



U.S. Housing Market Conditions

August 2010

SUMMARY

Housing market conditions continued to show signs of stabilizing during the second quarter of 2010, after a downward trend that began to reverse itself in the second quarter of 2009, although the housing market's recovery remains fragile. In the production sector, single-family housing permits and starts both fell in the second quarter of 2010, although the number of single-family housing completions rose. In the marketing sector, sales of existing homes rose, but sales fell for new homes. The Standard and Poor's Case-Shiller® national seasonally adjusted (SA) repeat-sales house-price index recorded a 1.3-percent decline in the value of homes in the first quarter of 2010 compared with the fourth quarter of 2009 but showed a 2.1-percent improvement over the first quarter of 2009. The less volatile Federal Housing Finance Agency (FHFA) purchase-only repeat-sales index estimated a 1.9-percent (SA) decline in home values in the first quarter compared with the fourth quarter and a 3.1-percent decline from the previous year (the data for both series are reported with a lag). Inventories of available homes at the current sales rate increased in the second quarter of 2010, reaching an average rate of 7.8 months' supply of new homes and 8.5 months' supply of existing homes up from 7.7 and 8.1 months' supply, respectively, in the first quarter. The multifamily sector showed improvement in the second quarter.

The national homeownership rate fell 20 basis points to 66.9 percent in the second quarter of 2010. According to the Mortgage Bankers Association (MBA), the estimated percentage of delinquencies and newly initiated foreclosures for mortgage loans rose in the first quarter of 2010 (the data are reported with a lag). The percentage of foreclosure starts on subprime loans continued to decline, but the percentage on prime loans increased. The advance estimate of overall growth in the national economy in the second quarter was a 2.4-percent increase at a seasonally adjusted annual rate (SAAR), following a 3.7-percent expansion in the first quarter, according to the Bureau of Economic Analysis. The housing sector component of Gross Domestic Product (GDP) increased 27.9 percent in the second quarter in contrast to a decrease of 12.3 percent in the previous quarter.

Housing Production

Housing production indicators were mixed in the second quarter of 2010. The number of single-family housing permits and starts both declined, but the number of housing completions increased. Multifamily (condominiums and apartments) permits, starts, and completions all increased during the second quarter. Manufactured housing shipments were up for the second consecutive quarter following a long downward trend that began after the hurricane-induced sales-order increases of late 2005. Manufactured housing placements, however, were down from the previous quarter.

- During the second quarter of 2010, builders took out permits for new housing at a pace of 589,000 (SAAR) units, which was 10 percent below the first quarter of 2010 but 6 percent higher than the pace for the second quarter of 2009. Single-family building permits were issued for 448,000 (SAAR) housing units, indicating a decrease of 15 percent from the first quarter but an increase of 6 percent from the second quarter of the previous year. Single-family permits have increased in 4 of the past 5 quarters, after having declined for 14 consecutive quarters.

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- Builders started construction on 602,000 (SAAR) new housing units in the second quarter, down 2 percent from the first quarter but up 12 percent from a year earlier. Single-family housing starts totaled 491,000 (SAAR) housing units in the second quarter, down 6 percent from the first quarter but up 16 percent from a year earlier. Single-family starts have risen in 2 of the past 4 quarters, after having fallen for 12 consecutive quarters.
- Builders completed 778,000 (SAAR) new housing units in the second quarter, up 18 percent from the first quarter but down 5 percent from a year earlier. Single-family home completions totaled 582,000 (SAAR) units in the second quarter, up 26 percent from the first quarter and 14 percent from a year earlier. Completions have increased in 3 of the past 4 quarters, after having declined for 14 consecutive quarters.
- Manufactured housing shipments totaled 56,300 (SAAR) units in the second quarter, up 8 percent from the first quarter and 16 percent from the second quarter of the previous year. Onsite placements of manufactured housing reached 45,000 units in the first quarter, down 18 percent from both the previous quarter and a year earlier.

Marketing of Housing

Trends in the housing marketing sector were mixed in the second quarter of 2010. The number and median sales price of existing homes sold rose but fell for new homes sold. The FHFA and S&P Case-Shiller® repeat sales house price indexes, which are reported with a lag, estimated that house prices were down in the first quarter of 2010 compared with the previous quarter. The average months' supply of homes for sale in the second quarter increased for both new and existing homes. Home builders' confidence, as measured by the National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index, increased slightly from the previous quarter.

- During the second quarter of 2010, 340,000 (SAAR) new single-family homes were sold, down 6 percent from the 360,000 (SAAR) homes sold in the first quarter and down 8 percent from the second quarter of 2009.
- The NATIONAL ASSOCIATION OF REALTORS® (NAR) reported that 5.607 million (SAAR) existing homes—including single-family, townhomes, condominiums, and co-operatives—were sold in the second quarter, up 9 percent from the first quarter and 17 percent from the second quarter of the previous year. According to a NAR practitio-

ner survey, sales to new homebuyers accounted for 46 percent of all home sales transactions in the second quarter, up from 42 percent in the first quarter.

- The median price of new homes sold in the second quarter was \$210,200, down 6 percent from the first quarter and 5 percent from the second quarter of the previous year. The average price of new homes sold in the second quarter was \$261,800, down 5 percent from the first quarter and 4 percent from a year earlier. A constant-quality house would have sold for \$278,000 in the second quarter, down 1 percent from the first quarter and 3 percent from a year earlier.
- NAR reported that the median price of existing homes sold was \$176,900 in the second quarter, up 6 percent from the first quarter and 1 percent from the second quarter of the previous year. The average price of existing homes sold in the second quarter was \$223,000, up 5 percent from the first quarter and 2 percent from a year earlier. According to a NAR practitioner survey, distressed sales (foreclosures and short sales) represented 32 percent of all home sales in the second quarter, down from 36 percent in the first quarter. Distressed sales prices are typically 15 to 20 percent below normal market prices.
- S&P/Case-Shiller® and the Federal Housing Finance Agency (FHFA) both produce repeat-sales house price indexes that are reported with a 2-month lag. The Case-Shiller® national index estimated that (SA) home prices in the first quarter of 2010 were down 1.3 percent from the previous quarter but up 2.1 percent from a year earlier. The FHFA purchase-only index estimated that (SA) home prices in the first quarter were down 1.9 percent from the previous quarter and were down 3.1 percent from a year earlier. The FHFA index is based on mortgages that have been sold to or guaranteed by Fannie Mae and Freddie Mac and tends to show less volatility than the S&P Case-Shiller® index, mainly because it excludes subprime and some "jumbo" loans and because the index is loan weighted instead of value weighted.
- During the second quarter of 2010, the average inventory of new homes for sale was 213,000 units, down 8 percent from the first quarter and 27 percent from second quarter of the previous year. That inventory would support 7.8 months of sales at the current sales pace, up 0.1 month from the first quarter but down 1.7 months from a year earlier. The average inventory of existing homes for sale in the second quarter was 3.971 million units, up 14 percent from the first quarter and 3 percent from the second quarter of the previous year. That inventory



would support 8.5 months of sales at the current sales pace, up 0.4 months from the first quarter but down 1.2 months from a year earlier. Of concern is 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 further depress home prices.

- The Federal Housing Administration’s (FHA) share of the mortgage market decreased in the first quarter of 2010 for all loans but increased for home purchase loans (the data are reported with a lag). Based on loan origination data, the FHA’s dollar volume share of the mortgage market was 15.6 percent in the first quarter, down 0.9 percentage point from the fourth quarter of 2009 and down 3.4 percentage points from the first quarter of 2009. For home purchase loans, the FHA’s dollar volume share was 28.0 percent in the first quarter, up 0.4 percentage point from the fourth quarter and up 3.1 percentage points from the first quarter of 2009. Based on the number of loans originated, the FHA’s share of the mortgage market was 18.6 percent in the first quarter, down 1.1 percentage points from the fourth quarter and 3.6 percentage points from a year earlier. For home purchase loans, the FHA’s share of new mortgage loans was 32.7 percent in the first quarter, up 0.7 percentage point from the fourth quarter and 3.6 percentage points from a year earlier.
- Home builders’ optimism, although still very low, increased in the second quarter of 2010. The NAHB/Wells Fargo composite Housing Market Index was 19 in the second quarter, up 3 points from the first quarter and up 4 points from the second quarter of 2009. The index for expected future sales was down slightly, however, to 25 from 26 points. The index is based on three components—current market activity, future sales expectations, and prospective buyer traffic—and ranges from 0 to 100.

Affordability, Homeownership, and Foreclosures

Housing affordability remains high despite a decline in the second quarter of 2010, as measured by the NAR Housing Affordability Index. The NAR composite index indicates that a family earning the median income had 164.6 percent of the income needed to purchase a median-priced, existing single-family home, using standard lending guidelines. That value is down 6 percent from the first quarter and 5 percent from the second quarter of 2009. The decrease in affordability is attributed to a 7-percent increase in the median price of existing single-family homes sold, which offset a 2-basis-point decrease in mortgage interest rates.

Median family income in the second quarter remained the same as in the previous quarter.

Estimates from MBA’s Quarterly National Delinquency Survey indicate that both the delinquency rate and the rate of loans entering foreclosure for mortgages on 1- to 4-family homes increased during the first quarter of 2010 (the data are reported with a lag). The delinquency rate increased for both prime and subprime loans but decreased for FHA loans. The percentage of newly initiated foreclosures (foreclosure starts) continued to decrease for subprime loans but increased for prime loans. The percentage of mortgage holders seriously delinquent on their mortgages (90 or more days past due or in the foreclosure process) fell in the first quarter for the first time since the third quarter of 2006.

The delinquency rate (SA) for all mortgage loans in the first quarter of 2010 was 10.06 percent, according to the Mortgage Bankers Association, up from 9.47 percent in the fourth quarter of 2009 but down from 9.12 percent a year earlier. The delinquency rate (SA) for prime mortgages was 7.32 percent in the first quarter, up from 6.73 percent in the fourth quarter and 6.06 percent a year earlier. The delinquency rate (SA) for subprime mortgage loans was 27.21 percent in the first quarter, up from 25.26 percent in the fourth quarter and 24.95 percent a year earlier. For FHA loans in the MBA survey, the delinquency rate (SA) was 13.15 percent in the first quarter, down from 13.57 percent in the fourth quarter and 13.84 percent in the first quarter of 2009.

Newly initiated foreclosures represented 1.23 percent of all mortgage loans in the first quarter, up from 1.20 percent in the fourth quarter but down from 1.37 percent a year earlier. Foreclosures started on prime loans reached 0.92 percent in the first quarter, up from 0.86 percent in the fourth quarter but down from 0.94 percent in the first quarter of 2009. Foreclosures started on subprime loans fell for the fourth consecutive quarter to 3.35 percent in the first quarter, down from 3.66 percent in the fourth quarter and 4.65 percent a year earlier. Not all newly initiated foreclosures end in foreclosure completions. The lag between a foreclosure start and a completed foreclosure ranges between 2 and 15 months, with an average lag period of about 6 months. Approximately 41 percent of foreclosures initiated in the third quarter of 2009 were completed in the first quarter of 2010.

The national homeownership rate was 66.9 percent in the second quarter of 2010, down from 67.1 percent in the first quarter and 67.4 percent in the second quarter of 2009. The homeownership rate for minority households decreased to 49.0 percent in the second quarter, down from 49.5 percent in the first quarter and 49.7 percent a year earlier. The decline in homeownership reflects the subprime lending crisis, the

high rates of unemployment, and the recent severe recession. Servicer emphasis on home retention actions, including those actions under the Making Home Affordable Program, are helping to keep the number of newly initiated and completed foreclosures down, despite rising delinquencies. These programs cannot help all delinquent borrowers, however. In this regard, servicers have indicated that completed foreclosures are likely to increase as alternatives for seriously delinquent borrowers are exhausted.

Multifamily Housing

Performance in the multifamily housing sector (five or more units) improved in the second quarter of 2010. In the production sector, the number of building permits, starts, and completions all rose. The absorption rate for multifamily units was up in the second quarter, but the rental vacancy rate increased slightly.

- In the second quarter of 2010, builders took out permits for 123,000 (SAAR) new multifamily units, up 12 percent from the first quarter and 10 percent from the second quarter of 2009.
- Builders started construction on 100,000 (SAAR) new multifamily units in the second quarter, up 22 percent from 82,000 units in the first quarter but down 3 percent from 104,000 units a year earlier.

- Builders completed 188,000 (SAAR) multifamily units in the second quarter, up 2 percent from the first quarter but down 36 percent from a year earlier.
- Market absorption of new multifamily units increased in the second quarter of 2010. Of the total number of new apartments completed in the first quarter, 56 percent were leased in the first 3 months after completion. This rate of market absorption is 5 percentage points higher than in the first quarter and 3 percentage points higher than in the second quarter of 2009. The absorption rate of new condos and co-ops completed in the first quarter of 2010 was 42 percent, up 10 percentage points from the fourth quarter of 2009 but the same as the first quarter of 2009.
- The multifamily rental vacancy rate in the second quarter of 2010 was 12.2 percent, up from 12.1 percent in both the first quarter of 2010 and the second quarter of 2009. In comparison, the rental vacancy rate for single-family units was 9.4 percent in the second quarter, down from 9.7 percent in the first quarter and down from 9.9 percent in the second quarter of 2009.



HOUSING IN AMERICA: 2009 AMERICAN HOUSING SURVEY RESULTS

The national American Housing Survey (AHS) is conducted by the Census Bureau every odd-numbered year. To measure local conditions, surveys for selected metropolitan areas are conducted every 4 to 6 years. The AHS has been a joint effort of the U.S. Department of Housing and Urban Development (HUD) and the Census Bureau since 1973. The AHS is a representative sample of housing units in the United States and includes data on renters and homeowners, single-family homes, apartments, size of housing units, household compositions and incomes, housing conditions and structural characteristics, neighborhood quality, financing and housing costs, monthly housing expenses, and the overall availability of affordable housing. Although another Census Bureau survey, the American Community Survey (ACS), is conducted more frequently and has a larger sample size, the AHS contains much more detail on housing conditions. A distinctive and important feature of the AHS is its longitudinal design: the AHS visits the same housing units each time, chronicling the history of U.S. housing. Since 1985, the Census Bureau conducts the national survey through personal visits to or telephone interviews with a fixed sample of 50,000 housing units every 2 years, plus some newly constructed housing units each survey year to ensure that the sample represents all housing in the United States. The 2009 AHS contains more than 73,000 housing units and includes enhanced data for five metropolitan areas: Chicago, Detroit, Philadelphia, New York, and Northern New Jersey. The new AHS also includes two independent metropolitan surveys of New Orleans and Seattle; and each metropolitan survey generally involves interviews or visits with at least 3,000 housing units every 6 years.

In June 2010, HUD and the Census Bureau released the results of the 2009 national AHS in microdata form. The tabular report for 2009 will be available by the end of September 2010. These data are the basis for this article, which presents selected results from the 2009 survey describing the housing of U.S. families. Because the AHS is a sample, the estimates are subject to sampling and nonsampling variability. This article also explains the many ways to access this rich data source.

Selected Housing and Family Information From the 2009 National AHS

The U.S. housing stock consists of more than 130 million housing units, of which approximately 18 million are vacant or for seasonal use. According to 2009 AHS data, U.S. families are homeowners by a ratio of 2 to 1. These homeowners generally live in single-family housing; occupy fairly new homes; live in suburbs of metropolitan areas; and live in homes that have between four and six rooms, three or more bedrooms, and one or more complete bathrooms. These housing units have few deficiencies. Households pay approximately 23 percent of their incomes toward housing costs.

Table 1 shows the composition of the U.S. housing stock. The survey estimates that the U.S. housing stock included 130,112,000 units in 2009, up 1.5 percent from the 128,203,000 units estimated in the 2007 AHS. Of these units in 2009, almost all (96.5 percent) were used year round, and 10.5 percent were vacant. Of the 111,861,000 occupied units, 68.4 percent were owner occupied. This homeownership rate is a slight increase from the 68.3-percent rate recorded in the 2007 AHS.

Table 1. Composition of the Housing Stock

Housing Type	Units	%
All	130,112,000	100.0
Year Round	125,511,000	96.5
Total Occupied	111,861,000	86.0
Owner Occupied	76,465,000	58.8
Renter Occupied	35,396,000	27.2
Vacant	13,650,000	10.5
Seasonal	4,601,000	3.5

Table 2 shows that the predominant type of housing in the United States is the single-family unit, which accounts for 75.6 percent of the nation's housing stock. The most popular single-family units are detached units, which account for 82.5 million housing units (63.4 percent of the stock), followed by manufactured (mobile) homes (8.7 million housing units, or 6.7 percent of the stock) and attached units (7.0 million housing units, or 5.4 percent of the stock).

Approximately 32.0 million housing units, or 24.4 percent of the total housing stock, are located in multifamily buildings. The most prevalent multifamily housing size category is the two- to four-unit building, which accounts for approximately one-third of all multifamily units. Approximately 5 million housing units are in the largest (50 or more units) multifamily structures, representing about 16 percent of the multifamily housing stock.

Table 2. Housing Stock by Type

Type of Housing Unit	Units	%
Single-family detached	82,516,000	63.4
Single-family attached	7,049,000	5.4
Multifamily	31,789,000	24.4
2–4 units	10,089,000	7.8
5–9 units	6,292,000	4.8
10–19 units	5,723,000	4.4
20–49 units	4,509,000	3.5
50 or more units	5,176,000	4.0
Manufactured (mobile)	8,737,000	6.7

As Table 3 demonstrates, U.S. housing stock is fairly new. Approximately 37.3 percent of the units have been built since 1980, and the median construction date is 1974. This median means that one-half of the housing units are less than 35 years old. Houses are also durable: 9.2 million units (7.1 percent of all housing units) were built in 1919 or earlier and are more than 90 years old.

Table 3. Year Structure Built

Year Built	Units	%
2005–09	7,319,000	5.6
2000–04	9,160,000	7.0
1995–99	8,821,000	6.8
1990–94	7,064,000	5.4
1985–89	8,801,000	6.8
1980–84	7,479,000	5.7
1975–79	13,747,000	10.6
1970–74	11,054,000	8.5
1960–69	15,270,000	11.7
1950–59	13,230,000	10.2
1940–49	7,942,000	6.1
1930–39	5,828,000	4.5
1920–29	5,164,000	4.0
Pre-1919	9,234,000	7.1

Table 4 shows that housing is generally located in metropolitan areas (98.5 million units, or 75.7 percent of the stock), and approximately three-fifths of these 98.5 million units are located in suburban areas just outside central cities. Housing units located outside metropolitan areas account for about one-fourth (24.3 percent) of the U.S. housing stock. Since 2007, the proportion of units in nonmetropolitan areas has decreased by 4.4 percentage points, although the relative shares of central city and suburban areas have remained relatively stable.

Regionally, the South has the greatest number of housing units: 49.4 million, or 37.9 percent of the total U.S. housing stock. The Northeast has the fewest, with

23.3 million units, or 17.9 percent. Although these percentages have changed little from the 2007 AHS, they show a decrease in the Midwest of 0.2 percentage point, an increase in the South of 0.2 percentage point, and almost no change in the Northeast and the West.

Table 4. Location

Location	Units	%
Metropolitan	98,450,000	75.7
Inside central cities	37,247,000	28.6
Suburban	61,203,000	47.0
Outside metropolitan areas	31,661,000	24.3
Northeast region	23,316,000	17.9
Midwest region	29,403,000	22.6
South region	49,372,000	37.9
West region	28,021,000	21.5

Table 5 shows the distribution of housing units by number of rooms per housing unit. Housing units with between four and six rooms make up 62.1 percent of the housing stock. Since 2007, the proportion of units with seven or more rooms has remained unchanged.

Table 5. Number of Rooms

Rooms	Units	%
1	580,000	0.5
2	1,417,000	1.1
3	11,284,000	8.7
4	23,005,000	17.7
5	29,889,000	23.0
6	27,494,000	21.1
7	17,893,000	13.8
8	10,625,000	8.2
9	4,624,000	3.6
10 or more	3,300,000	2.5

Nearly 80 million U.S. homes (61.2 percent) have three or more bedrooms. Housing units containing three bedrooms are the most popular and account for 53.8 million (41.3 percent) of U.S. housing stock units. (See Table 6.) Approximately 1.3 million housing

Table 6. Number of Bedrooms

Bedrooms	Units	%
0	1,266,000	1.0
1	14,679,000	11.3
2	34,489,000	26.5
3	53,757,000	41.3
4 or more	25,921,000	19.9



units (1.0 percent) do not have a separate bedroom. Since 2007, the proportion of units with one or two bedrooms has declined by about 0.6 percentage point in favor of units with three or more bedrooms. Virtually all housing units (98.7 percent) have one or more bathrooms; only 1.7 million housing units report having no bathroom. Almost 47 million housing units have one complete bathroom and nearly 64 million have two or more bathrooms—an increase of almost 3 million multibathroom units, compared with the estimates from the 2007 AHS. (See Table 7.)

Table 7. Number of Bathrooms

Bathrooms	Units	%
None	1,676,000	1.3
1	46,936,000	36.1
1.5	17,241,000	13.3
2 or more	64,258,000	49.4

U.S. housing stock units—especially owner-occupied units—have few deficiencies. Table 8 shows the incidence of selected deficiencies for all occupied housing units and then distinguishes between owner- and renter-occupied housing units. Of the approximately 112 million occupied units in the United States, about 1.1 million have holes in the floors; the incidence is lower for owner-occupied units (0.8 percent) than for renter-occupied units (1.6 percent). Open cracks or holes in interior walls are more prevalent—5.5 million occupied units reported this deficiency—and the incidence for renters (6.8 percent) is higher than that of owners (4.1 percent). Only 82,000 housing units reported that they have no electrical wiring, but 358,000 housing units reported that their wiring is exposed. The lack of electrical outlets in one or more rooms occurs in 1.3 million homes.

Table 9 shows the distribution of monthly housing costs by tenure. Housing costs for renters include contract rent, property insurance, and utilities; housing costs for owners include mortgage (or installment loan)

Table 8. Selected Housing Deficiencies (Occupied Units)

Deficiency	All		Owner Occupied		Renter Occupied	
	Units	%	Units	%	Units	%
Holes in floors	1,137,000	1.0	579,000	0.8	559,000	1.6
Open cracks or holes (interior)	5,525,000	4.9	3,103,000	4.1	2,421,000	6.8
Broken plaster or peeling paint (interior)	2,386,000	2.1	1,251,000	1.6	1,135,000	3.2
No electrical wiring	82,000	0.1	56,000	0.1	26,000	0.1
Exposed wiring	358,000	0.3	222,000	0.3	136,000	0.4
Rooms without electrical outlets	1,283,000	1.1	653,000	0.9	629,000	1.8

Table 9. Monthly Housing Costs (Occupied Housing Units)

Cost Range	All		Owner Occupied		Renter Occupied	
	Units	%	Units	%	Units	%
All	111,861,000	100.0	76,465,000	100.0	35,396,000	100.0
No cash rent	1,754,000	1.6	NA	NA	1,754,000	5.0
Less than \$100	626,000	0.6	367,000	0.5	259,000	0.7
\$100–199	2,531,000	2.3	1,786,000	2.3	744,000	2.1
\$200–249	2,704,000	2.4	1,944,000	2.5	760,000	2.1
\$250–299	3,219,000	2.9	2,563,000	3.4	656,000	1.9
\$300–349	3,296,000	2.9	2,716,000	3.6	579,000	1.6
\$350–399	3,523,000	3.1	2,736,000	3.6	787,000	2.2
\$400–449	3,843,000	3.4	2,832,000	3.7	1,011,000	2.9
\$450–499	3,588,000	3.2	2,462,000	3.2	1,126,000	3.2
\$500–599	7,359,000	6.6	4,337,000	5.7	3,023,000	8.5
\$600–699	7,754,000	6.9	3,939,000	5.2	3,816,000	10.8
\$700–799	7,403,000	6.6	3,682,000	4.8	3,721,000	10.5
\$800–999	13,094,000	11.7	6,971,000	9.1	6,124,000	17.3
\$1,000–1,249	13,195,000	11.8	8,392,000	11.0	4,803,000	13.6
\$1,250–1,499	9,742,000	8.7	7,065,000	9.2	2,677,000	7.6
\$1,500+	28,231,000	25.2	24,674,000	32.3	3,557,000	10.0

NA = Not applicable.

payments, property insurance, real estate taxes, fees (association, condominium, or cooperative), park fees for manufactured (mobile) homes, land rents, routine maintenance, and utilities. For all housing units, the median monthly housing cost is \$922 per month, with a median cost of \$1,051 for owners and \$784 for renters. Table 9 also shows that 1.8 million households pay no cash rent for their housing units. These include households living in units owned by relatives or friends and those occupied by people who receive housing as part of their employment. Median housing costs vary significantly among regions. The South has the lowest median monthly housing cost (\$811), the Midwest has the second lowest (\$840), the Northeast has the second highest (\$1,053), and the West has the highest (\$1,154). A higher percentage of owners (32.3 percent) have monthly housing costs of \$1,500 or more compared with renters (10.0 percent). A higher proportion of owners have low housing costs compared with renters. In households paying less than \$400 per month, the percentage of owners is larger than the percentage of renters in each cost class. Part of the reason for this is that nearly 4 out of 10 owners have no mortgage debt and thus pay no monthly mortgage expenses. Although the median dollar cost is lower for renters than owners, the situation reverses when fractions of income spent on housing are examined. Overall, the median housing cost burden (the proportion of income spent on housing) is 24.5 percent, but renters pay a median of 31.3 percent of their incomes while owners pay only 21.7 percent. Median monthly housing costs increased by approximately 8.9 percent from the costs reported in the 2007 AHS, and the median housing cost burden increased by 1.4 percentage points.

Table 10 shows that most housing units (93.5 percent) report having a smoke detector. Fire extinguishers are

present in 4 out of 10 homes, and carbon monoxide detectors can be found in about one-third. Sprinkler systems are quite rare, present in only about 5 percent of housing units. The proportion of owner-occupied housing units with fire safety equipment is generally higher than that of renter-occupied units, with the exception of sprinkler systems. Although rare for both tenure types, sprinkler systems are about three times more common in renter-occupied units—probably because renters are more likely than are owners to live in multiunit structures.

Smoke detectors can be powered by batteries, the unit's electrical wiring, or both. Table 10 shows that the smoke detectors in most housing units are powered by batteries only. Owner-occupied units have about double the incidence of smoke detectors using both power supplies compared with renter-occupied units. Smoke detectors that use only unit wiring are rare, with fewer than 8 percent of the housing units reporting them. Of the units that have smoke detectors powered by batteries, about three-fourths have changed their power cells in the past 6 months, with only a slightly larger proportion of owners reporting this compared with renters. No real difference exists in battery maintenance between housing units whose smoke detectors have only batteries and those that use both batteries and unit wiring.

For the first time in the survey's history, the 2009 AHS includes data on the disability status of household members. Table 11 shows the disability status of household members for all occupied housing units and also distinguishes between owner- and renter-occupied housing units. Disability status for household members includes disability of seeing, hearing, walking or climbing up the stairs, concentrating or remembering, dressing or bathing, and doing errands alone. Of the

Table 10. Fire Safety Equipment

Equipment Type	All		Owner Occupied		Renter Occupied	
	Households	%	Households	%	Households	%
Unit has fire extinguisher	49,947,000	44.7	37,953,000	49.7	11,994,700	33.9
Unit has carbon monoxide detector	40,744,000	36.5	31,717,000	41.6	9,027,000	25.5
Unit has smoke detector	104,410,000	93.5	71,827,000	94.1	32,583,000	92.2
Unit has sprinkler system	5,169,000	4.6	2,089,000	2.7	3,080,000	8.7
Smoke detector power						
Unit wiring (only)	8,146,000	7.8	5,622,000	7.8	2,524,000	7.7
Battery (only)	66,537,000	63.7	43,200,768	60.1	23,337,000	71.6
Both	28,470,000	27.3	22,498,000	31.3	5,973,000	18.3
Battery changed in past 6 months*	71,562,000	75.3	50,104,000	76.3	21,458,000	73.2
	Either		Battery (only)		Both	
	Households	%	Households	%	Households	%
Battery changed in past 6 months**	71,562,000	75.3	50,538,000	76.0	21,023,000	73.9

* Percent of households with "Battery (only)" or "Both" smoke detector power.

** Percent of households with given power source.



Table 11. Disability Status (Occupied Housing Units)

Disability	All		Owner Occupied		Renter Occupied	
	Units	%	Units	%	Units	%
Household member has difficulty seeing	2,995,000	2.7	1,940,000	2.5	1,055,000	3.0
Household member has difficulty hearing	6,087,000	5.4	4,505,000	5.9	1,582,000	4.5
Household member has difficulty walking or climbing stairs	11,656,000	10.4	7,876,000	10.3	3,780,000	10.7
Household member has difficulty concentrating or remembering	5,819,000	5.2	3,491,000	4.6	2,328,000	6.6
Household member has difficulty dressing or bathing	2,968,000	2.7	2,034,000	2.7	933,000	2.6
Household has a disabled person	19,193,000	17.2	12,946,000	16.9	6,247,000	17.6
Household member has difficulty doing errands alone	6,195,000	5.5	4,127,000	5.4	2,068,000	5.8

approximately 112 million occupied units in the United States, about 19.2 million have one or more disabled household member. The percentage of renter-occupied housing units having at least one disabled household member (17.6 percent) is higher than that of owner-occupied housing units (16.9 percent). For all housing units, about 11.7 million report having at least one household member with a walking disability, and 3 million households have at least one household member with a sight disability. The proportion of renter-occupied housing units having at least one household member with a particular type of disability, with the exception of a hearing disability, is, in general, higher than that of owner-occupied households.

The AHS can also provide useful information about the effects on housing from the dramatic rise in mortgage delinquencies and foreclosures, which began in 2007, and the subsequent economic recession. For example, between 2007 and 2009, the percentage of homeowners with a mortgage who were *underwater* increased—approximately 16.0 percent of homeowners with a mortgage in the 2009 AHS were underwater, up a statistically significant 8.4 percentage points from the 2007 survey. Underwater homeowners are identified as such if the homeowner's reported house value was less than the sum of the reported original loan balances for all mortgages. In addition, the longitudinal data feature of the AHS enables users to track the same housing unit over time, revealing the following: about 62.1 percent of the homeowners surveyed in 2009 think the value of their property decreased from 2007 to 2009, and one-half of these homeowners who perceived a decrease in the value of their property further think the value fell by more than 24.2 percent over the 2-year period.

The housing market downturn and recession have also reduced household mobility between 2007 and 2009. Specifically, 24.3 percent of households were recent

movers in 2009, down from 26.3 percent in 2007. Economic recessions often reduce mobility, but in the current recession, mobility may have been further affected by the unusually large rise in underwater homeowners who may feel "locked in" by owing more than their home is worth.¹ The AHS also shows that approximately 33.0 percent of the recent mover households in 2009 changed their tenure type—that is, renters became owners, or conversely, owners became renters. Moves to change tenure were up a statistically significant 2.4 percentage points from 2007. Furthermore, among recent mover renter households in 2009, 16.6 percent were formerly homeowners, up from 14.1 percent in 2007. The increased incidence of moves from owner to renter tenure may be related to distressed moves due to foreclosure or sales to avoid foreclosure.

Accessing Housing Information

HUD and the Census Bureau consider making the AHS accessible a high priority. Users may download AHS information in tabular and microdata formats. The tabulations are available on paper, CD-ROM, and downloadable Internet files. The microdata files (in ASCII or SAS formats) are available on CD-ROM and can be downloaded from the Internet. For copies of the printed versions, contact HUD USER at 1-800-245-2691 or P.O. Box 23268, Washington, D.C. 20026-3268. Users can purchase national AHS reports from the Government Printing Office by calling 202-512-1800, and they can obtain the metropolitan area reports from the Census Bureau by calling 301-763-4636 or writing to the Census Bureau, Washington, D.C. 20233-8500. Both the Census Bureau and HUD maintain Internet sites, and HUD operates an AHS electronic mailing list for the AHS user community. The URL for the HUD AHS web-

site is www.huduser.org/datasets/ahs.html. The site provides the following items:

- The 2009 AHS microdata files in SAS and ASCII formats.
- Summary statistics for the 2009 AHS.
- Line-by-line comparisons of the 2007 estimates and the 2009 initial estimates for a wide array of housing and occupant characteristics.
- The code book for the survey, revised for the 2009 survey, in PDF format.
- Links to the Census Bureau website.
- Microdata in downloadable format for the 1995, 1997, 1999, 2001, 2003, 2005, 2007, and 2009 national surveys and the 1995, 1996, 1998, 2002, 2004, 2007, and 2009 metropolitan surveys.
- Information for ordering reports and documents from HUD USER.

The URL for the Census Bureau AHS website is www.census.gov/hhes/www/ahs.html. This site provides these items:

- The AHS national and metropolitan reports from 1975 through 2009 in PDF files, and other AHS and housing reports.
- A description of the surveys, historical changes in the surveys, definitions of the concepts and variables, sample's design and sizes, estimation weights, and survey results in brief formats.
- Information for ordering reports and documents from the Census Bureau's Customer Service Center.

HUD operates an Internet mailing list to provide information and create a forum for the exchange of information within the AHS user community. Subscription instructions are posted at www.huduser.org/emaillists/ahslist.html.

Note

¹ Underwater homeowners are also more susceptible to default and foreclosure, which could actually increase observed mobility. It is likely, however, that the net effect of the decline in home values is to suppress mobility.




National Data

HOUSING PRODUCTION



Permits^{*}

Permits for construction of new housing units in the second quarter of 2010 were down 10 percent from the previous quarter, at a SAAR of 589,000 units but were up 6 percent from the second quarter of 2009. Single-family permits, at 448,000 units, were down 15 percent from the previous quarter but up 6 percent from a year earlier. Multifamily permits (5 or more units in structure), at 123,000 units, were 12 percent above the first quarter of 2010 and 10 percent above the second quarter of 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	589	655	558	- 10	+ 6
One Unit	448	525	424	- 15	+ 6
Two to Four	18	20	22	- 10**	- 18
Five Plus	123	110	112	+ 12	+ 10

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


**This change is not statistically significant.

Source: Census Bureau, Department of Commerce



Starts[★]

Construction starts of new housing units in the second quarter of 2010 totaled 602,000 units at a SAAR, a statistically insignificant 2 percent below the first quarter of 2010 but 12 percent above the second quarter of 2009. Single-family starts, at 491,000 units, were a statistically insignificant 6 percent lower than the previous quarter but 16 percent higher than the second quarter level of 2009. Multifamily starts totaled 100,000 units, a statistically insignificant 22 percent above the previous quarter but a statistically insignificant 3 percent below the second quarter of 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	602	617	537	– 2 ^{**}	+ 12
One Unit	491	524	423	– 6 ^{**}	+ 16
Five Plus	100	82	104	+ 22 ^{**}	– 3 ^{**}

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


**This change is not statistically significant.

Source: Census Bureau, Department of Commerce



Under Construction[★]

Housing units under construction at the end of the second quarter of 2010 were at a SAAR of 450,000 units, 9 percent below the previous quarter and 28 percent below the second quarter of 2009. Single-family units stood at 286,000, a statistically insignificant 7 percent below the previous quarter and a statistically insignificant 9 percent below the second quarter of 2009. Multifamily starts totaled 154,000 units, down a statistically insignificant 12 percent from the previous quarter and down 48 percent from the second quarter of 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	450	494	627	– 9	– 28
One Unit	286	308	314	– 7 ^{**}	– 9 ^{**}
Five Plus	154	175	296	– 12 ^{**}	– 48


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

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



Completions[★]

Housing units completed in the second quarter of 2010, at a SAAR of 778,000 units, were up 18 percent from the previous quarter but down 5 percent from the second quarter of 2009. Single-family completions, at 582,000 units, were up 26 percent from the previous quarter and up 14 percent from the rate of a year earlier. Multifamily completions, at 188,000 units, were a statistically insignificant 2 percent above the previous quarter but 36 percent below the second quarter of 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	778	658	817	+ 18	– 5
One Unit	582	461	512	+ 26	+ 14
Five Plus	188	185	293	+ 2 [★]	– 36

[★]Components may not add to totals because of rounding. Units in thousands.


^{★★}This change is not statistically significant.

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



Manufactured (Mobile) Home Shipments[★]

Shipments of new manufactured (mobile) homes were at a SAAR of 56,300 units in the second quarter of 2010, which is 8 percent above the previous quarter and 16 percent above the rate of the second quarter of 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Manufacturers' Shipments	56.3	52.3	48.7	+ 8	+ 16

[★]Units in thousands. These shipments are for HUD-code homes only and do not include manufactured housing units built to meet local building codes, which are included in housing starts figures.

Source: National Conference of States on Building Codes and Standards


MARKETING OF HOUSING



Home Sales[★]

Sales of new single-family homes totaled 340,000 (SAAR) units in the second quarter of 2010, down 6 percent from the previous quarter and down 8 percent from the second quarter of 2009; both changes are statistically insignificant. The average monthly inventory of new homes for sale during the second quarter of 2010 was 213,000 units, 8 percent below the previous quarter and 27 percent below the second quarter of 2009. The average months' supply of unsold homes, based on monthly inventories and sales rates, was 7.8 in the second quarter of 2010, up a statistically insignificant 1 percent from the previous quarter but 19 percent below the second quarter of 2009.

Sales of existing homes—including single-family homes, townhomes, condominiums, and cooperatives—as reported by the NATIONAL ASSOCIATION OF REALTORS®, totaled 5,607,000 (SAAR) in the second quarter of 2010, up 9 percent from the previous quarter and up 17 percent from the second quarter of 2009. The average monthly inventory of units for sale during the second quarter was 3,971,000, up 14 percent from the previous quarter and up 3 percent from the second quarter of 2009. The average months' supply of unsold units for the second quarter of 2010 was 8.5 months, up 5 percent from the first quarter of 2010, but 12 percent below the second quarter of 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
New Homes					
New Homes Sold	340	360	368	– 6 ^{**}	– 8 ^{**}
For Sale	213	231	290	– 8	– 27
Months' Supply	7.8	7.7	9.5	+ 1 ^{**}	– 19
Existing Homes					
Existing Homes Sold	5,607	5,140	4,780	+ 9	+ 17
For Sale	3,971	3,478	3,866	+ 14	+ 3
Months' Supply	8.5	8.1	9.7	+ 5	– 12

*Units in thousands.

**This change is not statistically significant.


Sources: New Homes—Census Bureau, Department of Commerce; Office of Policy Development and Research, Department of Housing and Urban Development; Existing Homes—NATIONAL ASSOCIATION OF REALTORS®



Home Prices

The median price of new homes sold during the second quarter of 2010 was \$210,200, 6 percent lower than the first quarter of 2010 and 5 percent lower than the second quarter of 2009. The average price of new homes sold during the second quarter of 2010 was \$261,800, down 5 percent from the previous quarter and down 4 percent from the second quarter of 2009. The estimated price of a constant-quality house during the second quarter of 2010 is \$278,000, 1 percent lower than the previous quarter and 3 percent lower than the second quarter of 2009; both are statistically insignificant changes. The set of physical characteristics used to represent a constant-quality house is based on the kinds of houses sold in 2005.

The median price of existing homes—including single-family homes, townhomes, condominiums, and cooperatives—that sold in the second quarter of 2010 was \$176,900, up 6 percent from the previous quarter and up 1 percent from second quarter of 2009, according to the NATIONAL ASSOCIATION OF REALTORS®. The average price of existing homes sold in the second quarter of 2010 was \$223,000, 5 percent higher than the first quarter and 2 percent higher than the second quarter of 2009.

	Latest Quarter (\$)	Previous Quarter (\$)	Same Quarter Previous Year (\$)	% Change From Previous Quarter	% Change From Last Year
New Homes					
Median	210,200	222,900	220,900	– 6	– 5
Average	261,800	275,300	273,400	– 5	– 4
Constant-Quality House¹	278,000	281,600	285,700	– 1**	– 3**
Existing Homes					
Median	176,900	166,400	174,400	+ 6	+ 1
Average	223,000	212,100	218,200	+ 5	+ 2


**This change is not statistically significant.

¹ Effective with the December 2007 New Residential Sales release in January 2008, the Census Bureau began publishing the Constant Quality (Laspeyres) Price Index with 2005 as the base year. (The previous base year was 1996.) “Constant-Quality House” data are no longer published as a series but are computed for this table from price indexes published by the Census Bureau.



Repeat Sales Price Index

The Federal Housing Finance Agency's purchase-only House Price Index (FHFA HPI) stood at 192.9 on a seasonally adjusted (SA) basis in the first quarter of 2010, 1.9 percent below the previous quarter and 3.1 percent below the first quarter of 2009. The national Case-Shiller Home Price Index (HPI) was 134.3 (SA) in the first quarter of 2010, down 1.3 percent from the previous quarter but up 2.1 percent year-over-year.

	Current Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
FHFA HPI¹	192.9	196.6	199.0	- 1.9	- 3.1
Case-Shiller® HPI²	134.3	136.1	131.5	- 1.3	+ 2.1

¹ First quarter 1991 equals 100.

² First quarter 2000 equals 100.


Sources: Federal Housing Finance Agency; S&P/Case-Shiller® National Home Price Index



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 of housing affordability for the second quarter of 2010 shows that families earning the median income have 164.6 percent of the income needed to purchase the median-priced existing single-family home. This figure is 6 percent lower than the first quarter of 2010 and 5 percent lower than the second quarter of 2009.

The decrease in the housing affordability index in the second quarter of 2010 reflects changes in the marketplace. Median family income remained steady at \$60,498. The median sales price of existing single-family homes in the second quarter rose to \$177,067, which is 7 percent higher than in the previous quarter. The national average home mortgage interest rate of 5.07 percent in the second quarter of 2010 is 2 basis points lower than in the previous quarter. Housing affordability fell in the second quarter due to the rise in the median sales price of existing single-family homes, which more than offset the effect of the decrease in home mortgage interest rates. Median family income stayed the same and, therefore, had no impact on housing affordability.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Composite Index	164.6	175.2	173.6	- 6	- 5
Fixed-Rate Index	163.8	174.6	173.5	- 6	- 6
Adjustable-Rate Index	NA	NA	NA	—	—

NA = Data are not available.

