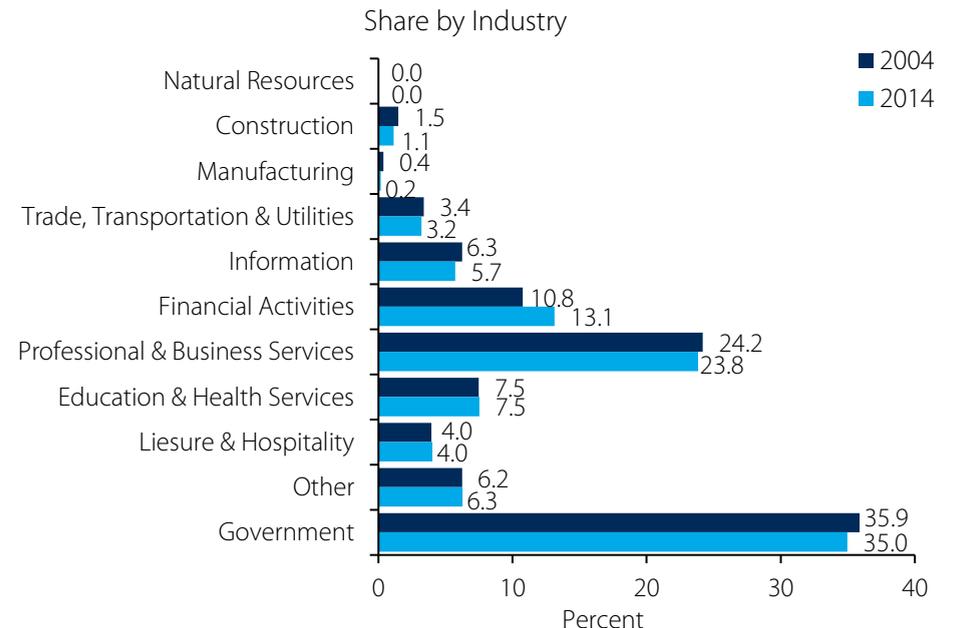
Rank of nominal GDP per capita among U.S. states: 1

Real GDP growth from 2013 - 2014: 1.6 percent

Avg annual real GDP growth from 2004 - 2014: 1.4 percent

Share of U.S. GDP in 2014: 0.7 percent

#### Real Gross Domestic Product in the District of Columbia

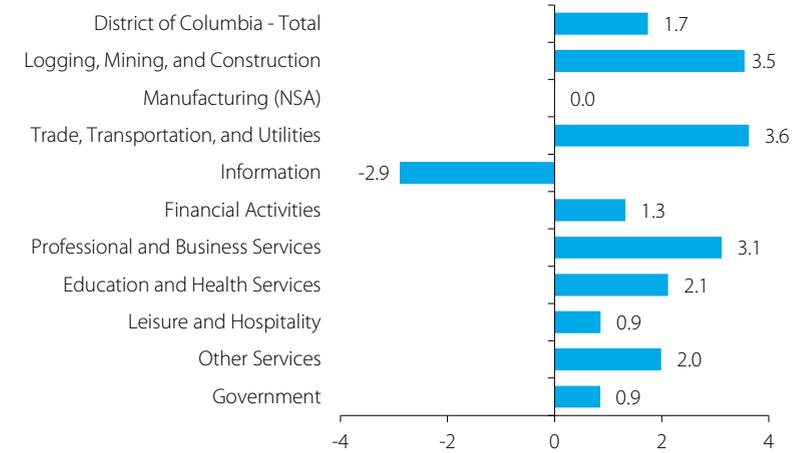


## DISTRICT OF COLUMBIA

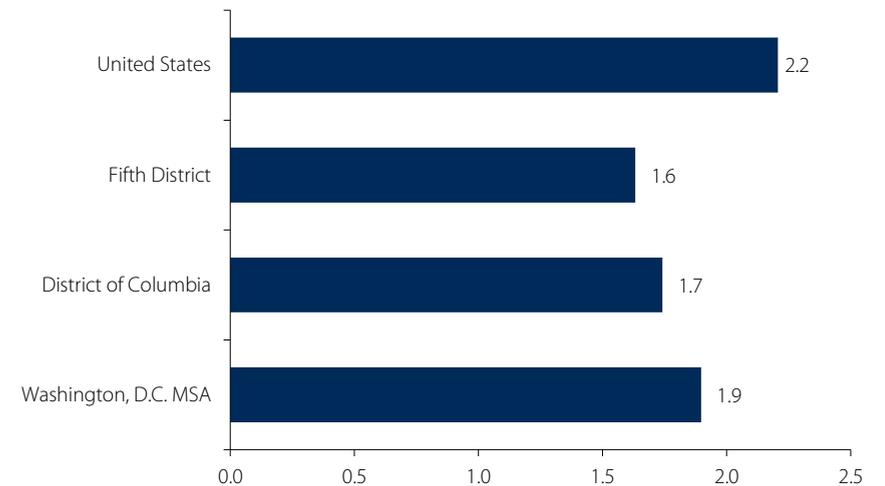
### Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	May	141,679.0	0.20	2.21
Fifth District - Total	May	14,233.4	0.22	1.63
District of Columbia - Total	May	765.5	0.49	1.74
Logging, Mining, and Construction	May	14.6	1.39	3.55
Manufacturing (NSA)	May	1.0	0.00	0.00
Trade, Transportation, and Utilities	May	31.4	0.00	3.63
Information	May	16.8	-1.18	-2.89
Financial Activities	May	30.7	0.00	1.32
Professional and Business Services	May	162.0	-0.37	3.12
Education and Health Services	May	129.9	3.75	2.12
Leisure and Hospitality	May	70.2	-0.71	0.86
Other Services	May	71.7	0.28	1.99
Government	May	237.2	-0.04	0.85
Washington, D.C. MSA	May	3,169.7	0.24	1.90

District of Columbia Payroll Employment Performance  
Year-over-Year Percent Change through May 2015



District of Columbia Total Employment Performance  
Year-over-Year Percent Change through May 2015



DISTRICT OF COLUMBIA

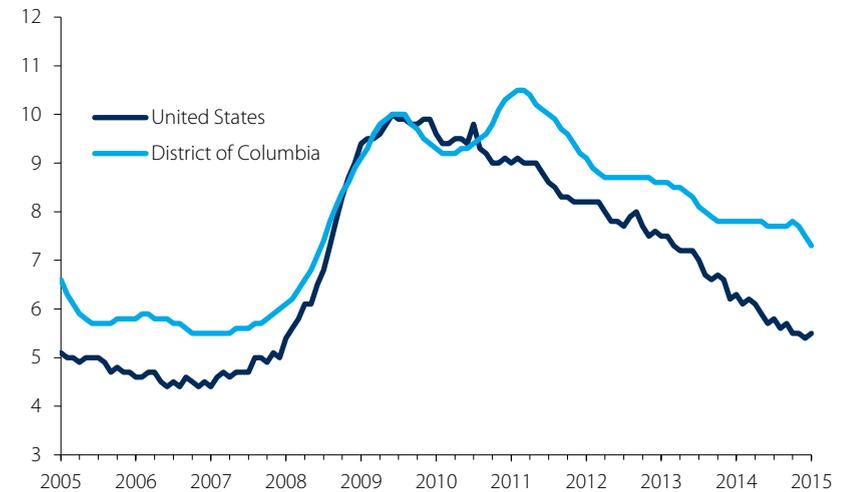
Labor Market Conditions

Unemployment Rate (SA)	May 15	April 15	May 14
United States	5.5	5.4	6.3
Fifth District	5.7	5.6	5.9
District of Columbia	7.3	7.5	7.8
Washington, D.C. MSA	4.7	4.6	5.1

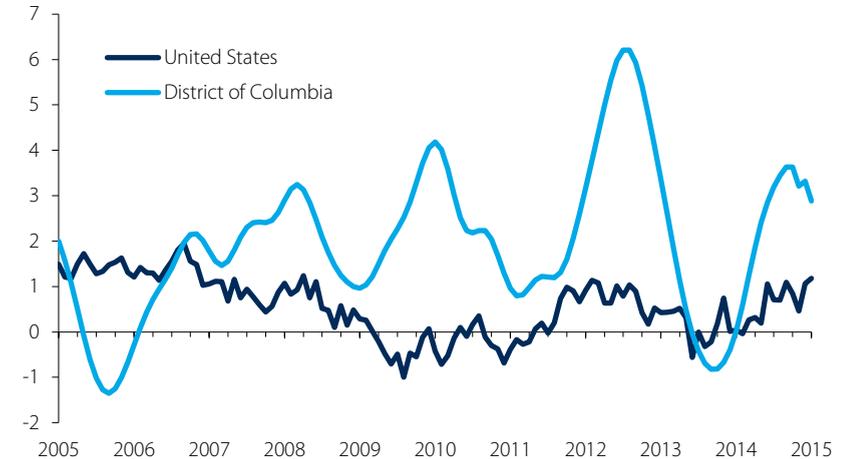
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	May	157,469	0.25	1.18
Fifth District	May	15,612	0.39	1.91
District of Columbia	May	385	-0.13	2.89
Washington, D.C. MSA	May	3,295	0.36	0.88

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	May	1,015,544	-11.90	-14.07
Fifth District	May	68,137	-0.79	-13.63
District of Columbia	May	1,518	9.68	-8.66

District of Columbia Unemployment Rate Through May 2015



District of Columbia Labor Force Year-over-Year Percent Change through May 2015



## DISTRICT OF COLUMBIA

### Household Conditions

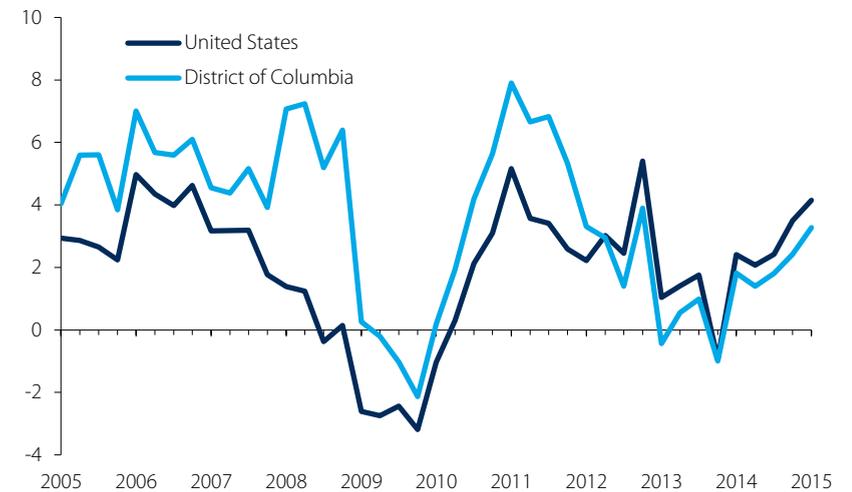
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q1:15	13,923,991	1.45	4.15
Fifth District	Q1:15	1,354,353	1.51	3.85
District of Columbia	Q1:15	47,334	1.51	3.28

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	2015	108.2	---	2.95

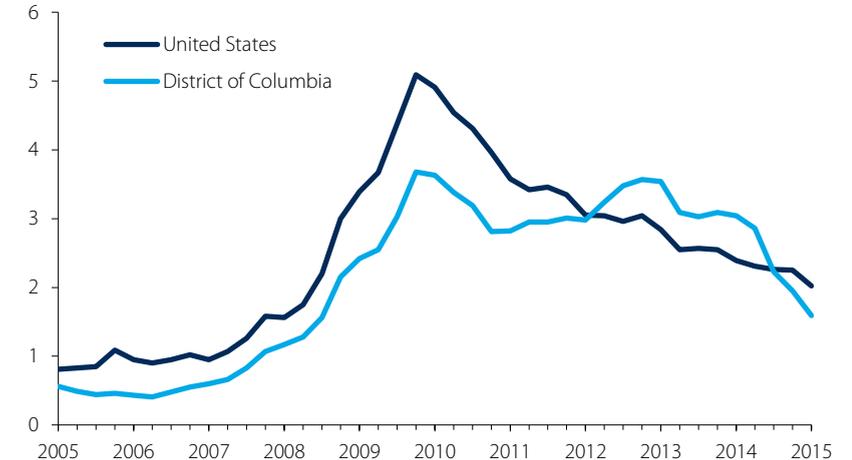
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q1:15	206,922	1.25	-10.70
Fifth District	Q1:15	16,697	0.80	-6.12
District of Columbia	Q1:15	178	1.71	5.33

Mortgage Delinquencies (% 90+ Days Delinquent)	Q1:15	Q4:14	Q1:14
United States			
All Mortgages	2.02	2.25	2.39
Prime	1.14	1.24	1.28
Subprime	7.20	8.05	8.90
District of Columbia			
All Mortgages	1.59	1.95	3.04
Prime	0.95	1.17	1.88
Subprime	7.14	8.36	13.46

District of Columbia Real Personal Income  
Year-over-Year Percent Change through Q1:15



District of Columbia Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q1:15



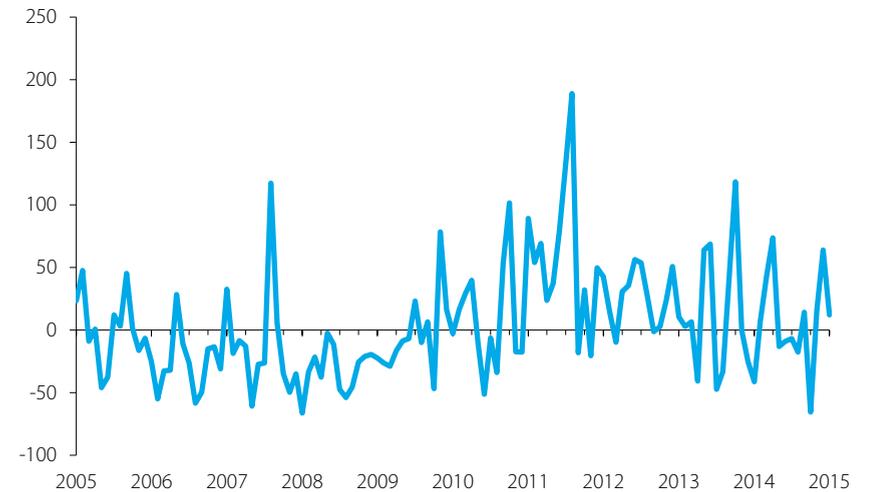
## DISTRICT OF COLUMBIA

### Real Estate Conditions

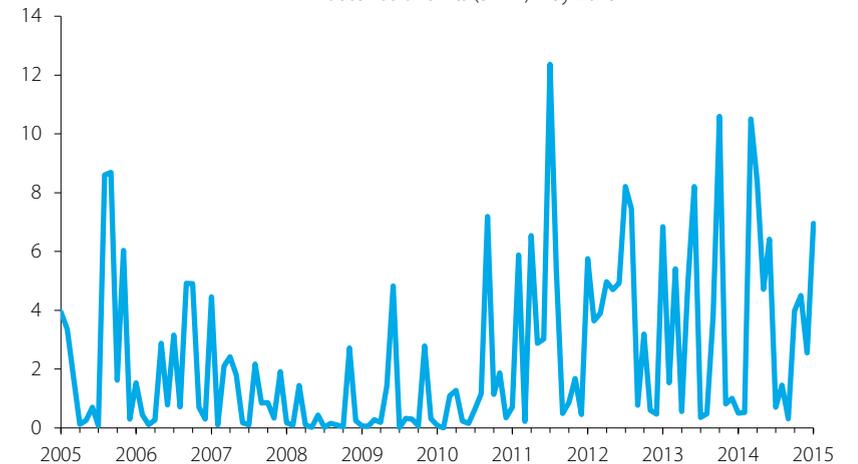
Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	May	111,135	6.02	20.50
Fifth District	May	12,100	-10.80	19.07
District of Columbia	May	649	165.98	1,482.93
Washington, D.C. MSA	May	1,755	-33.75	12.14

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	May	1,036	-11.07	5.07
Fifth District	May	130	-8.60	4.18
District of Columbia	May	7.0	172.55	1,290.00

Washington, D.C. MSA Building Permits  
Year-over-Year Percent Change through May 2015



District of Columbia Housing Starts  
Thousands of Units (SAAR) May 2015



DISTRICT OF COLUMBIA

Real Estate Conditions

House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	April	181	2.69	6.81
Fifth District	April	183	1.71	3.57
District of Columbia	April	286	1.71	1.34
Washington, D.C. MSA	April	225	2.43	1.56

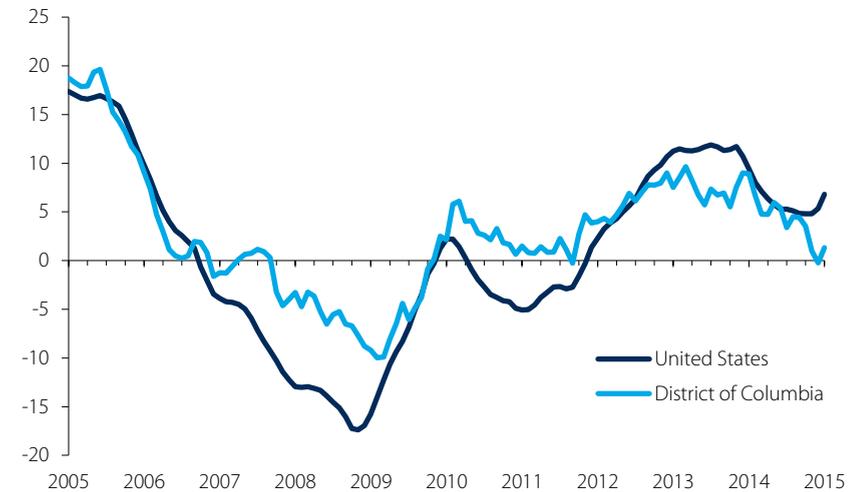
Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	Q1:15	368	-1.34	2.48

