2nd Quarter 2007

U.S. Housing Market Conditions

August 2007

Summary

Economic growth in the second quarter of 2007 was significantly higher than in the first quarter of 2007. The labor situation in the second quarter saw continued job growth and low unemployment. Housing affordability worsened as sales prices of existing homes increased and mortgage interest rates increased. Housing market performance was weak in the second quarter of 2007, with generally falling production levels and weak existing home sales. The exceptions are the increase in new home sales and the slight increase in housing starts. Inventories of new and existing homes available for sale continue at very high levels, with enough houses available to last nearly 8 months. The homeownership rate declined to 68.2 percent in the second quarter of 2007.

Housing Production

Almost all housing production indicators were negative in the second quarter of 2007, especially when compared with the second quarter of 2006. Single-family building permits and completions were down 6 to 10 percent from the first quarter of 2007 and down 24 to 28 percent from the second quarter of 2006. Some positive news for home construction was that starts were nearly unchanged. The numbers of permits, starts, and completions have declined for five or more consecutive quarters. Shipments of manufactured homes increased in the second quarter and are now at the 100,000-unit annual rate.

- In the second quarter of 2007, builders took out permits for 1,463,000 (SAAR) new housing units, down 6.1 percent from the first quarter of 2007 and down 24.1 percent from the second quarter of 2006. Single-family building permits were issued for 1,052,000 (SAAR) housing units in the second quarter of 2007, down 6.0 percent from the first quarter of 2007 and down 27.5 percent from the second quarter of 2006. Both total and single-family permits have declined for seven consecutive quarters.
- Construction was started on 1,462,000 (SAAR) new housing units in the second quarter of 2007, up 0.1 percent from the first quarter of 2007 but down 21.5 percent from the second quarter of 2006. Single-family housing starts equaled 1,166,000 (SAAR) units in the second quarter of 2007, down 0.5 percent from the first quarter of 2007 and down 23.3 percent from the second quarter of 2006. Both total and single-family starts have declined for five consecutive quarters.
- In the second quarter of 2007, construction was completed on 1,519,000 (SAAR) new homes, down 10.1 percent from the first quarter of 2007 and down 24.1 percent from the second quarter of 2006. Single-family housing completions were 1,265,000 in the second quarter of 2007, down 7.5 percent from the first quarter of 2007 and down 25.4 percent from the second quarter of 2006. These figures indicate the fifth consecutive quarterly declines for both total and single-family completions.

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- Manufacturers shipped 100,000 (SAAR) new manufactured homes in the second quarter of 2007, up 6.0 percent from the first quarter of 2007 but down 18.1 percent from the second quarter of 2006.

Housing Marketing

Sales of new homes increased in the second quarter of 2007 and inventories of new homes available for sale improved. Prices of existing homes increased. All other housing marketing indicators posted declines from the first quarter. New home sales prices decreased from those recorded during the first quarter of 2007 and the second quarter of 2006. Inventories of existing homes available for sale at the end of the second quarter of 2007 increased to nearly 9 months of sales. Builders were pessimistic in the second quarter regarding current sales expectations, future sales expectations, and prospective buyer traffic. In fact, the last time they were reporting such negative attitudes was in 1991.

- During the second quarter of 2007, builders sold 880,000 (SAAR) new single-family homes, up 3.1 percent from the first quarter of 2007 but down 18.9 percent from the second quarter of 2006. This is the first increase after six consecutive quarterly declines.

- REALTORS® sold 5,913,000 (SAAR) existing homes in the second quarter of 2007, down 7.9 percent from the first quarter of 2007 and down 10.8 percent from the second quarter of 2006.

- The median sales price for new homes sold in the second quarter of 2007 was $240,500, down 6.6 percent from the first quarter of 2007 and down 2.4 percent from the second quarter of 2006. The average sales price decreased 3.8 percent from the first quarter of 2007 but increased 2.4 percent from the second quarter of 2006 to $310,000. The price of a constant-quality new home was estimated to be $267,200 in the second quarter of 2007, down 2.4 percent from the first quarter of 2007 but up 0.6 percent from the second quarter of 2006.

- Existing homes sold during the second quarter of 2007 had a median price of $224,200, up 4.8 percent from the first quarter of 2007 but down 1.1 percent from the second quarter of 2006. The average price was $271,800, up 4.2 percent from the first quarter of 2007 but down 0.4 percent from the second quarter of 2006.

- At the end of the second quarter of 2007, the inventory of new homes available for sale was 537,000, down 2.0 percent from the first quarter of 2007 and down 5.0 percent from the second quarter of 2006. This inventory would support 7.8 months of sales at the current sales pace, down 0.5 months from the end of the first quarter of 2007 but up 1.4 months from the end of the second quarter of 2006. The inventory of existing homes available for sale was 4,196,000 at the end of the second quarter of 2007, up 10.2 percent from the first quarter of 2007 and up 12.3 percent from the second quarter of 2006. This inventory would support 8.8 months of sales at the current sales pace, up 1.4 months from the first quarter of 2007 and up 1.9 months from the second quarter of 2006.

- Home builders were less optimistic in the second quarter of 2007 than they were in the first quarter of 2007 and considerably less optimistic than they were a year earlier, according to the National Association of Home Builders/Wells Fargo composite Housing Market Index. The index was 30 in the second quarter of 2007, down 7 index points from the first quarter of 2007 and down 16 index points from the second quarter of 2006. This index figure indicates the lowest quarterly value since the first quarter of 1991. All three components of the composite index declined—current sales expectations declined 6 points, future sales expectations declined 9 points, and prospective buyer traffic declined 4 points.

Affordability and Interest Rates

In the second quarter of 2007, the interest rate for 30-year, fixed-rate mortgages averaged 6.37 percent, up 15 basis points from the first quarter of 2007 but down 23 basis points from the second quarter of 2006. The 2007 second quarter value of 6.37 percent is the 20th lowest value ever reported by the Freddie Mac Primary Mortgage Market Survey since it began reporting this data in 1971. Housing affordability worsened from the past quarter but improved from the second quarter of 2006, according to the index published by the NATIONAL ASSOCIATION OF REALTORS®. The composite index indicates that, in the second quarter of 2007, the family earning the median income ($59,021) had 109.1 percent of the income needed to purchase the median-priced ($222,800) existing home, using standard lending guidelines. This value is down 5.4 points from the first quarter of 2007 but up 6.3 points from the second quarter of 2006. The decline in the second quarter is attributable to a 5.3-percent increase in the median house price and a 5-basis-point increase in the interest rate, more than offsetting the 0.7-percent increase in the median family income. The improvement from the second quarter of 2006 resulted from a 1.4-percent decrease in the median house price, a 16-basis-point decrease in the mortgage interest rate, and a 2.9-percent increase in the median family income. Despite this improvement in afford-ability, homeownership declined. The national homeownership rate in the second quarter of 2007 was 68.2 percent, down 0.2 percentage point from the first quarter of 2007 and down 0.5 percentage point from the second quarter of 2006.

Multifamily Housing

The multifamily (5+ units) sector was generally down in the second quarter of 2007. The issuance of building permits and completions declined. Starts posted a slight increase. The absorption of new rental units set a record low, but the vacancy rate decreased to under 10 percent.

- In the second quarter of 2007, builders took out building permits for 353,000 (SAAR) new multifamily units, down 3.6 percent from the first quarter of 2007 and down 11.8 percent from the second quarter of 2006.

- Builders started construction on 261,000 (SAAR) new multifamily units in the second quarter of 2007, up 0.8 percent from the first quarter of 2007 but down 10.3 percent from the second quarter of 2006.

- Builders completed 217,000 (SAAR) new multifamily units in the second quarter of 2007, down 24.1 percent from the first quarter of 2007 and down 21.1 percent from the second quarter of 2006.

- The rental vacancy rate in the second quarter of 2007 was 9.5 percent, down 0.6 percentage point from the first quarter of 2007 and down 0.1 percentage point from the second quarter of 2006. The record-high quarterly vacancy rate of 10.4 percent was set in the first quarter of 2004.

- Market absorption of new rental apartments slowed in the second quarter of 2007. Of the 28,000 new apartments completed in the first quarter of 2007, 54 percent were leased or absorbed within the second 3 months following completion. This absorption rate is a record low. The previous record was 56 percent.

Estimating Assisted Housing Program Parameters Using American Community Survey Data

Introduction

The U.S. Department of Housing and Urban Development (HUD) annually develops Median Family Income (MFI) estimates, Income Limits, and Fair Market Rents (FMRs) as required by the Housing Act of 1937, as amended.[1] For these estimates, HUD uses geographic area definitions from Section 8 program FMR area definitions, which means HUD develops these estimates annually for 2,575 FMR areas—530 metropolitan areas and 2,045 nonmetropolitan counties.[2]

Although the Act and its regulations do not specify data sources for calculating these estimates, HUD is directed to use "the most recent available data" to derive MFIs, Income Limits, and FMRs. Historically, HUD has based these estimates on decennial census long-form sample data.[3] The use of decennial data necessitated trending these estimates from 3 to 14 years to derive annual estimates between decennial census data availability.

Beginning with the 2010 Census, the long-form sample survey will no longer be conducted. The Census Bureau developed the American Community Survey (ACS) to replace the decennial census long form and to provide more timely information on the social, economic, and housing characteristics of the population in areas smaller than census regions, census divisions, or states. Starting in 2006, the Census Bureau implemented its plan to release ACS data annually for areas with a population of 65,000 or more. For areas with a population ranging between 20,000 and 65,000, the Census Bureau will release estimates based on 3 years of aggregated survey data, with the first such release in 2008. Updates of the 3-year estimates will be published annually in subsequent years. The same approach will be used for areas with a population of less than 20,000, but these releases will require aggregating data for 5 years to produce estimates. The first 5-year estimates for these areas will be released in 2010, and annual releases will follow. Partly because the data are more current and partly because decennial census long-form data no longer will be collected, HUD will rely increasingly on ACS data to produce its MFI estimates, Income Limits, and FMRs.

Currently data are available only for areas with a population of 65,000 or more. This article focuses on a description of how these data have been used. The first full ACS implementation was in 2005, with release of those data in late 2006. HUD used those data to produce its fiscal year (FY) 2007 MFI estimates and Income Limits and its proposed FY 2008 FMRs. The 2006 ACS data were not released before publication of this article, but HUD expects they will be available to produce the FY 2008 MFI estimates and Income Limits and the FY 2009 FMRs.

Median Family Income Estimates and Income Limits as Parameters for Assisted Housing Programs

MFI estimates serve as the basis for Income Limit calculations. The following definitions apply to HUD's Income Limit groups:

- Very low-income families—families whose incomes do not exceed 50 percent of the area MFI.
- Low-income families—families whose incomes do not exceed 80 percent of the area MFI.
- Extremely low-income families—families whose incomes do not exceed 30 percent of the area MFI.

Exceptions to these arithmetic relationships between MFI estimates and Income Limits occur when family incomes or housing cost-to-income relationships are unusually high or low. HUD updates the MFI by using ACS income data and then calculates Income Limits based on the MFI.

HUD is required by law to establish Income Limits for use in determining the eligibility of applicants for its assisted housing programs. Major active HUD-assisted housing programs that rely on Income Limits to determine eligibility are the Public Housing program, Section 8 Housing Assistance Payments program, Section 202 Supportive Housing for the Elderly program, and Section 811 Supportive Housing for Persons with Disabilities program. Many other federal and state housing, lending, or other programs with income-based standards for participation incorporate by statutory or regulatory reference HUD's MFI estimates and Income Limits.

Fair Market Rents as Parameters for HUD-Assisted Housing Programs

HUD uses FMRs primarily to help determine the following:

- Payment standard amounts for the Section 8 Housing Choice Voucher program.
- Initial renewal rents for some expiring project-based Section 8 contracts.
- Initial rents for housing assistance payment contracts in the Moderate Rehabilitation Single Room Occupancy program.
- Rent ceilings in the HOME rental assistance program.

By law, final FMRs for use in any fiscal year must first be published for comment. A proposed FMR is published, followed by a final FMR publication. Final FMRs must be published and effective for use at the start of the fiscal year on October 1st.

FMRs are based on a gross-rent concept. Gross rent includes the costs of all major utilities, whether they are included in *contract* rent or paid directly by the family. All utility costs are included except telephone, cable or satellite television, and Internet services. HUD seeks to set FMRs at levels that will ensure availability of a sufficient supply of rental housing to program participants. To accomplish this objective, HUD must set FMRs both high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible.

The level at which HUD sets FMRs is expressed as a percentile point within the rent distribution of standard-quality, recent-mover, rental housing units.[4] HUD currently uses the 40th percentile rent, the dollar amount below which 40 percent of standard-quality, recent-mover, rental housing units are rented.[5] In its computation, HUD is required to exclude nonmarket-rate rental housing; therefore, HUD excludes all units that fall below a specified rent level derived from HUD public housing rent data as likely to be either assisted housing or some other form of nonmarket rent.

Description of the American Community Survey

The ACS and the decennial census long form use similar questions and similar data collection methods (that is, they are both mailed surveys with extensive nonresponse followup). Despite these similarities, the ACS differs from the long-form survey in important respects that affect its use for HUD purposes. Among the most important differences are those concerning timeliness of data, measurement of variables, and the size and error of the ACS:

- The ACS provides updated information throughout the decade because ACS data are collected continuously. In contrast, the long-form data were collected only once each decade, and that data became increasingly outdated as the decade progressed.
- The ACS is conducted on a continuous, rolling basis throughout the year; therefore, survey responses do not correspond to a particular date. The long-form responses are as of the census date of April 1; this has implications for the as-of date assumed for ACS-based calculations. The as-of date HUD has assigned for ACS 2005-based estimates is June 30, 2005, the midpoint of 2005. The Census Bureau adjusts MFI estimates to "annual 2005" estimates, which HUD then updates to December by using the Consumer Price Index (CPI).

- The annual ACS has slightly more than one-tenth as many completed surveys as the decennial long form, which surveyed approximately one out of every six households. As a result, an adequate sample size for 1-year ACS data will be available for only FMR areas with a population of 65,000 or more; smaller areas will require an accumulation of 3 or 5 years of data (depending on the population of the area) to provide the same type of information obtained from the decennial long form.

- The ACS reports data using different reporting periods for different-sized areas. For areas with a population of less than 65,000, the Census Bureau considers annual estimates to be below publication standards; therefore, it will release only 3-year moving average estimates for areas with a population ranging from 20,000 to 65,000 and 5-year moving averages for areas with a population below 20,000. The Census Bureau has addressed the relative imprecision of ACS estimates by publishing 90-percent confidence intervals around all ACS estimates. In contrast, long-form data releases do not include estimates of confidence intervals because normally they are small.

- The smaller ACS annual samples mean that ACS estimates have larger estimated margins of error[6] (MoE) than the comparable estimates from the long-form decennial census data. ACS 1-year survey results, even for the largest areas, are inherently less reliable than 2000 Census results, as the following examples illustrate:

    - MoEs around 2000 Census median incomes for metropolitan areas as estimated by HUD range from 0.3 percent to 9 percent and average 1.5 percent.

    - In the 2000 Census, 91 percent of metropolitan area MFI estimates have MoEs of 2.5 percent or less.

    - MoEs around 2005 ACS MFI estimates for metropolitan areas with a population of 65,000 or more range from 0.7 percent to just under 20 percent and average 6.4 percent.

    - Less than 10 percent of 2005 ACS MFI estimates have MoEs of less than 2.5 percent.

- Estimates for areas smaller than census tracts (for example, block groups) will not be released in the official ACS tables. In contrast, long-form estimates provide block group data.

- The nature of several ACS-collected data items is altered. For example, the time period considered for the concept of income is changed significantly. The decennial census, taken in April, asked about income in the past calendar year, meaning that the 2000 Census actually provided mid-1999 income data. The ACS, for which data are collected throughout the year, asks for income from the preceding 12 months, meaning that the 2005 ACS collects income information spanning 2 years, from January 2004 through December 2005. Incomes reported in ACS surveys are inflated by the Census Bureau, using the CPI, to make them equivalent to annual incomes for the survey year.[7]

- Another change that affects both MFI estimates and FMRs is the definition of *residency*. The ACS defines residency as "current residence." This means a *housing unit* is a survey household's current residence if the people who are currently living or staying in the unit are expected to stay more than 2 months; if the people in the unit are staying for less than 2 months, but they have no other place to live or stay; or if people usually live at the sample address but are away for a short period of time. In contrast, the long-form survey used a "usual residence" definition (that is, the place where a person lives and sleeps most of the year). This difference has a potentially significant effect on measured incomes and rents in areas where people reside in vacation or second homes for more than 2 months.

Introducing ACS Data Into the Calculation of Median Family Incomes and Income Limits

The ACS provides the best data on local median income since the 2000 Census. Beginning with the FY 2007 MFI estimates, HUD sought to make as much use of the ACS data as was statistically justified. The 2005 ACS data became available in late 2006 and were incorporated into HUD's FY 2007 MFI estimates and Income Limits, released on March 20, 2007. ACS MFI estimates have significantly larger MoEs than decennial census estimates of MFIs and often produce lower estimates; therefore, HUD has implemented ACS results with some caution.

Challenges of Incorporating 2005 ACS Data in Median Family Income Calculations

In implementing 2005 ACS data, HUD faced two primary challenges. First, only estimates for areas with a population of 65,000 or more are available. Second, even when estimates of local median income are available, the smaller sample sizes of the ACS relative to the decennial census mean that ACS survey estimates are not as reliable.[8]

HUD's objective is to minimize the possibility of publishing income estimates in which the annual change is more a reflection of the estimation errors than a reflection of changes in underlying economic conditions. To meet this objective, HUD developed a formula for incorporating 2005 ACS local median income estimates into its FY 2007 MFI estimates that explicitly considers the MoEs in the local ACS results. The formula HUD developed gives lower weight to the potentially less accurate ACS estimates with large MoEs, thus limiting the influence of local ACS estimates in these areas on the HUD MFI estimates. Conversely, the formula gives heavier weight to ACS local median income estimates with small MoEs, enabling the ACS estimate to be the dominant component of HUD estimates in these areas.

How HUD Uses ACS Data in Median Family Income Estimates

HUD calculates MFI estimates by FMR area, using the Census Bureau definition of "family"[9] as the first step in the process of establishing Income Limits. The 2000 Census provides base income estimates for midyear 1999. HUD then updates these estimates to 2005 using the 2005 ACS income data. Update factors for areas with a population of 65,000 or more use local area ACS estimates in whole or part, depending on the ACS MoE. Update factors for smaller areas use ACS-based, state-level income changes. The 2005 MFI estimates are then trended to 2007 using standard HUD trending procedures.

Specifically, HUD uses the following major steps to calculate all FY 2007 MFI estimates and Income Limits:

- Aggregate decennial 2000 Census income distributions by FMR area and estimate mid-1999 MFIs based on these data.[10]
- For update factors, take mid-1999 MFI estimates to December 2005:
  - For areas with a population of 65,000 or more, use a weighted average of local area change as calculated by the change between the 2000 Census (1999 data) and ACS 2005 and the state change between those two surveys. The weighting used here is described in detail in the MFI documentation system referenced at the end of this article.
  - For areas with a population of less than 65,000, use a weighted average of Bureau of Labor Statistics (BLS) wage changes and ACS state-level income changes.
- Because of delays in the availability of BLS and ACS data, estimates are trended to produce a current estimate. All estimates are trended from December 2005 to April 2007 (1.25 years) with a trending factor of 3.5 percent per year, which is based on the average change in MFIs between the past two decennial censuses.
- For the outlying territories,[11] which currently lack BLS or ACS coverage, the 1999 income data from the 2000 Census are updated to 2005 using the national ACS income change.

Introducing ACS Data Into the Calculation of Fair Market Rents

HUD incorporated the 2005 ACS data into the FMR calculations for the FY 2008 proposed FMRs, published July 12, 2007. Some of the same concepts that HUD developed during the production of MFI estimates were also used for the publication of FMRs. HUD also took into account the significantly smaller sample available for generating FMRs. Because FMR estimates are based only on rents for two-bedroom, standard-quality, recent-mover, market-rate rental units, sample sizes are often small.[12] To explicitly consider this factor in the calculations, HUD uses information from both the survey MoE and the sample size to determine when and to what extent local ACS data should be used in FMR rent calculations.[13]

HUD used data from the 2005 ACS survey largely to replace the accumulated 2001-through-2005 FMR update factors from various sources HUD used to estimate FY 2007 FMRs. HUD continues to use random digit dialing rent surveys performed between 2001 and 2005 in FMR calculations in limited circumstances. When both the FMR-filtered sample size is 200 or more and the MoE is small, HUD has rebenchmarked FMR areas using the annual ACS rent estimates; these FMR areas have been rebenchmarked to 2005 for the FY 2008 proposed FMRs. For the FY 2009 FMRs, HUD may rebenchmark these and some additional FMR areas to 2006 using ACS data.

Challenges of Incorporating 2005 ACS Data in Fair Market Rent Calculations

In addition to the challenge of the limited coverage provided by the 1 year of ACS data, the next biggest challenge in using ACS data in the production of FMRs is inherent in the definition of FMR. HUD calculates FMRs for standard-quality, two-bedroom, recent-mover,[14] market-rate rental units. This definition of FMR means that HUD must eliminate large portions of the survey sample to provide a rental unit distribution that can generate FMRs using the following process:

- Remove approximately 65 percent of housing units because they are owned, not rented.
- From the 35 percent remaining renter housing sample, remove 60 percent of rental units because they are not two-bedroom units.
- Eliminate an additional 5 percent of the sample because those units do not meet standard-quality and market-rate housing requirements.

In total, HUD can use only about 10 percent of the ACS sample in the calculation of FMRs.

How HUD Uses ACS Data in Fair Market Rent Estimates

To produce FY 2008 proposed FMRs, HUD first calculates 2005-equivalent rents for all FMR areas using update factors, then evaluates valid local area ACS surveys against these 2005-equivalent rents, and then updates and trends these rents to April 2008, the midpoint of FY 2008, using standard FMR update procedures. HUD calculates update factors using decennial census data and 2005 ACS data. All update factors reflect the change in standard-quality, two-bedroom median rents between the 2000 decennial census and the 2005 ACS at the smallest level of geography for which at least 200 survey cases are available in the 2005 ACS data. HUD uses four different levels of aggregation to measure rent changes from 2000 to 2005. These levels of aggregation can be separated into two geographic categories: The first category is state based, and the second category is metropolitan-area based.

Of the two varieties of state-based update factors, the first, and most basic, factor measures the change in median rents using all observations available for a given state. The second state-based update factor is calculated from a subset of state observations. HUD derives the subset by removing the observations in metropolitan areas with valid ACS surveys (that is, ACS surveys with 200 or more standard-quality, two-bedroom observations). HUD uses this update factor to measure the change in median rents without the effect of rent changes in the portion of the state already covered by ACS metropolitan surveys.

HUD also generates update factors for two types of metropolitan area definitions, core based statistical areas (CBSAs) and FMR areas. CBSAs are unmodified Office of Management and Budget (OMB)-defined metropolitan areas. FMR areas are either OMB-defined metropolitan areas or HUD-defined subareas of CBSA, as defined in the Proposed FY 2006 and Proposed FY 2007 FMR preambles.[15]

The update factor HUD uses to generate the 2005 FMR base calculation (which is not the same as the published FY 2005 two-bedroom FMR) varies by the level of geography that is used. With one exception, the update factor HUD uses is the update factor for the smallest geographic area that also contains 200 or more survey observations.[16] The actual decision process is somewhat involved but described in detail in the online FMR documentation systems referenced at the end of this article.

After HUD generates the 2005 FMR base calculation using the decennial census-based rent and the relevant ACS-based update factor, it evaluates local area recent-mover ACS surveys. ACS recent-mover rent estimates are only used to provide a new 2005 FMR base calculation when the FMR area has more than 200 recent-mover cases and when the rent result from these recent-mover cases is "statistically" different from the 2005 FMR base calculation.

HUD used local area and regional CPI inflation factors to take the rent estimates from June 2005 to December 2006 and used the standard HUD annual trending of 3 percent for 1.25 years to project the FMR estimate from the end of 2006 to April 2008.

ACS Interaction With HUD Programs

Although the ACS represents a significant improvement in the timeliness of socioeconomic data, HUD uses it with some caution. Estimates based on annual data introduce the likelihood that some estimates will move up and down from year to year because of estimate imprecision rather than real trends in economic conditions. Income Limits and FMRs are fundamental parameters HUD and other federal, state, and local government agencies use in the operation of many programs, and these programs are not currently designed to accommodate large year-in, year-out fluctuations. By implementing the ACS in calculating both MFIs and FMRs, HUD has intentionally designed the programs to mitigate against some of these fluctuations while preserving as much information as possible from the annual ACS on trends in incomes and rents.

Where HUD Publishes Its Median Family Income Estimates and Income Limits

HUD's MFI estimates and the associated Income Limits used for housing assistance qualification typically are released near the end of the first quarter of the calendar year. HUD publishes both the MFI estimates and Income Limits on the Office of Policy, Development, and Research (PD&R) HUD User website, www.huduser.org. Detailed explanations of MFIs and Income Limits are part of the Briefing Materials associated with each fiscal year publication of these estimates as well as a Frequently Asked Questions (FAQ) document for the FY 2006 and FY 2007 publications of MFI estimates and Income Limits.

Where HUD Publishes Its Fair Market Rents

FMRs are published twice each year in the *Federal Register*. The first publication typically occurs in the spring or early summer and contains proposed FMRs for comment for the coming fiscal year. The second *Federal Register* notice provides final FMRs by October 1st.

In addition, FMRs appear on PD&R's website, www.huduser.org. This website contains *Federal Register* notices that include a discussion of calculation and development methodology for the FMRs, electronic versions of printed tables, and data files of current and historical FMRs at the state and county levels.

Interactive Documentation Systems for Median Family Income Estimates and Income Limits

With the release of the FY 2007 MFI estimates and the associated Income Limits, HUD introduced two documentation systems. The first documentation system provides a summary of the MFI estimates and calculated Income Limits at the HUD 30-percent, 50-percent, and 80-percent levels for every FMR area for which these numbers are calculated. Links from this summary page are available to provide specific detail about how the MFI estimate was generated beginning with 2000 Census-based income estimates, through the use of 2005 ACS data, and incorporating further updating to get to the 2007 value. Links also exist for the detailed calculation methodology for each Income Limit level showing the generation of a preliminary four-person Income Limit, tests for high and low housing costs, calculation of each Income Limit for household sizes ranging from one to eight people, and the implementation of the Hold Harmless qualification, where necessary. The second documentation system is a scaled-down version of the first; it is intended for use by people interested in HUD's MFI estimates but not Income Limits. Both documentation systems are available at http://www.huduser.org/datasets/il/il07/index.html. A direct link to the summary system for both MFI estimates and Income Limits is http://www.huduser.org/datasets/il/il2007_docsys. html. The direct link to the MFI-only system is http://www.huduser.org/datasets/il/index_mfi.html.

Interactive Documentation Systems for Fair Market Rents

Beginning with the FY 2005 FMR publications, HUD developed and maintains an online documentation system available to all users of FMR data. HUD releases a new documentation system to coincide with each publication of FMRs in the *Federal Register*. The documentation systems provide exhaustive detail about the actual calculations of FMRs for every specific geographic area for which FMRs are calculated. With the documentation system, users can see each step in the calculation process. The FY 2008 documentation system enables users to see how HUD incorporates the 2005 ACS data in the determination of proposed FY 2008 FMR. Users can access documentations systems from FY 2005 to FY 2008 at http://www.huduser.org/datasets/fmr.html. In addition, readers who want to learn more about HUD's use of the ACS in its calculations of FMRs for FY 2008 can access the FY 2008 documentation system directly at http://www.huduser.org/datasets/fmr/fmrs/index.asp?data=fmr08.

Notes

[1] Income Limits: 42 U.S.C. 1437b; FMRS: 42 U.S.C. 1437f; 24 CFR 888.115.

[2] HUD also estimates Median Family Income (MFI) for whole metropolitan areas, metropolitan divisions, and micropolitan areas for banking regulatory purposes. In general, MFI and Income Limit areas use the same geographic area definitions as those used to determine Fair Market Rents (FMRs) because FMRs are used to calculate some Income Limits. Two exceptions are (1) Income Limits are calculated for Rockland County, New York, for which FMRs are not calculated and (2) Income Limits are not calculated for Columbia, Maryland, but FMRs are calculated. Extensive discussion of the development of current HUD FMR areas is posted at http://www.huduser.org/datasets/fmr/fmr2006P/Preamble_FY06_FMRP.pdf. Further modifications are discussed at http://www.huduser.org/datasets/fmr/fmr2007P/FY2007P_Preamble.pdf.

[3] The long-form sample data included roughly one-sixth of the households in the 2000 Census.

[4] Standard-quality rental housing units have the following attributes as derived from possible responses on the American Community Survey (ACS) questionnaire: "Occupied rental units paying cash rent," "Specified renter on 10 acres or less," "With full plumbing," "With full kitchen," "Unit built before 2005," and "Meals not included in rent." For the 2005 ACS, recent movers had moved into the unit in 2004 or 2005.

[5] Most Fair Market Rent (FMR) areas are based on a 40th-percentile rent. Certain areas, however, are assigned 50th-percentile FMRs, which were established by a rule published on October 2, 2000, that also established the eligibility criteria used to select areas that would be assigned 50th-percentile rather than the normal 40th-percentile FMRs. (See 24 CFR 888.113.)

[6] The American Community Survey seeks to provide estimates that are close to the true population values for the variables measured. The likely accuracy of these estimates depends partly on sample sizes and partly on the distribution of values for a variable. The margin of error, when added to and subtracted from the survey estimate, provides an indication of the range around a survey estimate, or the confidence interval, within which the true population value is likely to be found. For example, the 90-percent confidence interval for an estimate is the range around an estimate that provides a 90-percent likelihood of the true population value.

[7] *Income, Earnings, and Poverty Data from the 2005 American Community Survey*, page 2, accessed at census.gov/prod/2006pubs/acs-02.pdf.

[8] Decennial census estimates were also subject to sampling error, but the annual samples using fewer surveys, as published in the American Community Survey, likely are more revealing of sampling error.

[9] *Family* refers to the Census Bureau definition of a family, which is a householder with one or more other people living in the same household who are related to the householder by birth, marriage, or adoption. The definition of family excludes one-person households and multiperson households of unrelated individuals.

[10] Underlying 2000 Census income distribution tables have not changed from FY 2006. They are posted at www.huduser.org.

[11] The areas without American Community Survey (ACS) coverage are American Samoa, Guam, the Northern Mariana Islands, and the U.S. Virgin Islands. Puerto Rico is covered by the ACS-equivalent Puerto Rico Community Survey.

[12] The limiting of the sample to two-bedroom, standard-quality, recent-mover, market-rate rental units is referred to as applying the "Fair Market Rent filter."

[13] The Census Bureau requires 3 unweighted sample cases or 50 weighted sample cases for publication of any cell in HUD special tabulations; however, HUD believes these requirements are too liberal. For example, a single area could

have five sample cases with very similar rent values. The margin of error for this survey result would be very small, but HUD would still reject these data as possibly nonrepresentative.

[14] Fair Market Rents (FMRs) traditionally have been based on recent-mover rents, a consideration that rents for new tenants often are higher than those for long-term residents. In the long-form decennial census data, the term "recent mover" generally was defined as a renter who moved into a unit within the past 15 months; however, this type of renter cannot be captured consistently in American Community Survey (ACS) data. The small ACS sample size means that few large areas have enough recent-mover rent responses to be considered probable as fully representative. HUD's ability to obtain and use recent-mover rents from the ACS as the basis of its FMRs will require the development of recent-mover bonuses based on larger area data. In less-populated areas, where estimates will be based on 3- or 5-year accumulated data, the term "recent mover" has no meaningful definition. For example, in an area where estimates are based on 5-year data (2005 through 2009 and released in 2010), a tenant who moved in during February 2004 and was surveyed in January 2005 would count as a recent mover, but a tenant who moved in during November 2007 and would be surveyed in December 2009 would not be classified as a recent mover.

[15] Extensive discussion of the development of current HUD FMR areas is posted at http://www.huduser.org/datasets/fmr/fmr2006P/Preamble_FY06_FMRP.pdf. Further modifications are discussed at http://www.huduser.org/datasets/fmr/fmr2007P/FY2007P_Preamble.pdf.

[16] Subareas for Fair Market Rent areas without valid local surveys receive either the core based statistical area (CBSA) or the state-level update factor, based on which factor moves its estimate closer to the CBSA rent value.

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Housing Production

Permits*

Permits for construction of new housing units were down 6 percent in the second quarter of 2007, at a seasonally adjusted annual rate (SAAR) of 1,463,000 units, and were down 24 percent from the second quarter of 2006. One-unit permits, at 1,052,000 units, were down 6 percent from the level of the previous quarter and down 28 percent from a year earlier. Multifamily permits (5 or more units in structure), at 353,000 units, were 4 percent below the first quarter of 2007 and 12 percent below the second quarter of 2006.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	1,463	1,559	1,928	– 6	– 24
One Unit	1,052	1,119	1,452	– 6	– 28
Two to Four	58	73	76	– 21	– 23
Five Plus	353	366	400	– 4	– 12

*Components may not add to totals because of rounding. Units in thousands.
Source: Census Bureau, Department of Commerce

Starts*

Construction starts of new housing units in the second quarter of 2007 totaled 1,462,000 units at a seasonally adjusted annual rate, unchanged from the first quarter of 2007 but 21 percent below the second quarter of 2006. Single-family starts, at 1,166,000 units, were unchanged from the previous quarter but 23 percent lower than the second-quarter level of the previous year. Multifamily starts totaled 261,000 units, a statistically insignificant 1 percent above the previous quarter but a statistically insignificant 10 percent below the same quarter in 2006.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	1,462	1,460	1,861	—	– 21
One Unit	1,166	1,172	1,520	—	– 23
Five Plus	261	259	291	+ 1**	– 10**

*Components may not add to totals because of rounding. Units in thousands.
**This change is not statistically significant.
Source: Census Bureau, Department of Commerce

Under Construction*

Housing units under construction at the end of the second quarter of 2007 were at a seasonally adjusted annual rate of 1,165,000 units, a statistically insignificant 2 percent below the previous quarter and 16 percent below the second quarter of 2006. Single-family units stood at 724,000, a statistically insignificant 4 percent below the previous quarter and 23 percent below the second quarter of 2006. Multifamily units were at 410,000, up a statistically insignificant 2 percent from the previous quarter but down a statistically insignificant 1 percent from the second quarter of 2006.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	1,165	1,190	1,385	– 2**	– 16
One Unit	724	756	936	– 4**	– 23
Five Plus	410	402	415	+ 2**	– 1**

*Components may not add to totals because of rounding. Units in thousands.
**This change is not statistically significant.

Sources: Census Bureau, Department of Commerce; and Office of Policy Development and Research, Department of Housing and Urban Development

Completions*

Housing units completed in the second quarter of 2007, at a seasonally adjusted annual rate of 1,519,000 units, were down 10 percent from the previous quarter and down 24 percent from the same quarter of 2006. Single-family completions, at 1,265,000 units, were down a statistically insignificant 7 percent from the previous quarter and down 25 percent from the rate of a year earlier. Multifamily completions, at 217,000 units, were 24 percent below the previous quarter and 21 percent below the same quarter of 2006.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	1,519	1,689	2,002	– 10	– 24
One Unit	1,265	1,367	1,695	– 7**	– 25
Five Plus	217	286	275	– 24	– 21

*Components may not add to totals because of rounding. Units in thousands.

**This change is not statistically significant.

Sources: Census Bureau, Department of Commerce; and Office of Policy Development and Research, Department of Housing and Urban Development

Manufactured (Mobile) Home Shipments*

Shipments of new manufactured (mobile) homes were at a seasonally adjusted annual rate of 100,000 units in the second quarter of 2007, which is 6 percent above the previous quarter but 18 percent below the rate of a year earlier.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Manufacturers' Shipments	100	94	122	+ 6	– 18

*Units in thousands. These shipments are for HUD-code homes only and do not include manufactured housing units built to meet local building codes, which are included in housing starts figures.

Source: National Conference of States on Building Codes and Standards

Housing Marketing

Home Sales*

Sales of new single-family homes totaled 880,000 units at a seasonally adjusted annual rate (SAAR) in the second quarter of 2007, up a statistically insignificant 3 percent from the previous quarter but down 19 percent from the second quarter of 2006. The number of new homes for sale at the end of the second quarter of 2007 was 537,000 units, a statistically insignificant 2 percent below the previous quarter and a statistically insignificant 5 percent lower than a year ago. At the end of June 2007, inventories represented a 7.8 months' supply at the current sales rate, denoting a statistically insignificant decrease of 6 percent from the previous quarter but an increase of 22 percent over the second quarter of 2007.

Sales of existing homes for the second quarter of 2007 reported by the NATIONAL ASSOCIATION OF REALTORS® totaled 5,913,000 (SAAR), down 8 percent from the previous quarter and down 11 percent from the second quarter of 2006. The number of units for sale at the end of this year's first quarter was 4,196,000, 10 percent higher than the previous quarter and 12 percent higher than the same quarter a year ago. At the end of June 2007, an 8.8 months' supply of units remained, which is 19 percent higher than the previous quarter and 28 percent higher than a year ago.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
New Homes					
New Homes Sold	880	853	1,086	+ 3**	– 19
For Sale	537	548	565	– 2**	– 5**
Months' Supply	7.8	8.3	6.4	– 6**	+ 22
Existing Homes					
Existing Homes Sold	5,913	6,423	6,627	– 8	– 11
For Sale	4,196	3,806	3,738	+ 10	+ 12
Months' Supply	8.8	7.4	6.9	+ 19	+ 28

*Units in thousands.

**This change is not statistically significant.

Sources: New Homes—Census Bureau, Department of Commerce; and Office of Policy Development and Research, Department of Housing and Urban Development; Existing Homes—NATIONAL ASSOCIATION OF REALTORS®

Home Prices

The median price of new homes sold during the second quarter of 2007 was $240,500, down 7 percent from the previous quarter and down a statistically insignificant 2 percent from the second quarter of 2006. The average price of new homes sold during the second quarter of 2007 was $310,000, a statistically insignificant 4 percent lower than the previous quarter and a statistically insignificant 2 percent lower than the same quarter a year ago. The price adjusted to represent a constant-quality house, was $267,200, a statistically insignificant 2 percent lower than the previous quarter but a statistically insignificant 1 percent higher than the second quarter of 2006. The values for the set of physical characteristics used for the constant-quality house are based on 1996 sales.

The median price of existing homes sold in the second quarter of 2007 was $224,200, up 5 percent from the previous quarter but down 1 percent from the second quarter of 2006, according to the NATIONAL ASSOCIATION OF REALTORS®. The average price of existing homes sold, $271,800, was 4 percent higher than the previous quarter but nearly the same as that recorded during the second quarter of 2006.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
New Homes					
Median	$240,500	$257,400	$246,300	– 7	– 2**
Average	$310,000	$322,100	$302,600	– 4**	+ 2**
Constant-Quality House[1]	$267,200	$273,700	$265,600	– 2**	+ 1**
Existing Homes					
Median	$224,200	$214,000	$226,800	+ 5	– 1
Average	$271,800	$260,900	$272,900	+ 4	—

**This change is not statistically significant.

[1]Effective with the release of the first quarter 2001 New Home Sales Price Index in April 2001, the Census Bureau began publishing the Fixed-Weighted Laspeyres Price Index on a *1996 base year*. (The previous base year was 1992.) "Constant-quality house" data are no longer published as a series but are computed for this table from price indexes published by the Census Bureau.

Housing Affordability

Housing affordability is the ratio of median family income to the income needed to purchase the median-priced home based on current interest rates and underwriting standards, expressed as an index. The NATIONAL ASSOCIATION OF REALTORS® composite index of housing affordability for the second quarter of 2007 shows that families earning the median income have 109.1 percent of the income needed to purchase the median-priced existing single-family home. This figure is 5 percent lower than the previous quarter but 6 percent higher than the second quarter of 2006.

