

# HUD PD&R National Housing Market Summary

## Housing Market Indicators Overall Showed Some Progress in the First Quarter

Housing market activity overall improved in the first quarter of 2023. New construction declined for single-family and multifamily housing. Purchases rose for new and existing homes, while the inventory of homes for sale fell for new homes but increased for existing homes. The seasonally adjusted (SA) Federal Housing Finance Agency (FHFA) and CoreLogic Case-Shiller® repeat-sales house price indices showed year-over-year gains in house prices continued to slow. Homeownership affordability improved, while rental affordability declined.

Based on its National Delinquency Survey, the Mortgage Bankers Association (MBA) reported that the overall mortgage delinquency rate decreased in

the first quarter. According to ATTOM Data Solutions, newly initiated and completed foreclosures rose. The U.S. Census Bureau reported an increase in the national homeownership rate to 66.0 percent in the first quarter from 65.9 percent the previous quarter. According to the Bureau of Economic Analysis (BEA) second estimate, the U.S. economy grew at a seasonally adjusted annual rate (SAAR) of 1.3 percent in the first quarter, following a 2.6-percent growth rate in the fourth quarter. Real residential investment, which includes investment in new homes and the remodeling of existing homes, declined 5.4 percent, following a 25.1-percent decline in the fourth quarter, and slowed real GDP growth by 0.22 percentage points, following a 1.20-percent-point deduction in the fourth quarter.

## Housing Supply

**New construction fell for single-family and multifamily housing.** Housing starts on single-family homes, at 830,000 units (SAAR) in the first quarter of 2023, declined 2.3 percent from the previous quarter (850,000 units) and were 29.8 percent lower than one year ago. The pace of single-family housing starts is 64 percent of the average annual rate (AR) of 1.29 million units in the years from 2000 to 2002, before the housing bubble began. Multifamily housing starts, at 536,000 units (SAAR) in the first quarter, were down 1.3 percent from the previous quarter (543,000 units) but 3.9 percent higher than one year ago. The pace during the period prior to the housing bubble (2000–2002) was 300,000 units (AR). Single-family housing starts were slow to bounce back during the housing recovery, but their market share has improved since the first quarter of 2020, although their share has

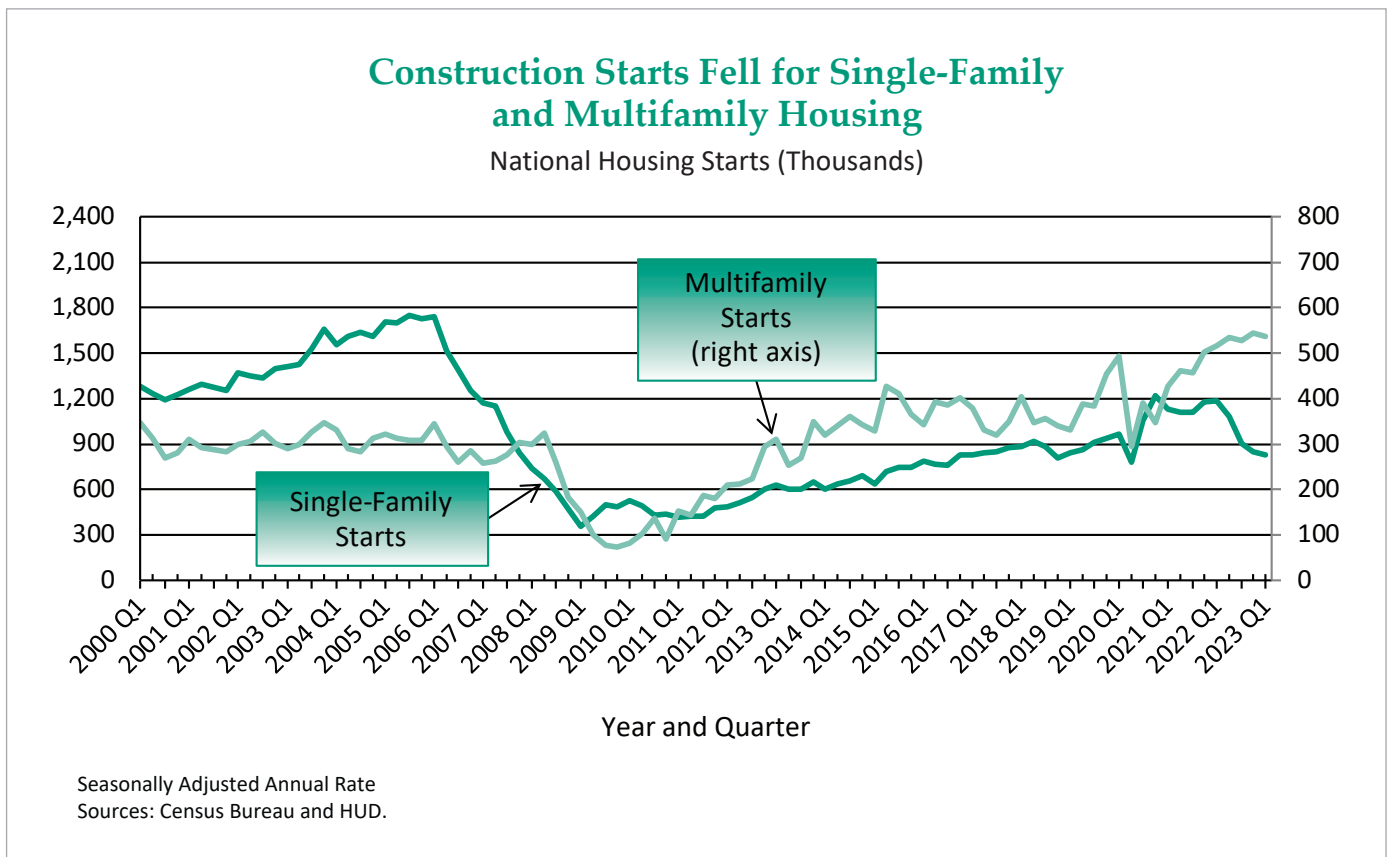
slipped in the last year. Historically, new construction of single-family and multifamily housing has averaged respective market shares of 72 and 24 percent, with two- to four-unit structures making up the rest of the market. The shares of single-family and multifamily housing starts were at respective rates of 60 and 39 percent in the first quarter. Although multifamily housing construction has been increasing at a fast pace, it has not kept up with demand. Total housing starts were down 1.6 percent from the previous quarter and 19.5 percent over the four-quarter period.

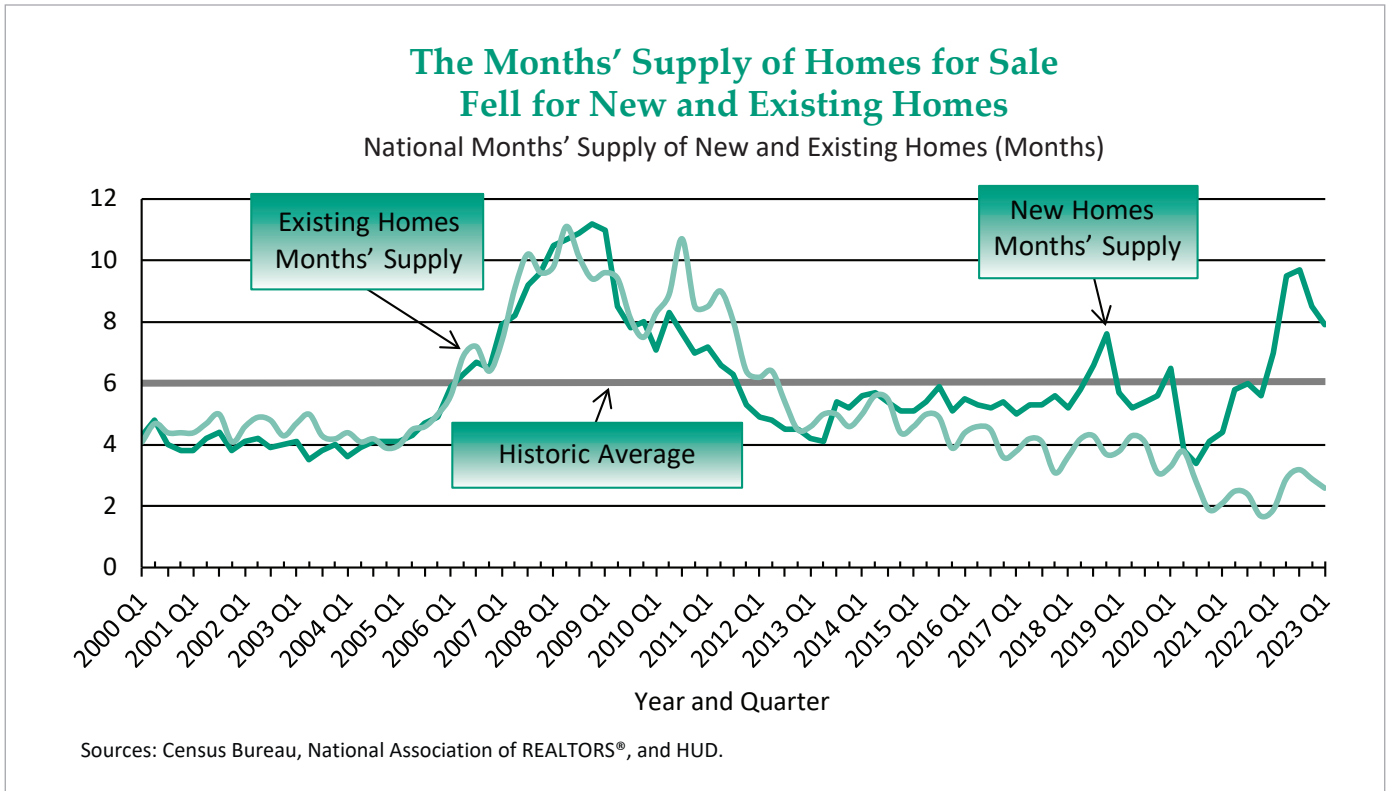
**The inventory of homes on the market dropped for new homes but increased for existing homes.** The listed inventory of new homes for sale at the end of the first quarter was 432,000 units (SA), a decrease of 4.2 percent from the previous quarter but up 4.6 percent



