3rd Quarter 1995

U.S. Housing Market Conditions

November 1995

Summary

The housing industry rebounded in the third quarter of 1995. After two quarters of decline, despite lower mortgage interest rates, the production and marketing of housing improved as consumers finally acknowledged lower interest rates, better housing prices, and higher consumer income.

■ Permits and starts of new housing units both rose 9 percent in the third quarter from the second quarter, but were still somewhat lower than in the third quarter of 1994.

■ The single-family sector experienced the sharpest rebound. Permits, starts, and new home sales all rose a healthy 11 percent in the third quarter from the second quarter. Starts and permits were still below year-earlier rates, but sales were 12 percent above the third quarter of 1994.

Some significant changes have been occurring in single-family production and marketing. Traditionally, speculatively built houses have represented about 60 percent of single-family starts, with the other 40 percent about equally divided between owner-built and contractor-built houses. Recently, "spec-built" houses have edged toward 70 percent of starts, so that new home sales are higher in relation to total starts. Also, the time of sale of "spec-built" houses has been occurring earlier in the production process, so that the proportion of homes sold before being started has increased, and the proportion of sales of homes under construction has decreased.

A third change has affected the accuracy of the sales figures. In the last 2 years, builders have been selling an increasing number of houses before they obtain permits, so the sales cannot be detected by the Survey of Construction until the following month or so, after builders finally obtain permits. This has resulted in large revisions to previously reported sales figures. While the Census Bureau tries to predict pre-permit sales on the basis of past experience, it has been increasingly difficult given all the changes in production and marketing practices.

■ Multifamily permits and starts rose 4 percent in the third quarter and, while not significantly ahead of the third quarter of 1994, they were up 16 and 22 percent in the first 9 months of 1995 compared with the same period of 1994.

Inside

New in this issue

There are two changes in this issue: First, the National Association of Home Builders' new housing market activity indices are being used rather than the survey results to portray builders' views of sales activity. The use of the indices more clearly describes conditions in the housing market. Second, homeownership rates have been added for two groups of special interest to the National Data section—young households and minority households.

This issue also contains two appendix tables that are included once a year. These tables contain information developed or supported by HUD that is not available elsewhere. The first contains vacancy rates for selected market areas by type of structure as collected by the United States Postal Service and tabulated by the Indianapolis Federal Home Loan Bank. The second contains results of Random Digit Dialing telephone surveys to estimate Fair Market Rents (FMRs) for selected market areas and also regional FMR inflation rates for metropolitan and nonmetropolitan areas in the 10 regions of the country.

PD&R
U.S. Department of Housing and Urban Development
Office of Policy Development and Research

Table of Contents

■ Existing home sales rose a solid 14 percent in the third quarter and were 5 percent above the same quarter of 1994.

■ The national homeownership rate rose in the third quarter to 65.0 percent, the highest rate since the end of 1981. Again, as in the second quarter, most of the increase in owner-occupied units seemed to come from conversion of renter-occupied units to owner-occupied units.

■ New house prices were quite stable in the third quarter and only slightly above a year earlier. Existing home prices were up modestly, but were offset by a slight increase in median family income and a decline in interest rates, so that affordability of existing homes based on fixed-rate mortgages improved slightly during the third quarter.

Regional Perspective

Reports from HUD's field economists confirm that U.S. housing market conditions improved in the third quarter of 1995. Home sales for most regions through the first three quarters of 1995 were below the comparable 1994 period, but third-quarter sales increased considerably over the first- and second-quarter totals. Single-family building permit volume through the third quarter was down from 1994 levels for the comparable period in all but 12 States. In the Mid-Atlantic region, single-family permits dropped by 15 percent as a result of builder cutbacks to clear excess inventories. Home construction and sales remained at historically high levels in the Midwest, Southeast, Southwest, Rocky Mountain, and Northwest regions.

In Georgia single-family permits were up 17 percent due to strong activity in the Atlanta area. New home sales have been very good in the Chicago, Twin Cities, and suburban Detroit areas. Single-family permits in Houston through the third quarter were 13 percent above the previous year. Sales activity in Las Vegas and building permit activity in Phoenix are continuing at the same strong pace as in 1994.

Most of the major rental markets in the United States remain balanced, but some are becoming more competitive because of the increased supply of new apartments entering the market. Absorption of new rental units has been very good in such markets as Denver and Phoenix. High-rent apartments dominate the new stock in the Rocky Mountain, Southeast, and Southwest markets. Apartment occupancy has continued to improve in New England and New York/New Jersey. The Boston rental market is the tightest it has been in the past 10 years.

The number of multifamily units permitted through the third quarter was up in 36 of the 50 States and the District of Columbia. The largest increases were in the Southeast and Rocky Mountain regions, 23 and 25 percent, respectively, led by Florida, Georgia, Colorado, and Utah. All States in the Southwest showed increases. Mid-Atlantic activity was up almost 12 percent, with Virginia accounting for half the activity in the region. Low-income tax credits have supported multifamily rental development in many areas, especially in Pennsylvania and Delaware.

ALTERNATIVES TO FORECLOSURE

Mortgage foreclosure is a tragic and traumatic event for any homeowner. It is the legal process whereby property rights to one's home are stripped away due to inability to maintain the obligations of a mortgage loan. The actual process varies by State of residence, and can take anywhere from 6 weeks to 18 months, depending on the jurisdiction.

In almost every State, foreclosure involves the auction of a property by a representative of the county court or the lender in order to satisfy the debt on the house. The investor usually gives instructions to the loan servicer to bid at or near the value of the debt. The servicer usually wins the bid because foreclosure generally occurs only when the debt is greater than the value of the property. The servicer or investor must then manage the house, provide repairs, and sell it through normal real estate channels, hoping to lower the final loss from what would otherwise have been realized if a third-party bidder had purchased the property at the foreclosure auction.

Foreclosure is then not only a costly experience for the family losing a home, but can be a lengthy and expensive procedure for the loan investor, the servicer, and any insuring agency that is also involved. Contrary to popularly held beliefs, these mortgage market participants lose money on nearly all foreclosures. Fortunately, these firms have discovered they can benefit themselves and homeowners if foreclosure can be avoided. A forthcoming HUD report to Congress examines various strategies now used to protect borrowers while mitigating the loss experienced by the lenders.[1]

Lessons from the private sector

By 1985 the mortgage industry was feeling the effects of several overlapping events: high interest rates from the Federal Reserve Board's October 1979 decision to allow interest rates to freely rise; foreclosures coming out of the national recession in 1981 and 1982 and the ensuing farm- and industrial-belt depression; a new economic environment in which rapid inflation could no longer be counted on to support troubled homeowners with low-downpayment mortgages; and a bevy of new and untested mortgage products developed to help portfolio lenders cope with volatile interest rates, but whose default risks appeared to be higher than those of traditional level-payment mortgages. All of these circumstances led to higher loan defaults. With the collapse of the oil-patch economy in 1986 came more defaults and foreclosures and even the insolvency of several private mortgage insurers. Then the stock market crash of 1987 and the retrenchment of the financial industry led to an escalation of foreclosures in the Northeast.

These events sparked the beginning of large-scale efforts by national institutions to understand and mitigate the problem of single-family home foreclosures. By 1991, as the foreclosure rates of the oil-patch and Northeastern States were passing their peaks, mortgage finance institutions were establishing serious and wide-sweeping loss-mitigation policies with loan servicers. These basic approaches continue to undergo fine-tuning, but the changes that took place in the early 1990s truly ushered in a new era in how the mortgage industry treats financially troubled homeowners.

Industry sources suggest that 70 to 80 percent of all loans at 90-day delinquency can still be reinstated without assistance. Borrowers must be encouraged to proceed in that direction; the greatest danger is that borrowers will give up hope or panic and either walk away from their properties or use the legal system to forestall what they believe to be inevitable foreclosures. When a borrower's delinquency extends past day 90, the servicer must change from delinquency management to loss mitigation. After 3 months of loan delinquency, the organization bearing the credit risk faces a potential for some type of loss, and foreclosure with the associated property management and final sale, is the most costly option. Loss mitigation means finding some resolution short of foreclosure. These resolutions are typically called loan workouts. The least costly workout options are those that keep borrowers in their homes, and the next best are those that assist borrowers in getting out of the now burdensome financial responsibilities of homeownership in a more dignified and less costly manner than foreclosure.

The option used for homeowners with truly temporary, one-time difficulties is the *advance claim*. In this case the insurer pays the servicer the amount of the delinquency in return for a promissory note from the borrower. The mortgage loan is then made whole, and the insurer can collect part or all of the advance from the borrower over time.

The next option for keeping borrowers with temporary problems in their homes is a *forbearance plan*. This option is used for borrowers who have temporary reductions in income but have long-term prospects for increases in income that could again sustain the mortgage obligations. It is also used when troubled borrowers are working to sell properties on their own. The forbearance period can extend from 6 to 18 months or longer, depending on the borrower's circumstances. During this time borrowers may be initially permitted to make reduced monthly payments, working to eliminate the delinquency through increased payments during the latter part of the forbearance period. Because insurers, Fannie Mae, and Freddie Mac typically consider forbearance plans a servicer matter, they are rare in practice, leading some homeowners to lose their homes unnecessarily.

For permanent reductions in income, the only way to assist troubled borrowers to keep their homes is through *loan modification*. Loan documents can be modified in any way, but the two most common are interest-rate reductions and term extensions. Loans with above-market interest rates can be refinanced to the market rate and borrowers charged whatever portion of the standard origination fee they can afford. If the interest rate is already at or below the current rate, then monthly payments can be permanently reduced by extending the term of the mortgage, even starting a new 30-year amortization schedule.

Such modifications can be done quickly and inexpensively for loans held in portfolio, and in recent years they have become easier to implement for those loans in mortgage-backed security (MBS) pools. Fannie Mae and the U.S. Department of Veterans Affairs readily agree to allow servicers to buy qualifying loans out of MBS pools, modify them, and then sell them back to the agency to hold in a retained portfolio. Freddie Mac, which has a security structure different from that of Fannie Mae, performs the purchase itself after the servicer completes negotiations with the borrower.

In many cases borrowers are better off getting out of their existing homes. There may be a need to find employment elsewhere, a divorce settlement that requires selling the property, reductions in income that necessitate moving to lower cost housing, or a deceased borrower with an estate to be liquidated. Whatever the reason, there are three options currently available for borrowers who must give up their homes. The first is selling the home with a *loan assumption*. This is valuable if the mortgage carries a below-market interest rate that would make its sale more attractive, and in cases in which the assumption permits the purchaser to obtain a higher loan-to-value ratio than could otherwise be attained. Credit agencies will waive the due-on-sale clause of fixed-rate mortgage contracts as needed to assist troubled borrowers sell their properties and avoid foreclosure.

Borrowers who must move and who have negative equity in their properties may be eligible for *preforeclosure sales* in which the insurer or secondary market agency (Fannie Mae or Freddie Mac) helps the borrower market the home and covers any loss at the time of settlement. Borrowers can be asked to contribute to the loss according to their financial abilities. This has become the number one loss-mitigation tool of the 1990s. Industry sources indicate that preforeclosure sales prices are generally at least 5 percent higher than those for homes with foreclosure labels on them, and all of the costs and uncertainties associated with foreclosure and property management are eliminated. Borrowers benefit by avoiding the indignity of a foreclosure.

The last option short of foreclosure is for the borrower to voluntarily convey property rights to the lender/servicer. This is an old technique and, as it involves the homeowner signing over the deed to the property, is called a deed in-lieu-of-foreclosure, or simply a *deed-in-lieu*.

Win-win opportunities

Attempting loan workouts is risky; if they succeed, there are cost savings over foreclosure, but if they fail and foreclosure must be pursued anyway, default resolution has greater costs. That means that the entire decision about whether or not to offer foreclosure alternatives, from the creditor's perspective, comes down to understanding two probabilities: the break-even probability of workout success and the probability of an individual borrower succeeding in a workout. A break-even probability indicates how many workout offers must succeed in order for the total cost of all workouts (successes and failures) to equal the cost of immediate foreclosure on all loans. If the individual's success probability exceeds the break-even level, then it is financially prudent to offer that person a workout. This concept was formalized by Ambrose and Capone.[2]

The Ambrose-Capone study is instructive as it simulates break-even probabilities for four major types of workouts: loan modifications, forbearance, preforeclosure sales, and deeds-in-lieu. It also takes into account uncertainties with respect to the time it takes to foreclose on and sell a property, considers a number of economic environments and initial loan-to-value ratios, and accounts for borrower opportunities to cure defaults. In circumstances in which housing prices are either stable or have experienced some decline, modifications have the lowest break-even probabilities (18 to 25 percent). That means that lenders can take the most chances with these workouts. Each success can cover losses from between four and five failures. In areas where there has been no housing market downturn, preforeclosure sales have the lowest break-even probability (20 percent), and modifications have the highest (42 percent). Deeds-in-lieu and forbearance break-even rates are each around 30 percent.

Since there is strong evidence that break-even probabilities tend to be well below 50 percent, borrowers whose chances of success are 50 percent or better certainly should be given workout opportunities. Even borrowers whose probability of success is somewhat less than 50 percent still should be given a workout opportunity. Of course, how low a probability of success the credit-risk bearer can accept depends upon its having enough defaulted loans to take advantage of the law of large numbers. That is, to ensure that offering alternatives to foreclosure will reduce the cost of loan defaults, one must have enough defaults to know that the probabilities on each loan will turn into certainties in the aggregate. Thus, national insurers and agencies are in prime positions to remove this risk from small lenders and servicers. By dealing with larger total numbers of defaulted loans, the national organizations can profitably offer workouts even to households with success probabilities very near the break-even levels.

Successes and failures at FHA

The Federal Housing Administration (FHA) has had a difficult history with respect to loss-mitigation and foreclosure-avoidance measures. Its original neglect of the issue was not unlike other mortgage insurers and guarantee agencies. At 90-day default, servicers would turn accounts over to foreclosure attorneys for immediate collection or foreclosure. But in 1974 the courts ruled (*Brown v. Lynn*) that HUD's insured borrowers were a protected class under the National Housing Act and required post-default assistance.[3] In response, FHA developed its Single-Family Mortgage Assignment Program.

Under the assignment program, FHA pays full insurance claims to lenders/servicers and becomes both the investor in and servicer of the loans. Borrowers are granted a period of reduced or suspended payments, which create long-term accounts receivable with FHA. The forbearance period can last up to 36 months after which borrowers have up to 10 years beyond mortgage contract maturity to pay off their entire debt.

From the perspective of borrowers, the assignment program has been a mixed success. Only a minority have cured their default, while many more families have postponed foreclosure for long periods of time. Some families simply avoid foreclosure but never fully recover. Based on FHA's experience from 1984 to 1993, a reasonably accurate distribution of outcomes can be constructed. During the first 10 years after families enter the assignment program, approximately 15 percent fully recover; another 25 percent sell their homes, many at prices insufficient to pay off the entire debt; and roughly 50 percent lose their homes through foreclosure. The remaining 10 percent retain possession after 10 years but are so heavily in debt that it is highly unlikely that they will ever fully reinstate the mortgage.

From a narrow financial perspective, the assignment program has been a failure for FHA. Because the program allows many families who eventually will lose their homes to remain in them for long periods without making regular mortgage payments, losses from carrying these mortgages are high. The expected loss on each assigned loan is roughly 48 percent of the outstanding loan balance, while outright foreclosures without assignment incur an average loss of 38 percent. That is, with an average loan balance of $58,000, the dollar loss per assigned loan is $28,000, which is $6,000 more than the cost of a direct foreclosure from the insured portfolio (without the use of an assignment option).

The assignment program only affects a small part of the seriously delinquent loans handled by FHA each year. Only 15 percent of all serious defaults qualify for the single-family assignment program. Many loans fail to qualify because the default is judged not to have been beyond the control of the borrower or because the borrower is judged not to have reasonable prospects of resuming full payments within 36 months and repaying all accrued arrearages within 10 years past the mortgage maturity date. Because of a combination of statutory, budget, and judicial restrictions, HUD has been limited in its abilities to offer other options to borrowers who have become seriously delinquent but who do not qualify for assignment. Therefore, FHA has missed some important opportunities for loss mitigation and possibly some opportunities to help distressed borrowers avoid foreclosure.

Recently, however, FHA has begun to provide one alternative to families who are ineligible for assignment or who waive their rights to assignment. The Stewart B. McKinney Homelessness Assistance Amendments Act of 1988 authorized FHA to pay insurance claims on mortgagor house sales in lieu of property foreclosures. FHA avoids expenses related to foreclosure processing and subsequent property management and disposition and homeowners are released from an unmanageable property. FHA conducted a demonstration of the value of preforeclosure sales from October 1991 to September 1994 in three cities—Atlanta, Denver, and Phoenix.

A HUD evaluation studied the experience of more than 1,900 cases that entered the demonstration program through March 31, 1993.[4] Successful sales rates varied across demonstration sites, but in total averaged 58 percent across sites. Another 5 percent of participants used the reprieve from foreclosure processing to cure their loans, and an additional 8 percent voluntarily transferred property deeds to FHA after failed sales efforts. Only 28 percent were referred back to servicers for foreclosure. Each successful sale generated $5,900 in savings on claims and avoided property management expenses. In contrast, properties that were either returned for foreclosure or had titles deeded to FHA cost HUD $2,600 in time cost during demonstration participation. Overall, each program participant saved HUD an expected net cost of $2,900.

Subsequently, FHA has extended the preforeclosure sales option to all cases where foreclosure is a likely outcome, and HUD now expects even higher savings on each sale due to improvements in program design. Based on an expectation of 10,800 participants per year, national implementation would generate a total annual savings of $58 million.

Conclusion

FHA and the private mortgage market are still learning from the experience of the last 10 years—there is room for more improvements.

While the private sector has been successful in applying loss-mitigation and borrower-protection techniques, it has failed to take full advantage of them. Servicers must generally prove to insurers and credit agencies that they have provided a good-faith attempt at helping borrowers to cure loan defaults before initiating foreclosure, but not that they have made a good-faith effort in loan workouts. This asymmetry is also apparent in the workout approval process. Insurers and credit agencies generally must approve servicer applications for workouts but not servicer denials of workouts to borrowers in default. Fannie Mae has been the first to reverse this policy, as it now requires servicers to provide a recommendation on all noncured loans.

Uneven application of these techniques is further demonstrated when institutions concentrate their loss-mitigation efforts in areas of the country experiencing the worst problems, so that servicers in other areas have less incentive to pursue workouts. There are some notable exceptions to this situation, such as Fannie Mae grading servicer performance in curing defaults against regional averages, and both Fannie Mae and Freddie Mac waiving approvals if there will be no cost to them.

FHA has not taken full advantage of cost-saving foreclosure-avoidance techniques. The pending report to Congress cited at the beginning of this article lays out a potential framework that would allow FHA to catch up with the private market in this important area of foreclosure avoidance and loss mitigation.

What does the future hold? Certainly, the entire mortgage industry hopes that it does not have to face another long series of regional housing market declines like those experienced over the past 15 years. But if it does, the now standard practice of looking at foreclosure as a last resort will help strengthen homeownership, reduce house price declines, and maintain a healthier system of lending and insuring home mortgages.

Notes

[1] *Providing Alternatives to Foreclosure: A Report to Congress*, U.S. Department of Housing and Urban Development, forthcoming.

[2] Brent W. Ambrose and Charles A. Capone, Jr., "Borrower Workouts and Optimal Foreclosures of Single-Family Mortgage Loans," unpublished manuscript, University of Wisconsin-Milwaukee, School of Business Administration, 1993.

[3] 385 Fed. Supp. 986 (1974); 392 Fed. Supp. 559 (1975).

[4] *Evaluation of the Federal Housing Administration Preforeclosure Sale Demonstration*, U.S. Department of Housing and Urban Development, June 1994.

U.S. Housing Market Conditions is published quarterly by the U.S. Department of Housing and Urban Development, Office of Policy Development and Research.

