4th Quarter 2010

U.S. Housing Market Conditions

February 2011

Summary

Housing data for the fourth quarter of 2010 indicated that the recovery in the housing market continues to remain fragile. In the production sector, single-family housing permits increased and starts remained steady, although completions fell. Multifamily housing permits, starts, and completions all fell, although permits and completions were down only slightly. In the marketing sector, sales of both new and existing homes rose, while median sales prices for new homes remained steady and those for existing homes fell slightly from year-earlier levels. The Standard and Poor's Case-Shiller® national seasonally adjusted (SA) repeat-sales house-price index, which is reported with a lag, recorded a 3.4-percent decline in the value of homes in the third quarter of 2010, after having increased 2.6 percent in the second quarter, and a 1.6-percent decline over year-earlier levels. The less volatile Federal Housing Finance Agency's (FHFA) purchase-only repeat-sales index, also reported on a lagged basis, estimated a 1.6-percent (SA) decrease in home values in the third quarter compared with the second quarter and a 3.2-percent decline from year-earlier levels. Inventories of available homes at the current sales rate decreased in the fourth quarter of 2010, reaching an average rate of 8.0 months' supply of new homes and 9.4 months' supply of existing homes, down from rates of 8.5 and 11.7 months' supply, respectively, in the previous quarter.

The national homeownership rate declined in the fourth quarter of 2010, as did the homeownership rate for minorities. According to the Mortgage Bankers Association (MBA), the percentage of delinquencies for mortgage loans fell in the third quarter, while newly initiated foreclosures increased (the data are reported with a 2-month lag). The percentage of newly initiated foreclosures rose for both prime and subprime loans. The advance estimate of overall real growth in the national economy for the fourth quarter was a 3.2-percent increase at a seasonally adjusted annual rate (SAAR), following a 2.6-percent expansion in the third quarter, according to the Bureau of Economic Analysis. Residential investment increased by 3.4 percent in the fourth quarter compared with a decline of 27.3 percent in the third quarter of 2010.

Housing Production

Housing production indicators were mixed in the fourth quarter of 2010. The number of single-family housing permits rose and starts remained steady, but completions fell. In the multifamily sector (apartments and condominiums), the number of permits, starts, and completions all fell, although the decline in permits and completions was small. Shipments of manufactured housing dropped in the fourth quarter.

- Builders took out permits for new housing at a pace of 574,000 (SAAR) units during the fourth quarter, which was 3 percent higher than the previous quarter but 8 percent lower than a year earlier. Single-family building permits were issued for 421,000 (SAAR) housing units, an increase of 4 percent from the third quarter but a decrease of 14 percent from year-earlier levels. Single-family permits have increased in 5 of the last 7 quarters, after having declined for 14 consecutive quarters, ending the second quarter of 2009.
- During the fourth quarter, builders started construction on 538,000 new housing units (SAAR), down 8 percent from the third quarter and 5 percent from a year earlier. Single-family housing starts totaled 436,000 (SAAR) housing units, virtually unchanged

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from the third quarter but down 11 percent from year-earlier levels. Single-family starts have risen or remained steady in 4 of the last 7 quarters, after having fallen for 12 consecutive quarters, ending the second of 2009. Builders completed 583,000 (SAAR) new housing units in the fourth quarter, down 4 percent from the third quarter and 26 percent over the four-quarter period. Single-family home completions totaled 461,000 (SAAR) units, down 4 percent from the previous quarter and 13 percent from a year earlier. Completions have increased in 2 of the last 5 quarters, after having declined for 14 consecutive quarters, ending the fourth quarter of 2009.

- Manufactured housing shipments totaled 42,000 (SAAR) units in the fourth quarter, down 15 percent from the third quarter and 14 percent over the four-quarter period. Onsite placements of manufactured housing, which are reported with a lag, reached 49,000 units in the third quarter, down 15 percent from the previous quarter but up 3 percent from a year earlier. Manufactured housing shipments have increased in 2 of the last 4 quarters, following a downward trend that began after the hurricane-induced sales-order increases of late 2005.

Marketing of Housing

Data on the housing marketing sector improved in the fourth quarter of 2010. The number of both new and existing homes sold rose, while the median sales prices of new homes was unchanged and those of existing homes sold fell slightly from a year ago. The S&P Case-Shiller® and FHFA repeat sales house price indices, which are reported with a lag, estimated that house prices were down in the third quarter from both the second quarter of 2010 and the third quarter of 2009. The average months' supply of homes for sale in the fourth quarter fell for both new and existing homes. Home builders' confidence, as measured by the National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index, increased in the fourth quarter.

- During the fourth quarter of 2010, 296,000 (SAAR) new single-family homes were sold, up 2 percent from the 291,000 (SAAR) homes sold in the third quarter but down 21 percent from a year earlier.

- The NATIONAL ASSOCIATION OF REALTORS® (NAR) reported that 4.803 million (SAAR) existing homes—including single-family, townhomes, condominiums, and cooperatives—were sold in the fourth quarter, up 15 percent from the previous quarter but down 20 percent from year-earlier levels. According to a NAR practitioner survey, sales to first-time homebuyers accounted for 32 percent of all home sales transactions in the fourth quarter, down from 34 percent in the previous quarter.

- The median price of new homes sold in the fourth quarter was $219,800, down 2 percent from the previous quarter and virtually the same over the previous four quarters. The average price of new homes sold was $272,400, up 2 percent from the previous quarter and nearly the same as a year earlier. A constant-quality house would have sold for $282,000, up 1 percent from the previous quarter but down 1 percent from a year earlier.

- NAR reported that the median price of existing homes sold was $169,800 in the fourth quarter, down 4 percent from the third quarter and 1 percent from a year earlier. The average price of existing homes sold in the fourth quarter was $218,000, 3 percent lower than the previous quarter but 1 percent higher than the fourth quarter of 2009. According to a NAR practitioner survey, distressed sales (foreclosures and short sales) represented 34 percent of all home sales in the fourth quarter, the same as in the third quarter. Distressed sales prices are typically 15 to 20 percent below normal market prices.

- S&P/Case-Shiller® and the FHFA both produce repeat-sales house price indices that are reported with a 2-month lag. The Case-Shiller® national index estimated that (SA) home prices in the third quarter of 2010 were down 3.5 percent from the previous quarter and 1.6 percent from a year earlier. The FHFA purchase-only national index estimated that (SA) home prices in the third quarter were down 1.6 percent from the previous quarter and 3.2 percent from a year earlier. The FHFA index is based on sales financed with mortgages that have been sold to or guaranteed by Fannie Mae and Freddie Mac and tends to show less volatility than the S&P Case-Shiller® index. The lower volatility occurs mainly because the FHFA index excludes sales transactions associated with subprime and some "jumbo" loans and because it is transaction weighted instead of value weighted.

- During the fourth quarter of 2010, the average inventory of new homes for sale was 195,000 units, down 5 percent from the third quarter and 17 percent from a year earlier. That inventory would support 8.0 months of sales at the current sales pace, down 0.5 month from the third quarter but up 0.4 month from a year earlier. The average inventory of existing homes for sale in the fourth quarter was 3.713 million units, down 8 percent from the third quarter but up 7 percent over the four-quarter period. That inventory would support 9.4 months of sales at the current sales pace, down 2.3 months from the third quarter but up 2.4 months from a year earlier. Of concern is the "shadow inventory" of homes as a result of the high rate of delinquencies and foreclosures, which has the potential to increase the supply of homes for sale and further depress home prices.

- The Federal Housing Administration's (FHA) share of the mortgage market, which is reported with a 2-month lag, increased only for refinance loans in the third quarter of 2010. Based on loan origination data, the FHA's dollar volume share of the mortgage market was 16.8 percent, down from 19.0 percent in the second quarter and 18.2 percent a year earlier. For home purchase loans, the FHA's dollar volume share was 35.3 percent, down from 36.5 percent in the second quarter and 26.0 percent a year earlier. For refinance loans, the FHA's dollar volume share was 10.4 percent in the third quarter, up 7.3 percent from the previous quarter but down from 12.3 percent a year earlier. Based on the number of loans originated, the FHA's share of the mortgage market was 19.2 percent in the fourth quarter, down from 22.7 percent in the previous quarter and 21.6 percent a year earlier. For home purchase loans, the FHA's share of the number of new mortgage loans was 40.9 percent, down from 42.4 percent in the previous quarter but up from 30.3 percent a year earlier. The FHA's share of the number of new refinance loans was 11.1 percent in the third quarter, up from 8.4 percent in the previous quarter but down from 14.5 percent a year earlier.
- Home builders' optimism rose in the fourth quarter of 2010. The NAHB/Wells Fargo composite Housing Market Index was 16, up 3 points from the third quarter but down 1 point from a year earlier. The index for expected future sales increased from 19 to 24 points. The composite 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, as measured by the NAR Housing Affordability Index, increased in the fourth quarter of 2010. The NAR composite index estimates that a family earning the median income had 185.0 percent of the income needed to purchase a median-priced, existing single-family home, using standard lending guidelines. That value is up 11.9 percentage points over the previous quarter and 11.3 percentage points over the four-quarter period. The increase in affordability is attributed to a 0.7-percent increase in median family income, a 4-percent decrease in the median sales price of existing single-family homes, and a 16-basis-point decrease in mortgage interest rates.

Estimates from the MBA's quarterly National Delinquency Survey, which is reported with a 2-month lag, showed that the overall, short-term, and serious delinquency rates for mortgages on 1- to 4-family homes all fell during the third quarter of 2010. These delinquency rates decreased for prime, subprime, and FHA loans. The percentage of mortgage holders seriously delinquent on their mortgages (90 or more days past due or in the foreclosure process) fell for the third consecutive quarter; the rate had been rising since the third quarter of 2006. The percentage of newly initiated foreclosures (foreclosure starts), in contrast, increased for prime, subprime, and FHA loans.

According to the MBA, the (SA) delinquency rate for all mortgage loans in the third quarter of 2010 was 9.13 percent, down from 9.85 percent in the second quarter and 9.64 percent a year earlier. The (SA) delinquency rate for prime mortgages was 6.29 percent in the third quarter, down from 7.10 percent in the second quarter and 6.84 percent a year earlier. The (SA) delinquency rate for subprime mortgage loans was 26.23 percent in the third quarter, down from 27.02 percent in the second quarter and 26.42 percent a year earlier. For FHA loans in the MBA survey, the (SA) delinquency rate was 12.62 percent in the third quarter, down from 13.29 percent in the second quarter and 14.36 percent a year earlier.

Newly initiated foreclosures represented 1.34 percent of all mortgage loans in the third quarter, up from 1.11 percent in the second quarter but down from 1.42 percent a year earlier. The rate of newly initiated foreclosures on prime loans was 1.12 percent in the third quarter, up from 0.91 percent in the second quarter but down from 1.14 percent a year earlier. Foreclosures started on subprime loans rose to 3.31, after having fallen for five consecutive quarters. Newly initiated foreclosures on subprime loans were up from 2.83 percent in the second quarter but down from 3.76 percent a year earlier. Not all newly initiated foreclosures end in foreclosure completions. Before the recent slowdown in the processing of foreclosures, approximately 52 percent of newly initiated foreclosures were completed 6 months later, which was the approximate average length of time for processing foreclosures.

The national homeownership rate was 66.5 percent in the fourth quarter of 2010, down from 66.9 percent in the third quarter and 67.2 percent a year earlier. The national homeownership rate has not been this low since 1998. The homeownership rate for minority households decreased to 48.5 percent in the fourth quarter, down from 48.6 percent in the previous quarter and 49.8 percent a year earlier. The decline in homeownership reflects the subprime lending crisis, the high rates of unemployment, and the recent severe recession. Servicer emphasis on home retention actions, including those actions under the Making Home Affordable Program, are helping to keep the number of newly initiated and completed foreclosures down, despite high rates of mortgage delinquency. Foreclosure activity has also declined recently as lenders review internal procedures related to the foreclosure process. This decline is likely to be temporary, however, and loan modification programs cannot help all delinquent borrowers. In this regard, servicers have indicated that completed foreclosures are likely to increase as alternatives for seriously delinquent borrowers are exhausted.

Multifamily Housing

Performance in the multifamily housing sector (five or more units) was mixed in the fourth quarter of 2010. In the production sector, the number of building permits, starts, and completions all fell, although the decline in permits and completions was small. The absorption rate for multifamily apartments increased, while the rental vacancy rate declined. The absorption rate for condominiums and cooperatives also increased in the fourth quarter.

- During the fourth quarter of 2010, builders took out permits for 131,000 (SAAR) new multifamily units, down 3 percent from the third quarter but up 14 percent from a year earlier.
- Builders started construction on 90,000 (SAAR) new multifamily units in the fourth quarter, down 35 percent from 140,000 units in the third quarter but up 33 percent from 68,000 units a year earlier. Builders completed 114,000 (SAAR) multifamily units in the fourth quarter, down 1 percent from the previous quarter and 52 percent from year-earlier levels.
- Market absorption of new multifamily units increased for apartments and for condos and co-ops in the fourth quarter of 2010. Of the total number of new apartments completed in the third quarter, 62 percent were leased in the first 3 months after completion, up from 56 percent in the third quarter and 10 percentage points higher than year-earlier levels. Of the total number of new condos and co-ops completed in the third quarter of 2010, 40 percent were sold in the fourth quarter, up 2 percentage points from the third quarter but down 6 percentage points from a year earlier.
- The multifamily rental vacancy rate reported by the Census Bureau was 10.4 percent in the fourth quarter of 2010, down from 11.8 percent in the third quarter and 12.5 percent a year earlier.

2010 Annual Data

Housing production indicators improved in 2010. In both the single-family and multifamily sectors, permits and starts increased, although completions declined. Shipments of manufactured homes increased 0.4 percent in 2010, the first increase in annual shipments since 2005. The marketing sector performed less well, with both new and existing home sales declining during the past year. The median price of new homes sold rose during 2010, while remaining steady for existing homes sold. Housing affordability improved during 2010, although homeownership rates for the nation and for most groups declined. The housing sector component of GDP (residential fixed investment) declined in 2010, but by a much slower rate than in 2009.

- Builders took out permits for 447,100 new single-family homes in 2010, an increase of 3 percent from 2009. Multifamily permits were issued for 131,000 new units in 2010, up 11 percent from 2009.
- Single-family housing starts totaled 471,000 units in 2010, up 6 percent from 2009, while multifamily housing starts totaled 105,000 units, up 8 percent from the previous year.
- In 2010, construction was completed on 497,000 new single-family housing units, 4 percent fewer than in 2009. A total of 148,000 new multifamily units were ready for occupancy in 2010, down 43 percent from 2009.
- Builders sold 321,000 new single-family homes in 2010, down 14 percent from the 375,000 homes they sold in 2009. For all of 2010, the median price of new homes sold was $221,900, up 2.4 percent from 2009.
- NAR reported that 4.908 million existing single-family homes were sold in 2010, a 5-percent decrease from the 5.165 million sold in 2009. For all of 2010, the median price of existing homes sold was $173,000, nearly the same as in 2009.
- Builders were just slightly more optimistic in 2010 than they were in 2009. The NAHB/Wells Fargo composite Housing Market Index averaged 16 points in 2010, up 1 point from 2009. The 2009 value was the lowest annual value in the 25-year history of this attitude survey.
- The average interest rate for 30-year, fixed-rate mortgages in 2010, as reported by Freddie Mac's Primary Mortgage Market Survey, was 4.69 percent, 35 basis points below the 2009 annual average rate, which set a record low.

- According to the NAR Housing Affordability Index, the affordability of housing improved in 2010, increasing by 5.2 percentage points from 2009. A family earning the median level of income ($61,583) had 174.6 percent of the income needed to purchase the median-priced existing home ($173,200), while mortgage interest rates declined 25 basis points to 4.89 in 2010. The increase in housing affordability is attributed to falling interest rates and a 0.8-percent increase in median family income, which more than offset a 0.6-percent increase in the median sales price.
- The FHA guaranteed 1.625 million mortgages in 2010, down 20 percent from 2009. Private insurance on mortgages decreased 28 percent in 2010 to 317,037 loans.
- Based on the Housing Vacancy supplement to the Current Population Survey, the proportion of American households that owned their homes in 2010 declined to 66.9 percent from 67.4 percent in 2009. The homeownership rate for White non-Hispanic households was 74.4 percent in 2010, down from 74.8 percent in 2009; the homeownership rate for African-American households was 45.9 percent in 2010, down from 46.6 percent in 2009; and the homeownership rate for Hispanic households was 47.5 percent, down from 48.4 percent in 2009.
- The rental vacancy rate declined, while the absorption of new apartments rose in 2010. The vacancy rate for multifamily rental units fell to 11.6 percent in 2010, down from 12.3 percent in 2009. The average lease rate for newly completed apartments rented within 3 months of their completion was 55 percent in 2010 compared with 50 percent for all of 2009.
- The housing component of GDP (residential fixed investment) declined 3.0 percent in 2010 compared with a decline of 22.9 percent in 2009.

What Do We Know About Single-Family Rental Properties?

Introduction

The 2009 American Housing Survey[1] (AHS) identified 130.1 million housing units in the United States, 77 percent (99.7 million) of which were one- to four-unit buildings,[2] with the remaining 23 percent being multifamily buildings with five or more units. While most housing discussions focus on homeownership of single-family buildings and rental housing within multifamily buildings, 21 percent (20.6 million) of one- to four-unit buildings provide rental housing. The 2009 AHS found that 27 percent of rental housing units were in single-family-detached structures, 6 percent were located in single-family-attached structures (for example, rowhouses sharing one or more common walls on individually owned or leased lots), 20 percent were in two- to four-unit structures (for example, a duplex on a single lot), and 48 percent were located in buildings with five or more units. These figures illustrate that, despite the focus on multifamily rental housing, the U.S. rental housing stock is split nearly down the middle, 52 to 48 percent, between one- to four-unit, single-family, and five or more unit, multifamily, structures . In the wake of the buildup of single-family homes during 2004 through 2006, the housing bust of 2007 through 2010, and the dramatic rise in foreclosures and vacancies in single-family homes, the one- to four-unit share of rental housing is poised to increase further in 2011 and 2012. Given the significant contribution of one- to four-unit structures to the rental housing market, it is important to examine and understand the characteristics of single-family rental structures, their residents, their owners, their financing, and their distribution across the United States.

AHS Data—Property and Renter Characteristics

Table 1 shows the number of bedrooms per unit and the age (year built) of rental buildings with one unit, two to four units, and five or more units in the United States as reported in the 2009 AHS. The top half of Table 1 shows that the largest share of units in multifamily buildings (buildings with five or more units) have one-bedroom while two-bedroom units account for the largest share of units in two- to four-unit buildings, and three-bedroom units account for the largest share of units in one-unit buildings (single-family detached or attached).

Thus, one-unit and two- to four-unit buildings provide more bedrooms and may be better able to accommodate larger families than the average rental unit in a multifamily property. The lower half of Table 1 shows the age distribution of rental buildings. In general, one-unit and two- to four-unit buildings tend to be older, and buildings with five or more units tend to be younger. For example, 19.6 percent of buildings with five or more units were built after 1990 versus 16 and 9.7 percent for one-unit and two- to four-unit buildings, respectively. Similarly, 22.4 percent of buildings with five or more units were built before 1960 versus 48.1 and 49.2 percent for one-unit and two- to four-unit buildings.

Whereas Table 1 presents rental building characteristics, Tables 2 and 3 present characteristics of rental housing residents. Table 2 shows the age distribution and race and ethnicity of renters; Table 3 shows the relative income and housing costs of rental housing residents. The top half of Table 2 shows that buildings with five or more units have a greater percent share of younger (less than 35) or older (greater than 75) residents,

Table 1. Bedrooms Per Unit and Building Age of U.S. Rental Housing Stock by Structure Type

	Structure Type			
	1 unit (%)	**2–4 units (%)**	**5+ units (%)**	**Total (%)**
Bedrooms per Unit				
Studio	0.5	1.2	4.2	2.3
1 bedroom	6.6	26.9	44.5	27.9
2 bedrooms	31.3	54.6	43.9	41.8
3 bedrooms	45.5	15.3	6.4	21.7
4 bedrooms+	16.1	2.0	0.9	6.4
Total	100.0	100.0	100.0	100.0
Building Age by Year Built				
Pre-1940	23.1	33.7	13.4	20.9
1940–1959	25.0	15.5	9.0	15.9
1960–1979	27.9	31.0	39.7	33.8
1980–1989	8.0	10.1	18.3	13.1
1990–1999	6.4	5.3	9.3	7.5
2000–2009	9.6	4.4	10.3	8.8
Total	100.0	100.0	100.0	100.0

Sources: American Housing Survey; U.S. Department of Housing and Urban Development

Table 2. Age and Race/Ethnicity of U.S. Rental Housing Residents

	Structure Type			
	1 unit (%)	**2–4 units (%)**	**5+ units (%)**	**Total (%)**
Householder Age				
Under 25 years	10.7	14.1	17.3	14.3
25 to 29	13.5	17.1	16.6	15.6
30 to 34	14.5	12.8	13.6	13.8
35 to 44	24.9	21.4	16.4	20.5
45 to 54	18.5	14.9	14.6	16.1
55 to 64	9.9	10.6	9.2	9.7
65 to 74	4.6	5.0	4.9	4.8
75 years and over	3.5	4.2	7.4	5.3
Total	100.0	100.0	100.0	100.0
Householder Race/Ethnicity				
Non-Hispanic White	61.8	55.9	51.6	56.1
Non-Hispanic Black	16.8	18.5	19.6	18.4
Hispanic (of any race)	16.5	18.9	20.1	18.6
Other	5.0	6.7	8.8	7.0
Total	100.0	100.0	100.0	100.0

Sources: American Housing Survey; U.S. Department of Housing and Urban Development

Table 3. Household Income and Housing Costs Relative to Area Median Income

	Structure Type			
	1 unit (%)	2–4 units (%)	5+ units (%)	Total (%)
	Percent of Renters by Building Type in Each Income Category			
< 30% AMI	17.8	25.1	21.9	21.1
30–50% AMI	18.4	20.8	21.1	20.1
51–60% AMI	8.4	8.2	8.7	8.5
61–80% AMI	14.6	13.7	13.3	13.8
81–100% AMI	10.4	9.6	9.3	9.8
101–120% AMI	9.1	7.8	8.6	8.6
>120% AMI	21.4	14.8	17.0	18.1
Total	100.0	100.0	100.0	100.0
	Rent Affordability (% AMI Required To Afford a Particular Housing Unit)			
< 30% AMI	5.5	5.9	4.8	5.3
30–50% AMI	25.4	35.5	26.4	28.0
51–60% AMI	17.9	22.1	23.1	21.1
61–80% AMI	26.8	24.0	27.2	26.4
81–100% AMI	12.9	5.7	7.7	9.1
101–120% AMI	6.5	3.4	4.3	4.8
>120% AMI	5.0	3.5	6.5	5.4
Total	100.0	100.0	100.0	100

AMI = Area Median Income.
Sources: American Housing Survey; U.S. Department of Housing and Urban Development

whereas, one-unit buildings, and to a lesser extent two- to four-unit rental buildings, have a greater percent share of residents from the middle of the age distribution (35 to 54 years old). The split in residents in buildings with five units or more may be due to (1) younger households seeking low-maintenance housing and communities before making the transition into homeownership and (2) older households seeking low-maintenance housing and communities as they make the transition out of single-family homeownership. The lower half of Table 2 shows that a higher percent share of non-Hispanic White renters reside in one-unit rental buildings and that a higher percent share of non-Hispanic Black, Hispanic, and other minority renters reside in rental buildings with two to four units and five or more units. The Home Mortgage Disclosure Act (HMDA) provides data on the race and ethnicity of the owners of one- to four-unit rental properties. In 2009, one- to four-unit rental mortgage originations were divided at 65.6, 2.7, 6.1, and 25.6 percent among the categories of non-Hispanic White, non-Hispanic Black, Hispanic, and other. The high share for "other" is due, in part, to corporate or nonprofit purchases and refinances in addition to other minorities. Race and ethnicity origination shares remained relatively constant from 2004 through 2009, with the notable exception of the non-Hispanic Black share, which declined from 6.02 to 2.70 percent, while the other share increased from 18.7 to 25.6 percent.

Table 3 shows rental household income and rental housing costs relative to the Area Median Income (AMI). The top half of Table 3 shows the percentage of renters by structure size that falls into each relative income category. Note that the table contains only data on renter households (families and unrelated individuals), while AMI estimates are based on all families, including homeowners, but exclude unrelated individuals. The table shows that residents with the lowest income relative to AMI (less than or equal to 30 percent of AMI) are disproportionately in two- to four-unit buildings and, to a lesser extent, in buildings with five or more units. Similarly, residents with the highest income relative to AMI (greater than or equal to 100 percent AMI) disproportionately choose to live in one-unit rental buildings. The lower half of Table 3 shows the percent of AMI that a household would have to earn to be able to afford a particular rental housing unit. Two- to four-unit buildings have the highest incidence of affordability in the two most affordable categories (below 30 percent of AMI and 30 to 50 percent of AMI), which probably reflects that two- to four-unit buildings have a greater share of older buildings, as shown in Table 1. The highest share for one-unit buildings and for buildings with five or more units is within the 60- to 80-percent AMI category. The share of rental units requiring income equal to 80 percent of AMI or greater to be affordable is the highest for one-unit buildings and buildings with five or more units, probably because of the fact that these property types have a greater share of newer buildings, and one-unit buildings have a greater share of units with three or more bedrooms, as shown in Table 1.

Financing and Mortgage Performance

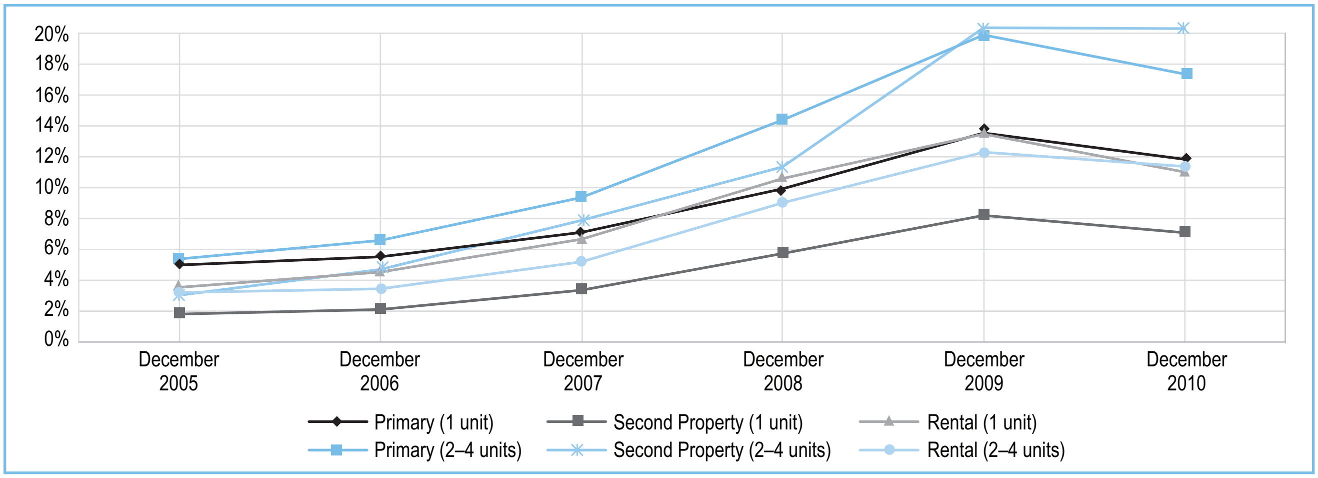
Because rental properties are purchased solely for investment purposes and owner-occupant properties are purchased for both the provision of shelter and economic returns, it is often hypothesized that payment and default behaviors differ substantially based on occupancy and that mortgages on one- to four-unit rental properties underperform the mortgages of owner-occupants. Figure 1 and Tables 4 and 5 use LPS Applied Analytics Mortgage Performance Data to compare first-lien mortgage performance for rental property investors and owner-occupants over time.[3]

Figure 1 shows the share of active first-lien mortgages that were noncurrent (30 or more days delinquent or in foreclosure) as of December 31st in each year from 2005 through 2010—broken out by units in structure (one unit versus two to four units) and occupancy status of the property owner (primary residence, second home, or rental property). From 2005 through 2010, default rates were lowest for one-unit second homes and highest for two- to four-unit primary residences (meaning the owner lives in one of the units), while one-unit rentals, two- to four-unit rentals, and one-unit primary residences were bound by a range in the center, with rental properties showing slightly lower default rates than one-unit primary residence mortgages, with the exception of 2008, when one-unit rental defaults slightly exceeded the default rate for one-unit primary residences.

Table 4 (Table 5) shows mortgage performance for one-unit (two- to four-unit) primary residence and rental properties over the period from 2005 through 2010 by origination year. The left-hand side of the table contains performance for primary residences and the right-hand side contains performance for rental properties. The first section presents performance for all originations years, with the subsequent six sections containing performance for origination years 2005 to 2010; the final section contains performance for mortgages originated before 2005. For each property type, the table shows (1) active loan count, (2) share of loans in foreclosure, and (3) total noncurrent share of loans.

Table 4 shows that the trends for both primary residences and rental properties have moved in tandem; that is, for the all origination year groups, the share of mortgages that are in foreclosure and noncurrent has increased for both primary residences and rental properties over time from 2005 to 2010. The table shows that, across origination years, foreclosure and noncurrent shares of more recent vintages (for example, 2010, 2009, 2008) performed better in the first, second, and third years after origination than vintages at the peak of the housing market in 2006 and 2007. Looking at all origination years, the noncurrent share for mortgages on one-unit rental properties was less than the noncurrent share on one-unit primary residences on December 31st of each year from 2005 through 2010, with the exception of December 2008. The table shows that, for individual origination years, the rental noncurrent share is less than the share for primary residences at all points in time, for all origination years, with the exception of the 2005 origination year in December 2008, at which point the noncurrent share for rental properties exceeded the noncurrent share for primary residences. Conversely, the rental foreclosure share exceeds the primary residence foreclosure share in nearly every case. The fact that the noncurrent share is lower but the foreclosure share is higher for one-unit rental properties compared with one-unit primary residences may indicate a greater willingness by lenders to work with delinquent one-unit, owner-occupant borrowers to avoid foreclosure relative to nonowner-occupant borrowers.

Figure 1. Percent Share Noncurrent by Occupancy and Structure Type



Sources: LPS Applied Analytics Mortgage Performance Data; U.S. Department of Housing and Urban Development

Table 5 presents performance metrics for two- to four-unit structures comparable to those shown in Table 4 for one-unit structures. While Table 4 depicts a split in mortgage performance between one-unit primary residences and rentals across origination years (primary residences had lower foreclosures, but rentals had lower delinquencies), the results in Table 5 show that two- to four-unit rental properties had superior performance across all metrics (foreclosures and noncurrent share), at all points in time, and across all vintages. Looking across all origination years, the average two- to four-unit primary residence foreclosure and noncurrent shares are 54 and 69 percent higher, respectively, than the respective average foreclosure and noncurrent rental

Table 4. One-Unit Primary Residence and Rental Mortgage Performance by Origination Year

Origination Year and Date	1 Unit—Primary Residence			1 Unit—Rental		
	Active Loan Count (#)	Foreclosure Presale (%)	Total Non-current (%)	Active Loan Count (#)	Foreclosure Presale (%)	Total Non-current (%)
All origination years						
2005	18,094,560	.43	4.99	766,362	.47	3.54
2006	19,178,465	.62	5.52	872,806	.81	4.53
2007	21,814,454	1.16	7.10	999,095	1.73	6.66
2008	26,052,739	1.74	9.93	1,292,266	3.52	10.59
2009	22,611,288	3.13	13.54	1,121,994	5.31	13.47
2010	25,353,804	3.49	11.84	1,330,817	5.00	11.01
2010 originations						
2010	3,353,221	.04	.92	142,449	.05	.52
2009 originations						
2009	3,335,705	.07	1.65	90,002	.08	.79
2010	3,756,606	.53	3.88	118,615	.42	1.51
2008 originations						
2008	2,934,941	.24	3.85	154,858	.55	2.88
2009	1,950,230	1.83	11.17	118,951	2.30	7.13
2010	1,926,049	3.92	14.59	137,740	3.57	7.91
2007 originations						
2007	3,124,720	.55	5.11	189,595	.74	4.15
2008	3,546,363	2.42	13.89	216,917	4.74	13.64
2009	2,521,625	6.02	24.81	173,104	8.50	19.66
2010	2,307,898	8.52	24.39	171,846	9.44	18.78
2006 originations						
2006	3,295,294	.51	5.14	210,251	.62	4.29
2007	3,437,312	2.73	12.28	207,153	3.32	10.36
2008	3,421,929	4.72	19.33	212,554	7.23	18.80
2009	2,529,104	8.76	29.57	170,865	10.94	23.93
2010	2,229,769	9.89	27.63	165,133	11.02	21.74
2005 originations						
2005	3,770,140	.19	3.25	221,992	.22	2.96
2006	3,581,358	.92	6.42	201,950	1.19	4.98
2007	3,391,028	1.86	9.18	184,174	2.69	8.26
2008	3,565,558	2.70	12.52	201,117	5.14	13.88
2009	2,767,412	5.03	18.82	164,937	7.74	17.85
2010	2,556,039	5.95	18.35	169,895	7.62	16.11
Origination before 2005						
2005	14,324,420	.49	5.45	544,370	.57	3.78
2006	12,301,813	.57	5.36	460,605	.74	4.44
2007	11,861,394	.66	5.53	418,173	.98	5.25
2008	12,583,948	.82	6.94	506,820	1.70	6.89
2009	9,507,212	1.66	9.40	404,135	2.63	9.31
2010	9,224,222	2.38	9.71	425,139	3.22	8.83

Sources: LPS Applied Analytics Mortgage Performance Data; U.S. Department of Housing and Urban Development

building shares. The largest differences occur in the most recent vintages, 2008 through 2010, in which the average difference between primary residences and rental structures is 121 and 180 percent for foreclosures and noncurrent shares, respectively. One possible explanation for this result could be that underwriting for rental property investors was more conservative and that the pool of two- to four-family primary residence borrowers may have contained a larger share of marginally qualified or less financially capable candidates who planned to use rental income to make payments that did not materialize or were less than anticipated.

Table 5. Two- to Four-Unit Primary Residence and Rental Mortgage Performance by Origination Year

Origination Year and Date	2–4 Unit—Primary Residence			2–4 Unit—Rental		
	Active Loan Count (#)	Foreclosure Presale (%)	Total Non-current (%)	Active Loan Count (#)	Foreclosure Presale (%)	Total Non-current (%)
All origination years						
2005	328,091	.69	5.38	197,715	.44	3.21
2006	359,005	1.24	6.58	226,562	.69	3.45
2007	404,913	2.52	9.36	253,807	1.36	5.20
2008	420,401	3.86	14.38	262,055	2.58	9.02
2009	420,364	6.19	19.89	254,600	4.99	12.30
2010	499,890	6.84	17.36	276,622	5.39	11.37
2010 originations						
2010	44,292	.06	1.23	24,750	.03	.48
2009 originations						
2009	44,438	.30	2.85	13,682	.14	.93
2010	54,319	1.34	5.64	15,204	.63	1.60
2008 originations						
2008	45,288	.72	5.99	25,434	.26	2.36
2009	37,899	5.17	17.96	24,015	2.44	6.84
2010	42,662	8.58	20.38	24,555	4.16	8.34
2007 originations						
2007	72,942	1.36	6.83	49,100	.51	3.24
2008	68,963	4.95	19.09	46,330	2.76	10.65
2009	59,847	10.03	32.61	42,027	7.12	17.46
2010	62,012	13.61	31.13	39,587	9.54	19.03
2006 originations						
2006	83,886	1.12	7.08	55,708	.49	3.53
2007	85,555	6.06	17.35	53,074	2.62	8.87
2008	74,890	9.90	28.60	47,207	5.64	17.19
2009	65,997	14.79	39.63	41,878	10.36	22.62
2010	63,700	15.63	35.94	38,353	11.06	21.85
2005 originations						
2005	82,402	.40	4.25	59,063	.19	2.97
2006	72,691	2.06	8.43	53,607	1.04	4.38
2007	63,548	3.38	11.63	46,211	2.12	7.17
2008	58,819	4.73	16.91	42,789	3.92	12.32
2009	53,778	7.86	24.27	39,057	7.21	16.84
2010	57,016	9.29	23.69	38,483	8.22	17.23
Origination before 2005						
2005	245,689	.78	5.76	138,652	.55	3.31
2006	202,428	1.00	5.71	117,247	.63	2.98
2007	182,868	1.02	5.85	105,422	.78	3.39
2008	172,441	1.33	7.66	100,295	1.06	4.69
2009	158,405	2.47	10.62	93,941	2.08	6.55
2010	175,889	3.46	10.67	95,690	2.73	6.79

Sources: LPS Applied Analytics Mortgage Performance Data; U.S. Department of Housing and Urban Development

Single-Family Mortgage Purchases by Fannie Mae and Freddie Mac

Throughout the recession and since house prices peaked in the second quarter of 2007 (Federal Housing Finance Agency House Price Index), credit availability has tightened and lending has been curtailed by nearly all mortgage funding sources. Secondary mortgage markets for private-label mortgage backed securities (MBS) saw a 93-percent decline in volume in 2007 and a contraction in private MBS debt outstanding in 2008, 2009, and the first three quarters of 2010. Conversely, mortgage pools backed by the government-sponsored enterprises (GSEs) increased from 2007 through the third quarter of 2010, providing the primary source of liquidity for owner occupants, single-family rental property owners, and multifamily property owners. Tables 6 through 9 compare one- to four-unit owner-occupied and investor lending by Fannie Mae and Freddie Mac in 2008 and 2009, the time period during which private-label MBS issuance contracted by $647.1 billion (Federal Reserve Board, Flow of Funds Accounts) on net.

Table 6 shows the distribution of purchases by Fannie Mae and Freddie Mac by occupancy and structure type; that is, between owner-occupied and investor homes and between one-unit and two- to four-unit homes based on unpaid principle balance, the number of mortgages, and the number of units in 2008 and 2009. For both Fannie Mae and Freddie Mac in both 2008 and 2009, most of their purchases are for one-unit versus two- to four-unit properties and owner-occupied homes versus investor homes, similar to the overall market composition shown in Tables 4 and 5. Despite the focus on owner-occupied, one-unit properties, investor-owned units account for 8.6 percent (250,000) of units in 2008 and 3.8 percent (135,000) in 2009 at Fannie Mae; they account for 9.0 percent (175,000) of units in 2008 and 3.3 percent (82,000) in 2009 at Freddie Mac. Two trends apparent in Table 6 are the shifts in GSE mortgage purchases toward owner-occupied and one-unit homes from 2008 to 2009.

Table 7 shows the distribution of mortgage purchases by Fannie Mae and Freddie Mac based on loan purpose in 2008 and 2009; that is, purchase, refinance, second mortgage, rehabilitation, or other. The shares are very close for both GSEs within each year, although significant differences exist between owner-occupied and investor properties and from 2008 to 2009. For both Fannie Mae and Freddie Mac, a greater share of owner-occupied mortgage purchases are for refinance transactions and a greater share of investor-owned mortgage purchases are for purchase transactions. In 2008, for example, Fannie Mae's mortgage purchase share split was 38.4 and 56.9 percent for purchase and refinance mortgages, respectively, to one-unit, owner-occupant borrowers, whereas the share split for one-unit, investor-owned homes was 48.5 percent for purchase mortgages and 51.5 percent for refinance mortgages.

In 2009, interest rates fell to an average of 5.04 percent from 6.03 percent in 2008 and 6.37 percent in 2007, based on Freddie Mac's Primary Mortgage Market Survey; these low rates sparked a refinancing boom for owner-occupants. Table 7 shows that the share of Fannie Mae's 2009 mortgage purchases for one-unit, owner-occupant purchase transactions fell to 21.6 percent, down 16.8 percentage points from 2008, and that the one-unit,

Table 6. GSE Purchase Composition by Structure and Occupancy

Property or Structure Type	Fannie Mae			Freddie Mac		
	UPB ($ Millions)	Number of Mortgages (Properties)	Number of Units	UPB ($ Millions)	Number of Mortgages (Properties)	Number of Units
2008						
Owner-occupied 1 unit	92.8%	91.3%	88.4%	92.5%	91.3%	88.4%
Owner-occupied 2–4 units	1.8%	1.4%	2.9%	1.8%	1.2%	2.6%
Investor-owned 1 unit	4.4%	6.3%	6.1%	4.3%	6.3%	6.1%
Investor-owned 2–4 units	1.0%	1.1%	2.5%	1.3%	1.2%	3.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2009						
Owner-occupied 1 unit	96.3%	95.7%	93.8%	97.0%	96.5%	95.0%
Owner-occupied 2–4 units	1.5%	1.1%	2.5%	1.0%	0.7%	1.7%
Investor-owned 1 unit	1.9%	2.7%	2.7%	1.6%	2.4%	2.4%
Investor-owned 2–4 units	0.4%	0.4%	1.1%	0.4%	0.4%	1.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

GSE = government-sponsored enterprise. UPB = unpaid principal balance.

Sources: Federal Housing Finance Agency; U.S. Department of Housing and Urban Development

Table 7. GSE Purchase Composition by Loan Purpose

Loan Purpose	Fannie Mae				Freddie Mac			
	Property or Structure Type				Property or Structure Type			
	Owner-Occupied 1 Unit (%)	Owner-Occupied 2–4 Units (%)	Investor-Owned 1 Unit (%)	Investor-Owned 2–4 Units (%)	Owner-Occupied 1 Unit (%)	Owner-Occupied 2–4 Units (%)	Investor-Owned 1 Unit (%)	Investor-Owned 2–4 Units (%)
2008								
Purchase	38.4	29.4	48.5	39.4	39.3	35.6	43.9	38.9
Refinance	56.9	63.9	51.5	60.5	60.7	64.4	56.1	61.1
2nd mortgage	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rehabilitation	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.0
NA	4.7	6.7	0.0	0.0	0.0	0.0	0.0	0.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2009								
Purchase	21.6	23.8	47.1	44.4	21.1	24.7	46.5	39.2
Refinance	76.6	71.7	52.8	55.3	78.9	75.3	53.5	60.8
2nd mortgage	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rehabilitation	0.0	0.1	0.1	0.3	0.0	0.0	0.0	0.0
NA	1.8	4.5	0.0	0.0	0.0	0.0	0.0	0.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100	100

GSE = government-sponsored enterprise. NA = not applicable or unknown.
Sources: Federal Housing Finance Agency; U.S. Department of Housing and Urban Development

owner-occupant refinance share increased 19.7 percentage points to 76.6 percent. The lower mortgage rates had less of an effect on the investor market as Fannie Mae's 2009 purchase and refinance shares for one-unit, investor-owned homes were 47.1 and 52.8 percent, respectively—down 1.4 percentage points and up 1.3 percentage points, respectively, from 2008.

In both 2008 and 2009, GSE purchases of investor purchase and refinance mortgages were approximately equal, while GSE purchases of owner-occupant mortgages shifted towards refinances as interest rates declined in 2009. In the presence of the declining purchase share for owner-occupants, the consistency of the investor purchase share likely helped stabilize housing prices, by reducing the glut of unsold properties.

Tables 8 and 9 show the extent to which GSE mortgage purchases supported affordable rental properties and the extension of credit in underserved areas. Table 8 shows that a significant share of Fannie Mae's and Freddie Mac's mortgage purchases of one-unit, investor-owned homes and two- to four-unit structures have rents that are affordable[4] at or below 80 percent of AMI and that the percent shares remained relatively constant in 2008 and 2009. In 2008, for example, 87.7, 53.6, and 73.7 percent of Freddie Mac's two- to four-unit owner-occupied, one-unit investor-owned, and two- to four-unit investor-owned purchases, respectively, had rents that were affordable at or below 80 percent of AMI, and, in 2009, the shares were 82.6, 64.7, and 79.6 percent, respectively.

Table 9 shows GSE mortgage purchases in underserved areas by structure and occupancy type. In 2008, one-unit, owner-occupied homes financed by Fannie Mae and Freddie Mac had the lowest percent share in underserved areas, at 31.3 and 31.1 percent, respectively, and two- to four-unit, owner-occupied homes had the highest percent share, 73.8 and 71.5 percent, respectively. From 2008 to 2009, the share of mortgage purchases in underserved areas decreased for all structure and occupancy types, although the rank order (highest percent share to lowest percent share) remained the same across structure and occupancy types, with Fannie Mae (Freddie Mac) underserved area purchases being 67.5 percent (64.6 percent) for two- to four-unit, owner-occupied buildings; 66.3 percent (63.0 percent) for two- to four-unit, investor-owned buildings; 45.9 percent (43.3 percent) for one-unit, investor-owned homes; and 24.6 percent (22.5 percent) for one-unit, owner-occupied homes. Thus, the GSEs' single-family rental mortgage purchase programs disproportionately increased lending in underserved areas compared with their one-unit, owner-occupant mortgage purchases.