from one year earlier. The supply of new homes on the market would support 7.9 months of sales at the current sales pace, down from 8.5 months in the fourth quarter but up from 7.0 months one year ago. The listed inventory of existing homes for sale, at 970,000 units, was up 1 percent from 960,000 units in the fourth quarter and 4.3 percent higher over the four-quarter period. That inventory represents a 2.6-month supply of homes for sale, down from 2.9 months the previous quarter due to the increase in sales; months' supply was up from 2.0 months a year ago. The long-term average for months' supply of homes on the market is about 6.0 months. An increase in inventories when months' supply is low usually improves home sales because the low ratio of inventories to sales indicates that if more homes were offered for sale, they would

be purchased. Historically, the National Association of REALTORS® (NAR) annual survey, Profile of Home Buyers and Sellers, found that homeowners typically remained in their homes for six to seven years. After the Great Recession (2007–2009), the typical tenure increased to nine or ten years, a factor that has contributed to low inventories. The results from NAR's 2021 Profile, during the COVID-19 pandemic, proved to be an aberration. The national median number of years homeowners owned their homes before selling in 2021 dropped from ten years to eight years, the largest single-year change in tenure length in the history of the NAR dataset. The median tenure length returned to ten years in NAR's 2022 Profile (<https://www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers>).





## Housing Demand

### Sales increased for new and existing homes.

Purchases of new single-family homes, at 645,000 units (SAAR) in the first quarter, were up 7.9 percent from 598,000 in the previous quarter but down 15.5 percent over the four-quarter period. The annual pace of new home sales was 771,000 in 2021 and 641,000 in 2022. The NAR reported that existing homes—including single-family homes, townhomes, condominiums, and cooperatives—sold at a pace of 4.33 million units (SAAR) in the first quarter, up 3.1 percent from 4.20 million in the previous quarter but 27.7 percent lower than a year ago. Previously owned homes sold at an annual pace of 6.12 million in 2021 and 5.03 million in 2022. Sales to first-time buyers accounted for 29 percent of all sales transactions in the first quarter, the same as the previous quarter and below the historic norm of 39 percent. Higher mortgage rates, low sales inventory, slower growth in income compared to house prices (up until this quarter), and more stringent bank lending standards have recently hampered sales growth. Historically, existing home sales accounted for 85 percent of the market, with new home sales representing the remaining 15 percent. The share of existing home sales began to

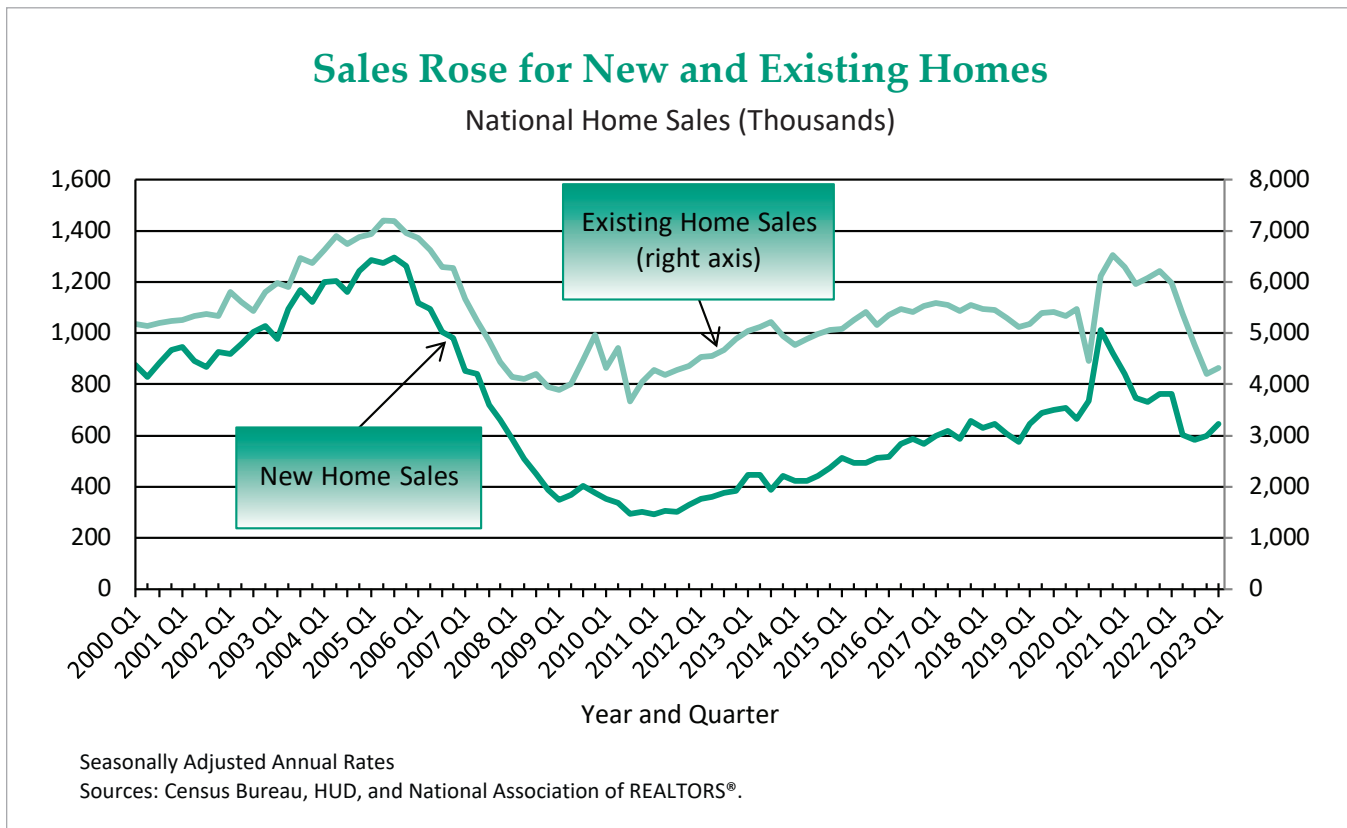
rise in 2007, reaching a high of 94 percent in 2011. The current market shares of existing and new home sales are closer to their historic norms, with respective rates of 88 and 12 percent. In terms of average sales, the ratio of existing to new home sales historically has been 6 to 1. The current ratio is 7 to 1; that ratio has fallen since 2011, when it reached 14 to 1.

