

Economic and Market Watch Report

2nd Quarter, 2006



*Click on a County to view economic and real estate information at the county and zip code level

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MLS Property Information Network, Inc.
Economic and Market Watch Report

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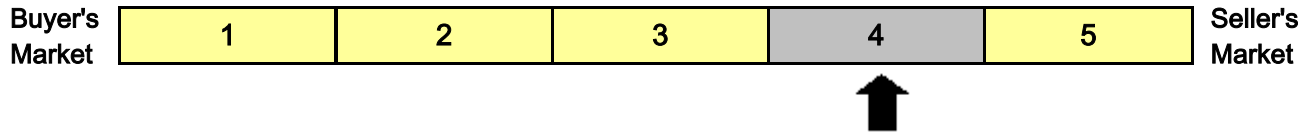
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Berkshire County, MA



Labor Market :

Berkshire County saw 320 layoffs occur during April and May. Despite the decline in employment, the average monthly unemployment rate fell from 5.4% during the first quarter to 4.3% in the first two months of the second quarter. Despite the job losses, the labor market remains relatively strong leaving historically low mortgage rates to drive home sales.

Housing Market :

	Q1' 06	Q2' 06	Q3' 06 (Forecast)
Average Price	\$377,300	\$164,600	↑
# Homes on the Market *	36	64	↔
# Homes Sold **	10	14	↓
# New Homes Built	7	7 ***	↓
Avg # of Days on Market	84	132	↑

* Available as of Jun. 30, 2006.

** May not add to total of zip codes.

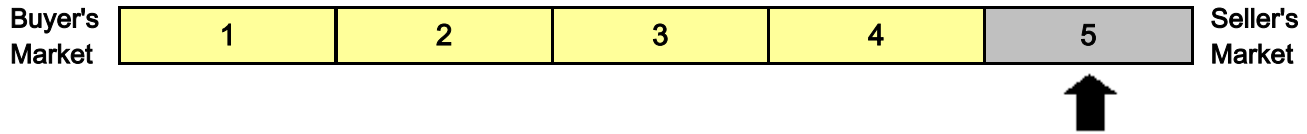
*** During the first two months of 2nd quarter.

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
01201	\$171,500	45.83%	3	50.00%	33	96.7%
01220	\$169,000	-	1	-	11	102.5%
01223	\$160,000	9.59%	2	100.00%	138	90.4%
01247	\$109,100	156.10%	5	400.00%	60	93.2%
01253	\$205,000	-53.93%	1	0.00%	535	89.2%
01255	\$275,000	-	2	-	314	95.3%

**** % Change of current quarter compared to the same quarter to year ago.

Bristol County, MA



Labor Market :

In the first two months of the second quarter, 516 jobs were added to the payrolls of Bristol County. As a result of these new jobs, the average monthly unemployment rate fell from 7.4% during the first quarter to 5.9% for April and May. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q1' 06	Q2' 06	Q3' 06 (Forecast)
Average Price	\$345,200	\$359,200	↑
# Homes on the Market *	2,032	3,052	↔
# Homes Sold **	704	990	↓
# New Homes Built	187	209 ***	↓
Avg # of Days on Market	122	122	↑

* Available as of Jun. 30, 2006.

** May not add to total of zip codes.

*** During the first two months of 2nd quarter.

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
02048	\$487,400	7.38%	55	-20.29%	90	99.0%
02356	\$497,600	3.17%	34	25.93%	139	97.9%
02375	\$421,300	-1.10%	24	4.35%	155	98.0%
02702	\$345,100	-16.10%	13	8.33%	154	97.5%
02703	\$348,500	11.20%	99	-30.77%	121	97.5%
02715	\$511,300	42.19%	2	-71.43%	269	95.6%
02717	\$331,500	6.45%	4	-33.33%	138	93.1%
02718	\$363,000	16.80%	16	23.08%	119	97.9%
02719	\$323,400	10.15%	47	62.07%	112	94.9%
02720	\$284,000	-2.87%	22	-52.17%	130	95.8%

**** % Change of current quarter compared to the same quarter to year ago.

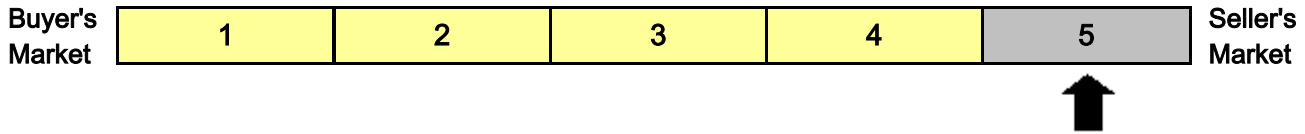
Bristol County, MA

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
02721	\$258,900	-3.72%	13	-50.00%	102	97.4%
02723	\$228,900	-3.34%	11	-31.25%	155	99.8%
02724	\$244,700	-4.11%	9	-57.14%	100	96.5%
02725	\$313,000	9.98%	3	-25.00%	219	96.4%
02726	\$313,400	-2.37%	36	-25.00%	149	95.5%
02740	\$239,800	4.81%	55	27.91%	127	97.2%
02743	\$311,100	-11.52%	30	66.67%	122	95.0%
02744	\$310,100	29.91%	8	14.29%	99	101.9%
02745	\$270,700	8.85%	53	39.47%	99	96.8%
02746	\$218,700	-0.23%	6	-33.33%	44	100.1%
02747	\$399,800	16.39%	24	-47.83%	131	95.9%
02748	\$497,500	9.97%	30	36.36%	177	96.6%
02760	\$417,700	-6.11%	77	-9.41%	111	98.7%
02763	\$230,000	-37.80%	1	-66.67%	170	100.0%
02764	\$380,300	3.37%	15	50.00%	119	97.9%
02766	\$399,500	3.71%	40	-27.27%	108	97.4%
02767	\$446,900	19.36%	29	-21.62%	110	97.9%
02769	\$389,400	-13.58%	26	62.50%	136	95.7%
02771	\$373,600	26.60%	24	60.00%	105	97.0%
02777	\$344,900	9.25%	28	-24.32%	140	94.3%
02779	\$383,600	1.51%	12	-33.33%	153	98.6%
02780	\$307,200	0.62%	109	3.81%	114	98.3%
02790	\$404,800	-8.79%	32	6.67%	162	95.4%
OTHER	\$286,700	-23.71%	3	-72.73%	113	90.1%

**** % Change of current quarter compared to the same quarter to year ago.

Essex County, MA



Labor Market :

Essex County saw 854 layoffs occur during April and May. Despite the decline in employment, the average monthly unemployment rate fell from 5.7% during the first quarter to 5.1% in the first two months of the second quarter. Despite the job losses, the labor market remains relatively strong leaving historically low mortgage rates to drive home sales.

Housing Market :

	Q1' 06	Q2' 06	Q3' 06 (Forecast)
Average Price	\$459,600	\$485,000	↑
# Homes on the Market *	2,694	4,199	↔
# Homes Sold **	929	1,435	↓
# New Homes Built	242	159 ***	↓
Avg # of Days on Market	119	123	↑

* Available as of Jun. 30, 2006.

** May not add to total of zip codes.

*** During the first two months of 2nd quarter.

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
01810	\$577,800	-14.25%	88	-22.12%	136	96.1%
01830	\$324,600	-4.08%	67	-11.84%	127	98.5%
01832	\$342,800	8.93%	25	-35.90%	91	97.9%
01833	\$453,100	-14.19%	20	-33.33%	160	96.5%
01834	\$427,000	-11.08%	23	21.05%	124	98.6%
01835	\$369,800	-1.75%	25	-34.21%	110	97.7%
01841	\$240,300	4.93%	30	-21.05%	97	98.6%
01843	\$255,900	-5.92%	43	22.86%	91	98.5%
01844	\$345,200	-3.63%	92	-22.69%	113	97.8%
01845	\$591,400	2.30%	71	-6.58%	111	97.4%

**** % Change of current quarter compared to the same quarter to year ago.

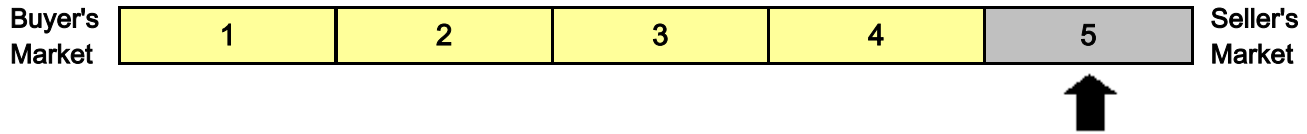
Essex County, MA

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
01860	\$405,500	19.44%	12	-55.56%	215	97.9%
01902	\$275,300	-5.10%	41	-30.51%	94	95.8%
01904	\$333,100	-2.43%	42	-26.32%	139	97.3%
01905	\$273,600	-3.12%	36	-16.28%	89	97.6%
01906	\$391,100	-7.41%	57	-46.23%	90	97.2%
01907	\$602,700	-11.95%	41	10.81%	131	93.4%
01908	\$490,200	-39.28%	6	50.00%	274	94.4%
01913	\$385,200	-2.43%	43	-12.24%	125	97.6%
01915	\$455,800	-5.18%	72	-16.28%	103	96.3%
01921	\$735,400	-14.72%	31	10.71%	164	97.5%
01922	\$476,700	20.47%	6	-25.00%	162	96.5%
01923	\$454,600	2.66%	52	-11.86%	121	97.0%
01929	\$648,300	-17.69%	6	-14.29%	150	94.2%
01930	\$613,200	8.13%	40	-25.93%	138	93.5%
01938	\$710,200	36.03%	33	-23.26%	256	95.4%
01940	\$675,800	11.87%	22	-21.43%	143	96.7%
01944	\$1,042,000	24.75%	16	-5.88%	181	92.2%
01945	\$757,900	-4.58%	66	-17.50%	119	93.6%
01949	\$748,400	11.97%	17	112.50%	172	96.4%
01950	\$568,800	15.17%	64	8.47%	97	97.4%
01951	\$554,900	13.99%	15	-11.76%	131	94.8%
01952	\$433,500	27.58%	14	16.67%	197	96.7%
01960	\$383,200	-0.08%	74	-32.73%	92	97.6%
01965	\$2,700,000	-	1	-	132	100.0%
01966	\$525,700	-12.78%	20	-4.76%	125	94.6%
01969	\$517,600	0.06%	15	-16.67%	123	98.0%
01970	\$363,500	0.28%	47	0.00%	104	97.1%
01982	\$712,300	-9.54%	19	11.76%	134	94.3%
01983	\$571,000	1.76%	14	-36.36%	111	96.8%
01984	\$876,600	66.75%	13	18.18%	140	94.0%
01985	\$660,600	0.47%	14	27.27%	254	97.7%
OTHER	\$271,500	-36.00%	2	-75.00%	84	92.7%

