3rd Quarter 2004

U.S. Housing Market Conditions

November 2004

Summary

The "advance" estimates of the National Income and Product Accounts for the third quarter of 2004 reveal that real gross domestic product (GDP) grew at an annualized rate of 3.7 percent. This growth exceeds the revised second quarter growth of 3.3 percent. The major contributors to the increase in real GDP in the third quarter were personal consumption expenditures, equipment and software, exports, government spending, and residential fixed investment. Housing construction (residential fixed investment) grew 3.1 percent in the third quarter and raised the overall growth rate of the economy by 0.18 percent. Employment grew by 337,000 jobs in October, and revisions to August and September data increased previously reported employment growth by 183,000 jobs for those 2 months. The October unemployment rate was 5.5 percent, up 0.1 percentage point from the September rate of 5.4 percent. Interest rates on 30-year, fixed-rate mortgages averaged 5.89 percent in the third quarter of 2004, down 24 basis points from the second quarter and down 12 basis points from the third quarter of 2003.

The housing market in the third quarter had a real challenge living up to the second quarter performance. Although the housing market was generally slightly behind the record-setting second quarter, third quarter results approached record levels.

Housing production in the third quarter reached very high levels with single-family production at or near previous records. Total sales volume with almost 8 million homes bordered on a record—new home sales were close to 1.2 million, and existing home sales were nearly 6.7 million. Low interest rates contributed to favorable affordability conditions; the third quarter homeownership rate was the second highest ever recorded. The multifamily sector was mixed. Production was fairly high, but near record-high vacancy rates and slow absorption of new apartments continued to hold the sector in check.

Housing Production

Housing production in the third quarter, although less than the record-breaking second quarter, continued to be very strong. Permits and starts were in the 2-million range. Single-family production continues to be the bright spot. Single-family permits tied the record, and single-family starts and completions both reached their second highest levels. The only negative aspect of housing production continued to be the performance of the manufactured housing sector.

- Builders took out permits for 2,013,000 housing units at a seasonally adjusted annual rate (SAAR) in the third quarter of 2004, unchanged from the second quarter of 2004 but up 4 percent from the third quarter of 2003. Before these two most recent quarters, the total number of permits had not exceeded 2 million since the fourth quarter of 1972; the third quarter 2004 figure for total permits is the eighth highest quarterly value for this 44-year-old data series. Single-family permits averaged 1,567,000 (SAAR) in the third quarter of 2004, unchanged from the second quarter of 2004 but up 4 percent from the third quarter of 2003, equaling the new

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single-family record set in the second quarter of 2004 for this 44-year-old data series.

- Construction was started on 1,968,000 (SAAR) new housing units in the third quarter of 2004, up 3 percent from the second quarter and up 4 percent from the third quarter of 2003. If the pace set thus far in 2004 continues, 2004 will be the best year for housing starts since 1978. Single-family housing starts averaged 1,626,000 (SAAR) units in the third quarter of 2004, up 2 percent from the second quarter of 2004 and up 7 percent from the third quarter of 2003. The third quarter of 2004 is the second best quarter in the 45-year history of this data series.

- Construction was completed on 1,859,000 (SAAR) new housing units, down 3 percent from the second quarter of 2004 but up 12 percent from the third quarter of 2003. This figure is the highest quarterly value for total completions in 25 years, topped only by the second quarter of 2004. Single-family completions averaged 1,543,000 (SAAR) in the third quarter of 2004, down 2 percent from the record-setting second quarter of 2004 but up 12 percent from the third quarter of 2003.

- Shipments of new manufactured housing totaled 128,000 (SAAR) in the third quarter of 2004, up 1 percent from the second quarter but down 3 percent from the third quarter of 2003. The third quarter value is near the all-time low for manufactured home shipments.

Housing Marketing

Although the pace of sales activity declined slightly from the record-setting rate of the second quarter, new home sales and existing home sales reached their third and second highest levels, respectively, in the third quarter. Prices were somewhat mixed in the third quarter. Median prices for new homes decreased 3 percent, and the prices of existing homes increased 3 percent. Inventories of new and existing homes increased in the third quarter; however, both inventories continue to be low relative to the near record sales paces. Overall, builders were slightly less optimistic in the third quarter but were somewhat upbeat regarding future sales expectations and prospective buyer traffic.

- Builders sold 1,157,000 (SAAR) new single-family homes in the third quarter of 2004, down 4 percent from the record set in second quarter of 2004 and unchanged from the third quarter of 2003. The third quarter value is the third highest ever. For the past 19 months, new home sales have occurred at an annual pace exceeding 1 million units.

- REALTORS® sold 6,673,000 (SAAR) existing homes in the third quarter of 2004, down 2 percent from the record set in the second quarter of 2004 but up 4 percent from the third quarter of 2003. The third quarter is the second highest value ever reported. In addition, the past 12 quarters have been the highest in the 36-year history of this data series.

- The median price for new homes was $211,100 in the third quarter of 2004, down 3 percent from the previous quarter but up 10 percent from the third quarter of 2003. The average price was $270,600, up 2 percent from the second quarter and up 9 percent from the third quarter of 2003. It is estimated that a constant-quality home would have cost $236,500 in the third quarter, unchanged from the second quarter but up 6 percent from the third quarter of 2003.

- According to the NATIONAL ASSOCIATION OF REALTORS®, the median price for existing homes in the third quarter was $188,500, 3 percent above the second quarter's median price and 7 percent above the price in the third quarter of 2003. The average price of existing homes in the third quarter was $240,100, up 2 percent from the second quarter of 2004 and up 8 percent from the third quarter of 2003.

- At the end of the third quarter of 2004, the inventory of new homes available for sale was 404,000 homes, up 5 percent from the second quarter of 2004 and up 15 percent from the third quarter of 2003. This inventory would last 4.1 months at the current sales pace, 0.2 month more than in the second quarter of 2004 and 0.3 month more than in the third quarter of 2003.

- REALTORS® estimate that the inventory of existing homes available for sale at the end of the third quarter was 2,450,000 homes, up 2 percent from the second quarter of 2004 and up 2 percent from the third quarter of 2003. This inventory would support 4.4 months of sales at the current pace, up 0.2 month from the end of the second quarter and up 0.1 month from the end of the third quarter of 2003.

- The National Association of Home Builders' Housing Market Index gauges the attitudes and expectations of homebuilders. The composite index was 68 in the third quarter of 2004, down 1 index point from the second quarter of 2004 and unchanged from the third quarter of 2003. Two of the three components of the index—future sales expectations and prospective buyer traffic—increased from the second quarter while the third component, current sales expectations, was unchanged.

Affordability

Housing affordability declined in the third quarter according to the index published by the NATIONAL ASSOCIATION OF REALTORS®. The composite index indicates that a family earning the median income had 128.7 percent of the income needed to purchase the median-priced existing home using standard lending guidelines. The value of the affordability index was 3.9 percentage points below the second quarter and 8.2 percentage points below the third quarter of 2003. This decline was caused by a housing price increase of 2.7 percent in the quarter combined with a 9-basis-points increase in the mortgage rate on closed loans, which more than offset the 0.9-percent increase in incomes. Even with this decline, affordability is still historically high. The homeownership rate in the third quarter was the second highest ever with 69.0 percent of American households owning their own homes, down 0.2 percentage point from the record set in the second quarter but up 0.6 percentage point from the third quarter of 2003.

Multifamily Units

The multifamily sector has not fared as well as the single-family sector. Third quarter production was somewhat higher with increased starts and completions, and although the number of permits declined, the total figure remained fairly high. The absorption of new rental units continues to be very slow and declined even further in the third quarter. Despite the slight improvement in the third quarter, the vacancy rate was still close to the all-time high.

- Builders took out permits for 352,000 (SAAR) new multifamily units in the third quarter of 2004, down 1 percent from the second quarter of 2004 but up 4 percent from the third quarter of 2003.

- Construction was started on 287,000 (SAAR) new multifamily housing units in the third quarter of 2004, up 1 percent from the second quarter of 2004 but down 11 percent from the third quarter of 2003.

- In the third quarter of 2004, construction was completed on 293,000 (SAAR) new multifamily housing units, down 9 percent from the second quarter of 2004 but up 23 percent from the third quarter of 2003.

- The rental vacancy rate for the third quarter of 2004 was 10.1 percent, down 0.1 percentage point from the second quarter of 2004 but up 0.2 percentage point from the third quarter of 2003.

- Market absorption of new rental apartments decreased in the third quarter of 2004 with 58 percent of new apartments leased, or absorbed, in the first 3 months following completion. This absorption rate declined 4 percentage points from the second quarter of 2004 and decreased 3 percentage points from the third quarter of 2003. Absorption rates have averaged about 70 percent over the past 30 years; therefore, the current rates are significantly below normal.

Older Housing Units in 2001

Housing units in America have been built since colonial times and some of those units are still standing, thanks to the efforts of conservationists and preservation programs of all levels of government. Such units are testimony to just how long housing units can last if properly maintained and spared from destruction by natural disasters. Older housing units are important for several reasons. First, they provide housing to a significant proportion of American families. Second, their age may create challenges in terms of housing quality and safety. Third, they may be an important source of affordable housing, especially as the median price of newly constructed single-family houses rises above the $200,000 threshold. Fourth, using existing units conserves the scarce resources needed to replace them.

The American Housing Survey collects the age of structures in 10-year intervals (generally) back to 1920; units built before 1920 are grouped together. Exhibit 1 shows the 2001 distribution of nearly 120 million housing units by year built. The 9.8 million housing units built before 1920 account for 8.2 percent of all housing units. At the opposite end, about 19 million units were built since 1990, accounting for 16.1 percent of the housing stock. If we compare these newer housing units to the older housing units, we can see how housing has changed over the last century and describe the type of housing provided by the older housing units.

Exhibit 1. Age Distribution of Housing Units

Year Built	Housing Units (thousands)	Percent of Total Units
1990 to 2001	19,205	16.1
1980 to 1989	16,542	13.9
1970 to 1979	23,529	19.8
1960 to 1969	15,894	13.3
1950 to 1959	13,779	11.6
1940 to 1949	8,284	7.0
1930 to 1939	6,593	5.5
1920 to 1929	5,465	4.6
1919 or earlier	9,827	8.2

A study by Barbara T. Williams, *These Old Houses: 2001*, which was recently released by the Census Bureau and the U.S. Department of Housing and Urban Development, focuses on comparisons of older and newer houses[1]. In her study, Williams defined older units as those built before 1920 and newer units as those built between 1990 and 2001. This article provides information from her study and notes some of the more interesting findings.

Location of Housing Units

The location of older housing units contrasted with the location of newer housing units reflects the development of the country and the movements of families to the West and South. Exhibit 2 shows that older units are more likely to be located in the Northeast (43.4 percent) and Midwest (34.2 percent) than in the South (14.2 percent) or West (8.3 percent). Newer units, on the other hand, are more likely to be located in the South (46.8 percent) and West (23.1 percent) than in the Northeast (9.1) or Midwest (20.9 percent).

The contrast between older and newer housing units shows the movement to suburbs. Older housing units are more likely located in central cities of metropolitan areas, while newer housing units are more likely

Exhibit 2. Regional Location

Region	All Housing (%)	Older Units (%)	Newer Units (%)
Northeast	18.8	43.4	9.1
Midwest	23.3	34.2	20.9
South	36.6	14.2	46.8
West	21.4	8.3	23.1

Exhibit 3. Metropolitan Location

Location	All Units (%)	Older Units (%)	Newer Units (%)
Metropolitan area	78.1	69.1	77.9
Central city	29.4	38.4	17.7
Suburb	48.7	30.8	60.2
Outside metro area	21.9	30.9	22.1

Exhibit 4. Units in Structure

Units in Structure	All Housing Units (%)	Older Units (%)	Newer Units (%)
Single-family, detached	61.6	63.0	57.9
Single-family, attached	7.1	7.0	8.7
2 to 4	7.9	17.2	3.6
5 to 9	4.8	5.3	3.3
10 to 19	4.5	2.7	4.9
20 to 49	3.3	3.3	3.0
50 or more	3.4	1.6	2.1
Manufactured	7.5	—	16.6
Total	100.0	100.0	100.0

to be in suburban parts of metropolitan areas. Older units, however, are more evenly distributed, with 38.4 percent in central cities, 30.8 percent in suburbs, and 30.9 percent outside metropolitan areas. Newer units are almost three times as likely to be located in suburbs (60.2 percent) than in central cities (17.7 percent) or outside metropolitan areas (22.1 percent). (See Exhibit 3.)

Characteristics of Housing Units

While no older manufactured (mobile) housing units exist[2], they are a significant part of the inventory of newer housing units, accounting for one out of every six of the newer units as indicated in Exhibit 4. On the other hand, units in buildings with two to four units account for a much higher proportion of older units (17.2 percent) than newer units (3.6 percent)[3]. The high number of manufactured homes is the reason that single-family units are much more prevalent among newer

Exhibit 5. Size of Housing Units

Size by Type of Room	Older Units			Newer Units		
	Total (%)	Owner-occupied (%)	Renter-occupied (%)	Total (%)	Owner-occupied (%)	Renter-occupied (%)
Rooms						
1	1.4	—	3.4	0.1	0.0	0.3
2	1.5	0.1	3.7	0.3	0.1	1.2
3	9.6	1.6	21.8	4.7	0.7	20.3
4	15.0	8.1	25.4	13.4	7.4	37.3
5	19.0	17.7	21.1	24.7	24.2	26.7
6	22.2	27.5	14.1	21.3	24.2	9.7
7	15.0	20.9	6.1	14.1	17.0	2.6
8	7.9	11.8	1.9	10.4	12.8	1.1
9	4.0	6.1	0.8	5.7	7.0	0.4
10 or more	4.4	6.2	1.5	5.4	6.6	0.4
6 or more	53.4	72.5	24.5	56.8	67.6	14.1
Bedrooms						
None	2.0	0.1	4.9	0.1	0.0	0.4
1	13.9	3.5	29.6	6.2	1.1	26.5
2	26.6	21.3	34.6	20.5	14.1	46.1
3	36.1	45.2	22.2	47.9	54.4	22.0
4 or more	21.4	30.0	8.6	25.3	30.4	5.0
Bathrooms						
None	2.0	0.9	3.8	0.2	0.1	0.3
1	59.5	44.9	81.7	14.0	6.3	44.2
1-1/2	16.9	24.4	5.6	7.2	6.6	9.4
2 or more	21.5	29.8	9.0	78.7	87.0	46.0

Exhibit 6. Foundation Type for Single-Family Units

Foundation Type	Older Units			Newer Units		
	Total (%)	Owner-occupied (%)	Renter-occupied (%)	Total (%)	Owner-occupied (%)	Renter-occupied (%)
With basement under all of building	48.4	48.3	48.7	29.9	31.5	13.1
With basement under part of building	29.2	30.6	23.7	6.4	6.7	2.8
With crawl space	18.5	18.3	19.5	18.6	18.9	15.5
On concrete slab	2.9	2.1	6.2	44.2	42.2	66.6
Other	1.0	0.7	1.9	0.8	0.7	2.1

Exhibit 7. Kitchen and Plumbing Facilities

Facility	Older Units			Newer Units		
	Total (%)	Owner-occupied (%)	Renter-occupied (%)	Total (%)	Owner-occupied (%)	Renter-occupied (%)
Kitchen						
Lacking complete kitchen facilities	3.6	0.9	7.7	0.9	0.4	2.8
With complete kitchen (sink, refrigerator, and oven or burners)	96.4	99.1	92.3	99.1	99.6	97.2
Plumbing						
With all plumbing facilities	97.9	98.8	96.4	99.7	99.8	99.1
Lacking some or all plumbing facilities	2.1	1.2	3.6	0.3	0.2	0.9

units—83.2 percent of newer units are single-family, detached; single-family, attached; or manufactured homes. Only 70 percent of older units are single-family (attached or detached) homes. The original study contained a deeper review of structure types and location. For older units, there were structure type-location concentrations (more than one million units) of single-family, detached units outside metropolitan areas in the Midwest; multifamily units in central cities of the Northeast; and single-family, detached units in the Northeast suburbs. For newer units, the only concentration (more than 10 percent of newer units) was single-family, detached units in the South.

Newer units tend to have more rooms than older units, with 56.8 percent of newer units having six or more rooms, compared to 53.4 percent for older units. This difference, however, is the result of the shift in composition of the stock toward owned units and away from rentals. The proportion of owner-occupied units with six or more rooms actually decreases from 72.5 percent for older homes to 56.8 percent for newer homes. The

Exhibit 8. Heating Equipment

Main Heating Equipment	Older Units			Newer Units		
	Total (%)	Owner-occupied (%)	Renter-occupied (%)	Total (%)	Owner-occupied (%)	Renter-occupied (%)
Warm-air furnace	51.1	59.0	39.2	69.4	71.6	60.6
Steam or hot water system	32.1	26.2	41.1	4.0	3.8	4.7
Electric heat pump	1.1	1.3	0.9	20.1	20.0	20.7
Built-in electric units	2.9	2.0	4.4	2.5	1.3	7.4
Floor, wall, or other built-in, hot-air units without ducts	4.3	3.9	4.9	2.0	1.4	4.3
Room heaters with flue	3.2	2.3	4.5	0.5	0.4	0.8
Other heating methods	5.1	5.2	4.9	1.4	1.4	1.4

proportion for renter-occupied units also decreases in the same categories, from 24.5 percent to 14.1 percent. This paradoxical result can be explained by the fact that so many newer units are owner-occupied that the overall percentages of larger units increased, despite the reduction in both categories. In addition, manufactured housing units are included with owner-occupied newer units. Since manufactured homes have fewer rooms than single-family, detached units, their inclusion brings down the size of owner-occupied newer units. Similarly, the number of bedrooms shows an overall increase from older to newer homes, while the numbers of rooms remains the same or declines for owner and renter subgroups. As shown in Exhibit 5, the proportion of older units with four or more bedrooms was 21.4 percent and 25.3 percent for newer units. For the owner subgroup, the proportions were 30.0 percent and 30.4 percent for older and newer units, respectively. About 9 percent of older renter units had four or more bedrooms, while 5 percent of the newer units had four or more bedrooms. Finally, unlike the number of bedrooms and rooms, the number of bathrooms shows an unambiguous increase. Older units were considerably less likely (21.5 percent) to have two or more bathrooms than newer units (78.7 percent). This proportion held true for renters and owners.

Exhibit 9. Housing Quality

Condition	Older Units			Newer Units		
	Total (%)	Owner-occupied (%)	Renter-occupied (%)	Total (%)	Owner-occupied (%)	Renter-occupied (%)
External Building Conditions						
Sagging roof	4.7	4.8	4.5	1.1	0.9	1.6
Missing roofing material	6.6	6.4	7.0	2.0	1.9	2.7
Hole in roof	3.6	2.9	4.6	0.9	0.7	1.3
Missing bricks, siding, other outside wall material	6.5	6.2	7.0	1.2	1.0	2.0
Sloping outside walls	4.0	3.9	4.1	1.0	0.8	1.6
Boarded up windows	2.7	1.9	3.8	0.4	0.4	0.2
Broken windows	8.1	6.2	10.9	1.5	1.5	1.3
Bars on windows	6.4	3.7	10.5	1.1	0.8	2.2
Foundation crumbling or has open crack or hole	7.1	7.5	6.4	0.9	0.9	1.1
None of the above	66.4	72.0	58.0	90.9	91.5	88.9
Not reported	1.8	2.1	1.4	2.0	2.3	0.8
Flush Toilet Breakdowns						
None working some time in last 3 months	3.0	2.1	4.4	1.6	1.1	3.9
Heating Problems						
Uncomfortably cold for 24 hours or more last winter	11.6	8.6	17.0	5.5	5.4	5.8
Equipment breakdowns	4.0	2.5	6.9	1.6	1.5	2.2
Electric Fuses and Circuit Breakers						
With fuses or breakers blown in last 3 months	14.3	14.4	14.2	8.6	9.1	6.8
Selected Deficiencies						
Signs of rats in last 3 months	1.4	0.8	2.2	0.5	0.6	0.1
Signs of mice in last 3 months	13.1	11.5	15.5	4.3	4.4	3.8
Holes in floors	2.8	2.0	4.0	0.4	0.4	0.6
Open cracks or holes (interior)	10.2	7.9	13.5	3.0	2.9	3.6
Broken plaster or peeling paint (interior)	6.2	5.1	7.8	0.7	0.5	1.5
Rooms without electric outlets	2.1	1.6	2.9	1.0	0.9	1.4
Overall Opinion of Structure						
1 (worst) to 3	2.0	0.9	3.8	0.7	0.6	0.8
4 to 7	34.0	27.3	44.0	15.3	12.8	25.2
8 to 10 (best)	60.4	67.8	49.2	80.2	82.4	71.7

Exhibit 6 shows that newer houses are much more likely to have been built on a concrete slab than older houses, most likely because a high proportion of newer homes are built in the South where such methods are standard. The proportion of older, single-unit housing units with basements (under all or part of the building) was 77.6 percent, while only 36.3 percent of newer homes were built with such foundations. In contrast, 44.2 percent of newer housing units were built on concrete slabs, while only 2.9 percent of older units were built on concrete slabs.

Older units are more likely to lack complete kitchen facilities and to lack some plumbing facilities. Exhibit 7 shows that older units are lacking complete kitchen facilities (3.6 percent) four times as often as newer units (0.9 percent). Such deficiencies are most pronounced for rental units and especially for older rental units (7.7 percent). Newer rental units lack complete kitchen facilities 2.8 percent of the time. Similarly, older units lack complete plumbing facilities (2.1 percent) more often than newer units (0.3 percent), and again rental units have the higher deficiency rates with older units having the highest rate (3.6 percent).

Heating equipment in newer units is more likely to be electric heat pumps and warm-air furnaces and less likely to be steam or hot water systems. Exhibit 8 shows that warm-air furnaces were reported for 51.1 percent of older units and for 69.4 percent of newer units. Steam or hot water systems were reported for 32.1 percent of older units but only 4.0 percent of newer units. All other heating systems, mostly less desirable methods, were reported more often for older units than for newer units.

Housing Quality

Respondents to the American Housing Survey are asked numerous questions about the quality of their housing units and the surrounding areas. Exhibit 9 presents survey results for a small subset of these questions. In general, older housing units do not fare as well as newer units on these and other quality measures, as might be expected. Problems with the external conditions of the building were reported by occupants of older units three to four times more often than by residents of newer units. Sagging roofs were reported by 4.7 percent of occupants of older units and by 1.1 percent of newer home residents. Missing roof material was reported for 6.6 percent of older units but for only 2.0 percent of newer units. Holes in roofs were reported by 3.6 percent of the occupants of older units but by only 0.9 percent of occupants of newer units. Other problems with the building reported by 3 to 8 percent of older units and only 0.4 to 1.5 percent of newer units included “missing bricks, siding, and other outside wall material,” “sloping outside walls,” “boarded-

Exhibit 10. Household Characteristics

Characteristic	Older Units			Newer Units		
	Total (%)	Owner-occupied (%)	Renter-occupied (%)	Total (%)	Owner-occupied (%)	Renter-occupied (%)
Number of People in Household						
1	30.6	24.4	40.1	19.0	14.4	37.0
2	30.4	34.0	24.9	32.9	33.7	29.5
3	15.9	16.8	14.4	18.2	18.7	16.0
4	13.2	14.8	10.8	18.6	20.7	10.4
5	5.5	5.6	5.4	7.8	8.6	5.0
6 or more	4.4	4.4	4.3	3.5	3.9	2.1
4 or more	23.1	24.9	20.5	30.0	33.1	17.5
Householders 75 or more years of age	12.3	16.7	5.7	4.9	4.2	7.5
Median age of householder	47	52	39	43	44	35
Median household income ($)	33,940	42,784	25,588	54,784	62,588	31,425
Median monthly housing costs ($) (excludes households that do not pay cash rent)	584	576	592	895	963	737
Median monthly housing costs as percent of current income (excludes two previous lines)	23	19	30	21	20	29
Median housing value—owned units ($)			98,793		154,233	

up windows," "broken windows," "bars on windows," and "foundation crumbling or has open crack or hole." Overall, respondents for older homes reported one or more problems in 33.6 percent of the cases, while only 9.1 percent of occupants of newer housing reported any of these external building deficiencies. Flush toilet breakdowns, in which all toilets were not working at some time in the last 3 months, were reported by 3 percent of older units but by only 1.6 percent of newer units. Heating problems were more prevalent for residents of older housing units. Nearly 12 percent experienced being uncomfortably cold for 24 hours or more during the last winter compared to 5.5 percent of the newer home residents. Actual breakdown of heating equipment was reported by 4.0 percent of older units but by only 1.6 percent of newer units[4]. The likelihood that fuses were blown or circuit breakers were tripped was nearly twice as high for older units (14.3 percent) as for newer units (8.6 percent).

Residents of older units reported interior problems three to nine times more often than residents of newer units. In particular, mice were reported in 13.1 percent of older units but in only 4.3 percent of newer units; open cracks or holes were reported in 10.2 percent of older units but in only 3.0 percent of newer units; and broken plaster or peeling paint were reported in 6.2 percent of older units but in only 0.7 percent of newer units. Finally, residents of older units rated their units lower than residents of newer units. The last panel shows the results of the residents' ratings of their units on a 1 (worst) to 10 (best) scale. While residents of both older and newer residents most often gave high scores (8 or higher), older unit residents gave such high ratings 60.4 percent of the time and newer unit residents gave such ratings 80.2 percent of the time.

Household Characteristics

Households occupying older housing units are smaller and older, have less income, and have lower housing costs than households occupying newer housing units. Owners of older units estimate that the value of their housing unit is considerably lower than the value for owners of newer units. Exhibit 10 presents data on a few household characteristics. Households occupying older housing units report four or more people in the household 23.1 percent of the time, while those in newer units report such high person counts 30 percent of the time. Older households more likely occupy older housing units. The proportion of householders who are 75 or more years of age is 12.3 percent for older units but only 4.9 percent for newer units. The median householder age is 4 years older—47 years of age for older units compared to 43 years for newer units.

Householders with newer housing units have higher incomes. The median income for households in newer units is $54,784 compared to $33,940 for households in older units. Median monthly housing costs for older housing units ($584) are considerably below those paid for newer housing units ($895). The lower incomes and the lower housing costs of households in older units result in an only slightly higher housing costs burden for occupants of older units. Residents of older housing units spend slightly more of their income (median of 23 percent) than those in newer units (median of 21 percent). Finally, the value of older units is considerably below the value of newer units. The median of owners' estimates of the values of their units was $98,793 for older units and $154,233 for newer units.

Accessing Additional Information on Older Homes

This article only touches on the wealth of information presented in the original study by Barbara T. Williams — much more information can be found on the Inter-net. The original report and supplemental tables can be downloaded as a PDF file at www.census.gov/prod/2004pubs/h121-04-1.pdf. The supplemental tables contain information on many more physical characteristics of housing units, types and costs of fuels used, equipment and amenities included, housing quality problems, neighborhood characteristics and problems, and demographic and economic characteristics of occupant families.

Notes

[1] *These Old Houses: 2001* is part of the Current Housing Reports series and was issued in February 2004. It can be downloaded as a PDF file at www.census.gov/prod/2004pubs/h121-04-1.pdf.

[2] As Williams notes, manufactured homes with bathrooms were first produced in the 1940s. Earlier models that date to the 1920s were intended as vacation homes.

[3] Note that the current number of units in the structure is not the same as when units were built more than 80 years ago. It is possible that current multifamily units were originally single-family units that were subsequently subdivided or were originally less spacious units in buildings with more units that were combined into larger units in building with two to four units.

[4] Note that newer homes are more prevalent in the warmer clients so that portions of these differences may be reflective of the lower demands placed on heating systems.