The increase in the second quarter 2007 housing affordability index reflects current changes in the marketplace. The national average home mortgage interest rate of 6.47 is 5 basis points above the previous quarter. The median sales price of existing single-family homes increased to $223,833, 5 percent higher than the previous quarter but 1 percent below the second quarter of 2006. Median family income increased 0.7 percent from the previous quarter to $59,021, a 2.9-percent gain over the previous year's second quarter.

The second quarter 2007 fixed-rate index of housing affordability decreased 5 percent from the previous quarter but rose 6 percent from the second quarter of 2006. The adjustable-rate index was 4 percent below the previous quarter but 7 percent above the second quarter of 2006.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Composite Index	109.1	114.5	102.7	– 5	+ 6
Fixed-Rate Index	108.8	114.3	102.2	– 5	+ 6
Adjustable-Rate Index	111.2	116.0	104.4	– 4	+ 7

Source: NATIONAL ASSOCIATION OF REALTORS®

Apartment Absorptions

In the first quarter of 2007, 28,000 new, unsubsidized, unfurnished, multifamily (five or more units in structure) rental apartments were completed, down 16 percent from the previous quarter but up 30 percent from the first quarter of 2006. Of the apartments completed in the first quarter of 2007, 54 percent were rented within 3 months. This absorption rate is 7 percent lower than last quarter and 13 percent lower than the same quarter last year. The median asking rent for apartments completed in the first quarter was $934, a drop of 10 percent from the previous quarter and a decline of 8 percent from the first quarter of 2006.

For all of 2006, 117,300 rental apartments were completed, an increase of 4 percent increase over 2005. Of these rental apartments, 58 percent were rented within 3 months, reflecting an absorption rate that is 8 percent lower than the previous year. The median asking rent in 2006 was $1,035, an increase of 10 percent over 2005.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Apartments Completed*	28.0	33.4	21.6	– 16	+ 30
Percent Absorbed Next Quarter	54	58	62	– 7	– 13
Median Asking Rent	$934	$1,036	$1,013	– 10	– 8

*Units in thousands.

Sources: Census Bureau, Department of Commerce; and Office of Policy Development and Research, Department of Housing and Urban Development

Manufactured (Mobile) Home Placements

Manufactured homes placed on site ready for occupancy in the first quarter of 2007 totaled 90,700 units at a seasonally adjusted annual rate, a statistically insignificant 10 percent below the level of the previous quarter and 27 percent below the first quarter of 2006. The number of homes for sale on dealers' lots at the end of the first quarter totaled 39,000 units, a statistically insignificant 3 percent below the previous quarter and 5 percent below the same quarter of 2006. The average sales price of the units sold in the first quarter was $64,400, a statistically insignificant 1 percent below the previous quarter and a statistically insignificant 1 percent below the price in the first quarter of 2006.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Placements*	90.7	100.3	124.0	– 10**	– 27
On Dealers' Lots*	39.0	40.0	41.0	– 3**	– 5
Average Sales Price	$64,400	$65,000	$64,800	– 1**	– 1**

*Units in thousands. These placements are for HUD-code homes only and do not include manufactured housing units built to meet local building codes, which are included in housing completions figures.

**This change is not statistically significant.

Note: Percentage changes are based on unrounded numbers.

Sources: Census Bureau, Department of Commerce; and Office of Policy Development and Research, Department of Housing and Urban Development

Builders' Views of Housing Market Activity

The National Association of Home Builders (NAHB)/Wells Fargo conducts a monthly survey focusing on builders' views of the level of sales activity and their expectations for the near future. NAHB uses these survey responses to construct indices of housing market activity. (The index values range from 0 to 100.) For the second quarter of 2007, the current market activity index for single-family detached houses stood at 31, down 6 points from the previous quarter and down 20 points from the second quarter of 2006. The index for future sales expectations, at 41, declined 9 points from the first quarter of 2006 and fell 14 points from the second quarter of 2006. Prospective buyer traffic had an index value of 24, which is down 4 points from the previous quarter and down 10 points from the second quarter of the past year. NAHB combines these separate indices into a single housing market index that mirrors the three components quite closely. For the second quarter of 2007, this index stood at 30, which is 7 points lower than the first quarter of 2006 and 16 points lower than the second quarter of 2006.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Housing Market Index	30	37	46	– 19	– 35
Current Sales Activity—Single-Family Detached	31	37	51	– 16	– 39
Future Sales Expectations—Single-Family Detached	41	50	55	– 18	– 25
Prospective Buyer Traffic	24	28	34	– 14	– 30

Source: Builders Economic Council Survey, National Association of Home Builders

Housing Finance

Mortgage Interest Rates

The contract mortgage interest rate for 30-year, fixed-rate, conventional mortgages reported by Freddie Mac increased to 6.37 percent in the second quarter of 2007, 15 basis points higher than the previous quarter but 23 basis points lower than the second quarter of 2006. Adjustable-rate mortgages (ARMS) in the second quarter of 2007 were going for 5.55 percent, 8 basis points above the previous quarter but 10 basis points below the second quarter of 2006. Fixed-rate, 15-year mortgages, at 6.06 percent, were up 10 basis points from the first quarter of this year but down 17 basis points from the second quarter of 2006.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Conventional, Fixed-Rate, 30-Year	6.37	6.22	6.60	+ 2	– 3
Conventional ARMs	5.55	5.47	5.65	+ 1	– 2
Conventional, Fixed-Rate, 15-Year	6.06	5.96	6.23	+ 2	– 3

Source: Federal Mac

FHA 1–4 Family Mortgage Insurance*

Applications for FHA mortgage insurance on 1-4 family homes were received for 213,700 (not seasonally adjusted) properties in the second quarter of 2007, up 30 percent from the previous quarter and up 20 percent from the second quarter of 2006. Total endorsements or insurance policies issued totaled 138,000, up 14 percent from the first quarter of 2007 and up 38 percent from the second quarter of 2006. Purchase endorsements, at 71,500, were up 23 percent from the previous quarter and up 58 percent from the second quarter of 2006. Endorsements for refinancing increased to 66,500, a 6-percent increase from the first quarter of 2007 and a 21-percent increase from the second quarter of 2006.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Applications Received	213.7	164.5	178.0	+ 30	+ 20
Total Endorsements	138.0	120.7	100.3	+ 14	+ 38
Purchase Endorsements	71.5	58.1	45.2	+ 23	+ 58
Refinancing Endorsements	66.5	62.6	55.1	+ 6	+ 21

*Units in thousands of properties.
Source: Office of Housing, Department of Housing and Urban Development

PMI and VA Activity*

Private mortgage insurers issued 558,300 policies or certificates of insurance on conventional mortgage loans during the second quarter of 2007, up 36 percent from the first quarter of 2007 and up 55 percent from the second quarter of 2006; these numbers are not seasonally adjusted. The Department of Veterans Affairs (VA) reported the issuance of mortgage loan guaranties on 34,000 single-family properties in the second quarter of 2007, up 10 percent from the previous quarter but down 3 percent from the second quarter of 2006.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total PMI Certificates	558.3	411.1	360.1	+ 42	+ 63
Total VA Guaranties	34.0	30.9	35.2	+ 10	– 3

*Units in thousands of properties.
Sources: PMI—Mortgage Insurance Companies of America; and VA—Department of Veterans Affairs

Delinquencies and Foreclosures

Total delinquencies for all loans past due were at 4.84 percent in the first quarter of 2007, down 2 percent from the fourth quarter of 2006 but up 10 percent from the first quarter of 2006. Delinquencies for subprime loans past due were at 13.77 percent, up 3 percent from the fourth quarter of 2006 and up 20 percent from the first quarter of the previous year. For the first quarter of 2007, 90-day delinquencies for all loans were at 0.98 percent, up 2 percent from the fourth quarter of 2006 but down 3 percent from the first quarter a year ago. Subprime loans that were 90 days past due stood at 3.35 percent at the end of the first quarter of 2007, up 7 percent from the fourth quarter of 2006 and up 19 from the first quarter of 2006. During the first quarter of 2007, 0.58 percent of all loans entered foreclosure, a increase from the fourth quarter of 2006 and an increase of 41 percent from the fourth quarter of the previous year. In the subprime loan category, 2.43 percent began foreclosure in the first quarter of 2007, an increase of 22 percent over the fourth quarter of 2006 and 50 percent over the first quarter of 2006.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total Past Due (%)					
All Loans	4.84	4.95	4.41	– 2	+ 10
Subprime Loans	13.77	13.33	11.50	+ 3	+ 20
90 Days Past Due (%)					
All Loans	0.98	0.96	1.01	+ 2	– 3
Subprime Loans	3.35	3.13	2.82	+ 7	+ 19
Foreclosures Started (%)					
All Loans	0.58	0.54	0.41	+ 7	+ 41
Subprime Loans	2.43	2.00	1.62	+ 22	+ 50

Source: National Delinquency Survey, Mortgage Bankers Association

Housing Investment

Residential Fixed Investment and Gross Domestic Product*

Residential Fixed Investment (RFI) for the second quarter of 2007 was at a seasonally adjusted annual rate of $671.9 billion, 2 percent below the value from the first quarter of 2007 and 15 percent below the second quarter of 2006. As a percentage of the Gross Domestic Product (GDP), RFI for the second quarter of 2007 was 4.9 percent, 0.2 percentage point below the previous quarter and 1.1 percentage point below the same quarter a year ago.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
GDP	13,755.9	13,551.9	13,155.0	+ 2	+ 5
RFI	671.9	687.5	788.2	– 2	– 15
RFI/GDP (%)	4.9	5.1	6.0	– 4	– 18

*Billions of dollars.
Source: Bureau of Economic Analysis, Department of Commerce

Housing Inventory

Housing Stock*

At the end of the second quarter of 2007, the estimate of the total housing stock, 127,728,000 units, was up a statistically insignificant 0.4 percent from the first quarter of 2007 and up a statistically insignificant 1.5 percent above the second quarter of 2006. The number of occupied units increased a statistically insignificant 0.6 percent from the first quarter of 2007 and increased a statistically insignificant 0.8 percent from the second quarter of 2006. Owner-occupied units increased a statistically insignificant 0.4 percent from the first quarter of 2007 and were up a statistically insignificant 0.1 percent above the previous year's second quarter. Rentals increased a statistically insignificant 1.0 percent from the previous quarter and increased a statistically insignificant 2.4 percent from the second quarter of 2006. Vacant units were down 1.0 percent from the previous quarter but increased 6.3 percent from the second quarter of 2006.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
All Housing Units	127,728	127,266	125,800	+ 0.4**	+ 1.5**
Occupied Units	110,341	109,704	109,450	+ 0.6**	+ 0.8**
Owner Occupied	75,283	75,006	75,227	+ 0.4**	+ 0.1**
Renter Occupied	35,058	34,698	34,223	+ 1.0**	+ 2.4**
Vacant Units	17,387	17,562	16,350	– 1.0**	+ 6.3

*Components may not add to totals because of rounding. Units in thousands.
**This change is not statistically significant.
Source: Census Bureau, Department of Commerce

Vacancy Rates

The national homeowner vacancy rate for the second quarter of 2007, at 2.6 percent was down 0.2 percentage point from the first quarter of 2007 but up 0.4 percentage point from the second quarter of 2006.

The 2007 second quarter national rental vacancy rate, at 9.5 percent, was down a statistically insignificant 0.6 percentage point from the previous quarter and was down a statistically insignificant 0.1 percentage point from the same quarter of the past year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Homeowner Rate	2.6	2.8	2.2	– 7	+ 18
Rental Rate	9.5	10.1	9.6	– 6**	– 1**

**This change is not statistically significant.
Source: Census Bureau, Department of Commerce

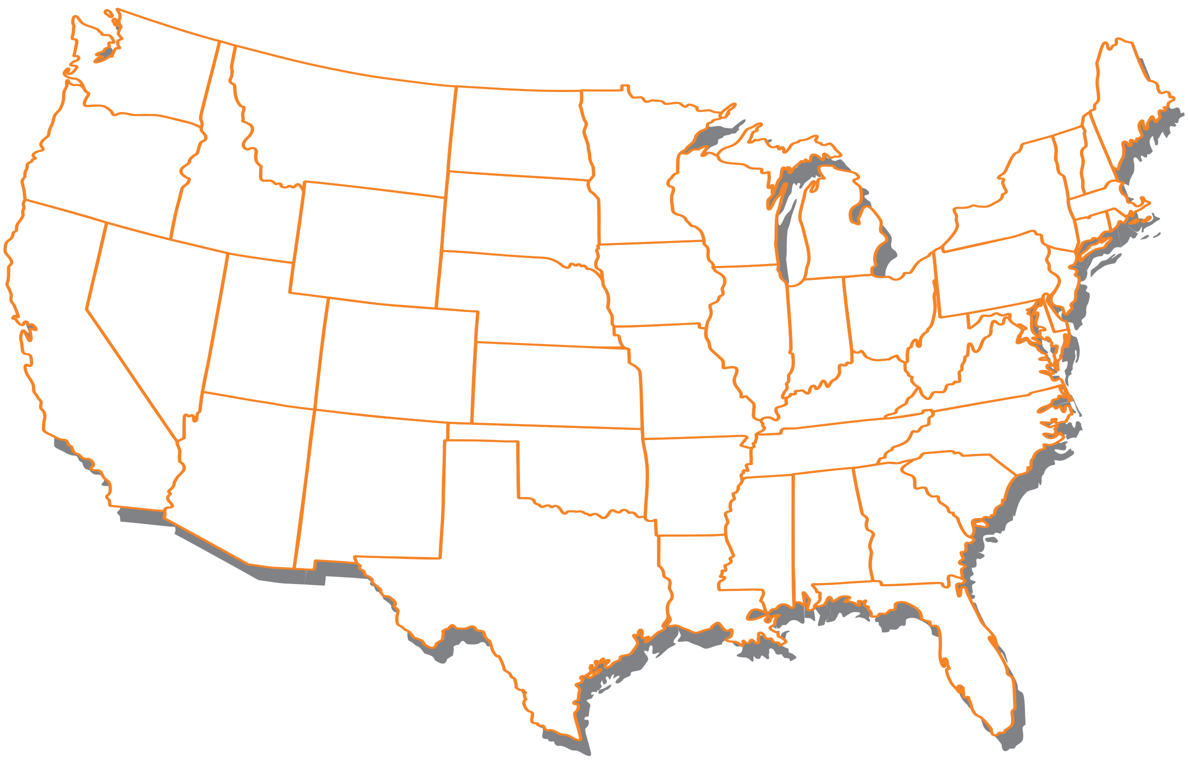
Homeownership Rates

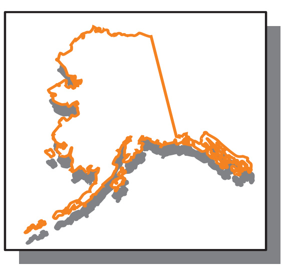
The national homeownership rate for all households was 68.2 percent in the second quarter of 2007, down a statistically insignificant 0.2 percentage point from previous quarter and down 0.5 percentage point from the second quarter of 2006. The homeownership rate for minority households, at 50.8 percent, decreased 0.5 percentage point from the first quarter of 2007 and decreased a statistically insignificant 0.2 percentage point from the second quarter of 2006. The 62.5-percent homeownership rate for young married-couple households was up 0.7 percentage point from the first quarter of 2007 but decreased 1.0 percentage point from the second quarter of 2006.

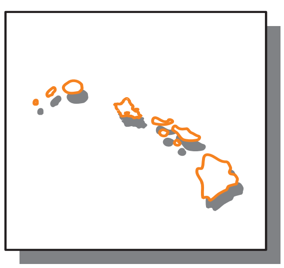
	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
All Households	68.2	68.4	68.7	– 0.3**	– 0.7
Minority Households	50.8	51.3	51.0	– 1.0	– 0.4**
Young Married-Couple Households	62.5	61.8	63.5	+ 1.1	– 1.6

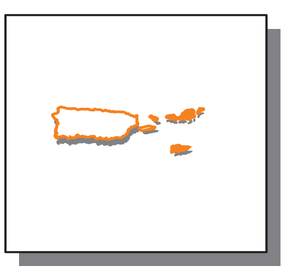
**This change is not statistically significant.
Source: Census Bureau, Department of Commerce

Regional Activity





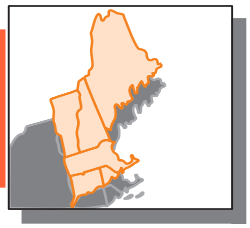




The following summaries of housing market conditions and activities have been prepared by economists in the U.S. Department of Housing and Urban Development's (HUD's) field offices. The reports provide overviews of economic and housing market trends within each region of HUD management. Also included are profiles of selected local housing market areas that provide a perspective of current economic conditions and their impact on the housing market. The reports and profiles are based on information obtained by HUD economists from state and local governments, from housing industry sources, and from their ongoing investigations of housing market conditions carried out in support of HUD's programs.

Regional Reports

New England



Nonfarm employment in the New England region averaged 7 million jobs during the 12 months ending June 2007, an increase of 65,300, or 0.9 percent, compared with the number of jobs in the 12 months ending June 2006. With employment gains during the past 3 years, New England has replaced almost 80 percent of the jobs lost between 2001 and 2003. Employment in Massachusetts and Connecticut grew by 1.1 percent in each state, accounting for 53,100 new jobs, or 81 percent of the regional gain. The three northern New England states—Maine, New Hampshire, and Vermont—lagged in job growth, increasing employment only 0.4 to 0.6 percent. Rhode Island gained 4,400 jobs, or 0.9 percent, during the past 12 months compared with employment during the previous 12-month period.

During the 12 months ending June 2007, the region added 76,300 new jobs in the service-providing sectors, an increase of 1.3 percent, to total 6 million jobs. Massachusetts and New Hampshire accounted for 63 percent of that growth, adding 40,500 and 7,900 jobs, respectively, each up 1.5 percent. In Massachusetts, gains were primarily in the professional and business services and education and health services sectors; gains in New Hampshire were concentrated in the education and health services and government sectors. Connecticut and Rhode Island added 18,200 and 5,100 jobs, respectively, increases of 1.3 percent and 1.2 percent, respectively. Of the total new jobs in the states, 64 percent were in the professional and business services and education and health services sectors. Maine and Vermont, which had the lowest shares of jobs in these sectors, lagged in new service-providing job growth with increases of only 2,800 and 1,800 jobs, or 0.5 and 0.7 percent, respectively, during the past 12 months.

Goods-producing sectors continued to lose jobs in New England at a moderate rate of 1 percent. Massachusetts and New Hampshire accounted for nearly all the decrease, losing 10,300 jobs primarily in the construction and manufacturing sectors. Connecticut was the only state to gain goods-producing jobs, with an increase of 800, primarily in the construction sector.

During the 12 months ending June 2007, the average unemployment rate in the region was 4.6 percent, unchanged from a year ago. The largest decline occurred in Rhode Island, where the unemployment rate fell to 4.8 percent during the 12 months ending June 2007 from 5.2 percent a year earlier. New Hampshire and Vermont still have the lowest rates of unemployment in the region for the 12 months ending June 2007, despite increasing from 3.5 percent to 3.7 percent and 3.5 percent to 3.8 percent, respectively, during the past year.

Single-family sales markets in New England remain weak, with average annual sales down 9 to 13 percent; median sales prices ranged from flat to down 3 percent. According to the Massachusetts Association of REALTORS® (MAR), single-family sales for the 12 months ending June 2007 totaled approximately 42,100 homes, down 12 percent from the previous 12 months. Sales for the first 6 months of 2007, however, were down only 2 percent compared with sales for the same period in 2006, primarily as a result of a 7-percent increase in sales in the Greater Boston market. The median sales price in Massachusetts for the 12 months ending June 2007 was $347,100, down 3 percent from the previous 12 months. Median sales prices ranged from $211,700 in the western Massachusetts markets of Springfield and Pittsfield to $478,650 in the Greater Boston market.

The Rhode Island Association of REALTORS® (RIAR) reported that single-family sales in the state totaled about 8,100 homes for the 12 months ending June 2007, down 11 percent compared with sales in the previous 12-month period. The median sales price for the most recent 12 months was $279,100, down only 2 percent compared with the median sales price for the previous year. According to the Maine Real Estate Information System, Inc., single-family sales in Maine totaled about 12,550 homes for the 12 months ending June 2007, down 13 percent from the number sold the previous year; however, the median sales price was $192,450, relatively unchanged from a year ago. The Connecticut Association of REALTORS® reported that sales of existing homes and condominiums for the 12 months ending March 2007 were 72,500, down 9 percent from the number of sales during the previous 12 months. The median sales price for single-family homes was $313,600, down only 1 percent from the previous year's sales price.

On a 12-month average basis ending June 2007, condominium sales in the New England region continued to decline; however, trends in the first half of 2007 show some signs of stabilization. MAR reported sales of approximately 20,500 condominium units in Massachusetts during the 12-month period ending June 2007, down 9 percent from the number sold in the previous

12 months; however, sales for the first half of 2007 totaled almost 10,600 units, an increase of 1 percent compared with the number of sales during the first 6 months of 2006. The median sales price for the 12-month period ending June 2007 was $276,900, virtually unchanged from the previous year. Sales of luxury condominiums in downtown Boston neighborhoods increased nearly 8 percent to 1,128 units during the second quarter of 2007 compared with the number of units sold in the second quarter of 2006 as demand from suburban empty-nesters and executives increased. During the same period, the median condominium sales price increased 4 percent to $472,750 in downtown Boston. According to RIAR, condominium sales were down 4 percent in Rhode Island to about 1,900 units during the 12 months ending June 2007 but were up 5 percent during the first half of 2007 compared with sales during the first half of 2006. The median sales price, at about $217,400 for the 12 months ending June 2007, was down 5 percent compared with the previous year's price.

In the New England region, according to the Office of Federal Housing Enterprise Oversight (OFHEO), rates of appreciation for home prices continued to decline, posting only a 1-percent gain in the first quarter of 2007 compared with rates in the first quarter of 2006, resulting in a last-place ranking among the nine census regions. The highest appreciation rate recorded was for Vermont, at 7 percent, and the lowest was for Massachusetts, where the rate of appreciation was slightly negative.

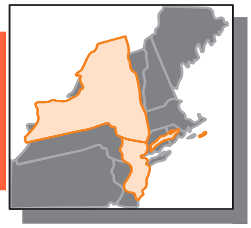
With tighter lending standards, lower sales, and significantly increased numbers of foreclosures, building activity, as measured by the number of building permits issued, has declined substantially since peaking in 2005. Single-family homebuilding activity in the region declined 26 percent to 29,000 units during the 12 months ending June 2007. All states, except Rhode Island, had declines of 20 percent or more, with Massachusetts declining 31 percent to 9,500 units permitted. Activity in Rhode Island declined only 10 percent during the past year.

After 2 years of peak production of multifamily rentals and condominiums, multifamily construction activity, as measured by the number of units permitted, declined by 24 percent to about 12,000 units for the 12 months ending June 2007. Rhode Island, New Hampshire, and Connecticut had declines of 65 percent, 33 percent, and 30 percent, respectively. The number of multifamily units permitted in Massachusetts, and particularly in the Greater Boston market, declined by 18 percent to about 7,000 units. According to Reis, Inc., 8,500 new rental units are expected to enter the Boston market during the 2007–08 period. Approximately 4,600 condominium units were under construction during the first quarter of 2007. Production levels of multifamily housing are expected to slow considerably during the next several years as economic growth is expected to remain moderate.

Rental market conditions in New England vary directly with the amount of new product being delivered to each respective market. In the relatively balanced Boston market, according to Reis, Inc., 2,374 new rental units were added to the inventory in the first half of 2007 and another 3,000 are scheduled for completion during the remainder of the year. New rental units coming on line in 2006 and 2007 represent the most significant additions to the Boston market inventory since the 1980s. The current rental vacancy rate is estimated to be 5.6 percent, up from 4.5 percent a year ago. The average effective rent is $1,582, up nearly 4 percent from a year ago. Significant inventory additions, current sales market trends, and uncertainty in the condominium market are expected to result in generally higher vacancy rates and limited increases in rent during the next year.

Conversely, the Fairfield County, Connecticut rental market, which includes Stamford, Norwalk, and Bridgeport, has had very few additions to the inventory during the past several years. The area now has a rental vacancy rate of 3.2 percent, down from 3.6 percent a year earlier, and is one of the tightest rental markets in the nation. The average rent is $1,689, up 5 percent from a year ago and behind only New York City and Westchester County on the east coast, according to data supplied by Reis, Inc. More than 1,100 apartment units and 800 condominium units are currently under construction, however, and are due to enter the market in the next 2 years. In addition, multiyear plans are in place for redeveloping the South End section of the city of Stamford, which includes a $3.5 billion investment in 4,000 apartment and condominium units and other commercial mixed-use properties. Hartford and New Haven have rental vacancy rates in the 5-percent range, limited recent additions, and recent annual rent increases of 3 to 6 percent. The Providence, Rhode Island market has a somewhat higher vacancy rate of 7.6 percent, due in part to recently completed developments entering the market. According to Reis, Inc., the average rent is $1,227, which is more than 4 percent higher than the average rent a year ago.

New York/ New Jersey



Moderate employment growth occurred in the New York/New Jersey region during the 12-month period ending June 2007. The highest relative gains were in Downstate New York, particularly in New York City, and in New Jersey, which altogether accounted for more than 90 percent of the total employment growth in the region. Total nonfarm employment in the region increased by 112,400 jobs, or approximately 1 percent, to 12.8 million, primarily due to gains in service-providing sectors, including professional and business services, with 34,500 new jobs, and education and health services, with 42,400 new jobs. In New York, the creation of 85,100 jobs resulted in a 1-percent increase to total 8.7 million, and nonfarm employment in New Jersey increased by 27,300, or 0.7 percent, to 4.1 million jobs. Manufacturing losses continued to hinder regional employment growth with a loss of 20,600 jobs, including 13,800 jobs in New York and 6,800 jobs in New Jersey.

In New York City, employment increased for the third consecutive year. During the 12-month period ending June 2007, total nonfarm employment in the city increased by 56,700 jobs to 3.7 million, up 1.6 percent from a year ago. Service-providing sectors accounted for most of these gains, increasing 1.7 percent during the year to 3.5 million jobs. Primary growth sectors included financial activities, professional and business services, and education and health services, with combined employment growth exceeding 44,000 jobs, or a 3-percent increase in each sector in the 12-month period ending June 2007 compared with the previous year. Slower growth occurred in Upstate New York metropolitan areas, ranging from an increase of 0.3 percent, or 1,300 jobs, in the Albany-Schenectady-Troy area to the loss of 100 jobs in the Elmira area. During the 12 months ending June 2007, the unemployment rate in New York City declined from 5.5 to 4.7 percent; in New York State, it decreased from 4.8 to 4.3 percent compared with the previous 12-month period.

Employment in New Jersey increased between 1 and 2 percent in most metropolitan areas during the 12-month period ending June 2007 compared with the number of jobs a year ago. During this period, 9,000 jobs were created in the Edison, New Jersey metropolitan area, the largest absolute increase in the state. The strongest relative growth rates were in the Trenton-Ewing and Camden metropolitan areas, where the number of jobs increased by 2.2 and 1.5 percent, respectively. This increase in employment resulted in a decrease from 4.7 to 4.4 percent in the annual unemployment rate in New Jersey.

Although employment increased throughout much of the region, fewer home sales and a corresponding increase in the unsold inventory of single-family homes resulted in builders cutting back residential construction activity. In the 12-month period ending June 2007, total residential construction, as measured by units permitted in the region, decreased by more than 10 percent from 91,950 to 82,170 units compared with the number of permits issued a year ago. The total number of single-family and multifamily housing units permitted decreased 6 percent to 55,000 units in New York and almost 20 percent to 27,200 units in New Jersey, with the low level of single-family permits issued accounting for most of the decrease. In the 12-month period ending June 2007, total single-family permits in the region declined 24 percent to 33,200 units compared with the number of permits issued a year earlier. This contraction included a 21-percent reduction in New York to 18,700 units and a 27-percent decline in New Jersey to 14,500 units. Conversely, the number of multifamily housing units permitted in the region increased 1 percent overall to 48,960 units due to a 6-percent increase in New York to 36,240 units, which offset a 9-percent decline in New Jersey to 12,720 units.

Despite modest employment growth, the number of single-family home sales decreased significantly throughout the New York/New Jersey region. During the 12-month period ending June 2007, the NATIONAL ASSOCIATION OF REALTORS® reported that existing home sales in New York (excluding the New York City area) declined 10 percent to 97,200 units. In a similar trend, preliminary sales data for the 12-month period through March 2007, the most recent information available from the New Jersey Association of REALTORS®, indicated that existing single-family sales declined 17 percent to 151,100 units compared with a year earlier. In the 12-month period ending June 2007, the median sales price of an existing home in New York decreased 3 percent to $251,000 compared with the median sales price for the same period in the previous year. Conversely, the median sales price of an existing home in New Jersey increased 3 percent during the 12 months ending March 2007 to $370,700 compared with the sales price for the same period a year ago. The highest median sales price was in northern New Jersey at $452,300, up 4 percent from a year ago. This figure is more than 20 percent greater than the statewide median sales price.

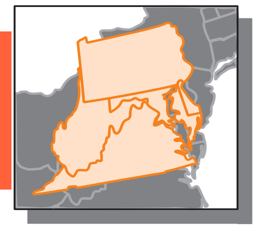
Reflecting continued job growth in New York City, the condominium and cooperative housing market in Manhattan remains tight. Demand for second homes contributed to the strong housing market in the city. According to Prudential Douglas Elliman Real Estate, the median price of a condominium or co-op unit in Manhattan increased to $895,000 in the second quarter of 2007, up 2 percent from the same quarter a year earlier. In the second quarter of 2007, Elliman reported nearly 4,000 sales, an increase of 13 percent from the previous quarter.

Housing markets have softened in most areas of Upstate New York; the number of sales declined significantly compared with the high volume of housing sales in the past several years. For the 12-month period ending June 2007, existing single-family sales in the Albany-Schenectady-Troy metropolitan area decreased to 9,800 units, or 4 percent, compared with a year ago, while the median price increased 2 percent to $190,000. During the 12-month period through June 2007, data from the Buffalo Niagara Association of REALTORS® indicated that the number of existing single-family homes and condominiums sold in the area declined by 690 units, or 7 percent, compared with a year ago; the median sales price increased 3 percent to $101,000. In the five-county Rochester metropolitan area, total existing home sales declined by 5 percent to 11,400 units during the 12 months, while the median price of an existing home increased by more than 2 percent to $116,000.

Strong employment in New York City supported tight rental market conditions. Second quarter 2007 data from Reis, Inc., indicated that the apartment vacancy rate in New York City—the lowest apartment vacancy rate in the country—declined from 2.9 to 2.4 percent during the second quarter of 2007 compared with the previous year. Preliminary data from Reis, Inc., indicated that the average monthly asking rent for an apartment in New York City increased to $2,657, up nearly 8 percent from a year ago.

Increased demand for apartments has created tight rental market conditions in Downstate New York and New Jersey. During the 12-month period ending June 2007, rental vacancy rates in Central and Northern New Jersey declined to 3.5 and 3.3 percent, respectively. Upstate New York rental markets remained balanced during the second quarter of 2007, with apartment vacancy rates in the range of 5 to 6 percent. In Central and Northern New Jersey, average apartment asking rents increased to $1,108 and $1,431 a month, respectively, an annual increase of between 3 and 4 percent in each area. The more affordable Upstate New York rental markets, including Buffalo, Syracuse, and Rochester, were characterized by second quarter 2007 average monthly apartment rents ranging from a high of $721 in Rochester to a low of $650 in Syracuse. According to Reis statistics, annual rent appreciation in these metropolitan areas averaged approximately 3 percent.

Mid-Atlantic



The economy of the Mid-Atlantic region continued its 3-year expansion during the 12 months ending June 2007 but at a slower pace than during the previous year. Average nonfarm employment increased by 1 percent to 14,018,000 jobs, a gain of 138,500 compared with growth of almost 1.5 percent during the 12 months ending June 2006. Employment in the professional and business services sector rose by 47,100, or 2.4 percent, and the number of jobs in the education and health services sector increased by 46,350, or 2.3 percent. Together, these two sectors led all sectors in both numerical and percentage growth and accounted for almost 70 percent of all new jobs in the region. All states in the region recorded job gains during the 12-month period. Virginia had the highest employment growth rate, at 1.3 percent, adding more than half of all retail trade jobs and 47 percent of all new financial activities jobs in the Mid-Atlantic region. Pennsylvania added 49,300 new jobs, more than 35 percent of all job growth in the region, up from less than 28 percent during the previous 2 years. The education and health services sector in Pennsylvania grew by 26,300 jobs, reflecting the large number of private schools, universities, and healthcare institutions in the state. Employment growth was less than 1 percent in Maryland, Delaware, and West Virginia, but jobs increased by almost 1.2 percent in the District of Columbia due to gains in education and health services and local government. Continued economic expansion in the Mid-Atlantic region led to declines in the unemployment rate. During the 12 months ending June 2007, the regional unemployment rate was 3.9 percent, down from 4.2 percent reported a year ago.

Despite continued economic expansion, the pace of existing homes sales continued the slowdown that started 2 years ago. Most areas of the region are experiencing a buyers' market, and prospective purchasers are spending more time evaluating the choice of homes available for sale. According to the Virginia Association of REALTORS®, 105,670 existing homes were sold during the 12 months ending June 2007, a decline of 18 percent from the number of homes sold during the 12 months ending June 2006; the average number of days homes remained on the market increased from 90 to 120. The average home sales price in Virginia was $282,200, only 3 percent higher than a year ago, compared with the 14-percent increase reported the previous year. The most active single-family home sales markets in the state are the Northern Virginia suburbs of the Washington, D.C. metropolitan area and the Norfolk, Virginia metropolitan area. Each area reported sales of approximately 25,200 homes, or 24 percent of all existing homes sold in Virginia during the 12 months ending June 2007. Northern Virginia has the highest average home sales price in the state, $522,900, down 5 percent from a year ago. The average sales price in the Norfolk area was $278,400, up 5 percent from last year. Average days homes remained on the market in Northern Virginia have doubled from a year ago and now range from 80 to 110 days, depending on the proximity to Washington, D.C. In Norfolk, the average number of days homes remained on the market rose to 63 from 38 a year ago. During this same period, 15,860 homes were sold in the Richmond metropolitan area, down 3 percent from the 16,300 homes sold during the 12-month period ending June 2006. The average sales price of an existing home in the Richmond area rose by 4 percent to $269,100 and the number of days homes remained on the market increased from 38 to 55.

In Maryland, buyers had greater choices as unsold inventory levels rose and the pace of sales slowed. The average monthly inventory of homes for sale increased from 27,000 during the 12 months ending June 2006 to 40,275 currently. According to the Maryland Association of REALTORS®, during the 12 months ending June 2007, approximately 72,400 existing homes were sold in the state, a decrease of 21 percent compared with the 91,600 homes sold during the comparable period ending in 2006. The average home sales price rose by nearly 3 percent from a year ago to $361,700. In the Baltimore metropolitan area, 34,300 homes were sold at an average price of $315,500, reflecting a 17-percent decrease in the number of sales but a 3-percent increase in the sales price since June 2006. During the same period, the number of homes sold in the Maryland suburbs of the Washington, D.C. metropolitan area declined by 25 percent to 28,900 homes and the average price increased 3 percent to $426,400 compared with the 12 months ending June 2006.

Existing home sales activity declined in Pennsylvania and Delaware through the 12 months ending March 2007 (the most recent data available), but the number of homes sold in West Virginia during this period remained relatively stable. The National Association of REALTORS® reported 206,100 homes sold in Pennsylvania, a decrease of 8 percent from the number sold during the 12-month period ending March 2006. Almost 19,000 homes were sold in Delaware during the same period, amounting to a 2-percent decline. In West Virginia, 36,900 homes were sold, an increase of slightly more than 1 percent compared with the previous 12-month period.

Homebuilding activity, as measured by the number of single-family building permits issued, declined throughout the Mid-Atlantic region during the 12 months ending June 2007. Builders have slowed production because of the increasing inventory of unsold homes and reduced demand resulting from tighter lending standards. Building permits were issued for 88,300 homes, almost 26 percent fewer than the 119,200 homes permitted during the 12-month period ending June 2006. Building permits for single-family homes increased only in the District of Columbia, where several large redevelopment projects started during the last year. Permits were issued for 585 homes during the 12 months ending June 2007, almost 5 times the number issued during the previous year. The number of single-family homes permitted in Virginia declined 20 percent to 30,400 homes; in Pennsylvania, the number of permits fell by 29 percent to 32,900 homes. Throughout the remainder of the region, declines in the number of permits issued ranged from 23 percent in West Virginia to 31 percent in Maryland. Among the metropolitan areas in the Mid-Atlantic region, Washington, D.C., accounted for 16,300 new homes, the most built in the region during the 12 months ending June 2007.

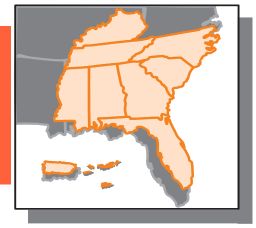
During the 12 months ending June 2007, multifamily construction activity, as measured by the number of units permitted, declined by almost 3,400 units in the region, or more than 12 percent, to 23,676 units. Only Maryland reported increased building activity. Nearly 8,400 new multifamily units were permitted during the period in Maryland, 35 percent more than during the 12 months ending June 2006. Almost half the new units were in rental projects in the Maryland suburbs of the Washington, D.C. metropolitan area. During the most recent 12-month period, multifamily building activity declined in all of the largest metropolitan areas in the region. The Washington, D.C. metropolitan area accounted for 8,450 new multifamily units, the largest total among the metropolitan areas in the region during the 12 months ending June 2007 but a decline of 15 percent from the previous year. The Philadelphia metropolitan area, the second leading area in the region for multifamily development, reported a decline of 30 percent in the number of multifamily units permitted.

Market conditions varied in the three largest rental markets in the Mid-Atlantic region. In the Philadelphia metropolitan area, Reis, Inc., reported a decrease in the overall apartment vacancy rate, from 4.4 percent in June 2006 to 4.2 percent in June 2007. Only 1,040 rental units were added to the rental stock during the year compared with almost 3,300 added during the 12 months ending June 2006. The decrease in completions caused a decline in the vacancy rate for Class A apartments, from 5.1 percent a year ago to 4.6 percent currently. Market-rate rents averaged $980, up almost 5 percent from a year ago. In Center City Philadelphia, the vacancy rate decreased from 5 percent to 4.7 percent and rents averaged $1,540, up almost 6 percent from June 2006. During the next 3 years, approximately 3,300 new rental apartment units are expected to become available in the metropolitan area, with approximately 800 of those in Center City Philadelphia.

In the Washington, D.C. metropolitan area, apartment vacancy rates rose between June 2006 and June 2007 but market conditions remain balanced. According to Reis, Inc., apartment vacancy rates in the District of Columbia rose from 3.9 percent to 4.3 percent. In suburban Maryland and suburban Virginia, rates rose from 3.8 percent to 4.6 percent and from 4.1 percent to 4.7 percent, respectively. Of the 3,100 units added during the past 12 months, 2,700 were in suburban Virginia, with the remainder in suburban Maryland. No new rental units were introduced in the District of Columbia market during the past year. Average rents in the Washington metropolitan area were $1,425, up 3 percent from a year ago; in Washington, D.C., average rents rose almost 5 percent to $1,980. In the next 3 years, availability of approximately 16,750 new units is anticipated in the metropolitan area; 50 percent will be in suburban Virginia, 37 percent in suburban Maryland, and the remaining 13 percent in the District of Columbia.

Reis, Inc., reported that, from June 2006 to June 2007, the apartment vacancy rate in the Baltimore metropolitan area rose from 4.4 percent to 5.8 percent. Average rents increased 5 percent to $945 between June 2006 and June 2007. The rental markets are balanced throughout most submarkets in the metropolitan area, but vacancy rates in the city of Baltimore continue to indicate softer rental conditions. Vacancy rates in the city rose from 7.8 percent to 9 percent between June 2006 and June 2007 as the market absorbed 500 new units, which was a third of all new construction in the metropolitan area. Average rents in the city of Baltimore are $1,040, an increase of 6 percent from June 2006. Approximately 850 of the 2,700 new units anticipated for completion during the next 3 years will be in the city.

