

# State of the Nation's Housing Markets 2<sup>nd</sup> Quarter 2010 Update

**Kevin P. Kane**

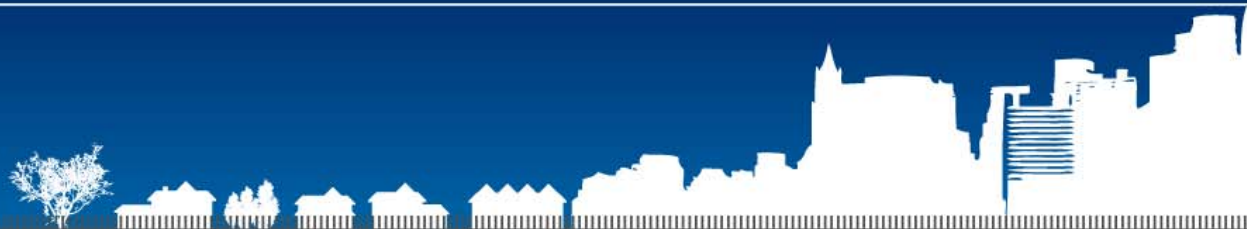
**Chief Housing Market Analyst**

**Office of Policy Development and Research**

**Special Thanks – Randall Goodnight (Ft. Worth)**

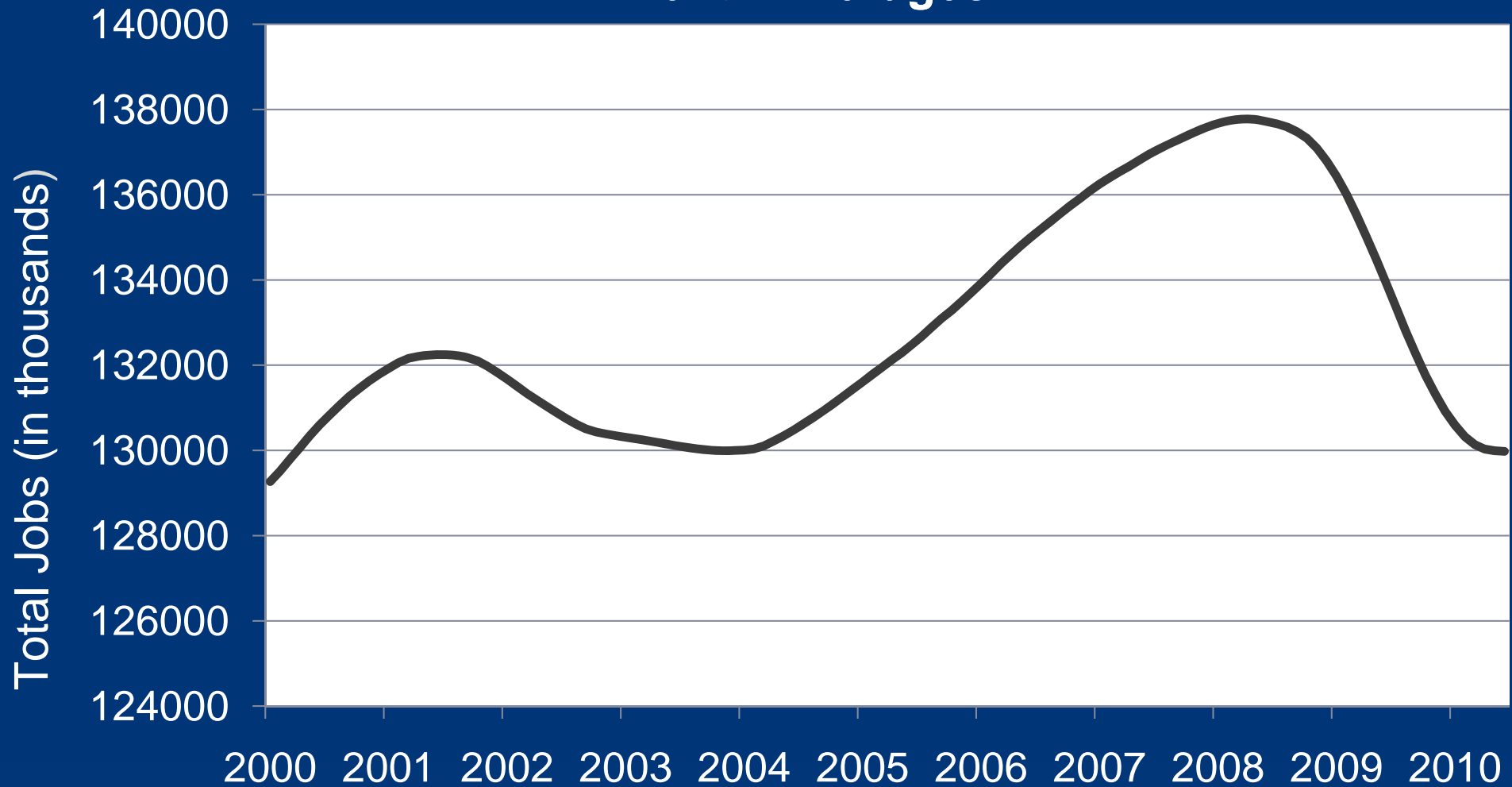


**PD&R**

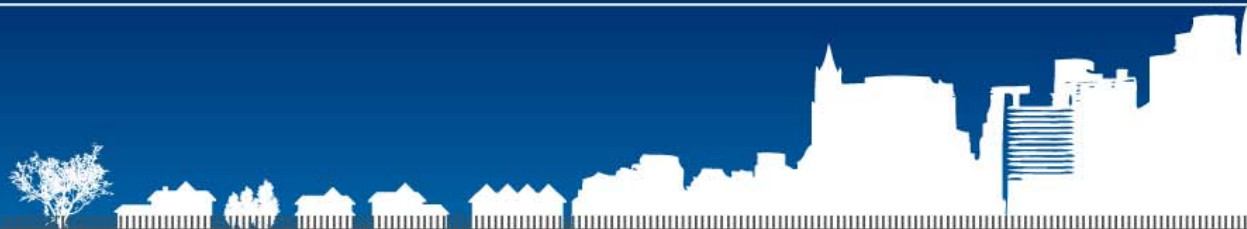


# Nonfarm Payrolls

## 12-month Averages

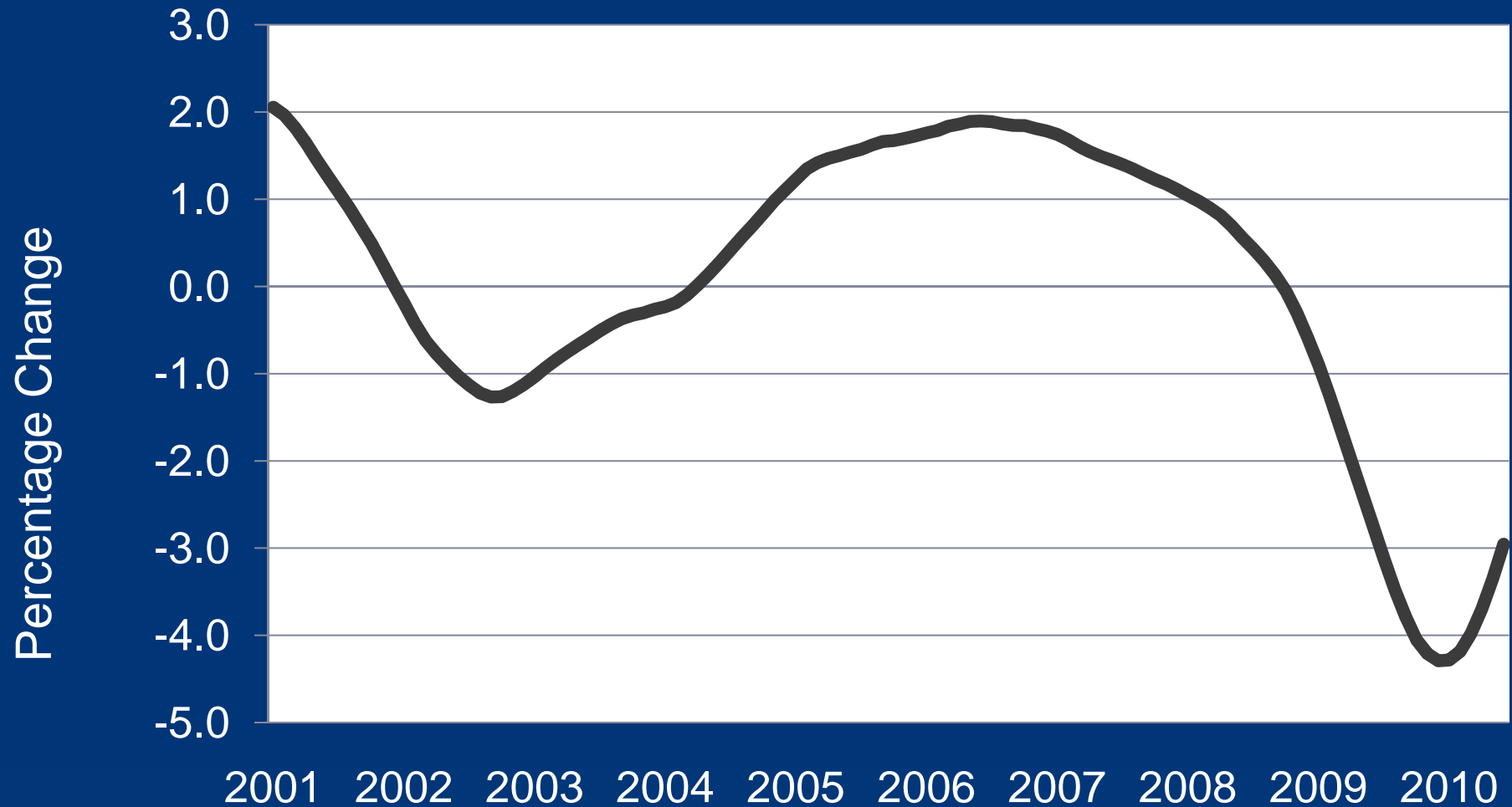


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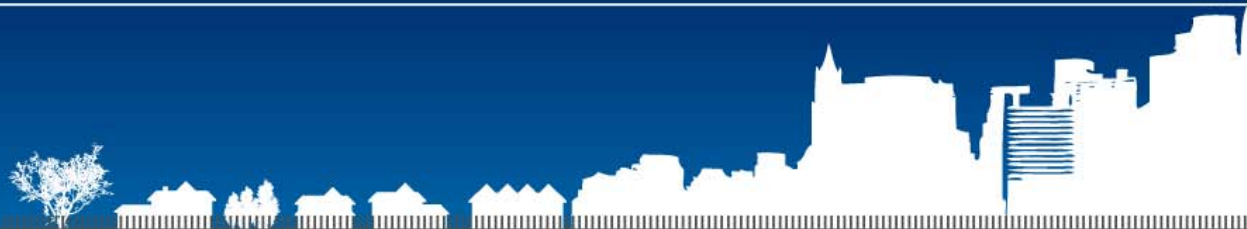


# Nonfarm Payrolls

## Annual Percentage Change (12-month avg.)

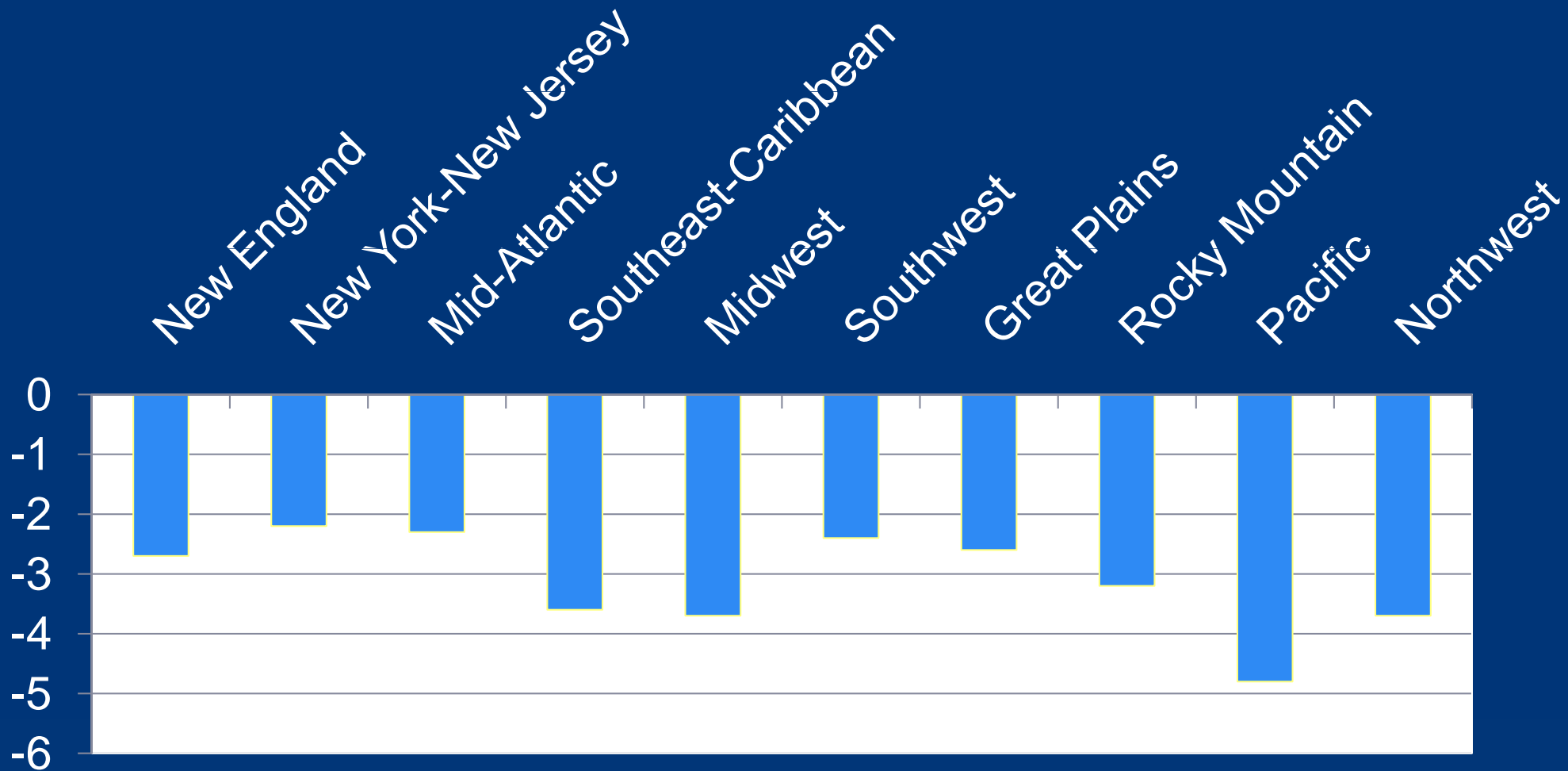


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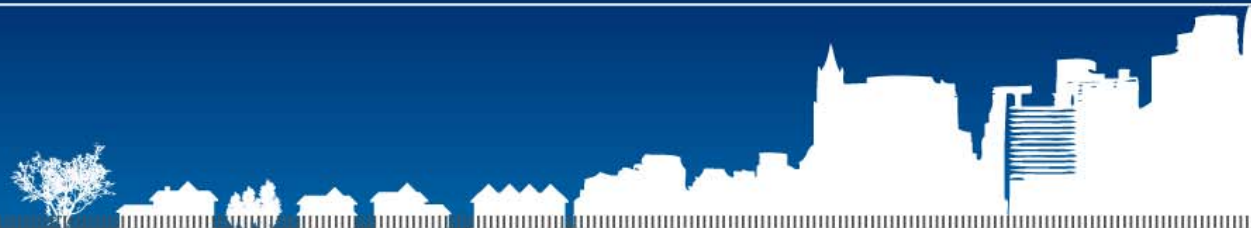


