

I. Introduction

The Business Cycle Dating Committee of the National Bureau of Economic Research (NBER) is the authority relied upon to date the US economy's business cycles. The NBER defines a recession as:

... a significant decline in economic activity spread across the economy, lasting more than a few months, normally visible in production, employment, real income, and other indicators. A recession begins when the economy reaches a peak of activity and ends when the economy reaches its trough. Between trough and peak, the economy is in an expansion ... Because a recession is a broad contraction of the economy, not confined to one sector, the committee emphasizes economy-wide measures of economic activity.¹

No state has been immune from this recession, but some have been impacted more severely than others. This series of White Papers will detail a variety of subjects important to the Pennsylvania Housing Finance Agency (PHFA) as it develops policies, programs, and procedures to support the Commonwealth's housing market while navigating the throes of this difficult economic time. This paper, the first of the series, will detail the general conditions of the housing and mortgage markets – with some specific attention paid to jobs and income as drivers of that market. Subsequent papers will address in detail the Commonwealth's: (1) home prices, and affordability; and (2) rental housing market.

II. Gross Domestic Product

The current recession is reported to have begun in December of 2007 and, in September of 2010, the NBER reported that the national economy reached its trough in June of 2009. Thus, this most recent business cycle lasted some 18 months, making it the longest recession since World War II.² Although the US economy no longer technically remains in recession, not every part of the US experienced the recession or any subsequent recovery in the same way or to the same extent. For example, the Bureau of Economic Analysis (BEA) reports that from 2006 to 2007, the US Gross Domestic Product (GDP) – the primary indicator of domestic production - grew by 1.9% but declined between 2007 and 2008. From 2008 to 2009 the US GDP declined by another 2.5% and returned to growth between 2009 and 2010.³ Pennsylvania's GDP grew by 1.9% between 2006 and 2007 and was essentially flat between 2007 and 2008. Pennsylvania did experience a decline between 2008 and 2009 – albeit not as severe as the US average – but returned to above US average growth between 2009 and 2010.⁴

¹ See: <http://www.nber.org/cycles/dec2008.html>

² <http://www.nber.org/cycles/sept2010.html>

³ http://www.bea.gov/newsreleases/national/gdp/2010/pdf/gdp2q10_adv.pdf

⁴ http://www.bea.gov/newsreleases/regional/gdp_state/gsp_newsrelease.htm

| Real GDP by State, 2007-2010 | | | | | | | | | |
|------------------------------|------------------------------------|-------------------|-------------------|-------------------|----------------|-------------|-------------|------------|------------|
| | Millions of chained (2005) dollars | | | | Percent change | | | | |
| | 2007 | 2008 | 2009 | 2010* | 2007 | 2008 | 2009 | 2010* | 2010 Rank* |
| United States | 13,143,678 | 13,100,045 | 12,773,853 | 13,099,722 | 1.9 | -0.3 | -2.5 | 2.6 | |
| Delaware | 57,079 | 54,323 | 55,472 | 56,199 | 3.3 | -4.8 | 2.1 | 1.3 | 42 |
| Maryland | 257,023 | 259,431 | 257,382 | 264,882 | 1.8 | 0.9 | -0.8 | 2.9 | 16 |
| New Jersey | 444,651 | 445,504 | 428,222 | 438,721 | 0.9 | 0.2 | -3.9 | 2.5 | 23 |
| Pennsylvania | 498,773 | 499,495 | 490,996 | 505,935 | 1.9 | 0.1 | -1.7 | 3.0 | 14 |

Table 1: Change in GDP by State

III. Unemployment

Unemployment, the NBER's second indicator of recession, more than doubled in Pennsylvania between the end of 2007 and the first quarter of 2010. In fact, Pennsylvania's unemployment rate began to rise in the 3rd quarter of 2006, a few quarters before the NBER pegs the beginning of the recession. Among Mid-Atlantic states, Pennsylvania's unemployment rate typically exceeds Delaware and Maryland, but as the recession took hold, New Jersey' rate surpassed Pennsylvania.

| | Delaware | Maryland | New Jersey | Pennsylvania | US |
|---------|----------|----------|------------|--------------|------|
| 2007 Q1 | 3.6 | 3.4 | 4.3 | 4.5 | 4.8 |
| 2007 Q2 | 3.7 | 3.7 | 4.2 | 4.4 | 4.4 |
| 2007 Q3 | 3.3 | 3.4 | 4.1 | 4.0 | 4.7 |
| 2007 Q4 | 3.6 | 3.4 | 4.3 | 4.4 | 4.6 |
| 2008 Q1 | 4.2 | 3.7 | 5.1 | 5.2 | 5.3 |
| 2008 Q2 | 4.8 | 4.4 | 5.2 | 5.3 | 5.2 |
| 2008 Q3 | 5.3 | 4.6 | 5.6 | 5.1 | 6.0 |
| 2008 Q4 | 6.3 | 5.5 | 6.7 | 6.1 | 6.6 |
| 2009 Q1 | 7.9 | 6.8 | 8.9 | 8.0 | 8.8 |
| 2009 Q2 | 8.4 | 7.3 | 9.5 | 8.3 | 9.1 |
| 2009 Q3 | 8.2 | 7.0 | 9.6 | 8.2 | 9.6 |
| 2009 Q4 | 8.6 | 7.1 | 9.7 | 8.5 | 9.5 |
| 2010 Q1 | 8.9 | 7.7 | 10.1 | 9.4 | 10.4 |
| 2010 Q2 | 8.5 | 7.4 | 9.4 | 8.7 | 9.5 |
| 2010 Q3 | 8.1 | 7.2 | 9.0 | 8.0 | 9.5 |
| 2010 Q4 | 8.2 | 7.0 | 8.7 | 8.1 | 9.2 |
| 2011 Q1 | 8.2 | 7.0 | 9.6 | 8.0 | 9.5 |
| 2011 Q2 | NA | NA | NA | NA | 8.9 |

Table 2: Unemployment Rate; 2007-2011

As of the most recent data available (1st quarter 2011) within Pennsylvania, the metro areas manifesting the most acute unemployment problems are: Scranton-Wilkes Barre (9.3% - down from its peak of 10.4), Allentown-Bethlehem-Easton (8.9% - down from its peak of 10.1%), Johnstown (8.6% - down from its peak of 10.2%), Erie (8.5% - down from its peak of 10.6%) and Philadelphia-Camden-Wilmington (8.5% - down from its peak of 9.4%).

Among Pennsylvania's most populous counties, those with the highest unemployment rates at the end of the first quarter of 2011 are: Philadelphia (10% - down from its peak of 11%), Monroe (9.6% - down from its peak of

10.3%), Lehigh (8.7% - down from its peak of 10%), Northampton (8.6% - down from its peak of 9.8%) and Erie (8.5% - down from its peak of 10.6%).⁵

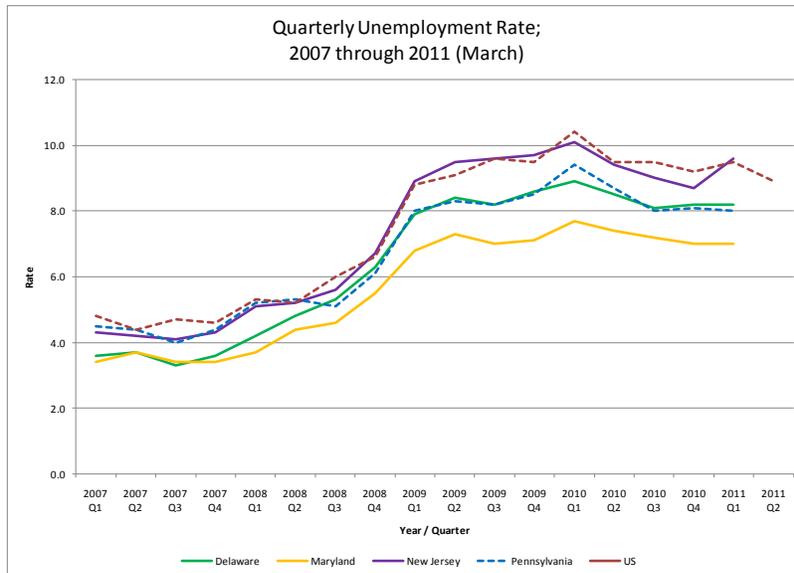


Figure 1: US and Mid-Atlantic Unemployment Rates; 2007-2011 (Q1)

IV. Income

Average annual pay, as reported by the Bureau of Labor Statistics⁶, shows that between 2001 and 2010 the US average annual pay rose by 29.1%, ending this period with an average of \$46,742. Pennsylvania's average in 2010 was approximately \$1,000 below the US average and below that of the Mid-Atlantic states of New Jersey, Maryland and Delaware.

Since 2001, Pennsylvania's average annual pay increased at rate greater than the US average. In fact, Pennsylvania's change between 2001 and 2010 exceeded all Mid-Atlantic states except for Maryland. Breaking out the period pre- and post-onset of the recession, Pennsylvania performed reasonably well compared to the US average and all but Maryland in the Mid-Atlantic.

⁵ The city of Pittsburgh – although not shown in the resource tables – ended the first quarter of 2011 at 7.3%, down from its peak of 8.6%.

⁶ Data extracted from databases made available at www.bls.gov.

| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | Percent Change; 2001-2010 | Percent Change; 2001-2007 | Percent Change; 2008-2010 |
|---------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|---------------------------------|---------------------------------|---------------------------------|
| United States | 36219 | 36764 | 37765 | 39354 | 40677 | 42535 | 44458 | 45563 | 45559 | 46742 | 29.1% | 22.7% | 2.6% |
| Delaware | 38427 | 39684 | 40954 | 42487 | 44622 | 46285 | 47308 | 47569 | 47770 | 48716 | 26.8% | 23.1% | 2.4% |
| Maryland | 38253 | 39382 | 40686 | 42579 | 44368 | 46162 | 48241 | 49535 | 50579 | 51738 | 35.3% | 26.1% | 4.4% |
| New Jersey | 44320 | 45182 | 46351 | 48064 | 49471 | 51645 | 53853 | 55280 | 55168 | 56371 | 27.2% | 21.5% | 2.0% |
| Pennsylvania | 34978 | 35808 | 36995 | 38555 | 39661 | 41349 | 43239 | 44381 | 44829 | 45734 | 30.8% | 23.6% | 3.0% |

Table 3: Average Annual Pay

Among Pennsylvania’s most populous counties, the highest weekly wages as of the 4th quarter of 2010 were found in Chester (\$1,264), Montgomery (\$1,200), Philadelphia (\$1,156), Allegheny (\$1,033), and Delaware (\$1,011).⁷ Lower wages were observed in Erie (\$754), Westmoreland (\$780), Berks (\$800), Monroe (\$806) and Lancaster (\$811).

Individual wages combine into households and families.^{8,9} Household and family income not only includes contributions of each wage-earner, but also income attributed to non-wage sources (e.g., interest, dividends, pension, social security, etc.). Pennsylvania’s household and family incomes ranked among the lowest in the Mid-Atlantic in 2000. By 2009, in real terms, Pennsylvania’s median household income had declined by 4.5% and family income by 2.2%. In the past decade, Delaware is the most challenged among Mid-Atlantic states.

| | Household Income | | | | Family Income | | | |
|--------------|------------------|-----------|------------------------|-------------------------|---------------|-----------|------------------------|-------------------------|
| | 2000 | 2009 | 2009 (in 1999 dollars) | Inf Adjusted Pct Change | 2000 | 2009 | 2009 (in 1999 dollars) | Inf Adjusted Pct Change |
| Delaware | \$ 47,381 | \$ 56,860 | \$ 43,998 | -7.1% | \$ 55,257 | \$ 67,582 | \$ 52,294 | -5.4% |
| Maryland | \$ 52,868 | \$ 69,272 | \$ 53,602 | 1.4% | \$ 61,876 | \$ 84,254 | \$ 65,195 | 5.4% |
| New Jersey | \$ 55,146 | \$ 68,342 | \$ 52,883 | -4.1% | \$ 65,370 | \$ 83,381 | \$ 64,520 | -1.3% |
| Pennsylvania | \$ 40,106 | \$ 49,520 | \$ 38,318 | -4.5% | \$ 49,184 | \$ 62,185 | \$ 48,118 | -2.2% |

Table 4: Median Household and Family Income

⁷ Bureau of Labor Statistics, 11/2/2009. “County Employment and Wages in Pennsylvania – First Quarter 2009”.

⁸ Median household and family data were gathered from the US Department of the Commerce, Bureau of the Census. 2000 income data (reflecting 1999 income) were obtained from Summary File 3 reports. 2008 income data were obtained from the Census’ American Community Survey, 2008 3-Year Estimate file and these data adjust all three years’ income to 2008 dollars. TRF then turned all median income amounts to 1999 income using the Bureau of Labor Statistics Inflation Calculator.

⁹The Census defines a household as including all of the people who regularly occupy a housing unit as their usual place of residence. Census defines a family as including two or more people who live together who are related by birth, marriage or adoption.

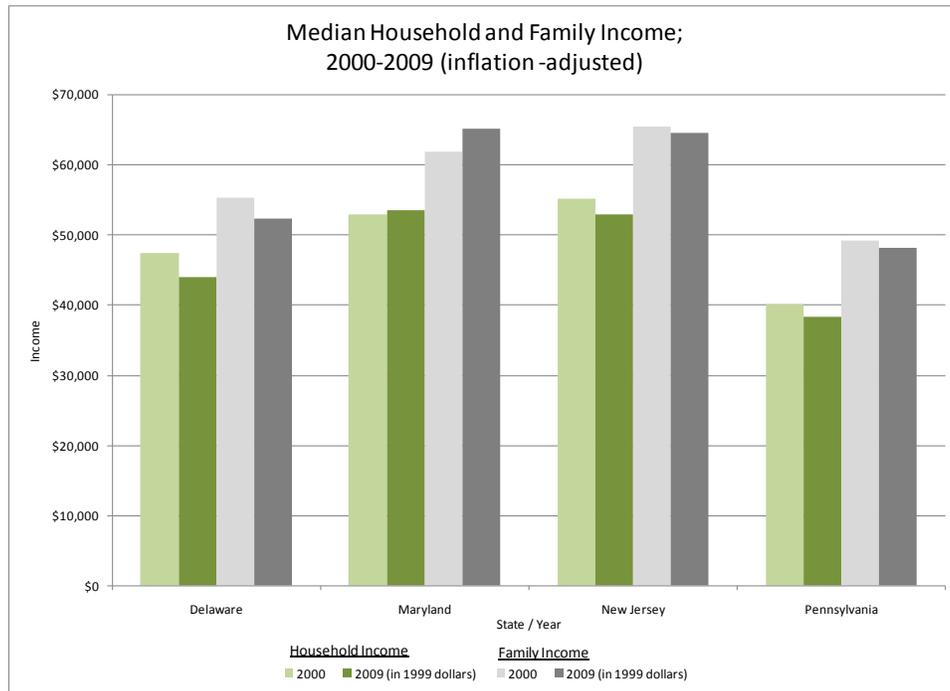


Figure 2: Median Household & Family Income

V. Population¹⁰

Pennsylvania’s population grew slowly over the decade, achieving a 2.8% rise to 12.63 million residents. Growth over that time period was uneven, in that the population grew in the first part of the decade at a slightly slower rate than the later part of the decade. Over the past decade, Pennsylvania grew at the slowest rate of the Mid-Atlantic states, although it remains the most populous of those states. Delaware, the smallest Mid-Atlantic state, achieved a 13.4% growth in population.

| | July 1, 2010 | July 1, 2009 | July 1, 2008 | July 1, 2007 | July 1, 2006 | July 1, 2005 | July 1, 2004 | July 1, 2003 | July 1, 2002 | July 1, 2001 | July 1, 2000 | Percent Change: 2000-2010 | Percent Change: 2000-2004 | Percent Change: 2005-2010 |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------------------|---------------------------|---------------------------|
| Delaware | 891,464 | 884,124 | 876,794 | 865,314 | 853,301 | 840,296 | 827,154 | 815,525 | 804,636 | 794,954 | 786,417 | 13.4% | 5.2% | 6.1% |
| Maryland | 5,737,274 | 5,688,399 | 5,650,870 | 5,627,211 | 5,605,552 | 5,576,889 | 5,537,913 | 5,491,971 | 5,437,880 | 5,374,009 | 5,310,504 | 8.0% | 4.3% | 2.9% |
| New Jersey | 8,732,811 | 8,693,723 | 8,657,319 | 8,630,810 | 8,619,354 | 8,619,564 | 8,610,474 | 8,585,567 | 8,543,281 | 8,488,427 | 8,430,799 | 3.6% | 2.1% | 1.3% |
| Pennsylvania | 12,632,780 | 12,602,112 | 12,562,536 | 12,517,701 | 12,466,485 | 12,415,908 | 12,387,357 | 12,360,988 | 12,324,237 | 12,296,977 | 12,283,881 | 2.8% | 0.8% | 1.7% |

Table 5: Estimated Population

An area’s population change is typically broken into component parts to more precisely understand the change. These component parts are: *natural* (i.e., a comparison of the number of people added through birth to those subtracted through death) and *migration* (i.e., a comparison of the number of people who move into an area

¹⁰ All population data in this section derive from the US Census Bureau’s estimates reported through its Population Division (<http://www.census.gov/popest/>).

compared to the number that move out). Migration is further divided by the source/destination of migration, which can be domestic (i.e., from another US state) or international (i.e., from outside the US).

Pennsylvania's growth in population is roughly equally distributed between natural increase and increase due to migration. From the perspective of domestic migration, Pennsylvania lost 40 thousand more residents to other US states than came into Pennsylvania. However Pennsylvania drew 176.5 thousand more people from outside the US than it lost. Delaware, a state that grew at a much faster rate than PA, gained largely from both natural and domestic migration. Maryland, which also grew at a much greater rate than Pennsylvania, did so owing largely to natural increase with a substantial positive international migration number. Unlike the other Mid-Atlantic states, New Jersey experienced a net migration loss owing to a large domestic outmigration partially offset by international migration. New Jersey also benefitted from a large natural increase in population.

| | Total Population 7/1/2009 | Total Population Change; 2000- 2009 | Natural Increase | Vital Events | | Net Migration | | | Percent of Total Change Attributed to Natural Increase |
|--------------|---------------------------------|--|---------------------|--------------|-----------|---------------|---------------|----------|---|
| | | | | Births | Deaths | Total | International | Domestic | |
| Delaware | 885,122 | 101,565 | 40,095 | 106,409 | 66,314 | 66,047 | 19,523 | 46,524 | 39.5% |
| Maryland | 5,699,478 | 402,934 | 293,234 | 698,269 | 405,035 | 95,290 | 191,262 | -95,972 | 72.8% |
| New Jersey | 8,707,739 | 293,361 | 374,414 | 1,038,937 | 664,523 | -60,000 | 399,803 | -459,803 | 127.6% |
| Pennsylvania | 12,604,767 | 323,696 | 166,796 | 1,350,244 | 1,183,448 | 136,359 | 176,498 | -40,139 | 51.5% |

Table 6: Components of Population Change

Counties in Pennsylvania manifesting the greatest proportionate growth over the decade are Forest, a rural county of under 7,000 people (40.1%), Pike (28.9%), Monroe (19.0%), Chester (15.2%) and Franklin (12.7%).¹¹ Among Pennsylvania's largest counties, Philadelphia reversed a 50+ year period of population decline manifesting a 3.0% increase over the decade. Philadelphia experienced a small population increase (0.3%) over the first half of the decade. Growth during the second half of the decade was relatively robust (2.5%). The population of Pennsylvania's second most populous county, Allegheny County, declined by 4.7%, with much of that decline occurring in the first half of the decade. Montgomery county experienced modest growth (5.1%), somewhat stronger in the first half of the decade (2.9%) than later (2.1%).

¹¹ Population growth in Forest County is attributable, at least in part, to SCI Forest prison, which opened in 2004. PA Department of Corrections reports show that there are approximately 2,300 prisoners at the close of 2009.