SOUTHEAST/ CARIBBEAN



The economic expansion of the Southeast/Caribbean region continued during the second quarter of 2007 but was less robust than during the previous 2 years. Average nonfarm employment increased to 26,999,000 during the 12 months ending June 2007, a gain of 412,200 jobs, or 1.6 percent, compared with increases of more than 600,000 jobs in each of the two preceding 12-month periods. Continued steady growth in the education and health services sector, with 92,800 jobs, or 3 percent, produced the largest gain during the past 12 months. The professional and business services sector showed strong but slowing growth with the addition of 91,700 jobs, or 2.7 percent, compared with increases of 155,400 in the 12 months ending June 2006 and 167,900 in the 12 months ending June 2005. In the goods-producing sectors, 54,000 manufacturing jobs were lost during the past year, a decrease of 1.8 percent. Employment in the construction sector increased by 52,800, or 3.4 percent, which is less than half the 115,100 jobs added during the preceding 12 months, reflecting home builders' curtailment of new construction. In Florida, the growth in construction jobs dropped from 67,100 to 18,400 during the past 12 months.

Except in North Carolina and Mississippi, the pace of employment growth in each southeastern state slowed during the past year. In North Carolina, strong growth in the major metropolitan areas contributed to a statewide increase in average nonfarm employment of 96,500, or 2.4 percent, during the 12 months ending June 2007 when compared with the 12 months ending June 2006. In Mississippi, 21,000 nonfarm jobs were added, a gain of 1.9 percent, as continuing rebuilding efforts from Hurricane Katrina produced strong employment growth in the coastal areas. The leisure and hospitality, education and health services, and trade sectors led the state with job increases of 4,400, 4,100, and 4,000, respectively. In Puerto Rico, nonfarm employment fell by 16,300 during the past 12 months, with two-thirds of the loss occurring in the manufacturing and government sectors. The unemployment rate for the region averaged 4.7 percent during the 12 months ending June 2007 as compared with the 5.0-percent rate for the preceding 12 months. Statewide unemployment rates decreased in all states and in Puerto Rico.

Single-family homebuilding in the region, as measured by the number of building permits issued, peaked at 521,600 units during the 12 months ending March 2006. Single-family home permits have since declined rapidly as developers scaled back production in response to slower home sales and rising inventories of new and existing unsold homes in most markets. Building permits were issued for 358,100 homes in the region during the 12 months ending June 2007, a decrease of 152,400 units, or 30 percent, when compared with the 12-month period ending June 2006. Single-family home production fell in all states in the region. The decrease was particularly large in Florida, where construction activity fell by 50 percent to 99,350 units during the 12 months ending June 2007.

Existing home sales decreased in most markets in the region during the 12 months ending June 2007. Some markets, benefiting from strong local economies and rapid in-migration, recorded sales increases. The Alabama Real Estate and Research and Education Center reported that home sales in the state decreased by almost 4 percent to 58,600 during the 12 months ending June 2007 compared with the preceding 12 months. Sales increased by 4 to 7 percent in the Birmingham-Hoover, Huntsville, and Tuscaloosa metropolitan areas. Alabama had an average supply of 35,100 unsold homes on the market during the 12 months ending June 2007, an increase of 21 percent from the average for the preceding 12-month period.

According to the Florida Association of REALTORS®, the rate of decline for existing home sales in the state increased during the past year. During the 12 months ending June 2007, 151,000 homes were sold, a decrease of 64,000, or 30 percent, from the 215,000 homes sold during the 12 months ending June 2006, which was a decrease of 29,600, or 12 percent, from the 244,600 homes sold during the 12 months ending June 2005. The median sales price for homes sold during the first half of 2007 was $238,300, a decrease of 4 percent from the median sales price of $247,400 during the first half of 2006. Statewide condominium sales totaled 45,850 during the past 12 months, a decrease of 33 percent from the 68,100 sales recorded during the preceding 12 months. The median sales price for condominiums sold during the first half of 2007 was $209,400, a decline of 1 percent from the same period in 2006.

The South Carolina Association of REALTORS® reports that the number of homes sold statewide during the 12 months ending June 2007 decreased by 10 percent to 65,975 units when compared with the previous 12 months. The number of days homes stayed on the market increased approximately 14 percent to 131 in June 2007 relative to June 2006. The median sales price of homes sold during the first half of 2007 was $158,000, which is unchanged from the same period in 2006. Significant sales declines occurred in the four coastal markets as investor activity declined and the second-home market weakened. During the 12 months ending June 2007, sales declined by 31 percent in Myrtle Beach, 16 percent in Charleston, and 28 percent in both Beaufort and Hilton Head Island.

Data from 20 market areas reporting to the North Carolina Association of REALTORS® indicate existing home sales were down slightly and the statewide average sales price was up during the 12 months ending June 2007 compared with the preceding 12 months. The 135,600 existing homes sold during the past 12 months represent a 3.5-percent decline from the previous year. The average sales price increased by little more than 1 percent from $216,400 to $219,500. Sales were relatively stable in the state's two largest metropolitan areas. In both Charlotte and Raleigh, sales increased by less than 1 percent while the average sales price increased by approximately 5 percent. In Charlotte, 42,450 homes were sold at an average sales price of $227,700. In Raleigh, 36,850 homes were sold at an average price of $233,300.

In Tennessee, sales of single-family homes decreased in the Knoxville, Memphis, and Nashville metropolitan areas during the 12 months ending June 2007 compared with the preceding 12 months. In Knoxville, the decrease was 11 percent to 14,350 homes; in Memphis, the decrease was 7 percent to 16,450 homes; and in Nashville, the decrease was 6 percent to 30,450 homes. The average sales price in Knoxville increased by 4 percent to $192,500 for the period. The average sales price for homes sold in Memphis remained unchanged from the $176,100 price recorded during the preceding 12 months. The median sales price in Nashville during June 2007 was $196,000, an 8-percent increase from June 2006. The number of condominiums sold during the past 12 months decreased slightly in Knoxville and Memphis but increased by 16 percent in the Nashville market, where in-town living is becoming increasingly popular.

Home sales in the Atlanta metropolitan area also slowed during the past year. According to Georgia Multiple Listing Service data, 72,000 homes were sold during the 12 months ending June 2007, a 14-percent decrease from the previous 12-month period. The median sales price for the past 12 months was $177,500, an increase of 1 percent from the 12 months ending June 2006. Sales of condominiums and townhouses decreased by 7 percent to 9,700 during the past 12 months, while the median price increased by almost 4 percent to $146,200.

Multifamily construction in the region, as measured by the number of units permitted, declined by 20,350 units, or 16 percent, to 106,300 units during the 12 months ending June 2007. In Florida, the number of multifamily units permitted decreased by 24,200 units, or 36 percent, as apartment and condominium builders reacted to softer rental markets and large inventories of unsold condominiums. Mississippi recorded the largest increase in multifamily activity during the past year, more than doubling to 4,625 units due to expanding apartment construction along the coast. In North Carolina, Charlotte continues to record significant condominium and apartment activity in response to a strong local economy that is attracting a large number of people from outside the area. During the past 12 months, 5,675 multifamily units were permitted in the Charlotte area, an increase of 2,350 units, or 70 percent, compared with the preceding 12 months.

Apartment market conditions varied considerably within the region. The Atlanta area apartment market continued to soften during the second quarter of 2007 as a result of increasing competition from a growing supply of unsold single-family homes and condominium units made available for rent. According to M/PF YieldStar®, the apartment vacancy rate increased from 5.4 percent in the second quarter of 2006 to 7.3 percent in the second quarter of 2007. New apartment deliveries continue to be comparatively modest, with 6,125 units added during the past year, when compared with an annual average of 13,900 units added between 1999 and 2003. Despite the recent softening in the market, effective rents increased by more than 2 percent during the past year to an average of $797 a month in the second quarter of 2007.

Apartment vacancy rates also increased in Orlando during the second quarter of 2007, according to RealData, Inc. The leasing of condominium units contributed to an increase in the Orlando apartment vacancy rate from 4.2 percent in March 2006 to 9.1 percent in March 2007. As a result, rents have remained relatively unchanged during the past year.

In North Carolina, apartment vacancy rates fell in the three largest metropolitan areas during the past 12 months, according to Reis, Inc. The vacancy rate declined in Charlotte from 8.1 percent during the second quarter of 2006 to 6.6 percent during the second quarter of 2007. The vacancy rate in Greensboro declined slightly from 8.8 to 8.3 percent. In Raleigh, the vacancy rate declined from 9.0 to 8.1 percent. All three metropolitan areas have had moderate increases in asking rent during the past year. Average rents increased nearly 3 percent in Charlotte, more than 2 percent in Greensboro, and by almost 2 percent in Raleigh.

MIDWEST

The level of employment remained stable in the Midwest region during the second quarter of 2007. Nonfarm employment increased by only 41,000 jobs, or 0.1 percent, to an average of 24.3 million jobs in the 12 months ending June 2007 compared with a gain of 165,000 jobs, or 0.6 percent, in the previous 12-month period. Increases in the education and health services, leisure and hospitality, and professional and business services sectors of 60,000, 33,000, and 29,000 jobs, respectively, offset declines in the manufacturing and construction sectors of 78,000 and 18,000 jobs, respectively. Almost all the manufacturing job losses were in durable goods production. The decline in construction was attributed to a slowdown in residential construction. All states in the region recorded job gains except Michigan and Ohio, where employment decreased by 54,000 and 3,000 jobs, respectively. The unemployment rate in the region increased from 5.1 percent to 5.6 percent during the past year. Unemployment rates ranged from a low of 4.5 percent in Minnesota to a high of 7.2 percent in Michigan.

The market for existing homes in the region softened during the first half of 2007 because of slower economic growth and higher interest rates. The annual rate of sales of existing homes in the first quarter of 2007 was down 6 percent to 1.1 million from the first quarter of 2006, according to the NATIONAL ASSOCIATION OF REALTORS®. Contributing to the relatively softer home sales market in the Midwest has been the higher rate of home foreclosures compared with other regions in the country. During the first quarter of 2007, the 2.5-percent foreclosure rate recorded in the region ranked first in the country and was above the national rate of 1.2 percent, according to the Mortgage Bankers Association.

Sales of existing homes in the second quarter of 2007 continued to slow in most areas of the region. The Michigan Association of REALTORS® reported that sales activity in the second quarter of 2007 continued a 2-year decline, primarily because of the slow economy. Existing home sales in the state were down 11 percent in the 12 months ending June 2007 compared with sales in the previous 12-month period. The decline in sales was widespread throughout the region; 21 of the 25 markets for which data were available recorded lower sales and prices. In Minnesota, the Minneapolis-St. Paul metropolitan area recorded a 10-percent decline in sales of existing homes while the average sales price increased 1 percent to $277,000. In the Indianapolis area, sales of existing homes were down 5 percent during the past 12 months and the median sales price was unchanged at approximately $120,000.

Slower economic growth and tighter lending practices affected the home market in Ohio. The Ohio Association of REALTORS® reported 136,300 existing home sales during the 12 months ending June 2007, 6 percent below the 145,600 homes sold during the 12 months ending June 2006. In the Cleveland, Columbus, and Cincinnati metropolitan areas, the average sales prices of existing homes decreased 2 to 3 percent to $166,200, $172,700, and $175,300, respectively. Sales of existing homes in the three metropolitan areas were down 7 to 10 percent during the past 12 months. In Wisconsin, existing home sales also slowed in major market areas. According to multiple listing services in Milwaukee and Madison, sales of existing homes in the metropolitan areas fell by 9 and 13 percent, respectively, during the 12 months ending June 2007.

The Illinois Association of REALTORS® reports that existing home sales in June 2007 increased for the fifth consecutive month, but home sales for the first half of 2007 were still 15 percent below the level of sales in the first 6 months of 2006. The 157,000 homes sold in the state during the 12 months ending June 2007 were down 14 percent from the number of sales in the previous 12-month period. In the Chicago metropolitan area, higher interest rates and tighter lending practices combined to reduce the number of existing homes sold to 108,000, down 19 percent from the 12 months ending June 2006 and 11 percent below the 122,000 homes sold annually in the past 5 years. According to the Chicago Association of REALTORS®, the average monthly inventory of homes for sale rose to approximately 92,000 in the 12 months ending June 2007, 22 percent more than the average monthly inventory a year ago.

Homebuilding activity in the region, as measured by the number of building permits issued, also declined during the first half of 2007 as builders responded to slower sales and increasing inventories of unsold homes. The number of single-family building permits issued in the 12 months ending June 2007 declined by one-third to approximately 136,800 units. Homebuilding was down in all states and major metropolitan areas in the Midwest. Michigan recorded a 40-percent decline in single-family building permits because residential construction in the Detroit metropolitan area was down approximately 50 percent to 7,500 new homes in the past 12 months. Single-family permits in Illinois decreased by 35 percent to 30,800 units during the 12 months ending June 2007. In Ohio and Wisconsin, homebuilding activity declined 29 percent in both states.

In Minnesota, single-family construction activity was down 37 percent in the past 12 months. The Builders Association of the Twin Cities reported that home builders are less optimistic about residential construction in 2007 than they were in 2006 because the inventory of unsold new homes remains high. Building permits for single-family homes in the Minneapolis-St.Paul area decreased by 39 percent to 9,500 homes during the 12 months ending June 2007 and were 45 percent below the annual average of 17,400 units for the past 5 years.

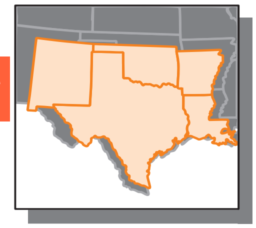
Slower sales of new homes and higher interest rates dampened residential construction activity in the Chicago metropolitan area. Building permits were issued for approximately 19,400 homes during the past 12 months, a decrease of 6,500 units, or 25 percent, compared with the number issued during the previous 12-month period. Despite the slowdown in residential construction activity in the Chicago metropolitan area, the city of Chicago continued its strong commitment to affordable housing. Since 2004, Chicago has contributed more than $1.3 billion toward constructing and preserving 28,000 units of affordable housing, including 16,000 rental units and 12,000 for-sale units. In 2007, the city of Chicago plans to allocate another $550 million to support an estimated 11,000 affordable homes and apartments, up 4 percent from $525 million in 2006.

Multifamily construction in the Midwest region, as measured by the number of units permitted, continued to decline during the second quarter of 2007. In the 12 months ending June 2007, the number of multifamily building permits was down 23 percent to approximately 44,300 units and was 26 percent below the 60,500 units averaged annually since 2000. Multifamily construction activity, down in all states in the region, ranged from a 10-percent decline in Illinois to a 36-percent decline in Ohio. The number of building permits issued for multifamily units in Minnesota, Wisconsin, Indiana, and Michigan was down 25 to 34 percent. The overbuilt condominium market in the Minneapolis-St. Paul area contributed to a 25-percent decline in multifamily activity in Minnesota. As a result of Michigan's slow economy, which dampened demand for new condominiums and apartment units throughout the state, building permits for multifamily housing in the Detroit area decreased by 60 percent to 870 units during the past 12 months. Multifamily construction activity declined by 36 and 28 percent in Ohio and Indiana, respectively. Among the major metropolitan areas in the region, only Cleveland recorded a small increase of 170 multifamily units during the past 12 months.

Most major apartment markets in the Midwest region tightened in the second quarter of 2007 because of increased demand for rental housing and the relatively low number of new apartments constructed in the region. In the Minneapolis-St. Paul metropolitan area, the apartment vacancy rate was 3.9 percent compared with 4.8 percent in the second quarter of 2006. The Indianapolis apartment market also continued to show modest improvement in the second quarter of 2007. The apartment vacancy rate in the metropolitan area was 6 percent, down from 7 percent in the second quarter of 2006. Major rental markets in Wisconsin are balanced. In the Milwaukee and Madison metropolitan areas, the apartment vacancy rates were 5 and 6 percent, respectively, in the second quarter of 2007, down from approximately 7 percent in both areas a year earlier. Rents in the Milwaukee and Madison areas increased modestly during the past year. Average rents increased more than 2 percent to $820 in Milwaukee and 1 percent to $800 in Madison.

Rental market conditions continued to improve in most areas of Illinois because of strengthening local economies and increased demand for rental housing. In the Rockford area, the apartment vacancy rate was approximately 8 percent in June 2007, down from 9.5 percent a year ago. The apartment market in Chicago remained balanced to tight in the second quarter of 2007. The suburban vacancy rate was 4 percent, down from 5 percent in the second quarter of 2006. In downtown Chicago, the apartment vacancy rate held steady at 5 percent. In Ohio, rental markets in Columbus, Cleveland, and Cincinnati also are tightening due to the low level of apartment construction. According to Reis, Inc., all three areas recorded modest declines in the apartment vacancy rate during the past 12 months. In Columbus, the apartment vacancy rate was 7 percent in the second quarter of 2007, down from 8 percent a year ago. In Cleveland and Cincinnati, the vacancy rates were 5.8 and 8.1 percent, respectively, slight declines from the 6- and 8.2-percent rates in the second quarter of 2006.

Southwest



For the fourth consecutive year, economic expansion continued in the Southwest region. From June 2003 through June 2007, nearly 1 million jobs were added in the region. The average number of jobs for the 12 months ending June 2007 is 15.8 million. During the past 12 months, average annual nonfarm employment increased by 376,000 jobs, or 2.5 percent, compared with the same period a year ago. With a 4.7-percent increase, or 84,000 jobs, the professional and business services sector led the strong growth, followed by the leisure and hospitality sector, adding 54,000 jobs, and the educational and health services sector, adding 49,000. The construction sector added 43,000 jobs; increased nonresidential construction more than offset a slowdown in residential building. The oil and gas industry, gaining 33,000 jobs in the natural resources sector, continued its 4-year expansion.

Nonfarm employment in Texas grew by 267,000 jobs, or 2.7 percent, which includes increases in all sectors except the information sector, which lost 2,000 jobs. The professional and business services and the leisure and hospitality sectors had the largest job gains in Texas, with 58,000 and 40,000 jobs, respectively. Louisiana gained 48,000 jobs, or 2.6 percent, during the 12 months ending June 2007, with gains spread throughout the state. Despite the 12,000 jobs added during the past 12 months in the New Orleans metropolitan area, employment is still down more than 100,000 jobs compared with pre-Hurricane Katrina levels. The number of jobs in Oklahoma rose by 28,000, or 1.8 percent; the most significant gain was in the natural resources and mining sector, which increased by 6,000 jobs. New Mexico employment increased by 19,400 jobs, or 2.4 percent, during the past 12 months compared with the previous 12 months. In Arkansas, the number of jobs increased by 14,000, or 1.2 percent. The government and the education and health services sectors each gained more than 4,000 jobs, offsetting 5,900 job losses in the manufacturing sector, a continuing trend.

The expanding economy contributed to a decrease in the average unemployment rate in the Southwest region. For the 12 months ending June 2007, the rate decreased to 4.4 percent, down from 5.2 percent for the previous 12 months. Average unemployment rates remained unchanged at 5.1 percent in Arkansas and 4.1 percent in Oklahoma. In Texas, the unemployment rate was at its lowest level since 2001, decreasing from 5.2 to 4.5 percent in the past 12 months. Strong employment growth during the past 12 months in Louisiana contributed to a decrease in the unemployment rate from 6.1 to 4.0 percent. New Mexico had the lowest unemployment rate, 3.8 percent, in the region.

Existing home sales continued at high levels in Texas. According to data from the Real Estate Center at Texas A&M University, approximately 285,300 homes were sold during the 12 months ending June 2007, up 2 percent from the previous 12-month period. The average home sales price for the state increased 4 percent to $188,600. Sales increased for all the larger metropolitan areas in the state except for San Antonio and Dallas, where sales remained relatively unchanged from last year. During the past 12 months, the average home sales price increased 4 percent to $215,400 in Dallas, 8 percent to $175,900 in San Antonio, and 4 percent to $199,100 in Houston, where sales were up more than 3 percent to 80,500. The highest average sales price recorded in Texas was $237,700 in Austin, where sales during the past 12 months increased 3 percent to 30,000 homes. The $138,700 average sales price in Fort Worth was the lowest of the large metropolitan areas.

Individual market area conditions were mixed in Oklahoma. According to the Oklahoma Association of REALTORS®, the number of existing homes sold in the state remained relatively unchanged at 53,900 during the 12 months ending June 2007 compared with the previous 12 months. In the Tulsa area, sales were down 2 percent to 15,900 homes but the average price increased 4 percent to $150,700. In Oklahoma City, sales fell by 2 percent to 19,800 but the average price increased more than 11 percent to $157,500. A smaller number of entry-level sales contributed to the large home price increase.

In Arkansas, slower employment and population growth contributed to a softer home sales market. According to the Arkansas REALTORS® Association, existing home sales decreased by 11 percent during the 12 months ending May 2007. The number of homes sold in Little Rock decreased by 7 percent to 10,400 homes while the average price rose 3 percent to $167,700. In the Fayetteville area, where market conditions are soft, sales declined by 18 percent to 6,700. In Albuquerque, the largest market in New Mexico, sales were down by 13 percent to 11,100 but the average price increased by 11 percent to $238,700.

In the Southwest region, single-family construction activity, as measured by the number of building permits issued, slowed considerably during the 12 months ending June 2007 because tighter credit standards and rising levels of unsold inventory made builders more cautious. The total number of single-family homes permitted in the region during the 12 months ending June 2007 was 186,700 units, a decline of 46,100, or 20 percent, compared with the 12 months ending June 2006. The number of homes permitted during the recent 12 months was comparable to the level in 2004, which was a 15-year high. The current permit rate better reflects the current levels of household and economic growth.

Texas accounted for most of the decrease in single-family homebuilding activity in the Southwest region during the 12 months ending June 2007. The number of permits issued declined to 35,500, or 21 percent, during the 12 months ending June 2007. Elsewhere in the region, the number of permits issued in Arkansas was 2,900, or 26 percent, lower. In New Mexico and Oklahoma, single-family home permit levels each were down about 3,400, or more than 20 percent, when compared with the year-earlier period. In Louisiana, the number of permits, down by only 900 to 19,400, was bolstered by economic recovery and the return of households previously displaced by Hurricane Katrina.

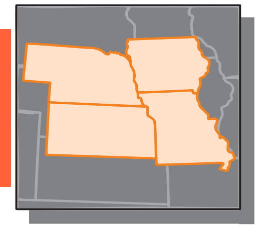
Rental market conditions continue to be soft in large metropolitan areas in Texas, except for Austin. According to ALN Systems, Inc., the apartment vacancy rate in Austin was 6.7 percent for the past 12 months, down from 7.1 percent for the previous 12 months. The average rent in Austin increased 7 percent to $716. In Dallas, the apartment vacancy rate remained at 9.7 percent for the past 12 months, and the average rent increased 4 percent to $761. The rental market in Fort Worth is still very soft; the apartment vacancy rate increased slightly to an average of 11 percent. The vacancy rate in Houston increased to 10.3 percent from 8.6 percent recorded a year ago. Contributing to the softening market in Houston was a high volume of new construction and hurricane evacuees resettling out of apartment units. The average rent in Houston increased 3 percent to $716 during the past 12 months. In San Antonio, the apartment vacancy rate increased about 1 percentage point to 9.5 percent while the average rent rose 4 percent to $684.

Market conditions are soft in other large metropolitan areas throughout the Southwest region except in Albuquerque, where conditions are balanced. In Albuquerque, for the past 12 months, Reis, Inc., reported an apartment vacancy rate of 5.7 percent, down from 6.5 percent a year ago; the average rent increased 4 percent to $655. In Little Rock, the vacancy rate was 7.9 percent, up from 6.4 percent a year ago; the average rent was up 2 percent to $606. In Oklahoma City and Tulsa, apartment vacancy rates are 8.8 percent and 9.8 percent, respectively, which is relatively unchanged from the previous 12 months. Average rents were up 3 percent to $501 in Oklahoma City and up 2 percent to $535 in Tulsa.

Multifamily construction activity, as measured by the number of units permitted, increased during the 12 months ending June 2007 despite the soft markets in many metropolitan areas in the Southwest region. A total of 62,900 units were permitted in the region for the 12 months ending June 2007, up 9 percent compared with the previous 12 months. The number of units permitted in Louisiana was 5,400, up 3,500. Building permits were issued for more than 2,200 multifamily units in New Orleans, up from only 250 in the previous 12 months. In Baton Rouge the number of units permitted was 2,100, a gain of 1,700 when compared with the previous 12 months.

The number of multifamily units permitted in Texas was up 3,800, or 8 percent, to 46,500. The 4,800-unit gain in Houston was the largest of all metropolitan areas in the region, despite the increase in the apartment vacancy rate, because builders anticipate continued strong growth. In El Paso, multifamily permits were up 1,100, or 150 percent, when compared with the previous 12-month period. The increase is partially in response to the more than 4,000 additional soldiers stationed at the Fort Bliss Army Base since 2006. Soft rental market conditions in Arkansas prompted builders to reduce construction to 2,900 units, a 34-percent decrease. Cutbacks in Little Rock and Fayetteville should help those soft markets improve over the next 2 years. Oklahoma recorded a decrease of 700 multifamily units to 1,700 units permitted. The permit level in Oklahoma City was down more than 300 units to 420 for the past 12 months. In New Mexico, the number of multifamily permits was relatively unchanged at 850 units.

Great Plains



During the 12-month period ending June 2007, the economy of the Great Plains region grew at a moderate pace when compared with the previous 12-month period. During the recent 12 months, nonfarm employment increased by 93,000 jobs, or 1.4 percent, to 6,626,000. The professional and business services sector led the increase, growing by 3 percent to 697,100 jobs. The transportation and utilities sector followed with a gain of 2.7 percent to 276,900 jobs. Government is the leading employment sector in the region, with a total of 1.1 million jobs. Missouri and Kansas led the region with increases of 30,700 and 29,400 jobs, respectively. Employment growth in Missouri was supported by 7,700 new jobs in the professional and business services sector. In Kansas, the gain was supported by 4,200 new jobs in both the education and health services and the leisure and hospitality sectors. Employment gains of 18,300 and 14,600 jobs, respectively, in Iowa and Nebraska were also primarily in the professional and business services and the education and health services sectors. As a result of job growth, the regional unemployment rate declined from 4.9 percent to 4.2 percent in the 12 months ending June 2007.

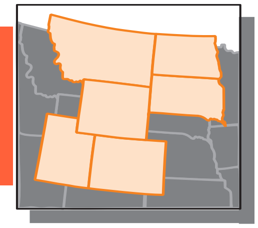
The existing home sales markets in some of the region's larger metropolitan areas have softened from the more balanced market conditions of the previous 2 years due to tightening credit standards and rising interest rates. According to local REALTORS®, slower existing home sales, rising inventories of unsold homes, and price declines have been the norm during the 12 months ending June 2007. In Kansas City, the number of homes sold was down almost 9 percent while the unsold inventory increased by 5 percent to 21,200 homes. The average home sales price in Kansas City was off by 2 percent to $192,300. In Omaha, home sales were down nearly 6 percent and the unsold inventory rose by 9 percent to 6,300. The average sales price in Omaha decreased by 8 percent to $173,700. Home sales in Lincoln were down 4 percent, and the average sales price dropped by 6 percent to $160,300. In Des Moines, home sales were down 4 percent to 10,500 and the unsold inventory increased nearly 3 percent to 6,640. At the same time, the average sales price decreased more than 1 percent to $179,900.

Home builders have slowed single-family home production in response to a decrease in demand and rising inventories in the Great Plains region. During the 12-month period ending June 2007, single-family building activity, as measured by the number of building permits issued, in Kansas, Missouri, and Nebraska declined by about 30 percent to 7,140, 14,100, and 5,200 units, respectively. In Iowa, single-family homes permitted decreased by 25 percent to 7,620 units. An estimated 13,200 homes are currently under construction throughout the region, including 5,400 in Missouri and about 3,000 in Iowa.

Rental markets in some of the region's larger metropolitan areas are slowly improving but remain somewhat soft. In general, rental markets have improved because of a slowdown in apartment construction and a decrease in the number of renters who became homeowners. For the 12-month period ending June 2007, according to Reis, Inc., annual average apartment rental vacancy rates were unchanged or declined slightly when compared with the previous 12-month period. The average vacancy rate in St. Louis was 7.9 percent, down from 8.2 percent a year earlier. In Kansas City, Wichita, and Omaha the average vacancy rates were relatively unchanged at 7.4, 9.5, and 6.4 percent, respectively. Average monthly apartment rents were up about 2 percent in each area compared with a year ago. Average rents were $480 in Wichita, $650 in Omaha, $670 in Kansas City, and $700 in St. Louis.

Because of the overall softness of the sales and rental markets, multifamily developers have been reluctant to start new developments. During the 12-month period ending June 2007, multifamily construction, as measured by the number of units permitted, declined almost 10 percent from a year ago to 13,300 units. Multifamily construction activity has decreased about 20 percent in Iowa to 2,450 units. Missouri and Kansas were each down by about 13 percent to 2,500 and 6,940 units, respectively. In Nebraska, multifamily construction activity was up 40 percent to 1,450 units due to increased development of apartments. According to *McGraw Hill Construction Pipeline* data, about 17,650 units in 120 developments are under construction in the region; approximately half are apartment units. Of the developments, about 25 are located in Kansas City and 50 are in St. Louis. The developments in Kansas City consist of approximately 800 condominium units and 1,900 apartment units. In St. Louis, about 2,200 units each of condominiums and apartments are under construction.

Rocky Mountain



The Rocky Mountain economy continued its 3-year expansion during the second quarter of 2007. Nonfarm employment in the region for the 12 months ending June 2007 increased by 139,700 jobs, or 2.9 percent, to 5,011,700. Of that growth, 72 percent occurred in Utah and Colorado, which added 53,900 and 46,900 jobs, respectively. In Utah, employment gains across all sectors contributed to a 4.6-percent increase during the past 12 months. A record number of tourists visiting Colorado's ski areas during the 2006–07 season contributed to strong job increases in the leisure and hospitality sector and an overall 2.1-percent job growth rate. Employment growth of 3.4 percent in Wyoming was bolstered by high demand for the state's energy resources. Montana, North Dakota, and South Dakota each posted job growth rates of slightly more than 2 percent.

The growing economy has tightened labor markets throughout the Rocky Mountain region. During the 12 months ending June 2007, the annual average unemployment rate in the region declined from 4.0 to 3.4 percent compared with the same period a year ago. Average unemployment rates were down in all states and are well below the national rate of 4.5 percent. Rates in Utah and Montana showed the most improvement, decreasing by 0.9 and 0.8 percentage points, respectively, from a year ago. The 2.6-percent unemployment rate for Utah was the lowest in the region, followed by Montana at 2.7 percent; Colorado had the highest, at 4.0 percent. Wyoming, South Dakota, and North Dakota recorded unemployment rates of slightly more than 3 percent.

Because of lower demand, homebuilding activity in the region continued its 1-year decline in the second quarter of 2007. During the 12 months ending June 2007, single-family construction activity, as measured by the number of building permits issued, decreased by 17,200 units, or 25 percent, to 50,800 homes. The number of single-family homes permitted declined in each state in the region except in Wyoming and Montana, where the number remained relatively unchanged. In Utah and South Dakota, the number of permits declined by 15 percent to 18,900 and 2,900 units, respectively. In North Dakota, building permits for new homes were off by 10 percent to 1,760 units. Because of the high building rate in Colorado relative to other states, the 13,000-unit decline to 21,800 single-family homes in the state accounted for 75 percent of the total reduction in the region.

In the first quarter of 2007, single-family home sales activity in the Rocky Mountain region began to stabilize after declining for the previous 9 months because fewer new homes entered the market. According to the NATIONAL ASSOCIATION OF REALTORS®, the annual average rate of existing home sales for the 12 months ending March 2007 was relatively unchanged, at 248,700 units, from the previous 12 months, an improvement from the fourth quarter of 2006, when annualized sales were off by 4 percent. Except in Colorado and North Dakota, sales in all states were up slightly. Strong sales activity in the first quarter of 2007 helped mitigate the 3-percent decline in Colorado and North Dakota and offset significant declines recorded in the third and fourth quarters of 2006.

According to the Office of Federal Housing Enterprise Oversight (OFHEO) Housing Price Index, for the 12 months ending March 2007, home prices in the region have increased an average of 10 percent compared with the home prices recorded during the previous 12 months. Appreciation rates remained relatively unchanged from a year ago, although some signs in the first quarter of 2007 indicated a slowing trend. In contrast, the average national rate of appreciation fell from 12 percent to 4 percent during the past 12 months. Utah, Wyoming, and Montana had approximately the same increases in home prices as last year, with gains of 17, 13, and 12 percent, respectively, compared with a year ago. These rates of increase were more than three times the national rate. Also above the national rate were price increases in North Dakota and South Dakota, at 7 and 6 percent, respectively; Colorado registered a 4-percent gain. The higher and somewhat more stable appreciation rates for the Rocky Mountain states are due to the moderately low rate of appreciation that occurred between 2001 and 2004 and the recent strong employment growth.

The home sales markets in some of the region's metropolitan areas have eased to more balanced conditions. The Salt Lake City and Provo-Orem single-family home sales markets recently have experienced lower demand because of fewer second-home and investor purchases. With stricter lending standards, these once very tight markets have experienced increased inventories to more normal levels, but price increases continue to be robust. According to NewReach Inc., for the 12-month period ending June 2007, existing single-family home sales in the four-county Salt Lake City housing market area declined by 16 percent while active listings were up 30 percent. At the same time, the average sales price increased by 17 percent to $248,500. Similarly, new home sales in the Salt Lake City area were down 8 percent, but the average sales price was up 18 percent to $358,700. In the Provo-Orem area, sales of existing homes were down 6 percent, and the average sales price increased by 18 percent to $279,700.

In Colorado metropolitan areas, conditions in the sales markets for existing homes are somewhat soft, but signs indicate market conditions are beginning to turn around. According to the Boulder Area REALTORS® Association, for the 12-month period ending June 2007, the average sales price for an existing single-family home in Boulder increased by 6 percent to $449,500, while sales declined by 6 percent. The Denver Board of REALTORS® indicates the average single-family home sales price was relatively unchanged at $316,000 and sales were down by 8 percent. Active listings of existing homes in Boulder and Denver were down 9 and 5 percent, respectively. Inventories in both markets have subsided because of reductions in homebuilding and relatively strong employment growth.

During the second quarter of 2007, rental markets continued their 3-year tightening trend throughout much of the Rocky Mountain region. The Salt Lake City area rental market has experienced a 3-year period of strong population growth, rapidly increasing home prices, and limited delivery of new rental units in the market. According to Reis, Inc., in the Salt Lake City area, the second quarter 2007 apartment vacancy rate of 5.4 percent was down from the 5.7-percent rate recorded a year ago. The average overall rent increased by 6 percent to $702, the fastest growth rate this decade. During the past 12 months, the apartment vacancy rate in Denver declined from 6.9 percent a year ago to 6.2 percent, according to the second quarter 2007 survey of the Apartment Association of Metro Denver. Average rent was relatively unchanged at $863. With few apartment units in the construction pipeline, the tightening trend in the Salt Lake City and Denver areas is expected to continue. In Fargo-Moorhead, a slowdown in new construction contributed to an improvement of rental market conditions, although supply still exceeds demand. An Appraisal Services, Inc., survey for the second quarter of 2007 reported the vacancy rate at 7.8 percent in Fargo-Moorhead, a decrease from the 9.3-percent rate recorded in the second quarter of 2006.

The Colorado Springs rental market remains soft but is improving. The apartment vacancy rate declined from 9.4 percent to 9 percent between the second quarter of 2006 and the second quarter of 2007. According to

Doug Carter, LLC, average contract rent in the Colorado Springs area was relatively unchanged at $693. The market has been soft during the past 4 years because of deployments from Fort Carson Army Base (AB). Deployments have averaged about 40 percent of the 18,000 military personnel stationed at the base. Fort Carson AB is slated to receive approximately 7,000 military personnel transfers from the 4th Infantry Division at Fort Hood AB, Texas, by 2009. The additional military personnel will bring the total stationed at the base to 25,000. The increase in active-duty military personnel, many of whom live off base, is expected to result in more balanced rental market conditions by 2009.

In the Rocky Mountain region, for the 12 months ending June 2007, multifamily construction, as measured by the number of units permitted, totaled 14,900 units, unchanged from the same period in 2006. In Colorado, multifamily building activity increased by 8 percent to 7,800 units. In Montana, South Dakota, and North Dakota, multifamily building activity rose by 21, 16, and 11 percent, respectively, to approximately 1,300 units in each state. In Utah, the number of multifamily units permitted decreased by 10 percent. Wyoming had 300 multifamily units permitted during the period, a decline of 470 units from a year ago. Condominium production still accounts for an estimated 70 percent of multifamily units permitted in the region, but, as the demand for apartments continues to grow, builders are expected to increase apartment production. Two Denver developers already have responded to this trend; they decided to build luxury rental apartment units instead of for-sale condominiums as originally planned. The two projects, a 200-unit project in the Southglenn area and a 450-unit project in downtown Denver, are slated to begin construction in 2008.

Pacific

Economic activity in the Pacific region continued its 4-year expansion through the second quarter of 2007. Total nonfarm employment in the region rose by nearly 420,000 jobs, or 2.2 percent, in the 12 months ending June 2007. The growth in jobs was significantly lower than the 2.7-percent gain in the previous 12 months, due primarily to slower growth in the construction, financial activities, and retail trade sectors, which have been most affected by the recent reduced pace of home sales. Employment in the professional and business services sector increased by 109,000 jobs, or 4 percent, while the education and health services, government, and leisure and hospitality sectors each added about 60,000 jobs.

California employers added 251,400 new jobs in the 12 months ending June 2007, a 1.7-percent gain, down from a 2-percent growth in the previous 12 months but still slightly above the national rate of growth. The service-providing sectors accounted for 85 percent of employment increases, led by the professional and business services, leisure and hospitality, and wholesale trade sectors, in which the number of jobs each rose by 3 percent or more. Employment in the construction, retail trade, and financial activities sectors each increased by less than 1 percent in the past 12 months. San Francisco Bay Area employers added 71,400 new jobs, a 2.2-percent gain, due largely to resurgent high-technology industries and tourism. In Southern California, the pace of job creation slowed to 133,000, or 1.5 percent, in the past 12 months, from 2.1 percent in the previous 12-month period.

In Arizona, nonfarm employment increased by 111,300 jobs in the 12 months ending June 2007, a 4.4-percent gain compared with the 5.7-percent gain that occurred in the previous 12 months. The professional and business services sector added 27,000 jobs, while the retail trade and education and health services sectors each gained 13,000 jobs. Construction employment in Arizona peaked in late 2006; strong commercial building in 2007 has failed to offset weakening homebuilding activity. More than 90 percent of the new jobs in the state were located in Phoenix and Tucson, where employment rose 5 percent and 3.5 percent, respectively.

Employment increased by 42,200 jobs in Nevada, a 3.4-percent gain for the 12 months ending June 2007, off considerably from a gain of nearly 6 percent in the year-earlier period. Job gains in the state were primarily in the professional and business services, government, and leisure and hospitality sectors. Construction employment has been relatively flat in the past year, reflecting the drop in residential building activity, but is expected to rise in the next several years due to a new cycle of hotel-casino building in Las Vegas. In Hawaii, employment rose 2.3 percent, or by 13,800 new jobs, reflecting strong tourism activity and rising defense spending. The unemployment rate fell to 4.7 percent in the Pacific region in the 12 months ending June 2007 from 4.9 percent in the previous 12 months. The rates ranged from 2.3 percent in Hawaii, the lowest in the nation, to 4.9 percent in California.

Since peaking in 2005, home sales have continued to slow throughout the Pacific region, particularly in the entry-level segments most affected by higher interest rates and tighter credit standards. According to the California Association of REALTORS®, single-family home sales declined 24 percent to 426,700 in the 12 months ending June 2007 as compared with the 12 months ending June 2006. The median sales price of existing homes rose just 3 percent in the past 12 months, to $571,000, after increasing 14 percent in the previous period. The unsold inventory of existing homes rose from a 6-month supply to a 10-month supply between the second quarters of 2006 and 2007, reaching the highest level since the early 1990s. Total new and existing home sales declined 21 percent in the past 12 months in the San Francisco Bay Area and 27 percent in Southern California.

