HUD PD&R National Housing Market Summary

The Housing Market Recovery Continues To Make Progress

Overall, housing market indicators improved in the fourth quarter of 2014. Starts continued to climb for single-family housing but fell for multifamily housing. Purchases of new homes rose, while sales of previously owned (existing) homes remained virtually unchanged. Inventories of homes for sale dropped for both new and existing homes. The seasonally adjusted (SA) Standard & Poor's (S&P)/Case-Shiller® and the Federal Housing Finance Agency's (FHFA) repeat-sales house price indices show that home values increased in the fourth quarter, with annual house price appreciation beginning to stabilize.

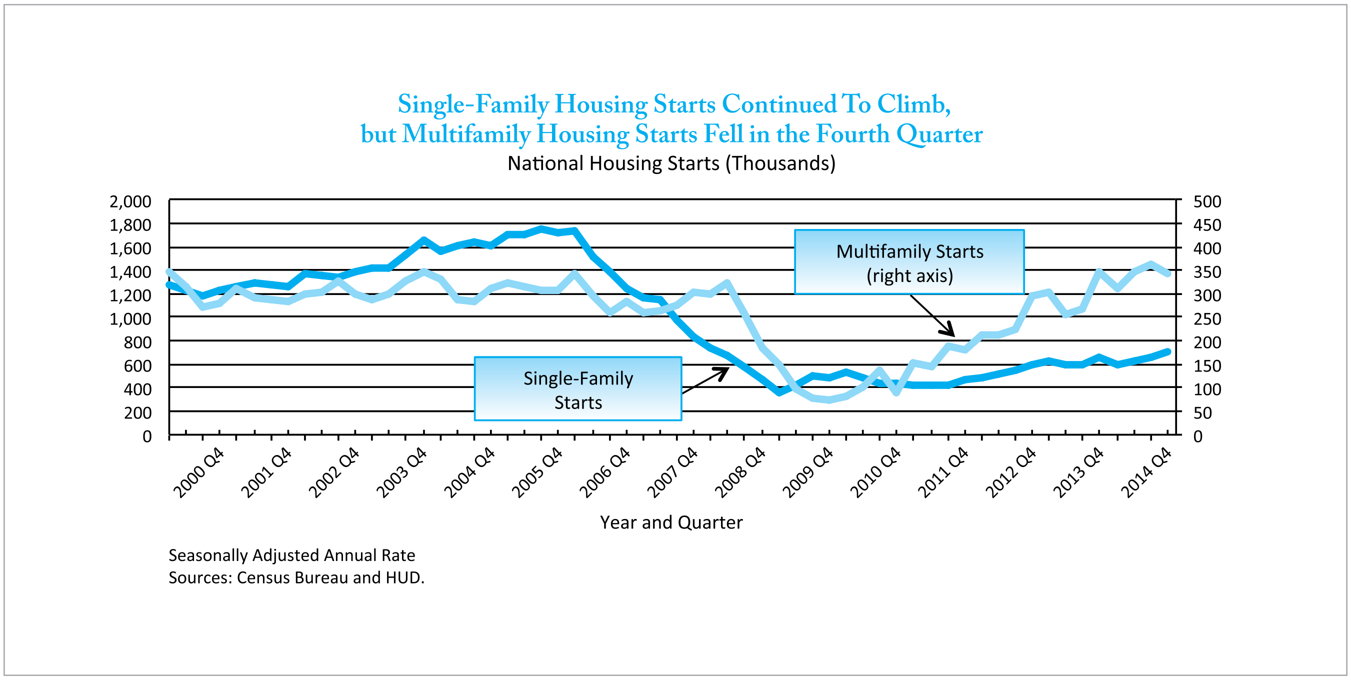
Based on its National Delinquency Survey, the Mortgage Bankers Association (MBA) reported that most measures of delinquency and foreclosure rates on mortgage loans in the fourth quarter are back to pre-crisis levels. RealtyTrac® data show that foreclosure starts and completions increased in the fourth quarter, the result of efforts by many states to reduce the backlog of loans in their foreclosure pipelines. The U.S. economy expanded at a seasonally adjusted annual rate (SAAR) of 2.2 percent, according to the Bureau of Economic Analysis' second estimate, following a 5.0-percent gain in the third quarter. Real residential investment expanded at a 3.4-percent rate following a 3.2-percent rise in the third quarter and contributed 0.11 percentage point to real GDP growth following a 0.10-percentage-point contribution in the third quarter.