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Housing Production

Permits*

Permits for construction of new housing units were unchanged in the third quarter of 2004, at a seasonally adjusted annual rate (SAAR) of 2,013,000 units, but were up 4 percent from the third quarter of 2003. One-unit permits, at 1,567,000 units, were unchanged from the level of the previous quarter but up 4 percent from a year earlier. Multifamily permits (five or more units in structure), at 352,000 units, were a statistically insignificant 1 percent below the second quarter of 2004 but 4 percent above the third quarter of 2003.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	2,013	2,016	1,933	—	+ 4
One Unit	1,567	1,567	1,509	—	+ 4
Two to Four	95	93	84	+ 2**	+ 12
Five Plus	352	357	340	– 1**	+ 4

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

Starts*

Construction starts of new housing units in the third quarter of 2004 totaled 1,968,000 units at a seasonally adjusted annual rate, a statistically insignificant 3 percent above the second quarter of 2004 and a statistically insignificant 4 percent above the third quarter of 2003. Single-family starts, at 1,626,000 units, were a statistically insignificant 2 percent higher than the previous quarter and a statistically insignificant 7 percent above the third quarter level of the previous year. Multifamily starts totaled 287,000 units, a statistically insignificant 1 percent above the previous quarter but a statistically insignificant 11 percent below the same quarter in 2003.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	1,968	1,920	1,883	+ 3**	+ 4**
One Unit	1,626	1,596	1,522	+ 2**	+ 7**
Five Plus	287	284	323	+ 1**	– 11**

*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 third quarter of 2004 were at a seasonally adjusted annual rate of 1,253,000 units, a statistically insignificant 2 percent above the previous quarter and 12 percent above the third quarter of 2003. Single-family units stood at 862,000, a statistically insignificant 1 percent above the previous quarter and 13 percent above the third quarter of 2003. Multifamily units were at 356,000, up a statistically insignificant 3 percent from the previous quarter and up a statistically insignificant 10 percent from the third quarter of 2003.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	1,253	1,224	1,116	+ 2**	+ 12
One Unit	862	850	766	+ 1**	+ 13
Five Plus	356	346	325	+ 3**	+ 10**

*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 third quarter of 2004, at a seasonally adjusted annual rate of 1,859,000 units, were down a statistically insignificant 3 percent from the previous quarter but up 12 percent from the same quarter of 2003. Single-family completions, at 1,543,000 units, were down a statistically insignificant 2 percent from the previous quarter but up 12 percent from the rate of a year earlier. Multifamily completions, at 293,000 units, were a statistically insignificant 9 percent below the previous quarter but 23 percent above the same quarter of 2003.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	1,859	1,912	1,652	– 3**	+ 12
One Unit	1,543	1,567	1,384	– 2**	+ 12
Five Plus	293	323	238	– 9**	+ 23

*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 128,000 units in the third quarter of 2004, which is 1 percent above the previous quarter but 3 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	128	127	132	+ 1	– 3

*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 1,157,000 units at a seasonally adjusted annual rate (SAAR) in the third quarter of 2004, down a statistically insignificant 4 percent from the previous quarter but unchanged from the third quarter of 2003. The number of new homes for sale at the end of September 2004 was 404,000 units, up 5 percent from the past quarter and up 15 percent from the third quarter of 2003. At the end of September of 2004, inventories represented a 4.1 months' supply at the current sales rate, up a statistically insignificant 5 percent from the end of the previous quarter and up a statistically insignificant 8 percent from the third quarter of last year.

Sales of existing single-family homes for the third quarter of 2004 reported by the NATIONAL ASSOCIATION OF REALTORS® totaled 6,673,000 (SAAR), down 2 percent from the second quarter of 2004 but up 4 percent from the third quarter of 2003. The number of units for sale at the end of the third quarter of 2004 was 2,450,000, 2 percent above the previous quarter and 2 percent above the third quarter of 2003. At the end of the third quarter, a 4.4 months' supply of units remained, 5 percent more than the previous quarter and 2 percent more than from the third quarter a year ago.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
New Homes					
New Homes Sold	1,157	1,206	1,157	– 4**	—
For Sale	404	383	350	+ 5	+ 15
Months' Supply	4.1	3.9	3.8	+ 5**	+ 8**
Existing Homes					
Existing Homes Sold	6,673	6,787	6,420	– 2	+ 4
For Sale	2,450	2,400	2,400	+ 2	+ 2
Months' Supply	4.4	4.2	4.3	+ 5	+ 2

*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 during the third quarter of 2004 decreased to $211,100, down a statistically insignificant 3 percent from the previous quarter but up 10 percent from the third quarter of 2003. The average price of new homes sold during the third quarter of 2004 was $270,600, up a statistically insignificant 2 percent from the second quarter of this year and up 9 percent from the third quarter a year ago. The price adjusted to represent a constant-quality house was $236,500, up a statistically insignificant less than 1 percent from the second quarter of 2004 and up 6 percent from the third quarter a year ago. The values for the set of physical characteristics used for the constant-quality house are based on 1996 sales.

The median price of existing single-family homes in the third quarter of 2004 was $188,500, up 3 percent from the second quarter of 2004 and up 7 percent from the third quarter a year ago, according to the NATIONAL ASSOCIATION OF REALTORS®. The average price of existing homes, $240,100, increased 2 percent from the previous quarter and increased 8 percent in price above that of the third quarter of 2003.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
New Homes					
Median	$211,100	$217,600	$191,900	– 3**	+ 10
Average	$270,600	$265,300	$248,100	+ 2**	+ 9
Constant-Quality House[1]	$236,500	$235,600	$222,300	—	+ 6
Existing Homes					
Median	$188,500	$183,500	$176,900	+ 3	+ 7
Average	$240,100	$236,300	$223,000	+ 2	+ 8

**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 value for the third quarter of 2004 shows that families earning the median income have 128.7 percent of the income needed to purchase the median-priced existing home. This figure is down 3 percent from the second quarter 2004 index and down 6 percent from the third quarter of 2003.

The third quarter housing affordability index reflects current changes in the marketplace. While the national average home mortgage interest rate for existing single-family homes has increased 9 basis points from the previous quarter to an interest rate of 5.82 percent, the median price of existing single-family homes increased to $188,533, a gain of 3 percent from the second quarter of 2004 and an 8-percent increase from the third quarter of 2003. The median family income rose just 1 percent from the previous quarter and 3 percent from the third quarter of the past year.

The fixed-rate index decreased 2 percent from the second quarter 2004 index and decreased 7 percent from the third quarter of 2003. The adjustable-rate index declined 5 percent from the previous quarter and decreased 8 percent from the same quarter of last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Composite Index	128.7	132.6	136.9	– 3	– 6
Fixed-Rate Index	124.7	127.4	134.4	– 2	– 7
Adjustable-Rate Index	136.4	143.3	148.9	– 5	– 8

Source: NATIONAL ASSOCIATION OF REALTORS®

Apartment Absorptions

In the second quarter of 2004, 41,600 new, unsubsidized, unfurnished, multifamily (five or more units in structure) rental apartments were completed, up a statistically insignificant 22 percent from the previous quarter but down a statistically insignificant 13 percent from the second quarter of 2003. Of the apartments completed in the second quarter of 2004, 58 percent were rented within 3 months. This absorption rate is a statistically insignificant 6 percent below the previous quarter and a statistically insignificant 5 percent below the same quarter of the previous year. The median asking rent for apartments completed in the second quarter was $1,025, which is a statistically insignificant 8 percent above the previous quarter and a statistically insignificant 7 percent above a year earlier.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Apartments Completed*	41.6	34.1	47.6	+ 22**	– 13**
Percent Absorbed Next Quarter	58	62	61	– 6**	– 5**
Median Rent	$1,025	$949	$956	+ 8**	+ 7**

*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 Placements

Manufactured homes placed on site ready for occupancy in the second quarter of 2004 totaled 130,000 at a seasonally adjusted annual rate, a statistically insignificant 7 percent above the level of the previous quarter but 7 percent below the second quarter of 2003. The number of homes for sale on dealers' lots at the end of the second quarter totaled 38,000 units, a statistically insignificant 3 percent below the previous quarter and 19 percent below the same quarter of 2003. The average sales price of the units sold in the second quarter was $56,000, a statistically insignificant 2 percent below the previous quarter but a statistically insignificant 4 percent above the price in the second quarter of 2003.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Placements*	130	121	139	+ 7**	– 7
On Dealers' Lots*	38	39	47	– 3**	– 19
Average Sales Price	$56,000	$57,000	$54,000	– 2**	+ 4**

*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) 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.) The third quarter 2004 value for the index of current market activity for single-family detached houses stood at 75, unchanged from the second quarter but up 2 points from the third quarter of 2003. The index for future sales expectations, 76, was up 1 point from the second quarter value but down 1 point from the same quarter in 2003. Prospective buyer traffic had an index value of 53, which is up 1 point from the second quarter 2004 value and up 1 point from the 2003 third quarter level. NAHB combines these separate indices into a single housing market index that mirrors the three components quite closely. In the third quarter, this index stood at 68, down 1 point from the second quarter level but unchanged from the value in the third quarter of 2003.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Housing Market Index	68	69	68	– 1	—
Current Sales Activity—Single-Family Detached	75	75	73	—	+ 3
Future Sales Expectations—Single-Family Detached	76	75	77	+ 1	– 1
Prospective Buyer Traffic	53	52	52	+ 2	+ 2

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 fell to 5.89 percent in the third quarter of 2004, 24 basis points lower than in the previous quarter and 12 basis points lower than in the third quarter of 2003. Adjustable-rate mortgages (ARMs) in the third quarter of 2004 were going for 4.05 percent, 18 basis points above the previous quarter and 31 basis points above the third quarter of 2003. Fixed-rate, 15-year mortgages, at 5.29 percent, were down 20 basis points from the second quarter of this year and down 5 basis points from the third quarter of last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Conventional, Fixed-Rate, 30-Year	5.89	6.13	6.01	– 4	– 2
Conventional ARMs	4.05	3.88	3.74	+ 5	+ 8
Conventional, Fixed-Rate, 15-Year	5.29	5.49	5.34	– 4	– 1
FHA, Fixed-Rate, 30-Year*	NA	NA	NA	NA	NA

*Mortgage loan interest rate data on FHA-insured loans are no longer collected by the Department of Housing and Urban Development.

Sources: Federal Home Loan Mortgage Corporation; and Office of Housing, Department of Housing and Urban Development

FHA 1–4 Family Mortgage Insurance*

Applications for FHA mortgage insurance on 1–4 family homes were received for 207,900 (not seasonally adjusted) properties in the third quarter of 2004, down 21 percent from the previous quarter and down 49 percent from the third quarter of 2003. Total endorsements or insurance policies issued totaled 202,200, down 12 percent from the second quarter of 2004 and down 45 percent from the third quarter of 2003. Purchase endorsements, at 135,900, were up 6 percent from the previous quarter but were down 17 percent from the third quarter of 2003. Endorsements for refinancings decreased to 66,300, a 35-percent decrease from the second quarter and a 68-percent decrease from the third quarter a year ago.

Loans	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Applications Received	207.9	262.5	408.6	– 21	– 49
Total Endorsements	202.2	230.6	369.5	– 12	– 45
Purchase Endorsements	135.9	128.5	164.5	+ 6	– 17
Refinancing Endorsements	66.3	102.0	205.0	– 35	– 68

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

PMI and VA Activity*

Private mortgage insurers issued 418,100 policies or certificates of insurance on conventional mortgage loans during the third quarter of 2004, down 13 percent from the second quarter of 2004 and down 39 percent from the third quarter of 2003; these numbers are not seasonally adjusted. The Department of Veterans Affairs (VA) reported the issuance of mortgage loan guaranties on 57,800 single-family properties in the third quarter of 2004, down 28 percent from the previous quarter and down 62 percent from the third quarter of 2003.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total PMI Certificates	418.1	481.7	680.2	– 13	– 39
Total VA Guaranties	57.8	79.7	153.6	– 28	– 62

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

Delinquencies and Foreclosures

Delinquencies for all total past due loans were at 4.43 percent at the end of the second quarter of 2004, up 2 percent from the first quarter of 2004 but down 11 percent from the second quarter of 2003. Delinquencies for subprime total past due loans were at 10.04 percent, down 10 per cent from the first quarter of 2004 and down 23 percent from the second quarter of the previous year. Ninety-day delinquencies for all loans were at 0.80 percent, down 4 percent from the first quarter of 2004 and down 16 percent from the second quarter a year ago. Subprime loans that were 90 days past due stood at 2.25 percent in the second quarter of 2004, down 15 percent from 2004's first quarter and down 40 percent from the 2003's second quarter. During the second quarter of 2004, 0.39 percent of all loans entered foreclosure, a decrease of 15 percent from the first quarter of 2004 but an increase of 8 percent from the second quarter of the previous year. In the subprime category, 1.18 percent began foreclosure in the second quarter of 2004. This was a decrease of 41 percent over the first quarter of 2004 and a 5-percent decrease from the second quarter of 2003.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total Past Due (%)					
All Loans	4.43	4.33	4.97	+ 2	– 11
Subprime Loans	10.04	11.19	12.99	– 10	– 23
90 Days Past Due (%)					
All Loans	0.80	0.83	0.95	– 4	– 16
Subprime Loans	2.25	2.65	3.74	– 15	– 40
Foreclosures Started (%)					
All Loans	0.39	0.46	0.36	– 15	+ 8
Subprime Loans	1.18	1.99	1.24	– 41	– 5

Note: The Mortgage Bankers Association has restated the historical time series of all delinquencies and foreclosures for all loans and conventional loans going back to 1998 based on an adjustment for the significant increase in the subprime share of conventional loans.
Source: National Delinquency Survey, Mortgage Bankers Association

HOUSING INVESTMENT

Residential Fixed Investment and Gross Domestic Product*

Residential Fixed Investment (RFI) for the third quarter of 2004 was at a seasonally adjusted annual rate of $679.5 billion, 2 percent above the value from the second quarter of 2004 and 16 percent above the third quarter of 2003. As a percentage of the gross domestic product (GDP), RFI for the third quarter of 2004 was 5.8 percent, 0.1 percentage point above the previous quarter and 0.5 percentage point above the same quarter a year ago.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
GDP	11,803.5	11,657.5	11,116.7	+ 1	+ 6
RFI	679.5	663.2	586.9	+ 2	+ 16
RFI/GDP (%)	5.8	5.7	5.3	+ 2	+ 9

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

HOUSING INVENTORY

Housing Stock*

At the end of the third quarter of 2004, the estimate of the total housing stock, 122,373,000 units, was up a statistically insignificant 0.3 percent from the second quarter of 2004 and up a statistically insignificant 1.1 percent above the third quarter level for 2003. The number of occupied units increased a statistically insignificant 0.8 percent from the second quarter of 2004 and rose 1.3 percent above the third quarter of 2003. Owner-occupied homes increased a statistically insignificant 0.4 percent from the second quarter of 2004 and were up 2.2 percent above last year's third quarter. Rentals increased a statistically insignificant 1.5 percent from the previous quarter but decreased a statistically insignificant 0.7 percent from the third quarter of 2003. Vacant units were down 2.7 percent from last quarter and decreased 0.2 percent from the third quarter of 2003.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
All Housing Units	122,373	122,002	121,030	+ 0.3**	+ 1.1**
Occupied Units	106,870	106,066	105,499	+ 0.8**	+ 1.3
Owner Occupied	73,772	73,449	72,178	+ 0.4**	+ 2.2
Renter Occupied	33,098	32,617	33,321	+ 1.5**	– 0.7**
Vacant Units	15,503	15,936	15,531	– 2.7	– 0.2

*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 homeowner vacancy rate for the third quarter of 2004, at 1.7 percent, was unchanged from the second quarter of 2004 but decreased 0.2 percentage point from the third quarter of 2003.

The 2004 third quarter national rental vacancy rate, at 10.1 percent, was down a statistically insignificant 0.1 percentage point from the previous quarter but was up 0.2 percentage point from the third quarter of the last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Homeowner Rate	1.7	1.7	1.9	—	– 11
Rental Rate	10.1	10.2	9.9	– 1**	+ 2**

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

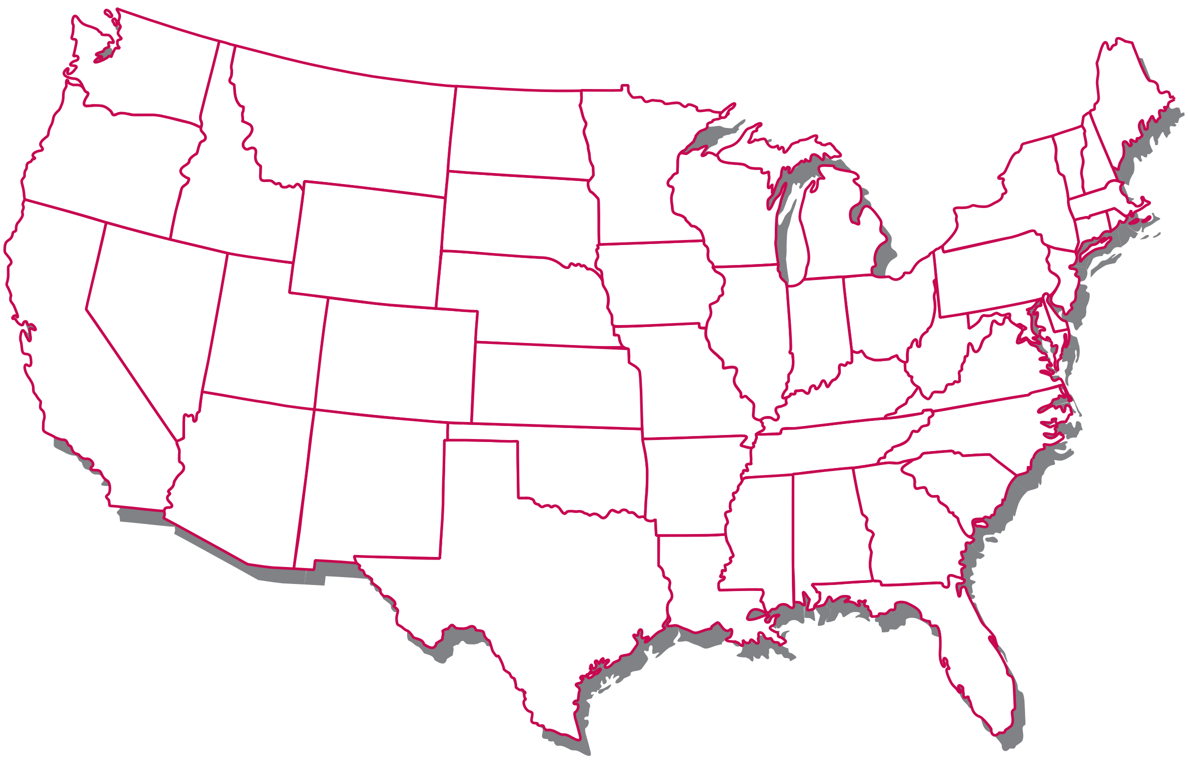
Homeownership Rates

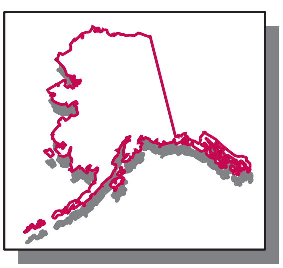
The national homeownership rate was 69.0 percent in the third quarter of 2004, down a statistically insignificant 0.2 percentage point from the last quarter but up 0.6 percentage point from the third quarter of 2003. The homeownership rate for minority households, at 50.9 percent, decreased a statistically insignificant 0.1 percentage point from the second quarter of 2004 but increased 1.6 percentage points from the third quarter of 2003. The 62.5 percent homeownership rate for young married-couple households was down 1.5 percentage points from the second quarter of 2004 but was up a statistically insignificant 0.5 percentage point from the third quarter of 2003.

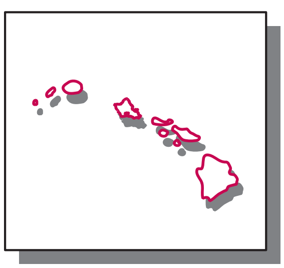
	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
All Households	69.0	69.2	68.4	– 0.3**	+ 0.9
Minority Households	50.9	51.0	49.3	– 0.2**	+ 3.2
Young Married-Couple Households	62.5	64.0	62.0	– 2.3	+ 0.8**

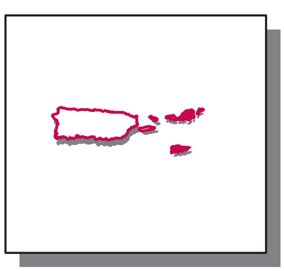
**This change is not statistically significant.
Source: Census Bureau, Department of Commerce

Regional Activity





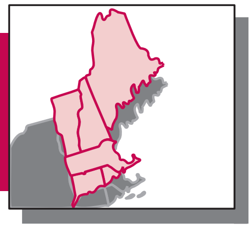




The following summaries of housing market conditions and activities have been prepared by economists in the U.S. Department of Housing and Urban Development's (HUD's) field offices. The reports provide overviews of economic and housing market trends within each region of HUD management. Also included 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 wage and salary employment in the New England region increased by 17,100 jobs to 7,491,000 in the 12 months ending September 2004. Job gains were posted in all New England states except Massachusetts, where 6,900 jobs were lost since September 2003. As one of only three states to lose jobs during the previous 12 months, Massachusetts suffered the greatest impact of the 2001 recession and has been the slowest to recover. The most significant increase in jobs has been in New Hampshire, where 8,900 jobs were added, followed by Maine, with an increase of 6,200 jobs. Although the net job change in Massachusetts was negative during the previous 12 months, the goods-producing component increased by 3,400 jobs, primarily in manufacturing industries. Massachusetts and Vermont were the only two states with increased jobs in manufacturing. Rhode Island had a small increase in goods-producing industry jobs in construction. The rate of service industry job growth continued to increase in all states except Massachusetts. New Hampshire and Maine, at 1.8 percent and 1.4 percent, respectively, led a gain of 25,200 jobs, which was partially offset by the loss of 10,300 jobs in Massachusetts.

The unemployment rate in New England was 4.3 percent in September 2004, the lowest rate in the nation for any geographic Census Division, and down from 5.2 percent in September 2003. The unemployment rolls decreased by 71,900 persons, or 18.4 percent. Massachusetts had the most significant decrease in unemployment, at 42,800 persons, from 5.9 percent in September 2003 to 4.6 percent in September 2004. Rhode Island had the only unchanged unemployment rate for the year. Vermont's unemployment rate dipped from 4.3 percent in September 2003 to 2.9 percent in September 2004, the first month any state in the region had an unemployment rate under 3.0 percent since Connecticut's unemployment rate was 2.9 percent in January 2001.

The slow job growth in the region, and in particular the Greater Boston area, has contributed to the slow recovery of the office market in eastern Massachusetts. According to Grubb & Ellis, 2004 will mark the first year of flat to slightly positive absorption in the metropolitan Boston office market since 2000. Two major regional employers, FleetBoston/Bank of America and John Hancock/Manulife, are currently reconciling space requirements as a result of recent merger activity. The resulting newly available space, combined with an additional 2.7 million square feet of new space scheduled to enter the market, will probably push the vacancy rate from the current 17 percent to more than 20 percent and put considerable downward pressure on asking rents.

Residential building activity in New England, as measured by building permits, was up more than 16 percent for the 12-month period ending September 2004 compared to the same period in 2003. With more than 20,700 units permitted, Massachusetts is supporting the most significant level of construction activity, and the Boston metropolitan area is supporting about half of the statewide total. Vermont and Connecticut had increases of 33 percent and 19 percent, respectively. Only Rhode Island issued permits for fewer units in the 12 months ending September 2004 than in the same period for 2003. Percentage increases in single-family construction were double-digit in most states, except New Hampshire and Rhode Island, where only small increases were posted. The most dramatic increases during the past 12 months were in multifamily construction, in which permits for 13,760 units were authorized, representing a 35-percent increase over the same 12-month period in 2003. More than two-thirds of these units are located in Massachusetts and Connecticut, primarily in the Boston, Hartford, New Haven, and Fairfield County metropolitan areas. Multifamily construction in Vermont increased by 167 percent to 872 units as several new projects were planned for the Burlington metropolitan area. Only Rhode Island had a decrease in the number of multifamily units permitted. Comparing the above data to the number of units permitted during the first 9 months of 2004 indicates that the high levels of multifamily development may be slowing. In light of the current slower job growth, this slowing of production will be positive for future absorption rates and enhance the balancing of otherwise overbuilt markets.

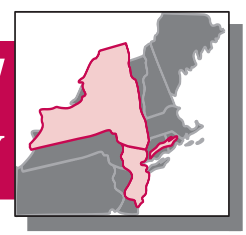
Single-family home sales in the New England states continued at a strong pace. Data from the Massachusetts Association of REALTORS® indicate that sales through the second quarter of 2004 had increased by double digits over the 2003 volume for the same period. As of the second quarter, the median sales price increased to $343,150. In Boston, the median price rose to $475,000. Condominium sales were also up significantly to a median price of $260,000 as of the second quarter. Data from the NATIONAL ASSOCIATION OF REALTORS® indicate that for Connecticut sales of existing homes, including single-family, condominiums, and co-ops, were down in the second quarter of 2004 compared to the second quarter 2003. The median price of a single-family home in Connecticut in the second quarter of 2004 was $290,000. Fairfield County had the highest median sales price, at $487,200. The Rhode Island sales market is continuing to gain strength. According to the Rhode Island Association of REALTORS®, as of the third quarter of 2004, sales were up 9.4 percent for the year to 7,486 homes and the median price was $260,000, up 14 percent from the first 9 months of 2003.

According to the Office of Federal Housing Enterprise Oversight (OFHEO), prices continue to rise in New England significantly, up 10.7 percent for the second quarter of 2004 over the second quarter of 2003. Although no longer top in the nation in price appreciation as they were during the last several quarters, all the New England states are still ranked in the top 16 positions. Rhode Island's price appreciation for the second quarter of 2004 over the second quarter of 2003 was 17.9 percent, behind only the high-growth states of Nevada, Hawaii, and California. At 9.8 percent, Massachusetts was the only state in the region to have an appreciation rate of less than 10 percent. NATIONAL ASSOCIATION OF REALTORS® data for the second quarter of 2004 for several New England metropolitan markets indicate that as increases in Boston's median sales price are moderating, pricing in other active markets has continued to rise at substantial annual rates—for example, Portland at $231,200, or 23.4 percent; New Haven at $246,800, or 15.6 percent; and Providence at $262,000, or 14.5 percent, for the second quarter of 2004 compared with the same period in 2003.

The multifamily condominium market in Massachusetts—particularly in Greater Boston and the city of Boston—continues to be very active. The low interest rates and the high prices of single-family homes have driven condominium development not only with residential and commercial conversions but also with new developments. First-time buyers and empty nesters support this market as they downsize and seek more urban and culturally diverse submarkets. One new development will consist of 231 luxury units with ground floor commercial space, underground parking, concierge, and fitness facilities. A major apartment complex in Cambridge, Museum Towers, recently sold and is being converted to 402 condominiums selling for $350,000 to $750,000. These two 24-story towers are expected to anchor the redevelopment of Northpoint, a massive mixed-use project at the site of a former railroad yard. In addition, a number of smaller office buildings in downtown Boston are being converted to condominiums. These projects will not only offer new residential opportunities, but will remove surplus, underutilized office space from a high-vacancy market.

Rental markets throughout New England are generally stable. With the exception of the Boston metropolitan area, the markets are generally balanced to tight relative to vacancy rates. The Boston metropolitan area market was most impacted by the job losses of the recent recession and currently is the site of significant additions to the rental inventory. Vacancy rates of less than 3 percent in the early 2000s are now in the 5- to 6- percent range and somewhat higher in high-end luxury properties. So far, additions to the inventory in the past several years have been absorbed well, but vacancy rates have increased and rents have receded as concessions have become a common part of the market dynamics. As has been the trend in the past several quarters, the asking rent index has firmed. Fairfield County and Hartford markets are very stable with rental vacancy rates of 3.9 percent and 4.5 percent, respectively, with both having positive appreciation in the asking rent index. It remains to be seen, however, whether future job growth will be sufficient to support the several thousand new rental units that will be added to the market during the next few years.

NEW YORK/ NEW JERSEY



Despite a low volume of employment growth, housing market conditions remained strong throughout most of the New York/New Jersey region during the third quarter of 2004. In the 12-month period ending September 2004, total nonfarm employment in the region increased by 67,600 jobs, or 0.6 percent, from 12,390,300 to 12,457,900 jobs.

Through September 2004, total nonfarm employment in New York increased by 19,200 jobs to 8,435,500. New York City, however, lost 2,500 jobs during the 12-month period ending in September 2004 as total nonfarm employment declined to 3,540,500 jobs. During this same period, total nonfarm employment in New Jersey increased by 48,400 jobs, or 1.2 percent, to 4,022,400 jobs. According to the New Jersey Department of Labor Statistics, this increase represented a record high employment level in the state and the 17th consecutive month of employment growth.

Effective September 2004, the unemployment rate in New York decreased to 5.4 percent from 6.3 percent 1 year ago. Although New York City continued to sustain job losses, the unemployment rate in the city declined from 8.4 percent a year ago to its current 6.9-percent rate. Effective in September 2004, New Jersey's unemployment rate decreased to 4.8 percent from the 5.8-percent unemployment rate of 1 year ago. New Jersey's statewide unemployment rate remains significantly below the comparable national unemployment rate of 5.4 percent.

The most recent Federal Reserve Bank of New York "Beige Book" indicated somewhat mixed economic conditions in the region. Strong housing market conditions continued, but retail sales were soft due to reduced consumer purchasing. Retail sales in August were reported to have been below expectations; many retailers also indicated weak back-to-school sales. During the third quarter of 2004, tourist-related industries reported generally favorable conditions, with Manhattan hotel room rates priced approximately 10 percent above last year's rates. In August 2004, New York City's economy benefited from being the host of the Republican National Convention; Broadway theaters, however, experienced lower attendance levels during that month.