Henry G. Cisneros .... Secretary
Michael A. Stegman .... Assistant Secretary, Office of Policy Development and Research
Frederick J. Eggers .... Deputy Assistant Secretary, Economic Affairs
Paul A. Leonard .... Deputy Assistant Secretary, Policy Development
Duane T. McGough .... Director, Housing and Demographic Analysis Division
David E. Shenk .... Director, Economic Market Analysis Division
Katherine L. O'Leary .... Director, Research Utilization Division
Ronald J. Sepanik .... Deputy Director, Housing and Demographic Analysis Division
Bruce D. Atkinson .... Economist
Connie H. Casey .... Economist
Charles A. Capone, Jr. .... Economist
Sue George Neal .... Economist
Randall M. Scheessele .... Economist
Edward J. Szymanoski .... Economist
Vanessa Void-Taylor .... Research Utilization Specialist
Robert R. Callis .... Bureau of the Census

HUD Field Office Economists who contributed to this issue are:

New England: John R. Reilly .... Boston
Nashua: Wendy Lucas .... Boston
New York/New Jersey: David S. Burns .... New York
Utica–Rome: William Coyner .... Buffalo
Mid–Atlantic: Frances A. Kenney .... Richmond
Charleston: Thomas W. Dudash .... Pittsburgh
Southeast: Bette L. Almand .... Atlanta
San Juan: Juan J. Fernandez .... San Juan
Midwest: Joseph P. McDonnell .... Chicago
Cleveland: Jack H. Brown .... Columbus
Southwest: Linda L. Hanratty .... Ft. Worth
Ft. Worth–Arlington: Linda L. Hanratty .... Ft. Worth
Great Plains: Donald J. Gebauer .... Kansas City
Kansas City: Lawrence W. Hoaglund .... Kansas City
Rocky Mountain: James A. Coil .... Denver
Denver: James A. Coil .... Denver
Pacific: Robert E. Jolda .... San Francisco
Tucson: Willard F. Sprague .... San Francisco
Northwest: Pamela R. Sharpe .... Seattle
Richland–Kenniwick–Pasco: Pamela R. Sharpe .... Seattle

National Data

HOUSING PRODUCTION

Permits*

Permits for the construction of new housing units rose 9 percent in the third quarter of 1995 to a seasonally adjusted annual rate of 1,371,000 units and were a statistically insignificant 1 percent lower than in the third quarter of 1994. One-unit permits, at 1,035,000 units, were up 11 percent from the previous quarter and down 2 percent from a year earlier. Multifamily permits (5 or more units in structure), at 269,000 units, were 4 percent above the second quarter and an insignificant 1 percent higher than the same quarter last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
TOTAL	1,371	1,254	1,386	+ 9	- 1**
ONE UNIT	1,035	931	1,059	+ 11	- 2
TWO TO FOUR	66	63	60	+ 5**	+ 10
FIVE PLUS	269	260	267	+ 4	+ 1**

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

Starts*

Construction starts of new housing units in the third quarter of 1995 totalled 1,405,000 units at a seasonally adjusted annual rate, 9 percent above the second quarter of 1995, but 5 percent lower than the third quarter last year. Single-family starts, at 1,117,000 units, were 11 percent higher than the previous quarter, but 8 percent below the year-earlier rate. Multifamily starts totalled 251,000 units, 4 percent higher than the previous quarter, and 12 percent over the same quarter last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
TOTAL	1,405	1,283	1,471	+ 9	- 5
ONE UNIT	1,117	1,010	1,209	+ 11	- 8
TWO TO FOUR	37	32	38	+ 16	- 4 **
FIVE PLUS	251	241	224	+ 4**	+ 12

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

Under Construction*

Housing units under construction at the end of the third quarter of 1995 were at a seasonally adjusted annual rate of 773,000 units, 2 percent higher than the previous quarter, and 1 percent above the third quarter of 1994. (Both of these changes are statistically insignificant.) Single-family units under construction, at 548,000 units, were a statistically insignificant 2 percent above the previous quarter and 7 percent below the year-earlier rate. Multifamily units, at 203,000 units, were a statistically insignificant 3 percent higher than the previous quarter and 26 percent above the same quarter last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
TOTAL	773	758	767	+ 2**	+ 1**
ONE UNIT	548	538	588	+ 2**	- 7
TWO TO FOUR	22	22	18	—	+ 22
FIVE PLUS	203	198	161	+ 3**	+ 26

* Components may not add to totals because of rounding. Units in thousands.
** This change is not statistically significant.
Sources: Bureau of the Census, 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 1995, at a seasonally adjusted annual rate of 1,267,000 units, were 3 percent below the previous quarter and 5 percent below the same quarter last year. (Both changes were statistically insignificant.) Single-family completions, at 1,005,000 units, were 6 percent lower than the previous quarter and 13 percent below the year-earlier rate. Multifamily completions, at 228,000 units, were 11 percent above the previous quarter and 45 percent above the same quarter last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
TOTAL	1,267	1,311	1,339	- 3**	- 5**
ONE UNIT	1,005	1,071	1,153	- 6	- 13
TWO TO FOUR	34	34	29	—	+ 17
FIVE PLUS	228	205	157	+ 11	+ 45

* Components may not add to totals because of rounding. Units in thousands.
** This change is not statistically significant.
Sources: Bureau of the Census, 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 to dealers were at a seasonally adjusted annual rate of 325,000 units in the second quarter of 1995, 5 percent lower than the previous quarter and 11 percent over the rate a year earlier.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
MANUFACTURERS' SHIPMENTS	325	343	294	- 5	+ 11

* Components may not add to totals because of rounding. Units in thousands. These are 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 totalled 741,000 units at a seasonally adjusted annual rate (SAAR) in the third quarter of 1995, 11 percent above the previous quarter and 12 percent above the third quarter of 1994. The number of new homes for sale at the end of the third quarter numbered 357,000 units, up 3 percent from the last quarter and 9 percent over the same quarter last year. At the end of the quarter, inventories represented a 6.0 months' supply at the current sales rates, a statistically insignificant 2 percent above both the previous quarter and the previous year.

Sales of existing single-family homes reported by the NATIONAL ASSOCIATION OF REALTORS® for the third quarter of 1995 totalled 4,087,000 (SAAR), up 14 percent from the second quarter's level and 5 percent above the third quarter of 1994. The number of units for sale at the end of the third quarter fell to 1,750,000, 2 percent below the previous quarter, but 4 percent above the third quarter of 1994. At the end of the third quarter, there was a 5.1 months' supply of units, 9 percent below the previous quarter and 2 percent below the third quarter of 1994.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
New Homes					
NEW HOMES SOLD	741	666	664	+ 11	+ 12
FOR SALE	357	347	328	+ 3	+ 9
MONTHS' SUPPLY	6.0	5.9	5.9	+ 2**	+2**
Existing Homes					
EXISTING HOMES SOLD	4,087	3,580	3,907	+ 14	+ 5
FOR SALE	1,750	1,790	1,690	- 2	+ 4
MONTHS' SUPPLY	5.1	5.6	5.2	- 9	- 2

* Units in thousands.
** This change is not statistically significant.

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

Existing: NATIONAL ASSOCIATION OF REALTORS®

Home Prices

The median price of a new home during the third quarter of 1995 was $132,000, a statistically insignificant 1 percent below the previous quarter and 2 percent above the third quarter of 1994. The average price of a new home in the third quarter was $158,100, a statistically insignificant 1 percent below the previous quarter and 3 percent above the same quarter last year. The price adjusted to represent a constant-quality home, $157,900, was up 1 percent from the previous quarter and up 3 percent from the same quarter last year. (Both changes are statistically insignificant.)

The median price of existing single-family homes in the third quarter of 1995 was $116,200, 5 percent above the second quarter and 4 percent above the third quarter of 1994 according to the NATIONAL ASSOCIATION OF REALTORS®. The average price of $142,400 was 3 percent above both the second quarter and the third quarter of 1994.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
New Homes					
MEDIAN	$132,000	$133,900	$129,700	- 1*	+ 2*
AVERAGE	$158,100	$158,900	$152,800	- 1*	+ 3*
CONSTANT QUALITY HOUSE[1]	$157,900	$156,800	$153,600	+ 1*	+ 3*
Existing Homes					
MEDIAN	$116,200	$111,100	$111,400	+ 5	+ 4
AVERAGE	$142,400	$137,600	$138,900	+ 3	+ 3

* This change is not statistically significant.

[1] A constant quality house has the same physical characteristics from year to year and its price is estimated using statistical models.

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

Existing: NATIONAL ASSOCIATION OF REALTORS®

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 1995 shows that the family earning the median income had 122.9 percent of the income needed to purchase the median-priced existing home. This is 1 percent below the second quarter of 1995 and nearly equal to the third quarter of 1994. This is the result of the 5-percent increase in the median home price used in the series being offset by a slight 1-percent rise in median family income and a 24-basis point decrease in the composite interest rate used in the index during the last quarter. The fixed-rate index improved from both the second quarter of 1995 and from the third quarter last year. The adjustable-rate index fell by 2 percent from the previous quarter and 5 percent from the rate 1 year ago.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
COMPOSITE INDEX	122.9	124.3	123.4	- 1	—
FIXED-RATE INDEX	120.5	119.3	113.5	+ 1	+ 6
ADJUSTABLE-RATE INDEX	131.5	134.6	138.7	- 2	- 5

Source: NATIONAL ASSOCIATION OF REALTORS®

Apartment Absorptions

There were 35,200 new, unsubsidized, unfurnished, multifamily (5 or more units in structure) rental apartments completed in the second quarter of 1995, up 37 percent from the previous quarter and up 43 percent from the second quarter of 1994. Of the apartments completed in the second quarter of 1995, 79 percent were rented within 3 months (the absorption rate). This absorption rate was 20 percent above the previous quarter and a statistically insignificant 4 percent below the same quarter last year. The median asking rent for apartments completed in the second quarter was $643, 8 percent higher than the previous quarter and 12 percent higher than a year earlier.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
APARTMENTS COMPLETED*	35.2	25.7	24.7	+ 37	+ 43
PERCENT ABSORBED NEXT QUARTER	79	66	82	+ 20	- 4**
MEDIAN RENT	$643	$595	$575	+ 8	+ 12

* Units in thousands.
** This change is not statistically significant.

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

Manufactured (Mobile) Home Placements

Homes placed on site ready for occupancy in the second quarter of 1995 totalled 292,000 at a seasonally adjusted annual rate, down 10 percent from the previous quarter, but up 2 percent from the second quarter of 1994. The number of homes for sale on dealers' lots at the end of the second quarter totalled 84,000 units, 11 percent above the previous quarter and 22 percent above the same quarter last year. The average sales price of the units sold in the second quarter was $35,070, up 1 percent from the previous quarter, and 7 percent higher than the year-earlier price.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
PLACEMENTS*	292	325	286	- 10	+ 2**
ON DEALER LOTS*	84	76	69	+ 11	+ 22
AVERAGE SALES PRICE	$35,070	$34,830	$32,770	+ 1**	+ 7

* Units in thousands. These are 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.

Sources: Bureau of the Census, 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 can range from 0 to 100.) The third-quarter value for the index of current market activity for single-family detached houses stood at 54, up 10 points from the second-quarter level of 44, but down 4 points from last year's third quarter. The index for future sales expectations, 62, was also up 10 points in the third quarter and up 1 point from last year's level. Prospective buyer traffic had an index value of 42, 12 points above the second-quarter level of 30 and 2 points above last year's 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 52, an increase of 10 points during the quarter with little or no change from last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
HOUSING MARKET INDEX	52	42	53	+ 26	- 2
CURRENT SALES ACTIVITY— SINGLE-FAMILY DETACHED	54	44	58	+ 23	- 6
FUTURE SALES EXPECTATIONS— SINGLE-FAMILY DETACHED	62	52	61	+ 20	+ 3
PROSPECTIVE BUYER TRAFFIC	42	30	40	+ 42	+ 5

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

HOUSING FINANCE

Mortgage Interest Rates

Mortgage interest rates for all categories of loans fell during the quarter, as they did last quarter and last year, except for conventional adjustable-rate mortgages (ARMs). The contract mortgage interest rate for 30-year, fixed-rate, conventional mortgages reported by Freddie Mac was 7.68 percent in the third quarter, 27 basis points lower than the previous quarter and 91 basis points lower than the same quarter last year. ARMs in the third quarter were going for 5.85 percent, 27 basis points below the previous quarter, but 32 basis points above the same quarter last year. Fixed-rate, 15-year mortgages, at 7.19 percent, were down 29 basis points from last quarter and 90 basis points from the same quarter last year. The FHA rate fell 33 basis points during the quarter and 67 basis points from the same quarter last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
CONVENTIONAL FIXED-RATE 30-YEAR	7.68	7.95	8.59	- 3	- 11
CONVENTIONAL ARMS	5.85	6.12	5.53	- 4	+ 6
CONVENTIONAL FIXED-RATE 15-YEAR	7.19	7.48	8.09	- 4	- 11
FHA FIXED-RATE 30-YEAR	8.00	8.33	8.67	- 4	- 8

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 251,700 (*not* seasonally adjusted) properties in the third quarter of 1995, up 10 percent from the previous quarter and 32 percent from the third quarter of 1994. Endorsements or insurance policies issued totalled 159,000, up 25 percent from the second quarter of 1995 and down 42 percent from the third quarter of 1994. Refinancing jumped up to 13,700, up 78 percent from the second quarter of 1995, but down 84 percent from a year earlier.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
APPLICATIONS RECEIVED	251.7	228.7	190.8	+ 10	+ 32
TOTAL ENDORSEMENTS	159.0	127.0	272.4	+ 25	- 42
PURCHASE ENDORSEMENTS	145.3	119.3	189.3	+ 22	- 23
REFINANCING	13.7	7.7	83.1	+ 78	- 84

* Thousands of properties.
Source: Office of Housing, Department of Housing and Urban Development

PMI and VA Activity*

Private mortgage insurers issued 287,000 policies or certificates of insurance on conventional mortgage loans during the third quarter of 1995, up 29 percent from the third quarter, but about equal to the level of the second quarter of 1994; these numbers are not seasonally adjusted. The U.S. Department of Veterans Affairs reported the issuance of mortgage loan guaranties for 65,800 single-family properties in the third quarter of 1995, up 26 percent from the second quarter, but down 53 percent from the third quarter of 1994.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
TOTAL PMI CERTIFICATES	287.0	222.0	287.5	+ 29	—
TOTAL VA GUARANTIES	65.8	52.1	140.6	+ 26	- 53

* Thousands of loans.
Sources: PMI-Mortgage Insurance Companies of America; VA-Department of Veterans Affairs

Mortgage Originations by Loan Type, 1–4 Family Units

The total value of mortgage originations for 1–4 family homes was $142.4 billion in the second quarter of 1995, up 16 percent from the first quarter of 1995, but down 34 percent from the second quarter of 1994. Privately insured mortgages increased by 20 percent over the previous quarter, while uninsured mortgages increased by 21 percent. FHA-insured mortgages decreased in volume by 3 percent while VA-guarantied mortgages fell by 25 percent. Compared with the second quarter of 1994, all four categories decreased: 64 percent for FHA, 60 percent for VA, 32 percent for privately insured, and 25 percent for uninsured mortgages. The market shares for FHA and VA fell in the quarter to 7.4 and 3.9 percent, respectively. Private insurers increased their market share slightly to 17.3 percent. Uninsured mortgages increased their dominance of the market with a share of 71.4 percent.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Dollar Volume ($Billions)					
FHA INSURED	10.5	10.8	29.2	- 3	- 64
VA GUARANTEED	5.5	7.3	13.6	- 25	- 60
PRIVATE INSURANCE	24.7	20.6	36.2	+ 20	- 32
NOT INSURED*	101.7	83.9	135.3	+ 21	- 25
TOTAL	142.4	122.6	214.3	+ 16	- 34
Percentage of Market Shares**					
FHA INSURED	7.4	8.8	13.6	- 16	- 46
VA GUARANTEED	3.9	6.0	6.3	- 35	- 39
PRIVATE INSURANCE	17.3	16.8	16.9	+ 3	+ 3
NOT INSURED	71.4	68.4	63.1	+ 4	+ 13

* Includes Farmers Home Administration Loans.
** Market shares and percentages are computed from unrounded data.
Source: Mortgage Insurance Companies of America and HUD Survey of Mortgage Lending Activity

Residential Mortgage Originations by Building Type*

Residential mortgage originations totalled $149.4 billion in the second quarter of 1995, up 14 percent from the first quarter, but down 33 percent from the second quarter of 1994. A nearly identical pattern exists for single-family mortgages. The financing volume for multifamily units (5+) totalled $7.0 billion in the second quarter, down 16 percent from the previous quarter and down 27 percent from the second quarter of last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
ONE TO FOUR UNITS	142.4	122.6	214.3	+ 16	- 34
FIVE PLUS	7.0	8.3	9.6	- 16	- 27
TOTAL	149.4	130.9	223.9	+ 14	- 33

* Billions of dollars.

Source: HUD Survey of Mortgage Lending Activity

Mortgage Originations by Lender Type, 1–4 Family Units

Mortgage companies increased their volumes during the second quarter to $80.3 billion, increasing their market share to 56.4 percent. While the second quarter's results mark an increase from the last quarter, mortgage companies are still below last year's levels. All other classes of lenders experienced increasing volumes of originations from the previous quarter except those in the "other lender" group where all classes were down compared with the same quarter last year. Mutual savings banks wrote $4.5 billion in loans, up 22 percent from the previous quarter. Savings and loans made $22.3 billion in loans, up 19 percent for the quarter. While mortgage companies, mutual savings banks, and savings and loans increased their shares slightly, commercial banks' share fell to 23.5 percent, and "other lenders," which represent less than 2 percent of the market, also experienced a decrease.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Dollar Volume ($Billions)					
COMMERCIAL BANKS	33.4	32.2	55.8	+ 4	- 40
MUTUAL SAVINGS BANKS	4.5	3.7	7.8	+ 22	- 42
SAVINGS AND LOANS	22.3	18.7	34.4	+ 19	- 35
MORTGAGE COMPANIES	80.3	66.0	114.4	+ 22	- 30
OTHER LENDERS	1.8	2.0	1.9	- 10	- 5
TOTAL	142.4	122.6	214.3	+ 16	- 34
Percentage of Market Shares					
COMMERCIAL BANKS	23.5	26.3	26.0	- 11	- 10
MUTUAL SAVINGS BANKS	3.2	3.0	3.6	+ 5	- 13
SAVINGS AND LOANS	15.7	15.3	16.1	+ 3	- 2
MORTGAGE COMPANIES	56.4	53.8	53.4	+ 5	+ 6
OTHER LENDERS	1.3	1.6	0.9	- 23	+ 43

Source: HUD Survey of Mortgage Lending Activity

Delinquencies and Foreclosures

Total delinquencies were 4.15 percent at the end of the second quarter of 1995, up 6 percent from the first quarter and about the same as in the second quarter of 1994. Ninety-day delinquencies were at 0.77 percent, up 8 percent from the first quarter, but down 5 percent from the 1994 second-quarter level. During the second quarter of 1995, 0.33 percent of loans entered foreclosure, up 3 percent from the previous quarter, but 3 percent below the second quarter of 1994.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
TOTAL PAST DUE (%)	4.15	3.91	4.17	+ 6	—
90 DAYS PAST DUE (%)	0.77	0.71	0.81	+ 8	- 5
FORECLOSURES STARTED (%)	0.33	0.32	0.34	+ 3	- 3

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 1995 was $286.5 billion, up 3 percent from the second quarter of 1995 and up 1 percent from the third quarter of 1994. As a percent of the Gross Domestic Product, RFI was 4.0 percent, up from 3.9 percent last quarter, but down from 4.2 percent in the third quarter of 1994.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
GDP	7,113.2	7,030.0	6,791.7	+ 1	+ 5
RFI	286.5	277.6	283.4	+ 3	+ 1
RFI/GDP (%)	4.0	3.9	4.2	+ 3	- 5

* Billions of dollars.

Source: Bureau of Economic Analysis, Department of Commerce

HOUSING INVENTORY

Housing Stock*

The estimate of the total housing stock as of the third quarter of 1995, 112,530,000 units, was about the same as in the second quarter of 1995, but 1 percent above last year. The number of occupied units followed a similar pattern. Owners showed a small increase over the second quarter and a 2.4-percent increase from the third quarter of 1994. Renters declined from last quarter and last year. Vacant units fell by 1 percent during the last quarter and by 3 percent from last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
ALL HOUSING UNITS	112,530	112,743	111,266	- 0.2**	+ 1.1
OCCUPIED UNITS	99,874	99,932	98,927	- 0.1**	+ 1.0
OWNERS	64,885	64,668	63,391	+ 0.3**	+ 2.4
RENTERS	34,989	35,264	35,536	- 0.8**	- 1.5
VACANT UNITS	12,656	12,811	12,339	- 1.2**	+ 2.6

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

Vacancy Rates

The national rental vacancy rate in the third quarter of 1995, at 7.7 percent, was unchanged from the second quarter, but up 7 percent from the third quarter of 1994. The homeowner vacancy rate, at 1.5 percent, was down from the previous quarter, but up from the year-earlier level.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
HOMEOWNER RATE[1]	1.5	1.6	1.4	- 6	+ 7
RENTAL RATE[1]	7.7	7.7	7.2	—	+ 7

* This change is not statistically significant.

[1] Major changes related to the survey effective with 1994 first quarter data.

Source: Bureau of the Census, Department of Commerce

Homeownership Rates

The national homeownership rate reached 65.0 percent in the third quarter of 1995, up 0.3 percentage points from the second quarter and 0.9 percentage points from the third quarter of 1994. This is the highest that the quarterly homeownership rate has been since the last quarter of 1981, 14 years ago. Starting with this issue, rates for two groups of special interest will be reported: The homeownership rate for minority households increased to 44.0 percent, and young households increased their rate to 57.9 percent.

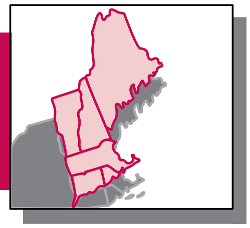
	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
ALL HOUSEHOLDS	65.0	64.7	64.1	+ 0.5**	+ 1.4
MINORITIES	44.0	43.5	43.4	+ 1.1	+ 1.4
YOUNG MARRIED-COUPLE HOUSEHOLDS	57.9	56.9	56.2	+ 1.8	+ 3.0

Source: Bureau of the Census, 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. Each regional report also includes a profile of a selected housing market that provides a perspective of current economic conditions and their impact on the local housing market. The reports are based on information obtained by HUD economists from State and local governments, housing industry sources, and from their ongoing investigations of housing market conditions carried out in connection with the review of HUD program applications.

New England



Trends in employment in New England have been mixed. New Hampshire had a 1.4-percent increase, but employment gains in Vermont were negligible, at 0.1 percent. In Massachusetts and Rhode Island, employment declined 1 percent and 0.8 percent, respectively. In Connecticut the rate of job loss has slowed, with only a 0.2-percent decline over the 12 months ending August 1995. The unemployment rates were below the national rate in every State but Rhode Island.

During the first 9 months of 1995, building permits for residential construction in the New England region totalled 28,025 units, off about 7 percent from the same period in 1994. Single-family permit activity declined from 27,193 in the first 3 quarters of 1994 to 25,274 so far in 1995. The slow job growth throughout much of the region has restricted the demand for new sales housing. Multifamily activity in the region, 2,751 units during the first 9 months of 1995, was off about 11 percent from 1994 levels.

Data on existing sales volume for the second quarter of 1995 indicate that home sales have declined in all the New England States from the second quarter of 1994. Declining interest rates, however, are beginning to have some effect on the region's existing home sales market, with an increase in sales volume noted in Connecticut, New Hampshire, and Rhode Island over the previous quarter. A comparison of second-quarter 1995 and second-quarter 1994 data reveals that the median sales price of an existing single-family home declined from $181,300 to $179,000 in the Boston area, from $134,000 to $130,800 in Hartford, and from $116,600 to $115,400 in Providence.

Rental vacancy rates continued to decline in New England due to the very low levels of multifamily production. Rental agents in the Boston metropolitan area report that the market is as tight as it's been during the past 10 years. Growing student enrollments at local universities (both graduate and undergraduates) have put pressure on rental properties. College students are renting local apartments because of the crowded dormitories on campus.

