Survey of Real Estate Trends

An Assessment by Senior Examiners and Asset Managers at Federal Bank and Thrift Regulatory Agencies

JULY 2000 TO DECEMBER 2000

National Highlights

The *Survey of Real Estate Trends* summarizes the opinions of 265 senior examiners and asset managers at federal bank and thrift regulatory agencies on changing conditions in local real estate markets. The *Survey* covers changing conditions over a six-month period for single-family, multifamily, office, retail, and industrial property markets in metropolitan areas across the nation.

- During the six months from July 2000 to December 2000, respondents described general overall conditions of U.S. real estate markets (as characterized by vacancy rates, market prices, or the pace of sales) as relatively stable from conditions six months earlier. Three-quarters of respondents viewed general conditions of multifamily, retail, and industrial markets as unchanged. A smaller proportion, but still a majority at 56 percent and 69 percent, respectively, gave the same assessment about local single-family and office markets.
- Where changes in general market conditions were reported, observations of slight deterioration in conditions were more frequent than improvement in all property markets except industrial. Single-family markets had the highest proportion of respondents noting somewhat worsening conditions (27 percent).
- Although respondents continued to observe improvements in many areas, there was an increase in reports indicating an easing compared to the six months ending in July 2000. Construction in both single-family and multifamily markets slowed as did single-family house sales, and reports of excess supply in all commercial markets outnumbered those of tight supply.
- However, sales prices maintained a positive momentum in all residential and commercial markets from six months earlier. Price gains outpaced price declines for both existing and new single-family homes, and for office, retail, and industrial properties.

Introduction

The condition of real estate markets has been, and is likely to remain, an important determinant of credit risk for banks and thrifts. For that reason, since early 1991 the FDIC has conducted a survey of field staff from all of the federal thrift and bank regulatory agencies about changes in the condition of local real estate markets. The purpose of the survey is to provide a timely indicator of changes in residential and commercial real estate market conditions.

The nationwide survey polls FDIC senior examiners and asset managers as well as bank examiners of the Federal Reserve Banks, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision. Participants are asked broad

FDIC

Division of Research and Statistics

Internet address:
World Wide Web, www.fdic.gov.

Donna Tanoue
Chairman

Cynthia Angell (202) 898-8548

qualitative questions about conditions and trends in specific metropolitan areas in five distinct real estate property markets: single-family, multifamily, office, retail, and industrial. The major and non-major metropolitan areas covered, and the criteria guiding participants' responses, are listed in the notes for the national results table at the end of this report.

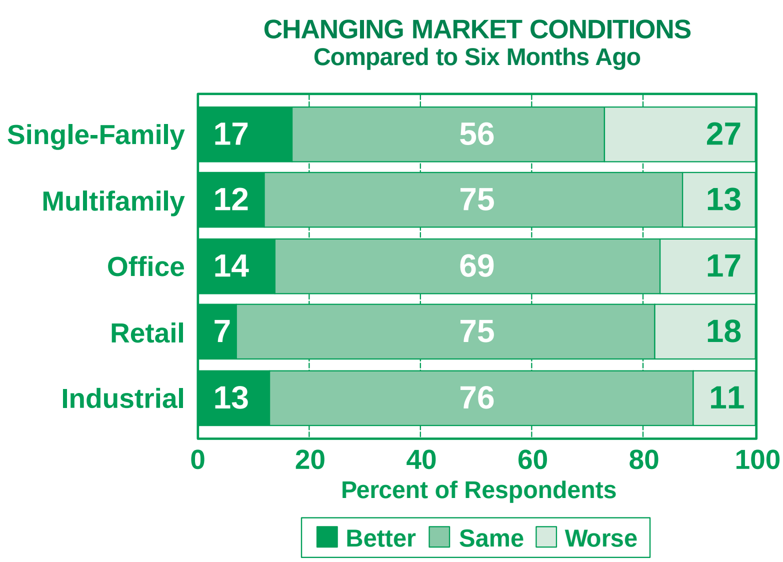
Comparisons of survey results across different periods or geographic areas must be interpreted carefully. The pool of respondents can change from survey to survey, and observations about a specific market's activity can also differ from those about another market because of unique historical activity.

Changes in Real Estate Markets

During the six months ending December 2000, the majority of senior examiners and asset managers reported general conditions in their local property markets as unchanged. Three-quarters of respondents (75, 75, and 76 percent respectively) characterized general conditions in multifamily, retail, and industrial markets as the same compared to the previous six months. A smaller proportion (but still a majority) noted that conditions in single-family and office markets were about the same as six months earlier (56 and 69 percent, respectively). These reports of stable conditions were somewhat similar to those received for the previous six months ending June 2000.

