HUD PD&R National Housing Market Summary

Housing Market Indicators Overall Portrayed a Rebound from the Second Quarter

Housing market activity improved in the third quarter of 2020, after declining in the previous quarter due to the implementation of COVID-19 restrictions in mid-March and the resulting economic tightening. New construction rose for single-family and multifamily housing. For both new and previously owned (existing) homes, purchases rose, but the inventory of homes for sale declined. The seasonally adjusted (SA) Federal Housing Finance Agency (FHFA) and CoreLogic Case-Shiller® repeat-sales house price indices showed annual house price increases accelerated in the third quarter.

Based on its National Delinquency Survey, the Mortgage Bankers Association (MBA) reported that the overall mortgage delinquency rate improved in the third quarter. ATTOM Data Solutions recorded a decline in both newly initiated and completed foreclosures, although this is likely a consequence of the continuing foreclosure moratoria. The Census Bureau recorded a decrease in the national homeownership rate but cautioned that COVID-19 had affected data collection procedures and the resulting estimates. According to the Bureau of Economic Analysis second estimate, the U.S. economy expanded at a seasonally adjusted annual rate (SAAR) of 33.1 percent, following a decline of 31.4 percent in the second quarter. Real residential investment, which includes investment in new homes and the remodeling of existing homes, rose 62.3 percent following a 35.6-percent decline in the second quarter and increased real GDP growth by 2.17 percentage points, following a 1.60-percentage-point reduction in the second quarter.

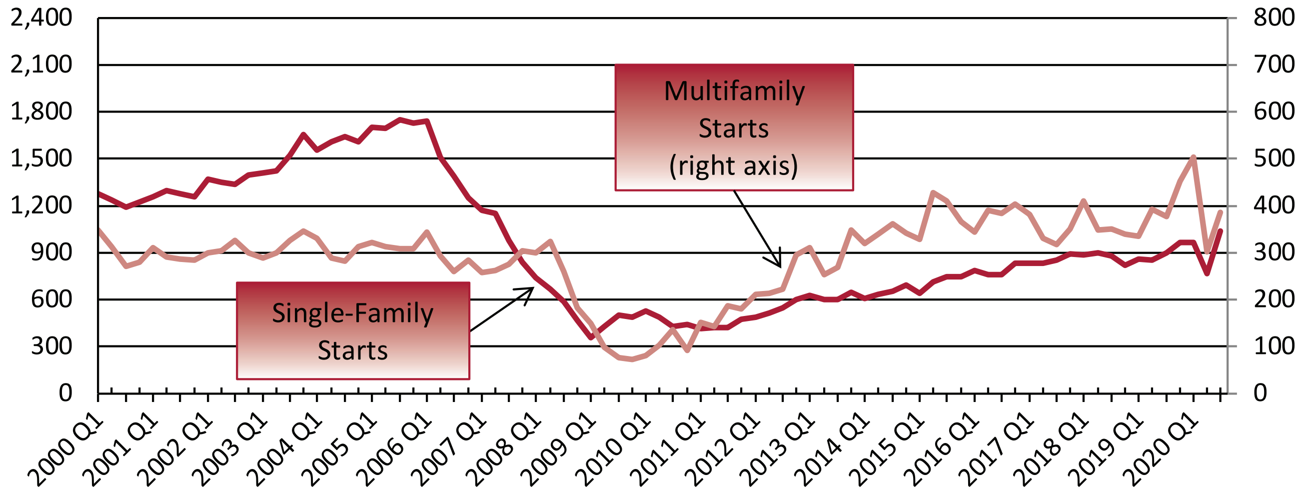
Housing Supply

New construction rebounded from a second quarter slump brought about by government restrictions on construction activity in response to the pandemic. Housing starts on single-family homes, at 1.041 million units (SAAR) in the third quarter of 2020, rose 36 percent from the previous quarter and 16 percent from the previous year. The pace of single-family housing starts is 81 percent of the average annual rate (AR) of 1.29 million units in the years from 2000 to 2002, before the housing bubble began. Multifamily housing starts, at 387,000 units (SAAR) in the third quarter, were up 28 percent from the previous quarter and 2 percent from one year ago. The pace during the period prior to the housing bubble (2000-2002) was 300,000 units (AR). Single-family housing starts were slow to bounce back during the housing recovery, and their market share has oscillated since. The shares of single-family and multifamily housing starts, at 72 and 27 percent, respectively, in the third quarter, were close to their historic norms. New construction of single-family and multifamily housing historically has averaged respective market shares of 72 and 24 percent, with two- to four-unit structures making up the rest of the market. The share of single-family housing starts had fallen to a low of 62 percent in the second quarter of 2015 from 80 percent in the years before the housing bubble (2000-2002). In contrast, because of a relatively strong rental market during the recovery period, the share of multifamily starts had grown from 18 to 37 percent during the same period.

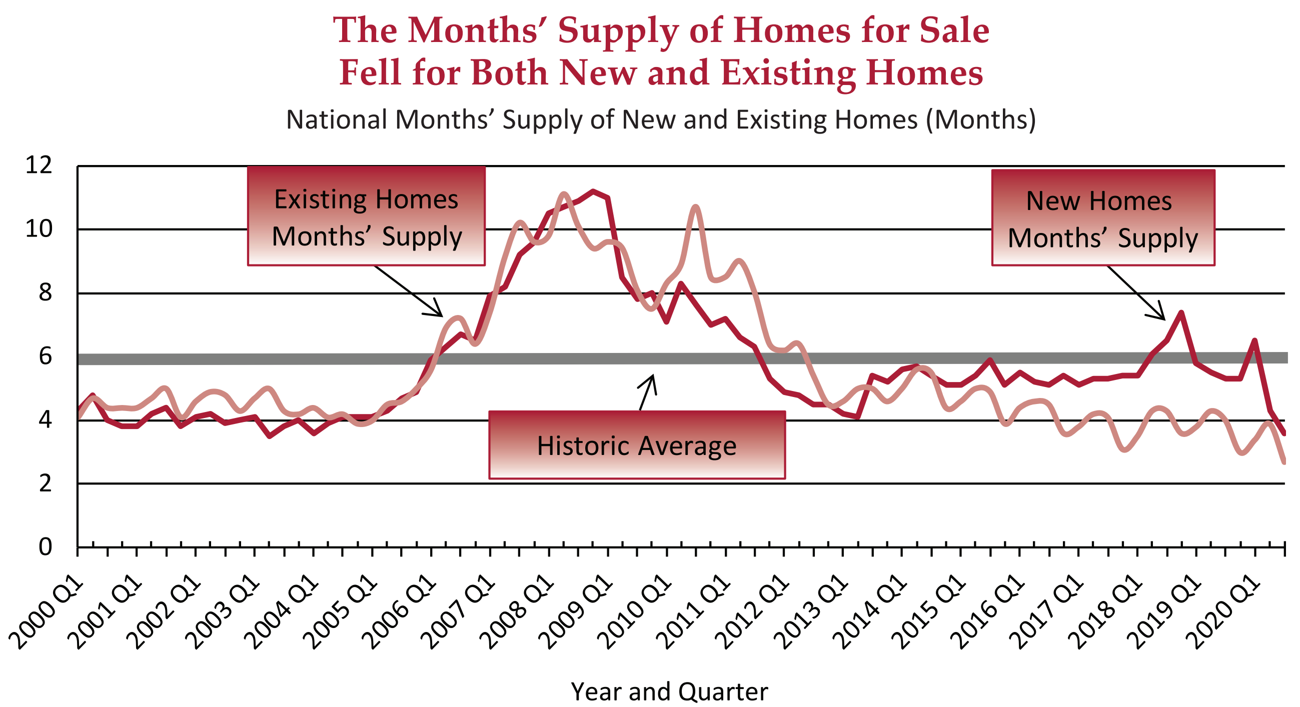
The inventory of homes on the market declined for both new and existing homes. The listed inventory of new homes for sale at the end of the third quarter was 278,000 units (SA), a decrease of 7 percent from the previous quarter and 13 percent from the previous year. The supply of new homes on the market would support 3.3 months of sales at the current sales pace—the lowest on record since first calculated in 1963—and was down from 4.3 months the previous quarter and 5.3 months the previous year. The listed inventory of existing homes for sale, at 1.46 million units, was down 5 percent from the second quarter and 20 percent over the four-quarter period. That inventory represents a 2.7-month supply of homes for sale—a record low—and is down from 3.9 months at the end of the previous quarter and 4.0 months one year ago. The long-term average for months' supply of homes on the market is about 6.0 months. An increase in inventories would improve home sales because the low ratio of inventories to sales indicates that if more homes were offered for sale, they would be purchased, leading to a stronger housing market recovery. Homeowners are staying in their homes longer, which is one factor contributing to low inventories. According to the NAR 2020 Profile of Home Buyers and Sellers report, the national median number of years a homeowner owned their home before selling remained at a high of 10 years in 2020, the same as it has been since 2016. Historically, the NAR survey has found that homeowners typically remained in their homes for six to seven years. (https://www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers).

