4th Quarter 2009

U.S. Housing Market Conditions

February 2010

Summary

Housing market conditions continued to show signs of stabilizing during the fourth quarter of 2009, after a downward trend that began in the first quarter of 2006 and just started to reverse itself in the second quarter of 2009. In the production sector, both single-family housing permits and completions increased in the fourth quarter of 2009, but the number of single-family housing construction starts decreased. In the marketing sector, sales of existing homes rose sharply, but new home sales fell. The Case-Shiller® 20-city composite repeat-sales house-price index recorded a 1.9-percent seasonally adjusted (SA) increase in the third quarter of 2009, following a 1.8-percent gain in the second quarter of 2009 (the data are reported with a lag). The less volatile Federal Housing Finance Agency (FHFA) purchase-only, repeat-sales index estimated a 0.2-percent (SA) price rise in the third quarter of 2009, following a 0.6-percent decline in the second quarter of 2009. The quarterly gain in housing prices estimated by the FHFA index was the first positive change in home sales prices according to this index since the second quarter of 2007. Excessive inventories of available homes at the current sales rate continued their descent in the fourth quarter of 2009, reaching an average rate of 7.6 months' supply of new homes and 6.9 months' supply of existing homes, compared with rates of 7.7 and 8.9 months, respectively, in the third quarter of 2009. The national homeownership rate fell 40 basis points to 67.2 percent in the fourth quarter of 2009 and was down from 67.5 percent in the fourth quarter of 2008. In the third quarter of 2009 (the data are reported with a lag), the percentage of delinquencies and newly initiated foreclosures for all mortgage loans both increased. The percentage of foreclosure starts on prime loans continued its ascent, while the percentage of foreclosure starts on subprime loans continued its descent. The multifamily sector, although still weak, showed improvement in the fourth quarter of 2009. According to the Bureau of Economic Analysis, the advance estimate of overall growth in the national economy in the fourth quarter of 2009 was an increase of 5.7 percent at a seasonally adjusted annual rate (SAAR), following a 2.2-percent expansion in the third quarter of 2009. The housing component of Gross Domestic Product (GDP) also increased 5.7 percent in the fourth quarter of 2009 compared with an increase of 18.9 percent in the third quarter of 2009.

Housing Production

Housing production indicators continued to show improvement in the fourth quarter of 2009. The number of single-family housing permits and completions both rose in the fourth quarter, but housing starts declined, likely because of unusually cold weather. Multifamily construction (condominiums and apartments) was mixed during the fourth quarter. Because the multifamily sector is traditionally volatile, fluctuations in the sector tend to be less indicative of market climate. Manufactured housing continued a downward trend that began after the hurricane-induced sales-order increases of late 2005.

- During the fourth quarter of 2009, builders took out permits for new housing at a pace of 598,000 (SAAR) units, which was 4 percent higher than in the third quarter of 2009 but 7 percent lower than in the fourth quarter of 2008. Single-family building permits were issued for 474,000 (SAAR) housing units in the fourth quarter of 2009, indicating an increase of 3 percent from the third quarter of 2009 and 13 percent from the fourth quarter of 2008. This is the third

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consecutive quarter in which single-family permits have increased, after having declined for 14 consecutive quarters.

- Builders started construction on 554,000 (SAAR) new housing units in the fourth quarter of 2009, down 6 percent from the third quarter of 2009 and down 16 percent from the fourth quarter of 2008. Single-family housing starts totaled 472,000 (SAAR) housing units in the fourth quarter of 2009, down 5 percent from the third quarter but up 2 percent from the fourth quarter of 2008. Single-family starts rose in the second and third quarters of 2009, after having fallen for 12 consecutive quarters.

- Builders completed 794,000 (SAAR) new housing units in the fourth quarter of 2009, up 4 percent from the third quarter of 2009 but down 25 percent from the fourth quarter of 2008. Single-family completions totaled 533,000 (SAAR) in the fourth quarter of 2009, up 8 percent from the third quarter but down 27 percent from the fourth quarter of 2008. Completions have increased in the third and fourth quarters, after having declined for 14 consecutive quarters.

- Manufactured housing shipments reached a record low of 48,700 (SAAR) units in the fourth quarter of 2009, the lowest level since the data series began in 1959. Manufacturers' shipments in the fourth quarter of 2009 were down 1 percent from the third quarter and 26 percent from the fourth quarter of 2008.

Marketing of Housing

The housing marketing sector showed continuing signs of improvement in the fourth quarter of 2009. The number of existing homes sold rose sharply in the fourth quarter and the median sales price of new homes remained steady, but the number of new homes sold fell and the median sales price for existing homes declined slightly. The average months' supply of homes for sale decreased substantially for existing homes and also declined for new homes. Builders' confidence, as measured by the National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index, was nearly flat, dropping marginally because of decreased prospective buyer traffic.

- During the fourth quarter of 2009, 373,000 (SAAR) new single-family homes were sold, down 8 percent from the 406,000 (SAAR) homes sold in the third quarter of 2009 and down 5 percent from the fourth quarter of 2008.

- REALTORS® sold 6.027 million (SAAR) existing single-family homes in the fourth quarter of 2009, up 14 percent from the third quarter of 2009 and up 27 percent from the fourth quarter of 2008. According to a NATIONAL ASSOCIATION OF REALTORS® (NAR) practitioner survey, sales to new homebuyers accounted for 48 percent of all home sales transactions in the fourth quarter of 2009.

- The median price of new homes sold in the fourth quarter of 2009 was $214,700, virtually the same as in the third quarter of 2009 but 4 percent less than in the fourth quarter of 2008. The average price of new homes sold in the fourth quarter of 2009 was $270,500, down 1 percent from the third quarter and down 2 percent from the fourth quarter of 2008. A constant-quality house would have sold for $284,800 in the fourth quarter of 2009, up 2 percent from the third quarter but virtually the same as in the fourth quarter of 2008.

- NAR reported that the median price of existing homes sold was $173,500 in the fourth quarter of 2009, down 3 percent from the third quarter of 2009 and down 8 percent from the fourth quarter of 2008. The average price of existing homes sold in the fourth quarter of 2009 was $218,200, down 3 percent from the third quarter and down 6 percent from the fourth quarter of 2008. According to a NAR practitioner survey, distressed sales (foreclosures and short sales) represented 32 percent of all home sales in the fourth quarter of 2009, up slightly from 30 percent in the third quarter. Distressed-sale prices are typically 15 to 20 percent below normal market prices.

- During the fourth quarter of 2009, the average inventory of new homes for sale was 236,000 units, down 10 percent from the third quarter of 2009 and down 36 percent from the fourth quarter of 2008. That inventory would support 7.6 months of sales at the current sales pace, down 0.1 month from the third quarter of 2009 and down 3.6 months from the fourth quarter of 2008. The average inventory of existing homes for sale in the fourth quarter of 2009 was 3.458 million units, down 11 percent from the third quarter and 14 percent from the fourth quarter of 2008. That inventory would support 6.9 months of sales at the current sales pace, down 2.0 months from the third quarter of 2009 and down 3.3 months from the fourth quarter of 2008. The "shadow inventory" of homes, resulting from foreclosures and delinquencies, however, has the potential to increase the supply of homes for sale and further depress home prices.

- The Federal Housing Administration's (FHA's) share of the mortgage market increased in the third quarter of 2009 (the data are reported with a lag). Based on loan origination data, the FHA's dollar volume share of the mortgage market was 17.1 percent in the third quarter of 2009, up 1.2

percentage points from the second quarter of 2009 but down 7.4 percentage points from the third quarter of 2008. Based on the number of loans originated, the FHA's share of the mortgage market was 20.5 percent in the third quarter of 2009, up 1.9 percentage points from the second quarter of 2009 but down 8.2 percentage points from the third quarter of 2008.

- Home builders' optimism fell slightly in the fourth quarter of 2009, mainly due to decreased prospective homebuyer traffic. The NAHB/Wells Fargo composite Housing Market Index was 17 in the fourth quarter of 2009, down 1 point from the third quarter of 2009 but up 6 points from the fourth quarter of 2008. 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 rose in the fourth quarter of 2009, according to the NAR Housing Affordability Index. The composite index for the fourth quarter of 2009 indicates that a family earning the median income had 167.3 percent of the income needed to purchase the median-priced, existing single-family home, using standard lending guidelines. That value is up 8.3 percentage points from the third quarter of 2009 and up 19.3 percentage points from the fourth quarter of 2008. The increase in affordability is attributed to a 3-percent decrease in the median price of existing single-family homes sold and a 24-basis-point drop in mortgage interest rates, which more than offset a 0.6-percent decline in median family income.

Estimates from the Mortgage Bankers Association's (MBA's) quarterly National Delinquency Survey indicate that, for the third quarter of 2009 (the data are reported with a lag), the delinquency rate and the loans entering foreclosure for mortgages on one- to four-family homes set new record highs. (The data series began in 1972.) Although the percentage of foreclosure starts (newly initiated foreclosures) set a new record high, foreclosure starts on subprime loans declined and were more than offset by an increase in foreclosure starts on prime loans. This change suggests a continuing shift away from mortgage defaults driven by interest rate increases on subprime adjustable rate mortgages to those defaults caused by unemployment and the recession.

The delinquency rate (SA) for all mortgage loans was 9.64 percent in the third quarter of 2009 (the data are reported with a lag), up from 9.24 percent in the second quarter of 2009 and 6.99 percent in the third quarter of 2008. The delinquency rate (SA) for prime mortgages was 6.84 percent in the third quarter of 2009, up from 6.41 percent in the second quarter and 4.34 percent in the third quarter of 2008. The delinquency rate (SA) for subprime mortgage loans was 26.42 percent in the third quarter of 2009, up from 25.35 percent in the second quarter and 20.03 percent in the third quarter of 2008. For FHA loans in the MBA survey, the delinquency rate (SA) was 14.36 percent in the third quarter of 2009, down from 14.42 percent in the second quarter of 2009 but up from 12.63 percent in the third quarter of 2008.

Newly initiated foreclosures represented 1.42 percent of all mortgage loans in the third quarter of 2009, up from 1.36 percent in the second quarter of 2009 and up 35 basis points from 1.07 percent in the third quarter of 2008. Foreclosures started on prime loans rose to 1.14 percent in the third quarter 2009, up from 1.01 percent in the second quarter of 2009 and 0.61 percent in the third quarter of 2008. In contrast, foreclosures started on subprime loans fell for the second consecutive quarter to 3.76 percent in the third quarter of 2009, down from 4.13 percent in the second quarter and 4.23 percent in the third quarter of 2008. Not all newly initiated foreclosures end in foreclosure. 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 32 percent of foreclosures initiated in the first quarter of 2009 were completed in the third quarter of 2009.

The national homeownership rate was 67.2 percent in the fourth quarter of 2009, down from 67.6 percent in the third quarter of 2009 and 67.5 percent in the fourth quarter of 2008. The homeownership rate for minority households decreased to 49.8 percent in the fourth quarter of 2009, down from 49.9 percent in the third quarter of 2009 and 50.1 percent in the fourth quarter of 2008. 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 serious delinquencies.

Multifamily Housing

Performance in the multifamily (five or more units) housing sector continued to be weak in the fourth quarter of 2009 but showed signs of improvement. In the production sector, the number of starts and completions fell, while the number of building permits increased. The absorption rate for new rental units rose during the fourth quarter of 2009 and the rental vacancy rate for multifamily units declined.

- In the fourth quarter of 2009, builders took out permits for 104,000 (SAAR) new multifamily units, up 10 percent from the third quarter of 2009 but down 47 percent from the fourth quarter of 2008.
- Builders started construction on 74,000 (SAAR) new multifamily units in the fourth quarter of 2009, down 6 percent from 78,000 units in the third quarter and down 60 percent from 184,000 units in the fourth quarter of 2008.
- Builders completed 244,000 (SAAR) multifamily units in the fourth quarter of 2009, down 5 percent from 255,000 units in the third quarter and down 19 percent from 303,000 units in the fourth quarter of 2008.
- Market absorption of new rental apartments increased in the fourth quarter of 2009. Of the total number of new apartments completed in the third quarter, 52 percent were leased in the first 3 months after completion. The market absorption rate is 8 percent higher than in the third quarter of 2009 but is 2 percent lower than in the fourth quarter of 2008. The multifamily rental vacancy rate in the fourth quarter of 2009 was 12.5 percent, down from 13.1 percent in the previous quarter but up from 11.2 percent in the fourth quarter of 2008. In contrast, the rental vacancy rate for single-family units was 9.6 percent in the fourth quarter of 2009, down from 9.9 in the third quarter and 10.0 percent in the fourth quarter of 2008. The vacancy rate for all rental units in the fourth quarter of 2009 was 10.7 percent, down from 11.1 percent in the third quarter but up from 10.1 percent in the fourth quarter of 2008.

2009 Annual Data

Single-family housing production indicators (permits, starts, and completions) declined during 2009 and ranged between 24 and 36 percent below their 2008 levels. New home sales also fell during the past year. A bright spot in 2009 was an increase in existing home sales, spurred by lower home prices and record-low mortgage interest rates and by a new first-time homebuyer tax credit. Housing affordability also improved during 2009 and the FHA's share of the mortgage market increased. Homeownership rates for the nation and for most groups declined during the past year. The multifamily (five or more units) housing sector weakened in 2009. The housing sector component of GDP (residential fixed investment) declined in 2009, but by a slower rate than in 2008.

- Builders took out permits for 435,100 new single-family homes in 2009, which is a decrease of 24 percent from 2008. Multifamily permits were issued for 117,200 new units in 2009, down 60 percent from 2008.
- Single-family housing starts totaled 443,500 units in 2009, down 29 percent from 2008, and multifamily housing starts fell to 98,800 units, 63 percent fewer than in 2008.
- In 2009, construction was completed on 521,000 new single-family housing units, 36 percent fewer than in 2008. A total of 260,600 new multifamily units were ready for occupancy in 2009, 6 percent fewer than in 2008.
- Builders sold 374,000 new single-family homes in 2009, down 30 percent from the 485,000 homes they sold in 2008. For all of 2009, the median price of a new home sold was $215,900, down 7.0 percent from 2008.
- NAR reported that 5.156 million existing single-family homes were sold in 2009, indicating a 5-percent increase from the 4.913 million sold in 2008. For all of 2009, the median price of an existing home sold was $173,500, down 12 percent from 2008.
- Builders were slightly less optimistic in 2009 than they were in 2008. NAHB/Wells Fargo composite Housing Market Index averaged 15 points in 2009, down 1 point from 2008. The 2009 value, however, is the lowest annual value in the 25-year history of this attitude survey.
- The average interest rate for 30-year, fixed-rate mortgages in 2009, as reported by Freddie Mac's Primary Mortgage Market Survey, was 5.04 percent, which is 99 basis points below the 2008 annual average and which sets a record-low annual average rate.

- According to the NAR Housing Affordability Index, housing affordability improved dramatically in 2009, increasing by 24 percent from 2008. A family earning the median level of income ($60,608) had 167.0 percent of the income needed to purchase the median-priced existing home ($173,200) in 2009. Falling interest rates and lower prices of homes for sale more than offset a 2-percent decline in median income in 2009.
- The FHA share of the mortgage market, measured by dollar volume of loans, averaged 17.3 percent for the first three quarters of 2009, up from 16.1 percent for all of 2008, while the FHA share by loan count was 20.4 percent for the first three quarters of 2009 compared with 19.9 percent for all of 2008. (The data are reported with a lag.)
- The FHA guaranteed 2.023 million mortgages in 2009, up 38 percent from 1.468 million in 2008. In contrast, private mortgage insurance on mortgage loans decreased by 54 percent in 2009, from 971,595 loans in 2008 to 442,224 in 2009.
- Based on the MBA's National Delinquency Survey, the delinquency rate on all loans through the third quarter of 2009 averaged 9.33 percent, up 35 percent from 6.91 percent for all of 2008. Newly initiated foreclosures averaged 1.38 percent of all loans through the third quarter of 2009, up 30 percent from 1.06 percent for all of 2008. (The data are reported with a 2-month lag.)
- Based on the Housing Vacancy Survey of the Current Population Survey, the proportion of American households that owned their own homes in 2009 was 67.4 percent, 40 basis points below the 2008 homeownership rate of 67.8. The homeownership rate for White non-Hispanic households was 74.8 percent in 2009, down from 75.0 percent in 2008; the homeownership rate for African-American households was 46.6 percent in 2009, down from 47.9 percent in 2008; and the homeownership rate for Hispanic households was 48.4 percent, down from 49.1 percent in 2008.
- The number of multifamily housing permits, starts, and completions fell in 2009. The rental vacancy rate increased sharply during 2009, while the absorption of new apartments rose only slightly. The vacancy rate for multifamily rental units increased to 12.3 percent in 2009, up from 10.0 percent in 2008. The average lease rate for newly completed apartments rented within 3 months of their completion was 51 percent for the first three quarters of 2009 compared with 50 percent for all of 2008.
- The housing component of GDP declined 20.4 percent in 2009 compared with a decline of 22.9 percent in 2008; it contributed a decrease of 0.65 percentage point in real GDP growth in 2009 compared with a drop of 1.0 percentage point in 2008.

RESPA Reform Takes Effect: Reducing Confusion and Costs for Mortgage Borrowers

The U.S. Department of Housing and Urban Development (HUD) issued a final rule (which became effective on January 1, 2010) under the Real Estate Settlement Procedures Act (RESPA) to improve the process of obtaining home mortgages and to reduce settlement costs for borrowers.[1] The final rule is expected to accomplish a reduction in consumers' closing costs through use of a new Good Faith Estimate (GFE) form, which includes both a one-page summary of the critical mortgage loan characteristics and an accounting summary of settlement costs that focuses the consumers' attention on the bottom line. Placing a tolerance level on potential increases of settlement costs ensures that the GFE is a reliable mortgage-shopping tool. Before this rule, settlement costs could change until the day of closing (even after the settlement costs had been agreed on). The new mortgage disclosure is expected to encourage consumers to shop for the best mortgage and to increase efficiency in the settlement industry, lower borrowing costs, and promote the use of loans most suited to a household's needs.

RESPA Before the 2010 Reform

RESPA is a consumer-protection statute passed in 1974. RESPA regulations govern the business practices of settlement service providers and require that borrowers receive various disclosures concerning their mortgage loans. When borrowers apply for a mortgage loan, loan originators must provide the borrowers a GFE form of settlement costs, which lists the charges the buyer is likely to pay at settlement. This list is only an estimate, and the actual charges may differ at closing. Borrowers receive a HUD-1 Settlement Statement at closing. This final settlement document is a standard form that itemizes the actual settlement charges imposed on borrowers and sellers.

Before the final rule became law, RESPA regulations did not ensure that the GFE form provided a reliable estimate of final settlement costs. Previous regulations lacked meaningful standards and offered little guidance to loan originators in providing GFEs of settlement costs to borrowers. As a result, the final settlement statement could include significant cost increases for items estimated on the GFE form and previously undisclosed "junk fees," adding substantially to the borrower's ultimate closing costs. The earlier GFE form, with a prescribed format, frequently contained a long list of charges that often overwhelmed consumers and did not highlight the bottom line. A proliferation of charges made shopping for a loan and the mortgage settlement process difficult and confusing, even for the most informed shoppers. The former HUD-1 Settlement Statement could list an array of charges bearing names entirely unrelated to anything in the GFE, making it nearly impossible to judge whether the GFE form provided the borrower any useful information.

The old GFE form did not provide information about important loan terms nor did it explain how the borrower could use the document to shop and compare mortgage loans. Also, the GFE failed to make a clear relationship between the closing costs and the interest rate on a loan. The process of shopping for a mortgage loan involves discerning the benefits of complicated financial tradeoffs, such as paying settlement costs up front or paying them over time through a higher interest rate. Loan originators do not always clearly explain this tradeoff to borrowers and the tradeoff was not evident from the former GFEs. The typical GFE form before the current rule was not an effective tool for either facilitating borrower shopping or for providing reliable estimates of origination and third-party settlement costs.

Until the recent RESPA reform, RESPA rules had also deterred efficiency and competition by acting as barriers to innovative cost-reduction arrangements. For example, average-cost pricing was not permissible under RESPA because loan-specific prices were required. Average-cost pricing requires less recordkeeping because the closing costs reported to the settlement agent need not be transaction specific. This practice is less time-consuming and is less burdensome for industry. The settlement process needs a regulatory framework that encourages competitive negotiations and allows for alternate arrangements that lead to lower settlement costs. The needed framework is provided through the new GFE requirements and other changes to RESPA regulations.

Evidence of the Need for RESPA Reform

Acquiring a mortgage is one of the most complex transactions a consumer will ever make. It may be difficult for borrowers to understand the financial tradeoffs associated with interest rates, discount points, yield spread premiums (YSPs), and upfront settlement costs. Settlement costs, and especially the multiplicity of lender fees and the title charges, may add to the borrower's confusion. To exacerbate this situation, typical homebuyers may be rushed and easily steered into a bad loan because they are under pressure to make an offer on a home. The average borrower is at an extreme informational disadvantage compared to the lender, because consumers borrow infrequently. First-time homebuyers are especially disadvantaged because they are less likely to challenge lenders, who may be viewed as unquestionable, benevolent experts. Lenders and third-party service providers can exploit this market imbalance by charging excessive fees to the incautious borrower.

The potential for cost reductions in today's market is indicated by studies showing relatively high and variable charges for third-party services, particularly for title and closing services that account for most third-party fees. The Urban Institute (Woodward, 2008) collected data on 7,560 Federal Housing Administration (FHA) loans. The mean total closing cost for all loans was $4,917 for an average loan amount of $108,237. Total charges were composed of loan origination charges ($3,081), title charges ($1,329), and other third-party charges ($507). Significant variation exists in closing costs, resulting in a standard deviation of $2,381. The mortgage market appears to be characterized by a high degree of price dispersion. In other words, some borrowers get market-price deals, but other borrowers do not.

Because total loan charges are correlated with the loan amount, it is useful to examine the distribution of closing costs as a percentage of loan amounts to ascertain whether the variation in fees is still present. HUD calculated the distribution of these ratios for nonsubsidized loans from a data set of closing costs that the Urban Institute provided (see Exhibit 1). Slightly less variation occurs when the costs are measured as a percentage, but the variation is still substantial: the ratios of what the 75th-percentile borrower pays as a percentage of the loan to what the 25th-percentile borrower pays are 1.8 for total loan charges, 2.1 for the YSP, and 2.3 for direct loan fees.

Data indicate that one-half of borrowers pay loan charges equal to or greater than 3.2 percent of their loan amount, one-fourth of borrowers pay loan charges of at least 4.2 percent of their loan amount, and 5 percent of borrowers pay loan charges of at least 6.2 percent of their loan amount. The variation is similar for title charges and other third-party charges. One-half of borrowers pay total closing costs equal to or greater than 5.1 percent of their loan amount, one-fourth of borrowers pay total closing costs of at least 6.4 percent of their loan amount, and 5 percent of borrowers pay total closing costs of at least 8.9 percent of their loan amount.

The data strongly indicate price dispersion among borrowers and thus confirm the existence of price discrimination. This article is not concerned with price discrimination that is based on costs but with discrimination based on the result of a markup over costs. Price discrimination will always lead to a loss in consumer surplus, and, unless price discrimination manages to transfer all consumer surplus to producers, it will also lead to a loss in social welfare. It is important to note that, if the variation of fees and charges paid is greater than the actual costs of providing the services, then that variation constitutes evidence of a violation of RESPA, which explicitly prohibits price markups.[2]

In a competitive market, the price of goods should depend on quality and not on consumer-type or the method of sale. If dispersion occurs because the negotiations are conducted face to face, it would suggest that the nature of the market exacerbates the consumer's informational disadvantage, as mentioned previously. Indeed, strong evidence indicates that individuals pay different prices for reasons other than the cost of providing the service. After taking into account borrowers' differences, such as credit scores and loan amounts, the Urban Institute (Woodward, 2008) found that, compared with White consumers, African American consumers pay an additional $415 for settling their loans and that Hispanic consumers pay an additional $365 to settle their loans.[3] These loans are not subprime loans but are standard FHA loans.[4] Other researchers, reviewed in the Regulatory Impact Analysis (HUD PD&R, 2008), found similar results. Discrimination

Exhibit 1. Distribution of Categories of Closing Costs as a Percentage of Loan Amount*

Series	5th Percentile	25th Percentile	50th Percentile (median)	75th Percentile	95th Percentile
Total closing cost	2.9	4.1	5.1	6.4	8.9
Total loan charges	1.3	2.4	3.2	4.2	6.2
Yield spread premium	0.3	1.3	2.0	2.7	3.8
Direct loan fees	0.0	0.8	1.3	1.8	3.3
Total title charges	0.6	0.9	1.2	1.6	2.3
Other third-party charges	0.2	0.4	0.6	0.8	1.4

* Calculated by the Department of Housing and Urban Development from data provided by the Urban Institute.

by race or ethnicity is not economically efficient and would not prevail in a perfectly competitive market. Increasing transparency in lending practices should reduce the presence of price discrimination.

The YSP is one element of a mortgage that a borrower is not likely to fully understand. The YSP is compensation to the broker by the wholesale lender for selling a loan with a relatively high interest rate. A similar incentive exists for direct lenders, although the value of such "implicit YSPs" cannot be as readily measured as those resulting from brokered loans. Thus, as the interest rate rises, so should the YSP. This relationship appears to hold true in the closing cost data analyzed (Woodward, 2008). The burden of the YSP, however, is on the borrower, who pays a higher interest rate with loans having a higher YSP.

If borrowers were better informed, a negative one-to-one relationship would exist between upfront fees and the YSP. The upfront fees and the YSP simply represent two different ways of compensating the broker for the effort required to originate a loan. A loan originator earns income from two sources: through a YSP, which is the premium the market pays for a relatively high interest rate, and through direct fees, both of which the borrower pays.

The Urban Institute (Woodward, 2008) found no strong tradeoff between the YSP and upfront cash payments. Ideally, each $1.00 of YSP generated by a higher interest rate would result in a $1.00 reduction in upfront fees. In a sample of nonsubsidized loans with rates above 7 percent, which are appropriate rates for investigating YSPs during the time the loans were made, the Urban Institute found that brokers' loan origination fees, rather than being lower by $1.00 for each $1.00 of YSP, were actually *higher* by $0.16.[5] Such a relationship is contrary to expected trends for a market in which only minor imperfections existed.[6]

Confusion could also result from the variety of loan products and permutations of those products. If informational asymmetries in the market are significant, lenders will earn more when selling complex products. Borrowers who simplify their mortgage shopping by rolling all lender and broker fees into the interest rate (that is, get "zero-cost" loans) pay $1,200 less for their loans than borrowers who pay lender or broker fees as measured by implicit YSPs. Borrowers who pay points realize only $20 of benefits for every $100 of points paid, for a net loss of $80. It appears that the industry is able to take advantage of the confusion created by loan complexity—further evidence of price discrimination not related to the cost of originating the loan.

Another element in price discrimination is title insurance, an industry with a strong potential for anticompetitive practices, including price fixing. There is a large fixed-cost of entry to the industry: compiling a database of transaction and lending records. Such a barrier to entry inhibits competition. To make matters worse, Eaton and Eaton (2007) found that current federal and state policies inhibit competition in the title industry. The costs of providing title insurance are primarily related to the costs of research for property transactions. Thus, a great variation in title insurance charges should not be evident, because the only component that varies substantially is the insurance premium. Eaton and Eaton (2007) found that borrowers pay title fees far greater than what is needed to cover costs and earn a reasonable return. The Urban Institute (Woodward, 2008) found an average $1,329 title charge in its sample of all loans, with a standard deviation of $564. The Urban Institute also found a significant variation by state with titles charges in New York, Texas, California, and New Jersey all costing at least $1,000 more (holding property values constant) than charges in North Carolina, the state with the lowest title costs. It is reasonable to ask what extra benefits consumers realize in states with high-cost title insurance relative to consumers in states with low-cost title insurance, and if people are not receiving extra benefits, why are costs so high?

HUD also compared variations in title insurance costs among states to account for the different legal requirements that exist within the states and the different customs that may have evolved. One measure of variability calculated for each state was the different title insurance costs realized between the median cost in the highest quartile and the median cost in the lowest quartile. This difference was more than $1,000 for nine states. Based on the extent of price dispersion, significant title insurance savings for consumers in the highest quartile can be expected with the final rule in place.

Overview of the Final Rule

The final RESPA rule provides a new, simplified GFE form that includes tolerances, or limitations on increases, on final settlement costs and a new method for reporting wholesale lender payments in brokered transactions.[7] The GFE format simplifies the process of originating mortgages by consolidating costs into a few major cost categories. The first page of the new GFE form provides a brief description of the loan's terms and includes warnings to prospective borrowers about potentially risky aspects of the loan. This description includes the exact loan amount and a statement regarding whether interest rates and payments can change, and, if so, when they will change and by how much. The GFE also divulges any prepayment penalties and the total estimated settlement charges. The second page of the GFE provides more details about charges for loan origination and other settlement service charges. The third page provides a tradeoff table that illustrates for consumers the relationship between the interest rates and total settlement costs. The third page also includes a table for mortgage applicants to take notes about alternative loan offers, thus providing a visual means to compare options. The terms and conditions (unrelated to the interest rates) of the GFE are valid for a 10-business-day period before borrowers lock their interest rates.

The GFE form was designed to ensure that borrowers using a broker receive the full benefit of the higher price paid by wholesale lenders for a loan with a high interest rate; that is, the so-called YSP. The new GFE form prominently and accurately discloses the YSP and discount points in brokered loans and presents the information in an informative way so borrowers may use the information to their advantage. The prominent placement of the YSP and discount points in the calculations that lead to net settlement costs makes them difficult to miss. The prominent placement can also enhance borrowers' comprehension of how to use YSPs to reduce upfront settlement costs. The new tradeoff table helps borrowers understand the relationship between higher interest rates and lower settlement costs.

HUD contracted with forms development specialists, the Kleimann Communication Group, Inc., to analyze, test, and improve the GFE and HUD-1 Settlement Statement form, resulting in consumer-friendly documents that efficiently convey the terms of the loan and settlement costs (Kleimann Communication Group, 2008). HUD conducted multiple rounds of extensive consumer testing of the GFE during a 6-year period, from August 2002 until September 2008. The testing included qualitative interviews and quantitative evaluations of the forms involving nearly 1,600 homebuyers, potential homebuyers, and homeowners who had refinanced in 17 cities across the United States. Testing results showed that consumers could identify the lowest settlement charges in nearly all instances when shown two GFE forms, compare across multiple GFEs easily, identify key loan details, and understand the reciprocal relationship between settlement charges and interest rates. This success rate was maintained when the number of loan offers increased. Rather than being overwhelmed by additional loan offers, consumers found the larger number of offers helped them focus on key information.

HUD designed the new GFE form to help borrowers focus on the right numbers to maintain competition between brokers and lenders even though their disclosure requirements differ slightly. Participants in the form-testing process were highly successful in identifying the cheapest loan, achieving success rates as high as 90 percent or more, regardless of whether the brokered loan was cheaper, the lender loan was cheaper, or the loans cost the same. Broker bias was not evident.[8] The form-testing process confirmed the advantages of an easy-to-understand, professionally developed document.

The new GFE form includes a set of tolerances on originator and third-party costs: originators must adhere to their own origination fees and give estimates subject to a 10-percent upper limit on the increase of the sum of certain third-party fees. Tolerances will limit how much settlement charges can increase after the originator has completed the GFE form. The comparison page of the HUD-1 form will serve to double-check the GFE form regarding settlement charges and the key terms of the borrower's loan at settlement. The tolerances on originator and third-party costs will encourage originators not only to lower their own costs but also to seek lower costs for third-party services.

The final rule allows service providers to use pricing based on average charges for third-party services they purchase, assuming that the average charge is calculated using a documented method and that the charge on the HUD-1 form is not greater than the average charge for that service. This method of pricing will make internal operations for the loan originator simpler and less costly, and competition among lenders will compel them to pass on these cost savings to borrowers.

HUD also revised the HUD-1 Settlement Statement form to make the GFE and HUD-1 forms easier to compare.[9] The revised HUD-1 form describes categories of charges using the same language as the GFE form and orders the categories of charges in the same order as the GFE. The final rule introduces a comparison page in the revised HUD-1 form that (1) compares the GFE estimates to the HUD-1 charges and advise borrowers whether tolerances have been met or exceeded; (2) verifies that the loan terms summarized on the GFE match those in the loan documents, including the mortgage note; and (3) provides additional information on the terms and conditions of the mortgage.

The final rule creates a more level playing field through a more transparent and standard disclosure of loan details and settlement costs, tolerances on settlement charges leading to prices that borrowers can rely on, and a comparison page on the HUD-1 form that enables the borrower to compare the amounts listed for particular settlement costs on the GFE form with the costs listed for those charges on the HUD-1 form. It also enables borrowers to double-check the loan details at settlement.

Economic Effects of RESPA Reform

The primary economic impact of the final rule under RESPA is the transfer of markups from firms charging excessive fees to consumers. The enormous potential for cost reductions in today's market is indicated in the wide variation in prices unrelated to costs. It was estimated that the average consumer would benefit by a reduction of settlement costs of $670 per loan from the improved disclosures and tolerances of the new GFE.[10] The results from the Urban Institute study (Woodward, 2008) imply that the savings to borrowers may be as much as $1,200 per loan.