Table 8. GSE Purchase Composition—Rent Affordability

Rent Affordability*	Fannie Mae				Freddie Mac			
	Property or Structure Type				Property or Structure Type			
	Owner-Occupied 1 Unit (%)	Owner-Occupied 2–4 Units (%)	Investor-Owned 1 Unit (%)	Investor-Owned 2–4 Units (%)	Owner-Occupied 1 Unit (%)	Owner-Occupied 2–4 Units (%)	Investor-Owned 1 Unit (%)	Investor-Owned 2–4 Units (%)
2008								
>100% of area median	0.0	7.6	15.3	7.8	0.0	6.1	14.4	9.2
81% to 100% of area median	0.0	8.6	16.3	11.5	0.0	5.0	13.2	10.5
51% to 80% of area median	0.0	17.4	36.0	46.3	0.0	28.1	31.5	40.9
≤50% area median	0.0	7.5	18.9	27.7	0.0	59.6	22.1	32.8
0% or missing data	100.0	58.9	13.6	6.7	100.0	1.2	18.8	6.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2009								
>100% of area median	0.0	5.5	17.3	8.0	0.0	9.1	14.4	7.7
81% to 100% of area median	0.0	7.3	17.0	11.8	0.0	7.3	16.1	10.6
51% to 80% of area median	0.0	16.8	37.1	46.6	0.0	34.5	39.4	44.1
≤50% area median	0.0	8.0	17.0	27.5	0.0	48.1	25.3	35.5
0% or missing data	100.0	62.4	11.6	6.2	100.0	1.0	4.8	2.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

*Rent to median tract income ratio.

Sources: Federal Housing Finance Agency; U.S. Department of Housing and Urban Development

Table 9. GSE Purchase Composition in Underserved Areas

	Fannie Mae				Freddie Mac			
	Property or Structure Type				Property or Structure Type			
	Owner-Occupied 1 Unit (%)	Owner-Occupied 2–4 Units (%)	Investor-Owned 1 Unit (%)	Investor-Owned 2–4 Units (%)	Owner-Occupied 1 Unit (%)	Owner-Occupied 2–4 Units (%)	Investor-Owned 1 Unit (%)	Investor-Owned 2–4 Units (%)
2008								
Served	68.6	26.1	48.4	31.7	68.8	28.4	47.8	31.8
Underserved	31.3	73.8	51.5	68.1	31.1	71.5	52.1	68.1
Bad GEOCODE/NA	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2009								
Served	75.3	32.4	54.0	33.6	77.3	35.2	56.5	36.8
Underserved	24.6	67.5	45.9	66.3	22.5	64.6	43.3	63.0
Bad GEOCODE/NA	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

NA = not available.

Sources: Federal Housing Finance Agency; U.S. Department of Housing and Urban Development

Distribution of U.S. Rental Structures

Tables 10 and 11 present data on the geographic distribution of U.S. rental properties. The top half of Table 10 shows that 1-unit rental properties are most heavily concentrated in the suburbs, while all other property types (from 2- to 4-unit buildings up to properties with 50 or more units) are most heavily concentrated in central cities. The lower half of Table 10 shows that, on a regional basis, 1-unit properties are most heavily concentrated in the South and West. Properties with 2 to 4 units are more evenly distributed, with slightly higher concentrations in the Northeast and South. Similar to 1-unit properties, properties of 5 to 49 units are most heavily concentrated in the South and West, while concentrations of properties with 50 or more units align more closely with 2- to 4-unit property concentrations in the Northeast and South.

Table 11 shows the distribution of one-unit rental properties relative to one-unit primary residences in the 50 states and the District of Columbia, based on the Lender Processing Services Mortgage Performance Data at the end of 2010. Although California, Florida, and Texas have the greatest number of one-unit rental properties, only Florida (ranked 7th) is within the top-10 list of states by relative one-unit rental share. Table 11 lists states ordered by the ratio of the "percent of one-unit rental properties" to the "percent of one-unit primary residences" for each state. This ratio gives an indication of which states have a disproportionate share of one-unit rental properties (ratio is greater than 1) and which states may have a shortage of one-unit rental properties or an environment that does not lend itself to one-unit rentals (ratio is less than 1), relative to primary residences. The five highest one-unit rental to primary residence ratios are in Hawaii, Nevada, the District of Columbia, Arizona, and Idaho. The five lowest ratios are in Connecticut, North Dakota, Iowa, New York, and Massachusetts.

Table 10. Regional and Urban Distribution of U.S. Rental Structures

	Structure Type					
	Single Family	2–4 Units	5–19 Units	20–49 Units	50+ Units	Total
City/Suburban Status						
Central city	33.7%	48.7%	47.0%	54.8%	67.2%	45.2%
Suburb	43.3%	35.3%	44.3%	37.5%	29.8%	40.2%
Nonmetro	23.0%	16.0%	8.8%	7.7%	3.0%	14.6%
Total units (#)	10,896,007	6,679,178	8,514,613	3,007,953	2,740,682	31,838,432
Region						
Midwest	20.4%	23.6%	20.6%	18.6%	19.1%	20.8%
Northeast	12.0%	28.1%	15.8%	21.4%	31.4%	19.0%
South	40.8%	26.0%	38.1%	31.8%	26.2%	34.8%
West	26.8%	22.4%	25.6%	28.2%	23.4%	25.4%
Total units (#)	10,896,007	6,679,178	8,514,613	3,007,953	2,740,682	31,838,432

Sources: American Housing Survey; U.S. Department of Housing and Urban Development

Table 11. Relative Distribution of One-Unit Rental Homes

1-Unit Rentals and Rental-to-Primary Residence Ratio									
State	Ratio	State	Ratio	State	Ratio	State	Ratio	State	Ratio
HI	1.8	CA	1.3	ME	1.0	IN	0.9	IL	0.7
NV	1.7	DE	1.3	MO	1.0	RI	0.9	NH	0.6
DC	1.6	SC	1.2	WY	1.0	KY	0.9	MN	0.6
AZ	1.6	WA	1.2	TX	0.9	AR	0.8	NE	0.6
ID	1.6	VA	1.1	AL	0.9	LA	0.8	SD	0.6
OR	1.5	GA	1.1	MS	0.9	MI	0.8	NJ	0.6
FL	1.4	MT	1.1	KS	0.9	PA	0.7	MA	0.6
CO	1.4	UT	1.1	OH	0.9	WV	0.7	NY	0.6
NM	1.4	OK	1.1	TN	0.9	WI	0.7	IA	0.5
NC	1.3	VA	1.0	MD	0.9	AK	0.7	ND	0.5
								CT	0.5

Sources: LPS Applied Analytics Mortgage Performance Data; U.S. Department of Housing and Urban Development

Conclusion

Although housing discussions traditionally focus on homeownership in single-family properties and rental housing within multifamily properties, 21 percent of single-family, one- to four-unit buildings are used as rental properties, and 2009 AHS data show that U.S. rental housing is split nearly down the middle, 52 to 48 percent, between one- to four-unit, single-family dwellings and multifamily buildings with five or more units. The characteristics of rental units vary significantly in terms of size (number of bedrooms), structure type, age, and geography. At the same time, the residents of different kinds of rental housing vary significantly in age, race and ethnicity, and income. Analysis of mortgage data for owner-occupied and rental properties indicates that, with sound underwriting, mortgages on rental properties perform at least as well as owner-occupant mortgages such that reluctance to extend credit to rental property investors because of the perception of elevated risk may be unwarranted. Revisiting lending to rental property investors could assist housing markets in working through the glut of vacant single-family properties and help victims of the foreclosure crisis by providing additional rental housing opportunities.

Notes

[1] The American Housing Survey is conducted by the Census Bureau for the U.S. Department of Housing and Urban Development (HUD).

[2] Although it is common to think of rental "properties" as meaning one or more buildings under common management and financing, most federal government surveys actually collect information on individual buildings, not properties; exceptions are the Property Owners and Managers Survey of 1996 and the Residential Finance Surveys of 2001 and earlier. HUD and the Census Bureau are currently developing a Rental Housing Finance Survey that will also attempt to survey properties rather than individual buildings. On the other hand, private-sector financing data is more likely to be for properties than for individual buildings.

[3] This comparison may exclude financing for some one- to four-unit structures that are part of properties with five or more units.

[4] In Table 8, affordability is defined as the share of rental units that have rents less than or equal to a given share of AMI. For example, in 2009, 17.0 percent of Fannie Mae's one-unit, investor property mortgage purchases had rents equal to less than 50 percent of AMI.

Glossary

active loan. Mortgage actively being serviced by a mortgage servicer.

in foreclosure. Mortgage that has been referred to an attorney to begin foreclosure proceedings, but for which the foreclosure sale or auction has not yet happened.

noncurrent. Mortgage that is either 30 or more days delinquent or is in foreclosure.

Housing Production

Permits*

Permits for the construction of new housing units were up a statistically insignificant 3 percent in the fourth quarter of 2010, at a SAAR of 574,000 units but were down 8 percent from the fourth quarter of 2009. Single-family permits, at 421,000 units, were up 4 percent from the level of the previous quarter but down 14 percent from a year earlier. Multifamily permits (5 or more units in structure), at 131,000 units, were a statistically insignificant 3 percent below the third quarter of 2010 but 14 percent above the fourth quarter of 2009.

Builders took out 598,000 permits in 2010, an increase of 5 percent over 2009. Of these, 447,000 were for single-family structures, an increase of 3 percent. The number of multifamily permits increased by 11 percent, to 131,000 units.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	574	559	626	+ 3**	– 8
One Unit	421	404	491	+ 4	– 14
Two to Four	23	21	20	+ 10**	+ 11**
Five Plus	131	135	114	– 3**	+ 14

*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 2010 totaled 538,000 units at a SAAR, a statistically insignificant 8 percent below the third quarter of 2010 and a statistically insignificant 5 percent below the fourth quarter of 2009. Single-family starts, at 436,000 units, were unchanged from the previous quarter but were a statistically insignificant 11 percent lower than the fourth quarter level of 2009. Multifamily starts totaled 90,000 units, a statistically insignificant 35 percent below the previous quarter but a statistically insignificant 33 percent above the same quarter in 2009.

In 2010, builders started 588,000 housing units, an increase of 6 percent over 2009. Of these, 471,000 were single-family starts, up 6 percent from the previous year. Multifamily starts totaled 105,000 units, up 8 percent over 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	538	588	565	– 8**	– 5**
One Unit	436	435	488	—	– 11**
Five Plus	90	140	68	– 35**	+ 33**

*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 2010 were at a SAAR of 428,000 units, a statistically insignificant 2 percent below the previous quarter and 17 percent below the fourth quarter of 2009. Single-family units stood at 261,000, a statistically insignificant 3 percent below the previous quarter and 12 percent below the fourth quarter of 2009. Multifamily units were at 156,000, down a statistically insignificant 2 percent from the previous quarter and down 24 percent from the fourth quarter of 2009.

A total of 413,000 housing units were under construction at the end of 2010, a decrease of 17 percent from the end of 2009. Of these, 247,000 were single-family units, down 13 percent from the previous year. Multifamily units under construction at the end of 2010 totaled 155,000 units, 23 percent less than at the end of 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	428	438	514	– 2**	– 17
One Unit	261	269	298	– 3**	– 12
Five Plus	156	159	204	– 2**	– 24

*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

Completions*

Housing units completed in the fourth quarter of 2010, at a SAAR of 583,000 units, were down a statistically insignificant 4 percent from the previous quarter and down 26 percent from the same quarter of 2009. Single-family completions, at 461,000 units, were down a statistically insignificant 4 percent from the previous quarter and down 13 percent from the rate of a year earlier. Multifamily completions, at 114,000 units, were a statistically insignificant 1 percent below the previous quarter and 52 percent below the same quarter of 2009.

In 2010, 654,000 housing units were completed, down 18 percent from 2009. Single-family completions totaled 497,000 units, 4 percent below the previous year. Multifamily completions in 2010, at 148,000 units, were down 43 percent from 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	583	604	784	– 4**	– 26
One Unit	461	480	529	– 4**	– 13
Five Plus	114	116	238	– 1**	– 52

*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 42,000 units in the fourth quarter of 2010, which is 15 percent below the previous quarter and 14 percent below the rate of the fourth quarter of 2009.

In 2010, manufacturers shipped 50,000 manufactured (mobile) homes. This rate is 0.4 percent above the rate of 2009. This is the first increase in annual shipments since 2005.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Manufacturers' Shipments	42.0	49.7	49.0	– 15	– 14

*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 296,000 (SAAR) units in the fourth quarter of 2010, up a statistically insignificant 2 percent from the previous quarter but down 21 percent from the fourth quarter of 2009. The average monthly inventory of new homes for sale during the fourth quarter of 2010 was 195,000 units, a statistically insignificant 5 percent below the previous quarter and 17 percent below the fourth quarter of last year. The average months' supply of unsold new homes, based on monthly inventories and sales rates for the fourth quarter of 2010, was 8.0 months, down a statistically insignificant 7 percent from the previous quarter but a statistically insignificant 5 percent above the fourth quarter of 2009. For all of 2010, 321,000 new single-family homes were sold, a 14-percent decline from the 2009 level of 375,000.

Sales of existing homes—including single-family homes, townhomes, condominiums, and co-operatives—as reported by the NATIONAL ASSOCIATION OF REALTORS®, totaled 4,803,000 (SAAR) in the fourth quarter of 2010, up 15 percent from the previous quarter but down 20 percent from the fourth quarter of 2009. The average monthly inventory of units for sale during the fourth quarter of 2010 was 3,713,000, down 8 percent from the previous quarter but up 7 percent from the fourth quarter of 2010. The average months' supply of unsold units for the fourth quarter of 2010 was 9.4 months, down 20 percent from third quarter of 2010 but up 34 percent from the fourth quarter of last year. For all of 2010, sales of existing homes fell to 4,908,000, down 5 percent from the 2009 level of 5,165,000.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
New Homes					
New Homes Sold	296	291	373	+ 2**	– 21
For Sale	195	206	236	– 5**	– 17
Months' Supply	8.0	8.5	7.6	– 7**	+ 5**
Existing Homes					
Existing Homes Sold	4,803	4,163	5,970	+ 15	– 20
For Sale	3,713	4,041	3,456	– 8	+ 7
Months' Supply	9.4	11.7	7.0	– 20	+ 34

*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 2010 was $219,800, 2 percent lower than the third quarter of 2010 but up less than 1 percent from the fourth quarter of 2009; both estimates are statistically insignificant. The average price of new homes sold during the fourth quarter of 2010 was $272,400, up a statistically insignificant 2 percent from the previous quarter but unchanged from the fourth quarter of 2009. The estimated price of a constant-quality house during the fourth quarter of 2010 was $282,000, 1 percent higher than the previous quarter but 1 percent lower than the fourth quarter of 2009; both are statistically insignificant changes. The set of physical characteristics used to represent a constant-quality house is based on the kinds of houses sold in 2005.

For all of 2010, the median price of new homes sold was $221,900, 2.4 percent higher than the 2009 price of $216,700. The average price of new homes sold in 2010 was $271,600, up less than 1 percent from the average price in 2009 of $270,900. The estimated price of a constant-quality house in 2010 was $281,300, less than 1 percent lower than the 2009 price of $282,400.

The median price of existing homes—including single-family homes, townhomes, condominiums, and cooperatives—that sold in the fourth quarter of 2010 was $169,800, down 4 percent from the previous quarter and down 1 percent from fourth quarter of 2009, according to the NATIONAL ASSOCIATION OF REALTORS®. The average price of existing homes sold in fourth quarter of 2010 was $218,000, down 3 percent from the third quarter but up 1 percent from the fourth quarter of 2009.

For all of 2010, the median price of existing homes sold was $173,000, up less than 1 percent from $172,500 in 2009, while the average price of existing homes was $220,000 in 2010, up 1.4 percent from $216,900 in 2009.

	Latest Quarter ($)	Previous Quarter ($)	Same Quarter Previous Year ($)	% Change From Previous Quarter	% Change From Last Year
New Homes					
Median	219,800	224,100	219,000	– 2**	—
Average	272,400	266,000	272,900	+ 2**	—
Constant-Quality House[1]	282,000	279,800	285,700	+ 1**	– 1**
Existing Homes					
Median	169,800	177,000	170,800	– 4	– 1
Average	218,000	225,300	215,900	– 3	+ 1

**This change is not statistically significant.

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

Repeat Sales Price Index

The Federal Housing Finance Agency's purchase-only House Price Index (FHFA HPI) stood at 190.6 on a seasonally adjusted (SA) basis in the third quarter of 2010, 1.6 percent below the previous quarter and 3.2 percent below the third quarter of 2009. The national Case-Shiller® Home Price Index was 133.2 (SA) in the third quarter of 2010, down 3.5 percent from the previous quarter and down 1.6 percent from the third quarter of 2009.

	Current Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
FHFA HPI[1]	190.6	193.7	196.9	– 1.6	– 3.2
Case-Shiller® HPI[2]	133.2	138.0	135.4	– 3.4	– 1.6

[1] First quarter 1991 equals 100.
[2] First quarter 2000 equals 100.
Sources: Federal Housing Finance Agency; S&P/Case-Shiller® National Home Price Index

Housing Affordability

Housing affordability is the ratio of median family income to the income needed to purchase the median-priced home based on current interest rates and underwriting standards, expressed as an index. The NATIONAL ASSOCIATION OF REALTORS® composite index of housing affordability for the fourth quarter of 2010 shows that families earning the median income have 185 percent of the income needed to purchase the median-priced existing single-family home. This figure is 7 percent higher than both the third quarter of 2010 and the fourth quarter of 2009.

The increase in the housing affordability index in the fourth quarter of 2010 reflects changes in the marketplace. The median family income rose 0.7 percent from the previous quarter to $62,240. The median sales price of existing single-family homes in the fourth quarter of 2010 decreased to $170,600, which was 4 percent lower than the previous quarter. The national average home mortgage interest rate of 4.62 in the fourth quarter of 2010 is 16 basis points lower than the previous quarter. The decline in the mortgage rate, the decrease in the median sales price, and the increase in the median family income all contributed to an increase in housing affordability.

For all of 2010, the composite housing affordability index averaged 174.6, a 3-percent increase from 2009. The national average home mortgage interest rate for 2010 was 4.89, 25 basis points below the 2009 rate. The median sales price of existing single-family homes for 2010 was $173,200, 0.6 percent higher than the previous year, and the median family income was $61,583, 0.8 percent higher than the 2009 level of $61,082. The increase in housing affordability is attributed to the decline in mortgage interest rates and the increase in median family income, which more than offset the increase in sales prices.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Composite Index	185.0	173.1	173.7	+ 7	+ 7
Fixed-Rate Index	184.1	172.4	172.8	+ 7	+ 7
Adjustable-Rate Index	NA	NA	NA	—	—

NA = Data are not available.
Note: Adjustable-rate mortgage (ARM) affordability indexes were not derived because data on ARM rates were not available.
Source: NATIONAL ASSOCIATION OF REALTORS®

Absorption of New Multifamily Units

In the third quarter of 2010, 16,900 new, unsubsidized, unfurnished, multifamily (five or more units in structure) rental apartments were completed, down 44 percent from the previous quarter and down 64 percent from the third quarter of 2009. Of the apartments completed in the third quarter of 2010, 62 percent were rented within 3 months. This absorption rate is 6 percentage points higher than the previous quarter and is up 10 percentage points from the third quarter of 2009. The median asking rent for apartments completed in the third quarter of 2010 was $1,032, a decrease of 12 percent from the previous quarter but a statistically insignificant decrease of 1 percent from the third quarter of 2009.

In the third quarter of 2010, 5,700 new condominium or cooperative units were completed, unchanged from the previous quarter but down 35 percent from units completed in the third quarter of 2009. Of these, 40 percent were sold within 3 months. This absorption rate in the third quarter of 2010 is a statistically insignificant 2 percentage points higher than in the previous quarter but 6 percentage points lower than the third quarter of 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Apartments Completed*	16.9	30.3	47.3	– 44	– 64
Percent Absorbed Next Quarter	62	56	52	+ 11	+ 19
Median Asking Rent	$1,032	$1,179	$1,042	– 12	– 1**
Condos and Co-ops Completed	5.7	5.7	8.8	—	– 35
Percent Absorbed Next Quarter	40	38	46	+ 5**	– 13

*Units in thousands.

**This change is not statistically significant.

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

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

Manufactured (Mobile) Home Placements

Manufactured (mobile) homes placed on site ready for occupancy in the third quarter of 2010 totaled 49,000 units at a SAAR, a statistically insignificant 15 percent below the level of the previous quarter but a statistically insignificant 3 percent above the third quarter of 2009. The number of homes for sale on dealers' lots at the end of the third quarter totaled 23,000 units, unchanged from the previous quarter but 18 percent below the same quarter of 2009. The average sales price of the units sold in the third quarter was $61,700, a statistically insignificant 1 percent below the price in the previous quarter and a statistically insignificant 5 percent below the price in the third quarter of 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Placements*	49.0	57.3	47.7	– 15**	+ 3**
On Dealers' Lots*	23.0	23.0	28.0	—	– 18
Average Sales Price	$61,700	$62,200	$64,600	– 1**	– 5**

*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 2010, the current market activity index for single-family detached houses stood at 16, up 2 points from the previous quarter but down 1 point from the fourth quarter of 2009. The index for expected future sales expectations stood at 24, up 5 points from the third quarter of 2010 but down 3 points from the fourth quarter of last year. Prospective buyer traffic had an index value of 11, which is up 1 point from the previous quarter but down 2 points from the fourth quarter of last year. NAHB combines these separate indices into a single housing market index that mirrors the three components quite closely. For the fourth quarter of 2010, this index increased to 16, up 3 points from the third quarter of 2010 but down 1 point from the fourth quarter of last year.

For all of 2010, the current sales index averaged 16, up 2 points from 2009. The average future sales expectations index was 23, 1 point lower than for the previous year. The prospective sales index averaged 12, down 1 point from 2009. The composite index for 2010 was 16, an increase 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	16	13	17	+ 23	– 6
Current Sales Activity—Single-Family Detached	16	14	17	+ 15	– 6
Future Sales Expectations—Single-Family Detached	24	19	27	+ 26	– 11
Prospective Buyer Traffic	11	10	13	+ 10	– 15

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 4.41 percent in the fourth quarter of 2010, 4 basis points below the previous quarter and 51 basis points lower than the fourth quarter of 2009. Adjustable-rate mortgages (ARMs) in the fourth quarter of 2010 were going for 3.31 percent, 26 basis points lower than the previous quarter and 111 basis points below the fourth quarter of 2009. Fixed-rate 15-year mortgages, at 3.80 percent, were down 12 basis points from the previous quarter and down 57 basis points from the fourth quarter of 2009.

The 2010 average annual rate for 30-year, fixed-rate, conventional mortgages was 4.69 percent, down 35 basis points from the 2009 annual rate.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Conventional, Fixed-Rate, 30-Year	4.41	4.45	4.92	– 1	– 10
Conventional ARMs	3.31	3.57	4.42	– 7	– 25
Conventional, Fixed-Rate, 15-Year	3.80	3.92	4.37	– 3	– 13

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 16.8 percent in the third quarter of 2010, down 4.5 percentage points from the second quarter 2010 and down 1.4 percentage points from the third quarter of 2009. For home purchase loans, FHA's dollar volume share was 35.3 percent in the third quarter of 2010, down 5.7 percentage points from the second quarter of 2010 but up 9.3 percentage points from the third quarter of 2009. For mortgage refinance loans, FHA's dollar volume share was 10.4 percent in the third quarter of 2010, up 2.2 percentage points from the second quarter of 2010 but down 1.9 percentage points from the third quarter of 2009.

FHA's share of the 1- to 4-family mortgage market by loan count was 19.2 percent in the third quarter of 2010, down 6.2 percentage points from the second quarter of 2010 and down 2.4 percentage points from the third quarter of 2009. For home purchase loans, FHA's market share by loan count was 40.9 percent in the third quarter of 2010, down 6.2 percentage points from the second quarter of 2010 but up 10.6 percentage points from the third quarter of 2009. For mortgage refinance loans, FHA's market share by loan count was 11.1 percent in the third quarter of 2010, up 1.7 percentage points from the second quarter of 2010 but down 3.3 percentage points from the third quarter of 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Mortgage Market Share by Dollar Volume (%)					
All Loans	16.8	21.3	18.2	– 21	– 8
Purchase	35.3	40.9	26.0	– 14	36
Refinance	10.4	8.2	12.3	27	– 16
Mortgage Market Share by Loan Count (%)					
All Loans	19.2	25.4	21.6	– 24	– 11
Purchase	40.9	47.0	30.3	– 13	35
Refinance	11.1	9.5	14.5	18	– 23

*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 429,100 properties in the fourth quarter of 2010, a decrease of 32 percent from the third quarter of 2010 and 29 percent below the fourth quarter of 2009. Total endorsements or insurance policies issued totaled 390,100, down 5 percent from the previous quarter and down 24 percent from the fourth quarter of 2009. Purchase endorsements, at 196,800, were down 27 percent from the third quarter of 2010 and down 35 percent from the fourth quarter of 2009. Endorsements for refinancing increased to 193,200, up 37 percent from the third quarter of 2010 but down 7 percent from the fourth quarter of 2009. These numbers are not seasonally adjusted.

The total number of FHA applications received in 2010 was 2,162,700, a 24-percent decrease from 2009. Total endorsements were 1,624,800, a decrease of 20 percent from last year. Purchase endorsements, at 1,002,000, decreased 4 percent from 2009, and the 622,900 refinancing endorsements were 37 percent below the previous year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Applications Received	429.1	629.9	601.1	– 32	– 29
Total Endorsements	390.1	409.9	512.6	– 5	– 24
Purchase Endorsements	196.8	269.1	305.0	– 27	– 35
Refinancing Endorsements	193.2	140.8	207.6	+ 37	– 7

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

PMI and VA Activity*

Private mortgage insurers issued 96,900 policies or certificates of insurance on conventional mortgage loans during the fourth quarter of 2010, up 6 percent from the third quarter of 2010 and 46 percent higher than the fourth quarter of 2009. The Department of Veterans Affairs (VA) reported the issuance of mortgage loan guaranties on 95,000 single-family properties in the fourth quarter of 2010, up 8 percent from the previous quarter and up 17 percent from the fourth quarter of 2009. These numbers are not seasonally adjusted.

In 2010, private insurers issued 317,037 certificates of insurance, a decrease of 28 percent from 2009. Total VA mortgage loan guaranties decreased 8 percent to 327,836 from 2009 to 2010.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total PMI Certificates	96.9	91.0	66.2	+ 6	+ 46
Total VA Guaranties	95.0	88.1	81.1	+ 8	+ 17

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

Delinquencies and Foreclosures

Total delinquencies for all loans past due were at 9.13 percent in the third quarter of 2010, down 7 percent from the second quarter of 2010 and down 5 percent from the third quarter of 2009. Delinquencies for past due conventional subprime loans were at 26.23 percent, down 3 percent from the second quarter of 2010 and down 1 percent from the third quarter of the previous year. Conventional subprime adjustable rate mortgage (ARM) loans that were past due stood at 29.8 percent in the third quarter of 2010, up 1 percent from the second quarter of 2010 and up 6 percent from the third quarter of 2009.

In the third quarter of 2010, 90-day delinquencies for all loans were at 4.34 percent, down 10 percent from the second quarter of 2010 and down 2 percent from the third quarter a year ago. Conventional subprime loans that were 90 days past due stood at 14.17 percent in the third quarter of 2010, down 4 percent from the previous quarter but up 3 percent from the third quarter of 2009. Conventional subprime ARM loans that were 90 days past due were at 19.1 percent in the third quarter of 2010, up 4 percent from second quarter of 2010 and up 15 percent from the third quarter of 2009.

During the third quarter of 2010, 1.34 percent of all loans entered foreclosure, up 21 percent from the second quarter of 2010 but down 6 percent from the third quarter of the previous year. In the conventional subprime category, 3.31 percent of loans entered foreclosure in the third quarter of 2010, an increase of 17 percent from the second quarter of 2010 but a decrease of 12 percent from the third quarter of 2009. In the conventional subprime ARMs category, 4.09 percent of loans went into foreclosure in the third quarter of 2010, an increase of 21 percent from the second quarter of 2010 but a decrease of 17 percent from the third quarter of 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total Past Due (%)					
All Loans	9.13	9.85	9.64	– 7	– 5
Conventional Subprime Loans	26.23	27.02	26.42	– 3	– 1
Conventional Subprime ARMs	29.8	29.5	28.23	+ 1	+ 6
90 Days Past Due (%)					
All Loans	4.34	4.82	4.41	– 10	– 2
Conventional Subprime Loans	14.17	14.7	13.70	– 4	+ 3
Conventional Subprime ARMs	19.1	18.29	16.60	+ 4	+ 15
Foreclosures Started (%)					
All Loans	1.34	1.11	1.42	+ 21	– 6
Conventional Subprime Loans	3.31	2.83	3.76	+ 17	– 12
Conventional Subprime ARMs	4.09	3.39	4.92	+ 21	– 17

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 2010 was at a SAAR of $334.3 billion, 1 percent above the value from the third quarter of 2010 but 5 percent below the fourth quarter of 2009. As a percentage of the Gross Domestic Product (GDP), RFI for the fourth quarter of 2010 was 2.2 percent, unchanged from the previous quarter but 0.3 percentage point below the same quarter a year ago.

In 2010, RFI was $340.4 billion, 3 percent lower than in 2009. The 2010 RFI was 2.3 percent of GDP, a decrease of 0.2 percentage point from the previous year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
GDP	14,870.4	14,745.1	14,277.3	+ 1	+ 4
RFI	334.3	329.8	351.0	+ 1	– 5
RFI/GDP (%)	2.2	2.2	2.5	—	– 12

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

Housing Inventory

Housing Stock*

At the end of the fourth quarter of 2010 the estimate of the total housing stock, 130,845,000 units, was up a statistically insignificant 0.1 percent from the third quarter of 2010 and up a statistically insignificant 0.5 percent from the fourth quarter of 2009. The number of all occupied units increased by a statistically insignificant 0.5 percent from the third quarter of 2010 and increased a statistically insignificant 1.0 percent from the fourth quarter a year ago. The number of owner-occupied units decreased by a statistically insignificant 0.1 percent from the third quarter of 2010 but is essentially unchanged from the fourth quarter a year ago. In the fourth quarter of 2010, renter-occupied units increased a statistically insignificant 1.7 percent from the previous quarter and increased a statistically insignificant 3.0 percent from the fourth quarter of 2009. Vacant units in the fourth quarter of 2010 were down 2.0 percent from last quarter and decreased 2.3 percent from the fourth quarter of 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
All Housing Units	130,845	130,681	130,189	+ 0.1**	+ 0.5**
Occupied Units	112,451	111,914	111,370	+ 0.5**	+ 1.0**
Owner Occupied	74,782	74,874	74,812	– 0.1**	—
Renter Occupied	37,669	37,040	36,558	+ 1.7**	+ 3.0**
Vacant Units	18,394	18,767	18,821	– 2.0	– 2.3

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

Vacancy Rates

The homeowner vacancy rate for the fourth quarter of 2010, at 2.7 percent, was 0.2 percentage point higher than the third quarter of 2010 but essentially unchanged from the fourth quarter of 2009. The 2010 fourth quarter national rental vacancy rate, at 9.4 percent, was 0.9 percentage point lower than the previous quarter and 1.3 percentage points lower than the fourth quarter of 2009.

The homeowner vacancy rate for 2010 was 2.6 percent, essentially unchanged from 2009. The annual rental vacancy rate for 2010 was 10.2 percent, a statistically insignificant 0.4 percentage point lower than in 2009.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Homeowner Rate	2.7	2.5	2.7	+ 8	—
Rental Rate	9.4	10.3	10.7	– 9	– 12

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

Homeownership Rates

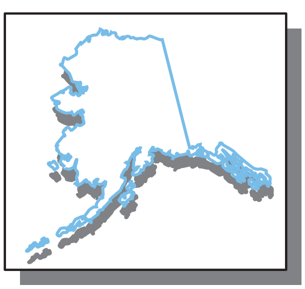
The national homeownership rate for all households was 66.5 percent in the fourth quarter of 2010, down 0.4 percentage point from the previous quarter and down 0.7 percentage point from the fourth quarter of 2009. The homeownership rate for minority households, at 48.5 percent, decreased a statistically insignificant 0.1 percentage point from the third quarter of 2010 and was down 1.3 percentage points from the fourth quarter of 2009. The homeownership rate in the fourth quarter of 2010 for young married-couple households was 57.9 percent, down a statistically insignificant 0.7 percentage point from the previous quarter and down 2.5 percentage points from the fourth quarter of 2009.

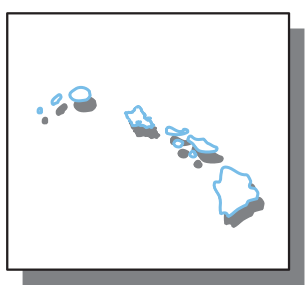
The annual national homeownership rate was 66.9 percent in 2010, down 0.5 percentage point from 2009. The annual homeownership rate for minority households was 48.9 percent, down 0.8 percentage point from the previous year. The annual homeownership rate for young married-couple households, at 58.3 percent, was down 1.5 percentage points from 2009.

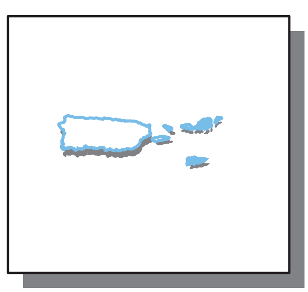
	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
All Households	66.5	66.9	67.2	– 0.6	– 1.0
Minority Households	48.5	48.6	49.8	– 0.2 **	– 2.6
Young Married-Couple Households	57.9	58.6	60.4	– 1.2 **	– 4.1

Source: Census Bureau, Department of Commerce

Regional Activity



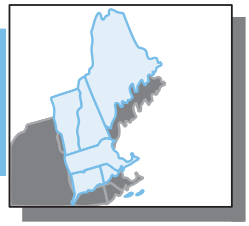




The following summaries of housing market conditions and activities have been prepared by economists in the U.S. Department of Housing and Urban Development's (HUD's) field offices. The reports provide overviews of economic and housing market trends within each region of HUD management. Also included 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*

The economic decline, which began in the third quarter of 2008, slowed in the New England region during 2010, with nonfarm payrolls averaging 6.8 million jobs, down only 17,000, or 0.3 percent, compared with the loss of 266,500 jobs, or 3.8 percent, during 2009. Job losses during the past 3 years exceeded by nearly 50 percent the 192,400 jobs added in the region between 2004 and 2007. During 2010, the service-providing sectors of education and health services and leisure and hospitality posted the most significant job gains, with increases of 23,600 and 9,400 jobs, or 1.8 and 1.5 percent, respectively. As of 2010, education and health services employment represents more than 20 percent of the nonfarm payroll jobs in the region, up from 15 percent in 2000. In 2010, the manufacturing and construction sectors accounted for the loss of 13,900 and 13,000 jobs, or 5.3 and 2.2 percent, respectively. Major losses in service-providing sectors were recorded in the financial activities and retail and wholesale trade sectors, which lost 10,500 and 9,900 jobs, or 2.3 and 2.4 percent, respectively, compared with the number of jobs recorded during 2009.

Nonfarm payroll gains were reported only in New Hampshire and Massachusetts during 2010. New Hampshire added 7,500 jobs, or 1.2 percent, including increases of 2,000 jobs, or 3.1 percent, in the professional business services sector and 2,000 jobs, or 3.3 percent, in the leisure and hospitality sector. The level of nonfarm payrolls in Massachusetts in 2010 remained virtually unchanged with a gain of only 1,300 jobs, to 3.2 million jobs. Job gains in the education and health services and the professional and business services sectors of 14,300 jobs, or 2.2 percent, and 3,400 jobs, or 0.7 percent, respectively, were partially offset by losses of 5,400 jobs, or 2.1 percent, and 5,300 jobs, or 4.8 percent, in the manufacturing and construction sectors, respectively. Connecticut lost 11,500 jobs, which was a 0.7-percent decline, including 4,700 manufacturing jobs, 3,900 construction jobs, and 3,700 financial activities jobs, decreases of 2.7, 7.1, and 2.7 percent, respectively. Rhode Island's loss of 7,800 jobs, or 1.7 percent, was a significant improvement compared with the 22,900 jobs, or 4.8 percent, lost in 2009. In 2010, Maine and Vermont had small losses of 0.7 percent each, down 4,500 and 1,900 jobs, respectively.

During 2010, the unemployment rate in the New England region averaged 8.6 percent, up from 8.3 percent in 2009, but it was below the national average of 9.6 percent. Average unemployment rates for the states in the region ranged from 6.1 percent in New Hampshire and Vermont to 11.9 percent in Rhode Island.

Despite moderating employment declines and continued lower interest rates during the second half of 2010, expiration of the homebuyer tax credit programs led to reduced home sales totals in all states compared with the number of homes sold during 2009. According to the Massachusetts Association of REALTORS® (MAR), during 2010, existing home sales were down 1 percent from the 35,570 sales in 2009. In 2010, the median sales price was up 4 percent, to $302,500, from $290,000 in 2009, but was down 3 percent compared with the $311,000 median sales price in 2008. In 2010, the inventory of homes on the market increased 11 percent, to 24,100, an 8-month supply, compared with a 7-month supply of homes in 2009. The Rhode Island Association of REALTORS® (RIAR) reported that, in 2010, existing home sales totaled 6,830 homes, representing a decrease of 12 percent compared with the number of homes sold during 2009, but up 3 percent from 2008. The median sales price increased 5 percent, to $210,000, but was 11 percent lower than the median sales price in 2008.

The Maine Real Estate Information System, Inc., reported that, during 2010, existing home sales in Maine decreased by 3 percent, to 1,210 homes. The median sales price increased 3 percent to $168,750 but was down 6 percent from the $180,000 median sales price in 2008. According to the Northern New England Real Estate Network (NNEREN), in 2010, the number of new and existing homes sold in New Hampshire decreased 3 percent, to 10,530, compared with a gain of 6 percent in 2009. In 2010, the median sales price was up slightly by 1 percent, to $215,000, but down 9 percent from the median sales price of $235,000 in 2008. The Vermont Department of Taxes reported that, during 2010, new and existing home sales in Vermont totaled 4,450, an increase of 15 percent compared with the number of sales recorded during 2009 and matching the total number of sales in 2008. The 2010 median sales price of $187,000 was up 1 percent compared with the price during 2009 and down 6 percent from the $199,000 price in 2008. The Warren Group reported that, in Connecticut, during 2010, about 24,270 existing homes were sold, a decrease of less than 1 percent compared with the 24,400 homes sold in 2009. The median sales price for 2010 was $250,000, up 4 percent from 2009.

According to the Federal Housing Finance Agency, in November 2010, home prices in the New England census region decreased slightly by 1 percent compared with prices during November 2009, representing (along with the West South Central region) the smallest price decline of the nine census regions. The comparable decline

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

for the nation was 4 percent. According to the Lender Processing Services Mortgage Performance Data, in December 2010, the number of loans 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned) decreased by 11 percent to 100,975 loans compared with the 113,130 reported in December 2009. This December 2010 level represents 6.4 percent of all home loans in the region, down from 7.0 percent in December 2009. This rate declined for all states in the region and ranged from 8.5 percent in Rhode Island to 4.3 in Vermont, one of the lowest in the nation. The national rate in December 2010 was 8.3 percent.

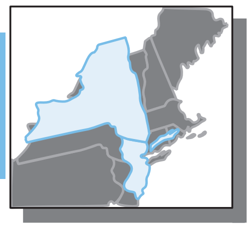
Condominium sales in the New England region were down, particularly in the second half of 2010, but median prices were up. According to MAR, during 2010, in Massachusetts, condominium sales were down less than 1 percent to 15,180 compared with the number sold during 2009; the median sales price was up 6 percent to $268,000. In Rhode Island, during 2010, RIAR reported that condominium sales were down 5 percent, to 1,145 units, but the median sales price was up 4 percent, to $187,000. The Warren Group reported that, in Connecticut, during 2010, condominium sales totaled 6,825 units, down 7 percent from 2009, but the median sales price was up 2 percent, to $182,250. According to NNEREN, in New Hampshire, during 2010, condominium sales totaled 2,635 units, a decline of 4 percent, and the median sales price was unchanged at $165,000.

Because of strong sales during the first half of 2010 and generally increasing prices, single-family homebuilding activity, as measured by the number of homes permitted, increased significantly in the New England region. During 2010, based on preliminary data, the number of homes permitted increased more than 17 percent, to 11,680 homes, the highest regional percentage increase in the nation and nearly 8 times the national average increase of 2 percent. During 2009, single-family home production was down 17 percent compared with production in 2008. All states posted increases in single-family permits in 2010. The largest absolute increase occurred in Massachusetts, where permits increased 18 percent, to 4,815 homes, from 4,055 homes permitted in 2009. Connecticut, Vermont, and New Hampshire increased permits issued by 22, 23, and 19 percent, to 2,260, 590, and 1,560 homes, respectively, compared with the number of homes permitted in 2009. Maine and Rhode Island had smaller increases of 9 and 6 percent, to 1,720 and 740 homes, respectively. Among the metropolitan areas that had the most significant increases in single-family construction were the Boston-Cambridge-Quincy, Massachusetts-New Hampshire metropolitan area, increasing 21 percent, to 3,710 homes, and the Bridgeport-Stamford-Norwalk, Connecticut metropolitan area, which increased 39 percent, to 540 homes.

Bolstered by higher production levels in Massachusetts and New Hampshire, the level of multifamily construction in the region, as measured by the number of units permitted, increased by 13 percent, to 5,825 units, in 2010. Based on preliminary data, the number of units permitted in Massachusetts increased by 30 percent, to 3,170 units, in 2010 compared with the number permitted during 2009. Multifamily units permitted in New Hampshire were up 33 percent, to 745 units. In Maine and Rhode Island, multifamily units permitted were down 22 and 20 percent, to 175 and 205 units, respectively. In Connecticut and Vermont, multifamily units permitted were down 6 and 11 percent, to 1,220 and 315 units, respectively. Cities and towns in the Boston-Cambridge-Quincy metropolitan area issued permits for 2,740 units, an increase of 13 percent compared with the number permitted during 2009, representing 47 percent of the total of multifamily units permitted in the region.

Conditions in most New England rental markets are balanced, but they continue to tighten as vacancy rates decline and rents rise. According to REIS, Inc., in 2010, rental production in the Boston metropolitan area was down 75 percent to slightly more than 1,000 units compared with the previous 5-year annual average of about 4,200 units. Recent increases in nonfarm payrolls in the metropolitan area have stimulated demand for new apartments, lowering the apartment vacancy rate to 5.1 percent in the fourth quarter of 2010, down from 6.4 percent a year earlier. Average market rent increased nearly 3 percent, to $1,748, during the same period. In Connecticut, the Hartford and New Haven metropolitan area markets tightened significantly, and conditions are tight in both markets. With only a few new units added to the inventory in 2010, apartment vacancy rates are 4.7 and 2.2 percent in the fourth quarter of 2010, down from 6.2 and 3.0 percent, respectively, from the fourth quarter of 2009. Average market rents have increased nearly 2 percent in both markets, to $980 in Hartford and $1,110 in New Haven during the past year. In Fairfield County, where conditions are balanced, the addition of approximately 1,120 units during 2010 resulted in an increased apartment vacancy rate of 6.0 percent, up from 5.5 percent a year earlier, but the average rent increased more than 4 percent, to $1,814. The Providence metropolitan area market, which is balanced, had virtually no additions to the rental inventory during 2010. The apartment vacancy rate declined to 6.0 percent from 8.5 percent a year earlier, and the average rent was virtually unchanged, at $1,205. The Manchester-Nashua, New Hampshire-Massachusetts metropolitan area market tightened during 2010, and conditions are currently tight, with the apartment vacancy rate decreasing to 3.8 percent from 4.2 percent, and average rents are virtually unchanged, at $1,069. In the Portland, Maine metropolitan area, conditions are tight as the apartment vacancy rate declined to 2.8 percent from 4.2 percent, and the average rent increased nearly 3 percent during the past year.

NEW YORK/ NEW JERSEY



HUD Region II

Economic conditions in the New York/New Jersey region showed signs of improving in 2010, as job losses slowed compared with the conditions during 2009, the beginning of the job decline. During 2010, nonfarm payrolls in the region averaged approximately 12.4 million jobs, down by 87,600 jobs, or 0.7 percent, which is significantly less than the loss of 393,700 jobs, or 3.1 percent, which occurred during 2009. Total payroll losses in the region were divided almost equally between the two states. In New Jersey, nonfarm payrolls declined by 44,700 jobs, or 1.1 percent, to 3.8 million. New York State registered a loss of 43,000 jobs, or 0.5 percent, resulting in an average of 8.5 million jobs. In New York City, nonfarm payrolls decreased by 10,400, or 0.3 percent, to nearly 3.7 million jobs.