Construction Starts Rose for Both Single-Family and Multifamily Housing

National Housing Starts (Thousands)



Seasonally Adjusted Annual Rate
Sources: Census Bureau and HUD.



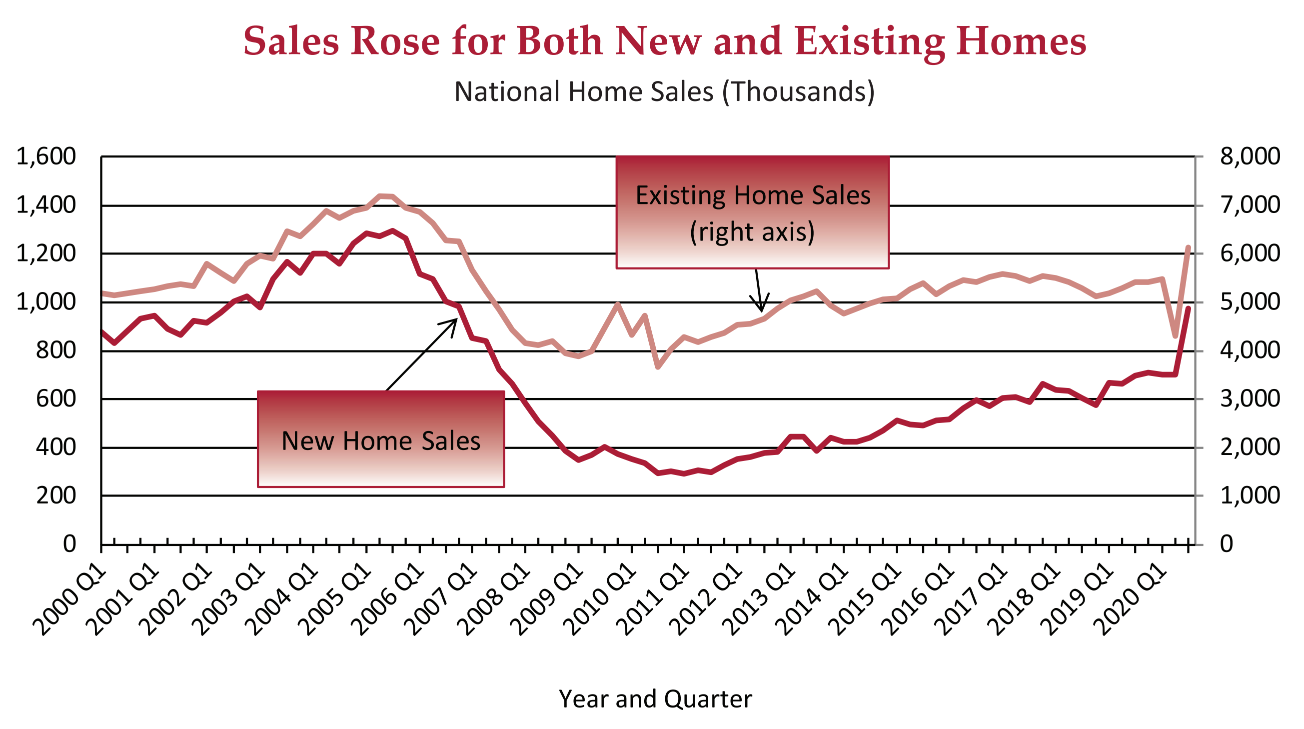
Sources: Census Bureau, National Association of Realtors®, and HUD.

Housing Demand

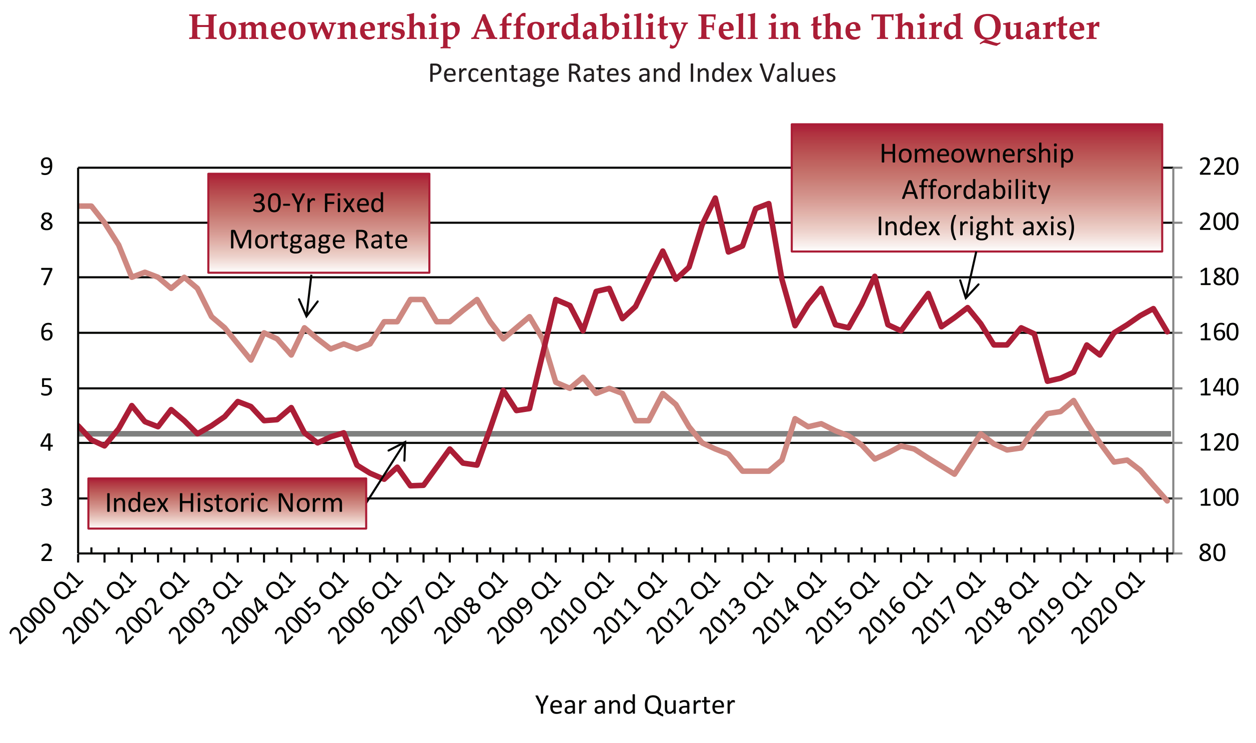
Sales rebounded for both new and existing homes as buyers ventured out after observing stay-at-home orders in many states in the second quarter. Purchases of new single-family homes, at 994,000 units (SAAR) in the third quarter, surged 41 percent from the previous quarter and were up 42 percent over the four-quarter period. The average annual pace of new home sales was 617,000 in 2018 and 683,000 in 2019. The National Association of Realtors® (NAR) reported that existing homes—including single-family homes, townhomes, condominiums, and cooperatives—sold at a pace of 6.14 million (SAAR) in the third quarter, up 42 percent from the previous quarter and 13 percent from year-ago levels. Previously owned homes sold at an average annual pace of 5.34 million in both 2018 and 2019. Sales to first-time buyers accounted for 33 percent of all sales transactions, down from 35 percent in the second quarter and below the historic norm of 39 percent. More stringent bank lending standards, low sales inventory, and slow growth in income relative to house prices have recently hampered growth in sales. Historically, existing home sales accounted for 85 percent of the market, with new home sales representing the remaining 15 percent. The share of existing home sales began to rise in 2007, reaching a high of 94 percent in 2011. The current market shares of existing and new home sales are near their historic norms, with respective rates of 86 and 14 percent. In terms of average sales, the ratio of existing to new home sales historically has been 6 to 1, which is the current ratio, although that ratio has fallen since 2011 when it reached 14 to 1.