# Regional Nonfarm Payrolls

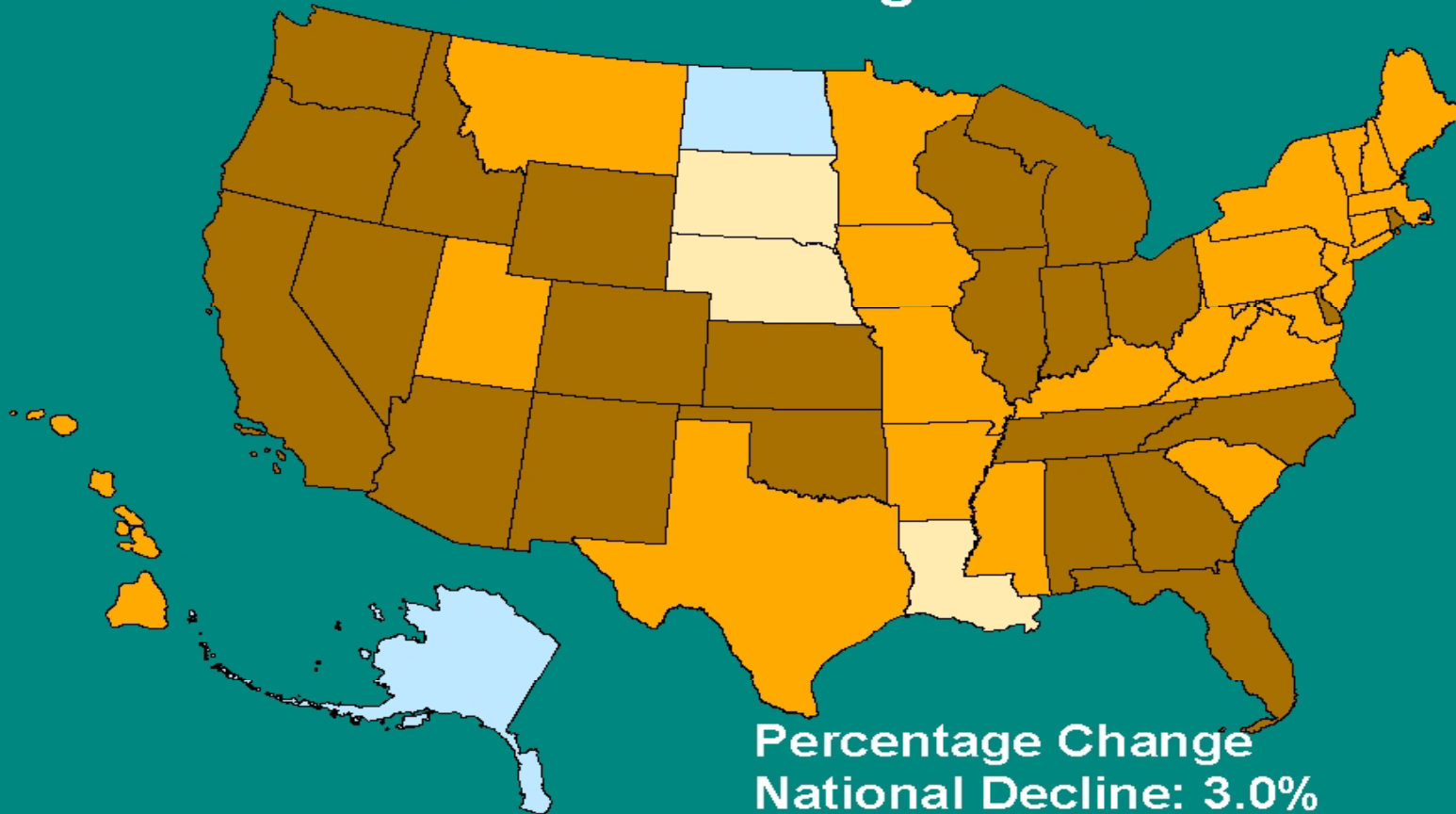
Percentage Change 12 months ending June 2010



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# Percentage Change in Nonfarm Payrolls 12 Months Ending June 2010

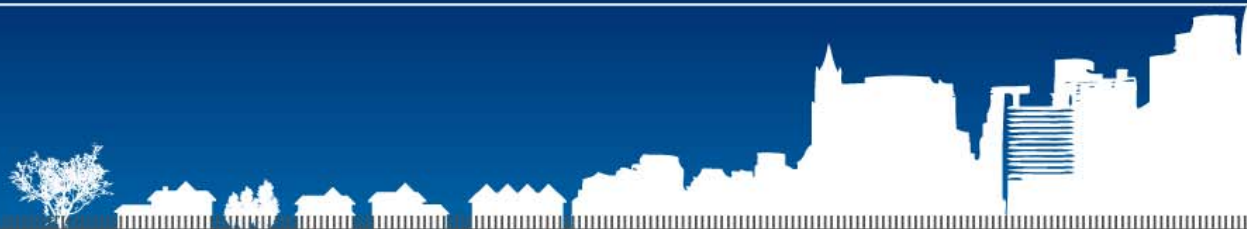


Compared with  
12 Months Ending June 2009

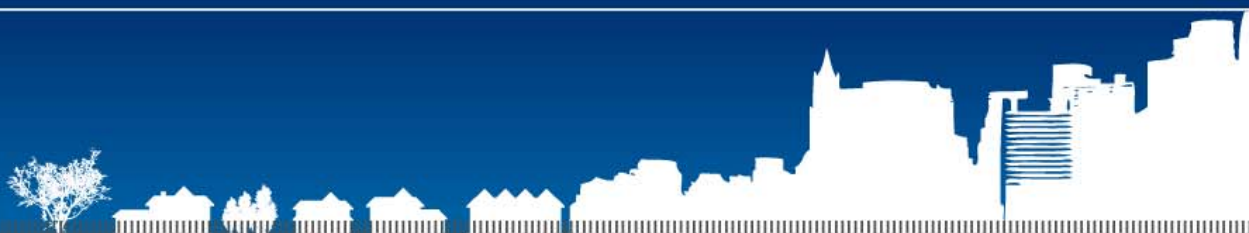
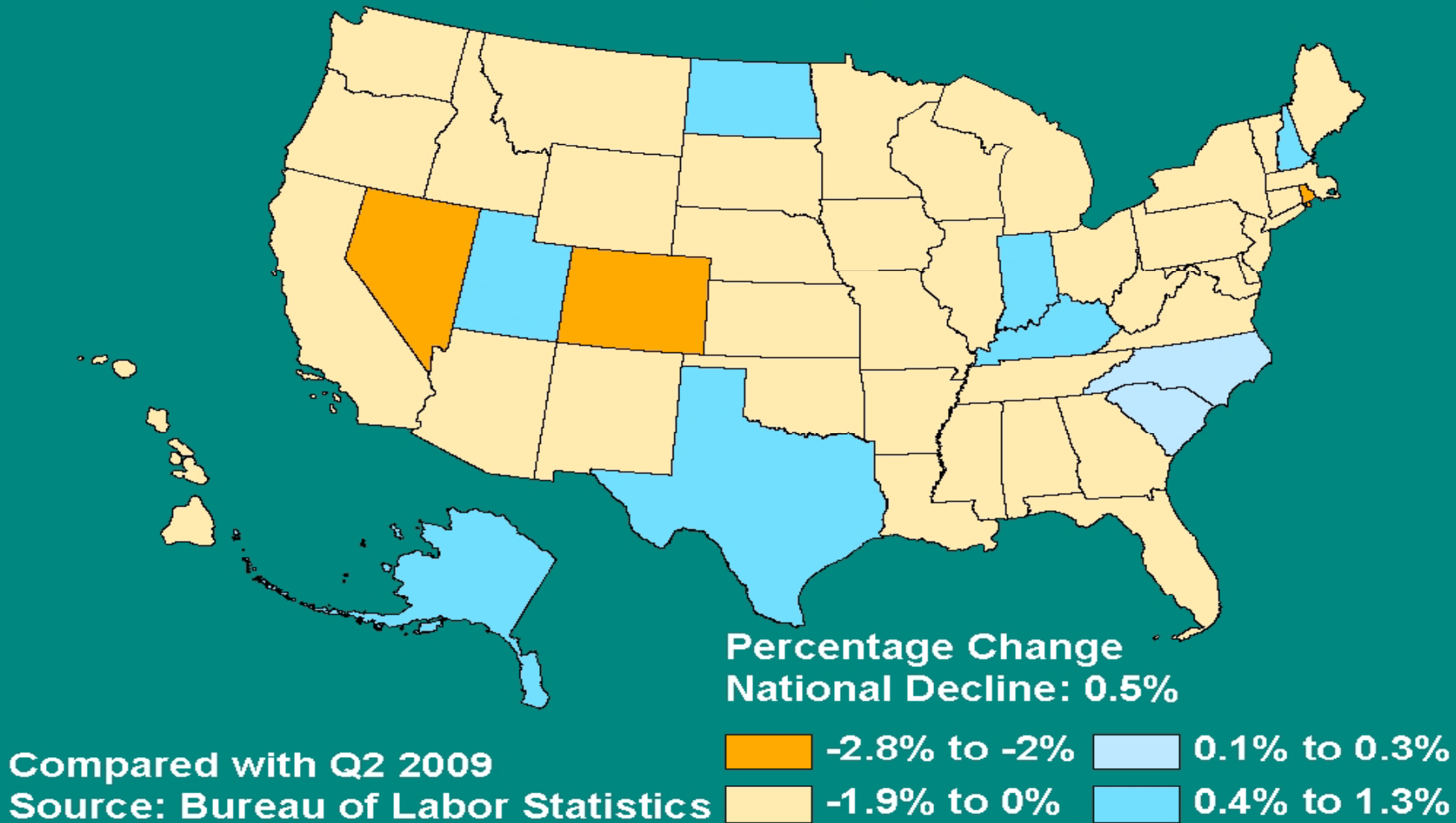
Source: Bureau of Labor Statistics



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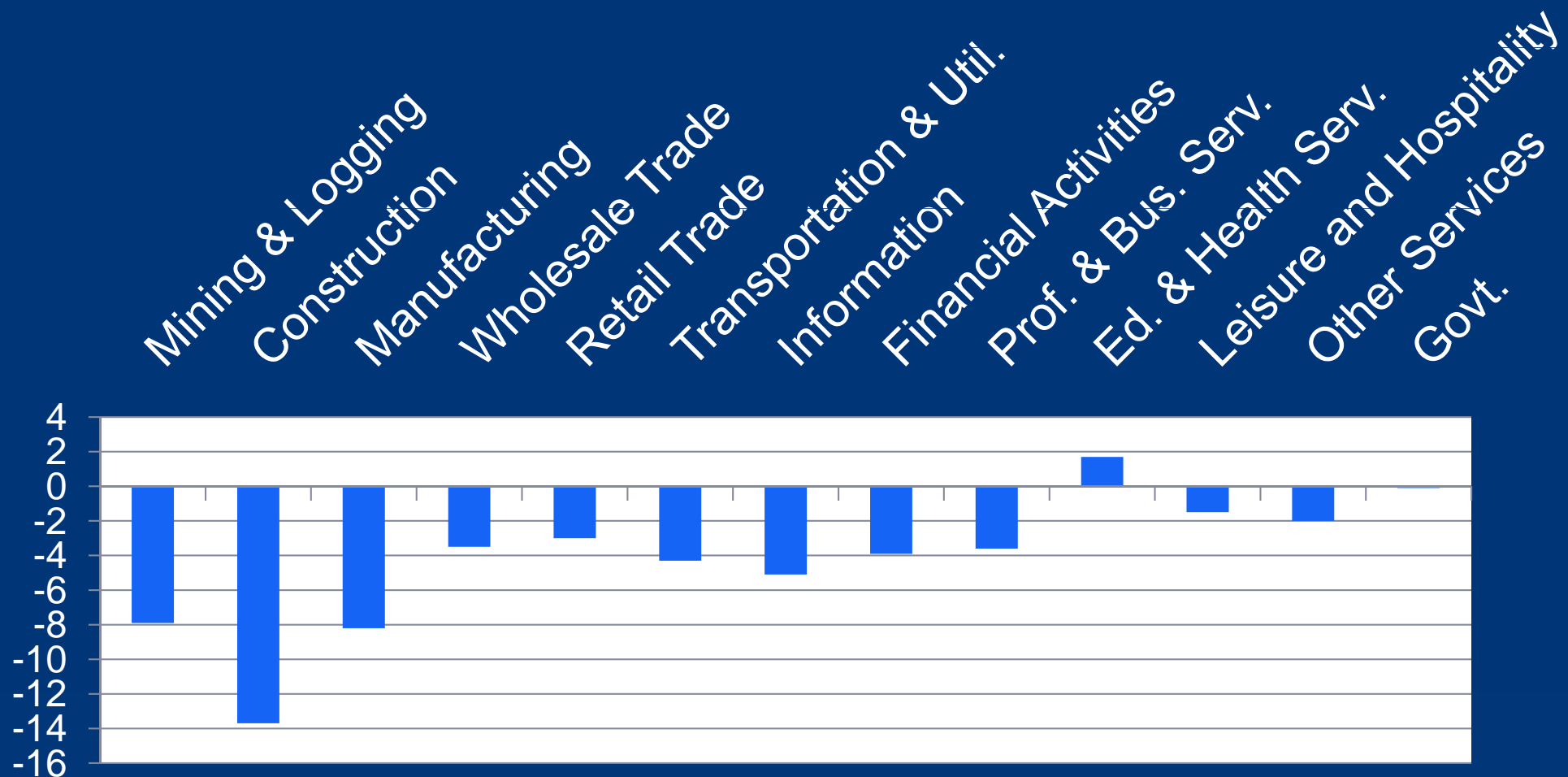


# Percentage Change in Nonfarm Payrolls Q2 2010



# Nonfarm Change by Sector

## Percentage Change 12 months ending June 2010



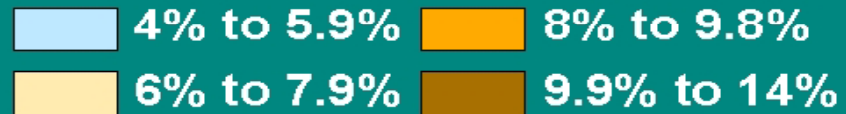
# State Unemployment Rate 12-Month Average Ending June 2010



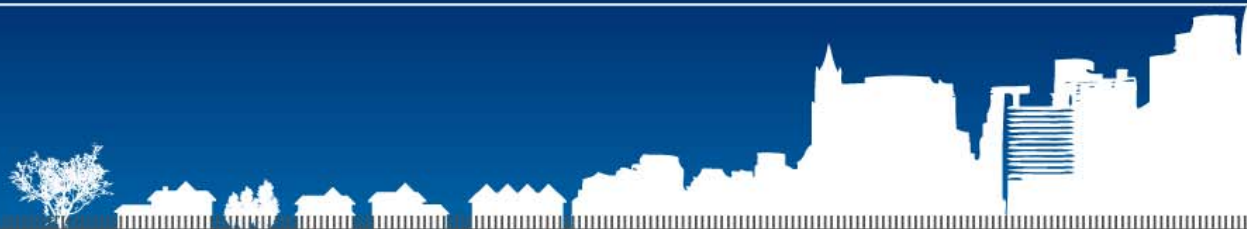
12-Month Average  
July 2009 through June 2010

