

Economic Highlights

Regional Employment

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Regional Employment

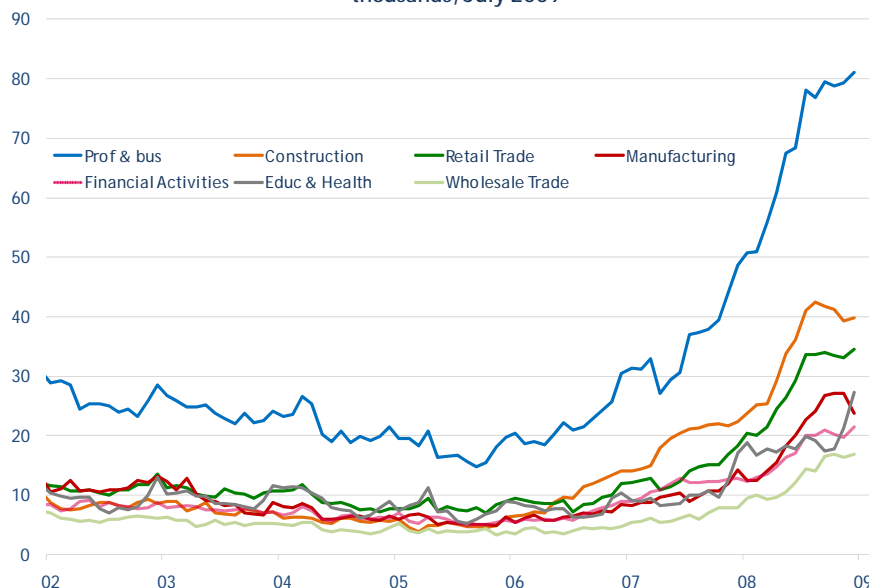
Summary

Continuing claims remain elevated in most major sectors in Florida and Georgia.

In Georgia, the largest number of claimants is in the construction sector, while in Florida claimants in the professional and business sector make up the bulk of unemployment benefits recipients.

Florida Continuing Claims by Industry

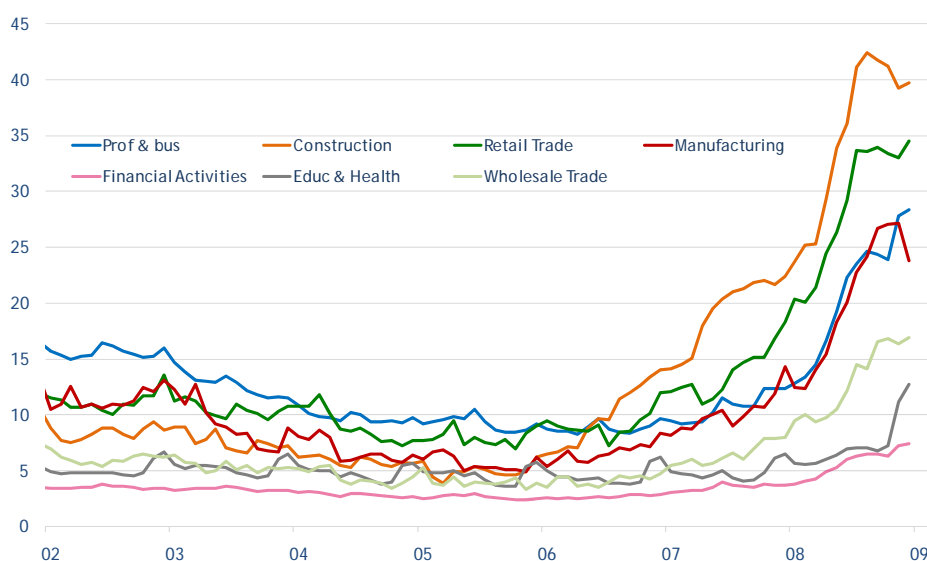
thousands, July 2009



Source: U.S. Department of Labor, Federal Reserve Bank of Atlanta

Georgia Continuing Claims by Industry

thousands, July 2009



Source: U.S. Department of Labor, Federal Reserve Bank of Atlanta

- Claims continue to accelerate in the **professional and business sectors** in Florida and Georgia. In Florida, this trend is consistent with payroll employment figures that show that the sector continues to shed a considerable number of jobs.
- There was also a large jump in continuing claims in the **education and health sectors** in Florida and Georgia beginning in May.
- Claims in the **manufacturing sector** have eased somewhat but remain high in both states. Moreover, it remains unclear whether claimants are exhausting their benefits or finding employment.