Many condominiums that were formerly rented have been purchased by first-time homebuyers. A recent survey of rentals in and around the city of Boston indicates that vacancy rates vary from less than 1 percent in the Mid-Route 128 area to less than 3 percent in the North Shore. Communities located within a 25-minute commute to downtown Boston report rental vacancy rates in the 2- to 3-percent range. Units are being rented as fast as they come on the market. The rental market is likely to remain very tight in the Boston area into 1996 because of the limited amount of construction.

Spotlight on

Nashua, New Hampshire

The Nashua area is recovering from the large cutbacks by defense industry and computer-related firms in the early 1990s. Employment at the Digital Corporation facilities in the Nashua area has declined by 2,900 since 1990. At Lockheed-Sanders (electronic systems and components) employment today stands at 4,400, down 2,600 since the late 1980s. Nevertheless, the local economy has noticeably improved over the last 12 to 18 months, and officials are optimistic about the future. Employment grew by an annual average of 4 percent in the 12 months ending August 1995, while the unemployment rate fell almost 2 percentage points to 5.6 percent.

The area, while moving toward a more diversified economy, still relies more heavily on manufacturing than the rest of the State. The largest employment increases, however, have been in services and wholesale and retail trade. Construction employment has also shown significant improvement over the past 12 months due to increased commercial building in the area. Much of the service-sector job creation is being provided by small computer, research, and engineering firms. Retail trade remained strong throughout the downturn in the economy, due to Nashua's lack of sales tax, which attracts an out-of-State customer base. Roughly 3 million square feet of retail space have been built and absorbed since the early 1990s.

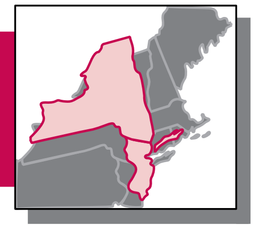
Two of the largest new Nashua area employers are Oxford Health and the United States Postal Service (USPS). Oxford Health, an HMO currently operating in New Jersey and New York, will shortly begin serving clients in New Hampshire. This firm will initially employ about 850, with plans to expand to 1,500 over the next several years. The USPS's distribution facility will provide 600 new jobs for the area. Also, Fidelity Investments is considering setting up an accounting and data-processing operation in Nashua.

Local officials have encouraged entrepreneurial activity to retain high-tech professionals laid off during the recession and to refill previously vacated office and industrial space. Assistance to small businesses has helped position Nashua as New Hampshire's software hub. Up to 95 percent of available commercial and industrial space in the area is now occupied, and 600,000 square feet of new office space has been approved for construction recently. Nashua's building department reported a 162-percent increase in the value of construction authorized for all types of commercial activity in the area in the past 9 months.

Residential construction has remained relatively stable since 1990, with the number of single-family units permitted averaging about 640 annually. Multifamily activity has been practically nonexistent, averaging about 30 units annually. Although home sales for the 12 months ending July 1995 were down 14 percent, sales prices increased a modest 5 percent. The average sales price for all homes in the area is about $118,000.

With the recent improvements in the local economy, the substantial excess supply of vacant rental housing is being absorbed. The rental vacancy rate has fallen from over 12 percent in early 1994 to 8 percent as of the end of the third quarter of 1995. Overall, the market is still soft, but it has improved considerably for high-rent units and newer projects.

New York/ New Jersey



Job growth in both New York and New Jersey continued at a much slower pace than the national average during the past 12 months and slowed further in the third quarter of 1995.

Seasonally adjusted employment in New Jersey as of September 1995 stood at 3.8 million, a slight 0.7-percent gain in the past 12 months. Employment in New Jersey is 100,000 jobs less than the all-time high in early 1989, and it is expected that it will take at least 2 more years to reach the 1989 level. Seasonally adjusted employment in New York State was 8.0 million as of September 1995, an 0.8-percent gain over the past 12 months. The unemployment rate, however, increased half a percentage point to 6.8 percent as of September 1995.

As of September 1995, employment in the city of New York was approximately 3 million, a 2.8-percent increase over September 1994. However, the unemployment rate also increased to 8 percent from 7.2 percent. While the city is expected to lose 4,000 jobs due to the Chemical Bank and Chase Manhattan Bank merger, there are some positive developments. The Coffee, Sugar, and Cocoa Exchange, with 5,000 workers, has decided to stay in New York after being offered a $91 million incentive package from the State and city. The New York Cotton Exchange with 5,000 employees is reconsidering plans to move to Jersey City in light of the Coffee Exchange's decision.

Residential construction remained sluggish across much of New York State during the third quarter. The sales market for new homes is weakest in the central part of the State. Activity in Buffalo and Rochester has generally remained at 1994 levels. Residential construction showed the greatest strength in New York's downstate area buoyed by subsidy programs for affordable housing as well as continued strength at the upper end of the market. In the Nassau-Suffolk and

Westchester County areas, single-family homes constructed during the first 6 months of 1995 exceeded the number built during the same period a year ago by 10 percent.

In New York State 15,459 single-family units were permitted in the first 9 months of 1995, a slight decrease from the 1994 total for the same period. The 5,062 multifamily units permitted in the first 9 months were about 7 percent below the same period in 1994.

In New Jersey building permits were issued for 12,753 single-family units during the first 9 months of 1995, a 15-percent decrease from the same period a year ago. Multifamily units permitted totalled 2,989, up 35 percent from the first 9 months of 1994.

According to the New York State Association of Realtors, home sales for the State in the second quarter of 1995 were down 16 percent from the same period a year ago, and the median sales price declined a slight 2.5 percent to $139,156. In New Jersey the Board of Realtors reports that home sales as of the second quarter of 1995 also declined 8 percent from last year's levels. The median sales price declined by 2 percent to $146,500.

Spotlight on

Utica-Rome, New York

Economic expansion in the Utica-Rome area has been dampened by cutbacks in manufacturing and the military. In the 12-month period ending August 1995, employment increased 1.3 percent to 136,400. The unemployment rate for the area declined to 5.6 percent. There was growth in the wholesale and retail trade and services sectors. These gains, however, were offset by the loss of 1,200 manufacturing jobs and 1,000 U.S. Department of Defense jobs in the area. Until the cutbacks, which began in 1993, Griffiss Air Force Base (AFB) and defense contractors had been a major influence on the local economy. Realignment at Griffiss AFB has resulted in the loss of approximately 4,000 military personnel and 2,400 civilian employees.

Lockheed-Martin recently announced that it would be phasing out its Ocean Radar and Sensor Systems plant and its Material Acquisition Center, resulting in the loss of up to 1,000 jobs. Many of these jobs would be transferred to facilities either in the Syracuse area or New Hampshire.

Rome Laboratory, a defense contractor employing 1,000 workers, will continue to operate at its facilities on the base. Under the second phase of the realignment, a branch of the Defense Finance and Accounting Services Agency, which employs 750 persons, will be relocating to the base. Coupled with local efforts to attract small technology firms to the base, these developments will mitigate losses associated with the base realignment.

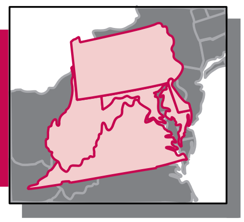
In 1993 the Oneida Indian Nation of New York opened the Turning Stone Casino, a major gaming facility located in the town of Verona near Utica. The casino now employs 2,000 persons. A 250-room hotel will be built on the grounds within the next 2 to 3 years.

Despite the employment cutbacks, sales prices of homes in the Utica-Rome area have remained relatively unchanged over the past 5 years. According to the New York State Association of Realtors, 249 existing homes were sold in the Utica-Rome area during the second quarter of 1995, compared with 303 units sold during the same period in 1994. Within the metropolitan area, the median sales price of an existing housing unit increased slightly from $82,894 in the second quarter of 1994 to $83,744 during the second quarter of 1995.

Since 1990 residential construction in the metropolitan area has been concentrated in the suburban towns of Clinton, Floyd, New Hartford, Westmoreland, and Whitesboro. Despite the changes in the local economy, single-family permit activity has been relatively stable since 1990, averaging about 500 units annually. Much of the recent single-family housing construction in the area is priced between $160,000 and $180,000.

There has been very little multifamily rental housing constructed recently in the Utica-Rome area. The realignment at Griffiss has significantly weakened the rental market, and the rental vacancy rate is estimated to be in excess of 10 percent. The most serious impact has been on apartment projects located near the base. Vacancy rates are running 20 to 30 percent at some complexes near Griffiss.

MID-ATLANTIC



The Mid-Atlantic economy posted moderate gains during the third quarter due largely to expansion in service-sector industries. As of August unemployment continued to decline and was below the national average throughout much of the region, ranging from 4.5 percent in Virginia to 7.7 percent in West Virginia. Reflecting continued job gains, West Virginia's unemployment rate is the lowest since 1979 and Virginia's is the lowest in 5 years.

The Washington, D.C., metropolitan area is experiencing the effects of downsizing in the Federal Government, particularly in the District of Columbia and the Maryland suburbs. Growth in the northern Virginia suburbs accounted for all of the Washington area's net job gains in the first 8 months of 1995. The addition of 36,100 jobs represented a 4-percent increase in Northern Virginia's workforce over the comparable period in 1994. Service industries accounted for two-thirds of the new jobs, with more than one-third of the gain in high-paying business, engineering, and management services. The newest major employment announcement for northern Virginia is the development of the joint IBM-Toshiba computer chip plant in Manassas that will initially employ 1,200 workers at average salaries of more than $35,000 annually.

The Baltimore area is successfully strengthening its traditional role as a national warehouse and distribution center due to the Port of Baltimore. At the rate of activity for the first 9 months of 1995, the port is expected to have its biggest year in recent history. Recent announcements of distribution facilities to be built in the Baltimore area include Saks Fifth Avenue, McCormick, Clorox, Toys "R" Us, and Office Depot.

State and local development incentives, including land write-down, site preparation, and tax breaks have been instrumental in attracting industry to the Norfolk-Virginia Beach area. The Norfolk-Virginia Beach-Newport News area (Hampton Roads) has received several relocation announcements in the telecommunications and computer industries that will continue to diversify the economy and reduce the area's dependence on military and defense spending. Gateway 2000, one of the Nation's leading computer manufacturers, announced the location of an assembly plant in Hampton. Hiring is expected to begin in late 1996, and this plant will eventually employ 1,000 production workers. The planned relocations of Panasonic, Avis, and TWA customer service centers are expected to add 1,300 employees in Chesapeake and Virginia Beach over the next 12 months. The United Parcel Service (UPS) and the United States Postal Service recently opened distribution centers in Newport News that, combined, added more than 1,200 jobs.

The sales market has remained generally flat throughout the Mid-Atlantic to date in 1995. The last phase of the 4-year shutdown at the Philadelphia Navy Yard was completed in mid-September. Approximately 6,000 shipyard workers have lost their jobs following the loss of another 5,000 jobs earlier in the phaseout. These layoffs have impacted the housing market in south Philadelphia where houses are selling very slowly and prices have declined. Suburban areas of Philadelphia have sustained strong sales markets due to continued job and population growth.

In the Washington, D.C., metropolitan area, home sales have improved in the third quarter but are still off 10 to 15 percent from 1994 levels. Homes priced less than $150,000 posted the largest gain in the third quarter and represented 47 percent of all sales. Sales in the Baltimore area have been relatively strong since May. Sales in the Richmond and Norfolk-Virginia Beach areas also improved in the third quarter and to date are only slightly below 1994 sales levels. Sales volume continues to decline in the Newport News area. Home sales are up substantially in West Virginia where continued job gains are the best of any recent period.

Single-family construction activity in the region, as measured by building permits, totalled 73,713 units in the first 9 months of 1995, down 15 percent from the same period of the previous year. The decline reflects builder cutbacks to allow absorption of excess inventories.

Multifamily construction in the region (12,404 units) was up almost 12 percent during the first 9 months of the year. Virginia accounted for half of the multifamily units in the region. Apartment construction financed by low-income tax credits is a major factor in both Pennsylvania and Delaware, where tax credits were responsible for an estimated 56 and 72 percent, respectively, of all multifamily activity in 1994.

Spotlight on

Charleston, West Virginia

The Charleston metropolitan area (Kanawha and Putnam Counties) has a population of nearly 255,000. It traditionally has the most stable economy in West Virginia because of the presence of the State government. In addition to government employment, the economy is based on the chemical production, trade, and service industries. State and local governments currently employ 20,500. The chemical industry employs 5,800, about half the level of 10 years ago. The loss of 4,200 jobs in the chemical industry and 1,000 mining jobs in this period have been off set by the increase in service jobs. The area is a trade and service center for a population of about 452,500 persons living in the surrounding counties of south central West Virginia.

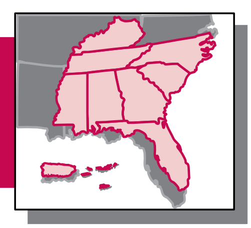
Reversing the trend of the 1980s, employment has grown by 10.9 percent (12,400 jobs) since 1990. Relatively high-paying health-service jobs have increased by 3,700, while the nonhealth-related service industries have generated 10,300 new jobs. Overall employment growth, however, has been less than 1 percent this year, reflecting the continuing decline in the chemical industry and slowed growth in the service sector.

The median sales price of area homes was $79,800 in the first half of this year. The average length of time a house was on the market in 1994 was less than 3 months. Sales declined slightly through the end of August, while monthly listings increased. Houses priced less than $100,000 are in strong demand.

Putnam County is the most active area for single-family development, with the construction of 350 units last year. Putnam County is popular because of its suitable topography for development and convenient access to job centers in both Charleston and Huntington (30 miles to the west). The Teays Valley area in eastern Putnam and western Kanawha County is the hottest submarket. Home prices in Putnam County have increased by more than 6 percent annually in the past 4 years. Forty subdivisions have been developed since 1990.

The rental market has tightened since 1990, especially for well-located, high-amenity apartment complexes priced more than $500. Mobile homes represent a resource in meeting affordable housing needs. Eleven percent of the housing stock are mobile homes, and they are increasing by about 280 units a year.

Southeast/ Caribbean



Employment growth in the Southeast/Caribbean region continued at a moderate pace during the third quarter of 1995. The region added almost 348,000 jobs during the 12 months ending August 1995. The rate of change ranged from an increase of 3.1 percent for Puerto Rico to a slight decline (less than 1 percent) in Tennessee. The rates of growth in Georgia, South Carolina, Kentucky, and Florida all exceeded the national increase of

1.3 percent. Unemployment rates remained below the national rate except for Puerto Rico, Mississippi, and Alabama. Florida and North Carolina had the lowest unemployment rates, both at 4.6 percent.

During the quarter Birmingham Steel announced that it will be building a small steel plant in Memphis that will employ 300 persons. Ingram Micros will build a distribution center in Millington, near Memphis, that will add 700 jobs by the end of 1997. Xerox will be opening a telemarketing and customer service facility in 1997 that will employ 500 in Memphis. MCA, Inc., and Rank Organization will spend $2.6 billion to build Universal City near Universal Studios in Orlando. The project will be completed by the summer of 1999. Nucor Steel will employ 600 people when it opens its new plant north of Charleston in 1997. In Greenville, South Carolina, UPS will add 700 jobs during 1996 when it completes a customer service telephone center. An expansion by Char-Broil, Inc., in Columbus, Georgia, will add 250 jobs to its charcoal grill manufacturing plant by early next year. In Lebanon, Kentucky, Alstyle Apparel and Activewear will invest more than $1.5 million and add 400 jobs.

Through the first 9 months of the year, single-family activity was below the level of activity during the first 9 months of 1994, with 207,953 units permitted compared with 222,509 for last year. Despite this drop in activity, homebuilding is still considered strong. The largest decline was in Florida (22 percent), and the largest increase was in Georgia (17 percent). Other States showing increases were Alabama, Mississippi, and South Carolina.

Sales of existing homes in the second quarter of 1995 were below the level of the second quarter of 1994, but the trend reversed throughout much of the region during the third quarter, as buyers took advantage of low mortgage rates. In Orlando, for example, sales of existing homes in the third quarter increased by 12 percent over the third quarter of 1994, a dramatic change from the trend of the first 6 months of the year when sales were down 10 percent.

Almost 69,500 multifamily units were permitted in the first 9 months of the year, 23 percent over the levels in the comparable period in 1994. The biggest increase was in Georgia (88 percent), where 14,445 units were permitted so far this year compared with 7,687 units last year at this time. There were also substantial increases in Tennessee (37 percent), Alabama (41 percent), and South Carolina (43 percent). Atlanta, Nashville, Birmingham, and Myrtle Beach were the leaders in multifamily volume in those four States.

Despite the significant increases in multifamily construction in the region, there are no signs of any widespread overbuilding. Most of the region's rental markets remain balanced. However, in Augusta, Georgia, and nearby Aiken, South Carolina, rental vacancy rates have risen during 1995 and are currently estimated to exceed 10 percent. The soft market conditions are due to the cutback of 4,200 jobs by the U.S. Department of Energy and the Westinghouse Corporation at the Savannah River Nuclear Plant earlier this year. Employment at the facility has gone from a high of 24,000 just a few years ago to about 16,000 currently.

Rental market conditions have improved in the Atlanta area over the past year. Almost all counties in the metropolitan area have experienced an increase in multifamily permit activity. Much of the activity though has been concentrated in several hot submarkets. The increase in permits has been so large in north Fulton County, in fact, that there is now concern whether all of the units being proposed could be successfully absorbed. Spurred by the possibility of very high rental rates during the 1996 Summer Olympic Games, there has been a great deal of speculative interest on the part of developers for projects in downtown Atlanta.

In Atlanta interest is building in the Empowerment Zone designated around the central business district. More than 2,000 requests for applications have been received from businesses interested in participating in the program. The Atlanta area also recently received a large grant to provide transitional and permanent housing, job training, job placement, medical treatment, and legal assistance to homeless families and individuals. Recognizing that this problem exists in suburban areas, the grant will also be directed to Cobb, Dekalb, Fulton, and Gwinnett Counties.

Spotlight on

San Juan-Bayamon, Puerto Rico

The San Juan-Bayamon metropolitan area, the largest in Puerto Rico, includes 30 municipalities with a total 1992 population of 1,874,403. Slightly more than half of the island's population lives in the metropolitan area. From 1980 to 1992, the population grew at an annual average rate of 1.2 percent, exceeding the 1.0-percent average annual growth experienced by Puerto Rico for the same time period. The area's population is expected to reach 1,950,000 in 1996.

As of June 1995, the civilian labor force was estimated at 656,000 and employment at 579,000. The unemployment rate was 11.7 percent, lower than the 12.1-percent rate recorded a year earlier.

Nonagricultural wage and salary employment for the metropolitan area reached 559,500 during June 1995, representing a gain of 6,400 jobs over June 1994 levels. The manufacturing sector, one of the strengths of the local economy, was responsible for 2,400 of the jobs added. Nonmanufacturing employment growth was largest in the finance, insurance, and real estate; services; and government sectors.

Total employment in the area is expected to rise in the coming months, with improvement anticipated in the construction, manufacturing, and service sectors. Construction of new hotels, housing projects, and shopping malls is planned or underway in several municipalities. Among the projects are the Ritz-Carlton, Lemar Beach, and Westin hotels in Carolina and Rio Grande, and the New Gateway to San Juan, a housing and community revitalization project. Also in the construction pipeline are several housing developments, including Ciudad Jardin in Bayamon, Villas de Cambalache in Canovanas, Porticos de Guaynabo, Villas del Rio in Humacao, Monte Verde in Manati, Parque Loyola in San Juan, and Montecasino in Toa Alta. Shopping mall projects include Maribel Plaza and the expansion of San Patricio Plaza in San Juan. Intel de P.R., the computer manufacturer, is planning a major expansion in Las Piedras that will mean an additional 2,000 manufacturing jobs, starting with 1,000 during 1996.

Despite projected employment gains, unemployment is expected to remain at current levels or edge up slightly as some manufacturing companies continue to downsize and lay off workers.

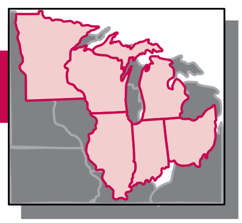
Residential building activity, as measured by building permits issued during the 12-month period ending June 1995, is estimated at 6,440 housing units. This figure represents a 17-percent increase over the 12 months ending June 1994. An estimated 5,345 units, or 83 percent, were single-family units.

Among the municipalities showing substantial construction activity are San Juan, Toa Alta, Guaynabo, Carolina, Bayamon, Dorado, Trujillo Alto, and Humacao. Average sales prices range from $80,000 in Toa Alta to $273,000 in Dorado. Mortgage interest rates remain stable in the 7- to 7 1/2-percent range, contributing to continued healthy residential construction activity.

The Puerto Rico Department of Housing's Affordable Housing Program offers incentives to builders willing to produce affordable housing for moderate-income families, a market with profit margins typically too narrow to be attractive to most investors. Among incentives provided are tax exemptions of up to $5,000 per unit sold, government land at below market value, and speedy processing of building permit applications. The program also offers direct assistance to homebuyers in the form of interest subsidies at rates between 3.5 and 6 percent, plus downpayment subsidies of up to 2 percent of the unit sales price. Approximately 2,800 units produced under the program have been sold or are under contract throughout the island with about half of the homes in the San Juan Metropolitan area. Projects in the metropolitan area are offering houses priced at about $60,000.

According to local industry sources, the area's high development costs (particularly improved land) in relation to incomes discourages development of new rental housing. Effective demand for rental housing would be at prices too low to generate enough cash flow for the projects to be financially feasible. Currently, much of the demand for market-rate rentals has been met by conversions of single-family and multifamily owner units to rentals and by construction of second-floor units atop existing single-family dwellings. Two-bedroom unit rents currently average $450 per month, and three-bedroom units average $550 per month.

MIDWEST



The economy of the Midwest remains relatively strong, although employment growth slowed during the third quarter of 1995. Nonagricultural employment grew by 360,000 over the 12 months ending in September. The strongest job growth was in nonresidential construction, business services, and retail trade. The unemployment rate as of September was below the national rate in all States of the region, ranging from a record low of 2.9 percent in Minnesota to 5.4 percent in Illinois. Private surveys of business conditions in Chicago, Cleveland, Cincinnati, Detroit, Milwaukee, and Grand Rapids show the economies of these areas strengthening in the third quarter.