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Washington, D.C. MSA	Q1:15	345	-1.43	4.55

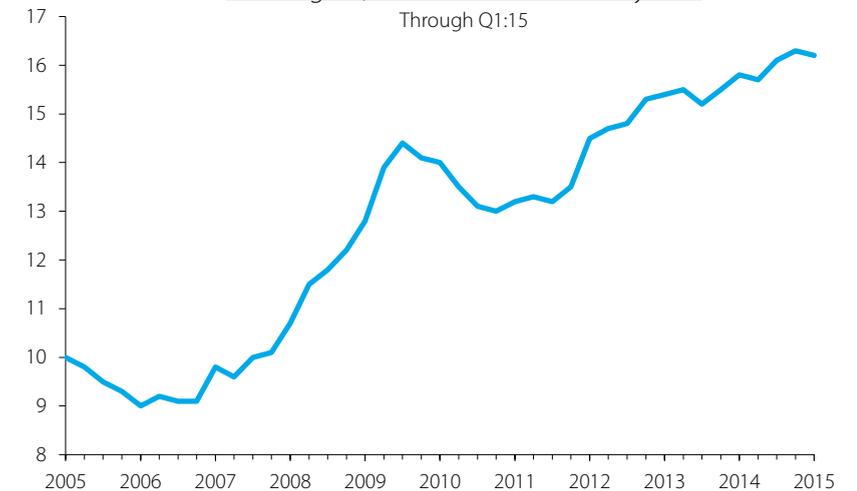
Housing Opportunity Index (%)	Q1:15	Q4:14	Q1:14
Washington, D.C. MSA	73.0	68.3	69.1

Commercial Vacancy Rates (%)	Q1:15	Q4:14	Q1:14
Office Vacancies			
Washington, D.C. MSA	16.2	16.3	15.8
Industrial Vacancies			
Washington, D.C. MSA	12.9	12.7	13.7
Retail Vacancies			
Washington, D.C. MSA	5.8	5.8	5.5

District of Columbia House Price Index (CoreLogic)  
Year-over-Year Percent Change through April 2015



Washington, D.C. MSA Office Vacancy Rate  
Through Q1:15



## MARYLAND

### July Summary

Economic reports on Maryland's economy were mostly positive in recent months. Labor markets strengthened, household conditions generally improved, and housing market indicators were positive.

Labor Markets: Employers in Maryland added 13,500 jobs (0.5 percent) to the economy in May. The logging, mining, and construction and leisure and hospitality industries accounted for the majority of the monthly gain, adding 4,500 jobs and 4,400 jobs respectively. The government sector added 2,700 jobs in May, most of which came from the state government, which added 2,300 jobs. The professional and business services industry was one of four industries that contracted in May, cutting 800 jobs (0.2 percent) and giving up a small portion of the 7,500 jobs gained in the prior month. On a year-over-year basis, total employment in Maryland expanded 1.8 percent and was, again, led by the logging, mining, and construction and leisure and hospitality industries, which grew 4.5 percent and 4.4 percent, respectively. The only two industries to contract since May 2014 were manufacturing and information. Employers in the Baltimore-Towson MSA added 13,800 jobs (1.0 percent) in May and 27,800 jobs (2.1 percent) since May 2014.

Household Conditions: Maryland's unemployment rate was unchanged at 5.3 percent in May; however, the state jobless rate declined 0.5 percentage point since May 2014. In the first quarter of 2015, real personal income in Maryland rose 1.5 percent and increased 3.7 percent since the first quarter of 2014. Also in the first quarter of 2015, the share of mortgages with payments 90 or more days overdue fell 0.1 percentage point to 2.7 percent. The prime delinquency rate was unchanged in the quarter while the subprime rate declined from 8.8 percent to 7.8 percent.

Housing Markets: Maryland issued 1,494 new residential permits in May, up 6.0 percent from April and up 23.8 percent from May 2014. Approximately half of the monthly permits in the state were issued in the Baltimore MSA where the 753 permits issued in May represented a 13.1 percent increase from April and a 46.5 percent increase over May 2014. Housing starts in Maryland totaled 16,000 in May, up 8.5 percent from April and up 8.3 percent on a year-over-year basis. According to CoreLogic Information Solutions, home values in Maryland appreciated 0.2 percent in April but depreciated 0.7 percent since April 2014. In the state's metro areas, home values appreciated in April in every MSA except Baltimore. On a year-over-year basis, only Hagerstown and Salisbury reported positive home price growth.

### A Closer Look at...Gross Domestic Product by State

#### Maryland Gross Domestic Product (GDP):

Nominal GDP per capita in 2014: \$58,335

Rank of nominal GDP per capita among U.S. states: 14

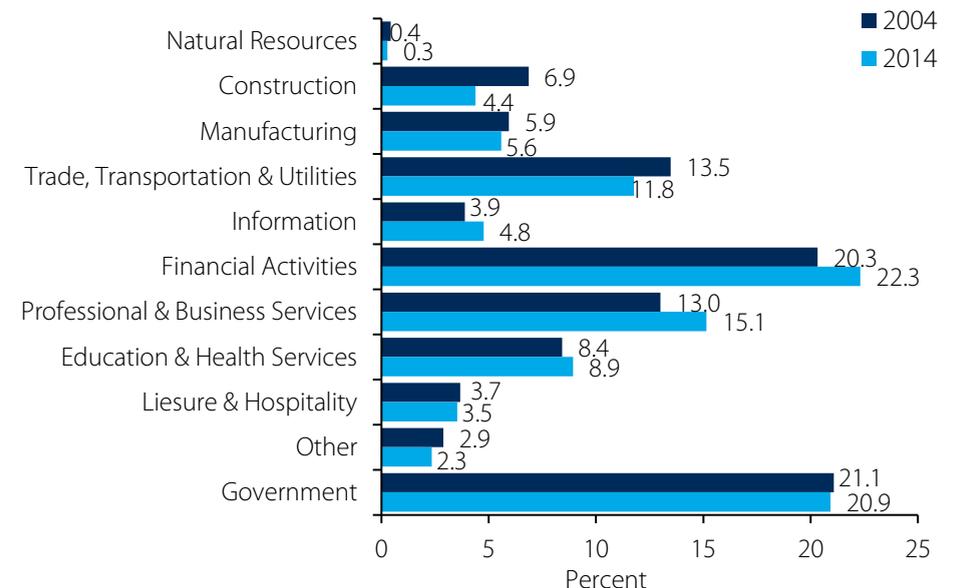
Real GDP growth from 2013 - 2014: 0.8 percent

Avg annual real GDP growth from 2004 - 2014: 1.3 percent

Share of U.S. GDP in 2014: 2.0 percent

#### Real Gross Domestic Product in Maryland

Share by Industry



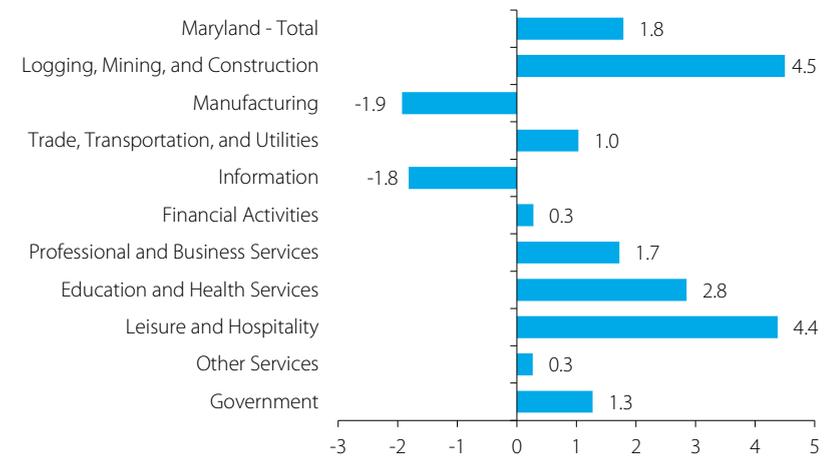
MARYLAND

Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	May	141,679.0	0.20	2.21
Fifth District - Total	May	14,233.4	0.22	1.63
Maryland - Total	May	2,666.6	0.51	1.79
Logging, Mining, and Construction	May	157.9	2.93	4.50
Manufacturing	May	101.6	-0.10	-1.93
Trade, Transportation, and Utilities	May	459.2	0.46	1.03
Information	May	37.8	-1.31	-1.82
Financial Activities	May	144.7	-0.07	0.28
Professional and Business Services	May	431.8	-0.18	1.72
Education and Health Services	May	440.3	0.25	2.85
Leisure and Hospitality	May	271.7	1.65	4.38
Other Services	May	112.2	0.18	0.27
Government	May	509.4	0.53	1.27
Baltimore-Towson MSA - Total	May	1,374.2	1.01	2.06
Bethesda-Frederick Metro Div. - Total	May	---	---	---
Cumberland MSA - Total	May	39.5	0.00	-1.00
Hagerstown MSA - Total	May	103.2	0.29	0.49
Salisbury MSA - Total	May	---	---	---

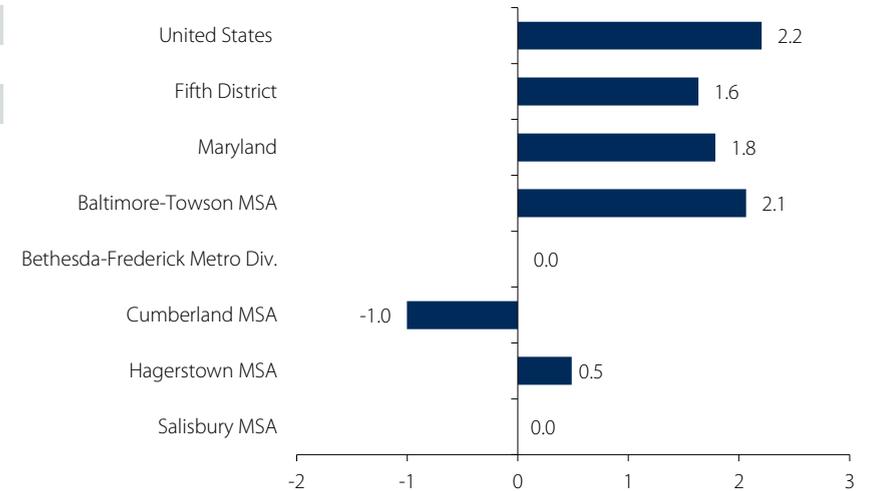
Maryland Payroll Employment Performance

Year-over-Year Percent Change through May 2015



Maryland Total Employment Performance

Year-over-Year Percent Change through May 2015



MARYLAND

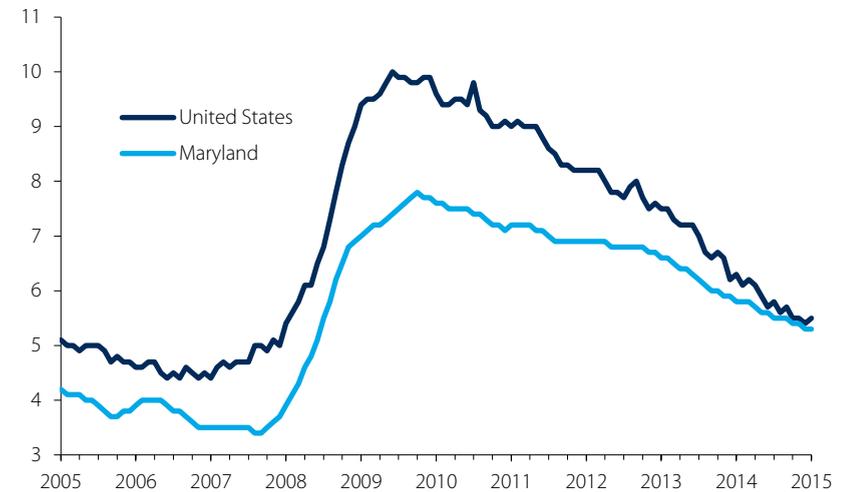
Labor Market Conditions

Unemployment Rate (SA)	May 15	April 15	May 14
United States	5.5	5.4	6.3
Fifth District	5.7	5.6	5.9
Maryland	5.3	5.3	5.8
Baltimore-Towson MSA	5.7	5.5	6.2
Bethesda-Frederick Metro Div.	---	---	4.5
Cumberland MSA	7.0	6.9	7.4
Hagerstown MSA	5.6	5.6	6.2
Salisbury MSA	6.3	6.3	7.3

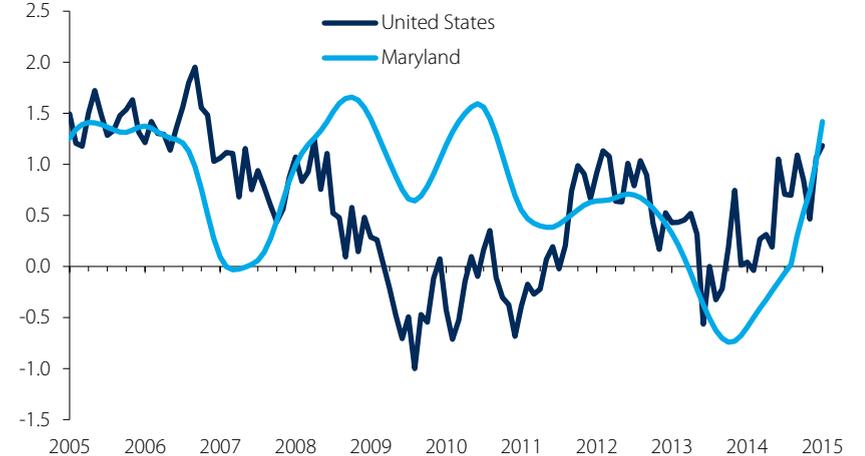
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	May	157,469	0.25	1.18
Fifth District	May	15,612	0.39	1.91
Maryland	May	3,146	0.41	1.42
Baltimore-Towson MSA	May	1,475	0.68	1.25
Bethesda-Frederick Metro Div.	May	---	---	---
Cumberland MSA	May	45	-0.45	-1.11
Hagerstown MSA	May	128	0.39	-0.78
Salisbury MSA	May	181	0.39	1.29

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	May	1,015,544	-11.90	-14.07
Fifth District	May	68,137	-0.79	-13.63
Maryland	May	14,459	-6.65	-13.71

Maryland Unemployment Rate  
Through May 2015



Maryland Labor Force  
Year-over-Year Percent Change through May 2015



MARYLAND

Household Conditions

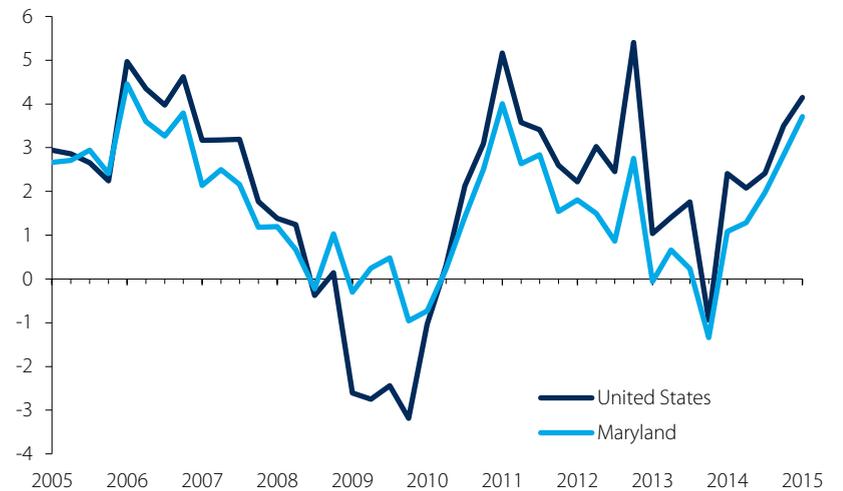
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q1:15	13,923,991	1.45	4.15
Fifth District	Q1:15	1,354,353	1.51	3.85
Maryland	Q1:15	310,622	1.54	3.71

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	2015	89.6	---	7.31
Bethesda-Frederick Metro Div.	2015	114.6	---	2.96
Cumberland MSA	2015	51.6	---	-4.62
Hagerstown MSA	2015	65.3	---	-3.40
Salisbury MSA	2015	60.7	---	13.46