Sales markets continued to soften in both the Phoenix and Las Vegas metropolitan areas. In the Phoenix area, sales of new and existing homes declined by 17 and 37 percent, respectively, in the 12 months ending June 2007 from the previous 12-month period, according to the *Phoenix Housing Market Letter*. The slowing sales pace resulted in a record inventory of unsold existing homes: 51,000 in the second quarter of 2007, or about 10,000 more homes on the market than a year earlier. Despite the higher inventory, the median sales price of existing homes has held relatively steady at approximately $255,000 in the past 12 months. According to the *Las Vegas Housing Market Letter*, the volume of existing homes sold also fell by 37 percent, contributing to a record 29,000 unsold homes on the market, up from 24,000 a year earlier. The median sales price of existing homes in the area declined 2 percent in the past 12 months to $280,000. New home sales in Las Vegas were off 31 percent in the 12 months ending June 2007, putting the pace of sales roughly in line with the volume of the early 2000s. Returning to more normal levels from the 2005 record sales pace, existing home sales in Honolulu declined 19 percent to approximately 9,800 in the past 12 months through June 2007, according to the Honolulu Board of REALTORS®. The median sales prices of existing single- family and condominium homes rose 2 and 7 percent, respectively, in the past 12 months, after 5 years of double-digit price increases. The sales market in Honolulu is currently relatively balanced.

In response to declining sales demand and excessive unsold inventory, single-family homebuilding, as measured by the number of building permits issued, declined by 39 percent in the 12 months ending June 2007 to just 150,400 homes, the lowest level in 10 years. California builders obtained permits for 81,000 new homes during that period, also off 39 percent from the previous 12 months. Arizona home production fell 38 percent. In Nevada, new homebuilding was off 46 percent to 19,700 units, led by a 47-percent decline in Las Vegas. Homebuilding in Hawaii declined 16 percent to 5,200 homes, while production in Honolulu fell 17 percent, much less than the regional rate of decline. The slowdown in building permits in the Hawaiian Islands has been offset, in part, by the demand from Asian buyers with increased buying power from favorable currency exchange rates.

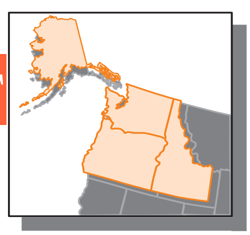
The rental markets in the Pacific region continue to be balanced to tight in the second quarter of 2007. Tight rental conditions reflected in apartment vacancy rates below 5 percent prevailed in most of the San Francisco Bay Area. The vacancy rate was just 3 percent in the San Jose-Silicon Valley area, the market most affected by accelerating technology-sector employment growth and, consequently, strong rental demand. According to the RealFacts apartment survey, average rents in the San Francisco and San Jose metropolitan areas rose 7 and 11 percent, respectively, in the past year, among the highest rates of increase in the country. In the Central Valley, conditions in the Sacramento apartment market remain relatively balanced with a vacancy rate of about 6.5 percent in the past year and the average rent increasing 2.5 percent. The Fresno vacancy rate remained under 5 percent in the second quarter, with average rents rising 5.5 percent in the past year, reflecting slightly tight rental market conditions.

Rental market conditions remained tight throughout most of Southern California, except for Riverside and San Bernardino Counties, which remained balanced with overall vacancy rates of 7.5 and 6.5 percent, respectively. The two counties have continued to absorb the 4,500 rental units completed during the 12-month period ending June 2007. Limited apartment production and fewer renters able to qualify for mortgages are the main reasons for the tight rental conditions in the remainder of the region. The overall rental vacancy rates remained at approximately 4 percent in Los Angeles, Orange, and Ventura Counties. The rental vacancy rate in San Diego County was slightly higher, at 4.5 percent. Southern Santa Barbara County has the lowest rental vacancy rate in the region, less than 4 percent, primarily because fewer than 120 new apartment units were completed in the area during the 12-month period ending June 2007. According to the Consumer Price Index that covers most of Southern California, rents increased 6 percent during the 12 months ending June 2007, the same rate of increase as during the previous 12-month period.

The rental market in Las Vegas remained tight. According to Reis, Inc., the apartment vacancy rate was less than 5 percent, up slightly from a year earlier. The average rent rose by more than 3 percent in the past year, compared with nearly 5 percent in the previous year. In the Phoenix area, the apartment vacancy rate increased to approximately 6 percent in the current quarter from less than 4 percent in the second quarter of last year. The rise in vacancy reflects increased apartment completions and the return of some condominium conversions to the rental market because of slower sales demand. Rents rose nearly 6 percent on average in the area during the past year. The rental market remains tight in Honolulu, with an overall rental vacancy rate in the 4-percent range, while the average rent increased by approximately 10 percent in 2006, the latest available data.

Multifamily building activity, as measured by the number of units permitted, fell 22 percent to 61,800 units in the 12 months ending June 2007. Most of the decrease occurred in California, where multifamily permit activity declined 17 percent to 44,100 units, and in Arizona, off 24 percent to 9,600 units. In Nevada, just 5,500 multifamily units were authorized in the past 12 months, half the number of units permitted in the previous year, when a high level of Las Vegas high-rise condominium construction activity occurred. Multifamily construction in Hawaii held steady at about 2,600 units, mainly reflecting the building of condominiums in Honolulu.

NORTHWEST



The Northwest region—Alaska, Idaho, Oregon, and Washington—reached record nonfarm employment levels during the 12-month period ending June 2007. Regional employment in the Northwest averaged 5.6 million jobs, a 2.4-percent gain when compared with the previous 12-month period. Idaho led the regional growth in employment with an increase of 3.8 percent to 649,300 jobs; Washington was second with an increase of 2.3 percent to 2,888,250 jobs. Nonfarm employment grew by 2.1 percent to 1,716,025 jobs in Oregon and by 1.3 percent to 316,950 jobs in Alaska. Employment growth occurred throughout many industries, reflecting the diversity of the regional economy. In Idaho, major contributors to job growth were in the construction, education and health services, and leisure and hospitality sectors. In Washington, aerospace production, construction, and software publishing led job growth. In Oregon, leading job growth industries included architectural and engineering services and software publishing. In Alaska, hiring in the oil and gas industry accounted for a third of the jobs added during the past year. Record employment levels achieved during the past year resulted in a decline in the regional unemployment rate to 4.9 percent for the 12-month period ending June 2007 compared with 5.3 percent during the previous 12 months.

As of the end of the 12-month period ending June 2007, the home sales markets in major metropolitan areas in the Northwest region were balanced. Inventory data from multiple listing services show a 6-month available inventory of homes for sale, twice that of a year ago. Based on multiple listing service data from selected markets, sales prices of new and existing homes continued an upward trend throughout the region, increasing by approximately 12 percent, while sales declined by an average of 16 percent.

In Washington, Northwest Multiple Listing Service data for the Puget Sound metropolitan areas of Seattle, Tacoma, Bremerton, and Olympia recorded 72,339 new and existing home sales during the 12-month period ending June 2007, a 14-percent decline compared with the number sold during the previous 12 months. The average price for new and existing homes sold was $442,500, a 12-percent increase compared with the price a year ago. The average sales price for newly constructed homes was $475,225 and for existing homes was $424,750. Sales of existing homes declined in all four communities during the 12-month period, resulting in an average decrease of 15 percent compared with sales during the same period a year ago. Sales of newly constructed homes fell by an average of only 5 percent in the Puget Sound area but increased by 27 percent in Olympia and 6 percent in Seattle. Demand for new homes in Olympia has been strong because prices are 25 percent below the average price for a new home in the Puget Sound area.

According to the *Market Action Report* of the REALTOR Multiple Listing Service™, sales of new and existing homes for major markets in Oregon totaled 63,631 for the 12-month period ending June 2007, 16 percent lower than in the previous 12-month period. The average price of homes sold was $310,050 for the 12-month period ending June 2007, up 11 percent from a year ago. Sales declined the most in central and southwest

Oregon markets, falling 41 percent during the period. Those two areas were among the strongest sales housing markets in Oregon during 2005 and early 2006 due to strong demand from California retirees and second-home buyers relocating to Oregon. As of the end of the 12-month period ending June 2007, sales of new and existing homes in the Portland-Vancouver-Beaverton housing market equaled 38,450, a decline of 9 percent compared with the number sold a year earlier. The average home sales price was $343,950, an increase of 14 percent from the 12-month period ending June 2006. Although current sales activity is well below the peak sales activity of 2005, when sales reached 43,775 homes, steady in-migration of people attracted to a strong labor market in the Portland metropolitan area suggests the pace of sales activity will be strong enough to make 2007 the third highest on record.

According to the Intermountain Multiple Listing Service in southern Idaho, sales of new and existing homes declined 31 percent to 15,900 homes for the 12 months ending June 2007. The average home sales price increased 11 percent to $239,400 during the period. Due to strong job growth in south-central Idaho, Jerome County was the only market area to record an increase in home sales, a rise of 8 percent during the 12-month period ending June 2007.

Data available from the Alaska Multiple Listing Sales indicate that sales of new and existing homes in Anchorage fell nearly 4 percent during the 12-month period ending June 2007. The average home sales price increased 6 percent from $306,000 to $324,475 during the period. The pace of sales activity slowed during the past year, with homes staying on the market an average of 70 days as of June 2007 compared with 32 days a year ago. The current inventory of new and existing homes for sale in Anchorage is 1,299, the highest level in 7 years.

In response to declining sales throughout the region, construction activity, as measured by the number of building permits issued, slowed to 63,690 single-family homes for the 12-month period ending June 2007, down 22 percent from a year ago. The decline in building activity was sharpest in Alaska, where single-family permits issued fell 32 percent from 1,750 to 1,175. Single-family permits issued in Idaho equaled 12,650 and in Oregon equaled 18,150, declines of 23 and 22 percent, respectively. Single-family construction activity in Washington totaled 31,750 homes during the 12-month period ending June 2007, down 17 percent from a year ago.

Rental markets are tight and rents are increasing in most of the major metropolitan areas in the Northwest. Steady population growth due to strong labor market conditions combined with rising home prices have strengthened the demand for rental units during the past year. According to Reis, Inc., as of the second quarter of 2007 in the Seattle metropolitan area, the apartment vacancy rate was 4.5 percent compared with 5 percent a year ago and rents rose by an average of 7 percent to $973. In the Tacoma metropolitan area, the apartment vacancy rate fell slightly from 6.5 to 6.3 percent, with the average rent increasing from $694 to $709 during the same period. Reis, Inc., reported the vacancy rate during the second quarter of 2007 was 4.7 percent in the Portland metropolitan area compared with 5.6 percent a year ago and the average rent for Portland was up 6 percent to $773. In Boise, a Hendricks & Partners, Inc., survey reported that the apartment vacancy rate fell to 3.2 percent in March 2007 compared with 6.2 percent a year earlier. The average rent increased to $667, a 4.5-percent gain. According to the Alaska Housing Finance Corporation's annual *Alaska Housing Market Indicators* rental market survey, the total vacancy rate as of March 2007, including rentals of single-family homes and apartments, was 8 percent compared with 8.2 percent a year ago; the average rent rose by 4 percent to $863 during the previous 12 months.

Multifamily building activity in the Northwest, as measured by the number of units permitted, totaled 25,600 for the 12-month period ending June 2007, up only 2 percent. Construction of multifamily dwellings increased by 20 percent in Washington to 16,625 units, 13,400 of which were in the Seattle metropolitan area. Alaska, Idaho, and Oregon all showed declines in multifamily activity during the past year. In Alaska, the number of units permitted slowed to 1,175 for the 12-month period ending June 2007 after averaging 1,325 units the previous 2 years. Mainly due to the decline in highrise condominium building activity in the Portland metropolitan area during the past year, the number of multifamily units permitted in Oregon declined 22 percent to 5,925. In Idaho, construction of multifamily units remained steady, with 2,175 units permitted during the past 12 months compared with 2,200 a year ago.

Housing Market Profiles

Amarillo, Texas

The Amarillo Housing Market Area (HMA), located in the center of the Texas Panhandle, comprises Potter, Randall, Carson, and Armstrong Counties. As of May 1, 2007, the population of the HMA is estimated at 244,400, an average annual increase of 2,575, or 1.1 percent, since 2000. The HMA is a regional center for trade, health services, and higher education for more than 500,000 people. Growth in these sectors and in local government and manufacturing has contributed to steady employment increases that have averaged 1,600 jobs annually for the past 3 years.

Nonfarm employment in the Amarillo HMA for the 12 months ending April 2007 averaged 110,800 jobs, up 2,500, or 2.3 percent, when compared with the previous 12-month period. Growth was strongest in the construction and mining sector, which increased by 750 jobs, or 11.4 percent. Employment in the manufacturing and financial activities sectors rose by 700 jobs, or 5.8 percent, and 370 jobs, or 6.2 percent, respectively. The education and health services sector added 250 jobs during the 12-month period when compared with the previous 12 months. The unemployment rate in the HMA remained relatively unchanged at 3.7 percent during the past 12 months when compared with 3.8 percent for the previous 12 months.

The Harrington Regional Medical Center is a major source of healthcare jobs in the HMA. With approximately 10,000 employees at a variety of member institutions, the healthcare facilities have a combined annual economic impact of approximately $1 billion, according to an economic impact report by the Harrington Regional Medical Center. The leading employers in Amarillo include Tyson Foods, BWXT Pantex, and Baptist St. Anthony's Health System, each employing more than 2,500 people.

Nonfarm employment is expected to continue to grow during the next 3 years. Bell Helicopter, a helicopter manufacturing company that currently employs more than 900 workers, plans to hire about 300 workers in the next 3 years. Tyson Fresh Meats Inc., a food processing company that employs 3,500 employees, is adding approximately 220 jobs. With the December 2007 completion of a new BlueCross BlueShield of Texas call center that will employ 550 workers, the service-providing sector also is expected to grow.

The Amarillo home sales market is currently balanced. A steady rate of population growth, combined with a growing economy, and low mortgage interest rates, have contributed to a strong demand for homes during the past several years. For the 12-month period ending April 2007, the Real Estate Center at Texas A&M University reported approximately 3,480 residential sales, primarily of existing homes, compared with 3,075 sales during the previous 12-month period, a 13-percent increase. The average sales price of an existing home increased 2 percent to $132,700 during the 12-month period ending April 2007 compared with $129,800 a year earlier. Since 2000, the average sales price has increased 5 percent annually, but price increases slowed recently due to an increased level of unsold existing homes.

Since 2000, single-family home construction, as measured by the number of building permits issued, averaged 700 annually. For the 12 months ending April 2007, the number of single-family building permits decreased by 212 compared with the previous 12-month period. New homes are located primarily in the south, southwest, and northwest portions of the city of Amarillo because of land available for development and proximity to employment centers. According to local sources, new home prices start at approximately $80,000 for a 1,200-square-foot, three-bedroom, two-bath house with a one-car garage.

Rental market conditions have softened slightly during the past 3 years, primarily due to increased competition from the sales market. The estimated rental vacancy rate is 9.0 percent, up from 7.7 percent in April 2004. Concessions currently being offered include $99 move-in specials, 5- to 10-percent student rent reductions, and 2 to 3 weeks of free rent. Average rents have increased 3 percent during the past year to $455 for one-bedroom units, $600 for two-bedroom units, and $730 for three-bedroom units. Building activity, as measured by the number of multifamily building permits issued, has been relatively constant since 2000, averaging 240 multifamily units permitted each year. Approximately 260 apartment units currently are under construction, 30 units fewer than the estimated 290 units under construction a year ago.

Ann Arbor, Michigan

The Ann Arbor metropolitan area, located 45 miles west of the city of Detroit in southeastern Michigan, consists of Washtenaw County. As of June 1, 2007, the Southeast Michigan Council of Governments estimated the population at 350,400, an average annual gain of 3,800, or 1.1 percent, since the 2000 Census. The University of Michigan is the leading employer in the area, with 15,000 employees and 40,000 students at the Ann Arbor campus. The University of Michigan Health System, the second leading area employer, with 13,000 employees, is the healthcare center for the seven-county southeast Michigan region.

Nonfarm employment in the Ann Arbor metropolitan area has declined more slowly since 2004 after declining by 3,500 jobs annually in 2002 and 2003. Nonfarm employment in the metropolitan area decreased by approximately 500 jobs, or less than 1 percent, in the 12-month period ending May 2007; 800 jobs were lost in the previous 12-month period. Employment losses in the durable goods subsector of manufacturing, specifically transportation equipment manufacturing, and in the construction sector continue to offset job gains in the education and health services sector and the state government subsector. Durable goods employment decreased by 1,800 jobs during the 12-month period ending May 2007, mainly as a result of ongoing buyouts at the General Motors Wixom Powertrain Facility and Automotive Components Holdings, LLC. Employment gains were greatest in the state government subsector, which increased by almost 770 jobs, or 1.6 percent, primarily as a result of the recent completion of the University of Michigan's $230 million Life Sciences Institute and the expansion of the university's School of Public Health and the Ford School of Public Policy. The education and health services sector grew by 610 jobs, or 2.6 percent, in the past 12 months, largely due to expansions at University of Michigan Hospitals and Health Centers. A new cardiovascular center, which opened in June, created 500 additional healthcare jobs.

According to the University of Michigan's Institute of Labor and Industrial Relations, total nonfarm employment in the metropolitan area is not expected to increase until 2009. Ongoing buyouts at Ford Motor Company, General Motors, and Automotive Components Holdings, LLC will offset expanding employment at the Toyota Technical Center and the Hyundai-Kia American Technical Center. Employment in the service-providing sectors also is forecast to decline during the next 18 months. Pfizer, Inc., the fourth leading employer in the area, recently announced that the company is closing its Ann Arbor research facility and will eliminate 2,100 jobs in the professional and business services sector by 2009. Google's plans to locate facilities in Ann Arbor and create 1,000 information jobs over the next 3 years will partially offset the Pfizer losses.

In response to weak economic conditions and rising interest rates, the Ann Arbor home sales market has slowed during the past year, but it remains balanced. For the 12 months ending May 2007, the number of new and existing single-family home sales declined 14 percent to 2,400 compared with the previous 12-month period. During the same period, the average sales price of a single-family home decreased 5 percent to $275,250. Although the average sales price of a single-family home in the Ann Arbor metropolitan area has fallen slightly since it peaked at $288,250 in 2005, Ann Arbor remains the highest priced metropolitan area in Michigan. For the first half of 2007, the average home sales price in the Ann Arbor metropolitan area was 58 percent higher than the average for the Detroit area and 68 percent higher than the average for Michigan overall. The city of Ann Arbor continues to generate the strongest housing demand in the metropolitan area. According to the Ann Arbor Board of REALTORS®, during the past 12 months the average sales price for homes sold in the city was 15 percent higher than the average sales price in the remainder of the county, and the average number of days homes remained on the market was 67, compared with 80 days for the county overall. The average sales price for new and existing homes in the city of Ann Arbor was $306,800 for the 12 months ending May 2007, a 4-percent decline compared with the previous 12-month period.

Sales of condominium units in the Ann Arbor market also slowed during the past year. The number of condominium units sold in the 12 months ending May 2007 decreased 23 percent to 600 units compared with 775 units sold in the previous 12-month period. The average sales price declined by 2 percent, to $194,400. During 2004 and 2005, low interest rates encouraged many parents of University of Michigan students to buy condominium units as investment properties. In response, sales of condominiums increased an average of 8 percent annually over the 2-year period. Rising interest rates since 2006 have mostly eliminated this segment of demand.

Single-family home construction in the metropolitan area, as measured by the number of building permits issued, declined by 44 percent during the 12 months ending May 2007. Builders cut back construction, from 699 homes to 392 homes, in reaction to increases in unsold inventory. The number of multifamily units permitted in the area decreased as well, from 188 units during the 12 months ending May 2006 to 62 units during the 12 months ending May 2007. The North Quad Academic Complex, a nonpermitted 470-bed student housing property being built by the University of Michigan is scheduled to open the fall of 2010. The only other significant rental property currently under development is the Courtyards, a privately owned, 360-unit complex for University of Michigan students, which will open in the fall of 2008. West Towne Condominiums, an 87-unit property near downtown Ann Arbor, recently began presale of one-, two-, and three-bedroom units starting at $194,000, $267,000, and $330,000, respectively.

The Ann Arbor rental market, traditionally tight due to constant demand from a combined enrollment of 63,000 students at the University of Michigan and Eastern Michigan University, has softened in recent years. According to Terzo & Bologna, the apartment rental vacancy rate averaged 4.2 percent between 2000 and 2004. Since 2004, a lack of significant enrollment increases at both universities, declining local employment, and an increased number of renter households moving to homeownership have combined to reduce rental demand. The apartment rental vacancy rate is currently 9.9 percent, up from 7.3 percent in 2006. Market rents for general occupancy units average $720 and $990 for one- and two-bedroom units, respectively, relatively unchanged from 1 year ago. Current rents for units close to the university and targeted toward students average $780 and $1,020 for one- and two-bedroom units, an average decline of 6 percent when compared with last year.

Baltimore, Maryland

The Baltimore metropolitan area comprises the independent city of Baltimore and the suburban counties of Anne Arundel, Baltimore, Carroll, Harford, Howard, and Queen Anne's. Economic and sales housing market conditions in the metropolitan area have slowed from the rapid growth that occurred during 2005 and 2006 and have returned to the levels experienced in 2004.

As of April 1, 2007, the population in the Baltimore metropolitan area is estimated at 2,679,000. Population growth slowed slightly during the past year to approximately 16,000 annually compared with increases of 18,000 a year during 2005 and 2006. Nearly all the growth has occurred in the suburban counties outside the city of Baltimore. The counties located to the south of the city also attract commuters who work in the Washington, D.C. metropolitan area because home prices are relatively more affordable. After declining earlier in the decade, the population of the city of Baltimore has stabilized in recent years as the downtown area has become increasingly popular among young professionals, empty nesters, and retirees. According to the July 2006 estimate from the Census Bureau, the population of the city of Baltimore was 631,400. The Downtown Partnership of Baltimore, Inc., estimates nearly 37,000 residents live in downtown Baltimore.

Economic growth continues in the Baltimore metropolitan area but at a slower pace than the levels of growth recorded from 2005 through 2006. During the 12 months ending May 2007, total nonfarm employment increased by 9,700 jobs, or 0.7 percent, which was less than half of the 24,600 jobs added during the previous 12-month period. The employment sectors that had grown rapidly during the 12 months ending May 2006 grew more slowly during the 12 months ending May 2007, with the professional and business services sector expanding by 4,250 fewer jobs, the construction sector adding 3,200 fewer jobs, and the retail trade sector increasing by 2,025 fewer jobs. The goods-producing sectors declined by 970 jobs as a result of the 1,850 jobs lost in the manufacturing sector, which has lost an average of 3,400 jobs a year since 2000. The service-providing sectors added approximately 10,700 jobs, or 0.9 percent, substantially less than the 1.9-percent growth that occurred in the previous 12-month period. The unemployment rate remained relatively unchanged at 4.1 percent compared with 4.2 percent a year ago.

Government, the largest employment sector, accounts for nearly 17 percent of the total 1.3 million jobs in the area. During the 12-month period ending May 2007, the government sector expanded by approximately 2,300 jobs, or 1 percent, with most of the gain occurring in local government. Nearly all of the 4,100 jobs added in the education and health services sector were in health care, including 1,625 jobs in hospitals and 1,150 jobs in nursing and residential care facilities. The education and health services sector includes two of the leading employers in the area—Johns Hopkins University, which employs 24,750 workers, and Johns Hopkins Hospital and Health System, which employs 15,800 workers. Employment in the professional and business services sector increased by 2,500 jobs, or 1.3 percent, with most of the new jobs added in the research subsector. The University of Maryland Industrial Partnership Program provides $2.3 million a year in grants for local firms developing a variety of technology-based products, and Johns Hopkins University spends more than $1 billion a year on science, medicine, and engineering research. The leisure and hospitality sector remained strong, adding 1,800 jobs during the 12-month period ending May 2007. In 2006, the Baltimore Area Convention and Visitors Association reported record-high visitor expenditures of nearly $3 billion, with 12 million overnight visitors downtown, a 7-percent increase over 2005.

As the Baltimore metropolitan area economy has moderated and interest rates have risen, the sales housing market has slowed to more stable conditions from the peak levels that occurred in 2004 and 2005. According to Metropolitan Regional Information Systems, Inc.®, approximately 2,900 existing homes were sold in the Baltimore area during the 12-month period ending May 2007, a decrease of nearly 18 percent compared with the 3,525 homes sold a year earlier. During the same period, average home sales prices increased by 3 percent to $313,900, considerably less than the 16-percent price increase recorded during the previous 12-month period.

Since early 2006, the condominium market in the Baltimore area has slowed. According to Reis, Inc., on average, more than 700 apartment units a year were converted to condominiums between 2003 and 2006. Recently, plans for a 150-unit apartment conversion in southern Baltimore County and the second phase of a new 30-unit downtown condominium were cancelled, according to Delta Associates. Approximately 4,450 condominium units were being marketed for sale throughout the metropolitan area in March 2007, down 3 percent from the number marketed in the previous year. The number of condominium sales declined by 13 percent in the metropolitan area, from 480 sales recorded during the first quarter of 2006 to 420 sales recorded during the first quarter of 2007. The median sales price of existing condominiums rose by 6 percent to nearly $232,400 in 2006, up from nearly $219,500 in 2005. Condominium sales price increases have moderated from the record-high 27-percent increase that occurred during 2005. In March 2007, developers offered additional incentives in the southern suburbs of Anne Arundel and Howard Counties, including price reductions of 6 percent below the average sales price. The median sales price of existing condominiums in the city of Baltimore declined by 3 percent to $205,000 in 2006. Prices for new luxury downtown condominiums start at $800,000 for a one-bedroom unit.

As the housing market continues to stabilize after 2 years of rapid growth, developers have reduced the number of new homes and rental units under construction in the Baltimore metropolitan area. During the 12-month period ending May 2007, homebuilding, as measured by the number of single-family homes permitted, declined by 36 percent to 5,200 homes compared with the previous 12-month period. As of May 2007, an estimated 1,675 single-family homes were under construction in the metropolitan area. The number of multifamily units permitted declined by 24 percent to 1,875 units during the 12 months ending May 2007 compared with 2,475 units permitted a year earlier. As of March 2007, an estimated 1,625 condominium units for sale and 920 rental apartments were under construction in the metropolitan area, according to Reis, Inc.

The rental market in the Baltimore metropolitan area is balanced. According to Delta Associates, vacancies in Class A apartment complexes with all amenities declined to 6 percent in March 2007 compared with 8 percent in March 2006. The market is softer in the city of Baltimore, although vacancies decreased from 17 percent to 10 percent because of the growing popularity of the downtown area. The downtown vacancy rate decreased from 15 percent in March 2006 to 5 percent in March 2007 as existing units were absorbed and fewer new units entered the market. Developers reduced the number of units planned and under construction by half the level of 1 year ago. Despite an increase in concessions, vacancies increased slightly to 5 percent in the northern suburbs, where two recently completed developments are currently marketing approximately 480 units. During the 12 months ending March 2007, the average rent in the metropolitan area increased by 6 percent to $1,330. Rents are significantly higher in the Fells Point/Inner Harbor submarket of Baltimore city, where the average rent increased by 6 percent to $2,200.

Most of the redevelopment in the metropolitan area has occurred in the city of Baltimore. Since 2000, approximately 3,370 homes in affordable and mixed-income developments have been built throughout the city. Baltimore Housing, the local housing and community development authority, developed a total of 250 subsidized homeownership units, which sold for prices ranging from $135,000 to $210,000. In addition, Baltimore Housing coordinated the development of 600 market-rate homes, which sold for prices up to $425,000 in the Little Italy neighborhood. The remaining 2,520 units include 120 market-rate rental apartments, 600 new public housing units, and 1,800 low-income housing tax credit units. More than 5,000 additional homes are planned for development during the next 10 years. The largest mixed-use development, located on the west side of the city of Baltimore, encompasses an area of approximately 100 blocks and will include the development of 1,800 new and rehabilitated market-rate homes, of which approximately 500 are expected to be rental units.

Boise, Idaho

Located in southwestern Idaho, the Boise metropolitan area consists of Ada, Canyon, Boise, Gem, and Owyhee Counties. Boise is the capital of Idaho and the economic hub for the southwestern area of the state and northwestern Oregon. Half of all manufacturing jobs are at firms producing computer-related products, making the Boise metropolitan area one of the leading high-technology centers in the northwestern region of the United States. A strong labor market, low business operating costs, and desirable quality-of-life factors have made Boise one of the fastest growing major metropolitan areas in the Northwest this decade; as of April 1, 2006, the population of the area was 567,640. According to the Census Bureau, between July 1, 2005, and July 1, 2006, the population increased by 4.1 percent compared with 2 percent for the Portland-Vancouver-Beaverton, Oregon metropolitan area and 1.7 percent for the Seattle-Tacoma-Bellevue, Washington metropolitan area. During the period, the population grew in the Boise metropolitan area at the fourth fastest rate in the United States for metropolitan areas with a population of 500,000 or more.

Job opportunities in the Boise metropolitan area grew rapidly during the 12-month period ending May 2007 as nonfarm employment increased by 5.3 percent from 261,130 to 275,000 jobs. Hiring by firms in the semiconductor industry increased the number of jobs in the manufacturing sector by 6.3 percent to an average of 11,600. In June 2007, Micron Technology, Inc., announced that 900 workers would be permanently laid off in the latter of half of 2007. This loss will more than offset the job gains achieved during the past 12 months in the manufacturing sector. The construction sector, trade sector, and professional and business services sector together accounted for 60 percent of the increase in employment during the 12-month period ending May 2007. Gains in construction employment stemmed from commercial and office space developed throughout the area. Employment in construction is expected to remain at high levels as several residential, commercial, and public building projects, such as the civic centers in Nampa and Star, a conference center in Meridian, a high-density residential neighborhood in central Eagle, and the construction of a 23-story condominium tower in Old Boise, are to be developed over the next several years.

Hiring in the trade sectors has been concentrated in general merchandise stores, where employment increased by 1,350 jobs for a 5.3-percent gain during the 12-month period ending May 2007 as national chain stores Home Depot U.S.A., Target Corporation, Wal-Mart Stores, Inc., and Office Depot, Inc., opened new stores. Job growth in retail trade is expected to remain strong as Whole Foods Market® and Kohl's Department Stores have announced plans to locate to the Boise metropolitan area. Employment in the professional and business services sector increased by 1,800 positions during the 12-month period ending May 2007, mainly due to hiring by firms offering administrative and building support services in response to newly developed office and commercial space. As a result of strong job growth during the past 12 months, the unemployment rate averaged 2.3 percent compared with 2.5 percent during the previous 12-month period.

During the past year, the sales market in the Boise metropolitan area changed from very tight to balanced. According to the Intermountain Multiple Listing Service, during the 12-month period ending June 2007, the number of days a for-sale home remained on the market rose from 21 to 52 and the supply of available inventory increased from 3 to 7 months. Sales of single-family homes slowed significantly during the past 12 months as demand fell in response to rising prices during 2006 and less-attractive borrowing opportunities. Sales of new and existing homes totaled 13,000 for the 12-month period ending June 2007 compared with a record number of 19,715 homes sold during the previous 12 months, a 34-percent decline. Current-year sales were the third highest on record and demand for sales housing remains relatively brisk as a strong labor market continues to spur household growth. The average sales price of new and existing homes, including condominiums, was $239,375 as of the 12-month period ending June 2007 compared with $215,400 a year earlier, an increase of 11 percent compared with an increase of 21 percent a year ago.

Due partly to increased materials costs and the trend toward building larger houses, the average sales price of a newly constructed home increased 16 percent to $276,625 during the past 12 months ending May 2007 compared with an 8-percent gain to $200,775 for an existing home. Sales of newly constructed homes fell by 44 percent due to decreased demand stemming from rising sales prices and a decline in purchases for uses other than primary residences, such as investor-owned and vacation homes. Home builders curtailed production as the construction of single-family homes, measured by the number of homes permitted, declined 52 percent to 4,975 for the 12-month period ending May 2007.

Condominium development in the Boise metropolitan area became a significant component of new construction activity beginning in 2006 with the start of several projects in the city of Boise. Redevelopment of the city's downtown core increased traffic congestion, and empty nesters choosing to simplify their living situation are among the factors that have increased demand for condominiums. Condominium developments currently under construction include R. Grey Lofts, Aspen Lofts, Royal Plaza, Cityside Lofts, and Grand Avenue. The five projects represent 185 condominiums, which will sell for between $230,000 and $450,000. Presale of condominium units has been strong among single women, young professionals, and older couples.

Strong demand for rental housing due to rising house prices and a strong local economy has created a tight rental market in the Boise metropolitan area. The rental apartment vacancy rate was 3.2 percent as of the first quarter of 2007 compared with 6.2 percent a year ago, according to a survey by Hendricks & Partners, Inc. The conversion of approximately 500 apartments to condominiums in the city of Boise has also contributed to tight rental market conditions in the metropolitan area. The average apartment rent increased by 4.5 percent from $638 to $681 between the first quarter of 2006 and the first quarter 2007.

Multifamily construction, as measured by the number of units permitted, totaled 1,096 units for the 12-month period ending June 2007, an increase of 39 percent compared with the previous 12 months. The development of triplex and fourplex apartment buildings dominated multifamily construction during the past year; these developments have accounted for two-thirds of the total number of multifamily units permitted since 2004. Typically, these buildings feature two-bedroom/two-bathroom units of about 1,200 square feet that rent for $650 a month. Building permits issued for large multifamily structures totaled 249 units for the 12-month period ending June 2007 compared with 122 units for the previous 12 months. The upward trend in rents has not been sufficient to offset rising development costs, especially land costs, and, as a result, no new large apartment complexes of more than 100 units are currently under construction.

Gainesville, Florida

The Gainesville metropolitan area is composed of Alachua and Gilchrist Counties in North Central Florida. Gainesville is home to the University of Florida (UF), one of the nation's largest universities, with an annual enrollment of nearly 50,000 students.

As a university town, Gainesville has many cultural and recreational amenities, including college sports teams, numerous art galleries, and live music venues, that are typically found in larger cities. This variety of amenities, combined with a favorable climate and expanding employment opportunities, has attracted more people to the area in recent years. The metropolitan area population is estimated to be 262,900 as of July 1, 2007. Since 2000, the population has been increasing by 4,200, or about 1.7 percent, a year. Most of that increase has been the result of net in-migration, which has averaged more than 3,100 people a year. According to the Census Bureau's 2005 American Community Survey, 20 percent of the metropolitan area population was between the ages of 18 and 24, compared with 8.5 percent for Florida and 9.1 percent for the United States.

UF is also the leading employer in the area, with more than 27,000 full- and part-time workers. Other large employers in the area include Shands Health-Care, with 7,500 workers, and the Veterans Affairs Medical Center, with 2,700 workers. The government sector accounts for more than 30 percent of nonfarm jobs in the metropolitan area. The education and health services sector represents another 17 percent of nonfarm employment.

Recent employment growth has been strong and broad based. Comparing the 12 months ending May 2007 with the same period a year earlier, metropolitan area nonfarm payrolls increased by about 2,800, or 2.1 percent, to 133,700. Employment in the professional and business services sector was up by 4.7 percent, or about 600 jobs, compared with a year earlier, and employment in the financial activities sector increased by 4.2 percent, or about 300 jobs, in the same period. The manufacturing sector added about 400 jobs during the 12-month period ending May 2007, which represents an increase of 8.4 percent. Employment in the transportation industry has also increased, due to the completion of several major distribution centers on Interstate 75 near Gainesville, including a 500,000-square-foot facility for foodservice provider SYSCO Corporation and a 1.25-million-square-foot Wal-Mart facility. The average unemployment rate remained relatively unchanged at 2.7 percent for the 12 months ending

May 2007 compared with 2.8 percent for the previous 12 months.

The steady economic and population growth has helped sustain home sales price appreciation in the area despite a slowdown in sales. According to data from the Florida Association of REALTORS® (FAR), sales of existing single-family homes in Gainesville totaled 3,625 for the 12 months ending May 2007, a decline of 19 percent compared with a year earlier. Despite the decrease in home sales, median sales prices for existing homes averaged $216,100 during the past 12 months, an increase of nearly 9 percent from the same period a year ago. Sales of existing condominiums for the 12 months ending May 2007 were down 17 percent from a year earlier, to 1,105 units, but condominium sales prices increased 10 percent during the same period, to $160,800. During the 12 months ending May 2007, Gainesville had the strongest sales price appreciation for single-family homes of all major Florida markets reported by FAR, and sales price increases for condominiums in Gainesville were the third strongest in the state.

The overall sales housing market is balanced to soft. Slowing home sales have led to an increase in unsold inventories. As of June 2007, more than 2,200 homes were for sale in the Gainesville area. At the current pace of sales, that figure represents more than a 7-month supply, which is up considerably from a year ago. As a result, area builders have scaled back housing construction. For the 12 months ending May 2007, single-family homes authorized by building permits were down nearly one-third from the same period a year earlier, falling from 1,258 to 887 units. Multifamily units authorized by permits fell by 12 percent during the same period, declining from 902 to 791 units.

About two-thirds of the multifamily units built in Gainesville over the past few years have been condominiums, particularly for developments located near the UF campus, so increases in the supply of apartments for rent have been limited. In addition, since 2004, an estimated 3,000 apartments have been converted to condominiums. As a result, the rental housing market in Gainesville has become somewhat tighter over the past few years although it remains relatively balanced. The current vacancy rate is estimated to be approximately 7.5 percent compared with 8.5 percent in 2004. In the past 2 years, rents in the area have been increasing by nearly 4 percent annually.

The largest group of renters in the metropolitan area is students. About 80 percent of UF students live off campus, and roughly half of those live in three- or four-bedroom units with separate leases for each occupant. The average rent paid by students living off campus is approximately $550 a month.

Grand Rapids, Michigan

The Grand Rapids metropolitan area comprises Kent, Barry, Ionia, and Newaygo Counties in western Michigan. The population in the metropolitan area as of June 1, 2007, is estimated at 777,900, a 0.7-percent average annual gain since 2000. Grand Rapids is located in Kent County, which has more than 73 percent of the area's population and 79 percent of the area's workforce. Grand Rapids, with a population of 192,400, is the second largest city in Michigan and a center for healthcare activity in western Michigan. According to the National Association of Home Builders/Wells Fargo Housing Market Index for the first quarter of 2007, Grand Rapids remains one of the most affordable housing markets in the nation.

Nonfarm employment averaged 393,000 jobs in the 12 months ending May 2007, which is stable compared with the level of employment in the previous 12-month period. The area economy, historically tied to the domestic automobile and office furniture industries, continues to move toward to a more service-centered base. The Grand Rapids economy lost 20,500 jobs between 2001 and 2004, with 83 percent of the loss occurring in the goods-producing sectors. In 2005, the economy had a moderate recovery with the addition of 4,600 jobs; since then, the level of employment has remained relatively stable. The primary growth sector continues to be education and health services, which added 1,300 jobs, or 2.3 percent, in the past 12 months and has added 12,400 jobs since 2000. The addition of 400 jobs in the financial activities sector and 100 jobs in the professional and business services sector during the past 12 months also has contributed to the economy. Job gains in the past year have been offset by the loss of 800 jobs in goods-producing sectors, 700 jobs in the retail trade sector, and 700 jobs in the local government subsector. The average unemployment rate increased slightly to 6.0 percent during the 12 months ending in May 2007 when compared with the 5.7-percent unemployment rate recorded for the previous 12 months.

A number of medical and health-related companies in the Grand Rapids area help serve the needs of western Michigan. The leading employer in the area is Spectrum Health, with 14,000 employees. Development of Health Hill on Michigan Avenue in downtown Grand Rapids includes Spectrum Health's new $250 million Helen DeVos Children's Hospital and the $78 million Lemmen-Holton Cancer Pavilion, scheduled to open in the fall of 2008. An additional $500 million investment is going into research, office, and medical school buildings on Health Hill. St. Mary's Health Care announced plans for the construction of the $60 million Hauenstein Center south of downtown, and Metro Health is developing a $150 million hospital set to open in the fall of 2007 in Wyoming, adjacent to southwest Grand Rapids. An estimated $1 billion of private investment is expected to create an additional 3,000 healthcare and research jobs by 2010.