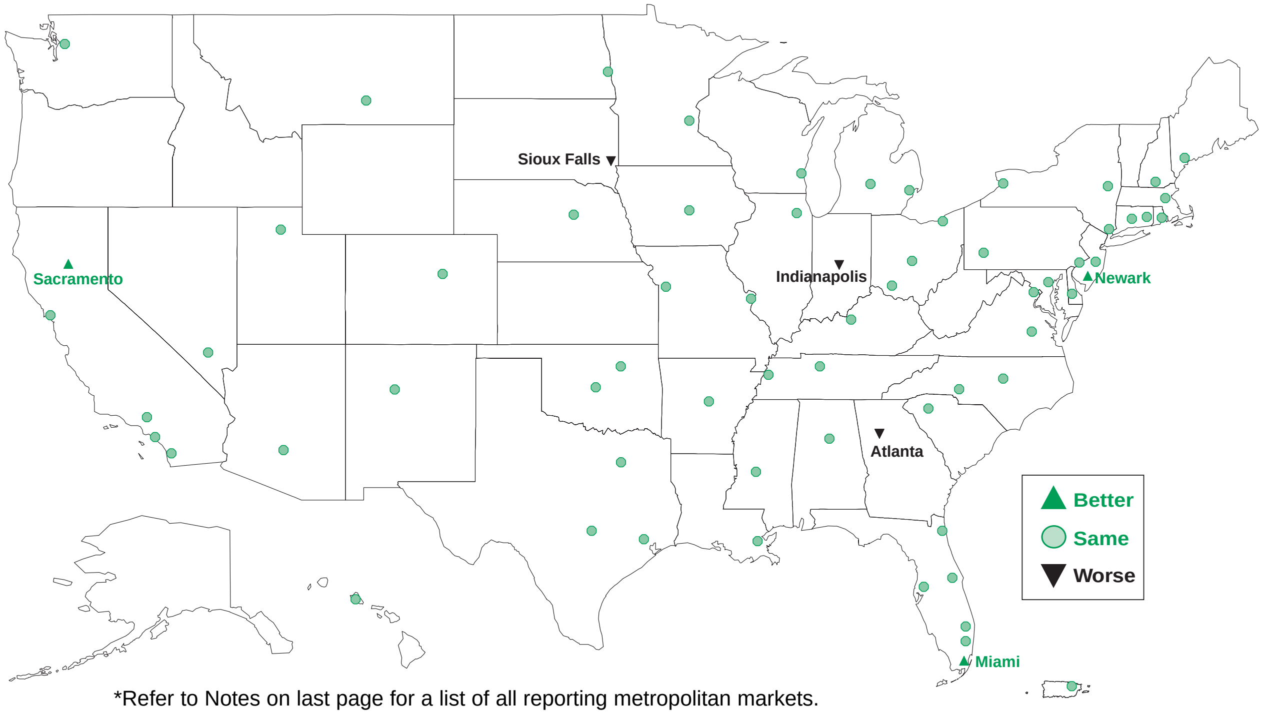
However, assessments of changing market conditions did indicate some deterioration in local market conditions compared with the previous six months. Those respondents who reported changes in general market conditions observed worsening conditions more often than improving conditions in all property markets except industrial. (For the previous six months, reports of improving conditions had outweighed those of deterioration.)

Single-family markets had the highest proportion of respondents noting worse conditions, 27 percent versus 17 percent seeing better conditions. Observations of deterioration in local **retail** markets were, at 18 percent, more than double those of better conditions (7 percent). Respondents reported a more even split between better and worse conditions in **multifamily** markets (12 percent versus 13 percent) and **office** markets (14 percent versus 17 percent) and, for **industrial** markets, saw better conditions somewhat more frequently than worse conditions (13 percent versus 11 percent).



CHANGES IN OVERALL MARKET CONDITIONS IN MAJOR AND NON-MAJOR MARKETS*

Changing Conditions Over Past Six Months



*Refer to Notes on last page for a list of all reporting metropolitan markets.