Demand for commercial office space has continued to improve in both New York and New Jersey through the third quarter of 2004. Positive absorption of office space occurred in both states during the first 9 months of 2004. Cushman & Wakefield, a prominent worldwide commercial real estate firm, indicated absorption of almost 21 million square feet of office space in downtown Manhattan through the third quarter of 2004. This 40-percent increase over the same period in 2003 resulted in the overall vacancy rate for commercial office space in downtown declining to 11.4 percent, a 2-year low.

Similarly, the midtown Manhattan commercial office market also exhibited positive absorption, with the overall vacancy rate declining to 11.0 percent. Asking rents also increased to $47.00 per square foot by the third quarter of 2004. In Central and Northern New Jersey, Cushman & Wakefield estimated year-to-date absorption of commercial office space (through September 2004) at 7.3 million square feet, up almost 25 percent compared with 1 year ago. With almost a 20-percent overall vacancy rate, however, speculative construction of commercial office space has halted.

For the 12-month period through September 2004, residential building permit activity in the New York/New Jersey region increased to 89,106 units, or 11 percent, compared with 1 year ago. Single-family permit authorizations in the region also increased 3 percent during this same period to 46,947 units. Multifamily housing permits authorized in the New York/New Jersey region increased by more than 20 percent from 34,731 to 42,159 units. Multifamily housing construction activity continued to be particularly strong in both states. In the 12-month period ending September 2004, multifamily building permits in New York increased 16 percent to 28,973 units; in New Jersey, multifamily permit activity increased 34 percent to 13,186 units.

Preliminary statistics reported by the New York State Association of REALTORS® disclosed that strong sales housing market growth continued into the third quarter of 2004. In the 12-month period ending September 2004, the median sales price of an existing single-family home in New York increased to an estimated $232,000. During this period, sales activity averaged 8,300 units per month, up about 7 percent from a year ago.

During the third quarter of 2004, Douglass Elliman, a prominent real estate firm, reported Manhattan apartment sales totaled 2,337 units, comparable with the same period a year ago. The median sales price increased 14 percent from $575,000 to $655,000. Both listing inventory and the number of days on the market declined as compared with the same quarter 1 year earlier.

Through September 2004, existing single-family sales activity increased approximately 3 percent in the Albany-Schenectady-Troy metropolitan area, with median sales price levels up in virtually all counties. The most active single-family housing markets continue to be in Albany and Saratoga Counties, where the median sales price increased to $160,000 and $206,700, respectively.

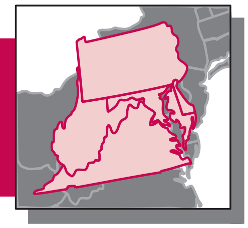
According to Buffalo-Niagara Association of REALTORS® statistics, the median sales price of a single-family/condominium home in the Buffalo-Niagara Falls metropolitan area increased 3.2 percent to $91,700 during the 12-month period ending September 2004. During this interval, total sales transactions increased by almost 1 percent to 10,290 units. Multiple offers and bidding wars are becoming less common. Demand was strongest for properties priced in the $150,000 to $300,000 range.

For the 9-month period ending September 2004, the median sales price of an existing single-family home in the Rochester metropolitan area increased by 4 percent to $116,500. Total existing single-family housing sales approximated 8,900 units, an increase of 7.6 percent over the first 9 months of 2003.

Third quarter 2004 housing sales statistics are currently not available for New Jersey. The sales housing market, however, remained strong during the second quarter of 2004. During this period, the statewide median sales price of an existing home in New Jersey increased by 12 percent to $307,600. In Northern New Jersey, the most expensive area of the state, the median sales price increased to $379,300, up 11 percent from a year ago. The median sales price of a single-family home in the state ranged from $178,600 for a two-bedroom or smaller unit to $406,400 for larger homes with four or more bedrooms.

According to Reis, Inc., the major rental markets in the region remain tight in the third quarter of 2004. Long Island, Central New Jersey, and New York City all registered the lowest apartment rental vacancy rates. All three areas had renter vacancy rates significantly below the third quarter 2004 U.S. average rental vacancy rate of 6.6 percent. The rental vacancy rate was 3.0 percent in New York City. These high-cost rental housing market areas also registered asking rents significantly higher than the $930 average rent for the United States. Rents averaged approximately $1,400 per month for Long Island and $2,250 per month for New York City. During the third quarter of 2004, monthly rents increased by less than 1 percent to approximately $1,015 per month in Central New Jersey and $1,315 in Northern New Jersey; the overall rental vacancy rate declined to 3.3 percent in Central New Jersey and 4.5 percent in Northern New Jersey.

MID-ATLANTIC



During the 12 months ending September 2004, nonfarm employment in the Mid-Atlantic region rose by 1 percent, increasing the total number of jobs to 13.5 million. Gains of 106,900 jobs in the region, most notably in the professional and business services, educational and health services, leisure and hospitality, and construction sectors, offset losses of 47,800 in the manufacturing sector. The largest job growth occurred in the southern portion of the region, particularly in the Washington, D.C. metropolitan area's Maryland and Virginia suburbs. The stability of the federal government and significant growth in supporting contract service employment, particularly for defense contractors and homeland security, have resulted in a 3-percent increase in the number of jobs in the Northern Virginia suburbs and a 2-percent increase in the Maryland suburbs.

In the state of Virginia as a whole, growth in the professional and business services sector was almost twice the number of jobs lost in the manufacturing sector, contributing to the state's increase of almost 67,000 jobs during the 12-month period ending September 2004. In Maryland, jobs increased by almost 29,000, or 1 percent above the comparable period ending in 2003. Pennsylvania's job total was flat; the state lost 28,000 manufacturing jobs but combined increases of 20,500 jobs in the educational and health services and leisure and hospitality sectors kept total losses at less than 0.2 percent.

The region's overall unemployment declined to 4.6 percent from the 5.0 percent reported for the comparable period in 2003. Unemployment rates continued to decline in all states throughout the region with the exception of Washington, D.C., where rates rose from 6.9 to 7.1 percent. The overall rate in the region continues to be 1 percent below the national level of 5.7 percent.

During the 12 months ending September 2004, building permits were issued for 121,951 single-family homes in the region, almost 5 percent greater than the number issued during the comparable 12 months ending in 2003. The market for new homes remains strong as interest rates, after a 1-percent increase, have remained stable. Three-fourths of the increase in the region was in Pennsylvania, where development accommodates the population growth in the smaller metropolitan areas situated around the perimeter of the larger Philadelphia metropolitan area. Permit activity for the 12 months ending September 2004 in Pennsylvania was 12 percent greater than in the 2003 period. Virginia continues to permit new single-family homes, with a 12-month increase that was 4 percent greater than the previous 12-month period, but Maryland reported an 8-percent decrease. Single-family production in Delaware continues at a steady pace. The number of permits issued during the current 12-month period was 16 percent higher than the same period a year ago.

Throughout the region, mortgage rates continued to decrease during the third quarter. The Maryland Association of REALTORS® reported sales of 97,085 homes for the 12 months ending August 2004, an increase of 11 percent over the same period ending August 2003. The median sales price of an existing home in the state rose by 12.5 percent to $255,650. In the Baltimore metropolitan area, sales activity during the 12 months ending September 2004 rose by 9.8 percent over the previous 12 months, and the median sales price rose by 20.4 percent to $203,776. More affordable sales prices in the city of Baltimore have attracted younger workers from the Washington metropolitan area who can live in Baltimore and commute to Washington on commuter rail.

Existing home sales continue to be strong in Virginia. The Virginia Association of REALTORS® reported sales of 132,339 homes during the 12 months ending August 2004, an 11-percent gain over the same period ending August 2003. The median price of all existing homes sold during the 12-month period also rose by 12 percent to $156,936. Sales in the Northern Virginia suburbs of Washington, D.C., continue to account for 30 percent of all existing home sales in the state and to have the highest median sales price at $377,922. While sales in Northern Virginia increased 9 percent during the 12-month period, the median sales price increased by almost 23 percent, indicative of the continued strong demand for homes. In the southern portion of the state, sales of existing homes increased by 12 percent. Sales in the Richmond metropolitan area accounted for slightly more than 12 percent of all sales in the state of Virginia.

Apartment construction in the Mid-Atlantic region, as measured by multifamily building permit activity, increased in 2004. The 34,451 multifamily unit permits authorized during the 12 months ending September 2004 were 34 percent more than the number issued for the comparable period in 2003. Pennsylvania permitted 4,252 units, 68 percent more than in 2003, and Delaware tripled its 2003 total of 324 units to 1,001. During the first 9 months of 2004, Washington, D.C., and Philadelphia continued to be the most active markets among the metropolitan areas, authorizing approximately 8,000 and 5,100 multifamily units, respectively.

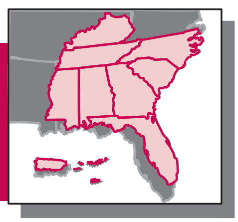
Rental market conditions have become stronger in the Washington area, the region's most active market, and the pipeline for new units for the next 36 months shows no signs of declining. In the Washington metropolitan area, Delta Associates reported that the overall metropolitan area vacancy rate in September 2004 for existing Class A garden-type developments declined to 4.9 percent from 6.7 percent a year ago. In the metropolitan area's Maryland suburbs, rates declined from 10.6 to 6.9 percent; rates in the Northern Virginia suburbs have also tightened from 6.3 to 2.9 percent. Conditions in the Class A high-rise properties in the District of Columbia remain soft with vacancy rates in that sector of the market at 18 percent, but rates have declined from the 21 percent reported in September 2003. Delta Associates reports strong absorption at 21 units per month. The pipeline in the metropolitan area of all rental units, both garden and high-rise, that are anticipated to be available in the next 36 months remains high at 14,600 units, approximately 2,000 more than the pipeline a year ago.

Conditions in the Baltimore metropolitan area are also relatively strong. More than 5,000 new multifamily rental units are in the development pipeline for the next 3 years. According to Delta Associates, the market has continued to tighten in most of the counties surrounding the city. At an overall rate of 5.6 percent, vacancy rates are highest in the northern suburbs but significantly less than the 7.6 percent reported in September 2003. In the southern suburban area, the rate in Anne Arundel County has risen to 3.2 percent from 2.7 percent a year ago. Market conditions in downtown Baltimore have remained very competitive and vacancy rates have remained high. As of the third quarter, the apartment vacancy rate in Class A high-rise rentals in downtown Baltimore was 12 percent compared with 9 percent a year ago. Several proposed rental developments have converted to condominiums because of weak rental market conditions and strong demand for sales units.

Rental vacancy rates have increased dramatically in the Pennsylvania suburbs of Philadelphia because of the large numbers of new units entering the market, the first significant apartment construction in years. The increases, however, are not a cause for concern. Delta Associates reports an overall vacancy rate for

Class A garden apartments in the Philadelphia metropolitan area of 9.5 percent at the end of September 2004, an increase from the September 2003 rate of 6.5 percent. Current vacancy rates of 28 percent in Bucks County and 18 percent in Montgomery County have pushed the overall rate in Philadelphia's Pennsylvania suburbs to 13 percent. This increase reflects the introduction of five new apartment complexes totaling 1,100 units. In Bucks County, the introduction of a new development with almost 400 units is the first new rental property in the county in nearly a decade. Rates in Bucks and Montgomery Counties are expected to stabilize at less than 3 percent when these new units are absorbed. In the Center City Philadelphia submarket, overall vacancy rates for Class A high-rise rental units rose from 9 percent in September 2003 to 10 percent in September 2004 with the entrance of approximately 300 new units into the market.

SOUTHEAST/ CARIBBEAN



Employment in the Southeast/Caribbean region during the third quarter of 2004 showed continuing gradual improvement. Nonfarm employment for the 12-month period ending September 2004 was 25,419,700, an increase for the region of 250,000 jobs, or 1.0 percent. The seasonally adjusted unemployment rate for the region decreased from 5.9 percent in September 2003 to 5.1 percent in September 2004. All of the region's eight states and the Commonwealth of Puerto Rico posted gains in nonfarm employment and decreases in unemployment rates during the past 12 months. Puerto Rico had the greatest decrease in unemployment for the region, as the rate fell from 11.8 percent in September 2003 to 9.4 percent in September 2004.

Florida provided the greatest absolute and percentage employment increases. The 145,200 new nonfarm jobs in Florida represented an increase of 2.0 percent and came as the state was struck by four major hurricanes. Most official data do not yet reflect the full impact of the storms on the overall economies or the housing sectors of the affected areas. Damage assessments are not yet completed. So far, more than 800,000 households have requested federal disaster assistance. Physical damage is widespread and, in some areas, catastrophic. In addition to impacts in urban areas, the storms have had significant impact on the agricultural sector, including citrus and ornamental foliage. On the other hand, relief workers and people displaced by damage to their homes are increasing hotel occupancy, sometimes to capacity, during a normally slow tourist season.

Although all states in the region recorded nonfarm employment increases during the past 12 months, the numbers showed considerable variation for specific areas within the states. All metropolitan areas in Georgia, except Athens, had higher nonfarm employment for the 12-month period ending September 2004 than in the preceding 12 months. The 10,400 jobs added in Atlanta represented more than 40 percent of the total increase for the state; however, all the remaining metropolitan areas in the state that had gains posted higher rates of growth than did Atlanta. In North Carolina, two of the three largest metropolitan areas had nonfarm employment increases during the past 12 months. The Charlotte and Raleigh metropolitan areas posted average annual gains of 0.8 and 1.3 percent, respectively, while nonfarm employment declined by 0.9 percent in the Greensboro metropolitan area. Financial difficulties in the airline industry may hinder the state's economic performance and job growth. U.S. Airways employs approximately 5,700 in the Charlotte region, and an estimated 3,000 additional jobs are indirectly tied to the airline industry. In Kentucky, nonfarm employment increased by 0.5 percent in Lexington but decreased by 0.2 percent in Louisville. In South Carolina, nonfarm employment increased by 1.3 percent in Charleston but fell by 2.1 percent in Columbia and 0.7 percent in the Greenville-Spartanburg metropolitan area. Tennessee's three largest metropolitan areas combined added 16,400 new nonfarm jobs during the past 12 months, led by Nashville with 8,100 jobs.

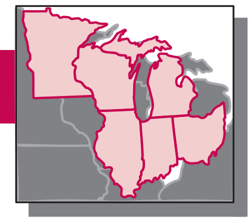
The Miami-Dade County, Orlando, and Tampa metropolitan areas recorded nonfarm employment increases during the past 12 months. After losing 21,000 jobs during 2002 and 2003, nonfarm employment in Miami-Dade County averaged 1,010,300 for the 12-month period ending September 2004, an increase of 7,100 jobs, or 0.7 percent, over the same period a year ago. This growth was largely the result of increases of 2,900 jobs in the accommodation and food services and drinking places subsector and 2,000 jobs in the financial activities sector. Nonfarm employment in the Tampa metropolitan area increased by almost 17,000 jobs, or 1.4 percent, to 1,237,800. In Orlando, there was a healthy 2.2-percent increase in nonfarm employment to 940,600. The Orlando leisure and hospitality sector increased by almost 6,200 jobs, or 3.7 percent, to almost 174,900 jobs, indicating a strong summer season for the tourism industry. The Orlando area was impacted by three hurricanes, causing widespread damage to housing and other structures. The two largest theme parks, however, have quickly resumed operations.

In September, Hurricane Ivan came ashore along the Alabama/Florida border causing considerable damage across the entire state of Alabama as it moved northward. Damage reports are incomplete as of this report, but repair work will be ongoing for months. One local contractor reported that it was not scheduling additional work because it already had a 10-month backlog. The timber industry also was hit hard. Estimates place losses as high as $600 million.

Despite the adverse effects of the hurricanes during the third quarter, a significant increase occurred in new housing construction in the region for the 12 months ending September 2004. A generally improving economy and continuing low interest rates enabled most areas to support an increasing volume of new sales housing. A total of 464,900 single-family homes were issued permits in the eight states in the region during the 12 months ending September 2004, an increase of 67,427, or 17 percent, over the number authorized during the preceding 12 months. Increases were reported in all eight states, with Florida recording the largest absolute increase, 32,752 units, and the largest percentage increase, 22 percent. The Orlando area, where single-family permits increased by more than 29 percent during the 12 months, contributed almost 19 percent of the total activity for the state for the period. Atlanta continued to lead the region's metropolitan areas in the total number of single-family permits issued with 58,645, an increase of 11 percent.

Sales figures released by local and state boards of REALTORS® in the region indicate continuing strong sales of existing single-family homes for 2004. Most areas reported double-digit increases in activity. Sales increases of 22 percent, 14 percent, and 16 percent were reported for Knoxville, Memphis, and Nashville, respectively, for the 12 months ending September 2004, compared with the preceding 12 months. The Mississippi Gulf Coast Multiple Listing Service reported an increase in existing home sales of 31 percent over the same period a year ago. The North Carolina Association of REALTORS® reported a 23-percent increase in existing home sales in the 17 areas for which it collects information.

MIDWEST



Economic conditions improved moderately in the Midwest region during the third quarter of 2004. Total resident employment for the 12 months ending September 2004 rose by 0.7 percent to an average of 25 million, or an increase of 180,700 jobs, compared with the prior 12-month period. The gain was significant because the period 12 months earlier registered a decline of 80,000 jobs. In the category of nonfarm employment, the rate of job loss has slowed significantly in the past 12 months to 0.2 percent compared with 0.8 percent for the 12 months ending September 2003. Changes in nonfarm employment levels were mixed among the six-state region. Indiana, Minnesota, and Wisconsin recorded job gains, and Illinois, Ohio, and Michigan registered job losses. The region's unemployment rate declined from 6.1 to 5.9 percent during the past year. Unemployment rates ranged from a low of 4.7 percent in Minnesota to a high of 6.9 percent in Michigan.

The primary growth sectors during the past year were educational and health services, and leisure and hospitality. Annual job growth in these sectors measured between 1 and 3 percent throughout the six-state region for the 12-month period ending September 2004. Weakness in the manufacturing sector continued to slow growth for most states in the region. Michigan registered a decline of 3 percent in manufacturing employment, primarily because of losses in motor vehicles and related industries. Ohio also recorded a 3-percent decline, but decreases were spread over many industries. Manufacturing jobs declined 2 percent in Illinois, and less than 2 percent in both Indiana and Wisconsin. Minnesota was the only state in the region where manufacturing employment was stable.

The rate of population growth in the Midwest region has been lower than the nation overall because of slower economic recovery. According to census estimates, the population for the region totaled 50.9 million as of July 2003 for an annual increase of 0.5 percent since 2000 compared with a 1-percent increase for the nation as a whole.

Despite slow employment and population growth, sales of existing homes continued to be strong into the third quarter of 2004 because of the low mortgage interest rates. Strong spring and early summer sales levels indicate the region's homes sales in 2004 may exceed those in 2003. The Illinois Association of REALTORS® reported that statewide existing home sales for the first 8 months of 2004 were up 5 percent compared with the first 8 months of 2003 and that condominium sales rose 11 percent. In Ohio, sales of existing homes through September 2004 were 7 percent higher than the same period in 2003. The Minneapolis Area Association of REALTORS® reported a 3-percent increase in existing sales for the first 9 months of 2004. Home sales in Indianapolis were especially strong, up 10 percent year-to-date through August according to the Metropolitan Indianapolis Board of REALTORS®. In Michigan, sales for 2004 through August were up 5 percent, compared with the same period in 2003 based on data from the Michigan Association of REALTORS®. According to data provided by the Wisconsin REALTORS® Association, accumulated sales in Wisconsin through the second quarter of 2004 were 6 percent higher than in 2003.

Strong price appreciation reflected the steady demand for homes in the region. The average price of homes sold in the first 8 months of 2004 in Michigan was $147,700, 3 percent above the same period in 2003. The average home price in Illinois rose 7 percent to $221,200 over the same period. In Ohio, the average price for sales in the first 9 months of 2004 increased by 2 percent to $151,700, compared with the same period in 2003.

The strong sales markets in the Midwest resulted in an increase in single-family building permits. Permits for 209,100 single-family homes were issued in the 12 months ending September 2004, up 6 percent from the previous 12-month period. All states in the region registered increases ranging between 1 and 16 percent.

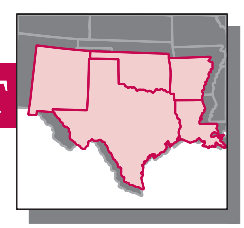
Rental market conditions in most of the Midwest region remained competitive during the third quarter. A steady shift of renters to homeownership, combined with slow employment and population growth, has reduced the demand for rental units over the past few years. In addition, low interest rates have supported the construction of new apartment units leading to an oversupply in a number of housing markets. Much of the new construction has been targeted to high-end rentals and has to compete with homeownership. Conversions of apartments to condominiums have reduced the excess rental inventory in some market areas.

In Springfield and Peoria, Illinois, vacancies are currently above 10 percent according to recent surveys. New construction in both Indianapolis and Columbus pushed rental vacancy rates near or above 10 percent during the past year. A reduction in new apartment development in 2004 did lead to a slight decline in the apartment vacancy rate in the Cincinnati area, but it remains above 9 percent. In the Cleveland area, limited new development has allowed the market to become more balanced and the apartment vacancy rate has fallen to near 7 percent. Downtown Cleveland, however, continues to register a vacancy rate of 15 percent. With more units in the pipeline for 2004, conditions are expected to remain extremely competitive in this submarket.

In Detroit, the vacancy rate remained near 7 percent as of the third quarter of 2004, mainly because of continued job losses in manufacturing and competition from the sales housing market. The Minneapolis-St. Paul rental market has tightened from a vacancy rate of 7 percent in September 2003 to 6.7 percent in September 2004 according to a survey by GVA Marquette Advisors. Conditions in the Chicago rental market are beginning to tighten with the vacancy rate at an estimated 6 percent because of the strengthening local economy and limited new supply.

The soft rental market conditions led to a 12-percent reduction in the number of multifamily units permitted throughout the region for the 12 months ending September 2004 relative to the prior 1-year period. During this period, 54,600 units were permitted compared with 62,100 units during the prior 12 months. The decline was greatest in Ohio with a 27-percent reduction. Indiana followed with a decline of 21 percent.

SOUTHWEST



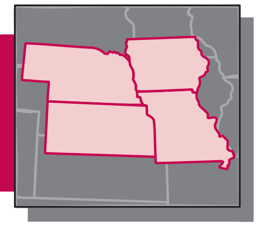
The Southwest recorded the first employment gains in more than 3 years during the third quarter of 2004. Nonfarm jobs increased and conditions continued to improve through the third quarter. Employment exceeded 14.7 million for the year ending in September, an increase of 57,000 over the period ending in September 2003. The region recorded gains in most sectors, led by a 2.7-percent increase in education and health services, offsetting the 2-percent decreases in manufacturing and information. In Texas, nonfarm employment increased by 38,000 for the period. Only Oklahoma reported a loss in employment of 4,500 jobs, compared with a loss of 40,000 jobs in the prior 12 months. At the present rate, Oklahoma may record net employment growth during the fourth quarter. Unemployment in the Southwest averaged 5.9 percent for the 12 months ending September 2004.

Just as the economy appears to be rebounding, the record levels of residential building activity may be ending. Single-family home construction in the Southwest continues at a record pace, but multifamily building activity experienced a significant decline. Single-family permits were issued for 193,321 homes in the region over the 12-month period ending June 2004, an increase of 13,300, or 7 percent, compared with the year-earlier period. The demand for homeownership remains very strong, despite the slower economy and changing interest rates. A record 229,700 homes were sold in Texas during the 12 months ending in August 2003, or an 11-percent increase over the previous 12 months. The average price was up 3.5 percent to $162,900.

Multifamily permits were issued for 48,694 units during the 12 months ending September 2004, a decline of 14 percent compared with permits issued for 56,427 units for the same period ending September 2003. Multifamily permit activity declined for the second quarter in a row. The continued decline should help bring supplies back into balance and help improve conditions in the soft rental markets in the region's largest metropolitan areas. Much of the new upscale market rate rentals being built, however, must compete with new sales housing. Monthly payments for the lowest priced new construction single-family homes are often below the rents in newly constructed Class A rental projects.

Rental market conditions in the larger metropolitan areas in the Southwest showed slight improvement during the current quarter. Despite this positive sign, occupancy rates in many of the larger markets are still below 90 percent and concessions are widespread. Houston is the only area where apartment occupancy rates continue to decline, and with more than 15,000 units reported still under construction, the occupancy level is likely to fall further in the coming months. Occupancy levels may improve in some areas as a result of the number of existing apartment units being converted to condominiums and the continued decline in construction activity. It will take a sustained economic recovery and lower building activity, however, to have a significant improvement in rental market conditions throughout the Southwest.

Great Plains



The economy in the Great Plains showed some moderate improvement during the third quarter of 2004. During the 12-month period ending in September, nonfarm employment increased by 100,000 jobs to 6.4 million. Job declines in the manufacturing and transportation sectors were offset by regionwide gains in finance and insurance, and in health services, up 2 percent and 3 percent, respectively, during this period. For the first time in 3 years, Missouri, the largest state in the region, showed an increase in the number of nonfarm workers, up 1 percent, largely because of job increases in the healthcare industry. Iowa also posted a near 1-percent increase in nonfarm employment, while Kansas and Nebraska recorded employment declines of less than 0.5 percent. All states in the region recorded a drop in the unemployment rate over the past 12 months. Regionwide unemployment averaged 4.5 percent over the past 12 months compared to 4.9 percent a year earlier.

Nonfarm employment increased in most major metropolitan areas in the region. In St. Louis, nonfarm employment increased 2.6 percent over the past 12 months, despite a 4-percent loss in transportation jobs caused by American Airlines' decision to cut more than 300 daily flights from its St. Louis hub. Manufacturing employment rose in St. Louis primarily because of increased employment at Boeing Aircraft's manufacturing plants in the area. In Des Moines, nonfarm employment rose nearly 3 percent, with construction and manufacturing up 18 percent and 9 percent, respectively.

New home demand and residential construction remained strong in the region with 51,000 single-family permits issued over the 12-month period through September 2004, up 16 percent compared with 2003. Single-family activity was up 28 percent in Iowa, 20 percent in Kansas, 12 percent in Missouri, and 12 percent in Nebraska. The existing sales market also continued to exhibit strength in the region. In St. Louis, year-to-date existing sales increased 10 percent, while the average existing sales price rose 6 percent to $141,000. In Omaha, existing home sales increased approximately 6 percent, while the average sales price increased 10 percent to $143,300 through September.

During 2004, sales prices continued to increase in all states in the region but at a slower rate than in the nation, according to the OFHEO home price indexes. The most recent OFHEO home price indexes through June 2004 indicate an annual rate of increase of 5 percent in St. Louis, 3 percent in Omaha, and 4 percent in Des Moines, compared with a 6.5-percent annual increase nationwide.

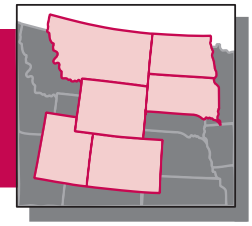
As a result of the relatively soft market conditions in rentals throughout much of the region, the volume of multifamily construction has been relatively low. Multifamily permit activity increased 2 percent in the region with approximately 13,000 permits issued during the 12-month period through September 2004 compared with the same period in 2003. A substantial decline in activity occurred in Missouri, down 12 percent. Activity increased by 7 percent in Nebraska, 11 percent in Iowa, and 18 percent in Kansas.

Rental vacancies remained relatively high and market conditions continued to be competitive in the metropolitan areas in the region. In St. Louis, an average rental vacancy rate of approximately 9 percent has existed in the metropolitan area over the past year. Rent increases have been minimal, averaging less than 2 percent a year. The St. Charles County submarket has registered the highest vacancy rate at 12 percent and Franklin County the lowest rate at 5 percent. The high vacancy rate in St. Charles has developed because of the high volume of new units entering the market at a time when absorption has slowed as renters continue to shift to homeownership.

In Omaha, market conditions have remained balanced and the rental vacancy rate has averaged approximately 7 percent over the past 12 months. Conditions are tighter in areas in the southern sections of the metropolitan area where demand for rentals has increased from military personnel at Offutt Air Force Base.

Anchored by the newly built Qwest convention center, new rental and condominium units are being added to downtown Omaha. The Riverfront Place, currently under development, will contain nearly 50 units priced at $200,000. A newly proposed 83-unit condominium and rental development will be located in the Old Market area. Condo prices in the development would range between $200,000 and $250,000, while rents have yet to be determined for the development's rental units.

Rocky Mountain



Montana, Utah, and Wyoming continue to lead the Rocky Mountain region in the economic recovery through the third quarter of 2004. With rising energy prices, and increased employment in the natural resources and mining sectors, Wyoming led the region with a 1.9-percent increase in total nonfarm employment during the 12-month period ending in September 2004 compared with the same period in 2003. Average employment in Utah was up 1.3 percent from 1 year ago, a significant change compared with the losses recorded for 2003. Colorado recorded a sixth straight month of employment increases. Low unemployment rates continue across the region. Seasonally adjusted rates varied from 3.6 percent in North Dakota to 5.1 percent in Montana. Except for Montana, all were well below the rates of last year, with Colorado showing the most dramatic improvement. As of September, Colorado's unemployment rate of 4.9 percent was more than 1 percent below the rate a year ago.