Michigan led the region in employment growth, with 87,000 jobs added in the 12 months ending September 1995. Construction employment in the State increased by 15,400, a 10-percent increase. Over half of the gain (8,600 jobs) was in the Detroit metropolitan area where Chrysler Corporation is building a $750 million engine facility in the city's Empowerment Zone. General Motors Corporation is investing $100 million in a new automatic transmission plant in suburban Detroit, and Ford Motor Company is expanding truck production. These activities are expected to add some 2,400 manufacturing jobs by 1998.

In Indiana automobile manufacturing continues to be an important source of new jobs. General Motors is expanding truck production in Fort Wayne, which will mean an additional 1,000 jobs over the next 2 years. Chrysler Corporation announced the largest capital investment project in Indiana's history, a $1 billion automatic transmission plant in Kokomo, which will employ 1,500 people by 1997.

Single-family construction and sales of new homes remained relatively strong in the Midwest's major markets in the third quarter. Through September 1995 building permits were issued for 132,594 single-family units in the region, compared with 145,224 units in the first 9 months of 1994.

Homebuilders in Minneapolis-St.Paul reported strong sales of new homes during the third quarter to both first-time and move-up buyers. Sales activity was brisk for both single-family detached homes and townhouses in all price ranges. Builders were also encouraged by the high turnout of prospective buyers at the Parade of Homes Fall Showcase held throughout the Twin Cities area in September. Sales of existing homes were particularly robust in August and September, up 11 percent from year-earlier figures.

Home sales in Illinois improved during the third quarter of 1995. Sales in July and August were up 3 and 9 percent, respectively, from year-earlier levels. In the Chicago area, third-quarter contracts were signed for 2,775 new homes, an 8-percent gain over the same period of the previous year. Moderately priced single-family detached homes ($150,000 to $200,000) sold well to move-up and first-time buyers. One builder in fast-growing suburban Will County reported a 22-percent increase in sales of new homes to first-time buyers and a significant increase in traffic. Builders expect new home sales for 1995 to total 23,000 to 24,000 units in the Chicago metropolitan area, about equal to 1994's strong performance.

Michigan's strong economy helped support existing home sales in the first 9 months of 1995, although they were still below last year's volume. Existing home sales in the Detroit metropolitan area are strong, especially in suburban Macomb and Oakland Counties.

FHA single-family mortgage insurance activity in the Midwest has been very strong in 1995. In the 12 months ending September 1995, FHA insured 99,560 homes with a total mortgage amount of $6.8 billion, 16 percent of the national total. Activity was particularly brisk in Illinois and Minnesota, where FHA insured 28,500 and 16,350 homes, respectively. The Chicago metropolitan area ranked first in the Nation with 26,480 FHA-insured homes and a mortgage volume of $2.1 billion.

Multifamily activity in the Midwest continues to be significantly ahead of last year. In the first 9 months of 1995, permits were issued for 42,264 units, compared with 35,827 units in the same period of 1994, an 18-percent increase. Activity was up in all States, with Indiana, Illinois, and Michigan reporting the largest gains.

Rental markets remain in generally good condition throughout the region, with occupancy in the 94- to 98-percent range as of the third quarter of 1995. In the Indianapolis metropolitan area, 4,500 rental units are either under construction or scheduled to begin construction within the next 6 months. This volume represents a 2- to 3-year supply at the current rate of absorption, which should significantly increase competition among apartment projects.

Apartment construction activity in western Michigan (Grand Rapids, Muskegon, and Holland) increased substantially in the past year. In the fast-growing Holland area, 3,000 rental units are under development. Several builders reported that in some recently completed projects in Holland managers were able to prelease units, something that had not happened in the past. However, the large supply of units coming on the market will result in increased vacancy rates next year.

New rental units in the Chicago area have been absorbed well. A developer in suburban Lake County reported 75 signed leases in 2 months for new luxury units. The Chicago HUD office is processing its first market-rate rental application for a project in downtown Chicago since the mid-1980s.

The city of Chicago is encouraging development of affordable housing for the elderly who are capable of living independently. Two apartment complexes opened in the past 6 months, and several more are being developed with $10 million in HOME funds provided through HUD. Market response has been strong, with more than 1,500 applicants for 170 completed units. In Ohio the current trend in elderly housing is for assisted-living projects, which provide frail seniors with service packages of daily living activities. Most markets in the State are being served. There is concern that the Cincinnati area is bordering on market saturation.

Spotlight on

Cleveland, Ohio

The Cleveland economy is currently strong. Jobs have increased by about 2 percent annually over the past couple of years, and unemployment has averaged about 5 percent. Nonagricultural employment in the metropolitan area has increased by more than 13,000 jobs during the 12 months ending in September, led by strong gains in nonmanufacturing. Manufacturing continues to influence growth in the area, but currently represents only one in every five jobs in the area, down from one in three in the 1970s.

The population of the metropolitan area has held relatively stable during the past two decades. While the city of Cleveland and suburban Cuyahoga County have lost population, the outlying counties have grown. Cleveland continues to lose population and households, although the rate of out-migration has slowed.

Downtown Cleveland is experiencing a renaissance, which started in the 1980s with office, hotel, and shopping mall development. Jacobs Field, the Gund Arena, and the Rock and Roll Hall of Fame have been major contributors.

These new attractions, together with the Flats nightclub and entertainment district, the Playhouse Square theater district, and the Warehouse District shopping, dining, and residential neighborhood, have created an attractive, active, and growing downtown, which is drawing local residents and tourists to the area in increasing numbers.

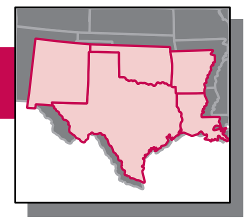
The new amenities have stimulated demand for housing. Downtown Cleveland currently has about 1,500 modern market-rate apartments, of which 200 were added in the last 3 years. About 400 units are under development and another 500 units are expected to begin construction in the next 18 months. An additional two dozen housing projects are in the planning stages. Existing housing has maintained high occupancy, and new units have experienced rapid absorption. Rents in the downtown area range from about $500 for an efficiency unit to more than $1,000 for a two-bedroom unit.

The strong economy in the Cleveland area has stimulated home construction. Single-family permit activity in the metropolitan area has increased significantly from an average of 4,500 units annually in 1990 and 1991 to a little more than 6,000 units in 1994. Permits were issued for 4,216 single-family units through the third quarter of 1995, about 10 percent below the comparable 1994 levels.

The sales market remains very affordable, with typical existing home prices less than $100,000. Sales of new homes have been strongest in the $100,000 to $250,000 price range. Homes priced more than $250,000 are generally moving slowly. The condominium market is improving. Builders reported strong market response to the second annual "Condoquest" held throughout the metropolitan area in June. Contracts were signed for about 200 new condominium units, more than double the number of sales in 1994. FHA insured 5,932 homes in 1994, about 35 percent of the 16,900 homes sold in the area.

The rental market for the metropolitan area is balanced, with vacancy rates in most suburban areas in the 4- to 6-percent range. In the first 9 months of 1995, permits were issued for 1,530 multifamily units, compared with only 768 for the same period in 1994 and an average of 1,200 units annually since 1990. However, the rental markets in some of Cleveland's neighborhoods, both east and west of downtown, and in several inner-ring suburbs, are still soft.

SOUTHWEST



Nonagricultural wage and salary employment grew by a vigorous 3.7 percent in the Southwest region during the first 8 months of 1995. Arkansas, Louisiana, and New Mexico continued to have growth rates exceeding 4 percent. New Mexico is still leading with a strong 5.3-percent growth rate; Oklahoma lagged the region at a 2.4-percent growth rate.

For the first 6 months of 1995, sales of existing single-family homes in the Albuquerque and Austin areas were down 12 percent and 10 percent, respectively, compared with the record levels in the same period in 1994.

Single-family permit activity in the Southwest region was up slightly, 2.7 percent, in the first 9 months of 1995 compared with the same period in 1994, due to continued increases in Texas and Louisiana. Activity in Arkansas, Oklahoma, and New Mexico was 8 to 10 percent below last year's levels at this time. Regionwide permits were issued for 79,525 single-family units, almost 53,000 in the State of Texas. Activity in the Dallas-Fort Worth Metroplex for the first three quarters of 1995 was about equal to strong 1994 levels. In the Houston area, single-family permits (12,200 units) were up some 13 percent over the same period in 1994.

Multifamily activity remains strong in the region, with all States reporting increases in the number of units permitted. In the first 9 months of 1995, permits were issued for more than 34,500 units, an increase of 10 percent over the very strong 1994 levels for the same period. One-third of all multifamily activity to date in 1995 has been in the Dallas-Fort Worth Metroplex. Austin also continues to show strength with an estimated 4,800 units permitted to date.

The rental market in the Oklahoma City metropolitan area remains soft with occupancy around 91 percent. While there have been small increases in rents in the past 12 months, rents still are not high enough to justify new construction. Most of the recent activity involves rehabilitation of existing complexes using low-income housing tax credits.

In the Austin metropolitan area, approximately 3,500 apartment units are under construction, with about 70 percent of the units in north and northwest Austin. As a result apartment occupancy in the north and northwest, which has been running near 95 percent, is likely to fall slightly in early 1996. Since the beginning of 1993, the Austin area has absorbed approximately 2,200 rental units annually.

Spotlight on

Fort Worth-Arlington, Texas

The four-county Fort Worth-Arlington metropolitan area's population is currently estimated to be 1,490,000, reflecting a healthy 1.9-percent annual rate of growth since the 1990 census.

The downsizing of military forces and reduced defense spending over the past 5 years have had a substantial impact on the local economy. Since 1990 Lockheed-Martin has laid off 20,000 highly paid aerospace workers. In addition, beginning in late 1992 and ending in late 1993, the U.S. Department of Defense began the realignment of Carswell Air Force Base to a Naval Air Station (NAS). The realignment meant the loss of close to 5,000 military and 1,000 civilian personnel. However, since early 1994, the NAS has been staffing up and now has about 2,000 active military and civilian employees. By mid-1996 the NAS should reach its full strength of 4,000 permanent-duty military and civilian personnel, including close to 500 employees at the former base hospital that has been converted to a Federal prison hospital for women.

Officials in the Fort Worth area have long been concerned about diversifying away from the defense industry. Some of the groundwork was laid with the relocation of American Airlines and Burlington Northern Railroad and the growth of local companies such as Tandy (Radio Shack). In late 1989 construction was completed on Alliance Airport, the first industrial airport in the country. Business development at the new airport has increased slowly but is now the major focal point for much of the growth in the metropolitan area. Completed projects include an American Airlines aircraft maintenance base and engineering center and the Santa Fe Railroad's intermodal facility. A $250 million cargo hub is being built for Federal Express. Nokia, a major cellular telephone manufacturer, is building a distribution center that will employ 2,600 persons upon its completion in December 1995. Other companies with new distribution facilities include Zenith Electronics Corporation, Nestle Distribution Company, Maytag Corporation, Michaels Stores, Inc., and Marriott Distribution Services. Plans are now being considered at Alliance Airport for a corporate jet facility. Nearby, Motorola is expanding and adding employees at its manufacturing plant.

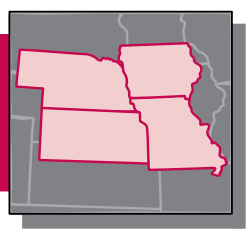
As a result of all this activity, job growth for the Fort Worth metropolitan area should top 18,000 again this year, representing a solid 3-percent growth rate.

The good economic news has pushed annual real estate sales and building permits to their highest levels in almost a decade. From 1990 through 1992, permits were issued for an annual average of approximately 4,800 single-family units. Since 1993 single-family permits have averaged some 6,300 units. In the first 9 months of 1995, permits have been issued for some 5,000 units, about equal to 1994 levels. At the present rate, 1995 should equal or exceed 1994, which was the best year since 1990.

After 8 years of very limited apartment construction, multifamily construction began to increase significantly in 1994. Activity increased dramatically in the first 9 months of 1995, with permits issued for 2,900 multifamily units, almost double the 1,475 units permitted in all of 1994. There are currently 800 apartment units undergoing substantial rehabilitation and another 3,200 under construction. Approximately 10 percent of this current pipeline are units being financed with low-income housing tax credits.

Rental housing is also making a comeback in downtown Fort Worth. The first project of 56 new luxury units rented up readily with more than $1.10 per-square-foot rents. Fifty-nine loft units, with $0.75 per-square-foot rents, also were rented quickly. Two downtown residential conversion projects are currently underway—the TU Electric Building with 106 units supported by low-income housing tax credits and the Houston Place Lofts with 30 units. Several new residential projects in the downtown area are in the planning stages.

Great Plains



As of August 1995, unemployment rates in three of the four States in the Great Plains region were down from year-earlier levels. In Nebraska, which in recent years has had one of the lowest unemployment rates in the Nation, unemployment has dropped to 2.2 percent, and the rate in Iowa was almost as low, at 2.9 percent. In Kansas and Missouri, the unemployment rates were 4.2 and 5.2 percent, respectively.

Nonagricultural wage and salary employment in the Great Plains region increased by 127,350 in the 12 months ending August 1995. The annual rate of growth of about 2.2 percent was much lower than the 3.3-percent growth rate of the 12 months ending August 1994.

Kansas, with a 2.6-percent annual growth in employment (30,000 jobs), led the region during the past 12 months. Johnson County, Kansas, in the Kansas City metropolitan area, has been responsible for a large portion of the growth in the State. Iowa, with a 2.3-percent annual growth rate (30,400 jobs), had the second-largest job growth rate. MIDCOM, an electronics company, opened a new plant near Waverly, Iowa, in August and will create 550 jobs within 2 years. Polaris Industries' new plant in Spirit Lake, Iowa, employs 425 persons building watercraft and all-terrain vehicles.

Missouri's job growth rate was 2.2 percent; however, the 54,600 jobs added accounted for 43 percent of all employment growth in the Great Plains region. Nebraska grew at a 1.6-percent rate, adding about 12,350 jobs.

Employment opportunities in the Great Plains region should be enhanced by the North American Free Trade Agreement (NAFTA). Interstate 35, which runs through Kansas, Missouri, and Iowa, links the trading three partners—Canada, Mexico, and the United States. A group known as the Interstate 35 Highway Corridor Coalition is seeking to have I–35 designated a "NAFTA Superhighway." The plan envisions separate lanes for trucks and commercial traffic, upgraded concrete roadways, and a fiber-optic network extending the length of the highway to track shipments. Kansas City, which has long been a major player in the movement of freight via railroads, trucks, barges, and airplanes, will be involved in the offloading, warehousing, and servicing of freight among the three trading partners. Kansas City Southern Industries' railroad division recently formed a partnership with a large Mexican transportation company, Transportación Maritima, to pursue joint operations in Mexico and the United States. Included in that partnership was the purchase of a 49-percent interest in Texas Mexican Railway, a company that operates a railway between Corpus Christi and Laredo, and an agreement to form a joint railway operation in Mexico in the upcoming privatization of the Mexican railway system.

New residential construction in the Great Plains region through the third quarter was down from the same period in 1994. Single-family building permits (29,830) were off 12 percent from 1994 levels, with all four States showing declines.

Multifamily building activity in the first 9 months of 1995 totalled 9,480 units, down 17 percent from the comparable 1994 period. Only Nebraska registered an increase, going from 1,473 units in the first 9 months of 1994 to 2,317 in 1995. The increase was in response to the tighter market conditions over the past 12 months in Omaha, where the apartment vacancy rate has fallen to 3 percent.

Spotlight on

Kansas City, Missouri-Kansas

The economy of the Kansas City metropolitan area is recovering from the downturn of the late 1980s and early 1990s. Wage and salary employment increased 33,600, or 4 percent, in the 12 months ending August 1995. This growth was led by construction, health care, dining and amusements, business services, and a modest improvement in manufacturing. Unemployment averaged 4.3 percent in the 12 months ending August 1995, the lowest rate since 1979.

The 5.4-percent rise in the inflation-adjusted gross regional product in 1994 is indicative of the area's economic expansion. This expansion was greater than the 4.1-percent gain in the U.S. gross domestic product. The Mid-America Regional Council, the local planning agency that developed the data, projects the local index to increase by 4.7 percent in 1995 and 2.6 percent in 1996. At these rates the local economy will continue to outpace the expected growth of the national economy.

There has been a continuous outward movement of industrial, commercial, and residential development from Kansas City to more distant suburban locations. The central business district, however, may be in the initial stages of a revitalization, with the assistance of tax increment financing. Plans are being drawn up for seven projects that would cover 40 percent of the area and involve investments of an estimated $800 million. The largest project is a $250 million climate-controlled entertainment district proposed by AMC Entertainment, Inc., which has its headquarters in downtown Kansas City. Two other projects would entail rehabilitation of closed hotels. These renovations would add rooms needed to support the recent expansion of the Bartle Convention Center, whose lack of business has been blamed on the shortage of nearby hotel rooms. Other projects will include rehabilitation of historic office buildings, construction of parking garages, and improvements to infrastructure.

A large-scale redevelopment is in the planning stages in the West Bottoms, the location of the defunct Kansas City Stockyards. National Farms, which now owns the stockyard site, plans to develop the area over an extended period. Gateway 2000, one of the Nation's leading producers of computer equipment, moved its sales and marketing offices, with 900 employees, to Kansas City last year. This firm is now buying property in the West Bottoms to provide space for the additional 3,000 employees it expects to employ within 2 years.

Other technology and marketing firms have moved to the Kansas City area in recent years, adding new diversity and greater growth potential to the economic base.

Residential construction activity, as measured by building permits, has increased each year from 1990 through 1994. With the improvement in the local economy, beginning in 1992, the number of single-family permits has averaged 8,800 annually compared with 6,500 in 1990 and 1991. In the first 9 months of 1995, single-family permits were down 12 percent from the 1994 level. However, local sources report that they expect improved third-quarter sales to spur yearend totals to about the 1994 level.

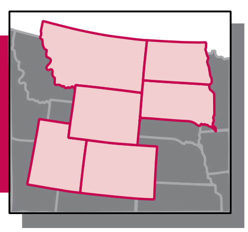
The sales housing market started to strengthen in mid-1991 and continued through most of 1994. Rising interest rates in late 1994, combined with a normal pause in the market after 3 strong years, caused sales to slow in early 1995. With rates again falling and the economy expanding, the market picked up momentum in mid-1995.

Home sales prices continue to rise at above-inflation rates. Prices rose by 4.0 percent in the first half of 1995, after rising by 4.2 percent in 1994.

As a result of overbuilding in the late 1980s, multifamily activity from 1990 through 1993 was fairly static, averaging 930 units annually. Balanced market conditions finally returned in late 1993. Occupancy in most apartment complexes is now around 95 percent, and rents are rising about 5 percent annually.

Over the past 24 months, the rental market has tightened enough to justify increased construction. In 1994 permits were issued for 1,673 multifamily units, including 800 low-income housing tax credit units located in suburban Olathe, Kansas. During the first 9 months of 1995, permits were issued for 1,600 more units. Several large market-rate projects are to be built in Overland Park and Olathe, both in Johnson County, Kansas. The increase in apartment construction is expected to continue into next year.

Rocky Mountain



Employment growth continued at a moderate pace in the third quarter of 1995; all States except Wyoming posted annual gains above the national average. Utah continues to lead the region with a gain of over 6 percent, while Wyoming's growth rate of just over 1 percent persistently lags the region. Construction is the fastest growing job sector, although trade and services continue to provide the largest number of new jobs. Recovery was strong in the construction industry in the third quarter after poor Spring weather slowed activity earlier in the year. Nonresidential construction has picked up the slack from the slowing of single-family homebuilding. The rotary oil-drilling rig count is down from 1 year ago for the region, but activity has picked up in western North Dakota. Gaming facility expansion continues in the Black Hills of South Dakota with the start of construction on the Dunbar, a $100 million resort and casino in Deadwood.

Unemployment rates in all States except Montana are down from 1 year ago and have stayed well below the national rate. North and South Dakota rates are 2.8 percent, tied for the second-lowest rates in the United States. There are difficulties finding entry-level workers; fast food outlets now advertise starting wages along with weekly specials. Even in college towns where labor has been plentiful, students have become more selective about wages they will accept. Labor shortages have also affected the manufacturing sector, although the problem in this sector is not necessarily a lack of applicants but a lack of skills.

The 38,527 single-family units authorized by building permits through the first 9 months of 1995 are down 12 percent from the first 9 months of 1994. The surge in multifamily activity has moderated slightly, but the 14,751 multifamily units permitted are 24 percent ahead of last year's pace. Luxury apartments dominate activity in the major markets in the region, and low-income housing tax credit projects account for as many as half of new apartment construction in medium-sized markets. Units of all types are rapidly absorbed. However, the sheer volume of units now under construction and on the drawing board should ease the tightness in most major markets by early 1996. Condominium conversions are selling well in the Denver, Boulder, and Salt Lake City markets.

Existing home sales in the second quarter of 1995 were down from 1 year ago in all States. The decline for the region was about 9 percent. Modest declines in South Dakota and Utah helped offset double-digit drops in Colorado and Wyoming. Price increases continue even though rates have slowed in most areas. The rates of increase actually picked up in Salt Lake City (16.6 percent) and Colorado Springs (12.1 percent).

Spotlight on

Denver, Colorado

Employment growth in the Denver area has continued strong in 1995. The 3.2-percent gain through August was only slightly below the recent peak gain of 3.8 percent in the past 2 years. Gains in construction employment have slowed, but this sector has been surprisingly resilient despite the loss of work when Denver International Airport (DIA) was completed. A strong residential building recovery, public infrastructure projects, and increased retail building have more than offset the losses at DIA. Park Meadows, a $165 million shopping mall in the southeast corridor, is the most notable retail project now under construction. Construction will get a substantial boost with the start of the $654 million E–470 highway in 1996. Manufacturing growth has been modest in 1995. Gains in several durable sectors have been offset by layoffs at Rocky Flats, formerly a nuclear weapons plant. The annual increase in trade and services jobs has slowed to about 5 percent, from 7 percent earlier in the year. These two sectors still account for the vast majority of total job gain.