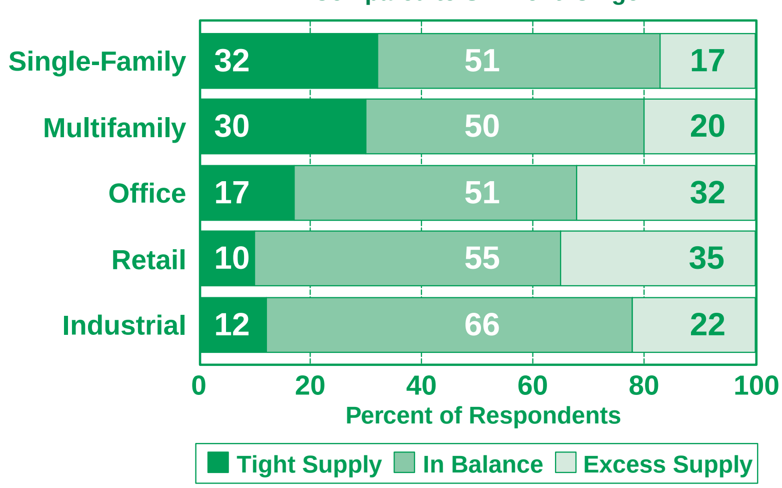
The accompanying map combines respondents' assessments of general conditions of all five residential and commercial property markets into an assessment of "overall market" conditions. Overall market conditions were reported to be better than six months earlier in Miami, Newark, and Sacramento. On the other hand, worsening overall market conditions were reported in Atlanta, Indianapolis, and Sioux Falls.

Current Conditions in Real Estate Markets

The proportion of respondents reporting that supply and demand in local markets were in balance was relatively uniform across most property types, and observations of balanced markets outnumbered those of tight supply and excess supply. When market imbalances were noted, reports of tight sup-

CURRENT CONDITION OF MARKETS

Compared to Six Months Ago



ply were frequent in residential markets but reports of excess supply prevailed in commercial markets.

Thirty-two percent of respondents reported single-family markets as tight, while 17 percent reported excess supply. Albany, Albuquerque, Atlanta, Birmingham, Indianapolis, Nashville, and Sioux Falls were noted for some looseness in their single-family markets. As for multifamily markets, 30 percent of respondents observed supply conditions as tight; 20 percent said markets had too much supply. Respondents cited Atlanta, Charlotte, Indianapolis, Kansas City, Orlando, Phoenix, Raleigh, Sioux Falls, and Tulsa as metropolitan areas with excess supply in multifamily property markets.

Conditions in office markets were described as tight by 17 percent of respondents while almost a third (32 percent) viewed office markets as having excess supply. Metropolitan areas where office markets were noted for excess supply included Cleveland, Dallas, Little Rock, New Orleans, Omaha, Pittsburgh, and Sioux Falls.

Retail and industrial markets were characterized as in balance by 55 percent and 66 percent of respondents, respectively. Excess supply in retail markets was observed by 35 percent of respondents. Respondents noted too much retail supply in the metropolitan areas of Atlanta, Baltimore, Chicago, Dallas, Des Moines, New Orleans, New York City, Newark, Orlando, St. Louis,

CURRENT CONDITIONS: EXCESS SUPPLY REPORTED IN METROPOLITAN AREAS

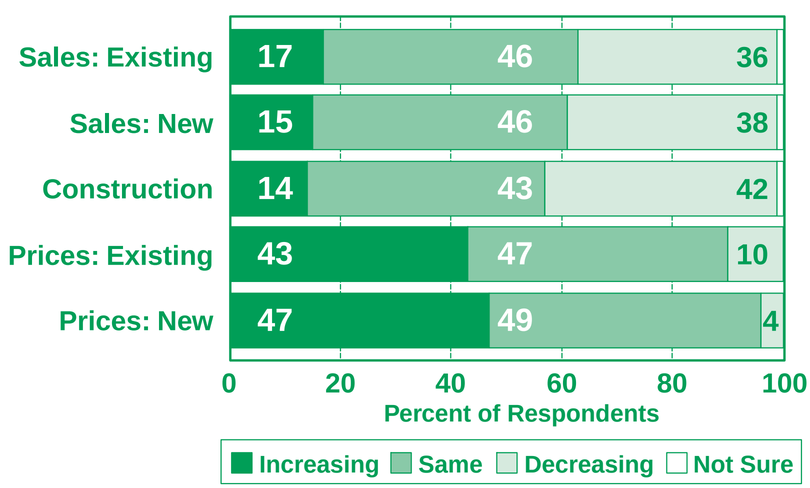
Metro Area	Single-Family	Multifamily	Office	Retail	Industrial
Albany	X				X
Albuquerque	X				
Atlanta	X	X		X	
Baltimore				X	
Birmingham	X				
Charlotte		X			
Chicago				X	
Cleveland			X		
Dallas			X	X	
Des Moines				X	
Honolulu					X
Indianapolis	X	X			X
Kansas City		X			
Little Rock			X		X
Nashville	X				
New Orleans			X	X	
New York City				X	
Newark				X	
Omaha			X		X
Orlando		X		X	
Philadelphia					X
Phoenix		X			
Pittsburgh			X		
Raleigh		X			
Sioux Falls	X	X	X		
St. Louis				X	
Tampa				X	
Tulsa		X			

and Tampa. As for industrial markets, 22 percent reported excess supply, citing Albany, Honolulu, Indianapolis, Little Rock, Omaha, and Philadelphia.