Note: Adjustable-rate mortgage (ARM) affordability indexes were not derived, because data on ARM rates were not available.


Source: NATIONAL ASSOCIATION OF REALTORS®



Absorption of New Multifamily Units

In the first quarter of 2010, 27,700 new, unsubsidized, unfurnished, multifamily (five or more units in structure) rental apartments were completed, down 32 percent from the previous quarter and down a statistically insignificant 2 percent from the first quarter of 2009. Of the apartments completed in the first quarter of 2010, 56 percent were rented within 3 months. This absorption rate is 5 percentage points higher than the previous quarter and is up 3 percentage points from the first quarter of 2009. The median asking rent for apartments completed in the first quarter was \$1,019, a statistically insignificant decrease of 1 percent from the previous quarter but unchanged from the first quarter of 2009.

In the first quarter of 2010, 3,100 new condominium or cooperative units were completed, down 54 percent from the previous quarter and down 75 percent from units completed in the the first quarter of 2009. Of these, 42 percent were sold within 3 months. This absorption rate is 10 percentage points higher than in the previous quarter but unchanged from the first quarter of 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Apartments Completed*	27.7	40.8	28.4	– 32	– 2**
Percent Absorbed Next Quarter	56	51	53	+ 10	+ 6
Median Asking Rent	\$1,019	\$1,034	\$1,020	– 1**	—
Condos and Co-ops Completed	3.1	6.8	12.4	– 54	– 75
Percent Absorbed Next Quarter	42	32	42	+ 31	—

*Units in thousands.

**This change is not statistically significant.


Note: Data are from the Survey of Market Absorption, which samples nonsubsidized, privately financed, unfurnished apartments in buildings of five or more units.

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



Manufactured (Mobile) Home Placements

Manufactured homes placed on site ready for occupancy in the first quarter of 2010 totaled 45,000 units at a SAAR, 18 percent below the level of the previous quarter and 18 percent below the first quarter of 2009. The number of homes for sale on dealers' lots at the end of the first quarter totaled 25,000 units, 7 percent below the previous quarter and 14 percent below the first quarter of 2009. The average sales price of the units sold in the first quarter was \$64,300, a statistically insignificant 3 percent above the price in the previous quarter and a statistically insignificant 4 percent above the price in the first quarter of 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Placements*	45.0	54.7	54.7	- 18	- 18
On Dealers' Lots*	25.0	27.0	29.0	- 7	- 14
Average Sales Price	\$64,300	\$62,500	\$62,100	+ 3**	+ 4**

*Units in thousands. These placements are for HUD-code homes only and do not include manufactured housing units built to meet local building codes, which are included in housing completions figures.

**This change is not statistically significant.


Note: Percentage changes are based on unrounded numbers.

Sources: Census Bureau, Department of Commerce; 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)/Wells Fargo conducts a monthly survey focusing on builders' views of the level of sales activity and their expectations for the near future. NAHB uses these survey responses to construct indices of housing market activity. (The index values range from 0 to 100.) For the second quarter of 2010, the current market activity index for single-family detached houses stood at 20, up 4 points from the previous quarter and up 6 points from the second quarter of 2009. The index for future sales expectations, at 25, declined 1 point from the first quarter of 2010 and fell 1 point from the second quarter of last year. Prospective buyer traffic had an index value of 14 in the second quarter of 2010, which is up 3 points from the previous quarter and up 1 point from the second quarter of 2009. NAHB combines these separate indices into a single housing market index that mirrors the three components quite closely. For the second quarter of 2010, this index rose to 19, which is 3 points higher than for the first quarter of 2010 and 4 points above the second quarter of last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Housing Market Index	19	16	15	19	27
Current Sales Activity—Single-Family Detached	20	16	14	26	44
Future Sales Expectations—Single-Family Detached	25	26	26	- 4	- 4
Prospective Buyer Traffic	14	11	13	26	8


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

HOUSING FINANCE



Mortgage Interest Rates

The contract mortgage interest rate for 30-year, fixed-rate, conventional mortgages reported by Freddie Mac decreased to 4.91 percent in the second quarter of 2010, 9 basis points below the previous quarter and 12 basis points lower than the second quarter of 2009. Adjustable-rate mortgages (ARMS) in the second quarter of 2010 were going for 4.01 percent, 24 basis points lower than the previous quarter and 63 basis points below the second quarter of 2009. Fixed-rate 15-year mortgages, at 4.29 percent, were down 9 basis points from the previous quarter and down 54 basis points from the second quarter of 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Conventional, Fixed-Rate, 30-Year	4.91	5.00	5.03	- 2	- 2
Conventional ARMs	4.01	4.25	4.64	- 6	- 14
Conventional, Fixed-Rate, 15-Year	4.29	4.38	4.83	- 2	- 11


Source: Freddie Mac



FHA Market Share of 1- to 4-Family Mortgages*

The Federal Housing Administration's (FHA's) dollar volume share of the 1- to 4-family mortgage market was 15.6 percent in the first quarter of 2010, down 0.9 percentage points from the fourth quarter of 2009 and down 3.4 percentage points from the first quarter of 2009. For home purchase loans, FHA's dollar volume share was 28.0 percent in the first quarter of 2010, up 0.4 percentage points from the fourth quarter of 2009 and up 3.1 percentage points from the first quarter of 2009. For mortgage refinance loans, FHA's dollar volume share was 8.8 percent in the first quarter of 2010, down 1.7 percentage points from the fourth quarter of 2009 and down 7.6 percentage points from the first quarter of 2009.

FHA's share of the 1- to 4-family mortgage market by loan count was 18.6 percent in the first quarter of 2010, down 1.1 percentage points from the fourth quarter of 2009 and down 3.6 percentage points from the first quarter of 2009. For home purchase loans, FHA's market share by loan count was 32.7 percent in the first quarter of 2010, up 0.7 percentage points from the fourth quarter of 2009 and up 3.6 percentage points from the first quarter of 2009. For mortgage refinance loans, FHA's market share by loan count was 10.4 percent in the first quarter of 2010, down 1.9 percentage points from the fourth quarter of 2009 and down 8.5 percentage points from the first quarter of 2009.


	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Mortgage Market Share by Dollar Volume (%)					
All Loans	15.6	16.5	19.0	- 6	- 18
Purchase	28.0	27.6	24.9	1	12
Refinance	8.8	10.5	16.4	- 16	- 46
Mortgage Market Share by Loan Count (%)					
All Loans	18.6	19.7	22.2	- 6	- 16
Purchase	32.7	32.0	29.1	2	12
Refinance	10.4	12.3	18.9	- 15	- 45

*This analysis includes first-lien mortgages originated in each time period. The amounts represented here are based on date of loan origination and thus will vary from what are shown in reports that summarize FHA insurance activity by insurance endorsement date. Sources: U.S. Department of Housing and Urban Development; data from FHA, Mortgage Bankers Association "MBA Mortgage Finance Forecast" report; and Loan Performance True Standings Servicing data system



FHA 1- to 4-Family Mortgage Insurance[★]

Applications for FHA mortgage insurance on 1- to 4-family homes were received for 566,000 properties in the second quarter of 2010, an increase of 5 percent from the first quarter of 2010 but 27 percent below the second quarter of 2009. Total endorsements or insurance policies issued totaled 402,000, down 5 percent from the previous quarter and down 7 percent from the second quarter of 2009. Purchase endorsements, at 289,800, were up 18 percent from the first quarter of 2010 and up 59 percent from the second quarter of 2009. Endorsements for refinancing decreased to 112,100, down 37 percent from the first quarter of 2010 and down 55 percent from the second quarter of 2009. These numbers are not seasonally adjusted.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Applications Received	566.0	537.7	775.4	+ 5	- 27
Total Endorsements	402.0	422.9	430.8	- 5	- 7
Purchase Endorsements	289.8	246.2	182.7	+ 18	+ 59
Refinancing Endorsements	112.1	176.7	248.2	- 37	- 55


*Units in thousands of properties.

Source: Office of Housing, Department of Housing and Urban Development



PMI and VA Activity[★]

Private mortgage insurers issued 74,400 policies or certificates of insurance on conventional mortgage loans during the second quarter of 2010, up 45 percent from the first quarter of 2010 but 55 percent lower than the second quarter of 2009. The Department of Veterans Affairs (VA) reported the issuance of mortgage loan guaranties on 77,700 single-family properties in the second quarter of 2010, up 10 percent from the previous quarter but down 1 percent from the second quarter of 2009. These numbers are not seasonally adjusted.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total PMI Certificates	74.4	51.5	165.3	+ 45	- 55
Total VA Guaranties	77.7	70.4	78.8	+ 10	- 1

*Units in thousands of properties. PMI = Private mortgage insurance.

Sources: PMI—Mortgage Insurance Companies of America; VA—Department of Veterans Affairs




Delinquencies and Foreclosures

Total delinquencies for all loans past due were at 10.06 percent in the first quarter of 2010, up 6 percent from the fourth quarter of 2009 and up 10 percent from the first quarter of 2009. Delinquencies for past due conventional subprime loans were at 27.21 percent, up 8 percent from the fourth quarter of 2009 and up 9 percent from the first quarter of 2009. Conventional subprime adjustable-rate mortgage (ARM) loans that were past due stood at 29.09 percent in the first quarter of 2010, up 9 percent from the fourth quarter of 2009 and up 6 percent from the first quarter of 2009.

In the first quarter of 2010, 90-day delinquencies for all loans were at 5.02 percent, up 9 percent from the fourth quarter of 2009 and up 42 percent from the first quarter of 2009. Conventional subprime loans that were 90 days past due stood at 14.97 percent in the first quarter of 2010, up 10 percent from the previous quarter and up 38 percent from the first quarter of 2009. Conventional subprime ARM loans that were 90 days past due were at 17.91 percent in the first quarter of 2010, up 10 percent from the fourth quarter of 2009 and up 33 percent from the first quarter of 2009.

During the first quarter of 2010, 1.23 percent of all loans entered foreclosure, up 3 percent from the fourth quarter of 2009 but down 10 percent from the first quarter of 2009. In the conventional subprime category, 3.35 percent of loans entered foreclosure in the first quarter of 2010, a decrease of 8 percent from the fourth quarter of 2009 and a decrease of 28 percent from the first quarter of 2009. In the conventional subprime ARM category, 4.32 percent of loans went into foreclosure in the first quarter of 2010, a decrease of 8 percent from the fourth quarter of 2009 and a decrease of 38 percent from the first quarter of 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total Past Due (%)					
All Loans	10.06	9.47	9.12	+ 6	+ 10
Conventional Subprime Loans	27.21	25.26	24.95	+ 8	+ 9
Conventional Subprime ARMs	29.09	26.69	27.58	+ 9	+ 6
90 Days Past Due (%)					
All Loans	5.02	4.62	3.53	+ 9	+ 42
Conventional Subprime Loans	14.97	13.61	10.84	+ 10	+ 38
Conventional Subprime ARMs	17.91	16.23	13.45	+ 10	+ 33
Foreclosures Started (%)					
All Loans	1.23	1.20	1.37	+ 3	- 10
Conventional Subprime Loans	3.35	3.66	4.65	- 8	- 28
Conventional Subprime ARMs	4.32	4.71	6.91	- 8	- 38


Source: National Delinquency Survey, Mortgage Bankers Association

HOUSING INVESTMENT



Residential Fixed Investment and Gross Domestic Product★

Residential Fixed Investment (RFI) for the second quarter of 2010 was at a SAAR of \$358.5 billion, 5 percent above the value from the first quarter of 2010 and 5 percent above the second quarter of 2009. As a percentage of the Gross Domestic Product (GDP), RFI for the second quarter of 2010 was 2.5 percent, 0.1 percentage point above the previous quarter and 0.1 percentage point above the second quarter a year ago.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
GDP	14,597.7	14,446.4	14,034.5	+ 1	+ 4
RFI	358.5	340.2	342.2	+ 5	+ 5
RFI/GDP (%)	2.5	2.4	2.4	+ 4	+ 4

*Billions of dollars.

Source: Bureau of Economic Analysis, Department of Commerce




HOUSING INVENTORY



Housing Stock*

At the end of the second quarter of 2010, the estimate of the total housing stock, 131,158,000 units, was up a statistically insignificant 0.2 percent from the first quarter of 2010 and up a statistically insignificant 0.9 percent from the second quarter of 2009. The number of all occupied units was up a statistically insignificant 0.3 percent from the first quarter of 2010 and increased a statistically insignificant 0.7 percent from the second quarter of 2009. The number of owner-occupied units was essentially unchanged from the first quarter of 2010 but decreased a statistically insignificant 0.1 percent from the second quarter of 2009. Renter-occupied units increased a statistically insignificant 0.9 percent from the previous quarter and increased a statistically insignificant 2.3 percent from the second quarter of 2009. For the second quarter of 2010 vacant units were down a statistically insignificant 0.4 percent from previous quarter but increased 1.9 percent from the second quarter of 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
All Housing Units	131,158	130,873	130,017	+ 0.2**	+ 0.9**
Occupied Units	112,215	111,850	111,432	+ 0.3**	+ 0.7**
Owner Occupied	75,097	75,065	75,139	—	– 0.1**
Renter Occupied	37,118	36,785	36,293	+ 0.9**	+ 2.3**
Vacant Units	18,943	19,023	18,585	– 0.4**	+ 1.9

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

**This change is not statistically significant.


Source: Census Bureau, Department of Commerce



Vacancy Rates

The homeowner vacancy rate for the second quarter of 2010, at 2.5 percent, was down a statistically insignificant 0.1 percentage point from the first quarter of 2010 and unchanged from the second quarter 2009.

The 2010 second quarter national rental vacancy rate, at 10.6 percent, was unchanged from both the previous quarter and the second quarter of last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Homeowner Rate	2.5	2.6	2.5	– 4**	—
Rental Rate	10.6	10.6	10.6	—	—


**This change is not statistically significant.

Source: Census Bureau, Department of Commerce



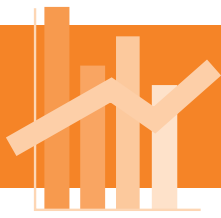
Homeownership Rates

The national homeownership rate for all households was 66.9 percent in the second quarter of 2010, down a statistically insignificant 0.2 percentage point from the previous quarter and down 0.5 percentage point from the second quarter of 2009. The homeownership rate for minority households, at 49.0 percent, decreased a statistically insignificant 0.5 percentage point from the first quarter of 2010 and was down a statistically insignificant 0.7 percentage point from the second quarter of 2009. The homeownership rate for young married-couple households, at 57.7 percent, was down a statistically insignificant 1.1 percentage points from the previous quarter and was down 1.6 percentage points from the second quarter of last year.

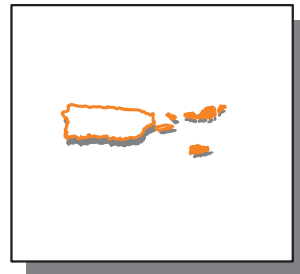
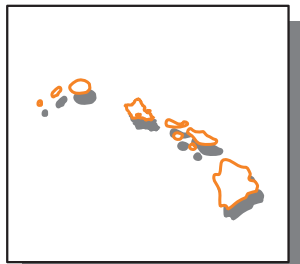
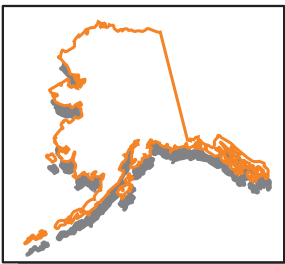
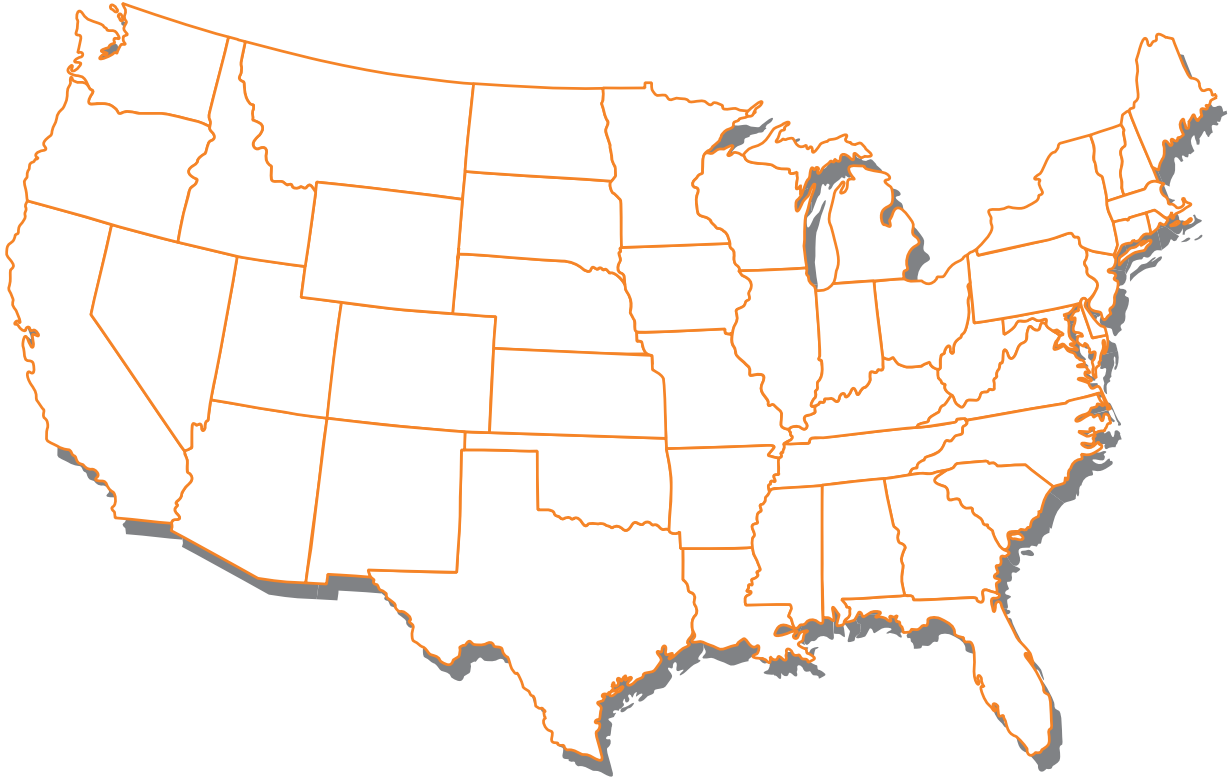
	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
All Households	66.9	67.1	67.4	– 0.3**	– 0.7
Minority Households	49.0	49.5	49.7	– 1.0**	– 1.4**
Young Married-Couple Households	57.7	58.8	59.3	– 1.9**	– 2.7

**This change is not statistically significant.

Source: Census Bureau, Department of Commerce



Regional Activity

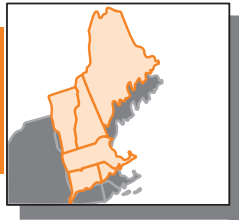


he following summaries of housing market conditions and activities have been prepared by economists in the U.S. Department of Housing and Urban Development's (HUD's) field offices. The reports provide overviews of economic and housing market trends within each region of HUD management. Also included are profiles of selected local housing market areas that provide a perspective of current economic conditions and their impact on the housing market. The reports and profiles are based on information obtained by HUD economists from state and local governments, from housing industry sources, and from their ongoing investigations of housing market conditions carried out in support of HUD's programs.

Regional Reports

NEW ENGLAND

HUD Region I*



Nonfarm employment in the New England region continued to decline in the second quarter of 2010 after peaking in mid-2008 at nearly 7.2 million jobs. During the 12 months ending June 2010, average nonfarm employment in the region declined by 189,000 jobs, or 2.7 percent, to 6.7 million jobs compared with the loss of 142,500 jobs, or 2.0 percent, during the 12 months ending June 2009. During the 12 months ending June 2010, job losses were posted in all sectors, except the education and health services sector, which increased by 20,100 jobs, or 1.5 percent. Job losses were greatest in the goods-producing sectors of manufacturing and construction, where 51,400 and 34,200 jobs were lost, down 7.8 and 12.8 percent, respectively. The highest job losses in the service-providing sectors were posted in the trade and the professional and business services sectors with losses of 36,500 and 35,900 jobs, or 7.9 and 4.1 percent, respectively.

Every state in the region lost jobs during the 12 months ending June 2010, with Massachusetts and Connecticut accounting for more than 70 percent of the total regional decline. Massachusetts experienced the largest employment decline, losing a total of 84,300 jobs, or 2.6 percent, including losses of 20,700 jobs, or 7.5 percent, in the manufacturing sector, and 17,100 jobs, or 7.9 percent, in the trade sector. During the same period, Connecticut lost 50,700 jobs, a 3.0-percent decline, including 13,500 jobs in the professional and business services sector and 12,500 jobs in the manufacturing sector, representing declines of 6.8 and 6.9 percent, respectively. Rhode Island lost 17,700 jobs, or 3.8 percent, the highest percentage loss among the New England states during the 12 months ending June 2010. During the same period, New Hampshire and Vermont recorded the smallest declines, losing 12,400 and 7,200 jobs, or 2.0 and 2.4 percent, respectively. The unemployment rate in New England during the 12 months ending June 2010 was 8.8 percent, up from 6.9 percent during the previous 12-month period. Average unemployment rates for the states ranged from 6.6 percent in both New Hampshire and Vermont to 12.1 percent in Rhode Island.

Continued declining home sales prices since September 2005, significantly lower interest rates, and the exten-

sion of the federal tax credit programs have led to increasing sales levels of existing single-family homes during the 12 months ending June 2010. During this period, the Massachusetts Association of REALTORS® (MAR) reported that sales of existing homes increased 9 percent to 38,840 homes compared with a decrease of 9 percent to 35,600 home sales during the 12 months ending June 2009. In June 2010, the median sales price was \$331,150, up 8 percent, compared with the median sales price of \$306,000 in June 2009, which was down 9 percent compared with the median price in June 2008. The inventory of unsold homes as of June 2010 increased 5 percent to 31,540 homes, or a 6.1-month supply, compared with the supply of a year earlier; the number of days a house remained on the market averaged 107 days, which is down 28 days or 21 percent from June 2009. According to the Rhode Island Association of REALTORS® (RIAR), during the 12 months ending June 2010, the number of existing home sales in Rhode Island totaled 8,040, up 19 percent after virtually no change in the level of home sales during the previous 12 months. The median sales price was \$210,000, up 9 percent compared with the 23-percent decline in the previous 12-month period. In Connecticut, during the 12 months ending June 2010, The Warren Group reported that 27,840 existing homes were sold, an increase of 25 percent from the 22,350 homes sold in the previous 12 months. The median sales price of \$264,900 was 3 percent higher than the \$257,000 price recorded in June 2009.

The Maine Real Estate Information System, Inc., reported that in Maine, during the 12 months ending June 2010, existing home sales increased 27 percent to 11,600 homes; the median sales price increased 3 percent to \$175,000. According to the Northern New England Real Estate Network, Inc. (NNEREN), the number of existing homes sold in New Hampshire increased 15 percent to 11,550 homes during the 12 months ending June 2010, and the median sales price increased 2 percent to \$229,000.

According to the Federal Housing Finance Agency, home sales prices in the New England region decreased by just under 1 percent during the first quarter of 2010 (the most recent data available) compared with prices in the first quarter of 2009. Nationally, home prices were down just slightly more than 1 percent. Price changes for the individual states ranged from an increase of about 1 percent in Maine to a loss of 3 percent in Connecticut. According to the Lender Processing Services Mortgage Performance Data, in June 2010, the number of loans in foreclosure, 90 days or more delinquent, or in REO (Real Estate Owned) in the region increased by 21 percent to 104,330 homes compared with the number reported in June 2009. This level represents 7 percent of all home loans in the region in June 2010 compared with 5 percent in June 2009. The national rate in June 2010 was 9 percent.

*For an explanation of HUD's regions, please turn to page 47 at the end of the Regional Reports section.



Condominium sales markets in New England have improved significantly during the 12 months ending June 2010. According to the MAR, during the 12 months ending June 2010, condominium sales totaled 17,660 units, an increase of 25 percent compared with the number sold during the previous 12 months, and the median condominium sales price increased by 4 percent, to \$285,000. In Connecticut, The Warren Group reported that condominium sales increased more than 21 percent to 8,400 units during the past 12 months and the median sales price increased by more than 5 percent to \$186,000 in June 2010 compared with the sales price in June 2009. The NNEREN reported that condominium sales in New Hampshire increased by 20 percent during the 12 months ending June 2010 and the median sales price was up 6 percent to \$177,900. According to the RIA, condominium sales increased 24 percent to 1,310 units and the median sales price was virtually unchanged at \$179,600.

As a result of moderating single-family sales price declines and increasing single-family home sales levels, demand for new single-family homes has started to increase. During the 12 months ending June 2010, single-family home construction activity, as measured by the number of homes permitted, increased by 18 percent to 11,600 homes compared with a decline of 41 percent during the previous 12-month period, based on preliminary data. All states in the region posted gains in the number of single-family homes permitted, with Massachusetts reporting the largest increase of 21 percent, to 4,600 homes, compared with a decline of 37 percent during the previous 12-month period. During the 12 months ending June 2010, the number of single-family homes permitted in Maine and Rhode Island increased 22 and 16 percent to 1,780 and 825 homes, respectively. The number of single-family homes permitted in Connecticut, New Hampshire, and Vermont increased between 10 and 13 percent to 2,180, 1,560, and 540 homes, respectively.

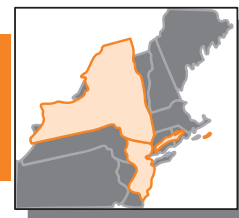
The substantial declines in multifamily building activity, as measured by the number of units permitted, since the peak year in 2005 appeared to be moderating during the 12 months ending June 2010. During this period, 5,470 multifamily units were permitted, down only 2 percent compared with the 30-percent decline in the number of units permitted during the previous 12-month period, based on preliminary data. During the 12 months ending June 2010, Massachusetts permitted 2,650 multifamily units, up 7 percent compared with a 54-percent, or 2,870-unit, decline during the previous 12-month period. New Hampshire and Vermont had small increases of 16 and 10 percent to 810 and 290 units permitted, respectively. The number of multifamily units permitted in Rhode Island, Connecticut, and Maine declined by 46, 19, and 7 percent to 130, 1,360, and 240 units, respectively.

In general, during the second quarter of 2010, the rental markets in New England were balanced, but tightening,

as vacancy rates declined. Employment growth, however, has not been strong enough to keep rents from moderately weakening. In the second quarter of 2010, according to Reis, Inc., in the Boston metropolitan area, the apartment vacancy rate was 6.2 percent, down from 6.5 percent in the second quarter of 2009. Average asking rent in the second quarter of 2010 was \$1,717, down less than 1 percent from the asking rent reported a year earlier. In Fairfield County, Connecticut, the apartment vacancy rate in the second quarter of 2010 was 4.9 percent, down from 5.6 percent, and the average asking rent was \$1,748, down 2 percent from the second quarter of 2009. The Hartford metropolitan area rental market had an apartment vacancy rate of 5.7 percent in the second quarter of 2010, virtually unchanged from the previous year. The average rent was \$969, down less than 1 percent from a year earlier. During the second quarter of 2010, New Haven had one of the lowest apartment vacancy rates in the region, at 2.9 percent, down from 3.3 percent the previous year; however, in the second quarter of 2010, the average rent increased nearly 2 percent to \$1,100 compared with the average rent during the previous year. Currently in downtown New Haven, 360 State Street, a 500-unit, mixed-use development and one of the region's largest residential properties under development, will open soon with 20 percent of its units released.

NEW YORK/ NEW JERSEY

HUD Region II



After peaking at nearly 12.9 million jobs in late 2008, employment in the New York/New Jersey region continued to decline in the second quarter of 2010. Nonfarm employment averaged approximately 12.4 million jobs during the 12-month period ending June 2010, down 282,900 jobs, or 2.2 percent, compared with the loss of 209,100 jobs, or 1.6 percent, during the 12 months ending June 2009. Employment losses were the most severe in the manufacturing and construction sectors, down 67,200 and 54,400 jobs, or 8.5 and 10.9 percent, respectively. The service-providing sectors recorded a decline of 160,800 jobs, or 1.4 percent. The unemployment rate in the New York/New Jersey region during the 12 months ending June 2010 was 9 percent, up from the 7-percent rate recorded during the previous 12-month period. The average unemployment rate increased from 7.3 to 9.8 percent in New Jersey and from 6.9 to 8.6 percent in New York during the 12 months ending June 2010.

Both states in the region lost jobs during the 12 months ending June 2010. New Jersey reported a 2.6-percent decline in nonfarm employment to nearly 3.9 million jobs. During the same period, New Jersey lost 24,000 jobs,

or 4.0 percent, in the professional and business services sector, 23,500 jobs, or 8.3 percent, in the manufacturing sector, and 21,900 jobs, or 14.4 percent, in the construction sector, which accounted for two-thirds of the total jobs lost in the state. In New York State, 179,700 jobs were lost, a 2.1-percent decline to 8.5 million jobs, during the 12 months ending June 2010. These job losses were significantly higher than the 93,100 annual average job losses, a 1.1-percent decline, which occurred in New York State during the 12 months ending June 2009.

The economy in New York City, during the second quarter of 2010, continued the decline that began in mid-2009. During the 12-month period ending June 2010, nonfarm employment fell by 84,200 jobs, or 2.2 percent, to nearly 3.7 million jobs. Job losses were partially offset by job increases in the education and health services sector of 15,100 jobs, or 2.1 percent, and job gains in the leisure and hospitality sector of 1,400 jobs, or 0.4 percent. Job losses in the professional and business services and financial activities sectors of 4.5 and 5.3 percent, respectively, accounted for 60 percent of the total job decline.

Most sales housing markets in the New York/New Jersey region are slightly soft because of weak economic conditions; however, markets are showing signs of improving. The NATIONAL ASSOCIATION OF REALTORS® reports that home sales in the region during the first quarter of 2010 (the latest information available) were up 22 percent from a year earlier to a seasonally adjusted annual rate of 377,800 homes sold. According to Lender Processing Services Mortgage Performance Data, in June 2010, the number of home loans in foreclosure, 90 days or more delinquent, or in REO (Real Estate Owned) remained nearly unchanged from June 2009 at 232,800 loans, or 8.2 percent of all loans recorded in the region.

According to data from the New York State Association of REALTORS®, the number of existing single-family home sales (excluding parts of New York City) during the 12 months ending June 2010 increased 18 percent, to 85,600 homes, compared with the number sold a year earlier and comparable to the 86,000 homes sold 2 years earlier. The median price of an existing home increased 12 percent from \$183,000 in June 2009 to nearly \$204,500 in June 2010. In the Rochester metropolitan area, the Greater Rochester Association of REALTORS® reported a 19-percent increase in home sales to more than 12,000 homes, during the 12 months ending June 2010, and the median home price increased 2 percent to \$120,000. For the same period, the Greater Capital Association of REALTORS®, Inc., reported that existing home sales in the Albany-Schenectady-Troy metropolitan area increased by 1,300 homes, or 17 percent, to nearly 8,825 homes, and the median home price rose from \$182,000 to \$190,000, a 4-percent increase. During the 12 months ending June 2010, the Buffalo Niagara Association of REALTORS® reported that sales of single-family homes increased nearly 5 percent to 10,200 homes and the median home price increased 4 percent to \$119,000.

The New York City home sales market remains slightly soft, but has improved significantly during the past 12 months. Prudential Douglas Elliman Real Estate reported that, during the 12 months ending June 2010, existing condominium and cooperative home sales in Manhattan, Brooklyn, and Queens increased 30 percent to 31,700 homes compared with sales during the 12 months ending June 2009. During the 12-month period ending June 2010, the average sales price rose by more than 7 percent, from nearly \$700,200 to \$753,000. During the same period, the average number of days a home remained on the market declined by 34 days to 101 days. Manhattan accounted for one-third of the home sales, and the median sales price increased nearly 8 percent from \$835,700 to \$899,000, for the 12-month period ending June 2010. Home sales in Manhattan during the same period increased 28 percent compared with the number sold during the 12 months ending June 2009. During the 12 months ending June 2010, 9,850 homes were sold in Manhattan, which is 5 percent higher than the average of 9,350 homes sold during the 5 years ending June 2009.

Home sales markets in New Jersey are slightly soft, despite increasing home sales, home prices remain flat or have decreased in most areas during the 12 months ending June 2010. According to data from the New Jersey Association of REALTORS®, the number of existing homes sold during the 12 months ending March 2010 (the latest information available) increased by 11,300 homes, or nearly 11 percent, to 118,800 homes sold, compared with the 107,500 homes sold during the previous 12 months. During the 12 months ending March 2010, home sales were 37 percent lower than the number sold during the recent peak in 2004. The median price of a home in New Jersey decreased 2 percent to \$293,100 during the 12 months ending March 2010. All three regions of the state reported higher home sales and more stable home prices, with the exception of Central New Jersey where prices declined and the foreclosure rate increased. For the 12 months ending March 2010, Central New Jersey home sales rose 11 percent to 30,900 homes, and the median price declined 3 percent to \$298,600; the number of home loans in foreclosure, 90 days or more delinquent, or in REO increased from 5 to 8 percent from March 2009 to March 2010, according to Lender Processing Services Mortgage Performance Data. For the 12 months ending March 2010, Northern New Jersey's existing single-family homes sales were up nearly 11 percent to 57,000 homes, and the median price increased 1 percent to \$360,000. For the same period, existing single-family homes sales in Southern New Jersey increased nearly 10 percent to 30,900, and the median price remained unchanged from a year earlier at \$198,700.

Builders in the New York/New Jersey region have responded to improvements in the sales housing market with moderate increases in the construction of single-family homes and multifamily units. During the 12-month period ending June 2010, based on preliminary data, the number of single-family homes permitted



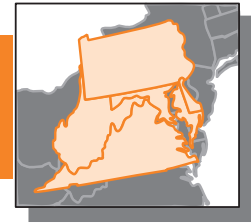
increased 17 percent to 8,800 homes compared with a 33-percent decline recorded during the same period a year earlier. For the 12 months ending June 2010, both states reported increases in single-family home construction, including 560 homes, or 17 percent, in New Jersey and 690 homes, or 16 percent, in New York. In the region, multifamily building activity, as measured by the number of units permitted, increased by 11 percent to 7,500 units during the 12 months ending June 2010 compared with an 82-percent decrease during the 12 months ending June 2009. In New York, the number of multifamily units permitted rose by 1,200 units, or 31 percent, to 5,125 units from a year earlier. In New Jersey, the number of multifamily units permitted decreased by 450, or 16 percent, to 2,350 units during the 12 months ending June 2010, which is less than the 62-percent decline that occurred during the 12 months ending June 2008.

Rental market conditions in the New York/New Jersey region were balanced with several markets showing signs of softening. According to Reis, Inc., in the second quarter of 2010, the apartment vacancy rate in New York City declined slightly from 3.2 to 3 percent, and the average asking rent increased by 0.4 percent to nearly \$2,800. The New York City rental market remains tight; however, 7,500 new apartment units are expected to begin leasing during the latter part of 2010, the highest number of apartment completions in the region since 1999, according to Reis, Inc. The Long Island apartment market tightened as the vacancy rate declined from 3.9 to 3.7 percent; rents increased 2 percent to \$1,540, representing the largest percentage increase in rent in the region. For the second quarter of 2010, the average rent in Westchester declined by 2.6 percent to nearly \$1,840, and the vacancy rate remained unchanged from the previous year at 4.5 percent.

For the second quarter of 2010, most Upstate New York and New Jersey rental markets were balanced, but have softened. The Buffalo metropolitan area market remained stable with a 5.7-percent vacancy rate, nearly unchanged from 5.8 percent a year earlier, and the average rent increased 0.8 percent to \$730. For the same period, the vacancy rate in the Rochester metropolitan area increased from 4.2 to 4.7 percent, and the average rent increased 2 percent to \$760. For the second quarter of 2010, vacancy rates increased significantly in the Syracuse metropolitan area from 3.9 to 5.8 percent, because two vacant apartment buildings returned to the market, adding 400 additional units to the inventory; the average rent increased 0.6 percent to \$690. For the same period, in both Central and Northern New Jersey, vacancy rates rose slightly to 4.1 and 5.1 percent from 3.8 and 4.9 percent, respectively; average rents declined slightly by 0.3 percent to \$1,150 in Central New Jersey and by 0.6 percent to \$1,490 in Northern New Jersey.

MID-ATLANTIC

HUD Region III



The Mid-Atlantic region experienced a 2-year economic decline that began in mid-2008 and continued into the second quarter of 2010. The number of jobs in the region declined from an average of 14.1 million during the 12 months ending June 2008 to 13.9 million during the 12-month period ending June 2009, a decrease of 1.5 percent. During the 12 months ending June 2010, the region averaged 13.6 million jobs, down 314,600 jobs, or slightly more than 2 percent, from the previous year. During this period, only the education and health services sector and the federal government subsector added jobs. The education and health services sector added 32,700 jobs, or 1.5 percent, and the federal government subsector, bolstered by the temporary hiring of workers for the 2010 Decennial Census, increased by 26,000 jobs, or 4.2 percent. The manufacturing sector lost 89,300 jobs, down 8.3 percent from the previous year; the construction sector reported the greatest percentage loss with a decline of 11 percent, or 71,500 jobs. The wholesale and retail trade subsectors lost a combined total of 60,600 jobs, or 3 percent.

Total nonfarm employment declined in every state in the region during the 12 months ending June 2010, but the District of Columbia reported a net gain of less than 1 percent, or 1,600 total jobs, as a result of adding 8,500 new federal government jobs, an increase of 4.4 percent in that subsector. Pennsylvania lost the most jobs, declining by 136,400, or 2.4 percent. The loss of 54,300 manufacturing jobs, or 8.9 percent, and nearly 25,500 professional and business services jobs, or 3.7 percent, accounted for 58 percent of all jobs lost in the state. Virginia lost 91,300 jobs, or 2.5 percent, and Maryland lost 55,700 jobs, or 2.2 percent. In Virginia and Maryland, the construction sector led job losses, down 22,800 and 18,400 jobs, or 11 and 12 percent, respectively. In West Virginia, employment declined by 18,800 jobs, or 2.5 percent, and Delaware reported the largest percentage of jobs lost, a decline of 3.3 percent, or 13,950 jobs. During the 12 months ending June 2010, the unemployment rate in the region averaged 7.9 percent, up from the regional average of 6.2 percent recorded during the 12 months ending June 2009, but nearly 2 percentage points lower than the national rate of 9.6 percent. During the 12 months ending June 2010, average unemployment rates among the states in the region ranged from 6.9 percent in Virginia to 8.7 percent in West Virginia. During that period, the District of Columbia reported an unemployment rate of 10.7 percent, up from 8.3 percent a year earlier.

During the 12 months ending June 2010, sales markets in the region were slightly soft but improved compared with sales market conditions during the same period ending in 2009. Both the number of days that homes stayed on the market and the existing levels of unsold inventory declined during the 12 months ending 2010. In addition, the extension of the closing date for sales using homebuyer tax credits, lower interest rates, and a continued decline in home prices contributed to increased volume in existing home sales during this period. The Maryland Association of REALTORS® reported that in Maryland, during the 12 months ending June 2010, 55,100 existing homes were sold, 28 percent more than the 43,200 sold during the 12 months ending June 2009 and 12 percent more than were sold during the 12 months ending June 2008. During the 12 months ending June 2010, Maryland's average home sales price declined 7 percent to \$295,600, and the average monthly inventory of homes for sale declined more than 9 percent to nearly 42,800 homes. In the Baltimore metropolitan area, sales volume increased 20 percent to 23,900 homes sold at an average price of \$279,700, which reflects a 4-percent decline in average price from the 12 months ending June 2009.

According to the Virginia Association of REALTORS®, during the 12 months ending June 2010, more than 97,800 existing homes were sold in Virginia, with an average price of \$281,400, which is virtually unchanged from the \$280,600 reported for the previous year. Home sales increased 12 percent in the Richmond area to 15,900 homes and 17 percent in the Norfolk-Virginia Beach area to 20,400 homes; however, in both Richmond and Norfolk-Virginia Beach, home prices declined 5 percent to approximately \$233,800 and \$248,300, respectively.

According to the NATIONAL ASSOCIATION OF REALTORS®, during the first quarter of 2010 (the most recent data available), the resale markets in Pennsylvania, West Virginia, and Delaware improved compared with the sales volume reported during the first quarter of 2009. In Pennsylvania, an annual rate of 163,200 home sales was recorded, up nearly 14 percent compared with the rate of 143,600 in 2009. In West Virginia, during the first quarter of 2010, an annual rate of 26,400 home sales was reported, a 16-percent increase from the annual rate during the first quarter of 2009. In Delaware, the annual rate of home sales in the first quarter of 2010 was relatively unchanged, at 11,200 homes. In the Philadelphia metropolitan area, according to data from Trend and Metropolitan Regional Information Systems, Inc. (MRIS®), during the 12 months ending March 2010 (the most recent data available), 52,100 homes were sold, 5 percent more than the volume sold during the comparable period ending in 2009, but the average home sales price was \$248,000, down 6 percent from the average price recorded during the same period ending in 2009. In the Washington, D.C. metropolitan area, during the 12 months ending June 2010, MRIS® reported a total of 68,400 homes sold, an 11-percent increase from the

61,400 homes sold during the same period a year earlier, and average home prices in the area were \$365,200, slightly more than 1 percent higher than the average price of \$360,600 reported a year earlier.

According to Lender Processing Services Mortgage Performance Data, in June 2010, the number of home loans in foreclosure, 90 days or more delinquent, or in REO (Real Estate Owned) in the region increased to approximately 221,880, 17 percent more than were recorded during June 2009. This level represents a current rate of 6.3 percent of all loans recorded in the region compared with a rate of 5.3 percent recorded in June 2009; however, the regional total is less than the current 8.5-percent rate for the nation.

