



# U.S. Housing Market Conditions

November 2008

## SUMMARY

The housing market continued its downhill slide in the third quarter of 2008, a trend that began in the first quarter of 2006. In the production sector, the number of single-family building permits, starts, and completions all declined. In the marketing sector, sales of new homes fell, but sales of existing homes increased for the first time in six quarters. Excessive inventories of both new and existing homes remain, enough to last approximately 10 to 10.5 months at the current sales rate. The multi-family sector was down for the most part; permits and starts decreased, but completions increased. The sub-prime meltdown continues, with foreclosure start rates on all subprime loans up by 16 percent and rates on subprime adjustable-rate mortgages up by 12 percent. Conditions in the rental housing market also showed signs of decline. The rate of apartment absorptions fell during the third quarter, but the vacancy rate was down slightly from the second quarter. The advance estimate of the rate of real growth in the national economy indicated a decline of 0.3 percent at a seasonally adjusted annual rate (SAAR) in the third quarter of 2008, down from 2.8 percent in the second quarter. The housing component of Gross Domestic Product (GDP) decreased by 19.1 percent in the third quarter, contributing to a reduction in the growth of real GDP by 0.72 of a percentage point.

## Housing Production

Housing production indicators declined in the third quarter of 2008 and, overall, reflected steeper declines than in the last quarter. The number of building permits issued declined, as did housing starts and completions. Manufactured housing has shown a downward trend since the hurricane-induced orders of late 2005. Shipments of manufactured homes reached a low of 81,000 units (SAAR), the lowest level since the series began in 1959.

- During the third quarter of 2008, builders took out permits for new housing at 866,000 units (SAAR), down 16 percent from the second quarter and down 35 percent from the third quarter of 2007. Single-family permits were issued for 558,000 (SAAR)

housing units, a decrease of 12 percent from the second quarter and a decrease of 40 percent from the third quarter of 2007. This decrease is the 12th consecutive quarterly decline for single-family permits.

- Builders started construction on 879,000 (SAAR) new housing units in the third quarter of 2008, down 13 percent from the second quarter and down 32 percent from the third quarter of 2007. Single-family housing starts totaled 602,000 (SAAR) housing units, down 10 percent from the second quarter and down 39 percent from the third quarter of 2007. This drop is the 10th consecutive quarterly decline for single-family starts.
- Builders completed 1,005,000 (SAAR) new housing units in the third quarter of 2008, down 4 percent from the second quarter and down 28 percent from the third quarter of 2007. Single-family completions totaled 775,000 (SAAR) in the third quarter of 2008, down 8 percent from the second quarter and down 34 percent from the third quarter of 2007. The reduction reflects the 10th consecutive quarterly decline for this indicator.
- Manufactured housing shipments reached a record low. In the third quarter of 2008, manufacturers shipped 81,000 (SAAR) housing units, down 8 percent from the second quarter and down 16 percent from the third quarter of 2007.

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## Housing Marketing

The number of new homes sold and median and average sales prices for new and existing homes all fell in the third quarter of 2008. One upturn was an increase in the number of existing homes sold, which rose for the first time in six quarters. Sales of new homes have declined for the past 12 quarters. At the end of the third quarter, inventories of homes available for sale were sufficient to last for about the next 10 to 10.5 months at the current sales rates. The nearly continuous drop in new home sales and prices is the likely source of pessimism among builders, as measured by the National Association of Home Builders/Wells Fargo Housing Market Index, which fell again in the third quarter.

- In the third quarter of 2008, 478,000 (SAAR) new single-family homes were sold, down 8 percent from the 519,000 (SAAR) homes sold in the second quarter and down 35 percent from the third quarter of 2007.
- REALTORS® sold 5,037,000 (SAAR) existing single-family homes in the third quarter of 2008, up 3 percent from the second quarter but down 8 percent from the third quarter of 2007.
- The median price of new homes sold in the third quarter of 2008 was \$225,700, down 4 percent from the second quarter and down 7 percent from the third quarter of 2007. The average price for new homes sold in the third quarter was \$283,400, down 7 percent from the second quarter and down 6 percent from the third quarter of 2007. A constant-quality house would have sold for \$299,700 in the third quarter, down 1 percent from the second quarter and down 2 percent from the third quarter of 2007.
- The NATIONAL ASSOCIATION OF REALTORS® reported that the median price for existing homes was \$201,700 in the third quarter of 2008, down 3 percent from the second quarter and down 9 percent from the third quarter of 2007. The average price for existing homes in the third quarter was \$244,500, down 3 percent from the second quarter and down 9 percent from the third quarter of 2007.
- In the third quarter of 2008, the average inventory of new homes for sale was 394,000 units, down 11 percent from the second quarter and down 25 percent from the third quarter of 2007. This inventory would support 10.4 months of sales at the current sales pace, down 0.5 month from the second quarter but up 1.0 month from the third quarter of 2007. The average inventory of existing homes available for sale during the third quarter consisted of 4,266,000 homes, down 5 percent from the second quarter and down 2 percent from the third quarter of 2007. This inventory would last for 9.9 months at the current sales rate, down 1.2 months

from the second quarter and down 0.4 month from the third quarter of 2007.

- Home builders were more pessimistic in the third quarter of 2008. The National Association of Home Builders/Wells Fargo composite Housing Market Index slid to 16 in the third quarter of 2008, down 3 points from the second quarter and down 6 points from the third quarter of 2007. The index is based on three components—current sales expectations, future sales expectations, and prospective buyer traffic. All three components fell in the third quarter, with prospective buyer traffic declining the most.

## Affordability, Homeownership, and Foreclosures

Housing affordability increased in the third quarter of 2008, according to the index published by the NATIONAL ASSOCIATION OF REALTORS®. The composite index indicates that the family earning the median income had 126.0 percent of the income needed to purchase the median-priced, existing single-family home using standard lending guidelines. This value is up 0.8 point from the second quarter and up 17.4 points from the third quarter of 2007. The increase in affordability is attributed to a 3-percent decrease in the median price of an existing single-family home and a 0.5-percent increase in median family income, which more than offset the rise in mortgage interest rates. The third quarter homeownership rate was 67.9 percent, down 0.2 percentage point from the second quarter rate of 68.1 percent and down 0.3 percentage point from the third quarter of 2007.

The delinquency rate on subprime mortgage loans decreased slightly, while foreclosure start rates on subprime mortgages increased in the second quarter of 2008. (The data are available with a 2-month lag.) The delinquency rate for subprime loans was 18.67 percent, down from 18.79 in the first quarter but up from 14.82 percent in the second quarter of 2007. Foreclosures started on subprime loans increased to 4.70 percent, up from 4.06 percent in the first quarter and up from 2.72 percent in the second quarter of 2007.

## Multifamily Housing

Performance in the multifamily (five or more units) housing sector was somewhat mixed in the third quarter of 2008. In the production sector, building permits and starts decreased, but completions increased. The absorption rate of new rental units fell during the third quarter, while the rental vacancy rate showed a slight decline.



- In the third quarter of 2008, builders took out permits for 275,000 new multifamily units, down 24 percent from the second quarter and down 21 percent from the third quarter of 2007.
- Construction was started on 262,000 new multifamily units in the third quarter of 2008, down 20 percent from the second quarter and down 5 percent from the third quarter of 2007.
- Builders completed 256,000 units in the third quarter of 2008, up 9 percent from the second quarter but down 1 percent from the third quarter of 2007.

- The rental vacancy rate in the third quarter of 2008 was 9.9 percent, down 0.1 percentage point from the second quarter but up 0.1 percentage point from the third quarter of 2007.
- Market absorption of new rental apartments declined in the third quarter. Of the total number of new apartments completed in the second quarter of 2008, 48 percent were leased in the first 3 months following completion. This absorption rate is down 5 points from both the second quarter of 2008 and the third quarter of 2007.

# HOUSING IN AMERICA: 2007 AMERICAN HOUSING SURVEY RESULTS

Field representatives from the Census Bureau conduct the national American Housing Survey (AHS) in every odd-numbered year. They also independently survey selected metropolitan areas on a 6-year cycle. The AHS has been a joint effort of the U.S. Department of Housing and Urban Development (HUD) and the Census Bureau since 1973. The AHS is a representative sample of housing units in the United States and includes data on renters and homeowners, household composition and income, housing conditions and structural characteristics, neighborhoods, financing and housing costs, monthly housing expenses, and the overall availability of affordable housing. Although the American Community Survey (ACS) is conducted more frequently, the AHS contains much more detail on housing conditions than the ACS does. The Census Bureau conducts the national AHS survey through personal visits to or telephone interviews with approximately 55,000 housing units every 2 years, and each metropolitan survey generally involves interviews or visits with at least 3,000 housing units every 6 years. An unusual and important aspect of the AHS is that the survey revisits the same housing units each time, chronicling the history of America's housing. The survey adds newly constructed housing units each survey year so that the sample represents all housing in the United States.

In August 2008, HUD and the Census Bureau released the results of the 2007 national survey in microdata form. The tabular report for 2007 was released in the following month. These data are the basis for this article, which presents selected results from the 2007 survey describing the housing of American families. Because the AHS is a sample, the estimates are subject to sampling and nonsampling variability. This article also explains the many ways to access this rich data source.

**Exhibit 1. Composition of the Housing Stock**

Housing Type	Number of Units	Percentage
All	128,203,000	100.0
Year round	123,811,000	96.6
Total occupied	110,719,000	86.4
Owner occupied	75,665,000	59.0
Renter occupied	35,054,000	27.3
Vacant	13,092,000	10.2
Seasonal	4,392,000	3.4

## Selected Housing and Family Information From the 2007 National AHS

The American housing stock consists of more than 128 million housing units, of which approximately 17 million are vacant or for seasonal use. According to AHS data, among American families, the ratio of homeowners to renters is 2 to 1. These homeowners generally live in single-family housing; occupy fairly new homes; live in suburbs of metropolitan areas; and live in homes that have between four and six rooms, three or more bedrooms, and one or more complete bathrooms. These housing units have few deficiencies. Households pay approximately 23 percent of their incomes toward housing costs.

Exhibit 1 shows the composition of America's housing stock. The survey estimates that America's housing stock included 128,203,000 units in 2007, up 3.1 percent from the 124,377,000 units estimated in the 2005 AHS. Of these units in 2007, nearly all (96.6 percent) were designated for year-round use and approximately 10 percent were vacant. Of the 110,719,000 occupied units, 68.3 percent were owner occupied. This homeownership rate is a decrease from the 68.8-percent rate recorded in the 2005 AHS.

Exhibit 2 shows that the predominant type of housing in the United States is the single-family unit, which accounts for 75.1 percent of the nation's housing stock. The most popular single-family units are detached units, which account for 80.4 million housing units (62.7 percent of the stock), followed by manufactured (mobile) homes (8.7 million housing units, or 6.8 percent of the stock) and attached units (7.1 million housing units, or 5.6 percent of the stock).

Approximately 32.0 million housing units, or 24.9 percent of the total housing stock, are in multifamily buildings. The most prevalent multifamily housing size category

**Exhibit 2. Housing Stock by Type**

Type of Housing Unit	Number of Units	Percentage
Single-family detached	80,416,000	62.7
Single-family attached	7,143,000	5.6
Multifamily	31,958,000	24.9
2-4 units	10,489,000	8.2
5-9 units	6,078,000	4.7
10-19 units	5,787,000	4.5
20-49 units	4,641,000	3.6
50 units or more	4,963,000	3.9
Manufactured (mobile)	8,685,000	6.8





is the 2- to 4-unit building, which accounts for approximately one-third of all multifamily units. Approximately 5 million housing units are in the largest (50 units or more) multifamily structures, representing about 16 percent of the multifamily housing stock.

As Exhibit 3 demonstrates, the American housing stock is fairly new. Approximately one-third of the units have been built since 1980, and the median construction date is 1970. This median means that half of the housing units are less than 37 years old. Houses are also durable: 9.4 million units (7.6 percent of all housing units) date from 1919 or earlier and are more than 88 years old.

Exhibit 4 shows that housing is generally located in metropolitan areas (91.4 million units, or 71.3 percent of the stock), where approximately three-fifths of these units are located in suburban areas outside central cities. Housing units located outside metropolitan areas account for more than one-fourth (28.7 percent) of American housing. Since 2005, the proportion of units in non-metropolitan areas has increased by 2.4 percentage points, although the relative shares of central city and suburban areas have remained stable.

**Exhibit 3. Year Structure Built**

Year Built	Number of Units	Percentage
2005–07	944,000	0.8
2000–04	9,195,000	7.4
1995–99	8,831,000	7.2
1990–94	7,162,000	5.8
1985–89	8,858,000	7.2
1980–84	7,518,000	6.1
1975–79	14,364,000	11.6
1970–74	10,738,000	8.7
1960–69	15,187,000	12.3
1950–59	13,003,000	10.5
1940–49	7,905,000	6.4
1930–39	6,001,000	4.9
1920–29	5,312,000	4.3
1919 or earlier	9,359,000	7.6

**Exhibit 4. Housing Location**

Location	Number of Units	Percentage
Metropolitan	91,440,000	71.3
Inside central cities	35,659,000	27.8
Suburban	55,781,000	43.5
Outside metropolitan areas	36,763,000	28.7
Northeast region	23,128,000	18.0
Midwest region	29,202,000	22.8
South region	48,324,000	37.7
West region	27,550,000	21.5

Among the regions of the United States, the South has the greatest number of housing units: 48.3 million, or 37.7 percent of the total stock. The Northeast has the fewest, with 23.1 million units, or 18.0 percent of all housing units. Although these percentages have changed little from the 2005 AHS, they show decreases in the Northeast and Midwest of about 0.3 percentage point each, an increase in the South of 0.4 percentage point, and an increase in the West of about 0.2 percentage point.

Exhibit 5 shows the distribution of housing units by number of rooms per housing unit. Housing units with between four and six rooms make up 62.1 percent of the housing stock. Since 2005, the proportion of units with seven or more rooms has increased by 1.5 percentage points, at the expense of the units in the two- to five-room range.

Nearly 78 million American homes (60.6 percent) have three or more bedrooms. Housing units containing three bedrooms are the most popular and account for 53.0 million (41.3 percent) of all housing units. (See Exhibit 6.) Approximately 1.3 million housing units (1.1 percent) do not have a separate bedroom. Since 2005, the proportion of units with one or two bedrooms has declined by about 1.0 percentage point in favor of units with three or more bedrooms. Virtually all housing units (98.7 percent) have one or more bathrooms; only 1.7 million households report having no bathroom. Nearly 48 million households have one complete bathroom and more than 61 million have two or more bathrooms; the latter figure represents an increase of nearly 4 million units, compared with the 2005 AHS. (See Exhibit 7.)

**Exhibit 5. Number of Rooms per Housing Unit**

Number of Rooms	Number of Units	Percentage
1	690,000	0.5
2	1,381,000	1.1
3	11,073,000	8.6
4	23,241,000	18.1
5	29,169,000	22.8
6	27,157,000	21.2
7	17,657,000	13.8
8	10,352,000	8.1
9	4,456,000	3.5
10 or more	3,027,000	2.4

**Exhibit 6. Number of Bedrooms per Housing Unit**

Number of Bedrooms	Number of Units	Percentage
0	1,348,000	1.1
1	14,676,000	11.5
2	34,454,000	26.9
3	52,998,000	41.3
4 or more	24,727,000	19.3

American housing units—especially owner-occupied units—have few deficiencies. Exhibit 8 shows the incidence of selected deficiencies for all occupied housing units and then distinguishes between owner- and renter-occupied housing units. Of the approximately 111 million occupied units in the United States, about 1.1 million have holes in the floors; the incidence is lower for owner-occupied units (0.6 percent) than for renter-occupied units (1.7 percent). Open cracks or holes in interior walls are more prevalent—5.3 million occupied units reported this deficiency—and the incidence for renters (7.2 percent) is almost twice that of owners (3.7 percent). Although only 54,000 households reported that they have no electrical wiring, nearly 1.1 million reported that their wiring is exposed. The lack of electrical outlets in one or more rooms occurs in 1.4 million homes.

Exhibit 9 shows the distribution of monthly housing costs by tenure. Housing costs for renters include contract rent, property insurance, and utilities; housing costs for owners include mortgage (or installment loan) payments, property insurance, real estate taxes, fees (association, condominium, or cooperative), park fees for manufactured (mobile) homes, land rents, routine maintenance, and utilities. For all housing units, the median monthly housing cost is \$847 per month, with owners having a median cost of \$971 and renters having a median cost of \$750. Exhibit 9 also shows that 2.1 million households pay no cash rent for their housing units. These households include those living in units owned by relatives or friends as well as those occupied by people who receive housing as part of their employment. Median housing costs vary significantly among regions. The South has the lowest medi-

an monthly housing cost (\$754), the Midwest has the second lowest (\$767), the Northeast has the second highest (\$948), and the West has the highest (\$1,050). A higher percentage of owners (29.8 percent) have housing costs of \$1,500 or more per month compared with renters (7.3 percent). We also find proportionally more owners than renters with low housing costs. If we examine households paying less than \$400 per month, the percentage of owners is larger than the percentage of renters in each cost class. Part of the reason for this finding is that nearly 4 out of 10 owners have no mortgage debt and thus pay no monthly mortgage expenses. Although the median dollar cost is lower for renters than owners, the situation reverses when we examine fractions of income spent on housing. Overall, the median housing cost burden (the proportion of income spent on housing) is 23.0 percent, but renters pay a median of 29.8 percent of their incomes while owners pay 20.3 percent. According to 2007 AHS data, median monthly housing costs increased by approximately 11 percent from costs reported in the 2005 AHS, and the median cost burden increased by 2.3 percentage points.

For the first time in the survey's history, the 2007 AHS asked households about the fire safety equipment in their homes. As Exhibit 10 shows, nearly all households (92.5 percent) report having a smoke detector. Fire extinguishers are present in 4 out of 10 homes, and carbon monoxide detectors in about one-third of homes. Sprinkler systems are quite rare, present in only about 4 percent of households. The proportion of owner-occupied households with fire safety equipment, with the exception of sprinkler systems, is, in general, higher than that of renter-occupied households. Although rare for both tenure types, sprinkler systems are about three times more common in renter-occupied units than in owner-occupied units. This difference probably occurs because renters are more likely than are owners to live in multiunit structures.

Smoke detectors can be powered by batteries, by a unit's electrical wiring, or by both power sources. Exhibit 10 shows that the power source for smoke

**Exhibit 7. Number of Bathrooms per Housing Unit**

Number of Bathrooms	Number of Units	Percentage
0	1,749,000	1.4
1	47,681,000	37.2
1.5	17,155,000	13.4
2 or more	61,618,000	48.1

**Exhibit 8. Selected Housing Deficiencies (Occupied Units)**

Deficiency	All		Owner Occupied		Renter Occupied	
	Number of Units	Percentage	Number of Units	Percentage	Number of Units	Percentage
Holes in floors	1,080,000	1.0	470,000	0.6	610,000	1.7
Open cracks or holes (interior)	5,308,000	4.8	2,770,000	3.7	2,538,000	7.2
Broken plaster or peeling paint (interior)	2,186,000	2.0	1,078,000	1.5	1,108,000	3.7
No electrical wiring	54,000	0.0	44,000	0.1	10,000	0.1
Exposed wiring	1,083,000	1.0	608,000	0.5	476,000	0.8
Rooms without electrical outlets	1,410,000	1.3	793,000	1.2	617,000	1.9



**Exhibit 9. Monthly Housing Costs (Occupied Housing Units) by Tenure**

Cost (\$)	All		Owner Occupied		Renter Occupied	
	Number of Units	Percentage	Number of Units	Percentage	Number of Units	Percentage
All	110,719,000	100.0	75,665,000	100.0	35,054,000	100.0
No cash rent	2,125,000	1.9	NA	NA	2,125,000	6.1
Less than 100	698,000	0.6	383,000	0.5	315,000	0.9
100–199	3,601,000	3.3	2,697,000	3.6	903,000	2.6
200–249	3,282,000	3.0	2,455,000	3.2	827,000	2.4
250–299	3,443,000	3.1	2,768,000	3.7	675,000	1.9
300–349	3,705,000	3.3	2,985,000	3.9	720,000	2.1
350–399	3,715,000	3.4	2,889,000	3.8	826,000	2.4
400–449	4,016,000	3.6	2,822,000	3.7	1,194,000	3.4
450–499	4,061,000	3.7	2,532,000	3.3	1,529,000	4.4
500–599	7,904,000	7.1	4,460,000	5.9	3,444,000	9.8
600–699	7,977,000	7.2	3,960,000	5.2	4,017,000	11.5
700–799	7,609,000	6.9	3,876,000	5.1	3,733,000	10.6
800–999	12,902,000	11.7	6,964,000	9.2	5,939,000	16.9
1,000–1,249	11,895,000	10.7	7,771,000	10.3	4,125,000	11.8
1,250–1,499	8,650,000	7.8	6,539,000	8.6	2,111,000	6.0
1,500 or more	25,136,000	22.7	22,565,000	29.8	2,571,000	7.3

NA = Not applicable.

**Exhibit 10. Fire Safety Equipment**

	All		Owner Occupied		Renter Occupied	
	Number of Households	Percentage	Number of Households	Percentage	Number of Households	Percentage
Unit has fire extinguisher	48,296,000	43.7	37,225,000	49.3	11,071,200	31.6
Unit has carbon monoxide detector	36,105,000	32.7	28,341,000	37.5	7,765,000	22.2
Unit has smoke detector	102,276,000	92.5	70,447,000	93.2	31,828,000	90.9
Unit has sprinkler system	4,297,000	3.9	1,765,000	2.3	2,532,000	7.2
Smoke detector power						
Unit wiring (only)	9,129,000	8.9	6,098,000	8.7	3,031,000	9.5
Battery (only)	67,493,000	66.0	44,427,064	63.1	23,066,000	72.5
Both unit wiring and battery	24,232,000	23.7	19,318,000	27.4	4,913,000	15.4
Battery changed in past 6 months*	68,337,000	74.5	48,310,000	75.8	20,027,000	71.6
	<b>Either Unit Wiring or Battery Power</b>		<b>Battery Power (only)</b>		<b>Both Unit Wiring and Battery Power</b>	
	<b>Number of Households</b>	<b>Percentage</b>	<b>Number of Households</b>	<b>Percentage</b>	<b>Number of Households</b>	<b>Percentage</b>
Battery changed in past 6 months**	68,337,000	74.5	50,548,000	74.9	17,790,000	73.4

\* Percentage of households with smoke detector powered by "Battery (only)" or "Both."

\*\* Percentage of households that changed batteries, among those that have smoke detectors that use the indicated power source.



detectors in most households is batteries only. Owner-occupied units have about double the incidence of smoke detectors using both power supplies, compared with the incidence in renter-occupied units. Smoke detectors that use only unit wiring are rare; less than 9 percent of the households report them. Of the units that have smoke detectors powered by batteries, about three-fourths have changed their power cells in the past 6 months; only a slightly larger proportion of owners than renters report changing the batteries. No real difference occurs in battery maintenance between households whose smoke detectors are powered only by batteries and those whose smoke detectors are powered by both batteries and unit wiring.

## Accessing Housing Information

HUD and the Census Bureau give high priority to making the AHS accessible. Users may download AHS information in tabular and microdata formats. The tabulations are available in paper, CD-ROM, and downloadable Internet files. The microdata files (in ASCII or SAS formats) are available on CD-ROM and can be downloaded from the Internet. For copies of the printed versions, contact HUD USER at 1-800-245-2691 or P.O. Box 23268, Washington, DC 20026-3268. Users can purchase national AHS reports from the Government Printing Office by calling 202-512-1800, and they can obtain the metropolitan area reports from the Census Bureau by calling 301-763-4636 or writing to the Census Bureau, Washington, DC 20233-8500. Both the Census Bureau and HUD maintain Internet sites, and HUD operates an AHS electronic mailing list for the AHS user community. The URL for the HUD AHS website is [www.huduser.org/datasets/ahs.html](http://www.huduser.org/datasets/ahs.html). The site provides the following items:

- The 2007 AHS microdata files in SAS and ASCII formats.
- Summary statistics for the 2007 AHS.
- Line-by-line comparisons of the 2005 estimates and the 2007 initial estimates for a wide array of housing and occupant characteristics.

- The code book for the survey, revised for the 2007 survey, in PDF format.
- Links to the Census Bureau website.
- Microdata in downloadable format for the 1995, 1997, 1999, 2001, 2003, 2005, and 2007 national surveys and the 1995, 1996, 1998, 2002, and 2004 metropolitan surveys.
- Information for ordering reports and documents from HUD USER.

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

- The AHS national and metropolitan reports from 1975 through 2007 in PDF files.
- Other AHS and housing reports.
- Internet access to the microdata files for extracts and analyses using automated systems. The national surveys for 1997, 1999, 2001, and 2003 and the metropolitan surveys for 1998 and 2002 are available through the FERRETT system, which allows users to download SAS-format datasets and ASCII-format extracts. Users can also create their own specified tables by using FERRETT. The 1993 and 1995 national surveys are available for extracting and downloading through the Data Extraction System.
- A description of the surveys, historical changes in the surveys, definitions of concepts and variables, sample design and sizes, estimation weights, and survey results in brief formats.
- Information for ordering reports and documents from the Census Bureau's Customer Service Center.

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




# National Data

## HOUSING PRODUCTION



### Permits\*

Permits for the construction of new housing units were down 16 percent in the third quarter of 2008, at a SAAR of 866,000 units, and were down 35 percent from the third quarter of 2007. One-unit permits, at 558,000 units, were down 12 percent from the level of the previous quarter and down 40 percent from a year earlier. Multifamily permits (five or more units in structure), at 275,000 units, were 24 percent below the second quarter of 2008 and 21 percent below the third quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>Total</b>	866	1,033	1,335	- 16	- 35
<b>One Unit</b>	558	633	932	- 12	- 40
<b>Two to Four</b>	33	35	54	- 7**	- 40
<b>Five Plus</b>	275	364	350	- 24	- 21

\*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 third quarter of 2008 totaled 879,000 units at a SAAR, 13 percent below the second quarter of 2008 and 32 percent below the third quarter of 2007. Single-family starts, at 602,000 units, were 10 percent lower than the previous quarter and 39 percent lower than the third-quarter level of the previous year. Multifamily starts totaled 262,000 units, a statistically insignificant 20 percent below the previous quarter and a statistically insignificant 5 percent below the third quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>Total</b>	879	1,016	1,298	- 13	- 32
<b>One Unit</b>	602	670	986	- 10	- 39
<b>Five Plus</b>	262	329	276	- 20**	- 5**

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


\*\*This change is not statistically significant.

Source: Census Bureau, Department of Commerce



## Under Construction\*

Housing units under construction at the end of the third quarter of 2008 were at a SAAR of 918,000 units, 6 percent below the previous quarter and 17 percent below the third quarter of 2007. Single-family units stood at 461,000, 10 percent below the previous quarter and 31 percent below the third quarter of 2007. Multifamily units were at 435,000, down a statistically insignificant 2 percent from the previous quarter but up a statistically insignificant 6 percent from the third quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>Total</b>	918	977	1,110	- 6	- 17
<b>One Unit</b>	461	511	667	- 10	- 31
<b>Five Plus</b>	435	442	412	- 2**	+ 6**

\*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<sup>★</sup>

Housing units completed in the third quarter of 2008, at a SAAR of 1,055,000 units, were down a statistically insignificant 4 percent from the previous quarter and down 28 percent from the third quarter of 2007. Single-family completions, at 775,000 units, were down a statistically insignificant 8 percent from the previous quarter and down 34 percent from the rate of a year earlier. Multifamily completions, at 256,000 units, were a statistically insignificant 9 percent above the previous quarter but a statistically insignificant 1 percent below the third quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>Total</b>	1,055	1,103	1,464	- 4**	- 28
<b>One Unit</b>	775	843	1,176	- 8**	- 34
<b>Five Plus</b>	256	236	260	+ 9**	- 1**

\*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<sup>★</sup>

Shipments of new manufactured (mobile) homes were at a SAAR of 81,000 units in the third quarter of 2008, which is 8 percent below the previous quarter and 16 percent below the rate of a year earlier.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>Manufacturers' Shipments</b>	81	88	96	- 8	- 16

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

Source: National Conference of States on Building Codes and Standards


# HOUSING MARKETING



## Home Sales\*

Sales of new single-family homes totaled 478,000 (SAAR) units in the third quarter of 2008, down a statistically insignificant 8 percent from the previous quarter and down 35 percent from the third quarter of 2007. The average monthly inventory of new homes for sale during the third quarter was 394,000 units, a statistically insignificant 11 percent below the previous quarter and 25 percent below a year ago. The months' supply of unsold homes based on monthly inventories and sales rates for the third quarter was 10.4 months, a statistically insignificant 5 percent below the previous quarter but an 11 percent increase over the third quarter of last year.

Sales of existing homes—including single-family homes, townhomes, condominiums, and cooperatives—as reported by the NATIONAL ASSOCIATION OF REALTORS®, totaled 5,037,000 (SAAR) for the third quarter of 2008, up 3 percent from the previous quarter but down 8 percent from the third quarter of 2007. The average monthly inventory of units for sale during the third quarter was 4,266,000, 5 percent lower than the previous quarter and 2 percent lower than the third quarter last year. The average months' supply of unsold units for the third quarter was 9.9 months, 11 percent lower than the previous quarter and 4 percent lower than the third quarter of last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>New Homes</b>					
<b>New Homes Sold</b>	478	519	731	- 8**	- 35
<b>For Sale</b>	394	445	528	- 11**	- 25
<b>Months' Supply</b>	10.4	10.9	9.4	- 5**	+ 11
<b>Existing Homes</b>					
<b>Existing Homes Sold</b>	5,037	4,910	5,457	+ 3	- 8
<b>For Sale</b>	4,266	4,495	4,370	- 5	- 2
<b>Months' Supply</b>	9.9	11.1	10.3	- 11	- 4

\*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 third quarter of 2008 was \$225,700, a statistically insignificant 4 percent lower than the previous quarter and 7 percent lower than the third quarter of 2007. The average price of new homes sold during the third quarter of 2008 was \$283,400, 7 percent lower than the previous quarter and a statistically insignificant 6 percent lower than the third quarter of last year. The estimated price of a constant-quality house is \$299,700, a statistically insignificant 1 percent lower than the previous quarter and a statistically insignificant 2 percent below the third quarter of last year. The set of physical characteristics used to represent a constant-quality house is based on the kinds of houses sold in 2005.