Regional Employment

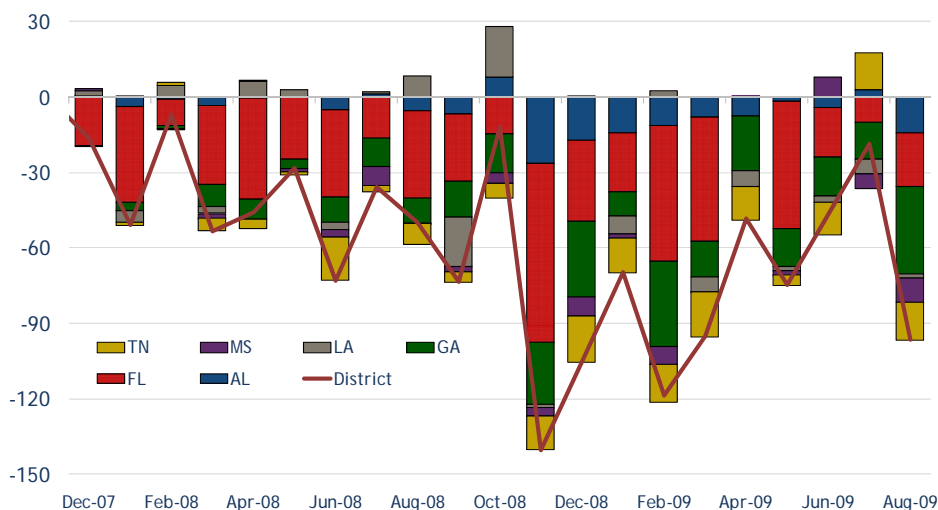
Summary

Southeastern states lost a net 96,500 jobs in August. Job losses were fairly widespread across the region.

The Southeast as a whole has lost 1,259,000 jobs, half of which were in Florida, since the recession began.

Payroll Employment Growth by State

monthly change, thousands



Source: U.S. Bureau of Labor Statistics

- **Georgia** shed 35,000 jobs in August, the third-largest month-over-month employment decline in the nation and the highest in the state in 13 years. Compared to July, job losses in August were significant in the professional and business and local government sectors. Non-seasonally adjusted job gains in local government were much lower than in the past, and that fact could have caused seasonal adjustments to exaggerate job losses in the local government sector.
- Job losses were significant in the **leisure and hospitality** sectors of **Alabama** and **Florida**. Alabama and Florida shed 14,000 and 21,500 jobs, respectively.
- **Tennessee** lost 15,100 jobs in August, more than offsetting the 14,900 job gain from July.

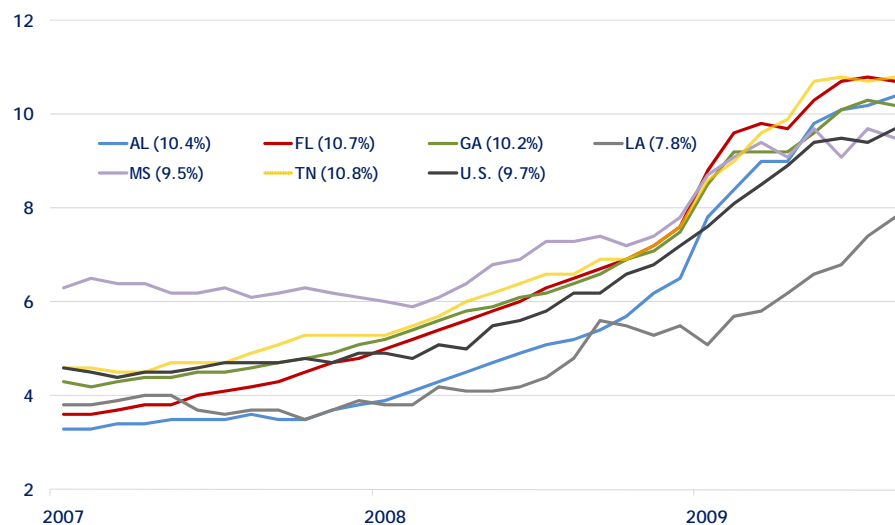
The unemployment rate increased in Alabama, Louisiana, and Tennessee, the only Southeastern states that experienced an increase in the number of unemployed people.