During 2010, the largest job declines in the New York/New Jersey region occurred in the government, construction, and manufacturing sectors. The region lost 39,900 jobs in the government sector, a 1.8-percent decrease, with declines at both the state and local levels because of budget cuts. New York State accounted for nearly 80 percent of the losses in the government sector, recording a decline of 31,300 jobs, or 2.1 percent, while New Jersey registered a loss of 8,600 jobs, or 1.3 percent. The construction sector lost 27,100 jobs, or 5.8 percent, throughout the region. Construction job losses totaled 13,600, or 4.2 percent, in New York State and 13,400, or 9.7 percent, in New Jersey. The manufacturing sector in the region continued to contract during 2010; however, job losses slowed to 26,100, or 3.5 percent, compared with the decline of 86,300 jobs, or 10.4 percent, in 2009. Manufacturing payrolls decreased by 15,800 jobs, or 3.3 percent, in New York State, and by 10,300 jobs, or 3.9 percent, in New Jersey.

Two sectors added jobs in the New York/New Jersey region in 2010: the education and health services and the leisure and hospitality sectors. The education and health services sector recorded an increase of 29,600 jobs, or 1.3 percent, with gains of more than 25,500 jobs, or 1.8 percent, in New York State and nearly 5,000 jobs, or 0.7 percent, in New Jersey. The leisure and hospitality sector expanded by 14,500 jobs, a 1.4-percent increase, with additions of 12,500 and 2,025 jobs, or increases of 1.8 and 0.6 percent, in New York State and New Jersey, respectively. In New York City, in 2010, the number of leisure travelers to the city increased by nearly 7 percent, to 48.7 million; as a result, the leisure and hospitality sector increased by 7,900 jobs, or 2.6 percent. The unemployment rate in the New York/New Jersey region was 8.7 percent in 2010, which is unchanged from 2009. The average unemployment rate remained constant at 8.4 percent in New York but increased from 9.2 to 9.5 percent in New Jersey.

Throughout most of the New York/New Jersey region, sales housing market conditions remain slightly soft, but are improving slowly, as trends in the data for prices and home sales were mixed. According to the NATIONAL ASSOCIATION OF REALTORS®, during the third quarter of 2010 (the latest information available), home sales declined by 101,600 homes, or 25 percent, from a year earlier to a seasonally adjusted annual rate of 296,600 homes sold. According to Lender Processing Services Mortgage Performance Data, as of December 2010, 8.7 percent of total loans in the region were 90 days or more delinquent, in foreclosure, or in REO (Real Estate Owned), up from 8.2 percent a year earlier. This level is comparable to the 8.3-percent rate for the nation as of December 2010.

According to data from the New York State Association of REALTORS®, during 2010, the number of existing single-family home sales in New York (excluding parts of New York City) decreased nearly 4 percent, to 74,600 homes, compared with the number sold during 2009. The median price of an existing home increased more than 7 percent from $205,000 in 2009 to $219,900 in 2010. For the Rochester metropolitan area, during 2010, the Greater Rochester Association of REALTORS® reported a 6-percent decrease in home sales, down to 10,100 homes sold, but the median sales price increased 5 percent to $119,500. The Greater Capital Association of REALTORS®, Inc., reported that, during 2010, in the Albany-Schenectady-Troy metropolitan area, existing home sales decreased by 8 percent, down to approximately 7,425 homes sold, but the median sales price rose 3 percent to $188,000. During the 12 months ending December 2010, the Buffalo Niagara Association of REALTORS® reported that sales of single-family homes declined 15 percent, to less than 8,550 homes sold, but the median sales price increased 11 percent, to $116,500.

The New York City home sales market, which remains slightly soft, strengthened during 2010. Prudential Douglas Elliman Real Estate reported that, in Manhattan, Brooklyn, and Queens, during 2010, existing condominium and cooperative unit sales increased 20 percent to 29,900 units compared with the number sold during 2009. During 2010, the average sales price rose by 9 percent, from $727,100 to $791,300, but the average number of days a home remained on the market declined by 33 days to 113 days. In Queens, home sales increased more than 15 percent to 12,700 homes, and the median sales price increased more than 5 percent to $369,000. In Brooklyn, home sales increased 9 percent to 7,140 homes, and the median sales price increased 6 percent, to $475,000. During 2010, home sales in Manhattan totaled nearly 10,100 homes, a 36-percent increase compared with the 7,430 homes sold during 2009. Although the 2010 sales level in Manhattan is 25 percent below the peak that occurred in 2007, home sales are within 3 percent of the 2008 level of 10,400 homes. In 2010, the median sales price in Manhattan was $845,000, up more than 4 percent from a year earlier.

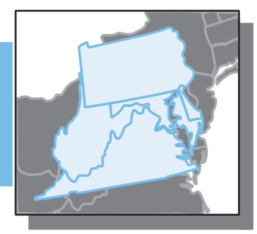
In New Jersey, home sales markets are slightly soft. Home sales increased, continuing the trend that began in 2009, but home prices remain relatively flat in most areas. According to data from the New Jersey Association of REALTORS®, during the 12 months ending September 2010 (the latest information available), the number of existing homes sold rose by nearly 12,700, or 12 percent, to 119,400 homes sold. During the 12 months ending September 2010, the median sales price declined by 1 percent, to $316,700, which is 17 percent below the peak of $381,400 recorded in September 2007. For the 12 months ending September 2010, Northern New Jersey reported the largest increase in home sales, up 15 percent to 57,900 homes, with the median price declining by less than 1 percent to $387,500. In Central New Jersey, home sales rose 12 percent, to 31,200 homes, and the median price increased 2 percent, to $326,600. In Southern New Jersey, existing single-family homes sales increased 6 percent, to 30,300, and the median price increased 1 percent, to $213,700.

As economic conditions in the New York/New Jersey region showed signs of improving, builders increased construction of single-family homes and multifamily units. During the 12 months ending December 2010, based on preliminary data, the number of single-family homes permitted increased 7 percent to 17,750 homes compared with a 25-percent decline recorded during the same period a year earlier. Single-family home construction rose by 260 homes, or 4 percent, to 7,400 homes in New Jersey and by 900 homes, or nearly 10 percent, to 10,350 homes in New York. In the region, multifamily building activity, as measured by the number of units permitted, increased by 21 percent, to 15,775 units, compared with a 74-percent decrease during the 12 months ending December 2009. In New Jersey, the number of multifamily units permitted increased by 820, to 5,925 units permitted, which was a 16-percent increase from a year earlier. In New York, the number of multifamily units permitted increased by more than 1,925 units, or 24 percent, to 9,850 units, which is a significant improvement compared with the 80-percent decline that occurred during the 12 months ending December 2009. For comparison, between 2006 and 2008, the number of multifamily units permitted annually averaged 36,750 units in New York and 12,900 units in New Jersey.

Rental markets in the New York/New Jersey region remained balanced during the fourth quarter of 2010, although conditions in most markets have tightened from a year earlier, with several markets in Upstate New York and New Jersey recording declines in vacancies. The market in the Buffalo metropolitan area tightened, with the vacancy rate dropping 1 percentage point to 4.4 percent and the average rent increasing by 1 percent to nearly $740. The Rochester apartment market became tighter: the vacancy rate declined from 4.7 to 4.2 percent, and the average rent increased nearly 3 percent, to approximately $770. In the Syracuse metropolitan area, the vacancy rate decreased from 4.4 to 4.0 percent, and the average rent increased 2 percent, to $700. For the fourth quarter of 2010, in Northern New Jersey, the vacancy rate decreased from 5.2 to 4.9 percent, and the average rent rose to $1,510, which was a 2-percent increase. In Central New Jersey, the vacancy rate remained unchanged at 3.9 percent, and the average rent increased 1 percent, to $1,160.

Although vacancies increased in New York City, the rental market is one of the tightest in the nation. According to Reis, Inc., in the fourth quarter of 2010, the apartment vacancy rate in New York City increased from 2.9 to 3.2 percent. Despite the increase in vacancies, which occurred because of a slight lessening of demand with the slower economy, the average asking rent increased by nearly 5 percent to $2,870. Conditions continued to be tight in the Long Island market, where rents increased more than 2 percent, to $1,550, although the vacancy rate increased slightly from 3.6 to 3.8 percent. The Westchester market tightened as the vacancy rate declined from 5.2 to 3.7 percent, with the absorption of 1,250 apartment units completed in 2008 and 2009, but rents declined by slightly less than 1 percent to $1,860.

Mid-Atlantic



HUD Region III

During 2010, nonfarm payrolls remained relatively stable in the Mid-Atlantic region, declining by only 11,000 jobs compared with the loss of 434,900 jobs, or 3 percent, during 2009. During 2010, nonfarm payrolls averaged 13.6 million jobs in the region. After reporting declines for 22 months, the professional and business services sector added 20,000 jobs in 2010, which was an increase of 1 percent from 2009. The education and health services and the leisure and hospitality sectors grew by 36,300 and 23,100 jobs, or 1.7 and 1.9 percent, respectively. Gains of 28,200, or 4.5 percent, in the federal government subsector offset losses of 12,900 jobs in the state and local government subsectors, to produce a 0.6-percent increase, or nearly 13,200 additional jobs, in the total government sector. With the exception of the addition of 1,160 jobs, a 0.2-percent increase, in the other services sector, all remaining sectors experienced net losses during 2010.

The manufacturing sector continued a two-decade-long loss and declined by 31,700 jobs, or 3 percent, during 2010.

Pennsylvania lost 14,725 jobs, or nearly 3 percent, in the manufacturing sector, accounting for 46 percent of all losses in the sector in the region. The construction sector lost 28,800 jobs, or nearly 5 percent, in the region. Losses in the construction sector began in 2007, peaked during 2009, and have continued declining but at a slower pace through 2010. Virginia's loss of 11,400 jobs in the sector in 2010, a decline of 6 percent from 2009, represents 40 percent of all construction jobs lost in the region. Every state in the region reported a net job loss except the District of Columbia, which added 9,300 federal government jobs and 5,700 professional and business services jobs, resulting in a net gain of 11,900 jobs, or a 1.7-percent increase over 2009. During 2010, the average unemployment rate in the Mid-Atlantic region increased from 7.5 to 8.1 percent. Unemployment rates among the states in the region ranged from 7.0 percent in Virginia to 9.2 percent in West Virginia. The District of Columbia reported the highest unemployment rate in the region at 10.3 percent.

At the close of 2010, conditions in the home sales markets in the Mid-Atlantic region were mixed. During the fourth quarter of 2010, the market in Maryland was balanced as home sales increased, partly because of home price declines, and inventories stabilized. According to the Maryland Association of REALTORS®, 50,880 existing homes were sold in Maryland during 2010 compared with the 49,530 homes sold during 2009, an increase of nearly 3 percent. The increase in sales was not as great as the 11-percent improvement in 2009 over 2008 sales, but it continued a positive trend. The inventory declined by less than 1 percent to an average of 43,800 homes on the market, slightly more than 10 months of supply compared with 44,100 homes and nearly 11 months of supply a year earlier. During 2010, the average home sales price declined 3 percent, to $294,000, from the $302,340 reported a year earlier. Nearly 21,450 homes were sold in the Baltimore metropolitan area during 2010, according to Metropolitan Regional Information Systems, Inc. (MRIS®), down 3 percent from the number sold in 2009. Prices in Baltimore, which averaged $279,800, remained relatively flat. In the Maryland suburbs of the Washington, D.C. metropolitan area, sales volume increased 17 percent to 9,960 homes, but prices declined 12 percent to $217,400.

The sales market was soft in Virginia during the fourth quarter of 2010. The Virginia Association of REALTORS® reported that 18,130 homes were sold during the fourth quarter compared with nearly 22,800 sold during the same quarter in 2009, a decline of more than 20 percent. The median sales price increased 4 percent from $225,750 in the fourth quarter of 2009 to $234,600 currently. In the Northern Virginia suburbs of the Washington, D.C. metropolitan area, expiration of the first-time homebuyers tax credit contributed to a decrease of 10 percent in sales volume to nearly 34,000 homes, but the market showed recovery with prices increasing 11 percent to $388,200 and days on the market declining to 56 from 77 a year earlier.

As 2010 ended, the markets in the rest of the region, in general, remained soft, with price declines still required to stimulate sales. During the 12 months ending September 2010, sales volume declined in Pennsylvania, West Virginia, and Delaware, after an increase in sales during the 12 months ending September 2009 that was stimulated by both declines in prices and the availability of tax credits. According to the NATIONAL ASSOCIATION OF REALTORS®, during the third quarter of 2010 (the most recent data available), homes were sold at an annual rate of 135,200 in Pennsylvania, 24,400 in West Virginia, and 8,800 in Delaware, which indicates decreases of 27, 15, and 31 percent, respectively, compared with the number of homes sold in the third quarter of 2009. The market became balanced in the District of Columbia during 2010. According to MRIS®, the District of Columbia reported 6,200 homes sold during the year, a 4-percent increase from the volume reported during 2009, with a 5-percent increase in average price to $512,700.

According to Lender Processing Services Mortgage Performance Data, in December 2010, the number of home loans that were 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned) in the region decreased by 8.6 percent to approximately 219,400 loans compared with the number recorded during December 2009. The current rate of all loans recorded in the region is 6.2 percent compared with 6.8 percent in December 2009 and is less than the current 8.3-percent national rate.

Despite mixed conditions in the existing home sales market, new home construction activity, as measured by the number of homes permitted, increased. Based on preliminary data, during 2010, new single-family home construction increased by nearly 5 percent to 38,400 homes permitted. Production in Pennsylvania increased by 11 percent, with 12,200 homes permitted. In Maryland, permits increased by 4 percent to 7,890 homes and, in Virginia, permits were issued for 14,300 homes, nearly 3 percent more than the number issued during 2009. New home construction increased less than 1 percent in Delaware, to 2,670 homes. In West Virginia, production declined by nearly 9 percent, to 1,290 homes, and, in the District of Columbia, production declined from 160 homes in 2009 to 120 homes in 2010. During 2010, all major metropolitan areas in the region reported increases in new home construction. The number of building permits issued for single-family homes increased 8 percent to 4,860 homes in the Philadelphia metropolitan area, 15 percent to 3,110 homes in the Baltimore metropolitan area, and nearly 4 percent to 9,010 homes in the Washington, D.C. metropolitan area.

During 2010, multifamily construction activity, as measured by the number of units permitted, was relatively unchanged in the Mid-Atlantic region. According to preliminary data for the period, the number of multifamily units permitted decreased by 120 units, or 1 percent, to nearly 11,400 units. Only Maryland and West Virginia increased production over 2009, issuing permits for 3,340 and 160 units, or increases of 32 and 29 percent, respectively. The number of multifamily units permitted decreased in Pennsylvania and Virginia during 2010 by 8 and 6 percent to a total of 2,240 and 4,660 units, respectively. Reductions in multifamily production occurred in Delaware and the District of Columbia, which recorded decreases of 17 and 44 percent to totals of 400 and 550 units permitted, respectively. Multifamily building activity was mixed in the largest metropolitan areas in the region. During 2010, the Washington, D.C. metropolitan area reported 3,110 units permitted, 16 percent more than were permitted in 2009, and the Baltimore metropolitan area reported 1,940 multifamily units permitted, an increase of 7 percent. In the Philadelphia metropolitan area, the number of multifamily units permitted decreased by 12 percent, to 2,100 units.

Rental market conditions in the three largest metropolitan areas in the region were mixed during the fourth quarter of 2010. In the Baltimore metropolitan area, rental market conditions were soft. According to data from Delta Associates, during 2010, vacancy rates increased from 7.4 to 9.1 percent, primarily due to 1,450 newly constructed apartments in leasing in the northern suburbs and in Baltimore City. Average rents in the Baltimore metropolitan area increased by 7 percent to $1,440. Limited additions to the apartment supply during 2010 resulted in a tighter market in the Philadelphia metropolitan area as vacancies declined and rents increased. According to Delta Associates, during 2010, vacancy rates decreased from 8.5 to 3.2 percent, but the average rent increased more than 8 percent, to $1,550. During 2010, average rents in the suburbs increased by more than 5 percent, to $1,360. In Center City Philadelphia, average rents increased by 17 percent, to $2,100, while concessions in the city declined from 7.6 to 2.5 percent. The rental market in the Washington, D.C. metropolitan area, in general, was soft, resulting from higher vacancy rates in the market for midrise and highrise apartments that outweighed the balanced conditions in the market for garden apartments. According to Delta Associates, vacancy rates in midrise and highrise apartments during 2010 decreased from 10.7 to 7.1 percent in Northern Virginia but increased in both the District of Columbia and the Maryland suburbs from 10.8 to 12.3 percent and from 10.4 to 12.1 percent, respectively. In December 2010, rents for midrise and highrise apartments averaged $2,450 in the District of Columbia, $2,100 in suburban Maryland, and $2,180 in Northern Virginia, up 6, 7, and nearly 8 percent, respectively, from December 2009. Vacancy rates for Class A garden apartments increased to 6.6 percent from 5.4 percent a year earlier. During 2010, rents in garden apartments rose nearly 9 percent in both the Maryland and Northern Virginia suburbs surrounding the District of Columbia to average $1,610 from $1,490 a year earlier, but concessions declined to 2.5 from 5.4 percent.

Southeast/ Caribbean

HUD Region IV

Employment in the Southeast/Caribbean region declined in 2010 for the third consecutive year, but the rate of job losses slowed compared with losses recorded in 2008 and 2009. In 2010, nonfarm payrolls averaged 25.1 million, a decrease of 200,300 jobs, or 0.8 percent, compared with the number of jobs recorded during 2009. Job losses totaled 428,400, or 1.6 percent, in 2008 and almost 1.5 million, or 5.5 percent, in 2009. During 2010, payrolls decreased in every major sector except the education and health services sector, which increased by 67,400 jobs, or 2 percent; the professional and business services sector, which added 34,500 jobs, or 1.1 percent; and the government sector, which recorded a minimal gain of 9,500 jobs. The largest declines occurred in the construction, manufacturing, and financial activities sectors, with decreases of 97,100, 79,800, and 44,100 jobs, or 9.2, 3.4, and 3.1 percent, respectively. During 2010, total nonfarm payrolls fell in Puerto Rico and in six of the eight states in the region; they remained relatively unchanged from 2009 levels in Kentucky, South Carolina, and the Virgin Islands. Job losses of 60,000 in Georgia, 54,800 in Florida, and 33,500 in Puerto Rico accounted for 74 percent of the job losses in the region. During 2010, the unemployment rate in the region averaged 11 percent, up slightly from the average rate of 10.6 percent recorded during 2009. The unemployment rate ranged from 9.9 percent in both Alabama and Tennessee to 16.1 percent in Puerto Rico. The largest increase in the unemployment rate occurred in Florida, where the rate increased by 1.4 percentage points to 11.9 percent. Mississippi and Puerto Rico recorded 1.1-percentage point increases, but the remaining states in the region reported rates that were relatively unchanged from the 2009 levels.

Most local housing markets in the Southeast/Caribbean region are soft because of weak economic conditions, lenders' tight credit standards, and the large number of distressed properties. According to Lender Processing Services Mortgage Performance Data, in December 2010, 11.5 percent of home loans in the region were 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned), down slightly from 12.2 percent in December 2009. The rate of distressed properties declined for all states in the region. Florida reported the highest distressed-property rate in the region, at 18.6 percent, down from 19.1 percent in December 2009. The lower rate of distressed properties in Florida was due to an increase in home sales activity. Although markets in Florida remained soft during the past year, lower prices induced higher sales activity for both single-family homes and condominiums. According to data available from Florida Realtors®, during 2010, 170,900 existing homes were sold statewide, a 5-percent increase compared with the number sold in 2009 and 38 percent higher than the number sold in 2008, but still below the average of 187,500 homes that were sold annually between 2005 and 2007. In Florida, during 2010, the median price of an existing single-family home sold declined by 4 percent to $136,500, down from $142,500 in 2009. In 2010, sales of existing condominiums increased by 29 percent to 72,050 units, nearly doubling the number sold in 2008. In 2010, the median price of an existing condominium sold was $91,300, 15 percent less than the price a year earlier. In Miami, single-family home sales increased by 9 percent to 7,300 homes, but the median price decreased by 3 percent to $189,400. Condominium sales in Miami increased 43 percent to 9,775 units, but the median price declined by 18 percent to $116,900.

In Alabama, according to the Alabama Center for Real Estate, during 2010, approximately 36,250 new and existing homes and condominiums were sold, a 4-percent decline compared with the 37,900 homes and condominiums sold during 2009. During 2010, the average inventory of unsold homes was unchanged from the 2009 level of 40,300, which represents approximately a 13-month supply. The average number of days that a home remained on the market was also relatively unchanged at 149 days, and the average price increased by less than 1 percent to $145,500. Data from South Carolina REALTORS® indicate that, during 2010, the number of existing homes sold in the state increased by less than 0.5 percent to 47,050. Sales decreased in 8 of 15 reported areas of the state. Declines in sales ranged from more than 5 percent in Columbia to 23 percent in Myrtle Beach. From 2009 to 2010, the median home price increased nearly 1 percent statewide, to $150,000. The median price increased in 10 of 15 reported areas, ranging from slightly more than 1 percent in Columbia to 8 percent in Greenwood. According to data from the North Carolina Association of REALTORS®, in 2010, the number of existing homes sold statewide decreased to 80,500, a decline of 650 homes, or 1 percent. The number of homes sold decreased in 9 of 21 reported areas, including Raleigh, where sales decreased by 3 percent to 20,250 homes. Sales volumes were virtually unchanged in the other two largest metropolitan areas in the state, Charlotte and Greensboro, at 22,150 and 10,850 homes, respectively. In North Carolina, the average price of an existing home sold increased by $2,400, or 1 percent, to $203,100. Average prices decreased in 12 of 21 reported areas, including Greensboro, where the average price of a home decreased by 2 percent to $155,900. In Charlotte and Raleigh, average prices increased by 3 percent to $207,000 and $229,100, respectively.

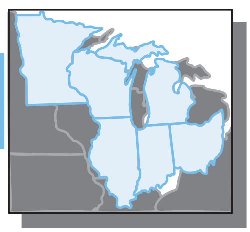
According to the Greater Louisville Association of REALTORS®, reporting data for new and existing homes, about 10,200 single-family homes and 1,200 condominiums sold during 2010, decreases of 2 and 4 percent, respectively, compared with the number sold during 2009. During 2010, the median prices of single-family homes and condominiums sold increased by 4 percent to $140,000 and 5 percent to $124,500, respectively, compared with the prices recorded during 2009. The Lexington Bluegrass Association of REALTORS®, reporting data for new and existing homes, recorded that, during 2010, 6,700 homes were sold, a decrease of 9 percent from 2009. From 2009 to 2010, the median price of a home sold increased 1 percent, to $141,500. About 550 condominiums or townhomes sold, down 16 percent from 2009. From 2009 to 2010, the median price of a condominium or townhome sold increased 2 percent, to $119,500. During 2010, the Greater Nashville Association of REALTORS® reported sales of new and existing single-family homes and condominiums decreased 4 and 10 percent, respectively, to approximately 16,900 and 2,350 units. From December 2009 to December 2010, the monthly median sales price increased 6 percent to $174,500 for a single-family home and decreased 7 percent to $140,000 for a condominium unit. According to the Knoxville Area Association of REALTORS®, during 2010, 9,050 single-family homes were sold, a decrease of 3 percent, and the average price remained relatively unchanged at $172,600. During the same period, 990 condominium units were sold, a decrease of 3 percent, and the average price declined by 4 percent to $154,700. During 2010, the Memphis Area Association of REALTORS® reported that new and existing sales decreased by 11 percent to 10,000 single-family homes and by 14 percent to 380 condominium units. The average price of a single-family home decreased by less than 1 percent to $143,000, but the average price of a condominium increased by 8 percent to $144,800.

In the Southeast/Caribbean region, during 2010, single-family home construction activity, as measured by the number of building permits issued, increased by 2 percent to 105,300 homes relative to 2009. Despite the increase, home construction remained well below the average of 438,100 single-family homes that were permitted annually between 2004 and 2007. During 2010, home construction activity increased in four states. In Florida, North Carolina, and Georgia, permits increased by 3,525, 725, and 460 homes, respectively, to 29,650, 24,350, and 12,600 homes. In Kentucky, permits increased by less than 1 percent to 5,175 homes. In 2010, multifamily construction in the region continued to decline but at a much lower rate compared with the rate of decline during 2009. During 2010, 28,100 multifamily units were permitted, a decline of 1,975 units, or 7 percent, compared with the number permitted during 2009. In contrast, between 2004 and 2007, an average of 121,300 multifamily units were permitted annually in the region. Multifamily construction declined in all but three states in the region for the period. Multifamily unit permits increased by 1,700 units, or 62 percent, to 4,450 units in Tennessee; by 350 units, or 33 percent, to 1,400 units in Kentucky; and by 285 units, or 3 percent, to 8,650 units in Florida.

Limited construction of new apartments and stabilizing labor markets during 2010 contributed to both declining vacancy rates in the Southeast/Caribbean and a mix of soft, balanced, and near-balanced apartment markets. For the second consecutive quarter, all 20 primary market areas surveyed by Reis, Inc., recorded vacancy rate decreases compared with rates recorded for the same quarter last year. During the fourth quarter of 2010, apartment vacancy rates ranged from 5.3 percent in Louisville to 11.4 percent in Memphis. During the past year, markets with the largest declines in vacancy rates included the South Carolina markets of Columbia, Charleston, and Greenville, where 3- to 4-percentage point decreases were recorded; the rates fell to 9.1, 8.2, and 7.7 percent, respectively. In Jacksonville, the vacancy rate declined by 3.5 percentage points to 10.9 percent, and, in Atlanta, the rate decreased by 2 percentage points to 9.7 percent, although soft conditions persisted in both areas. During 2010, improved occupancy enabled property owners to increase rents in some markets. Average asking rents increased by 2 percent or less in 17 markets. In Greenville, South Carolina, the average asking rent increased by nearly 4 percent to $645, the largest rate of increase recorded in the region.

MIDWEST

HUD Region V



Economic conditions in the Midwest remained weak during 2010, continuing a 3-year trend. During the past year, nonfarm payrolls decreased by 154,200, or 0.7 percent, to an average of 22.6 million jobs, which was much less than the loss of 1.3 million jobs, or 5.3 percent, during 2009 and was the smallest decline since the 12 months ending September 2008. Employment increased in three sectors, led by the education and health services sector, which gained 46,100 jobs, or 1.3 percent. The two other sectors with job gains were the professional and business services sector and the mining and logging sector, up 34,400 and 800 jobs, or 1.3 and 0.5 percent, respectively. During 2010, all other sectors reported job losses, led by the construction sector, which lost 61,300 jobs, or 7.3 percent, and the financial activities and manufacturing sectors, which were down 38,500 and 34,800 jobs, or 2.9 and 1.2 percent, respectively.

All six states in the region recorded decreases in nonfarm payrolls in 2010. Illinois reported the largest decline, down 83,000 jobs, or 1.5 percent. Ohio, Michigan, and Wisconsin registered declines of 73,500, 51,500, and 37,600, or losses of 1.4, 1.3, and 1.4 percent, respectively. Minnesota and Indiana both recorded job losses of less than 1 percent, with a decrease of 9,900, or 0.4 percent, in Minnesota and 8,500, or 0.3 percent, in Indiana. The average unemployment rate for the region declined slightly, from 10.3 percent in 2009 to 10.2 percent in 2010. Four states recorded lower unemployment rates, with Michigan reporting an unemployment rate of 13.1 percent, the highest in the region, although it was down from the 13.6-percent rate recorded in 2009. In Minnesota, from 2009 to 2010, the unemployment rate fell from 8.0 to 7.1 percent, in Wisconsin the rate dropped from 8.5 to 8.1 percent, and in Indiana it dropped from 10.1 to 9.9 percent. The unemployment rate rose in Illinois and Ohio, from 10.1 to 10.4 percent and from 10.2 to 10.3 percent, respectively.

The slow economy continues to disrupt home sales markets in the Midwest region. Although data on home sales and prices vary, market conditions remain slightly soft throughout most of the region. According to data from the Michigan Association of REALTORS®, in Michigan, during the 12 months ending November 2010, new and existing home sales rose approximately 7 percent, to 120,300 homes compared with the number sold during the previous 12 months; the sales level was about the same as the annual average for 2004 through 2008. For the 12-months ending November 2010, the average price increased 7 percent to $106,100. In Illinois, the home sales market is soft, with approximately 103,700 homes sold, down 4 percent from the 2009 total of 107,800 home sales, according to the Illinois Association of REALTORS®. The median sales price reported in Illinois was also down, approximately 3 percent, to $152,000. In the Chicago metropolitan area during 2010, new and existing home sales declined by approximately 1 percent, to 69,000 homes sold, and the median sales price declined almost 6 percent, to $185,000.

According to the Indiana Association of REALTORS®, in 2010, new and existing home sales in Indiana were down almost 7 percent from 2009, to 57,750 homes sold, but the average sales price increased 4 percent, to $133,000. The Ohio Association of REALTORS® reported that, in 2010, new and existing home sales decreased 4 percent compared with sales during 2009, down to 101,000 homes sold, but the average sales price increased almost 3 percent, to $132,700. In Minnesota, the Minnesota Association of REALTORS® reported an 11-percent decline in home sales, down to 66,050 sold, but a stable median sales price of $150,000. In Wisconsin, the Milwaukee-Waukesha-West Allis metropolitan area, including four counties, reported 11,500 new and existing home sales, a decrease of 13 percent from the 13,250 homes sold in 2009, according to the Greater Milwaukee Association of REALTORS®, while the median sales price increased one percent, to $176,000. According to Lender Processing Services Mortgage Performance Data, in December 2010, the number of home loans 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned) in the region decreased to approximately 496,100, or 8.5 percent of all loans recorded in the region. These figures show an improvement from the 9.1-percent rate recorded in December 2009, although it is still higher than the current 8.3-percent rate for the nation.

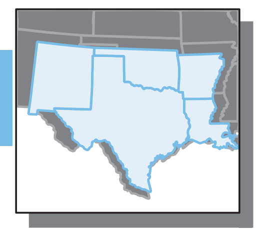
Despite generally soft sales market conditions, single-family construction activity, as measured by the number of building permits issued, increased in the Midwest region during 2010. According to preliminary data, in 2010, 42,000 single-family permits were issued in the region, 4 percent above the number of permits issued in 2009 but 20 percent below the number issued in 2008. From 2003 through 2007 in the region, an average of 186,600 permits for single-family homes was issued annually. In 2010, all states in the region except Michigan reported single-family construction activity within 2 percent of 2009 totals, according to preliminary data. In Indiana, in 2010, construction was up 2 percent to 8,750, and, in Ohio, home construction gained 1 percent, to 9,125 homes. The construction level in Wisconsin during 2010 remained unchanged at 6,225, but in Illinois and Minnesota, home construction fell 1 and 2 percent, to 5,875 and 5,900, respectively. In Michigan, during 2010, the increase in single-family homes permitted rose 28 percent, to 6,100, but the number remains far below the 33,900 single-family homes permitted, on average, from 2003 through 2007.

Multifamily building activity, as measured by the number of units permitted, also increased in the Midwest region because of generally balanced rental market conditions in most states. In 2010, according to preliminary data, approximately 16,250 multifamily units were permitted, 36 percent more than the 11,900 units permitted in 2009, but 39 percent below the 26,550 multifamily units permitted in 2008. From 2003 through 2007, the number of multifamily units permitted averaged 54,500 annually in the region. From 2009 to 2010, all six states in the region recorded increases in multifamily units permitted, ranging from 17 percent in Wisconsin, or an increase of 2,800 units, to 124 percent in Michigan, where multifamily units permitted increased from 575 to 1,275, according to preliminary data. In Indiana, from 2009 to 2010, the number of multifamily units permitted rose 21 percent, from 2,525 to 3,050, and, in Ohio, the number of units permitted increased 29 percent, to 2,775. In Illinois and Minnesota during 2010, the increases in multifamily units permitted were 45 and 54 percent, to 3,650 and 2,700 units, respectively.

Apartment market conditions in major metropolitan areas in the Midwest region were mixed, but signs of strengthening were evident in the fourth quarter of 2010. According to Reis, Inc., in Chicago, for the fourth quarter of 2010, the apartment vacancy rate was 6 percent, down from 7 percent in 2009, but the average rent increased almost 2 percent, to $1,075, reflective of a balanced market. In Ohio, all three major metropolitan areas recorded stable or decreasing vacancy rates and increasing rents. In Columbus, the apartment market remains somewhat soft, with an estimated vacancy rate of 9 percent, the same rate recorded in 2009, and the average rent increased less than 1 percent, to $690. In Cincinnati and Cleveland, during 2010, markets were generally balanced, with apartment vacancy rates of 7 and 6 percent, respectively, down from 8 and 7 percent in 2009, but both metropolitan areas recorded increased average rents, up 1 percent, to $710 in Cincinnati and $720 in Cleveland. From the fourth quarter of 2009 to the fourth quarter of 2010, in Michigan, the apartment vacancy rate in Detroit was generally balanced, declining from 8 to 7 percent. At the same time, the average rent increased by less than 1 percent, to $830, according to Reis, Inc. In Indianapolis, for the fourth quarter of 2010, the apartment market was slightly soft, with a vacancy rate of 8 percent, down from 10 percent in 2009, and the average rent increased almost 2 percent, to $680. Milwaukee and Minneapolis both had tight markets with declining vacancy rates, down to 5 and 4 percent, respectively, but increasing rents of 1 percent each, to $840 in Milwaukee and $960 in Minneapolis.

Southwest

HUD Region VI



Economic conditions in the Southwest region turned positive in the fourth quarter of 2010, the first 12-month increase in nonfarm payroll jobs in nearly 2 years. During the 12 months ending December 2010, average nonfarm payrolls increased by 0.1 percent, or 23,000 jobs, to 15.7 million jobs. By comparison, average nonfarm payrolls declined by 2.8 percent, or 460,000 jobs, for the 12 months ending December 2009. The education and health services sector recorded the largest growth during the 12 months ending December 2010, adding 80,100 jobs, an increase of 3.8 percent. The government sector increased by 23,400 jobs, or 0.8 percent, despite Louisiana and Oklahoma's combined losses of 4,400 jobs in the sector. The leisure and hospitality sector recorded gains for the second consecutive quarter, with an increase of 13,900 jobs, or 0.9 percent. Significant declines continued from the previous quarter in the construction sector as soft housing and commercial property markets contributed to a decrease of 37,800 jobs, or 4.2 percent, compared with a decrease of 103,400 jobs, or 10.4 percent, during the 12 months ending December 2009. The manufacturing sector, which recorded declines in all states in the region, except New Mexico, lost 19,800 jobs, or 1.5 percent, during the 12 months ending December 2010.

During the fourth quarter of 2010, job losses in Arkansas, Louisiana, New Mexico, and Oklahoma were offset by the largest nonfarm payroll gains recorded in Texas since the second quarter of 2009. During the 12 months ending December 2010, Texas gained 42,100 jobs, or 0.4 percent, led by an increase of 52,800 jobs, or 4 percent, in the education and health services sector. In Oklahoma, nonfarm payrolls decreased by 5,600 jobs, or 0.4 percent, led by losses of 6,000 jobs in the manufacturing sector and 3,800 jobs in the government sector, or 4.6 and 1.1 percent, respectively. Nonfarm payroll losses in Louisiana appear to have bottomed out with only a small decrease of 100 jobs, as combined gains of more than 12,900 jobs in the leisure and hospitality and the education and health services sectors were partially offset by combined losses of 12,000 jobs in the construction, manufacturing, and financial activities sectors. Nonfarm payrolls in New Mexico declined by 10,000 jobs, or 1.2 percent, for the 12 months ending December 2010. In Arkansas, nonfarm payrolls declined by 3,500 jobs, or 0.3 percent, with declines in the manufacturing, trade, and leisure and hospitality sectors accounting for nearly 70 percent of the total loss. For the 12 months ending December 2010, the unemployment rate in the region increased to 8 percent from the 7.4-percent rate for the previous 12 months. The average unemployment rates ranged from a low of 6.8 percent in Oklahoma to a high of 8.4 percent in New Mexico; Louisiana, Arkansas, and Texas recorded rates of 7.4, 7.7, and 8.2 percent, respectively.

Sales housing market conditions in the Southwest region remained slightly soft during the 12 months ending December 2010 because of continued job losses in most states in the region. During the 12 months ending December 2010, approximately 202,900 homes sold in Texas, down nearly 5 percent compared with the number sold during the previous 12 months and 13 percent below the number sold during the 12 months ending December 2008, according to the Real Estate Center at Texas A&M University. The inventory of unsold homes was at a 7-month supply for the 12-month period ending December 2010, relatively unchanged from the previous year but well above the 5-month average supply recorded between 2006 and 2008. During the 12 months ending December 2010, the number of homes sold declined in most major metropolitan areas in Texas, with declines ranging from 2 percent in San Antonio to 8 percent in Dallas. Much of the recent sales activity in the Dallas area has occurred in Collin County, where the average sales price of $246,500 for 2010 was approximately 28 percent above the state average. The average home sales price in Texas increased 4 percent to $192,900 during the 12 months ending December 2010 compared with the average price during the previous 12 months but still remains approximately 1 percent below the level recorded during the 12 months ending December 2008. Home sales price increases among major metropolitan areas in Texas ranged from 3 percent in San Antonio to 7 percent in Dallas.

Home sales declined in a number of markets in states elsewhere in the region during the 12 months ending December 2010. According to the New Orleans Metropolitan Association of REALTORS® and Gulf South Real Estate Information Network, Inc., new and existing single-family home sales in New Orleans were down 9 percent to 6,925 homes during the 12 months ending December 2010, but the median sales price increased 4 percent. In Baton Rouge, the number of home sales declined 8 percent to 6,375 homes, based on data from the Greater Baton Rouge Association of REALTORS®, but the average home sales price increased 2 percent to $195,700, although the price still remains nearly 3 percent below the level recorded during the 12 months ending December 2008. During the 12 months ending December 2010, The Greater Albuquerque Association of REALTORS® reported that the number of home sales was down 5 percent in Albuquerque to 6,475 homes compared with the number sold during the previous 12-month period. The average home sales price in Albuquerque was relatively unchanged at $216,000 during the 12 months ending December 2010. According to the Oklahoma Association of REALTORS®, the number of homes sold in Oklahoma was down 4,300 or 10 percent during the 12 months ending December 2010, at 40,500 home sold, but the average home sales price increased by approximately 1 percent to $147,700. According to the Arkansas REALTORS® Association, during the 12 months ending December 2010, the number of home sales for the state declined by 7 percent to 22,750 homes, but the average home sales price remained relatively unchanged at $145,200.

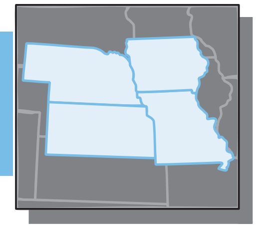
Builders in the Southwest region responded to declining home sales by reducing single-family construction activity, as measured by the number of single-family building permits issued. During the 12 months ending December 2010, the total number of single-family homes permitted in the region was 86,400, a decline of 1,475 homes, or 2 percent, compared with the number permitted during the previous 12 months, based on preliminary data. The number of permits issued during the 12 months ending December 2010 was 16 percent below the levels recorded during the 12 months ending December 2008. For the 12 months ending December 2010, Texas recorded a 1-percent decrease in the number of single-family homes permitted, down 620, to 63,000 homes. Other states in the region experienced changes in the number of single-family homes permitted, ranging from a decline of 6 percent in Oklahoma to an increase of 3 percent in Arkansas. Louisiana and New Mexico each recorded declines of 4 percent in the number of single-family homes permitted during the 12 months ending December 2010.

Rental housing market conditions in the largest metropolitan areas in Texas are soft but have improved slightly during the 12 months ending December 2010 as builders responded to soft market conditions by reducing multifamily construction activity. Austin remained the only major Texas market with an apartment vacancy rate under 10 percent. According to ALN Systems, Inc., the apartment vacancy rate in Austin was 8.7 percent for the 12 months ending December 2010, down from 11.5 percent during the previous 12 months, and the average rent declined 2 percent to $840. In San Antonio, the apartment vacancy rate declined slightly from 11.9 to 10.2 percent during the 12 months ending December 2010, and the average rent remained unchanged at $730. Rental markets in Fort Worth and Houston remained very soft, with vacancy rates of 11.4 and 13.8 percent, respectively, during the 12 months ending December 2010. The average rent in Fort Worth declined by 3 percent to $700 during the 12 months ending December 2010. During the same period, the average rent in Houston remained unchanged at $790, the first 12-month period since 2005 in which average rents have not increased. In Dallas, during the 12 months ending December 2010, the vacancy rate declined to 10.9 percent from the 12-percent rate recorded during the 12-month period ending December 2009, and the average rent declined 2 percent to $800.

Rental housing market conditions were mixed in large metropolitan areas in other states throughout the Southwest region during the fourth quarter of 2010. Rental markets in Albuquerque and Little Rock are currently balanced. According to Reis, Inc., the apartment vacancy rate in Albuquerque was 5 percent in the fourth quarter of 2010, down from 6.9 percent a year earlier, and the average rent increased 2 percent to $720. In Little Rock, during the fourth quarter of 2010, the apartment vacancy rate was 7.3 percent, down from 8.4 percent a year earlier, and the average rent increased approximately 2 percent to $660. Rental markets in the largest metropolitan areas in Oklahoma were slightly soft during the fourth quarter of 2010. In Oklahoma City, the apartment vacancy rate declined slightly from 10 percent in the fourth quarter of 2009 to 8 percent in the fourth quarter of 2010, and the average rent increased 3 percent to $560. In Tulsa, the vacancy rate declined slightly from 9.2 percent in the fourth quarter of 2009 to 8.8 percent during the same period in 2010, and the average rent increased 1 percent to $580. Rental market conditions in New Orleans remained soft as the apartment rental vacancy rate fell to 9.3 percent during the fourth quarter of 2010, down from the 11-percent rate recorded a year earlier, and the average rent increased 2 percent to $870.

Despite soft apartment rental markets in many large metropolitan areas, multifamily construction activity, as measured by the number of units permitted, increased in the Southwest region during the 12 months ending December 2010, based on preliminary data. The 24,000 units permitted during the 12 months ending December 2010 reflect a 7-percent increase compared with the number of units permitted during the previous 12 months. Multifamily permitting levels remain approximately 61 percent below the levels recorded during the 12 months ending December 2008. During the 12 months ending December 2010, the number of multifamily units permitted in Texas grew by 13 percent, or 2,175 units, from the previous year to 18,700 units. Louisiana and Oklahoma recorded declines of 35 and 12 percent, respectively, and Arkansas and New Mexico recorded increases of 4 and 5 percent, respectively, for the 12 months ending December 2010.

Great Plains



HUD Region VII

Nonfarm payrolls in the Great Plains region continued a 3-year decline in 2010, but the pace of job losses slowed during the year. In 2010, nonfarm payrolls in the region decreased by 1 percent, or 49,000, to 6.4 million jobs, compared with a loss of about 3 percent during 2009. Payroll losses in 2010 were greatest in the construction sector, which declined by 18,000 jobs, or 6 percent, mainly because of declining commercial development and subdued residential construction. The manufacturing sector had the second greatest decline in payrolls in 2010, decreasing by 15,000 jobs, or 2 percent. In Kansas, the aerospace industry lost 4,100 jobs, or 14 percent, and the motor vehicles industry in Missouri lost 1,100 jobs, or 19 percent; these two losses represented the most significant workforce reductions. During 2010, shrinking construction and manufacturing payrolls equaled approximately one-fourth of the payroll decline that occurred in 2009, when a combined 127,000 jobs were cut in the two sectors. The education and health services, government, and other services sectors were the only private employment sectors that had payroll increases. The education and health services sector increased by 11,000 jobs, or 1 percent, mainly because of hiring in the medical services industry. The government and the other services sectors each grew by about 0.5 percent, adding 6,000 and 500 jobs, respectively. Hiring in the government sector mainly consisted of adding census workers to the federal payroll, while in other services, new jobs were scattered among several subsectors. The unemployment rate averaged 7.5 percent during 2010 compared with 7.3 percent in 2009.

All four states in the region recorded smaller job losses in 2010 than in 2009. Iowa and Nebraska payrolls fell less than 1 percent, with jobs declining by 4,100 and 2,200, respectively, compared with the 45,000 and 20,000 jobs lost during 2009. In Kansas, in 2010, 13,200 payroll jobs were lost, which represents a 1-percent decline compared with a 3-percent decline, or a loss of 45,000 jobs, in 2009. During 2010, job losses in Missouri totaled slightly more than 29,000, which was a 1-percent decline compared with a decline of 104,000 jobs, or 3 percent, in 2009. In Kansas, for the first time since 2007, the average unemployment rate fell, declining from 6.7 percent in 2009 to 6.6 percent in 2010. In Iowa, Missouri, and Nebraska, the average unemployment rate increased during 2010 to 6.6, 9.4, and 5 percent from 6, 9.3, and 4.6 percent in 2009, respectively.