**** % Change of current quarter compared to the same quarter to year ago.

Franklin County, MA



Labor Market :

In the first two months of the second quarter, 456 jobs were added to the payrolls of Franklin County. As a result of these new jobs, the average monthly unemployment rate fell from 5% during the first quarter to 4.1% for April and May. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q1' 06	Q2' 06	Q3' 06 (Forecast)
Average Price	\$226,600	\$227,900	↑
# Homes on the Market *	288	488	↔
# Homes Sold **	110	149	↓
# New Homes Built	16	13 ***	↓
Avg # of Days on Market	120	99	↑

* Available as of Jun. 30, 2006.

** May not add to total of zip codes.

*** During the first two months of 2nd quarter.

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
01054	\$311,700	-12.66%	3	-66.67%	52	96.8%
01072	\$295,800	18.37%	5	400.00%	85	97.1%
01093	\$359,900	22.00%	4	100.00%	119	93.5%
01301	\$211,000	4.71%	42	-6.67%	78	97.5%
01330	\$303,000	-46.37%	6	500.00%	164	99.2%
01337	\$195,400	-12.88%	4	-33.33%	66	94.6%
01338	\$190,000	-29.89%	2	-50.00%	33	100.3%
01339	\$240,800	33.26%	1	-66.67%	316	96.7%
01340	\$165,500	-43.57%	1	-66.67%	107	97.4%
01341	\$196,000	-28.73%	1	-88.89%	21	100.0%

**** % Change of current quarter compared to the same quarter to year ago.

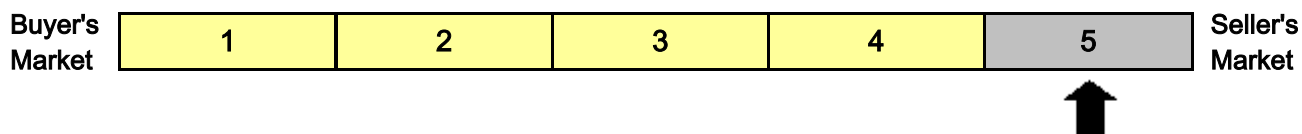
Franklin County, MA

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
01342	\$203,500	-46.87%	2	100.00%	92	92.5%
01344	\$180,000	-14.81%	2	-60.00%	51	95.0%
01346	\$115,000	-58.44%	1	-66.67%	159	100.0%
01351	\$222,400	-8.59%	5	-54.55%	133	101.8%
01354	\$200,000	-	1	-	177	97.6%
01355	\$232,600	416.89%	5	400.00%	98	100.6%
01360	\$235,500	4.67%	6	0.00%	107	96.7%
01364	\$197,300	4.72%	28	7.69%	127	98.6%
01370	\$215,700	-14.34%	6	0.00%	82	92.3%
01373	\$227,900	-32.25%	6	-50.00%	121	96.7%
01375	\$405,600	62.57%	4	33.33%	115	95.0%
01376	\$206,300	8.75%	11	10.00%	65	98.0%
01378	\$58,000	-75.54%	1	-85.71%	189	74.5%
OTHER	\$377,000	528.33%	2	100.00%	74	102.6%

**** % Change of current quarter compared to the same quarter to year ago.

Hampden County, MA



Labor Market :

In the first two months of the second quarter, 658 jobs were added to the payrolls of Hampden County. As a result of these new jobs, the average monthly unemployment rate fell from 6.7% during the first quarter to 5.8% for April and May. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q1' 06	Q2' 06	Q3' 06 (Forecast)
Average Price	\$211,600	\$220,500	↑
# Homes on the Market *	1,472	2,160	↔
# Homes Sold **	694	1,108	↓
# New Homes Built	107	73 ***	↓
Avg # of Days on Market	92	94	↑

* Available as of Jun. 30, 2006.

** May not add to total of zip codes.

*** During the first two months of 2nd quarter.

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
01001	\$231,300	-3.63%	33	10.00%	66	97.7%
01008	\$276,300	130.25%	4	300.00%	171	82.2%
01009	\$171,000	-29.05%	1	0.00%	100	97.8%
01010	\$229,500	-16.33%	10	-37.50%	186	96.8%
01011	\$178,700	1.65%	4	100.00%	159	91.5%
01013	\$180,200	8.29%	31	10.71%	53	99.8%
01020	\$187,800	8.55%	60	11.11%	78	96.9%
01028	\$330,200	5.90%	46	-4.17%	117	97.0%
01030	\$239,400	1.57%	34	-2.86%	78	98.3%
01034	\$332,100	29.37%	7	133.33%	120	97.6%

**** % Change of current quarter compared to the same quarter to year ago.

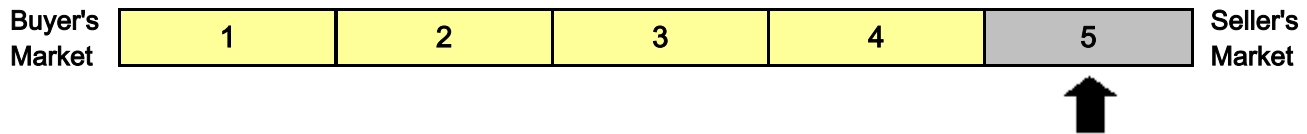
Hampden County, MA

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
01036	\$408,300	61.64%	9	-25.00%	82	97.9%
01040	\$193,600	1.26%	75	38.89%	78	97.9%
01056	\$251,700	14.05%	38	-5.00%	109	97.8%
01057	\$239,100	-0.21%	20	-4.76%	113	97.1%
01069	\$239,900	16.29%	23	21.05%	124	98.5%
01071	\$236,700	2.60%	4	-55.56%	163	97.1%
01077	\$364,300	21.19%	27	-28.95%	90	97.2%
01079	\$180,000	9.76%	1	0.00%	139	101.8%
01080	\$166,700	31.16%	9	200.00%	99	98.0%
01081	\$185,200	-6.89%	10	25.00%	188	97.2%
01085	\$277,100	6.09%	95	-10.38%	99	97.6%
01089	\$236,400	-6.89%	66	0.00%	88	97.4%
01095	\$311,500	2.27%	34	-17.07%	120	96.9%
01101	\$187,200	92.00%	3	50.00%	77	98.3%
01104	\$141,800	8.74%	68	-1.45%	86	99.7%
01105	\$143,800	-37.01%	5	25.00%	156	97.5%
01106	\$349,900	0.37%	54	12.50%	108	97.1%
01107	\$161,000	32.62%	7	0.00%	59	97.6%
01108	\$173,200	7.31%	50	-13.79%	96	98.8%
01109	\$129,100	7.05%	68	0.00%	112	98.2%
01118	\$174,000	7.21%	90	42.86%	72	99.0%
01119	\$165,400	6.92%	62	-3.13%	91	98.2%
01128	\$172,200	-1.54%	11	-31.25%	53	99.5%
01129	\$185,700	9.69%	15	-53.13%	107	99.3%
01151	\$150,500	6.74%	22	10.00%	77	97.6%
01521	\$230,600	21.95%	11	-21.43%	107	98.6%
OTHER	\$140,000	-2.64%	1	-66.67%	18	93.4%

**** % Change of current quarter compared to the same quarter to year ago.

Hampshire County, MA



Labor Market :

In the first two months of the second quarter, 828 jobs were added to the payrolls of Hampshire County. As a result of these new jobs, the average monthly unemployment rate fell from 4.2% during the first quarter to 3.6% for April and May. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q1' 06	Q2' 06	Q3' 06 (Forecast)
Average Price	\$281,600	\$306,800	↑
# Homes on the Market *	592	866	↔
# Homes Sold **	203	352	↓
# New Homes Built	53	27 ***	↓
Avg # of Days on Market	101	104	↑

* Available as of Jun. 30, 2006.