The number of unemployed people has accelerated significantly in Louisiana in recent months.

The unemployment rate decreased in Florida, Georgia, and Mississippi. Although the number of unemployed people declined, these states have also seen a drop in the labor force, suggesting that at least some of the fall in joblessness is a result of discouraged workers leaving the labor force.

District Unemployment Rates

Percent of labor force, August 2009



Source: U.S. Bureau of Labor Statistics

- In **Louisiana**, the number of unemployed persons increased 8.7% in July and 5.3% in August. The August increase amounted to a 0.4 percentage point rise in the state's unemployment rate, to 7.8%.

Regional Employment

Summary

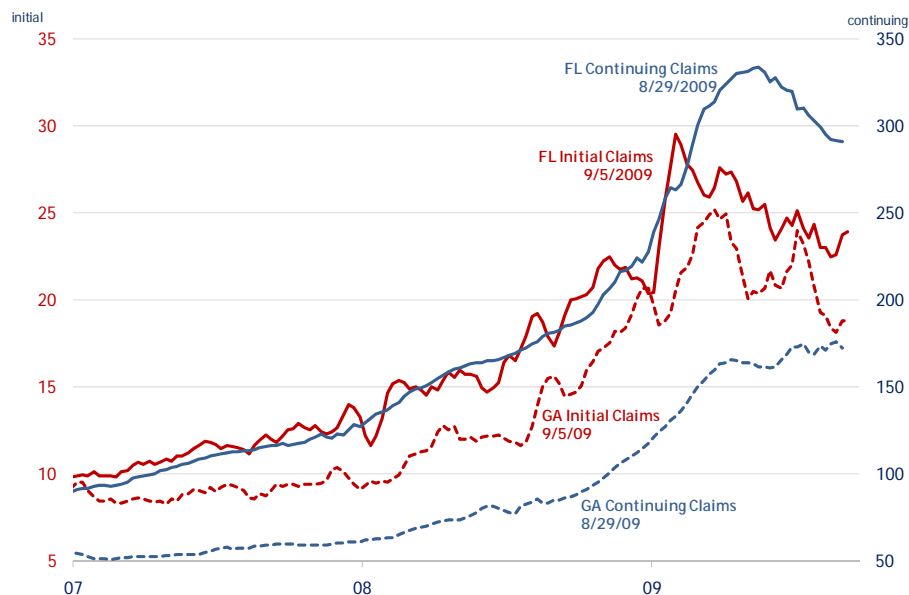
Although still elevated, initial claims for unemployment insurance have come down from their recessionary peaks, consistent with the decline in the rate of job loss.

An increasing number of people continue to receive unemployment insurance in Georgia.

Continuing claims have declined some in Florida since peaking in May. However, it is unclear what percent of this decline is attributed to slower job losses, workers finding jobs, or individuals exhausting their regular benefits.

Exhaustion rates for regular unemployment insurance have continued to increase.

