



# Metropolitan Area Market Analysis (MAMA)

## Washington-Arlington-Alexandria, DC-VA-MD-WV

Metropolitan Division

Data through 2011 Q3

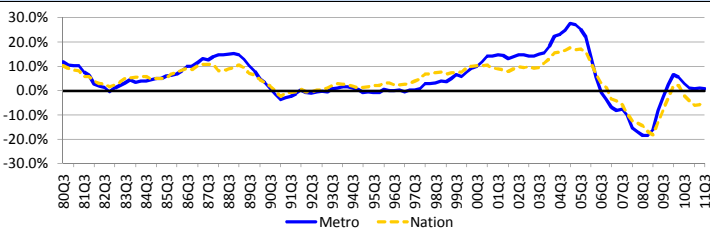
RMIC Market Classification  
Effective 12/15/2011

Level 1

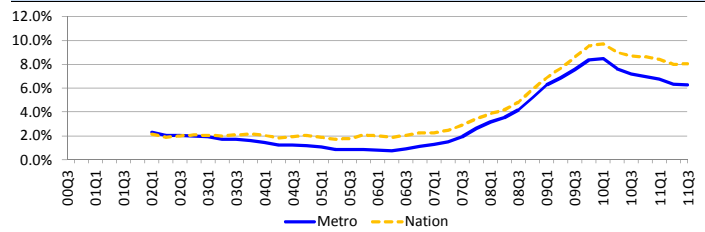
### Metro Area Risk Summary

- Home prices remain flat in Washington, with 12-month growth of 1.0% and 3-month growth of -0.2% based on the CoreLogic Home Price Index.
- Employment has been flat in Washington over the last year, but recent performance shows some positive growth. Employment has grown 0.4% over the last 12 months and 1.8% in the last 3-months (annualized).
- Delinquency rates are high compared to historical norms for this area, with 6.3% of mortgages seriously delinquent (60+ days delinquent or in foreclosure). Washington has the 205th highest seriously delinquent rate and 211th highest foreclosure rate among all metro areas in the country.
- Home prices are low relative to equivalent rents in Washington. Currently, monthly mortgage payments (principal + interest) based on the average priced property are 13.1% less than comparable rents in this area. Historically, average monthly payments (principal + interest) are 26.5% more than comparable rents in Washington.
- Home prices are high relative to income levels in Washington. Currently, average home values are 3.3 times more than median household income. Historically, average home values are 3.1 times more than median household income in Washington.

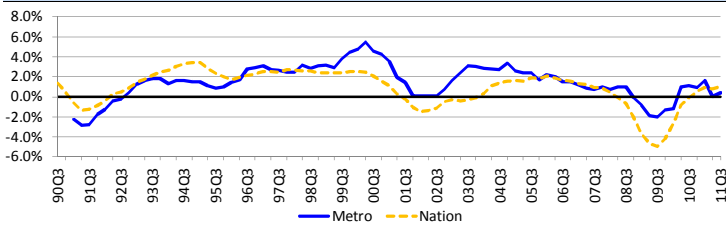
1-yr Home Price Appreciation



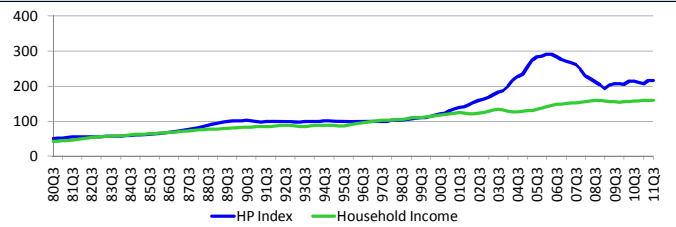
60+ Delinquency Rate (Includes Foreclosures; LPS McDash)



1-yr Employment Growth



Balance Between Income & Housing Costs in Metro



Note: Scale of axes may vary by metro area / state

All MAMA Report Terms Are Explained in User's Guide Found on RMIC.com

Key:

- = High Alert
- = Normal
- = Warning
- = Average
- = Very High
- = High
- = Low
- = Very Low

Home Prices	vs. History	Current 1-yr HPA 0-2%					
	vs. Control						
Metro Comparisons							
	vs. History	vs. State	vs. Nation	Metro	State	Nation	
3-mo Home Price Appreciation	L	H	A	-0.2%	-1.6%	-0.6%	
6-mo Home Price Appreciation	A	H	A	4.6%	2.8%	3.6%	
1-yr Home Price Appreciation	A	A	H	1.0%	1.4%	-4.1%	
3-yr Home Price Appreciation	A	H	H	1.4%	-4.2%	-13.8%	

Credit Conditions	vs. History	60+ Delinquency Rate >= 5%					
	vs. Control						
Metro Comparisons							
	vs. History	vs. State	vs. Nation	Metro	State	Nation	
* 30+ Delinquency Rate	H	A	L	8.7%	8.6%	11.1%	
* 60+ Delinquency Rate	H	A	L	6.3%	6.1%	8.0%	
* 90+ Delinquency Rate	H	A	L	5.4%	5.1%	6.9%	
Foreclosure Rate	H	A	L	2.2%	2.4%	3.7%	
Personal Bankruptcy Rate [1]	L	N/A	VL	0.4%	0.4%	1.1%	

Employment	vs. History	1-yr Employment Growth 0-1%					
	vs. Control						
Metro Comparisons							
	vs. History	vs. State	vs. Nation	Metro	State	Nation	
3-mo Employment Growth ann.	A	H	A	1.8%	-2.0%	0.7%	
1-yr Employment Growth	L	A	A	0.4%	0.1%	1.0%	
1-yr Labor Force Growth	L	A	A	0.4%	-0.3%	-0.2%	
Unemployment Rate	VH	VL	VL	6.1%	11.0%	9.1%	
Initial UI Claims Rate [1]	VH	N/A	L	2.6%	2.6%	4.2%	

Major Industry Concentrations	Industry		1-yr Growth
	Metro	Nation	
Wholesale / Retail Trade	10.4%	15.3%	Low
Education / Health Services	11.7%	15.3%	Low
State / Local Government	10.9%	14.6%	Low
Professional / Business Services	23.5%	13.1%	High
Leisure / Hospitality	8.8%	10.1%	Low
Manufacturing	1.3%	9.0%	Low
Finance Activities	4.5%	5.8%	Low
Nat. Res., Mining & Construction	4.4%	4.8%	Low
Other Services	6.1%	4.2%	Low
Transportation / Utilities	2.2%	3.7%	Low
Federal Government	13.5%	2.1%	High
Information	2.6%	2.0%	Low
Total	100.0%	100.0%	

Affordability	vs. History	Home Prices Not Overvalued					
	vs. Control						
Metro Comparisons							
	vs. History	vs. State	vs. Nation	Metro	State	Nation	
Home Price Valuation (RMIC)	L	A	A	Proprietary	Proprietary	Proprietary	
NAR Affordability Index	H	L	VL	152.0	143.6	203.8	
Average Home Price (RMIC)	H	L	VH	\$295,000	\$282,200	\$156,800	
Avg Price to Income Ratio (RMIC)	H	VL	H	3.3	5.3	3.1	
Mtg Pmt to Rent Ratio (RMIC)	VL	VL	H	0.9	0.8	0.6	

Growth Symbols:

- = 1-yr Emp Growth ≤ 0%
- = 1-yr Emp Growth 0-1%
- = 1-yr Emp Growth > 1%

[1] State-Level Data; Comparison vs. History based on state-level rates