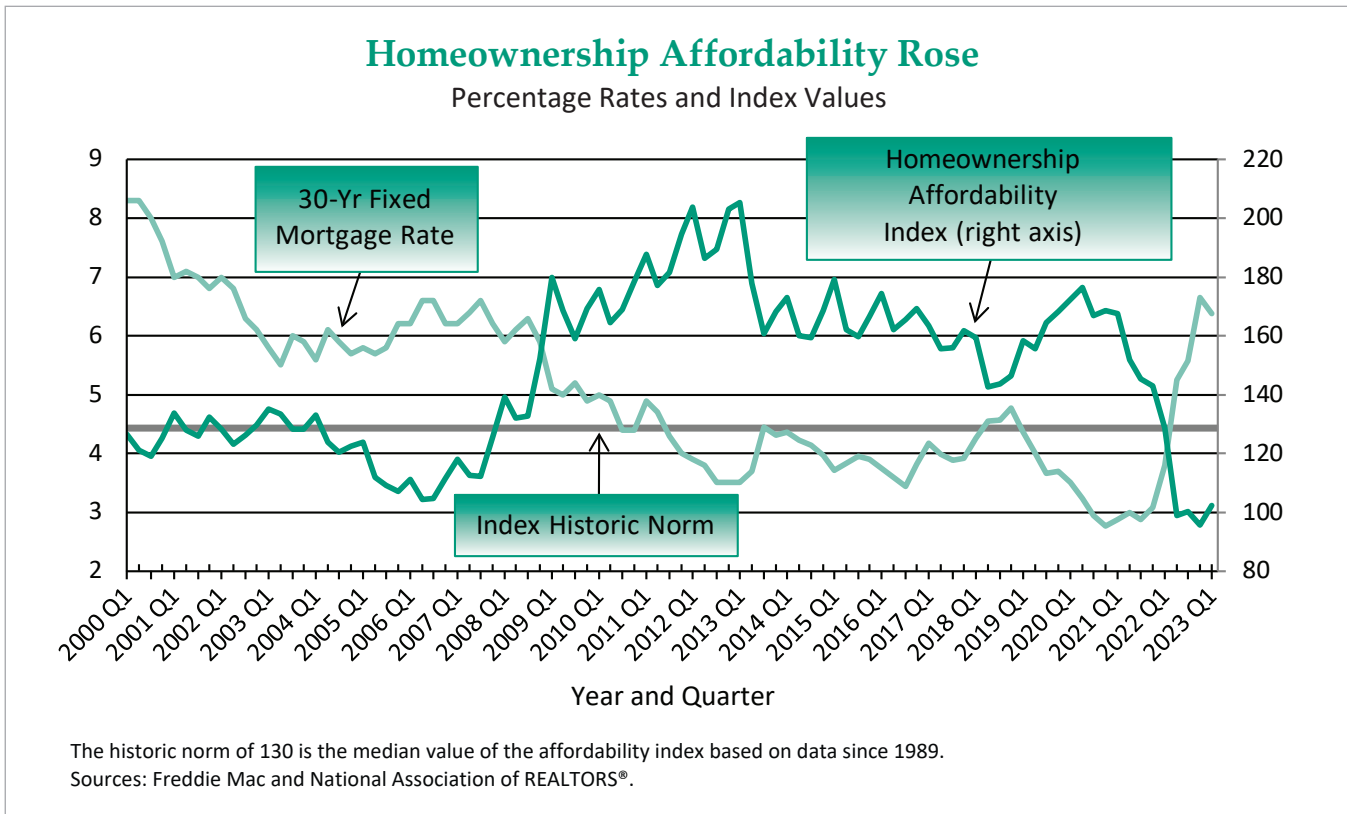
**Annual house prices continued to appreciate at a slower pace in the first quarter, with annual returns ranging from 2.1 to 4.3 percent.** The FHFA (SA) purchase-only repeat-sales house price index showed U.S. home prices increasing at a 0.49-percent rate in the first quarter, up from a 0.24-percent pace in the previous quarter. House prices rose at an annual pace of 4.3 percent, down from an 8.4-percent annual gain in the fourth quarter. The CoreLogic Case-Shiller® (SA) national repeat-sales house price index estimated a 0.29-percent decline in house prices for the first quarter, which was less than the 1.26-percent decline the previous quarter and the third quarterly decrease since the first quarter of 2012. Home values increased over the four-quarter period by 2.1 percent, down from

the previous quarter's 7.4-percent annual return. For the first quarter of 2023, house price appreciation was either lower or the same as changes in the general price level and wages, which had respective annual gains of 5.8 and 4.3 percent over the same four-quarter period. Mortgage financing has become more expensive as the Federal Reserve raises interest rates, a process that began in April 2022. As a result, house-price growth may continue to slow. The FHFA index showed home prices continued to increase at a slow rate in the first quarter, whereas the CoreLogic Case-Shiller® (SA) index estimated that home values peaked in the second quarter of 2022 and were down 2.1 percent from that peak. The FHFA index differs from the CoreLogic Case-Shiller® index mainly because the FHFA index, unlike the CoreLogic Case-Shiller® index, is based on sales financed only with mortgages that have been sold to or guaranteed by Fannie Mae and Freddie Mac, excludes sales transactions associated with subprime and some "jumbo" loans, and is transaction weighted rather than value weighted. According to NAR, distressed sales, which tend to sell at lower prices, accounted for 1 percent of all existing home sales, down from

2 percent in the previous quarter but the same as one year ago. Investor purchases, which tend to put upward pressure on prices, accounted for 17 percent of existing home sales, up from 15 percent the previous quarter but down from 20 percent one year ago.

**The absorption rate rose for new condominiums and cooperatives but fell for new apartments.** Of the newly completed condominiums and cooperatives in the fourth quarter, 78 percent sold within 3 months, up slightly from 77 percent in the previous quarter and 76 percent one year ago. Of new apartments completed in the fourth quarter, 59 percent were leased within the ensuing 3 months, down from 61 percent in the previous quarter and 68 percent the previous year. A faster absorption rate of new condominiums and apartments indicates greater demand for these units or a lower supply. In the fourth quarter of 2022, 5,200 new condominiums and co-ops were built, up 12 percent from 4,600 in the previous quarter but down 10 percent from 5,800 one year ago. The high absorption rate and low supply of condos and cooperatives may encourage more builders to enter the market.





**The affordability of purchasing a home rose in the first quarter after reaching a new low in the fourth quarter.** The NAR Housing (Homeownership) Affordability Index (HAI), at 102.2 in the first quarter, was up 6.8 percent from the previous quarter but down 20.5 percent year over year. The increase in the ability to purchase a home resulted from a 36-basis-point decrease in the mortgage rate, a 2.0-percent decline in the median price of a single-family home, and a 1.0-percent rise in Median Family Income. The quarterly fixed-rate HAI was 95.7 in the previous quarter and has only fallen below 100.0 two other times since its inception in 1989: the second quarters of 2022 (99.0) and 1989 (98.4). The homeownership affordability index peaked in the first quarter of 2012, at 203.9, and fell sharply through the third quarter of 2013, as home prices climbed and mortgage rates rose. Moderate changes in mortgage rates and fluctuating median house prices caused the series to oscillate between the third quarter of 2013 and mid-2018, but it improved through the first quarter of 2021, as mortgage rates hovered near historically low levels. Affordability began to fall again with sharp increases in housing prices and, more recently, mortgage rates. (The NAR Housing Affordability Index is a measure of the ability of a

median-income family to purchase a median-priced home under current underwriting standards. Note that quarterly purchase prices reflect seasonal changes in prices.)