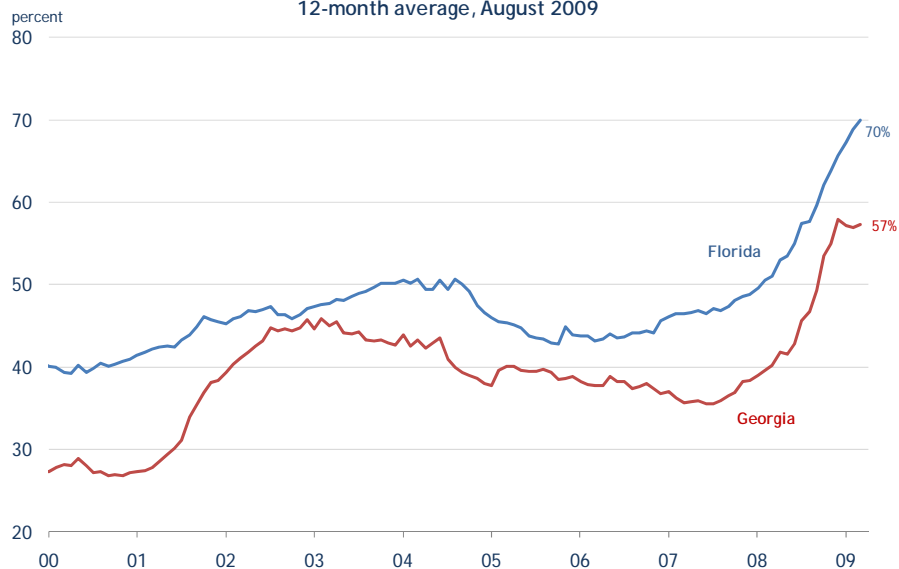
Florida and Georgia Initial and Continuing Unemployment Claims
4-week moving average, thousands



Source: U.S. Department of Labor

- Initial claims have declined by 5,616 in Florida since peaking in January and by 6,423 claims in Georgia since peaking in March.
- Much of the decline in initial claims in July was a result of temporary seasonal distortions. Initial claims have ticked up since then.
- In Florida, continuing claims have come down by roughly 43,000 since May.

Unemployment Insurance Exhaustion Rates
12-month average, August 2009

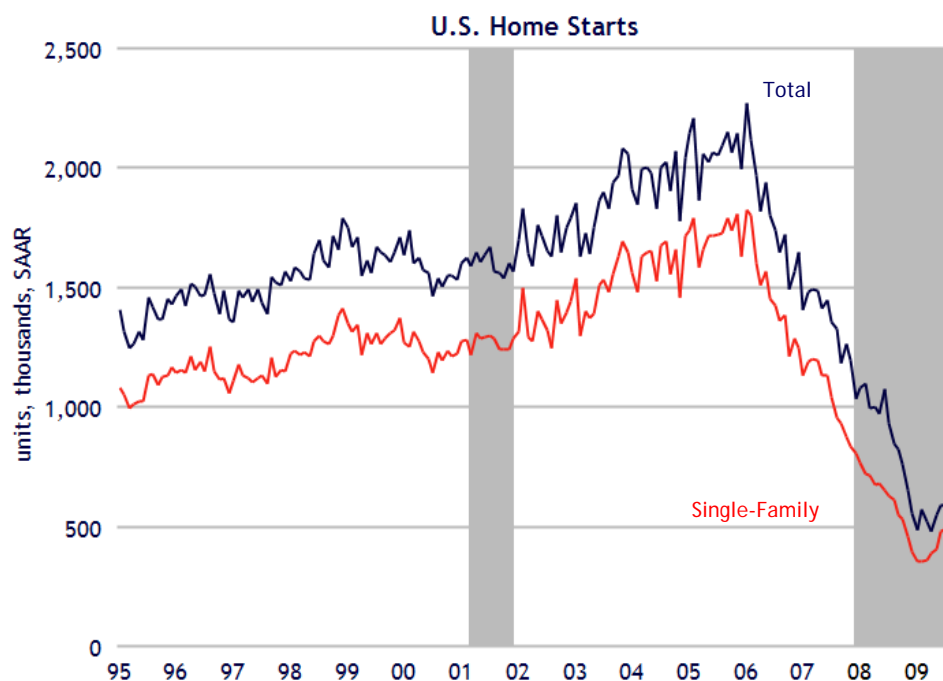


Source: Department of Labor/Haver Analytics

- In any given month, the **exhaustion rate** is the ratio of individuals who have run through the full 26 weeks of their **regular benefits** relative to those who did not exhaust the full 26 weeks. Specifically, the rate is computed by dividing final payments by first payments six months back. In Florida, for example, in August 70% of claimants who received their first payment six months prior have exhausted their regular benefits. Note that individuals may continue to receive benefits through federal or state extended benefits programs.

