The Housing Market Recovery Continues To Show Improvement

Housing indicators for the third quarter of 2013 show the housing market continues to improve, although the recovery is still fragile and regional variation exists. Housing starts continued to show strong growth over the previous year for both single-family and multifamily units. Home sales rose for previously owned (existing) homes but fell for new homes, while inventories of homes available for sale remained at low levels for existing homes but rose for new homes. The seasonally adjusted (SA) Standard & Poor’s (S&P)/Case-Shiller® and the Federal Housing Finance Agency’s (FHFA) repeat-sales house price indices have shown home values increasing for the last seven quarters.

According to the Mortgage Bankers Association (MBA), the delinquency rate for all mortgage loans on one- to four-unit residential properties fell during the third quarter to its lowest level since mid-2008. The combined percentage of loans at least 90 days past due or in foreclosure was also at its lowest level in 5 years. RealtyTrac® data show that foreclosure starts continued to trend downward, with newly initiated foreclosures reaching their lowest level since 2005. The U.S. economy expanded at a seasonally adjusted annual rate (SAAR) of 3.6 percent in the third quarter following 2.5-percent growth in the second quarter, according to the Bureau of Economic Analysis’ second estimate. Growth in real residential investment slowed somewhat, increasing 13.0 percent in the third quarter compared with 14.2-percent growth in the second quarter, and contributed 0.38 percent to real GDP growth compared with 0.40 percent the previous quarter.

Housing Supply

Homebuilding activity was mixed in the third quarter. Construction starts on single-family homes totaled 595,700 (SAAR) in the third quarter of 2013 and were down less than 1 percent from the second quarter but up 9 percent from one year ago. Single-family housing starts were 1.4 million units when the housing bubble began in 2003. Multi-family housing starts rose to 273,000 (SAAR) in the third quarter, up 6 percent from the previous quarter and up 21 percent over the previous year but somewhat below the 308,000 starts recorded at the beginning of the bubble. The number of building permits in the third quarter indicates that starts may be leveling off. Permits for single-family homes were less than 1 percent below the second quarter but 16 percent above a year ago. Multifamily building permits were down 5 percent from the previous quarter but up 3 percent from last year.

Housing supply indicators remain below historical norms for existing homes but not for new homes. An increase in the listed inventory of new homes for sale to 190,000 units (SA) at the end of the third quarter, coupled with a slowing of sales, propelled the months’ supply of new homes for sale to 6.4 months—up from 4.3 months the previous quarter and 4.5 months one year ago. The listed inventory of existing homes for sale, at 2.17 million units, would support 4.9 months of sales at the current sales pace, down from 5.1 months in the previous quarter and 5.4 months one year ago. The historical average for months’ supply of homes on the market is 6.0 months. The “shadow inventory” of homes resulting from the high rate of delinquencies and foreclosures, which has the potential to increase the supply of homes for sale and depress home prices, has been a concern. This threat has been partially offset, however, by the purchase and conversion to rentals of previously distressed (foreclosure and short sale) single-family homes by investors.
Housing Demand

Sales continued to improve for existing homes but fell for new homes in the third quarter of 2013. Purchases of new single-family homes fell 17 percent, to 369,000 (SAAR), in the third quarter and were down 2 percent from the third quarter of 2012—reaching their lowest level since the second quarter of 2012. The National Association of REALTORS® (NAR) reported that existing homes—including single-family homes, townhomes, condominiums, and cooperatives—sold at a rate of 5.357 million (SAAR) in the third quarter, up 13 percent from the pace a year earlier and up 46 percent from their low in the third quarter of 2010, reaching their highest level since the first quarter of 2007. Sales of existing homes have been growing for the last nine consecutive quarters. Sales to first-time homebuyers, which historically have averaged 40 percent of home sales, accounted for 28 percent of all sales transactions in the third quarter, down from 32 percent a year ago, according to a NAR survey. Housing affordability peaked in the first quarter of 2012 at 209.8 and is beginning to slip—falling to its lowest level since the third quarter of 2009—as mortgage rates rise and home price increases outpace income growth. The NAR Composite Housing Affordability Index, at 161 for the third quarter, is still well above its historical norm of 128, however.