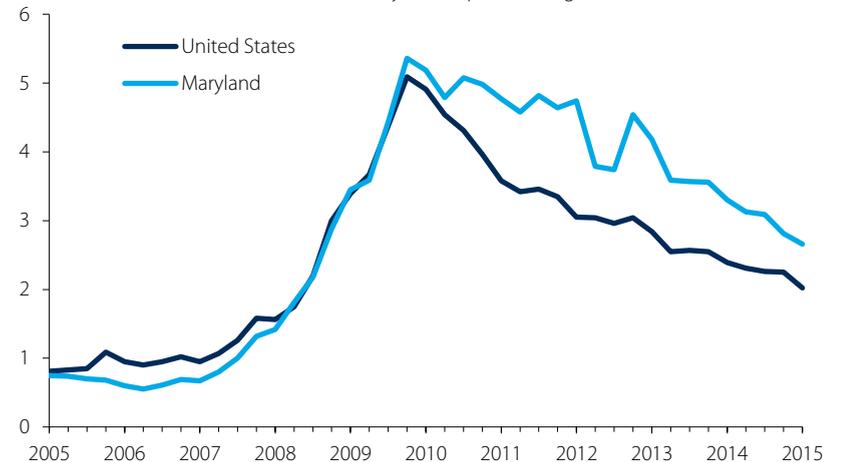
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q1:15	206,922	1.25	-10.70
Fifth District	Q1:15	16,697	0.80	-6.12
Maryland	Q1:15	4,610	2.51	-9.31

Mortgage Delinquencies (% 90+ Days Delinquent)	Q1:15	Q4:14	Q1:14
<b>United States</b>			
All Mortgages	2.02	2.25	2.39
Prime	1.14	1.24	1.28
Subprime	7.20	8.05	8.90
<b>Maryland</b>			
All Mortgages	2.66	2.81	3.30
Prime	1.59	1.64	1.75
Subprime	7.82	8.76	11.35

Maryland Real Personal Income  
Year-over-Year Percent Change through Q1:15



Maryland Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q1:15



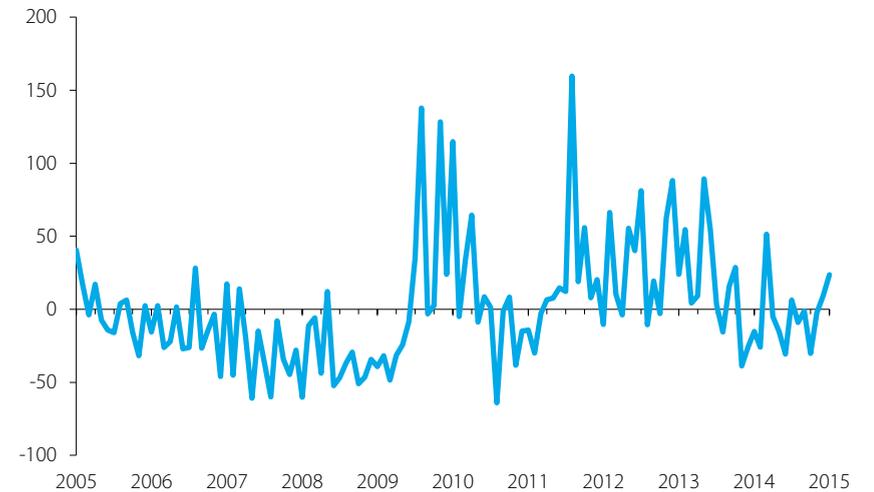
MARYLAND

Real Estate Conditions

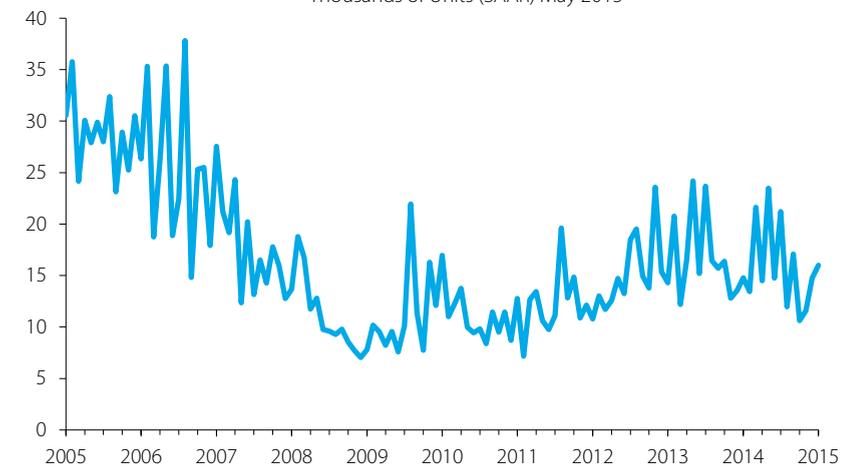
Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	May	111,135	6.02	20.50
Fifth District	May	12,100	-10.80	19.07
Maryland	May	1,494	5.96	23.78
Baltimore-Towson MSA	May	753	13.06	46.50
Cumberland MSA	May	3	50.00	-57.14
Hagerstown MSA	May	63	-64.20	8.62
Salisbury MSA	May	237	1.72	-11.24

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	May	1,036	-11.07	5.07
Fifth District	May	130	-8.60	4.18
Maryland	May	16.0	8.54	8.25

Maryland Building Permits  
Year-over-Year Percent Change through May 2015



Maryland Housing Starts  
Thousands of Units (SAAR) May 2015



MARYLAND

Real Estate Conditions

House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	April	181	2.69	6.81
Fifth District	April	183	1.71	3.57
Maryland	April	185	0.20	-0.71
Baltimore-Towson MSA	April	181	-0.41	-2.01
Cumberland MSA	April	217	0.20	-0.71
Hagerstown MSA	April	151	1.68	0.79
Salisbury MSA	April	199	2.70	1.61

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	Q1:15	223	-4.33	-0.62
Cumberland MSA	Q1:15	72	-20.88	-12.04
Hagerstown MSA	Q1:15	145	-2.55	2.40

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Baltimore-Towson MSA	Q1:15	220	-4.35	-3.08
Bethesda-Frederick Metro Div.	Q1:15	343	-1.72	0.59
Cumberland MSA	Q1:15	79	-5.95	2.60
Hagerstown MSA	Q1:15	143	-4.67	-7.74
Salisbury MSA	Q1:15	134	13.56	-2.90

Maryland House Price Index (CoreLogic)  
Year-over-Year Percent Change through April 2015



Baltimore-Towson MSA Median Home Sales Price (NAR)  
Year-over-Year Percent Change through Q1:15



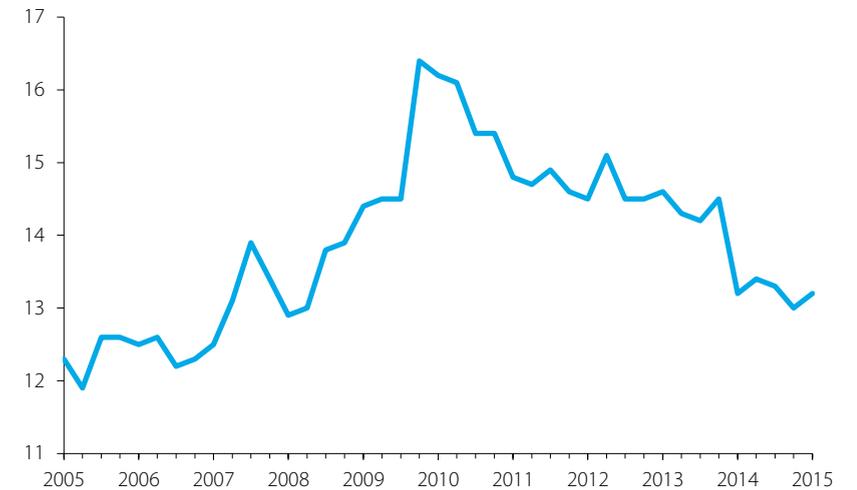
MARYLAND

Real Estate Conditions

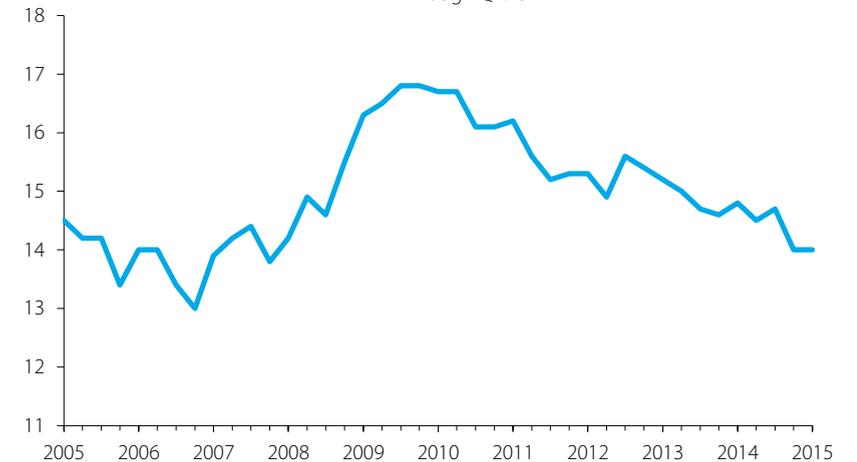
Housing Opportunity Index (%)	Q1:15	Q4:14	Q1:14
Baltimore-Towson MSA	79.6	73.8	73.6
Bethesda-Frederick Metro Div.	76.5	71.1	69.2
Cumberland MSA	96.1	96.2	96.3
Hagerstown MSA	86.2	88.4	88.6
Salisbury MSA	88.4	92.2	77.9

Commercial Vacancy Rates (%)	Q1:15	Q4:14	Q1:14
<b>Office Vacancies</b>			
Baltimore-Towson MSA	13.2	13.0	13.2
<b>Retail Vacancies</b>			
Baltimore-Towson MSA	6.6	6.5	6.7
<b>Industrial Vacancies</b>			
Baltimore-Towson MSA	14.0	14.0	14.8
Suburban Maryland (Washington, D.C. MSA)	14.7	15.0	14.8

Baltimore-Towson MSA Office Vacancy Rate  
Through Q1:15



Baltimore-Towson MSA Industrial Vacancy Rate  
Through Q1:15



## NORTH CAROLINA

### July Summary

North Carolina's economy continued to improve, according to recent economic data. Employment growth spread across industries, housing market indicators were mostly positive, and household conditions somewhat improved.

**Labor Markets:** Payroll employment in North Carolina expanded 0.2 percent in May as firms added 10,400 jobs to the economy. All but one industry in the state added jobs in May. The education and health services industry led the job growth with 2,800 net new positions, followed closely by the construction and leisure and hospitality industries, which added 2,400 jobs and 2,300 jobs, respectively. The trade, transportation, and utilities industry—the largest industry in the state—cut 3,700 jobs (0.5 percent) in May. On a year-over-year basis, employment in North Carolina expanded 2.6 percent, with firms creating 108,800 jobs during the twelve month period. The gains were fairly widespread as very industry except government and logging and mining expanded since May 2014. The government sector contracted 0.1 percent and the logging and mining industry was unchanged. The Raleigh-Cary MSA, which accounts for about 13.5 percent of employment in North Carolina, added 2,500 jobs in May and 16,800 jobs since May 2014.

**Household Conditions:** The household survey data indicated that North Carolina's unemployment rate rose from 5.5 percent in April to 5.7 percent in May. The unemployment rate rose for the third straight month but remained below the 6.3 percent rate reported in May 2014. In the first quarter of 2015, real personal income in North Carolina rose 1.5 percent and was 4.3 percent higher than the first quarter of 2014. Also in the first quarter of 2015, the share of mortgages with payments 90 or more days past due edged down 0.1 percentage point to 2.2 percent. The prime delinquency rate was unchanged at 1.1 percent while the subprime rate declined from 9.7 percent to 8.6 percent in the quarter.

**Housing Markets:** North Carolina issued 4,937 new residential permits in May, up 7.1 percent from April and up 17.7 percent from May 2014. The Charlotte MSA, which issued 1,888 permits, and the Raleigh-Cary MSA, which issued 1,022 permits, accounted for a combined 58.9 percent of the monthly state total. North Carolina housing starts totaled 52,900 in May, up 9.8 percent from April and up 2.9 percent on a year-over-year basis. According to CoreLogic Information Solutions, home values in North Carolina appreciated 2.0 percent in April and 5.3 percent on a year-over-year basis. Home values appreciated in every MSA except Greenville in the month and in every MSA except Durham since April 2014.

### A Closer Look at...Gross Domestic Product by State

#### North Carolina Gross Domestic Product (GDP):

Nominal GDP per capita in 2014: \$48,585

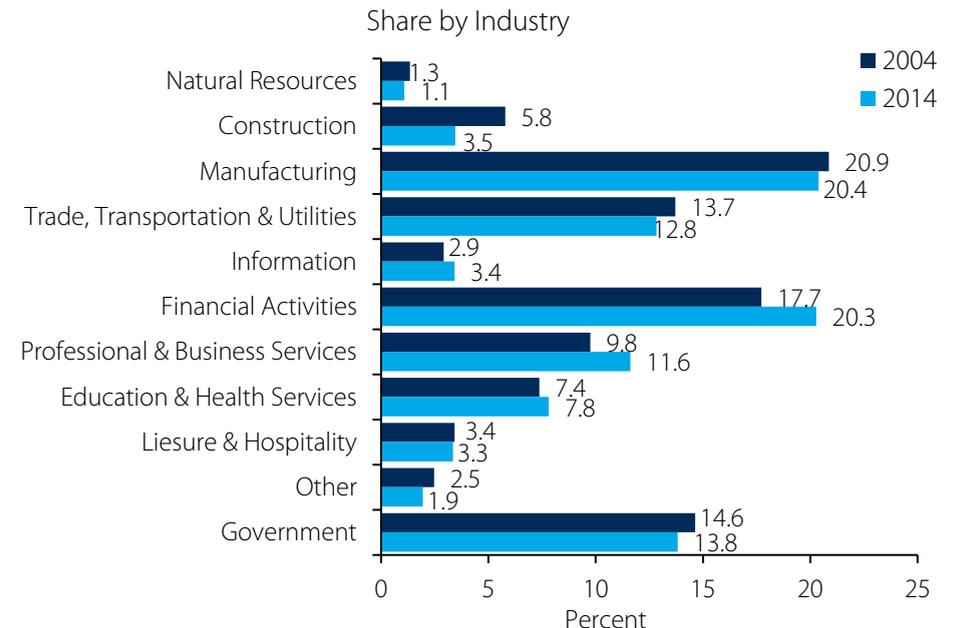
Rank of nominal GDP per capita among U.S. states: 30

Real GDP growth from 2013 - 2014: 1.4 percent

Avg annual real GDP growth from 2004 - 2014: 1.6 percent

Share of U.S. GDP in 2014: 2.8 percent

#### Real Gross Domestic Product in North Carolina



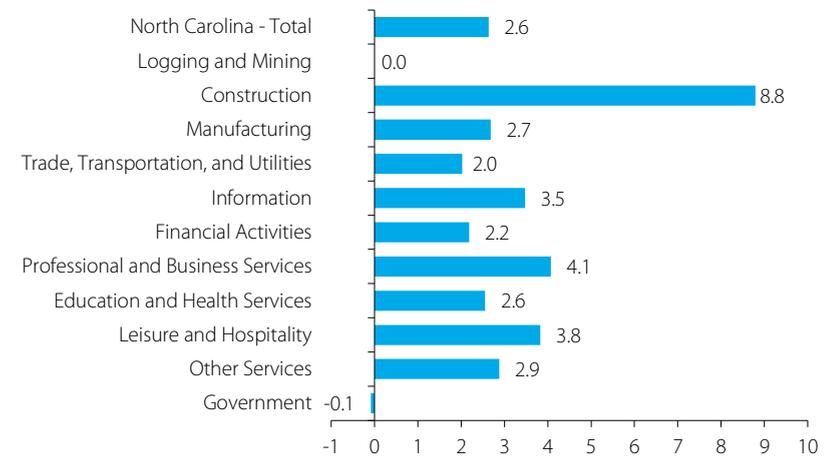
## NORTH CAROLINA

### Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	May	141,679.0	0.20	2.21
Fifth District - Total	May	14,233.4	0.22	1.63
North Carolina - Total	May	4,243.2	0.25	2.63
Logging and Mining	May	5.5	3.77	0.00
Construction	May	193.0	1.26	8.79
Manufacturing	May	459.3	0.39	2.68
Trade, Transportation, and Utilities	May	789.9	-0.47	2.03
Information	May	74.5	0.95	3.47
Financial Activities	May	215.5	0.23	2.18
Professional and Business Services	May	592.5	0.25	4.08
Education and Health Services	May	582.3	0.48	2.55
Leisure and Hospitality	May	460.9	0.50	3.83
Other Services	May	153.8	0.26	2.88
Government	May	716.0	0.21	-0.08
Asheville MSA - Total	May	181.6	0.50	2.95
Charlotte MSA - Total	May	---	---	---
Durham MSA - Total	May	295.2	0.27	1.51
Fayetteville MSA - Total	May	127.5	-0.31	0.00
Greensboro-High Point MSA - Total	May	360.3	0.22	3.48
Raleigh-Cary MSA - Total	May	573.7	0.44	3.02
Wilmington MSA - Total	May	---	---	---
Winston-Salem MSA - Total	May	---	---	---

