

# News Release

THE FEDERAL RESERVE BANK *of* KANSAS CITY

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## **SURVEY FINDS MODERATE DECLINE IN LMI FINANCIAL CONDITIONS**

Economic and financial conditions in the Tenth Federal Reserve District's low- and moderate-income (LMI) community remained stable but well below neutral in the third quarter, indicating a continued, but moderate, decline, according to the [Kansas City Fed's LMI Survey](#). The latest survey suggests that LMI communities in the Tenth District may be emerging from the recession later than the wider community.

The quarterly survey measures the economic conditions of LMI populations and the organizations that serve them in the Kansas City Fed's seven-state district. Results from the survey are used to construct five indicators of economic conditions in LMI communities and two indicators of the conditions of LMI-focused organizations. LMI populations are those with incomes of less than 80 percent of an area's median income.

The survey's most general measures of the financial status of the Tenth District's LMI population, the LMI Financial Condition Index and the LMI Service Needs Index, reflected sustained financial stress. In addition, the Affordable Housing Index dropped significantly. For the fourth straight quarter, the survey's Job Availability Index maintained its slow march toward neutral, which may indicate that job losses are slowing.

Survey respondents reported a slightly higher than neutral assessment of their organizational capacity, indicating that their ability to meet client demands has not followed recent declines in their financial resources.

The Federal Reserve Bank of Kansas City and its branches in Denver, Oklahoma City and Omaha serve the Tenth Federal Reserve District: western Missouri, Nebraska, Kansas, Oklahoma, Wyoming, Colorado, and northern New Mexico.

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