Single-Family Real Estate Markets

- The pace of home sales, for both existing and new homes, remained fairly steady. However, where respondents noted fluctuation in sales levels of existing homes, the proportion reporting decreasing sales (36 percent) was double the proportion observing increasing sales (17 percent). Respondents said existing home sales were increasing in Des Moines, Honolulu, and New York City but were decreasing in Albany, Atlanta, Baltimore, Birmingham, Cincinnati, Cleveland, Detroit, Jacksonville, Kansas City, Nashville, Oakland, Oklahoma City, Omaha, Orlando, Salt Lake City, San Francisco, Seattle, Sioux Falls, Tulsa, and Wilmington.
- For new homes, 38 percent noted a decrease in sales while less than half (15 percent) observed an increase in sales. Sales of new homes were reported to be higher than six months earlier in Hartford, Honolulu, Pittsburgh, and Tampa, but lower in Albany, Atlanta, Baltimore, Billings, Birmingham, Cincinnati, Cleveland, Jacksonville, Kansas City, Las Vegas, Louisville, Milwaukee, Minneapolis, Nashville, Oakland, Oklahoma City, Seattle, and Sioux Falls.
- Forty-three percent of respondents reported no change in construction of single-family homes. Forty-two percent viewed a decrease in residential construction over the previous six months, citing declines in Atlanta, Birmingham, Charlotte, Chicago, Cincinnati, Cleveland, Denver, Des Moines, Fargo, Indianapolis, Kansas City, Las Vegas, Los Angeles, Louisville, Milwaukee, Minneapolis, Oklahoma City, Philadelphia, Portland (Maine), Seattle, and West Palm Beach. A much lower proportion (14 percent) saw an increase in homebuilding, noted in Houston, Pittsburgh, Providence, and Sacramento.
- While sales and construction were slowing, sales prices of homes were on the rise over the previous six months, according to a high proportion of respondents. Forty-three percent said sales

ASSESSMENT OF SINGLE-FAMILY MARKETS
Compared to Six Months Ago



prices for existing homes had increased. For new homes, higher sales prices were noted by 47 percent of respondents. Only 10 percent reported decreasing sales prices for existing homes and even fewer, 4 percent, saw price erosion in new homes. Reports of price gains for both existing and new homes were frequent in Baltimore, Boston, Charlotte, Denver, Houston, Las Vegas, Los Angeles, Louisville, Miami, Minneapolis, Oakland, Orange County, Providence, Sacramento, San Diego, Tampa, and West Palm Beach.