** May not add to total of zip codes.

*** During the first two months of 2nd quarter.

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
01002	\$406,500	5.23%	58	3.57%	123	95.3%
01007	\$307,200	9.13%	36	-10.00%	97	97.8%
01012	\$204,700	-5.45%	7	133.33%	167	95.2%
01026	\$230,000	-43.21%	1	0.00%	285	85.5%
01027	\$250,500	-8.58%	64	56.10%	80	97.2%
01032	\$184,300	-46.06%	3	0.00%	63	95.0%
01033	\$330,300	20.02%	6	-25.00%	101	98.2%
01035	\$285,500	-17.60%	9	28.57%	120	94.9%
01038	\$227,000	-4.62%	2	-81.82%	122	97.0%
01039	\$255,000	-23.12%	1	-80.00%	144	98.1%

**** % Change of current quarter compared to the same quarter to year ago.

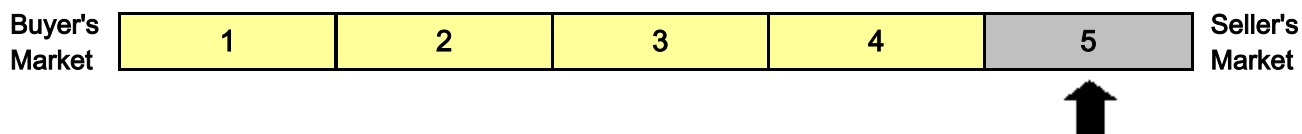
Hampshire County, MA

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
01050	\$252,700	77.33%	4	100.00%	166	98.7%
01053	\$375,000	-26.83%	2	100.00%	259	97.6%
01060	\$343,700	-11.19%	39	25.81%	88	97.2%
01062	\$333,900	6.44%	21	-8.70%	98	97.3%
01070	\$261,300	246.09%	2	100.00%	210	91.8%
01073	\$350,400	29.63%	18	100.00%	101	97.3%
01075	\$244,900	-0.85%	44	46.67%	89	97.2%
01082	\$236,600	-0.80%	25	-7.41%	108	99.3%
01088	\$287,000	-	1	-	101	95.7%
01096	\$374,400	12.57%	7	40.00%	105	96.7%
01098	\$618,800	126.42%	2	-60.00%	435	93.8%

**** % Change of current quarter compared to the same quarter to year ago.

Middlesex County, MA



Labor Market :

Middlesex County saw 2,224 layoffs occur during April and May. Despite the decline in employment, the average monthly unemployment rate fell from 4.3% during the first quarter to 4% in the first two months of the second quarter. Despite the job losses, the labor market remains relatively strong leaving historically low mortgage rates to drive home sales.

Housing Market :

	Q1' 06	Q2' 06	Q3' 06 (Forecast)
Average Price	\$521,600	\$555,900	↑
# Homes on the Market *	4,479	6,991	↔
# Homes Sold **	1,677	2,792	↓
# New Homes Built	478	364 ***	↓
Avg # of Days on Market	113	108	↑

* Available as of Jun. 30, 2006.

** May not add to total of zip codes.

*** During the first two months of 2nd quarter.

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
01431	\$330,900	-3.92%	10	42.86%	174	97.8%
01432	\$357,600	4.04%	22	-26.67%	133	97.9%
01450	\$501,300	-9.50%	31	-13.89%	164	97.6%
01460	\$440,600	-11.33%	30	-23.08%	137	97.4%
01463	\$391,800	-7.02%	32	-30.43%	138	97.5%
01464	\$361,300	13.44%	12	-20.00%	130	98.2%
01469	\$319,900	4.44%	17	-39.29%	215	98.9%
01474	\$281,500	-10.61%	2	-71.43%	113	99.8%
01701	\$434,300	3.06%	107	-16.41%	102	97.7%
01702	\$371,000	-9.34%	40	8.11%	109	98.1%

**** % Change of current quarter compared to the same quarter to year ago.

Middlesex County, MA

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
01719	\$668,800	8.40%	9	-47.06%	146	97.8%
01720	\$553,600	-13.92%	58	-3.33%	89	97.7%
01721	\$494,800	5.48%	43	53.57%	105	98.1%
01730	\$664,600	17.11%	37	76.19%	113	98.3%
01741	\$868,500	-20.94%	22	57.14%	138	95.2%
01742	\$1,059,800	-0.75%	55	7.84%	102	96.1%
01746	\$515,900	-4.36%	37	-19.57%	139	98.5%
01748	\$619,400	-0.80%	53	-15.87%	114	97.2%
01749	\$385,100	-2.11%	36	-34.55%	140	96.2%
01752	\$419,400	14.06%	87	-30.95%	104	97.8%
01754	\$373,500	1.30%	32	0.00%	60	98.9%
01760	\$519,600	-4.04%	98	-7.55%	85	96.6%
01770	\$808,600	-14.43%	10	-50.00%	271	94.9%
01773	\$1,817,300	35.20%	13	-23.53%	202	94.8%
01775	\$590,400	34.76%	20	-31.03%	159	97.9%
01776	\$835,700	5.99%	56	-15.15%	143	95.7%
01778	\$758,200	20.06%	45	2.27%	114	95.9%
01801	\$405,000	-3.78%	62	16.98%	100	97.5%
01803	\$443,600	2.33%	46	-9.80%	111	97.4%
01821	\$382,400	-0.98%	75	-10.71%	126	97.9%
01824	\$427,200	14.90%	52	-23.53%	109	97.1%
01826	\$354,600	0.91%	69	4.55%	116	98.5%
01827	\$530,200	-2.20%	8	-27.27%	118	97.1%
01850	\$239,200	-2.05%	19	-44.12%	130	98.0%
01851	\$278,900	0.65%	38	-29.63%	80	97.0%
01852	\$296,300	-5.00%	48	-28.36%	105	96.4%
01854	\$303,700	-3.86%	20	-60.00%	117	97.5%
01862	\$388,100	11.27%	16	-30.43%	104	98.1%
01863	\$356,700	4.70%	12	9.09%	101	98.0%
01864	\$569,000	-10.44%	38	18.75%	112	97.7%
01866	\$290,000	-54.24%	1	0.00%	228	96.7%
01867	\$468,900	-4.33%	70	18.64%	92	98.1%
01876	\$441,000	10.08%	40	-44.44%	85	97.5%
01879	\$422,900	-6.40%	34	0.00%	140	99.5%
01880	\$455,100	0.69%	52	1.96%	92	97.6%
01886	\$473,300	-16.45%	73	12.31%	126	96.9%

**** % Change of current quarter compared to the same quarter to year ago.

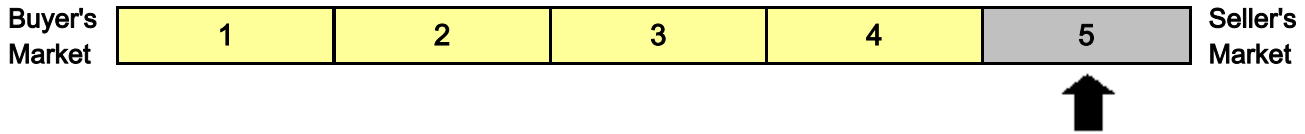
Middlesex County, MA

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
01887	\$444,700	1.97%	47	-24.19%	122	97.4%
01890	\$866,400	-1.51%	54	-16.92%	111	96.2%
02138	\$1,055,000	-13.08%	12	-36.84%	66	98.7%
02139	\$689,800	-14.07%	17	88.89%	110	96.1%
02140	\$767,400	-0.04%	7	-41.67%	91	100.2%
02141	\$621,800	36.42%	2	-50.00%	89	99.6%
02143	\$449,300	-9.16%	11	-8.33%	119	94.5%
02144	\$623,100	10.01%	10	25.00%	67	96.7%
02145	\$395,800	-4.88%	12	50.00%	153	97.3%
02148	\$361,900	-0.96%	54	-30.77%	107	96.5%
02149	\$339,700	-4.58%	37	-5.13%	104	98.1%
02155	\$437,000	2.99%	97	7.78%	68	97.2%
02176	\$459,900	0.13%	72	1.41%	92	97.8%
02180	\$463,000	3.83%	39	-7.14%	120	97.7%
02420	\$836,700	-0.84%	49	13.95%	92	96.4%
02421	\$754,500	-14.81%	43	-4.44%	102	96.9%
02451	\$440,500	-5.51%	37	-13.95%	91	97.2%
02452	\$434,700	-23.31%	12	-7.69%	27	96.8%
02453	\$434,200	-0.91%	24	-20.00%	84	97.7%
02458	\$975,600	43.37%	16	45.45%	134	94.0%
02459	\$946,900	-6.64%	40	-25.93%	86	95.8%
02460	\$736,700	-10.44%	11	-31.25%	51	99.0%
02461	\$800,700	4.50%	25	-3.85%	97	96.0%
02462	\$1,086,700	84.19%	3	200.00%	99	99.0%
02464	\$563,500	-0.56%	3	0.00%	170	96.7%
02465	\$1,047,800	-4.32%	34	47.83%	102	93.9%
02466	\$712,500	3.56%	15	36.36%	118	96.9%
02467	\$899,600	-24.94%	8	-33.33%	75	95.0%
02468	\$1,299,400	18.88%	16	-30.43%	152	95.6%
02472	\$495,700	-12.90%	19	-26.92%	76	96.5%
02474	\$528,300	-1.01%	44	15.79%	70	97.4%
02476	\$550,800	-5.36%	45	28.57%	59	98.5%
02478	\$853,100	15.28%	54	25.58%	123	96.6%
02493	\$1,486,900	-2.92%	33	-31.25%	147	93.7%
OTHER	\$596,000	25.37%	3	-81.25%	161	98.9%

**** % Change of current quarter compared to the same quarter to year ago.

Norfolk County, MA



Labor Market :

Norfolk County saw 1,179 layoffs occur during April and May. Despite the decline in employment, the average monthly unemployment rate fell from 4.5% during the first quarter to 4.2% in the first two months of the second quarter. Despite the job losses, the labor market remains relatively strong leaving historically low mortgage rates to drive home sales.