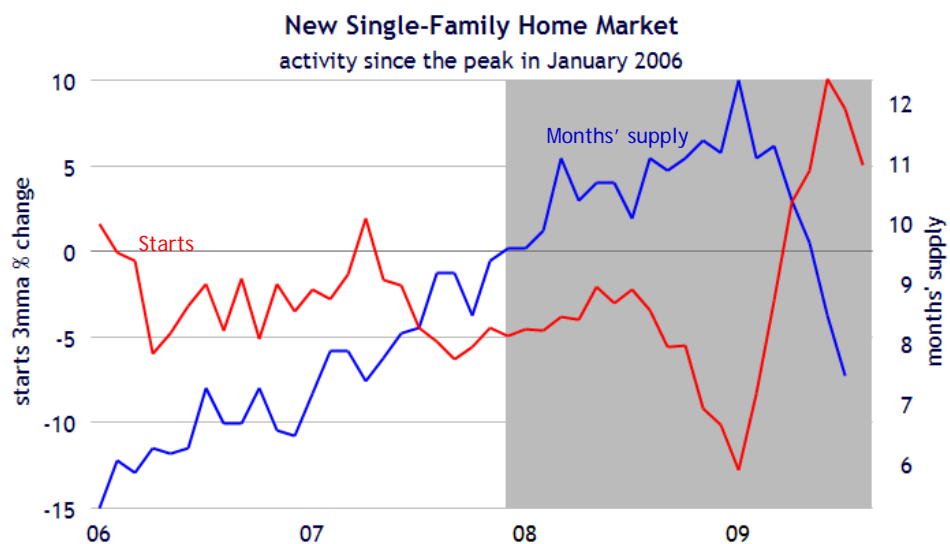
Summary

U.S. home starts improved during August while single-family starts slipped but remained above lows set earlier this year.



Source: U.S. Census Bureau

Single-family home starts softened in August despite strong new home sales in July and continued declines in inventory.



Note: Months' supply is the ratio between the inventory of available homes for sale and sales.

Source: U.S. Census Bureau

August starts

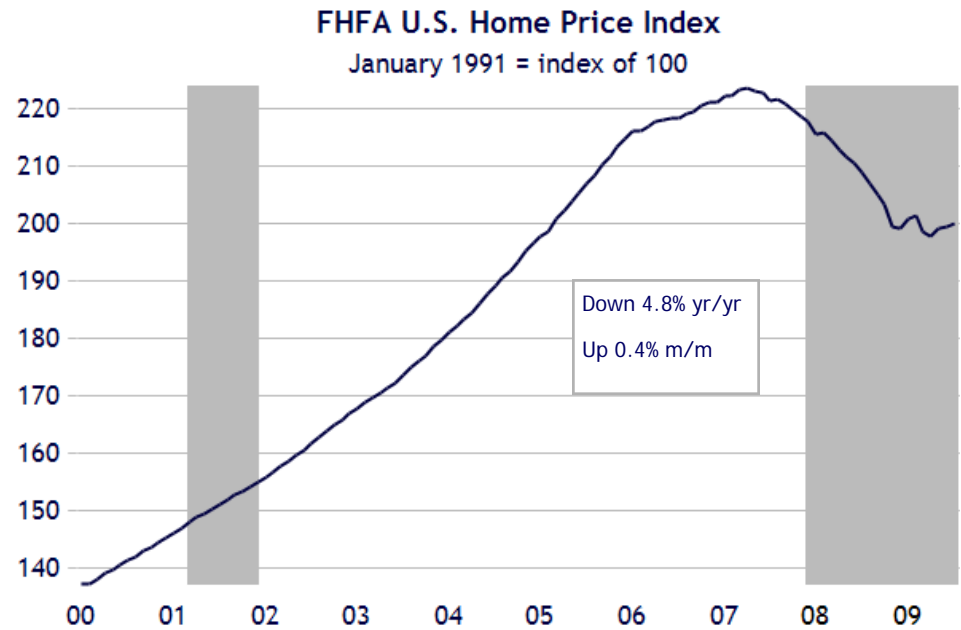
Total	598K	-29.6% y/y	1.5% m/m
Single-family	479K	-21.7% y/y	-3.0% m/m
Multifamily	115K	-48.2% y/y	35.3% m/m