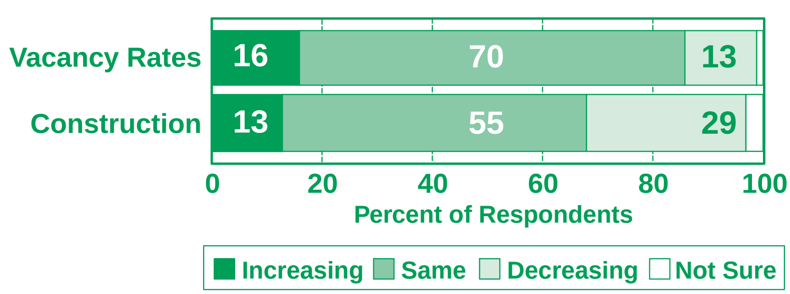
Multifamily Real Estate Markets

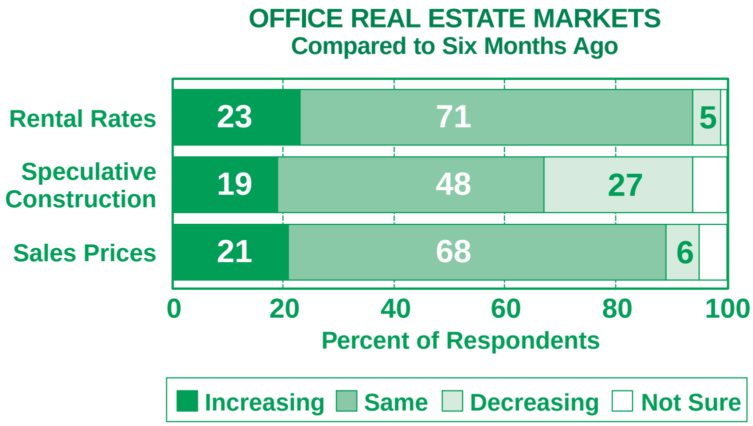
- Vacancy rates in multifamily housing were widely reported as stable over the previous six months. However, of the respondents who did see change, 16 percent reported increasing vacancies versus 13 percent who noted that vacancies had decreased. Metropolitan areas where multifamily markets were noted for rising vacancies included Atlanta, Orlando, Phoenix, Pittsburgh, Raleigh, and Tulsa.
- The majority of respondents reported no change in multifamily residential construction. Thirteen percent noted an increase in multifamily construction over the previous six months, citing Atlanta, Sacramento, San Diego, and Tampa. More than double that proportion (29 percent) noted a slowdown in apartment building, citing Albany, Birmingham, Fargo, Greenville-Spartanburg, Jackson, Nashville, Omaha, and Salt Lake City.

Office Real Estate Markets

- Almost three-quarters of respondents (71 percent) reported no change in office rental rates over the previous six months. In markets where rents fluctuated, 23 percent noted an increase in rental rates, and only 5 percent said rates had decreased since six months earlier. Higher office rental rents were observed in Birmingham, Boston, Denver, Newark, Orange County, Portland (Maine), and Sacramento.
- A majority of respondents said that the volume of speculative construction of office buildings was unchanged from six months earlier. Nineteen percent of respondents said that speculative office construction increased over the previous six months. A higher proportion, 27 percent, cited a decline. Speculative construction was reported to be higher in Albany, Louisville, Memphis, Newark, and Sioux Falls.
- Increasing sales prices of office properties far outweighed decreasing sales prices. More than two-thirds of respondents (68 percent) cited no change in sales prices of office properties. Of

MULTIFAMILY REAL ESTATE MARKETS
Compared to Six Months Ago





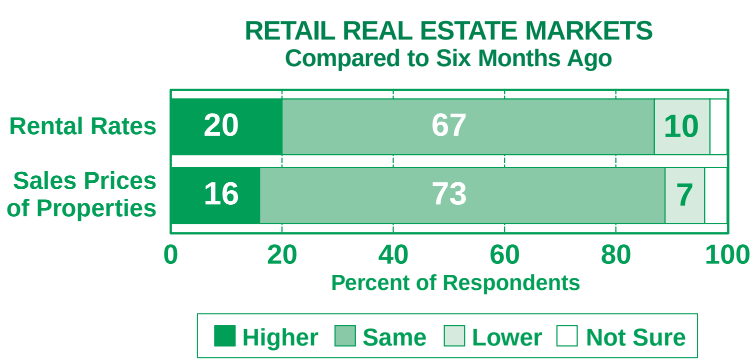
those who did report price movement, 21 percent said prices were rising, and only 6 percent reported falling prices. Price gains in office building sales were noted in Birmingham, Denver, Detroit, Ft. Lauderdale, Memphis, Miami, Sacramento, San Francisco, and Tulsa.

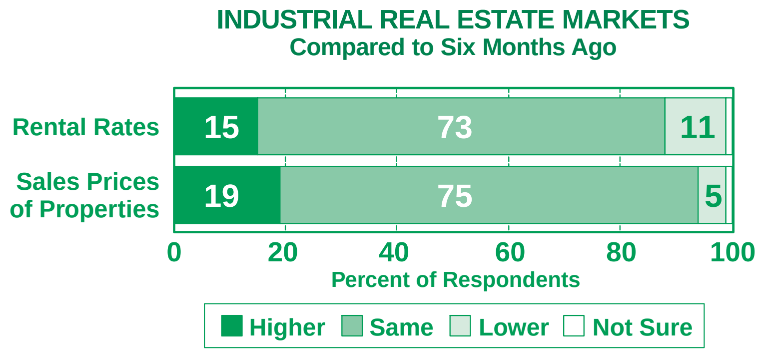
Retail Real Estate Markets

- There were no rent hikes or rent breaks for retail properties, according to two-thirds of the respondents (67 percent), who saw stable rents. Of those who reported a change in retail rental rates over the previous six months, 20 percent said rents rose, citing higher rates in Buffalo, Hartford, Sacramento, West Palm Beach, and Wilmington. This proportion was double the proportion who said rents declined, mentioning lower rates in Tampa.
- Sales prices of retail properties increased over the previous six months, according to 16 percent of the respondents, notably in Ft. Lauderdale, Las Vegas, Memphis, Miami, Sacramento, Stamford, and West Palm Beach. Only 7 percent said that sales prices decreased. And according to almost three-quarters, sales prices of retail properties held steady.