**Recent Changes in the Housing
and Mortgage Markets of Pennsylvania;
Working Paper #1-2011**

| Geographic Area | Census 2000 | July 2000 Estimate | July 2001 Estimate | July 2002 Estimate | July 2003 Estimate | July 2004 Estimate | July 2005 Estimate | July 2006 Estimate | July 2007 Estimate | July 2008 Estimate | July 2009 Estimate | April 2010 Estimate | July 2010 Estimate | Percent Change; 2000- 2010 |
|-----------------------|-------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|-----------------------|----------------------------------|
| Pennsylvania | 12,281,054 | 12,283,881 | 12,296,977 | 12,324,237 | 12,360,988 | 12,387,357 | 12,415,908 | 12,466,485 | 12,517,701 | 12,562,536 | 12,602,112 | 12,625,433 | 12,632,780 | 2.8% |
| Adams County | 91,292 | 91,504 | 92,720 | 94,151 | 95,806 | 97,669 | 99,039 | 100,418 | 101,180 | 101,889 | 102,222 | 102,478 | 102,560 | 12.1% |
| Allegheny County | 1,281,666 | 1,280,060 | 1,272,669 | 1,265,586 | 1,257,950 | 1,246,305 | 1,232,770 | 1,223,319 | 1,219,953 | 1,218,453 | 1,219,306 | 1,220,259 | 1,220,510 | -4.7% |
| Armstrong County | 72,392 | 72,262 | 71,739 | 71,405 | 71,163 | 70,757 | 69,800 | 69,077 | 68,785 | 68,430 | 67,820 | 67,540 | 67,443 | -6.7% |
| Beaver County | 181,412 | 181,128 | 179,573 | 178,574 | 177,910 | 176,829 | 175,303 | 173,817 | 172,921 | 172,281 | 171,638 | 171,766 | 171,797 | -5.2% |
| Bedford County | 49,984 | 49,934 | 49,753 | 49,687 | 49,716 | 49,679 | 49,489 | 49,622 | 49,628 | 49,773 | 49,588 | 49,442 | 49,390 | -1.1% |
| Berks County | 373,638 | 374,577 | 377,143 | 380,618 | 384,674 | 389,106 | 393,613 | 398,966 | 402,113 | 404,336 | 406,179 | 407,434 | 407,843 | 8.9% |
| Blair County | 129,144 | 128,984 | 128,299 | 127,333 | 126,899 | 126,552 | 125,907 | 126,016 | 126,003 | 125,995 | 125,966 | 125,824 | 125,770 | -2.5% |
| Bradford County | 62,761 | 62,732 | 62,465 | 62,306 | 61,969 | 61,806 | 61,755 | 61,447 | 61,331 | 61,184 | 61,154 | 61,248 | 61,276 | -2.3% |
| Bucks County | 597,635 | 599,266 | 603,074 | 607,374 | 610,338 | 613,728 | 616,083 | 619,231 | 621,407 | 623,681 | 625,300 | 626,049 | 626,280 | 4.5% |
| Butler County | 174,083 | 174,528 | 175,808 | 177,441 | 178,662 | 179,318 | 179,961 | 181,509 | 182,382 | 183,542 | 184,357 | 184,983 | 185,178 | 6.1% |
| Cambria County | 152,598 | 152,155 | 150,898 | 149,778 | 148,717 | 147,680 | 146,681 | 145,760 | 145,013 | 144,396 | 143,974 | 143,470 | 143,292 | -5.8% |
| Cameron County | 5,974 | 5,902 | 5,859 | 5,766 | 5,710 | 5,548 | 5,451 | 5,372 | 5,315 | 5,241 | 5,170 | 5,160 | 5,156 | -12.6% |
| Carbon County | 58,802 | 58,793 | 59,161 | 59,519 | 59,994 | 60,635 | 61,528 | 62,092 | 63,175 | 63,632 | 63,738 | 63,668 | 63,640 | 8.2% |
| Centre County | 135,758 | 135,830 | 136,778 | 139,259 | 140,605 | 141,102 | 141,595 | 143,980 | 144,049 | 145,470 | 146,151 | 146,525 | 146,656 | 8.0% |
| Chester County | 433,501 | 435,502 | 441,415 | 448,435 | 455,821 | 463,615 | 471,212 | 479,880 | 487,317 | 492,981 | 498,096 | 500,873 | 501,789 | 15.2% |
| Clarion County | 41,765 | 41,696 | 41,427 | 41,024 | 41,007 | 40,158 | 40,037 | 40,107 | 39,846 | 39,743 | 39,506 | 39,279 | 39,203 | -6.0% |
| Clearfield County | 83,382 | 83,512 | 83,108 | 83,113 | 82,661 | 82,305 | 82,112 | 82,819 | 83,040 | 82,707 | 82,626 | 82,396 | 82,320 | -1.4% |
| Clinton County | 37,914 | 37,882 | 37,657 | 37,482 | 37,367 | 37,214 | 37,162 | 37,219 | 37,142 | 36,999 | 36,881 | 36,865 | 36,859 | -2.7% |
| Columbia County | 64,151 | 63,887 | 64,038 | 64,134 | 64,315 | 64,410 | 64,372 | 64,486 | 64,619 | 64,873 | 65,262 | 65,191 | 65,165 | 2.0% |
| Crawford County | 90,366 | 90,295 | 90,033 | 89,907 | 89,651 | 89,388 | 89,065 | 89,024 | 89,056 | 88,510 | 88,495 | 88,186 | 88,080 | -2.5% |
| Cumberland County | 213,674 | 213,928 | 214,958 | 217,021 | 218,838 | 220,417 | 222,261 | 225,445 | 227,178 | 229,680 | 232,087 | 233,429 | 233,881 | 9.3% |
| Dauphin County | 251,798 | 251,792 | 251,555 | 252,527 | 252,886 | 252,541 | 252,998 | 254,481 | 256,489 | 257,980 | 258,855 | 259,233 | 259,354 | 3.0% |
| Delaware County | 550,864 | 551,773 | 552,409 | 552,387 | 552,500 | 551,677 | 552,094 | 553,576 | 554,979 | 556,506 | 558,503 | 559,470 | 559,776 | 1.5% |
| Elk County | 35,112 | 35,035 | 34,756 | 34,369 | 34,073 | 33,728 | 33,247 | 32,841 | 32,662 | 32,328 | 32,022 | 31,752 | 31,658 | -9.6% |
| Erie County | 280,843 | 280,795 | 281,458 | 281,767 | 282,082 | 279,509 | 278,541 | 279,357 | 279,194 | 278,911 | 279,645 | 280,030 | 280,149 | -0.2% |
| Fayette County | 148,644 | 148,376 | 146,904 | 146,039 | 145,323 | 145,650 | 145,038 | 144,215 | 143,783 | 142,978 | 142,135 | 141,672 | 141,510 | -4.6% |
| Forest County | 4,946 | 4,945 | 5,065 | 5,014 | 4,977 | 5,796 | 6,553 | 7,026 | 6,939 | 6,820 | 7,019 | 6,947 | 6,929 | 40.1% |
| Franklin County | 129,313 | 129,715 | 130,312 | 131,410 | 132,657 | 134,412 | 137,159 | 140,212 | 142,292 | 144,117 | 145,376 | 146,038 | 146,251 | 12.7% |
| Fulton County | 14,261 | 14,309 | 14,243 | 14,297 | 14,487 | 14,523 | 14,590 | 14,781 | 14,967 | 14,973 | 14,905 | 14,923 | 14,926 | 4.3% |
| Greene County | 40,672 | 40,603 | 40,303 | 40,187 | 39,918 | 39,604 | 39,976 | 39,539 | 39,349 | 39,385 | 39,230 | 39,094 | 39,051 | -3.8% |
| Huntingdon County | 45,586 | 45,634 | 45,585 | 45,664 | 45,721 | 45,660 | 45,595 | 45,467 | 45,580 | 45,612 | 45,653 | 45,662 | 45,666 | 0.1% |
| Indiana County | 89,605 | 89,516 | 89,140 | 88,863 | 88,901 | 88,419 | 87,951 | 87,722 | 87,405 | 87,532 | 87,337 | 87,257 | 87,227 | -2.6% |
| Jefferson County | 45,932 | 45,880 | 45,626 | 45,459 | 45,448 | 45,273 | 45,143 | 45,064 | 45,050 | 44,945 | 44,724 | 44,818 | 44,848 | -2.2% |
| Juniata County | 22,821 | 22,811 | 22,685 | 22,768 | 22,908 | 23,071 | 23,113 | 23,061 | 23,034 | 23,046 | 23,018 | 22,982 | 22,967 | 0.7% |
| Lackawanna County | 213,295 | 212,916 | 211,985 | 210,659 | 209,797 | 209,180 | 208,910 | 208,515 | 208,882 | 208,842 | 208,352 | 208,190 | 208,127 | -2.7% |
| Lancaster County | 470,658 | 471,872 | 474,494 | 478,226 | 482,223 | 485,935 | 489,529 | 494,611 | 499,571 | 504,057 | 507,814 | 509,989 | 510,692 | 8.2% |
| Lawrence County | 94,643 | 94,546 | 93,940 | 93,643 | 93,234 | 92,595 | 91,895 | 91,222 | 90,872 | 90,529 | 89,988 | 89,599 | 89,464 | -5.4% |
| Lebanon County | 120,327 | 120,822 | 120,677 | 121,166 | 122,331 | 123,480 | 124,680 | 126,423 | 128,030 | 129,130 | 130,209 | 130,852 | 130,704 | 8.7% |
| Lehigh County | 312,090 | 312,338 | 314,336 | 316,156 | 319,902 | 323,770 | 328,255 | 333,051 | 336,679 | 340,108 | 342,112 | 343,968 | 344,571 | 10.3% |
| Luzerne County | 319,250 | 318,743 | 315,687 | 313,868 | 312,851 | 311,620 | 311,322 | 310,937 | 311,547 | 311,637 | 312,089 | 311,805 | 311,691 | -2.2% |
| Lycoming County | 120,044 | 119,880 | 119,019 | 118,494 | 118,298 | 118,120 | 117,762 | 117,261 | 116,943 | 116,693 | 116,754 | 116,864 | 116,916 | -2.5% |
| McKean County | 45,936 | 45,750 | 45,207 | 45,312 | 44,809 | 44,345 | 43,885 | 43,957 | 43,680 | 43,469 | 43,295 | 43,029 | 42,938 | -6.1% |
| Mercer County | 120,293 | 120,236 | 119,813 | 119,361 | 119,226 | 118,793 | 118,161 | 117,594 | 117,230 | 116,612 | 116,194 | 115,985 | 115,905 | -3.6% |
| Mifflin County | 46,486 | 46,472 | 46,454 | 46,406 | 46,190 | 45,994 | 45,967 | 45,943 | 46,011 | 46,007 | 46,014 | 45,987 | 45,974 | -1.1% |
| Monroe County | 138,687 | 139,676 | 143,459 | 148,200 | 153,020 | 156,726 | 160,140 | 162,823 | 164,651 | 165,532 | 165,986 | 166,155 | 166,209 | 19.0% |
| Montgomery County | 750,097 | 751,297 | 758,228 | 763,737 | 769,082 | 771,438 | 772,919 | 773,711 | 776,602 | 779,762 | 785,102 | 788,686 | 789,862 | 5.1% |
| Montour County | 18,236 | 18,278 | 18,226 | 18,117 | 18,077 | 17,961 | 17,919 | 17,810 | 17,766 | 17,715 | 17,744 | 17,810 | 17,830 | -2.5% |
| Northampton County | 267,066 | 267,841 | 269,690 | 273,330 | 277,484 | 282,299 | 286,273 | 290,801 | 294,528 | 296,513 | 298,144 | 299,277 | 299,646 | 11.9% |
| Northumberland County | 94,556 | 94,774 | 93,819 | 93,362 | 92,928 | 92,369 | 91,882 | 91,492 | 91,480 | 91,615 | 91,957 | 91,506 | 91,356 | -3.6% |
| Perry County | 43,602 | 43,602 | 43,737 | 43,800 | 44,080 | 44,277 | 44,505 | 44,845 | 45,169 | 45,255 | 45,563 | 45,645 | 45,671 | 4.7% |
| Philadelphia County | 1,517,550 | 1,513,674 | 1,512,396 | 1,510,606 | 1,510,884 | 1,514,845 | 1,517,595 | 1,519,895 | 1,529,253 | 1,540,351 | 1,549,564 | 1,556,373 | 1,558,613 | 3.0% |
| Pike County | 46,302 | 46,443 | 47,867 | 49,557 | 51,564 | 53,247 | 55,198 | 57,064 | 58,394 | 59,818 | 60,019 | 59,900 | 59,859 | 28.9% |
| Potter County | 18,080 | 18,081 | 18,024 | 18,075 | 17,896 | 17,717 | 17,489 | 17,442 | 17,105 | 16,853 | 16,708 | 16,732 | 16,739 | -7.4% |
| Schuylkill County | 150,336 | 149,990 | 149,014 | 148,385 | 147,293 | 146,364 | 146,046 | 146,910 | 147,211 | 147,171 | 146,979 | 146,828 | 146,778 | -2.1% |
| Snyder County | 37,546 | 37,479 | 37,710 | 37,753 | 37,871 | 37,927 | 37,745 | 38,136 | 38,394 | 38,491 | 38,473 | 38,559 | 38,586 | 3.0% |
| Somerset County | 80,023 | 80,043 | 79,450 | 79,461 | 79,489 | 79,016 | 78,514 | 78,227 | 77,840 | 77,417 | 77,263 | 76,938 | 76,826 | -4.0% |
| Sullivan County | 6,556 | 6,571 | 6,577 | 6,505 | 6,448 | 6,390 | 6,312 | 6,250 | 6,255 | 6,162 | 6,119 | 6,075 | 6,059 | -7.8% |
| Susquehanna County | 42,238 | 42,193 | 42,107 | 41,730 | 41,688 | 41,603 | 41,561 | 41,397 | 41,052 | 40,855 | 40,513 | 40,304 | 40,231 | -4.7% |
| Tioga County | 41,373 | 41,294 | 41,387 | 41,431 | 41,368 | 41,306 | 41,057 | 40,726 | 40,679 | 40,826 | 40,937 | 41,030 | 41,057 | -0.6% |
| Union County | 41,624 | 41,606 | 41,918 | 42,016 | 42,075 | 42,543 | 42,760 | 43,556 | 43,589 | 43,647 | 43,243 | 43,291 | 43,309 | 4.1% |
| Venango County | 57,565 | 57,436 | 56,955 | 56,544 | 56,240 | 55,731 | 55,428 | 55,067 | 54,751 | 54,479 | 54,178 | 54,010 | 53,953 | -6.1% |
| Warren County | 43,863 | 43,704 | 43,448 | 42,924 | 42,505 | 42,125 | 41,529 | 41,119 | 40,980 | 40,754 | 40,584 | 40,462 | 40,417 | -7.5% |
| Washington County | 202,897 | 203,038 | 203,115 | 202,955 | 203,591 | 203,656 | 204,745 | 205,236 | 205,513 | 206,483 | 206,789 | 206,999 | 207,056 | 2.0% |
| Wayne County | 47,722 | 47,842 | 47,960 | 48,265 | 48,825 | 49,254 | 50,106 | 51,518 | 51,765 | 51,222 | 51,900 | 52,126 | 52,198 | 9.1% |
| Westmoreland County | 369,993 | 369,662 | 368,237 | 366,760 | 366,403 | 365,244 | 364,319 | 363,397 | 362,900 | 362,300 | 361,226 | 360,852 | 360,703 | -2.4% |
| Wyoming County | 28,080 | 28,035 | 28,070 | 27,916 | 27,926 | 27,987 | 27,894 | 27,873 | 27,932 | 27,901 | 27,837 | 27,813 | 27,803 | -0.8% |
| York County | 381,751 | 382,746 | 385,355 | 388,853 | 393,736 | 399,416 | 406,412 | 414,728 | 421,271 | 425,371 | 428,525 | 430,121 | 430,647 | 12.5% |

Table 7: Annual Population Estimates of Pennsylvania Counties



VI. Housing Units

The number of housing units in Pennsylvania is estimated to have increased from approximately 5.26 million in 2000 to 5.52 million in 2009. Much of that 5% growth is estimated to have occurred before 2006, after which the growth rate declined significantly. Over the same time period, Delaware grew its housing stock by 15.1%, New Jersey by 6.3% and Maryland by 8.9%.

| Geographic Area | Housing Unit Estimates | | | | | | | | | | Percent Change; 2000-2009 |
|-----------------|------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------------------------|
| | July 1, 2000 | July 1, 2001 | July 1, 2002 | July 1, 2003 | July 1, 2004 | July 1, 2005 | July 1, 2006 | July 1, 2007 | July 1, 2008 | July 1, 2009 | |
| United States | 116,301,143 | 117,902,732 | 119,447,961 | 121,063,726 | 122,802,304 | 124,684,684 | 126,470,653 | 128,094,609 | 129,269,440 | 129,925,421 | 11.7% |
| Delaware | 344,277 | 349,093 | 353,995 | 360,315 | 368,042 | 375,622 | 383,645 | 389,444 | 393,850 | 396,222 | 15.1% |
| Maryland | 2,151,476 | 2,176,196 | 2,201,240 | 2,225,806 | 2,250,775 | 2,273,608 | 2,299,774 | 2,318,513 | 2,332,421 | 2,342,104 | 8.9% |
| New Jersey | 3,316,548 | 3,343,828 | 3,365,928 | 3,389,491 | 3,414,828 | 3,443,627 | 3,474,031 | 3,499,586 | 3,516,493 | 3,526,741 | 6.3% |
| Pennsylvania | 5,257,893 | 5,290,460 | 5,321,732 | 5,355,899 | 5,392,438 | 5,430,664 | 5,462,442 | 5,488,104 | 5,507,502 | 5,518,556 | 5.0% |

Table 8: Annual Housing Unit Estimates

Much of the growth in Pennsylvania's housing occurred between 2000 and 2004, with a declining estimated growth rate between 2005 and 2009. The counties with the fastest growth rate in number of housing units between 2000 and 2009 were: Pike (2000-2009: 18.1%; 2000-2004: 7.2%; 2005-2009: 7.2%), Monroe (2000-2009: 17.2%; 2000-2004: 5.3%; 2005-2009: 8.9%), Franklin (2000-2009: 13.6% 2000-2004: 5.7%; 2005-2009 – 5.5%), Chester (2000-2009: 13.5% 2000-2004 – 6.7%; 2005-2009 – 4.3%) and York (2000-2009: 12.5% 2000-2004 – 5.8%; 2005-2009 –4.68%). Pennsylvania's other counties with more than 250,000 housing units experienced the following housing stock changes: Philadelphia (2000-2009: 0.0%; 2000-2004: -0.4%; 2005-2009: 0.2%), Allegheny (2000-2009: 1.5%; 2000-2004: 1.0%; 2005-2009: 0.3%), Montgomery (2000-2009: 6.0%; 2000-2004: 2.9%; 2005-2009: 2.3%), and Bucks (2000-2009: 7.0%; 2000-2004: 4.2%; 2005-2009: 1.8%).

Building permit activity is an especially stark indicator of when the Mid-Atlantic economy began to suffer. In Pennsylvania, building permit activity peaked in 2004 and began to drop precipitously thereafter. Maryland, New Jersey and Delaware all peaked a year later. The percentage drop in Pennsylvania, however, seems to have been less than its Mid-Atlantic neighbors following the peak. Pennsylvania continues to show decline in building permit activity through 2009. Maryland and New Jersey appear to be showing signs of a rebound, although in actuality those states show only a reduction in the rate of decline.

**Recent Changes in the Housing
and Mortgage Markets of Pennsylvania;
Working Paper #1-2011**

| Geographic Area | Housing Unit Estimates | | | | | | | | | | | |
|-----------------------|------------------------|------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Census 2000 | Estimates Base 2000 | July 1, 2000 | July 1, 2001 | July 1, 2002 | July 1, 2003 | July 1, 2004 | July 1, 2005 | July 1, 2006 | July 1, 2007 | July 1, 2008 | July 1, 2009 |
| Pennsylvania | 5,249,750 | 5,249,764 | 5,257,893 | 5,290,460 | 5,321,732 | 5,355,899 | 5,392,438 | 5,430,664 | 5,462,442 | 5,488,104 | 5,507,502 | 5,518,566 |
| Adams County | 35,831 | 35,831 | 35,981 | 36,584 | 37,105 | 37,693 | 38,163 | 38,766 | 39,290 | 39,734 | 40,025 | 40,206 |
| Allegheny County | 583,646 | 583,645 | 583,980 | 585,323 | 586,840 | 588,658 | 589,716 | 590,838 | 591,475 | 592,176 | 592,516 | 592,592 |
| Armstrong County | 32,387 | 32,386 | 32,419 | 32,514 | 32,589 | 32,661 | 32,740 | 32,850 | 32,869 | 32,863 | 32,825 | 32,782 |
| Beaver County | 77,765 | 77,765 | 77,849 | 78,188 | 78,459 | 78,689 | 78,937 | 79,342 | 79,555 | 79,651 | 79,728 | 79,703 |
| Bedford County | 23,529 | 23,526 | 23,570 | 23,751 | 23,887 | 24,014 | 24,159 | 24,312 | 24,365 | 24,417 | 24,464 | 24,504 |
| Berks County | 150,222 | 150,222 | 150,605 | 152,138 | 153,853 | 155,634 | 157,302 | 158,607 | 159,610 | 160,396 | 161,262 | 161,545 |
| Blair County | 55,061 | 55,061 | 55,098 | 55,249 | 55,404 | 55,614 | 55,864 | 56,238 | 56,277 | 56,319 | 56,449 | 56,491 |
| Bradford County | 28,664 | 28,664 | 28,706 | 28,877 | 29,015 | 29,126 | 29,288 | 29,414 | 29,446 | 29,466 | 29,510 | 29,513 |
| Bucks County | 225,498 | 225,497 | 226,098 | 228,503 | 230,295 | 232,692 | 235,484 | 237,627 | 239,282 | 240,373 | 241,261 | 241,912 |
| Butler County | 69,868 | 69,868 | 70,117 | 71,116 | 72,259 | 73,151 | 74,187 | 75,104 | 76,097 | 77,242 | 78,018 | 78,412 |
| Cambria County | 65,796 | 65,813 | 65,840 | 65,952 | 66,024 | 66,096 | 66,194 | 66,368 | 66,432 | 66,496 | 66,483 | 66,562 |
| Cameron County | 4,592 | 4,592 | 4,594 | 4,603 | 4,614 | 4,622 | 4,626 | 4,629 | 4,625 | 4,620 | 4,609 | 4,601 |
| Carbon County | 30,492 | 30,490 | 30,530 | 30,692 | 30,898 | 31,178 | 31,534 | 31,986 | 32,476 | 32,976 | 33,347 | 33,441 |
| Centre County | 53,161 | 53,163 | 53,313 | 53,915 | 54,615 | 55,513 | 56,439 | 57,039 | 57,627 | 58,169 | 58,660 | 58,984 |
| Chester County | 163,773 | 163,773 | 164,469 | 167,254 | 169,860 | 172,855 | 175,518 | 178,837 | 181,531 | 183,638 | 185,322 | 186,605 |
| Clarion County | 19,426 | 19,426 | 19,456 | 19,575 | 19,679 | 19,754 | 19,846 | 19,999 | 20,051 | 20,085 | 20,084 | 20,054 |
| Clearfield County | 37,855 | 37,854 | 37,897 | 38,076 | 38,249 | 38,363 | 38,546 | 38,785 | 38,877 | 38,962 | 38,983 | 38,968 |
| Clinton County | 18,166 | 18,165 | 18,196 | 18,319 | 18,464 | 18,565 | 18,694 | 18,810 | 18,867 | 18,916 | 18,954 | 18,956 |
| Columbia County | 27,733 | 27,732 | 27,792 | 28,032 | 28,172 | 28,343 | 28,490 | 28,794 | 28,911 | 28,989 | 29,055 | 29,111 |
| Crawford County | 42,416 | 42,419 | 42,478 | 42,715 | 42,896 | 43,153 | 43,347 | 43,577 | 43,638 | 43,721 | 43,767 | 43,743 |
| Cumberland County | 86,951 | 86,950 | 87,176 | 88,083 | 89,038 | 90,147 | 91,365 | 92,465 | 93,625 | 94,503 | 95,684 | 96,643 |
| Dauphin County | 111,133 | 111,136 | 111,285 | 111,883 | 112,529 | 113,203 | 114,238 | 115,069 | 116,012 | 116,567 | 116,979 | 117,271 |
| Delaware County | 216,978 | 216,979 | 217,133 | 217,749 | 218,776 | 219,183 | 219,801 | 220,203 | 220,661 | 220,947 | 220,976 | 220,943 |
| Elk County | 18,115 | 18,115 | 18,135 | 18,217 | 18,269 | 18,310 | 18,336 | 18,391 | 18,398 | 18,430 | 18,440 | 18,463 |
| Erie County | 114,322 | 114,323 | 114,475 | 115,084 | 115,655 | 116,137 | 116,687 | 117,348 | 117,809 | 118,226 | 118,712 | 118,829 |
| Fayette County | 66,490 | 66,490 | 66,566 | 66,873 | 67,035 | 67,205 | 67,342 | 67,492 | 67,456 | 67,426 | 67,296 | 67,408 |
| Forest County | 8,701 | 8,701 | 8,714 | 8,764 | 8,840 | 8,898 | 8,919 | 8,941 | 8,936 | 8,925 | 8,908 | 8,892 |
| Franklin County | 53,803 | 53,802 | 53,971 | 54,646 | 55,259 | 56,132 | 57,027 | 58,114 | 59,070 | 59,799 | 60,699 | 61,291 |
| Fulton County | 6,790 | 6,790 | 6,804 | 6,861 | 6,923 | 7,028 | 7,122 | 7,208 | 7,276 | 7,331 | 7,353 | 7,377 |
| Greene County | 16,678 | 16,678 | 16,706 | 16,820 | 16,906 | 16,959 | 17,031 | 17,150 | 17,241 | 17,274 | 17,294 | 17,306 |
| Huntingdon County | 21,058 | 21,057 | 21,101 | 21,276 | 21,425 | 21,583 | 21,737 | 21,915 | 22,023 | 22,080 | 22,118 | 22,167 |
| Indiana County | 37,250 | 37,250 | 37,333 | 37,669 | 37,838 | 37,961 | 38,210 | 38,394 | 38,392 | 38,548 | 38,679 | 38,667 |
| Jefferson County | 22,104 | 22,102 | 22,135 | 22,281 | 22,371 | 22,471 | 22,596 | 22,844 | 22,904 | 22,948 | 23,003 | 23,058 |
| Juniata County | 10,031 | 10,030 | 10,042 | 10,092 | 10,160 | 10,230 | 10,293 | 10,399 | 10,456 | 10,501 | 10,528 | 10,573 |
| Lackawanna County | 95,362 | 95,363 | 95,443 | 95,762 | 95,976 | 96,267 | 96,542 | 96,886 | 97,101 | 97,359 | 97,650 | 97,887 |
| Lancaster County | 179,990 | 179,991 | 180,430 | 182,185 | 184,134 | 186,327 | 188,663 | 190,967 | 192,608 | 194,079 | 195,347 | 196,421 |
| Lawrence County | 39,635 | 39,634 | 39,688 | 39,904 | 40,065 | 40,206 | 40,328 | 40,471 | 40,542 | 40,553 | 40,544 | 40,536 |
| Lebanon County | 49,320 | 49,319 | 49,429 | 49,857 | 50,361 | 51,050 | 51,695 | 52,382 | 53,084 | 53,498 | 53,843 | 54,089 |
| Lehigh County | 128,910 | 128,911 | 129,191 | 130,309 | 131,570 | 132,792 | 133,938 | 135,302 | 136,716 | 137,784 | 138,509 | 138,989 |
| Luzerne County | 144,686 | 144,692 | 144,775 | 145,109 | 145,458 | 146,026 | 146,637 | 147,190 | 147,650 | 148,138 | 148,509 | 148,485 |
| Lycoming County | 52,464 | 52,465 | 52,527 | 52,775 | 53,071 | 53,325 | 53,524 | 53,728 | 53,898 | 54,060 | 54,131 | 54,182 |
| McKean County | 21,644 | 21,644 | 21,660 | 21,724 | 21,764 | 21,792 | 21,814 | 21,828 | 21,820 | 21,817 | 21,790 | 21,753 |
| Mercer County | 49,859 | 49,866 | 49,960 | 50,337 | 50,541 | 50,905 | 51,188 | 51,449 | 51,581 | 51,700 | 51,771 | 51,764 |
| Mifflin County | 20,745 | 20,745 | 20,771 | 20,874 | 20,964 | 21,050 | 21,169 | 21,256 | 21,292 | 21,320 | 21,353 | 21,357 |
| Monroe County | 67,581 | 67,583 | 67,969 | 69,512 | 70,932 | 72,434 | 74,041 | 75,669 | 77,182 | 78,448 | 79,259 | 79,667 |
| Montgomery County | 297,434 | 297,434 | 298,047 | 300,499 | 302,755 | 304,779 | 306,759 | 308,833 | 311,801 | 313,706 | 315,321 | 316,010 |
| Montour County | 7,627 | 7,628 | 7,642 | 7,697 | 7,748 | 7,796 | 7,872 | 7,923 | 7,972 | 8,007 | 8,048 | 8,069 |
| Northampton County | 106,710 | 106,715 | 106,985 | 108,067 | 109,412 | 110,992 | 112,681 | 114,236 | 115,919 | 117,228 | 117,939 | 118,239 |
| Northumberland County | 43,164 | 43,164 | 43,187 | 43,281 | 43,383 | 43,495 | 43,661 | 43,818 | 43,867 | 43,912 | 43,908 | 43,932 |
| Perry County | 18,941 | 18,943 | 18,984 | 19,148 | 19,278 | 19,472 | 19,638 | 19,883 | 19,801 | 19,861 | 19,900 | 19,946 |
| Philadelphia County | 661,958 | 661,957 | 661,856 | 661,454 | 660,503 | 659,339 | 659,349 | 660,440 | 661,149 | 661,495 | 661,656 | 661,575 |
| Pike County | 34,681 | 34,681 | 34,803 | 35,290 | 35,792 | 36,476 | 37,323 | 38,319 | 39,276 | 40,176 | 40,777 | 41,096 |
| Potter County | 12,159 | 12,159 | 12,185 | 12,291 | 12,373 | 12,465 | 12,549 | 12,675 | 12,711 | 12,723 | 12,706 | 12,693 |
| Schuylkill County | 67,806 | 67,805 | 67,859 | 68,077 | 68,257 | 68,521 | 68,856 | 69,325 | 69,666 | 69,938 | 70,129 | 70,251 |
| Snyder County | 14,890 | 14,890 | 14,917 | 15,027 | 15,143 | 15,229 | 15,386 | 15,486 | 15,576 | 15,670 | 15,724 | 15,770 |
| Somerset County | 37,163 | 37,146 | 37,202 | 37,426 | 37,613 | 37,779 | 37,954 | 38,123 | 38,180 | 38,205 | 38,268 | 38,366 |
| Sullivan County | 6,017 | 6,017 | 6,023 | 6,045 | 6,065 | 6,100 | 6,150 | 6,222 | 6,249 | 6,283 | 6,311 | 6,315 |
| Susquehanna County | 21,829 | 21,829 | 21,862 | 21,996 | 22,117 | 22,248 | 22,388 | 22,526 | 22,607 | 22,664 | 22,703 | 22,728 |
| Tioga County | 19,893 | 19,892 | 19,942 | 20,144 | 20,292 | 20,433 | 20,569 | 20,687 | 20,756 | 20,819 | 20,861 | 20,879 |
| Union County | 14,684 | 14,684 | 14,709 | 14,810 | 14,897 | 15,082 | 15,201 | 15,338 | 15,483 | 15,570 | 15,642 | 15,678 |
| Venango County | 26,904 | 26,901 | 26,928 | 27,037 | 27,119 | 27,197 | 27,281 | 27,380 | 27,414 | 27,437 | 27,415 | 27,399 |
| Warren County | 23,058 | 23,058 | 23,077 | 23,155 | 23,227 | 23,292 | 23,333 | 23,460 | 23,476 | 23,499 | 23,492 | 23,462 |
| Washington County | 87,267 | 87,268 | 87,455 | 88,203 | 88,929 | 89,581 | 90,396 | 91,208 | 91,817 | 92,306 | 92,681 | 92,969 |
| Wayne County | 30,593 | 30,592 | 30,652 | 30,894 | 31,137 | 31,420 | 31,845 | 32,287 | 32,668 | 33,001 | 33,194 | 33,321 |
| Westmoreland County | 161,058 | 161,058 | 161,259 | 162,071 | 162,820 | 163,637 | 164,444 | 165,359 | 165,981 | 166,517 | 166,883 | 167,120 |
| Wyoming County | 12,713 | 12,713 | 12,738 | 12,840 | 12,930 | 13,031 | 13,114 | 13,237 | 13,294 | 13,345 | 13,370 | 13,386 |
| York County | 156,720 | 156,722 | 157,174 | 158,986 | 160,905 | 163,540 | 166,368 | 169,116 | 171,845 | 174,296 | 175,877 | 176,849 |