Denver's August 1995 seasonally adjusted unemployment rate was down to 3.6 percent. Some labor shortages persist in the construction sector and manufacturers have difficulty finding skilled employees. Entry-level wages in food services are $1 to $2 above the minimum wage and turnover is high. Some restaurants offer monetary rewards to employees who recruit new workers who stay more than 90 days.

The economic recovery of the early 1990s has dramatically reversed the population migration trend. In-migration during 1992 and 1993 was higher than at any time in the 1980s, exceeding the earlier peak of 28,000 persons reached in 1982. Migration began to slow in 1994 but it remains more than 15,000 persons annually. Unlike the early 1980s, most of the recent in-migration to the State has been to areas outside the Denver area. Nevertheless, the local trade, services, financial, and transportation industries still benefit. Tax return data support the evidence that a large number of Californians are moving to Denver and other areas of Colorado. Almost half of the net in-migration to the State has come from California.

In 1994 almost 12,200 single-family permits were issued in the Denver Primary Metropolitan Statistical Area (PMSA), the most active year since 1984. In the first 9 months of 1995, single-family activity was off almost 14 percent. A continuation of this pace would put 1995 total activity about equal to that of 1993, still one of the most active of the past 10 years. A small resurgence in condominium and townhouse activity continues. The surge in apartment construction that began last Fall has continued in 1995. In the first 9 months of 1995, permits were issued for 3,732 multifamily units, compared with 4,618 units in all of 1994. At the current pace, multifamily units for all of 1995 could total 5,000 or more, a level reminiscent of the mid-1980s.

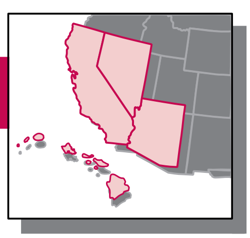
After a slowdown in the first half of the year, the third quarter brought some improvement to the existing home sales market. Sales of single-family homes in August and September were actually above the levels in these months in 1994. Declines in the first half of the year kept the year-to-date total down 8.4 percent. The average price continues to increase, but the annual rate of increase has declined from almost 13 percent early in the year to under 10 percent in September. The $110,000 to $150,000 price range remains the most active. The rate of inventory buildup has slowed from the first half of the year. The condominium and townhouse market has also slowed. Sales are down 3 percent in 1995, although the increase in average price has actually picked up.

The rental market has remained balanced as the initial completions of the recent surge in apartment construction have reached the market. The third-quarter vacancy rate of 4.1 percent was down from the second-quarter rate of 4.2 percent, but up from the 3.7-percent rate 1 year ago. Although the rate was down in the third quarter, normally a much larger seasonal drop would occur, typically a full percentage point. The push for catchup rent increases has moderated in many submarkets. While rent pressure has eased, the average rent continues to climb as new units are brought on the market.

About 3,000 apartment units were completed in the first three quarters of 1995. Virtually all of these units are large and amenity rich and in the top end of the market. Most have detached garages available for monthly rental, and some include attached garages with private entrances. Rents per square foot range from $.85 to more than $1.00 with most in the $.90 to $1.00 range. For the most part, these have been readily absorbed, but preleasing has slowed from 1994. One- and three-bedroom units lease fastest. Persons moving to Colorado comprise at least half of renters in these new projects. Many are looking for a house to buy or are waiting for one to be completed.

There are more than 4,700 apartment units under construction in the Denver PMSA. The rental market will not support this level of activity indefinitely, particularly now that in-migration has slowed. A major softening is not anticipated unless total starts significantly exceed 5,000 units in 1995 and again in 1996. The present level of apartment construction should create a modest oversupply in some submarkets and at the high end of the market, leading to a considerably more competitive situation in the first half of 1996.

PACIFIC



The Pacific region grew moderately in the third quarter of 1995. Employment increased by 238,000 over the 12 months ending in August, a 2.2-percent annual rate of growth. The San Francisco Bay area and most of southern California eked out small gains, while the Fresno and Riverside-San Bernardino areas outperformed the State.

The Arizona economy slowed during 1995 from its earlier rapid gains in 1993 and 1994. Employment still grew at a fairly rapid rate of 3.4 percent in the 12 months through August. Strong growth of the Nevada economy continued at a slower pace this year with the completion of the major casino-hotels in Las Vegas and Reno. With at least 10 new casinos or major expansions planned or under construction in Las Vegas, employment gains are expected to be stronger in 1996.

Single-family building permit activity was down 11 percent for the region through September compared with last year. California brought the regional total down with its 16-percent decline from a lackluster 1994 level. Arizona and Nevada single-family units were off modestly by 5 and 6 percent, respectively, although still very strong historically. The third quarter showed some improvement over the first half of the year, with California bottoming out and both Arizona and Nevada showing year-over-year gains. In Phoenix permits in the first 9 months of 1995 (21,985 units) were slightly below the pace of activity for the record set in 1994.

Reflecting strong rental markets, multifamily permits gained about 41 percent through September in Nevada (8,485 units) and 26 percent in Arizona (9,959 units). In Phoenix multifamily activity is up 35 percent in the first 9 months of 1995 to 6,700 units. California's 20-percent loss and Hawaii's 30-percent gain in the first 9 months of 1995 both occurred at historically weak construction levels.

Home sales in California were down about 20 percent in the first 9 months of 1995 from the same period last year, but sales began to show improvement in the third quarter. Attractive interest rates and a bottoming of prices encouraged buyers to return. In southern California sales gains were paced by a strong 16-percent comeback in Los Angeles County, offsetting sluggishness elsewhere in the area. In the San Francisco Bay area, sales prices are generally flat. Prices continue to decline but at a slower rate than previously in most of the other California markets. In Phoenix and Las Vegas, sales in the first 9 months of 1995 were about equal to last year's strong figures at this time as a result of a big increase in sales during the third quarter.

The rental markets in the San Francisco Bay area are balanced to tight with vacancy rates ranging from 3 to 6 percent. After years of very little activity, the tightening market conditions are encouraging developers to begin planning new projects. In the past 12 months, Sacramento's rental market has gone from soft to balanced with a rental vacancy rate currently estimated to be about 6 percent.

Conditions in Southern California's rental markets are mixed. Riverside-San Bernardino continues to be soft with an overall vacancy rate of about 14 percent. The Lancaster-Palmdale submarket (north Los Angeles County) is still very soft with vacancy rates in many apartment complexes in the 15- to 20-percent range. The Long Beach and San Fernando submarkets are moderately soft with vacancy rates typically over 6 percent. Local sources believe the rental market in Los Angeles has hit bottom and expect some improvement in 1996. The rental market in Orange county has improved and is now balanced with a 5-percent vacancy rate. In San Diego the rental market continues to improve both in the north and south with vacancy rates in most market-rate complexes in the 4- to 5-percent range with small rent increases.

The Las Vegas rental market is currently balanced with an overall rental vacancy rate under 5 percent, despite the large volume of rental housing built in the past 3 years. As of the third quarter, the Phoenix rental market was balanced, and new units continue to be absorbed within a reasonable period.

Spotlight on

Tucson, Arizona

The Tucson metropolitan area has experienced a fairly strong rate of population growth (2 percent annually) since 1990. The population of the metropolitan area is estimated at 750,000, an increase of 80,000 since the 1990 census. Much of the population increase is due to in-migration, particularly from California.

Tucson's economy is dependent on defense manufacturing, tourism, and education. The area is historically a destination market for retirees. The area is also home to the University of Arizona with more than 35,000 students and 12,000 faculty and staff. It is estimated that the university's financial impact on the State totals around $1.5 billion, mostly in the Tucson area.

Nonagricultural wage and salary employment during the 12 months ending August 1995 averaged 3 percent above the same period in 1994. Since 1990 there has been significant growth in high-tech firms locating in Tucson. At the core of high-tech growth is the University of Arizona's Research Park, formerly an IBM research facility. Microsoft recently announced it would be establishing a technical support facility at the park that will employ 200 beginning in early 1996 with a potential expansion of up to 1,200 by the end of the decade. In addition, the university is creating a new college at the park to handle its increased enrollment.

Other expansions of Tucson area major employers include UPS's announcement of a 1,000-employee customer service center to open next year. Intuit, a major software developer, is expanding its technical support staff by 700 positions.

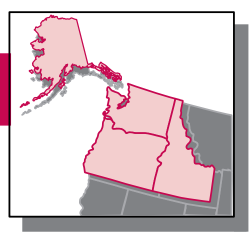
A rapidly expanding economy caused single-family permit activity to increase dramatically from 2,200 units in 1990 to 6,526 in 1994. In the first 9 months of 1995, however, the number of single-family permits issued dropped 26 percent (to 3,500 units) from comparable 1994 levels. The decline reflects builder cutbacks in response to slower sales in 1995.

New home sales over the first 8 months of 1995 (2,800) were 18 percent below the comparable period for 1994, and sales of existing homes (6,400) were down by 34 percent. The median sale price for existing homes in 1995 increased by 4 percent over last year to about $98,500. Homes in the lower price range ($60,000 to $100,000) are selling best. Builders have cut back on speculative construction and managed to keep inventories to reasonable levels in response to the slower sales. The current unsold inventory of new homes is estimated to be about 900 units, a 3- to 4-month supply.

The number of multifamily units permitted in 1995 through September dropped to 1,400 units, or 24 percent below 1994 levels. Some of the decline was the result of the large number of apartments permitted in 1994 (1,954 units) in response to a change in fees that would go into effect in 1995.

The Tucson rental market remained fairly balanced in the third quarter of 1995. Rent increases began to moderate and the vacancy rate increased to about 10 percent with the entry of new apartments on the market. The new units are being absorbed within a reasonable time. However, given the relatively large pipeline, the smaller rent increases than those of recent years, and the first instances of rent concessions, any future short-term development should be done cautiously.

NORTHWEST



The Northwest economy has been growing at a slower pace. Nonagricultural employment for the third quarter averaged 114,575 jobs, 2.6 percent above the third quarter of 1994. In comparison, the annual rate of growth recorded last quarter was 3.3 percent. Alaska was the only State in this region to experience a net job decline. The unemployment rate for the region was 5.7 percent, down 0.4 of a percentage point compared with the same period in 1994.

Oregon sustained growth in the region. Total nonagricultural wage and salary employment in Oregon averaged 1,426,800 persons during the third quarter of 1995, up 4.3 percent from the same quarter 1 year ago. Of the 58,600 jobs added over the past year, 75 percent were in the service-producing sector, with motion picture and amusement businesses posting a 21-percent gain. Job gains in the goods-producing sector were highest in electronics (14 percent) and construction (13 percent). The unemployment rate this quarter averaged 4.7 percent, the lowest level since 1989. Chronically tight labor markets in Portland and Salem were primary concerns, especially in the construction and the high-tech sectors. Labor shortages will soon start to slow future employment growth in both of these sectors.

Wage and salary employment in Idaho grew by a more modest 2.2 percent over the past year. The Idaho economy has had a decelerating growth pattern for over a year. During the first 5 years of this decade, nonfarm employment grew by 4.2 percent a year. The electronics industry has continued to post annual employment gains, but the State’s boom in construction is over. Construction employment was up only 2 percent over last year. Single-family home construction has tapered off; year-to-date permits are down 19 percent, and the speculatively built housing inventory is moving more slowly than expected. Likewise, multifamily construction is off 25 percent, primarily because of overbuilding in the Boise area. The long-term trend is favorable, however. Labor economists expect employment in Idaho to grow, through its transition from a natural resource to a service-based economy, 2.0 percent per year over the remainder of the decade.

Washington continued to experience job growth (2.0 percent) over the year despite the ongoing downsizing at Boeing and the Hanford Reservation in the Tri-Cities (Richland-Kenniwick-Pasco). The year-to-date Boeing workforce reductions in the Puget Sound area has totalled 10,600 positions. There are no additional job reductions expected during the remainder of this year. Employment rolls at Hanford are down 3,462 jobs since the beginning of the year.

Residential building activity in the Northwest picked up compared with the previous quarter, but was still below the levels recorded during the same period in 1994. The number of single-family permits issued (40,288 units) during the first 9 months of this year represented a decline of 13 percent. Only Alaska (1,406 units) recorded totals higher than the previous year. Multifamily permit activity, however, continued on the upswing. There were a total of 18,957 units permitted during this time period, an increase of 3 percent over the same period last year. In the Seattle metropolitan area, over 60 percent of the multifamily permits issued this year have been for condominium units.

Third-quarter new and existing home sales in most areas throughout the Northwest were below the number recorded during the third quarter of 1994. Sales gains were impressive in Seattle (+19 percent), Portland (+12 percent), Olympia (+15 percent), and Anchorage (+9 percent). Several areas, however, experienced significant declines, including Salem (-25 percent), the Tri-Cities (-21 percent), Bremerton (-16 percent), and Medford (-14 percent). Home prices throughout the Northwest rose modestly during the quarter. The most notable increases occurred in Eugene, up 14 percent to $104,300, and Portland, up 10 percent to $130,000.

The manufactured housing industry has become a major factor in the Northwest. With escalating prices of traditional homes during the 1990s, sales of factory-built homes have soared in Washington, Oregon, and Idaho. They now represent over 25 percent of all new homes built in these three States. A typical factory-built unit includes 2-by-6 construction, house-type siding, bay windows, vaulted ceilings, oak cabinets, ceramic tile, skylights, jacuzzi tubs, and more. The average selling price of these units is $50,000. Lenders are responding to the increased demand by offering favorable financing packages.

Rental market conditions remained tight to balanced in most areas across the region. However, the list of areas reporting soft market conditions has grown longer and now includes the Tri-Cities (9.0-percent vacancy rate), Tacoma (7.6 percent), and Olympia (6.6 percent). Fairbanks had the most dramatic quarterly improvement; the vacancy rate dropped nearly 4 percentage points to 4.3 percent. Market conditions are tight in Eugene (3.5 percent), Medford (3.5 percent), and Yakima (3.0 percent). The rental markets in the two largest metropolitan areas in the Northwest, Seattle and Portland, are balanced overall. There are, however, some extremely tight submarket areas in Seattle. Close-in neighborhoods have vacancies below 4 percent and rents are on the upswing for the first time in more than 3 years.

Spotlight on

Richland-Kenniwick-Pasco, Washington

The Richland-Kennewick-Pasco metropolitan area, referred to as the Tri-Cities, is located at the confluence of the Columbia, Yakima, and Snake Rivers. The Tri-Cities area is in the midst of an irrigated agricultural land area that was the mainstay of the local economy until the 1940s. In 1942 the area including Richland and much of the northeastern portion of Benton County was selected as the site of atomic energy research, which led to the development of the Hanford Nuclear Reservation. This installation quickly became the base of the highly cyclical local economy. Hanford is dominated by the activities of the U.S. Department of Energy (DOE) and six main contractors: Westinghouse-Hanford, Battelle NWL, Kaiser Engineers, Boeing Computer Services, Hanford Environmental Health Foundation, and Bechtel.

The Tri-Cities has had a boom-and-bust economy ever since, undergoing several major economic downturns as well as some incredible expansionary periods during the past 40 years. A major contraction started at the end of 1981 and lasted 7 years, during which nonfarm employment declined by 20 percent, and out-migration totalled 13,800. Property values and rents plummeted, the rental vacancy rate rose to nearly 30 percent, and more than 70 percent of the multifamily projects were foreclosed.

In 1989 the local economy again reversed directions. This time the economic expansion was supported by a 30-year, $50 billion nuclear waste cleanup effort at Hanford. Between 1989 and 1994, Federal funding levels were reported to average around $1 billion annually. Nonfarm employment increased by 24,500 jobs and population by 28,475 persons. Employment from DOE and its contractors in 1994 represented nearly 40 percent of the total payroll in the Tri-Cities. The average pay of these jobs was approximately $43,000, second only to the State's aerospace industry.

By the third quarter of 1994, it was clear that the most recent boom was nearing an end. Several studies had been published alleging that after 5 years and $7.5 billion into the Hanford project, very little waste had been cleaned up and that Federal dollars may have been mismanaged. Since then, Hanford has been a target of budget cuts. Job rolls peaked at 18,500 last June, but had fallen to 14,300 at the end of the third quarter of this year. More job cuts are expected in 1996.

The housing market reacted quickly to the downsizing at Hanford. During the second quarter of 1995, new home starts totalled only 90, down nearly 70 percent compared with the same period a year ago. This Summer prices registered an annual decline of 12.6 percent, to $110,200.

The next 2 years will be very difficult for the rental market in the Tri-Cities. Nearly 1,050 multifamily permits were issued in 1994, the highest total since 1979. It is estimated that 750 units have opened for occupancy, many during the current quarter. The rental vacancy rate is currently over 9.0 percent with a significant supply of units yet to come on the market. Rising vacancies and falling rents are expected over the next 2 years.

Historical Data

Table 1. New Privately Owned Housing Units Authorized*: 1959–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											
1959	1,208.3	938.3	77.1	NA	192.9	NA	NA	222.4	285.8	355.8	344.3
1960	998.0	746.1	64.6	NA	187.4	NA	NA	199.0	228.3	283.0	287.7
1961	1,064.2	722.8	67.6	NA	273.8	NA	NA	229.4	226.1	299.4	309.4
1962	1,186.6	716.2	87.1	NA	383.3	NA	NA	242.5	238.3	342.8	363.0
1963	1,334.7	750.2	51.0	67.9	465.6	1,080.8	253.8	239.4	268.8	403.2	423.3
1964	1,285.8	720.1	49.1	51.7	464.9	1,034.4	251.4	243.4	286.9	401.4	354.2
1965	1,239.8	709.9	47.3	37.5	445.1	992.3	247.5	252.7	310.5	407.5	269.1
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
Monthly Data (Seasonally Adjusted Annual Rates)											
1994											
July	1,347	1,049	61		237	NA		160	303	572	312
August	1,386	1,063	59		264	NA		143	306	590	347
September	1,426	1,066	61		299	NA		136	297	616	377
October	1,401	1,046	69		286	NA		131	324	592	354
November	1,358	1,025	68		265	NA		138	304	599	317
December	1,420	1,105	61		254	NA		168	325	616	311
1995											
January	1,293	990	66		237	NA		128	285	578	302
February	1,282	931	54		297	NA		115	280	547	340
March	1,235	911	67		257	NA		125	275	564	271
April	1,243	905	61		277	NA		128	269	540	306
May	1,243	930	63		250	NA		115	266	539	323
June	1,275	958	65		252	NA		114	280	556	325
July	1,355	1,011	61		283	NA		113	297	601	344
August	1,368	1,044	63		261	NA		118	304	601	345
September	1,389	1,050	75		264	NA		126	299	609	355

* Authorized in Permit-Issuing Places.
** Components may not add to totals because of rounding.
Units in thousands.
Source: Bureau of the Census, Department of Commerce

Table 2. New Privately Owned Housing Units Started: 1959–Present*

Period	Total	In Structures With: 1 Unit	2 Units	3 and 4 Units	5 Units or More	MSAs: Inside	Outside	Regions: North-east	Mid-west	South	West
Annual Data											
1959	1,517.0	1,234.0	55.9	227.0	NA	1,054.9	462.1	268.7	367.4	511.4	369.5
1960	1,252.2	994.7	44.0	213.5	NA	864.5	387.7	221.4	292.0	429.4	309.4
1961	1,313.0	974.3	43.9	294.8	NA	913.6	399.4	246.3	277.7	472.7	316.3
1962	1,462.9	991.4	49.2	422.3	NA	1,034.1	428.8	263.8	289.6	531.2	378.3
1963	1,603.2	1,012.4	52.9	537.8	NA	1,125.4	477.8	261.0	329.2	586.2	426.8
1964	1,528.8	970.5	53.9	54.5	450.0	1,079.8	449.0	254.5	339.7	577.8	356.9
1965	1,472.8	963.7	50.8	35.8	422.5	1,011.9	460.9	270.2	361.5	574.7	266.3
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
Monthly Data (Seasonally Adjusted Annual Rates)											
1994											
July	1,440	1,219	32		189	NA		131	340	600	369
August	1,463	1,174	40		249	NA		148	319	681	315
September	1,511	1,235	42		234	NA		136	337	659	379
October	1,451	1,164	39		248	NA		130	313	648	360
November	1,536	1,186	62		288	NA		159	380	661	336
December	1,545	1,250	33		262	NA		139	341	714	351
1995											
January	1,366	1,055	38		273	NA		117	288	621	340
February	1,319	1,048	42		229	NA		131	280	562	346
March	1,238	987	35		216	NA		140	271	550	277
April	1,269	1,009	26		234	NA		109	273	571	316
May	1,282	988	36		258	NA		128	251	565	338
June	1,298	1,034	33		231	NA		123	286	570	319
July	1,432	1,107	40		285	NA		113	285	707	327
August	1,392	1,127	28		237	NA		119	313	625	335
September	1,390	1,118	42		230	NA		114	301	611	364

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

Source: Bureau of the Census, Department of Commerce

Table 3. New Privately Owned Housing Units Under Construction: 1969–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											
1969	884.8	349.6	23.0	26.2	486.0	NA	NA	158.7	210.5	335.2	180.3
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
Monthly Data (Seasonally Adjusted Annual Rates)											
1994											
July	757	585	17		155	NA		93	171	310	183
August	770	589	18		163	NA		94	173	320	183
September	773	590	19		164	NA		91	172	324	186
October	779	587	21		171	NA		93	174	325	187
November	787	587	23		177	NA		96	179	325	187
December	791	584	23		184	NA		98	179	328	186
1995											
January	792	578	22		192	NA		94	179	329	190
February	797	579	22		196	NA		96	178	327	196
March	769	552	22		195	NA		95	171	319	184
April	763	544	22		197	NA		95	165	318	185
May	755	536	22		197	NA		94	155	316	190
June	756	534	22		200	NA		92	158	318	189
July	761	538	21		202	NA		90	155	328	188
August	774	549	22		203	NA		91	159	332	192
September	783	556	22		205	NA		90	161	337	195