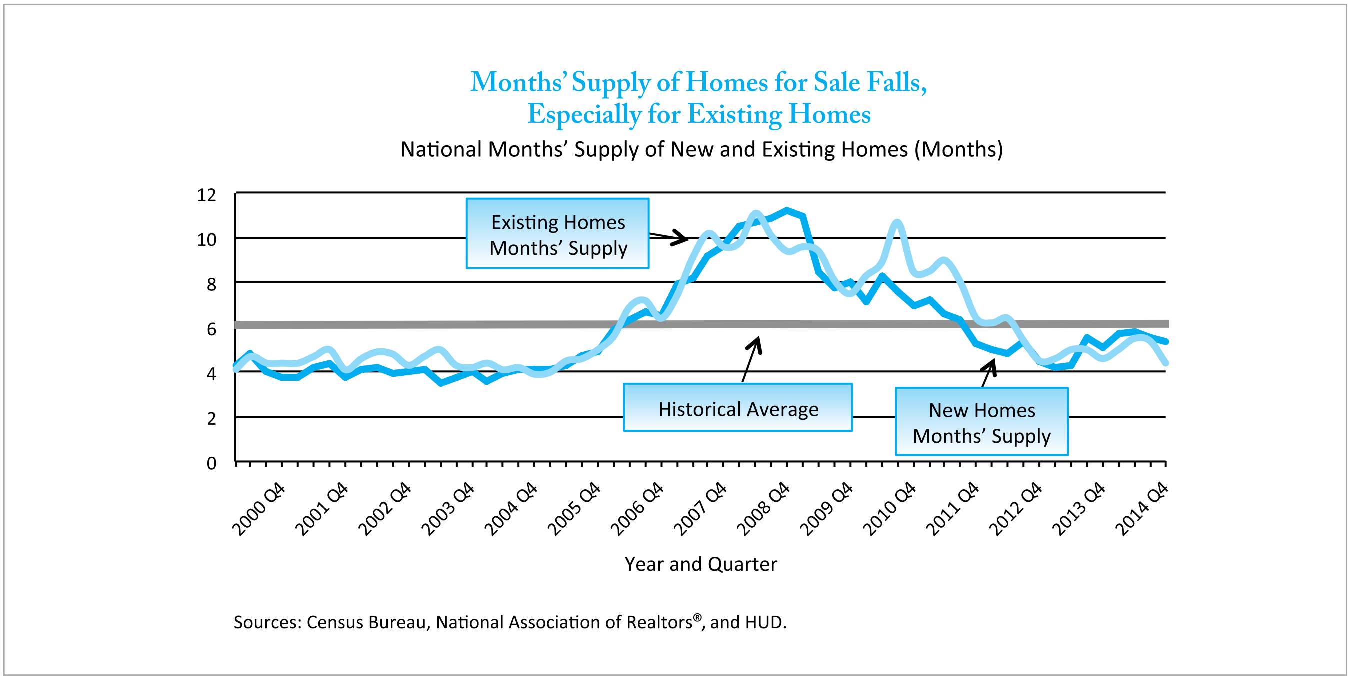
For all of 2014, the housing market continued to strengthen. Housing starts were up 8 percent over 2013—reaching their highest level since 2007. New home sales were up 2 percent over the previous year, showing their strongest performance since 2008. Existing home sales were down 3 percent from 2013, but they were up 20 percent from their low of 2008, and 2014 was the second strongest year for existing home sales since 2007. The months' supply of homes for sale at the end of 2014 was still below its historical norm but an improvement over 2013. According to MBA data, the mortgage delinquency rate at the end of 2014, at 5.68 percent, is down 71 basis points from the end of 2013 and approaching its historical average of about 5 percent. Foreclosure starts were down 14 percent from 2013, to the lowest annual total since RealtyTrac® first began reporting them in 2006, and foreclosure completions fell 29 percent, to their lowest level since 2006. The annual national homeownership rate fell from 65.1 to 64.5 percent for 2014, with households maintaining a shift toward renting, as both single-family and multifamily rental vacancy rates declined.