Table 9: Annual Housing Unit Estimates of Pennsylvania Counties

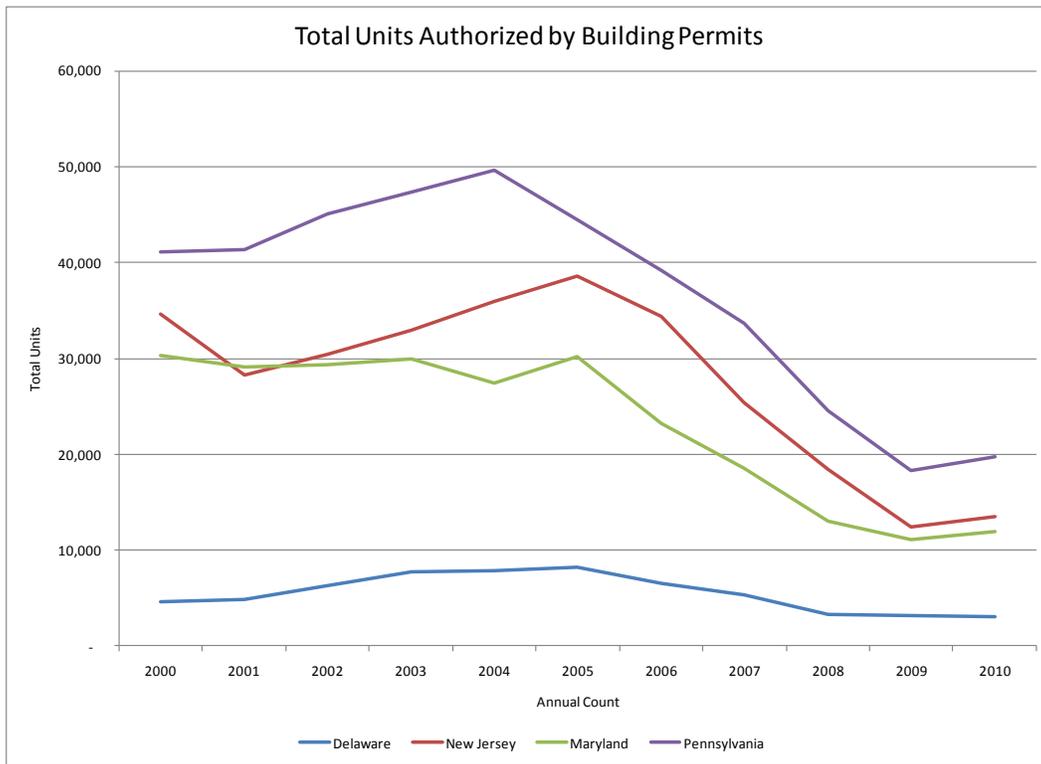


Figure 3: Total Units Authorized by Building Permits

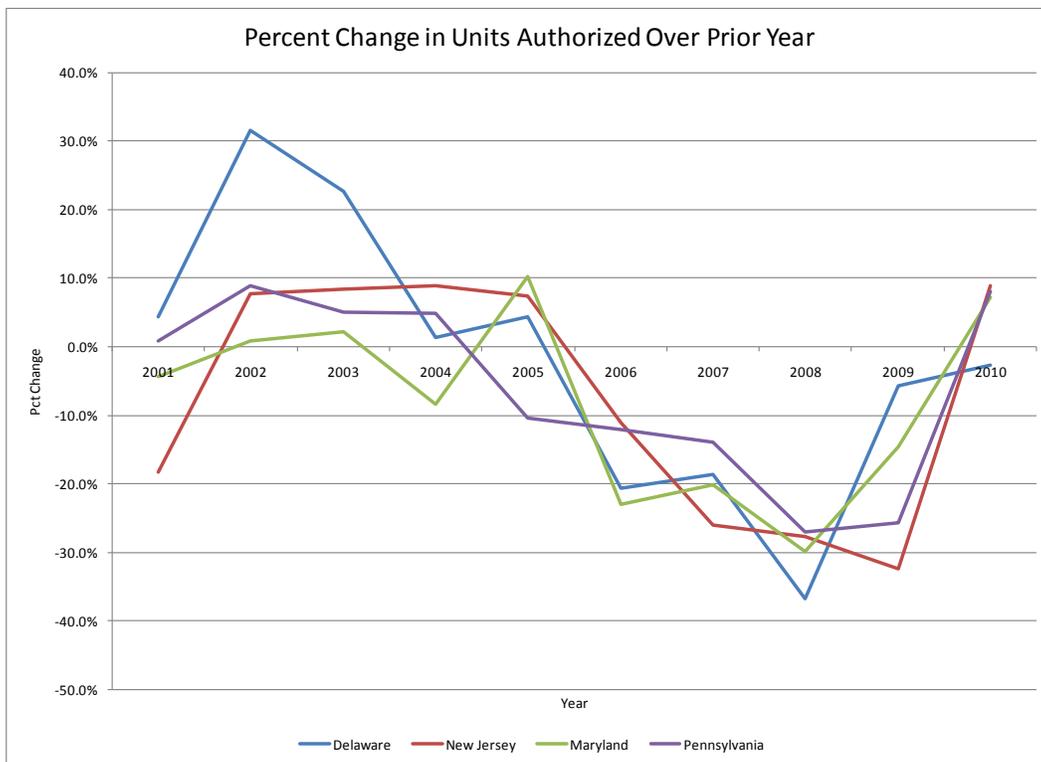


Figure 4: Percent Change in Units Permitted

The type of structure being permitted is, as has been Pennsylvania’s pattern for many years now, predominantly the 1-unit structure. Between 2000 and 2010, the percent of all units constructed that were within 1-unit structures varied from a low of 81.4% in 2003 to a high of 85.5% in 2010. Characteristically, less than 1% of all units, per year, have been in structures of 5 or more units. Compared to other Mid-Atlantic states, Pennsylvania ranks lowest on its permits for 5+unit structures; New Jersey typically has the highest percent (over 2%) while Delaware and Maryland permit lower percentages (approximately 1%).

It is also interesting to note when the Mid-Atlantic states “peaked” in terms of permitting activity and what 2010 looked like against that peak (and average year). Pennsylvania, compared to its Mid-Atlantic peers, peaked a year earlier (2004) and, by 2010, seems to have recovered better both against the peak and the average post-2000 year total. By any measure though, permitting activity in these Mid-Atlantic states ended 2010 at roughly half that of the typical post-2000 year.

| | Total Units Authorized | | | | | | | | | | | 2010 as a Percent of Peak Year | 2010 as a Percent of Average Year |
|--------------|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-----------------------------------|--------------------------------------|
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | | |
| Delaware | 4,611 | 4,814 | 6,331 | 7,760 | 7,858 | 8,195 | 6,504 | 5,291 | 3,346 | 3,156 | 3,072 | 37.5% | 55.5% |
| New Jersey | 34,585 | 28,267 | 30,441 | 32,984 | 35,936 | 38,588 | 34,323 | 25,389 | 18,363 | 12,421 | 13,535 | 35.1% | 48.8% |
| Maryland | 30,358 | 29,059 | 29,293 | 29,914 | 27,382 | 30,180 | 23,262 | 18,582 | 13,018 | 11,123 | 11,931 | 39.5% | 51.6% |
| Pennsylvania | 41,076 | 41,403 | 45,114 | 47,356 | 49,665 | 44,525 | 39,128 | 33,665 | 24,577 | 18,275 | 19,740 | 39.7% | 53.7% |
| | | | | | | | | | | | | | |
| | 1 Unit Structures Authorized | | | | | | | | | | | 2010 as a Percent of Peak Year | 2010 as a Percent of Average Year |
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | | |
| Delaware | 3,915 | 4,425 | 6,051 | 6,748 | 7,532 | 6,715 | 5,015 | 4,403 | 2,680 | 2,676 | 2,673 | 35.5% | 55.7% |
| New Jersey | 25,260 | 21,503 | 22,379 | 22,163 | 22,429 | 22,264 | 17,113 | 13,066 | 9,169 | 7,211 | 7,278 | 32.4% | 42.2% |
| Maryland | 25,132 | 23,708 | 24,004 | 23,398 | 21,553 | 22,909 | 17,858 | 13,232 | 8,927 | 8,133 | 8,489 | 37.1% | 47.3% |
| Pennsylvania | 34,501 | 34,803 | 38,683 | 38,567 | 41,496 | 37,268 | 33,121 | 27,497 | 20,238 | 15,341 | 16,886 | 40.7% | 54.9% |
| | | | | | | | | | | | | | |
| | 5+ Unit Structures Authorized | | | | | | | | | | | 2010 as a Percent of Peak Year | 2010 as a Percent of Average Year |
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | | |
| Delaware | 60 | 51 | 36 | 54 | 25 | 110 | 95 | 59 | 46 | 32 | 36 | 32.7% | 65.6% |
| New Jersey | 334 | 269 | 306 | 382 | 490 | 534 | 732 | 535 | 488 | 308 | 366 | 50.0% | 84.9% |
| Maryland | 215 | 229 | 184 | 307 | 348 | 325 | 203 | 187 | 117 | 125 | 78 | 22.4% | 37.0% |
| Pennsylvania | 313 | 360 | 328 | 438 | 363 | 360 | 276 | 293 | 222 | 170 | 123 | 28.1% | 41.7% |
| | | | | | | | | | | | | | |
| | 1 Unit Structures as a Percent of All Units Authorized | | | | | | | | | | | | |
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | | |
| Delaware | 84.9% | 91.9% | 95.6% | 87.0% | 95.9% | 81.9% | 77.1% | 83.2% | 80.1% | 84.8% | 87.0% | | |
| New Jersey | 73.0% | 76.1% | 73.5% | 67.2% | 62.4% | 57.7% | 49.9% | 51.5% | 49.9% | 58.1% | 53.8% | | |
| Maryland | 82.8% | 81.6% | 81.9% | 78.2% | 78.7% | 75.9% | 76.8% | 71.2% | 68.6% | 73.1% | 71.2% | | |
| Pennsylvania | 84.0% | 84.1% | 85.7% | 81.4% | 83.6% | 83.7% | 84.6% | 81.7% | 82.3% | 83.9% | 85.5% | | |

Table 10: Building Permit Activity by Structure Size

VII. Housing Tenure and Vacancy Status

Homeownership in the United States remains high but not unaffected by the recession. Since the onset of the recession in the 4th quarter of 2007, the homeownership rate has declined from 67.8% to 66.4%. Pennsylvania's rate continues to be well above the national average. Pennsylvania has experienced a quite modest homeownership rate decline from 72.6% to 71.7%. Within the Mid-Atlantic, only Delaware has a higher homeownership rate than Pennsylvania. Delaware's homeownership decline, however, has been more substantial, from 77.3% to 74%.

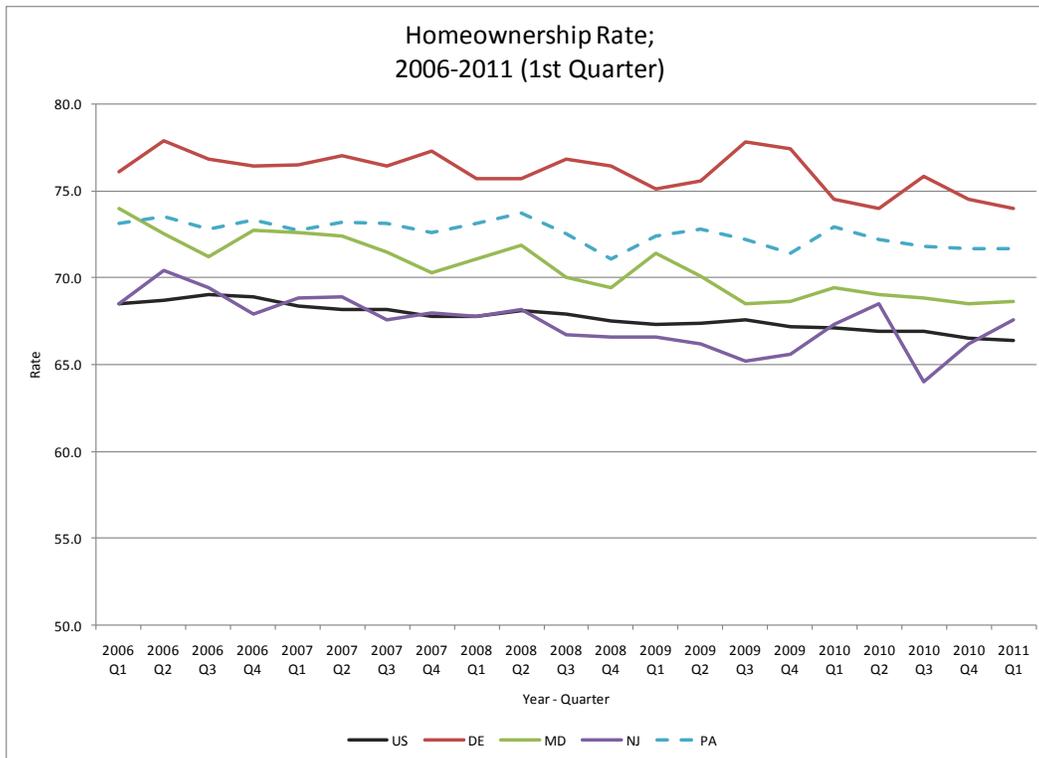


Figure 5: Homeownership Rate

Nationally, the homeowner vacancy rate since the onset of the recession has been reasonably steady; rental vacancies are however up about one percentage point (9.6% to 10.6%). Over this time, Pennsylvania's homeowner vacancy rate remained below the national average and, although climbing to 2.8% during the first quarter of 2008, it has returned to its more usual average under 1.5%.

Pennsylvania's rental vacancy rate is closer to the national average, peaking in the 2nd quarter of 2008 at 10.1% and then declined to 9.3%. Data on the 1st quarter of 2010 show a jump over prior quarters, but thereafter a return to its more usual rate. In fact, post-recession rental vacancy rate figures for Pennsylvania are lower than rates prior to the onset of the recession, suggesting some occupancy pressure on the rental stock of the state.

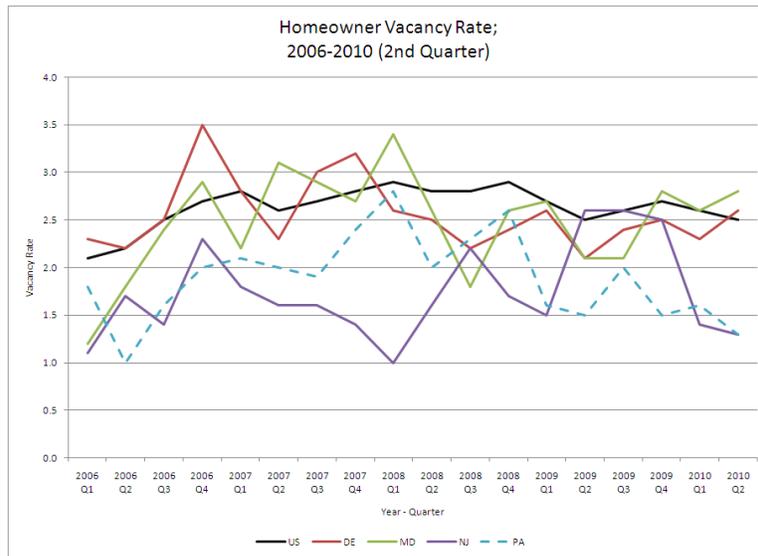


Figure 6: Homeowner Vacancy Rate

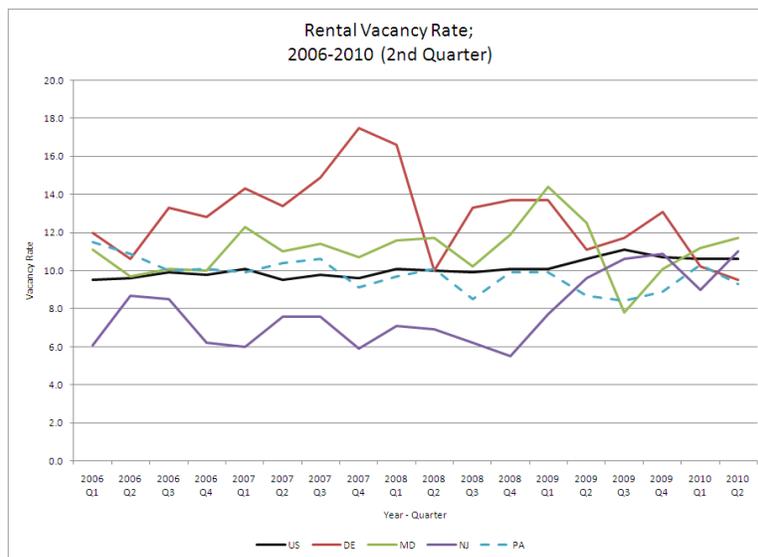


Figure 7: Rental Vacancy Rate

VIII. Sales and Sale Prices

Nationally, sales of new homes declined from over 1.05 million homes in 2006 to 323,000 in 2010.¹² Sales of existing homes are also challenged. While volume declines are not as severe as that observed with new homes,

¹² census.gov/const/quarterly_sales.pdf

the inventory of homes for sale remains high and price declines are significant.¹³ Pennsylvania's existing single-family home sales, as of Q1 2011, are up a seasonally adjusted 13.3% over the last quarter of 2010 but off 4.3% from the prior year. The National Association of Realtors puts PA's total sales in 2008 at 175.1 thousand compared to 160.2 thousand in 2010 and the 2011 seasonally adjusted rate based on Q1 data at the same level.¹⁴

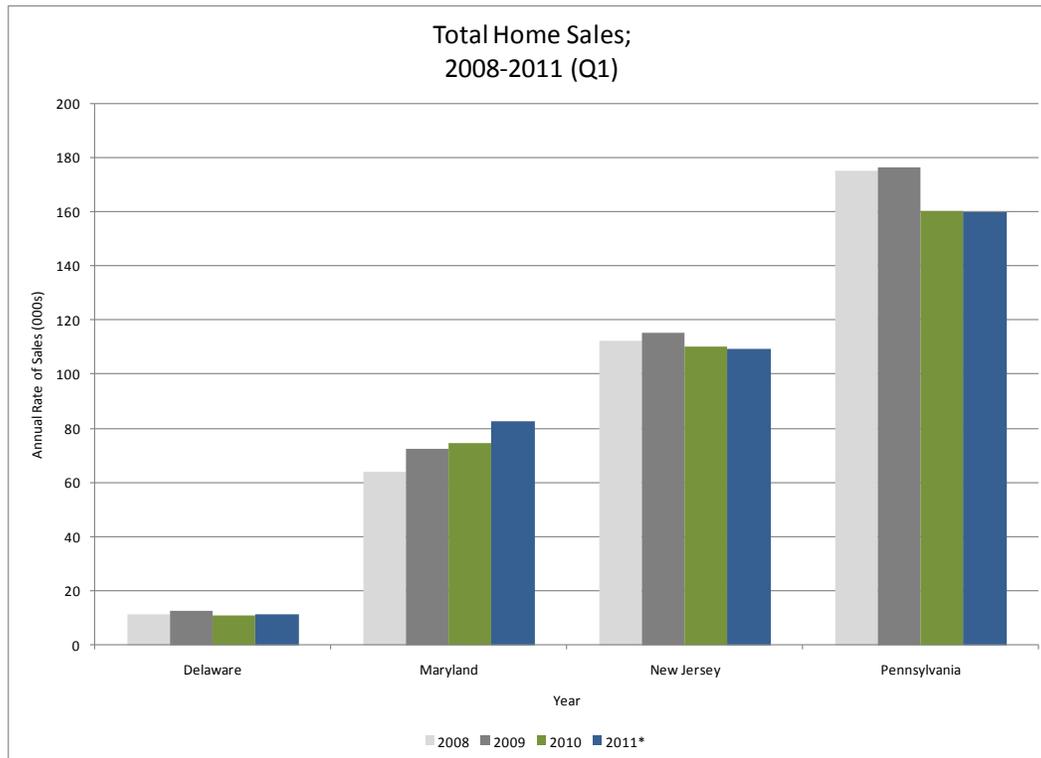


Figure 8: Home Sale Volume in Mid-Atlantic States

Prices in Pennsylvania rose at the slowest pace of all Mid-Atlantic States, but did not see the declines of the other states. In fact, Pennsylvania prices have held up reasonably well since the onset of the recession with the Federal Housing Finance Authority Home Price Index (HPI) declining from 202.04 at the 4th quarter of 2007 to 184.04 at the end of the 1st quarter of 2011. By contrast, Maryland's HPI declined from 262.58 to 204.37 over that same period.¹⁵

¹³ For current inventory data <http://www.calculatedriskblog.com/2011/06/may-existing-home-sales-481-million.html> (last accessed 6/22/2011)