Source: Bureau of Labor Statistics

Unemployment Rate  
National Rate: 9.8%

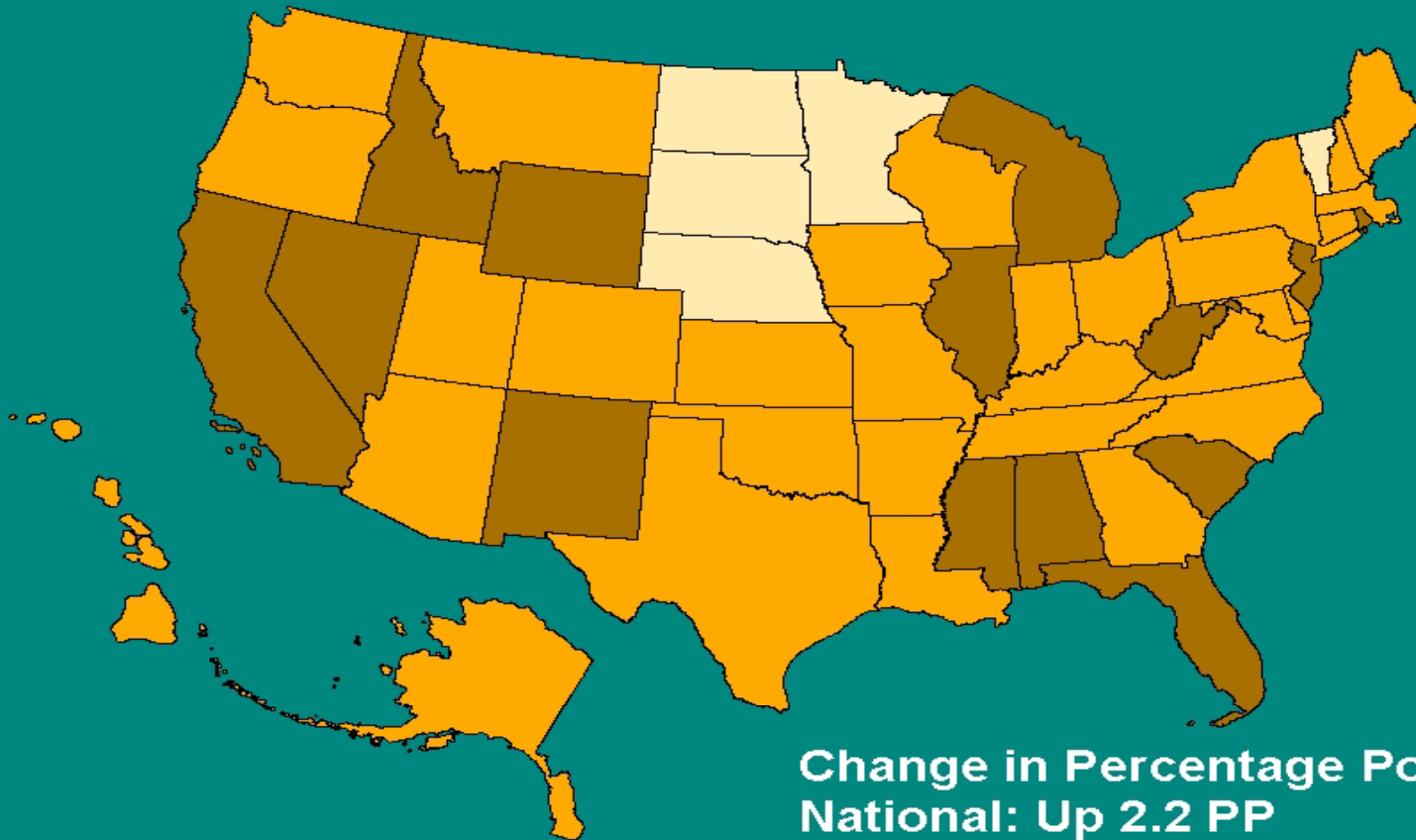


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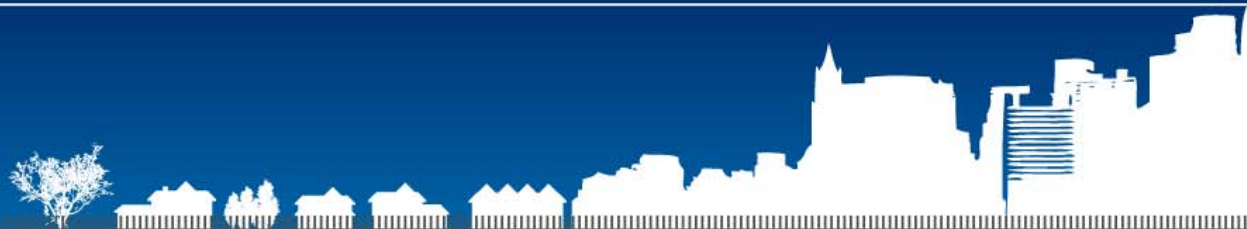
# State Unemployment Rate Change During the 12 Months Ending June 2010



Compared with  
12 Months Ending June 2009  
Source: Bureau of Labor Statistics



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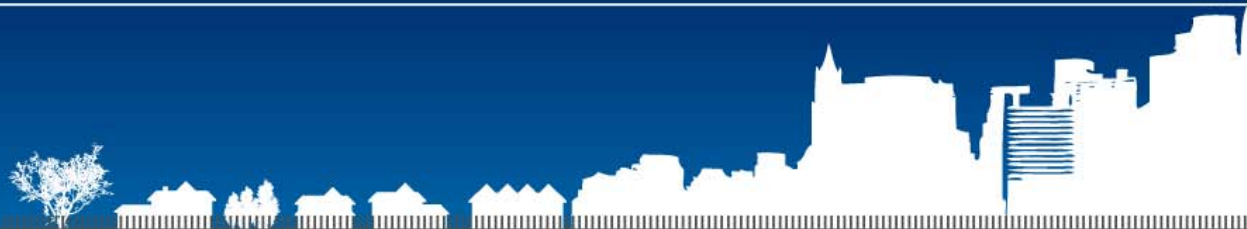


# U.S. Housing Market Conditions: 2Q 2010

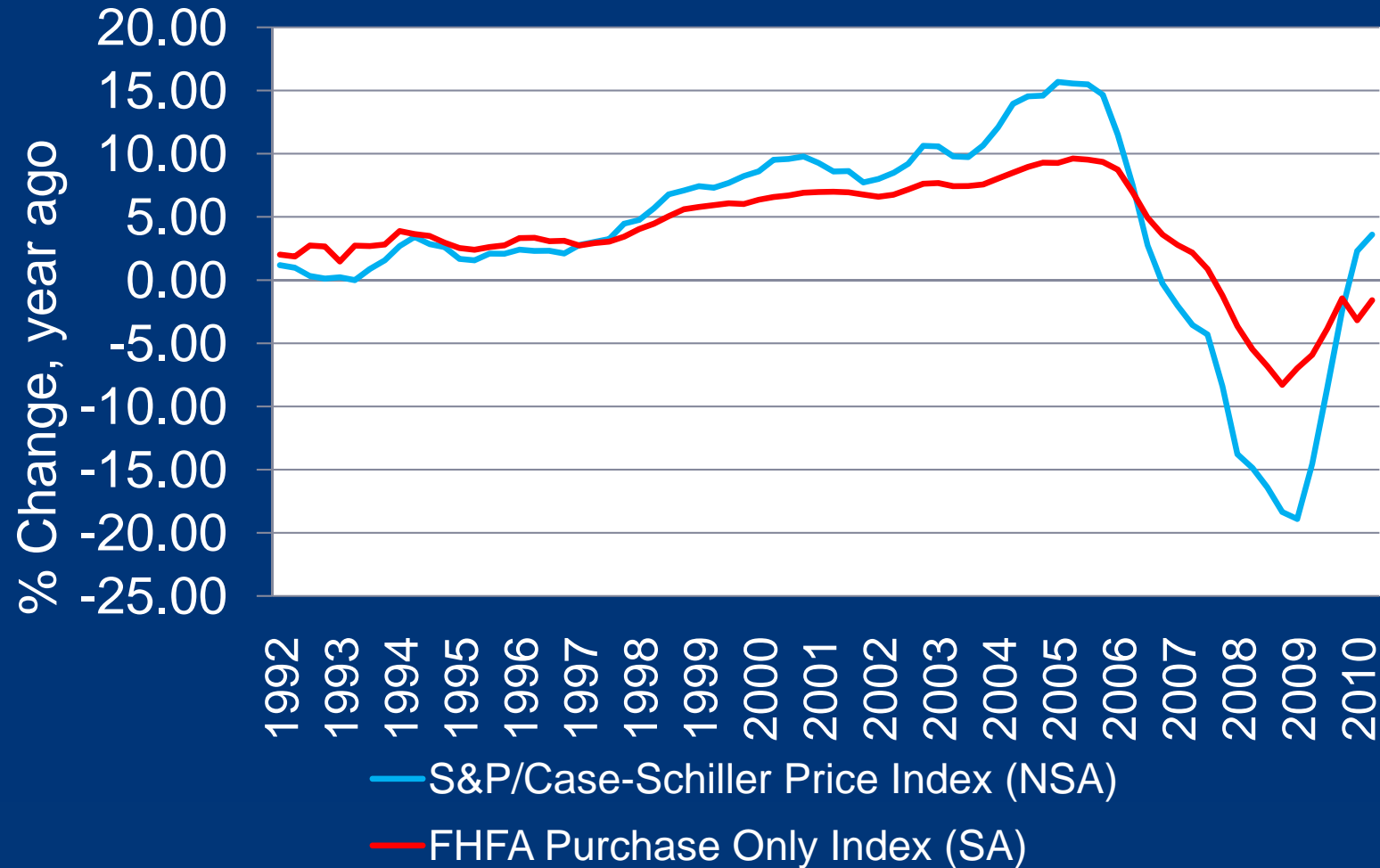
- Sales market conditions remain soft in much of the country but continue to improve in many areas
- Data on home sales prices indicate improvement
- Home sales are up (homebuyer tax credit)
- Inventories of new and existing homes for sale are down from a year ago and coming closer to balance
- Rental market conditions are mixed throughout the country
- Significant declines in multifamily permits have continued

# Regional Conditions 2Q 2010

	Sales Markets	Rental Markets
Region I (New England)	Balanced	Balanced
Region II (NY/NJ)	Slightly Soft	Balanced (NYC Tight)
Region III (Mid-Atlantic)	Slightly Soft	Mixed
Region IV (Southeast-Caribbean)	Soft	Soft
Region V (Midwest)	Soft	Mixed (soft/balanced)
Region VI (Southwest)	Slightly Soft	Soft
Region VII (Great Plains)	Balanced (Soft in MO)	Soft
Region VIII (Rocky Mountains)	Soft	Mixed
Region IX (Pacific)	Soft	Mixed
Region X (Northwest)	Soft	Balanced

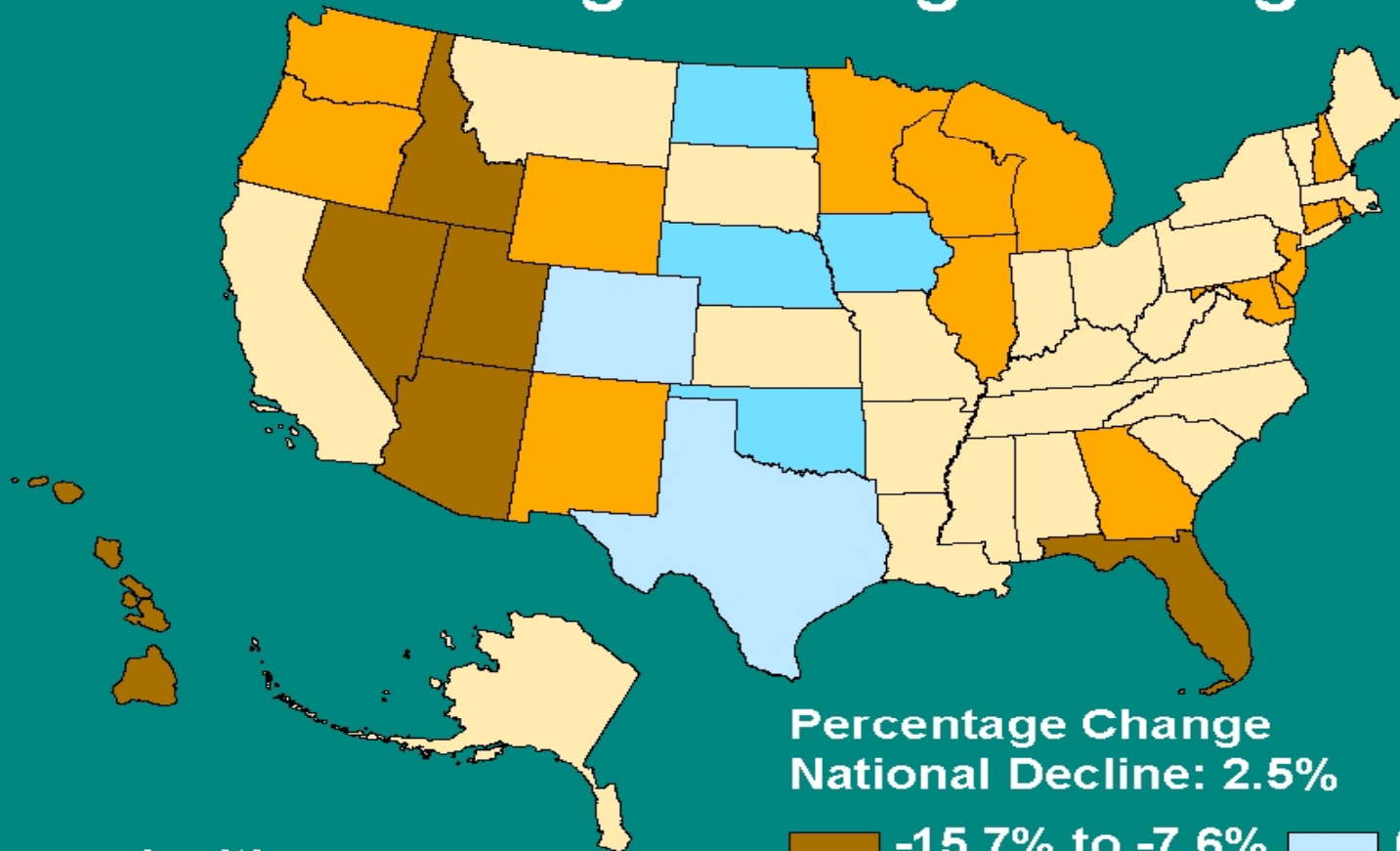


# National Home Price Indices Based on Qtr. To Same Qtr. Previous Year

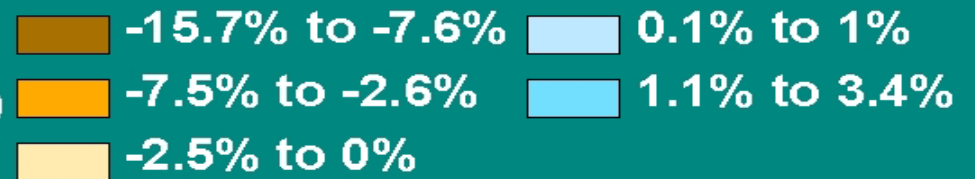


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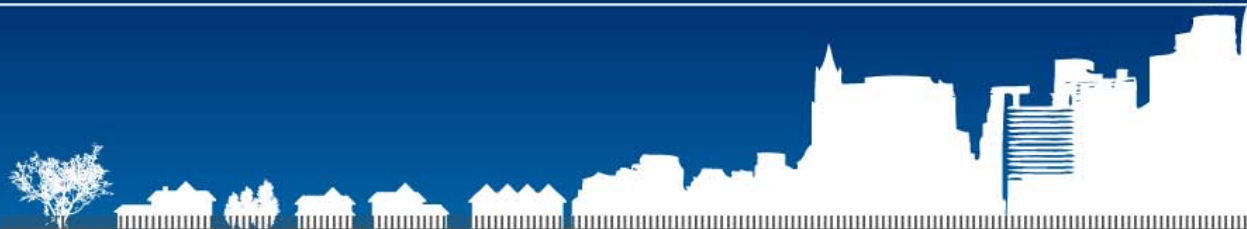
# House Price Appreciation by State Annual Percentage Change through Q2 2010