The upward momentum in home prices continued in the third quarter of 2013, according to the S&P/Case-Shiller® and FHFA purchase-only repeat-sales house price indices. The S&P/Case-Shiller® (SA) national and the FHFA (SA) purchase-only indices estimate an annual increase in home prices of 11.2 and 8.4 percent, respectively, over the four-quarter period ending in the third quarter of 2013. This is the seventh consecutive quarter that both indices reported increases in home prices over the previous quarter. The Case-Shiller® index shows that home values are now on par with prices in 2004, whereas the FHFA index shows prices up to 2005 levels. The FHFA index differs from the Case-Shiller® index, mainly because it is based on sales financed with mortgages that have been sold to or guaranteed by Fannie Mae and Freddie Mac, excludes sales transactions associated with subprime and some “jumbo” loans, and is transaction weighted rather than value weighted. According to NAR, distressed sales, which tend to sell at lower prices, accounted for 14 percent of all existing home sales in the third quarter, down from 23 percent one year ago; the share of investor purchases was 17 percent in the third quarter, the same as a year earlier.
The absorption rates for apartments and for condominiums and cooperatives increased in the third quarter, as the rental vacancy rate for multifamily units declined. Of new apartments completed in the second quarter of 2013, 67 percent were leased within the ensuing 3 months compared with 64 percent in the previous quarter and 67 percent in the previous year. Of newly completed condominiums and cooperatives in the second quarter, 84 percent sold within 3 months, up from 81 percent in the previous quarter and 66 percent over the four-quarter period.
Housing Finance and Investment

Data on housing finance continue to show progress across key indicators. The delinquency rate on mortgages of one- to four-unit residential properties declined during the third quarter of 2013—driven mainly by loans that are 30 days past due—and reached its lowest level since the second quarter of 2008, according to data from MBA’s quarterly National Delinquency Survey. The delinquency rate dropped 55 basis points from the previous quarter, to 6.41 percent (SAAR) of all loans outstanding, and is down 99 basis points from one year earlier. The 30-day delinquency rate fell by 40 basis points from the second quarter, to 2.79 percent, and remains close to its long-term average. The delinquency rate includes loans that are at least one payment past due but does not include loans in the process of foreclosure. The share of seriously delinquent loans (90 or more days past due or in the foreclosure process) fell by 23 basis points, to 5.65 percent, and is down 138 basis points from a year earlier. At 3.08 percent, the proportion of homes in foreclosure is down substantially from its peak of 4.64 percent in the fourth quarter of 2010. FHA loans, with 10.06 percent past due, saw delinquencies fall 97 basis points in the third quarter, reaching their lowest level since 2001.

RealtyTrac® reported that foreclosure starts—default notices or scheduled foreclosure auctions, depending on the state—were filed for the first time on 174,370 U.S. properties, down 13 percent from the second quarter and 39 percent from one year ago. As of the third quarter of 2013, newly initiated foreclosures have declined for five consecutive quarters. Lenders completed the foreclosure process (bank repossessions or REOs) on 119,490 U.S. properties, up 7 percent from the previous quarter but a decline of 24 percent from the previous year. With rising home prices and low inventory levels, lenders are now disposing of distressed properties more quickly—by either restructuring the loan or initiating the foreclosure process.

According to CoreLogic, the national share of mortgages that were under water fell to 14.5 percent in the second quarter of 2013 from 19.7 percent in the first quarter (the data are reported with a lag). Since the beginning of 2012, the number of underwater borrowers (those who owe more on their mortgage than the value of their home) has fallen 42 percent—from 12.108 million to 7.065 million—lifting more than 5.0 million homeowners above water. CoreLogic credits the decrease in underwater borrowers mainly...
to an improvement in home prices, which has also had the effect of increasing the equity homeowners have in their homes. The Federal Reserve reported homeowners’ equity (total property value less mortgage debt outstanding) was up nearly $570 billion in the second quarter of 2013, an increase of 6.5 percent over the previous quarter (the data are reported with a lag). Housing wealth has strengthened fairly rapidly since the end of 2011 and is up 50 percent, or $3.1 trillion, during this period.