Housing Supply

Homebuilding continued to rebound in the fourth quarter for single-family units but slowed for multifamily units. Construction starts on single-family homes, at 706,000 units (SAAR) in the fourth quarter of 2014, were up 8 percent from the previous quarter and up 6 percent from the fourth quarter of 2013. This is the third consecutive quarter that single-family housing starts have increased. The pace of single-family housing starts is still well below the annual rate (AR) of 1.36 million units in 2002, before the housing bubble began, however. Multifamily housing starts fell to 344,000 units (SAAR) in the fourth quarter, a decline of 5 percent from the previous quarter and down 1 percent from the previous year, although the pace has rebounded to a level above the 2002 pace of 308,000 units (AR). Single-family housing starts have been slow to bounce back in this recovery. The share of single-family housing starts has fallen from 85 percent in the third quarter of 2009, when the recovery began, to 66 percent in the fourth quarter of 2014. Because of a relatively strong rental market in this recovery, the share of multifamily starts has grown from 13 to 32 percent during the same period. Historically, single-family and multifamily starts have averaged respective market shares of 72 and 24 percent, with two- to four- unit structures making up the rest of the market. For all of 2014, total housing starts reached 1.003 million units, up 8 percent from 2013 and the highest level since 2007. The number of single-family units rose 5 percent in 2014, to 647,000 units, while the number of multifamily units rose 16 percent, to 342,000 units.

The months' supply of homes on the market remains below the historic average for both new and existing homes. The listed inventory of new homes for sale at the end of the fourth quarter was 215,000 units (SA), which would support 5.4 months of sales at the current sales





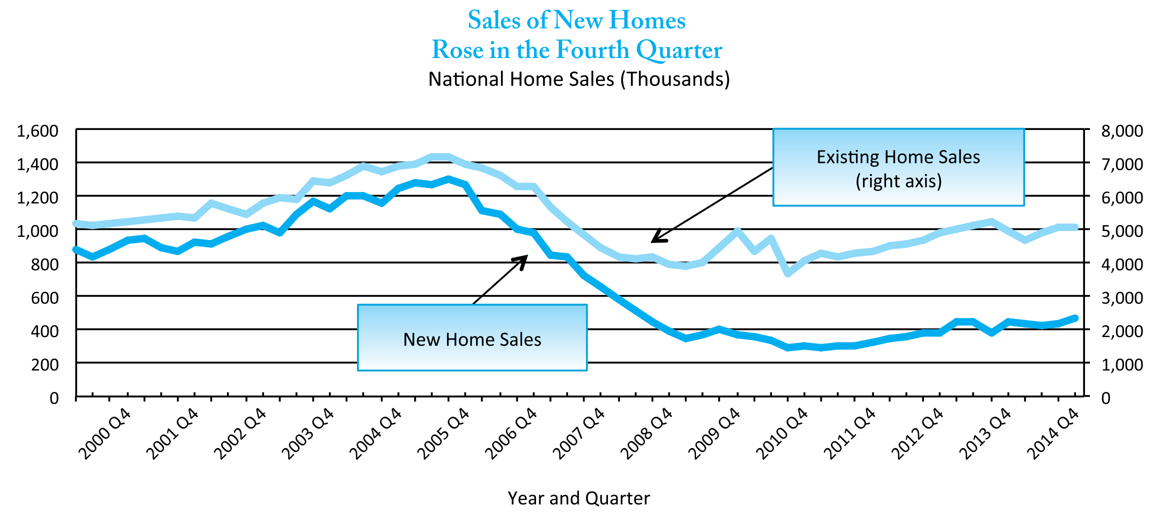
pace, down from 5.5 months in the previous quarter but up from 5.1 months one year ago. The listed inventory of existing homes for sale, at 1.86 million units, represents a 4.4-month supply of existing homes for sale, down from 5.4 months the previous quarter and 4.6 months a year ago. The historical average for months' supply of homes on the market is 6.0 months. Rising inventories will improve sales, as the low level of inventories has been an impediment to a stronger housing market recovery. Inventories of new homes for sale at the end of 2014 were up 15 percent over the past year, marking the highest reading since 2009, while inventories of existing homes for sale were unchanged from 2013.