New single-family home construction has begun to increase in the region, but lack of financing continues to hamper the development of multifamily units. In the Mid-Atlantic region, during the 12 months ending June 2010, single-family homebuilding activity, as measured by the number of building permits issued, increased by 9 percent, a significant improvement after a 5-year trend of declining production. Based on preliminary data, the number of homes permitted increased to approximately 39,830 homes compared with the 36,550 permitted during the 12-month period ending June 2009. During the 12 months ending June 2010, the production of new homes increased nearly 25 percent to 2,995 homes in Delaware and 16 percent to 8,150 homes in Maryland. Pennsylvania, Virginia, and West Virginia permitted 12,220, 14,840, and 1,490 homes, respectively; these increases of 8, 4, and 1 percent, respectively, were significant improvements over the 36-, 29-, and 44-percent declines reported during the previous 12-month period. During the 12 months ending June 2010, the District of Columbia issued permits for 140 homes compared with the 103 homes permitted during the previous period. During the 12-month period ending June 2010, multifamily construction activity, as measured by the number of units permitted, continued to decline but at a slower rate than during the previous year. According to preliminary data for the 12 months ending June 2010, the number of multifamily units permitted declined by 1,090 units to 11,100 units permitted, a decline of 9 percent compared with a 36-percent decline during the previous period ending June 2009. The number of multifamily units permitted in Delaware and the District of Columbia during the 12-month period ending June 2010 increased by 30 and 190 percent to a total of 540 and 1,050 units, respectively. Reductions in multifamily production occurred in Maryland, Virginia, and Pennsylvania, which recorded decreases of 7, 5, and 25 percent to totals of 2,800, 2,420, and 4,100 units permitted, respectively. West Virginia issued permits for 173 units, 151 fewer units than were permitted during the previous 12-month period.

Conditions in apartment markets throughout the region were mixed during the second quarter of 2010. In the Baltimore metropolitan area, the rental market in the



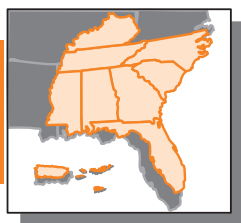
suburban areas was balanced, but it remained soft in Baltimore City. Delta Associates reported that, from June 2009 to June 2010, the apartment vacancy rate decreased from 7.4 to 4 percent in the suburbs of the metropolitan area. In Baltimore City, during the same period, vacancy rates fell slightly from 14.9 to 13.5 percent. Average rents in the Baltimore suburbs, from the second quarter of 2009 to the second quarter of 2010, increased by 4 percent, from \$1,370 to \$1,420; in Baltimore City, average rents increased by 6 percent, from \$1,530 to \$1,620.

The apartment market in the suburbs of the Philadelphia metropolitan area is currently balanced as of the end of June 2010. Delta Associates reported that, from June 2009 to June 2010, vacancy rates decreased from 12 to 5 percent. During that period, the average rent rose 5 percent from \$1,470 to \$1,540. Between June 2009 and June 2010, the lack of new units in the Center City Philadelphia submarket caused the apartment market to tighten significantly and vacancy rates to fall from 9.2 to 1.9 percent. Rents in Center City during that period increased 4 percent, from \$1,920 to \$1,995.

In the Washington, D.C. metropolitan area, during the 12 months ending June 2010, the rental market remained soft as units completed during the past 2 years continue to lease. According to Delta Associates, in June 2010, vacancy rates in Class A garden apartments in the Northern Virginia and suburban Maryland submarkets were 7.4 percent, unchanged from the rate recorded in June 2009. During the 12 months ending June 2010, rents in garden apartments rose approximately 6 percent in the suburbs surrounding the city to average \$1,542 in the Maryland suburbs that are close to Washington, D.C., and to \$1,607 in Northern Virginia. Vacancy rates in highrise units during that period increased from 8.8 to 9 percent in Northern Virginia but decreased in both the District of Columbia and the Maryland suburbs from 18 to 16.2 percent and from 18.6 to 13.8 percent, respectively. In June 2010, rents for highrise apartments averaged \$2,370 in the District of Columbia, \$2,100 in suburban Maryland, and \$2,180 in Northern Virginia, up 5.4, 2.2, and 5.1 percent, respectively, from June 2009.

SOUTHEAST/ CARIBBEAN

HUD Region IV



Since peaking at 27.1 million jobs in 2007, nonfarm employment in the Southeast/Caribbean region has continued to decline. During the 12 months ending June 2010, nonfarm employment in the region averaged 25 million jobs, a decrease of 940,200 jobs, or 3.6 percent, compared with a loss of 1,090,000 jobs, or 4 percent, during the

previous 12-month period. During the 12 months ending June 2010, employment declined in each of the region's eight states and in the Caribbean; losses ranged from 2.2 percent, or 1,000 jobs, in the Virgin Islands to 3.8 percent, or 286,800 jobs, in Florida.

Employment declines in the goods-producing sectors accounted for 480,000 jobs lost, or about one-half of total job losses in the region during the 12-month period ending June 2010. For the same period, the largest job declines occurred in the manufacturing and construction sectors, which decreased by 247,000 jobs, or 10 percent, and 197,000 jobs, or 17 percent, respectively. Construction employment continued to decline primarily as a result of soft housing market conditions. Florida lost 82,800 construction sector jobs, or 18 percent, during the 12 months ending June 2010, more than any other state, and accounted for 42 percent of construction job losses in the region. The only sectors in the region to record job increases during the 12 months ending June 2010 were the education and health services sector, which increased by 54,700 jobs, or 1.6 percent, and the government sector, which increased by 10,600 jobs, or less than 1 percent. The average unemployment rate for the Southeast/Caribbean region increased to 11.2 percent during the 12-month period ending June 2010, up from 8.7 percent during the same period a year earlier. The average unemployment rate increased in each state and in the Caribbean and ranged from 10.2 percent in Georgia to 16.0 percent in Puerto Rico.

Home sales market conditions throughout the Southeast/Caribbean region are generally soft due to homebuilding exceeding demand from 2003 through 2006 and significant job losses in the region during the past 2 years. Although some local housing markets recorded increases in the number of homes sold during the 12 months ending June 2010, the large number of home mortgages in default put downward pressure on sales prices in many housing markets in the region. According to Lender Processing Services Mortgage Performance Data, 12 percent of home loans in the region were in foreclosure, 90 days or more delinquent, or in REO (Real Estate Owned) in June 2010 compared with 10 percent in June 2009. The percentage of loans in these three categories increased for all states in the region. Florida recorded the highest rate in the region at 19 percent in June 2010, up from 16 percent in June 2009. During the 12 months ending June 2010, according to data from the Florida Realtors®, 178,400 existing single-family homes were sold in Florida, a 29-percent increase from the same period a year earlier. During the first 6 months of 2010, the median sales price for an existing home in Florida was \$143,400, a decrease of 3 percent from the first 6 months of 2009. Statewide sales of existing condominiums during the 12 months ending June 2010 totaled 69,000 units, a 61-percent increase. The median home sales price for the first 6 months of 2010 for existing condominiums was \$95,000, 16 percent less than during the first 6 months of 2009.

The Alabama Center for Real Estate reported that 40,900 new and existing single-family homes and condominiums sold statewide during the 12 months ending June 2010, a 6-percent increase from the number sold during the 12 months ending June 2009. The average home sales price was approximately \$145,300 for the 12 months ending June 2010, down 3 percent from the 12 months ending June 2009. During the 12 months ending June 2010, the Alabama Center for Real Estate reported that the number of home sales increased in three of the four largest metropolitan areas of the state—Birmingham, Mobile, and Montgomery—where sales increased by 2, 5, and 9 percent, respectively. During the same period, average home sales prices in the three metropolitan areas fell, with declines ranging from 2 to 6 percent.

In the two largest metropolitan areas of Kentucky, sales of existing single-family homes increased significantly in 2010. The Greater Louisville Association of REALTORS® reported that during the 12 months ending June 2010, home sales increased by 28 percent to approximately 13,100 homes compared with the number sold during the previous 12 months. During the 12 months ending June 2010, the average home sales price increased 1 percent to \$161,100. The Lexington Bluegrass Association of REALTORS® reported the number of homes sold during the 12 months ending June 2010 increased 16 percent to approximately 7,650 compared with the number of homes sold during the previous 12 months. The average sales price decreased by 1 percent to \$167,500 for the 12 months ending June 2010. For the same period, approximately 650 condominiums and townhomes were sold in the Lexington metropolitan area, up 14 percent from the number sold during the 12 months ending June 2009. The average price of a condominium or townhome sold during the 12 months ending June 2010 decreased by 1 percent from the previous period to \$137,000.

According to the North Carolina Association of REALTORS®, Inc., 86,300 existing homes were sold statewide during the 12 months ending June 2010, a 13-percent increase from the number sold during the previous 12-month period. The number of home sales increased in 17 of 20 reported areas. The statewide average home sales price decreased to \$200,200, a 3-percent decline. Home prices fell in 17 out of the 20 reported areas during the 12 months ending June 2010. The three largest metropolitan areas of North Carolina recorded increases in the number of homes sold and decreases in average prices. During the 12 months ending June 2010, in Charlotte, Greensboro, and Raleigh, the number of homes sold increased by 8, 13, and 22 percent, respectively. During the same period, average home prices fell by 2, 4, and 5 percent, respectively. During the 12 months ending June 2010, South Carolina REALTORS® reported that the number of homes sold statewide increased by 23 percent to 23,400 homes. Sales increased in 13 of the 15 reported areas. The statewide median price of a home sold was virtually unchanged between the first 6 months of 2009 and the first 6 months of 2010, at \$140,000.

The median home price increased in 10 of the 15 areas reported; increases ranged from less than 1 percent to 30 percent. The remaining 5 reporting areas recorded price declines ranging from 4 to 16 percent, offsetting the price increases and resulting in a stable median home price for the state.

During the 12 months ending June 2010, the Greater Nashville Association of REALTORS® reported that sales of single-family homes and condominiums increased 12 and 15 percent to approximately 19,100 homes and 2,850 units, respectively. From June 2009 to June 2010, the monthly median home sales price increased 2 percent to \$181,300 for a single-family home and decreased 5 percent to \$145,000 for a condominium unit. According to the Knoxville Area Association of REALTORS®, 10,150 single-family homes sold during the 12 months ending June 2010, with an average sales price of \$171,100, a 4-percent decline. During the same period, 1,100 condominium units were sold at an average price of \$159,600, down 4 percent. During the 12 months ending June 2010, the Memphis Area Association of REALTORS® reported that sales increased by 1 percent for single-family homes, to 11,350, and by 4 percent for condominium units, to 450. The average sales price increased for each type of home by 2 percent, to \$143,800 and \$141,900, respectively.

In the region, during the 12-month period ending June 2010, single-family homebuilding activity, as measured by the number of permits issued, increased by 6,800 homes, or 6 percent, to 114,100 homes, based on preliminary data. Current single-family homebuilding activity is significantly below the average of 467,600 homes permitted from 2003 through 2006. During the 12 months ending June 2010, all states in the region recorded increases in single-family building permit activity, except Mississippi, where the number of permits issued decreased by 560, or 12 percent, to approximately 4,350 homes. The number of permits issued for single-family homes in Florida increased by 3,600 homes, or 13 percent, the largest increase in the region.

Apartment markets throughout the Southeast were soft but improving during the second quarter of 2010, primarily because of decreases in apartment construction activity during the past 2 years. During the 12 months ending June 2010, the number of multifamily units permitted decreased by 43 percent, to approximately 27,000 units, with declines in each state, based on preliminary data. Fewer units were permitted in 2009 than in any other year during the past three decades. During the past 12 months, the largest decline in the number of multifamily units permitted in the region occurred in Florida, falling by 6,725 units, or 47 percent, to 7,500 units.

Because of the significant cutbacks in apartment construction throughout the region during the past 2 years, apartment vacancy rates have generally declined. According to Reis, Inc., vacancy rates ranged from 5.7 percent in Chattanooga to 13.2 percent in Jacksonville.



Out of the 20 areas reported in the region, 11 markets recorded vacancy rate declines between the second quarter of 2009 and the second quarter of 2010; the vacancy rate in the remaining 8 markets each increased less than 1 percentage point. The apartment markets in South Carolina recorded the largest decreases in vacancy rates during the past 12 months. During the second quarter of 2010, the vacancy rates fell from 13.2 to 11.2 percent in Columbia, from 13.3 to 10.6 percent in Charleston, and from 11.7 to 9.8 percent in Greenville. The vacancy rate in Atlanta was virtually unchanged during the second quarter of 2010, at 11.4 percent. Miami recorded a slight increase in the vacancy rate from 5.9 to 6.2 percent from the second quarter of 2009 to the second quarter of 2010. During the same period, average rents decreased in 9 of 20 covered areas in the region. Rents in Orlando and Atlanta had the largest declines; rents fell by approximately 2 percent in each area to \$863 and \$841, respectively. Average rents in the reporting areas with rent growth increased by approximately 1 percent or less between the second quarter of 2009 and the second quarter of 2010.

MIDWEST

HUD Region V



Employment levels decreased in the Midwest region during the second quarter of 2010, which is the ninth consecutive quarter of job losses. In the 12 months ending June 2010, nonfarm employment decreased to 22.6 million jobs, down nearly 878,000 jobs, or 3 percent, compared with the number of jobs during the previous 12-month period, and down 7 percent below the recent peak of 24.3 million jobs in 2007. During the past 12 months, only the education and health services sector added jobs, increasing by 1.3 percent, or 44,700 jobs, to 3.6 million jobs. Employment levels in all other sectors declined, led by a loss of 305,000 jobs, or 10 percent, in the manufacturing sector during the 12 months ending June 2010. For the same period, the manufacturing sector had about 2.8 million jobs, which are approximately two-thirds of the 4.1 million manufacturing jobs the sector had a decade ago. Job losses in the manufacturing sector for the 12 months ending June 2010 were more than twice the losses in the next most affected sector, the professional and business services sector, which lost 133,000 jobs, or 4.7 percent. Other significant job declines occurred in the trade sector and the construction sector, down 132,000 and 123,000 jobs, or 3.6 and 13.3 percent, respectively.

Each of the six states in the Midwest region posted job losses in the second quarter of 2010, which is the sev-

enth consecutive quarter without job gains in any of the six states. The magnitude of employment declines during the 12 months ending June 2010 ranged from 3.0 percent in Minnesota to 4.2 percent in Michigan. The unemployment rate in the region rose from 8.5 percent for the 12 months ending June 2009 to 10.7 percent for the 12 months ending June 2010. The unemployment rate rose in each state, ranging from 7.5 percent in Minnesota to 14 percent in Michigan.

The market for existing home sales in the Midwest region improved during the 12 months ending March 2010 but remained soft as states and metropolitan areas posted increases in the number of home sales compared with the number sold during the same period a year earlier, although home prices continue to fall in many areas. According to the NATIONAL ASSOCIATION OF REALTORS®, the number of annualized regional existing home sales for the first quarter of 2010 (the latest data available) increased 13 percent from the first quarter of 2009, to 896,400 existing homes sold. Home sales prices fell in many areas, however, influenced by an increase in the number of homes in the foreclosure process. According to Lender Processing Services Mortgage Performance Data, in June 2010, the percentage of home loans in foreclosure, 90 days or more delinquent, or in REO (Real Estate Owned) was 8.6 percent, an increase from the 7.3-percent rate recorded in June 2009.

State and local REALTOR® organizations report rising home sales figures, with mixed trends in home sales prices. In Illinois, home sales increased 9 percent, to 111,100 homes, for the 12 months ending March 2010 (the latest data available), but the average sales price declined almost 13 percent, to \$207,200. In the Chicago metropolitan area, existing home sales increased nearly 13 percent to 73,250 and the average sales price declined 16 percent, to \$250,600. In Michigan, the Michigan Association of REALTORS® reported a 22-percent increase in existing home sales for the 12 months ending June 2010 compared with sales for the same period in the previous year, to 124,400 homes sold and a drop in the average sales price of less than 1 percent, to \$103,200. The Indiana Association of REALTORS® reported an increase in home sales of 8 percent, to 65,700 homes, and a 5-percent increase in the median sales price, to \$109,900, for the 12 months ending June 2010. The Ohio Association of REALTORS® reported that both home sales and the average sales price increased by 10 and 3 percent, respectively, to 110,900 home sales and an average sales price of \$134,200. REALTOR® associations in both Minneapolis and Milwaukee reported increased home sales and declining sales prices during the 12 months ending June 2010. In Minneapolis, home sales increased nearly 12 percent, to 46,550, but the average sales price declined 3 percent, to \$207,300. In Milwaukee, home sales increased nearly 16 percent, to 13,850 homes, and the average sales price declined almost 4 percent, to \$203,000.

Single-family homebuilding activity, as measured by the number of building permits issued, stabilized in the Midwest region during the 12 months ending June 2010, reversing the trend of more than 5 years of decline. During the 12 months ending June 2010, based on preliminary data, the number of single-family homes permitted increased by 7 percent to 44,950 homes compared with the number permitted during the same period a year earlier but remained about 14 percent below the average of 52,400 single-family homes permitted annually during the previous 3 years. Single-family home construction activity increased in all states in the region, except in Illinois, where the decline was 8 percent, to 6,375. In Michigan, during the 12 months ending June 2010, single-family homes permitted increased by nearly 18 percent from the same period a year earlier, to 5,775 homes. Minnesota and Indiana reported increases of 11 and 10 percent, to 6,700 and 9,525 homes permitted, respectively. In Ohio and Wisconsin, single-family permits increased 9 and 5 percent, to 9,750 and 6,850 homes, respectively.

Major metropolitan areas in the region reported increased single-family homebuilding activity during the 12 months ending June 2010, with the exception of Chicago, where the number of single-family homes permitted declined nearly 13 percent, to 4,700 homes, according to preliminary data. The three largest Ohio metropolitan areas of Cincinnati, Cleveland, and Columbus all reported increases in the number of single-family homes permitted, up 18, 8, and 19 percent, respectively, to 3,350, 2,025, and 2,925 homes permitted. Single-family homebuilding in Detroit increased 30 percent, to 1,775 homes permitted, which remains below the average of 2,000 single-family homes permitted annually over the past 3 years. In Minneapolis and Milwaukee, the number of homes permitted was up 17 and 3 percent, to 4,175 and 980 homes permitted, respectively; in Indianapolis, the number of single-family homes permitted increased nearly 10 percent, to 4,050 homes.

Multifamily construction activity, as measured by the number of units permitted, continued to decline in the Midwest region during the 12 months ending June 2010. The number of multifamily units permitted was down 22 percent, to 14,000 units, 33 percent fewer than the average of 20,950 units permitted during the previous three 12-month periods, based on preliminary data. During the 12 months ending June 2010, multifamily construction activity decreased in each Midwest state, except in Minnesota, where the number of multifamily units permitted increased nearly 16 percent, to 2,250 units. In each of the other five states, the decline in multifamily units permitted was significant, ranging from a decrease of 16 percent in Wisconsin, to 2,750 units, to a 37-percent decrease in Michigan, to 750 units. The number of multifamily unit permits issued declined 33 percent in Ohio, 28 percent in Illinois, and 24 percent in Indiana.

In the Midwest metropolitan areas, multifamily construction activity was mixed during the 12 months end-

ing June 2010. In Chicago, the number of multifamily units permitted continued to decline, to 3,225 units, which is 28 percent fewer than the number permitted during the 12 months ending June 2009, according to preliminary data. In Ohio, the number of multifamily units permitted increased from 1,475 to 1,525 units in Columbus and decreased in Cincinnati and Cleveland, from 500 to 320 units and from 520 to 85 units, respectively. The number of multifamily units permitted increased in other metropolitan areas in the Midwest region, ranging from a 6-percent increase in Minneapolis, to 1,325 units, to a 15-percent increase in Detroit, to 400 units. Increases in Indianapolis and Milwaukee were 7 and 9 percent, respectively.

Rental market conditions were mixed in the major metropolitan areas of the Midwest region during the second quarter of 2010, although most markets were softer than they were during the same period a year earlier. According to Reis, Inc., the apartment vacancy rate in the Chicago metropolitan area decreased slightly, from 6.7 percent in the second quarter of 2009 to 6.6 percent in the second quarter of 2010, and the average rent declined 2 percent, to \$1,050. The downtown Chicago rental market strengthened during the 12 months ending June 2010. According to Appraisal Research Counselors, the vacancy rate for the second quarter of 2010 was 6.3 percent, down from 7.2 percent in the second quarter of 2009. During the 12 months ending June 2010, net effective rents in downtown Class A properties rose 2.3 percent from the previous 12-month period and rose 2.6 percent in Class B properties. Concessions were 1.5 months of free rent with a 12-month lease, down from 2 months or more of free rent offered previously.

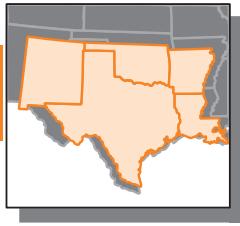
Rental market conditions were balanced in the Minneapolis-St. Paul metropolitan area, where Reis, Inc., reported a 5.1-percent apartment vacancy rate in the second quarter of 2010, up from the 4.4-percent rate in the second quarter of 2009. The average rent remained unchanged at \$950. During the second quarter of 2010, the major metropolitan markets in Ohio were soft, because Cincinnati and Columbus both reported weaker conditions than in the second quarter of 2009, with 7.7- and 9.7-percent apartment vacancy rates, respectively, while the average rent remained at \$710 in Cincinnati and increased 1 percent, to \$690, in Columbus. In Cleveland, Reis, Inc., reported the vacancy rate and average rent were unchanged, at 6.7 percent and \$730, respectively.

The rental market in Indianapolis was soft during the second quarter of 2010. In the second quarter of 2010, the apartment vacancy rate was 9.6 percent, up from 8.2 percent for the second quarter of 2009, while the average rent remained at \$675, according to Reis, Inc. In Detroit, the market softened slightly when the vacancy rate increased from 7.5 to 7.9 percent while the average rent declined from \$830 to \$820. The market remained balanced in Milwaukee, where the vacancy rate and average rent were unchanged at 5 percent and \$830, respectively.



SOUTHWEST

HUD Region VI



Economic conditions in the Southwest region continued to decline in the second quarter of 2010, a trend that began in May 2009. During the 12 months ending June 2010, average nonfarm employment decreased by 378,800 jobs, or 2.4 percent, to 15.6 million jobs. By comparison, nonfarm employment declines averaged 0.5 percent or 82,200 jobs for the 12 months ending June 2009. During the 12 months ending June 2010, gains in 2 employment sectors, totaling 131,400 jobs, were offset by a combined loss of 510,200 jobs in the remaining 10 sectors. The education and health services sector recorded the largest growth among employment sectors in the region, adding 80,000 jobs, an increase of 3.9 percent. The government sector increased by 51,400 jobs, or 1.8 percent, with all states in the region recording increased employment in the sector. Significant declines continued in the construction sector during the 12 months ending June 2010 as soft housing and commercial property markets contributed to a decrease of 107,900 jobs, or 11.2 percent, compared with a decrease of 28,000 jobs, or 2.8 percent, during the 12 months ending June 2009. The manufacturing sector, which recorded declines in all states in the region, lost 113,900 jobs, or 8.2 percent, during the 12 months ending June 2010.

Job losses have occurred in every state in the Southwest region since June 2009. During the 12 months ending June 2010, Texas lost 234,800 jobs, or 2.2 percent, led by a decline of more than 82,100 jobs in the construction sector. In Oklahoma, employment decreased by 51,600 jobs, or 3.3 percent, led by losses of 17,900 jobs in the manufacturing sector and 11,000 jobs in the professional and business services sector. Employment in Louisiana decreased by 37,400 jobs, or 1.9 percent, as combined gains of more than 10,900 jobs in the other services and the education and health services sectors were offset by losses of a combined 19,600 jobs in the manufacturing and professional and business services sectors. Employment in New Mexico declined by 27,600 jobs, or 3.3 percent, for the 12 months ending June 2010. In Arkansas, employment declined by 27,400 jobs, or 2.3 percent, with declines in the manufacturing, trade, and transportation and utilities sectors accounting for nearly 90 percent of the total loss. For the 12 months ending June 2010, the unemployment rate in the region increased to 7.9 percent compared with 6.1 percent for the previous 12 months. The average unemployment rates ranged from a low of 6.8 percent in Oklahoma to a high of 8.2 percent in

Texas and New Mexico; Louisiana and Arkansas recorded rates of 7.2 and 7.6 percent, respectively.

Sales housing market conditions in the Southwest region improved but remained slightly soft with the continued job losses. During the 12 months ending June 2010, approximately 224,000 homes were sold in Texas, up nearly 8 percent when compared with the number sold during the previous 12 months; however, home sales still remain nearly 14 percent below the average annual level of 259,200 homes sold from 2005 through June 2009. The inventory of unsold homes is at a 7-month supply, the highest level since 2000 and well above the 5.3-month average supply recorded between 2000 and 2007. During the 12 months ending June 2010, the number of homes sold increased in most major Texas markets, with increases ranging from 4 percent in Dallas to 13 percent in Austin and San Antonio. The average home sales price in the state increased 1 percent to \$188,400 during the 12 months ending June 2010, reversing a trend of price declines that began in late 2008. Home sales price changes among major Texas markets ranged from a decline of 3 percent in San Antonio to an increase of 2 percent in Houston.

Home sales began to increase in a number of markets in states elsewhere in the region during the 12 months ending June 2010 following 3 years of declines. According to the New Orleans Metropolitan Association of REALTORS®, home sales were up 9 percent to 8,525 homes, and the average sales price declined less than 1 percent to \$201,500. In Baton Rouge, the number of sales increased 8 percent to 7,125 homes, based on data from the Greater Baton Rouge Association of REALTORS®, and the average sales price declined approximately 2 percent to \$191,200. The Greater Albuquerque Association of REALTORS® reported that the number of home sales was up 21 percent in Albuquerque to 7,400 homes, though it still remains more than 23 percent below the average annual level of 9,600 homes sold from 2006 through June 2009. The average sales price in Albuquerque declined by 4 percent to \$212,300. According to the Oklahoma Association of REALTORS®, the number of homes sold in Oklahoma increased 7 percent during the 12 months ending June 2010 to 46,050, and the average sales price declined 4 percent to \$144,700. According to the Arkansas REALTORS® Association, home sales for the state increased by 11 percent to 25,550 and the average price fell by 2 percent to \$144,400, during the 12 months ending May 2010. Home sales still remain more than 12 percent below the average annual level of 29,150 homes sold from 2005 through June 2009.

In the Southwest region, increased home sales resulted in increased single-family construction activity, as measured by the number of single-family building permits issued. During the 12 months ending June 2010, the total number of single-family homes permitted in the region was 95,150, an increase of 11,550 homes, or 14 percent, compared with the number permitted dur-

ing the previous 12 months, based on preliminary data. Texas recorded a 14-percent increase in the number of single-family homes permitted, up 8,675, to 69,600 homes. In other states in the region, changes ranged from an increase of 7 percent in New Mexico to an increase of 23 percent in Arkansas. Oklahoma and Louisiana recorded increases of 9 and 14 percent, respectively.

Rental housing market conditions in the largest metropolitan areas in Texas remained soft during the 12 months ending June 2010 due, in part, to continued job losses and the large number of units completed since 2005. According to ALN Systems, Inc., the apartment vacancy rate in Austin was 10.6 percent for the 12 months ending June 2010, down slightly from 10.9 percent during the previous 12 months, and the average rent declined 3 percent to \$840. In Dallas, the apartment vacancy rate increased from 10.6 to 12.3 percent during the 12 months ending June 2010 as the average rent declined 2 percent to \$800. Rental markets in Fort Worth and Houston remained very soft, with vacancy rates of 12.8 and 14.3 percent, respectively, during the 12 months ending June 2010. The average rent in Fort Worth declined by 2 percent to \$710, during the 12 months ending June 2010. During the same period, the average rent in Houston increased 2 percent to \$790, the smallest increase in average rents in Houston during a 12-month period since 2006. In San Antonio, during the 12 months ending June 2010, the vacancy rate rose slightly to 11.5 percent from the 11.3-percent rate recorded during the 12-month period ending June 2009, and the average rent increased less than 1 percent to \$730. The smaller metropolitan areas of Abilene, Corpus Christi, and Lubbock had three of the lowest apartment vacancy rates in Texas, at 8.7, 9.8, and 9.9 percent, respectively, during the 12 months ending June 2010.

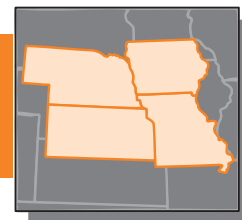
Rental housing market conditions were mixed in large metropolitan areas in other states throughout the Southwest region during the second quarter of 2010. During the same period, the rental markets in Albuquerque and Little Rock were balanced. According to Reis, Inc., the apartment vacancy rate in Albuquerque was 6.3 percent in the second quarter of 2010, down from 7.2 percent 1 year earlier, and the average rent remained essentially unchanged at \$710. In Little Rock, for the second quarter of 2010, the apartment vacancy rate was 8.3 percent, down slightly from 8.7 percent 1 year earlier, and the average rent increased approximately 2 percent to \$650. Rental markets in the largest metropolitan areas in Oklahoma were soft during the second quarter of 2010. In Oklahoma City, the apartment vacancy rate rose from 9.6 percent in the second quarter of 2009 to 10.2 percent in the second quarter of 2010 and the average rent remained essentially unchanged at \$550. In Tulsa, the vacancy rate increased from 8.8 percent for the second quarter of 2009 to 9.8 percent for the same period in 2010 and the average rent remained essentially unchanged at \$580. Rental market conditions in New

Orleans remained soft as the apartment rental vacancy rate fell to 12 percent during the first quarter of 2010, according to the Greater New Orleans Multi-Family Report®, down slightly from the 13-percent rate recorded 1 year earlier, and the average rent remained unchanged at \$840.

As a result of soft rental markets in many large metropolitan areas, multifamily construction activity, as measured by the number of units permitted, decreased in the Southwest region during the 12 months ending June 2010, based on preliminary data. The 18,400 units permitted during the 12 months ending June 2010 reflect a 57-percent decline compared with the number of units permitted during the 12-month period ending June 2009. During the 12 months ending June 2010, the number of multifamily units permitted in Texas declined 60 percent from the previous year, down 20,400 units to 12,300 units. In other states in the region during the 12 months ending June 2010, changes in the number of multifamily units permitted ranged from a decline of 23 percent in Oklahoma to a decline of 74 percent in Louisiana. Arkansas and New Mexico recorded declines of 34 and 44 percent, respectively, for the same period.

GREAT PLAINS

HUD Region VII



Nonfarm employment continued to decline in the Great Plains region during the second quarter of 2010, a trend that began in April 2007, but the job loss pace has slowed. During the 12-month period ending June 2010, nonfarm employment in the Great Plains region declined by 173,300 jobs, or 2.6 percent, to an average of 6.4 million jobs, compared with a loss of 1.5 percent during the 12-month period ending June 2009. During the 12 months ending June 2010, job declines were greatest in the manufacturing sector, which lost 65,000 jobs, or 8.4 percent. Employment in the construction sector declined by 35,600 jobs, or 11 percent. For the same period, employment gains were most significant in the education and health services and government sectors, which grew by 16,000 jobs, or 1.7 percent, and 13,000 jobs, or 1.1 percent, respectively. During the 12 months ending June 2010, nonfarm employment in Missouri declined by 78,000 jobs, or 2.8 percent, to an average of 2.7 million jobs. In Kansas, nonfarm employment decreased by 45,000 jobs, or 3.3 percent, to an average of 1.3 million jobs and, in Iowa, employment fell by 34,000 jobs, or 2.2 percent, to 1.5 million jobs. During the 12 months ending June 2010 in Nebraska, employment declined by 17,000 jobs, or 1.8 percent, to an average of 940,000 jobs.



As a result of the job losses that occurred during the 12-month period ending June 2010, the regional unemployment rate increased to 7.6 percent, up from the 6.3-percent rate recorded during the 12 months ending June 2009. During the 12-month period ending June 2010, Nebraska had the lowest average unemployment rate at 5 percent compared with 4.4 percent a year earlier. In Iowa, the unemployment rate averaged 6.6 percent compared with 5.1 percent a year earlier. The unemployment rate in Kansas during the 12-month period ending June 2010 increased to 6.8 percent, up from the 5.7-percent rate recorded during the 12-month period ending June 2009. Missouri recorded the greatest increase in the jobless rate, with an average 9.5-percent rate compared with the 7.9-percent rate recorded during the previous 12-month period.

As of the second quarter of 2010, sales housing market conditions were balanced in Iowa, Kansas, and Nebraska, but soft in Missouri. Mainly because of the home buyer tax credit program, the number of home sales during the first quarter of 2010 (most recent data available) marked the first increase in existing home sales since the second quarter of 2006 in the Great Plains region. According to the NATIONAL ASSOCIATION OF REALTORS®, sales of existing single-family homes, apartment condominiums, and cooperatives in the four Great Plains states increased during the first quarter of 2010 (the most recent data available) by 6 percent to an annualized rate of 240,400 from 226,400 homes sold for the same quarter a year earlier. Sales of existing homes increased by more than 2 percent in Kansas and Missouri from annualized rates of 50,400 and 96,400 homes sold in the first quarter of 2009 to 51,600 and 100,800 homes sold in the first quarter of 2010, respectively, and in Iowa, existing homes sales grew by 9 percent from 52,000 to 56,800 homes. In Nebraska, sales of existing homes increased by 13 percent from an annualized rate of 27,600 homes sold during the first quarter of 2009 to 31,200 homes sold in the first quarter of 2010.

In the region's metropolitan areas, sales housing markets were balanced in Des Moines and Omaha, but soft in Kansas City, Wichita, and St. Louis. According to the Des Moines Area Association of REALTORS®, existing home sales increased 27 percent to 9,310 homes sold during the 12-month period ending June 2010 from 7,350 homes sold a year earlier; the average home sales price fell 5 percent to \$156,400; and the inventory of unsold existing homes fell from a 7- to a 6-month supply. During the 12 months ending June 2010, new and existing home sales in Omaha increased to 11,260 homes sold, up 23 percent from the previous 12 months, and the average sales price increased 1 percent to \$161,600, according to the Omaha Board of REALTORS®. For the same period, existing home sales increased 21 percent to 9,835 homes and the average price of an existing home sold rose to \$151,600, a 3-percent gain. During the 12-month period ending June 2010, new home sales

increased by 38 percent to 1,425 homes, but the average new home sales price fell from \$260,875 to \$230,500 due to builders scaling down newly built homes in both size and amenities.

The Kansas City Regional Association of REALTORS® reported that new and existing home sales increased nearly 10 percent to 27,045 homes and that the average sales price fell from \$162,075 to \$161,250 during the 12 months ending June 2010. Existing home sales increased 12 percent to 24,670 homes sold, the average price of an existing home rose 2 percent to \$144,000, and the inventory of unsold existing homes increased from a 6- to a 7-month supply. New home sales decreased 12 percent to 2,380 homes, the average sales price declined 1 percent to \$298,325 for a new home, and the inventory of unsold new homes decreased from a 10- to a 6-month supply because of decreased new construction activity.

The Wichita Area Association of REALTORS® reported that sales of new and existing homes increased by less than 2 percent from 8,660 to 8,800 homes during the 12-month period ending June 2010, and that the average price fell 2 percent to \$133,000. For the same period, existing home sales increased by 5 percent from 7,450 to 7,800 homes, the average existing home sales price fell 1 percent to \$121,600, and the unsold existing home inventory was unchanged at a 5-month supply. During the 12-month period ending June 2010, new home sales decreased 14 percent to 1,000 homes, the average new home sales price increased 2 percent to \$223,575, and the inventory of unsold new homes declined from a 6- to a 4-month supply. According to HousingTracker, existing home sales in St. Louis declined 10 percent to 25,360 homes during the 12-month period ending June 2010, and the median sales price fell to \$160,800 in June 2010 from \$170,700 a year earlier, a decline of nearly 6 percent.

New single-family home construction in the Great Plains region, as measured by the number of single-family building permits issued, rose 9 percent to 18,180 homes, during the 12-months ending June 2010, compared with a 32-percent decrease recorded during the previous 12 months, based on preliminary data. In Iowa, the number of single-family building permits issued during the 12 months ending June 2010 totaled 5,230 homes, a 16-percent increase compared with the 26-percent decline recorded during the previous 12 months. During the 12 months ending June 2010, new single-family home construction activity in Kansas fell 4 percent to 3,340 homes compared with the 32-percent decline that occurred a year earlier. In Missouri, single-family home construction increased 23 percent to 5,960 homes compared with a decline of 46 percent a year earlier, and in Nebraska, permits issued for single-family homes decreased 7 percent to 3,650 homes compared with the 14-percent decline recorded a year earlier.

Lender Processing Services Mortgage Performance Data for June 2010 show that the percentage of total loans

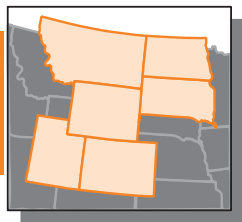
in foreclosure, 90 days or more delinquent, or in REO (Real Estate Owned) increased in all four states in the region between June 2009 and June 2010. Missouri had the greatest increase, rising from 4.7 to 5.5 percent, and in Nebraska, the percentage of total loans in the three categories increased from 3.4 to 3.7 percent, and in both Iowa and Kansas, it increased from 4.1 to 4.8 percent.

As of the second quarter of 2010, the Great Plains metropolitan area rental markets were soft. According to Reis, Inc., as of the second quarter of 2010, the Kansas City rental apartment vacancy rate increased to 9.4 percent from the 8.6-percent rate recorded in the second quarter of 2009 and the average rent was unchanged at \$704. In Wichita, as of the second quarter of 2010, the rental apartment vacancy rate was up to 7.8 percent from the 7.5-percent rate 1 year earlier. The average rent in Wichita increased during the past year from \$510 to \$513. The rental apartment vacancy rate in the St. Louis area was 8.8 percent in the second quarter of 2010, unchanged from a year earlier, as was the average rent of \$726—the highest rent level among the metropolitan areas in the Great Plains region.

Multifamily construction activity, as measured by the number of units permitted, declined in the Great Plains region during the 12-month period ending June 2010 to 7,000 units, down 14 percent compared with a 28-percent decline a year earlier, based on preliminary data. In Nebraska, during the 12 months ending June 2010, multifamily construction activity declined 50 percent to 550 units compared with a decline of 40 percent a year earlier, and in Missouri it decreased 29 percent to 2,615 units compared with a 27-percent decline a year earlier. During the 12 months ending June 2010, multifamily construction activity in Kansas remained relatively unchanged at 1,830 units. In Iowa, multifamily construction activity increased by 35 percent to 2,000 units compared with a decline of 19 percent during the previous 12 months.

ROCKY MOUNTAIN

HUD Region VIII



In the second quarter of 2010, the economy of the Rocky Mountain region continued the decline that began in late 2008. Nonfarm employment for the 12 months ending June 2010 averaged about 4.9 million jobs, a decrease of 160,500 jobs, or 3.2 percent, from the previous 12 months. This loss followed a 1.7-percent decline during the 12 months ending June 2009. The steepest declines during the 12 months ending June 2010 occurred in the

goods-producing sectors. The manufacturing sector lost about 30,000 jobs, a decrease of nearly 9 percent, with most of the losses concentrated in durable-goods manufacturing. Construction sector employment fell by nearly 51,000 jobs, or 16 percent, because of a decline in residential and commercial building activity. Based on data from Torto-Wheaton Research, during the 12 months ending May 2010, spending on commercial construction projects was down 60 percent from a year earlier. Mining and logging sector employment in the region fell by about 12,000 jobs, or 13 percent. Falling energy prices during the past 2 years have led to a decline in energy exploration within the mining subsector. Partly offsetting these declines, the education and health services sector added 14,100 jobs, a 2-percent increase, and government sector employment grew by 10,500 jobs, or 1 percent, helped by a temporary increase in jobs related to the 2010 Decennial Census.

Within the Rocky Mountain region, during the 12 months ending June 2010, Colorado and Utah had the largest employment declines, with 94,100 and 37,000 jobs lost, a decrease of 4.1 and 3 percent, respectively. In both states, nearly one-third of the job losses occurred in the construction sector. In Colorado, during the 12 months ending June 2010, the professional and business services sector lost more than 18,000 jobs, a 5.3-percent decline, and employment in the mining and logging sector fell by 4,800 jobs, or 17 percent. Many of those losses were in the energy-intensive western areas of Colorado. For the same period, employment in Wyoming fell by 12,900 jobs, or 4.4 percent, with a large share of the losses occurring in the mining and logging sector, which declined by 3,900 jobs, or 14 percent. During the 12-month period ending June 2010, employment in Montana and South Dakota fell by 11,700 and 6,600 jobs, or 2.4 and 1.6 percent, respectively. By contrast, for the same period, employment in North Dakota increased by 700 jobs, or 0.2 percent, led by strong growth in the government and the education and health services sectors. North Dakota has been among the top states in the country for job growth since the recession began. The unemployment rate for the Rocky Mountain region during the 12 months ending June 2010 averaged 7 percent, up from 5.7 percent a year earlier. During the 12-month period ending June 2010, unemployment rates ranged from 4.1 percent in North Dakota to 7.8 percent in Colorado, but all states in the region were below the national average of 9.7 percent.

Despite the weaker economy, home sales in the Rocky Mountain region have increased in the first quarter of 2010, but home sales markets remain soft in most places. According to data from the NATIONAL ASSOCIATION OF REALTORS®, home sales for the region in the first quarter of 2010 (the most recent data available) were up 10 percent from a year earlier, to a seasonally adjusted annual rate of 185,200 homes sold. The largest increases occurred in Utah, Wyoming, and North Dakota, where



home sales were up by 20 percent or more. The pending expiration of the homebuyer tax credit in April 2010 helped increase sales. Despite the increase in sales volume, sales prices for existing homes in the region were down 5 percent in the first quarter of 2010, according to the Federal Housing Finance Agency house price index. The steepest decline occurred in Utah, where prices fell 10 percent from a year earlier, but home prices were also down by more than 4 percent in Colorado, Montana, and Wyoming. The weak economy has also resulted in rising mortgage defaults and foreclosures throughout the region. According to Lender Processing Services Mortgage Performance Data, in June 2010, the number of home loans in foreclosure, 90 days or more delinquent, or in REO (Real Estate Owned) averaged 4.9 percent of total loans in the region, up from 4 percent a year earlier. During the 12 months ending June 2010, the percentage of loans in those three categories in the Rocky Mountain states ranged from 2 percent in North Dakota to 6.2 percent in Utah, but all states in the region were well below the national average rate of 8.5 percent.

