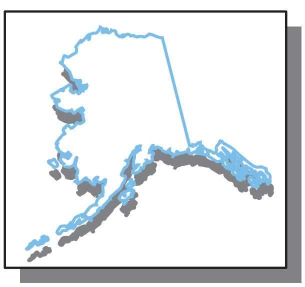
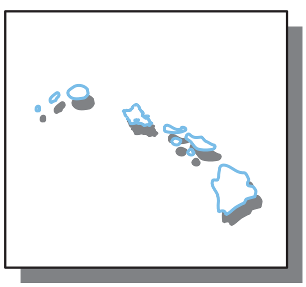
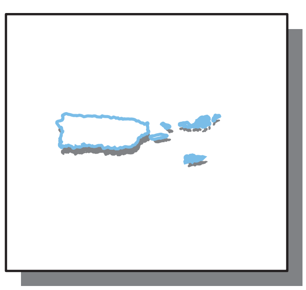
# Regional Activity



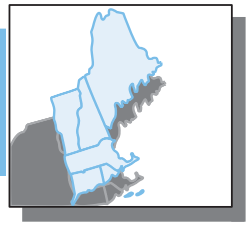




The following summaries of housing market conditions and activities have been prepared by economists in the U.S. Department of Housing and Urban Development's (HUD's) field offices. The reports provide overviews of economic and housing market trends within each region of HUD management. Also included are profiles of selected local housing market areas that provide a perspective of current economic conditions and their impact on the housing market. The reports and profiles are based on information obtained by HUD economists from state and local governments, from housing industry sources, and from their ongoing investigations of housing market conditions carried out in support of HUD's programs.

# Regional Reports

## New England



### HUD Region I*

Economic conditions in the New England region improved during the past 2 years. During 2012, nonfarm payrolls averaged 6.86 million jobs, an increase of 41,700 jobs, or 0.6 percent, essentially unchanged from the growth rate during 2011. The greatest job gains occurred in the professional and business services, education and health services, and wholesale and retail trade sectors, which increased by 22,300, 13,900, and 11,600 jobs, or 2.6, 1.0, and 1.1 percent, respectively. These gains more than offset the losses of 7,700, 4,500, and 4,200 jobs, or 1.3, 1.0, and 1.8 percent, respectively, in the local government subsector, the financial activities sector, and the construction subsector.

Nonfarm payrolls increased in five of the six states in the New England region during 2012. Massachusetts, which represents 47 percent of the total nonfarm payrolls in the region, accounted for 86 percent of the net gain during the past year with an increase of 35,800 jobs, or 1.1 percent, compared with an increase of 19,800 jobs, or 0.6 percent, during 2011. Growth accelerated in Massachusetts during the fourth quarter of 2012, when the state economy added 48,900 jobs, a 1.5-percent increase compared with the number of jobs added during the same period a year earlier. During the fourth quarter of 2012, the professional and business services sector led job growth in Massachusetts, gaining 24,700 jobs, or 5.1 percent. During 2012, Connecticut nonfarm payrolls increased by 4,100 jobs, or 0.3 percent, compared with the number of jobs recorded during 2011. In Connecticut, the most significant increase was in the education and health services sector, which gained 9,800 jobs, or 3.1 percent, and the most significant losses were in the government and financial activities sectors, which lost 3,800 and 3,200 jobs, or 1.6 and 2.4 percent, respectively. Vermont and New Hampshire added 3,300 and 800 jobs, increases of 1.1 and 0.1 percent, respectively. In Vermont, the fastest growing sector was the professional and business services sector, which expanded 6.9 percent, adding 1,700 jobs. Job growth in New Hampshire was concentrated in the leisure and hospitality sector, which gained 1,700 jobs, or 2.6 percent. In Maine, nonfarm payrolls increased slightly by 200 jobs. Rhode Island lost 2,500 jobs, a 0.5-percent decline, including losses of 1,100 and 700, or 2.4 and 2.2 percent, respectively, in the retail trade and local government subsectors. During 2012, the unemployment rate in the region averaged 7.2 percent, down from the 7.8-percent rate recorded during 2011 and less than the 8.1-percent national rate. Average unemployment rates ranged from 5.0 percent in Vermont to 10.7 percent in Rhode Island.

Home sales markets in the New England region are slightly soft, but they improved during the past year, when the number of sales increased significantly in every state in the region. According to the Federal Housing Finance Agency's House Price Index, in November 2012, home prices in the region increased 1 percent from November 2011 compared with the 2-percent decline that occurred a year earlier. According to the Massachusetts Association of REALTORS® (MAR), during 2012, 46,300 existing homes sold in Massachusetts, a 21-percent increase from 2011, and the median home sales price in Massachusetts was $298,000, up 1 percent from 2011. In Connecticut, Prudential Connecticut Realty (PCR) reported 24,900 new and existing home sales during 2012, a 16-percent increase from 2011. Also during 2012, the median home sales price declined 1 percent, to $247,500, compared with the sales price during 2011. Based on data from the Rhode Island Association of REALTORS® (RIAR), during 2012, nearly 8,025 existing homes sold, a 20-percent increase from 2011, and the median home sales price was $190,000, down nearly 3 percent from a year earlier.

The Northern New England Real Estate Network (NNEREN) reported that, during 2012, 12,950 and 4,650 homes sold in New Hampshire and Vermont, representing increases of 21 and 16 percent, respectively, from 2011. During 2012, the median home sales price increased less than 1 percent, to $202,000, in New Hampshire and declined 2 percent, to $205,500, in Vermont compared with the median home sales prices recorded during 2011. Data from the Maine Real Estate Information System, Inc., indicate that, during 2012, existing home sales in Maine totaled 11,500, a 17-percent increase from 2011, and the median home sales price in Maine increased 3 percent, to $170,000, compared with the median home sales price during 2011.

LPS Applied Analytics reported that, in December 2012, 7.0 percent of home loans in the region were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned) compared with the rate of 6.5 percent recorded in December 2011 and the rate of 7.1 percent nationwide.

Condominium markets are slightly soft in the New England region, but conditions in Massachusetts improved significantly during the past year in response to strong job growth. According to MAR, condominium sales in Massachusetts totaled 18,050 units during 2012, a 22-percent increase from 2011. The median condominium

*For an explanation of HUD's regions, please turn to page 43 at the end of the Regional Reports section.

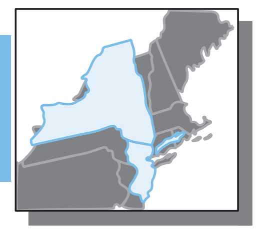
sales price during 2012 was $282,000, up 4 percent from a year earlier. PCR reported that, during 2012, condominium sales in Connecticut totaled 5,975 units, up 9 percent from 2011, and the median condominium sales price was $160,000, down 4 percent from 2011. Data from RIAR indicate that, during 2012, condominium sales in Rhode Island increased 11 percent, to 1,275 units sold. The median condominium sales price in the state declined 1 percent during 2012, to $175,000. In New Hampshire and Vermont, NNEREN reported that, during 2012, condominium sales increased 18 and 17 percent, to 3,000 and 1,075 units sold, respectively. Also during 2012, the median condominium sales price in New Hampshire and Vermont decreased 3 percent each, to $150,000 and $180,000, respectively.

Improvements in the home sales markets of the New England region during the past year led to an increase in single-family homebuilding activity, as measured by the number of homes permitted. Based on preliminary data, during 2012, 11,350 single-family homes were permitted in the region, a 19-percent increase from 2011. Although single-family home construction increased in all six states in the region during 2012, the overall rate of increase was relatively low compared with the 26-percent increase nationwide. Single-family home permitting increased 20 percent, to 4,925 homes, in Massachusetts and 13 percent, to 2,075 homes, in Connecticut. Maine and New Hampshire reported increases of 20 and 18 percent, to 1,625 and 1,500 homes, respectively. The number of single-family homes permitted in Rhode Island and Vermont increased 19 and 25 percent, to 680 and 540 homes, respectively.

Multifamily construction, as measured by the number of units permitted, increased significantly in the New England region during 2012 as builders responded to increasing renter demand. Based on preliminary data, during 2012, 8,575 multifamily units were permitted, a 67-percent gain compared with the 56-percent gain nationally. During 2012, multifamily building activity in Massachusetts and Connecticut increased 82 and 113 percent, to 4,975 and 2,100 units permitted, respectively, compared with the number of units permitted during the previous year. Multifamily building activity in Maine and New Hampshire increased 33 and 11 percent, to 400 and 650 units permitted, respectively. During the same period, multifamily building activity declined 10 and 20 percent, to 380 and 95 units, respectively, in Vermont and Rhode Island.

Apartment markets in most metropolitan areas in the region are tight, and nearly all the region's markets tightened during the past 12 months. Apartment market conditions in the Boston metropolitan area are tight. According to Reis, Inc., during the fourth quarter of 2012, the apartment vacancy rate decreased to 3.6 percent compared with the rate of 4.0 percent recorded a year earlier. The average market rent increased 3 percent, to $1,825, during the same period. An estimated 5,300 new rental units are currently under construction in the metropolitan area, including nearly 2,800 apartments in the city of Boston. During the fourth quarter of 2012, the apartment vacancy rate in the Hartford metropolitan area decreased from 3.5 to 3.2 percent, and the average market rent increased nearly 3 percent, to $1,029, demonstrating tight market conditions. The apartment market in the Providence metropolitan area is tight because of the extremely limited number of additions to the inventory during the past year. During the fourth quarter of 2012, the apartment vacancy rate in the Providence metropolitan area declined to 3.4 percent from 3.8 percent a year earlier, and the average rent increased nearly 3 percent, to $1,258. During the fourth quarter of 2012, the average apartment vacancy rate in the Portland metropolitan area decreased to 3.3 percent from 3.8 percent a year earlier and the average rent increased 2 percent, to $1,061.

## New York/ New Jersey



### HUD Region II

Economic conditions in the New York/New Jersey region have continued to improve since early 2011. Nonfarm payrolls totaled nearly 12.71 million jobs during 2012, an increase of 167,400 jobs, or 1.3 percent, from 2011. In New York, which accounted for nearly three-fourths of the job growth in the region, nonfarm payrolls increased by 124,000 jobs, or 1.4 percent, to average 8.81 million jobs. New Jersey nonfarm payrolls increased by 43,400 jobs, or 1.1 percent, to average nearly 3.90 million jobs. New York City (NYC) nonfarm payrolls increased by 80,950 jobs, or 2.1 percent, to 3.88 million jobs, representing nearly one-half of the jobs gained in the region during 2012. Leading job gains in NYC were the professional and business services sector, the leisure and hospitality sector, and the retail trade subsector, which increased by 35,000, 16,000, and 11,950 jobs, or 5.8, 4.6, and 3.8 percent, respectively. In the region, the professional and business services sector added 60,950 jobs, a 3.5-percent increase, with gains of 54,200 jobs, or 4.8 percent, in New York and 6,750 jobs, or 1.1 percent, in New Jersey. The education and health services sector in the region recorded an increase of 58,450 jobs, or 2.5 percent. The sector registered the greatest nonfarm payroll increase among all sectors in New Jersey, gaining 23,450 jobs, or 3.8 percent, and it increased by 35,000 jobs, or 2.0 percent, in New York. In the region, the leisure and hospitality sector increased by 27,450 jobs, or 2.5 percent, adding 18,900 and 8,575 jobs, 2.5- and 2.6-percent increases, respectively, in New York and New Jersey.

Job losses accelerated during 2012 in the information sector, which recorded a decline of 8,250 jobs, or 2.5

percent, compared with a loss of 3,375 jobs, or 0.9 percent, in 2011. Payrolls in the government sector, however, were nearly unchanged in the region during 2012, increasing by 830 jobs compared with the decline of 43,100 jobs, or 2.0 percent, recorded during 2011. The local government subsector accounted for more than three-fourths of total payroll declines in the government sector in 2010 and 2011, but it added 7,500 jobs, a 0.5-percent increase, during 2012. Payrolls in the federal and state government subsectors continued to decline during the past year. The unemployment rate in the region averaged 8.9 percent during 2012, up slightly from 8.5 percent a year earlier. The unemployment rate increased from 8.2 to 8.6 percent in New York and from 9.3 to 9.5 percent in New Jersey.

Sales housing market conditions in the New York/New Jersey region were tighter in the fourth quarter of 2012 than they were a year earlier. In the fourth quarter of 2012, sales housing markets in New York tightened and nearly reached balanced conditions. According to data from the New York State Association of REALTORS®, during 2012, existing home sales in the state (excluding parts of NYC) increased 7 percent, to 93,600 homes sold, and the median home sales price increased slightly more than 1 percent, to $215,000, compared with the number of sales and median price recorded a year ago. In Upstate New York, the number of home sales and average home prices increased during the past year. According to the Greater Rochester Association of REALTORS®, during 2012, home sales in the Rochester metropolitan area increased 8 percent, to 10,000 homes sold, and the median home sales price increased 4 percent, to $125,000. The Greater Capital Association of REALTORS® reported that, during 2012, home sales in the Albany-Schenectady-Troy metropolitan area increased nearly 14 percent, to 8,175 homes sold, and the median home sales price increased more than 4 percent, to $194,000. According to the Buffalo Niagara Association of REALTORS®, during 2012, the number of homes sold in the Buffalo metropolitan area increased nearly 6 percent, to 9,300 homes sold, and the median home sales price increased more than 4 percent, to $121,000.

The NYC home sales market improved during 2012 and is nearly balanced. The Real Estate Board of New York reported that, during 2012, the number of existing home sales in NYC increased more than 6 percent, to 39,400 homes, the second highest annual total since 2008. During 2010, 41,050 homes sold when the first-time homebuyer tax credit program inflated home sales. During the fourth quarter of 2012, the median home sales price in NYC increased more than 8 percent, to $488,000, from a year ago. During the past year, the number of condominiums and cooperatives sold in Manhattan increased 11 percent, to 12,950 units, and the median sales price increased 5 percent, to $790,000. The greatest increase in median home sales prices during the past year occurred in Queens, where prices increased more than 9 percent, to $375,000, and home sales increased nearly 5 percent, to 11,900 homes. Home sales in Brooklyn increased slightly more than 4 percent, to 9,800 homes, and the median sales price increased nearly 6 percent, to $500,000. Home sales declined nearly 3 percent, to 2,525 homes, in Staten Island, but the median sales price increased 3 percent, to $376,000.

In New Jersey, home sales markets were soft during the fourth quarter of 2012. After 5 years of declining sales and prices, conditions began to stabilize during the past 12 months. According to data from the New Jersey Association of REALTORS®, the number of existing homes sold during the 12 months ending September 2012 (the most recent data available) increased by 7,000 homes, or 9 percent, to 86,000 homes sold compared with the number sold a year earlier. Home sales increased 7 percent in Northern New Jersey, to 41,200 homes sold, and they increased 11 percent in Central and Southern New Jersey, to 23,200 and 21,600 homes sold, respectively. During the third quarter of 2012, the median home sales price in New Jersey decreased less than 1 percent, to $302,400, compared with the median price recorded a year ago. Median home sales prices declined nearly 3 percent, to $375,000, in Northern New Jersey; declined less than 1 percent, to $306,300, in Central New Jersey; and declined slightly more than 2 percent, to $197,900, in Southern New Jersey.

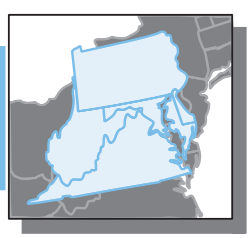
The share of distressed mortgages increased during 2012 in the New York/New Jersey region because of a backlog in the court systems. According to RealtyTrac® Inc., during the fourth quarter of 2012, it took 987 days to foreclose on a property in New Jersey, up from 964 days during the fourth quarter of 2011. The only state with a longer process was New York, where it took 1,089 days to foreclose on a property, up from 1,019 days a year ago. According to LPS Applied Analytics, as of December 2012, 10.4 percent of home loans in the region were 90 or more days delinquent or were in foreclosure, up from 9.2 percent a year ago. The rate rose from 10.6 to 12.2 percent in New Jersey and from 8.2 to 9.2 percent in New York.

Single-family homebuilding activity, as measured by the number of single-family homes permitted, increased during the past year in response to improving sales housing markets in the New York/New Jersey region. According to preliminary data, during 2012, the number of single-family homes permitted in the region increased 11 percent, to 12,950 homes, compared with the 16-percent decline recorded during 2011. The number of single-family homes permitted during 2012 represented about 56 percent of the average level of 23,000 homes permitted annually in the region from 2007 through 2009. Single-family home construction increased 9 percent, to 5,625 homes permitted, in New York and increased nearly 13 percent, to 7,300 homes permitted, in New Jersey.

Rental housing market conditions in the New York/New Jersey region were tighter in the fourth quarter of 2012 than they were a year earlier, as indicated by declining vacancy rates and rising rents. Conditions were balanced to tight in Upstate New York and in New Jersey, but NYC remained the tightest rental housing market in the country. According to Reis, Inc., in the fourth quarter of 2012, the apartment vacancy rate in the Rochester metropolitan area was 3.2 percent, down from 3.3 percent a year earlier, and the average asking rent increased nearly 3 percent, to $812. In the Albany metropolitan area, the apartment vacancy rate increased from 3.0 to 3.4 percent, and the average rent increased nearly 4 percent, to $944. In Northern New Jersey, the apartment vacancy rate decreased from 4.1 to 3.8 percent, and the average rent increased nearly 2 percent, to $1,579. In the Atlantic-Cape May area, the apartment vacancy rate declined from 5.8 to 5.4 percent, and the average rent increased more than 1 percent, to $973. The apartment vacancy rate in NYC was 2.1 percent, down from 2.2 percent a year earlier, and the average asking rent increased 3 percent, to $3,040. On Long Island, the vacancy rate declined from 3.3 to 3.2 percent, and the average rent increased more than 3 percent, to $1,639.

Multifamily building activity, as measured by the number of units permitted, increased 29 percent in the region during 2012, to 24,350 units permitted, compared with the 32-percent increase recorded during 2011, according to preliminary data. More than 75 percent of the increase in multifamily construction activity in the region occurred in New Jersey, where the number of units permitted increased 64 percent, to 10,700. Multifamily building activity leveled off in New York, where the number of units permitted increased nearly 11 percent, to 13,700, down from the 46-percent increase recorded during 2011. The number of multifamily units permitted in the region during 2012 represented less than 50 percent of the average level of 50,500 units permitted annually in the region from 2005 through 2008. Based on data from the McGraw-Hill Construction Pipeline database, apartment construction accounted for nearly 80 percent of the 33,000 multifamily units under construction in the region and about 97 percent of the 16,600 units under construction in NYC.

## Mid-Atlantic



### HUD Region III

Economic conditions in the Mid-Atlantic region improved during 2012, although job growth continued at a slower pace compared with job growth during 2011. Average nonfarm payrolls remained slightly below the peak of 14.07 million jobs recorded during 2008. During 2012, total nonfarm payrolls in the region averaged 13.94 million jobs, an increase of 122,200 jobs, or 0.9 percent, from 2011. Nonfarm payrolls increased by 162,600 jobs, or 1.2 percent, during 2011. The education and health services, professional and business services, and leisure and hospitality sectors, which increased by 42,000, 30,350, and 27,650 jobs, or 1.8, 1.5, and 2.2 percent, respectively, recorded the most job growth during 2012. The education and health services and the leisure and hospitality sectors added jobs in every state in the region and together accounted for more than one-half of the job growth in the region. The government and information sectors decreased by 10,300 and 1,900 jobs, or 0.4 and 0.8 percent, respectively, the greatest nonfarm payroll declines among sectors in the region. Job losses in the government sector in Pennsylvania totaled 10,900, or 1.5 percent, and were concentrated in the local government subsector. The decline in the government sector in Pennsylvania more than offset modest gains of 4,200 and 380 jobs, or 0.6 and 0.1 percent, in the government sector in Virginia and Maryland.

Nonfarm payrolls increased in every Mid-Atlantic region state and in the District of Columbia during 2012. Virginia registered the most growth, adding 41,250 jobs, a 1.1-percent increase, followed by Pennsylvania, with a gain of 40,850 jobs, or 0.7 percent. Maryland recorded the greatest percentage increase, 1.2 percent, with the addition of 31,200 jobs, and the District of Columbia recorded a 1.0-percent increase, adding 7,525 jobs. Gains in Delaware and West Virginia totaled 780 and 600 jobs, for increases of 0.2 and 0.1 percent, respectively. During 2012, the unemployment rate in the region averaged 7.0 percent, down from 7.3 percent during 2011. The unemployment rates among the states in the region ranged from 5.7 percent in Virginia to 7.8 percent in Pennsylvania. Maryland, Delaware, and West Virginia recorded unemployment rates of 6.8, 6.9, and 7.2 percent, respectively. The average unemployment rate in the District of Columbia was 9.0 percent, down from 10.2 percent a year earlier.

Sales housing market conditions in the Mid-Atlantic region improved during the fourth quarter of 2012 but remained slightly soft. According to the Maryland Association of REALTORS®, during 2012, the number of existing home sales in the state increased nearly 6 percent, to 54,000 homes sold, and the average home sales price increased 5 percent, to $293,100. Based on data from Metropolitan Regional Information Systems, Inc. (MRIS®), during 2012, home sales in the District of Columbia totaled 6,650 homes, up 8 percent, and the average home sales price was $555,700, an 8-percent increase. According to the Virginia Association of REALTORS®, during 2012, the number of existing home sales in Virginia totaled 90,443, up 8 percent compared with the number of homes sold a year earlier, and the median home sales price increased nearly 7 percent, to $240,000, from $225,000 a year ago. According to CoreLogic, Inc., during the 12 months ending September 2012 (the most recent data available), sales of new and existing homes in Delaware and West Virginia increased 12 and 5 percent, to 9,575 and 5,975 homes sold, respectively, but they remained unchanged in Pennsylvania, at 129,000 homes sold. The average sales prices for new and existing homes increased 1 and 2 percent, to $131,600 and 171,600, respectively, in West Virginia and Pennsylvania but decreased 7 percent, to $233,000, in Delaware. According to LPS Applied Analytics, as of December 2012, 6.3 percent of home loans in the region were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), up from 6.0 percent in September 2011.

Sales housing market conditions strengthened in the largest metropolitan areas in the region, although conditions remain slightly soft in most areas. Based on data from TREND, the multiple listing service, and MRIS® for Cecil County, Maryland, during 2012, existing single-family home sales in the Philadelphia metropolitan area increased 15 percent, to 46,750 homes, and the average home sales price increased 1 percent, to $250,700, from a year ago. According to the Maryland Association of REALTORS®, during 2012, the number of new and existing home sales in the Baltimore metropolitan area registered a 10-percent increase, to 24,300 homes sold, and the average home sales price was $277,500, up 6 percent from a year ago. According to MRIS®, during 2012, new and existing home sales in the Washington, D.C. metropolitan area totaled 64,900 homes sold, a 7-percent increase, and the average home sales price was $399,400, up 6 percent from a year ago. According to CoreLogic, Inc., during the 12 months ending September 2012 (the most recent data available), new and existing home sales in the Virginia Beach and Richmond metropolitan areas increased 8 and 3 percent, to 21,450 and 15,650 homes, respectively. Average home sales prices increased 1 percent each in the Virginia Beach and Richmond metropolitan areas, to $220,200 and $210,100, respectively. In the Pittsburgh metropolitan area, home sales remained unchanged in 2012 at 26,450 homes sold, and the average home sales price increased 3 percent, to $144,700.

In response to stronger home sales in most areas, builders increased single-family home production, as measured by the number of single-family homes permitted, in every state in the Mid-Atlantic region during 2012. According to preliminary data, new home construction activity in the region increased by 5,725 homes, or 17 percent, to 40,150 homes permitted during 2012. Within the region, Virginia recorded the greatest numerical increase in single-family homes permitted in 2012, a gain of 2,225 homes, or 16 percent, to 15,950 homes. Homebuilding activity was up 18 percent, to 10,950 homes permitted, in Pennsylvania. Maryland and West Virginia each reported increases of 16 percent, to 8,750 and 1,375 homes, respectively. Single-family construction activity increased by 370 homes, or 15 percent, to 2,875 homes in Delaware and by 40 homes, or 19 percent, to 270 homes in the District of Columbia.

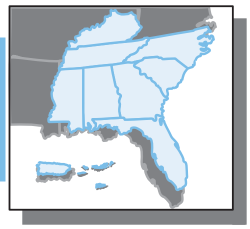
Multifamily construction, as measured by the number of multifamily units permitted, increased throughout most of the region during 2012. According to preliminary data, the number of units permitted in the region increased by 5,200, or 28 percent, from a year earlier, to 24,000 units permitted. Multifamily building increased 31 percent, to 8,950 units, in Virginia, which accounted for more than 40 percent of the increase in the region. In Delaware, multifamily construction more than doubled from the same period a year ago, to 1,200 units permitted. In Pennsylvania and Maryland, multifamily construction increased 67 and 32 percent, to 4,425 and 5,550 units permitted, respectively. Approximately 90 multifamily units were permitted in West Virginia during 2012, up 45 percent from a year earlier. By contrast, in the District of Columbia, multifamily construction declined by 830 units, or 19 percent, to 3,550 units permitted.