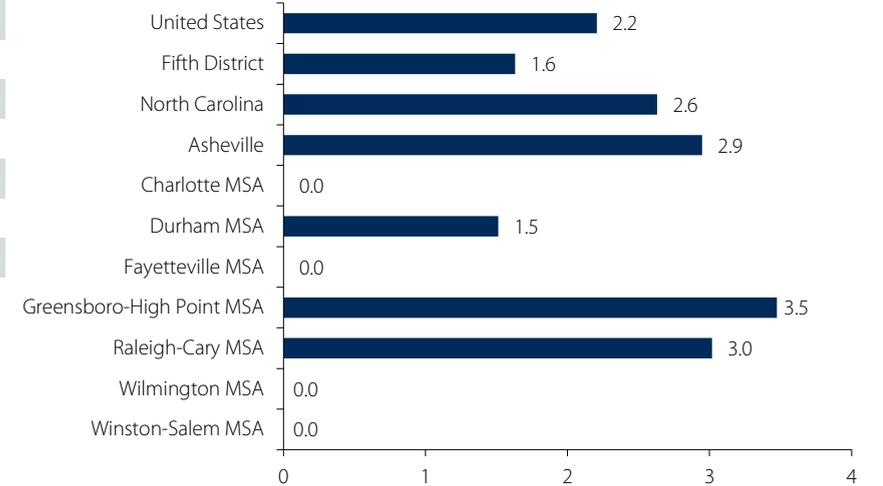
North Carolina Payroll Employment Performance

Year-over-Year Percent Change through May 2015



North Carolina Total Employment Performance

Year-over-Year Percent Change through May 2015



**NORTH CAROLINA**

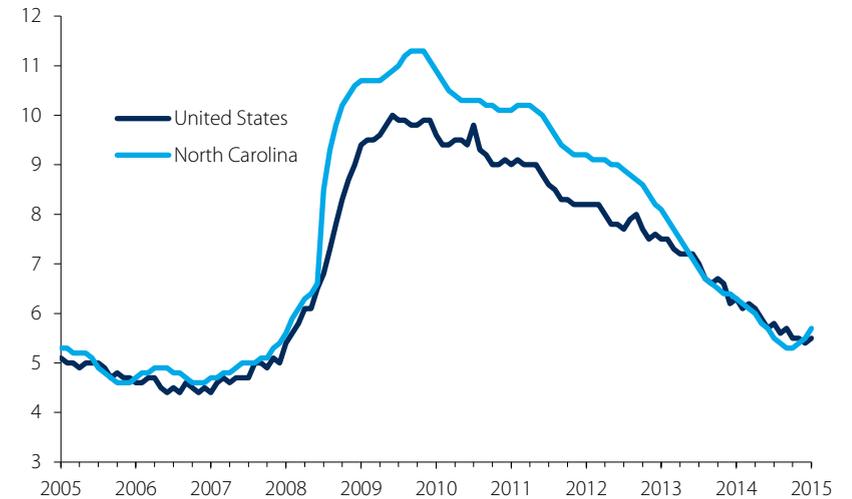
Labor Market Conditions

Unemployment Rate (SA)	May 15	April 15	May 14
United States	5.5	5.4	6.3
Fifth District	5.7	5.6	5.9
North Carolina	5.7	5.5	6.3
Asheville MSA	4.6	4.3	4.9
Charlotte MSA	5.6	5.4	6.2
Durham MSA	4.9	4.7	5.0
Fayetteville MSA	7.5	7.2	8.0
Greensboro-High Point MSA	5.9	5.7	6.7
Raleigh-Cary MSA	4.8	4.6	5.0
Wilmington MSA	5.5	5.2	6.2
Winston-Salem MSA	5.5	5.2	6.1

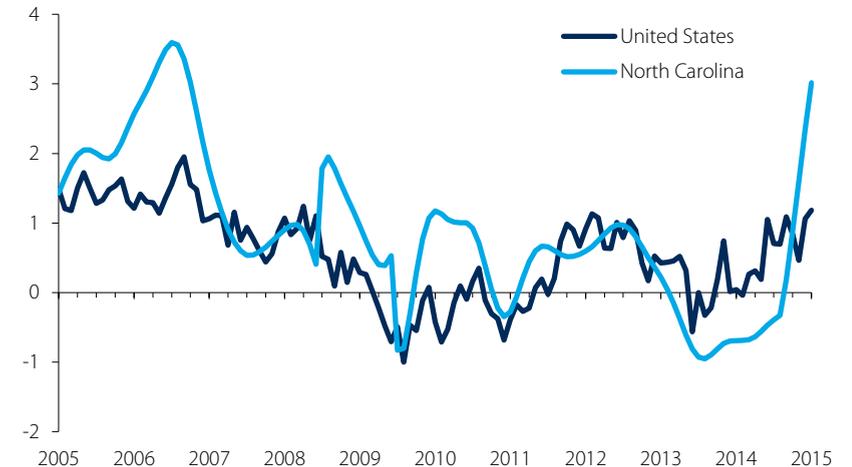
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	May	157,469	0.25	1.18
Fifth District	May	15,612	0.39	1.91
North Carolina	May	4,771	0.62	3.02
Asheville MSA	May	220	0.50	3.63
Charlotte MSA	May	1,233	0.78	3.57
Durham MSA	May	282	0.72	2.81
Fayetteville MSA	May	146	0.27	0.21
Greensboro-High Point MSA	May	370	0.68	3.18
Raleigh-Cary MSA	May	649	0.68	3.19
Wilmington MSA	May	138	0.44	2.38
Winston-Salem MSA	May	318	0.86	1.79

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	May	1,015,544	-11.90	-14.07
Fifth District	May	68,137	-0.79	-13.63
North Carolina	May	19,822	7.82	-14.95

North Carolina Unemployment Rate  
Through May 2015



North Carolina Labor Force  
Year-over-Year Percent Change through May 2015



## NORTH CAROLINA

### Household Conditions

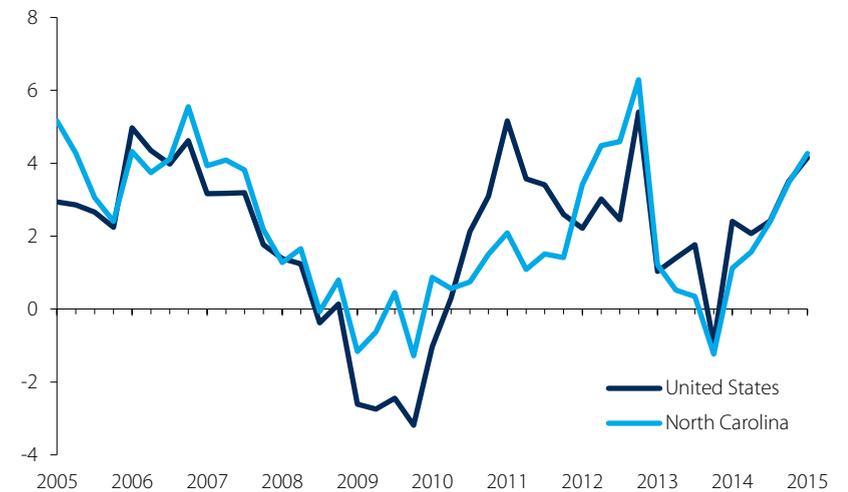
Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q1:15	13,923,991	1.45	4.15
Fifth District	Q1:15	1,354,353	1.51	3.85
North Carolina	Q1:15	373,408	1.47	4.26

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Asheville MSA	2015	55.9	---	-0.18
Charlotte MSA	2015	67.2	---	4.67
Durham MSA	2015	67.4	---	2.59
Fayetteville MSA	2015	54.3	---	2.84
Greensboro-High Point MSA	2015	54.0	---	-2.00
Raleigh-Cary MSA	2015	78.8	---	3.96
Winston-Salem MSA	2015	56.1	---	0.18

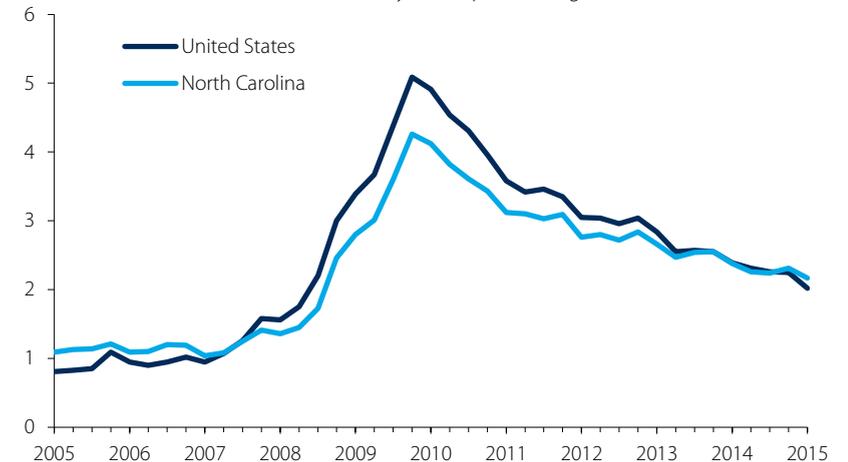
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q1:15	206,922	1.25	-10.70
Fifth District	Q1:15	16,697	0.80	-6.12
North Carolina	Q1:15	3,751	-2.90	-5.04

Mortgage Delinquencies (% 90+ Days Delinquent)	Q1:15	Q4:14	Q1:14
United States			
All Mortgages	2.02	2.25	2.39
Prime	1.14	1.24	1.28
Subprime	7.20	8.05	8.90
North Carolina			
All Mortgages	2.17	2.31	2.38
Prime	1.10	1.11	1.14
Subprime	8.57	9.73	10.37

North Carolina Real Personal Income  
Year-over-Year Percent Change through Q1:15



North Carolina Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q1:15



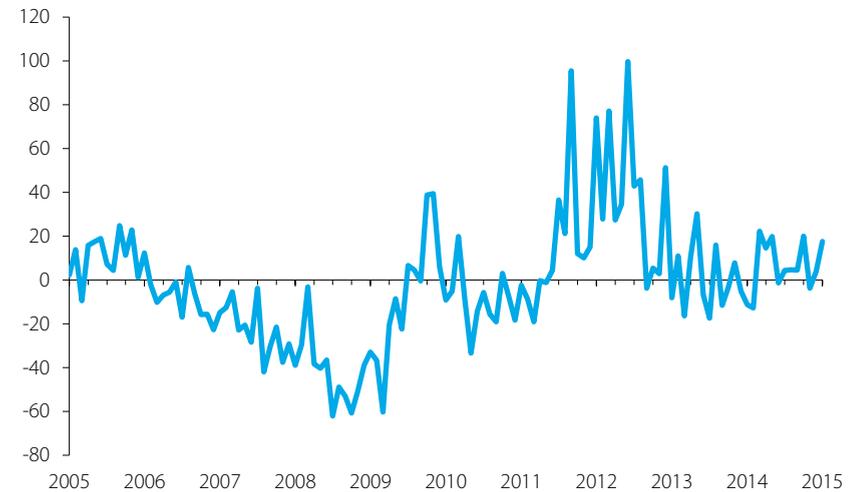
## NORTH CAROLINA

### Real Estate Conditions

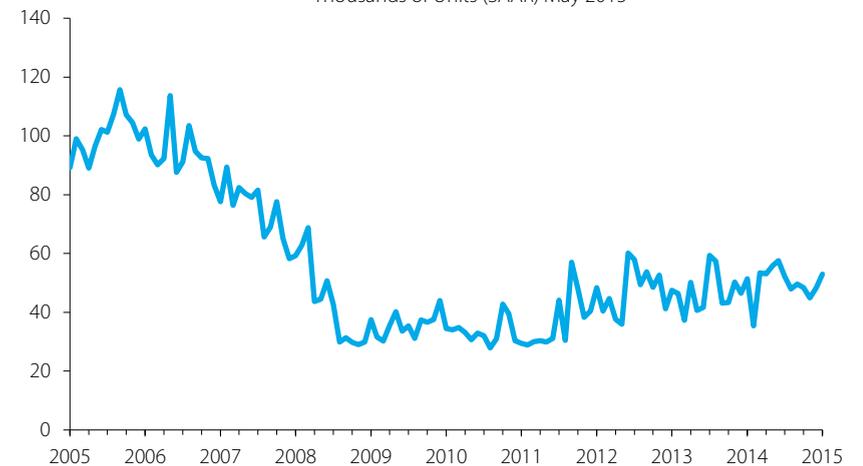
Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	May	111,135	6.02	20.50
Fifth District	May	12,100	-10.80	19.07
North Carolina	May	4,937	7.09	17.66
Asheville MSA	May	144	-32.08	13.39
Charlotte MSA	May	1,888	20.10	76.28
Durham MSA	May	264	2.72	-38.03
Fayetteville MSA	May	181	29.29	105.68
Greensboro-High Point MSA	May	136	-44.49	-13.38
Greenville MSA	May	18	-40.00	-82.35
Hickory MSA	May	1	0.00	-98.39
Jacksonville MSA	May	73	-39.67	-48.23
Raleigh-Cary MSA	May	1,022	-20.53	-1.83
Wilmington MSA	May	90	52.54	-58.90
Winston-Salem MSA	May	322	138.52	111.84

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	May	1,036	-11.07	5.07
Fifth District	May	130	-8.60	4.18
North Carolina	May	52.9	9.75	2.94

North Carolina Building Permits  
Year-over-Year Percent Change through May 2015



North Carolina Housing Starts  
Thousands of Units (SAAR) May 2015



**NORTH CAROLINA**

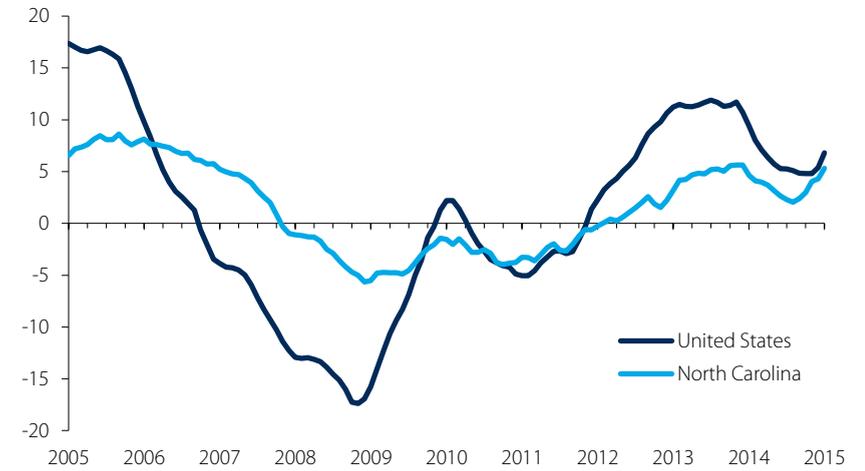
Real Estate Conditions

House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	April	181	2.69	6.81
Fifth District	April	183	1.71	3.57
North Carolina	April	142	2.04	5.31
Asheville MSA	April	174	2.31	4.92
Charlotte MSA	April	147	2.95	8.96
Durham MSA	April	139	0.27	-0.12
Fayetteville MSA	April	117	1.08	0.79
Greensboro-High Point MSA	April	116	2.77	2.49
Greenville MSA	April	124	-0.28	0.04
Hickory MSA	April	117	2.66	1.35
Jacksonville MSA	April	145	0.87	1.05
Raleigh-Cary MSA	April	137	0.89	5.44
Wilmington MSA	April	149	1.60	3.76
Winston-Salem MSA	April	133	0.94	4.20

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charlotte MSA	Q1:15	197	2.28	17.73
Durham MSA	Q1:15	197	-4.04	8.19
Greensboro-High Point MSA	Q1:15	138	0.29	14.20
Raleigh-Cary MSA	Q1:15	219	2.67	13.30

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Asheville MSA	Q1:15	190	-5.00	9.20
Charlotte MSA	Q1:15	180	0.56	9.09
Durham MSA	Q1:15	199	2.58	10.56
Fayetteville MSA	Q1:15	115	-6.50	-4.96
Greensboro-High Point MSA	Q1:15	136	-4.23	7.09
Raleigh-Cary MSA	Q1:15	230	-3.77	6.98
Winston-Salem MSA	Q1:15	136	1.49	4.62

North Carolina House Price Index (CoreLogic)  
Year-over-Year Percent Change through April 2015



Greensboro MSA Median Home Sales Price (NAR)  
Year-over-Year Percent Change through Q1:15



NORTH CAROLINA

Real Estate Conditions

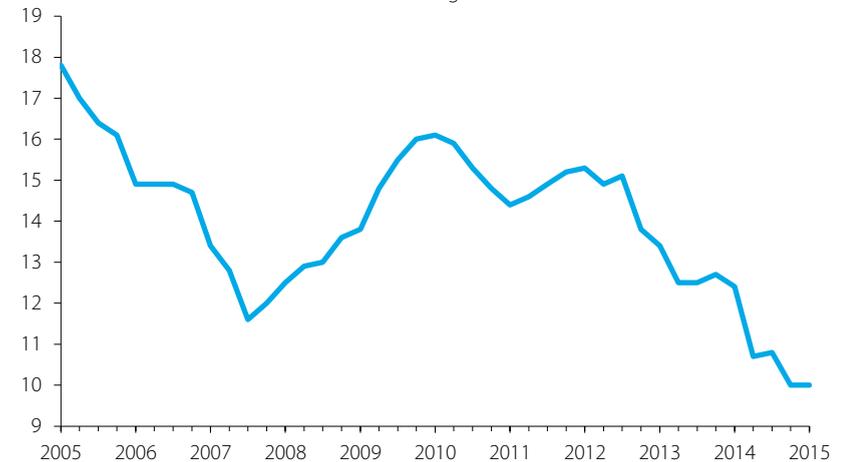
Housing Opportunity Index (%)	Q1:15	Q4:14	Q1:14
Asheville MSA	69.5	64.4	68.6
Charlotte MSA	74.7	70.3	74.2
Durham MSA	70.6	70.8	73.7
Fayetteville MSA	84.9	79.9	82.8
Greensboro-High Point MSA	78.1	77.1	78.9
Raleigh-Cary MSA	76.2	68.1	72.4
Winston-Salem MSA	80.7	82.5	80.8

Commercial Vacancy Rates (%)	Q1:15	Q4:14	Q1:14
<b>Office Vacancies</b>			
Raleigh/Durham	10.0	10.0	12.4
Charlotte	12.3	12.2	13.5
<b>Retail Vacancies</b>			
Raleigh/Durham	6.1	6.1	7.0
Charlotte	8.1	8.3	8.4
<b>Industrial Vacancies</b>			
Raleigh/Durham	12.0	11.4	13.1
Charlotte	9.4	9.5	9.7

Charlotte MSA Office Vacancy Rate  
Through Q1:15



Raleigh/Durham CSA Industrial Vacancy Rate  
Through Q1:15



## SOUTH CAROLINA

### July Summary

Recent economic reports on South Carolina's economy were somewhat mixed. Payroll employment declined and the unemployment rate rose slightly, however, real incomes increased and housing market activity generally improved on a year-over-year basis.