In Colorado, the telecommunications and manufacturing sectors registered losses of more than 48,000 jobs from 2001 through 2003. New jobs are now being created in health care and social services, leisure and hospitality, state and local government, and professional and business services. The outlook is for job growth to continue to improve as the area rebounds from a period of job losses. The Business Leaders Confidence Index published by the University of Colorado remained well above 60 in each quarter of 2004, indicating that the economy continues to be in a highly expansionary mode. Travel and tourism in Colorado and Utah for the coming ski season is expected to improve substantially this year. Ski resort hotel and airline reservations are up by as much as 10 percent from last year and advanced season tickets in some resorts are up by as much as 25 percent. Employment conditions continued to improve in the Denver-Boulder metropolitan area. The unemployment rate of 4.7 percent in September 2004 was well below the 6.0 percent recorded a year earlier.

Improved economic conditions throughout the region contributed to lower mortgage loan foreclosure rates. Second quarter 2004 data published by the Mortgage Bankers Association show decreases from the first quarter in single-family foreclosures in all Rocky Mountain states. Utah continues to post the region's highest foreclosure rate at 1.6 percent. Foreclosure rates range from 0.5 percent in North Dakota to 1 percent in Colorado. The average regional rate of 0.9 percent is still double the rates of the early 2000s.

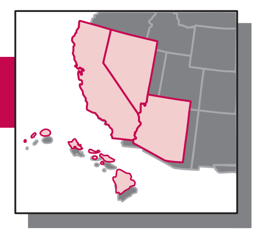
Residential building activity through September 2004 increased in all Rocky Mountain states. Wyoming led the region with a 30-percent increase, albeit on a small base, followed by South Dakota and Colorado, which posted increases of approximately 20 percent each. Gains in Montana, North Dakota, and Utah were under 10 percent. Colorado, whose permit activity declined in 2002 and 2003, accounted for more than 50 percent of the increase for the region in the first 9 months of 2004. Multifamily permit activity increased during the first 9 months of 2004. In Colorado, activity was up 27 percent, after declines of 30 and 55 percent in 2002 and 2003, respectively.

Despite weak employment conditions in the Denver-Boulder area, single-family residential activity, as measured by building permits, for the first 9 months of 2004 increased 20 percent compared with the same period last year. Residential sales activity through September is 13 percent ahead of last year. The rental market in the Denver-Boulder metropolitan area remains soft but shows signs of improvement. In a survey published by the Apartment Association of Metro Denver, the rental vacancy rate is 8.5 percent in the third quarter of 2004, down from 11.1 percent as of the third quarter of 2003. Contributing to the improvement was a reduction of new apartment completions, falling from more than 9,000 units in 2002 to less than 3,000 expected for 2004.

In the Salt Lake City area, the growing economy continues to make the housing market very active. According to the Wasatch Front Multiple Listing Service, existing single-family home sales for the first 9 months of 2004 were up 4 percent from last year at this time, and the average sales price increased by 5 percent to $181,800. Increases in sales volume were greatest in Davis and Weber Counties, but prices increased at a greater rate in Salt Lake County. The rental market strengthened a bit in the third quarter of 2004, but remains competitive. Reis, Inc., reported that the third quarter apartment vacancy rate was 6.6 percent and modest rent increases have resumed. Although the market has improved, much of the improvement is in new developments. Older and smaller developments are lagging the broader market. Local sources report that the average vacancy rate for developments in this segment of the market exceeds 10 percent.

In other metropolitan areas, Fort Collins-Loveland, Greeley, and Pueblo, Colorado, have also shown signs of improving economies. Total employment was up for the 12 months ending in September 2004 over the previous 12 months. Greeley and Pueblo recorded relatively strong rates of 2.0 and 1.8 percent, respectively, while Fort Collins-Loveland posted a slight increase of 0.5 percent. Single-family and multifamily building permit activity for the 12-month period ending September 2004 has been steady in these areas and comparable to a similar period a year ago. Through the first two quarters of 2004, the Colorado Association of REALTORS® reported an increase in sales and the median sales price of existing homes. Activity increased a substantial 16 percent in Fort Collins-Loveland, 2.4 percent in Greeley, and 5.8 percent in Pueblo. The median sales price rose to $223,270 in Fort Collins-Loveland, to $180,600 in Greeley, and $110,880 in Pueblo.

PACIFIC



The economy continued to improve in the Pacific region through the third quarter of 2004. Nonfarm employment rose by 164,000 jobs, or 0.9 percent, to 18.6 million in the 12 months ending September 2004. California employers added 60,000 jobs, primarily in the construction sector and the professional and business services sector. The severe job losses that have occurred in manufacturing for the past several years appear to have ended because of increased sales of electronic equipment and semiconductors to international markets. Continued budget problems in California, however, led to a decline in state and local government payrolls. The job growth in the state occurred mostly in Southern California and the Central Valley. Employment levels were stable in most parts of the San Francisco Bay Area for the first time since 2000.

Nevada led the region in the rate of job growth, at 4.3 percent, or 45,900 new jobs, mostly in Las Vegas and Reno in the gaming, tourism, and convention industries. In Arizona, employment rose by 48,000 jobs, or 2.1 percent. The fastest growing industrial sector in both Nevada and Arizona was construction, reflecting a continued high rate of population growth from in-migration and subsequent increasing demand for new homes. Due to the recovery of domestic and international tourism, Hawaii registered a 2.1-percent gain, or an increase of 11,900 jobs.

The unemployment rate in the region improved to 6 percent for the 12-month period ending September 2004, down from 6.5 percent in the previous 12-month period. Hawaii had the lowest unemployment rate in the country at 3.6 percent, which was also the lowest jobless rate recorded for the state in 13 years. Nevada and Arizona registered unemployment rates of 4.4 and 4.8 percent, respectively, with strong job gains in both states reducing unemployment by nearly 1 percentage point compared with the prior 12-month period. California's unemployment rate was 6.3 percent, though Orange and San Diego Counties both recorded rates below 4 percent.

Supported by economic growth and favorable interest rates, home sales in the region continued at a very strong pace through the third quarter, and all four states were expected to reach record-level sales totals in 2004. According to the California Association of REALTORS®, existing home sales averaged an annualized rate of 617,700 homes through the first 9 months of the year, 5 percent above the rate during the same period in 2003. The median sales price in California reached $468,000 as of the third quarter.

In the San Francisco Bay Area, total new and existing home sales for the first 9 months of 2004 were 14 percent above the same period in 2003. Based on sales for the same period in Southern California, total sales for the year could equal or exceed the near record level of 2003. Resales in the Phoenix area reached approximately 84,000 homes during the first 9 months of 2004, a 30-percent gain, and Hawaii single-family sales rose 5 percent over the same period.

Reflecting the continued strong demand for new homes, single-family building permit activity in the Pacific region increased 16 percent to 274,000 units in the 12 months ending September 2004. The number of single-family homes permitted in the region has increased every year since 1995 and is on track to reach a record level in 2004. In California, permits rose 11 percent; Arizona and Nevada single-family permits increased by 24 and 23 percent, respectively.

Rental markets continued to tighten throughout most of the Pacific region because of both job growth and increased demand for rentals as a result of rapidly increasing prices in the sales market. During the third quarter, the San Francisco Bay Area market remained balanced with a rental vacancy rate of 5.5 percent.

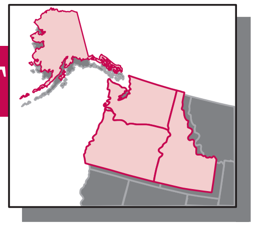
Modest rent increases occurred in the North and South Bay, and local sources reported a reduced level of concessions. Due in part to the completion of new upper-end apartments in the Roseville and Rocklin areas, the apartment vacancy rate in the Sacramento area rose to 6 percent from 5 percent a year ago. The rental market in Fresno remained balanced with a 6-percent vacancy rate, and strong demand from employment and population growth fueled average rent increases of 4 percent in the past year.

Southern California rental markets reflected steady demand for rental housing. Vacancy rates in Los Angeles and Orange Counties were at approximately 5 percent, and Riverside, San Bernardino, and San Diego Counties registered apartment vacancy rates around 6 percent amid balanced conditions. The South Coast portion of Santa Barbara County and Ventura County continued to exhibit the tightest market conditions with vacancy rates below 4 percent. Conditions are tightening in Riverside and San Bernardino Counties. These two counties have registered the fastest rates of household growth in the greater Los Angeles region due to commuters in neighboring counties seeking affordable housing. Rents in surrounding counties are typically $200 to $400 higher than in Riverside and San Bernardino.

In Phoenix, the rental market continued to improve during the third quarter. A rental vacancy rate of an estimated 8.5 percent for properties of 20 or more units was reported by Arizona State University compared with 10 percent a year earlier. The reduction was attributable, in part, to a steady increase in job growth and an early influx of seasonal visitors to the area. In addition, apartment completions have been at relatively low levels for the past 2 years. Asking rents grew less than 1 percent annually, and although concessions were still prevalent, local sources indicated they were declining gradually.

In response to improved rental market conditions, a total of 72,800 multifamily units were permitted for the 12 months ending September 2004, a 5-percent gain compared with the previous 1-year period. California multifamily permits rose 5 percent and multifamily activity in Arizona increased nearly 24 percent to 10,000 units. In Nevada, production declined 26 percent to 7,400 units, due in part to the relative scarcity and high cost of developable sites in Las Vegas.

Northwest



Employment gains were recorded throughout the Northwest region during the third quarter of 2004. Total regional nonfarm employment rose 1.3 percent to an average of 5.15 million jobs as of the 12 months ending September 2004. Employment in all four states benefited from improved export markets that boosted trade-related jobs, as well as computers and electronics manufacturing employment. In addition, the strong demand for housing increased construction employment throughout the region. Idaho registered the highest rate of growth, up 1.5 percent, or 8,800 jobs, due in great part to gains in employment services, construction, manufacturing, and retail trade. Washington recorded the largest total gain of 36,900 jobs, an increase of 1.4 percent, because of construction, trade, and professional and business services. The rate of growth in Alaska measured 1.3 percent, in part because of gains in healthcare services. Business services, as well as construction and manufacturing, contributed to an increase of 17,900 jobs in Oregon during the past year for a 1-percent gain. The regional unemployment rate averaged 6.6 percent for the 12 months ending September 2004, down from 7.5 percent a year ago. The unemployment rate was 4.9 percent in Idaho, 6.5 percent in Washington, 7.3 percent in Oregon, and 7.5 percent in Alaska.

The rate of population growth in the Northwest region exceeded the rate for the nation as a whole, based on census estimates for the 2000 through 2003 period. Regional population growth measured 3.9 percent for the 3-year period, compared with 3.1 percent in the nation overall. Population growth was fastest in Idaho, up 5 percent, with growth rates in the remainder of the region ranging between 3.4 percent and 3.8 percent. As of July 1, 2003, the regional population totaled 11.7 million.

Improved economic conditions, combined with steady population growth and low mortgage interest rates, maintained the strong demand for homes in the Northwest. In the Seattle metropolitan area, existing home sales increased 8 percent to 33,700 year-to-date through September 2004, according to data from the Northwest Multiple Listing Service. Sales rose 10 percent in the Olympia area, 7 percent in the Bremerton area, and 4 percent in the Tacoma metropolitan area. Popular retirement and vacation home markets registered even higher gains in closings, including San Juan County where sales rose 40 percent. Price appreciation reflected the strong demand for homes throughout Washington. The median sales price registered a 10-percent gain in both the Seattle and Tacoma areas, and an 11-percent increase in the Bremerton and Olympia metropolitan areas. The median sales price reached approximately $298,300 in the Seattle area, $195,600 in the Tacoma area, and $183,000 in the Olympia area for the first 9 months of the year. In the Bremerton area the median sales price was $205,000, and in San Juan County the median sales price rose 21 percent to $375,000.

Sales market conditions were also strong in Oregon and Alaska. New and existing sales in major western Oregon markets rose 11 percent compared with the first 8 months of 2003, and the median sales price increased to $192,200, an 8-percent gain. The available inventory for sale declined 20 percent in most counties because of the exceptionally active sales markets. Sales in Douglas and Coos Counties increased by 44 and 29 percent, respectively, and the Portland metropolitan area recorded an 11-percent increase in sales. The high demand for homes led to rapid price appreciation that measured 33 percent in Coos County and 14 percent in Douglas County. The median sales price in the Portland area rose 12 percent to $181,800. Based on Anchorage Multiple Listing Service data, the total number of homes sold was essentially unchanged from the record-level pace set last year at 2,300 closings. The average sales price rose 9 percent to $254,400, the highest appreciation rate in 3 years. Realtors in Idaho reported strong demand, particularly in the Boise area.

Single-family building activity increased in response to the demand for homes. Single-family permits were up 10 percent through September 2004 compared with the first 9 months of 2003. Home permits in Idaho rose 16 percent to 10,900, followed by Oregon, up 11 percent to 16,500 permits. Activity registered a 10-percent gain in Alaska and a 7-percent increase in Washington, where 28,800 permits were issued.

Rental market conditions in the Northwest were still generally competitive, although there were some signs of improvement. In the Puget Sound region, vacancy and rent trends were mixed. According to data from the Dupre + Scott Fall 2004 Apartment Vacancy Report, the estimated apartment vacancy rate was 7.4 percent in the Seattle area, down from 8 percent in September 2003. The percent of properties surveyed that were offering concessions declined; rents, however, decreased by 2 percent. The average overall rent in King County was $841 and in Snohomish County was $744. The apartment vacancy rate was 8.2 percent in the Tacoma area, up from 6.9 percent a year ago, and rents were flat. Military deployments were cited as the reason for the increased vacancies in the Tacoma area, as well as the Bremerton area where the vacancy rate rose to 7.1 percent, compared with 3.7 percent in September 2003. Market conditions were still fairly balanced in the Olympia metropolitan area where the vacancy rate rose from 4.7 percent a year ago to 6.1 percent as of September 2004. Average rents in Olympia increased by 1.8 percent over the year to $682 per month. In Eastern Washington, an influx of new units and slower economic conditions pushed the Richland-Kennewick-Pasco metropolitan area's rental vacancy rate to 8.2 percent, compared with 3.9 percent a year earlier according to the Spring 2004 Washington State University survey. Rents increased 1 percent, but concessions were common throughout the Tri-Cities market. In the Spokane metropolitan area, the vacancy rate rose to 6.2 percent from 4.5 percent last year, and the average rent declined by 5 percent to $512 per month.

Rental market conditions were similarly competitive in Oregon where the Portland metropolitan area's rental vacancy rate was an estimated 8 percent, down from 8.5 percent a year ago. Rents declined, however, by 2.5 percent, in the Portland market during the past year. Market conditions in the Medford area were also soft, but the vacancy rate in the Eugene-Springfield area was more balanced at 6.5 percent, and the Bend market tightened to 5.7 percent in October 2004, compared with 7.3 percent in June 2004. Idaho and Alaska exhibited stronger rental market conditions than the rest of the region. Markets in Idaho were tight, with the exception of the Boise metropolitan area and nearby Cassia, Minidoka, and Elmore Counties, where the vacancy rate measured 8.2 percent, down from 9 percent last year. The Anchorage rental vacancy rate was an estimated 4.5 percent, unchanged from a year ago. Several new apartment complexes were in the planning stages, including the McKay Building, which has been a vacant shell for more than 20 years. Redevelopment plans include 100 general occupancy, rental units on the top six floors and 58 assisted living units on the first four floors.

Multifamily building declined by just 1 percent year-to-date through September 2004 compared with the same period in 2003. Permits were issued for more than 16,000 units, of which nearly half were in Washington, 5,100 were in Oregon, 1,800 were in Idaho, and 1,100 were in Alaska.

Housing Market Profiles

Aguadilla, Puerto Rico

The Aguadilla metropolitan area is located about 82 miles west of San Juan, Puerto Rico, and comprises the municipalities of Aguada, Aguadilla, and Moca. The city of Aguadilla is home to most of the commercial, industrial, and residential development in the metropolitan area. Between April 2000 and April 2004, the metropolitan area's population increased at an average annual rate of 1 percent to 152,100.

The economic base of the area, formerly dependent on the agricultural and apparel manufacturing sectors, now relies on electronics and other manufacturing sectors. The area is heavily dependent on the government and other service-providing employment sectors such as education, health, and trade, transportation, and utilities. By the year 2010, the service-providing employment sectors, especially education and health, are expected to have the highest concentration of employment. From 2000 to 2003, the service-providing sector increased annually by 1,700 jobs, or 2.7 percent, while the goods-producing sector declined by 618 jobs each year, or 2.3 percent. The decline in manufacturing employment is due to job reductions in the footwear industry. The trend away from goods-producing employment will continue during the next year as the economy continues to rely on the service-providing employment sector.

Total employment for the 12-month period ending September 2004 averaged 43,426, up 1,588 jobs, or 3.8 percent, from the comparable period a year ago. The manufacturing sector is expected to show some gains mainly in computer chip fabrication. Trade and transportation employment will receive a boost from the conversion of the Aguadilla Airport into an Aerial Distribution and Logistics Center as enhanced transportation services are provided to important technological and pharmaceutical concerns located on the western part of Puerto Rico. The commonwealth government, through its local tax exemption program, has attracted new factories engaged in the production of computer chips, printer ink cartridges, metal doors, and windows and the processing of foodstuffs. These plants are projected to bring about 500 jobs to the area.

According to Puerto Rico Department of Labor estimates, the unemployment rate in the metropolitan area as of September 2004 was 13.3 percent, 3.5 percent above the average rate of 9.8 percent for Puerto Rico as a whole. Although the area has experienced the negative effects of a declining manufacturing base, job losses have eased. Service-providing industries, led by increases in trade and transportation, will keep the unemployment rate generally stable during the balance of 2004.

Residential building activity in the metropolitan area totaled 770 units for the 12 months ending August 2004, up 40 units, or 6 percent, compared with the same period a year ago. Single-family homes accounted for 94 percent of this total. The majority of these units are initially purchased as owner-occupied units; about 20 percent are later converted to rental units. This process meets the demand for market-rate rental housing not served by new multifamily developments. Low renter income levels in the area are generally not sufficient to support new large-scale, market-rate rental developments. Rental demand is also served by construction of second-story apartments above existing single-family dwellings and small-scale construction of walk-up apartment projects containing four to six units per building. The comparatively lower development and operating costs of these units enable developers to market the units at more affordable rents.

The average sales price for new single-family homes is $86,000, with the low end starting at $70,000 and luxury units priced in excess of $200,000. Demand remains strong for single-family units priced between $70,000 and $120,000. These units sell in 6 months or less; those priced in the $120,000 to $200,000 bracket sell in 6 to 12 months. Units priced above $200,000 are taking more than a year to sell because this market is currently overbuilt. The average sales price of condominium apartment units is $132,000, with prices typically ranging from $45,000 to $330,000. The more expensive condominium units are primarily high-end vacation homes selling for more than $300,000.

In the third quarter of 2004, the rental vacancy rate in the metropolitan area was around 5 percent, reflecting a tighter market than reported in the 2000 Census, when the rental vacancy rate was 6.7 percent. Average monthly market-rate rents for new rental housing in the Aguadilla area were $275 for a one-bedroom unit, $350 for a two-bedroom unit, and $400 for a three-bedroom unit.

Atlanta, Georgia

The Atlanta metropolitan area is a major transportation hub and headquarters for 24 Fortune 1000 companies, including United Parcel Service, BellSouth, Coca-Cola Company, Georgia-Pacific, The Home Depot, and Delta Air Lines. With Atlanta as the state capital, the metropolitan area has a large assortment of state offices, departments, and agencies, along with the largest concentration of federal agencies outside Washington, D.C., including the national headquarters for the Centers for Disease Control and Prevention.

The Atlanta-Sandy Springs-Marietta Metropolitan Statistical Area comprises 28 counties. Between 1990 and 2000, the population in the metropolitan area increased rapidly at an average annual rate of 3.8 percent to 4,247,981 due to in-migration. Since 2000, the rate of population growth has slowed but continues to grow relatively rapidly. As of July 1, 2003, the Census Bureau estimated the population of the area at 4.61 million, representing an average annual increase of 2.6 percent since 2000. Although rates of change have slowed, four counties in the area are among the 10 fastest growing counties in the United States.

The rapid rate of population growth during the 1990s was due to strong and diversified economic growth that provided employment opportunities for the large numbers of people moving to the area. Nonfarm employment grew by an average of 78,000 jobs a year between 1993 and 2000. The local economy weakened significantly, however, as the national economy entered the recession in 2001. The greatest impacts occurred in the telecommunications, information technology, tourism, and transportation industries, in which many of the area's largest employers reduced payrolls. Employment declines began during the summer of 2001. Nonfarm employment fell by 23,500, or 1.1 percent, in 2002 and by 9,900, or 0.5 percent, in 2003. Nonfarm employment for the 12-month period ending September 2004 averaged 2,171,900, a 0.5-percent increase, or 10,400 jobs, over the preceding 12 months. Nonfarm employment for the area, however, remains 20,100 jobs below the 2001 average of 2,192,000. During the last 12 months, employment gains were reported in the goods-producing and service-providing sectors. Goods-producing employment increased by 3,500, or 1.2 percent, while service-providing employment increased by 6,900, or 0.4 percent.

Construction employment rebounded during the past 12 months with a gain of 4,300 new jobs, or a 3.8-percent increase. Atlantic Station, the largest mixed-use construction project in Georgia, is currently being developed on a 138-acre site that was formerly a steel mill in the Midtown area. The project is ultimately expected to include 12 million square feet of retail, office, residential, and hotel space and 11 acres of public parks.

Tourism in the Atlanta area also appears to be rebounding. Employment in the leisure and hospitality sector increased by 7,100 jobs, or 3.6 percent, during the 12-month period ending September 2004 compared with the preceding 12 months.

The Atlanta area consistently leads the nation in single-family building permit activity. During the 12 months ending September 2004, permits were issued for 58,645 new single-family homes in the metropolitan area, an increase of 11 percent over the prior 12-month period. Most of the new homes are being built in the northern and southwestern suburbs beyond the Interstate 285 loop. Some builders, however, have begun to move into the smaller infill development market in established neighborhoods. Although land is more expensive in the closer-in communities, local officials and residents are more accepting of higher density developments, and buyers are showing a willingness to pay the higher prices.

Existing home sales in the Atlanta metropolitan area were strong during the first three quarters of 2004, according to the Georgia Multiple Listing Services. The 52,826 homes sold in the 20-county area covered by the service indicate an increase of 12 percent over the number of homes sold in the same period in 2003. The average sales price for homes sold during the first three quarters of 2004 was $192,068, up 4 percent from the same period last year.

Atlanta was the most active market for new apartment development in the nation during the later half of the 1990s, as strong job growth supported rapid increases in rental demand. As job growth began to slow in 2001, rental occupancy in the Atlanta market declined markedly. Overall occupancy fell from the mid-90-percent range in 2000 to below 90 percent in 2003. Despite a slowing economy, construction activity remained high, which contributed to excess supply. At the same time, a significant number of renters have taken advantage of low interest rates and affordable prices to become homeowners, further weakening conditions in the rental market. The market is showing signs of recent improvement, however. M/PF Research, Inc., reports that as of September 2004, apartment occupancy in the Atlanta metropolitan area increased to 92 percent with the absorption of 13,580 units during the past 12 months. Further improvement in *occu-*

pancy is expected because developers have cut back activity. At the end of the third quarter, 8,743 apartment units were under construction, well below earlier levels. M/PF Research data also indicate that after 3 years of decreases, effective monthly rents moved up by 0.6 percent during the past 12 months; however, significant rental concessions remain widespread.

Bloomington-Normal, Illinois

The Bloomington-Normal metropolitan area, consisting of McLean County, is the economic and regional trade center of central Illinois. The leading industry sectors are insurance, government, education, and health services. State Farm Insurance, headquartered in Bloomington, employs 1 of every 11 residents, or 14,100 workers, and is the leading private sector employer in the area. Illinois State University (ISU), with a fall 2004 student enrollment of 20,420, is also a major factor in the local economy.

As of April 2004, the area's population is estimated at 156,300, an average annual increase of 1.0 percent since the 2000 Census. More than 70 percent of the population growth occurred in McLean County's two largest cities of Bloomington and Normal. Since 2000, population growth in the metropolitan area has slowed because of slower employment growth. Net in-migration has averaged 400 people annually since 2000 compared with 1,180 people annually from 1990 to 2000.

After steady economic growth in the 1990s, the local economy has declined since 2000. Between 2000 and 2003, nonfarm employment declined by 1,500 jobs, or 1.5 percent annually. Many of the job losses were the result of downsizing by major area employers. State Farm's corporate restructuring accounted for half the jobs lost in the financial activities sector. For the 12 months ending September 2004, nonfarm employment declined by 1 percent to 90,150 workers compared with the same period a year ago. Despite weak employment conditions, the unemployment rate for the area remains quite low, averaging 3.0 percent for the 12-month period ending September 2004, a 0.4-percent increase from the previous 12 months.

Historically low interest rates and affordable housing prices resulted in steady sales. According to the Bloomington-Normal REALTORS® Association, sales for new and existing homes increased each year from 2000 through 2003 and totaled 2,290 in 2003. In the second quarter of 2004, the median sales price for an existing home in the area was $148,900. Demand for new housing is strongest for homes priced between $150,000 and $200,000. Local homebuilders estimate the average price for a new home to be $150,000, with a range between $110,000 and $300,000. Single-family building permits totaled 700 units for the first 9 months of 2004 compared with 785 units during the same period a year ago. This decline was the result of builders slowing production as supply outpaced demand.

As a result of more competitive rental market conditions in Bloomington, multifamily construction, as measured by building permits authorized, has declined significantly. During the 12-month period ending September 2004, multifamily permit activity totaled only 175 units. The rental vacancy rate increased from 6.6 percent in 2000 to 9.5 percent as of the third quarter in 2004. Rents for upscale apartment complexes have declined. Concessions are being offered, with 1 month's free rent being typical. Older apartments that lack competitive amenities are reported to have vacancy rates of 15 percent or higher. The rental market remains tight, however, near the ISU campus. At least 13,200 ISU students live in off-campus housing and rent an estimated 3,800 housing units.

Chicago, Illinois

The Chicago metropolitan area, consisting of nine counties in northeast Illinois, was home to 8 million people in September 2004, an increase of 3 percent since the 2000 Census. Kane, Lake, and Will Counties experienced 80 percent of the population growth.

The Chicago area was significantly affected by the economic slowdown and downturn in manufacturing industries. In 2003, all major employment sectors except construction, financial activities, and health and educational services recorded declines. Of the 43,000 job losses in 2003, 60 percent occurred in the manufacturing sector. In 2004, the local economy is beginning to show signs of regaining strength. Total nonfarm employment averaged 4.1 million jobs for the 12 months ending September 2004, down 0.2 percent, or 7,000 jobs, compared with the previous 12 months. The rate of decline represents a significant improvement over the 1.2-percent decline, or loss of 50,000 jobs, during the previous 12-month period.

Because of strengthening business conditions, Chicago area purchasing managers in 2004 are more optimistic about the outlook for the local economy in the next 12 months. Manufacturing production and new orders were up in the first 9 months of this year compared with the same period in 2003. Ford Motor Company's recent $1 billion plant modernization and the addition of new supplier facilities in Chicago's southwest side are expected to boost manufacturing employment in the area by 1,500 jobs during the next 2 years. The unemployment rate in the city of Chicago was 7.6 percent in August 2004, down from 8.5 percent a year earlier. The Chicago labor force showed a 0.6-percent increase during the 12-month period ending September 2004, indicating that increases in employment are largely responsible for the decline in the unemployment rate, but the gain in employment has not yet stimulated significant increases in the city's labor force.

Sales of existing homes in 2004 continued to show strength throughout the metropolitan area. In the first 8 months, sales totaled 91,500, up 2 percent from robust sales for the same period in 2003. In the city of Chicago, condominium sales were very strong, up 13 percent from last year. Fueled by strong demand throughout the metropolitan area, the median sales price for existing homes in the second quarter of 2004 increased by 8 percent to $263,300. The Chicago area's strong sales market helped boost the homeownership rate in the third quarter of 2004 to a record 70.5 percent. At the current pace, existing home sales are likely to set another record in 2004. The Illinois Association of REALTORS® expects Chicago's existing sales market will remain healthy in 2005 because of the strengthening local economy and increased consumer confidence.