Rental housing market conditions ranged from balanced to soft in the Mid-Atlantic region during the fourth quarter of 2012. The Philadelphia metropolitan area rental market was balanced overall, but the apartment market in Center City Philadelphia softened. According to Delta Associates, the apartment vacancy rate in the Philadelphia metropolitan area increased from 2.6 percent in the fourth quarter of 2011 to 5.5 percent in the fourth quarter of 2012, but the average rent remained unchanged at $1,600. In Center City Philadelphia, the vacancy rate for Class A highrise units increased from 2.3 to 6.9 percent, but the average rent remained unchanged at $2,150. In the Baltimore metropolitan area, the apartment market was slightly soft overall but tightened in the northern suburbs during the fourth quarter of 2012. The apartment vacancy rate in the Baltimore metropolitan area increased from 7.7 to 8.0 percent. Whereas the apartment vacancy rate increased from 5.9 to 7.5 percent in the southern suburbs and from 7.8 to 8.2 percent in the city of Baltimore, the vacancy rate decreased from 9.7 to 8.4 percent in the northern suburbs of Baltimore. The average rent in the Baltimore metropolitan area increased 3 percent, to $1,575, and the average rent in the city of Baltimore increased 2 percent, to nearly $1,775.

In the Washington, D.C. metropolitan area, the apartment market was soft. Delta Associates reported that the vacancy rate for Class A garden apartments, including units in lease up, was 8.6 percent in the fourth quarter of 2012, up from 6.6 percent in the fourth quarter of 2011. The vacancy rate for garden apartments increased from 7.1 to 8.1 percent in Northern Virginia and from 6.0 to 9.1 percent in suburban Maryland. Approximately 1,850 units were in lease up in suburban Maryland in the fourth quarter of 2012 compared with the 300 units in lease up a year earlier. The vacancy rate for highrise properties in the Washington, D.C. metropolitan area increased from 5.7 to 8.4 percent. In the District of Columbia, the vacancy rate for highrise units rose from 5.7 to 8.4 percent, and rent concessions increased from 2.9 to 3.6 percent. During the fourth quarter of 2012 in the Washington, D.C. metropolitan area, the average rent for Class A garden apartments was $1,625 and for highrise apartments was $2,450, each reflecting a 2-percent increase from a year ago. The rental housing market in the

Virginia Beach metropolitan area was slightly soft. According to Real Data, in November 2012, the apartment vacancy rate in the Virginia Beach metropolitan area was 7.3 percent, up from 6.4 percent a year earlier, and the average rent remained unchanged at $930.

## Southeast/Caribbean



### HUD Region IV

Employment conditions in the Southeast/Caribbean region strengthened during the fourth quarter of 2012, continuing a growth trend that began during the third quarter of 2010. In 2012, nonfarm payrolls averaged 25.53 million jobs, an increase of 258,600 jobs, or 1.0 percent, from 2011. Florida and Georgia reported the greatest increases in jobs. In Florida, payrolls increased by 72,000 jobs, or 1.0 percent, to average 7.34 million jobs, and, in Georgia, payrolls increased by 51,500 jobs, or 1.3 percent, to 3.93 million jobs. Mississippi was the only state in the region that recorded a payroll decline, of 1,800 jobs, or 0.4 percent, but the Caribbean territories also reported declines. In Puerto Rico, nonfarm payrolls averaged 916,800 jobs, a decrease of 5,800 jobs, or 0.6 percent, and in the Virgin Islands, payrolls averaged 41,900 jobs, a decline of 2,200 jobs, or 5 percent.

The greatest job gains in the region occurred in the professional and business services, education and health services, and leisure and hospitality sectors, which accounted for a combined 80 percent of nonfarm payroll growth in the region during 2012. The professional and business services sector gained 94,900 jobs, or 2.9 percent, and payrolls in this sector increased in every area of the region except Puerto Rico and Mississippi, which lost 1,700 and 1,300 jobs, respectively. In 2012, the education and health services sector in the region increased by 65,600 jobs, or 1.9 percent, and payrolls in the sector increased or remained stable in every state and territory in the region, led by gains of 21,900 jobs, or 2.0 percent, in Florida. The leisure and hospitality sector, which increased by 45,200 jobs, or 1.6 percent, in the region, reported job losses only in Mississippi, where payrolls fell slightly by 600 jobs, or 0.6 percent. Losses in the construction subsector and the government sector of 37,700 and 17,700 jobs, or 3.7 and 0.4 percent, respectively, partially offset nonfarm payroll gains in the region. Losses in the government sector primarily occurred in the federal and state government subsectors; payrolls in the local government subsector increased less than 1.0 percent, or by 7,300 jobs. The average unemployment rate for the region decreased from 10.3 percent in 2011 to 9.0 percent in 2012, and the rates declined in each state and territory in the region to their lowest recorded levels since 2008. Florida reported the greatest change in the unemployment rate, declining from 10.5 percent in 2011 to 8.7 percent in 2012. Other statewide rates ranged from 7.7 percent in Alabama to 9.5 percent in North Carolina, and Puerto Rico continued to report the highest rate of any area in the region, at 14.2 percent.

Sales housing markets throughout the Southeast/Caribbean region are soft but improving. In 2012, home sales generally increased and prices stabilized in many areas, partially because of a decreasing percentage of distressed home sales. Data from CoreLogic, Inc., show that the percentage of REO (Real Estate Owned) and short sales in the region decreased to 25 percent of all home sales during the 12 months ending November 2012, down from 28 percent during the previous 12 months. According to LPS Applied Analytics, the percentage of home loans that were 90 or more days delinquent, were in foreclosure, or transitioned into REO decreased from 10.8 percent in December 2011 to 9.9 percent in December 2012. Statewide percentages ranged from 6.0 percent in North Carolina to 15.8 percent in Florida, where distressed loans and REO properties account for 57 percent of the regional total. Excluding Florida, the percentage of homes in the region that were 90 or more days delinquent, were in foreclosure, or transitioned into REO was 6.6 percent in December 2012, down from 7.0 percent in December 2011.

According to data from Florida Realtors®, sales of existing homes in Florida totaled 204,400 in 2012, a 10-percent increase from 2011, and the median sales price was $154,000, 14 percent more than during the previous year. Sales of existing townhomes and condominiums in Florida increased 16 percent, from 87,600 in 2011 to 101,900 in 2012, and the median sales price increased 26 percent, to $117,500. The Georgia Association of REALTORS® reported that approximately 87,900 existing homes and condominiums sold statewide during 2012, 8 percent more than in 2011. The median price of a home sold during 2012 was $109,900, an increase of 5 percent compared with the median sales price during the previous year. According to data from South Carolina REALTORS®, 4,450 homes sold statewide during 2012, an increase of approximately 500 homes, or 13 percent, and the average sales price increased 2 percent, to $194,900. The number of homes sold increased in 13 of the 16 reported areas in South Carolina, and median sales prices increased in 9 of the 16 reported areas.

According to the Alabama Center for Real Estate, during the 12 months ending November 2012, 36,300 homes and condominiums sold in Alabama, down 2 percent from the previous 12 months. The average home sales price was $145,000, up 3 percent from the previous 12-month period. During 2012, three of the four largest metropolitan areas in Alabama reported increased sales of homes and condominiums. The greatest increase took place in Birmingham, where 10,800 homes and condominiums sold, 10 percent more than sold in 2011, and where the average sales price increased 6 percent, to $182,700.

The North Carolina Association of REALTORS®, Inc., reported that about 92,350 homes sold statewide during the 12 months ending November 2012, 13 percent more than during the 12 months ending November 2011. The average sales price during the same 12-month period was approximately $200,400, up 2 percent from the preceding 12 months. Among major metropolitan areas in North Carolina, existing home sales increased 16, 15, and 10 percent, to 23,250, 26,900, and 12,350 homes, respectively, in Raleigh-Durham (which includes new home sales), Charlotte, and Greensboro-Winston Salem during the 12 months ending November 2012. Average sales prices increased 3 percent in Charlotte, to $205,700, and were stable in Raleigh-Durham and Greensboro at $224,000 and $151,300, respectively.

The Kentucky Association of REALTORS®, reporting data for new and existing homes, recorded about 38,500 homes and condominiums sold statewide during the 12 months ending November 2012, 14 percent more than in the previous 12 months. The median price for a home or condominium sold during the third quarter of 2012 was about $108,600, down approximately 1 percent from the third quarter of 2011. According to the Greater Louisville Association of REALTORS®, sales of new and existing homes and condominiums increased 14 percent, to about 12,600 homes, during the 12 months ending November 2012; the median sales price was up 6 percent in the third quarter of 2012, to $143,500. The Lexington Bluegrass Association of REALTORS® reported that approximately 8,100 homes and condominiums sold during the 12 months ending November 2012, up 21 percent from the previous 12 months. The median price for a home or condominium sold during the third quarter of 2012 was about $143,000, down 2 percent from the third quarter of 2011.

According to the Greater Nashville Association of REALTORS®, during 2012, the number of new and existing single-family homes sold in Nashville increased 26 percent, to 21,600 homes, and the median price in December 2012 increased 12 percent, to $187,900, compared with the median sales price recorded in December 2011. According to the Memphis Area Association of REALTORS®, the number of existing single-family homes sold in Shelby County increased to 13,300 homes in 2012, 19 percent more than the number sold in 2011. The median sales price of $78,500 in December 2012 was approximately 2 percent less than the median price in December 2011. According to the Knoxville Area Association of REALTORS®, in 2012, the number of new and existing single-family homes sold in Knoxville increased 23 percent, to 10,500, and the average sales price remained virtually unchanged at $171,300.

As a result of improving sales markets, single-family homebuilding, as measured by the number of homes permitted, increased throughout the Southeast/Caribbean region. According to preliminary data, permits were issued for approximately 128,800 single-family homes during 2012, an increase of 24,900 homes, or 24 percent, from 2011. The greatest increases occurred in Florida and North Carolina, where permits increased 32 and 22 percent, to 41,450 and 28,250 homes, respectively. The number of single-family homes permitted in Florida, Georgia, North Carolina, South Carolina, and Tennessee was higher in 2012 than during any year since 2008. As rental markets continued to tighten in the region, the number of multifamily units, primarily apartments, permitted also increased. According to preliminary data, permits were issued for approximately 63,000 multifamily units in 2012, nearly double the 32,200 units permitted during 2011. The number of units permitted increased at least 20 percent in every state in the region but increased the most in Florida and North Carolina. In Florida, the number of units permitted more than doubled, to 20,600 units, and in North Carolina, 17,400 units were permitted, an increase of 10,800 units, or 147 percent. More multifamily units were permitted in North Carolina in 2012 than during any of the past 10 years.

Apartment markets in the Southeast/Caribbean region are generally balanced to tight and continued to strengthen during the past year. According to MPF Research, vacancy rates decreased in 19 of the 25 reported areas in the region. The greatest vacancy rate decrease, from 9.7 percent during the fourth quarter of 2011 to 6.3 percent during the fourth quarter of 2012, occurred in the Palm Bay metropolitan area. Miami had the lowest vacancy rate among reported areas in the region, 3.1 percent, down from 3.8 percent during the fourth quarter of 2011. Atlanta had one of the highest apartment vacancy rates in the region, 7.6 percent, down from 8.6 percent a year ago. Among the six areas with increasing vacancy rates during the past year, Greensboro-Winston Salem was the only area where the increase was by more than 1 percentage point, from 6.5 to 8.1 percent. The area was also the only area with a decline in average rents during the period; rents decreased approximately 1 percent, to $670. In Miami, rents averaged $1,135 during the fourth quarter of 2012, nearly 3 percent more than during the same quarter a year ago. In Atlanta, rents increased 1 percent, to approximately $820.

# MIDWEST

## HUD Region V

Economic conditions strengthened in the Midwest region during 2012 for the second consecutive year; the region has added nearly 500,000 nonfarm payroll jobs since 2010. During 2012, nonfarm payrolls averaged 23.2 million jobs, up 246,200, or 1.1 percent, compared with nonfarm payrolls during 2011. The job gains were widespread.

Only the government sector and the construction subsector, which fell by 23,000 and 4,800 jobs, or 0.7 and 0.6 percent, respectively, reported declining employment. The state government subsector added 10,400 jobs during 2012, but losses of 8,500 and 24,900 jobs, respectively, in the federal government and local government subsectors more than offset those gains. During 2012, the manufacturing sector led job growth, adding 86,200 jobs, a 3.0-percent increase. Employment in the manufacturing sector, which averaged approximately 3 million jobs during 2012, remains 1.4 million jobs below the level recorded in 2000. Payrolls in the manufacturing sector declined each year from 2000 through 2010 before beginning to expand in 2011. The professional and business services and the education and health services sectors also recorded substantial gains of 78,600 and 61,900 jobs, or 2.7 and 1.7 percent, respectively.

Five of the six states in the Midwest region recorded increases in nonfarm payrolls from 2011 to 2012. Nonfarm payroll job gains ranged from 35,100, or 1.3 percent, in Minnesota, to 84,000, or 1.7 percent, in Ohio. Payrolls in Illinois, Michigan, and Indiana increased by 36,100, 47,300, and 56,600 jobs, or 0.6, 1.2, and 2.0 percent, respectively. Wisconsin, the only state in the region that reported a decline in nonfarm payrolls, lost 13,000 jobs, or 0.5 percent. Employment in the manufacturing sector increased by 5,800 jobs, or 1.3 percent, in Wisconsin, but job losses in the leisure and hospitality sector, government sector, and construction subsector, of 8,900, 6,200, and 4,900 jobs, or 3.6, 1.5, and 5.4 percent, respectively, offset those gains. The average unemployment rate in the region during 2012 was 7.8 percent, down from 8.9 percent in 2011. Average unemployment rates declined in each state in the region and ranged from a low of 5.7 percent in Minnesota to a high of 8.9 percent in Michigan.

Home sales markets in the Midwest region continue to strengthen and are generally balanced; state and local REALTOR® associations reported increasing numbers of home sales and stable-to-increasing home sales prices. In Michigan, existing home sales increased 10 percent, to 123,900, and the average sales price rose nearly 6 percent, to $110,700. In Ohio, new and existing home sales increased 13 percent, to 112,100, and the average home sales price was $135,300, nearly 6 percent more than in 2011. Existing home sales increased 15 percent in Indiana, to 66,500, and 8 percent in Minnesota, to 86,050, and median sales prices were up 5 percent in Indiana, to $118,000, and 10 percent in Minnesota, to $149,000. In Illinois, the number of existing home sales increased 23 percent during 2012, to 128,400, and the median sales price rose 1 percent, to $139,000. In the Chicago metropolitan area, in 2012, existing home sales increased nearly 27 percent, to 90,350, compared with sales in 2011, and the median sales price declined 2 percent, to $160,000. In Wisconsin, the multiple listing service for the four-county Milwaukee area reported 14,850 existing home sales, 26 percent more than a year ago, and a 1-percent decline in the median sales price, to $163,000. According to LPS Applied Analytics, as of December 2012, 7.5 percent of home loans in the region were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), down from 8.0 percent of home loans in December 2011. By state, the rate ranged from 4.1 percent in Minnesota to 10.0 percent in Illinois.

The improving economy and sales housing markets in the Midwest region caused home builders to increase single-family home construction, as measured by the number of homes permitted, in 2012. According to preliminary data for the region, approximately 48,300 new single-family homes were permitted during 2012, up 23 percent compared with the 39,150 single-family homes permitted during 2011. During the past 12 months, single-family home construction activity increased in each state in the region. The number of homes permitted increased 13 percent in Indiana, to 9,475; 16 percent in Wisconsin, to 6,150; 19 percent in Ohio, to 9,500; 27 percent in Illinois, to 6,825; 34 percent in Michigan, to 8,500; and 39 percent in Minnesota, to 7,850.

The larger metropolitan areas in the region also reported increased single-family homebuilding activity during 2012. In Cincinnati, the number of single-family homes permitted rose 7 percent, to 2,675. Indianapolis, Milwaukee, and Columbus reported increases of 11, 16, and 19 percent, to 4,000, 1,025, and 2,900 homes permitted, respectively, according to preliminary data. In Cleveland, the increase was 23 percent, to 1,950 single-family homes. Chicago, Detroit, and Minneapolis reported greater growth rates of 36, 44, and 50 percent, to 5,675, 4,100, and 5,600 homes permitted, respectively.

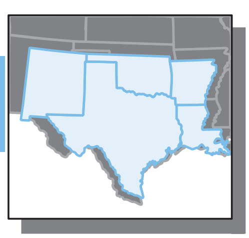
Multifamily construction activity, as measured by the number of units permitted, increased 40 percent, to 24,900 units permitted, in the Midwest region during 2012, according to preliminary data. Every state in the region except Illinois reported greater multifamily permitting activity. The increases ranged from 2 percent each in Indiana and Michigan, to 3,025 and 1,175 units, respectively, to more than triple in Minnesota, where 6,750 units were permitted during 2012 compared with 1,900 units permitted in 2011. In Wisconsin and Ohio, the number of multifamily units permitted rose 23 and 44 percent, to 3,800 and 5,475 units, respectively. Illinois was the only state in the region where the number of multifamily units permitted declined, falling 5 percent, to 4,650. Multifamily permitting declined in two metropolitan areas in the region during 2012—Indianapolis and Detroit—where the number of units permitted fell 37 and 17 percent, to 990 and 420, respectively. All other large metropolitan areas in the region reported increased multifamily permitting activity during 2012. In Minneapolis, developers received permits for 5,825 units, more than four times the number of units permitted in 2011, in response to continued tight apartment market conditions. Developers also expanded building activity in Cleveland and Columbus, more than doubling the number of units permitted in Cleveland, to 410, and increasing permitting in Columbus 62 percent, to 3,650 units. In Cincinnati and Milwaukee, the growth was 7 and 12 percent, to 940 and 760 units, respectively. In Chicago, multifamily construction activity increased 4 percent, to 3,750 units permitted. An estimated 2,600 new apartment units will be completed in downtown Chicago during 2013.

Apartment markets were balanced to tight in the larger metropolitan areas of the Midwest region during the fourth quarter of 2012. Conditions have been generally balanced since the first quarter of 2011; the continued economic improvement and historically low construction levels helped keep inventory growth relatively slow and contributed to strong apartment market conditions. According to Reis, Inc., in Detroit, Indianapolis, and Milwaukee, apartment markets were balanced to tight, with fourth quarter 2012 apartment vacancy rates of 4.2, 5.6, and 3.8 percent, respectively, down from fourth quarter 2011 rates of 5.4, 5.9, and 3.9 percent, and rents rose approximately 3 percent in each metropolitan area, to $870, $700, and $850, respectively. The apartment market in Cleveland was tight, with a 3.5-percent vacancy rate, down from 4.4 percent a year ago. In Columbus, the apartment market was balanced, with a 5.2-percent vacancy rate compared with the 7.0-percent rate recorded a year ago. Average rents rose 2.0 percent in Cleveland, to $760, and 3.0 percent in Columbus, to $725. In Cincinnati, according to MPF Research, the average vacancy rate in the fourth quarter of 2012 was 5.1 percent, down from 6.0 percent a year ago, and the average rent rose more than 2.0 percent, to $760.

In Minneapolis, according to data from MPF Research, the apartment market remains tight, with an estimated vacancy rate in the fourth quarter of 2012 at 3.2 percent, up from 2.2 percent a year ago, and the average apartment rent increasing 2 percent, to $980. In Chicago, MPF Research reported the average vacancy rate in the fourth quarter of 2012 as approximately 4.7 percent, up slightly from 4.5 percent a year ago, and the average rent increasing 3 percent, to $1,170. In the downtown Loop submarket in Chicago, the apartment vacancy rate remained stable in the fourth quarter of 2012 at 4.6 percent, the same rate as a year earlier, and the average rent rose more than 7 percent, to $1,925.

## Southwest

### HUD Region VI



Nonfarm payroll job growth in the Southwest region accelerated for the second consecutive year in 2012 after declines in 2009 and 2010. During 2012, nonfarm payrolls increased 2.1 percent, or by 332,500 jobs, to 16.31 million jobs. By comparison, in 2011, nonfarm payrolls grew 1.6 percent, or by 257,700 jobs. With the recent gains, the region has fully recovered from the economic downturn and surpassed the previous peak level of 16.18 million jobs recorded in 2008. In 2012, the leisure and hospitality, education and health services, and trade sectors recorded the greatest total growth, adding 67,900, 65,300, and 56,400 jobs, increases of 4.3, 3.0, and 2.3 percent, respectively. The mining and logging subsector, which benefited from high oil and gas prices, was the region's fastest growing sector or subsector, with an increase of 34,000 jobs, or 9.1 percent. The construction subsector grew by 19,700 jobs, or 2.3 percent, the greatest annual increase in construction jobs since 2008 in part because of increasing residential construction activity throughout the region. The only sectors to record job losses in 2012 were the government and information sectors, which declined by 26,200 and 3,800 jobs, or 0.9 and 1.4 percent, respectively. The number of government-sector jobs has declined by more than 80,000 since the third quarter of 2010. This decline, which comes after more than 10 years of job growth, is a result of lower state and local tax revenues.

In 2012, nonfarm payrolls grew in every state in the region except New Mexico. Texas led job growth with an increase of 2.7 percent, or 248,600 jobs; the government and information sectors recorded the only job losses in the state, with declines of 30,800 and 2,700 jobs, or 1.7 and 1.4 percent, respectively. In Oklahoma, nonfarm payrolls increased by 39,200 jobs, or 2.5 percent; minimal declines in the information sector and the construction subsector were more than offset by increases in all other sectors. In Louisiana, nonfarm payrolls increased in all sectors by 38,800 total jobs, or 2.0 percent, with the education and health services sector recording the greatest gain of 9,500 jobs, or 3.4 percent. Nonfarm payrolls in Arkansas increased by 7,800 jobs, or 0.7 percent, after declining by 44,500 jobs from 2008 through 2011. In New Mexico, nonfarm payrolls declined by 1,900 jobs, or 0.2 percent, in 2012. Job gains of 3,500 and 2,300, or 2.9 and 2.7 percent, in the education and health services and the leisure and hospitality sectors, respectively, were more than offset by declines in several sectors, including the government and the professional and business services sectors, which declined by 3,800 and 3,600 jobs, or 1.9 and 3.6 percent, respectively. In 2012, the unemployment rate in the region declined to 6.7 percent compared with the 7.7-percent rate recorded in 2011. The average unemployment rates ranged from 5.2 percent in Oklahoma to 7.3 percent in Arkansas. New Mexico, Louisiana, and Texas recorded unemployment rates of 6.7, 6.8, and 6.8 percent, respectively.

Many sales housing markets in the Southwest region returned to balanced conditions in 2012, helped by job gains during the past 2 years. In 2012, new and existing home sales in Texas increased 15 percent, to approximately 237,200 homes sold, compared with sales in 2011, according to the Real Estate Center at Texas A&M University. In 2012, the inventory of unsold homes in Texas was at a 5.6-month supply, down from a 7.4-month supply during the previous year. Sales housing market conditions were balanced in all major metropolitan areas in Texas, where new and existing home sales increased in 2012, with gains ranging from 11 percent in Fort Worth and San Antonio to 20 percent in Austin. Houston and Dallas recorded increases in home sales of 16 and 17 percent, respectively. In 2012, the average home sales price in Texas increased 6 percent, to $206,200, compared with the average home sales price in 2011. Among major metropolitan areas in Texas, the increase in home sales prices ranged from 5 percent in Dallas and San Antonio to 7 percent in Fort Worth. Austin and Houston each recorded home sales price increases of 6 percent in 2012.

Home sales also increased in several markets elsewhere in the Southwest region in 2012. In New Orleans, according to the New Orleans Metropolitan Association of REALTORS® and Gulf South Real Estate Information Network, Inc., new and existing single-family home sales increased 13 percent, to 8,575 homes, and the average home sales price declined approximately 1 percent, to $204,700, during the 12 months ending November 2012. The Greater Albuquerque Association of REALTORS® reported that, in 2012, single-family home sales in Albuquerque increased 14 percent, to 7,475 homes, compared with sales in 2011, and the average sales price increased 1 percent, to $204,200. Condominium sales in Albuquerque increased 19 percent, to 700 sales, during the same period. New and existing home sales in Oklahoma City increased by an estimated 2,625, or 17 percent, to 18,250 homes sold during 2012 compared with the number sold a year ago, and the average price increased by $5,225, or 3 percent, to $163,700, based on data from the Oklahoma City Metro Association of REALTORS®. In Tulsa, according to the Greater Tulsa Association of REALTORS®, new and existing home sales increased by 1,650, or 16 percent, to 11,800 homes sold and the average price increased by $9,025, or 6 percent, to $158,400 in 2012. According to the Arkansas REALTORS® Association, during the 12 months ending October 2012 (the most recent data available), the number of new and existing home sales in the state increased by 370, or 2 percent, to 23,400 homes compared with the number of homes sold during the previous year, and the average home sales price increased 9 percent, to $155,100.