Housing Demand

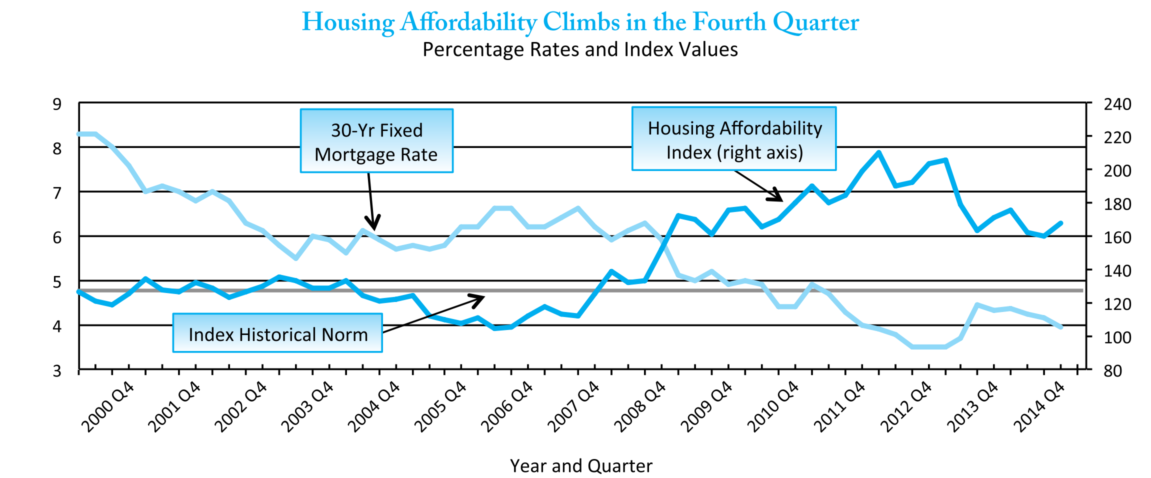
Sales of new homes improved in the fourth quarter, while existing home sales remained virtually the same. Purchases of new single-family homes, at 466,000 (SAAR) in the fourth quarter, were up 7 percent from the previous quarter and up 4 percent from the previous year. New home sales are still well below the annual pace of 973,000 units in 2002, before the start of the housing bubble, however. The National Association of Realtors® (NAR) reported that existing homes—including single-family homes, townhomes, condominiums, and cooperatives—sold at a rate of 5.06 million (SAAR) in the fourth quarter, up 0.1 percent from the previous quarter and up 3 percent from year-ago levels. Before the housing bubble began, existing homes were selling at a 5.6 million annual pace. Sales to first-time buyers accounted for 30 percent of all sales transactions in the fourth quarter, slightly higher than 29 percent in the third quarter but well below the historical norm of 40 percent. The weakness in sales reflects more stringent bank lending standards, low sales inventory, and technical issues in seasonal adjustment factors related to fewer distressed properties, which have declined sharply over the past few years. Like single-family housing starts, sales of new homes have been slower to bounce back in this recovery. Historically, existing home sales as a share of total sales have been 84 percent of the market, while the share of new home sales has represented 16 percent. The share of existing home sales has risen to 92 percent, with the share of new home sales falling to 8 percent. In terms of average sales, the ratio of existing to new homes sales has historically been nearly 6 to 1, whereas the ratio is currently 11 to 1, although that ratio has fallen from nearly 14 to 1 in 2011. For all of 2014, new home sales increased 2 percent, to 437,000 units, while existing home sales fell 3 percent, to 4.9 million units, but were still 20 percent above their low in 2008. The share of sales to first-time homebuyers for all of 2014 was 29 percent, unchanged from 2013. According to CoreLogic, distressed properties as a share of existing sales was 15 percent in 2014 compared with 19 percent in 2013 and a high of 29 percent in 2009.

Home prices rose in the fourth quarter of 2014, with annual house price gains beginning to stabilize. The S&P/Case-Shiller® (SA) national repeat-sales house price index estimated a 2.0-percent increase in house prices in the fourth quarter, up from an increase of 0.6 percent in the previous quarter. House prices rose over the four-quarter period by 4.7 percent, a slight slowing from the previous quarter's 5.2-percent annual gain and the fourth consecutive quarter of decelerating year-over-year prices. The FHFA (SA) purchase-only repeat-sales house price index showed home prices appreciating at a 1.4-percent rate in the fourth quarter—up from 1.1 percent in the previous quarter—and at an annual pace of 4.9 percent, which was slightly higher than the previous quarter's annual pace of 4.7 percent. This marks the first quarter with an accelerating increase in annual house prices after four consecutive quarters of decelerating price changes. The Case-Shiller® index shows home values on par with second quarter 2005 prices, whereas the FHFA index shows home prices at approximately third quarter 2005 levels. The FHFA index differs from the Case-Shiller® index mainly because the FHFA index, unlike the Case-Shiller® index, is based on sales financed only with mortgages that have been sold to or guaranteed by Fannie Mae and Freddie Mac, excludes sales transactions associated with subprime and some "jumbo" loans, and is transaction weighted rather than value weighted. Both distressed sales and investor purchases are beginning to have less of an impact on house prices than previously. According to NAR, distressed sales, which tend to sell at lower prices, accounted for 10 percent of all existing home sales in the fourth quarter, down from 14 percent one year ago. The share of investor purchases, at 16 percent in the fourth quarter, was down from 20 percent one year ago.