Although most of the rule's benefits to borrowers come in the form of transfers from originators and settlement firms, certain economic benefits stem from an increase in efficiency. These efficiency gains are derived primarily from the time saved by using simpler forms, which can benefit both borrowers and originators. The new GFE will enable applicants to spend more time comparing and evaluating offers and less time trying to decipher the loan details.[11] The mortgage industry will benefit from spending less time answering borrowers' questions and from the simplicity of average-cost pricing.[12] Average-cost pricing reduces costs, because firms do not have to maintain an itemized, customized cost accounting for each borrower. Average-cost pricing not only saves costs when generating the GFE, it also saves the costs of quality control and other costs afterwards.

Positive spillover effects will be evident in the parts of the industry that stem from increasing consumers' level of awareness. With the first positive spillover effect, consumers will be less susceptible to predatory lenders. Many price-discriminating loan originators and settlement firms extract excess fees without significant effort.[13] In contrast, some predatory loan originators expend additional resources to seek out borrowers who are less sophisticated financially and more likely to accept loans with excessive fees. Consumers can be steered into unfavorable loans by aggressive mail, phone, TV, or door-to-door sales tactics targeting neighborhoods with a high proportion of minority or elderly people. This targeted approach allows aggressive and unscrupulous lenders to identify borrowers who are in the market for a loan and lure them into a predatory loan. A deadweight loss for society results whenever producers expend substantial effort to raise prices rather than increase output or quality.

With improved mortgage and settlement disclosure, borrowers will be better informed, more likely to reject loans with excessive fees, and less susceptible to predatory lenders. The new RESPA rule will raise the predatory lender's cost of searching for vulnerable borrowers and will thus inhibit predatory behavior. Reducing this predatory activity will lead to a net gain in social welfare equal to the costs of actively searching for less informed borrowers and extracting an abnormally high markup. Thus, the gain to consumers will outweigh the loss in profits to predatory firms.

With the second positive spillover effect, consumers will begin to realize the rule's contribution to sustainable homeownership. First, by reducing settlement costs, the rule provides a small cushion for borrowers in the event of financial distress. Second, by educating consumers, the rule should lead to better decisions by borrowers when choosing the best loan or determining whether homeownership is the optimal choice. Consumers who understand the details of their loans are more likely to avoid default and thus avoid foreclosure. For example, knowing how high your interest rate and monthly payments can go should make the loan applicant hesitant to accept an adjustable-rate mortgage (ARM) unless the borrower has the income security to do so. Bucks and Pence (2008) found that borrowers with ARMs appear likely to underestimate or to not know how much their interest rate could change. To better inform borrowers, the first page of the final GFE form presents critical loan terms, such as the maximum monthly payment for ARM loans.

The resulting decrease in defaults will reduce the dramatic social costs that accompany foreclosures. Foreclosures generate private costs to the borrower and the lender, and they generate substantial negative economic externalities to neighboring properties and local governments. The Joint Economic Committee of the U.S. Congress estimates the total cost to society at $78,000 per foreclosure. A more recent analysis by HUD (2009) adjusts this estimate to $55,500: $10,100 of losses to the borrower for moving costs, legal fees, and administrative charges; $26,600 of losses to the original lender from the loss on loan and property value, property maintenance, appraisal, legal fees, lost revenue, insurance, marketing, and cleanup; $4,300 of losses to neighboring property owners for decreasing home values; and $14,500 of losses to local governments for lost tax revenue. It is difficult to estimate how many foreclosures a uniform and transparent GFE form with settlement-fee tolerances will prevent. HUD does not estimate it for the purpose of this analysis; however, preventing only 2,000 foreclosures nationwide would yield $110 million in benefits.

The creation of economic efficiencies and transfers to consumers may impose some costs to the settlement and lending industries beyond the transfer itself.[14] HUD estimated that the industries would incur one-time adjustment costs of $571 million related to new software, training, and legal consulting. After the transition expenses have been incurred, any ongoing costs that are substitutes for the software, training, or legal consulting costs, which would have been incurred anyway, do not represent an additional burden. Annual recurring costs could result from additional time spent handling GFE forms; additional time making arrangements for third parties to provide settlement services; additional underwriting time; and additional time implementing the comparison page on the HUD-1 form. These annual recurring compliance costs could be close to $0. HUD, however, assumed significant costs, ranging from $50 to $74 per loan.

An obvious question is whether the costs of the new RESPA rule will negate the consumer savings and efficiency benefits of the rule. Suppose, for the sake of illustration, that all adjustment costs are imposed on borrowers the first year the rule is in effect. Estimates of net consumer savings are $548 in the first year and $594 in subsequent years. Adding the firms' and borrowers' value of time efficiencies to the consumer savings provides a higher estimate of the potential borrowers' *net* benefits per loan: $696 in the first year and $742 in subsequent years.

Conclusion

The ultimate goal of the final rule under RESPA is to improve consumer welfare by eliminating informational asymmetries in the housing finance market. An obvious alternative to the final rule—one preferred by many industry groups—was to maintain the status quo.[15] This alternative was rejected because the previous GFE form was not an effective tool for facilitating borrower shopping or for controlling origination and third-party settlement costs. Thus, not updating the GFE would have allowed the previous system to continue, leaving some consumers to pay noncompetitive and discriminatory prices for mortgage services.

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Notes

1 The final rule, "A Rule to Improve the Process of Obtaining Mortgages and Reduce Consumer Costs" (FR-5180-F-03), was printed on November 17, 2008, and is available at http://www.hud.gov/offices/hsg/ramh/res/respa_hm.cfm.

2 The goal of this discussion is not to portray loan originators as unscrupulous or harmful to economic welfare. It is clear from the statistical evidence presented here that many loan originators are ethical. If the entire market mirrored this more efficient segment, then RESPA reform would not have been as urgent.

3 For its statistical analysis, the Urban Institute focused on a subsample of 6,366 nonsubsidized loans, for which the mean total charges were slightly higher at $5,245. Lender charges for nonsubsidized loans are $3,390, of which $1,450 is in direct fees and $1,940 is the average YSP.

4 Susan Woodward, the lead analyst for the Urban Institute study, completed a similar study for *Glover* v. *Standard Federal Bank* (Civil No. 97-2068, U.S. District Court of Minnesota). See Woodward (2003) for a more detailed followup.

5 In a larger sample of all nonsubsidized brokered loans, the Urban Institute found that paying $1.00 of YSP to a mortgage broker reduces upfront fees by only $0.07, for a net loss of $0.93 per $1.00.

[6] Jackson and Berry (2002) found that consumers get only $0.25 of value for every $1.00 of YSP. They concluded that the problem of price dispersion occurs when YSPs are present because, in these situations, no single price exists for broker services. Their research was prepared for the same court case that Woodward (2003) researched.

[7] See http://www.hud.gov/offices/hsg/ramh/res/gfestimate.pdf for a copy of the GFE.

[8] Bias does show up in comparisons in which broker and lender loans are otherwise identical. In such cases, borrowers who do not think of the two loans as identical tend to favor the lender loan. The likelihood, however, of borrowers getting two identical loans is extremely low.

[9] See http://www.hud.gov/offices/hsg/ramh/res/hud1.pdf for a copy of the HUD-1 form.

[10] See the Regulatory Impact Analysis (HUD PD&R, 2008), section VII.E.4 of chapter 3, for a description of the alternative estimates of consumer savings.

[11] In the Regulatory Impact Analysis (2008), HUD estimated savings of $1,169 for consumers. This amount is derived from a time savings worth $55 per applicant (75 minutes at $44 per hour) over 21.25 million applications.

[12] If one-half of the borrowers' time saved comes from less time spent with originators and third-party settlement service providers, then originators and settlement agents will spend 37.5 fewer minutes answering borrowers' follow-up questions, which will generate savings of $75.50 per loan (37.5 minutes x $72 per hour x 1.7 applications per loan).

[13] The Fannie Mae Foundation (2001) found that as much as 35 to 50 percent of the borrowers in the subprime market could have qualified for lower cost prime-market loans.

[14] The impact of the final rule on small businesses is significant only because a large percentage of the origination and settlement services firms are small. These small firms collectively generate a large percentage of the industry's revenue and employ a large percentage of the industry's workers. Small businesses, however, are not expected to suffer disproportionately from the final rule because no evidence indicates any greater prevalence of small businesses overcharging consumers. For a detailed discussion of the effects on industry structure, see section II.C.5 of chapter 6 of the Regulatory Impact Analysis (HUD PD&R, 2008).

[15] For a description of all the alternatives considered to the proposed and final rule, see chapter 4 of the Regulatory Impact Analyses (HUD PD&R, 2008) of the proposed and final rules.

National Data

Housing Production

Permits*

Permits for construction of new housing units in the fourth quarter of 2009 were up 4 percent from the previous quarter, at a SAAR of 598,000 units, but were down 7 percent from the fourth quarter of 2008. Single-family permits, at 474,000 units, were up 3 percent from the level of the previous quarter and up 13 percent from a year earlier. Multifamily permits (5 or more units in structure), at 104,000 units, were 10 percent above the third quarter of 2009 but 47 percent below the fourth quarter of 2008.

In 2009, permits were issued for 572,200 housing units, a decrease of 37 percent from 2008. Single-family permits issued, amounted to 435,100 for 2009, which is 24 percent less than in 2008. In 2009, 117,200 permits were issued for units in multifamily structures, down 60 percent from 2008.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	598	573	641	+ 4	– 7
One Unit	474	460	421	+ 3	+ 13
Two to Four	20	19	25	+ 5**	– 20**
Five Plus	104	95	196	+ 10	– 47

*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 fourth quarter of 2009 totaled 554,000 units at a SAAR, a statistically insignificant 6 percent below the third quarter of 2009 and 16 percent below the fourth quarter of 2008. Single-family starts, at 472,000 units, were a statistically insignificant 5 percent lower than the previous quarter but a statistically insignificant 2 percent higher than the fourth-quarter level of the previous year. Multifamily starts totaled 74,000 units, a statistically insignificant 6 percent below the previous quarter and 60 percent below the same quarter in 2008.

In 2009, builders started 553,800 housing units, a decrease of 39 percent from 2008. They started 443,500 single-family units, 29 percent fewer than in the previous year. There were 98,800 multifamily starts in 2009, a decrease of 63 percent from 2008.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	554	587	658	– 6**	– 16
One Unit	472	498	461	– 5**	+ 2**
Five Plus	74	78	184	– 6**	– 60

*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 fourth quarter of 2009 were at a SAAR of 511,000 units, 12 percent below the previous quarter and 36 percent below the fourth quarter of 2008. Single-family units stood at 296,000, a statistically insignificant 6 percent below the previous quarter and 25 percent below the fourth quarter of 2008. Multifamily units were at 203,000 down 19 percent from the previous quarter and down 48 percent from the fourth quarter of 2008.

At the end of 2009, a total of 495,000 housing units were under construction, a decrease of 37 percent when compared with the end of 2008. There were 282,500 single-family units under construction at the end of 2009, 25 percent fewer than at the end of the previous year. Multifamily units under construction at the end of the year stood at 200,900, a decrease of 48 percent from 2008.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	511	578	803	– 12	– 36
One Unit	296	314	397	– 6**	– 25
Five Plus	203	250	388	– 19	– 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 fourth quarter of 2009, at a SAAR of 794,000 units, were up a statistically insignificant 4 percent from the previous quarter but down 25 percent from the same quarter of 2008. Single-family completions, at 533,000 units, were up a statistically insignificant 8 percent from the previous quarter but down 27 percent from the rate of a year earlier. Multifamily completions, at 244,000 units, were a statistically insignificant 5 percent below the previous quarter and 19 percent below the same quarter of 2008.

In 2009, 796,000 housing units were completed a decrease of 29 percent from the previous year. Single-family units comprised 521,000 of this total, 36 percent less than in 2008. In 2009, builders completed 260,600 multifamily units, down 6 percent from 2008.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	794	764	1,056	+ 4**	– 25
One Unit	533	493	735	+ 8**	– 27
Five Plus	244	255	303	– 5**	– 19

*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 48,700 units in the fourth quarter of 2009, which is 1 percent below the previous quarter and 26 percent below the rate of a year earlier.

In 2009, manufacturers shipped 49,800 units. This total is 39 percent below the rate of 2008.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Manufacturers' Shipments	48.7	49.0	66.0	– 1	– 26

*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 373,000 (SAAR) units in the fourth quarter of 2009, down 8 percent from the previous quarter and down 5 percent from the fourth quarter of 2008; both changes are statistically insignificant. The average monthly inventory of new homes for sale during the fourth quarter of 2009 was 236,000 units, 10 percent below the previous quarter and 36 percent below the fourth quarter of last year. The months' supply of unsold homes based on monthly inventories and sales rates for the fourth quarter of 2009 was 7.6 months, a statistically insignificant 1 percent below the third quarter of 2009 and 32 percent below the fourth quarter of last year. For all of 2009, 374,000 new single-family homes were sold, a 30-percent decline from the 485,000 homes sold in 2008.

Sales of existing homes—including single-family homes, townhomes, condominiums, and cooperatives—as reported by the NATIONAL ASSOCIATION OF REALTORS®, totaled 6,027,000 (SAAR) in the fourth quarter of 2009, up 14 percent from the previous quarter and up 27 percent from the fourth quarter of 2008. The average monthly inventory of units for sale during the fourth quarter of 2009 was 3,458,000, down 11 percent from the previous quarter and down 14 percent from the fourth quarter of 2008. The average months' supply of unsold units for the fourth quarter of 2009 was 6.9 months, down 22 percent from third quarter of 2009 and 32 percent lower than the fourth quarter of last year. For all of 2009, sales of existing homes rose to 5,156,000, up 5 percent from the 4,913,000 homes sold in 2008.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
New Homes					
New Homes Sold	373	406	391	– 8**	– 5**
For Sale	236	261	367	– 10	– 36
Months' Supply	7.6	7.7	11.2	– 1**	– 32
Existing Homes					
Existing Homes Sold	6,027	5,290	4,740	+ 14	+ 27
For Sale	3,458	3,899	4,020	– 11	– 14
Months' Supply	6.9	8.9	10.2	– 22	– 32

*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 fourth quarter of 2009 was $214,700, virtually the same as the third quarter of 2009 but down a statistically insignificant 4 percent from the fourth quarter of 2008. The average price of new homes sold during the fourth quarter was $270,500, down 1 percent from the previous quarter and down 2 percent from the fourth quarter of 2008; both of these changes are statistically insignificant. The estimated price of a constant-quality house during the fourth quarter of 2009 is $284,800, a statistically insignificant 2 percent higher than the previous quarter but virtually unchanged from the fourth quarter of 2008. The set of physical characteristics used to represent a constant-quality house is based on the kinds of houses sold in 2005.

For all of 2009, the median price of new homes sold was $215,900, which is 7 percent lower than the 2008 price of $232,100. The average price of new homes sold in 2009 was $270,400, down 7.6 percent from the average price in 2008 of $292,600. The estimated price of a constant-quality house in 2009 was $295,500, which is 4.5 percent lower than the 2008 price of $282,200.

The median price of existing homes—including single-family homes, townhomes, condominiums, and cooperatives—that sold in the fourth quarter of 2009 was $173,500, down 3 percent from the third quarter of 2009 and down 8 percent from the fourth quarter of 2008, according to the NATIONAL ASSOCIATION OF REALTORS®. The average price of existing homes sold in the fourth quarter of 2009 was $218,200, which is 3 percent lower than the previous quarter and 6 percent lower than the fourth quarter of last year.

For all of 2009, the median price of existing homes sold was $173,500, down 12 percent from $198,100 in 2008, while the average price of existing homes was $217,300, down 10 percent from $242,700 in 2008.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
New Homes					
Median	$214,700	$214,300	$222,500	—	– 4**
Average	$270,500	$274,100	$276,600	– 1**	– 2**
Constant-Quality House[1]	$284,800	$280,100	$284,200	+ 2**	—
Existing Homes					
Median	$173,500	$178,300	$188,700	– 3	– 8
Average	$218,200	$223,900	$231,200	– 3	– 6

**This change is not statistically significant.

[1] Effective with the December 2007 New Residential Sales release in January 2008, the Bureau of the Census 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 Bureau of the Census.

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 fourth quarter of 2009 shows that families earning the median income have 167.3 percent of the income needed to purchase the median-priced existing single-family home. This figure is 5 percent higher than the third quarter of 2009 and 13 percent higher than the fourth quarter of 2008.

The increase in the housing affordability index in the fourth quarter of 2009 reflects changes in the marketplace. Median family income decreased .6 percent from the previous quarter to $60,034, which was a 2.3-percent decline from the fourth quarter of 2008. The median sales price of existing single-family homes in the fourth quarter of 2009 declined to $172,933, which was 3 percent lower than the previous quarter and 4 percent below the fourth quarter of 2008. The national average home mortgage interest rate of 5.06 in the fourth quarter of 2009 is 24 basis points lower than the previous quarter. The decline in the median sales price of existing single-family homes and lower home mortgage interest rates increased housing affordability and more than offset the negative impact of the decline in median family income.

For all of 2009, the composite housing affordability index averaged 167.0, a 24-percent increase from 2008. The national average home mortgage interest rate for 2009 was 5.14, 101 basis points below the 2008 rate. The median sales price of existing single-family homes for 2009 was $173,200, 12 percent lower than the previous year, and median family income was $60,608, 2 percent lower than the 2008 level of $62,030. The decline in mortgage interest rates and the fall in the median sales price more than offset the decline in income. Finally, the fixed-rate affordability index for 2009 increased 24 percent from the previous year to 134.5.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Composite Index	167.3	159.0	148.0	+ 5	+ 13
Fixed-Rate Index	167.3	169.1	148.0	– 1	+ 13
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®

Apartment Absorptions

In the third quarter of 2009, 43,500 new, unsubsidized, unfurnished, multifamily (five or more units in structure) rental apartments were completed, down 10 percent from the previous quarter but up 16 percent from the third quarter of 2008. Of the apartments completed in the third quarter of 2009, 52 percent were rented within 3 months. This absorption rate is 8 percent higher than last quarter but is a statistically insignificant 2 percent lower than the same quarter of the previous year. The median asking rent for apartments completed in the third quarter of 2009 was $1,103, a statistically insignificant decrease of 5 percent from the previous quarter but an increase of 6 percent over the third quarter of 2008.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Apartments Completed*	43.5	48.3	37.4	– 10	+ 16
Percent Absorbed Next Quarter	52	48	53	+ 8	– 2**
Median Asking Rent	$1,103	$1,156	$1,039	– 5**	+ 6

*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 rental 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 third quarter of 2009 totaled 49,300 units at a SAAR, a statistically insignificant 2 percent below the level of the previous quarter and 38 percent below the third quarter of 2008. The number of homes for sale on dealers' lots at the end of the third quarter totaled 28,000 units, unchanged from the previous quarter but 22 percent below the same quarter of 2008. The average sales price of the units sold in the third quarter was $63,600, a statistically insignificant 1 percent above the price in the previous quarter but a statistically insignificant 3 percent below the price in the third quarter of 2008.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Placements*	49.3	50.3	79.3	– 2**	– 38
On Dealers' Lots*	28.0	28.0	36.0	—	– 22
Average Sales Price	$63,600	$62,700	$65,300	+ 1**	– 3**

*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 fourth quarter of 2009, the current market activity index for single-family detached houses stood at 17, equal to the value from the previous quarter but up 7 points from the fourth quarter of 2008. The index for future sales expectations, at 27, declined 1 point from the third quarter of 2009 but rose 9 points above the fourth quarter of last year. For the fourth quarter of 2009, prospective buyer traffic had an index value of 13, which is down 3 points from the previous quarter but up 5 points from the fourth quarter of 2008. NAHB combines these separate indices into a single housing market index that mirrors the three components quite closely. For the fourth quarter of 2009, this index fell to 17, which is 1 point lower than for the third quarter of 2009 but 6 points above the fourth quarter of last year.

For all of 2009, the current sales index averaged 14, down 2 points from 2008. The average future sales expectations index was 24, 1 point lower than for the previous year. The prospective sales index averaged 13, which is down 1 point from 2008. The composite index for 2009 was 15, a decrease of 1 point from the previous year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Housing Market Index	17	18	11	– 6	+ 55
Current Sales Activity—Single-Family Detached	17	17	10	—	+ 70
Future Sales Expectations—Single-Family Detached	27	28	18	– 4	+ 50
Prospective Buyer Traffic	13	16	8	– 19	+ 63

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 4.92 percent in the fourth quarter of 2009, 24 basis points below the previous quarter and 94 basis points lower than the fourth quarter of 2008. Adjustable-rate mortgages (ARMS) in the fourth quarter of 2009 were going for 4.42 percent, 29 basis points lower than the previous quarter and 73 basis points below the fourth quarter of 2008. Fixed-rate 15-year mortgages, at 4.37 percent, in the fourth quarter of 2009 were down 23 basis points from the third quarter of 2009 and also down 120 basis points from the fourth quarter of 2008.

The 2009 average annual rate for 30-year, fixed-rate, conventional mortgages was 5.04 percent, down 99 basis points from the 2008 average annual rate.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Conventional, Fixed-Rate, 30-Year	4.92	5.16	5.86	– 5	– 16
Conventional ARMs	4.42	4.71	5.15	– 6	– 14
Conventional, Fixed-Rate, 15-Year	4.37	4.60	5.57	– 5	– 22

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 17.1 percent in the third quarter of 2009, up 1.2 percentage points from the second quarter of 2009 but down 7.4 percentage points from the third quarter of 2008. For home purchase loans, FHA's dollar volume share was 24.5 percent in the third quarter of 2009, up 0.7 percentage points from the second quarter of 2009 but down 1.8 percentage points from the third quarter of 2008. For mortgage refinance loans, FHA's dollar volume share was 11.6 percent in the third quarter of 2009, down 0.6 percentage points from the second quarter of 2009 and down 9.8 percentage points from the third quarter of 2008.

FHA's share of the 1- to 4-family mortgage market by loan count was 20.5 percent in the third quarter of 2009, up 1.9 percentage points from the second quarter of 2009 but down 8.2 percentage points from the third quarter of 2008. For home purchase loans, FHA's market share by loan count was 28.7 percent in the third quarter of 2009, up 0.7 percentage points from the second quarter of 2009 but down 2.8 percentage points from the third quarter of 2008. For mortgage refinance loans, FHA's market share by loan count was 13.7 percent in the third quarter of 2009, the same share as the second quarter of 2009 but down 10.3 percentage points from the third quarter of 2008.

Loans	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Mortgage Market Share by Dollar Volume (%)					
All Loans	17.1	15.9	24.5	+ 8	– 30
Purchase	24.5	23.8	26.3	+ 3	– 7
Refinance	11.6	12.2	21.4	– 5	– 46
Mortgage Market Share by Loan Count (%)					
All Loans	20.5	18.6	28.7	+ 10	– 29
Purchase	28.7	28.0	31.5	+ 2	– 9
Refinance	13.7	13.7	24.0	—	– 43

*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 601,100 properties in the fourth quarter of 2009, a decrease of 15 percent from the third quarter of 2009 and 5 percent below the fourth quarter of 2008. Total endorsements or insurance policies issued totaled 512,600, down 8 percent from the previous quarter but up 17 percent from the fourth quarter of 2008. Purchase endorsements, at 305,000, were down 6 percent from the third quarter of 2009 but up 17 percent from the fourth quarter of 2008. Endorsements for refinancing, at 207,600, were down 12 percent from the third quarter of 2009 but up 18 percent from the fourth quarter of 2008. These numbers are not seasonally adjusted.

The total number of FHA applications received in 2009 was 2,862,000, a 22-percent increase from 2008. Total endorsements in 2009 were 2,022,800, an increase of 38 percent from 2008. Purchase endorsements, at 1,039,200, increased 28 percent from 2008, and the 983,500 refinancing endorsements were 50 percent above the previous year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Applications Received	601.1	710.0	630.2	– 15	– 5
Total Endorsements	512.6	559.8	437.0	– 8	+ 17
Purchase Endorsements	305.0	322.8	261.5	– 6	+ 17
Refinancing Endorsements	207.6	237.0	175.5	– 12	+ 18

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

PMI and VA Activity*

Private mortgage insurers issued 66,200 policies or certificates of insurance on conventional mortgage loans during the fourth quarter of 2009, down 19 percent from the third quarter and 44 percent lower than fourth quarter of 2008. The Department of Veterans Affairs (VA) reported the issuance of mortgage loan guaranties on 81,100 single-family properties in the fourth quarter of 2009, down 20 percent from the previous quarter but up 56 percent from the fourth quarter of 2008. These numbers are not seasonally adjusted.

In 2009, private insurers issued 442,224 certificates of insurance, a decrease of 54 percent from 2008. Total VA mortgage loan guaranties increased 78 percent to 354,936 from 2008 to 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total PMI Certificates	66.2	81.4	118.2	– 19	– 44
Total VA Guaranties	81.1	101.0	51.9	– 20	+ 56

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

Delinquencies and Foreclosures

Total delinquencies for all loans past due loans were at 9.64 percent in the third quarter of 2009, up 4 percent from the second quarter of 2009 and up 38 percent from the third quarter of 2008. Delinquencies for past due conventional subprime loans were at 26.42 percent in the third quarter of 2009, up 4 percent from the second quarter of 2009 and up 32 percent from the third quarter of the previous year. Conventional subprime adjustable-rate mortgage (ARM) loans that were past due stood at 28.23 percent in the third quarter of 2009, up 3 percent from the second quarter of 2009 and up 32 percent from the third quarter of 2008.

In the third quarter of 2009, 90-day delinquencies for all loans were at 4.41 percent, up 14 percent from the second quarter of 2009 and up 100 percent from the third quarter a year ago. Conventional subprime loans that were 90 days past due stood at 13.70 percent in the third quarter of 2009, up 14 percent from the previous quarter and up 90 percent from the third quarter of 2008. Conventional subprime ARM loans that were 90 days past due were at 16.60 percent in the third quarter of 2009, up 12 percent from second quarter of 2009 and up 102 percent from the third quarter of 2008.

During the third quarter of 2009, 1.42 percent of all loans entered foreclosure, up 4 percent from the second quarter of 2009 and up 33 percent from the third quarter of the previous year. In the conventional subprime category, 3.76 percent of loans entered foreclosure in the third quarter of 2009, a decrease of 9 percent from the second quarter of 2009 and a decrease of 11 percent from the third quarter of 2008. In the conventional subprime ARM category, 4.92 percent of loans went into foreclosure in the third quarter of 2009, a decrease of 11 percent from the second quarter of 2009 and a decrease of 24 percent from the third quarter of 2008.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total Past Due (%)					
All Loans	9.64	9.24	6.99	+ 4	+ 38
Conventional Subprime Loans	26.42	25.35	20.03	+ 4	+ 32
Conventional Subprime ARMs	28.23	27.36	21.31	+ 3	+ 32
90 Days Past Due (%)					
All Loans	4.41	3.88	2.20	+ 14	+ 100
Conventional Subprime Loans	13.70	12.00	7.22	+ 14	+ 90
Conventional Subprime ARMs	16.60	14.83	8.22	+ 12	+ 102
Foreclosures Started (%)					
All Loans	1.42	1.36	1.07	+ 4	+ 33
Conventional Subprime Loans	3.76	4.13	4.23	– 9	– 11
Conventional Subprime ARMs	4.92	5.52	6.47	– 11	– 24

Source: National Delinquency Survey, Mortgage Bankers Association

Housing Investment

Residential Fixed Investment and Gross Domestic Product*

Residential Fixed Investment (RFI) for the fourth quarter of 2009 was at a SAAR of $365.7 billion, 2 percent above the value from the third quarter of 2009 but 15 percent below the fourth quarter of 2008. As a percentage of the Gross Domestic Product (GDP), RFI for the fourth quarter of 2009 was 2.5 percent, unchanged from the previous quarter but 0.5 percentage point below the same quarter a year ago.

In 2009, RFI was $361.3 billion, 24.3 percent below the value in 2008. The 2009 RFI was 2.5 percent of GDP, a decrease of 0.8 percentage point from the previous year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
GDP	14,463.4	14,242.1	14,347.3	+ 2	+ 1
RFI	365.7	358.8	427.8	+ 2	– 15
RFI/GDP (%)	2.5	2.5	3.0	—	– 17

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

Housing Inventory

Housing Stock*

At the end of the fourth quarter of 2009, the estimate of the total housing stock, 130,587,000 units, was up a statistically insignificant 0.2 percent from the third quarter of 2009 and up a statistically insignificant 0.9 percent above the fourth quarter of 2008. The number of all occupied units was essentially unchanged from the third quarter of 2009 but increased a statistically insignificant 0.9 percent from the fourth quarter of 2008. Owner-occupied units decreased a statistically insignificant 0.4 percent from the third quarter of 2009 but were up a statistically insignificant 0.4 percent from last year's fourth quarter. Renter-occupied units increased a statistically insignificant 1.5 percent from the previous quarter and increased a statistically insignificant 2.0 percent from the fourth quarter of 2008. Vacant units were up a statistically insignificant 0.2 percent from last quarter and increased a statistically insignificant 0.5 percent from the fourth quarter of 2008.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
All Housing Units	130,587	130,302	129,448	+ 0.2**	+ 0.9**
Occupied Units	111,711	111,459	110,668	+ 0.2**	+ 0.9**
Owner Occupied	75,038	75,339	74,704	– 0.4**	+ 0.4**
Renter Occupied	36,673	36,119	35,964	+ 1.5**	+ 2.0**
Vacant Units	18,876	18,843	18,780	+ 0.2**	+ 0.5**

*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 fourth quarter of 2009, at 2.7 percent, was up a statistically insignificant 0.1 percentage point from the third quarter of 2009 but was down a statistically insignificant 0.2 percentage point from the fourth quarter of 2008.

The 2009 second quarter national rental vacancy rate, at 10.7 percent, was down a statistically insignificant 0.4 percentage point from the previous quarter but was up 0.6 percentage point from the fourth quarter of last year.

The homeowner vacancy rate for 2009 was 2.6 percent, 0.3 percentage point lower than in 2008. The annual rental vacancy rate for 2009 was 10.6 percent, a statistically insignificant 0.6 percentage point higher than in 2008.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Homeowner Rate	2.7	2.6	2.9	+ 4**	– 7**
Rental Rate	10.7	11.1	10.1	– 4**	+ 6

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

Homeownership Rates

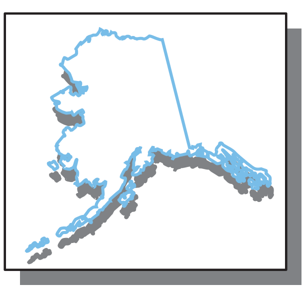
The national homeownership rate for all households was 67.2 percent in the fourth quarter of 2009, down a statistically insignificant 0.4 percentage point from the previous quarter and down a statistically insignificant 0.3 percentage point from the fourth quarter of 2008. The homeownership rate for minority households, at 49.8 percent, decreased a statistically insignificant 0.1 percentage point from the third quarter of 2009 and fell a statistically insignificant 0.3 percentage point from the fourth quarter of 2008. The 59.8 percent homeownership rate for young married-couple households decreased; it was a statistically insignificant 0.4 percentage point below the third quarter of 2009 and a statistically insignificant 1.2 percentage points below the fourth quarter of 2008.

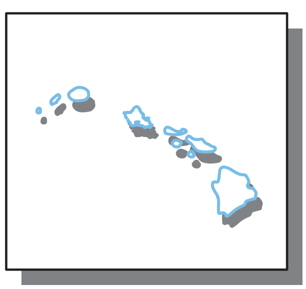
The annual national homeownership rate was 67.4 percent in 2009, down 0.4 percentage point from 2008. The annual homeownership rate for minority households was 49.7 percent, down 0.9 percentage point from the previous year. The annual homeownership rate for young married-couple households, at 59.8, was down 2.2 percentage points from 2008.

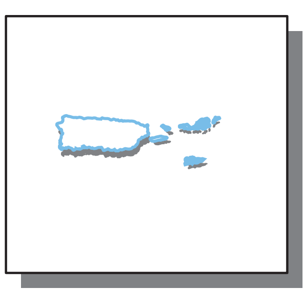
	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
All Households	67.2	67.6	67.5	– 0.6**	– 0.4**
Minority Households	49.8	49.9	50.1	– 0.2**	– 0.6**
Young Married-Couple Households	59.8	60.2	61.0	– 0.7**	– 2.0**

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

Regional Activity



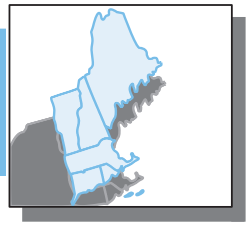




The following summaries of housing market conditions and activities have been prepared by economists in the U.S. Department of Housing and Urban Development's (HUD's) field offices. The reports provide overviews of economic and housing market trends within each region of HUD management. Also included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

Regional Reports

New England



HUD Region I*

After peaking at about 7.2 million jobs in mid-2008, nonfarm employment in the New England region continued to decline through 2009, averaging about 6.8 million jobs, down 223,500, or 3.2 percent, compared with the loss of only 9,500 jobs, or 0.1 percent, during 2008. Job losses during 2008 and 2009 exceeded the combined gains of 192,500 jobs added in the region between 2004 and 2007 by more than 20 percent. During 2009, the only sector reporting growth was education and health services, which increased by 19,100 jobs, or 1.5 percent, to 1.3 million. This sector represents nearly 20 percent of the nonfarm jobs in the region. The manufacturing and construction sectors accounted for the loss of 50,500 and 44,300 goods-producing jobs, or 7.3 and 15.4 percent, respectively. Major losses in the service-providing sectors were recorded in the professional and business services and trade sectors, with losses of 46,600 and 43,500 jobs, or 5.2 and 8.3 percent, respectively, in 2009 compared with the number of jobs in 2008.