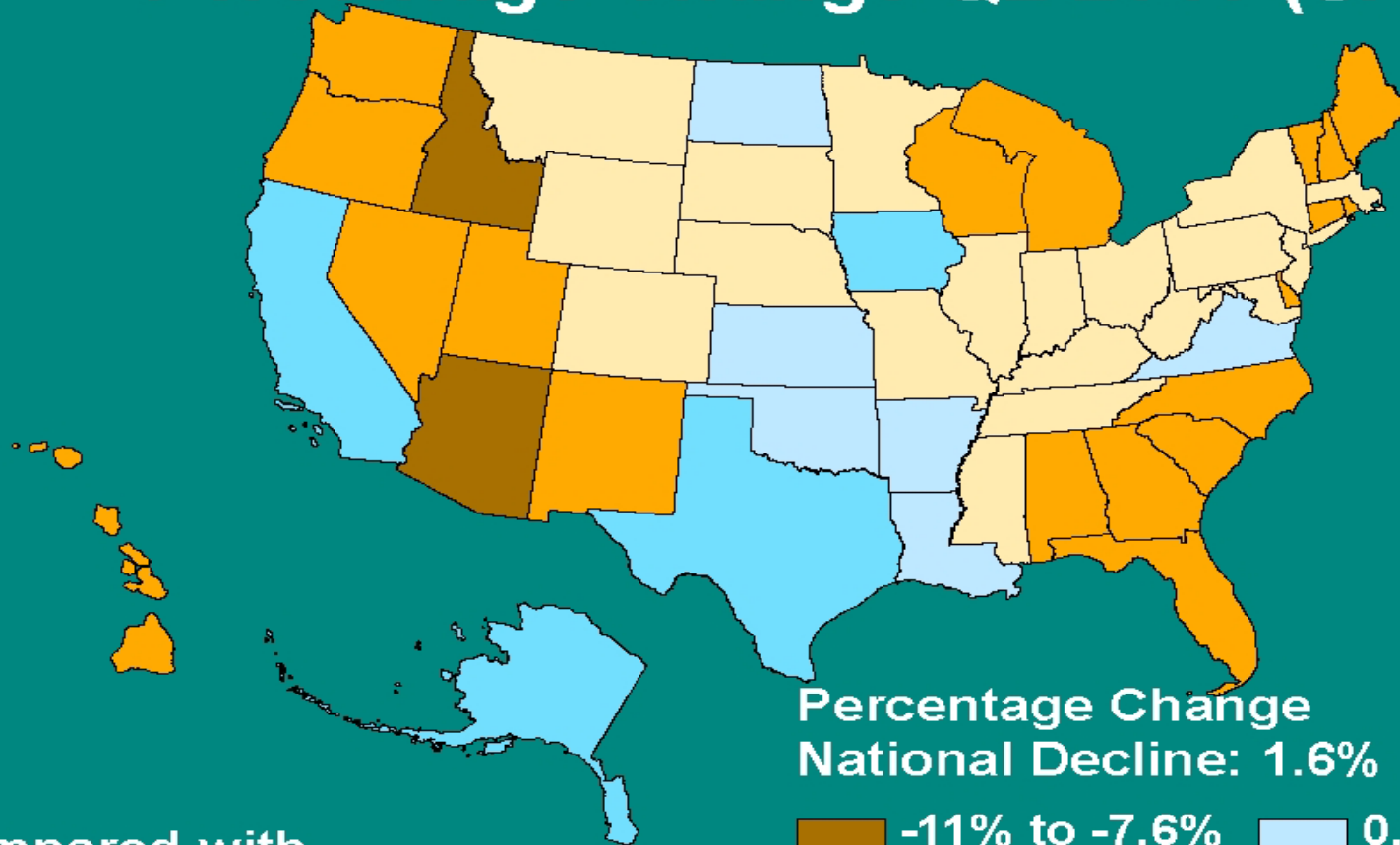
Percentage Change  
National Decline: 2.5%



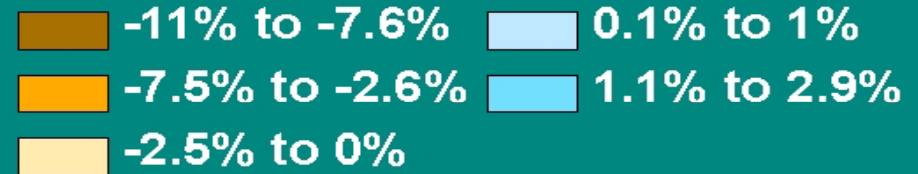
Compared with  
Annual Average Through Q2 2009  
Source: FHFA



# House Price Appreciation by State Percentage Change Q2 2010 (SA)

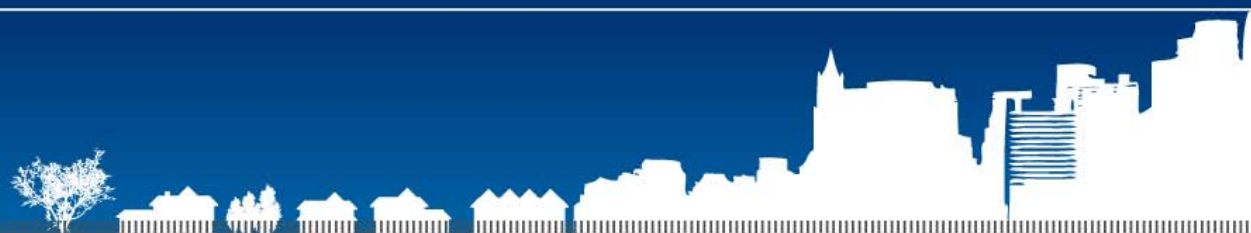


Percentage Change  
National Decline: 1.6%

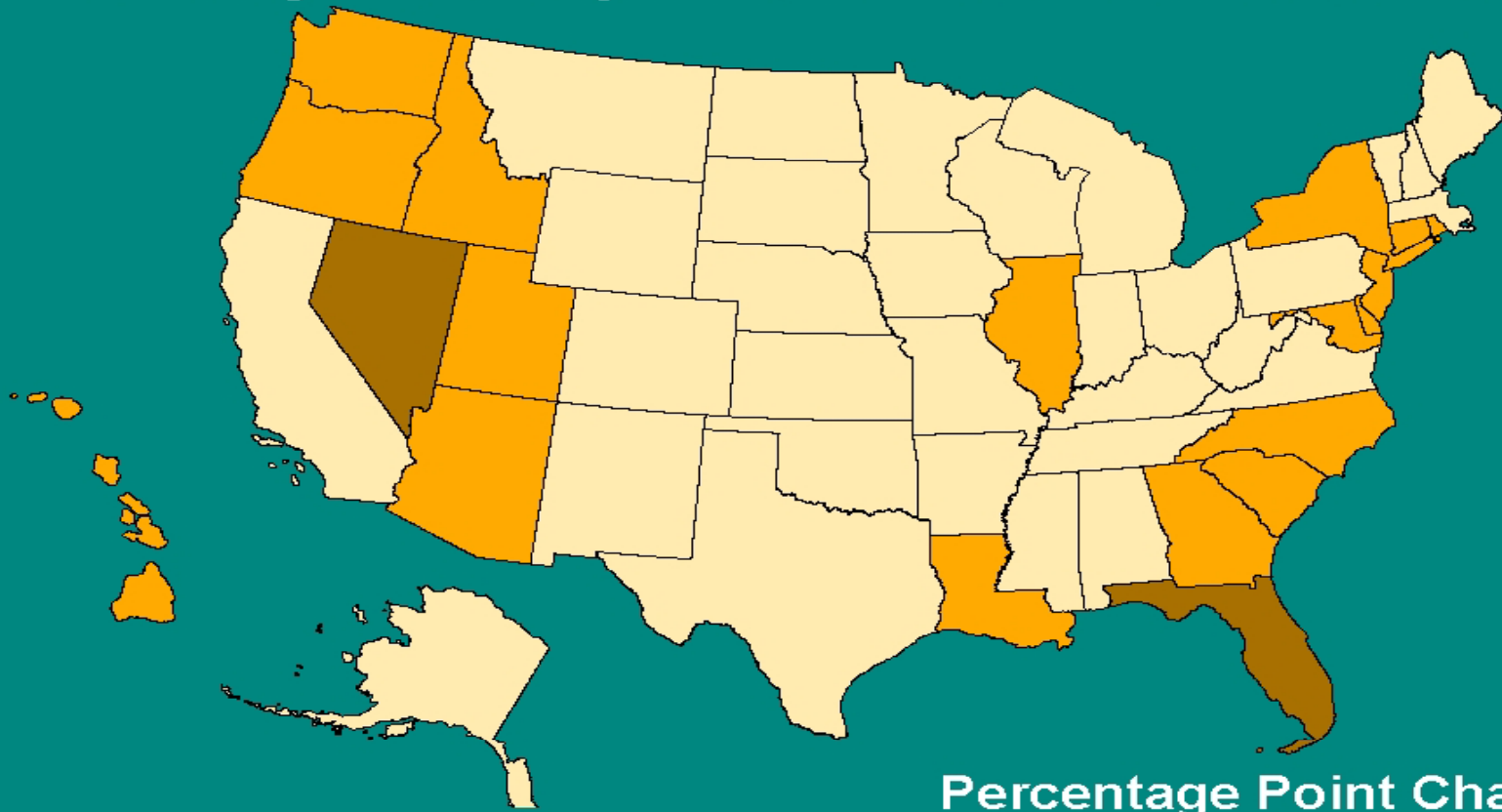


Compared with  
Q2 2009

Source: FHFA



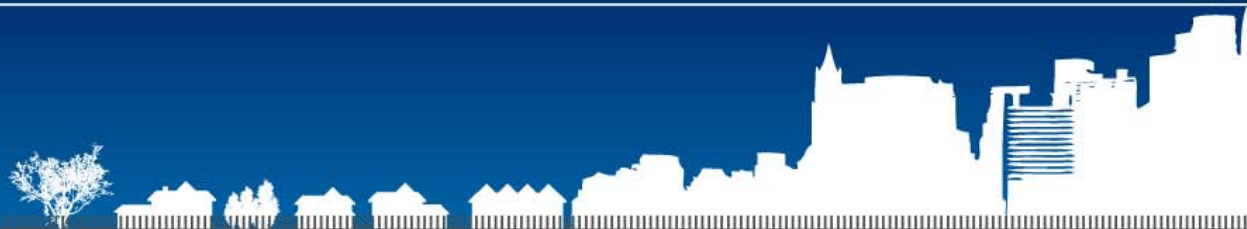
# Change in Home Loans - June 2010 90+ Days Delinquent, In Foreclosure, and REO



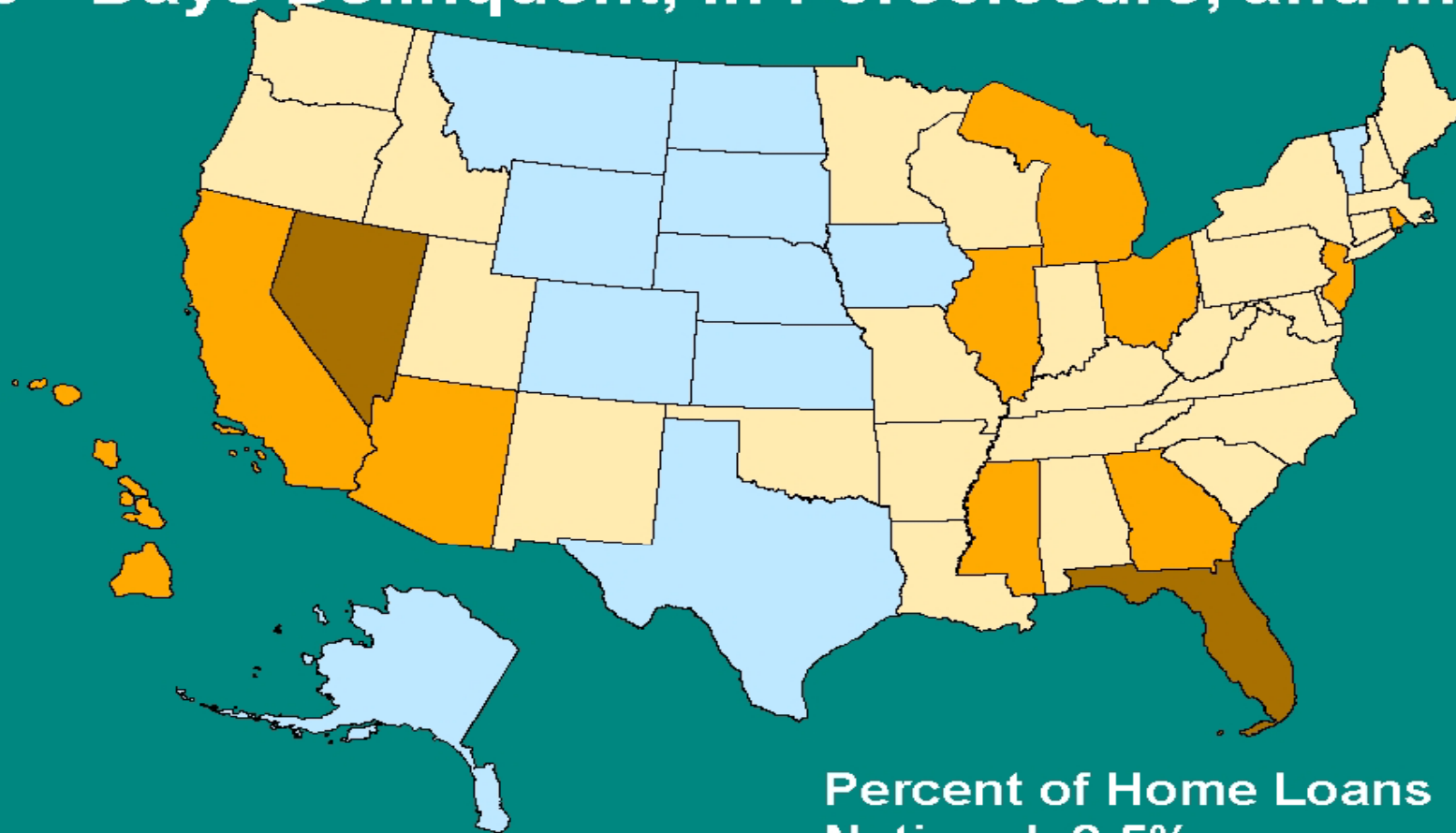
Compared with June 2009  
Source: Lender Processing Services  
Mortgage Performance Data