**Labor Markets:** Firms in South Carolina cut 4,900 jobs (0.2 percent) in May; however, it was only the third monthly decline in the last two years. The trade, transportation, and utilities industry cut the most jobs in the month (3,200 jobs) followed by the construction and financial services industries, which shed 1,800 jobs and 1,200 jobs, respectively. Only four industries (manufacturing, information, education and health services, and "other" services) expanded in the month, adding a combined 2,500 jobs. On a year-over-year basis, employment in South Carolina grew 2.4 percent, which slightly outpaced the national growth rate of 2.2 percent. The professional and business services industry led the expansion with 4.9 percent growth. The only industries to contract since May 2014 were logging and mining and financial services. The Columbia MSA, which accounts for almost twenty percent of employment in South Carolina, cut 1,400 jobs in May but added 5,100 jobs since May 2014.

**Household Conditions:** South Carolina's unemployment rate edged up to 6.8 percent in May, which was a 0.6 percentage point increase over the 6.2 percent rate in May 2014. In the first quarter of 2015, real personal income rose 1.7 percent and increased 4.9 percent since the first quarter of 2014. Also in the first quarter of 2015, the share of mortgages with payments 90 or more days overdue fell 0.3 percentage point to 2.0 percent. The prime delinquency rate fell from 1.3 percent to 1.2 percent while the subprime rate declined from 8.1 percent to 6.9 percent in the quarter.

**Housing Markets:** South Carolina issued 2,960 new residential permits in May, down 12.9 percent from the prior month but up 35.3 percent from May 2014. Only two MSAs—Columbia and Sumter—issued more permits in May than the prior month. On a year-over-year basis most MSAs issued more permits. Housing starts, which totaled 31,700 in May, were down 10.8 percent from April but up 18.4 percent on a year-over-year basis. Home values in South Carolina, according to CoreLogic Information Solutions, appreciated 3.3 percent in April and 11.4 percent on a year-over-year basis. Since April 2014, home values appreciated in every MSA with four metro areas—Florence, Myrtle Beach, Spartanburg, and Sumter—reporting house price growth greater than 10 percent.

### A Closer Look at...Gross Domestic Product by State

#### South Carolina Gross Domestic Product (GDP):

Nominal GDP per capita in 2014: \$39,380

Rank of nominal GDP per capita among U.S. states: 49

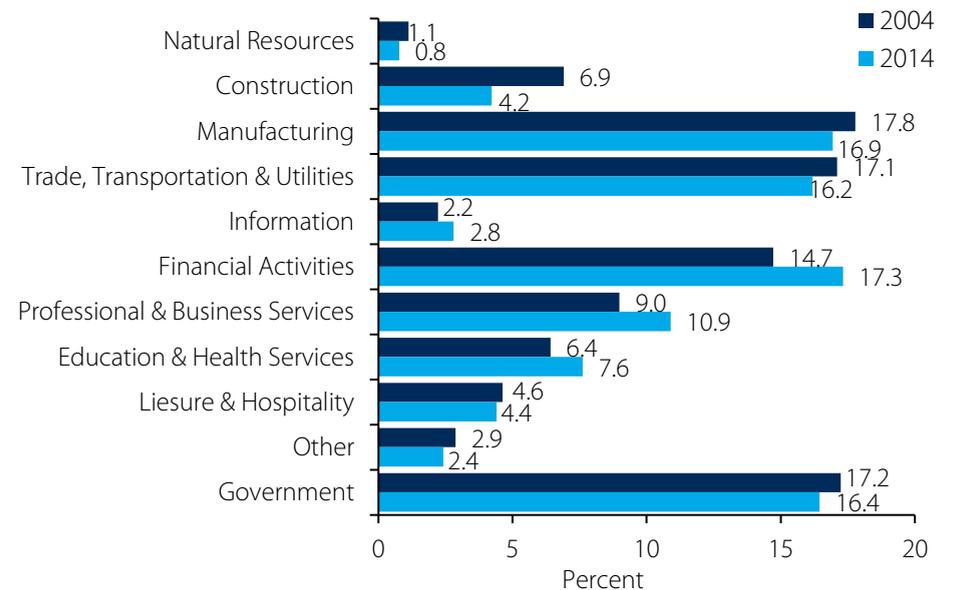
Real GDP growth from 2013 - 2014: 2.2 percent

Avg annual real GDP growth from 2004 - 2014: 1.1 percent

Share of U.S. GDP in 2014: 1.1 percent

#### Real Gross Domestic Product in South Carolina

Share by Industry

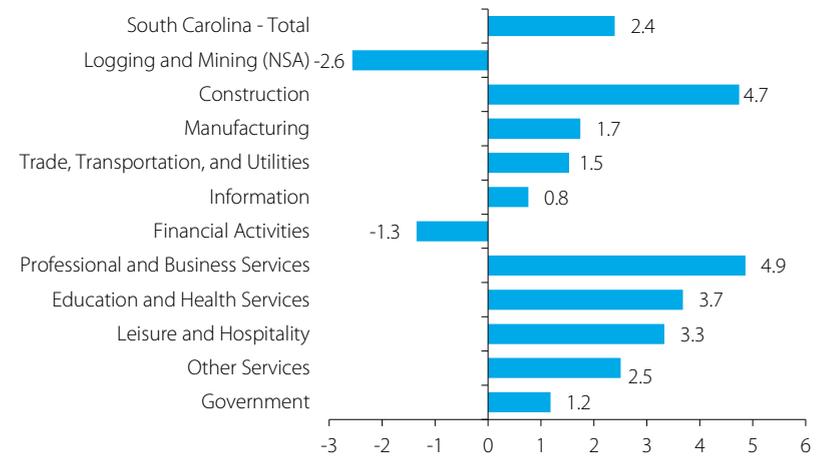


SOUTH CAROLINA

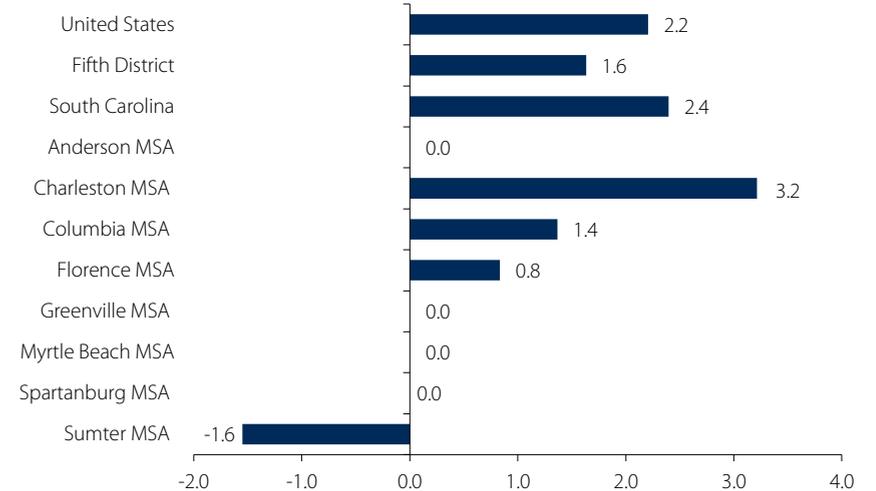
Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	May	141,679.0	0.20	2.21
Fifth District - Total	May	14,233.4	0.22	1.63
South Carolina - Total	May	1,991.9	-0.25	2.40
Logging and Mining (NSA)	May	3.8	0.00	-2.56
Construction	May	86.1	-2.05	4.74
Manufacturing	May	233.3	0.34	1.74
Trade, Transportation, and Utilities	May	378.5	-0.84	1.53
Information	May	26.5	1.15	0.76
Financial Activities	May	95.1	-1.25	-1.35
Professional and Business Services	May	265.4	-0.30	4.86
Education and Health Services	May	233.7	0.34	3.68
Leisure and Hospitality	May	235.7	-0.08	3.33
Other Services	May	73.6	0.82	2.51
Government	May	360.2	-0.06	1.18
Anderson MSA - Total	May	---	---	---
Charleston MSA - Total	May	330.8	-0.03	3.21
Columbia MSA - Total	May	378.5	-0.37	1.37
Florence MSA - Total	May	84.7	-0.82	0.83
Greenville MSA - Total	May	---	---	---
Myrtle Beach MSA - Total	May	---	---	---
Spartanburg MSA - Total	May	---	---	---
Sumter MSA - Total	May	38.1	-0.78	-1.55

South Carolina Payroll Employment Performance  
Year-over-Year Percent Change through May 2015



South Carolina Total Employment Performance  
Year-over-Year Percent Change through May 2015



SOUTH CAROLINA

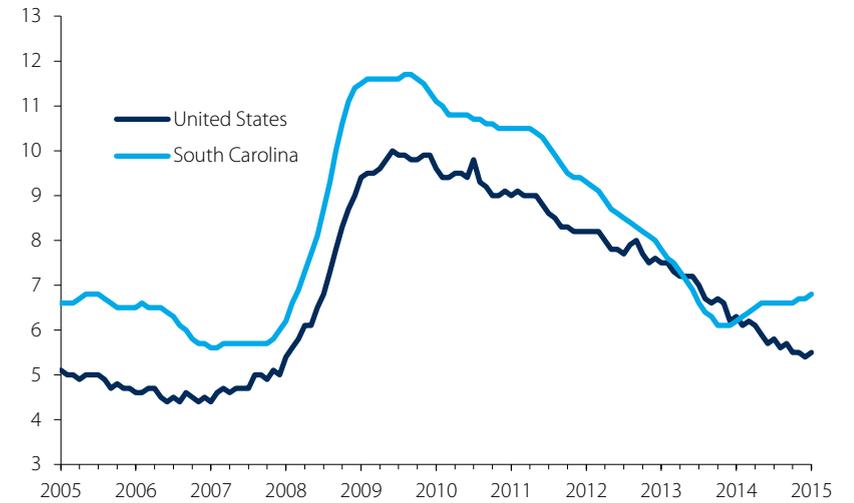
Labor Market Conditions

Unemployment Rate (SA)	May 15	April 15	May 14
United States	5.5	5.4	6.3
Fifth District	5.7	5.6	5.9
South Carolina	6.8	6.7	6.2
Anderson MSA	---	---	4.7
Charleston MSA	5.9	5.8	5.2
Columbia MSA	6.2	6.1	5.6
Florence MSA	7.8	7.6	7.3
Greenville MSA	6.1	5.9	5.4
Myrtle Beach MSA	7.7	7.3	7.4
Spartanburg MSA	6.8	6.7	6.3
Sumter MSA	7.8	7.6	7.1

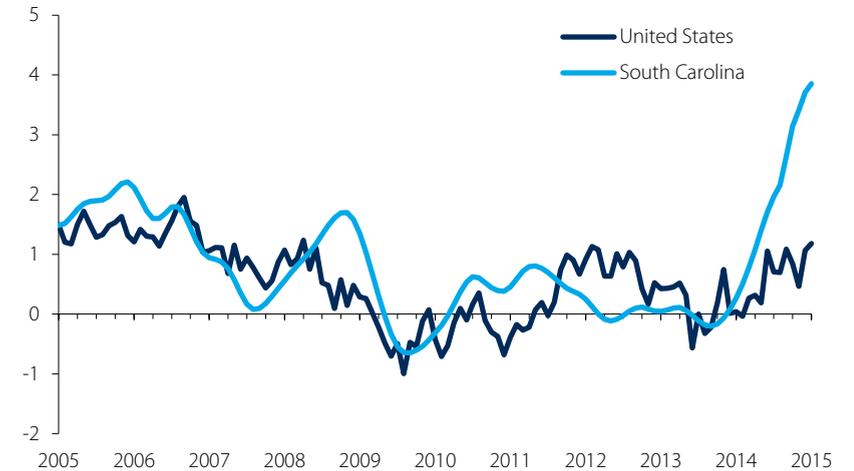
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	May	157,469	0.25	1.18
Fifth District	May	15,612	0.39	1.91
South Carolina	May	2,263	0.33	3.85
Anderson MSA	May	---	---	---
Charleston MSA	May	359	0.22	3.22
Columbia MSA	May	393	0.33	2.56
Florence MSA	May	95	0.11	1.72
Greenville MSA	May	415	0.02	3.62
Myrtle Beach MSA	May	184	0.00	2.33
Spartanburg MSA	May	150	0.07	2.95
Sumter MSA	May	44	0.00	0.45

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	May	1,015,544	-11.90	-14.07
Fifth District	May	68,137	-0.79	-13.63
South Carolina	May	11,856	-8.38	-14.28

South Carolina Unemployment Rate Through May 2015



South Carolina Labor Force Year-over-Year Percent Change through May 2015



SOUTH CAROLINA

Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q1:15	13,923,991	1.45	4.15
Fifth District	Q1:15	1,354,353	1.51	3.85
South Carolina	Q1:15	169,414	1.67	4.88

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Charleston MSA	2015	62.9	---	1.62
Columbia MSA	2015	---	---	---
Greenville MSA	2015	58.0	---	-0.34

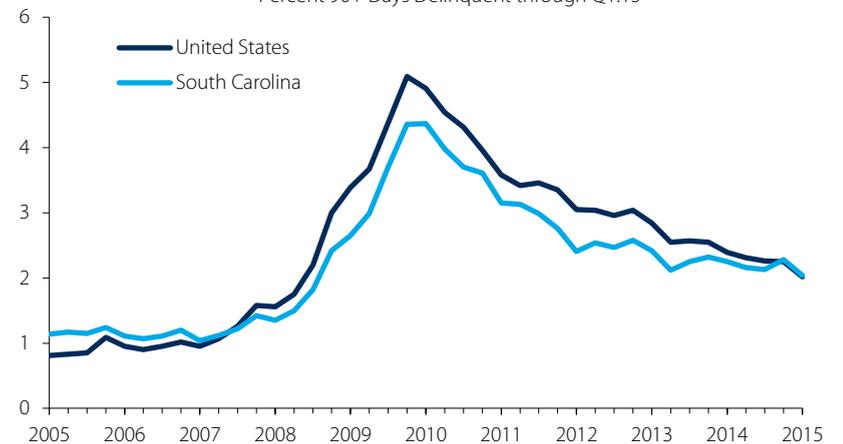
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q1:15	206,922	1.25	-10.70
Fifth District	Q1:15	16,697	0.80	-6.12
South Carolina	Q1:15	1,755	0.29	-3.99

Mortgage Delinquencies (% 90+ Days Delinquent)	Q1:15	Q4:14	Q1:14
United States			
All Mortgages	2.02	2.25	2.39
Prime	1.14	1.24	1.28
Subprime	7.20	8.05	8.90
South Carolina			
All Mortgages	2.04	2.28	2.25
Prime	1.20	1.26	1.22
Subprime	6.88	8.11	8.33

South Carolina Real Personal Income  
Year-over-Year Percent Change through Q1:15