Housing Market :

	Q1' 06	Q2' 06	Q3' 06 (Forecast)
Average Price	\$563,500	\$556,700	
# Homes on the Market *	2,382	3,570	
# Homes Sold **	937	1,499	
# New Homes Built	163	126 ***	
Avg # of Days on Market	118	107	

* Available as of Jun. 30, 2006.

** May not add to total of zip codes.

*** During the first two months of 2nd quarter.

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
02019	\$361,400	12.27%	53	-7.02%	110	98.6%
02021	\$565,700	-7.61%	51	-12.07%	121	97.6%
02025	\$773,400	-22.36%	13	-68.29%	196	94.6%
02026	\$436,800	1.58%	69	-14.81%	91	95.3%
02030	\$991,300	-10.73%	25	13.64%	179	95.3%
02032	\$428,600	-9.90%	12	300.00%	97	97.1%
02035	\$428,500	7.02%	37	2.78%	117	97.0%
02038	\$482,000	-0.99%	86	-11.34%	89	98.4%
02052	\$656,000	-10.06%	48	77.78%	104	97.3%
02053	\$491,300	-0.18%	27	-37.21%	127	97.5%

**** % Change of current quarter compared to the same quarter to year ago.

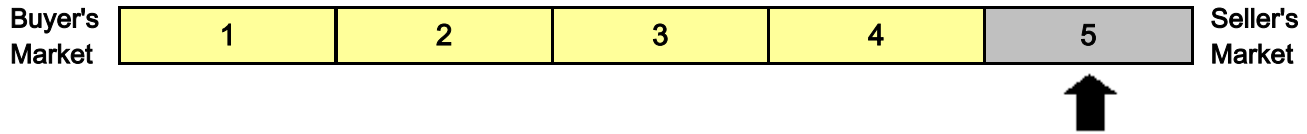
Norfolk County, MA

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
02054	\$459,500	-2.75%	24	20.00%	114	97.7%
02056	\$506,700	-1.88%	30	0.00%	133	97.1%
02062	\$425,400	-2.30%	39	-30.36%	71	97.4%
02067	\$516,600	5.75%	47	-18.97%	118	96.5%
02071	\$600,000	18.06%	2	-66.67%	38	98.5%
02072	\$362,100	-3.57%	63	-20.25%	80	97.6%
02081	\$553,300	8.43%	44	-13.73%	89	96.9%
02090	\$744,400	-2.54%	46	2.22%	106	94.7%
02093	\$560,100	13.75%	23	-11.54%	188	96.6%
02169	\$338,000	-17.28%	55	-28.57%	85	96.2%
02170	\$402,800	-1.47%	34	-12.82%	96	96.9%
02171	\$360,200	-26.08%	20	-16.67%	116	97.1%
02184	\$419,700	0.24%	68	-12.82%	113	96.9%
02186	\$610,500	8.07%	67	-22.09%	162	94.6%
02188	\$339,900	-6.34%	33	22.22%	70	97.6%
02189	\$330,600	-3.16%	26	-27.78%	108	96.6%
02190	\$382,800	-1.57%	36	5.88%	112	97.2%
02191	\$342,900	-5.90%	25	-13.79%	92	96.9%
02322	\$296,700	-10.82%	8	-33.33%	117	95.7%
02343	\$320,300	-1.72%	37	19.35%	111	97.5%
02368	\$338,300	-1.69%	80	-6.98%	70	98.1%
02445	\$1,281,500	-10.16%	20	100.00%	141	92.8%
02446	\$1,359,000	-2.34%	6	-25.00%	184	99.1%
02481	\$1,215,100	-11.53%	59	9.26%	105	95.1%
02482	\$1,041,300	-14.01%	38	-17.39%	142	95.5%
02492	\$749,200	-5.63%	63	-3.08%	84	96.4%
02494	\$698,400	-2.54%	42	100.00%	92	95.9%
02762	\$399,500	5.02%	12	-57.14%	103	97.9%
OTHER	\$1,064,700	-9.17%	31	19.23%	118	94.4%

**** % Change of current quarter compared to the same quarter to year ago.

Plymouth County, MA



Labor Market :

In the first two months of the second quarter, 397 jobs were added to the payrolls of Plymouth County. As a result of these new jobs, the average monthly unemployment rate fell from 5.5% during the first quarter to 4.7% for April and May. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q1' 06	Q2' 06	Q3' 06 (Forecast)
Average Price	\$412,100	\$436,000	↑
# Homes on the Market *	2,627	4,241	↔
# Homes Sold **	801	1,220	↓
# New Homes Built	355	256 ***	↓
Avg # of Days on Market	138	140	↑

* Available as of Jun. 30, 2006.

** May not add to total of zip codes.

*** During the first two months of 2nd quarter.

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
02043	\$822,200	3.87%	64	-16.88%	192	95.1%
02045	\$400,000	-18.85%	31	-26.19%	133	92.2%
02047	\$641,000	9.46%	2	-50.00%	83	95.3%
02050	\$453,300	-6.57%	67	-11.84%	150	96.2%
02051	\$660,000	-28.84%	2	0.00%	177	95.7%
02059	\$310,000	-	1	-	37	95.4%
02061	\$721,400	2.08%	37	12.12%	170	95.9%
02065	\$925,000	-	1	-	231	84.2%
02066	\$605,500	2.19%	44	-18.52%	159	96.0%
02301	\$296,400	-0.64%	101	-9.01%	101	97.9%

**** % Change of current quarter compared to the same quarter to year ago.

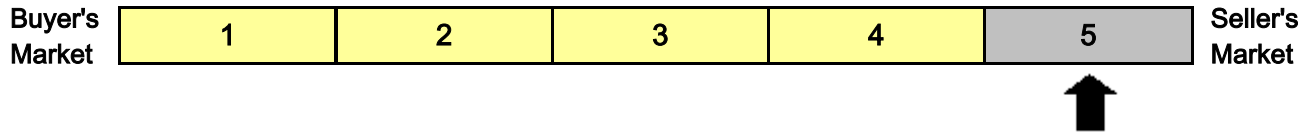
Plymouth County, MA

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
02302	\$282,500	3.97%	92	-8.00%	102	99.2%
02303	\$312,600	-15.49%	4	300.00%	69	99.2%
02324	\$409,100	4.52%	57	3.64%	140	97.7%
02327	\$304,900	-	1	-	10	101.7%
02330	\$354,700	5.63%	29	-12.12%	152	97.9%
02332	\$731,900	-4.45%	44	-21.43%	211	95.6%
02333	\$373,900	-9.31%	26	8.33%	105	97.7%
02338	\$366,100	7.68%	19	-20.83%	147	96.4%
02339	\$468,000	-12.26%	36	44.00%	140	96.2%
02341	\$356,500	-8.21%	20	-39.39%	148	97.2%
02345	\$560,000	63.60%	1	-66.67%	131	94.1%
02346	\$366,200	-0.41%	49	-20.97%	135	97.1%
02347	\$397,000	2.19%	21	-38.24%	151	97.7%
02350	\$314,000	-45.86%	1	0.00%	111	98.2%
02351	\$351,700	1.65%	30	-25.00%	112	97.8%
02359	\$412,300	5.37%	34	-22.73%	141	97.0%
02360	\$398,100	2.76%	169	-32.13%	136	97.4%
02364	\$411,200	-15.65%	39	-13.33%	156	95.4%
02367	\$489,600	-6.04%	7	-22.22%	136	95.5%
02370	\$320,400	3.39%	33	0.00%	127	96.7%
02379	\$355,300	4.07%	16	-38.46%	134	98.1%
02382	\$347,800	6.46%	29	-3.33%	101	97.6%
02538	\$263,100	-3.38%	17	41.67%	149	97.6%
02558	\$533,300	-1.79%	10	-23.08%	174	90.8%
02571	\$308,000	4.19%	33	-38.89%	104	95.4%
02576	\$270,000	30.06%	8	33.33%	121	98.0%
02738	\$984,900	68.42%	15	87.50%	170	95.3%
02739	\$588,500	16.33%	12	-7.69%	260	92.3%
02770	\$388,700	-20.61%	10	25.00%	242	97.0%
OTHER	\$336,600	-7.81%	8	-42.86%	114	96.1%

**** % Change of current quarter compared to the same quarter to year ago.

Suffolk County, MA



Labor Market :

Suffolk County saw 1,236 layoffs occur during April and May. Despite the decline in employment, the average monthly unemployment rate fell from 5.6% during the first quarter to 5.3% in the first two months of the second quarter. Despite the job losses, the labor market remains relatively strong leaving historically low mortgage rates to drive home sales.

Housing Market :

	Q1' 06	Q2' 06	Q3' 06 (Forecast)
Average Price	\$473,800	\$499,600	↑
# Homes on the Market *	620	1,076	↔
# Homes Sold **	291	370	↓
# New Homes Built	28	10 ***	↓
Avg # of Days on Market	107	101	↑

* Available as of Jun. 30, 2006.