The market for new homes has been one of the bright spots in the local economy. Builders in the metropolitan area expect 2004 to be another record year for sales. Sales activity in the first 6 months was up 11 percent to 16,000 new homes. Activity was strong in the city of Chicago and the suburbs, where sales increased by 8 and 11 percent, respectively. The average sales price for new homes in the Chicago area was $306,700 in the first half of 2004, up 10 percent from last year. The Homebuilders Association of Greater Chicago reported that land for residential construction is scarcer now than it was last year; building materials, particularly concrete and lumber, are more expensive and have pushed up the price of new homes. Single-family permit activity totaled 32,235 units in the 12 months ending September 2004, a 1.3-percent gain over the same period in 2003.

With lower land costs and a diversified economy, south suburban Joliet continues to be one of the most active areas for new home construction. One of the largest developments is planned to include 2,000 units on the city's south side. The relatively affordable townhouses and single-family homes are expected to sell for $150,000 to $275,000.

The strong demand for new sales housing continues to boost residential development in revitalizing neighborhoods throughout the city of Chicago as well. A development of new single-family homes and duplexes in the Woodlawn community, one of Chicago's most physically distressed areas, has completed a first phase of 35 homes. The new homes sold quickly at prices between $195,000 and $360,000. A second phase with another 75 units at similar prices is expected to start construction in the next 12 months. In West Garfield Park, also one of the poorest neighborhoods in the city, new market-rate and affordable homes and apartments are planned for the neighborhood in response to the increased demand for housing. New condominiums priced between $275,000 and $350,000 will start construction in the fall of 2004. Another 20-unit development of affordable homes in the $150,000 to $225,000 price range is expected to start construction in 2005.

The South Loop neighborhood of Chicago remains one of the city's hottest residential markets with approximately 5,000 new sales and rental units under construction or planned for the area. The community's planned $500 million redevelopment of Franklin Point is one of the city's biggest residential projects, with 1,500 new condominiums and townhomes expected to enter the South Loop market during the next several years.

The Chicago Housing Authority continues to progress with its $1.5 billion, 10-year plan to revitalize public housing. In the past 5 years, one-half of the targeted 25,000 public housing units have been rehabilitated or replaced with new units. In September 2004, construction started on the $600 million Roosevelt Square project in the city's Near West Side neighborhood, which will replace the ABLA public housing complex with mixed-income housing. When completed in 2006, the 2,440-unit Roosevelt Square will have 800 public housing units, 670 affordable apartments and homes, and 970 market-rate homes for sale. The city of Chicago also expects 2004 will be another big year for affordable housing with $360 million planned for 11,000 new homes and apartments compared with $225 million committed last year. Chicago will boost its allocation to affordable housing in the 2004 through 2008 period to approximately $2 billion, up from $1.5 billion in 2003.

In 2003, Chicago was among the 10 most active metropolitan areas in the nation for construction of senior housing with an estimated 1,050 units, 700 of which are located in suburban areas. The same report, *2003*

Senior Housing Construction, showed that approximately 7,000 units were built for seniors throughout the Chicago area between 1999 and 2003, the fourth highest number of units built for seniors in U.S. metropolitan areas during the 5-year period. New senior housing, particularly new affordable apartments, typically receives strong market response. In Chicago's revitalizing Rogers Park neighborhood, a development of 120 tax credit units for seniors leased up quickly.

As a result of increased demand for condominium units, multifamily building permit activity in the metropolitan area has been strong for the past 3 years. From 2001 through 2003, building permits averaged 12,000 units annually compared with 10,000 units a year from 1997 through 1999. Multifamily activity in the 12 months ending September 2004 remained strong. Building permits totaled approximately 11,000 units, down slightly from 12,000 units in the previous 12-month period. By contrast, apartment construction activity is down 25 percent, averaging 2,000 units annually in the metropolitan area during the past 3 years, according to Reis, Inc. Reis expects 2,000 new apartment units will enter the Chicago area market in 2004, equal to the 1,950 new units in 2003. In downtown Chicago, the number of new apartments expected to reach the market in 2004 is approximately 300 units, down from 1,000 new apartments last year.

In suburban Chicago, the relatively low level of apartment construction and the strengthening local economy boosted apartment occupancy. The CB Richard Ellis commercial real estate services firm reported that apartment occupancy increased to 94 percent in the third quarter of 2004 compared with 92 percent in the third quarter of 2003. All three submarkets in Lake, northwest Cook, and DuPage Counties recorded increased occupancy during the period. Northwest suburbs showed the biggest improvement in overall market conditions with occupancy up to 95 percent, modest rent increases of 1 to 3 percent, and fewer concessions. Apartment occupancy in downtown Chicago is about the same as in the suburbs. Appraisal Research counselors reported third quarter 2004 occupancy in the 91- to 93-percent range, unchanged from last year. Rents downtown were flat and concessions widespread.

Cleveland, Ohio

The Cleveland metropolitan area, comprising Cuyahoga, Geauga, Lake, Lorain, and Medina Counties, had a population of 2.14 million as of July 1, 2003 based on a Census Bureau estimate. Comparison with the 2000 Census indicates the population decreased by 8,600 persons. Although the population of Cuyahoga County declined by more than 30,000 between 2000 and 2003, with the city of Cleveland accounting for more than half of the loss, the suburbs grew by an approximately equal amount. The city of Cleveland continues to be challenged by significant population declines. According to 2004 Census estimates, the city's poverty rate was 31.3 percent, the highest rate in the country among metropolitan areas. Geauga and Medina Counties registered annual rates of growth of 1 and 2 percent, respectively. The population in Lorain County grew 0.7 percent annually and in Lake County by 0.2 percent a year.

Based on the 12-month employment average ending August 2004, the number of Cleveland area residents who are employed stands at 1.05 million. Because the labor force and employment have remained essentially unchanged over the past 24 months, the unemployment rate has not changed and is currently 6.5 percent. Although total resident employment has been flat, nonfarm employment for the current 12-month period averaged 1.11 million, an increase of 0.3 percent compared with the previous 12-month period. This change represented a significant turnaround compared with the 2001 to 2003 period when nonfarm employment declined by 3.6 percent.

Healthcare employment has been the strongest growth sector in the Cleveland area, up 2 percent annually between 1990 and 2003. The Cleveland Clinic, a world-renowned healthcare facility, is the area's leading employer with more than 23,500 employees; the second leading employer is University Hospitals Health System with 14,200 employees. During the past 12 months, the healthcare sector added 5,300 jobs; other growth sectors included professional and business services, and leisure and hospitality. Manufacturing employment declined by approximately 2.6 percent annually between 1990 and 2003; this sector's share of nonfarm jobs fell from more than 21 percent to 15 percent. Over the past 12 months, manufacturing lost an additional 5,400 jobs, with most of the losses in durable and nondurable goods.

Although overall employment and population growth has been minor, low mortgage interest rates have supported an active existing housing sales market. According to the Northern Ohio Regional Multiple Listing Service (NORMLS), year-to-date single-family sales through August 2004 totaled 16,240, approximately 6 percent ahead of sales for the first 8 months of 2003. The average sales price increased 2 percent from $169,100 to $172,200 over the same period. The average sales price for single-family homes in 2003 was $168,750, up from $163,100 in 2002. The sales forecast from NORMLS anticipates that continued low interest rates and moderate job growth will help existing home sales and the average sales price to increase by approximately 3 percent each over the next year.

Single-family building permit activity continues to increase because of the growing demand for new homes in the suburbs. In 2003, 6,600 homes were permitted, the highest level in the last 10 years. Single-family activity for the 12 months ending September 2004 totaled 6,730 homes, 3 percent above the previous 12-month total. This volume of activity is expected to continue in the near future as long as interest rates remain low. The majority of home permits have been issued for the unincorporated areas of Medina, Geauga, and Lake Counties; activity has been modest in Cuyahoga and Lorain Counties.

Multifamily building permit activity in the Cleveland metropolitan area has slowed considerably since the late 1990s, when nearly 1,200 multifamily units were permitted per year. Competition from the housing sales market has shifted development away from rental housing, and slow economic conditions have reduced renter household growth. For the 1-year period ending September 2004, only 633 multifamily units were permitted. The low levels of rental development have helped maintain fairly stable rental market conditions overall. Based on data from Reis, Inc., the apartment vacancy rate for the metropolitan area is 7.3 percent, identical to a year ago. Apartments built after 1994 are most likely to compete with the sales market and have the highest vacancy rate at 14.4 percent.

Units built in 1994 and earlier are more likely to have long-term tenants who cannot afford homeownership; therefore, this segment of the rental market has a lower vacancy rate of 6.7 percent. Although vacancies overall are stable, rent growth in the Cleveland area measured just 0.7 percent between the second quarters of 2003 and 2004. The average overall asking rent was $678 as of June 2004; 40 percent of projects lowered or maintained rents during this same period. On a positive note, in the first quarter of 2004, many property managers noted stronger leasing activity, and the Parma/Independence submarket, with a large, older inventory, had a vacancy rate of only 4.1 percent. The downtown Cleveland submarket, with its newer, more expensive rental stock, had the highest vacancy rate at 16.8 percent.

In the past decade, downtown housing has become more attractive by the entertainment offered by the Rock and Roll Hall of Fame Museum, two sports complexes, the Cleveland Museum of Art, and the Cleveland Orchestra. Currently more than 3,500 multifamily units exist in the downtown area, most of which are rentals. Demand for owner units is beginning to be satisfied through two high-end condominium developments that will open in 2005. Units at these complexes are priced between $300,000 and $1.5 million and range in size from approximately 1,500 square feet to 4,800 square feet.

Colorado Springs, Colorado

The population of the Colorado Springs metropolitan area continues to grow at a relatively strong rate. As of July 1, 2003, the Census Bureau estimated that 550,478 people were living in the area, a 2-percent average annual increase since 2000.

The return of 12,000 Army personnel stationed at Fort Carson Army Base from the Middle East and an improved national economy helped reverse the employment losses that occurred in 2002 and 2003. Average nonfarm employment for the 12 months ending September 2004 was 0.3 percent higher than that of a year earlier. The September 2004 unemployment rate of 5.2 percent was an improvement from the 6.0 percent recorded in September 2003, but it is still well above the low of 2.6 percent recorded in 2000.

Despite recent improvement, advanced technology employment is still under pressure to regain the momentum that helped propel the economy during the 1990s. Jobs in the computer, semiconductor and manufacturing, and telecommunications industries are still slightly below the levels of 1 year ago. The dot-com bust hit the area particularly hard, and the lack of a solid recovery is due to the global competition that continues to impact local companies. These net losses have been small this year and have been more than offset by gains in service-producing industries, including retail, food services, and education and health services. Most helpful to the economy was the return of the military personnel to Fort Carson. This aided local businesses that directly serve the installation's population, including retail trade and food services. Local government, responding to increased K-12 student enrollment, added more jobs than any sector over the past year.

The outlook for the economy of Colorado Springs over the next few years is mostly positive. Recent expansion announcements by local firms and new firms moving to the area should begin to enlarge the local employment base, including the advanced technology sector. Intel expects to spend more than $400 million to upgrade its semiconductor manufacturing plant and, at the same time, Progressive Insurance announced 250 information technology workers would join its local corporate offices. By next summer, the Army plans to relocate a combat brigade of 3,700 soldiers currently based in South Korea as part of its global realignment of military personnel. The Greater Colorado Springs Economic Development Corporation estimates that the move will generate $218 million in annual local earnings. Before the troops arrive, however, the Colorado Springs economy must weather the redeployment of 7,000 soldiers to the Middle East beginning in October 2004. Nevertheless, the overall economy in Colorado Springs is poised to move forward. On top of these recent job announcements, the business conditions index reported by the Southern Economic Forum is at its highest level in 4 years.

In 2004, the pace of single-family home construction picked up after retreating in 2002 and 2003. Single-family and townhouse permits totaled 3,890 units during the first 9 months of 2004, up a solid 16 percent from the level recorded last year at this time. In a September 2004 study, David Bamberger & Associates report that builders are shifting production from the first-time buyer price range of less than $180,000 to the move-up range of $180,000 to $330,000. Of the new homes sold in 2004, 68 percent were in this price range compared with 46 percent in 2003, while entry-level homes fell from 29 percent to 7 percent. The next most popular price range of homes sold was from $280,000 to $430,000, accounting for 16 percent of the total; luxury homes priced in excess of $430,000 accounted for the balance of 9 percent. The same report points out that the inventory of speculative and unsold homes has climbed slightly because of the slowdown in buyer traffic. Builders, however, are optimistic and expect to continue the same relative level of construction through the first half of 2005.

Low interest rates and an improved economy contributed to an active single-family home sales market. According to the Pikes Peak Association of REALTORS®, sales activity from January through September 2004 is 14 percent ahead of last year's record pace. During the same period, the average sales price increased by 4.1 percent to $216,900. The condominium market recovered from last year's poor performance when nervous investors put their rentals on the market, and activity slowed. Through September 2004, condominium sales activity was up by 18.3 percent from last year, and the average sales price increased by 6.5 percent to $141,500. Overall, active listings have held steady for single-family homes and condominiums, suggesting that the market should remain somewhat balanced into 2005.

The rental market has improved but conditions remain soft. The upturn is due to stronger demand and fewer units coming online in 2004. Army personnel returning to Fort Carson in March and April 2004 helped the market partially recover from extremely soft conditions in 2003. A survey conducted by Doug Carter, LLC, revealed that the second and third quarter vacancy rates of 10.1 and 10.9 percent, respectively, were an improvement from rates as high as 14 percent recorded a year ago. This survey also noted that rent increases have resumed in some properties, and concessions have been reduced. The outlook for the remainder of 2004 and 2005 is mixed. A sharp decline in the number of multifamily building permits issued in the past 24 months will keep supply in check and help the market continue to improve. The redeployment of military personnel at Fort Carson, however, will slow the recovery. Occupancy already has been affected by the first wave of departing troops. Nevertheless, the market remains on the upswing, and any delays in the area's recovery are clearly temporary.

Columbia-Lexington, South Carolina

The Columbia-Lexington metropolitan area, comprising Lexington and Richland Counties, is the center of economic activity for the Central Midlands region of South Carolina. Columbia, the state capital, is located in Richland County as are Fort Jackson Army Base and the University of South Carolina. Approximately 15 miles west of Columbia is the city of Lexington, the county seat of Lexington County. State and local government agencies are the leading employers in the metropolitan area with about 67,000 employees. Leading private sector employers include Palmetto Health, Blue Cross and Blue Shield of South Carolina, South Carolina Electric and Gas, and United Parcel Service.

Nonfarm employment growth during the 1990s was impressive and increased steadily at an annual average rate of 2.7 percent. In 2000, mirroring a slowing U.S. economy, the area lost 1,900 jobs, the first time since 1991 that annual average employment declined. From 2001 through 2003, job losses continued to mount, and more than 12,000 jobs were lost during this period. For the 12 months ending September 2004, nonfarm employment, at 300,500 jobs, was down by 2.0 percent compared with the previous 12-month period. Only education and health services, leisure and hospitality, and local government sectors reported small job increases; all other employment sectors reported losses. For the 12-month period ending September 2004, the average unemployment rate was 4.2 percent compared with 3.9 percent a year ago.

The economy has started to rebound and is experiencing moderate employment growth. Several major public and private construction projects are planned or under way in Columbia, including the Main Street redevelopment project and a $30.5 million beautification plan for the Five Points area. Columbia's City Council has endorsed the redevelopment of 1,050 acres of blighted inner-city property known as the East Central City Redevelopment Project Area. The redevelopment will include construction and renovation of single-family and multifamily residential units, commercial development, parks, and open space. The recent opening of Columbia's new convention center should boost the leisure and hospitality sectors. The Pella Corporation has announced plans to hire 450 employees at its new window and door manufacturing plant. About 100 jobs will be lost, however, when Independence Airlines relocates its maintenance facility to Dulles International Airport in November 2004.

The nine colleges and universities in the metropolitan area, Fort Jackson, and military retirees and dependents are major influences on the local housing market. Of the 42,000 students enrolled at the colleges and universities, an estimated 25,000 students live in private-sector units in the local housing market. Fort Jackson maintains 1,161 housing units for enlisted soldiers and 99 units for officers. An estimated 8,800 soldiers, officers, and their families occupy housing off base. Because of the services offered at Fort Jackson, an estimated 18,000 military retirees plus their family members reside in the area.

During the 1990s, in-migration stimulated by sustained employment growth contributed to an annual population growth rate of 1.8 percent. Since 2000, in-migration has been dampened by the weak economy. Retirees relocating to the metropolitan area, however, have helped the population grow but at a slower rate. The population as of July 1, 2003, was 558,632, representing an annual growth rate of 1.3 percent since 2000.

Despite a weaker economy and slower population growth, the single-family housing construction boom that began in the 1990s accelerated after 2000. From 2000 through 2003, single-family permit activity averaged close to 4,200 units a year compared with the 1990s' annual average of 3,000. For the 12-month period ending September 2004, single-family unit permits totaled about 5,300, up from nearly 4,900 units permitted during the previous 12-month period. Approximately 1,900 single-family units are currently under construction. Local and national homebuilders are developing more than 50 subdivisions. Nearly all the new subdivisions are concentrated along two Interstate corridors, I-20 and I-77, or in the vicinity of Lake Murray. Prices range from approximately $70,000 for a starter home to more than $700,000 for a custom luxury home.

Sales of existing single-family residences are concentrated in the cities of Columbia and Lexington, whereas new home sales are in the new suburban subdivisions. For the 12-month period ending June 2004, the South Carolina Association of REALTORS® (SCAR) reported sales of 9,756 units; this represents a 14.8-percent gain over the previous 12-month period. Historically low mortgage interest rates, first-time homebuyers, and numerous downpayment assistance programs have kept the sales market active. The median sales price of a home, however, has dropped. Through the first half of 2004, the median sales price was $112,500, down 10.4 percent from the same period in 2003. Officials at SCAR stated that prices have declined due to weak job growth.

Construction of multifamily housing units has been centered in Richland County. Of the 7,200 multifamily units permitted during the 1990s, more than 70 percent were located in this county. Strong multifamily permit activity persisted in the early 2000s, even as the economy began to contract. Between 2000 and 2003, about 2,100 multifamily units were permitted. Interest in multifamily construction has not eased despite the continued weakening economy and rising vacancy rates. Nearly 860 units have been permitted through the first 9 months of 2004. Approximately 1,400 units are under construction, of which 90 percent are located in Richland County.

The significant volume of apartment construction since the 1990s, the lack of employment growth, and a slowdown of in-migration have led to a shift from a somewhat balanced to a competitive rental market.

Because of the competitive market, rent specials, including special discounts to members of the armed forces, are offered at some market-rate and affordable communities. Reis, Inc., estimated for the second quarter of 2004 an apartment vacancy rate of 11.4 percent, which is significantly higher than the 9.7 percent posted in the 2000 Census. According to Reis, average monthly rents have increased by a slight 1.4 percent a year since 2000. As of the second quarter of 2004, the average monthly rent was $630. Conditions will remain competitive because of the large number of new apartment units coming on the market.

Eugene-Springfield, Oregon

Housing market conditions were strong as home sales advanced at a near-record pace, and the rental market staged a recovery in the Eugene-Springfield metropolitan area as of the third quarter of 2004. Low interest rates and steady net in-migration kept sales activity brisk, and the apartment vacancy rate, triggered by strong student demand, fell over the summer months. Although rents were unchanged during the past 6 months, apartment managers indicated that such strong rental market conditions had not been experienced since 2001.

The Eugene-Springfield metropolitan area is coterminous with Lane County, Oregon. Eugene and Springfield, located across from each other along the Willamette River, together make up Oregon's second largest housing market. Between April 2000 and September 2004, the Eugene-Springfield area's population increased from 322,960 to 336,200, an average annual rate of growth of 1.1 percent. Weak labor market conditions since 2001 have been the main factor slowing recent population growth compared with the 1.3-percent annual rate of population growth experienced in the 1990s.

Total nonfarm employment increased by 650 jobs to 143,000 workers, a 0.4-percent gain, during the 12-month period ending September 2004. Strong national demand for luxury recreational coaches led to 700 new jobs at transportation equipment firms over the past year. The strong sales housing market increased employment in financial activity industries by 250 positions, and population growth led to modest job gains in retail trade and restaurants. Construction activity at the University of Oregon, development of a new courthouse, and steady residential development kept construction employment at around 6,500 jobs over the past year, making it one of the strongest and most stable sectors in the local economy. The unemployment rate averaged 7 percent over the 12-month period ending September 2004 compared with 7.5 percent for the previous 12 months.

The University of Oregon, located in Eugene, has a current student enrollment of 20,440. With more than 3,000 faculty and staff, the university is the second leading employer in the Eugene-Springfield area. Annual direct spending by the university involving all its programs has an impact on the local economy of $700 million.

Low mortgage interest rates and steady net in-migration resulted in the sale of 3,819 new and existing homes for the 12 months ending September 2004, a 12-percent gain compared with a year ago. The Residential Multiple Listing Service reports that the median price of a home sold was $159,100, 7 percent higher than for the same period last year. At the end of the third quarter, a 2.6-month supply of homes was listed compared with a 3.4-month supply a year earlier. REALTORS® reported that the inventory of homes for sale finally began to increase during late summer 2004 after 6 straight months of averaging less than 3 months of supply.

Submarkets where sales increased most rapidly during the past 12 months are all located in emerging commuter and retiree communities within 20 miles of Eugene and Springfield. These communities include Cottage Grove and Creswell to the south of Eugene and Springfield, where sales increased 37 percent; Veneta and Elmira, located to the west, where sales were up 28 percent; and Junction City to the north, where sales rose 25 percent from a year ago. Submarkets that registered the greatest appreciation in home prices include East Eugene, up 21 percent, and Junction City, where the median sales price increased 17 percent.

Single-family building permit activity through September of 2004 totaled 1,078 houses, up 4 percent from the same period in 2003. Permits averaged 1,250 new homes per year between 2000 and 2003; current volume is on track to equal that number in 2004. A typical new house costs approximately $100 per square foot and is located on a 7,500-square-foot lot that sells for $65,000. Land prices range from $65,000 to $75,000 for readily developable 6,000- to 9,000-square-foot lots.

Land available for construction of single-family homes is becoming scarce in the city of Eugene. Most of the newly developed subdivisions are located in the western region of the city, which is also where most future development will occur. Land for single-family house construction in Springfield has been limited to infill development in recent years, although the city will soon be the site for the metropolitan area's largest subdivision. Located in southeastern Springfield, Mountain Gate is a 330-acre development that will consist of 350 single-family homes and 300 apartments or condominiums. Builders anticipate developing a minimum of 50 houses a year.

Rental market conditions are balanced in the Eugene-Springfield market area. The appraisal firm of Duncan & Brown surveyed the rental market in October 2004; preliminary results indicate that the apartment vacancy rate will be lower than the 5.3 percent reported in its spring 2004 survey. Apartment managers reported that traffic and rent-up activity have been better in 2004 than in both of the previous 2 years. Demand from the student population has been strong, and interest in larger units has increased. With the exception of a few apartment complexes, however, managers have not increased rents since last spring.

The Duncan & Brown report for spring 2004 showed the Eugene submarket rents for units built before 1988 averaging $414 for a studio, $497 for a one-bedroom unit, $633 for a two-bedroom unit, $665 for a three-bedroom/one-bath unit, and $710 for a three-bedroom/two-bath unit. Average rents for units built after 1988 were $669 for one-bedroom units, $785 for two-bedroom units, and $948 for three-bedroom units. Rents in the Springfield market are typically lower than in Eugene, averaging as follows for units constructed before 1988: $411 for studios, $438 for one-bedroom units, $534 for two-bedroom units, and $622 for three-bedroom units. For units built after 1988, average rents were $550 for one-bedroom units and $625 for two-bedroom units.

Multifamily building permit activity totaled 360 units for the Eugene-Springfield metropolitan area through September 2004, more than double the level of production for the same period a year earlier. No large-scale complexes are currently under construction. Two-thirds of current pipeline activity is in the Eugene submarket and consists of small infill projects. Land availability for construction of apartment complexes with more than 100 units is limited in Eugene. In Springfield, the Mountain Gate project will provide one of the few remaining opportunities for large-scale apartment development in the metropolitan area. The university is currently building a new, on-campus housing complex for 383 students. Nicknamed the Living-Learning Center, the facility will feature a performance hall, lecture hall, meeting rooms, study rooms, faculty/advising conference room, and a café.

Las Vegas, Nevada

The Las Vegas metropolitan area had one of the fastest growing economies in the nation during the past year. For the 12 months ending September 2004, nonfarm employment averaged 848,600 jobs, a 4.6-percent increase over the previous 12 months. This rate of growth was not only among the highest in the country, but was the fastest recorded for the metropolitan area since 2001. The unemployment rate averaged 4.5 percent in the 12 months ending September 2004, a significant drop from 5.4 percent in the previous 12 months. Job growth occurred in nearly all sectors but was particularly strong in the area's primary industries of tourism and gaming. For the first 8 months of the year, visitor volume increased by 5 percent from the prior year. In addition, for the first 6 months of 2004, taxable gaming revenues rose by 13 percent over a year ago, according to the Nevada Gaming Commission. Employment in the leisure and hospitality sector accounts for approximately 30 percent of total employment and expanded by more than 3 percent in the past year. Retail trade and professional business services jobs, each with about 10 percent of total employment, rose approximately 4 percent, and government jobs expanded 2 percent. Reflecting the record level of single-family development and nearly $8 billion in total construction contracts through September as reported by McGraw-Hill, construction sector jobs increased 10 percent during the past 12 months.

Several planned developments will add to job growth during the next few years. Nearly 7,000 new or renovated hotel rooms are projected to enter the Las Vegas area market in the next 2 years in establishments including the Bellagio Resort, the Wynn Resort, and Park Place Entertainment. In downtown Las Vegas, the 1.3-million-square-foot World Market Center is under construction and expected to open in 2005. This development is the first phase of a $1 billion, 7.5-million-square-foot home furnishings complex that, on full completion, will be the largest of its kind on the West Coast. The first phase of the Henderson Commerce Center, a $50 million office and distribution development, is expected to be completed by the first quarter of 2005. A major office development by Montecito Companies at Elkhorn Road and Durango Drive and an $18 million shopping center at Simmons Street and Ann Road in North Las Vegas are also proposed.

Strong employment growth and relatively affordable housing have caused rapid increases in the Las Vegas area's population. According to census data, from April 1, 2000, to July 1, 2003, the area's population expanded by approximately 5 percent annually to 1.58 million.

California accounted for the largest share of in-migration, or approximately 36 percent. Population growth has also stemmed from the Las Vegas area's popularity with retirees.

The strong job gains, rapid in-migration, and favorable interest rates have supported very active home demand. For the first three quarters of 2004, new homes sales totaled 27,850, up 48 percent over the same period in 2003 according to the Las Vegas Housing Market Letter. Existing homes sales were also strong, up 40 percent to 50,950 sales. Prices for new and existing homes increased rapidly because of the high demand. In the four quarters ending June 2004, Las Vegas led the nation in home price appreciation, according to the Office of Federal Housing Enterprise Oversight's price index. During the first three quarters of 2004, single-family building permits in the metropolitan area increased by 29 percent to nearly 30,000 units in response to the fast pace of sales. The rapid increase in jobs and population is expected to support new records in home sales and construction in 2004.

The Las Vegas rental market continued to improve during the third quarter. As of September 2004, the overall vacancy rate for the metropolitan area was approximately 8 percent, reduced from 9 percent early last year. Vacancies declined because of the high rate of employment growth, in-migration, rising home prices, reduced apartment completions, and the conversion of rental developments into condominiums. The vacancy rate for larger scale projects averaged approximately 7 percent and was higher in smaller, fewer amenities developments. Although rental market conditions have recently improved, CB Richard Ellis reports that rent concessions are still common, ranging from $150 to $400 off the first month's rent on a 6- to 12-month lease. The average rent for two-bedroom units is $976 for the third quarter of 2004, up only slightly from $969 for the same quarter in 2003. Multifamily permits totaled 3,559 units for the first 9 months of this year, down from 7,437 units in the previous year, due in part to the high cost and comparative scarcity of development sites.

Manchester-Nashua, New Hampshire

The Manchester-Nashua, New Hampshire Metropolitan Statistical Area consists of Hillsborough County, which is located in the southern portion of New Hampshire. The city of Manchester, with a population of 107,006 as of 2000, is the largest city in New Hampshire. Nashua is the second largest city in the state with 86,605 residents as of 2000. Both urban areas serve as centers of business, government, and commercial activity in the metropolitan area.

Dominant businesses in the area include health care (Elliott Hospital and Catholic Medical Center), communications and public utilities (Verizon and Public Service of New Hampshire), finance (Bank of New Hampshire), and several large manufacturing firms (BAE Systems, Teradyne, and Compaq Computer Corp.). The leading employer is Elliott Hospital with more than 2,100 employees.

In 2000, the total population of the Manchester-Nashua metropolitan area was 380,841, representing an average annual increase of 4,476 people per year between 1990 and 2000. The estimated population as of July 2004 was 397,100, a net increase of more than 16,250 and a growth rate higher than 4 percent since 2000. The western and central portions of the metropolitan area are less urbanized and are characterized by numerous small villages dispersed throughout the county. Interstate 93 and Route 3 (Everett Turnpike) facilitate commuting into the Boston metropolitan area to the south. Census estimates indicate that more than 15 percent of the county's workforce commutes into Massachusetts.