Weak economic conditions throughout the Great Plains region during 2010 led to a third year of soft sales housing market conditions as most metropolitan areas showed double-digit average months' supply of unsold inventory. Sales activity was brisk before the July 1, 2010 expiration date of the homebuyer tax credit program but was more than offset by the slowdown during the last 6 months of the year. According to Hanley Wood, LLC, overall sales of new and existing homes fell 14 percent for the region, from 153,000 in 2009 to 130,300 in 2010. Despite the decline in sales during 2010, the average price of new and existing homes sold was $171,000, which is a 3-percent increase from the $165,200 average price during 2009. The increase occurred because of strong demand early in the year in all four states and because of decreased foreclosure sales activity in Kansas and Nebraska during 2010. Lender Processing Services Mortgage Performance Data show that the percentage of total loans 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned) fell in all four states in the Region during 2010. From 2009 to 2010, Missouri had the greatest percentage point decrease, falling from 6 to 5.4 percent. Nebraska had the second greatest decrease during that same period, falling from to 4.1 to 3.6 percent. Iowa and Kansas had rates of 4.8 and 5 percent, respectively, in 2010 compared with 5.2 and 5.3 percent in 2009. In Kansas and Missouri, sales of new and existing homes decreased by 14 and 10 percent, to 25,000 and 65,000 homes, respectively. In Kansas, the average home sale price increased 2 percent, to $181,700, and, in Missouri, it increased by 4 percent, to $174,500. In Iowa, total home sales, at 29,000, were relatively unchanged from 2009 to 2010, but the average home price increased 3 percent to $158,000.

New and existing home sales and average home price trends in the major metropolitan areas of the region were consistent with state trends. Total home sales in the Kansas City area had the largest declines in the region, falling by 17 percent to 30,000 homes in 2010 from 36,000 homes in 2009. Despite the decline in sales, the average price for all homes sold was up 3 percent, to $190,700 in 2010 compared with $184,500 in 2009. According to the Kansas City Real Estate Report®, as of December 2010, Kansas City had an 11-month supply of unsold inventory, which was unchanged from a year earlier. Total home sales in Des Moines decreased 15 percent, from 10,150 in 2009 to 8,600 in 2010, but the average price increased from $159,800 to $166,200, which was an increase of 4 percent. The average sales price rose despite a 13-month supply of unsold inventory as of December 2010, as reported by the Des Moines Area Association of REALTORS®. In St. Louis, total home sales fell by 13 percent, from 43,000 in 2009 to 37,600 in 2010, but the average price increased 5 percent, to $179,700. Total home sales declined by 11 percent in Wichita, from 10,300 in 2009 to 9,200 in 2010, but the average price was unchanged at $142,300. According to the Wichita Area Association of REALTORS®, as of December 2010, Wichita had a 7-month supply of unsold inventory. In Omaha, according to the Great Plains Area Multiple Listing Service®, during 2010, total homes sales declined by 14 percent, to 9,200, but the average price increased 4 percent to $170,100. As of December 2010, Omaha had a 10-month supply of unsold inventory compared to a 9-month supply a year earlier.

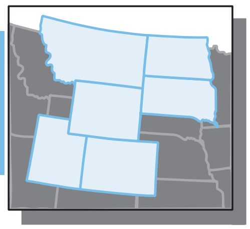
Single-family home construction, as measured by the number of single-family building permits issued, totaled 17,200 homes in the region during 2010, which was a slight decrease from the 17,100 permits issued in 2009, based on preliminary data. Because of a regionwide soft sales market, construction activity continued to remain low compared with the 8-year period from 2001 through 2008, when single-family home permits averaged 46,000 a year. In Missouri, single-family home construction increased 8 percent in 2010 to 5,725 homes compared with the decline of 14 percent during 2009. In Iowa, in 2010, the number of single-family homes permitted totaled 5,150, a 6-percent increase compared with the 4-percent decline a year earlier. In Kansas, in 2010, the number of single-family homes permitted was 3,125, a decrease of 5 percent compared with a 20-percent decline in 2009. In Nebraska, during 2010, permits issued for single-family homes decreased by 17 percent, to 3,200 homes, compared with a 4-percent decline recorded a year earlier.

During 2010, increased demand for rental units in the Great Plains region led to improving metropolitan area rental market conditions. As of the end of 2010, the apartment market was balanced in Omaha and slightly soft in Kansas City, Wichita, and St. Louis, with rents increasing in all of these areas, except in Wichita. According to Reis, Inc., during 2010, the Kansas City apartment vacancy rate averaged 7.9 percent compared with 9.1 percent in 2009, but the average rent increased by nearly 2 percent, to $712. In Wichita, in 2010, the average apartment vacancy rate was 6.4 percent compared with 8.4 percent a year earlier, and the average rent was $517, unchanged from 2009. In the St. Louis area, in 2010, the average apartment vacancy rate was the lowest rate since 2007, at 7.6 percent compared with 9.2 percent a year earlier, and the average rent was $730 compared with $724 a year earlier. In Omaha, during 2010, the vacancy rate averaged 4.6 percent compared with 6.8 percent a year earlier, and the average rent was $703, an increase of 2 percent from 2009.

Multifamily construction, as measured by the number of multifamily units permitted, declined by 29 percent, to 5,250 units, in the Great Plains Region during 2010 compared with a 32-percent decrease in 2009, based on preliminary data. Nearly all multifamily construction activity was for apartments. Because of weak economic conditions and limited credit availability during the past 2 years, multifamily construction activity is well below the 15,100 units built annually during the 2001-through-2008 period. During 2010, improving rental markets in Missouri led to the permitting of 2,275 units, which is a 20-percent increase in multifamily construction activity compared with a 7-percent increase in 2009. During 2010, mainly because of the improving rental apartment market in Omaha, Nebraska recorded a 60-percent increase in multifamily construction activity; 925 units were issued permits compared with 575 a year earlier. Because of soft rental market conditions, during 2010, multifamily development in Iowa and Kansas declined by 22 and 69 percent, to 1,350 and 700 units, respectively, putting them on pace for the lowest level of annual multifamily construction activity in the past 10 years.

Rocky Mountain

HUD Region VIII



Economic conditions in the Rocky Mountain region have stabilized in recent months, but employment for 2010 remained below the level of a year earlier. Average nonfarm payrolls for 2010 were down by about 43,600 jobs, or 0.9 percent, from a year earlier, to 4.9 million jobs. During the fourth quarter of 2010, however, seasonally adjusted nonfarm payrolls were relatively unchanged from the previous two quarters, suggesting that employment has stopped declining. In 2010, more than 80 percent of the job losses in the region occurred in Colorado, where nonfarm payrolls were down by 39,900 jobs, or 1.8 percent, compared with the payrolls recorded a year earlier. In Wyoming and Montana, payrolls declined by 3,100, and 3,900 jobs, or 1.1 and 0.9 percent, respectively. In 2010, in Utah and South Dakota, payrolls remained flat, but, in North Dakota, they increased by 3,400 jobs, or 0.9 percent, which was one of the highest rates of job growth among all states in the country. For the region, in 2010, the sectors with the biggest job losses were the construction and manufacturing sectors, where payrolls fell by 27,500 and 10,100 jobs, or 10 and 3 percent, respectively. The decline in construction payrolls was partly due to decreased commercial building activity, and partly because of a decline in multifamily residential construction. Payrolls also declined in the financial activities, transportation and utilities, and leisure and hospitality sectors by 7,200, 5,200, and 4,600 jobs, or 2, 3, and 1 percent, respectively. In 2010, the only sectors that expanded were the education and health services sector, which added 14,700 jobs, a 2-percent increase, and the government sector, which added 6,000 jobs, a 1-percent increase. The decline in payrolls led to an increase in the unemployment rate for the region, which rose from 6.8 percent in 2009 to 7.3 percent in 2010. Statewide unemployment rates for 2010 ranged from 3.8 percent in North Dakota to 8.2 percent in Colorado, but all states in the region continued to have unemployment rates that were below the national average of 9.6 percent.

Home sales market conditions were soft throughout the Rocky Mountain region in the fourth quarter of 2010, although home prices increased in some local areas. During the fourth quarter of 2010, sales of existing homes fell, partly because of the expiration of the homebuyer tax credits. According to the NATIONAL ASSOCIATION OF REALTORS®, for fourth quarter 2010, the seasonally adjusted annual rate of existing home sales in the region was down 21 percent from a year earlier. The current annual rate of home sales is at171,200, well below the peak rates of 2005 and 2006, when an average of more than 250,000 homes a year were sold. Sales were down for all states in the region, with the biggest declines in North Dakota and South Dakota, where sales fell 28 and 38 percent, respectively, while Colorado and Wyoming had the smallest declines, at 16 and 8 percent, respectively.

Despite weaker home sales, mortgage defaults and foreclosures have decreased in the Rocky Mountain region in the past year. According to Lender Processing Services Mortgage Performance Data, from December 2009 to December 2010, the number of loans 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned) fell from 5.2 to 4.8 percent. The rate of distressed loans as a share of all loans ranged from 1.9 percent in North Dakota to 6.1 percent in Utah, but all states in the region had lower rates compared with a year earlier, and every state in the region was below the national average of 8.3 percent.

Consistent with the state trends, home sales have declined in most metropolitan areas of the Rocky Mountain region, based on data from Hanley Wood LLC, but prices have increased in some areas. Sales markets are soft in most of the Front Range cities in Colorado. In the 12 months ending November 2010, approximately 35,000 existing single-family homes were sold in the Denver-Aurora area, with a 7-percent decline from the 37,800 sold in the previous 12 months. In the Colorado Springs and Fort Collins-Loveland areas, sales were down 7 and 6 percent, to 10,500 and 4,800 homes sold, respectively. The sales market in Grand Junction remains soft, despite a drop in prices that boosted sales by 24 percent, to 2,500 homes sold. Home sales markets were also soft in the major metropolitan areas of Utah. In Salt Lake City, sales of existing single-family homes were down 1 percent, to 14,400 homes sold. In Provo-Orem and Ogden-Clearfield, sales were down 6 and 9 percent, to 7,800 and 6,300 homes sold, respectively. Sales were also down in other metropolitan areas of the region. Sales market conditions are soft in Fargo, Cheyenne, and Billings, where sales of existing single-family homes were down 8, 11, and 14 percent, to 1,700, 1,500, and 1,600 homes sold, respectively. Despite the slower home sales, prices were up in some metropolitan areas. During the 12 months ending November 2010, the average price for existing single-family homes sold in the Denver-Aurora area was about $281,400, a 10-percent increase from the previous 12 months. In the Colorado Springs and Fort Collins-Loveland areas, average prices were up 2 and 8 percent, to $206,100 and

$251,700, respectively. Prices were up in some other parts of the region as well. In Fargo, Cheyenne, and Billings, average prices for existing single-family homes were up 1, 2, and 5 percent, to $157,400, $176,700, and $202,700, respectively. In Grand Junction, however, the average price was down by 9 percent, to $208,000. Prices also declined in the major metropolitan areas of Utah. In Salt Lake City, the average price for existing single-family homes sold was down 6 percent, to $233,500. In Provo-Orem and Ogden-Clearfield, average home prices were down 7 and 2 percent, to $237,900, and $197,700, respectively.

Condominium sales were also weak in metropolitan areas throughout the region in 2010, based on data from Hanley Wood LLC. In the Denver-Aurora area, during the 12 months ending November 2010, sales of existing condominiums were down 1 percent to about 7,000 units sold. In Boulder and Fort Collins-Loveland, sales were down 12 and 14 percent, to 750 and 550 units sold, respectively. Sales also fell in Ogden-Clearfield by 16 percent, to 450 units sold. In Colorado Springs, however, sales were up 18 percent, to 600 units sold. In both Salt Lake City and Provo-Orem, existing condominium sales also increased by 14 percent, to 3,100 and 1,100 units, respectively. Condominium prices declined in most areas. Average prices for existing condominiums fell 3, 4, and 16 percent in Colorado Springs, Fort Collins-Loveland, and Boulder, to $107,500, $159,100, and $191,900, respectively. In Salt Lake City, Provo-Orem, and Ogden-Clearfield, average prices were also down 1, 2, and 5 percent, to $195,700, $135,900, and $130,700, respectively. In the Denver-Aurora area, however, in the 12 months ending November 2010, the average sales price for existing condominiums was up 2 percent, to about $140,300.

Homebuilding activity in the Rocky Mountain region increased in 2010, despite slower home sales, but building activity remains well below levels recorded a few years earlier. In the region, in 2010, based on preliminary data, construction of single-family homes, as measured by the number of building permits issued, totaled about 23,700 homes, an increase of 3,000 homes, or 14 percent, from a year earlier. Recent construction activity is far below the 2004-through-2008 average, when nearly 59,000 single-family homes a year were permitted in the region. During 2010, in both Colorado and North Dakota, single-family construction was up 26 percent, to 9,100 and 2,100 homes permitted, respectively, and, in Utah, single-family construction was up 14 percent, to 7,200 homes permitted. Building activity fell in Wyoming, however, where construction of single-family homes declined 11 percent, to 1,400 homes permitted.

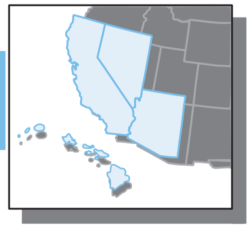
Rental market conditions were balanced to tight in most areas of the Rocky Mountain region in the fourth quarter of 2010. Demand for rental units has increased as more households have shifted from owner to renter occupancy, and apartment construction has not kept pace with rising demand. According to data from Apartment Insights, published by Apartment Appraisers & Consultants, in the fourth quarter of 2010, the apartment market in the Denver-Aurora area was balanced to tight, with a 5.4-percent vacancy rate, which was down from 7.5 percent a year earlier. During the fourth quarter of 2010, conditions were tight in Fort Collins-Loveland, where the apartment vacancy rate was 4.1 percent, down from 6.3 percent a year earlier. In Colorado Springs, the vacancy rate fell from 7.5 to 6.8 percent during the same period, and conditions are currently balanced. The Grand Junction rental market is currently soft, however. According to the Colorado Division of Housing, in the third quarter of 2010 (the most recent data available), the rental vacancy rate in Grand Junction was 7.9 percent, up from 7.1 percent a year earlier; this increase was a result of recent job losses. Rental markets in the major metropolitan areas of Utah have tightened in the past year and are now generally balanced. According to Reis, Inc., in Salt Lake City, in the fourth quarter of 2010, the apartment vacancy rate was 6.9 percent, down from 7.4 percent a year earlier. In Ogden-Clearfield, the apartment vacancy rate fell from 6.6 to 5.3 percent during the same period. The Fargo rental market is balanced. According to Appraisal Services, Inc., in Fargo, during the fourth quarter of 2010, the apartment vacancy rate was 5.7 percent, which was essentially unchanged from a year earlier.

The tighter rental markets have contributed to a rise in monthly rents in many areas. According to data from Apartment Insights, the average effective apartment rent in the Denver-Aurora metropolitan area for the fourth quarter of 2010 was about $860 compared with $830 a year earlier, a 4-percent increase. In Fort Collins-Loveland, during the same period, the average apartment rent increased from $800 to $870, an increase of 8 percent. In Colorado Springs, rents were up 2 percent, to about $710. According to data from Reis, Inc., monthly rents in major metropolitan areas of Utah were up just slightly. In Salt Lake City, in the fourth quarter of 2010, the average effective rent was about $710, compared with $700 a year earlier. In Ogden-Clearfield, the average effective rent increased from about $655 to $665 during the same period.

Multifamily construction activity in the Rocky Mountain region, based on preliminary data, slowed in 2010, as a total of 8,300 units were permitted, which is a decline of 12 percent from the previous year. Construction of multifamily units remains well below the 2004-through-2008 levels, when an average of more than 15,000 units were permitted annually in the region. In Colorado, multifamily construction was up 27 percent, to about 2,700 units permitted, because of increased apartment construction in areas such as Fort Collins-Loveland. And multifamily building activity more than doubled in Montana, to about 700 units permitted, due to increased apartment construction in areas such as Missoula. Building activity was down significantly, however, in Utah and South Dakota, where multifamily construction fell by 39 and 48 percent, to 2,200 and 600 units permitted, respectively, because of a steep decline in apartment construction in areas such as Salt Lake City and Sioux Falls.

Pacific

HUD Region IX



Employment losses in the Pacific region, which started in 2008, continued throughout 2010 on an annual average basis but at a slower pace. During 2010, nonfarm payrolls averaged nearly 18 million jobs, reflecting a decline of 270,900 jobs, or 1.5 percent, compared with a decline of 1.2 million jobs, or 6.3 percent, during 2009. Employment in the construction sector was down 108,200 jobs, or 12.6 percent, because of job losses in both residential and commercial construction. The manufacturing sector was down 47,700 jobs, or 3.2 percent, continuing a 3-year trend. During 2010, the wholesale and retail trade sector was down 43,400 jobs, or 1.5 percent. The education and health services sector was the only sector to grow in the region, adding 38,600 jobs, or 1.7 percent. The federal government subsector added an additional 10,600 jobs, or 3 percent.

During 2010, all four states in the region had nonfarm job losses. In California, nonfarm payrolls declined by 212,600 jobs, or 1.5 percent, to average 13.9 million jobs. The construction sector alone lost 72,900 jobs, or 11.9 percent. Southern California and the San Francisco Bay Area had job declines of 130,200 jobs, or 1 percent, and 65,900 jobs, or 2 percent, respectively. In Hawaii, nonfarm payrolls decreased by 1,900 jobs, or 0.3 percent, to average 589,600 jobs. The main source of job losses in Hawaii in 2010 was the construction sector, which declined by 1,600 jobs, or 5 percent. The leisure and hospitality sector, which had the largest job losses in 2009, gained 1,800 jobs in 2010 because of a 16-percent, or $11.4 billion, increase in tourism. In Arizona, in 2010, nonfarm payrolls decreased by 22,000 jobs, or 0.9 percent, to average 2.4 million jobs. The construction sector and local government subsector declined the most, by 14,300 jobs, or 11.1 percent, and 7,400 jobs, or 2.6 percent, respectively. The education and health services sector added 10,200 jobs, which was an increase of 3.1 percent. In Nevada, nonfarm payrolls decreased by 34,500 jobs, or 3 percent, to average 1.1 million jobs. The completion of the $3.9 billion Cosmopolitan of Las Vegas hotel/casino complex resulted in the loss of several thousand construction jobs. The more than 2-percent increase in tourism did not prevent additional job cuts in the leisure and hospitality sector. The construction and the leisure and hospitality sectors declined by 19,500 jobs, or 23.9 percent, and 5,700 jobs, or 1.8 percent, respectively. The average unemployment rate in the region increased from 11.1 percent during 2009 to 12 percent during 2010. Unemployment rates in the region ranged from 6.5 percent in Hawaii to 14 percent in Nevada in 2010.

The sales housing markets in most of the Pacific region were soft because of high unemployment rates. Hawaii, with a moderate unemployment rate, was the only state in the region that had a balanced sales housing market. During 2010, according to Hanley Wood, LLC, the number of new and existing single-family homes sold totaled approximately 15,700 homes, an 8-percent increase compared with the number of homes sold during 2009. During 2010, the average single-family home sales price increased by 7 percent to $391,600. Although foreclosure sales increased from 8 percent of all existing sales in 2009 to 14 percent in 2010, this rate is still significantly lower than foreclosure rates in the rest of the region, which range from 43 percent in California to 60 percent in Nevada. In the Honolulu area, during 2010, 9,900 homes sold, a 5-percent increase compared with the number sold during 2009. The average single-family home sales price increased 11 percent to $438,400.

In California, the home sales market softened in 2010. According to Hanley Wood, LLC, the number of new and existing single-family homes sold totaled approximately 432,500, a 7-percent decrease compared with the number of homes sold during 2009. During 2010, the average single-family home sales price increased by 5 percent to $277,800. Foreclosure sales as a percentage of total existing sales decreased from 47 percent in 2009 to 43 percent in 2010. In the San Francisco Bay Area, during 2010, 83,300 homes sold, which was a 6-percent decrease compared with the number sold during 2009. During 2010, the average home sales price increased by 6 percent to $368,100. In the Southern California area, the number of homes sold decreased by 6 percent, to 235,500 homes, but the average home sales price increased 6 percent, to $235,500.

The home sales markets also softened in both Arizona and Nevada in 2010. According to Hanley Wood, LLC, Arizona foreclosure sales increased from 51 percent of all existing home sales in 2009 to 57 percent in 2010. Nevada foreclosure sales declined from 67 percent of all existing home sales in 2009 to 60 percent in 2010. According to Hanley Wood, LLC, 113,500 new and existing homes sold in Arizona during 2010, which was a 14-percent decline compared with the number sold during 2009. The average home sales price declined by 2 percent, to $139,500. In the Phoenix area, new and existing home sales declined by 9 percent, to 92,700. Even though sales declined, the average home price increased by 1 percent, to $138,700. In Nevada, 59,200 new and existing homes sold in 2010, a decline of 10 percent compared with the number sold during 2009, and the average home sales price decreased 3 percent, to $143,000. In Nevada in 2010, approximately 80 percent of all new and existing home sales occurred in the Las Vegas area. In Las Vegas, from 2009 to 2010, sales decreased by 12 percent, to 47,400 homes. During that same period, the average home price decreased from $142,200 to $139,600.

According to Lender Processing Services Mortgage Performance Data, in the region in December 2010, the number of homes 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned) decreased by 114,800 homes, or 17 percent, to 683,400 homes compared with the number of homes during December 2009. This level represents a current rate of 10.2 percent of all loans in the region in December 2010 compared with a rate of 12.1 percent in December 2009. The national rate in December 2010 was 8.3 percent.

The rate of new home construction, as measured by the number of single-family building permits issued, was mixed in the Pacific region during 2010. Based on preliminary data, 41,300 single-family homes were permitted, a 4-percent decrease compared with the number of permits issued in 2009. In Nevada, the only state in the region that had an increase in single-family permits in 2010, single-family permits increased by 800, or 18 percent, to total 5,400 homes permitted. During 2010, the number of single-family homes permitted decreased in Arizona by 2,100 permits, or 17 percent, to 10,400; in California by 200 permits, or 1 percent, to 23,700; and in Hawaii by 100 permits, or 5 percent, to 1,900.

As of the fourth quarter of 2010, rental markets, in general, were balanced in California and tight in Hawaii. The San Francisco Bay Area rental market was balanced. According to Reis, Inc., from the fourth quarter of 2009 to the fourth quarter of 2010, the apartment rental vacancy rate decreased from 5.8 to 4.5 percent in Oakland, from 5.1 to 3.8 percent in San Jose, and from 4.8 to 4.3 percent in San Francisco. In both San Francisco and San Jose, average rents increased 3 percent to $1,858 and $1,531, respectively. The Oakland average rent increased 1 percent to $1,345. In Sacramento, in the fourth quarter of 2010, the rental vacancy rate was 6.2 percent, down from 7.3 percent in the fourth quarter of 2009, but average rents increased more than 1 percent to $926. From the fourth quarter of 2009 to the fourth quarter of 2010, according to Reis, Inc., the Honolulu apartment vacancy rate decreased from 3.3 to 2.8 percent, and average rents decreased 2 percent, to $1,315, even with the low vacancy rate. The low level of apartment construction during the past 10 years was the main reason for Honolulu's declining vacancy rate.

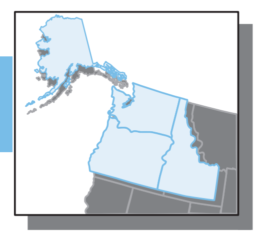
The major rental market in Southern California remained balanced during 2010. From the fourth quarter of 2009 to the fourth quarter of 2010, Reis, Inc., reported that the apartment rental vacancy rates decreased throughout Southern California. During this period, Riverside and San Bernardino Counties had the largest declines in rental vacancy rates, down from 8 percent to 6.5 percent. Rental vacancy rates in Orange and San Diego Counties declined from 6.4 to 5.4 percent and from 4.9 to 4.1 percent, respectively. In both Los Angeles and Ventura Counties, rental vacancy rate declined from 5.3 to 4.9 percent. Reis, Inc., recorded the average rent in Southern California at $1,372 in the fourth quarter of 2010, unchanged from the fourth quarter of 2009.

Although still soft, the rental housing markets in both Arizona and Nevada showed improvement. According to Reis, Inc., the Phoenix apartment vacancy rate was 9.7 percent in the fourth quarter of 2010, down from the 12.3-percent rate recorded in the fourth quarter of 2009, but the average rent, at $750, remained the same as the average rent in 2009. Reis, Inc., reported that, during the same period, the apartment vacancy rate in the Las Vegas apartment market decreased from 11.2 to 9.1 percent, and the average rent decreased 3 percent, to $804, during this same period.

Multifamily construction activity, as measured by the number of multifamily units permitted, increased in three of the four states in the Pacific region. In 2010, based on preliminary data, permits for 21,600 multifamily units were issued in the region, a 60-percent increase compared with the number of units permitted in 2009. In 2010, apartments represented more than 81 percent of the multifamily construction activity, mainly because of the decline in rental vacancy rates throughout the region. In Arizona, California, and Hawaii, during 2010, the number of multifamily units permitted totaled 1,600, 17,400, and 1,500, respectively, reflecting a 15-, 88-, and 49-percent increase compared with the number permitted during 2009. Only Nevada had a decline in the number of multifamily units permitted in 2010; 1,000 multifamily units were permitted, which is a decline of 1,200 units, or 53 percent, from 2009.

NORTHWEST

HUD Region X



Nonfarm payrolls in the Northwest region averaged 5.3 million jobs during 2010, a decline of 39,400 jobs, or 0.7 percent, compared with the number recorded during 2009, when 279,500 jobs were lost, which was a 5-percent decline from 2008. In Washington, during 2010, nonfarm payrolls averaged 2.8 million jobs, down 22,100 jobs, or 0.8 percent. In Oregon, nonfarm payrolls declined by 15,100 jobs, or 0.9 percent, which brought nonfarm payroll jobs to a total of 1.6 million. Idaho lost 4,800 jobs, or 0.8 percent, resulting in an average of 605,300 nonfarm payroll jobs. Alaska was the only state in the region that gained jobs during 2010, with nonfarm payrolls up by 2,600 jobs, or 0.8 percent, to average 323,800 jobs.

Nonfarm payroll gains during 2010 in the region occurred primarily in the education and health services sector, which added 15,700 jobs, a 2.2-percent increase. Employment in this sector increased by 9,200 jobs in Washington, 3,900 jobs in Idaho, 1,700 jobs in Alaska, and 900 jobs in Oregon.

Nonfarm payroll declines in the region during 2010 were led by job losses in the construction and manufacturing sectors. Payrolls in the construction sector were down by 34,000 jobs, or 12 percent, largely because of declines in commercial and multifamily residential construction. Payrolls in the construction sector decreased in Washington by 20,700 jobs, or 13 percent; in Oregon by 8,000 jobs, or 11 percent, and in Idaho by 5,100 jobs, or 15 percent. In Alaska, some commercial construction minimized losses in the construction sector to just 200 jobs, a decline of 1.1 percent. Payrolls in the manufacturing sector declined by 13,300 jobs, or 2.7 percent, in the region during 2010. Losses in the manufacturing sector payrolls totaled 8,300 jobs, or 3.1 percent, in Washington; 5,500 jobs, or 3.3 percent, in Oregon; and 800 jobs, or 1.5 percent, in Idaho. In Alaska, payrolls in the manufacturing sector gained 1,400 jobs, up nearly 11 percent, mainly because of hiring in the oil industry. Because of the job losses registered during 2010 throughout the region, the average regional unemployment rate increased from 9.4 to 9.6 percent. The unemployment rate, which increased in every state in the region, ranged from 8.1 percent in Alaska to 10.6 percent in Oregon.

Sales housing market conditions in the Northwest region remained soft during 2010, a trend that started in 2008. In Washington, according to data from Hanley Wood, LLC, during 2010, the number of new and existing single-family homes sold totaled approximately 74,700 homes, a 5-percent decrease compared with the number of homes sold during 2009. The average new and existing single-family home sales price decreased by 1 percent, to $288,500, during 2010. In the Seattle metropolitan area, during 2010, 30,500 homes sold, which was a 3-percent decrease compared with the number sold during in 2009. The average home sales price in the Seattle metropolitan area decreased 1 percent, to $388,700. In the Tacoma metropolitan area, the number of homes sold decreased by 6 percent, to 9,450 homes, and the average home sales price decreased 5 percent, to $235,100.

In Oregon, during 2010, according to data from Hanley Wood, LLC, the number of new and existing single-family homes sold totaled approximately 43,900 homes, a 2-percent decrease compared with the number of homes sold during 2009. The average new and existing single-family home sales price decreased by 5 percent, to $232,600, during 2010. During 2010, in the Portland-Vancouver-Beaverton, Oregon-Washington metropolitan area, the number of new and existing homes sold totaled 27,200, down 4 percent compared with the number sold during 2009, and the average home sales price decreased 3 percent, to $262,200. Based on data from Hanley Wood, LLC, in Idaho, during 2010, new and existing homes sales increased by 3 percent, to 28,400 homes, but the average home sales price decreased 7 percent, to $169,500. For the same period, in the Boise metropolitan area, new and existing home sales totaled 15,000 homes, a 6-percent increase compared with total home sales during 2009, largely because the average home sales price declined by 8 percent, to $164,900.

In Alaska, during 2010, the number of new and existing homes sold decreased by 17 percent, to 7,400 homes, but the average price increased 3 percent to $261,000, according to data from Hanley Wood, LLC. Market conditions were only slightly soft in Anchorage during the same period, with a 4-percent decline in the number of new and existing homes sold, down to a total of 6,300; the average price rose 3 percent to $271,500.

In the Northwest region, the number of foreclosures increased by 4.9 percent between December 2009 and December 2010, due to higher levels recorded in Washington. According to Lender Processing Services Mortgage Performance Data, the percentage of mortgage loans 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned) increased from 5.6 to 6.2 percent in Washington. The rate remained relatively stable, at 5.6 percent, in Oregon, but it declined from 7 to 6.6 percent in Idaho and from 3.2 to 2.8 percent in Alaska. All these rates remained below the national average of 8.3 percent.

New single-family home construction activity, as measured by the number of permits issued, increased in 2010, after a 3-year declining trend, but this increase was largely based on gains in Washington. Based on preliminary data, 20,900 homes were permitted in the region, an increase of 1,420 homes, or 7 percent, compared with the number permitted during 2009. In Washington, 12,150 single-family building permits were issued in 2010, accounting for a gain of 1,760 homes permitted compared with the number permitted during 2009. In Oregon and Alaska, during 2010, home permit activity rose by 85 and 140 homes to total 750 and 4,880 homes permitted, respectively, when compared with the number permitted during 2009. In Idaho, during 2010, homebuilding activity decreased by 570 homes, to 3,150 homes permitted.

Multifamily construction activity, as measured by the number of units permitted, increased in the Northwest region during 2010. Based on preliminary data, the number of units permitted in the region totaled 6,960, up 23 percent, or 1,320 units, from the number of units permitted during 2009. In Washington, during 2010, the gain in multifamily building activity totaled 1,480 units, up 46 percent, for a total of 4,160 units permitted. Nearly all of the units permitted in Washington were for the Seattle metropolitan area, where tight rental market conditions have caused renewed interest in apartment development. In Alaska, during 2010, the number of multifamily units permitted declined by 150 units, to 150 units, compared with the number permitted during 2009. In Idaho and Oregon, during 2010, the number of multifamily units remained relatively unchanged from a year earlier, at 575 units and 1,565 units, respectively.

Rental housing market conditions were balanced to tight throughout much of the Northwest region during 2010, because of declining or flat rents and reduced levels of apartment production. According to fourth quarter 2010 data from Reis, Inc., the apartment rental vacancy rate in the Seattle metropolitan area was 5.8 percent, down from the 7.3-percent rate recorded in the fourth quarter of 2009. During the fourth quarter of 2010, the average asking rent for apartments in the Seattle metropolitan area was $1,035, up 3 percent from the average asking rent a year earlier. In the fourth quarter of 2010, in the Tacoma metropolitan area, the apartment vacancy rate was 6 percent, down from 8.1 percent a year earlier. The decline in vacancies can be attributed to the return of roughly 18,000 troops to Fort Lewis from Iraq during the summer of 2010. For the fourth quarter of 2010, the average asking rent in Tacoma was $765, up approximately 3 percent from the fourth quarter of 2009. During the fourth quarter of 2010, in the Spokane metropolitan area, according to data from Reis, Inc., the apartment vacancy rate fell to 5.3 percent, down from approximately 6.5 percent in the fourth quarter of 2009, but the average asking rent of approximately $640 was up 1 percent.

In the Portland-Vancouver-Beaverton metropolitan area, rental housing market conditions were balanced as of the fourth quarter of 2010. According to Reis, Inc., the apartment vacancy rate was 5.7 percent, down from 7 percent in the fourth quarter of 2009. The average asking rent increased 2 percent, to $840, up from $820 in the fourth quarter of 2009. In the Boise metropolitan area, during the fourth quarter of 2010, rental housing market conditions were soft, with an apartment vacancy rate of 8.4 percent, up from 8 percent recorded in the same quarter a year earlier; the average asking rent was nearly $695, unchanged from the fourth quarter of 2009. In Anchorage, as of the fourth quarter of 2010, rental market conditions were tight, with an estimated apartment vacancy rate of 2.0 percent, which was essentially unchanged from the rate recorded in the fourth quarter of 2009. The average asking rent was nearly $1,015, up 5 percent from the asking rent a year earlier. Continued job growth combined with a relatively low level of apartment construction contributed to the tight rental market conditions in the Anchorage area.

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

Burlington-South Burlington, Vermont

The Burlington-South Burlington metropolitan area comprises Chittenden, Franklin, and Grand Isle Counties along Lake Champlain in Northwest Vermont and extends to the Canadian border. According to Moody's Analytics, Inc., the leading employers include IBM Corporation, Fletcher Allen Health Care, and The University of Vermont, with approximately 5,400, 5,375, and 3,225 employees, respectively. Based on data from The University of Vermont's Office of Institutional Studies, the university has a direct economic impact of more than $400 million a year statewide. The estimated population of the area, as of January 1, 2011, was 211,261, accounting for nearly 35 percent of the state population. Since July 1, 2008, the population has grown by 1,025, or 0.5 percent, annually. The recent growth is greater than it was in the previous 4 years, when the population increased by an average of 650, or 0.3 percent, annually.

Nonfarm payroll jobs in the metropolitan area have declined since 2008, but job losses have slowed significantly in recent months. During the 12 months ending November 2010, nonfarm payrolls declined by 2,200 jobs, or 2 percent, to 108,900 jobs, compared with the previous 12-month decline of 3,100 jobs, or 2.8 percent. The largest job decreases occurred in the retail trade subsector and manufacturing sector, which lost 900 and 600 jobs, or 6.1 and 4.8 percent, respectively. In 2010, however, Dealer.com, a website and online marketing solutions provider for the automotive industry, added 170 jobs in the metropolitan area. The education and health services and the government sectors, which account for 18 and 19 percent of nonfarm payrolls, respectively, each gained 200 jobs, or 1 percent, during the 12 months ending November 2010. During the same period, the average unemployment rate was 5.4 percent, down from the 6.1-percent rate recorded a year earlier.

The home sales market in the metropolitan area is somewhat soft, but the number of home sales is beginning to increase. Based on data from the Vermont Property Transfer Tax System, the number of new and existing residential home sales totaled 1,875 in 2010, a 14-percent increase compared with the 1,650 homes sold in 2009. Sales are down 46 percent, however, from the 2004 peak year of 3,450 homes sold and down 23 percent from the average of 2,450 homes sold during the past 5 years. The median sales price for residential homes in Chittenden County, which accounts for more than 75 percent of recent home sales, increased by nearly 4 percent in 2010, to $251,500, compared with the median price in 2009. The median home sales price, however, remained 2 percent below the peak median price of $257,250 in 2007.

Condominium home sales in the metropolitan area increased to 540 units, or 24 percent, in 2010 compared with sales in 2009; however, sales remained 38 percent below the peak of 870 units sold in 2005. The median sales price for condominiums in Chittenden County was $197,900 in 2010, up 3 percent from the median price in 2009, but down 2.5 percent from the peak median sales price of $202,900 in 2007. As home sales and median home sales prices have started to increase, foreclosure rates have remained among the lowest in the country. According to Lender Processing Services Mortgage Performance Data, from December 2009 to December 2010, the number of loans that were 90 days or more delinquent, in foreclosure, or in REO (Real Estate Owned) decreased from 3.7 to 3.3 percent. This rate compares with 8.3 percent nationwide.

Single-family homebuilding activity, as measured by the number of building permits issued, has started to increase, reversing a downward trend that began in 2004. Based on preliminary data, during the 12 months ending November 2010, single-family homebuilding permits were issued for 250 homes, up from 200 homes permitted during the previous 12 months. In comparison, between 2003 and 2007, an average of 620 homes were permitted annually. Heatherfield Townhomes, an 83-unit community in South Burlington, is scheduled for completion in February 2011, with prices on the remaining units ranging from $339,500 to $354,500. The price for a typical new single-family home in Chittenden County ranges from $350,000 to $425,000.

The rental market in the metropolitan area is extremely tight because of limited new additions to the inventory and growing student demand. According to data from Allen & Brooks Associates, Inc., the apartment vacancy rate in Chittenden County for December 2010 was 1.4 percent, down from 2.7 percent a year earlier. Although The University of Vermont, Champlain College, and Saint Michael's College together have added 2,600 dormitory beds since 2000, the undergraduate student population of The University of Vermont alone increased by nearly 3,000 during that time. Nearly 5,000 undergraduates of the university live off campus and account for an estimated 10 percent of renters in the metropolitan area. As of September 2010, the most recent data available, the average effective rent for a two-bedroom unit was $1,000. Overall, rents increased by nearly 2 percent compared with rents recorded in September 2009.

Based on preliminary data, during the 12 months ending November 2010, the number of multifamily units permitted declined to 250 units compared with 300 units permitted during the previous 12 months. From 2004 to 2007, an average of 430 multifamily units were permitted annually. The Bacon Street Lofts in South Burlington, a 42-unit apartment complex, is under construction and scheduled to open in mid-2011. Rents for studios, one-bedroom, and two-bedroom units are expected to start at $950, $1,450, and $1,575, respectively.

Cincinnati-Middletown, Ohio-Kentucky-Indiana

The Cincinnati-Middletown metropolitan area, which encompasses 15 counties in the states of Ohio, Kentucky, and Indiana, is the largest metropolitan area in Ohio and the 24th largest metropolitan area in the United States. As of December 1, 2010, the population of the metropolitan area was estimated at 2.1 million, an increase of 10,750, or 0.5 percent, annually since July 2008. Because of job losses that began in 2008, population growth has slowed considerably from an average annual increase of 22,950, or 1.1 percent, recorded from July 2005 through July 2007. Approximately 40 percent of the population in the metropolitan area resides in Hamilton County, Ohio, which includes the city of Cincinnati. According to the Cincinnati USA Regional Chamber, five companies employ more than 10,000 people in the area: The Kroger Co., The University of Cincinnati, The Procter & Gamble Company, Cincinnati Children's Hospital Medical Center, and Health Alliance Greater Cincinnati.

Nonfarm payrolls in the metropolitan area began to decline in 2008, after nearly 5 years of growth. The decline continued during the 12 months ending November 2010, when total nonfarm payrolls decreased by 12,500 jobs, or 1.3 percent, to 985,700, after declining by 4.5 percent during the previous 12 months. Job losses were widespread during the 12 months ending November 2010, with nonfarm payrolls declining in most sectors. The largest rates of decline occurred in the financial services and the mining, logging, and construction sectors, which fell by 5.6 and 5 percent, or 3,600 and 2,000 jobs, respectively, because construction and financing of new homes in the area slowed. The largest overall decrease occurred in the trade sector, which fell by 5,800 jobs, or 3.6 percent. The only sector to add jobs during the 12 months ending November 2010 was the education and health services sector, which grew by 2,400 jobs, or 1.7 percent. Almost all of the growth in this sector occurred within the healthcare and social assistance subsector, which accounts for 4 of the 10 largest employers in the area. Reflecting overall job losses during the 12 months ending November 2010, the unemployment rate increased from 9.1 to 9.9 percent, which is well above the average unemployment rate of 5 percent recorded from 2000 through 2008.

Sales market conditions in the Cincinnati-Middletown metropolitan area are slightly soft. The sales vacancy rate is currently estimated to be 2 percent, down slightly from the 2.3-percent rate reported in the 2009 American Community Survey. Recent job losses and tight mortgage lending standards have combined to reduce demand for single-family homes. Based on data from Terradatum, a real estate analysis company, during the 12 months ending November 2010, approximately 1,275 new and existing homes were sold in the four largest counties in the metropolitan area: Butler, Clermont, Hamilton, and Warren Counties in Ohio. This figure represents an 11-percent decline from the 1,425 homes sold during the previous 12-month period. During the 12 months ending November 2010, the median sales price declined 3 percent to $120,000 in the same four counties, and the level of unsold housing inventory increased slightly from a 9-month supply to a 10.4-month supply. According to Lender Processing Services Mortgage Performance Data for November 2010, 7.8 percent of the total loans in the metropolitan area were 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned), unchanged from the rate recorded in November 2009.

Home construction activity, as measured by the number of single-family building permits issued, declined in the area as demand for new homes remained below levels recorded earlier in the decade. In 2010, according to preliminary data, permits were issued for 2,700 single-family homes, which is a decline of 13 percent compared with the number of permits issued in 2009, and it is approximately 70 percent below the average of 8,750 homes permitted annually from 2000 through 2007. After peaking at 10,950 homes permitted in 2004, single-family home construction activity has steadily declined for 6 consecutive years. Despite the decline in homebuilding activity, several smaller subdivisions of 25 to 50 homes are currently under construction or in development in the metropolitan area. New three-bedroom, two-bathroom single-family homes start at approximately $140,000 in Cincinnati and the surrounding townships, and new two- and three-bedroom condominiums start at $100,000.

Production of new multifamily units has declined significantly since 2009 as the economy weakened and population growth slowed. According to preliminary data, in 2010, approximately 350 multifamily units, mostly apartments, were permitted, down 15 percent from the 410 units permitted in 2009. From 2000 through 2008, approximately 2,050 multifamily units were permitted annually. Condominiums account for slightly less than 15 percent of all multifamily units in the metropolitan area, which is similar to the percentage of multifamily units permitted for condominiums since 2000. Since 2008, the percentage of multifamily units intended for owner occupation has declined because the sales market has softened. Among multifamily projects currently under construction is Current @ The Banks, a 300-unit apartment complex with rents starting at $800. The complex, located at The Banks, an 18-acre mixed-use development on the Ohio River in downtown Cincinnati, is expected to be completed in the spring of 2011, along with approximately 80,000 square feet of retail space, restaurants, and parking.

The rental market in the Cincinnati-Middletown metropolitan area is currently balanced. As builders in the metropolitan area have reduced production levels in the past 2 years, the excess supply of vacant available units has begun to be absorbed, and rental market conditions have improved. According to Reis, Inc., in the third quarter of 2010, the apartment vacancy rate in the Cincinnati market area, which includes 9 of the 15 counties in the metropolitan area, was 6.9 percent, down from 7.7 percent in the third quarter of 2009. By comparison, from 2003 through 2008, apartment vacancy rates in the area averaged 8.4 percent. According to Reis, Inc., in the third quarter of 2010, the average effective apartment rent increased from approximately $670 to $680, or 1 percent, when compared with the rents recorded during the third quarter of 2009. From 2003 through 2008, effective rents increased by an average of 2 percent annually.

Dallas-Plano-Irving, Texas

The Dallas-Plano-Irving metropolitan division encompasses eight counties in northeast Texas, including the core counties of Collin, Dallas, and Denton, and is adjacent to the Fort Worth metropolitan division. As of December 1, 2010, the population of the metropolitan division was estimated at 4.5 million, up 144,600 from July 1, 2009. Since the beginning of 2006, the population of the metropolitan division has increased at an average rate of about 110,500, or 2.6 percent, annually compared with about 85,600, or 2.4 percent, annually between 2000 and 2005.

Located on the boundary between the Dallas and Fort Worth metropolitan divisions is the Dallas/Fort Worth International Airport. According to a study by the Texas Department of Transportation, the airport is the third busiest in the world for number of flights and eighth busiest for number of passengers. The airport provides more than 305,000 direct and indirect jobs, with annual payrolls totaling in excess of $7.6 billion. Leading employers in the metropolitan division include Wal-Mart Stores, Inc., with 32,800 employees; Texas Health Resources Inc., with 18,000 employees; and AT&T, with 16,600 employees. In June 2008, AT&T moved its headquarters from San Antonio to downtown Dallas, bringing approximately 700 executive jobs to the area.