Year-over-year house price increases accelerated, with annual returns ranging from 6 to 8 percent. The FHFA (SA) purchase-only repeat-sales house price index showed U.S. home prices appreciating at a 3.1-percent rate in the third quarter, up from a 1.0-percent pace in the previous quarter. House prices rose at a 7.8-percent annual pace, up from a 5.6-percent annual gain in the second quarter. The CoreLogic Case-Shiller® (SA) national repeat-sales house price index estimated a 2.1-percent rise in house prices for the third quarter, up from a 1.0-percent rise the previous quarter. House prices increased over the four-quarter period by 5.8 percent, up from the previous quarter's 4.4-percent annual return. House prices continue to increase faster than the general price level and wages, which had respective gains of 1.2 and 4.6 percent over the same four-quarter period. According to both house price indices, home prices peaked during the housing bubble in the first quarter of 2007. The FHFA index indicates that home prices are 31 percent above their previous peak, whereas the CoreLogic Case-Shiller® index shows home values 21 percent above their previous high point. The FHFA index differs from the CoreLogic Case-Shiller® index mainly because the FHFA index, unlike the CoreLogic Case-Shiller® index, is based on sales financed only with mortgages that have been sold to or guaranteed by Fannie Mae and Freddie Mac, excludes sales transactions associated with subprime and some "jumbo" loans, and is transaction weighted rather than value weighted. According to NAR, distressed sales, which tend to sell at lower prices, accounted for 1 percent of all existing home sales, down from 3 percent one year ago. Investor purchases, which tend to put upward pressure on prices, accounted for 14 percent of existing home sales, up from 11 percent one year ago.

The absorption rate remained the same for new condominiums and cooperatives and rose for new apartments, after households delayed moves the previous quarter. Of newly completed condominiums and cooperatives in the second quarter, 61 percent sold within 3 months, unchanged from the previous quarter but up from 54 percent one year ago. Of new apartments completed in the second quarter, 61 percent were leased within the ensuing 3 months, up from 43 percent the previous quarter and 55 percent a year earlier.



Seasonally Adjusted Annual Rates
Sources: Census Bureau, HUD, and National Association of Realtors®.



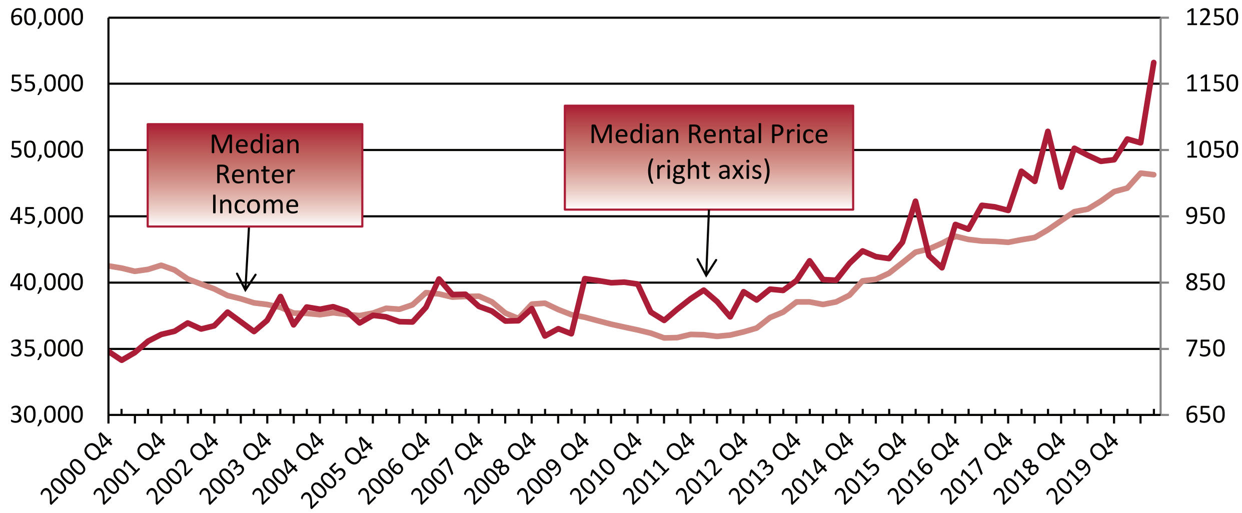
The historic norm of 130 is the median value of the affordability index based on data since 1989.
Sources: Freddie Mac and National Association of Realtors®.

The affordability of purchasing a home declined. The NAR Fixed Housing (Homeownership) Affordability Index fell 5.0 percent to 160.3 in the third quarter but was up slightly (0.2 percent) from a year earlier. The decrease in the ability to purchase a home resulted from an increase in the median price of a single-family home and a decline in Median Family Income, which more than offset a decrease in the mortgage interest rate. The homeownership affordability index peaked in the first quarter of 2012, at 209.0, and fell sharply through the third quarter of 2013, as home prices climbed, and mortgage rates rose. Moderate changes in mortgage rates and fluctuating median house prices caused the series to oscillate between the third quarter of 2013 and the fourth quarter of 2016. Affordability remained at lower levels as interest rates rose through mid-2018 but has improved for the most part since as mortgage rates hover at historically low levels. The NAR Housing Affordability Index is a measure of the ability of the median-income family to purchase a median-priced home under current underwriting standards.