¹⁴ realtor.org/research/research/ehsdata

¹⁵ fhfa.gov/Default.aspx?Page=215&Type=compare&Area1=PA&Area2=MD&Area3=

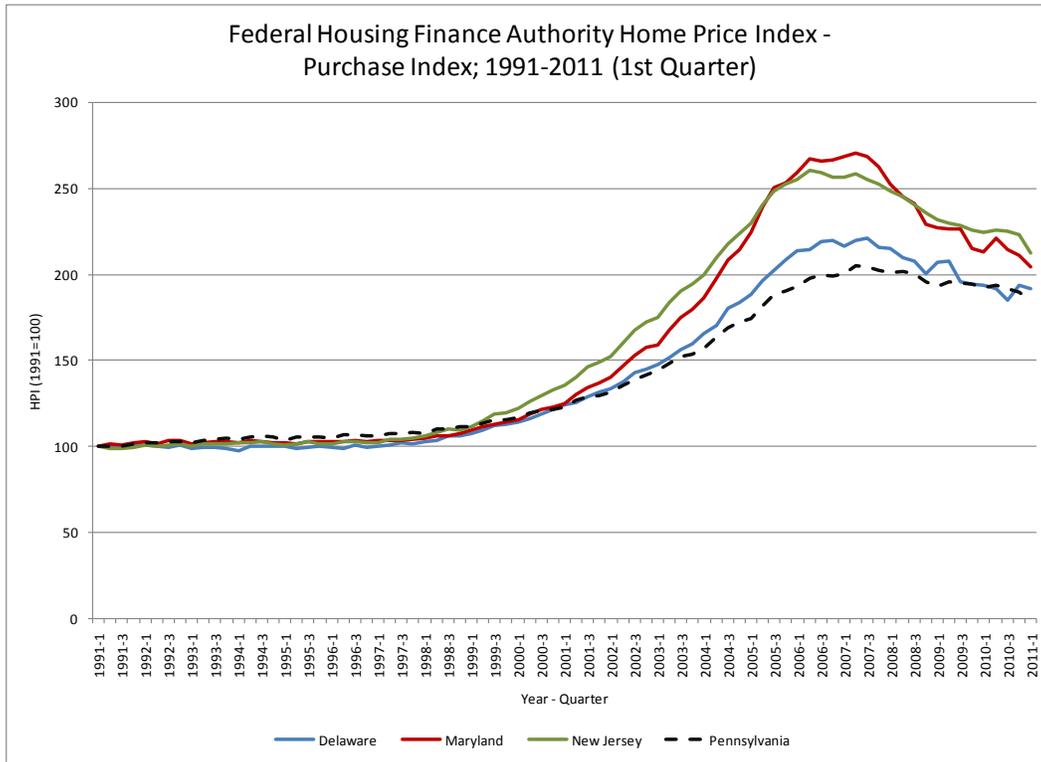


Figure 9: FHFA Purchase Only Home Price Index

Beyond the indices based on actual transactions, the value of a home can be estimated through the Census and American Community Survey. These data show that at the median, Pennsylvania has the lowest estimated value of the Mid-Atlantic states and is estimated to have changed the least between 2000 and 2009. Also presented in Table 7 are the “lower value quartile” and “higher value quartile”. The lower value quartile shows the estimated maximum value of the lowest priced 25% of homes; the higher value quartile shows the estimated minimum value of the highest priced 25% of homes. These data shows that fully 25% of homes in Pennsylvania are valued under \$93,200 and 25% are valued over \$264,200. Compared to any of the other Mid-Atlantic states, Pennsylvania is more modestly priced and has been so over the last decade.

| | Delaware | | | Maryland | | | New Jersey | | | Pennsylvania | | |
|-----------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|------------|------------|
| | 2000 | 2009 | Pct Change | 2000 | 2009 | Pct Change | 2000 | 2009 | Pct Change | 2000 | 2009 | Pct Change |
| Lower Value Quartile | \$ 96,500 | \$ 171,400 | 77.6% | \$ 103,500 | \$ 218,300 | 110.9% | \$ 122,100 | \$ 241,600 | 97.9% | \$ 65,300 | \$ 93,200 | 42.7% |
| Median | \$ 130,400 | \$ 249,400 | 91.3% | \$ 146,000 | \$ 318,600 | 118.2% | \$ 170,800 | \$ 348,300 | 103.9% | \$ 97,000 | \$ 164,700 | 69.8% |
| Higher Value Quartile | \$ 175,600 | \$ 348,600 | 98.5% | \$ 208,100 | \$ 458,600 | 120.4% | \$ 253,100 | \$ 488,100 | 92.8% | \$ 145,900 | \$ 264,200 | 81.1% |

Table 11: Census 2000 / ACS 2009 (1-Year) Estimate of Home Value

Across the Commonwealth, highest home values are found in the southeast, with Montgomery and Chester counties well ahead of the other large counties. Also in the southeast, Bucks, Montgomery and Philadelphia seem to have had the most robust changes between 2000 and 2009. Nevertheless, home values across much of the Commonwealth remain reasonably affordable to households earning \$50,000 to \$75,000.

| | Allegheny | | | Berks | | | Bucks | | | Chester | | | Delaware | | |
|-----------------------|------------|------------|------------|------------|------------|------------|--------------|------------|------------|--------------|------------|------------|------------|------------|------------|
| | 2000 | 2009 | Pct Change | 2000 | 2009 | Pct Change | 2000 | 2009 | Pct Change | 2000 | 2009 | Pct Change | 2000 | 2009 | Pct Change |
| Lower Value Quartile | \$ 56,700 | \$ 79,000 | 39.3% | \$ 77,400 | \$ 117,100 | 51.3% | \$ 122,900 | \$ 233,000 | 89.6% | \$ 133,300 | \$ 229,100 | 71.9% | \$ 86,200 | \$ 155,000 | 79.8% |
| Median | \$ 84,200 | \$ 121,000 | 43.7% | \$ 104,900 | \$ 176,300 | 68.1% | \$ 163,200 | \$ 318,500 | 95.2% | \$ 182,500 | \$ 330,900 | 81.3% | \$ 128,800 | \$ 236,100 | 83.3% |
| Higher Value Quartile | \$ 124,600 | \$ 189,100 | 51.8% | \$ 141,800 | \$ 247,600 | 74.6% | \$ 223,500 | \$ 435,000 | 94.6% | \$ 261,100 | \$ 472,500 | 81.0% | \$ 180,000 | \$ 380,400 | 100.2% |
| | Lancaster | | | Montgomery | | | Philadelphia | | | Westmoreland | | | York | | |
| | 2000 | 2009 | Pct Change | 2000 | 2009 | Pct Change | 2000 | 2009 | Pct Change | 2000 | 2009 | Pct Change | 2000 | 2009 | Pct Change |
| Lower Value Quartile | \$ 94,200 | \$ 139,600 | 48.2% | \$ 122,900 | \$ 216,100 | 75.8% | \$ 38,700 | \$ 85,200 | 120.2% | \$ 64,800 | \$ 81,600 | 25.9% | \$ 86,300 | \$ 127,200 | 47.4% |
| Median | \$ 119,300 | \$ 193,200 | 61.9% | \$ 160,700 | \$ 296,600 | 84.6% | \$ 59,700 | \$ 150,000 | 151.3% | \$ 90,600 | \$ 124,600 | 37.5% | \$ 110,500 | \$ 181,300 | 64.1% |
| Higher Value Quartile | \$ 153,200 | \$ 265,100 | 73.0% | \$ 225,000 | \$ 414,700 | 84.3% | \$ 85,700 | \$ 233,100 | 172.0% | \$ 131,500 | \$ 193,200 | 46.9% | \$ 144,500 | \$ 256,700 | 77.6% |

Table 12: Census 2000 / ACS 2009 (1-Year) Estimate of Home Value for Pennsylvania's Most Populous Counties

IX. Mortgage Lending

An examination of the volume of mortgage lending in Pennsylvania¹⁶ between the period 2004 and 2009 (inclusive) shows that both application and origination volume for home purchase and refinance mortgages peaked in 2005, remained reasonably steady in 2006, and then declined substantially in 2007 and 2008. 2009 shows a decline in activity, but not nearly as steep as the activity declines in 2007 and 2008.

While volume was down, the likelihood of an origination for purchase money mortgages remained reasonably constant at about 70%. A similar pattern, albeit lower likelihood, is found among refinance loans where about 4 in 10 applications lead to an origination.

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | Percent Change; 2007-2009 |
|-------------------------------------|---------|---------|---------|---------|---------|---------|------------------------------|
| Total Purchase Applications | | | | | | | |
| Delaware | 28,198 | 35,533 | 31,786 | 25,014 | 14,982 | 12,100 | -51.6% |
| Maryland | 207,052 | 244,786 | 223,980 | 145,067 | 83,718 | 74,041 | -49.0% |
| New Jersey | 252,844 | 288,149 | 263,185 | 197,507 | 125,993 | 101,550 | -48.6% |
| Pennsylvania | 274,494 | 311,724 | 309,915 | 250,014 | 172,988 | 144,235 | -42.3% |
| Total Purchase Originations | | | | | | | |
| Delaware | 20,109 | 23,972 | 21,869 | 16,739 | 10,431 | 8,744 | -47.8% |
| Maryland | 150,268 | 169,147 | 149,886 | 94,313 | 55,470 | 53,603 | -43.2% |
| New Jersey | 168,759 | 183,027 | 161,552 | 118,940 | 76,932 | 67,017 | -43.7% |
| Pennsylvania | 194,840 | 215,578 | 212,343 | 166,688 | 121,222 | 106,374 | -36.2% |
| Total Refinance Applications | | | | | | | |
| Delaware | 58,776 | 57,880 | 52,644 | 44,634 | 33,275 | 39,858 | -10.7% |
| Maryland | 430,021 | 471,880 | 424,376 | 331,487 | 204,357 | 258,992 | -21.9% |
| New Jersey | 443,877 | 506,279 | 454,524 | 371,567 | 247,888 | 350,019 | -5.8% |
| Pennsylvania | 677,828 | 635,211 | 561,613 | 460,503 | 348,504 | 417,044 | -9.4% |
| Total Refinance Originations | | | | | | | |
| Delaware | 24,906 | 24,458 | 20,974 | 17,773 | 13,774 | 22,668 | 27.5% |
| Maryland | 216,349 | 239,685 | 201,223 | 144,096 | 93,881 | 149,648 | 3.9% |
| New Jersey | 228,581 | 240,665 | 213,116 | 152,216 | 110,568 | 195,489 | 28.4% |
| Pennsylvania | 280,900 | 254,962 | 223,176 | 183,309 | 150,788 | 235,162 | 28.3% |

Table 13: Mid-Atlantic Lending Volume; 2004-2009

¹⁶ Data in this section come from TRF tabulations of annual data files released under the Home Mortgage Disclosure Act.

While HMDA data are a useful source of data about mortgage lending activity, because of the reporting requirements of that program, something less than the universe of lending activity is reported.¹⁷ FHA activity can be observed more directly through reports from HUD.¹⁸ The rise in FHA purchase and refinance lending activity is significant. From 2004 through 2010, FHA purchase loans rose by more than 173% and refinances by more than 230% nationally; total FHA lending in Pennsylvania over this time period rose by 192%. Comparing to other Mid-Atlantic States, Delaware experienced a total rise of 219.8%; New Jersey and Maryland increased by 82.9% and 67.7% respectively.

| | Delaware | | | Maryland | | | New Jersey | | | Pennsylvania | | |
|--------------------|----------|--------|--------|----------|--------|--------|------------|--------|--------|--------------|--------|--------|
| | Purchase | Refi | Total | Purchase | Refi | Total | Purchase | Refi | Total | Purchase | Refi | Total |
| 2004 | 1,459 | 540 | 1,999 | 12,927 | 12,784 | 25,711 | 13,082 | 10,804 | 23,886 | 15,731 | 7,138 | 22,869 |
| 2005 | 941 | 277 | 1,218 | 5,413 | 5,596 | 11,009 | 7,639 | 5,911 | 13,550 | 11,102 | 2,902 | 14,004 |
| 2006 | 1,219 | 330 | 1,549 | 6,138 | 3,998 | 10,136 | 7,627 | 4,949 | 12,576 | 13,512 | 2,531 | 16,043 |
| 2007 | 1,399 | 732 | 2,131 | 7,567 | 7,413 | 14,980 | 9,678 | 8,255 | 17,933 | 15,305 | 5,017 | 20,322 |
| 2008 | 3,095 | 2,829 | 5,924 | 20,933 | 22,910 | 43,843 | 19,303 | 22,587 | 41,890 | 31,828 | 21,212 | 53,040 |
| 2009 | 3,900 | 4,200 | 8,100 | 27,532 | 31,771 | 59,303 | 28,260 | 34,826 | 63,086 | 42,480 | 34,164 | 76,644 |
| *2010 | 3,774 | 2,618 | 6,392 | 28,786 | 14,322 | 43,108 | 27,984 | 15,714 | 43,698 | 43,064 | 23,726 | 66,790 |
| % Change; 04-10 | 158.7% | 384.8% | 219.8% | 122.7% | 12.0% | 67.7% | 113.9% | 45.4% | 82.9% | 173.8% | 232.4% | 192.1% |

* = annualized based on 2 quarters of reported data

Table 14: FHA Endorsements

Conventional high cost loan volume, defined as loans carrying interest rates that are reportable under the Home Mortgage Disclosure Act (i.e., more than three APR points above the relevant Treasury yield) – also sometimes referred to as “subprime loans” – peaked in 2006 and then basically vanished from the market.¹⁹ Government-insured high cost loans were very infrequent but rose both in number and percent of the total. That is, while conventional high cost loan volume dropped by 82% between 2006 and 2008, government-insured high cost loan volume increased by more than 1000%.

¹⁷ Researchers from the Federal Reserve Board report that upward of 90% of lending activity of regulated financial institutions, varying by lender type, is captured by HMDA. They are unable to gauge the coverage of independent mortgage companies. See: <http://www.federalreserve.gov/pubs/bulletin/2010/pdf/hmda08final.pdf>.

¹⁸ Data for this analysis were supplied by HUD’s Homeownership Center in Philadelphia.

¹⁹ For more detail on HMDA and how high cost loans are defined, see the Federal Reserve Board’s Regulation C (effective 1/1/2004). This may be found at: www.ffiec.gov/hmda/pdf/regulationc2004.pdf. Transition rules for 2009 applications may be found at: <http://www.ffiec.gov/hmda/pdf/transitionrules2.pdf>.

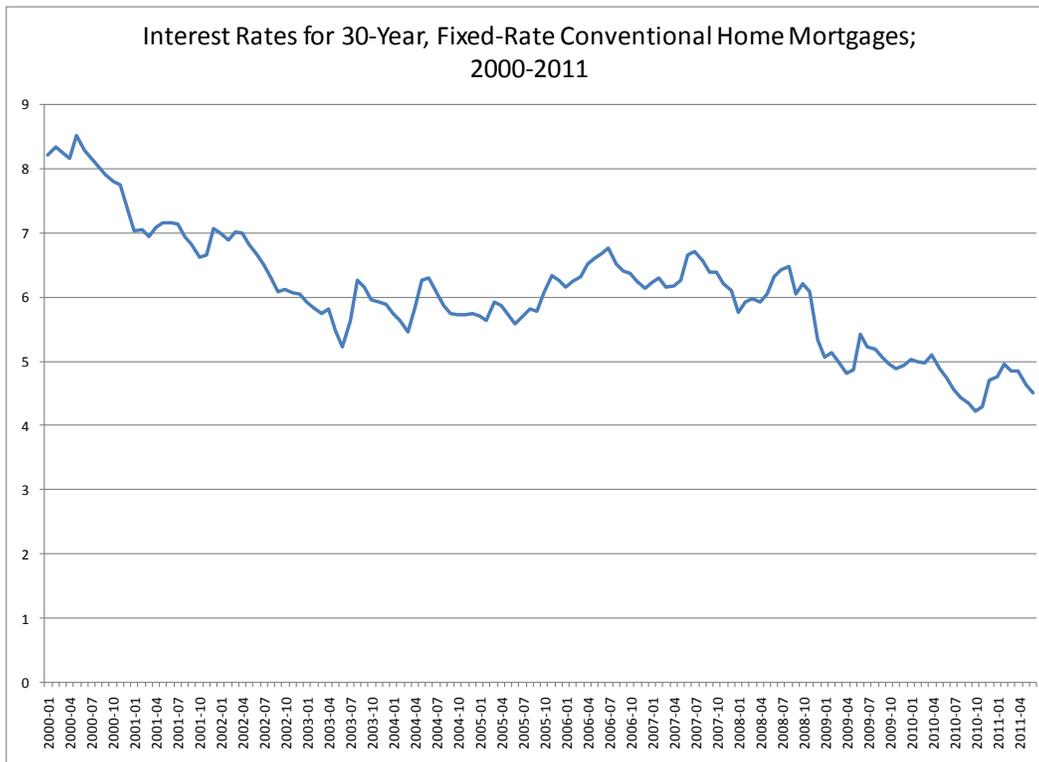


Figure 10: Conventional, 30-Year Fixed Rate Home Mortgages Interest Rate²⁰

Lending activity varied dramatically by loan amount and loan purpose (i.e., home purchase and loan refinance). Declines in loan origination volume for all loan amount categories were substantial. While small value loans (i.e., under \$100,000) to purchase homes declined by some 54.7% between 2007 and 2009 in Pennsylvania, that decline is substantially less than other Mid-Atlantic states.

Mortgage refinance activity, except for smaller loans, increased substantially between 2007 and 2009; Pennsylvania's increases are more substantial than its Mid-Atlantic neighbors. A few observations are important here: (1) interest rate declines, in general, play a large role in refinance activity; (2) small value loan refinance activity continued to decline, likely owing at least in part to household economic stressors (e.g., unemployment, loss of income) and the difficulty of refinancing delinquent loans; (3) Pennsylvania's refinance gains (absolute and relative to other Mid-Atlantic states), reflects lower levels of delinquency than observed in other states.

²⁰ Data extracted from the Board of Governors of the Federal Reserve System Economic and Research Data Download Program, Series H.15; data accessed 11/11/2010.

| | 2004 | | 2005 | | 2006 | | 2007 | | 2008 | | 2009 | | Pct Change, 2007-2009 | |
|---------------------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|-----------------------|-----------|
| | Purchase | Refinance | Purchase | Refinance |
| Delaware | | | | | | | | | | | | | | |
| < \$100,000 | 4,396 | 7,545 | 5,899 | 6,444 | 5,650 | 6,036 | 3,103 | 4,252 | 1,042 | 2,113 | 707 | 1,850 | -77.2% | -56.5% |
| \$100,000-\$149,000 | 5,098 | 7,596 | 4,277 | 6,240 | 3,197 | 4,548 | 2,064 | 3,451 | 1,357 | 2,433 | 1,318 | 3,828 | -36.1% | 10.9% |
| \$150,000-\$174,000 | 2,431 | 2,763 | 2,600 | 2,937 | 2,075 | 2,328 | 1,600 | 2,045 | 1,166 | 1,624 | 1,116 | 2,622 | -30.3% | 28.2% |
| \$175,000-\$199,000 | 1,871 | 1,920 | 2,198 | 2,138 | 2,073 | 1,828 | 1,727 | 1,709 | 1,190 | 1,466 | 1,127 | 2,495 | -34.7% | 46.0% |
| >= \$200,000 | 6,313 | 5,082 | 8,998 | 6,699 | 8,874 | 6,234 | 8,245 | 6,316 | 5,676 | 6,138 | 4,476 | 11,873 | -45.7% | 88.0% |
| Maryland | | | | | | | | | | | | | | |
| < \$100,000 | 38,554 | 42,144 | 49,961 | 39,707 | 45,129 | 39,095 | 18,948 | 24,702 | 4,513 | 11,016 | 2,893 | 9,456 | -84.7% | -61.7% |
| \$100,000-\$149,000 | 21,426 | 47,555 | 17,214 | 37,454 | 14,112 | 28,006 | 8,296 | 19,280 | 4,878 | 12,141 | 5,632 | 17,294 | -32.1% | -10.3% |
| \$150,000-\$174,000 | 12,600 | 25,889 | 10,098 | 23,977 | 7,651 | 15,952 | 5,189 | 11,045 | 3,696 | 7,892 | 4,243 | 12,054 | -18.2% | 9.1% |
| \$175,000-\$199,000 | 12,243 | 21,429 | 10,324 | 22,773 | 8,232 | 15,555 | 5,586 | 11,024 | 4,042 | 7,830 | 4,794 | 12,425 | -14.2% | 12.7% |
| >= \$200,000 | 65,445 | 79,332 | 81,550 | 115,774 | 74,762 | 102,615 | 56,294 | 78,045 | 38,341 | 55,002 | 36,041 | 98,419 | -36.0% | 26.1% |
| New Jersey | | | | | | | | | | | | | | |
| < \$100,000 | 24,395 | 44,408 | 33,418 | 43,271 | 34,911 | 45,676 | 17,775 | 29,363 | 4,819 | 14,018 | 3,556 | 12,307 | -80.0% | -58.1% |
| \$100,000-\$149,000 | 22,926 | 47,360 | 18,643 | 37,062 | 14,893 | 27,983 | 10,112 | 20,625 | 7,051 | 13,858 | 7,068 | 21,318 | -30.1% | 3.4% |
| \$150,000-\$174,000 | 13,824 | 24,681 | 11,509 | 21,512 | 8,674 | 15,982 | 6,909 | 11,929 | 5,128 | 8,718 | 5,353 | 15,288 | -22.5% | 28.2% |
| \$175,000-\$199,000 | 13,088 | 20,582 | 11,081 | 19,301 | 8,788 | 14,164 | 7,043 | 10,859 | 5,245 | 8,228 | 5,563 | 15,351 | -21.0% | 41.4% |
| >= \$200,000 | 94,526 | 91,550 | 108,376 | 119,519 | 94,286 | 109,311 | 77,101 | 86,440 | 54,689 | 65,746 | 45,477 | 131,225 | -41.0% | 20.0% |
| Pennsylvania | | | | | | | | | | | | | | |
| < \$100,000 | 84,632 | 150,950 | 90,898 | 129,191 | 89,839 | 118,824 | 63,216 | 87,905 | 34,959 | 59,899 | 28,606 | 56,825 | -54.7% | -35.4% |
| \$100,000-\$149,000 | 45,314 | 65,093 | 46,433 | 55,042 | 43,880 | 44,467 | 36,404 | 37,567 | 26,906 | 31,343 | 26,314 | 51,607 | -27.7% | 37.4% |
| \$150,000-\$174,000 | 16,024 | 19,463 | 17,193 | 19,164 | 16,725 | 15,381 | 15,054 | 13,944 | 12,103 | 13,151 | 11,540 | 24,580 | -23.3% | 76.3% |
| \$175,000-\$199,000 | 11,315 | 12,388 | 13,224 | 13,135 | 13,038 | 10,889 | 12,067 | 10,128 | 9,776 | 9,894 | 9,077 | 20,526 | -24.8% | 102.7% |
| >= \$200,000 | 37,555 | 33,006 | 47,830 | 38,430 | 48,861 | 33,615 | 44,947 | 33,765 | 37,478 | 36,501 | 30,837 | 81,624 | -31.4% | 141.7% |

Table 15: Loan Originations by Year, Purpose and Amount

| <i>Pennsylvania</i> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | Pct Chg; 07-09 |
|---|---------|---------|---------|---------|---------|---------|-------------------|
| Applications | | | | | | | |
| Purchase | 274,494 | 311,724 | 309,915 | 250,014 | 172,988 | 144,235 | -42.3% |
| Conventional | 255,175 | 296,458 | 292,304 | 231,411 | 131,093 | 83,620 | -63.9% |
| Government | 19,319 | 15,266 | 17,611 | 18,603 | 41,895 | 60,615 | 225.8% |
| Refinance | 677,828 | 635,211 | 561,613 | 460,503 | 348,504 | 417,044 | -9.4% |
| Total (Purch & Refi) | 952,322 | 946,935 | 871,528 | 710,517 | 521,492 | 561,279 | -21.0% |
| Originations | | | | | | | |
| Purchase | 194,840 | 215,578 | 212,343 | 166,688 | 121,222 | 106,374 | -36.2% |
| Conventional | 180,129 | 203,669 | 198,382 | 152,217 | 89,955 | 59,915 | -60.6% |
| Government | 14,711 | 11,909 | 13,961 | 14,471 | 31,267 | 46,459 | 221.0% |
| Refinance | 280,900 | 254,962 | 223,176 | 183,309 | 150,788 | 235,162 | 28.3% |
| Total (Purch & Refi) | 475,740 | 470,540 | 435,519 | 349,997 | 272,010 | 341,536 | -2.4% |
| Percent Originated | | | | | | | |
| Purchase | 71.0% | 69.2% | 68.5% | 66.7% | 70.1% | 73.8% | 10.6% |
| Conventional | 70.6% | 68.7% | 67.9% | 65.8% | 68.6% | 71.7% | 8.9% |
| Government | 76.1% | 78.0% | 79.3% | 77.8% | 74.6% | 76.6% | -1.5% |
| Refinance | 41.4% | 40.1% | 39.7% | 39.8% | 43.3% | 56.4% | 41.7% |
| Total (Purch & Refi) | 50.0% | 49.7% | 50.0% | 49.3% | 52.2% | 60.8% | 23.5% |
| Hi Cost Originated | | | | | | | |
| Purchase | 21,982 | 42,414 | 46,482 | 23,693 | 12,142 | 5,863 | |
| Conventional | 21,712 | 42,254 | 46,179 | 23,277 | 8,473 | 3,234 | |
| Government | 270 | 160 | 303 | 416 | 3,669 | 2,629 | |
| Refinance | 44,657 | 61,449 | 64,172 | 40,069 | 21,816 | 12,651 | |
| Total (Purch & Refi) | 66,639 | 103,863 | 110,654 | 63,762 | 33,958 | 18,514 | |
| Pct Hi Cost Originated of All Originated | | | | | | | |
| Purchase | 11.3% | 19.7% | 21.9% | 14.2% | 10.0% | 6.4% | |
| Conventional | 12.1% | 20.7% | 23.3% | 15.3% | 9.4% | 6.2% | |
| Government | 1.8% | 1.3% | 2.2% | 2.9% | 11.7% | 6.6% | |
| Refinance | 15.9% | 24.1% | 28.8% | 21.9% | 14.5% | 6.0% | |
| Total (Purch & Refi) | 14.0% | 22.1% | 25.4% | 18.2% | 12.5% | 6.1% | |

Table 16: Pennsylvania Mortgage Lending Activity, HMDA [Note: 2009 high-cost loans cannot be compared to prior years because of a change in reporting rules.]