The economic downturn that began in the first quarter of 2008 appears to be turning around. During the 12 months ending November 2010, nonfarm payrolls averaged 2 million, a decrease of 1,675 jobs, or 0.1 percent, compared with the number of jobs recorded for the previous 12 months. Despite a decline in the 12-month average, nonfarm payrolls for the 3-month average ending November 2010 are up 1.3 percent compared with payrolls during the same 3-month period a year earlier, indicating the beginning of recovery. During the 12 months ending November 2010, gains of 14,300, 9,850, and 7,100 jobs, or 6.0, 3.0, and 2.7 percent, were recorded in the education and health services, professional and business services, and government sectors, respectively. Gains in the education and health services sector were led by an increase of 11,000 jobs in the healthcare and social assistance industry while gains in the professional and business services sector were led by an increase of 6,500 jobs in administrative and support services. Growth in the government sector is attributed to hiring in the local government, which added 5,300 jobs. Job losses occurred primarily in the mining, logging, and construction and the manufacturing sectors, which lost 10,400 and 6,150 jobs, or 9.3 and 5.1 percent, respectively. During the 12 months ending November 2010, the average unemployment rate in the metropolitan division was 8.3 percent, an increase from the 7.5-percent rate recorded a year earlier. New companies are moving to the area, including Solera, a leading global provider of software and services for automobile claims, which is expected to create up to 750 jobs within 5 years, and Tribune Company, a media company, which is expected to create 200 jobs in the first quarter of 2011 in Denton County.

Sales housing market conditions in the Dallas-Plano-Irving metropolitan division are soft, but one submarket is balanced. Although the sales vacancy rate in the metropolitan division is high, at 2 percent, the Denton County submarket, north of Dallas, is balanced, with a vacancy rate of 1.6 percent. According to data from the Real Estate Center at Texas A&M University, during the 12 months ending November 2010, total home sales decreased by about 8 percent to 58,750 compared with 63,700 homes sold during the previous 12 months. By comparison, home sales averaged 77,800 annually from 2003 through 2008. The average home sales price in the metropolitan division was $215,800, up nearly 5 percent compared with the average price during the previous 12 months but still below the peak of $221,400 reached in March 2008. During the 12 months ending November 2010, the average sales price for new and existing homes in Collin and Denton Counties was $246,100 and $196,700, up 3.2 and 2.7 percent, respectively, compared with prices recorded during the previous period. According to Lender Processing Services Mortgage Performance Data, in November 2010, 5.3 percent of total loans in the metropolitan division were 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned), down from 6.1 percent in November 2009.

After a 2-year decline in single-family home construction, builders increased activity during the past year. According to preliminary data, during the 12 months ending November 2010, building permits were issued for 9,700 new single-family homes, up 15 percent from the preceding 12 months. Collin County had 4,200 homes permitted, or 43 percent of the area total. Single-family home construction remains well below the 2000-to-2006 period, when an average of 27,900 homes were permitted annually. According to data from CB Richard Ellis, since 2007, almost 6,200 townhomes and condominiums have been constructed. In the metropolitan division, approximately 1,500 condominiums are under construction, including 640 in Dallas County, 480 in Collin County, and 380 in Denton County. Currently, 90 percent of the condominiums in the metropolitan division are in Dallas County.

Rental market conditions have improved in the Dallas-Plano-Irving metropolitan division, but remain soft because of the flat economy. According to data from ALN Systems, Inc., for the 12-month period ending November 2010, the apartment vacancy rate was 9.7 percent compared with 13.1 percent a year earlier. During the 12 months ending November 2010, the Collin County apartment vacancy rate was 9.3 percent, down from 12.2 percent during the previous 12 months. During the 12 months ending November 2010, average rents declined 2 percent to $890. The Denton County submarket also remained soft, with vacancy rates and average rents at 10 percent and $800, respectively, unchanged from the previous 12 months. The vacancy rate for apartments in Dallas County was 12 percent and the average rent was $790, relatively unchanged compared with the rate and rent during the previous 12-month period.

Because of soft rental housing market conditions in the metropolitan division, multifamily construction activity, as measured by the number of units permitted, has declined significantly. According to preliminary data, during the 12 months ending November 2010, approximately 3,900 multifamily units were permitted, a decline of 18 percent compared with the number of units permitted during the preceding 12 months. In comparison, about 11,900 multifamily units were permitted annually from 2006 through 2008. Apartment projects, which represent about 60 percent of all multifamily units currently under construction, include Brick Row apartments, a 500-unit mixed-use property, and Savoy at Vitruvian Park 2, a 350-unit property; both are expected to be completed in late 2011. The rents in these developments will start from $840 for a one-bedroom unit and $1,100 for a two-bedroom unit.

Grand Rapids, Michigan

The Grand Rapids metropolitan area, located in southwestern Michigan, consists of Barry, Ionia, Kent, and Newaygo Counties. As of January 1, 2011, the population of the metropolitan area was estimated at 780,900, an increase of approximately 2,000, or 0.3 percent, in 2010. Since 2006, population growth has averaged 2,275, or 0.3 percent, annually, with all gains resulting from net natural change (resident births minus resident deaths), because net out-migration averaged 4,450 people annually. The leading employer in the metropolitan area is Spectrum Health, a provider of hospital and medical care, which employs 16,100 people, followed by grocery and general merchandise chain Meijer Inc., which employs 7,425 people. Grand Rapids has historically been known for furniture manufacturing. Although manufacturing employment declined in 2010, two furniture-manufacturing companies continue as major employers in the area. Steelcase Inc. and Herman Miller, Inc., rank number three and number six among top employers in the metropolitan area and employ 4,800 and 3,800 people, respectively.

During 2010, nonfarm payrolls declined by approximately 3,400, or 0.9 percent, to 359,500 jobs, which is 7 percent below the 386,800 nonfarm payroll jobs reported, on average, between 2004 and 2008. From 2006 through 2009, an average of 6,825 jobs, or 0.4 percent, was lost annually. The largest declines during 2010 were in the manufacturing sector, which lost 1,900 jobs, or 3.3 percent, including 300 manufacturing jobs lost in three mass layoffs at Steelcase Inc., Butterball Farms, and CompX Durislide. On January 12, 2011, Steelcase Inc. announced the planned closing of a plant in Kentwood, which is expected to eliminate 400 additional manufacturing jobs in the metropolitan area. The mining, logging, and construction sector and the trade sector declined by 1,200 jobs each, or 8.5 and 2.1 percent, respectively. Increases were reported in some service-providing sectors, including gains of 1,100 jobs, or 1.8 percent, in the education and health services sector, and 600 jobs, or 1.1 percent, in the professional and business services sector. Investment in healthcare services has been a priority in the metropolitan area, as reflected by the January 2011 opening of the $286 million Helen DeVos Children's Hospital and the completion of the $90 million Secchia Center, a medical education facility affiliated with Michigan State University. Together, these new healthcare facilities support approximately 1,125 new jobs downtown. The average unemployment rate in the metropolitan area increased from 10.9 percent in 2009 to 11.3 percent in 2010.

The sales housing market in the Grand Rapids metropolitan area is soft, with an estimated vacancy rate of 2.7 percent as of January 1, 2011, due to the continued weak economy. According to the Grand Rapids Association of REALTORS®, in 2010, new and existing home sales declined 9 percent to 9,350 compared with the number sold in 2009; this number is well below the 13,450 sales reported annually, on average, from 2003 through 2005, the peak sales years in the decade. In 2010, the average sales price increased almost 7 percent, to $114,700, as prices started returning to previous levels, which averaged $153,400 between 2003 and 2005. In 2010, condominium sales increased 22 percent, to 890, compared with sales in the previous year, but the average sales price for condominiums declined 4 percent, to $120,500. According to Lender Processing Services Mortgage Performance Data, during 2010, an average of 8.1 percent of total loans were 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned), up from an average of 7.8 percent of homes during 2009.

Despite the soft sales market in the Grand Rapids metropolitan area, single-family homebuilding activity, as measured by the number of building permits issued, increased in 2010. According to preliminary data, in 2010, approximately 860 homes were permitted, indicating an increase of almost 9 percent from the 790 homes permitted in 2009. This level of single-family home construction is significantly lower than the 1,700 homes permitted, on average, from 2006 through 2008. Newly constructed homes start at approximately $100,000. Current developments in the metropolitan area include the Trent Ridge community in Cedar Springs, with 41 building lots and home prices starting at $100,000, and Trail Side in Rockford, Michigan, with 41 building lots and home prices starting at $165,700.

Reflecting the slow economy, rental development has been minimal, with no multifamily rental units permitted in 2010 and only 190 units permitted in 2009, for a continuing care retirement community. From 2006 through 2008, approximately 520 rental units were permitted annually. Completed in the fall of 2009, the 210-unit Stone Falls of Ada is a new general-occupancy rental property, with rents ranging from $930 for a one-bedroom unit to $1,725 for a three-bedroom unit.

Because of the lack of new supply in the market, rental market conditions are tightening but remain slightly soft. The rental vacancy rate in the Grand Rapids metropolitan area is estimated at 8.5 percent, down from 9 percent a year earlier. In the third quarter of 2010, according to Reis, Inc., the apartment market was tighter, with a vacancy rate of 5.5 percent and an average monthly rent of $660 compared with a vacancy rate of 6.1 percent and an average monthly rent of $655 during the third quarter of 2009. Current concessions in this market include reduced or waived security deposits and 50 to 100 percent off 1 month's rent with a 13-month lease. In downtown Grand Rapids, the rental market is tighter, with an estimated vacancy rate of approximately 5 percent. Several downtown apartment properties have opened in the past 5 years, advertising one-bedroom units from $1,000 to $1,300 and two-bedroom units from $1,300 to $1,750.

Honolulu, Hawaii

The Honolulu metropolitan area is defined as the island of Oahu, which consists of Honolulu County, the most populous county in the state of Hawaii. Downtown Honolulu is Hawaii's financial center, while nearby Waikiki, located on the southern shore of Oahu, draws millions of visitors each year. As of December 1, 2010, the population of the metropolitan area totaled 916,600, an increase of approximately 4,500, or 0.5 percent, compared with the December 1, 2009, population estimate. The rate of population growth has remained relatively unchanged during the past 4 years. Since 2007, net out-migration has averaged 2,000 a year compared with 2,725 annually from 2000 through 2005.

Although economic conditions remain weak, the economy of the metropolitan area is stabilizing because of increased tourism and a strong military presence. Nonfarm payrolls decreased by 400 jobs, or 0.1 percent, to an average of 438,200 jobs during the 12 months ending November 2010 compared with the number of jobs recorded during the previous 12 months. By comparison, payroll declines averaged 3.3 percent during the 12 months ending November 2009. During the past 12 months, the leisure and hospitality sector was one of the few sectors to record job growth, with the addition of 1,700 jobs, a 2.8-percent increase. Growth in this sector is attributed to hiring at several hotels, including Hilton Hotels, the largest private-sector employer in the area, with 6,400 employees. According to the Hawaii Tourism Authority, Oahu accounted for 4.1 million visitors, who spent $5.1 billion in 2009, which represents declines of 4 and 11 percent, respectively, from 2008 levels. As of the first quarter of 2010, the Oahu Economic Development Board reported an increase in the number of visitors and amount of expenditures of nearly 5 percent compared with data from the first quarter of 2009. Equally vital to the local economy, the U.S. Department of Defense has annual expenditures of $6.8 billion statewide, according to the Hawaii Chamber of Commerce Military Affairs Council, 90 percent of which is estimated to be in Honolulu. Government-sector jobs decreased less than 1 percent for the 12 months ending November 2010 compared with the number of jobs for the previous period. Increases in federal and local government jobs partially made up for a decline in state government employment of 2,000 jobs due to budget deficits. As job losses began to stabilize, the unemployment rate remained flat at 5.6 percent during the 12 months ending November 2010.

Home sales market conditions in the Honolulu metropolitan area are slightly soft due to the recent economic downturn but appear to be improving. Home sales began to increase in Honolulu during the 12 months ending November 2010, following 4 years of decline, but remained well below the decade-high average of 4,575 homes sold annually from 2003 through 2005, based on the Honolulu Board of REALTORS® data. Approximately 2,975 existing single-family homes were sold during the 12 months ending November 2010, up nearly 15 percent from the 2,600 homes sold during the 12 months ending November 2009. During the same period, the median home sales price decreased nearly 1 percent to $585,000. Condominium sales, which represent approximately 56 percent of existing home sales, increased by 390 units to 3,875 units sold during the past year, while the median condominium sales price increased by more than 1 percent to $315,000. Despite the recent increase, condominium sales remained well below the average of 7,600 units sold annually from 2003 through 2005. According to Lender Processing Services Mortgage Performance Data, as of November 2010, the percentage of mortgage loans 90 days or more delinquent, in foreclosure, or in REO (Real Estate Owned) in the metropolitan area was 5.6 percent, unchanged from the rate recorded in November 2009.

Homebuilding activity, as measured by the number of single-family building permits issued, has increased slightly in the metropolitan area in response to recovering home sales. Based on preliminary data, for the 12 months ending November 2010, 880 homes were permitted, an increase of 4 percent compared with the number permitted during the previous 12 months. In comparison, during the peak years of 2003 through 2005, an average of 2,325 single-family homes a year were permitted in the metropolitan area. D.R. Horton is currently offering single-family homes on the southwest side of Oahu at Kahiwelo at Makakilo. New homes at Makakilo range in price from $560,000 for starter homes to nearly $700,000 for larger, luxury homes.

Rental market conditions in the Honolulu metropolitan area are currently balanced. According to Reis, Inc., as of the third quarter of 2010, the apartment vacancy rate was 3.3 percent, a slight decrease from the 3.5-percent rate recorded in the third quarter of 2009. The average monthly contract rent was $1,300 as of the third quarter of 2010, which is unchanged from the third quarter of 2009. Apartment rents in the area averaged $1,100 for a one-bedroom unit, $1,350 for a two-bedroom unit, and $1,675 for a three-bedroom unit.

The construction of multifamily units increased substantially to 990 units during the 12-month period ending November 2010 compared with 240 units constructed during the previous 12-month period, based on preliminary building permit data. For the 12 months ending November 2010, condominiums accounted for approximately 20 percent of the multifamily units permitted, down from an average of 45 percent of the multifamily units permitted annually from 2005 through 2009. Construction activity in 2008 and 2009 slowed dramatically to an average of 230 units permitted annually compared with the average of 1,425 units permitted annually from 2005 through 2007. As of November 2010, several apartment projects are either under way or in the leasing stages. Franciscan Vistas Ewa, a 149-unit senior's community, is currently under construction, with an anticipated completion date of May 2011. Rents at Franciscan Vistas Ewa are expected to be income restricted at $745 and $885 for one- and two-bedroom units, respectively. Seawind Apartments, a 50-unit affordable housing development in Waianae, is currently in lease up, with rents starting at $831.

Louisville-Jefferson, Kentucky-Indiana

The Louisville-Jefferson metropolitan area, which consists of 13 counties in Kentucky and Indiana that are separated by the Ohio River, has a population estimated at 1,267,000 as of January 1, 2011. Since July 2009, population growth has slowed to an annualized rate of 0.4 percent, reflecting declining job opportunities in the area, compared with an average annual rate of 1 percent a year from 2005 to 2008. Humana, Inc., is the largest private employer in the area, with about 8,700 employees, followed by the United Postal Service (UPS) Worldport II and UPS Supply Chain Solutions, with about 7,350 employees combined, and Ford Motor Company, with nearly 5,100 employees. The largest public sector employer in the area is the University of Louisville, with about 6,100 employees, 22,000 students, and an annual budget of nearly $950 million.

During 2010, average nonfarm payrolls declined by 7,100, or 1.2 percent, to 588,600 jobs. The largest payroll declines occurred in the manufacturing sector, which lost 3,500 jobs, or 5.4 percent, and in the mining, logging, and construction sector, which lost 2,600 jobs, or 8.5 percent. In December 2010, Ford Motor Company announced it would retool the Louisville Assembly Plant, furloughing 700 workers during the renovation. Ford is expecting to add 1,800 jobs at the facility when it reopens in 2011, although some jobs will be filled by furloughed workers. In addition, several other companies are investing a total of nearly $300 million in manufacturing facilities that are expected to result in more than 1,300 new jobs by 2014.

The professional and business services and the education and health services sectors expanded by 2,300 jobs and 2,100 jobs, or 3.3 and 2.6 percent, respectively, during 2010. The education and health services sector represents about 14 percent of nonfarm payrolls in the area and is expected to continue to grow during the next several years because of recent and ongoing investments by the University of Louisville in research facilities and private-sector partnerships. Since October 2009, the university has invested $187 million in 338,000 square feet of research laboratory space. Recently, the University of Louisville Foundation announced plans to break ground in March 2011 on a $20 million, 160,000-square-foot first phase of the University of Louisville Foundation and Nucleus' Haymarket Research Park, which will provide laboratory space to develop technology and conduct scientific research. Completion of this first phase is expected in 2012; the entire project will take 30 years to complete and is expected to generate 8,700 skilled jobs in Louisville. The average unemployment rate during the 12 months ending November 2010 increased to 10.2 percent from 9.9 percent during the previous 12 months.

The sales housing market in the metropolitan area is somewhat soft because of job losses, with a current estimated vacancy rate of 2.2 percent, compared with 2.4 percent reported by the 2009 American Community Survey. According to Lender Processing Services Mortgage Performance Data, in December 2010, the number of loans 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned) in the area decreased to 6.7 percent compared with 7.1 percent in 2009. The Greater Louisville Association of REALTORS® reported that, during 2010, about 10,200 new and existing single-family homes and 1,200 new and existing condominiums were sold, a decrease of 2 and 4 percent from 2009, respectively. During 2010, the median prices of new and existing single-family homes and condominiums sold increased by 4 percent to $140,000 and 5 percent to $124,500, respectively, compared with the prices recorded during 2009.

Homebuilding activity, as measured by the number of building permits issued, remained relatively unchanged in the metropolitan area during 2010 compared with activity in 2009 because of the softer sales market. Based on preliminary data, during the 12 months ending November 2010, about 2,100 permits were issued for single-family homes, 2 percent fewer than were issued during the previous 12-month period. Single-family homebuilding has declined by an average of 12 percent a year since the peak in 2004, when nearly 7,600 homes were permitted. From 2007 to 2009, about 3,050 single-family homes were permitted annually. New development includes Norton Commons, in northeast Jefferson County, which offers building lots for 2,100 single-family homes, with prices starting at $359,000, and 600 townhomes, with prices starting at $289,000.

Rental housing market conditions in the metropolitan area are balanced because of continued population growth and because no new apartments have entered the market since 2009. According to Reis, Inc., for the third quarter of 2010, the Louisville-Jefferson metropolitan area apartment vacancy rate was 5.8 percent, down from the 7-percent rate recorded during the third quarter of 2009. For the third quarter of 2010, average rent increased by about 1 percent to $621 compared with the rent during the third quarter of 2009. The University of Louisville housing office reports that, during the fall of 2010, the resident halls' vacancy rate was at 2 percent compared with 5 percent during the fall of 2009. Students at the University of Louisville occupy a large portion of the local rental stock; more than 17,000 students live off campus. The university offers about 4,800 dormitory beds, both on campus and privately operated off campus, and plans to add about 2,250 units by 2020, including 350 that are currently under construction. During the third quarter of 2010, the West Central submarket, as defined by Reis, Inc., where the university is located, reported an 8.8-percent apartment vacancy rate, compared with a 9.2-percent rate recorded during the third quarter of 2009.

Based on preliminary data, during the 12 months ending November 2010, about 525 multifamily units were permitted, up from approximately 225 units permitted during the previous 12 months. In 2007, multifamily permits peaked at nearly 1,700 units, after averaging 1,150 units permitted a year between 2000 and 2006. In October 2010, construction began on a privately operated 350-bed student-housing complex located near and endorsed by the University of Louisville; completion is expected by the fall of 2011. In December 2010, the Society of St. Vincent de Paul began construction on 54 low-income housing tax credit units in Louisville, consisting of 30 apartments and 24 dormitory rooms.

Miami-Miami Beach-Kendall, Florida

Located on the southeast coast of Florida, the Miami-Miami Beach-Kendall metropolitan division comprises Miami-Dade County. Known for its tropical climate and diverse population, Miami attracts more than 11.9 million domestic and foreign visitors annually. In 2009, according to the Greater Miami Convention and Visitors Bureau, tourism accounted for an estimated $16.5 billion in expenditures, representing a 3-percent decline from 2008.

As of January 1, 2011, the population of Miami-Dade County, the most populous county in Florida, is estimated at 2.5 million. During the past year, the population increased by an estimated 24,100, or 1 percent, relatively unchanged from the annual rate of growth recorded since 2008. Net natural change (resident births minus resident deaths) has accounted for approximately 72 percent of the population growth since 2007, because net in-migration has slowed significantly from levels in the first half of the decade because of increased unemployment. Since 2000, net in-migration to the area has primarily been from foreign immigrants from the Caribbean and South America.

International trade is one of the most significant contributors to the Miami-Dade County economy. In 2009, the Miami International Airport (MIA) ranked first in the country for international freight and second for international passengers. MIA and the general aviation airports have an annual economic impact of $26.7 billion on the local economy, contributing more than 282,000 jobs directly and indirectly. The Port of Miami, which serves as a major cruise terminal and gateway for commercial trade, contributes more than $17 billion annually and provides more than 176,000 local jobs. During the 12 months ending November 2010, the trade and the transportation and utilities sectors, which account for approximately 26 percent of all nonfarm payrolls, lost a total of 2,200 jobs, or 0.9 percent, because of continued low volumes of international shipping.

Employment in Miami-Dade County began declining in 2008 and continued to decrease during the past year, although at a slower rate. During the 12 months ending November 2010, nonfarm payrolls declined by 13,000 jobs, or 1.3 percent, to 976,500, a decline from the previous 12-month period. The struggling housing market continued to affect the construction sector, which led the area in job losses, registering a decline of 4,150 jobs, or 11 percent, from the previous 12 months. Decreased demand for commercial and residential loans also affected the financial services industry. The financial activities sector lost 3,600 jobs, declining by 5.5 percent during the 12 months ending November 2010. As a result of the job losses, the average unemployment rate increased from 10.4 percent during the 12 months ending November 2009 to 12.4 percent during the past 12 months. During this same period, the only sector that gained jobs was the education and health services sector, which increased by 3,600 jobs, or 2.4 percent, from the number of jobs recorded during the previous 12-month period. Baptist Health South Florida, the second largest employer, with 10,850 employees, is opening a new hospital, West Kendall Baptist Hospital, in the spring of 2011. This $160 million facility will have 130 beds and more than 500 physicians. Other leading employers include Publix Super Markets, Inc., and Jackson Health System, with 11,000 and 10,500 employees, respectively.

The weak economy has contributed to current soft conditions in the Miami-Dade County home sales market; however, during the past year, home sales have increased as a result of the now-expired homebuyer tax credit and because distressed sales brought prices down. According to the Florida Association of REALTORS®, during the 12 months ending November 2010, 7,200 existing single-family homes were sold compared with 6,500 sold during the previous 12 months, indicating an 11-percent increase. From November 2009 to November 2010, the median home sales price decreased by 7 percent from $184,800 to $171,500 During the 12 months ending November 2010, sales of existing condominiums increased significantly, totaling 9,550 units, an increase of 46 percent. The median condominium sales price decreased by 29 percent to $105,600. During 2010, Miami-Dade County continued to lead the state in foreclosures. According to Lender Processing Services Mortgage Performance Data, during November 2010, the percentage of total home loans 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned) was 27 percent, unchanged from November 2009.

Although improving, rental market conditions in Miami-Dade County are slightly soft. According to Reis, Inc., as of the third quarter of 2010, the apartment vacancy rate was 6 percent compared with 6.2 percent during the third quarter of 2009. During the third quarter of 2010, net absorption of apartment units increased to 500 units compared with a net move-out of approximately 400 units during the third quarter of 2009. The average asking rent was approximately $1,070, nearly unchanged from the third quarter of 2009. The South Beach submarket, which has the largest apartment inventory in Miami, with approximately 15,650 units, reported the lowest vacancy rate of all submarkets. Because no new apartment developments have been completed since 2005, the vacancy rate has declined significantly, decreasing from 5.6 percent in the third quarter of 2009 to 4 percent during the third quarter of 2010. During this same period, the average asking rent was $1,485, almost a 1-percent increase from the previous year.

Reacting to increased home sales activity and the tightening apartment market during the past year, home builders increased residential construction activity, as measured by the number of units permitted. According to preliminary data, during the 12 months ending November 2010, 940 single-family homes were permitted, an increase of 71 percent from the previous 12-month period. Single-family home permitting peaked in 2005, when 9,925 homes were permitted. From 2005 to 2009, permitting levels declined by 2,325 homes, or 23 percent, annually. According to preliminary data, during the 12 months ending November 2010, multifamily construction more than doubled, with 2,200 units permitted compared with 960 units permitted during the previous 12 month-period. Condominiums, which accounted for approximately 85 percent of multifamily units permitted from 2002 to 2006, currently represent less than 50 percent of all multifamily permits because of the current excess supply. The largest condominium project currently under construction is Capital at Brickell in South Beach. The $320 million mixed-use development will have 850 units ranging from $400,000 to $2,000,000. Completion is expected at the end of 2012.

Milwaukee-Waukesha-West Allis, Wisconsin

The Milwaukee-Waukesha-West Allis metropolitan area, which consists of Milwaukee, Ozaukee, Washington, and Waukesha Counties, is the largest metropolitan area in the state, accounting for approximately 28 percent of the total population in Wisconsin. The principal city of Milwaukee is located 80 miles east of Madison, the state capital, and 90 miles north of Chicago, Illinois. As of January 1, 2011, the metropolitan area had an estimated population of approximately 1.57 million, an increase of 8,900, or 0.4 percent, at an annualized rate from the July 1, 2009, U.S. Census Bureau estimate. Since 2000, the population has grown at a similar rate, with net natural change (resident births minus resident deaths) accounting for all of the population increase.

Economic conditions in the Milwaukee-Waukesha-West Allis metropolitan area remained weak in 2010 since first declining in August 2008. During the 12 months ending November 2010, nonfarm payrolls averaged 795,000 jobs, a decrease of 19,100 jobs, or 2.3 percent, compared with a decrease of 40,000 jobs, or 4.7 percent, during the 12 months ending November 2009. The largest declines were in the trade, manufacturing, and professional and business services sectors, which lost 5,800, 5,600, and 4,300 jobs, or 5.1, 4.8, and 4.1 percent, respectively. Partially offsetting these losses were gains in three sectors: education and health services, leisure and hospitality, and government. The education and health services sector added 2,200 jobs, or 1.5 percent, because of the completion of two new hospitals in Waukesha County. Aurora Medical Center in Summit opened in March 2010 and Aurora Medical Center in Grafton opened in November 2010, adding 800 and 600 jobs, respectively. In addition, in October 2010, Columbia St. Mary's Hospital opened a new $417 million hospital in Milwaukee; job gains were nominal because it closed two hospitals. During the 12 months ending November 2010, the leisure and hospitality sector added 2,100 jobs, an increase of

3 percent. Government employment increased by 1,200 jobs, or 1.3 percent, due primarily to hiring in local government. The average unemployment rate increased to 8.6 percent during the 12 months ending November 2010 compared with 8.4 percent during the previous 12 months.

The sales housing market in the Milwaukee-Waukesha-West Allis metropolitan area is currently soft due to the weak economy. According to the Greater Milwaukee Association of REALTORS® (GMAR®), during 2010, the number of new and existing homes sold declined 13 percent to 11,500 compared with 13,250 new and existing homes sold in 2009. During 2010, the average number of days a home remained on the market was relatively unchanged at 106, but the average unsold inventory increased from a 9-month supply to an 11-month supply. The median sales price of new and existing homes in the metropolitan area increased about 1 percent, from $173,600 to $176,000. Local REALTORS® reported higher levels of home sales in the city of Milwaukee and the inner ring suburbs bordering the city of Milwaukee compared with the rest of the metropolitan area because of the relatively affordable home prices. According to the GMAR®, in 2010, in Milwaukee County, the median sales price of a home was $136,500, or 5 percent lower than median prices in 2009. According to data from Lender Processing Services Mortgage Performance Data, as of November 2010, the percentage of mortgage loans 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned) in the Milwaukee-Waukesha-West Allis metropolitan area was 7 percent, down from 7.3 percent in November 2009.

In the past year, builders have increased the volume of single-family home construction, as measured by the number of building permits issued. For the 12 months ending November 2010, according to preliminary data, the number of single-family homes permitted increased 11 percent from 880 to 980 compared with the number permitted during the previous 12 months. The current level of single-family construction activity is down from an average of 2,350 units permitted annually between 2006 and 2007 and well below the 3,625 units permitted annually between 2000 and 2005.

Multifamily housing construction, as measured by the number of units permitted, has also increased. During the 12 months ending November 2010, the number of multifamily units permitted rose by 50 percent, from 525 to 1,025, with about one-half to be constructed in Milwaukee County and the remainder in Waukesha County. Multifamily construction activity is down from an average of 1,425 units permitted between 2006 and 2007 and well below the 2,250 units permitted annually between 2000 and 2005.

The Milwaukee-Waukesha-West Allis metropolitan area rental housing market is currently balanced. As of the third quarter of 2010, according to Reis, Inc., the apartment vacancy rate remained flat at 5 percent compared with rates in the third quarter of 2009; in addition, the average market rate rent increased by more than 1 percent to $795. Recently completed properties in Milwaukee include Corcoran Lofts, a 76-unit loft community, with rents averaging about $1,025 for a studio, $1,500 for a one-bedroom unit, and $1,925 for a two-bedroom unit. Currently under construction and scheduled for completion in 2013, the 203-unit Moderne Apartments development has rents ranging between $1,400 and $4,600 for one-, two-, and three-bedroom units. In November 2010, the City of Oconomowoc gave final approval for Meadows at Prairie Creek, a $25 million mixed-income, 352-unit development, which will set aside 20 percent of the units for households earning 60 percent of the Area Median Income.

Missoula, Montana

The Missoula metropolitan area consists of Missoula County in western Montana. As of January 1, 2011, the population of the metropolitan area was estimated to be 110,000, which reflected an annual increase of about 900, or 0.8 percent, for the past 2 years. From 2004 to 2008, population growth averaged about 1,700 a year, or 1.7 percent annually, but growth has slowed in the past 2 years because of slower in-migration. From 2004 to 2008, net in-migration to the metropolitan area averaged nearly 1,200 a year, but in the past 2 years the rate declined to about 400 a year due to slower job growth. The largest employer in the metropolitan area is the University of Montana (UMT), with approximately 2,400 full- and part-time employees. With a fall 2010 enrollment of nearly 16,000 students, the university's estimated statewide economic impact is more than $1 billion a year, based on a 2010 UMT study. Other leading employers include St. Patrick Hospital and Health Sciences Center and the Community Medical Center, with about 1,600 and 1,100 employees, respectively.

Economic conditions in the Missoula metropolitan region improved during the 12 months ending November 2010, ending a 2-year period of job losses. For the 12 months ending November 2010, nonfarm payrolls averaged about 56,300, an increase of about 600 jobs, or 1.1 percent, from the previous 12 months. In late 2007, nonfarm payrolls peaked at 57,500 jobs but fell an average of 1.1 percent a year in 2008 and 2009 because of the national recession and falling demand for furniture and manufactured wood products, which accounted for about one-third of manufacturing employment before the recession. The job losses in 2008 and 2009 were largest in the construction and manufacturing sectors, which declined by about 650 and 400 jobs, or 20 and 16 percent, respectively. Nonfarm payrolls began to expand again at a moderate pace in early 2010. Much of the growth in the 12 months ending November 2010 was in the education and health services and the professional and business services sectors, which increased by 200 and 100 jobs, or 2.2 and 1.6 percent, respectively, from a year earlier. For the 12 months ending November 2010, the unemployment rate averaged 6.9 percent, up from 5.7 percent a year earlier.

The home sales market in the Missoula metropolitan area is currently somewhat soft, partly because of tight lending standards, but prices are beginning to stabilize. According to Hanley Wood, LLC, in the 12 months ending November 2010, sales of single-family homes were down 15 percent from the previous 12 months, to about 1,200 homes sold. Single-family home sales peaked in 2005 and 2006, when an average of 2,100 homes a year were sold. For the 12 months ending November 2010, the average sales price for existing single-family homes was about $236,900, up 1 percent from $234,700 in the previous 12 months. Single-family home prices are down 12 percent from the peak of $277,000 in 2007. The fall in prices since 2007 is partly because of an increase in the number of home foreclosures. Based on data from Hanley Wood, LLC, sales of foreclosed and REO (Real Estate Owned) properties currently account for 19 percent of single-family home sales in the area, up from 2 percent in 2007.

As a result of the soft home sales market, construction of single-family homes, as measured by the number of building permits issued, has declined. According to preliminary data, during the 12 months ending November 2010, about 180 single-family homes were permitted, down 12 percent from the 210 permitted during the previous 12 months. By contrast, from 2003 through 2007, single-family home construction in the area averaged about 450 homes a year. According to Hanley Wood, LLC, during the 12 months ending November 2010, the average sales price for a new home was about $183,500, down approximately 1 percent from a year earlier.

The rental market in the Missoula metropolitan area is currently tight, with an estimated 3.3-percent vacancy rate. The market has tightened gradually during the past 6 years because of population growth and a lack of new construction. Monthly rents currently average from about $600 for one-bedroom units to $750 for two-bedroom units and $1,000 for three-bedroom units. Rents have increased by nearly 4 percent a year for the past 2 years. Contributing to the tight rental market are the large and growing presence of UMT students, who represent more than 30 percent of renter households, and a relatively large population of young professionals, who tend to rent. Apartment construction has also lagged behind demand in recent years, based on the number of building permits issued, exacerbating the tight market conditions. Multifamily construction peaked in 2002 and 2003, when an average of 600 units a year were permitted, many of which were off-campus student housing. From 2004 through 2008, multifamily construction slowed to an average of 150 units a year and then, in 2009, fell sharply to fewer than 20 multifamily units permitted. In the past 12 months, however, building activity has rebounded. Based on preliminary data, about 180 multifamily units were permitted in the 12 months ending November 2010. Silvertip Apartments, a 115-unit complex targeted to low- and moderate-income households, is expected to break ground in 2011. Rents for the one- and two-bedroom units are expected to range from $455 to $840 a month.

New York City, New York

New York City (NYC), the financial center of the United States, includes the five counties of Bronx, Kings (Brooklyn), New York (Manhattan), Queens, and Richmond (Staten Island). As of January 1, 2011, the population of the city, which is the largest in the nation, is estimated to be nearly 8.5 million. During 2010, the population increased by 55,000, or more than 0.6 percent, which is slightly higher than the 0.5-percent average annual increase during 2008 and 2009. The growth was due entirely to net natural increase (resident births minus resident deaths) of approximately 61,500 people in 2010, nearly unchanged during the past 3 years. Although international immigration to the city averaged 58,200 people a year during the past 3 years, the average net out-migration was 38,200 people a year, because more than 96,400 residents moved out of NYC.

Economic conditions in NYC show signs of improving. Although job losses continued during the past year, extending a trend that began in early 2009, the pace of decline has slowed. During the 12 months ending November 2010, nonfarm payrolls decreased by 26,600 jobs, or 0.7 percent, which is significantly less than the loss of 95,400 jobs, or 2.5 percent, that occurred during the 12 months ending November 2009. Fewer job losses encouraged more people to enter the labor force seeking jobs, which increased the unemployment rate from 9.2 to 9.7 percent during the 12 months ending November 2010.

Although total nonfarm payrolls continued to decline, growth occurred in education and health services, the largest employment sector, the leisure and hospitality sector, and the other services sector. The education and health services sector increased by 15,200 jobs, or 2.1 percent. That increase was more than offset by job losses in the government, financial activities, and professional and business services sectors of 18,300, 8,600, and 7,100 jobs, or 3.2, 2.0, and 1.2 percent, respectively. City workers were laid off because of budget cuts, which accounted for the decrease in the government sector, including a loss of 20,500 jobs, or 4.4 percent, in the local government subsector. During the 12 months ending November 2010, job losses in the financial activities and professional and business services sectors dropped to less than one-third of the declines that occurred during the 12 months ending November 2009. Despite weak economic conditions, according to the city, the number of leisure travelers to

NYC increased by nearly 7 percent to 48.7 million. Hotel occupancy rates remained at approximately 90 percent in December 2010, comparable to rates of a year earlier, according to the Federal Reserve Board's Beige Book. During the 12 months ending November 2010, the leisure and hospitality sector added 6,800 jobs, or 2.2 percent, and the other services sector increased by 3,275 jobs, or 2 percent.

The New York City home sales market remains slightly soft, although it strengthened during 2010. According to Prudential Douglas Elliman Real Estate, during 2010, existing condominium and cooperative (co-op) home sales in Manhattan, Brooklyn, and Queens totaled 29,900 homes, which is an increase of 20 percent compared with the number sold during the previous year but 9 percent below the number recorded during 2008. During 2010, the average number of days a home remained on the market declined by 33 days to 113 days. During the same period, the average home sales price in NYC rose by 9 percent, from $727,100 to $791,300. In Manhattan, the median sales price for a co-op unit increased by nearly 9 percent, to $685,000, but prices for condominium units rose by less than 1 percent, to $997,900, compared with prices in 2009. The upper tier of the market remained strong, with the median sales price for luxury homes in the top 10 percent of condominium and co-op sales prices increasing by 15 percent, to nearly $4.4 million. The New York State Association of REALTORS, Inc.®, reports that, in Staten Island, the median price of an existing single-family home increased 2 percent from $380,500 to $388,000 during the 12 months ending November 2010, the most recent data available. According to Lender Processing Services Mortgage Performance Data, as of December 2010, 8.2 percent of total loans in NYC were 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned), up from 8.1 percent a year earlier.

Although economic conditions in NYC continue to be weak, building permits for single-family homes, which represent less than 10 percent of construction, increased; however, the number of permits issued for multifamily units decreased. During the 12 months ending November 2010, the number of single-family homes permitted rose by 7 percent, to 330 units, compared with the number permitted during the previous 12-month period, based on preliminary data. During the 12 months ending November 2010, based on preliminary data, multifamily construction activity for the number of units permitted, declined by 4 percent, to 5,475 units, compared with the number permitted during the 12 months ending November 2009. Condominium and co-op units account for 7 percent of multifamily units currently under way, less than the average of 17 percent of multifamily units built between 2000 and 2009. Multifamily construction, which peaked during the 12 months ending June 2008, when 42,250 permits were issued, averaged 23,500 units annually from 2007 to 2009.

The NYC rental market is tight, although vacancy rates rose slightly during 2010 as demand eased because of job declines. According to Reis, Inc., from the third quarter of 2009 to the third quarter of 2010, the apartment vacancy rate for NYC increased from 2.9 to 3.6 percent. The highest vacancy rate of 7.1 percent was reported in the Midtown West area of Manhattan, an increase from the 2.7-percent rate recorded a year earlier, which occurred because of the completion of 1,750 apartments. In the Upper West Side of Manhattan and in Brooklyn, vacancy rates rose to 4.3 and 3.5 percent, as 450 and 580 units, respectively, were constructed. In the third quarter of 2010, average rents increased by nearly 5 percent, to $1,480, in Brooklyn and by less than 1 percent, to nearly $1,400, in Queens. In the Bronx, the average rent decreased by 1 percent to $1,140. Rents increased throughout Manhattan, reversing a decline that occurred during the third quarter of 2009. The largest rent gain—more than 5 percent—occurred in the Stuyvesant/Turtle Bay area, where rents increased to $3,620; in the Upper East Side, they increased nearly 3 percent, to approximately $3,640. The highest average rents in NYC were in the Upper West Side, at nearly $4,100, and downtown Manhattan, at $3,860, with both increasing by almost 2 percent during the past year.

Progress continues on the New Housing Marketplace Plan, which has a 10-year goal of creating 165,000 affordable housing units in the city by 2014. As of the fall of 2010, nearly 108,600 affordable housing units had been preserved or constructed. Recently completed affordable units include 323 units at Courtlandt Corners in the Bronx and 87 units at New Lots Plaza in Brooklyn. Developments currently under construction include the 168-unit Elliott Chelsea development, located in Manhattan, and 920 Westchester Avenue, which has 110 units and is located in the Bronx. The Bradford, a 105-unit mixed-use complex in Brooklyn, will be completed in the summer of 2011.

Pittsburgh, Pennsylvania

Located in southwestern Pennsylvania, the Pittsburgh metropolitan area comprises seven counties. Once the largest center for steel manufacturing in the nation, Pittsburgh has emerged as the healthcare and education center for western Pennsylvania and parts of the Ohio River Valley. With a total estimated population of 2.3 million as of January 1, 2011, Pittsburgh is the second-most populous metropolitan area in Pennsylvania. During 2010, population growth was relatively flat compared with 2009, which is an improvement from the average annual decline of 9,200 people, or 0.4 percent, from 2000 through 2008, when net out-migration averaged nearly 6,000 people a year. Net in-migration, which averaged 2,700 persons a year from 2009 through 2010, led to a slower rate of population decline. Net in-migration has increased partly as a result of an increased number of empty nesters and young professionals moving to recently redeveloped areas of the city. Remnants of the industrial riverfront and downtown area in the city of Pittsburgh have been transformed during the past 4 years into more than $600 million in residential and $1.5 billion in commercial developments, including the $622 million Children's Hospital of Pittsburgh that opened in May 2009.

During the 12 months ending November 2010, average nonfarm payrolls totaled 1.1 million, down 4,800 jobs, or 0.4 percent, compared with payrolls during the previous 12-month period. The largest payroll declines occurred in the manufacturing and financial activities sectors and the wholesale trade subsector, which lost 4,300, 1,100, and 1,300 jobs, respectively, or 4.8, 1.6, and 2.7 percent. Despite overall job losses, the education and health services sector, accounting for 20 percent of all nonfarm payrolls in the area, increased by 2,800 jobs, or 1.2 percent, during the 12 months ending November 2010. In addition, the retail trade and the mining and logging subsectors increased by 700 and 300 jobs, respectively. Accounting for more than one-half of the increase in payrolls in the mining and logging subsector, Range Resources, a natural gas producer, added more than 150 jobs during the past year and is currently constructing a regional facility that will double its employment to 500 by November 2011. During 2010, 16 companies with intentions of extracting natural gas from the Marcellus Shale field, a natural gas deposit spanning southern New York State through Pennsylvania and West Virginia to the western portion of Virginia, announced plans to add more than 1,200 jobs in Pittsburgh during the next 4 years. Employment in the education and health services sector is also expected to continue to increase. The University of Pittsburgh Medical Center (UPMC), the leading employer in the metropolitan area, with 37,000 employees, is planning to add 500 jobs during 2011. Currently, UPMC is constructing a $258 million full-service hospital, UPMC East, to be completed in 2012, adding 400 jobs. Additional leading employers include West Penn Allegheny Health and the University of Pittsburgh, with 11,000 employees each. Despite job growth in several sectors, losses during the 12 months ending November 2010 resulted in the increase of the average unemployment rate to 8.3 percent from 7.2 percent during the previous 12 months.

The sales housing market in Pittsburgh is slightly soft, with an estimated vacancy rate of 1.9 percent as of January 1, 2011, resulting from employment declines and tighter mortgage lending standards. During the 12 months ending November 2010, the average home sales price for new and existing homes increased by 4 percent to $160,000 from $154,000 a year earlier, according to Hanley Wood, LLC. As prices increased, new and existing home sales declined by 19 percent to 1,900 homes sold compared with the 2,350 sold during the previous 12-month period. Condominium sales accounted for 4 percent of total home sales, with 80 condominiums sold during the 12 months ending November 2010, which is unchanged from a year earlier. The average condominium price declined to $164,200 or 3 percent, from the $169,200 price recorded the previous year. According to Lender Processing Services Mortgage Performance Data, from November 2009 to November 2010, the number of loans that were 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned) decreased from 5.7 to 5.1 percent.

Despite weaker sales market conditions, home construction activity, as measured by the number of single-family homebuilding permits issued, increased during 2010 but remained below the number constructed during 2008. According to preliminary data, during the 12 months ending November 2010, single-family homebuilding activity totaled 2,950 homes permitted, up 22 percent compared with the number permitted during the 12 months ending November 2009, but down 830 homes, or 26 percent, for the same period in 2008. Single-family home construction was strong from 2000 through 2006, with an average of 5,100 homes permitted annually, before declining to an average of 3,500 homes permitted annually from 2007 through 2009. Nearly 40 percent of all single-family home construction is concentrated in Allegheny County, where construction increased by 20 percent to 1,175 homes permitted, according to preliminary data for the 12 months ending November 2010. Prices for new, two-bedroom homes in Allegheny County start at $190,000.