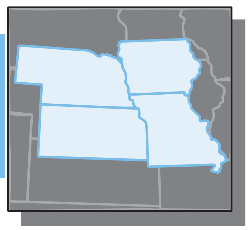
Increases in home sales throughout the region led to increased single-family construction activity, as measured by the number of single-family homes permitted. Based on preliminary data, 103,000 single-family homes were permitted during 2012, an increase of 19,450 homes, or 23 percent, compared with the number permitted during 2011. Texas recorded a 22-percent increase in the number of single-family homes permitted, increasing by 13,400 to 75,450 homes permitted during 2012. The other states in the region recorded increases in the number of single-family homes permitted ranging from 13 percent in New Mexico to 52 percent in Oklahoma. Louisiana and Arkansas recorded increases of 17 and 31 percent, respectively.

Apartment rental market conditions in most of the large metropolitan areas in Texas were balanced during the fourth quarter of 2012. Reduced multifamily building activity during the past 3 years led to rent increases and the lowest vacancy rates recorded since the early to mid-2000s. The Austin apartment market is currently balanced. According to ALN Systems, Inc., the apartment vacancy rate in Austin for the fourth quarter of 2012 was 5.9 percent, up from 5.5 percent during the fourth quarter of 2011, and the average rent increased 6 percent, to $940. Most other major Texas apartment markets became balanced during the fourth quarter of 2012. In San Antonio, the apartment vacancy rate declined by 1.2 percentage points, to 7.9 percent, from the fourth quarter of 2011, and the average rent increased 5 percent, to $800. The apartment markets in Dallas and Fort Worth also improved during the fourth quarter of 2012, with apartment vacancy rates of 7.6 and 7.7 percent down from 7.9 and 8.9 percent, respectively, during the fourth quarter of 2011. The average rents in Dallas and Fort Worth increased 5 percent each, to $870 and $750, respectively, compared with rents during the fourth quarter of 2011. The Houston apartment market was the softest of all major apartment markets in Texas during the fourth quarter of 2012, but it also improved the most, with a 9.1-percent apartment vacancy rate, down 2.1 percentage points from the fourth quarter of 2011. Average rents in Houston increased 6 percent, to $840, during that period.

Apartment rental market conditions also improved in other large metropolitan areas throughout the Southwest region. The apartment market in Albuquerque was tight during the fourth quarter of 2012. According to Reis, Inc., the apartment vacancy rate in Albuquerque was 3.6 percent, down from 4.1 percent a year earlier, and the average rent increased 2 percent, to $740. Apartment markets in Little Rock, New Orleans, and Tulsa improved significantly during the past year and are currently balanced. During the fourth quarter of 2012, the apartment vacancy rate was 5.7 percent in Little Rock, down from 6.7 percent a year earlier, and the average rent increased approximately 3 percent, to $690. In New Orleans, the apartment vacancy rate declined from 7.7 percent in the fourth quarter of 2011 to 6.7 percent in the fourth quarter of 2012, and the average rent increased 2 percent, to $890. The apartment vacancy rate in Tulsa fell to 6.2 percent during the fourth quarter of 2012 from the 7.0-percent rate recorded a year earlier, and the average rent increased 3 percent, to $610.

Responding to improved rental market conditions in many large metropolitan areas, multifamily construction activity, as measured by the number of units permitted, accelerated in the region. Based on preliminary data, 61,000 multifamily units were permitted during 2012, a 62-percent increase compared with the number of units permitted during 2011 and substantially more than the average of 25,450 multifamily units permitted annually in 2009 and 2010. Multifamily permitting levels remain 11 percent less than the average of 68,700 units recorded during the peak years of 2007 and 2008, when overbuilding led to the softening of many rental markets in the region. During 2012, the number of multifamily units permitted in Texas increased 79 percent, or by 23,850 units, from the previous year, to 53,950 units. In other states in the region, the changes in multifamily permitting activity ranged from declines of 120, 170, and 510 units, respectively, in Oklahoma, Arkansas, and Louisiana to an increase of 390 units in New Mexico.

## Great Plains



### HUD Region VII

Economic growth in the Great Plains region continued to accelerate during 2012, when conditions improved modestly from a year ago. Average nonfarm payrolls increased 0.7 percent, or 42,600 jobs, to 6.4 million jobs. By comparison, average nonfarm payrolls increased 0.3 percent, or 19,800 jobs, during 2011. During the past year, the manufacturing and the professional and business services sectors accounted for approximately 70 percent of the job growth in the region. During 2012, the manufacturing sector gained 18,500 jobs, a 2.6-percent increase from a year ago. The professional and business services sector increased by 22,400 jobs, or 3.2 percent, during the same period, with every state in the region except Iowa recording increased payrolls in the sector. In Iowa, the professional and business services sector declined by 200 jobs, or 0.1 percent, because of the reclassification of jobs from temporary employment agencies to full-time employment in other sectors. During 2012, nonfarm payrolls continued to decline in the information sector, which decreased by 4,300 jobs, or 3.3 percent, compared with the decrease of 5,000 jobs, or 3.7 percent, during 2011. The government sector, which declined in every state in the region except Nebraska during 2012, lost 7,900 jobs, a 0.7-percent decrease. In Nebraska, the government sector increased by 800 jobs, or 0.5 percent, with the state government subsector accounting for all the net job growth.

Every state in the region recorded nonfarm payroll gains during 2012. In Iowa, nonfarm payrolls increased by 14,700 jobs, or 1.0 percent, led by the growth of more than 9,900 jobs, or 4.8 percent, in the manufacturing sector. In Iowa, jobs in the manufacturing sector are predominantly in the food production industry, but, during the past year, job growth primarily occurred in industrial machinery and fabricated metals. In Kansas, nonfarm payrolls increased by 11,600 jobs, or 0.9 percent, led by a gain of 8,200 jobs, or 5.5 percent, in the professional and business services sector. During 2012, nonfarm payrolls in Nebraska increased by 9,100 jobs, or 1.0 percent, compared with nonfarm payrolls during the same period a year ago. A gain of 2,400 jobs, or 2.4 percent, in the education and health services sector accounted for nearly 25 percent of the nonfarm payroll increase in Nebraska. In Missouri, nonfarm payrolls increased by 7,200 jobs, with gains in the manufacturing, professional and business services, and education and health services sectors accounting for all the growth. Job growth in the manufacturing sector is expected to continue, because General Motors Company recently broke ground on a $380 million plant expansion in Wentzville, Missouri, that will add 1,250 employees by the end of 2013. During 2012, the average unemployment rate in the region decreased to 6.0 percent, an improvement from 7.0 percent during 2011. The unemployment rates ranged from 3.9 percent in Nebraska to 7.1 percent in Missouri. Iowa and Kansas recorded rates of 5.2 and 5.9 percent, respectively.

Sales housing market conditions were balanced during the fourth quarter of 2012 in many areas throughout the Great Plains region after significant increases in the number of homes sold during the past year. According to Hanley Wood, LLC, during 2012, the number of new and existing homes sold in the region increased 6 percent, to 140,200, compared with the number sold a year ago. Home sales in Missouri reflected the greatest absolute increase in the region. During 2012, 78,000 homes sold, up 5 percent, or 3,575 homes, from 2011. During the same period, new and existing home sales in Iowa and Nebraska increased 8 and 16 percent, to 24,800 and 11,850 homes, respectively. Home sales in Kansas increased to 25,600 homes sold, representing a nearly 4-percent increase from the previous year. The average sales price in the region increased to $159,400 during 2012, a 3-percent increase compared with the average sales price a year earlier. According to LPS Applied Analytics, as of December 2012, 4.6 percent of home loans in the region were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned). The distressed loan rates in Iowa and Kansas decreased by 0.1 percentage point each, to 4.8 and 4.9 percent, respectively. During 2012, the distressed loan rate in Missouri decreased to 4.8 percent of total loans compared with the 5.2-percent rate recorded during 2011. During the same period, distressed loans in Nebraska remained unchanged at 3.4 percent of total loans.

Sales housing market conditions continued to improve in the large metropolitan areas throughout the region during 2012. According to the Kansas City Regional Association of REALTORS® and Heartland Multiple Listing Service, Inc., during 2012, the number of homes sold in Kansas City increased 17 percent, to 26,750, and the average home sales price increased 7 percent, to $167,900. According to city and county data from the St. Louis Association of REALTORS®, existing home sales in St. Louis increased by 1,900 homes, or 14 percent, to 15,200 homes sold, and the average home sales price increased 1 percent, to $177,600. The Des Moines Area Association of REALTORS® reported that home sales in Des Moines increased 13 percent, to 8,750 homes, during 2012 compared with the number sold during 2011. The average home sales price in Des Moines increased 4 percent, to $168,500. According to the Wichita Area Association of REALTORS®, during 2012, the number of homes sold in Wichita remained unchanged at 7,525 despite a 3-percent decrease in the average home sales price, to $131,300. The Omaha Area Board of REALTORS® reported that, during 2012, the number of home sales in Omaha increased 10 percent, to 10,900 homes sold, and the average home sales price increased 5 percent, to $171,800, from the same period a year ago.

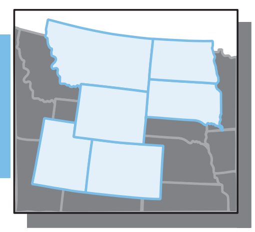
Single-family construction activity, as measured by the number of single-family homes permitted, increased in every state in the region during 2012. Based on preliminary data, 19,800 single-family homes were permitted in the region, an increase of 4,200 homes, or 27 percent, compared with the number permitted during the previous 12 months. During the same period, the number of single-family homes permitted in Kansas increased 22 percent, to 3,300 homes. In Nebraska and Iowa, the number of single-family homes permitted increased 20 and 23 percent, to 3,550 and 6,025 homes, respectively. Likewise, during 2012, the number of single-family homes permitted in Missouri increased 38 percent, to 6,925 homes, compared with the number permitted a year ago.

Rental housing market conditions were balanced to tight in most large metropolitan areas in the Great Plains region during the fourth quarter of 2012. The apartment market in Wichita was balanced, with a 4.8-percent vacancy rate down from 5.5 percent a year earlier, and the average rent was up 3 percent, to $540, according to Reis, Inc. In Omaha, during the fourth quarter of 2012, the apartment market was tight, with a 3.2-percent vacancy rate down from 4.2 percent a year earlier, and the average rent was up approximately 3 percent, to $730. Rental markets in the largest metropolitan areas in Missouri improved significantly during the past year and are currently somewhat tight. In Kansas City, during the fourth quarter of 2012, the apartment vacancy rate declined from 6.1 to 4.9 percent, and the average rent increased 2 percent, to $740. In St. Louis, from the fourth quarter of 2011 to the fourth quarter of 2012, the vacancy rate declined from 6.5 to 5.5 percent, and the average rent increased 3 percent, to $760. The rental market in Des Moines tightened during the fourth quarter of 2012, with a 2.7-percent apartment vacancy rate down from 3.5 percent a year earlier, and the average rent was up 3 percent, to $740.

Multifamily construction, as measured by the number of multifamily units permitted, increased to 9,900 units permitted in the Great Plains region during the past year, up 41 percent compared with the number permitted during 2011, according to preliminary data. This level represents approximately 60 percent of the average of 15,850 units permitted each year from 2005 through 2008. During 2012, the number of multifamily units permitted in Iowa increased 66 percent, to 2,600 units, partly because of the continued tight apartment market conditions in Des Moines. As rental market conditions improved in Nebraska during 2012, approximately 2,025 multifamily units were permitted, up significantly from 1,375 during the previous 12 months. In Kansas, permits were issued for 1,850 units, up approximately 11 percent from a year ago. Weak economic conditions and limited credit availability in the multifamily capital markets reduced construction levels in Missouri during 2010 and 2011. Improved apartment market conditions, primarily in Kansas City and St. Louis, resulted in an increase in the number of multifamily units permitted during 2012, however. The number of multifamily units permitted in Missouri increased 44 percent, to 3,425 units, compared with the number permitted a year ago.

## Rocky Mountain

### HUD Region VIII



The economic growth in the Rocky Mountain region that began in early 2010 continued through the fourth quarter of 2012. During 2012, nonfarm payrolls in the region averaged approximately 5.08 million jobs, an increase of 102,600 jobs, or 2.1 percent, from 2011. The professional and business services, wholesale and retail trade, and education and health services sectors led the job gains, increasing by approximately 24,200, 16,300, and 14,200 jobs, or 3.9, 2.1, and 2.2 percent, respectively. In addition, the construction and the mining and logging subsectors added approximately 9,400 and 8,000 jobs, growth of 3.6 and 8.4 percent, respectively, helped by increases in homebuilding activity and energy production. According to the U.S. Energy Information Administration, during the 12 months ending October 2012, oil production in the region was up 35 percent from a year earlier. Combined payrolls in the state and local government subsectors increased by 5,600 jobs, or 0.7 percent, but payrolls in the federal government subsector declined by 4,600 jobs, or 3.4 percent. The unemployment rate for the region averaged 6.5 percent in 2012, down from 7.2 percent in 2011. Within the region, state unemployment rates ranged from 3.1 percent in North Dakota to 7.9 percent in Colorado, but all states in the region had rates less than the national average of 8.1 percent.

In North Dakota, which has had the greatest rate of job growth in the nation for more than 2 years, nonfarm payrolls increased by 23,700 jobs, or 6.2 percent, in 2012. The mining and logging subsector, which increased by

5,400 jobs, or 33.0 percent, led growth because of energy-related activity in the Bakken Formation of western North Dakota. In addition, the construction subsector and the transportation and utilities sector increased by 3,100 and 3,000 jobs, or 13.0 and 16.0 percent, respectively. Colorado had the greatest total job gain in the region in 2012, with nonfarm payrolls increasing by 41,500 jobs, or 1.8 percent. The greatest gains occurred in the professional and business services, leisure and hospitality, and education and health services sectors, which grew by 10,300, 6,500, and 6,400 jobs, or 3.0, 2.4, and 2.3 percent, respectively. In Utah, nonfarm payrolls grew by 28,700 jobs, or 2.4 percent, led by gains in the professional and business services and the manufacturing sectors, which added 8,200 and 4,200 jobs, increases of 5.1 and 3.7 percent, respectively. Montana, South Dakota, and Wyoming had moderate job growth; nonfarm payrolls increased by 4,000, 2,500, and 2,300 jobs, or 0.9, 0.6, and 0.8 percent, respectively. In Montana, the professional and business services sector and the construction subsector grew by 1,800 and 1,500 jobs, or 4.4 and 6.5 percent, respectively, but the government sector declined by 500 jobs, or 0.6 percent. In South Dakota, the education and health services and the manufacturing sectors added 1,600 and 1,100 jobs, increases of 2.4 and 2.8 percent, respectively, but the government sector declined by 600 jobs, or 0.8 percent. In Wyoming, the wholesale and retail trade sector grew by 1,100 jobs, or 2.9 percent, but the construction subsector declined by 400 jobs, or 1.9 percent.

As the economy improved during the past year, sales housing markets in the Rocky Mountain region strengthened. Market conditions are now balanced throughout most of the region, although conditions remain slightly soft in some areas. Based on data from CoreLogic, Inc., home sales increased in most states of the region. In Colorado and Utah, approximately 92,200 and 45,100 existing homes sold during the 12 months ending November 2012, increases of 15 and 8 percent, respectively. In Montana, North Dakota, and Wyoming, approximately 13,600, 12,200, and 6,200 existing homes sold, increases of 9, 5, and 8 percent, respectively. Home sales prices also increased throughout most of the region. Based on the CoreLogic, Inc. Home Price Index, average sales prices for existing single-family homes during the 12 months ending November 2012 were up 7 and 5 percent, respectively, in Utah and Colorado compared with average prices a year earlier. Existing single-family home prices rose 11 percent in North Dakota. In Montana, Wyoming, and South Dakota, prices were up 6, 5, and 2 percent, respectively. A decline in the number of distressed mortgages also reflects the strengthening sales housing market. As of December 2012, according to LPS Applied Analytics, 3.6 percent of mortgages in the region were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), down from 4.2 percent a year earlier. The rate for the region was also much less than the 7.1-percent national average. Within the region, the rates ranged from 1.7 percent in North Dakota to 4.8 percent in Utah.

Home sales and prices were up in most metropolitan areas in the region. Based on data from CoreLogic, Inc., in the Denver-Aurora-Broomfield, Colorado Springs, and Fort Collins-Loveland metropolitan areas of Colorado, approximately 47,600, 10,100, and 6,000 existing homes sold during the 12 months ending November 2012, increases of 21, 5, and 17 percent, respectively. In the Salt Lake City and Provo-Orem metropolitan areas of Utah, existing home sales were up 13 and 8 percent, to approximately 20,500 and 7,500 homes sold, respectively, but in the Ogden-Clearfield metropolitan area, existing home sales declined 5 percent, to 7,600 homes sold. In northern states of the region, sales were up strongly in some areas. During the 12 months ending November 2012, existing home sales in the Billings, Montana metropolitan area increased 17 percent, to approximately 2,725 homes sold. In North Dakota, existing home sales were up 13 percent in the Fargo area, to about 3,450 homes sold, but sales declined 22 percent in the Grand Forks area, to 1,050 homes sold. In Wyoming, existing home sales were up 14 percent in the Casper metropolitan area, to 1,800 homes sold, but sales were down 9 percent in the Cheyenne area, to 1,700 homes sold. Based on the CoreLogic, Inc. Home Price Index, during the 12 months ending November 2012, the average sales prices for existing single-family homes in the Denver-Aurora-Broomfield, Fort Collins-Loveland, and Colorado Springs metropolitan areas increased 6, 3, and 2 percent, respectively, from a year earlier. In the Provo-Orem, Salt Lake City, and Ogden-Clearfield metropolitan areas, prices were up 7, 6, and 1 percent, respectively, from a year earlier. In the Billings metropolitan area, prices rose 5 percent during the same period. In North Dakota, existing home prices increased 3 percent each in the Grand Forks and Fargo metropolitan areas. In the Casper and Cheyenne areas, existing single-family home prices were up 6 and 3 percent, respectively.

The strengthening home sales market in the Rocky Mountain region led to rising demand for new home construction, although homebuilding remains at less than prerecession levels. Based on preliminary data, in the 12 months ending November 2012, single-family construction, as measured by the number of homes permitted, was up 45 percent from a year earlier, to approximately 28,500 new homes permitted. By comparison, from 2000 through 2007, single-family construction activity in the region averaged more than 66,000 homes permitted a year. Single-family homebuilding increased in every state of the region. In Colorado, Utah, and North Dakota, approximately 11,550, 8,700, and 3,200 homes were permitted during the 12 months ending November 2012, increases of 46, 42, and 78 percent, respectively. In South Dakota, Montana, and Wyoming, approximately 2,200, 1,450, and 1,400 single-family homes were permitted, increases of 46, 41, and 14 percent, respectively. Strong rental demand in the past year also led to increased multifamily construction. During the 12 months ending November 2012, approximately 17,000 multifamily units were permitted in the region, a 47-percent increase from a year earlier. Multifamily building activity more than doubled in Colorado, to about 8,950 units permitted. Approximately 7,000 of those units, or nearly 80 percent of the statewide total, were in the Denver-Aurora-Broomfield metropolitan area. In Utah, multifamily building activity was up 1 percent, to about 3,000 units permitted. In South Dakota, Montana, and North Dakota, multifamily building increased 71, 24, and 22 percent, to about 1,250, 830, and 2,700 units permitted, respectively. In Wyoming, however, multifamily building activity declined 55 percent, to 280 units permitted.

Rental markets continued to tighten in the past year in the Rocky Mountain region, and conditions are currently tight in most areas. Based on data from *Apartment Insights*, rental markets in most Front Range areas of Colorado were tight in the fourth quarter of 2012. The Denver-Aurora-Broomfield, Boulder, and Fort Collins-Loveland metropolitan areas had apartment vacancy rates of 5.0, 3.9, and 3.8 percent, respectively, compared with the rates of 5.5, 3.8, and 3.5 percent, respectively, recorded a year ago. Conditions in the Colorado Springs metropolitan area were balanced in the fourth quarter of 2012, with an apartment vacancy rate of 5.6 percent, down from 6.4 percent a year ago. Rents increased significantly in some Front Range areas. Average apartment rents in the Fort Collins-Loveland, Boulder, and Denver-Aurora-Broomfield metropolitan areas were up 8, 6, and 6 percent, to approximately $1,005, $1,065, and $960, respectively. In the Greeley and Colorado Springs metropolitan areas, rents were up 4 and 3 percent, to $705 and $755, respectively. Based on data from Reis, Inc., apartment markets in the Salt Lake City, Provo-Orem, and Ogden-Clearfield metropolitan areas in Utah were tight in the fourth quarter of 2012, with vacancy rates of 4.1, 3.6, and 3.3 percent, respectively, compared with the rates of 4.9, 2.8, and 4.2 percent, respectively, recorded a year ago. Average apartment rents increased 3 percent in Salt Lake City and 2 percent in Provo-Orem and Ogden-Clearfield, to approximately $800, $790, and $720, respectively. Rental markets were tight in some northern areas of the region. According to Appraisal Services, Inc., in December 2012, the Fargo area had a 2.9-percent apartment vacancy rate, down from 4.3 percent a year ago. According to the South Dakota Multi-Housing Association, the apartment vacancy rate in the Sioux Falls area was 4.2 percent as of December 2012, down from 5.6 percent a year ago. According to the Wyoming Center for Business & Economic Analysis, Inc., in the third quarter of 2012 (the most recent data available), the Cheyenne apartment vacancy rate was 2.9 percent, virtually unchanged from a year ago.

# Pacific

## HUD Region IX

Economic conditions continued improving in the Pacific region after significant job losses from 2008 through 2010. During 2012, the region added 317,300 nonfarm payroll jobs, an increase of 1.7 percent from 2011. The professional and business services and the leisure and hospitality sectors led job growth, increasing by 99,300 and 66,150 jobs, or 3.7 and 3.0 percent, respectively. The government sector registered the greatest nonfarm payroll decline, losing 34,600 jobs, or 1.1 percent, because of budget cuts in the state and local government subsectors.

Nonfarm payroll growth was positive in all four states in the Pacific region during 2012. California gained 248,200 jobs, or 1.8 percent, compared with a gain of 123,800 jobs, or 0.9 percent, during 2011. The same sectors that led growth in the region drove job growth in California, where the professional and business services sector increased by 86,000 jobs, or 4.0 percent, and the leisure and hospitality sector increased by 48,000 jobs, or 3.1 percent. The government sector declined by 34,300 jobs, or 1.4 percent. Southern California and the San Francisco Bay Area added 117,600 and 76,900 jobs, increases of 1.5 and 2.7 percent, respectively. During 2012, Hawaii nonfarm payrolls gained 9,250 jobs, or 1.6 percent, compared with a gain of 5,175 jobs, or 0.9 percent, during 2011. The leisure and hospitality sector led nonfarm payroll growth in Hawaii, adding 5,050 jobs, an increase of 4.9 percent. Nonfarm payrolls in Arizona rose by 50,500 jobs, or 2.1 percent, during 2012 compared with the increase of 23,450 jobs, or 1.0 percent, during 2011. The professional and business services sector led growth in Arizona, adding 11,200 jobs, an increase of 3.3 percent. Nevada added 9,400 jobs, an increase of 0.8 percent, compared with the addition of 7,725 jobs, a 0.7-percent increase, during 2011. Job gains in Nevada were most significant in the leisure and hospitality sector, which added 6,100 jobs, a 1.9-percent increase. The average unemployment rate for the region decreased to 10.1 percent from 11.4 percent during 2011. The average state unemployment rates in 2012 ranged from 6.0 percent in Hawaii to 11.6 percent in Nevada.

Although it is improving, the sales housing market remained soft in three of the four Pacific region states during the 12 months ending November 2012 because of high unemployment and tight lending requirements. According to Hanley Wood, LLC, new and existing home sales in the region increased 5 percent, to 687,400 homes, during the 12 months ending November 2012 compared with the number of home sales recorded during the previous 12 months. In Arizona, sales declined 1 percent, to

143,500, and the average sales price increased 11 percent, to $186,600, partially because of a decline in REO (Real Estate Owned) sales. As a percentage of existing home sales, REO sales in Arizona decreased to 32 percent during the 12 months ending November 2012 from 54 percent during the previous 12 months. In Phoenix, home sales declined 2 percent, to 108,100, and the average sales price increased 13 percent, to $193,100.

In California, the number of new and existing home sales and the average sales price each increased 8 percent during the 12 months ending November 2012, to 463,200 and $384,300, respectively. As a percentage of existing home sales, REO sales declined to 30 percent from 41 percent a year ago. In the San Francisco Bay Area, 76,100 homes sold, a 12-percent increase compared with the number sold during the previous 12 months. During the same period, the average home sales price increased 8 percent, to $597,400. The number of homes sold in Southern California increased 9 percent, to 247,300, and the average home sales price rose 7 percent, to $407,500.