South Carolina Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q1:15



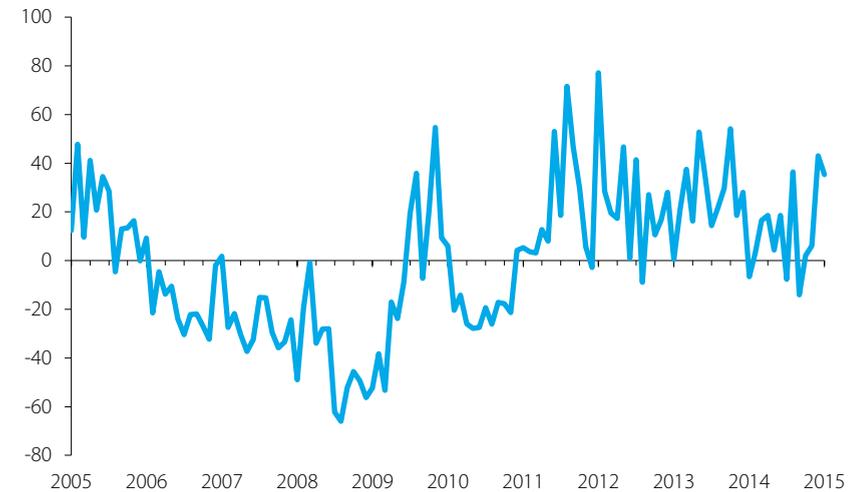
## SOUTH CAROLINA

### Real Estate Conditions

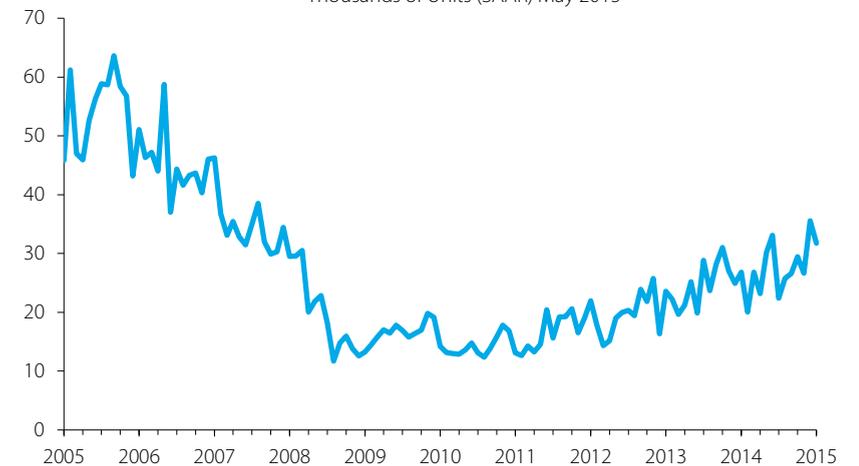
Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	May	111,135	6.02	20.50
Fifth District	May	12,100	-10.80	19.07
South Carolina	May	2,960	-12.92	35.28
Charleston MSA	May	506	-17.86	33.86
Columbia MSA	May	697	99.14	109.31
Florence MSA	May	22	-8.33	-29.03
Greenville MSA	May	442	-32.10	3.03
Myrtle Beach MSA	May	427	-3.39	-11.41
Spartanburg MSA	May	128	-4.48	88.24
Sumter MSA	May	23	53.33	-20.69

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	May	1,036	-11.07	5.07
Fifth District	May	130	-8.60	4.18
South Carolina	May	31.7	-10.77	18.36

South Carolina Building Permits  
Year-over-Year Percent Change through May 2015



South Carolina Housing Starts  
Thousands of Units (SAAR) May 2015



SOUTH CAROLINA

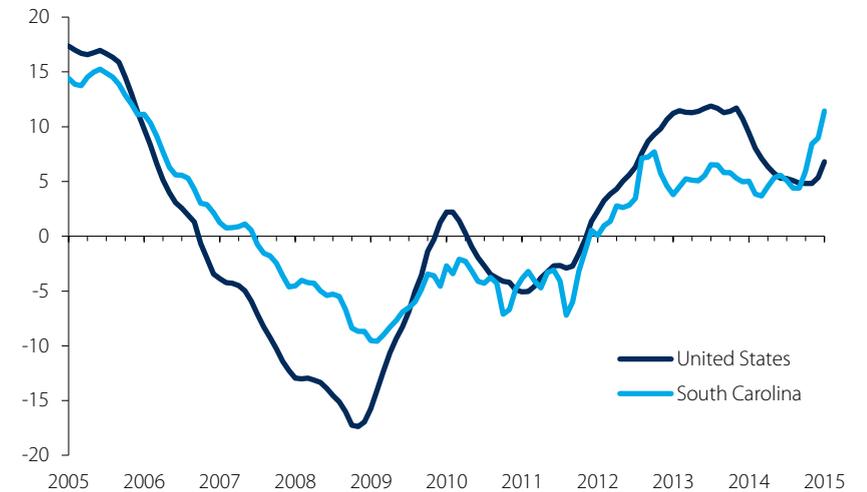
Real Estate Conditions

House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	April	181	2.69	6.81
Fifth District	April	183	1.71	3.57
South Carolina	April	158	3.32	11.42
Charleston MSA	April	196	4.32	9.73
Columbia MSA	April	126	1.67	3.51
Florence MSA	April	152	3.32	11.58
Greenville MSA	April	146	1.82	6.61
Myrtle Beach MSA	April	172	1.54	16.64
Spartanburg MSA	April	122	3.33	13.93
Sumter MSA	April	123	3.32	14.54

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charleston MSA	Q1:15	225	4.59	-1.66
Columbia MSA	Q1:15	144	-2.84	2.57
Greenville MSA	Q1:15	167	0.54	6.57
Spartanburg MSA	Q1:15	134	1.99	12.85

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charleston MSA	Q1:15	212	-2.75	8.72
Columbia MSA	Q1:15	---	---	---
Greenville MSA	Q1:15	154	-4.35	2.67

South Carolina House Price Index (CoreLogic)  
Year-over-Year Percent Change through April 2015



Charleston MSA Median Home Sales Price (NAR)  
Year-over-Year Percent Change through Q1:15



SOUTH CAROLINA

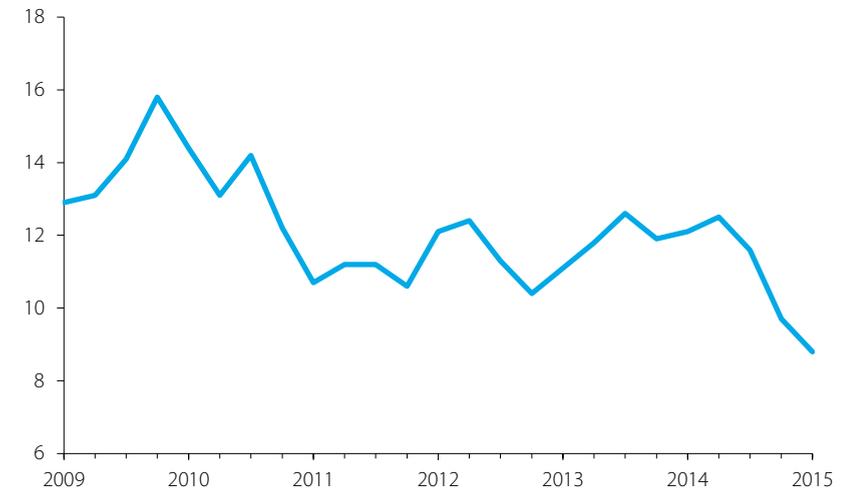
Real Estate Conditions

Housing Opportunity Index (%)	Q1:15	Q4:14	Q1:14
Charleston MSA	67.3	61.3	62.9
Columbia MSA	---	---	---
Greenville MSA	77.7	80.4	73.4

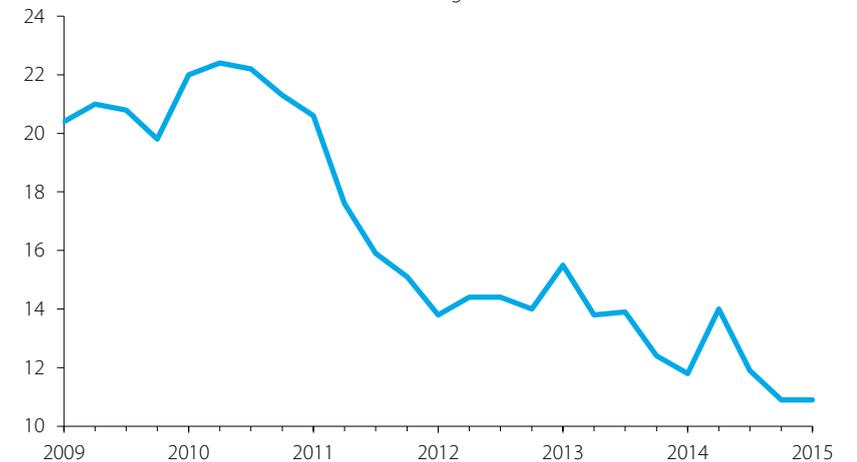
  

Commercial Vacancy Rates (%)	Q1:15	Q4:14	Q1:14
<b>Office Vacancies</b>			
Charleston	8.8	9.7	12.1
<b>Industrial Vacancies</b>			
Charleston	10.9	10.9	11.8

Charleston MSA Office Vacancy Rate  
Through Q1:15



Charleston MSA Industrial Vacancy Rate  
Through Q1:15



## VIRGINIA

### July Summary

Economic reports on Virginia's economy were somewhat mixed in recent months. Employment expanded and real incomes rose but the unemployment rate ticked up slightly and housing market indicators were mixed.

**Labor Markets:** Employers in Virginia added 5,900 jobs (0.2 percent) in May. The net job gain was primarily attributed to the leisure and hospitality and professional and business services industries, which each added 5,400 jobs in the month. Jobs were also added in construction, information, "other" services, and government in the month. On the other hand, the gains were partially offset by cuts of 4,400 jobs in education and health services and 2,600 jobs in trade, transportation, and utilities, as well as smaller cuts in logging and mining, manufacturing, and financial services. On a year-over-year basis, total employment in Virginia expanded 0.8 percent as firms added 29,900 jobs to the economy. Only three industries in the state contracted since May 2014. The largest contraction was in logging and mining that declined 11.3 percent; however, the industry accounted for less than one percent of total employment. The Virginia portion of the Washington, D.C. metro area (Northern Virginia) added 20,700 jobs (1.5 percent) since May 2014.

**Household Conditions:** Virginia's unemployment rate rose 0.1 percentage point to 4.9 percent in May. Since May 2014, the state's jobless rate declined 0.3 percentage point from a rate of 5.2 percent. In the first quarter of 2015, real personal income in Virginia rose 1.5 percent and increased 3.3 percent since the first quarter of 2014. Also in the first quarter of 2015, the share of mortgages with payments 90 or more days past due declined 0.1 percentage point to 1.7 percent. The prime delinquency rate was unchanged at 0.9 percent while the subprime delinquency rate declined from 8.9 percent to 7.8 percent.

**Housing Markets:** Virginia issued 1,816 new residential permits in May, down 49.7 percent from the prior month and down 23.8 percent from May 2014. Only the Harrisonburg and Winchester MSAs issued more permits in both the month and on a year-over-year basis. Housing starts in Virginia, which totaled 19,500 in May, were down 48.4 percent from April and down 33.3 percent since May 2014. According to CoreLogic Information Solutions, Virginia home values appreciated 1.2 percent in April and appreciated 0.7 percent since April 2014. Moreover, home values appreciated in every MSA except Harrisonburg in the month and in every MSA except Blacksburg on a year-over-year basis. The Winchester MSA reported the largest year-over-year appreciation of 10.0 percent.

### A Closer Look at...Gross Domestic Product by State

#### Virginia Gross Domestic Product (GDP):

Nominal GDP per capita in 2014: \$55,681

Rank of nominal GDP per capita among U.S. states: 18

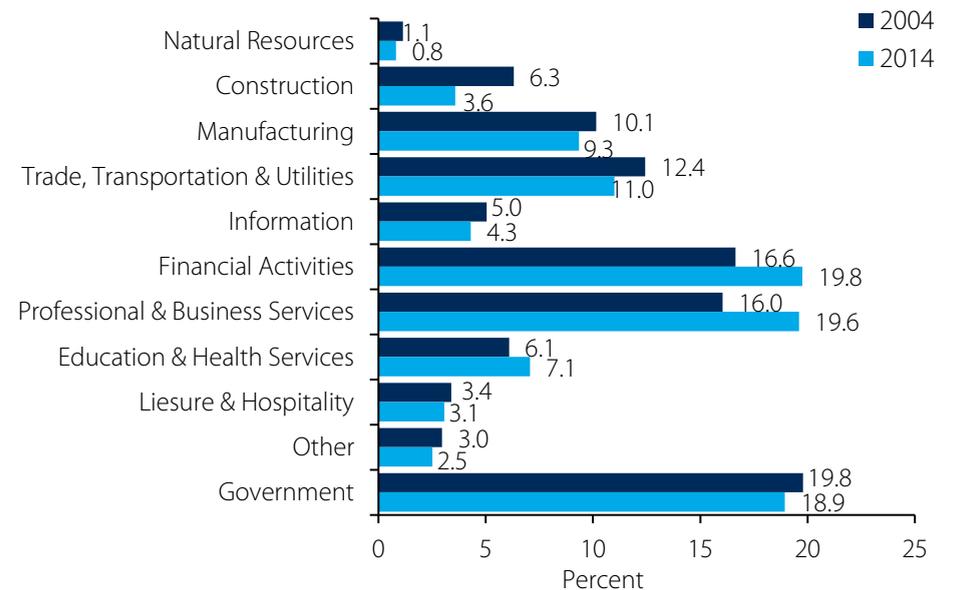
Real GDP growth from 2013 - 2014: 0.0 percent

Avg annual real GDP growth from 2004 - 2014: 1.3 percent

Share of U.S. GDP in 2014: 2.7 percent

#### Real Gross Domestic Product in Virginia

Share by Industry



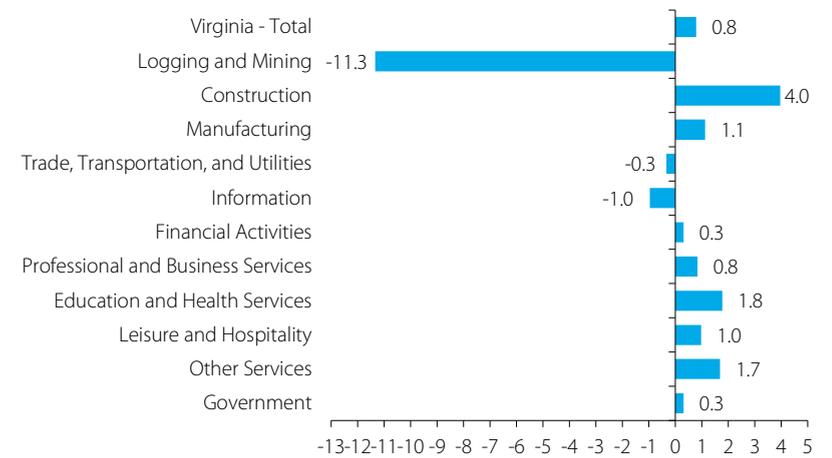
VIRGINIA

Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	May	141,679.0	0.20	2.21
Fifth District - Total	May	14,233.4	0.22	1.63
Virginia - Total	May	3,808.6	0.16	0.79
Logging and Mining	May	8.6	-1.15	-11.34
Construction	May	186.3	0.59	3.96
Manufacturing	May	234.4	-0.21	1.12
Trade, Transportation, and Utilities	May	640.9	-0.40	-0.34
Information	May	71.7	2.28	-0.97
Financial Activities	May	193.9	-0.41	0.31
Professional and Business Services	May	686.6	0.79	0.84
Education and Health Services	May	504.4	-0.86	1.78
Leisure and Hospitality	May	375.0	1.46	0.97
Other Services	May	198.7	0.15	1.69
Government	May	708.1	0.07	0.31
Blacksburg MSA - Total	May	78.3	-1.01	3.30
Charlottesville MSA - Total	May	111.3	-0.45	2.02
Lynchburg MSA - Total	May	103.7	0.10	0.88
Northern Virginia - Total	May	1,401.8	0.17	1.50
Richmond MSA - Total	May	633.6	-0.16	0.32
Roanoke MSA - Total	May	160.5	0.12	0.25
Virginia Beach-Norfolk MSA - Total	May	757.9	-0.05	0.46
Winchester MSA - Total	May	60.6	-0.33	1.34

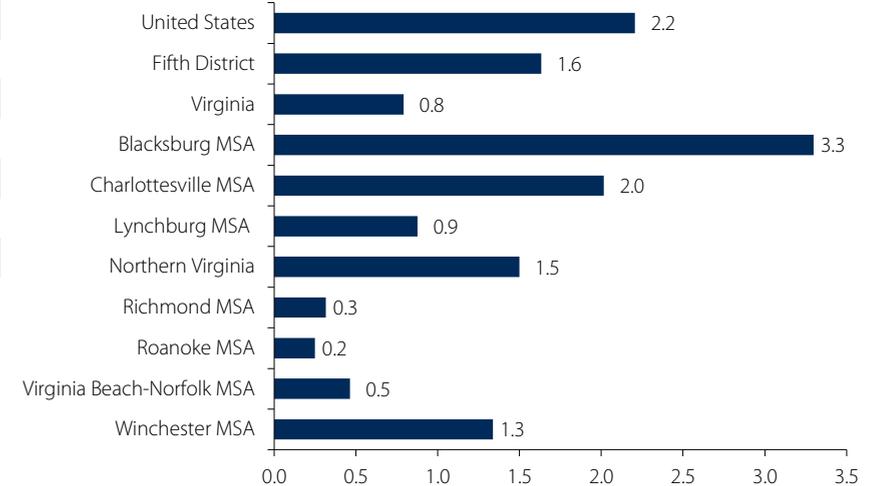
Virginia Payroll Employment Performance

Year-over-Year Percent Change through May 2015



Virginia Total Employment Performance

Year-over-Year Percent Change through May 2015



VIRGINIA

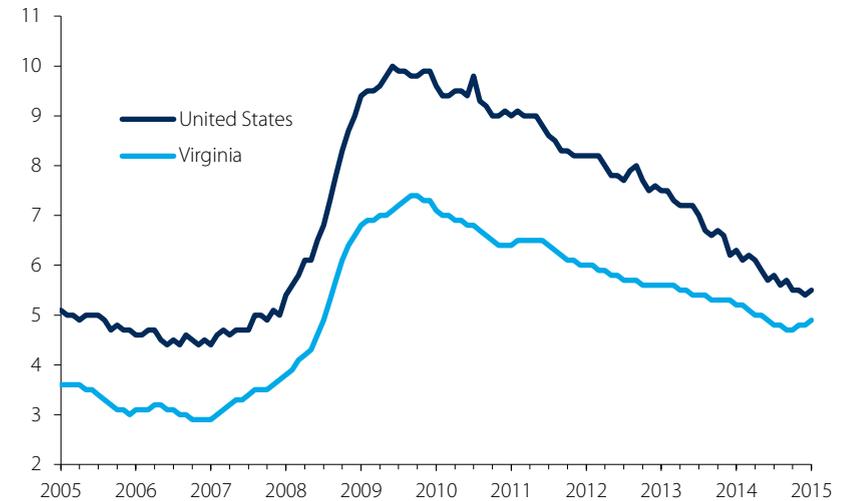
Labor Market Conditions

Unemployment Rate (SA)	May 15	April 15	May 14
United States	5.5	5.4	6.3
Fifth District	5.7	5.6	5.9
Virginia	4.9	4.8	5.2
Blacksburg MSA	5.2	4.8	5.6
Charlottesville MSA	4.4	4.3	4.6
Lynchburg MSA	5.5	5.2	5.7
Northern Virginia (NSA)	---	---	4.4
Richmond MSA	5.3	5.1	5.6
Roanoke MSA	4.9	4.8	5.3
Virginia Beach-Norfolk MSA	5.5	5.4	5.8
Winchester MSA	4.7	4.7	5.0