Housing affordability improved in the fourth quarter. The NAR Composite Housing Affordability Index rose to 167.9 in the fourth quarter from 160.3 the previous quarter, with a drop in the median house price and an increase in Median Family Income more than offsetting the effects of an increase in mortgage interest rates. The housing affordability index peaked in the first quarter of 2012 at 209.8 and began to slip as home prices increased and mortgage rates rose, although moderate changes in mortgage rates and fluctuating median house prices have reversed that trend for some quarters. The NAR Composite Housing Affordability Index for the fourth quarter is still well above its historical norm of 128. For all of 2014, the NAR affordability index was 164.4, down from 176.9 in 2013.



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



The historical norm of 128 is the median value of the affordability index since 1989.
Sources: Freddie Mac and National Association of Realtors®.

The absorption rate fell for new condominiums and cooperatives but rose slightly for new apartments. Of newly completed condominiums and cooperatives in the third quarter of 2014, 59 percent sold within 3 months, down from 78 percent in the previous quarter and 89 percent over the four-quarter period. Of new apartments completed in the third quarter, 63 percent were leased within the ensuing 3 months, which was slightly higher than the 62-percent pace in the previous quarter and the 64-percent pace a year earlier.

Housing Finance and Investment

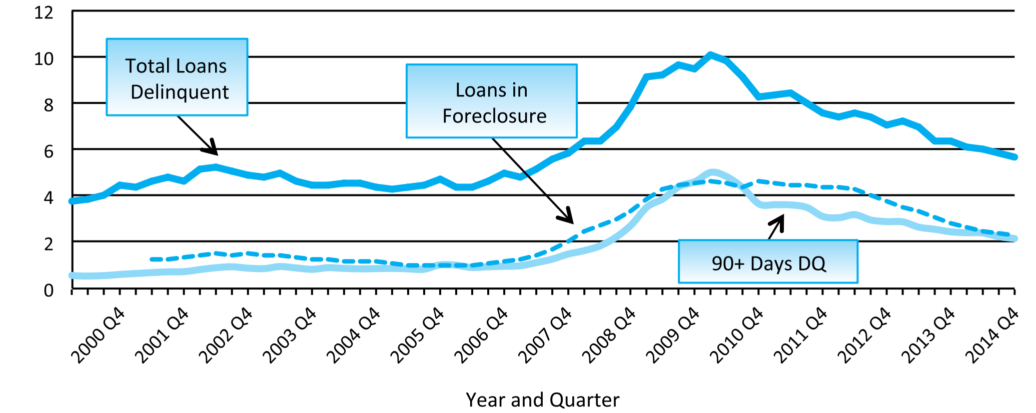
MBA data on housing finance continued to show improvement in delinquency and foreclosure measures. During the fourth quarter of 2014, the delinquency rate on mortgages of one- to four-unit residential properties declined for the seventh straight quarter to its lowest level since the third quarter of 2007, according to data from MBA's quarterly National Delinquency Survey. The delinquency rate on all loans outstanding dropped to 5.68 percent (SA) from 5.85 percent in the previous quarter and was down from 6.39 percent one year earlier. The historical average for the overall delinquency rate is about 5 percent. The delinquency rate decreased for all loan types except FHA (Federal Housing Administration) loans, which increased 4 basis points to 9.73 percent. Seriously delinquent loans (90 or more days delinquent or in the foreclosure process) dropped to 4.52 percent from 4.65 percent in the previous quarter and 5.41 percent in the fourth quarter of 2013. Most of the seriously delinquent loans (73 percent) were originated in 2007 and earlier. The share of foreclosure starts rose 2 basis points to 0.46 percent of active loans, slightly above its historical average of 0.45 percent but down from 0.54 percent one year ago. The percentage of loans in foreclosure, at 2.27 percent, has fallen for 11 consecutive quarters and is down substantially from a peak of 4.64 percent in the fourth quarter of 2010. Foreclosure inventory decreased for all loan types in the fourth quarter and is at its lowest level since the fourth quarter of 2007.