![Mortgage Delinquency Rates and Loans in Foreclosure](image1)

Delinquent (DQ) loans do not include loans in foreclosure. All data are seasonally adjusted except data for loans in foreclosure.

Source: Mortgage Bankers Association.

![Homeowners’ Equity Shows Sharp Gains Since 2011](image2)

Data for underwater borrowers are only available beginning the 3rd quarter of 2009.

Sources: Federal Reserve Board and CoreLogic.
Homeownership and Housing Vacancy

The U.S. homeownership rate has begun to level off at its long-term historic norm of 65 percent. The national homeownership rate rose to 65.3 percent in third quarter of 2013 from 65.0 in the second quarter, but it is still lower than 65.5 percent a year earlier. The homeownership rate reached a peak of 69.2 percent in the fourth quarter of 2004. For White non-Hispanic households, the homeownership rate was unchanged from the second quarter at 73.3 percent; the homeownership rate for Black non-Hispanic households increased to 43.8 from 43.5 percent and for Hispanic households rose to 47.6 from 45.9 percent. Two other groups are included in the homeownership rate for minorities: other race--non-Hispanic and two or more races--non-Hispanic; the homeownership rate increased for the first group but fell for the second group. Compared with the early 2000s, the current relatively low homeownership rates reflect the subprime lending crisis and the high rates of unemployment and underemployment following the severe 2007–2009 recession. More recently, restrictive credit markets, low inventories of homes for sale, and a slippage in affordability have also had an impact on homeownership.
The overall rental vacancy rate rose slightly this quarter. According to the Census Bureau, the overall vacancy rate in the rental market rose to 8.3 percent in the third quarter from 8.2 percent in the second quarter but was down from 8.6 percent the previous year. The single-family rental vacancy rate loosened to 8.1 from 7.1 percent in the second quarter but was still down from 8.3 percent one year ago. The market for multifamily units (five or more units in a structure) tightened to 9.2 from 9.5 percent in the second quarter and 9.4 percent a year earlier.

As household formation begins to grow after stagnating during the Great Recession, demand for housing will strengthen. Household formation grew at a pace of 0.8 percent in 2012 after growing at an average rate of 0.5 percent during the recession. As of the third quarter of 2013, however, the number of households had grown at only a 0.4-percent annual rate this year.