** May not add to total of zip codes.

*** During the first two months of 2nd quarter.

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
02108	\$2,650,000	-4.25%	3	50.00%	306	88.6%
02114	\$2,716,700	80.12%	3	0.00%	329	97.6%
02116	\$2,526,000	75.21%	5	66.67%	25	95.9%
02118	\$963,500	-58.56%	4	100.00%	30	98.2%
02119	\$356,000	10.83%	3	-50.00%	224	95.9%
02120	\$252,000	-47.53%	1	-75.00%	145	93.9%
02121	\$347,800	-4.32%	3	-25.00%	69	99.1%
02122	\$329,000	-9.47%	11	120.00%	141	96.2%
02124	\$387,100	-4.09%	27	3.85%	118	95.9%
02125	\$340,000	-12.30%	6	-14.29%	52	95.0%

**** % Change of current quarter compared to the same quarter to year ago.

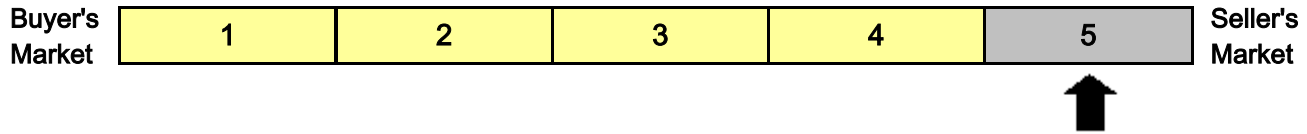
Suffolk County, MA

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
02126	\$322,000	0.66%	18	20.00%	99	96.9%
02127	\$376,000	-12.84%	7	-50.00%	73	92.4%
02128	\$279,300	-25.40%	9	-10.00%	65	94.8%
02129	\$787,600	10.08%	15	15.38%	109	93.1%
02130	\$651,800	9.95%	27	0.00%	69	97.0%
02131	\$386,800	-6.09%	31	-22.50%	72	96.9%
02132	\$432,100	-7.41%	55	-9.84%	77	97.3%
02134	\$550,000	-6.08%	1	-66.67%	10	87.3%
02135	\$466,200	-10.26%	14	-26.32%	84	96.7%
02136	\$364,100	0.05%	33	-41.07%	93	97.8%
02150	\$386,300	22.29%	6	-33.33%	245	95.7%
02151	\$352,800	-3.66%	69	-9.21%	131	97.6%
02152	\$418,000	10.03%	16	-30.43%	100	96.7%
02215	\$4,200,000	-	1	-	79	93.3%
OTHER	\$520,000	26.46%	2	0.00%	13	96.8%

**** % Change of current quarter compared to the same quarter to year ago.

Worcester County, MA



Labor Market :

Worcester County saw 125 layoffs occur during April and May. Despite the decline in employment, the average monthly unemployment rate fell from 5.7% during the first quarter to 5% in the first two months of the second quarter. Despite the job losses, the labor market remains relatively strong leaving historically low mortgage rates to drive home sales.

Housing Market :

	Q1' 06	Q2' 06	Q3' 06 (Forecast)
Average Price	\$318,600	\$329,800	↑
# Homes on the Market *	3,590	5,604	↔
# Homes Sold **	1,258	1,862	↓
# New Homes Built	417	306 ***	↓
Avg # of Days on Market	123	119	↑

* Available as of Jun. 30, 2006.

** May not add to total of zip codes.

*** During the first two months of 2nd quarter.

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
01005	\$264,000	-0.75%	17	13.33%	143	99.1%
01031	\$177,300	5.22%	3	50.00%	133	93.2%
01037	\$280,000	17.50%	6	-25.00%	220	95.8%
01068	\$318,600	-3.25%	7	0.00%	156	97.2%
01083	\$235,300	26.51%	14	-12.50%	129	101.3%
01331	\$187,800	-2.29%	50	-13.79%	118	98.3%
01366	\$283,100	-12.57%	2	-66.67%	169	93.6%
01368	\$239,900	-16.53%	3	-40.00%	338	98.6%
01420	\$239,200	0.55%	73	-34.23%	120	98.5%
01430	\$273,500	0.51%	27	12.50%	114	95.3%

**** % Change of current quarter compared to the same quarter to year ago.

Worcester County, MA

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
01436	\$236,300	10.83%	10	11.11%	145	98.0%
01438	\$168,800	-13.44%	2	0.00%	67	97.8%
01440	\$215,500	-5.11%	51	-1.92%	121	98.4%
01451	\$716,500	15.88%	11	-52.17%	176	94.6%
01452	\$312,800	-7.04%	8	-60.00%	159	97.3%
01453	\$302,800	1.95%	61	-42.45%	133	98.3%
01462	\$255,700	-29.05%	22	-62.71%	131	97.4%
01468	\$269,400	0.52%	23	4.55%	100	100.4%
01473	\$301,700	0.13%	18	-10.00%	151	97.0%
01475	\$212,500	-7.77%	32	-27.27%	134	98.7%
01501	\$287,300	1.16%	56	-15.15%	89	96.7%
01503	\$571,900	20.58%	10	42.86%	156	94.6%
01504	\$290,600	-5.59%	10	-60.00%	129	97.6%
01505	\$536,200	11.96%	12	20.00%	198	96.5%
01506	\$257,400	-2.90%	16	-20.00%	70	98.0%
01507	\$360,100	1.01%	35	-36.36%	128	98.0%
01508	\$242,000	-44.24%	1	0.00%	46	98.4%
01510	\$305,100	-1.20%	30	0.00%	117	98.9%
01515	\$175,000	-26.47%	4	-20.00%	42	91.1%
01516	\$382,400	3.24%	24	-36.84%	150	97.4%
01518	\$383,100	-0.36%	6	0.00%	116	98.6%
01519	\$486,700	-15.16%	23	9.52%	162	98.2%
01520	\$336,700	-1.75%	66	22.22%	130	98.4%
01522	\$260,000	-10.65%	1	-50.00%	25	100.0%
01523	\$419,800	4.79%	20	-9.09%	75	100.3%
01524	\$290,400	7.16%	17	-22.73%	108	97.6%
01527	\$326,200	-6.24%	39	25.81%	100	98.5%
01529	\$316,800	-5.23%	5	-37.50%	69	97.2%
01532	\$455,300	4.76%	45	4.65%	111	98.0%
01534	\$414,100	-2.84%	16	-40.74%	138	98.4%
01535	\$238,900	-12.10%	17	-15.00%	117	97.4%
01536	\$443,100	-3.17%	21	5.00%	86	97.9%
01537	\$167,000	-24.09%	1	0.00%	35	94.1%
01540	\$277,000	1.21%	25	-3.85%	102	98.2%
01541	\$422,100	-15.17%	8	-33.33%	322	97.3%
01542	\$276,200	-10.53%	3	-57.14%	92	98.2%

**** % Change of current quarter compared to the same quarter to year ago.

Worcester County, MA

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
01543	\$304,300	-0.78%	23	4.55%	124	96.5%
01545	\$440,700	1.36%	91	-14.15%	110	97.3%
01550	\$239,900	3.99%	39	5.41%	139	99.4%
01560	\$530,700	11.56%	4	-20.00%	142	98.3%
01562	\$260,300	-14.71%	30	15.38%	97	96.7%
01564	\$425,100	6.70%	15	-28.57%	114	97.6%
01566	\$352,900	2.35%	31	-27.91%	107	98.6%
01568	\$436,800	-8.79%	17	-10.53%	99	97.7%
01569	\$383,000	-3.60%	29	-21.62%	143	98.0%
01570	\$302,000	21.24%	40	-11.11%	94	96.2%
01571	\$266,500	-17.72%	24	-31.43%	109	98.0%
01581	\$567,100	10.16%	47	-9.62%	101	97.0%
01583	\$292,700	-10.54%	19	-34.48%	144	97.0%
01585	\$270,100	-2.95%	17	0.00%	131	96.2%
01588	\$302,600	-14.01%	10	-44.44%	148	97.2%
01590	\$450,900	5.60%	24	9.09%	141	98.0%
01602	\$255,400	-7.90%	70	-4.11%	112	97.1%
01603	\$225,900	-4.08%	34	-19.05%	118	99.1%
01604	\$254,600	-0.55%	61	-8.96%	101	97.7%
01605	\$261,800	5.95%	38	-25.49%	123	97.8%
01606	\$253,100	-3.98%	60	-25.93%	90	97.8%
01607	\$250,600	-0.36%	12	50.00%	114	98.1%
01609	\$400,500	5.76%	20	-37.50%	84	96.1%
01610	\$201,400	-3.59%	5	-58.33%	64	99.6%
01611	\$295,600	35.60%	9	200.00%	112	100.1%
01612	\$378,800	5.93%	12	-42.86%	179	98.3%
01740	\$631,300	7.86%	16	-23.81%	186	99.1%
01747	\$378,400	-6.52%	7	-56.25%	127	98.3%
01756	\$441,500	-17.52%	14	0.00%	186	96.4%
01757	\$375,000	4.17%	69	16.95%	100	98.1%
01772	\$729,900	10.17%	20	-25.93%	131	96.4%
OTHER	\$241,900	-34.80%	4	-50.00%	105	99.2%