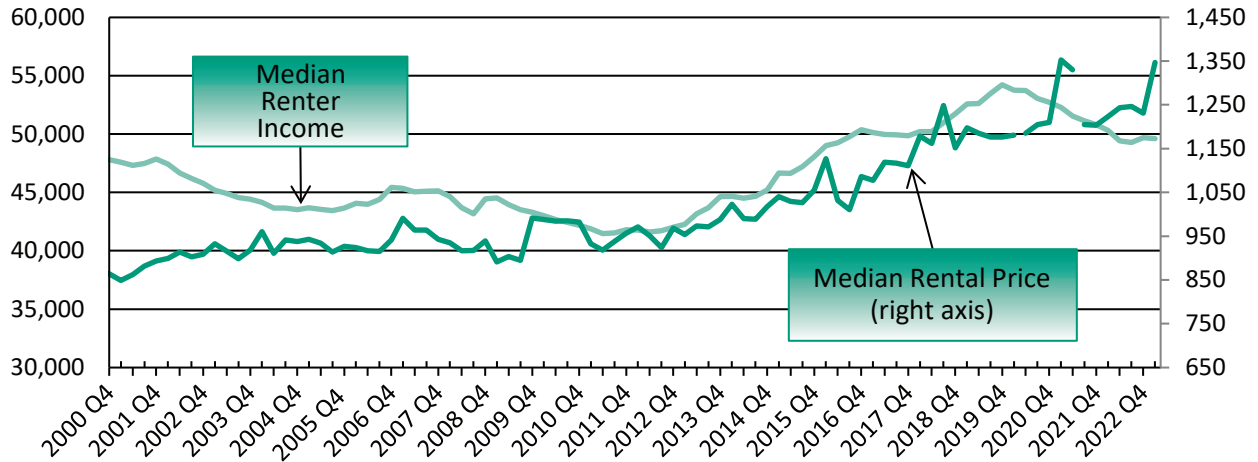
**The affordability of renting a home fell to a new low point in the first quarter of 2023.** The U.S. Department of Housing and Urban Development (HUD) Rental Affordability Index (RAI), at 92.1 in the first quarter, fell 8.8 percent from 101.1 in the previous quarter and was down 10.4 percent year over year. The decrease in the affordability of leasing a home resulted from a 9.4-percent increase in the inflation-adjusted median price of leased homes and a 0.2-percent decline in the inflation-adjusted median income of renter households. After reaching a high point in the first quarter of 2001, the ability to lease a home has declined for the most part, reaching lows below 100.0 in the second and third quarters of 2022 and the first quarter of 2023. The ability to rent a home is currently down 34 percent from its peak at the beginning of 2001. (A RAI value of less than 100 indicates that a renter household with median income has less income than typically required to lease a median-priced rental home. Note that quarterly rental prices reflect seasonal changes in prices.)





### The Affordability of Renting Has Declined as Rising Rents Outpace Income Growth\*

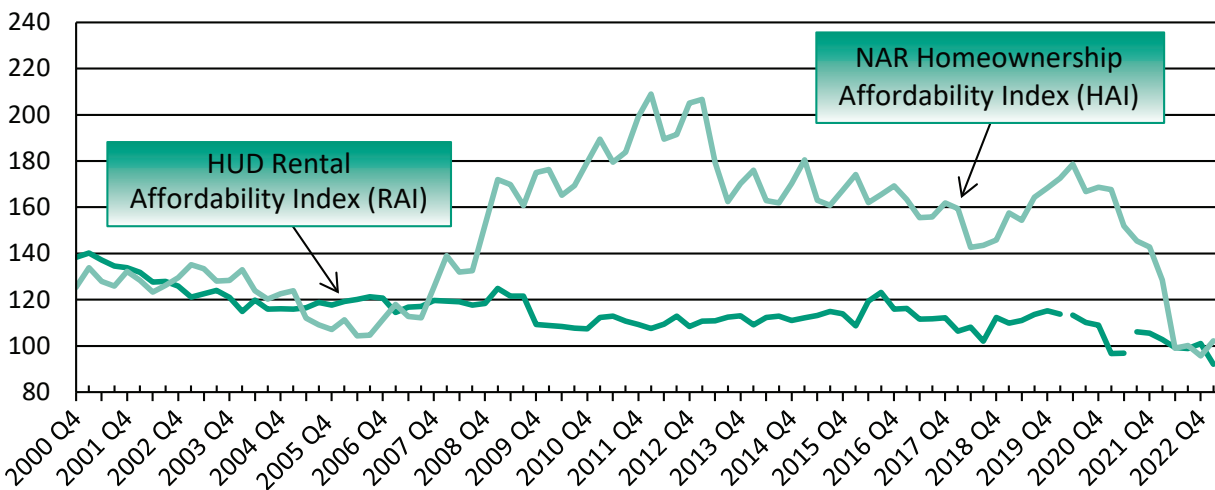
Income and Rents (2022 Dollars)



\* NOTE: The Q2 2020 - Q2 2021 Median Rental Prices (MRP) are partially based on CPS/HVS surveys conducted under COVID-19 restrictions and should be viewed with caution. Normal data collection procedures resumed for Q3 2021. The MRP is also based on ACS median rental prices for recent movers; the 2020 data are unavailable due to COVID restrictions. Quarterly rental prices reflect seasonal changes in prices. Prices and income are in current dollars.  
Sources: Census ACS, BLS CPI, CES, CPS/HVS, and HUD.

### Rental Affordability Remains a Challenge Due to Rising Rents\*

Rental and Homeownership Index Values



\* NOTE: The Q2 2020 - Q2 2021 Median Rental Prices (MRP) underlying the RAI are partially based on CPS/HVS surveys conducted under COVID-19 restrictions and should be viewed with caution. Normal data collection resumed for Q3 2021. The RAI is also based on ACS median rental prices for recent movers; the 2020 data are unavailable due to COVID. The quarterly purchase and rental prices underlying the HAI and RAI reflect seasonal changes in prices.  
Sources: NAR®, Census ACS, BLS CPI, CES, CPS/HVS, and HUD.



## Housing Finance and Investment

**The overall mortgage delinquency rate declined after increasing in the fourth quarter of 2022 for the first time since the second quarter of 2020.** The delinquency rate on mortgages of one- to four-unit residential properties was 3.56 percent (SA) in the first quarter, down from 3.96 percent in the fourth quarter and 4.11 percent in the first quarter of 2022, according to MBA's quarterly National Delinquency Survey (NDS). The first quarter 3.56-percent delinquency rate was the second lowest overall rate since the MBA survey began in 1979 and represents 1.89 million borrowers. The third quarter 2022 delinquency rate (3.45 percent) was the lowest overall rate since the survey's inception; the average overall delinquency rate is 5.32 percent. Mortgage delinquency rates fell for all loan types in the first quarter. The conventional delinquency rate declined to 2.44 percent from 2.78 percent; the Federal Housing Administration (FHA) delinquency rate decreased to 9.27 percent from 10.61 percent; and the U.S. Department of Veterans Affairs (VA) delinquency rate fell to 3.98 percent from 4.16 percent. Results since the first quarter of 2020 reflect the impact of COVID-19 and forbearance policies for federally backed mortgages in response to the pandemic. Note that loans in forbearance are recorded as delinquent in the MBA survey if payments are not made based on the original terms of the mortgage. The MBA Forbearance Survey estimates that 277,000 mortgages were in forbearance at the end of the first quarter, but some of those borrowers (15.6 percent) were up to date on their mortgage payments and would not be recorded as delinquent in the MBA NDS. The MBA seriously delinquent rate (90 or more days delinquent or in the foreclosure process) was 1.73 percent, down from 1.89 percent in the fourth quarter and 2.39 percent one year ago; the historical norm is 2.80 percent. At 0.16 percent of active loans, the foreclosure starts rate was up from 0.14 percent in the previous quarter but down from 0.19 percent one year ago. The survey low of newly initiated foreclosures is 0.03 percent, and the historic average is 0.41 percent. The percentage of loans in the foreclosure process was 0.57 percent, the same as the previous quarter but up from 0.53 percent last year and well below the historic norm of 1.43 percent.

**Newly initiated and completed foreclosures rose in the first quarter.** According to ATTOM Data Solutions®,

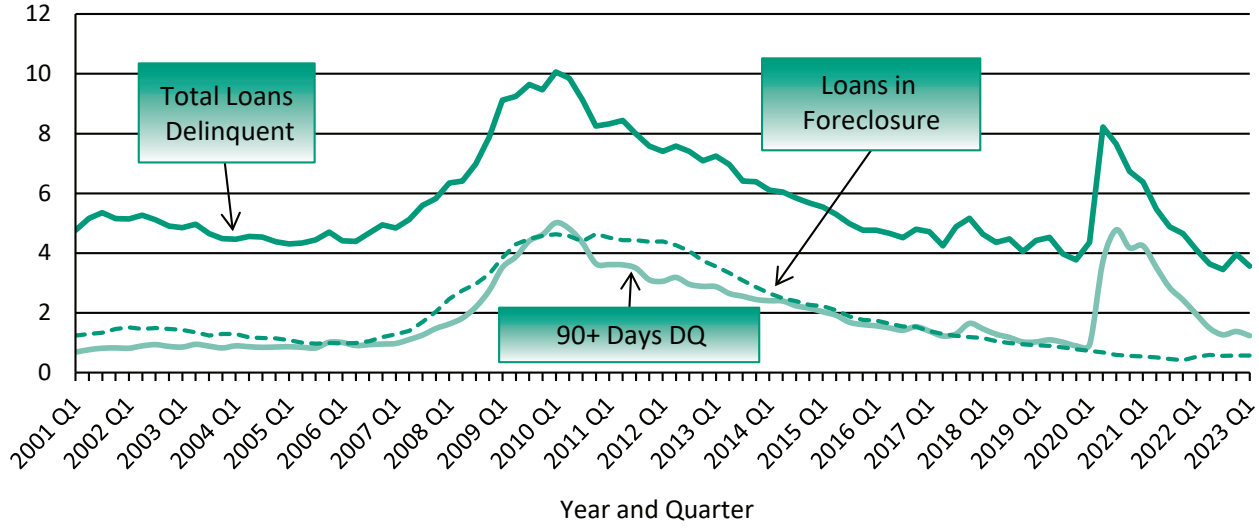
foreclosure starts—default notices or scheduled foreclosure auctions, depending on the state—were filed for the first time on 65,350 U.S. properties in the first quarter, up 3 percent from the previous quarter and 29 percent higher than a year ago. The large percentage increase over last year reflects the small base on which it is calculated. The pre-crisis average of foreclosure starts in 2005 and 2006 was 156,800 per quarter. Lenders completed the foreclosure process (bank repossessions or REO [real estate owned] properties) on 12,500 U.S. properties in the first quarter, up 8 percent from the previous quarter and 6 percent from one year ago. The pre-crisis (2005 and 2006) average of foreclosure completions was 69,400 per quarter. Moratoriums issued by the federal government on residential foreclosures ended September 30, 2021. A modest bump up in foreclosures might be expected after a moratorium on foreclosures.

