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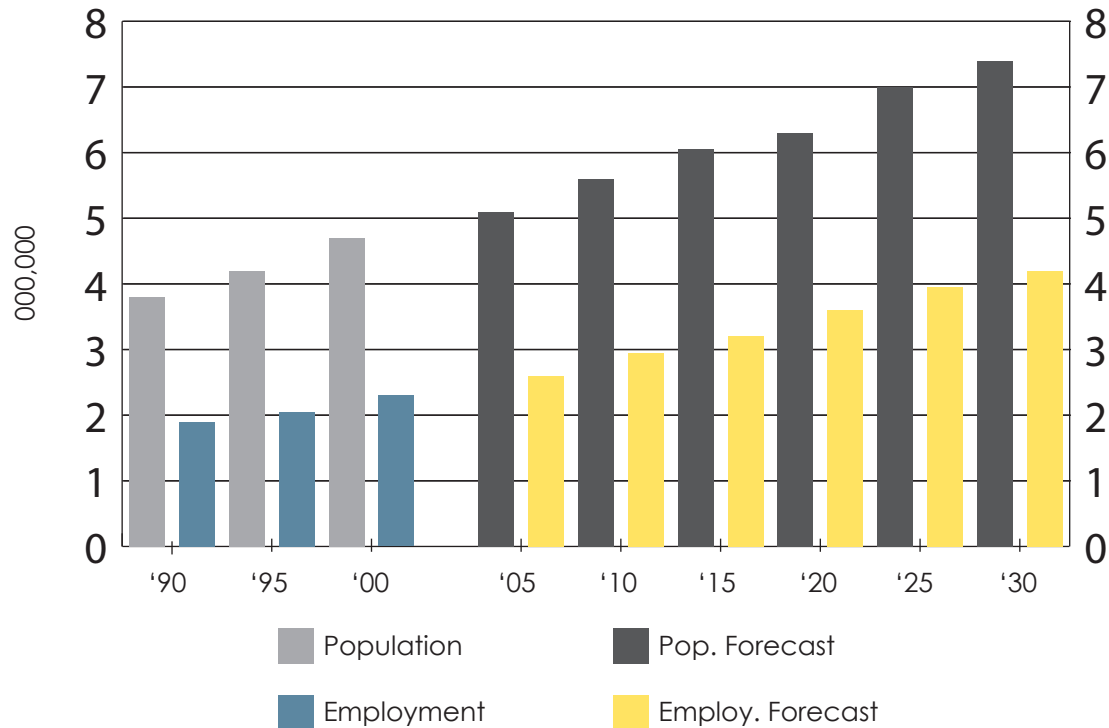
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Economic Outlook

Houston's is expected to outperform the U.S. over the next quarter-century.

Population & Employment

Houston CMSA 1990-2030



SOURCE: The Perryman Group, Spring 2002

- During '02-'30, The Perryman Group sees population growth averaging 1.54 percent annually in the Houston region. Over the same period, this prominent Texas-based economic forecasting firm expects employment to rise 1.94 percent annual rate.
- Employment growth faster than the nation's is predicted in part on disproportionately rapid growth in economic based employment, especially in energy-independent sectors. Says M. Ray Perryman, Ph. D., the firm's president: "The areas traditional dependence on energy-related business is... projected to continue to decrease over this period. [Houston's] economic expansion... is fueled by its proximity to the Gulf of Mexico, as well as by the important role the area plays as a major manufacturing, shipping, and tourism center. Global economic growth will greatly benefit [the area's] export and import enterprises."

Economic Outlook

Population and Employment: Houston CMSA

Estimates and Forecastss

	Population (000,000)	Employment (000,000)
1990	3.7532	1.8279
1995	4.1986	2.0175
2000	4.6696	2.3762
2005	5.1032	2.6508
2010	5.5514	2.9559
2015	6.0110	3.2632
2020	6.4785	3.5793
2025	6.9501	3.9012
2030	7.4215	4.2250

SOURCE: The Perryman Group, Spring 2002
Updated 7/19/02

Safety

Houston's crime rate has declined continuously since the early 90's.

Metro Houston Crime Statistics — 2001*

All rates per 100,000 residents

Crime Category	Peak Year	Peak Rate	2001 Crime Rate	% Decline Since Peak
Overall	1990	8,494.8	5,297.8	-37.6
Violent	1991	1,076.6	768.8	-28.6
Property	1989	7,669.1	4,529.0	-40.9
Murders	1991	22.9	8.3	-63.8

* Chambers, Fort Bend, Harris, Liberty, Montgomery and Waller Counties; 2001 latest year for which data is available. Source: FBI Uniform Crime Reports, 1989-2001

- An increase in the number of police officers patrolling the streets, the construction of additional jails and massive after-school sports programs for inner-city youth have reduced the level of crime in Houston in recent years.
- Local crime should continue to decline, as public safety remains a priority of Houston Mayor Lee P. Brown and Harris County Judge Robert Eckels. One-third of the city's and one-fourth of the county's operating budgets are dedicated to law enforcement.

Weather

Houston enjoys a mild climate with warm temperatures in the winter; outdoor activities can be enjoyed year-round.

Houston Weather

Month	Temperature (F°)			Normal
	Normal Max.	Normal Min	Average	Rainfall (in.)
January	61.0	39.7	50.4	3.29
February	65.3	42.6	53.9	2.96
March	71.1	50.0	60.6	2.92
April	78.4	58.1	68.3	3.21
May	84.6	64.4	74.5	5.24
June	90.1	70.6	80.4	4.96
July	92.7	72.4	82.6	3.60
August	92.5	72.0	82.3	3.49
September	88.4	67.9	78.2	4.89
October	81.6	57.6	69.6	4.27
November	72.4	49.6	61.0	3.79
December	64.7	42.2	53.5	3.45
Year	78.6	78.6	67.9	46.07

SOURCE: 2001 Local Climatological Data, Annual Summary with Comparative Data, National Oceanic and Atmospheric Administration
Updated 5/7/02

- Houston averages only 21.3 days per year with temperatures of 32°F or less and 95.5 days with high temperatures of 90°F or more. Temperatures rarely reach 100°F.
- Houston's growing season averages 300 days. The normal frost-free period extends from Feb. 14 to Dec. 11.
- Houston has had only 14 measurable snowfalls since 1939.
- The normal daily maximum temperatures are: winter 66°F, summer 91°F, spring and autumn 79°F. The normal daily minimum temperatures are: winter 44°F, summer 71°F, spring and autumn 57°F.
- Prevailing wind in Houston is south-southeasterly at a mean speed of 7.8 mph.