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

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

Table 4. New Privately Owned Housing Units Completed: 1968–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											
1968	1,319.8	858.6	44.2	33.4	383.6	920.4	399.5	198.8	347.5	527.4	246.1
1969	1,399.0	807.5	44.0	35.4	512.1	1,009.4	389.6	219.8	344.7	553.1	281.4
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
Monthly Data (Seasonally Adjusted Annual Rates)											
1994											
July	1,280	1,157	24		99	NA		124	285	538	333
August	1,337	1,144	27		166	NA		146	307	546	338
September	1,400	1,158	36		206	NA		131	319	619	331
October	1,376	1,169	24		183	NA		127	307	622	320
November	1,371	1,136	34		201	NA		111	301	628	331
December	1,388	1,173	35		180	NA		120	326	612	330
1995											
January	1,436	1,209	45		182	NA		152	346	639	299
February	1,302	1,080	44		178	NA		132	314	558	298
March	1,443	1,222	35		186	NA		144	323	600	376
April	1,334	1,089	39		206	NA		100	344	586	304
May	1,342	1,072	33		237	NA		144	327	564	307
June	1,256	1,053	30		173	NA		119	272	551	314
July	1,345	1,037	48		260	NA		154	313	574	304
August	1,226	998	26		202	NA		96	261	564	305
September	1,229	979	27		223	NA		114	279	541	295

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

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

Table 5. Manufactured (Mobile) Home Shipments, Residential Placements, Average Prices, and Units for Sale: 1974–Present

Period	Shipments*	Placed for Residential Use*					Average Price	For Sale*
	U.S.	U.S.	Northeast	Midwest	South	West		
Annual Data								
1974	329	332	23	68	171	70	$9,300	92
1975	213	229	15	49	111	55	$10,600	64
1976	246	250	17	52	115	67	$12,300	67
1977	277	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	286	16	53	174	43	$33,500	72
Monthly Data (Seasonally Adjusted Annual Rates)								
1994								
June	295	276	12	48	171	45	$34,300	69
July	289	299	20	54	184	41	$32,600	71
August	295	262	17	48	157	39	$33,500	73
September	307	280	18	48	170	45	$34,800	73
October	314	305	20	53	186	45	$34,700	73
November	322	313	17	59	196	42	$34,600	71
December	347	319	16	64	191	47	$35,700	73
1995								
January	361	357	22	65	230	40	$35,600	72
February	335	314	20	67	186	41	$34,800	74
March	333	304	14	60	192	38	$34,100	76
April	318	287	10	49	187	41	$33,800	77
May	329	294	12	47	199	36	$35,400	81
June	329	296	13	53	191	39	$36,000	84
July	319	280	15	50	177	38	$36,200	90
August	335	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—Bureau of the Census, Department of Commerce; and Office of Policy Development and Research, Department of Housing and Urban Development

Table 6. New Single-Family Home Sales: 1963–Present*

Period	Sold During Period					For Sale at End of Period						Month's 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												
1963	560	87	134	199	141	265	48	57	85	73	NA	NA
1964	565	90	146	200	129	250	41	49	87	71	NA	NA
1965	575	94	142	210	129	228	47	50	75	55	NA	NA
1966	461	84	113	166	99	196	40	45	61	49	NA	NA
1967	487	77	112	179	119	190	36	48	65	40	NA	NA
1968	490	73	119	177	121	218	38	53	82	45	NA	NA
1969	448	62	97	175	114	228	39	52	85	53	NA	NA
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	413	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	294	191	340	55	63	140	82	NA	NA
	Monthly Data (Seasonally Adjusted Annual Rates)					**(Not Seasonally Adjusted)**					**(Seasonally Adjusted)**	
1994												
July	630	51	110	280	190	318	54	55	129	80	317	6.2
August	672	75	115	276	205	323	54	57	134	79	322	6.0
September	691	90	110	299	192	332	53	61	139	80	328	5.9
October	707	64	134	305	204	331	52	62	137	80	330	5.7
November	642	61	130	274	177	335	53	62	139	81	335	6.5
December	627	50	121	299	157	340	55	63	140	82	338	6.6
1995												
January	643	65	116	286	176	340	55	62	142	81	342	6.7
February	575	66	108	274	127	341	54	63	142	82	347	7.2
March	612	56	121	269	165	343	55	62	146	80	347	6.9
April	607	55	124	257	172	344	56	60	148	79	348	6.9
May	667	52	122	288	205	346	58	61	149	79	347	6.3
June	723	75	135	296	217	349	57	62	151	78	347	5.9
July	792	53	141	384	213	346	57	63	148	77	347	5.6
August	704	50	134	304	216	354	59	65	152	77	351	6.0
September	727	44	151	302	231	357	61	65	156	76	357	6.0

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

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

Table 7. Existing Single-Family Home Sales: 1968–Present*

Period	U.S.	Northeast	Midwest	South	West	For Sale	Months' Supply
Annual Data							
1968	1,569	243	490	529	308	NA	NA
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
Monthly Data (Seasonally Adjusted Annual Rates)							
1994							
July	3,940	620	1,030	1,450	840	1,810	5.6
August	3,910	600	1,000	1,450	870	1,860	5.8
September	3,870	560	1,050	1,430	820	1,690	5.2
October	3,820	560	1,010	1,420	820	1,790	5.5
November	3,690	550	990	1,340	810	1,670	5.3
December	3,760	540	1,010	1,400	810	1,380	4.3
1995							
January	3,610	560	910	1,380	750	1,530	5.1
February	3,420	540	840	1,310	740	1,770	6.2
March	3,620	550	960	1,350	760	1,930	6.4
April	3,390	550	900	1,250	700	1,900	6.7
May	3,550	520	950	1,370	710	1,800	6.1
June	3,800	570	1,030	1,430	760	1,790	5.6
July	3,990	580	1,020	1,520	870	1,790	5.4
August	4,120	600	1,060	1,560	900	1,780	5.2
September	4,150	610	1,100	1,540	890	1,750	5.1

* Components may not add to totals because of rounding. Units in thousands.
Source: NATIONAL ASSOCIATION OF REALTORS®

Table 8A. New Single-Family Home Prices: 1963–Present

Period	Median					U.S. Average	
	U.S.	Northeast	Midwest	South	West	Houses Actually Sold	Constant Quality House[1]
Annual Data							
1963	18,000	20,300	17,900	16,100	18,800	19,300	NA
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	65,500
1978	55,700	58,100	59,200	50,300	61,300	62,500	74,800
1979	62,900	65,500	63,900	57,300	69,600	71,800	86,000
1980	64,600	69,500	63,400	59,600	72,300	76,400	94,900
1981	68,900	76,000	65,900	64,400	77,800	83,000	102,500
1982	69,300	78,200	68,900	66,100	75,000	83,900	105,000
1983	75,300	82,200	79,500	70,900	80,100	89,800	107,600
1984	79,900	88,600	85,400	72,000	87,300	97,600	112,300
1985	84,300	103,300	80,300	75,000	92,600	100,800	114,600
1986	92,000	125,000	88,300	80,200	95,700	111,900	120,100
1987	104,500	140,000	95,000	88,000	111,000	127,200	127,200
1988	112,500	149,000	101,600	92,000	126,500	138,300	131,800
1989	120,000	159,600	108,800	96,400	139,000	148,800	136,800
1990	122,900	159,000	107,900	99,000	147,500	149,800	138,700
1991	120,000	155,900	110,000	100,000	141,100	147,200	140,000
1992	121,500	169,000	115,600	105,500	130,400	144,100	142,600
1993	126,500	162,600	125,000	115,000	135,000	147,700	146,800
1994	130,000	169,000	132,900	116,900	140,400	154,500	152,900
Quarterly Data							
1994							
3rd Quarter	129,700	165,000	133,300	113,700	140,000	152,800	153,600
4th Quarter	132,000	169,000	130,000	117,900	148,000	156,100	155,700
1995							
1st Quarter	130,000	179,900	130,000	118,000	139,400	153,500	155,200
2nd Quarter	133,900	179,900	136,000	124,500	140,000	158,900	156,800
3rd Quarter	132,000	184,000	130,000	121,000	149,500	158,100	157,900

[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.

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

Table 8B. 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	109,800	139,100	87,900	96,000	146,700	136,700
Monthly Data						
1994						
July	112,400	142,100	89,700	97,400	150,200	139,700
August	113,000	145,000	89,700	98,100	149,100	141,200
September	108,900	137,800	87,500	94,500	146,600	135,800
October	107,500	135,100	87,300	94,200	140,300	133,000
November	108,700	135,500	87,000	94,500	146,700	133,200
December	109,100	134,600	89,100	94,200	144,800	135,600
1995						
January	108,100	135,200	88,700	93,200	143,300	135,300
February	107,000	137,000	86,900	92,300	144,400	133,400
March	107,900	136,700	88,000	92,600	142,100	134,500
April	108,100	134,100	88,600	93,400	143,900	134,200
May	109,000	134,900	91,100	93,600	144,100	135,400
June	116,200	140,600	95,000	101,500	150,000	143,300
July	115,900	141,400	96,300	101,800	148,300	142,200
August	117,600	142,300	97,600	102,700	151,900	144,400
September	115,200	137,600	96,600	98,400	150,200	140,600

Source: NATIONAL ASSOCIATION OF REALTORS®

Table 9. Housing Affordability Index: 1970–Present

Period	U.S.				Affordability Indexes*		
	Median Existing Price	**Mortgage Rate[1]**	**Median Family Income**	**Income To Qualify**	**Composite**	**Fixed**	**ARM**
Annual Data							
1970	$23,000	8.35	$9,867	$6,697	147.3	147.3	147.3
1971	$24,800	7.67	$10,285	$6,770	151.9	151.9	151.9
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	$109,800	7.47	$38,105	$29,392	129.6	120.1	147.0
Monthly Data							
1994							
July	$112,400	7.68	$37,628	$30,713	122.5	112.8	138.4
August	$113,000	7.76	$37,723	$31,117	121.2	111.8	136.7
September	$108,900	7.74	$37,819	$29,930	126.4	116.0	141.0
October	$107,500	7.76	$37,914	$29,602	128.1	116.4	142.9
November	$108,700	7.72	$38,010	$29,817	127.5	113.6	141.3
December	$109,100	7.97	$38,105	$30,653	124.3	112.4	136.7
1995							
January	$108,100	7.94	$38,246	$30,285	126.3	112.0	138.2
February	$107,000	8.19	$38,387	$30,695	125.1	113.9	137.0
March	$107,900	8.24	$38,528	$31,099	123.9	115.7	136.9
April	$108,100	8.14	$38,669	$30,865	125.3	118.3	137.1
May	$109,000	8.04	$38,810	$30,829	125.9	120.8	135.5
June	$116,200	7.77	$38,951	$32,029	121.6	118.9	131.1
July	$115,900	7.71	$39,092	$31,761	123.1	121.2	130.2
August	$117,600	7.75	$39,233	$32,352	121.3	118.4	131.6
September	$115,200	7.75	$39,374	$31,692	124.2	121.9	132.7

* The composite affordability index is the ratio of median family income to qualifying income. Values over one 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®

Table 10. 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	103,800	82	$583
Quarterly Data			
1994			
2nd Quarter	24,700	82	$575
3rd Quarter	29,500	82	$595
4th Quarter	35,500	76	$557
1995			
1st Quarter	25,700	66	$595
2nd Quarter	35,200	79	$643

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

Table 11. Builders' Views of Housing Market Activity: 1978–Present

Period	Housing Market Index	Sales of Single-Family Detached Homes: Current Activity	Sales of Single-Family Detached Homes: Future Expectations	Prospective Buyer Traffic
Annual Data (%)				
1978	NA	75	66	57
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
Monthly Data—Seasonally Adjusted				
1994				
July	55	59	64	42
August	54	59	61	41
September	51	57	57	37
October	50	55	58	38
November	48	53	54	35
December	43	49	47	31
1995				
January	38	44	47	22
February	41	47	45	28
March	39	42	51	25
April	38	40	49	28
May	42	45	54	29
June	45	48	53	33
July	51	52	61	41
August	53	55	64	42
September	53	56	62	44

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

Table 12. Mortgage Interest Rates, Average Commitment Rates, and Points: 1972–Present

Period	FHA		Conventional					
	30-Year Fixed Rate		30-Year Fixed Rate		15-Year Fixed Rate		One-Year ARMs	
	Rate	Points[1]	Rate	Points	Rate	Points	Rate	Points
Annual Data								
1972	7.00	4.3	7.38	0.9	NA	NA	NA	NA
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
Monthly Data								
1994								
July	9.00	0.2	8.61	1.8	8.10	1.8	5.52	1.5
August	8.50	1.1	8.51	1.8	8.02	1.8	5.53	1.5
September	8.50	1.1	8.64	1.8	8.13	1.8	5.54	1.5
October	9.00	0.7	8.93	1.8	8.39	1.8	5.79	1.5
November	9.00	1.6	9.17	1.8	8.64	1.9	6.10	1.5
December	9.50	0.2	9.20	1.8	8.80	1.8	6.66	1.5
1995								
January	9.50	0.3	9.15	1.8	8.80	1.8	6.82	1.5
February	9.00	0.7	8.83	1.9	8.46	1.8	6.68	1.5
March	9.00	0.4	8.46	1.8	8.06	1.8	6.45	1.5
April	8.50	0.7	8.32	1.9	7.88	1.8	6.35	1.5
May	8.50	0.4	7.96	1.8	7.51	1.7	6.14	1.5
June	8.00	0.2	7.57	1.8	7.06	1.7	5.87	1.4
July	8.00	0.0	7.61	1.8	7.09	1.7	5.83	1.4
August	8.00	0.7	7.84	1.8	7.34	1.8	5.91	1.5
September	8.00	0.2	7.61	1.8	7.13	1.8	5.80	1.5

[1] Excludes origination fee.

Source: Federal Home Loan Mortgage Corporation (Conventional), and Office of Housing, Department of Housing and Urban Development (FHA)

Table 13. 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
Monthly Data								
1994								
July	8.31	1.24	8.53	25.8	6.33	1.03	6.49	29.5
August	8.41	1.07	8.60	26.5	6.44	1.04	6.59	29.3
September	8.44	1.14	8.64	25.9	6.51	1.02	6.66	29.5
October	8.57	1.09	8.76	26.1	6.58	1.00	6.73	29.3
November	8.74	1.15	8.94	26.0	6.61	0.97	6.76	29.3
December	8.82	1.36	9.06	25.6	6.83	1.33	7.03	29.6
1995								
January	9.02	1.33	9.25	25.9	6.95	0.94	7.09	29.6
February	8.96	1.34	9.19	26.5	7.18	0.97	7.33	29.3
March	8.79	1.03	8.96	27.0	7.18	0.88	7.32	29.4
April	8.57	1.05	8.75	26.8	7.14	0.82	7.26	29.4
May	8.28	1.15	8.47	26.5	7.16	0.92	7.30	29.4
June	7.85	0.96	8.02	26.4	6.89	0.96	7.03	29.4
July	7.72	0.98	7.88	26.5	7.00	0.95	7.15	29.2
August	7.84	0.98	8.00	26.3	6.80	0.92	6.94	29.8
September	7.78	0.95	7.93	26.7	6.97	0.78	7.09	29.0

Source: Federal Housing Finance Board

Table 14. FHA, VA, and PMI 1–4 Family Mortgage Insurance Activity: 1968–Present

Period	FHA*			VA Guaranties	PMI Certificates
	Applications	Total Endorsements	Purchase Endorsements		
Annual Data					
1968	751,982	425,339	NA	211,025	NA
1969	788,874	450,079	NA	213,940	NA
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	536,931	1,148,696
Monthly Data					
1994					
July	63,984	96,606	61,209	44,445	99,263
August	69,382	98,072	69,674	50,346	101,784
September	57,421	77,760	58,370	45,805	86,457
October	52,999	64,091	50,565	30,255	87,062
November	47,338	57,134	47,735	27,897	77,874
December	39,260	47,681	41,735	24,262	77,804
1995					
January	41,390	49,288	44,218	23,603	68,884
February	49,733	40,230	36,771	19,307	51,103
March	70,797	42,307	38,868	19,946	63,013
April	65,303	36,216	33,479	16,623	62,819
May	76,163	45,818	43,312	17,334	75,138
June	87,283	45,012	42,526	18,098	84,022
July	83,099	45,365	42,760	18,357	88,470
August	92,336	58,364	53,363	23,796	102,673
September	76,262	55,281	49,205	23,624	95,805

* These operational numbers differ slightly from adjusted accounting numbers.

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

Table 15. 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, Assisted Living, and 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 (9 mos.)	68	13,841	631.7	168	28,647	721.7	88	10,995	613.0

* 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 Housing—FHA Comptroller, Department of Housing and Urban Development

Table 16. Mortgage Originations, 1–4 Family Units by Loan Type: 1970–Present

Period	FHA Insured	VA Guaranteed	Private Insurance	Not Insured*	Totals
Annual Data (Current Dollars in Billions)					
1970	8.769	3.846	0.116	22.856	35.587
1971	10.994	6.830	3.526	36.438	57.788
1972	8.456	7.749	9.158	50.501	75.864
1973	5.185	7.577	12.627	53.737	79.126
1974	4.532	7.889	9.220	45.867	67.508
1975	6.265	8.836	10.024	52.788	77.913
1976	6.998	10.426	14.600	80.761	112.785
1977	10.469	14.882	21.595	115.027	161.973
1978	14.581	16.026	27.327	127.102	185.036
1979	20.710	18.876	25.327	122.178	187.091
1980	14.955	12.102	19.035	87.670	133.762
1981	10.538	7.534	18.079	62.061	98.212
1982	11.482	7.687	18.953	58.829	96.951
1983	28.753	18.880	42.363	111.867	201.863
1984	16.600	12.024	63.403	111.678	203.705
1985	28.767	15.246	50.475	195.296	289.784
1986	64.770	23.149	46.138	365.355	499.412
1987	77.822	30.176	44.475	354.758	507.231
1988	46.655	15.875	39.664	344.069	446.263
1989	45.108	13.681	37.117	357.001	452.907
1990	59.803	21.901	38.956	337.744	458.404
1991	46.914	15.285	53.997	445.878	562.074
1992	50.275	24.543	101.047	717.817	893.681
1993	83.457	41.023	136.767	758.615	1,019.861
1994	94.893	48.190	131.402	494.243	768.728
Quarterly Data					
1994					
2nd Quarter	29.220	13.558	36.197	135.336	214.311
3rd Quarter	22.047	12.582	32.518	90.195	157.342
4th Quarter	13.844	7.754	27.313	86.643	135.554
1995					
1st Quarter	10.771	7.341	20.644	83.877	122.633
2nd Quarter	10.477	5.520	24.697	101.675	142.369

* Includes Farmers Home Administration backed loans.

Sources: Mortgage Insurance Companies of America and HUD Survey of Mortgage Lending Activity

Table 17. Residential Mortgage Originations by Building Type: 1970–Present

Period	One-to Four-Unit Buildings	Five-Unit Buildings and Greater	Totals
Annual Data (Current Dollars in Billions)			
1970	35.6	8.8	44.4
1971	57.8	12.5	70.2
1972	75.9	15.4	91.3
1973	79.1	14.0	93.1
1974	67.5	12.3	79.8
1975	77.9	10.6	88.6
1976	112.8	12.3	125.1
1977	162.0	15.8	177.8
1978	185.0	16.4	201.4
1979	187.1	15.2	202.3
1980	133.8	12.5	146.2
1981	98.2	12.0	110.2
1982	97.0	11.6	108.6
1983	201.9	21.4	223.3
1984	203.7	27.6	231.3
1985	289.8	31.9	321.7
1986	499.4	49.9	549.3
1987	507.2	45.1	552.3
1988	446.3	38.2	484.4
1989	452.9	31.1	484.1
1990	458.4	32.6	491.0
1991	562.1	25.5	587.6
1992	893.7	25.7	919.4
1993	1,019.9	31.7	1,051.6
1994	773.1	31.3	804.4
Quarterly Data			
1994			
2nd Quarter	214.3	9.6	223.9
3rd Quarter	159.3	7.7	165.0
4th Quarter	135.6	7.8	143.4
1995			
1st Quarter	122.6	8.3	130.9
2nd Quarter	142.4	7.0	149.4

Source: HUD Survey of Mortgage Lending Activity

Table 18. Mortgage Originations, 1–4 Family Units by Lender Type: 1970–Present

Period	Commercial Banks	Mutual Savings Banks	Savings and Loans	Mortgage Companies	Other Lenders	Totals
Annual Data (Current Dollars in Billions)						
1970	7.8	2.1	14.8	8.9	1.9	35.6
1971	12.6	3.5	26.6	12.5	2.6	57.8
1972	17.7	5.1	36.7	13.3	3.0	75.9
1973	18.8	5.9	38.4	12.7	3.3	79.1
1974	16.1	3.9	30.9	13.0	3.5	67.5
1975	14.5	4.3	41.2	14.0	3.9	77.9
1976	24.5	6.4	61.9	15.7	4.2	112.8
1977	36.7	8.7	86.3	25.7	4.7	162.0
1978	43.9	9.4	90.0	34.4	7.3	185.0
1979	41.4	9.0	82.8	45.3	8.6	187.1
1980	28.8	5.4	61.1	29.4	9.0	133.8
1981	21.7	4.0	42.0	24.0	6.5	98.2
1982	25.2	4.0	34.8	28.0	5.0	97.0
1983	44.8	10.8	81.5	59.8	5.0	201.9
1984	41.9	12.7	96.2	47.6	5.3	203.7
1985	57.0	7.5	109.3	110.0	6.0	289.8
1986	108.6	31.1	176.1	176.0	7.6	499.4
1987	124.6	34.2	174.5	167.1	6.8	507.2
1988	101.9	28.4	160.4	148.0	7.5	446.3
1989	121.2	23.2	134.5	166.5	7.5	452.9
1990	153.3	18.0	121.0	161.2	5.0	458.4
1991	153.3	18.5	121.9	263.9	4.4	562.1
1992	232.1	34.2	184.5	437.6	5.2	893.7
1993	269.0	39.4	179.3	526.5	5.6	1,019.9
1994	200.0	29.3	123.1	408.1	8.2	773.1
Quarterly Data						
1994						
2nd Quarter	55.8	7.8	34.4	114.4	1.9	214.3
3rd Quarter	41.8	7.3	27.8	78.1	2.5	157.3
4th Quarter	38.3	6.3	25.5	63.6	1.9	135.6
1995						
1st Quarter	32.2	3.7	18.7	66.0	2.0	122.6
2nd Quarter	33.4	4.5	22.3	80.3	1.8	142.4