Note that owing to HMDA rule changes effective for applications taken on or after October 1, 2009, the definition of high-cost loans fell under a different reporting rule. Therefore high cost lending volume for calendar year 2009 cannot be compared to prior years. High cost loan figures in Table 16 reflect only those loans reported under the set of rules comparable to prior years; all other 2009 application and origination data in Table 16 reflect the full calendar year.

PHFA has a number of home purchase and repair/renovation loan programs that comprise the Keystone Home Loan and Keystone Renovate and Repair Programs.²¹ These programs are designed to meet the housing finance needs of Pennsylvanians and typically carry advantageous interest rates, fees, and eligibility requirements. Between 2007 and 2010, PHFA purchase loans totaled 23,841 for \$2.5 billion (or an average of approximately \$105,000 per loan). PHFA Renovate and Repair loans totaled 1,002 for \$20.7 million (or an average of approximately \$20,694 per loan). Between 2007 and 2009, conventional home purchase lending volume across the Commonwealth declined by nearly 64%; PHFA’s volume declined, but the decline of 41% was not as severe. Moreover, although HMDA data for the Commonwealth are not available yet for 2010, we observe that PHFA lending volume increased between 2009 and 2010 by almost 90%.

| Loan Program | 2007 | | 2008 | | 2009 | | 2010 | | Total: 2007-2010 | | Total: 2007-2011 |
|----------------------------|-------|----------------|-------|----------------|-------|----------------|-------|----------------|------------------|------------------|------------------|
| | # | \$ | # | \$ | # | \$ | # | \$ | # | \$ | Average Amount |
| Keystone Home Purchase | 6,961 | \$ 750,709,763 | 5,076 | \$ 508,079,579 | 4,077 | \$ 413,977,336 | 7,727 | \$ 821,255,802 | 23,841 | \$ 2,494,022,480 | \$ 104,611 |
| Keystone Renovate & Repair | 23 | \$ 341,139 | 259 | \$ 4,555,437 | 296 | \$ 6,222,188 | 424 | \$ 9,617,058 | 1,002 | \$ 20,735,822 | \$ 20,694 |

Table 17: PHFA Keystone Home Loan Program Volume; 2007-2010

X. Mortgage Foreclosure

The Mortgage Bankers Association’s National Delinquency Survey²² stands as the best and most consistent data available to track the progress of the nation’s mortgage market. From the beginning of the nation’s recession (4th quarter 2007) until today (1st quarter 2011), the nation’s foreclosure inventory rose from 2.04% to 4.52%. Foreclosure rates vary dramatically by loan product type and geography. For example the current foreclosure rate among prime fixed rate mortgages stands at 3.52%; 22.26% of subprime adjustable rate mortgages are in a foreclosure status.

Pennsylvania’s rate of foreclosure from 2000 to 2007 was higher than both its Mid-Atlantic neighbors and the national average. At times over that period, Pennsylvania’s rate placed it among the states most adversely impacted by foreclosure.²³ However, when the recession began to impact the larger US economy, although Pennsylvania’s rate rose, it did not rise nearly as much as the US rate or that of the other Mid-Atlantic States. In

²¹ A full description of these programs may be found at www.phfa.org

²² Available at mortgagebankers.org/ResearchandForecasts/ProductsandSurveys/NationalDelinquencySurvey.htm (accessed 6/22/2011)

²³ See: <http://www.trfund.com/resource/downloads/policypubs/Mortgage-Foreclosure-Filings.pdf>

fact, Pennsylvania's rate now is not only below the US rate, it is ranked 28 of 51 (including the District of Columbia).

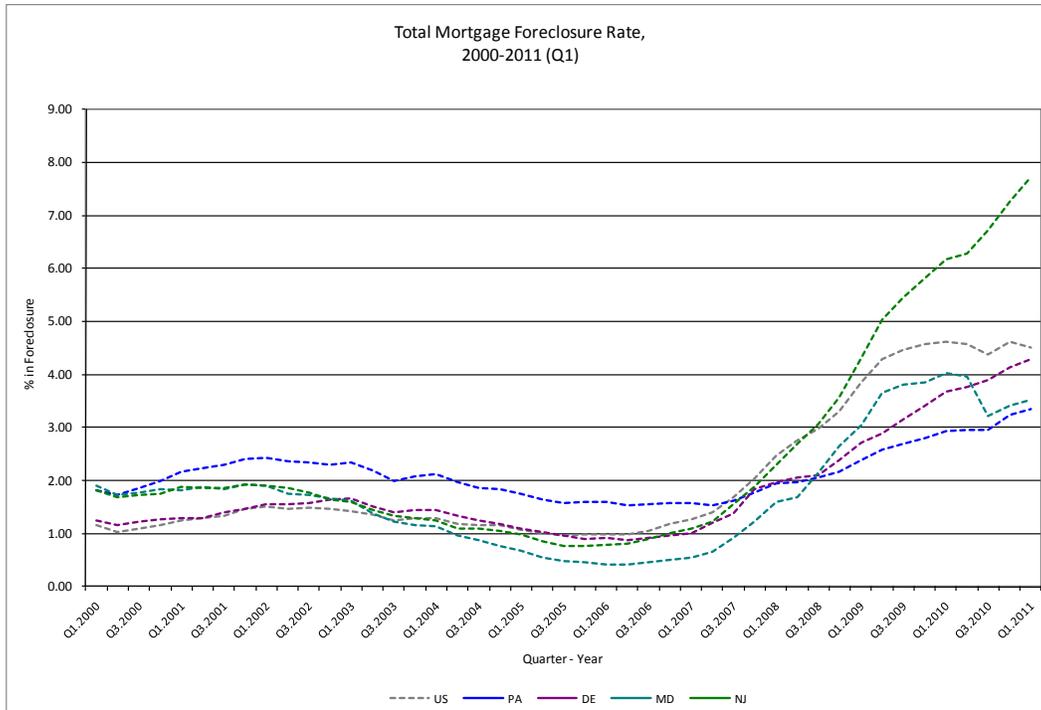


Figure 11: Historic Mid-Atlantic Foreclosure Rates

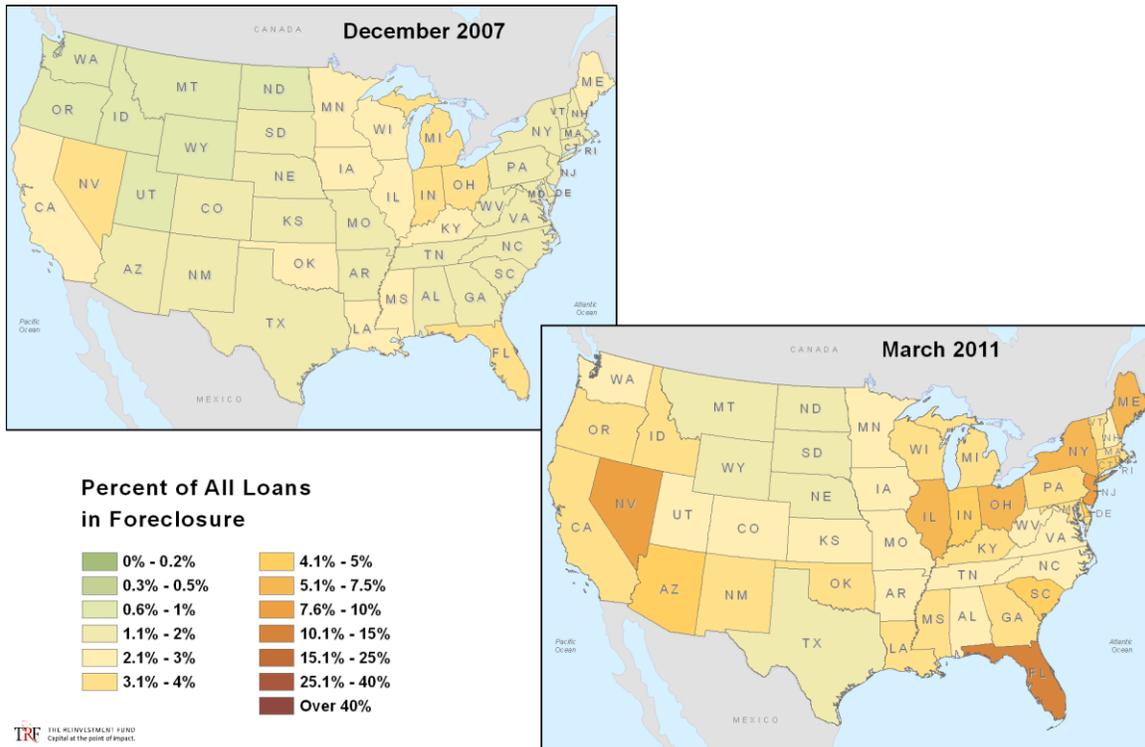


Figure 12: Percent of All Loans in a Foreclosure Status

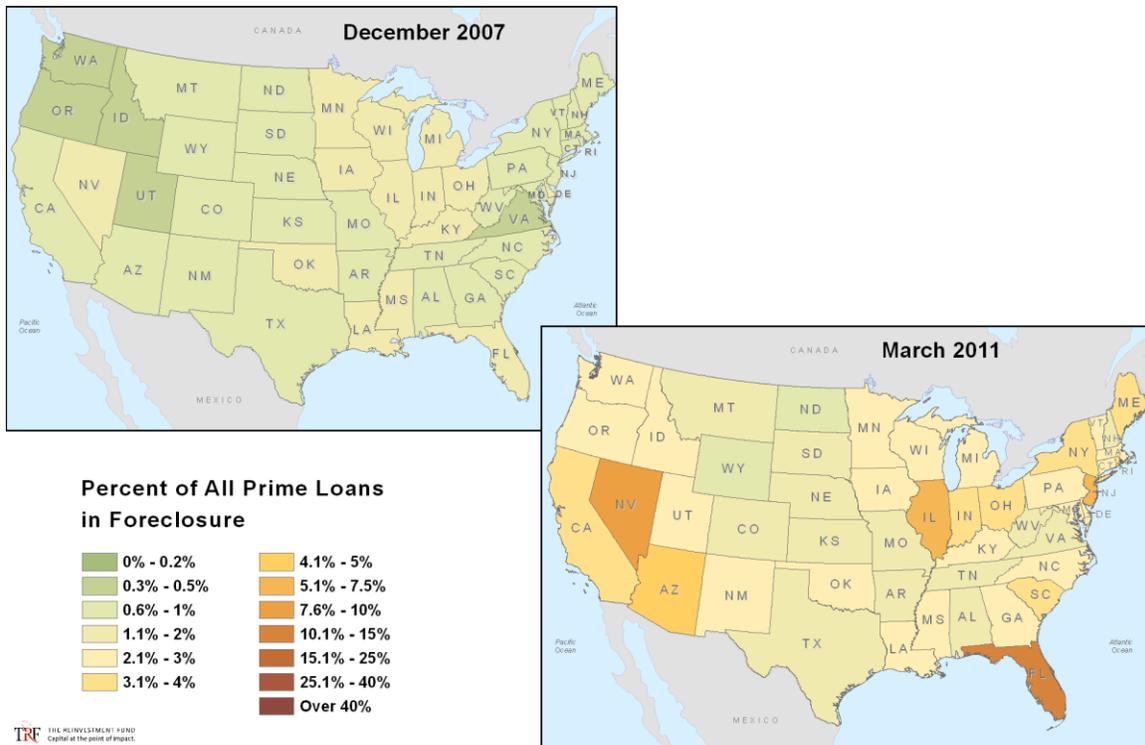


Figure 13: Percent of All Prime Loans in a Foreclosure Status

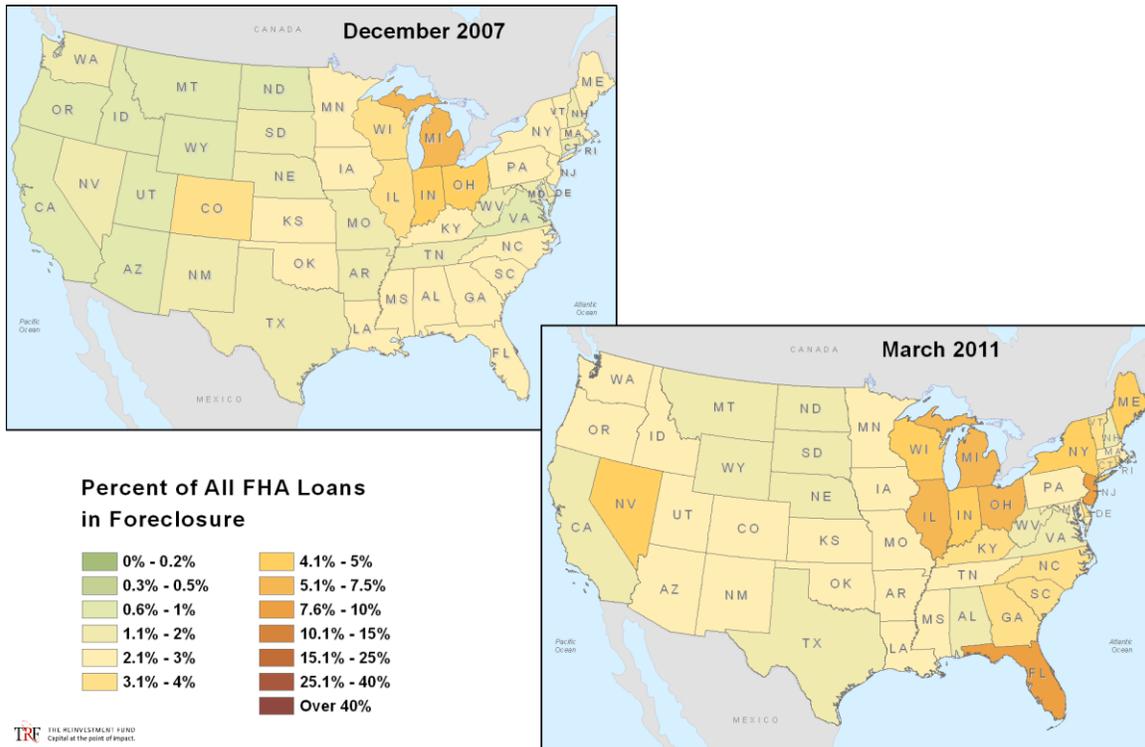


Figure 14: Percent of all FHA Loans in a Foreclosure Status

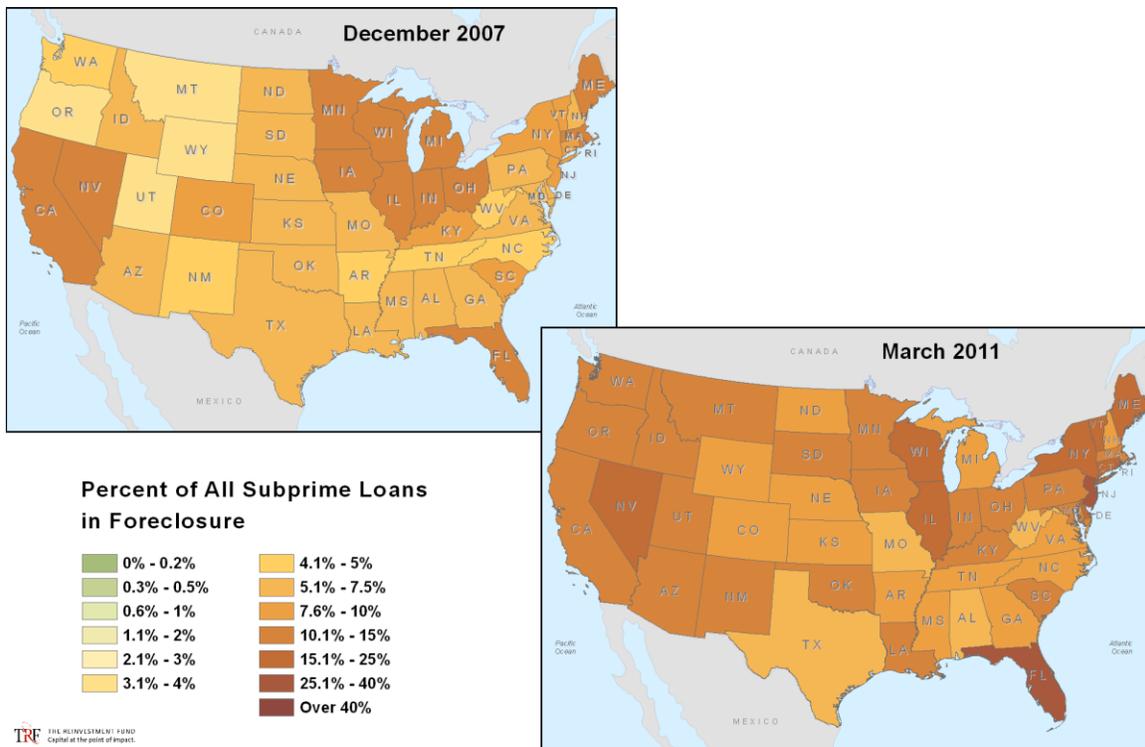


Figure 15: Percent of all Subprime Loans in a Foreclosure Status

XI. Serious Delinquency

Serious delinquency is defined as the percent of loans that are 90 days or more delinquent and/or are in a foreclosure status. Nationally, from the 4th quarter of 2007 through the 1st quarter of 2011, the rate of serious delinquency rose from 3.62% to 8.10%. Over that time, Pennsylvania’s seriously delinquent rate rose from 3.34% to 6.29%. Although the most adversely impacted states were Florida, and Nevada, New Jersey, Illinois, New York and Arizona ended the 1st quarter of 2011 at over 9% (i.e., 1-in-11 mortgages are in a seriously delinquent status).