**** % Change of current quarter compared to the same quarter to year ago.

Others

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
02532	\$380,000	14.32%	21	-32.26%	160	95.8%
02536	\$551,200	30.49%	20	122.22%	91	94.2%
02537	\$442,400	22.14%	10	-37.50%	135	97.3%
02540	\$1,149,600	-	7	-	165	85.9%
02553	\$251,000	-37.33%	1	-50.00%	146	93.0%
02556	\$700,000	-25.01%	2	0.00%	85	96.6%
02557	\$731,300	-	3	-	165	95.5%
02559	\$1,142,000	557.08%	4	100.00%	120	89.0%
02561	\$294,800	-52.45%	2	100.00%	188	96.8%
02562	\$381,700	-22.95%	10	-37.50%	131	97.3%
02563	\$429,200	-0.56%	16	-15.79%	141	95.7%
02573	\$279,900	-	1	-	199	93.5%
02575	\$735,000	-26.39%	1	0.00%	111	94.8%
02601	\$277,500	-21.41%	9	50.00%	114	96.1%
02631	\$412,000	-	3	-	123	96.3%
02632	\$369,600	-24.68%	15	25.00%	104	97.2%
02635	\$2,382,300	401.54%	3	50.00%	48	90.3%
02639	\$315,000	-1.56%	4	100.00%	54	97.3%
02641	\$462,000	-	4	-	42	97.1%
02642	\$384,600	-	2	-	185	98.7%
02644	\$358,100	-16.55%	14	100.00%	101	97.8%
02645	\$441,100	-	6	-	131	96.2%
02648	\$381,100	-6.82%	9	200.00%	154	94.8%
02649	\$507,700	20.22%	25	92.31%	105	96.4%
02655	\$1,647,500	-	2	-	187	94.5%
02660	\$433,800	3.78%	4	33.33%	148	95.5%
02661	\$775,000	-	1	-	154	97.0%
02664	\$312,400	-14.76%	17	750.00%	114	94.9%
02668	\$530,000	14.40%	3	0.00%	72	95.3%
02670	\$515,000	-	1	-	160	92.0%
02671	\$222,000	-	1	-	136	98.7%
02672	\$327,300	-	2	-	41	98.7%
02673	\$312,300	2.53%	10	100.00%	123	97.2%
02675	\$530,200	25.14%	5	66.67%	118	97.5%

**** % Change of current quarter compared to the same quarter to year ago.

Others

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
02826	\$270,000	-	1	-	31	98.2%
02828	\$283,000	-	1	-	106	97.9%
02830	\$442,500	-	2	-	98	99.4%
02837	\$591,800	94.03%	3	200.00%	56	81.1%
02859	\$610,000	142.06%	1	-50.00%	305	93.9%
02860	\$217,800	-9.10%	5	0.00%	92	96.7%
02861	\$227,800	14.76%	13	8.33%	93	96.2%
02863	\$205,000	-	2	-	73	93.4%
02864	\$377,500	-4.24%	23	64.29%	98	96.6%
02865	\$310,600	-23.31%	4	300.00%	101	97.2%
02878	\$247,800	-33.21%	8	-46.67%	179	95.5%
02886	\$239,000	44.85%	1	0.00%	8	99.6%
02889	\$205,300	-	3	-	55	101.0%
02895	\$266,000	0.49%	4	-33.33%	55	95.5%
02896	\$373,800	-39.64%	2	100.00%	182	97.1%
02904	\$236,500	-4.06%	2	0.00%	89	88.4%
02905	\$185,000	-51.41%	1	-66.67%	81	94.9%
02906	\$465,000	-	1	-	36	95.7%
02908	\$232,500	-	2	-	52	100.0%
02910	\$224,900	-33.36%	1	-50.00%	21	100.0%
02911	\$201,500	-	2	-	156	94.8%
02914	\$239,000	-0.21%	1	-50.00%	84	94.7%
02915	\$234,000	-15.83%	2	100.00%	122	100.7%
02916	\$211,200	-2.67%	1	0.00%	163	101.8%
03031	\$614,000	-	1	-	81	94.6%
03033	\$476,300	314.17%	1	0.00%	10	110.8%
03038	\$249,100	-31.21%	8	-33.33%	72	95.0%
03042	\$378,500	-5.38%	5	400.00%	102	98.6%
03044	\$345,300	18.54%	3	0.00%	138	99.1%
03045	\$332,500	-	2	-	47	99.3%
03048	\$227,000	157.66%	1	-66.67%	53	98.7%
03049	\$585,000	-	1	-	223	97.7%
03051	\$313,400	-2.52%	7	250.00%	85	98.0%
03053	\$399,800	33.40%	4	0.00%	90	97.6%
03054	\$252,600	3.61%	6	200.00%	72	98.0%
03055	\$385,000	-	1	-	78	98.7%

**** % Change of current quarter compared to the same quarter to year ago.

Others

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
03060	\$245,000	-5.81%	1	-75.00%	139	96.1%
03062	\$330,500	-49.60%	4	-33.33%	42	98.0%
03063	\$365,000	40.44%	2	100.00%	45	97.7%
03064	\$296,500	-3.10%	2	100.00%	45	97.5%
03070	\$308,800	-	2	-	90	98.2%
03071	\$257,700	-1.49%	3	-76.92%	58	98.0%
03076	\$387,700	-1.77%	17	6.25%	132	97.6%
03077	\$255,300	32.28%	3	-40.00%	41	98.9%
03079	\$354,200	-0.42%	22	-48.84%	96	98.4%
03086	\$170,000	-	1	-	7	108.6%
03087	\$529,500	-10.59%	7	-12.50%	219	99.9%
03103	\$282,300	14.06%	2	0.00%	28	99.1%
03108	\$210,000	-	1	-	160	100.0%
03110	\$444,600	-	5	-	28	98.9%
03220	\$214,900	-	1	-	8	100.0%
03237	\$166,000	-34.13%	1	0.00%	40	98.0%
03254	\$63,000	-61.82%	1	0.00%	288	90.0%
03263	\$230,000	-	1	-	25	100.0%
03264	\$175,000	-	1	-	156	94.9%
03275	\$220,000	-	1	-	103	100.0%
03280	\$145,500	-	1	-	280	97.1%
03281	\$311,800	-	2	-	52	96.7%
03290	\$328,000	-	1	-	311	100.9%
03440	\$223,000	-	1	-	104	101.4%
03444	\$299,000	-	1	-	254	100.0%
03451	\$147,400	-	2	-	22	100.0%
03452	\$157,500	12.58%	2	100.00%	16	100.0%
03461	\$236,200	-38.49%	5	0.00%	87	98.3%
03465	\$208,300	-	2	-	32	99.3%
03470	\$271,300	-	2	-	21	97.3%
03766	\$248,500	-	1	-	1	99.4%
03784	\$182,000	-	1	-	42	97.8%
03811	\$562,700	37.71%	8	-11.11%	107	92.2%
03814	\$123,900	-	1	-	158	100.0%
03819	\$347,600	26.95%	4	-20.00%	73	99.7%
03820	\$239,900	11.06%	1	0.00%	37	100.0%

**** % Change of current quarter compared to the same quarter to year ago.

Others

Data by Zip Codes for Q2 2006

Zip Code	Average Price	Price Change ****	Total # Homes Sold (Quarter)	% Change in # Homes Sold ****	Average Days on Market	% of Asking Price (Sold/List Price)
03827	\$293,400	-31.54%	4	33.33%	143	94.6%
03833	\$334,600	-10.05%	3	0.00%	65	95.7%
03841	\$535,500	67.87%	5	-58.33%	146	92.4%
03842	\$310,000	-48.96%	3	50.00%	65	94.9%
03844	\$411,000	-	1	-	89	93.4%
03848	\$359,900	62.12%	3	-25.00%	94	101.4%
03858	\$384,000	32.32%	4	-42.86%	108	97.9%
03862	\$460,000	-	1	-	7	98.1%
03865	\$330,400	-3.67%	7	75.00%	149	97.9%
03867	\$167,900	-	1	-	65	98.8%
03873	\$442,000	42.40%	5	25.00%	178	99.4%
03874	\$333,500	-16.35%	2	-71.43%	83	96.7%
03886	\$150,500	-	1	-	19	94.1%
06029	\$203,000	-	1	-	41	97.1%
06035	\$182,500	-	1	-	15	96.1%
06071	\$481,200	82.27%	5	400.00%	502	99.8%
06074	\$178,000	-	1	-	83	90.9%
06078	\$592,500	34.45%	4	33.33%	269	98.8%
06082	\$226,800	-3.61%	7	133.33%	46	98.5%
06084	\$1,400,000	-	1	-	244	77.8%
06093	\$420,000	-	2	-	115	98.8%
06234	\$219,500	-38.96%	2	-33.33%	168	95.9%
06239	\$358,000	-	1	-	52	98.1%
06244	\$262,900	-	1	-	142	101.9%
06255	\$290,000	1.12%	1	-75.00%	25	89.3%
06260	\$259,500	12.92%	3	-40.00%	63	96.2%
06262	\$199,000	-18.94%	1	-50.00%	149	99.5%
06277	\$247,200	-2.75%	5	-28.57%	41	98.1%
06278	\$215,000	-	1	-	42	97.8%
06281	\$311,800	-40.33%	5	25.00%	99	96.0%
06282	\$224,000	-	1	-	63	93.4%
06353	\$145,000	-	1	-	60	87.9%
06354	\$171,000	-	1	-	138	95.1%

**** % Change of current quarter compared to the same quarter to year ago.

Real Estate's Battle of the Bulge

Ken Fears, Economist

Mortgage rates have risen measurably over the last 12 months. Since June of 2005, the average 30 year fixed rate mortgage has risen from 5.6% to 6.7% in 2006, an increase of 1.1 percentage points. Subsequently, homes sales have slowed in most housing markets around the country, the inventory of homes has increased, and days on the market have risen. In fact, the inventory of homes at the national level is at a historic record. But, there is more to this *bulge* in inventory than meets the eye and understanding how it was formed provides insight into how it will go away.

The bulge in housing inventory that arose this spring developed from changes in both the supply of and demand for housing. On the demand side, the sharp decline in affordability reduced consumers' ability to make home purchases. Compounding this problem and exacerbating the slowdown in demand is a belief that housing fundamentals are shaky and that the rapid rise in prices witnessed over the last decade necessitates a sharp decline in prices. As a result, some would-be home buyers are waiting until prices come down before they venture into the market.