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

### U.S. NATIONAL HOUSING INDICATORS

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<tr>
<th>Indicator</th>
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<tr>
<td><strong>HOUSING SUPPLY</strong></td>
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<td>Q3 2013</td>
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<td>Housing Permits (SAAR, thousands)</td>
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<tr>
<td>Total</td>
<td>951</td>
<td>969</td>
<td>862</td>
<td>− 1.9% (s)</td>
<td>10.3% (s)</td>
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<tr>
<td>Single-Family</td>
<td>617</td>
<td>620</td>
<td>533</td>
<td>− 0.4% (n)</td>
<td>15.8% (s)</td>
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</tr>
<tr>
<td>Multifamily (5+)</td>
<td>308</td>
<td>324</td>
<td>301</td>
<td>− 4.7% (s)</td>
<td>2.5% (s)</td>
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<tr>
<td>Housing Starts (SAAR, thousands)</td>
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<td></td>
<td></td>
<td></td>
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<td>Q3 2013</td>
</tr>
<tr>
<td>Total</td>
<td>882</td>
<td>869 (r)</td>
<td>781</td>
<td>1.6% (n)</td>
<td>12.9% (s)</td>
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<tr>
<td>Single-Family</td>
<td>596</td>
<td>598</td>
<td>547</td>
<td>− 0.4% (n)</td>
<td>9.0% (s)</td>
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<tr>
<td>Multifamily (5+)</td>
<td>273</td>
<td>258 (r)</td>
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<td>5.8% (n)</td>
<td>21.2% (s)</td>
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<td>Under Construction (SAAR, thousands)</td>
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<td>Total</td>
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<td>Single-Family</td>
<td>323</td>
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<td>3.2% (s)</td>
<td>19.2% (s)</td>
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<tr>
<td>Multifamily (5+)</td>
<td>327</td>
<td>305 (r)</td>
<td>232</td>
<td>7.2% (s)</td>
<td>40.9% (s)</td>
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<td>Housing Completions (SAAR, thousands)</td>
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<td>Q3 2013</td>
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<tr>
<td>Total</td>
<td>770</td>
<td>723</td>
<td>670</td>
<td>6.5% (n)</td>
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<td>Single-Family</td>
<td>571</td>
<td>542 (r)</td>
<td>491</td>
<td>5.4% (n)</td>
<td>16.2% (s)</td>
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<td>Multifamily (5+)</td>
<td>192</td>
<td>171 (r)</td>
<td>171</td>
<td>12.5% (n)</td>
<td>12.3% (n)</td>
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<tr>
<td>New Homes for Sale (SA)</td>
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<td>Q3 2013</td>
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<td>Inventory (thousands)</td>
<td>190</td>
<td>163 (r)</td>
<td>145</td>
<td>16.6% (s)</td>
<td>31.0% (s)</td>
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<tr>
<td>Months’ Supply (months)</td>
<td>6.4</td>
<td>4.3 (r)</td>
<td>4.5</td>
<td>48.8% (s)</td>
<td>42.2% (s)</td>
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<td>Existing Homes for Sale</td>
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<td>Q3 2013</td>
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<tr>
<td>Inventory (NSA, thousands)</td>
<td>2,170</td>
<td>2,153 (r)</td>
<td>2,160</td>
<td>0.8% (u)</td>
<td>0.5% (u)</td>
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<tr>
<td>Months’ Supply (months)</td>
<td>4.9</td>
<td>5.1 (r)</td>
<td>5.4</td>
<td>− 3.9% (u)</td>
<td>− 9.3% (u)</td>
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<tr>
<td>Manufactured Home Shipments (SAAR, thousands)</td>
<td>60.3</td>
<td>59.3 (r)</td>
<td>53.7</td>
<td>1.7% (u)</td>
<td>12.4% (u)</td>
<td>Q3 2013</td>
</tr>
</tbody>
</table>

SA = seasonally adjusted. NSA = not seasonally adjusted. SAAR = seasonally adjusted annual rate. (r) = revised. (s) = statistically significant. (n) = not statistically significant. (u) = statistical significance unavailable. FHFA = Federal Housing Finance Agency. ARM = adjustable-rate mortgage. DQ = delinquent. FC = foreclosure. FHA = Federal Housing Administration. VA = U.S. Department of Veterans Affairs. PMI = private mortgage insurance. GDP = Gross Domestic Product. URE = usual residence elsewhere.

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## U.S. NATIONAL HOUSING INDICATORS