Although economic conditions remain weak, the overall rental housing market, as of January 1, 2011, is balanced, with an estimated vacancy rate of 5.7 percent, which is unchanged from the previous year. According to Reis, Inc., the apartment vacancy rate declined from 5.5 to 5.0 percent in the third quarter of 2010 compared with vacancy rates in the third quarter of 2009, while the average asking rent increased less than 1 percent to approximately $840. According to preliminary data, during the 12 months ending November 2010, multifamily construction activity, as measured by the number of units permitted, was virtually unchanged at 350 units permitted compared with the number permitted during the previous year. Multifamily construction was strong from 2000 through 2006, averaging 1,325 units permitted annually, before declining to an average of 430 units a year from 2007 through 2009. During the 12 months ending November 2010, approximately 95 percent of all multifamily construction consisted of apartments, which is equivalent to the period from 2000 through 2006, but represents an increase from 70 percent during 2007 through 2009, when condominium construction was higher. Approximately 50 percent of apartments currently under construction are concentrated in the city of Pittsburgh. During the past 4 years, apartment developments within the city, which include conversions from existing manufacturing and commercial structures, have totaled nearly $400 million in redevelopment and added 970 new rental units to the market. Since 2009, commercial-to-apartment conversions include Market Square Place, a 46-unit complex; The Century Building, a 60-unit complex; and River Vue Apartments, a 218-unit complex that is still under construction. Average asking rents for newly constructed efficiency, one-bedroom, and two-bedroom apartments in the metropolitan area are $830, $1,150, and $1,600, respectively.

West Palm Beach-Boca Raton-Boynton Beach, Florida

Located on the southeast coast of Florida, approximately 60 miles north of Miami, the West Palm Beach-Boca Raton-Boynton Beach metropolitan division consists of Palm Beach County. Tourism has a significant effect on the local economy. According to the Palm Beach County Convention and Visitors Bureau, in 2009, an estimated 4 million people visited Palm Beach County, generating an estimated economic impact of $2.8 billion. As of January 1, 2011, the estimated population of the county was 1.3 million, an increase of about 13,300, or 1.3 percent, in the past 12 months. Population growth has dramatically declined during the past 5 years because of the recent declines in employment. The population has increased at an average annual rate of about 5,800, or 0.5 percent, since the beginning of 2006 compared with nearly 25,500, or 2.2 percent, annually between 2000 and 2005. Leading employers in the area include Tenet Healthcare Corporation, Hospital Corporation of America, and Florida Power & Light Company, with 5,100, 4,150, and 3,650 employees, respectively.

Employment in the metropolitan division has continued a decline that began in September 2007, but at a slower pace. During the 12 months ending November 2010, nonfarm payrolls declined by 9,000 jobs, or 1.8 percent, to an average of 498,700 compared with the decline of 37,800 jobs, or 6.9 percent, during the previous 12 months. During the past 12 months, job losses occurred in every sector except the education and health services and the government sectors, which added 1,900 and 700 jobs, at gains of 2.4 and 1.0 percent, respectively. During the 12 months ending November 2010, primarily because of a decrease in building activity and tourism, the most significant losses occurred in the construction, financial activities, and leisure and hospitality sectors, which lost 5,400, 2,100, and 2,000 jobs, respectively, or 19.1, 5.8, and 2.9 percent. Residential construction, which comprises 65 percent of all construction, is down 30 percent compared with 11 percent for commercial construction. These job losses contributed to the increase in the 12-month average unemployment rate, which rose from 10.4 to 12.0 percent, the highest level in more than 20 years.

The Palm Beach County home sales market is currently soft. Based on data from Reinhold P. Wolff Economic Research, Inc. (Wolff), for the 12 months ending September 2010, sales of existing single-family homes in the area totaled approximately 20,700, an increase of 48 percent compared with the 13,900 homes sold during the same period a year earlier. The increase in sales was partly a result of declining home prices. In the third quarter of 2010, the median sales price of existing homes decreased by 20 percent to $156,400, down from $197,200 during the same quarter of the previous year, which was a decrease of 27 percent from the third quarter of 2008. For the 12 months ending September 2010, sales of new single-family homes totaled 790, a decrease of 11 percent from the number sold during the same period in the previous year. Sales of new single-family homes have been declining since 2003, when they peaked at more than 12,200 homes. In the past 12 months, nearly 40 percent of new home sales activity has been in the Boynton Beach submarket, which is located on the eastern coast, 15 miles south of West Palm Beach, where the median home price is slightly higher than the median price in the county. Wolff data indicate that the median sales price for new homes in the county during the third quarter of 2010 was $383,100, 7 percent higher than the price recorded a year earlier but down significantly from the third quarter of 2005, when the median sales price was $506,800. According to Lender Processing Services Mortgage Performance Data, as of November 2010, 19.5 percent of total loans were 90 or more days delinquent, in foreclosure, or in REO (Real Estate Owned), relatively unchanged from 19.2 percent a year earlier, but up substantially from 4.8 percent 2 years earlier and much higher than the November 2010 national rate of 8.3 percent, but similar to the state rate of 18.6 percent during the same period.

Builders have curtailed production as new home sales have declined and existing home sales have increased. Building permits, based on preliminary data, were issued for 1,250 single-family homes in Palm Beach County during the 12-month period ending November 2010. From 2007 through 2009, an average of 1,425 single-family homes was permitted annually, down significantly from 9,825 homes that were permitted annually from 2002 to 2006.

Since 2006, in Palm Beach County, sales of existing condominiums have increased significantly but sales of new condominiums have declined sharply, according to Wolff data. During the 12 months ending September 2010, about 12,250 existing condominiums were sold, an increase of about 60 percent compared with the number sold during the same period a year earlier, because the median sales price decreased by nearly 20 percent to $73,100. During the 12 months ending September 2010, the number of new condominiums sold decreased 58 percent to 430 units as the median sales price increased 15 percent to $225,000. Since the third quarter of 2005, the median sales price of new condominiums has increased less than 1 percent but the median sales price of existing condominiums has declined 61 percent from $186,800. The large price differential between new and existing condominiums, which has occurred since 2005, has reduced demand for new condominiums and led to lower construction levels. Based on the 2009 American Community Survey, although nearly one-half of multifamily units in the county are owner occupied, only 10 percent of the 220 multifamily units permitted during the 12 months ending November 2010 are estimated to be owner-occupied units. The number of multifamily units permitted is down from an average of 750 units permitted annually from 2007 through 2009 and, more significantly, from 3,900 units permitted annually between 2000 and 2007. These decreases parallel the decline in new condominium sales, which averaged 3,350 a year between 2000 and 2007.

The rental market is currently improving but remains somewhat soft because of increased job losses. According to ALN Systems, Inc., the apartment vacancy rate, as of December 2010, was 7.6 percent, down from 8.7 percent a year earlier. In December 2010, the average effective rent was $1,025, up nearly 2 percent from the previous year. During the 12 months ending November 2010, 820 apartment units were completed, down from approximately 3,000 units completed during the previous 12 months. Between 2003 and 2006, nearly 15,000 apartments were converted to condominiums. Many of these units are now available as investor-owned rental units. Such reversions are anticipated to continue to occur and keep the rental supply high.

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

HUD Region and State	2010 Through December			2009 Through December			Ratio: 2010/2009 Through December		
	Total	Single Family	Multi-family*	Total	Single Family	Multi-family*	Total	Single Family	Multi-family*
Connecticut	3,765	2,546	1,219	3,343	2,043	1,300	1.126	1.246	0.938
Maine	2,962	2,743	219	2,766	2,524	242	1.071	1.087	0.905
Massachusetts	8,648	5,482	3,166	7,097	4,751	2,346	1.219	1.154	1.350
New Hampshire	2,737	1,992	745	2,224	1,663	561	1.231	1.198	1.328
Rhode Island	949	744	205	958	701	257	0.991	1.061	0.798
Vermont	1,530	1,199	331	1,209	859	350	1.266	1.396	0.946
New England	**20,591**	**14,706**	**5,885**	**17,597**	**12,541**	**5,056**	**1.170**	**1.173**	**1.164**
New Jersey	13,318	7,393	5,925	12,235	7,133	5,102	1.089	1.036	1.161
New York	20,205	10,355	9,850	17,356	9,441	7,915	1.164	1.097	1.244
New York/New Jersey	**33,523**	**17,748**	**15,775**	**29,591**	**16,574**	**13,017**	**1.133**	**1.071**	**1.212**
Delaware	3,076	2,672	404	3,140	2,655	485	0.980	1.006	0.833
District of Columbia	671	119	552	1,148	164	984	0.584	0.726	0.561
Maryland	12,183	8,403	3,780	11,085	7,975	3,110	1.099	1.054	1.215
Pennsylvania	21,339	17,402	3,937	18,712	14,898	3,814	1.140	1.168	1.032
Virginia	21,215	16,270	4,945	21,078	16,142	4,936	1.006	1.008	1.002
West Virginia	1,673	1,465	208	1,966	1,714	252	0.851	0.855	0.825
Mid-Atlantic	**60,157**	**46,331**	**13,826**	**57,129**	**43,548**	**13,581**	**1.053**	**1.064**	**1.018**
Alabama	10,233	8,126	2,107	12,171	8,660	3,511	0.841	0.938	0.600
Florida	39,524	30,862	8,662	35,858	27,463	8,395	1.102	1.124	1.032
Georgia	17,731	15,194	2,537	17,202	13,994	3,208	1.031	1.086	0.791
Kentucky	6,844	5,411	1,433	6,878	5,470	1,408	0.995	0.989	1.018
Mississippi	4,794	3,986	808	6,665	4,948	1,717	0.719	0.806	0.471
North Carolina	33,728	26,002	7,726	33,785	25,042	8,743	0.998	1.038	0.884
South Carolina	14,452	13,128	1,324	15,829	13,784	2,045	0.913	0.952	0.647
Tennessee	16,325	11,655	4,670	14,574	11,766	2,808	1.120	0.991	1.663
Southeast/Caribbean	**143,631**	**114,364**	**29,267**	**142,962**	**111,127**	**31,835**	**1.005**	**1.029**	**0.919**
Illinois	11,596	7,862	3,734	10,912	8,236	2,676	1.063	0.955	1.395
Indiana	12,988	9,937	3,051	12,433	9,939	2,494	1.045	1.000	1.223
Michigan	9,256	7,930	1,326	6,984	6,392	592	1.325	1.241	2.240
Minnesota	9,656	6,794	2,862	9,255	6,827	2,428	1.043	0.995	1.179
Ohio	13,509	10,606	2,903	13,135	10,554	2,581	1.028	1.005	1.125
Wisconsin	11,834	7,906	3,928	10,818	8,035	2,783	1.094	0.984	1.411
Midwest	**68,839**	**51,035**	**17,804**	**63,537**	**49,983**	**13,554**	**1.083**	**1.021**	**1.314**
Arkansas	6,905	4,340	2,565	6,637	4,235	2,402	1.040	1.025	1.068
Louisiana	11,515	10,493	1,022	12,562	10,985	1,577	0.917	0.955	0.648
New Mexico	4,511	3,984	527	4,649	4,147	502	0.970	0.961	1.050
Oklahoma	8,267	6,981	1,286	8,845	7,445	1,400	0.935	0.938	0.919
Texas	84,753	65,330	19,423	82,938	66,289	16,649	1.022	0.986	1.167
Southwest	**115,951**	**91,128**	**24,823**	**115,631**	**93,101**	**22,530**	**1.003**	**0.979**	**1.102**
Iowa	7,312	5,863	1,449	7,130	5,407	1,723	1.026	1.084	0.841
Kansas	4,523	3,725	798	6,837	3,652	3,185	0.662	1.020	0.251
Missouri	8,260	5,992	2,268	8,346	5,754	2,592	0.990	1.041	0.875
Nebraska	5,013	4,098	915	5,180	4,611	569	0.968	0.889	1.608
Great Plains	**25,108**	**19,678**	**5,430**	**27,493**	**19,424**	**8,069**	**0.913**	**1.013**	**0.673**
Colorado	11,779	9,129	2,650	9,393	7,449	1,944	1.254	1.226	1.363
Montana	2,196	1,516	680	1,745	1,441	304	1.258	1.052	2.237
North Dakota	3,558	2,146	1,412	3,065	1,866	1,199	1.161	1.150	1.178
South Dakota	2,913	2,298	615	3,529	2,434	1,095	0.825	0.944	0.562
Utah	9,441	7,192	2,249	10,627	6,777	3,850	0.888	1.061	0.584
Wyoming	2,126	1,395	731	1,975	1,293	682	1.076	1.079	1.072
Rocky Mountain	**32,013**	**23,676**	**8,337**	**30,334**	**21,260**	**9,074**	**1.055**	**1.114**	**0.919**
Arizona	12,235	10,641	1,594	14,134	12,745	1,389	0.866	0.835	1.148
California	43,128	24,724	18,404	33,811	24,568	9,243	1.276	1.006	1.991
Hawaii	3,430	1,896	1,534	2,617	2,002	615	1.311	0.947	2.494
Nevada	6,402	5,370	1,032	6,752	4,560	2,192	0.948	1.178	0.471
Pacific	**65,195**	**42,631**	**22,564**	**57,314**	**43,875**	**13,439**	**1.138**	**0.972**	**1.679**
Alaska	904	753	151	912	613	299	0.991	1.228	0.505
Idaho	4,584	4,010	574	5,292	4,598	694	0.866	0.872	0.827
Oregon	7,302	5,737	1,565	7,686	5,606	2,080	0.950	1.023	0.752
Washington	20,235	14,843	5,392	16,754	12,845	3,909	1.208	1.156	1.379
Northwest	**33,025**	**25,343**	**7,682**	**30,644**	**23,662**	**6,982**	**1.078**	**1.071**	**1.100**
United States	**598,033**	**446,640**	**151,393**	**572,232**	**435,095**	**137,137**	**1.045**	**1.027**	**1.104**

*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 (CBSAs)** (Listed by Total Building Permits)

CBSA	CBSA Name	2010 Through December		
		Total	Single Family	Multifamily*
26420	Houston-Sugar Land-Baytown, TX	22,332	18,023	4,309
19100	Dallas-Fort Worth-Arlington, TX	15,227	11,578	3,649
35620	New York-Northern New Jersey-Long Island, NY-NJ-PA	13,248	5,359	7,889
47900	Washington-Arlington-Alexandria, DC-VA-MD-WV	10,082	7,600	2,482
31100	Los Angeles-Long Beach-Santa Ana, CA	8,055	3,053	5,002
42660	Seattle-Tacoma-Bellevue, WA	7,490	4,770	2,720
38060	Phoenix-Mesa-Scottsdale, AZ	6,652	5,994	658
12060	Atlanta-Sandy Springs-Marietta, GA	6,121	5,182	939
12420	Austin-Round Rock, TX	5,686	4,970	716
37980	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	5,633	4,057	1,576
41700	San Antonio, TX	5,274	4,228	1,046
16980	Chicago-Naperville-Joliet, IL-IN-WI	5,213	3,315	1,898
40140	Riverside-San Bernardino-Ontario, CA	4,917	4,076	841
14460	Boston-Cambridge-Quincy, MA-NH	4,836	2,791	2,045
16740	Charlotte-Gastonia-Concord, NC-SC	4,656	3,805	851
26900	Indianapolis, IN	4,523	3,049	1,474
45300	Tampa-St. Petersburg-Clearwater, FL	4,498	3,486	1,012
41180	St. Louis, MO-IL	4,474	3,448	1,026
29820	Las Vegas-Paradise, NV	4,400	3,850	550
39580	Raleigh-Cary, NC	4,369	3,830	539
12580	Baltimore-Towson, MD	4,361	2,757	1,604
34980	Nashville-Davidson--Murfreesboro, TN	4,326	3,182	1,144
36740	Orlando-Kissimmee, FL	4,198	3,410	788
33460	Minneapolis-St. Paul-Bloomington, MN-WI	4,025	2,997	1,028
33100	Miami-Fort Lauderdale-Miami Beach, FL	4,014	2,539	1,475
19740	Denver-Aurora, CO	3,929	2,923	1,006
21340	El Paso, TX	3,623	2,225	1,398
18140	Columbus, OH	3,518	2,443	1,075
38900	Portland-Vancouver-Beaverton, OR-WA	3,383	2,719	664
41860	San Francisco-Oakland-Fremont, CA	3,360	1,719	1,641
47260	Virginia Beach-Norfolk-Newport News, VA-NC	3,317	2,541	776
27260	Jacksonville, FL	3,026	2,843	183
40060	Richmond, VA	2,972	2,101	871
41740	San Diego-Carlsbad-San Marcos, CA	2,930	1,751	1,179
36420	Oklahoma City, OK	2,880	2,387	493
30780	Little Rock-North Little Rock, AR	2,838	1,375	1,463
32580	McAllen-Edinburg-Mission, TX	2,616	2,215	401
22180	Fayetteville, NC	2,608	1,257	1,351
17140	Cincinnati-Middletown, OH-KY-IN	2,574	2,327	247
17900	Columbia, SC	2,542	2,092	450
38300	Pittsburgh, PA	2,482	2,212	270
16700	Charleston-North Charleston, SC	2,444	2,195	249
19820	Detroit-Warren-Livonia, MI	2,288	1,761	527
41620	Salt Lake City, UT	2,163	1,500	663
32820	Memphis, TN-MS-AR	2,162	1,342	820
12940	Baton Rouge, LA	2,142	2,028	114
46140	Tulsa, OK	2,130	1,856	274
40900	Sacramento--Arden-Arcade--Roseville, CA	2,127	1,753	374
36540	Omaha-Council Bluffs, NE-IA	2,101	1,897	204
19780	Des Moines, IA	2,002	1,561	441

*Multifamily is two or more units in structure. **As per new Office of Management and Budget metropolitan area definitions.
Source: Census Bureau, Department of Commerce

Historical Data

Exhibit 1. New Privately Owned Housing Units Authorized:* 1967–Present**

Period	Total	In Structures With				MSAs		Regions			
		1 Unit	2 Units	3 and 4 Units	5 Units or More	Inside	Outside	North-east	Mid-west	South	West
Annual Data											
1967	1,141.0	650.6	42.5	30.5	417.5	918.0	223.0	222.6	309.8	390.8	217.8
1968	1,353.4	694.7	45.1	39.2	574.4	1,104.6	248.8	234.8	350.1	477.3	291.1
1969	1,323.7	625.9	44.7	40.5	612.7	1,074.1	249.6	215.8	317.0	470.5	320.4
1970	1,351.5	646.8	43.0	45.1	616.7	1,067.6	284.0	218.3	287.4	502.9	342.9
1971	1,924.6	906.1	61.8	71.1	885.7	1,597.6	327.0	303.6	421.1	725.4	474.6
1972	2,218.9	1,033.1	68.1	80.5	1,037.2	1,798.0	420.9	333.3	440.8	905.4	539.3
1973	1,819.5	882.1	53.8	63.2	820.5	1,483.5	336.0	271.9	361.4	763.2	423.1
1974	1,074.4	643.8	32.6	31.7	366.2	835.0	239.4	165.4	241.3	390.1	277.6
1975	939.2	675.5	34.1	29.8	199.8	704.1	235.1	129.5	241.5	292.7	275.5
1976	1,296.2	893.6	47.5	45.6	309.5	1,001.9	294.2	152.4	326.1	401.7	416.0
1977	1,690.0	1,126.1	62.1	59.2	442.7	1,326.3	363.7	181.9	402.4	561.1	544.6
1978	1,800.5	1,182.6	64.5	66.1	487.3	1,398.6	401.9	194.4	388.0	667.6	550.5
1979	1,551.8	981.5	59.5	65.9	444.8	1,210.6	341.2	166.9	289.1	628.0	467.7
1980	1,190.6	710.4	53.8	60.7	365.7	911.0	279.6	117.9	192.0	561.9	318.9
1981	985.5	564.3	44.6	57.2	319.4	765.2	220.4	109.8	133.3	491.1	251.3
1982	1,000.5	546.4	38.4	49.9	365.8	812.6	187.9	106.7	126.3	543.5	224.1
1983	1,605.2	901.5	57.5	76.1	570.1	1,359.7	245.5	164.1	187.8	862.9	390.4
1984	1,681.8	922.4	61.9	80.7	616.8	1,456.2	225.7	200.8	211.7	812.1	457.3
1985	1,733.3	956.6	54.0	66.1	656.6	1,507.6	225.6	259.7	237.0	752.6	483.9
1986	1,769.4	1,077.6	50.4	58.0	583.5	1,551.3	218.1	283.3	290.0	686.5	509.7
1987	1,534.8	1,024.4	40.8	48.5	421.1	1,319.5	215.2	271.8	282.3	574.7	406.0
1988	1,455.6	993.8	35.0	40.7	386.1	1,239.7	215.9	230.2	266.3	543.5	415.6
1989	1,338.4	931.7	31.7	35.3	339.8	1,127.6	210.8	179.0	252.1	505.3	402.1
1990	1,110.8	793.9	26.7	27.6	262.6	910.9	199.9	125.8	233.8	426.2	324.9
1991	948.8	753.5	22.0	21.1	152.1	766.8	182.0	109.8	215.4	375.7	247.9
1992	1,094.9	910.7	23.3	22.5	138.4	888.5	206.5	124.8	259.0	442.5	268.6
1993	1,199.1	986.5	26.7	25.6	160.2	1,009.0	190.1	133.5	276.6	500.7	288.2
1994	1,371.6	1,068.5	31.4	30.8	241.0	1,144.1	227.5	138.5	305.2	585.5	342.4
1995	1,332.5	997.3	32.2	31.5	271.5	1,116.8	215.8	124.2	296.6	583.2	328.5
1996	1,425.6	1,069.5	33.6	32.2	290.3	1,200.0	225.6	136.9	317.8	623.4	347.4
1997	1,441.1	1,062.4	34.9	33.6	310.3	1,220.2	220.9	141.9	299.8	635.9	363.5
1998	1,612.3	1,187.6	33.2	36.0	355.5	1,377.9	234.4	159.4	327.2	724.5	401.2
1999	1,663.5	1,246.7	32.5	33.3	351.1	1,427.4	236.1	164.9	345.4	748.9	404.3
2000	1,592.3	1,198.1	30.6	34.3	329.3	1,364.9	227.3	165.1	323.8	701.9	401.5
2001	1,636.7	1,235.6	31.8	34.2	335.2	1,410.4	226.3	159.8	333.6	730.3	413.0
2002	1,747.7	1,332.6	37.2	36.5	341.4	1,501.5	246.1	173.7	352.4	790.7	430.9
2003	1,889.2	1,460.9	40.9	41.6	345.8	1,670.4	218.8	182.4	371.0	849.3	486.5
2004	2,070.1	1,613.4	43.0	47.4	366.2	1,814.8	255.3	197.0	370.5	960.8	541.9
2005	2,147.6	1,681.2	39.3	44.7	382.5	1,884.7	270.7	199.8	362.8	1,027.7	557.3
2006	1,838.9	1,378.2	35.3	41.3	384.1	1,598.4	240.5	174.6	279.4	929.7	455.2
2007	1,398.4	979.9	28.1	31.5	349.5	1,207.1	191.3	150.6	211.7	692.2	343.9
2008	905.4	575.6	16.8	17.6	295.4	776.7	128.6	119.0	137.7	451.9	196.7
2009	572.2	435.1	9.8	10.1	117.2	490.9	81.4	65.9	97.6	292.4	116.3
2010	598.0	446.6	9.9	10.9	130.6	517.5	80.6	75.5	100.4	293.9	128.3
Monthly Data (Seasonally Adjusted Annual Rates)											
2009											
Oct	576	468	16		92	NA		68	106	289	113
Nov	621	489	26		106	NA		76	110	317	118
Dec	681	517	19		145	NA		106	117	325	133
2010											
Jan	629	509	19		101	NA		74	95	317	143
Feb	650	523	20		107	NA		85	106	311	148
Mar	685	542	22		121	NA		68	117	356	144
Apr	610	486	17		107	NA		68	114	310	118
May	574	436	18		120	NA		65	102	294	113
Jun	583	421	20		142	NA		85	93	283	122
Jul	559	406	19		134	NA		66	94	283	116
Aug	571	403	18		150	NA		68	92	279	132
Sep	547	402	25		120	NA		75	91	267	114
Oct	552	404	24		124	NA		72	108	259	113
Nov	544	417	20		107	NA		67	90	264	123
Dec	627	442	24		161	NA		117	94	255	161

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

Source: Census Bureau, Department of Commerce

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

Exhibit 2. New Privately Owned Housing Units Started: 1967–Present*

Period	Total	In Structures With				MSAs		Regions			
		1 Unit	2 Units	3 and 4 Units	5 Units or More	Inside	Outside	North-east	Mid-west	South	West
Annual Data											
1967	1,291.6	843.9	41.4	30.2	376.1	902.9	388.7	214.9	337.1	519.5	220.1
1968	1,507.6	899.4	46.0	34.9	527.3	1,096.4	411.2	226.8	368.6	618.5	293.7
1969	1,466.8	810.6	43.0	42.0	571.2	1,078.7	388.0	206.1	348.7	588.4	323.5
1970	1,433.6	812.9	42.4	42.4	535.9	1,017.9	415.7	217.9	293.5	611.6	310.5
1971	2,052.2	1,151.0	55.1	65.2	780.9	1,501.8	550.4	263.8	434.1	868.7	485.6
1972	2,356.6	1,309.2	67.1	74.2	906.2	1,720.4	636.2	329.5	442.8	1,057.0	527.4
1973	2,045.3	1,132.0	54.2	64.1	795.0	1,495.4	549.9	277.3	439.7	899.4	428.8
1974	1,337.7	888.1	33.2	34.9	381.6	922.5	415.3	183.2	317.3	552.8	284.5
1975	1,160.4	892.2	34.5	29.5	204.3	760.3	400.1	149.2	294.0	442.1	275.1
1976	1,537.5	1,162.4	44.0	41.9	289.2	1,043.5	494.1	169.2	400.1	568.5	399.6
1977	1,987.1	1,450.9	60.7	61.0	414.4	1,377.3	609.8	201.6	464.6	783.1	537.9
1978	2,020.3	1,433.3	62.2	62.8	462.0	1,432.1	588.2	200.3	451.2	823.7	545.2
1979	1,745.1	1,194.1	56.1	65.9	429.0	1,240.6	504.6	177.9	349.2	747.5	470.5
1980	1,292.2	852.2	48.8	60.7	330.5	913.6	378.7	125.4	218.1	642.7	306.0
1981	1,084.2	705.4	38.2	52.9	287.7	759.8	324.3	117.3	165.2	561.6	240.0
1982	1,062.2	662.6	31.9	48.1	319.6	784.8	277.4	116.7	149.1	591.0	205.4
1983	1,703.0	1,067.6	41.8	71.7	522.0	1,351.1	351.9	167.6	217.9	935.2	382.3
1984	1,749.5	1,084.2	38.6	82.8	544.0	1,414.6	334.9	204.1	243.4	866.0	436.0
1985	1,741.8	1,072.4	37.0	56.4	576.1	1,493.9	247.9	251.7	239.7	782.3	468.2
1986	1,805.4	1,179.4	36.1	47.9	542.0	1,546.3	259.1	293.5	295.8	733.1	483.0
1987	1,620.5	1,146.4	27.8	37.5	408.7	1,372.2	248.2	269.0	297.9	633.9	419.8
1988	1,488.1	1,081.3	23.4	35.4	348.0	1,243.0	245.1	235.3	274.0	574.9	403.9
1989	1,376.1	1,003.3	19.9	35.3	317.6	1,128.1	248.0	178.5	265.8	536.2	395.7
1990	1,192.7	894.8	16.1	21.4	260.4	946.9	245.7	131.3	253.2	479.3	328.9
1991	1,013.9	840.4	15.5	20.1	137.9	789.2	224.7	112.9	233.0	414.1	254.0
1992	1,199.7	1,029.9	12.4	18.3	139.0	931.5	268.2	126.7	287.8	496.9	288.3
1993	1,287.6	1,125.7	11.1	18.3	132.6	1,031.9	255.8	126.5	297.7	561.8	301.7
1994	1,457.0	1,198.4	14.8	20.2	223.5	1,183.1	273.9	138.2	328.9	639.1	350.8
1995	1,354.1	1,076.2	14.3	19.4	244.1	1,106.4	247.6	117.7	290.1	615.0	331.3
1996	1,476.8	1,160.9	16.4	28.8	270.8	1,211.4	265.5	132.1	321.5	661.9	361.4
1997	1,474.0	1,133.7	18.1	26.4	295.8	1,221.3	252.7	136.8	303.6	670.3	363.3
1998	1,616.9	1,271.4	15.7	26.9	302.9	1,349.9	267.0	148.5	330.5	743.0	394.9
1999	1,640.9	1,302.4	15.0	16.9	306.6	1,367.7	273.2	155.7	347.3	746.0	391.9
2000	1,568.7	1,230.9	15.2	23.5	299.1	1,297.3	271.4	154.5	317.5	713.6	383.1
2001	1,602.7	1,273.3	17.2	19.3	292.8	1,329.4	273.3	149.2	330.4	732.0	391.1
2002	1,704.9	1,358.6	14.0	24.4	307.9	1,398.1	306.8	158.7	349.6	781.5	415.5
2003	1,847.7	1,499.0	15.7	17.8	315.2	1,517.5	330.3	163.9	372.5	838.4	473.6
2004	1,955.8	1,610.5	17.7	24.6	303.0	1,592.6	363.3	175.4	355.7	908.5	516.2
2005	2,068.3	1,715.8	15.3	25.8	311.4	1,829.2	239.1	189.7	357.4	996.1	525.1
2006	1,800.9	1,465.4	15.3	27.4	292.8	1,599.2	201.7	167.2	279.5	910.3	443.8
2007	1,355.0	1,046.0	12.1	19.6	277.3	1,196.0	159.1	142.9	210.1	681.1	320.9
2008	905.5	622.0	6.2	11.4	266.0	799.0	106.6	121.0	134.9	453.4	196.2
2009	554.0	445.1	6.3	5.2	97.3	477.9	76.1	61.8	97.1	278.2	116.8
2010	587.6	470.9	5.7	5.8	105.2	512.8	74.8	71.6	98.4	297.2	120.3
Monthly Data (Seasonally Adjusted Annual Rates)											
2009											
Oct	529	475	NA		49	NA		55	100	269	105
Nov	589	504	NA		76	NA		66	107	303	113
Dec	576	486	NA		78	NA		61	94	312	109
2010											
Jan	612	511	NA		94	NA		70	91	326	125
Feb	605	527	NA		62	NA		72	105	285	143
Mar	634	535	NA		91	NA		66	93	339	136
Apr	679	563	NA		104	NA		84	118	367	110
May	588	459	NA		117	NA		72	109	291	116
Jun	539	450	NA		84	NA		60	83	287	109
Jul	550	427	NA		103	NA		75	92	275	108
Aug	614	432	NA		168	NA		75	111	289	139
Sep	601	447	NA		148	NA		69	97	301	134
Oct	533	433	NA		88	NA		81	94	263	95
Nov	553	458	NA		81	NA		77	112	268	96
Dec	529	417	NA		102	NA		58	69	262	140

*Components may not add to totals because of rounding. Units in thousands. MSA = Metropolitan statistical area. NA = Data published only annually.
Source: Census Bureau, Department of Commerce
http://www.census.gov/const/newresconst.pdf

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

Period	Total	In Structures With				MSAs		Regions			
		1 Unit	2 Units	3 and 4 Units	5 Units or More	Inside	Outside	North-east	Mid-west	South	West
Annual Data											
1970	922.0	381.1	22.8	27.3	490.8	NA	NA	197.1	189.3	359.2	176.4
1971	1,254.0	504.9	26.7	37.8	684.6	NA	NA	236.6	278.5	494.4	244.4
1972	1,542.1	612.5	36.4	46.4	846.8	NA	NA	264.4	306.8	669.1	301.8
1973	1,454.4	521.7	31.0	48.0	853.6	NA	NA	239.4	293.1	650.2	271.7
1974	1,000.8	441.1	19.4	29.1	511.3	NA	NA	178.0	218.8	418.9	185.1
1975	794.3	447.5	20.1	27.4	299.4	563.2	231.1	130.2	195.1	298.1	171.0
1976	922.0	562.6	22.7	31.8	304.9	658.5	263.5	125.4	232.1	333.3	231.2
1977	1,208.0	729.8	34.0	44.9	399.3	862.5	345.5	145.5	284.6	457.3	320.6
1978	1,310.2	764.5	36.1	47.3	462.2	968.0	342.2	158.3	309.2	497.6	345.2
1979	1,140.1	638.7	31.3	46.7	423.4	820.1	320.0	146.7	232.5	449.3	311.6
1980	896.1	514.5	28.3	40.3	313.1	620.9	275.2	120.1	171.4	376.7	227.9
1981	682.4	381.7	16.5	29.0	255.3	458.9	223.5	103.2	109.7	299.7	169.8
1982	720.0	399.7	16.5	24.9	278.9	511.7	208.3	98.6	112.4	344.0	165.0
1983	1,002.8	523.9	19.0	39.1	420.8	757.8	245.0	120.8	122.6	520.6	238.8
1984	1,050.5	556.0	20.9	42.5	431.0	814.1	236.4	152.5	137.3	488.9	271.7
1985	1,062.5	538.6	20.6	34.9	468.4	885.1	177.4	186.6	143.8	437.5	294.7
1986	1,073.5	583.1	19.3	28.4	442.7	899.7	173.8	218.9	165.7	387.3	301.5
1987	987.3	590.6	17.3	22.5	356.9	820.6	166.7	221.7	158.7	342.5	264.4
1988	919.4	569.6	16.1	24.1	309.5	757.5	161.9	201.6	148.1	308.2	261.6
1989	850.3	535.1	11.9	25.1	278.1	686.7	163.6	158.8	145.5	282.1	263.9
1990	711.4	449.1	10.9	15.1	236.3	553.9	157.5	121.6	133.4	242.3	214.1
1991	606.3	433.5	9.1	14.5	149.2	458.4	147.9	103.9	122.4	208.5	171.6
1992	612.4	472.7	5.6	11.3	122.8	453.1	159.4	81.4	137.8	228.4	164.8
1993	680.1	543.0	6.5	12.4	118.2	521.0	159.1	89.3	154.4	265.4	170.9
1994	762.2	557.8	9.1	12.9	182.5	597.6	164.5	96.3	173.5	312.1	180.3
1995	775.9	547.2	8.4	12.7	207.7	620.1	155.8	86.3	172.0	331.4	186.3
1996	792.3	550.0	9.0	19.1	214.3	629.9	162.4	85.2	178.0	337.6	191.4
1997	846.7	554.6	11.2	20.7	260.2	684.4	163.2	87.1	181.9	364.8	213.0
1998	970.8	659.1	8.3	20.5	282.9	794.8	176.0	98.5	201.2	428.5	242.6
1999	952.8	647.6	9.0	12.1	284.1	786.1	166.6	103.5	202.5	422.3	224.5
2000	933.8	623.4	10.2	19.5	280.7	759.8	173.9	110.0	186.6	397.6	239.5
2001	959.4	638.3	11.8	16.7	292.6	790.6	168.7	116.1	195.9	396.5	250.9
2002	1,001.2	668.8	10.9	15.5	306.0	817.7	183.4	125.0	207.1	413.0	256.0
2003	1,141.4	772.9	10.4	13.9	344.2	940.4	201.0	128.1	234.7	482.6	296.1
2004	1,237.1	850.3	14.0	24.1	348.7	1,011.8	225.3	146.8	222.4	536.4	331.6
2005	1,355.9	929.1	14.7	20.3	391.8	1,194.3	161.6	171.9	221.4	604.2	358.4
2006	1,204.9	764.7	12.2	22.7	405.3	1,062.5	142.4	162.3	183.7	534.3	324.6
2007	1,025.0	579.1	10.9	18.7	416.3	907.2	117.7	155.9	162.5	431.6	274.9
2008	780.9	377.3	5.8	12.0	385.8	703.6	77.3	157.3	103.9	311.6	208.1
2009	495.4	283.1	5.3	6.6	200.4	432.9	62.4	112.2	76.4	183.6	123.2
2010	412.9	247.1	4.9	5.6	354.6	58.2	73.1	98.9	65.0	160.7	88.3
Monthly Data (Seasonally Adjusted)											
2009											
Oct	551	305	NA		232	NA		121	84	207	139
Nov	533	300	NA		220	NA		119	82	200	132
Dec	514	298	NA		204	NA		115	79	193	127
2010											
Jan	503	300	NA		192	NA		111	79	191	122
Feb	496	304	NA		181	NA		110	79	188	119
Mar	494	308	NA		175	NA		108	80	189	117
Apr	487	308	NA		169	NA		108	79	186	114
May	477	302	NA		164	NA		106	79	184	108
Jun	448	283	NA		155	NA		103	72	176	97
Jul	444	278	NA		155	NA		103	71	175	95
Aug	444	274	NA		159	NA		102	72	175	95
Sep	438	269	NA		159	NA		100	71	174	93
Oct	433	263	NA		160	NA		99	70	172	92
Nov	431	264	NA		156	NA		99	69	172	91
Dec	428	261	NA		156	NA		100	67	169	92

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

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

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

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

Period	Total	In Structures With				MSAs		Regions			
		1 Unit	2 Units	3 and 4 Units	5 Units or More	Inside	Outside	North-east	Mid-west	South	West
Annual Data											
1970	1,418.4	801.8	42.9	42.2	531.5	1,013.2	405.2	184.9	323.4	594.6	315.5
1971	1,706.1	1,014.0	50.9	55.2	586.1	1,192.5	513.6	225.8	348.1	727.0	405.2
1972	2,003.9	1,160.2	54.0	64.9	724.7	1,430.9	573.0	281.1	411.8	848.5	462.4
1973	2,100.5	1,197.2	59.9	63.6	779.8	1,541.0	559.5	294.0	441.7	906.3	458.6
1974	1,728.5	940.3	43.5	51.8	692.9	1,266.1	462.4	231.7	377.4	755.8	363.6
1975	1,317.2	874.8	31.5	29.1	381.8	922.6	394.5	185.8	313.2	531.3	286.8
1976	1,377.2	1,034.2	40.8	36.5	265.8	950.1	427.2	170.2	355.6	513.2	338.3
1977	1,657.1	1,258.4	48.9	46.1	303.7	1,161.9	495.2	176.8	400.0	636.1	444.2
1978	1,867.5	1,369.0	59.0	57.2	382.2	1,313.6	553.9	181.9	416.5	752.0	517.1
1979	1,870.8	1,301.0	60.5	64.4	444.9	1,332.0	538.8	188.4	414.7	761.7	506.0
1980	1,501.6	956.7	51.4	67.2	426.3	1,078.9	422.7	146.0	273.5	696.1	386.0
1981	1,265.7	818.5	49.2	62.4	335.7	888.4	377.4	127.3	217.7	626.4	294.3
1982	1,005.5	631.5	29.8	51.1	293.1	708.2	297.3	120.5	143.0	538.8	203.2
1983	1,390.3	923.7	37.0	55.2	374.4	1,073.9	316.5	138.9	200.8	746.0	304.6
1984	1,652.2	1,025.1	35.0	77.3	514.8	1,316.7	335.6	168.2	221.1	866.6	396.4
1985	1,703.3	1,072.5	36.4	60.7	533.6	1,422.2	281.0	213.8	230.5	812.2	446.8
1986	1,756.4	1,120.2	35.0	51.0	550.1	1,502.1	254.3	254.0	269.8	763.8	468.8
1987	1,668.8	1,122.8	29.0	42.4	474.6	1,420.4	248.4	257.4	302.3	660.4	448.7
1988	1,529.8	1,084.6	23.5	33.2	388.6	1,286.1	243.7	250.2	280.3	594.8	404.6
1989	1,422.8	1,026.3	24.1	34.6	337.9	1,181.2	241.7	218.8	267.1	549.4	387.5
1990	1,308.0	966.0	16.5	28.2	297.3	1,060.2	247.7	157.7	263.3	510.7	376.3
1991	1,090.8	837.6	16.9	19.7	216.6	862.1	228.7	120.1	240.4	438.9	291.3
1992	1,157.5	963.6	15.1	20.8	158.0	909.5	248.0	136.4	268.4	462.4	290.3
1993	1,192.7	1,039.4	9.5	16.7	127.1	943.0	249.8	117.6	273.3	512.0	290.0
1994	1,346.9	1,160.3	12.1	19.5	154.9	1,086.3	260.6	123.4	307.1	580.9	335.5
1995	1,312.6	1,065.5	14.8	19.8	212.4	1,065.0	247.6	126.9	287.9	581.1	316.7
1996	1,412.9	1,128.5	13.6	19.5	251.3	1,163.4	249.4	125.1	304.5	637.1	346.2
1997	1,400.5	1,116.4	13.6	23.4	247.1	1,152.8	247.7	134.0	295.9	634.1	336.4
1998	1,474.2	1,159.7	16.2	24.4	273.9	1,228.5	245.7	137.3	305.1	671.6	360.2
1999	1,604.9	1,270.4	12.5	22.6	299.3	1,336.8	268.0	142.7	334.7	732.7	394.8
2000	1,573.7	1,241.8	12.6	14.7	304.7	1,313.7	260.0	146.1	334.4	729.3	363.9
2001	1,570.8	1,255.9	14.3	19.6	281.0	1,305.1	265.7	144.8	316.4	726.3	383.3
2002	1,648.4	1,325.1	13.1	21.9	288.2	1,367.4	281.0	147.9	329.8	757.8	412.8
2003	1,678.7	1,386.3	13.9	17.7	260.8	1,381.5	297.1	154.6	332.2	755.6	436.2
2004	1,841.9	1,531.5	11.2	12.2	286.9	1,514.5	327.4	155.9	362.4	840.4	483.3
2005	1,931.4	1,635.9	13.1	24.4	258.0	1,702.0	229.5	170.7	351.9	903.7	505.1
2006	1,979.4	1,654.5	16.4	24.3	284.2	1,760.1	219.3	179.1	325.1	986.7	488.6
2007	1,502.8	1,218.4	12.4	19.0	253.0	1,332.9	169.9	144.8	222.7	766.1	369.3
2008	1,119.7	818.8	9.3	14.4	277.2	977.4	142.3	109.6	178.2	567.4	264.4
2009	794.4	520.1	5.4	9.1	259.8	708.5	85.9	94.2	119.2	393.5	187.5
2010	653.5	497.1	3.9	5.1	147.5	580.5	73.1	79.9	106.8	317.7	149.1
Monthly Data (Seasonally Adjusted Annual Rates)											
2009											
Oct	751	531	NA		205	NA		94	97	365	195
Nov	850	561	NA		273	NA		102	144	404	200
Dec	752	495	NA		236	NA		79	127	390	156
2010											
Jan	662	440	NA		205	NA		86	82	296	198
Feb	668	455	NA		204	NA		85	87	328	168
Mar	643	489	NA		145	NA		66	82	340	155
Apr	747	554	NA		181	NA		94	105	407	141
May	705	516	NA		184	NA		93	120	312	180
Jun	879	682	NA		189	NA		84	171	391	233
Jul	576	475	NA		93	NA		66	107	288	115
Aug	606	480	NA		120	NA		84	100	299	123
Sep	631	485	NA		135	NA		88	94	305	144
Oct	602	481	NA		114	NA		87	115	287	113
Nov	562	439	NA		118	NA		72	123	267	100
Dec	585	463	NA		111	NA		54	89	311	131

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

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

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

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

Period	Shipments*	Placed for Residential Use*					Average Price ($)	For Sale*
	United States	United States	Northeast	Midwest	South	West		
Annual Data								
1977	266	258	17	51	113	78	14,200	70
1978	276	280	17	50	135	78	15,900	74
1979	277	280	17	47	145	71	17,600	76
1980	222	234	12	32	140	49	19,800	56
1981	241	229	12	30	144	44	19,900	58
1982	240	234	12	26	161	35	19,700	58
1983	296	278	16	34	186	41	21,000	73
1984	295	288	20	35	193	39	21,500	82
1985	284	283	20	39	188	37	21,800	78
1986	244	256	21	37	162	35	22,400	67
1987	233	239	24	40	146	30	23,700	61
1988	218	224	23	39	131	32	25,100	58
1989	198	203	20	39	113	31	27,200	56
1990	188	195	19	38	108	31	27,800	49
1991	171	174	14	35	98	27	27,700	49
1992	211	212	15	42	124	30	28,400	51
1993	254	243	15	45	147	36	30,500	61
1994	304	291	16	53	178	44	32,800	70
1995	340	319	15	58	203	44	35,300	83
1996	363	338	16	59	218	44	37,200	89
1997	354	336	14	55	219	47	39,800	91
1998	373	374	15	58	250	50	41,600	83
1999	348	338	14	54	227	44	43,300	88
2000	251	281	15	50	177	39	46,400	59
2001	193	196	12	38	116	30	48,900	56
2002	169	174	12	34	101	27	51,300	47
2003	131	140	11	25	77	26	54,900	36
2004	131	124	11	21	67	26	58,200	35
2005	147	123	9	17	68	29	62,600	35
2006	117	112	8	15	66	24	64,300	37
2007	96	95	7	11	59	18	65,400	34
2008	82	79	5	8	53	13	64,900	33
2009	50	53	4	5	37	7	62,900	25
2010	50	NA	NA	NA	NA	NA	NA	NA
Monthly Data (Seasonally Adjusted Annual Rates)								
2009								
Aug	48	42	2	4	29	7	65,700	29
Sep	48	53	5	6	35	7	64,000	28
Oct	48	52	4	6	33	9	64,700	28
Nov	49	62	4	5	45	8	64,900	27
Dec	50	50	3	6	38	4	57,800	27
2010								
Jan	50	41	4	4	28	5	64,200	26
Feb	52	47	3	6	32	6	66,800	25
Mar	55	47	2	4	35	6	61,800	25
Apr	55	58	3	8	40	8	61,600	24
May	58	56	4	5	40	6	62,400	24
Jun	56	58	4	5	41	8	62,500	23
Jul	52	52	5	6	36	6	62,600	23
Aug	50	52	4	7	36	6	61,000	23
Sep	47	43	4	4	28	6	61,400	23
Oct	43	46	3	5	31	6	63,900	23
Nov	43	39	4	4	25	6	62,900	23
Dec	40	NA	NA	NA	NA	NA	NA	NA

*Components may not add to totals because of rounding. Units in thousands.
NA = Not available.
Sources: Shipments—National Conference of States on Building Codes and Standards; Placements—Census Bureau, Department of Commerce; Office of Policy Development and Research, Department of Housing and Urban Development
http://www.census.gov/ftp/pub/const/www/mhsindex.html (See Current Tables, Monthly Tables.)