On the supply side, the supply of homes provided to the market each month rose sharply over the last 5 years in order to meet the robust demand, which was driving up home prices at record rates. But as demand diminished, this large monthly supply from builders, renovators, flippers, and homeowners just looking to "move up" has outpaced the markets ability to absorb it. Furthermore, with mortgage rates on the rise, and forecasts for a dip in sales, many sellers have placed their wares on the market earlier than they normally would have in an attempt to reduce their inventories in the face of a slow down and to sell at the maximum prices.

The supply and demand factors vary in markets around the country, depending on how strong the price increase was over the last decade. Generally speaking, sales have slowed and prices have flattened, but demand remains at historically strong levels. Despite rising rates and declining affordability, sales continue at strong rates and if one looks at inventory relative to the pace of sales, the months supply of homes or the number of months that it would take to exhaust the current supply of homes on the market, the months supply has only returned to a neutral position. That is to say that the current months supply of homes does not favor buyers or sellers and it is not a true buyers' market as of yet, the market has just moved that direction. Prices have held steady and may soften in some areas, but there are many incentives that a seller could offer a buyer that would mitigate a decline in price (repairs, appliances, or assistance in financing). And there are many factors that suggest that the market is likely to hold here before improving in the longer term.

With the real estate market forecast to cool in the face of rising mortgage rates, many builders are reducing plans to build, while flippers and speculators are getting out of the market completely. The long-term effect will be a reduction in monthly supply of homes. Furthermore, the rise in new inventory witnessed this spring will not be matched in the future as much of the inventory that would have come to the market over the next year came early. Finally, rents are back on the march and many would be sellers will take their properties off the market in lieu of the substantial rents that can be realized.

Simultaneously, housing remains a great investment and the normal demand for housing will create a strong foundation for sales going forward. Incomes are forecast to rise, and did rise in the July employment release from the U.S. Bureau of Labor Statistics, aiding affordability. Finally, as those fence-sitting buyers realize that a plunge in housing prices will not occur, they will succumb to the realization that housing is still an excellent long term investment, counteracting this slump in demand based on a false perception.

The sharp increase in mortgage rates this spring has caused dramatic changes in the housing market. A bulge in inventory has developed causing the average time that a home spends on the market to rise. However, the market has natural factors that will help to offset the supply and demand factors that created this bulge in inventory. As a result, the market will reach a plateau later this year with historically strong sales that will allow for robust revenues for real estate practitioners in the coming years.

Two Sides of the Coin

David Lereah, Chief Economist

How, in the name of real estate, can a local market experience a dramatic drop in home sales and still continue to post healthy price increases? And will prices eventually fall?

Sound familiar? These are the most frequently asked questions that I've been confronted with in recent weeks. Let me tackle these questions head on.

It is true that some local markets are experiencing a significant drop in home sales while price appreciation maintains some strength (i.e., stays positive). But other markets are showing signs of price softening. Those cooling markets that continue to boast price appreciation are still in transition—from a sellers' market to a buyers' market. Usually, in the early stages of such a transition, sellers continue to list their properties with large price increases, while buyers no longer have the appetite to bid on those lofty-priced homes. Sellers need to better read the market (they should listen to their REALTOR®!) and list their home at a more reasonable price. Unfortunately, most of these sellers are still not being realistic. As a consequence, their properties are remaining on the market longer with little interest from buyers, costing sellers lost opportunity money. If most sellers in a local market refuse to lower their price expectations, then most listing prices do not change – thus, the market continues to post a positive appreciation rate, but at reduced volume.

We are observing this phenomenon in some cooling metros across the nation. For example, the Riverside-San Bernardino metro posted a 4 percent price appreciation in the first quarter of this year. Similarly, Daytona Beach posted a 7.3 percent increase, while Nassau-Suffolk (Long Island) posted a home price appreciation of 2.5 percent, to name a few.

Some cooling metros have already begun a descent. During the first quarter of this year Boston registered a negative 7 per-cent appreciation rate; Miami a negative 13.7 percent and Sacramento a negative 4.8 percent. All of these metros are also exhibiting a drop in sales, rising inventories, lengthening days on market and a softening in home prices. In some markets inventories have skyrocketed. Miami posted a 17.2 month-supply for the first quarter of this year – compare that to a 7.2 months' -supply posted a year earlier. Similarly, the Sarasota-Bradenton metro registered a 16.1 months' -supply in the first quarter of this year versus a 7.2 months' -supply a year ago. Other market shave also experienced a rise in inventories, but on a smaller scale. Boston's months' -supply rose to 7.2 in the first quarter of this year compared with a 2.9 months' -supply in the first quarter a year ago, Los Angeles's month's supply rose to 5.2 in the first quarter of this year versus a months' -supply a year earlier.

But there is another side of this housing coin. Half of the nation is warming, not cooling. States like Texas, Utah, New Mexico, Ohio, North Carolina, and South Carolina have experienced positive sales growth during the past several months. This suggests that the fundamentals for purchasing homes remain solid. Mortgage rates remain below 7 percent, while the supply of homes for the nation as a whole is at a balanced 6.5 months' -supply. In addition, the economy remains healthy, creating job and in come gains, providing consumers with the confidence and wherewithal to purchase homes.

Looking ahead, I believe the current correction in most of our cooling real estate markets will be short lived. This is because there is an army of households and investors waiting to get back into the housing market. Remember, today's housing correction is unlike previous ones. There is no recession; no net job losses; and interest rates are not rapidly rising to historically high levels. Households possess the desire and financial ability to purchase real estate—they are only waiting for the right opportunities to present themselves. These households have postponed their buying decisions this year. That will result in a great amount of pent-up demand next year. Similarly, investors are waiting to get back into the housing market. Investors seeking competitive returns continue to look at real estate against the relatively weak

This is not to say that all of our nation's housing markets will experience the same soft landing. Some markets are actually fragile, vulnerable to a weakening local economy and/or rising interest rates. These markets are in a weakened state because they are experiencing affordability problems. Most major metros in California and some in Florida qualify. Households in these locations had to stretch their incomes by utilizing interest-only and adjustable-rate mortgage loans to pay for homes that are priced significantly higher than the nation's average. As interest rates continue to rise, mortgage costs rise in these markets, possibly resulting in mortgage delinquencies and defaults, inhibiting both real estate activity and local economic growth.

The Federal Reserve is walking a fine line with regard to their current interest-rate policy and the housing sector. The economy and particularly the consumer are showing signs of weakening, but inflation pressures are rising. With each interest-rate hike, inflation takes a blow, but so does the economy. If the Fed over-shoots, we end up with higher mortgage rates and a sluggish economy having difficulty creating jobs. Both harm the housing sector, which, in turn, harms the entire economy again. We can only hope that Chairman Bernanke and the Fed deliberate care-fully and are able to adroitly walk this tight rope.

*Want more insights from NAR Chief Economist David Lereah? Visit **REALTOR.org** to see some of his latest comments from press interviews and speeches at www.REALTOR.org/Research.nsf/Pages/housingoverview*

The Forecast

By Lawrence Yun, *Senior Research Forecaster*

Recent statistics on home sales and building activity suggest that the housing market is transitioning at a faster clip than earlier thought. High oil prices have evidently begun to curtail economic and job growth. The unemployment rate has essentially already hit its bottom and will begin to climb. Single-family housing starts and permits nationwide have fallen 8% and 10%, respectively from a year ago. Pending existing home sales are off by 13% from peak levels of last summer. The national home price growth of 0.9% in May was the lowest gain in over 10 years.

The forecast is for national existing home sales to decline 6.5% in 2006. The more cyclical new home sales are projected to fall 13.4%. Declining sales mean more homes will stay on the market for a longer period. Though difficult to quantify, it appears that many homeowners postponed listing their homes for sale last year in hopes of fully benefiting from the real estate boom; they have now decided to make the move at the first signs of a slowing in their local market. So those postponed homes hitting the market have significantly ratcheted up housing inventory. The 3.725 million total existing homes on the market at the end of May represent a 39% increase from May 2005. The condo-coop market is experiencing an even sharper adjustment with inventory now up by 63% over last year.

The rise in inventory has and will continue to exert downward pressure on home price growth. Condo prices have already declined 2.1% over the 12 months. In the West, the condo prices declined 10.8% and in the South the decrease was 8.1%.

It is too early to say definitively if the price declines in those sub-segment sectors will continue – or portend what to expect for the broader housing market. Both the West and South are creating jobs at a good pace. Furthermore, Florida, the one of the fastest transitioning markets with sales down close to 35%, is the top state in terms of net migration. Florida attracted slightly over a million net new households who moved from other states in the past five years (far exceeding second place Arizona at 400,000). Therefore, the decline in home values will likely lead to a quick pick-up in home buying by an army of ready bargain hunters. But, the current Florida problem is not driven normal market factors of mortgage rates and job/income gains, but more by the lack of affordable property insurance (hurricane-related).

Despite the situations in some of these problematic areas, there are plenty of bright spots. Sales are rising in 27 states and at double-digit clips in places like New Mexico, North Carolina and Utah. The strong demand in more affordable regions also appears to be pushing up home prices at an accelerating rate.

In the Boston region, home sales were down 11.2% in the second quarter. Prices still rose 1.1% from a year ago. Sales and prices are expected to steadily stabilize in the upcoming months. By 2007, local sales will show 1% rise. Home prices will have risen 1% to 3%.