Home sales and average prices moved in opposite directions in both Hawaii and Nevada during the 12 months ending November 2012. In Hawaii, new and existing home sales fell 8 percent, to 15,500 homes sold, but the average home sales price increased 6 percent, to $493,800. As a percentage of all existing sales, REO sales declined to 10 percent from 17 percent during the previous 12 months. New and existing home sales in Nevada declined 2 percent, to 65,200, but the average sales price rose 6 percent, to $163,200, during the 12 months ending November 2012 compared with the corresponding figures recorded during the previous 12 months. As a percentage of all existing home sales, REO sales decreased from 61 to 39 percent during the same period. Las Vegas followed the same trend as the state of Nevada. New and existing home sales declined 4 percent, to 50,850 homes, but the average home sales price increased 7 percent, to $157,200, because of the decline in REO sales.

According to LPS Applied Analytics, as of December 2012, 5.6 percent of home loans in the region were 90 or more days delinquent, were in foreclosure, or transitioned into REO, down from 7.7 percent in December 2011. In December 2012, the number of distressed loans was 337,100, a decrease of 147,400 loans, or 30 percent, compared with the number of distressed loans in December 2011.

Because of improved home sales markets in the Pacific region, single-family construction activity, as measured by the number of single-family homes permitted, rose during the 12 months ending November 2012. Based on preliminary data, 51,150 single-family homes were permitted in the region, a 36-percent increase compared with the number permitted during the previous 12 months. The greatest percentage increases in home construction occurred in Arizona and Nevada; the number of single-family homes permitted increased by 5,850, or 59 percent, to 15,750 homes in Arizona and by 2,675, or 58 percent, to 7,350 homes in Nevada. The number of single-family homes permitted increased by 4,650, or 22 percent, to 26,150 homes in California and by 310, or 19 percent, to 1,950 homes in Hawaii.

Rental housing markets in California and Hawaii varied from tight to balanced in the fourth quarter of 2012. Rental market conditions softened but remained tight in the San Francisco Bay Area; according to Axiometrics Inc., from the fourth quarter of 2011 to the fourth quarter of 2012, the apartment rental vacancy rates in San Jose and San Francisco increased from 3.6 and 3.5 percent to 4.7 and 4.4 percent, respectively. The rental vacancy rate in Oakland declined from 4.1 to 3.4 percent. During the same period, average effective rents increased 18 percent, to $2,475, in San Francisco; 5 percent, to $2,050, in San Jose; and 11 percent, to $1,725, in Oakland. The rental housing market in Sacramento was balanced, with a rental vacancy rate of 5.5 percent in the fourth quarter of 2012 down from 6.0 percent in the fourth quarter of 2011. During the same period, the average rent increased 4 percent, to $1,025.

Axiometrics Inc. reported that apartment rental vacancy rates were down from the fourth quarter of 2011 to the fourth quarter of 2012 in all five major markets in Southern California. The apartment vacancy rate declined from 4.6 to 4.4 percent in Los Angeles County and from 5.0 to 4.6 percent in Ventura and Orange Counties. In San Diego County, the apartment vacancy rate decreased from 4.7 to 4.4 percent. During the same period, the apartment vacancy rate declined from 6.1 to 5.2 percent in Riverside and San Bernardino Counties. In the fourth quarter of 2012, the average effective rent in Southern California was $1,625, up 5 percent from the fourth quarter of 2011. During the same period, in Honolulu, the apartment rental vacancy rate decreased from 5.0 to 4.8 percent, and the average effective rent was $1,800, down 2 percent from $1,825 a year ago.

The rental housing markets in the metropolitan areas in Arizona were slightly soft but improving in the fourth quarter of 2012. According to Axiometrics Inc., the apartment rental vacancy rate in Phoenix was 7.0 percent, down from 7.6 percent in the fourth quarter of 2011, and the average effective rent increased 3 percent, to $770. Increasing population growth was partially responsible for the decline in vacancy rates. During the fourth quarter of 2012, the rental housing markets in Nevada remained soft because of slow job growth. In Las Vegas, the apartment vacancy rate increased to 8.8 percent, up from 8.1 percent in the fourth quarter of 2011, and the average rent declined 1 percent, to $750.

Multifamily construction activity, as measured by the number of multifamily units permitted, increased in three of the four Pacific region states during the 12-month period ending November 2012. Based on preliminary data, 36,950 multifamily units were permitted in the region, a 31-percent increase from the previous 12 months. The combination of increased renter demand and declining vacancy rates was the main impetus for the rising number of multifamily permits. During the 12-month period ending November 2012, the number of multifamily units permitted increased by 2,075, or 94 percent, to 3,375 units in Arizona; by 6,600, or 28 percent, to 30,050 units in California; and by 100, or 7 percent, to 1,575 units in Nevada. The number of multifamily units permitted fell 6 percent, to 1,100 units, in Hawaii, down from 1,175 units during the previous 12 months.

# NORTHWEST

## HUD Region X

Economic conditions in the Northwest region have continued to improve since 2010. Nonfarm payrolls in the region gained 74,600 jobs, or 1.4 percent, to total 5.45 million jobs in 2012; by comparison, from 2010 to 2011, payrolls increased by 57,100 jobs, or 1.1 percent. During 2012, Washington led job growth in the region with an increase of 49,400 jobs, or 1.8 percent. Idaho, Oregon, and Alaska recorded increases of 10,600, 13,600, and 600 jobs, or 1.7, 0.6, and 0.2 percent, respectively. The average unemployment rate in the region declined from 9.1 percent in 2011 to 8.2 percent in 2012, and the state average unemployment rates were 8.6 percent in Oregon, 8.2 percent in Washington, 7.4 percent in Idaho, and 7.1 percent in Alaska.

Job growth in the region was strongest in the manufacturing, wholesale and retail trade, and leisure and hospitality sectors. Payrolls in the manufacturing sector increased by 18,200 jobs, or 3.6 percent; the manufacturing sector in Washington accounted for 83 percent of this increase and had the fastest growth rate in the region with an increase of 15,100 jobs, or 5.6 percent. In the region, the wholesale and retail trade sector increased by 20,500 jobs, or 2.5 percent, and the leisure and hospitality sector increased by 11,500 jobs, or 2.2 percent. Idaho had the fastest growth rate in the region for those sectors, which increased 3.1 percent each, or by 3,200 and 1,800 jobs, respectively, in the state. The government sector, which was the only sector with job losses in all four states, declined by 11,400 jobs, or 1.1 percent. The greatest percentage declines in the government sector were recorded in Oregon (1.4 percent, or 4,200 jobs) and Idaho (1.3 percent, or 1,500 jobs). Washington accounted for 46 percent of total losses in the government sector for the region with a decline of 5,300 jobs, or 1.0 percent.

The home sales market in the Northwest region was soft during 2012, but conditions are improving after 2 successive years of job growth. After falling for 5 consecutive years to 151,900 in 2011, new and existing home sales increased 9 percent, to 166,300, in 2012, according to Hanley Wood, LLC. The average new and existing home sales price was $257,100, an increase of 4 percent from 2011, when the average price fell 2 percent. During 2012, 151,200 existing homes sold in the region, up 10 percent compared with the number of existing homes sold in 2011, and the average home sales price increased 4 percent, to $253,200. REO (Real Estate Owned) sales accounted for approximately 19 percent of all existing home sales, down from 25 percent a year ago. The number of new home sales in the region increased 9 percent during the 2012, to 15,100 homes sold. The average sales price of a new home increased 5 percent, to $292,600.

In Washington, during 2012, existing home sales increased 8 percent, to 68,700 homes sold, and the average existing home sales price increased 6 percent, to $291,300. REO sales accounted for 20 percent of existing home sales compared with accounting for 30 percent of existing home sales in 2011. New home sales totaled 9,100, an 8-percent decrease from 2011, and the average new home sales price increased 9 percent, to $325,100. In the Seattle metropolitan area, during 2012, existing home sales increased 11 percent, to 26,350 homes sold, and the average existing home sales price increased 7 percent, to $415,100. New home sales increased to 4,025, an 18-percent gain, and the average new home sales price was $390,100, 3 percent more than the 2011 average price of $378,300.

Sales housing market conditions in Oregon started to improve in 2012, when existing home sales increased 17 percent, to 45,650, and the average existing home sales price increased 4 percent, to $233,000. The share of existing home sales that were REO sales declined to 21 percent from 27 percent a year ago. New home sales increased 10 percent, to 3,075 homes sold, and the average new home sales price increased 3 percent, to $277,300. In the Portland-Beaverton-Vancouver metropolitan area, existing and new home sales increased 18 and 3 percent,to 26,550 and 2,575 homes sold, respectively. The average existing home sales price increased 5 percent, to $267,000, and the average new home sales price increased 4 percent, to $299,200.

In Idaho, existing home sales increased 4 percent, to 28,650, during 2012 compared with the decline of 3 percent in 2011. The share of REO sales decreased to 19 percent of existing home sales during 2012 from 30 percent in 2011. During 2012, the average existing home sales price increased 12 percent, to $187,900. New home sales increased 21 percent, to 2,550 homes sold, and the average new home sales price increased 2 percent, to $211,700. Existing home sales totaled 14,450 in the Boise City-Nampa metropolitan area, up 3 percent compared with the number of homes sold a year ago, and the average existing home sales price increased 6 percent, to $176,700. During 2012, 1,750 new homes sold, reflecting a 55-percent increase, but the average new home sales price was unchanged, at $219,400.

In Alaska, during 2012, 8,100 existing homes sold, a 2-percent increase compared with the number sold in 2011, and the average existing home sales price increased 3 percent, to $275,900. REO sales accounted for 9 percent of existing home sales, down from 15 percent a year earlier. Nearly 450 new homes sold during 2012, a 23-percent decline compared with the number of homes sold in 2011, but the average new home sales price increased 16 percent, to $325,500. Existing home sales increased 5 percent, to 5,600 homes sold, in the Anchorage metropolitan area, and the average existing home sales price increased 5 percent, to $294,800. New home sales totaled 375, down 3 percent compared with the number sold a year ago, and the average new home sales price increased 8 percent, to $331,000.

According to LPS Applied Analytics, as of December 2012, 6.1 percent of home loans in the Northwest region were 90 or more days delinquent, were in foreclosure, or transitioned into REO, up from 5.8 percent in December 2011. During 2012, the same rate increased from 6.4 to 6.9 percent in Washington, from 5.4 to 5.5 percent in Oregon, and from 2.4 to 2.5 percent in Alaska, but it decreased from 5.3 to 4.9 percent in Idaho.

The increase in new homes sales in Washington and Oregon and low inventories of new homes for sale throughout the region in 2012 led to an increase in single-family home construction, as measured by the number of homes permitted. According to preliminary data, the number of single-family homes permitted increased by 6,725 homes, or 35 percent, to 26,100 homes permitted during 2012 compared with the number permitted during 2011. During 2011, the number of single-family homes permitted decreased by 1,525, or 7 percent, from 2010. During 2012, 14,700 single-family homes were permitted in Washington, 5,975 were permitted in Oregon, and 4,625 were permitted in Idaho, reflecting 29-, 31-, and 65-percent increases, respectively. In Alaska, permits were issued for 820 single-family homes, an increase of 20 percent from a year ago.

During 2012, rental markets were tight for the second consecutive year in the Northwest region, and apartment vacancy rates continued to decline. According to MPF Research, the apartment vacancy rate in the Seattle metropolitan area was 4.2 percent as of the fourth quarter of 2012, down from 5.4 percent during the same quarter a year ago, and the average asking rent increased 6 percent, to $1,100. In the Portland-Beaverton-Vancouver metropolitan area, the average apartment vacancy rate declined to 3.7 percent during the fourth quarter of 2012 from 4.2 percent during the fourth quarter of 2011, and the average rent increased 4 percent, to $925.

According to Reis, Inc., the average apartment vacancy rate in the Boise City-Nampa metropolitan area decreased to 4.1 percent during 2012 from 5.0 percent a year ago. In Anchorage, the average apartment vacancy rate was 2.1 percent during 2012 compared with 3.1 percent a year earlier. Average asking rents increased 2 percent, to $725, in Boise City-Nampa and 3 percent, to $1,080, in Anchorage. During 2012, the average apartment vacancy rate was 2.8 percent in the Eugene-Springfield metropolitan area compared with 3.7 percent a year ago, and the average asking rent increased 3 percent, to $740.

In response to tight rental markets and increasing rents during 2012, multifamily construction activity, as measured by the number of units permitted, increased in the Northwest region for the third consecutive year. Based on preliminary data, during 2012, the number of multifamily units permitted in the region increased by 6,200 units, or 59 percent, to 16,700 units compared with increases of 3,000 units in 2011 and 1,650 units in 2010. The strong upward trend in Washington multifamily construction since 2010 continued during 2012. The number of multifamily units permitted increased by 3,875 units, or 55 percent, to 16,675 units permitted in the state; by comparison, the average number permitted from 2008 through 2010 was 6,875 units a year. The number of multifamily units permitted increased by 1,700 units, or 62 percent, to 4,475 units in Oregon; by 635 units, to 1,100 units, in Idaho; and by 16 units, or 10 percent, to 175 units in Alaska. The average annual number of multifamily units permitted from 2008 through 2010 was 2,525 units in Oregon, 650 units in Idaho, and 220 units in Alaska.

**HUD's 10 regions are grouped as follows:**

- **Region I, New England:** Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.
- **Region II, New York/New Jersey:** New Jersey and New York.
- **Region III, Mid-Atlantic:** Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, and West Virginia.
- **Region IV, Southeast/Caribbean:** Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, Puerto Rico/U.S. Virgin Islands, South Carolina, and Tennessee.
- **Region V, Midwest:** Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin.
- **Region VI, Southwest:** Arkansas, Louisiana, New Mexico, Oklahoma, and Texas.
- **Region VII, Great Plains:** Iowa, Kansas, Missouri, and Nebraska.
- **Region VIII, Rocky Mountain:** Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming.
- **Region IX, Pacific:** Arizona, California, Hawaii, and Nevada.
- **Region X, Northwest:** Alaska, Idaho, Oregon, and Washington.

# Housing Market Profiles

## Amarillo, Texas

The Amarillo metropolitan area, in northwest Texas, comprises Armstrong, Carson, Potter, and Randall Counties. As of January 1, 2013, the estimated population of the metropolitan area was 258,400, an average annual increase of approximately 3,100, or 1.2 percent, since July 2010. By comparison, from 2007 to 2009, the population increased at an average annual rate of 2,300, or 1.0 percent. The Amarillo metropolitan area is a regional center for trade, health services, and higher education. Net in-migration averaged 100 people a year from 2002 through 2007 but slowed to average 50 people a year from 2008 through 2010. Retirees are attracted to the metropolitan area because of affordable home prices, the mild climate, high-quality medical facilities, and other services such as shopping and entertainment. The metropolitan area is home to West Texas A&M University, with approximately 7,950 students, 820 faculty and staff, and an annual budget of $116 million, according to the university.

Nonfarm payrolls in the metropolitan area for the 12 months ending November 2012 averaged 113,760 jobs, up 2,125, or 1.9 percent, compared with the number of jobs recorded during the previous 12-month period. During the 12 months ending November 2012, growth was strongest in the leisure and hospitality sector, which increased by 820 jobs, or 11.2 percent. Employment in the wholesale and retail trade and the education and health services sectors rose by 530 and 400 jobs, or 17.2 and 14.4 percent, respectively. During the past 12 months, the unemployment rate in the metropolitan area decreased to 4.9 percent compared with the 5.5-percent rate recorded in the previous 12 months.

The Harrington Regional Medical Center (HRMC) is a major economic presence in the metropolitan area. With approximately 10,000 employees at various member institutions, including facilities operated by Texas Tech University Health Sciences Center and Texas A&M University, HRMC facilities have a combined economic impact of more than $1 billion on the metropolitan area, according to an HRMC economic impact report. Other leading employers in the metropolitan area include Tyson Foods, Inc., The Babcock & Wilcox Technical Service, Pantex, LLC, and Baptist St. Anthony's Health System, each employing more than 2,500 people. In addition, Bell Helicopter Textron Inc., a manufacturing company that currently employs more than 1,375 workers in the metropolitan area, plans to hire about 140 additional workers during the next 2 years. The Amarillo Economic Development Corporation and the city of Amarillo are providing $5 million to Bell Helicopter to manufacture the company's newest civilian aircraft, the 525 Relentless, in the metropolitan area.

The home sales market in the Amarillo metropolitan area is currently balanced. Steady population growth, a growing economy, and low mortgage interest rates contributed to strong sales demand for homes during the past 3 years. According to the Real Estate Center at Texas A&M University, during the 12 months ending November 2012, the number of new and existing single-family homes sold totaled 2,900, an increase of 7 percent from 2,700 during the previous 12-month period but less than the average of 3,125 homes sold annually from 2007 through 2009. During the 12 months ending November 2012, the average home sales price in the metropolitan area was $156,000, up 10 percent compared with the average price during the previous 12 months. According to LPS Applied Analytics, in November 2012, 3.9 percent of all home loans in the metropolitan area were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), unchanged from a year earlier.

Single-family home construction, as measured by the number of homes permitted, decreased by 25 homes, or 4 percent, to 570 single-family homes permitted in the metropolitan area during the 12 months ending November 2012 compared with the number permitted during the previous 12 months, based on preliminary data. From 2007 through 2009, an average of 600 homes was permitted annually. New home developments are primarily in the south, southwest, and northwest portions of the city of Amarillo because of the availability of land for development and proximity to employment centers. New home prices start at approximately $90,000 for a 1,200-square-foot, three-bedroom, two-bathroom house with a garage.

Rental housing market conditions remain soft in the Amarillo metropolitan area. As homes sales demand increased, demand for rental units weakened. The vacancy rate for all rental units was estimated at 9 percent as of January 2013, down from 10 percent in April 2010. According to data from ALN Systems, Inc., for the 12-month period ending November 2012, the vacancy rate for apartments was 9.0 percent compared with the 8.1-percent rate of a year earlier. Average rents increased 3 percent during the past year, and apartment rents currently average $555 for one-bedroom units, $725 for two-bedroom units, and $790 for three-bedroom units. Multifamily construction activity, as measured by the number of units permitted, increased significantly in the past year, according to preliminary data. During the 12 months ending November 2012, approximately 480 multifamily units were permitted in the metropolitan area compared with the 45 units permitted during the previous 12-month period. The current level of building activity is also above the average of 455 units permitted annually from 2006 through 2008. The 262-unit Park at Coulter Apartments is under construction west of Amarillo and is expected to be complete by early 2013, with rents expected to start at $800 for one-bedroom units and $980 for two-bedroom units. Salt Fork Apartments at Red Stone, a 210-unit complex southwest of

Amarillo, is also under construction and is expected to be complete in the summer of 2013, with rents starting at $725 for one-bedroom units, $1,050 for two-bedroom units, and $1,250 for three-bedroom units.

## Augusta-Richmond County, Georgia-South Carolina

The Augusta-Richmond County metropolitan area, on the Savannah River, consists of Burke, Columbia, McDuffie, and Richmond Counties in Georgia and Aiken and Edgefield Counties in South Carolina. The city of Augusta is nationally known for hosting the annual golf event, the Masters® Tournament at the Augusta National Golf Club. The metropolitan area is also home to Fort Gordon, headquarters of the U.S. Army Signal Corps, and the U.S. Department of Energy's Savannah River Site, a nuclear fuel-processing facility. As of January 1, 2013, the population of the metropolitan area was estimated at 570,600, reflecting an average annual increase of approximately 5,000, or 0.9 percent, since April 2010.

The economy of the metropolitan area has not sustained growth since 2007, when nonfarm payrolls peaked at 215,100 jobs. From 2007 through 2009, the economy lost an average of 3,500 jobs, or 1.6 percent, annually, bringing the number of nonfarm payrolls to 208,200 jobs. In 2010 and 2011, the labor market stabilized somewhat, adding an average of 800 jobs, a 0.4-percent increase, annually. The economic recovery stalled during 2012, when nonfarm payrolls decreased by 3,800 jobs, or 1.8 percent, to 206,100 jobs, the lowest level since 2002. During the 12 months ending November 2012, the unemployment rate averaged 9.1 percent, relatively unchanged from the previous 12 months. Approximately 40 percent of the total net job losses since 2007 occurred in the mining, logging, and construction sector. After peaking at 14,200 jobs in 2006, employment in this sector declined because of decreased building activity. During 2012, the mining, logging, and construction sector averaged 10,200 jobs, down 700, or 6.5 percent, from 2011.

The federal government and military have a large impact on the economy of the metropolitan area. The largest employer in the area, the Savannah River Site, employs nearly 12,000 federal government employees and contractors. The other major federal employer in the metropolitan area, Fort Gordon, is in both Richmond and Columbia Counties and has a workforce of approximately 15,700 military and 7,100 civilian personnel. The education and health services sector has led the metropolitan area in job growth since 2008, growing by an average of 300 jobs, or 1.1 percent, annually. During 2012, education and health services employment averaged 29,600 jobs, up 500 jobs, or 1.8 percent, from the previous year. According to the Augusta Metro Chamber of Commerce, the two largest nongovernment employers, the Medical College of Georgia and University Health Care System, are in this sector.

The sales housing market in the Augusta-Richmond County metropolitan area is soft because of weak economic conditions and an oversupply of existing homes. The current sales vacancy rate is estimated at 2.6 percent, down slightly from 2.7 percent in April 2010. According to Hanley Wood, LLC, during the 12 months ending October 2012, the number of existing home sales increased 6 percent, to 4,950 homes sold. From 2005 through 2007, an average of 8,875 existing homes sold annually, before existing home sales steadily decreased to 5,175 in 2011. Despite the drop in the number of sales, the average home price remained relatively constant, averaging $145,600 from 2006 through 2008 compared with the $142,700 average recorded during the 12 months ending October 2012. According to LPS Applied Analytics, in November 2012, 5.4 percent of home loans in the metropolitan area were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), up from 5.1 percent in November 2011. In November 2012, the national rate was 7.2 percent.

Single-family construction activity, as measured by the number of single-family homes permitted, increased by 100 homes, or 5 percent, to 2,075 homes permitted during the 12 months ending November 2012, based on preliminary data. The current level of permitting activity remains well below the average of 3,150 homes permitted annually from 2000 through 2007. In 2008, single-family building activity declined sharply, to a low of 1,800 homes permitted, before increasing to an average of 2,300 homes permitted annually in 2010 and 2011. Most new single-family home developments are in eastern Columbia County, southern Richmond County, and along the US Route 1 corridor in Aiken County. According to Hanley Wood, LLC, the largest new development, as measured by the number of new single-family homes sold in 2012, was Hidden Creek in Grovetown, Georgia. This development, near Interstate 20 in Columbia County, has four-bedroom homes available from $180,000 and six-bedroom homes available from $320,000.

The rental housing market in the Augusta-Richmond County metropolitan area is soft but improving. The rental market has improved since 2009 because of limited apartment construction and an increased number of households seeking to rent instead of buy. The overall rental vacancy rate is estimated at 7.6 percent, down from 9.1 percent in April 2010. As of the third quarter of 2012, Reis, Inc., reported a 6.1-percent apartment vacancy rate in surveyed properties, down from 7.3 percent during the third quarter of 2011. During the same period, the average apartment asking rent increased 3 percent, to approximately $650. Average apartment rents were $585 for a one-bedroom unit, $650 for a two-bedroom unit, and $850 for a three-bedroom unit. Based on preliminary data, during the 12 months ending November 2012, 20 multifamily units were permitted, a decrease of 150 units from the preceding 12 months, based on preliminary data. Most new market-rate properties are in eastern Columbia County and southern Richmond County. Sterlington Apartments, a 50-unit, market-rate apartment complex less than a mile from an entrance to Fort Gordon in Columbia County, opened in June 2012, with asking rents of $655 for one-bedroom units and $765 for two-bedroom units.

## Bellingham, Washington

The Bellingham metropolitan area consists of Whatcom County in the northwestern corner of Washington, roughly 50 miles southeast of Vancouver, Canada, and 90 miles north of Seattle. North Cascades National Park and the Mt. Baker-Snoqualmie National Forest make up most of the eastern portion of the county. The population of the metropolitan area has grown since April 1, 2010, at an average annual rate of 1,125, or 0.6 percent, reaching an estimated 204,200 as of January 1, 2013. Nearly 90 percent of the population growth was because of net natural change (resident births minus resident deaths). By comparison, population growth averaged 2,900 people, or 1.5 percent, annually from 2006 to 2009 before slowing to average 1,175 people, or 0.6 percent, annually from 2009 to 2011. Net in-migration represented 68 percent of the population growth from 2006 to 2009 and 46 percent from 2009 to 2011. The largest employers in the metropolitan area are PeaceHealth St. Joseph Medical Center, Western Washington University, the BP Cherry Point Refinery, and the aircraft interior manufacturer Heath Tecna, Inc., with 2,750, 1,900, 800, and 700 employees, respectively.

Economic conditions steadily improved in the Bellingham metropolitan area during the past 2 years as the U.S. economy continues to recover after the end of the recent recession in 2009. Nonfarm payrolls declined from a peak of 85,200 jobs in 2008 to a low of 78,700 jobs in 2010, an average annual loss of 3,200 jobs, or 3.8 percent. Job losses were heaviest in the mining, logging, and construction, the professional and business services, and the manufacturing sectors, which declined at average annual rates of 14.6, 6.7, and 6.5 percent, respectively. During the 12 months ending November 2012, nonfarm payrolls increased by 2,400 jobs, or 3.0 percent, reaching 82,600 jobs compared with the increase of 1,500 jobs, or 1.9 percent, recorded during the previous 12 months. The average unemployment rate was 7.4 percent during the 12 months ending November 2012, down from 8.4 percent during the previous 12 months, and the labor force grew by 2,125 workers, or 2.0 percent.

