State of the Nation’s Housing Markets
2nd Quarter 2010 Update

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Special Thanks – Randall Goodnight (Ft. Worth)
Nonfarm Payrolls
12-month Averages

Total Jobs (in thousands)

Year
2000  2001  2002  2003  2004  2005  2006  2007  2008  2009  2010

Values
124000  126000  128000  130000  132000  134000  136000  138000  140000
Percentage Change in Nonfarm Payrolls
Q2 2010

Compared with Q2 2009
Source: Bureau of Labor Statistics

Percentage Change
National Decline: 0.5%

-2.8% to -2%
0.1% to 0.3%
-1.9% to 0%
0.4% to 1.3%
Nonfarm Change by Sector
Percentage Change 12 months ending June 2010
State Unemployment Rate
12-Month Average Ending June 2010

12-Month Average
July 2009 through June 2010

Source: Bureau of Labor Statistics

Unemployment Rate
National Rate: 9.8%

- 4% to 5.9%
- 6% to 7.9%
- 8% to 9.8%
- 9.9% to 14%
State Unemployment Rate Change During the 12 Months Ending June 2010

Change in Percentage Points
National: Up 2.2 PP

Compared with 12 Months Ending June 2009
Source: Bureau of Labor Statistics
U.S. Housing Market Conditions: 2Q 2010

- Sales market conditions remain soft in much of the country but continue to improve in many areas.
- Data on home sales prices indicate improvement.
- Home sales are up (homebuyer tax credit).
- Inventories of new and existing homes for sale are down from a year ago and coming closer to balance.
- Rental market conditions are mixed throughout the country.
- Significant declines in multifamily permits have continued.
<table>
<thead>
<tr>
<th>Region</th>
<th>Sales Markets</th>
<th>Rental Markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Region I (New England)</td>
<td>Balanced</td>
<td>Balanced</td>
</tr>
<tr>
<td>Region II (NY/NJ)</td>
<td>Slightly Soft</td>
<td>Balanced (NYC Tight)</td>
</tr>
<tr>
<td>Region III (Mid-Atlantic)</td>
<td>Slightly Soft</td>
<td>Mixed</td>
</tr>
<tr>
<td>Region IV (Southeast-Caribbean)</td>
<td>Soft</td>
<td>Soft</td>
</tr>
<tr>
<td>Region V (Midwest)</td>
<td>Soft</td>
<td>Mixed (soft/balanced)</td>
</tr>
<tr>
<td>Region VI (Southwest)</td>
<td>Slightly Soft</td>
<td>Soft</td>
</tr>
<tr>
<td>Region VII (Great Plains)</td>
<td>Balanced (Soft in MO)</td>
<td>Soft</td>
</tr>
<tr>
<td>Region VIII (Rocky Mountains)</td>
<td>Soft</td>
<td>Mixed</td>
</tr>
<tr>
<td>Region IX (Pacific)</td>
<td>Soft</td>
<td>Mixed</td>
</tr>
<tr>
<td>Region X (Northwest)</td>
<td>Soft</td>
<td>Balanced</td>
</tr>
</tbody>
</table>
National Home Price Indices
Based on Qtr. To Same Qtr. Previous Year

% Change, year ago

-25.00 -20.00 -15.00 -10.00 -5.00 0.00 5.00 10.00 15.00 20.00


S&P/Case-Schiller Price Index (NSA)
FHFA Purchase Only Index (SA)
House Price Appreciation by State
Annual Percentage Change through Q2 2010

Percentage Change
National Decline: 2.5%

Compared with
Annual Average Through Q2 2009
Source: FHFA
House Price Appreciation by State Percentage Change Q2 2010 (SA)

Percentage Change National Decline: 1.6%

Compared with Q2 2009
Source: FHFA
Change in Home Loans - June 2010
90+ Days Delinquent, In Foreclosure, and REO

Percentage Point Change
National Increase: 1.3 PP

0.2 to 1.3
2.5 to 3.3
1.4 to 2.4

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

U.S. Department of Housing and Urban Development | Office of Policy Development and Research
Percent of Total Home Loans as of June 2010
90+ Days Delinquent, In Foreclosure, and in REO

Source:
Lender Processing Services
Mortgage Performance Data

Percent of Home Loans
National: 8.5%

- 2.0% to 5.0%
- 5.1% to 8.5%
- 8.6% to 12.0%
- 12.1% to 18.8%
Existing Home Sales
4 Quarters ending Q2 2010
Percentage Change by State

Percentage Change
National Decline: 15%

-2.5% to 0%
10.1% to 20%
0.1% to 10%
20.1% to 57%

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

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

Percentage Change
National Increase: 18%

Compared with Q2 2009 (Seasonally Adjusted)
Single-Family, Apartment Condos and Co-ops

Source: National Association of REALTORS®

-6.4% to 0%  10.1% to 20%
0.1% to 10%  20.1% to 52%
SF Permit Activity
During 12 Months Ending

<table>
<thead>
<tr>
<th>Activity</th>
<th>June-09</th>
<th>June-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>$50,000</td>
<td>$100,000</td>
<td>$200,000</td>
</tr>
<tr>
<td>$378,000</td>
<td>$315,200</td>
<td>$250,000</td>
</tr>
<tr>
<td>$347,000</td>
<td>$315,200</td>
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<tr>
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<td>$100,000</td>
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<tr>
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<tr>
<td>$410,000</td>
<td>$500,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>$378,000</td>
<td>$315,200</td>
<td>$250,000</td>
</tr>
</tbody>
</table>
Percentage Change in SF Building Permits
12 Months Ending June 2010

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

Percentage Change
National Increase: 10%

-11.5% to 0%
10.1% to 20%
0.1% to 10%
20.1% to 36%
Percentage Change in SF Building Permits
2nd Quarter 2010

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

Percentage Change
National Increase: 5.2%

-26.1% to -10.1%
-10% to 0%
-10.1% to 20%
Above 20%
0.1% to 10%
84 Metro Areas
Source: Reis, Inc.
Compares Q2 2010 with Q2 2009
Market-Rate Complexes 40+ Units

Percentage Point Change
National Increase: 0.1

- 0 to 1
- 1.1 to 2
- Above 2
Metropolitan Area Apartments Percentage Point Decrease in Vacancy Rates

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

Percentage Point Change
National Increase: 0.1

-0.1 to -1.0
-1.1 to -2.0
-2.1 to -4.3
Metropolitan Area Apartments Decrease in Market Rents

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

Percentage Change
National Decline: 0.7%
-0.1% to -1.0%
-1.1% to -2.0%
-2.1% to -4.2%
Metropolitan Area Apartments Increased Market Rents

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

Percentage Change
National Decline: 0.7%

- 0% - 1%
- 2.1% - 3.1%
- 1.1% - 2%
MF Permit Activity
During 12 Months Ending

June-09

June-10
Percentage Change in MF Activity
12 Months Ending 6/09 to 6/10
Percentage Change in MF Building Permits
12 Months Ending June 2010

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

• **U.S. Housing Market Conditions Report 2Q 2010** available at [www.huduser.org](http://www.huduser.org)

• **Contact your local Regional or Field Economist**

• **Contact me at kevin.p.kane@hud.gov**