Percentage Point Change  
National Increase: 1.3 PP

0.2 to 1.3	2.5 to 3.3
1.4 to 2.4	

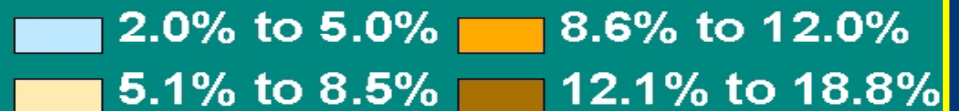


# Percent of Total Home Loans as of June 2010 90+ Days Delinquent, In Foreclosure, and in REO



Source:  
Lender Processing Services  
Mortgage Performance Data

Percent of Home Loans  
National: 8.5%

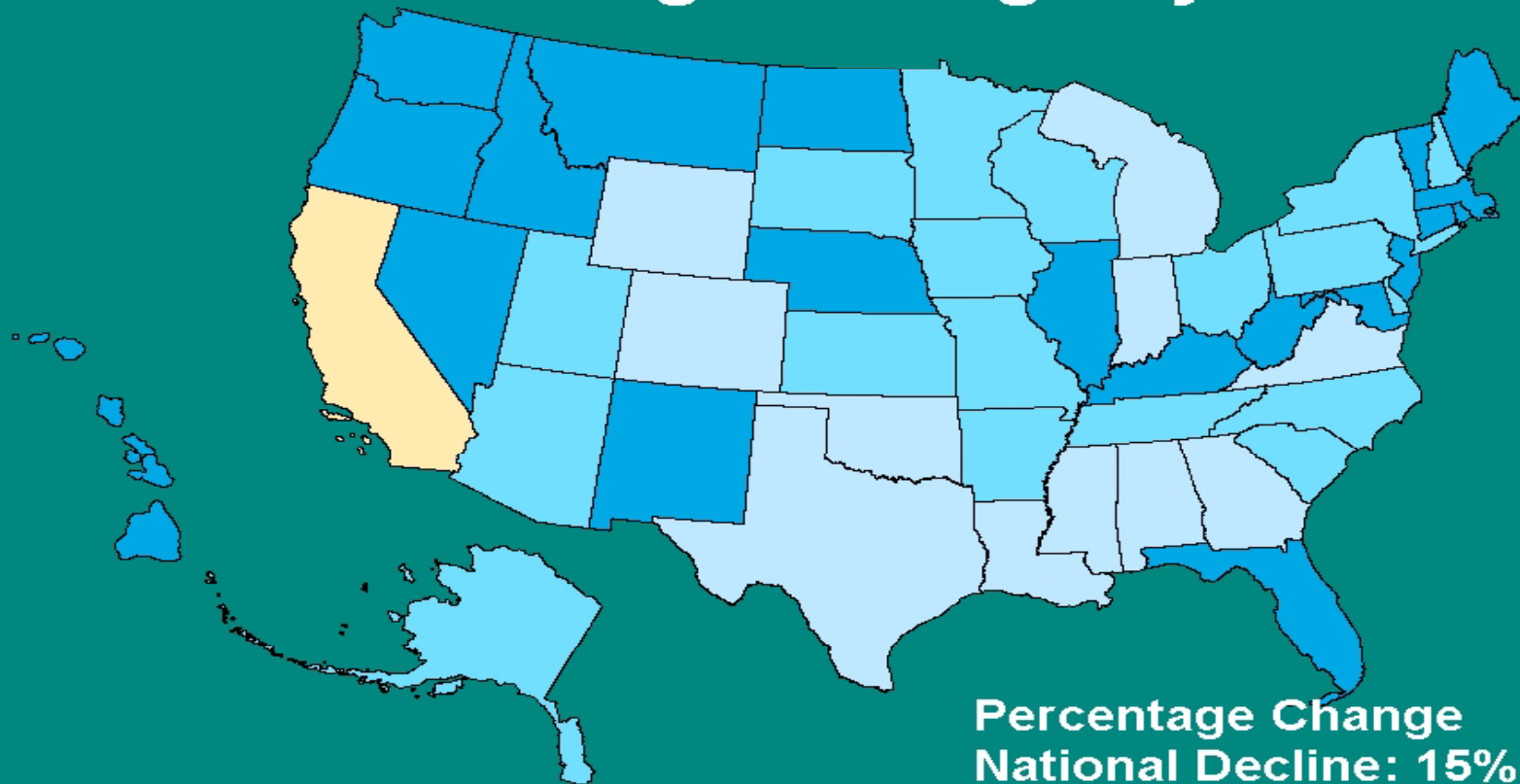


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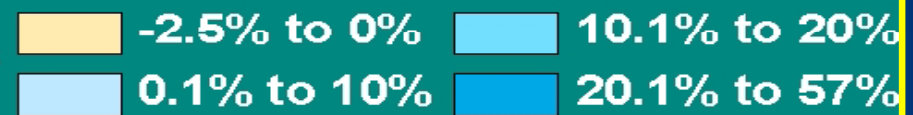


# Existing Home Sales 4 Quarters ending Q2 2010 Percentage Change by State



Percentage Change  
National Decline: 15%

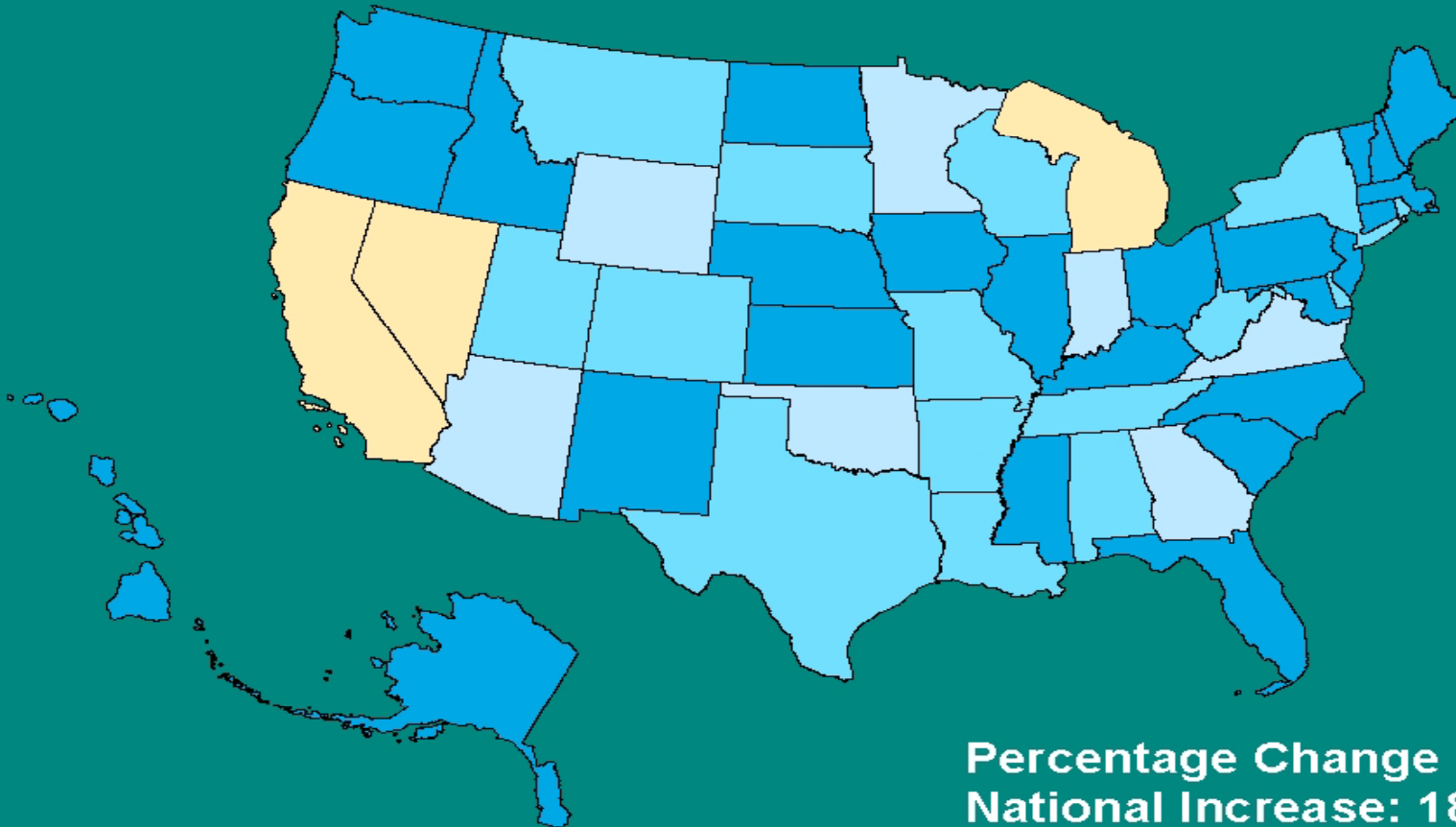
Compared with 4 Quarters Ending Q2 2009  
Single-Family, Apartment Condos and Co-ops  
Source: National Association of REALTORS®



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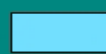
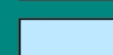
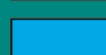


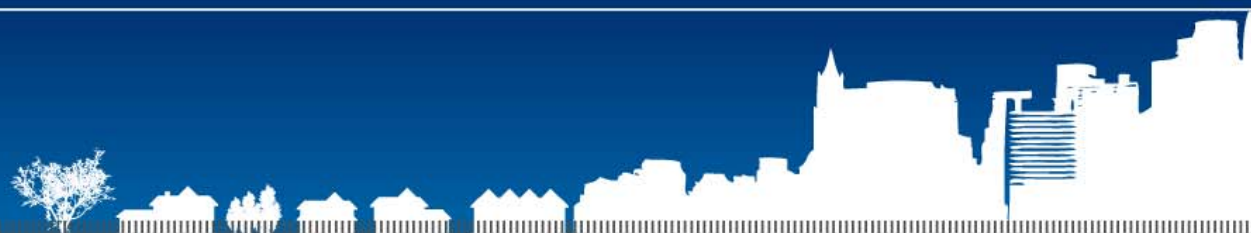
# Existing Home Sales in 2nd Quarter 2010 Percentage Change by State



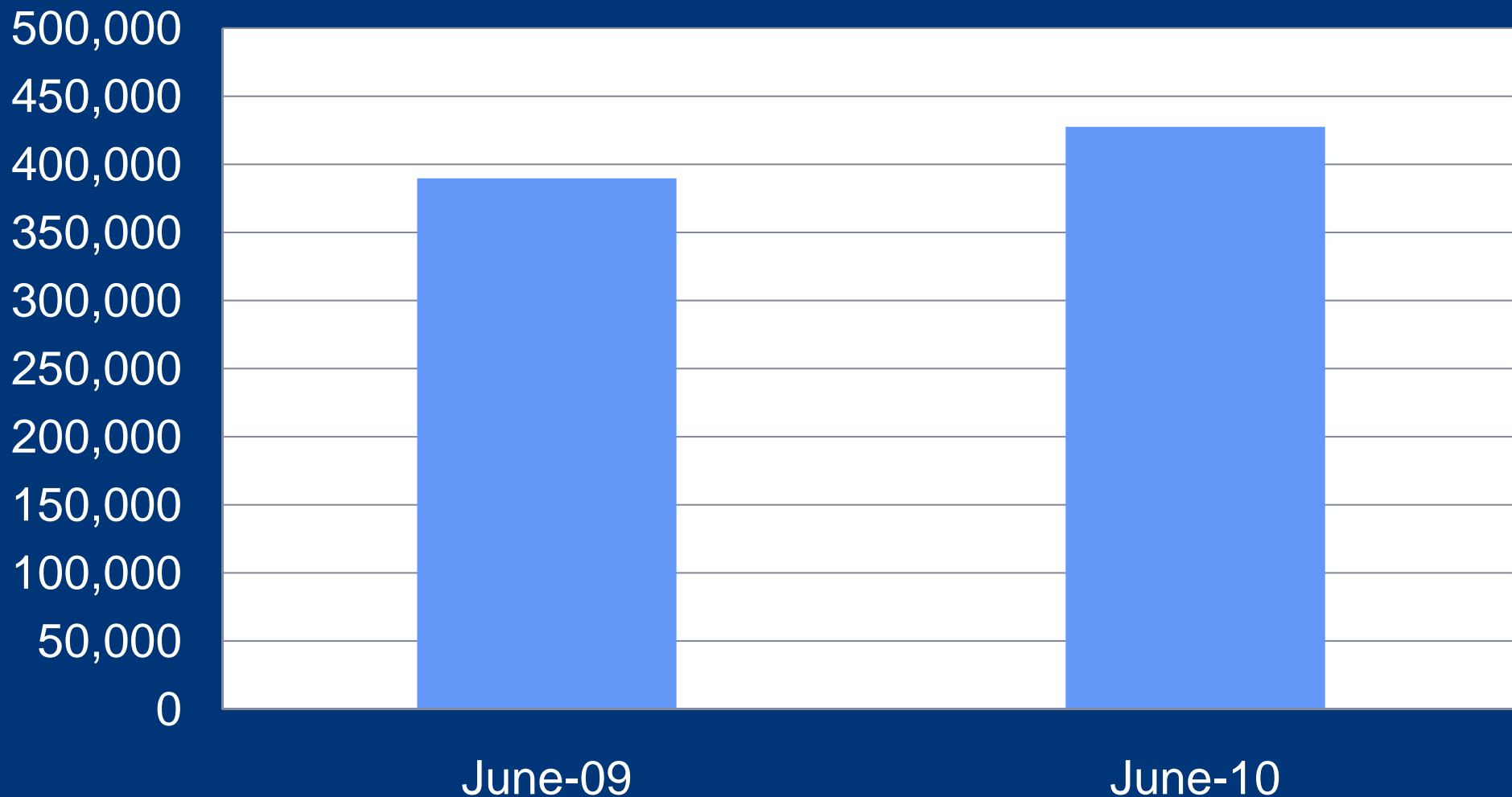
Percentage Change  
National Increase: 18%

Compared with Q2 2009 (Seasonally Adjusted)  
Single-Family, Apartment Condos and Co-ops  
Source: National Association of REALTORS®

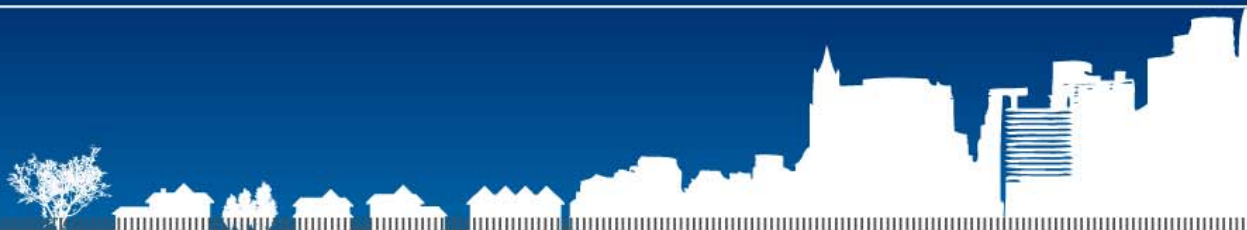
 -6.4% to 0%	 10.1% to 20%
 0.1% to 10%	 20.1% to 52%