The median price of existing homes—including single-family homes, townhomes, condominiums, and cooperatives—that sold in the third quarter of 2008 was \$201,700, down 3 percent from the previous quarter and 9 percent lower than the third quarter of 2007, according to the NATIONAL ASSOCIATION OF REALTORS®. The average price of existing homes sold, \$244,500, was 3 percent below the previous quarter and 9 percent lower than the third quarter of last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>New Homes</b>					
<b>Median</b>	\$225,700	\$235,300	\$241,800	- 4**	- 7
<b>Average</b>	\$283,400	\$304,200	\$301,200	- 7	- 6**
<b>Constant-Quality House<sup>1</sup></b>	\$299,700	\$302,900	\$305,900	- 1**	- 2**
<b>Existing Homes</b>					
<b>Median</b>	\$201,700	\$208,100	\$221,200	- 3	- 9
<b>Average</b>	\$244,500	\$252,600	\$267,500	- 3	- 9

\*\*This change is not statistically significant.

<sup>1</sup> 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.




## 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 third quarter of 2008 shows that families earning the median income have 126.0 percent of the income needed to purchase the median-priced existing single-family home. This figure is 1 percent higher than the second quarter of 2008 and 16 percent higher than the third quarter of 2007.

The increase in the third quarter 2008 housing affordability index reflects current changes in the marketplace. The rise in median family income and the decrease in the median sales price of existing single-family homes had positive effects on housing affordability and more than offset the negative impact of the increase in the home mortgage interest rate. Median family income increased 0.5 percent from the previous quarter to \$60,621, which was a 2.0 percent gain over last year's third quarter. The median sales price of existing single-family homes decreased to \$200,467, which was 3 percent below the previous quarter and 9 percent lower than the third quarter of 2007. The national average home mortgage interest rate of 6.41 is 27 basis points higher than the previous quarter.

The third quarter 2008 fixed-rate index of housing affordability increased 1 percent from the previous quarter and was 16 percent higher than the third quarter of 2007. The adjustable-rate index was 1 percent higher than the previous quarter and 20 percent above last year's third quarter.


	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>Composite Index</b>	126.0	125.2	108.6	+ 1	+ 16
<b>Fixed-Rate Index</b>	125.4	124.6	108.3	+ 1	+ 16
<b>Adjustable-Rate Index</b>	132.8	131.3	110.6	+ 1	+ 20

Source: NATIONAL ASSOCIATION OF REALTORS®



## Apartment Absorptions

In the second quarter of 2008, 37,800 new, unsubsidized, unfurnished multifamily (five or more units in structure) rental apartments were completed, up 31 percent from the previous quarter and up 43 percent from the second quarter of 2007. Of the apartments completed in the second quarter of 2008, 48 percent were rented within 3 months. This absorption rate is 9 percent lower than the previous quarter and is 9 percent lower than the second quarter of last year. The median asking rent for apartments completed in the second quarter of 2008 was \$1,133, unchanged from the previous quarter but an increase of 13 percent over the second quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>Apartments Completed*</b>	37.8	28.8	26.5	+ 31	+ 43
<b>Percent Absorbed Next Quarter</b>	48	53	53	- 9	- 9
<b>Median Asking Rent</b>	\$1,133	\$1,138	\$1,004	—	+ 13

\*Units in thousands.


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

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



## Manufactured (Mobile) Home Placements

Manufactured homes placed on site ready for occupancy in the second quarter of 2008 totaled 87,700 units at a SAAR, a statistically insignificant 4 percent below the level of the first quarter of 2008 and 9 percent below the second quarter of 2007. The number of homes for sale on dealers' lots at the end of the second quarter of 2008 totaled 36,000 units, a statistically insignificant 3 percent below the previous quarter and 5 percent below the second quarter of 2007. The average sales price of the units sold in the second quarter of 2008 was \$64,100, a statistically insignificant 1 percent above the price in the previous quarter but unchanged from the price in the second quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>Placements*</b>	87.7	91.7	96.0	- 4**	- 9
<b>On Dealers' Lots*</b>	36.0	37.0	38.0	- 3**	- 5
<b>Average Sales Price</b>	\$64,100	\$63,300	\$64,100	+ 1**	—

\*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 third quarter of 2008, the current market activity index for single-family detached houses stood at 16, down 1 point from the previous quarter and down 6 points from the third quarter of 2007. The index for future sales expectations, at 25, was also down 3 points from the second quarter of 2008 and down 5 points from the third quarter of last year. Prospective buyer traffic had an index value of 13, which is 5 points lower than the previous quarter and 4 points lower than the third quarter of last year. NAHB combines these separate indices into a single housing market index that mirrors the three components quite closely. For the third quarter of 2008, this index fell to 16, which is 3 points below the second quarter of 2008 and 6 points below the second quarter of last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>Housing Market Index</b>	16	19	22	- 16	- 27
<b>Current Sales Activity—Single-Family Detached</b>	16	17	22	- 6	- 27
<b>Future Sales Expectations—Single-Family Detached</b>	25	28	30	- 11	- 17
<b>Prospective Buyer Traffic</b>	13	18	17	- 28	- 24

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 increased to 6.32 percent in the third quarter of 2008, 23 basis points higher than the previous quarter and 23 basis points lower than the third quarter of 2007. Adjustable-rate mortgages (ARMs) in the third quarter of 2008 were going for 5.21 percent, 2 basis points above the previous quarter but 47 basis points below the third quarter of 2007. Fixed-rate 15-year mortgages, at 5.88 percent, were up 22 basis points from the second quarter of this year but down 33 basis points from the third quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>Conventional, Fixed-Rate, 30-Year</b>	6.32	6.09	6.55	+ 4	- 4
<b>Conventional ARMs</b>	5.21	5.19	5.68	+ 0	- 8
<b>Conventional, Fixed-Rate, 15-Year</b>	5.88	5.66	6.21	+ 4	- 5


Source: Freddie Mac





## FHA 1-4 Family Mortgage Insurance\*

Applications for FHA mortgage insurance on 1-4 family homes were received for 643,300 properties in the third quarter of 2008, up 7 percent from the previous quarter and up 168 percent from the third quarter of 2007. Total endorsements or insurance policies issued totaled 442,100, up 26 percent from the second quarter and up 188 percent from the third quarter of 2007. Purchase endorsements, at 276,800 were up 57 percent from the previous quarter and up 240 percent from the third quarter of 2007. Endorsements for refinancing increased to 165,300, down 6 percent from the second quarter but up 130 percent from the third quarter of 2007. These numbers are not seasonally adjusted.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>Applications Received</b>	643.3	602.6	240.5	+ 7	+ 168
<b>Total Endorsements</b>	442.1	351.1	153.3	+ 26	+ 188
<b>Purchase Endorsements</b>	276.8	175.8	81.4	+ 57	+ 240
<b>Refinancing Endorsements</b>	165.3	175.3	71.9	- 6	+ 130


\*Units in thousands of properties.

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



## PMI and VA Activity\*

Private mortgage insurers issued 173,900 policies or certificates of insurance on conventional mortgage loans during the third quarter of 2008, down 36 percent from the second quarter and down 67 percent from the third quarter of 2007. The Department of Veterans Affairs (VA) reported the issuance of mortgage loan guaranties on 57,300 single-family properties in the third quarter of 2008, up 12 percent from the previous quarter and up 57 percent from the third quarter of 2007. These numbers are not seasonally adjusted.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>Total PMI Certificates</b>	173.9	273.5	528.7	- 36	- 67
<b>Total VA Guaranties</b>	57.3	51.3	36.5	+ 12	+ 57

\*Units in thousands of properties.

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




## Delinquencies and Foreclosures

Total delinquencies for all loans past due were at 6.41 percent in the second quarter of 2008, up 1 percent from the first quarter of 2008 and up 25 percent from the second quarter of 2007. Delinquencies for past due conventional subprime loans were at 18.67 percent, down 1 percent from the first quarter of 2008 but up 26 percent from the second quarter of the previous year. Conventional subprime adjustable-rate mortgage (ARM) loans that were past due stood at 21.03 percent in the second quarter of 2008, down 5 percent from the first quarter of 2008 but up 24 percent from the second quarter of 2007.

Ninety-day delinquencies for all loans were at 1.83 percent, up 12 percent from the first quarter of 2008 and up 65 percent from the second quarter a year ago. Conventional subprime loans that were 90 days past due stood at 6.19 percent in the second quarter of 2008, up 6 percent from the previous quarter and up 62 percent from the second quarter of 2007. Conventional subprime ARM loans that were 90 days past due were at 7.55 percent in the second quarter of 2008, up 4 percent from first quarter of 2008 and up 70 percent from the second quarter of 2007.

During the second quarter of 2008, 1.19 percent of all loans entered foreclosure, up 20 percent from the first quarter of 2008 and up 83 percent from the second quarter of the previous year. In the conventional subprime category, 4.70 percent of loans entered foreclosure in the second quarter of 2008, an increase of 16 percent over the first quarter of 2008 and an increase of 73 percent from the second quarter of 2007. In the conventional subprime ARM category, 7.09 percent of loans went into foreclosure in the second quarter of 2008, an increase of 12 percent over the first quarter of 2008 and an increase of 85 percent from the second quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>Total Past Due (%)</b>					
All Loans	6.41	6.35	5.12	+ 1	+ 25
Conventional Subprime Loans	18.67	18.79	14.82	- 1	+ 26
Conventional Subprime ARMs	21.03	22.07	16.95	- 5	+ 24
<b>90 Days Past Due (%)</b>					
All Loans	1.83	1.63	1.11	+ 12	+ 65
Conventional Subprime Loans	6.19	5.84	3.83	+ 6	+ 62
Conventional Subprime ARMs	7.55	7.29	4.44	+ 4	+ 70
<b>Foreclosures Started (%)</b>					
All Loans	1.19	0.99	0.65	+ 20	+ 83
Conventional Subprime Loans	4.70	4.06	2.72	+ 16	+ 73
Conventional Subprime ARMs	7.09	6.35	3.84	+ 12	+ 85


Source: National Delinquency Survey, Mortgage Bankers Association

# HOUSING INVESTMENT



## Residential Fixed Investment and Gross Domestic Product\*

Residential Fixed Investment (RFI) for the third quarter of 2008 was at a SAAR of \$477.6 billion, 5 percent below the value from the second quarter of 2008 and 23 percent below the third quarter of 2007. As a percentage of the Gross Domestic Product (GDP), RFI for the third quarter of 2008 was 3.3 percent, 0.2 percentage point below the previous quarter and 1.1 percentage point below the third quarter a year ago.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>GDP</b>	14,429.2	14,294.5	13,950.6	+ 1	+ 3
<b>RFI</b>	477.6	505.0	618.1	- 5	- 23
<b>RFI/GDP (%)</b>	3.3	3.5	4.4	- 6	- 25

\*Billions of dollars.

Source: Bureau of Economic Analysis, Department of Commerce




# HOUSING INVENTORY



## Housing Stock\*

At the end of the third quarter of 2008, the estimate of the total housing stock, 130,357,000 units, was up a statistically insignificant 0.4 percent from the second quarter of 2008 and up a statistically insignificant 1.7 percent from the third quarter of 2007. The number of all occupied units was up from the second quarter of 2008 by a statistically insignificant 0.5 percent and increased a statistically insignificant 1.3 percent from the third quarter of 2007. Owner-occupied units increased a statistically insignificant 0.2 percent from the second quarter of 2008 and were up a statistically insignificant 1.0 percent from last year's third quarter. Renter-occupied units increased a statistically insignificant 0.9 percent from the previous quarter and increased a statistically insignificant 2.0 percent from the third quarter of 2007. Vacant units were down a statistically insignificant 0.1 percent from the previous quarter but increased 4.1 percent from the third quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
All Housing Units	130,357	129,871	128,189	+ 0.4**	+ 1.7**
Occupied Units	111,730	111,228	110,299	+ 0.5**	+ 1.3**
Owner Occupied	75,896	75,715	75,181	+ 0.2**	+ 1.0**
Renter Occupied	35,834	35,513	35,118	+ 0.9**	+ 2.0**
Vacant Units	18,626	18,643	17,892	- 0.1**	+ 4.1

\*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 third quarter of 2008, at 2.8 percent, was unchanged from the second quarter of 2008 but was up a statistically insignificant 0.1 percentage point from the third quarter of 2007.

The 2008 second quarter national rental vacancy rate, at 9.9 percent, was down a statistically insignificant 0.1 percentage point from the previous quarter but was up a statistically insignificant 0.1 percentage point from the third quarter of last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>Homeowner Rate</b>	2.8	2.8	2.7	—	+ 4**
<b>Rental Rate</b>	9.9	10.0	9.8	- 1**	+ 1**


\*\*This change is not statistically significant.

Source: Census Bureau, Department of Commerce



## Homeownership Rates

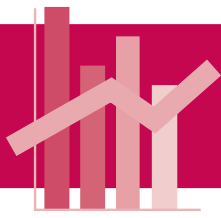
The national homeownership rate for all households was 67.9 percent in the third quarter of 2008, down a statistically insignificant 0.2 percentage point from the previous quarter and down a statistically insignificant 0.3 percentage point from the third quarter of 2007. The homeownership rate for minority households, at 51.0 percent, did not change from the second quarter of 2008 or from the third quarter of 2007. The 61.9-percent homeownership rate for young married-couple households was a statistically insignificant 0.3 percentage point below the second quarter of 2008 and a statistically significant 2.2 percentage points below the third quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
<b>All Households</b>	67.9	68.1	68.2	- 0.3**	- 0.4**
<b>Minority Households</b>	51.0	51.0	51.0	—	—
<b>Young Married-Couple Households</b>	61.9	62.2	64.1	- 0.5**	- 3.4

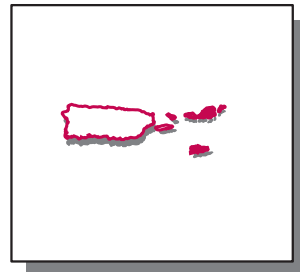
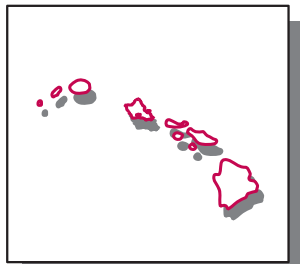
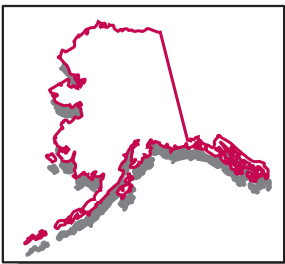
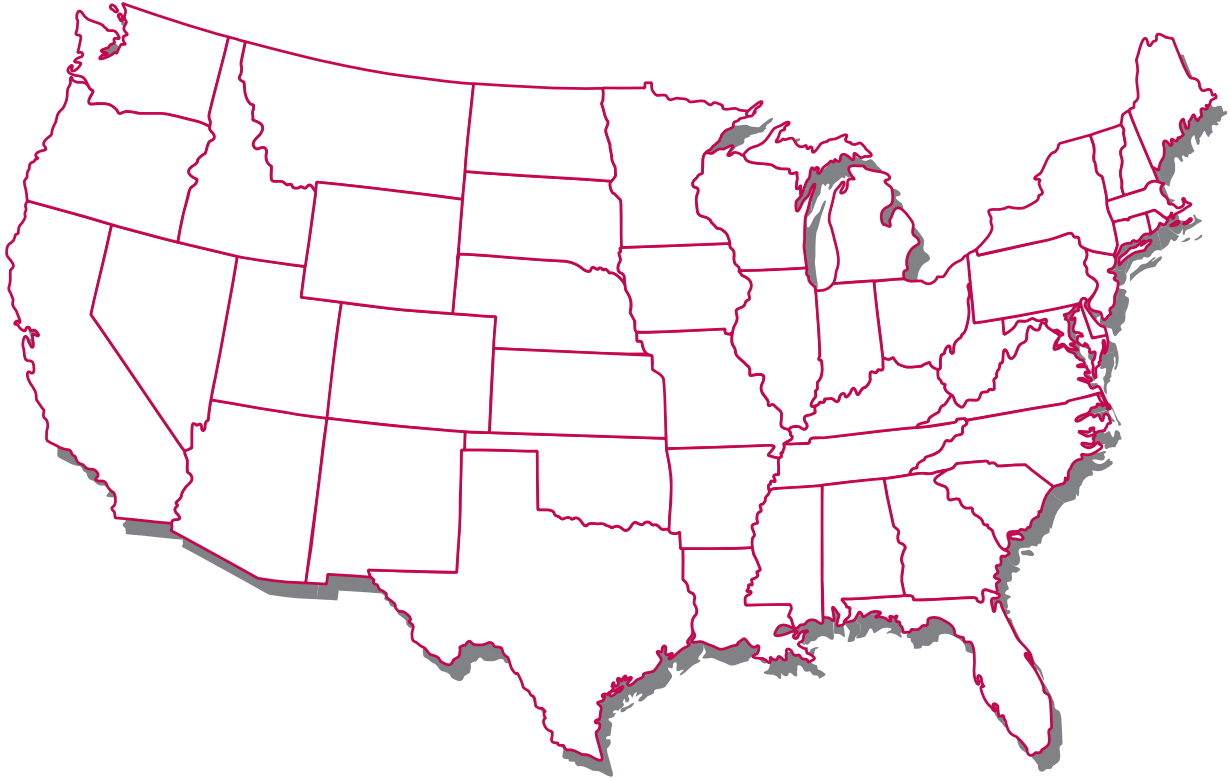
\*\*This change is not statistically significant.

Source: Census Bureau, Department of Commerce





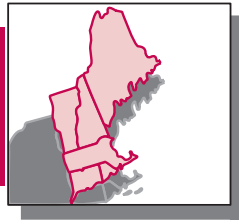
# Regional Activity



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

## Regional Reports

### NEW ENGLAND



Nonfarm employment growth slowed markedly in the six New England states during the 12 months ending September 2008. During the period, average nonfarm employment in the region increased by 0.4 percent to 7.1 million jobs, a gain of 27,700 jobs, compared with an increase of 0.9 percent, or a gain of 65,700 jobs, during the previous 12 months. Massachusetts and Connecticut posted increases of 18,300 and 9,500 jobs, or 0.6 percent each, respectively, and New Hampshire gained 8,600 jobs, or 1.3 percent, which was the highest rate of growth in the region. These gains, however, were offset by a significant loss of 9,200 jobs, or 1.9 percent, in Rhode Island. Job growth in Maine and Vermont showed little change compared with employment levels posted during the previous 12 months.

For the 12-month period ending September 2008, the region posted a net increase of 43,600 service-providing jobs, or 0.7 percent, compared with an increase of 80,700 jobs, or 1.4 percent, during the 12 months ending September 2007. Having gained 25,200 jobs during the past 12 months, Massachusetts provided 58 percent of the employment growth in the region during the period; more than 50 percent of that growth, or 14,500 jobs, was in the education and health services sector. The state's professional and business services sector increased by 7,700 jobs, reflecting growth in the computer software, scientific laboratory, and management consulting industries. In Connecticut, the most significant job growth occurred in the education and health services sector, where 6,900 jobs were created, due partly to the development of an Interstate-95 coastal corridor stretching from Yale University's biomedical research labs in New Haven to Pfizer Inc.'s pharmaceutical manufacturing facilities in the New London area. In New Hampshire, the 2,900 jobs added in the professional and business services sector were attributable to services related to the high-technology computer and semiconductor industry.

In the New England region, the average unemployment rate was 4.9 percent during the 12 months ending September 2008, up from 4.5 percent during the previous 12 months. Unemployment rates increased in all states in the region, ranging from a 0.2-percent increase to 3.8 percent in New Hampshire to a more significant 1.7-percent increase to 6.7 percent in Rhode Island.

Residential building activity, as measured by the number of units authorized by building permits, continues to decline, reflecting high levels of unsold inventory and declining sales prices. For the 12-month period ending September 2008, the total number of units permitted in the region was 27,200, down by more than 30 percent from the number permitted during the previous 12 months and down 47 percent from the number permitted during the same period in 2006. More than 80 percent of the decline that occurred during the current 12-month period is attributable to a lower level of single-family construction, which decreased by 9,600 units to a total of 18,150, a 35-percent reduction compared with single-family permitting activity recorded during the previous 12 months. The number of single-family units permitted was down in all states in the region, ranging from declines of about 30 percent each in Massachusetts and Vermont to 2,800 and 500 units, respectively, to more than 41 percent in Maine to 2,300 units. During the 12-month period ending September 2008, the decline in the number of multifamily units permitted in the region was not as dramatic, falling only 20 percent to 9,050 units, compared with the number permitted during the previous 12 months. In Massachusetts, Rhode Island, and Vermont, the number of multifamily units permitted was down by an average of 28 to 30 percent, to a total of 2,325 units. The number of units permitted increased slightly in Maine and was up almost 47 percent in New Hampshire. About one-half of the 865 multifamily units permitted in New Hampshire will be located in the two-county New Hampshire Division of the Boston-Cambridge-Quincy Metropolitan Statistical Area—a coastal area anchored by Portsmouth, New Hampshire. The major employment center metropolitan areas of Boston, Hartford, and Fairfield County, Connecticut, posted more modest declines in multifamily permitting activity than the region did overall. Despite the modest declines that occurred in the larger areas, several smaller metropolitan areas, such as Portland, Providence, and Worcester, posted declines of 39 to 44 percent that totaled 550 units and accentuated the overall downward trend in the number of multifamily units permitted.

Existing home sales and median prices continued to decline through the third quarter of 2008. According to the Massachusetts Association of REALTORS® (MAR), during the 12-month period ending September 2008, statewide sales of homes in Massachusetts totaled 36,500 units, a 15-percent decrease compared with the number sold during the previous 12-month period. During the most recent 12-month period, the median sales price fell by almost 8 percent to \$321,675 and the inventory of unsold homes decreased by 12 percent to about 10 months of supply. The Rhode Island Association of REALTORS® (RIAR) reported that, during the 12 months ending September 2008, 6,600 homes were sold in Rhode Island, down 16 percent compared with the number sold during the previous 12 months, and the median price was down 11 percent to \$245,350.



During the period, the length of time homes stayed on the market increased by about 11 percent to 93 days compared with the number of days on the market during the same period of the previous year. The Maine Real Estate Information System, Inc., reported that, during the 12 months ending September 2008, home sales were down 20 percent to 9,975 units compared with the number of homes sold during the previous year and the median sales price was down 5 percent to \$185,225.

MAR reported that, during the 12 months ending September 2008, the number of homes sold in the Greater Boston area totaled 8,600 units, a 17-percent decline compared with the number sold during the previous 12-month period. The median sales price also declined, but by only 4 percent to \$457,050. The Greater Hartford Association of REALTORS®, Inc., indicated that, in the 12 months ending September 2008, the number of homes sold was down 23 percent compared with the number sold during the same period in the previous year; however, the median price was down only 3 percent to \$250,400.

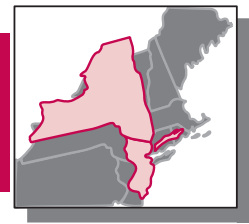
According to the Federal Housing Finance Agency, during the second quarter of 2008, home prices in the region were down by less than 2 percent compared with prices recorded in the second quarter of 2007, ranking New England seventh of the nine Census regions in price appreciation and comparable to the 2-percent average decline for the nation. Maine and Vermont were the only states in the region to post positive appreciation rates, both at approximately 2 percent.

Condominium sales were slow throughout the New England region during the third quarter of 2008. During the 12 months ending September 2008, MAR reported 16,150 condominium sales in Massachusetts, down almost 22 percent from the number sold during the previous 12 months. The median sales price of \$277,800 was down only about 1 percent from a year ago. In Rhode Island, according to RIAR, during the past 12 months, 1,375 condominium units were sold, down 25 percent compared with the number sold the previous year; however, the median sales price was virtually unchanged at \$218,825. In Boston, according to the Listing Information Network, Inc., sales of condominiums were up about 3 percent to fewer than 1,000 units during the third quarter of 2008 compared with sales during the third quarter of 2007, and the median sales price was up 5 percent to \$460,000.

The market dynamics of rental housing markets in the New England region continue to be varied. Apartment vacancy rates continue to increase in Boston, Providence, and Fairfield County, Connecticut, but are declining in Hartford, Manchester-Nashua, Portland, and central and western Massachusetts. According to Reis, Inc., more than 9,200 new rental units entered the Boston metropolitan area market in 2006 and 2007, and an additional 3,330 units are expected to come on line in

2008. These new units and slower job growth caused the apartment vacancy rate to increase from 5.8 percent in the third quarter of 2007 to 6.1 percent in the third quarter of 2008. Despite this trend toward higher vacancies in the Boston metropolitan market, the average asking rent was \$1,739 during the third quarter of 2008, up 4.0 percent from the rent recorded during the same quarter of 2007. The weak economic conditions in Providence caused the rental vacancy rate to increase to 8.0 percent from 7.2 percent from a year ago. The asking rent increased only 1.6 percent to \$1,237 during the past year. The apartment vacancy rate in Fairfield County, Connecticut, increased from 3.5 percent in the third quarter of 2007 to the current rate of 4.9 percent as job losses in the financial industries spread from New York City into adjacent southwestern Connecticut. The average asking rent increased by 3.2 percent to \$1,817 in the third quarter of 2008.

## NEW YORK/ NEW JERSEY



The economy of the New York/New Jersey region increased modestly in the third quarter of 2008. During the 12-month period ending September 2008, total nonfarm employment in the region increased by only 60,200 jobs, or 0.5 percent, to 12.8 million jobs. In New York, 62,000 new jobs were created, a 0.7-percent increase to 8.7 million, but 1,800 jobs were lost in New Jersey, a slight decline to 4.1 million. Because of recent developments in the financial and credit markets, the rate of job growth in New York City was significantly lower than the rate recorded during the 12-month period ending September 2007.

Employment in the service-providing sectors increased by 1 percent to 86,900 jobs in the region during the 12-month period ending September 2008. During the same period, a total of 62,200 jobs were added in the education and health services, information, and professional and business services sectors, reflecting 1- to 2-percent gains compared with the number of jobs in these sectors a year ago. Employment in the manufacturing sector declined by 3 percent in both states, with New York losing 16,800 jobs and New Jersey losing 9,000 jobs. In New Jersey, employment in the financial activities sector decreased by 3 percent, or 8,100 jobs, compared with the number of jobs in the sector during the previous 12 months.

Slower employment growth in New York City significantly affected the regional economy. During the 12-month period ending September 2008, the 43,200

jobs created in New York City reflected a 1.2-percent increase to a total of 3.8 million jobs for the period. Despite the increase, this level of growth was significantly below the 2.2-percent increase in the number of jobs added during the 12 months ending September 2007, when the city gained 80,900 jobs. Despite slower growth, employment gains in New York City accounted for more than 70 percent of the current employment increase in the region. In the future, significant job losses are expected in New York City's financial sector and in the leisure and hospitality sector. The Federal Reserve Board's "Beige Book" indicates that the New York City economy is softening, with both foreign and domestic tourism declining from record-setting levels in 2008. This decline will affect the hotel industry, which posted an average occupancy rate of more than 90 percent in August 2008.

A weakening economy has resulted in higher unemployment rates in both states. During the 12-month period ending September 2008, the average unemployment rate in the New York/New Jersey region increased to 5.0 percent from 4.4 percent a year ago. In New York, the average unemployment rate increased to 5.0 percent from 4.4 percent a year ago and, in New Jersey, the rate increased to 5.0 percent from 4.3 percent a year ago. During this same period, the unemployment rate in New York City increased to 5.2 percent from 4.9 percent.

Existing home sales have declined throughout the New York/New Jersey region. During the 12-month period ending September 2008, New York State Association of REALTORS® data indicated a 15-percent decline in the number of single-family homes sold (excluding sales in parts of New York City) to 80,900 homes. Despite fewer sales, in September 2008 the median price of an existing single-family home sold in New York State was \$215,000, an increase of approximately 3 percent compared with the median price recorded in September 2007. According to the Greater Capital Association of REALTORS®, during the 12 months ending September 2008, the number of existing homes sold in the Albany-Schenectady-Troy metropolitan area declined by 14 percent to 8,425 units and the median price of an existing home declined by 1 percent to \$187,500. The Buffalo Niagara Association of REALTORS® reported that the number of homes sold during the 12-month period ending September 2008 decreased by 3 percent to 10,625 units, but the median price remained stable at \$110,000. In the Rochester area, the Greater Rochester Association of REALTORS®, indicated that, during the same period, the number of homes sold decreased by approximately 10 percent to 11,430 homes, while the median price remained stable at \$120,000.

Compared with the strong sales activity that occurred in 2007, condominium/co-op sales in Manhattan declined in recent months, but prices continued to increase. According to the real estate firm Prudential Douglas Elliman, during the third quarter of 2008, the

number of units sold totaled 2,650, a 24-percent decline compared with the number sold during the same quarter a year earlier. During the third quarter of 2008, the amount of time units available for sale remained on the market increased to 134 days from 123 days during the third quarter of 2007. As a result of fewer sales, the available listing inventory increased by 35 percent to 7,000 units. During the third quarter of 2008, the median price of a condominium/co-op sold in Manhattan was \$928,300, a 7-percent increase compared with the median price recorded during the same quarter a year earlier. Restrictive credit conditions and the increase in unsold inventory should contribute to lower price increases in the future.

Both the number of sales and median prices declined in New Jersey. According to the New Jersey Association of REALTORS®, during the 12-month period ending June 2008 (the latest data available), the number of single-family homes sold in the state decreased by 25,800, down almost 18 percent from the number sold during the 12-month period ending June 2007. This decline ranged from a 14-percent decrease, to 31,800 homes, in Central New Jersey to a 21-percent decline, to 56,300 homes, in Northern New Jersey. In the second quarter of 2008, the median price of an existing home sold in New Jersey was \$361,200, a 4-percent decline compared with the median price recorded a year ago. In Northern New Jersey, the most expensive housing market in the state, the median price of a home was \$439,400, a 5-percent decrease compared with the price recorded during the same quarter a year ago. The median price declined by 5 percent to \$349,500 in Central New Jersey and by 1 percent to \$238,300 in Southern New Jersey.

During the 12 months ending September 2008, housing construction, as measured by the number of residential units permitted, increased in the New York/New Jersey region by approximately 1,500 units to total 81,090, a 2-percent gain compared with the number of units permitted during the same period a year ago. This increase was entirely due to increased multifamily housing activity, particularly in New York. During the 12-month period ending September 2008, 60,100 housing units were permitted in New York, an 11-percent increase compared with the number permitted a year ago. The increase in New York offset a decrease of 4,500 units, or 18 percent, in the number of units permitted in New Jersey. During this period, the number of multifamily units permitted in the region increased by 20 percent to 57,750 units. In New York, the number of multifamily units permitted increased by 28 percent, or 10,250 units, to total 46,400. In New Jersey, the number of multifamily units permitted declined by 5 percent to a total of 11,340 units. During the 12-month period ending September 2008, single-family home construction in the region decreased by 26 percent to 23,350 units. This decrease included a 24-percent reduction in the number of single-family homes permitted





in New York, to 13,700 homes, and a 29-percent decline in the number permitted in New Jersey, to 9,650 homes.