**Homeowners' equity declined in the fourth quarter of 2022, and the number of underwater borrowers increased.** The Federal Reserve reported that homeowners' equity (total property value less mortgage debt outstanding) fell 0.7 percent, or \$226 billion, in the fourth quarter of 2022 (the data are reported with a lag), for the first time since the first quarter of 2012. Homeowners' equity increased 0.2 percent, or \$63.3 billion, in the third quarter and now stands at nearly \$31.0 trillion. Owners' equity grew by nearly \$3.5 trillion in 2022. An increase in homeowners' equity reflects house price appreciation, fewer distressed borrowers, and increased principal repayment, with house price gains the largest explanatory factor. For the fourth quarter of 2022 (the data are reported with a lag), CoreLogic estimated the number of underwater borrowers increased by 66,000 from the third quarter to 1.171 million homes, or 2.1 percent of residential properties with a mortgage, but were 19,000 fewer than one year ago. The number of underwater borrowers rose (by 51,000) in the third quarter of 2022 for the first time since 2018. Since the beginning of 2012, the number of underwater borrowers (those who owe more on their mortgage than the value of their home) is down 90 percent—from 12.108 to 1.171 million—or by 10.937 million homeowners.



### The Overall Mortgage Delinquency Rate Fell

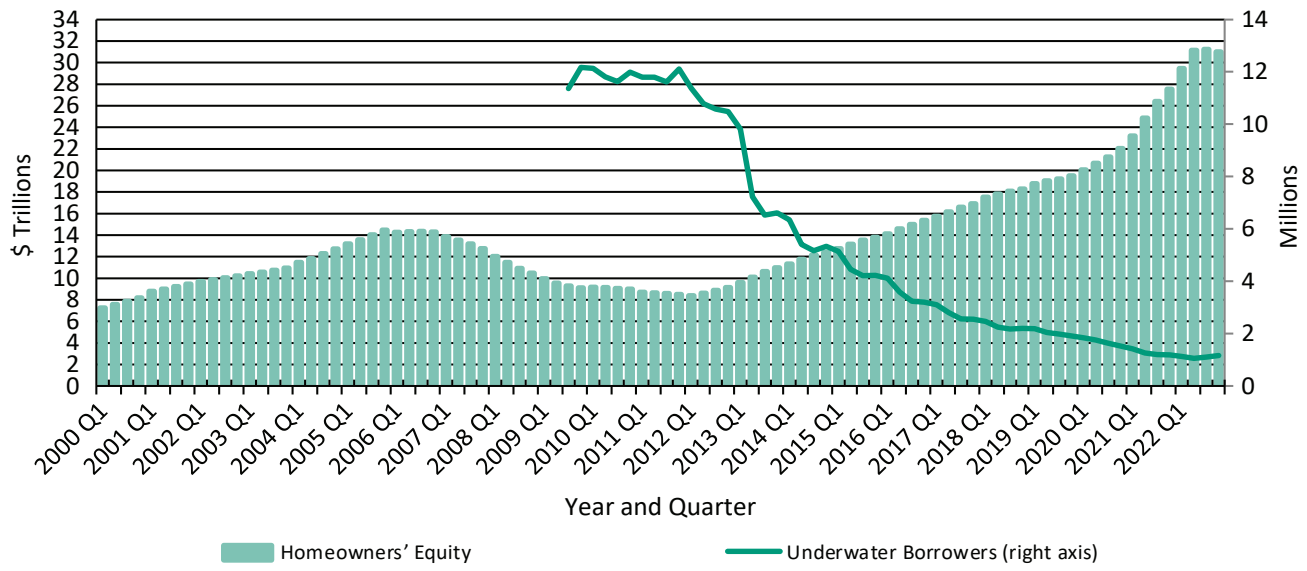
National Mortgage Delinquency and Foreclosure Inventory Rates (Percent)



Delinquent (DQ) loans do not include loans in foreclosure. All data are seasonally adjusted except data for loans in foreclosure. Source: Mortgage Bankers Association.

### Housing Wealth Declined in the Fourth Quarter of 2022

Owners' Equity (\$ Trillions) and Number of Underwater Borrowers (Millions)



Data for underwater borrowers are only available beginning the third quarter of 2009. Sources: Federal Reserve Board and CoreLogic.





## Homeownership and Housing Vacancy

**The national homeownership rate increased to 66.0 percent in the first quarter of 2023 from 65.9 percent the previous quarter and was up from 65.4 percent one year ago.** The historic norm for the national homeownership rate since 1965 is 65.2 percent; it reached a high of 69.2 percent in the second and fourth quarters of 2004. For the first quarter of 2023, the Census Bureau reported that the homeownership rate for White non-Hispanic households fell slightly to 74.4 percent from 74.5 percent in the previous quarter; for Black non-Hispanic households, the rate rose to 46.6 percent from 45.8 percent; and for Hispanic households, the rate rose to 49.7 percent from 48.5 percent. The homeownership rate fell to 61.5 percent for other-race non-Hispanic households and fell to 52.9 percent for two-or-more-races non-Hispanic households. Compared with the early 2000s, the recent relatively low homeownership rates reflect the subprime lending crisis and the high rates of unemployment and underemployment as a result of the severe 2007–2009 recession. More recently, rising mortgage rates, low inventories of homes for sale, slower income growth relative to house prices, and relatively restrictive mortgage credit have affected homeownership. Note that the Census Bureau resumed normal data collection procedures in the third quarter of 2021, after having implemented restrictions on their survey for five months due to COVID-19.

NAR monthly MLS (Multiple Listing Service) data revealed that the share of homebuyers making their first purchase was 29 percent in the first quarter of 2023, the same as the previous quarter and the first quarter of 2022. The historic norm for sales to first-time buyers is 39 percent. Numerous studies have found that both high debt-to-income ratios for young adults burdened with student loans and tighter credit and lending standards are key factors in keeping the current homeownership rate relatively low for young adults. Rising interest rates, a low inventory of homes for sale, and relatively high home prices have also prevented some from becoming homeowners.