Historically low mortgage interest rates and steady population growth supported a growing sales market between 2000 and 2005. According to the Grand Rapids Association of REALTORS® (GRAR), total residential sales increased by 5 percent annually from 2000 to 2005, with an average annual sales price increase of 4 percent. In 2006, however, total residential sales of 10,596 were 11 percent below the 2005 record-setting sales level, and the average sales price declined by 0.5 percent. The market is returning to sales levels similar to those established at the beginning of the decade, primarily as a result of rising mortgage interest rates. GRAR reported that for the 12 months ending May 2007, single-family home sales totaled 8,865, which was 15 percent less than the 10,459 sales recorded in the previous 12-month period; in the same period, condominium sales declined from 1,001 to 875 units. Average sales prices for single-family homes and condominium units were $159,100 and $142,800, respectively, for the 12 months ending May 2007. These prices represent a 3-percent decline for single-family homes and a 2-percent decline for condominiums. Homes priced in the $100,000-to-$160,000 range and homes priced above $600,000 currently constitute the strongest segments of the sales market.

In response to the slowing sales market and the rise in unsold inventory, builders in the Grand Rapids area have significantly reduced new home construction activity. As measured by the number of building permits issued, single-family home construction declined to 1,970 homes, or 34 percent, in the 12 months ending May 2007, down from 2,991 homes in the previous 12-month period. Annual production has not been this low in Grand Rapids since 1993. A typical starter home in the area contains three bedrooms, two baths, and a garage and currently is priced between $175,000 and $200,000.

Downtown Grand Rapids continues to be an active area for housing development. According to the Downtown Development Authority, the central business district has 2,500 residential housing units; 1,300 of those units have been built since 1995. Renaissance Zones, which provide temporary tax abatements, have spurred considerable condominium development, primarily for empty nester and young professional buyers. The developments appeal especially to people in health-related careers because of the proximity to healthcare facilities. Icon on Bond is a new nine-story residential tower scheduled to open August 2007 on the site of the former Grand Rapids Foundry. The $35 million complex has 118 condominium units ranging from a 728-square-foot unit priced in the low $200,000s to a 1,418-square-foot penthouse unit listed for $580,000. Approximately one-third of the units at Icon on Bond had preconstruction reservations. The Tall House, a 93-unit building located next to Van Andel Arena, has units starting at $159,000. Occupancy is anticipated for 2008.

Rental market conditions in Grand Rapids remain soft, but they have strengthened during the past year because multifamily rental development was limited and lending tightened in the single-family home sales market. According to the Property Management Association of West Michigan, the current apartment market vacancy rate is approximately 8 percent, a significant decline from the decade-high 11-percent annual vacancy rate in 2004. Average monthly rent for existing apartment units increased approximately 2 percent during the past year, but limited concessions continue. Average rents for new one-, two-, and three-bedroom market-rate units are $700, $875, and $1,150, respectively. No market-rate rental projects currently are under development; however, construction is under way on 44 units of student housing near the Grand Valley State University's Pew Campus southwest of downtown and 92 units of HOPE VI replacement housing south of downtown.

Multifamily construction activity, as measured by the number of building permits issued, totaled 445 units for the 12 months ending May 2007, relatively unchanged from the 427 units permitted in the previous 12-month period. Since 2000, multifamily development has averaged 490 units annually; condominium units accounted for two-thirds of this development. With the large inventory of for-sale units, the strengthening rental market, and the decline in home sales, some projects permitted as condominiums are expected to be converted to rental housing.

Knoxville, Tennessee

The Knoxville metropolitan area consists of Anderson, Blount, Knox, Loudon, and Union Counties in eastern Tennessee. The city of Knoxville is divided by the Tennessee River and lies 45 miles west of America's most visited national park, Great Smoky Mountains. Knoxville is the third largest metropolitan area in Tennessee, with an estimated population of 681,400 as of July 1, 2007. The population has increased by an average annual rate of 9,000, or 1.4 percent, since the 2000 Census.

The Knoxville economy is stable and includes major employers such as the U.S. Department of Energy (DOE), Covenant Health, and the University of Tennessee (UT). With approximately 12,000 employees, including contractors, the leading employer in the metropolitan area is DOE, which includes the Oak Ridge National Laboratory (ORNL) and the Y-12 National Security Complex. The presence of DOE was established during World War II for the Manhattan Project and has made the area a regional center for science and technology employment. The second largest employer is Covenant Health, with 8,650 people employed in 10 area hospitals and other medical facilities. The third largest employer is UT, with approximately 8,300 employees, a student enrollment of 26,400, and an annual budget of more than $1 billion. The university is a partner in UT-Battelle, a division of ORNL, in which students and staff participate in science and energy research.

Nonfarm employment in Knoxville increased by 1.9 percent during the 12 months ending May 2007 compared with the previous 12 months. Employment in the goods-producing sectors increased by 1,500 jobs, or 2.6 percent, during this period, despite the continued decline in manufacturing employment. Employment in the service-providing sectors increased from 272,700 to 277,300 jobs during the past 12 months, or by 1.7 percent. The transportation and utilities sector grew at the fastest rate of 3.8 percent followed by the retail trade and leisure and hospitality sectors, both of which grew by 2.9 percent. The unemployment rate decreased from 4.3 to 3.9 percent during the past 12 months.

Residential construction has slowed during the 12-month period ending May 2007 in response to decreased demand caused by rising interest rates and more strict lending requirements by mortgage lenders. The construction of single-family homes, as measured by residential building permits, decreased from 4,300 to 4,125 homes and the construction of multifamily units decreased from 850 to 670. The slowdown in multifamily construction can be attributed to a decrease in condominium construction, which accounted for approximately 45 percent of multifamily units permitted. Despite the slowdown in multifamily construction, residential and commercial construction has continued to increase in downtown Knoxville as local officials work to revitalize the area. Plans were recently announced to build a 21-story highrise building downtown, with 63 condominiums and townhomes and 39,000 square feet of retail and office space to be completed in 2 to 3 years. Since 2000, the construction of seasonal housing, consisting primarily of mountain cabins and lake homes, has increased significantly in the metropolitan area because of its proximity to vacation destinations in Great Smoky Mountains National Park. It is estimated that the amount of seasonal housing increased by approximately 175 percent from 2,550 units in 2000 to 7,000 units as of July 1, 2007.

Home sales market conditions in Knoxville are becoming balanced again after approximately 3 years of slightly tight conditions. Sales of new and existing homes decreased during the 12 months ending May 2007 after registering record highs during the previous 12 months. According to the Knoxville Association of REALTORS®, the number of single-family homes sold decreased by 8 percent to 14,600 homes, and the number of condominiums sold decreased by 3 percent to 1,950 units. The number of available condominiums outpaced the number of units sold, and the unsold inventory was up by 32 percent to 3,275 units. The unsold inventory of single-family homes also increased during the past 12 months, up by 18 percent to 27,250 homes. Despite the lower number of sales, the average sales price of homes sold increased by 5 percent to $192,100 while the average sales price for condominiums remained unchanged at $164,000.

Apartment market conditions in the Knoxville area have tightened during the past year because of increased demand for rental units and lower levels of apartment construction. In 2004, apartment market conditions were soft, with a vacancy rate of 9.9 percent and an average rent of $383 in the first quarter, according to the Apartment Association of Greater Knoxville (AAGK). As of the first quarter of 2007, the vacancy rate had dropped to 5 percent and the average rent had increased to $626. According to Reis, Inc., net absorption increased during the 12 months ending March 2007 to 276 units compared with 107 units during the previous 12 months. Apartment absorption returned to positive levels in 2005 after 3 years of negative levels recorded from 2001 to 2004.

Apartments in Knoxville targeted to UT students had average rents of $953 a month, according to the first quarter 2007 AAGK Apartment Market Survey, and were nearly 100-percent occupied. During the past 3 years, condominium developments targeted to parents as investment properties have become a housing option for UT students. One property, built in 2006, presold 130 out of 143 units 4 months before completion. Sales prices were $140,000 for a two-bedroom unit, $175,000 for a three-bedroom unit, and $200,000 for a four-bedroom unit.

Miami-Miami Beach-Kendall, Florida

The Miami-Miami Beach-Kendall Metropolitan Division, located on the southeast coast of Florida, is defined as Miami-Dade County. Available land for commercial and residential development is limited to the eastern third of the county because much of the western portion of the county is part of the Everglades Conservation Area. Tourism, both domestic and foreign, has a significant effect on the economy of the area. Each year, 10 million visitors contribute $11 billion to the local economy.

The estimated population of the metropolitan area is 2,484,000 as of July 1, 2007, an increase of 31,900, or 1.4 percent, a year since April 1, 2000. More than half the growth since 2000 has resulted from the in-migration of people from the Caribbean and Latin America. Miami is the largest city in the metropolitan area with a Census Bureau-estimated population of 404,000 as of July 1, 2006.

The economy in Miami-Dade County, once predominately dependent on tourism and retirees, is now more broad based and diversified. Its proximity to Latin America and the Caribbean makes it a center of international trade. Miami International Airport, with an annual economic impact of $18.6 billion, is the nation's top airport for international freight and the third largest for international passengers. The Port of Miami, which contributes $8 billion to the local economy each year, ranks first among the state's ports and ninth in the United States. International banking is another growing segment of the economy. Banks from Brazil, the United Kingdom, Canada, France, Germany, Israel, Japan, Spain, and Venezuela have offices in Miami-Dade County, representing the largest concentration of international banks on the East Coast south of New York City.

The three largest employment sectors, which account for 42 percent of nonfarm employment, are wholesale and retail trade, education and health services, and leisure and hospitality. Total nonfarm employment averaged 1,054,400 jobs for the 12 months ending June 2007, an increase of 14,300 jobs, or 1.4 percent, compared with the previous 12 months. Professional and business services had the largest percentage gain of any sector, increasing by 4.3 percent, or 2,800 jobs. The trade sector posted the largest numerical increase, with 4,200 jobs added during the past 12 months. Driven by the thriving international commerce, the wholesale trade subsector accounted for almost 60 percent of this increase. In the past 12 months, the unemployment rate in the area decreased from 4.0 to 3.5 percent, the lowest rate in 20 years. Jackson Health System, with more than 11,000 employees, and Baptist Health South Florida, with more than 10,000 employees, are the two largest private employers in the metropolitan area. Other major employers include the University of Miami, Miami-Dade College, and AmericanAirlines®.

Current conditions in the single-family housing market are soft. Data from Reinhold P. Wolff Economic Research, a local real estate analysis firm, indicate new single-family home sales totaled 10,300 during the past 12 months, as compared with 14,000 a year ago, a decrease of 26 percent. Although the number of sales slipped, prices continued to increase. The median price of a new home in Miami-Dade County is $336,700 compared with $280,900 a year ago, an increase of 20 percent. The three areas with the greatest new home sales activity were Perrine, Cutler Ridge, and Miami Springs. According to the Florida Association of REALTORS®, sales of existing single-family homes totaled approximately 7,025 in the metropolitan area for the year ending June 2007, a decrease of 27 percent compared with the 9,675 sales for the same period a year ago. The median price for an existing home increased 1.7 percent to $379,700 from $373,150 a year ago. New construction activity is concentrated in southwest Miami-Dade County because sufficient land remains for development. Home prices in that area often are relatively lower than in other parts of the metropolitan area because of the longer commute to employment centers.

Condominiums have become an important element in the sales housing market as a result of increased costs of land and construction and double-digit price increases of single-family homes beginning in 2002. From 2002 through 2006, the number of multifamily units authorized by building permits averaged 11,600 units a year; an average of 6,600 units a year were permitted from 1998 through 2001. More than 85 percent of multifamily units permitted during the 2002-through-2006 period were for owner occupancy.

Only 6,600 rental apartment units were completed during the 5-year span, according to data available from Reis, Inc. In addition to the multifamily units produced for sale, an average of 8,250 single-family homes were permitted each year from 2002 to 2006 compared with an average of 6,500 during the previous 3 years. Single-family home construction, as measured by the number of building permits issued, fell significantly to 4,350 homes for the 12 months ending June 2007, down from 8,325 during the same period a year before.

The condominium market is beginning to soften. According to the second quarter 2007 housing report by Reinhold P. Wolff Economic Research, sales of new condominium units, as measured by deed recordings, totaled 18,400 for the 12 months ending March 2007; 26,200 deeds were recorded in the previous 12-month period. The three areas with the greatest sales activity were Miami Lakes, the Coral Gables-Bayshore-South Miami area, and the Perrine-Cutler Ridge area. According to Wolff data, the median price for a new condominium was $248,995 in the first quarter of 2007, 3 percent more than the median price of $241,717 in the first quarter of 2006. According to data from the Florida Association of REALTORS® (FAR), for the 12 months ending June 2007, sales of existing condominium units totaled 7,400 units, which is 35 percent lower than sales for the same period a year ago, when 11,350 existing units were sold. The median price of an existing condo in the metropolitan area, according to FAR, decreased 7.6 percent to $388,000 during the past 12 months. Apartment conversions are priced considerably less than newly constructed units but are treated as "new" in the recording process, which is why the median price for a new condominium is less than that for an existing one.

Condominium sales have affected the rental market as well as the sales market. Almost 28,000 apartment units have been converted to condominiums since the beginning of 2003. As a result, conditions in the rental market have become tight in the metropolitan area; the vacancy rate fell from 6.5 percent at the beginning of 2003 to 3.9 percent during the second quarter of 2007. One result of the decreasing supply of rental units is rising rents. The average effective rent increased from $999 in the second quarter of 2006 to $1,056 in the second quarter of 2007, an increase of 5.7 percent, according to Reis, Inc. This increase follows a 6.2-percent increase from 2005 to 2006. Rents are expected to continue on an upward trend, but the increase will not be as sharp because the supply of apartments is expected to increase. Lower vacancy rates combined with increasing rents are luring developers back to apartment construction. Also, demand for condominiums is not keeping pace with new construction, and conversions are creating an oversupply of condominium units in the metropolitan area. As investors have an increasingly difficult time finding buyers, many units will revert to the rental market, which will further increase the apartment supply.

Rockford, Illinois

The Rockford metropolitan area, defined as Boone and Winnebago Counties, is located 85 miles northwest of Chicago. Between July 1, 2005, and July 1, 2007, population growth in the metropolitan area averaged 5,200 annually, or 3.0 percent, compared with 4,000 annually during the previous 2-year period. Approximately 60 percent of the population growth in the area was due to net in-migration; people are locating to this area because of the availability of relatively affordable housing and increasing employment opportunities. Winnebago County accounted for 85 percent of the growth in the metropolitan area. As of July 1, 2007, the estimated population of the Rockford metropolitan area was 356,900.

The economy of the area is growing at a moderate pace. Nonfarm employment increased by 2,800 jobs, or 1.8 percent, in the 12 months ending May 2007 compared with the previous 12-month period. The manufacturing sector, which accounted for 42 percent of all nonfarm job growth, had the largest gain during the period, growing by 1,200 jobs, or 3.8 percent. Although manufacturing employment is stable or declining in most areas of the Midwest, the growth of automobile manufacturing in the Rockford metropolitan area has been strong and is being led by DaimlerChrysler, the leading employer in the area, with 3,800 employees. During the 2-year period ending May 2007, the manufacturing sector added approximately 2,000 jobs, primarily attributable to the addition of second and third shifts at the DaimlerChrysler Belvidere Assembly Plant in Belvidere, Illinois.

The healthcare industry, which employs more than 9,000 workers, added nearly 200 jobs, an increase of 2.0 percent, as a result of expansions of specialized medical centers and growing numbers of teaching facilities. Rockford Health System is the second leading employer in the area, with 3,050 employees. The professional and business services sector added 700 jobs, or 7.8 percent, due to increased temporary employment by management companies. The retail trade sector also expanded, adding 500 jobs to serve the growing population in the Rockford metropolitan area. The average unemployment rate was 5.2 percent for the 12 months ending May 2007 compared with 6.2 percent for the 12 months ending May 2006.

Sales of new and existing homes have been strong for the past 4 years, averaging 2,200 homes a year, but recent sales activity has slowed as a result of higher mortgage interest rates. In 2006, the Rockford Area Association of REALTORS® reported record sales of 7,200 new and existing single-family homes, townhomes, and condominiums compared with 7,150 homes sold in 2005. During the 12-month period ending June 2007, sales of new and existing homes totaled 6,700 units, down 11 percent from the previous 12 months. According to the NATIONAL ASSOCIATION OF REALTORS® (NAR), the median sales price of existing homes in the Rockford metropolitan area decreased by 1.5 percent to $113,000 in the first quarter of 2007 compared with $114,800 a year earlier.

The availability of land for residential construction, the inventory of relatively affordable sales and rental housing, and easy access to State Highway 173 and Interstate 90 have made Rockford a viable housing alternative for workers employed in the Chicago metropolitan area. In 2006, approximately 42,000 Rockford residents commuted to work outside the metropolitan area, an increase of 68 percent compared with the number of commuters in 2000. In Boone County, which is closest to Chicago, almost 30 percent of employed residents commuted to jobs outside the county in 2006. According to NAR, the median sales price of existing homes in the Rockford metropolitan area, at $113,100 for the first quarter of 2007, was 58 percent lower than the median sales price of existing homes in Chicago, at $267,300, for the same period.

Population growth and greater demand for new homes prompted builders in the Rockford metropolitan area to increase the production of single-family homes starting in 2003. Between 2003 and 2006, single-family home construction, as measured by the number of building permits issued, increased to approximately 2,400 units annually. This figure represents a 45-percent increase compared with an average of 1,650 units permitted annually between 1999 and 2002. During the 12 months ending May 2007, however, building permits for single-family homes decreased by 23 percent as builders responded to higher interest rates and slower sales evidenced by an increasing inventory of unsold new homes. A total of 1,700 single-family building permits were issued during the period compared with 2,200 units permitted during the 12 months ending May 2006.

During the 12-month period ending June 2007, the unsold inventory of new and existing homes totaled 2,870 units, up 17 percent compared with the previous 12-month period.

Multifamily construction in the metropolitan area, as measured by the number of units permitted, also slowed during the 12 months ending May 2007. Higher interest rates and an excess inventory of unsold condominiums resulted in a decline in multifamily construction. During the period, building permits were issued for 150 multifamily units, down 63 percent from the previous 12-month period and down 67 percent from the average annual number of 430 units that have been permitted since 2000. The Home Builders Association of the Greater Rockford Area estimates that approximately one-half of the multifamily units built since 2000 were for condominiums in attached and fourplex developments. During this 7-year period, Winnebago County accounted for 2,750 units, or 90 percent of total multifamily building activity in the metropolitan area.

Rental housing market conditions are tightening due to the strengthening of the local economy, increased demand for rental housing, and the low level of apartment construction during the 12-month period ending May 2007. The apartment vacancy rate in the metropolitan area was 8 percent in June 2007, down from 10 percent a year earlier, according to the Rockford Apartment Association. The average rent increased by nearly 2 percent in the second quarter of 2007 compared with the second quarter of 2006. Average rents for one-, two-, and three-bedroom units in newly constructed developments are approximately $550, $750, and $900, respectively. The rental housing market is expected to continue to improve during the next 12 months as a result of continued household growth and limited new rental construction.

San Francisco, California

The San Francisco Housing Market Area (HMA) encompasses the two counties of Marin and San Mateo and the city-county of San Francisco. As of July 1, 2007, the HMA population is estimated to be 1,740,000, with an average annual gain of 1,400, or 0.1 percent, since 2000. The city of San Francisco and San Mateo County are nearly equal in population, with 766,000 and 731,000, respectively, or 44 and 42 percent of the population of the HMA. Separated by the San Francisco Bay from the two other HMA counties, Marin County has 14 percent of the population. Since 2000, net population growth in the HMA has resulted from net natural increase (resident births minus resident deaths). The continued domestic out-migration of residents to lower cost housing markets in the Oakland and San Jose metropolitan areas has outpaced total domestic and international in-migration.

The San Francisco HMA economy is currently in its third year of recovery since the decline of the high-technology industry in the early 2000s. In the 12 months ending June 2007, total employment in the HMA increased by 24,250 jobs to 973,500, a 2.6-percent increase compared with the previous 12-month period. The average unemployment rate for the 12 months ending June 2007 was 3.8 percent, down from 4.2 percent in the previous 12-month period. Approximately two-thirds of the job growth originated in three service-providing sectors: professional and business services, up 8,100 jobs; leisure and hospitality, up 3,750; and education and health services, up 3,625. Dominated by mid-sized accounting, consulting, and law firms, the professional and business services sector is the largest in the HMA, accounting for 20 percent of all nonfarm jobs. Despite recent growth, employment in the professional and business services sector remains below the level in 2000 as a result of the 50,400 jobs lost in the early 2000s. The January 2006 opening of the Four Seasons Hotel in East Palo Alto (San Mateo County) and the openings of two additional hotels in downtown San Francisco during the past 2 years were primarily responsible for the increase in the leisure and hospitality sector. The education and health services sector continued to gain jobs as major private hospitals throughout the HMA added staff.

The San Francisco HMA economy is a diversified service-based economy. Government is the second-largest employment sector, with 14 percent of all nonfarm jobs. The leading employer in the HMA is the University of California, San Francisco (UCSF), with 18,200 faculty and staff and 2,875 students. With a new 43-acre campus, UCSF is a key participant in the redevelopment of the Mission Bay neighborhood in the city of San Francisco. The UCSF Mission Bay campus, to be completed by 2020, will have 9,000 employees and a new $1.3 billion, 289-bed, cancer-care hospital. Construction is expected to begin in 2011. The $240 million Helen Diller Family Cancer Research Building under construction on the UCSF Mission Bay campus will be complete by the fall of 2008. The third-largest employment sector, with a 13-percent share, is leisure and hospitality. In 2006, the city of San Francisco hosted nearly 16 million visitors, a record number, who generated almost $8 billion in revenue. The San Francisco International Airport in San Mateo County also provides key support for the tourism industry. United Air Lines, Inc., is the second leading employer in the HMA, with about 10,000 local employees. The new Virgin America airline, with flights beginning August 2007, is expected to create at least 3,000 local jobs in the next several years.

After very tight conditions in the past 10 years, the sales market in the HMA currently is balanced. Unsold inventory of new and existing homes has increased recently, but it remains balanced at a level of less than a 4-month supply. According to the Real Estate Research Council (RERC), the sales volume of existing homes was 17,800 in the 12 months ending March 2007, a decline of 16 percent compared with the previous 12-month period. Nearly 48 percent of the homes were sold in San Mateo County. In the city of San Francisco and Marin County, home sales constituted 32 and 20 percent, respectively, of the HMA total. As of the 12 months ending March 2007, the median sales price of existing homes was $780,000, an increase of 1 percent from the previous 12-month period. Unlike sales of existing homes, new home sales consist primarily of condominiums. In the 12 months ending March 2007, sales of new homes totaled 1,750 units, a 7-percent increase compared with the previous 12-month period. The median sales price of new homes, however, declined 3 percent to $645,800. Competition for buyers has increased as at least eight highrise condominium towers in the city of San Francisco, with a combined total of 1,400 units, are preselling units. Approximately 72 percent of the new housing sold during the past 12 months was in the city of San Francisco.

Mortgage interest rates were at historic lows in 2003, which provided strong financial incentive for buyers and investors, who pushed total home sales to a record level in 2004. RERC indicates that sales in 2004 totaled 27,500 new and existing homes, or an 18-percent increase over the previous 10-year average annual volume of 23,400. As mortgage interest rates and home prices continued to increase, many buyers faced increasing affordability constraints, and sales activity in the past 3 years decreased. According to the National Association of Home Builders/Wells Fargo Housing Market Index, only 6.7 percent of all homes sold in the HMA in the first quarter of 2007 were affordable to families earning the HMA median household income of $86,500. In contrast, the same index reported that 16.5 percent of all homes sold in the fourth quarter of 2003 were affordable.

Single-family home construction, as measured by the number of building permits issued, has decreased recently in the HMA. In the 12 months ending June 2007, 829 single-family home building permits were issued, a decrease of 18 percent from the previous 12-month period. Nearly 55 percent of the construction occurred in San Mateo County, followed by Marin County and the city of San Francisco, which accounted for 37 and 8 percent, respectively. Because of limited land available for development, tract-style construction is atypical in the HMA. The recent decrease in single-family construction activity reflects the buildout of developable land. The newest area of single-family home development involved the conversion of the former Hamilton Field at Hamilton Air Force Base in Marin County, where homes began to sell in 1998. Hamilton Field now has 2,150 residential units, which include 770 income-restricted units. This year, a lottery was used to allocate sales in the final project: 351 income-restricted townhouses at Meadow Park at Hamilton.

New residential construction in the HMA consists primarily of multifamily condominium buildings. After multifamily development had been increasing from 2003 through 2006, it declined 51 percent to 2,084 units in the 12 months ending June 2007. Since the median sales price of condominiums began to decrease in 2005, builders have scaled back development. The city of San Francisco has the greatest amount of multifamily development, accounting for 69 percent of the activity during the 12 months ending June 2007. Most new housing construction in San Francisco is in the South of Market Area (SoMa), which includes Mission Bay. Designated for redevelopment in 1998, the 303-acre Mission Bay area has five condominium projects under construction with approximately 720 units. Two other SoMa projects under construction, One Rincon Hill and Soma Grand have a total of 622 condominium units, with completion expected in 2008 and late 2007, respectively. Market-rate homes in SoMa currently start in the $500,000s.

Currently, the rental market in the HMA is tight. Rising employment has created rental demand, but the pace of new rental-unit construction has continued to decrease as builders have focused primarily on for-sale housing. According to RealFacts, the rental vacancy rate in the HMA was 4.1 percent in the first quarter of 2007, lower than the 4.4-percent vacancy rate recorded in the first quarter of 2006. The average asking rent increased by 8 percent to $1,773 in the first quarter of 2007 when compared with the same quarter in 2006. The current average rents by unit type are as follows: one-bedroom unit, $1,596; two-bedroom/two-bathroom unit, $2,177; and three-bedroom/two-bathroom unit, $2,384. Although most apartment construction is for the luxury market, some affordable units continue to be built in the HMA. Of the 6,000 residential units to be developed at Mission Bay over the next 25 years, 28 percent will be set aside for affordable housing. The 140-unit Mission Creek Senior Community, completed in 2006, is the most recent addition. Two nonprofit organizations are currently building 250 affordable units in the Tenderloin district of San Francisco.

Stockton, California

The Stockton Housing Market Area (HMA), which is coterminous with San Joaquin County, is located in the Central Valley area of Northern California. The county is a bedroom community for the higher cost San Francisco Bay and Sacramento metropolitan areas. As of June 2007, the HMA population is estimated at 691,200, a 2.8-percent average annual gain since the 2000 Census. From 2000 to June 2007, the average annual net in-migration was 11,450 people.

During the 12 months ending June 2007, nonfarm employment averaged 209,800 jobs, an increase of 4,150, or 1.2 percent, from the previous 12 months, making the HMA one of the faster growing areas in the Central Valley. The transportation and utilities sector had the largest increase in jobs, adding 2,900, or 22 percent, primarily in the trucking, air transportation, and warehousing industries, in the past year. The Port of Stockton, with approximately 4,500 jobs, continues to have a stabilizing influence on the local economy, facilitating trade mainly in rice and fertilizer with more than 55 countries worldwide. A major regional airport, state and interstate highways, and several railways—Union Pacific, BNSF, Altamont Commuter Express (ACE), and Amtrak—also provide strong support for the economic base of the HMA. ACE, which serves the San Francisco Bay Area, plans to expand to Sacramento and other Central Valley cities. The wholesale trade and professional and business services sectors each added 700 jobs in the past year.

Employment in the other major sectors, which include government, education and health services, and financial activities, changed little in the HMA in the past year. Government is the leading employer in San Joaquin County, with local government accounting for approximately 80 percent of the government jobs. The county is the leading government employer, providing relative stability in its 6,500-employee workforce in the past year. The other major employers in the area, Saint Joseph's Medical Center, with 4,000 employees, San Joaquin General Hospital, with 1,780 employees, and Kaiser Permanente, with 1,065 employees, all expanded during the past 2 years. San Joaquin Delta College and the University of the Pacific each employ 1,000 workers.

The previously booming construction sector added approximately 1,000 jobs, or 8 percent, annually from 2000 to 2005, but the sector lost 600 jobs in 2006 and 1,000 jobs in the past 12 months. These losses reflected a lower level of homebuilding. The construction sector is expected to improve during the next year with the beginning of several major projects, including a $42-million Phase II Chabot Commerce Center project in Tracy, a $14-million Agricultural Center Phase 2 project in Stockton, and a $24-million Sheraton Hotel and Convention Center in Stockton. The unemployment rate in the HMA remained relatively unchanged at 7.4 percent in the 12 months ending June 2007.

The sales housing market moved from tight conditions in 2005 to more balanced conditions in the first quarter of 2007, with a current sales vacancy rate of 2.0 percent. Higher interest rates and high home prices have caused new and existing home sales to decrease to 11,500 in the 12 months ending March 2007, which is 35 percent below the level of the previous 12 months, according to Real Estate Research Council data. Sales were well below the average of 16,000 sales annually recorded from 2001 through 2005. In the 12 months ending March 2007, the average unsold inventory for new homes increased to 735 units, from 510 in the previous year, which was the highest level since 2000. During the 12 months ending May 2007, building permits issued for single-family homes declined by 35 percent to 1,350 units as builders delayed construction in reaction to the decline in home sales and increases in the unsold inventory. In the first quarter of 2007, the median sales prices for new and existing single-family homes were $474,000 and $375,400, respectively, or nearly 13 percent and 5 percent less than a year ago, after more than doubling between 2000 and 2006.

In the 12 months ending March 2007, most home sales took place in Stockton, where 886 new units were sold at an average price of $432,900. The city of Mountain House ranked second, recording 753 new units sold at the highest average price in the HMA, $647,541, primarily because of its closer location to the San Francisco Bay Area. Sales in the cities of Manteca and Lathrop, which are adjacent to Stockton, numbered 540 and 517 units, respectively. Sales in Tracy, the fastest growing area in 2004, numbered only 196 units because of more competition from areas with shorter commutes to job centers in the San Francisco and Sacramento areas. Migration from Sacramento is now creating rapid growth in Lockeford, a historic town with a population of 3,200. A planned subdivision of 500 single-family units will add approximately 1,400 people to the population of Lockeford starting in 2007.

The rental market in the HMA is balanced, with a current vacancy rate of approximately 5 percent. Growth in the adjacent San Francisco Bay Area and Sacramento area has created additional demand for rental units in the HMA, particularly in the cities of Manteca, Tracy, and Lodi. The recent low level of rental production is another factor that has kept the rental market balanced. Since 2000, approximately 260 multifamily units have been permitted annually. For the 12 months ending May 2007, the number of multifamily units permitted declined by 61 percent to 96 units when compared with the previous 12 months. Production in 2005 and 2006 was limited to a few small apartment projects in Stockton, Lodi, and Manteca. In 2007, plans call for development of approximately 500 affordable tax-credit units in the HMA, which will bring the total number of tax-credit units provided since 2000 to 1,440 compared with 1,300 units built in the 1990s. Existing tax-credit properties are fully occupied, with about 25 percent of the units designated for the elderly.

The average rents in the HMA continue to increase, although not as much as they did during the early 2000s. Since 2004, rent increases have slowed to approximately 2 percent annually compared with approximately 5 percent a year from 2000 to 2003, mainly because lower sales prices enable more renters to become owners. In the first quarter of 2007, average rents reached $842, which represents the highest average rent in the Central Valley, according to CB Richard Ellis data. Because Tracy and Manteca are along highways that provide high accessibility to the San Francisco Bay Area, their average rents of $986 and $926, respectively, were higher than all the other cities in the HMA. The average rent in Lodi also remained high at $877 in the first quarter of 2007 because of Lodi's proximity to the Sacramento area. Average rents in the county by bedroom type are $870 and $1,080 for two- and three-bedroom units, respectively, and $1,360 for three-bedroom townhouses, according to data from the *RealFacts Report* for the first quarter of 2007.

Units Authorized by Building Permits, Year to Date: HUD Regions and States

HUD Region and State	2007 Through June			2006 Through June			Ratio: 2007/2006 Through June		
	Total	Single Family	Multi-family*	Total	Single Family	Multi-family*	Total	Single Family	Multi-family*
Connecticut	3,857	2,545	1,312	4,876	3,599	1,277	0.791	0.707	1.027
Maine	2,926	2,573	353	3,881	3,523	358	0.754	0.730	0.986
Massachusetts	7,838	4,260	3,578	11,275	6,120	5,155	0.695	0.696	0.694
New Hampshire	2,248	1,991	257	3,120	2,677	443	0.721	0.744	0.580
Rhode Island	1,042	752	290	1,213	799	414	0.859	0.941	0.700
Vermont	1,000	874	126	1,457	1,252	205	0.686	0.698	0.615
New England	**18,911**	**12,995**	**5,916**	**25,822**	**17,970**	**7,852**	**0.732**	**0.723**	**0.753**
New Jersey	11,995	6,655	5,340	16,895	9,411	7,484	0.710	0.707	0.714
New York	27,661	8,878	18,783	27,524	10,632	16,892	1.005	0.835	1.112
New York/New Jersey	**39,656**	**15,533**	**24,123**	**44,419**	**20,043**	**24,376**	**0.893**	**0.775**	**0.990**
Delaware	3,016	2,507	509	3,443	2,754	689	0.876	0.910	0.739
District of Columbia	1,335	504	831	1,539	45	1,494	0.867	11.200	0.556
Maryland	11,804	7,841	3,963	14,869	11,304	3,565	0.794	0.694	1.112
Pennsylvania	18,417	15,179	3,238	22,033	18,402	3,631	0.836	0.825	0.892
Virginia	20,401	17,424	2,977	26,789	22,651	4,138	0.762	0.769	0.719
West Virginia	2,026	1,916	110	2,775	2,673	102	0.730	0.717	1.078
Mid-Atlantic	**56,999**	**45,371**	**11,628**	**71,448**	**57,829**	**13,619**	**0.798**	**0.785**	**0.854**
Alabama	12,715	10,759	1,956	16,205	12,986	3,219	0.785	0.829	0.608
Florida	62,985	43,880	19,105	126,921	94,393	32,528	0.496	0.465	0.587
Georgia	43,383	32,576	10,807	55,192	46,067	9,125	0.786	0.707	1.184
Kentucky	8,125	6,638	1,487	8,383	7,058	1,325	0.969	0.940	1.122
Mississippi	10,324	6,447	3,877	8,642	7,460	1,182	1.195	0.864	3.280
North Carolina	46,140	38,876	7,264	54,626	45,259	9,367	0.845	0.859	0.775
South Carolina	22,881	18,374	4,507	28,523	23,400	5,123	0.802	0.785	0.880
Tennessee	19,736	16,701	3,035	23,953	20,481	3,472	0.824	0.815	0.874
Southeast/Caribbean	**226,289**	**174,251**	**52,038**	**322,445**	**257,104**	**65,341**	**0.702**	**0.678**	**0.796**
Illinois	24,129	13,925	10,204	32,774	22,004	10,770	0.736	0.633	0.947
Indiana	13,119	10,647	2,472	15,867	13,401	2,466	0.827	0.794	1.002
Michigan	9,196	8,266	930	16,338	14,126	2,212	0.563	0.585	0.420
Minnesota	8,781	7,450	1,331	14,226	11,759	2,467	0.617	0.634	0.540
Ohio	17,147	14,005	3,142	22,368	19,011	3,357	0.767	0.737	0.936
Wisconsin	10,792	8,516	2,276	14,830	11,476	3,354	0.728	0.742	0.679
Midwest	**83,164**	**62,809**	**20,355**	**116,403**	**91,777**	**24,626**	**0.714**	**0.684**	**0.827**
Arkansas	5,731	4,256	1,475	7,743	6,008	1,735	0.740	0.708	0.850
Louisiana	11,882	8,742	3,140	11,979	10,899	1,080	0.992	0.802	2.907
New Mexico	5,510	5,008	502	7,308	6,787	521	0.754	0.738	0.964
Oklahoma	7,946	6,323	1,623	9,094	7,845	1,249	0.874	0.806	1.299
Texas	94,718	67,685	27,033	119,315	91,112	28,203	0.794	0.743	0.959
Southwest	**125,787**	**92,014**	**33,773**	**155,439**	**122,651**	**32,788**	**0.809**	**0.750**	**1.030**
Iowa	5,477	4,276	1,201	6,827	5,392	1,435	0.802	0.793	0.837
Kansas	5,395	4,091	1,304	7,033	5,425	1,608	0.767	0.754	0.811
Missouri	10,985	7,982	3,003	14,778	10,270	4,508	0.743	0.777	0.666
Nebraska	3,709	3,253	456	4,416	3,872	544	0.840	0.840	0.838
Great Plains	**25,566**	**19,602**	**5,964**	**33,054**	**24,959**	**8,095**	**0.773**	**0.785**	**0.737**
Colorado	16,982	11,962	5,020	23,250	18,186	5,064	0.730	0.658	0.991
Montana	2,577	1,842	735	2,528	1,952	576	1.019	0.944	1.276
North Dakota	1,464	1,034	430	1,478	973	505	0.991	1.063	0.851
South Dakota	2,769	1,928	841	3,580	2,387	1,193	0.773	0.808	0.705
Utah	11,447	10,085	1,362	13,399	11,870	1,529	0.854	0.850	0.891
Wyoming	1,561	1,411	150	1,555	1,272	283	1.004	1.109	0.530
Rocky Mountain	**36,800**	**28,262**	**8,538**	**45,790**	**36,640**	**9,150**	**0.804**	**0.771**	**0.933**
Arizona	30,823	24,783	6,040	41,490	35,099	6,391	0.743	0.706	0.945
California	61,542	41,265	20,277	91,301	62,855	28,446	0.674	0.657	0.713
Hawaii	4,161	2,587	1,574	3,978	2,983	995	1.046	0.867	1.582
Nevada	12,282	10,476	1,806	25,779	17,595	8,184	0.476	0.595	0.221
Pacific	**108,808**	**79,111**	**29,697**	**162,548**	**118,532**	**44,016**	**0.669**	**0.667**	**0.675**
Alaska	982	543	439	1,646	960	686	0.597	0.566	0.640
Idaho	7,350	6,062	1,288	10,005	9,072	933	0.735	0.668	1.380
Oregon	12,765	9,347	3,418	15,514	11,592	3,922	0.823	0.806	0.871
Washington	24,162	17,062	7,100	25,272	18,988	6,284	0.956	0.899	1.130
Northwest	**45,259**	**33,014**	**12,245**	**52,437**	**40,612**	**11,825**	**0.863**	**0.813**	**1.036**
United States	**767,239**	**562,962**	**204,277**	**1,029,805**	**788,117**	**241,688**	**0.745**	**0.714**	**0.845**

*Multifamily is two or more units in structure. Source: Census Bureau, Department of Commerce

Units Authorized by Building Permits, Year to Date: 50 Most Active Core Based Statistical Areas** (Listed by Total Building Permits)