Rental housing markets continue to tighten throughout most of the region and monthly rents have increased. Third quarter 2008 Reis, Inc., data indicate decreasing apartment vacancy rates in New York City and parts of New Jersey. According to Reis, Inc., the apartment vacancy rate in New York City declined to 2.1 percent in the third quarter of 2008 from 2.2 percent in the same quarter a year ago. The apartment vacancy rate declined from 3.2 to 2.9 percent in Central New Jersey but increased from 3.4 to 3.5 percent in Northern New Jersey. Tight supply conditions in New York City continue to exert pressure on rents; the average monthly asking rent was \$2,934 in the third quarter of 2008, up nearly 5 percent in the past year. Average monthly apartment asking rents increased to \$1,156 in Central New Jersey and to \$1,515 in Northern New Jersey; these rents represent increases of approximately 3 percent in both areas compared with rents recorded a year ago. Apartment vacancy rates in Upstate New York also decreased and currently range from a low of 3.5 percent in Syracuse to 3.9 percent in Buffalo. In the Buffalo, Syracuse, and Rochester metropolitan areas, for the third quarter of 2008, average monthly apartment asking rents ranged from \$681 in Syracuse to \$750 in Rochester, with rent increases ranging from 3 to 4 percent.

## MID-ATLANTIC



The Mid-Atlantic region experienced modest employment growth during the 12 months ending September 2008. Average nonfarm employment increased by 73,130 jobs to 14.1 million jobs, a gain of 0.5 percent compared with an increase of 0.9 percent, or 119,500 jobs, during the 12 months ending September 2007. The pace of job growth in the region has slowed considerably; gains are now comparable to increases reported in 2004, the beginning of the most recent growth cycle. Growth in the education and health services sector of 2.4 percent, or 51,300 jobs, and in the professional and business services sector of 1.5 percent, or 29,700 jobs, reflect the strength of those sectors in the region. Job losses in the manufacturing, construction, and retail trade sectors of 26,600, 9,150, and 7,900 jobs, respectively, mirror weakness in the national economy and softer conditions in the regional home sales and retail markets.

Employment gains in Maryland accounted for 36 percent of the region's employment growth, with the addition

of 26,150 jobs, reflecting a 1-percent growth rate during the 12-month period ending September 2008, up from a 0.8-percent rate during the previous 12-month period. Education and health services, with 10,325 new jobs, and leisure and hospitality, with 5,050 new jobs, led all sectors in Maryland. Employers in Virginia added 20,050 jobs; the 0.5-percent increase was approximately half the rate of growth during the 12 months ending September 2007. In Pennsylvania, the growth rate declined to 0.2 percent, or 13,400 jobs, from 0.8 percent reported during the previous 12 months. Employment gains were less than 0.5 percent in Delaware and West Virginia. In the District of Columbia, however, employment grew 1.6 percent, an increase of 11,200 jobs and nearly twice the number added during the period ending in 2007. The largest increase was in the education and health services sector, which experienced a 4.9-percent gain. During the 12 months ending September 2008, the regional unemployment rate averaged 4.4 percent, the highest level since 2005 and up from the 3.8-percent rate reported a year ago but significantly less than the national rate of 5.3 percent for the comparable period.

During the 12 months ending September 2008, slower economic growth and tight lending practices led to diminished volume in existing home sales throughout the Mid-Atlantic region. The Maryland Association of REALTORS® reported that the average monthly inventory of homes for sale in the state during the 12 months ending September 2008 was 48,700 homes, a decrease of 38 percent from a year ago but 52 percent higher than the 12-month period ending in 2006. During the 12 months ending September 2008, approximately 46,500 existing homes were sold in Maryland, a decrease of 30 percent compared with the 66,900 homes sold during the comparable period ending in 2007. During the 12 months ending September 2008, sellers reduced asking prices and accepted lower offers, resulting in an average home sales price of \$344,650, which is 4 percent less than the \$361,900 recorded during the previous year. The Metropolitan Regional Information Systems, Inc. (MRIS®) reported that 22,700 homes were sold in the Baltimore metropolitan area at an average price of \$310,470, reflecting a 30-percent decrease in the number of sales and a 2-percent decrease in the sales price from the price recorded during the 12 months ending September 2007. The number of homes sold in the Maryland suburbs that surround the city of Washington, D.C., declined by 35 percent to 12,850 homes, and the average price decreased nearly 3 percent to \$439,850 compared with the average sales price during the 12 months ending September 2007.

According to the Virginia Association of REALTORS®, during the 12 months ending September 2008, 83,950 existing homes were sold in the state, a decline of 16 percent from the 103,000 homes sold during the 12 months ending September 2007. For the 12-month period ending September 2008, the median home price



was \$232,600, relatively unchanged from the \$230,400 median price of a year ago. In the Virginia suburbs of Washington, D.C., for the 12 months ending September 2008, MRIS® reported a total of 21,450 homes sold, a decline of 12 percent from the 24,275 sold during the comparable 12-month period in 2007. Average home prices remain the highest in the state, at \$468,030, but are down 12 percent from the average of \$532,575 reported for the 12 months ending September 2007. Homes remained on the market an average of 100 days, up from 90 days a year ago.

Existing home sales activity decreased in Delaware, Pennsylvania, and West Virginia through the 12 months ending June 2008 (the most recent data available). The NATIONAL ASSOCIATION OF REALTORS® reported that, for the 12 months ending June 2008, the number of homes sold in Delaware, Pennsylvania, and West Virginia were 11,600, 172,000, and 26,000, respectively, reflecting declines of 30, 18, and 13 percent, respectively, compared with the number sold during the 12 months ending June 2007.

Tighter lending practices during the 12 months ending September 2008 adversely affected both homebuyers and home builders, restricting the availability of mortgages for buyers and of development capital for builders. Homebuilding activity in the Mid-Atlantic region, as measured by the number of single-family building permits issued, declined by one-third during the 12-month period ending June 2008. Permits were issued for 77,250 homes compared with 107,900 homes permitted during the 12 months ending September 2007. Virginia and Pennsylvania accounted for most of the decrease in homebuilding; in Virginia, the number of permits issued in the state declined 31 percent to 21,580 homes and, in Pennsylvania, the number declined nearly 32 percent to 20,550 during the past 12 months. Maryland issued permits for 9,470 new homes, or 39 percent fewer than during the 12 months ending September 2007. New home construction also declined in Delaware and West Virginia, down nearly 33 percent to 2,930 homes and down 28 percent to 2,680 homes, respectively, compared with the number of new homes constructed during the previous year. The District of Columbia reported 250 new homes permitted, less than one-half the 600 homes permitted during the period ending in 2007. Among the metropolitan areas in the Mid-Atlantic region, the Washington, D.C. area accounted for 9,690 new homes and the Philadelphia metropolitan area permitted 7,320 homes, with respective declines of 38 and 26 percent in production from the number recorded during the previous year.

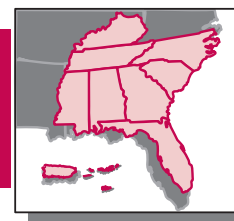
Multifamily construction, as measured by the number of units permitted, declined by 2,430 units, or 11 percent, to 19,800 units in the region during the 12 months ending September 2008. In contrast with the remainder of the region, Virginia and West Virginia reported increased multifamily construction. In Virginia, units

permitted increased 22 percent to 7,880 units and, in West Virginia, 1,130 multifamily units were permitted, 5 times the number permitted a year ago, partially in response to growth at universities. Construction declined by 22 percent to 5,420 units in Maryland, by 28 percent to 750 units in Delaware, and by 30 percent to 4,210 units in Pennsylvania. In the District of Columbia, activity decreased by nearly 75 percent to 410 units. During the 12 months ending September 2008, the Washington, D.C. metropolitan area permitted 6,470 multifamily units, 5 percent fewer units than were permitted during the previous year, but the Baltimore metropolitan area increased multifamily production by nearly 25 percent to 1,960 units.

Market conditions varied in the three largest rental housing markets in the Mid-Atlantic region—Washington, D.C., Baltimore, and Philadelphia. According to data from Delta Associates, for the third quarter of 2008, the Washington, D.C. metropolitan area garden apartment rental market remained balanced, with a 6-percent vacancy rate, relatively unchanged from the 5.9-percent rate reported a year ago. Vacancies in highrise units declined from 14 to 9 percent in Northern Virginia but increased in both the District of Columbia and the Maryland suburbs from 4 to 20 percent and from nearly 3 to 22 percent, respectively.

Vacancy rates in the Baltimore metropolitan area declined from 9 to 6 percent between September 2007 and September 2008. Rates declined in all segments of the metropolitan area except in the Columbia, Maryland submarket, where rates rose from 2 to 5 percent. In Baltimore City, vacancy rates declined from 15 percent, but the market remains soft with a rate of 11 percent. Between September 2007 and September 2008, vacancy rates nearly doubled in the Pennsylvania and Southern New Jersey suburbs of the Philadelphia metropolitan area, rising from 5 to 9 percent and from 8 to 10 percent, respectively. During the same period, with only one Center City project being actively marketed, the rental market tightened in the city of Philadelphia, from 14 to 6 percent.

## SOUTHEAST/ CARIBBEAN



Nonfarm employment growth stalled in the Southeast/Caribbean region during the 12-month period ending September 2008 compared with employment growth during the preceding 12 months, averaging approximately 27.1 million jobs. The addition of 29,300 jobs, a 0.1-percent gain, in the region during the past 12 months is consid-



erably less than the addition of 383,900 jobs, a 1.4-percent gain, during the 12 months ending September 2007 and 588,000 jobs during 2006. Employment decreases of approximately 92,000 jobs in both the construction and manufacturing sectors reflect weakness in the national economy and decreased homebuilding in the region. The addition of 85,100 jobs in the education and health services sector, which reflects continued but slowing growth, produced a 2.7-percent employment gain, the largest sector gain in the region during the 12 months ending September 2008. During the past 12 months, the unemployment rate for the region averaged 5.8 percent compared with 4.7 percent for the preceding 12 months.

During the past year, the pace of employment growth slowed in every state in the region. The largest decrease in employment occurred in Florida, which lost 60,900 jobs, a decline of 0.8 percent, during the past 12 months compared with the rate recorded during the preceding 12 months. The continued weakening in the sales housing market, particularly in new home construction, contributed to the job decline in Florida. During the 12 months ending September 2008, employment in the construction sector decreased by 76,200 jobs, or more than 12 percent.

Slower economic growth and tighter lending standards in the region contributed to weakness in the existing home sales market during the third quarter of 2008. According to the Alabama Center for Real Estate, during the 12 months ending September 2008, approximately 47,200 homes were sold statewide, a 20-percent decline compared with the 58,900 homes sold during the same period a year ago. With sales falling, the supply of homes on the market is up significantly; for the 12 months ending September 2008, the inventory averaged about 43,500 homes, a 9-percent increase from the same period a year ago. The average price of a home sold in the state during the 12 months ending September 2008 remained relatively unchanged at \$157,400.

According to the Florida Association of REALTORS®, during the 12 months ending September 2008, 118,500 existing single-family homes were sold statewide, a decrease of 15 percent compared with the number sold during the same period a year ago. The median sales price for an existing single-family home in Florida during the past year was \$201,900, a decrease of 16 percent from \$238,800 in the previous 12-month period. Sales of existing condominiums during the period declined 16 percent to a total of 37,100 units in the state. The median price of an existing condominium during the past 12 months was \$186,500, a 12-percent decline from the price during the previous 12 months.

According to data from South Carolina REALTORS®, in the 15 areas reported by the association during the 12 months ending September 2008, 64,250 existing homes were sold, a decline of 6,550, or 9 percent, from the previous 12-month period. The number of homes

sold in the past 12 months was down in all 15 markets. The largest decline in the number of homes sold occurred in the coastal Charleston and Myrtle Beach areas, where sales declined by 3,475 and 2,425 homes, respectively. For the first 9 months of 2008, the median price for existing homes sold in the state was \$155,000, down 3.2 percent from the first 9 months of 2007. The median price declined in 9 out of 15 areas reported.

In the 12 months ending September 2008, data from the North Carolina Association of REALTORS® indicate that the number of existing homes sold declined by 29,900, or 23 percent, to 101,300 in the 20 reporting areas. Sales declined in all areas except the coastal Brunswick area, which had an increase in sales of 21 percent to 1,675 homes. Brunswick sales increased in the current 12-month period following a decline of 575 homes, or 30 percent, for the 12 months ending September 2007. The average price for the state declined 2.3 percent, or \$5,050, to \$217,700 for the 12 months ending September 2008. The number of homes sold declined in each of the three largest areas of North Carolina—Raleigh, Charlotte, and Greensboro. Only Raleigh had an increase in the average price, which included the price of new and existing homes. In Raleigh, sales of new and existing homes declined by 9,475 homes, or 27 percent, to 25,875. The average price in Raleigh increased by \$4,400, or 1.9 percent, to \$241,800. In Charlotte, the number of existing homes sold declined by 10,900 homes, or 27 percent, to 29,850. The average price of a home in Charlotte declined by \$6,950, or 3 percent, to \$223,600. In Greensboro, home sales declined by 2,775, or 17 percent, to 13,850. The average price in Greensboro fell by \$4,950, or 2.8 percent, to \$173,900.

In Tennessee, the number of single-family homes and condominiums sold decreased in the Knoxville, Memphis, and Nashville metropolitan areas during the 12 months ending September 2008 compared with the number of sales recorded during the preceding 12 months. In Knoxville, single-family home sales decreased by 20 percent to 11,175 homes; in Memphis, sales decreased by 18 percent to 12,750 homes; and, in Nashville, sales decreased by 23 percent to 22,050 homes. The number of condominiums sold in the three areas decreased by 27, 16, and 24 percent, respectively.

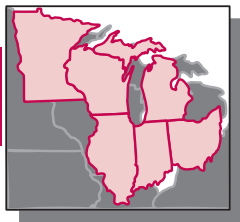
Single-family homebuilding, as measured by the number of building permits issued, continued to decline in the region during the 12 months ending September 2008. Home builders cut production in response to slower home sales and large inventories of new and existing unsold homes in most markets. During the 12 months ending September 2008, permits were issued for 188,200 homes in the region, a decrease of 136,700 units, or 42 percent, when compared with the number of permits issued during the 12-month period ending September 2007. This decrease followed a decline of 149,700 units, or 32 percent, during the preceding 12 months. During the 12 months ending September 2008, single-family

home production fell in all states in the region. The largest decline occurred in Florida, where construction activity fell by 47 percent to 45,150 units.

Multifamily construction, as measured by the number of units permitted, also declined in the region by 21,250, or 22 percent, to 75,240 units during the 12 months ending September 2008. Approximately one-half of the decline occurred in Florida, where the number of multifamily unit permits decreased by 10,615, or 29 percent. Soft rental markets and large inventories of unsold condominiums in the state led apartment and condominium developers to further curtail construction plans. Two states in the region—Kentucky and North Carolina—reported increased multifamily permit activity during the past 12 months. In Kentucky, 3,525 multifamily units were permitted, an increase of 16 percent. The gain was due primarily to increased activity in Lexington, where 1,025 units were permitted, double the average annual of 515 units permitted in the area between 2005 and 2007. In North Carolina, multifamily unit permits increased by 960 units, or 6 percent, during the past year, largely as a result of increased apartment construction in Raleigh.

Apartment market conditions varied considerably within the region. In North Carolina, according to Reis, Inc., the apartment vacancy rate during the third quarter of 2008 in Charlotte and Raleigh-Durham remained near 7 percent, a slight increase for Charlotte and a slight decrease for Raleigh-Durham, compared with the vacancy rate during the third quarter of 2007. Asking rents in the two markets increased by 3.5 percent and 2.8 percent, respectively, during the past year. In Kentucky, vacancy rates in Lexington and Louisville declined from approximately 7 to 6 percent during the past year, reflecting balanced markets, and asking rents increased by 3.1 and 3.7 percent, respectively. In contrast, all five Florida markets surveyed by Reis, Inc., recorded higher apartment vacancy rates during the third quarter of 2008 compared with rates recorded during the third quarter of 2007. Vacancy rates ranged from 4.9 percent in Miami to 11 percent in Jacksonville. In response to rising vacancy rates during the past year, increases in asking rents in the Florida markets were, in general, below 1 percent.

## MIDWEST



Economic conditions in the Midwest region continued to slow during the third quarter of 2008. In the 12 months ending September 2008, average nonfarm employment in the region decreased by 56,900 jobs, or 0.2 percent,

to 24.3 million jobs. Hiring in both the manufacturing and construction sectors declined by 89,300 and 35,400 jobs, respectively. The losses were partially offset by employment gains in the education and health services sector, which increased by nearly 68,300 jobs. Economic performance varied widely in the region. Illinois employment increased by 16,900 jobs, followed by Minnesota and Indiana, where employment grew by 6,900 and 1,700 jobs, respectively, during the 12 months ending September 2008. During this same period, the remaining three states in the region, Michigan, Ohio, and Wisconsin, lost jobs; nonfarm employment decreased by 64,600, 11,300, and 6,500 jobs, respectively. In the third quarter of 2008, manufacturing sector employment in Chicago, Cincinnati, Cleveland, Detroit, and Milwaukee continued to show signs of slowing, with new orders and production down during the 12 months ending September 2008 compared with manufacturing activity during the previous 12-month period. For the 12 months ending September 2008, the average unemployment rate in the region was 6.1 percent, up from 5.3 percent posted for the previous 12-month period.

Slower economic growth and tighter lending standards in the region contributed to weakness in the existing home sales market during the third quarter of 2008. Conditions have been weak for more than 2 years, beginning with the second quarter of 2006. According to the NATIONAL ASSOCIATION OF REALTORS®, in the second quarter of 2008, the annual rate of existing home sales declined by 17 percent to 862,000 homes from the number of sales in the second quarter of 2007. The volume of home sales was the lowest annual rate recorded in the past 10 years. Sales activity was down in all states in the region. The softer home sales market in the region has resulted, in part, from the high rate of home foreclosures, which is higher compared with the rate of home foreclosures in other regions of the country. According to the Mortgage Bankers Association, during the second quarter of 2008, the 3.44-percent foreclosure rate recorded in the region ranked first in the country, well above the national rate of 2.75 percent.

In Ohio, the slowdown in the economy reduced sales of existing homes throughout the state. During the 12 months ending September 2008, the number of existing homes sold fell 15 percent to 115,500. All 20 of the state's local boards of REALTORS® reported declines in the number of existing homes sold and average sales prices. In the Cincinnati and Columbus metropolitan areas, sales activity was down by 13 to 14 percent, and the average sales price decreased by 4 to 5 percent to \$168,000 and \$170,000, respectively. In the Cleveland area, both the number of existing homes sold and the average price fell by 12 percent.

In Illinois, slower job growth in the state continued to affect sales of existing homes. According to the Illinois Association of REALTORS®, during the 12 months ending September 2008, the number of existing homes sold





in the state declined by 24 percent to approximately 112,000. The number of existing condominiums sold during the period declined by 30 percent to a total of 32,300 units statewide. The 27-percent decrease in sales activity in the Chicago metropolitan area accounted for 75 percent of the decline in existing home sales in Illinois. During the 12-month period ending September 2008, the average price of a home sold in the metropolitan area was \$248,900, a decrease of less than 1 percent compared with the average price of \$250,400 posted during the previous 12-month period. In the Indianapolis metropolitan area, sales of existing homes were down 16 percent and the average price was down 3 percent to \$143,000.

In other states in the region, tighter lending practices, weaker economies, and lower consumer optimism dampened sales of existing homes. According to the Michigan Association of REALTORS®, during the 12 months ending September 2008, approximately 100,500 homes were sold statewide, an 11-percent decline compared with the 112,900 homes sold in the state during the same period a year earlier. Of Michigan's 25 local boards of REALTORS®, 23 reported declines in the number of existing homes sold and the average price of those homes. In Minnesota, during the past 12 months, the Minneapolis-St. Paul metropolitan area recorded a 10-percent decline in sales of existing homes and a 9-percent decline in the average price to \$249,200. In Wisconsin, sales of existing homes in major metropolitan areas continued to slow in the third quarter of 2008 compared with the third quarter of 2007. According to multiple listing services in Milwaukee and Madison, sales of existing homes in the metropolitan areas fell by 19 and 22 percent, respectively.

Homebuilding, as measured by the number of building permits issued, continued its 3-year decline in the region during the third quarter of 2008 in response to slower economic growth and weak demand for new homes in most major metropolitan areas. During the 12 months ending September 2008, the number of single-family building permits issued decreased by 38 percent to 78,300 and fell by 50 percent from the annual average of 159,200 permits issued during the past 3 years. Illinois recorded a 45-percent decline in single-family permits to 14,900 units, largely because of a 50-percent decline in the Chicago metropolitan area. During the past 12 months, the number of single-family permits issued in Michigan and Minnesota decreased by 40 percent in both states to approximately 10,400 and 9,300 units, respectively.

In Ohio, homebuilding activity declined by 34 percent to 18,100 homes during the 12 months ending September 2008. Among major metropolitan areas in the state, Cincinnati reported the steepest percentage decline, with permits issued for approximately 3,700 new homes, 35 percent fewer than the number issued during the 12 months ending September 2007. In the

Columbus and Cleveland metropolitan areas, the number of single-family permits issued declined by 31 and 28 percent to 3,000 and 2,700 units, respectively. The smallest percentage declines in the region were reported in Indiana and Wisconsin, where the number of single-family permits decreased in both states by approximately 30 percent to 13,500 and 12,000 units, respectively.

Multifamily construction, as measured by the number of units permitted, declined by 25 percent in the Midwest region to 31,200 units for the 12 months ending September 2008. Construction activity was down in all states in the region except Indiana, where activity was unchanged at approximately 4,000 units. Illinois, with 6,500 units permitted, accounted for 63 percent of the regional decline because condominium developers in the Chicago metropolitan area continued reducing construction in response to the soft condominium market. The overbuilt condominium market in the Minneapolis-St. Paul metropolitan area also contributed to a 34-percent decline in multifamily construction activity in Minnesota. As a result of Michigan's slow economy, which dampened demand for new condominiums and apartment units, the number of multifamily units permitted in the state decreased by 38 percent to 1,900 units during the past 12 months. In Wisconsin and Ohio, the number of multifamily units permitted was down 6 and 12 percent, respectively.

Despite the slowdown in Ohio's economy, apartment vacancy rates in major metropolitan markets declined and rents increased because construction activity for new apartment units remained low. In the third quarter of 2008, the vacancy rate in the Cincinnati metropolitan area was 6.4 percent, down from 7.5 percent recorded in the third quarter of 2007. By the third quarter of 2008, apartment vacancy rates in Cleveland and Columbus decreased to 5.2 and 6.5 percent, respectively. The increased demand for apartments in the three metropolitan areas resulted in rent increases of 2 percent or more in the third quarter of 2008 compared with rent increases of 1 percent or less in the third quarter of 2007. During the past year, the strengthening apartment market in Indianapolis resulted in increased construction of new apartment units. According to CB Richard Ellis, during the first 9 months of 2008, approximately 2,000 new apartments were under construction compared with fewer than 1,000 units during the same period last year. In Milwaukee, the apartment market also continued to tighten. The metropolitan area apartment market vacancy rate decreased from 4 percent in the third quarter of 2007 to 3.7 percent in the third quarter of 2008. In Minneapolis, GVA Marquette Advisors reported that the apartment vacancy rate in the metropolitan area increased during the third quarter of 2008, but the rental housing market remains tight throughout the Twin Cities area. In the third quarter of 2008, the vacancy rate in the metropolitan area was 4.1 percent, up from 3.6 percent in the third quarter of 2007.

## SOUTHWEST



In the third quarter of 2008, the economy of the Southwest region continued the expansion that began in 2004, but at a slower pace. During the 12 months ending September 2008, average nonfarm employment increased by 320,000 jobs, or 2 percent, to 16.1 million compared with employment gains that totaled 435,000 jobs, or 2.8 percent, during the 12-month period ending September 2007. The professional and business services sector led job growth with a gain of 68,000 jobs, or 3.6 percent, resulting from gains of 4 percent in Texas and 2 percent each in Arkansas, Louisiana, and Oklahoma. The education and health services sector added 59,000 jobs, or 3 percent, with gains spread throughout the region. Employment in the leisure and hospitality sector increased by 51,000 jobs, or 3.4 percent; the gain was concentrated in Texas, which added 40,000 jobs. Manufacturing was the only sector in the region to record a loss, down 10,000 jobs, or 0.7 percent, with losses of 7,000 in Arkansas, 2,500 in Texas, and 2,000 in New Mexico offsetting small gains in Louisiana and Oklahoma. Despite a significant decrease in single-family homebuilding during the past year, the construction sector increased by 33,000 jobs in the region, up more than 3 percent compared with the number of jobs recorded during the previous year. All the new construction jobs were in Texas, Louisiana, and Oklahoma, where high levels of multifamily and commercial construction occurred.

Texas employers added 253,000 jobs for a gain of 2.5 percent during the 12 months ending September 2008. Employment grew by 35,000 jobs, or 1.9 percent, in Louisiana and by 21,000 jobs, or 1.3 percent, in Oklahoma; job growth in both states occurred in the same employment sectors as those in the region as a whole. Employment in New Mexico grew by 7,000 jobs, or approximately 1 percent, led by gains of more than 1,000 jobs in the education and health services, government, and trade sectors. Employment in Arkansas increased by 3,600 jobs, or 0.3 percent, as gains in the service-providing sectors offset the loss in manufacturing jobs.

The number of existing homes sold in Texas declined due to tighter lending standards, but sales housing markets throughout the state were generally balanced due to a significant reduction in new home construction. Average home sales prices in most major markets recorded small increases. According to data from the Real Estate Center at Texas A&M University, during the 12 months ending September 2008, approximately 242,000 homes were sold in Texas, a decrease of 14 per-

cent compared with the number sold during the previous 12 months but well above the annual average of 218,000 homes sold from 2000 to 2005. Among most major markets in Texas, the number of homes sold declined by 15 to 18 percent. In El Paso, however, home sales decreased by 28 percent to 4,800 units from record levels of sales a year ago. During the 12-month period ending September 2008, the average home price in the state increased by 1 percent to \$193,700, compared with a price increase of 4 percent during the previous 12-month period. During the 12 months ending September 2008, average prices increased by about 3 percent each in Houston and El Paso to \$208,000 and \$161,000, respectively, and by about 2 percent each in San Antonio and Fort Worth to \$183,000 and to \$145,000, respectively. The average price increased by 1 percent to \$246,000 in Austin but decreased by 1 percent in Dallas to \$216,000.

The number of existing homes sold also declined by double-digit percentages in markets elsewhere in the region. The Greater Albuquerque Association of REALTORS® reported that, in Albuquerque, during the 12 months ending September 2008, the number of sales was down 30 percent to 7,300 homes and the average price was \$237,000, down 2 percent compared with the price recorded during the 12 months ending September 2007. According to the Oklahoma Association of Realtors, the number of homes sold in Oklahoma City was down 12 percent to 17,200 during the 12 months ending September 2008, while the average price increased 3.5 percent to \$154,500. In Tulsa, home sales declined 13.7 percent to 13,400, but the average price increased 2 percent to \$157,300. Based on data from the Greater Baton Rouge Association of REALTORS®, during the 12 months ending September 2008, the number of homes sold in Baton Rouge decreased by 20 percent compared with the number sold during the previous 12 months, but the average price increased by 2 percent to \$199,000. During the 12 months ending August 2008, the number of homes sold in New Orleans dropped 27 percent but the average price was flat at \$209,200. According to the Arkansas REALTORS® Association, during the 12 months ending August 2008, home sales were down 16 percent in the Little Rock area and 19 percent in the Fayetteville area. Likewise, average home prices were down 3 percent in Little Rock to \$164,000 and 6 percent in Fayetteville to \$190,000.

Single-family construction activity, as measured by the number of building permits issued, decreased significantly in the Southwest region during the past 12 months in response to an increased inventory of unsold homes and declining demand resulting from tighter lending standards. During the 12 months ending September 2008, the total number of single-family homes permitted in the region was 118,900, a decline of 55,000 homes, or 32 percent, compared with the number of homes permitted during the 12 months ending September



2007. Declines in the number of units permitted ranged from 26 percent in Oklahoma to 40 percent in New Mexico. Arkansas, Louisiana, and Texas all recorded decreases of about 31 percent.

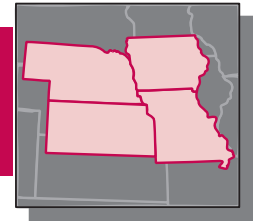
Multifamily construction activity, as measured by the number of units permitted, decreased in the Southwest region during the past 12 months for the first time since 2004 because the softening apartment markets appear to have finally affected construction levels. The nearly 65,000 units permitted in the Southwest region during the 12 months ending September 2008 was down 5 percent compared with the number of units permitted during the previous 12-month period but was still well above the average of 57,000 units permitted annually from 2004 to 2006. Arkansas was the only state in the region to record an increase in the number of multifamily units permitted, up 22 percent, or 600 units, to 2,700 during the 12 months ending September 2008. A small decrease occurred in Texas, where the number of units permitted was down 1,000 units, or 2 percent, to 54,000. In the other states in the region, declines in the number of units permitted ranged from 8 percent in New Mexico to 32 percent in Louisiana. In Louisiana, the decrease was the result of construction levels declining from record levels recorded during reconstruction activity following Hurricane Katrina.

Soft rental housing market conditions have been typical in most large metropolitan areas in Texas for at least the past 4 years. Austin had been the one exception, with balanced conditions, but the market softened there during the past quarter. According to ALN Systems, Inc., for the 12 months ending September 2008, the average apartment vacancy rate in Austin was nearly 8 percent, an increase of more than 1 percentage point compared with the rate recorded for the previous 12-month period. The average rent in Austin increased by 7 percent to \$850 during the same period. In Dallas, the apartment rental market showed slow but steady improvement during the past 12 months as the average vacancy rate declined from 9.7 percent a year ago to the current rate of 9.2 percent; during the same period, the average rent increased by 5 percent to \$807. In Houston, the apartment vacancy rate continued to increase during the past 12 months and is currently 11.5 percent, up 1 percentage point compared with the rate recorded during the previous 12 months. The average rent in Houston was \$756, up 5 percent from a year ago. In San Antonio, the apartment vacancy rate also increased, up 0.5 percentage point to 10 percent, and the average rent increased by 3 percent to \$714. In Fort Worth, the rental housing market was still very soft and the average apartment vacancy rate was unchanged, at 11 percent. During the period, the average rent in Fort Worth increased by 5 percent to \$713.