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<thead>
<tr>
<th>Indicator</th>
<th>Current Quarter</th>
<th>Previous Quarter</th>
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<tbody>
<tr>
<td><strong>HOUSING DEMAND</strong></td>
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<td>Q3 2013</td>
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<tr>
<td><strong>Home Sales (SAAR)</strong></td>
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<tr>
<td>New Homes Sold (thousands)</td>
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<td>Q3 2013</td>
</tr>
<tr>
<td>Single-Family</td>
<td>369</td>
<td>442 (r)</td>
<td>376</td>
<td>−16.5% (s)</td>
<td>−1.9% (r)</td>
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<tr>
<td>Existing Homes Sold (thousands)</td>
<td>5,357</td>
<td>5,057</td>
<td>4,740</td>
<td>5.9% (u)</td>
<td>13.0% (u)</td>
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<tr>
<td>Single-Family, Townhomes, Condos, Co-ops</td>
<td>627</td>
<td>587</td>
<td>540</td>
<td>6.8% (u)</td>
<td>16.0% (u)</td>
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<tr>
<td>Condos and Co-ops</td>
<td>28</td>
<td>29</td>
<td>32</td>
<td>−1 (u)</td>
<td>−4 (u)</td>
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<td>First-Time Buyers (%)</td>
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<td>18</td>
<td>17</td>
<td>−1 (u)</td>
<td>0 (u)</td>
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<td><strong>Home Sales Prices</strong></td>
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<tr>
<td><strong>Median ($)</strong></td>
<td>256,700</td>
<td>268,100 (r)</td>
<td>248,800</td>
<td>−4.3% (u)</td>
<td>3.2% (u)</td>
<td>Q3 2013</td>
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<tr>
<td>New Homes</td>
<td>206,867</td>
<td>202,967</td>
<td>183,667</td>
<td>1.9% (u)</td>
<td>12.6% (u)</td>
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<tr>
<td><strong>Repeat-Sales Home Price Indices</strong></td>
<td>203.0</td>
<td>199.1</td>
<td>187.2</td>
<td>2.0% (u)</td>
<td>8.4% (u)</td>
<td>Q3 2013</td>
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<tr>
<td>FHFA (SA)</td>
<td>147.6</td>
<td>144.2</td>
<td>132.8</td>
<td>2.4% (u)</td>
<td>11.2% (u)</td>
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<td><strong>Housing Affordability</strong></td>
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<tr>
<td>Composite Index</td>
<td>161.0</td>
<td>178.3 (r)</td>
<td>191.7</td>
<td>−9.7% (u)</td>
<td>−16.0% (u)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Fixed Index</td>
<td>159.0</td>
<td>176.3 (r)</td>
<td>189.7</td>
<td>−9.8% (u)</td>
<td>−16.2% (u)</td>
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<tr>
<td>National Average Mortgage Interest Rate (%)</td>
<td>4.4</td>
<td>3.6</td>
<td>3.7</td>
<td>0.7 (u)</td>
<td>0.6 (u)</td>
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<tr>
<td>Median-Priced Existing Single-Family Home ($)</td>
<td>207,333</td>