Based on the most recent data available, the largest gains in covered payroll jobs during the 12 months ending June 2012 were in the manufacturing, the mining, logging, and construction, and the trade, transportation, and utilities sectors. Manufacturing payrolls increased by 580 jobs, or 7.4 percent. The manufacturing sector has a substantial economic impact on the metropolitan area, accounting for 11 percent of covered payrolls and several of the largest employers, including BP Cherry Point Refinery, Heath Tecna, Inc., and the aluminum smelting facility Alcoa Intalco Works. During the 12 months ending June 2012, the trade, transportation, and utilities sector increased by 510 jobs, or 3.5 percent, from the previous 12 months. This sector represents 19 percent of covered jobs in the metropolitan area, and several recent developments may positively affect the sector. Public comment meetings about the proposed Gateway Pacific Terminal will continue through January 2013, after which the drafting of an environmental impact statement will begin. If constructed, the facility would export bulk commodities (including coal from Montana and Wyoming) to Asian markets. Liquor retailer BevMo! has opened five stores in Washington since all the state-run liquor stores closed in June 2012 and plans to open a new store in the city of Bellingham by February 2013.

Sales housing market conditions in the Bellingham metropolitan area are soft, with an estimated sales vacancy rate of 1.8 percent. According to CoreLogic, Inc., the market began to stabilize from 2008 through 2010 at average annual sales of 3,450 new and existing homes. The average home sales price was $263,000 in 2008, and then declined 4 percent in 2009 and 2 percent in 2010. During the 12 months ending October 2012, 3,525 homes sold, down 6 percent from 3,750 homes sold during the previous 12 months. The average home sales price increased 2 percent, to $242,500. According to LPS Applied Analytics, as of November 2012, 4.8 percent of home loans in the metropolitan area were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), up slightly from 4.4 percent in November 2011. By comparison, the Washington state rate was 7.0 percent in November 2012, up from 6.4 percent in November 2011. The amount of new home construction remained limited because homes built during the peak years of 2003 through 2005 helped meet current demand. From 2008 through 2010, an average of 300 homes were permitted annually. Based on preliminary data, 260 homes were permitted during the 12 months ending November 2012, up from 220 homes permitted during the previous 12 months.

The rental housing market in the Bellingham metropolitan area is balanced, with an estimated overall vacancy rate of 4.5 percent. According to Reis, Inc., the apartment vacancy rate was 2.3 percent during the third quarter of 2012, down from 3.1 percent during the third quarter of 2011, and the average rent increased approximately 1 percent, to $772. Multifamily construction, as measured by the number of units permitted, declined to average 150 units a year from 2006 through 2008, and virtually no units were permitted in 2009 and 2010. Multifamily construction rebounded because 2 years of limited new unit supply and the absorption of excess units resulted in declining apartment vacancy rates. Based on preliminary data, approximately 110 multifamily units were permitted during the 12 months ending November 2012, up from 95 units permitted during the previous 12 months.

The Shearwater, a 56-unit apartment building, completed construction in May 2012 and is fully occupied as of January 2013, with rents ranging from $620 for a studio unit to $1,105 for a two-bedroom unit. Three additional buildings of similar design are being planned for adjacent sites and are expected to break ground in the spring of 2013. The Barkley Company completed construction on the Regal Barkley Village movie theater in December 2012 and, as part of its Barkley Village development, plans to build a 112-unit, mixed-use apartment complex, which is expected to begin construction in May 2013.

## Charlotte-Gastonia-Rock Hill, North Carolina-South Carolina

The Charlotte-Gastonia-Rock Hill metropolitan area consists of Anson, Cabarrus, Gaston, Mecklenburg, and Union Counties in North Carolina and York County in South Carolina. As of January 1, 2013, the population of the metropolitan area was estimated at 1.84 million, which reflects an average annual gain of 30,250, or 1.7 percent, since April 1, 2010. Charlotte is the largest city in North Carolina and contains approximately 42 percent of the population in the metropolitan area.

The economy of the metropolitan area has improved since 2010, after 2 years of declining payrolls. The metropolitan area lost 51,300 jobs, or 6.0 percent of all nonfarm payrolls, in 2009 and lost 2,400 jobs, or less than 1.0 percent, in 2010. During 2012, nonfarm payrolls in the metropolitan area increased by 12,700 jobs, or 1.5 percent, to 839,400 jobs compared with nonfarm payrolls in 2011. Despite the recent job gains, nonfarm payrolls remain below the peak of 861,200 jobs recorded in 2008. The largest nonfarm payroll gains during 2012 occurred in the professional and business services sector, which increased by 4,925 jobs, or 3.6 percent, and in the trade sector, which increased by 3,550 jobs, or 2.6 percent. Only two sectors recorded job losses; the government sector declined by 1,125 jobs, or 1.0 percent, and the leisure and hospitality sector declined by 1,525 jobs, or 1.7 percent. Most job losses in the government sector were concentrated in the local government subsector. The largest employers in the metropolitan area are Carolinas HealthCare System, with 27,450 employees, Wells Fargo Bank, N.A., with 20,500 employees, and Bank of America Corporation, with 15,000 employees. Because of the large number of jobs in the financial activities sector, the city of Charlotte is an important banking center in the United States. The financial activities sector increased by 610 jobs, or less than 1.0 percent, during 2012 compared with the number of jobs recorded in the sector in 2011. TZ Insurance Solutions LLC, which opened a new location in the metropolitan area in October 2012, contributed to the increase in the financial activities sector by hiring 120 employees during the past year. During 2012, the unemployment rate decreased from 10.9 percent in 2011 to 9.6 percent.

The sales housing market in the Charlotte-Gastonia-Rock Hill metropolitan area is soft, although conditions improved during the past year. As of January 1, 2013, the estimated sales vacancy rate was 2.1 percent compared with the 2.9-percent rate recorded in April 2010. According to the Charlotte Regional Realtor® Association, during 2012, the number of new and existing home sales increased 21 percent, to 21,850 homes sold, compared with the number of homes sold in 2011. The home sales level exceeds the average of 18,600 homes sold annually from 2008 through 2010 but remains well below the average of 33,000 homes sold annually from 2005 through 2007, when homebuilding peaked. During 2012, the average home sales price increased nearly 4 percent, to $211,900, from 2011. According to Hanley Wood, LLC, during 2012, new home sales activity in the metropolitan area increased 13 percent, to 4,875 homes sold, and the average new home sales price increased 5 percent, to $239,900, from 2011. New home sales were widespread throughout the metropolitan area in many subdivisions, such as Ardrey Woods, where 55 homes sold, up from 30 homes sold in 2011, and the average home sales price increased nearly 8 percent, to $310,000. By comparison, during 2007 through 2010, the number of new homes sold in the Ardrey Woods subdivision averaged 25 homes with an average sales price of $324,700. The average size of new homes sold in Ardrey Woods typically ranges from 2,450 to 3,100 square feet. In the metropolitan area, fewer new listings and an increase in the number of homes sold, reduced the available inventory of new and existing homes to a 5-month supply in December 2012 compared with the 9-month supply recorded in December 2011. According to LPS Applied Analytics, as of December 2012, 6.8 percent of home loans in the metropolitan area were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), down from 7.3 percent in December 2011.

Single-family homebuilding activity in the metropolitan area increased during the past year because builders responded to a lower inventory of homes for sale and to increased home sales activity. Based on preliminary data, during the 12 months ending November 2012, single-family permits were issued for 6,500 homes, up 37 percent from the 4,750 homes permitted during the previous 12 months. The current level of permitting exceeds the average of 5,425 homes permitted annually from 2008 through 2010 but remains below the average of 18,250 homes permitted annually from 2005 through 2007.

The apartment market in the Charlotte-Gastonia-Rock Hill metropolitan area is currently balanced to tight. According to MPF Research, the apartment vacancy rate was 5.1 percent in the fourth quarter of 2012, down from 6.2 percent in the fourth quarter of 2011. During the fourth quarter of 2012, rents increased 5 percent, to $830, compared with rents in the fourth quarter of 2011. The apartment vacancy rate in the Uptown submarket in the city of Charlotte was 5.9 percent as of the fourth quarter of 2012, up from 3.2 percent in the fourth quarter of 2011. Rents in Uptown increased 4 percent, to $1,250, during the fourth quarter of 2012 compared with rents during the fourth quarter of 2011. The VUE Charlotte on 5th, a recently completed 400-unit highrise in Uptown, is currently in lease up with asking rents starting at $1,300 for a one-bedroom unit, $2,475 for a two-bedroom unit, and $4,000 for a three-bedroom unit. The Myers Park submarket, south of Uptown, had an apartment vacancy rate of 3.5 percent in the fourth quarter of 2012, down from 5.6 percent in the fourth quarter of 2011. Because of tight conditions in the Myers Park submarket during the fourth quarter of 2012, rents increased more than 4 percent, to $930, compared with rents in the fourth quarter of 2011. The University of North Carolina at Charlotte (UNC Charlotte) enrolls 25,300 students, 20,200 of whom seek off-campus housing. During the fourth quarter of 2012, the University submarket, which includes UNC Charlotte, had an apartment vacancy rate of 5.1 percent, down from 6.2 percent in the fourth quarter of 2011. Rents increased 4.5 percent during the fourth quarter of 2012, to $920, compared with rents in the fourth quarter of 2011.

Multifamily building activity in the metropolitan area increased because builders responded to the tightening market and rising rents. Based on preliminary data, multifamily permitting more than tripled in the metropolitan area during the 12 months ending November 2012, when 5,125 multifamily units were permitted, up from 1,400 units permitted during the previous 12 months. The current level of permitting exceeds the average of 1,875 units permitted annually in 2009 and 2010 and exceeds the average of 5,050 units permitted annually during the peak years of 2006 through 2008. The metropolitan area currently has 4,950 apartment units under construction. The Myers Park submarket has 670 units under construction, but none are expected to be complete in 2013. The Uptown submarket has more than 1,575 units under construction, with 1,475 units expected to be complete in 2013.

## Cleveland-Elyria-Mentor, Ohio

The Cleveland-Elyria-Mentor metropolitan area, on the coast of Lake Erie in northeast Ohio, includes Cuyahoga, Geauga, Lake, Lorain, and Medina Counties. The principal city, Cleveland, is home to the Rock and Roll Hall of Fame and Museum, Inc., and PlayhouseSquare® Center, the largest theater district in the United States outside of New York City. The metropolitan area is moving from a manufacturing hub to a center for education and health services. According to Moody's Analytics, Inc., the largest employers are the Cleveland Clinic Health System and University Hospitals, with 34,000 and 13,725 employees, respectively. In 2010 (the most recent data available), Cleveland Clinic reported an economic impact of $10.4 billion in the northeast Ohio region, directly or indirectly supporting 81,000 jobs. As of January 1, 2013, the estimated population of the metropolitan area was 2.06 million, representing an average annual decrease of 6,275, or 0.2 percent, since April 1, 2010.

Economic conditions in the Cleveland-Elyria-Mentor metropolitan area are improving and began to stabilize after nonfarm payrolls declined from 2007 through 2010. During 2012, nonfarm payrolls increased by 4,300 jobs, or 0.4 percent, to 997,000 jobs compared with the increase of 1,600 jobs, or 0.2 percent, recorded during 2011. The education and health services and the wholesale and retail trade sectors led employment growth by adding 3,500 and 3,400 jobs, 1.9- and 2.3-percent increases, respectively. During 2012, the manufacturing sector added 2,900 jobs, an increase of 2.5 percent. The recent gains in the manufacturing sector, however, did not fully offset losses from 2007 through 2010, a period when nonfarm payrolls in the manufacturing sector decreased by 31,000 jobs, or 21 percent, accounting for 37 percent of the job losses in the metropolitan area. During 2012, the most significant declines were in the government and the leisure and hospitality sectors, which lost 4,200 and 1,800 jobs, or 3.1 and 2.1 percent, respectively. The annual average unemployment rate decreased to 7.0 percent during 2012 from 7.7 percent during 2011. According to IHS Inc., the Horseshoe® Casino, Cleveland, a $400 million project, opened in May 2012, adding 750 employees. The Cleveland Medical Mart & Convention Center, a $465 million development on a 1-million-square-foot campus in downtown Cleveland, is scheduled to open in 2013. The Medical Mart will feature single-vendor showrooms with an emphasis on technology-based products for contemporary healthcare delivery.

After years of economic contraction and population declines, sales housing market conditions in the Cleveland-Elyria-Mentor metropolitan area are soft. Based on data from Hanley Wood, LLC, during the 12 months ending October 2012 (the most recent data available), new and existing single-family home sales totaled 19,900, up 2,100, or 12 percent, from the previous 12 months. Single-family home sales, which include townhome sales, declined 8 percent compared with the average annual rate of 21,700 homes sold from 2008 through 2010. During the 12 months ending October 2012, the average sales price for new and existing single-family homes was $154,700, relatively unchanged from a year earlier and less than 1 percent more than the average price of $154,000 recorded from 2008 through 2010. During the 12 months ending October 2012, new and existing condominium sales, which represented 9 percent of all home sales in the metropolitan area, totaled 1,925, a 20-percent increase compared with the 1,600 sales recorded during the previous 12 months and a 4-percent increase from an average annual rate of 1,850 sales from 2008 through 2010. The average condominium sales price decreased 1 percent, to $116,800, from the previous 12 months and was down 11 percent compared with the average sales price of $130,600 recorded from 2008 through 2010. According to LPS Applied Analytics, as of December 2012, 9.9 percent of total home loans in the metropolitan area were 90 or more days delinquent, in foreclosure, or transitioned into REO (Real Estate Owned), down slightly from 10.0 percent a year earlier. As of December 2012, the rate for Cuyahoga County, which includes the city of Cleveland, was 11.7 percent, more than 2 percentage points greater than the rate for any other county in the metropolitan area and compared with the 8.2-percent statewide rate in Ohio.

Since 2008, soft sales housing market conditions have resulted in historically low levels of single-family homebuilding activity, as measured by the number of homes permitted. Based on preliminary data, during 2012, the number of single-family homes permitted increased 24 percent, to 1,950, compared with the 1,575 homes permitted during 2011. This total compares with an average of 1,975 homes permitted each year from 2008 through 2010.

Overall rental housing market conditions in the Cleveland-Elyria-Mentor metropolitan area are soft, but the market for newer and larger apartment projects is tight. As of January 1, 2013, the overall rental vacancy rate was estimated at 10.4 percent, down from 12.6 percent in April 2010. According to Reis, Inc., during the fourth quarter of 2012, the apartment vacancy rate decreased to 3.5 percent from 4.4 percent during the fourth quarter of 2011 because of low production levels of new units from 2009 through 2011. Apartment vacancy rates declined most significantly in downtown Cleveland, to 3.5 percent, a decline of 2.7 percentage points from the same period a year earlier. During the fourth quarter of 2012, the average monthly rents for one-, two-, and three-bedroom units were $656, $839, and $1,037, respectively, averaging $762 overall, a 2-percent increase compared with the average rent during the same period a year earlier. Average monthly rents were highest in Beachwood and in downtown Cleveland, at $1,075 and $1,074, 2- and 3-percent increases, respectively, from a year earlier.

Multifamily construction activity, as measured by the number of units permitted, increased in the metropolitan area during the past year in response to the tight apartment market. Based on preliminary data, during 2012, 410 units were permitted compared with the 190 units permitted during 2011 and the average of 260 units permitted a year from 2008 through 2010. The Langston is a new 318-unit community in the city of Cleveland, with buildings opening from August 2012 through June 2013. Rents for one-, two-, three-, and four-bedroom units start at $800, $1,450, $2,070, and $2,520, respectively.

## Greeley, Colorado

The Greeley metropolitan area, coterminous with Weld County in northern Colorado, is north of and adjacent to the Denver metropolitan area. As of January 1, 2013, the population in the metropolitan area was estimated at 264,300, with an average annual growth of 4,175 people, or 1.6 percent, since April 1, 2010. More than 40 percent of that population growth was from net in-migration. By comparison, from 2005 through 2010, the population increased by an average of 6,375, or 2.8 percent, annually, and nearly 60 percent of population growth resulted from net in-migration. Weld County is among the top 10 producers of agriculture among counties nationally and is ranked second nationally in value of cattle and calves produced. Employment in the manufacturing sector, including meat- and dairy-processing facilities, represents nearly 15 percent of total nonfarm payrolls in the metropolitan area. Meat processing company JBS USA LLC is the largest employer in the metropolitan area, with approximately 4,700 employees, followed by Banner Health and Hensel Phelps Construction Co., with 3,000 and 2,250 employees, respectively. The University of Northern Colorado (UNC) is the fifth largest employer in the metropolitan area, with 1,600 employees. In the fall of 2012, UNC's main campus enrolled 11,250 students, an increase of nearly 1,100 students compared with the number enrolled in the fall of 2010. UNC estimates its direct and indirect economic impact on the metropolitan area at $131 million a year.

Nonfarm payrolls increased by 1,300 jobs, or 1.7 percent, to 82,000 jobs during the 12 months ending November 2012, somewhat slower than growth during the previous 12 months, when nonfarm payrolls increased by 2,400 jobs, or 3.1 percent. During the 12 months ending November 2012, the manufacturing and the mining, logging, and construction sectors posted the largest gains, of 700 and 600 jobs, or 6.6 and 6.2 percent, respectively. In 2012, PTI Group, Inc., opened a facility with 250 employees to manufacture portable housing for the oil and natural gas industry. The gains in the manufacturing sector occurred despite losses of about 300 jobs at Vestas and of 150 jobs at Abound Solar, when the company filed for bankruptcy and suspended operations. Oil and gas exploration and extraction in the nearby Niobrara Formation drove gains in the mining, logging, and construction sector. Since 2011, Anadarko Petroleum Corporation has hired 200 employees and Halliburton and Noble Energy Inc. have created 300 jobs each in the metropolitan area. Employment in the service-providing sectors remained relatively unchanged during the last year. The largest gains were in the professional and business services and the leisure and hospitality sectors, which increased by 200 jobs each, or 2.3 and 2.6 percent, respectively. A loss of 200 jobs, or 8.8 percent, in the transportation and utilities sector partially offset those gains. During the 12 months ending November 2012, the unemployment rate averaged 8.7 percent, down from 9.4 percent during the previous 12 months.

The sales housing market in the Greeley metropolitan area is soft but improving. The sales vacancy rate was estimated to be 2.6 percent as of January 1, 2013, a decrease from 2.8 percent in April 2010. According to Hanley Wood, LLC, during the 12 months ending October 2012, approximately 6,050 new and existing single-family homes, townhomes, and condominiums sold, a 6-percent increase from the previous 12 months but a 12-percent decrease compared with the average annual level of home sales from 2008 through 2010. During the 12 months ending August 2012, the average number of days on the market for single-family detached and attached homes in the cities of Greeley and Evans was more than 102 days, nearly unchanged from 103 days a year earlier. Home prices during the 12 months ending October 2012 averaged $208,100, an increase of about 14 percent from a year ago and of about 12 percent compared with the average annual sales price from 2008 through 2010. According to data from LPS Applied Analytics, as of November 2012, 3.9 percent of home loans in the metropolitan area were 90 or more days delinquent, in foreclosure, or transitioned into REO (Real Estate Owned), a decrease from 4.6 percent in November 2011.

Single-family home construction activity, as measured by the number of homes permitted, increased sharply in the past year in response to increased demand. Based on preliminary data, during the 12 months ending November 2012, approximately 1,150 new homes were permitted in the metropolitan area, a 48-percent increase compared with the 780 new homes permitted during the previous 12 months. By comparison, an average of 790 homes were permitted annually from 2008 through 2010, down from the peak of 3,625 homes permitted annually from 2000 through 2005. Sales prices for new condominiums and townhomes in the metropolitan area start at about $160,000, and new single-family detached home prices start at about $200,000. Much of the recent new home construction occurred in the corridor between western Greeley and Windsor to the west, including the Greenspire, Peakview Estates, and Promontory subdivisions. Home sales prices in Greenspire start at $235,000 and in Peakview Estates and Promontory start at about $200,000.

The rental market in the Greeley metropolitan area is tight. The overall vacancy rate was estimated at 4.5 percent as of January 1, 2013, a significant decrease from 8.0 percent in April 2010, a result of limited construction and increased rental demand. According to the Colorado Division of Housing, the apartment vacancy rate in the third quarter of 2012 (the most recent data available) was 3.1 percent, up from 1.8 percent a year earlier. Nearly 50 percent of rental households in the metropolitan area live in single-family homes. Most apartment complexes are in the cities of Greeley, Windsor, and Evans, which together serve as the economic and population center of the metropolitan area. Based on preliminary data, about 65 new multifamily rental units were permitted during the 12 months ending November 2012 compared with the 100 units permitted a year earlier, a 36-percent decrease. Development of new rental housing averaged 255 units annually from 2000 through 2003 but declined to average 25 units annually since 2004. No large scale apartments have been developed since 2003. A 90-unit, off-campus student apartment project currently under construction will offer leases starting at about $500 per bedroom and have the capacity to house approximately 290 students when complete in the fall of 2013. Average rents for apartments built since 2000 range from $735 for a one-bedroom unit to $870 for a two-bedroom unit and $1,100 for a three-bedroom unit. The average rent for apartments during the third quarter of 2012 was $694, up 2 percent from the previous year and 10 percent from 2010.

## Greenville-Spartanburg, South Carolina

In the foothills of the Appalachian Mountains in upstate South Carolina, the Greenville-Spartanburg metropolitan area comprises Greenville, Laurens, Pickens, and Spartanburg Counties. The metropolitan area economy was textile reliant until the 1990s but has developed into a diversified center for international trade and manufacturing. The metropolitan area is the North American headquarters for Hubbell Lighting, Inc., Michelin North America, Inc., BMW Manufacturing Company, and Milliken & Company, and it is home to 23 colleges and universities, including Clemson University (CU). The estimated population as of January 1, 2013, was nearly 945,000, increasing at an average annual rate of 9,975, or 1.1 percent, since April 2010, slightly up from the 1.0-percent average annual growth rate recorded during the previous 3 years.

After 4 years of job losses, economic conditions in the metropolitan area began to recover in 2011. The metropolitan area lost an average of 10,450 jobs, or 2.4 percent, annually from 2007 through 2010 before rebounding with a gain of 6,700 jobs, or 1.6 percent, in 2011. During the 12 months ending November 2012, total nonfarm payrolls averaged 424,100 jobs, increasing by 5,200 jobs, or 1.2 percent, from the same period a year earlier but decreasing by 20,600 jobs, or 4.9 percent, from the 2007 peak level. During the 12 months ending November 2012, the largest rate of increase occurred in the education and health services sector, which gained 1,000 jobs, or 2.8 percent, with the health care and social assistance subsector accounting for nearly 80 percent of these gains. Greenville Hospital System (GHS) and Spartanburg

Regional Healthcare System are the two largest employers in the metropolitan area, with 9,800 and 5,550 employees, respectively. In July 2012, GHS opened the University of South Carolina School of Medicine-Greenville campus, a 4-year medical school included in the hospital system. CU, a public land-grant institution and the sixth largest employer in the metropolitan area, currently enrolls 19,900 students and employs 3,400 faculty and staff. According to a 2010 impact study (the most recent data available), CU generates an annual economic impact of $1.83 million for the state. Largely because of hiring in the automotive industry, manufacturing-sector employment increased by 900 jobs, or 1.6 percent, to 62,600 jobs during the 12 months ending November 2012. BMW Manufacturing Company added 300 engineering positions during 2012. The Clemson University International Center for Automotive Research (CU-ICAR), an education and research facility that receives financial support from BMW of North America, LLC, Michelin North America, Inc., and International Business Machines Corporation, completed construction of a 60,000-square-foot research laboratory in May 2012. CU-ICAR added 50 jobs at the new facility in 2012.

The largest rate of nonfarm payroll decline occurred in the mining, logging, and construction sector, which lost 400 jobs, or 3.5 percent; more than 95 percent of these losses were in the construction subsector because of decreased homebuilding activity. During the 12 months ending November 2012, the average unemployment rate in the metropolitan area was 8.3 percent, down from 9.5 percent during the previous 12 months.

The sales housing market in the Greenville-Spartanburg metropolitan area is currently soft but improving. As of January 1, 2013, the estimated vacancy rate was 2.6 percent compared with the 2.8-percent rate recorded in April 2010. Based on data from Hanley Wood, LLC, during the 12 months ending November 2012, 6,675 existing single-family homes sold in the area, a 1.9-percent increase from a year earlier. The average home sales price increased 4 percent, to $158,600. By comparison, from 2007 through 2010, existing single-family home sales averaged 8,100 annually, with an average home sales price of $158,700. According to LPS Applied Analytics, as of November 2012, 8.0 percent of home loans in the metropolitan area were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), slightly up from 7.8 percent in November 2011. Reflecting soft home sales market conditions in the metropolitan area, single-family homebuilding activity, as measured by the number of homes permitted, slowed to less than one-half of the 2007 peak of 7,125 homes. Based on preliminary data, permits were issued for 2,525 single-family homes during the 12 months ending November 2012, down 35 percent from a year earlier. Home construction in the metropolitan area averaged 2,500 homes permitted a year from 2008 through 2010. Construction is currently under way at several residential developments throughout the metropolitan area, with the most construction activity taking place in Greenville County, including The Cove at Savannah Pointe, which began construction in 2012. As of January 1, 2013, more than 25 homes have sold at The Cove at Savannah Pointe at an average price of $186,500, and approximately 10 lots remain available for sale.