Rental housing market conditions are generally balanced in other large metropolitan areas throughout the Southwest region. According to Reis, Inc., for the third quarter

of 2008, the apartment vacancy rate in Albuquerque was 5.3 percent and the average rent increased by 5 percent to \$704. Tight conditions in New Orleans have moderated as the apartment rental vacancy rate increased to 5.1 percent from 3.4 percent for the third quarter of 2007. The average rent increased to \$867, up 1 percent compared with the rent recorded a year ago. In Little Rock, for the third quarter of 2008, the apartment market vacancy rate was 6.4 percent, down from 7.6 percent a year ago, and the average rent increased by 5 percent to \$641. In Oklahoma City, for the third quarter of 2008, the apartment vacancy rate declined to 7.9 percent from 8.5 percent for the third quarter of 2007. In Tulsa, the vacancy rate declined to 7.6 percent from 9 percent. Average rents were up by 6 percent in both markets to \$542 in Oklahoma City and \$579 in Tulsa.

## GREAT PLAINS



The economy of the Great Plains region grew in the third quarter of 2008, continuing the expansion that began in 2004. The 35,000 nonfarm jobs added during the 12 months ending September 2008 represent a gain of 0.5 percent over the number of jobs in the region during the previous 12 months; this rate of increase is the lowest since the economic expansion began. The highest growth rates occurred in the professional and business services and education and health services sectors, which grew by 1.6 percent, or 11,600 jobs, and by 1.5 percent, or 13,500 jobs, respectively. The transportation and utilities sector added 2,800 jobs, increasing by approximately 1 percent. In the four-state region, government remains the largest employment sector, accounting for more than 1.1 million jobs, or approximately 17 percent of the region's 6.7 million jobs. The number of jobs in the government sector increased by 1 percent during the 12-month period ending September 2008. During this same period, the manufacturing and information sectors declined by 1.2 and 0.5 percent, respectively, losing a combined total of 10,500 jobs.

Each of the four states in the Great Plains region experienced net job growth during the 12 months ending September 2008. Nebraska was the only state in which employment grew at a rate higher than 1 percent; the number of jobs increased by 13,400 to 971,800, a growth rate of 1.4 percent. Nonfarm employment in Kansas increased by 11,500 jobs, or 0.8 percent, compared with the number of jobs in the state a year ago. Iowa and Missouri reported nonfarm job growth of 0.5 and 0.1 percent, respectively, adding 8,300 and 1,900 jobs,



respectively. Missouri recorded a significant decline in manufacturing employment, because automotive and automotive parts production jobs were lost due to declines in automobile sales. The decline in manufacturing jobs was partially offset by employment gains in the education and health services and government sectors.

The slowing economy led to a softening in the labor markets throughout the Great Plains region. The regional unemployment rate rose from 4.2 percent for the 12 months ending September 2007 to 4.7 percent for the 12 months ending September 2008. Unemployment rates for the four states ranged from 3.2 percent in Nebraska to 5.8 percent in Missouri, with Iowa and Kansas reporting rates of 3.9 and 4.3 percent, respectively. Although the unemployment rate rose in each state, the increases were minor, rising 0.2 percent in Iowa, Kansas, and Nebraska and 0.9 percent in Missouri.

Existing home sales activity in the Great Plains region decreased during the 12 months ending June 2008 (the most recent data available). The NATIONAL ASSOCIATION OF REALTORS® reported that 51,600 homes were sold in Iowa, a decline of nearly 32 percent compared with the number sold a year earlier. In Missouri and Kansas, 109,200 and 60,800 homes were sold, respectively, which is 17 percent fewer than the number sold during the 12-month period ending June 2007. In Nebraska, the number of homes sold decreased 20 percent to 31,600.

Home sales markets remain soft in the larger metropolitan areas of the region due to a slowing economy and continued tighter lending standards for home mortgages. According to data from local REALTORS® associations, during the 12 months ending September 2008, sales of new and existing homes were down in each of the five major metropolitan areas in the region and average home sales prices declined in four of the five areas. In St. Louis, total sales declined 14 percent to 16,150 homes sold and the average price declined 8 percent to \$195,500. In Kansas City, sales declined 8 percent to 24,050 homes sold and the average sale price declined 6 percent to \$172,600.

In Des Moines, although home sales declined 20 percent to 8,250 homes sold during the 12 months ending September 2008 compared with the number sold during the previous 12-month period, the average sales price was relatively unchanged at \$169,800. In Lincoln, sales declined nearly 13 percent to 3,550 homes sold and the average sales price declined 1 percent to \$155,150. In Wichita, sales declined 12 percent to 10,450 homes sold but the average price rose nearly 5 percent to \$137,400. Inventories of new and existing homes for sale in Wichita remain at moderate levels because builders have slowed the pace of single-family home construction. As of September 2008, Wichita had an estimated 4.7 months supply of available homes listed for sale, a modest level that has helped to maintain prices.

As home sales continue to decline in the region, single-family home construction, as measured by the number of building permits issued, also decreased during the 12 months ending September 2008. During the period, permits were issued for approximately 21,950 single-family homes, 33 percent fewer permits than the number issued during the 12-month period ending September 2007. Declines in single-family building were recorded in each of the four states, ranging from a decline of 23 percent to 4,200 homes in Nebraska to a decline of 42 percent to 7,650 homes in Missouri. The number of permits issued for single-family homes in Iowa and Kansas declined by 28 and 31 percent, respectively, to 5,400 and 4,700 homes, respectively.

Rental housing markets in the larger metropolitan areas of the region were tighter in general in the third quarter of 2008 than they were in the third quarter of 2007. In Omaha, the apartment vacancy rate decreased from 5.6 to 5 percent while the average asking rent increased by 4.1 percent to \$691. In St. Louis, the apartment vacancy rate declined slightly to 6.7 percent while the average asking rent increased by 2 percent to \$730. In Wichita, the apartment market tightened significantly; the reported rental vacancy rate declined from 8.7 percent in the third quarter of 2007 to 6.8 percent in the third quarter of 2008. At the same time, asking rents in Wichita rose 5.5 percent to \$515. The Kansas City market was the only large metropolitan area that experienced an increase in the apartment vacancy rate, which rose to 6.9 percent from 6.6 percent a year ago. During the third quarter of 2008, the average asking rent for Kansas City apartments increased by nearly 3 percent to \$699.

Multifamily production, as measured by the number of units permitted, increased slightly in the region during the 12 months ending September 2008 to 12,200 units; this figure represents an increase of 3 percent compared with the number permitted during the previous 12-month period. The actual distribution of units permitted across the region was not uniform, however; Iowa and Missouri posted declines and Kansas and Nebraska posted increases in the number of multifamily units permitted. In Iowa, the number of units permitted declined 41 percent, to 1,550 units, from the number permitted during the previous 12-month period. In Missouri, the number of units permitted declined 4 percent to 5,425 units, and an increase of 650 units permitted in Kansas City was offset by a decline of 900 units in the St. Louis area. In Kansas, the number of multifamily units permitted increased nearly 19 percent to 2,850 units.

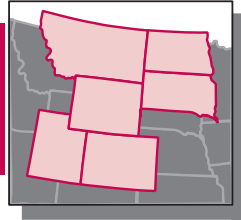
In Nebraska, the number of multifamily units permitted more than doubled to 2,325. Most of the increase occurred in the Omaha area. Among new developments in Omaha is a major mixed-use property valued at an estimated \$300 million; the property will include approximately 300 condominium units and 200 apartment units. According to the McGraw-Hill Construction Pipeline database, during the 12-month period ending September





2008, approximately 80 percent of the multifamily units under construction in the region were rental units; in contrast, during the 12-month period ending September 2007, just 45 percent of the units under construction were rental units. This trend reflects softer home sales markets and a general increase in apartment occupancy in the region.

## ROCKY MOUNTAIN



Economic growth continued to moderate in the Rocky Mountain region during the 12 months ending September 2008. This trend began during the first quarter of 2008 and reflects a downturn in the sales housing market and a slowdown in the national economy. In the region, for the 12 months ending September 2008, average nonfarm employment increased by 87,600 jobs, or 1.6 percent, to 5 million jobs. The most significant gains were posted in Colorado and Utah, which added 39,500 and 21,500 jobs, respectively. In Colorado, energy-related development, growth in tourism due to a record skiing season, and the estimated \$250 million impact of the Democratic National Convention in August contributed to a 1.7-percent gain in nonfarm employment. In Utah, hiring in the trade, education and health services, and professional and business services sectors more than offset a large decline in construction employment. The oil and gas industries stimulated employment growth in Wyoming, but at a slower rate of 3 percent, or 8,600 jobs, compared with the rate of 4.6 percent recorded during the previous 12 months. Moderate gains occurred in Montana, South Dakota, and North Dakota, where employment increased by 6,900, 6,100, and 5,000 jobs, respectively. Regionwide, losses occurred in the construction and manufacturing sectors, down by 4,000 and 800 jobs, respectively, during the period. As a result, the average unemployment rate in the region increased from 3.3 percent for the 12 months ending September 2007 to 3.9 percent for the 12 months ending September 2008. Unemployment rates rose in every state in the region except South Dakota, but all were below the U.S. average rate of 5.3 percent. Colorado registered the greatest unemployment rate increase, which rose to 4.6 percent from 3.8 percent.

Tight lending standards and a slower economy have contributed to a decline in sales of existing homes. According to the NATIONAL ASSOCIATION OF REALTORS®, for the 12 months ending June 2008 (the most recent data available), the annualized average of existing home sales was 213,300 units, a 12-percent decrease compared with the sales rate recorded for the

previous 12-month period. All states in the region reported decreases in the volume of existing home sales. In Utah, sales declined by nearly 30 percent and accounted for 50 percent of the regional decline of 27,800 units during the past 12 months. Wyoming and Montana registered declines of 21 and 15 percent, respectively. The large declines in Utah, Wyoming, and Montana were partly caused by the high level of homebuilding and price increases that occurred during the previous 24 months. North Dakota and South Dakota each recorded a small decline in home sales during the 12-month period ending June 2008.

An increase in single-family foreclosure rates has contributed to the softer home sales market in the region. According to the National Delinquency Survey conducted by the Mortgage Bankers Association in the second quarter of 2008, the 1.7-percent average foreclosure rate recorded in the region was up from the 1.2-percent rate recorded in the survey conducted in the second quarter of 2007. All states recorded rates well below the national rate of 2.8 percent. In Colorado, the 2.2-percent average foreclosure rate was the highest in the region and the 16th highest in the nation. In Utah, for the first time in 3 years, the foreclosure rate exceeded 1 percent for two consecutive quarters, rising to 1.2 percent in the second quarter from 1.0 percent in the first quarter. Rates in Montana and North Dakota were below 1 percent but were up from the previous year, and the rate in South Dakota was up slightly to 1.2 percent.

During the 12 months ending September 2008, home sales activity levels in Utah markets declined considerably from levels recorded during the previous 12 months and inventories of unsold homes increased. In the Provo-Orem area, the Utah County Association of REALTORS® reported that, for the 12 months ending September 2008, sales of existing single-family homes were 34 percent below the sales volume recorded during the 12 months ending September 2007. During the most recent 12-month period, the average home sales price decreased by 3 percent to \$276,300 and the inventory of homes for sale increased by 26 percent to 4,250 units. According to NewReach, Inc., during the 12-month period ending September 2008, sales of existing homes in the Ogden-Clearfield area declined by 35 percent but the average price increased by 2 percent. Active listings were up 26 percent to 5,250 homes. Sales of new homes in the Ogden-Clearfield area were also down 35 percent, and the average price decreased by 7 percent to \$298,600. In the St. George area, home sales declined by 28 percent, partly because of average annual price increases of 20 percent recorded during the 2-year period ending March 2007. During the 12 months ending September 2008, the average sales price in St. George was \$306,900, an 8-percent decrease compared with the average price recorded during the previous 12 months. The record-level inventories of homes for sale in Utah markets are expected to decline during the next 12 months because

of anticipated population growth and the decline in new home construction that has continued since the third quarter of 2006.

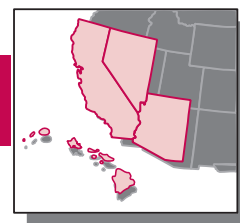
In Colorado, sales housing market conditions have remained soft since the third quarter of 2006, but reduced inventories of homes for sale during the 12 months ending September 2008 indicate that the market is beginning to move toward more balanced conditions. According to the Denver Board of REALTORS®, sales of single-family homes were down 3 percent to 37,900 units from a year ago, and the inventory of active listings declined by 20 percent to 18,500 homes. The average price of an existing single-family home sold in Denver decreased by 9 percent to \$286,700. The market showed signs of recovery for entry-level homes priced at less than \$250,000 where the supply of homes was less than 5 months as of September 2008 compared with a 6 months' supply overall in the metropolitan area. In addition, the average price of homes sold near light-rail stations has increased by 4 percent during the past 12 months. The Boulder Area REALTOR® Association reported that, during the 12-month period ending September 2008, sales of single-family homes declined by 14 percent, the average sales price decreased by 5 percent to \$438,000, and the inventory of single-family homes for sale decreased by 20 percent to 2,290 units.

In response to lower demand and mounting inventories, single-family home construction, as measured by the number of building permits issued, declined by 41 percent in the Rocky Mountain region during the 12 months ending September 2008. During the period, the number of single-family homes permitted in the region declined by approximately 22,100 homes to 32,100. Although the number of single-family building permits issued decreased in all Rocky Mountain states, the declines posted in Colorado and Utah accounted for 90 percent, or 19,900 units, of the regional decrease in single-family permitting activity.

Rental housing markets were balanced to tight throughout much of the Rocky Mountain region as of September 2008. The average rental vacancy rate in the Denver metropolitan area declined to 6.1 percent, down from 6.8 percent in September 2007, according to Apartment Appraisers & Consultants' *Apartment Insights* survey. In Denver, the average effective monthly apartment rent increased by 5 percent to \$821 during the past 12 months. In the Fort Collins-Loveland area, the average vacancy rate decreased to 4.1 percent from 5.2 percent, and the average effective rent increased by 3 percent to \$780 from the rent recorded a year ago. According to EquiMark Properties, Inc., the July 2008 average apartment rental vacancy rate in the Provo-Orem area was 4.9 percent, up from the 3.5-percent rate recorded in July 2007, which reflects an increased supply of rental units resulting from condominium reversions. The average apartment rent in the Provo-Orem area increased by 7 percent between July 2007 and July 2008.

Multifamily building activity, as measured by the number of units permitted, increased in the region by 5 percent to 15,300 units during the 12 months ending September 2008. Approximately 60 percent of the multifamily units permitted in the region were for rental units, indicating that the tight rental market conditions in the region will likely ease in the future. Most of the increase in multifamily construction activity occurred in Colorado, where permits were issued for 8,400 units, up 15 percent from the number of units permitted during the previous 12-month period. Demand for units in transit-oriented developments near light-rail stations in Denver contributed to the increase. In Utah, multifamily building permit activity totaled 3,070 units for the 12-month period ending September 2008, relatively unchanged compared with activity recorded during the previous 12 months.

## PACIFIC



Economic activity in the Pacific region slowed during the third quarter of 2008. During the 12 months ending September 2008, nonfarm employment averaged 19.7 million jobs, a decline of 29,600, or 0.1 percent, compared with the level of nonfarm employment recorded a year ago. In contrast, employment rose by 1.2 percent, or 230,400 jobs, during the 12 months ending September 2007. During the most recent 12-month period, employers in the service-providing sectors added 112,000 jobs, a gain of 0.7 percent. The education and health services and the government sectors accounted for 65,000 and 60,000 new jobs, respectively. Reflecting continued weakness in the housing market, employment in the construction sector declined by 9 percent, or 115,500 jobs, during the 12-month period ending September 2008, compared with a loss of 47,000 jobs during the same period a year ago, and the troubled financial activities sector shed nearly 44,000 jobs.

In California, nonfarm employment declined by 13,000 jobs, or 0.1 percent, during the 12 months ending September 2008. In comparison, employers in the state added nearly 144,000 jobs, a 1-percent increase, during the previous 12 months. During the most recent 12-month period, employers in the service-providing sectors added 88,400 jobs, with 52,000 jobs created in the education and health services sector and 43,000 jobs added in the government sector. These gains were offset by the loss of 101,400 jobs in the goods-producing sectors, primarily in the construction sector. With its high-technology industry base, the San Francisco Bay Area had the strongest economy in the state during the



12 months ending September 2008, when area employers added 13,500 jobs. In contrast, during the same period, employers in Southern California cut more than 60,000 jobs, notably in the construction and financial activities sectors. During the period, employment in Hawaii rose by 2,600 jobs, or 0.4 percent; the government and the education and health services sectors accounted for most of the increase.

Employment in Arizona declined by 16,500 jobs, or 0.6 percent, during the 12 months ending September 2008. The extremely weak level of homebuilding led to the loss of 28,000 jobs in the construction sector. At the same time, however, the government and the education and health services sectors added 14,000 and 11,000 jobs, respectively. In Nevada, employment fell by 2,700 jobs, or 0.2 percent, in the past 12 months. The construction sector shed 11,000 jobs despite the number of large casino hotels that are under construction. In the past year, the leisure and hospitality sector was essentially flat due to stagnant gambling revenues and visitor spending. Due to the sluggish economy, the average unemployment rate in the Pacific region rose 2 percentage points to 7.2 percent in the 12 months ending September 2008. Unemployment rates ranged from 4.7 percent in Hawaii to 7.5 percent in California.

The sales housing market in the region remained soft in the third quarter of 2008 due to tight mortgage lending standards and a slower economy. Home sales prices continued to decline and sales volume was down from the peak levels recorded during 2004 and 2005, although sales of lower priced and foreclosed homes are beginning to increase in some areas. The number of existing homes sold in California declined by 4 percent to 376,100 homes during the 12 months ending September 2008, according to the California Association of REALTORS®. The 12-month decline was mitigated by increased sales volume reported during the most recent 5 months, reflecting increased demand for—and increased sales of—more affordable homes priced below \$500,000. In the third quarter of 2008, the median sales price was \$339,220, down a record \$231,500, or 41 percent, from the median price recorded during the third quarter of 2007. During the third quarter of 2008, sales of foreclosed homes represented nearly 50 percent of total sales of existing homes, up from less than 10 percent of total sales during the same quarter a year ago. In Honolulu, sales of existing homes declined by 24 percent to 7,200 units during the 12 months ending September 2008, although home prices have been comparatively stable. During the third quarter of 2008, median prices for existing single-family and condominium homes were \$620,000 and \$318,000, respectively, each down approximately 5 percent from median prices recorded during the same quarter a year ago.

In Phoenix, during the 12 months ending September 2008, sales of new and existing homes fell by 38 and 20 percent, respectively, to 26,050 and 53,200 units, respectively, according to the *Phoenix Housing Market Letter*. During

the past year, the median price of an existing home sold in Phoenix declined by \$61,600 to \$181,700. The lower median price reflects still-high inventories of more than 50,000 unsold existing homes and the fact that foreclosed homes account for nearly 50 percent of existing home sales in the Phoenix market. In Las Vegas, during the 12 months ending September 2008, builders sold 12,500 new homes, just one-half the number sold during the previous 12-month period, according to the *Las Vegas Housing Market Letter*. During the most recent 12-month period, existing home sales declined by 10 percent to 26,100 units, but sales have increased in recent quarters because reduced home prices are attracting more buyers. In the third quarter of 2008, the median price of an existing home sold in Las Vegas was \$203,000, down 25 percent from the median price recorded during the same quarter a year ago. Most homes sold during the third quarter of 2008 were foreclosures, and the inventory of unsold existing homes remains high at approximately 28,500 homes.

In response to weak sales of new homes in the region, homebuilding activity, as measured by the number of building permits issued, fell by 50 percent to 68,600 permits issued during the 12 months ending September 2008. In comparison, permits were issued for an average of 267,000 homes in the peak years of 2003 through 2005. During the past 12 months, permit activity in California, Arizona, and Nevada totaled 36,600, 20,300, and 8,900 units, respectively; these figures represent declines of approximately 50 percent for each state compared with the number of permits issued in those states during the previous 12 months. In Hawaii, the number of permits issued fell 2,160 to 2,850 in the past year.

Rental housing market conditions in major areas of the Pacific region remained mixed in the third quarter of 2008. The San Francisco Bay Area rental housing market continued to be tight, supported by employment and population growth and limited rental housing construction. According to Reis, Inc., in the third quarter of 2008, apartment rental vacancy rates in both San Jose and San Francisco declined by 0.5 percentage point to 3 and 3.5 percent, respectively, from rates recorded during the same quarter a year ago. In Oakland, the current vacancy rate of 4 percent decreased from 4.5 percent last year. Increases in asking rents ranged from nearly 5 percent in Oakland to 6.5 percent in San Francisco. Third quarter 2008 average asking rents in the Oakland, San Jose, and San Francisco submarkets were \$1,385, \$1,600, and \$1,930, respectively. In Sacramento, the apartment market was balanced, with a current vacancy rate of 5 percent, down from 5.5 percent the previous year.

Rental market conditions varied throughout Southern California in the third quarter of 2008, and markets remained tight in Los Angeles, Orange, Ventura, and San Diego Counties and in southern Santa Barbara County. In both Orange and Ventura Counties, the

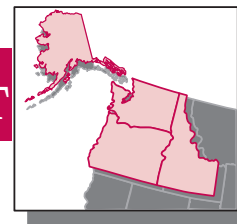


overall rental vacancy rate of 4.5 percent was unchanged from the rate recorded during the third quarter of 2007. In San Diego County, the rental vacancy rate declined 0.5 percentage point to 4.5 percent during the past year, primarily reflecting lower vacancy rates for apartment units built after 2000. In Los Angeles County, the conversion of about 11,500 single-family detached homes and condominiums into rental units during the past 12 months resulted in an increase in the rental vacancy rate to 5 percent from 4.5 percent a year ago. In San Bernardino County, rental conditions remained balanced with a vacancy rate of 6.5 percent, unchanged from a year ago, but in Riverside County, the overall rental vacancy rate increased 1 percentage point to 8 percent due largely to the conversion of single-family homes and condominiums into rental units. According to the Consumer Price Index for Southern California, during the 12 months ending September 2008, the average rent increased by 4.5 percent, significantly less than the 6-percent rent increase recorded during the previous 12-month period.

In Phoenix, the apartment rental vacancy rate increased by 2 percentage points in the past year to nearly 10 percent, according to Reis, Inc. During the period, the average rent rose by 1.5 percent to \$780, compared with a 3.5-percent increase recorded during the 12 months ending September 2007. In Las Vegas, the apartment vacancy rate increased to 7.5 percent, up from 5.5 percent a year ago, and the average rent increased by 3 percent to \$870. In both Phoenix and Las Vegas, large inventories of unsold single-family homes and condominiums have contributed to higher rental unit vacancies. In Honolulu, the rental housing market has remained relatively balanced; during the past 2 years, the overall rental vacancy rate has remained between 4 and 6 percent.

Multifamily construction activity, as measured by the number of units permitted, fell by 11,000 units, or 17 percent, to 52,800 units in the region during the 12 months ending September 2008. This level of activity is the lowest recorded since 1997. During the past year, multifamily building activity declined by 28 percent to 31,250 units in California and by 14 percent to 8,700 units in Arizona. In Hawaii, the number of units permitted fell by 27 percent to 1,850 units. These declines were partly offset by the 45-percent increase in permitting activity in Nevada, where 11,000 units were permitted during the past 12 months. Condominium units under construction in Las Vegas account for most of the multifamily units permitted in the state.

## NORTHWEST



Employment growth continued to slow in the Northwest region during the past 12 months, reflecting a trend that began in 2006. During the 12 months ending September 2008, nonfarm employment grew by 61,100 jobs, or 1.1 percent, to an average of 5.7 million jobs compared with the average number of jobs recorded during the previous 12 months. The increase in regional jobs was less than one-half the 12-month gain of 130,400 jobs that occurred during the 12 months ending September 2007. In Washington, nonfarm employment increased by 47,500 jobs, or 1.6 percent, to an average of 2.9 million jobs during the 12 months ending September 2008. In Oregon, nonfarm employment averaged 1.7 million, an increase of 9,100 jobs, or 0.5 percent. Idaho, up by 2,400 jobs, and Alaska, up by 2,100 jobs, grew by 0.4 and 0.6 percent, respectively. Nonfarm employment averaged 654,700 in Idaho and 319,000 in Alaska for the 12 months ending September 2008.

Regional job gains during the 12 months ending September 2008 were led by the education and health services, government, and leisure and hospitality sectors, which added 20,000, 19,700, and 16,400 jobs, respectively. Losses occurred in the construction sector, down 10,400 jobs, and the financial activities sector, down 4,700 jobs, primarily because of the decline in single-family homebuilding. Manufacturing employment decreased regionally by 3,700 jobs, largely due to losses in Oregon related to the wood products and electronics industries. Washington was still a bright spot for manufacturing, where the sector gained 5,700 jobs, led by hiring at The Boeing Company. Due to the job losses in the construction and financial activities sectors, the regional unemployment rate increased from 4.6 percent during the 12 months ending September 2007 to 5.1 percent for the 12 months ending September 2008. The average unemployment rate was 3.4 percent in Idaho, 5 percent in Washington, 5.7 percent in Oregon, and 6.6 percent in Alaska.

Reduced employment growth, combined with 2 years of slowing sales, have resulted in soft sales housing market conditions with widespread price declines throughout the Northwest region. In Washington, according to Northwest Multiple Listing Service data, the Puget Sound metropolitan areas of Seattle, Tacoma, Bremerton, and Olympia recorded an average price decline of 5 percent to \$431,800 and a 31-percent drop in new and existing home sales to 46,400 units during the 12 months ending September 2008 compared with



the previous 12 months. The largest rate of decline in average price occurred in the Bremerton area, down 9 percent to \$340,000, where sales were down 21 percent. In the Seattle metropolitan area, the number of homes sold was down 33 percent to 29,500 units and the average price was \$501,000, down 4 percent. The average price in the Olympia and Tacoma metropolitan areas each declined by 5 percent to \$294,000 and \$309,400, respectively. Sales declined 25 percent in the Olympia area and 31 percent in the Tacoma area.

The number of new and existing homes sold in 11 selected markets in Oregon declined 27 percent to 44,000 units during the 12 months ending September 2008 compared with the number sold during the previous 12 months, based on data from the local multiple listing services. The average price decreased by 3 percent to \$301,200 during the same period. In the Portland-Vancouver-Beaverton, Oregon-Washington metropolitan area, sales of new and existing homes were down 30 percent, totaling 25,500 units, and the average price decreased 1 percent to \$328,600. Prices were typically down 4 percent or less in the rest of the major markets in Oregon, with the exception of Coos and Douglas Counties, where the price declined by 8 percent and 11 percent, respectively. The average sales price was \$200,000 in Coos and \$191,600 in Douglas. In the Boise metropolitan area, during the 12 months ending September 2008, sales of new and existing homes totaled 7,500 units, a 33-percent decrease compared with sales recorded during the previous 12 months, and the price decreased by 10 percent to \$217,000, according to Intermountain Multiple Listing Service data. Alaska Multiple Listing Service, Inc., data showed new and existing home sales at 2,500 units, a 13-percent decline in sales in Anchorage during the 12 months ending September 2008. The average price in Anchorage, at \$325,650, was 2 percent below the average price during the previous 12 months.

Home construction activity, as measured by the number of building permits issued, declined by 40 percent in the Northwest region during the 12 months ending September 2008 in response to the reduced volume of home sales. During the period, the number of single-family building permits issued in the region totaled 36,100, which is 23,600 fewer homes than the number permitted during the previous 12 months. In Washington, the number of single-family permits issued declined by 11,400 to 18,800 homes compared with the number permitted in the previous 12 months. In Oregon and Idaho, the number of single-family permits issued decreased by approximately 7,800 to 9,300 homes and 4,100 to 7,200 homes, respectively. In Alaska, single-family construction activity totaled 750 homes, down 300 units from the number permitted in the 12 months ending September 2007.

Multifamily construction activity, as measured by the number of units permitted, slowed in the Northwest region during the 12 months ending September 2008. The total number of units permitted equaled 18,600 units, down 6,300 units, or 25 percent, compared with the number permitted during the previous 12-month period. In Washington, the number of multifamily units permitted declined by 3,200 units to 12,700 units and in Oregon, the number of units permitted totaled 4,700, a decline of 1,500 units. Multifamily construction activity in Idaho declined by 1,300 units to a total of 980 units and, in Alaska, activity totaled 350 units, down by 420 units compared with the number of units permitted during the previous 12 months.

Rental housing market conditions were tight to balanced in the Northwest region as of September 2008. Tight conditions eased in some market areas during the past 12 months due to more condominiums and single-family homes entering the rental market, new apartment construction, and slower job growth causing reduced renter household formation. In the Seattle area, according to Dupre+Scott data, as of September 2008, the apartment vacancy rate in the Seattle metropolitan area was 5 percent, up 1 percentage point from September 2007. The Tacoma metropolitan area apartment rental vacancy rate also increased 1 percentage point to 4.5 percent. In the Bremerton metropolitan area, the estimated apartment vacancy rate as of September 2008 was balanced at 4.8 percent. Market conditions have been tight in the Olympia metropolitan area since 2006 because of minimal new apartment construction; as of September 2008, the rental vacancy rate was 3.4 percent. The average rent in the Seattle and Tacoma metropolitan areas was \$1,050 and \$825, respectively, each up 7 percent compared with the average rent in September 2007. In the Olympia and Bremerton metropolitan areas, the average rent increased 4 percent to \$810 and 6 percent to \$847, respectively.

In the Portland-Vancouver-Beaverton metropolitan area, rental housing market conditions were balanced as of the third quarter of 2008, with an apartment vacancy rate of 5 percent, up 1 percentage point from a year ago. The average rent increased 3 percent to \$865. In the Oregon metropolitan areas of Salem and Eugene-Springfield, the estimated apartment vacancy rate was 3.4 percent in each area due to limited new apartment construction; average rents increased by 4 and 7 percent, respectively. According to RealFacts data, for the third quarter of 2008, rental housing market conditions eased in the Boise metropolitan area compared with the same period a year ago. The apartment vacancy rate was 6.5 percent, up from 4 percent a year ago, and the average rent was \$742, essentially unchanged compared with the average rent recorded for the third quarter of 2007. Rental housing market conditions in the Anchorage area were balanced, with an estimated rental vacancy rate of 6.5 percent as of September 2008.

## Housing Market Profiles

### Albany-Schenectady-Troy, New York

The Albany-Schenectady-Troy metropolitan area is located in eastern New York State, approximately 150 miles north of New York City, and consists of Albany, Rensselaer, Saratoga, Schenectady, and Schoharie Counties. The area also includes the city of Albany, the capital of New York State. Since 2000, the total population of the metropolitan area is estimated to have increased at an average annual rate of 0.5 percent to a current population of 858,200; growth is attributed equally to net natural change (resident births minus resident deaths) and net immigration.