# SF Permit Activity During 12 Months Ending

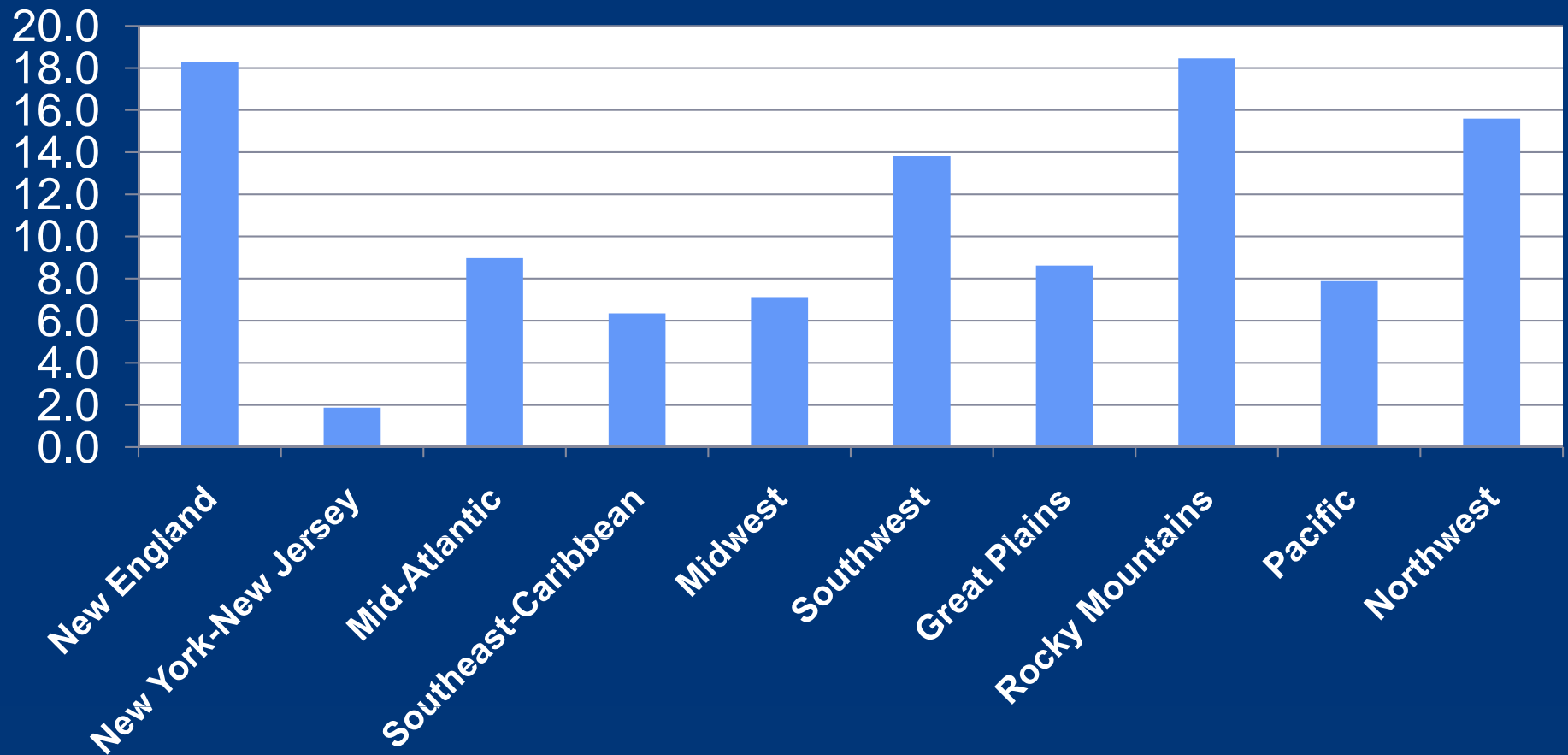


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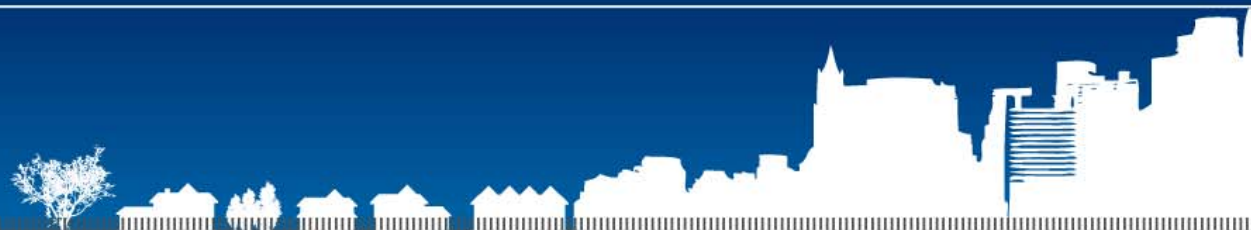


# Percentage Change in SF Activity

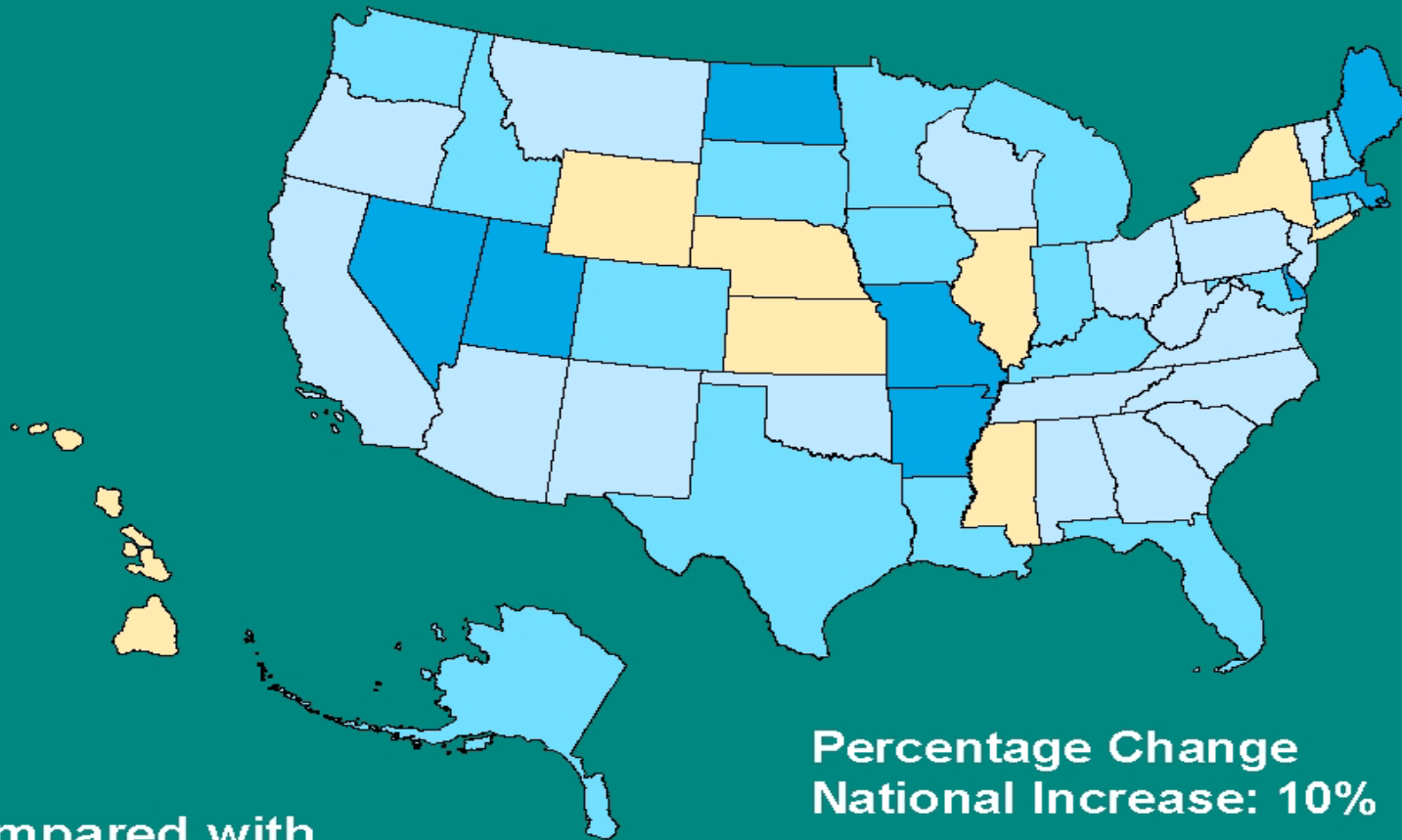
## 12 Months Ending 6/09 to 6/10



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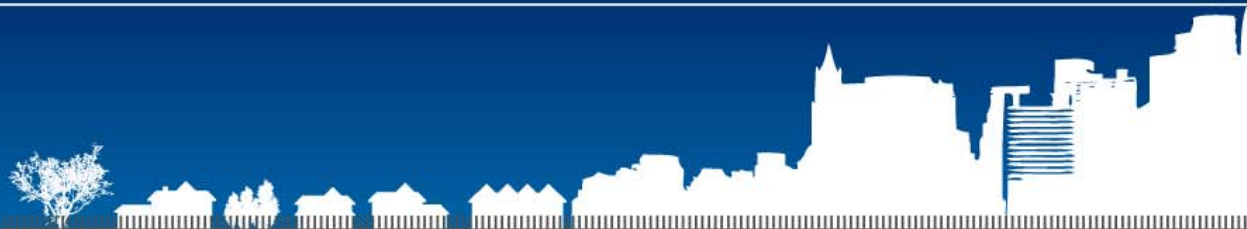
# Percentage Change in SF Building Permits 12 Months Ending June 2010



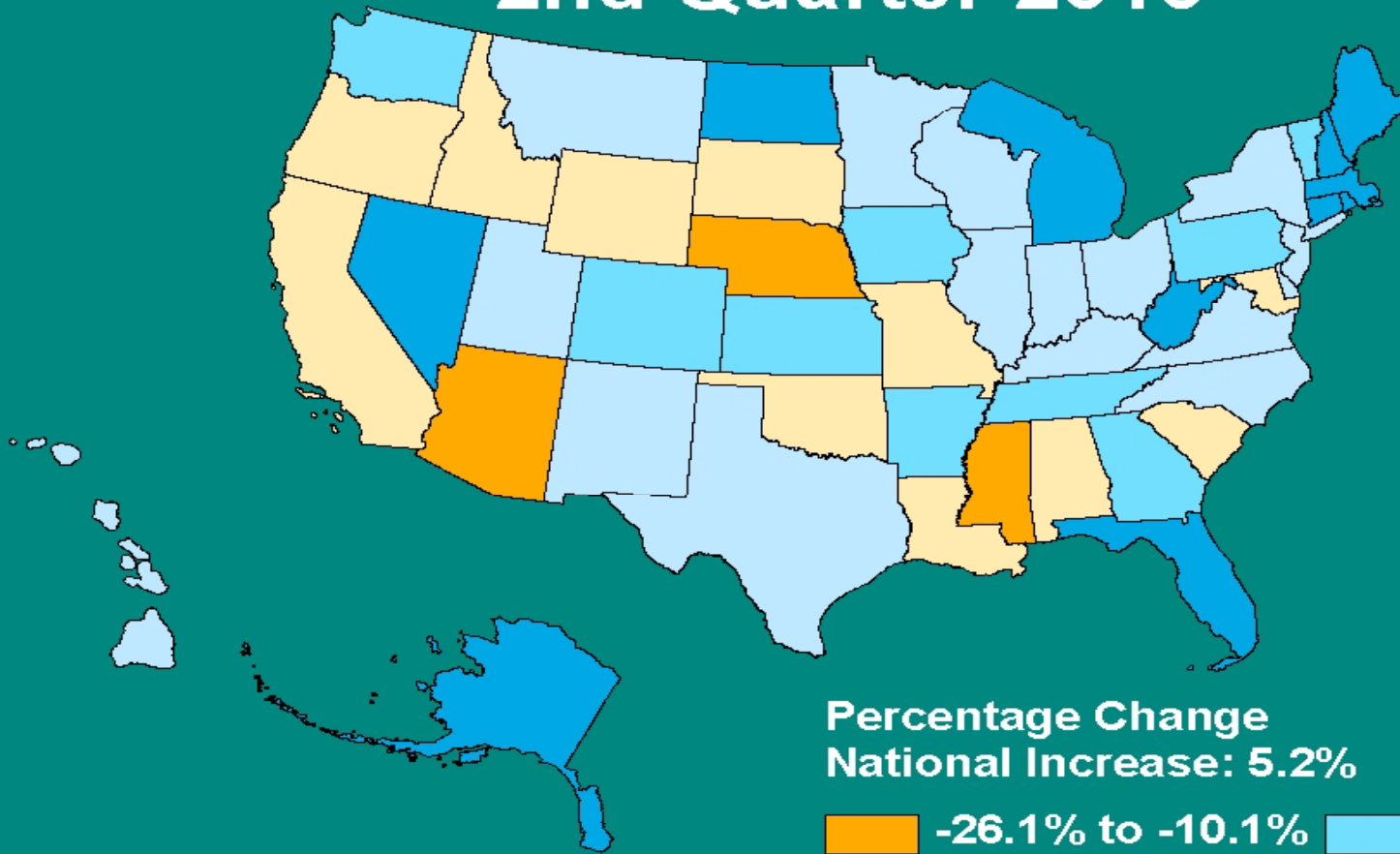
Compared with  
12 Months Ending June 2009  
Source: U.S. Census Bureau



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# Percentage Change in SF Building Permits 2nd Quarter 2010



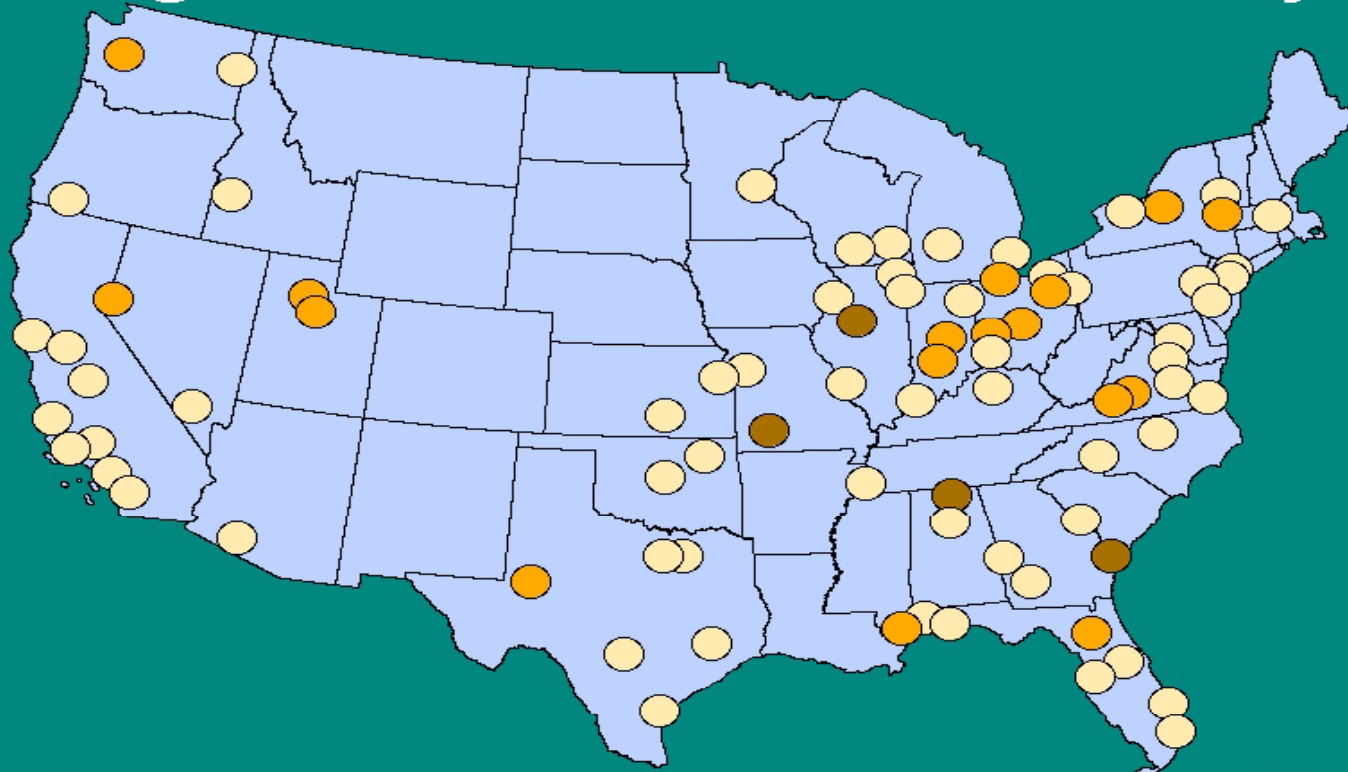
Compared with 2nd Quarter 2009  
Source: U.S. Census Bureau



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# Metropolitan Area Apartments Percentage Point Increase in Vacancy Rates