Overall rental housing market conditions in the Greenville-Spartanburg metropolitan area tightened during 2012 but remained soft as of January 2013. The estimated overall rental vacancy rate was 8.6 percent, a decrease from 11.6 percent in April 2010. According to Real Data, the apartment vacancy rate during November 2012 was 6.8 percent, a decrease compared with the 8.2-percent rate recorded during the same period in 2011. The average asking rent in the area in November 2012 was approximately $720, up nearly 2 percent from a year earlier. Average rents for one-, two-, and three-bedroom apartment units were $620, $730, and $860, respectively. CU, the largest university in the metropolitan area, significantly influences the rental housing market in the city of Clemson. According to Real Data, the apartment vacancy rate in the CU area was estimated at 5.6 percent during November 2012, slightly down from 5.8 percent during the same time period a year earlier. Based on preliminary data, multifamily construction activity, as measured by the number of units permitted, was virtually unchanged during the 12 months ending November 2012 at about 85 units compared with the number permitted a year earlier. During 2012, construction activity was concentrated in the southern portion of Greenville County, including the 260-unit Springs at Greenville, which is expected to be complete in mid-2013.

## Honolulu, Hawaii

Coterminous with the island of Oahu, the Honolulu metropolitan area comprises Honolulu County, the most populous county in the state of Hawaii and home to the state capital, Honolulu. The metropolitan area draws more than 4.4 million visitors each year, with more than 2,600 businesses involved in the leisure and hospitality sector, according to the Oahu Economic Development Board (OEDB). The metropolitan area is home to the United States Pacific Command headquarters, which contributes approximately 90 percent of the $12.2 billion in military economic impact in the state. As of January 1, 2013, the population of the metropolitan area was estimated at 974,800, reflecting an average annual increase of 7,850, or 0.8 percent, since July 1, 2011, slowing from the average annual increase of 10,000, or 1.1 percent, from 2008 through 2010. Population growth began to slow during 2011 because fewer mainland retirees moved to the metropolitan area and defense personnel relocated to the mainland states, including Texas and Virginia. Since 2011, net in-migration has averaged 1,000 people a year compared with an average of 3,375 people annually from 2008 through 2010, when employment conditions were weakest. The net in-migration from 2008 through 2010 was partly because of a net in-migration of internationals taking advantage of reduced home sales prices.

Employment in the Honolulu metropolitan area improved during the past year, but it has yet to fully recover from the decline that began during 2008. During the 12 months ending November 2012, nonfarm payrolls increased by 4,100 jobs, or 0.9 percent, to 442,400 jobs compared with a gain of 3,875 jobs, or 0.9 percent, during the previous 12 months. Despite these gains, payrolls remain down 9,425 jobs, or 2.1 percent, from the peak level recorded during 2007, before the economic downturn. The leisure and hospitality and the trade sectors led nonfarm payroll growth, increasing by 3,425 and 1,000 jobs, or 5.5 and 1.7 percent, respectively. An increase in spending by visitors to the metropolitan area bolstered growth in these sectors; those visitors spent $6.7 billion during 2012, up from $5.6 billion during 2011, according to data from the OEDB. Hilton Hotels & Resorts and Starwood Hotels & Resorts Worldwide, Inc., are among the largest private employers, with 5,400 and 4,950 employees, respectively. The three largest employers, all of which are in the government sector, are Schofield Barracks, Pearl Harbor Naval Complex, and Fort Shafter, with 53,600, 21,600, and 16,250 civilian and military employees, respectively. The mining, logging, and construction and the information sectors, down 850 and 700 jobs, or 3.9 and 1.0 percent, respectively, experienced the greatest declines among sectors, partially offsetting growth in other sectors. Among the developments that will start construction during 2013 is the $200 million Kyo-ya Hotels & Resorts, LP Diamond Head Tower, a 26-story hotel and condominium that will add 110 staff jobs by 2015. During the 12 months ending November 2012, as economic conditions improved, the average unemployment rate declined to 5.4 percent from 5.7 percent during the previous 12 months.

Despite improved employment conditions, the sales housing market in the Honolulu metropolitan area is soft because of tight mortgage lending standards and slower population growth. During the 12 months ending October 2012, new and existing home sales decreased 12 percent, to 9,575, from 10,850 homes sold a year earlier and decreased 28 percent from the average of 13,250 homes sold annually from 2008 through 2010, according to Hanley Wood, LLC. During the 12 months ending October 2012, the average sales price for new and existing homes increased 5 percent, to $527,700, which was 9 percent above the average price of $483,300 recorded from 2008 through 2010. Because of land scarcity in the metropolitan area, condominiums are a significant part of the housing market, representing 56 percent of total sales in the metropolitan area. During the 12 months ending October 2012, 5,400 condominiums sold, down 15 percent from the 6,350 sold during the previous 12 months. The average condominium price declined 1 percent, to $374,200, compared with the average price of $379,200 recorded during the previous 12-month period. The decline in the average price of condominiums was attributable entirely to declining new condominium prices. According to LPS Applied Analytics, as of December 2012, 5.9 percent of home loans in the metropolitan area were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), up from 5.6 percent in December 2011 but below the 8.1-percent rate for Hawaii.

Soft sales market conditions resulted in a reduction of single-family home construction activity, as measured by the number of homes permitted, compared with that of the strong building years in the early-to-mid 2000s. According to preliminary data, during the 12 months ending November 2012, single-family homebuilding activity totaled 1,000 homes permitted, up from the 750 homes permitted during the previous 12-month period. New home permitting averaged 2,125 homes annually from 2002 through 2006 before declining to average 920 homes annually from 2007 through 2010. Developments under construction or in planning include Ke Ola O Pokai Bay, with 135 homes, and the condominium portion of the Kyo-ya Hotels & Resorts, LP Diamond Head Tower, with 40 units intended for whole ownership, or nonseasonal housing. Prices for these homes start at $420,000 for starter homes and at more than $680,000 for luxury homes.

Rental market conditions in the Honolulu metropolitan area are balanced, with an overall estimated vacancy rate of 5.9 percent as of January 2013, unchanged from April 2010 despite a slight increase in the apartment market vacancy rate during the past year. According to Axiometrics Inc., during the third quarter of 2012, the average apartment vacancy rate was 5.9 percent, up from 3.5 percent during the third quarter of 2011. The average monthly rent for apartments was nearly unchanged at $1,913. Based on preliminary data, during the 12 months ending November 2012, multifamily building activity, as measured by the number of multifamily units permitted, declined to 740 units compared with the 970 units permitted during the previous 12-month period. Construction activity slowed dramatically during 2008 and 2009, to average 420 units permitted annually after averaging 1,700 units permitted annually from 2004 through 2007, in part because of a reduction in the number of new condominiums constructed. Condominiums have accounted for approximately 20 percent of the multifamily units permitted since 2008, down from an average of 54 percent from 2004 through 2007. Recently completed apartment developments include Ala Wai Garden Plaza, a 44-unit complex consisting entirely of one-bedroom units with rents starting at $1,550.

## Houston-Sugar Land-Baytown, Texas

The Houston-Sugar Land-Baytown metropolitan area, which encompasses 10 counties in the Gulf Coast region of southeastern Texas, is the fifth largest metropolitan area in the United States. As of January 1, 2013, the population of the metropolitan area was estimated at 6.27 million, which represents an average annual increase of 118,600, or 2.0 percent, since the 2010 Census. Approximately 45 percent of this population increase was from net in-migration. Harris County, which contains the principal city of Houston, is home to nearly 70 percent of the metropolitan area population.

Nonfarm payrolls continued to grow in the metropolitan area after declining during 2009 and 2010. Total nonfarm payrolls increased by 88,300 jobs, or 3.4 percent, during the 12 months ending November 2012 after increasing 2.5 percent a year earlier. Job gains were widespread during the most recent 12 months, with the largest increase occurring in the education and health services sector, which grew by 20,100 jobs, or 6.3 percent. Of the 10 largest employers in the metropolitan area, 5 are healthcare related, including Memorial Hermann Healthcare System, the largest employer, with 19,500 workers. The leisure and hospitality sector, which added 16,400 jobs, a 6.4-percent increase, and the trade sector, which added 13,600 jobs, a 3.4-percent increase, also experienced significant growth. The mining, logging, and construction sector added 13,600 jobs, a 5.3-percent increase, and benefitted from both continued strong demand for oil and natural gas and increased new home construction. The only sectors to decline during the most recent 12 months, the government and information sectors, lost 6,200 and 500 jobs, or 1.6 and 1.4 percent, respectively. Reflecting continued strong private sector job growth, the unemployment rate declined from 8.2 to 5.9 percent during the 12 months ending November 2012.

The sales housing market in the Houston-Sugar Land-Baytown metropolitan area returned to a balanced condition in 2012 after remaining soft throughout most of 2010 and 2011. As of January 2013, the sales vacancy rate was estimated at 2.0 percent, down from 2.2 percent in April 2010. Recent strong employment and population growth in the metropolitan area contributed to increased demand for single-family homes. According to the Real Estate Center at Texas A&M University, 67,950 homes sold during the 12 months ending November 2012, a 16-percent increase compared with the 58,600 homes sold a year earlier. Home sales remain 10 percent less than the decade-high average of 74,600 homes sold annually from 2006 through 2008. During the 12 months ending November 2012, the level of unsold housing inventory declined significantly, from a 7.4-month to a 5.3-month supply. From 2006 through 2008, the unsold housing inventory averaged a 6.0-month supply. The average home sales price increased 4 percent, to $218,300, during the 12 months ending November 2012 after increasing 1 percent during the previous 12 months. According to LPS Applied Analytics, as of December 2012, 4.3 percent of the total home loans in the metropolitan area were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), down from 4.9 percent in December 2011.

Single-family home construction activity, as measured by the number of single-family homes permitted, continued to increase in 2012 as builders responded to increasing demand and improving sales housing market conditions in the metropolitan area. During the 12 months ending November 2012, permits were issued for 28,100 single-family homes, a 24-percent increase compared with the 22,600 homes permitted during the previous 12 months, according to preliminary data. During the preceding 4 years, permitting levels declined nearly 60 percent, from a high of 55,150 in 2006 to a low of 22,350 in 2010 because of soft sales housing market conditions throughout the metropolitan area that were caused, in part, by overbuilding and the economic downturn.

Construction is currently under way at several subdivisions in the Houston-Sugar Land-Baytown metropolitan area. According to a mid-year 2012 report by Metrostudy, 7 of the 20 fastest growing master-planned communities (MPCs) in the country were in the metropolitan area. The second and third fastest growing MPCs according to this report were The Woodlands, about 30 miles north of downtown Houston in Montgomery County, and Cinco Ranch, a 7,600-acre, mixed-use MPC in the Greater Katy area, approximately 40 miles west of Houston. These two communities started more than 1,000 homes during the 12 months ending June 2012. Cinco Ranch, The Woodlands, and Telfair, a 2,000-acre MPC in Sugarland, about 20 miles southwest of Houston, are each nearly complete. Typical starting home sales prices in these communities range from $100,000 to $250,000.

Rental housing market conditions in the metropolitan area remain slightly soft but improved from the past 4 years, in part, because of reduced multifamily building activity. The overall rental vacancy rate was estimated to be 9.5 percent in January 2013, down from 13.4 percent in April 2010. According to ALN Systems, Inc., the apartment vacancy rate was 9.1 percent during the fourth quarter of 2012, down from 11.2 percent during the fourth quarter of 2011. The apartment vacancy rate averaged 12.9 percent from 2008 through 2010. During the fourth quarter of 2012, average monthly rents increased 6 percent, to $840, after increasing less than 1 percent during the fourth quarter of 2011. The fourth quarter 2012 increase represents the largest quarterly average rent growth in more than 3 years.

Multifamily construction activity increased significantly during the past year. Based on preliminary data, permits were issued for approximately 14,300 units during the 12 months ending November 2012, approximately twice the number of units permitted during the previous 12 months. Multifamily permitting activity in the metropolitan area averaged 14,250 units permitted annually from 2006 through 2008 before declining to average 4,250 units permitted annually from 2009 through 2011, when builders responded to soft housing market conditions by reducing construction levels. Much of the recent apartment construction in the metropolitan area occurred inside the Interstate 610 loop, which encircles the city of Houston, and in the Galleria area of western Houston, where a number of upscale properties are in development or were recently completed.

## Indianapolis-Carmel, Indiana

The Indianapolis-Carmel metropolitan area comprises Boone, Brown, Hamilton, Hancock, Hendricks, Johnson, Marion, Morgan, Putnam, and Shelby Counties in central Indiana. The principal city, Indianapolis, is in Marion County. As of January 1, 2013, the population of the metropolitan area was estimated to be 1,804,000, reflecting an average annual increase of approximately 17,500, or 1.0 percent, since April 2010. By comparison, from 2006 through 2009, the population increased at an average annual rate of 24,900, or 1.5 percent. The decreased population growth rate resulted from a decline in net in-migration, from an average of 11,250 people annually from 2006 through 2009 to an average of 4,625 people annually since 2010.

The economy of the metropolitan area improved during the past 12 months, continuing a trend that began in early 2010. During the 12 months ending November 2012, nonfarm payrolls increased by 11,700 jobs, or 1.3 percent, to 892,200 jobs compared with a gain of 10,100 jobs, or 1.2 percent, during the previous 12-month period. Despite job gains during the past 2 years, nonfarm payrolls remain 26,600 jobs below the peak of 918,800 jobs recorded during the 12 months ending August 2008. From the 12 months ending September 2008 through the 12 months ending April 2010, nonfarm payrolls declined by 51,200 jobs. Economic recovery in the metropolitan area has been slow; strong growth in most nonfarm payroll sectors was partly offset by losses in the retail and wholesale trade subsectors and in the financial activities sector, which declined by 2,900, 700, and 2,200 jobs, or 3.3, 1.6, and 3.9 percent, respectively, during the 12 months ending November 2012. The greatest gains occurred in the professional and business services sector and the construction subsector, which increased by 5,500 and 4,300 jobs, or 4.3 and 10.9 percent, respectively. The leisure and hospitality, government, and education and health services sectors increased by 1,600 jobs each, or 1.8, 1.3, and 1.3 percent, respectively. The growth in the construction subsector was partly because of the development of new industrial distribution facilities in the metropolitan area. Although payrolls in the construction subsector increased from the 12 months ending February 2012, they remain 17 percent below the peak of 52,700 jobs recorded in 2007. The largest private employers in the metropolitan area include St. Vincent Hospital and Health Care Center, Rolls-Royce plc, and Roche Diagnostics Corporation, with approximately 6,000, 4,600, and 4,100 employees, respectively. During the 12 months ending November 2012, the unemployment rate in the metropolitan area averaged 7.9 percent, down from 8.5 percent during the previous 12 months. From 2005 through 2008, the unemployment rate averaged 4.6 percent.

Home sales market conditions in the Indianapolis-Carmel metropolitan area are currently soft, with an estimated sales vacancy rate of 2.6 percent, down slightly from 2.7 percent in April 2010. Based on data from Hanley Wood, LLC, during the 12 months ending September 2012 (the most recent data available), new and existing home sales in the metropolitan area totaled approximately 25,600 homes, a 10-percent increase compared with the number of homes sold a year earlier. Sales remain 34 percent below the average of 38,850 homes sold annually from 2005 through 2008, however. During the 12 months ending September 2012, the average sales price of new and existing homes increased nearly 1 percent, to $162,200, compared with the average price during the previous 12 months. American Housing Survey data for the metropolitan area show that 27 percent of primary mortgages in 2011 were Federal Housing Administration mortgages, up from 18 percent in 2004, partially because of tighter lending standards, which made other sources of financing harder to obtain. According to data from LPS Applied Analytics, as of November 2012, 7.2 percent of home loans in the metropolitan area were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), down from 7.4 percent a year ago.

Single-family home construction, as measured by the number of homes permitted, increased in the metropolitan area, but activity remains at levels much lower than those recorded earlier in the decade. According to preliminary data, during the 12 months ending November 2012, permits were issued for 3,975 single-family homes, a 9-percent increase compared with the 3,650 homes permitted during the previous 12 months. From 2005 through 2007, by comparison, an average of 9,575 homes was permitted annually. After peaking at 14,550 homes permitted in 2001, single-family home construction activity declined each year through 2009. Sedona Woods, a single-family development currently under construction in the city of Fishers, northeast of downtown Indianapolis, offers four-bedroom, two-bathroom homes starting at $159,000.

The rental housing market in the Indianapolis-Carmel metropolitan area is currently soft but improving. As of January 1, 2013, the overall rental vacancy rate was estimated at 9.2 percent compared with the 11.9-percent rate recorded in April 2010. Rental market conditions have improved since 2010 because apartment production declined, which allowed for the absorption vacant available units. According to Reis, Inc., in the third quarter of 2012, the apartment vacancy rate in the metropolitan area was 5.6 percent compared with the 6.4-percent rate recorded in the third quarter of 2011. The average apartment asking rent increased $20, or nearly 3 percent, to $710 compared with the average rent recorded a year earlier. Multifamily construction activity has remained subdued since 2008. Based on preliminary data, during the 12 months ending November 2012, approximately 1,075 multifamily units were permitted, down 32 percent compared with the 1,575 units permitted during the previous 12 months. Multifamily construction activity averaged 2,450 units permitted annually from 2003 through 2007, and then it declined to 2,200 units annually from 2008 through 2010. Condominiums and townhomes account for an estimated 4 percent of existing multifamily units in the metropolitan area, but they represent slightly less than 2 percent of all multifamily construction activity since 2010, according to building permits and data from CB Richard Ellis. Recent apartment projects include The Domain at Bennett Farms, with 219 units, completed in late 2012 in Boone County, and The Residences at Keystone Crossing, with 129 units, completed in May 2012 in Marion County. The Domain at Bennett Farms offers one-, two-, and three-bedroom units with rents starting at $800 a month, and The Residences at Keystone Crossing offers one- and two-bedroom units with rents starting at $825. According to data from CB Richard Ellis, approximately 28 percent of properties were offering concessions as of the third quarter of 2012, nearly unchanged from the previous year.

## Madison, Wisconsin

The Madison metropolitan area, 75 miles west of Milwaukee in south-central Wisconsin, consists of Columbia, Dane, and Iowa Counties. Dane County, a center of education, technology, and government, includes Madison, the state capital and the metropolitan area's principal city, with 46 percent of its population. As of January 1, 2013, the population of the metropolitan area is estimated at 585,400, reflecting an annual increase of 6,100, or 1.1 percent, since April 1, 2010.

Economic conditions in the Madison metropolitan area are weak. In 2012, nonfarm payrolls decreased to 346,100 jobs, down 500 jobs, or 0.1 percent, compared with the increase of 1,800 jobs, or 0.5 percent, in 2011. The greatest losses in nonfarm payrolls occurred in the mining, logging, and construction, the professional and business services, and the manufacturing sectors, which decreased by 1,300, 900, and 500 jobs, or 11.4, 2.3, and 1.7 percent, respectively. The loss in the construction subsector was concentrated in residential and nonresidential building construction, wherein excess inventory and stricter lending standards combined to limit building activity. Nonfarm payroll increases in the government, education and health services, and information sectors totaled 1,600, 800, and 300 jobs, or 1.8, 1.9, and 2.7 percent, respectively. The net jobs added in the government sector included increases of 900 and 700, or 1.7 and 2.7 percent, in the state and local government subsectors, respectively. The state of Wisconsin is the largest employer in the metropolitan area, with 54,300 employees, including 21,350 at the University of Wisconsin-Madison. Other major employers include American Family Insurance, with 3,800 employees, and Epic Systems Corporation, a technology company that develops medical software; the company has 6,200 full-time employees in suburban Verona and anticipates a total of 8,000 full-time employees by 2015. Epic is currently completing construction on its third corporate campus, which is expected to open in the summer of 2013 with a construction value of $400 million. In addition, Epic expects to begin construction on a fourth corporate campus in the fall of 2013; the campus is expected to open in 2015 with a construction value of $225 million. During the 12 months ending November 2012, the unemployment rate decreased from 5.3 to 5.0 percent. By comparison, from 2000 through 2008, the unemployment rate averaged 3.4 percent.

The sales housing market in the Madison metropolitan area remains slightly soft, with a current sales vacancy rate of 1.6 percent, but it improved during the past year after soft market conditions prevailed from 2008 through 2011. According to data from the South Central Wisconsin Multiple Listing Service, new and existing home sales increased 27 percent, to 6,800 homes sold, in 2012. The current sales level exceeds the average of 5,950 homes sold annually from 2008 through 2010 but remains below the average of 8,300 homes sold annually from 2005 through 2007. The average sales price increased 2 percent, to $179,000, in 2012. The available inventory of new and existing homes averaged a 5.0-month supply during 2012, the lowest recorded inventory since 2005 and compared with the 6.8-month supply recorded in 2011. According to LPS Applied Analytics, as of November 2012, 6.7 percent of home loans in the metropolitan area were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), down from 7.3 percent in November 2011.

Single-family homebuilding activity in the area increased during the past year because of increased home sales. Based on preliminary data, during the 12-month period ending November 2012, single-family permits were issued for 850 homes, up 18 percent from 730 homes permitted a year ago. The current level of permitting activity is above the average of 790 homes permitted annually from 2008 through 2010, but it remains significantly below the average of 2,075 homes permitted from 2005 through 2007. Prices for new three-bedroom, single-family homes start at approximately $165,000, with lower prices found in areas outlying the city of Madison near new infrastructure projects, highway corridors, and employment centers.

Rental housing market conditions in the Madison metropolitan area are tight, with a 3.6-percent vacancy rate; the rate is down from 6.7 percent in April 2010 partially because of population growth, low levels of apartment production from 2008 through 2011, and increased hiring at Epic. According to Reis, Inc., in the third quarter of 2012, the apartment rental vacancy rate was estimated at 2.7 percent, relatively unchanged from 2.6 percent in the third quarter of 2011. The vacancy rate declined because of strong demand from empty nesters and young professionals for Class A properties in downtown Madison. Asking apartment rents in the third quarter of 2012 averaged $643, $758, $941, and $1,036 for studio, one-bedroom, two-bedroom, and three-bedroom units, respectively. Average asking rents for all apartment units increased 3 percent, to $858, compared with the rents recorded a year ago.

Multifamily construction activity increased significantly in the metropolitan area during the past year. Based on preliminary data, during the 12 months ending November 2012, approximately 1,450 multifamily units were permitted, double the 730 units permitted a year ago. The current level of permitting activity remains below the average of 1,750 units permitted annually from 2005 through 2007. According to preliminary data, at least 800 apartment units were recently completed, currently under construction, or in the pipeline, including two projects in Verona. The West End, a 104-unit apartment, opened 52 units in June 2012 with asking rents of $750 to $900 for a studio unit, $910 to $1,100 for a one-bedroom unit, and $1,000 to $1,500 for a two-bedroom unit. The first phase is fully leased, and the remaining 52 units are expected to be complete in September 2013. Siena Ridge, a 96-unit project with studio, one-bedroom, and two-bedroom units, is currently under construction and is expected to open in the spring of 2013. Asking rents range from $775 for a studio unit to $1,525 for a two-bedroom unit.

## Oxnard-Thousand Oaks-Ventura, California

The Oxnard-Thousand Oaks-Ventura metropolitan area, coterminous with Ventura County, is located along the Pacific coast of Southern California, northwest of Los Angeles County. The major industries in the metropolitan area include the military, biotechnology, and financial services. The largest employers are Naval Base Ventura County (NBVC), Amgen Inc., and Bank of America Corporation, with approximately 19,000, 6,200, and 4,000 employees, respectively. As of January 1, 2013, the population was estimated at 839,500, reflecting an average annual increase of 5,875, or 0.7 percent, since April 2010. Population growth averaged 3,925 people, or 0.5 percent, annually from July 1, 2004, through July 1, 2008, when employment conditions were weaker and net out-migration averaged 3,475 people annually. Since 2009, net in-migration has averaged 170 people annually.

The economy of the metropolitan area began to recover in 2011 after 4 years of job losses. During the 12 months ending November 2012, nonfarm payrolls increased by 1,300 jobs to an average of 275,900 jobs, a 0.5-percent gain compared with the number of jobs recorded during the previous 12 months. Payrolls in the metropolitan area decreased by an average of 6,125 jobs, or 2.1 percent, annually from 2006 through 2010, led by job losses in the construction subsector and the professional and business services sector, before rebounding with a gain of 1,400 jobs, or 0.5 percent, in 2011. The greatest payroll gains during the 12 months ending November 2012 were in the leisure and hospitality and the professional and business services sectors, which grew by 1,750 and 1,400 jobs, or 5.6 and 4.2 percent, respectively. Area tourism began to improve in 2010. According to the most recent data available from the California Travel & Tourism Commission, the economic impact of direct travel spending during 2010 totaled $1.3 billion, up 7 percent from 2009. By comparison, travel spending fell more than 11 percent in 2009 from a year earlier.

