



METROPOLITAN AREA MARKET ANALYSIS USER'S GUIDE

DEMOGRAPHICS

This section summarizes the Bureau of Census' data for total population, percent population aged 20-34, number of households, net migration and land area. Per capita personal income figures and average household income data were provided by the Bureau of Economic Analysis.

EMPLOYMENT

This section details sector employment as a percentage of total non-farm employment and year-over-year percent change in sector employment. The data summarizes annual employment growth as of the second quarter. Data was provided by the Bureau of Labor Statistics.

HOUSING MARKET INDICATORS

The OFHEO Repeat Sales Index is provided by OFHEO. It is an index based upon housing sales prices for purchase or refinance mortgages that finance the same property at different points in time. Median housing prices are provided by the National Association of Realtors and Economy.com. Existing single-family home sales figures are provided by the National Association of Realtors. Single family housing permit data is provided by the Bureau of Census. In an effort to better judge local housing supply and demand balance, RMIC has developed the Supply and Demand (SD) index. An index greater than 1.0 indicates that new housing demand (proxied by job growth) is exceeding new supply growth by a greater factor than the benchmark rate. An index value less than 1.0 indicates prices may moderate since new supply growth is proceeding at a relatively faster pace than job growth. The index was constructed on an annual basis to control for seasonality. Mortgage originations, average loan amount, percent refinance, and percent Government insured data are provided as of current by the FFIEC in accordance with the Home Mortgage Disclosure Act (HMDA).

CREDIT CONDITIONS

Metropolitan and state-level personal and business bankruptcy filings were provided by the Administrative Offices of the U.S. District Courts. State business failures are provided by the Dunn & Bradstreet Corporation. Conventional mortgages past due, conventional foreclosures started during quarter, conventional as a percent of total foreclosures, and number of conventional loans serviced were provided by the Mortgage Banker's Association.

RISK SCORE AND MEASURES

S&D Index: compares new housing supply (proxied by permit issuances) to new housing demand (proxied by job growth). Home Prices: annualized quarter-over-quarter and year-over-year OFHEO Home Price Index growth. Delinquencies: compares current high LTV (>80%) loan delinquencies to their historical averages on a metro level basis.

INCOME AND HOME PRICES

This graph displays the percentage growth in both the median housing price and household income. This graph provides insight into recent trends in housing affordability by comparing growth in home prices versus income. These data are provided by the Bureau of Economic Analysis and the National Association of Realtors.

HOUSEHOLD GROWTH VERSUS RESIDENTIAL PERMITTING

This graph illustrates the growth in single family permits against the number of new households, and is intended to lend insight to trends in housing supply and demand. Data are provided by the Bureau of Census (household data only available through mid-2005 and is a projection thereafter).

PERMITTING AND HOME PRICES

This graph tracks recent levels of single family permit issuance and appreciation in the repeat sales index. The graph lends insight into housing supply growth and whether this growth is beginning to affect prices. These data are provided by OFHEO and the Bureau of Census.