For the 12-month period ending August 2004, total resident employment in the county averaged 217,160, up 4,630 jobs, or 2.2 percent, from the comparable period a year ago. The unemployment rate for the 12 months ending August 2004 declined to 4.5 percent compared with 5.0 percent a year earlier. Between 1994 and 2000, total employment increased by an average of 5,000 jobs each year. Since 2000, annual job gains have declined and only 2,700 jobs were added in 2003.

Gains in service-producing sectors of the economy, with average annual gains of 3,700 jobs, were greater than manufacturing employment growth, with an average annual growth of 940 jobs over the 12-month period ending August 2004. Resident employment growth has been concentrated in education and health, business and financial services, and government sectors. Annual average manufacturing employment levels peaked in this metropolitan area in 1998 at more than 47,900 jobs and then declined to an average of 41,070 manufacturing jobs reported during 2003.

Since 2000, residential construction activity has averaged more than 2,230 permits each year, or more than 30 percent above the annual average of 1,676 permits issued between 1994 and 2000. Single-family homes accounted for almost 80 percent of all building permits issued since 2000. A limited number of multifamily units have been constructed in the last 5 years. Record-low mortgage rates and improvements in the regional economy in 2002 resulted in an increase to 2,426 building permits from the 1,878 permits issued in 2001. Building permit activity moderated to 2,051 units during 2003. For the 12 months ending September 2004, apartment production of 602 units was 20 percent greater than the same period just 1 year ago, when 502 units were produced.

The sales housing market remains strong, and the demand for homes in suburban areas adjacent to Manchester and Nashua has increased during the past year. More than 6,000 residential transactions were recorded during the 12 months ending June 2004 compared with 5,100 transactions in the same period a year earlier. For the 12 months ending June 2004, single-family sales volume in the area increased by 22 percent in the Manchester area, while 15 percent more units were sold in the Nashua area compared with 1 year earlier.

Pricing trends have been very favorable as average sales prices increased in the Manchester sales area by 10 percent versus price appreciation of 7 percent for Nashua. During the year ending June 2004, the median sales price for existing homes in the metropolitan area was $243,800, an increase of 10 percent from the $220,800 average sales price reported a year ago. In the 12 months ending June 2004, the median sales price in the Nashua area was $246,900, well above the median sales price of $230,400 recorded for the same period a year ago. Although home prices in the area have been rising, they remain well below prices of comparable homes in the Boston metropolitan area.

Currently, the rental housing market in the Manchester-Nashua metropolitan area is tight. Very few new multifamily luxury properties have been constructed in Hillsborough County. Limited development sites, an extensive permit review process, and environmental impact concerns, combined with rising construction costs, have slowed multifamily housing development activity. During the summer of 2004, some price concessions were observed in this market at selected new luxury apartment properties in response to young, high-income households moving out to become homeowners. In contrast, the older rental stock has been able to maintain sustained levels of occupancy.

During the previous 36 months, more than 400 rental units have been converted into owner-occupied condominium units in response to the sustained demand for owner units. Condominiums are now a cost-effective alternative for moderate-income households versus buying higher priced, detached single-family housing units in a rising real estate market. Price ranges of $150,000 to $175,000 for condominiums represent a significant saving over the typical $300,000 to $350,000 price range associated with new construction housing units.

Milwaukee-Waukesha, Wisconsin

The Milwaukee-Waukesha metropolitan area consists of Milwaukee, Waukesha, Washington, and Ozaukee Counties. The economy of the Milwaukee-Waukesha area has been historically dominated by the manufacturing sector, especially the production of durable goods. Although still dependent on manufacturing jobs, the area has become more diversified with more than 80 percent of the jobs currently in the service-providing sector. Retail trade, professional and business services, educational and health services, and government account for nearly 50 percent of the nonfarm jobs in the metropolitan area. Between 1990 and 2003, nearly 90 percent of the net job growth was in professional and business services and educational and health services. During the 1990s, the area added 110,400 nonfarm jobs, an annual increase of 1.5 percent. Since 2000, however, the metropolitan area has lost 12,300 jobs annually, representing an annual decline of 1.4 percent. The unemployment rate remained low between 1993 and 2000, and fluctuated between 3.1 and 4.6 percent. In 2001, paralleling the slowdown in the national economy, unemployment climbed to 4.7 percent and reached 6.0 percent the following year; during the last 12 months, unemployment has averaged 5.6 percent.

Although the metropolitan area continues to add population, the city of Milwaukee has experienced a steady decline in its population. Since 1990, the population of the metropolitan area has grown at an annual rate of approximately 0.5 percent, reaching an estimated 1,533,300 as of April 2004. During this same period, however, the city of Milwaukee has lost population at an annual rate of 0.2 percent, with an estimated population of 584,100 as of April 2004. Since 2000, Milwaukee has shown no net natural increase (resident births minus resident deaths) in population but has lost 3,100 people annually to out-migration.

Since 2000, single-family housing permits have averaged more than 3,600 per year, with 75 percent of the permits issued in Milwaukee and Waukesha Counties and in southern Ozaukee and Washington Counties. During the 1990s, fewer than 100 single-family building permits were issued annually in the city of Milwaukee. Since 2000, the number of permits issued annually has increased to 170, many of which are issued for vacant land near downtown. Between 1990 and 2000, multifamily building permit activity averaged 3,000 units annually in the metropolitan area. Between 2000 and 2003, permits declined to an average of 2,500 units. Since 1990, Milwaukee has accounted for 12 percent of the multifamily activity in the metropolitan area, with the majority of this activity due to the construction of condominiums in and around the downtown area.

Despite a sluggish economy, low mortgage rates contributed to a healthy sales market for existing single-family homes. According to the Metro Multiple Listing Service, the metropolitan area has set sales records for existing homes every year since 1999. During 2003, 19,358 existing homes were sold, 5 percent more than the previous record of 18,479 set in 2002. Although 2004 started out slowly, sales through September were 5 percent higher than the same period in 2003. Continued low home mortgage interest rates and a healthy supply of homes for sale have helped keep the resale market strong. According to RE/MAX Realty, homes priced below $250,000 are selling well, with those priced in excess of $500,000 having a more difficult time in the sales market. Milwaukee and Washington Counties, which have a large supply of homes priced at less than $250,000, have seen strong sales, while Ozaukee and Waukesha Counties, with more expensive inventories, have had sales levels similar to last year.

According to MTD Marketing Services, the average price for a newly constructed home in the metropolitan area reached $259,182 at the end of the third quarter, a 12-percent increase over a year earlier. In 2003, prices for new homes were 5 percent higher than in 2002. The primary sales market for new single-family homes is for those priced between $175,000 and $350,000. New homes are typically 2,000 square feet or larger, with many having more than 3,000 square feet. In 2003, the metropolitan area had its best year for construction since 1999. Washington County experienced the strongest permit growth in the area with a 28-percent increase compared with 2002, due in part to people seeking the lower land costs and home prices, despite longer commutes.

Demand for condominiums remains strong in downtown Milwaukee and surrounding neighborhoods, although the supply of new units has made the market more competitive. In 2001, the downtown area had 130 condominium units. This inventory has changed dramatically; now more than 2,300 units have either been built or are in the planning pipeline. One group that is buying condominiums are empty nesters, who are selling their large suburban homes to escape maintenance and yard work to enjoy the Lake Michigan shoreline and other amenities that the downtown area offers. Others buying condominium units are young professionals who work downtown and "snowbirds" who spend winters in warmer climates. Many of the condominiums are in the $170,000 to $400,000 price range, although a significant number are selling for more than $500,000. Construction recently began on University Club Tower's 56 units, with unit prices ranging from $1.1 million to $2.5 million.

A shift in tenure toward homeownership has occurred, in part due to the historically low mortgage interest rates that have made homeownership more affordable. The percentage of owner-occupied housing units increased from 59.4 percent in 1990 to 62 percent as of April 2004. This shift to homeownership, coupled with the large number of rental units that have been built beginning in the late 1990s, has softened the rental market.

The 5.7-percent rental vacancy rate in April 2000 increased to an estimated 7 percent in April 2004. Although the overall rental market has softened, several areas have balanced to tight markets, such as the east side of Milwaukee and the northern suburbs along Lake Michigan. According to Reis, Inc., the average rent in Milwaukee and Waukesha Counties increased from $729 in 2000 to $768 in 2003, an annual increase of 1.8 percent. Concessions are common, with 1 or more months of free rent being offered by developments that are undergoing initial occupancy. The higher-end market, with rents in excess of $1,000 per month, is very soft and is attempting to retain tenants by offering amenities such as health clubs or high-speed Internet access. Even more modest apartments are adding in-unit washers and dryers, exercise rooms, community rooms, and swimming pools. Where amenities cannot be added, the apartments are offering health club memberships and various coupons to local businesses.

Modesto, California

The Modesto metropolitan area, consisting of Stanislaus County, is located approximately 90 miles from both San Francisco and San Jose. With its growing economy and relatively affordable housing, the Modesto area continues to attract new residents. Between April 2000 and October 2004, the population grew at a 2.7-percent annual rate to approximately 502,600. The recent population increase has been led primarily by strong in-migration, especially from San Francisco Bay Area homebuyers seeking to purchase Modesto homes at prices less than half those in the adjacent Oakland and San Jose areas. Since April 2000, in-migration has accounted for two-thirds of the population increase compared with accounting for half the population gains in the 1990s.

The strong population gains have diversified and supported the Modesto area's economy in recent years. Between 2000 and 2003, nonfarm employment rose an average of 2,800 positions, or 1.8 percent, a year. The steady influx of new residents has led to job growth in primarily trade, health services, and local government education. Employment gains have slowed recently, in line with much of Northern California. In the 12 months ending September 2004, the Modesto area's nonfarm job base expanded just 0.5 percent, or 700 jobs, to 152,600 jobs. The sectors with the greatest level of job creation have been trade, transportation, and utilities, up 1,130 jobs, and professional and business services, up by 440 jobs. In addition, financial activities increased by 275 positions. These gains were partially offset by weakness in the goods-producing sector, down 1.6 percent, or 550 jobs, compared with the same period in the previous year. Most of these losses were in manufacturing, including food processing. Other soft sectors were leisure and hospitality, off by 220 jobs, or 1.6 percent, and government, off by 330 jobs, or 1.3 percent. State fiscal difficulties finally led to employment losses in state and local governments as well. The health services sector will be a source of job growth during the next few years due to the expansion of three hospitals, all leading employers in the area. The unemployment rate improved to 11.2 percent in the 12 months ending September 2004, down from 11.7 percent in the previous period. The relatively high unemployment rate is typical of Central Valley areas with significant seasonal agricultural industries.

A growing economy, steady in-migration flows, comparatively affordable homes, and historically low mortgage rates have created a very active sales market. In the 12 months ending June 2004, Real Estate Research Council of Northern California data for the Modesto area indicates that existing home sales increased by 9 percent to a new record of 8,225 houses sold. Over the same period, the average sales price rose 17 percent to a record-level $231,200. The new home market also established records for sales volume and price appreciation. The sales level of new houses increased 29 percent to 2,500 units, and the average price rose by 8 percent to $288,700. Homebuilders found buyers from as far away as the Bay Area, attracted by the more affordable housing choices as similar new homes in the adjacent East Bay and San Jose areas sell for $700,000 or more. The move-up market and buyers relocating because of the perceived quality of life in smaller communities were also a source of demand. With most new homes priced starting at $300,000, few of the new housing subdivisions are targeted at the entry-level price for local residents, but most are affordable to commuters with jobs in surrounding higher wage areas. Most of the recent new construction has been in the cities of Modesto, Turlock, Patterson, and Riverbank. The level of single-family housing permits has been very high for this area—in excess of 3,000 units annually since 2001. In the 12 months ending September 2004, single-family permits totaled 3,900, an increase of 16 percent from the same period the previous year.

Current rental market conditions in the Modesto area are balanced with a vacancy rate of 5 percent in market-rate apartments because of strong in-migration and several years of modest rental production. Tax credit properties are fully occupied with waiting lists. Since 1990, annual rental production has remained relatively low at no more than 400 units per year, after permits averaged 1,200 units annually during the late 1980s, causing soft market conditions. It took much of the 1990s for the Modesto area to absorb the excess construction, but market conditions improved and competition from the sales housing market has caused only a small increase in vacancies because new supply has remained low. In addition, rapidly increasing home prices have made homeownership unaffordable for many potential first-time buyers, keeping them in the rental market. During the past 12 months ending September 2004, rental production increased to 582 units, compared with 182 units in the same period a year ago. The recent increase includes a 232-unit, market-rate rental development just approved in the city of Modesto.

Newark, New Jersey

The Newark, New Jersey metropolitan area comprises Essex, Morris, and Union Counties. The area is located on the west bank of the Passaic River, approximately 10 miles from New York City. Virtually all the major rail and road arteries to New York City from the south or west pass through the city of Newark, which is on the eastern edge of the three-county area. Many older industrial cities and towns cluster along these rail corridors. To the north and northwest are the newer and higher priced suburbs that are connected to Newark by commuter rail.

The current population in the metropolitan area is estimated to be 1,833,000, a 2.6-percent increase since 2000. In the city of Newark, the population increased by slightly less than that amount during the same period. This population growth in the city is a dramatic change from the consistent decline from the peak of 442,000 reported in the 1930 Census. The reversal is due to decreased net out-migration, occasioned by new housing development and growth in the nonhousehold population in college and university dormitories and in correctional institutions.

For the 12 months ending September 2004, nonfarm employment showed a 0.7-percent gain, or 7,300 jobs, compared with the same period ending 2003, and the unemployment rate declined from 6 percent to 4.9 percent.

Due to its location and infrastructure, the metropolitan area is the center of air, rail, and highway transportation in the Greater New York City area with a concentration of jobs in transportation and related services. The Port Newark-Elizabeth Marine Terminal facility, currently undergoing expansion, handles 90 percent of container shipments in the area. Overall, manufacturing jobs in the area have declined by 25 percent since 1993. Losses were proportionately greater in durable goods. Nondurable goods now constitute more than 60 percent of all manufacturing jobs, with pharmaceuticals and chemicals accounting for slightly more than two-thirds of the total. Service-producing and government sectors account for a little more than 85 percent of employment in the metropolitan area. The University of Medicine and Dentistry of New Jersey and Rutgers-Newark: The State University of New Jersey, both state governmental entities, are two of the leading city employers. Continental Airlines and Prudential Insurance are the leading private employers.

Single-family building permits in the metropolitan area increased 4.6 percent, from 1,118 units to 1,169 units, in the year ending September 30, 2004, compared with the comparable period of 2003. Morris County accounted for 56 percent of the total and Union County for 26 percent. Townhouses are increasingly common in Essex County due to the high prices of detached homes and the limited availability of land. Because of the proportion of two- to four-unit buildings and condominiums, only 55 percent of the new homeownership opportunities in the metropolitan area are estimated to be single-family homes. In the city of Newark, 85 percent of all newly constructed dwelling units are in two- to four-unit buildings. New condominiums are usually age-restricted to households with people 55 years or older. Morris County, especially Pequannock and Rockaway townships, have large adult communities with new sections under construction or recently completed. Prices in general occupancy and age-restricted communities begin at $400,000 for a two-bedroom unit.

The market for new rental units is strikingly different in Newark than in the surrounding suburbs. The rental market is tight outside the city with its low level of rental construction and softer in the city. As of April 2004, the rental vacancy rate in the metropolitan area was estimated at 4.2 percent. The rental vacancy rate outside of the city was 3.4 percent, but the market was somewhat softer in the city of Newark where the rate was 6.0 percent.

Multifamily building permits in the metropolitan area decreased 3.8 percent to 2,322 units in the first 9 months of 2004 compared with the same period of 2003. In each year, small buildings of two to four units accounted for more than half of the multifamily permit total. Using privately financed small subdivisions, partially speculatively built, on both municipal and privately owned land with 5-year tax abatements, Newark succeeded in increasing the rental housing supply by more than 600 rental units a year in both 2002 and 2003 and is on track toward comparable performance in 2004. Most new construction has been in the Ironbound neighborhood, but activity is now spreading to other parts of Newark. Typical rents without utilities for these new units are $1,200 for two-bedroom units and $1,500 for three-bedroom units. Outside the city of Newark, new rentals are substantially more expensive with rents of $1,650 a month without utilities for new one-bedroom units in a recently completed and fully occupied project.

In downtown Newark, several significant housing activities are under way. A 63-unit conversion from offices to rentals is nearly complete, and the Rutgers-Newark campus has started construction of a 600-bed undergraduate resident hall. The University of Medicine and Dentistry of New Jersey started construction of a 234-unit student apartment building. Two large conversions of vacant office buildings to rental units are projected, and FHA mortgage insurance has been requested for all 540 units. Downtown mixed-use redevelopment plans, including a multifamily housing component, were announced in the communities of Montclair and Morristown.

The single-family sales market is very tight outside the city of Newark and balanced to tight in the city. Outside the city, the sales vacancy rate is estimated to be 0.6 percent, or one-third of that in the city. Both rates have decreased from those reported in 2000. Low interest rates and relaxed credit standards, together with a strong desire for homeownership, have increased the number of single-family sales. Sales volume in the metropolitan area increased by 20 percent for the first 6 months of 2004 over the same period in 2003. The increase—34.4 percent—was greatest in Union County, the least expensive county in the metropolitan area. The sales volume increase was 14 percent in the other counties of the metropolitan area. Over the same period, the median sales price in the metropolitan area grew by 13.4 percent to $392,500. Union County sales prices increased by 20.5 percent, and price increases in the other counties were 14.7 and 13.3 percent for Essex and Morris Counties, respectively.

Salisbury, Maryland

Located on the Delmarva Peninsula along the Chesapeake Bay, the Salisbury, Maryland metropolitan area consists of the counties of Wicomico and Somerset. The city of Salisbury, home to approximately 22 percent of the metropolitan area's population, is the center of economic activity for the region.

During the 1990s, population increased by an average of 1.1 percent per year and totaled 109,391 by the end of the decade. Nearly 89 percent of the population growth occurred in Wicomico County, which had a 1.3-percent annual growth rate compared with a 0.5-percent rate for Somerset County. By 2000, more than three-quarters of the people in the metropolitan area resided in Wicomico County. The growth resulted primarily from in-migration as the area became more popular as a destination for retirees as well as second-home owners. Besides being located along the Chesapeake Bay, the metropolitan area is less than 30 miles from Ocean City, a popular vacation destination. The 18- to 21-year-old population increased by 19 percent during the decade because of the growth of Salisbury University (formerly Salisbury State College) and the University of Maryland Eastern Shore (UMES), which currently have a combined student enrollment of more than 10,600.

Some 61,300 people are in the metropolitan area's labor force, based on the most recent 12-month average ending August 2004, a 2.9-percent increase from the same period a year ago. During this same period, the unemployment rate declined from 5.2 percent to 5.0 percent as resident employment increased by about 1,700 jobs. According to the 2000 Census, in-commutation to the area was slightly higher than out-commutation. Most of the metropolitan area's commutation occurs between Sussex County, Delaware, and Worcester County, Maryland.

Maryland Unemployment Insurance Law and the unemployment compensation program for federal employees measure jobs in the area using quarterly data that include all workers covered. Based on the most recent 12-month average ending March 2004 (the most recent data available), total covered employment was 49,100 jobs, a 2.6-percent increase from the same period a year earlier, or about 1,200 jobs. Nearly 64 percent of these jobs are in service-providing sectors. Approximately 86 percent of the jobs in the metropolitan area are located in Wicomico County. The largest employment sector in the region is trade, transportation, and utilities, which includes 21 percent of the jobs in the area. Agriculture is an important industry for the region as well, particularly chicken farms. According to 2003–04 data from Salisbury-Wicomico Economic Development, Inc. (SWED), Perdue Farms employs more than 2,000 people in the region. The 2002 Census of Agriculture reports that the metropolitan area accounts for 41 percent of all chicken farms in the state.

The manufacturing sector will add an estimated 200 new permanent jobs with the construction of a new Silverton Marine boat manufacturing plant, which is expected to open in 2006. With the increase in housing development activity, such as the condominium developments in Crisfield, the construction sector will continue to grow; the leisure and hospitality industry should add jobs as well because of the tourist dimension of the city. According to SWED, the leading employer in the region, with 2,400 workers, is the Peninsula Regional Medical Center in Salisbury, which is currently undergoing an expansion. The healthcare industry adds an estimated 100 jobs each year in the area. Salisbury University and UMES, which employ 1,500 and 950 people, respectively, according to both SWED and the Somerset Economic Development Commission, are important factors for the economic well-being of the region and the local housing market.

During the most recent 12-month period ending August 2004, 1,296 new and existing homes were sold, a 5-percent increase from the same period 1 year earlier, according to the Maryland Association of REALTORS®.

During that same time, the average price of homes in the area rose from $146,464 to $171,623, a 17-percent increase. The average home price in Wicomico County increased by 19 percent during this period compared with a 13-percent increase in Somerset County. Over the past 12 months, Wicomico also had a much larger volume of sales—1,060 homes—compared with 236 in Somerset. Despite increases over the last few years, prices in the area are still much lower than in nearby resort areas; the lower prices in the Salisbury area attract potential residents who want to be close to the ocean but at a reduced cost. For example, in Worcester County, where Ocean City is located, the average price for a home over the last 12 months was $308,140, 80 percent higher than in the Salisbury area.

Since 2000, increasing housing demand in the region has resulted in a larger number of units being permitted each year. During the latter half of the 1990s, the area averaged 450 single-family permits and 110 multifamily permits each year. These permit numbers have risen to 640 and 270, respectively, since 2000. In 2003, 981 single-family building permits were issued, 52 percent more than in 2002. Through August 2004, 690 single-family permits had been issued. Multifamily permits increased by 18 percent from 2002 to 2003 when 317 permits were issued. Since 2000, construction of apartments designed either exclusively or primarily for the student market has reached a high level. In Wicomico County, University Park Apartments, built in two phases, is designed to house 888 students. University Village, which will have 147 units of student housing, has recently been permitted. In Somerset County, several multifamily units have been constructed adjacent to UMES, including Arden Run Phase I and Talon's Square Phase I, which in combination house 350 students. Both projects have plans for additional units in the future, and Talon's Square is currently constructing Phase II, designed to house 72 students. Through August 2004, 299 multifamily permits had been issued in the metropolitan area.

Numerous condominium units are either under construction or in the planning stages in the city of Crisfield in Somerset County. The city is located on the Chesapeake Bay, and local sources note that many of these units will be for seasonal occupancy. Currently 84 units are under construction in addition to phase 1 of a four-phase project that will have 122 units. In addition, at least 276 units are in the planning process. Information from the Somerset Economic Development Commission indicates that prices for the condominiums will range from $269,000 to $400,000.

Stockton, California

The Stockton, California metropolitan area, located 80 miles east of San Francisco and 50 miles south of Sacramento, consists of San Joaquin County. Served by several cross-state freeways, the Stockton area has become a source of relatively affordable homes to increasing numbers of San Francisco Bay Area commuters. As a result, the county's rate of population growth is one of the fastest in the state, averaging 3.2 percent annually since the 2000 Census compared with 1.6-percent gains each year during the 1990s. As of July 2004, the estimated population of the Stockton area is 644,000, with 70 percent of the increase since 2000 attributable to net in-migration.

Stockton is a strategic rail and highway transportation center for Northern California agricultural and manufactured products, as well as the regional center for government, medical care, education, and retail. Historically, Stockton's economy depended primarily on farming, which is still important; in 2003, the county ranked seventh in the state with agricultural production valued at $1.5 billion. The economic base of the Stockton area now includes medical, educational, government, real estate, and financial services institutions that provide growth, stability, and diversity to the local economy. The University of the Pacific, located in the city of Stockton, has an enrollment of 4,370 students, a staff of 1,600, and an annual budget of $120 million.

Since 2000, total employment has risen by 5,100 jobs annually, or 2.1 percent, and nonfarm payrolls have increased by 4,500 jobs a year, or 2.4 percent. Job growth in the Stockton area has been higher than the statewide average, stemming from gains in the service-providing sectors, including health and education, local government, and residential construction. Growth in these industries has more than offset the loss of 5,000 manufacturing jobs in the past few years, most of which were in food processing. In the 12 months ending September 2004, nonfarm job growth measured less then 1 percent, but total employment rose 2.2 percent because of steady in-migration. The unemployment rate averaged 10 percent during the past 1-year period, a reflection of the area's seasonal agricultural and food-processing industries.

A number of major developments will support future employment growth in the Stockton area. Several large shopping centers are under construction, expansions are occurring at two major hospitals, and downtown improvements include a planned $113 million events center and indoor arena. Tracy Gateway is a proposed

550-acre, campus-style business park that will provide 6 million square feet of Class A office space on completion in an estimated 10 to 20 years. Located in the city of Tracy in southwestern San Joaquin County, this development will offer the county's growing population an alternative to Bay Area commuting for jobs.

Since 2000, strong in-migration and low mortgage interest rates have created extremely tight sales market conditions in the Stockton area. According to data from the Central Valley Association of REALTORS®, county resales rose from an estimated 6,700 homes in 2000 to a record level of 7,700 homes sold in 2003. Closings this year through September totaled 6,600 homes, up 27 percent compared with the first 9 months of 2003 and on track for a new record in 2004. The county's median resale price was an estimated $317,000 in the third quarter of 2004, a 23-percent gain from the third quarter of 2003. Prices of both new and existing homes have increased at an average annual rate of 17 percent in the past 5 years, according to the Office of Federal Housing Enterprise Oversight.

Single-family building activity has risen in response to the strong demand for homes. From 2000 through 2003, single-family permits averaged 5,500 homes annually, with a record-breaking 6,935 permits issued in 2003. With nearly 4,900 permits registered in the first 9 months of 2004, builders are just 4 percent off the record pace set in the year-earlier period. Due to the high volume of sales, new home inventories are very low at less than 2 weeks of supply. Developable sites are becoming increasingly scarce because a number of cities have enacted measures that limit the pace of development, and some communities face sewer capacity constraints. Lots for development will be available in the city of Lathrop where a tentative map for the River Islands master plan has been issued. River Islands consists of 11,000 proposed homes on 5,000 acres of farmland northeast of Tracy. Sites are also available in the new town of Mountain House, a 5,000-acre, master-planned community slated to have 16,000 homes and 44,000 residents within 20 years. Homes in the development began selling in 2003 at starting prices of $400,000, with the majority of purchases made by Bay Area commuters.

Rental market conditions are tight due to limited multifamily unit production and strong in-migration to the Stockton area over the past few years. Overall rental occupancy measures approximately 95 percent; newer, higher end properties are closer to 94 percent. Tax-credit, affordable rental properties generally have occupancy rates of 97 percent or higher. Market-rate rents for new two-bedroom/two-bath apartments range from $1,075 to $1,225, several hundred dollars less than similar properties in adjacent Bay Area counties. Because of the high occupancy rates, rent incentives are minimal, and rents have increased an estimated 5 percent over the past year.

Multifamily production has averaged about 300 units annually since 2000, nearly twice the average yearly number produced in the 1990s. The consistently high occupancy rates indicate that this level of apartment construction has been readily absorbed. Two upper-end apartment complexes of 293 and 156 units under construction in Manteca and Tracy, respectively, will target both local and Bay Area renters.

Tacoma, Washington

The Tacoma metropolitan area, located 35 miles south of Seattle, is part of the Puget Sound region and is coterminous with Pierce County. During the past several years, Tacoma has been characterized by relatively stable economic conditions and an affordable housing market compared with the Seattle metropolitan area. In addition, several recent developments have improved Tacoma's downtown, adding to the area's overall quality of life and contributing to the emergence of a housing market in the city's center.

Total resident employment in the Tacoma metropolitan area has increased by 8 percent since 2000 to 343,100 jobs, despite the loss of nearly 6,300 residents' jobs during the economic downturn in 2001. Nonfarm employment only lost 500 jobs in 2001 and has grown by 4.5 percent since 2000 to 255,500 jobs. The disparity between the resident and nonfarm employment surveys reflects the number of Tacoma residents employed outside the area due to improved mass transportation that has facilitated commuting, particularly to downtown Seattle. During the 12 months ending September 2004, total employment rose 4.1 percent and nonfarm jobs increased 2.4 percent. The unemployment rate declined from 7.7 percent to 6.9 percent over the same period.

Government, trade, and education and health services are the Tacoma economy's mainstays. Government employment has risen 6 percent since 2000 to 53,200, accounting for 21 percent of nonfarm jobs. Local government, up 12 percent, registered most of the gains due to several incorporations. The presence of Fort Lewis and McChord Air Force Base, with nearly 35,000 military and civilian personnel combined, has a local economic impact of an estimated $2.87 billion annually. Since

2000, the number of military personnel in the Tacoma area has increased by 20 percent, or 3,300 people.