All states in the region reported job losses during 2009. Massachusetts had the largest employment decline with 97,000 jobs lost, or 3.0 percent, including losses of 24,900, or 5.1 percent, and 21,600, or 9.8 percent, in the professional and business services and trade sectors, respectively. Connecticut lost 62,400 jobs, a 3.7-percent decline, including 15,400 professional and business services jobs, 13,000 manufacturing jobs, and 12,700 construction jobs, declines of 7.5, 7.2, and 19.5 percent, respectively. Rhode Island lost 19,900 jobs, or 4.1 percent, which was the highest percentage decline in the region; it was nearly twice the rate of job losses during the previous year. Losing only 13,700 jobs, New Hampshire posted the smallest percentage job loss—2.1 percent. During 2009, the unemployment rate in the New England region averaged 8.4 percent, up from 5.4 percent in 2008. Average unemployment rates for the states in the region ranged from 6.5 percent in New Hampshire to 12.0 percent in Rhode Island.

Despite a weak economy, the existing home sales markets have become more balanced in most New England states, a result of lower interest rates and home prices and higher consumer activity because of the first-time homebuyer's tax credit. According to the Massachusetts Association of REALTORS® (MAR), during 2009, existing home sales were up 4 percent to 37,020 homes from 35,560 home sales in 2008 but were down 14 percent from 2007, when 41,585 homes sold. The median sales price was down 7 percent to $290,000 in 2009 from $311,000 in 2008 and was 16 percent lower than the $345,500 median sales price in 2007. The inventory of homes on the market in 2009 decreased 14 percent to 21,750, or to a 7-month supply, compared with the inventory in 2008. The Rhode Island Association of REALTORS® (RIAR) reported that home sales totaled 7,720 units in 2009, representing an increase of 16 percent compared with the decline of 13 percent in 2008. This positive trend was due primarily to a 28-percent collective increase in the number of distressed home sales, foreclosure sales, and short sales, with 2,630 homes sold in 2009. The median sales price continued to decline in 2009, however, to $199,900, down 15 percent, which is the same rate of decline recorded from 2007 to 2008.

The Maine Real Estate Information System, Inc., reported that existing home sales in Maine increased by 10 percent during 2009 to 10,490 homes. The decrease in the median sales price, however, down to $164,000, was accelerated from a decline of 7 percent in 2008 to a decline of 9 percent in 2009. According to the Northern New England Real Estate Network (NNEREN), the number of existing homes sold in New Hampshire increased 6 percent to 10,830 units in 2009, compared with a decline of 15 percent from the number sold in 2007. The median sales price, however, fell to $212,000, a 10-percent decline from $235,000, similar to the percentage decline for 2007. The existing home sales market in Connecticut continued to soften. The Warren Group reported that about 24,400 existing homes were sold during 2009, representing a decrease of only 2 percent from the 24,860 homes sold in 2008. The median sales price for 2009 was $240,500, down 10 percent from the median price in 2008.

According to the Federal Housing Finance Agency, home prices in the New England region decreased by slightly more than 2 percent during the third quarter of 2009 compared with home prices during the third quarter of 2008. New England ranked fourth among the nine census regions, just above the nearly 4-percent decrease in home prices recorded nationally. The price changes for the individual states ranged from a loss of almost 5 percent in Connecticut to an increase of more than 2 percent in Vermont. According to RealtyTrac® Inc., nearly 71,400 foreclosure filings were reported in the New England region during 2009, nearly 16 percent fewer than the 82,500 foreclosures filed during 2008. The resulting foreclosure rate for 2009 was 1.3 percent, significantly lower than the national rate of 2.2 percent. Connecticut and

*For an explanation of HUD's regions, please turn to page 45 at the end of the Regional Reports section.

Massachusetts had rates of 1.4 and 1.3 percent, respectively, totaling almost 80 percent of the total foreclosure filings in the region. Vermont, with 143 foreclosures, had the fewest filings and the lowest rate in the nation at 0.05 percent.

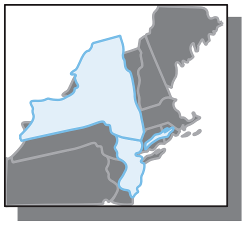
Condominium markets in the New England region have remained soft. With the exception of Massachusetts, all states in the region reported that sales levels, in general, were down in 2009 from sales in 2008 and that percentage declines in median sales prices have been comparable to the existing home sales market, down 7 to 16 percent. According to MAR, during 2009, condominium sales in Massachusetts increased 2 percent to 15,360 units compared with the number of condominium sales in 2008; the median sales price was down 7 percent to $252,000. In Connecticut, The Warren Group reported that during 2009 condominium sales totaled 7,360 units, down 14 percent from 2008, and the median sales price declined by approximately 9 percent to $178,000. During 2009 condominium sales in Rhode Island, as reported by RIAR, totaled 1,200 units, down only 1 percent, but the median sales price of $179,000 represented a decline of almost 17 percent. In New Hampshire, according to NNEREN, condominium sales were flat, at about 2,750 units, but the median sales price was down 8 percent to $165,000.

Because of falling home sales prices and decreased demand for new homes, single-family homebuilding activity, as measured by the number of homes permitted, declined significantly in the New England region in 2009. During 2009, the number of homes permitted declined by 17 percent to 9,960 homes compared with about 12,040 homes in 2008, based on preliminary data. The largest absolute decrease and percentage decrease for 2009 occurred in Connecticut, where permits were issued for only 1,850 homes, representing a decline of 31 percent from the number of homes permitted 2008. In 2009, compared with 2008, new home construction in New Hampshire decreased by 28 percent to 1,310 homes and in Rhode Island by 19 percent to 700 homes. In Massachusetts, permits were issued for 4,050 homes, down only 6 percent; these permits represented 40 percent of all single-family construction in the region. During 2009, new home construction activity fell in all major metropolitan areas in the region; however, the rate of decline decreased significantly. The number of homes permitted in Boston in 2009 was 3,050, down only 8 percent from the number permitted in 2008, which indicates an improvement when compared with the decline of 36 percent from 2007 to 2008. Homes permitted in Providence during 2009 declined 15 percent to 1,050 compared with a decrease of 42 percent during the previous year.

The level of multifamily construction, as measured by the number of units permitted, also declined in the New England region in 2009. Only 5,140 multifamily units were permitted in 2009, based on preliminary data, down 36 percent from the 8,040 units permitted in 2008. From 2004 through 2007, an average of 14,000 multifamily units were permitted annually. The largest decreases in multifamily units permitted were recorded in Connecticut and Massachusetts, where the declines were 35 percent, down to 1,300 units, and 42 percent, down to 2,450 units, respectively. The number of units permitted in Maine declined 48 percent, down to 225 units, and in New Hampshire declined 38 percent, down to 560 units. The number of multifamily units permitted in Vermont and Rhode Island was up 27 percent to 350 units and up 29 percent to 255 units, respectively; however, these totals were not large enough to offset the overall declining trend in the region.

Conditions in most New England rental markets were balanced at the end of 2009; however, rental vacancy rates increased moderately in most areas as job losses and weakening economies curtailed demand. During the past 5 years, the Boston area rental market added about 4,000 new rental units annually, according to Reis, Inc. In the fourth quarter of 2009, the apartment vacancy rate was 6.4 percent, up from 6.0 percent in the fourth quarter of 2008. The vacancy rate in the newer Class A inventory was 7.9 percent, up from 7.5 percent a year earlier. The average rent in the fourth quarter of 2009 was $1,696, down nearly 3 percent from a year earlier. In Connecticut, Fairfield County added only 360 new rental units to the inventory during 2008; however, the apartment vacancy rate increased to 5.5 percent during the fourth quarter of 2009, up from 4.3 percent in the fourth quarter of 2008. Reis, Inc., estimates that 1,100 rental units were under construction at the end of 2009. In the fourth quarter of 2009, the average rent of $1,739 was down more than 4 percent from the average rent recorded in the previous year. The apartment vacancy rate in the Hartford metropolitan area increased from 5.2 percent in 2008 to 6.2 percent in 2009, but the rental inventory for the area remained virtually unchanged. During the fourth quarter of 2009, the average rent of $963 was down less than 1 percent from the average rent a year earlier. In the Providence metropolitan area, a soft rental market was affected by job losses and an increasing unemployment rate. In the fourth quarter of 2009, the apartment vacancy rate was up to 8.5 percent from the 7.9-percent rate recorded in the fourth quarter of 2008. In 2009, the average rent of $1,204 was down nearly 3 percent from the average rent in 2008.

New York/ New Jersey



HUD Region II

Employment in the New York/New Jersey region declined by 304,500 jobs in 2009, or 2.4 percent, to 12.5 million, compared with 2008 employment levels. This loss reversed a growth trend that occurred from 2004 to 2008; in 2008, 40,300 jobs were added to the regional economy, a 0.3-percent annual increase. During 2009, however, average annual nonfarm employment in New York State decreased by 183,500 jobs, or 2.1 percent, to 8.6 million. In New Jersey, average annual nonfarm employment decreased by 121,000 jobs, or 3 percent, to 3.9 million.

Widespread job losses occurred in most sectors of the regional economy. In 2009, service-providing employment decreased by 191,900, or nearly 2 percent, to 11.3 million compared with employment in 2008. Losses ranging between 4 and 5 percent occurred in the professional and business services, financial activities, and information sectors, totaling 139,400 eliminated jobs in those sectors during 2009. Manufacturing employment declined by 65,000 jobs, or almost 8 percent, to 768,000. This decline affected both states, with New York losing 39,900 jobs and New Jersey losing 25,100 jobs, down 7.5 and 8.4 percent, respectively, from the number of jobs in 2008. The only significant employment growth occurred in the education and health services sector, which added 40,000 jobs, a 1.8-percent gain, up to nearly 2.3 million jobs.

Approximately 45 percent of the total job losses in New York State were due to declines in New York City employment. In 2009, average annual nonfarm employment in the city decreased by 83,000, or 2.2 percent, to 3.7 million jobs. In 2008, 46,400 jobs were created in the city, a 1.2-percent gain compared with the number of jobs in 2007. In 2009, employment losses were concentrated in the financial activities sector and professional and business services sector, which lost 29,200 and 24,100 jobs, or 6.3 and 4 percent, respectively. Those losses were primarily due to the restructuring of the financial and banking industries in the city. Manufacturing employment in the city declined in 2009 by 11,800 jobs, or 12 percent, to 83,800 jobs. The average annual unemployment rate in the New York/New Jersey region increased from 5.4 percent in 2008 to 8.6 percent in 2009. During this period, the unemployment rate in New York increased from 5.4 to 8.3 percent and in New Jersey from 5.5 to 9.0 percent. The unemployment rate in New York City increased from 5.5 to 9.2 percent.

Existing home sales have continued to decline in New York State since 2006, but they improved slightly in New Jersey during 2009. The New York State Association of REALTORS® reported a 3-percent decrease in single-family sales (excluding parts of New York City) from 79,700 homes in 2008 to 77,200 homes in 2009. In 2008, sales declined by 15,200 homes, or 16 percent. In 2009, the median price of an existing home in New York decreased nearly 7 percent to $199,000 compared with the median price in the previous year. According to the Greater Capital Association of REALTORS®, home sales in the Albany-Schenectady-Troy metropolitan area declined almost 5 percent to 8,000 homes in 2009, with nearly a 5-percent decrease in median price to $183,500 compared with prices in 2008. Existing home sales market conditions are becoming more balanced, with a current estimated supply of approximately 8 months. The Buffalo Niagara Association of REALTORS® reported that in 2009, home sales decreased 3 percent to 9,900 units compared with homes sales in 2008, but the median price increased 9 percent to $105,000. In 2009, the number of active property listings declined nearly 6 percent to an average of 5,275 units a month, reflecting the balanced sales market conditions. Sales market conditions were also balanced in the Rochester area. According to the Greater Rochester Association of REALTORS®, the 8,350 homes sold in 2009 was comparable to 2008 sales levels, but the median price of an existing home decreased approximately 1 percent to $116,000. According to RealtyTrac® Inc. statistics, the number of foreclosure filings in New York State increased less than 1 percent in 2009 compared with the number filed in 2008.

Prudential Douglas Elliman Real Estate reported that despite the effects of employment losses, condominium/co-op sales in Manhattan increased 8 percent to 2,475 units during the fourth quarter of 2009 compared with sales volume during the fourth quarter of 2008. As a result, the listing inventory declined 25 percent from 9,100 to 6,850 units during 2009. Although sales increased, time-on-the-market increased 28 percent, from 159 to 204 days, and units were closing at nearly 13 percent below the asking price compared with 7 percent below the asking price reported in the same quarter of 2008. During 2009, the median price of an existing condominium/co-op decreased 10 percent, to $810,000, from the median price during 2008.

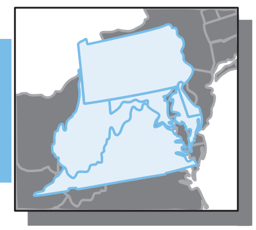
Sales market conditions in New Jersey are soft. According to preliminary data from the New Jersey Association of REALTORS®, however, single-family home sales increased nearly 10 percent to 32,200 units in the third quarter of 2009 (the most recent data available) compared with sales in the same quarter of 2008. Home sales increased by 14 percent in Central New Jersey to 8,675 homes and by 8 percent in Southern New Jersey to 8,375 homes. Sales volume in Northern New Jersey increased nearly 9 percent to 15,200 homes during the third quarter of

2009. During this same period, the median price of an existing home in New Jersey declined nearly 12 percent to $322,700 compared with the price during the third quarter of 2008. In Northern New Jersey, the most expensive area of the state, the median price of a home in 2009 decreased 14 percent to $388,500 compared with 2008 prices. The median sales price in Central New Jersey declined 11 percent to $320,400 from 2008 to 2009 and declined 7 percent to $216,100 in Southern New Jersey. In 2009, RealtyTrac® Inc. reported that the number of new foreclosure filings in New Jersey increased slightly more than 1 percent compared with the number filed in 2008.

As a result of fewer home sales and increased apartment vacancies, housing construction declined significantly in the New York/New Jersey region in 2009. Regionwide, single-family construction activity, as measured by the number of building permits issued, decreased by almost 25 percent to 16,600 homes permitted in 2009 compared with the number permitted in 2008, based on preliminary data. This trend included a 27-percent decrease, to 9,450, in the number of single-family homes permitted in New York and a 21-percent decline to 7,150 single-family homes permitted in New Jersey. In the region, multifamily housing construction activity, as measured by the number of units permitted, declined by nearly 74 percent in 2009 to 13,025 units, based on preliminary data. The most significant decrease occurred in New York, where the number of multifamily units permitted decreased 80 percent to 7,925. A significant decline in new multifamily construction occurred in the New York-Northern New Jersey-Long Island Metropolitan Statistical Area, where the number of units permitted declined more than 75 percent from 43,650 to 10,250 units. In New Jersey, the number of multifamily units permitted decreased by 4,900 units, or 49 percent, to 5,100 units.

Declining employment contributed to a moderate softening of rental markets throughout much of the region. Apartment vacancy rates in New York and New Jersey increased slightly and rent levels in many areas either increased moderately or declined slightly. Reis, Inc., data indicates that, although the New York City rental market remains tight, the apartment vacancy rate increased from 2.3 to 2.9 percent in the fourth quarter of 2009 compared with the rate in the same quarter of 2008. During the fourth quarter of 2009, apartment vacancy rates in Central New Jersey increased from 3.6 to 3.9 percent and in Northern New Jersey from 3.5 to 5.2 percent. Average monthly apartment asking rents in New York City declined by 5.1 percent, from $2,885 to $2,739 a month, during the fourth quarter of 2009 compared with rents during the fourth quarter of 2008. Monthly asking rents in 2009 decreased to $1,146 in Central New Jersey, down 1 percent, and to $1,482 in Northern New Jersey, down more than 2 percent, compared with rent levels in 2008. Vacancy rates in Upstate New York metropolitan areas also increased in the fourth quarter of 2009, but rental markets still remain balanced. Apartment vacancy rates increased from 4.1 to 5.4 percent in the Buffalo metropolitan area, from 3.9 to 4.7 percent in the Rochester metropolitan area, and from 3.5 to 4.4 percent in the Syracuse metropolitan area. Average asking rents for apartments in Upstate New York metropolitan areas increased from $681 to $686 in Syracuse and from $747 to $754 in Rochester. During the fourth quarter of 2009, average monthly rents remained stable at $727 in the Buffalo metropolitan area compared with rents during the fourth quarter of 2008.

Mid-Atlantic



HUD Region III

The economic decline in the Mid-Atlantic region that began in the fourth quarter of 2008 worsened during 2009. Nonfarm employment during 2009 averaged 13.7 million jobs, a decline of 341,200, or 2.4 percent, from the 14.1 million jobs recorded during 2008. Employment decreased in all sectors except the education and health services and the government sectors. The education and health services sector grew by 45,830 jobs, or 2.1 percent, a significant decline from the 60,800 jobs added during 2008. The government sector grew by 21,900 jobs, or 0.9 percent, significantly less than the 30,900 jobs gained in 2008. The federal government subsector increased by 17,300 jobs, more than twice the increase of 8,470 during 2008. Nearly 62 percent of the growth in federal government jobs occurred in the Washington, D.C., metropolitan area, where approximately 10,650 new positions were added during 2009.

During 2009, job losses totaled nearly 103,000 in the manufacturing sector, 80,900 in the construction sector, and 69,900 in the wholesale and retail trade subsectors combined, representing losses of 9.1, 11.6, and 3.5 percent, respectively. Each state in the Mid-Atlantic region posted job losses during 2009. Employment declines ranged from a loss of 18,940 jobs in Delaware, down 4.4 percent from 2008, to a loss of 159,800 jobs, or 2.8 percent, in Pennsylvania. The most significant losses in Delaware were in the professional and business services sector, which lost 4,980 jobs, or 8.5 percent. In Pennsylvania, manufacturing led the decline, losing 64,980 jobs, or 10.1 percent, during 2009. Virginia and Maryland lost 90,580 and 55,320 jobs, a decrease of 2.4 and 2.1 percent, respectively. In West Virginia, employment declined by 20,060 jobs, or 2.6 percent. In Maryland and Virginia, weakness in the housing market contributed to losses of 26,240 and 27,410 construction sector jobs, respectively. In West Virginia, the loss of 5,430 jobs in the manufacturing sector led the decline. Bolstered by a gain of 5,000 jobs in the federal government subsector and an increase of 3,780 jobs in the education and health services sector, the District of Columbia reported an increase of 3,480 jobs, or 0.5 percent, from the number of jobs a year earlier. During 2009, the regional unemployment rate averaged 7.6 percent, significantly lower that the national rate of 9.3 percent but higher than the regional average of 4.8 percent in 2008. Rates among the states in the region ranged from 6.7 percent in Virginia to 8.2 percent in Pennsylvania. The District of Columbia reported a rate of 10.8 percent.

Despite the slow economy, low interest rates, lower home prices, and the extension of the first-time homebuyer tax credit contributed to the improvement of the existing home sales market in the region but markets generally remain soft. The Maryland Association of REALTORS® reported that nearly 49,250 existing homes were sold in Maryland during 2009 compared with approximately 44,500 homes sold during 2008. The 10-percent increase in sales was a significant improvement compared with the 27-percent decline reported between 2007 and 2008. The average home sales price declined by more than 12 percent from $345,500 to $302,500 in 2009. The average monthly inventory of homes for sale declined 9 percent during 2009, from the nearly 48,900 homes for sale during 2008 to 44,300 for sale during 2009. In the Baltimore metropolitan area, sales volume increased 3 percent to 22,150 homes at an average price of $280,100, reflecting a nearly 9-percent decrease in price from the previous year.

According to the Virginia Association of REALTORS®, 86,600 existing homes were sold in the state during 2009, a 2-percent increase from the 85,280 homes sold during 2008. In the fourth quarter of 2009, the median home sales price of $245,400 was 9 percent below the median price of $268,300 reported at the end of 2008. Metropolitan Regional Information Systems, Inc., (MRIS®) reported that during 2009 in the Virginia suburbs of Washington, D.C., a total of 37,750 homes were sold, which is a 4-percent increase from the 36,340 homes sold during 2008. Average home prices in this area remained the highest in the state, at $349,750, but were down 6 percent from the average price of $372,800 reported in 2008. During the past year, homes for sale remained on the market for an average of 77 days, down significantly from the 2008 average of 109 days.

The resale markets in Pennsylvania, West Virginia, and Delaware also improved during the 12 months ending September 2009 (the most recent data available) compared with the sales volume reported in the previous year. According to the NATIONAL ASSOCIATION OF REALTORS®, in the third quarter of 2009, the annual rate of home sales in Delaware increased to 13,200 homes, or 18 percent, compared with the annual rate posted a year earlier. In Pennsylvania, an annual rate of 184,400 home sales was recorded, up 6 percent compared with the rate recorded 1 year earlier. In West Virginia, an annual rate of 29,200 home sales was recorded, a 14-percent increase from the third quarter of 2008. According to RealtyTrac® Inc., in the Mid-Atlantic region during 2009, nearly 147,900 foreclosure filings were reported, nearly 17 percent more than the 125,900 filed during the previous year. The resulting foreclosure rate for 2009 was 1.2 percent, significantly lower than the 2.2 percent reported for the nation. During 2009, Virginia had the largest number of properties with foreclosure filings, at 52,130, and the largest percentage increase in filings, at 1.5 percent.

Single-family homebuilding activity, as measured by the number of building permits issued, declined by 17 percent in the Mid-Atlantic region during 2009 as the economy continued to weaken and builders had difficulty securing financing for new construction. Based on preliminary data, during 2009, a total of 36,680 homes were permitted in the region, a decrease of 7,320 homes when compared with the number permitted during 2008. Single-family home production declined in all states in the region, with decreases ranging from less than 2 percent in Delaware to 25 percent in Pennsylvania. Pennsylvania and Virginia accounted for 88 percent of the regional decline, with decreases of 3,640 and 2,790 homes, respectively. Multifamily construction activity, as measured by the number of units permitted, also declined significantly in the region during the past year. Preliminary data indicate the number of multifamily units permitted declined by 5,380 units, or 32 percent, to 11,480 units. All states in the region reported fewer multifamily units permitted during the past year as apartment and condominium builders continued to find lenders hesitant to finance new projects. Only the District of Columbia recorded an increase in multifamily units permitted, a total of 980 units, 700 more than the number permitted in 2008.The largest multifamily reductions occurred in Maryland, Virginia, and Pennsylvania, which recorded decreases of 1,940, 1,960, and 1,490 units, respectively.

Soft apartment market conditions prevailed in many areas of the region at the end of 2009. In the Baltimore metropolitan area, Delta Associates reported the overall vacancy rate declined to 7.4 percent during 2009 from 7.6 percent during 2008, but the market is soft in the areas directly north and south of the city of Baltimore. Vacancy rates in the northern suburbs rose to 19.2 percent, up from 3.5 percent a year earlier, because two projects with a total of 430 units were in lease up. In the southern suburbs, rates declined from 9.5 to 8.2 percent, but conditions remain soft. The market also remains soft in Baltimore, where the current vacancy rate is 8.2 percent, down from the 14-percent rate recorded in December 2008. Rents in the Baltimore suburbs increased from an average of $1,360 in the fourth quarter of 2008 to $1,410 in the fourth quarter of 2009; in Baltimore city, average rents declined from $1,700 to $1,675.

Between December 2008 and December 2009, the market softened in the suburbs of the Philadelphia metropolitan area but remained balanced in Center City Philadelphia. In the New Jersey suburbs, Delta Associates reported an increase in vacancy rates from 9.4 percent in December 2008 to 14.7 percent in December 2009. Concessions increased from 5.4 percent of rent to 6.8 percent; average rents rose from $1,330 to $1,370. In the Pennsylvania suburban counties, vacancy rates were relatively unchanged at 7.4 percent, but concessions rose from 4 percent of contract rents to 9 percent. Average rents in the Pennsylvania suburbs were $1,420 at the end of the year, up from $1,400 a year earlier. During 2009, the apartment market tightened in Center City Philadelphia: the vacancy rate fell from 7.4 to 4.7 percent as rents fell from an average of $1,965 in December 2008 to $1,940 in December 2009. The improved occupancy was also aided by tripling concessions, from 2.5 percent of the market-rate rent in December 2008 to 7.6 percent at the end of 2009.

In the Washington, D.C., metropolitan area, the rental market was generally balanced with some submarkets exhibiting soft conditions. Delta Associates reported a decline in vacancy rates in the garden-apartment market, from 8.1 percent in December 2008 to 5.4 percent at the end of 2009. Notable exceptions to the balanced market conditions were in Prince George's and Charles Counties, Maryland, where vacancy rates were 12.5 and 18 percent compared with 26.9 and 4 percent, respectively, a year earlier. Rents in garden apartments averaged $1,600 in the close-in Maryland suburbs and $1,560 in Northern Virginia. Vacancy rates in highrise units increased from 9.9 to 10.7 percent in Northern Virginia but decreased in both the District of Columbia and the Maryland suburbs from 23.9 to 13.2 percent and from 30.7 to 10.4 percent, respectively. During the past year, concessions in highrise units increased by more than one-third to 8.7 percent of the rent in the District of Columbia and by 20 and 5 percent to 9.9 and 8.3 percent of rent, respectively, in both the Maryland suburbs and Northern Virginia. Rents for highrise apartments averaged $2,460 in the District of Columbia, $2,220 in suburban Maryland, and nearly $2,190 in Northern Virginia.

Southeast/ Caribbean

HUD Region IV

After peaking in 2007, employment in the Southeast/Caribbean region continued to decline in 2009. Nonfarm employment in the region averaged 25.6 million jobs, a decrease of 1.2 million jobs, or 4.4 percent, compared with the number of jobs recorded during 2008. Employment decreased during the year in every major sector except the education and health services sector, which increased by 49,700 jobs, or 1.5 percent. The largest employment declines occurred in the manufacturing, professional and business services, and construction sectors, with decreases of 307,900, 213,300, and 211,000 jobs, or 11, 6, and 16 percent, respectively. Total nonfarm employment during the period fell in each of the eight states in the region and in Puerto Rico and the Virgin Islands. Job losses of 363,500 in Florida, 202,200 in Georgia, and 185,900 in North Carolina accounted for 64 percent of the job losses in the region. During 2009, the unemployment rate in the region averaged 10.6 percent, a 4.1-percentage point increase from the average rate of 6.5 percent recorded during 2008. The unemployment rate increased in every state in the region and in Puerto Rico, ranging from 9.5 percent in Alabama to 15 percent in Puerto Rico.

The weakening regional economy contributed to the third consecutive year of slower population growth as fewer people moved into the region. According to the Census Bureau, the region's population was approximately 64.5 million as of July 1, 2009, an increase of 574,900, or 0.9 percent, since July 1, 2008, down from the increase of 742,800 recorded during the previous year. Net in-migration slowed from the 396,200 people recorded between July 1, 2007, and July 1, 2008, to 279,100 people between July 1, 2008, and July 1, 2009. Population growth slowed during 2009 for all states in the region and in Puerto Rico compared with the population growth recorded the previous year. North Carolina recorded the region's largest gain in population, increasing by approximately 133,800, followed closely by Georgia, with an increase of 131,400; the population of both states increased at a rate of 1.4 percent. In Florida in 2009, the population increase of 114,100, or 0.6 percent, was significantly less than the average annual increase of 288,500 recorded during the previous 5 years.

Most local housing markets in the Southeast/Caribbean region are soft because of weak economic conditions and lenders' tight credit standards. In Florida, home sales markets remained soft during the past year, but lower prices induced higher sales activity for both single-family homes and condominiums. According to data available from the Florida Association of REALTORS®, during 2009, 163,100 existing homes were sold statewide, a 31-percent increase compared with the number sold in 2008, but still below the average 187,500 homes that were sold annually between 2005 and 2007. The average price of an existing single-family home sold in Florida declined by 24 percent from $187,700 in 2008 to $142,600 in 2009. During the same period, sales of existing condominiums increased by 47 percent to 56,000 units statewide, near the annual average of 60,600 units sold during the 2005-to-2007 period. The average price of an existing condominium sold in 2009 was $108,000, 34 percent less than the price a year earlier. In Miami, single-family home sales increased 53 percent to 6,675, but the median price decreased 29 percent to $195,300. Condominium sales in Miami increased 50 percent to 6,850, but the median price declined by 40 percent to $142,500.

In Alabama, according to the Alabama Center for Real Estate, approximately 37,925 homes were sold during 2009, a 10-percent decline compared with the 42,225 homes sold during 2008. During 2009, the average inventory of unsold homes decreased by 6 percent to 40,300 homes, which still represents approximately a 12-month supply. The average number of days that a home remained on the market increased from 133 during 2008 to 151 during 2009, and the average sales price declined by 7 percent to $150,900.

The Georgia Multiple Listing Service reported that approximately 60,700 homes were sold statewide in 2009, 2 percent fewer than were sold in 2008. The median price of $122,000 for homes sold during 2009 was 18 percent lower than the median price for homes sold during 2008. In the Atlanta metropolitan area, although the 50,100 homes sold during 2009 was nearly the same as the number sold during 2008, the median price of $120,000 was approximately 19 percent less than the price in 2008. The number of condominiums and townhouses sold in the Atlanta metropolitan area during 2009 totaled 6,800, 2 percent fewer than were sold in 2008; the median price was $103,500, approximately 23 percent less than the price last year.

Data from South Carolina REALTORS® indicate that the number of homes sold in the state during 2009 declined by nearly 9 percent to 42,700. Sales decreased in 13 of 15 reported areas of the state. The only areas to record sales increases were the Myrtle Beach and Hilton Head areas, both of which suffered significant declines during 2007 and 2008. Declines ranged from less than 1 percent in Beaufort to 20 percent in Greenwood. In 2009, the median sales price of $141,000 for homes in the state was 8 percent lower than the median price in 2008. Median prices declined in 13 areas, ranging from a decline of less than 1 percent in the Sumter area to a decline of 15 percent in Myrtle Beach.

According to data from the North Carolina Association of REALTORS®, in 2009, the number of existing homes sold declined by 11,200 homes, or 12 percent, to 81,250. The number of homes sold decreased in 17 of 21 reported areas. In Charlotte in 2009, the number of existing homes sold declined 18 percent from the 2008 sales volume to 22,100 and the average home sales price fell 9 percent from the 2008 sales price to $201,400. In 2009, the number of existing homes sold in Greensboro declined 14 percent from the number sold in 2008 to 10,900, and the average home sales price decreased 8 percent from the 2008 sales price to $158,300. From 2008 to 2009, sales of new and existing homes in Raleigh decreased by 9 percent to 20,750 and the average home sales price decreased 8 percent to $223,100.

In Kentucky, according to the Greater Louisville Association of REALTORS®, during 2009, the total number of single-family homes and townhomes sold was approximately 11,700, up nearly 3 percent from the number sold in 2008. The median sales price in 2009 was $132,000, or 2 percent less than the sales price in 2008. The Lexington-Bluegrass Association of REALTORS® reported that, from 2008 to 2009 the number of homes sold decreased by 3 percent to about 7,400. The median price of a home sold decreased by 2 percent from the 2008 sales price to $140,300. About 650 condominiums and townhomes were sold in the Lexington area during 2009, down 19 percent from the number sold in 2008; the median price decreased by 3 percent to $116,900.

In the Southeast/Caribbean region, single-family home construction activity, as measured by the number of building permits issued, declined significantly during 2009 as builders continued to curtail production in response to slower home sales and large inventories of unsold new and existing homes in most markets. Between 2004 and 2007, an average of 437,900 single-family homes were permitted annually in the region. During 2009, only 103,100 homes were permitted, a decrease of 47,400 homes and 32 percent below the number permitted in 2008, according to preliminary data. Single-family home production declined in all states in the region. Multifamily construction in the region also declined significantly during the past year in all states. Between 2004 and 2007, an average of 121,300 multifamily units were permitted annually in the region. During 2009, the number of multifamily units permitted declined by 36,750 units, or 55 percent, to 30,200 units, according to preliminary data. All states in the region reported fewer multifamily units permitted during the past year as apartment and condominium builders continued to reduce production because of the soft condominium sales and rental housing markets throughout region.

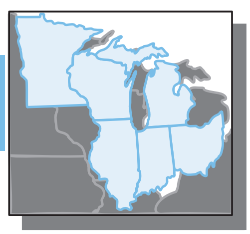
Apartment markets remained soft throughout the region during the fourth quarter of 2009, with 12 of 19 markets surveyed by Reis, Inc., reporting vacancy rates above 10 percent. Vacancy rates in 17 of the 19 markets surveyed increased from the rates recorded during the fourth quarter of 2008. The two exceptions were Chattanooga and Columbia. Conditions were balanced in Chattanooga, where the vacancy rate fell by 2.2 percentage points, to 6.4 percent, from the rate recorded a year earlier. The tighter market resulted from increased rental demand by the employment generated from the ongoing construction of the $1 billion Volkswagen assembly plant scheduled to open in early

2011. In Columbia, the vacancy rate decreased by 1.2 percentage points but remained high at 12.6 percent. The largest vacancy rate increase in the region was recorded in the Charlotte market, a 3.1-percentage point increase to 11.3 percent. As reported by Reis, Inc., the highest apartment vacancy rate in both the region and in the nation during the fourth quarter of 2009 was in Jacksonville, where the rate increased to 14.4 percent compared with 12.3 percent during the same quarter in 2008. The increase was a result of an oversupply of apartment units because the area recorded significant job losses. According to Reis, Inc., 2,150 apartment units were completed in 2008 and another 2,500 units in 2009, more than double the number added in the 2 preceding years.