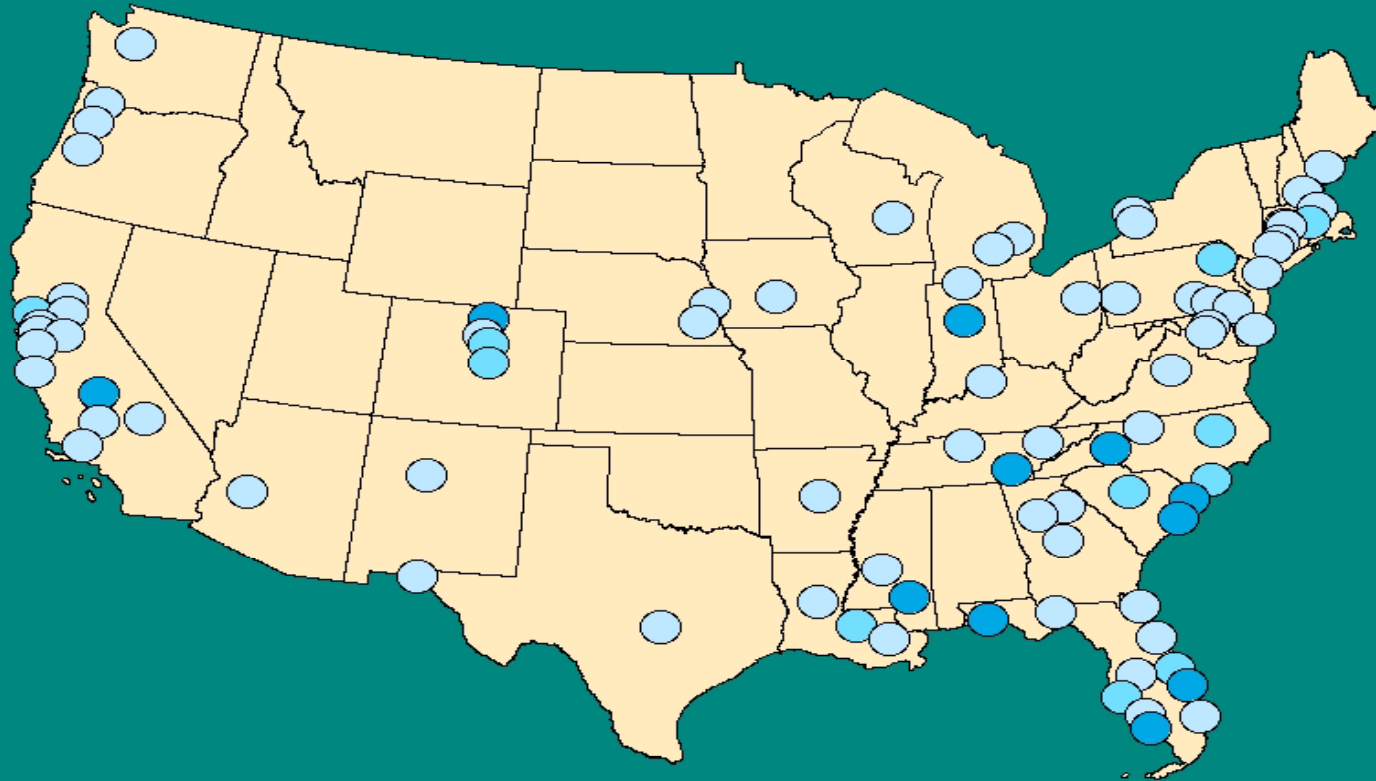
84 Metro Areas  
Source: Reis, Inc.  
Compares Q2 2010 with Q2 2009  
Market-Rate Complexes 40+ Units

Percentage Point Change  
National Increase: 0.1

● 0 to 1      ● Above 2  
● 1.1 to 2

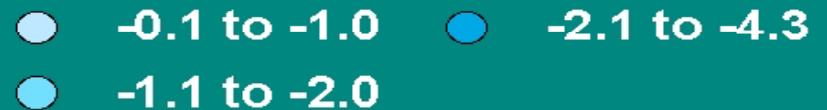


# Metropolitan Area Apartments Percentage Point Decrease in Vacancy Rates



84 Metro Areas  
Source: Reis, Inc.  
Compares Q2 2010 with Q2 2009  
Market-Rate Complexes 40+ Units

Percentage Point Change  
National Increase: 0.1

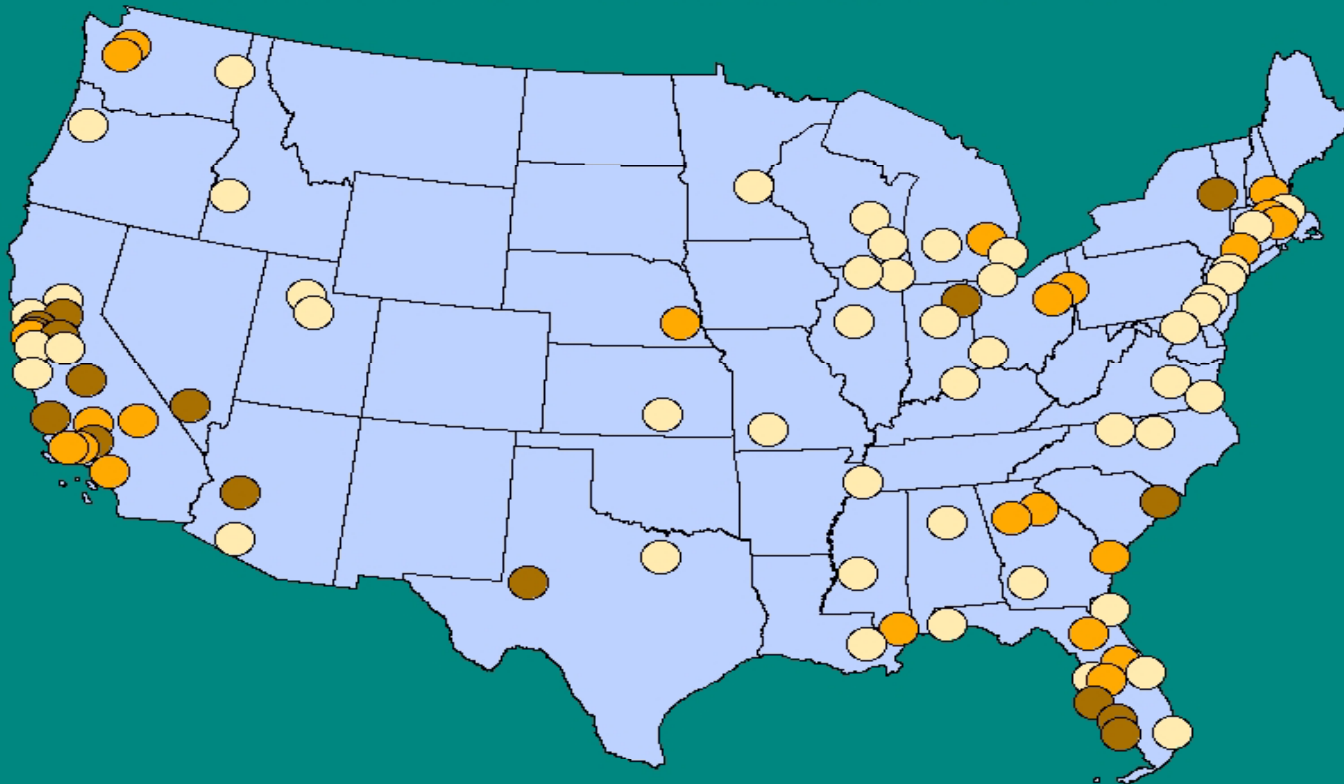


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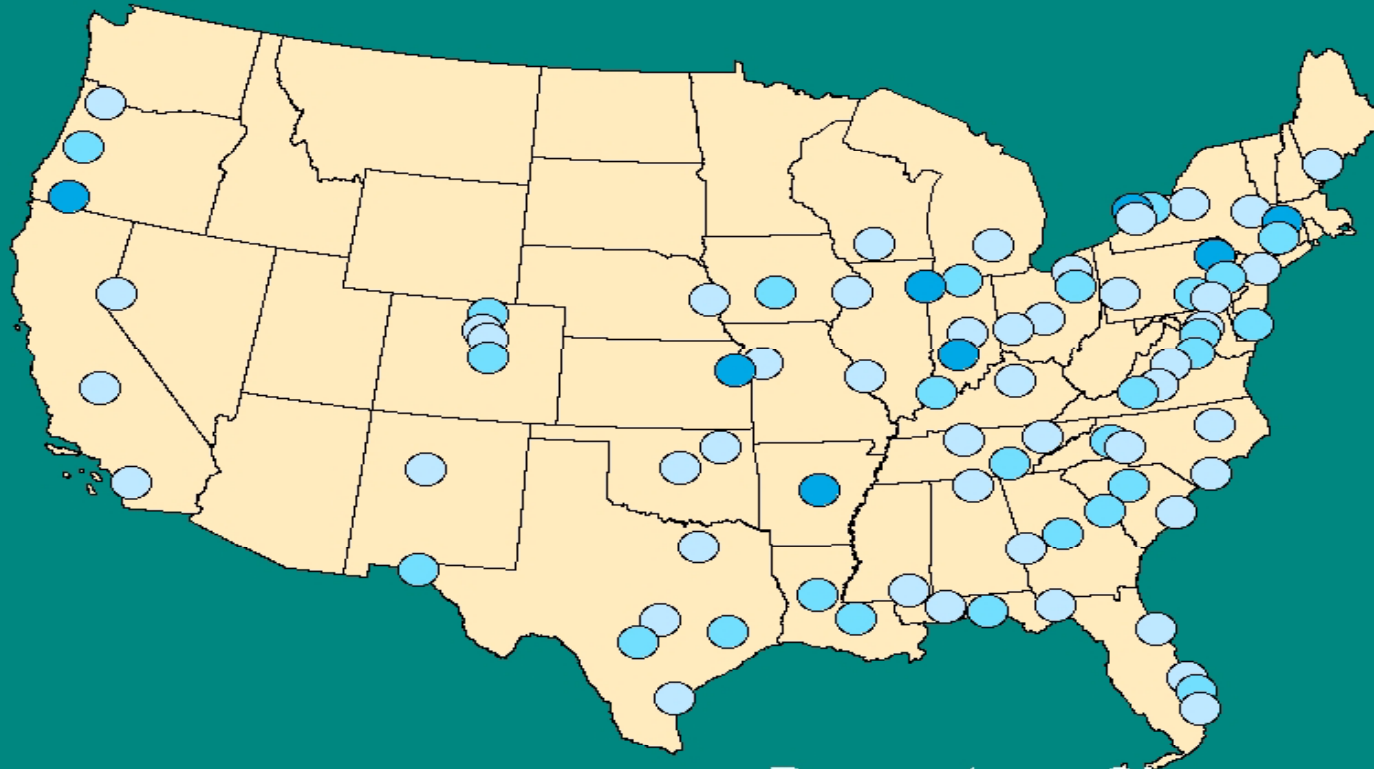
# Metropolitan Area Apartments Decrease in Market Rents



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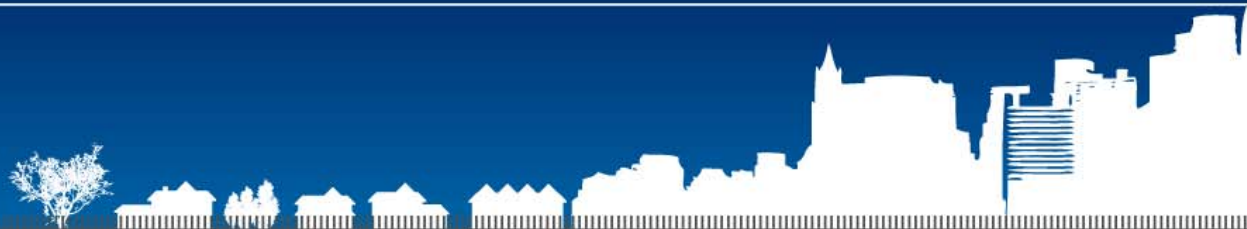
# Metropolitan Area Apartments Increased Market Rents



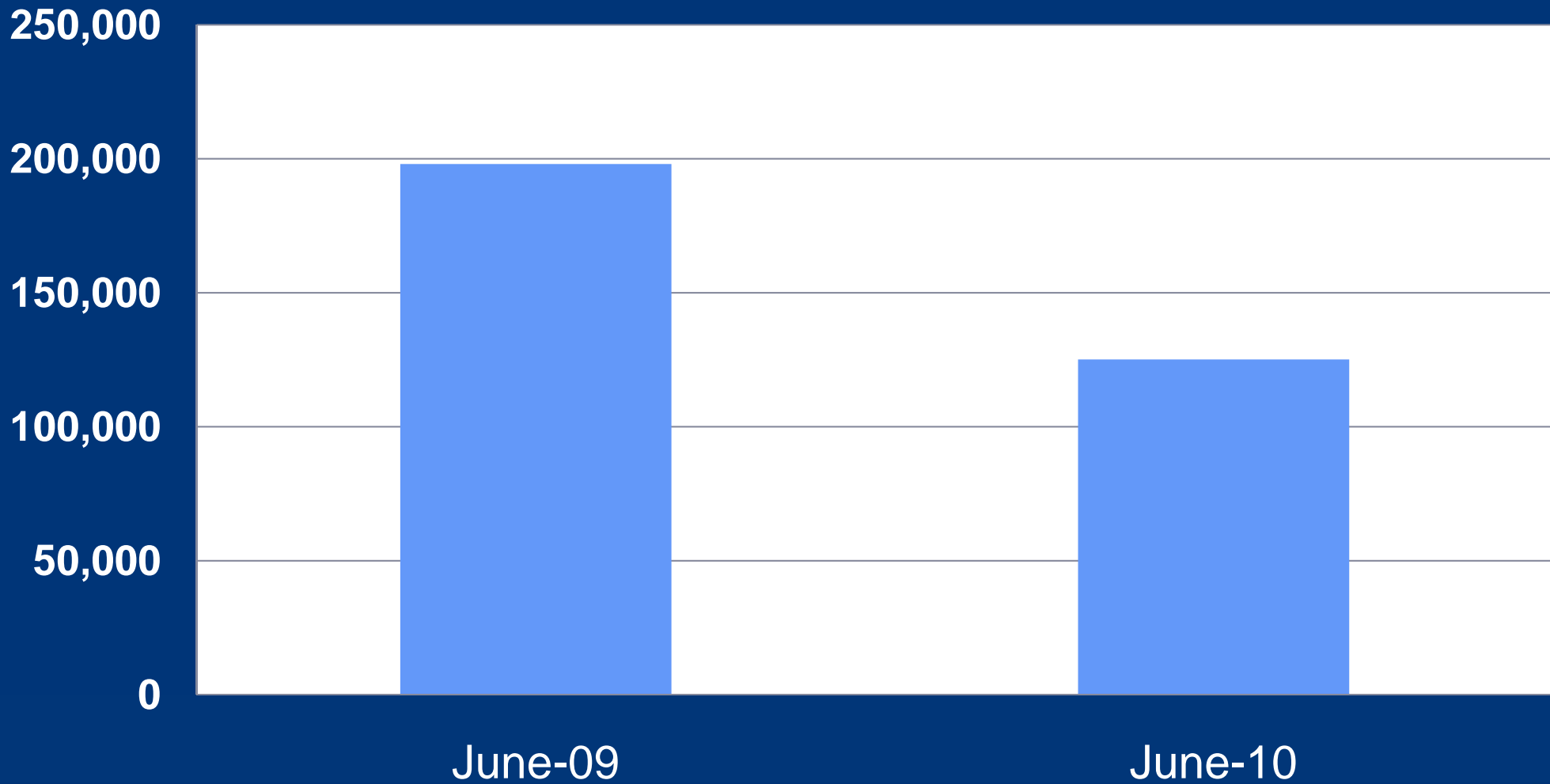
82 Metro Areas  
Source: Reis, Inc.  
Compares Q2 2010 with Q2 2009  
Market-Rate Complexes 40+ Units