CBSA	CBSA Name	2007 Through June		
		Total	Single Family	Multi-family*
26420	Houston-Sugar Land-Baytown, TX	35,380	24,746	10,634
12060	Atlanta-Sandy Springs-Marietta, GA	27,683	19,473	8,210
35620	New York-Northern New Jersey-Long Island, NY-NJ-PA	27,503	6,030	21,473
38060	Phoenix-Mesa-Scottsdale, AZ	23,753	18,053	5,700
19100	Dallas-Fort Worth-Arlington, TX	23,404	15,923	7,481
16980	Chicago-Naperville-Joliet, IL-IN-WI	19,282	10,224	9,058
31100	Los Angeles-Long Beach-Santa Ana, CA	14,453	5,588	8,865
47900	Washington-Arlington-Alexandria, DC-VA-MD-WV	13,362	8,953	4,409
42660	Seattle-Tacoma-Bellevue, WA	13,295	7,452	5,843
40140	Riverside-San Bernardino-Ontario, CA	12,875	11,076	1,799
16740	Charlotte-Gastonia-Concord, NC-SC	11,947	9,272	2,675
36740	Orlando-Kissimmee, FL	10,678	7,329	3,349
29820	Las Vegas-Paradise, NV	10,502	8,816	1,686
33100	Miami-Fort Lauderdale-Miami Beach, FL	9,023	4,212	4,811
12420	Austin-Round Rock, TX	8,835	7,121	1,714
19740	Denver-Aurora, CO	8,764	4,800	3,964
39580	Raleigh-Cary, NC	8,252	6,828	1,424
38900	Portland-Vancouver-Beaverton, OR-WA	7,667	4,914	2,753
41700	San Antonio, TX	7,410	5,240	2,170
37980	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	7,406	5,177	2,229
34980	Nashville-Davidson--Murfreesboro, TN	7,323	6,556	767
45300	Tampa-St. Petersburg-Clearwater, FL	7,030	4,568	2,462
27260	Jacksonville, FL	6,441	4,427	2,014
41180	St. Louis, MO-IL	6,122	4,710	1,412
14460	Boston-Cambridge-Quincy, MA-NH	5,660	2,399	3,261
33460	Minneapolis-St. Paul-Bloomington, MN-WI	5,228	4,315	913
40900	Sacramento--Arden-Arcade--Roseville, CA	5,077	4,240	837
15980	Cape Coral-Fort Myers, FL	4,813	3,515	1,298
41860	San Francisco-Oakland-Fremont, CA	4,788	2,825	1,963
32820	Memphis, TN-MS-AR	4,671	3,364	1,307
41740	San Diego-Carlsbad-San Marcos, CA	4,411	2,215	2,196
26900	Indianapolis, IN	4,355	3,855	500
28140	Kansas City, MO-KS	4,325	3,478	847
17900	Columbia, SC	4,052	3,258	794
40060	Richmond, VA	4,032	3,410	622
16700	Charleston-North Charleston, SC	3,786	3,165	621
35380	New Orleans-Metairie-Kenner, LA	3,773	2,037	1,736
17140	Cincinnati-Middletown, OH-KY-IN	3,766	3,101	665
47260	Virginia Beach-Norfolk-Newport News, VA-NC	3,754	2,679	1,075
12580	Baltimore-Towson, MD	3,467	2,769	698
48900	Wilmington, NC	3,444	2,626	818
25060	Gulfport-Biloxi, MS	3,411	1,474	1,937
32580	McAllen-Edinburg-Mission, TX	3,397	2,882	515
31140	Louisville, KY-IN	3,337	2,664	673
46060	Tucson, AZ	3,247	3,088	159
36420	Oklahoma City, OK	3,133	2,929	204
41620	Salt Lake City, UT	3,127	2,496	631
24860	Greenville, SC	3,093	2,505	588
18140	Columbus, OH	3,091	2,333	758
14260	Boise City-Nampa, ID	3,072	2,464	608

*Multifamily is two or more units in structure.
**As per new OMB Metropolitan area definitions.
Source: Census Bureau, Department of Commerce

Historical Data

Table 1. New Privately Owned Housing Units Authorized:* 1967–Present**

Period	Total	In Structures With				MSAs		Regions			
		1 Unit	2 Units	3 and 4 Units	5 Units or More	Inside	Outside	North-east	Mid-west	South	West
Annual Data											
1967	1,141.0	650.6	42.5	30.5	417.5	918.0	223.0	222.6	309.8	390.8	217.8
1968	1,353.4	694.7	45.1	39.2	574.4	1,104.6	248.8	234.8	350.1	477.3	291.1
1969	1,323.7	625.9	44.7	40.5	612.7	1,074.1	249.6	215.8	317.0	470.5	320.4
1970	1,351.5	646.8	43.0	45.1	616.7	1,067.6	284.0	218.3	287.4	502.9	342.9
1971	1,924.6	906.1	61.8	71.1	885.7	1,597.6	327.0	303.6	421.1	725.4	474.6
1972	2,218.9	1,033.1	68.1	80.5	1,037.2	1,798.0	420.9	333.3	440.8	905.4	539.3
1973	1,819.5	882.1	53.8	63.2	820.5	1,483.5	336.0	271.9	361.4	763.2	423.1
1974	1,074.4	643.8	32.6	31.7	366.2	835.0	239.4	165.4	241.3	390.1	277.6
1975	939.2	675.5	34.1	29.8	199.8	704.1	235.1	129.5	241.5	292.7	275.5
1976	1,296.2	893.6	47.5	45.6	309.5	1,001.9	294.2	152.4	326.1	401.7	416.0
1977	1,690.0	1,126.1	62.1	59.2	442.7	1,326.3	363.7	181.9	402.4	561.1	544.6
1978	1,800.5	1,182.6	64.5	66.1	487.3	1,398.6	401.9	194.4	388.0	667.6	550.5
1979	1,551.8	981.5	59.5	65.9	444.8	1,210.6	341.2	166.9	289.1	628.0	467.7
1980	1,190.6	710.4	53.8	60.7	365.7	911.0	279.6	117.9	192.0	561.9	318.9
1981	985.5	564.3	44.6	57.2	319.4	765.2	220.4	109.8	133.3	491.1	251.3
1982	1,000.5	546.4	38.4	49.9	365.8	812.6	187.9	106.7	126.3	543.5	224.1
1983	1,605.2	901.5	57.5	76.1	570.1	1,359.7	245.5	164.1	187.8	862.9	390.4
1984	1,681.8	922.4	61.9	80.7	616.8	1,456.2	225.7	200.8	211.7	812.1	457.3
1985	1,733.3	956.6	54.0	66.1	656.6	1,507.6	225.6	259.7	237.0	752.6	483.9
1986	1,769.4	1,077.6	50.4	58.0	583.5	1,551.3	218.1	283.3	290.0	686.5	509.7
1987	1,534.8	1,024.4	40.8	48.5	421.1	1,319.5	215.2	271.8	282.3	574.7	406.0
1988	1,455.6	993.8	35.0	40.7	386.1	1,239.7	215.9	230.2	266.3	543.5	415.6
1989	1,338.4	931.7	31.7	35.3	339.8	1,127.6	210.8	179.0	252.1	505.3	402.1
1990	1,110.8	793.9	26.7	27.6	262.6	910.9	199.9	125.8	233.8	426.2	324.9
1991	948.8	753.5	22.0	21.1	152.1	766.8	182.0	109.8	215.4	375.7	247.9
1992	1,094.9	910.7	23.3	22.5	138.4	888.5	206.5	124.8	259.0	442.5	268.6
1993	1,199.1	986.5	26.7	25.6	160.2	1,009.0	190.1	133.5	276.6	500.7	288.2
1994	1,371.6	1,068.5	31.4	30.8	241.0	1,144.1	227.5	138.5	305.2	585.5	342.4
1995	1,332.5	997.3	32.2	31.5	271.5	1,116.8	215.8	124.2	296.6	583.2	328.5
1996	1,425.6	1,069.5	33.6	32.2	290.3	1,200.0	225.6	136.9	317.8	623.4	347.4
1997	1,441.1	1,062.4	34.9	33.6	310.3	1,220.2	220.9	141.9	299.8	635.9	363.5
1998	1,612.3	1,187.6	33.2	36.0	355.5	1,377.9	234.4	159.4	327.2	724.5	401.2
1999	1,663.5	1,246.7	32.5	33.3	351.1	1,427.4	236.1	164.9	345.4	748.9	404.3
2000	1,592.3	1,198.1	30.6	34.3	329.3	1,364.9	227.3	165.1	323.8	701.9	401.5
2001	1,636.7	1,235.6	31.8	34.2	335.2	1,410.4	226.3	159.8	333.6	730.3	413.0
2002	1,747.7	1,332.6	37.2	36.5	341.4	1,501.5	246.1	173.7	352.4	790.7	430.9
2003	1,889.2	1,460.9	40.9	41.6	345.8	1,670.4	218.8	182.4	371.0	849.3	486.5
2004	2,070.1	1,613.4	43.0	47.4	366.2	1,814.8	255.3	197.0	370.5	960.8	541.9
2005	2,147.6	1,681.2	39.3	44.7	382.5	1,884.7	270.7	199.8	362.8	1,027.7	557.3
2006	1,838.9	1,378.2	35.3	41.3	384.1	1,598.4	240.5	174.6	279.4	929.7	455.2
Monthly Data (Seasonally Adjusted Annual Rates)											
2006											
Apr	1,987	1,492	76		419	NA		185	284	1,013	505
May	1,918	1,460	83		375	NA		163	291	965	499
Jun	1,879	1,405	68		406	NA		172	292	935	480
Jul	1,774	1,319	84		371	NA		176	279	904	415
Aug	1,731	1,285	78		368	NA		168	275	871	417
Sep	1,654	1,215	71		368	NA		164	249	832	409
Oct	1,560	1,170	65		325	NA		155	234	793	378
Nov	1,527	1,152	60		315	NA		145	231	800	351
Dec	1,628	1,181	75		372	NA		172	236	836	384
2007											
Jan	1,566	1,127	76		363	NA		189	259	741	377
Feb	1,541	1,099	72		370	NA		140	211	773	417
Mar	1,569	1,131	72		366	NA		166	243	753	407
Apr	1,457	1,075	58		324	NA		155	224	723	355
May	1,520	1,063	64		393	NA		147	238	771	364
Jun	1,413	1,019	52		342	NA		156	228	691	338

*Authorized in permit-issuing places.

**Components may not add to totals because of rounding. Units in thousands.

Source: Census Bureau, Department of Commerce
http://www.census.gov/indicator/www/newresconst.pdf

Table 2. New Privately Owned Housing Units Started: 1967–Present*

Period	Total	In Structures With				MSAs		Regions			
		1 Unit	2 Units	3 and 4 Units	5 Units or More	Inside	Outside	Northeast	Midwest	South	West
Annual Data											
1967	1,291.6	843.9	41.4	30.2	376.1	902.9	388.7	214.9	337.1	519.5	220.1
1968	1,507.6	899.4	46.0	34.9	527.3	1,096.4	411.2	226.8	368.6	618.5	293.7
1969	1,466.8	810.6	43.0	42.0	571.2	1,078.7	388.0	206.1	348.7	588.4	323.5
1970	1,433.6	812.9	42.4	42.4	535.9	1,017.9	415.7	217.9	293.5	611.6	310.5
1971	2,052.2	1,151.0	55.1	65.2	780.9	1,501.8	550.4	263.8	434.1	868.7	485.6
1972	2,356.6	1,309.2	67.1	74.2	906.2	1,720.4	636.2	329.5	442.8	1,057.0	527.4
1973	2,045.3	1,132.0	54.2	64.1	795.0	1,495.4	549.9	277.3	439.7	899.4	428.8
1974	1,337.7	888.1	33.2	34.9	381.6	922.5	415.3	183.2	317.3	552.8	284.5
1975	1,160.4	892.2	34.5	29.5	204.3	760.3	400.1	149.2	294.0	442.1	275.1
1976	1,537.5	1,162.4	44.0	41.9	289.2	1,043.5	494.1	169.2	400.1	568.5	399.6
1977	1,987.1	1,450.9	60.7	61.0	414.4	1,377.3	609.8	201.6	464.6	783.1	537.9
1978	2,020.3	1,433.3	62.2	62.8	462.0	1,432.1	588.2	200.3	451.2	823.7	545.2
1979	1,745.1	1,194.1	56.1	65.9	429.0	1,240.6	504.6	177.9	349.2	747.5	470.5
1980	1,292.2	852.2	48.8	60.7	330.5	913.6	378.7	125.4	218.1	642.7	306.0
1981	1,084.2	705.4	38.2	52.9	287.7	759.8	324.3	117.3	165.2	561.6	240.0
1982	1,062.2	662.6	31.9	48.1	319.6	784.8	277.4	116.7	149.1	591.0	205.4
1983	1,703.0	1,067.6	41.8	71.7	522.0	1,351.1	351.9	167.6	217.9	935.2	382.3
1984	1,749.5	1,084.2	38.6	82.8	544.0	1,414.6	334.9	204.1	243.4	866.0	436.0
1985	1,741.8	1,072.4	37.0	56.4	576.1	1,493.9	247.9	251.7	239.7	782.3	468.2
1986	1,805.4	1,179.4	36.1	47.9	542.0	1,546.3	259.1	293.5	295.8	733.1	483.0
1987	1,620.5	1,146.4	27.8	37.5	408.7	1,372.2	248.2	269.0	297.9	633.9	419.8
1988	1,488.1	1,081.3	23.4	35.4	348.0	1,243.0	245.1	235.3	274.0	574.9	403.9
1989	1,376.1	1,003.3	19.9	35.3	317.6	1,128.1	248.0	178.5	265.8	536.2	395.7
1990	1,192.7	894.8	16.1	21.4	260.4	946.9	245.7	131.3	253.2	479.3	328.9
1991	1,013.9	840.4	15.5	20.1	137.9	789.2	224.7	112.9	233.0	414.1	254.0
1992	1,199.7	1,029.9	12.4	18.3	139.0	931.5	268.2	126.7	287.8	496.9	288.3
1993	1,287.6	1,125.7	11.1	18.3	132.6	1,031.9	255.8	126.5	297.7	561.8	301.7
1994	1,457.0	1,198.4	14.8	20.2	223.5	1,183.1	273.9	138.2	328.9	639.1	350.8
1995	1,354.1	1,076.2	14.3	19.4	244.1	1,106.4	247.6	117.7	290.1	615.0	331.3
1996	1,476.8	1,160.9	16.4	28.8	270.8	1,211.4	265.5	132.1	321.5	661.9	361.4
1997	1,474.0	1,133.7	18.1	26.4	295.8	1,221.3	252.7	136.8	303.6	670.3	363.3
1998	1,616.9	1,271.4	15.7	26.9	302.9	1,349.9	267.0	148.5	330.5	743.0	394.9
1999	1,640.9	1,302.4	15.0	16.9	306.6	1,367.7	273.2	155.7	347.3	746.0	391.9
2000	1,568.7	1,230.9	15.2	23.5	299.1	1,297.3	271.4	154.5	317.5	713.6	383.1
2001	1,602.7	1,273.3	17.2	19.3	292.8	1,329.4	273.3	149.2	330.4	732.0	391.1
2002	1,704.9	1,358.6	14.0	24.4	307.9	1,398.1	306.8	158.7	349.6	781.5	415.5
2003	1,847.7	1,499.0	15.7	17.8	315.2	1,517.5	330.3	163.9	372.5	838.4	473.6
2004	1,955.8	1,610.5	17.7	24.6	303.0	1,592.6	363.3	175.4	355.7	908.5	516.2
2005	2,068.3	1,715.8	15.3	25.8	311.4	1,829.2	239.1	189.7	357.4	996.1	525.1
2006	1,800.9	1,465.4	15.3	27.4	292.8	1,599.2	201.7	167.2	279.5	910.3	443.8
Monthly Data (Seasonally Adjusted Annual Rates)											
2006											
Apr	1,821	1,510	NA		255	NA		180	338	877	426
May	1,944	1,582	NA		312	NA		197	290	944	513
Jun	1,819	1,469	NA		306	NA		167	292	906	454
Jul	1,746	1,434	NA		230	NA		147	292	880	427
Aug	1,646	1,355	NA		251	NA		158	250	842	396
Sep	1,721	1,391	NA		301	NA		137	267	937	380
Oct	1,470	1,181	NA		251	NA		147	232	713	378
Nov	1,565	1,273	NA		272	NA		153	227	828	357
Dec	1,629	1,241	NA		339	NA		174	226	808	421
2007											
Jan	1,403	1,123	NA		257	NA		188	190	699	326
Feb	1,487	1,188	NA		269	NA		134	163	798	392
Mar	1,491	1,205	NA		250	NA		129	226	765	371
Apr	1,485	1,195	NA		254	NA		163	206	726	390
May	1,434	1,153	NA		249	NA		165	242	704	323
Jun	1,467	1,151	NA		281	NA		161	233	721	352

*Components may not add to totals because of rounding. Units in thousands.

Source: Census Bureau, Department of Commerce
http://www.census.gov/indicator/www/newresconst.pdf

Table 3. New Privately Owned Housing Units Under Construction: 1970–Present*

Period	Total	In Structures With				MSAs		Regions			
		1 Unit	2 Units	3 and 4 Units	5 Units or More	Inside	Outside	North-east	Mid-west	South	West
Annual Data											
1970	922.0	381.1	22.8	27.3	490.8	NA	NA	197.1	189.3	359.2	176.4
1971	1,254.0	504.9	26.7	37.8	684.6	NA	NA	236.6	278.5	494.4	244.4
1972	1,542.1	612.5	36.4	46.4	846.8	NA	NA	264.4	306.8	669.1	301.8
1973	1,454.4	521.7	31.0	48.0	853.6	NA	NA	239.4	293.1	650.2	271.7
1974	1,000.8	441.1	19.4	29.1	511.3	NA	NA	178.0	218.8	418.9	185.1
1975	794.3	447.5	20.1	27.4	299.4	563.2	231.1	130.2	195.1	298.1	171.0
1976	922.0	562.6	22.7	31.8	304.9	658.5	263.5	125.4	232.1	333.3	231.2
1977	1,208.0	729.8	34.0	44.9	399.3	862.5	345.5	145.5	284.6	457.3	320.6
1978	1,310.2	764.5	36.1	47.3	462.2	968.0	342.2	158.3	309.2	497.6	345.2
1979	1,140.1	638.7	31.3	46.7	423.4	820.1	320.0	146.7	232.5	449.3	311.6
1980	896.1	514.5	28.3	40.3	313.1	620.9	275.2	120.1	171.4	376.7	227.9
1981	682.4	381.7	16.5	29.0	255.3	458.9	223.5	103.2	109.7	299.7	169.8
1982	720.0	399.7	16.5	24.9	278.9	511.7	208.3	98.6	112.4	344.0	165.0
1983	1,002.8	523.9	19.0	39.1	420.8	757.8	245.0	120.8	122.6	520.6	238.8
1984	1,050.5	556.0	20.9	42.5	431.0	814.1	236.4	152.5	137.3	488.9	271.7
1985	1,062.5	538.6	20.6	34.9	468.4	885.1	177.4	186.6	143.8	437.5	294.7
1986	1,073.5	583.1	19.3	28.4	442.7	899.7	173.8	218.9	165.7	387.3	301.5
1987	987.3	590.6	17.3	22.5	356.9	820.6	166.7	221.7	158.7	342.5	264.4
1988	919.4	569.6	16.1	24.1	309.5	757.5	161.9	201.6	148.1	308.2	261.6
1989	850.3	535.1	11.9	25.1	278.1	686.7	163.6	158.8	145.5	282.1	263.9
1990	711.4	449.1	10.9	15.1	236.3	553.9	157.5	121.6	133.4	242.3	214.1
1991	606.3	433.5	9.1	14.5	149.2	458.4	147.9	103.9	122.4	208.5	171.6
1992	612.4	472.7	5.6	11.3	122.8	453.1	159.4	81.4	137.8	228.4	164.8
1993	680.1	543.0	6.5	12.4	118.2	521.0	159.1	89.3	154.4	265.4	170.9
1994	762.2	557.8	9.1	12.9	182.5	597.6	164.5	96.3	173.5	312.1	180.3
1995	775.9	547.2	8.4	12.7	207.7	620.1	155.8	86.3	172.0	331.4	186.3
1996	792.3	550.0	9.0	19.1	214.3	629.9	162.4	85.2	178.0	337.6	191.4
1997	846.7	554.6	11.2	20.7	260.2	684.4	163.2	87.1	181.9	364.8	213.0
1998	970.8	659.1	8.3	20.5	282.9	794.8	176.0	98.5	201.2	428.5	242.6
1999	952.8	647.6	9.0	12.1	284.1	786.1	166.6	103.5	202.5	422.3	224.5
2000	933.8	623.4	10.2	19.5	280.7	759.8	173.9	110.0	186.6	397.6	239.5
2001	959.4	638.3	11.8	16.7	292.6	790.6	168.7	116.1	195.9	396.5	250.9
2002	1,001.2	668.8	10.9	15.5	306.0	817.7	183.4	125.0	207.1	413.0	256.0
2003	1,141.4	772.9	10.4	13.9	344.2	940.4	201.0	128.1	234.7	482.6	296.1
2004	1,237.1	850.3	14.0	24.1	348.7	1,011.8	225.3	146.8	222.4	536.4	331.6
2005	1,355.9	929.1	14.7	20.3	391.8	1,194.3	161.6	171.9	221.4	604.2	358.4
2006	1,204.9	764.7	12.2	22.7	405.3	1062.5	142.4	162.3	183.7	534.3	324.6
Monthly Data (Seasonally Adjusted Annual Rates)											
2006											
Apr	1,399	961	NA		406	NA		173	222	631	373
May	1,405	958	NA		414	NA		174	222	636	373
Jun	1,385	936	NA		415	NA		174	218	628	365
Jul	1,361	913	NA		410	NA		170	213	617	361
Aug	1,341	889	NA		412	NA		169	208	609	355
Sep	1,319	866	NA		413	NA		165	203	606	345
Oct	1,286	837	NA		409	NA		164	198	587	337
Nov	1,263	820	NA		407	NA		163	193	573	334
Dec	1,245	803	NA		407	NA		163	187	558	337
2007											
Jan	1,216	779	NA		404	NA		165	184	538	329
Feb	1,208	772	NA		403	NA		165	180	532	331
Mar	1,190	756	NA		402	NA		165	177	522	326
Apr	1,181	748	NA		401	NA		167	174	512	328
May	1,165	729	NA		405	NA		168	174	501	322
Jun	1,165	724	NA		410	NA		169	175	498	323

*Components may not add to totals because of rounding. Units in thousands.

Sources: Census Bureau, Department of Commerce; and Office of Policy Development and Research, Department of Housing and Urban Development

http://www.census.gov/indicator/www/newresconst.pdf

Table 4. New Privately Owned Housing Units Completed: 1970–Present*

Period	Total	In Structures With				MSAs		Regions			
		1 Unit	2 Units	3 and 4 Units	5 Units or More	Inside	Outside	North-east	Mid-west	South	West
Annual Data											
1970	1,418.4	801.8	42.9	42.2	531.5	1,013.2	405.2	184.9	323.4	594.6	315.5
1971	1,706.1	1,014.0	50.9	55.2	586.1	1,192.5	513.6	225.8	348.1	727.0	405.2
1972	2,003.9	1,160.2	54.0	64.9	724.7	1,430.9	573.0	281.1	411.8	848.5	462.4
1973	2,100.5	1,197.2	59.9	63.6	779.8	1,541.0	559.5	294.0	441.7	906.3	458.6
1974	1,728.5	940.3	43.5	51.8	692.9	1,266.1	462.4	231.7	377.4	755.8	363.6
1975	1,317.2	874.8	31.5	29.1	381.8	922.6	394.5	185.8	313.2	531.3	286.8
1976	1,377.2	1,034.2	40.8	36.5	265.8	950.1	427.2	170.2	355.6	513.2	338.3
1977	1,657.1	1,258.4	48.9	46.1	303.7	1,161.9	495.2	176.8	400.0	636.1	444.2
1978	1,867.5	1,369.0	59.0	57.2	382.2	1,313.6	553.9	181.9	416.5	752.0	517.1
1979	1,870.8	1,301.0	60.5	64.4	444.9	1,332.0	538.8	188.4	414.7	761.7	506.0
1980	1,501.6	956.7	51.4	67.2	426.3	1,078.9	422.7	146.0	273.5	696.1	386.0
1981	1,265.7	818.5	49.2	62.4	335.7	888.4	377.4	127.3	217.7	626.4	294.3
1982	1,005.5	631.5	29.8	51.1	293.1	708.2	297.3	120.5	143.0	538.8	203.2
1983	1,390.3	923.7	37.0	55.2	374.4	1,073.9	316.5	138.9	200.8	746.0	304.6
1984	1,652.2	1,025.1	35.0	77.3	514.8	1,316.7	335.6	168.2	221.1	866.6	396.4
1985	1,703.3	1,072.5	36.4	60.7	533.6	1,422.2	281.0	213.8	230.5	812.2	446.8
1986	1,756.4	1,120.2	35.0	51.0	550.1	1,502.1	254.3	254.0	269.8	763.8	468.8
1987	1,668.8	1,122.8	29.0	42.4	474.6	1,420.4	248.4	257.4	302.3	660.4	448.7
1988	1,529.8	1,084.6	23.5	33.2	388.6	1,286.1	243.7	250.2	280.3	594.8	404.6
1989	1,422.8	1,026.3	24.1	34.6	337.9	1,181.2	241.7	218.8	267.1	549.4	387.5
1990	1,308.0	966.0	16.5	28.2	297.3	1,060.2	247.7	157.7	263.3	510.7	376.3
1991	1,090.8	837.6	16.9	19.7	216.6	862.1	228.7	120.1	240.4	438.9	291.3
1992	1,157.5	963.6	15.1	20.8	158.0	909.5	248.0	136.4	268.4	462.4	290.3
1993	1,192.7	1,039.4	9.5	16.7	127.1	943.0	249.8	117.6	273.3	512.0	290.0
1994	1,346.9	1,160.3	12.1	19.5	154.9	1,086.3	260.6	123.4	307.1	580.9	335.5
1995	1,312.6	1,065.5	14.8	19.8	212.4	1,065.0	247.6	126.9	287.9	581.1	316.7
1996	1,412.9	1,128.5	13.6	19.5	251.3	1,163.4	249.4	125.1	304.5	637.1	346.2
1997	1,400.5	1,116.4	13.6	23.4	247.1	1,152.8	247.7	134.0	295.9	634.1	336.4
1998	1,474.2	1,159.7	16.2	24.4	273.9	1,228.5	245.7	137.3	305.1	671.6	360.2
1999	1,604.9	1,270.4	12.5	22.6	299.3	1,336.8	268.0	142.7	334.7	732.7	394.8
2000	1,573.7	1,241.8	12.6	14.7	304.7	1,313.7	260.0	146.1	334.4	729.3	363.9
2001	1,570.8	1,255.9	14.3	19.6	281.0	1,305.1	265.7	144.8	316.4	726.3	383.3
2002	1,648.4	1,325.1	13.1	21.9	288.2	1,367.4	281.0	147.9	329.8	757.8	412.8
2003	1,678.7	1,386.3	13.9	17.7	260.8	1,381.5	297.1	154.6	332.2	755.6	436.2
2004	1,841.9	1,531.5	11.2	12.2	286.9	1,514.5	327.4	155.9	362.4	840.4	483.3
2005	1,931.4	1,635.9	13.1	24.4	258.0	1,702.0	229.5	170.7	351.9	903.7	505.1
2006	1,979.4	1,654.5	16.4	24.3	284.2	1,760.1	219.3	179.1	325.1	986.7	488.6
Monthly Data (Seasonally Adjusted Annual Rates)											
2006											
Apr	2,058	1,726	NA		299	NA		230	342	990	496
May	1,901	1,614	NA		253	NA		170	307	924	500
Jun	2,047	1,746	NA		272	NA		167	349	989	542
Jul	1,944	1,665	NA		255	NA		178	320	1,009	437
Aug	1,881	1,623	NA		233	NA		171	323	919	468
Sep	2,019	1,681	NA		304	NA		197	327	981	514
Oct	1,919	1,561	NA		316	NA		156	312	999	452
Nov	1,885	1,521	NA		299	NA		168	290	992	435
Dec	1,887	1,501	NA		332	NA		155	311	973	448
2007											
Jan	1,830	1,498	NA		300	NA		170	265	963	432
Feb	1,628	1,302	NA		288	NA		142	233	889	364
Mar	1,610	1,301	NA		270	NA		137	242	828	403
Apr	1,523	1,260	NA		224	NA		124	227	808	364
May	1,564	1,309	NA		214	NA		137	235	799	393
Jun	1,470	1,226	NA		214	NA		158	223	752	337

*Components may not add to totals because of rounding. Units in thousands.

Sources: Census Bureau, Department of Commerce; and Office of Policy Development and Research, Department of Housing and Urban Development

http://www.census.gov/indicator/www/newresconst.pdf

Table 5. Manufactured (Mobile) Home Shipments, Residential Placements, Average Prices, and Units for Sale: 1977–Present

Period	Shipments*	Placed for Residential Use*					Average Price ($)	For Sale*
	U.S.	U.S.	Northeast	Midwest	South	West		
Annual Data								
1977	266	258	17	51	113	78	14,200	70
1978	276	280	17	50	135	78	15,900	74
1979	277	280	17	47	145	71	17,600	76
1980	222	234	12	32	140	49	19,800	56
1981	241	229	12	30	144	44	19,900	58
1982	240	234	12	26	161	35	19,700	58
1983	296	278	16	34	186	41	21,000	73
1984	295	288	20	35	193	39	21,500	82
1985	284	283	20	39	188	37	21,800	78
1986	244	256	21	37	162	35	22,400	67
1987	233	239	24	40	146	30	23,700	61
1988	218	224	23	39	131	32	25,100	58
1989	198	203	20	39	113	31	27,200	56
1990	188	195	19	38	108	31	27,800	49
1991	171	174	14	35	98	27	27,700	49
1992	211	212	15	42	124	30	28,400	51
1993	254	243	15	45	147	36	30,500	61
1994	304	291	16	53	178	44	32,800	70
1995	340	319	15	58	203	44	35,300	83
1996	363	338	16	59	218	44	37,200	89
1997	354	336	14	55	219	47	39,800	91
1998	373	374	15	58	250	50	41,600	83
1999	348	338	14	54	227	44	43,300	88
2000	251	281	15	50	177	39	46,400	59
2001	193	196	12	38	116	30	48,900	56
2002	169	174	12	34	101	27	51,300	47
2003	131	140	11	25	77	26	54,900	36
2004	131	124	11	21	67	26	58,200	35
2005	147	123	9	17	68	29	62,600	35
2006	117	111	8	15	65	24	63,600	38
Monthly Data (Seasonally Adjusted Annual Rates)								
2006								
Feb	146	120	9	18	68	26	66,300	40
Mar	134	117	8	18	67	25	64,600	41
Apr	125	111	8	11	66	27	61,800	42
May	123	117	5	16	66	29	62,300	42
Jun	117	118	8	18	70	23	62,600	41
Jul	111	112	7	13	68	24	63,500	40
Aug	108	109	8	14	64	23	65,900	40
Sep	102	108	7	12	63	25	65,800	40
Oct	98	95	7	11	58	20	63,300	41
Nov	96	104	11	14	60	20	65,800	41
Dec	97	102	6	13	64	19	65,800	40
2007								
Jan	94	85	4	8	54	20	64,600	41
Feb	93	84	9	4	52	18	64,200	40
Mar	95	103	7	15	63	19	64,400	39
Apr	98	91	6	12	54	18	63,900	39
May	99	92	4	12	56	20	64,100	39
Jun	102	NA	NA	NA	NA	NA	NA	NA

*Components may not add to totals because of rounding. Units in thousands.

Sources: Shipments—National Conference of States on Building Codes and Standards; Placements—Census Bureau, Department of Commerce; and Office of Policy Development and Research, Department of Housing and Urban Development

http://www.census.gov/ftp/pub/const/www/mhsindex.html (See Current Tables, Monthly Tables.)

Table 6. New Single-Family Home Sales: 1970–Present*

Period	Sold During Period					For Sale at End of Period						Months' Supply at Current U.S. Sales Rate
	U.S.	North-east	Mid-west	South	West	U.S.	North-east	Mid-west	South	West	U.S.	
Annual Data												
1970	485	61	100	203	121	227	38	47	91	51	NA	NA
1971	656	82	127	270	176	294	45	55	131	63	NA	NA
1972	718	96	130	305	187	416	53	69	199	95	NA	NA
1973	634	95	120	257	161	422	59	81	181	102	NA	NA
1974	519	69	103	207	139	350	50	68	150	82	NA	NA
1975	549	71	106	222	150	316	43	66	133	74	NA	NA
1976	646	72	128	247	199	358	45	68	154	91	NA	NA
1977	819	86	162	317	255	408	44	73	168	123	NA	NA
1978	817	78	145	331	262	419	45	80	170	124	NA	NA
1979	709	67	112	304	225	402	42	74	172	114	NA	NA
1980	545	50	81	267	145	342	40	55	149	97	NA	NA
1981	436	46	60	219	112	278	41	34	127	76	NA	NA
1982	412	47	48	219	99	255	39	27	129	60	NA	NA
1983	623	76	71	323	152	304	42	33	149	79	NA	NA
1984	639	94	76	309	160	358	55	41	177	85	NA	NA
1985	688	112	82	323	171	350	66	34	172	79	NA	NA
1986	750	136	96	322	196	361	88	32	153	87	NA	NA
1987	671	117	97	271	186	370	103	39	149	79	NA	NA
1988	676	101	97	276	202	371	112	43	133	82	NA	NA
1989	650	86	102	260	202	366	108	41	123	93	NA	NA
1990	534	71	89	225	149	321	77	42	105	97	NA	NA
1991	509	57	93	215	144	284	62	41	97	83	NA	NA
1992	610	65	116	259	170	267	48	41	104	74	NA	NA
1993	666	60	123	295	188	295	53	48	121	73	NA	NA
1994	670	61	123	295	191	340	55	63	140	82	NA	NA
1995	667	55	125	300	187	374	62	69	158	86	NA	NA
1996	757	74	137	337	209	326	38	67	146	74	NA	NA
1997	804	78	140	363	223	287	26	65	127	69	NA	NA
1998	886	81	164	398	243	300	28	63	142	68	NA	NA
1999	880	76	168	395	242	315	28	64	153	70	NA	NA
2000	877	71	155	406	244	301	28	65	146	62	NA	NA
2001	908	66	164	439	239	310	28	70	142	69	NA	NA
2002	973	65	185	450	273	344	36	77	161	70	NA	NA
2003	1,086	79	189	511	307	377	29	97	172	79	NA	NA
2004	1,203	83	210	562	348	431	30	111	200	91	NA	NA
2005	1,283	81	205	638	358	515	47	109	249	109	NA	NA
2006	1,051	63	161	559	267	537	54	97	267	119	NA	NA
Monthly Data												
	(Seasonally Adjusted Annual Rates)					(Not Seasonally Adjusted)					(Seasonally Adjusted)	
2006												
Apr[r]	1,097	58	167	581	291	558	53	108	282	115	565	6.2
May	1,087	68	179	575	265	563	54	107	281	121	564	6.2
Jun	1,073	62	169	566	276	570	54	105	288	124	565	6.4
Jul	969	60	137	507	265	568	54	104	289	121	573	7.4
Aug	1,009	86	152	558	213	570	53	103	291	123	568	6.8
Sep	1,004	62	138	550	254	561	51	103	286	121	560	6.8
Oct	952	39	137	527	249	558	54	104	280	120	553	7.1
Nov	987	64	150	536	237	548	54	102	273	119	542	6.5
Dec	1,019	73	181	518	247	537	54	97	267	119	535	6.2
2007												
Jan	890	62	166	492	170	539	55	94	267	123	536	7.2
Feb	840	46	127	462	205	540	54	90	272	124	544	8.1
Mar[r]	830	82	126	421	201	542	52	87	276	127	548	8.3
Apr	913	83	118	502	210	539	51	87	273	128	544	7.2
May	893	85	146	458	204	537	49	83	275	129	537	7.4
Jun	834	62	121	493	158	538	49	83	274	133	537	7.8

*Components may not add to totals because of rounding. Units in thousands.

[r] Revised due to updating of seasonal adjustment factors and customary revisions.

Sources: Census Bureau, Department of Commerce; and Office of Policy Development and Research, Department of Housing and Urban Development

http://www.census.gov/const/www/newressalesindex.html

Table 7. Existing Home Sales: 1969–Present*

Period	U.S.	Northeast	Midwest	South	West	For Sale	Months' Supply
Annual Data							
1969	1,594	240	508	538	308	NA	NA
1970	1,612	251	501	568	292	NA	NA
1971	2,018	311	583	735	389	NA	NA
1972	2,252	361	630	788	473	NA	NA
1973	2,334	367	674	847	446	NA	NA
1974	2,272	354	645	839	434	NA	NA
1975	2,476	370	701	862	543	NA	NA
1976	3,064	439	881	1,033	712	NA	NA
1977	3,650	515	1,101	1,231	803	NA	NA
1978	3,986	516	1,144	1,416	911	NA	NA
1979	3,827	526	1,061	1,353	887	NA	NA
1980	2,973	403	806	1,092	672	NA	NA
1981	2,419	353	632	917	516	NA	NA
1982	1,990	354	490	780	366	1,910	NA
1983	2,719	493	709	1,035	481	1,980	NA
1984	2,868	511	755	1,073	529	2,260	NA
1985	3,214	622	866	1,172	554	2,200	NA
1986	3,565	703	991	1,261	610	1,970	NA
1987	3,526	685	959	1,282	600	2,160	NA
1988	3,594	673	929	1,350	642	2,160	NA
1989	3,290	635	886	1,075	694	1,870	NA
1990	3,186	583	861	1,090	651	2,100	NA
1991	3,145	591	863	1,067	624	2,130	NA
1992	3,432	666	967	1,126	674	1,760	NA
1993	3,739	709	1,027	1,262	740	1,520	NA
1994	3,886	723	1,031	1,321	812	1,380	NA
1995	3,852	717	1,010	1,315	810	1,470	NA
1996	4,167	772	1,060	1,394	941	1,910	NA
1997	4,371	812	1,088	1,474	997	1,840	NA
1998	4,966	898	1,228	1,724	1,115	1,910	NA
1999	5,183	910	1,246	1,850	1,177	1,894	NA
2000	5,174	911	1,222	1,866	1,174	2,048	NA
2001	5,335	912	1,271	1,967	1,184	2,068	NA
2002	5,632	952	1,346	2,064	1,269	2,118	NA
2003	6,175	1,019	1,468	2,283	1,405	2,270	NA
2004	6,778	1,113	1,550	2,540	1,575	2,244	NA
2005	7,076	1,169	1,588	2,702	1,617	2,846	NA
2006	6,478	1,086	1,483	2,563	1,346	3,450	NA
Monthly Data (Seasonally Adjusted Annual Rates)							
2006							
Apr	6,710	1,140	1,560	2,610	1,410	3,415	6.1
May	6,680	1,140	1,510	2,610	1,410	3,589	6.4
Jun	6,490	1,090	1,490	2,550	1,360	3,738	6.9
Jul	6,320	1,050	1,430	2,530	1,320	3,861	7.3
Aug	6,310	1,060	1,430	2,520	1,290	3,844	7.3
Sep	6,230	1,040	1,420	2,520	1,260	3,783	7.3
Oct	6,270	1,030	1,420	2,520	1,300	3,860	7.4
Nov	6,250	1,080	1,420	2,470	1,280	3,810	7.3
Dec	6,270	1,070	1,460	2,490	1,250	3,450	6.6
2007							
Jan	6,440	1,060	1,520	2,540	1,320	3,539	6.6
Feb	6,680	1,220	1,560	2,570	1,320	3,805	6.8
Mar	6,150	1,140	1,390	2,410	1,210	3,806	7.4
Apr	6,010	1,040	1,400	2,380	1,190	4,220	8.4
May	5,980	1,090	1,410	2,300	1,180	4,378	8.8
Jun	5,750	1,010	1,370	2,260	1,100	4,196	8.8

*Components may not add to totals because of rounding. Units in thousands.