The greatest nonfarm payroll decline during the 12 months ending November 2012 occurred in the education and health services sector, which decreased by 1,700 jobs, or 5.2 percent, because of Medicare regulatory changes that reduced hospital admissions. Layoffs occurred at hospitals throughout the metropolitan area, including St. John's Regional Medical Center and Community Memorial Health System, which eliminated 50 positions each. The largest employment sector in the metropolitan area, the government sector, accounts for approximately 16 percent of nonfarm payrolls. The government sector recorded a decline of 200 jobs, or 0.2 percent, to 44,700 jobs during the 12 months ending November 2012. Of those losses, 90 percent were in the federal government subsector, excluding the Department of Defense. NBVC is the largest employer in the area, with an estimated 5,000 military and 14,000 civilian personnel. According to a 2010 economic impact study by the Workforce Investment Board of Ventura County, the military base has a $1.7 billion annual impact on the economy of the metropolitan area. During the 12 months ending November 2012, the average unemployment rate was 9.1 percent, down from 10.1 percent during the previous 12-month period.

The sales housing market in the Oxnard-Thousand Oaks-Ventura metropolitan area is currently tight, with an estimated vacancy rate of 0.9 percent, down from 1.4 percent in April 2010. Low interest rates and increased investor purchases led to stronger demand for single-family homes. According to data from Hanley Wood, LLC, new and existing home sales increased by 1,475 homes, or 18 percent, to 9,600 homes sold during the 12 months ending November 2012. This total was an improvement from the average of 8,475 homes sold annually from 2007 through 2011, but it was significantly below the average of 14,050 homes sold annually from 2005 through 2006. During the 12 months ending November 2012, the average sales price remained unchanged from a year earlier, at $435,500. By comparison, the average home sales price was $499,100 from 2007 through 2011 and $670,600 from 2005 through 2006. According to LPS Applied Analytics, as of December 2012, 4.4 percent of homes loans in the metropolitan area were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), down from 6.2 percent a year earlier.

Based on preliminary data, single-family home construction, as measured by the number of homes permitted, decreased in the metropolitan area. During the 12 months ending November 2012, approximately 230 single-family homes were permitted, a 15-percent decline from the previous 12 months. By comparison, an average of 270 homes were permitted annually from 2008 through 2011. RiverPark, a 700-acre, master-planned, mixed-used development in the city of Oxnard, is currently under construction. Nearly 2,000 of the planned 2,500 single-family homes and townhomes are complete. Prices for single-family homes start at $390,000 and for townhomes at $240,000. The development is expected to be complete within the next 6 years.

The rental housing market in the Oxnard-Thousand Oaks-Ventura metropolitan area is currently tight, partly because of low levels of apartment completions since 2009. According to Axiometrics Inc., in the third quarter of 2012, the apartment vacancy rate was 4.3 percent, down from 4.6 percent a year earlier. The average effective rent increased nearly 5 percent during the same period, to about $1,600. According to preliminary permits data, during the 12 months ending November 2012, approximately 360 multifamily units were permitted compared with the 210 permitted during the previous 12 months. Multifamily construction activity is also well above the average of 270 units permitted annually from 2009 through 2011, but it is still significantly below the average of 1,025 units permitted annually from 2003 through 2008. An estimated 1,275 rental units are currently under construction in the metropolitan area, including the 272-unit The Artisan in the city of Oxnard, with rents starting at $1,515 for one-bedroom units, $1,785 for two-bedroom units, and at a price to be determined for three-bedroom units. The project broke ground in August 2011 and is expected to be complete by the second quarter of 2013. The metropolitan area has a strong military presence, but military housing units managed by private firms primarily meet the current housing demand.

## Pittsburgh, Pennsylvania

The Pittsburgh metropolitan area comprises seven counties in southwestern Pennsylvania. Once the largest center for steel manufacturing in the nation, the metropolitan area has emerged as a regional leader in health care and education. As of January 1, 2013, the population of the metropolitan area was estimated at 2.36 million. From July 2004 to July 2009, average annual net outmigration of 3,775 people contributed to an average annual population decline of 6,750, or 0.3 percent. From July 2009 to July 2011, as the economy in the metropolitan area outperformed the state and national economies, net in-migration averaged 5,350 people, increasing population growth to 2,150 people, or 0.1 percent, annually. According to the University Center for Social & Urban Research at the University of Pittsburgh (Pitt), the turnaround in net migration occurred because of less outmigration to retirement destinations in Arizona and Florida and increased in-migration from metropolitan areas in the Midwest. Since July 2011, annual population growth has averaged 2,700 people, or 0.1 percent, comprising a net in-migration of 5,950 people and a net natural decrease (resident births minus resident deaths) of 3,250 people.

The economy in the metropolitan area expanded significantly during 2011, doubling the average percentage growth among Mid-Atlantic metropolitan areas, but the pace of job growth moderated in 2012. During 2012, nonfarm payrolls in the metropolitan area increased by 12,900 jobs, or 1.1 percent, to 1.16 million jobs, which is less than the gain of 23,300 jobs, or 2.1 percent, during 2011. The education and health services sector accounted for about one-fourth of the overall payroll expansion, increasing by 3,500 jobs, or 1.4 percent. The opening of the University of Pittsburgh Medical Center (UPMC) East in July 2012 added approximately 400 jobs. UPMC and Pitt are large employers in this sector and are among the largest in the metropolitan area, with 42,900 and 12,450 employees, respectively. The mining and logging subsector added 1,300 jobs, a 15-percent increase, because of natural gas-drilling activities in the Marcellus Shale and growth in the export of mining products. According to the U.S. Department of Commerce, the metropolitan area is the nation's leading exporter of coal and minerals, with $6.1 billion in exports during 2011, up more than 60 percent compared with the dollar volume of exports recorded during 2010. The construction subsector gained 1,300 jobs, or 2.6 percent, during 2011, but it lost 2,000 jobs, or 3.9 percent, during 2012, partially because of a decline in public-sector investments, including a recent statewide moratorium on new school construction. During 2012, the government sector lost 3,100 jobs, or 2.5 percent, and growth in the education and health services sector slowed from 3.3 to 1.4 percent because of cuts in state appropriations to public universities. During the 12 months ending November 2012, the unemployment rate in the metropolitan area averaged 7.0 percent, down from 7.3 percent during the previous 12 months.

The sales housing market in the Pittsburgh metropolitan area is soft, with an estimated vacancy rate of 1.7 percent, down from 2.0 percent in April 2010. According to CoreLogic, Inc., during the 12 months ending October 2012, sales of new and existing homes fell 2 percent, to 25,850 homes sold. The current sales activity is 13 percent less than the average of 29,750 homes sold each year from 2008 through 2010. During the 12 months ending October 2012, sales prices for new and existing homes averaged $148,000, up 3 percent compared with the sales prices recorded during the previous 12 months and up 8 percent compared with the average sales price from 2008 through 2010. According to LPS Applied Analytics, as of November 2012, 5.5 percent of home loans were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), up from 5.1 percent in November 2011. Homebuilding activity, as measured by the number of single-family homes permitted, has been relatively unchanged during the past 3 years. According to preliminary data, during the 12 months ending November 2012, permits were issued for 3,075 single-family homes, surpassing 3,000 homes for only the second time since 2007. By comparison, an average of 5,275 single-family homes were permitted annually from 2002 through 2004. Energy industry-related job growth is spurring homebuilding activity in Washington County, including 360 homes with prices ranging from $190,000 to $600,000, under construction at Overlook at Southpointe.

The rental housing market in the Pittsburgh metropolitan area is balanced, with an overall vacancy rate estimated at 7.8 percent, down from 8.9 percent in April 2010. Growth in younger households contributed to the balanced rental market. According to the 2011 American Housing Survey, householders ages 29 and younger, who tend to rent rather than own, increased by an average of 300 households, or 3.5 percent, annually from 2004 to 2011. During this same period, householders ages 35 to 64, who tend to own rather than rent, decreased by an average of 100 households, or 0.2 percent, annually. The apartment market in the metropolitan area, which comprises 38 percent of all renter-occupied units, is tight. According to MPF Research, during the third quarter of 2012, the apartment vacancy rate was 1.8 percent, up from 1.5 percent during the same quarter a year earlier, and the average rent increased 3 percent, to approximately $1,000. Because of tight market conditions and increasing rents, multifamily construction activity increased compared with the low production levels from 2008 through 2010. According to preliminary data, 360 multifamily units were permitted during the 12 months ending November 2012, up from 120 units permitted during the previous 12 months. Apartments under construction include Highland Wallace, an office-to-residential conversion expected to be complete in June 2013. Rents for the 127 one- and two-bedroom units are expected to start at $1,100.

## San Francisco-San Mateo-Redwood City, California

Located in the western part of the San Francisco Bay Area, the San Francisco-San Mateo-Redwood City metropolitan area includes Marin, San Francisco, and San Mateo Counties. The population of the metropolitan area was an estimated 1.82 million as of January 1, 2013, reflecting an average annual increase of 16,900, or 0.9 percent, since the 2010 Census. Nearly one-half of the population gains since 2010 were the result of net-in migration, which has averaged 9,700 people annually after reaching a low of 3,450 people in 2009. Net in-migration increased to 10,000 people during 2012 because of the strengthening economy.

Economic conditions in the metropolitan area have improved since February 2011. Nonfarm payrolls increased by 29,900 jobs, or 3.2 percent, to average 978,000 jobs during 2012 compared with the number of jobs recorded a year earlier. By comparison, payrolls increased 1.7 percent during 2011 after declining 1.3 percent during 2010. With expansions of technology companies such as Twitter, Inc., and Salesforce.com, Inc., the professional and business services sector posted the largest increase of any sector in the metropolitan area during 2012: 13,400 jobs, or 6.6 percent. The leisure and hospitality sector gained 5,100 jobs, or 4.0 percent, in response to increasing tourism. San Francisco International Airport recorded a 9-percent gain in the number of passengers in 2012 compared with the number of passengers in 2011. The education and health services sector posted a gain of 3,700 jobs, or 3.4 percent. Despite the robust growth in nonfarm payrolls, several sectors contracted, led by the government sector, with a decline of 1,300 jobs, or 0.9 percent. The average unemployment rate during 2012 was 7.1 percent, down from 8.2 percent in 2011.

The home sales market in the San Francisco-San Mateo-Redwood City metropolitan area remained slightly soft, with an estimated 1.4-percent vacancy rate, although the rate improved compared with the 1.7-percent vacancy rate in 2010. According to CoreLogic, Inc., existing home sales increased 18 percent, to 18,250 homes sold during the 12 months ending November 2012 compared with the 1-percent increase recorded during the 12 months ending November 2011. Foreclosure activity continued, but at a lesser rate, because of improved employment conditions. According to LPS Applied Analytics, as of December 2012, 2.4 percent of home loans in the metropolitan area were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), down from 3.6 percent in December 2011 and 4.1 percent in December 2010. According to CoreLogic, Inc., short sales and REO homes comprised 20 percent of all existing homes sold during the 12 months ending November 2012, down from 25 percent in the preceding 12-month period. The average sales price of a short sale home declined 5 percent, to $461,400, but the average sales price of an REO home increased 6 percent, to $488,400. The average sales price of a regular resale increased 3 percent, to $918,700, during the same period. New home sales totaled 800 during the 12 months ending November 2012, up 39 percent from the 580 homes sold during the previous 12 months. The average sales price of a new home increased

9 percent, to $933,800. The large gain in average sales price was because of improving employment conditions and a shift in inventory composition to more expensive new homes, primarily in San Francisco County. New home sales comprised 4.1 percent of total home sales during the 12 months ending November 2012 compared with 3.6 percent of total home sales in the preceding 12-month period and 7.1 percent of total home sales during the 12 months ending November 2010.

In response to the recent improvement in sales activity, builders increased construction of new homes during 2012. Based on preliminary data, permits were issued for 470 single-family homes, up 20 percent from the number issued in 2011. By comparison, an average of 370 single-family homes were permitted annually from 2009 through 2011. Condominiums, which comprise approximately 15 percent of all owner-occupied housing stock in the metropolitan area according to the 2011 American Housing Survey (AHS), are an alternative to single-family housing because of the high cost of land. During the past year, nearly 20 percent of multifamily units permitted in the metropolitan area were condominium units. Based on preliminary data, during 2012, 3,950 multifamily units were permitted, 45 percent more than the number permitted in 2011. After averaging 2,950 annually from 2004 through 2008, the number of units permitted declined sharply in 2009, averaging 730 units annually from 2009 through 2010. During the past year, approximately 83 percent of multifamily units permitted in the metropolitan area were in San Francisco County. Development activity is currently concentrated in the South of Market Area (SOMA) of San Francisco County, where approximately 800 condominium units are under construction. The largest condominium projects include the second tower of One Rincon Hill, which will include 299 units after the tower's completion in the early fall of 2014, and Radiance at Mission Bay, which will consist of 329 units after completion in early 2013.

Rental housing market conditions in the San Francisco-San Mateo-Redwood City metropolitan area are balanced, with an estimated 4.3-percent vacancy rate. The rental market tightened from the 5.2-percent vacancy rate recorded in 2010 because the recent robust job growth led to an increase in net in-migration. The 2011 AHS indicated that 87 percent of households that moved into the metropolitan area in the past 12 months chose to rent, although 80 percent of these movers previously owned their homes. The apartment market is significantly tighter than the overall rental market. According to MPF Research, the apartment rental vacancy rate was 4.1 percent in the fourth quarter of 2012, up from 3.4 percent in the fourth quarter of 2011. Average rents increased 10 percent, to $2,375 in the fourth quarter of 2012 from $2,175 in the fourth quarter of 2011. The average rents by number of bedrooms in the metropolitan area were $2,125 for a one-bedroom unit, $2,700 for a two-bedroom unit, and $3,000 for a three-bedroom unit. Because of the tightening apartment market, developers currently are building 1,425 apartment units in SOMA and 1,150 units in the mid-Market Street neighborhood. The latter area is benefiting from the recent relocation of the Twitter, Inc. headquarters to mid-Market Street, which San Francisco County officials have been trying to improve for several decades. The largest project under construction in the mid-Market Street neighborhood is 10th & Market Residences, a 720-unit complex that is anticipated to be complete in the summer of 2014.

## Santa Rosa-Petaluma, California

The Santa Rosa-Petaluma metropolitan area, coterminous with Sonoma County, is approximately 50 miles north of San Francisco. The estimated population of the metropolitan area as of January 1, 2013, was 492,500, reflecting an average annual increase of 3,125, or 0.6 percent, since April 2010. Net in-migration represented 47 percent of total population growth during the period. Relatively affordable housing and improving economic conditions attracted new residents, particularly from nearby Marin and San Francisco Counties, where, in 2012, home sales prices were approximately 130 and 95 percent greater, respectively, than in the metropolitan area.

Economic conditions in the metropolitan area have improved since 2010. Continuing a trend that began in 2011, total nonfarm payrolls increased to 173,200 jobs during the 12 months ending November 2012, up 3,600 jobs, or 2.1 percent, from 169,600 jobs during the previous 12-month period. The greatest job gains were in the manufacturing sector, which increased by 1,200 jobs, or 5.6 percent, to 21,600 jobs, but employment in the sector remains well below its peak of 30,400 jobs in 2001. Electronics manufacturing highlighted gains in the sector, with General Dynamics Corporation, Biosearch Technologies, Inc., and Agilent Technologies expanding by 120, 90, and 50 jobs, respectively. The manufacturing sector lost an average of 1,400 jobs, or 5.2 percent, each year from 2002 through 2007 because of layoffs associated with electronics manufacturing. Budget cutbacks in the local government subsector continued to partially offset job growth in the metropolitan area, as the government sector declined by 300 jobs, or 1.3 percent, during the 12 months ending November 2012. Kaiser Permanente® and St. Joseph Health are currently the two largest private employers in the metropolitan area, with 2,800 and 2,500 employees, respectively. Construction of the Graton Rancheria Casino and Hotel, which began in June 2012, generated 900 jobs in the city of Rohnert Park. When complete in late 2013, the facility will employ an estimated 2,000 workers. During the 12 months ending November 2012, the unemployment rate declined to 8.5 percent from 9.9 percent a year earlier.

As of November 2012, the home sales market in the Santa Rosa-Petaluma metropolitan area was soft but improving, with an estimated vacancy rate of 1.4 percent, down from 1.9 percent in April 2010. According to Hanley Wood, LLC, during the 12 months ending November 2012, 6,825 new and existing homes sold, up 15 percent compared with the 5,900 sold a year earlier and up 13 percent from the average of 6,050 sold annually from 2008 through 2010. The average home sales price in the metropolitan area was $385,300 during the 12 months ending November 2012, a 6-percent increase from $364,100 a year earlier but a 6-percent decrease from the average of $409,700 from 2008 through 2010. Since 2011, a decrease in the number of REO (Real Estate Owned) home sales has contributed to the increase in the average home sales price. REO sales accounted for 25 percent of all existing home sales during the 12 months ending November 2012, down from 36 percent during the previous 12-month period. According to LPS Applied Analytics, as of November 2012, 4.3 percent of home loans in the metropolitan area were 90 or more days delinquent, were in foreclosure, or transitioned into REO status, down from 5.8 percent in November 2011.

Based on preliminary data, single-family home construction activity, as measured by the number of single-family homes permitted, decreased to 280 homes permitted in the metropolitan area during the 12 months ending November 2012, a 33-percent decline compared with the 420 homes permitted during the previous 12 months. After peaking at an average of 1,475 homes permitted annually from 2003 through 2005, single-family home construction activity declined in each successive year through 2010.

Multifamily construction activity, as measured by the number of units permitted, has increased in the metropolitan area since 2008 but remains well below a 3-year peak of 850 units permitted per year from 2003 through 2005. Based on preliminary data, during the 12 months ending November 2012, 230 multifamily units were permitted, up from 130 permitted during the previous 12-month period. An average of 110 units were permitted each year from 2008 through 2010.

The rental housing market in the Santa Rosa-Petaluma metropolitan area was tight as of November 2012, with relatively low levels of multifamily construction contributing to declining vacancy rates and increasing rents since 2010. According to Axiometrics Inc., the apartment vacancy rate was 2.8 percent in the fourth quarter of 2012, down from 3.8 percent in the fourth quarter of 2011. The average effective rent was $1,350 in the fourth quarter of 2012, up 5 percent from $1,300 during the fourth quarter of 2011 and up 14 percent from $1,200 during the fourth quarter of 2010. The estimated overall vacancy rate as of January 1, 2013, was 3.7 percent, down from 5.2 percent in April 2010. Single-family homes have become an increasingly important part of the rental market because of relatively high foreclosure rates since 2009. According to the 2011 American Community Survey (ACS) 1-year data, single-family homes accounted for approximately 43 percent of all rental units in the metropolitan area, up from 41 percent, according to the 2009 ACS 1-year data.

## St. Louis, Missouri-Illinois

The St. Louis metropolitan area, near the confluence of the Mississippi and Missouri Rivers in eastern Missouri and southwestern Illinois, is known as the Gateway to the West. The Missouri portion of the metropolitan area, which is known as Metro West, consists of eight counties and the independent city of St. Louis. The Illinois portion of the metropolitan area, known as Metro East, also consists of eight counties. As of January 1, 2013, the population of the metropolitan area was estimated at 2.83 million, reflecting an annual gain of 7,050, or 0.3 percent, since April 2010. By comparison, population growth averaged approximately 11,400 people, or 0.4 percent, annually from 2007 through 2010. Since 2007, net out-migration has averaged 2,100 people a year. From 2000 through 2006, the metropolitan area experienced modest net in-migration, which averaged approximately 100 people annually. More than 65 percent of the metropolitan area population resides in Missouri; St. Louis County has approximately 35 percent of the total population of the metropolitan area. Currently, 1.13 million households are in the metropolitan area, reflecting an increase of 2,925 households, or 0.3 percent, annually since April 2010. By comparison, household growth averaged 7,075, or 0.7 percent, annually from 2000 to 2010. The slowdown in household growth is partly attributable to the doubling-up effect of people combining households during the economic downturn. According to the American Housing Survey, the number of households that included nonrelatives increased to 93,800, or 8.4 percent of total households, in 2011 compared with 62,300, or 6.0 percent of total households, in 2004.

Economic conditions in the metropolitan area began to improve in 2010, after 2 years of job losses. During the 12 months ending November 2012, nonfarm payrolls averaged 1.3 million jobs, an increase of 2,600 jobs, or 0.2 percent, compared with the number of jobs recorded a year earlier. This increase followed a gain of 9,100 jobs, or 0.7 percent, during the 12 months ending November 2011. Nonfarm payrolls remain 64,000 jobs, or 4.7 percent, below the peak of 1.36 million jobs recorded in 2007. The largest employers in the metropolitan area include BJC HealthCare and The Boeing Company, which employ approximately 24,800 and 14,700 people, respectively. During the 12 months ending November 2012, the two largest employment sectors in the metropolitan area, the professional and business services and the education and health services sectors, increased by 4,800 and 3,500 jobs, or 2.5 and 1.5 percent, to 196,300 and 230,300 jobs, respectively. The manufacturing sector increased by 1,900 jobs, or 1.7 percent, to 111,600 jobs, and the financial activities sector increased by 1,000 jobs, or 1.2 percent, to 82,000 jobs. During 2012, General Motors Company broke ground on a $380 million expansion to its assembly plant in St. Charles County, Missouri, that is expected to add more than 1,200 jobs when completed in 2014. Job losses in the information sector and the retail trade subsector, which lost 2,200 and 3,000 jobs, decreases of 7.2 and 2.2 percent, respectively, partially offset those employment gains. During 2012, job losses in the information sector included 60 layoffs at The McGraw-Hill Companies and the closure of a data processing center by Network Solutions, LLC, resulting in a loss of 75 jobs.

The sales housing market in the St. Louis metropolitan area is currently soft but improving, with a current estimated vacancy rate of 2.3 percent, down from 2.4 percent in April 2010. According to data from Hanley Wood, LLC, during the 12 months ending October 2012, new and existing home sales were up more than 8 percent from the previous year, to 45,600 homes sold. By comparison, home sales averaged nearly 53,900 homes annually from 2008 through 2010. During the past 24 months, average sales prices for new and existing homes remained essentially unchanged at approximately $182,600. Home prices averaged $181,600 from 2008 through 2010. Construction of single-family homes in the metropolitan area has increased during the past year, reflecting improvements in the home sales market. Based on preliminary data, during the 12 months ending November 2012, single-family building activity, as measured by the number of homes permitted, totaled 4,125 homes, up 24 percent from the previous 12 months. By comparison, an average of 4,325 homes were permitted annually from 2008 through 2010. Prices for new single-family homes in the metropolitan area typically start at about $140,000, and prices for new townhomes start at $110,000 in the outlying counties. Charlestowne, a development with 91 homes in St. Charles County, has three-bedroom homes starting at $160,000. The Estates at Plum Hill, a 25-lot development in St. Clair County, Illinois, is expected to begin construction of two- to four-bedroom homes in January 2013, with prices starting at $144,000. Based on data from St. Louis Real Estate Today, in November 2012, the inventory of single-family homes on the market represented a 6.7-month supply compared with the 7.6-month supply recorded in November 2011. According to LPS Applied Analytics, as of November 2012, 5.3 percent of home loans in the metropolitan area were 90 days or more delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned), down slightly from 5.4 percent a year earlier.

The rental housing market in the St. Louis metropolitan area is currently soft, with an overall rental vacancy rate estimated at 10.1 percent, down from 10.8 percent in April 2010. According to Reis, Inc., the apartment vacancy rate was 5.7 percent in November 2012, down from 6.7 percent in November 2011. The average asking apartment rent in November 2012 was $760, an increase of nearly 3 percent compared with the rent recorded a year earlier.

Multifamily building activity in the metropolitan area has increased during the past year. Based on preliminary data, during the 12 months ending November 2012, multifamily construction, as measured by the number of units permitted, increased to 1,525 units, up 10 percent from the previous 12 months. By comparison, an average of 960 units were permitted annually from 2008 through 2010. Current building activity, however, remains significantly below the average of 1,900 multifamily units permitted annually during the peak years of 2002 through 2005. Recent developments include the 230-unit ParkPacific apartments in downtown St. Louis, a 2011 renovation of the former headquarters building of the Missouri Pacific Railroad Company. The ParkPacific apartments offer studio, one-bedroom, two-bedroom, and three-bedroom apartments with rents ranging from $1,120 for studio apartments to $5,100 for three-bedroom penthouses. In St. Clair County, the recently complete Parkway Lakeside apartments consist of 232 one- and two-bedroom apartments with rents ranging from $1,060 to $1,760.