Industrial Real Estate Markets

- Rental rates for industrial properties were reported to be largely unchanged from the previous six months, with 73 percent of respondents citing stable rates. Of those who observed move-





ment, 15 percent noted higher rents over the previous six months, naming Atlanta, Detroit, and San Francisco. Eleven percent said that industrial rents had decreased, citing Albany.

- Sales prices of industrial properties increased, according to almost one-fifth of the respondents (19 percent). Price hikes were reported in large industrial markets such as Atlanta, Detroit, Newark, Sacramento, and Tampa. Only 5 percent noted a decline in sales prices over the previous six months, mentioning Albany and Honolulu. However, the vast majority (75 percent) reported that sales prices of industrial properties were unchanged.

Market Dislocation

- The majority of respondents (62 percent) reported that foreclosures of commercial real estate loans continued at about the same pace as six months earlier. Of those reporting a change in the pace of foreclosures, 6 percent noted an increase and 3 percent a decline compared with six months earlier.

- Similarly, the majority of respondents (48 percent) reported no increase in commercial and retail bankruptcies from levels observed six months earlier. Reports of increases in bankruptcies (19 percent) far exceeded reports of decreases (4 percent), however.

- The length of time required to lease a property was also generally reported to be stable over the previous six months, with 49 percent of respondents reporting no increase in lease time. However, the leasing times have lengthened according to 17 percent of respondents, who outnumbered those who reported shorter times (only 2 percent).

NATIONAL RESULTS FROM THE SURVEY OF REAL ESTATE TRENDS

Percent of Respondents

		Six-Month Period Ending: 06/00	12/00
SINGLE-FAMILY			
How would you characterize the current single-family market?	A tight market	15.0	7.7
	Some tightness	30.0	23.8
	Supply and demand in balance	40.3	51.1
	Some excess capacity	13.7	14.9
	Excess inventory	0.9	2.6
	Not sure	0.0	0.0
How would you characterize the current volume of *existing* single-family home sales now compared with 6 months ago?	A lot higher	1.3	0.0
	A little higher	23.6	17.0
	About the same	44.6	46.4
	A little lower	29.6	34.9
`	A lot lower	0.0	1.3
	Not sure	0.9	0.4
How would you characterize the current volume of *new* single-family home sales now compared with 6 months ago?	A lot higher	1.3	0.9
	A little higher	26.2	14.5
	About the same	45.5	46.4
	A little lower	26.2	36.6
	A lot lower	0.4	0.9
	Not sure	0.4	0.9
How would you characterize the current volume of single-family new home construction now compared with 6 months ago?	A lot higher	3.0	0.9
	A little higher	20.6	13.6
	About the same	49.4	42.6
	A little lower	24.9	39.6
	A lot lower	0.9	2.1
	Not sure	1.3	1.3
How would you characterize the sales prices of *existing* single-family homes now compared with 6 months ago?	A lot higher	5.6	1.7
	A little higher	51.5	41.3
	About the same	35.6	47.2
	A little lower	6.9	9.8
	A lot lower	0.0	0.0
	Not sure	0.4	0.0
How would you characterize the sales prices of *new* single-family homes now compared with 6 months ago?	A lot higher	5.2	1.7
	A little higher	55.4	45.1
	About the	35.2	48.9
	A little lower	3.0	3.8
	A lot lower	0.4	0.0
	Not sure	0.9	0.4
What would you say is the general condition of the single-family market now compared with 6 months ago?	A lot better	1.3	1.3
	A little better	23.6	15.7
	About the same	57.9	56.2
	A little worse	16.7	26.4
	A lot worse	0.0	0.4
	Not sure	0.4	0.0
MULTIFAMILY			
How would you characterize the current multifamily market?	A tight market	11.7	5.6
	Some tightness	27.8	24.2
	Supply and demand in balance	45.0	50.3
	Some excess capacity	14.4	18.6
	Excess inventory	0.6	1.2
	Not sure	0.6	0.0
How would you characterize current `apartment vacancy rates now compared with 6 months ago?	A lot higher	0.0	0.0
	A little higher	17.8	15.5
	About the same	62.2	70.2
	A little lower	18.3	11.8
	A lot lower	0.0	1.2
	Not sure	1.7	1.2
How would you characterize the current volume of rental apartment construction now compared with 6 months ago?	A lot higher	1.7	1.2
	A little higher	22.2	11.8
	About the same	51.7	54.7
	A little lower	19.4	28.0
	A lot lower	1.7	0.6
	Not sure	3.3	3.7
What would you say is the general condition of the multifamily market now compared with 6 months ago?	A lot better	1.7	0.0
	A little better	17.2	12.4
	About the same	72.2	74.5
	A little worse	8.9	12.4
	A lot worse	0.0	0.6
	Not sure	0.0	0.0