<td>203,433 (r)</td>
<td>184,333</td>
<td>1.9% (u)</td>
<td>12.5% (u)</td>
<td>Q3 2013</td>
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<tr>
<td>Median Family Income ($)</td>
<td>63,823</td>
<td>63,508 (r)</td>
<td>62,566</td>
<td>0.5% (u)</td>
<td>2.0% (u)</td>
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<td><strong>Multifamily Housing</strong></td>
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<tr>
<td>Apartments</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Completed Previous Quarter (thousands)</td>
<td>29.8</td>
<td>24.5 (r)</td>
<td>27.1</td>
<td>21.4% (s)</td>
<td>9.8% (s)</td>
<td>Q2 2013</td>
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<tr>
<td>Leased Current Quarter (%)</td>
<td>67</td>
<td>64 (r)</td>
<td>67</td>
<td>3 (s)</td>
<td>0 (u)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Median Asking Rent ($)</td>
<td>1,228</td>
<td>1,236 (r)</td>
<td>1,033</td>
<td>−0.6% (u)</td>
<td>18.9% (u)</td>
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<tr>
<td>Condos and Co-ops</td>
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<td></td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Completed Previous Quarter (thousands)</td>
<td>3.1</td>
<td>1.6</td>
<td>1.1</td>
<td>100.1% (u)</td>
<td>189.2% (s)</td>
<td>Q2 2013</td>
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<tr>
<td>Sold Current Quarter (%)</td>
<td>84</td>
<td>81 (r)</td>
<td>66</td>
<td>3 (u)</td>
<td>18 (s)</td>
<td>Q3 2013</td>
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<tr>
<td>Median Asking Price ($)</td>
<td>319,500</td>
<td>324,200 (r)</td>
<td>364,300</td>
<td>−1.4% (u)</td>
<td>−12.3% (u)</td>
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<tr>
<td><strong>Manufactured Home Placements</strong> (sales at SAAR, thousands)</td>
<td>56.7</td>
<td>53.7</td>
<td>52.0</td>
<td>5.6% (s)</td>
<td>9.0% (s)</td>
<td>Q3 2013</td>
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<tr>
<td><strong>Builders’ Views of Market Activity</strong> (Composite Index)</td>
<td>57</td>
<td>45</td>
<td>37</td>
<td>25.7% (u)</td>
<td>52.7% (u)</td>
<td>Q3 2013</td>
</tr>
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<td>Q3 2013</td>
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<tr>
<td><strong>Mortgage Interest Rates (%)</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30-Year Fixed Rate</td>
<td>4.44</td>
<td>3.69</td>
<td>3.54</td>
<td>0.75 (u)</td>
<td>0.90 (u)</td>
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</tr>
<tr>
<td>15-Year Fixed Rate</td>
<td>3.48</td>
<td>2.85</td>
<td>2.83</td>
<td>0.63 (u)</td>
<td>0.65 (u)</td>
<td></td>
</tr>
<tr>
<td>1-Year ARM</td>
<td>2.66</td>
<td>2.59</td>
<td>2.65</td>
<td>0.07 (u)</td>
<td>0.01 (u)</td>
<td></td>
</tr>
<tr>
<td><strong>Mortgage Delinquency Rates (%)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Q3 2013</td>
</tr>
<tr>
<td>All Loans Past Due (SA)</td>
<td>6.41</td>
<td>6.96</td>
<td>7.40</td>
<td>– 0.55 (u)</td>