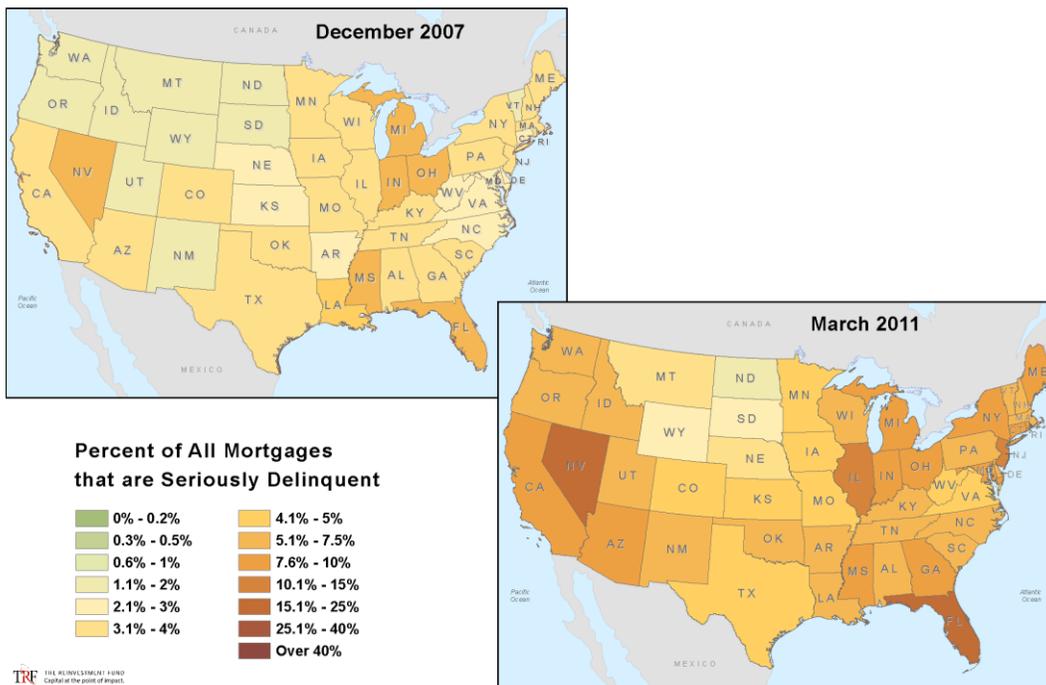


Figure 16: Percent of All Loans in a Serious Delinquency Status

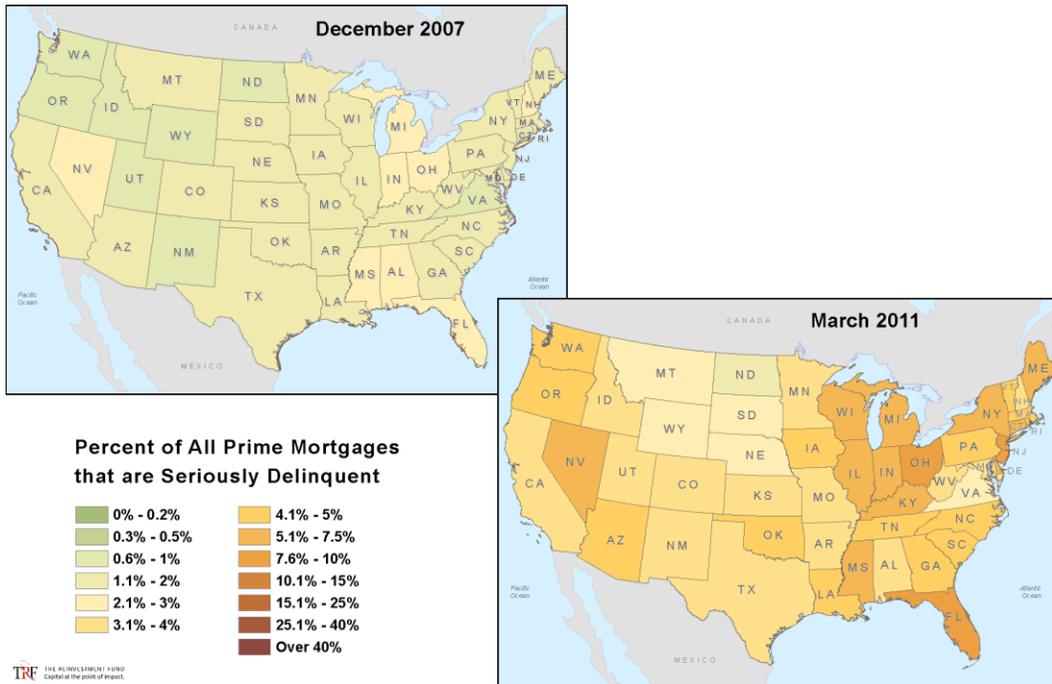


Figure 17: Percent of All Prime Loans in a Serious Delinquency Status

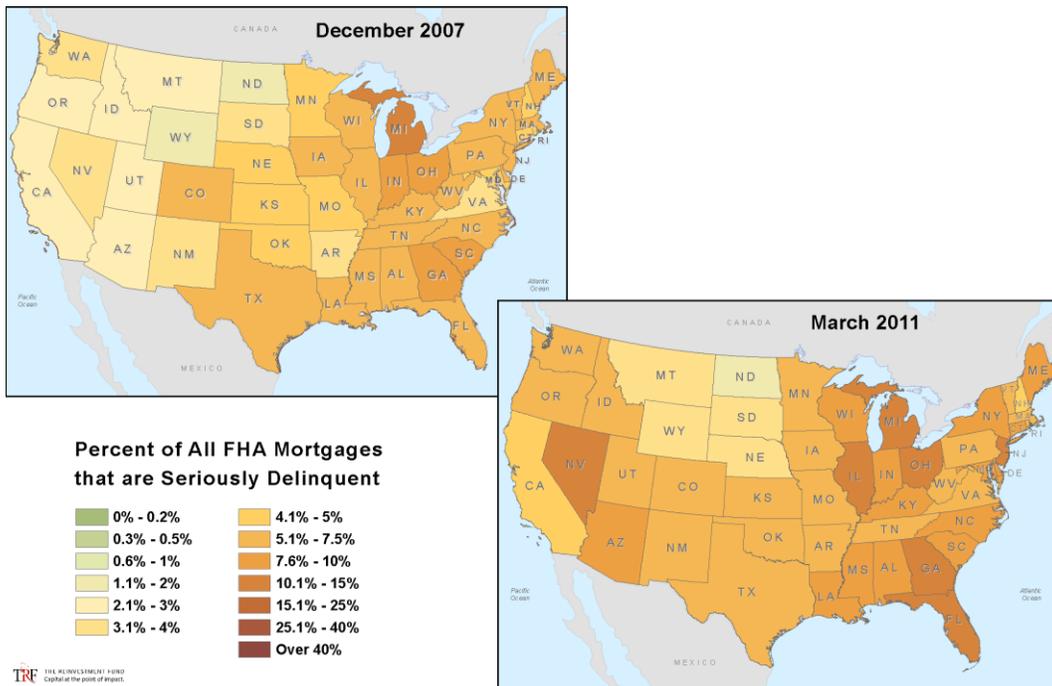


Figure 18: Percent of All FHA Loans in a Serious Delinquency Status

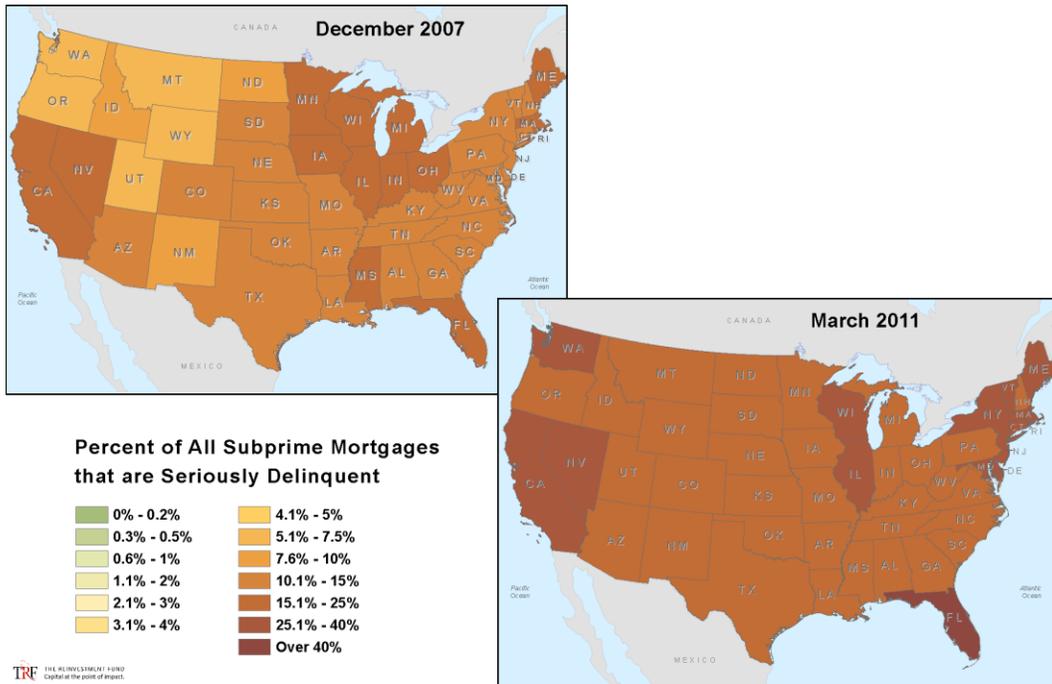


Figure 19: Percent of All Subprime Loans in a Seriously Delinquent Status

Servicing data on loans to properties in Pennsylvania confirm that serious delinquency has indeed risen significantly, but the trajectory of change may be moderating in the last year. Moreover, the rates of 30 day delinquency are actually dropping for all loan types with the exception of prime fixed-rate loans for which the rate is still rising slowly. If this trend holds, it suggests that Pennsylvania's problem may start to turn a corner in the not too distant future. While the non-prime (ARM and fixed rate) rates of serious delinquency remain exceptionally high, it is important to note that these loan types are decreasing in their share of the outstanding mortgage market in Pennsylvania. Increases in the rates of serious delinquency in the prime (ARM and fixed) mortgage market, a much larger share of loans in Pennsylvania, are still a significant concern.

| Loan Type | Month / Year | Percent 1 Month Delinquent | Percent 3 Months Delinquent | Percent 4 Months Delinquent | Total Percent Delinquent | Percent Seriously Delinquent |
|----------------|--------------|----------------------------|-----------------------------|-----------------------------|--------------------------|------------------------------|
| Prime ARM | March, 2007 | 2.36% | 0.30% | 0.59% | 3.92% | 1.78% |
| Prime ARM | March, 2008 | 2.76% | 0.47% | 1.10% | 5.31% | 3.21% |
| Prime ARM | March, 2009 | 3.07% | 0.80% | 2.05% | 7.35% | 5.71% |
| Prime ARM | March, 2010 | 3.24% | 0.87% | 3.60% | 9.17% | 8.27% |
| Prime ARM | March, 2011 | 2.99% | 0.63% | 3.00% | 7.79% | 8.27% |
| Prime Fixed | March, 2007 | 1.94% | 0.20% | 0.50% | 3.15% | 1.20% |
| Prime Fixed | March, 2008 | 2.18% | 0.25% | 0.57% | 3.62% | 1.42% |
| Prime Fixed | March, 2009 | 2.42% | 0.42% | 1.00% | 4.71% | 2.34% |
| Prime Fixed | March, 2010 | 2.43% | 0.48% | 1.79% | 5.61% | 3.50% |
| Prime Fixed | March, 2011 | 2.40% | 0.37% | 1.14% | 4.77% | 3.27% |
| NonPrime ARM | March, 2007 | 8.60% | 1.75% | 3.31% | 17.15% | 9.60% |
| NonPrime ARM | March, 2008 | 10.57% | 2.74% | 7.49% | 25.83% | 19.02% |
| NonPrime ARM | March, 2009 | 9.51% | 3.55% | 13.61% | 32.13% | 29.43% |
| NonPrime ARM | March, 2010 | 8.52% | 2.75% | 17.53% | 33.12% | 36.60% |
| NonPrime ARM | March, 2011 | 7.97% | 2.08% | 15.83% | 29.40% | 36.06% |
| NonPrime Fixed | March, 2007 | 6.89% | 1.26% | 3.79% | 14.41% | 7.68% |
| NonPrime Fixed | March, 2008 | 8.36% | 1.50% | 4.70% | 17.70% | 9.52% |
| NonPrime Fixed | March, 2009 | 9.26% | 2.31% | 7.98% | 23.72% | 15.23% |
| NonPrime Fixed | March, 2010 | 8.71% | 2.82% | 13.58% | 29.16% | 25.27% |
| NonPrime Fixed | March, 2011 | 8.49% | 2.55% | 11.99% | 27.12% | 25.52% |

Table 18: Pennsylvania Mortgage Delinquency Rates by Loan Type; 2007-2011

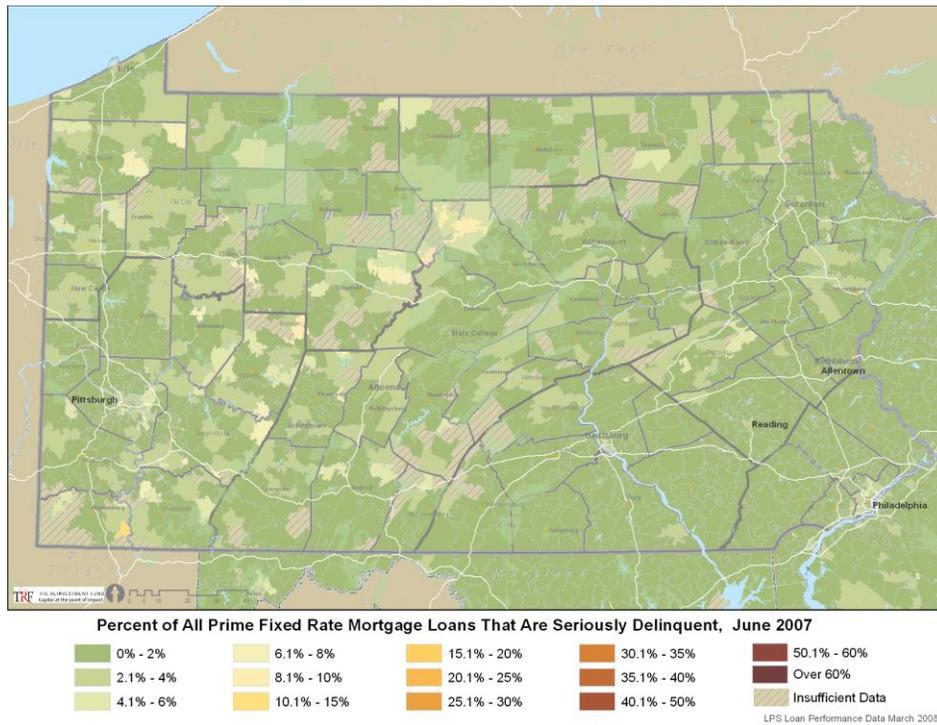


Figure 20: Percent of Prime Fixed Rate Mortgages in a Seriously Delinquent Status, 2007

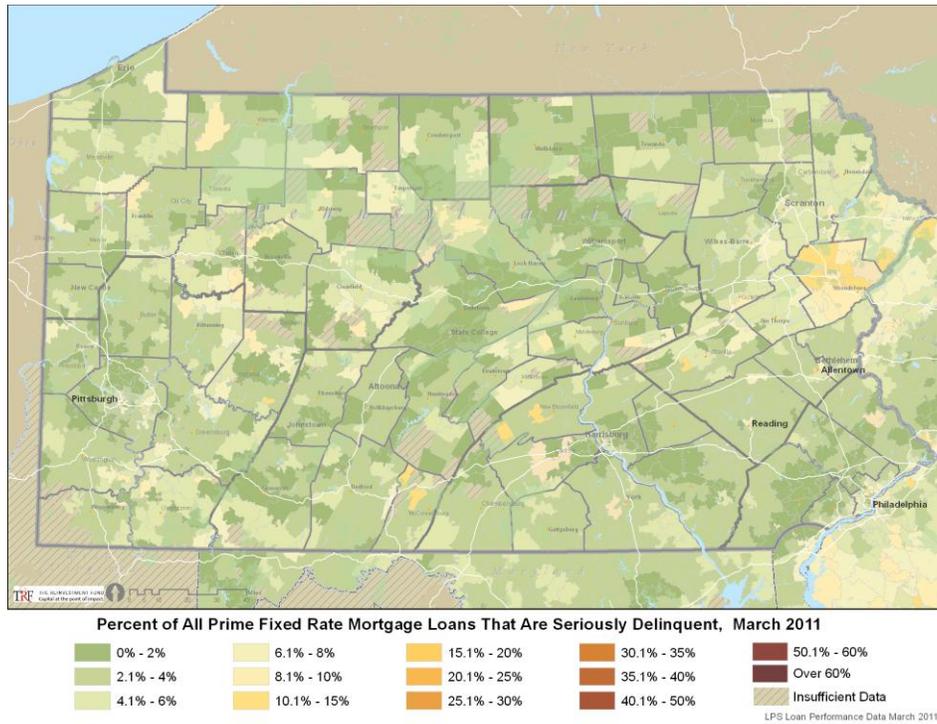


Figure 21: Percent of Prime Fixed Rate Mortgages in a Seriously Delinquent Status, 2011

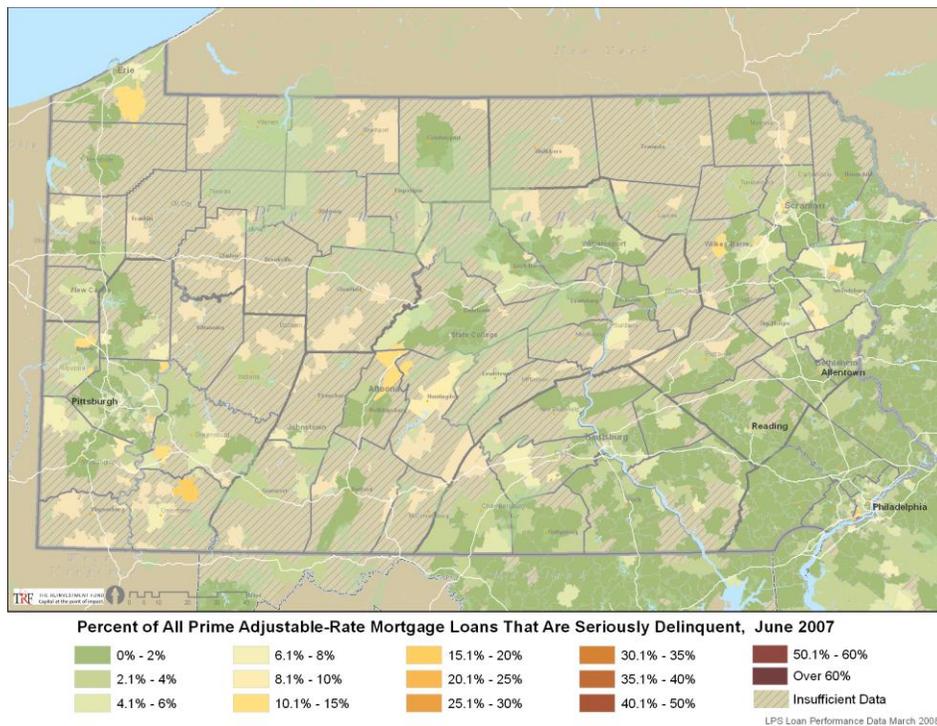


Figure 22: Percent of Prime Adjustable Rate Mortgages in a Seriously Delinquent Status, 2007

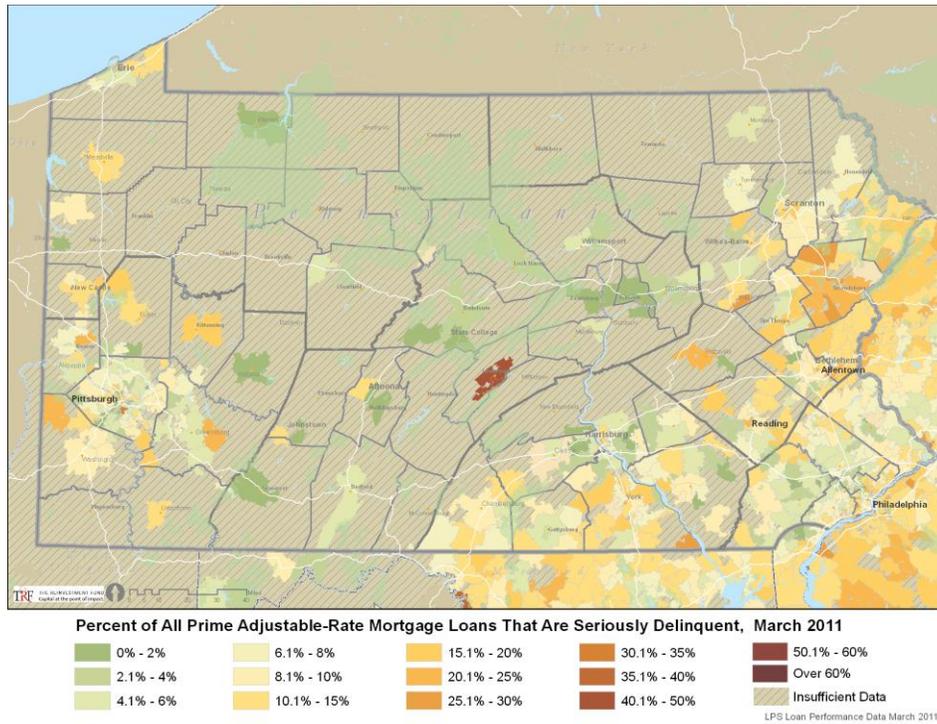


Figure 23: Percent of Prime Adjustable Rate Mortgages in a Seriously Delinquent Status, 2011

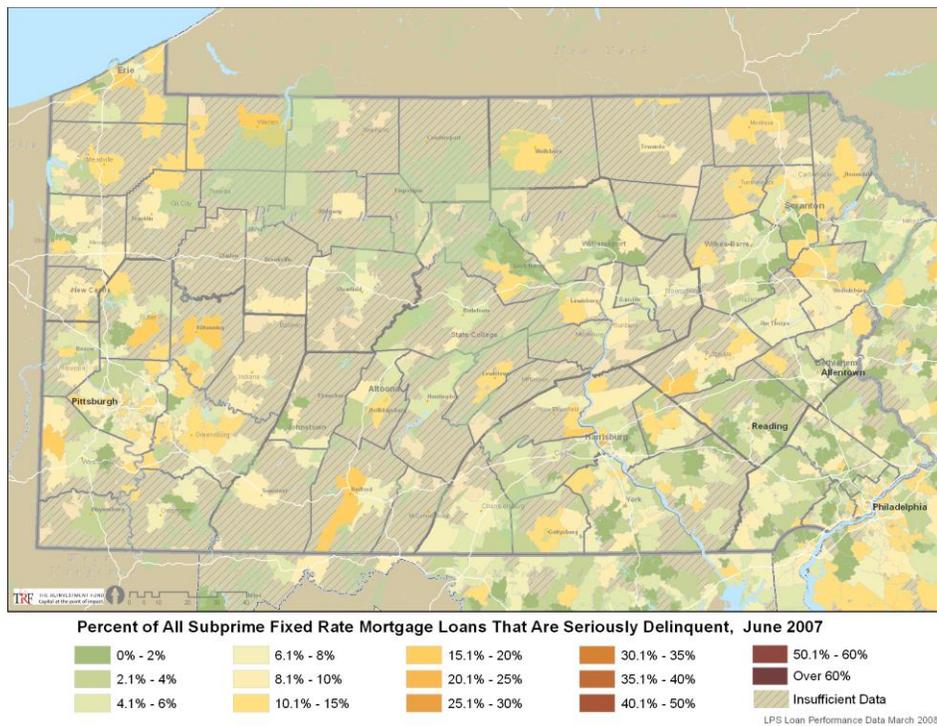


Figure 24: Percent of Subprime Fixed Rate Mortgages in a Seriously Delinquent Status, 2007

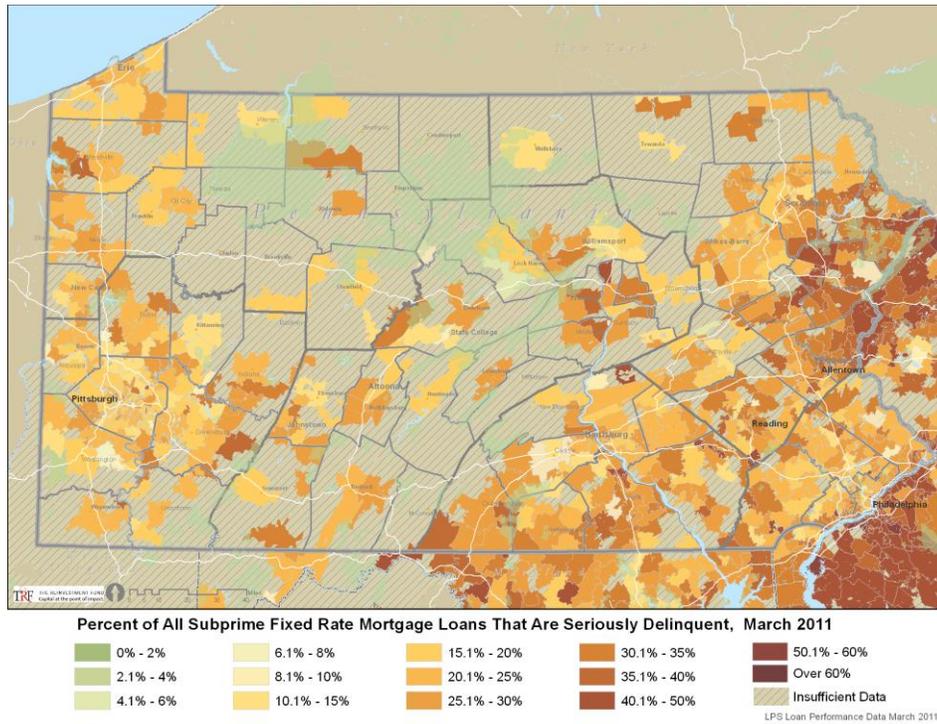


Figure 25: Percent of Subprime Fixed Rate Mortgages in a Seriously Delinquent Status, 2011

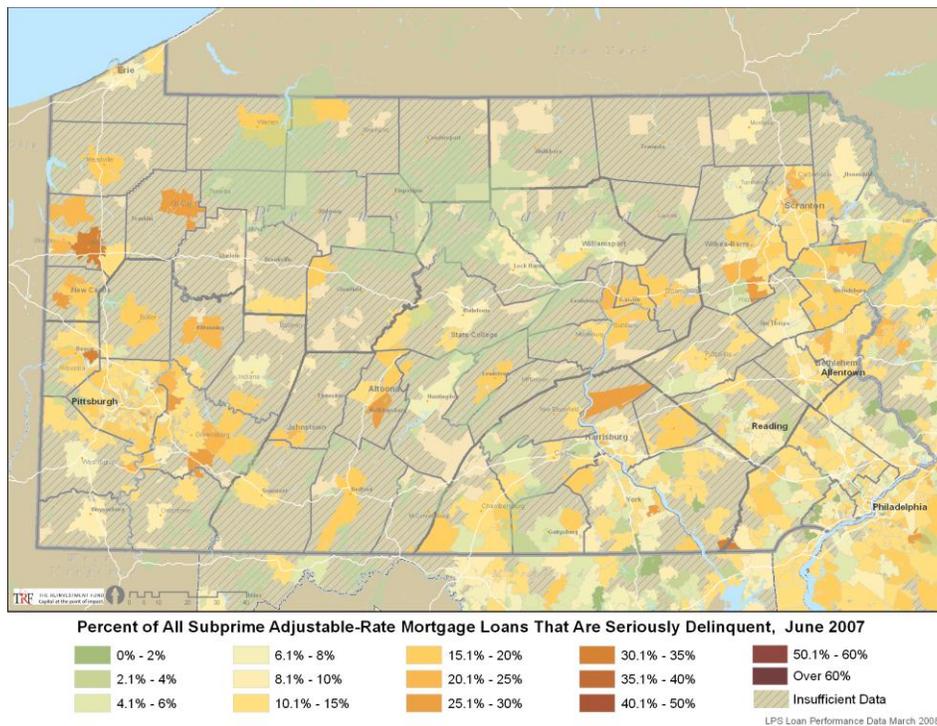


Figure 26: Percent of Subprime Adjustable Rate Mortgages in a Seriously Delinquent Status, 2007

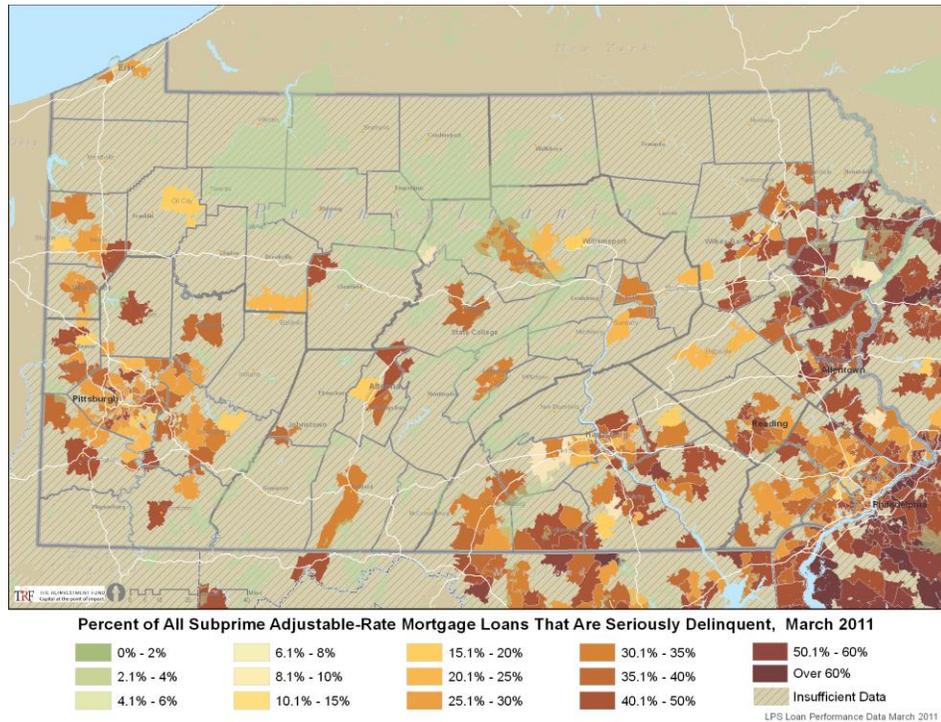


Figure 27: Percent of Subprime Adjustable Rate Mortgages in a Seriously Delinquent Status, 2011

Aside from the servicer data noted above, serious delinquency in Pennsylvania can be tracked through an analysis of Pennsylvania Act 91 notices. Lenders/servicers foreclosing on homeowners with home loans that are not government insured are required to give notice to those homeowners that they are seriously delinquent and that they have certain rights under state law to assistance under the Commonwealth’s Homeowners’ Emergency Mortgage Assistance Program (“HEMAP”).²⁴ Beginning with the fourth quarter of calendar year 2008, lenders/servicers were required to not only send those notices to homeowners, but also to the PHFA. Between Q4 2008 and Q1 2011, more than 417,000 notices were sent to PA homeowners.²⁵

The temporal pattern of these notices is generally consistent across regions. Specifically, the fourth quarter of 2008 was followed by a spike in the first quarter of 2009. We suspect that this spike was as much a function of changes in the market as it was a function of lenders/servicers getting accustomed to the new reporting requirement.