Although home sales activity increased in most metropolitan areas in Utah during the 12 months ending June 2010, market conditions remain soft in most areas, as indicated by price declines, a trend that has persisted for the past 2 to 3 years. In the Salt Lake City area, according to NewReach, Inc., during the 12 months ending June 2010, sales of existing single-family homes were up 25 percent from a year earlier, to about 9,600 homes sold. During the same period, the average sales price fell 3 percent, to about \$252,600. In the Ogden-Clearfield area, home sales were up 17 percent, to 5,100 homes sold, and the average sales price increased by 9 percent to \$205,700. According to the Utah County Association of REALTORS®, for the 12 months ending June 2010, single-family home sales in Provo-Orem were up 29 percent from a year earlier, to about 4,700 homes sold. The average sales price fell by 9 percent during the same period, to about \$239,700.

According to data from the Colorado Association of REALTORS®, during the 12 months ending June 2010, single-family sales statewide were up 1 percent from a year earlier, to about 61,200 homes sold. During the second quarter of 2010, the median sales price for single-family homes fell 9 percent, to about \$192,700. In the Colorado Springs area, for the 12 months ending June 2010, single-family sales were up 16 percent, to about 9,200 homes sold. During the same period, single-family sales in the Boulder area were up 13 percent, to 2,800 homes sold, and in the Fort Collins area increased by 15 percent, to 2,500 homes sold. In the Denver metropolitan area, during the second quarter of 2010, sales fell by 2 percent from a year earlier, to about 34,700 homes sold. The median price during this same period was up 5 percent in the Denver area, to \$231,100, and up more than 2 percent in Colorado Springs, to \$195,300. These increases were offset by declines elsewhere. Median prices for single-

family homes fell 6 percent in Fort Collins, to about \$228,700, and 12 percent in Grand Junction, to \$186,500.

Increased home sales in many parts of the region have contributed to an increase in homebuilding activity. Based on preliminary data, during the 12 months ending June 2010, single-family construction, as measured by the number of building permits issued, totaled about 20,900 homes, up from 17,700 in the previous 12 months, an increase of 18 percent. During the 12 months ending June 2010, the strongest growth occurred in Utah, where the number of single-family homes permitted was up 32 percent, to about 6,700 homes, and North Dakota, where single-family home permits were up 31 percent, to about 1,700 homes. In Wyoming, during the same period, however, permits for single-family homes were down 3 percent, to about 1,300 homes. For the region, despite recent increases, production of single-family homes remains far below the peak years of 2004 through 2006, when homebuilding activity averaged more than 72,000 homes a year.

Much of the increase in single-family construction was offset by a decline in multifamily building activity, as measured by the number of units permitted. Based on preliminary data, in the 12 months ending June 2010, about 7,800 multifamily units were permitted in the Rocky Mountain region, a decline of 26 percent from the same period a year earlier. Although building activity during the 12 months ending 2010 was up strongly in Wyoming, North Dakota, and Montana, where the number of multifamily units permitted for the three states combined nearly doubled, to about 2,700 units, the number of multifamily units permitted fell by 41 percent in Colorado, to about 2,100 units, and by 52 percent in Utah, to about 2,000 units. Most of the decline in Colorado occurred in the Denver area, where units permitted were down by 55 percent, to about 1,100, but Colorado Springs and Greeley also had significant declines. Most of the decrease in Utah occurred in Salt Lake City, where the number of multifamily units permitted was down by 58 percent, to about 1,500 units. The declines in Colorado and Utah are partly a result of decreased demand for new condominiums, but the weak economy and tight lending standards have also reduced apartment construction.

Rental market conditions in the Rocky Mountain region in the second quarter of 2010 ranged from slightly soft in some areas to somewhat tight in others. Conditions were slightly soft in the Salt Lake City area. According to Reis, Inc., in Salt Lake City in the second quarter of 2010, the average apartment vacancy rate was 7.1 percent, up from the 5.9-percent rate recorded a year earlier. The average monthly apartment rent declined by nearly 1 percent during the same period, to \$747. During the 12 month-period ending June 2010, about 2,500 new apartment units were completed in the area, which contributed to the increase in vacancies, although the market appears to be stabilizing. Vacancy rates in Salt Lake

City during the second quarter of 2010 were essentially unchanged from the first quarter of 2010 and, according to Hendricks & Partners, Inc., the use of rent concessions to boost occupancies by apartment complexes has declined in the past 6 months. Rental market conditions in the Fargo area remain balanced. As of June 2010, according to Appraisal Services, Inc., apartment vacancy rates in the area averaged 6 percent, up slightly from the 5.9-percent rate recorded for June 2009.

The Denver area rental market is currently balanced. According to Apartment Appraisers & Consultants, in the second quarter of 2010, apartment vacancy rates in the Denver metropolitan area averaged 6.4 percent, down from 8.3 percent a year earlier. In the second quarter of 2010, monthly rents in Denver averaged \$862, up slightly from \$855 a year earlier. The Colorado Springs rental market also tightened, because of an increase in troop levels at Fort Carson Army Base in 2009, and also because of a sharp decline in the number of new rental units coming on line. Apartment vacancies in the second quarter of 2010 averaged 6.2 percent, down from 8.5 percent a year earlier. Monthly rents averaged \$699, up from \$691 a year earlier. Rental markets in the Fort Collins area are now balanced to tight, with a vacancy rate of 5.1 percent recorded during the second quarter of 2010, down from 6.1 percent a year earlier. In the second quarter of 2010 in Fort Collins, monthly rents averaged \$793, up from \$776 a year earlier. With more than 1,000 new units under construction or in the development pipeline, market conditions should begin to ease over the next several quarters.



Widespread employment losses that began in 2008 in the Pacific region continued to accelerate through the second quarter of 2010. During the 12 months ending June 2010, nonfarm employment averaged 18 million jobs, reflecting a decline of nearly 1 million jobs, or 5.3 percent, compared with the number of jobs during the previous 12 months. In the 12 months ending June 2009, losses totaled 715,200 jobs, or a 3.6-percent decrease compared with the preceding 12-month period. In the 12 months ending June 2010, the goods-producing sectors declined by 381,300 jobs, or 14.3 percent. With continued soft conditions in the real estate markets and reduced lending, the construction sector continued to lead regional job losses, down 220,200 jobs, or 22.3 percent. The service-providing sectors decreased by 618,500 jobs, or 3.8 percent, led by the professional and business services and leisure and hospitality sectors, down 180,200 and

92,100 jobs, or 6.5 percent and 4.1 percent, respectively. The education and health services sector had the only growth in the region, adding 26,900 jobs, or 1.2 percent, during the 12 months ending June 2010.

Nonfarm employment declined in every state in the region. During the 12 months ending June 2010, employment in California decreased by 748,600 jobs, or 5.1 percent, to average 13.9 million jobs. Job losses were concentrated in the construction, trade, and professional and business services sectors with respective job declines of 145,100, 140,600 and 140,000 jobs, or 20.1, 6.2, and 6.5 percent. The education and health services sector gained 15,900 jobs, or 0.9 percent. During the 12 months ending June 2010, employment contracted in the San Francisco Bay Area by 167,400 jobs, or 5.2 percent, and in Southern California by 402,800 jobs or 4.9 percent. During the same period, employment declined in Hawaii by 20,000 jobs, or 3.3 percent, to average 587,900 jobs.

In Arizona, employment during the 12 months ending June 2010 decreased by 141,600 jobs, or 5.6 percent, to average 2.4 million jobs. The construction and the professional and business services sectors declined the most, by 43,100 jobs, or 26.7 percent, and 27,300 jobs, or 7.4 percent, respectively. The education and health services sector added 7,800 jobs, or 2.4 percent. Decreasing tourism revenue and continued foreclosure distress in Nevada led to a loss of 89,500 jobs, a 7.4-percent decline, to average 1.1 million jobs, during the 12 months ending June 2010. During the same period, employment levels in the construction and the leisure and hospitality sectors declined by 32,000 jobs, or 30.9 percent, and 17,300 jobs, or 5.4 percent, respectively, and the education and health services sector gained 2,400 jobs, or 2.5 percent. The average unemployment rate in the region increased from 8.7 to 11.8 percent from the 12 months ending June 2009 to the 12 months ending June 2010. During the 12 months ending June 2010, unemployment rates in the region ranged from 6.9 percent in Hawaii to 13.1 percent in Nevada.

Some signs of improved home sales activity are appearing in the home sales markets because of increasing affordability, but most major markets in the region remain soft. According to the California Association of REALTORS®, during the 12 months ending June 2010, 532,200 existing homes were sold, a decline of less than 1 percent compared with the number of sales in the previous 12 months. During the 12 months ending June 2010, the median sales price of an existing home was \$299,600, up nearly 5 percent from the median sales price recorded during the previous 12-month period. Foreclosed homes accounted for 36 percent of existing homes sold in California in the second quarter of 2010, compared with 50 percent in the second quarter of 2009 and with the peak level of 58 percent in the first quarter of 2009. The volume of new homes sales in California has also continued to decline, but at a slower rate. According to Hanley Wood LLC, during the 12 months ending March 2010,



builders sold 28,750 new homes in the 30 largest California counties, an 11-percent decline compared with the 32,150 homes sold in the previous 12-month period. In Honolulu, existing home sales increased 27 percent, to 7,125 homes sold in the 12 months ending June 2010. In the 12 months ending June 2010, the median price of a single-family home in Honolulu was \$585,200, down 1 percent, and the median price of a condominium was \$304,300, down 2 percent compared with the median price in the preceding 12-month period.

In Phoenix and Las Vegas, existing home sales have continued to increase since the fourth quarter of 2008 and the percentage of foreclosed home sales fell slightly during the second quarter of 2010. During the 12 months ending June 2010, 96,700 existing homes were sold, an increase of 25 percent compared with the number sold during the previous 12-month period, according to the *Phoenix Housing Market Letter*. From the 12 months ending June 2009 to the 12 months ending June 2010, the median price of an existing home decreased 11 percent to \$125,700 and the median price of a new home declined nearly 2 percent to \$200,200. New home sales in Phoenix continued to decline, 10,700 new homes sold in the 12 months ending June 2010, down 25 percent compared with the number sold during the preceding 12-month period. Since peaking in the first quarter of 2009 at 65 percent of total existing home sales, the percentage of foreclosed homes in Phoenix has fallen to 49 percent in the second quarter of 2010. The *Las Vegas Housing Market Letter* reported that existing home sales in Las Vegas increased 21 percent to 46,400 homes in the 12 months ending June 2010 compared with 38,250 homes sold in the previous 12 months. From the 12 months ending June 2009 to the 12 months ending June 2010, the median existing home price declined by 23 percent to \$124,900 and the median new home price decreased 12 percent to \$205,700. The new home sales volume continued to fall in Las Vegas, but at a slower rate, with 5,925 new homes sold in the 12 months ending June 2010, down 16 percent from the previous 12-month period. Since peaking in the second quarter of 2009 at 72 percent, foreclosed homes sales as a proportion of all Las Vegas home sales have declined to 49 percent in the second quarter of 2010.

In a reversal of a 4-year trend that began in 2006, builders throughout most of the region are increasing the pace of new home construction, as measured by the number of single-family home building permits issued. During the 12 months ending June 2010, 46,400 single-family homes were permitted in the region, an 8-percent increase compared with the number of permits issued during the preceding 12 months, but still significantly lower than the 10-year average, from 2000 through 2009, of 182,700 permits. In Nevada and Arizona, single-family permits increased by 1,250 and 1,200 homes, respectively, or by 26 and 10 percent, to total 6,000 and 13,200 homes, during the 12 months ending June 2010. Dur-

ing the same period, California experienced a modest 4-percent increase in single-family building activity, up 980 homes, to total 25,200 single-family homes. In contrast, permits for single-family homes in Hawaii decreased by slightly more than 1 percent, to total 2,000 single-family homes, during the 12 months ending June 2010.

As of the second quarter of 2010, major rental markets were balanced in California but soft throughout the rest of the Pacific region. The San Francisco Bay Area rental market remained balanced because landlords continued to lower rents to maintain occupancy levels. Reis, Inc., reported that from the second quarter of 2009 to the second quarter of 2010, the apartment rental vacancy rate decreased from 5.7 to 5.5 percent in the Oakland submarket, from 5 to 4.2 percent in the San Jose submarket, and remained stable at 5 percent in the San Francisco submarket. Average rents declined by 2 percent in both the Oakland and San Francisco submarkets to \$1,334 and \$1,819, respectively. The San Jose submarket recorded a 1 percent decrease to the average rent of \$1,499. In Sacramento, the rental market was slightly soft, with a current vacancy rate of 7.1 percent, down from 7.2 percent in the second quarter of 2009, and the rents declined by 2 percent to average \$911 in the second quarter of 2010.

Rental markets in southern California were balanced in the second quarter of 2010 as rental vacancy rates and rent trends stabilized. From the second quarter of 2009 to the second quarter of 2010, Reis, Inc., reported that the apartment rental vacancy rates increased slightly in the three largest metropolitan areas. For the same period, the vacancy rates in Los Angeles and San Diego increased by 0.1 percentage points to 5.5 and 4.9 percent, respectively, and gained 0.2 percentage points in Orange County to 6.4 percent. Both Ventura County and the Riverside-San Bernardino metropolitan area had modest decreases in their vacancy rates, from 5.5 to 5.3 percent and from 8.1 to 7.8 percent, respectively. In the second quarter of 2010, Reis recorded that the average rent in Southern California was \$1,366, a 3-percent decrease compared with the average rent of \$1,399 in the second quarter of 2009.

Other major rental housing markets in the region were soft. According to Reis, Inc., the Phoenix apartment market vacancy rate was 11.5 percent in the second quarter of 2010, down from the 11.7-percent rate recorded in the second quarter of 2009. The average asking rent in Phoenix declined 3 percent to \$750 in the second quarter of 2010. From the second quarter of 2009 to the second quarter of 2010, Reis, Inc., reported that the apartment vacancy rate increased from 10.1 to 11.1 percent in Las Vegas, and the average rent decreased 4 percent to \$820. The Honolulu rental market remained soft, with an estimated vacancy rate of 7 percent in the second quarter of 2010, down from 8 percent in the second quarter of 2009.

Multifamily construction activity, as measured by the number of units permitted, continued to decline in the

region. During the 12 months ending June 2010, permits for 16,350 multifamily units were issued, a 37-percent decline compared with the previous 12-month period, based on preliminary data. During the 12 months ending June 2010, permits in Arizona and Nevada totaled 1,500 and 1,525 multifamily units, respectively; this reflected a 51- and 71-percent decline compared with the preceding 12-month period. In California, permits for 11,900 multifamily units were issued during the 12 months ending June 2010, a 28-percent decline compared with the previous 12-month period. In contrast, permits for 1,425 multifamily units were issued in Hawaii, a 34-percent increase compared with the previous 12-month period.



The Northwest regional economy continued to lose jobs during the 12 months ending June 2010, a trend that began in 2009. Nonfarm employment declined by 202,100 jobs, or 3.7 percent, to average 5.3 million jobs compared with the number recorded during the 12 months ending June 2009. During the 12 months ending June 2010, nonfarm employment in Washington averaged 2.8 million, down 107,200 jobs, or 3.7 percent. For the same period, Oregon registered the second largest absolute decline with 71,300 jobs lost, or 4.3 percent, down to an average of 1.6 million nonfarm jobs while Idaho lost 24,500 jobs, a 3.9-percent decline, resulting in an average of 605,100 nonfarm jobs. In Alaska, the only state that gained jobs during the 12 month-period ending June 2010, employment increased by 900 jobs, or 0.3 percent, to average 322,800 nonfarm jobs.

The construction and manufacturing sectors led employment declines in the Northwest region during the 12 months ending June 2010. The construction sector declined by 60,900 jobs, or 18.9 percent, primarily because of declines in the level of new residential construction during the previous 3 years. In Washington, construction employment fell by 36,900 jobs, or 20.3 percent, followed by the loss of 15,500 jobs in Oregon, an 18.6-percent decline. In Idaho, construction sector employment decreased by 7,900 jobs, or 20 percent. In Alaska, commercial construction and relatively stable housing market conditions limited losses in the construction sector to 600 jobs, a 3.7-percent decline. Regionwide during that period, the manufacturing sector declined by 42,800 jobs, or 8.1 percent, with the manufacturing sector in Washington losing 20,300 jobs, or 7.3 percent, and in Oregon by 17,900 jobs, or 9.9 percent. In Idaho, the manufacturing sector lost 5,300 jobs, down 8.9 percent, compared

with the number of manufacturing jobs recorded during the previous 12 months. Boosted by oil industry-related hiring, the manufacturing sector in Alaska gained 600 jobs.

Regional nonfarm employment gains during the 12 months ending June 2010 occurred primarily in the education and health services sector, which added 15,200 jobs, or 2.1 percent. Employment in this sector during that period increased by 7,900 jobs in Washington, 3,500 jobs in Idaho, 2,200 jobs in Oregon, and 1,700 jobs in Alaska. Between the 12 months ending June 2009 and the 12 months ending June 2010, job losses throughout the Northwest region caused the average regional unemployment rate to increase from 7.8 to 9.6 percent. The unemployment rate increased in every state in the region and ranged from 8.3 percent in Alaska to 10.8 percent in Oregon during the 12 months ending June 2010.

Sales housing market conditions in the Northwest region were still soft during the 12 months ending June 2010, but home sales increased in most areas because of lower prices and the homebuyer tax credit program, a trend that has occurred since early 2010. In Washington, during the 12 months ending June 2010, according to the Northwest Multiple Listing Service, a total of 47,500 new and existing homes were sold in the combined Puget Sound metropolitan areas of Seattle, Tacoma, Bremerton, and Olympia, 28 percent more than were sold during the previous 12 months. The average sales price of a home sold in the combined Puget Sound metropolitan areas was down 8 percent to \$359,200. In the Seattle metropolitan area, during the 12 months ending June 2010, 30,700 homes were sold, a 33-percent increase compared with the number sold during the same period in 2009. During the 12-month period ending June 2010, the average sales price of a home sold in the Seattle metropolitan area declined by 8 percent to \$418,900; in the Bremerton, metropolitan area the average price declined by 5 percent to \$293,100; and in the Olympia metropolitan area it declined by 8 percent to \$256,100. Home sales during that period increased by 20 percent in the Bremerton area and by 11 percent in the Olympia area. In the Tacoma metropolitan area, during the 12 months ending June 2010, home sales increased 23 percent, but the average sales price was down 17 percent to \$233,000 compared with the average price recorded during the same period a year earlier.

According to data from the local multiple listing services, during the 12 months ending June 2010, the number of new and existing single-family homes sold in the 11 largest markets in Oregon totaled approximately 41,400 homes, a 26-percent increase compared with the number of homes sold during the previous 12 months. During the same 2010 period, the average price for new and existing single-family homes decreased by 8 percent to \$247,900. In the Portland-Vancouver-Beaverton, Oregon-Washington metropolitan area, the number of new and existing homes sold totaled 26,200, up 30 percent compared with the



number sold during the 12 months ending June 2009, but the average price decreased 8 percent to \$275,200. In the 19 Idaho counties covered by the Intermountain Multiple Listing Service, during the 12-month period ending June 2010, the number of new and existing homes sold increased to 11,400 homes, up 35 percent, but the average price decreased 16 percent to \$155,400.

Market conditions were balanced in Anchorage where, during the 12 months ending June 2010, according to the Alaska Multiple Listing Service, Inc., new and existing home sales totaled 2,550 homes, a 13-percent increase, and the average price remained relatively unchanged at \$324,100. In the Boise metropolitan area, during the same period, new and existing home sales totaled 9,500 homes, a 39-percent increase compared with the total sold in the previous 12 months, but the average price decreased by 18 percent to \$157,900. According to Lender Processing Services Mortgage Performance Data, as of June 2010, the percentage of mortgage loans in foreclosure, 90 or more days delinquent, or in REO (Real Estate Owned) in Boise was 8.4 percent, up from the 6.8-percent rate recorded in June 2009. In comparison, the regionwide percentage of mortgage loans in these three categories was 5.8 percent as of June 2010, up from 4.2 percent a year earlier.

New home construction increased during the 12 months ending June 2010, following a 3-year declining trend. During the 12 months ending June 2010, based on preliminary data, single-family building activity, as measured by the number of building permits issued, totaled 22,300 homes, up by 3,000 homes, or 16 percent, compared with the number permitted during the previous 12 months. During the 12 months ending June 2010, single-family building activity totaled 12,250 homes in Washington and 5,260 in Oregon, increases of 20 and 6 percent, respectively, when compared with the number permitted during the previous 12-month period. In Idaho during the same period in 2010, home building activity increased 17 percent to 4,100 homes permitted, and, in Alaska, single-family construction activity increased by 90 homes to 695 homes permitted.

Multifamily construction activity, as measured by the number of units permitted, slowed considerably in the Northwest region during the 12 months ending June 2010. Based on preliminary data, during that period, the number of units permitted in the region totaled 5,400, down 45 percent from the number of units permitted during the previous 12-month period. During the 12 months ending June 2010, Washington, with a decline of 2,600 units, or 44 percent, to 3,315 units permitted, accounted for most of the regional decline of 4,340 units. In Oregon, 1,400 multifamily units were permitted, 1,400 fewer than the number permitted during the 12

months ending June 2009. In Idaho, during the 12-month period ending June 2010, multifamily activity declined by 220 units to a total of 500 units permitted, and, in Alaska, multifamily construction activity totaled 195 units, down by 105 units from the number of units permitted during the previous 12 months.

Rental housing market conditions were mostly balanced throughout much of the Northwest region during the 12 months ending June 2010 because declining rents and reduced levels of apartment production were starting to put downward pressure on vacancy rates in some market areas. According to data from Apartment Insights, as of June 2010, the apartment rental vacancy rate in the Seattle metropolitan area was 6.1 percent, down from the 7.2-percent rate recorded in June 2009. The average asking rent for apartments in the Seattle metropolitan area was \$1,020 per unit, down nearly 2 percent from the average asking rent of \$1,037 per unit recorded a year earlier. In the Tacoma metropolitan area, the apartment vacancy rate was 6.8 percent in June 2010, up from the 6.1-percent rate recorded a year earlier. In the past 1 to 2 months, however, the vacancy rate in the Tacoma area has been declining; this is expected to continue as troops from Joint Base Lewis-McChord return from Iraq. During the 12 months ending June 2010, the average asking rent in Tacoma was essentially unchanged at \$839 per unit. On the eastern side of Washington in the Spokane metropolitan area, during that same period, according to data from Reis, Inc., the apartment vacancy rate increased from 6.1 to 6.6 percent, and the average asking rent decreased by less than 1 percent from \$640 to \$634 per unit.

In the Portland-Vancouver-Beaverton metropolitan area, rental housing market conditions were balanced as of the second quarter of 2010. According to Reis, Inc., the apartment vacancy rate was 5.8 percent in the second quarter of 2010, down from the 6.2-percent rate recorded in the second quarter of 2009. The average asking rent was essentially unchanged at \$824 over the same period. In the Boise metropolitan area, during the second quarter of 2010, rental housing market conditions were soft, with an apartment vacancy rate of 10 percent, up from the 9.2-percent rate recorded in the same quarter a year earlier. In the second quarter of 2010, the average asking rent was \$690 per unit in the Boise area, representing a decline of less than 1 percent from an average asking rent of \$694 per unit in the second quarter of 2009. In Anchorage, based on data from the Alaska Housing Finance Corporation and the U.S. Department and Housing and Urban Development, rental market conditions were tight to balanced, with an estimated apartment vacancy rate of 4 percent as of the second quarter of 2010, which was similar to the rate recorded a year earlier.

HUD's 10 regions are grouped as follows:

- **Region I, New England:** Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.
- **Region II, New York/New Jersey:** New Jersey and New York.
- **Region III, Mid-Atlantic:** Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, and West Virginia.
- **Region IV, Southeast/Caribbean:** Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, Puerto Rico/U.S. Virgin Islands, South Carolina, and Tennessee.
- **Region V, Midwest:** Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin.
- **Region VI, Southwest:** Arkansas, Louisiana, New Mexico, Oklahoma, and Texas.
- **Region VII, Great Plains:** Iowa, Kansas, Missouri, and Nebraska.
- **Region VIII, Rocky Mountain:** Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming.
- **Region IX, Pacific:** Arizona, California, Hawaii, and Nevada.
- **Region X, Northwest:** Alaska, Idaho, Oregon, and Washington.

Housing Market Profiles

Albuquerque, New Mexico

The Albuquerque metropolitan area is located in central New Mexico, 60 miles south of Santa Fe, and consists of Bernalillo, Sandoval, Torrance, and Valencia Counties. The two leading employers in the metropolitan area are Kirkland Air Force Base (KAFB), which includes Sandia National Laboratories, and the University of New Mexico (UNM). As of July 1, 2010, the population of the metropolitan area was estimated at 868,700. The population increased by 10,800, or 1.3 percent, during the 12 months ending May 2010, a decline compared with an average annual increase of 14,000, or 1.7 percent, since 2005.

Economic conditions have weakened since 2008 following strong economic growth from 2003 to 2007. During the 12 months ending May 2010, nonfarm employment in the metropolitan area declined by 13,800 jobs, or 3.5 percent, to an average of 376,500 jobs, compared with the decline of 5,800 jobs, or 1.5 percent, recorded during the previous 12 months. In contrast, from 2003 through 2007, nonfarm employment increased by an average of 8,200 jobs, or 2.2 percent, annually. During the 12 months ending May 2010, the professional business services, manufacturing, and mining and logging sectors lost 3,800, 3,400, and 3,400 jobs, or 6, 16, and 13 percent, respectively. Job losses occurred in every sector except the education and health services and government sectors, which increased by 1,800 and 800 jobs, or 3 and 1 percent, respectively. Gains in the government sector resulted, in part, from an increase of 1,000 jobs at UNM, which currently has 15,300 employees and has an annual economic impact of \$2 billion on the local economy, according to the UNM FY 2008–09 Operating and Capital Budget Plans. Employment at KAFB has remained virtually unchanged during the past 3 years, with 35,700 civilian workers and 4,875 military personnel. According to the KAFB Economic Impact Statement FY 2008, KAFB has a local economic impact of \$3 billion annually. During the 12 months ending May 2010, the unemployment rate averaged 8.2 percent, up from 5.5 percent during the 12 months ending May 2009. The unemployment rate was below 5 percent for the Albuquerque metropolitan area from 2004 through 2008.

Home sales market conditions in the Albuquerque metropolitan area are currently soft, due to the slowdown in economic activity and despite recent increases in home sales activity resulting from the first-time homebuyer tax credit program. According to data from the Greater Albuquerque Association of REALTORS®, during the 12 months ending May 2010, approximately 7,350 new and existing single-family homes were sold, an increase of 15 percent compared with the number sold during the previous 12 months. The average sales price of single-



family homes, during the 12 months ending May 2010, declined by 5 percent, to \$212,400, down 12 percent from the peak, which occurred in 2008. According to Lender Processing Services Mortgage Performance Data, the percentage of mortgage loans in foreclosure, 90 or more days delinquent, or in REO (Real Estate Owned) in the Albuquerque metropolitan area during May of 2010 was 6 percent, up from the 4-percent rate recorded a year earlier. Even with the inventory of unsold homes decreasing to an 8.3-month supply in May 2010 from a 9.4-month supply in May 2009, the estimated sales vacancy rate is 2.5 percent as of May 2010, unchanged from the rate reported in the 2008 ACS data. According to data from the Greater Albuquerque Association of REALTORS®, condominium sales averaged 75 units a month during the 12 months ending May 2010, up from 55 units sold a month during the previous 12-month period. The average home sales price during the 12 months ending May 2010 declined by 6 percent, to \$150,600, from the previous 12-month period, and declined by 9 percent from the peak in May 2008. The Elements Urban Townhomes includes 72 two-bedroom units, located near UNM, priced from \$223,600 to \$489,900, and is expected to be completed in September 2011.

Reflecting increased home sales and a reduced inventory of unsold homes, single-family home construction activity, as measured by the number of single-family building permits issued, increased during the past year. Based on preliminary data, about 1,625 single-family homes were permitted during the 12 months ending May 2010, a 6-percent increase compared with the number permitted during the previous 12 months. Between 2005 and 2008, an average of 5,000 single-family homes was permitted annually in the metropolitan area. Due to the economic downturn, Mesa Del Sol, the largest development in Albuquerque with a total of 37,500 homes planned over the next 20 to 30 years, delayed the start of residential construction from the fall of 2009 to December 2011. Prices will range from about \$125,000 to \$290,000. Another development, the Orchards, will begin building the first of 91 homes at the end of July 2010, with prices starting at \$130,000. At Loma Colorado, where homes are priced from \$170,000 to \$370,000, approximately 425 of the planned 990 homes have been built since August 2007.

The Albuquerque metropolitan area rental housing market is currently balanced, despite slowed economic activity. Due to limited multifamily building activity, the average apartment vacancy rate declined slightly during the first quarter of 2010 to 6.4 percent, down from 6.8 percent a year earlier, according to Reis, Inc., but the average apartment asking rent remained relatively unchanged at \$710. During the 12-month period ending July 2010, multifamily construction activity, as measured by the number of units permitted, totaled 140 units compared with 370 units permitted during the previous 12-month period, based on preliminary data. Multifamily construction activity averaged 500 units a year

from 2005 to 2008. The most recent project, Las Mananitas Apartments Phase II, consisting of 88 market-rate apartments in northwest Albuquerque, was completed in May 2010. Las Mananitas offers one-bedroom units starting at \$925, two-bedroom units starting at \$1,200, and three-bedroom units starting at \$1,600.

Allentown-Bethlehem-Easton, Pennsylvania-New Jersey

The Allentown-Bethlehem-Easton metropolitan area, referred to as Lehigh Valley, is located approximately 50 miles north of Philadelphia and 70 miles west of New York City. It comprises Carbon, Lehigh, and Northampton Counties in Pennsylvania and Warren County in New Jersey. With a total population of 820,200 as of July 1, 2010, Lehigh Valley is the third most populous metropolitan area in Pennsylvania, after Philadelphia and Pittsburgh. During the past 12 months, the population increased by 4,200 people, or 0.5 percent, a rate of growth that was virtually unchanged from the previous period. Lehigh Valley was once a major center for industrial manufacturing and home to the Bethlehem Steel Corporation, at one time the second largest steel manufacturer in the nation. The remnants of Lehigh Valley's industrial past have been transformed into more than \$80 million in residential and \$803 million in commercial redevelopment during the past 5 years, including the most recent conversion of a portion of the former Bethlehem Steel site into the Sands Casino Resort in May 2009.

During the 12 months ending May 2010, average nonfarm employment totaled 330,500 jobs, down 2.7 percent, or 9,200 jobs, compared with nonfarm employment during the previous 12-month period. The largest declines occurred in the manufacturing and professional and business services sectors and the retail trade subsector, which lost 3,400, 1,600, and 1,500 jobs, respectively. Despite the overall job losses, two sectors continued to grow. The education and health services sector, accounting for approximately 20 percent of all nonfarm jobs in Lehigh Valley, increased by approximately 900 jobs, or 1.3 percent, during the 12 months ending May 2010. During the same period, the leisure and hospitality sector increased by 700 jobs, or 2.2 percent, due to the opening of the Sands Casino Resort, which added 860 jobs. Job creation in the education and health services sector and modest gains in the leisure and hospitality sector are expected to continue over the next few years. Lehigh Valley Health Network, with 9,470 employees, is the leading employer in the metropolitan area. St. Luke's Hospital and Health Network, the second leading employer, with 6,380 employees, is expected to undergo a \$140 million multiphase expansion, creating 680 jobs upon its completion within the next 3 to 4 years. Phase I of the expansion is expected to be completed in 2011. Further

construction completions in 2011 include the Sands Casino Resort's 300-bedroom hotel and ArtsQuest's \$60 million SteelStacks entertainment campus; both developments will further transform the Bethlehem Steel site into an entertainment destination. Despite these expansions, job losses during the 12 months ending May 2010 resulted in an increase of the average unemployment rate to 9.5 percent from 6.8 percent during the previous 12 months.

The sales housing market in Lehigh Valley is currently balanced to soft, with an estimated vacancy rate of 1.8 percent as of July 2010. According to the Lehigh Valley Association of REALTORS®, during the 12 months ending May 2010, total existing home sales increased by 23 percent to 480 homes compared with the 390 homes sold during the previous 12 months, while average days on the market declined from 80 to 70 days during the same period. Home sales increased as prices declined. The average sales price of an existing home during the 12 months ending May 2010 was \$199,900, down 6 percent from \$213,500 during the 12 months ending May 2009. According to Lender Processing Services Mortgage Performance Data, from May 2009 to May 2010, the number of loans that are in foreclosure, 90 days or more delinquent, or in REO (Real Estate Owned) increased from 5.3 to 7.3 percent of all home loans recorded in the area.

Slightly improving sales market conditions resulted in an increase in single-family construction activity, as measured by the number of building permits issued. According to preliminary data, during the 12 months ending May 2010, a total of 1,475 homes were permitted, up 12 percent compared with the number of homes permitted during the previous 12 months. Single-family home construction peaked from 2002 through 2006, when the average annual number of homes permitted was 4,125. That average annual number declined to 1,850 homes from 2007 through 2009. The number of homes permitted declined by 43 percent to 990 homes during the 12 months ending May 2009. Current single-family developments include Wrenfield, a 98-townhome community scheduled to start construction in August 2010; Towne Center at Sullivan Trail, an 84-townhome community under construction; and Cottages at Belmont Glen, a 27-home, active-adult community under construction, with 13 homes completed. Prices of new homes range from \$184,900 to \$259,900.

Despite current economic conditions, the overall rental housing market as of July 2010 is balanced, with an estimated vacancy rate of 6 percent, virtually unchanged from the rate of the previous year, but softer than conditions as of July 2008, when the rate was 5.4 percent. According to Reis, Inc., the average rents in the first quarter of 2010 for one-, two-, and three-bedroom apartments were \$760, \$900, and \$1,100, respectively. Average rents were virtually unchanged from 2009 but were down 1 percent from 2008.

Multifamily construction activity, as measured by the number of units permitted, declined during the 12 months ending May 2010. According to preliminary data for the 12 months ending May 2010, multifamily construction totaled 170 units, down 75 units compared with the number of units permitted during the same period a year earlier. Multifamily development peaked from 2005 through 2007, averaging 1,100 units permitted annually, before declining to an average of 350 units a year from 2008 through 2009. Nearly 90 percent of the multifamily development in the area consists of apartments, with recent additions since 2005 including conversions from existing warehouse and manufacturing structures, totaling more than \$80 million in redevelopment. Conversions from these structures include Farr Lofts, a 21-unit complex; Woodmont Mews, a 204-unit complex; Silk Mill, a 151-unit complex still under construction; Riverport, a 171-unit condominium complex located on the Bethlehem Steel site, with 29 units set aside for rental by the developer; and Pomeroy, a 30-unit apartment complex scheduled to start construction in August 2010. Average asking rents for newly constructed efficiency, one-bedroom, and two-bedroom apartment units are \$750, \$950, and \$1,300, respectively.

Houston-Sugar Land-Baytown, Texas

The Houston-Sugar Land-Baytown metropolitan area, which encompasses 10 counties in the Gulf Coast region of southeastern Texas, is the sixth largest metropolitan area in the United States. Among metropolitan areas with at least 1 million residents, it is the third fastest growing metropolitan area in the nation. As of July 1, 2010, the population of the metropolitan area was estimated at 6 million, which represents an average annual increase of 137,200, or 2.6 percent, since July 1, 2005. More than 55 percent of this population increase was due to net in-migration into the area. During the 12 months ending June 2010, population growth slowed to 118,100, or 2 percent, compared with 140,800, or 2.5 percent, during the previous 12-month period, due to continued job losses. Harris County, which contains the primary city of Houston, is home to approximately 70 percent of the metropolitan area's population.

Nonfarm employment began to decline in the metropolitan area in early 2009, after nearly 5 years of growth. Total nonfarm employment decreased by 78,700 jobs, or 3 percent, during the 12 months ending May 2010, after remaining unchanged during the previous 12 months. Job losses were widespread during the 12 months ending May 2010, with employment declining in most sectors. The largest job losses occurred in the mining, logging, and construction sector, which declined by 29,300 jobs, or 10.1 percent, as construction of new homes in the area slowed. The professional and business services



sector also declined, losing 25,200 jobs, or 6.7 percent. Administaff, Inc., an administrative staffing firm that serves as a full-service human resources department for small and medium-sized businesses and is the third largest employer in the area, recorded an employment decline of 15 percent to 17,500 employees, during the 12 months ending May 2010. Other sectors that declined by more than 10,000 jobs include the manufacturing sector, which lost 20,700 jobs, or 8.6 percent, and the trade sector, which lost 10,800 jobs, or 2.7 percent. Wal-Mart Stores, Inc., the largest employer in the area with 30,550 employees, recorded an employment decline of 4 percent during the 12 months ending May 2010. The only sector to record growth of more than 10,000 jobs was the education and health services sector, which grew by 12,700 jobs, or 4.4 percent. This sector includes, 3 of the 10 largest employers in the area, including the second largest employer, Memorial Hermann Healthcare System, which grew by 4 percent to 21,000 employees during the past 12 months. Reflecting overall job losses, the unemployment rate increased from 5.9 to 8.3 percent during the 12 months ending May 2010.

Home sales market conditions in the Houston-Sugar Land-Baytown metropolitan area are soft. The sales vacancy rate is currently estimated at 3.5 percent, up from 2.9 percent in July 2008. Recent job losses in the metropolitan area and tight lending standards have combined to reduce demand for single-family homes. According to the Real Estate Center at Texas A&M University, during the 12 months ending May 2010, 62,650 homes were sold, representing a 6-percent increase from the 58,950 homes sold during the previous 12-month period. Home sales are still more than 20 percent below the peak level of 81,750 homes sold during the 12 months ending February 2007. During the past 5 years, home sales have averaged 70,650 homes annually. During the 12 months ending May 2010, the level of unsold housing inventory continued to increase slightly from a 6.4- to a 6.6-month supply. Unsold housing inventory is at the highest level since 2000 and is well above the 5.4-month supply average recorded between 2000 and 2007. Despite the soft home sales market, the average home sales price increased 2 percent to \$204,800 during the 12 months ending May 2010. The average sales price had declined by 2 percent during the 12-month period ending May 2009. The average current sales price remains approximately 2 percent below the peak level of \$208,000 recorded during the 12 months ending September 2008. According to Lender Processing Services Mortgage Performance data for May 2010, 5.6 percent of the total loans in the metropolitan area were in foreclosure, 90 days or more delinquent, or in REO (Real Estate Owned), representing an increase from the 4.6-percent rate recorded in May 2009.

Single-family home construction activity, as measured by the number of single-family building permits issued, has started to increase after a large decline as builders

responded to decreasing sales. During the 12 months ending May 2010, permits were issued for 25,100 single-family homes, according to preliminary data, which is an increase of approximately 14 percent when compared with the number of permits issued during the previous 12 months. After peaking at 55,700 homes permitted during the 12 months ending September 2006, single-family home construction activity has steadily declined to a low of 20,800 homes permitted during the 12 months ending August 2009.

Several new subdivisions are currently under construction or in development in the metropolitan area. One of the fastest growing areas continues to be Cinco Ranch, a 7,600-acre, mixed-use master-planned community (MPC) in the Greater Katy area, located approximately 40 miles west of Houston. According to a survey by Robert Charles Lesser & Co., an independent real estate advisory firm, Cinco Ranch was the fastest growing MPC in the nation in 2009, with approximately 890 new home sales. Sales prices range from \$190,000 to \$1 million, with an average sales price of \$300,000. Other growing communities in the Houston area include The Woodlands, an MPC in Montgomery County (located about 30 miles north of downtown Houston) and Telfair, a 2,000-acre MPC in Sugarland (located about 20 miles southwest of Houston), which ranked as the second and fourth fastest growing communities in the nation, with approximately 630 and 450 new home sales, respectively.

The rental market in the metropolitan area is currently soft. Production of new multifamily units, as measured by the number of unit permitted, reached record highs in 2005 and 2006, when evacuees from Hurricane Katrina relocated to the area. Multifamily production peaked at 21,500 units during the 12 months ending October 2007 as economic growth began to slow. Approximately 90 percent of multifamily units permitted in the metropolitan area since 2005 were estimated to be rental units. Since 2007, economic conditions have worsened and in-migration to the area has slowed as some of the Katrina evacuees have returned to Louisiana, which has reduced the demand for new rental units. According to ALN Systems, Inc., the apartment vacancy rate was 14.3 percent during the 12 months ending June 2010, which is up from 11.5 percent during the previous 12 months. The rental vacancy rate reached a low of 8.1 percent during the 12 months ending August 2006, when approximately 130,000 evacuees from Hurricane Katrina entered the rental market. Average monthly rents increased 1 percent to \$790 during the 12 months ending June 2010, which represents the smallest increase in any 12-month period since 2005.

Multifamily construction activity has slowed significantly in the past 2 years because builders responded to softening market conditions. Based on preliminary data, permits were issued for approximately 4,425 units during the 12 months ending May 2010, representing a

decline of nearly 60 percent compared with the number of permits issued during the 12-month period ending May 2009.

Knoxville, Tennessee

The Knoxville metropolitan area, located in eastern Tennessee along the North Carolina border, consists of Anderson, Blount, Knox, Loudon, and Union Counties. The principal city of Knoxville is located in Knox County and is a regional center for education and healthcare. The University of Tennessee (UT) Knoxville, located in downtown Knoxville, has more than 27,000 students and 8,100 faculty and staff. UT Knoxville has an estimated \$600 million impact on the local economy. Leading employers include the U.S. Department of Energy and Covenant Health with 12,600 and 8,850 workers, respectively. As of July 1, 2010, the population of the metropolitan area was estimated at 705,800, an increase of 1 percent compared with the July 1, 2009 population estimate. The rate of population growth has been slower than the 1.7-percent average annual growth rate recorded from 2005 through 2008 due to decreased in-migration, a result of the slowing economy.