<td>– 0.99 (u)</td>
<td></td>
</tr>
<tr>
<td>Loans 90+ Days Past Due (SA)</td>
<td>2.56</td>
<td>2.65</td>
<td>2.96</td>
<td>– 0.09 (u)</td>
<td>– 0.40 (u)</td>
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</tr>
<tr>
<td>Seriously Delinquent (90+ Days &amp; in FC, NSA)</td>
<td>5.65</td>
<td>5.88</td>
<td>7.03</td>
<td>– 0.23 (u)</td>
<td>– 1.38 (u)</td>
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</tr>
<tr>
<td><strong>FHA Market Share</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Dollar Volume (%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Loans</td>
<td>12.2</td>
<td>12.6</td>
<td>13.3</td>
<td>– 0.4 (u)</td>
<td>– 1.1 (u)</td>
<td></td>
</tr>
<tr>
<td>Purchase</td>
<td>17.2</td>
<td>19.0</td>
<td>27.1</td>
<td>– 1.8 (u)</td>
<td>– 9.9 (u)</td>
<td></td>
</tr>
<tr>
<td>Refinance</td>
<td>7.7</td>
<td>9.2</td>
<td>8.1</td>
<td>– 1.5 (u)</td>
<td>– 0.4 (u)</td>
<td></td>
</tr>
<tr>
<td>Loan Count (%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Loans</td>
<td>15.8</td>
<td>14.5</td>
<td>16.0</td>
<td>1.3 (u)</td>
<td>– 0.3 (u)</td>
<td></td>
</tr>
<tr>
<td>Purchase</td>
<td>23.5</td>
<td>24.2</td>
<td>32.2</td>
<td>– 0.6 (u)</td>
<td>– 8.6 (u)</td>
<td></td>
</tr>
<tr>
<td>Refinance</td>
<td>9.3</td>
<td>10.0</td>
<td>9.4</td>
<td>– 0.8 (u)</td>
<td>– 0.2 (u)</td>
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</tr>
<tr>
<td><strong>FHA Mortgage Insurance</strong> (thousands)**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Applications Received</td>
<td>289.0</td>
<td>394.4</td>
<td>480.8</td>
<td>– 26.7% (u)</td>
<td>– 39.9% (u)</td>
<td></td>
</tr>
<tr>
<td>Endorsements</td>
<td>285.0</td>
<td>356.4</td>
<td>334.4</td>
<td>– 20.0% (u)</td>
<td>– 14.8% (u)</td>
<td></td>
</tr>
<tr>
<td>Purchase</td>
<td>185.8</td>
<td>181.3</td>
<td>198.0</td>
<td>2.5% (u)</td>
<td>– 6.1% (u)</td>
<td></td>
</tr>
<tr>
<td>Refinance</td>
<td>99.2</td>
<td>175.1</td>
<td>136.5</td>
<td>– 43.4% (u)</td>
<td>– 27.3% (u)</td>
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</tr>
<tr>
<td><strong>Private and VA Mortgage Insurance</strong> (thousands)**</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>Q3 2013</td>
</tr>
<tr>
<td>PMI Certificates</td>
<td>134.1</td>
<td>148.6</td>
<td>120.7</td>
<td>– 9.7% (u)</td>
<td>11.1% (u)</td>
<td></td>
</tr>
<tr>
<td>Veterans Affairs Guarantees</td>
<td>146.6</td>
<td>166.2</td>
<td>146.8</td>
<td>– 11.8% (u)</td>
<td>– 0.1% (u)</td>
<td></td>
</tr>
<tr>
<td><strong>Residential Fixed Investment</strong> (SA real annual growth rate, %)</td>
<td>13.0</td>
<td>14.2</td>
<td>14.1</td>
<td>– 1.2 (u)</td>
<td>– 1.1 (u)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>GDP (SA real annual growth rate, %)</td>
<td>3.6</td>
<td>2.5</td>
<td>2.8</td>
<td>1.1 (u)</td>
<td>0.8 (u)</td>
<td></td>
</tr>
<tr>
<td>Housing’s Contribution to Real GDP Growth</td>
<td>0.38</td>
<td>0.40</td>
<td>0.35</td>
<td>– 0.02 (u)</td>
<td>0.03 (u)</td>
<td></td>
</tr>
</tbody>
</table>