²⁴ A full description of the HEMAP program may be found at: www.phfa.org.

²⁵ On occasion, multiple Act 91 notices are sent to the same homeowner. It is not always possible, with certainty, to determine whether these were multiple notices sent to the same homeowner on the same foreclosure action (e.g., the lender/servicer simply sent weekly notices during the pre-foreclosure period) or whether some other circumstance occurred. Accordingly, although there may be some double-counting reflected in Table 19, there is no reason to believe that the spatial or regional pattern would appear differently where we to be able to reliably remove true duplicate notices.

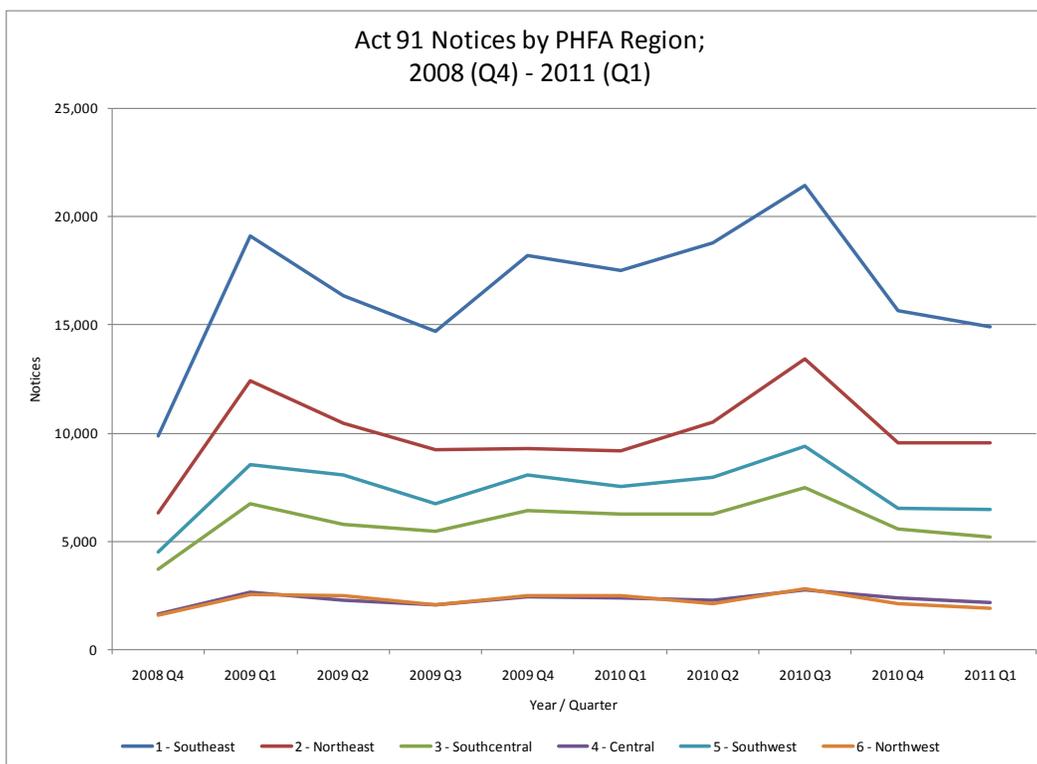


Figure 28: Act 91 Notices by PHFA Region

Act 91 notices were most frequent in the southeast and northeast regions of the state. Within those regions, the counties with the most notices were Bucks, Delaware, Philadelphia, Monroe, Lehigh and Berks. Fully, 39.9% of notices were in the southeast and 23.9% in the northeast. A substantial share of notices was also observed in the southwest (17.7%); counties with the most notices there are Allegheny (52.4% of Southwest notices) and Westmoreland (14.9%).

Note: As of the writing of this report, notice was given in the Pennsylvania Bulletin that the HEMAP program has been shut down because “...the Agency will have insufficient money available in the Homeowner’s Emergency Mortgage Assistance Program (Fund) to accept new applications for emergency mortgage assistance.” Accordingly, thousands of homeowners in Pennsylvania will not have access to the assistance of this program recently recognized for its accomplishments by (among others) the Federal Reserve Bank of New York and Moody’s Investor Service.²⁶ Brian Hudson, Executive Director of the PHFA states in his notice in the Pennsylvania Bulletin: “If funds become replenished in sufficient amount, by an appropriation or otherwise, to continue the Fund, a new notice will be published in accordance with the act announcing that fact and thereafter mortgagees and mortgages shall again be subject to the provisions of Article IV-C of the act.”²⁷

²⁶ See: http://rhls.org/documents/Moody_HEMAP_Article.pdf and newyorkfed.org/research/current_issues/ci17-2.pdf.

²⁷ See: <http://www.pabulletin.com/secure/data/vol41/41-22/920.html>

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and Mortgage Markets of Pennsylvania;
Working Paper #1-2011**

| PHFA Region | County | 2008 Q4 | 2009 Q1 | 2009 Q2 | 2009 Q3 | 2009 Q4 | 2010 Q1 | 2010 Q2 | 2010 Q3 | 2010 Q4 | 2011 Q1 |
|---------------------|----------------|--------------|--------------|--------------|--------------|-------------------|---------------|-------------------|--------------|---------------|--------------|
| 1 - Southeast | Bucks | 1255 | 2465 | 2217 | 1979 | 2166 | 2367 | 2569 | 2860 | 1981 | 2069 |
| | Chester | 751 | 1543 | 1321 | 1205 | 1430 | 1553 | 1606 | 1837 | 1220 | 1194 |
| | Delaware | 1564 | 2928 | 2527 | 2276 | 2698 | 2706 | 2796 | 3227 | 2428 | 2176 |
| | Montgomery | 1336 | 2751 | 2432 | 2121 | 2592 | 2689 | 2830 | 3160 | 2213 | 2218 |
| | Philadelphia | 4990 | 9429 | 7856 | 7098 | 9304 | 8186 | 8993 | 10348 | 7823 | 7242 |
| | Total | 9896 | 19116 | 16353 | 14679 | 18190 | 17501 | 18794 | 21432 | 15665 | 14899 |
| | | | | | | 2009 Total | 68338 | 2010 Total | | 73392 | |
| 2 - Northeast | Berks | 1263 | 2196 | 1532 | 1331 | 1521 | 1596 | 1722 | 1866 | 1319 | 1375 |
| | Bradford | 87 | 104 | 85 | 94 | 95 | 98 | 85 | 120 | 100 | 108 |
| | Carbon | 236 | 521 | 397 | 347 | 295 | 289 | 338 | 519 | 382 | 417 |
| | Lackawanna | 450 | 842 | 730 | 664 | 754 | 789 | 840 | 998 | 739 | 713 |
| | Lehigh | 843 | 1833 | 1562 | 1455 | 1601 | 1434 | 1919 | 2148 | 1294 | 1496 |
| | Luzerne | 771 | 1346 | 1145 | 1048 | 1180 | 1274 | 1441 | 1659 | 1252 | 1118 |
| | Monroe | 900 | 2057 | 1913 | 1551 | 1093 | 984 | 1169 | 2055 | 1553 | 1559 |
| | Northampton | 740 | 1576 | 1330 | 1257 | 1413 | 1391 | 1619 | 1908 | 1265 | 1218 |
| | Pike | 352 | 706 | 696 | 602 | 365 | 375 | 414 | 818 | 657 | 581 |
| | Schuylkill | 336 | 626 | 507 | 425 | 503 | 498 | 527 | 708 | 488 | 514 |
| | Sullivan | 13 | 13 | 16 | 13 | 11 | 11 | 7 | 13 | 16 | 12 |
| | Susquehanna | 89 | 125 | 99 | 87 | 106 | 108 | 100 | 106 | 109 | 94 |
| | Tioga | 72 | 86 | 94 | 87 | 82 | 66 | 68 | 107 | 77 | 58 |
| | Wayne | 106 | 276 | 267 | 209 | 166 | 196 | 196 | 277 | 204 | 220 |
| Wyoming | 42 | 109 | 97 | 86 | 92 | 90 | 83 | 103 | 88 | 82 | |
| | Total | 6300 | 12416 | 10470 | 9256 | 9277 | 9199 | 10528 | 13405 | 9543 | 9565 |
| | | | | | | 2009 Total | 41419 | 2010 Total | | 42675 | |
| 3 - Southcentral | Adams | 239 | 453 | 380 | 336 | 300 | 444 | 364 | 484 | 347 | 315 |
| | Cumberland | 302 | 658 | 544 | 488 | 529 | 516 | 572 | 645 | 501 | 428 |
| | Dauphin | 647 | 1058 | 890 | 801 | 1027 | 1012 | 994 | 1174 | 904 | 835 |
| | Franklin | 279 | 446 | 439 | 434 | 485 | 468 | 424 | 555 | 416 | 415 |
| | Lancaster | 801 | 1447 | 1212 | 1177 | 1412 | 1341 | 1407 | 1636 | 1176 | 1145 |
| | Lebanon | 237 | 418 | 350 | 329 | 391 | 410 | 417 | 470 | 389 | 338 |
| | Perry | 80 | 135 | 124 | 103 | 118 | 108 | 111 | 164 | 124 | 126 |
| | York | 1106 | 2129 | 1829 | 1797 | 2068 | 1967 | 1999 | 2334 | 1731 | 1624 |
| | Total | 3691 | 6744 | 5768 | 5465 | 6420 | 6266 | 6288 | 7462 | 5588 | 5226 |
| | | | | | | 2009 Total | 24397 | 2010 Total | | 25604 | |
| 4 - Central | Bedford | 78 | 107 | 134 | 122 | 121 | 142 | 129 | 141 | 137 | 105 |
| | Blair | 220 | 360 | 289 | 307 | 350 | 362 | 367 | 410 | 373 | 315 |
| | Cambria | 230 | 335 | 277 | 242 | 292 | 279 | 265 | 346 | 290 | 270 |
| | Centre | 122 | 205 | 189 | 164 | 165 | 192 | 191 | 235 | 197 | 168 |
| | Clinton | 85 | 142 | 94 | 86 | 99 | 88 | 86 | 116 | 130 | 99 |
| | Columbia | 89 | 186 | 141 | 130 | 146 | 152 | 153 | 202 | 144 | 143 |
| | Fulton | 21 | 42 | 41 | 43 | 34 | 30 | 38 | 36 | 34 | 31 |
| | Huntingdon | 46 | 80 | 95 | 63 | 73 | 82 | 72 | 81 | 72 | 67 |
| | Junata | 29 | 38 | 37 | 36 | 33 | 40 | 39 | 49 | 28 | 33 |
| | Lycoming | 201 | 347 | 283 | 243 | 358 | 332 | 308 | 350 | 258 | 262 |
| | Mifflin | 108 | 139 | 119 | 90 | 131 | 141 | 123 | 132 | 114 | 133 |
| | Montour | 18 | 56 | 39 | 25 | 45 | 39 | 44 | 52 | 46 | 36 |
| | Northumberland | 194 | 250 | 238 | 228 | 256 | 221 | 216 | 287 | 266 | 222 |
| | Snyder | 46 | 99 | 79 | 72 | 70 | 72 | 54 | 87 | 82 | 72 |
| | Somerset | 101 | 190 | 164 | 129 | 177 | 162 | 139 | 184 | 152 | 157 |
| Union | 48 | 74 | 72 | 66 | 69 | 76 | 68 | 54 | 48 | 63 | |
| | Total | 1636 | 2650 | 2291 | 2046 | 2419 | 2410 | 2292 | 2762 | 2371 | 2176 |
| | | | | | | 2009 Total | 9406 | 2010 Total | | 9835 | |
| 5 - Southwest | Allegheny | 2355 | 4466 | 4115 | 3410 | 4367 | 4045 | 4313 | 4809 | 3440 | 3323 |
| | Armstrong | 104 | 230 | 208 | 198 | 168 | 176 | 161 | 210 | 179 | 184 |
| | Beaver | 380 | 715 | 645 | 544 | 650 | 602 | 606 | 724 | 488 | 504 |
| | Butler | 289 | 472 | 476 | 403 | 418 | 447 | 478 | 549 | 366 | 394 |
| | Fayette | 222 | 389 | 425 | 321 | 362 | 315 | 306 | 436 | 306 | 303 |
| | Greene | 49 | 97 | 69 | 60 | 77 | 71 | 76 | 119 | 93 | 80 |
| | Indiana | 86 | 143 | 142 | 165 | 134 | 138 | 144 | 194 | 144 | 143 |
| | Washington | 390 | 771 | 763 | 594 | 690 | 690 | 633 | 854 | 533 | 562 |
| | Westmoreland | 613 | 1240 | 1237 | 1029 | 1198 | 1052 | 1234 | 1482 | 961 | 973 |
| | Total | 4488 | 8523 | 8080 | 6724 | 8064 | 7536 | 7951 | 9377 | 6510 | 6466 |
| | | | | | | 2009 Total | 31391 | 2010 Total | | 31374 | |
| 6 - Northwest | Cameron | 5 | 11 | 13 | 14 | 12 | 11 | 4 | 5 | 15 | 13 |
| | Clarion | 54 | 76 | 83 | 60 | 76 | 61 | 56 | 88 | 74 | 64 |
| | Clearfield | 120 | 256 | 205 | 199 | 176 | 277 | 159 | 249 | 194 | 170 |
| | Crawford | 161 | 246 | 268 | 192 | 255 | 248 | 232 | 245 | 209 | 174 |
| | Elk | 57 | 79 | 102 | 78 | 87 | 87 | 68 | 81 | 51 | 44 |
| | Erie | 503 | 736 | 682 | 590 | 784 | 707 | 673 | 794 | 618 | 634 |
| | Forest | 15 | 18 | 21 | 11 | 11 | 9 | 7 | 11 | 2 | 3 |
| | Jefferson | 51 | 76 | 81 | 90 | 93 | 121 | 86 | 118 | 92 | 67 |
| | Lawrence | 173 | 298 | 262 | 220 | 295 | 294 | 257 | 376 | 260 | 246 |
| | Mckean | 44 | 80 | 74 | 58 | 68 | 66 | 59 | 69 | 74 | 42 |
| | Mercer | 253 | 410 | 391 | 310 | 378 | 361 | 350 | 429 | 290 | 274 |
| | Potter | 31 | 36 | 35 | 25 | 51 | 29 | 22 | 38 | 53 | 36 |
| | Venango | 88 | 146 | 139 | 112 | 132 | 125 | 112 | 175 | 78 | 82 |
| Warren | 60 | 106 | 117 | 87 | 80 | 78 | 63 | 121 | 96 | 79 | |
| | Total | 1615 | 2574 | 2473 | 2046 | 2498 | 2474 | 2148 | 2799 | 2106 | 1928 |
| | | | | | | 2009 Total | 9591 | 2010 Total | | 9527 | |
| County Not Reported | | 2 | 21 | 17 | 15 | 7 | 6 | 0 | 3 | 12 | 2 |
| PA Total | | 27628 | 52044 | 45452 | 40231 | 46875 | 45392 | 48001 | 57240 | 41795 | 40262 |
| | | | | | | 2009 Total | 184602 | 2010 Total | | 192428 | |

Table 19: Pennsylvania Act 91 Notices by County and PHFA Region

XII. Conclusion

Compared to other Mid-Atlantic states, Pennsylvania survived the recession reasonably well. Yet unemployment remains high, real household and family incomes are low and falling, home prices and sales volumes are anemic, and foreclosures are higher now than they were in the early 2000s when Pennsylvania was among the most troubled states in the nation. Although Pennsylvania so far received more than \$9.5 billion in recovery-related loans, grants and contracts, the personal cost of the recession to tens-of-thousands of Pennsylvanians continues.²⁸

While the worst may be over, recovery is, at best, just underway. Smart policymaking aimed at facilitating recovery relies on a comprehensive and objective understanding of the economic conditions for the Commonwealth's people, communities and markets. Undoubtedly, the ending of Pennsylvania's HEMAP program will leave without relief many Pennsylvanians who, through no fault of their own became delinquent on their home mortgage. The consequence is also that without HEMAP, lenders/servicers will move to foreclosure with many of these homeowners rather than work with them and the Commonwealth to bring and keep their mortgages current. This significant event will have adverse ripple effects for families and local governments across the Commonwealth.

Subsequent papers in this series will explore how the recession has impacted homeowners and renters as well as minority households and communities.

²⁸ recovery.gov/Transparency/RecipientReportedData/Pages/RecipientReportedDataMap.aspx

Data last accessed 7/26/2011.

Resource Tables

Bureau of Labor Statistics Unemployment Rates in Selected Pennsylvania Metro Areas;
2000-2011 (Q1)

| | Allentown- Bethlehem- Easton | Erie | Harrisburg- Carlisle | Johnstown | Lancaster | Philadelphia- Camden- Wilmington | Pittsburgh | Reading | Scranton- Wilkes-Barre | State College | York- Hanover |
|---------|------------------------------------|------|-------------------------|-----------|-----------|--|------------|---------|---------------------------|---------------|------------------|
| 2000 Q1 | 4.1 | 5.1 | 3.6 | 6.4 | 2.9 | 4.0 | 4.8 | 4.1 | 5.4 | 3.7 | 3.5 |
| 2000 Q2 | 3.7 | 4.6 | 3.5 | 6.5 | 3.0 | 4.0 | 4.5 | 4.1 | 5.0 | 3.9 | 3.5 |
| 2000 Q3 | 3.4 | 4.0 | 3.2 | 5.9 | 2.7 | 3.8 | 4.0 | 3.8 | 4.2 | 3.2 | 3.1 |
| 2000 Q4 | 3.1 | 4.3 | 2.9 | 6.1 | 2.5 | 3.4 | 4.0 | 3.5 | 4.6 | 3.2 | 2.9 |
| 2001 Q1 | 4.1 | 5.6 | 4.0 | 7.3 | 3.4 | 4.2 | 5.0 | 4.9 | 5.6 | 3.8 | 4.1 |
| 2001 Q2 | 4.3 | 5.5 | 4.3 | 6.5 | 3.6 | 4.3 | 4.9 | 4.8 | 5.5 | 4.1 | 4.6 |
| 2001 Q3 | 4.3 | 5.0 | 4.1 | 5.6 | 3.3 | 4.4 | 4.3 | 4.4 | 5.2 | 3.5 | 4.2 |
| 2001 Q4 | 4.8 | 6.4 | 4.1 | 7.0 | 3.4 | 4.5 | 4.9 | 4.9 | 5.9 | 4.1 | 4.1 |
| 2002 Q1 | 5.6 | 7.8 | 5.0 | 7.9 | 4.1 | 5.5 | 6.2 | 6.3 | 7.0 | 4.5 | 5.2 |
| 2002 Q2 | 5.6 | 6.9 | 4.8 | 7.3 | 4.2 | 5.6 | 5.8 | 6.1 | 6.4 | 4.9 | 5.1 |
| 2002 Q3 | 5.0 | 5.7 | 4.1 | 6.1 | 3.5 | 5.2 | 5.0 | 5.3 | 5.4 | 3.7 | 4.4 |
| 2002 Q4 | 5.4 | 6.6 | 4.6 | 7.1 | 3.8 | 5.0 | 5.6 | 5.9 | 6.0 | 4.1 | 4.7 |
| 2003 Q1 | 6.2 | 7.2 | 4.9 | 7.5 | 4.6 | 5.6 | 6.3 | 6.5 | 6.8 | 4.6 | 5.2 |
| 2003 Q2 | 5.9 | 7.1 | 4.5 | 7.7 | 4.5 | 5.8 | 6.4 | 6.4 | 6.6 | 4.8 | 5.3 |
| 2003 Q3 | 5.3 | 6.0 | 4.3 | 6.2 | 3.8 | 5.3 | 5.3 | 5.4 | 5.6 | 4.0 | 4.5 |
| 2003 Q4 | 4.9 | 6.0 | 4.0 | 6.3 | 3.5 | 4.7 | 5.2 | 4.9 | 5.5 | 3.9 | 4.2 |
| 2004 Q1 | 5.9 | 7.1 | 4.9 | 7.5 | 4.2 | 5.6 | 6.4 | 6.1 | 6.9 | 4.7 | 5.0 |
| 2004 Q2 | 5.5 | 6.3 | 4.8 | 7.3 | 4.2 | 5.4 | 5.9 | 5.6 | 6.8 | 5.0 | 4.8 |
| 2004 Q3 | 4.8 | 5.3 | 4.0 | 6.1 | 3.4 | 4.8 | 5.1 | 4.7 | 5.9 | 4.0 | 3.9 |
| 2004 Q4 | 4.6 | 5.6 | 3.8 | 6.8 | 3.4 | 4.3 | 5.2 | 4.6 | 5.9 | 4.2 | 3.8 |
| 2005 Q1 | 5.5 | 6.2 | 4.5 | 7.1 | 4.0 | 5.0 | 6.0 | 5.5 | 6.5 | 4.5 | 4.8 |
| 2005 Q2 | 4.9 | 5.4 | 4.2 | 6.5 | 3.9 | 4.8 | 5.4 | 5.1 | 5.8 | 4.5 | 4.5 |
| 2005 Q3 | 4.5 | 4.7 | 3.7 | 5.2 | 3.3 | 4.6 | 4.7 | 4.5 | 4.8 | 3.4 | 3.7 |
| 2005 Q4 | 4.3 | 5.1 | 3.5 | 5.4 | 3.3 | 4.2 | 4.6 | 4.2 | 4.9 | 3.6 | 3.6 |
| 2006 Q1 | 4.9 | 4.0 | 4.0 | 5.6 | 3.7 | 4.6 | 5.2 | 4.9 | 5.8 | 3.9 | 4.2 |
| 2006 Q2 | 4.8 | 5.2 | 4.0 | 5.7 | 3.8 | 4.7 | 5.0 | 4.6 | 5.5 | 4.1 | 4.3 |
| 2006 Q3 | 4.1 | 4.3 | 3.3 | 4.5 | 3.1 | 4.3 | 4.1 | 3.8 | 4.4 | 3.2 | 3.5 |
| 2006 Q4 | 3.8 | 4.5 | 3.2 | 4.7 | 3.0 | 3.8 | 4.0 | 3.7 | 4.3 | 3.4 | 3.2 |
| 2007 Q1 | 4.5 | 5.0 | 3.7 | 5.1 | 3.4 | 4.2 | 4.4 | 4.3 | 5.1 | 3.7 | 3.9 |
| 2007 Q2 | 4.3 | 4.8 | 3.7 | 5.6 | 3.5 | 4.4 | 4.4 | 4.3 | 5.0 | 3.7 | 3.9 |
| 2007 Q3 | 4.0 | 4.3 | 3.3 | 4.9 | 3.1 | 4.2 | 3.9 | 3.9 | 4.3 | 3.1 | 3.4 |
| 2007 Q4 | 4.4 | 5.0 | 3.6 | 5.4 | 3.3 | 4.2 | 4.4 | 4.2 | 4.9 | 3.6 | 3.8 |
| 2008 Q1 | 5.5 | 5.9 | 4.3 | 6.1 | 4.0 | 4.9 | 5.1 | 5.1 | 6.1 | 4.2 | 4.4 |
| 2008 Q2 | 5.5 | 5.5 | 4.6 | 6.4 | 4.3 | 5.2 | 5.1 | 5.3 | 6.0 | 4.6 | 4.7 |
| 2008 Q3 | 5.4 | 5.1 | 4.5 | 5.5 | 4.1 | 5.5 | 4.8 | 5.2 | 5.7 | 4.0 | 4.6 |
| 2008 Q4 | 6.4 | 6.4 | 5.3 | 7.0 | 5.1 | 6.2 | 5.7 | 6.3 | 7.0 | 4.9 | 5.6 |
| 2009 Q1 | 8.6 | 8.6 | 7.0 | 8.5 | 7.2 | 8.0 | 7.3 | 8.5 | 8.8 | 5.8 | 7.9 |
| 2009 Q2 | 8.9 | 9.5 | 7.3 | 8.8 | 7.4 | 8.6 | 7.5 | 9.2 | 8.8 | 6.2 | 8.7 |
| 2009 Q3 | 8.8 | 8.8 | 7.3 | 8.3 | 7.3 | 8.6 | 7.2 | 8.8 | 8.3 | 5.6 | 8.1 |
| 2009 Q4 | 9.1 | 9.7 | 7.4 | 9.0 | 7.4 | 8.5 | 7.6 | 8.9 | 9.1 | 6.2 | 8.4 |
| 2010 Q1 | 10.1 | 10.6 | 8.3 | 10.2 | 8.3 | 9.4 | 8.9 | 10.0 | 10.4 | 6.7 | 9.6 |
| 2010 Q2 | 9.3 | 9.3 | 7.9 | 9.8 | 7.5 | 9.1 | 8.0 | 9.2 | 9.2 | 6.5 | 8.9 |
| 2010 Q3 | 8.8 | 8.2 | 7.3 | 8.4 | 6.8 | 8.6 | 7.2 | 8.5 | 8.9 | 5.6 | 8.0 |
| 2010 Q4 | 8.7 | 8.7 | 7.3 | 8.9 | 6.8 | 8.4 | 7.5 | 8.4 | 9.2 | 5.7 | 8.0 |
| 2011 Q1 | 8.9 | 8.5 | 7.2 | 8.6 | 6.8 | 8.5 | 7.4 | 8.3 | 9.3 | 5.6 | 7.7 |