During 2009, soft market conditions weakened rent growth throughout the region. Only three markets recorded average asking rent increases between the fourth quarter of 2008 and the fourth quarter of 2009, all of which were less than 1 percent. The largest rent decrease occurred in Miami, where the average asking rent declined by more than 3 percent. In contrast, between the fourth quarter of 2007 and the fourth quarter of 2008, all markets in the region recorded rent increases or the rents were relatively unchanged.

MIDWEST

HUD Region V



Employment levels continued to decline in the Midwest region during 2009, a trend that began in 2007. During the past year, nonfarm employment decreased by 1.1 million, or 4.6 percent, to an average of 22.9 million jobs compared with a decrease of 255,600 jobs in 2008. Employment declined in every sector except the education and health services sector, which increased by 54,300 jobs, or 1.5 percent. The manufacturing, professional and business services, and construction sectors lost significant numbers of jobs, declining by 449,300, 231,100, and 133,500 jobs, or 13.5, 7.7, and 13.4 percent, respectively. The largest decline in the manufacturing sector occurred in the transportation equipment manufacturing industry, which lost 123,500 jobs, or 25 percent.

All six states in the region recorded decreases in nonfarm employment in 2009. Michigan reported the highest decline, with a net loss of 279,200 jobs, or 6.7 percent, including the loss of 109,800 manufacturing jobs and 24,700 construction jobs. Illinois and Ohio lost 258,800 and 238,000 jobs, respectively, or 4.4 percent in both states; decreases in the manufacturing sector were 27 and 46 percent, respectively, of the total nonfarm jobs recorded for each state. Jobs were down by 4.6, 3.5, and 4.0 percent in Indiana, Minnesota, and Wisconsin, respectively. As a result of job losses across the region, the unemployment rate rose in all six states during 2009. The average unemployment rate in the region was 10.4 percent, up from 6.5 percent in 2008, with state averages ranging from 7.8 percent in Minnesota to 14 percent in Michigan.

Weak economic conditions have continued to negatively affect existing home sales prices in the Midwest region. In the third quarter of 2009, sales market conditions for existing homes were soft in much of the region. Some areas reported increased sales, which resulted primarily from lower home prices, low interest rates, and the $8,000 tax credit for first-time homebuyers. All areas reported decreased prices, partly because of job losses and increased foreclosure rates. In Michigan during 2009, existing home sales increased 10 percent to 113,400, while the average price declined 16 percent to $99,100, according to the Michigan Association of REALTORS®. In Detroit, sales declined 1 percent to 11,300, while the average sales price dropped 29 percent to $12,500; in Grand Rapids, home sales increased 16 percent to 11,050, while the average sales price declined 12 percent to $108,000. In Wisconsin, existing home sales increased in both Madison and Milwaukee. In the Madison area, the South Central Wisconsin Multiple Listing Service reported that sales increased nearly 6 percent to 11,600 and the average sales price decreased 9 percent to $178,900. In the Milwaukee area, home sales increased 6 percent to 14,350. In Minnesota, the Minneapolis Area Association of REALTORS® reported a 17-percent increase in sales to 45,200 compared with the number of sales in 2008, although this number is still slightly below the recent 5-year average of 45,800 homes sold annually for the Minneapolis-St. Paul area; the average sales price was down 16 percent to $199,400 in 2009 compared with the average sales price in 2008.

The Ohio Association of REALTORS® reported that, in 2009 the number of new and existing homes sold in the state totaled 104,000, 8 percent below the 113,200 sold a year earlier and that the average price in 2009 was $129,500, approximately 5 percent below the average sales price reported in 2008. In Cleveland and Columbus, home sales declined 19 and 2 percent, respectively, while in Cincinnati, home sales were unchanged from the number sold in 2008. All three metropolitan areas experienced declines in average sales prices, down 8 percent to $119,400 in Cleveland, 4 percent to $157,300 in Columbus, and 7 percent to $150,700 in Cincinnati. In the Indianapolis metropolitan area, existing homes sales were down 4 percent to 24,950 and the average sales price declined 3 percent to $137,800.

In Illinois, existing home sales declined in 2009 because of weak economic conditions. The Illinois Association of REALTORS® reported that 107,500 existing homes were sold in the state in 2009, down nearly 2 percent from the

109,200 existing homes sold in 2008. The median sales price also fell by 15 percent from $183,900 to $157,000. The Chicago metropolitan area accounted for 65 percent of the existing homes sold in Illinois in 2009, down slightly from the average of 69 percent for the previous 5 years. Existing home sales in the Chicago area were flat, at 69,200, in 2009 and the median sales price declined 18 percent to $196,000 compared with the median sales price in 2008.

According to RealtyTrac® Inc., the number of properties in the foreclosure process increased in 2009 by 13 percent to 459,400 properties compared with the number of filings in the region in 2008. Minnesota and Wisconsin reported 1.4 percent of housing units in the foreclosure process in 2009, Indiana reported 1.5 percent, and Ohio reported 2 percent. Illinois and Michigan reported 2.5 and 2.6 percent of housing units in foreclosure status, respectively.

In response to continued slow economic growth in the Midwest region and declining demand for new homes, single-family construction activity in the region, as measured by the number of building permits issued, continued to decrease during 2009. Between 2002 and 2006, an average of 206,700 permits for single-family homes were issued annually in the Midwest region. In 2009, only 40,550 single-family permits were issued in the region, 23 percent below the number of permits issued in 2008 and 56 percent below the number issued in 2007, according to preliminary data. All states in the Midwest reported declines in single-family construction activity, ranging from 16 percent in Ohio to 38 percent in Illinois. The decline in the number of single-family homes permitted in Illinois accounted for more than 30 percent of the total decline reported for the Midwest region between 2008 and 2009.

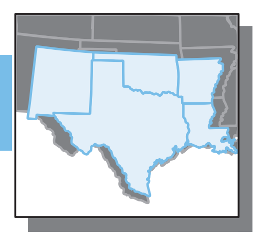
The volume of multifamily building activity in the Midwest region, as measured by the number of units permitted, also was down in 2009, reflecting soft apartment rental market conditions. Approximately 11,900 multifamily units were permitted, according to preliminary data, 55 percent below the 26,550 units permitted in 2008 and 67 percent below the 36,450 units permitted in 2007. Activity was down in all six states in the region, with declines ranging from 20 percent in Minnesota to 73 percent in Illinois. The decline of multifamily permits issued in Illinois accounted for 47 percent of the regional decline, nearly all of which occurred in the Chicago metropolitan area. The Chicago area reported approximately 1,725 multifamily units permitted in 2009, 6,625 fewer units permitted than in 2008. All major metropolitan areas in the region reported fewer multifamily units permitted between 2008 and 2009. Detroit reported a decline of nearly 90 percent, from 680 units in 2008 to approximately 80 units in 2009. Milwaukee reported a decline of 57 percent, to 540 units, and Cincinnati reported a decline of 47 percent, to 440 units.

Rental housing market conditions in major metropolitan areas in the Midwest region were, in general, soft to balanced as of the fourth quarter of 2009. According to Reis, Inc., the apartment market in Indianapolis was soft because the vacancy rate increased from 7.7 to 10.1 percent, while the average contract rent declined 1 percent to $670. In Minneapolis-St. Paul, the apartment market was balanced, with an estimated vacancy rate of 5.4 percent for the fourth quarter of 2009, up from the 4.4-percent rate reported in the fourth quarter of 2008; the average contract rent declined 1 percent to $950. In Milwaukee, the apartment market was balanced, with a 5-percent vacancy rate, and rents declined nearly 2 percent to $826.

Slow economic conditions in Michigan contributed to continuing softness in the apartment market in the Detroit metropolitan area, where Reis, Inc., reported a fourth quarter 2009 apartment vacancy rate of 8 percent, up from 7 percent a year earlier, while rents declined 2 percent to $820. The Chicago metropolitan area also reported an increase in apartment vacancies in the fourth quarter of 2009, with a rate of nearly 7 percent, up from 5.4 percent in the fourth quarter of 2008, reflecting softer current conditions. The market softened in downtown Chicago because condominiums continue to enter the rental market; Appraisal Research Counselors reported the vacancy rate for Class A properties increased to 8 percent for the third quarter of 2009, up from 7 percent in the third quarter of 2008. Concessions in the downtown Chicago rental market, valued at approximately 7 percent of gross rents, are now prevalent. The three largest markets in Ohio are all soft, with increases in the apartment vacancy rate reported for Cleveland, Cincinnati, and Columbus of approximately 1 percent each, to 7, 8, and 9 percent, respectively, for the fourth quarter of 2009. Average contract rents declined in Cleveland and Cincinnati by 2 and 1 percent to $720 and $710, respectively, but the rent increased by 1 percent in Columbus to $680.

Southwest

HUD Region VI



The national economic downturn affected the Southwest region during 2009 as average nonfarm employment decreased by 303,100 jobs, or 1.9 percent, to 15.9 million jobs. In contrast, during 2008, nonfarm employment in the region increased by 276,000 jobs, or 1.7 percent. During the past year, gains in three employment sectors totaled 145,200 jobs but were offset by the 448,300 jobs lost in the remaining nine sectors combined. The education and health services sector recorded the largest growth, adding 75,700 jobs, up 3.7 percent. Employment in the government sector, primarily in local government, increased by 68,600 jobs, or 2.4 percent, in the region; all states recorded gains. The leisure and hospitality sector recorded a minimal gain of only 900 jobs. Weakness in residential and commercial construction markets contributed to substantial losses in the construction sector of 85,900 jobs, or 8.6 percent, compared with a gain of 28,200 jobs, or 2.9 percent, a year earlier. The manufacturing sector, which recorded job losses in all states throughout the region, was down by 119,200 jobs, or 8.3 percent.

Job losses occurred in every state in the Southwest region in 2009. Texas lost 207,000 jobs, or 2 percent, with declines of more than 70,000 jobs each in the construction and manufacturing sectors. In Oklahoma, employment decreased by 30,600 jobs, or 1.9 percent, led by losses of 14,800 and 10,700 jobs in the manufacturing and professional and business services sectors, respectively. In Arkansas, employment declined by 26,200 jobs, or 2.2 percent. A combined decrease of 30,000 jobs in the manufacturing, trade, and transportation and utilities sectors in Arkansas offset gains of 8,200 and 4,700 jobs in the education and health services and government sectors, respectively. Employment in New Mexico, which declined for the fourth consecutive quarter, was down by 22,800 jobs, or 2.7 percent, for the year. Employment in Louisiana decreased by 16,500 jobs, or 0.8 percent, as a combined increase of 10,900 jobs in the construction, education and health services, and government sectors was offset by a combined loss of 27,600 jobs in the manufacturing and trade sectors. In 2009, the unemployment rate in the region increased to 7.2 percent from 4.7 percent in 2008. The average unemployment rates ranged from a 6.4 percent in Oklahoma to 7.5 percent in Texas.

Job declines caused home sales market conditions to become soft in the region during 2009, although the number of sales increased in November because of the first-time homebuyer tax credit program. In Texas, 1-month sales were nearly 40 percent higher during November 2009 than 1-month sales in November 2008. Similarly, increases in metropolitan areas ranged from more than 40 percent in Baton Rouge to nearly 70 percent in Little Rock and 85 percent in Fayetteville. The surge in home sales related to the first-time homebuyer tax credit contributed to a relatively moderate decline of 7 percent in home sales in 2009, representing a marked improvement from the 18-percent decline in home sales in 2008. Home sales in Texas totaled 212,800 in 2009, a decrease of 9 percent, compared with a 16-percent decrease during 2008, according to data from the Real Estate Center at Texas A&M University. The level of sales were down in all major markets in the state with declines of 4, 7, 8, 11, and 14 percent recorded in San Antonio, Austin, Houston, Dallas, and Fort Worth, respectively. The average home sales price in Texas decreased by 3 percent to $185,400 during 2009, down from a 1-percent decrease the previous year. In Dallas, the average price decreased by approximately 5 percent to $200,200 compared with a 3-percent decline a year earlier. Fort Worth and Austin each recorded declines of approximately 3 percent during 2009 to $138,800 and $236,800, respectively. Home prices declined by 2 percent in Houston and San Antonio to $200,500 and $178,800, respectively.

According to the Oklahoma Association of REALTORS®, 44,800 homes were sold in Oklahoma during 2009, down 1 percent from the number sold a year ago but improved from the 13-percent decline during 2008. In Oklahoma City, 16,000 homes were sold during 2009, down 2 percent from the number sold in 2008. Home sales declined in Tulsa by 1 percent to 12,900 during 2009. For comparison, home sales in both Oklahoma City and Tulsa declined by 14 percent in 2008. During 2009, the average home sales price in Oklahoma declined by 5 percent to $148,600; the average price increased during 2008 by 3 percent. During 2009, average home sales prices declined by 3 percent in Tulsa to $151,900 and 4 percent in Oklahoma City to $148,200. A year earlier, prices in Tulsa and Oklahoma City rose 1 and 2 percent, respectively.

The Arkansas REALTORS® Association reported that home sales for Arkansas totaled 24,300 in 2009, down 2 percent from the number of home sales a year earlier. The total number of homes sold increased in Little Rock and Fayetteville in 2009 by 3 and 5 percent to 8,225 and 5,625, respectively. Statewide, the average sales price decreased by 3 percent to $144,600. Home prices in Fayetteville decreased 7 percent to $161,900, following a decline of 9 percent in 2008. In Little Rock, the average price was unchanged at $161,300; the average price decreased by 5 percent a year earlier.

In New Mexico, the Greater Albuquerque Association of REALTORS® reported that in Albuquerque the number of sales was down 1 percent to 6,800 homes compared with a decrease in home sales of more than 28 percent recorded during 2008. The average sales price in Albuquerque declined by 7 percent to $214,800. According to the New Orleans Metropolitan Association of REALTORS®, sales were down 3 percent to 8,300 homes compared with a 25-percent decline in home sales during 2008. Home prices declined in New Orleans by 3 percent to $200,100. In Baton Rouge, the number of sales decreased 6 percent to 6,900, and the average price declined approximately 5 percent to $191,300, based on data from the Greater Baton Rouge Association of REALTORS®.

In the Southwest region, the weak economy and soft sales housing market conditions resulted in a decline in single-family home construction activity, as measured by the number of single-family building permits issued. During 2009, the number of single-family homes permitted in the region totaled 87,900, a decline of 14,700 homes, or 14 percent, compared with the number permitted during 2008, based on preliminary data. Texas recorded a 16-percent decrease in the number of single-family homes permitted, down 11,800, to 63,600 homes. In other states in the region, declines ranged from 5 percent in Louisiana to 19 percent in New Mexico. Oklahoma and Arkansas recorded declines of 12 and 13 percent, respectively.

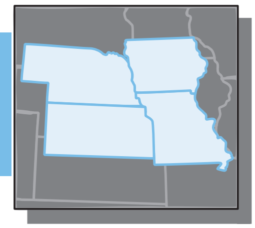
Rental housing market conditions continued to soften during 2009 in the largest metropolitan areas in the Southwest region because of new units entering the market and job losses. According to Reis, Inc., the apartment vacancy rate in Austin was 10.1 percent in the fourth quarter of 2009, up from 7.7 percent a year earlier, while the average rent was unchanged at $870. In Dallas, the apartment vacancy rate increased from 8.1 percent in the fourth quarter of 2008 to 10.7 percent during the same period in 2009, and the average rent was unchanged at $810. Rental markets in Fort Worth and Houston remained very soft with vacancy rates of approximately 11.8 and 12.4 percent, respectively. Average rents in Fort Worth declined by 1 percent to $710, while rents in Houston were unchanged at $770. In San Antonio, the vacancy rate increased during the fourth quarter of 2009 to 10.2 percent from 9 percent a year earlier, but the average rent was unchanged at $700.

In Oklahoma City, the apartment vacancy rate rose from 8.6 percent in the fourth quarter of 2008 to 10 percent in the fourth quarter of 2009, but average rents were unchanged at $540, according to Reis, Inc. In Tulsa, the vacancy rate increased from 7.5 to 9.2 percent, and average rents decreased by 1 percent to $575. The apartment vacancy rate in Little Rock was 8.4 percent, up from 6.8 percent a year earlier, while the average rent increased by 1 percent to $640. The apartment vacancy rate in Albuquerque increased to 6.9 percent from 5.9 percent a year earlier; the average rent in Albuquerque was unchanged at $710. Rental market conditions in New Orleans softened substantially due to more than 3,000 new units and approximately 1,000 units of substantial rehabilitation, which have been vacant since Katrina, entering the market during the past year. According to the *Greater New Orleans Multi-Family Report*©, the apartment rental vacancy rate increased to 13 percent during the fourth quarter of 2009, up from 8 percent a year earlier. During the fourth quarter of 2009, the average rent in New Orleans was down 3 percent to $830 compared with the average rent recorded in the fourth quarter of 2008.

As a result of the soft rental markets, multifamily construction activity, as measured by the number of units permitted, decreased in the Southwest region during 2009, based on preliminary data. The 22,400 units permitted during 2009 reflect a 64-percent decline compared with the number of units permitted in 2008. The number of multifamily units permitted in Texas declined 67 percent, down 34,300 units to 16,500. Louisiana recorded a decline of 64 percent, or 2,800 units, to 1,600. In the other states in the region, declines in the number of multifamily units permitted ranged from 24 percent in Oklahoma to 37 and 42 percent in Arkansas and New Mexico, respectively.

Great Plains

HUD Region VII



In the Great Plains regional economy, nonfarm employment declined to its lowest level since 2006 as a result of job losses that began in 2008 and accelerated during 2009. Nonfarm employment decreased by 166,400 jobs, or 2 percent, to an annual average of 6.5 million jobs during 2009, compared with an increase of 20,000 jobs, or 0.1 percent, during 2008. Nearly one-half of the job losses, totaling 77,000 jobs, occurred in the manufacturing sector, mainly in the machinery and transportation equipment industries. The second highest number of job losses occurred in the construction sector, where employment declined by 37,000 jobs. The only employment gains during 2009 occurred in the education and health services sector, up 17,000 jobs, or 2 percent, and in the government sector, up 11,000 jobs, or 1 percent. In Kansas, nonfarm employment declined by 42,000 jobs, or 3 percent, to an annual average of 1.3 million jobs. In Iowa, nonfarm employment decreased by 38,000 jobs, or 2.5 percent, to 1.5 million. In Missouri, nonfarm employment declined by 69,000 jobs, or 2.5 percent, to 2.7 million jobs. In Nebraska, employment declined by 18,000 jobs, or 1.8 percent, to 940,000 jobs.

In the Great Plains region during 2009, a weakening economy contributed to an increased unemployment rate that averaged 7.2 percent, up from 4.9 percent in 2008. Missouri recorded the greatest increase in the unemployment rate during 2009 with an average of 9.1 percent, up from 6.1 percent in 2008. The unemployment rate in Kansas increased from an average of 4.4 percent in 2008 to 6.7 percent in 2009. The unemployment rate in Iowa averaged 6 percent in 2009, up from 4.1 percent in 2008; in Nebraska, it averaged 4.7 percent in 2009, up from 3.3 percent a year earlier.

Signs of recovery were evident in the Great Plains sales markets during 2009; regionwide sales of existing homes increased for the first time since the third quarter of 2006 and home prices increased compared with prices during 2008. Conditions in most markets throughout the region were balanced. According to the NATIONAL ASSOCIATION OF REALTORS®, during the third quarter of 2009 (the most recent data available for states), the annual rate of existing home sales increased by 4 percent from the third quarter of 2008 to 267,200 sales, compared with a decline of 12 percent from the third quarter of 2007 to the third quarter of 2008. Sales of existing homes increased most rapidly in Nebraska, rising from an annual rate of 29,500 homes sold in the third quarter of 2008 to 35,600 in the third quarter of 2009, representing a 20-percent gain. During the same period, existing home sales in Iowa increased at an annual rate of 8 percent from 57,200 to 61,600, and in Missouri home sales rose 2 percent from 108,800 to 110,800. In Kansas, home sales declined at an annual rate of 3 percent to 59,200 during the third quarter of 2009 from 61,200 a year earlier. For the four Great Plains states, as reported in the Federal Housing Finance Agency's House Price Index for the third quarter of 2009, home prices increased by an average of 1 percent from the third quarter of 2008 compared with an average decline of 2 percent for home prices for the third quarter of the previous year. The state with the greatest change was Nebraska, where home prices increased by 3 percent. The house price index for Kansas and Iowa rose 2 and 1 percent, respectively, but fell 2 percent for Missouri, marking the second consecutive yearly decline for that state.

Among the major metropolitan areas in the Great Plains region, sales of existing homes increased in Omaha and Kansas City but declined in Des Moines, Wichita, and St. Louis during 2009. According to the Omaha Area Board of REALTORS®, existing home sales increased by 14 percent to 9,325 and the average price of a home sold decreased by 2 percent to $148,325. The Kansas City Regional Association of REALTORS® reported that existing home sales increased 24 percent to 23,325 during 2009 but the average price declined 4 percent to $144,950. The inventory of unsold existing homes decreased by 5 percent to 11,975, representing an 8-month supply. According to the Des Moines Area Association of REALTORS®, existing home sales declined 6 percent to 7,350 in 2009 and the average price of a home sold decreased 5 percent to $160,600. The inventory of unsold homes declined by 12 percent to 5,525, indicating a 13-month supply. The Wichita Area Association of REALTORS® reported that sales of existing homes fell 11 percent to 7,450, but the average price of a home sold rose 1 percent to $120,200. The inventory of unsold homes increased 2 percent to 3,150. According to Blockshopper LLC, existing home sales in St. Louis decreased 21 percent to 26,600 in 2009, and the NATIONAL ASSOCIATION OF REALTORS® reported that, as of the third quarter of 2009, the median price of a home sold was $120,000, down 8 percent from the price a year earlier.

New home sales in Omaha increased 16 percent to 1,225, but the average price of a new home sold declined 17 percent to $236,950. New home sales in Wichita decreased 34 percent to 1,000, but the average price of a new home increased 8 percent to $235,600. The inventory of unsold new homes in Wichita fell 25 percent to 575 homes. In Kansas City, new homes sales declined 14 percent to 2,400, but the average sales price remained relatively constant at $295,300. The inventory of unsold new homes in Kansas City decreased 37 percent to 2,025 homes.

The inventory of new single-family homes sold is likely to continue decreasing due to the decline in new single-family construction that occurred in the Great Plains region and in each of the four states in the region during 2009. In the region, single-family construction activity, as measured by the number of building permits issued, declined 11 percent to 17,200 homes during 2009 compared with a 38-percent decline in 2008, based on preliminary data. In Iowa, the number of building permits issued in 2009 for single-family homes totaled 4,775, indicating a 4-percent decline compared with a 31-percent decline in 2008. New single-family construction activity in Kansas decreased by 20 percent to 3,275, a smaller decline compared with 2008 when it declined by 37 percent. In Missouri, new single-family construction was down 15 percent to 5,300 homes, an improvement compared with the 2008 decline of 50 percent. In Nebraska, permits issued for construction of single-family homes declined 4 percent to 3,850, a small decline compared with the decline of 22 percent in 2008.

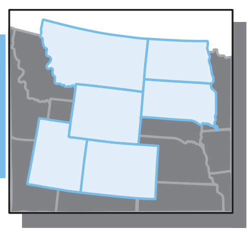
As of the fourth quarter of 2009, rental apartment markets were balanced in Des Moines, Omaha, and Lincoln and were soft in Wichita, Kansas City, and St. Louis. According to Reis, Inc., the rental apartment vacancy rate in Des Moines increased from 5.4 percent in the fourth quarter of 2008 to 6.5 percent for the fourth quarter of 2009, and the average effective rent increased 1 percent from $685 to $695. In Omaha, during the same period, the rental apartment vacancy rate increased to 6.8 percent from 5.6 percent, but the average effective rent decreased from $670 to $665. At 4.7 percent, Lincoln's rental apartment vacancy rate was the lowest of all metropolitan areas in the region during the fourth quarter of 2009, down from 4.8 percent a year earlier. In Lincoln, during the fourth quarter of 2009, the average effective rent was $660 compared with $665 a year earlier.

In Wichita, the rental apartment vacancy rate was 8.4 percent as of the fourth quarter of 2009 compared with 6.6 percent a year earlier, which is the largest increase in apartment vacancy rates among the region's major metropolitan areas. The average effective rent in Wichita was stable during the past year and, at $490, it was the lowest rent among the major metropolitan areas in the region. The Kansas City rental apartment vacancy rate increased from 7.7 percent in the fourth quarter of 2008 to 9.1 percent for the same quarter in 2009; the average effective rent increased from $700 to $705. Kansas City had the highest effective average rent among all metropolitan areas in the region. St. Louis had the highest rental apartment vacancy rate of the metropolitan areas; the rate rose to 9.2 percent in the last quarter of 2009 compared with 7.8 percent a year earlier. The average effective rent in St. Louis decreased from $685 to $680.

Multifamily construction activity, as measured by the number of units permitted, declined in the Great Plains Region during 2009 to 7,375 units, or by 32 percent, when compared with the 4-percent decline in 2008, based on preliminary data. Construction activity declined in all four states, led by Nebraska, where it decreased 65 percent to 570 units compared with the number of units permitted in 2008, when permits issued increased by 8 percent. In Missouri, multifamily construction activity fell 43 percent to 2,850 units compared with an 8-percent decline in 2008. During 2009, multifamily construction activity in Iowa decreased by 12 percent, with 1,725 units permitted, compared with a 5-percent decline in 2008. Kansas recorded the smallest decline in multifamily construction activity during 2009, decreasing 4 percent to 2,250 units compared with a 1-percent decline a year earlier. Based on the McGraw-Hill Construction Pipeline database for 2009, approximately 85 percent of multifamily projects in the region were rental apartment projects compared with 64 percent from 2004 through 2007, the peak years of owner-occupied, multifamily development.

Rocky Mountain

HUD Region VIII



Economic conditions in the Rocky Mountain region continued to weaken in the fourth quarter of 2009, a trend that began in mid-2008. During 2009, nonfarm employment in the region decreased by 152,900 jobs, or 3 percent, to 5.0 million jobs. The loss followed a 0.9-percent increase in 2008. Most of the job losses were concentrated in Colorado and Utah, which lost 89,300 and 42,800 jobs, or 3.8 and 3.4 percent, respectively. In Wyoming, Montana, and South Dakota, nonfarm employment declined by 8,300, 7,800, and 6,400 jobs, representing declines of 2.8, 1.7, and 1.6 percent, respectively. Nonfarm employment in North Dakota increased by 1,700 jobs, or 0.5 percent, making the employment growth in the state the fastest in the nation. For the region, manufacturing, construction, and the professional and business services sectors accounted for 75 percent of the net job losses, but declines occurred in almost all employment sectors. The decline in the number of jobs in the Rocky Mountain region resulted in an increase in the average unemployment rate, from 4.2 percent in 2008 to 6.4 percent during 2009. State unemployment rates ranged from 4.2 percent in North Dakota to 7.3 percent in Colorado, but all states in the region recorded unemployment rates well below the national average of 9.3 percent.

Even with a weaker economy, the population of the Rocky Mountain region continued to increase in 2009 but slowed from the rate of increase during the previous 2 years. According to the Census Bureau, as of July 1, 2009, the population was estimated to be 10.8 million. This figure represents a 1.7-percent increase compared with the population estimate as of July 1, 2008. The annual rate of population growth in the region is slightly lower than the 2.1-percent average recorded during the previous 2 years. From July 1, 2008, through July 1, 2009, Utah and Wyoming ranked as the fastest growing states in the nation, each with a 2.1-percent population growth rate. During the same period, Colorado grew by 1.8 percent and South Dakota by 1 percent. Montana and North Dakota recorded population gains of close to 1 percent. All states in the region continue to attract new residents and, as a result, net in-migration accounted for 46 percent of the regional population increase of 171,500, relatively consistent with the previous 2 years.

Existing home sales activity in the Rocky Mountain region increased during the third quarter of 2009 (the most recent data available) after remaining relatively flat during the previous two quarters. According to the NATIONAL ASSOCIATION OF REALTORS®, the annualized rate of existing home sales for the third quarter of 2009 was up 9 percent compared with the rate of sales in the second quarter of 2009. During the 12 months ending September 2009, however, the annualized rate of existing home sales averaged 188,400 units, a decrease of 14 percent compared with average sales during the same period a year ago. The number of homes sold in the region is well below the peak years of 2005 and 2006, when an average of 250,000 homes were sold. For the 12 months ending September 2009, the largest declines in home sales occurred in Colorado and Wyoming, where the average annualized rate of sales declined by approximately 16 percent in both states compared with the rate of sales for the same period a year earlier. Other states in the region recorded declines ranging from 9 percent in Montana to 13 percent in Utah.

Home sales markets in the major metropolitan areas of Utah were soft in 2009, but reduced inventories of homes for sale and increased home sales activity indicate that markets are beginning to turn around. According to NewReach, Inc., existing single-family home sales in the Ogden-Clearfield metropolitan area during 2009 increased by 6 percent to 8,800 homes compared with sales during 2008, and the average sales price decreased by 2 percent to $204,500. During 2009, the inventory of unsold homes declined by 12 percent to 2,980 homes compared with the 2008 inventory. Similarly, in 2009, sales activity of existing homes in the Salt Lake City metropolitan area increased by 14 percent compared with 2008 sales, and the average sales price decreased to $254,600, a decline of 8 percent compared with the average price in 2008. In comparing 2009 sales volume and prices with those in 2008, new home sales in the

Salt Lake City area increased by 1 percent, but the average sales price declined by 8 percent to $331,100. By comparison, for 2008, new home sales fell by 50 percent and the average sales price declined by 10 percent in the Salt Lake City area compared with sales volume and prices in the previous year. In the Provo-Orem metropolitan area in 2009, sales of existing single-family homes increased by 23 percent compared with those in 2008, but the average sales price declined by 8 percent to $260,000.

Sales market conditions for existing homes in Colorado metropolitan areas were soft during 2009, but declines in home sales prices began to moderate. According to Metrolist, Inc., during 2009, the average sales price of an existing single-family home in the Denver metropolitan area declined by 2 percent to $264,800 compared with the average price during 2008, and the number of home sales was 33,700, the smallest number of homes sold in 12 years, down by 13 percent compared with the number sold in 2008. In comparison, during 2008, the average sales price in the Denver area declined by 13 percent from the average price during the previous year. According to the Boulder Area REALTOR® Association, during 2009, the average price of an existing single-family home in the Boulder metropolitan area declined by 5 percent from a year earlier, to $402,800. During the same period, active listings of homes for sale in the Boulder metropolitan area were relatively unchanged at 1,700 homes. The number of listings in the Denver metropolitan area was down by 16 percent from a year earlier to 16,500 homes. Inventories in Denver declined because a number of sellers are keeping their homes off the market until prices stabilize. In 2009, homes priced from $200,000 to $300,000 in the Denver metropolitan area and from $300,000 to $500,000 in the Boulder metropolitan area recorded the most sales.

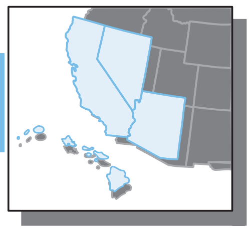
In response to reduced demand for homes, homebuilding activity in the region declined in 2009, continuing a 4-year trend. Based on preliminary data, during 2009, single-family construction activity, as measured by the number of building permits issued, decreased by 6,700 homes, or 24 percent, to 21,250 homes permitted. This level of activity is well below the 49,550 homes permitted in the region for 2007. In Colorado, 7,450 single-family homes were permitted, a decline of 4,440, or 37 percent, compared with the number permitted during the previous 12 months. In Utah, single-family permits declined by 660 homes, or 9 percent, to 6,780 homes permitted. Single-family building activity decreased by 600 homes in Montana and 680 homes in Wyoming, or by 29 and 34 percent to 1,440 and 1,290 homes permitted, respectively. New home construction activity was down by 17 percent to 2,430 homes permitted in South Dakota, but homebuilding activity in North Dakota was up 8 percent to 1,870 homes.

Multifamily construction activity, as measured by the number of units permitted, totaled 9,070 units in 2009, based on preliminary data, a decrease of 35 percent from the number permitted in the Rocky Mountain region in 2008. Declines in building activity for Colorado, Montana, and South Dakota more than offset the gains recorded in North Dakota, Utah, and Wyoming. In Colorado, multifamily construction decreased by 5,260 units, or 73 percent, to 1,700 units permitted. The large decline in Colorado was due to continued softness in the condominium sales market and weakening in the rental housing market during the first half of 2009. The number of multifamily units permitted declined 31 percent in Montana and 8 percent in South Dakota. During 2009, Utah and Wyoming recorded the largest increases among states in the region for the number of multifamily units permitted, with 270 and 320 units added, an increase of 66 and 9 percent, respectively. Much of the increase in Utah and Wyoming was due to increased apartment construction activity in the Salt Lake City and Cheyenne areas, respectively. In North Dakota, the number of multifamily units was up 4 percent in 2009 from a year earlier. In the region, condominium production accounted for an estimated 25 percent of multifamily units permitted during 2009 compared with nearly 50 percent in 2008.