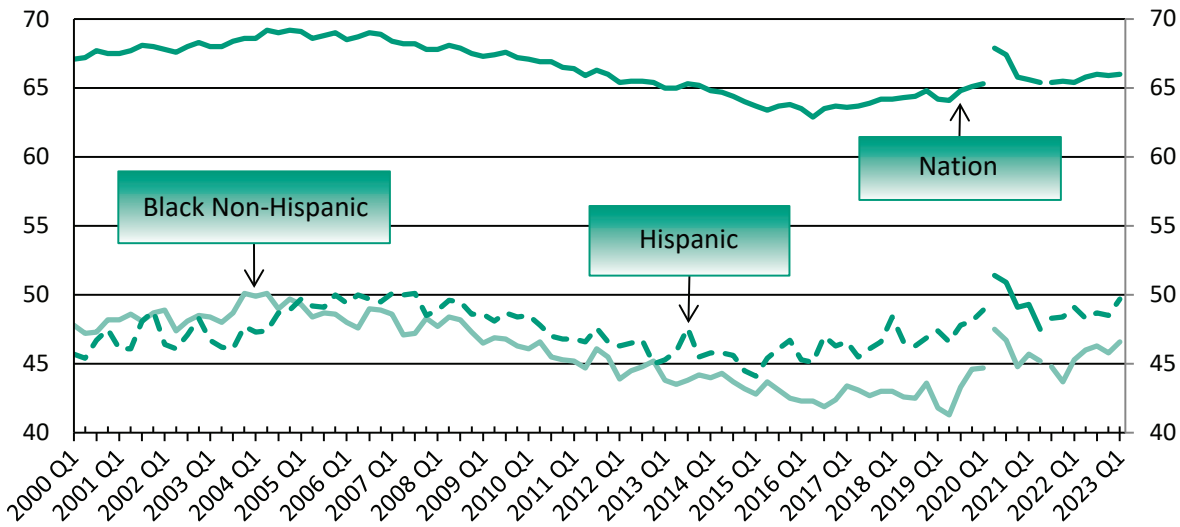
**The rental market vacancy rate rose for single-family and multifamily housing.** The Census Bureau estimate of the overall vacancy rate for the rental market was 6.4 percent in the first quarter, up from 5.8 percent the previous quarter and the previous year. The single-family rental vacancy rate, at 5.6 percent, increased from 5.4 percent in the fourth quarter and 5.0 percent one year ago. The rental vacancy rate for multifamily units (five or more units in a structure) rose to 7.4 percent from 6.5 percent the previous quarter and was up from 6.9 percent one year ago. As with the homeownership rate, normal data collection procedures resumed in the third quarter of 2021. In addition to single-family and multifamily homes, the overall vacancy rate includes homes with two-to-four units in a structure.

**The number of households was virtually the same as in the previous quarter.** According to the Census Bureau, the number of U.S. households in the first quarter of 2023 was 129.2 million, up 1.1 percent from 127.8 million one year ago. Household growth fell to an annual rate of 0.5 percent during the severe 2007–2009 recession, compared with 1.3-percent growth from 2001 to 2006. In the years immediately following the Great Recession, young people were slow to form households, with an average annual growth rate of only 0.7 percent from 2010 to 2013. The pace picked up from 2014 to 2019, with an average annual growth rate of 1.1 percent. Data for the second quarter of 2020 through the second quarter of 2021 were collected under COVID-19 restrictions and should be viewed with caution. Based on data collected only under normal collection procedures (122.9 million households in 2019 and 127.3 million as of the last two quarters of 2021), the annual rate of growth for 2020 and 2021 was estimated to be 1.8 percent. An estimated household growth rate for 2022, also based only on data collected under normal procedures, was 0.8 percent; the average for the last two quarters of 2021 (127.3 million) was used to represent the number of households in 2021.



### National Homeownership Rates\*

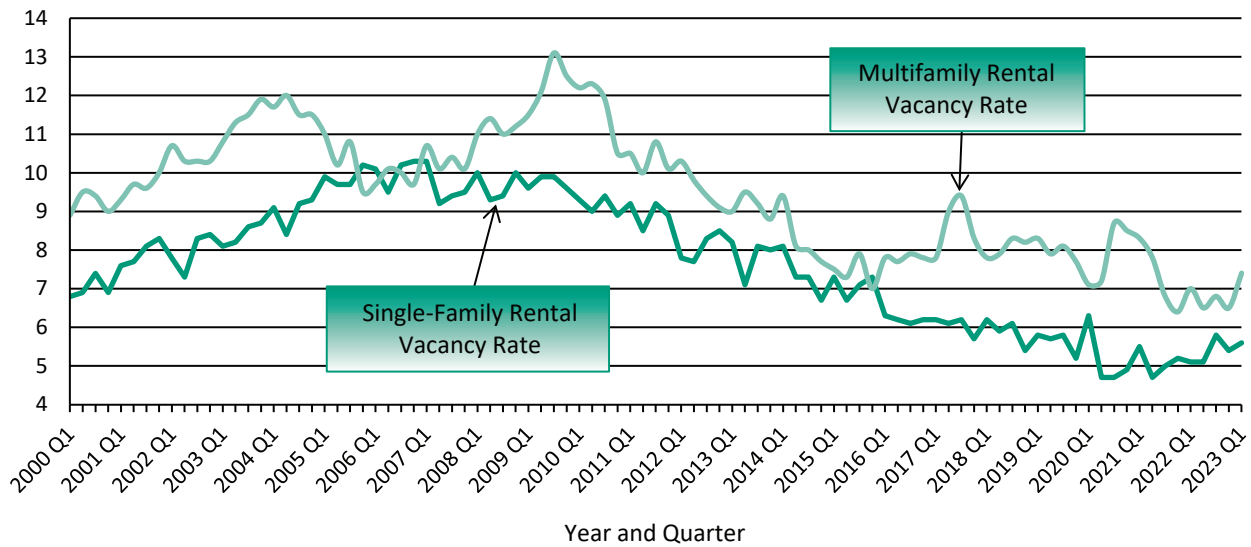
National Homeownership Rates (Percent)



\* NOTE: The Q2 2020 through Q2 2021 homeownership rates represent a break in the series because they are based on surveys conducted under COVID-19 restrictions and should be viewed with caution. Normal data collection procedures resumed starting Q3 2021. The historic norm of 65.2 percent is the average national homeownership rate since 1965. Sources: Census Bureau CPS/HVS, BLS and HUD.

### Rental Vacancy Rates Rose for Single-Family and Multifamily Homes\*

National Rental Vacancy Rates (Percent)



\* NOTE: The Q2 2020 through Q2 2021 vacancy rates are based on surveys conducted under COVID-19 restrictions and should be viewed with caution. Normal data collection procedures resumed starting Q3 2021. Sources: Census Bureau CPS/HVS and BLS.



# HUD PD&R National Housing Market Summary

The table below summarizes quarterly changes in national housing indicators, comparing current quarter data to the previous quarter and year-ago quarter.

## U.S. NATIONAL HOUSING INDICATORS

Note: Change from Prior Period May be Shown as a Percent Change or Percentage-Point Change

| Indicator  | Current Quarter | Previous Quarter | Year-Ago Quarter | Change From Previous Quarter | Change From Year-Ago Quarter | Current Quarter as-of Date |
|--|-----------------|------------------|------------------|------------------------------|------------------------------|----------------------------|
| <b>HOUSING SUPPLY</b>                                |                 |                  |                  |                              |                              |                            |
| <b>Housing Permits</b> (SAAR, thousands)             |                 |                  |                  |                              |                              | Q1 2023                    |
| Total  | 1,424           | 1,455 (r)        | 1,864            | -2.1% (u)                    | -23.6% (u)                   |                            |
| Single-Family  | 791             | 798 (r)          | 1,192            | -0.8% (u)                    | -33.6% (u)                   |                            |
| Multifamily (5+)                                     | 582             | 605 (r)          | 616              | -3.8% (u)                    | -5.5% (u)                    |                            |
| <b>Housing Starts</b> (SAAR, thousands)              |                 |                  |                  |                              |                              | Q1 2023                    |
| Total  | 1,382           | 1,405            | 1,718            | -1.6% (n)                    | -19.5% (s)                   |                            |
| Single-Family  | 830             | 850 (r)          | 1,182            | -2.3% (n)                    | -29.8% (s)                   |                            |
| Multifamily (5+)                                     | 536             | 543 (r)          | 516              | -1.3% (n)                    | 3.9% (n)                     |                            |
| <b>Under Construction</b> (SA, thousands)            |                 |                  |                  |                              |                              | Q1 2023                    |
| Total  | 1,668           | 1,696 (r)        | 1,631            | -1.7% (s)                    | 2.3% (s)                     |                            |
| Single-Family  | 708             | 757 (r)          | 813              | -6.5% (s)                    | -12.9% (s)                   |                            |
| Multifamily (5+)                                     | 943             | 923 (r)          | 804              | 2.2% (n)                     | 17.3% (s)                    |                            |
| <b>Housing Completions</b> (SAAR, thousands)         |                 |                  |                  |                              |                              | Q1 2023                    |
| Total  | 1,496           | 1,427 (r)        | 1,328            | 4.8% (n)                     | 12.7% (s)                    |                            |
| Single-Family  | 1,029           | 1,024 (r)        | 1,013            | 0.5% (n)                     | 1.6% (n)                     |                            |
| Multifamily (5+)                                     | 459             | 390 (r)          | 304              | 17.7% (s)                    | 50.7% (s)                    |                            |
| <b>New Homes for Sale</b> (SA)                       |                 |                  |                  |                              |                              | Q1 2023                    |
| Inventory (thousands)                                | 432             | 451 (r)          | 413              | -4.2% (s)                    | 4.6% (n)                     |                            |
| Months' Supply (months)                              | 7.9             | 8.5 (r)          | 7.0              | -7.1% (n)                    | 12.9% (n)                    |                            |
| <b>Existing Homes For Sale</b>                       |                 |                  |                  |                              |                              | Q1 2023                    |
| Inventory (NSA, thousands)                           | 970             | 960              | 930              | 1.0% (u)                     | 4.3% (u)                     |                            |
| Months' Supply (months)                              | 2.6             | 2.9              | 2.0              | -10.3% (u)                   | 30.0% (u)                    |                            |
| <b>Manufactured Home Shipments</b> (SAAR, thousands) | 84.7            | 97.7 (r)         | 117.3            | -13.3% (u)                   | -27.8% (u)                   | Q1 2023                    |

SA = seasonally adjusted. NSA = not SA. SAAR = SA annual rate. r = revised. s = statistically significant. n = not statistically significant. u = statistical significance unavailable.