Economic conditions have weakened significantly during the past year. Nonfarm employment decreased by 11,100 jobs to an average of 319,700 jobs during the 12 months ending May 2010, a 3.4-percent decline compared with the number of jobs recorded during previous 12 months. By comparison, job declines averaged 1.8 percent during the 12 months ending May 2009. Recent job losses have primarily occurred in the goods producing sectors. Jobs in both the manufacturing and the mining, logging, and construction sectors have decreased more than 10 percent each with declines of 4,200 and 1,900 jobs, respectively. Employment declines in the construction sector have totaled 3,100 jobs during the past 2 years due to a decrease in new home construction. Despite significant losses in the manufacturing sector, SL Tennessee, LLC announced in February they would undertake a \$35 million expansion that is expected to create 300 new jobs for the automotive part supplier by the end of 2010. Likewise, Confluence Solar, Inc., which manufactures solar panels, announced plans to construct a \$200 million facility that will create 250 jobs upon full operation in 2012. The education and health services sector added 800 jobs during the 12 months ending May 2010, a 1.8-percent increase compared with the number of jobs during the previous 12 months, due to expansions at several local hospitals. Employment in all other sectors either declined or remained flat. As a result, the average unemployment rate rose to 8.8 percent during the 12 months ending May 2010, up from 7 percent during the previous 12 months.

Home sales market conditions in the Knoxville metropolitan area are slightly soft due to continuing job losses.

The pace of home sales has declined gradually since 2005, when annual volume peaked at 15,400 homes sold. Home sales have increased recently as a result of a decrease in home prices. Approximately 10,200 new and existing single-family homes were sold during the 12 months ending June 2010, based on Knoxville Area Association of REALTORS® data, up 12 percent from the 9,100 homes sold during the 12 months ending June 2009. During the same period, the average sales price in Knoxville decreased to \$170,400, down 4 percent. New and existing condominium sales increased by 110 units to 1,100 units sold during the past year while the average sales price declined nearly 4 percent to \$159,700. Condominium sales peaked in 2006 with 2,100 units sold at an average sales price of \$164,900. According to data from Lender Processing Services, Inc., Mortgage Performance Data, as of May 2010, the percentage of mortgage loans in foreclosure, 90 days or more delinquent, or in REO (Real Estate Owned) in the Knoxville metropolitan area was 4.9 percent, an increase from the rate of 4.1 percent recorded in May 2009.

In response to the soft home sales market conditions, homebuilders have reduced new home construction activity. Based on preliminary data for the 12 months ending May 2010, single-family construction activity, as measured by the number of building permits issued, totaled 1,250 homes, a decrease of 4 percent compared with the number issued during the previous 12 months. By comparison, during the peak years of 2004 through 2006, an average of 5,175 single-family homes a year was permitted in the metropolitan area.

Rental market conditions in the Knoxville metropolitan area are currently soft. According to Reis, Inc., as of the first quarter of 2010, the apartment vacancy rate was 7.6 percent, a slight improvement from the 7.8-percent rate recorded in the first quarter of 2009. The average monthly contract rent was \$590 as of the first quarter of 2010, unchanged compared with the rent during the first quarter of 2009. Apartment rents in the area averaged \$500 for a 1-bedroom unit, \$620 for a 2-bedroom unit, and \$820 for a three-bedroom unit. Currently, concessions in the market are widespread at 5 percent of the monthly rent, unchanged during the past year. Students at UT Knoxville occupy a large portion of the local rental stock with approximately 20,000 students living off campus. Apartments near the university have rents that range from \$475 to \$800 a month per student.

The construction of multifamily units increased by more than 80 percent to 650 units during the 12-month period ending May 2010 compared with the number constructed during the previous 12-month period, based on preliminary building permit data. During the past 2 years, multifamily construction has dropped well below the annual average of 910 units permitted between 2006 and 2008. Apartments account for approximately 90 percent of the multifamily activity in the area; this has remained unchanged during the past



2 years. The soft rental market conditions are expected to continue through 2010 due to approximately 600 units currently under construction and the planned 336-unit Amberleigh Bluff apartments in southwest Knoxville, which builders expect to complete during the next 2 years.

Lexington-Fayette, Kentucky

Located in central Kentucky, the Lexington-Fayette metropolitan area consists of six counties with a total population estimated at 477,200 as of July 1, 2010. Population growth has been steady at about 1.7 percent each year since 2004, with 60 percent of the average annual growth during this time attributed to net in-migration. The University of Kentucky is the leading employer in the area, with nearly 12,000 employees and 27,000 students; its annual budget is \$2.2 billion. Other leading employers in the area are Toyota Motor Manufacturing Kentucky, Inc., with about 7,000 employees, and Lexmark International, Inc., with about 3,100 employees.

During the 12 months ending June 2010, average non-farm employment declined by 3,700 jobs, or 1.5 percent, to 245,700 jobs. The largest declines occurred in the manufacturing and mining, logging, and construction sectors, which lost 2,800 jobs, or 8.3 percent, and 1,200 jobs, or 10.2 percent, respectively. Partly offsetting these losses, the professional and business services sector expanded by 1,700 jobs, or 5.9 percent; the government sector expanded by 600 jobs, or 1.2 percent; and the education and health services sector expanded by 300 jobs, or about 1 percent. The education and health services sector represents about 12 percent of total nonfarm employment in the area and is expected to grow over the next 6 years with \$960 million worth of hospital construction projects underway. During the 12 months ending June 2010, the unemployment rate increased to an average of 8.4 percent compared with an average of 7.0 percent during the previous 12 months.

The sales housing market in the metropolitan area is balanced, with an estimated vacancy rate of 1.8 percent as of July 1, 2010. Home sales have increased in response to low interest rates and the First Time Home Buyer's Tax Credit. The Lexington-Bluegrass Association of REALTORS® reported 7,650 single-family homes were sold during the 12 months ending June 2010, up 16 percent from the number sold during the 12 months ending June 2009. The level of home sales during the past 12 months was 4 percent less than the annual average level of home sales from 2005 to 2009. The average sales price of a single-family home during the 12 months ending June 2010 was \$167,500, 1 percent less than the price during the 12 months ending June 2009, and 6 percent below the price level during the 12 months ending June 2006 when sales peaked at 10,000 homes. There were 650 condominiums and townhomes sold dur-

ing the 12 months ending June 2010, about 14 percent more than the 12 months ending June 2009. The average selling price for a condominium and townhome was \$137,000 during the 12 months ending June 2010, about 1 percent less than the 12 months ending June 2009. For the 12 months ending June 2010, about 8 percent of units sold were condominiums and townhomes, unchanged from the previous 12 months. The inventory of unsold homes, condominiums, and townhomes has decreased about 1 percent, to an average of 6,250 homes, or a 10-month supply, during the 12 months ending June 2010, compared with the previous 12 months. The area has not been significantly affected by foreclosures.

Homebuilding activity in the area has increased as a response to increased home sales activity. Based on preliminary data, about 1,350 building permits were issued for single-family homes during the 12 months ending May 2010, up 11 percent from the previous 12-month period. Single-family construction activity peaked during 2005 when 4,300 single-family homes were permitted. An average of 2,450 single-family homes was permitted each year from 2005 to 2009. New housing developments include the 705-lot Chilesburg in Lexington in Fayette County and McClelland Springs in Georgetown in Scott County. Starting prices for these new homes are \$155,950 and \$176,950, respectively.

Rental housing market conditions have softened recently due to the increased affordability of homes for sale since 2007 and an increase in the supply of apartments coming online in the past couple of years. According to Reis, Inc., the apartment vacancy rate in Lexington for the second quarter of 2010 was 9 percent, an increase from 8.2 percent in the second quarter of 2009. Despite the increase in vacancy, average rent increased about 1 percent to \$646 for the second quarter of 2010 compared with the average rent during the second quarter of 2009. Approximately 22,000 of the University of Kentucky students reside off campus and have a significant impact on the local rental market. In the housing submarkets surrounding the university, vacancy rates are slightly less than the overall market rents, averaging about 6 percent below the average for the total market area. Based on the number of multifamily units permitted, multifamily building activity in the metropolitan area, consisting primarily of apartment units, has decreased during the past 12 months as builders have curtailed construction in response to the softer market conditions. Approximately 200 multifamily units were permitted during the 12 months ending May 2010, about 80 percent fewer than were permitted during the previous 12 months. In 2008, about 1,425 multifamily units were permitted compared with about 450 units permitted each year from 2001 to 2007. New apartment development includes the 360-unit Forty 57 at Glasford, which is located in southern Lexington and has one-, two-, and three-bedroom units renting for \$737, \$854, and \$997, respectively.

Los Angeles County, California

Los Angeles County, located on the Pacific coast in southern California, has been the most populous county in the nation for more than 50 years, with a population estimated at more than 10 million as of July 1, 2010. The population of Los Angeles County grew by 68,800, or 0.7 percent, during the 12-month period ending June 2010. Population growth improved to 0.4 percent in 2008 and 0.7 percent in 2009 after declining 0.5 percent in both 2004 and 2005. Net natural change (resident births minus resident deaths) accounted for all of the population increase during the 12 months ending June 2010. Since 2006, net out-migration has averaged 50,700 people annually compared with an average net out-migration exceeding 115,000 people a year during the peak years of 2004 and 2005.

Following employment gains averaging about 48,900 jobs in 2006 and 2007, nonfarm employment in Los Angeles County started to decline in 2008. Since 2008, all sectors, except for the education and health services sector, have lost jobs. During the 12-month period ending May 2010, nonfarm employment declined by 200,500 jobs, or 5 percent, to 45.3 million jobs. The largest job losses occurred in the professional and business services, manufacturing, trade, and construction sectors, which were down by 43,700, 40,700, 37,500, and 26,800 jobs, respectively. These losses represented declines of 7, 10, 6, and 20 percent, respectively. Offsetting some of these losses was a modest gain of 8,300 jobs, or 2 percent, in the education and health services sector, which includes Kaiser Permanente®, the leading private-sector employer in the county, with 34,400 employees. Other leading employers include Northrop Grumman Corporation and The Boeing Company, with 19,100 and 14,400 employees, respectively. During the 12-month period ending May 2010, the average unemployment rate of 12.2 percent was up from the 9.4-percent rate recorded during the previous 12-month period.

High levels of unemployment and out-migration have kept sales housing market conditions soft since 2008. Declining sales prices, low mortgage interest rates, foreclosure and short sales, and the federal homebuyer tax credit caused a temporary rise in existing home sales. According to DataQuick®, during the 12 months ending March 2010 (the most recent data available), a total of 59,100 existing detached homes were sold, up 9,450, or 19 percent, compared with the number of homes sold during the previous 12-month period. Although home sales levels are improving, current levels are still significantly lower than the peak of 100,200 existing detached homes sold in 2004 and are less than the average annual rate of 64,850 homes sold from 2005 to 2009. During the 12-month period ending March 2010, the estimated median price for an existing detached home declined by \$43,700, or 12 percent, to \$322,900 compared with the price recorded during the previous 12 months. Sales of

foreclosed homes and short sales are the primary reason for the price declines.

According to Lender Processing Services Mortgage Performance Data, the number of loans that are in foreclosure, 90 days or more delinquent, or in REO (Real Estate Owned) accounted for 10.4 percent of all home loans in June 2010 compared with 9.4 percent in June 2009.

Condominiums represent more than 60 percent of new home sales and 23 percent of existing home sales in Los Angeles County. Except for North Los Angeles County, new homes are generally built on infill land, making condominiums more financially feasible to build than single-family homes. According to Hanley Wood, LLC, new condominium home sales increased by 1,150, or 54 percent, to 3,300 homes during the 12 months ending March 2010, when buyers tried to beat the federal tax credit deadline. For the 12 months ending March 2010, the estimated median price for a new condominium was \$437,100, up \$2,100, or 0.5 percent, from the previous 12-month period. The unsold inventory of new condominiums declined 19 percent between the first quarter of 2009 and the first quarter of 2010. According to DataQuick®, existing condominium sales also increased during the 12-month period ending March 2010, up by 3,850 homes, or 28 percent, to 17,900 homes sold compared with the number sold during the 12 months ending March 2009. The estimated median sales price of existing condominiums was \$302,000, a decline of \$34,400 compared with the price during the 12 months ending March 2009, due to foreclosure sales.

In contrast with the increased sales of existing detached homes and new and existing condominiums, sales of new detached homes have declined. According to Hanley Wood, LLC, during the 12 months ending March 2010, new detached home sales declined by 360 homes, to 730 homes, a 33-percent decrease compared with the number sold during the previous 12 months. The current total is significantly below the peak of 6,000 new detached homes sold in 2005 and below the average annual rate of 2,850 homes sold between 2005 and 2009. During the 12 months ending March 2010, the estimated median price for a new detached home increased by \$18,450, or 5 percent, to \$416,400 compared with the price during the previous 12-month period. The price increase was the result of more homes being sold in the San Fernando Valley than in North Los Angeles County.

Builders reduced single-family home construction activity because of competition from foreclosures and the continued loss of jobs in the county. Single-family construction activity, as measured by the number of building permits issued, peaked in 2005, when more than 12,200 single-family permits were issued. Preliminary data indicate that, during the 12 months ending May 2010, about 2,250 single-family homes were permitted, a decline of 5 percent compared with the number permitted during the previous 12 months.



The Los Angeles County rental market has been balanced since the fourth quarter of 2008 because it has benefited from increased demand and a lower rate of multifamily construction. Based on data from Reis, Inc., between the first quarter of 2009 and the first quarter of 2010, the rental vacancy rate increased slightly, from 5.3 to 5.5 percent. According to Reis, Inc., in the first quarter of 2010, average effective rents declined \$50 to \$1,350 compared with rents during the first quarter of 2009.

Multifamily construction activity, as measured by the number of units permitted, declined during the 12 months ending May 2010 compared with the number permitted during the previous 12-month period, based on preliminary data. The number of multifamily units permitted was 3,500, down 1,900 units, or 35 percent, compared with the number permitted during the previous 12 months and was significantly lower than the average annual rate of 10,200 units permitted between 2005 and 2009. Currently, 84 percent of the multifamily units permitted are for rental units, up from 52 percent in 2006. The 375-unit 1600 Vine Apartments in Hollywood opened in November 2009, with move-in special rents ranging from \$1,794 for a studio to \$11,125 for a three-bedroom townhome.

Philadelphia-Camden-Wilmington, Pennsylvania-New Jersey-Delaware-Maryland

The Philadelphia-Camden-Wilmington metropolitan area encompasses five counties in southeastern Pennsylvania, four counties in New Jersey, and one county each in Delaware and Maryland. As of July 1, 2010, the population of the metropolitan area totaled 6 million, an increase of approximately 33,600, or 0.5 percent, during the preceding 12 months. Steady employment increases in the education and health services sector have resulted in an average population growth of 0.5 percent annually since 2005. Since 2000, nearly 60 percent of the population growth in the metropolitan area has occurred in the city of Philadelphia and the surrounding Pennsylvania counties. Chester County, Pennsylvania, recorded the highest population growth rate, averaging 2.3 percent a year since 2000. Notably, the population of the city of Philadelphia has been increasing since 2004, primarily due to the migration of young professionals into Center City Philadelphia.

Employment levels in the Philadelphia-Camden-Wilmington metropolitan area have declined during the past year, continuing a trend that started during the 12 months ending December 2007. During the 12 months ending May 2010, average nonfarm employment declined by nearly 88,000 jobs, or 3.2 percent, compared with the number of jobs during 12 months ending May 2009. During the 12 months ending May 2010, job losses exceeded the 77,000 jobs gained in the metropolitan area

from mid-2004 through 2007. The professional and business services sector registered the largest loss of 20,000 jobs, or 4.7 percent, during the 12 months ending May 2010. During the same period, employment declines occurred in the manufacturing and construction sectors, with decreases of 19,700 and 18,700 jobs, or 9.5 and 16.1 percent, respectively. During the 12 months ending May 2010, the unemployment rate rose to 9 percent from 6.5 percent a year earlier.

Despite the overall decline in employment, the education and health services sector, which accounts for 20 percent of employment in the metropolitan area, has consistently registered an average annual increase of 12,000 jobs, or 2.2 percent, since mid-2007. Employment in the education and health services sector increased by 7,100 jobs, or 1.3 percent, during the 12 months ending May 2010. Jefferson Health System, Inc., located in Pennsylvania, is the leading employer in the metropolitan area with 22,500 employees. The University of Pennsylvania is the second largest employer in the metropolitan area with 22,300 employees. The only other sector to add jobs during the past 12 months was the government sector, which added 1,400 jobs, a 0.4-percent increase.

Home sales market conditions in the metropolitan area are currently soft, reflecting recent employment declines. According to TREND, the Multiple Listing Service (MLS) and the Maryland Association of REALTORS® (for Cecil County, Maryland), during the 12 months ending March 2010 (the most recent data available), the average existing home sales price in the metropolitan area fell by 6 percent from the previous year to \$247,950. For the 12 months ending March 2010, Chester County, Pennsylvania reported the highest average existing home sales price in the metropolitan area of \$363,100, a nearly 8-percent decline from the previous year. The average existing home sales price in Center City rose to \$294,875 in 2009 (the most recent data available), and recorded a 0.6-percent annual increase since 2006, according to the Center City District & Central Philadelphia Development Corporation. New condominium unit prices in Center City range from approximately \$500,000 to \$800,000. Existing condominium unit prices range from approximately \$325,000 in the Art Museum area to \$500,000 in the Rittenhouse Square neighborhood. Because of the overall price decline and additional buyer incentives, home sales in the metropolitan area increased by 5 percent, or 2,425 homes, to 52,100, between March 2009 and March 2010, as reported by TREND and the Maryland Association of REALTORS®. Total home sales increased by nearly 15 percent in both Cecil County, Maryland, and Salem County, New Jersey, and by 8 percent in Bucks County, Pennsylvania. Of the total existing home sales in the metropolitan area, 23 percent were in the city of Philadelphia, 15 percent in Montgomery County, and 11 percent in Bucks County. According to Lender Processing Services Mortgage Performance Data, 6.5 percent of total loans in the metropolitan area were in foreclosure, 90

days or more delinquent, or in REO (Real Estate Owned) in May 2010, up from 4.8 percent in May 2009.

Because economic conditions in the metropolitan area have declined, builders have reduced construction of new homes. During the 12 months ending May 2010, based on preliminary building permit data, the number of single-family homes permitted decreased from the previous 12-month period by 1 percent to 5,400 homes. The decline in single-family home construction during the 12 month ending May 2010, follows a nearly 35-percent decrease during the 12 months ending May 2009. In 2006 and 2007, the metropolitan area averaged an annual increase of 10,600 single-family homes permitted, and more than one-half of those homes are located in suburban Pennsylvania counties. New home sales prices range from \$300,000 to \$500,000 in the Pennsylvania suburbs and \$200,000 to \$350,000 in the New Jersey suburbs. New home sales prices in Delaware start at \$350,000, and in Maryland they start at \$250,000.

During the 12 months ending May 2010, multifamily construction activity, as measured by the number of units permitted, declined by 11 percent, to 1,975 units, compared with the number of units permitted during the previous 12 months, based on preliminary data. Multifamily construction peaked in 2003, when 5,700 units were permitted. Condominium construction peaked in 2004 when more than 3,500 units were permitted. In the metropolitan area between 2007 and 2009, an average of 1,525 condominium units was permitted each year; during that period, condominiums accounted for 50 percent of multifamily units built. The majority of the newly constructed condominium units were located in Pennsylvania counties, with 58 percent in or near Center City. In 2010, the number of condominium units permitted has declined to approximately 425 homes. According to Reis, Inc., more than 400 condominium units are currently under construction in the metropolitan area, with approximately 100 units located in Montgomery County and the remainder located in Center City.

The Philadelphia-Camden-Wilmington metropolitan area rental market is currently balanced. According to Delta Associates, the Class A apartment vacancy rate declined from nearly 12 to 5 percent from June 2009 to June 2010. Rent concessions have decreased from more than 7 percent to 5 percent of rent, during the 12 months ending June 2010. During the same period, vacancy rates in the New Jersey suburbs decreased from nearly 20 to 6 percent, and in the Pennsylvania suburbs they decreased from 10 to 6 percent. Camden County, New Jersey, reported the highest vacancy rate in the metropolitan area; the 9-percent rate is attributed to vacancies accounted for during the renovation of an apartment complex with more than 500 units. In June 2010, average rents in Class A units in the metropolitan area increased by nearly 3 percent, to \$1,540, from June 2009. The market for Class A highrise units in Center City Philadelphia

tightened during the 12 months ending June 2010, when the vacancy rate fell from 9 to 2 percent. Concessions in Center City decreased from 9 to 4 percent of average rent, and the average monthly rent increased 9 percent, to \$3,350, during the 12 months ending June 2010.

Rochester, Minnesota

The Rochester metropolitan area consists of Olmsted, Dodge, and Wabasha Counties, and is located in south-east Minnesota. As of July 1, 2010, the population of the metropolitan area was estimated at 187,700, an increase of 2,100, or 1.1 percent, from July 1, 2009, which is slower than the average annual growth rate of 1.3-percent recorded since 2005. Rochester, the largest city in the metropolitan area with an estimated 103,500 residents, is the home of the Mayo Clinic, which draws more than 2 million patients (and visitors) a year, and is the leading employer with 31,700 employees. The Mayo Clinic had a \$1.3 billion economic impact on the local economy in 2008, according to Battelle Memorial Institute. International Business Machines Corp. is the second leading employer with 4,400 employees.

The Rochester metropolitan area's economy has mirrored the national downturn during the past 2 years. Nonfarm employment declined by 2,200 jobs, or 2.0 percent, to an average of 103,300 jobs, during the 12 months ending May 2010 compared with the previous 12 months when employment decreased by 2.2 percent. During the 12 months ending May 2010, the professional and business services sector and the construction sector led all losses with declines of 1,100 jobs, or 9.3 percent, and 500 jobs, or 14 percent, respectively. Education and health services was the only sector to record growth with a gain of 500 jobs, or 1.1 percent. The addition of 1,650 jobs during the past 12 months at the Mayo Clinic more than offset losses elsewhere in the education and health services sector. During the 12 months ending May 2010, the average unemployment rate increased to an average of 6.2 percent, up from 5.6 percent during the previous 12 months.

As a result of the slow economy and tightened mortgage lending standards, the sales market for single family homes is soft; however, sales increased as a result of lower prices and the first-time homebuyer tax credit. According to data from the Southeast Minnesota Association of REALTORS®, during the 12 months ending May 2010, approximately 2,475 existing homes were sold in the Rochester metropolitan area, up nearly 7 percent from the previous 12 months. The average number of days a home remained on the market decreased from 150 days during the 12 months ending May 2009 to 140 days during the 12 months ending May 2010. For the 12 months ending May 2010, the median sales price of an existing home was \$151,500, a 4-percent decline compared with the median price recorded during the same period a year earlier.



Despite the overall softness of the housing market, builders responded to the increase in home sales by increasing new home construction, as measured by the number of single-family building permits issued. During the 12 months ending May 2010, a total of 400 single-family homes were permitted, up 21 percent compared with the number permitted during the previous 12 months, based on preliminary data. Single-family construction peaked in 2003, with 1,700 homes permitted, and has averaged approximately 700 homes during the past 5 years. New home development is primarily concentrated in northwest and southwest Rochester near the Rochester International Airport. Prices for new single-family three-bedroom, two-bathroom homes start at \$140,000. New single-family developments include Harvest View and Pebble Creek, with 850 and 1,200 planned single-family homes, respectively. Elk Run, an estimated \$1-billion, 2,325-acre, mixed-use, master-planned community, located 15 miles north of Rochester, has begun construction on a 200-acre bioscience park that is expected to include both residential and office components when completed 2028.

Rental housing market conditions in the Rochester metropolitan area are soft. The current rental vacancy rate is estimated at 9 percent, up from 8.0 percent in 2008. For the 12-month period ending June 2010, the average monthly rent for a two-bedroom unit was \$1,116, down nearly 2 percent compared with the rent during the same period a year earlier. Rent specials once absent from the market are now prevalent in virtually all existing and newly leasing complexes. Concessions include one- or two-months free rent, reduced security deposits, and no application fees. Multifamily construction, as measured by the number of multifamily units permitted, totaled 200 units during the 12 months ending May 2010, unchanged compared with the number permitted during the previous 12 months, based on preliminary data. Cascade Shores, with 90 rental townhomes, is currently in lease-up, offering two- and three-bedroom units with monthly rents of \$1,240 and \$1,295, respectively. The complex 318 Commons is currently under construction with 98 apartments and is expected to open in August 2011.

St. Louis, Missouri-Illinois

Located at the confluence of the Missouri and Mississippi Rivers, the St. Louis metropolitan area consists of 16 counties in eastern Missouri and southwestern Illinois. The area is a hub for shipping and transportation, and a center for manufacturing and the biomedical sciences. Leading employers include Boeing Defense, Space & Security; Monsanto Company; and Anheuser-Busch Companies, Inc., with 15,000, 4,100, and 4,000 workers, respectively. St. Louis is also home to several institutions of higher learning, including Saint Louis University and Washington University in St. Louis, which have a combined enrollment of more than 25,000 students

and an estimated annual economic impact on the region of nearly \$3 billion. The population of the metropolitan area as of July 1, 2010 was estimated to be 2.84 million, an increase of about 11,000 a year since 2007, or 0.4 percent annually. In contrast, from 2003 to 2007 the population increased by about 15,600 a year, or 0.6 percent annually. In recent years, population growth in the area has been due entirely to net natural increase (resident births minus resident deaths). Net in-migration averaged about 3,200 a year from 2003 to 2007, but declined sharply with the recession. In the past 3 years migration has turned negative, with net out-migration averaging about 1,300 a year.

In mid-2008, after 4 years of economic expansion, the St. Louis metropolitan area began to lose jobs. During the 12 months ending May 2010, nonfarm employment was down by 42,500 jobs from a year earlier, or 3.2 percent, to an average of about 1.3 million jobs. In contrast, from 2004 to 2008 employment growth averaged 11,500 jobs a year, or 0.9 percent annually. The largest declines over the past 12 months were in the goods-producing sectors of manufacturing, and mining, logging and construction, which decreased by 13,000 and 10,800 jobs, or 10 and 15 percent, respectively. Most of the service-providing sectors declined as well. The trade sector lost about 7,700 jobs, a 4-percent decline, and the professional and business services sector lost 11,600 jobs, a 6-percent decline. Emerson Electric Co., Chrysler Group LLC, and Monsanto Company were among major local firms announcing job cuts in the past year. Offsetting some of the losses, the education and health services sector and the government sector both expanded, adding about 1,900 and 5,100 jobs, an increase of 0.9 and 3 percent, respectively. Growth in government employment was partially due to a temporary increase in U.S. Census jobs. The unemployment rate in the metropolitan area averaged 10.3 percent during the 12 months ending May 2010, up from 8 percent during the previous 12 months.

Slower population growth and a weak economy have lead to soft sales housing market conditions. The recent home buyer tax credit, however, contributed to at least a temporary rise in sales. Based on data from local Multiple Listing Services, the Kelsey Cottrell Realty Group LLC, and the St. Louis Post-Dispatch, during the first 5 months of 2010 (the most recent data available) about 10,400 existing homes were sold in the St. Louis area, up 17 percent from 8,900 homes sold for the same period a year ago. The supply of unsold homes also fell during that period. Based on pending sales, the average number of unsold homes on the market during the first 5 months of 2010 represented about 6.5 months of supply, down from an 8-month supply for the same period a year earlier. Home sales peaked in 2004 and 2005, when more than 40,000 homes a year were sold. But by 2008 home sales had fallen by more than 25 percent from the peak, to about 30,300 homes sold. In 2009, the number of sales declined further, to about 29,500 homes sold. In

the past year, home prices rose for the first time in nearly 3 years. Sales prices for existing single-family homes reported by the NATIONAL ASSOCIATION OF REALTORS® averaged about \$128,000 for the 12 months ending March 2010, a 1.2-percent increase from the same period a year earlier. Home prices peaked in mid-2007 at about \$147,000, but they have fallen 13 percent over the past 3 years.

Single-family home construction in the St. Louis metropolitan area peaked in 2004 and 2005, when permits were issued for more than 13,000 homes a year. From 2006 through 2009, building activity declined as demand for new homes fell with the weaker economy and tighter lending standards. Based on preliminary data, about 4,600 single-family homes were permitted in the metropolitan area during the 12 months ending May 2010, up from the 3,850 homes permitted during the previous 12 months. Much of the single-family home construction activity in the past decade has been in suburban areas such as St. Charles County, which accounted for nearly one-third of all single-family homes permitted in the metropolitan area since 2000.

The softer home sales market has led to a slowdown in condominium construction, declining from about 800 units a year, from 2003 through 2007, to fewer than 200 units a year in the past 2 years. Many condominium developments currently underway in downtown St. Louis have been converted to apartment projects. Most of the remaining condominium developments have been in suburban areas. These include the Highland Park Condominiums in St. Peters, Missouri, with 245 units, and the Valle Creek Condominiums in Pevely, Missouri, with 228 units. Prices for new 2-bedroom condominiums typically start at about \$120,000. Recently, the North Side area in the northern part of St. Louis has been the focus of a proposed \$8.1-billion, 20-year redevelopment plan, which could eventually add as many as 10,000 new residential units and as much as 5.5 million square feet of office and retail space.

The rental market in the St. Louis metropolitan area is somewhat soft because of job losses and net out-migration from the area. According to data from Reis, Inc., the apartment vacancy rate in the second quarter of 2010 was 8.8 percent, while the average monthly apartment rent was \$726, both relatively unchanged from a year earlier. Monthly rents in the St. Louis area average about \$625 for a one-bedroom unit, \$750 for a two-bedroom unit, and \$1,000 for a three-bedroom unit. Multifamily construction activity, as measured by the number of units permitted, has slowed in recent years due to the weaker economy and a softening rental market. Based on preliminary data, during the 12 months ending May 2010, about 1,325 multifamily units were permitted. This is a sizeable increase from the 850 units permitted during the previous 12 months; however, multifamily construction is down significantly from the peak years of 2002 to 2005, when about 2,500 units a

year were permitted. Nearly 80 percent of the multifamily permits issued since 2000 have been for rental units. Currently, about 900 rental units are under construction in the metropolitan area. One downtown project is the 190-unit Laurel Apartments, which is the conversion of an historic office building to a mixed-use building that will include a 212-room hotel and retail space, with monthly rents ranging from about \$930 for 1-bedroom units to \$2,900 for 3-bedroom units. This project is expected to be completed and begin leasing in early 2012.

Tampa-St. Petersburg-Clearwater, Florida

The Tampa-St. Petersburg-Clearwater metropolitan area is located on the western coast of Florida bordering the Gulf of Mexico. The metropolitan area is composed of Hernando, Hillsborough, Pasco, and Pinellas Counties and includes the cities of Tampa and St. Petersburg, which are the third and fourth largest cities in Florida, respectively. As of June 2010, the population of the metropolitan area was nearly 2.8 million. Due to slower in-migration during the past 2 years, population growth increased by less than 1 percent annually compared with an average increase of 2.3 percent during the peak growth years from 2003 through 2005. The Port of Tampa is the largest port in Florida and a major economic contributor to the local economy. According to the Tampa Port Authority, the port has an estimated \$8 billion annual economic impact on the surrounding region, which includes the metropolitan area, and provides nearly 100,000 jobs in the region. The metropolitan area is also home to the University of South Florida (USF), which enrolls more than 47,000 students among four campuses in the region, including two that are located in the metropolitan area, and employs more than 15,000 full-and part-time employees. The USF System has an annual economic impact of \$3.2 billion on the region.

Economic conditions in the area continued to weaken during the first 5 months of 2010. In the 12 months ending May 2010, nonfarm employment averaged 1,123,600 jobs, a decrease of 50,400 jobs, or 4.3 percent, compared with the number of jobs during the 12 months ending May 2009. Employment in the metropolitan area declined during each of the past 3 years by an average of 43,000 jobs annually. Employment losses have slowed during the first 5 months of 2010, declining by an average of 29,200 jobs, or 2.5 percent, compared with a loss of 74,100 jobs, or 6 percent, during the first 5 months of 2009. During the 12 months ending May 2010, the unemployment rate for the metropolitan area averaged 12.1 percent, up from 8.9 percent during the previous 12-month period.

The goods producing sectors accounted for the largest job losses during the 12 months ending May 2010. Employment in the construction and manufacturing sec-



tors decreased by 12,400 jobs, or 18 percent, and 8,800 jobs, or 13 percent, respectively, and accounted for a total of 42 percent of nonfarm job losses. From 2007 to 2009, the construction and manufacturing sectors decreased by a total of 33,700 jobs, or 36 percent, and 16,500 jobs, or 21 percent, respectively. Declines in the construction sector primarily resulted from weakness in the sales and rental housing markets during the past 3 years. Manufacturing sector job losses resulted from increased competition in the sector, which has occurred throughout the Southeast region during the past 10 years, gradually decreasing employment levels in traditional manufacturing industries. During the 12 months ending May 2010, employment in the professional and business services sector decreased by 8,000 jobs, or 4 percent. The professional and business services sector accounted for 16 percent of nonfarm jobs lost during the past 3 years due to lower demand for business support services that was a result of the declining local economy. The only two sectors to gain jobs during the past 12 months were the education and health services sector, which increased by 2,800 jobs, or 1.6 percent, and the government sector, which increased by 2,100 jobs, or 1.4 percent.

The sales housing market in the metropolitan area is soft due to overbuilding from 2003 to 2005, slower population and household growth, and declining employment levels. From 2003 to 2005, permits for single-family homes averaged 23,600 homes a year. Beginning in 2006, the number of homes permitted decreased each year through 2009, when the number of single-family building permits issued fell to 3,925 homes, the lowest level in more than 30 years. During the 12 months ending May 2010, permits for single-family homes increased by 450 homes, or 11 percent, to 4,575 after a decrease of nearly 2,550 homes, or 38 percent, during the previous 12 months. Current single-family home permit activity is less than one-half the average recorded during the past two decades.

According to the Greater Tampa Association of REALTORS®, 20,600 existing homes were sold during the 12 months ending May 2010, representing an increase of 26 percent compared with the number sold during the same period a year earlier. Home sales in the metropolitan area decreased to 14,750 homes in 2007 and were virtually unchanged in 2008, but began to increase

in 2009 when nearly 17,000 homes sold as a result of more affordable home prices and increased homebuyer incentives. During the 12 months ending May 2010, the average price of a home decreased by 13 percent to approximately \$172,500. In comparison, the average price of a home sold during 2006 was \$286,600. According to Lender Processing Services Mortgage Performance Data, the percentage of loans in the metropolitan area that were in foreclosure, 90 days or more delinquent, or in REO (Real Estate Owned) increased from 11.8 percent in May 2009 to 16.8 percent in May 2010.

The rental market is currently soft but improving. According to Real Data, the apartment vacancy rate was 9 percent in May 2010, down from 10 percent a year earlier. The average rent in May 2010 was virtually unchanged from May 2009 at approximately \$820. In response to employment losses, more stringent financing standards, and a soft rental market, the number of multifamily housing units permitted in the metropolitan area decreased by 32 percent during the 12 months ending May 2010, to 2,750 units. Permits for multifamily housing units declined from a decade high of 9,100 units in 2003 and from an average of 5,900 units from 2000 to 2008. According to Real Data, approximately 1,900 apartments were under construction in Hillsborough and Pinellas Counties in May 2010, down from 3,800 units in May 2009.

The large number of students at USF has a significant impact on the submarkets in which the campuses are located. More than 40,000 students attend classes on the USF Tampa campus, and on-campus residence halls and apartments provide housing for approximately 2,000 students. The remaining students live primarily in off-campus apartments. According to information from Real Data, the Tampa Northeast-1 submarket surrounding the USF Tampa campus was soft with a vacancy rate of 11.8 percent in May 2010, virtually unchanged from the previous year. Although 425 apartments were absorbed during the past 12 months, the vacancy rate remained elevated due to the completion of 270 additional units. Average rent in the Northeast-1 submarket decreased by 4 percent during the 12 months ending May 2010 to approximately \$810. Because no units are currently under construction in the Tampa Northeast-1 submarket, the vacancy rate is expected to decrease in the next 12 months.

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

HUD Region and State	2010 Through June			2009 Through June			Ratio: 2010/2009 Through June		
	Total	Single Family	Multi-family*	Total	Single Family	Multi-family*	Total	Single Family	Multi-family*
Connecticut	1,985	1,253	732	1,547	861	686	1.283	1.455	1.067
Maine	1,518	1,421	97	1,162	1,078	84	1.306	1.318	1.155
Massachusetts	4,264	2,654	1,610	3,249	1,832	1,417	1.312	1.449	1.136
New Hampshire	1,542	1,033	509	924	664	260	1.669	1.556	1.958
Rhode Island	404	385	19	410	261	149	0.985	1.475	0.128
Vermont	797	727	70	496	356	140	1.607	2.042	0.500
New England	10,510	7,473	3,037	7,788	5,052	2,736	1.350	1.479	1.110
New Jersey	6,098	3,742	2,356	5,990	3,186	2,804	1.018	1.175	0.840
New York	10,189	5,062	5,127	8,292	4,368	3,924	1.229	1.159	1.307
New York/New Jersey	16,287	8,804	7,483	14,282	7,554	6,728	1.140	1.165	1.112
Delaware	1,687	1,495	192	1,296	1,155	141	1.302	1.294	1.362
District of Columbia	311	25	286	271	49	222	1.148	0.510	1.288
Maryland	6,601	4,471	2,130	5,410	3,883	1,527	1.220	1.151	1.395
Pennsylvania	9,721	8,311	1,410	7,684	6,511	1,173	1.265	1.276	1.202
Virginia	10,867	8,937	1,930	10,907	8,151	2,756	0.996	1.096	0.700
West Virginia	994	827	167	790	712	78	1.258	1.162	2.141
Mid-Atlantic	30,181	24,066	6,115	26,358	20,461	5,897	1.145	1.176	1.037
Alabama	6,041	4,688	1,353	6,021	4,280	1,741	1.003	1.095	0.777
Florida	21,776	17,570	4,206	17,805	12,636	5,169	1.223	1.390	0.814
Georgia	9,639	8,524	1,115	8,432	7,028	1,404	1.143	1.213	0.794
Kentucky	3,386	2,965	421	3,142	2,459	683	1.078	1.206	0.616
Mississippi	2,461	2,342	119	4,180	2,732	1,448	0.589	0.857	0.082
North Carolina	18,525	14,783	3,742	17,006	12,071	4,935	1.089	1.225	0.758
South Carolina	8,370	7,589	781	7,599	6,588	1,011	1.101	1.152	0.773
Tennessee	9,291	6,830	2,461	7,257	5,730	1,527	1.280	1.192	1.612
Southeast/Caribbean	79,489	65,291	14,198	71,442	53,524	17,918	1.113	1.220	0.792
Illinois	5,705	4,243	1,462	4,398	3,643	755	1.297	1.165	1.936
Indiana	6,726	5,433	1,293	5,485	4,443	1,042	1.226	1.223	1.241
Michigan	4,176	3,697	479	2,840	2,542	298	1.470	1.454	1.607
Minnesota	4,740	3,509	1,231	4,004	2,784	1,220	1.184	1.260	1.009
Ohio	6,867	5,721	1,146	6,077	5,000	1,077	1.130	1.144	1.064
Wisconsin	5,617	4,161	1,456	4,565	3,467	1,098	1.230	1.200	1.326
Midwest	33,831	26,764	7,067	27,369	21,879	5,490	1.236	1.223	1.287
Arkansas	3,992	2,559	1,433	3,684	1,970	1,714	1.084	1.299	0.836
Louisiana	5,625	5,268	357	6,653	5,507	1,146	0.845	0.957	0.312
New Mexico	2,503	2,269	234	2,359	1,985	374	1.061	1.143	0.626
Oklahoma	4,569	3,785	784	4,327	3,547	780	1.056	1.067	1.005
Texas	45,893	37,842	8,051	42,926	32,285	10,641	1.069	1.172	0.757
Southwest	62,582	51,723	10,859	59,949	45,294	14,655	1.044	1.142	0.741
Iowa	3,693	3,001	692	2,728	2,412	316	1.354	1.244	2.190
Kansas	2,431	2,012	419	3,037	1,706	1,331	0.800	1.179	0.315
Missouri	4,093	3,113	980	3,712	2,530	1,182	1.103	1.230	0.829
Nebraska	2,461	2,219	242	2,573	2,299	274	0.956	0.965	0.883
Great Plains	12,678	10,345	2,333	12,050	8,947	3,103	1.052	1.156	0.752
Colorado	6,050	4,800	1,250	4,520	3,491	1,029	1.338	1.375	1.215
Montana	1,038	765	273	798	661	137	1.301	1.157	1.993
North Dakota	1,385	1,157	228	992	709	283	1.396	1.632	0.806
South Dakota	1,612	1,217	395	1,626	1,079	547	0.991	1.128	0.722
Utah	4,873	4,012	861	5,605	2,918	2,687	0.869	1.375	0.320
Wyoming	1,272	669	603	715	557	158	1.779	1.201	3.816
Rocky Mountain	16,230	12,620	3,610	14,256	9,415	4,841	1.138	1.340	0.746
Arizona	7,182	6,450	732	6,306	5,672	634	1.139	1.137	1.155
California	21,178	13,396	7,782	16,946	11,810	5,136	1.250	1.134	1.515
Hawaii	2,185	964	1,221	1,406	995	411	1.554	0.969	2.971
Nevada	4,019	3,315	704	3,276	1,898	1,378	1.227	1.747	0.511
Pacific	34,564	24,125	10,439	27,934	20,375	7,559	1.237	1.184	1.381
Alaska	480	392	88	463	284	179	1.037	1.380	0.492
Idaho	2,806	2,453	353	2,454	1,959	495	1.143	1.252	0.713
Oregon	3,947	3,173	774	4,014	2,715	1,299	0.983	1.169	0.596
Washington	10,480	7,975	2,505	7,997	5,778	2,219	1.310	1.380	1.129
Northwest	17,713	13,993	3,720	14,928	10,736	4,192	1.187	1.303	0.887
United States	314,065	245,204	68,861	276,356	203,237	73,119	1.136	1.206	0.942

*Multifamily is two or more units in structure. Source: Census Bureau, Department of Commerce



Units Authorized by Building Permits, Year to Date: 50 Most Active Core Based Statistical Areas** (Listed by Total Building Permits)

CBSA	CBSA Name	2010 Through June		
		Total	Single Family	Multifamily*
26420	Houston-Sugar Land-Baytown, TX	16,287	13,350	2,937
19100	Dallas-Fort Worth-Arlington, TX	9,582	8,254	1,328
35620	New York-Northern New Jersey-Long Island, NY-NJ-PA	8,709	3,548	5,161
47900	Washington-Arlington-Alexandria, DC-VA-MD-WV	6,662	5,127	1,535
38060	Phoenix-Mesa-Scottsdale, AZ	4,870	4,379	491
31100	Los Angeles-Long Beach-Santa Ana, CA	4,869	2,020	2,849
42660	Seattle-Tacoma-Bellevue, WA	4,744	3,400	1,344
12060	Atlanta-Sandy Springs-Marietta, GA	4,307	3,680	627
12420	Austin-Round Rock, TX	4,031	3,481	550
37980	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	3,618	2,851	767
41700	San Antonio, TX	3,529	3,047	482
40140	Riverside-San Bernardino-Ontario, CA	3,516	2,828	688
16740	Charlotte-Gastonia-Concord, NC-SC	3,454	2,771	683
16980	Chicago-Naperville-Joliet, IL-IN-WI	3,406	2,176	1,230
29820	Las Vegas-Paradise, NV	3,390	2,868	522
14460	Boston-Cambridge-Quincy, MA-NH	3,214	1,823	1,391
36740	Orlando-Kissimmee, FL	3,136	2,401	735
26900	Indianapolis, IN	3,131	2,181	950
45300	Tampa-St. Petersburg-Clearwater, FL	3,125	2,396	729
39580	Raleigh-Cary, NC	3,064	2,649	415
12580	Baltimore-Towson, MD	2,919	1,823	1,096
34980	Nashville-Davidson--Murfreesboro, TN	2,916	2,187	729
41180	St. Louis, MO-IL	2,897	2,323	574
33100	Miami-Fort Lauderdale-Miami Beach, FL	2,856	1,709	1,147
21340	El Paso, TX	2,678	1,550	1,128
33460	Minneapolis-St. Paul-Bloomington, MN-WI	2,527	1,955	572
19740	Denver-Aurora, CO	2,377	1,924	453
38900	Portland-Vancouver-Beaverton, OR-WA	2,365	1,954	411
18140	Columbus, OH	2,292	1,588	704
41740	San Diego-Carlsbad-San Marcos, CA	2,261	1,390	871
41860	San Francisco-Oakland-Fremont, CA	2,259	1,237	1,022
47260	Virginia Beach-Norfolk-Newport News, VA-NC	2,243	1,708	535
27260	Jacksonville, FL	2,216	2,073	143
36420	Oklahoma City, OK	2,079	1,614	465
40060	Richmond, VA	1,870	1,347	523
30780	Little Rock-North Little Rock, AR	1,804	938	866
32580	McAllen-Edinburg-Mission, TX	1,769	1,575	194
17900	Columbia, SC	1,767	1,505	262
17140	Cincinnati-Middletown, OH-KY-IN	1,764	1,645	119
16700	Charleston-North Charleston, SC	1,724	1,528	196
38300	Pittsburgh, PA	1,667	1,496	171
22180	Fayetteville, NC	1,635	847	788
46140	Tulsa, OK	1,625	1,385	240
32820	Memphis, TN-MS-AR	1,609	939	670
41620	Salt Lake City, UT	1,607	1,043	564
40900	Sacramento--Arden-Arcade--Roseville, CA	1,567	1,285	282
12940	Baton Rouge, LA	1,486	1,399	87
36540	Omaha-Council Bluffs, NE-IA	1,440	1,389	51
19820	Detroit-Warren-Livonia, MI	1,327	976	351
19780	Des Moines, IA	1,305	1,090	215

*Multifamily is two or more units in structure. **As per new Office of Management and Budget metropolitan area definitions. CBSA = Core Based Statistical Area.