Rental market conditions were balanced to soft throughout the Rocky Mountain region during the fourth quarter of 2009. The tighter conditions that existed a year earlier have eased considerably due to job losses and new units coming on line, especially in the Salt Lake City and Denver areas. The number of new units entering the market in Salt Lake City and Denver was up in 2009 as builders responded to the tight conditions of 2006 and 2007. According to Apartment Realty Advisors, Inc., the average vacancy rate in the Salt Lake City area increased to 8.5 percent during the fourth quarter of 2009, up from 6.8 percent recorded during the fourth quarter of 2008. During the fourth quarter of 2009, the average asking rent declined by 4 percent to $740, and the average rent concession increased by 10 percent. With 2,000 apartment units entering the market in 2009 and another 2,000 units currently under construction, softer market conditions in the Salt Lake City area are expected to persist during the next 12 months. In the Provo-Orem area, the apartment vacancy rate in the fourth quarter of 2009 increased to 7.0 percent compared with 5.7 percent a year earlier. During the fourth quarter of 2009, the apartment vacancy rate in Denver increased to 7.5 percent compared with 7 percent during the fourth quarter of 2008, according to *Apartment Insights*, published by Apartment Appraisers & Consultants. The average effective rent in the Denver area was down 6 percent to $770 during the fourth quarter of 2009. In both 2008 and 2009, approximately 4,000 units entered the market, contributing to the softer conditions in Denver; this number is well above the average of 2,000 units that came on the market from 2004 to 2007. The Boulder rental market was more balanced, with an average apartment vacancy rate of 5.3 percent in the fourth quarter of 2009, up from 4.6 percent a year earlier, and an average effective rent of $900, down 2 percent from a year earlier. An Appraisal Services, Inc., survey for the Fargo-Moorhead metropolitan area indicates the rental vacancy rate was 5.8 percent in the fourth quarter of 2009, up from 5.5 percent for the same period a year earlier.

PACIFIC

HUD Region IX



Employment losses in the Pacific region, which began in 2008, have continued throughout 2009. During 2009, nonfarm employment averaged 18.6 million jobs, reflecting a decline of 941,800 jobs, or 4.8 percent, compared with the number of jobs in 2008. Employment decreased in all sectors except the education and health services sector, which added 27,500 jobs, an increase of 1.2 percent. The construction sector continued to lead job losses, down 219,700 jobs, or more than 19 percent because of the slowdown in both new home and commercial construction. The professional and business services sector and the retail trade subsector lost 163,900 and 140,400 jobs, or 5.7 and 6.5 percent, respectively. The average unemployment rate in the region rose from 6.9 percent during 2008 to 11.1 percent during 2009. Unemployment rates ranged from 7 percent in Hawaii to 11.8 percent in Nevada.

All four states in the region had significant employment losses during 2009. California lost 669,100 jobs, or 4.5 percent, to average 14.3 million; its construction sector alone lost 140,100 jobs, or 18 percent. Employment in Southern California and the San Francisco Bay Area declined by 355,200 and 139,500 jobs, respectively, or 4.2 percent in both areas. Employment decreased in Hawaii by 21,100 jobs, a 3.4-percent change, to average 598,100 jobs. As a result of the $1.3 billion decline in tourist spending from 2008 to 2009, Hawaii's leisure and hospitality sector lost 5,900 jobs, or 5.5 percent. Employment in Arizona declined by 175,500 jobs, or 6.7 percent, to average 2.4 million jobs, with the most significant losses being in the construction and the professional and business services sectors, down 47,700 and 39,600 jobs, respectively. During 2009, Nevada lost 76,100 jobs, or 6 percent, to average 1.2 million jobs. The construction and the leisure and hospitality sectors declined by 27,000 and 21,900 jobs, respectively, as a result of soft conditions in the new home sales market and the 10-percent decline in gaming revenue. More than 3,000 construction jobs were lost when the Fontainebleau Resort and several smaller hotels stopped construction in 2009 because of the weak economy.

The Census Bureau estimated the population of the Pacific region at 47.5 million as of July 1, 2009, a gain of 512,700, or 1.1 percent, compared with the estimate of July 1, 2008. Approximately 78 percent of the regional population increase resulted from net natural change (resident births minus resident deaths), which is consistent with the trend since 2006. Arizona ranked eighth in the nation with a population growth rate of 1.5 percent. Population increased by 1 percent in California and Nevada; the growth rate in Hawaii was only 0.6 percent.

Existing home sales volume increased throughout most major markets in the Pacific region during 2009 because of foreclosures, low interest rates, government buyer programs, and home prices being 46 percent lower on average than their peak price levels in 2006. According to the California Association of REALTORS®, 558,300 existing homes were sold in California in 2009, 1.5 percent more than the number of homes sold in the state during 2008 but 14 percent below the number sold at the peak of the sales market in 2004. The median price of an existing home in the fourth quarter of 2009 was $302,900, up 3 percent from the price in the fourth quarter of 2008 but down 45 percent from the peak price recorded in the fourth quarter of 2006. During the fourth quarter of 2009, foreclosed homes accounted for 41 percent of existing homes sold in California compared with 55 percent of those sold in the fourth quarter of 2008. New home sales in California remained at low levels for the second straight year: according to Hanley Wood, LLC, for the 12-month period ending September 2009 (the most recent data available), in California's 30 largest counties, builders sold 29,100 new homes, a decline of 30 percent from the sales level recorded during the 12 months ending September 2008. In Honolulu during 2009, existing home sales declined 7 percent to 6,200 homes sold. Likewise, home sales prices declined: in the fourth quarter of 2009, the median price of a single-family home fell nearly 6 percent to $581,700, and the median price of a condominium fell 3 percent to $305,000 compared with prices in the fourth quarter of 2008.

Existing home sales continued to increase in both Las Vegas and Phoenix. The *Las Vegas Housing Market Letter* reported that, in 2009, existing home sales in Las Vegas increased to 44,900 homes, up 47 percent from the 30,500 homes sold in 2008. From the fourth quarter of 2008 to the fourth quarter of 2009, the median price of an existing home declined nearly $47,650, or 28 percent, to $124,650. Foreclosed homes represented 65 percent of the existing homes sold during the fourth quarter of 2009, down from an estimated 75 percent in the fourth quarter of 2008. According to the *Phoenix Housing Market Letter*, 93,550 existing homes were sold in Phoenix in 2009, 60 percent more than the number sold during 2008. During the fourth quarter of 2009, the median price of an existing home declined to $126,300, down 16 percent from the price in the fourth quarter of 2008. Foreclosed home sales represented 50 percent of existing home sales in Phoenix in the fourth quarter of 2009, unchanged from the number in the fourth quarter of 2008. From 2008 to 2009, new homes sales declined by 50 percent in Las Vegas to 5,300 homes and 47 percent in Phoenix to 10,850 homes. The new home median price in Las Vegas declined by $34,000, or nearly 14 percent, to $212,500 and by nearly 7 percent in Phoenix to $195,650 between the fourth quarter of 2008 and the fourth quarter of 2009.

As new homes sales continued a 3-year decline, builders throughout the Pacific region reduced single-family home construction activity, as measured by the number of single-family building permits issued. During 2009, 42,850 single-family homes were permitted in the region, based on preliminary data, down 25 percent compared with the number of homes permitted during 2008 and down 84 percent from the 272,450 single-family homes permitted at the peak of new home construction in 2004. In Nevada in 2009, the number of single-family homes permitted decreased by 2,600 to 4,560 homes permitted, 36 percent fewer than were permitted in 2008. From 2008 to 2009, the number of homes permitted in Arizona declined by 27 percent, or 4,600, to 12,450 homes. In California and Hawaii, the number of single-family homes permitted decreased by 22 and 20 percent to 23,800 and 2,000 homes, respectively.

Rental market conditions in northern California ranged from mostly balanced to slightly soft in the fourth quarter of 2009. Reis, Inc., reported that, from the fourth quarter of 2008 to the fourth quarter of 2009, the apartment rental vacancy rate increased from 3.6 to 4.8 percent in the San Francisco submarket, from 4.4 to 5.1 percent in the San Jose submarket, and from 4.7 to 5.8 percent in the Oakland submarket. Average rent declined by more than 6 percent to $1,812 in the San Francisco submarket, by nearly 7 percent to $1,481 in the San Jose submarket, and by 4 percent to $1,331 in the Oakland submarket. In Sacramento, during the fourth quarter of 2009, the rental market softened but remained balanced, with a vacancy rate of 7.3 percent, up from the 5.8-percent rate recorded during the fourth quarter of 2008; the average rent was $913, nearly a 3-percent decrease from the average rent during the fourth quarter of 2008.

The rental markets were tight in San Diego and Santa Barbara Counties and balanced in the remainder of Southern California during the fourth quarter of 2009. Reis, Inc., reported that, from the fourth quarter of 2008 to the fourth quarter of 2009, the apartment rental vacancy rate increased from 4.1 to 4.9 percent in San Diego County, from 4.5 to 5.3 percent in Los Angeles County, from 7 to 8 percent in San Bernardino County, from 4.6 to 5.3 percent in Ventura County, and from 5.1 to 6.4 percent in Orange County. The vacancy rate remained at 8 percent in Riverside County and less than 5 percent in Santa Barbara County. During the fourth quarter of 2009, all submarkets recorded decreases in average rents compared with rents recorded in the fourth quarter of 2008. The average rent declined between 4 and 5 percent in Los Angeles County, Orange County, and Ventura County to $1,400, $1,500, and $1,380, respectively. In Riverside and San Bernardino Counties, the average rent declined by more than 2 percent to $1,030 and, in San Diego County, by more than 1 percent to $1,330.

Phoenix and Las Vegas had soft rental market conditions in the fourth quarter of 2009. According to Reis, Inc., in the fourth quarter of 2009, Phoenix and Las Vegas had vacancy rates of 10.7 and 12.3 percent, respectively, up from the 8.1- and 10.4-percent rates recorded in the fourth quarter of 2008. The average asking rent declined in Phoenix by more than 3 percent to $750 and in Las Vegas by nearly 5 percent to $830 in the fourth quarter of 2009. The Honolulu rental market was balanced, with an estimated vacancy rate of 5 percent in the fourth quarter of 2009, the same as the rate in the fourth quarter of 2008. Honolulu was one of the few places in the Pacific region where the change in average rents was positive: rents increased 3 percent to $1,150 from the fourth quarter of 2008 to the fourth quarter of 2009.

Multifamily construction activity, as measured by the number of units permitted, declined significantly in the Pacific region in 2009. Based on preliminary data, 13,450 multifamily units were permitted in the region in 2009, which represents a decline of 31,850 units, or 70 percent, from the number of multifamily units permitted in 2008 and the lowest level of multifamily units permitted since 1993. The large decline in the region was because of the soft condominium sales market, as builders curtailed construction. In 2005, condominiums represented more than 40 percent of the multifamily units permitted in the region. In 2009, condominiums represented less than 15 percent of the multifamily permits issued. The largest numerical drop in units permitted was in California, where 19,750 fewer units were permitted, down 68 percent to 9,250 units. The Arizona and Nevada rental markets had the largest percentage declines; multifamily construction fell by 80 percent to 1,400 units in Arizona and by 72 percent to 2,200 units in Nevada. In Hawaii, the number of multifamily units permitted declined by 62 percent to 990 units. Honolulu, Las Vegas, Los Angeles, and Phoenix accounted for more than one-half of the drop in multifamily construction for the region in 2009.

Northwest

HUD Region X

The Northwest regional economy averaged 5.2 million nonfarm jobs in 2009, down 215,000 jobs, or 3.8 percent, compared with a gain of 13,000 jobs during 2008. In Washington, nonfarm employment averaged 2.9 million jobs during 2009, down 96,800 jobs, or 3.3 percent—the largest decline of any state in the Northwest region. Oregon, which had the second largest decline, lost 88,000 jobs, or 5 percent, to average 1.6 million nonfarm jobs. In Idaho, losses amounted to 30,500 jobs, a 4.7-percent decline, resulting in an average of 617,000 nonfarm jobs during 2009. In Alaska, employment decreased for the first time since the early 2000s, down by 600 jobs, or 0.2 percent, to an average of 322,000 nonfarm jobs.

During 2009, gains were recorded only in the education and health services and the government sectors, up 12,700 and 5,700 jobs, or 1.8 and 0.5 percent, respectively. Employment in the education and health services sector increased by 5,900 jobs in Oregon, 4,500 jobs in Washington, 1,300 jobs in Alaska, and 1,000 jobs in Idaho. Employment growth in the government sector totaled 2,400 jobs in Washington, 1,500 jobs in Oregon, 1,000 jobs in Alaska, and 800 jobs in Idaho. Regionwide, growth in the education and health services and the government sectors slowed considerably in 2009 compared with growth in 2008, when 25,600 and 24,200 jobs were added in each sector, respectively.

Employment declines in the Northwest region were divided nearly equally between the goods-producing and service-providing sectors. Within goods-producing sectors, manufacturing was down 56,100 jobs, or 14 percent, and construction was down 51,300 jobs, or 10 percent. Oregon and Washington accounted for most of the manufacturing jobs lost in the region, down 26,300 and 23,000 jobs, respectively. Layoffs at Daimler AG and Intel Corporation contributed to job losses in Oregon and downsizing at The Boeing Company and related suppliers led the declines in Washington. In Idaho, layoffs in the semiconductor industry contributed to the loss of 6,500 jobs in the manufacturing sector. Soft residential and commercial real estate markets slowed building, contributing to the loss of 28,400 and 15,700 construction jobs in Washington and Oregon, respectively, compared with the number of construction jobs in 2008. During 2009, Idaho and Alaska lost 6,400 and 800 construction jobs, respectively. Service-providing sectors declined by 106,000 jobs, led by losses in the professional and business services and retail trade sectors, both down 5 percent, or 37,900 and 32,400 jobs, respectively.

Job losses throughout the Northwest region caused the average regional unemployment rate to increase from 5.4 to 9 percent between 2008 and 2009. The unemployment rate increased in every state in the region during 2009 and averaged 11.4 percent in Oregon, 9 percent in Washington, 8.3 percent in Alaska, and 8.1 percent in Idaho.

The rising unemployment rate contributed to continued slow sales housing market conditions throughout the Northwest region during 2009, a trend that began in 2007. In Washington, market conditions were soft and total home sales, although 32 percent below 2007 volumes, were similar to 2008 home sales totals because of continued price declines and a year-end boost in home sales related to the first-time homebuyer tax credit program. According to the Northwest Multiple Listing Service, new and existing home sales during 2009 totaled 42,200 in the combined Puget Sound metropolitan areas of Seattle, Tacoma, Bremerton, and Olympia, down just 1 percent from the number sold in 2008. During the last 3 months of the year, sales were up 43 percent compared with sales during the same period in 2008. The average sales price of a home sold in 2009 declined 14 percent to $361,800 in the combined Puget Sound metropolitan areas and was 21 percent below the peak average sales price of $457,400 recorded during the 12 months ending February 2008. In the Seattle metropolitan area, 26,700 homes were sold during 2009, a 1-percent decline from the number sold during 2008. The average sales price of a home in the Seattle metropolitan area declined by 14 percent to $423,300. In the Tacoma and Olympia metropolitan areas, average prices declined by 20 and 9 percent, to $240,200 and $264,700, respectively. Home sales declined by 1 percent in the Tacoma area and by 4 percent in the Olympia area. The Bremerton metropolitan area was the only area to record an increase in the number of homes sold, up 3 percent; however, the average sales price declined by 10 percent to $295,700.

Oregon sales market conditions were soft during 2009, as evidenced by price declines, but they also reflected increased sales for the year mostly due to the first-time homebuyer tax credit program and to the increased affordability of homes. According to data from local multiple listing services, for 2009, the number of new and existing single-family homes sold in the 11 largest markets in Oregon totaled 41,500, indicating a 5-percent increase compared with the number sold during 2008. During 2009, the average home price decreased by 14 percent to $253,200. In the Oregon-Washington metropolitan area of Portland-Vancouver-Beaverton in 2009, 24,100 new and existing homes sold, up 2 percent from the number sold during 2008, although the average price decreased 13 percent to $278,900. In Idaho in 2009, sales of new and existing homes in the 19 counties covered by the Intermountain Multiple Listing Service increased to 9,900 homes, up 9 percent from the number sold during 2008, but the average sales price decreased 18 percent to $166,500. In the Boise metropolitan area in 2009, sales of new and existing homes totaled 7,900 units, indicating a 12-percent increase from the total number of homes sold in 2008, although the average sales price decreased by 19 percent to $171,400. According to the Alaska Multiple Listing Service, Inc., new and existing home sales during 2009 totaled 2,400, which is a 2-percent decline from the number sold during 2008, and the average sales price decreased 1 percent to $320,600.

Home builders continued to scale back new home construction in 2009, a trend started in late 2007, resulting from the soft sales housing market conditions throughout the Northwest region. Based on preliminary data, single-family building activity, as measured by the number of building permits issued, totaled 19,500 homes during 2009, which is down by 6,800 homes permitted, a 26-percent decrease from the number permitted in 2008. During 2009, the number of single-family homes permitted totaled 10,400 in Washington and 3,700 in Idaho, indicating declines of 25 percent in both states from the number of homes permitted during 2008. In Oregon, the number of single-family homes permitted declined by 29 percent to 1,950 and, in Alaska, single-family construction activity declined by 10 percent from 2008 to 600 homes in 2009.

Multifamily construction activity, as measured by the number of units permitted, slowed considerably in the Northwest region during 2009. Based on preliminary data, for 2009, the number of units permitted in the region totaled 5,600, down 64 percent from the number of units permitted during 2008. Washington multifamily construction activity declined by 7,000 units in 2009, or 69 percent, to 3,200 units and accounted for most of the region's total decline of 9,900 units. In Oregon, 1,600 multifamily units were permitted in 2009, which is 2,800 fewer than the number permitted during 2008, and, in Idaho, multifamily construction activity declined in 2009 by 100 units from 2008, to a total of 600 units permitted. In Alaska, multifamily construction activity for 2009 totaled 170 units, up by 67 units from the number of units permitted during 2008.

Rental housing market conditions during 2009 were mostly soft throughout much of the Northwest region due to job losses and to the increased number of unsold sales units entering the rental market. According to data from Reis, Inc., the apartment rental vacancy rate in the Seattle metropolitan area was 7.4 percent during the fourth quarter of 2009, up from 5.8 percent in the fourth quarter of 2008, and the average asking rent of $950 for apartments in 2009 was down 5 percent from the average asking rent recorded a year earlier. In 2009, the Tacoma metropolitan area apartment vacancy rate was 8.1 percent, up from 5.8 percent a year earlier, partly due to troop deployments from the Fort Lewis Army Base. The average asking rent of $740 in the Tacoma area during 2009 was down 3 percent from the average asking rent during the fourth quarter of 2008. On the eastern side of Washington in the Spokane metropolitan area, the apartment vacancy rate increased from 4.6 percent in 2008 to 6.5 percent in 2009, but the average monthly rent of $630 remained essentially the same.

In the Portland-Vancouver-Beaverton metropolitan area, rental housing market conditions were soft as of the fourth quarter of 2009. According to Reis, Inc., the apartment vacancy rate was 6.9 percent in the fourth quarter of 2009, up from 5.2 percent in the fourth quarter of 2008. The average rent was essentially flat at $822 during the same periods. Because of limited new apartment construction in 2009, rental markets in the Oregon metropolitan areas of Medford, Salem, and Eugene-Springfield remained balanced with apartment vacancy rates between 5 and 6 percent, up from the tight vacancy conditions of 3.5 to 4 percent in 2008. In the Boise metropolitan area, rental housing market conditions were soft during the third quarter of 2009, continuing a trend that began in mid-2007. According to Reis, Inc., the vacancy rate was 8.7 percent in the third quarter of 2009, up from 5.9 percent in the fourth quarter of 2008. The average rent in 2009 was $690 in the Boise area, representing a 3-percent decline from the average rent in the previous year.

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

Atlantic City-Hammonton, New Jersey

Located along the southern New Jersey shore, about 60 miles southeast of Philadelphia, Pennsylvania, the Atlantic City-Hammonton metropolitan area is coterminous with Atlantic County, New Jersey. The metropolitan area is among the leading tourist destinations in the nation for gaming entertainment, with 32 million visitors generating $4.5 billion in casino revenue annually, according to data from the New Jersey Casino Control Commission. Harrah's Entertainment, the leading private-sector employer, has 16,100 employees, followed by Trump Entertainment Resorts, with 8,700 employees. As of January 1, 2010, the metropolitan area population is estimated at 271,700. During 2009, the population grew by 1,060 people, or 0.3 percent, the same growth rate as during the past 2 years. Population growth peaked at 4,200, or 1.6 percent, during the 12 months ending June 2004.

During the 12 months ending November 2009, average nonfarm employment totaled 142,600 jobs, down 4 percent, or 6,000 jobs, compared with the number of jobs during the 12-month period ending November 2008. The leisure and hospitality sector, which accounts for 40 percent of all area jobs, decreased by 4.9 percent, or 2,700 jobs, during the 12 months ending November 2009. The mining, logging, and construction sector and the manufacturing sector decreased by 1,200 and 600 jobs, respectively, while the government and the professional and business services sectors each lost 500 jobs. In response to current economic conditions, the completion of Revel Entertainment's $2.6 billion hotel and casino, expected to add 5,500 jobs, has been postponed until 2011, when consumer travel and spending are anticipated to improve. The creation of an additional 2,000 jobs is expected with the completion of the $80 million NextGen Aviation Research and Technology Park, where the first of seven buildings is expected to open in early 2011. During the 12 months ending November 2009, the average unemployment rate increased to 11.6 percent from 6.7 percent during the previous 12 months.

The sales housing market in the metropolitan area is currently soft, with an estimated vacancy rate of 3 percent, due to tighter mortgage lending standards than in recent years and because of the weakening economy. According to the most recent data from the New Jersey Association of REALTORS®, the median sales price of an existing home was $239,800 during the third quarter of 2009, down nearly 7 percent from $257,400 during the third quarter of 2008 and down 16 percent compared with the median price during the third quarter of 2007. Total existing homes sales increased to 490 during the third quarter of 2009 compared with the 430 sold during the third quarter of 2008. During the 12 months ending October 2009, foreclosures nearly doubled to 4 percent of outstanding mortgage loans compared with the national foreclosure average of 3 percent, according to data from First American CoreLogic, Inc.

The soft sales market has resulted in decreased single-family construction activity, as measured by the number of building permits issued. During the 12 months ending November 2009, single-family homebuilding activity totaled 480 homes, down 31 percent compared with the number of homes permitted during the previous 12 months, according to preliminary data. Single-family home construction peaked during 2003, when 2,060 homes were permitted, before declining to an average of 1,075 homes for each year from 2006 to 2008. New developments include Eastwind, a 106-home community; Bayport on Lake's Bay, a 131-home community; and Gateway West, an 84-home community. Prices for these new homes range from $160,000 to $320,000, with the lower range priced for the casino workforce. Since 2000, new condominium construction has been relatively nonexistent; however, an estimated 2,200 condominium units have been added through conversions of residential and nonresidential structures.

Despite current economic conditions and increased out-migration, the overall rental housing market is balanced, with an estimated vacancy rate of 6.5 percent, virtually unchanged since 2006. According to Reis, Inc., the average rent in the third quarter of 2009 was $950, unchanged from the third quarter of 2008. Apartment construction in the metropolitan area, as measured by the number of units permitted, has decreased significantly since 2006. From 2000 through 2006, apartment-permitting activity averaged 180 units a year before declining to an annual average of 100 units during both 2007 and 2008. According to preliminary data, 90 apartment units have been issued permits during the 12 months ending November 2009. Average asking rents for newly constructed one-, two-, and three-bedroom apartment units are $890, $1,100, and $1,900, respectively. The timing of new development in the area is expected to correspond with the anticipated opening of the Revel Hotel and Casino. The District at City Center, or phase I of the $150 million redevelopment project in Pleasantville, will consist of 300 garden-style apartments to be completed by 2011. These units, which are being constructed for people in the income range of the casino workforce, will rent for approximately $850 to $1,000 a month.

Detroit-Warren-Livonia, Michigan

The Detroit-Warren-Livonia metropolitan area, consisting of six counties (Lapeer, Livingston, Macomb, Oakland, St. Clair, and Wayne) in southeastern Michigan, is a manufacturing hub with a historic emphasis on transportation equipment manufacturing. The largest private-sector employers in the metropolitan area are Ford Motor Company, General Motors Corporation, and Chrysler Group LLC, with 44,000, 20,800, and 19,900 employees, respectively. As of January 1, 2010, the population of the metropolitan area is estimated at 4.4 million, a decrease of approximately 30,250, or 1 percent, compared with the estimated population a year earlier. Wayne County includes the city of Detroit and accounts for 43 percent of the total population in the metropolitan area.

During 2009, nonfarm employment in the metropolitan area averaged 1.76 million jobs, a decrease of 141,000 jobs, or 7.4 percent, compared with the annual average in 2008. Declines in nonfarm employment have occurred at an average rate of 2.3 percent annually since 2000, when employment averaged 2.2 million jobs. During 2009, the manufacturing sector declined by 56,600 jobs, or 19 percent, from the previous year; manufacturing employment has decreased by slightly more than one-half since 2000. More than 10 percent of the manufacturing jobs lost in 2009 resulted from plant closings at General Motors, Chrysler and at direct suppliers associated with the automobile industry. The professional and business services sector declined by 43,400 jobs, or 13 percent, from the previous year. The only sector to grow in 2009 was the education and health services sector, increasing by 1,200 jobs, or 0.4 percent, compared with the number of jobs in 2008. Leading employers in the education and health services sector include Henry Ford Health System and Beaumont Hospitals, with 18,300 and 15,300 employees, respectively. Wayne State University (WSU) is the largest post-secondary educational institution in the metropolitan area with a total of 32,000 students enrolled at its main and satellite campuses. According to WSU, the university has an estimated economic impact of more than $1 billion annually and employs more than 8,100 people. Future job growth is expected from the more than 100 companies based in the metropolitan area who are involved in alternative energy. The presence of existing renewable-energy companies and a surplus of manufacturing space have led to other major projects in the metropolitan area. In June 2009, General Electric announced plans for a $100 million renewable-energy center in Van Buren Township, approximately 25 miles west of Detroit. The facility, currently in a startup phase, is expected to employ up to 1,100 people in 3 to 5 years.

Sales market conditions in the metropolitan area are currently soft and have been since 2004, partly due to job losses and subsequent population declines. According to data from the Michigan Association of REALTORS®, annual home sales activity totaled 50,200 in 2004 and declined annually through 2008. During 2009, approximately 51,500 existing homes were sold in the Detroit-Warren-Livonia metropolitan area, representing a 17-percent increase compared with the 44,200 homes sold in 2008. Significant home sales price declines and recent homebuyer tax credit programs have led to increased home sales in the metropolitan area. The average sales price of an existing home in 2009 was $90,100, representing a 17-percent decline from the $108,100 reported in 2008. Since 2003, the average sales price has declined by 53 percent from $192,000. In 2009, sales prices declined in all areas that report to the Michigan Association of REALTORS®, with average prices ranging from $12,500 in the city of Detroit to $148,700 in Livingston County.

In response to a soft sales market, developers in the Detroit-Warren-Livonia metropolitan area have decreased construction activity for single-family homes, as measured by the number of building permits issued. Based on preliminary data, during 2009, 1,275 single-family homes were permitted, representing a 35-percent decline compared with the number of homes permitted during 2008. Between 2003 and 2007, an average of 11,750 single-family homes were permitted annually in the metropolitan area. Newly constructed homes range in price from approximately $135,000 for a three-bedroom home in Lapeer County, up to $175,000 in both Oakland and Livingston Counties.

In the city of Detroit, new loft-style housing, often in rehabilitated factory or warehouse structures, is concentrated in the downtown central business district and Midtown, near WSU. Midtown loft conversions include the Crystal Lofts that opened in late 2008, with units for sale starting at approximately $250,000 and rents starting at $1,300. Other mixed-use and loft developments in Midtown have homes starting at $150,000 and increasing to nearly $1 million for luxury loft properties. In downtown Detroit, the newly refurbished Book Cadillac Hotel opened in 2008 as The Westin Book Cadillac Detroit, with 453 guest rooms on the lower floors, and 66 loft and condominium homes on the upper floors. Renovations at the historic Book Cadillac totaled approximately $200 million. Although approximately 60 of the 66 residential units were presold, with prices starting at $160,000, most of the buyers did not close on these homes. About one-half of the homes are currently occupied and are evenly split between owners and renters.

The rental housing market in the Detroit-Warren-Livonia metropolitan area is soft. As of January 1, 2010, the overall rental vacancy rate is estimated at 10 percent, down from 10.6 percent reported as of July 1, 2008, by the Census Bureau. The apartment market is balanced, with a vacancy rate of 7.6 percent reported in the third quarter of 2009, up from 6.6 percent in the third quarter of 2008, according to data from Reis, Inc. Apartment vacancy rates in the third quarter of 2009 range from 6.9 percent in the Downriver/South Wayne County submarket to 10.3 percent in the Downtown submarket. The average monthly asking rent for the third quarter of 2009 for the metropolitan area was $830, down slightly from $840 in the third quarter of 2008, according to data from Reis, Inc. The current average asking rent is $880 in the Downtown submarket, $1,030 in Farmington Hills, and $720 in Downriver/South Wayne County.

Multifamily construction activity, as measured by the number of units permitted, has declined significantly in the metropolitan area during 2009. According to preliminary data, during 2009, approximately 80 multifamily units were permitted, 88 percent fewer than the 680 multifamily units permitted in 2008. In the 5 years ending 2007, the annual number of multifamily units permitted averaged 2,525, down from an average of 3,550 multifamily permits issued annually from 2000 through 2004.

Fargo, North Dakota-Minnesota

The Fargo metropolitan area consists of Cass County in North Dakota and Clay County in Minnesota. Fargo, the largest city in North Dakota, is located in the southwest portion of the state. The Fargo metropolitan area is the retail, manufacturing, healthcare, and education hub for western North Dakota and eastern Minnesota. MeritCare Health System, North Dakota State University (NDSU), and BlueCross BlueShield of North Dakota are the leading employers in the area. As of January 1, 2010, the population in the metropolitan area is estimated to be 200,000, representing an increase of 1.7 percent during the past year, which is relatively unchanged from the rate of population growth recorded in 2008.

Economic conditions in the Fargo metropolitan area declined in 2009 after averaging job growth of almost 2 percent a year for the past 10 years. In 2009, nonfarm employment remained unchanged from 2008, at 121,700 jobs, representing a considerable slowdown from the 2.6-percent job growth recorded in 2008. Most job losses occurred in goods-producing sectors, which lost approximately 900 jobs. The Bobcat Company, Microsoft Corporation, and DMI Industries announced layoffs in 2009, with a total decrease of approximately 200 jobs. The J.M. Smucker Company recently announced plans to close its West Fargo plant in April 2010, which will result in a loss of 140 area jobs. In 2009, state government employment increased by approximately 1,000 jobs, or 14 percent, to 7,500 jobs. The large job increase resulted from increased student enrollment at NDSU, which requires additional staff and student work-study positions to meet the needs of the larger student population at the university. In 2009, the metropolitan area's average unemployment rate increased to 4.2 percent, up from 2.8 percent a year earlier.

Student enrollment levels at universities and colleges in the Fargo metropolitan area has increased significantly in recent years. Tri-College University, a consortium of NDSU, Minnesota State University Moorhead, and Concordia College, had a 5-percent increase in student enrollment in 2009. With nearly 25,000 students and 4,500 faculty and staff, Tri-College University has an annual estimated regional economic impact of more than $1 billion.

The Fargo metropolitan area home sales market remained stable during the economic downturn of 2009 and is currently balanced. In 2009, the median price of single-family homes remained unchanged from the 2008 price, at approximately $144,900, according to AA Appraisals in Fargo. The number of single-family home sales also remained unchanged, at approximately 2,050. According to data from First American CoreLogic, Inc., the rate of foreclosures among outstanding mortgage loans in the Fargo area increased to 0.8 percent in October 2009 from 0.5 percent a year earlier. During the same time, the number of loans delinquent by 90 days or more also increased from 1.4 to 2.3 percent. The Fargo metropolitan area is well below the national foreclosure and delinquency rates, which are at 3.0 and 7.7 percent, respectively. During 2009, new home construction activity declined. In 2009, single-family home construction, as measured by the number of building permits issued, totaled 725 homes, representing a 6-percent decrease from the 770 permits issued in 2008, based on preliminary data. The sales price for a new two-bedroom, two-bath starter home in the Fargo metropolitan area begins at approximately $155,000.

The rental market in the Fargo metropolitan area is somewhat tight as the growing student population has increased rental demand. According to Appraisal Services, Inc., the vacancy rate in the Fargo area increased slightly from 5.5 percent in the fourth quarter of 2008 to 5.8 percent in the same period of 2009. The increase in vacancy is attributed to new apartments that have just come on the market and are available for leasing. Multifamily construction, as measured by the number of units permitted, has increased significantly. In 2009, 830 multifamily permits were issued, compared with only 430 permits issued in 2008, based on preliminary data. Increased student enrollment has resulted in new rental development close to NDSU's main campus in West Fargo and near the downtown Fargo campus. Cityscapes Plaza is a new 104-unit, mixed-use development located near downtown Fargo, which opened in late 2009 for students, faculty, and staff. Cityscapes Plaza, managed by the university, rents two-bedroom apartments for $1,180 a month. Close to NDSU's main campus, the 88-unit Dakota Street Lofts project is currently under construction and its completion is expected by the spring of 2010. In addition to the new construction projects near the NDSU campus, approximately 300 new rental units are under construction in six smaller developments across the southwest portion of the city of Fargo. Monthly rents for newer two-bedroom, two-bath apartments in the area start at approximately $800.