Foreclosure starts and completions increased in the fourth quarter, but annual totals in 2014 were the lowest since 2006. RealtyTrac® reported that foreclosure starts—default notices or scheduled foreclosure auctions, depending on the state—were filed for the first time on 171,716 U.S. properties in the fourth quarter, up 10 percent from the third quarter and up 5 percent from the fourth quarter of 2013. Foreclosures starts have not increased on an annual basis since the second quarter of 2012. Lenders completed the foreclosure process (bank repossessions or REO [Real Estate Owned] properties) on 77,168 U.S. properties in the fourth quarter, up 4 percent from the third quarter but down 23 percent from the fourth quarter of 2013. Foreclosure completions had declined in the previous four consecutive quarters. The increase in newly initiated foreclosures and completions is not due to a national rise in mortgage defaults but results from a previously existing supply of distressed properties either in states with judicial foreclosure backlogs or in states, such as Nevada, with a substantial pool of seriously delinquent mortgages relative to the years prior to the housing crisis. With rising home prices and low inventory levels, lenders are resolving defaults more quickly, by either restructuring the loan or foreclosing on the property. For all of 2014, 643,200 foreclosures were initiated, a drop of 14 percent from 2013 and down 70 percent from the peak of 2.139 million in 2009. Foreclosure starts in 2014 were at the lowest annual total since RealtyTrac® began issuing its annual foreclosure report in 2006. The number of properties that were reprocessed through foreclosure in 2014 was down 29 percent from 2013 and down 69 percent from a peak of 1.051 million in 2010 to the lowest annual total since 2006.

More than 7.0 million homeowners have been lifted above water since the beginning of 2012. According to CoreLogic, 10.3 percent of mortgages nationwide were under water in the third quarter of 2014, down from 10.9 percent in the second quarter (the data are reported with a lag). Since the beginning of 2012, the number of underwater borrowers (those who owe more on their mortgage than the value of their home) has fallen 58 percent—from 12.108 million to 5.097 million—lifting more than 7.0 million homeowners above water. CoreLogic's Equity Report cites home price appreciation and paydowns of mortgage principal by borrowers as reasons for the improvement in negative equity. The Federal Reserve reported homeowners' equity (total property value less mortgage debt outstanding) was up $168 billion in the third quarter of 2014, reaching nearly $11 trillion, the highest level since the second quarter of 2007 (the data are reported with a lag). Wealth from housing has risen 72 percent since the end of 2011 and is about on par with equity in the fourth quarter of 2004.

Mortgage Delinquency Rates and Loans in Foreclosure Continue Downward Trend

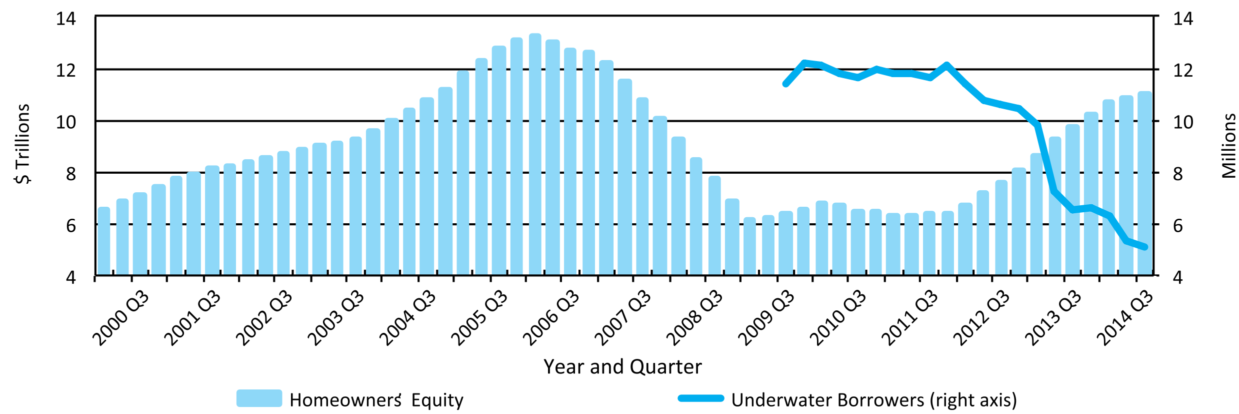
National Mortgage Delinquency and Foreclosure Inventory Rates (Percent)