NATIONAL RESULTS FROM THE SURVEY OF REAL ESTATE TRENDS

Percent of Respondents

		Six-Month Period Ending: 06/00	12/00
OFFICE			
How would you characterize the current office market?	A tight market	9.9	4.2
	Some tightness	21.6	13.1
	Supply and demand in balance	37.4	51.2
	Some excess capacity	28.1	28.0
	Excess inventory	2.9	3.6
	Not sure	0.0	0.0
How would you characterize rental rates for office space now compared with 6 months ago?	A lot higher	5.3	0.0
	A little higher	26.9	22.6
	About the same	59.6	71.4
	A little lower	7.0	5.4
	A lot lower	0.0	0.0
	Not sure	1.2	0.6
How would you characterize the current volume of speculative office construction (i.e., not presold or preleased) now compared with 6 months ago?	A lot higher	2.3	1.2
	A little higher	18.1	17.3
	About the same	56.1	47.6
	A little lower	15.8	24.4
	A lot lower	2.3	3.0
	Not sure	5.3	6.5
How would you characterize the sales prices of a common class of office properties?	Increasing rapidly	0.6	0.0
	Increasing moderately	33.3	21.4
	Holding steady	57.9	67.9
	Decreasing moderately	2.3	6.0
	Decreasing steadily	0.6	0.0
	Not sure	5.3	4.8
How common are leasing concessions (such as free rent, tenant finish, build out, etc.) for office space now compared with 6 months ago?	A lot more common	0.6	0.0
	A little more common	8.2	10.1
	About the same	57.9	66.7
	A little less common	15.2	6.5
	A lot less common	2.9	1.8
	No concessions are offered	5.8	6.0
	Not sure	9.4	8.9
What would you say is the general condition of the office market now compared with 6 months ago?	A lot better	0.0	0.0
	A little better	17.5	14.3
	About the same	71.9	69.0
	A little worse	10.5	15.5
	A lot worse	0.0	1.2
	Not sure	0.0	0.0
RETAIL			
How would you characterize the current retail market?	A tight market	0.7	0.0
	Some tightness	17.5	10.4
	Supply and demand in balance	51.7	54.5
	Some excess capacity	25.9	33.8
	Excess inventory	2.8	1.3
	Not sure	1.4	0.0
How would you characterize rental rates for retail space now compared with 6 months ago?	A lot higher	0.0	0.0
	A little higher	21.0	19.5
	About the same	69.2	67.5
	A little lower	6.3	9.7
	A lot lower	0.0	0.0
	Not sure	3.5	3.2
How would you characterize sales prices of retail properties?	Increasing rapidly	0.0	0.0
	Increasing moderately	22.4	15.6
	Holding steady	67.8	72.7
	Decreasing moderately	4.2	7.1
	Decreasing steadily	0.0	0.0
	Not sure	5.6	4.5
How common are leasing concessions (such as free rent, tenant finish, build out, etc.) for retail space now compared with 6 months ago?	A lot more common	0.0	0.6
	A little more common	8.4	11.0
	About the same	65.7	65.6
	A little less common	7.0	4.5
	A lot less common	0.7	0.6
	No concessions are offered	5.6	4.5
	Not sure	12.6	13.0
What would you say is the general condition of the retail market now compared with 6 months ago?	A lot better	0.0	0.0
	A little better	10.5	7.1
	About the same	78.3	75.3
	A little worse	11.2	16.9
	A lot worse	0.0	0.6
	Not sure	0.0	0.0