Note: Components may not add to totals because of rounding.



## U.S. NATIONAL HOUSING INDICATORS (continued)

Note: Change from Prior Period May be Shown as a Percent Change or Percentage-Point Change

| Indicator   | Current Quarter | Previous Quarter | Year-Ago Quarter | Change From Previous Quarter | Change From Year-Ago Quarter | Current Quarter as-of Date |         |
|---|-----------------|------------------|------------------|------------------------------|------------------------------|----------------------------|---------|
| <b>HOUSING DEMAND</b>                                       |                 |                  |                  |                              |                              |                            |         |
| <b>Home Sales (SAAR)</b>                                    |                 |                  |                  |                              |                              |                            | Q1 2023 |
| New Homes Sold (thousands)                                  |                 |                  |                  |                              |                              |                            |         |
| Single-Family   | 645             | 598 (r)          | 763              | 7.9% (n)                     | -15.5% (s)                   |                            |         |
| Existing Homes Sold (thousands)                             |                 |                  |                  |                              |                              |                            |         |
| Single-Family, Townhomes, Condos, Co-ops                    | 4,327           | 4,197            | 5,983            | 3.1% (u)                     | -27.7% (u)                   |                            |         |
| Condos and Co-ops   | 437             | 443              | 667              | -1.4% (u)                    | -34.5% (u)                   |                            |         |
| First-Time Buyers (%)                                       | 29              | 29               | 29               | 0 (u)                        | 0 (u)                        |                            |         |
| Investor Sales (%)  | 17              | 15               | 20               | 2 (u)                        | -3 (u)                       |                            |         |
| <b>Home Sales Prices</b>                                    |                 |                  |                  |                              |                              |                            | Q1 2023 |
| Median (\$)   |                 |                  |                  |                              |                              |                            |         |
| New Homes   | 436,800         | 479,500 (r)      | 433,100          | -8.9% (u)                    | 0.9% (u)                     |                            |         |
| Existing Homes  | 366,833         | 372,667          | 365,767          | -1.6% (u)                    | 0.3% (u)                     |                            |         |
| Repeat-Sales Home Price Indices                             |                 |                  |                  |                              |                              |                            |         |
| FHFA (SA)   | 389.3           | 386.6 (r)        | 373.3            | 0.7% (u)                     | 4.3% (u)                     |                            |         |
| CoreLogic Case-Shiller (SA)                                 | 297.1           | 297.9 (r)        | 290.8            | -0.3% (u)                    | 2.1% (u)                     |                            |         |
| <b>Homeownership Affordability</b>                          |                 |                  |                  |                              |                              |                            | Q1 2023 |
| Fixed Index   | 102.2           | 95.7 (r)         | 128.5            | 6.8% (u)                     | -20.5% (u)                   |                            |         |
| National Average Mortgage Interest Rate (%)                 | 6.4             | 6.8              | 3.9              | -0.4 (u)                     | 2.6 (u)                      |                            |         |
| Median-Priced Existing Single-Family Home (\$)              | 371,200         | 378,400 (r)      | 372,000          | -1.9% (u)                    | -0.2% (u)                    |                            |         |
| Median Family Income (\$)                                   | 91,119          | 90,234           | 85,953           | 1.0% (u)                     | 6.0% (u)                     |                            |         |
| <b>Rental Affordability</b>                                 |                 |                  |                  |                              |                              |                            | Q1 2023 |
| HUD's Rental Affordability Index                            | 92.1            | 101.0            | 102.8            | -8.8% (u)                    | -10.4% (u)                   |                            |         |
| <b>Multifamily Housing</b>                                  |                 |                  |                  |                              |                              |                            |         |
| Apartments  |                 |                  |                  |                              |                              |                            |         |
| Completed Previous Quarter (thousands)                      | 82.2            | 85.8 (r)         | 69.7             | -4.2% (s)                    | 18.0% (n)                    | Q4 2022                    |         |
| Leased Current Quarter (%)                                  | 59              | 61 (r)           | 68               | -2 (s)                       | -9 (s)                       | Q1 2023                    |         |
| Median Asking Rent (\$)                                     | 1,863           | 1,796 (r)        | 1,821            | 3.7% (n)                     | 2.3% (s)                     |                            |         |
| Condos and Co-ops   |                 |                  |                  |                              |                              |                            |         |
| Completed Previous Quarter (thousands)                      | 5.2             | 4.6              | 5.8              | 12.0% (n)                    | -10.3% (s)                   | Q4 2022                    |         |
| Sold Current Quarter (%)                                    | 78              | 77 (r)           | 76               | 1 (n)                        | 2 (n)                        | Q1 2023                    |         |
| Median Asking Price (\$)                                    | Z               | 531,600 (r)      | 898,700          | N/A (n)                      | N/A (n)                      |                            |         |
| <b>Manufactured Homes (SAAR)</b>                            |                 |                  |                  |                              |                              |                            |         |
| Shipped Previous Quarter (thousands)                        | 97.7            | 114.3            | 109.3            | -14.5% (u)                   | -10.6% (u)                   | Q4 2022                    |         |
| Sold and Placed Within Four Months (%) <sup>1</sup>         | 45.5            | 39.4             | 50.4             | 6.1 (n)                      | -4.9 (s)                     | Q4 2022                    |         |
| <b>Builders' Views of Market Activity (Composite Index)</b> | 40              | 34               | 81               | 18.6% (u)                    | -50.2% (u)                   | Q1 2023                    |         |

SA = seasonally adjusted. SAAR = SA annual rate. r = revised. s = statistically significant. n = not statistically significant. u = statistical significance unavailable. FHFA = Federal Housing Finance Agency. Z = suppressed for data quality reasons. N/A = not available.

Note: Components may not add to totals because of rounding.

<sup>1</sup> The share of previous-quarter shipments sold (or leased) and placed for residential use four months after shipment. For shipments in the first quarter, for example: sales and placements (from January - May) for January shipments; (from February - June) for February shipments; and (from March - July) for March shipments are summed and divided by the total number of homes shipped in the first quarter to obtain the percentage of manufactured homes sold and placed four months after shipment.

**U.S. NATIONAL HOUSING INDICATORS** (continued)

Note: Change from Prior Period May be Shown as a Percent Change or Percentage-Point Change