Gulfport-Biloxi, Mississippi

The Gulfport-Biloxi metropolitan area, located in the Mississippi Gulf Coast region, includes Hancock, Harrison, and Stone Counties. The two largest cities in the metropolitan area are Gulfport and Biloxi, both of which are located in Harrison County. Hurricane Katrina heavily impacted the area when it made landfall in August 2005. As of December 1, 2009, the population of the metropolitan area is estimated to be 238,400, which is an increase of 1.1 percent compared with the population estimated a year earlier. Population growth rates have declined steadily after reaching a peak of 2 percent in the year following the occurrence of Hurricane Katrina. Since July 2006, the area has added approximately 11,200 residents; however, it has yet to return to the pre-Hurricane Katrina population level, estimated at 256,500.

Economic conditions in the metropolitan area weakened during the past year. Post-Hurricane Katrina nonfarm employment growth peaked at 11,400 jobs during the 12 months ending August 2007, when displaced businesses and workers returned to the area. This figure represents an 11.6-percent increase compared with the number of jobs during the previous 12 months. During the 12 months ending November 2009, nonfarm employment declined by 2,600 jobs, or 2.4 percent, to 107,700, compared with a small increase of 0.5 percent recorded during the previous 12 months. Nonfarm employment levels have yet to return to the pre-Hurricane Katrina peak of 114,200 jobs, recorded during the 12 months ending August 2005. The largest job losses in the past 12 months occurred in the leisure and hospitality sector, which declined by 1,400 jobs, or 5.9 percent. The gambling and casino hotel industries account for nearly one-half of the employment within this sector and are significantly affected by fluctuations in tourism levels. Taxed gross gaming revenue in the city of Biloxi declined nearly 12 percent, to $841.6 million, during the 12 months ending November 2009 compared with the revenue recorded during the previous 12-month period. With the exception of the government sector, which recorded a small gain of 300 jobs, all other sectors recorded small job losses. The government sector and the leisure and hospitality sector each account for more than 20 percent of the current jobs in the metropolitan area. Reflecting overall job losses during the past year, the unemployment rate rose from 5.6 to 7.7 percent during the 12 months ending November 2009.

As a result of the slow economy and tight mortgage lending standards, the sales market for single-family homes in the metropolitan area is soft. According to the Mississippi Gulf Coast Multiple Listing Service, Inc., 2,800 new and existing homes sold during 2009, representing a decrease of more than 6 percent compared with the number sold in 2008. The average sales price declined by approximately 2 percent, to $145,500, during this period. According to data from First American CoreLogic, Inc., the rate of foreclosures among outstanding mortgage loans in the Gulfport-Biloxi metropolitan area more than doubled from 1.0 percent in October 2008 to 2.4 percent in October 2009. During the same time, the number of delinquent loans, those late by 90 days or more, nearly doubled from 4.3 to 8 percent.

The slow pace of home sales caused home builders to reduce new home construction activity. Single-family building activity has recorded consistent declines after reaching a peak of 3,400 homes permitted during the 12 months ending February 2007, after the initial rebuilding phase that followed Hurricane Katrina. During the 12 months ending November 2009, single-family construction activity, as measured by preliminary building permit data, totaled 1,675 homes, representing a decline of 3 percent compared with the number of homes permitted during the previous 12 months. Current single-family homebuilding activity is slightly below the level recorded during the 12 months before Hurricane Katrina occurred, when 1,800 homes were permitted.

The Gulfport-Biloxi metropolitan area rental housing market is currently soft, with an estimated overall vacancy rate of 15 percent, due in part to worsening economic conditions and to recent significant additions to the rental inventory. According to data provided by the Gulf Regional Planning Commission (GRPC), apartment projects containing approximately 2,275 units opened in Harrison and Hancock Counties between January 2008 and May 2009, adding an average of 1,600 units on an annual basis. An additional 1,575 units were under construction as of May 2009. Approximately 1,250 of the units under construction were financed through a combination of low-income housing tax credit (LIHTC) and Community Development Block Grant (CDBG) funds, including 60 units intended for occupancy by elderly people. From 2000 through 2007, an average of only 360 apartment units opened annually in these two counties. Much of the large increase in the number of units built since January 2008 can be attributed to the reconstruction and rehabilitation of units that were severely damaged or destroyed during Hurricane Katrina.

GRPC data also indicate that the average vacancy rate for market-rate apartments in Harrison and Hancock Counties was 12 percent in May 2009, which is twice the 6-percent rate recorded the previous year. In May 2009, average rents for market-rate apartment units in the primary county of Harrison were $650 for a one-bedroom unit, $750 for a two-bedroom unit, and $940 for a three-bedroom unit, representing declines of between 4 and 7 percent compared with rents recorded in May 2008.

Hot Springs, Arkansas

The Hot Springs metropolitan area, located in the Ouachita Mountains in southwest Arkansas, comprises Garland County and is coterminous with the Hot

Springs Metropolitan Statistical Area (MSA). The metropolitan area is a popular retirement and vacation destination because of its numerous outdoor and recreational attractions, including the Hot Springs National Park, the Ouachita National Forest, and Oaklawn Jockey Club racetrack and casino. As of December 2009, the population of the metropolitan area was estimated at 99,100. Annual population growth has been relatively consistent averaging about 1,200 people, or 1.3 percent, during the past 3 years, entirely due to net in-migration. People of retirement age account for an estimated one-third of the total population. The city of Hot Springs is the most populous city in the metropolitan area, with an estimated current population of nearly 40,000 people.

Employment in the metropolitan area remained stable during the past 2 years, following average annual gains of 2.1 percent between 2002 and 2006. During the 12 months ending November 2009, nonfarm employment averaged 39,100 jobs, a gain of 200 jobs, or a 0.4-percent increase, compared with the number of jobs during the same period ending November 2008. The education and health services sector coupled with the leisure and hospitality sector account for more than one-third of the total employment in the metropolitan area, reflecting the needs of the large retirement community and the significant presence of the tourism industry. During the 12-month period ending November 2009, the education and health services sector averaged 7,200 jobs, which is unchanged compared with the number of jobs during the previous 12 months. Nearly all the jobs in this sector are within the healthcare and social assistance subsector. More than one-fourth of these jobs are located at St. Joseph's Mercy Health Center, the leading employer in the metropolitan area, with 2,000 workers. According to the Arkansas Department of Parks & Tourism, visitors spend more than $500 million in the metropolitan area annually. The leisure and hospitality sector, with about 6,450 jobs, recorded the largest gain during the past 12 months, with an increase of 60 jobs, or 1 percent. Jobs at the gaming and racetrack facilities, owned and operated by the Oaklawn Jockey Club—the second leading employer, with 1,200 employees—account for nearly one-fifth of all jobs in this sector.

The Hot Springs metropolitan area sales market is currently soft with an estimated vacancy rate of 3 percent compared with more balanced conditions a year ago. According to the Arkansas REALTORS® Association, during the 12 months ending October 2009, new and existing home sales declined by 310, or 21 percent, to 1,150 homes compared with the number of homes sold during the same period a year ago; home sales volume peaked at 1,650 homes in 2005. During the 12-month period ending October 2009, the average sales price also decreased by $17,000, or 10 percent, to $159,200 compared with a decade-high increase of 6 percent a year ago. According to local REALTORS®, stricter lending standards have particularly hindered purchasing by second-home buyers and investors. More than 7 percent of the homes in the metropolitan area are vacation homes, a higher percentage than in 90 percent of the nation's MSAs. In Hot Springs Village, a town located 50 miles west of Little Rock, nearly 80 percent of the 34,000 property owners are nonresidents, according to the Hot Springs Village Property Owners' Association. According to local REALTORS®, condominium sales account for nearly one-sixth of the total sales market; units are sold primarily to retired people, second-home buyers, and investors. The price for a two-bedroom condominium typically ranges from $200,000 to $250,000.

Reflecting continued slowing home sales volume and declining prices, single-family construction activity, as measured by the number of building permits issued, remained stable during the past year. During the 12 months ending November 2009, approximately 150 single-family homes were permitted, a figure unchanged from a year ago but down from the 320 homes permitted in 2007. Sixty waterfront condominium units are under construction at Woodland Condominiums, located at Lake Hamilton in Hot Springs. According to the developer, 22 of the 36 units completed have sold at a price of $129,000 for one-bedroom, 900-square-foot units and at prices ranging from $199,000 to $245,000 for two-bedroom, 1,500-square-foot units.

The metropolitan area rental housing market is soft, with an estimated rental vacancy rate of 9 percent, unchanged from a year ago but down from 14.5 percent in 2000. According to local REALTORS®, the number of nonseasonal rental units available for rent typically diminishes during summer months, reflecting more job opportunities and short-term leasing due to increased tourism. Construction of nonseasonal rental units totaled an estimated 250 units during the 12 months ending November 2009, compared with the 350 units constructed a year ago. An estimated 1,150 nonseasonal rental units have been built since 2000, and the approximately 200 units currently under construction are expected to be available by the spring of 2010. Also under construction are the 75 units at The Brookfield Assisted Living facility in Hot Springs, which are expected to be completed by the spring of 2011. This $8.7 million project will have 75 units with rents ranging from $2,300 to $3,600 per month.

Kansas City, Missouri-Kansas

The Kansas City metropolitan area consists of 15 counties located on the border of Kansas and Missouri. The population as of January 1, 2010, is estimated to be 2.03 million, an increase of about 15,300, or 0.8 percent, from January 1, 2009. By comparison, population growth averaged about 21,700 a year, or 1.1 percent annually, from 2006 through 2008. More than two-thirds of the population growth has been due to net natural increase (resident births minus resident deaths), which has averaged about 15,100 a year since 2006, while net in-migration averaged about 6,600 a year. The nearest major cities are more than 150 miles away from Kansas City, so the metropolitan area serves the needs of the large region as a center for shipping and distribution, health care, and financial and professional services. Leading employers in the area include Sprint Nextel Corporation, St. Luke's Health System, and AT&T Inc., with 12,000, 6,400, and 5,200 employees, respectively.

Employment growth in the metropolitan area leveled off in 2008 with the onset of the national recession followed by significant job losses in 2009. In 2009, nonfarm employment declined by about 19,800 jobs, or 1.9 percent, to 998,700 jobs. Paralleling the job losses, the average unemployment rate increased from 5.6 to 8.3 percent during the 12 months ending November 2009. From 2004 to 2007, by comparison, nonfarm employment grew by an average of 15,300 jobs a year, or 1.6 percent. Recent job losses were most significant in the manufacturing, professional and business services, and transportation and utilities sectors, which lost 5,100, 4,800, and 2,500 jobs, respectively, or declined by 6.0, 2.8, and 5.1 percent, respectively. Local firms announcing layoffs in 2009 included shipping company YRC Worldwide Inc., manufacturing firm Harley-Davidson, Inc., and Sprint Nextel Corporation, with more than 3,000 combined layoffs. In addition, a softer housing market resulted in the loss of about 4,700 construction jobs, or 9.4 percent. Education and health services, government, and financial activities were the only sectors that experienced job growth, with increases of 2,300, 1,300, and 100 jobs, respectively, or 1.9, 0.9, and 0.1 percent, respectively.

The weakened economy has contributed to a recent slowdown in residential sales activity, and the current home sales market is somewhat soft. According to the Kansas City Regional Association of REALTORS®, home sales during the 12 months ending November 2009 were down 4 percent from sales recorded during the previous 12 months. Although sales of existing homes remained relatively stable with 23,400 homes sold, sales of new homes fell by about 1,100 units, or 31 percent, to 2,475 homes sold during the same period. During the past 12 months, the average sales price for existing homes declined by about $11,600, or 7 percent, to $147,100, and the average price for new homes fell by $27,300, or 8 percent, to $293,900.

Although foreclosures in the third quarter of 2009 were up 15 percent from a year ago, mostly due to job losses, the foreclosure rate in the Kansas City metropolitan area remains below the national average. According to RealtyTrac®, Inc., 1 out of every 174 homes in the metropolitan area had a foreclosure filing in the third quarter of 2009, compared with 1 out of every 136 homes nationwide. One reason for the lower rate of foreclosures is that the subprime share of mortgages in the area, at 11.3 percent, was somewhat below the national average of 12.3 percent, according to the NATIONAL ASSOCIATION OF REALTORS®. In addition, the metropolitan area did not experience the rapid rise in home prices that occurred in other parts of the nation earlier in the decade, and has not experienced the subsequent dramatic decline.

Despite the slow pace of home sales, the inventory of unsold homes has decreased, partly due to a reduced number of new homes coming on the market. For the 12 months ending November 2009, the number of active listings averaged about 16,100 homes compared with 19,100 for the previous 12 months, representing a 15-percent decline. The supply of new homes on the market fell from about 4,000 to 2,650 during the same period, which was a 34-percent decline. In response to the weak home sales market, home builders have decreased home construction activity, as measured by the number of single-family homes permitted. Based on preliminary data, during the 12 months ending November 2009, about 2,700 single-family homes were authorized, indicating a decline of 200 units, or 7 percent, from the previous 12 months. By comparison, from 2001 through 2006, single-family home construction averaged roughly 11,000 homes a year. Condominium construction peaked from 2001 through 2004, when about 1,200 units a year were built. Currently, fewer than 200 units are under construction. Redevelopment of historic buildings in midtown and downtown areas has also added to the supply of condominiums during the past 4 years. One example is the 168-unit Board of Trade Condominiums building in downtown Kansas City, which opened in late 2009, near the recently completed Power & Light District. Asking prices for the condominiums range from $115,000 for studio units to $500,000 for penthouse units.

The rental market in the Kansas City metropolitan area is soft—a result of the weaker economy and a large number of new apartment units coming on line. The current rental vacancy rate is estimated to be 9 percent, up from 7.5 percent a year ago. According to Reis, Inc., the average monthly apartment rent in the third quarter of 2009 was about $700, which is essentially unchanged from the rent in the same quarter a year earlier. Average monthly rents in the metropolitan area currently range from about $600 for a one-bedroom unit to $750 for a two-bedroom unit and $900 for a three-bedroom unit. Multifamily building activity, as measured by the number of units permitted, has slowed in the past year due to the softer rental market. Based on preliminary data, in the 12 months ending November 2009, roughly 1,400 multifamily units were permitted, down from 2,900 during the previous 12 months, representing a 51-percent decline. By comparison, multifamily construction in the metropolitan area averaged nearly 3,600 units a year from 2001 through 2006. Roughly 75 percent of the units added during that 6-year period were rental units. About 1,300 rental units are currently under construction. One development nearing completion is the 323-unit Market Station apartments in the historic River Market area near downtown, with rents ranging from about $700 a month for a one-bedroom unit to $1,700 for a two-bedroom unit. Another new development, expected to be completed in August 2010, is the 309-unit West End at City Center in Lenexa, Kansas, approximately 15 miles southwest of downtown Kansas City. Monthly rents will range from about $700 for a one-bedroom unit to $1,550 for a three-bedroom unit.

McAllen-Edinburg-Mission, Texas

The McAllen-Edinburg-Mission metropolitan area, located in Texas along the United States-Mexico border, is coterminous with Hidalgo County. The metropolitan area, commonly referred to as the Rio Grande Valley, is a retail and healthcare center for south Texas. As of December 1, 2009, the estimated population of the metropolitan area was 748,100, an increase of 21,500, or 3 percent, compared with the population in December 2008. The rate of population growth in the area has remained relatively constant during the 2 years preceding December 2009. Since 2006, about 70 percent of the increase has been attributed to net natural increase (resident births minus resident deaths).

Employment growth in the metropolitan area was much slower during the 12 months ending November 2009 compared with the previous 12 months; only 1,600 jobs were added, up 0.7 percent to 219,900 jobs. By comparison, job growth averaged 3.5 percent during the 12 months ending November 2008 and 4.7 percent during the 12 months ending November 2007. During the most recent 12-month period, the government sector had the greatest employment growth, adding 3,100 jobs, an increase of 5.9 percent, followed by the education and health services sector, which added 2,100 jobs, an increase of 4.2 percent. A large portion of overall job gains were offset by losses of more than 6 percent in both the goods producing sectors and the professional and business services sector. The increase in jobs in the education and health service sector was led by hiring at several hospitals and the addition of several small clinics and outpatient surgical centers. Combined, the government and the education and health services sectors currently account for nearly 50 percent of nonfarm employment in the area and all of the job growth during the past 12 months. Edinburg Regional Medical Center, with 3,000 employees, followed by McAllen Medical Center, with 2,500 workers, are the top two private employers in the metropolitan area. With the slower job growth observed recently, the average unemployment rate has risen to 10.4 percent during the 12 months ending November 2009, up from 7.1 percent during the previous year.

As a result of tight lending standards and the slower economy, the market for existing single-family homes in the McAllen-Edinburg-Mission metropolitan area is soft. According to the Real Estate Center at Texas A&M University, sales of existing homes in McAllen during the 12 months ending November 2009 totaled 1,925 homes, a decrease of 10 percent, or 200 units, when compared with the sales of existing homes in the previous 12 months. Along with the decline in sales volume, the average sales price in McAllen decreased to $119,100 for the 12 months ending November 2009, down nearly 6 percent, or $7,000, from the average sales price in the previous 12 months. According to data from First American CoreLogic, Inc., foreclosures increased from 1.1 percent of outstanding mortgage loans to 1.7 percent from October 2008 to October 2009. According to the same source, nearly 7 percent of mortgage loans in October 2009 were 90 days or more delinquent, compared with 4.6 percent for the same period a year ago.

In response to the soft sales market conditions, home builders have reduced new home construction activity. Based on preliminary data for the 12 months ending November 2009, single-family construction activity, as measured by the number of building permits issued, totaled 2,825 homes, representing a decrease of 14 percent compared with the number of permits issued during the previous 12 months. By comparison, during the period from 2004 through 2007, an average of 6,700 single-family homes a year were permitted in the metropolitan area. Current construction activity is primarily characterized by infill instead of new, large subdivisions. Home builder D.R. Horton is currently offering specials in several communities, with new homes starting at $80,000 for an 1,100-square-foot, one-story home in eastern Hidalgo County near Weslaco, with prices increasing to $180,000 for a 3,000-square-foot, two-story luxury home in Edinburg.

Condominiums have become increasingly popular among homebuyers in the metropolitan area. Latitude 360, a 192-unit development, is currently in the planning stages; prices for new units are expected to start at $90,000. New, high-end condominiums are in the planning stages as well. The Luxe Gallery, a $16-million proposed development in McAllen will consist of 88 units, ranging from 1,450 square feet to 1,900 square feet. The least expensive unit will cost $230,000, nearly double the average home price in the metropolitan area. Construction of the Luxe Gallery is anticipated to begin in the spring of 2010.

The McAllen-Edinburg-Mission metropolitan area rental market is currently soft, with an estimated vacancy rate of 12 percent; however, the apartment vacancy rate is significantly lower. According to the Rio Grande Valley Apartment Association, the apartment vacancy rate was 8 percent as of June 2009, the latest period for which data are available. According to the 2008 American Community Survey (ACS), nearly one-half of the renter-occupied units were either single-family or mobile homes, with units in two- to four-unit structures accounting for another 27 percent. Units typically considered apartments—those in structures with five or more units—accounted for only 23 percent of the total renter-occupied units.

The 2008 ACS also reported that only 5,700 of the 42,000 total vacant rental units were in apartments. Concessions of 1 month's free rent are currently prevalent in the market. Apartment rents in the area average $640 for a one-bedroom unit, $800 for a two-bedroom unit, and $940 for a three-bedroom unit.

Apartment construction in the metropolitan area has generally been characterized by low-income housing tax credit (LIHTC) projects. According to the Texas Department of Housing and Community Affairs, since 2000, 3,750 LIHTC units have been awarded, which represents approximately 40 percent of all multifamily permits in the metropolitan area. Based on preliminary data, apartment construction, as measured by the number of multifamily units permitted, decreased to 280 units permitted during the 12-month period ending November 2009, compared with 500 units permitted during the previous 12-month period. During the past 2 years, multifamily construction has remained well below the annual average of 1,475 units permitted between 2004 and 2007. Soft rental market conditions are likely to persist through 2010 due to the abundance created by the approximately 300 rental units currently under construction and the planned 128-unit apartment complex in Mission, which builders expect to complete within the next 2 years.

New York City, New York

New York City (NYC), the financial center of the United States, encompasses the five counties of Bronx, Kings (Brooklyn), New York (Manhattan), Queens, and Richmond (Staten Island). The population of the city, the largest in the nation, is estimated to be nearly 8.4 million as of January 2010. During 2009, the population increased by 23,550, or 0.3 percent, one-half the 0.6-percent rate of growth that occurred during 2008. Despite a significant amount of international in-migration to NYC, there has been a net out-migration of approximately 15,000 people a year since 2004, partially because of the high cost of housing in the city.

Employment levels in NYC have declined during the past year, continuing a trend that started during the 12 months ending April 2009, when job losses began to offset job gains. During the 12 months ending November 2009, total nonfarm employment in the city declined by 81,175 jobs, or 2.1 percent, compared with employment levels during the previous year. These job losses indicate a significant reversal of the growth that occurred during the 12 months ending November 2008, when 55,700 jobs were added. The unemployment rate at that time was 5.3 percent; it has since increased to an average of 9 percent for the 12 months ending November 2009.

The education and health services sector is the largest employment sector, with nearly 20 percent of the jobs in the city, and includes the leading employer, New York-Presbyterian Healthcare System, with 28,900 employees. During the 12 months ending November 2009, the education and health services sector added nearly 17,700 jobs, an increase of 2.5 percent, compared with the number of jobs during the same period a year earlier. During the past decade, this sector has continued to expand, adding an average of more than 13,000 jobs annually since 2000.

Job gains in the education and health services sector have been more than offset by recent losses in several other sectors. The professional and business services and financial activities sectors together account for more than one-fourth of total employment in NYC and have registered more than 60 percent of the total job losses, or nearly 51,200 jobs, during the 12 months ending November 2009. Layoffs at securities, commodities, and investment firms totaled more than 20,000 employees. The leisure and hospitality sector also weakened during the past year, declining by 2,350 jobs, or 0.8 percent, compared with the number of jobs during the 12-month period ending November 2008, reflecting rates that are well below the average growth rate of more than 3 percent, recorded annually from 2003 through 2008. The weakened economy did not affect business and leisure travel to the city. Visitor spending in NYC totaled nearly $33.5 million in 2008 (the most recent data available), indicating an increase of 5 percent compared with spending in 2007, according to Tourism Economics, Inc.

As economic conditions in NYC have declined, builders have reduced construction of new homes. During the 12 months ending November 2009, based on preliminary building permit data, the number of single-family homes permitted decreased by 39 percent, to 310 units, compared with the number of new homes permitted during the previous 12-month period. Between 2006 and 2008, an average of 680 single-family homes were permitted each year, with more than 45 percent of the new units built in Staten Island. During the 12 months ending November 2009, multifamily construction activity, as measured by the number of units permitted, declined by 84 percent, to 5,725 units, compared with the number of permits issued during the same period in the previous year, based on preliminary data. Multifamily construction reached a peak during the 12 months ending June 2008, when 42,250 permits were issued. Condominium and co-op units accounted for approximately 20 percent of multifamily units built in NYC since 2000. Of all the newly constructed condominium and co-op units, more than 75 percent were located in Manhattan and nearly 20 percent were in Brooklyn.

Home sales market conditions in NYC are currently soft, reflecting the decline in economic growth. According to Prudential Douglas Elliman Real Estate, during the 12 months ending September 2009, the most recent data available, existing condominium and co-op home sales in Manhattan, Brooklyn, and Queens declined by 37 percent, to 23,000 units, compared with sales during the 12 months ending September 2008. During the same period, the average sales price declined by 9 percent, from $813,650 to $740,250. The average number of days a home remained on the market increased by 20 days to 140 days. In Manhattan, during the fourth quarter of 2009, the median sales price declined by 7 percent, to $630,000, for a co-op unit and by 11 percent, to $995,000, for a condominium unit. The median sales price for luxury homes in the top 10 percent of condominium and co-op sales decreased by 9 percent, to $3.7 million.

The NYC rental market is currently tight, but vacancy rates have risen slightly during 2009. According to Reis, Inc., the apartment vacancy rate increased from 2.1 percent in the third quarter of 2008 to 2.9 percent in the third quarter of 2009. The highest rates of vacancy occurred in older units (built before 1970), which increased from 1.5 percent in the third quarter of 2008 to 3.6 percent. The vacancy rate for newer units (built since 2000) declined slightly from 3.3 to 2.8 percent. The development of new apartment units in Manhattan exceeded the absorption of the units, while demand has kept pace with construction in the Bronx, Queens, and Brooklyn. In the third quarter of 2009, average rents increased by 5.4 percent, to $1,150, in the Bronx, and by 1 percent, to nearly $1,390, in Queens. Average rents in Brooklyn declined slightly, by 1 percent, to approximately $1,410. Rents declined throughout Manhattan, ranging from a decrease of 4.7 percent in the West Village (Downtown) and Midtown West areas to a nearly 12-percent decrease in the Upper West Side, where the average rent was $4,030. Average rents in downtown Manhattan were $3,790.

The New Housing Marketplace Plan (NHMP) has a 10-year goal to create 165,000 affordable housing units in the city by 2013. By May 2009, NYC had reached the halfway point of the goal by starting 82,500 affordable units. To date, more than 50,000 existing units have been preserved and at least 31,350 new units are under construction. Of the units financed, 70 percent are rental units and 30 percent are single-family homes and condominium units, and approximately 75 percent of all financed units have rents or purchase prices that are affordable to low-income families. Of the total units funded, approximately one-third are located in the Bronx and Manhattan, one-fourth are in Brooklyn, and the remainder are in Queens and Staten Island.

Oakland-Fremont-Hayward, California

The Oakland-Fremont-Hayward Metropolitan Division (hereafter referred to as the Oakland metropolitan area) encompasses Alameda and Contra Costa Counties, which are located across the San Francisco Bay, east of the city of San Francisco. As of January 1, 2010, the population was estimated to be 2.6 million people, reflecting a 1-percent annual change since January 1, 2009. The rate of annual growth has decreased since 2008, when it was nearly 2 percent. Net in-migration has accounted for 40 percent of the population change since 2009, up from 30 percent earlier in the decade, due primarily to high levels of immigration from Asia and Latin America.

After 3 years of employment growth, the economy in the Oakland metropolitan area began to contract in the second quarter of 2008. Increased foreclosure activity and slow new home sales in eastern Contra Costa County have contributed to the economic decline. In 2009, nonfarm employment decreased by 41,200 to 988,700 jobs, a 4-percent loss compared with employment in 2008. Every major employment sector lost jobs; however, 56 percent of total job losses occurred in the construction, trade, and professional and business services sectors, with respective losses of 8,400, 7,875, and 6,725, or 13, 5, and 4.2 percent. In the financial activities sector, JP Morgan Chase Bank had the greatest number of job losses during 2009, laying off 1,225 employees after acquiring Washington Mutual. The average unemployment rate for 2009 was 10.8 percent, compared with a 6.2-percent rate during 2008.

The Oakland metropolitan area has a service-based economy. The leading employment sectors are government, professional and business services, and trade with 18-, 16-, and 15-percent shares, respectively, of total nonfarm employment. The metropolitan area's top employer—the University of California, Berkeley (UCB)—had 22,600 faculty and staff and 35,400 students during the 2007-to-2008 academic year. According to UCB, the university generates an annual economic impact of $1.3 billion in the metropolitan area and has $420 million in capital projects currently under construction. The two largest projects under way are the new $137 million Student Athlete High Performance Center and the $77 million infrastructure renovation at the Clark Kerr Campus. Additional leading employers include the health services provider Kaiser Permanente® and the food retailer Safeway, Inc., with 19,900 and 10,800 employees, respectively.

The sales housing market in the Oakland metropolitan area is currently soft due in part to the increased foreclosure activity that began in 2007. According to DataQuick Information Systems, from 2000 through 2006, the average number of notices of default (a document that initiates a foreclosure proceeding) filed was 5,475 a year. In 2009, 33,750 default notices were filed, a 12-percent increase from the number recorded in 2008. The foreclosure activity has increased the inventory of homes for sale. Sales volume, however, began to rise in late 2008 due to declining home prices, low mortgage rates, and the introduction of the federal tax incentive for first-time homebuyers. During 2009, DataQuick recorded a new and existing home sales volume of 36,650, a 17-percent increase compared with the sales volume in 2008. According to DataQuick, the median sales price of new and existing homes was $289,900 in 2009, a 24-percent decrease compared with the median price in 2008. The median sales price of new and existing homes peaked at $580,900 in 2007.

New home sales activity has been less robust than existing home sales. According to Hanley Wood, LLC, 2,375 new homes were sold in the 12 months ending September 2009, a 38-percent decrease compared with the number sold in the previous 12-month period. The median sales price of a new single-family home declined 23 percent to $529,000. Condominiums and townhomes constituted 35 percent of all new home sales. According to Hanley Wood, during the 12 months ending September 2009, the median sales price of a condominium was $421,700, 14 percent less than the price during the previous 12-month period. Of the attached home sales, 70 percent were in Alameda County, primarily in the city of Oakland. In 1999, the city of Oakland launched the 10K plan to revitalize the downtown and Jack London Square areas by encouraging new home construction for 10,000 future residents. The 134-unit, 15-story Ellington condominium project in Jack London Square was completed in the summer of 2009. Prices start in the low $300,000s for a one-bedroom unit.

In response to the steady increase in the inventory of homes for sale since 2008, home builders reduced new home construction activity, as measured by the number of single-family building permits issued. From 2000 through 2007, an average of 6,325 single-family home permits were issued annually. During 2009, building permits were issued for 1,875 single-family homes, representing a 6-percent increase from the number of permits issued during 2008, based on preliminary data.

Multifamily construction, as measured by the number of units permitted, has declined since 2006. During 2009, permits for 690 multifamily units were issued, representing a 65-percent decrease compared with the number issued in 2008, based on preliminary data. The current level of activity remains well below the annual average of 4,450 multifamily units that were permitted during the peak years from 2003 through 2006. Home builders reduced new multifamily construction activity mostly because of slower condominium sales. According to the McGraw-Hill Construction pipeline database, of all the multifamily units completed during the 2000s, slightly more than one-half were designated as condominiums and townhomes. Most of the apartment units were completed in the first half of the decade. Builders increased the proportion of condominium units starting in 2005. In 2009, nearly 70 percent of the completed multifamily units were originally designed for homeownership.

The rental market in the Oakland metropolitan area is slightly soft. Reis, Inc., reports that from the end of the fourth quarter of 2008 to the end of the fourth quarter of 2009, the apartment rental vacancy rate increased from 4.7 to 5.8 percent in the Oakland metropolitan area. The average rent in the Oakland metropolitan area declined nearly 4 percent to average $1,331 in the fourth quarter of 2009. Within the Oakland metropolitan area, the city of Oakland submarket is soft, with an estimated vacancy rate of 8 percent as a result of excess rental supply. In this submarket, nearly 1,250 apartment units were completed in the past 12 months. Because several new condominium projects in the city of Oakland were unable to sell the completed units, approximately 500 of the units were made available for rent during the past 2 years.

Salt Lake City, Utah

Located in north-central Utah, the Salt Lake City metropolitan area consists of Salt Lake, Summit, and Tooele Counties. Salt Lake City, the state capital, is the hub of government activity and financial services for Utah. As of January 1, 2010, the population of the metropolitan area was estimated at 1.14 million, an increase of 20,000, or 1.7 percent, from the level recorded a year earlier. Because of a weaker economy, the current rate of population growth is down from the 2-percent annual average recorded during the previous 3 years. Salt Lake County accounts for 90 percent of the population of the metropolitan area and 40 percent of the state population. The University of Utah, located in Salt Lake City, has an enrollment of more than 29,000 students, employs more than 15,000 workers, and has an annual budget of more than $2 billion. Other major employers in the area with more than 3,000 employees each include Intermountain Healthcare, Delta Air Lines, Inc., and Zions Bancorporation.

Economic conditions have significantly weakened in the metropolitan area during the past year as the national recession and a curtailment of residential and nonresidential construction affected the local job market. During the 12 months ending November 2009, total nonfarm employment declined by 21,200 jobs, or 3.4 percent, to 621,200. In comparison, employment rose by 6,700 jobs, or 1 percent, during the 12 months ending November 2008. The decline in employment occurred in nearly all sectors. During the past 12 months, the construction sector lost 6,500 jobs, a decrease of 17 percent, and accounted for 30 percent of the job losses in the metropolitan area during the period. The large loss of construction jobs resulted from the lower demand for new homes and commercial real estate due to soft market conditions. In addition, the professional and business services sector lost 5,600 jobs, or 5.6 percent, primarily in the administration and support services subsector. The only sectors that grew in the past year were the government and the education and health services sectors, each of which added 2,000 jobs as the population growth increased demand for services. During the 12 months ending November 2009, the unemployment rate in the metropolitan area averaged 5.8 percent, up from 3.3 percent during the previous 12 months.

Local home builders reduced single-family home construction during the past 3 years in response to reduced new home sales levels. Based on preliminary data, during the 12 months ending November 2009, the number of new single-family homes permitted declined to 1,570 units, down 14 percent compared with the number permitted during the same period a year ago. In comparison, an average of 6,500 homes a year were permitted in the area from 2003 to 2006. NewReach, Inc., reported that during 2009 sales of new detached homes were relatively unchanged compared with the previous year when 1,500 units were sold, which still represents one of the lowest levels of sales in 20 years. The average new home sales price declined by 8 percent to $331,100. Sales of new townhouses and condominiums were off by 11 percent, down to 890 units, and the average sales price declined by 14 percent to $203,000.