NATIONAL RESULTS FROM THE SURVEY OF REAL ESTATE TRENDS

Percent of Respondents

		Six-Month Period Ending: 06/00	12/00
INDUSTRIAL			
How would you characterize the current industrial market?	A tight market	4.3	1.1
	Some tightness	24.7	11.0
	Supply and demand in balance	57.0	65.9
	Some excess capacity	10.8	19.8
	Excess inventory	2.2	2.2
	Not sure	1.1	0.0
How would you characterize rental rates for industrial space now compared with 6 months ago?	A lot higher	2.2	0.0
	A little higher	26.9	15.4
	About the same	64.5	72.5
	A little lower	3.2	9.9
	A lot lower	1.1	1.1
	Not sure	2.2	1.1
How would you characterize sales prices of industrial properties?	Increasing rapidly	1.1	0.0
	Increasing moderately	30.1	18.7
	Holding steady	60.2	74.7
	Decreasing moderately	4.3	5.5
	Decreasing steadily	0.0	0.0
	Not sure	4.3	1.1
How common are leasing concessions (such as free rent, tenant finish, build out, etc.) for industrial space now compared with 6 months ago?	A lot more common	0.0	0.0
	A little more common	3.2	9.9
	About the same	67.7	70.3
	A little less common	12.9	2.2
	A lot less common	0.0	3.3
	No concessions are offered	6.5	3.3
	Not sure	9.7	11.0
What would you say is the general condition of the industrial market now compared with 6 months ago?	A lot better	0.0	1.1
	A little better	19.4	12.1
	About the same	73.1	75.8
	A little worse	5.4	9.9
	A lot worse	0.0	1.1
	Not sure	2.2	0.0
MARKET DISLOCATION			
Assess *foreclosures of commercial real estate loans* as a potential sign of a troubled real estate market and rate your assessment at the present time compared to 6 months ago.	Much more now than 6 months ago	0.0	0.0
	Somewhat more now than 6 months ago	4.7	6.4
	About the same	59.6	62.3
	Somewhat less now than 6 months ago	7.1	2.3
	Much less now than 6 months ago	0.8	0.4
	Not sure	27.8	28.7
Assess *commercial and retail bankruptcies* as a potential sign of a troubled real estate market and rate your assessment at the present time compared to 6 months ago.	Much more now than 6 months ago	0.0	0.4
	Somewhat more now than 6 months ago	12.2	18.9
	About the same	54.5	48.3
	Somewhat less now than 6 months ago	6.7	4.5
	Much less now than 6 months ago	0.4	0.0
	Not sure	26.3	27.9
Assess the *length of time to lease a property* as a potential sign of a troubled real estate market and rate your assessment at the present time compared to 6 months ago.	Much more now than 6 months ago	0.0	0.0
	Somewhat more now than 6 months ago	11.4	17.4
	About the same	51.0	49.4
	Somewhat less now than 6 months ago	8.6	2.3
	Much less now than 6 months ago	0.4	0.0
	Not sure	28.6	30.9

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NOTES

1) These results aggregate responses filed for 69 major and non-major metropolitan markets covering every state except Alaska, Idaho, Oregon, Vermont, West Virginia, and Wyoming. The number of respondents by property sector was: single-family (235), multifamily (161), office (168), retail (154), and industrial (91).

2) The major metropolitan areas reported on included: Atlanta, Baltimore, Boston, Charlotte, Chicago, Cincinnati, Cleveland, Columbus, Dallas, Denver, Detroit, Ft. Lauderdale, Houston, Indianapolis, Kansas City, Las Vegas, Los Angeles, Miami, Minneapolis, Nashville, New York City, Oakland, Orange County, Orlando, Philadelphia, Phoenix, Salt Lake City, San Diego, San Francisco, Seattle, St. Louis, Tampa, Washington, DC, and West Palm Beach. The non-major metropolitan areas reported on included: Albany, Albuquerque, Austin, Bergen-Passaic, Billings, Birmingham, Buffalo, Des Moines, Fargo, Grand Rapids, Greenville-Spartanburg, Hartford, Honolulu, Jackson, Jacksonville, Little Rock, Louisville, Memphis, Milwaukee, Nashua, New Orleans, Newark, Oklahoma City, Omaha, Pittsburgh, Portland, Providence, Raleigh, Richmond, Sacramento, San Juan, Sioux Falls, Stamford, Tulsa, and Wilmington.

3) Survey respondents were asked to assess current real estate market conditions as compared with six months ago in relative terms: A lot better: Market conditions have improved considerably. There are strong, visible signs of improvement in terms of vacancy rates, market prices, or the pace of sales. Moreover, there is general agreement among market observers on this improvement. A little better: Market conditions have improved slightly. There are some visible signs of improvement in terms of market prices or the pace of sales. However, there need not be general agreement among market observers on this improvement. About the same: Market conditions are essentially unchanged from what they were six months ago. A little worse: Market conditions have deteriorated slightly. There are some visible signs of deterioration in terms of market prices or the pace of sales. However, there need not be general agreement among market observers on this deterioration. A lot worse: Market conditions have deteriorated considerably. There are strong, visible signs of deterioration in terms of vacancy rates, market prices, or the pace of sales. Moreover, there is general agreement among market observers on this deterioration. Not sure: Unable to assess the current market conditions due to inadequate information, conflicting information, or for other reasons.