The trade, transportation, and utilities sector currently accounts for one-fifth of nonfarm employment, or 52,000 jobs. Since 2000, the Tacoma area's access to Asia and Alaska through the Port of Tacoma has contributed to the addition of nearly 5,000 jobs in this sector, or an increase of 9 percent. During the past year, transportation and warehousing led employment gains in the metropolitan area, followed by education and health services and construction. Education and health services added 1,600 jobs to reach 39,200, or 15 percent of total nonfarm employment. Construction employment rose 6 percent to 20,000 jobs because of several large-scale projects, including the downtown Tacoma Convention Center, the new Tacoma Narrows Bridge, and on-base military improvements. Losses during the past 12 months occurred in manufacturing and information services. Manufacturing has declined 18 percent since 2000, mainly because of closures in the pulp and paper products industry. Employment in manufacturing is expected to improve during the next year, however, due to job gains at Boeing and strong demand for lumber and wood products.

Population increases in the Tacoma area have occurred primarily because of moderate but relatively steady employment growth. Since 2000, the population has risen 6 percent to 744,000 as of July 1, 2004, based on state estimates, with more than half of the gain due to net in-migration. Pierce County is the second largest county in Washington, and communities with the fastest rates of population growth include Bonney Lake, DuPont, Milton, Buckley, and Puyallup and unincorporated areas of Pierce County.

Consistent population growth, combined with stable economic conditions and low interest rates, has created a strong demand for homes in the Tacoma area. As a result, average annual single-family permits during the 2000 to 2003 period were 9 percent higher than in the 1990s, averaging 4,240 homes annually. During the 12 months ending September 2004, single-family permits totaled 4,385 compared with 4,700 in the previous 1-year period. The decline in permits was due to the longer permit process in recently incorporated areas and more modest demand compared with the record pace set last year. A recent spike in new home prices resulted from a tighter land supply due to development, causing new single-family home sales to slow. According to data from the Northwest Multiple Listing Service (MLS), sales of new homes declined 13 percent year-to-date through September 2004 to 1,777 sales compared with the same period in 2003. The median sales price rose nearly 20 percent to $232,000 compared with a 5-percent increase a year earlier. Data collected directly from builders by New Home Trends indicated new home prices will likely rise further as the median asking price for available inventory was $279,950 in October 2004. Despite the slowdown in sales, the average number of days a new MLS home stayed on the market was unchanged from last year at 102 days, and REALTORS® expected strong sales activity during the next year.

Demand for existing homes remained strong as sales outpaced year-earlier totals, up 3 percent to 15,200 homes sold for the first 9 months of 2004. The median sales price rose 15 percent to $227,950 according to MLS data, but was still well below the Seattle area equivalent in King County of $380,950. REALTORS® reported interest from first-time buyers, move-up buyers, and rental investors. Condominium sales also reflected strong demand, up 6 percent for both new and existing units to 650 closings year-to-date through September 2004. New construction condominiums had a median sales price of $213,000, up 8 percent, and the median sales price for existing condominiums rose 12 percent to $184,700.

Rental market conditions have remained competitive in the Tacoma area for the past several years. Property managers cited competition from the sales market as the primary reason for the soft rental market conditions and, more recently, military deployments. Based on the fall 2004 Dupre + Scott apartment vacancy report, the rental vacancy rate registered 8.2 percent as of September 2004, up from 6.9 percent in September 2003. The overall average rent barely changed over the same period—$678 as of September 2004 and $675 in September 2003. Nearly two-thirds of properties surveyed were offering concessions. Vacancies were highest in Gig Harbor, Lakewood, and South Tacoma.

The competitive rental market conditions caused multifamily building activity to moderate in the past few years. Multifamily permits averaged 1,250 units annually during the 1990s and have averaged 985 units per year since 2000. During the past 1-year period ending September 2004, the number of multifamily units permitted increased to 1,200 compared with 900 units during the same period ending September 2003. The city of Tacoma accounted for most of the increase because of proposed downtown development and revitalization of the Salishan public housing project through the Hope VI program.

Several major private and public developments have reshaped downtown Tacoma in the past few years, paving the way for multifamily residential construction. The city of Tacoma purchased 27 acres of waterfront along the Thea Foss Waterway for redevelopment; results from this effort include the Museum of Glass, Foss Waterway Marina, and Thea's Landing. Thea's Landing is a mixed-use building with retail space, 189 apartments, and 46 condominiums. Apartment rents at the 3-year old project are currently between $800 and $2,200 per month, and the condominiums originally sold for between $200,000 and $500,000. Also located on the waterfront is the Albers Mill building, a century-old, former cereal mill that was renovated into 36 loft-style rental units. Leasing began this year with rents ranging from $900 to $2,150 for units of 500 to 1,260 square feet. The Tacoma Convention Center, University of Washington-Tacoma campus expansion, several new restaurants, and the new Tacoma Art Museum have also improved the downtown area. Future projects include a new hotel, the LeMay Car Museum, and nearly 1,000 apartment and condominium units according to data collected by New Home Trends. The Esplanade, a 180-unit waterfront condominium development with estimated unit prices ranging between $270,000 and $800,000, is planned to start construction next year.

Tampa-St. Petersburg-Clearwater, Florida

The Tampa-St. Petersburg-Clearwater metropolitan area, located on the west central coast of Florida on the Gulf of Mexico, comprises Hillsborough, Hernando, Pasco, and Pinellas Counties. The area is a tourist destination, a business center, and the location of a major port facility in Tampa. With a population of more than 2,531,000 in 2003, it is the most populous metropolitan area in Florida. Between 1990 and 2000, the area's population increased by an annual average of more than 32,800, or 1.5 percent, to 2,395,977. Between 2000 and 2003, the population growth slowed to an annual average of less than 1 percent, reflecting the effects of the recession on the local economy and migration.

Between 1990 and 2000, Pinellas County experienced a very low rate of population growth, increasing by an annual average of only 0.8 percent. Pinellas County was for decades a major retirement destination, but gradually lost its appeal. Between 1990 and 2000, the elderly population in Pinellas County declined, but the number of people in younger age groups increased, portending a significant change in the age mix in the county.

The economy of the metropolitan area is recovering from the 2001 recession and the response to terrorist attacks in September 2001 that brought air transportation and tourism to a halt for a period that year. Nonfarm employment did not increase between 2001 and 2002, remaining at 1,212,700 for both years, a much more positive result than the substantial losses in employment that occurred in other metropolitan areas in Florida. The unemployment rate over that period did increase from 3.8 percent to 4.6 percent. During 2003, employment increased by 13,600 jobs, or 1.1 percent, over the prior 12 months as employment growth resumed gradually. Total nonfarm employment during the 12 months ending September 2004 increased by 16,900 jobs, or 1.4 percent, to 1,237,800 as the economic expansion accelerated.

The metropolitan area, particularly Hillsborough County, attracted a large number of corporate call centers during the 1990s, but this sector has declined in recent years in the area. The telecommunications sector has declined from more than 19,600 jobs in the 12 months ending September 2001 to approximately 15,800 jobs for the period ending September 2004. In recent years, several firms have moved call center operations offshore. The main campus of the University of South Florida, a major state university, is located in Tampa. Its two campuses in the metropolitan area have more than 35,000 students, including a medical school on its main campus in Tampa.

With a favorable winter climate, Gulf beaches, and major tourist attractions, the area draws seasonal residents in the winter and tourists who come to stay for a shorter period of time in both summer and winter. The 2000 Census reported more than 64,000 seasonal housing units in the metropolitan area, or almost 6 percent of the entire inventory. The impact of the tourism industry on the local economy is demonstrated by the size of the leisure and hospitality sector, which accounts for more than 109,000 jobs, or 8.8 percent of the total area employment. This sector seems to be growing once again. For the 12 months ending July 2004, Pinellas County collected 10.8 percent more in taxes levied on transient housing than in the same period last year, and in Hillsborough County, for the period October 2003 through July 2004, a similar tax is 7.9 percent ahead of the same period the year before.

The metropolitan area was affected by three of the four hurricanes that struck the state this season. They caused widespread damage and flooding across the area, but the overall impacts were less severe than in the areas where the storms made landfall. No firm data is yet available on the magnitude of the specific impact on housing.

The sales housing market in the metropolitan area remains very strong. For the 12 months ending September 2004, single-family production, measured by units authorized by building permits, increased by 6 percent to 21,963 units. Rose Residential Reports reported that closings of single-family owner home sales increased from 6,119 in the first half of 2003 to 6,678, a 9.1-percent increase, during the same period in 2004. The same report indicated that multifamily unit sales increased from 1,459 to 2,472, or 69.4 percent, over the same period. The average price of single-family units was $232,189, and the average price of multifamily sales units such as condos was $182,954. For the 12 months ending September 2004, the Florida Association of REALTORS® reported that 32,771 existing homes were sold in the area, an increase of 1,566, or 5 percent. The number of sales actually closed in September was reduced because lenders required post-storm re-inspections after each storm and insurance companies temporarily refused to issue new homeowners policies.

In 1999, multifamily production peaked in the metropolitan area when more than 9,600 units were authorized. According to M/PF Research, Inc., completion of these units coincided with the recent recession, and apartment occupancy fell to 91.3 percent in December 2002. Construction declined from 2000 through 2002 to an average of 5,978 units; this resulted in an increased occupancy rate, reported by M/PF Research to have been 94.4 percent in March 2003. The number of units authorized in 2003 increased again to more than 9,100 units, and occupancy rates declined somewhat to 92.5 percent as of December 2003. By September 2004, occupancy had improved to 94.4 percent for the year ending September 2004, and multifamily production had declined by 31 percent to 6,502 units.

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

HUD Region and State	2004 Through September			2003 Through September			Ratio: 2003/2004 Through September		
	Total	Single Family	Multi-family*	Total	Single Family	Multi-family*	Total	Single Family	Multi-family*
Connecticut	8,487	6,740	1,747	7,477	5,983	1,494	1.135	1.127	1.169
Maine	6,405	5,862	543	5,689	5,268	421	1.126	1.113	1.290
Massachusetts	15,204	10,591	4,613	13,754	9,160	4,594	1.105	1.156	1.004
New Hampshire	6,596	4,949	1,647	5,930	4,662	1,268	1.112	1.062	1.299
Rhode Island	1,903	1,482	421	1,687	1,417	270	1.128	1.046	1.559
Vermont	2,822	2,140	682	2,083	1,869	214	1.355	1.145	3.187
New England	**41,417**	**31,764**	**9,653**	**36,620**	**28,359**	**8,261**	**1.131**	**1.120**	**1.169**
New Jersey	26,622	16,744	9,878	23,342	15,845	7,497	1.141	1.057	1.318
New York	40,500	18,458	22,042	37,041	17,859	19,182	1.093	1.034	1.149
New York/New Jersey	**67,122**	**35,202**	**31,920**	**60,383**	**33,704**	**26,679**	**1.112**	**1.044**	**1.196**
Delaware	6,107	5,639	468	5,010	4,869	141	1.219	1.158	3.319
District of Columbia	1,589	203	1,386	1,340	116	1,224	1.186	1.750	1.132
Maryland	21,208	16,657	4,551	22,591	18,474	4,117	0.939	0.902	1.105
Pennsylvania	37,972	30,500	7,472	30,869	26,199	4,670	1.230	1.164	1.600
Virginia	48,555	38,026	10,529	42,955	36,502	6,453	1.130	1.042	1.632
West Virginia	4,051	3,715	336	3,503	3,188	315	1.156	1.165	1.067
Mid-Atlantic	**119,482**	**94,740**	**24,742**	**106,268**	**89,348**	**16,920**	**1.124**	**1.060**	**1.462**
Alabama	22,497	18,099	4,398	19,585	16,537	3,048	1.149	1.094	1.443
Florida	187,894	140,020	47,874	157,206	115,570	41,636	1.195	1.212	1.150
Georgia	79,883	67,447	12,436	71,837	59,453	12,384	1.112	1.134	1.004
Kentucky	17,607	14,421	3,186	15,412	13,192	2,220	1.142	1.093	1.435
Mississippi	10,272	8,631	1,641	9,266	7,807	1,459	1.109	1.106	1.125
North Carolina	70,708	58,796	11,912	58,795	50,116	8,679	1.203	1.173	1.373
South Carolina	31,640	27,158	4,482	28,089	23,860	4,229	1.126	1.138	1.060
Tennessee	34,807	29,042	5,765	27,724	25,014	2,710	1.255	1.161	2.127
Southeast/Caribbean	**455,308**	**363,614**	**91,694**	**387,914**	**311,549**	**76,365**	**1.174**	**1.167**	**1.201**
Illinois	46,023	35,844	10,179	45,379	33,295	12,084	1.014	1.077	0.842
Indiana	29,554	24,758	4,796	31,105	24,945	6,160	0.950	0.993	0.779
Michigan	40,538	34,645	5,893	39,221	33,224	5,997	1.034	1.043	0.983
Minnesota	30,170	23,756	6,414	29,265	23,388	5,877	1.031	1.016	1.091
Ohio	38,172	32,246	5,926	39,936	32,621	7,315	0.956	0.989	0.810
Wisconsin	28,782	21,611	7,171	29,584	21,053	8,531	0.973	1.027	0.841
Midwest	**213,239**	**172,860**	**40,379**	**214,490**	**168,526**	**45,964**	**0.994**	**1.026**	**0.878**
Arkansas	12,143	7,712	4,431	11,339	7,297	4,042	1.071	1.057	1.096
Louisiana	15,661	13,957	1,704	15,695	12,790	2,905	0.998	1.091	0.587
New Mexico	9,753	9,073	680	10,470	8,944	1,526	0.932	1.014	0.446
Oklahoma	11,815	10,270	1,545	11,880	9,682	2,198	0.995	1.061	0.703
Texas	139,828	111,093	28,735	135,109	103,696	31,413	1.035	1.071	0.915
Southwest	**189,200**	**152,105**	**37,095**	**184,493**	**142,409**	**42,084**	**1.026**	**1.068**	**0.881**
Iowa	11,891	9,333	2,558	12,696	9,903	2,793	0.937	0.942	0.916
Kansas	9,322	8,200	1,122	9,532	7,657	1,875	0.978	1.071	0.598
Missouri	22,627	18,126	4,501	20,949	16,547	4,402	1.080	1.095	1.022
Nebraska	7,667	6,646	1,021	7,715	6,648	1,067	0.994	1.000	0.957
Great Plains	**51,507**	**42,305**	**9,202**	**50,892**	**40,755**	**10,137**	**1.012**	**1.038**	**0.908**
Colorado	36,006	30,361	5,645	29,762	25,299	4,463	1.210	1.200	1.265
Montana	2,927	1,676	1,251	2,784	1,737	1,047	1.051	0.965	1.195
North Dakota	3,189	1,917	1,272	2,900	1,772	1,128	1.100	1.082	1.128
South Dakota	4,633	3,615	1,018	3,775	2,966	809	1.227	1.219	1.258
Utah	18,208	15,258	2,950	16,990	13,779	3,211	1.072	1.107	0.919
Wyoming	2,580	2,068	512	1,990	1,620	370	1.296	1.277	1.384
Rocky Mountain	**67,543**	**54,895**	**12,648**	**58,201**	**47,173**	**11,028**	**1.161**	**1.164**	**1.147**
Arizona	67,075	60,930	6,145	53,626	48,563	5,063	1.251	1.255	1.214
California	156,076	117,532	38,544	143,814	106,300	37,514	1.085	1.106	1.027
Hawaii	6,858	4,397	2,461	5,393	4,456	937	1.272	0.987	2.626
Nevada	36,780	31,757	5,023	32,710	24,963	7,747	1.124	1.272	0.648
Pacific	**266,789**	**214,616**	**52,173**	**235,543**	**184,282**	**51,261**	**1.133**	**1.165**	**1.018**
Alaska	2,658	1,550	1,108	2,861	1,407	1,454	0.929	1.102	0.762
Idaho	12,739	10,906	1,833	11,215	9,436	1,779	1.136	1.156	1.030
Oregon	21,652	16,506	5,146	20,247	14,834	5,413	1.069	1.113	0.951
Washington	36,746	28,779	7,967	34,604	27,029	7,575	1.062	1.065	1.052
Northwest	**73,795**	**57,741**	**16,054**	**68,927**	**52,706**	**16,221**	**1.071**	**1.096**	**0.990**
United States	**1,545,402**	**1,219,842**	**325,560**	**1,403,731**	**1,098,811**	**304,920**	**1.101**	**1.110**	**1.068**

*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	2004 Through September		
		Total	Single Family	Multi-family**
12060	Atlanta-Sandy Springs-Marietta, GA	54,857	45,221	9,636
38060	Phoenix-Mesa-Scottsdale, AZ	48,970	44,035	4,935
26420	Houston-Baytown-Sugar Land, TX	42,225	33,762	8,463
19100	Dallas-Fort Worth-Arlington, TX	41,520	34,962	6,558
35620	New York-Northern New Jersey-Long Island, NY-NJ-PA	41,206	14,904	26,302
40140	Riverside-San Bernardino-Ontario, CA	40,239	34,254	5,985
16980	Chicago-Naperville-Joliet, IL-IN-WI	35,707	27,772	7,935
33100	Miami-Fort Lauderdale-Miami Beach, FL	34,068	19,368	14,700
29820	Las Vegas-Paradise, NV	30,896	26,546	4,350
47900	Washington-Arlington-Alexandria, DC-VA-MD-WV	29,102	21,103	7,999
36740	Orlando, FL	26,270	21,667	4,603
31100	Los Angeles-Long Beach-Santa Ana, CA	26,079	12,981	13,098
45300	Tampa-St. Petersburg-Clearwater, FL	21,582	17,355	4,227
33460	Minneapolis-St. Paul-Bloomington, MN-WI	20,288	15,307	4,981
42660	Seattle-Tacoma-Bellevue, WA	18,327	12,706	5,621
37980	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	16,947	11,855	5,092
16740	Charlotte-Gastonia-Concord, NC-SC	16,906	14,086	2,820
19820	Detroit-Warren-Livonia, MI	16,826	13,429	3,397
19740	Denver-Aurora, CO	16,637	12,813	3,824
40900	Sacramento--Arden-Arcade--Roseville, CA	16,555	14,696	1,859
15980	Cape Coral-Fort Myers, FL	14,873	10,313	4,560
27260	Jacksonville, FL	14,271	11,118	3,153
12420	Austin-Round Rock, TX	14,177	11,095	3,082
41700	San Antonio, TX	13,049	9,829	3,220
34980	Nashville-Davidson--Murfreesboro, TN	12,577	10,088	2,489
41740	San Diego-Carlsbad-San Marcos, CA	12,219	7,604	4,615
41180	St. Louis, MO-IL	12,157	10,318	1,839
38900	Portland-Vancouver-Beaverton, OR-WA	12,151	8,665	3,486
41860	San Francisco-Oakland-Fremont, CA	11,598	6,180	5,418
26900	Indianapolis, IN	11,362	9,387	1,975
39580	Raleigh-Cary, NC	11,176	9,261	1,915
28140	Kansas City, MO-KS	10,718	9,381	1,337
42260	Sarasota-Bradenton-Venice, FL	10,519	8,190	2,329
18140	Columbus, OH	10,407	8,577	1,830
14460	Boston-Cambridge-Quincy, MA-NH	10,371	5,932	4,439
17140	Cincinnati-Middletown, OH-KY-IN	10,006	8,624	1,382
38940	Port St. Lucie-Fort Pierce, FL	8,091	6,925	1,166
32820	Memphis, TN-MS-AR	8,037	6,996	1,041
47260	Virginia Beach-Norfolk-Newport News, VA-NC	7,898	5,924	1,974
46060	Tucson, AZ	7,695	7,091	604
12580	Baltimore-Towson, MD	7,362	5,702	1,660
40060	Richmond, VA	7,096	5,988	1,108
36420	Oklahoma City, OK	6,947	5,979	968
32580	McAllen-Edinburg-Pharr, TX	6,882	5,341	1,541
31140	Louisville, KY-IN	6,615	5,731	884
37340	Palm Bay-Melbourne-Titusville, FL	6,597	4,639	1,958
13820	Birmingham-Hoover, AL	6,479	5,158	1,321
29460	Lakeland, FL	6,464	6,217	247
14260	Boise City-Nampa, ID	6,438	5,677	761
16700	Charleston-North Charleston, SC	6,205	5,469	736

* Based on Office of Management and Budget's metropolitan and micropolitan statistical area definitions announced on June 6, 2003.

** Multifamily is two or more units in structure.

CBSA = Core Based Statistical Area.

Source: Census Bureau, Department of Commerce

Historical Data

Table 1. New Privately Owned Housing Units Authorized:* 1966–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											
1966	971.9	563.2	36.3	24.7	347.7	775.2	196.8	209.8	250.9	331.1	180.2
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
Monthly Data (Seasonally Adjusted Annual Rates)											
2003											
Jul	1,892	1,483	80		329	NA		183	376	850	483
Aug	1,964	1,518	83		363	NA		201	391	884	488
Sep	1,943	1,526	90		327	NA		180	394	874	495
Oct	2,015	1,558	82		375	NA		199	383	908	525
Nov	1,920	1,504	94		322	NA		192	387	849	492
Dec	1,979	1,546	77		356	NA		204	369	914	492
2004											
Jan	1,913	1,488	96		329	NA		184	351	880	498
Feb	1,913	1,516	78		319	NA		183	343	884	503
Mar	1,975	1,551	93		331	NA		206	350	916	503
Apr	2,006	1,544	99		363	NA		198	369	905	534
May	2,097	1,610	96		391	NA		196	355	994	552
Jun	1,945	1,546	83		316	NA		197	339	902	507
Jul	2,066	1,586	113		367	NA		189	358	964	555
Aug	1,969	1,556	82		331	NA		175	349	910	535
Sep	2,005	1,558	89		358	NA		194	371	912	528

*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: 1966–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											
1966	1,164.9	778.6	34.6	26.5	325.1	787.7	377.1	206.5	288.3	472.5	197.6
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
Monthly Data (Seasonally Adjusted Annual Rates)											
2003											
Jul	1,893	1,536	NA		321	NA		186	391	864	452
Aug	1,835	1,494	NA		309	NA		154	399	855	427
Sep	1,922	1,537	NA		340	NA		186	427	862	447
Oct	1,983	1,644	NA		310	NA		152	386	914	531
Nov	2,054	1,670	NA		347	NA		188	424	894	548
Dec	2,067	1,657	NA		381	NA		172	400	970	525
2004											
Jan	1,934	1,565	NA		339	NA		149	331	940	514
Feb	1,895	1,521	NA		344	NA		176	348	890	481
Mar	2,000	1,624	NA		343	NA		173	373	929	525
Apr	1,963	1,615	NA		312	NA		178	382	957	446
May	1,979	1,654	NA		269	NA		180	357	870	572
Jun	1,817	1,520	NA		272	NA		165	315	864	473
Jul	1,985	1,661	NA		260	NA		182	349	894	560
Aug	2,020	1,678	NA		273	NA		201	371	913	535
Sep	1,898	1,540	NA		328	NA		147	354	904	493

*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
Monthly Data (Seasonally Adjusted Annual Rates)											
2003											
Jul	1,078	744	NA		310	NA		124	213	457	284
Aug	1,101	757	NA		320	NA		124	219	469	289
Sep	1,116	766	NA		325	NA		127	224	479	286
Oct	1,134	781	NA		329	NA		126	228	490	290
Nov	1,154	793	NA		336	NA		126	235	494	299
Dec	1,181	811	NA		346	NA		129	240	503	309
2004											
Jan	1,197	822	NA		349	NA		130	237	518	312
Feb	1,207	825	NA		357	NA		132	235	525	315
Mar	1,226	840	NA		360	NA		133	238	533	322
Apr	1,225	838	NA		360	NA		136	239	539	311
May	1,230	850	NA		351	NA		140	235	535	320
Jun	1,224	850	NA		346	NA		139	231	537	317
Jul	1,243	855	NA		357	NA		142	227	551	323
Aug	1,253	867	NA		351	NA		146	222	557	328
Sep	1,253	862	NA		356	NA		144	223	558	328

*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
Monthly Data (Seasonally Adjusted Annual Rates)											
2003											
Jul	1,681	1,421	NA		231	NA		139	352	723	467
Aug	1,579	1,332	NA		227	NA		151	327	697	404
Sep	1,697	1,399	NA		255	NA		143	351	727	476
Oct	1,731	1,483	NA		227	NA		157	319	775	480
Nov	1,709	1,459	NA		227	NA		162	316	805	426
Dec	1,736	1,459	NA		244	NA		151	334	828	423
2004											
Jan	1,714	1,437	NA		264	NA		129	380	726	479
Feb	1,729	1,458	NA		240	NA		139	377	762	451
Mar	1,782	1,488	NA		274	NA		143	340	837	462
Apr	1,944	1,654	NA		268	NA		140	369	894	541
May	1,928	1,523	NA		383	NA		145	380	919	484
Jun	1,865	1,524	NA		317	NA		177	356	837	495
Jul	1,876	1,541	NA		303	NA		154	369	869	484
Aug	1,909	1,544	NA		346	NA		166	421	865	457
Sep	1,791	1,545	NA		229	NA		147	337	842	465

*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: 1976–Present

Period	Shipments*	Placed for Residential Use*					Average Price	For Sale*
	U.S.	U.S.	Northeast	Midwest	South	West		
Annual Data								
1976	246	250	17	52	115	67	$12,300	67
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	138	11	25	76	26	$54,900	38
Monthly Data (Seasonally Adjusted Annual Rates)								
2003								
May	130	140	12	24	80	24	$54,400	47
Jun	131	136	10	22	80	24	$53,600	47
Jul	136	130	10	25	70	24	$55,700	46
Aug	129	130	14	26	67	23	$54,400	46
Sep	129	143	13	26	75	29	$54,200	44
Oct	126	142	11	27	77	27	$56,800	43
Nov	126	145	13	25	81	25	$56,500	40
Dec	125	135	14	26	70	26	$57,700	38
2004								
Jan	124	135	8	33	69	25	$56,100	39
Feb	123	109	10	18	58	24	$59,000	39
Mar	132	119	11	19	64	25	$56,700	39
Apr	129	135	10	22	70	33	$56,600	39
May	126	123	12	22	65	24	$56,800	38
Jun	127	131	12	21	76	22	$55,900	36
Jul	125	136	10	22	76	28	$58,000	34
Aug	125	116	14	17	64	22	$55,500	35
Sep	135	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
	Monthly Data										**(Seasonally Adjusted)**	
	(Seasonally Adjusted Annual Rates)					**(Not Seasonally Adjusted)**						
2003												
Jul	1,156	77	222	555	302	342	29	84	159	69	341	3.5
Aug	1,189	76	256	544	313	342	28	84	163	68	344	3.5
Sep	1,127	88	194	517	328	350	27	88	165	69	350	3.8
Oct	1,141	88	199	534	320	368	29	92	171	76	360	3.8
Nov	1,086	87	158	523	318	367	29	95	169	75	365	4.1
Dec	1,120	92	185	513	330	377	29	97	172	79	370	4.0
2004												
Jan	1,155	95	217	553	290	376	27	96	175	78	374	3.9
Feb	1,165	86	190	536	353	366	25	94	172	74	373	3.7
Mar	1,270	81	191	618	380	375	26	99	176	75	379	3.6
Apr	1,176	89	209	533	345	382	26	100	182	73	384	4.0
May	1,244	105	208	571	360	379	25	101	177	76	385	3.7
Jun	1,198	74	197	589	338	385	26	103	178	78	383	3.9
Jul	1,101	61	226	486	328	394	29	100	183	81	395	4.3
Aug	1,165	67	212	525	361	398	30	102	186	80	399	4.2
Sep	1,206	71	238	539	358	407	30	102	191	83	404	4.1

*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/const/www/newressalesindex.html