Economic and Housing Market Outlook: August 2006

	2005		2006				2007				2004	2005	2006	2007
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
U.S. Economy														
<i>Annual Growth Rate</i>														
Real GDP	2.8	3.4	3.1	3.2	2.8	3.4	3.1	3.2	3.2	3.2	3.9	3.2	3.5	3.1
Nonfarm Payroll Employment	1.3	1.3	1.2	1.3	1.3	1.3	1.2	1.3	1.6	1.3	1.1	1.5	1.4	1.3
Consumer Prices	2.5	2.7	2.0	2.5	2.5	2.7	2.0	2.5	2.4	2.5	2.7	3.4	3.5	2.6
Real Disposable Income	9.3	4.4	4.7	3.2	9.3	4.4	4.7	3.2	3.2	2.5	3.6	1.2	3.0	4.3
Consumer Confidence	99	96	106	107	106	105	104	104	105	106	80	100	106	105
<i>Percent</i>														
Unemployment Rate	4.7	4.7	4.8	4.8	4.7	4.7	4.8	4.8	4.7	4.7	5.5	5.1	4.7	4.8
<i>Interest Rates, Percent</i>														
Fed Funds Rate	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.0	4.8	1.3	3.2	5.0	5.1
3-Month T-Bill Rate	5.1	5.1	5.0	5.0	5.1	5.1	5.0	5.0	4.8	4.5	1.4	3.1	4.8	4.8
Prime Rate	8.2	8.4	8.3	8.3	8.3	8.3	8.3	8.3	8.0	7.8	4.3	6.2	8.0	8.1
Corporate Aaa Bond Yield	6.0	6.2	6.3	6.3	6.0	6.2	6.3	6.3	6.3	6.3	5.6	5.2	5.9	6.3
10-Year Government Bond	5.2	5.4	5.4	5.5	5.2	5.4	5.4	5.5	5.4	5.3	4.3	4.3	5.1	5.4
30-Year Government Bond	5.4	5.5	5.6	5.6	5.4	5.5	5.6	5.6	5.6	5.6	5.1	4.6	5.1	5.6
<i>Mortgage Rates, percent</i>														
30-Year Fixed Rate	5.7	6.2	6.2	6.6	6.8	6.9	6.9	7.0	6.9	6.8	5.8	5.9	6.6	6.9
1-Year Adjustable	4.5	5.1	5.3	5.6	5.9	5.9	5.9	5.9	5.7	5.5	3.9	4.5	5.7	5.8
National Housing Indicators														
<i>Thousands</i>														
Existing Single-Family Sales	7,180	6,943	6,790	6,693	6,533	6,508	6,506	6,559	6,579	6,704	6,779	7,075	6,613	6,584
New Single-Family Sales	1,297	1,280	1,111	1,152	1,128	1,078	1,050	1,038	1,044	1,056	1,203	1,283	1,119	1,046
Housing Starts	2,101	2,060	2,123	1,878	1,791	1,732	1,737	1,751	1,785	1,836	1,956	2,068	1,881	1,777
Single-Family Units	1,748	1,718	1,747	1,533	1,437	1,372	1,364	1,366	1,382	1,408	1,611	1,716	1,522	1,380
Multifamily Units	353	342	376	345	353	360	373	385	403	428	345	352	359	397
Residential Construction*	620	619	619	608	577	556	546	546	551	560	560	608	590	551
<i>Percent Change -- Year Ago</i>														
Existing Single-Family Sales	6.5	0.9	-2.2	-7.0	-9.0	-6.3	-4.2	-2.0	0.7	3.0	9.8	4.4	-6.5	-0.4
New Single-Family Sales	11.9	3.1	-11.5	-10.3	-13.0	-15.8	-5.5	-9.9	-7.5	-2.1	10.8	6.7	-12.8	-6.5
Housing Starts	6.3	4.8	2.6	-9.0	-14.8	-15.9	-18.2	-6.8	-0.3	6.0	5.2	5.7	-9.1	-5.5
Single-Family Units	6.5	6.7	2.6	-10.2	-17.8	-20.2	-21.9	-10.9	-3.8	2.6	6.6	6.5	-11.3	-9.3
Multifamily Units	4.9	-3.7	2.9	-3.3	0.0	5.3	-0.8	11.6	14.0	18.8	-0.9	1.9	1.8	10.8
Residential Construction	9.1	9.0	6.1	-0.2	-6.9	-10.2	-11.7	-10.3	-4.6	0.7	10.3	8.6	-2.9	-6.7
National Home Prices														
<i>Thousands of Dollars</i>														
Existing Home Prices	227.3	225.3	218.7	227.3	235.3	233.2	225.9	235.9	244.5	243.0	195.4	219.6	229.0	237.8
New Home Prices	236.6	240.1	244.8	240.0	239.4	244.7	251.4	247.9	248.0	254.0	221.0	240.9	242.1	250.2
<i>Percent Change -- Year Ago</i>														
Existing Home Prices	14.2	13.4	9.5	3.3	3.5	3.5	3.3	3.8	3.9	4.2	9.3	12.4	4.3	3.8
New Home Prices	10.5	5.4	6.5	4.2	1.2	1.9	2.7	3.3	3.6	3.8	13.3	9.0	0.5	3.4
Local Region														
Payroll Jobs (in thousands)	2419.6	2452.4	2399.5	2452.2	2446.2	2481.8	2435.5	2491.4	2490.2	2531.5	2400.3	2424.9	2453.9	2487.2
Home Sales	15056	11020	7956	12358	14062	10623	7853	12482	14315	10984	48808	48424	45000	45634
Home Prices (in thousand \$)	447.1	413.6	414.5	435.5	449.8	415.7	414.5	439.4	459.7	432.3	408.8	428.3	431.6	439.8
<i>Percent Change -- Year Ago</i>														
Jobs	0.7%	0.8%	1.1%	1.0%	1.1%	1.2%	1.5%	1.6%	1.8%	2.0%	-0.2%	1.0%	1.2%	1.4%
Home Sales	-1.5%	-6.3%	-5.6%	-11.2%	-6.6%	-3.6%	-1.3%	1.0%	1.8%	3.4%	11.8%	-0.8%	-7.1%	1.4%
Home Prices	6.1%	2.3%	1.2%	1.1%	0.6%	0.5%	0.0%	0.9%	2.2%	4.0%	9.0%	4.8%	0.8%	1.9%

Quarterly figures are seasonally adjusted annual rates.

* Billion dollars

Source: Forecast produced using Macroeconomic Advisers quarterly model of the U.S. economy.

Assumptions and simulations by Dr. David Lereah and Dr. Lawrence Yun.

This table reflects data available through July 7, 2006.

Monthly Indicator	Recent Statistics	Likely Direction Over the Next Six Months	Forecast
Existing Home Sales eased slightly in May, posting 6.67 million seasonally adjusted annual units – a 1.2 percent decrease from April. The national median existing-home price was \$230,000 in May, up 6.0 percent from May 2005. Total housing inventory levels rose 5.5 percent at the end of May to a 6.5-months' supply at the current sales pace.	Mar 6,900 Apr 6,750 May 6,670	↔	Beginning to stabilize after having declined almost 10% from their peak
New Home Sales New home sales rose 4.6% in May, posting a seasonally adjusted annual rate of 1.23 million units. April sales figures were revised upward to 1.18 million units. New home inventory decreased slightly to 556,000 – a 5.5-months' supply at the current sales rate.	Mar 1,114 Apr 1,180 May 1,234	↓	Home builders are clearing rising inventory with aggressive pricing
Housing Starts After three months of decline, housing starts rebounded in May to 1.96 million seasonally adjusted annualized units. The reduction in housing demand wrought by higher interest rates has significantly raised inventory levels in many markets, and builders' sentiment has continued to fall as a result portending a less robust activity in the months ahead.	Mar 1,972 Apr 1,863 May 1,957	↓	Single-family units will be cut but more multifamily units will be built
Housing Affordability Housing affordability, as measured by NAR's Housing Affordability Index, fell 3.9% in March to 104.5. The decrease was due to the combination of rising interest rates, an increase in the median price of homes, and an increase in the income necessary to qualify for a mortgage.	Mar 111.9 Apr 108.7 May 104.5	↓	To fall a couple of more notches before stabilizing
Purchase Applications Mortgage loan application activity continued to slip in June. The Mortgage Bankers Association's purchase application index was 403.5 in June – its lowest level since October 2003. Demand for home purchases may continue to trend lower in tandem with rising mortgage rates.	Apr 412.0 May 408.8 June 403.5	↓	Modestly lower from this point
Employment The job market was up slightly in June, with the economy adding 121,000 to nonfarm payrolls. May's figure was revised upward to a still lackluster 92,000 jobs. The good news is that the unemployment rate remained steady at 4.6 percent – a rate considered as "full employment."	Apr 126 May 92 June 121	↔	Subpar economic growth for the next two quarters holds back job gains
Mortgage Rates In June, the 30-year fixed rate mortgage increased 8 basis points to 6.68%. The rise in mortgage rates has impacted affordability, and thus demand. Mortgage rates are expected to rise gradually throughout the year and should maintain at middle to high 6 percent levels.	Apr 6.51 May 6.60 June 6.68	↑	Will hit 7% by the year's end
Inflation The consumer price index (CPI) rose 0.4% in May. The core index, which excludes food and energy, rose 0.3%. Inflation eased off last month's sharp pace, but nearly every sector experienced increases in May. The bulk of the increase was from rising gas prices. Core prices will continue to rise steadily through the summer.	Mar 0.4% Apr 0.6% May 0.4%	↓	Oil prices likely to have peaked so CPI price increases will begin to slow

Notes: All rate are seasonally adjusted. New home sales, existing home sales, and housing starts are shown in thousands. Employment growth is shown as month-to-month change in thousands. Inflation is shown as the month-to-month change in the Consumer Price Index. Sources: NAR, Bureau of the Census, Bureau of Labor Statistics, Freddie Mac, and the Mortgage Bankers Association