Employment growth in the metropolitan area has been slowing since 2004, and this trend has continued into the third quarter of 2008. During the 12 months ending September 2008, total nonfarm employment increased by only 400 jobs, or 0.1 percent, to 448,600. In comparison, 1,900 jobs were created during the 12 months ending September 2007. During the most recent 12-month period, employment growth occurred primarily in the professional and business services and education and health services sectors, up 2.0 and 1.6 percent, respectively, for a total of 2,300 jobs. These gains were partially offset by 2- to 3-percent declines in the manufacturing, financial activities, and information sectors, which lost a total of 1,400 jobs. During the 12-month period ending September 2008, the average annual unemployment rate increased from 3.9 to 4.7 percent. Despite this increase, the area unemployment rate remains below the comparable average annual unemployment rate of 5.0 percent for New York State.

Major employers in the metropolitan area include Golub Corporation, a large grocery retailer; Albany Medical Center; and St. Peter's Health Care Services. Historically, the area has been characterized by economic stability due to the large government sector, which accounts for approximately 25 percent of total nonfarm employment. During the 12-month period ending September 2008, the government sector increased by almost 600 jobs, or 0.5 percent, primarily due to increased state employment. Growth in the state government subsector will likely be constrained during the next several years by current and projected budget deficits.

Nanotechnology research has been a growing high-technology industry in the area. The Foundry Company, a subsidiary of Advanced Micro Devices, Inc., of Sunnyvale, California, recently announced

plans to construct a \$3.2 billion semiconductor fabrication plant in the Luther Forest Technology Campus in Saratoga County; the plant is expected to generate 1,500 new high-wage jobs by 2011.

Several factors, including a slowing economy, tighter credit conditions, and an increase in the unsold housing inventory, have impacted the area sales housing market. According to the Greater Capital Association of REALTORS®, the current inventory of unsold existing homes is 5,840 units, or an estimated 8-month supply. Through the third quarter of 2008, existing home sales totaled 5,530 units, a 16-percent decrease compared with the existing home sales recorded during the same period a year earlier. This decline in sales ranged from a 9-percent decrease to 800 units in Rensselaer County to a 20-percent reduction to 850 units in Schenectady County. During the first 8 months of the year, the median price of an existing home sold in the metropolitan area was \$194,900; this figure represents an increase of less than 1 percent compared with the median price recorded during the same period of 2007. Despite fewer sales, the median price remained stable at \$205,000 in Albany County and \$255,000 in Saratoga County. Existing median home prices increased by approximately 1 to 2 percent in Rensselaer, Schenectady, and Schoharie Counties.

Weakening housing market conditions have affected the level of housing production. Residential construction activity, as measured by the number of housing units authorized by building permits, averaged 3,350 units a year from 2002 through 2005 and peaked at 3,650 units in 2005. The total number of units permitted decreased by 33 percent to 2,450 units in 2006 and by 24 percent to 1,850 units in 2007. Single-family construction activity peaked in 2002 at 2,650 units but remained high through 2005, averaging 2,550 for that period. In 2006 and 2007, the average number of units permitted each year was 1,700 units, down 33 percent from the average number of units permitted annually between 2002 and 2005. Multi-family construction activity peaked at 1,350 units permitted in 2005 and averaged only 850 units a year for the next 2 years. Based on data from jurisdictions that report building permit activity monthly, during the 12-month period ending August 2008, 1,700 housing units were permitted in the metropolitan area, relatively unchanged from the number of units permitted during the previous 12-month period. During the most recent 12-month period, the number of multifamily units permitted increased by 28 percent to 925, but the number of single-family homes permitted declined by 19 percent to 775. An estimated 2,000 multifamily units are currently under construction; of these units, more than 40 percent are estimated to be condominiums and are primarily in Albany and Saratoga Counties.





Increased demand for rental units has led to a tightening of the rental housing market in the metropolitan area. According to statistics from Reis, Inc., the apartment vacancy rate in the Albany-Schenectady-Troy area has declined since 2006. During the second quarter of 2008, the estimated apartment vacancy rate was 4.1 percent, down from 5.2 percent during same quarter a year ago. Reis data also indicate that the average annual apartment asking rent in the area remained relatively unchanged at \$857 a month in the second quarter of 2008, with average monthly apartment asking rents ranging from \$626 for a studio apartment to \$1,188 for a three-bedroom unit.

## Brownsville-Harlingen, Texas

The Brownsville-Harlingen metropolitan area, located at the southernmost tip of Texas along the United States-Mexico border, consists of Cameron County and includes the vacation area of South Padre Island. As the retail and healthcare center of south Texas, the metropolitan area provides many goods and services to the 430,000 residents of Matamoros in Tamaulipas, Mexico. The city of Matamoros is located south of Brownsville across the Rio Grande River. As of September 1, 2008, the population of the metropolitan area is estimated at 396,100; this figure represents an increase of 2 percent compared with the September 2007 population estimate. Since 2000, more than 90 percent of the population increase has resulted from net natural change (resident births minus resident deaths).

The economy of the metropolitan area is stable. During the 12 months ending August 2008, total nonfarm employment increased by 1,100 jobs to 124,400, a 1-percent gain compared with the number of jobs recorded during the previous 12 months. During the 12 months ending August 2007, nonfarm employment increased by 3,400 jobs, or 2.8 percent. The leading private-sector employer in the metropolitan area, Keppel AmFELS, Inc., a leader in offshore rig manufacturing, employs an estimated 3,000 employees. During the most recent 12-month period, the education and health services sector added 800 jobs, an increase of 2.8 percent, primarily resulting from hiring at hospitals and from the continued formation of small clinics and outpatient surgical centers. The transportation and utilities sector increased by 300 jobs, a gain of 6.3 percent, partially due to the testing of a pilot program for the first seawater desalination plant in Texas. Current plans call for the plant to produce 25 million gallons of fresh water a day, approximately one-third of the total municipal demand projected for the county in 2010. The transportation and utilities sector and the education and health services sector account for

nearly 30 percent of all nonfarm jobs in the area and 70 percent of all jobs added during the past 12 months.

According to a 2006 report conducted by Martin Associates, the Port of Brownsville has an annual economic impact of \$280 million on the local economy. The port offers access to the Gulf of Mexico and serves more than 230 companies. During the 12 months ending August 2008, the level of employment in the trade sector remained unchanged at 19,700 positions, following an increase of 14 percent between January 2000 and August 2007. The average unemployment rate in the area remained virtually unchanged at 6.1 percent compared with the 6-percent rate recorded during the previous 12 months.

The sales housing market for existing single-family homes in the metropolitan area is soft as a result of tightening credit standards and the current slowdown of economic growth. According to the Real Estate Center at Texas A&M University, during the 12 months ending August 2008, sales of existing homes in the city of Brownsville totaled 980 units, a decrease of 9 percent compared with the number sold during the previous 12 months. In the city of Harlingen, however, sales of existing homes totaled 1,120 units, an increase of 1 percent compared with the number sold during the previous period and nearly 3 times the amount of total sales for the same period ending August 2006 due to the availability of relatively more affordable housing. For the 12 months ending August 2008, the average home sales price in Brownsville decreased to \$135,500, down nearly 8 percent compared with the average price recorded for the previous period. Harlingen recorded an average price of \$112,900, up almost 3 percent compared with the price recorded for the 12-month period ending August 2007.

For the 12-month period ending August 2008, single-family construction activity, as measured by the number of building permits issued, totaled 1,150 homes, a decrease of nearly 40 percent compared with the level of activity posted during the previous 12 months. During the past 24 months, activity has been well below the record-level average of 2,850 single-family homes permitted annually from 2003 through 2006. The reduced level of construction activity reflects builders' response to declining sales and the increased inventory of unsold homes.

Condominium sales on South Padre Island have also decreased recently. According to Furcron REALTORS® Inc., during 2007 (the most recent data available), a total of 275 condominium units were sold, a decline from the 411 units sold in 2006. Condominium prices in the area averaged \$278,700 in 2007, a 13-percent increase compared with the average price recorded during 2006.



The metropolitan area apartment market is currently balanced to soft with an estimated overall apartment vacancy rate of 7 percent. Concessions, which typically include 1 month's free rent, are prevalent in the market. According to the Rio Grande Valley Apartment Association, as of April 2008, apartment rents in Brownsville averaged \$532 for a one-bedroom unit, \$643 for a two-bedroom unit, and \$700 for a three-bedroom unit. Due to the availability of more affordable options in duplex and fourplex units, rents in Harlingen were substantially lower at \$434, \$541, and \$629 for one-, two-, and three-bedroom units, respectively. Both Brownsville and Harlingen have substantial numbers of low-income housing tax credit projects. According to the Texas Department of Housing and Community Affairs, since 2000, 1,275 units from the Low-Income Housing Tax Credit Program have been awarded in the metropolitan area, accounting for approximately 50 percent of all building permits issued for multifamily units.

During the 12-month period ending August 2008, apartment construction activity, as measured by the number of multifamily units permitted, decreased by 40 units to a total of 150 units. During the past 2 years, multifamily construction activity has dropped well below the annual average of 350 units permitted between 2000 and 2006. The soft rental market conditions are expected to continue through 2009 due to the 250 units currently under construction and slated for completion during the next 2 years.

## Charlotte, North Carolina-South Carolina

The Charlotte metropolitan area consists of Mecklenburg County, which contains the city of Charlotte, as well as Anson, Cabarrus, Gaston, and Union Counties in southwest North Carolina and York County in northern South Carolina. The area is the second largest banking center in the nation after New York City and is headquarters for several large banks, including Wachovia Corporation and Bank of America Corporation, which together employ nearly 34,000 people. Other leading employers in the area include Carolinas HealthCare System, Duke Energy Corporation, and US Airways, Inc.

Due to mild weather and strong employment growth since 2000, the population of the Charlotte metropolitan area increased faster than that of any metropolitan area in the Southeast region, except Atlanta. The Charlotte metropolitan area primarily attracts residents from the Northeast United States and outlying areas of North Carolina. In the past 2 years, a slowdown in employment growth in the metropolitan area has resulted in lower population growth than

during the beginning of the decade. In the past 2 years, the population increased by an estimated 31,000, or 2 percent, annually, down slightly from the average increase of roughly 36,300 annually during the first 6 years of the decade. As of September 1, 2008, the population of the metropolitan area is estimated at more than 1.6 million.

Nonfarm employment in the metropolitan area increased by an average of 19,400 jobs, or 2 percent, to 869,600 during the 12 months ending August 2008 compared with a gain of 37,000 jobs, or nearly 5 percent, during the previous 12 months. Despite a slowdown in nearly all employment sectors, only the manufacturing sector declined, continuing a trend that began in 1996. For the 12 months ending August 2008, the unemployment rate averaged 5.5 percent, up from 4.7 percent a year earlier.

Two-thirds of nonfarm employment growth resulted from gains in the professional and business services, leisure and hospitality, and education and health services sectors, which increased by 5,000, 4,400, and 3,500 jobs, respectively, during the 12-month period ending August 2008. In the same period, employment growth in the financial activities sector, which accounts for 9 percent of nonfarm employment, slowed to 800 jobs, or 1 percent, from 2,600 jobs, or 3 percent, in the previous 12-month period. The slowdown in the sector was partially a result of a reduction in mortgage and commercial lending.

In the fourth quarter of 2008, the \$1.5-billion, 350-acre North Carolina Research Campus (NCRC) is scheduled to open its first building, which will house the David H. Murdock Research Institute (DHMRI), a charitable organization established to support research at NCRC. Located in Kannapolis, just north of the city of Charlotte, NCRC will become a center for nutrition, health, and biotechnology research and is expected to employ more than 5,000 researchers and staff after completion in 2012. DHMRI will make \$100 million in advanced research equipment available to organizations located on the campus to promote scientific advancements. Eight universities in North Carolina, including The University of North Carolina at Charlotte, will have programs based at NCRC.

The sales housing market in the Charlotte metropolitan area is currently soft, with an estimated vacancy rate of 3 percent. The slowdown in the Charlotte sales housing market has occurred later than in many areas across the nation. During the 12 months ending September 2008, the number of existing homes sold in the Charlotte area declined from approximately 40,050 to 29,850, a decrease of 10,200 homes, or 26 percent, compared with the number sold during the previous 12-month period. During the third quarter of 2008, the 12-month average



sales price of a home fell for the first time since 2000, decreasing 3 percent from approximately \$229,900 to \$223,600.

In response to the declining demand for sales housing and an increasing inventory of unsold homes, builders have reduced new home construction activity, as measured by the number of building permits issued. During the 12 months ending August 2008, the number of single-family building permits issued decreased by 48 percent to 9,300 homes compared with the number of permits issued during the previous 12 months. After a record-setting 20,300 single-family permits were issued in 2006, single-family construction activity fell to 15,900 homes in 2007.

The number of multifamily units permitted during the 12 months ending August 2008 declined by 6 percent to approximately 5,475 units compared with the number permitted during the same period a year earlier. Of the multifamily units permitted during the past 12 months, more than 95 percent are estimated to be apartments; in comparison, of the multifamily units permitted 2 years ago, approximately 55 percent were apartments. The decline in building permit activity is due primarily to a cutback in condominium production in response to the slowing sales market and more stringent financing standards. According to RealData, Inc., more than 5,300 apartments were under construction in August 2008, a significant increase from the approximately 4,200 units under construction in August 2007 and 3,200 units under construction in August 2006. Apartment construction was highest in southwest Mecklenburg County, where nearly 1,200 units were completed in the past 12 months. Construction in that area has been influenced by the recent completion of a large section of Interstate 485 that connects Interstates 77 and 85.

As a result of increased apartment completions and slower employment and household growth during the past 12 months, the rental housing market has become soft. The apartment vacancy rate increased from 6.8 percent in August 2007 to 9.1 percent in August 2008. Concessions have become more common and include reduced rent for the first month or lower monthly rent for selected floorplans. The overall vacancy rate is expected to continue to increase in 2009 because of the number of units that are expected to come on line. During the 12-month period ending August 2008, the average monthly rent was stable, increasing by less than 1 percent to approximately \$750. Rents averaged approximately \$665 for a one-bedroom unit, \$770 for a two-bedroom unit, and \$915 for a three-bedroom unit.

## Chicago-Naperville-Joliet, Illinois-Indiana-Wisconsin

The Chicago-Naperville-Joliet metropolitan area encompasses nine counties in northeast Illinois, four counties in northwest Indiana, and one county in southeast Wisconsin. As of August 1, 2008, the population of the metropolitan area was estimated at 9.7 million; this figure represents an increase of 72,000, or 0.8 percent, annually since 2000. Approximately one-half of the population growth has occurred in the six core counties in Illinois: Cook, DuPage, Kane, Lake, McHenry, and Will.

In 2008, the Chicago-Naperville-Joliet metropolitan area continued an economic expansion that began in 2004, although last year's pace slowed compared with that of the preceding 2 years. During the 12 months ending August 2008, nonfarm employment averaged nearly 4.5 million jobs, an increase of 15,500, or 0.3 percent, compared with nonfarm employment during the 12-month period ending August 2007. In comparison, nonfarm employment increased by 58,800 jobs during the 12-month period ending August 2006 and by 44,100 during the same period ending August 2007. During the 12 months ending August 2008, hiring in the education and health services sector and the professional and business services sector added 12,000 and 6,000 jobs, respectively, which offset the loss of 5,000 jobs in the financial activities sector. Since 2000, approximately \$4.5 billion has been spent on the construction of 64 new hospitals and medical centers. Advocate Health Care is one of the leading employers in the area, with 26,000 workers. The average unemployment rate for the past 12 months was 5.3 percent, up from 4.6 percent a year earlier. Weakness in the local sales housing market and a slowing national economy are expected to dampen area employment and cause employment growth to remain below 1 percent during the next 12 months.

In response to the slowing local economy and declining demand for new homes, during the 12 months ending August 2008, home builders in the metropolitan area reduced single-family construction activity, as measured by the number of building permits issued. During the period, single-family permits totaled 11,000 homes, a 47-percent decrease compared with the number of single-family homes permitted during the previous 12 months, after averaging 31,000 homes permitted annually since 2000. As has been typical for the past 7 years, the six core counties in Illinois accounted for approximately two-thirds, or 7,200 units, of the single-family home permits issued in the metropolitan area in the past 12 months. According to Hanley Wood Market Intelligence, the decline in building activity has led to a 5-year supply of devel-

oped home sites in the metropolitan area; in comparison, a 2-year supply is considered normal for the market. Suburban Kane, Kendall, McHenry, and Will Counties in Illinois accounted for one-half, or 45,000, of the new home sites in the area.

Despite the slowdown in homebuilding, the Chicago-Naperville-Joliet metropolitan area sales market for new homes is soft. Since 2005, when a record 33,200 new homes were sold in the metropolitan area, sales of new homes have slowed throughout the area. Approximately 15,500 new homes were sold in 2007, down 38 percent from the number sold in 2006. During the first 6 months of 2008, new home sales in suburban Chicago and the central city were down 55 and 47 percent, respectively, compared with the number recorded during the first 6 months of 2007. The slowing economy, tighter lending standards, and lower expectations for price appreciation contributed to the decline in new home sales. For new single-family homes in the metropolitan area, the median sales price, which increased 8 percent annually during the past 3 years, decreased by 5 percent in the first 6 months of 2008 to \$332,000 compared with the median price recorded in the first half of 2007.

The slowing economy also led to a decrease in multifamily construction activity, as measured by the number of units permitted. During the 12 months ending August 2008, the number of multifamily units permitted was down 25 percent to 11,800 compared with 15,700 units permitted during the same period last year. This decline followed a 20-percent decrease in the number of units permitted during the 12-month period ending August 2007. Approximately 80 percent of the multifamily units constructed in the metropolitan area since 2000 have been condominiums. Despite a slowdown in condominium construction during the past 2 years, the sales market for new condominium units in the metropolitan area is soft. In downtown Chicago, the number of unsold condominium units doubled from 3,000 units in the second quarter of 2006 to 6,000 units in the second quarter of 2008. Sales of new condominium units in suburban Chicago fell by 53 percent to 1,600 units in the first 6 months of 2008 compared with sales during the same period last year.

Although Chicago's apartment market is balanced, the apartment vacancy rate in the metropolitan area increased to 7.2 percent in the third quarter of 2008 compared with 6 percent in the third quarter of 2007. The higher vacancy rate is partly attributed to the area's soft condominium market. As owners encounter difficulty selling their condominiums, more units are being made available for rent. According to Appraisal Research Counselors, during the third quarter of 2008, approximately 2,500 condominium units were available for rent in downtown Chicago, compared with the 1,200 units available during the

third quarter of 2007. As of September 2008, the downtown apartment vacancy rate was 8 percent, up from 6 percent in September 2007. In suburban Chicago, the apartment vacancy rate increased to 7 percent in the third quarter of 2008, up from 6 percent in the third quarter of 2007. Reflecting softer market conditions, rents increased by 1 to 2 percent during the first 9 months of 2008 compared with rent increases of 3 to 4 percent during the same period in 2007. Average monthly rents for a one-, two-, and three-bedroom unit are \$970, \$1,150, and \$1,395, respectively. During the next 12 months, apartment market conditions in the metropolitan area are expected to continue softening because of the slowing local economy and increased construction of new apartment units. In downtown Chicago, approximately 2,000 apartment units are under construction and another 3,000 units are planned. In suburban Chicago, about 1,000 units are expected to enter the market during the next 12 months, compared with fewer than 300 units a year during the past 5 years.

The American Seniors Housing Association's *Seniors Housing Construction Trends Report 2008* ranked the Chicago-Naperville-Joliet metropolitan area first among the 100 largest metropolitan areas in the country for the construction of seniors housing. As of March 2008, approximately 2,800 units for seniors were under construction in the metropolitan area, up from 2,000 units as of March 2007. These developments include 1,350 assisted-living units, 1,100 independent-living units, 250 apartment units, and 150 nursing home beds.

In the city of Chicago, affordable housing development remains strong. Since 2004, Chicago has spent more than \$2 billion on constructing and preserving 28,000 units of affordable housing, including 16,000 rental units and 12,000 for-sale units. In 2008, the city plans to allocate another \$400 million to support an estimated 15,000 affordable homes and apartments. When completed in 2011, Park Boulevard in the Near South Side neighborhood will include 900 affordable and market-rate homes for sale and 500 public housing units. Since 2000, the Chicago Housing Authority has completed 2,500 new mixed-income housing units. During the past 8 years, 11,000 public housing units for families and elderly residents were rehabilitated in 17 projects throughout the city.

## El Paso, Texas

The El Paso metropolitan area, which consists of El Paso County, is located in west Texas along the Mexican border. The metropolitan area is home to the University of Texas at El Paso (UTEP) and Fort Bliss Army Base, headquarters for the U.S. Army





Air Defense Artillery School, the William Beaumont Army Medical Center, and the U.S. Army Sergeants Major Academy. Fort Bliss, the leading employer in the area, with approximately 26,400 military and civilian personnel, has an estimated \$1.7 billion annual economic impact on the area, according to the U.S. Army. Steady job growth at Fort Bliss and UTEP in recent years has contributed to balanced sales and rental housing markets in the metropolitan area.

As of September 1, 2008, the estimated population of the metropolitan area was 756,700; this figure represents an average annual increase of 9,200, or 1.3 percent, since 2000. Nearly all of the population gain since 2000 has resulted from net natural change (resident births minus resident deaths), which averaged 11,400 annually. Net in-migration declined to an annual average of 2,200 people between January 2000 and August 2007 but totaled 250 people during the 12 months ending August 2008 primarily due to the arrival of approximately 4,000 additional military personnel at Fort Bliss. The population of the El Paso metropolitan area is projected to continue growing during the next 4 years because an additional 37,300 soldiers and their families are expected to relocate into the area.

Nonfarm employment in the metropolitan area averaged 275,900 jobs during the 12 months ending August 2008, which represents an increase of 7,160, or 2.7 percent, from the average number of jobs recorded during the previous 12 months. Steady job growth caused the average unemployment rate to decline to 5.6 percent during the 12 months ending August 2008, compared with the 6.3-percent rate recorded during the previous 12 months. Job growth was led by hiring in the natural resources, mining, and construction sector, which added 1,500 jobs, largely due to a \$5 billion expansion at Fort Bliss. The expansion consists of new facilities and housing to accommodate the incoming personnel and their families. The education and health services sector added 1,150 jobs in the El Paso area, which is the regional center in west Texas for medical services, research, and education. Four of the top 10 private-sector employers are in the healthcare industry; together, these four companies employ a total of 8,200 workers. UTEP, with 20,500 students and more than 2,600 faculty and staff, contributes to the overall economic growth in the metropolitan area. According to university estimates, UTEP has an annual economic impact of \$295 million in the El Paso metropolitan area.

Employment in the trade, transportation, and utilities sector, which grew by 625 jobs during the 12 months ending August 2008, is largely related to trade with Mexico. According to the El Paso Regional Economic Development Corporation (REDCO), approximately 15 to 30 percent of retail sales in the El Paso area

are derived from Mexican nationals. Manufacturing assembly plants, known as maquiladoras, located in Juarez, Mexico, and related suppliers on both sides of the border purchase an estimated \$1.7 billion annually in goods and services in the El Paso area, according to REDCO.

Sales housing market conditions in the El Paso metropolitan area were balanced during the 12 months ending August 2008. The number of new and existing homes sold during the period totaled 4,780, down 31 percent from the number sold during the previous 12 months and down 18 percent compared with the 3-year average annual volume sold before 2006, when the number of homes sold peaked at 6,965. During the 12 months ending August 2008, the average sales price increased by 3 percent to \$160,350. Prices for new homes with 1,000 square feet and two-car garages start as low as \$85,000. An estimated 4,000 military personnel own homes off base and approximately 35,000 retired military households live in the area.

In response to the reduced volume of home sales, single-family construction activity, as measured by the number of building permits issued, decreased 10 percent to 2,850 homes during the 12-month period ending August 2008 compared with the number of homes permitted during the previous 12-month period. Single-family construction reached its peak in 2005, when 4,300 homes were permitted. From 2000 to 2004, an annual average of 3,580 homes were permitted, about 730 units, or 25 percent, more than the number permitted during the 12-month period ending August 2008. An estimated 1,025 homes are currently under construction in the metropolitan area.

Rental housing market conditions in the El Paso metropolitan area were balanced as of August 2008. The apartment vacancy rate is currently 7 percent, down from 9 percent a year ago. The vacancy rate declined mainly due to the increase in military personnel; approximately 4,250 soldiers currently reside off base in private rental housing. In addition, nearly 20,000 UTEP students live off campus in private rental apartments. As of August 2008, no concessions were being offered and average rents had increased by 2 percent from the rents recorded 12 months earlier to \$520 for a one-bedroom unit, \$575 for a two-bedroom unit, and \$680 for a three-bedroom unit.

Multifamily building activity, as measured by the number of units permitted, totaled 900 units during the 12 months ending August 2008, relatively unchanged compared with the number permitted during the previous 12 months but 29 percent higher than the annual average of 700 units permitted from 2003 through 2007. The number of multifamily units permitted has increased due to the current and projected rental housing demand from incoming military

personnel. New developments primarily marketing to Fort Bliss soldiers include The Bungalows at North Hills, a recently opened 342-unit community, and Mountain Vista Apartments, a 160-unit complex.

## Los Angeles County, California

Los Angeles County, located on the Pacific coast in southwest California, is the most populous county in the nation, with a population estimated at more than 10 million as of October 1, 2008. Los Angeles County is a major port, aerospace manufacturing hub, and center for the motion picture and television industries. The population of Los Angeles County grew by 47,500, or 0.5 percent, during the 12-month period ending September 2008. Net natural change (resident births minus resident deaths) accounted for all of the population increase. Since 2006, net out-migration has averaged 45,600 people annually, compared with an average of more than 91,000 people a year during 2004 and 2005.

Nonfarm employment in Los Angeles County, after increasing by an average of 45,800 jobs in 2006 and 2007, declined by 7,850 jobs to slightly more than 4.1 million during the 12-month period ending August 2008. The job losses resulted largely from declines in the construction and manufacturing sectors, retail store closures, and layoffs in mortgage and other housing-related companies. The largest job losses occurred in the construction, manufacturing, and trade sectors, which were down by 4,240, 3,500, and 850 jobs, respectively. Offsetting some of these losses were modest gains of 780 jobs in the education and health services sector, 400 jobs in the leisure and hospitality sector, and 400 jobs in the state and local government subsectors. Kaiser Permanente is the leading private-sector employer in the county, with 32,800 employees. Other major private-sector employers include Northrop Grumman Corporation and The Boeing Company, with 20,500 and 16,500 employees, respectively. During the 12-month period ending August 2008, the average unemployment rate of 6.3 percent was up significantly from the 4.7-percent rate recorded during the previous 12-month period.

Sales housing market conditions are currently soft in Los Angeles County. Existing home sales continued a 3-year decline during the 12 months ending August 2008. Stricter mortgage qualification standards, which have resulted in fewer potential homebuyers qualifying for loans, contributed to slower sales activity. According to DataQuick®, the number of existing single-family homes sold in the county declined by 20,500, or 34 percent, to 40,200 homes during the 12-month period ending August 2008 compared with the number sold during the previous 12 months. During the most recent 12-month period,

the median sales price of an existing single-family home declined by 18 percent to \$460,000. The average number of days homes remain on the market varies from less than 60 days in areas closer to the Pacific Ocean to more than 90 days in Antelope Valley, in the northern portion of the county. In comparison, the countywide average was less than 30 days from 2003 to 2005, when sales housing market conditions were tight. More than 20 percent of the total existing homes sold during the past 12-month period were condominiums, unchanged from the percentage a year ago. During the 12 months ending August 2008, condominium sales declined by 5,550 units, or 36 percent, to 10,100 units and the median price declined by \$41,000, or 10 percent, to \$384,000. According to RealtyTrac® Inc., in the third quarter of 2008, more than 50,000 homes in Los Angeles County were in some stage of the foreclosure process, up from 29,500 homes in the third quarter of 2007.

New home sales in the county have also declined because of stricter lending standards and a slower economy. According to the Real Estate Research Council of Southern California, during the 12 months ending June 2008, new home sales were down by 3,250 units, or 28 percent, to 8,200 homes compared with the number sold during the previous 12 months, and the median price of a new home declined by \$33,350, or 7 percent, to \$472,350. Between July 2007 and June 2008, 30 percent of the total new home sales in Los Angeles County occurred in Antelope Valley, up from 22 percent a year earlier. Discounts on new homes made this area attractive to homebuyers. During the 12-month period ending June 2008, the median price of a new home sold in Antelope Valley was less than \$330,000, down from an estimated \$440,000 in the middle of 2006. In June 2008, the inventory of unsold new homes increased to 15,650; this figure is 15 percent higher than the 13,600 unsold units recorded in June 2007. Most (56 percent) of the unsold single-family detached homes are in Antelope Valley. In June 2008, nearly 60 percent of the unsold new home inventory consisted of condominiums. Of those units, 57 percent were in the South Bay area located in the southwest portion of the county.

New single-family home construction activity, as measured by the number of building permits issued, slowed in response to the decline in both new and existing home sales and the rising inventory of new unsold homes. During the 12-month period ending August 2008, a total of 4,200 single-family homes were permitted, compared with 7,800 during the previous 12 months. From 2003 through 2005, single-family detached homes were permitted at an average annual rate of 11,850 units. Multifamily construction activity, as measured by the number of units permitted,



totaled 9,600 units for the 12-month period ending August 2008, down 4,500 units, or nearly 32 percent, from the number of units permitted during the previous 12-month period. Between 2003 and 2005, multifamily construction activity averaged 11,800 units annually. Condominiums account for nearly 66 percent of the new multifamily units currently under construction, compared with 60 percent during the 12-month period ending August 2007.

Overall rental housing market conditions are tight in Los Angeles County despite the recent increase in the rental vacancy rate. During the 12-month period ending September 2008, the average rental vacancy rate was 5 percent, up from 4 percent during the previous 12 months. The higher vacancy rate caused the average rent in the county to increase by less than 2 percent during the past 12 months, compared with an increase of more than 3 percent during the same period a year earlier. The small increase in the overall rental vacancy rate reflects the effect of investors and owners converting condominiums and single-family detached homes to rental units. An estimated 11,500 single-family detached homes and condominiums were converted to rental units during the last 12 months. Apartments built after 2000 have a higher average vacancy rate, greater than 10 percent, primarily because the average rent of \$2,000 for these units is more than \$400 higher than the average rent for apartments built before 2000.