Table 7. Existing Single-Family 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	3,346	531	855	1,185	775	1,870	NA
1990	3,211	469	831	1,202	709	2,100	NA
1991	3,220	479	840	1,199	702	2,130	NA
1992	3,520	534	939	1,292	755	1,760	NA
1993	3,802	571	1,007	1,416	808	1,520	NA
1994	3,946	592	1,027	1,464	863	1,380	NA
1995	3,812	577	992	1,431	813	1,470	NA
1996	4,196	584	986	1,511	1,116	1,910	NA
1997	4,382	607	1,005	1,595	1,174	1,840	NA
1998	4,970	662	1,130	1,868	1,309	1,910	NA
1999	5,205	656	1,148	2,015	1,386	1,730	NA
2000	5,152	643	1,119	2,015	1,376	1,840	NA
2001	5,296	638	1,158	2,114	1,386	1,840	NA
2002	5,566	656	1,217	2,203	1,490	2,130	NA
2003	6,100	692	1,322	2,436	1,651	2,300	NA
Monthly Data (Seasonally Adjusted Annual Rates)							
2003							
Jul	6,190	700	1,350	2,480	1,670	2,360	4.6
Aug	6,390	720	1,380	2,560	1,730	2,430	4.6
Sep	6,680	740	1,430	2,650	1,850	2,400	4.3
Oct	6,390	740	1,360	2,580	1,700	2,460	4.6
Nov	6,130	710	1,270	2,450	1,690	2,480	4.9
Dec	6,370	720	1,360	2,550	1,740	2,300	4.3
2004							
Jan	6,000	630	1,180	2,600	1,590	2,200	4.4
Feb	6,130	720	1,270	2,490	1,660	2,280	4.5
Mar	6,480	720	1,350	2,580	1,830	2,350	4.4
Apr	6,630	730	1,410	2,650	1,830	2,360	4.3
May	6,810	720	1,410	2,750	1,930	2,420	4.3
Jun	6,920	740	1,460	2,760	1,960	2,400	4.2
Jul	6,720	730	1,390	2,770	1,820	2,490	4.4
Aug	6,550	730	1,340	2,690	1,790	2,440	4.5
Sep	6,750	760	1,390	2,670	1,930	2,450	4.4

*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]
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[2]	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
Quarterly Data							
2003							
Q3	191,900	259,400	184,000	163,400	272,200	248,100	222,300
Q4	198,800	290,000	189,600	169,400	272,800	256,000	225,000
2004							
Q1	212,700	292,000	208,900	173,800	273,300	262,900	232,300
Q2	217,600	290,300	203,500	171,400	278,700	265,300	235,600
Q3	211,100	336,300	191,700	172,100	291,400	270,600	236,500

[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 Single-Family Home Prices: 1968–Present

Period	Median					Average
	U.S.	Northeast	Midwest	South	West	U.S.
Annual Data						
1968	20,100	21,400	18,200	19,000	22,900	22,300
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	93,100	145,200	71,300	84,500	139,900	118,100
1990	95,500	141,200	74,000	85,900	139,600	118,600
1991	100,300	141,900	77,800	88,900	147,200	128,400
1992	103,700	140,000	81,700	92,100	143,800	130,900
1993	106,800	139,500	85,200	95,000	142,600	133,500
1994	109,900	139,100	87,900	96,000	147,000	136,800
1995	113,100	136,900	93,600	97,800	148,300	139,100
1996	115,800	127,800	101,000	103,400	147,100	141,800
1997	121,800	131,800	107,000	109,600	155,200	150,500
1998	128,400	135,900	114,300	116,200	164,800	159,100
1999	133,300	139,000	119,600	120,300	173,900	168,300
2000	139,000	139,400	123,600	128,300	183,000	176,200
2001	147,800	146,500	130,200	137,400	194,500	185,300
2002	158,100	164,300	136,000	147,300	215,400	201,600
2003	170,000	190,500	141,300	157,100	234,200	216,200
Monthly Data						
2003						
Jul	181,600	196,300	147,500	177,200	243,100	228,200
Aug	177,200	196,400	149,700	164,900	240,400	224,100
Sep	171,800	196,700	143,700	158,600	231,900	216,700
Oct	171,800	197,100	140,300	156,800	238,000	218,100
Nov	169,900	194,500	141,100	156,500	229,400	214,600
Dec	174,800	197,800	141,900	160,000	251,200	224,300
2004						
Jan	170,200	216,900	134,300	155,500	239,900	218,000
Feb	168,100	206,000	136,700	152,200	239,600	215,900
Mar	174,000	213,000	139,600	158,700	245,500	223,000
Apr	177,100	212,300	143,900	163,300	254,000	229,000
May	182,400	213,100	150,300	168,500	257,600	234,500
Jun	191,000	219,300	154,900	177,700	273,100	245,500
Jul	190,200	220,300	155,000	174,400	276,600	243,100
Aug	188,800	216,200	155,100	172,600	270,000	239,900
Sep	186,600	217,900	152,000	170,400	266,400	237,300

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	62.7	69.1	69.5	69.2	69.8	58.8	64.9	64.4	55.1	45.5
1976	66.6	71.6	70.8	70.9	72.4	63.5	69.0	68.9	60.1	53.4
1977	73.9	77.0	75.5	75.5	79.0	70.8	76.4	76.8	68.7	66.2
1978	83.7	87.7	81.0	83.5	87.6	81.2	87.4	87.4	80.7	79.0
1979	95.0	100.2	94.6	93.2	96.1	94.0	96.7	97.6	95.0	91.3
1980	102.6	104.5	103.6	102.2	100.2	103.2	102.8	100.9	102.5	104.1
1981	108.1	112.3	108.0	108.9	104.2	112.2	101.9	103.7	111.1	112.3
1982	111.3	117.3	112.7	114.5	106.4	122.9	102.4	99.9	117.4	114.5
1983	115.5	131.2	119.1	118.5	111.1	126.1	107.2	102.8	120.0	116.2
1984	120.8	154.8	134.0	123.4	114.5	125.2	111.2	105.1	119.9	120.5
1985	128.0	187.4	151.9	129.0	119.6	124.6	115.9	109.4	122.5	125.8
1986	137.9	228.8	176.4	136.8	125.9	125.8	120.6	116.2	126.5	133.5
1987	148.7	268.9	208.5	145.8	132.7	118.3	125.3	125.5	126.2	145.6
1988	158.1	287.6	229.4	156.0	136.9	111.8	127.9	134.7	124.2	166.2
1989	167.1	289.4	235.4	164.4	140.1	112.5	131.0	142.9	125.6	198.6
1990	171.5	277.9	234.2	167.9	142.5	113.9	133.3	149.8	128.4	216.4
1991	173.5	263.9	232.5	170.3	146.2	116.5	136.5	155.6	133.1	219.0
1992	177.4	260.5	237.1	174.7	151.4	120.7	140.9	162.0	139.7	218.5
1993	180.4	259.5	239.8	177.7	157.0	124.9	145.7	167.8	149.0	213.7
1994	183.7	256.4	237.6	179.6	164.7	128.9	153.6	176.3	163.4	208.8
1995	188.6	259.1	238.0	183.8	172.8	132.2	161.0	185.5	175.3	209.2
1996	195.2	266.1	242.7	190.0	181.1	136.6	168.4	195.6	184.8	212.6
1997	202.1	274.7	246.6	196.3	188.6	140.3	175.9	205.4	192.8	219.5
1998	212.4	291.4	256.8	205.8	198.1	147.2	184.6	215.0	201.8	234.9
1999	223.1	316.0	268.3	214.6	204.9	153.9	195.7	225.2	210.3	249.0
2000	238.7	354.2	288.0	227.0	211.4	161.6	209.1	237.9	223.1	273.9
2001	257.6	394.0	313.1	245.1	222.6	171.7	224.6	251.4	239.1	303.2
2002	275.8	439.2	343.9	262.5	229.7	178.0	239.0	262.9	249.6	331.2
2003	295.1	480.5	376.3	281.8	238.6	185.0	252.0	273.6	260.5	365.8
Quarterly Data										
2003										
Q2	290.8	471.9	368.9	277.8	237.3	184.1	248.7	271.1	257.9	357.2
Q3	295.7	481.7	376.8	282.6	239.1	185.2	252.6	274.0	261.0	366.5
Q4	306.7	503.9	396.2	293.1	242.5	187.9	260.2	280.3	267.4	387.9
2004										
Q1	311.2	511.1	401.1	299.3	244.6	189.3	261.8	282.3	270.9	398.1
Q2	318.0	522.1	410.0	306.8	246.8	191.1	266.2	285.8	277.5	413.4

Base: First quarter 1980 equals 100.

Source: Office of Federal Housing Enterprise Oversight

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

Table 11. Housing Affordability Index: 1972–Present

Period	U.S.				Affordability Indexes*		
	Median Existing Price	Mortgage Rate[1]	Median Family Income	Income To Qualify	Composite	Fixed	ARM
Annual Data							
1972	$26,700	7.52	$11,116	$7,183	154.8	154.8	154.8
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	$93,100	10.11	$34,213	$31,662	108.1	103.6	114.3
1990	$95,500	10.04	$35,353	$32,286	109.5	106.5	118.3
1991	$100,300	9.30	$35,939	$31,825	112.9	109.9	124.2
1992	$103,700	8.11	$36,812	$29,523	124.7	120.1	145.0
1993	$106,800	7.16	$36,959	$27,727	133.3	128.4	154.9
1994	$109,900	7.47	$38,782	$29,419	131.8	122.2	149.5
1995	$113,100	7.85	$40,611	$31,415	129.3	123.7	140.0
1996	$115,800	7.71	$42,300	$31,744	133.3	129.6	142.9
1997	$121,800	7.68	$44,568	$33,282	133.9	130.8	145.2
1998	$128,400	7.10	$46,737	$33,120	141.1	139.7	151.0
1999	$133,300	7.33	$48,950	$35,184	139.1	136.3	150.4
2000	$139,000	8.03	$50,732	$39,264	129.2	127.6	141.3
2001	$147,800	7.03	$51,407	$37,872	135.7	135.7	145.5
2002	$158,100	6.55	$51,680	$38,592	133.9	131.6	147.1
2003	$170,000	5.74	$52,682	$38,064	138.4	125.7	140.5
Monthly Data							
2003							
Jul	$176,000	5.39	$53,522	$37,920	141.1	139.6	153.2
Aug	$177,200	5.66	$52,898	$39,312	134.6	131.7	146.9
Sep	$171,800	5.94	$53,043	$39,312	134.9	132.0	147.3
Oct	$171,800	5.83	$53,189	$38,832	137.0	133.5	148.7
Nov	$169,900	5.85	$53,335	$38,496	138.5	134.8	149.1
Dec	$174,800	5.82	$53,482	$39,456	135.5	131.7	147.2
2004							
Jan	$170,200	5.70	$53,662	$37,920	141.5	137.7	153.1
Feb	$168,100	5.74	$53,818	$37,632	143.0	140.5	155.1
Mar	$174,000	5.48	$53,974	$37,872	142.5	137.5	156.2
Apr	$177,100	5.42	$54,131	$38,256	141.5	136.4	154.3
May	$182,400	5.77	$54,288	$40,944	132.6	127.1	143.3
Jun	$191,000	6.01	$54,445	$44,016	123.7	118.6	132.4
Jul	$190,200	5.93	$54,603	$43,440	125.7	121.1	133.5
Aug	$188,800	5.83	$54,761	$42,672	128.3	124.3	136.1
Sep	$186,600	5.70	$54,920	$41,568	132.1	128.6	139.5

*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	166,400	61	$930
Quarterly Data			
2003			
Q2	47,600	61	$956
Q3	42,500	56	$925
Q4	38,600	63	$931
2004			
Q1	34,100	62	$949
Q2	41,600	58	$1,025

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
Monthly Data (Seasonally Adjusted)				
2003				
Jul	65	69	74	51
Aug	71	77	78	55
Sep	68	73	78	51
Oct	72	78	82	52
Nov	70	78	81	47
Dec	70	77	77	52
2004				
Jan	69	76	76	51
Feb	64	71	73	46
Mar	64	70	70	49
Apr	69	77	76	48
May	69	74	75	55
Jun	68	73	74	53
Jul	67	74	74	51
Aug	71	77	78	56
Sep	67	73	75	52
Oct	72	78	84	54

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	FHA		Conventional					
	30-Year Fixed Rate		30-Year Fixed Rate		15-Year Fixed Rate		1-Year ARMs	
	Rate*	Points[1]	Rate	Points	Rate	Points	Rate	Points
Annual Data								
1973	7.41	5.4	8.04	1.0	NA	NA	NA	NA
1974	8.85	4.6	9.19	1.2	NA	NA	NA	NA
1975	8.64	4.4	9.04	1.1	NA	NA	NA	NA
1976	8.50	3.2	8.88	1.2	NA	NA	NA	NA
1977	8.27	2.7	8.84	1.1	NA	NA	NA	NA
1978	9.10	3.6	9.63	1.3	NA	NA	NA	NA
1979	10.00	4.5	11.19	1.6	NA	NA	NA	NA
1980	12.36	5.7	13.77	1.8	NA	NA	NA	NA
1981	15.17	5.1	16.63	2.1	NA	NA	NA	NA
1982	14.83	4.1	16.09	2.2	NA	NA	NA	NA
1983	12.24	4.4	13.23	2.1	NA	NA	NA	NA
1984	13.21	3.8	13.87	2.5	NA	NA	11.49	2.5
1985	11.96	2.8	12.42	2.5	NA	NA	10.04	2.5
1986	9.75	2.2	10.18	2.2	NA	NA	8.42	2.3
1987	9.67	2.8	10.20	2.2	NA	NA	7.82	2.2
1988	10.25	1.5	10.33	2.1	NA	NA	7.90	2.3
1989	10.08	1.6	10.32	2.1	NA	NA	8.80	2.3
1990	9.92	1.8	10.13	2.1	NA	NA	8.36	2.1
1991	9.25	0.9	9.25	2.0	NA	NA	7.10	1.9
1992	8.29	1.2	8.40	1.7	7.96	1.7	5.63	1.7
1993	7.46	0.4	7.33	1.6	6.83	1.6	4.59	1.5
1994	8.42	0.6	8.35	1.8	7.86	1.8	5.33	1.5
1995	8.28	0.5	7.95	1.8	7.49	1.8	6.07	1.5
1996	8.03	0.5	7.81	1.7	7.32	1.7	5.67	1.4
1997	7.90	0.4	7.59	1.7	7.13	1.7	5.60	1.4
1998	7.12	0.3	6.95	1.1	6.59	1.1	5.59	1.1
1999	7.53	0.5	7.44	1.0	7.06	1.0	5.98	1.0
2000	NA	NA	8.05	1.0	7.72	1.0	7.04	1.0
2001	NA	NA	6.97	0.9	6.50	0.9	5.82	0.9
2002	NA	NA	6.54	0.6	5.98	0.6	4.62	0.7
2003	NA	NA	5.83	0.6	5.17	0.6	3.76	0.6
Monthly Data								
2003								
Jul	NA	NA	5.63	0.5	4.97	0.5	3.57	0.6
Aug	NA	NA	6.26	0.7	5.59	0.7	3.79	0.7
Sep	NA	NA	6.15	0.6	5.46	0.6	3.86	0.6
Oct	NA	NA	5.95	0.6	5.27	0.6	3.74	0.6
Nov	NA	NA	5.93	0.6	5.27	0.7	3.75	0.7
Dec	NA	NA	5.88	0.7	5.20	0.6	3.75	0.6
2004								
Jan	NA	NA	5.71	0.7	5.02	0.7	3.63	0.7
Feb	NA	NA	5.64	0.7	4.94	0.7	3.55	0.7
Mar	NA	NA	5.45	0.7	4.74	0.7	3.41	0.6
Apr	NA	NA	5.83	0.7	5.16	0.6	3.65	0.6
May	NA	NA	6.27	0.7	5.64	0.7	3.88	0.7
Jun	NA	NA	6.29	0.6	5.66	0.6	4.10	0.7
Jul	NA	NA	6.06	0.6	5.46	0.6	4.11	0.7
Aug	NA	NA	5.87	0.7	5.26	0.6	4.06	0.6
Sep	NA	NA	5.75	0.7	5.14	0.7	3.99	0.7

*Mortgage loan interest rate data on FHA-insured loans are no longer collected by the Department of Housing and Urban Development.
[1]Annual data for the FHA rate are based on the most active (modal) quote and the secondary market discount (excluding origination fee) until 1994. Subsequent annual and monthly data are based on the average rate quoted and the primary market discount (excluding origination fee).
Sources: FHA—Office of Housing, Department of Housing and Urban Development; and Conventional—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
Monthly Data								
2003								
Jul	5.46	0.36	5.51	26.2	4.67	0.43	4.73	29.3
Aug	5.82	0.40	5.88	26.2	4.85	0.39	4.91	29.8
Sep	6.10	0.42	6.17	26.1	5.09	0.48	5.16	29.8
Oct	6.03	0.41	6.09	26.5	5.08	0.32	5.13	29.6
Nov	6.03	0.50	6.11	26.7	5.13	0.40	5.18	29.9
Dec	5.98	0.52	6.06	26.6	5.00	0.52	5.07	29.8
2004								
Jan	5.88	0.49	5.95	26.3	4.91	0.46	4.98	29.9
Feb	5.86	0.37	5.92	26.4	4.94	0.46	5.01	30.0
Mar	5.76	0.37	5.82	25.8	4.66	0.35	4.71	29.8
Apr	5.72	0.36	5.77	26.4	4.66	0.32	4.70	29.8
May	6.10	0.36	6.16	26.4	5.04	0.32	5.09	29.8
Jun	6.28	0.40	6.34	26.5	5.34	0.36	5.39	29.8
Jul	6.22	0.40	6.28	27.4	5.36	0.34	5.41	29.7
Aug	6.07	0.48	6.14	27.4	5.31	0.37	5.36	29.7
Sep	5.86	0.54	5.94	27.5	5.24	0.41	5.29	29.9

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

Table 16. FHA, VA, and PMI 1–4 Family Mortgage Insurance Activity: 1970–Present

Period	FHA*			VA Guaranties	PMI Certificates
	Applications	Total Endorsements	Purchase Endorsements		
Annual Data					
1970	941,566	475,176	NA	167,734	NA
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
Monthly Data					
2003					
Jul	182,142	112,372	50,741	48,070	207,341
Aug	122,824	122,090	51,822	51,399	232,473
Sep	103,675	135,048	61,965	54,178	240,384
Oct	109,969	127,268	66,132	51,529	200,827
Nov	81,974	107,924	59,993	32,206	144,485
Dec	76,308	97,926	57,780	31,622	145,163
2004					
Jan	82,241	81,917	49,212	30,548	126,677
Feb	91,903	78,492	44,458	24,458	137,948
Mar	123,094	80,329	44,321	27,910	166,898
Apr	103,888	79,349	42,106	28,631	175,091
May	81,563	74,297	39,890	26,518	144,868
Jun	77,062	76,938	46,547	24,590	161,725
Jul	70,499	66,927	45,632	22,656	137,242
Aug	71,007	67,697	49,139	19,341	145,993
Sep	66,358	67,545	41,139	15,779	134,842

*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 (9 mos.)	141	23,946	1,528.6	512	52,641	1,580.5	167	19,135	939.2

*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[1]	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	4.77	3.51	2.52	12.42	12.15	7.97	0.90	0.59	0.30	3.18	2.64	1.75	0.42	0.34	0.20	1.68	0.89	0.48
Quarterly Data (Seasonally Adjusted)																		
2003																		
Q2	4.97	3.63	2.60	12.99	12.59	8.24	0.98	0.65	0.31	3.74	2.75	1.82	0.36	0.28	0.18	1.24	0.81	0.45
Q3	4.65	3.52	2.45	12.69	12.13	7.74	0.89	0.58	0.31	3.04	2.68	1.76	0.44	0.36	0.20	1.92	0.98	0.48
Q4	4.49	3.31	2.40	11.59	12.23	7.99	0.83	0.53	0.30	2.55	2.77	1.78	0.45	0.39	0.20	2.14	0.91	0.49
2004																		
Q1[2]	4.33	NA	2.26	11.19	11.68	7.37	0.83	NA	0.29	2.65	2.69	1.65	0.46	NA	0.20	1.99	0.93	0.48
Q2	4.43	NA	2.40	10.04	12.52	7.55	0.80	NA	0.29	2.25	2.81	1.66	0.39	NA	0.19	1.18	0.95	0.50

*All data are seasonally adjusted.

NA = not applicable.

[1] The Mortgage Bankers Association has restated the historical time series of all delinquencies and foreclosures for all loans and conventional loans back to 1998 based on an adjustment for the significant increase in the subprime share of conventional loans.

[2] The Mortgage Bankers Association has discontinued publishing data on "All Conventional Loans."

Source: National Delinquency Survey, Mortgage Bankers Association

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

Table 19. Expenditures for Existing Residential Properties: 1969–Present

Period	Total Expenditures	Maintenance and Repairs[1]	Improvements					
			Total	Additions and Alterations[2]				Major Replacements[5]
				Total	To Structures		To Property Outside Structure	
					Additions[3]	Alterations[4]		
Annual Data (Millions of Dollars)								
1969	13,535	5,479	8,055	5,885	1,094	3,409	1,382	2,170
1970	14,770	5,895	8,875	6,246	1,411	3,539	1,296	2,629
1971	16,299	6,361	9,939	6,818	1,685	3,699	1,433	3,120
1972	17,498	6,717	10,781	7,526	1,378	4,447	1,701	3,255
1973	18,512	7,924	10,588	7,386	1,360	4,694	1,332	3,202
1974	21,114	8,491	12,622	8,060	1,529	4,836	1,695	4,563
1975	25,239	9,758	15,481	10,997	1,971	6,844	2,182	4,484
1976	29,034	11,379	17,665	12,314	3,493	6,367	2,454	5,341
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
Quarterly Data (Seasonally Adjusted Annual Rates)								
2003								
Q1	179,700	53,200	126,500	90,200	NA	NA	NA	36,300
Q2	173,200	41,000	132,200	91,900	NA	NA	NA	40,300
Q3	187,400	45,300	142,100	97,600	NA	NA	NA	44,500
Q4	166,700	40,100	126,600	92,600	NA	NA	NA	34,000
2004								
Q1	198,800	54,400	144,400	NA	NA	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."

Source: Census Bureau, Department of Commerce

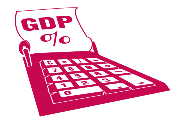
http://www.census.gov/const/www/c50index.html

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

Period	Total	New Housing Units			Improvements
		Total	1 Unit Structures	2 or More Unit 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	279,772	249,086	30,305	108,933
2002	421,912	298,841	265,889	32,952	123,071
2003	476,143	345,893	310,575	35,318	130,250
Monthly Data (Seasonally Adjusted Annual Rates)					
2003					
Jul	472,505	341,493	306,289	35,204	NA
Aug	480,988	350,161	314,471	35,690	NA
Sep	487,643	358,170	321,828	36,342	NA
Oct	495,573	366,390	330,298	36,092	NA
Nov	504,246	375,588	339,765	35,823	NA
Dec	511,253	381,717	346,033	35,684	NA
2004					
Jan	513,899	383,511	347,950	35,561	NA
Feb	516,436	384,900	348,051	36,849	NA
Mar	522,178	391,127	353,529	37,598	NA
Apr	525,895	397,794	360,009	37,785	NA
May	535,543	407,469	368,995	38,474	NA
Jun	538,534	409,750	370,430	39,320	NA
Jul	543,327	411,713	371,889	39,824	NA
Aug	552,997	420,502	380,515	39,987	NA
Sep	551,644	417,566	377,591	39,975	NA

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	10,487.0	504.1	4.8
2003	11,004.0	572.3	5.2
Quarterly Data (Seasonally Adjusted Annual Rates)			
2003			
Q3	11,116.7	586.9	5.3
Q4	11,270.9	609.0	5.4
2004			
Q1	11,472.6	624.6	5.4
Q2	11,657.5	663.2	5.7
Q3	11,803.5	679.5	5.8

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	2,880	(1)	105	329	127	411	1,260	648
Quarterly Data								
2003								
Q3	24	152	(71)	181	(424)	9	155	22
Q4	359	149	181	33	(107)	(136)	26	212
2004								
Q1	12	(198)	94	(256)	(153)	211	339	(25)
Q2	196	36	47	(65)	43	176	117	(156)
Q3	804	228	(32)	20	137	209	214	27

*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.

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[4]				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	2,880	371	778	195	608	(106)	81	467	485
Quarterly Data									
2003									
Q3	24	(18)	339	(104)	(79)	246	(81)	(129)	(151)
Q4	359	148	167	87	4	(211)	(26)	227	(37)
2004									
Q1	12	(199)	(291)	129	240	(141)	15	105	153
Q2	196	(170)	153	88	(63)	182	128	(31)	(91)
Q3	804	(69)	492	140	36	198	(133)	(88)	229

*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]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	White, Non-Hispanic	Black, Non-Hispanic	Other Races, Non-Hispanic	Two or More Races[4]	Hispanics
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	2,880	1,442	(100)	702	NA	836
Quarterly Data						
2003						
Q3	24	(162)	7	136	25	19
Q4	359	105	(58)	10	(23)	324
2004						
Q1	12	98	66	55	37	(244)
Q2	196	157	193	(39)	(18)	(96)
Q3	804	230	78	75	45	375

*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 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 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
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										
2003										
Q3	121,030	3,735	117,295	11,796	3,713	1,411	6,672	105,499	72,178	33,321
Q4	121,415	3,750	117,665	11,807	3,809	1,331	6,667	105,858	72,650	33,208
2004										
Q1	121,633	3,696	117,937	12,067	3,904	1,273	6,890	105,870	72,666	33,204
Q2	122,002	3,989	118,013	11,947	3,775	1,261	6,911	106,066	73,449	32,617
Q3	122,373	3,655	118,718	11,848	3,798	1,321	6,729	106,870	73,772	33,098

*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						Regions				Units in Structure		
	All Rental Units	Inside MSAs	In Central Cities	Suburbs	Outside MSAs	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	9.0	8.8	9.2	8.2	10.6	5.8	10.1	11.8	6.9	8.1	9.7	10.5
Quarterly Data												
2003												
Q3	9.9	9.7	10.2	9.2	10.9	6.6	11.0	12.4	8.1	8.6	10.9	11.5
Q4	10.2	10.1	10.4	9.7	10.6	6.9	11.3	12.9	8.0	8.7	11.2	11.9
2004												
Q1	10.4	10.3	10.8	9.7	11.0	7.9	12.3	12.7	7.6	9.1	11.4	11.7
Q2	10.2	10.2	11.2	9.0	10.5	7.0	11.7	13.0	7.7	8.4	11.5	12.0
Q3	10.1	10.2	10.8	9.5	9.7	7.3	12.3	12.3	7.7	9.2	10.9	11.5

Source: Census Bureau, Department of Commerce
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[r]	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	67.9	23.0	39.0	55.0	68.6	76.3	81.1	80.5
Quarterly Data								
2003								
Q3	68.4	23.3	40.2	56.6	68.8	76.5	81.1	80.7
Q4	68.6	22.8	40.6	57.3	69.0	77.2	81.3	80.8
2004								
Q1	68.6	23.6	40.0	56.4	68.8	77.0	81.7	80.7
Q2	69.2	25.7	40.8	57.6	69.4	77.0	82.4	81.1
Q3	69.0	25.4	39.9	57.7	68.6	77.4	81.2	81.8

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

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]		
						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	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
Quarterly Averages of Monthly Data								
2003								
Q3	68.4	64.4	73.5	70.0	63.8	52.3	75.3	75.4
Q4	68.6	64.7	73.5	70.5	63.8	53.1	75.2	75.5
2004								
Q1	68.6	65.1	73.5	70.3	63.7	52.6	75.3	76.1
Q2	69.2	65.4	74.2	70.9	64.5	52.9	76.1	77.2
Q3	69.0	64.4	73.8	71.0	64.7	53.2	75.9	75.7

[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.

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	Black	Other	
March Supplemental Data				
1983[1]	69.1	45.6	53.3	41.2
1984[r]	69.0	46.0	50.9	40.1
1985	69.0	44.4	50.7	41.1
1986	68.4	44.8	49.7	40.6
1987	68.7	45.8	48.7	40.6
1988[r]	69.1	42.9	49.7	40.6
1989	69.3	42.1	50.6	41.6
1990	69.4	42.6	49.2	41.2
1991	69.5	42.7	51.3	39.0
1992	69.6	42.6	52.5	39.9
1993[2]	70.2	42.0	50.6	39.4
Annual Averages of Monthly Data				
1994	70.0	42.5	50.8	41.2
1995	70.9	42.9	51.5	42.0
1996	71.7	44.5	51.5	42.8
1997	72.0	45.4	53.3	43.3
1998	72.6	46.1	53.7	44.7
1999	73.2	46.7	54.1	45.5
2000	73.8	47.6	53.9	46.3
2001	74.3	48.4	54.7	47.3
2002	74.7	48.2	55.0	47.0
2003	75.4	48.8	56.7	46.7
Quarterly Averages of Monthly Data				
2003				
Q3	75.7	48.7	56.4	46.1
Q4	75.5	50.1	57.3	47.7
2004				
Q1	75.5	49.9	60.1	47.3
Q2	76.2	50.1	59.4	47.4
Q3	76.1	49.0	59.1	48.7

[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.

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: With Children	Married Couples: Without Children	Other Families: With Children	Other Families: Without Children	Other
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	78.6	86.8	43.5	66.3	52.3
2003	79.1	87.0	43.8	66.5	52.7
Quarterly Averages of Monthly Data					
2003					
Q3	79.1	86.8	44.8	65.9	52.9
Q4	78.9	87.3	44.5	66.3	53.2
2004					
Q1	79.4	87.6	43.6	67.9	53.1
Q2	80.2	87.7	46.0	66.8	53.7
Q3	79.4	87.6	45.8	67.9	53.5

[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.

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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