Source: HUD Survey of Mortgage Lending Activity

Table 19. Net Acquisitions, 1–4 Family Units by Lender Type: 1970–Present

Period	Commercial Banks	Mutual Savings Banks	Savings and Loans	Mortgage Companies	Private Mortgage-Backed Conduits	Federal Credit Agencies	Mortgage Pools	Other Lenders	Totals
Annual Data (Current Dollars in Billions)									
1970	6.6	3.3	17.4	-0.6	0.1	5.1	1.7	1.1	34.8
1971	11.8	5.2	31.6	0.5	0.1	3.7	3.8	0.9	57.5
1972	16.5	7.6	43.4	0.4	0.2	3.2	4.6	0.9	76.8
1973	17.7	7.7	41.5	-0.9	0.0	5.4	3.7	1.7	76.8
1974	14.9	4.7	32.7	-1.0	0.0	8.7	5.6	1.8	67.4
1975	11.8	5.2	43.7	0.3	0.0	6.9	10.7	1.6	80.1
1976	21.3	8.1	65.3	0.6	0.1	1.4	15.8	2.0	114.7
1977	32.6	11.4	86.5	2.4	0.1	4.8	22.1	2.4	162.3
1978	38.8	11.9	85.2	3.2	0.1	14.5	21.8	4.7	180.2
1979	37.0	11.1	76.3	6.5	0.0	14.4	27.2	7.8	180.3
1980	25.6	5.7	58.0	1.3	0.0	11.5	23.5	12.2	137.9
1981	20.3	3.8	39.6	1.7	0.0	9.8	18.3	7.4	101.0
1982	19.2	3.2	4.2	3.3	3.0	13.9	54.2	4.6	105.7
1983	33.5	10.6	64.3	2.8	5.5	18.9	81.4	6.8	223.6
1984	34.4	13.1	86.7	3.2	7.7	19.2	59.9	7.1	231.3
1985	41.6	0.3	64.4	2.8	7.9	25.6	107.4	7.8	257.8
1986	80.4	21.8	81.2	11.0	16.2	24.8	252.5	10.0	497.9
1987	95.5	25.0	115.2	-11.8	21.2	20.4	225.0	9.2	499.7
1988	86.7	22.1	112.1	5.0	23.4	25.7	142.5	9.8	427.2
1989	103.6	12.2	72.0	20.2	16.4	25.8	192.1	11.1	453.3
1990	117.8	9.4	49.9	-0.9	20.1	39.0	229.7	7.5	472.5
1991	112.6	12.0	51.6	11.3	38.8	45.0	271.7	6.4	549.3
1992	172.4	21.9	71.9	-0.4	78.2	76.2	463.2	6.2	889.5
1993	192.1	23.7	90.1	-0.5	90.6	107.4	561.8	4.4	1,069.6
1994	164.0	19.0	79.1	-24.0	61.9	84.1	353.3	8.1	745.4
Quarterly Data									
1994									
2nd Quarter	43.2	4.6	23.3	-9.1	14.3	22.9	96.7	1.8	197.8
3rd Quarter	40.6	6.0	21.6	-3.5	9.1	20.1	62.1	2.6	158.5
4th Quarter	42.6	5.1	19.0	0.5	8.0	18.1	49.2	2.3	144.9
1995									
1st Quarter	35.7	2.8	15.6	-2.7	4.3	11.5	35.3	2.9	105.4
2nd Quarter	38.1	4.1	16.1	6.8	9.2	21.7	54.8	2.6	153.3

Source: HUD Survey of Mortgage Lending Activity

Table 20. Mortgage Delinquencies and Foreclosures Started: 1984–Present*

Period	Delinquency Rates								Foreclosures Started			
	Total Past Due				90 Days Past Due							
	All	**Conv.**	**FHA**	**VA**	**All**	**Conv.**	**FHA**	**VA**	**All**	**Conv.**	**FHA**	**VA**
Annual Data												
1985												
1st Quarter	6.08	4.08	7.89	6.96	0.95	0.59	1.23	1.17	0.24	0.17	0.30	0.27
2nd Quarter	5.81	4.02	7.52	6.58	0.90	0.56	1.19	1.10	0.23	0.17	0.28	0.26
3rd Quarter	5.76	4.06	7.25	6.47	0.94	0.62	1.18	1.12	0.23	0.17	0.28	0.26
4th Quarter	5.69	4.01	7.19	6.52	0.96	0.65	1.21	1.15	0.22	0.17	0.27	0.25
1986												
1st Quarter	5.74	4.05	7.44	6.68	0.98	0.67	1.26	1.18	0.24	0.18	0.30	0.27
2nd Quarter	5.69	3.92	7.29	6.63	1.04	0.71	1.32	1.25	0.25	0.18	0.31	0.29
3rd Quarter	5.51	3.72	7.08	6.63	1.02	0.67	1.30	1.29	0.27	0.20	0.32	0.31
4th Quarter	5.31	3.49	6.83	6.36	0.99	0.61	1.29	1.24	0.26	0.19	0.33	0.31
1987												
1st Quarter	5.23	3.40	6.73	6.31	1.01	0.65	1.28	1.27	0.26	0.19	0.31	0.31
2nd Quarter	5.06	3.34	6.53	6.20	0.95	0.65	1.19	1.17	0.25	0.18	0.32	0.29
3rd Quarter	4.69	2.85	6.35	6.04	0.85	0.57	1.11	1.07	0.26	0.15	0.35	0.32
4th Quarter	4.89	3.01	6.62	6.27	0.89	0.55	1.18	1.16	0.27	0.18	0.36	0.35
1988												
1st Quarter	4.88	2.93	6.66	6.26	0.87	0.54	1.17	1.13	0.27	0.17	0.36	0.33
2nd Quarter	4.90	2.95	6.71	6.36	0.88	0.53	1.21	1.19	0.27	0.16	0.36	0.32
3rd Quarter	4.70	2.87	6.39	6.00	0.83	0.53	1.10	1.09	0.27	0.17	0.36	0.31
4th Quarter	4.69	2.99	6.47	6.27	0.83	0.55	1.09	1.14	0.27	0.19	0.38	0.31
1989												
1st Quarter	4.74	2.97	6.61	6.43	0.82	0.52	1.12	1.13	0.29	0.18	0.41	0.37
2nd Quarter	4.56	2.90	6.28	6.17	0.79	0.51	1.07	1.11	0.30	0.19	0.43	0.40
3rd Quarter	4.91	3.14	6.94	6.47	0.78	0.50	1.08	1.06	0.28	0.18	0.39	0.35
4th Quarter	5.03	3.11	7.12	6.74	0.76	0.46	1.07	1.04	0.28	0.18	0.40	0.35
1990												
1st Quarter	4.54	2.84	6.48	6.17	0.70	0.38	1.04	1.03	0.31	0.21	0.44	0.39
2nd Quarter	4.52	2.87	6.54	6.19	0.70	0.37	1.10	1.04	0.31	0.21	0.41	0.38
3rd Quarter	4.83	3.13	6.84	6.58	0.71	0.41	1.10	1.03	0.33	0.21	0.47	0.44
4th Quarter	4.75	3.12	6.85	6.46	0.73	0.41	1.16	1.06	0.29	0.21	0.41	0.40
1991												
1st Quarter	5.13	3.42	7.29	6.69	0.78	0.47	1.17	1.05	0.31	0.24	0.42	0.38
2nd Quarter	5.26	3.44	7.55	7.04	0.79	0.46	1.21	1.09	0.34	0.26	0.43	0.40
3rd Quarter	4.87	3.02	7.22	6.73	0.82	0.44	1.31	1.16	0.35	0.28	0.44	0.45
4th Quarter	4.85	3.16	7.17	6.62	0.81	0.46	1.29	1.13	0.35	0.31	0.43	0.44
1992												
1st Quarter	4.69	3.08	7.05	6.54	0.80	0.47	1.32	1.13	0.33	0.26	0.42	0.41
2nd Quarter	4.69	3.06	7.12	6.51	0.83	0.49	1.38	1.17	0.33	0.25	0.43	0.40
3rd Quarter	4.60	2.90	7.19	6.53	0.83	0.48	1.39	1.20	0.33	0.25	0.45	0.38
4th Quarter	4.29	2.76	8.91	6.25	0.76	0.45	1.31	1.09	0.34	0.26	0.48	0.41
1993												
1st Quarter	4.31	2.74	6.99	6.30	0.78	0.46	1.35	1.14	0.32	0.23	0.47	0.43
2nd Quarter	4.26	2.66	7.21	6.37	0.78	0.45	1.41	1.15	0.32	0.25	0.48	0.42
3rd Quarter	4.22	2.71	7.13	6.27	0.77	0.46	1.40	1.17	0.31	0.24	0.46	0.38
4th Quarter	4.09	2.52	7.22	6.25	0.76	0.42	1.45	1.17	0.31	0.22	0.49	0.43
1994												
1st Quarter	4.13	2.62	7.29	6.30	0.76	0.44	1.45	1.19	0.31	0.22	0.51	0.44
2nd Quarter	4.17	2.67	7.29	6.34	0.81	0.50	1.46	1.22	0.34	0.24	0.56	0.49
3rd Quarter	3.93	2.49	7.04	6.04	0.74	0.43	1.43	1.16	0.34	0.22	0.61	0.53
4th Quarter	4.15	2.63	7.40	6.35	0.73	0.42	1.43	1.18	0.33	0.22	0.54	0.47
1995												
1st Quarter	3.91	2.45	7.09	6.05	0.71	0.41	1.36	1.13	0.32	0.21	0.56	0.50
2nd Quarter	4.15	2.68	7.36	6.38	0.77	0.45	1.46	1.21	0.33	0.22	0.56	0.53

* All data are seasonally adjusted.

Source: National Delinquency Survey, Mortgage Bankers Association

Table 21. Expenditures for Existing Residential Properties: 1968–Present

Period	Total Expenditures	Maintenance and Repairs	Improvements					
			Total	Additions and Alterations				Major Replacements
				Total	To Structures		To Property Outside Structure	
					Additions	Alterations		
Annual Data (Millions of Dollars)								
1968	12,703	5,186	7,517	5,314	1,261	3,077	976	2,202
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	69,894	28,894	40,890	27,822	6,007	14,486	7,329	13,067
1985	80,267	35,358	44,909	28,775	3,966	17,599	7,211	16,134
1986	91,274	35,941	55,303	38,608	7,377	21,192	10,040	16,695
1987	94,082	38,229	55,583	39,978	9,557	21,641	8,779	15,875
1988	101,117	40,885	60,232	43,339	11,333	22,703	9,303	16,893
1989	100,891	42,689	58,202	39,786	6,828	23,129	9,828	18,415
1990	106,773	51,305	55,468	37,253	8,561	21,920	6,771	18,215
1991	97,528	49,840	47,688	30,944	7,914	16,076	6,954	16,744
1992	103,734	45,154	58,580	40,186	6,783	22,700	10,704	18,393
1993	108,304	41,699	66,606	45,797	12,757	24,782	8,259	20,809
1994	115,030	42,953	72,077	48,828	9,647	28,673	10,509	23,248
Quarterly Data (Seasonally Adjusted Annual Rates)								
1994								
1st Quarter	110,400	40,900	69,500	51,500	NA	NA	NA	18,000
2nd Quarter	113,900	43,500	70,300	50,400	NA	NA	NA	20,000
3rd Quarter	114,700	42,900	71,900	47,400	NA	NA	NA	24,400
4th Quarter	118,900	44,100	74,700	46,400	NA	NA	NA	28,300
1995								
1st Quarter	115,800	37,700	78,100	52,200	NA	NA	NA	25,900

Maintenance and repairs are incidental costs that keep a property in ordinary working condition.
Additions refer to actual enlargements of the structure.
Alterations refer to changes or improvements made within or on the structure.
Alterations and additions to property outside the structure include walks, driveways, walls, fences, pools, garages, sheds, etc.
Major replacements are relatively expensive and are not considered repairs and include furnaces, boilers, roof replacement, central air conditioning, etc.
Source: Bureau of the Census, Department of Commerce

Table 22. 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–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	125,521	94,649	72,203	22,447	30,872
1984	153,849	113,826	85,605	28,221	40,023
1985	158,474	114,662	86,123	28,539	43,812
1986	187,148	133,192	102,154	31,038	53,956
1987	194,656	139,915	114,463	25,452	54,741
1988	198,101	138,947	116,649	22,298	59,154
1989	196,551	139,202	116,898	22,304	57,349
1990	182,856	127,987	108,737	19,250	54,869
1991	157,835	110,592	95,444	15,148	47,243
1992	187,869	129,600	116,505	13,094	58,269
1993	210,454	144,070	133,282	10,788	66,384
1994	237,766	167,452	153,690	13,762	70,955
Monthly Data (Seasonally Adjusted Annual Rates)					
1994					
July	237,800	168,800	155,500	13,300	NA
August	236,900	167,900	154,200	13,800	NA
September	242,200	170,600	153,800	16,800	NA
October	239,100	168,200	153,200	15,000	NA
November	241,300	169,400	153,100	16,300	NA
December	243,800	171,100	154,000	17,000	NA
1995					
January	244,600	169,900	152,800	17,100	NA
February	240,200	167,200	150,000	17,200	NA
March	237,900	163,900	145,500	18,400	NA
April	234,100	159,800	141,500	18,200	NA
May	231,300	156,400	137,900	18,500	NA
June	228,400	153,200	135,600	17,600	NA
July	232,400	157,600	139,000	18,700	NA
August	236,000	161,000	142,500	18,500	NA
September	240,400	165,000	145,000	20,000	NA

Source: Bureau of the Census, Department of Commerce

Table 23. Gross Domestic Product and Residential Fixed Investment: 1959–Present

Period	Gross Domestic Product	Residential Fixed Investment	Residential Fixed Investment Percent of GDP
Annual Data (Current Dollars in Billions)			
1959	494.2	28.1	5.7
1960	513.3	26.3	5.1
1961	531.8	26.4	5.0
1962	571.6	29.0	5.1
1963	603.1	32.1	5.3
1964	648.0	34.3	5.3
1965	702.7	34.2	4.9
1966	769.8	32.3	4.2
1967	814.3	32.4	4.0
1968	889.3	38.7	4.4
1969	959.5	42.6	4.4
1970	1,010.7	41.4	4.1
1971	1,097.2	55.8	5.1
1972	1,207.0	69.7	5.8
1973	1,349.6	75.3	5.6
1974	1,458.6	66.0	4.5
1975	1,585.9	62.7	4.0
1976	1,768.4	82.5	4.7
1977	1,974.1	110.3	5.6
1978	2,232.7	131.6	5.9
1979	2,488.6	141.0	5.7
1980	2,708.0	123.3	4.6
1981	3,030.6	122.5	4.0
1982	3,149.6	105.7	3.4
1983	3,405.0	152.0	4.5
1984	3,777.2	178.9	4.7
1985	4,038.7	185.9	4.6
1986	4,268.6	216.6	5.1
1987	4,539.9	225.2	5.0
1988	4,900.4	232.0	4.7
1989	5,250.8	230.9	4.4
1990	5,546.1	215.3	3.9
1991	5,724.8	189.6	3.3
1992	6,020.2	223.8	3.7
1993	6,343.3	250.6	4.0
1994	6,738.4	283.0	4.2
Quarterly Data (Seasonally Adjusted Annual Rates)			
1994			
3rd Quarter	6,791.7	283.4	4.2
4th Quarter	6,897.2	288.0	4.2
1995			
1st Quarter	6,977.4	286.8	4.1
2nd Quarter	7,030.0	277.6	3.9
3rd Quarter	7,113.2	286.5	4.0

Source: Bureau of Economic Analysis, Department of Commerce

Table 24. 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 Over
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
Quarterly Data								
1994								
3rd Quarter	665	(94)	10	21	181	227	167	152
4th Quarter	665	199	85	45	63	233	(60)	102
1995								
1st Quarter	180	49	(85)	(53)	51	76	(19)	158
2nd Quarter	161	22	(14)	71	70	181	(33)	(136)
3rd Quarter	(59)	(249)	22	(51)	(82)	302	(42)	40

Note: For the annual data from 1971 to 1994, the source of the data is the Current Population Survey March Supplement. For the quarterly 1994 and 1995 data, the source is the monthly Current Population Survey/Housing Vacancy Survey.

NA - Data files for 1971, 1972, 1973, and 1975 are not yet available.

[r] Implementation of new March CPS processing system.

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

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

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

Units in thousands.

Source: Current Population Survey, Bureau of the Census.

Table 25. 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	3,062	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
Quarterly Data									
1994									
3rd Quarter	665	(378)	541	115	(46)	40	0	464	(65)
4th Quarter	665	208	1	145	6	57	(43)	63	235
1995									
1st Quarter	180	323	16	(46)	(17)	(87)	(27)	(50)	52
2nd Quarter	161	63	66	(7)	8	(21)	(21)	3	76
3rd Quarter	(59)	(226)	141	(35)	(31)	30	31	(2)	23

Note: For the annual data from 1971 to 1994, the source is the Current Population Survey March Supplement. For the quarterly 1994 and 1995 data, the source is the monthly Current Population Survey/Housing Vacancy Survey.

NA - Data files for 1971, 1972, 1973, and 1975 are not yet available.

[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.

Units in thousands.

Source: Current Population Survey, Bureau of the Census.

Table 26. 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	Hispanics
Annual Data					
1971[1]	848	NA	NA	NA	NA
1972	1,898	NA	NA	NA	NA
1973	1,575	NA	NA	NA	NA
1974[r]	1,554	NA	NA	NA	NA
1975	1,358	NA	NA	NA	NA
1976	1,704	NA	NA	NA	NA
1977	1,275	832	288	22	133
1978	1,888	1,356	190	119	223
1979	1,300	1,115	96	102	(13)
1980[2]	3,446	2,367	488	198	393
1981	1,592	903	244	223	222
1982	1,159	890	129	66	74
1983	391	218	(37)	105	105
1984[r]	1,372	434	299	58	581
1985	1,499	938	250	94	217
1986	1,669	954	283	102	330
1987	1,021	527	116	173	205
1988[r]	1,645	1,053	255	113	224
1989	1,706	947	382	109	268
1990	517	428	(49)	115	23
1991	965	540	156	(18)	287
1992	1,364	590	397	218	159
1993[3]	750	(518)	183	312	774
1994	681	590	(6)	(114)	209
Quarterly Data					
1994					
3rd Quarter	664	535	73	(72)	129
4th Quarter	666	257	192	41	175
1995					
1st Quarter	180	163	91	(61)	(13)
2nd Quarter	159	152	47	(34)	(4)
3rd Quarter	(58)	(52)	36	(96)	53

Note: For the annual data from 1971 to 1994, the source of the data is the Current Population Survey March Supplement. For the quarterly 1994 and 1995 data, the source is the monthly Current Population Survey/Housing Vacancy Survey.

NA - Data not available prior to 1974.

[r] Implementation of new March CPS processing system.

[1] Data from 1971 to 1979 weighted based on the 1980 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, Bureau of the Census.

Table 27. Total U.S. Housing Stock: 1970–Present*

Period	Total[4]	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[2]	88,411	1,718	86,693	NA	NA	NA	NA	80,390	51,795	28,595
1981	91,561	1,950	89,610	6,435	1,634	812	3,989	83,175	54,342	28,833
1982	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1983	93,519	1,845	91,675	7,037	1,906	955	4,176	84,638	54,724	29,914
1984	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1985	99,931	3,182	96,749	8,324	2,518	1,128	4,678	88,425	56,145	32,280
1986	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1987	102,652	2,837	99,818	8,927	2,895	1,116	4,916	90,888	58,164	32,724
1988	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1989	105,661	2,881	102,780	9,097	2,644	1,115	5,338	93,683	59,916	33,767
1990[3]	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
1992	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1993	106,611	3,088	103,522	8,799	2,651	889	5,258	94,724	61,252	33,472
Quarterly Data										
1994										
3rd Quarter	111,266	3,065	108,201	9,274	2,798	933	5,543	98,927	63,391	35,536
4th Quarter	111,806	2,845	108,961	9,368	2,864	1,076	5,428	99,593	63,947	35,646
1995										
1st Quarter	112,359	3,186	109,173	9,401	2,882	1,003	5,516	99,772	64,050	35,722
2nd Quarter	112,743	3,017	109,726	9,794	2,969	1,046	5,779	99,932	64,668	35,264
3rd Quarter	112,530	3,099	109,431	9,557	2,966	987	5,604	99,874	64,885	34,989

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

[1] Census of Housing 1970

[2] Census of Housing 1980

[3] Census of Housing 1990

[4] Annual Housing Survey estimates through 1981 based on 1970 Census weights; 1983 to 1989 estimates based on 1980 Census weights; 1991 and 1993 estimates based on 1990 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,* Bureau of the Census, Department of Commerce

Table 28. 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	7.4	7.6	8.3	6.7	6.5	7.1	6.6	8.0	7.5	3.8	9.5	10.3
1994	7.4	NA	NA	NA	NA	7.1	6.9	8.0	7.1	5.2	9.0	9.8
Quarterly Data												
1994												
3rd Quarter	7.2	NA	NA	NA	NA	7.0	6.5	7.8	7.2	4.4	8.9	9.5
4th Quarter	7.4	7.2	7.7	6.5	8.2	7.1	6.8	8.3	6.8	4.7	9.2	9.9
1995												
1st Quarter	7.4	7.4	8.3	6.4	7.4	7.3	6.7	8.3	6.8	5.0	8.8	9.4
2nd Quarter	7.7	NA	NA	NA	NA	7.5	7.1	8.2	7.7	5.5	9.0	9.5
3rd Quarter	7.7	7.7	8.6	6.6	7.9	7.1	7.4	8.2	7.9	5.6	9.0	9.5

Source: Bureau of the Census, Department of Commerce

Table 29. 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	54.7	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*	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
Quarterly Data								
1994								
3rd Quarter	64.1	15.0	33.4	51.2	64.3	75.5	79.4	77.2
4th Quarter	64.2	15.2	35.1	51.5	64.7	74.9	79.2	77.7
1995								
1st Quarter	64.2	13.8	34.3	52.1	64.9	74.9	79.4	77.5
2nd Quarter	64.7	16.5	33.9	53.2	65.1	75.2	79.9	78.1
3rd Quarter	65.0	17.0	33.8	53.8	65.4	75.4	79.3	78.1

* Revised based on adjusted 1990 Census weights rather than 1980 Census weights, resulting in lower estimates.
Source: Bureau of the Census, Department of Commerce

Table 30. Homeownership Rates by Region and Metropolitan Status: 1983–Present

Period	Total	Region				Metropolitan Status[3]		
						Inside Metropolitan Areas		
		Northeast	Midwest	South	West	Central City	Outside Central City	Outside Metro Area
Annual Data								
1983[1]	64.9	61.4	70.0	67.1	58.7	48.9	70.2	73.5
1984[r]	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[r]	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
1994	64.2	62.2	67.1	65.7	60.4	49.3	70.3	72.5
Quarterly Data								
1994								
3rd Quarter	64.1	61.4	67.9	66.0	59.0	48.4	70.4	72.6
4th Quarter	64.2	61.4	68.6	65.7	59.6	48.5	71.1	72.1
1995								
1st Quarter	64.2	61.9	67.9	66.1	58.9	49.3	70.2	72.3
2nd Quarter	64.7	62.3	68.5	66.5	59.8	49.4	71.5	71.7
3rd Quarter	65.0	62.2	70.1	66.6	59.1	49.9	71.4	72.8

Note: For the annual data from 1983 to 1994, the source of the data is the Current Population Survey March Supplement. For the quarterly 1994 and 1995 data, the source is the monthly Current Population Survey/Housing Vacancy Survey.