Percentage Change  
National Decline: 0.7%

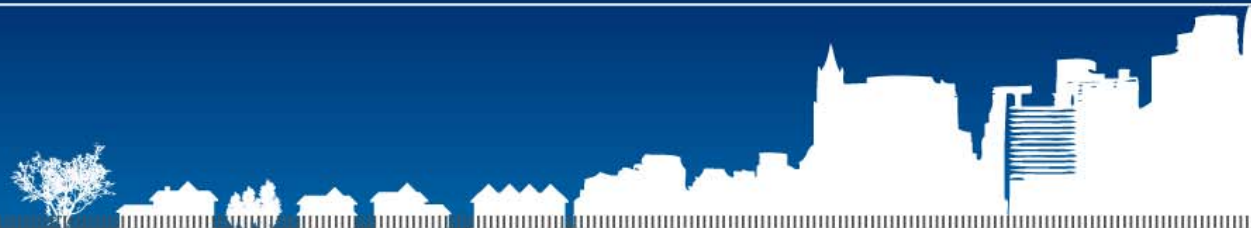
- 0% - 1%
- 1.1% - 2%
- 2.1% - 3.1%



# MF Permit Activity During 12 Months Ending

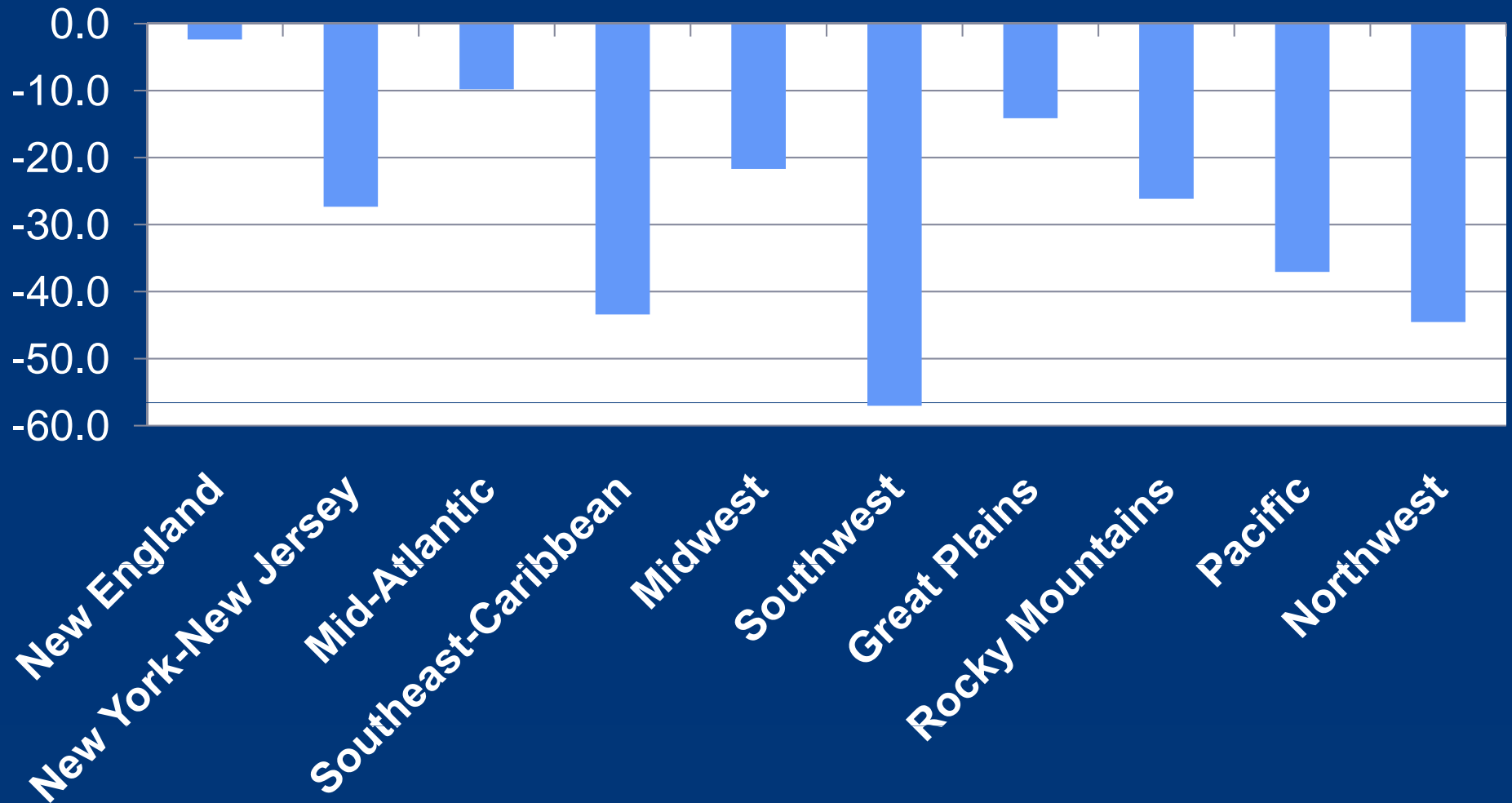


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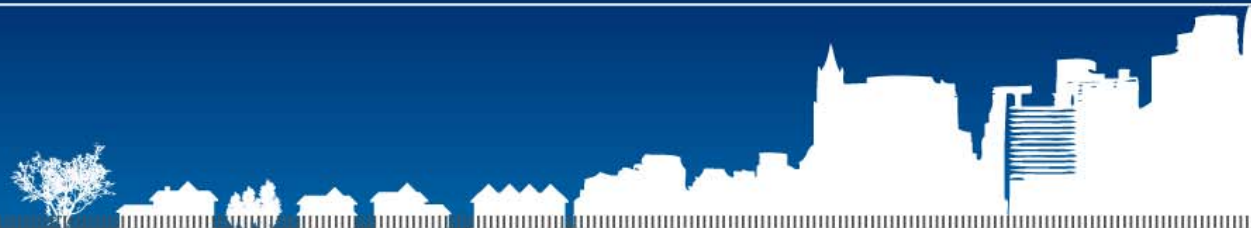


# Percentage Change in MF Activity

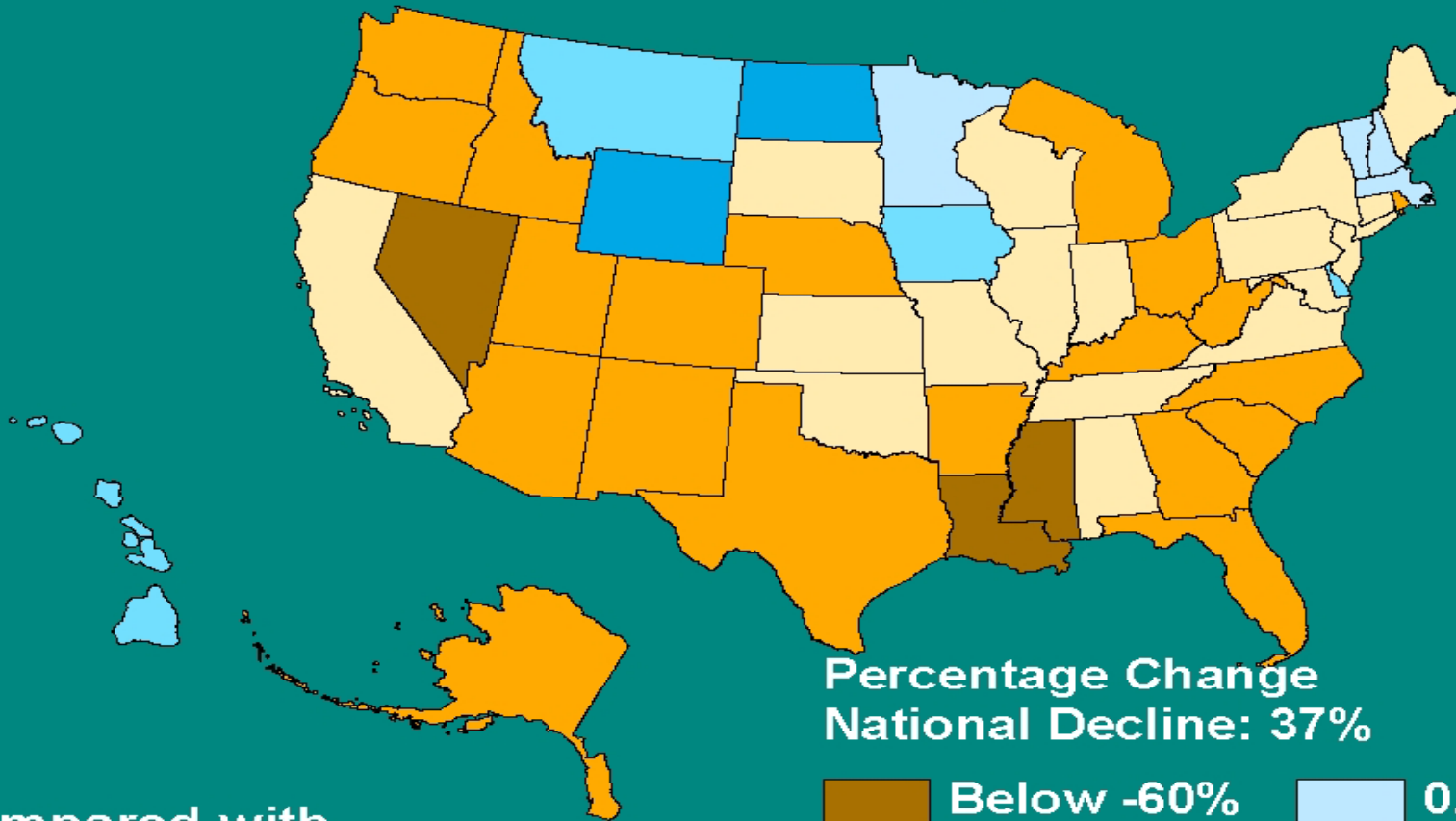
12 Months Ending 6/09 to 6/10



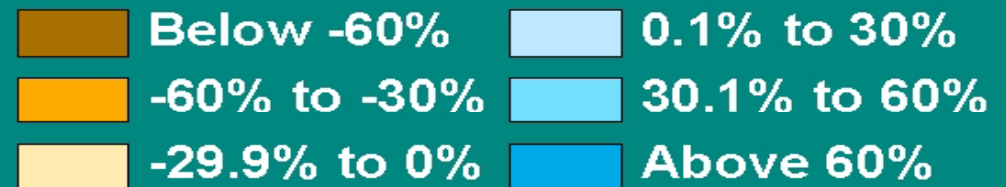
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# Percentage Change in MF Building Permits 12 Months Ending June 2010



Percentage Change  
National Decline: 37%



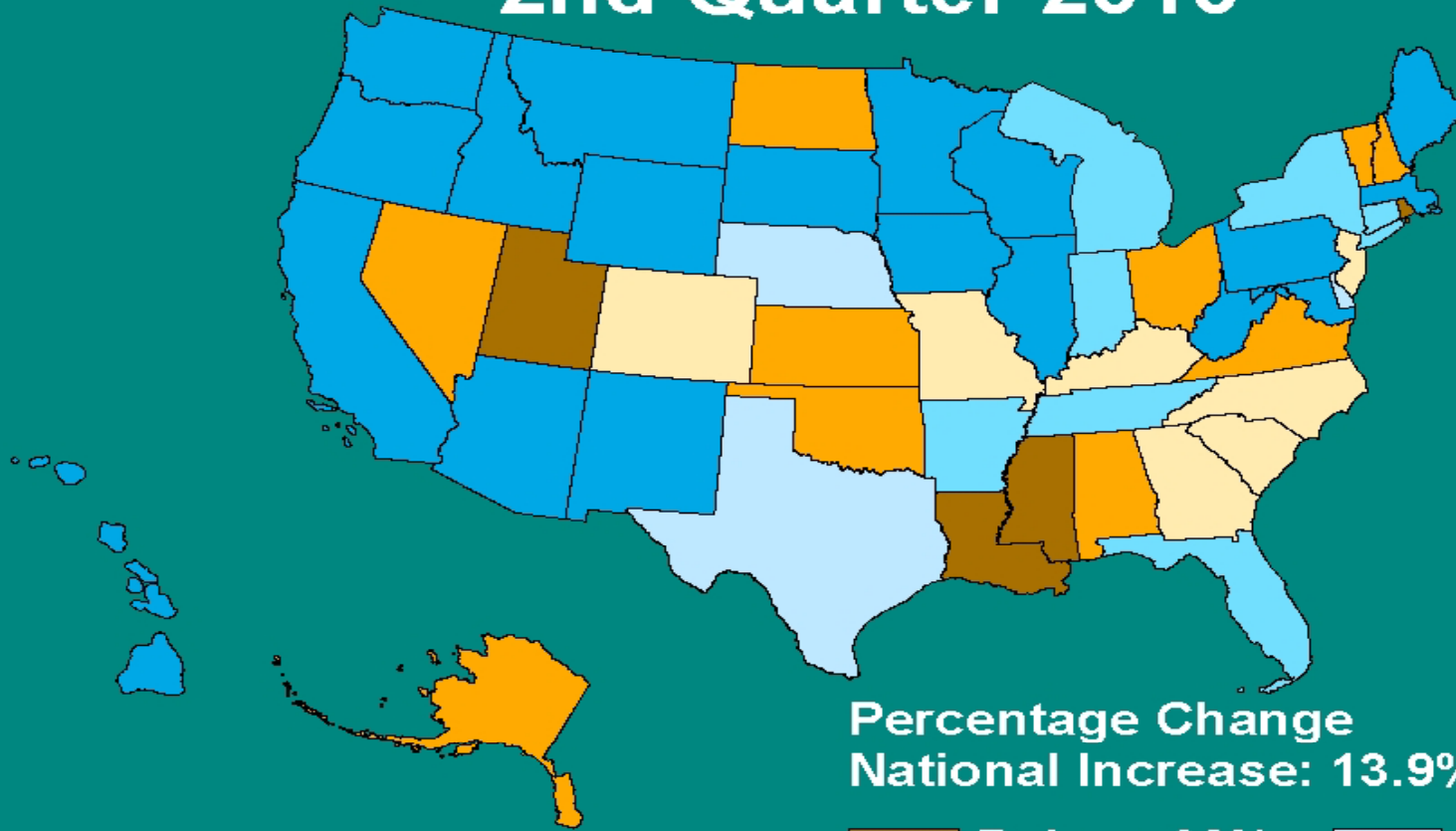
Compared with  
12 Months Ending June 2009  
Source: U.S. Census Bureau



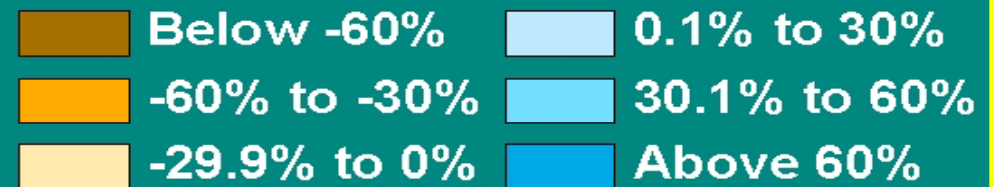
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# Percentage Change in MF Building Permits 2nd Quarter 2010



Percentage Change  
National Increase: 13.9%



Compared with 2nd Quarter 2009  
Source: U.S. Census Bureau



# For additional information:

- U.S. Housing Market Conditions Report 2Q 2010 available at [www.huduser.org](http://www.huduser.org)
- Contact your local Regional or Field Economist
- Contact me at [kevin.p.kane@hud.gov](mailto:kevin.p.kane@hud.gov)



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