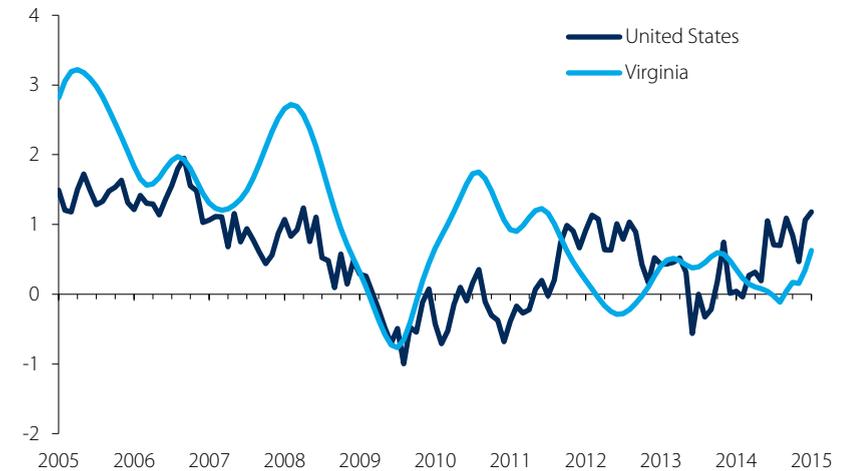
Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	May	157,469	0.25	1.18
Fifth District	May	15,612	0.39	1.91
Virginia	May	4,268	0.22	0.63
Blacksburg MSA	May	94	0.32	1.52
Charlottesville MSA	May	117	-0.09	1.39
Lynchburg MSA	May	125	0.40	0.00
Northern Virginia (NSA)	May	---	---	---
Richmond MSA	May	655	0.41	-0.40
Roanoke MSA	May	161	0.50	-0.62
Virginia Beach-Norfolk MSA	May	843	0.43	-0.35
Winchester MSA	May	70	0.14	1.02

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	May	1,015,544	-11.90	-14.07
Fifth District	May	68,137	-0.79	-13.63
Virginia	May	14,537	1.91	-20.40

Virginia Unemployment Rate  
Through May 2015



Virginia Labor Force  
Year-over-Year Percent Change through May 2015



VIRGINIA

Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q1:15	13,923,991	1.45	4.15
Fifth District	Q1:15	1,354,353	1.51	3.85
Virginia	Q1:15	389,771	1.47	3.26

Median Family Income	Period	Level (000s)	QoQ % Change	YoY % Change
Richmond MSA	2015	74.2	---	1.78
Roanoke MSA	2015	62.0	---	---
Virginia Beach-Norfolk MSA	2015	70.9	---	0.42

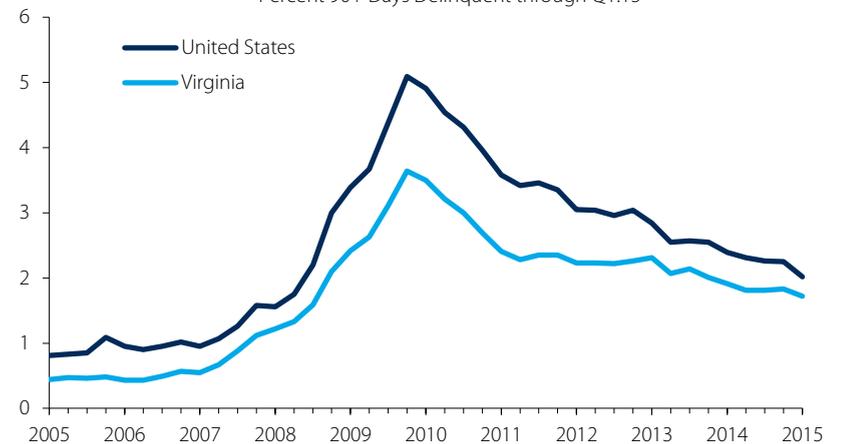
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q1:15	206,922	1.25	-10.70
Fifth District	Q1:15	16,697	0.80	-6.12
Virginia	Q1:15	5,611	1.70	-5.36

Mortgage Delinquencies (% 90+ Days Delinquent)	Q1:15	Q4:14	Q1:14
United States			
All Mortgages	2.02	2.25	2.39
Prime	1.14	1.24	1.28
Subprime	7.20	8.05	8.90
Virginia			
All Mortgages	1.72	1.83	1.91
Prime	0.86	0.88	0.88
Subprime	7.75	8.87	9.58

Virginia Real Personal Income  
Year-over-Year Percent Change through Q1:15



Virginia Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q1:15



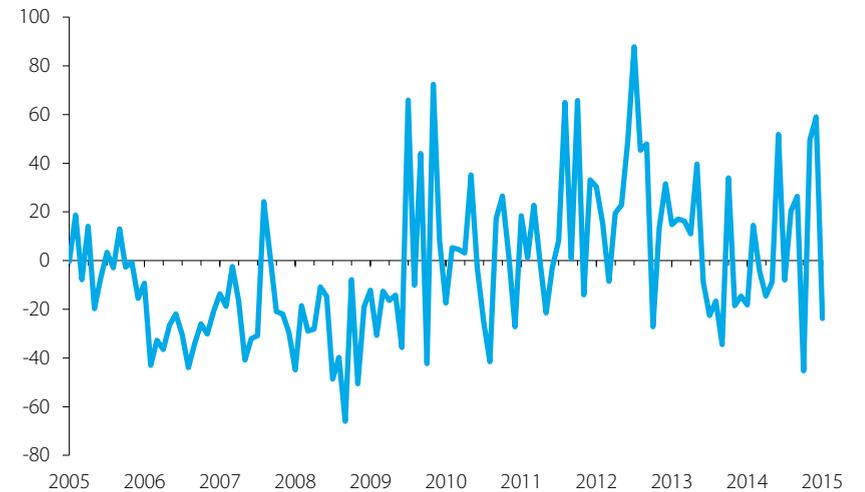
VIRGINIA

Real Estate Conditions

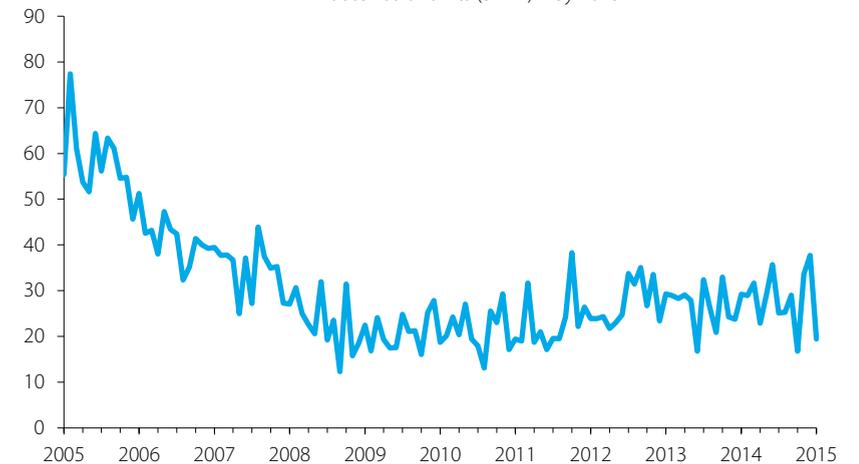
Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	May	111,135	6.02	20.50
Fifth District	May	12,100	-10.80	19.07
Virginia	May	1,816	-49.65	-23.79
Charlottesville MSA	May	52	-11.86	13.04
Harrisonburg MSA	May	67	131.03	76.32
Lynchburg MSA	May	36	-40.98	-41.94
Richmond MSA	May	342	-48.42	-19.15
Roanoke MSA	May	---	---	---
Virginia Beach-Norfolk MSA	May	421	-0.71	-18.09
Winchester MSA	May	74	19.35	85.00

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	May	1,036	-11.07	5.07
Fifth District	May	130	-8.60	4.18
Virginia	May	19.5	-48.41	-33.33

Virginia Building Permits  
Year-over-Year Percent Change through May 2015



Virginia Housing Starts  
Thousands of Units (SAAR) May 2015



VIRGINIA

Real Estate Conditions

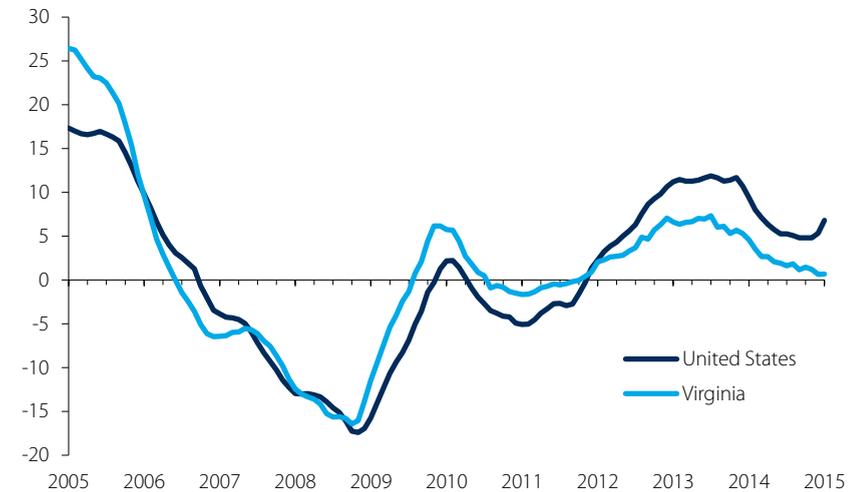
House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	April	181	2.69	6.81
Fifth District	April	183	1.71	3.57
Virginia	April	206	1.20	0.70
Blacksburg MSA	April	123	1.20	-0.81
Charlottesville MSA	April	181	0.24	0.30
Danville MSA	April	210	5.02	0.86
Harrisonburg MSA	April	203	-1.29	0.35
Lynchburg MSA	April	134	0.86	2.70
Richmond MSA	April	163	1.80	3.11
Roanoke MSA	April	143	1.34	0.99
Virginia Beach-Norfolk MSA	April	187	1.12	2.22
Winchester MSA	April	210	2.49	10.04

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Richmond MSA	Q1:15	---	---	---
Virginia Beach-Norfolk MSA	Q1:15	190	-2.56	8.57

Median Home Sales Price - NAHB	Period	Level (\$000s)	QoQ % Change	YoY % Change
Richmond MSA	Q1:15	189	-4.55	6.18
Virginia Beach-Norfolk MSA	Q1:15	180	-3.23	3.45

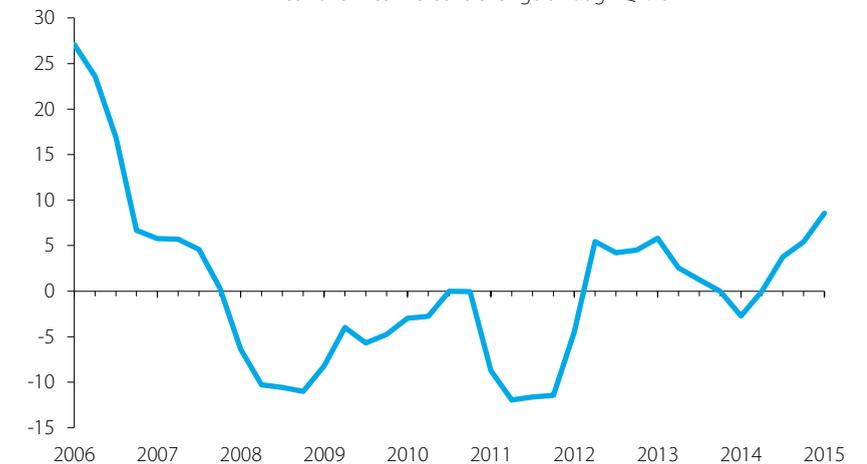
Virginia House Price Index (CoreLogic)

Year-over-Year Percent Change through April 2015



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

Year-over-Year Percent Change through Q1:15



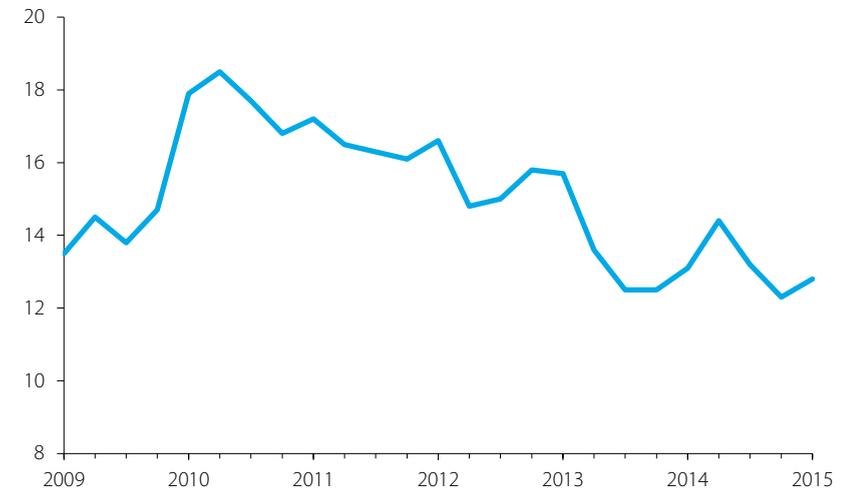
VIRGINIA

Real Estate Conditions

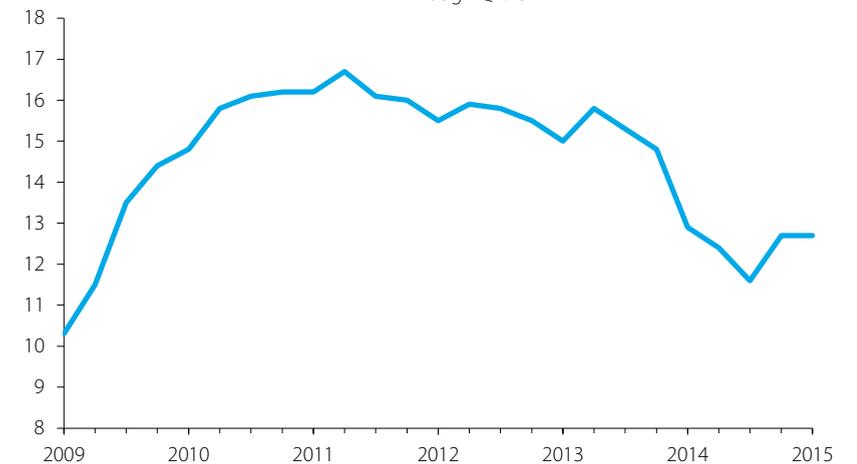
Housing Opportunity Index (%)	Q1:15	Q4:14	Q1:14
Richmond MSA	79.8	76.7	80.1
Roanoke MSA	86.8	86.8	86.4
Virginia Beach-Norfolk MSA	82.2	79.0	81.6

Commercial Vacancy Rates (%)	Q1:15	Q4:14	Q1:14
<b>Office Vacancies</b>			
Norfolk	13.0	13.0	12.6
Richmond	12.8	12.3	13.1
<b>Industrial Vacancies</b>			
Northern Virginia	12.9	12.6	14.2
Richmond	12.7	12.7	12.9

Richmond MSA Office Vacancy Rate  
Through Q1:15



Richmond MSA Industrial Vacancy Rate  
Through Q1:15



## WEST VIRGINIA

### July Summary

Economic reports on West Virginia were somewhat mixed in recent months. Payrolls expanded in the month but declined on a year-over-year basis while household conditions and housing market indicators were mixed.

**Labor Markets:** Employers in West Virginia added 2,100 jobs (0.3 percent) in May. Private sector job growth drove the overall increase as the government sector cut 400 jobs in the month. Within the private sector, the professional and business services industry added the most jobs (1,000 jobs) while the construction industry posted the largest growth rate in the month (2.0 percent) by adding 600 jobs. The financial services industry added 500 jobs in May after cutting employment for the preceding five months. On a year-over-year basis, West Virginia contracted 2.1 percent (16,600 jobs). However, this sharp decline is related to elevated employment in May 2014 that was the result of state and local government agencies hiring 11,900 employees, most of which were temporary poll workers hired for primary elections. (State and local governments cut 12,200 jobs the next month.) Private sector employment in West Virginia also contracted on a year-over-year basis, but by a smaller percentage (0.9 percent).