The existing home sales market in the Salt Lake City area is also currently soft; however, the number of existing home sales is increasing as sales prices decline. According to NewReach, Inc., during 2009, sales of existing attached and single-family homes were up 9 percent to 10,400 units compared with 9,600 units sold during the 12 months ending December 2008. During the past 12 months, the average price of an attached home decreased by 9 percent to $168,300 and the average price of a single-family home declined by 8 percent to $254,600. According to data from First American CoreLogic, the rate of foreclosures among outstanding mortgages more than doubled during the previous 12 months to more than 2 percent in October 2009. Foreclosure home sales, which represented nearly 25 percent of single-family home sales in 2009, up from approximately 10 percent in 2008, contributed to the recent decline in the average sales price during the past 12 months. Because many potential sellers have kept their homes off the market until conditions improve, the inventory of unsold homes has declined by 19 percent from a year earlier to 5,140 units in December 2009.

Despite the overall softness of the housing markets, the City Creek Center development, a $1 billion mixed-use residential and commercial project in downtown Salt Lake City, is slated for completion in 2012. The development is one of several transportation-oriented developments started in anticipation of the light rail and commuter rail extensions that further link downtown Salt Lake City with other cities in Salt Lake County. The $2.4 billion rail project that began in 2008 will add 70 miles of track to the existing 64-mile system by 2015. Several residential towers are in the planning stages in the City Creek Center and two luxury developments are under construction. The Regent and Richards Court developments have 90 and 159 condominium units, respectively, and their construction is expected to be complete within the next 12 months. Asking prices start at $300,000 for a studio or one-bedroom unit and $500,000 for a two-bedroom unit.

Current conditions in the rental housing market in the metropolitan area are somewhat soft compared with the more balanced-to-tight conditions of a year ago. According to Apartment Realty Advisors, Inc., the average apartment vacancy rate increased to 8.5 percent in the fourth quarter of 2009, up from 6.8 percent recorded in the fourth quarter of 2008, and the average rent decreased by $30 to $760. Current monthly rents average about $630 for a one-bedroom unit, $870 for a two-bedroom unit, and $930 for a three-bedroom unit. The softer market can be attributed to the weaker economy and to the approximately 2,000 new apartments that entered the market in 2009. According to preliminary building permit data, during the 12 months ending November 2009, multifamily construction in the Salt Lake City metropolitan area increased by 50 percent to 3,100 units. The University of Utah reported that apartments accounted for approximately 65 percent of the multifamily units permitted in 2009, compared with 50 percent recorded annually from 2000 to 2008. Approximately 2,000 apartment units are currently under construction in the metropolitan area.

Sherman-Denison, Texas

The Sherman-Denison metropolitan area, located 60 miles north of Dallas, is coterminous with Grayson County, Texas. As of December 1, 2009, the population was estimated at 119,850, up 750, or 0.7 percent, annually since July 1, 2008. The population growth is down from the peak average annual growth of 1,250, or 1.1 percent, from July 2005 through July 2007 and an average annual gain of nearly 925 from April 2000 to July 2005. In-migration accounted for a population increase of about 200 people a year since 2008, down from 625 annually from 2000 through 2007, resulting from continued employment losses. According to the Real Estate Center at Texas A&M University, the Sherman-Denison metropolitan area was the second most affordable housing area in Texas in 2009.

During the 12 months ending November 2009, nonfarm employment declined by 500 jobs, or 1.1 percent, to an average of 43,300 jobs compared with the addition of 100 jobs, or 0.1 percent, during the previous 12 months. During the 12 months ending November 2009, job losses occurred in every sector except professional and business services, government, and education and health services, which each added 100 jobs, representing gains of 5.0, 1.7, and 1.3 percent, respectively, compared with the number of jobs during the previous 12-month period. Capio Partners, LLC, led the growth in the professional and business services sector with the opening of a call center in June 2009, adding more than 100 new jobs. The most significant losses during the past 12 months occurred in the manufacturing and trade sectors, which each lost 200 jobs, or 3.2 and 3.0 percent, respectively. Leading employers in the area include Tyson Foods, Inc., Wilson N. Jones Regional Health System, and Texoma Health

Care System, with 1,400, 1,200, and 1,150 employees, respectively. Texoma Health Care System completed the construction of a new medical center in December 2009, adding an estimated 50 jobs. During the 12 months ending November 2009, the unemployment rate averaged 7.8 percent, up from 5.2 percent during the previous 12 months.

The home sales market in the Sherman-Denison metropolitan area is currently soft as a result of the declining economy and tighter credit conditions compared with recent years. According to data from the Real Estate Center at Texas A&M University, during the 12 months ending November 2009, approximately 1,000 new and existing single-family homes were sold, representing a decrease of 22 percent compared with the number of homes sold during the previous 12 months. The average sales price of a single-family home in the metropolitan area declined 28 percent to $111,300 during the 12-month period ending November 2009 compared with prices recorded during the previous 12 months. According to data from First American CoreLogic, Inc., foreclosures nearly doubled to 1.6 percent of outstanding mortgage loans during the 12-month period ending October 2009 but remained well below the national foreclosure average of 3.0 percent.

In response to the job declines since 2006 and an expanding inventory of unsold homes, single-family construction activity, as measured by the number of building permits issued, has steadily decreased. According to the Real Estate Center at Texas A&M University, inventory of unsold homes has increased to an 11-month supply for the 12 months ending November 2009 from a 9.7-month supply for the previous 12-month period. From the peak of 425 single-family homes built in 2005, approximately 350, 250, and 200 homes were permitted in 2006, 2007, and 2008, respectively. Based on preliminary data, during the 12 months ending November 2009, 60 single-family homes were permitted, compared with 170 homes permitted during the previous 12 months. Approximately 360 homes have been built since 2006 in Country Ridge Estates, located in west Sherman, with plans to build an additional 240 at a rate of 35 a year. The homes will range in size from 1,300 to 2,300 square feet, with prices ranging from $110,000 to $150,000. In early 2010, development will begin in west Sherman at The Preserve at Country Ridge, with plans to build at least 25 new homes a year. The homes, which will range in size from 1,500 to 2,800 square feet, will be priced from $160,000 to $270,000.

The rental housing market in the metropolitan area is currently soft with an apartment vacancy rate of 10.9 percent, according to ALN Systems, Inc. As of November 2009, average rents were $620 for a one-bedroom unit, $770 for a two-bedroom unit, and $1,000 for a three-bedroom unit and were relatively unchanged during the past 12 months. Recently completed apartment complexes include Northside on Travis, a development consisting of 200 apartments with an average asking rent of $715, completed in December 2008, and Bridges on Travis, consisting of 112 apartments with an average asking rent of $730, completed in June 2009. Production of new units has only recently subsided in reaction to steadily decreasing population and renter household growth. Multifamily construction activity, as measured by the number of units permitted, averaged about 200 units a year from 2004 to 2008, up significantly from about 25 units annually from 2000 to 2003. Based on preliminary data, during the 12-month period ending November 2009, no significant multifamily construction activity occurred compared with the 130 units permitted during the previous 12-month period.

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

HUD Region and State	2009 Through December			2008 Through December			Ratio: 2009/2008 Through December		
	Total	Single Family	Multi-family*	Total	Single Family	Multi-family*	Total	Single Family	Multi-family*
Connecticut	3,343	2,043	1,300	5,086	3,099	1,987	0.657	0.659	0.654
Maine	2,766	2,524	242	3,573	3,003	570	0.774	0.840	0.425
Massachusetts	7,097	4,751	2,346	9,241	5,007	4,234	0.768	0.949	0.554
New Hampshire	2,224	1,663	561	3,250	2,340	910	0.684	0.711	0.616
Rhode Island	958	701	257	1,067	868	199	0.898	0.808	1.291
Vermont	1,209	859	350	1,357	1,082	275	0.891	0.794	1.273
New England	**17,597**	**12,541**	**5,056**	**23,574**	**15,399**	**8,175**	**0.746**	**0.814**	**0.618**
New Jersey	12,235	7,133	5,102	19,000	8,993	10,007	0.644	0.793	0.510
New York	17,356	9,441	7,915	52,555	12,972	39,583	0.330	0.728	0.200
New York/New Jersey	**29,591**	**16,574**	**13,017**	**71,555**	**21,965**	**49,590**	**0.414**	**0.755**	**0.262**
Delaware	3,140	2,655	485	3,349	2,701	648	0.938	0.983	0.748
District of Columbia	1,148	164	984	536	248	288	2.142	0.661	3.417
Maryland	11,085	7,975	3,110	13,976	8,675	5,301	0.793	0.919	0.587
Pennsylvania	18,712	14,898	3,814	22,693	18,448	4,245	0.825	0.808	0.898
Virginia	21,078	16,142	4,936	26,788	19,869	6,919	0.787	0.812	0.713
West Virginia	1,966	1,714	252	2,934	2,290	644	0.670	0.748	0.391
Mid-Atlantic	**57,129**	**43,548**	**13,581**	**70,276**	**52,231**	**18,045**	**0.813**	**0.834**	**0.753**
Alabama	12,171	8,660	3,511	15,176	11,376	3,800	0.802	0.761	0.924
Florida	35,858	27,463	8,395	61,958	39,571	22,387	0.579	0.694	0.375
Georgia	17,202	13,994	3,208	32,232	23,476	8,756	0.534	0.596	0.366
Kentucky	6,878	5,470	1,408	10,122	6,452	3,670	0.680	0.848	0.384
Mississippi	6,665	4,948	1,717	10,023	6,810	3,213	0.665	0.727	0.534
North Carolina	33,785	25,042	8,743	54,498	39,314	15,184	0.620	0.637	0.576
South Carolina	15,829	13,784	2,045	25,596	19,938	5,658	0.618	0.691	0.361
Tennessee	14,574	11,766	2,808	21,699	15,819	5,880	0.672	0.744	0.478
Southeast/Caribbean	**142,962**	**111,127**	**31,835**	**231,304**	**162,756**	**68,548**	**0.618**	**0.683**	**0.464**
Illinois	10,912	8,236	2,676	21,889	12,308	9,581	0.499	0.669	0.279
Indiana	12,433	9,939	2,494	16,535	11,831	4,704	0.752	0.840	0.530
Michigan	6,984	6,392	592	10,623	8,927	1,696	0.657	0.716	0.349
Minnesota	9,255	6,827	2,428	10,616	8,273	2,343	0.872	0.825	1.036
Ohio	13,135	10,554	2,581	21,123	16,155	4,968	0.622	0.653	0.520
Wisconsin	10,818	8,035	2,783	15,532	10,426	5,106	0.696	0.771	0.545
Midwest	**63,537**	**49,983**	**13,554**	**96,318**	**67,920**	**28,398**	**0.660**	**0.736**	**0.477**
Arkansas	6,637	4,235	2,402	8,671	4,845	3,826	0.765	0.874	0.628
Louisiana	12,562	10,985	1,577	15,829	11,365	4,464	0.794	0.967	0.353
New Mexico	4,649	4,147	502	5,989	5,126	863	0.776	0.809	0.582
Oklahoma	8,845	7,445	1,400	10,003	8,121	1,882	0.884	0.917	0.744
Texas	82,938	66,289	16,649	129,874	78,453	51,421	0.639	0.845	0.324
Southwest	**115,631**	**93,101**	**22,530**	**170,366**	**107,910**	**62,456**	**0.679**	**0.863**	**0.361**
Iowa	7,130	5,407	1,723	7,638	5,550	2,088	0.933	0.974	0.825
Kansas	6,837	3,652	3,185	7,195	4,545	2,650	0.950	0.804	1.202
Missouri	8,346	5,754	2,592	11,817	7,013	4,804	0.706	0.820	0.540
Nebraska	5,180	4,611	569	6,542	4,790	1,752	0.792	0.963	0.325
Great Plains	**27,493**	**19,424**	**8,069**	**33,192**	**21,898**	**11,294**	**0.828**	**0.887**	**0.714**
Colorado	9,393	7,449	1,944	19,086	11,885	7,201	0.492	0.627	0.270
Montana	1,745	1,441	304	2,485	2,043	442	0.702	0.705	0.688
North Dakota	3,065	1,866	1,199	2,870	1,720	1,150	1.068	1.085	1.043
South Dakota	3,529	2,434	1,095	4,117	2,926	1,191	0.857	0.832	0.919
Utah	10,627	6,777	3,850	10,969	7,438	3,531	0.969	0.911	1.090
Wyoming	1,975	1,293	682	2,384	1,974	410	0.828	0.655	1.663
Rocky Mountain	**30,334**	**21,260**	**9,074**	**41,911**	**27,986**	**13,925**	**0.724**	**0.760**	**0.652**
Arizona	14,134	12,745	1,389	25,232	17,762	7,470	0.560	0.718	0.186
California	33,811	24,568	9,243	61,222	32,024	29,198	0.552	0.767	0.317
Hawaii	2,617	2,002	615	4,115	2,510	1,605	0.636	0.798	0.383
Nevada	6,752	4,560	2,192	14,906	7,152	7,754	0.453	0.638	0.283
Pacific	**57,314**	**43,875**	**13,439**	**105,475**	**59,448**	**46,027**	**0.543**	**0.738**	**0.292**
Alaska	912	613	299	914	682	232	0.998	0.899	1.289
Idaho	5,292	4,598	694	7,281	6,550	731	0.727	0.702	0.949
Oregon	7,686	5,606	2,080	12,207	7,793	4,414	0.630	0.719	0.471
Washington	16,754	12,845	3,909	28,398	17,335	11,063	0.590	0.741	0.353
Northwest	**30,644**	**23,662**	**6,982**	**48,800**	**32,360**	**16,440**	**0.628**	**0.731**	**0.425**
United States	**572,232**	**435,095**	**137,137**	**892,771**	**569,873**	**322,898**	**0.641**	**0.763**	**0.425**

*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	2009 Through December		
		Total	Single Family	Multifamily*
26420	Houston-Sugar Land-Baytown, TX	27,317	22,360	4,957
19100	Dallas-Fort Worth-Arlington, TX	20,173	14,130	6,043
35620	New York-Northern New Jersey-Long Island, NY-NJ-PA	16,658	6,416	10,242
47900	Washington-Arlington-Alexandria, DC-VA-MD-WV	12,123	9,014	3,109
38060	Phoenix-Mesa-Scottsdale, AZ	9,359	8,657	702
12420	Austin-Round Rock, TX	8,757	6,669	2,088
42660	Seattle-Tacoma-Bellevue, WA	7,497	5,019	2,478
31100	Los Angeles-Long Beach-Santa Ana, CA	7,137	3,388	3,749
16740	Charlotte-Gastonia-Concord, NC-SC	7,091	4,426	2,665
45300	Tampa-St. Petersburg-Clearwater, FL	7,010	3,933	3,077
37980	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	6,954	4,857	2,097
12060	Atlanta-Sandy Springs-Marietta, GA	6,509	5,397	1,112
16980	Chicago-Naperville-Joliet, IL-IN-WI	6,159	4,442	1,717
40140	Riverside-San Bernardino-Ontario, CA	5,953	4,557	1,396
41700	San Antonio, TX	5,950	5,443	507
29820	Las Vegas-Paradise, NV	5,675	3,791	1,884
26900	Indianapolis, IN	5,475	3,624	1,851
14460	Boston-Cambridge-Quincy, MA-NH	5,470	3,054	2,416
47260	Virginia Beach-Norfolk-Newport News, VA-NC	5,223	2,887	2,336
41180	St. Louis, MO-IL	5,154	4,058	1,096
12580	Baltimore-Towson, MD	5,046	3,110	1,936
34980	Nashville-Davidson--Murfreesboro, TN	5,041	4,045	996
39580	Raleigh-Cary, NC	4,931	4,414	517
33460	Minneapolis-St. Paul-Bloomington, MN-WI	4,670	3,631	1,039
27260	Jacksonville, FL	4,657	3,320	1,337
41620	Salt Lake City, UT	4,629	1,656	2,973
36740	Orlando-Kissimmee, FL	4,487	3,707	780
19740	Denver-Aurora, CO	4,101	2,709	1,392
38900	Portland-Vancouver-Beaverton, OR-WA	3,906	3,028	878
18140	Columbus, OH	3,869	2,613	1,256
33100	Miami-Fort Lauderdale-Miami Beach, FL	3,613	2,272	1,341
17140	Cincinnati-Middletown, OH-KY-IN	3,592	3,155	437
41860	San Francisco-Oakland-Fremont, CA	3,569	2,277	1,292
17900	Columbia, SC	3,496	2,581	915
36540	Omaha-Council Bluffs, NE-IA	3,472	3,089	383
36420	Oklahoma City, OK	3,449	3,116	333
28140	Kansas City, MO-KS	3,417	1,871	1,546
46140	Tulsa, OK	3,319	2,659	660
40060	Richmond, VA	3,264	2,650	614
32580	McAllen-Edinburg-Mission, TX	3,161	2,790	371
16700	Charleston-North Charleston, SC	3,122	2,902	220
21340	El Paso, TX	3,095	2,544	551
38300	Pittsburgh, PA	2,981	2,590	391
41740	San Diego-Carlsbad-San Marcos, CA	2,945	1,777	1,168
26620	Huntsville, AL	2,911	2,216	695
30780	Little Rock-North Little Rock, AR	2,865	1,619	1,246
35380	New Orleans-Metairie-Kenner, LA	2,826	2,184	642
40900	Sacramento--Arden-Arcade--Roseville, CA	2,750	2,445	305
12940	Baton Rouge, LA	2,694	2,607	87
20500	Durham, NC	2,519	1,313	1,206

*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

Table 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	Northeast	Midwest	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	19.9		117.2	NA	NA	65.9	97.6	292.4	116.3
Monthly Data (Seasonally Adjusted Annual Rates)											
2008											
Oct	729	470	33		226	NA		76	131	364	158
Nov	630	422	21		187	NA		72	98	306	154
Dec	564	370	20		174	NA		60	85	302	117
2009											
Jan	531	342	20		169	NA		58	83	274	116
Feb	550	381	17		152	NA		71	85	293	101
Mar	511	360	20		131	NA		56	83	266	106
Apr	498	378	18		102	NA		53	79	260	106
May	518	406	18		94	NA		56	88	266	108
Jun	570	433	23		114	NA		58	92	305	115
Jul	564	463	18		83	NA		56	105	277	126
Aug	580	464	19		97	NA		62	100	297	121
Sep	575	452	19		104	NA		64	99	292	120
Oct	551	449	16		86	NA		64	104	272	111
Nov	589	469	25		95	NA		68	105	305	111
Dec	653	505	18		130	NA		90	114	320	129

*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/indicator/www/newresconst.pdf

Table 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	553.8	443.5	6.0	5.4	98.8	477.7	76.1	61.3	97.0	278.6	116.9
Monthly Data (Seasonally Adjusted Annual Rates)											
2008											
Oct	763	534	NA		219	NA		76	121	407	159
Nov	655	457	NA		180	NA		56	107	355	137
Dec	556	393	NA		154	NA		63	76	283	134
2009											
Jan	488	357	NA		118	NA		38	58	254	138
Feb	574	357	NA		204	NA		62	93	306	113
Mar	521	361	NA		129	NA		69	98	274	80
Apr	479	388	NA		80	NA		50	84	231	114
May	551	409	NA		133	NA		59	79	276	137
Jun	590	478	NA		101	NA		81	107	276	126
Jul	593	506	NA		72	NA		63	112	291	127
Aug	581	481	NA		94	NA		70	106	279	126
Sep	586	508	NA		69	NA		66	104	298	118
Oct	524	471	NA		49	NA		54	99	265	106
Nov	580	490	NA		80	NA		63	108	300	109
Dec	557	456	NA		92	NA		51	88	310	108

*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/indicator/www/newresconst.pdf

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

Period	Total	In Structures With				MSAs		Regions			
		1 Unit	2 Units	3 and 4 Units	5 Units or More	Inside	Outside	North-east	Mid-west	South	West
Annual Data											
1970	922.0	381.1	22.8	27.3	490.8	NA	NA	197.1	189.3	359.2	176.4
1971	1,254.0	504.9	26.7	37.8	684.6	NA	NA	236.6	278.5	494.4	244.4
1972	1,542.1	612.5	36.4	46.4	846.8	NA	NA	264.4	306.8	669.1	301.8
1973	1,454.4	521.7	31.0	48.0	853.6	NA	NA	239.4	293.1	650.2	271.7
1974	1,000.8	441.1	19.4	29.1	511.3	NA	NA	178.0	218.8	418.9	185.1
1975	794.3	447.5	20.1	27.4	299.4	563.2	231.1	130.2	195.1	298.1	171.0
1976	922.0	562.6	22.7	31.8	304.9	658.5	263.5	125.4	232.1	333.3	231.2
1977	1,208.0	729.8	34.0	44.9	399.3	862.5	345.5	145.5	284.6	457.3	320.6
1978	1,310.2	764.5	36.1	47.3	462.2	968.0	342.2	158.3	309.2	497.6	345.2
1979	1,140.1	638.7	31.3	46.7	423.4	820.1	320.0	146.7	232.5	449.3	311.6
1980	896.1	514.5	28.3	40.3	313.1	620.9	275.2	120.1	171.4	376.7	227.9
1981	682.4	381.7	16.5	29.0	255.3	458.9	223.5	103.2	109.7	299.7	169.8
1982	720.0	399.7	16.5	24.9	278.9	511.7	208.3	98.6	112.4	344.0	165.0
1983	1,002.8	523.9	19.0	39.1	420.8	757.8	245.0	120.8	122.6	520.6	238.8
1984	1,050.5	556.0	20.9	42.5	431.0	814.1	236.4	152.5	137.3	488.9	271.7
1985	1,062.5	538.6	20.6	34.9	468.4	885.1	177.4	186.6	143.8	437.5	294.7
1986	1,073.5	583.1	19.3	28.4	442.7	899.7	173.8	218.9	165.7	387.3	301.5
1987	987.3	590.6	17.3	22.5	356.9	820.6	166.7	221.7	158.7	342.5	264.4
1988	919.4	569.6	16.1	24.1	309.5	757.5	161.9	201.6	148.1	308.2	261.6
1989	850.3	535.1	11.9	25.1	278.1	686.7	163.6	158.8	145.5	282.1	263.9
1990	711.4	449.1	10.9	15.1	236.3	553.9	157.5	121.6	133.4	242.3	214.1
1991	606.3	433.5	9.1	14.5	149.2	458.4	147.9	103.9	122.4	208.5	171.6
1992	612.4	472.7	5.6	11.3	122.8	453.1	159.4	81.4	137.8	228.4	164.8
1993	680.1	543.0	6.5	12.4	118.2	521.0	159.1	89.3	154.4	265.4	170.9
1994	762.2	557.8	9.1	12.9	182.5	597.6	164.5	96.3	173.5	312.1	180.3
1995	775.9	547.2	8.4	12.7	207.7	620.1	155.8	86.3	172.0	331.4	186.3
1996	792.3	550.0	9.0	19.1	214.3	629.9	162.4	85.2	178.0	337.6	191.4
1997	846.7	554.6	11.2	20.7	260.2	684.4	163.2	87.1	181.9	364.8	213.0
1998	970.8	659.1	8.3	20.5	282.9	794.8	176.0	98.5	201.2	428.5	242.6
1999	952.8	647.6	9.0	12.1	284.1	786.1	166.6	103.5	202.5	422.3	224.5
2000	933.8	623.4	10.2	19.5	280.7	759.8	173.9	110.0	186.6	397.6	239.5
2001	959.4	638.3	11.8	16.7	292.6	790.6	168.7	116.1	195.9	396.5	250.9
2002	1,001.2	668.8	10.9	15.5	306.0	817.7	183.4	125.0	207.1	413.0	256.0
2003	1,141.4	772.9	10.4	13.9	344.2	940.4	201.0	128.1	234.7	482.6	296.1
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	495.0	282.5	5.0	6.6	200.9	432.4	62.6	111.4	76.7	183.6	123.3
Monthly Data (Seasonally Adjusted Annual Rates)											
2008											
Oct	875	438	NA		417	NA		170	119	354	232
Nov	842	416	NA		407	NA		162	111	346	223
Dec	803	397	NA		388	NA		159	106	324	214
2009											
Jan	779	381	NA		380	NA		156	101	312	210
Feb	755	367	NA		370	NA		154	100	302	199
Mar	719	347	NA		353	NA		149	95	288	187
Apr	680	330	NA		332	NA		140	91	270	179
May	650	318	NA		315	NA		136	86	257	171
Jun	630	315	NA		298	NA		133	86	245	166
Jul	610	316	NA		278	NA		129	86	238	157
Aug	589	311	NA		263	NA		127	84	224	154
Sep	578	314	NA		250	NA		125	84	220	149
Oct	551	305	NA		232	NA		121	84	207	139
Nov	531	300	NA		218	NA		119	82	198	132
Dec	511	296	NA		203	NA		113	78	192	128

*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/indicator/www/newresconst.pdf

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

Period	Total	In Structures With				MSAs		Regions			
		1 Unit	2 Units	3 and 4 Units	5 Units or More	Inside	Outside	North-east	Mid-west	South	West
Annual Data											
1970	1,418.4	801.8	42.9	42.2	531.5	1,013.2	405.2	184.9	323.4	594.6	315.5
1971	1,706.1	1,014.0	50.9	55.2	586.1	1,192.5	513.6	225.8	348.1	727.0	405.2
1972	2,003.9	1,160.2	54.0	64.9	724.7	1,430.9	573.0	281.1	411.8	848.5	462.4
1973	2,100.5	1,197.2	59.9	63.6	779.8	1,541.0	559.5	294.0	441.7	906.3	458.6
1974	1,728.5	940.3	43.5	51.8	692.9	1,266.1	462.4	231.7	377.4	755.8	363.6
1975	1,317.2	874.8	31.5	29.1	381.8	922.6	394.5	185.8	313.2	531.3	286.8
1976	1,377.2	1,034.2	40.8	36.5	265.8	950.1	427.2	170.2	355.6	513.2	338.3
1977	1,657.1	1,258.4	48.9	46.1	303.7	1,161.9	495.2	176.8	400.0	636.1	444.2
1978	1,867.5	1,369.0	59.0	57.2	382.2	1,313.6	553.9	181.9	416.5	752.0	517.1
1979	1,870.8	1,301.0	60.5	64.4	444.9	1,332.0	538.8	188.4	414.7	761.7	506.0
1980	1,501.6	956.7	51.4	67.2	426.3	1,078.9	422.7	146.0	273.5	696.1	386.0
1981	1,265.7	818.5	49.2	62.4	335.7	888.4	377.4	127.3	217.7	626.4	294.3
1982	1,005.5	631.5	29.8	51.1	293.1	708.2	297.3	120.5	143.0	538.8	203.2
1983	1,390.3	923.7	37.0	55.2	374.4	1,073.9	316.5	138.9	200.8	746.0	304.6
1984	1,652.2	1,025.1	35.0	77.3	514.8	1,316.7	335.6	168.2	221.1	866.6	396.4
1985	1,703.3	1,072.5	36.4	60.7	533.6	1,422.2	281.0	213.8	230.5	812.2	446.8
1986	1,756.4	1,120.2	35.0	51.0	550.1	1,502.1	254.3	254.0	269.8	763.8	468.8
1987	1,668.8	1,122.8	29.0	42.4	474.6	1,420.4	248.4	257.4	302.3	660.4	448.7
1988	1,529.8	1,084.6	23.5	33.2	388.6	1,286.1	243.7	250.2	280.3	594.8	404.6
1989	1,422.8	1,026.3	24.1	34.6	337.9	1,181.2	241.7	218.8	267.1	549.4	387.5
1990	1,308.0	966.0	16.5	28.2	297.3	1,060.2	247.7	157.7	263.3	510.7	376.3
1991	1,090.8	837.6	16.9	19.7	216.6	862.1	228.7	120.1	240.4	438.9	291.3
1992	1,157.5	963.6	15.1	20.8	158.0	909.5	248.0	136.4	268.4	462.4	290.3
1993	1,192.7	1,039.4	9.5	16.7	127.1	943.0	249.8	117.6	273.3	512.0	290.0
1994	1,346.9	1,160.3	12.1	19.5	154.9	1,086.3	260.6	123.4	307.1	580.9	335.5
1995	1,312.6	1,065.5	14.8	19.8	212.4	1,065.0	247.6	126.9	287.9	581.1	316.7
1996	1,412.9	1,128.5	13.6	19.5	251.3	1,163.4	249.4	125.1	304.5	637.1	346.2
1997	1,400.5	1,116.4	13.6	23.4	247.1	1,152.8	247.7	134.0	295.9	634.1	336.4
1998	1,474.2	1,159.7	16.2	24.4	273.9	1,228.5	245.7	137.3	305.1	671.6	360.2
1999	1,604.9	1,270.4	12.5	22.6	299.3	1,336.8	268.0	142.7	334.7	732.7	394.8
2000	1,573.7	1,241.8	12.6	14.7	304.7	1,313.7	260.0	146.1	334.4	729.3	363.9
2001	1,570.8	1,255.9	14.3	19.6	281.0	1,305.1	265.7	144.8	316.4	726.3	383.3
2002	1,648.4	1,325.1	13.1	21.9	288.2	1,367.4	281.0	147.9	329.8	757.8	412.8
2003	1,678.7	1,386.3	13.9	17.7	260.8	1,381.5	297.1	154.6	332.2	755.6	436.2
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	796.0	521.0	5.4	9.1	260.6	710.3	85.8	94.5	119.0	394.8	187.7
Monthly Data (Seasonally Adjusted Annual Rates)											
2008											
Oct	1,055	756	NA		286	NA		89	165	541	260
Nov	1,084	761	NA		302	NA		110	179	522	273
Dec	1,028	687	NA		320	NA		116	132	514	266
2009											
Jan	778	564	NA		207	NA		87	120	389	182
Feb	828	534	NA		280	NA		104	118	385	221
Mar	833	547	NA		271	NA		73	121	426	213
Apr	846	539	NA		292	NA		143	119	404	180
May	812	492	NA		309	NA		81	121	413	197
Jun	794	506	NA		277	NA		104	118	389	183
Jul	785	490	NA		281	NA		102	115	370	198
Aug	785	507	NA		262	NA		65	126	437	157
Sep	723	482	NA		223	NA		98	105	342	178
Oct	750	531	NA		204	NA		93	97	365	195
Nov	865	566	NA		282	NA		105	145	411	204
Dec	768	503	NA		245	NA		84	123	401	160

*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/indicator/www/newresconst.pdf

Table 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	NA	NA	NA	NA	NA	NA	NA
Monthly Data (Seasonally Adjusted Annual Rates)								
2008								
Aug	79	78	6	8	50	15	66,000	37
Sep	75	82	4	10	56	12	63,600	36
Oct	69	75	7	8	50	11	65,200	36
Nov	66	65	2	8	45	10	64,900	35
Dec	63	67	4	7	45	11	69,800	34
2009								
Jan	54	61	3	7	42	8	63,800	31
Feb	52	53	(S)	7	39	8	59,400	31
Mar	51	55	2	9	35	10	61,500	29
Apr	49	55	3	5	40	7	61,600	28
May	50	49	3	5	33	7	62,900	28
Jun	48	47	4	3	34	7	63,700	28
July	51	51	6	5	34	7	62,000	28
Aug	48	44	2	5	29	7	64,900	28
Sep	48	53	4	5	36	7	63,900	28
Oct	48	53	3	6	35	9	63,300	27
Nov	49	60	4	5	42	8	65,800	26
Dec	49	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.)

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

Period	Sold During Period: United States	Sold During Period: North-east	Sold During Period: Mid-west	Sold During Period: South	Sold During Period: West	For Sale at End of Period: United States	For Sale at End of Period: North-east	For Sale at End of Period: Mid-west	For Sale at End of Period: South	For Sale at End of Period: West	For Sale at End of Period: United States	Months' Supply at Current U.S. Sales Rate
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		N/A
Monthly Data	(Seasonally Adjusted Annual Rates)					(Not Seasonally Adjusted)					(Seasonally Adjusted)	
2008[1]												
Oct	409	35	63	225	86	384	39	62	192	91	380	11.1
Nov	390	38	55	210	87	369	38	61	183	87	370	11.4
Dec	374	30	59	193	92	352	37	57	175	83	350	11.2
2009												
Jan	329	30	53	181	65	340	36	55	169	79	340	12.4
Feb	354	28	50	207	69	324	35	52	161	76	328	11.1
Mar	332	19	44	195	74	311	35	51	154	71	313	11.3
Apr	345	21	40	204	80	300	34	50	148	69	300	10.4
May	371	25	48	206	92	290	33	49	143	65	293	9.5
Jun	399	36	60	197	106	282	32	48	140	62	280	8.4
Jul	419	41	57	223	98	272	30	46	136	59	270	7.7
Aug	408	36	56	208	108	263	30	45	132	56	262	7.7
Sep	391	37	66	192	96	254	29	43	130	53	252	7.7
Oct	408	33	56	224	95	242	28	42	122	50	242	7.1
Nov	370	28	73	192	77	234	28	39	119	48	235	7.6
Dec	342	40	43	178	81	234	28	38	119	49	231	8.1

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

[1] Data have been revised due to updating of seasonal adjustment factors.