Source: Census Bureau, Department of Commerce



Historical Data



Exhibit 1. New Privately Owned Housing Units Authorized: * 1967–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											
1967	1,141.0	650.6	42.5	30.5	417.5	918.0	223.0	222.6	309.8	390.8	217.8
1968	1,353.4	694.7	45.1	39.2	574.4	1,104.6	248.8	234.8	350.1	477.3	291.1
1969	1,323.7	625.9	44.7	40.5	612.7	1,074.1	249.6	215.8	317.0	470.5	320.4
1970	1,351.5	646.8	43.0	45.1	616.7	1,067.6	284.0	218.3	287.4	502.9	342.9
1971	1,924.6	906.1	61.8	71.1	885.7	1,597.6	327.0	303.6	421.1	725.4	474.6
1972	2,218.9	1,033.1	68.1	80.5	1,037.2	1,798.0	420.9	333.3	440.8	905.4	539.3
1973	1,819.5	882.1	53.8	63.2	820.5	1,483.5	336.0	271.9	361.4	763.2	423.1
1974	1,074.4	643.8	32.6	31.7	366.2	835.0	239.4	165.4	241.3	390.1	277.6
1975	939.2	675.5	34.1	29.8	199.8	704.1	235.1	129.5	241.5	292.7	275.5
1976	1,296.2	893.6	47.5	45.6	309.5	1,001.9	294.2	152.4	326.1	401.7	416.0
1977	1,690.0	1,126.1	62.1	59.2	442.7	1,326.3	363.7	181.9	402.4	561.1	544.6
1978	1,800.5	1,182.6	64.5	66.1	487.3	1,398.6	401.9	194.4	388.0	667.6	550.5
1979	1,551.8	981.5	59.5	65.9	444.8	1,210.6	341.2	166.9	289.1	628.0	467.7
1980	1,190.6	710.4	53.8	60.7	365.7	911.0	279.6	117.9	192.0	561.9	318.9
1981	985.5	564.3	44.6	57.2	319.4	765.2	220.4	109.8	133.3	491.1	251.3
1982	1,000.5	546.4	38.4	49.9	365.8	812.6	187.9	106.7	126.3	543.5	224.1
1983	1,605.2	901.5	57.5	76.1	570.1	1,359.7	245.5	164.1	187.8	862.9	390.4
1984	1,681.8	922.4	61.9	80.7	616.8	1,456.2	225.7	200.8	211.7	812.1	457.3
1985	1,733.3	956.6	54.0	66.1	656.6	1,507.6	225.6	259.7	237.0	752.6	483.9
1986	1,769.4	1,077.6	50.4	58.0	583.5	1,551.3	218.1	283.3	290.0	686.5	509.7
1987	1,534.8	1,024.4	40.8	48.5	421.1	1,319.5	215.2	271.8	282.3	574.7	406.0
1988	1,455.6	993.8	35.0	40.7	386.1	1,239.7	215.9	230.2	266.3	543.5	415.6
1989	1,338.4	931.7	31.7	35.3	339.8	1,127.6	210.8	179.0	252.1	505.3	402.1
1990	1,110.8	793.9	26.7	27.6	262.6	910.9	199.9	125.8	233.8	426.2	324.9
1991	948.8	753.5	22.0	21.1	152.1	766.8	182.0	109.8	215.4	375.7	247.9
1992	1,094.9	910.7	23.3	22.5	138.4	888.5	206.5	124.8	259.0	442.5	268.6
1993	1,199.1	986.5	26.7	25.6	160.2	1,009.0	190.1	133.5	276.6	500.7	288.2
1994	1,371.6	1,068.5	31.4	30.8	241.0	1,144.1	227.5	138.5	305.2	585.5	342.4
1995	1,332.5	997.3	32.2	31.5	271.5	1,116.8	215.8	124.2	296.6	583.2	328.5
1996	1,425.6	1,069.5	33.6	32.2	290.3	1,200.0	225.6	136.9	317.8	623.4	347.4
1997	1,441.1	1,062.4	34.9	33.6	310.3	1,220.2	220.9	141.9	299.8	635.9	363.5
1998	1,612.3	1,187.6	33.2	36.0	355.5	1,377.9	234.4	159.4	327.2	724.5	401.2
1999	1,663.5	1,246.7	32.5	33.3	351.1	1,427.4	236.1	164.9	345.4	748.9	404.3
2000	1,592.3	1,198.1	30.6	34.3	329.3	1,364.9	227.3	165.1	323.8	701.9	401.5
2001	1,636.7	1,235.6	31.8	34.2	335.2	1,410.4	226.3	159.8	333.6	730.3	413.0
2002	1,747.7	1,332.6	37.2	36.5	341.4	1,501.5	246.1	173.7	352.4	790.7	430.9
2003	1,889.2	1,460.9	40.9	41.6	345.8	1,670.4	218.8	182.4	371.0	849.3	486.5
2004	2,070.1	1,613.4	43.0	47.4	366.2	1,814.8	255.3	197.0	370.5	960.8	541.9
2005	2,147.6	1,681.2	39.3	44.7	382.5	1,884.7	270.7	199.8	362.8	1,027.7	557.3
2006	1,838.9	1,378.2	35.3	41.3	384.1	1,598.4	240.5	174.6	279.4	929.7	455.2
2007	1,398.4	979.9	28.1	31.5	349.5	1,207.1	191.3	150.6	211.7	692.2	343.9
2008	905.4	575.6	16.8	17.6	295.4	776.7	128.6	119.0	137.7	451.9	196.7
2009	572.2	435.1	9.8	10.1	117.2	490.9	81.4	65.9	97.6	292.4	116.3
Monthly Data (Seasonally Adjusted Annual Rates)											
2009											
Apr	523	395	20	108		NA		58	85	272	108
May	550	425	22	103		NA		63	96	280	111
Jun	600	451	25	124		NA		65	99	318	118
Jul	587	479	19	89		NA		62	109	288	128
Aug	610	482	20	108		NA		69	105	313	123
Sep	605	473	20	112		NA		70	103	309	123
Oct	576	468	16	92		NA		68	106	289	113
Nov	621	489	26	106		NA		76	110	317	118
Dec	681	517	19	145		NA		106	117	325	133
2010											
Jan	629	509	19	101		NA		74	95	317	143
Feb	650	523	20	107		NA		85	106	311	148
Mar	685	542	22	121		NA		68	117	356	144
Apr	610	486	17	107		NA		68	114	310	118
May	574	436	18	120		NA		65	102	294	113
Jun	583	421	20	142		NA		85	93	283	122

* Authorized in permit-issuing places. ** Components may not add to totals because of rounding. Units in thousands. MSA = Metropolitan statistical area. NA = Data published only annually.

Source: Census Bureau, Department of Commerce
<http://www.census.gov/const/newresconst.pdf>



Exhibit 2. New Privately Owned Housing Units Started: 1967–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											
1967	1,291.6	843.9	41.4	30.2	376.1	902.9	388.7	214.9	337.1	519.5	220.1
1968	1,507.6	899.4	46.0	34.9	527.3	1,096.4	411.2	226.8	368.6	618.5	293.7
1969	1,466.8	810.6	43.0	42.0	571.2	1,078.7	388.0	206.1	348.7	588.4	323.5
1970	1,433.6	812.9	42.4	42.4	535.9	1,017.9	415.7	217.9	293.5	611.6	310.5
1971	2,052.2	1,151.0	55.1	65.2	780.9	1,501.8	550.4	263.8	434.1	868.7	485.6
1972	2,356.6	1,309.2	67.1	74.2	906.2	1,720.4	636.2	329.5	442.8	1,057.0	527.4
1973	2,045.3	1,132.0	54.2	64.1	795.0	1,495.4	549.9	277.3	439.7	899.4	428.8
1974	1,337.7	888.1	33.2	34.9	381.6	922.5	415.3	183.2	317.3	552.8	284.5
1975	1,160.4	892.2	34.5	29.5	204.3	760.3	400.1	149.2	294.0	442.1	275.1
1976	1,537.5	1,162.4	44.0	41.9	289.2	1,043.5	494.1	169.2	400.1	568.5	399.6
1977	1,987.1	1,450.9	60.7	61.0	414.4	1,377.3	609.8	201.6	464.6	783.1	537.9
1978	2,020.3	1,433.3	62.2	62.8	462.0	1,432.1	588.2	200.3	451.2	823.7	545.2
1979	1,745.1	1,194.1	56.1	65.9	429.0	1,240.6	504.6	177.9	349.2	747.5	470.5
1980	1,292.2	852.2	48.8	60.7	330.5	913.6	378.7	125.4	218.1	642.7	306.0
1981	1,084.2	705.4	38.2	52.9	287.7	759.8	324.3	117.3	165.2	561.6	240.0
1982	1,062.2	662.6	31.9	48.1	319.6	784.8	277.4	116.7	149.1	591.0	205.4
1983	1,703.0	1,067.6	41.8	71.7	522.0	1,351.1	351.9	167.6	217.9	935.2	382.3
1984	1,749.5	1,084.2	38.6	82.8	544.0	1,414.6	334.9	204.1	243.4	866.0	436.0
1985	1,741.8	1,072.4	37.0	56.4	576.1	1,493.9	247.9	251.7	239.7	782.3	468.2
1986	1,805.4	1,179.4	36.1	47.9	542.0	1,546.3	259.1	293.5	295.8	733.1	483.0
1987	1,620.5	1,146.4	27.8	37.5	408.7	1,372.2	248.2	269.0	297.9	633.9	419.8
1988	1,488.1	1,081.3	23.4	35.4	348.0	1,243.0	245.1	235.3	274.0	574.9	403.9
1989	1,376.1	1,003.3	19.9	35.3	317.6	1,128.1	248.0	178.5	265.8	536.2	395.7
1990	1,192.7	894.8	16.1	21.4	260.4	946.9	245.7	131.3	253.2	479.3	328.9
1991	1,013.9	840.4	15.5	20.1	137.9	789.2	224.7	112.9	233.0	414.1	254.0
1992	1,199.7	1,029.9	12.4	18.3	139.0	931.5	268.2	126.7	287.8	496.9	288.3
1993	1,287.6	1,125.7	11.1	18.3	132.6	1,031.9	255.8	126.5	297.7	561.8	301.7
1994	1,457.0	1,198.4	14.8	20.2	223.5	1,183.1	273.9	138.2	328.9	639.1	350.8
1995	1,354.1	1,076.2	14.3	19.4	244.1	1,106.4	247.6	117.7	290.1	615.0	331.3
1996	1,476.8	1,160.9	16.4	28.8	270.8	1,211.4	265.5	132.1	321.5	661.9	361.4
1997	1,474.0	1,133.7	18.1	26.4	295.8	1,221.3	252.7	136.8	303.6	670.3	363.3
1998	1,616.9	1,271.4	15.7	26.9	302.9	1,349.9	267.0	148.5	330.5	743.0	394.9
1999	1,640.9	1,302.4	15.0	16.9	306.6	1,367.7	273.2	155.7	347.3	746.0	391.9
2000	1,568.7	1,230.9	15.2	23.5	299.1	1,297.3	271.4	154.5	317.5	713.6	383.1
2001	1,602.7	1,273.3	17.2	19.3	292.8	1,329.4	273.3	149.2	330.4	732.0	391.1
2002	1,704.9	1,358.6	14.0	24.4	307.9	1,398.1	306.8	158.7	349.6	781.5	415.5
2003	1,847.7	1,499.0	15.7	17.8	315.2	1,517.5	330.3	163.9	372.5	838.4	473.6
2004	1,955.8	1,610.5	17.7	24.6	303.0	1,592.6	363.3	175.4	355.7	908.5	516.2
2005	2,068.3	1,715.8	15.3	25.8	311.4	1,829.2	239.1	189.7	357.4	996.1	525.1
2006	1,800.9	1,465.4	15.3	27.4	292.8	1,599.2	201.7	167.2	279.5	910.3	443.8
2007	1,355.0	1,046.0	12.1	19.6	277.3	1,196.0	159.1	142.9	210.1	681.1	320.9
2008	905.5	622.0	6.2	11.4	266.0	799.0	106.6	121.0	134.9	453.4	196.2
2009	554.0	445.1	6.3	5.2	97.3	477.9	76.1	61.8	97.1	278.2	116.8
Monthly Data (Seasonally Adjusted Annual Rates)											
2009											
Apr	477	386	NA		80	NA		50	84	230	113
May	550	406	NA		135	NA		60	79	275	136
Jun	583	476	NA		96	NA		79	105	274	125
Jul	587	500	NA		72	NA		61	110	290	126
Aug	585	482	NA		96	NA		71	106	281	127
Sep	586	507	NA		70	NA		67	105	297	117
Oct	529	475	NA		49	NA		55	100	269	105
Nov	589	504	NA		76	NA		66	107	303	113
Dec	576	486	NA		78	NA		61	94	312	109
2010											
Jan	612	511	NA		94	NA		70	91	326	125
Feb	605	527	NA		62	NA		72	105	285	143
Mar	634	535	NA		91	NA		66	93	339	136
Apr	679	563	NA		104	NA		84	118	367	110
May	578	457	NA		109	NA		71	101	288	118
Jun	549	454	NA		88	NA		63	94	281	111

*Components may not add to totals because of rounding. Units in thousands. MSA = Metropolitan statistical area. NA = Data published only annually.

Source: Census Bureau, Department of Commerce

<http://www.census.gov/const/newresconst.pdf>



Exhibit 3. New Privately Owned Housing Units Under Construction: 1970–Present*

Period	Total	In Structures With				MSAs		Regions			
		1 Unit	2 Units	3 and 4 Units	5 Units or More	Inside	Outside	North-east	Mid-west	South	West
Annual Data											
1970	922.0	381.1	22.8	27.3	490.8	NA	NA	197.1	189.3	359.2	176.4
1971	1,254.0	504.9	26.7	37.8	684.6	NA	NA	236.6	278.5	494.4	244.4
1972	1,542.1	612.5	36.4	46.4	846.8	NA	NA	264.4	306.8	669.1	301.8
1973	1,454.4	521.7	31.0	48.0	853.6	NA	NA	239.4	293.1	650.2	271.7
1974	1,000.8	441.1	19.4	29.1	511.3	NA	NA	178.0	218.8	418.9	185.1
1975	794.3	447.5	20.1	27.4	299.4	563.2	231.1	130.2	195.1	298.1	171.0
1976	922.0	562.6	22.7	31.8	304.9	658.5	263.5	125.4	232.1	333.3	231.2
1977	1,208.0	729.8	34.0	44.9	399.3	862.5	345.5	145.5	284.6	457.3	320.6
1978	1,310.2	764.5	36.1	47.3	462.2	968.0	342.2	158.3	309.2	497.6	345.2
1979	1,140.1	638.7	31.3	46.7	423.4	820.1	320.0	146.7	232.5	449.3	311.6
1980	896.1	514.5	28.3	40.3	313.1	620.9	275.2	120.1	171.4	376.7	227.9
1981	682.4	381.7	16.5	29.0	255.3	458.9	223.5	103.2	109.7	299.7	169.8
1982	720.0	399.7	16.5	24.9	278.9	511.7	208.3	98.6	112.4	344.0	165.0
1983	1,002.8	523.9	19.0	39.1	420.8	757.8	245.0	120.8	122.6	520.6	238.8
1984	1,050.5	556.0	20.9	42.5	431.0	814.1	236.4	152.5	137.3	488.9	271.7
1985	1,062.5	538.6	20.6	34.9	468.4	885.1	177.4	186.6	143.8	437.5	294.7
1986	1,073.5	583.1	19.3	28.4	442.7	899.7	173.8	218.9	165.7	387.3	301.5
1987	987.3	590.6	17.3	22.5	356.9	820.6	166.7	221.7	158.7	342.5	264.4
1988	919.4	569.6	16.1	24.1	309.5	757.5	161.9	201.6	148.1	308.2	261.6
1989	850.3	535.1	11.9	25.1	278.1	686.7	163.6	158.8	145.5	282.1	263.9
1990	711.4	449.1	10.9	15.1	236.3	553.9	157.5	121.6	133.4	242.3	214.1
1991	606.3	433.5	9.1	14.5	149.2	458.4	147.9	103.9	122.4	208.5	171.6
1992	612.4	472.7	5.6	11.3	122.8	453.1	159.4	81.4	137.8	228.4	164.8
1993	680.1	543.0	6.5	12.4	118.2	521.0	159.1	89.3	154.4	265.4	170.9
1994	762.2	557.8	9.1	12.9	182.5	597.6	164.5	96.3	173.5	312.1	180.3
1995	775.9	547.2	8.4	12.7	207.7	620.1	155.8	86.3	172.0	331.4	186.3
1996	792.3	550.0	9.0	19.1	214.3	629.9	162.4	85.2	178.0	337.6	191.4
1997	846.7	554.6	11.2	20.7	260.2	684.4	163.2	87.1	181.9	364.8	213.0
1998	970.8	659.1	8.3	20.5	282.9	794.8	176.0	98.5	201.2	428.5	242.6
1999	952.8	647.6	9.0	12.1	284.1	786.1	166.6	103.5	202.5	422.3	224.5
2000	933.8	623.4	10.2	19.5	280.7	759.8	173.9	110.0	186.6	397.6	239.5
2001	959.4	638.3	11.8	16.7	292.6	790.6	168.7	116.1	195.9	396.5	250.9
2002	1,001.2	668.8	10.9	15.5	306.0	817.7	183.4	125.0	207.1	413.0	256.0
2003	1,141.4	772.9	10.4	13.9	344.2	940.4	201.0	128.1	234.7	482.6	296.1
2004	1,237.1	850.3	14.0	24.1	348.7	1,011.8	225.3	146.8	222.4	536.4	331.6
2005	1,355.9	929.1	14.7	20.3	391.8	1,194.3	161.6	171.9	221.4	604.2	358.4
2006	1,204.9	764.7	12.2	22.7	405.3	1,062.5	142.4	162.3	183.7	534.3	324.6
2007	1,025.0	579.1	10.9	18.7	416.3	907.2	117.7	155.9	162.5	431.6	274.9
2008	780.9	377.3	5.8	12.0	385.8	703.6	77.3	157.3	103.9	311.6	208.1
2009	495.4	283.1	5.3	6.6	200.4	432.9	62.4	112.2	76.4	183.6	123.2
Monthly Data (Seasonally Adjusted Annual Rates)											
2009											
Apr	680	330	NA		332	NA		140	91	270	179
May	650	318	NA		315	NA		136	86	257	171
Jun	627	314	NA		296	NA		131	86	245	165
Jul	608	315	NA		277	NA		128	86	237	157
Aug	587	310	NA		262	NA		127	84	224	15
Sep	577	314	NA		249	NA		125	84	220	148
Oct	551	305	NA		232	NA		121	84	207	139
Nov	533	300	NA		220	NA		119	82	200	132
Dec	514	298	NA		204	NA		115	79	193	127
2010											
Jan	503	300	NA		192	NA		111	79	191	122
Feb	496	304	NA		181	NA		110	79	188	119
Mar	494	308	NA		175	NA		108	80	189	117
Apr	487	308	NA		169	NA		108	79	186	114
May	476	302	NA		163	NA		106	77	184	109
Jun	450	286	NA		154	NA		104	72	176	98

*Components may not add to totals because of rounding. Units in thousands. MSA = Metropolitan statistical area. NA = Data published only annually.

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

<http://www.census.gov/const/newresconst.pdf>



Exhibit 4. New Privately Owned Housing Units Completed: 1970–Present *

Period	Total	In Structures With				MSAs		Regions			
		1 Unit	2 Units	3 and 4 Units	5 Units or More	Inside	Outside	North-east	Mid-west	South	West
Annual Data											
1970	1,418.4	801.8	42.9	42.2	531.5	1,013.2	405.2	184.9	323.4	594.6	315.5
1971	1,706.1	1,014.0	50.9	55.2	586.1	1,192.5	513.6	225.8	348.1	727.0	405.2
1972	2,003.9	1,160.2	54.0	64.9	724.7	1,430.9	573.0	281.1	411.8	848.5	462.4
1973	2,100.5	1,197.2	59.9	63.6	779.8	1,541.0	559.5	294.0	441.7	906.3	458.6
1974	1,728.5	940.3	43.5	51.8	692.9	1,266.1	462.4	231.7	377.4	755.8	363.6
1975	1,317.2	874.8	31.5	29.1	381.8	922.6	394.5	185.8	313.2	531.3	286.8
1976	1,377.2	1,034.2	40.8	36.5	265.8	950.1	427.2	170.2	355.6	513.2	338.3
1977	1,657.1	1,258.4	48.9	46.1	303.7	1,161.9	495.2	176.8	400.0	636.1	444.2
1978	1,867.5	1,369.0	59.0	57.2	382.2	1,313.6	553.9	181.9	416.5	752.0	517.1
1979	1,870.8	1,301.0	60.5	64.4	444.9	1,332.0	538.8	188.4	414.7	761.7	506.0
1980	1,501.6	956.7	51.4	67.2	426.3	1,078.9	422.7	146.0	273.5	696.1	386.0
1981	1,265.7	818.5	49.2	62.4	335.7	888.4	377.4	127.3	217.7	626.4	294.3
1982	1,005.5	631.5	29.8	51.1	293.1	708.2	297.3	120.5	143.0	538.8	203.2
1983	1,390.3	923.7	37.0	55.2	374.4	1,073.9	316.5	138.9	200.8	746.0	304.6
1984	1,652.2	1,025.1	35.0	77.3	514.8	1,316.7	335.6	168.2	221.1	866.6	396.4
1985	1,703.3	1,072.5	36.4	60.7	533.6	1,422.2	281.0	213.8	230.5	812.2	446.8
1986	1,756.4	1,120.2	35.0	51.0	550.1	1,502.1	254.3	254.0	269.8	763.8	468.8
1987	1,668.8	1,122.8	29.0	42.4	474.6	1,420.4	248.4	257.4	302.3	660.4	448.7
1988	1,529.8	1,084.6	23.5	33.2	388.6	1,286.1	243.7	250.2	280.3	594.8	404.6
1989	1,422.8	1,026.3	24.1	34.6	337.9	1,181.2	241.7	218.8	267.1	549.4	387.5
1990	1,308.0	966.0	16.5	28.2	297.3	1,060.2	247.7	157.7	263.3	510.7	376.3
1991	1,090.8	837.6	16.9	19.7	216.6	862.1	228.7	120.1	240.4	438.9	291.3
1992	1,157.5	963.6	15.1	20.8	158.0	909.5	248.0	136.4	268.4	462.4	290.3
1993	1,192.7	1,039.4	9.5	16.7	127.1	943.0	249.8	117.6	273.3	512.0	290.0
1994	1,346.9	1,160.3	12.1	19.5	154.9	1,086.3	260.6	123.4	307.1	580.9	335.5
1995	1,312.6	1,065.5	14.8	19.8	212.4	1,065.0	247.6	126.9	287.9	581.1	316.7
1996	1,412.9	1,128.5	13.6	19.5	251.3	1,163.4	249.4	125.1	304.5	637.1	346.2
1997	1,400.5	1,116.4	13.6	23.4	247.1	1,152.8	247.7	134.0	295.9	634.1	336.4
1998	1,474.2	1,159.7	16.2	24.4	273.9	1,228.5	245.7	137.3	305.1	671.6	360.2
1999	1,604.9	1,270.4	12.5	22.6	299.3	1,336.8	268.0	142.7	334.7	732.7	394.8
2000	1,573.7	1,241.8	12.6	14.7	304.7	1,313.7	260.0	146.1	334.4	729.3	363.9
2001	1,570.8	1,255.9	14.3	19.6	281.0	1,305.1	265.7	144.8	316.4	726.3	383.3
2002	1,648.4	1,325.1	13.1	21.9	288.2	1,367.4	281.0	147.9	329.8	757.8	412.8
2003	1,678.7	1,386.3	13.9	17.7	260.8	1,381.5	297.1	154.6	332.2	755.6	436.2
2004	1,841.9	1,531.5	11.2	12.2	286.9	1,514.5	327.4	155.9	362.4	840.4	483.3
2005	1,931.4	1,635.9	13.1	24.4	258.0	1,702.0	229.5	170.7	351.9	903.7	505.1
2006	1,979.4	1,654.5	16.4	24.3	284.2	1,760.1	219.3	179.1	325.1	986.7	488.6
2007	1,502.8	1,218.4	12.4	19.0	253.0	1,332.9	169.9	144.8	222.7	766.1	369.3
2008	1,119.7	818.8	9.3	14.4	277.2	977.4	142.3	109.6	178.2	567.4	264.4
2009	794.4	520.1	5.4	9.1	259.8	708.5	85.9	94.2	119.2	393.5	187.5
Monthly Data (Seasonally Adjusted Annual Rates)											
2009											
Apr	842	530	NA		297	NA		143	118	400	181
May	812	495	NA		306	NA		82	120	413	197
Jun	798	510	NA		277	NA		103	119	392	184
Jul	787	497	NA		277	NA		101	115	373	198
Aug	790	509	NA		265	NA		66	127	439	158
Sep	721	480	NA		223	NA		100	105	340	176
Oct	751	531	NA		205	NA		94	97	365	195
Nov	850	561	NA		273	NA		102	144	404	200
Dec	752	495	NA		236	NA		79	127	390	156
2010											
Jan	662	440	NA		205	NA		86	82	296	198
Feb	668	455	NA		204	NA		85	87	328	168
Mar	643	489	NA		145	NA		66	82	340	155
Apr	747	554	NA		181	NA		94	105	407	141
May	702	515	NA		182	NA		92	121	310	179
Jun	886	676	NA		202	NA		88	181	378	239

*Components may not add to totals because of rounding. Units in thousands. MSA = Metropolitan statistical area. NA = Data published only annually.

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

<http://www.census.gov/const/newresconst.pdf>

Exhibit 5. Manufactured (Mobile) Home Shipments, Residential Placements, Average Prices, and Units for Sale: 1977–Present



Period	Shipments*	Placed for Residential Use*					Average Price (\$)	For Sale*
	United States	United States	Northeast	Midwest	South	West		
Annual Data								
1977	266	258	17	51	113	78	14,200	70
1978	276	280	17	50	135	78	15,900	74
1979	277	280	17	47	145	71	17,600	76
1980	222	234	12	32	140	49	19,800	56
1981	241	229	12	30	144	44	19,900	58
1982	240	234	12	26	161	35	19,700	58
1983	296	278	16	34	186	41	21,000	73
1984	295	288	20	35	193	39	21,500	82
1985	284	283	20	39	188	37	21,800	78
1986	244	256	21	37	162	35	22,400	67
1987	233	239	24	40	146	30	23,700	61
1988	218	224	23	39	131	32	25,100	58
1989	198	203	20	39	113	31	27,200	56
1990	188	195	19	38	108	31	27,800	49
1991	171	174	14	35	98	27	27,700	49
1992	211	212	15	42	124	30	28,400	51
1993	254	243	15	45	147	36	30,500	61
1994	304	291	16	53	178	44	32,800	70
1995	340	319	15	58	203	44	35,300	83
1996	363	338	16	59	218	44	37,200	89
1997	354	336	14	55	219	47	39,800	91
1998	373	374	15	58	250	50	41,600	83
1999	348	338	14	54	227	44	43,300	88
2000	251	281	15	50	177	39	46,400	59
2001	193	196	12	38	116	30	48,900	56
2002	169	174	12	34	101	27	51,300	47
2003	131	140	11	25	77	26	54,900	36
2004	131	124	11	21	67	26	58,200	35
2005	147	123	9	17	68	29	62,600	35
2006	117	112	8	15	66	24	64,300	37
2007	96	95	7	11	59	18	65,400	34
2008	82	79	5	8	53	13	64,900	33
2009	50	53	4	5	37	7	62,900	25
Monthly Data (Seasonally Adjusted Annual Rates)								
2009								
Apr	49	56	3	5	40	9	62,500	28
May	49	51	2	7	34	8	62,500	28
Jun	48	49	4	3	35	7	62,400	28
Jul	51	48	6	4	32	6	64,200	28
Aug	48	42	2	4	29	7	65,700	29
Sep	48	53	5	6	35	7	64,000	28
Oct	48	52	4	6	33	9	64,700	28
Nov	49	62	4	5	45	8	64,900	27
Dec	50	50	3	6	38	4	57,800	27
2010								
Jan	50	41	4	4	28	5	64,200	26
Feb	52	47	3	6	32	6	66,800	25
Mar	55	47	2	4	35	6	61,800	25
Apr	55	58	3	9	38	8	61,300	25
May	58	53	4	5	37	6	62,600	25
Jun	56	NA	NA	NA	NA	NA	NA	NA

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

NA = Not available. (S) = Suppressed. (S) indicates the sample is too small to do an estimate with acceptable accuracy.

Sources: Shipments—National Conference of States on Building Codes and Standards; Placements—Census Bureau, Department of Commerce; Office of Policy Development and Research, Department of Housing and Urban Development

<http://www.census.gov/ftp/pub/const/www/mhsindex.html> (See Current Tables, Monthly Tables.)



Exhibit 6. New Single-Family Home Sales: 1970–Present*

Period	Sold During Period					For Sale at End of Period						Months' Supply at Current U.S. Sales Rate	
	United States	North-east	Mid-west	South	West	United States	North-east	Mid-west	South	West	United States		
Annual Data													
1970	485	61	100	203	121	227	38	47	91	51		NA	
1971	656	82	127	270	176	294	45	55	131	63		NA	
1972	718	96	130	305	187	416	53	69	199	95		NA	
1973	634	95	120	257	161	422	59	81	181	102		NA	
1974	519	69	103	207	139	350	50	68	150	82		NA	
1975	549	71	106	222	150	316	43	66	133	74		NA	
1976	646	72	128	247	199	358	45	68	154	91		NA	
1977	819	86	162	317	255	408	44	73	168	123		NA	
1978	817	78	145	331	262	419	45	80	170	124		NA	
1979	709	67	112	304	225	402	42	74	172	114		NA	
1980	545	50	81	267	145	342	40	55	149	97		NA	
1981	436	46	60	219	112	278	41	34	127	76		NA	
1982	412	47	48	219	99	255	39	27	129	60		NA	
1983	623	76	71	323	152	304	42	33	149	79		NA	
1984	639	94	76	309	160	358	55	41	177	85		NA	
1985	688	112	82	323	171	350	66	34	172	79		NA	
1986	750	136	96	322	196	361	88	32	153	87		NA	
1987	671	117	97	271	186	370	103	39	149	79		NA	
1988	676	101	97	276	202	371	112	43	133	82		NA	
1989	650	86	102	260	202	366	108	41	123	93		NA	
1990	534	71	89	225	149	321	77	42	105	97		NA	
1991	509	57	93	215	144	284	62	41	97	83		NA	
1992	610	65	116	259	170	267	48	41	104	74		NA	
1993	666	60	123	295	188	295	53	48	121	73		NA	
1994	670	61	123	295	191	340	55	63	140	82		NA	
1995	667	55	125	300	187	374	62	69	158	86		NA	
1996	757	74	137	337	209	326	38	67	146	74		NA	
1997	804	78	140	363	223	287	26	65	127	69		NA	
1998	886	81	164	398	243	300	28	63	142	68		NA	
1999	880	76	168	395	242	315	28	64	153	70		NA	
2000	877	71	155	406	244	301	28	65	146	62	NA		
2001	908	66	164	439	239	310	28	70	142	69	NA		
2002	973	65	185	450	273	344	36	77	161	70	NA		
2003	1,086	79	189	511	307	377	29	97	172	79	NA		
2004	1,203	83	210	562	348	431	30	111	200	91	NA		
2005	1,283	81	205	638	358	515	47	109	249	109	NA		
2006	1,051	63	161	559	267	537	54	97	267	119	NA		
2007	776	65	118	411	181	496	48	79	248	121	NA		
2008	485	35	70	266	114	352	37	57	175	83	NA		
2009	374	31	54	202	87	234	28	38	119	49	NA		
Monthly Data													
(Seasonally Adjusted Annual Rates)											(Not Seasonally Adjusted)		(Seasonally Adjusted)
2009													
Apr	345	21	40	204	80	300	34	50	148	69	300	10.4	
May	367	35	48	204	90	290	33	49	143	65	291	9.5	
Jun	396	35	59	197	105	282	32	48	140	62	280	8.5	
Jul	408	41	56	214	97	272	30	46	136	59	270	7.9	
Aug	405	37	55	206	107	263	30	45	132	56	262	7.8	
Sep	391	37	67	191	96	254	29	43	130	53	252	7.7	
Oct	396	33	54	213	96	243	28	42	123	50	242	7.3	
Nov	368	31	71	189	77	235	27	39	120	48	236	7.7	
Dec	356	38	51	184	83	232	27	38	118	48	231	7.8	
2010													
Jan	349	42	55	174	78	231	26	37	119	48	232	8.0	
Feb	347	30	49	180	88	229	26	36	119	47	233	8.0	
Mar	384	33	53	206	92	227	25	36	118	47	228	7.1	
Apr	422	36	60	217	109	215	25	34	112	44	215	6.1	
May	267	28	39	139	61	214	24	33	113	43	213	9.6	
Jun	330	41	47	185	57	212	25	31	111	45	210	7.6	

*Components may not add to totals because of rounding. Units in thousands. NA = Not applicable.

Sources: Census Bureau, Department of Commerce; Office of Policy Development and Research, Department of Housing and Urban Development
<http://www.census.gov/const/www/newresalesindex.html>

Exhibit 7. Existing Home Sales: 1969–Present *



Period	United States	Northeast	Midwest	South	West	For Sale	Months' Supply
Annual Data							
1969	1,594	240	508	538	308	NA	NA
1970	1,612	251	501	568	292	NA	NA
1971	2,018	311	583	735	389	NA	NA
1972	2,252	361	630	788	473	NA	NA
1973	2,334	367	674	847	446	NA	NA
1974	2,272	354	645	839	434	NA	NA
1975	2,476	370	701	862	543	NA	NA
1976	3,064	439	881	1,033	712	NA	NA
1977	3,650	515	1,101	1,231	803	NA	NA
1978	3,986	516	1,144	1,416	911	NA	NA
1979	3,827	526	1,061	1,353	887	NA	NA
1980	2,973	403	806	1,092	672	NA	NA
1981	2,419	353	632	917	516	NA	NA
1982	1,990	354	490	780	366	1,910	NA
1983	2,719	493	709	1,035	481	1,980	NA
1984	2,868	511	755	1,073	529	2,260	NA
1985	3,214	622	866	1,172	554	2,200	NA
1986	3,565	703	991	1,261	610	1,970	NA
1987	3,526	685	959	1,282	600	2,160	NA
1988	3,594	673	929	1,350	642	2,160	NA
1989	3,290	635	886	1,075	694	1,870	NA
1990	3,186	583	861	1,090	651	2,100	NA
1991	3,145	591	863	1,067	624	2,130	NA
1992	3,432	666	967	1,126	674	1,760	NA
1993	3,739	709	1,027	1,262	740	1,520	NA
1994	3,886	723	1,031	1,321	812	1,380	NA
1995	3,852	717	1,010	1,315	810	1,470	NA
1996	4,167	772	1,060	1,394	941	1,910	NA
1997	4,371	812	1,088	1,474	997	1,840	NA
1998	4,966	898	1,228	1,724	1,115	1,910	NA
1999	5,183	910	1,246	1,850	1,177	1,894	NA
2000	5,174	911	1,222	1,866	1,174	2,048	NA
2001	5,335	912	1,271	1,967	1,184	2,068	NA
2002	5,632	952	1,346	2,064	1,269	2,118	NA
2003	6,175	1,019	1,468	2,283	1,405	2,270	NA
2004	6,778	1,113	1,550	2,540	1,575	2,244	NA
2005	7,076	1,169	1,588	2,702	1,617	2,846	NA
2006	6,478	1,086	1,483	2,563	1,346	3,450	NA
2007	5,652	1,006	1,327	2,235	1,084	3,974	NA
2008	4,913	849	1,129	1,865	1,070	3,700	NA
2009	5,156	868	1,163	1,914	1,211	3,283	NA
Monthly Data (Seasonally Adjusted Annual Rates)							
2009							
Apr	4,700	770	1,030	1,740	1,150	3,937	10.1
May	4,750	790	1,090	1,750	1,120	3,851	9.7
Jun	4,890	820	1,100	1,810	1,160	3,811	9.4
Jul	5,140	890	1,200	1,920	1,130	4,062	9.5
Aug	5,100	900	1,140	1,870	1,180	3,924	9.2
Sep	5,600	960	1,290	2,080	1,260	3,710	8.0
Oct	5,980	1,030	1,390	2,250	1,310	3,565	7.2
Nov	6,490	1,150	1,540	2,380	1,420	3,521	6.5
Dec	5,440	920	1,160	2,020	1,350	3,283	7.2
2010							
Jan	5,050	820	1,080	1,870	1,280	3,277	7.8
Feb	5,010	840	1,110	1,840	1,220	3,531	8.5
Mar	5,360	900	1,210	1,970	1,290	3,626	8.1
Apr	5,790	1,090	1,330	2,140	1,230	4,029	8.4
May	5,660	890	1,330	2,150	1,290	3,893	8.3
Jun	5,370	960	1,230	2,010	1,170	3,992	8.9

*Components may not add to totals because of rounding. Units in thousands. NA = Not applicable.