## Tampa-St. Petersburg-Clearwater, Florida

The Tampa-St. Petersburg-Clearwater metropolitan area, on the Gulf Coast in central Florida, comprises Hernando, Hillsborough, Pasco, and Pinellas Counties. The metropolitan area is home to MacDill Air Force Base (AFB), which has an annual economic impact on the region of $2.8 billion, according to the 6th Comptroller Squadron. As of January 1, 2013, the population of the metropolitan area was estimated at 2.84 million, a 0.7-percent average annual increase since April 1, 2010, making the metropolitan area the second most populous in Florida after the Miami-Fort Lauderdale-Pompano Beach metropolitan area. The population increased at an average annual rate of nearly 13,550, or 0.5 percent, from July 2007 to July 2010 compared with a rate of nearly 51,350, or 2.0 percent, annually from July 2002 to July 2007. The largest employers in the area include Publix Super Markets, Inc., MacDill AFB, and BayCare Health System, with 22,500, 18,300, and 17,000 employees, respectively.

The economy in the metropolitan area continued to recover during the past 24 months, but it has still not reached the peak of 1.24 million jobs recorded in 2007. During the 12 months ending November 2012, nonfarm payrolls increased by 19,200 jobs, or 1.7 percent, to total 1.15 million compared with an increase of 19,500 jobs, or 1.8 percent, during the 12 months ending November 2011. From 2008 through 2010, nonfarm payrolls declined by an average of 40,800 jobs, or 3.4 percent, annually.

The professional and business services, leisure and hospitality, and education and health services sectors led job growth during the 12 months ending November 2012, adding 9,500, 7,200, and 5,600 jobs, increases of 5.1, 5.9, and 3.1 percent, respectively. The expansion of BayCare

Health System contributed to the increased employment with the $224 million St. Joseph's Hospital-North, which opened in 2010 and added 600 jobs. In October 2012, BayCare Health System began construction on St. Joseph's Hospital-South in Ruskin. The construction subsector experienced the largest job loss during the past 12 months, declining by 4,900 jobs, a 9.5-percent decrease from the previous 12-month period. Although single-family and multifamily construction increased during the past year, the increase did not translate into additional employment because builders are slow to rehire workers. The other services and the transportation and utilities sectors recorded losses of 800 and 200 jobs, or 1.8 and 0.9 percent, respectively. The average unemployment rate decreased to 9 percent during the 12 months ending November 2012, down from 11 percent during the previous 12-month period.

Sales housing market conditions in the metropolitan area are currently soft. As of January 1, 2013, the estimated sales vacancy rate was 3.2 percent compared with the 3.5-percent rate recorded by the 2010 Census. According to the Greater Tampa Association of REALTORS®, during the 12 months ending November 2012, 23,200 existing homes sold, an increase of 580 homes, or 3 percent, compared with an increase of 2,650 homes, or 13 percent, during the 12 months ending November 2011. During the 12 months ending November 2012, the average sales price increased 11 percent, to approximately $166,600 because of a decrease in distressed home sales. Based on data from Hanley Wood, LLC, REO (Real Estate Owned) home sales declined to 7,425 during the 12 months ending October 2012, a 30-percent decrease from the previous 12 months. According to LPS Applied Analytics, as of November 2012, 16.5 percent of mortgage loans in the metropolitan area were 90 or more days delinquent, were in foreclosure, or transitioned into REO, down slightly compared with the 16.9-percent rate recorded during November 2011. The area rates remain higher than the 16.2- and 7.2-percent rates reported for the state and nation, respectively, in November 2012. According to Hanley Wood, LLC, during the 12 months ending October 2012, new home sales increased 11 percent, to 3,225 homes sold, compared with the 2,900 homes sold during the previous 12-month period. The average sales price increased 11 percent, from $221,200 to $241,100, during the same period.

New single-family home construction activity, as measured by the number of homes permitted, increased during the past 12 months because of job gains and improving housing market conditions. According to preliminary data, during the 12 months ending November 2012, 5,775 homes were permitted, an increase of 1,175 homes, or 28 percent, from the same period a year earlier. The number of single-family homes permitted peaked in 2005 at 27,650 and declined every year until reaching a more-than-30-year low of 3,925 homes permitted in 2009. An average of 11,250 homes was permitted annually from 2005 through 2010. Waterset, one of the largest master-planned communities developed in the nation since 2007, opened in October 2012. When complete, the development will include 6,700 homes priced between $160,000 and $300,000.

The rental housing market in the metropolitan area is currently soft, but conditions improved significantly during the past 2 years. The overall rental vacancy rate is currently estimated at 10.3 percent, down from 13.1 percent in the 2010 Census. According to Real Data, the apartment vacancy rate was 6.5 percent in November 2012, down from 7.4 percent in November 2011 and 9.7 percent in November 2010. Approximately 9,650 apartments were absorbed during the past 3 years. Average rent increased to approximately $875 in November 2012, a 4.5-percent increase from November 2011 and the highest rate of growth since 2006. MacDill AFB, which employs approximately 15,500 military members and 2,800 civilians, significantly affects the local rental market. The base houses an estimated 1,400 military members and their 1,500 dependents. The Tampa-South submarket, where MacDill AFB is located, had a 4.0-percent apartment vacancy rate in November 2012, down from 7.1 percent in November 2011. As of November 2012, the average rent was approximately $1,125, up 8 percent from the previous year. Nearly 980 new units are currently under construction in the Tampa-South submarket, representing 30 percent of all units under construction in the metropolitan area.

In response to an improving rental market, builders began to increase new multifamily construction activity, as measured by the number of units permitted. According to preliminary data, during the 12 months ending November 2012, approximately 4,400 multifamily units were permitted, which is four times as many units as were permitted during the previous 12-month period and is more units permitted than in any other year since 2008. According to Real Data, as of November 2012, 3,175 apartments were under construction in the Tampa area. Circle Bayshore, a $68 million apartment complex currently under construction in south Tampa that will consist of 367 one-, two-, and three-bedroom units, is expected to be complete in the first quarter of 2014.

## Yakima, Washington

The Yakima metropolitan area, in south-central Washington, consists of Yakima County. The population of the metropolitan area increased at an average annual rate of 0.6 percent, or 1,525, from 2010 to an estimated 247,400 as of January 1, 2013. Net natural change accounted for all the population growth during this period, averaging 2,600 people annually, and annual net out-migration averaged 1,100 people. The metropolitan area has the highest level of agriculture production in Washington by value and is ranked 12th in the nation in the 2007 Census of

Agriculture. The largest private employers are Yakima Valley Memorial Hospital, Wal-Mart Stores, Inc., and Borton & Sons, Inc., with 2,500, 1,550, and 1,200 employees, respectively.

The economy of the metropolitan area has steadily improved since mid-2011. During the 12 months ending June 2012 (the most recent data available), covered employment increased by 2,000 jobs, or 2 percent, to 102,000 jobs, which exceeded the prerecession total of 101,100 jobs recorded in 2008. The strongest employment growth occurred in the agriculture, forestry, fishing, and hunting sector (hereafter referred to as the agriculture sector), which added 2,500 jobs, a 10.7-percent increase. This increase included gains of 1,800 jobs, or 11.8 percent, in the crop production subsector and 700 jobs, or 10.8 percent, in the agriculture and forestry support services subsector. The agriculture sector is the largest sector in the metropolitan area, accounting for 26,300 jobs, or 26 percent of total covered employment. The state of Washington produces an estimated 60 percent of the nation's apples, most of which are grown in the metropolitan area. Poor weather conditions in other apple-producing regions led to higher prices for Washington growers and contributed to strong growth in the agriculture sector in the metropolitan area. The only substantial employment declines occurred in the government and the other services sectors, which decreased by 300 jobs each, or 1.5 and 6.8 percent, respectively. During the 12 months ending November 2012, the unemployment rate averaged 9.9 percent, down from 10.0 percent during the previous 12 months.

Sales housing market conditions in the Yakima metropolitan area were balanced as of January 1, 2013. The estimated vacancy rate was 1.5 percent, up slightly from 1.4 percent in April 2010. Based on data from Hanley Wood, LLC, 1,950 existing single-family homes—regular resale and REO (Real Estate Owned)—sold during the 12 months ending November 2012, a 7-percent increase compared with the 1,825 homes sold during the previous 12 months. The average existing home sales price increased 10 percent, from $161,900 to $178,200. During the 12 months ending November 2012, 14 percent of existing homes sales were REO properties, relatively unchanged from the previous period. According to LPS Applied Analytics, 5.4 percent of home loans in the metropolitan area were 90 or more days delinquent, were in foreclosure, or transitioned into REO status in November 2012, up from 4.7 percent in November 2011. The market for new sales housing was softer than the market for existing sales housing. According to Hanley Wood, LLC, during the 12 months ending November 2012, new home sales declined to 85 homes sold compared with the 150 homes sold during the previous 12 months, and the average new home sales price decreased 3 percent, from $241,200 to $233,000.

Homebuilding activity, as measured by the number of single-family homes permitted, continued to decrease because of the soft market for new homes, a trend that began in 2008. Based on preliminary data, 120 single-family homes were permitted in 2012, a 19-percent decrease compared with the 150 homes permitted in 2011. By comparison, an average of 460 homes was permitted annually from 2008 through 2010.

Rental housing market conditions in the metropolitan area were tight as of January 1, 2013. The overall estimated rental vacancy rate was 4.0 percent, down slightly from 4.1 percent in April 2010. According to the Washington Center for Real Estate Research, from September 2011 to September 2012, the apartment vacancy rate decreased from 5.0 to 3.3 percent. The average monthly rent increased 1 percent from the previous year, to $587, and rents averaged $526 for a one-bedroom unit and $615 for a two-bedroom/one-bathroom unit. Although preliminary multifamily permitting data is unavailable for the metropolitan area, the city of Yakima reported 130 multifamily units under construction as of November 2012. The Castle Creek Apartments, in the city of Yakima, recently completed phase two of construction, adding 126 units that were fully occupied as of December 2012. The asking rents were $650 for a one-bedroom/one-bathroom unit, $800 for a two-bedroom/two-bathroom unit, and $900 for a three-bedroom/two-bathroom unit.

## Units Authorized by Building Permits, Year to Date: HUD Regions and States

| HUD Region and State | 2012 Through December | | | 2011 Through December | | | Ratio: 2012/2011 Through December | | |
|---|---|---|---|---|---|---|---|---|---|
| | Total | Single Family | Multi-family* | Total | Single Family | Multi-family* | Total | Single Family | Multi-family* |
| Connecticut | 5,240 | 2,405 | 2,835 | 3,113 | 2,130 | 983 | 1.683 | 1.129 | 2.884 |
| Maine | 2,788 | 2,360 | 428 | 2,299 | 1,997 | 302 | 1.213 | 1.182 | 1.417 |
| Massachusetts | 10,440 | 5,421 | 5,019 | 7,260 | 4,508 | 2,752 | 1.438 | 1.203 | 1.824 |
| New Hampshire | 2,536 | 1,884 | 652 | 2,236 | 1,647 | 589 | 1.134 | 1.144 | 1.107 |
| Rhode Island | 776 | 682 | 94 | 692 | 575 | 117 | 1.121 | 1.186 | 0.803 |
| Vermont | 1,258 | 881 | 377 | 1,199 | 778 | 421 | 1.049 | 1.132 | 0.895 |
| **New England** | **23,038** | **13,633** | **9,405** | **16,799** | **11,635** | **5,164** | **1.371** | **1.172** | **1.821** |
| New Jersey | 17,988 | 7,290 | 10,698 | 13,005 | 6,471 | 6,534 | 1.383 | 1.127 | 1.637 |
| New York | 23,574 | 8,369 | 15,205 | 21,701 | 7,975 | 13,726 | 1.086 | 1.049 | 1.108 |
| **New York/New Jersey** | **41,562** | **15,659** | **25,903** | **34,706** | **14,446** | **20,260** | **1.198** | **1.084** | **1.279** |
| Delaware | 4,066 | 2,865 | 1,201 | 2,991 | 2,495 | 496 | 1.359 | 1.148 | 2.421 |
| District of Columbia | 3,823 | 271 | 3,552 | 4,612 | 227 | 4,385 | 0.829 | 1.194 | 0.810 |
| Maryland | 14,646 | 9,078 | 5,568 | 12,198 | 7,919 | 4,279 | 1.201 | 1.146 | 1.301 |
| Pennsylvania | 19,663 | 14,134 | 5,529 | 15,725 | 12,353 | 3,372 | 1.250 | 1.144 | 1.640 |
| Virginia | 26,666 | 17,674 | 8,992 | 22,361 | 15,441 | 6,920 | 1.193 | 1.145 | 1.299 |
| West Virginia | 1,890 | 1,590 | 300 | 1,671 | 1,378 | 293 | 1.131 | 1.154 | 1.024 |
| **Mid-Atlantic** | **70,754** | **45,612** | **25,142** | **59,558** | **39,813** | **19,745** | **1.188** | **1.146** | **1.273** |
| Alabama | 11,385 | 8,033 | 3,352 | 10,668 | 7,935 | 2,733 | 1.067 | 1.012 | 1.226 |
| Florida | 65,039 | 42,626 | 22,413 | 44,043 | 32,555 | 11,488 | 1.477 | 1.309 | 1.951 |
| Georgia | 23,474 | 16,896 | 6,578 | 17,859 | 13,640 | 4,219 | 1.314 | 1.239 | 1.559 |
| Kentucky | 8,329 | 5,010 | 3,319 | 6,589 | 4,513 | 2,076 | 1.264 | 1.110 | 1.599 |
| Mississippi | 5,000 | 4,195 | 805 | 4,365 | 3,772 | 593 | 1.145 | 1.112 | 1.358 |
| North Carolina | 47,828 | 29,564 | 18,264 | 32,400 | 24,275 | 8,125 | 1.476 | 1.218 | 2.248 |
| South Carolina | 18,856 | 15,345 | 3,511 | 15,616 | 12,798 | 2,818 | 1.207 | 1.199 | 1.246 |
| Tennessee | 19,730 | 13,104 | 6,626 | 13,909 | 11,221 | 2,688 | 1.419 | 1.168 | 2.465 |
| **Southeast/Caribbean** | **199,641** | **134,773** | **64,868** | **145,449** | **110,709** | **34,740** | **1.373** | **1.217** | **1.867** |
| Illinois | 13,675 | 8,870 | 4,805 | 12,151 | 7,117 | 5,034 | 1.125 | 1.246 | 0.955 |
| Indiana | 13,807 | 10,626 | 3,181 | 12,485 | 9,526 | 2,959 | 1.106 | 1.115 | 1.075 |
| Michigan | 11,669 | 10,437 | 1,232 | 9,187 | 8,001 | 1,186 | 1.270 | 1.304 | 1.039 |
| Minnesota | 15,409 | 8,649 | 6,760 | 8,249 | 6,343 | 1,906 | 1.868 | 1.364 | 3.547 |
| Ohio | 17,416 | 10,983 | 6,433 | 14,253 | 9,346 | 4,907 | 1.222 | 1.175 | 1.311 |
| Wisconsin | 12,082 | 7,757 | 4,325 | 11,164 | 6,747 | 4,417 | 1.082 | 1.150 | 0.979 |
| **Midwest** | **84,058** | **57,322** | **26,736** | **67,489** | **47,080** | **20,409** | **1.246** | **1.218** | **1.310** |
| Arkansas | 7,178 | 4,850 | 2,328 | 6,177 | 3,700 | 2,477 | 1.162 | 1.311 | 0.940 |
| Louisiana | 12,741 | 11,161 | 1,580 | 11,772 | 9,643 | 2,129 | 1.082 | 1.157 | 0.742 |
| New Mexico | 4,871 | 3,842 | 1,029 | 4,032 | 3,393 | 639 | 1.208 | 1.132 | 1.610 |
| Oklahoma | 11,616 | 9,455 | 2,161 | 8,620 | 6,326 | 2,294 | 1.348 | 1.495 | 0.942 |
| Texas | 133,297 | 78,809 | 54,488 | 94,740 | 63,818 | 30,922 | 1.407 | 1.235 | 1.762 |
| **Southwest** | **169,703** | **108,117** | **61,586** | **125,341** | **86,880** | **38,461** | **1.354** | **1.244** | **1.601** |
| Iowa | 9,992 | 7,255 | 2,737 | 7,526 | 5,714 | 1,812 | 1.328 | 1.270 | 1.510 |
| Kansas | 6,048 | 3,732 | 2,316 | 4,969 | 3,146 | 1,823 | 1.217 | 1.186 | 1.270 |
| Missouri | 11,467 | 7,640 | 3,827 | 8,300 | 5,436 | 2,864 | 1.382 | 1.405 | 1.336 |
| Nebraska | 6,535 | 4,520 | 2,015 | 5,168 | 3,780 | 1,388 | 1.265 | 1.196 | 1.452 |
| **Great Plains** | **34,042** | **23,147** | **10,895** | **25,963** | **18,076** | **7,887** | **1.311** | **1.281** | **1.381** |
| Colorado | 23,377 | 13,110 | 10,267 | 13,831 | 9,426 | 4,405 | 1.690 | 1.391 | 2.331 |
| Montana | 2,873 | 1,735 | 1,138 | 2,038 | 1,392 | 646 | 1.410 | 1.246 | 1.762 |
| North Dakota | 8,086 | 3,964 | 4,122 | 4,643 | 2,506 | 2,137 | 1.742 | 1.582 | 1.929 |
| South Dakota | 4,431 | 3,066 | 1,365 | 2,939 | 2,154 | 785 | 1.508 | 1.423 | 1.739 |
| Utah | 12,520 | 9,550 | 2,970 | 9,793 | 6,734 | 3,059 | 1.278 | 1.418 | 0.971 |
| Wyoming | 1,877 | 1,498 | 379 | 1,944 | 1,337 | 607 | 0.966 | 1.120 | 0.624 |
| **Rocky Mountain** | **53,164** | **32,923** | **20,241** | **35,188** | **23,549** | **11,639** | **1.511** | **1.398** | **1.739** |
| Arizona | 21,693 | 16,121 | 5,572 | 12,605 | 10,294 | 2,311 | 1.721 | 1.566 | 2.411 |
| California | 58,540 | 27,361 | 31,179 | 45,335 | 21,995 | 23,340 | 1.291 | 1.244 | 1.336 |
| Hawaii | 3,210 | 1,936 | 1,274 | 2,857 | 1,620 | 1,237 | 1.124 | 1.195 | 1.030 |
| Nevada | 9,034 | 7,444 | 1,590 | 6,084 | 4,716 | 1,368 | 1.485 | 1.578 | 1.162 |
| **Pacific** | **92,477** | **52,862** | **39,615** | **66,881** | **38,625** | **28,256** | **1.383** | **1.369** | **1.402** |
| Alaska | 995 | 821 | 174 | 868 | 710 | 158 | 1.146 | 1.156 | 1.101 |
| Idaho | 6,753 | 5,625 | 1,128 | 3,946 | 3,489 | 457 | 1.711 | 1.612 | 2.468 |
| Oregon | 11,222 | 6,751 | 4,471 | 7,931 | 5,165 | 2,766 | 1.415 | 1.307 | 1.616 |
| Washington | 28,103 | 16,950 | 11,153 | 20,588 | 13,408 | 7,180 | 1.365 | 1.264 | 1.553 |
| **Northwest** | **47,073** | **30,147** | **16,926** | **33,333** | **22,772** | **10,561** | **1.412** | **1.324** | **1.603** |
| **United States** | **815,512** | **514,195** | **301,317** | **610,707** | **413,585** | **197,122** | **1.335** | **1.243** | **1.529** |

*Multifamily is two or more units in structure. Source: Census Bureau, Department of Commerce

## Units Authorized by Building Permits, Year to Date: 50 Most Active Core Based Statistical Areas (CBSAs)** (Listed by Total Building Permits)

| CBSA | CBSA Name | 2012 Through December | | |
|---|---|---|---|---|
| | | Total | Single Family | Multifamily* |
| 26420 | Houston-Sugar Land-Baytown, TX | 43,451 | 28,568 | 14,883 |
| 19100 | Dallas-Fort Worth-Arlington, TX | 33,797 | 17,821 | 15,976 |
| 35620 | New York-Northern New Jersey-Long Island, NY-NJ-PA | 26,931 | 6,794 | 20,137 |
| 47900 | Washington-Arlington-Alexandria, DC-VA-MD-WV | 22,352 | 10,970 | 11,382 |
| 12420 | Austin-Round Rock-San Marcos, TX | 19,219 | 7,970 | 11,249 |
| 42660 | Seattle-Tacoma-Bellevue, WA | 17,492 | 8,092 | 9,400 |
| 31100 | Los Angeles-Long Beach-Santa Ana, CA | 17,407 | 4,921 | 12,486 |
| 38060 | Phoenix-Mesa-Glendale, AZ | 15,881 | 11,859 | 4,022 |
| 12060 | Atlanta-Sandy Springs-Marietta, GA | 14,356 | 9,146 | 5,210 |
| 19740 | Denver-Aurora-Broomfield, CO | 13,772 | 5,616 | 8,156 |
| 39580 | Raleigh-Cary, NC | 12,883 | 6,423 | 6,460 |
| 33100 | Miami-Fort Lauderdale-Pompano Beach, FL | 12,626 | 5,048 | 7,578 |
| 16740 | Charlotte-Gastonia-Rock Hill, NC-SC | 12,248 | 6,704 | 5,544 |
| 33460 | Minneapolis-St. Paul-Bloomington, MN-WI | 11,432 | 5,611 | 5,821 |
| 36740 | Orlando-Kissimmee-Sanford, FL | 11,249 | 7,240 | 4,009 |
| 45300 | Tampa-St. Petersburg-Clearwater, FL | 10,299 | 5,885 | 4,414 |
| 41860 | San Francisco-Oakland-Fremont, CA | 9,490 | 3,105 | 6,385 |
| 16980 | Chicago-Joliet-Naperville, IL-IN-WI | 9,425 | 5,665 | 3,760 |
| 37980 | Philadelphia-Camden-Wilmington, PA-NJ-DE-MD | 9,042 | 5,240 | 3,802 |
| 14460 | Boston-Cambridge-Quincy, MA-NH | 8,902 | 4,075 | 4,827 |
| 41700 | San Antonio-New Braunfels, TX | 8,229 | 5,125 | 3,104 |
| 34980 | Nashville-Davidson—Murfreesboro—Franklin, TN | 8,226 | 5,343 | 2,883 |
| 38900 | Portland-Vancouver-Hillsboro, OR-WA | 7,882 | 4,489 | 3,393 |
| 27260 | Jacksonville, FL | 7,463 | 4,582 | 2,881 |
| 29820 | Las Vegas-Paradise, NV | 7,379 | 6,112 | 1,267 |
| 18140 | Columbus, OH | 6,558 | 2,899 | 3,659 |
| 36420 | Oklahoma City, OK | 6,446 | 5,342 | 1,104 |
| 12580 | Baltimore-Towson, MD | 5,937 | 3,876 | 2,061 |
| 41180 | St. Louis, MO-IL | 5,879 | 4,238 | 1,641 |
| 40140 | Riverside-San Bernardino-Ontario, CA | 5,823 | 4,229 | 1,594 |
| 41740 | San Diego-Carlsbad-San Marcos, CA | 5,687 | 2,198 | 3,489 |
| 41940 | San Jose-Sunnyvale-Santa Clara, CA | 5,661 | 1,513 | 4,148 |
| 47260 | Virginia Beach-Norfolk-Newport News, VA-NC | 5,502 | 3,544 | 1,958 |
| 28140 | Kansas City, MO-KS | 5,013 | 3,304 | 1,709 |
| 26900 | Indianapolis-Carmel, IN | 4,997 | 4,007 | 990 |
| 16700 | Charleston-North Charleston-Summerville, SC | 4,732 | 3,128 | 1,604 |
| 19820 | Detroit-Warren-Livonia, MI | 4,521 | 4,103 | 418 |
| 40060 | Richmond, VA | 4,279 | 2,827 | 1,452 |
| 19780 | Des Moines-West Des Moines, IA | 4,153 | 2,795 | 1,358 |
| 21340 | El Paso, TX | 4,147 | 2,968 | 1,179 |
| 41620 | Salt Lake City, UT | 3,911 | 2,794 | 1,117 |
| 36540 | Omaha-Council Bluffs, NE-IA | 3,766 | 2,490 | 1,276 |
| 17900 | Columbia, SC | 3,724 | 2,786 | 938 |
| 38300 | Pittsburgh, PA | 3,717 | 3,138 | 579 |
| 31140 | Louisville/Jefferson County, KY-IN | 3,611 | 2,353 | 1,258 |
| 17140 | Cincinnati-Middletown, OH-KY-IN | 3,603 | 2,668 | 935 |
| 14260 | Boise City-Nampa, ID | 3,527 | 2,890 | 637 |
| 32820 | Memphis, TN-MS-AR | 3,503 | 2,216 | 1,287 |
| 32580 | McAllen-Edinburg-Mission, TX | 3,425 | 2,810 | 615 |
| 46140 | Tulsa, OK | 3,421 | 2,687 | 734 |

*Multifamily is two or more units in structure. **As per new Office of Management and Budget metropolitan area definitions.
Source: Census Bureau, Department of Commerce