According to AXIOMetrics Inc., rents increased by less than 2 percent during the 12 months ending September 2008 compared with rents recorded during the previous 12 months. The highest average rent increase, more than 10 percent, occurred southeast of downtown Los Angeles in the Downey-Bellflower-Norwalk-Paramount area, where most of the rental stock was built before 1980. These pre-1980 units are still priced at about \$300 less than the average apartment rent for the county. Rents declined in the Westside area, in the western portion of the county near the Pacific Ocean, where the rents are more than \$600 higher than the average apartment rent for the county. Rents also declined in Antelope Valley, where apartment rentals faced increased competition from investor-owned condominiums and single-family homes converted into rental units. The average rent for a newly completed, two-bedroom, Class A apartment in Los Angeles County is currently \$2,100.

## Orlando-Kissimmee, Florida

Located in central Florida, the Orlando-Kissimmee metropolitan area is defined as Lake, Orange, Osceola, and Seminole Counties. The metropolitan area is home to Walt Disney World, Universal Studios,

SeaWorld, and numerous other tourist attractions, which have a significant impact on the local economy.

The population of the Orlando-Kissimmee metropolitan area as of October 1, 2008, was estimated at approximately 2.1 million, indicating an increase of more than 51,500, or 2.8 percent, annually, since April 1, 2000. Population growth slowed somewhat during the past 1 1/2 years as a result of slower employment growth. The population of the area has increased at an average annual rate of about 37,200 since July 2006 compared with nearly 56,600 annually between April 2000 and June 2006. Approximately 75 percent of the population growth since 2000 has resulted from net in-migration; the balance is from net natural change (resident births minus resident deaths). Orlando is the largest city in the metropolitan area, with a Census-estimated population of 223,802 as of July 1, 2007.

Primary industries in the area economy include tourism, health care, and defense contracting. Nearly 49 million tourists visited the Orlando-Kissimmee metropolitan area during 2007, the last full year for which data are available. This number represents an increase of 1.2 million, or 2.5 percent, over the 47.8 million tourists in 2006. Of the top 50 employers in the metropolitan area, 15 are involved in the resort, hotel, restaurant, or airline industries; together, these 15 companies employ more than 115,000 workers and account for nearly 12 percent of nonfarm employment in the area. Resort tax revenue increased at a rate of \$13.6 million, or 11 percent, a year between 2001 and 2007. Health care is the second leading industry in the metropolitan area; hospitals, medical centers, and healthcare systems account for more than 35,000 jobs, or nearly 4 percent of nonfarm employment. The Boeing Company, Northrop Grumman Corporation, and Lockheed Martin Corporation employ a total of more than 12,000 people who make aircraft components for the U.S. Department of Defense as well as electronic and other equipment used at the nearby Kennedy Space Center.

Nonfarm employment in the Orlando-Kissimmee metropolitan area increased by 5,100 jobs, or 0.5 percent, to more than 1.1 million during the 12-month period ending September 2008. This growth rate is considerably slower than the 2.7-percent increase observed during the 12-month period ending September 2007. A major factor in the declining rate of employment growth has been a sharp decrease in construction employment. During the 12 months ending September 2008, construction employment was down by 7,400 jobs, or 9 percent, compared with construction employment during the same period a year ago, when the number of jobs totaled 83,100. This decline follows a 2.5-percent employment decrease in construction during the previous



12 months. The decline in construction employment is the result of reduced home construction in response to a significant weakening in the sales housing market for both single-family and condominium units, as well as the impact of the nationwide economic slowdown. Before 2006, construction employment had increased every year since 1992. In the past 12 months, the average unemployment rate increased from 3.5 to 4.6 percent.

As a result of slower economic growth and tighter lending conditions, the sales market for both new and existing homes is currently soft, with an estimated vacancy rate of 4.5 percent. Sales of existing single-family homes declined for the second year in a row according to data from the Florida Association of REALTORS®. During the 12 months ending August 2008, existing home sales fell by 24 percent to 15,300 units, following a 35-percent drop during the same 12-month period a year earlier. During the past 2 years, sales totaled 35,400 homes, a 49-percent decrease compared with the 68,900 homes sold during the preceding 2 years. During the 12-month period ending August 2008, the median price of an existing home decreased by 14 percent to \$222,500 after remaining flat during the previous 12 months.

Home builders have reduced construction activity for new homes in response to a rising inventory of unsold homes. Building permits issued for single-family homes declined from an annual average of more than 25,000 units between 2003 and 2006 to an annual average of 9,600 units since 2006. With inventories of unsold homes increasing and loans more difficult to obtain, the decline in construction activity has continued; single-family permits totaled 6,350 units for the 12-month period ending August 2008, 58 percent less than the 15,200 units permitted during the same period a year ago.

Between 2002 and 2005, an annual price appreciation of more than 10 percent for single-family homes prompted potential owners to choose condominium units, which provided a more affordable opportunity for homeownership. As a result, sales of condominium units increased significantly in the metropolitan area. As a result of the increased demand for this type of housing unit, the production of condominiums increased significantly. Most condominiums were built as townhouse units, so they were recorded as single-family building permits. Single-family permits averaged 16,150 a year between 1999 and 2002, but, as mentioned previously, averaged more than 25,000 a year between 2003 and 2006. From 2002 through 2006, the annual average number of multifamily permits issued was more than 7,600 units. During the 12-month period ending August 2008, only 3,900 multifamily units were permitted, a 40-percent

decrease from the 6,500 units permitted during the previous 12 months. This decline is the result of reduced demand for apartments and resources being allocated to build condominium units.

According to data from the Florida Association of REALTORS®, during the 12 months ending August 2006, 5,750 condominium units were sold in the Orlando-Kissimmee metropolitan area. The number of sales declined to 2,900 for the year ending August 2007 before dropping another 45 percent to 1,600 for the 12 months ending August 2008. The decline in sales occurred at the end of a period during which thousands of apartment units were converted to for-sale units, resulting in a significant impact on prices. During the 12-month period ending August 2006, the median price of a condominium sold in the metropolitan area was \$173,100. By August 2007, the price had decreased by 7 percent to \$161,200, and, as of August 2008, the price had fallen by 13 percent to \$139,900.

According to data from Reis, Inc., nearly 32,600 apartment units have been completed in the Orlando-Kissimmee metropolitan area since 2000; however, 84 percent of these units were completed before 2005. The sharp decline in apartment construction activity since 2005 has resulted from the increased demand for condominiums rather than apartments. In addition, between 2003 and 2006, an estimated 33,000 apartments were converted to condominiums, contributing to a decline in the rental unit inventory from more than 138,200 to approximately 111,600 units. As a result, the apartment vacancy rate decreased from 8.9 to 4.9 percent during this same period. During the 12 months ending August 2008, approximately 1,200 new rental units were completed and another 4,000 to 5,000 units were “reverted” to apartments from condominiums. The market has been slow to absorb these units and the vacancy rate has increased to a current level of 7.8 percent from 5.6 percent a year ago. Data available from Torto Wheaton Research indicate that effective rent has remained relatively stable at \$828 compared with \$830 a year ago. According to the McGraw-Hill Construction Pipeline database, about 1,650 apartment units are under construction, all of which are expected to be completed during the next 12 months. It is anticipated that some apartments converted to condominiums will continue to revert to rental units during the next 12 to 18 months. Weakness in the sales housing market is expected to accelerate the pace of reversions and put added pressure on the apartment market. More than half the complexes surveyed by Reis, Inc., were offering 1 month’s free rent to new tenants, unchanged from the rental concessions offered a year ago.





## Portland-Vancouver-Beaverton, Oregon-Washington

The Portland-Vancouver-Beaverton metropolitan area, located at the confluence of the Willamette and Columbia Rivers, consists of Clark and Skamania Counties in southern Washington State and Clackamas, Clatsop, Multnomah, Washington, and Yamhill Counties in Oregon. Since 2000, population growth in the metropolitan area has occurred at an average annual rate of 1.7 percent, or 35,750 a year, increasing from 1.9 million to 2.2 million as of September 2008. During the 12-month period ending September 2008, population growth slowed to 27,400, a 1.4-percent gain, due to the reduced pace of job growth in the local labor market and the difficulty potential newcomers are having selling their current homes.

Nonfarm employment in the metropolitan area increased by 10,500, or 1 percent, during the 12-month period ending September 2008 compared with a 2-percent increase recorded during the previous 12-month period. The loss of 1,250 jobs in the financial activities sector, mainly due to reduced sales housing activity, and the loss of 1,200 jobs in the manufacturing sector because of layoffs in the semiconductor and transportation industries were the primary reasons for slower job growth during the past 12 months. Job losses in these sectors, combined with a decline of 350 construction jobs, caused the unemployment rate to increase to an average of 5.3 percent for the 12 months ending September 2008 compared with 4.8 percent for the 12 months ending September 2007.

During the most recent 12-month period, employment in the education and health services sector increased from 126,600 to 130,400 jobs, a 2.7-percent gain. Hiring at hospitals, at medical and dental clinics, and by other healthcare providers accounted for 66 percent of the job increase in the sector. During the same period, employment also increased by 2,700 jobs, or 2.8 percent, in the leisure and hospitality sector; nearly all the gain resulted from hiring at eating and drinking establishments. Employment in the retail trade sector increased by 1,400 jobs, or 1.3 percent, during the 12 months ending September 2008. Employment growth occurred in all these sectors in response to the demand for services from the nearly 60,000 people who have moved to the Portland-Vancouver-Beaverton area during the past 2 years. Top employers in the area include Intel Corporation, Providence Health System, and Safeway, Inc., all with 10,000 or more employees.

A slowing economy, tighter lending standards, and buyer reluctance due to adverse national housing market trends led to the emergence of a soft sales

housing market in the metropolitan area during 2008. According to RMLS™, during the 12-month period ending September 2008, sales of new and existing homes totaled 25,525 units, a decrease of 43 percent compared with sales during the same period a year ago. REALTORS® noted that, despite significantly slower home sales compared with sales in 2007, sales of homes priced at \$250,000 or less remained strong. The average price for new and existing homes sold during the 12-month period ending September 2008 was \$328,600, down 1 percent compared with an average price increase of 4 percent recorded during the 12 months ending September 2007. During the most recent 12-month period, the inventory of homes for sale increased by 3 percent from 16,050 to 17,000 homes compared with a 32-percent increase during the previous 12-month period. As a result, at the September 2008 pace of sales activity, the current inventory of homes for sale amounts to a 10-month supply of homes compared with a 9-month supply a year ago.

Slowing sales, falling prices, and a rising inventory of unsold homes have prompted the rapid slowdown of single-family home construction. Single-family homebuilding activity, as measured by the number of building permits issued, fell to 4,990 units during the 12-month period ending August 2008, down 44 percent from the number permitted during the same period a year ago. As of August 2008, the level of construction for new homes built for owner occupancy is on pace to finish the year at the lowest level since 1987, when 5,700 units were permitted, despite the nearly 1,400 condominiums that have started construction during the past year. Approximately 4,300 homes are expected to be completed in 2008.

The rental housing market in the Portland-Vancouver-Beaverton metropolitan area was balanced as of August 2008. As home sales have slowed, the demand for rental units has increased. As of August 2008, the rental vacancy rate was estimated at 5 percent, compared with 5.5 percent a year ago. According to Reis, Inc., as of the second quarter of 2008, apartment rents increased by 6 percent to \$817 from an average of \$770 as of the second quarter of 2007. Rents by unit type averaged \$618 for a studio, \$732 for a one-bedroom apartment, \$849 for a two-bedroom apartment, and \$1,004 for a three-bedroom apartment.

The construction of new apartments, as measured by the number of multifamily units permitted, decreased to 4,200 units for the 12-month period ending August 2008, down 15 percent from the number permitted during the same period a year ago. Only 26 percent of the multifamily units currently under construction are conventional apartments; of the remaining units, 44 percent are condominiums and 30 percent are specialized housing, including assisted-living facilities, mixed-use buildings, and

dormitories. Belmar Commons Apartments, located in Hillsboro, Oregon, is currently under construction and will begin leasing units in October 2008. Rents at the 62-unit complex will be \$750 for a one-bedroom unit, between \$925 and \$965 for a two-bedroom/two-bathroom unit, and \$1,065 for a three-bedroom unit. Other projects currently under construction include Laurelwood Park, a 139-unit independent- and assisted-living facility located in a seven-story building, and a 320-unit residence hall at the University of Portland.

## Salt Lake City, Utah

The Salt Lake City metropolitan area, which encompasses Salt Lake, Summit, and Tooele Counties in north-central Utah, is bordered by Nevada to the west and Wyoming to the northeast. Salt Lake County accounts for more than 90 percent of the population of the metropolitan area. As the state capital, Salt Lake City is the hub of government activities and financial services. The University of Utah, which is located in Salt Lake City, enrolls more than 28,000 students, employs more than 16,000 people, and operates on an annual budget of more than \$2 billion. Summit County, located east of Salt Lake County, is home to Park City Mountain Resort, the largest resort in the state. As of October 1, 2008, the population of the metropolitan area is estimated at 1.1 million; this figure represents an increase of nearly 20,000, or 2 percent, annually since the 2000 Census.

Economic conditions in the metropolitan area have been strong during the past 3 years, although the national slowdown has affected the local economy. During the 12 months ending August 2008, nonfarm employment averaged 645,700 jobs, up 2.2 percent, or nearly 14,000 jobs, compared with the number of jobs recorded during the previous 12-month period. The current rate of employment growth is down significantly from annual growth rates of more than 4 percent recorded during the same 12-month period in 2006 and 2007. Although all employment sectors are slowing, a few continue to account for most of the job growth in the area. During the 12-month period ending August 2008, the fastest growing sector was education and health services, which grew by 5.7 percent, or 3,400 jobs. Intermountain Healthcare, the leading private-sector employer in the area, with 17,000 employees, contributed to growth in this sector with the opening of the 1.5-million-square-foot Intermountain Medical Center, which employs 5,300 people, in late 2007. During the past 12 months, employment in the leisure and hospitality sector grew by 3.3 percent, or 1,900 jobs, as a result of a record number of skier visits and increased hotel occupancies in resort areas. Offsetting the modest

growth in these sectors was the loss of nearly 1,125 jobs, or 2.3 percent, in the natural resources, mining, and construction sector. A significant decrease in residential construction activity accounted for most of the job losses, and a record level of nonresidential construction activity helped offset some of those losses. Other leading private-sector employers in the metropolitan area include Discover Financial Services and Delta Air Lines, Inc., with approximately 3,400 and 3,250 employees, respectively. During the past 12 months, the average unemployment rate increased from 2.6 to 3.1 percent.

The sales market for new homes is currently soft. Housing demand has declined as a result of the average home sales price rising by more than 50 percent since 2004 and tighter credit standards. According to NewReach, Inc., during the 12 months ending September 2008, sales of new single-family homes in Salt Lake and Tooele Counties totaled 1,750, down 52 percent from the number of homes sold during the same period a year ago. During the same period, the average price of new single-family homes declined by 4 percent to \$390,800. Demand remains strongest for new single-family homes priced under \$400,000. During the 12-month period ending September 2008, new townhome and condominium sales volume was down by 4 percent to slightly more than 1,000 units, although the average price increased by 5 percent to \$265,100.

In response to an overall slowdown in home sales and an increased inventory of unsold homes, local home builders have reduced single-family home construction activity, as measured by the number of building permits issued. During the 12 months ending August 2008, the number of single-family homes permitted totaled 2,200, a nearly 60-percent decline compared with the number permitted during the same period last year and the lowest level of single-family permitting activity since the 1990s. Nearly 430 of the 700 homes currently under construction in the metropolitan area are located in southwestern Salt Lake County.

The market for existing homes is also soft. According to NewReach, Inc., during the 12-month period ending September 2008, nearly 9,100 existing single-family homes and 2,000 existing condominiums and townhomes were sold in Salt Lake and Tooele Counties. The number of sales in both counties is down nearly 30 percent from the number sold during the same period a year ago. During the same period, the average single-family home price remained relatively unchanged at \$276,100, but the average condominium price increased by 6 percent to \$188,300. During the 12 months ending June 2008, the Park City resort area of Summit County also experienced a slowing sales market. According to the Utah Association of REALTORS®, the Park City area recorded 600 existing



single-family home sales, a decline of 30 percent compared with home sales during the 12 months ending June 2007; condominium sales of 625 were off by 14 percent. Despite the sharp downturn in sales, the average price of an existing single-family home in the Park City area increased by 15 percent to \$1.1 million, and the average price of an existing condominium increased by 37 percent to \$941,600. A lower level of sales volume in the metropolitan area and an increase in the number of listings resulted in a doubling of the average number of days homes remained on the market, from 30 to 60 during the past year.

Multifamily construction, as measured by the number of units permitted, decreased by 31 percent to 1,575 units in the metropolitan area during the 12 months ending August 2008. This level of multifamily construction is slightly below the annual average of 1,700 units that has occurred since 2000. The smaller decline in multifamily development, relative to the slowdown in single-family development, is the result of builders shifting from single-family production to apartment construction. According to the Bureau of Economic and Business Research at The University of Utah, during the most recent 12-month period, apartments accounted for 60 percent of the multifamily units permitted in the metropolitan area. In contrast, during the previous 12-month period, apartments accounted for only 25 percent of the total number of multifamily units permitted in the area.

The rental housing market in the metropolitan area is currently tight. Decreased demand for owner housing, combined with a limited supply of new apartments over the past 2 years, has contributed to the current tight market conditions. Salt Lake County contains more than 95 percent of the rental inventory in the metropolitan area. According to a survey published by EquiMark Properties, Inc., the July 2008 average apartment rental vacancy rate for Salt Lake County was 5.3 percent, up from the 4.5-percent rate recorded in July 2007. During the 12-month period ending June 2008, the average apartment rent increased by 10 percent to \$790, up from the annual growth rate of 7 percent for the previous 12-month period. Large average rent increases have been supported by nearly 2 years of tight rental market conditions. A total of 1,600 apartment units currently are under construction and another 2,700 units are in the planning stages, with starts expected over the next 3 years. The current level of construction is in line with the average annual absorption rate that has been recorded since 2000, and markets are expected to remain tight.

## Waco, Texas

The Waco metropolitan area, which encompasses McLennan County, is located approximately half-way between Dallas/Fort Worth and Austin along Interstate 35. The area is home to Baylor University, which had a total enrollment of 14,200 students during the fall 2007 semester. According to a 2008 study by Baylor's Center for Business and Economic Research, the university had an estimated economic impact of nearly \$1.4 billion on the Waco area economy. As of September 1, 2008, the estimated population of the Waco metropolitan area was 230,300; this figure represents an average annual increase of 2,000, or 0.9 percent, since 2000. Slightly more than one-third of the population growth since 2000 has resulted from in-migration, as local businesses continue to create jobs at a moderate pace.

During the 12 months ending August 2008, employment in the Waco metropolitan area grew by 2,900 jobs, or 2.7 percent, but the unemployment rate remained relatively unchanged, declining by just 0.1 percentage point to 4.2 percent. After slowing briefly in late 2005, the rate of employment growth has increased consistently during the past 3 years. During the most recent 12-month period, employment growth occurred in various service-providing sectors. The fastest growing sector was professional and business services, up by 8 percent, or 700 jobs, partly due to the relocation and expansion of several businesses to the Waco area. Wardlaw Claims Service opened a new 42,000-square-foot headquarters and training center in May 2008, and Geochemical Technologies Corporation, a technical consulting firm, relocated to Waco from Denver, Colorado, in January 2008.

The education and health services sector gained 300 jobs during the 12 months ending August 2008. The sector includes the largest private-sector employers in the region: Baylor University, with 3,200 full-time faculty and staff; Providence Health Center, with 2,175 employees; and Hillcrest Health System, with 1,700 employees. Hillcrest Health System is currently constructing a \$184 million medical complex that will contain a community hospital with a level II trauma center as well as a women's and children's hospital. The project is expected to add 300 jobs and be completed during 2009.

The sales housing market in the Waco metropolitan area was slightly soft as of September 1, 2008. According to the Real Estate Center at Texas A&M University, during the 12 months ending August

2008, the average sales price in the Waco area was \$129,400, approximately 50 percent below the state average of \$193,200. The sales price in the Waco area increased by 1 percent during the 12 months ending August 2008, following growth of more than 5 percent during the previous 12-month period. The level of unsold inventory remained relatively unchanged during the most recent 12 months at approximately 9 months of supply. During the 12 months ending August 2008, 2,350 new and existing homes were sold, down approximately 6 percent from the record-setting level of 2,500 homes sold during the previous 12-month period.

Builders responded to the decline in home sales by reducing single-family construction activity, as measured by the number of building permits issued. Based on the number of jurisdictions in the Waco metropolitan area that report permit activity monthly, the number of single-family permits issued declined by 27 percent, from 660 to 480, during the 12 months ending August 2008. Single-family construction activity peaked in 2004, when 740 permits were issued in those jurisdictions. Permit activity averaged 560 units annually from 2000 through 2006, when low interest rates and attractive financing terms coupled with employment and population growth resulted in increased demand for single-family homes in the area.

The level of multifamily construction, as measured by the number of multifamily units permitted in jurisdictions that report permit activity monthly, increased to 210 units during the 12 months ending August 2008, compared with 100 units permitted during the previous 12 months. Permitting levels are still lower than those recorded earlier in the decade. From 2000 through 2006, permits were issued for a total of 2,175 multifamily units, or an annual average of 310 units, in jurisdictions that report permit

activity monthly. Two multifamily developments are currently under construction as part of the Waco Town Square project, a \$75 million development in downtown Waco that will include retail space, restaurants, offices, and lofts. Heritage Quarters, a 144-unit, 374-bed student living facility that will serve Baylor University, is expected to be ready for occupancy in the fall of 2009. Austin Avenue Flats will feature 49 loft residences available for sale or lease; prices start at \$109,900 for for-sale units and monthly rents start at \$795 for rental units. Of those units, approximately 50 percent are currently reserved, and the residences are expected to be ready for occupancy in December 2008.

The rental housing market in the Waco metropolitan area is currently balanced. Increased demand for rental housing, partly due to tighter lending standards in the sales market, contributed to the balanced market conditions. According to data from the American Community Survey, the overall rental vacancy rate in the area declined from 13.8 percent in July 2005 to 7.4 percent in July 2007. Median gross monthly rents increased consistently during this period, from \$620 in July 2005 to \$720 in July 2007. The monthly rent figures represent an annual increase of approximately 8 percent.

Baylor University has a strong influence on the local rental housing market. In the summer of 2007, the university completed construction on Brooks Village, a \$42.8 million, 252,000-square-foot residence hall and parking structure. Baylor currently houses approximately 4,800 students in a combination of traditional dormitory-style residence halls and on-campus apartment complexes that the university owns and operates. Many of the other approximately 14,000 students enrolled in the university live off campus in nearby apartments or condominiums.





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

HUD Region and State	2008 Through September			2007 Through September			Ratio: 2008/2007 Through September		
	Total	Single Family	Multi-family*	Total	Single Family	Multi-family*	Total	Single Family	Multi-family*
Connecticut	4,119	2,556	1,563	5,829	4,049	1,780	0.707	0.631	0.878
Maine	2,966	2,458	508	4,741	4,085	656	0.626	0.602	0.774
Massachusetts	7,917	4,094	3,823	11,283	6,491	4,792	0.702	0.631	0.798
New Hampshire	2,630	1,952	678	3,512	3,150	362	0.749	0.620	1.873
Rhode Island	820	640	180	1,436	1,094	342	0.571	0.585	0.526
Vermont	1,205	957	248	1,680	1,373	307	0.717	0.697	0.808
<b>New England</b>	<b>19,657</b>	<b>12,657</b>	<b>7,000</b>	<b>28,481</b>	<b>20,242</b>	<b>8,239</b>	<b>0.690</b>	<b>0.625</b>	<b>0.850</b>
New Jersey	15,461	7,106	8,355	18,891	10,326	8,565	0.818	0.688	0.975
New York	47,610	10,501	37,109	42,091	13,989	28,102	1.131	0.751	1.321
<b>New York/New Jersey</b>	<b>63,071</b>	<b>17,607</b>	<b>45,464</b>	<b>60,982</b>	<b>24,315</b>	<b>36,667</b>	<b>1.034</b>	<b>0.724</b>	<b>1.240</b>
Delaware	2,726	2,216	510	4,235	3,562	673	0.644	0.622	0.758
District of Columbia	494	231	263	1,862	544	1,318	0.265	0.425	0.200
Maryland	11,915	7,216	4,699	16,543	11,953	4,590	0.720	0.604	1.024
Pennsylvania	18,307	15,125	3,182	28,051	22,918	5,133	0.653	0.660	0.620
Virginia	21,945	16,393	5,552	28,939	24,566	4,373	0.758	0.667	1.270
West Virginia	2,546	1,906	640	3,036	2,890	146	0.839	0.660	4.384
<b>Mid-Atlantic</b>	<b>57,933</b>	<b>43,087</b>	<b>14,846</b>	<b>82,666</b>	<b>66,433</b>	<b>16,233</b>	<b>0.701</b>	<b>0.649</b>	<b>0.915</b>
Alabama	12,034	9,503	2,531	18,802	15,121	3,681	0.640	0.628	0.688
Florida	52,400	33,346	19,054	86,519	60,816	25,703	0.606	0.548	0.741
Georgia	29,157	21,127	8,030	59,890	44,946	14,944	0.487	0.470	0.537
Kentucky	8,455	5,382	3,073	11,467	9,030	2,437	0.737	0.596	1.261
Mississippi	8,668	5,931	2,737	13,445	8,939	4,506	0.645	0.663	0.607
North Carolina	46,837	34,139	12,698	66,357	55,393	10,964	0.706	0.616	1.158
South Carolina	21,847	17,082	4,765	31,769	26,415	5,354	0.688	0.647	0.890
Tennessee	17,523	13,424	4,099	29,145	23,532	5,613	0.601	0.570	0.730
<b>Southeast/Caribbean</b>	<b>196,921</b>	<b>139,934</b>	<b>56,987</b>	<b>317,394</b>	<b>244,192</b>	<b>73,202</b>	<b>0.620</b>	<b>0.573</b>	<b>0.778</b>
Illinois	18,541	10,400	8,141	34,366	20,356	14,010	0.540	0.511	0.581
Indiana	13,471	9,779	3,692	19,566	15,806	3,760	0.688	0.619	0.982
Michigan	8,686	7,297	1,389	15,104	12,978	2,126	0.575	0.562	0.653
Minnesota	8,660	6,841	1,819	14,261	11,428	2,833	0.607	0.599	0.642
Ohio	17,075	13,341	3,734	26,274	20,752	5,522	0.650	0.643	0.676
Wisconsin	12,964	8,688	4,276	16,764	13,135	3,629	0.773	0.661	1.178
<b>Midwest</b>	<b>79,397</b>	<b>56,346</b>	<b>23,051</b>	<b>126,335</b>	<b>94,455</b>	<b>31,880</b>	<b>0.628</b>	<b>0.597</b>	<b>0.723</b>
Arkansas	6,810	4,090	2,720	8,447	6,011	2,436	0.806	0.680	1.117
Louisiana	13,672	9,478	4,194	18,110	12,895	5,215	0.755	0.735	0.804
New Mexico	5,011	4,273	738	7,680	7,005	675	0.652	0.610	1.093
Oklahoma	7,996	6,644	1,352	11,674	9,486	2,188	0.685	0.700	0.618
Texas	108,661	66,396	42,265	139,016	96,362	42,654	0.782	0.689	0.991
<b>Southwest</b>	<b>142,150</b>	<b>90,881</b>	<b>51,269</b>	<b>184,927</b>	<b>131,759</b>	<b>53,168</b>	<b>0.769</b>	<b>0.690</b>	<b>0.964</b>
Iowa	5,819	4,509	1,310	8,518	6,620	1,898	0.683	0.681	0.690
Kansas	5,987	3,798	2,189	7,647	5,818	1,829	0.783	0.653	1.197
Missouri	10,128	6,138	3,990	15,502	11,197	4,305	0.653	0.548	0.927
Nebraska	5,468	3,954	1,514	5,812	5,208	604	0.941	0.759	2.507
<b>Great Plains</b>	<b>27,402</b>	<b>18,399</b>	<b>9,003</b>	<b>37,479</b>	<b>28,843</b>	<b>8,636</b>	<b>0.731</b>	<b>0.638</b>	<b>1.042</b>
Colorado	15,877	10,182	5,695	23,978	17,660	6,318	0.662	0.577	0.901
Montana	2,144	1,760	384	3,742	2,831	911	0.573	0.622	0.422
North Dakota	2,339	1,351	988	2,364	1,668	696	0.989	0.810	1.420
South Dakota	3,514	2,593	921	4,168	3,030	1,138	0.843	0.856	0.809
Utah	8,727	6,167	2,560	18,053	14,915	3,138	0.483	0.413	0.816
Wyoming	2,131	1,667	464	2,464	2,263	201	0.865	0.737	2.308
<b>Rocky Mountain</b>	<b>34,732</b>	<b>23,720</b>	<b>11,012</b>	<b>54,769</b>	<b>42,367</b>	<b>12,402</b>	<b>0.634</b>	<b>0.560</b>	<b>0.888</b>
Arizona	21,722	15,507	6,215	41,949	32,985	8,964	0.518	0.470	0.693
California	50,026	26,396	23,630	86,658	55,694	30,964	0.577	0.474	0.763
Hawaii	3,360	2,172	1,188	5,833	3,652	2,181	0.576	0.595	0.545
Nevada	12,277	6,242	6,035	19,300	13,565	5,735	0.636	0.460	1.052
<b>Pacific</b>	<b>87,385</b>	<b>50,317</b>	<b>37,068</b>	<b>153,740</b>	<b>105,896</b>	<b>47,844</b>	<b>0.568</b>	<b>0.475</b>	<b>0.775</b>
Alaska	770	581	189	1,400	810	590	0.550	0.717	0.320
Idaho	6,283	5,637	646	10,681	8,792	1,889	0.588	0.641	0.342
Oregon	10,515	6,825	3,690	18,386	13,621	4,765	0.572	0.501	0.774
Washington	23,708	14,769	8,939	36,244	24,581	11,663	0.654	0.601	0.766
<b>Northwest</b>	<b>41,276</b>	<b>27,812</b>	<b>13,464</b>	<b>66,711</b>	<b>47,804</b>	<b>18,907</b>	<b>0.619</b>	<b>0.582</b>	<b>0.712</b>
<b>United States</b>	<b>749,924</b>	<b>480,760</b>	<b>269,164</b>	<b>1,113,484</b>	<b>806,306</b>	<b>307,178</b>	<b>0.673</b>	<b>0.596</b>	<b>0.876</b>

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

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

CBSA	CBSA Name	2008 Through September		
		Total	Single Family	Multifamily*
35620	New York-Northern New Jersey-Long Island, NY-NJ-PA	47,960	7,038	40,922
26420	Houston-Sugar Land-Baytown, TX	35,757	24,213	11,544
19100	Dallas-Fort Worth-Arlington, TX	31,209	15,189	16,020
12060	Atlanta-Sandy Springs-Marietta, GA	17,628	11,363	6,265
38060	Phoenix-Mesa-Scottsdale, AZ	15,489	10,066	5,423
16980	Chicago-Naperville-Joliet, IL-IN-WI	14,010	6,683	7,327
42660	Seattle-Tacoma-Bellevue, WA	13,222	5,529	7,693
31100	Los Angeles-Long Beach-Santa Ana, CA	12,403	3,831	8,572
12420	Austin-Round Rock, TX	11,598	6,943	4,655
47900	Washington-Arlington-Alexandria, DC-VA-MD-WV	11,331	7,296	4,035
29820	Las Vegas-Paradise, NV	10,838	5,182	5,656
16740	Charlotte-Gastonia-Concord, NC-SC	10,264	6,326	3,938
39580	Raleigh-Cary, NC	10,224	5,857	4,367
36740	Orlando-Kissimmee, FL	8,935	4,512	4,423
37980	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	8,259	5,471	2,788
41700	San Antonio, TX	8,104	4,930	3,174
40140	Riverside-San Bernardino-Ontario, CA	7,569	5,040	2,529
45300	Tampa-St. Petersburg-Clearwater, FL	7,557	4,313	3,244
19740	Denver-Aurora, CO	6,953	3,369	3,584
38900	Portland-Vancouver-Beaverton, OR-WA	6,910	3,669	3,241
33100	Miami-Fort Lauderdale-Miami Beach, FL	6,635	2,899	3,736
14460	Boston-Cambridge-Quincy, MA-NH	6,390	2,652	3,738
34980	Nashville-Davidson--Murfreesboro, TN	6,015	4,804	1,211
27260	Jacksonville, FL	5,990	4,318	1,672
41860	San Francisco-Oakland-Fremont, CA	5,844	1,820	4,024
26900	Indianapolis, IN	5,508	3,660	1,848
41180	St. Louis, MO-IL	4,785	3,915	870
12580	Baltimore-Towson, MD	4,656	2,612	2,044
28140	Kansas City, MO-KS	4,628	2,324	2,304
41740	San Diego-Carlsbad-San Marcos, CA	4,597	1,816	2,781
33460	Minneapolis-St. Paul-Bloomington, MN-WI	4,568	3,380	1,188
47260	Virginia Beach-Norfolk-Newport News, VA-NC	4,415	2,744	1,671
40900	Sacramento--Arden-Arcade--Roseville, CA	4,368	3,059	1,309
35380	New Orleans-Metairie-Kenner, LA	4,128	2,253	1,875
40060	Richmond, VA	3,938	3,377	561
16700	Charleston-North Charleston, SC	3,815	3,095	720
36540	Omaha-Council Bluffs, NE-IA	3,814	2,616	1,198
17900	Columbia, SC	3,714	2,927	787
17140	Cincinnati-Middletown, OH-KY-IN	3,588	2,778	810
48900	Wilmington, NC	3,440	2,818	622
18140	Columbus, OH	3,382	2,145	1,237
36420	Oklahoma City, OK	3,321	3,008	313
46140	Tulsa, OK	3,151	2,419	732
12940	Baton Rouge, LA	3,075	1,934	1,141
13820	Birmingham-Hoover, AL	3,075	2,092	983
31140	Louisville, KY-IN	3,075	2,155	920
32580	McAllen-Edinburg-Mission, TX	3,036	2,589	447
46060	Tucson, AZ	3,029	2,430	599
21340	El Paso, TX	3,022	2,124	898
41620	Salt Lake City, UT	2,989	1,523	1,466

\*Multifamily is two or more units in structure.