The affordability of renting a home fell, although the median rental price underlying this estimate was affected by the same pandemic-induced survey issues influencing the homeownership and vacancy rates (see Homeownership and Housing Vacancy section for more detail). HUD's Rental Affordability Index (RAI), at 101.8 in the third quarter, dropped 10.5 percent from 113.8 in the previous quarter—reaching a new low point. The RAI was down 8.8 percent over the four-quarter period. The decline in the affordability of leasing a home resulted from an 11.4-percent increase in the real, or inflation-adjusted, median price of leased homes and a 0.3-percent decrease in the inflation-adjusted median income of renter households. After reaching a high point the first quarter of 2001, the ability to lease a home declined until the end of 2010; it improved modestly through the end of 2017, before reaching a second low point the third quarter of 2018. The current quarter's RAI (101.8) is slightly lower than the previous low point (102.0). Rental affordability is down 27 percent from its peak in the beginning of 2001. Note that a RAI value of greater than 100 indicates that a renter household with median income has more than enough income to qualify for a median-priced rental home.

The Affordability of Renting Has Declined as Rising Rents Outpace Income Growth*

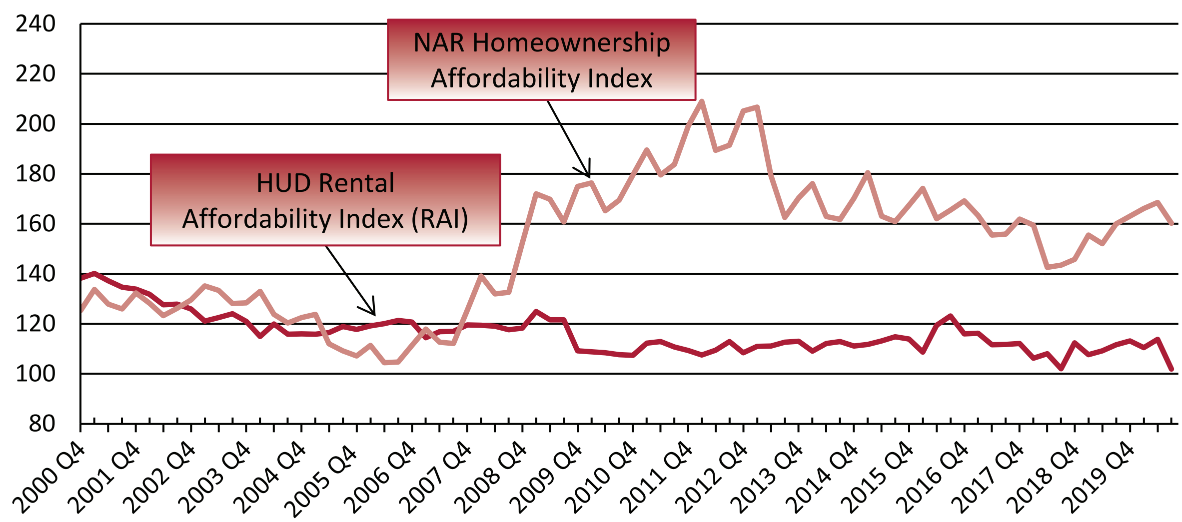
Income and Rents (2019 Dollars)



*** NOTE: The Q2 and Q3 2020 Median Rental Price (MRP) estimates are based on CPS/HVS surveys conducted under COVID-19 restrictions, which may have affected the results and should be viewed with caution. The MRP will be revised when ACS rental price data become available.**
Sources: Census Bureau ACS and 2000 Decennial Census, BLS CPI, CES and CPS/HVS, and HUD.

Rental Affordability Remains a Challenge Due to Rising Rents*

Rental and Homeownership Index Values



*** NOTE: The Q2 and Q3 Median Rental Prices underlying the RAI are based on CPS/HVS surveys conducted under COVID-19 restrictions, which may have affected the results and should be viewed with caution. The RAI will be revised when ACS rental price data become available.**
Sources: National Association of Realtors®, Census Bureau ACS and 2000 Decennial Census, BLS CPI, CES and CPS/HVS, and HUD.

Housing Finance and Investment

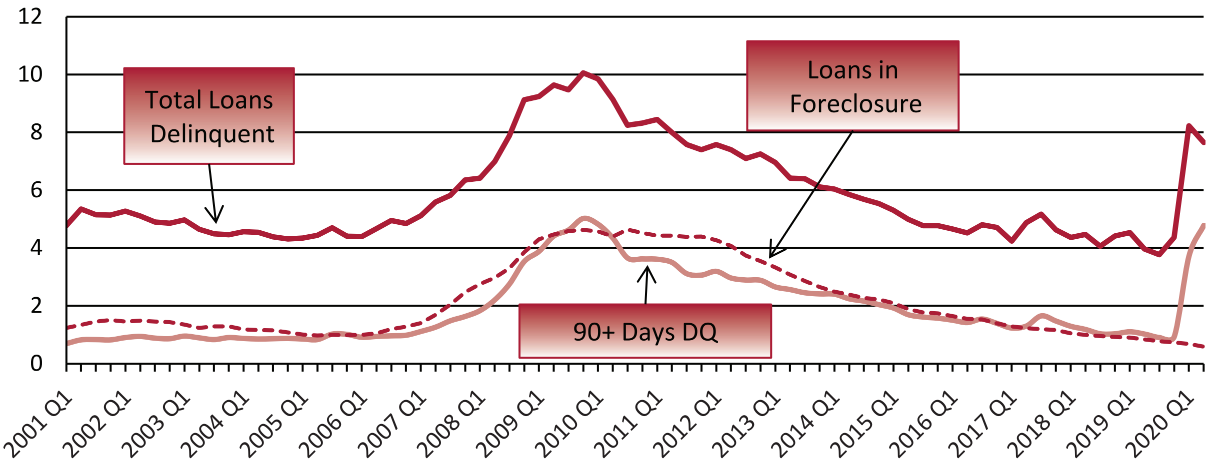
The overall mortgage delinquency rate improved in the third quarter. The delinquency rate on mortgages of one- to four-unit residential properties, at 7.65 percent (SA) in the third quarter and representing 4.054 million borrowers, was down from 8.22 percent in the second quarter but up from 3.97 percent one year ago, according to MBA's quarterly National Delinquency Survey (NDS). The overall delinquency rate reflects the COVID-19 pandemic's impact on the ability of homeowners to make their mortgage payments. Mortgage delinquency rates fell for all loan types except VA loans. The conventional delinquency rate decreased to 5.93 percent from 6.68 percent; the FHA delinquency rate decreased to 15.59 percent from 15.65 percent; but the VA delinquency rate increased to 8.16 percent from 8.05 percent. The 30-day and 60-day delinquency rates for all loans declined, with the 30-day rate reaching its lowest level (1.86 percent) since the survey began in 1979. The 90-day-or-more delinquency rate, however, continued to increase, rising from 3.72 percent to 4.78 percent, the highest rate since the second quarter of 2010. Note that loans in forbearance are recorded as delinquent in the MBA survey if payments are not made based on the original terms of the mortgage. Currently, most borrowers are protected from foreclosure for up to one year under the federal forbearance plans and foreclosure moratoriums that are in place until at least the end of December 2020. The MBA Forbearance Survey estimates that 3.4 million mortgages were in forbearance at the end of the third quarter. However, a substantial proportion of these borrowers (21.1 percent) were up to date on their mortgage payments. At 0.03 percent of active loans, the foreclosure starts rate remained unchanged but was down from 0.21 percent one year ago. The low rate reflects the federal government's forbearance plans and foreclosure moratoriums. The historic average rate of newly initiated foreclosures is 0.45 percent. The rate of loans in the foreclosure process was 0.59 percent, down from 0.68 percent and the lowest rate since 1982.