August permits

Total	579K	-32.4% y/y	2.7% m/m
Single-family	462K	-15.7% y/y	-0.2% m/m
Multifamily	117K	-62.1% y/y	15.8% m/m

Summary

The FHFA purchase-only home price index rose slightly in July, up 0.4% from June, but fell just short of consensus expectations of 0.5% growth.



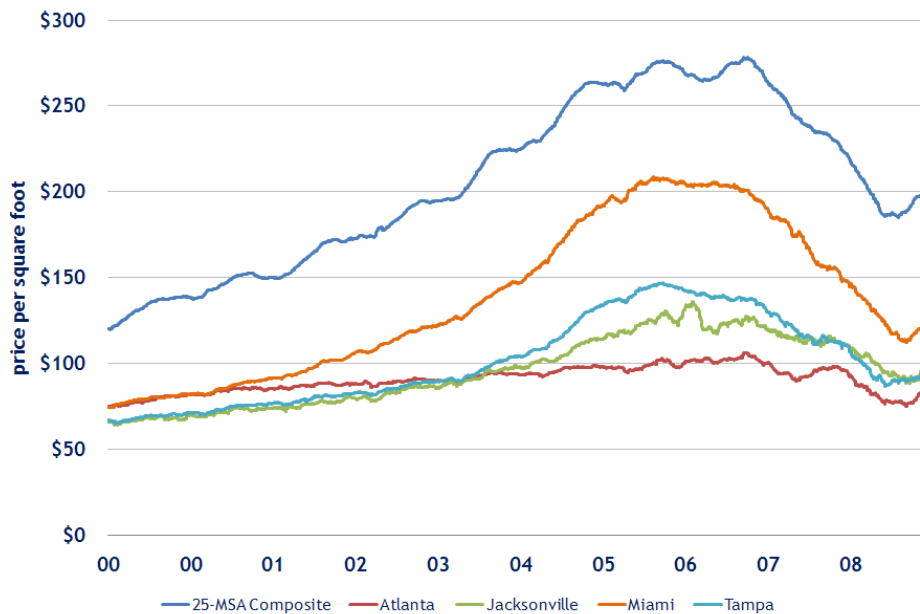
Source: Federal Housing Finance Agency

Summary

Radar Logic Analytics' home price index, which measures home prices in terms of price per square foot (ppsf), indicated some leveling off in home price growth.

Data on Southeastern markets indicated that home prices continued to decline in Miami while prices continued to recover or hold steady in other markets.

Radar Logic 28-Day Home Price Indexes
through July 22, 2009



Note: The 28-day index is a daily price index that reflects all transactions that day and the preceding 27 days.
Source: Radar Logic Analytics

	July 2009		July 22, 2009		
	M/M	Y/Y	1-Day Price	7-Day Price	28-Day Price
25-MSA composite	0.5%	-12%	\$197.91	\$198.43	\$198.41
Atlanta	3.6%	-11%	\$80.07	\$86.96	\$85.38
Jacksonville	0.2%	-17%	\$77.89	\$86.83	\$93.85
Miami	-0.5%	-20%	\$112.69	\$116.08	\$119.22
Tampa	1.4%	-16%	\$98.92	\$92.18	\$91.82

Note: The percent change is calculated by taking the average of the 1-day ppsf on the transaction dates July 1-22, 2009, for July 2009 against the average of the 1-day price June 1-30, 2009, and July 1-31, 2008.