NA - Not Available.

[r] Implementation of new March CPS processing system.

[1] From 1983 to 1992 data are 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, Bureau of the Census.

Table 31. Homeownership Rates by Race and Ethnicity: 1983–Present

Period	Total	Non-Hispanic			Hispanic
		White	Black	Other	
Annual Data					
1983[1]	64.9	69.1	45.6	53.3	41.2
1984[r]	64.5	69.0	46.0	50.9	40.1
1985	64.3	69.0	44.4	50.7	41.1
1986	63.8	68.4	44.8	49.7	40.6
1987	64.0	68.7	45.8	48.7	40.6
1988[r]	64.0	69.1	42.9	49.7	40.6
1989	64.0	69.3	42.1	50.6	41.6
1990	64.1	69.4	42.6	49.2	41.2
1991	64.0	69.5	42.7	51.3	39.0
1992	64.1	69.6	42.6	52.5	39.9
1993[2]	64.1	70.2	42.0	50.6	39.4
1994	64.2	70.1	42.8	51.7	41.6
Quarterly Data					
1994					
3rd Quarter	64.1	70.0	42.9	51.0	41.4
4th Quarter	64.2	70.2	42.9	51.2	42.2
1995					
1st Quarter	64.2	70.4	41.5	51.5	41.8
2nd Quarter	64.7	70.9	42.3	50.6	42.8
3rd Quarter	65.0	71.1	43.3	52.0	42.5

Note: For the annual data from 1983 to 1994, the source of the data is the Current Population Survey March Supplement. For the quarterly 1994 and 1995 data, the source is the monthly Current Population Survey/Housing Vacancy Survey.

[r] Implementation of new March CPS processing system.

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

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

Source: Current Population Survey, Bureau of the Census.

Table 32. Homeownership Rates by Household Type: 1983–Present

Period	Total	Married Couples		Other Families		Other
		With Children	Without Children	With Children	Without Children	
Annual Data						
1983[1]	64.9	75.0	80.8	38.3	67.5	44.5
1984[r]	64.5	74.2	80.9	39.1	66.4	44.6
1985	64.3	74.0	81.1	38.6	65.4	45.0
1986	63.8	73.4	81.4	38.0	65.7	43.9
1987	64.0	73.8	81.6	37.6	66.3	43.9
1988[r]	64.0	73.9	81.7	38.0	64.9	44.6
1989	64.0	74.3	82.0	35.8	64.4	45.6
1990	64.1	73.5	82.2	36.0	64.3	46.6
1991	64.0	73.0	83.0	35.6	65.6	46.8
1992	64.1	73.4	83.0	35.1	64.9	47.3
1993[2]	64.1	73.7	82.9	35.5	63.9	47.1
1994	64.2	73.8	83.2	35.6	65.7	47.7
Quarterly Data						
1994						
3rd Quarter	64.1	74.6	83.1	36.2	65.5	47.2
4th Quarter	64.2	75.2	83.4	36.5	65.4	46.9
1995						
1st Quarter	64.2	74.5	83.9	36.9	65.8	46.7
2nd Quarter	64.7	75.0	83.7	37.3	66.7	47.9
3rd Quarter	65.0	75.0	84.2	38.3	66.1	47.7

Note: For the annual data from 1983 to 1994, the source of the data is the CPS March Supplement. For the 1994 and 1995 data, the source is the monthly Current Population Survey/Housing Vacancy Survey.

[r] Implementation of new March CPS processing system.

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

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

Source: Current Population Survey, Bureau of the Census.

Appendix

HUD regularly produces information that can be used to better operate housing programs and conduct policy analysis. HUD would like to make the following data accessible to housing professionals: vacancy rate results from the postal surveys; and information on Fair Market Rents (FMRs) for selected market areas and regional updating factors for FMRs.

Federal Home Loan Bank System Housing Vacancy Surveys

Under an interagency agreement between the Department of Housing and Urban Development and the Federal Home Loan Bank of Indianapolis, the Bank conducts housing vacancy surveys in selected local market areas.

The Indianapolis Bank uses the United States Postal Service's (USPS) mail carriers to collect data for these surveys. Mail carriers count the number of residential housing units, both occupied and vacant, and record the structure type of the buildings on their routes.

There are four structure types: single-family detached, single-family attached, multifamily, and mobile homes. Single-family detached units are units with open space on all sides. Single-family attached units, such as townhouses and rowhouses, are units that are attached to each other on one or more sides. Multifamily structures have two or more units in the same building, which are attached along the sides, floors, or ceilings. Mobile homes include only installed units; vacant pads are excluded.

The carriers do not count commercial structures, such as hotels, boarding homes, or dormitories. Housing on institutional or military facilities is also excluded, as are boarded-up housing units and housing units receiving bulk delivery. The survey covers only city delivery routes; housing units on rural route delivery are excluded.

The staff of the Indianapolis Bank compile and edit the data from the carriers' reports and send statistical reports to HUD. Approximately 50 to 75 surveys of local housing markets are conducted each year.

The tabular summaries present the total number of units by structure type and the number of vacant units for each type in the survey area.

Because housing vacancies are counted by type of structure rather than tenure, the results are not comparable with the Bureau of the Census vacancy rates. However, the data have proven to be a good indicator of overall vacancy trends in local markets.

Federal Home Loan Bank System Housing Vacancy Surveys

Survey Area*	Survey Date	Single-Family Detached	Single-Family Attached	Multifamily	Mobile Homes
Aguadillia, PR	9/95	1.5	—	0.4	—
Albany, GA	11/94	5.4	13.8	11.3	3.0
Athens, GA	11/94	2.0	2.9	2.0	8.4
Atlanta, GA	10/94	2.1	4.4	5.5	5.8
Austin–San Marcos, TX	6/95	1.9	4.1	5.2	3.0
Bellingham, WA	10/94	2.1	4.9	4.8	5.2
Birmingham, AL	10/94	2.8	4.5	5.7	2.7
Boise City, ID	10/94	1.9	4.1	6.3	2.6
Boston, MA–NH	9/94	1.1	2.7	2.6	6.3
Boulder–Longmont, CO	2/95	1.9	1.9	3.6	1.8
Brockton, MA	4/95	1.3	8.0	7.5	2.3
Buffalo, NY	11/94	1.3	3.8	4.3	2.6
Charlotte, NC	1/95	1.9	4.9	4.7	2.5
Cincinnati, OH	6/95	2.0	5.9	5.4	4.0
Colorado Springs, CO	11/94	1.7	3.4	3.5	3.1
Columbus, OH	9/94	2.1	6.5	7.1	3.8
Denver, CO	2/95	1.7	3.8	4.2	6.4
DesMoines, IA	10/94	2.2	4.2	3.9	4.1
Fayetteville–Springdale–Roger, AR	9/94	2.3	6.5	2.8	3.1
Fitchburg–Leominster, MA	3/95	1.2	9.5	4.9	2.4
Fort Collins-Loveland, CO	10/95	1.1	2.0	3.3	3.5
Ft. Lauderdale, FL	7/95	1.9	3.5	3.9	4.7
Gainesville, FL	11/94	2.6	3.2	3.2	18.2
Greeley, CO	2/95	1.9	3.7	3.3	2.6
Greensboro–Wint., Salem–H. Pt, NC	11/94	1.9	5.3	3.9	2.9
Hamilton, OH	5/95	2.0	5.3	6.4	3.2
Hattiesburg, MS	9/94	2.3	10.8	3.3	3.9
Indianapolis, IN	2/95	2.6	8.9	6.6	4.5
Jackson, MS	9/94	3.6	12.4	5.3	4.7
Kansas City, MO–KS	5/95	3.0	5.7	7.0	6.9
Knoxville, TN	1/95	1.9	4.3	2.4	2.3
Las Vegas, NV	7/95	2.7	4.4	5.5	3.6
Lawrence, MA–NH	11/94	1.4	4.3	6.1	2.1

Federal Home Loan Bank System Housing Vacancy Surveys (continued)

Survey Area*	Survey Date	Single-Family Detached	Single-Family Attached	Multifamily	Mobile Homes
Longview–Kelso, WA	10/94	2.5	5.3	6.9	5.2
Lowell, MA–NH	6/95	1.4	6.0	8.0	1.8
Madison, WI	11/94	1.1	2.3	4.3	1.8
Memphis, TN–AR–MS	8/94	2.2	5.2	4.9	12.1
Miami, FL	9/94	2.1	3.8	3.9	7.5
Minneapolis–St.Paul, MN–WI	1/95	1.1	2.8	3.4	4.0
Nashua, NH	11/94	1.2	4.1	6.3	3.1
Nashville, TN	3/94	1.5	3.2	2.4	4.4
New Bedford, NH	11/94	2.0	5.8	6.2	2.3
New Orleans, LA	7/95	2.2	5.3	6.6	5.6
Oakland, CA	1/95	2.1	3.9	3.9	3.6
Oklahoma City, OK	1/95	4.1	9.7	10.2	15.4
Orange Co., CA (Anaheim,CA)	5/95	2.1	4.3	6.1	8.2
Phoenix, AZ	1/95	2.4	5.1	5.8	16.0
Portland–Vancouver, OR–WA	4/95	2.3	4.4	4.4	3.8
Portsmouth, NH	4/95	4.5	6.5	9.2	6.7
Provo-Orem, UT	10/95	1.3	2.5	2.6	1.0
Raleigh, NC	7/95	1.8	3.6	3.1	4.5
Richmond, VA	3/95	1.8	5.7	5.0	5.0
Riverside–San Bernardino, CA	2/95	4.9	11.6	13.2	9.1
Salt Lake City, UT	9/94	1.4	3.8	3.8	4.9
San Diego, CA	2/95	2.5	5.3	7.1	5.8
San Francisco, CA	1/95	1.2	1.3	3.8	4.5
San Jose, CA	5/95	1.3	2.5	3.6	3.0
Santa Cruz, CA	11/94	2.9	4.4	5.1	5.0
Santa Rosa, CA	10/94	2.1	6.8	5.1	4.9
Spokane, WA	1/95	2.8	4.1	6.1	3.9
Toledo, OH	5/95	2.5	7.4	6.1	5.2
Vallejo–Fairfield, Napa, CA	5/95	2.9	8.9	7.6	6.2
Washington, DC–MD–VA–WV	5/95	1.7	3.2	4.3	3.1
Wilmington, NC	10/95	2.7	2.2	4.6	2.7
Worcester, MA	6/95	1.4	4.4	8.6	4.7

*All areas are MSAs or PMSAs.

Telephone Rent Surveys

During 1994 HUD and public housing agencies conducted Random Digit Dialing (RDD) telephone rent surveys for 146 Fair Market Rent (FMR) areas. The purpose of these surveys was to estimate the typical rent paid by tenants who had recently moved into standard–quality housing units, and thereby calculate the FMR. The FMR is calculated at the 40th–percentile gross rent (including utilities) of standard–quality rental units occupied by recent movers. This rent standard is used in HUD's Section 8 Housing Certificate and Voucher assistance programs. In cases where the rent survey estimates were statistically different from HUD's estimated FMR, the FMR was increased or decreased.

HUD also conducted longitudinal rent surveys intended to measure the changes in median rents during the previous year for the FMR areas in the metropolitan and nonmetropolitan portions of each of the HUD regions. These rent–change factors are used in HUD programs to adjust rents for units currently under contract. The metropolitan surveys exclude metropolitan areas covered by separate Consumer Price Index surveys. The 10 regions surveyed are almost the same as the 9 census divisions, except that the Alaska–Idaho–Oregon–Washington portion of the Pacific census division is treated separately.

1994 Area Rent Surveys: Professionally Conducted Random Digit Dialing Surveys

State	Area	Survey Sponsor	Date of Survey	40th-Percentile Gross Rent
AR	Little Rock-North Little Rock MSA	HUD	06/94	443
AR-OK	Fort Smith MSA	HUD	06/94	365
AZ	Phoenix-Mesa MSA	PHA	09/94	537
AZ	Tucson MSA	PHA	08/94	529
CA	Fresno MSA	HUD	03/94	483
CA	Modesto MSA	HUD	06/94	519
CA	Oakland PMSA	HUD	06/94	769
CA	Sacramento PMSA	HUD	06/94	565
CA	Salinas MSA	HUD	03/94	677
CA	Santa Rosa MSA	HUD	06/94	702
CA	Vallejo-Fairfield-Napa MSA	HUD	06/94	657
CA	Ventura PMSA	HUD	03/94	754
CT	Bridgeport PMSA	HUD	03/94	662
CT	Hartford MSA	HUD	03/94	650
CT	Stamford-Norwalk PMSA	HUD	03/94	966
DE-MD	Wilmington-Newark PMSA	HUD	06/94	569
FL	Ft Lauderdale MSA	HUD	07/94	640
FL	Miami PMSA	HUD	07/94	674
FL	Pensacola MSA	HUD	07/94	427
FL	West Palm Beach-Boca Raton MSA	HUD	07/94	629
GA	Albany MSA	PHA	10/94	375
GA	Baldwin County	PHA	10/94	372
GA	Carroll County	PHA	10/94	395
GA	Dodge & Laurens Counties	PHA	10/94	333
GA	Fannin & Gilmer Counties	PHA	10/94	330
GA	Haralson & Polk Counties	PHA	10/94	357
GA	Elbert, Jackson, & Morgan Counties	PHA	10/94	353
GA	Baker, Calhoun, Mitchell, & Terrell Counties*	PHA	10/94	293
GA	Brooks, Colquitt, Cook, Crisp, Dooly, Lowndes, Thomas, Tift, & Worth Counties	PHA	10/94	372
GA	Butts, Lamar, Meriwether, Monroe, Pike, & Upson Counties	PHA	10/94	367

1994 Area Rent Surveys: Professionally Conducted Random Digit Dialing Surveys (continued)

State	Area	Survey Sponsor	Date of Survey	40th-Percentile Gross Rent
GA	Burke, Emanuel, Jefferson, Screven, Tattnall, & Toombs Counties	PHA	10/94	300
GA	Appling, Atkinson, Bacon, Ben Hill, Berrien, Coffee, Jeff Davis, Lanier, Ware, & Wayne Counties	PHA	10/94	325
GA	Macon, Marion, Quitman, Randolph, Schley, Stewart, Taylor, & Webster Counties*	PHA	10/94	265
GA	Clay, Decatur, Early, Grady, Miller, & Seminole Counties	PHA	10/94	303
GA	Bulloch & Liberty Counties *	PHA	10/94	412
GA	Pickens County *	PHA	10/94	359
GA	Walton County	PHA	10/94	459
GA-AL	Columbus MSA	HUD	06/94	412
GA-SC	Augusta-Aiken MSA	HUD	06/94	433
HI	Honolulu MSA	HUD	07/94	900
IA-IL	Davenport-Moline-Rock Island MSA	HUD	03/94	425
IL	Rockford MSA	HUD	03/94	460
IN-KY	Evansville-Henderson MSA	HUD	07/94	388
KY-IN	Louisville MSA	HUD	08/94	438
LA	Lafayette MSA	HUD	03/94	382
LA	Shreveport-Bossier City MSA	HUD	07/94	435
MA	Fitchburg-Leominster PMSA	HUD	08/94	538
MO	Springfield MSA	HUD	10/94	400
MS	Biloxi-Gulfport MSA	HUD	02/94	418
MS	Jackson MSA	HUD	04/94	440
NC	Greensboro—Winston-Salem—High Point MSA	HUD	06/94	460
NC	Alleghany, Ashe, Avery, Mitchell, Watauga, Wilkes & Yancey Counties	PHA	10/94	415
NC	Bladen County	PHA	09/94	303
NE-IA	Omaha MSA	HUD	07/94	462
NJ	Atlantic-Cape May PMSA	HUD	06/94	671
NJ	Bergen-Passaic PMSA	HUD	06/94	824
NJ	Jersey City PMSA	HUD	07/94	725
NJ	Middlesex-Somerset-Hunterdon PMSA	HUD	07/94	842
NJ	Newark PMSA	HUD	07/94	753
NM	Albuquerque MSA	PHA	10/94	525
NM	Curry County	HUD	02/94	382
NM	Las Cruces MSA	HUD	02/94	387
NM	Roosevelt County	HUD	02/94	329
NV	Reno MSA	PHA	09/94	639
NV-AZ	Las Vegas MSA	HUD	06/94	592
NY	Albany-Schenectady-Troy MSA	HUD	06/94	536
NY	Syracuse MSA	HUD	06/94	525
NY	Utica-Rome MSA	HUD	06/94	450
OH	Akron PMSA	HUD	03/94	476
OR	Medford-Ashland MSA	HUD	04/94	507
OR	Salem PMSA	HUD	07/94	504
OR	Wasco County*	PHA	09/94	445
OR-WA	Portland-Vancouver PMSA	PHA	09/94	549
PA	Allentown-Bethlehem-Easton MSA	HUD	02/94	543
PA	Reading MSA	HUD	02/94	486
SC	Charleston-North Charleston MSA	HUD	06/94	467
SC	Greenville-Spartanburg-Anderson MSA	HUD	06/94	425

1994 Area Rent Surveys: Professionally Conducted Random Digit Dialing Surveys (continued)

State	Area	Survey Sponsor	Date of Survey	40th-Percentile Gross Rent
TN	Knoxville MSA	HUD	08/94	432
TX	Brownsville-Harlingen-San Benito MSA	HUD	02/94	467
TX	Corpus Christi MSA	HUD	10/94	499
TX	Killeen-Temple MSA	PHA	09/94	465
TX	McAllen-Edinburg-Mission MSA	HUD	02/94	391
TX	Wichita Falls MSA	HUD	02/94	411
UT	Provo-Orem MSA	PHA	09/94	450
VA	Wise County	HUD	02/94	362
VI	Virgin Islands	PHA	08/94	650
WA	Olympia PMSA	HUD	07/94	575
WA	Richland-Kennewick-Pasco MSA	HUD	03/94	460
WA	Pend Oreille & Stevens Counties*	PHA	09/94	365
WA	Skagit County	PHA	09/94	437
WI	Eau Claire MSA	PHA	09/94	437

*Based on all renters, not recent movers.

Changes in Rents From 1993 to 1994 (Regional RDD Survey Results)

Region	1993–94 Rent Changes	Region	1993–94 Rent Changes
New England		Southwest	
Metro	0.6%	Metro	2.1%
Nonmetro	1.0%	Nonmetro	2.9%
New York/New Jersey		Great Plains	
Metro	3.0%	Metro	2.7%
Nonmetro	1.4%	Nonmetro	0.8%
Mid–Atlantic		Rocky Mountain	
Metro	3.0%	Metro	7.1%
Nonmetro	2.7%	Nonmetro	2.0%
Southeast		Pacific	
Metro	3.3%	Metro	2.2%
Nonmetro	1.6%	Nonmetro	2.8%
Midwest		Northwest	
Metro	2.4%	Metro	4.3%
Nonmetro	0.8%	Nonmetro	2.9%

Order Form

U.S. Housing Market Conditions

3rd Quarter 1995 (dated: November 1995)

To order additional single copies of this issue, send $4 (handling charge) with this form to:

HUD USER
P.O. Box 6091
Rockville, MD 20849

❏ Check enclosed payable to **HUD USER**.

Charge my: ❏ MasterCard ❏ VISA

Acct. # ______________________ Exp. Date ______________________

Signature ______________________

Name ______________________

Affiliation ______________________

Street Address ______________________

City ______________ State ______________ ZIP Code ______________

Telephone Number (   ) ______________________

For information on ordering multiple copies, call **HUD USER** at 1–800–245–2691.

U.S. Housing Market Conditions

Future Issues

To be notified of future issues of this report, mail this form to:

HUD USER
P.O. Box 6091
Rockville, MD 20849

Name ______________________

Affiliation ______________________

Street Address ______________________

City ______________ State ______________ ZIP Code ______________

Telephone Number (   ) ______________________

U.S. Department of Housing and Urban Development
Washington, DC 20410–6000

Official Business
Penalty for Private Use $300

FIRST CLASS MAIL
POSTAGE & FEES PAID
HUD
Permit No. G–795