Source: NATIONAL ASSOCIATION OF REALTORS®

http://www.realtor.org/research.nsf/pages/EHSPage

Table 8. New Single-Family Home Prices: 1964–Present

Period	Median					U.S. Average	
	U.S.	Northeast	Midwest	South	West	Houses Actually Sold	Constant-Quality House[1,2]
Annual Data							
1964	18,900	20,300	19,400	16,700	20,400	20,500	NA
1965	20,000	21,500	21,600	17,500	21,600	21,500	NA
1966	21,400	23,500	23,200	18,200	23,200	23,300	NA
1967	22,700	25,400	25,100	19,400	24,100	24,600	NA
1968	24,700	27,700	27,400	21,500	25,100	26,600	NA
1969	25,600	31,600	27,600	22,800	25,300	27,900	NA
1970	23,400	30,300	24,400	20,300	24,000	26,600	NA
1971	25,200	30,600	27,200	22,500	25,500	28,300	NA
1972	27,600	31,400	29,300	25,800	27,500	30,500	NA
1973	32,500	37,100	32,900	30,900	32,400	35,500	NA
1974	35,900	40,100	36,100	34,500	35,800	38,900	NA
1975	39,300	44,000	39,600	37,300	40,600	42,600	NA
1976	44,200	47,300	44,800	40,500	47,200	48,000	NA
1977	48,800	51,600	51,500	44,100	53,500	54,200	67,400
1978	55,700	58,100	59,200	50,300	61,300	62,500	77,400
1979	62,900	65,500	63,900	57,300	69,600	71,800	89,100
1980	64,600	69,500	63,400	59,600	72,300	76,400	98,100
1981	68,900	76,000	65,900	64,400	77,800	83,000	105,900
1982	69,300	78,200	68,900	66,100	75,000	83,900	108,400
1983	75,300	82,200	79,500	70,900	80,100	89,800	110,700
1984	79,900	88,600	85,400	72,000	87,300	97,600	115,100
1985	84,300	103,300	80,300	75,000	92,600	100,800	116,600
1986	92,000	125,000	88,300	80,200	95,700	111,900	121,200
1987	104,500	140,000	95,000	88,000	111,000	127,200	127,700
1988	112,500	149,000	101,600	92,000	126,500	138,300	132,400
1989	120,000	159,600	108,800	96,400	139,000	148,800	137,800
1990	122,900	159,000	107,900	99,000	147,500	149,800	140,400
1991	120,000	155,900	110,000	100,000	141,100	147,200	142,200
1992	121,500	169,000	115,600	105,500	130,400	144,100	144,100
1993	126,500	162,600	125,000	115,000	135,000	147,700	150,300
1994	130,000	169,000	132,900	116,900	140,400	154,500	157,500
1995	133,900	180,000	134,000	124,500	141,000	158,700	161,900
1996	140,000	186,000	138,000	126,200	153,900	166,400	166,400
1997	146,000	190,000	149,900	129,600	160,000	176,200	171,200
1998	152,500	200,000	157,500	135,800	163,500	181,900	175,600
1999	161,000	210,500	164,000	145,900	173,700	195,600	184,200
2000	169,000	227,400	169,700	148,000	196,400	207,000	192,000
2001	175,200	246,400	172,600	155,400	213,600	213,200	198,800
2002	187,600	264,300	178,000	163,400	238,500	228,700	207,700
2003	195,000	264,500	184,300	168,100	260,900	246,300	219,500
2004	221,000	315,800	205,000	181,100	283,100	274,500	236,100
2005	240,900	343,800	216,900	197,300	332,600	297,000	254,800
2006	246,500	346,000	213,500	208,200	337,700	305,900	264,900
Quarterly Data							
2006							
Q2	246,300	344,600	203,100	206,700	329,800	302,600	265,600
Q3	235,600	380,500	216,800	195,100	342,200	308,100	264,400
Q4	245,400	351,400	216,200	207,400	356,500	299,600	268,600
2007							
Q1	257,400	370,300	212,800	222,900	370,300	322,100	273,700
Q2	240,500	319,400	197,200	205,400	319,400	310,000	267,200

[1] The average price for a constant-quality unit is derived from a set of statistical models relating sales price to selected standard physical characteristics of housing units.

[2] Effective with the release of the first quarter 2001 New Home Sales Price Index in April 2001, the Census Bureau began publishing the Fixed-Weighted Laspeyres Price Index on a *1996 base year*. (The previous base year was 1992.) "Constant-quality house" data are no longer published as a series but are computed for this table from price indexes published by the Census Bureau.

Sources: Census Bureau, Department of Commerce; and Office of Policy Development and Research, Department of Housing and Urban Development

http://www.census.gov/const/quarterly_sales.pdf (See Table Q6.)

Table 9. Existing Home Prices: 1969–Present

Period	Median					Average
	U.S.	Northeast	Midwest	South	West	U.S.
Annual Data						
1969	21,800	23,700	19,000	20,300	23,900	23,700
1970	23,000	25,200	20,100	22,200	24,300	25,700
1971	24,800	27,100	22,100	24,300	26,500	28,000
1972	26,700	29,800	23,900	26,400	28,400	30,100
1973	28,900	32,800	25,300	29,000	31,000	32,900
1974	32,000	35,800	27,700	32,300	34,800	35,800
1975	35,300	39,300	30,100	34,800	39,600	39,000
1976	38,100	41,800	32,900	36,500	46,100	42,200
1977	42,900	44,000	36,700	39,800	57,300	47,900
1978	48,700	47,900	42,200	45,100	66,700	55,500
1979	55,700	53,600	47,800	51,300	77,400	64,200
1980	62,200	60,800	51,900	58,300	89,300	72,800
1981	66,400	63,700	54,300	64,400	96,200	78,300
1982	67,800	63,500	55,100	67,100	98,900	80,500
1983	70,300	72,200	56,600	69,200	94,900	83,100
1984	72,400	78,700	57,100	71,300	95,800	86,000
1985	75,500	88,900	58,900	75,200	95,400	90,800
1986	80,300	104,800	63,500	78,200	100,900	98,500
1987	85,600	133,300	66,000	80,400	113,200	106,300
1988	89,300	143,000	68,400	82,200	124,900	112,800
1989*	94,000	142,100	72,600	84,300	137,600	118,100
1990	96,400	141,400	76,300	84,700	138,600	118,600
1991	101,400	143,600	80,500	88,100	144,500	128,400
1992	104,000	142,600	84,200	91,100	141,100	130,900
1993	107,200	142,000	87,000	93,700	141,800	133,500
1994	111,300	141,500	90,600	94,900	149,200	136,800
1995	114,600	138,400	96,100	96,900	150,600	139,100
1996	119,900	139,600	102,300	102,400	157,100	141,800
1997	126,000	143,500	108,200	108,400	165,700	150,500
1998	132,800	147,300	115,600	115,000	175,900	159,100
1999	138,000	150,500	121,000	118,900	185,300	171,000
2000	143,600	149,800	125,300	126,300	194,600	178,500
2001	153,100	158,700	132,500	135,500	207,000	188,300
2002	165,000	179,300	139,300	146,000	230,100	206,100
2003	178,800	209,900	145,600	156,700	251,800	222,200
2004	195,400	243,800	154,600	170,400	286,400	244,400
2005	219,600	271,300	170,600	181,700	335,300	266,600
2006	221,900	271,900	167,800	183,700	342,700	268,200
Monthly Data						
2006						
Apr	222,600	285,200	163,500	181,600	345,300	269,100
May	228,500	281,300	171,700	191,300	343,700	273,700
Jun	229,300	289,100	174,400	189,400	341,300	275,800
Jul	230,200	274,600	177,000	192,500	346,200	275,400
Aug	224,000	272,600	171,800	184,800	345,300	270,000
Sep	220,900	260,400	168,300	184,500	338,800	266,400
Oct	218,900	255,400	166,600	183,700	341,800	264,600
Nov	217,300	266,900	163,900	178,600	349,400	265,100
Dec	221,600	284,000	166,200	180,900	348,300	268,000
2007						
Jan	210,900	262,200	161,300	175,200	321,700	257,300
Feb	213,600	263,000	155,300	178,600	336,700	260,100
Mar	217,400	272,500	160,900	179,900	335,000	265,200
Apr	219,800	283,000	164,000	179,800	343,400	268,100
May	222,700	285,400	166,100	182,800	342,000	270,600
Jun	230,100	294,400	171,700	190,800	340,000	276,700

*Beginning with 1989, this series includes the prices of existing condominiums and cooperatives in addition to the prices of existing single-family homes. The year 1989 also marks a break in the series because data are revised back to 1989, when rebenchmarking occurs.

Source: NATIONAL ASSOCIATION OF REALTORS®

http://www.realtor.org/research.nsf/pages/EHSPage?OpenDocument

Table 10. Repeat Sales House Price Index: 1975–Present

Period	U.S.	New England	Middle Atlantic	South Atlantic	East South Central	West South Central	West North Central	East North Central	Mountain	Pacific
Annual Average										
1975	62.5	69.3	69.6	68.7	68.2	59.0	65.1	64.3	55.4	45.8
1976	66.4	72.0	71.1	70.7	71.1	63.8	68.8	68.7	60.3	53.6
1977	73.7	77.3	75.0	75.6	77.3	70.9	76.2	76.7	68.9	66.4
1978	83.7	87.7	80.8	84.2	86.0	81.4	87.2	87.6	80.8	79.2
1979	94.9	100.6	94.7	93.2	94.4	94.0	96.5	97.9	94.9	91.4
1980	102.5	104.6	104.2	102.1	98.8	103.2	102.6	101.1	102.4	104.0
1981	108.1	112.3	108.2	109.6	102.2	112.3	101.5	103.8	110.7	112.3
1982	111.5	117.4	112.8	115.2	104.6	122.9	102.2	100.4	117.1	114.5
1983	115.5	131.2	119.2	118.6	109.1	126.0	106.9	103.1	119.7	116.1
1984	120.8	154.8	133.9	123.6	112.3	125.3	110.8	105.5	119.8	120.4
1985	127.8	187.4	151.9	129.6	117.5	124.8	115.4	109.7	122.4	125.8
1986	137.6	228.9	176.5	137.6	123.7	125.9	120.1	116.4	126.4	133.4
1987	148.3	269.3	208.7	147.1	130.3	118.6	124.8	125.5	126.1	145.6
1988	157.6	288.0	229.7	157.6	134.6	112.1	127.3	134.7	124.1	166.1
1989	166.6	289.8	235.7	166.4	137.7	112.6	130.4	143.0	125.4	198.6
1990	171.0	278.2	234.5	170.1	140.1	114.0	132.7	149.9	128.3	216.3
1991	173.1	264.1	232.8	172.8	143.6	116.6	135.8	155.8	132.9	219.0
1992	177.0	260.7	237.3	177.3	148.8	120.8	140.2	162.2	139.5	218.5
1993	180.1	259.7	240.1	180.5	154.2	124.9	145.0	168.0	148.8	213.7
1994	183.5	256.4	237.9	182.5	161.8	129.0	152.8	176.5	163.1	208.9
1995	188.5	259.0	238.2	186.8	169.8	132.3	160.1	185.6	175.0	209.5
1996	195.2	265.9	243.0	193.2	177.8	136.7	167.5	195.7	184.5	213.1
1997	202.0	274.4	246.7	199.6	185.2	140.4	174.9	205.5	192.4	220.1
1998	212.3	290.9	257.0	209.3	194.5	147.3	183.5	215.0	201.3	235.5
1999	222.8	315.2	268.1	218.1	201.1	153.9	194.4	225.2	209.5	249.2
2000	238.1	353.0	287.5	230.6	207.4	161.5	207.7	237.8	222.1	273.6
2001	256.9	392.6	312.4	248.9	218.3	171.5	222.9	251.1	238.0	302.9
2002	274.6	437.7	342.6	266.1	225.0	177.7	237.0	262.5	248.3	330.8
2003	293.4	479.0	374.3	284.9	233.2	184.3	249.5	272.8	258.8	365.0
2004	324.7	536.9	421.8	318.7	243.2	191.5	267.0	288.2	282.6	433.2
2005	367.1	597.2	480.9	373.3	259.3	202.7	285.8	306.2	328.3	522.6
2006	400.5	625.2	527.3	417.7	279.2	218.6	298.9	317.6	371.4	589.7
Quarterly Data										
2006										
Q1	393.0	622.7	517.6	409.0	271.4	212.6	295.1	315.0	360.2	576.5
Q2	398.2	623.6	525.4	414.8	277.0	216.7	296.9	316.2	367.5	587.3
Q3	402.8	624.8	529.8	419.5	281.8	220.7	300.1	318.0	375.1	596.0
Q4	407.9	629.5	536.7	427.8	286.7	224.4	303.4	321.3	382.8	599.1
2007										
Q1	409.8	629.7	539.4	429.8	289.4	226.9	305.4	322.3	387.1	599.4

Base: First quarter 1980 equals 100.

Source: Office of Federal Housing Enterprise Oversight (OFHEO)

http://www.ofheo.gov/HPI.asp (See approximately page 40 of pdf; varies with each issue.)

Table 11. Housing Affordability Index: 1973–Present

Period	U.S.				Affordability Indexes*		
	Median Price Existing Single-Family ($)	Mortgage Rate[1]	Median Family Income ($)	Income To Qualify ($)	Composite	Fixed	ARM
Annual Data							
1973	28,900	8.01	12,051	8,151	147.9	147.9	147.9
1974	32,000	9.02	12,902	9,905	130.3	130.3	130.3
1975	35,300	9.21	13,719	11,112	123.5	123.5	123.5
1976	38,100	9.11	14,958	11,888	125.8	125.8	125.8
1977	42,900	9.02	16,010	13,279	120.6	120.6	120.6
1978	48,700	9.58	17,640	15,834	111.4	111.4	111.4
1979	55,700	10.92	19,680	20,240	97.2	97.2	97.2
1980	62,200	12.95	21,023	26,328	79.9	79.9	79.9
1981	66,400	15.12	22,388	32,485	68.9	68.9	68.9
1982	67,800	15.38	23,433	33,713	69.5	69.4	69.7
1983	70,300	12.85	24,580	29,546	83.2	81.7	85.2
1984	72,400	12.49	26,433	29,650	89.1	84.6	92.1
1985	75,500	11.74	27,735	29,243	94.8	89.6	100.6
1986	80,300	10.25	29,458	27,047	108.9	105.7	116.3
1987	85,600	9.28	30,970	27,113	114.2	107.6	122.4
1988	89,300	9.31	32,191	28,360	113.5	103.6	122.0
1989	94,600	10.11	34,218	30,432	112.4	105.9	116.8
1990	97,300	10.04	35,353	31,104	113.7	110.6	122.8
1991	102,700	9.30	35,940	30,816	116.6	113.5	128.3
1992	105,500	8.11	36,573	28,368	128.9	124.9	150.8
1993	109,100	7.16	36,959	26,784	138.0	133.0	160.4
1994	113,500	7.47	38,790	28,704	135.1	125.2	153.3
1995	117,000	7.85	40,612	30,672	132.4	126.6	143.3
1996	122,600	7.71	42,305	31,728	133.3	129.6	142.9
1997	129,000	7.68	44,573	35,232	126.5	123.6	137.2
1998	136,000	7.10	46,740	35,088	133.2	131.9	142.6
1999	141,200	7.33	48,955	37,296	131.3	128.8	142.0
2000	147,300	8.03	50,733	41,616	121.9	120.5	133.3
2001	156,600	7.03	51,407	40,128	128.1	128.1	137.3
2002	167,600	6.55	51,680	40,896	126.4	124.2	138.7
2003	180,200	5.74	52,680	40,320	130.7	128.2	141.8
2004	195,200	5.73	54,061	43,632	123.9	120.3	132.2
2005	219,000	5.91	55,823	49,920	111.8	110.1	115.6
2006	221,900	6.58	57,612	54,288	106.1	105.7	108.1
Monthly Data							
2006							
Apr	222,600	6.55	57,233	54,288	105.4	105.0	106.8
May	228,500	6.65	57,383	56,352	101.8	101.3	103.5
Jun	230,100	6.69	57,534	56,976	101.0	100.3	102.8
Jul	230,900	6.82	57,685	57,936	99.6	99.0	101.6
Aug	224,000	6.81	57,837	56,112	103.1	102.8	104.0
Sep	221,100	6.64	57,989	54,432	106.5	106.1	109.2
Oct	219,600	6.60	58,141	53,856	108.0	107.5	110.8
Nov	216,700	6.51	58,294	52,656	110.7	110.5	112.4
Dec	220,800	6.45	58,447	53,328	109.6	109.5	110.7
2007							
Jan	209,300	6.42	58,480	50,400	116.0	115.9	117.0
Feb	212,400	6.46	58,615	51,360	114.1	114.0	115.6
Mar	216,200	6.38	58,750	51,840	113.3	113.0	115.5
Apr	219,300	6.34	58,885	52,368	112.4	112.2	114.7
May	221,900	6.43	59,021	53,472	110.4	110.2	112.3
Jun	230,300	6.63	59,157	56,640	104.4	104.1	106.6

*The composite affordability index is the ratio of median family income to qualifying income. Values over 100 indicate that the typical (median) family has more than sufficient income to purchase the median-priced home.

[1] The Federal Housing Finance Board's monthly effective rate (points are amortized over 10 years) combines fixed-rate and adjustable-rate loans. Entries under Annual Data are averages of the monthly rates.

Source: NATIONAL ASSOCIATION OF REALTORS®
http://www.realtor.org/research.nsf/pages/HousingInx

Table 12. Market Absorption of New Rental Units and Median Asking Rent: 1970–Present*

Period	Unfurnished Rental Apartment Completions	Percent Rented in 3 Months	Median Asking Rent
Annual Data			
1970	328,400	73	$188
1971	334,400	68	$187
1972	497,900	68	$191
1973	531,700	70	$191
1974	405,500	68	$197
1975	223,100	70	$211
1976	157,000	80	$219
1977	195,600	80	$232
1978	228,700	82	$251
1979	241,200	82	$272
1980	196,100	75	$308
1981	135,400	80	$347
1982	117,000	72	$385
1983	191,500	69	$386
1984	313,200	67	$393
1985	364,500	65	$432
1986	407,600	66	$457
1987	345,600	63	$517
1988	284,500	66	$550
1989	246,200	70	$590
1990	214,300	67	$600
1991	165,300	70	$614
1992	110,200	74	$586
1993	77,200	75	$573
1994	104,000	81	$576
1995	155,000	72	$655
1996	191,300	72	$672
1997	189,200	74	$724
1998	209,900	73	$734
1999	225,900	72	$791
2000	226,200	72	$841
2001	193,100	63	$881
2002	204,100	59	$918
2003	166,500	61	$931
2004	153,800	62	$976
2005	113,000	63	$942
2006	117,300	58	$1,035
Quarterly Data			
2006**			
Q1	21,600	62	$1,013
Q2	28,600	61	$985
Q3	33,700	52	$1,075
Q4	33,400	58	$1,036
2007			
Q1	28,000	54	$934

*Data are from the Survey of Market Absorption, which samples nonsubsidized, privately financed, unfurnished apartments in rental buildings of 5 or more units.

**At the beginning of 2006, the Census Bureau began using the Core Based Statistical Area definitions for metropolitan areas and introduced new sample cases from the Survey of Construction. This may cause some inconsistency with previous data in the series.

Sources: Census Bureau, Department of Commerce; and Office of Policy Development and Research, Department of Housing and Urban Development

http://www.census.gov/hhes/www/soma.html

Table 13. Builders' Views of Housing Market Activity: 1979–Present

Period	Housing Market Index	Sales of Single-Family Detached Homes		Prospective Buyer Traffic
		Current Activity	Future Expectations	
Annual Data				
1979	NA	48	37	32
1980	NA	19	26	17
1981	NA	8	16	14
1982	NA	15	28	18
1983	NA	52	60	48
1984	NA	52	52	41
1985	55	58	62	47
1986	60	62	67	53
1987	56	60	60	45
1988	53	57	59	43
1989	48	50	58	37
1990	34	36	42	27
1991	36	36	49	29
1992	48	50	59	39
1993	59	62	68	49
1994	56	61	62	44
1995	47	50	56	35
1996	57	61	64	46
1997	57	60	66	45
1998	70	76	78	54
1999	73	80	80	54
2000	62	69	69	45
2001	56	61	63	41
2002	61	66	69	46
2003	64	70	72	47
2004	68	75	76	51
2005	67	73	75	50
2006	42	45	51	30
Monthly Data (Seasonally Adjusted)				
2006				
Apr	51	55	59	39
May	46	50	55	33
Jun	42	47	51	29
Jul	39	43	46	27
Aug	33	37	41	22
Sep	30	32	37	22
Oct	31	32	42	23
Nov	33	33	45	26
Dec	33	33	49	23
2007				
Jan	35	36	48	26
Feb	39	40	53	29
Mar	36	36	50	28
Apr	33	33	44	27
May	30	31	41	22
Jun	28	29	39	22
Jul	24	24	34	19

Source: Builders Economic Council Survey, National Association of Home Builders
http://www.nahb.org/generic.aspx?genericContentID=372 (See HMI Release.)

Table 14. Mortgage Interest Rates, Average Commitment Rates, and Points: 1973–Present

Period	Conventional					
	30-Year Fixed Rate		15-Year Fixed Rate		1-Year ARMs	
	Rate	Points	Rate	Points	Rate	Points
Annual Data						
1973	8.04	1.0	NA	NA	NA	NA
1974	9.19	1.2	NA	NA	NA	NA
1975	9.04	1.1	NA	NA	NA	NA
1976	8.88	1.2	NA	NA	NA	NA
1977	8.84	1.1	NA	NA	NA	NA
1978	9.63	1.3	NA	NA	NA	NA
1979	11.19	1.6	NA	NA	NA	NA
1980	13.77	1.8	NA	NA	NA	NA
1981	16.63	2.1	NA	NA	NA	NA
1982	16.09	2.2	NA	NA	NA	NA
1983	13.23	2.1	NA	NA	NA	NA
1984	13.87	2.5	NA	NA	11.49	2.5
1985	12.42	2.5	NA	NA	10.04	2.5
1986	10.18	2.2	NA	NA	8.42	2.3
1987	10.20	2.2	NA	NA	7.82	2.2
1988	10.33	2.1	NA	NA	7.90	2.3
1989	10.32	2.1	NA	NA	8.80	2.3
1990	10.13	2.1	NA	NA	8.36	2.1
1991	9.25	2.0	NA	NA	7.10	1.9
1992	8.40	1.7	7.96	1.7	5.63	1.7
1993	7.33	1.6	6.83	1.6	4.59	1.5
1994	8.35	1.8	7.86	1.8	5.33	1.5
1995	7.95	1.8	7.49	1.8	6.07	1.5
1996	7.81	1.7	7.32	1.7	5.67	1.4
1997	7.59	1.7	7.13	1.7	5.60	1.4
1998	6.95	1.1	6.59	1.1	5.59	1.1
1999	7.44	1.0	7.06	1.0	5.98	1.0
2000	8.05	1.0	7.72	1.0	7.04	1.0
2001	6.97	0.9	6.50	0.9	5.82	0.9
2002	6.54	0.6	5.98	0.6	4.62	0.7
2003	5.83	0.6	5.17	0.6	3.76	0.6
2004	5.84	0.7	5.21	0.6	3.90	0.7
2005	5.87	0.6	5.42	0.6	4.49	0.7
2006	6.41	0.5	6.07	0.5	5.53	0.7
Monthly Data						
2006						
Apr	6.51	0.6	6.16	0.5	5.62	0.8
May	6.60	0.5	6.21	0.5	5.63	0.7
Jun	6.68	0.5	6.31	0.5	5.71	0.7
Jul	6.76	0.5	6.39	0.4	5.79	0.7
Aug	6.52	0.4	6.20	0.4	5.64	0.7
Sep	6.40	0.5	6.08	0.4	5.56	0.7
Oct	6.36	0.4	6.05	0.5	5.55	0.7
Nov	6.24	0.5	5.96	0.5	5.51	0.6
Dec	6.14	0.4	5.88	0.5	5.45	0.7
2007						
Jan	6.22	0.4	5.97	0.4	5.47	0.5
Feb	6.29	0.4	6.02	0.4	5.51	0.7
Mar	6.16	0.4	5.88	0.4	5.44	0.6
Apr	6.18	0.5	5.88	0.5	5.45	0.6
May	6.26	0.4	5.97	0.4	5.52	0.7
Jun	6.66	0.4	6.34	0.4	5.68	0.7

Source: Federal Home Loan Mortgage Corporation
http://www.freddiemac.com/pmms/pmms30.htm

Table 15. Mortgage Interest Rates, Points, Effective Rates, and Average Term to Maturity on Conventional Loans Closed: 1982–Present

Period	Fixed Rate				Adjustable Rate			
	Rate	Points	Effective Rate	Term to Maturity	Rate	Points	Effective Rate	Term to Maturity
Annual Data								
1982	14.72	2.51	15.26	25.4	14.74	2.86	15.37	26.0
1983	12.51	2.41	12.98	25.5	11.88	2.37	12.33	26.7
1984	12.67	2.59	13.18	24.8	11.57	2.57	12.05	28.0
1985	11.93	2.56	12.43	24.1	10.44	2.47	10.87	27.7
1986	10.09	2.31	10.50	24.9	9.10	1.97	9.42	27.3
1987	9.52	2.18	9.90	25.5	8.20	1.95	8.51	28.6
1988	10.04	2.07	10.41	26.0	8.21	1.88	8.51	28.9
1989	10.21	1.92	10.54	27.0	9.15	1.79	9.44	28.9
1990	10.06	1.87	10.39	26.1	8.90	1.56	9.15	29.3
1991	9.38	1.63	9.66	25.8	8.03	1.43	8.26	28.7
1992	8.21	1.61	8.50	24.4	6.37	1.44	6.59	29.1
1993	7.27	1.21	7.48	24.7	5.56	1.20	5.74	28.8
1994	7.98	1.14	8.17	25.8	6.27	1.05	6.42	29.2
1995	8.01	1.01	8.18	26.5	7.00	0.88	7.13	29.3
1996	7.81	1.03	7.98	26.1	6.94	0.81	7.06	29.0
1997	7.73	1.01	7.89	26.9	6.76	0.87	6.90	29.4
1998	7.05	0.86	7.19	27.5	6.35	0.75	6.46	29.6
1999	7.32	0.78	7.44	27.8	6.45	0.57	6.53	29.7
2000	8.14	0.75	8.25	28.3	6.99	0.42	7.05	29.8
2001	7.03	0.56	7.11	27.3	6.34	0.33	6.39	29.8
2002	6.62	0.48	6.69	26.8	5.60	0.39	5.66	29.7
2003	5.87	0.38	5.92	26.3	4.98	0.39	5.03	29.8
2004	5.95	0.43	6.01	26.9	5.15	0.36	5.20	29.8
2005	6.02	0.42	6.08	27.9	5.50	0.27	5.54	30.0
2006	6.58	0.43	6.65	28.7	6.32	0.33	6.37	30.0
Monthly Data								
2006								
Apr	6.57	0.41	6.63	28.6	6.34	0.26	6.37	30.0
May	6.67	0.41	6.73	28.5	6.42	0.26	6.46	30.1
Jun	6.72	0.45	6.79	28.6	6.48	0.24	6.52	30.0
Jul	6.83	0.42	6.90	28.6	6.53	0.31	6.58	30.1
Aug	6.78	0.47	6.85	28.9	6.66	0.32	6.70	30.0
Sep	6.64	0.47	6.71	28.9	6.30	0.47	6.37	30.2
Oct	6.59	0.47	6.67	29.0	6.30	0.45	6.36	29.8
Nov	6.47	0.47	6.54	29.3	6.31	0.46	6.37	29.9
Dec	6.38	0.43	6.44	29.0	6.29	0.44	6.35	30.1
2007								
Jan	6.36	0.44	6.42	29.2	6.25	0.39	6.31	30.1
Feb	6.37	0.45	6.44	29.4	6.27	0.55	6.35	29.9
Mar	6.30	0.45	6.37	29.4	6.15	0.45	6.22	29.9
Apr	6.27	0.44	6.33	29.3	6.10	0.46	6.16	30.3
May	6.35	0.48	6.42	29.4	6.17	0.48	6.24	30.1
Jun	6.57	0.47	6.64	29.6	6.35	0.50	6.42	30.1

Source: Federal Housing Finance Board
http://www.fhfb.gov/MIRS/mirstbl2.xls

Table 16. FHA, VA, and PMI 1–4 Family Mortgage Insurance Activity: 1971–Present

Period	FHA* Applications	FHA* Total Endorsements	FHA* Purchase Endorsements	VA Guaranties	PMI Certificates
Annual Data					
1971	998,365	565,417	NA	284,358	NA
1972	655,747	427,858	NA	375,485	NA
1973	359,941	240,004	NA	321,522	NA
1974	383,993	195,850	NA	313,156	NA
1975	445,350	255,061	NA	301,443	NA
1976	491,981	250,808	NA	330,442	NA
1977	550,168	321,118	NA	392,557	NA
1978	627,971	334,108	NA	368,648	NA
1979	652,435	457,054	NA	364,656	NA
1980	516,938	381,169	359,151	274,193	392,808
1981	299,889	224,829	204,376	151,811	334,565
1982	461,129	166,734	143,931	103,354	315,868
1983	776,893	503,425	455,189	300,568	652,214
1984	476,888	267,831	235,847	210,366	946,408
1985	900,119	409,547	328,639	201,313	729,597
1986	1,907,316	921,370	634,491	351,242	585,987
1987	1,210,257	1,319,987	866,962	455,616	511,058
1988	949,353	698,990	622,873	212,671	423,470
1989	989,724	726,359	649,596	183,209	365,497
1990	957,302	780,329	726,028	192,992	367,120
1991	898,859	685,905	620,050	186,561	494,259
1992	1,090,392	680,278	522,738	290,003	907,511
1993	1,740,504	1,065,832	591,243	457,596	1,198,307
1994	961,466	1,217,685	686,487	536,867	1,148,696
1995	857,364	568,399	516,380	243,719	960,756
1996	1,064,324	849,861	719,517	326,458	1,068,707
1997	1,115,434	839,712	745,524	254,670	974,698
1998	1,563,394	1,110,530	796,779	384,605	1,473,344
1999	1,407,014	1,246,433	949,516	441,606	1,455,403
2000	1,154,622	891,874	826,708	186,671	1,236,214
2001	1,760,278	1,182,368	818,035	281,505	1,987,717
2002	1,521,730	1,246,561	805,198	328,506	2,305,709
2003	1,634,166	1,382,570	677,507	513,259	2,493,435
2004	945,565	826,611	502,302	262,781	1,708,972
2005	673,855	523,243	332,912	160,294	1,579,593
2006	653,910	465,379	264,074	137,874	1,444,330
Monthly Data					
2006					
Apr	57,484	41,058	24,674	11,161	95,631
May	62,901	30,070	10,882	10,734	121,013
Jun	57,619	29,176	9,652	13,342	143,501
Jul	49,241	41,146	26,543	12,011	112,019
Aug	56,531	46,989	30,153	14,532	129,415
Sep	49,122	41,321	25,696	12,458	130,830
Oct	55,700	44,783	26,230	11,921	123,626
Nov	55,122	40,239	22,853	10,582	103,934
Dec	41,530	35,400	18,383	9,428	154,537
2007					
Jan	47,650	43,308	22,146	11,429	108,980
Feb	50,003	36,326	16,483	8,880	118,214
Mar	66,885	41,109	19,472	10,550	183,919
Apr	67,529	41,032	21,489	9,964	161,000
May	72,740	48,085	24,236	11,780	198,958
Jun	73,444	48,838	25,776	12,283	198,258

NA = Data not available.

*These operational numbers differ slightly from adjusted accounting numbers.

Sources: FHA—Office of Housing, Department of Housing and Urban Development; VA—Department of Veterans Affairs; and PMI—Mortgage Insurance Companies of America

Table 17. FHA Unassisted Multifamily Mortgage Insurance Activity: 1980–Present*

Period	Construction of New Rental Units[1]			Purchase or Refinance of Existing Rental Units[2]			Congregate Housing, Nursing Homes, and Assisted Living, Board and Care Facilities[3]		
	Projects	Units	Mortgage Amount	Projects	Units	Mortgage Amount	Projects	Units	Mortgage Amount
Annual Data									
1980	79	14,671	560.8	32	6,459	89.1	25	3,187	78.1
1981	94	14,232	415.1	12	2,974	43.0	35	4,590	130.0
1982	98	14,303	460.4	28	7,431	95.2	50	7,096	200.0
1983	74	14,353	543.9	94	22,118	363.0	65	9,231	295.8
1984	96	14,158	566.2	88	21,655	428.2	45	5,697	175.2
1985	144	23,253	954.1	135	34,730	764.3	41	5,201	179.1
1986	154	22,006	1,117.5	245	32,554	1,550.1	22	3,123	111.2
1987	171	28,300	1,379.4	306	68,000	1,618.0	45	6,243	225.7
1988	140	21,180	922.2	234	49,443	1,402.3	47	5,537	197.1
1989	101	15,240	750.9	144	32,995	864.6	41	5,183	207.9
1990	61	9,910	411.4	69	13,848	295.3	53	6,166	263.2
1991	72	13,098	590.2	185	40,640	1,015.1	81	10,150	437.2
1992	54	7,823	358.5	119	24,960	547.1	66	8,229	367.4
1993	56	9,321	428.6	262	50,140	1,209.4	77	9,036	428.6
1994	84	12,988	658.5	321	61,416	1,587.0	94	13,688	701.7
1995	89	17,113	785.0	192	32,383	822.3	103	12,888	707.2
1996	128	23,554	1,178.8	268	51,760	1,391.1	152	20,069	927.5
1997	147	23,880	1,362.2	186	31,538	1,098.5	143	16,819	820.0
1998	149	25,237	1,420.7	158	19,271	576.3	89	7,965	541.0
1999	185	30,863	1,886.8	182	22,596	688.7	130	14,592	899.2
2000	193	35,271	2,171.7	165	20,446	572.6	178	18,618	891.7
2001	163	29,744	1,905.6	303	35,198	831.9	172	20,633	1,135.2
2002	167	31,187	2,042.7	439	52,434	1,284.5	287	33,086	1,780.6
2003	180	30,871	2,224.5	701	87,193	2,273.5	253	31,126	1,502.2
2004	166	27,891	1,802.6	672	70,740	2,203.1	228	26,094	1,344.3
2005	148	24,847	1,596.3	472	49,238	1,724.9	184	20,625	1,080.4
2006	97	14,603	873.3	614	59,451	2,252.5	228	26,898	1,425.6
2007 (6 mos.)	40	5,914	385.3	183	14,643	469.1	54	5,861	393.6

*Mortgage insurance written—initial endorsements. Mortgage amounts are in millions of dollars.

[1] Includes both new construction and substantial rehabilitation under Sections 207, 220, and 221(d).

[2] Includes purchase or refinance of existing rental housing under Section 223.

[3] Includes congregate rental housing for the elderly under Section 231, and nursing homes, board and care homes, assisted-living facilities, and intermediate-care facilities under Section 232. Includes both new construction or substantial rehabilitation, and purchase or refinance of existing projects. Number of units shown includes beds and housing units.

Source: Office of Multifamily Housing Development (FHA F–47 Data Series), Department of Housing and Urban Development

Table 18. Mortgage Delinquencies and Foreclosures Started: 1986–Present*

Period	Delinquency Rates												Foreclosures Started					
	Total Past Due						90 Days Past Due											
		Conventional Loans						Conventional Loans						Conventional Loans				
	All Loans	All Conv.	Prime Only	Sub-prime Only	FHA Loans	VA Loans	All Loans	All Conv.	Prime Only	Sub-prime Only	FHA Loans	VA Loans	All Loans	All Conv.	Prime Only	Sub-prime Only	FHA Loans	VA Loans
Annual Averages																		
1986	5.56	3.80	NA	NA	7.16	6.58	1.01	0.67	NA	NA	1.29	1.24	0.26	0.19	NA	NA	0.32	0.30
1987	4.97	3.15	NA	NA	6.56	6.21	0.93	0.61	NA	NA	1.19	1.17	0.26	0.18	NA	NA	0.34	0.32
1988	4.79	2.94	NA	NA	6.56	6.22	0.85	0.54	NA	NA	1.14	1.14	0.27	0.17	NA	NA	0.37	0.32
1989	4.81	3.03	NA	NA	6.74	6.45	0.79	0.50	NA	NA	1.09	1.09	0.29	0.18	NA	NA	0.41	0.37
1990	4.66	2.99	NA	NA	6.68	6.35	0.71	0.39	NA	NA	1.10	1.04	0.31	0.21	NA	NA	0.43	0.40
1991	5.03	3.26	NA	NA	7.31	6.77	0.80	0.46	NA	NA	1.25	1.11	0.34	0.27	NA	NA	0.43	0.42
1992	4.57	2.95	NA	NA	7.57	6.46	0.81	0.47	NA	NA	1.35	1.15	0.33	0.26	NA	NA	0.45	0.40
1993	4.22	2.66	NA	NA	7.14	6.30	0.77	0.45	NA	NA	1.40	1.16	0.32	0.24	NA	NA	0.48	0.42
1994	4.10	2.60	NA	NA	7.26	6.26	0.76	0.45	NA	NA	1.44	1.19	0.33	0.23	NA	NA	0.56	0.48
1995	4.24	2.77	NA	NA	7.55	6.44	0.74	0.43	NA	NA	1.46	1.17	0.33	0.23	NA	NA	0.53	0.50
1996	4.33	2.78	NA	NA	8.05	6.75	0.63	0.32	NA	NA	1.40	1.10	0.34	0.25	NA	NA	0.58	0.46
1997	4.31	2.82	NA	NA	8.13	6.94	0.58	0.32	NA	NA	1.22	1.15	0.36	0.26	NA	NA	0.62	0.51
1998	4.74	3.41	2.59	10.87	8.57	7.55	0.66	0.39	0.28	1.31	1.50	1.23	0.42	0.34	0.22	1.46	0.59	0.44
1999	4.48	3.17	2.26	11.43	8.57	7.55	0.63	0.34	0.24	1.23	1.50	1.23	0.38	0.33	0.17	1.75	0.59	0.44
2000	4.54	3.23	2.28	11.90	9.07	6.84	0.62	0.32	0.22	1.21	1.61	1.22	0.41	0.37	0.16	2.31	0.56	0.38
2001	5.26	3.79	2.67	14.03	10.78	7.67	0.80	0.44	0.27	2.04	2.12	1.47	0.46	0.41	0.20	2.34	0.71	0.42
2002	5.23	3.79	2.63	14.31	11.53	7.86	0.91	0.57	0.29	3.16	2.36	1.61	0.46	0.39	0.20	2.14	0.85	0.46
2003	4.74	3.51	2.51	12.17	12.21	8.00	0.90	0.59	0.30	3.25	2.66	1.77	0.42	0.34	0.20	1.61	0.90	0.48
2004	4.49	NA	2.30	10.80	12.18	7.31	0.87	NA	0.29	2.72	2.75	1.60	0.43	NA	0.19	1.50	0.98	0.49
2005	4.45	NA	2.30	10.84	12.51	7.00	0.89	NA	0.32	2.59	3.08	1.60	0.41	NA	0.18	1.42	0.85	0.38
2006	4.61	NA	2.39	12.27	12.74	6.67	0.96	NA	0.36	2.89	3.38	1.55	0.46	NA	0.19	1.81	0.83	0.35
Quarterly Data (Seasonally Adjusted)																		
2006																		
Q1	4.41	NA	2.25	11.50	12.23	6.93	1.01	NA	0.39	2.82	3.59	1.78	0.41	NA	0.16	1.62	0.83	0.39
Q2	4.39	NA	2.29	11.70	12.45	6.35	0.91	NA	0.36	2.65	3.34	1.45	0.43	NA	0.18	1.79	0.75	0.35
Q3	4.67	NA	2.44	12.56	12.80	6.58	0.94	NA	0.34	2.96	3.28	1.48	0.46	NA	0.19	1.82	0.79	0.32
Q4	4.95	NA	2.57	13.33	13.46	6.82	0.96	NA	0.33	3.13	3.30	1.50	0.54	NA	0.24	2.00	0.93	0.34
2007																		
Q1	4.84	NA	2.58	13.77	12.15	6.49	0.98	NA	0.36	3.35	3.34	1.52	0.58	NA	0.25	2.43	0.90	0.41

*All data are seasonally adjusted.

NA = not applicable.

Source: National Delinquency Survey, Mortgage Bankers Association

http://www.mbaa.org/marketdata (See Residential Mortgage Delinquency Report.)

