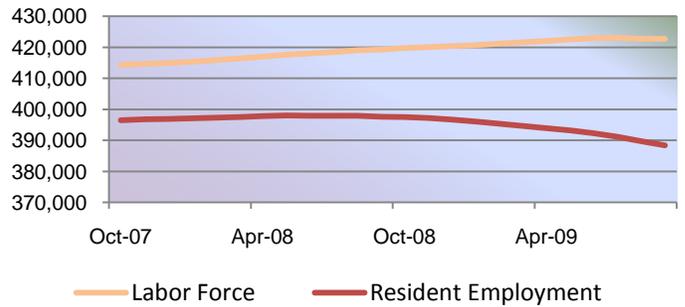
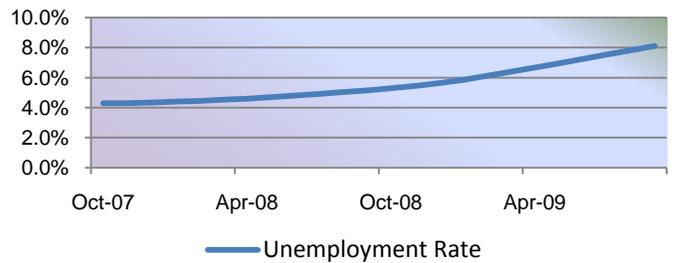


ECONOMY, EMPLOYMENT & INCOME



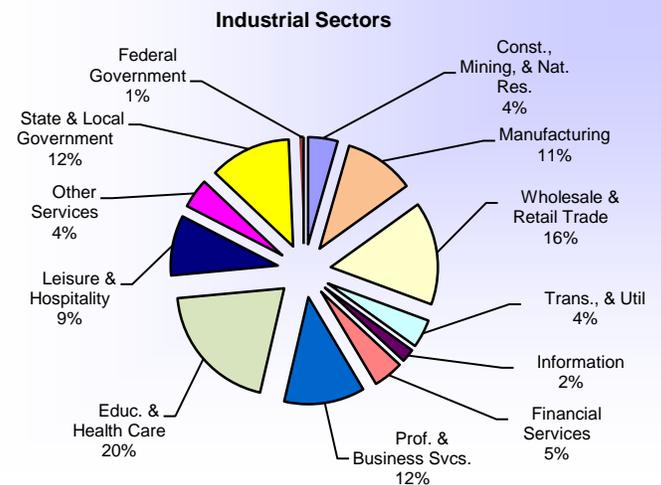
Unemployment Rate 12-month Average



Data Source: Bureau of Labor Statistics

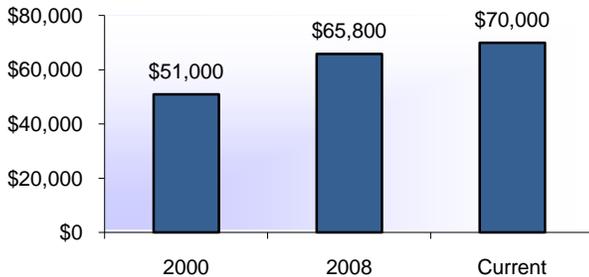
Economic Summary

The Allentown-Bethlehem-Easton Metropolitan Statistical Area (MSA) comprises Carbon, Lehigh, and Northampton counties in Pennsylvania, and Warren County in New Jersey. The economy of the area grew steadily from 2003 through 2008, but it began to contract in December 2008. During the 12 months ending October 2009, nearly 9,200 jobs were lost, one-third of those in the manufacturing sector. Education and health care is the largest job sector; the area is the home to Lehigh University and four large hospital systems, each employing more than 1,000 people. The area has a relatively large leisure and hospitality sector; the Sands Casino-Resort in Bethlehem opened in 2009 and employs approximately 1,000 persons.



Data Source: Bureau of Labor Statistics

Median Income



Data Source: US Census Bureau & HUD PD&R/EMAD

	April 2000	July 2008	Previous 12-Months Ending 9/21/2008	Current 12-Months Ending 9/16/2009	2000 to 2008		Average Annual Change 2008 to Current		Prev. to Current	
					Number	Percent	Number	Percent	Number	Percent
Labor Force	375,880	418,472	419,247	422,730	5,163	1.23%	448	0.11%	3,483	0.83%
Res. Employment	360,606	397,945	397,655	388,393	4,526	1.14%	-1,005	-0.25%	-9,261	-2.33%
Unemployment	15,274	20,527	21,592	34,336	637	3.10%	1,454	7.08%	12,744	59.02%
Unemp. Rate	4.1%	4.9%	5.2%	8.1%						