Newly initiated and completed foreclosures declined. According to ATTOM Data Solutions®, foreclosure starts—default notices or scheduled foreclosure auctions, depending on the state—were filed for the first time on 15,130 U.S. properties in the third quarter, down 15 percent from the previous quarter and 81 percent over the four-quarter period. The pre-crisis average of foreclosure starts in 2005 and 2006 was 156,800 per quarter. Lenders completed the foreclosure process (bank repossessions or REO [real estate owned] properties) on 6,200 U.S. properties in the third quarter, down 22 percent from the previous quarter and 82 percent from one year ago. The pre-crisis (2005 and 2006) average of foreclosure completions was 69,400 per quarter. Moratoriums issued by the federal government on foreclosures and evictions due to the COVID-19 pandemic—which have been extended through at least December 31, 2020—impacted the rate of foreclosures.

Homeowners' equity increased at a modest pace in the second quarter, and the number of underwater borrowers continued to decline. The Federal Reserve reported that homeowners' equity (total property value less mortgage debt outstanding) rose $368 billion in the second quarter of 2020 (the data are reported with a lag), to nearly $20.2 trillion. During the housing bubble, equity peaked at $14.4 trillion in the fourth quarter of 2005. Owners' equity has grown by more than $11.8 trillion since the beginning of 2012, when it first began to show fairly strong gains after the Great Recession. The increase in home equity reflects house price appreciation, fewer distressed borrowers, and increased principal repayment, with house price gains the largest explanatory factor. According to CoreLogic, 1.7 million homes, or 3.2 percent of residential properties with a mortgage, were under water in the second quarter (the data are reported with a lag), down from 1.8 million homes, or 3.4 percent in the first quarter. Since the beginning of 2012, the number of underwater borrowers (those who owe more on their mortgage than the value of their home) has fallen nearly 86 percent—from 12.1 to 1.7 million—or by 10.4 million homeowners. The decline in the number of homes in negative equity puts more homeowners in a position to sell their home and could help ease the current low level of homes for sale.

The Overall Mortgage Delinquency Rate Declined

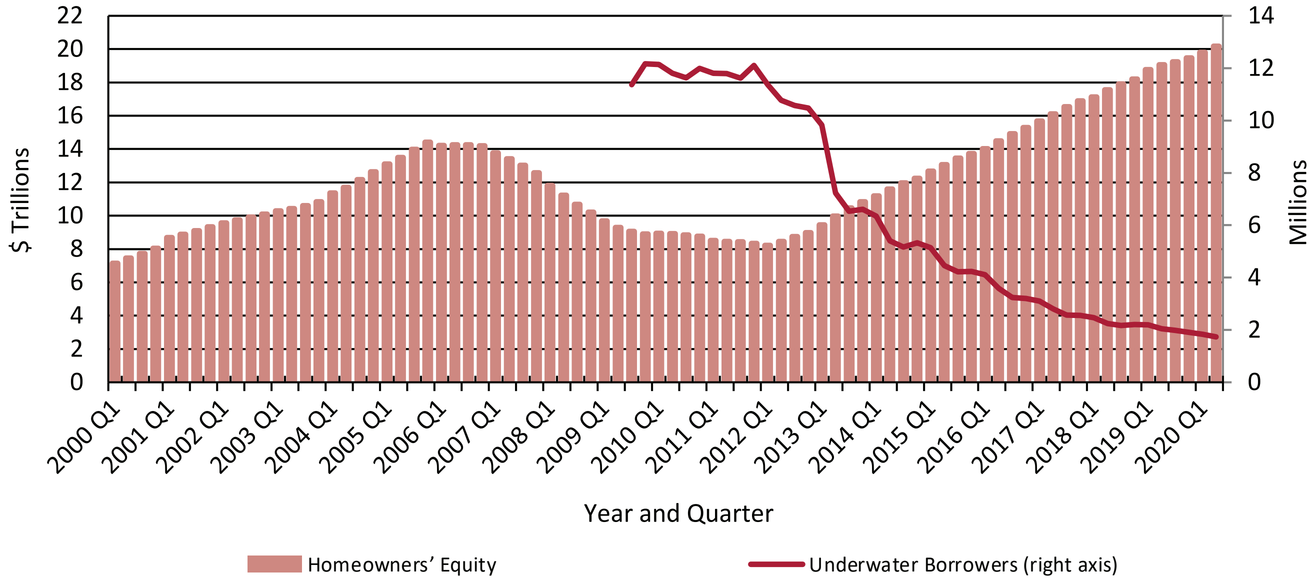
National Mortgage Delinquency and Foreclosure Inventory Rates (Percent)



Delinquent (DQ) loans do not include loans in foreclosure. All data are seasonally adjusted except data for loans in foreclosure.
Source: Mortgage Bankers Association.

Housing Wealth Has Shown Modest Gains in the Last Five Quarters

Owners' Equity ($ Trillions) and Number of Underwater Borrowers (Millions)



Data for underwater borrowers are only available beginning the third quarter of 2009.
Sources: Federal Reserve Board and CoreLogic.