\*\*As per new OMB metropolitan area definitions.

Source: Census Bureau, Department of Commerce





# Historical Data



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

Period	Total	In Structures With				MSAs		Regions			
		1 Unit	2 Units	3 and 4 Units	5 Units or More	Inside	Outside	North-east	Mid-west	South	West
<b>Annual Data</b>											
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
<b>Monthly Data (Seasonally Adjusted Annual Rates)</b>											
<b>2007</b>											
Jul	1,386	997	57		332	NA		155	208	686	337
Aug	1,343	928	55		360	NA		147	197	640	359
Sep	1,277	870	50		357	NA		138	205	636	298
Oct	1,182	811	48		323	NA		145	185	554	298
Nov	1,187	767	53		367	NA		126	192	594	275
Dec	1,111	714	56		341	NA		134	166	560	251
<b>2008</b>											
Jan	1,052	675	43		334	NA		126	180	539	207
Feb	981	646	40		295	NA		105	130	504	242
Mar	932	621	37		274	NA		111	126	502	193
Apr	982	649	38		295	NA		108	157	499	218
May	978	635	34		309	NA		137	147	460	234
Jun	1,138	616	33		489	NA		295	148	459	236
Jul	937	584	33		320	NA		105	147	487	198
Aug	857	553	31		273	NA		82	143	443	189
Sep	805	538	34		233	NA		93	134	408	170

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

Source: Census Bureau, Department of Commerce

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



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

Period	Total	In Structures With				MSAs		Regions			
		1 Unit	2 Units	3 and 4 Units	5 Units or More	Inside	Outside	North-east	Mid-west	South	West
<b>Annual Data</b>											
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
<b>Monthly Data (Seasonally Adjusted Annual Rates)</b>											
<b>2007</b>											
Jul	1,371	1,055	NA		276	NA		154	239	644	334
Aug	1,337	968	NA		332	NA		98	240	696	303
Sep	1,185	936	NA		220	NA		143	170	597	275
Oct	1,275	884	NA		351	NA		161	204	629	281
Nov	1,179	816	NA		342	NA		128	209	587	255
Dec	1,000	779	NA		211	NA		101	137	549	213
<b>2008</b>											
Jan	1,064	750	NA		287	NA		137	156	531	240
Feb	1,107	722	NA		356	NA		129	154	577	247
Mar	988	711	NA		261	NA		115	135	515	223
Apr	1,004	681	NA		308	NA		93	164	504	243
May	982	682	NA		280	NA		123	139	500	220
Jun	1,089	663	NA		404	NA		251	139	490	209
Jul	949	644	NA		291	NA		168	155	441	185
Aug	872	618	NA		240	NA		148	126	401	197
Sep	817	544	NA		254	NA		117	133	403	164

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

NA = Data published only annually.

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



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

Period	Total	In Structures With				MSAs		Regions			
		1 Unit	2 Units	3 and 4 Units	5 Units or More	Inside	Outside	North-east	Mid-west	South	West
<b>Annual Data</b>											
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
<b>Monthly Data (Seasonally Adjusted Annual Rates)</b>											
<b>2007</b>											
Jul	1,144	708	NA	405	NA	NA	169	173	484	318	
Aug	1,125	683	NA	411	NA	NA	163	178	475	309	
Sep	1,110	667	NA	412	NA	NA	165	170	471	304	
Oct	1,096	647	NA	417	NA	NA	161	169	465	301	
Nov	1,077	623	NA	424	NA	NA	161	170	455	291	
Dec	1,055	608	NA	417	NA	NA	157	166	448	284	
<b>2008</b>											
Jan	1,034	590	NA	416	NA	NA	157	165	435	277	
Feb	1,024	580	NA	416	NA	NA	159	162	428	275	
Mar	1,013	563	NA	423	NA	NA	161	158	423	271	
Apr	1,006	550	NA	429	NA	NA	158	157	420	271	
May	989	530	NA	434	NA	NA	156	152	415	266	
Jun	977	511	NA	442	NA	NA	169	145	403	260	
Jul	955	489	NA	442	NA	NA	169	144	391	251	
Aug	943	482	NA	438	NA	NA	175	140	377	251	
Sep	918	461	NA	435	NA	NA	175	135	366	242	

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

NA = Data published only annually.

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

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



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

Period	Total	In Structures With				MSAs		Regions			
		1 Unit	2 Units	3 and 4 Units	5 Units or More	Inside	Outside	North-east	Mid-west	South	West
<b>Annual Data</b>											
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
<b>Monthly Data (Seasonally Adjusted Annual Rates)</b>											
<b>2007</b>											
Jul	1,515	1,203	NA		282	NA		129	228	785	373
Aug	1,498	1,224	NA		251	NA		149	178	773	398
Sep	1,378	1,101	NA		246	NA		139	245	651	343
Oct	1,401	1,133	NA		240	NA		184	209	696	312
Nov	1,404	1,140	NA		234	NA		124	216	686	378
Dec	1,329	1,026	NA		287	NA		143	194	645	347
<b>2008</b>											
Jan	1,331	998	NA		291	NA		125	191	680	335
Feb	1,251	906	NA		315	NA		101	228	682	240
Mar	1,192	909	NA		269	NA		104	183	613	292
Apr	1,033	808	NA		192	NA		117	146	523	247
May	1,144	877	NA		249	NA		135	182	574	253
Jun	1,131	844	NA		266	NA		85	201	582	263
Jul	1,086	830	NA		233	NA		136	141	536	273
Aug	982	689	NA		275	NA		87	167	518	210
Sep	1,097	806	NA		260	NA		101	199	527	270

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

NA = Data published only annually.

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

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





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



Period	Shipments*	Placed for Residential Use*					Average Price (\$)	For Sale*
	U.S.	U.S.	Northeast	Midwest	South	West		
<b>Annual Data</b>								
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	65,100	36
<b>Monthly Data (Seasonally Adjusted Annual Rates)</b>								
<b>2007</b>								
May	98	95	6	11	59	19	64,900	38
Jun	101	98	10	9	59	19	62,100	38
Jul	99	99	7	12	61	19	64,100	38
Aug	96	94	8	7	62	18	69,900	39
Sep	94	94	9	12	55	17	65,200	38
Oct	94	97	6	12	63	16	66,600	38
Nov	93	100	7	12	62	19	64,800	37
Dec	92	81	4	7	55	14	64,500	38
<b>2008</b>								
Jan	91	76	6	8	49	13	66,100	37
Feb	94	92	3	10	67	12	59,400	36
Mar	90	77	4	8	52	13	64,500	37
Apr	92	83	5	9	54	15	64,500	37
May	87	81	6	9	53	14	64,200	37
Jun	84	79	7	7	52	14	63,700	36
Jul	84	76	3	8	51	14	66,500	37
Aug	81	75	6	7	48	15	64,600	37
Sep	77	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.)



**Table 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	
	U.S.	North-east	Mid-west	South	West	U.S.	North-east	Mid-west	South	West		U.S.
<b>Annual Data</b>												
1970	485	61	100	203	121	227	38	47	91	51		NA
1971	656	82	127	270	176	294	45	55	131	63		NA
1972	718	96	130	305	187	416	53	69	199	95		NA
1973	634	95	120	257	161	422	59	81	181	102		NA
1974	519	69	103	207	139	350	50	68	150	82		NA
1975	549	71	106	222	150	316	43	66	133	74		NA
1976	646	72	128	247	199	358	45	68	154	91		NA
1977	819	86	162	317	255	408	44	73	168	123		NA
1978	817	78	145	331	262	419	45	80	170	124		NA
1979	709	67	112	304	225	402	42	74	172	114		NA
1980	545	50	81	267	145	342	40	55	149	97		NA
1981	436	46	60	219	112	278	41	34	127	76		NA
1982	412	47	48	219	99	255	39	27	129	60		NA
1983	623	76	71	323	152	304	42	33	149	79		NA
1984	639	94	76	309	160	358	55	41	177	85		NA
1985	688	112	82	323	171	350	66	34	172	79		NA
1986	750	136	96	322	196	361	88	32	153	87		NA
1987	671	117	97	271	186	370	103	39	149	79		NA
1988	676	101	97	276	202	371	112	43	133	82		NA
1989	650	86	102	260	202	366	108	41	123	93		NA
1990	534	71	89	225	149	321	77	42	105	97		NA
1991	509	57	93	215	144	284	62	41	97	83		NA
1992	610	65	116	259	170	267	48	41	104	74		NA
1993	666	60	123	295	188	295	53	48	121	73		NA
1994	670	61	123	295	191	340	55	63	140	82		NA
1995	667	55	125	300	187	374	62	69	158	86		NA
1996	757	74	137	337	209	326	38	67	146	74		NA
1997	804	78	140	363	223	287	26	65	127	69		NA
1998	886	81	164	398	243	300	28	63	142	68		NA
1999	880	76	168	395	242	315	28	64	153	70		NA
2000	877	71	155	406	244	301	28	65	146	62		NA
2001	908	66	164	439	239	310	28	70	142	69		NA
2002	973	65	185	450	273	344	36	77	161	70		NA
2003	1,086	79	189	511	307	377	29	97	172	79		NA
2004	1,203	83	210	562	348	431	30	111	200	91		NA
2005	1,283	81	205	638	358	515	47	109	249	109		NA
2006	1,051	63	161	559	267	537	54	97	267	119		NA
2007	776	65	118	411	181	496	48	79	248	121		NA
<b>Monthly Data</b>												<b>(Seasonally Adjusted)</b>
<b>(Seasonally Adjusted Annual Rates)</b>						<b>(Not Seasonally Adjusted)</b>						
<b>2007</b>												
Jul	796	48	105	430	213	538	52	83	271	131	539	8.3
Aug	702	59	122	365	156	538	52	82	272	132	533	9.2
Sep	694	63	104	353	174	527	50	80	270	127	528	9.4
Oct	723	65	128	379	151	518	49	79	264	127	513	8.6
Nov	629	55	86	339	149	508	48	79	257	124	502	9.5
Dec	600	56	74	335	135	496	48	79	248	121	494	9.8
<b>2008</b>												
Jan	597	55	77	318	147	488	46	78	246	117	484	9.8
Feb	572	39	77	314	142	475	45	76	241	113	477	9.7
Mar	513	28	70	293	122	465	46	74	233	113	469	11.2
Apr	542	40	82	294	126	463	45	73	234	111	463	10.3
May	515	31	76	292	116	458	45	73	231	109	459	10.9
Jun	499	35	70	279	115	445	44	71	222	107	445	10.9
Jul	517	43	65	283	126	431	43	70	214	103	430	10.3
Aug	452	28	69	267	88	422	43	69	210	101	425	11.4
Sep	464	22	65	269	108	396	41	65	197	93	394	10.4

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

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



**Table 7. Existing Home Sales: 1969–Present\***

Period	U.S.	Northeast	Midwest	South	West	For Sale	Months' Supply
<b>Annual Data</b>							
1969	1,594	240	508	538	308	NA	NA
1970	1,612	251	501	568	292	NA	NA
1971	2,018	311	583	735	389	NA	NA
1972	2,252	361	630	788	473	NA	NA
1973	2,334	367	674	847	446	NA	NA
1974	2,272	354	645	839	434	NA	NA
1975	2,476	370	701	862	543	NA	NA
1976	3,064	439	881	1,033	712	NA	NA
1977	3,650	515	1,101	1,231	803	NA	NA
1978	3,986	516	1,144	1,416	911	NA	NA
1979	3,827	526	1,061	1,353	887	NA	NA
1980	2,973	403	806	1,092	672	NA	NA
1981	2,419	353	632	917	516	NA	NA
1982	1,990	354	490	780	366	1,910	NA
1983	2,719	493	709	1,035	481	1,980	NA
1984	2,868	511	755	1,073	529	2,260	NA
1985	3,214	622	866	1,172	554	2,200	NA
1986	3,565	703	991	1,261	610	1,970	NA
1987	3,526	685	959	1,282	600	2,160	NA
1988	3,594	673	929	1,350	642	2,160	NA
1989	3,290	635	886	1,075	694	1,870	NA
1990	3,186	583	861	1,090	651	2,100	NA
1991	3,145	591	863	1,067	624	2,130	NA
1992	3,432	666	967	1,126	674	1,760	NA
1993	3,739	709	1,027	1,262	740	1,520	NA
1994	3,886	723	1,031	1,321	812	1,380	NA
1995	3,852	717	1,010	1,315	810	1,470	NA
1996	4,167	772	1,060	1,394	941	1,910	NA
1997	4,371	812	1,088	1,474	997	1,840	NA
1998	4,966	898	1,228	1,724	1,115	1,910	NA
1999	5,183	910	1,246	1,850	1,177	1,894	NA
2000	5,174	911	1,222	1,866	1,174	2,048	NA
2001	5,335	912	1,271	1,967	1,184	2,068	NA
2002	5,632	952	1,346	2,064	1,269	2,118	NA
2003	6,175	1,019	1,468	2,283	1,405	2,270	NA
2004	6,778	1,113	1,550	2,540	1,575	2,244	NA
2005	7,076	1,169	1,588	2,702	1,617	2,846	NA
2006	6,478	1,086	1,483	2,563	1,346	3,450	NA
2007	5,652	1,006	1,327	2,235	1,084	3,974	NA
<b>Monthly Data (Seasonally Adjusted Annual Rates)</b>							
<b>2007</b>							
Jul	5,760	1,020	1,350	2,260	1,120	4,561	9.5
Aug	5,500	1,000	1,300	2,190	1,020	4,383	9.6
Sep	5,110	910	1,220	2,060	930	4,370	10.3
Oct	5,060	920	1,210	2,050	880	4,433	10.5
Nov	5,020	890	1,190	1,990	950	4,217	10.1
Dec	4,910	840	1,160	1,960	950	3,974	9.7
<b>2008</b>							
Jan	4,890	800	1,210	1,950	930	4,160	10.2
Feb	5,030	890	1,240	1,990	920	4,018	9.6
Mar	4,940	910	1,170	1,920	940	4,118	10.0
Apr	4,890	870	1,100	1,920	1,000	4,549	11.2
May	4,990	910	1,160	1,910	1,020	4,482	10.8
Jun	4,850	850	1,110	1,860	1,030	4,495	11.1
Jul	5,020	910	1,130	1,850	1,130	4,575	10.9
Aug	4,910	850	1,140	1,860	1,070	4,335	10.6
Sep	5,180	840	1,190	1,900	1,250	4,266	9.9

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

Source: NATIONAL ASSOCIATION OF REALTORS®

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



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

Period	Median					U.S. Average	
	U.S.	Northeast	Midwest	South	West	Houses Actually Sold	Constant-Quality House <sup>1,2</sup>
<b>Annual Data</b>							
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
<b>Quarterly Data</b>							
<b>2007</b>							
Q3	241,800	301,300	209,600	214,900	310,200	301,200	305,900
Q4	238,400	336,900	197,400	214,900	321,300	305,800	303,200
<b>2008</b>							
Q1	233,900	325,900	219,200	202,200	293,700	290,400	293,400
Q2	235,300	352,500	198,500	208,100	302,500	304,200	302,900
Q3	225,700	414,400	182,400	200,800	289,200	283,400	299,700

<sup>1</sup> 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.

<sup>2</sup> 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](http://www.census.gov/const/quarterly_sales.pdf) (See Table Q6.)





**Table 9. Existing Home Prices: 1969–Present**

Period	Median					Average
	U.S.	Northeast	Midwest	South	West	U.S.
<b>Annual Data</b>						
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
<b>Monthly Data</b>						
<b>2007</b>						
Jul	228,600	293,100	173,600	185,800	351,200	276,000
Aug	224,400	281,800	177,900	182,800	330,600	269,300
Sep	210,500	260,900	165,600	174,300	311,000	257,300
Oct	206,700	257,500	160,200	171,000	316,900	255,100
Nov	208,800	257,900	160,300	172,900	325,400	255,700
Dec	207,000	254,900	159,000	172,300	311,100	254,000
<b>2008</b>						
Jan	199,700	268,500	148,500	164,000	296,200	245,500
Feb	195,600	264,500	142,800	163,300	292,400	242,000
Mar	200,100	283,600	150,900	167,700	284,800	247,100
Apr	201,200	261,300	157,700	170,000	285,700	247,200
May	207,900	278,300	162,900	174,900	286,000	252,600
Jun	215,100	264,900	172,700	185,700	285,700	257,900
Jul	210,300	278,300	167,700	176,900	282,000	253,300
Aug	203,100	271,000	168,000	176,500	251,600	245,400
Sep	191,600	246,800	152,500	167,200	253,600	234,700

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

Source: NATIONAL ASSOCIATION OF REALTORS®

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

**Table 10. Repeat Sales House Price Index: 1991–Present**



Period	OFHEO Purchase-Only House Price Index (Seasonally Adjusted) <sup>1</sup>										Case-Shiller <sup>®</sup> Index <sup>2</sup>
	U.S.	New England	Middle Atlantic	South Atlantic	East South Central	West South Central	West North Central	East North Central	Mountain	Pacific	
<b>Annual Average</b>											
1991	100.3	98.2	99.3	100.3	100.7	100.7	100.5	101.2	101.0	99.4	74.5
1992	102.6	96.6	100.8	102.3	104.4	103.5	103.9	105.6	106.4	98.9	75.0
1993	105.1	94.9	101.2	103.9	108.9	107.7	109.2	110.1	115.5	96.8	75.5
1994	108.7	95.7	101.7	107.0	115.0	112.2	115.1	115.6	127.1	96.9	77.7
1995	111.5	95.9	101.4	109.9	119.9	114.9	119.8	121.2	134.3	96.9	79.1
1996	115.1	98.4	102.3	113.5	125.1	118.2	125.1	127.4	140.3	98.3	80.9
1997	118.6	101.6	103.8	117.1	129.4	121.2	129.5	132.1	144.8	101.3	83.6
1998	124.3	109.0	107.5	122.1	134.3	126.9	136.4	137.9	150.5	108.1	88.7
1999	131.7	119.7	114.1	128.6	140.1	134.0	145.5	145.3	158.7	115.7	95.5
2000	140.4	134.1	123.0	136.3	144.8	142.1	155.5	153.0	168.3	125.7	104.5
2001	150.1	151.5	134.4	145.9	149.0	148.5	166.5	160.4	177.6	138.2	113.4
2002	160.6	170.9	149.4	156.8	153.7	153.7	176.9	167.7	185.6	153.3	123.7
2003	172.7	190.3	166.8	169.7	160.1	158.7	187.8	175.6	196.9	172.5	136.3
2004	187.8	211.1	186.6	188.2	167.7	165.2	198.4	183.9	217.1	198.4	155.2
2005	205.6	229.7	207.7	213.5	178.2	174.5	208.1	191.5	247.1	230.0	179.0
2006	218.6	232.3	221.1	229.1	191.2	187.2	215.0	195.1	274.1	254.3	188.7
2007	222.2	229.4	226.1	233.0	198.8	196.2	217.9	192.8	286.2	256.2	179.9
<b>Quarterly Data</b>											
<b>2007</b>											
Q2	223.8	230.5	227.2	234.9	199.7	195.8	218.6	194.5	288.8	260.7	183.6
Q3	222.6	228.9	225.9	233.5	199.3	197.9	218.0	192.4	288.5	256.6	180.3
Q4	219.6	227.9	226.3	229.6	199.1	197.6	216.6	189.8	282.4	246.5	170.5
<b>2008</b>											
Q1	216.0	224.9	224.6	225.1	197.8	197.5	214.0	188.8	279.4	231.7	159.0
Q2	213.0	220.4	221.5	222.3	198.8	198.8	213.9	187.1	274.2	220.0	155.3

<sup>1</sup> Office of Federal Housing Enterprise Oversight. First quarter 1991 equals 100. [http://www.ofheo.gov/hpi\\_download.aspx](http://www.ofheo.gov/hpi_download.aspx)

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



**Table 11. Housing Affordability Index: 1973–Present**

Period	U.S.				Affordability Indexes*		
	Median Price Existing Single-Family (\$)	Mortgage Rate <sup>1</sup>	Median Family Income (\$)	Income To Qualify (\$)	Composite	Fixed	ARM
<b>Annual Data</b>							
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	55,823	49,920	111.8	110.1	115.6
2006	221,900	6.58	57,612	54,288	106.1	105.7	108.1
2007	217,900	6.52	59,224	52,992	111.8	111.7	113.8
<b>Monthly Data</b>							
<b>2007</b>							
Jul	228,500	6.80	59,292	57,216	103.6	103.1	107.2
Aug	223,700	6.79	59,427	55,920	106.3	105.9	108.5
Sep	208,600	6.66	59,563	51,456	115.8	115.8	116.1
Oct	204,800	6.56	59,698	50,016	119.4	119.2	121.0
Nov	207,300	6.41	59,833	49,824	120.1	119.7	123.2
Dec	205,000	6.31	59,969	48,768	123.0	122.7	126.8
<b>2008</b>							
Jan	197,200	6.04	59,858	45,600	131.3	131.0	134.1
Feb	193,600	5.94	59,967	44,304	135.4	134.8	142.3
Mar	197,600	6.10	60,076	45,984	130.6	130.0	137.7
Apr	199,600	6.03	60,185	46,080	130.6	130.1	136.3
May	206,000	6.10	60,294	47,952	125.7	125.2	132.1
Jun	213,600	6.28	60,404	50,640	119.3	118.5	125.6
Jul	208,900	6.48	60,512	50,592	119.6	118.8	126.3
Aug	201,900	6.53	60,621	49,152	123.3	122.6	131.4
Sep	190,600	6.22	60,730	44,928	135.2	134.9	140.7

\*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.

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

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

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



Period	Unfurnished Rental Apartment Completions	Percent Rented in 3 Months	Median Asking Rent
<b>Annual Data</b>			
1970	328,400	73	\$188
1971	334,400	68	\$187
1972	497,900	68	\$191
1973	531,700	70	\$191
1974	405,500	68	\$197
1975	223,100	70	\$211
1976	157,000	80	\$219
1977	195,600	80	\$232
1978	228,700	82	\$251
1979	241,200	82	\$272
1980	196,100	75	\$308
1981	135,400	80	\$347
1982	117,000	72	\$385
1983	191,500	69	\$386
1984	313,200	67	\$393
1985	364,500	65	\$432
1986	407,600	66	\$457
1987	345,600	63	\$517
1988	284,500	66	\$550
1989	246,200	70	\$590
1990	214,300	67	\$600
1991	165,300	70	\$614
1992	110,200	74	\$586
1993	77,200	75	\$573
1994	104,000	81	\$576
1995	155,000	72	\$655
1996	191,300	72	\$672
1997	189,200	74	\$724
1998	209,900	73	\$734
1999	225,900	72	\$791
2000	226,200	72	\$841
2001	193,100	63	\$881
2002	204,100	59	\$918
2003	166,500	61	\$931
2004	153,800	62	\$976
2005	113,000	63	\$942
2006	116,400	58	\$1,034
2007	104,800	55	\$1,022
<b>Quarterly Data</b>			
<b>2007</b>			
Q2	26,500	53	\$1,004
Q3	26,100	55	\$1,103
Q4	24,000	59	\$1,043
<b>2008</b>			
Q1	28,800	53	\$1,138
Q2	37,800	48	\$1,133

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

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





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

Period	Housing Market Index	Sales of Single-Family Detached Homes		Prospective Buyer Traffic
		Current Activity	Future Expectations	
<b>Annual Data</b>				
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
<b>Monthly Data (Seasonally Adjusted)</b>				
<b>2007</b>				
Jul	24	24	34	19
Aug	22	22	31	16
Sep	20	20	26	17
Oct	19	18	26	15
Nov	19	18	24	17
Dec	18	19	26	13
<b>2008</b>				
Jan	19	19	28	14
Feb	20	20	27	19
Mar	20	20	26	19
Apr	20	18	30	19
May	19	17	28	18
Jun	18	17	27	16
Jul	16	15	23	12
Aug	16	16	24	13
Sep	17	17	28	14
Oct	14	14	19	12

NA = Not applicable.

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

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

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



Period	Conventional					
	30-Year Fixed Rate		15-Year Fixed Rate		1-Year ARMs	
	Rate	Points	Rate	Points	Rate	Points
<b>Annual Data</b>						
1973	8.04	1.0	NA	NA	NA	NA
1974	9.19	1.2	NA	NA	NA	NA
1975	9.04	1.1	NA	NA	NA	NA
1976	8.88	1.2	NA	NA	NA	NA
1977	8.84	1.1	NA	NA	NA	NA
1978	9.63	1.3	NA	NA	NA	NA
1979	11.19	1.6	NA	NA	NA	NA
1980	13.77	1.8	NA	NA	NA	NA
1981	16.63	2.1	NA	NA	NA	NA
1982	16.09	2.2	NA	NA	NA	NA
1983	13.23	2.1	NA	NA	NA	NA
1984	13.87	2.5	NA	NA	11.49	2.5
1985	12.42	2.5	NA	NA	10.04	2.5
1986	10.18	2.2	NA	NA	8.42	2.3
1987	10.20	2.2	NA	NA	7.82	2.2
1988	10.33	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	7.10	1.9
1992	8.40	1.7	7.96	1.7	5.63	1.7
1993	7.33	1.6	6.83	1.6	4.59	1.5
1994	8.35	1.8	7.86	1.8	5.33	1.5
1995	7.95	1.8	7.49	1.8	6.07	1.5
1996	7.81	1.7	7.32	1.7	5.67	1.4
1997	7.59	1.7	7.13	1.7	5.60	1.4
1998	6.95	1.1	6.59	1.1	5.59	1.1
1999	7.44	1.0	7.06	1.0	5.98	1.0
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	5.53	0.7
2007	6.34	0.4	6.03	0.5	5.56	0.6
<b>Monthly Data</b>						
<b>2007</b>						
Jul	6.70	0.4	6.36	0.4	5.71	0.5
Aug	6.57	0.4	6.23	0.4	5.67	0.6
Sep	6.38	0.5	6.05	0.5	5.66	0.7
Oct	6.38	0.5	6.04	0.6	5.68	0.6
Nov	6.21	0.4	5.85	0.5	5.48	0.6
Dec	6.10	0.5	5.75	0.5	5.50	0.6
<b>2008</b>						
Jan	5.76	0.4	5.29	0.4	5.23	0.6
Feb	5.92	0.5	5.44	0.5	5.03	0.6
Mar	5.97	0.5	5.42	0.5	5.12	0.6
Apr	5.92	0.4	5.47	0.4	5.19	0.6
May	6.04	0.5	5.60	0.5	5.24	0.6
Jun	6.32	0.7	5.91	0.6	5.15	0.6
Jul	6.43	0.6	5.97	0.6	5.24	0.6
Aug	6.48	0.7	6.03	0.7	5.26	0.6
Sep	6.04	0.7	5.64	0.6	5.14	0.6

NA = Not applicable.