| Indicator   | Current Quarter | Previous Quarter | Year-Ago Quarter | Change From Previous Quarter | Change From Year-Ago Quarter | Current Quarter as-of Date |
|---|-----------------|------------------|------------------|------------------------------|------------------------------|----------------------------|
| <b>HOUSING FINANCE and INVESTMENT</b>   |                 |                  |                  |                              |                              |                            |
| <b>Mortgage Interest Rates (%)<sup>2</sup></b>                                  |                 |                  |                  |                              |                              | Q1 2023                    |
| 30-Year Fixed Rate  | 6.36            | 6.69             | 3.79             | -0.33 (u)                    | 2.57 (u)                     |                            |
| 15-Year Fixed Rate  | 5.55            | 5.98             | 3.02             | -0.43 (u)                    | 2.53 (u)                     |                            |
| <b>Mortgage Delinquency Rates (%)</b>   |                 |                  |                  |                              |                              | Q1 2023                    |
| All Loans Past Due (SA)   | 3.56            | 3.96             | 4.11             | -0.01 (u)                    | -0.16 (u)                    |                            |
| Loans 90+ Days Past Due (SA)  | 1.24            | 1.38             | 1.96             | -0.14 (u)                    | -0.72 (u)                    |                            |
| Seriously Delinquent (90+ Days DQ & in FC, NSA)                                 | 1.73            | 1.89             | 2.39             | -0.16 (u)                    | -0.66 (u)                    |                            |
| <b>FHA Market Share<sup>3</sup></b>   |                 |                  |                  |                              |                              |                            |
| Dollar Volume (%)   |                 |                  |                  |                              |                              | Q4 2022                    |
| All Loans   | 12.43           | 12.43 (r)        | 7.53             | 0.00 (u)                     | 4.90 (u)                     |                            |
| Purchase  | 12.19           | 12.48 (r)        | 10.75            | -0.29 (u)                    | 1.44 (u)                     |                            |
| Refinance   | 13.66           | 12.20 (r)        | 4.53             | 1.46 (u)                     | 9.13 (u)                     |                            |
| Loan Count (%)  |                 |                  |                  |                              |                              |                            |
| All Loans   | 15.19           | 15.15 (r)        | 9.63             | 0.04 (u)                     | 5.56 (u)                     | Q4 2022                    |
| Purchase  | 14.99           | 15.42 (r)        | 14.01            | -0.43 (u)                    | 0.98 (u)                     |                            |
| Refinance   | 15.98           | 14.27 (r)        | 6.10             | 1.71 (u)                     | 9.88 (u)                     |                            |
| <b>FHA Mortgage Insurance (thousands)<sup>4</sup></b>                           |                 |                  |                  |                              |                              | Q1 2023                    |
| Applications Received   | 242.40          | 192.19           | 310.65           | 26.1% (u)                    | -22.0% (u)                   |                            |
| Endorsements  | 146.74          | 179.15           | 240.97           | -18.1% (u)                   | -39.1% (u)                   |                            |
| Purchase  | 116.55          | 140.89           | 161.69           | -17.3% (u)                   | -27.9% (u)                   |                            |
| Refinance   | 30.18           | 38.26            | 79.27            | -21.1% (u)                   | -61.9% (u)                   |                            |
| <b>Private and VA Mortgage Insurance (thousands)</b>                            |                 |                  |                  |                              |                              | Q1 2023                    |
| PMI Certificates  | N/A             | N/A              | N/A              | N/A (u)                      | N/A (u)                      |                            |
| Veterans Affairs Guarantees   | 87.93           | 104.73           | 197.44           | -16.0% (u)                   | -55.5% (u)                   |                            |
| <b>Residential Fixed Investment (SA real annual growth rate, %)<sup>5</sup></b> |                 |                  |                  |                              |                              | Q1 2023                    |
| GDP (SA real annual growth rate, %)   | -5.4            | -25.1 (r)        | -3.1             | 19.7 (u)                     | -2.3 (u)                     |                            |
| Housing's Contribution to Real GDP Growth (percentage points)                   | 1.3             | 2.6 (r)          | -1.6             | -1.3 (u)                     | 2.9 (u)                      |                            |
|   | -0.22           | -1.20 (r)        | -0.15            | 0.98 (u)                     | -0.07 (u)                    |                            |

SA = seasonally adjusted. NSA = not SA. r = revised. u = statistical significance unavailable. N/A = not available. DQ = delinquent. FC = foreclosure. FHA = Federal Housing Administration. VA = U.S. Department of Veterans Affairs. PMI = private mortgage insurance. GDP = Gross Domestic Product. Note: Components may not add to totals because of rounding.

<sup>2</sup> As of November 2022, Freddie Mac no longer surveys lenders, but instead, bases its mortgage rate estimates on thousands of applications received from lenders and submitted to Freddie Mac when a borrower applies for a mortgage. In addition, Freddie Mac stopped publishing data on adjustable-rate mortgages (ARMs).

<sup>3</sup> FHA market share estimates are based on new methodology beginning with the Q3 2013 report; estimates were revised back through Q1 2011. See the FHA Market Share report on their website for an explanation of the new methodology: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/rmra/oe/rpts/fhamktsh/fhamktqtrly](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/rmra/oe/rpts/fhamktsh/fhamktqtrly).

<sup>4</sup> FHA mortgage applications and endorsements data have been revised to exclude Home Equity Conversion Mortgages (HECM) beginning with the Q3 2013 release.

<sup>5</sup> GDP and related data are BEA's second estimate out of the three estimates they publish for a given quarter.

## U.S. NATIONAL HOUSING INDICATORS

Note: Change from Prior Period May be Shown as a Percent Change or Percentage-Point Change

| Indicator                          | Current Quarter | Previous Quarter | Year-Ago Quarter | Change From Previous Quarter | Change From Year-Ago Quarter | Current Quarter as-of Date |
|------------------------------------|-----------------|------------------|------------------|------------------------------|------------------------------|----------------------------|
| <b>HOMEOWNERSHIP and OCCUPANCY</b> |                 |                  |                  |                              |                              |                            |
| <b>Homeownership Rates (%)</b>     |                 |                  |                  |                              |                              | Q1 2023                    |
| Overall                            | 66.0            | 65.9             | 65.4             | 0.1 (n)                      | 0.6 (n)                      |                            |
| Non-Hispanic                       |                 |                  |                  |                              |                              |                            |
| White                              | 74.4            | 74.5             | 74.0             | -0.1 (n)                     | 0.4 (n)                      |                            |
| Black                              | 46.6            | 45.8             | 45.3             | 0.8 (n)                      | 1.3 (s)                      |                            |
| Other Race                         | 61.5            | 62.1             | 60.0             | -0.6 (n)                     | 1.5 (n)                      |                            |
| Two or More Races                  | 52.9            | 53.2             | 47.9             | -0.3 (n)                     | 5.0 (s)                      |                            |
| Hispanic                           | 49.7            | 48.5             | 49.1             | 1.2 (n)                      | 0.6 (n)                      |                            |
| <b>Vacancy Rates (%)</b>           |                 |                  |                  |                              |                              | Q1 2023                    |
| Homeowner                          | 0.8             | 0.8              | 0.8              | 0.0 (s)                      | 0.0 (s)                      |                            |
| Rental                             | 6.4             | 5.8              | 5.8              | 0.6 (n)                      | 0.6 (n)                      |                            |
| Single-Family                      | 5.6             | 5.4              | 5.0              | 0.2 (n)                      | 0.6 (n)                      |                            |
| Multifamily (5+)                   | 7.4             | 6.5              | 6.9              | 0.9 (n)                      | 0.5 (n)                      |                            |
| <b>Housing Stock (thousands)</b>   |                 |                  |                  |                              |                              | Q1 2023                    |
| All Housing Units                  | 144,287         | 143,950          | 142,939          | 0.2% (u)                     | 0.9% (u)                     |                            |
| Owner-Occupied                     | 85,240          | 85,224           | 83,544           | 0.0% (n)                     | 2.0% (s)                     |                            |
| Renter-Occupied                    | 43,994          | 44,172           | 44,230           | -0.4% (n)                    | -0.5% (n)                    |                            |
| Vacant                             | 15,053          | 14,554           | 15,166           | 3.4% (s)                     | -0.7% (s)                    |                            |
| Year-Round Vacant                  | 11,468          | 10,950           | 11,323           | 4.7% (s)                     | 1.3% (n)                     |                            |
| For Rent                           | 3,023           | 2,760            | 2,735            | 9.5% (n)                     | 10.5% (n)                    |                            |
| For Sale                           | 662             | 719              | 668              | -7.9% (n)                    | -0.9% (n)                    |                            |
| Rented or Sold, Awaiting Occupancy | 874             | 813              | 930              | 7.5% (s)                     | -6.0% (s)                    |                            |
| Held Off Market                    | 6,909           | 6,657            | 6,991            | 3.8% (s)                     | -1.2% (n)                    |                            |
| Occasional Use                     | 2,146           | 2,010            | 2,091            | 6.8% (n)                     | 2.6% (n)                     |                            |
| Occupied—URE                       | 1,151           | 1,110            | 1,188            | 3.7% (n)                     | -3.1% (n)                    |                            |
| Other                              | 3,611           | 3,536            | 3,712            | 2.1% (s)                     | -2.7% (n)                    |                            |
| Seasonal Vacant                    | 3,585           | 3,604            | 3,842            | -0.5% (n)                    | -6.7% (n)                    |                            |
| <b>Households (thousands)</b>      |                 |                  |                  |                              |                              | Q1 2023                    |
| Total                              | 129,234         | 129,396          | 127,774          | -0.1% (s)                    | 1.1% (s)                     |                            |

s = statistically significant. n = not statistically significant. u = statistical significance unavailable. URE = usual residence elsewhere.

Note: Components may not add to totals because of rounding.