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

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

Table 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	1,165	1,913	1,210	3,289	NA
Monthly Data (Seasonally Adjusted Annual Rates)							
2008							
Oct	4,940	830	1,110	1,830	1,170	4,198	10.2
Nov	4,540	740	1,010	1,650	1,140	4,163	11.0
Dec	4,740	750	1,060	1,740	1,200	3,700	9.4
2009							
Jan	4,490	640	1,030	1,640	1,170	3,611	9.7
Feb	4,710	750	1,040	1,740	1,180	3,798	9.7
Mar	4,550	690	1,020	1,710	1,130	3,648	9.6
Apr	4,660	770	1,000	1,740	1,150	3,937	10.1
May	4,720	800	1,090	1,740	1,090	3,851	9.8
Jun	4,890	820	1,100	1,820	1,150	3,811	9.4
Jul	5,240	930	1,220	1,950	1,130	4,062	9.3
Aug	5,090	910	1,140	1,890	1,150	3,924	9.3
Sep	5,540	950	1,250	2,040	1,290	3,710	8.0
Oct	6,090	1,060	1,430	2,280	1,320	3,565	7.0
Nov	6,540	1,130	1,550	2,400	1,450	3,521	6.5
Dec	5,450	910	1,150	2,010	1,380	3,289	7.2

*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

Table 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	215,900	297,400	189,700	193,300	264,800	270,400	282,200
Quarterly Data							
2008							
Q4	222,500	300,700	202,500	188,700	296,800	276,600	284,200
2009							
Q1	208,400	314,800	187,100	189,300	274,300	257,000	275,300
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	214,700	323,200	190,400	188,500	254,800	270,500	284,800

[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.)

Table 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	173,500	238,200	143,700	152,700	219,600	217,300
Monthly Data						
2008						
Oct	186,400	241,800	145,000	161,200	258,100	229,600
Nov	180,300	257,000	141,400	153,500	241,000	223,000
Dec	175,700	234,300	140,700	153,500	229,700	217,600
2009						
Jan	164,800	227,000	131,000	143,300	215,500	206,700
Feb	168,200	236,400	130,000	145,600	230,400	210,300
Mar	169,900	230,700	138,700	146,900	227,400	211,300
Apr	166,600	237,400	138,800	147,900	204,200	208,800
May	174,700	244,300	147,100	157,500	207,000	218,100
Jun	182,000	248,200	156,000	163,300	219,600	227,900
Jul	181,500	251,500	155,900	162,100	217,900	227,400
Aug	177,300	241,100	149,300	157,200	219,800	222,400
Sep	176,000	241,500	147,200	153,500	223,700	221,900
Oct	172,200	235,200	144,700	149,900	220,200	217,300
Nov	170,000	222,500	140,000	152,000	211,400	211,800
Dec	178,300	241,700	143,200	152,000	236,000	225,400

*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

Table 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	98.3	99.9	100.5	100.7	101.0	100.7	101.5	101.1	99.7	74.5
1992	102.8	96.7	101.4	102.5	104.3	103.7	104.1	105.9	106.5	99.2	75.0
1993	105.3	95.0	101.8	104.1	108.8	107.9	109.4	110.5	115.6	97.1	75.5
1994	109.0	95.7	102.3	107.3	114.9	112.4	115.3	116.0	127.2	97.2	77.7
1995	111.8	96.0	102.0	110.1	119.8	115.2	120.0	121.5	134.5	97.1	79.1
1996	115.4	98.5	102.8	113.7	125.0	118.5	125.3	127.7	140.4	98.5	80.9
1997	118.9	101.7	104.3	117.3	129.3	121.5	129.7	132.4	145.0	101.5	83.6
1998	124.6	109.1	108.1	122.3	134.2	127.2	136.6	138.2	150.7	108.4	88.7
1999	132.0	119.8	114.7	128.8	140.0	134.4	145.7	145.6	158.9	116.0	95.5
2000	140.8	134.1	123.7	136.6	144.7	142.4	155.8	153.4	168.5	126.2	104.5
2001	150.5	151.5	135.1	146.3	148.9	148.9	166.8	160.7	177.7	138.9	113.4
2002	161.1	170.8	150.1	157.2	153.6	154.0	177.2	168.0	185.7	154.2	123.7
2003	173.2	190.2	167.5	170.1	160.0	159.1	188.0	175.9	197.0	173.6	136.3
2004	188.2	210.9	187.3	188.7	167.5	165.5	198.7	184.1	217.1	199.6	155.2
2005	205.9	229.1	208.1	213.9	178.1	174.8	208.2	191.5	246.6	231.1	179.0
2006	218.3	231.4	221.1	229.1	190.9	187.3	214.9	194.9	272.7	253.5	188.3
2007	221.1	227.3	225.1	232.1	198.0	196.1	217.0	192.3	283.4	253.5	179.7
2008	208.3	217.0	220.0	215.3	195.3	197.4	211.0	183.8	266.0	209.1	151.3
Quarterly Data											
2008											
Q3	206.1	214.6	217.6	213.9	195.0	197.5	209.7	182.6	262.8	202.0	148.7
Q4	200.0	212.2	215.0	203.3	192.3	195.8	207.8	178.3	253.6	188.6	139.9
2009											
Q1	199.0	214.1	213.1	203.7	191.4	196.1	207.3	179.8	246.4	183.0	130.5
Q2	197.9	210.9	211.6	202.4	191.5	196.7	207.0	177.9	241.8	182.9	132.9
Q3	198.4	209.4	210.9	203.6	191.9	197.0	206.9	177.7	238.5	186.4	135.4

[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**

Table 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	196,600	6.15	62,030	45,984	134.9	134.5	140.0
2009	173,200	5.14	60,608	36,288	167.0	166.8	NA
Monthly Data							
2008							
Oct	185,700	6.23	61,579	43,824	140.5	140.5	141.6
Nov	179,900	6.26	61,451	42,576	144.3	144.2	149.6
Dec[2]	175,000	5.59	61,323	38,544	159.1	NA	NA
2009							
Jan	164,200	5.21	61,314	34,656	176.9	177.2	NA
Feb	167,900	5.12	61,185	35,088	174.4	174.6	NA
Mar	169,700	5.14	61,056	35,520	171.9	172.1	NA
Apr	166,000	4.96	60,927	34,080	178.8	179.0	NA
May	174,600	4.95	60,799	35,808	169.8	169.8	NA
Jun	181,900	5.16	60,671	38,160	159.0	158.6	NA
Jul	181,700	5.34	60,543	38,928	155.5	155.0	NA
Aug	177,100	5.33	60,415	37,872	159.5	158.9	NA
Sep	175,900	5.24	60,288	37,248	161.9	161.2	NA
Oct	172,000	5.10	60,161	35,856	167.8	167.1	NA
Nov	169,300	5.09	60,034	35,280	170.2	169.5	NA
Dec	177,500	5.00	59,908	36,576	163.8	162.5	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 Association'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.nsf/pages/HousingInx**

Table 12. Market Absorption of New Rental Units and Median Asking Rent: 1970–Present*

Period	Unfurnished Rental Apartment Completions	Percent Rented in 3 Months	Median Asking Rent
Annual Data			
1970	328,400	73	$188
1971	334,400	68	$187
1972	497,900	68	$191
1973	531,700	70	$191
1974	405,500	68	$197
1975	223,100	70	$211
1976	157,000	80	$219
1977	195,600	80	$232
1978	228,700	82	$251
1979	241,200	82	$272
1980	196,100	75	$308
1981	135,400	80	$347
1982	117,000	72	$385
1983	191,500	69	$386
1984	313,200	67	$393
1985	364,500	65	$432
1986	407,600	66	$457
1987	345,600	63	$517
1988	284,500	66	$550
1989	246,200	70	$590
1990	214,300	67	$600
1991	165,300	70	$614
1992	110,200	74	$586
1993	77,200	75	$573
1994	104,000	81	$576
1995	155,000	72	$655
1996	191,300	72	$672
1997	189,200	74	$724
1998	209,900	73	$734
1999	225,900	72	$791
2000	226,200	72	$841
2001	193,100	63	$881
2002	204,100	59	$918
2003	166,500	61	$931
2004	153,800	62	$976
2005	113,000	63	$942
2006	116,400	58	$1,034
2007	104,800	54	$1,023
2008	146,800	50	$1,095
Quarterly Data			
2008			
Q3	37,400	53	$1,039
Q4	43,400	45	$1,086
2009			
Q1	28,400	52	$1,019
Q2	48,300	48	$1,156
Q3	43,500	52	$1,103

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

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

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

Period	Housing Market Index	Sales of Single-Family Detached Homes		Prospective Buyer Traffic
		Current Activity	Future Expectations	
Annual Data				
1979	NA	48	37	32
1980	NA	19	26	17
1981	NA	8	16	14
1982	NA	15	28	18
1983	NA	52	60	48
1984	NA	52	52	41
1985	55	58	62	47
1986	60	62	67	53
1987	56	60	60	45
1988	53	57	59	43
1989	48	50	58	37
1990	34	36	42	27
1991	36	36	49	29
1992	48	50	59	39
1993	59	62	68	49
1994	56	61	62	44
1995	47	50	56	35
1996	57	61	64	46
1997	57	60	66	45
1998	70	76	78	54
1999	73	80	80	54
2000	62	69	69	45
2001	56	61	63	41
2002	61	66	69	46
2003	64	70	72	47
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)				
2008				
Oct	14	14	19	11
Nov	9	9	18	7
Dec	9	8	16	7
2009				
Jan	8	6	17	8
Feb	9	7	15	11
Mar	9	8	15	9
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

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.)

Table 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						
2008						
Oct	6.20	0.6	5.89	0.6	5.21	0.6
Nov	6.09	0.7	5.79	0.7	5.26	0.5
Dec	5.29	0.7	5.04	0.7	4.97	0.5
2009						
Jan	5.05	0.7	4.72	0.7	4.92	0.6
Feb	5.13	0.7	4.77	0.7	4.87	0.5
Mar	5.00	0.7	4.64	0.7	4.86	0.6
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

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.)

Table 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*								
2008								
Oct	6.12	0.58	6.21	28.7				
Nov	6.15	0.60	6.24	28.7				
Dec	5.52	0.64	5.61	28.7				
2009								
Jan	5.09	0.64	5.18	28.4				
Feb	5.03	0.57	5.11	28.1				
Mar	5.03	0.58	5.12	28.1				
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				

* 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

Table 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	153	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	2,772	56	1,309	28	1,463
2005	1.9	2.6	1.1	56	3,026	40	1,512	16	1,514
2006	2.0	2.7	1.3	55	2,725	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	1,508	143	731	100	777
Quarterly Data									
2008									
Q3	24.5	26.3	21.4	73	297	49	187	23	110
Q4	18.0	18.5	17.5	67	369	37	203	29	166
2009									
Q1	19.0	24.8	16.4	78	410	31	123	47	287
Q2	15.9	23.8	12.2	100	627	48	201	52	426
Q3	17.1	24.5	11.6	89	519	55	223	34	296

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	1,336,555	14,763,569	890,155	6,270,738	446,400	8,492,831
2002	6.4	11.1	3.6	1,188,633	18,552,815	764,697	6,865,521	423,936	11,687,294
2003	5.5	8.5	4.1	1,268,458	23,088,616	629,917	7,418,478	638,541	15,670,138
2004	4.7	6.6	3.0	695,396	14,865,067	457,401	6,897,854	237,995	7,967,213
2005	3.1	4.5	1.8	456,175	14,479,831	322,914	7,225,190	133,261	7,254,641
2006	3.3	4.5	2.0	411,125	12,325,893	295,265	6,549,639	115,860	5,776,254
2007	5.1	6.1	4.1	528,272	10,351,854	317,178	5,220,972	211,094	5,130,882
2008	19.9	24.2	15.7	1,405,656	7,076,858	844,890	3,495,145	560,766	3,581,713
Quarterly Data									
2008									
Q3	28.7	31.5	24.0	415,306	1,446,587	285,319	905,555	129,987	541,032
Q4	21.3	21.9	20.7	374,364	1,753,649	215,759	986,437	158,605	767,212
2009									
Q1	22.2	29.2	18.9	429,284	1,934,245	182,236	625,146	247,048	1,309,099
Q2	18.6	28.0	13.7	545,570	2,939,438	279,037	997,844	266,533	1,941,594
Q3	20.5	28.7	13.7	502,977	2,458,048	316,950	1,104,572	186,027	1,353,476

* This analysis includes first-lien mortgages originated in each time period. The amounts represented here are based upon 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

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

Period	FHA*			VA	PMI
	Applications	Total Endorsements	Purchase Endorsements	Guaranties	Certificates
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	2,340,715	1,468,057	810,712	199,679	971,595
2009	2,862,029	2,022,759	1,039,216	354,936	442,224
Monthly Data					
2008					
Oct	188,584	168,062	107,533	19,181	42,167
Nov	163,343	128,830	74,853	15,386	29,387
Dec[1]	278,256	140,080	79,068	17,336	46,605
2009					
Jan	243,511	143,973	70,675	19,487	59,569
Feb	224,365	135,728	52,360	22,877	56,216
Mar	307,561	151,145	59,628	29,470	49,476
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	29,341	24,339
Nov	205,808	157,119	92,936	24,309	21,877
Dec	141,766	179,155	106,137	27,491	19,989

*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] 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

Table 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, and Assisted Living, Board and Care Facilities[3]		
	Projects	Units	Mortgage Amount	Projects	Units	Mortgage Amount	Projects	Units	Mortgage Amount
Annual Data									
1980	79	14,671	560.8	32	6,459	89.1	25	3,187	78.1
1981	94	14,232	415.1	12	2,974	43.0	35	4,590	130.0
1982	98	14,303	460.4	28	7,431	95.2	50	7,096	200.0
1983	74	14,353	543.9	94	22,118	363.0	65	9,231	295.8
1984	96	14,158	566.2	88	21,655	428.2	45	5,697	175.2
1985	144	23,253	954.1	135	34,730	764.3	41	5,201	179.1
1986	154	22,006	1,117.5	245	32,554	1,550.1	22	3,123	111.2
1987	171	28,300	1,379.4	306	68,000	1,618.0	45	6,243	225.7
1988	140	21,180	922.2	234	49,443	1,402.3	47	5,537	197.1
1989	101	15,240	750.9	144	32,995	864.6	41	5,183	207.9
1990	61	9,910	411.4	69	13,848	295.3	53	6,166	263.2
1991	72	13,098	590.2	185	40,640	1,015.1	81	10,150	437.2
1992	54	7,823	358.5	119	24,960	547.1	66	8,229	367.4
1993	56	9,321	428.6	262	50,140	1,209.4	77	9,036	428.6
1994	84	12,988	658.5	321	61,416	1,587.0	94	13,688	701.7
1995	89	17,113	785.0	192	32,383	822.3	103	12,888	707.2
1996	128	23,554	1,178.8	268	51,760	1,391.1	152	20,069	927.5
1997	147	23,880	1,362.2	186	31,538	1,098.5	143	16,819	820.0
1998	149	25,237	1,420.7	158	19,271	576.3	89	7,965	541.0
1999	185	30,863	1,886.8	182	22,596	688.7	130	14,592	899.2
2000	193	35,271	2,171.7	165	20,446	572.6	178	18,618	891.7
2001	163	29,744	1,905.6	303	35,198	831.9	172	20,633	1,135.2
2002	167	31,187	2,042.7	439	52,434	1,284.5	287	33,086	1,780.6
2003	180	30,871	2,224.5	701	87,193	2,273.5	253	31,126	1,502.2
2004	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	112	19,616	1,841.9	385	53,346	2,657.8	273	32,120	2,423.1

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

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

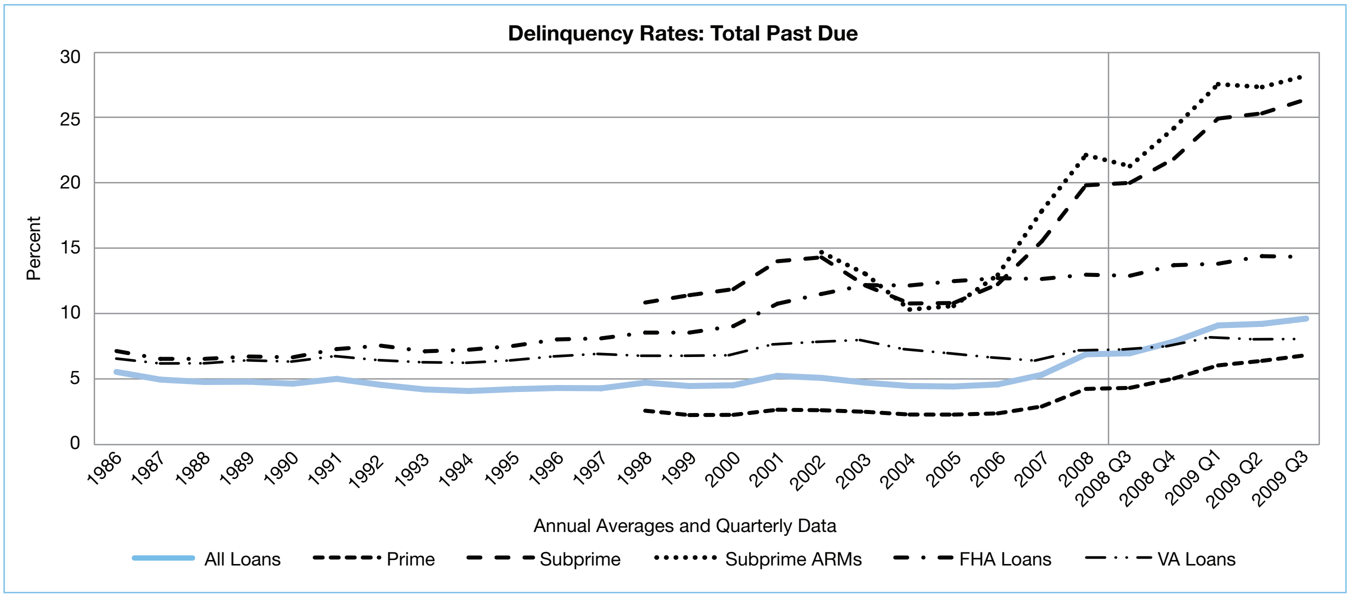
[2] Includes purchase or refinance of existing rental housing under Section 223.

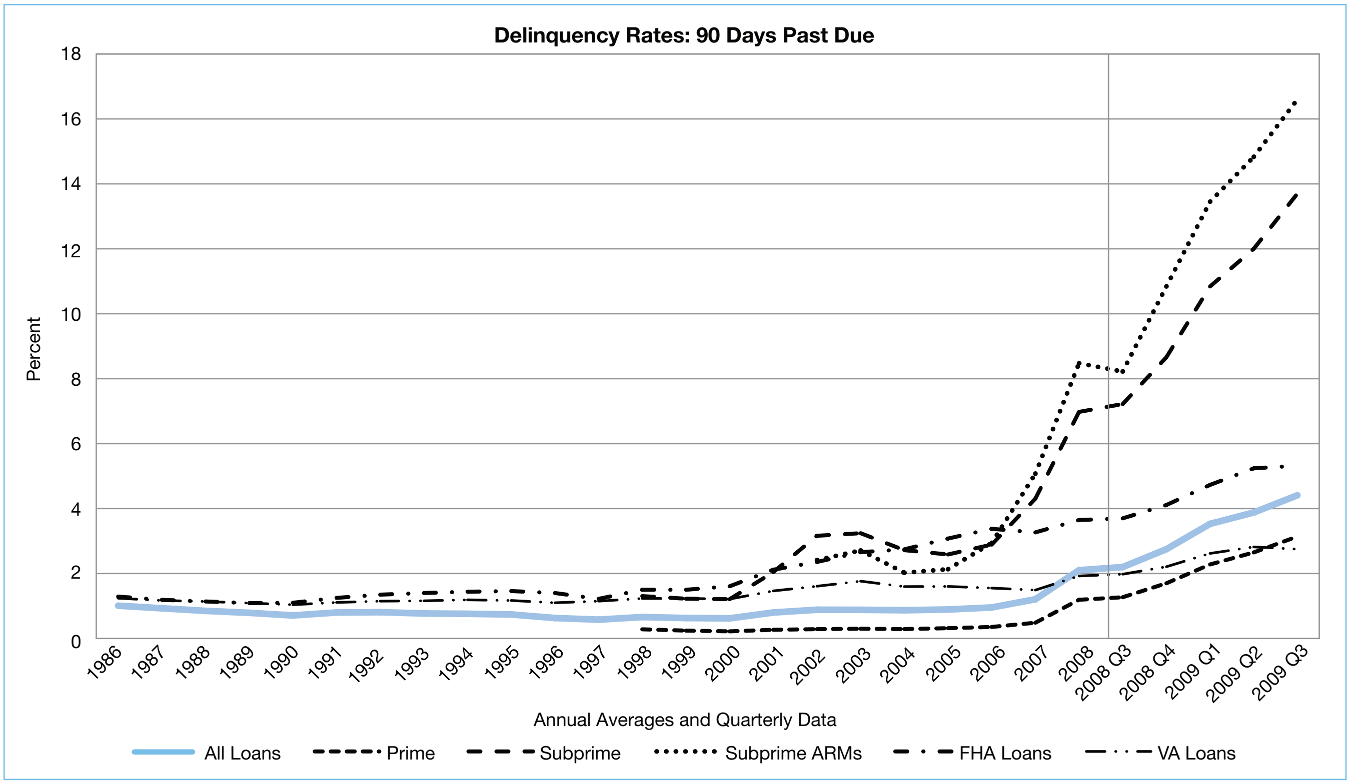
[3] Includes congregate rental housing for the elderly under Section 231 and nursing homes, board and care homes, assisted-living facilities, and intermediate-care facilities under Section 232. Includes both new construction or substantial rehabilitation and purchase or refinance of existing projects.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

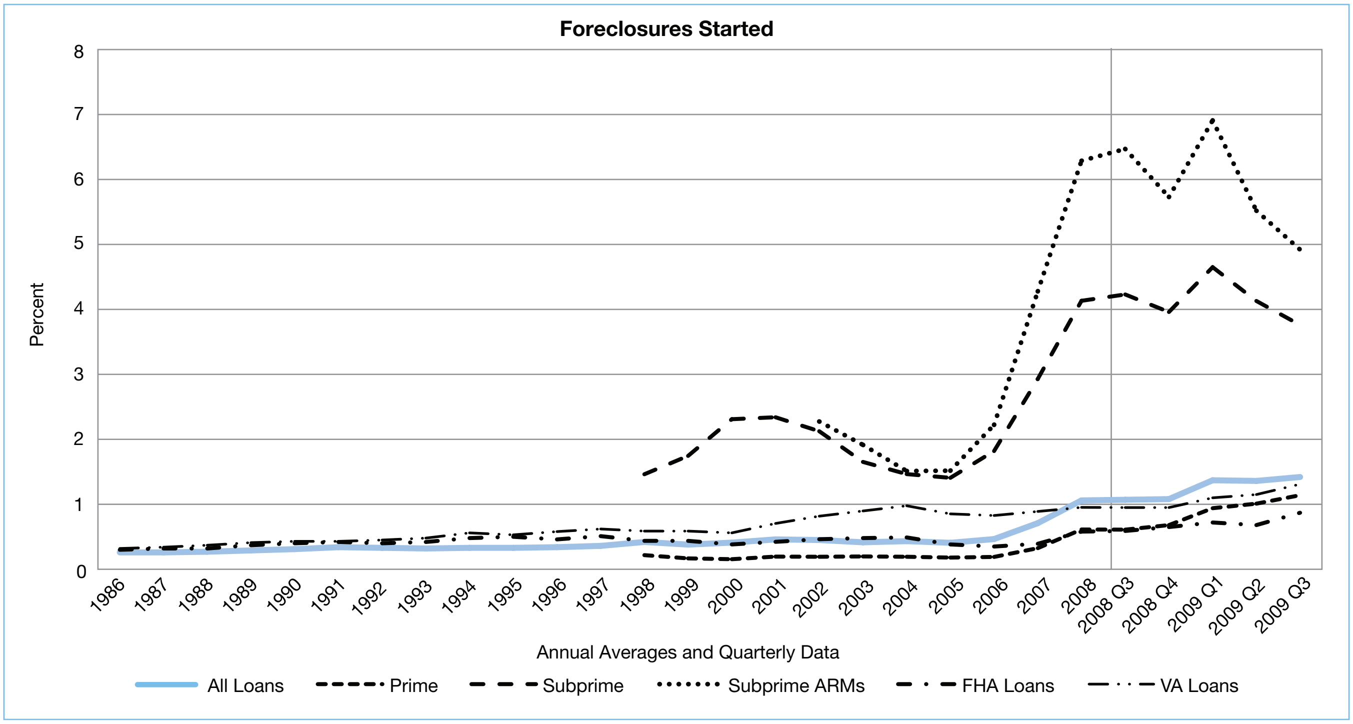
Source: Office of Multifamily Housing Development (FHA F–47 Data Series), Department of Housing and Urban Development

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

HUD has discontinued publishing historical NDS data in tabular format at MBA's request; hence, table 19 is being replaced with charts showing the same historical information.







* All data are seasonally adjusted except for Foreclosures Started data.
ARM = adjusted-rate mortgage. FHA = Federal Housing Administration. HUD = U.S. 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

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

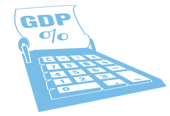
Period	Total	New Residential Construction			Improvements
		Total	Single-Family Structures	Multifamily Structures	
Annual Data (Current Dollars in Millions)					
1974	55,967	43,420	29,700	13,720	12,547
1975	51,581	36,317	29,639	6,679	15,264
1976	68,273	50,771	43,860	6,910	17,502
1977	92,004	72,231	62,214	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	350,078	229,934	185,776	44,158	120,144
2009	252,164	135,669	106,209	29,460	116,495
Monthly Data (Seasonally Adjusted Annual Rates)					
2008					
Oct	327,745	204,690	161,105	43,585	NA
Nov	310,470	192,094	150,775	41,319	NA
Dec	292,307	176,248	137,957	38,291	NA
2009					
Jan	278,786	162,618	124,863	37,755	NA
Feb	260,813	147,937	111,042	36,895	NA
Mar	248,859	139,184	101,453	37,731	NA
Apr	252,662	130,723	95,107	35,616	NA
May	241,407	123,403	91,420	31,983	NA
Jun	236,970	125,386	95,841	29,545	NA
Jul	237,273	131,043	102,469	28,574	NA
Aug	244,651	133,369	106,926	26,443	NA
Sep	243,231	134,013	109,541	24,472	NA
Oct	271,846	134,450	111,291	23,159	NA
Nov	268,075	135,155	113,013	22,142	NA
Dec	260,448	134,841	113,676	21,165	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

Table 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	14,077.6	629.0	4.5
2008	14,441.4	477.2	3.3
2009	14,258.7	361.3	2.5
Quarterly Data (Seasonally Adjusted Annual Rates)			
2008			
Q4	14,347.3	427.8	3.0
2009			
Q1	14,178.0	374.6	2.6
Q2	14,151.2	345.9	2.4
Q3	14,242.1	358.8	2.5
Q4	14,463.4	365.7	2.5

Source: Bureau of Economic Analysis, Department of Commerce
http://www.bea.doc.gov/bea/newsrel/gdpnewsrelease.htm (See Table 3 in pdf.)

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

Period	Total	Less Than 25 Years	25 to 29 Years	30 to 34 Years	35 to 44 Years	45 to 54 Years	55 to 64 Years	65 Years and Older
Annual Data								
1971[1]	848	NA	NA	NA	NA	NA	NA	NA
1972	1,898	NA	NA	NA	NA	NA	NA	NA
1973	1,575	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								
2008								
Q4	(44)	201	(31)	68	(420)	(140)	206	71
2009[5]								
Q1	110	(172)	35	30	(141)	90	(37)	304
Q2	654	(106)	100	(103)	129	416	108	108
Q3	27	(44)	34	53	(220)	(98)	427	(115)
Q4	252	182	(186)	271	(206)	(76)	486	546

*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.)

Table 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	Males	Females
		With Children	Without Children						
Annual Data									
1971[1]	848	NA	NA	NA	NA	NA	NA	NA	NA
1972	1,898	NA	NA	NA	NA	NA	NA	NA	NA
1973	1,575	(83)	729	94	362	(61)	63	291	182
1974[r]	1,554	392	714	92	636	150	196	(419)	(209)
1975	1,358	(8)	235	24	404	95	(32)	240	401
1976	1,704	(154)	403	39	227	140	65	465	519
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									
2008									
Q4	(44)	(181)	(217)	224	141	(82)	(135)	37	172
2009[5]									
Q1	110	44	270	(128)	(241)	86	79	(99)	97
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

*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.)

Table 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[6]	
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	888	226	60	NA	184
1976	1,704	1,369	216	67	NA	51
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						
2008						
Q4	(44)	84	4	(131)	42	(40)
2009[5]						
Q1	110	113	(109)	71	33	2
Q2	654	320	187	6	22	116
Q3	27	10	121	100	(51)	(145)
Q4	252	174	(61)	8	15	117

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

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

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

Period	Total[3]	Seasonal	Total Year Round	Total Vacant Year Round	For Rent	For Sale Only	Other Vacant	Total Occupied	Owner	Renter
Annual and Biannual 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										
2008										
Q4	129,448	4,746	124,702	14,034	4,095	2,206	7,733	110,668	74,704	35,964
2009[4]										
Q1	129,732	4,869	124,864	14,086	4,131	2,103	7,852	110,778	74,541	36,237
Q2	130,017	4,581	125,437	14,005	4,376	1,904	7,725	111,432	75,139	36,293
Q3	130,302	4,616	125,686	14,227	4,588	1,985	7,653	111,459	75,339	36,119
Q4	130,587	4,626	125,961	14,249	4,474	2,087	7,688	111,712	75,038	36,673

*Components may not add 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, CPS data weighted based on vintage 2008 housing estimates.

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

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

Table 26. Rental Vacancy Rates: 1979–Present

Period	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												
2008												
Q4	10.1	10.1	10.3	9.9	9.8	6.3	10.5	13.1	8.4	10.1	10.3	10.8
2009												
Q1	10.1	10.2	10.6	9.5	9.8	6.9	10.1	12.9	8.6	9.6	10.6	11.5
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	13.0	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

[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.)

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

Period	Total	Less Than 25 Years	25 to 29 Years	30 to 34 Years	35 to 44 Years	45 to 54 Years	55 to 64 Years	65 Years and Over
Annual Data								
1982	64.8	19.3	38.6	57.1	70.0	77.4	80.0	74.4
1983	64.6	18.8	38.3	55.4	69.3	77.0	79.9	75.0
1984	64.5	17.9	38.6	54.8	68.9	76.5	80.0	75.1
1985	63.9	17.2	37.7	54.0	68.1	75.9	79.5	74.8
1986	63.8	17.2	36.7	53.6	67.3	76.0	79.9	75.0
1987	64.0	16.0	36.4	53.5	67.2	76.1	80.2	75.5
1988	63.8	15.8	35.9	53.2	66.9	75.6	79.5	75.6
1989	63.9	16.6	35.3	53.2	66.6	75.5	79.6	75.8
1990	63.9	15.7	35.2	51.8	66.3	75.2	79.3	76.3
1991	64.1	15.3	33.8	51.2	65.8	74.8	80.0	77.2
1992	64.1	14.9	33.6	50.5	65.1	75.1	80.2	77.1
1993	64.5	15.0	34.0	51.0	65.4	75.4	79.8	77.3
1993[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								
2008								
Q4	67.5	24.1	39.5	52.2	66.6	75.1	79.7	80.4
2009								
Q1	67.3	23.9	37.2	52.7	65.7	74.6	79.8	80.4
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

[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.)

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

Period	Total	Region				Metropolitan Status[3,5]		
						Inside Metro Area		
		Northeast	Midwest	South	West	Central City	Outside Central City	Outside Metro Area
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								
2008								
Q4	67.5	64.0	71.4	69.8	62.7	52.8	74.7	75.4
2009								
Q1	67.3	63.7	70.7	69.6	62.8	52.5	74.5	75.2
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

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.)

Table 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					
2008					
Q4	74.8	47.3	59.5	58.9	48.6
2009					
Q1	74.7	46.5	58.7	55.1	48.6
Q2	74.9	46.9	59.6	56.0	48.1
Q3	75.0	46.8	59.8	56.4	49.9
Q4	74.5	46.3	60.8	56.8	48.4

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.)

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

Period	Married Couples: With Children	Married Couples: Without Children	Other Families: With Children	Other Families: Without Children	Other
March Supplemental Data					
1983[1]	75.0	80.8	38.3	67.5	44.5
1984[r]	74.2	80.9	39.1	66.4	44.6
1985	74.0	81.1	38.6	65.4	45.0
1986	73.4	81.4	38.0	65.7	43.9
1987	73.8	81.6	37.6	66.3	43.9
1988[r]	73.9	81.7	38.0	64.9	44.6
1989	74.3	82.0	35.8	64.4	45.6
1990	73.5	82.2	36.0	64.3	46.6
1991	73.0	83.0	35.6	65.6	46.8
1992	73.4	83.0	35.1	64.9	47.3
1993[2]	73.7	82.9	35.5	63.9	47.1
Annual Averages of Monthly Data					
1994	74.3	83.2	36.1	65.3	47.0
1995	74.9	84.0	37.7	66.2	47.7
1996	75.8	84.4	38.6	67.4	48.6
1997	76.5	84.9	38.5	66.4	49.2
1998	77.3	85.4	40.4	66.0	49.7
1999	77.6	85.7	41.9	65.8	50.3
2000	78.3	86.1	43.2	65.8	50.9
2001	78.8	86.6	44.2	66.1	51.7
2002[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					
2008					
Q4	78.7	86.7	43.1	64.8	52.7
2009					
Q1	77.9	86.5	42.8	65.6	52.3
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

[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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