Homeownership and Housing Vacancy

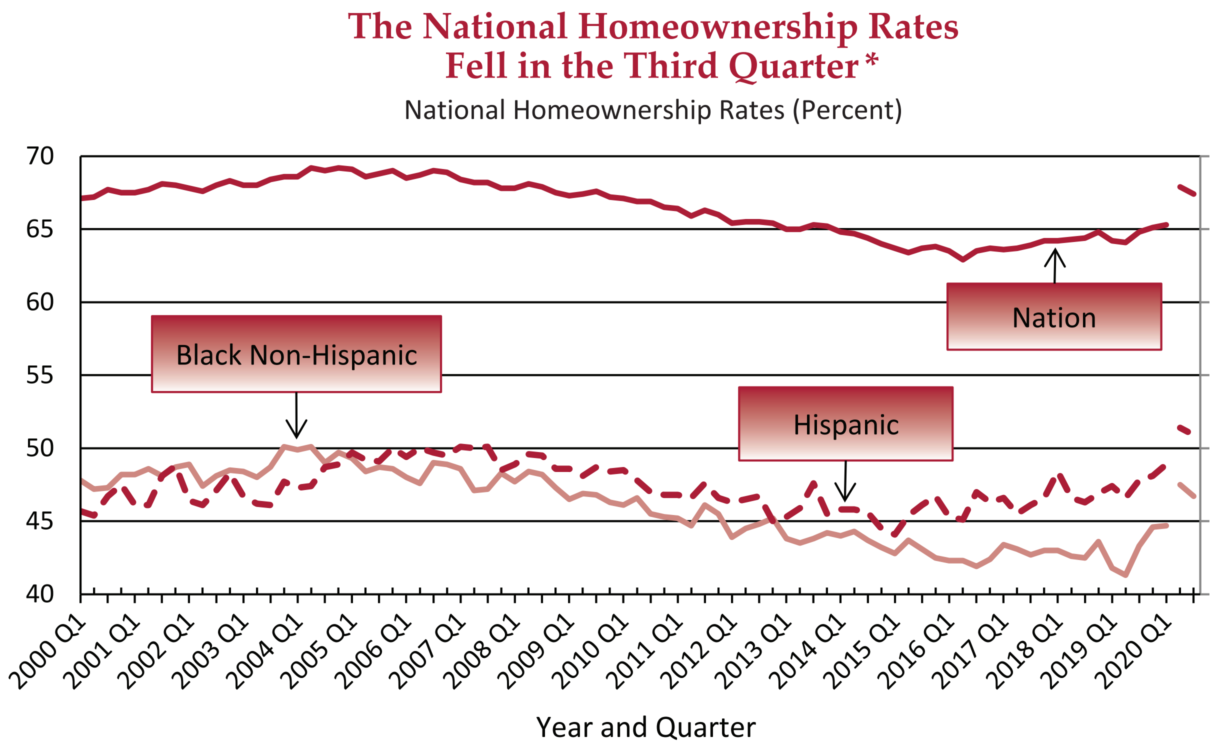
The Census Bureau reported that the U.S. homeownership rate declined to 67.4 percent in the third quarter. The national homeownership rate was recorded at 67.9 percent in the second quarter of 2020 and 64.8 percent one year ago. The Census Bureau views the second and third quarter homeownership rates as a break in the series because COVID-19 prevented normal data collection procedures; the data should be viewed with caution. The Census Bureau suspended in-person interviews on March 20, 2020 and conducted the second quarter survey solely by telephone interviews. The response rate fell to 67 percent in the second quarter from 79 percent in the first quarter and one year ago. In-person interviews were incrementally added back in the third quarter, with 39 percent added back in July, 50 percent in August, and 100 percent in September, which likely contributed to the decline in the homeownership rate. For a description of the methodology, see: (https://www.census.gov/housing/hvs/files/qtr320/source_20q3.pdf.) The historic norm for the national homeownership rate since 1965 is 65.2 percent. In the third quarter, the Census Bureau reported that the homeownership rate for White non-Hispanic households dropped to 75.8 from 76.0 percent; for Black non-Hispanic households, the rate decreased to 46.7 percent from 47.5 percent; and for Hispanic households, the rate fell to 50.9 percent from 51.4 percent. The homeownership rate declined to 61.4 percent from 62.6 percent for other-race non-Hispanic households and fell to 52.8 from 55.5 percent for two-or-more-races non-Hispanic households. Compared with the early 2000s, the recent relatively low homeownership rates reflect the subprime lending crisis and the high rates of unemployment and underemployment as a result of the severe 2007–2009 recession. More recently, low inventories of homes for sale, slower income growth relative to house prices, fluctuating mortgage rates, and restrictive credit markets have affected homeownership.

A 2020 NAR annual survey of homebuyers revealed that the share of homebuyers making their first purchase was 31 percent, down from 33 percent in their 2019 report and the lowest share since 1987 when it was 30 percent. The annual survey may somewhat overstate the share of first-time homebuyers, however, because the annual survey represents owner-occupants, and few investors respond to the survey as absentee owners. The historic norm for sales to first-time buyers is 39 percent. Numerous studies have found that both high debt-to-income ratios for young adults burdened with student loans and tighter credit and lending standards are key factors in keeping the homeownership rate relatively low for young adults. It has been more than thirteen years since the foreclosure crisis began in 2007. Over the past six years, those who lost their home to foreclosure during the crisis have been positioned to re-enter the housing market as the foreclosure record is removed from their credit history after seven years. The current tight credit environment, fluctuating interest rates, and higher home prices have prevented some from re-entering the housing market, however.

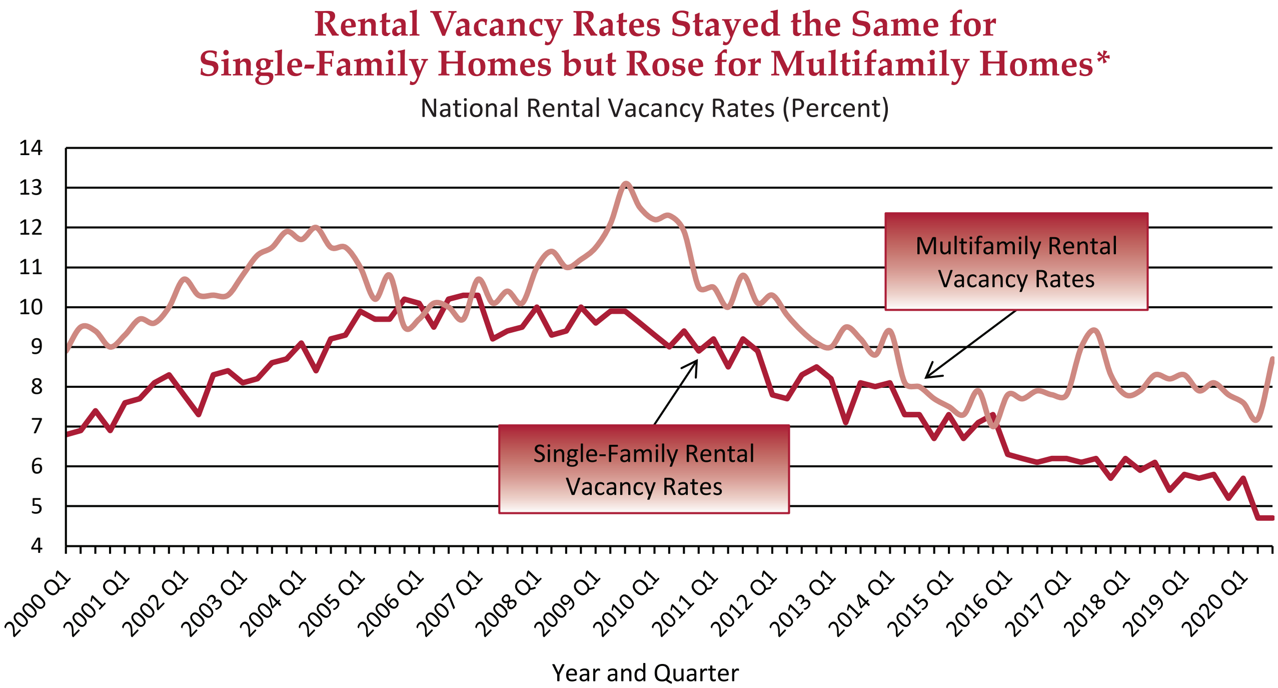
The rental market vacancy rate stayed the same for single-family homes but rose for multifamily homes, although these estimates were affected by the same pandemic-induced survey issues affecting homeownership rate estimates. According to the U.S. Census Bureau, the overall vacancy rate in the rental market was 6.4 percent in the third quarter, up from 5.7 percent the previous quarter but down from 6.8 percent in the third quarter of 2019. The single-family rental vacancy rate remained the same at 4.7 percent in the third quarter but was down from 5.8 percent one year ago. Vacancies in the rental market for multifamily units (five or more units in a structure) climbed to 8.7 percent from 7.2 percent in the second quarter and was up from 8.1 percent a year earlier. In addition to single-family and multifamily homes, the overall vacancy rate includes homes with two-to-four units in a structure.

The number of households grew so far this year, although this estimate was also affected by the

same survey issues affecting homeownership and vacancy rate estimates. The number of U.S. households increased 2.5 percent to 126.0 million by the end of the third quarter of 2020, according to the Census Bureau's CPS/HVS (Current Population Survey/ Housing Vacancy Survey). Household formation fell to an annual rate of 0.5 percent during the severe 2007–2009 recession, compared with 1.3-percent growth from 2001 to 2006. In the years immediately following the Great Recession, young people were slow to form households, with an average annual growth rate of only 0.7 percent from 2010 to 2013. The pace has picked up since, with an average annual growth rate of 1.1 percent from 2014 to 2019.