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

Housing Wealth Gains Up in Third Quarter of 2014, Number of Underwater Borrowers Continues To Fall

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

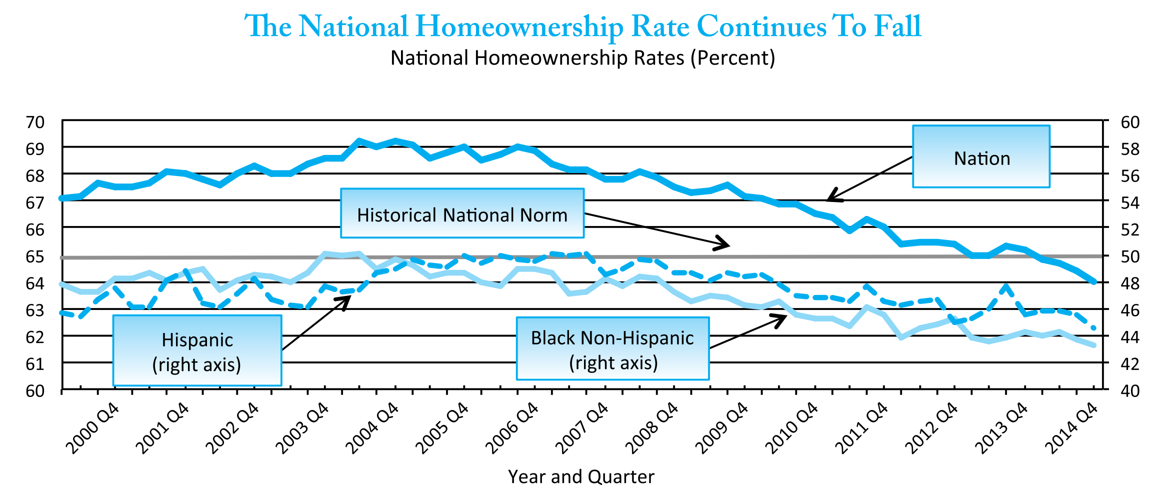


Data for underwater borrowers are only available beginning the third quarter of 2009.
Sources: Federal Reserve Board and CoreLogic.