SA = seasonally adjusted. NSA = not seasonally adjusted. SAAR = seasonally adjusted annual rate. (r) = revised. (s) = statistically significant. (n) = not statistically significant. (u) = statistical significance unavailable. FHFA = Federal Housing Finance Agency. ARM = adjustable-rate mortgage. DQ = delinquent. FC = foreclosure. FHA = Federal Housing Administration. VA = U.S. Department of Veterans Affairs. PMI = private mortgage insurance. GDP = Gross Domestic Product. URE = usual residence elsewhere.

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

1 FHA market share estimates have been revised from Q1 2011 to Q4 2012 based on new methodology and estimates for Q1 through Q3 2013 are reported for the first time. See the Q3 2013 FHA Market Share report on the FHA Market Share website for an explanation of the new methodology: http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mra/oe/rpts/thankst/thanktqtrly.

2 FHA mortgage applications and endorsements data have been revised to exclude Home Equity Conversion Mortgages (HECM) beginning with the Q3 2013 release.
# U.S. NATIONAL HOUSING INDICATORS

**Note:** Change From Prior Period May Be Shown As a Percent Change or Percentage-Point Change

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Current Quarter</th>
<th>Previous Quarter</th>
<th>Year-Ago Quarter</th>
<th>Change From Previous Quarter</th>
<th>Change From Year-Ago Quarter</th>
<th>Current Quarter as-of Date</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HOMEOWNERSHIP and OCCUPANCY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Q3 2013</td>
</tr>
<tr>
<td><strong>Homeownership Rates (%)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Overall</td>
<td>65.3</td>
<td>65.0</td>
<td>65.5</td>
<td>0.3 (n)</td>
<td>−0.2 (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Non-Hispanic</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Q3 2013</td>
</tr>
<tr>
<td>White</td>
<td>73.3</td>
<td>73.3</td>
<td>73.6</td>
<td>0.0 (n)</td>
<td>−0.3 (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Black</td>
<td>43.8</td>
<td>43.5</td>
<td>44.8</td>
<td>0.3 (n)</td>
<td>−1.0 (s)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Other Race</td>
<td>58.2</td>
<td>56.2</td>
<td>56.3</td>
<td>2.0 (s)</td>
<td>1.9 (s)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Two or More Races</td>
<td>51.3</td>
<td>54.5</td>
<td>53.3</td>
<td>−3.2 (s)</td>
<td>−2.0 (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Hispanic</td>
<td>47.6</td>
<td>45.9</td>
<td>46.7</td>
<td>1.7 (s)</td>
<td>0.9 (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td><strong>Vacancy Rates (%)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Homeowner</td>
<td>1.9</td>
<td>1.9</td>
<td>1.9</td>
<td>0.0 (n)</td>
<td>0.0 (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Rental</td>
<td>8.3</td>
<td>8.2</td>
<td>8.6</td>
<td>0.1 (n)</td>
<td>−0.3 (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Single-Family</td>
<td>8.1</td>
<td>7.1</td>
<td>8.3</td>
<td>1.0 (s)</td>
<td>−0.2 (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Multifamily (5+)</td>
<td>9.2</td>
<td>9.5</td>
<td>9.4</td>
<td>−0.3 (n)</td>
<td>−0.2 (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td><strong>Housing Stock (thousands)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Q3 2013</td>
</tr>
<tr>
<td>All Housing Units</td>
<td>132,845</td>
<td>132,754</td>
<td>132,482</td>
<td>0.1% (u)</td>
<td>0.3% (u)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Owner-Occupied</td>
<td>74,901</td>
<td>74,543</td>
<td>74,878</td>
<td>0.5% (n)</td>
<td>0.0% (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Renter-Occupied</td>
<td>39,866</td>
<td>40,134</td>
<td>39,507</td>
<td>−0.7% (n)</td>
<td>0.9% (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Vacant</td>
<td>18,077</td>
<td>18,077</td>
<td>18,095</td>
<td>0.0% (n)</td>
<td>−0.1% (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Year-Round Vacant</td>
<td>13,603</td>
<td>13,701</td>
<td>13,548</td>
<td>−0.7% (n)</td>
<td>0.4% (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>For Rent</td>
<td>3,674</td>
<td>3,614</td>
<td>3,798</td>
<td>1.7% (n)</td>
<td>−3.3% (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>For Sale</td>
<td>1,469</td>
<td>1,460</td>
<td>1,471</td>
<td>0.6% (n)</td>
<td>−0.1% (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Rented or Sold, Awaiting Occupancy</td>
<td>1,185</td>
<td>1,151</td>
<td>1,106</td>
<td>3.0% (n)</td>
<td>7.1% (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Held Off Market</td>
<td>7,275</td>
<td>7,476</td>
<td>7,169</td>
<td>−2.7% (n)</td>
<td>1.5% (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Occasional Use</td>
<td>2,400</td>
<td>2,449</td>
<td>2,265</td>
<td>−2.0% (n)</td>
<td>6.0% (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Occupied—URE</td>
<td>1,200</td>
<td>1,255</td>
<td>1,108</td>
<td>−4.4% (n)</td>
<td>8.3% (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Other</td>
<td>3,675</td>
<td>3,773</td>
<td>3,798</td>
<td>−2.6% (n)</td>
<td>−3.2% (n)</td>
<td>Q3 2013</td>
</tr>
<tr>
<td>Seasonal Vacant</td>
<td>4,474</td>
<td>4,376</td>
<td>4,547</td>
<td>2.2% (n)</td>
<td>−1.6% (n)</td>
<td>Q3 2013</td>
</tr>
</tbody>
</table>

| **Households (thousands)**       |                 |                  |                  |                               |                             | Q3 2013                   |
| Total                            | 114,767         | 114,677          | 114,387          | 0.1% (n)                      | 0.3% (s)                    | Q3 2013                   |

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