*** NOTE: The Q2 and Q3 2020 homeownership rates represent a break in the series because they are based on surveys conducted under COVID-19 restrictions and should be viewed with caution. The historic norm of 65.2 percent is the average national homeownership rate since 1965.**
Sources: Census Bureau, BLS and HUD.



* NOTE: The Q2 and Q3 2020 vacancy rates represent a break in the series because they are based on surveys conducted under COVID-19 restrictions and should be viewed with caution. Source: Census Bureau and BLS.

HUD PD&R **National Housing Market Summary**

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

U.S. NATIONAL HOUSING INDICATORS

Note: Change from Prior Period May be Shown as a Percent Change or Percentage-Point Change

Indicator	Current Quarter	Previous Quarter		Year-Ago Quarter	Change From Previous Quarter		Change From Year-Ago Quarter		Current Quarter as-of Date
HOUSING SUPPLY									
Housing Permits (SAAR, thousands)									Q3 2020
Total	1,501	1,180		1,425	27.2%	(s)	5.3%	(s)	
Single-Family	1,043	751		882	38.9%	(s)	18.2%	(s)	
Multifamily (5+)	1,043	391		501	166.7%	(s)	108.1%	(s)	
Housing Starts (SAAR, thousands)									Q3 2020
Total	1,440	1,079	(r)	1,288	33.4%	(s)	11.8%	(s)	
Single-Family	1,041	766	(r)	897	35.9%	(s)	16.0%	(s)	
Multifamily (5+)	387	303	(r)	378	27.6%	(s)	2.3%	(n)	
Under Construction (SA, thousands)									Q3 2020
Total	1,209	1,184	(r)	1,156	2.1%	(n)	4.6%	(n)	
Single-Family	541	509	(r)	521	6.3%	(s)	3.8%	(n)	
Multifamily (5+)	657	663	(r)	624	-0.9%	(n)	5.3%	(s)	
Housing Completions (SAAR, thousands)									Q3 2020
Total	1,320	1,212	(r)	1,215	8.9%	(s)	8.7%	(s)	
Single-Family	919	884	(r)	901	4.0%	(n)	2.0%	(n)	
Multifamily (5+)	390	319	(r)	306	22.4%	(s)	27.7%	(s)	
New Homes for Sale (SA)									Q3 2020
Inventory (thousands)	278	300	(r)	321	-7.3%	(s)	-13.4%	(s)	
Months' Supply (months)	3.3	4.3	(r)	5.3	-23.3%	(s)	-37.7%	(s)	
Existing Homes for Sale									Q3 2020
Inventory (NSA, thousands)	1,460	1,540		1,820	-5.2%	(u)	-19.8%	(u)	
Months' Supply (months)	2.7	3.9		4.0	-30.8%	(u)	-32.5%	(u)	
Manufactured Home Shipments (SAAR, thousands)	94.7	81.3	(r)	96.3	16.4%	(u)	-1.7%	(u)	Q3 2020

SA = seasonally adjusted. NSA = not seasonally adjusted. SAAR = seasonally adjusted annual rate. r = revised. s = statistically significant. n = not statistically significant. u = statistical significance unavailable.
FHFA = Federal Housing Finance Agency. Z = Suppressed for data quality reasons.
Note: Components may not add to totals because of rounding.

U.S. NATIONAL HOUSING INDICATORS (continued)

Note: Change from Prior Period May be Shown as a Percent Change or Percentage-Point Change

Indicator	Current Quarter	Previous Quarter		Year-Ago Quarter	Change From Previous Quarter		Change From Year-Ago Quarter		Current Quarter as-of Date
HOUSING DEMAND									
Home Sales (SAAR)									Q3 2020
New Homes Sold (thousands)									
Single-Family	994	703	(r)	698	41.5%	(s)	42.5%	(s)	
Existing Homes Sold (thousands)									
Single-Family, Townhomes, Condos, Co-ops	6,137	4,313		5,427	42.3%	(u)	13.1%	(u)	
Condos and Co-ops	633	390		587	62.4%	(u)	8.0%	(u)	
First-Time Buyers (%)	33	35		32	-2	(u)	1	(u)	
Investor Sales (%)	14	11	(r)	13	3	(u)	1	(u)	
Home Sales Prices									Q3 2020
Median ($)									
New Homes	324,900	322,600	(r)	318,400	-4.2%	(u)	-2.9%	(u)	
Existing Homes	309,100	288,267		276,900	7.2%	(u)	11.6%	(u)	
Repeat-Sales Home Price Indices									
FHFA (SA)	293.2	284.4	(r)	222.5	3.1%	(u)	31.8%	(u)	
CoreLogic Case-Shiller (SA)	222.5	217.8	(r)	210.2	2.1%	(u)	5.8%	(u)	
Homeownership Affordability									Q3 2020
Fixed Index	160.3	168.7	(r)	159.9	-5.0%	(u)	0.2%	(u)	
National Average Mortgage Interest Rate (%)	3.0	3.3		3.7	-8.6%	(u)	-0.7	(u)	
Median-Priced Existing Single-Family Home ($)	313,500	291,100	(r)	280,000	7.7%	(u)	12.0%	(u)	
Median Family Income ($)	81,477	82,471		79,194	-1.2%	(u)	2.9%	(u)	
Rental Affordability									
HUD's Rental Affordability Index[1]	101.8	113.8	(r)	111.7	-10.5%	(u)	-8.8%	(u)	Q3 2020
Multifamily Housing									
Apartments									
Completed Previous Quarter (thousands)	68.4	62.6	(r)	68.6	9.3%	(s)	Z	(u)	Q2 2020
Leased Current Quarter (%)	61	43	(r)	55	18.0	(s)	6.0	(s)	Q3 2020
Median Asking Rent ($)	1,560	1,610	(r)	1,640	-3.1%	(n)	-4.9%	(n)	
Condos and Co-ops									
Completed Previous Quarter (thousands)	2.5	3.6	(r)	7.3	-31.6%	(n)	-65.7%	(s)	Q2 2020
Sold Current Quarter (%)	61	61	(r)	54	0.0	(n)	7.0	(n)	Q3 2020
Median Asking Price ($)	1,064,000	713,100	(r)	646,700	49.2%	(u)	64.5%	(u)	
Manufactured Home Placements (sales at SAAR, thousands)									
Shipped Previous Quarter (thousands)	64.4	59.1		69.3	9.0%	(u)	-7.1%	(u)	Q2 2020
Sold Current Quarter (%)[2]	94.7	81.3		96.3	13.4	(n)	-1.6	(n)	Q3 2020
Builders' Views of Market Activity (Composite Index)	65	42		78	56.0%	(u)	-16.3%	(u)	Q3 2020

SA = seasonally adjusted. NSA = not seasonally adjusted. SAAR = seasonally adjusted annual rate. r = revised. s = statistically significant. n = not statistically significant. u = statistical significance unavailable.
FHFA = Federal Housing Finance Agency. Z = Suppressed for data quality reasons.
Note: Components may not add to totals because of rounding.
[1] The median rental price underlying this estimate was affected by the same pandemic-induced survey issues influencing the homeownership and vacancy rates (see Homeownership and Housing Vacancy section).
[2] The share of previous-quarter shipments sold for residential use within four months of being shipped.