Source: Freddie Mac

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



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



Period	Fixed Rate				Adjustable Rate			
	Interest Rate	Fees and Charges	Effective Rate	Term to Maturity	Interest Rate	Fees and Charges	Effective Rate	Term to Maturity
<b>Annual Data</b>								
1982	14.72	2.51	15.26	25.4	14.74	2.86	15.37	26.0
1983	12.51	2.41	12.98	25.5	11.88	2.37	12.33	26.7
1984	12.67	2.59	13.18	24.8	11.57	2.57	12.05	28.0
1985	11.93	2.56	12.43	24.1	10.44	2.47	10.87	27.7
1986	10.09	2.31	10.50	24.9	9.10	1.97	9.42	27.3
1987	9.52	2.18	9.90	25.5	8.20	1.95	8.51	28.6
1988	10.04	2.07	10.41	26.0	8.21	1.88	8.51	28.9
1989	10.21	1.92	10.54	27.0	9.15	1.79	9.44	28.9
1990	10.06	1.87	10.39	26.1	8.90	1.56	9.15	29.3
1991	9.38	1.63	9.66	25.8	8.03	1.43	8.26	28.7
1992	8.21	1.61	8.50	24.4	6.37	1.44	6.59	29.1
1993	7.27	1.21	7.48	24.7	5.56	1.20	5.74	28.8
1994	7.98	1.14	8.17	25.8	6.27	1.05	6.42	29.2
1995	8.01	1.01	8.18	26.5	7.00	0.88	7.13	29.3
1996	7.81	1.03	7.98	26.1	6.94	0.81	7.06	29.0
1997	7.73	1.01	7.89	26.9	6.76	0.87	6.90	29.4
1998	7.05	0.86	7.19	27.5	6.35	0.75	6.46	29.6
1999	7.32	0.78	7.44	27.8	6.45	0.57	6.53	29.7
2000	8.14	0.75	8.25	28.3	6.99	0.42	7.05	29.8
2001	7.03	0.56	7.11	27.3	6.34	0.33	6.39	29.8
2002	6.62	0.48	6.69	26.8	5.60	0.39	5.66	29.7
2003	5.87	0.38	5.92	26.3	4.98	0.39	5.03	29.8
2004	5.95	0.43	6.01	26.9	5.15	0.36	5.20	29.8
2005	6.02	0.42	6.08	27.9	5.50	0.27	5.54	30.0
2006	6.58	0.43	6.65	28.7	6.32	0.33	6.37	30.0
2007	6.45	0.49	6.52	29.2	6.02	0.44	6.33	30.1
<b>Monthly Data</b>								
<b>2007</b>								
Jul	6.76	0.47	6.83	29.3	6.39	0.54	6.46	30.1
Aug	6.73	0.51	6.81	29.2	6.52	0.46	6.58	30.1
Sep	6.57	0.52	6.65	29.2	6.52	0.45	6.58	30.2
Oct	6.49	0.51	6.57	28.9	6.38	0.39	6.44	29.6
Nov	6.36	0.50	6.43	28.9	6.12	0.41	6.18	30.4
Dec	6.22	0.58	6.30	28.8	6.01	0.25	6.05	30.0
<b>2008</b>								
Jan	5.97	0.58	6.05	28.5	5.80	0.27	5.84	30.3
Feb	5.90	0.48	5.97	27.8	5.51	0.30	5.55	30.2
Mar	6.06	0.54	6.14	27.9	5.54	0.36	5.59	30.1
Apr	5.98	0.47	6.05	27.9	5.60	0.25	5.63	30.0
May	6.06	0.46	6.12	28.4	5.59	0.34	5.64	29.5
Jun	6.23	0.49	6.31	28.3	5.74	0.32	5.79	29.8
Jul	6.41	0.57	6.50	28.3	5.91	0.36	5.96	29.9
Aug	6.46	0.58	6.55	28.3	5.89	0.32	5.94	29.8
Sep	6.15	0.65	6.24	28.4	5.81	0.27	5.84	29.9

Source: Federal Housing Finance Board  
<http://www.fhfb.gov/GetFile.aspx?FileID=6995>

**Table 16. FHA, VA, and PMI 1–4 Family Mortgage Insurance Activity: 1971–Present**



Period	FHA*			VA Guaranties	PMI Certificates
	Applications	Total Endorsements	Purchase Endorsements		
<b>Annual Data</b>					
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	915,992	581,060	289,851	133,289	1,979,074
<b>Monthly Data</b>					
<b>2007</b>					
Jul	69,637	51,445	26,459	12,350	171,585
Aug	87,277	53,606	29,153	13,495	197,399
Sep	83,562	48,208	25,739	10,653	159,719
Oct	106,335	58,341	30,597	11,151	175,383
Nov	91,478	54,044	21,207	10,872	161,957
Dec	99,452	56,718	27,094	9,882	143,602
<b>2008</b>					
Jan	130,119	74,155	31,756	12,111	127,338
Feb	152,625	74,645	29,407	12,243	139,077
Mar	181,898	89,024	35,495	14,744	139,610
Apr	210,599	104,151	47,244	16,546	109,358
May	200,425	115,634	56,437	16,782	89,365
Jun	191,584	131,358	72,133	18,009	74,779
Jul	213,662	143,978	87,246	20,857	70,725
Aug	193,881	147,699	93,382	18,928	53,476
Sep	235,739	150,441	96,158	17,547	49,708

\*These operational numbers differ slightly from adjusted accounting numbers.

NA = Data not available.

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





**Table 17. FHA Unassisted Multifamily Mortgage Insurance Activity: 1980–Present\***

Period	Construction of New Rental Units <sup>1</sup>			Purchase or Refinance of Existing Rental Units <sup>2</sup>			Congregate Housing, Nursing Homes, and Assisted Living, Board and Care Facilities <sup>3</sup>		
	Projects	Units	Mortgage Amount	Projects	Units	Mortgage Amount	Projects	Units	Mortgage Amount
<b>Annual Data</b>									
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 (9 mos.)	58	9,416	729.5	209	20,540	769.9	129	14,058	875.1

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

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

<sup>2</sup> Includes purchase or refinance of existing rental housing under Section 223.

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

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



**Table 18. Mortgage Delinquencies and Foreclosures Started: 1986–Present\***

Period	Delinquency Rates											Foreclosures Started						
	Total Past Due						90 Days Past Due					All Loans	Conventional Loans					
	All Loans	Conventional Loans			FHA Loans	VA Loans	All Loans	Conventional Loans			FHA Loans		VA Loans	Prime	Sub-prime	Sub-prime ARMs	FHA Loans	VA Loans
<b>Annual Averages</b>																		
1986	5.56	NA	NA	NA	7.16	6.58	1.01	NA	NA	NA	1.29	1.24	0.26	NA	NA	NA	0.32	0.30
1987	4.97	NA	NA	NA	6.56	6.21	0.93	NA	NA	NA	1.19	1.17	0.26	NA	NA	NA	0.34	0.32
1988	4.79	NA	NA	NA	6.56	6.22	0.85	NA	NA	NA	1.14	1.14	0.27	NA	NA	NA	0.37	0.32
1989	4.81	NA	NA	NA	6.74	6.45	0.79	NA	NA	NA	1.09	1.09	0.29	NA	NA	NA	0.41	0.37
1990	4.66	NA	NA	NA	6.68	6.35	0.71	NA	NA	NA	1.10	1.04	0.31	NA	NA	NA	0.43	0.40
1991	5.03	NA	NA	NA	7.31	6.77	0.80	NA	NA	NA	1.25	1.11	0.34	NA	NA	NA	0.43	0.42
1992	4.57	NA	NA	NA	7.57	6.46	0.81	NA	NA	NA	1.35	1.15	0.33	NA	NA	NA	0.45	0.40
1993	4.22	NA	NA	NA	7.14	6.30	0.77	NA	NA	NA	1.40	1.16	0.32	NA	NA	NA	0.48	0.42
1994	4.10	NA	NA	NA	7.26	6.26	0.76	NA	NA	NA	1.44	1.19	0.33	NA	NA	NA	0.56	0.48
1995	4.24	NA	NA	NA	7.55	6.44	0.74	NA	NA	NA	1.46	1.17	0.33	NA	NA	NA	0.53	0.50
1996	4.33	NA	NA	NA	8.05	6.75	0.63	NA	NA	NA	1.40	1.10	0.34	NA	NA	NA	0.58	0.46
1997	4.31	NA	NA	NA	8.13	6.94	0.58	NA	NA	NA	1.22	1.15	0.36	NA	NA	NA	0.62	0.51
1998	4.74	2.59	10.87	NA	8.57	6.80	0.66	0.28	1.31	NA	1.50	1.23	0.42	0.22	1.46	NA	0.59	0.44
1999	4.48	2.26	11.43	NA	8.57	6.80	0.63	0.24	1.23	NA	1.50	1.23	0.38	0.17	1.75	NA	0.59	0.44
2000	4.54	2.28	11.90	NA	9.07	6.84	0.62	0.22	1.21	NA	1.61	1.22	0.41	0.16	2.31	NA	0.56	0.38
2001	5.26	2.67	14.03	NA	10.78	7.67	0.80	0.27	2.04	NA	2.12	1.47	0.46	0.20	2.34	NA	0.71	0.42
2002	5.11	2.63	14.33	14.72	11.53	7.86	0.89	0.29	3.16	2.42	2.36	1.61	0.45	0.19	2.13	2.28	0.82	0.46
2003	4.74	2.51	12.17	13.06	12.21	8.00	0.88	0.30	3.24	2.71	2.66	1.77	0.42	0.20	1.65	1.92	0.90	0.48
2004	4.49	2.30	10.80	10.34	12.18	7.31	0.87	0.29	2.72	2.03	2.75	1.60	0.43	0.19	1.50	1.52	0.98	0.49
2005	4.45	2.30	10.84	10.61	12.51	7.00	0.89	0.32	2.59	2.13	3.08	1.60	0.41	0.18	1.42	1.52	0.85	0.38
2006	4.61	2.39	12.27	12.98	12.74	6.67	0.96	0.36	2.89	2.94	3.38	1.55	0.46	0.19	1.81	2.20	0.83	0.35
2007	5.34	2.92	15.55	17.88	12.68	6.43	1.21	0.49	4.31	5.07	3.27	1.49	0.71	0.33	2.93	4.27	0.89	0.39
<b>Quarterly Data (Seasonally Adjusted)</b>																		
<b>2007</b>																		
Q2	5.12	2.73	14.82	16.95	12.58	6.15	1.11	0.42	3.83	4.44	3.16	1.37	0.65	0.27	2.72	3.84	0.79	0.37
Q3	5.59	3.12	16.31	18.81	12.92	6.58	1.26	0.51	4.62	5.16	3.22	1.53	0.78	0.37	3.12	4.72	0.95	0.39
Q4	5.82	3.24	17.31	20.02	13.05	6.49	1.48	0.65	5.42	6.64	3.35	1.54	0.83	0.41	3.44	5.29	0.91	0.39
<b>2008</b>																		
Q1	6.35	3.71	18.79	22.07	12.72	7.22	1.63	0.79	5.84	7.29	3.33	1.74	0.99	0.54	4.06	6.35	0.87	0.50
Q2	6.41	3.93	18.67	21.03	12.63	6.82	1.83	1.01	6.19	7.55	3.45	1.77	1.19	0.67	4.70	7.09	1.03	0.65

\*All data are seasonally adjusted.

NA = Not applicable.

Note: Table 18 has been reformatted to include data on subprime loans in the three major categories of Total Past Due, 90 Days Past Due, and Foreclosures Started. The data for All Conventional Loans in these three major categories have been eliminated since they are no longer collected by the Mortgage Bankers Association.

Source: National Delinquency Survey, Mortgage Bankers Association



**Table 19. Expenditures for Existing Residential Properties: 1977–2007**

Period	Total Expenditures	Maintenance and Repairs <sup>1</sup>	Improvements					Major Replacements <sup>5</sup>
			Total	Additions and Alterations <sup>2</sup>			To Property Outside the Structure	
				Total	Additions <sup>3</sup>	Improvements		
<b>Annual Data (Millions of Dollars)</b>								
1977	31,280	11,344	19,936	14,237	2,655	8,505	3,077	5,699
1978	37,461	12,909	24,552	16,458	3,713	8,443	4,302	8,094
1979	42,231	14,950	27,281	18,285	3,280	9,642	5,363	8,996
1980	46,338	15,187	31,151	21,336	4,183	11,193	5,960	9,816
1981	46,351	16,022	30,329	20,414	3,164	11,947	5,303	9,915
1982	45,291	16,810	28,481	18,774	2,641	10,711	5,423	9,707
1983	49,295	18,128	31,167	20,271	4,739	11,673	3,859	10,895
1984	70,597	29,307	41,291	28,023	6,044	14,604	7,375	13,268
1985	82,127	36,349	45,778	29,259	4,027	17,922	7,309	16,519
1986	94,329	37,394	56,936	39,616	7,552	21,774	10,292	17,319
1987	98,413	40,227	58,186	41,484	9,893	22,503	9,088	16,701
1988	106,864	43,580	63,284	45,371	11,868	23,789	9,715	17,912
1989	108,054	46,089	61,966	42,176	7,191	24,593	10,391	19,788
1990	115,432	55,800	59,629	39,929	9,160	23,510	7,261	19,700
1991	107,692	55,505	52,187	33,662	8,609	17,486	7,567	18,526
1992	115,569	50,821	64,748	44,041	7,401	24,870	11,771	20,705
1993	121,899	45,785	76,114	53,512	16,381	27,657	9,472	22,604
1994	130,625	47,185	83,439	56,835	12,906	30,395	13,534	26,606
1995	124,971	47,032	77,940	51,011	11,197	29,288	10,526	26,928
1996	131,362	40,108	91,253	64,513	17,388	32,889	14,235	26,738
1997	133,577	41,145	92,432	65,222	14,575	37,126	13,523	27,210
1998	133,693	41,980	91,712	62,971	11,897	38,787	12,287	28,741
1999	142,900	42,352	100,549	72,056	16,164	42,058	13,833	28,493
2000	152,975	42,236	110,739	77,979	18,189	40,384	19,407	32,760
2001	157,765	47,492	110,273	77,560	14,133	47,208	16,218	32,714
2002	173,324	47,349	125,946	88,708	20,624	49,566	18,518	37,238
2003	176,899	44,094	132,805	93,458	20,994	55,028	17,435	39,347
Period	Total Expenditures	Maintenance and Repairs <sup>1</sup>	Total	Improvements				Major Replacements <sup>5</sup>
				Additions and Alterations <sup>2</sup>			Other Property Improvements	
				Total	Additions <sup>3</sup>	Alterations <sup>4</sup>		
2003	176,899	44,094	132,805		20,994	91,759	20,051	
2004	198,557	50,612	147,945		17,889	103,835	26,219	
2005	215,030	53,293	161,737		20,719	112,721	28,297	
2006	228,208	53,389	174,819		13,519	129,918	31,382	
2007	226,359	54,738	171,621		12,299	129,133	30,189	
<b>Quarterly Data (Seasonally Adjusted Annual Rates)</b>								
<b>2006</b>								
Q4	226,000	53,200	172,800		NA	NA	NA	
<b>2007</b>								
Q1	217,300	55,000	162,200		NA	NA	NA	
Q2	226,700	58,000	168,700		NA	NA	NA	
Q3	204,400	50,500	153,900		NA	NA	NA	
Q4	236,600	56,300	180,300		NA	NA	NA	

<sup>1</sup> Maintenance and repairs are incidental costs that keep a property in ordinary working condition.

<sup>2</sup> Additions and alterations to a property outside the structure include walks, driveways, walls, fences, pools, garages, and sheds.

<sup>3</sup> Additions refer to actual enlargements of the structure.

<sup>4</sup> Alterations refer to changes or improvements made within or on the structure.

<sup>5</sup> Major replacements are relatively expensive and are not considered repairs; they include furnaces, boilers, roof replacement, and central air conditioning. Effective with the first quarter of 2004, this survey no longer tabulates major replacements separately from other types of improvements. As a result, data previously tabulated as Major Replacements are now included in the columns of "Additions and Alterations."

NA = Data available only annually. Blank cells appear in the table because of a change in the survey.

Note: The Census Bureau has discontinued the Survey of Residential Alterations and Repairs; therefore, this table is no longer being updated. These fourth quarter 2007 data are the last available. <http://www.census.gov/const/www/c50index.html>

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



Period	Total	New Residential Construction			Improvements
		Total	Single-Family Structures	Multifamily Structures	
<b>Annual Data (Current Dollars in Millions)</b>					
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	492,499	353,393	305,184	48,209	139,106
<b>Monthly Data (Seasonally Adjusted Annual Rates)</b>					
<b>2007</b>					
Jul	493,611	358,851	311,602	47,249	NA
Aug	480,211	346,924	300,345	46,579	NA
Sep	465,104	334,531	288,539	45,992	NA
Oct	446,975	320,494	275,021	45,473	NA
Nov	428,661	305,221	260,500	44,721	NA
Dec	413,878	289,163	246,054	43,109	NA
<b>2008</b>					
Jan	404,909	277,166	233,846	43,320	NA
Feb	392,020	258,796	214,892	43,904	NA
Mar	391,643	256,356	212,310	44,046	NA
Apr	383,493	247,928	203,640	44,288	NA
May	371,386	243,916	198,166	45,750	NA
Jun	356,441	237,046	191,373	45,673	NA
Jul	334,494	232,218	185,135	47,083	NA
Aug	340,814	221,652	177,665	43,987	NA
Sep	336,501	214,485	169,291	45,194	NA

NA = Data available only annually.

\*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.

Source: Census Bureau, Department of Commerce

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



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

Period	Gross Domestic Product	Residential Fixed Investment	Residential Fixed Investment Percent of GDP
<b>Annual Data (Current Dollars in Billions)</b>			
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	8,747.0	385.8	4.4
1999	9,268.4	424.9	4.6
2000	9,817.0	446.9	4.6
2001	10,128.0	469.3	4.6
2002	10,469.6	503.9	4.8
2003	10,960.8	572.4	5.2
2004	11,685.9	675.5	5.8
2005	12,421.9	769.6	6.2
2006	13,178.4	757.0	5.7
2007	13,807.5	630.2	4.6
<b>Quarterly Data (Seasonally Adjusted Annual Rates)</b>			
<b>2007</b>			
Q3	13,950.6	618.1	4.4
Q4	14,031.2	571.3	4.1
<b>2008</b>			
Q1	14,150.8	528.1	3.7
Q2	14,294.5	505.0	3.5
Q3	14,429.2	477.6	3.3

Source: Bureau of Economic Analysis, Department of Commerce

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



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



Period	Total	Less Than 25 Years	25 to 29 Years	30 to 34 Years	35 to 44 Years	45 to 54 Years	55 to 64 Years	65 Years and Older
<b>Annual Data</b>								
1971 <sup>1</sup>	848	NA	NA	NA	NA	NA	NA	NA
1972	1,898	NA	NA	NA	NA	NA	NA	NA
1973	1,575	NA	NA	NA	NA	NA	NA	NA
1974 <sup>†</sup>	1,554	NA	NA	NA	NA	NA	NA	NA
1975	1,358	NA	NA	NA	NA	NA	NA	NA
1976	1,704	NA	NA	NA	NA	NA	NA	NA
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 <sup>2</sup>	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 <sup>†</sup>	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 <sup>†</sup>	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 <sup>3</sup>	750	398	46	1	84	866	(406)	(239)
1994	681	8	(387)	47	431	424	34	124
1995	1,883	179	(72)	(193)	621	753	36	559
1996	637	(162)	(46)	(181)	312	418	177	121
1997	1,391	(122)	293	(204)	597	835	68	(78)
1998	1,510	275	(184)	(97)	120	704	603	89
1999	1,346	335	56	(270)	25	611	499	92
2000	831	90	1	(193)	(13)	769	21	156
2001	1,712	532	(213)	140	(51)	870	351	83
2002 <sup>4</sup>	2,880	(1)	105	329	127	411	1,260	648
2003	595	69	(18)	(92)	(237)	208	643	22
2004	1,028	98	278	(219)	(320)	365	714	112
2005	1,643	(3)	298	(283)	42	476	802	311
2006	1,344	43	185	(160)	(243)	508	682	329
2007	731	(85)	195	(74)	(381)	206	598	270
<b>Quarterly Data</b>								
<b>2007</b>								
Q3	(42)	265	(78)	24	(276)	73	(74)	24
Q4	579	(92)	85	17	45	(17)	504	38
<b>2008</b>								
Q1	(54)	(229)	(200)	17	(79)	(14)	241	209
Q2	404	(112)	116	(51)	101	335	(48)	65
Q3	502	(2)	(34)	(18)	(136)	(13)	165	268

\*Units in thousands.

<sup>†</sup> Implementation of new March CPS processing system.

<sup>1</sup> Data from 1971 to 1979 weighted based on the 1970 decennial census.

<sup>2</sup> Data from 1980 to 1992 weighted based on the 1980 decennial census.

<sup>3</sup> Beginning in 1993, CPS data weighted based on the 1990 decennial census.

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

NA = Not available.

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



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

Period	Total	Families <sup>5</sup>				Non-Family Households		One-Person Households	
		Husband-Wife		Other Male Headed	Other Female Headed	Male Headed	Female Headed	Males	Females
		With Children	Without Children						
<b>Annual Data</b>									
1971 <sup>1</sup>	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 <sup>f</sup>	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 <sup>2</sup>	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 <sup>f</sup>	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 <sup>f</sup>	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 <sup>3</sup>	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	1,712	189	99	231	(168)	221	42	356	743
2002 <sup>4</sup>	2,880	371	778	195	608	(106)	81	467	485
2003	595	(38)	277	47	83	29	27	135	36
2004	1,028	(136)	341	283	175	39	(18)	167	176
2005	1,643	(111)	299	189	456	77	56	431	248
2006	1,344	64	226	54	169	93	100	452	186
2007	731	(101)	321	(14)	103	87	(80)	266	149
<b>Quarterly Data</b>									
<b>2007</b>									
Q3	(42)	(842)	310	15	278	78	(1)	261	(141)
Q4	579	45	(51)	19	(171)	204	(114)	172	475
<b>2008</b>									
Q1	(54)	25	60	(48)	(118)	(70)	(55)	(70)	221
Q2	404	472	68	73	(3)	(47)	72	72	(303)
Q3	502	(418)	580	48	270	19	83	55	(135)

\*Units in thousands.

<sup>f</sup> Implementation of new March CPS processing system.

<sup>1</sup> Data from 1971 to 1979 weighted based on the 1970 decennial census.

<sup>2</sup> Data from 1980 to 1992 weighted based on the 1980 decennial census.

<sup>3</sup> Beginning in 1993, CPS data weighted based on the 1990 decennial census.

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

<sup>5</sup> Primary families only.

NA = Not available.

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

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



Period	Total	Non-Hispanic				Hispanic
		White Alone	Black Alone	Other Race Alone	Two or More Races <sup>5</sup>	
<b>Annual Data</b>						
1971 <sup>1</sup>	848	NA	NA	NA	NA	NA
1972	1,898	NA	NA	NA	NA	NA
1973	1,575	NA	NA	NA	NA	NA
1974 <sup>†</sup>	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 <sup>2</sup>	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 <sup>†</sup>	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 <sup>†</sup>	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 <sup>3</sup>	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	1,712	557	483	328	NA	344
2002 <sup>4</sup>	2,880	1,442	(100)	702	NA	836
2003	595	(666)	(5)	(443)	NA	600
2004	1,028	417	208	164	39	201
2005	1,643	710	257	166	50	461
2006	1,344	511	214	126	26	467
2007	731	(28)	182	209	(68)	436
<b>Quarterly Data</b>						
<b>2007</b>						
Q3	(42)	(305)	30	40	76	117
Q4	579	509	40	(46)	(33)	110
<b>2008</b>						
Q1	(54)	76	12	21	(4)	(161)
Q2	404	(74)	200	(4)	9	275
Q3	502	268	94	156	(35)	16

\* Units in thousands.

<sup>†</sup> Implementation of new March CPS processing system.

<sup>1</sup> Data from 1971 to 1979 weighted based on the 1970 decennial census.

<sup>2</sup> Data from 1980 to 1992 weighted based on the 1980 decennial census.

<sup>3</sup> Beginning in 1993, CPS data weighted based on the 1990 decennial census.

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

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

NA = Not available.

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



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

Period	Total <sup>3</sup>	Seasonal	Total Year Round	Total Vacant Year Round	For Rent	For Sale Only	Other Vacant	Total Occupied	Owner	Renter
<b>Annual and Biannual Data</b>										
1970 <sup>1</sup>	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 <sup>1</sup>	88,411	1,718	86,693	NA	NA	NA	NA	80,390	51,795	28,595
1981 <sup>2</sup>	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 <sup>1</sup>	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 <sup>1</sup>	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	11,660	3,707	1,401	6,553	108,871	74,931	33,940
<b>Quarterly Data</b>										
<b>2007</b>										
Q3	128,189	4,558	123,633	13,334	3,866	2,074	7,394	110,299	75,181	35,118
Q4	128,649	4,447	124,202	13,324	3,838	2,179	7,307	110,878	75,164	35,714
<b>2008</b>										
Q1	129,387	4,711	124,676	13,853	4,063	2,277	7,513	110,823	75,145	35,678
Q2	129,871	4,778	125,092	13,864	4,008	2,169	7,687	111,228	75,715	35,513
Q3	130,357	4,785	125,571	13,841	4,012	2,227	7,602	111,730	75,896	35,834

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

<sup>1</sup> Decennial Census of Housing.

<sup>2</sup> American Housing Survey estimates are available in odd-numbered years only after 1981.

<sup>3</sup> Annual Housing Survey 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.

NA = Not available.

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

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



**Table 26. Rental Vacancy Rates: 1979–Present**

Period	All Rental Units	Metropolitan Status <sup>1</sup>				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
<b>Annual Data</b>												
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
<b>Quarterly Data</b>												
<b>2007</b>												
Q3	9.8	9.8	10.2	9.3	9.4	7.1	11.6	12.1	6.8	9.4	10.2	10.4
Q4	9.6	9.6	9.6	9.7	9.5	6.6	11.1	12.3	6.8	9.5	9.8	10.1
<b>2008</b>												
Q1	10.1	10.0	9.7	10.3	10.7	7.3	11.8	12.7	7.0	10.1	10.3	10.7
Q2	10.0	9.9	10.4	9.3	10.6	7.4	10.6	13.2	6.9	9.4	10.5	11.1
Q3	9.9	9.8	10.4	9.1	10.4	6.7	10.3	13.0	7.6	9.5	10.4	10.7

<sup>1</sup> The Census Bureau has changed to the Office of Management and Budget's new designation of metropolitan areas as Core Based Statistical Areas effective January 2005. The new statistical area definitions and data are not comparable with the previous ones.

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





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

Period	Total	Less Than 25 Years	25 to 29 Years	30 to 34 Years	35 to 44 Years	45 to 54 Years	55 to 64 Years	65 Years and Over
<b>Annual Data</b>								
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 <sup>1</sup>	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 <sup>2</sup>	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
<b>Quarterly Data</b>								
<b>2007</b>								
Q3	68.2	25.3	40.5	55.3	68.1	75.2	81.1	79.9
Q4	67.8	24.9	39.4	53.9	67.2	75.1	80.4	80.3
<b>2008</b>								
Q1	67.8	23.6	39.7	54.8	66.7	75.0	80.4	79.9
Q2	68.1	23.3	39.8	54.4	67.6	75.4	80.1	80.2
Q3	67.9	23.4	41.1	52.6	67.2	75.2	80.0	80.1

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

<sup>2</sup> Beginning in 2002, CPS data weighted based on the 2000 decennial census data and housing unit controls.

Source: Census Bureau, Department of Commerce

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

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



Period	Total	Region				Metropolitan Status <sup>3,5</sup>		
		Northeast	Midwest	South	West	Inside Metro Area		Outside Metro Area
						Central City	Outside Central City	
<b>March Supplemental Data</b>								
1983 <sup>1</sup>	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 <sup>2</sup>	64.1	62.4	67.0	65.5	60.0	48.9	70.2	72.9
<b>Annual Averages of Monthly Data</b>								
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 <sup>4</sup>	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
<b>Quarterly Averages of Monthly Data</b>								
<b>2007</b>								
Q3	68.2	65.2	71.9	70.1	63.5	53.5	75.7	75.2
Q4	67.8	64.6	71.7	70.0	62.7	53.0	75.3	75.0
<b>2008</b>								
Q1	67.8	64.7	72.0	69.7	62.8	53.0	75.2	75.6
Q2	68.1	65.3	71.7	70.2	63.0	53.4	75.5	74.9
Q3	67.9	64.4	71.9	69.9	63.5	53.6	75.1	74.9

<sup>1</sup> Data from 1983 to 1992 weighted based on the 1980 decennial census.

<sup>2</sup> Beginning in 1993, CPS data weighted based on the 1990 decennial census.

<sup>3</sup> 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.

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

<sup>5</sup> The Census Bureau has changed to OMB's new designation of metropolitan areas as Core Based Statistical Areas effective January 2005. The new statistical area definitions and data are not comparable with the previous ones.

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

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



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

Period	Non-Hispanic				Hispanic
	White Alone	Black Alone	Other Race Alone	Two or More Races <sup>4</sup>	
<b>March Supplemental Data</b>					
1983 <sup>1</sup>	69.1	45.6	53.3	NA	41.2
1984 <sup>r</sup>	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 <sup>r</sup>	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 <sup>2</sup>	70.2	42.0	50.6	NA	39.4
<b>Annual Averages of Monthly Data</b>					
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 <sup>3</sup>	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
<b>Quarterly Averages of Monthly Data</b>					
<b>2007</b>					
Q3	75.3	47.2	60.9	60.3	50.1
Q4	74.9	48.3	59.9	58.4	48.5
<b>2008</b>					
Q1	75.0	47.7	59.3	57.1	48.9
Q2	75.2	48.4	60.2	56.4	49.6
Q3	75.1	48.2	60.2	58.9	49.5

<sup>r</sup> Implementation of new March CPS processing system.

<sup>1</sup> CPS data from 1983 to 1992 weighted based on the 1980 decennial census.

<sup>2</sup> Beginning in 1993, CPS data weighted based on the 1990 decennial census.

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

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

NA = Not available.

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

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



Period	Married Couples		Other Families		Other
	With Children	Without Children	With Children	Without Children	
<b>March Supplemental Data</b>					
1983 <sup>1</sup>	75.0	80.8	38.3	67.5	44.5
1984 <sup>f</sup>	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 <sup>f</sup>	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 <sup>2</sup>	73.7	82.9	35.5	63.9	47.1
<b>Annual Averages of Monthly Data</b>					
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 <sup>3</sup>	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
<b>Quarterly Averages of Monthly Data</b>					
<b>2007</b>					
Q3	80.0	87.5	44.5	65.5	52.4
Q4	79.2	87.2	44.0	65.7	52.3
<b>2008</b>					
Q1	78.8	87.4	43.5	66.0	52.5
Q2	79.2	87.4	43.4	66.9	52.6
Q3	78.8	86.7	43.2	66.7	53.1

<sup>f</sup> Implementation of new March CPS processing system.

<sup>1</sup> CPS data from 1983 to 1992 weighted based on the 1980 decennial census.

<sup>2</sup> Beginning in 1993, CPS data weighted based on the 1990 decennial census.

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

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



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