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

Period	Sold During Period					For Sale at End of Period						Months' Supply at Current U.S. Sales Rate
	United States	North-east	Mid-west	South	West	United States	North-east	Mid-west	South	West	United States	
Annual Data												
1970	485	61	100	203	121	227	38	47	91	51		NA
1971	656	82	127	270	176	294	45	55	131	63		NA
1972	718	96	130	305	187	416	53	69	199	95		NA
1973	634	95	120	257	161	422	59	81	181	102		NA
1974	519	69	103	207	139	350	50	68	150	82		NA
1975	549	71	106	222	150	316	43	66	133	74		NA
1976	646	72	128	247	199	358	45	68	154	91		NA
1977	819	86	162	317	255	408	44	73	168	123		NA
1978	817	78	145	331	262	419	45	80	170	124		NA
1979	709	67	112	304	225	402	42	74	172	114		NA
1980	545	50	81	267	145	342	40	55	149	97		NA
1981	436	46	60	219	112	278	41	34	127	76		NA
1982	412	47	48	219	99	255	39	27	129	60		NA
1983	623	76	71	323	152	304	42	33	149	79		NA
1984	639	94	76	309	160	358	55	41	177	85		NA
1985	688	112	82	323	171	350	66	34	172	79		NA
1986	750	136	96	322	196	361	88	32	153	87		NA
1987	671	117	97	271	186	370	103	39	149	79		NA
1988	676	101	97	276	202	371	112	43	133	82		NA
1989	650	86	102	260	202	366	108	41	123	93		NA
1990	534	71	89	225	149	321	77	42	105	97		NA
1991	509	57	93	215	144	284	62	41	97	83		NA
1992	610	65	116	259	170	267	48	41	104	74		NA
1993	666	60	123	295	188	295	53	48	121	73		NA
1994	670	61	123	295	191	340	55	63	140	82		NA
1995	667	55	125	300	187	374	62	69	158	86		NA
1996	757	74	137	337	209	326	38	67	146	74		NA
1997	804	78	140	363	223	287	26	65	127	69		NA
1998	886	81	164	398	243	300	28	63	142	68		NA
1999	880	76	168	395	242	315	28	64	153	70		NA
2000	877	71	155	406	244	301	28	65	146	62		NA
2001	908	66	164	439	239	310	28	70	142	69		NA
2002	973	65	185	450	273	344	36	77	161	70		NA
2003	1,086	79	189	511	307	377	29	97	172	79		3.9
2004	1,203	83	210	562	348	431	30	111	200	91		4.0
2005	1,283	81	205	638	358	515	47	109	249	109		4.5
2006	1,051	63	161	559	267	537	54	97	267	119		6.4
2007	776	65	118	411	181	496	48	79	248	121		8.5
2008	485	35	70	266	114	352	37	57	175	83		10.7
2009	375	31	54	202	87	232	27	38	118	48		9.1
2010	321	31	44	173	73	191	22	28	99	42		8.0
	Monthly Data										(Seasonally Adjusted)	
	(Seasonally Adjusted Annual Rates)					(Not Seasonally Adjusted)						
2009												
Oct	396	33	54	213	96	243	28	42	123	50	242	7.3
Nov	368	31	71	189	77	235	27	39	120	48	236	7.7
Dec	356	38	51	184	83	232	27	38	118	48	231	7.8
2010												
Jan	349	42	55	174	78	231	26	37	119	48	232	8.0
Feb	347	30	49	180	88	229	26	36	119	47	232	8.0
Mar	384	33	53	206	92	227	25	36	118	47	228	7.1
Apr	414	36	56	213	109	216	24	35	113	45	216	6.3
May	282	28	39	152	63	215	24	34	114	44	216	9.2
Jun	310	34	46	174	56	213	24	32	111	45	211	8.2
Jul	283	30	43	166	44	210	24	31	109	46	210	8.9
Aug	274	29	31	149	65	209	23	31	108	46	207	9.1
Sep	317	35	52	162	68	204	22	29	109	44	202	7.6
Oct	280	30	40	161	49	200	22	29	105	45	200	8.6
Nov	280	20	31	165	64	196	22	29	102	44	195	8.4
Dec	329	19	32	168	110	191	22	28	99	42	190	6.9

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

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

Exhibit 7. Existing Home Sales: 1969–Present*

Period	United States	Northeast	Midwest	South	West	For Sale	Months' Supply
Annual Data							
1969	1,594	240	508	538	308	NA	NA
1970	1,612	251	501	568	292	NA	NA
1971	2,018	311	583	735	389	NA	NA
1972	2,252	361	630	788	473	NA	NA
1973	2,334	367	674	847	446	NA	NA
1974	2,272	354	645	839	434	NA	NA
1975	2,476	370	701	862	543	NA	NA
1976	3,064	439	881	1,033	712	NA	NA
1977	3,650	515	1,101	1,231	803	NA	NA
1978	3,986	516	1,144	1,416	911	NA	NA
1979	3,827	526	1,061	1,353	887	NA	NA
1980	2,973	403	806	1,092	672	NA	NA
1981	2,419	353	632	917	516	NA	NA
1982	1,990	354	490	780	366	1,910	NA
1983	2,719	493	709	1,035	481	1,980	NA
1984	2,868	511	755	1,073	529	2,260	NA
1985	3,214	622	866	1,172	554	2,200	NA
1986	3,565	703	991	1,261	610	1,970	NA
1987	3,526	685	959	1,282	600	2,160	NA
1988	3,594	673	929	1,350	642	2,160	NA
1989	3,290	635	886	1,075	694	1,870	NA
1990	3,186	583	861	1,090	651	2,100	NA
1991	3,145	591	863	1,067	624	2,130	NA
1992	3,432	666	967	1,126	674	1,760	NA
1993	3,739	709	1,027	1,262	740	1,520	NA
1994	3,886	723	1,031	1,321	812	1,380	NA
1995	3,852	717	1,010	1,315	810	1,470	NA
1996	4,167	772	1,060	1,394	941	1,910	NA
1997	4,371	812	1,088	1,474	997	1,840	NA
1998	4,966	898	1,228	1,724	1,115	1,910	NA
1999	5,183	910	1,246	1,850	1,177	1,894	4.8
2000	5,174	911	1,222	1,866	1,174	2,048	4.5
2001	5,335	912	1,271	1,967	1,184	2,068	4.6
2002	5,632	952	1,346	2,064	1,269	2,118	4.7
2003	6,175	1,019	1,468	2,283	1,405	2,270	4.7
2004	6,778	1,113	1,550	2,540	1,575	2,244	4.3
2005	7,076	1,169	1,588	2,702	1,617	2,846	4.5
2006	6,478	1,086	1,483	2,563	1,346	3,450	6.5
2007	5,652	1,006	1,327	2,235	1,084	3,974	8.9
2008	4,913	849	1,129	1,865	1,070	3,700	10.4
2009	5,156	868	1,163	1,914	1,211	3,283	8.8
2010	4,908	817	1,076	1,861	1,154	3,560	9.4
Monthly Data (Seasonally Adjusted Annual Rates)							
2009							
Oct	5,980	1,030	1,390	2,250	1,310	3,565	7.2
Nov	6,490	1,150	1,540	2,380	1,420	3,521	6.5
Dec	5,440	920	1,160	2,020	1,350	3,283	7.2
2010							
Jan	5,050	820	1,080	1,870	1,280	3,277	7.8
Feb	5,010	840	1,110	1,840	1,220	3,531	8.5
Mar	5,360	900	1,210	1,970	1,290	3,626	8.1
Apr	5,790	1,090	1,330	2,140	1,230	4,029	8.4
May	5,660	890	1,330	2,150	1,290	3,893	8.3
Jun	5,260	880	1,230	1,990	1,160	3,887	8.9
Jul	3,840	630	800	1,540	870	4,007	12.5
Aug	4,120	690	830	1,600	1,000	4,117	12.0
Sep	4,530	760	950	1,770	1,050	4,000	10.6
Oct	4,430	750	940	1,710	1,030	3,863	10.5
Nov	4,700	770	1,000	1,790	1,140	3,717	9.5
Dec	5,280	870	1,110	1,970	1,330	3,560	8.1

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

Source: NATIONAL ASSOCIATION OF REALTORS®

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

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

Period	Median					U.S. Average	
	United States	Northeast	Midwest	South	West	Houses Actually Sold	Constant-Quality House[1,2]
Annual Data							
1964	18,900	20,300	19,400	16,700	20,400	20,500	34,900
1965	20,000	21,500	21,600	17,500	21,600	21,500	35,600
1966	21,400	23,500	23,200	18,200	23,200	23,300	37,100
1967	22,700	25,400	25,100	19,400	24,100	24,600	38,100
1968	24,700	27,700	27,400	21,500	25,100	26,600	40,100
1969	25,600	31,600	27,600	22,800	25,300	27,900	43,200
1970	23,400	30,300	24,400	20,300	24,000	26,600	44,400
1971	25,200	30,600	27,200	22,500	25,500	28,300	46,800
1972	27,600	31,400	29,300	25,800	27,500	30,500	49,800
1973	32,500	37,100	32,900	30,900	32,400	35,500	54,200
1974	35,900	40,100	36,100	34,500	35,800	38,900	59,200
1975	39,300	44,000	39,600	37,300	40,600	42,600	65,500
1976	44,200	47,300	44,800	40,500	47,200	48,000	71,200
1977	48,800	51,600	51,500	44,100	53,500	54,200	80,200
1978	55,700	58,100	59,200	50,300	61,300	62,500	91,900
1979	62,900	65,500	63,900	57,300	69,600	71,800	104,900
1980	64,600	69,500	63,400	59,600	72,300	76,400	115,600
1981	68,900	76,000	65,900	64,400	77,800	83,000	124,700
1982	69,300	78,200	68,900	66,100	75,000	83,900	127,600
1983	75,300	82,200	79,500	70,900	80,100	89,800	130,300
1984	79,900	88,600	85,400	72,000	87,300	97,600	135,600
1985	84,300	103,300	80,300	75,000	92,600	100,800	137,300
1986	92,000	125,000	88,300	80,200	95,700	111,900	142,600
1987	104,500	140,000	95,000	88,000	111,000	127,200	150,300
1988	112,500	149,000	101,600	92,000	126,500	138,300	156,000
1989	120,000	159,600	108,800	96,400	139,000	148,800	162,200
1990	122,900	159,000	107,900	99,000	147,500	149,800	165,300
1991	120,000	155,900	110,000	100,000	141,100	147,200	167,400
1992	121,500	169,000	115,600	105,500	130,400	144,100	169,800
1993	126,500	162,600	125,000	115,000	135,000	147,700	176,300
1994	130,000	169,000	132,900	116,900	140,400	154,500	186,800
1995	133,900	180,000	134,000	124,500	141,000	158,700	191,000
1996	140,000	186,000	138,000	126,200	153,900	166,400	195,900
1997	146,000	190,000	149,900	129,600	160,000	176,200	200,500
1998	152,500	200,000	157,500	135,800	163,500	181,900	205,500
1999	161,000	210,500	164,000	145,900	173,700	195,600	216,200
2000	169,000	227,400	169,700	148,000	196,400	207,000	224,600
2001	175,200	246,400	172,600	155,400	213,600	213,200	231,300
2002	187,600	264,300	178,000	163,400	238,500	228,700	241,900
2003	195,000	264,500	184,300	168,100	260,900	246,300	255,300
2004	221,000	315,800	205,000	181,100	283,100	274,500	275,600
2005	240,900	343,800	216,900	197,300	332,600	297,000	297,000
2006	246,500	346,000	213,500	208,200	337,700	305,900	311,100
2007	247,900	320,200	208,600	217,700	330,900	313,600	311,600
2008	232,100	343,600	198,900	203,700	294,800	292,600	295,500
2009	216,700	302,500	189,200	194,800	263,700	270,900	282,400
2010	221,900	335,500	197,600	196,000	259,700	271,600	281,300
Quarterly Data							
2009							
Q4	219,000	324,600	196,000	191,800	251,900	272,900	285,700
2010							
Q1	222,900	337,400	203,800	187,900	263,600	275,300	281,600
Q2	219,500	348,700	192,400	195,200	264,100	268,800	282,700
Q3	224,100	291,000	191,800	203,900	259,500	266,000	279,800
Q4	219,800	330,000	208,000	192,700	250,900	272,400	282,200

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

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

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

Exhibit 9. Existing Home Prices: 1969–Present

Period	Median					Average
	United States	Northeast	Midwest	South	West	United States
Annual Data						
1969	21,800	23,700	19,000	20,300	23,900	23,700
1970	23,000	25,200	20,100	22,200	24,300	25,700
1971	24,800	27,100	22,100	24,300	26,500	28,000
1972	26,700	29,800	23,900	26,400	28,400	30,100
1973	28,900	32,800	25,300	29,000	31,000	32,900
1974	32,000	35,800	27,700	32,300	34,800	35,800
1975	35,300	39,300	30,100	34,800	39,600	39,000
1976	38,100	41,800	32,900	36,500	46,100	42,200
1977	42,900	44,000	36,700	39,800	57,300	47,900
1978	48,700	47,900	42,200	45,100	66,700	55,500
1979	55,700	53,600	47,800	51,300	77,400	64,200
1980	62,200	60,800	51,900	58,300	89,300	72,800
1981	66,400	63,700	54,300	64,400	96,200	78,300
1982	67,800	63,500	55,100	67,100	98,900	80,500
1983	70,300	72,200	56,600	69,200	94,900	83,100
1984	72,400	78,700	57,100	71,300	95,800	86,000
1985	75,500	88,900	58,900	75,200	95,400	90,800
1986	80,300	104,800	63,500	78,200	100,900	98,500
1987	85,600	133,300	66,000	80,400	113,200	106,300
1988	89,300	143,000	68,400	82,200	124,900	112,800
1989*	94,000	142,100	72,600	84,300	137,600	118,100
1990	96,400	141,400	76,300	84,700	138,600	118,600
1991	101,400	143,600	80,500	88,100	144,500	128,400
1992	104,000	142,600	84,200	91,100	141,100	130,900
1993	107,200	142,000	87,000	93,700	141,800	133,500
1994	111,300	141,500	90,600	94,900	149,200	136,800
1995	114,600	138,400	96,100	96,900	150,600	139,100
1996	119,900	139,600	102,300	102,400	157,100	141,800
1997	126,000	143,500	108,200	108,400	165,700	150,500
1998	132,800	147,300	115,600	115,000	175,900	159,100
1999	138,000	150,500	121,000	118,900	185,300	171,000
2000	143,600	149,800	125,300	126,300	194,600	178,500
2001	153,100	158,700	132,500	135,500	207,000	188,300
2002	165,000	179,300	139,300	146,000	230,100	206,100
2003	178,800	209,900	145,600	156,700	251,800	222,200
2004	195,400	243,800	154,600	170,400	286,400	244,400
2005	219,600	271,300	170,600	181,700	335,300	266,600
2006	221,900	271,900	167,800	183,700	342,700	268,200
2007	219,000	279,100	165,100	179,300	335,000	266,000
2008	198,100	266,400	154,100	169,200	271,500	242,700
2009	172,500	240,500	144,100	153,000	211,100	216,900
2010	173,000	243,500	141,600	150,100	215,100	220,000
Monthly Data						
2009						
Oct	172,000	235,700	144,700	149,600	219,800	217,200
Nov	170,000	222,000	140,400	151,900	211,700	211,800
Dec	170,500	240,700	135,300	148,400	216,200	218,700
2010						
Jan	164,900	245,400	130,100	139,900	205,000	212,200
Feb	164,600	254,200	128,600	140,100	200,600	208,700
Mar	169,600	239,400	135,600	147,900	216,100	214,500
Apr	172,300	243,100	140,900	149,200	217,200	217,300
May	174,600	226,500	148,800	153,700	220,100	220,900
Jun	183,000	253,000	155,800	159,400	220,500	230,000
Jul	182,100	263,000	151,100	156,000	223,800	231,700
Aug	177,500	256,200	147,200	152,600	217,500	226,000
Sep	171,500	239,000	139,300	148,500	217,200	218,300
Oct	170,400	238,100	139,400	148,400	210,800	218,100
Nov	170,200	242,000	138,600	146,700	212,600	218,100
Dec	168,800	237,300	139,700	148,400	204,000	217,900

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

Source: NATIONAL ASSOCIATION OF REALTORS®

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

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

Period	FHFA Purchase-Only House Price Index (Seasonally Adjusted)[1]										Case-Shiller® Index[2]
	United States	New England	Middle Atlantic	South Atlantic	East South Central	West South Central	West North Central	East North Central	Mountain	Pacific	
Annual Average											
1991	100.5	98.2	99.9	100.5	100.8	101.0	100.7	101.5	101.1	99.7	74.5
1992	102.8	96.7	101.3	102.4	104.5	103.8	104.2	105.9	106.5	99.2	75.0
1993	105.3	94.9	101.7	104.1	109.0	108.0	109.5	110.5	115.6	97.0	75.5
1994	109.0	95.8	102.3	107.3	115.1	112.5	115.5	115.9	127.2	97.1	77.7
1995	111.8	96.0	101.9	110.1	120.1	115.3	120.1	121.5	134.6	97.1	79.1
1996	115.4	98.5	102.7	113.6	125.3	118.6	125.4	127.7	140.5	98.6	80.9
1997	118.9	101.7	104.2	117.2	129.6	121.6	129.8	132.5	145.1	101.7	83.6
1998	124.6	109.0	108.0	122.2	134.5	127.4	136.7	138.1	150.9	108.7	88.7
1999	132.1	119.8	114.5	128.7	140.3	134.6	145.9	145.5	159.2	116.3	95.5
2000	140.8	134.1	123.5	136.4	145.0	142.6	155.9	153.3	168.7	126.6	104.5
2001	150.6	151.3	134.9	146.3	149.2	149.1	166.8	160.7	178.1	139.3	113.4
2002	161.2	170.6	149.9	157.4	153.9	154.3	177.1	168.0	186.0	154.6	123.7
2003	173.3	189.9	167.1	170.6	160.3	159.4	187.8	175.9	197.2	174.1	136.3
2004	188.4	210.5	186.8	189.4	167.9	165.8	198.4	184.2	217.1	200.2	155.2
2005	206.2	228.7	207.6	215.0	178.5	175.1	207.9	191.5	246.9	232.1	179.0
2006	218.6	230.8	220.4	230.1	191.3	187.7	214.6	194.8	272.8	254.9	188.3
2007	221.1	226.5	223.9	232.7	198.4	196.5	216.7	192.0	282.8	254.1	179.7
2008	207.5	215.7	218.3	214.8	195.3	197.2	210.2	182.9	264.0	209.1	151.3
2009	197.9	210.1	211.6	201.7	191.5	197.2	206.7	177.3	239.1	185.1	134.0
Quarterly Data											
2009											
Q3	196.9	207.4	209.9	200.9	191.0	196.6	205.8	176.4	236.6	184.8	135.4
Q4	196.4	208.4	210.1	198.6	191.6	197.5	206.1	174.5	233.3	186.9	136.1
2010											
Q1	192.4	205.6	209.5	192.0	186.5	196.0	201.9	169.6	225.2	184.5	134.5
Q2	193.7	204.8	208.6	193.6	187.7	198.3	204.6	172.1	227.0	184.2	138.0
Q3	190.6	206.7	207.5	187.9	187.2	197.3	202.3	170.2	218.0	179.0	133.2

FHFA = Federal Housing Finance Agency.

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

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

Exhibit 11. Housing Affordability Index: 1973–Present

Period	United States				Affordability Indexes*		
	Median Price Existing Single-Family ($)	Mortgage Rate[1]	Median Family Income ($)	Income To Qualify ($)	Composite	Fixed	ARM
Annual Data							
1973	28,900	8.01	12,051	8,151	147.9	147.9	147.9
1974	32,000	9.02	12,902	9,905	130.3	130.3	130.3
1975	35,300	9.21	13,719	11,112	123.5	123.5	123.5
1976	38,100	9.11	14,958	11,888	125.8	125.8	125.8
1977	42,900	9.02	16,010	13,279	120.6	120.6	120.6
1978	48,700	9.58	17,640	15,834	111.4	111.4	111.4
1979	55,700	10.92	19,680	20,240	97.2	97.2	97.2
1980	62,200	12.95	21,023	26,328	79.9	79.9	79.9
1981	66,400	15.12	22,388	32,485	68.9	68.9	68.9
1982	67,800	15.38	23,433	33,713	69.5	69.4	69.7
1983	70,300	12.85	24,580	29,546	83.2	81.7	85.2
1984	72,400	12.49	26,433	29,650	89.1	84.6	92.1
1985	75,500	11.74	27,735	29,243	94.8	89.6	100.6
1986	80,300	10.25	29,458	27,047	108.9	105.7	116.3
1987	85,600	9.28	30,970	27,113	114.2	107.6	122.4
1988	89,300	9.31	32,191	28,360	113.5	103.6	122.0
1989	94,600	10.11	34,218	30,432	112.4	105.9	116.8
1990	97,300	10.04	35,353	31,104	113.7	110.6	122.8
1991	102,700	9.30	35,940	30,816	116.6	113.5	128.3
1992	105,500	8.11	36,573	28,368	128.9	124.9	150.8
1993	109,100	7.16	36,959	26,784	138.0	133.0	160.4
1994	113,500	7.47	38,790	28,704	135.1	125.2	153.3
1995	117,000	7.85	40,612	30,672	132.4	126.6	143.3
1996	122,600	7.71	42,305	31,728	133.3	129.6	142.9
1997	129,000	7.68	44,573	35,232	126.5	123.6	137.2
1998	136,000	7.10	46,740	35,088	133.2	131.9	142.6
1999	141,200	7.33	48,955	37,296	131.3	128.8	142.0
2000	147,300	8.03	50,733	41,616	121.9	120.5	133.3
2001	156,600	7.03	51,407	40,128	128.1	128.1	137.3
2002	167,600	6.55	51,680	40,896	126.4	124.2	138.7
2003	180,200	5.74	52,680	40,320	130.7	128.2	141.8
2004	195,200	5.73	54,061	43,632	123.9	120.3	132.2
2005	219,000	5.91	56,914	49,920	112.6	110.9	116.4
2006	221,900	6.58	58,407	54,288	107.6	107.1	109.6
2007	217,900	6.52	61,173	52,992	115.4	115.3	117.6
2008[2]	196,600	6.15	63,366	45,984	137.8	137.4	143.0
2009	172,100	5.14	61,082	36,048	169.4	169.2	NA
2010	173,200	4.89	61,583	35,280	174.6	169.5	NA
Monthly Data							
2009							
Oct	172,000	5.10	61,101	35,856	170.4	169.7	NA
Nov	169,300	5.09	61,396	35,280	174.0	173.3	NA
Dec	169,600	5.00	61,713	34,944	176.6	175.4	NA
2010							
Jan	163,800	5.08	60,711	34,080	178.1	177.9	NA
Feb	163,900	5.13	60,775	34,272	177.3	176.3	NA
Mar	169,500	5.07	61,032	35,232	173.2	172.5	NA
Apr	172,500	5.10	61,299	35,952	170.5	169.8	NA
May	174,500	5.09	61,519	36,336	169.3	168.2	NA
Jun	183,500	5.02	61,526	37,920	162.3	161.8	NA
Jul	183,000	4.90	61,634	37,296	165.3	164.6	NA
Aug	178,100	4.76	61,927	35,712	173.4	172.5	NA
Sep	172,400	4.68	61,858	34,272	180.5	180.0	NA
Oct	171,500	4.62	62,141	33,840	183.6	183.4	NA
Nov	170,900	4.54	62,156	33,408	186.1	185.0	NA
Dec	169,300	4.69	62,423	33,696	185.3	183.9	NA

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

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

[1] The Federal Housing Finance Agency's monthly effective mortgage rate amortizes points over 10 years. Annual data are averages of the monthly rates.

[2] Beginning in December 2008, the Adjustable-Rate Mortgage Affordability Index could not be derived because the rates for ARMs were not longer available.

Source: NATIONAL ASSOCIATION OF REALTORS® **http://www.realtor.org/research.nsf/pages/HousingInx**

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

Period	Unfurnished Rental Apartments			Cooperatives and Condominiums		
	Completions	Percent Rented in 3 Months	Median Asking Rent ($)	Completions	Percent Sold in 3 Months	Median Asking Price ($)
Annual Data						
1970	328,400	73	188	72,500	NA	NA
1971	334,400	68	187	49,100	NA	NA
1972	497,900	68	191	57,300	NA	NA
1973	531,700	70	191	98,100	NA	NA
1974	405,500	68	197	159,000	NA	NA
1975	223,100	70	211	84,600	NA	NA
1976	157,000	80	219	46,300	NA	NA
1977	195,600	80	232	43,000	NA	NA
1978	228,700	82	251	54,500	NA	NA
1979	241,200	82	272	91,800	NA	NA
1980	196,100	75	308	122,800	NA	NA
1981	135,400	80	347	112,600	NA	NA
1982	117,000	72	385	107,900	NA	NA
1983	191,500	69	386	111,800	NA	NA
1984	313,200	67	393	143,600	69	NA
1985	364,500	65	432	135,800	65	NA
1986	407,600	66	457	101,700	74	NA
1987	345,600	63	517	92,300	74	NA
1988	284,500	66	550	76,200	64	116,400
1989	246,200	70	590	59,700	66	122,300
1990	214,300	67	600	52,600	60	117,200
1991	165,300	70	614	35,300	60	133,600
1992	110,200	74	586	31,100	68	118,400
1993	77,200	75	573	32,000	76	112,400
1994	104,000	81	576	34,400	77	104,000
1995	155,000	72	655	36,400	74	114,000
1996	191,300	72	672	36,900	80	115,800
1997	189,200	74	724	35,800	80	118,900
1998	209,900	73	734	34,500	79	118,800
1999	225,900	72	791	34,200	75	127,600
2000	226,200	72	841	36,100	78	144,400
2001	193,100	63	881	45,700	73	183,200
2002	204,100	59	918	37,400	73	199,400
2003	166,500	61	931	41,100	74	230,200
2004	153,800	62	976	61,400	73	270,400
2005	113,000	63	942	81,900	76	310,700
2006	116,400	58	1,034	104,600	66	327,200
2007	104,800	54	1,023	91,000	61	350,000+
2008	146,800	50	1,095	69,800	49	350,000+
2009	163,000	51	1,063	38,200	40	400,000+
Quarterly Data						
2009						
Q3	47,300	52	1,042	8,800	46	400,000+
Q4	39,500	49	1,025	7,000	38	400,000+
2010						
Q1	27,600	52	1,050	3,400	45	400,000+
Q2	30,300	56	1,179	5,700	38	400,000+
Q3	16,900	62	1,032	5,700	40	400,000+

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

+ Median is in top class of data collection range.

NA = Data not available.

Sources: Census Bureau, Department of Commerce; Office of Policy Development and Research, Department of Housing and Urban Development
http://www.census.gov/hhes/www/soma.html

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

Period	Housing Market Index	Sales of Single-Family Detached Homes		Prospective Buyer Traffic
		Current Activity	Future Expectations	
Annual Data				
1979	NA	48	37	32
1980	NA	19	26	17
1981	NA	8	16	14
1982	NA	15	28	18
1983	NA	52	60	48
1984	NA	52	52	41
1985	55	58	62	47
1986	60	62	67	53
1987	56	60	60	45
1988	53	57	59	43
1989	48	50	58	37
1990	34	36	42	27
1991	36	36	49	29
1992	48	50	59	39
1993	59	62	68	49
1994	56	61	62	44
1995	47	50	56	35
1996	57	61	64	46
1997	57	60	66	45
1998	70	76	78	54
1999	73	80	80	54
2000	62	69	69	45
2001	56	61	63	41
2002	61	66	69	46
2003	64	70	72	47
2004	68	75	76	51
2005	67	73	75	50
2006	42	45	51	30
2007	27	27	37	21
2008	16	16	25	14
2009	15	14	24	13
2010	16	16	23	12
Monthly Data (Seasonally Adjusted)				
2009				
Oct	18	17	27	14
Nov	17	17	28	13
Dec	16	16	26	13
2010				
Jan	15	15	26	12
Feb	17	17	27	12
Mar	15	15	24	10
Apr	19	20	25	13
May	22	23	27	16
Jun	16	17	22	13
Jul	14	15	21	10
Aug	13	13	18	10
Sep	13	13	18	9
Oct	15	16	23	11
Nov	16	16	25	12
Dec	16	16	25	11

NA = Not applicable.

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

http://www.nahb.com/reference_list.aspx?sectionID=134

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

Period	Conventional					
	30-Year Fixed Rate		15-Year Fixed Rate		1-Year ARMs	
	Rate	Points	Rate	Points	Rate	Points
Annual Data						
1973	8.04	1.0	NA	NA	NA	NA
1974	9.19	1.2	NA	NA	NA	NA
1975	9.05	1.1	NA	NA	NA	NA
1976	8.87	1.2	NA	NA	NA	NA
1977	8.85	1.1	NA	NA	NA	NA
1978	9.64	1.3	NA	NA	NA	NA
1979	11.20	1.6	NA	NA	NA	NA
1980	13.74	1.8	NA	NA	NA	NA
1981	16.63	2.1	NA	NA	NA	NA
1982	16.04	2.2	NA	NA	NA	NA
1983	13.24	2.1	NA	NA	NA	NA
1984	13.88	2.5	NA	NA	11.51	2.5
1985	12.43	2.5	NA	NA	10.05	2.5
1986	10.19	2.2	NA	NA	8.43	2.3
1987	10.21	2.2	NA	NA	7.83	2.2
1988	10.34	2.1	NA	NA	7.90	2.3
1989	10.32	2.1	NA	NA	8.80	2.3
1990	10.13	2.1	NA	NA	8.36	2.1
1991	9.25	2.0	NA	NA	7.09	1.9
1992	8.39	1.7	7.96	1.7	5.62	1.7
1993	7.31	1.6	6.83	1.6	4.58	1.5
1994	8.38	1.8	7.86	1.8	5.36	1.5
1995	7.93	1.8	7.48	1.8	6.06	1.5
1996	7.81	1.7	7.32	1.7	5.67	1.4
1997	7.60	1.7	7.13	1.7	5.61	1.4
1998	6.94	1.1	6.59	1.1	5.58	1.1
1999	7.44	1.0	7.06	1.0	5.99	1.1
2000	8.05	1.0	7.72	1.0	7.04	1.0
2001	6.97	0.9	6.50	0.9	5.82	0.9
2002	6.54	0.6	5.98	0.6	4.62	0.7
2003	5.83	0.6	5.17	0.6	3.76	0.6
2004	5.84	0.7	5.21	0.6	3.90	0.7
2005	5.87	0.6	5.42	0.6	4.49	0.7
2006	6.41	0.5	6.07	0.5	5.54	0.7
2007	6.34	0.4	6.03	0.4	5.56	0.6
2008	6.03	0.6	5.62	0.6	5.17	0.6
2009	5.04	0.7	4.57	0.7	4.70	0.6
2010	4.69	0.7	4.10	0.7	3.78	0.6
Monthly Data						
2009						
Oct	4.95	0.7	4.39	0.6	4.55	0.5
Nov	4.88	0.7	4.34	0.6	4.41	0.6
Dec	4.93	0.7	4.39	0.6	4.31	0.6
2010						
Jan	5.03	0.7	4.44	0.6	4.33	0.6
Feb	4.99	0.7	4.37	0.7	4.23	0.6
Mar	4.97	0.7	4.33	0.7	4.20	0.6
Apr	5.10	0.7	4.42	0.6	4.16	0.5
May	4.89	0.7	4.28	0.7	4.01	0.6
Jun	4.74	0.7	4.18	0.7	3.86	0.7
Jul	4.56	0.7	4.04	0.7	3.73	0.7
Aug	4.43	0.7	3.91	0.6	3.53	0.7
Sep	4.35	0.7	3.81	0.6	3.46	0.7
Oct	4.23	0.8	3.66	0.7	3.36	0.7
Nov	4.30	0.8	3.68	0.7	3.25	0.7
Dec	4.71	0.7	4.06	0.7	3.31	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.)

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

Period	Fixed Rate				Adjustable Rate			
	Interest Rate	Fees and Charges	Effective Rate	Term to Maturity	Interest Rate	Fees and Charges	Effective Rate	Term to Maturity
Annual Data								
1982	14.72	2.51	15.26	25.4	14.74	2.86	15.37	26.0
1983	12.51	2.41	12.98	25.5	11.88	2.37	12.33	26.7
1984	12.67	2.59	13.18	24.8	11.57	2.57	12.05	28.0
1985	11.93	2.56	12.43	24.1	10.44	2.47	10.87	27.7
1986	10.09	2.31	10.50	24.9	9.10	1.97	9.42	27.3
1987	9.52	2.18	9.90	25.5	8.20	1.95	8.51	28.6
1988	10.04	2.07	10.41	26.0	8.21	1.88	8.51	28.9
1989	10.21	1.92	10.54	27.0	9.15	1.79	9.44	28.9
1990	10.06	1.87	10.39	26.1	8.90	1.56	9.15	29.3
1991	9.38	1.63	9.66	25.8	8.03	1.43	8.26	28.7
1992	8.21	1.61	8.50	24.4	6.37	1.44	6.59	29.1
1993	7.27	1.21	7.48	24.7	5.56	1.20	5.74	28.8
1994	7.98	1.14	8.17	25.8	6.27	1.05	6.42	29.2
1995	8.01	1.01	8.18	26.5	7.00	0.88	7.13	29.3
1996	7.81	1.03	7.98	26.1	6.94	0.81	7.06	29.0
1997	7.73	1.01	7.89	26.9	6.76	0.87	6.90	29.4
1998	7.05	0.86	7.19	27.5	6.35	0.75	6.46	29.6
1999	7.32	0.78	7.44	27.8	6.45	0.57	6.53	29.7
2000	8.14	0.75	8.25	28.3	6.99	0.42	7.05	29.8
2001	7.03	0.56	7.11	27.3	6.34	0.33	6.39	29.8
2002	6.62	0.48	6.69	26.8	5.60	0.39	5.66	29.7
2003	5.83	0.37	5.88	26.2	4.98	0.39	5.03	29.8
2004	5.95	0.43	6.02	26.9	5.15	0.36	5.20	29.8
2005	6.00	0.42	6.07	27.9	5.50	0.27	5.54	30.0
2006	6.60	0.44	6.66	28.7	6.32	0.33	6.37	30.0
2007	6.44	0.48	6.51	29.2	6.02	0.44	6.33	30.1
2008	6.09	0.54	6.17	28.3	NA*	NA*	NA*	NA*
2009	5.06	0.61	5.15	28.1	NA*	NA*	NA*	NA*
Monthly Data								
2009								
Oct	5.04	0.64	5.14	28.0	NA*	NA*	NA*	NA*
Nov	5.04	0.61	5.13	27.9	NA*	NA*	NA*	NA*
Dec	4.96	0.62	5.05	27.3	NA*	NA*	NA*	NA*
2010								
Jan	5.01	0.55	5.09	27.7	NA*	NA*	NA*	NA*
Feb	5.07	0.63	5.16	27.4	NA*	NA*	NA*	NA*
Mar	5.02	0.61	5.11	27.5	NA*	NA*	NA*	NA*
Apr	5.06	0.63	5.15	27.5	NA*	NA*	NA*	NA*
May	5.04	0.70	5.15	27.3	NA*	NA*	NA*	NA*
Jun	4.92	0.81	5.04	27.5	NA*	NA*	NA*	NA*
Jul	4.80	0.87	4.92	27.5	NA*	NA*	NA*	NA*
Aug	4.66	0.81	4.78	27.4	NA*	NA*	NA*	NA*
Sep	4.55	0.82	4.67	27.6	NA*	NA*	NA*	NA*
Oct	4.45	0.88	4.58	28.0	NA*	NA*	NA*	NA*
Nov	4.39	0.80	4.50	27.9	NA*	NA*	NA*	NA*
Dec	4.57	0.79	4.68	28.4	NA*	NA*	NA*	NA*

* Beginning in 2008, the adjustable-rate data are no longer reported because the data are insufficient to report meaningful numbers.

NA = Not available.

Source: Federal Housing Finance Agency

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

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

Mortgage Market Shares by Dollar Volume

				Dollar Volume of Loan Originations (in Billions)					
	FHA Share (%)			Total ($)		Purchase ($)		Refinance ($)	
Period	Total	Purchase	Refinance	FHA	Market	FHA	Market	FHA	Market
Annual Data									
2001	6.8	10.4	4.1	152	2,243	100	960	53	1,283
2002	4.9	8.2	2.9	140	2,854	90	1,097	50	1,757
2003	4.0	6.1	3.0	153	3,812	78	1,280	75	2,532
2004	3.0	4.3	1.9	84	2,773	56	1,309	28	1,463
2005	1.9	2.6	1.1	56	3,027	40	1,512	16	1,514
2006	2.0	2.7	1.3	55	2,726	38	1,399	17	1,326
2007	3.4	3.9	2.9	77	2,306	44	1,140	33	1,166
2008	16.1	19.5	12.9	243	1,509	143	731	100	777
2009	17.9	28.1	12.8	357	1,995	187	664	171	1,331
Quarterly Data									
2009									
Q3	18.2	26.0	12.3	89	491	55	211	34	280
Q4	17.4	34.0	10.2	90	520	53	156	37	364
2010									
Q1	16.2	29.3	9.2	56	342	35	120	20	222
Q2	21.3	40.9	8.2	78	367	60	147	18	220
Q3	16.8	35.3	10.4	68	401	37	104	31	297

Mortgage Market Shares by Loan Count

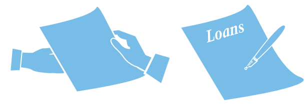
				Loan Originations (in Thousands)					
	FHA Share (%)			Total		Purchase		Refinance	
Period	Total	Purchase	Refinance	FHA	Market	FHA	Market	FHA	Market
Annual Data									
2001	9.1	14.2	5.3	1,336.6	14,763.6	890.2	6,270.7	446.4	8,492.8
2002	6.4	11.1	3.6	1,188.6	18,552.8	764.7	6,865.5	423.9	11,687.3
2003	5.5	8.5	4.1	1,268.5	23,101.8	629.9	7,428.0	638.5	15,673.8
2004	4.7	6.6	3.0	695.4	14,869.2	457.4	6,905.6	238.0	7,963.6
2005	3.1	4.5	1.8	456.2	14,483.6	322.9	7,234.6	133.3	7,249.0
2006	3.3	4.5	2.0	411.1	12,329.0	295.3	6,564.5	115.9	5,764.5
2007	5.1	6.1	4.1	528.3	10,358.6	317.2	5,236.1	211.1	5,122.5
2008	19.8	24.1	15.6	1,405.7	7,092.2	844.9	3,508.2	560.8	3,584.1
2009	21.1	32.6	14.8	1,982.6	9,392.8	1,087.6	3,338.3	895.0	6,054.4
Quarterly Data									
2009									
Q3	21.6	30.3	14.5	502.2	2,327.4	316.9	1,046.8	185.3	1,280.6
Q4	20.8	38.8	12.0	506.4	2,437.1	309.7	797.7	196.7	1,639.4
2010									
Q1	19.2	33.7	10.7	310.6	1,616.9	201.2	597.3	109.4	1,019.6
Q2	25.4	47.0	9.5	449.8	1,771.8	353.0	750.5	96.7	1,021.3
Q3	19.2	40.9	11.1	354.3	1,843.0	204.7	500.9	149.5	1,342.1

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

FHA = Federal Housing Administration.

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

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



Period	FHA*			VA Guaranties	PMI Certificates
	Applications	Total Endorsements	Purchase Endorsements		
Annual Data					
1971	998,365	565,417	NA	284,358	NA
1972	655,747	427,858	NA	375,485	NA
1973	359,941	240,004	NA	321,522	NA
1974	383,993	195,850	NA	313,156	NA
1975	445,350	255,061	NA	301,443	NA
1976	491,981	250,808	NA	330,442	NA
1977	550,168	321,118	NA	392,557	NA
1978	627,971	334,108	NA	368,648	NA
1979	652,435	457,054	NA	364,656	NA
1980	516,938	381,169	359,151	274,193	392,808
1981	299,889	224,829	204,376	151,811	334,565
1982	461,129	166,734	143,931	103,354	315,868
1983	776,893	503,425	455,189	300,568	652,214
1984	476,888	267,831	235,847	210,366	946,408
1985	900,119	409,547	328,639	201,313	729,597
1986	1,907,316	921,370	634,491	351,242	585,987
1987	1,210,257	1,319,987	866,962	455,616	511,058
1988	949,353	698,990	622,873	212,671	423,470
1989	989,724	726,359	649,596	183,209	365,497
1990	957,302	780,329	726,028	192,992	367,120
1991	898,859	685,905	620,050	186,561	494,259
1992	1,090,392	680,278	522,738	290,003	907,511
1993	1,740,504	1,065,832	591,243	457,596	1,198,307
1994	961,466	1,217,685	686,487	536,867	1,148,696
1995	857,364	568,399	516,380	243,719	960,756
1996	1,064,324	849,861	719,517	326,458	1,068,707
1997	1,115,434	839,712	745,524	254,670	974,698
1998	1,563,394	1,110,530	796,779	384,605	1,473,344
1999	1,407,014	1,246,433	949,516	441,606	1,455,403
2000	1,154,622	891,874	826,708	186,671	1,236,214
2001	1,760,278	1,182,368	818,035	281,505	1,987,717
2002	1,521,730	1,246,561	805,198	328,506	2,305,709
2003	1,634,166	1,382,570	677,507	513,259	2,493,435
2004	945,565	826,611	502,302	262,781	1,708,972
2005	673,855	523,243	332,912	160,294	1,579,593
2006	653,910	465,379	264,074	137,874	1,444,330
2007	751,454	460,317	231,750	102,430	1,567,961
2008[1]	2,340,715	1,468,057	810,712	199,679	971,595
2009	2,862,029	2,022,759	1,039,216	354,926	442,224
2010	2,162,738	1,624,841	1,001,979	327,836	317,037
Monthly Data					
2009					
Oct	253,503	176,279	105,901	29,337	24,339
Nov	205,808	157,119	92,936	24,306	21,877
Dec	141,766	179,155	106,137	27,488	19,989
2010					
Jan	126,043	158,612	90,300	26,161	14,378
Feb	165,239	131,978	73,038	20,775	14,924
Mar	246,406	132,301	82,879	23,414	22,153
Apr	215,578	126,316	84,723	23,779	23,608
May	181,524	124,759	89,291	22,754	25,909
Jun	168,915	150,911	115,831	27,850	28,160
Jul	173,068	144,514	108,608	28,477	26,266
Aug	200,907	139,045	89,322	29,815	32,215
Sep	255,938	126,326	71,145	29,855	32,554
Oct	175,421	125,218	65,781	31,357	31,998
Nov	141,199	131,258	64,896	31,878	32,993
Dec	112,500	133,603	66,165	31,721	31,879

*These operational numbers differ slightly from adjusted accounting numbers. FHA = Federal Housing Administration. NA = Data not available. PMI = Private mortgage insurance. VA = Department of Veterans Affairs.