Source: NATIONAL ASSOCIATION OF REALTORS®

<http://www.realtor.org/research.nsf/pages/EHSPage>



Exhibit 8. New Single-Family Home Prices: 1964–Present

Period	Median					U.S. Average	
	United States	Northeast	Midwest	South	West	Houses Actually Sold	Constant-Quality House ^{1,2}
Annual Data							
1964	18,900	20,300	19,400	16,700	20,400	20,500	34,900
1965	20,000	21,500	21,600	17,500	21,600	21,500	35,600
1966	21,400	23,500	23,200	18,200	23,200	23,300	37,100
1967	22,700	25,400	25,100	19,400	24,100	24,600	38,100
1968	24,700	27,700	27,400	21,500	25,100	26,600	40,100
1969	25,600	31,600	27,600	22,800	25,300	27,900	43,200
1970	23,400	30,300	24,400	20,300	24,000	26,600	44,400
1971	25,200	30,600	27,200	22,500	25,500	28,300	46,800
1972	27,600	31,400	29,300	25,800	27,500	30,500	49,800
1973	32,500	37,100	32,900	30,900	32,400	35,500	54,200
1974	35,900	40,100	36,100	34,500	35,800	38,900	59,200
1975	39,300	44,000	39,600	37,300	40,600	42,600	65,500
1976	44,200	47,300	44,800	40,500	47,200	48,000	71,200
1977	48,800	51,600	51,500	44,100	53,500	54,200	80,200
1978	55,700	58,100	59,200	50,300	61,300	62,500	91,900
1979	62,900	65,500	63,900	57,300	69,600	71,800	104,900
1980	64,600	69,500	63,400	59,600	72,300	76,400	115,600
1981	68,900	76,000	65,900	64,400	77,800	83,000	124,700
1982	69,300	78,200	68,900	66,100	75,000	83,900	127,600
1983	75,300	82,200	79,500	70,900	80,100	89,800	130,300
1984	79,900	88,600	85,400	72,000	87,300	97,600	135,600
1985	84,300	103,300	80,300	75,000	92,600	100,800	137,300
1986	92,000	125,000	88,300	80,200	95,700	111,900	142,600
1987	104,500	140,000	95,000	88,000	111,000	127,200	150,300
1988	112,500	149,000	101,600	92,000	126,500	138,300	156,000
1989	120,000	159,600	108,800	96,400	139,000	148,800	162,200
1990	122,900	159,000	107,900	99,000	147,500	149,800	165,300
1991	120,000	155,900	110,000	100,000	141,100	147,200	167,400
1992	121,500	169,000	115,600	105,500	130,400	144,100	169,800
1993	126,500	162,600	125,000	115,000	135,000	147,700	176,300
1994	130,000	169,000	132,900	116,900	140,400	154,500	186,800
1995	133,900	180,000	134,000	124,500	141,000	158,700	191,000
1996	140,000	186,000	138,000	126,200	153,900	166,400	195,900
1997	146,000	190,000	149,900	129,600	160,000	176,200	200,500
1998	152,500	200,000	157,500	135,800	163,500	181,900	205,500
1999	161,000	210,500	164,000	145,900	173,700	195,600	216,200
2000	169,000	227,400	169,700	148,000	196,400	207,000	224,600
2001	175,200	246,400	172,600	155,400	213,600	213,200	231,300
2002	187,600	264,300	178,000	163,400	238,500	228,700	241,900
2003	195,000	264,500	184,300	168,100	260,900	246,300	255,300
2004	221,000	315,800	205,000	181,100	283,100	274,500	275,600
2005	240,900	343,800	216,900	197,300	332,600	297,000	297,000
2006	246,500	346,000	213,500	208,200	337,700	305,900	311,100
2007	247,900	320,200	208,600	217,700	330,900	313,600	311,600
2008	232,100	343,600	198,900	203,700	294,800	292,600	295,500
2009	216,700	302,500	189,200	194,800	263,700	270,900	282,400
Quarterly Data							
2009							
Q2	220,900	272,500	193,200	201,000	272,400	273,400	285,700
Q3	214,300	322,200	184,900	189,700	253,700	274,100	280,100
Q4	219,000	324,600	196,000	191,800	251,900	272,900	285,700
2010							
Q1	222,900	337,400	203,800	187,900	263,600	275,300	281,600
Q2	210,200	339,300	187,100	188,000	257,000	261,800	278,000

¹ The components of a constant-quality house reflect the kinds of new single-family homes sold in 2005. The average price of a constant-quality house is derived from a set of statistical models relating sales price to selected standard physical characteristics of new single-family homes sold in 2005.

² Effective with the December 2007 New Home Sales Release in January 2008, the Census Bureau began publishing the Constant Quality (Laspeyres) Price Index with 2005 as the base year. (The previous base year was 1996.) "Constant-Quality House" data are computed for this table from price indexes published by the Census Bureau.

Sources: Census Bureau, Department of Commerce; Office of Policy Development and Research, Department of Housing and Urban Development
http://www.census.gov/const/quarterly_sales.pdf (See Table Q6.)

Exhibit 9. Existing Home Prices: 1969–Present



Period	Median					Average
	United States	Northeast	Midwest	South	West	United States
Annual Data						
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*	94,000	142,100	72,600	84,300	137,600	118,100
1990	96,400	141,400	76,300	84,700	138,600	118,600
1991	101,400	143,600	80,500	88,100	144,500	128,400
1992	104,000	142,600	84,200	91,100	141,100	130,900
1993	107,200	142,000	87,000	93,700	141,800	133,500
1994	111,300	141,500	90,600	94,900	149,200	136,800
1995	114,600	138,400	96,100	96,900	150,600	139,100
1996	119,900	139,600	102,300	102,400	157,100	141,800
1997	126,000	143,500	108,200	108,400	165,700	150,500
1998	132,800	147,300	115,600	115,000	175,900	159,100
1999	138,000	150,500	121,000	118,900	185,300	171,000
2000	143,600	149,800	125,300	126,300	194,600	178,500
2001	153,100	158,700	132,500	135,500	207,000	188,300
2002	165,000	179,300	139,300	146,000	230,100	206,100
2003	178,800	209,900	145,600	156,700	251,800	222,200
2004	195,400	243,800	154,600	170,400	286,400	244,400
2005	219,600	271,300	170,600	181,700	335,300	266,600
2006	221,900	271,900	167,800	183,700	342,700	268,200
2007	219,000	279,100	165,100	179,300	335,000	266,000
2008	198,100	266,400	154,100	169,200	271,500	242,700
2009	172,500	240,500	144,100	153,000	211,100	216,900
Monthly Data						
2009						
Apr	166,500	238,000	138,400	148,200	204,700	208,600
May	174,800	245,500	147,500	157,500	206,000	218,200
Jun	181,800	247,300	156,100	163,600	218,500	227,800
Jul	181,300	251,800	155,900	161,700	217,700	227,200
Aug	177,200	241,900	149,000	157,300	200,200	222,200
Sep	175,900	242,500	147,300	153,500	224,500	221,900
Oct	172,000	235,700	144,700	149,600	219,800	217,200
Nov	170,000	222,000	140,400	151,900	211,700	211,800
Dec	170,500	240,700	135,300	148,400	216,200	218,700
2010						
Jan	164,900	245,400	130,100	139,900	205,000	212,200
Feb	164,600	254,200	128,600	140,100	200,600	208,700
Mar	169,600	239,400	135,600	147,900	216,100	215,400
Apr	172,300	243,100	140,900	149,200	217,200	217,300
May	174,600	226,500	148,800	153,700	220,100	220,900
Jun	183,700	244,300	155,900	163,600	221,800	230,900

*Beginning with 1989, this series includes the prices of existing condominiums and cooperatives in addition to the prices of existing single-family homes. The year 1989 also marks a break in the series because data are revised back to 1989, when rebenchmarking occurs.

Source: NATIONAL ASSOCIATION OF REALTORS®

<http://www.realtor.org/research/nsf/pages/EHSPage?OpenDocument>



Exhibit 10. Repeat Sales House Price Index: 1991–Present

Period	FHFA Purchase-Only House Price Index (Seasonally Adjusted) ¹										Case-Shiller® Index ²
	United States	New England	Middle Atlantic	South Atlantic	East South Central	West South Central	West North Central	East North Central	Mountain	Pacific	
Annual Average											
1991	100.5	98.2	99.8	100.5	100.8	101.0	100.7	101.5	101.1	99.7	74.5
1992	102.8	96.7	101.3	102.4	104.5	103.8	104.2	105.9	106.5	99.2	75.0
1993	105.3	95.0	101.7	104.0	109.0	108.0	109.5	110.5	115.6	97.0	75.5
1994	109.0	95.8	102.3	107.2	115.1	112.5	115.5	115.9	127.2	97.1	77.7
1995	111.8	96.1	101.9	110.1	120.1	115.3	120.1	121.5	134.6	97.1	79.1
1996	115.4	98.5	102.7	113.6	125.3	118.5	125.4	127.7	140.5	98.6	80.9
1997	118.9	101.8	104.2	117.2	129.6	121.5	129.8	132.5	145.1	101.7	83.6
1998	124.6	109.1	108.0	122.2	134.5	127.4	136.7	138.1	150.9	108.6	88.7
1999	132.0	119.8	114.5	128.6	140.3	134.5	145.9	145.6	159.2	116.3	95.5
2000	140.8	134.1	123.5	136.4	145.0	142.6	155.9	153.3	168.7	126.5	104.5
2001	150.5	151.4	134.9	146.2	149.2	149.1	166.8	160.7	178.1	139.1	113.4
2002	161.1	170.7	149.9	157.4	153.9	154.2	177.2	168.1	186.0	154.4	123.7
2003	173.3	190.0	167.2	170.5	160.3	159.3	187.9	176.0	197.1	173.8	136.3
2004	188.4	210.7	186.9	189.3	167.9	165.7	198.5	184.2	217.0	199.7	155.2
2005	206.1	228.9	207.8	214.7	178.4	175.1	208.0	191.5	246.8	231.4	179.0
2006	218.5	231.1	220.7	229.8	191.3	187.6	214.8	194.9	272.9	253.9	188.3
2007	221.1	226.9	224.2	232.6	198.5	196.4	216.8	192.1	283.1	253.6	179.7
2008	207.9	216.3	218.9	215.2	195.4	197.5	210.5	183.3	265.0	209.1	151.3
2009	198.3	210.8	212.1	202.0	191.9	197.5	207.2	177.7	240.0	185.5	134.1
Quarterly Data											
2009											
Q1	199.0	213.4	212.1	204.5	191.8	196.4	206.8	179.3	245.7	183.2	131.5
Q2	197.7	210.2	210.7	202.4	191.7	197.0	206.5	177.5	241.0	183.2	133.0
Q3	197.6	208.6	210.3	201.9	191.8	197.0	206.2	177.1	237.9	185.6	135.6
Q4	196.6	209.2	210.5	198.0	191.9	197.7	206.4	174.6	233.7	187.4	136.1
2010											
Q1	192.9	206.1	209.8	191.8	187.0	196.5	202.2	170.4	227.2	185.1	134.3

FHFA = Federal Housing Finance Agency.

¹ Federal Housing Finance Agency. First quarter 1991 equals 100. <http://www.fhfa.gov/Default.aspx?Page=14>

² S&P/Case-Shiller® National Home Price Index. First quarter 2000 equals 100. <http://www.homeprice.standardandpoors.com>

Exhibit 11. Housing Affordability Index: 1973–Present



Period	United States				Affordability Indexes*		
	Median Price Existing Single-Family (\$)	Mortgage Rate ¹	Median Family Income (\$)	Income To Qualify (\$)	Composite	Fixed	ARM
Annual Data							
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	94,600	10.11	34,218	30,432	112.4	105.9	116.8
1990	97,300	10.04	35,353	31,104	113.7	110.6	122.8
1991	102,700	9.30	35,940	30,816	116.6	113.5	128.3
1992	105,500	8.11	36,573	28,368	128.9	124.9	150.8
1993	109,100	7.16	36,959	26,784	138.0	133.0	160.4
1994	113,500	7.47	38,790	28,704	135.1	125.2	153.3
1995	117,000	7.85	40,612	30,672	132.4	126.6	143.3
1996	122,600	7.71	42,305	31,728	133.3	129.6	142.9
1997	129,000	7.68	44,573	35,232	126.5	123.6	137.2
1998	136,000	7.10	46,740	35,088	133.2	131.9	142.6
1999	141,200	7.33	48,955	37,296	131.3	128.8	142.0
2000	147,300	8.03	50,733	41,616	121.9	120.5	133.3
2001	156,600	7.03	51,407	40,128	128.1	128.1	137.3
2002	167,600	6.55	51,680	40,896	126.4	124.2	138.7
2003	180,200	5.74	52,680	40,320	130.7	128.2	141.8
2004	195,200	5.73	54,061	43,632	123.9	120.3	132.2
2005	219,000	5.91	56,914	49,920	112.6	110.9	116.4
2006	221,900	6.58	58,407	54,288	107.6	107.1	109.6
2007	217,900	6.52	61,355	52,992	115.8	115.7	117.9
2008 ²	196,600	6.15	62,030	45,984	134.9	134.5	140.0
2009	172,100	5.14	61,845	36,048	171.6	171.3	NA
Monthly Data							
2009							
Apr	166,000	4.96	62,714	34,080	184.0	184.3	NA
May	174,600	4.95	62,366	35,808	174.2	174.2	NA
Jun	181,900	5.16	62,019	38,160	162.5	162.1	NA
Jul	181,700	5.34	60,671	38,928	158.4	157.8	NA
Aug	177,100	5.33	60,324	37,872	161.9	161.3	NA
Sep	175,900	5.24	60,978	37,248	163.7	163.1	NA
Oct	172,000	5.10	60,631	35,856	169.1	168.4	NA
Nov	169,300	5.09	60,285	35,280	170.9	170.2	NA
Dec	169,600	5.00	59,939	34,944	171.5	170.4	NA
2010							
Jan	163,800	5.08	60,498	34,080	177.5	177.3	NA
Feb	163,900	5.13	60,498	34,272	176.5	175.5	NA
Mar	169,500	5.07	60,498	35,232	171.7	171.0	NA
Apr	172,500	5.10	60,498	35,952	168.3	167.6	NA
May	174,500	5.09	60,498	36,336	166.5	165.4	NA
Jun	184,200	5.02	60,498	38,064	158.9	158.5	NA

*The composite affordability index is the ratio of median family income to qualifying income. Values over 100 indicate that the typical (median) family has more than sufficient income to purchase the median-priced home.

ARM = Adjustable-rate mortgage. NA = Data are not available.

¹ The Federal Housing Finance Agency's monthly effective mortgage rate (points are amortized over 10 years) combines fixed- and adjustable-rate loans. Entries under Annual Data are averages of the monthly rates.

² Beginning in December 2008, fixed- and/or adjustable-rate mortgage affordability indexes could not be derived because the mortgage rates were not available.

Source: NATIONAL ASSOCIATION OF REALTORS® <http://www.realtor.org/research/nst/pages/HousingInx>



Exhibit 12. Market Absorption of New Multifamily Units: 1970–Present*

Period	Unfurnished Rental Apartments			Cooperatives and Condominiums		
	Completions	Percent Rented in 3 Months	Median Asking Rent (\$)	Completions	Percent Sold in 3 Months	Median Asking Price (\$)
Annual Data						
1970	328,400	73	188	72,500	NA	NA
1971	334,400	68	187	49,100	NA	NA
1972	497,900	68	191	57,300	NA	NA
1973	531,700	70	191	98,100	NA	NA
1974	405,500	68	197	159,000	NA	NA
1975	223,100	70	211	84,600	NA	NA
1976	157,000	80	219	46,300	NA	NA
1977	195,600	80	232	43,000	NA	NA
1978	228,700	82	251	54,500	NA	NA
1979	241,200	82	272	91,800	NA	NA
1980	196,100	75	308	122,800	NA	NA
1981	135,400	80	347	112,600	NA	NA
1982	117,000	72	385	107,900	NA	NA
1983	191,500	69	386	111,800	NA	NA
1984	313,200	67	393	143,600	69	NA
1985	364,500	65	432	135,800	65	NA
1986	407,600	66	457	101,700	74	NA
1987	345,600	63	517	92,300	74	NA
1988	284,500	66	550	76,200	64	116,400
1989	246,200	70	590	59,700	66	122,300
1990	214,300	67	600	52,600	60	117,200
1991	165,300	70	614	35,300	60	133,600
1992	110,200	74	586	31,100	68	118,400
1993	77,200	75	573	32,000	76	112,400
1994	104,000	81	576	34,400	77	104,000
1995	155,000	72	655	36,400	74	114,000
1996	191,300	72	672	36,900	80	115,800
1997	189,200	74	724	35,800	80	118,900
1998	209,900	73	734	34,500	79	118,800
1999	225,900	72	791	34,200	75	127,600
2000	226,200	72	841	36,100	78	144,400
2001	193,100	63	881	45,700	73	183,200
2002	204,100	59	918	37,400	73	199,400
2003	166,500	61	931	41,100	74	230,200
2004	153,800	62	976	61,400	73	270,400
2005	113,000	63	942	81,900	76	310,700
2006	116,400	58	1,034	104,600	66	327,200
2007	104,800	54	1,023	91,000	61	350,000+
2008	146,800	50	1,095	69,800	49	350,000+
2009	164,300	51	1,067	38,400	40	400,000+
Quarterly Data						
2009						
Q1	28,400	53	\$1,020	12,400	42	\$400,000+
Q2	47,700	49	\$1,154	9,900	36	\$400,000+
Q3	47,500	52	\$1,043	8,800	46	\$400,000+
Q4	40,800	51	\$1,034	6,800	32	\$400,000+
2010						
Q1	27,700	56	\$1,019	3,100	42	\$400,000+

*Data are from the Survey of Market Absorption, which samples nonsubsidized, privately financed, unfurnished apartments in buildings of five or more units.

+ Median is in top class of data collection range.

NA = Data not available.

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

<http://www.census.gov/hhes/www/soma.html>

Exhibit 13. Builders' Views of Housing Market Activity: 1979–Present



Period	Housing Market Index	Sales of Single-Family Detached Homes		Prospective Buyer Traffic
		Current Activity	Future Expectations	
Annual Data				
1979	NA	48	37	32
1980	NA	19	26	17
1981	NA	8	16	14
1982	NA	15	28	18
1983	NA	52	60	48
1984	NA	52	52	41
1985	55	58	62	47
1986	60	62	67	53
1987	56	60	60	45
1988	53	57	59	43
1989	48	50	58	37
1990	34	36	42	27
1991	36	36	49	29
1992	48	50	59	39
1993	59	62	68	49
1994	56	61	62	44
1995	47	50	56	35
1996	57	61	64	46
1997	57	60	66	45
1998	70	76	78	54
1999	73	80	80	54
2000	62	69	69	45
2001	56	61	63	41
2002	61	66	69	46
2003	64	70	72	47
2004	68	75	76	51
2005	67	73	75	50
2006	42	45	51	30
2007	27	27	37	21
2008	16	16	25	14
2009	15	14	24	13
Monthly Data (Seasonally Adjusted)				
2009				
Apr	14	13	25	14
May	16	14	27	13
Jun	15	14	26	13
Jul	17	17	26	14
Aug	18	16	30	16
Sep	19	18	29	17
Oct	18	17	27	14
Nov	17	17	28	13
Dec	16	16	26	13
2010				
Jan	15	15	26	12
Feb	17	17	27	12
Mar	15	15	24	10
Apr	19	20	25	13
May	22	23	27	16
Jun	16	17	22	13

NA = Not applicable.

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

<http://www.nahb.org/generic.aspx?sectionID=134&genericContentID=529> (See HMI Release.)



Exhibit 14. Mortgage Interest Rates, Average Commitment Rates, and Points: 1973–Present



Period	Conventional					
	30-Year Fixed Rate		15-Year Fixed Rate		1-Year ARMs	
	Rate	Points	Rate	Points	Rate	Points
Annual Data						
1973	8.04	1.0	NA	NA	NA	NA
1974	9.19	1.2	NA	NA	NA	NA
1975	9.05	1.1	NA	NA	NA	NA
1976	8.87	1.2	NA	NA	NA	NA
1977	8.85	1.1	NA	NA	NA	NA
1978	9.64	1.3	NA	NA	NA	NA
1979	11.20	1.6	NA	NA	NA	NA
1980	13.74	1.8	NA	NA	NA	NA
1981	16.63	2.1	NA	NA	NA	NA
1982	16.04	2.2	NA	NA	NA	NA
1983	13.24	2.1	NA	NA	NA	NA
1984	13.88	2.5	NA	NA	11.51	2.5
1985	12.43	2.5	NA	NA	10.05	2.5
1986	10.19	2.2	NA	NA	8.43	2.3
1987	10.21	2.2	NA	NA	7.83	2.2
1988	10.34	2.1	NA	NA	7.90	2.3
1989	10.32	2.1	NA	NA	8.80	2.3
1990	10.13	2.1	NA	NA	8.36	2.1
1991	9.25	2.0	NA	NA	7.09	1.9
1992	8.39	1.7	7.96	1.7	5.62	1.7
1993	7.31	1.6	6.83	1.6	4.58	1.5
1994	8.38	1.8	7.86	1.8	5.36	1.5
1995	7.93	1.8	7.48	1.8	6.06	1.5
1996	7.81	1.7	7.32	1.7	5.67	1.4
1997	7.60	1.7	7.13	1.7	5.61	1.4
1998	6.94	1.1	6.59	1.1	5.58	1.1
1999	7.44	1.0	7.06	1.0	5.99	1.1
2000	8.05	1.0	7.72	1.0	7.04	1.0
2001	6.97	0.9	6.50	0.9	5.82	0.9
2002	6.54	0.6	5.98	0.6	4.62	0.7
2003	5.83	0.6	5.17	0.6	3.76	0.6
2004	5.84	0.7	5.21	0.6	3.90	0.7
2005	5.87	0.6	5.42	0.6	4.49	0.7
2006	6.41	0.5	6.07	0.5	5.54	0.7
2007	6.34	0.4	6.03	0.4	5.56	0.6
2008	6.03	0.6	5.62	0.6	5.17	0.6
2009	5.04	0.7	4.57	0.7	4.70	0.6
Monthly Data						
2009						
Apr	4.81	0.7	4.50	0.7	4.82	0.6
May	4.86	0.7	4.52	0.7	4.75	0.6
Jun	5.42	0.7	4.90	0.7	4.93	0.7
Jul	5.22	0.7	4.69	0.7	4.82	0.6
Aug	5.19	0.7	4.61	0.7	4.72	0.5
Sep	5.06	0.7	4.49	0.6	4.59	0.6
Oct	4.95	0.7	4.39	0.6	4.55	0.5
Nov	4.88	0.7	4.34	0.6	4.41	0.6
Dec	4.93	0.7	4.39	0.6	4.31	0.6
2010						
Jan	5.03	0.7	4.44	0.6	4.33	0.6
Feb	4.99	0.7	4.37	0.7	4.23	0.6
Mar	4.97	0.7	4.33	0.7	4.20	0.6
Apr	5.10	0.7	4.42	0.6	4.16	0.5
May	4.89	0.7	4.28	0.7	4.01	0.6
Jun	4.74	0.7	4.18	0.7	3.86	0.7

ARM = Adjustable-rate mortgage. NA = Not applicable.

Source: Freddie Mac

<http://www.freddiemac.com/pmms/> (See 30-Year Fixed, 15-Year Fixed, and 1-Year Adjustable Rate Historic Tables.)

Exhibit 15. Mortgage Interest Rates, Fees, Effective Rates, and Average Term to Maturity on Conventional Loans Closed: 1982–Present



Period	Fixed Rate				Adjustable Rate			
	Interest Rate	Fees and Charges	Effective Rate	Term to Maturity	Interest Rate	Fees and Charges	Effective Rate	Term to Maturity
Annual Data								
1982	14.72	2.51	15.26	25.4	14.74	2.86	15.37	26.0
1983	12.51	2.41	12.98	25.5	11.88	2.37	12.33	26.7
1984	12.67	2.59	13.18	24.8	11.57	2.57	12.05	28.0
1985	11.93	2.56	12.43	24.1	10.44	2.47	10.87	27.7
1986	10.09	2.31	10.50	24.9	9.10	1.97	9.42	27.3
1987	9.52	2.18	9.90	25.5	8.20	1.95	8.51	28.6
1988	10.04	2.07	10.41	26.0	8.21	1.88	8.51	28.9
1989	10.21	1.92	10.54	27.0	9.15	1.79	9.44	28.9
1990	10.06	1.87	10.39	26.1	8.90	1.56	9.15	29.3
1991	9.38	1.63	9.66	25.8	8.03	1.43	8.26	28.7
1992	8.21	1.61	8.50	24.4	6.37	1.44	6.59	29.1
1993	7.27	1.21	7.48	24.7	5.56	1.20	5.74	28.8
1994	7.98	1.14	8.17	25.8	6.27	1.05	6.42	29.2
1995	8.01	1.01	8.18	26.5	7.00	0.88	7.13	29.3
1996	7.81	1.03	7.98	26.1	6.94	0.81	7.06	29.0
1997	7.73	1.01	7.89	26.9	6.76	0.87	6.90	29.4
1998	7.05	0.86	7.19	27.5	6.35	0.75	6.46	29.6
1999	7.32	0.78	7.44	27.8	6.45	0.57	6.53	29.7
2000	8.14	0.75	8.25	28.3	6.99	0.42	7.05	29.8
2001	7.03	0.56	7.11	27.3	6.34	0.33	6.39	29.8
2002	6.62	0.48	6.69	26.8	5.60	0.39	5.66	29.7
2003	5.87	0.38	5.92	26.3	4.98	0.39	5.03	29.8
2004	5.95	0.43	6.01	26.9	5.15	0.36	5.20	29.8
2005	6.02	0.42	6.08	27.9	5.50	0.27	5.54	30.0
2006	6.58	0.43	6.65	28.7	6.32	0.33	6.37	30.0
2007	6.45	0.49	6.52	29.2	6.02	0.44	6.33	30.1
Fixed and Adjustable Rate Combined*								
2007	6.43	0.48	6.50	29.3				
2008	6.06	0.54	6.14	28.4				
2009	5.06	0.62	5.15	28.1				
Monthly Data: Fixed and Adjustable Rate Combined*								
2009								
Apr	4.87	0.58	4.95	28.3				
May	4.87	0.58	4.95	28.3				
Jun	5.10	0.59	5.18	28.4				
Jul	5.28	0.67	5.37	28.3				
Aug	5.26	0.67	5.36	28.0				
Sep	5.18	0.63	5.27	27.9				
Oct	5.04	0.64	5.14	28.0				
Nov	5.04	0.61	5.13	27.9				
Dec	4.96	0.62	5.05	27.3				
2010								
Jan	5.01	0.55	5.09	27.7				
Feb	5.07	0.63	5.16	27.4				
Mar	5.02	0.61	5.11	27.5				
Apr	5.06	0.63	5.15	27.5				
May	5.04	0.70	5.15	27.3				
Jun	4.92	0.81	5.04	27.5				

* Beginning with October 2008, the Federal Housing Finance Agency is no longer reporting fixed- and adjustable-rate data separately due to very low levels of adjustable-rate mortgages being reported. Combined data on fixed- and adjustable-rate mortgages have been substituted in this table.

Source: Federal Housing Finance Agency

<http://www.fhfa.gov/Default.aspx?Page=252>, table 2



Exhibit 16. FHA Market Share of 1- to 4-Family Mortgages: 2001–Present *



Mortgage Market Shares by Dollar Volume									
Period	FHA Share (%)			Dollar Volume of Loan Originations (in Billions)					
				Total (\$)		Purchase (\$)		Refinance (\$)	
	Total	Purchase	Refinance	FHA	Market	FHA	Market	FHA	Market
Annual Data									
2001	6.8	10.4	4.1	152	2,243	100	960	53	1,283
2002	4.9	8.2	2.9	140	2,854	90	1,097	50	1,757
2003	4.0	6.1	3.0	153	3,812	78	1,280	75	2,532
2004	3.0	4.3	1.9	84	2,773	56	1,309	28	1,463
2005	1.9	2.6	1.1	56	3,027	40	1,512	16	1,514
2006	2.0	2.7	1.3	55	2,726	38	1,399	17	1,326
2007	3.4	3.9	2.9	77	2,306	44	1,140	33	1,166
2008	16.1	19.5	12.9	243	1,509	143	731	100	777
2009	17.0	25.2	12.5	357	2,104	186	739	171	1,364
Quarterly Data									
2009									
Q1	19.0	24.9	16.4	78	410	31	123	47	287
Q2	15.9	23.9	12.2	100	627	48	201	52	426
Q3	17.2	24.6	11.7	89	519	55	223	34	295
Q4	16.5	27.6	10.5	90	548	53	192	37	356
2010									
Q1	15.6	28.0	8.8	55	356	35	125	20	231

Mortgage Market Shares by Loan Count									
Period	FHA Share (%)			Loan Originations (in Thousands)					
				Total		Purchase		Refinance	
	Total	Purchase	Refinance	FHA	Market	FHA	Market	FHA	Market
Annual Data									
2001	9.1	14.2	5.3	1,336.6	14,763.6	890.2	6,270.7	446.4	8,492.8
2002	6.4	11.1	3.6	1,188.6	18,552.8	764.7	6,865.5	423.9	11,687.3
2003	5.5	8.5	4.1	1,268.5	23,101.8	629.9	7,428.0	638.5	15,673.8
2004	4.7	6.6	3.0	695.4	14,869.2	457.4	6,905.6	238.0	7,963.6
2005	3.1	4.5	1.8	456.2	14,483.6	322.9	7,234.6	133.3	7,249.0
2006	3.3	4.5	2.0	411.1	12,329.0	295.3	6,564.5	115.9	5,764.5
2007	5.1	6.1	4.1	528.3	10,358.6	317.2	5,236.1	211.1	5,122.5
2008	19.8	24.1	15.6	1,405.7	7,092.2	844.9	3,508.2	560.8	3,584.1
2009	20.0	29.4	14.4	1,982.4	9,895.1	1,087.5	3,693.6	894.9	6,201.4
Quarterly Data									
2009									
Q1	22.2	29.1	18.9	428.8	1,933.7	182.1	624.9	246.8	1,308.8
Q2	18.5	28.0	13.7	545.1	2,938.4	278.9	997.4	266.2	1,941.0
Q3	20.5	28.7	13.7	502.1	2,450.5	316.9	1,103.0	185.2	1,347.6
Q4	19.7	32.0	12.3	506.3	2,572.4	309.7	968.4	196.6	1,604.0
2010									
Q1	18.6	32.7	10.4	310.0	1,665.6	200.8	614.7	109.2	1,050.9

* This analysis includes first-lien mortgages originated in each time period. The amounts represented here are based on date of loan origination and thus will vary from what are shown in reports that summarize FHA insurance activity by insurance endorsement date.

FHA = Federal Housing Administration.

Sources: U.S. Department of Housing and Urban Department; data from FHA, Mortgage Bankers Association "MBA Mortgage Finance Forecast" report, and Loan Performance True Standings Servicing data system

Exhibit 17. FHA, VA, and PMI 1- to 4-Family Mortgage Insurance Activity: 1971–Present



Period	FHA*			VA Guaranties	PMI Certificates
	Applications	Total Endorsements	Purchase Endorsements		
Annual Data					
1971	998,365	565,417	NA	284,358	NA
1972	655,747	427,858	NA	375,485	NA
1973	359,941	240,004	NA	321,522	NA
1974	383,993	195,850	NA	313,156	NA
1975	445,350	255,061	NA	301,443	NA
1976	491,981	250,808	NA	330,442	NA
1977	550,168	321,118	NA	392,557	NA
1978	627,971	334,108	NA	368,648	NA
1979	652,435	457,054	NA	364,656	NA
1980	516,938	381,169	359,151	274,193	392,808
1981	299,889	224,829	204,376	151,811	334,565
1982	461,129	166,734	143,931	103,354	315,868
1983	776,893	503,425	455,189	300,568	652,214
1984	476,888	267,831	235,847	210,366	946,408
1985	900,119	409,547	328,639	201,313	729,597
1986	1,907,316	921,370	634,491	351,242	585,987
1987	1,210,257	1,319,987	866,962	455,616	511,058
1988	949,353	698,990	622,873	212,671	423,470
1989	989,724	726,359	649,596	183,209	365,497
1990	957,302	780,329	726,028	192,992	367,120
1991	898,859	685,905	620,050	186,561	494,259
1992	1,090,392	680,278	522,738	290,003	907,511
1993	1,740,504	1,065,832	591,243	457,596	1,198,307
1994	961,466	1,217,685	686,487	536,867	1,148,696
1995	857,364	568,399	516,380	243,719	960,756
1996	1,064,324	849,861	719,517	326,458	1,068,707
1997	1,115,434	839,712	745,524	254,670	974,698
1998	1,563,394	1,110,530	796,779	384,605	1,473,344
1999	1,407,014	1,246,433	949,516	441,606	1,455,403
2000	1,154,622	891,874	826,708	186,671	1,236,214
2001	1,760,278	1,182,368	818,035	281,505	1,987,717
2002	1,521,730	1,246,561	805,198	328,506	2,305,709
2003	1,634,166	1,382,570	677,507	513,259	2,493,435
2004	945,565	826,611	502,302	262,781	1,708,972
2005	673,855	523,243	332,912	160,294	1,579,593
2006	653,910	465,379	264,074	137,874	1,444,330
2007	751,454	460,317	231,750	102,430	1,567,961
2008 ¹	2,340,715	1,468,057	810,712	199,679	971,595
2009	2,862,029	2,022,759	1,039,216	354,930	442,224
Monthly Data					
2009					
Apr	280,466	162,351	69,554	29,537	45,046
May	255,647	162,691	70,260	30,096	41,767
Jun	239,405	194,528	88,975	41,311	42,513
Jul	233,450	197,614	106,123	38,331	33,481
Aug	222,528	185,423	109,069	33,205	25,183
Sep	254,019	176,753	107,598	29,481	22,768
Oct	253,503	176,279	105,901	29,340	24,339
Nov	205,808	157,119	92,936	24,307	21,877
Dec	141,766	179,155	106,137	27,488	19,989
2010					
Jan	126,043	158,612	90,300	26,162	14,378
Feb	165,239	131,978	73,038	20,776	14,924
Mar	246,406	132,301	82,879	23,415	22,153
Apr	215,578	126,316	84,723	23,780	23,608
May	181,524	124,759	89,291	22,755	25,909
Jun	168,915	150,911	115,831	27,855	28,160

*These operational numbers differ slightly from adjusted accounting numbers. FHA = Federal Housing Administration. NA = Data not available.

PMI = Private mortgage insurance. VA = Department of Veterans Affairs.

¹ Beginning December 2008, data for PMI-Net Certificates include Radian Guaranty, which represents roughly 17 percent of the private insurance market.

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



Exhibit 18. 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 Facilities, 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	89	17,113	785.0	192	32,383	822.3	103	12,888	707.2
1996	128	23,554	1,178.8	268	51,760	1,391.1	152	20,069	927.5
1997	147	23,880	1,362.2	186	31,538	1,098.5	143	16,819	820.0
1998	149	25,237	1,420.7	158	19,271	576.3	89	7,965	541.0
1999	185	30,863	1,886.8	182	22,596	688.7	130	14,592	899.2
2000	193	35,271	2,171.7	165	20,446	572.6	178	18,618	891.7
2001	163	29,744	1,905.6	303	35,198	831.9	172	20,633	1,135.2
2002	167	31,187	2,042.7	439	52,434	1,284.5	287	33,086	1,780.6
2003	180	30,871	2,224.5	701	87,193	2,273.5	253	31,126	1,502.2
2004	166	27,891	1,802.6	672	70,740	2,203.1	228	26,094	1,344.3
2005	148	24,847	1,596.3	472	49,238	1,724.9	184	20,625	1,080.4
2006	97	14,603	873.3	614	59,451	2,252.5	228	26,898	1,425.6
2007	102	15,620	1,065.7	414	35,838	1,249.8	139	15,178	982.0
2008	74	11,551	875.1	262	25,443	987.8	174	19,685	1,232.4
2009	114	20,173	1,892.5	409	57,863	2,888.4	292	34,567	2,558.7
2010 (6 months)	75	13,731	1,468.2	270	45,454	2,385.5	103	11,287	871.8

*Mortgage insurance written—initial endorsements. Mortgage amounts are in millions of dollars.

¹ Includes both new construction and substantial rehabilitation under Sections 207, 220, and 221(d).

² Includes purchase or refinance of existing rental housing under Section 223.

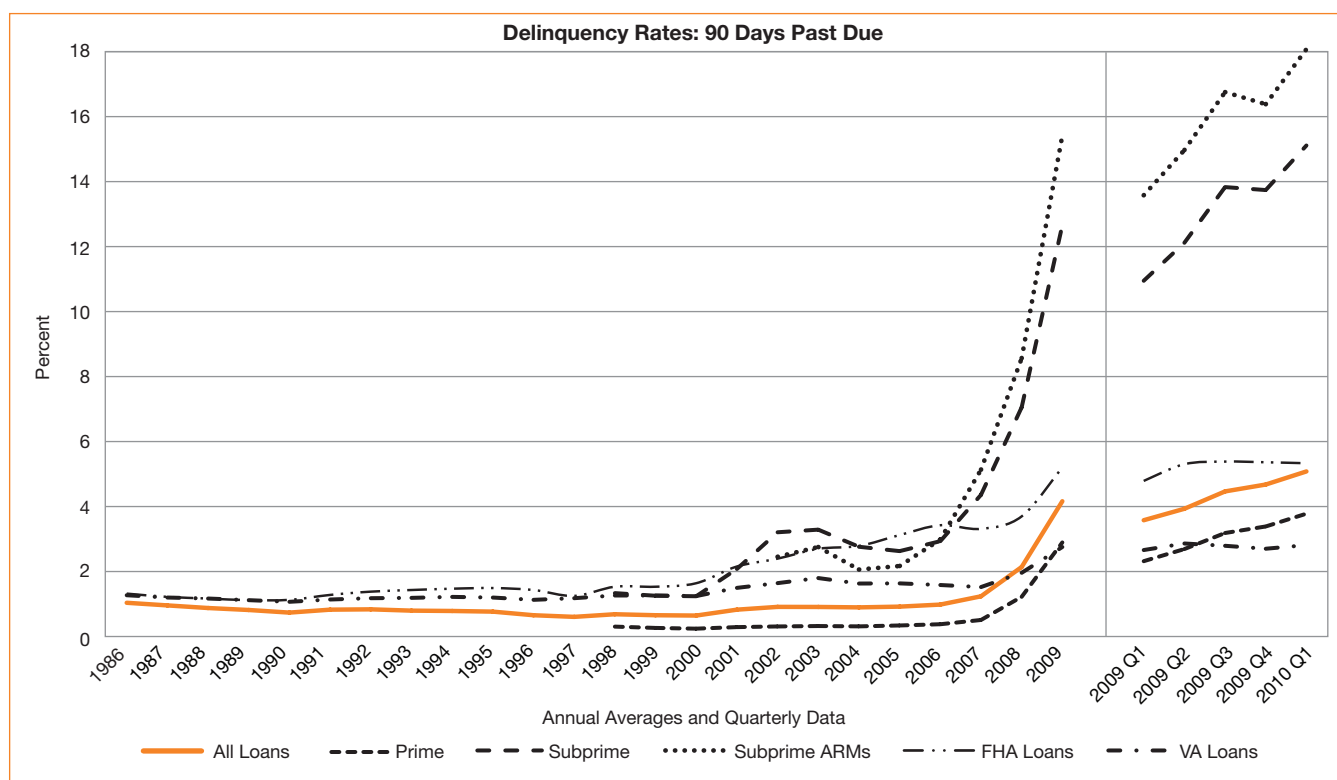
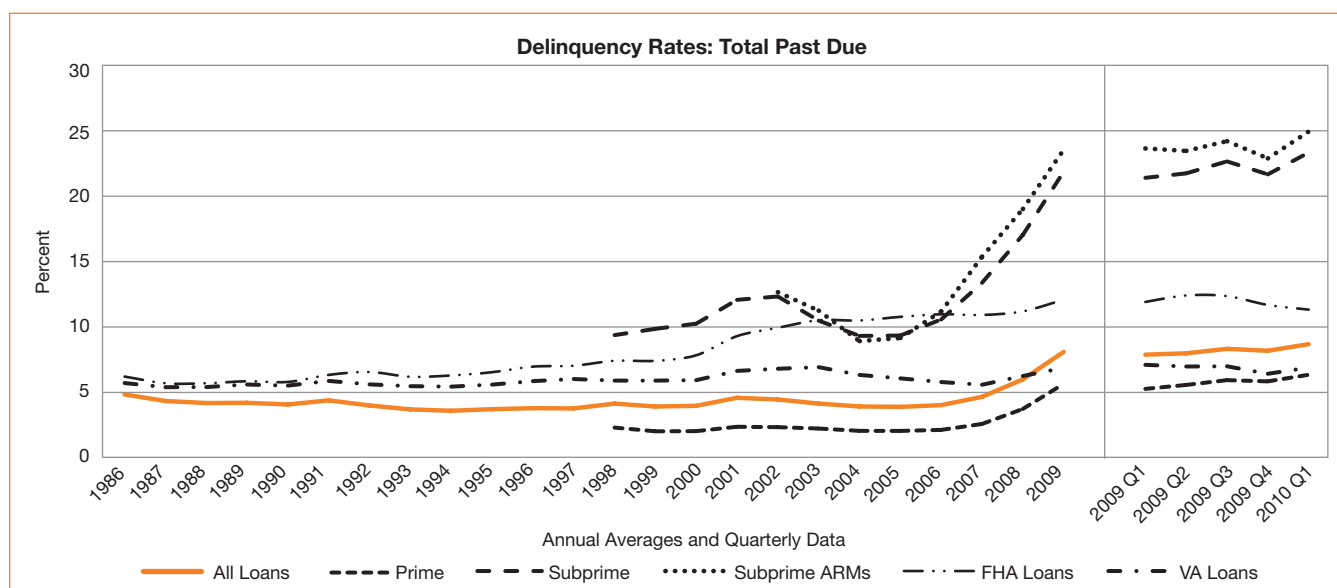
³ Includes congregate rental housing for the elderly under Section 231 and nursing homes, board and care homes, assisted-living facilities, and intermediate-care facilities under Section 232. Includes both new construction or substantial rehabilitation and purchase or refinance of existing projects. Number of units shown includes beds and housing units.