U.S. NATIONAL HOUSING INDICATORS (continued)

Note: Change from Prior Period May be Shown as a Percent Change or Percentage-Point Change

Indicator	Current Quarter	Previous Quarter	Year-Ago Quarter	Change From Previous Quarter	Change From Year-Ago Quarter	Current Quarter as-of Date
HOUSING FINANCE and INVESTMENT						
Mortgage Interest Rates (%)						Q3 2020
30-Year Fixed Rate	2.95	3.23	3.67	-0.28 (u)	-0.72 (u)	
15-Year Fixed Rate	2.46	2.70	3.13	-0.24 (u)	-0.67 (u)	
5-Year ARM[3]	2.97	3.19	3.40	-0.22 (u)	-0.43 (u)	
Mortgage Delinquency Rates (%)						Q3 2020
All Loans Past Due (SA)	7.65	8.22	3.97	-0.57 (u)	3.68 (u)	
Loans 90+ Days Past Due (SA)	4.78	3.72	1.02	1.06 (u)	3.76 (u)	
Seriously Delinquent (90+ Days DQ & in FC, NSA)	5.16	4.26	1.81	0.90 (u)	3.35 (u)	
FHA Market Share[4]						
Dollar Volume (%)						Q3 2020
All Loans	9.8	7.5	11.1	2.4 (u)	-1.3 (u)	
Purchase	13.6	12.1 (r)	13.1	1.5 (u)	0.5 (u)	
Refinance	6.4	4.7	8.4	1.7 (u)	-2.0 (u)	
Loan Count (%)						
All Loans	12.5	9.5 (r)	14.0	3.0 (u)	-1.5 (u)	
Purchase	17.6	15.4 (r)	16.4	2.2 (u)	1.2 (u)	
Refinance	8.1	5.9 (r)	10.5	2.2 (u)	-2.4 (u)	
FHA Mortgage Insurance (thousands)[5]						Q3 2020
Applications Received	495.1	473.8	457.9	4.5% (u)	8.1% (u)	
Endorsements	359.2	313.6	306.4	14.5% (u)	17.2% (u)	
Purchase	234.5	191.9	218.1	22.2% (u)	7.5% (u)	
Refinance	124.8	121.7	88.3	2.5% (u)	41.2% (u)	
Private and VA Mortgage Insurance (thousands)						Q3 2020
PMI Certificates	NA	NA		NA (u)	NA (u)	
Veterans Affairs Guarantees	379.0	331.1 (r)	219.1	14.5% (u)	73.0% (u)	
Residential Fixed Investment (SA real annual growth rate, %)	62.3	-35.60 (r)	4.60	97.9 (u)	57.7 (u)	Q3 2020
GDP (SA real annual growth rate, %)	33.10	-31.40 (r)	2.60	64.5 (u)	30.5 (u)	
Housing's Contribution to Real GDP Growth (percentage points)	2.17	-1.60 (r)	0.17	3.77 (u)	2.00 (u)	

SA = seasonally adjusted. NSA = not seasonally adjusted. SAAR = seasonally adjusted annual rate. r = revised. s = statistically significant. n = not statistically significant. u = statistical significance unavailable.

NA = not available. ARM = adjustable-rate mortgage. DQ = delinquent. FC = foreclosure. FHA = Federal Housing Administration. VA = U.S. Department of Veterans Affairs.

PMI = private mortgage insurance. GDP = Gross Domestic Product. URE = usual residence elsewhere.

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

[3] Commitment (advertised) rates on the 5-Yr ARM are now reported in place of rates on the 1-Yr ARM. Freddie Mac discontinued surveying lenders on the 1-Yr ARM as of January 2016.

[4] FHA market share estimates are based on new methodology beginning with the Q3 2013 report; estimates were revised back through Q1 2011. See the FHA Market Share report on their website for an explanation of the new methodology: http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/rmra/oe/rpts/fhamktsh/fhamktqtrly.

[5] FHA mortgage applications and endorsements data have been revised to exclude Home Equity Conversion Mortgages (HECM) beginning with the Q3 2013 release.

[6] The Q2 and Q3 2020 data on homeownership and vacancy rates, housing stock, and households should be viewed with caution. The data are based on the BLS Current Population Survey/Housing Vacancy Survey conducted by the Census Bureau and represent a break in the series because the surveys were conducted under COVID-19 restrictions that prevented normal data collection procedures. In-person interviews were suspended on March 20, 2020 and the Q2 survey was conducted solely by telephone interviews, resulting in a much lower survey response rate. In-person interviews were incrementally added back for the Q3 survey with 39 percent added in July, 50 percent in August, and 100 percent in September. See https://www.census.gov/housing/hvs/files/qtr320/source_20q3.pdf.

U.S. NATIONAL HOUSING INDICATORS

Note: Change from Prior Period May be Shown as a Percent Change or Percentage-Point Change

Indicator	Current Quarter	Previous Quarter	Year-Ago Quarter	Change From Previous Quarter	Change From Year-Ago Quarter	Current Quarter as-of Date
HOMEOWNERSHIP and OCCUPANCY						
Homeownership Rates (%)[6]						Q3 2020
Overall	67.4	67.9	64.8	-0.5 (s)	2.6 (s)	
Non-Hispanic						
White	75.8	76.0	73.4	-0.2 (s)	2.4 (s)	
Black	46.7	47.5	43.3	-0.8 (s)	3.4 (s)	
Other Race	61.4	62.6	58.9	-1.2 (s)	2.5 (s)	
Two or More Races	52.8	55.5	51.9	-2.7 (s)	0.9 (n)	
Hispanic	50.9	51.4	47.8	-0.5 (s)	3.1 (s)	
Vacancy Rates (%)[6]						Q3 2020
Homeowner	0.9	0.9	1.4	0.0 (s)	-0.5 (s)	
Rental	6.4	5.7	6.8	0.7 (s)	-0.4 (s)	
Single-Family	4.7	4.7	5.8	0.0 (s)	-1.1 (s)	
Multifamily (5+)	8.7	7.2	8.1	1.5 (n)	0.6 (s)	
Housing Stock (thousands)[6]						Q3 2020
All Housing Units	140,949	140,657	139,782	0.2% (u)	0.8% (u)	
Owner-Occupied	85,440	86,029	79,489	-0.7% (s)	7.5% (s)	
Renter-Occupied	41,262	40,752	43,935	1.3% (s)	-6.1% (s)	
Vacant	14,246	13,877	17,051	2.7% (s)	-16.5% (s)	
Year-Round Vacant	10,686	10,419	13,169	2.6% (s)	-18.9% (s)	
For Rent	2,864	2,492	3,183	14.9% (s)	-10.0% (s)	
For Sale	821	758	1,178	8.3% (s)	-30.3% (s)	
Rented or Sold, Awaiting Occupancy	923	910	1,178	1.4% (s)	-21.6% (s)	
Held Off Market	6,078	6,258	7,630	-2.9% (s)	-20.3% (s)	
Occasional Use	1,859	1,918	2,219	-3.1% (s)	-16.2% (s)	
Occupied—URE	961	876	1,369	9.7% (s)	-29.8% (s)	
Other	3,258	3,464	4,042	-5.9% (s)	-19.4% (s)	
Seasonal Vacant	3,561	3,458	3,882	3.0% (n)	-8.3% (s)	
Households (thousands)[6]						Q3 2020
Total	126,703	126,780 (r)	122,731	-0.1% (s)	3.2% (s)	

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