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

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

Exhibit 18. FHA Unassisted Multifamily Mortgage Insurance Activity: 1980–Present*

Period	Construction of New Rental Units[1]			Purchase or Refinance of Existing Rental Units[2]			Congregate Housing, Nursing Homes, Assisted-Living Facilities, and Board and Care Facilities[3]		
	Projects	Units	Mortgage Amount	Projects	Units	Mortgage Amount	Projects	Units	Mortgage Amount
Annual Data									
1980	79	14,671	560.8	32	6,459	89.1	25	3,187	78.1
1981	94	14,232	415.1	12	2,974	43.0	35	4,590	130.0
1982	98	14,303	460.4	28	7,431	95.2	50	7,096	200.0
1983	74	14,353	543.9	94	22,118	363.0	65	9,231	295.8
1984	96	14,158	566.2	88	21,655	428.2	45	5,697	175.2
1985	144	23,253	954.1	135	34,730	764.3	41	5,201	179.1
1986	154	22,006	1,117.5	245	32,554	1,550.1	22	3,123	111.2
1987	171	28,300	1,379.4	306	68,000	1,618.0	45	6,243	225.7
1988	140	21,180	922.2	234	49,443	1,402.3	47	5,537	197.1
1989	101	15,240	750.9	144	32,995	864.6	41	5,183	207.9
1990	61	9,910	411.4	69	13,848	295.3	53	6,166	263.2
1991	72	13,098	590.2	185	40,640	1,015.1	81	10,150	437.2
1992	54	7,823	358.5	119	24,960	547.1	66	8,229	367.4
1993	56	9,321	428.6	262	50,140	1,209.4	77	9,036	428.6
1994	84	12,988	658.5	321	61,416	1,587.0	94	13,688	701.7
1995	89	17,113	785.0	192	32,383	822.3	103	12,888	707.2
1996	128	23,554	1,178.8	268	51,760	1,391.1	152	20,069	927.5
1997	147	23,880	1,362.2	186	31,538	1,098.5	143	16,819	820.0
1998	149	25,237	1,420.7	158	19,271	576.3	89	7,965	541.0
1999	185	30,863	1,886.8	182	22,596	688.7	130	14,592	899.2
2000	193	35,271	2,171.7	165	20,446	572.6	178	18,618	891.7
2001	163	29,744	1,905.6	303	35,198	831.9	172	20,633	1,135.2
2002	167	31,187	2,042.7	439	52,434	1,284.5	287	33,086	1,780.6
2003	180	30,871	2,224.5	701	87,193	2,273.5	253	31,126	1,502.2
2004	166	27,891	1,802.6	672	70,740	2,203.1	228	26,094	1,344.3
2005	148	24,847	1,596.3	472	49,238	1,724.9	184	20,625	1,080.4
2006	97	14,603	873.3	614	59,451	2,252.5	228	26,898	1,425.6
2007	102	15,620	1,065.7	414	35,838	1,249.8	139	15,178	982.0
2008	74	11,551	875.1	262	25,443	987.8	174	19,685	1,232.4
2009	114	20,173	1,892.5	409	57,863	2,888.4	292	34,567	2,558.7
2010 (12 months)	197	36,560	3,787.1	717	116,843	6,497.4	300	34,754	2,636.4

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

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

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

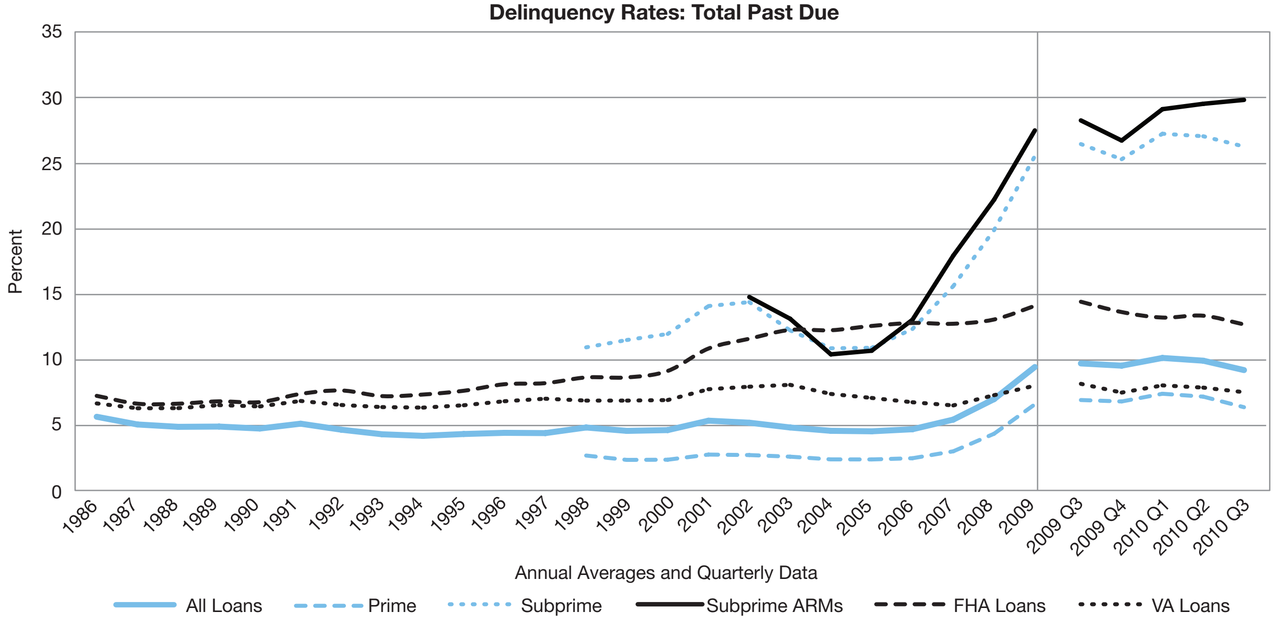
[3] Includes congregate rental housing for the elderly under Section 231 and nursing homes, board and care homes, assisted-living facilities, and intermediate-care facilities under Section 232. Includes both new construction or substantial rehabilitation and purchase or refinance of existing projects.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

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

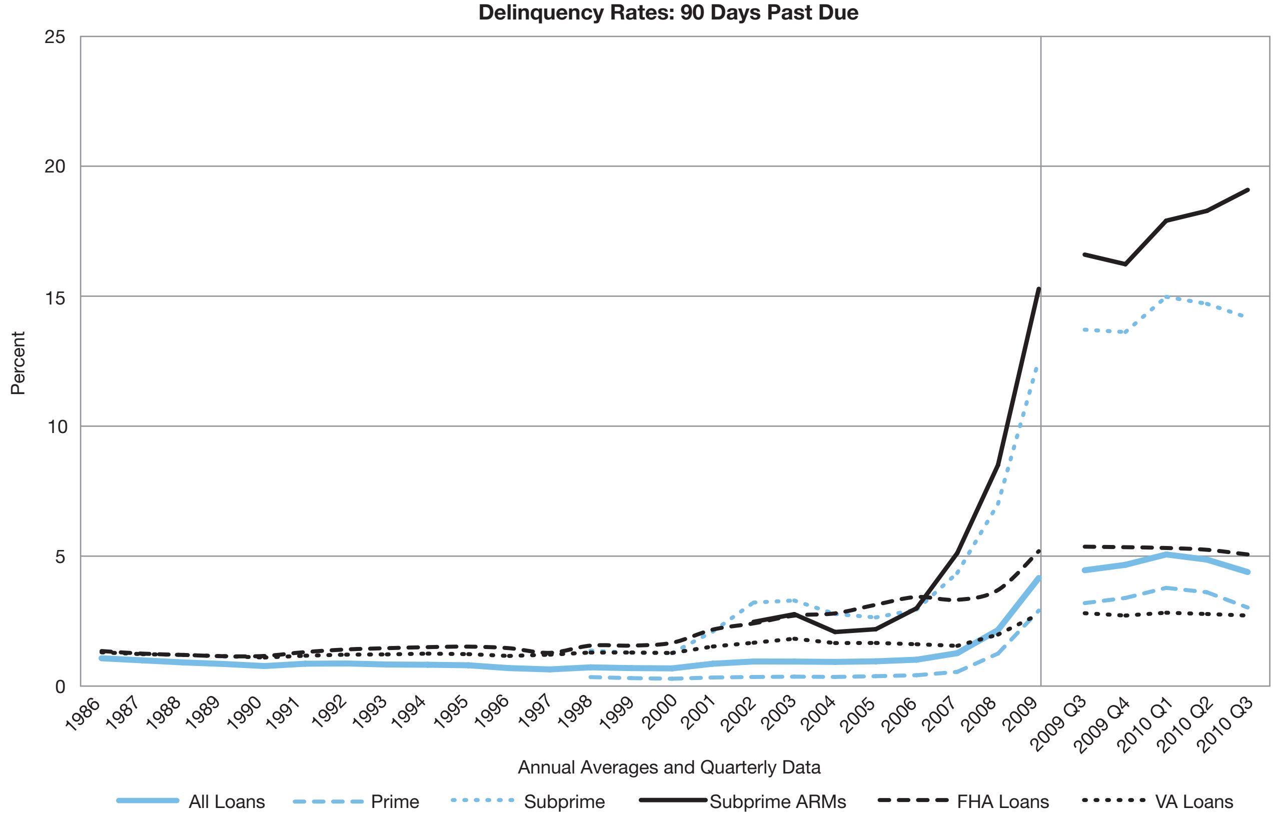
Exhibit 19. Mortgage Delinquencies and Foreclosures Started: 1986–Present*

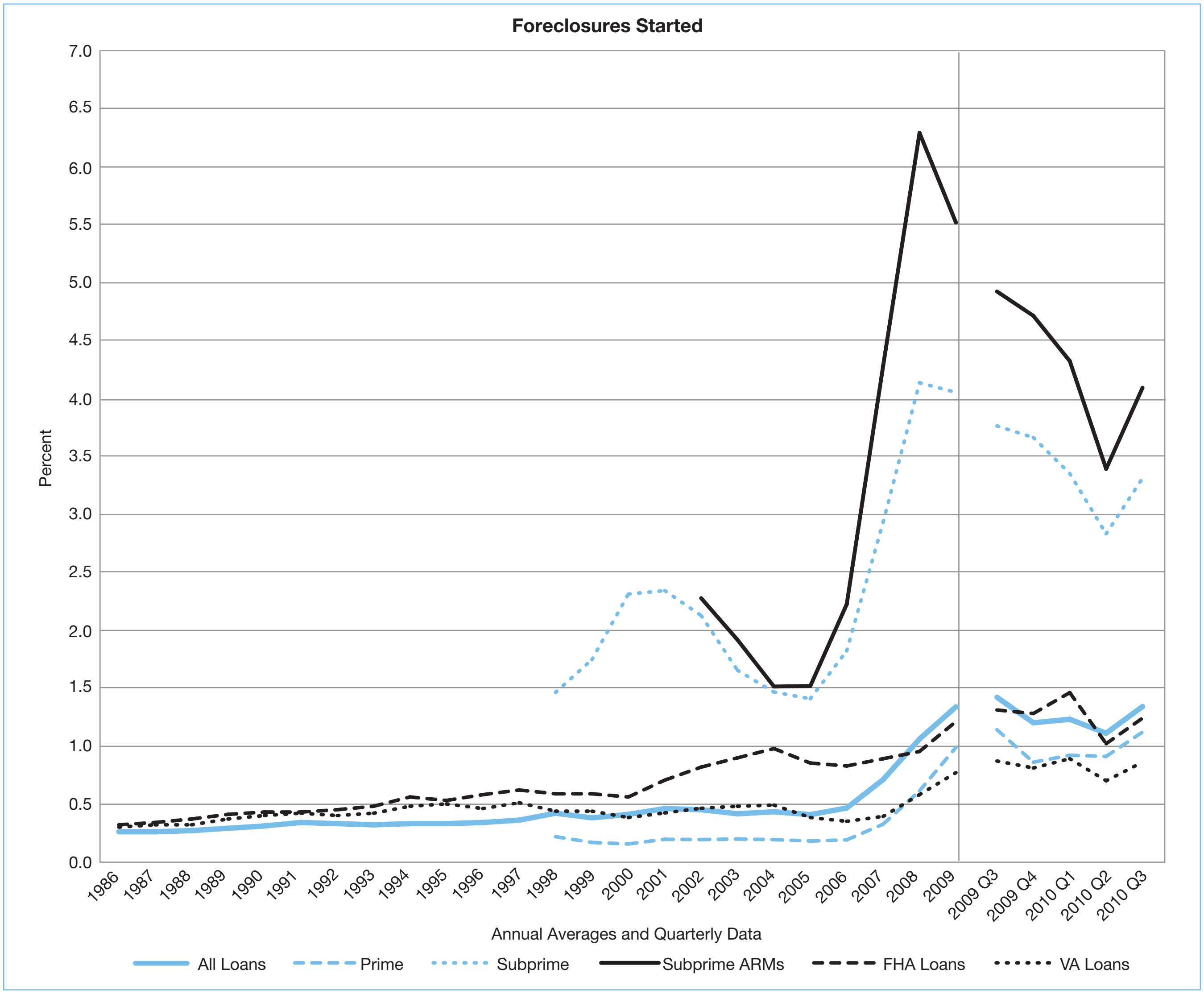
HUD has discontinued publishing historical NDS data in tabular format at MBA's request; hence, the table is being replaced with charts showing the same historical information.

Delinquency Rates: Total Past Due



Delinquency Rates: 90 Days Past Due





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

ARM = Adjustable-rate mortgage. FHA = Federal Housing Administration. HUD = Department of Housing and Urban Development. MBA = Mortgage Bankers Association. NDS = National Delinquency Survey. VA = Department of Veterans Affairs.

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

Source: National Delinquency Survey, Mortgage Bankers Association

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

Period	Total	New Residential Construction			Improvements
		Total	Single-Family Structures	Multifamily Structures	
Annual Data (Current Dollars in Millions)					
1974	55,967	43,420	29,700	13,720	12,547
1975	51,581	36,317	29,639	6,679	15,264
1976	68,273	50,771	43,860	6,910	17,502
1977	92,004	72,231	62,214	10,017	19,773
1978	109,838	85,601	72,769	12,832	24,237
1979	116,444	89,272	72,257	17,015	27,172
1980	100,381	69,629	52,921	16,708	30,752
1981	99,241	69,424	51,965	17,460	29,817
1982	84,676	57,001	41,462	15,838	27,675
1983	125,833	94,961	72,514	22,447	30,872
1984	155,015	114,616	86,395	28,221	40,399
1985	160,520	115,888	87,350	28,539	44,632
1986	190,677	135,169	104,131	31,038	55,508
1987	199,652	142,668	117,216	25,452	56,984
1988	204,496	142,391	120,093	22,298	62,105
1989	204,255	143,232	120,929	22,304	61,023
1990	191,103	132,137	112,886	19,250	58,966
1991	166,251	114,575	99,427	15,148	51,676
1992	199,393	135,070	121,976	13,094	64,323
1993*	208,180	150,911	140,123	10,788	57,269
1994	241,033	176,390	162,309	14,081	64,643
1995	228,121	171,404	153,515	17,889	56,717
1996	257,495	191,114	170,790	20,324	66,381
1997	264,696	198,062	175,179	22,883	66,634
1998	296,343	223,983	199,409	24,574	72,360
1999	326,302	251,271	223,837	27,434	75,031
2000	346,138	265,047	236,788	28,259	81,091
2001	364,414	279,391	249,086	30,305	85,023
2002	396,696	298,841	265,889	32,952	97,855
2003	446,035	345,691	310,575	35,116	100,344
2004	532,900	417,501	377,557	39,944	115,399
2005	611,899	480,807	433,510	47,297	131,092
2006	613,731	468,800	415,997	52,803	144,931
2007	493,246	354,143	305,184	48,959	139,103
2008	350,257	230,114	185,776	44,338	120,144
2009	245,621	133,582	105,336	28,246	112,038
2010	241,403	126,778	112,783	13,995	114,625
Monthly Data (Seasonally Adjusted Annual Rates)					
2009					
Oct	252,987	130,552	108,914	21,638	NA
Nov	248,980	130,411	110,380	20,031	NA
Dec	242,961	130,617	112,141	18,476	NA
2010					
Jan	266,164	129,933	113,623	16,310	NA
Feb	248,735	130,459	114,990	15,469	NA
Mar	249,340	131,231	116,852	14,379	NA
Apr	264,229	133,974	120,080	13,894	NA
May	251,813	132,766	119,517	13,249	NA
Jun	247,698	130,935	117,651	13,284	NA
Jul	237,604	128,894	115,100	13,794	NA
Aug	222,772	123,270	110,201	13,069	NA
Sep	225,441	121,061	107,229	13,832	NA
Oct	234,424	119,983	106,452	13,531	NA
Nov	236,109	120,941	106,837	14,104	NA
Dec	226,377	120,724	107,367	13,357	NA

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

NA = Data available only annually.

Source: Census Bureau, Department of Commerce

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

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

Period	Gross Domestic Product	Residential Fixed Investment	Residential Fixed Investment Percent of Gross Domestic Product
Annual Data (Current Dollars in Billions)			
1960	526.4	26.3	5.0
1961	544.7	26.4	4.8
1962	585.6	29.0	5.0
1963	617.7	32.1	5.2
1964	663.6	34.3	5.2
1965	719.1	34.2	4.8
1966	787.8	32.3	4.1
1967	832.6	32.4	3.9
1968	910.0	38.7	4.3
1969	984.6	42.6	4.3
1970	1,038.5	41.4	4.0
1971	1,127.1	55.8	5.0
1972	1,238.3	69.7	5.6
1973	1,382.7	75.3	5.4
1974	1,500.0	66.0	4.4
1975	1,638.3	62.7	3.8
1976	1,825.3	82.5	4.5
1977	2,030.9	110.3	5.4
1978	2,294.7	131.6	5.7
1979	2,563.3	141.0	5.5
1980	2,789.5	123.2	4.4
1981	3,128.4	122.6	3.9
1982	3,255.0	105.7	3.2
1983	3,536.7	152.9	4.3
1984	3,933.2	180.6	4.6
1985	4,220.3	188.2	4.5
1986	4,462.8	220.1	4.9
1987	4,739.5	233.7	4.9
1988	5,103.8	239.3	4.7
1989	5,484.4	239.5	4.4
1990	5,803.1	224.0	3.9
1991	5,995.9	205.1	3.4
1992	6,337.7	236.3	3.7
1993	6,657.4	266.0	4.0
1994	7,072.2	301.9	4.3
1995	7,397.7	302.8	4.1
1996	7,816.9	334.1	4.3
1997	8,304.3	349.1	4.2
1998	8,793.5	385.9	4.4
1999	9,353.5	425.8	4.6
2000	9,951.5	449.0	4.5
2001	10,286.2	472.4	4.6
2002	10,642.3	509.5	4.8
2003	11,142.1	577.6	5.2
2004	11,867.8	680.6	5.7
2005	12,638.4	775.0	6.1
2006	13,398.9	761.9	5.7
2007	14,061.8	628.6	4.5
2008	14,369.1	472.5	3.3
2009	14,119.0	352.1	2.5
2010	14,660.2	340.4	2.3
Quarterly Data (Seasonally Adjusted Annual Rates)			
2009			
Q4	14,277.3	351.0	2.5
2010			
Q1	14,446.4	340.2	2.4
Q2	14,578.7	357.2	2.5
Q3	14,745.1	329.8	2.2
Q4	14,870.4	334.3	2.2

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

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

Period	Total	Less Than 25 Years	25 to 29 Years	30 to 34 Years	35 to 44 Years	45 to 54 Years	55 to 64 Years	65 Years and Older
Annual Data								
1971[1]	848	NA	NA	NA	NA	NA	NA	NA
1972	1,898	NA	NA	NA	NA	NA	NA	NA
1973	1,575	282	320	438	191	49	76	218
1974[r]	1,554	351	395	321	(15)	134	(75)	448
1975	1,358	39	305	366	181	(38)	162	342
1976	1,704	11	484	78	341	(81)	332	539
1977	1,275	114	87	570	255	85	149	14
1978	1,888	229	213	451	487	(303)	403	409
1979	1,300	122	81	84	359	(17)	101	570
1980[2]	3,446	228	573	935	652	69	241	749
1981	1,592	(127)	262	387	482	40	179	368
1982	1,159	(333)	11	163	864	(189)	243	400
1983	391	(415)	(60)	(163)	694	(151)	127	359
1984[r]	1,372	(237)	332	350	549	169	54	156
1985	1,499	(20)	(160)	388	912	105	(55)	328
1986	1,669	65	144	252	516	471	(221)	441
1987	1,021	(306)	(129)	221	706	112	16	402
1988[r]	1,645	109	(44)	163	624	389	(10)	414
1989	1,706	109	16	287	625	418	(53)	304
1990	517	(294)	(201)	(251)	602	496	(276)	440
1991	965	(239)	(177)	28	750	237	(5)	371
1992	1,364	(23)	(433)	120	474	796	36	394
1993[3]	750	398	8	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	1,244	297	(96)	50	(218)	917	284	11
2002[4]	1,249	111	131	193	(586)	182	949	277
2003	669	73	(12)	(85)	(221)	224	654	37
2004	1,367	119	306	(187)	(249)	435	766	181
2005	1,725	2	306	(277)	57	493	817	328
2006	1,082	27	164	(184)	(299)	454	642	276
2007	455	(101)	173	(98)	(436)	149	554	215
2008	286	(269)	(143)	(75)	(260)	120	558	347
2009	522	(133)	30	36	(520)	206	426	474
2010	701	(35)	(20)	163	(535)	(15)	667	480
Quarterly Data								
2009								
Q4	148	176	(194)	262	(225)	(99)	81	146
2010[5]								
Q1	36	(55)	118	(104)	(241)	141	(149)	327
Q2	261	(169)	61	(46)	61	(59)	380	33
Q3	247	73	(193)	142	(180)	(41)	440	6
Q4	537	119	88	165	42	(220)	94	249

*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 2010, CPS data weighted based on vintage 2009 housing estimates.

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

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

Period	Total	Families[6]				Non-Family Households		One-Person Households	
		Husband-Wife		Other Male Headed	Other Female Headed	Male Headed	Female Headed	Male	Female
		With Children	Without Children						
Annual Data									
1971[1]	848	NA	NA	NA	NA	NA	NA	NA	NA
1972	1,898	NA	NA	NA	NA	NA	NA	NA	NA
1973	1,575	NA	NA	NA	NA	NA	NA	NA	NA
1974[r]	1,554	NA	NA	NA	NA	NA	NA	NA	NA
1975	1,358	NA	NA	NA	NA	NA	NA	NA	NA
1976	1,704	NA	NA	NA	NA	NA	NA	NA	NA
1977	1,275	(191)	366	36	206	199	109	223	326
1978	1,888	(228)	114	103	497	126	93	713	470
1979	1,300	(91)	396	53	182	143	131	112	375
1980[2]	3,446	426	1,024	115	485	240	60	502	592
1981	1,592	56	126	201	377	184	9	287	353
1982	1,159	(393)	730	53	322	(50)	81	229	189
1983	391	(2)	278	31	65	87	33	(31)	(73)
1984[r]	1,372	(60)	234	21	427	142	14	35	562
1985	1,499	(178)	447	189	233	(12)	62	436	319
1986	1,669	458	125	187	81	171	71	363	213
1987	1,021	75	529	96	235	43	95	(39)	(12)
1988[r]	1,645	(107)	244	344	243	62	51	557	249
1989	1,706	135	290	0	196	213	99	390	385
1990	517	(123)	341	30	5	(124)	97	(144)	435
1991	965	(66)	(104)	28	373	143	(1)	401	191
1992	1,364	(53)	363	114	430	115	12	163	220
1993[3]	750	550	83	44	364	37	87	(169)	(247)
1994	681	207	(128)	(145)	340	170	185	(4)	57
1995	1,883	250	439	308	(182)	28	(80)	700	421
1996	637	(333)	43	286	295	11	169	148	20
1997	1,391	153	(117)	340	270	204	37	154	349
1998	1,510	246	467	61	(136)	(143)	89	568	356
1999	1,346	(211)	663	63	139	280	132	(44)	323
2000	831	149	392	48	(98)	58	165	215	(97)
2001	1,244	(75)	(9)	250	23	67	84	421	485
2002[4]	1,249	(137)	615	150	82	(45)	11	325	257
2003	669	(20)	298	50	92	31	28	143	47
2004	1,367	(55)	435	299	216	51	(10)	206	227
2005	1,725	(94)	321	193	467	79	58	442	260
2006	1,082	2	153	42	136	84	93	422	146
2007	455	(164)	246	(26)	69	77	(86)	233	107
2008	286	(386)	303	87	(60)	56	(54)	179	152
2009	522	(315)	348	195	217	86	115	12	(138)
2010	701	(109)	(149)	204	358	78	201	81	40
Quarterly Data									
2009									
Q4	148	18	(168)	194	(165)	4	(95)	278	84
2010[5]									
Q1	36	234	133	116	(47)	(17)	214	(338)	(260)
Q2	261	(118)	(51)	(206)	620	64	1	(239)	190
Q3	247	(71)	(209)	35	(176)	(124)	(16)	491	316
Q4	537	(6)	114	147	37	226	131	103	(215)

*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 2010, CPS data weighted based on vintage 2009 housing estimates.

6 Primary families only.

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

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

Period	Total	Non-Hispanic: White Alone	Non-Hispanic: Black Alone	Non-Hispanic: Other Race Alone	Non-Hispanic: Two or More Races[6]	Hispanic
Annual Data						
1971[1]	848	NA	NA	NA	NA	NA
1972	1,898	NA	NA	NA	NA	NA
1973	1,575	NA	NA	NA	NA	NA
1974[r]	1,554	NA	NA	NA	NA	NA
1975	1,358	NA	NA	NA	NA	NA
1976	1,704	NA	NA	NA	NA	NA
1977	1,275	832	288	22	NA	133
1978	1,888	1,356	190	119	NA	223
1979	1,300	1,115	96	102	NA	(13)
1980[2]	3,446	2,367	488	198	NA	393
1981	1,592	903	244	223	NA	222
1982	1,159	890	129	66	NA	74
1983	391	218	(37)	105	NA	105
1984[r]	1,372	434	299	58	NA	581
1985	1,499	938	250	94	NA	217
1986	1,669	954	283	102	NA	330
1987	1,021	527	116	173	NA	205
1988[r]	1,645	1,053	255	113	NA	224
1989	1,706	947	382	109	NA	268
1990	517	428	(49)	115	NA	23
1991	965	540	156	(18)	NA	287
1992	1,364	590	397	218	NA	159
1993[3]	750	(518)	183	312	NA	774
1994	681	590	(6)	(114)	NA	209
1995	1,883	1,307	387	(182)	NA	373
1996	637	(72)	(156)	660	NA	204
1997	1,391	308	509	288	NA	286
1998	1,510	696	363	87	NA	365
1999	1,346	641	89	145	NA	470
2000	831	242	245	85	NA	259
2001	1,244	588	171	202	NA	285
2002[4]	1,249	(171)	(122)	618	NA	933
2003	669	(612)	3	(440)	NA	608
2004	1,367	662	249	178	43	237
2005	1,725	768	267	170	51	471
2006	1,082	320	182	115	23	439
2007	455	(223)	149	197	(71)	405
2008	286	(93)	205	14	2	150
2009	522	245	118	83	39	37
2010	701	350	93	88	21	150
Quarterly Data						
2009						
Q4	148	101	(74)	3	14	105
2010[5]						
Q1	36	229	(83)	(54)	8	(66)
Q2	261	29	74	147	(13)	24
Q3	247	(42)	121	(109)	80	199
Q4	537	55	75	146	(27)	288

*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 2010, CPS data weighted based on vintage 2009 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.)

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

Period	Total[4]	Seasonal	Total Year Round	Total Vacant Year Round	For Rent	For Sale Only	Other Vacant	Total Occupied	Owner	Renter
Annual and Biennial Data										
1970[1]	68,672	973	67,699	4,207	1,655	477	2,075	63,445	39,886	23,560
1971	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1972	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1973	75,969	676	75,293	5,956	1,545	502	3,909	69,337	44,653	24,684
1974	77,601	1,715	75,886	5,056	1,630	547	2,879	70,830	45,784	25,046
1975	79,087	1,534	77,553	5,030	1,489	577	2,964	72,523	46,867	25,656
1976	80,881	1,565	79,316	5,311	1,544	617	3,150	74,005	47,904	26,101
1977	82,420	1,704	80,716	5,436	1,532	596	3,308	75,280	48,765	26,515
1978	84,618	1,785	82,833	5,667	1,545	624	3,498	77,167	50,283	26,884
1979	86,374	1,788	84,586	6,014	1,600	677	3,737	78,572	51,411	27,160
1980	88,207	2,183	86,024	5,953	1,497	755	3,701	80,072	52,516	27,556
1980[1]	88,411	1,718	86,693	NA	NA	NA	NA	80,390	51,795	28,595
1981[2]	91,561	1,950	89,610	6,435	1,634	812	3,989	83,175	54,342	28,833
1983	93,519	1,845	91,675	7,037	1,906	955	4,176	84,638	54,724	29,914
1985	99,931	3,182	96,749	8,324	2,518	1,128	4,678	88,425	56,145	32,280
1987	102,652	2,837	99,818	8,927	2,895	1,116	4,916	90,888	58,164	32,724
1989	105,661	2,881	102,780	9,097	2,644	1,115	5,338	93,683	59,916	33,767
1990[1]	102,264	NA	NA	NA	NA	NA	NA	91,947	59,025	32,923
1991	104,592	2,728	101,864	8,717	2,684	1,026	5,007	93,147	59,796	33,351
1993	106,611	3,088	103,522	8,799	2,651	889	5,258	94,724	61,252	33,472
1995	109,457	3,054	106,403	8,710	2,666	917	5,128	97,693	63,544	34,150
1997	112,357	3,166	109,191	9,704	2,884	1,043	5,777	99,487	65,487	34,000
1999	115,253	2,961	112,292	9,489	2,719	971	5,799	102,803	68,796	34,007
2000[1]	119,628	NA	NA	NA	NA	NA	NA	105,719	71,249	34,470
2001	119,116	3,078	116,038	9,777	2,916	1,243	5,618	106,261	72,265	33,996
2003	120,777	3,566	117,211	11,369	3,597	1,284	6,488	105,842	72,238	33,604
2005	124,377	3,845	120,532	11,661	3,707	1,401	6,553	108,871	74,931	33,940
2007	128,203	4,402	123,801	13,109	3,852	2,017	7,240	110,692	75,647	35,045
2009	130,112	4,618	125,494	13,688	4,018	2,108	7,562	111,806	76,428	35,378
Quarterly Data										
2009[3]										
Q4	130,189	4,612	125,577	14,209	4,462	2,080	7,667	111,370	74,812	36,558
2010										
Q1	130,350	4,610	125,740	14,335	4,409	1,988	7,938	111,406	74,770	36,635
Q2	130,517	4,431	126,086	14,419	4,423	1,958	8,038	111,667	74,735	36,933
Q3	130,681	4,443	126,238	14,324	4,335	1,934	8,055	111,914	74,874	37,040
Q4	130,845	4,294	126,551	14,100	3,969	2,052	8,079	112,451	74,782	37,669

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

[1] Decennial Census of Housing.

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

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

[4] 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.

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

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

Exhibit 26. Rental Vacancy Rates: 1979–Present

Period	All Rental Units	Metropolitan Status[1]				Regions				Units in Structure		
		Inside Metro Area	In Central City	Suburbs	Outside Metro Area	North-east	Mid-west	South	West	One	Two or More	Five or More
Annual Data												
1979	5.4	5.4	5.7	5.1	5.4	4.5	5.7	6.1	5.3	3.2	6.6	7.6
1980	5.4	5.2	5.4	4.8	6.1	4.2	6.0	6.0	5.2	3.4	6.4	7.1
1981	5.0	4.8	5.0	4.6	5.7	3.7	5.9	5.4	5.1	3.3	6.0	6.4
1982	5.3	5.0	5.3	4.6	6.2	3.7	6.3	5.8	5.4	3.6	6.2	6.5
1983	5.7	5.5	6.0	4.8	6.3	4.0	6.1	6.9	5.2	3.7	6.7	7.1
1984	5.9	5.7	6.2	5.1	6.4	3.7	5.9	7.9	5.2	3.8	7.0	7.5
1985	6.5	6.3	6.6	6.0	7.1	3.5	5.9	9.1	6.2	3.8	7.9	8.8
1986	7.3	7.2	7.6	6.6	8.2	3.9	6.9	10.1	7.1	3.9	9.2	10.4
1987	7.7	7.7	8.3	6.9	7.8	4.1	6.8	10.9	7.3	4.0	9.7	11.2
1988	7.7	7.8	8.4	7.0	7.3	4.8	6.9	10.1	7.7	3.6	9.8	11.4
1989	7.4	7.4	7.9	6.6	7.7	4.7	6.8	9.7	7.1	4.2	9.2	10.1
1990	7.2	7.1	7.8	6.3	7.6	6.1	6.4	8.8	6.6	4.0	9.0	9.5
1991	7.4	7.5	8.0	6.8	7.3	6.9	6.7	8.9	6.5	3.9	9.4	10.4
1992	7.4	7.4	8.3	6.4	7.0	6.9	6.7	8.2	7.1	3.9	9.3	10.1
1993	7.3	7.5	8.2	6.6	6.5	7.0	6.6	7.9	7.4	3.8	9.5	10.3
1994	7.4	7.3	8.1	6.4	7.7	7.1	6.8	8.0	7.1	5.2	9.0	9.8
1995	7.6	7.6	8.4	6.6	7.9	7.2	7.2	8.3	7.5	5.4	9.0	9.5
1996	7.8	7.7	8.2	7.0	8.7	7.4	7.9	8.6	7.2	5.5	9.3	9.6
1997	7.7	7.5	8.1	6.9	8.8	6.7	8.0	9.1	6.6	5.8	9.0	9.1
1998	7.9	7.7	8.2	7.1	9.2	6.7	7.9	9.6	6.7	6.3	9.0	9.4
1999	8.1	7.8	8.4	7.2	9.6	6.3	8.6	10.3	6.2	7.3	8.7	8.7
2000	8.0	7.7	8.2	7.2	9.5	5.6	8.8	10.5	5.8	7.0	8.7	9.2
2001	8.4	8.0	8.6	7.4	10.4	5.3	9.7	11.1	6.2	7.9	8.9	9.6
2002	8.9	8.7	9.2	8.2	10.2	5.8	10.1	11.6	6.9	8.0	9.7	10.4
2003	9.8	9.6	10.0	9.2	10.6	6.6	10.8	12.5	7.7	8.4	10.7	11.4
2004	10.2	10.2	10.8	9.5	10.2	7.3	12.2	12.6	7.5	9.3	10.9	11.5
2005	9.8	9.7	10.0	9.4	10.5	6.5	12.6	11.8	7.3	9.9	10.0	10.4
2006	9.7	9.7	10.0	9.3	10.0	7.1	12.4	11.6	6.8	10.0	9.8	9.9
2007	9.7	9.8	10.0	9.6	9.3	7.0	11.5	12.3	6.7	9.6	10.0	10.3
2008	10.0	10.0	10.2	9.7	10.4	6.9	10.8	13.0	7.5	9.8	10.4	10.8
2009	10.6	10.7	11.1	10.2	10.4	7.2	10.7	13.4	9.0	9.8	11.3	12.3
2010	10.2	10.3	10.7	9.8	9.9	7.7	10.9	12.7	8.3	9.6	10.8	11.6
Quarterly Data												
2009												
Q4	10.7	10.7	11.2	10.2	10.8	7.2	11.2	13.7	8.9	9.6	11.5	12.5
2010												
Q1	10.6	10.6	11.3	9.8	10.7	7.5	11.0	13.2	9.0	9.7	11.3	12.1
Q2	10.6	10.6	11.1	10.2	9.5	8.3	11.3	13.2	8.0	9.4	11.4	12.2
Q3	10.3	10.3	10.5	10.1	10.4	7.4	11.5	12.9	8.1	9.8	10.8	11.8
Q4	9.4	9.5	9.8	9.1	9.1	7.5	9.6	11.5	7.9	9.3	9.6	10.4

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

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

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

Period	Total	Less Than 25 Years	25 to 29 Years	30 to 34 Years	35 to 44 Years	45 to 54 Years	55 to 64 Years	65 Years and Over
Annual Data								
1982	64.8	19.3	38.6	57.1	70.0	77.4	80.0	74.4
1983	64.6	18.8	38.3	55.4	69.3	77.0	79.9	75.0
1984	64.5	17.9	38.6	54.8	68.9	76.5	80.0	75.1
1985	63.9	17.2	37.7	54.0	68.1	75.9	79.5	74.8
1986	63.8	17.2	36.7	53.6	67.3	76.0	79.9	75.0
1987	64.0	16.0	36.4	53.5	67.2	76.1	80.2	75.5
1988	63.8	15.8	35.9	53.2	66.9	75.6	79.5	75.6
1989	63.9	16.6	35.3	53.2	66.6	75.5	79.6	75.8
1990	63.9	15.7	35.2	51.8	66.3	75.2	79.3	76.3
1991	64.1	15.3	33.8	51.2	65.8	74.8	80.0	77.2
1992	64.1	14.9	33.6	50.5	65.1	75.1	80.2	77.1
1993	64.5	15.0	34.0	51.0	65.4	75.4	79.8	77.3
1993[1]	64.0	14.8	33.6	50.8	65.1	75.3	79.9	77.3
1994	64.0	14.9	34.1	50.6	64.5	75.2	79.3	77.4
1995	64.7	15.9	34.4	53.1	65.2	75.2	79.5	78.1
1996	65.4	18.0	34.7	53.0	65.5	75.6	80.0	78.9
1997	65.7	17.7	35.0	52.6	66.1	75.8	80.1	79.1
1998	66.3	18.2	36.2	53.6	66.9	75.7	80.9	79.3
1999	66.8	19.9	36.5	53.8	67.2	76.0	81.0	80.1
2000	67.4	21.7	38.1	54.6	67.9	76.5	80.3	80.4
2001	67.8	22.5	38.9	54.8	68.2	76.7	81.3	80.3
2002[2]	67.9	22.9	38.8	54.9	68.6	76.3	81.1	80.6
2003	68.3	22.8	39.8	56.5	68.3	76.6	81.4	80.5
2004	69.0	25.2	40.2	57.4	69.2	77.2	81.7	81.1
2005	68.9	25.7	40.9	56.8	69.3	76.6	81.2	80.6
2006	68.8	24.8	41.8	55.9	68.9	76.2	80.9	80.9
2007	68.1	24.8	40.6	54.4	67.8	75.4	80.6	80.4
2008	67.8	23.6	40.0	53.5	67.0	75.0	80.1	80.1
2009	67.4	23.3	37.7	52.5	66.2	74.4	79.5	80.5
2010	66.9	22.8	36.8	51.6	65.0	73.5	79.0	80.5
Quarterly Data								
2009								
Q4	67.2	23.7	38.8	52.6	65.7	74.0	78.9	80.2
2010								
Q1	67.1	23.2	36.9	51.0	65.3	74.8	79.1	80.6
Q2	66.9	22.9	37.3	51.0	65.6	73.6	78.7	80.4
Q3	66.9	22.3	37.0	51.8	65.2	73.0	79.2	80.6
Q4	66.5	22.9	35.9	52.6	63.9	72.7	79.0	80.5

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

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

Source: Census Bureau, Department of Commerce

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

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

Period	Total	Region				Metropolitan Status[4,5]		
						Inside Metro Area		Outside Metro Area
		Northeast	Midwest	South	West	Central City	Outside Central City	
March Supplemental Data								
1983[1]	64.9	61.4	70.0	67.1	58.7	48.9	70.2	73.5
1984	64.5	60.7	69.0	67.2	58.5	49.2	69.8	72.6
1985	64.3	61.1	67.7	66.7	59.4	NA	NA	NA
1986	63.8	61.1	66.9	66.7	57.8	48.3	71.2	72.0
1987	64.0	61.4	67.1	66.9	57.9	48.7	70.9	72.5
1988	64.0	61.9	67.0	65.9	59.0	48.7	71.1	72.1
1989	64.0	61.6	67.6	66.3	58.5	48.7	70.4	73.1
1990	64.1	62.3	67.3	66.5	58.0	48.9	70.1	73.5
1991	64.0	61.9	67.3	66.1	58.8	48.3	70.4	73.2
1992	64.1	62.7	67.0	65.8	59.2	49.0	70.2	73.0
1993[2]	64.1	62.4	67.0	65.5	60.0	48.9	70.2	72.9
Annual Averages of Monthly Data								
1994	64.0	61.5	67.7	65.6	59.4	48.5	70.3	72.0
1995	64.7	62.0	69.2	66.7	59.2	49.5	71.2	72.7
1996	65.4	62.2	70.6	67.5	59.2	49.7	72.2	73.5
1997	65.7	62.4	70.5	68.0	59.6	49.9	72.5	73.7
1998	66.3	62.6	71.1	68.6	60.5	50.0	73.2	74.7
1999	66.8	63.1	71.7	69.1	60.9	50.4	73.6	75.4
2000	67.4	63.4	72.6	69.6	61.7	51.4	74.0	75.2
2001	67.8	63.7	73.1	69.8	62.6	51.9	74.6	75.0
2002[3]	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
2010	66.9	64.1	70.8	69.0	61.4	52.1	74.0	74.5
Quarterly Averages of Monthly Data								
2009								
Q4	67.2	63.9	71.3	69.1	62.3	53.0	74.0	74.6
2010								
Q1	67.1	64.4	70.9	69.2	61.9	52.6	74.2	74.6
Q2	66.9	64.2	70.8	69.1	61.4	52.0	74.3	74.2
Q3	66.9	63.9	71.1	69.1	61.3	52.0	74.0	75.1
Q4	66.5	64.1	70.5	68.5	61.0	52.0	73.6	74.1

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

[4] 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.

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

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

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

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

Period	Non-Hispanic				Hispanic
	White Alone	Black Alone	Other Race Alone	Two or More Races[4]	
March Supplemental Data					
1983[1]	69.1	45.6	53.3	NA	41.2
1984[r]	69.0	46.0	50.9	NA	40.1
1985	69.0	44.4	50.7	NA	41.1
1986	68.4	44.8	49.7	NA	40.6
1987	68.7	45.8	48.7	NA	40.6
1988[r]	69.1	42.9	49.7	NA	40.6
1989	69.3	42.1	50.6	NA	41.6
1990	69.4	42.6	49.2	NA	41.2
1991	69.5	42.7	51.3	NA	39.0
1992	69.6	42.6	52.5	NA	39.9
1993[2]	70.2	42.0	50.6	NA	39.4
Annual Averages of Monthly Data					
1994	70.0	42.5	50.8	NA	41.2
1995	70.9	42.9	51.5	NA	42.0
1996	71.7	44.5	51.5	NA	42.8
1997	72.0	45.4	53.3	NA	43.3
1998	72.6	46.1	53.7	NA	44.7
1999	73.2	46.7	54.1	NA	45.5
2000	73.8	47.6	53.9	NA	46.3
2001	74.3	48.4	54.7	NA	47.3
2002[3]	74.7	48.2	55.0	NA	47.0
2003	75.4	48.8	56.7	58.0	46.7
2004	76.0	49.7	59.6	60.4	48.1
2005	75.8	48.8	60.4	59.8	49.5
2006	75.8	48.4	61.1	59.9	49.7
2007	75.2	47.8	60.3	59.0	49.7
2008	75.0	47.9	59.8	57.8	49.1
2009	74.8	46.6	59.7	56.0	48.4
2010	74.4	45.9	58.8	55.6	47.5
Quarterly Averages of Monthly Data					
2009					
Q4	74.5	46.3	60.8	56.8	48.4
2010					
Q1	74.5	46.1	59.4	56.6	48.5
Q2	74.4	46.6	57.5	53.6	47.8
Q3	74.7	45.5	59.5	53.6	47.0
Q4	74.2	45.3	58.9	58.6	46.8

NA = Not available.

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

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

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

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

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

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

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

Period	Married Couples		Other Families		Other
	With Children	Without Children	With Children	Without Children	
March Supplemental Data					
1983[1]	75.0	80.8	38.3	67.5	44.5
1984[r]	74.2	80.9	39.1	66.4	44.6
1985	74.0	81.1	38.6	65.4	45.0
1986	73.4	81.4	38.0	65.7	43.9
1987	73.8	81.6	37.6	66.3	43.9
1988[r]	73.9	81.7	38.0	64.9	44.6
1989	74.3	82.0	35.8	64.4	45.6
1990	73.5	82.2	36.0	64.3	46.6
1991	73.0	83.0	35.6	65.6	46.8
1992	73.4	83.0	35.1	64.9	47.3
1993[2]	73.7	82.9	35.5	63.9	47.1
Annual Averages of Monthly Data					
1994	74.3	83.2	36.1	65.3	47.0
1995	74.9	84.0	37.7	66.2	47.7
1996	75.8	84.4	38.6	67.4	48.6
1997	76.5	84.9	38.5	66.4	49.2
1998	77.3	85.4	40.4	66.0	49.7
1999	77.6	85.7	41.9	65.8	50.3
2000	78.3	86.1	43.2	65.8	50.9
2001	78.8	86.6	44.2	66.1	51.7
2002[3]	78.6	86.8	43.5	66.3	52.3
2003	79.1	87.0	43.8	66.5	52.7
2004	79.7	87.7	45.3	67.8	53.5
2005	80.3	87.5	45.2	67.4	53.3
2006	79.9	87.6	45.2	67.6	53.4
2007	79.4	87.5	44.2	65.7	52.7
2008	78.9	87.1	43.3	66.1	52.7
2009	78.0	86.7	42.4	65.4	52.6
2010	76.4	86.6	41.6	66.0	52.8
Quarterly Averages of Monthly Data					
2009					
Q4	78.2	86.3	42.0	65.1	52.7
2010					
Q1	77.3	86.6	42.4	66.4	52.3
Q2	76.2	86.8	42.1	66.2	52.7
Q3	76.0	87.1	41.3	64.6	53.3
Q4	76.2	85.9	40.7	66.7	52.9

[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.)