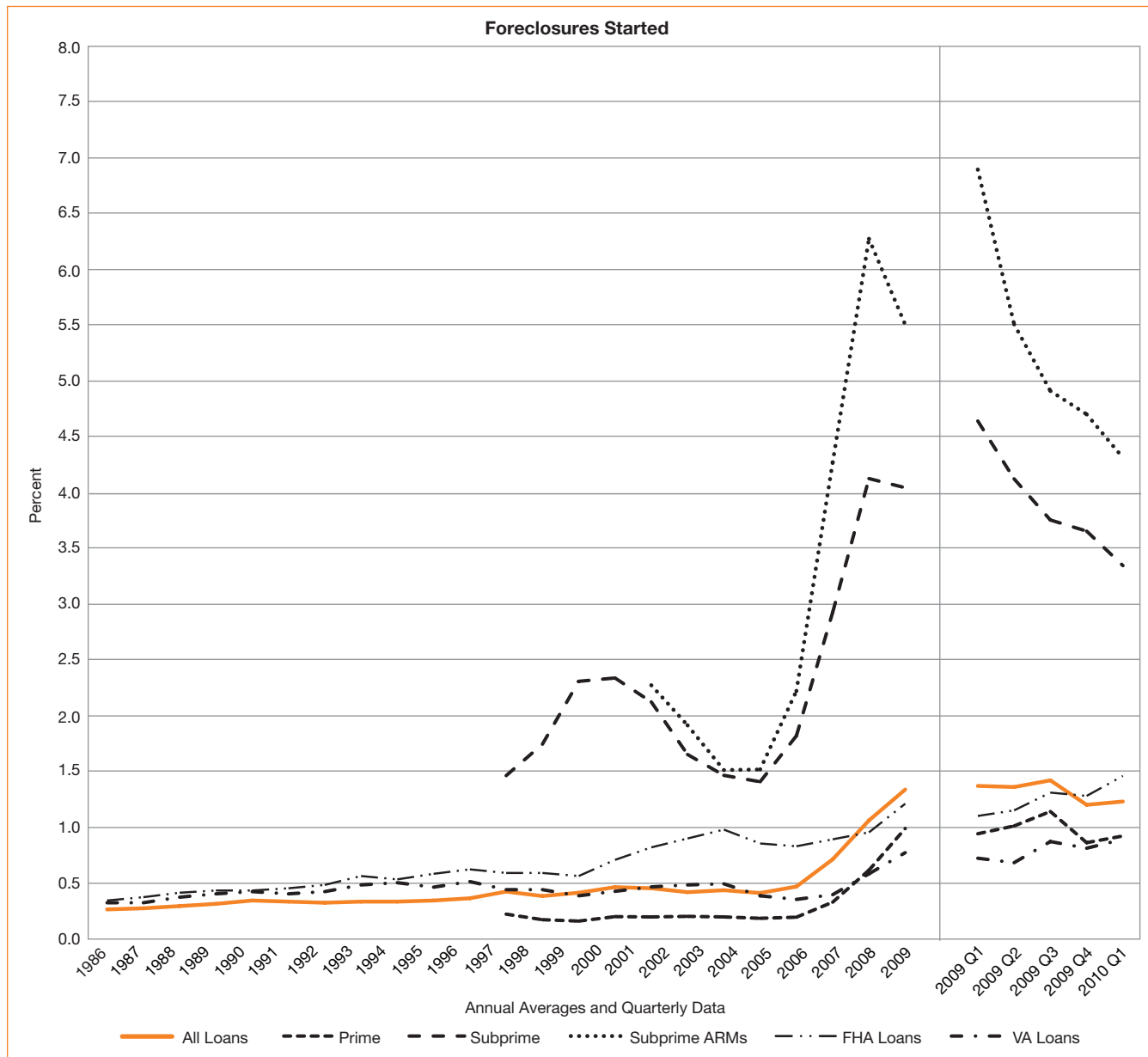
Source: Office of Multifamily Housing Development (FHA F-47 Data Series), Department of Housing and Urban Development



Exhibit 19. Mortgage Delinquencies and Foreclosures Started: 1986–Present*

HUD has discontinued publishing historical NDS data in tabular format at MBA's request; hence, the table is being replaced with charts showing the same historical information.





* All data are seasonally adjusted except for Foreclosures Started data.

ARM = Adjustable-rate mortgage. FHA = Federal Housing Administration. HUD = Department of Housing and Urban Development.

MBA = Mortgage Bankers Association. NDS = National Delinquency Survey. VA = Department of Veterans Affairs.

HUD has discontinued publishing historical NDS data in tabular format at the request of MBA.

Source: National Delinquency Survey, Mortgage Bankers Association

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



Period	Total	New Residential Construction			Improvements
		Total	Single-Family Structures	Multifamily Structures	
Annual Data (Current Dollars in Millions)					
1974	55,967	43,420	29,700	13,720	12,547
1975	51,581	36,317	29,639	6,679	15,264
1976	68,273	50,771	43,860	6,910	17,502
1977	92,004	72,231	62,214	10,017	19,773
1978	109,838	85,601	72,769	12,832	24,237
1979	116,444	89,272	72,257	17,015	27,172
1980	100,381	69,629	52,921	16,708	30,752
1981	99,241	69,424	51,965	17,460	29,817
1982	84,676	57,001	41,462	15,838	27,675
1983	125,833	94,961	72,514	22,447	30,872
1984	155,015	114,616	86,395	28,221	40,399
1985	160,520	115,888	87,350	28,539	44,632
1986	190,677	135,169	104,131	31,038	55,508
1987	199,652	142,668	117,216	25,452	56,984
1988	204,496	142,391	120,093	22,298	62,105
1989	204,255	143,232	120,929	22,304	61,023
1990	191,103	132,137	112,886	19,250	58,966
1991	166,251	114,575	99,427	15,148	51,676
1992	199,393	135,070	121,976	13,094	64,323
1993*	208,180	150,911	140,123	10,788	57,269
1994	241,033	176,390	162,309	14,081	64,643
1995	228,121	171,404	153,515	17,889	56,717
1996	257,495	191,114	170,790	20,324	66,381
1997	264,696	198,062	175,179	22,883	66,634
1998	296,343	223,983	199,409	24,574	72,360
1999	326,302	251,271	223,837	27,434	75,031
2000	346,138	265,047	236,788	28,259	81,091
2001	364,414	279,391	249,086	30,305	85,023
2002	396,696	298,841	265,889	32,952	97,855
2003	446,035	345,691	310,575	35,116	100,344
2004	532,900	417,501	377,557	39,944	115,399
2005	611,899	480,807	433,510	47,297	131,092
2006	613,731	468,800	415,997	52,803	144,931
2007	493,246	354,143	305,184	48,959	139,103
2008	350,257	230,114	185,776	44,338	120,144
2009	245,621	133,582	105,336	28,246	112,038
Monthly Data (Seasonally Adjusted Annual Rates)					
2009					
Apr	245,420	131,273	96,923	34,350	NA
May	234,461	123,053	92,605	30,448	NA
Jun	231,081	122,863	95,175	27,688	NA
Jul	227,733	128,051	101,278	26,773	NA
Aug	242,490	130,118	105,387	24,731	NA
Sep	247,391	130,866	107,735	23,131	NA
Oct	252,987	130,552	108,914	21,638	NA
Nov	248,980	130,411	110,380	20,031	NA
Dec	242,961	130,617	112,141	18,476	NA
2010					
Jan	266,164	129,933	113,623	16,310	NA
Feb	248,735	130,459	114,990	15,469	NA
Mar	249,340	131,231	116,852	14,379	NA
Apr	264,229	133,974	120,080	13,894	NA
May	260,290	133,748	120,365	13,383	NA
Jun	258,257	132,941	119,513	13,428	NA

*Effective with the May 2008 data, expenditures on private residential improvements to rental, vacant, and seasonal properties are not included in the construction spending data. To allow comparable time series analysis, these expenditures have been removed from historic data back to January 1993.

NA = Data available only annually.

Source: Census Bureau, Department of Commerce

<http://www.census.gov/const/C30/PRIVSAHIST.xls>



Exhibit 21. Gross Domestic Product and Residential Fixed Investment: 1960–Present

Period	Gross Domestic Product	Residential Fixed Investment	Residential Fixed Investment Percent of Gross Domestic Product
Annual Data (Current Dollars in Billions)			
1960	526.4	26.3	5.0
1961	544.7	26.4	4.8
1962	585.6	29.0	5.0
1963	617.7	32.1	5.2
1964	663.6	34.3	5.2
1965	719.1	34.2	4.8
1966	787.8	32.3	4.1
1967	832.6	32.4	3.9
1968	910.0	38.7	4.3
1969	984.6	42.6	4.3
1970	1,038.5	41.4	4.0
1971	1,127.1	55.8	5.0
1972	1,238.3	69.7	5.6
1973	1,382.7	75.3	5.4
1974	1,500.0	66.0	4.4
1975	1,638.3	62.7	3.8
1976	1,825.3	82.5	4.5
1977	2,030.9	110.3	5.4
1978	2,294.7	131.6	5.7
1979	2,563.3	141.0	5.5
1980	2,789.5	123.2	4.4
1981	3,128.4	122.6	3.9
1982	3,255.0	105.7	3.2
1983	3,536.7	152.9	4.3
1984	3,933.2	180.6	4.6
1985	4,220.3	188.2	4.5
1986	4,462.8	220.1	4.9
1987	4,739.5	233.7	4.9
1988	5,103.8	239.3	4.7
1989	5,484.4	239.5	4.4
1990	5,803.1	224.0	3.9
1991	5,995.9	205.1	3.4
1992	6,337.7	236.3	3.7
1993	6,657.4	266.0	4.0
1994	7,072.2	301.9	4.3
1995	7,397.7	302.8	4.1
1996	7,816.9	334.1	4.3
1997	8,304.3	349.1	4.2
1998	8,793.5	385.9	4.4
1999	9,353.5	425.8	4.6
2000	9,951.5	449.0	4.5
2001	10,286.2	472.4	4.6
2002	10,642.3	509.5	4.8
2003	11,142.1	577.6	5.2
2004	11,867.8	680.6	5.7
2005	12,638.4	775.0	6.1
2006	13,398.9	761.9	5.7
2007	14,061.8	628.6	4.5
2008	14,369.1	472.5	3.3
2009	14,119.0	352.1	2.5
Quarterly Data (Seasonally Adjusted Annual Rates)			
2009			
Q2	14,034.5	342.2	2.4
Q3	14,114.7	348.0	2.5
Q4	14,277.3	351.0	2.5
2010			
Q1	14,446.4	340.2	2.4
Q2	14,597.7	358.5	2.5

Source: Bureau of Economic Analysis, Department of Commerce

<http://www.bea.doc.gov/bea/newsrel/gdpnewsrelease.htm> (See Table 3 in pdf.)

Exhibit 22. Net Change in Number of Households by Age of Householder: 1971–Present*



Period	Total	Less Than 25 Years	25 to 29 Years	30 to 34 Years	35 to 44 Years	45 to 54 Years	55 to 64 Years	65 Years and Older
Annual Data								
1971 ¹	848	NA	NA	NA	NA	NA	NA	NA
1972	1,898	NA	NA	NA	NA	NA	NA	NA
1973	1,575	282	320	438	191	49	76	218
1974 ^r	1,554	351	395	321	(15)	134	(75)	448
1975	1,358	39	305	366	181	(38)	162	342
1976	1,704	11	484	78	341	(81)	332	539
1977	1,275	114	87	570	255	85	149	14
1978	1,888	229	213	451	487	(303)	403	409
1979	1,300	122	81	84	359	(17)	101	570
1980 ²	3,446	228	573	935	652	69	241	749
1981	1,592	(127)	262	387	482	40	179	368
1982	1,159	(333)	11	163	864	(189)	243	400
1983	391	(415)	(60)	(163)	694	(151)	127	359
1984 ^r	1,372	(237)	332	350	549	169	54	156
1985	1,499	(20)	(160)	388	912	105	(55)	328
1986	1,669	65	144	252	516	471	(221)	441
1987	1,021	(306)	(129)	221	706	112	16	402
1988 ^r	1,645	109	(44)	163	624	389	(10)	414
1989	1,706	109	16	287	625	418	(53)	304
1990	517	(294)	(201)	(251)	602	496	(276)	440
1991	965	(239)	(177)	28	750	237	(5)	371
1992	1,364	(23)	(433)	120	474	796	36	394
1993 ³	750	398	46	1	84	866	(406)	(239)
1994	681	8	(387)	47	431	424	34	124
1995	1,883	179	(72)	(193)	621	753	36	559
1996	637	(162)	(46)	(181)	312	418	177	121
1997	1,391	(122)	293	(204)	597	835	68	(78)
1998	1,510	275	(184)	(97)	120	704	603	89
1999	1,346	335	56	(270)	25	611	499	92
2000	831	90	1	(193)	(13)	769	21	156
2001	1,218	296	(98)	48	(224)	912	280	5
2002 ⁴	1,221	110	129	190	(592)	177	945	271
2003	642	71	(14)	(87)	(227)	218	650	31
2004	1,336	117	303	(190)	(256)	428	761	174
2005	1,696	0	303	(279)	52	487	812	322
2006	1,069	26	163	(185)	(301)	451	640	273
2007	437	(102)	171	(99)	(439)	145	550	211
2008	302	(267)	(141)	(73)	(256)	123	560	350
2009	869	(113)	59	66	(453)	279	486	546
Quarterly Data								
2009⁵								
Q2	654	(106)	100	(103)	129	416	108	108
Q3	27	(44)	34	53	(220)	(98)	427	(115)
Q4	252	182	(186)	271	(206)	(78)	99	168
2010								
Q1	139	(49)	127	(96)	(223)	163	(132)	350
Q2	365	(164)	70	(38)	80	(38)	400	55

*Units in thousands. NA = Not available.

^r Implementation of new March Current Population Survey (CPS) processing system.

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

² Data from 1980 to 1992 weighted based on the 1980 decennial census.

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

⁴ Beginning in 2002, CPS data weighted based on the 2000 decennial census data and housing unit controls.

⁵ Beginning in 2009, CPS data weighted based on vintage 2008 housing estimates.

Source: Current Population Survey, Census Bureau, Department of Commerce (The source of annual data is the Current Population Survey March Supplement. The quarterly data source is the monthly Current Population Survey/Housing Vacancy Survey.)



**Exhibit 23. Net Change in Number of Households by Type of Household:
1971–Present ***

Period	Total	Families ⁶				Non-Family Households		One-Person Households	
		Husband-Wife		Other Male Headed	Other Female Headed	Male Headed	Female Headed	Male	Female
		With Children	Without Children						
Annual Data									
1971 ¹	848	NA	NA	NA	NA	NA	NA	NA	NA
1972	1,898	NA	NA	NA	NA	NA	NA	NA	NA
1973	1,575	NA	NA	NA	NA	NA	NA	NA	NA
1974 ^r	1,554	NA	NA	NA	NA	NA	NA	NA	NA
1975	1,358	NA	NA	NA	NA	NA	NA	NA	NA
1976	1,704	NA	NA	NA	NA	NA	NA	NA	NA
1977	1,275	(191)	366	36	206	199	109	223	326
1978	1,888	(228)	114	103	497	126	93	713	470
1979	1,300	(91)	396	53	182	143	131	112	375
1980 ²	3,446	426	1,024	115	485	240	60	502	592
1981	1,592	56	126	201	377	184	9	287	353
1982	1,159	(393)	730	53	322	(50)	81	229	189
1983	391	(2)	278	31	65	87	33	(31)	(73)
1984 ^r	1,372	(60)	234	21	427	142	14	35	562
1985	1,499	(178)	447	189	233	(12)	62	436	319
1986	1,669	458	125	187	81	171	71	363	213
1987	1,021	75	529	96	235	43	95	(39)	(12)
1988 ^r	1,645	(107)	244	344	243	62	51	557	249
1989	1,706	135	290	0	196	213	99	390	385
1990	517	(123)	341	30	5	(124)	97	(144)	435
1991	965	(66)	(104)	28	373	143	(1)	401	191
1992	1,364	(53)	363	114	430	115	12	163	220
1993 ³	750	550	83	44	364	37	87	(169)	(247)
1994	681	207	(128)	(145)	340	170	185	(4)	57
1995	1,883	250	439	308	(182)	28	(80)	700	421
1996	637	(333)	43	286	295	11	169	148	20
1997	1,391	153	(117)	340	270	204	37	154	349
1998	1,510	246	467	61	(136)	(143)	89	568	356
1999	1,346	(211)	663	63	139	280	132	(44)	323
2000	831	149	392	48	(98)	58	165	215	(97)
2001	1,218	(81)	(17)	248	20	66	83	418	481
2002 ⁴	1,221	(144)	608	149	79	(46)	10	322	253
2003	642	(27)	291	49	89	30	28	140	43
2004	1,336	(63)	426	297	212	50	(11)	202	222
2005	1,696	(100)	314	192	463	78	58	438	256
2006	1,069	(0)	150	41	135	84	93	420	144
2007	437	(168)	241	(27)	67	77	(87)	230	104
2008	302	(381)	307	88	(58)	56	(53)	181	155
2009	869	(237)	444	212	260	98	124	55	(85)
Quarterly Data									
2009 ⁵									
Q2	654	355	245	78	329	53	156	(208)	(354)
Q3	27	(606)	(163)	54	138	77	(8)	360	181
Q4	252	40	(140)	200	(153)	8	(93)	291	100
2010									
Q1	139	257	162	122	(34)	(13)	217	(326)	(245)
Q2	365	(96)	(23)	(202)	636	68	4	(228)	206

*Units in thousands. NA = Not available.

^r Implementation of new March Current Population Survey (CPS) processing system.

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

² Data from 1980 to 1992 weighted based on the 1980 decennial census.

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

⁴ Beginning in 2002, CPS data weighted based on 2000 decennial census data and housing unit controls.

⁵ Beginning in 2009, CPS data weighted based on vintage 2008 housing estimates.

⁶ Primary families only.

Source: Current Population Survey, Census Bureau, Department of Commerce (The source of annual data is the Current Population Survey March Supplement. The quarterly data source is the monthly Current Population Survey/Housing Vacancy Survey.)

Exhibit 24. Net Change in Number of Households by Race and Ethnicity of Householder: 1971–Present*



Period	Total	Non-Hispanic				Hispanic
		White Alone	Black Alone	Other Race Alone	Two or More Races ⁵	
Annual Data						
1971 ¹	848	NA	NA	NA	NA	NA
1972	1,898	NA	NA	NA	NA	NA
1973	1,575	NA	NA	NA	NA	NA
1974 ^r	1,554	NA	NA	NA	NA	NA
1975	1,358	NA	NA	NA	NA	NA
1976	1,704	NA	NA	NA	NA	NA
1977	1,275	832	288	22	NA	133
1978	1,888	1,356	190	119	NA	223
1979	1,300	1,115	96	102	NA	(13)
1980 ²	3,446	2,367	488	198	NA	393
1981	1,592	903	244	223	NA	222
1982	1,159	890	129	66	NA	74
1983	391	218	(37)	105	NA	105
1984 ^r	1,372	434	299	58	NA	581
1985	1,499	938	250	94	NA	217
1986	1,669	954	283	102	NA	330
1987	1,021	527	116	173	NA	205
1988 ^r	1,645	1,053	255	113	NA	224
1989	1,706	947	382	109	NA	268
1990	517	428	(49)	115	NA	23
1991	965	540	156	(18)	NA	287
1992	1,364	590	397	218	NA	159
1993 ³	750	(518)	183	312	NA	774
1994	681	590	(6)	(114)	NA	209
1995	1,883	1,307	387	(182)	NA	373
1996	637	(72)	(156)	660	NA	204
1997	1,391	308	509	288	NA	286
1998	1,510	696	363	87	NA	365
1999	1,346	641	89	145	NA	470
2000	831	242	245	85	NA	259
2001	1,218	568	168	201	NA	283
2002 ⁴	1,221	(191)	(125)	616	NA	930
2003	642	(631)	(0)	(441)	NA	605
2004	1,336	639	245	177	42	233
2005	1,696	748	263	168	51	468
2006	1,069	312	181	114	23	437
2007	437	(236)	146	196	(71)	403
2008	302	(81)	206	14	3	151
2009	869	491	161	99	43	76
Quarterly Data						
2009 ⁶						
Q2	654	320	187	6	22	116
Q3	27	10	121	100	(51)	(145)
Q4	252	174	(61)	8	15	117
2010						
Q1	139	303	(71)	(49)	9	(54)
Q2	365	102	87	152	(12)	36

*Units in thousands. NA = Not available.

^r Implementation of new March Current Population Survey (CPS) processing system.

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

² Data from 1980 to 1992 weighted based on the 1980 decennial census.

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

⁴ Beginning in 2002, CPS data weighted based on 2000 decennial census data and housing unit controls.

⁵ Beginning in 2003, the CPS respondents were able to select more than one race.

⁶ Beginning in 2009, CPS data weighted based on vintage 2008 housing estimates.

Source: Current Population Survey, Census Bureau, Department of Commerce (The source of annual data is the Current Population Survey March Supplement. The quarterly data source is the monthly Current Population Survey/Housing Vacancy Survey.)



Exhibit 25. Total U.S. Housing Stock: 1970–Present*

Period	Total ³	Seasonal	Total Year Round	Total Vacant Year Round	For Rent	For Sale Only	Other Vacant	Total Occupied	Owner	Renter
Annual and Biennial Data										
1970 ¹	68,672	973	67,699	4,207	1,655	477	2,075	63,445	39,886	23,560
1971	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1972	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1973	75,969	676	75,293	5,956	1,545	502	3,909	69,337	44,653	24,684
1974	77,601	1,715	75,886	5,056	1,630	547	2,879	70,830	45,784	25,046
1975	79,087	1,534	77,553	5,030	1,489	577	2,964	72,523	46,867	25,656
1976	80,881	1,565	79,316	5,311	1,544	617	3,150	74,005	47,904	26,101
1977	82,420	1,704	80,716	5,436	1,532	596	3,308	75,280	48,765	26,515
1978	84,618	1,785	82,833	5,667	1,545	624	3,498	77,167	50,283	26,884
1979	86,374	1,788	84,586	6,014	1,600	677	3,737	78,572	51,411	27,160
1980	88,207	2,183	86,024	5,953	1,497	755	3,701	80,072	52,516	27,556
1980 ¹	88,411	1,718	86,693	NA	NA	NA	NA	80,390	51,795	28,595
1981 ²	91,561	1,950	89,610	6,435	1,634	812	3,989	83,175	54,342	28,833
1983	93,519	1,845	91,675	7,037	1,906	955	4,176	84,638	54,724	29,914
1985	99,931	3,182	96,749	8,324	2,518	1,128	4,678	88,425	56,145	32,280
1987	102,652	2,837	99,818	8,927	2,895	1,116	4,916	90,888	58,164	32,724
1989	105,661	2,881	102,780	9,097	2,644	1,115	5,338	93,683	59,916	33,767
1990 ¹	102,264	NA	NA	NA	NA	NA	NA	91,947	59,025	32,923
1991	104,592	2,728	101,864	8,717	2,684	1,026	5,007	93,147	59,796	33,351
1993	106,611	3,088	103,522	8,799	2,651	889	5,258	94,724	61,252	33,472
1995	109,457	3,054	106,403	8,710	2,666	917	5,128	97,693	63,544	34,150
1997	112,357	3,166	109,191	9,704	2,884	1,043	5,777	99,487	65,487	34,000
1999	115,253	2,961	112,292	9,489	2,719	971	5,799	102,803	68,796	34,007
2000 ¹	119,628	NA	NA	NA	NA	NA	NA	105,719	71,249	34,470
2001	119,116	3,078	116,038	9,777	2,916	1,243	5,618	106,261	72,265	33,996
2003	120,777	3,566	117,211	11,369	3,597	1,284	6,488	105,842	72,238	33,604
2005	124,377	3,845	120,532	11,661	3,707	1,401	6,553	108,871	74,931	33,940
2007	128,203	4,402	123,801	13,109	3,852	2,017	7,240	110,692	75,647	35,045
Quarterly Data										
2009⁴										
Q2	130,828	4,610	126,218	14,099	4,407	1,916	7,776	112,119	75,607	36,512
Q3	130,302	4,616	125,686	14,227	4,588	1,985	7,654	111,459	75,339	36,119
Q4	130,587	4,626	125,961	14,249	4,474	2,087	7,688	111,711	75,038	36,673
2010										
Q1	130,873	4,627	126,246	14,396	4,428	1,996	7,972	111,850	75,065	36,785
Q2	131,158	4,452	126,706	14,491	4,444	1,968	8,079	112,215	75,097	37,118

*Components may not add to totals due to rounding. Units in thousands. NA = Not available.

¹ Decennial Census of Housing.

² American Housing Survey (AHS) estimates are available in odd-numbered years only after 1981.

³ AHS estimates through 1981 based on 1970 decennial census weights; 1983 to 1989 estimates based on 1980 decennial census weights; 1991 and 1995 estimates based on 1990 decennial census weights. No reduction in nation's housing inventory has ever occurred; apparent reductions are due to changes in bases used for weighting sample data.

⁴ Beginning in 2009, Current Population Survey data weighted based on vintage 2008 housing estimates.

Sources: Annual Data—Annual or American Housing Surveys; Quarterly Data—Current Population Survey/Housing Vacancy Survey in *Current Housing Reports: Housing Vacancies and Homeownership*, Census Bureau, Department of Commerce

<http://www.census.gov/hhes/www/hvs.html> (See Table 4.)

Exhibit 26. Rental Vacancy Rates: 1979–Present


Period	All Rental Units	Metropolitan Status ¹				Regions				Units in Structure		
		Inside Metro Area	In Central City	Suburbs	Outside Metro Area	North-east	Mid-west	South	West	One	Two or More	Five or More
					Annual Data							
1979	5.4	5.4	5.7	5.1	5.4	4.5	5.7	6.1	5.3	3.2	6.6	7.6
1980	5.4	5.2	5.4	4.8	6.1	4.2	6.0	6.0	5.2	3.4	6.4	7.1
1981	5.0	4.8	5.0	4.6	5.7	3.7	5.9	5.4	5.1	3.3	6.0	6.4
1982	5.3	5.0	5.3	4.6	6.2	3.7	6.3	5.8	5.4	3.6	6.2	6.5
1983	5.7	5.5	6.0	4.8	6.3	4.0	6.1	6.9	5.2	3.7	6.7	7.1
1984	5.9	5.7	6.2	5.1	6.4	3.7	5.9	7.9	5.2	3.8	7.0	7.5
1985	6.5	6.3	6.6	6.0	7.1	3.5	5.9	9.1	6.2	3.8	7.9	8.8
1986	7.3	7.2	7.6	6.6	8.2	3.9	6.9	10.1	7.1	3.9	9.2	10.4
1987	7.7	7.7	8.3	6.9	7.8	4.1	6.8	10.9	7.3	4.0	9.7	11.2
1988	7.7	7.8	8.4	7.0	7.3	4.8	6.9	10.1	7.7	3.6	9.8	11.4
1989	7.4	7.4	7.9	6.6	7.7	4.7	6.8	9.7	7.1	4.2	9.2	10.1
1990	7.2	7.1	7.8	6.3	7.6	6.1	6.4	8.8	6.6	4.0	9.0	9.5
1991	7.4	7.5	8.0	6.8	7.3	6.9	6.7	8.9	6.5	3.9	9.4	10.4
1992	7.4	7.4	8.3	6.4	7.0	6.9	6.7	8.2	7.1	3.9	9.3	10.1
1993	7.3	7.5	8.2	6.6	6.5	7.0	6.6	7.9	7.4	3.8	9.5	10.3
1994	7.4	7.3	8.1	6.4	7.7	7.1	6.8	8.0	7.1	5.2	9.0	9.8
1995	7.6	7.6	8.4	6.6	7.9	7.2	7.2	8.3	7.5	5.4	9.0	9.5
1996	7.8	7.7	8.2	7.0	8.7	7.4	7.9	8.6	7.2	5.5	9.3	9.6
1997	7.7	7.5	8.1	6.9	8.8	6.7	8.0	9.1	6.6	5.8	9.0	9.1
1998	7.9	7.7	8.2	7.1	9.2	6.7	7.9	9.6	6.7	6.3	9.0	9.4
1999	8.1	7.8	8.4	7.2	9.6	6.3	8.6	10.3	6.2	7.3	8.7	8.7
2000	8.0	7.7	8.2	7.2	9.5	5.6	8.8	10.5	5.8	7.0	8.7	9.2
2001	8.4	8.0	8.6	7.4	10.4	5.3	9.7	11.1	6.2	7.9	8.9	9.6
2002	8.9	8.7	9.2	8.2	10.2	5.8	10.1	11.6	6.9	8.0	9.7	10.4
2003	9.8	9.6	10.0	9.2	10.6	6.6	10.8	12.5	7.7	8.4	10.7	11.4
2004	10.2	10.2	10.8	9.5	10.2	7.3	12.2	12.6	7.5	9.3	10.9	11.5
2005	9.8	9.7	10.0	9.4	10.5	6.5	12.6	11.8	7.3	9.9	10.0	10.4
2006	9.7	9.7	10.0	9.3	10.0	7.1	12.4	11.6	6.8	10.0	9.8	9.9
2007	9.7	9.8	10.0	9.6	9.3	7.0	11.5	12.3	6.7	9.6	10.0	10.3
2008	10.0	10.0	10.2	9.7	10.4	6.9	10.8	13.0	7.5	9.8	10.4	10.8
2009	10.6	10.7	11.1	10.2	10.4	7.2	10.7	13.4	9.0	9.8	11.3	12.3
Quarterly Data												
2009												
Q2	10.6	10.7	11.2	10.0	10.3	7.1	10.4	13.8	8.9	9.9	11.2	12.1
Q3	11.1	11.2	11.2	11.2	10.6	7.5	10.9	14.2	9.6	9.9	12.0	13.1
Q4	10.7	10.7	11.2	10.2	10.8	7.2	11.2	13.7	8.9	9.6	11.5	12.5
2010												
Q1	10.6	10.6	11.3	9.8	10.7	7.5	11.0	13.2	9.0	9.7	11.3	12.1
Q2	10.6	10.6	11.1	10.2	9.5	8.3	11.3	13.2	8.0	9.4	11.4	12.2

¹ The Census Bureau has changed to the Office of Management and Budget's new designation of metropolitan areas as core-based statistical areas effective January 2005. The new statistical area definitions and data are not comparable with the previous ones.

<http://www.census.gov/hhes/www/hvs.html> (See "Detail Tables," Tables 2 and 3.)



Exhibit 27. Homeownership Rates by Age of Householder: 1982–Present

Period	Total	Less Than 25 Years	25 to 29 Years	30 to 34 Years	35 to 44 Years	45 to 54 Years	55 to 64 Years	65 Years and Over
Annual Data								
1982	64.8	19.3	38.6	57.1	70.0	77.4	80.0	74.4
1983	64.6	18.8	38.3	55.4	69.3	77.0	79.9	75.0
1984	64.5	17.9	38.6	54.8	68.9	76.5	80.0	75.1
1985	63.9	17.2	37.7	54.0	68.1	75.9	79.5	74.8
1986	63.8	17.2	36.7	53.6	67.3	76.0	79.9	75.0
1987	64.0	16.0	36.4	53.5	67.2	76.1	80.2	75.5
1988	63.8	15.8	35.9	53.2	66.9	75.6	79.5	75.6
1989	63.9	16.6	35.3	53.2	66.6	75.5	79.6	75.8
1990	63.9	15.7	35.2	51.8	66.3	75.2	79.3	76.3
1991	64.1	15.3	33.8	51.2	65.8	74.8	80.0	77.2
1992	64.1	14.9	33.6	50.5	65.1	75.1	80.2	77.1
1993	64.5	15.0	34.0	51.0	65.4	75.4	79.8	77.3
1993 ¹	64.0	14.8	33.6	50.8	65.1	75.3	79.9	77.3
1994	64.0	14.9	34.1	50.6	64.5	75.2	79.3	77.4
1995	64.7	15.9	34.4	53.1	65.2	75.2	79.5	78.1
1996	65.4	18.0	34.7	53.0	65.5	75.6	80.0	78.9
1997	65.7	17.7	35.0	52.6	66.1	75.8	80.1	79.1
1998	66.3	18.2	36.2	53.6	66.9	75.7	80.9	79.3
1999	66.8	19.9	36.5	53.8	67.2	76.0	81.0	80.1
2000	67.4	21.7	38.1	54.6	67.9	76.5	80.3	80.4
2001	67.8	22.5	38.9	54.8	68.2	76.7	81.3	80.3
2002 ²	67.9	22.9	38.8	54.9	68.6	76.3	81.1	80.6
2003	68.3	22.8	39.8	56.5	68.3	76.6	81.4	80.5
2004	69.0	25.2	40.2	57.4	69.2	77.2	81.7	81.1
2005	68.9	25.7	40.9	56.8	69.3	76.6	81.2	80.6
2006	68.8	24.8	41.8	55.9	68.9	76.2	80.9	80.9
2007	68.1	24.8	40.6	54.4	67.8	75.4	80.6	80.4
2008	67.8	23.6	40.0	53.5	67.0	75.0	80.1	80.1
2009	67.4	23.3	37.7	52.5	66.2	74.4	79.5	80.5
Quarterly Data								
2009								
Q2	67.4	21.8	36.8	52.6	66.8	74.5	79.9	80.4
Q3	67.6	23.8	38.0	52.0	66.5	74.5	79.4	80.9
Q4	67.2	23.7	38.8	52.6	65.7	74.0	78.9	80.2
2010								
Q1	67.1	23.2	36.9	51.0	65.3	74.8	79.1	80.6
Q2	66.9	22.9	37.3	51.0	65.6	73.6	78.7	80.4

¹ Revised based on adjusted 1990 decennial census weights rather than 1980 decennial census weights, resulting in lower estimates.

² Beginning in 2002, Current Population Survey data weighted based on the 2000 decennial census data and housing unit controls.

Source: Census Bureau, Department of Commerce

<http://www.census.gov/hhes/www/housing/hvs/hvs.html> (See "Detail Tables," Table 7.)

**Exhibit 28. Homeownership Rates by Region and Metropolitan Status:
1983–Present**



Period	Total	Region				Metropolitan Status ^{3,5}		
		Northeast	Midwest	South	West	Inside Metro Area		Outside Metro Area
						Central City	Outside Central City	
March Supplemental Data								
1983 ¹	64.9	61.4	70.0	67.1	58.7	48.9	70.2	73.5
1984	64.5	60.7	69.0	67.2	58.5	49.2	69.8	72.6
1985	64.3	61.1	67.7	66.7	59.4	NA	NA	NA
1986	63.8	61.1	66.9	66.7	57.8	48.3	71.2	72.0
1987	64.0	61.4	67.1	66.9	57.9	48.7	70.9	72.5
1988	64.0	61.9	67.0	65.9	59.0	48.7	71.1	72.1
1989	64.0	61.6	67.6	66.3	58.5	48.7	70.4	73.1
1990	64.1	62.3	67.3	66.5	58.0	48.9	70.1	73.5
1991	64.0	61.9	67.3	66.1	58.8	48.3	70.4	73.2
1992	64.1	62.7	67.0	65.8	59.2	49.0	70.2	73.0
1993 ²	64.1	62.4	67.0	65.5	60.0	48.9	70.2	72.9
Annual Averages of Monthly Data								
1994	64.0	61.5	67.7	65.6	59.4	48.5	70.3	72.0
1995	64.7	62.0	69.2	66.7	59.2	49.5	71.2	72.7
1996	65.4	62.2	70.6	67.5	59.2	49.7	72.2	73.5
1997	65.7	62.4	70.5	68.0	59.6	49.9	72.5	73.7
1998	66.3	62.6	71.1	68.6	60.5	50.0	73.2	74.7
1999	66.8	63.1	71.7	69.1	60.9	50.4	73.6	75.4
2000	67.4	63.4	72.6	69.6	61.7	51.4	74.0	75.2
2001	67.8	63.7	73.1	69.8	62.6	51.9	74.6	75.0
2002 ⁴	67.9	64.3	73.1	69.7	62.5	51.7	74.7	75.4
2003	68.3	64.4	73.2	70.1	63.4	52.3	75.0	75.6
2004	69.0	65.0	73.8	70.9	64.2	53.1	75.7	76.3
2005	68.9	65.2	73.1	70.8	64.4	54.2	76.4	76.3
2006	68.8	65.2	72.7	70.5	64.7	54.3	76.1	75.9
2007	68.1	65.0	71.9	70.1	63.5	53.6	75.5	75.1
2008	67.8	64.6	71.7	69.9	63.0	53.2	75.1	75.2
2009	67.4	64.0	71.0	69.6	62.6	52.8	74.6	74.7
Quarterly Averages of Monthly Data								
2009								
Q2	67.4	64.3	70.5	70.0	62.5	52.8	74.8	74.4
Q3	67.6	64.0	71.6	69.7	62.7	52.9	74.9	74.8
Q4	67.2	63.9	71.3	69.1	62.3	53.0	74.0	74.6
2010								
Q1	67.1	64.4	70.9	69.2	61.9	52.6	74.2	74.6
Q2	66.9	64.2	70.8	69.1	61.4	52.0	74.3	74.2

NA = Not available.

¹ Data from 1983 to 1992 weighted based on the 1980 decennial census.

² Beginning in 1993, Current Population Survey (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.

⁴ Beginning in 2002, CPS data weighted based on the 2000 decennial census data and housing unit controls.

⁵ The Census Bureau has changed to the Office of Management and Budget's new designation of metropolitan areas as core-based statistical areas effective January 2005. The new statistical area definitions and data are not comparable with the previous ones.

Source: Current Population Survey, Census Bureau, Department of Commerce (The annual data come from two sources: for years 1983 to 1993, the source is the Current Population Survey March Supplement; for years 1994 and later, the data are the average of the 12 monthly Current Population Surveys/Housing Vacancy Surveys. The quarterly data source is the monthly Current Population Survey/Housing Vacancy Survey.)

<http://www.census.gov/hhes/www/hvs.html> (See Table 6.)



Exhibit 29. Homeownership Rates by Race and Ethnicity: 1983–Present

Period	Non-Hispanic				Hispanic
	White Alone	Black Alone	Other Race Alone	Two or More Races ⁴	
March Supplemental Data					
1983 ¹	69.1	45.6	53.3	NA	41.2
1984 ^r	69.0	46.0	50.9	NA	40.1
1985	69.0	44.4	50.7	NA	41.1
1986	68.4	44.8	49.7	NA	40.6
1987	68.7	45.8	48.7	NA	40.6
1988 ^r	69.1	42.9	49.7	NA	40.6
1989	69.3	42.1	50.6	NA	41.6
1990	69.4	42.6	49.2	NA	41.2
1991	69.5	42.7	51.3	NA	39.0
1992	69.6	42.6	52.5	NA	39.9
1993 ²	70.2	42.0	50.6	NA	39.4
Annual Averages of Monthly Data					
1994	70.0	42.5	50.8	NA	41.2
1995	70.9	42.9	51.5	NA	42.0
1996	71.7	44.5	51.5	NA	42.8
1997	72.0	45.4	53.3	NA	43.3
1998	72.6	46.1	53.7	NA	44.7
1999	73.2	46.7	54.1	NA	45.5
2000	73.8	47.6	53.9	NA	46.3
2001	74.3	48.4	54.7	NA	47.3
2002 ³	74.7	48.2	55.0	NA	47.0
2003	75.4	48.8	56.7	58.0	46.7
2004	76.0	49.7	59.6	60.4	48.1
2005	75.8	48.8	60.4	59.8	49.5
2006	75.8	48.4	61.1	59.9	49.7
2007	75.2	47.8	60.3	59.0	49.7
2008	75.0	47.9	59.8	57.8	49.1
2009	74.8	46.6	59.7	56.0	48.4
Quarterly Averages of Monthly Data					
2009					
Q2	74.9	46.9	59.6	56.0	48.1
Q3	75.0	46.8	59.8	56.4	48.7
Q4	74.5	46.3	60.8	56.8	48.4
2010					
Q1	74.5	46.1	59.4	56.6	48.5
Q2	74.4	46.6	57.5	53.6	47.8

NA = Not available.

^r Implementation of new March Current Population Survey (CPS) processing system.

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

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

³ Beginning in 2002, CPS data weighted based on the 2000 decennial census data and housing unit controls.

⁴ Beginning in 2003, the CPS respondents were able to answer more than one race.

Source: Current Population Survey, Census Bureau, Department of Commerce (The annual data come from two sources: for years 1983 to 1993, the source is the Current Population Survey March Supplement; for years 1994 and later, the data are the average of the 12 monthly Current Population Surveys/Housing Vacancy Surveys. The quarterly data source is the monthly Current Population Survey/Housing Vacancy Survey.)

Exhibit 30. Homeownership Rates by Household Type: 1983–Present



Period	Married Couples		Other Families		Other
	With Children	Without Children	With Children	Without Children	
March Supplemental Data					
1983 ¹	75.0	80.8	38.3	67.5	44.5
1984 ^r	74.2	80.9	39.1	66.4	44.6
1985	74.0	81.1	38.6	65.4	45.0
1986	73.4	81.4	38.0	65.7	43.9
1987	73.8	81.6	37.6	66.3	43.9
1988 ^r	73.9	81.7	38.0	64.9	44.6
1989	74.3	82.0	35.8	64.4	45.6
1990	73.5	82.2	36.0	64.3	46.6
1991	73.0	83.0	35.6	65.6	46.8
1992	73.4	83.0	35.1	64.9	47.3
1993 ²	73.7	82.9	35.5	63.9	47.1
Annual Averages of Monthly Data					
1994	74.3	83.2	36.1	65.3	47.0
1995	74.9	84.0	37.7	66.2	47.7
1996	75.8	84.4	38.6	67.4	48.6
1997	76.5	84.9	38.5	66.4	49.2
1998	77.3	85.4	40.4	66.0	49.7
1999	77.6	85.7	41.9	65.8	50.3
2000	78.3	86.1	43.2	65.8	50.9
2001	78.8	86.6	44.2	66.1	51.7
2002 ³	78.6	86.8	43.5	66.3	52.3
2003	79.1	87.0	43.8	66.5	52.7
2004	79.7	87.7	45.3	67.8	53.5
2005	80.3	87.5	45.2	67.4	53.3
2006	79.9	87.6	45.2	67.6	53.4
2007	79.4	87.5	44.2	65.7	52.7
2008	78.9	87.1	43.3	66.1	52.7
2009	78.0	86.7	42.4	65.4	52.6
Quarterly Averages of Monthly Data					
2009					
Q2	78.0	86.9	42.2	66.4	52.1
Q3	77.9	86.9	42.7	64.6	53.4
Q4	78.2	86.3	42.0	65.1	52.7
2010					
Q1	77.3	86.6	42.4	66.4	52.3
Q2	76.2	86.8	42.1	66.2	52.7

^r Implementation of new March Current Population Survey (CPS) processing system.

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

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

³ Beginning in 2002, CPS data weighted based on the 2000 decennial census data and housing unit controls.

Source: Current Population Survey, Census Bureau, Department of Commerce (The annual data come from two sources: for years 1983 to 1993, the source is the Current Population Survey March Supplement; for years 1994 and later, the data are the average of the 12 monthly Current Population Surveys/Housing Vacancy Surveys. The quarterly data source is the monthly Current Population Survey/Housing Vacancy Survey.)

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