Bureau of Labor Statistics Unemployment Rates in Selected Pennsylvania Counties;
2000-2011 (Q1)

| | Allegheny | Berks | Bucks | Chester | Dauphin | Delaware | Erie | Lancaster | Lehigh | Monroe | Montgomery | Northampton | Philadelphia | Washington | Westmoreland | York |
|---------|-----------|-------|-------|---------|---------|----------|------|-----------|--------|--------|------------|-------------|--------------|------------|--------------|------|
| 2000 Q1 | 4.4 | 4.1 | 3.7 | 3.2 | 3.8 | 4.1 | 5.1 | 2.9 | 4.1 | 4.8 | 3.3 | 4.2 | 5.8 | 5.1 | 5.2 | 3.5 |
| 2000 Q2 | 4.2 | 4.1 | 3.6 | 3.3 | 3.6 | 4.0 | 4.6 | 3.0 | 3.6 | 4.3 | 3.3 | 3.9 | 5.6 | 4.7 | 4.8 | 3.5 |
| 2000 Q3 | 3.9 | 3.8 | 3.3 | 2.9 | 3.3 | 3.6 | 4.0 | 2.7 | 3.4 | 3.8 | 3.1 | 3.4 | 5.6 | 4.2 | 4.0 | 3.1 |
| 2000 Q4 | 3.6 | 3.5 | 2.9 | 2.5 | 3.0 | 3.1 | 4.3 | 2.5 | 3.1 | 3.8 | 2.7 | 3.1 | 4.9 | 4.3 | 4.4 | 2.9 |
| 2001 Q1 | 4.4 | 4.9 | 3.8 | 3.2 | 4.2 | 4.1 | 5.6 | 3.4 | 4.1 | 4.9 | 3.5 | 4.1 | 6.0 | 5.7 | 5.6 | 4.1 |
| 2001 Q2 | 4.5 | 4.8 | 4.0 | 3.5 | 4.4 | 4.3 | 5.5 | 3.6 | 4.2 | 4.7 | 3.7 | 4.4 | 6.1 | 5.0 | 5.3 | 4.6 |
| 2001 Q3 | 4.2 | 4.4 | 4.0 | 3.3 | 4.3 | 4.2 | 5.0 | 3.3 | 4.3 | 4.4 | 3.8 | 4.2 | 6.1 | 4.5 | 4.5 | 4.2 |
| 2001 Q4 | 4.5 | 4.9 | 4.1 | 3.3 | 4.3 | 4.1 | 6.4 | 3.4 | 5.0 | 5.1 | 3.8 | 4.5 | 6.2 | 5.3 | 5.2 | 4.1 |
| 2002 Q1 | 5.7 | 6.3 | 5.3 | 4.2 | 5.5 | 5.3 | 7.8 | 4.1 | 6.0 | 6.5 | 4.9 | 5.7 | 7.4 | 6.8 | 6.5 | 5.2 |
| 2002 Q2 | 5.5 | 6.1 | 5.1 | 4.3 | 5.1 | 5.3 | 6.9 | 4.2 | 5.6 | 6.0 | 4.8 | 5.5 | 7.6 | 5.9 | 6.0 | 5.1 |
| 2002 Q3 | 5.0 | 5.3 | 4.4 | 3.8 | 4.3 | 4.7 | 5.7 | 3.5 | 5.1 | 4.9 | 4.3 | 4.9 | 7.3 | 5.3 | 5.0 | 4.4 |
| 2002 Q4 | 5.1 | 5.9 | 4.3 | 3.8 | 4.8 | 4.6 | 6.6 | 3.8 | 5.6 | 5.7 | 4.2 | 5.0 | 7.0 | 6.1 | 5.9 | 4.7 |
| 2003 Q1 | 5.8 | 6.5 | 4.9 | 4.3 | 5.2 | 5.3 | 7.2 | 4.6 | 6.3 | 6.5 | 4.8 | 5.9 | 7.4 | 6.8 | 6.7 | 5.2 |
| 2003 Q2 | 6.0 | 6.4 | 5.0 | 4.4 | 5.2 | 5.6 | 7.1 | 4.5 | 5.9 | 6.3 | 4.9 | 5.8 | 8.0 | 6.5 | 6.6 | 5.3 |
| 2003 Q3 | 5.3 | 5.4 | 4.5 | 3.8 | 4.7 | 5.0 | 6.0 | 3.8 | 5.4 | 5.4 | 4.4 | 5.3 | 7.7 | 5.5 | 5.2 | 4.5 |
| 2003 Q4 | 4.8 | 4.9 | 4.2 | 3.4 | 4.4 | 4.5 | 6.0 | 3.5 | 4.8 | 5.3 | 4.0 | 4.8 | 6.8 | 5.4 | 5.5 | 4.2 |
| 2004 Q1 | 5.9 | 6.1 | 5.2 | 4.2 | 5.4 | 5.4 | 7.1 | 4.2 | 6.0 | 6.4 | 4.8 | 5.9 | 7.8 | 6.7 | 6.6 | 5.0 |
| 2004 Q2 | 5.7 | 5.6 | 4.9 | 4.0 | 5.2 | 5.6 | 6.3 | 4.2 | 5.6 | 6.1 | 4.5 | 5.6 | 7.8 | 5.9 | 6.1 | 4.8 |
| 2004 Q3 | 4.8 | 4.7 | 4.1 | 3.4 | 4.3 | 4.6 | 5.3 | 3.4 | 4.9 | 5.1 | 3.7 | 5.0 | 7.1 | 4.9 | 5.4 | 3.9 |
| 2004 Q4 | 4.6 | 4.6 | 3.9 | 3.0 | 4.0 | 4.1 | 5.6 | 3.4 | 4.7 | 5.5 | 3.4 | 4.7 | 6.3 | 5.4 | 5.8 | 3.8 |
| 2005 Q1 | 5.5 | 5.5 | 4.7 | 4.0 | 4.7 | 4.9 | 6.2 | 4.0 | 5.5 | 6.5 | 4.4 | 5.5 | 7.1 | 6.4 | 6.3 | 4.8 |
| 2005 Q2 | 5.1 | 5.1 | 4.1 | 3.9 | 4.4 | 4.8 | 5.4 | 3.9 | 5.0 | 5.3 | 3.9 | 5.2 | 6.9 | 5.4 | 5.6 | 4.5 |
| 2005 Q3 | 4.6 | 4.5 | 3.8 | 3.3 | 4.0 | 4.4 | 4.7 | 3.3 | 4.6 | 4.9 | 3.6 | 4.6 | 6.6 | 5.0 | 4.5 | 3.7 |
| 2005 Q4 | 4.3 | 4.2 | 3.6 | 3.1 | 3.8 | 3.9 | 5.1 | 3.3 | 4.3 | 4.6 | 3.3 | 4.2 | 6.0 | 5.0 | 4.7 | 3.6 |
| 2006 Q1 | 4.8 | 4.9 | 4.1 | 3.4 | 4.2 | 4.4 | 5.7 | 3.7 | 4.9 | 5.5 | 3.8 | 4.8 | 6.3 | 5.6 | 5.4 | 4.2 |
| 2006 Q2 | 4.7 | 4.6 | 4.0 | 3.5 | 4.2 | 4.6 | 5.2 | 3.8 | 4.8 | 5.2 | 3.7 | 4.9 | 6.4 | 5.0 | 5.4 | 4.3 |
| 2006 Q3 | 4.0 | 3.8 | 3.5 | 3.1 | 3.6 | 4.0 | 4.3 | 3.1 | 4.1 | 4.7 | 3.3 | 4.0 | 6.0 | 4.3 | 4.2 | 3.5 |
| 2006 Q4 | 3.7 | 3.7 | 3.3 | 2.7 | 3.5 | 3.5 | 4.5 | 3.0 | 3.9 | 4.2 | 3.0 | 3.8 | 5.5 | 4.2 | 4.3 | 3.2 |
| 2007 Q1 | 4.1 | 4.3 | 3.8 | 3.1 | 4.0 | 3.9 | 5.0 | 3.4 | 4.4 | 5.2 | 3.5 | 4.4 | 5.8 | 4.8 | 4.7 | 3.9 |
| 2007 Q2 | 4.2 | 4.3 | 3.8 | 3.3 | 3.9 | 4.1 | 4.8 | 3.5 | 4.3 | 4.8 | 3.5 | 4.5 | 6.2 | 4.5 | 4.7 | 3.9 |
| 2007 Q3 | 3.9 | 3.9 | 3.6 | 2.9 | 3.5 | 3.9 | 4.3 | 3.1 | 4.1 | 4.6 | 3.3 | 4.0 | 6.1 | 4.1 | 3.9 | 3.4 |
| 2007 Q4 | 4.1 | 4.2 | 3.7 | 3.0 | 3.8 | 3.9 | 5.0 | 3.3 | 4.4 | 4.7 | 3.3 | 4.3 | 5.9 | 4.7 | 4.7 | 3.8 |
| 2008 Q1 | 4.7 | 5.1 | 4.6 | 3.6 | 4.4 | 4.7 | 5.9 | 4.0 | 5.6 | 5.6 | 4.1 | 5.3 | 6.7 | 5.4 | 5.4 | 4.4 |
| 2008 Q2 | 4.9 | 5.3 | 4.6 | 3.9 | 4.7 | 5.1 | 5.5 | 4.3 | 5.7 | 5.9 | 4.3 | 5.5 | 7.1 | 5.1 | 5.6 | 4.7 |
| 2008 Q3 | 4.7 | 5.2 | 4.6 | 3.9 | 4.7 | 5.0 | 5.1 | 4.1 | 5.4 | 5.9 | 4.4 | 5.3 | 7.3 | 4.8 | 4.7 | 4.6 |
| 2008 Q4 | 5.3 | 6.3 | 5.5 | 4.5 | 5.5 | 5.5 | 6.4 | 5.1 | 6.3 | 7.0 | 6.0 | 6.1 | 7.8 | 6.0 | 6.1 | 5.6 |
| 2009 Q1 | 6.7 | 8.5 | 7.4 | 6.0 | 7.3 | 7.2 | 8.6 | 7.2 | 8.5 | 9.2 | 6.7 | 8.3 | 9.2 | 7.7 | 7.9 | 7.9 |
| 2009 Q2 | 6.9 | 9.2 | 7.6 | 6.6 | 7.7 | 7.9 | 9.5 | 7.4 | 9.0 | 9.5 | 7.1 | 8.7 | 9.9 | 7.8 | 8.1 | 8.7 |
| 2009 Q3 | 6.9 | 8.8 | 7.2 | 6.3 | 7.7 | 8.0 | 8.8 | 7.3 | 8.9 | 8.7 | 6.9 | 8.5 | 10.3 | 7.5 | 7.4 | 8.1 |
| 2009 Q4 | 7.0 | 8.9 | 7.2 | 6.2 | 7.7 | 8.0 | 9.7 | 7.4 | 9.0 | 9.3 | 6.8 | 8.7 | 10.2 | 8.0 | 8.1 | 8.4 |
| 2010 Q1 | 8.3 | 10.0 | 8.5 | 7.2 | 8.7 | 8.8 | 10.6 | 8.3 | 10.0 | 10.3 | 6.8 | 8.7 | 11.0 | 9.5 | 9.2 | 9.6 |
| 2010 Q2 | 7.8 | 9.2 | 7.8 | 6.9 | 8.3 | 8.7 | 9.3 | 7.5 | 9.4 | 9.7 | 7.5 | 9.1 | 10.9 | 8.1 | 8.2 | 8.9 |
| 2010 Q3 | 7.2 | 8.5 | 7.3 | 6.2 | 8.0 | 8.2 | 8.2 | 6.8 | 8.9 | 9.3 | 7.0 | 8.6 | 10.7 | 7.0 | 7.3 | 8.0 |
| 2010 Q4 | 7.1 | 8.4 | 7.2 | 6.0 | 7.8 | 7.9 | 8.7 | 6.8 | 8.7 | 9.6 | 6.8 | 8.6 | 10.5 | 7.7 | 7.9 | 8.0 |
| 2011 Q1 | 7.1 | 8.3 | 7.5 | 6.2 | 7.6 | 7.8 | 8.5 | 6.8 | 8.7 | 9.6 | 6.9 | 8.6 | 10.0 | 7.8 | 7.7 | 7.7 |

Mortgage Lending Activity in Delaware

| <i>Delaware</i> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | Pct Chg; 07-09 |
|---|--------|--------|--------|--------|--------|--------|-------------------|
| Applications | | | | | | | |
| Purchase | 28,198 | 35,533 | 31,786 | 25,014 | 14,982 | 12,100 | -51.6% |
| Conventional | 25,780 | 33,781 | 29,716 | 23,055 | 10,783 | 6,389 | -72.3% |
| Government | 2,418 | 1,752 | 2,070 | 1,959 | 4,199 | 5,711 | 191.5% |
| Refinance | 58,776 | 57,880 | 52,644 | 44,634 | 33,275 | 39,858 | -10.7% |
| Total (Purch & Refi) | 86,974 | 93,413 | 84,430 | 69,648 | 48,257 | 51,958 | -25.4% |
| Originations | | | | | | | |
| Purchase | 20,109 | 23,972 | 21,869 | 16,739 | 10,431 | 8,744 | -47.8% |
| Conventional | 18,312 | 22,609 | 20,226 | 15,212 | 7,296 | 4,506 | -70.4% |
| Government | 1,797 | 1,363 | 1,643 | 1,527 | 3,135 | 4,238 | 177.5% |
| Refinance | 24,906 | 24,458 | 20,974 | 17,773 | 13,774 | 22,668 | 27.5% |
| Total (Purch & Refi) | 45,015 | 48,430 | 42,843 | 34,512 | 24,205 | 31,412 | -9.0% |
| Percent Originated | | | | | | | |
| Purchase | 71.3% | 67.5% | 68.8% | 66.9% | 69.6% | 72.3% | 8.0% |
| Conventional | 71.0% | 66.9% | 68.1% | 66.0% | 67.7% | 70.5% | 6.9% |
| Government | 74.3% | 77.8% | 79.4% | 77.9% | 74.7% | 74.2% | -4.8% |
| Refinance | 42.4% | 42.3% | 39.8% | 39.8% | 41.4% | 56.9% | 42.8% |
| Total (Purch & Refi) | 51.8% | 51.8% | 50.7% | 49.6% | 50.2% | 60.5% | 22.0% |
| Hi Cost Originated | | | | | | | |
| Purchase | 2,003 | 4,533 | 4,736 | 2,070 | 920 | 429 | |
| Conventional | 1,996 | 4,526 | 4,726 | 2,056 | 625 | 192 | |
| Government | 7 | 7 | 10 | 14 | 295 | 237 | |
| Refinance | 4,246 | 6,235 | 6,361 | 3,724 | 1,511 | 740 | |
| Total (Purch & Refi) | 6,249 | 10,768 | 11,097 | 5,794 | 2,431 | 1,169 | |
| Pct Hi Cost Originated of All Originated | | | | | | | |
| Purchase | 10.0% | 18.9% | 21.7% | 12.4% | 8.8% | 5.6% | |
| Conventional | 10.9% | 20.0% | 23.4% | 13.5% | 8.6% | 4.8% | |
| Government | 0.4% | 0.5% | 0.6% | 0.9% | 9.4% | 6.4% | |
| Refinance | 17.0% | 25.5% | 30.3% | 21.0% | 11.0% | 3.6% | |
| Total (Purch & Refi) | 13.9% | 22.2% | 25.9% | 16.8% | 10.0% | 4.3% | |

Mortgage Lending Activity in Maryland

| <i>Maryland</i> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | Pct Chg; 07-09 |
|---|---------|---------|---------|---------|---------|---------|-------------------|
| Applications | | | | | | | |
| Purchase | 207,052 | 244,786 | 223,980 | 145,067 | 83,718 | 74,041 | -49.0% |
| Conventional | 190,723 | 237,980 | 216,802 | 136,987 | 55,402 | 33,435 | -75.6% |
| Government | 16,329 | 6,806 | 7,178 | 8,080 | 28,316 | 40,606 | 402.5% |
| Refinance | 430,021 | 471,880 | 424,376 | 331,487 | 204,357 | 258,992 | -21.9% |
| Total (Purch & Refi) | 637,073 | 716,666 | 648,356 | 476,554 | 288,075 | 333,033 | -30.1% |
| Originations | | | | | | | |
| Purchase | 150,268 | 169,147 | 149,886 | 94,313 | 55,470 | 53,603 | -43.2% |
| Conventional | 137,660 | 164,073 | 144,418 | 88,365 | 35,127 | 23,397 | -73.5% |
| Government | 12,608 | 5,074 | 5,468 | 5,948 | 20,343 | 30,206 | 407.8% |
| Refinance | 216,349 | 239,685 | 201,223 | 144,096 | 93,881 | 149,648 | 3.9% |
| Total (Purch & Refi) | 366,617 | 408,832 | 351,109 | 238,409 | 149,351 | 203,251 | -14.7% |
| Percent Originated | | | | | | | |
| Purchase | 72.6% | 69.1% | 66.9% | 65.0% | 66.3% | 72.4% | 11.4% |
| Conventional | 72.2% | 68.9% | 66.6% | 64.5% | 63.4% | 70.0% | 8.5% |
| Government | 77.2% | 74.6% | 76.2% | 73.6% | 71.8% | 74.4% | 1.1% |
| Refinance | 50.3% | 50.8% | 47.4% | 43.5% | 45.9% | 57.8% | 32.9% |
| Total (Purch & Refi) | 57.5% | 57.0% | 54.2% | 50.0% | 51.8% | 61.0% | 22.0% |
| Hi Cost Originated | | | | | | | |
| Purchase | 20,470 | 50,269 | 49,447 | 14,221 | 3,812 | 1,539 | |
| Conventional | 20,386 | 50,121 | 49,292 | 14,021 | 2,460 | 615 | |
| Government | 84 | 148 | 155 | 200 | 1,352 | 924 | |
| Refinance | 35,371 | 68,603 | 68,396 | 30,621 | 7,620 | 3,573 | |
| Total (Purch & Refi) | 55,841 | 118,872 | 117,843 | 44,842 | 11,432 | 5,112 | |
| Pct Hi Cost Originated of All Originated | | | | | | | |
| Purchase | 13.6% | 29.7% | 33.0% | 15.1% | 6.9% | 3.3% | |
| Conventional | 14.8% | 30.5% | 34.1% | 15.9% | 7.0% | 3.0% | |
| Government | 0.7% | 2.9% | 2.8% | 3.4% | 6.6% | 3.5% | |
| Refinance | 16.3% | 28.6% | 34.0% | 21.3% | 8.1% | 2.7% | |
| Total (Purch & Refi) | 15.2% | 29.1% | 33.6% | 18.8% | 7.7% | 2.8% | |

Mortgage Lending Activity in New Jersey

| <i>New Jersey</i> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | Pct Chg; 07-09 |
|---|---------|---------|---------|---------|---------|---------|-------------------|
| Applications | | | | | | | |
| Purchase | 252,844 | 288,149 | 263,185 | 197,507 | 125,993 | 101,550 | -48.6% |
| Conventional | 237,987 | 279,043 | 255,262 | 187,773 | 100,573 | 61,775 | -67.1% |
| Government | 14,857 | 9,106 | 7,923 | 9,734 | 25,420 | 39,775 | 308.6% |
| Refinance | 443,877 | 506,279 | 454,524 | 371,567 | 247,888 | 350,019 | -5.8% |
| Total (Purch & Refi) | 696,721 | 794,428 | 717,709 | 569,074 | 373,881 | 451,569 | -20.6% |
| Originations | | | | | | | |
| Purchase | 168,759 | 183,027 | 161,552 | 118,940 | 76,932 | 67,017 | -43.7% |
| Conventional | 159,245 | 177,084 | 156,263 | 112,752 | 61,193 | 40,979 | -63.7% |
| Government | 9,514 | 5,943 | 5,289 | 6,188 | 15,739 | 26,038 | 320.8% |
| Refinance | 228,581 | 240,665 | 213,116 | 152,216 | 110,568 | 195,489 | 28.4% |
| Total (Purch & Refi) | 397,340 | 423,692 | 374,668 | 271,156 | 187,500 | 262,506 | -3.2% |
| Percent Originated | | | | | | | |
| Purchase | 66.7% | 63.5% | 61.4% | 60.2% | 61.1% | 66.0% | 9.6% |
| Conventional | 66.9% | 63.5% | 61.2% | 60.0% | 60.8% | 66.3% | 10.5% |
| Government | 64.0% | 65.3% | 66.8% | 63.6% | 61.9% | 65.5% | 3.0% |
| Refinance | 51.5% | 47.5% | 46.9% | 41.0% | 44.6% | 55.9% | 36.3% |
| Total (Purch & Refi) | 57.0% | 53.3% | 52.2% | 47.6% | 50.1% | 58.1% | 22.0% |
| Hi Cost Originated | | | | | | | |
| Purchase | 17,443 | 41,143 | 44,367 | 16,300 | 5,279 | 2,020 | |
| Conventional | 17,295 | 40,897 | 44,089 | 15,983 | 3,088 | 815 | |
| Government | 148 | 246 | 278 | 317 | 2,191 | 1,205 | |
| Refinance | 30,244 | 59,157 | 59,371 | 30,013 | 7,589 | 4,213 | |
| Total (Purch & Refi) | 47,687 | 100,300 | 103,738 | 46,313 | 12,868 | 6,233 | |
| Pct Hi Cost Originated of All Originated | | | | | | | |
| Purchase | 10.3% | 22.5% | 27.5% | 13.7% | 6.9% | 3.5% | |
| Conventional | 10.9% | 23.1% | 28.2% | 14.2% | 5.0% | 2.3% | |
| Government | 1.6% | 4.1% | 5.3% | 5.1% | 13.9% | 5.4% | |
| Refinance | 13.2% | 24.6% | 27.9% | 19.7% | 6.9% | 2.4% | |
| Total (Purch & Refi) | 12.0% | 23.7% | 27.7% | 17.1% | 6.9% | 2.7% | |



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