Data Source: Bureau of Labor Statistics

POPULATION & HOUSEHOLDS

	April	July	Average Annual Change	
	2000	2008	2000 to 2008	
Population	740,395	808,210	8,220	1.11%
In Households	717,223	782,177	7,873	1.10%
Households	285,808	311,209	3,079	1.08%
Household Size	2.51	2.51		

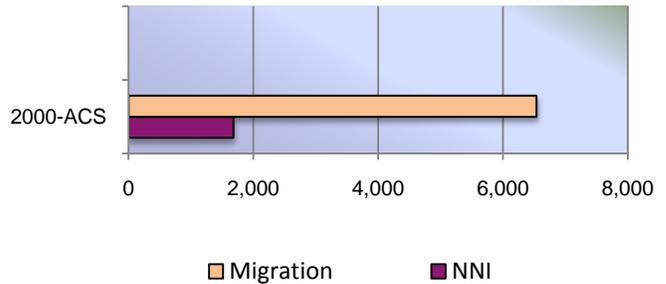
Data Source: U.S. Census, American Community Survey and Analyst Estimates

Population Change Summary

Between April 1, 2000 and 2008, the population of the metropolitan area increased by approximately 67,800 people. Migration to the area accounted for almost 80 percent of the growth and slightly more than 21 percent of the growth from migration was attributed to international migration.

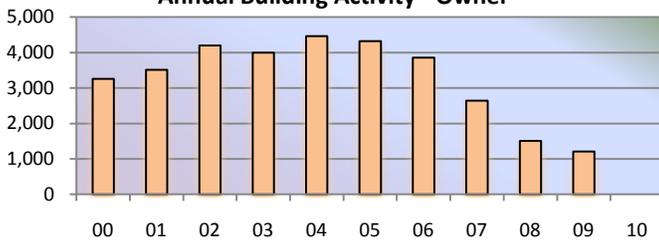
Population grew slightly faster than households, maintaining the average household size recorded at the beginning of the decade.

Annual Average Change - Population Components

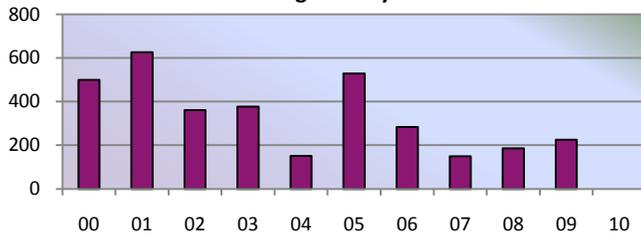


Data Source: U.S. Census Bureau

Annual Building Activity - Owner



Annual Building Activity - Renter



Data Source: U.S. Census Bureau, Building Permits Survey.

Data for 2009 is preliminary data, through October.

Housing Market Conditions Summary

Construction of new single-family homes peaked during mid decade, but then began to decline. Multifamily construction peaked in 2001 and again approached record levels in 2005.

Preliminary data for 2009 indicates that single-family construction may reach 2008 levels, while new multifamily units may exceed last year's production.

The housing stock of the metropolitan area is predominantly owner-occupied and the percentage of owner-occupied units increased slightly from 2000 to 2008.

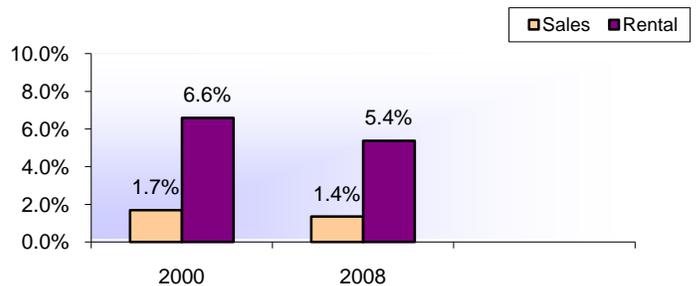
As construction contracted, and household growth continued, the area was able to maintain balanced sales and rental markets through 2008.

Occupied Housing Inventory by Tenure

	April	July
	2000	2008
Total Housing Units	307,269	335,169
Occupied	285,808	311,209
Owners	204,951	229,340
% Owners	71.7%	73.7%
Renters	80,857	81,869
% Renters	28.3%	26.3%
Total Vacant	21,461	23,960

Data Source: U.S. Census Bureau

Vacancy Rates



Data Source: U.S. Census Bureau