**Household Conditions:** West Virginia's unemployment rate rose from 7.0 percent in April to 7.2 percent in May. The unemployment rate increased for a fourth straight month and recorded its highest rate since January 2013. In the first quarter of 2015, real personal income in West Virginia rose 1.4 percent and increased 3.5 percent since the first quarter of 2014. Also in the first quarter of 2015, the share of mortgages with payments 90 or more days overdue fell 0.3 percentage point to 1.9 percent. The subprime delinquency rate fell from 9.6 percent to 7.6 percent in the quarter—the lowest rate since the third quarter of 2008.

**Housing Markets:** West Virginia issued 244 new residential permits in May, down 1.3 percent from April but up 66.0 percent from May 2014. The Huntington MSA issued the most permits in May; the 32 permits issued represented a 60.0 percent increase in the month and more than doubled the number of permits issued in May 2014. Housing starts in the state totaled 2,600 in May, down 15.5 percent from April but up 45.0 percent on a year-over-year basis. According to CoreLogic Information Solutions, home values in West Virginia appreciated 2.6 percent in April and 7.0 percent since April 2014. Meanwhile, values appreciated in every state MSA except Huntington in April and in every MSA since April 2014. The Parkersburg MSA reported the largest year-over-year appreciation with 8.7 percent growth.

### A Closer Look at...Gross Domestic Product by State

#### West Virginia Gross Domestic Product (GDP):

Nominal GDP per capita in 2014: \$40,716

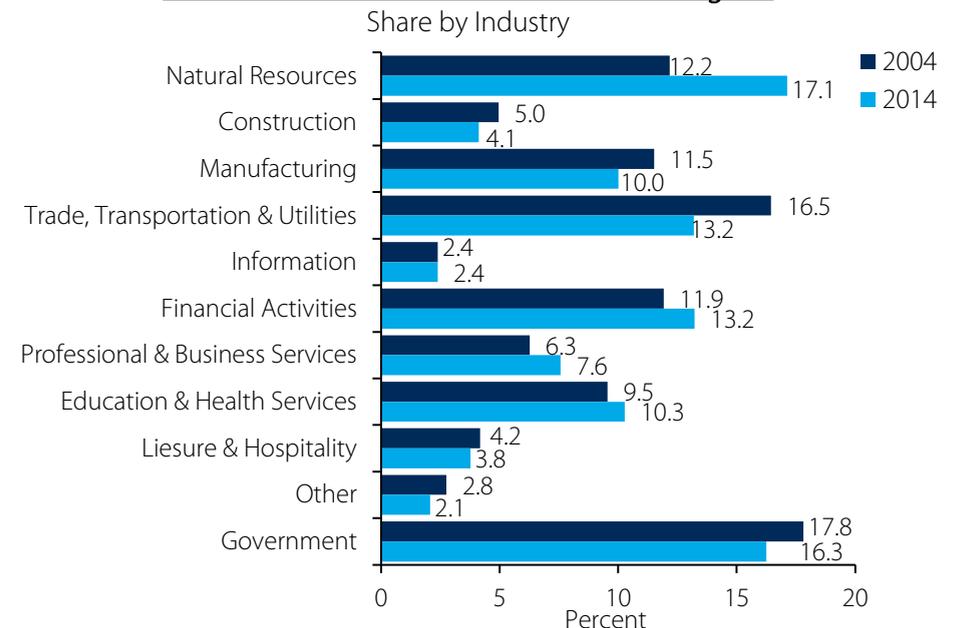
Rank of nominal GDP per capita among U.S. states: 48

Real GDP growth from 2013 - 2014: 5.1 percent

Avg annual real GDP growth from 2004 - 2014: 1.3 percent

Share of U.S. GDP in 2014: 0.4 percent

#### Real Gross Domestic Product in West Virginia



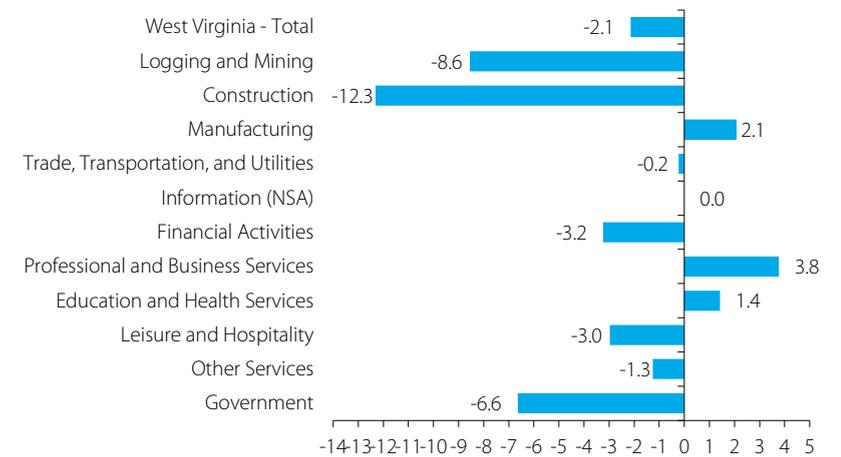
## WEST VIRGINIA

### Labor Market Conditions

Payroll Employment (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States - Total	May	141,679.0	0.20	2.21
Fifth District - Total	May	14,233.4	0.22	1.63
West Virginia - Total	May	757.6	0.28	-2.14
Logging and Mining	May	27.8	0.00	-8.55
Construction	May	29.9	2.05	-12.32
Manufacturing	May	49.0	1.45	2.08
Trade, Transportation, and Utilities	May	134.8	-0.07	-0.22
Information (NSA)	May	9.6	1.05	0.00
Financial Activities	May	29.9	1.70	-3.24
Professional and Business Services	May	68.7	1.48	3.78
Education and Health Services	May	128.0	0.00	1.43
Leisure and Hospitality	May	71.9	-0.28	-2.97
Other Services	May	54.8	-0.18	-1.26
Government	May	153.2	-0.26	-6.64
Charleston MSA - Total	May	---	---	---
Huntington MSA - Total	May	---	---	---
Morgantown MSA - Total	May	69.2	-0.57	-0.29
Parkersburg MSA - Total	May	---	---	---

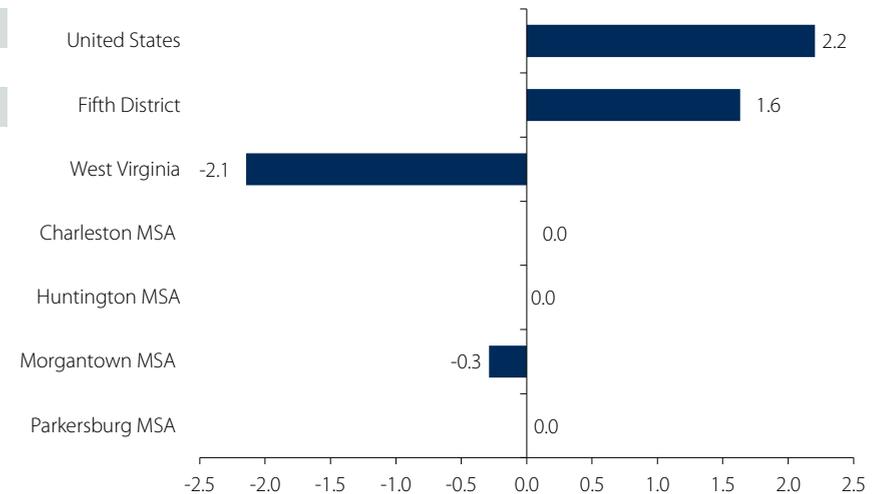
West Virginia Payroll Employment Performance

Year-over-Year Percent Change through May 2015



West Virginia Total Employment Performance

Year-over-Year Percent Change through May 2015



## WEST VIRGINIA

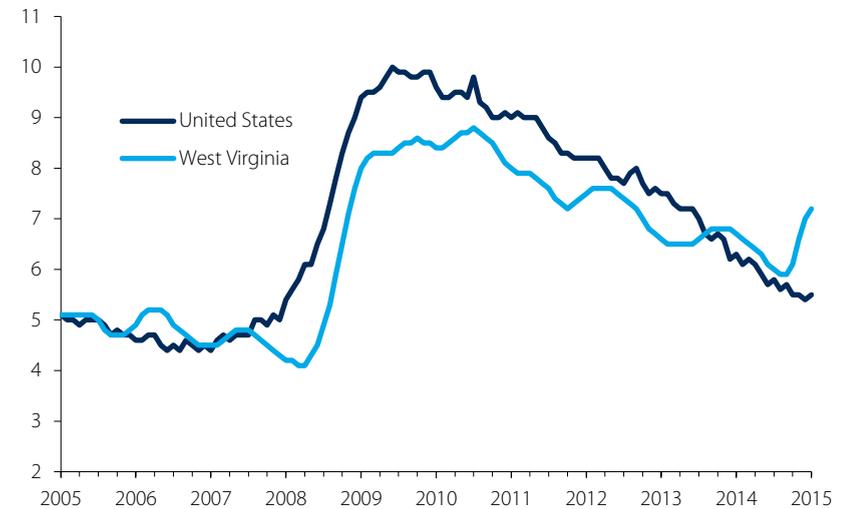
### Labor Market Conditions

Unemployment Rate (SA)	May 15	April 15	May 14
United States	5.5	5.4	6.3
Fifth District	5.7	5.6	5.9
West Virginia	7.2	7.0	6.7
Charleston MSA	6.7	6.9	6.4
Huntington MSA	6.4	6.5	6.7
Morgantown MSA	5.3	5.4	4.8
Parkersburg MSA	6.6	6.6	6.0

Civilian Labor Force (SA)	Period	Level (000s)	MoM % Change	YoY % Change
United States	May	157,469	0.25	1.18
Fifth District	May	15,612	0.39	1.91
West Virginia	May	779	0.28	-1.50
Charleston MSA	May	99	0.20	-1.79
Huntington MSA	May	148	-0.20	-1.99
Morgantown MSA	May	64	-0.31	-1.54
Parkersburg MSA	May	40	-0.25	-0.50

Initial Unemployment Claims (NSA)	Period	Level	MoM % Change	YoY % Change
United States	May	1,015,544	-11.90	-14.07
Fifth District	May	68,137	-0.79	-13.63
West Virginia	May	5,945	-4.44	17.28

West Virginia Unemployment Rate  
Through May 2015



West Virginia Labor Force  
Year-over-Year Percent Change through May 2015



WEST VIRGINIA

Household Conditions

Real Personal Income (SA)	Period	Level (\$mil)	QoQ % Change	YoY % Change
United States	Q1:15	13,923,991	1.45	4.15
Fifth District	Q1:15	1,354,353	1.51	3.85
West Virginia	Q1:15	63,803	1.35	3.53

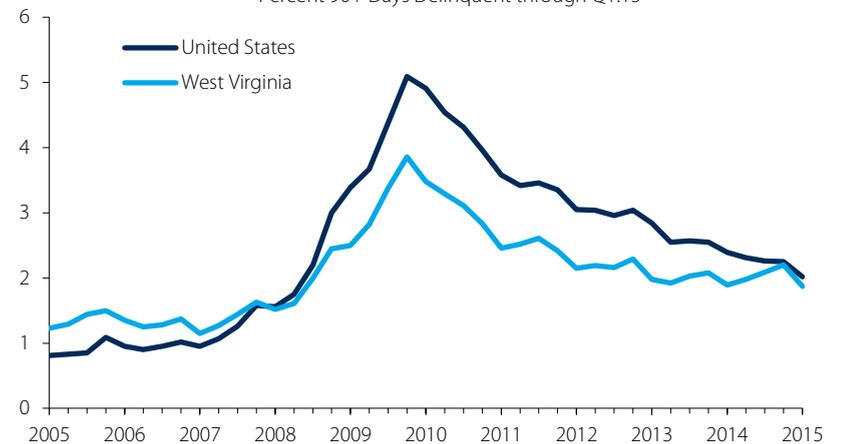
Non-Business Bankruptcies	Period	Level	QoQ % Change	YoY % Change
United States	Q1:15	206,922	1.25	-10.70
Fifth District	Q1:15	16,697	0.80	-6.12
West Virginia	Q1:15	792	3.80	-4.23

Mortgage Delinquencies (% 90+ Days Delinquent)	Q1:15	Q4:14	Q1:14
United States			
All Mortgages	2.02	2.25	2.39
Prime	1.14	1.24	1.28
Subprime	7.20	8.05	8.90
West Virginia			
All Mortgages	1.87	2.20	1.89
Prime	1.20	1.33	1.05
Subprime	7.59	9.61	8.86

West Virginia Real Personal Income  
Year-over-Year Percent Change through Q1:15



West Virginia Mortgage Delinquencies  
Percent 90+ Days Delinquent through Q1:15



WEST VIRGINIA

Real Estate Conditions

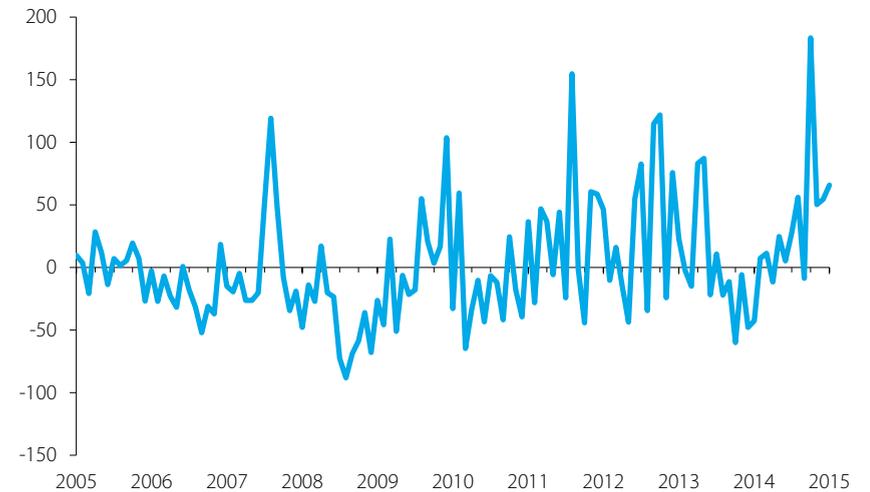
Total Private Building Permits (NSA)	Period	Level	MoM % Change	YoY % Change
United States	May	111,135	6.02	20.50
Fifth District	May	12,100	-10.80	19.07
West Virginia	May	244	-17.29	65.99
Charleston MSA	May	8	-69.23	700.00
Huntington MSA	May	32	60.00	190.91
Morgantown MSA	May	1	0.00	---
Parkersburg MSA	May	9	-59.09	28.57

Total Private Housing Starts (SAAR)	Period	Level (000s)	MoM % Change	YoY % Change
United States	May	1,036	-11.07	5.07
Fifth District	May	130	-8.60	4.18
West Virginia	May	2.6	-15.53	45.00

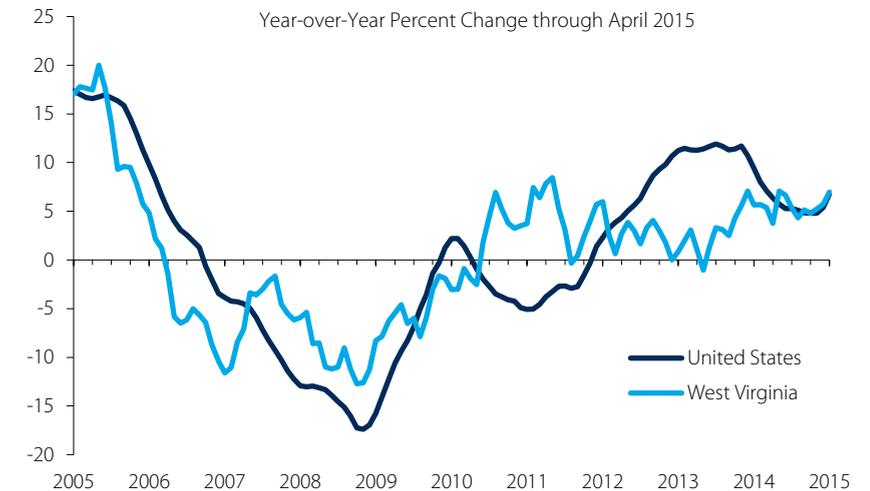
House Price Index (2000=100)	Period	Level	MoM % Change	YoY % Change
United States	April	181	2.69	6.81
Fifth District	April	183	1.71	3.57
West Virginia	April	154	2.59	6.98
Charleston MSA	April	145	2.59	4.62
Huntington MSA	April	155	-2.28	2.10
Morgantown MSA	April	123	2.38	3.10
Parkersburg MSA	April	145	2.59	8.73

Median Home Sales Price - NAR (NSA)	Period	Level (\$000s)	QoQ % Change	YoY % Change
Charleston MSA	Q1:15	124	-7.30	1.72

West Virginia Building Permits  
Year-over-Year Percent Change through May 2015



West Virginia House Price Index (CoreLogic)  
Year-over-Year Percent Change through April 2015



SOURCES

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 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 Gross Domestic Product by State

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

SA - Seasonally Adjusted

NSA - Not Seasonally Adjusted

SAAR - Seasonally Adjusted Annual Rate