Table 19. Expenditures for Existing Residential Properties: 1977–Present

Period	Total Expenditures	Maintenance and Repairs[1]	Improvements: Total	Additions and Alterations[2]: Total	Additions[3]	Improvements	To Property Outside the Structure	Major Replacements[5]
Annual Data (Millions of Dollars)								
1977	31,280	11,344	19,936	14,237	2,655	8,505	3,077	5,699
1978	37,461	12,909	24,552	16,458	3,713	8,443	4,302	8,094
1979	42,231	14,950	27,281	18,285	3,280	9,642	5,363	8,996
1980	46,338	15,187	31,151	21,336	4,183	11,193	5,960	9,816
1981	46,351	16,022	30,329	20,414	3,164	11,947	5,303	9,915
1982	45,291	16,810	28,481	18,774	2,641	10,711	5,423	9,707
1983	49,295	18,128	31,167	20,271	4,739	11,673	3,859	10,895
1984	70,597	29,307	41,291	28,023	6,044	14,604	7,375	13,268
1985	82,127	36,349	45,778	29,259	4,027	17,922	7,309	16,519
1986	94,329	37,394	56,936	39,616	7,552	21,774	10,292	17,319
1987	98,413	40,227	58,186	41,484	9,893	22,503	9,088	16,701
1988	106,864	43,580	63,284	45,371	11,868	23,789	9,715	17,912
1989	108,054	46,089	61,966	42,176	7,191	24,593	10,391	19,788
1990	115,432	55,800	59,629	39,929	9,160	23,510	7,261	19,700
1991	107,692	55,505	52,187	33,662	8,609	17,486	7,567	18,526
1992	115,569	50,821	64,748	44,041	7,401	24,870	11,771	20,705
1993	121,899	45,785	76,114	53,512	16,381	27,657	9,472	22,604
1994	130,625	47,185	83,439	56,835	12,906	30,395	13,534	26,606
1995	124,971	47,032	77,940	51,011	11,197	29,288	10,526	26,928
1996	131,362	40,108	91,253	64,513	17,388	32,889	14,235	26,738
1997	133,577	41,145	92,432	65,222	14,575	37,126	13,523	27,210
1998	133,693	41,980	91,712	62,971	11,897	38,787	12,287	28,741
1999	142,900	42,352	100,549	72,056	16,164	42,058	13,833	28,493
2000	152,975	42,236	110,739	77,979	18,189	40,384	19,407	32,760
2001	157,765	47,492	110,273	77,560	14,133	47,208	16,218	32,714
2002	173,324	47,349	125,946	88,708	20,624	49,566	18,518	37,238
2003	176,899	44,094	132,805	93,458	20,994	55,028	17,435	39,347

Period	Total Expenditures	Maintenance and Repairs[1]	Improvements: Total	Additions and Alterations[2]: Total	Additions[3]	Alterations[4]	Other Property Improvements	Major Replacements[5]
2003	176,899	44,094	132,805		20,994	91,759	20,051	
2004	198,557	50,612	147,945		17,889	103,835	26,219	
2005	215,030	53,293	161,737		20,719	112,721	28,297	
2006	228,208	53,389	174,819		13,519	129,918	31,382	
Quarterly Data (Seasonally Adjusted Annual Rates)								
2006								
Q1	232,200	53,900	178,300		NA	NA	NA	
Q2	225,000	54,500	170,500		NA	NA	NA	
Q3	231,000	52,800	178,300		NA	NA	NA	
Q4	226,000	53,200	172,800		NA	NA	NA	
2007								
Q1	217,300	55,000	162,200		NA	NA	NA	

[1] Maintenance and repairs are incidental costs that keep a property in ordinary working condition.

[2] Additions and alterations to property outside the structure include walks, driveways, walls, fences, pools, garages, and sheds.

[3] Additions refer to actual enlargements of the structure.

[4] Alterations refer to changes or improvements made within or on the structure.

[5] Major replacements are relatively expensive and are not considered repairs; they include furnaces, boilers, roof replacement, and central air conditioning. Effective with the first quarter of 2004, this survey no longer tabulates major replacements separately from other types of improvements. As a result, data previously tabulated as "Major Replacements" are now included in the columns of "Additions and Alterations."

NA = Data available only annually. Blank cells appear in the table because of a change in the survey.

Source: Census Bureau, Department of Commerce

http://www.census.gov/const/www/c50index.html

Table 20. Value of New Construction Put in Place, Private Residential Buildings: 1974–Present

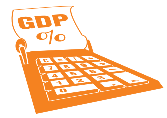
Period	Total	New Residential Construction			Improvements
		Total	Single-Family Structures	Multifamily Structures	
Annual Data (Current Dollars in Millions)					
1974	55,967	43,420	29,700	13,720	12,547
1975	51,581	36,317	29,639	6,679	15,264
1976	68,273	50,771	43,860	6,910	17,502
1977	92,004	72,231	62,214	10,017	19,773
1978	109,838	85,601	72,769	12,832	24,237
1979	116,444	89,272	72,257	17,015	27,172
1980	100,381	69,629	52,921	16,708	30,752
1981	99,241	69,424	51,965	17,460	29,817
1982	84,676	57,001	41,462	15,838	27,675
1983	125,833	94,961	72,514	22,447	30,872
1984	155,015	114,616	86,395	28,221	40,399
1985	160,520	115,888	87,350	28,539	44,632
1986	190,677	135,169	104,131	31,038	55,508
1987	199,652	142,668	117,216	25,452	56,984
1988	204,496	142,391	120,093	22,298	62,105
1989	204,255	143,232	120,929	22,304	61,023
1990	191,103	132,137	112,886	19,250	58,966
1991	166,251	114,575	99,427	15,148	51,676
1992	199,393	135,070	121,976	13,094	64,323
1993	225,067	150,911	140,123	10,788	74,156
1994	258,561	176,389	162,309	14,081	82,172
1995	247,351	171,404	153,515	17,889	75,947
1996	281,115	191,113	170,790	20,324	90,002
1997	289,014	198,063	175,179	22,883	90,951
1998	314,607	223,983	199,409	24,574	90,624
1999	350,562	251,272	223,837	27,434	99,290
2000	374,457	265,047	236,788	28,259	109,410
2001	388,324	279,391	249,086	30,305	108,933
2002	421,912	298,841	265,889	32,952	123,071
2003	475,941	345,691	310,575	35,116	130,250
2004	564,827	417,501	377,557	39,944	147,326
2005[r]	641,345	480,807	433,510	47,297	160,538
2006[r]	641,332	469,017	415,997	53,020	172,315
Monthly Data (Seasonally Adjusted Annual Rates)					
2006					
Apr[r]	678,266	504,423	451,404	53,019	NA
May	665,893	494,267	440,036	54,231	NA
Jun	650,928	478,948	427,119	51,829	NA
Jul	636,624	465,255	413,524	51,731	NA
Aug	625,436	452,787	400,938	51,849	NA
Sep	614,444	444,303	390,611	53,692	NA
Oct	601,304	430,047	375,691	54,356	NA
Nov	589,985	418,725	363,544	55,181	NA
Dec	580,723	411,123	356,469	54,654	NA
2007					
Jan	567,526	398,128	344,273	53,855	NA
Feb	562,934	386,124	333,053	53,071	NA
Mar[r]	555,606	383,530	330,871	52,659	NA
Apr	551,730	377,968	326,884	51,084	NA
May	548,345	372,557	321,273	51,284	NA
Jun	544,256	368,419	316,817	51,602	NA

[r] Revised.

Source: Census Bureau, Department of Commerce

http://www.census.gov/const/C30/PRIVSAHIST.xls

Table 21. Gross Domestic Product and Residential Fixed Investment: 1960–Present



Period	Gross Domestic Product	Residential Fixed Investment	Residential Fixed Investment Percent of GDP
Annual Data (Current Dollars in Billions)			
1960	526.4	26.3	5.0
1961	544.7	26.4	4.8
1962	585.6	29.0	5.0
1963	617.7	32.1	5.2
1964	663.6	34.3	5.2
1965	719.1	34.2	4.8
1966	787.8	32.3	4.1
1967	832.6	32.4	3.9
1968	910.0	38.7	4.3
1969	984.6	42.6	4.3
1970	1,038.5	41.4	4.0
1971	1,127.1	55.8	5.0
1972	1,238.3	69.7	5.6
1973	1,382.7	75.3	5.4
1974	1,500.0	66.0	4.4
1975	1,638.3	62.7	3.8
1976	1,825.3	82.5	4.5
1977	2,030.9	110.3	5.4
1978	2,294.7	131.6	5.7
1979	2,563.3	141.0	5.5
1980	2,789.5	123.2	4.4
1981	3,128.4	122.6	3.9
1982	3,255.0	105.7	3.2
1983	3,536.7	152.9	4.3
1984	3,933.2	180.6	4.6
1985	4,220.3	188.2	4.5
1986	4,462.8	220.1	4.9
1987	4,739.5	233.7	4.9
1988	5,103.8	239.3	4.7
1989	5,484.4	239.5	4.4
1990	5,803.1	224.0	3.9
1991	5,995.9	205.1	3.4
1992	6,337.7	236.3	3.7
1993	6,657.4	266.0	4.0
1994	7,072.2	301.9	4.3
1995	7,397.7	302.8	4.1
1996	7,816.9	334.1	4.3
1997	8,304.3	349.1	4.2
1998	8,747.0	385.8	4.4
1999	9,268.4	424.9	4.6
2000	9,817.0	446.9	4.6
2001	10,128.0	469.3	4.6
2002	10,469.6	503.9	4.8
2003	10,960.8	572.4	5.2
2004	11,685.9	675.5	5.8
2005	12,433.9	768.2	6.2
2006	13,194.7	764.8	5.8
Quarterly Data (Seasonally Adjusted Annual Rates)			
2006			
Q2	13,155.0	788.2	6.0
Q3	13,266.9	746.1	5.6
Q4	13,392.3	715.3	5.3
2007			
Q1	13,551.9	687.5	5.1
Q2	13,755.9	671.9	4.9

Source: Bureau of Economic Analysis, Department of Commerce
http://www.bea.doc.gov/bea/newsrel/gdpnewsrelease.htm (See Table 3 in pdf.)

Table 22. Net Change in Number of Households by Age of Householder: 1971–Present*

Period	Total	Less Than 25 Years	25 to 29 Years	30 to 34 Years	35 to 44 Years	45 to 54 Years	55 to 64 Years	65 Years and Older
Annual Data								
1971[1]	848	NA	NA	NA	NA	NA	NA	NA
1972	1,898	NA	NA	NA	NA	NA	NA	NA
1973	1,575	NA	NA	NA	NA	NA	NA	NA
1974[r]	1,554	NA	NA	NA	NA	NA	NA	NA
1975	1,358	NA	NA	NA	NA	NA	NA	NA
1976	1,704	NA	NA	NA	NA	NA	NA	NA
1977	1,275	114	87	570	255	85	149	14
1978	1,888	229	213	451	487	(303)	403	409
1979	1,300	122	81	84	359	(17)	101	570
1980[2]	3,446	228	573	935	652	69	241	749
1981	1,592	(127)	262	387	482	40	179	368
1982	1,159	(333)	11	163	864	(189)	243	400
1983	391	(415)	(60)	(163)	694	(151)	127	359
1984[r]	1,372	(237)	332	350	549	169	54	156
1985	1,499	(20)	(160)	388	912	105	(55)	328
1986	1,669	65	144	252	516	471	(221)	441
1987	1,021	(306)	(129)	221	706	112	16	402
1988[r]	1,645	109	(44)	163	624	389	(10)	414
1989	1,706	109	16	287	625	418	(53)	304
1990	517	(294)	(201)	(251)	602	496	(276)	440
1991	965	(239)	(177)	28	750	237	(5)	371
1992	1,364	(23)	(433)	120	474	796	36	394
1993[3]	750	398	46	1	84	866	(406)	(239)
1994	681	8	(387)	47	431	424	34	124
1995	1,883	179	(72)	(193)	621	753	36	559
1996	637	(162)	(46)	(181)	312	418	177	121
1997	1,391	(122)	293	(204)	597	835	68	(78)
1998	1,510	275	(184)	(97)	120	704	603	89
1999	1,346	335	56	(270)	25	611	499	92
2000	831	90	1	(193)	(13)	769	21	156
2001	1,712	532	(213)	140	(51)	870	351	83
2002[4]	2,880	(1)	105	329	127	411	1,260	648
2003	595	69	(18)	(92)	(237)	208	643	22
2004	1,028	98	278	(219)	(320)	365	714	112
2005	1,643	(3)	298	(283)	42	476	802	311
2006	1,344	43	185	(160)	(243)	508	682	329
Quarterly Data								
2006								
Q2	161	(88)	65	(116)	(112)	283	154	(26)
Q3	179	149	(41)	2	(38)	79	114	(85)
Q4	303	(32)	53	117	(206)	(47)	390	28
2007								
Q1	(228)	(149)	74	(87)	(164)	(97)	94	102
Q2	637	(98)	138	(84)	149	261	36	233

*Units in thousands.

[r] Implementation of new March CPS processing system.

[1] Data from 1971 to 1979 weighted based on the 1970 decennial census.

[2] Data from 1980 to 1992 weighted based on the 1980 decennial census.

[3] Beginning in 1993, CPS data weighted based on the 1990 decennial census.

[4] Beginning in 2002, CPS data weighted based on the 2000 decennial census data and housing unit controls.

Source: Current Population Survey, Census Bureau, Department of Commerce (The source of annual data is the Current Population Survey March Supplement. The quarterly data source is the monthly Current Population Survey/Housing Vacancy Survey.)

Table 23. Net Change in Number of Households by Type of Household: 1971–Present*

Period	Total	Families[5]				Non-Family Households		One-Person Households	
		Husband-Wife		Other Male Headed	Other Female Headed	Male Headed	Female Headed	Males	Females
		With Children	Without Children						
Annual Data									
1971[1]	848	NA	NA	NA	NA	NA	NA	NA	NA
1972	1,898	NA	NA	NA	NA	NA	NA	NA	NA
1973	1,575	NA	NA	NA	NA	NA	NA	NA	NA
1974[r]	1,554	NA	NA	NA	NA	NA	NA	NA	NA
1975	1,358	NA	NA	NA	NA	NA	NA	NA	NA
1976	1,704	NA	NA	NA	NA	NA	NA	NA	NA
1977	1,275	(191)	366	36	206	199	109	223	326
1978	1,888	(228)	114	103	497	126	93	713	470
1979	1,300	(91)	396	53	182	143	131	112	375
1980[2]	3,446	426	1,024	115	485	240	60	502	592
1981	1,592	56	126	201	377	184	9	287	353
1982	1,159	(393)	730	53	322	(50)	81	229	189
1983	391	(2)	278	31	65	87	33	(31)	(73)
1984[r]	1,372	(60)	234	21	427	142	14	35	562
1985	1,499	(178)	447	189	233	(12)	62	436	319
1986	1,669	458	125	187	81	171	71	363	213
1987	1,021	75	529	96	235	43	95	(39)	(12)
1988[r]	1,645	(107)	244	344	243	62	51	557	249
1989	1,706	135	290	0	196	213	99	390	385
1990	517	(123)	341	30	5	(124)	97	(144)	435
1991	965	(66)	(104)	28	373	143	(1)	401	191
1992	1,364	(53)	363	114	430	115	12	163	220
1993[3]	750	550	83	44	364	37	87	(169)	(247)
1994	681	207	(128)	(145)	340	170	185	(4)	57
1995	1,883	250	439	308	(182)	28	(80)	700	421
1996	637	(333)	43	286	295	11	169	148	20
1997	1,391	153	(117)	340	270	204	37	154	349
1998	1,510	246	467	61	(136)	(143)	89	568	356
1999	1,346	(211)	663	63	139	280	132	(44)	323
2000	831	149	392	48	(98)	58	165	215	(97)
2001	1,712	189	99	231	(168)	221	42	356	743
2002[4]	2,880	371	778	195	608	(106)	81	467	485
2003	595	(38)	277	47	83	29	27	135	36
2004	1,028	(136)	341	283	175	39	(18)	167	176
2005	1,643	(111)	299	189	456	77	56	431	248
2006	1,344	64	226	54	169	93	100	452	186
Quarterly Data									
2006									
Q2	161	(211)	136	8	(47)	(5)	59	126	93
Q3	179	(414)	335	75	363	(47)	4	52	(188)
Q4	303	50	(26)	(241)	(134)	234	(64)	233	249
2007									
Q1	(228)	373	(167)	72	13	(178)	(150)	(125)	(65)
Q2	637	211	218	58	(101)	32	174	(20)	66

*Units in thousands.

[r] Implementation of new March CPS processing system.

[1] Data from 1971 to 1979 weighted based on the 1970 decennial census.

[2] Data from 1980 to 1992 weighted based on the 1980 decennial census.

[3] Beginning in 1993, CPS data weighted based on the 1990 decennial census.

[4] Beginning in 2002, CPS data weighted based on the 2000 decennial census data and housing unit controls.

[5] Primary families only.

Source: Current Population Survey, Census Bureau, Department of Commerce (The source of annual data is the Current Population Survey March Supplement. The quarterly data source is the monthly Current Population Survey/Housing Vacancy Survey.)

Table 24. Net Change in Number of Households by Race and Ethnicity of Householder: 1971–Present*

Period	Total	Non-Hispanic				Hispanic
		White Alone	Black Alone	Other Race Alone	Two or More Races[5]	
Annual Data						
1971[1]	848	NA	NA	NA	NA	NA
1972	1,898	NA	NA	NA	NA	NA
1973	1,575	NA	NA	NA	NA	NA
1974[r]	1,554	NA	NA	NA	NA	NA
1975	1,358	NA	NA	NA	NA	NA
1976	1,704	NA	NA	NA	NA	NA
1977	1,275	832	288	22	NA	133
1978	1,888	1,356	190	119	NA	223
1979	1,300	1,115	96	102	NA	(13)
1980[2]	3,446	2,367	488	198	NA	393
1981	1,592	903	244	223	NA	222
1982	1,159	890	129	66	NA	74
1983	391	218	(37)	105	NA	105
1984[r]	1,372	434	299	58	NA	581
1985	1,499	938	250	94	NA	217
1986	1,669	954	283	102	NA	330
1987	1,021	527	116	173	NA	205
1988[r]	1,645	1,053	255	113	NA	224
1989	1,706	947	382	109	NA	268
1990	517	428	(49)	115	NA	23
1991	965	540	156	(18)	NA	287
1992	1,364	590	397	218	NA	159
1993[3]	750	(518)	183	312	NA	774
1994	681	590	(6)	(114)	NA	209
1995	1,883	1,307	387	(182)	NA	373
1996	637	(72)	(156)	660	NA	204
1997	1,391	308	509	288	NA	286
1998	1,510	696	363	87	NA	365
1999	1,346	641	89	145	NA	470
2000	831	242	245	85	NA	259
2001	1,712	557	483	328	NA	344
2002[4]	2,880	1,442	(100)	702	NA	836
2003	595	(666)	(5)	(443)	1,109	600
2004	1,028	417	208	164	39	201
2005	1,643	710	257	166	50	461
2006	1,344	511	214	126	26	467
Quarterly Data						
2006						
Q2	161	(207)	155	74	25	114
Q3	179	151	(76)	13	29	62
Q4	303	109	51	55	(33)	121
2007						
Q1	(228)	(272)	(20)	131	(98)	32
Q2	637	219	184	4	6	223

*Units in thousands.

[r] Implementation of new March CPS processing system.

[1] Data from 1971 to 1979 weighted based on the 1970 decennial census.

[2] Data from 1980 to 1992 weighted based on the 1980 decennial census.

[3] Beginning in 1993, CPS data weighted based on the 1990 decennial census.

[4] Beginning in 2002, CPS data weighted based on the 2000 decennial census data and housing unit controls.

[5] Beginning in 2003, the CPS respondents were able to select more than one race.

Source: Current Population Survey, Census Bureau, Department of Commerce (The source of annual data is the Current Population Survey March Supplement. The quarterly data source is the monthly Current Population Survey/Housing Vacancy Survey.)

Table 25. Total U.S. Housing Stock: 1970–Present*

Period	Total[3]	Seasonal	Total Year Round	Total Vacant Year Round	For Rent	For Sale Only	Other Vacant	Total Occupied	Owner	Renter
Annual and Biannual Data										
1970[1]	68,672	973	67,699	4,207	1,655	477	2,075	63,445	39,886	23,560
1971	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1972	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1973	75,969	676	75,293	5,956	1,545	502	3,909	69,337	44,653	24,684
1974	77,601	1,715	75,886	5,056	1,630	547	2,879	70,830	45,784	25,046
1975	79,087	1,534	77,553	5,030	1,489	577	2,964	72,523	46,867	25,656
1976	80,881	1,565	79,316	5,311	1,544	617	3,150	74,005	47,904	26,101
1977	82,420	1,704	80,716	5,436	1,532	596	3,308	75,280	48,765	26,515
1978	84,618	1,785	82,833	5,667	1,545	624	3,498	77,167	50,283	26,884
1979	86,374	1,788	84,586	6,014	1,600	677	3,737	78,572	51,411	27,160
1980	88,207	2,183	86,024	5,953	1,497	755	3,701	80,072	52,516	27,556
1980[1]	88,411	1,718	86,693	NA	NA	NA	NA	80,390	51,795	28,595
1981[2]	91,561	1,950	89,610	6,435	1,634	812	3,989	83,175	54,342	28,833
1983	93,519	1,845	91,675	7,037	1,906	955	4,176	84,638	54,724	29,914
1985	99,931	3,182	96,749	8,324	2,518	1,128	4,678	88,425	56,145	32,280
1987	102,652	2,837	99,818	8,927	2,895	1,116	4,916	90,888	58,164	32,724
1989	105,661	2,881	102,780	9,097	2,644	1,115	5,338	93,683	59,916	33,767
1990[1]	102,264	NA	NA	NA	NA	NA	NA	91,947	59,025	32,923
1991	104,592	2,728	101,864	8,717	2,684	1,026	5,007	93,147	59,796	33,351
1993	106,611	3,088	103,522	8,799	2,651	889	5,258	94,724	61,252	33,472
1995	109,457	3,054	106,403	8,710	2,666	917	5,128	97,693	63,544	34,150
1997	112,357	3,166	109,191	9,704	2,884	1,043	5,777	99,487	65,487	34,000
1999	115,253	2,961	112,292	9,489	2,719	971	5,799	102,803	68,796	34,007
2000[1]	119,628	NA	NA	NA	NA	NA	NA	105,719	71,249	34,470
2001	119,116	3,078	116,038	9,777	2,916	1,243	5,618	106,261	72,265	33,996
2003	120,777	3,566	117,211	11,369	3,597	1,284	6,488	105,842	72,238	33,604
Quarterly Data										
2006										
Q2	125,800	3,974	121,826	12,376	3,676	1,729	6,971	109,450	75,227	34,223
Q3	126,225	3,989	122,236	12,606	3,808	1,935	6,863	109,630	75,646	33,984
Q4	126,651	4,044	122,607	12,675	3,779	2,100	6,798	109,932	75,763	34,169
2007										
Q1	127,266	4,170	123,096	13,392	3,956	2,179	7,257	109,704	75,006	34,698
Q2	127,728	4,330	123,398	13,057	3,731	2,037	7,289	110,341	75,283	35,058

*Components may not add to totals because of rounding. Units in thousands.

[1] Decennial Census of Housing.

[2] American Housing Survey estimates are available in odd-numbered years only after 1981.

[3] Annual Housing Survey estimates through 1981 based on 1970 decennial census weights; 1983 to 1989 estimates based on 1980 decennial census weights; 1991 and 1995 estimates based on 1990 decennial census weights. No reduction in nation's housing inventory has ever occurred; apparent reductions are due to changes in bases used for weighting sample data.

Sources: Annual Data—Annual or American Housing Surveys; Quarterly Data—Current Population Series/Housing Vacancy Survey in *Current Housing Reports: Housing Vacancies and Homeownership,* Census Bureau, Department of Commerce

http://www.census.gov/hhes/www/hvs.html (See Table 4.)

Table 26. Rental Vacancy Rates: 1979–Present

Period	All Rental Units	Metropolitan Status[1]				Regions				Units in Structure		
		Inside Metro Area	In Central Cities	Suburbs	Outside Metro Area	North-east	Mid-west	South	West	One	Two or More	Five or More
Annual Data												
1979	5.4	5.4	5.7	5.1	5.4	4.5	5.7	6.1	5.3	3.2	6.6	7.6
1980	5.4	5.2	5.4	4.8	6.1	4.2	6.0	6.0	5.2	3.4	6.4	7.1
1981	5.0	4.8	5.0	4.6	5.7	3.7	5.9	5.4	5.1	3.3	6.0	6.4
1982	5.3	5.0	5.3	4.6	6.2	3.7	6.3	5.8	5.4	3.6	6.2	6.5
1983	5.7	5.5	6.0	4.8	6.3	4.0	6.1	6.9	5.2	3.7	6.7	7.1
1984	5.9	5.7	6.2	5.1	6.4	3.7	5.9	7.9	5.2	3.8	7.0	7.5
1985	6.5	6.3	6.6	6.0	7.1	3.5	5.9	9.1	6.2	3.8	7.9	8.8
1986	7.3	7.2	7.6	6.6	8.2	3.9	6.9	10.1	7.1	3.9	9.2	10.4
1987	7.7	7.7	8.3	6.9	7.8	4.1	6.8	10.9	7.3	4.0	9.7	11.2
1988	7.7	7.8	8.4	7.0	7.3	4.8	6.9	10.1	7.7	3.6	9.8	11.4
1989	7.4	7.4	7.9	6.6	7.7	4.7	6.8	9.7	7.1	4.2	9.2	10.1
1990	7.2	7.1	7.8	6.3	7.6	6.1	6.4	8.8	6.6	4.0	9.0	9.5
1991	7.4	7.5	8.0	6.8	7.3	6.9	6.7	8.9	6.5	3.9	9.4	10.4
1992	7.4	7.4	8.3	6.4	7.0	6.9	6.7	8.2	7.1	3.9	9.3	10.1
1993	7.3	7.5	8.2	6.6	6.5	7.0	6.6	7.9	7.4	3.8	9.5	10.3
1994	7.4	7.3	8.1	6.4	7.7	7.1	6.8	8.0	7.1	5.2	9.0	9.8
1995	7.6	7.6	8.4	6.6	7.9	7.2	7.2	8.3	7.5	5.4	9.0	9.5
1996	7.8	7.7	8.2	7.0	8.7	7.4	7.9	8.6	7.2	5.5	9.3	9.6
1997	7.7	7.5	8.1	6.9	8.8	6.7	8.0	9.1	6.6	5.8	9.0	9.1
1998	7.9	7.7	8.2	7.1	9.2	6.7	7.9	9.6	6.7	6.3	9.0	9.4
1999	8.1	7.8	8.4	7.2	9.6	6.3	8.6	10.3	6.2	7.3	8.7	8.7
2000	8.0	7.7	8.2	7.2	9.5	5.6	8.8	10.5	5.8	7.0	8.7	9.2
2001	8.4	8.0	8.6	7.4	10.4	5.3	9.7	11.1	6.2	7.9	8.9	9.6
2002	8.9	8.7	9.2	8.2	10.2	5.8	10.1	11.6	6.9	8.0	9.7	10.4
2003	9.8	9.6	10.0	9.2	10.6	6.6	10.8	12.5	7.7	8.4	10.7	11.4
2004	10.2	10.2	10.8	9.5	10.2	7.3	12.2	12.6	7.5	9.3	10.9	11.5
2005	9.8	9.7	10.0	9.4	10.5	6.5	12.6	11.8	7.3	9.9	10.0	10.4
2006	9.7	9.7	10.0	9.3	10.0	7.1	12.4	11.6	6.8	9.8	9.9	10.2
Quarterly Data												
2006												
Q2	9.6	9.5	9.6	9.3	10.0	6.9	12.6	11.1	6.8	9.5	9.8	10.1
Q3	9.9	10.0	10.3	9.6	9.7	7.7	12.6	11.9	6.5	10.0	10.1	10.4
Q4	9.8	9.9	10.1	9.5	9.7	6.5	11.9	12.4	7.0	10.1	9.9	10.1
2007												
Q1	10.1	10.1	10.2	10.1	10.0	7.1	12.1	13.1	6.5	10.3	10.2	10.7
Q2	9.5	9.6	10.0	9.2	8.4	7.4	11.1	11.5	6.7	9.2	9.8	10.1

[1] The Census Bureau has changed to OMB's new designation of metropolitan areas as Core Based Statistical Areas effective January 2005. The new statistical area definitions and data are not comparable with the previous ones.

http://www.census.gov/hhes/www/hvs.html (See Tables 2 and 3.)

Table 27. Homeownership Rates by Age of Householder: 1982–Present

Period	Total	Less Than 25 Years	25 to 29 Years	30 to 34 Years	35 to 44 Years	45 to 54 Years	55 to 64 Years	65 Years and Over
Annual Data								
1982	64.8	19.3	38.6	57.1	70.0	77.4	80.0	74.4
1983	64.6	18.8	38.3	55.4	69.3	77.0	79.9	75.0
1984	64.5	17.9	38.6	54.8	68.9	76.5	80.0	75.1
1985	63.9	17.2	37.7	54.0	68.1	75.9	79.5	74.8
1986	63.8	17.2	36.7	53.6	67.3	76.0	79.9	75.0
1987	64.0	16.0	36.4	53.5	67.2	76.1	80.2	75.5
1988	63.8	15.8	35.9	53.2	66.9	75.6	79.5	75.6
1989	63.9	16.6	35.3	53.2	66.6	75.5	79.6	75.8
1990	63.9	15.7	35.2	51.8	66.3	75.2	79.3	76.3
1991	64.1	15.3	33.8	51.2	65.8	74.8	80.0	77.2
1992	64.1	14.9	33.6	50.5	65.1	75.1	80.2	77.1
1993	64.5	15.0	34.0	51.0	65.4	75.4	79.8	77.3
1993[1]	64.0	14.8	33.6	50.8	65.1	75.3	79.9	77.3
1994	64.0	14.9	34.1	50.6	64.5	75.2	79.3	77.4
1995	64.7	15.9	34.4	53.1	65.2	75.2	79.5	78.1
1996	65.4	18.0	34.7	53.0	65.5	75.6	80.0	78.9
1997	65.7	17.7	35.0	52.6	66.1	75.8	80.1	79.1
1998	66.3	18.2	36.2	53.6	66.9	75.7	80.9	79.3
1999	66.8	19.9	36.5	53.8	67.2	76.0	81.0	80.1
2000	67.4	21.7	38.1	54.6	67.9	76.5	80.3	80.4
2001	67.8	22.5	38.9	54.8	68.2	76.7	81.3	80.3
2002[2]	67.9	22.9	38.8	54.9	68.6	76.3	81.1	80.6
2003	68.3	22.8	39.8	56.5	68.3	76.6	81.4	80.5
2004	69.0	25.2	40.2	57.4	69.2	77.2	81.7	81.1
2005	68.9	25.7	40.9	56.8	69.3	76.6	81.2	80.6
2006	68.8	24.8	41.8	55.9	68.9	76.2	80.9	80.9
Quarterly Data								
2006								
Q2	68.7	24.5	41.4	55.6	68.9	76.3	81.0	80.6
Q3	69.0	25.3	42.8	55.8	68.8	76.4	80.7	81.5
Q4	68.9	25.7	41.8	55.8	68.9	76.4	80.7	81.2
2007								
Q1	68.4	25.2	40.7	54.0	68.3	75.8	80.4	80.9
Q2	68.2	23.6	41.7	54.6	67.6	75.5	80.6	80.5

[1] Revised based on adjusted 1990 decennial census weights rather than 1980 decennial census weights, resulting in lower estimates.

[2] Beginning in 2002, CPS data weighted based on the 2000 decennial census data and housing unit controls.

Source: Census Bureau, Department of Commerce

http://www.census.gov/hhes/www/hvs.html (See Table 7.)

Table 28. Homeownership Rates by Region and Metropolitan Status: 1983–Present

Period	Total	Region				Metropolitan Status[3, 5]		
						Inside Metropolitan Areas		Outside Metro Area
		Northeast	Midwest	South	West	Central City	Outside Central City	
March Supplemental Data								
1983[1]	64.9	61.4	70.0	67.1	58.7	48.9	70.2	73.5
1984	64.5	60.7	69.0	67.2	58.5	49.2	69.8	72.6
1985	64.3	61.1	67.7	66.7	59.4	NA	NA	NA
1986	63.8	61.1	66.9	66.7	57.8	48.3	71.2	72.0
1987	64.0	61.4	67.1	66.9	57.9	48.7	70.9	72.5
1988	64.0	61.9	67.0	65.9	59.0	48.7	71.1	72.1
1989	64.0	61.6	67.6	66.3	58.5	48.7	70.4	73.1
1990	64.1	62.3	67.3	66.5	58.0	48.9	70.1	73.5
1991	64.0	61.9	67.3	66.1	58.8	48.3	70.4	73.2
1992	64.1	62.7	67.0	65.8	59.2	49.0	70.2	73.0
1993[2]	64.1	62.4	67.0	65.5	60.0	48.9	70.2	72.9
Annual Averages of Monthly Data								
1994	64.0	61.5	67.7	65.6	59.4	48.5	70.3	72.0
1995	64.7	62.0	69.2	66.7	59.2	49.5	71.2	72.7
1996	65.4	62.2	70.6	67.5	59.2	49.7	72.2	73.5
1997	65.7	62.4	70.5	68.0	59.6	49.9	72.5	73.7
1998	66.3	62.6	71.1	68.6	60.5	50.0	73.2	74.7
1999	66.8	63.1	71.7	69.1	60.9	50.4	73.6	75.4
2000	67.4	63.4	72.6	69.6	61.7	51.4	74.0	75.2
2001	67.8	63.7	73.1	69.8	62.6	51.9	74.6	75.0
2002[4]	67.9	64.3	73.1	69.7	62.5	51.7	74.7	75.4
2003	68.3	64.4	73.2	70.1	63.4	52.3	75.0	75.6
2004	69.0	65.0	73.8	70.9	64.2	53.1	75.7	76.3
2005	68.9	65.2	73.1	70.8	64.4	54.2	76.4	76.3
2006	68.8	65.2	72.7	70.5	64.7	54.3	76.1	75.9
Quarterly Averages of Monthly Data								
2006								
Q2	68.7	65.4	72.5	70.4	64.7	54.2	76.0	75.9
Q3	69.0	65.5	72.8	70.6	65.3	54.6	76.2	75.8
Q4	68.9	65.3	73.0	70.8	64.5	54.4	76.4	75.7
2007								
Q1	68.4	64.8	72.2	70.6	63.6	54.1	75.7	75.1
Q2	68.2	65.4	71.8	69.9	64.1	53.8	75.6	74.9

[1] Data from 1983 to 1992 weighted based on the 1980 decennial census.

[2] Beginning in 1993, CPS data weighted based on the 1990 decennial census.

[3] From 1983 and 1984, the metropolitan data reflect 1970 definitions. From 1985 to 1994, the metropolitan data reflect 1980 definitions. Beginning in 1995, the metropolitan data reflect 1990 definitions.

[4] Beginning in 2002, CPS data is weighted based on the 2000 decennial census data and housing unit controls.

[5] The Census Bureau has changed to OMB's new designation of metropolitan areas as Core Based Statistical Areas effective January 2005. The new statistical area definitions and data are not comparable with the previous ones.

Source: Current Population Survey, Census Bureau, Department of Commerce (The annual data come from two sources: For years 1983 to 1993, the source is the Current Population Survey March Supplement; and for years 1994 and later, the data are the average of the 12 monthly Current Population Surveys/Housing Vacancy Surveys. The quarterly data source is the monthly Current Population Survey/Housing Vacancy Survey.)

http://www.census.gov/hhes/www/hvs.html (See Table 6.)

Table 29. Homeownership Rates by Race and Ethnicity: 1983–Present

Period	Non-Hispanic				Hispanic
	White Alone	Black Alone	Other Race Alone	Two or More Races[4]	
March Supplemental Data					
1983[1]	69.1	45.6	53.3	NA	41.2
1984[r]	69.0	46.0	50.9	NA	40.1
1985	69.0	44.4	50.7	NA	41.1
1986	68.4	44.8	49.7	NA	40.6
1987	68.7	45.8	48.7	NA	40.6
1988[r]	69.1	42.9	49.7	NA	40.6
1989	69.3	42.1	50.6	NA	41.6
1990	69.4	42.6	49.2	NA	41.2
1991	69.5	42.7	51.3	NA	39.0
1992	69.6	42.6	52.5	NA	39.9
1993[2]	70.2	42.0	50.6	NA	39.4
Annual Averages of Monthly Data					
1994	70.0	42.5	50.8	NA	41.2
1995	70.9	42.9	51.5	NA	42.0
1996	71.7	44.5	51.5	NA	42.8
1997	72.0	45.4	53.3	NA	43.3
1998	72.6	46.1	53.7	NA	44.7
1999	73.2	46.7	54.1	NA	45.5
2000	73.8	47.6	53.9	NA	46.3
2001	74.3	48.4	54.7	NA	47.3
2002[3]	74.7	48.2	55.0	NA	47.0
2003	75.4	48.8	56.7	58.0	46.7
2004	76.0	49.7	59.6	60.4	48.1
2005	75.8	48.8	60.4	59.8	49.5
2006	75.8	48.4	61.1	59.9	49.7
Quarterly Averages of Monthly Data					
2006					
Q2	75.9	47.6	60.9	57.9	50.0
Q3	76.0	49.0	61.6	60.7	49.7
Q4	76.0	48.9	60.8	61.1	49.5
2007					
Q1	75.3	48.6	59.6	58.7	50.1
Q2	75.4	47.1	60.6	58.7	50.0

[r] Implementation of new March CPS processing system.

[1] CPS data from 1983 to 1992 weighted based on the 1980 decennial census.

[2] Beginning in 1993, CPS data weighted based on the 1990 decennial census.

[3] Beginning in 2002, CPS data weighted based on the 2000 decennial census data and housing unit controls.

[4] Beginning in 2003, the CPS respondents were able to answer more than one race.

Source: Current Population Survey, Census Bureau, Department of Commerce (The annual data come from two sources: For years 1983 to 1993, the source is the Current Population Survey March Supplement; and for years 1994 and later, the data are the average of the 12 monthly Current Population Surveys/Housing Vacancy Surveys. The quarterly data source is the monthly Current Population Survey/Housing Vacancy Survey.)

Table 30. Homeownership Rates by Household Type: 1983–Present

Period	Married Couples		Other Families		Other
	With Children	Without Children	With Children	Without Children	
March Supplemental Data					
1983[1]	75.0	80.8	38.3	67.5	44.5
1984[r]	74.2	80.9	39.1	66.4	44.6
1985	74.0	81.1	38.6	65.4	45.0
1986	73.4	81.4	38.0	65.7	43.9
1987	73.8	81.6	37.6	66.3	43.9
1988[r]	73.9	81.7	38.0	64.9	44.6
1989	74.3	82.0	35.8	64.4	45.6
1990	73.5	82.2	36.0	64.3	46.6
1991	73.0	83.0	35.6	65.6	46.8
1992	73.4	83.0	35.1	64.9	47.3
1993[2]	73.7	82.9	35.5	63.9	47.1
Annual Averages of Monthly Data					
1994	74.3	83.2	36.1	65.3	47.0
1995	74.9	84.0	37.7	66.2	47.7
1996	75.8	84.4	38.6	67.4	48.6
1997	76.5	84.9	38.5	66.4	49.2
1998	77.3	85.4	40.4	66.0	49.7
1999	77.6	85.7	41.9	65.8	50.3
2000	78.3	86.1	43.2	65.8	50.9
2001	78.8	86.6	44.2	66.1	51.7
2002[3]	78.6	86.8	43.5	66.3	52.3
2003	79.1	87.0	43.8	66.5	52.7
2004	79.7	87.7	45.3	67.8	53.5
2005	80.3	87.5	45.2	67.4	53.3
2006	79.9	87.6	45.2	67.7	53.4
Quarterly Averages of Monthly Data					
2006					
Q2	79.8	87.9	44.8	68.3	53.2
Q3	80.3	87.5	45.9	67.7	53.7
Q4	80.2	87.6	45.6	68.0	53.5
2007					
Q1	79.1	87.6	44.4	66.5	53.1
Q2	79.2	87.7	43.9	65.0	53.0

[r] Implementation of new March CPS processing system.

[1] CPS data from 1983 to 1992 weighted based on the 1980 decennial census.

[2] Beginning in 1993, CPS data weighted based on the 1990 decennial census.

[3] Beginning in 2002, CPS data weighted based on the 2000 decennial census data and housing unit controls.

Source: Current Population Survey, Census Bureau, Department of Commerce (The annual data come from two sources: For years 1983 to 1993, the source is the Current Population Survey March Supplement; and for years 1994 and later, the data are the average of the 12 monthly Current Population Surveys/Housing Vacancy Surveys. The quarterly data source is the monthly Current Population Survey/Housing Vacancy Survey.)

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