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**GREATER BALTIMORE ECONOMY “HOLDING ITS OWN,” ACCORDING
TO ECONOMIC ALLIANCE OF GREATER BALTIMORE FINDINGS**

BALTIMORE, MD (2/23/09) --- Despite the lingering recession, Greater Baltimore’s economy continues to hold its own, according to data compiled and released today by the Economic Alliance of Greater Baltimore (Alliance).

When compared to the 25 largest metropolitan areas in the U.S., Greater Baltimore:

- Had the third lowest unemployment rate – 5.4%;
- Saw an employment decline of just 0.2%, the seventh smallest drop nationally;
- Ranked sixth in the growth of professional, scientific and technical services, with an increase of 3.2%; and
- Experienced a drop in median home prices of only 5.5%, the second lowest decline in the survey.

Greater Baltimore also had one of the lowest home foreclosure rates in the country. With only 1.07% of homes foreclosed on through 2008, the region ranked 20th among the 25 largest metropolitan areas and 72nd among the top 100 metros. Riverside, California had the highest rate at over 8%, followed closely by Phoenix (6.02%), Miami-Ft. Lauderdale (5.21%), and Detroit (4.52%).

“While the recession continues to negatively impact every major U.S. market, Greater Baltimore is holding its own, cushioned by its high concentration of employment in more insulated industries – such as information technology, health care, and education – as well as the region’s relatively low exposure to foreclosures and dramatically declining home prices,” says J. Thomas Sadowski, President and CEO of the Economic Alliance of Greater Baltimore.

Sadowski adds that according to recent surveys by both Business Week and Forbes, Greater Baltimore ranks as one of the best U.S. markets for riding out the recession. Forbes also ranked Baltimore as a best city for job growth in 2009.

These favorable rankings are due in large part to Greater Baltimore’s successful transition over the past decade from an industrial to a knowledge-based economy. Since 2000, the region has experienced the highest rate of growth in high-wage industries, including professional, scientific, and technical services (up 25.3% from 2000 through 2008), education (up 22.6%), and health care (up 19.6%).

The Alliance data also indicate that the effects of the recession are beginning to negatively impact certain industry sectors in the region, including retail trade (down 0.2% over the past year), leisure/hospitality (down 0.7%), and financial services (down 2.5%).

Ironically, while Greater Baltimore's population growth (4.5% between 2000 and 2007) placed it slightly below the U.S. average and in the middle tier among the 25 largest U.S. metro areas, statistics compiled by the Alliance show that the markets with the fastest and the slowest population gains over that same period are experiencing the toughest economic times.

Phoenix, Riverside, and Atlanta, for example, all had population growth exceeding 24% from 2000 to 2007. All three markets, however, are now seeing significant declines in employment growth and corresponding increases in unemployment rates.

At the other end of the spectrum, Cleveland and Detroit, which ranked at the bottom of the top 25 metro areas in terms of population growth from 2000-2007, are experiencing significant increases in unemployment (6.8% and 9.5%, respectively) and declines in employment growth since 2000 of 7% and 15%, respectively.

Beginning this year, the Economic Alliance regularly will produce regional economic updates, benchmarking Greater Baltimore with the 25 largest metro areas in the U.S. These reports will track Greater Baltimore's standing in several major economic indicators, including population growth, unemployment rate, employment growth, industry growth and concentration, per capita income, foreclosure rates, and median home prices.

For more information or to obtain a copy of the full regional economic update, visit the Economic Alliance website at www.greaterbaltimore.org.

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