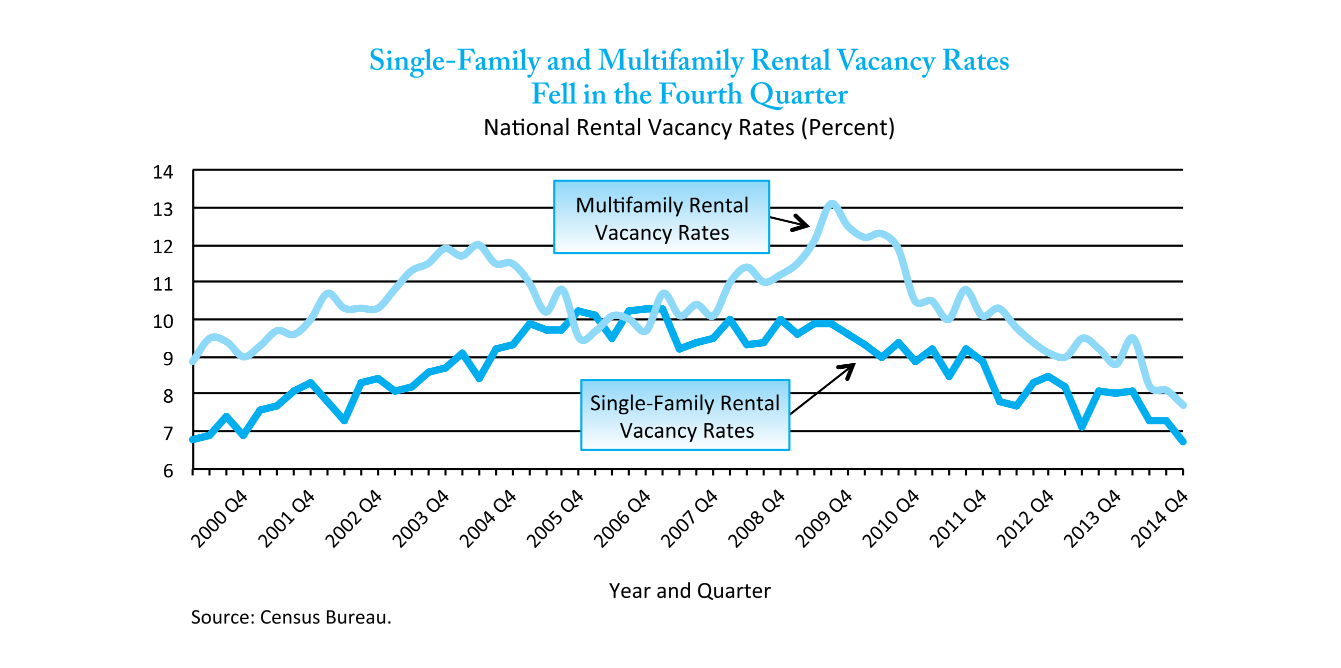
Homeownership and Housing Vacancy

The U.S. homeownership rate in the fourth quarter fell to its lowest level in more than 20 years. The national homeownership rate, at 64.0 percent, was down from 64.4 percent in the third quarter and 65.2 percent a year earlier to its lowest level since the second quarter of 1994. Homeownership had reached a high of 69.2 percent in the fourth quarter of 2004 and has been falling since. In the fourth quarter, the homeownership rate fell to 72.3 percent from 72.6 percent for White non-Hispanic households; for Black non-Hispanic households, the rate decreased to 43.2 percent from 43.7 percent; and for Hispanic households, the rate declined to 44.5 percent from 45.6 percent. The homeownership rate increased to 58.9 percent for other-race non-Hispanic households and decreased to 47.9 percent for two-or-more-races non-Hispanic households. Compared with the early 2000s, the current relatively low homeownership rates reflect the subprime lending crisis and the high rates of unemployment and underemployment as a result of the severe 2007–2009 recession. More recently, restrictive credit markets and flat income growth have also affected homeownership. Research on home purchases by the Federal Reserve Bank of New York and NAR shows that high debt-to-income ratios for young adults burdened with student loans are having a negative impact on homeownership, although a tougher job market and lower earnings potential for young people in general are also contributing to lower homeownership rates for this cohort. The younger generation may also be more cautious about investing in a home after seeing house values plummet during the recent housing crisis. A 2014 NAR survey revealed that the share of homebuyers making their first purchase dropped to 33 percent, the lowest level in nearly three decades.

Vacancies in the rental market declined for both single-family and multifamily homes. According to the U.S. Census Bureau, the overall vacancy rate in the rental market for the fourth quarter slipped to 7.0 percent, the lowest since 1993. The overall vacancy rate for rented homes was down from 7.4 percent in the previous quarter and 8.2 percent a year earlier. The single-family rental vacancy rate slipped to 6.7 percent from 7.3 percent the previous quarter and was down from 8.0 percent a year earlier. The vacancy rate in the rental market for multifamily units (five or more units in a structure) fell to 7.7 percent from 8.1 percent in the third quarter and was down from 8.8 percent the previous year. The rental market is benefitting from the decline in homeownership. For all of 2014, the single-family vacancy rate fell from 7.9 to 7.3 percent, while the multifamily vacancy rate fell from 9.1 to 8.3 percent.



The historical norm of 65 percent is the average national homeownership rate since 1965.
Sources: Census Bureau and HUD.



New households formed at a faster pace in 2014. The number of households increased 1.2 percent to 116.6 million in the fourth quarter, bringing the annual growth rate for households to 0.7 percent in 2014, according to the Census Bureau's CPS/HVS (Current Population Survey/Housing Vacancy Survey). The number of households grew at an average annual rate of 0.5 percent during the severe 2007-2009 recession compared with 1.3-percent growth from 2001 to 2006. In the years following the recession, from 2010 through 2013, young people were slow to form households, and the average annual growth rate was only 0.5 percent. Research by Econometrica, Inc., using American Housing Survey data, found that the number of "doubled-up" households increased at an annual rate of 2.4 percent between 2007 and 2009, up from a pace of 1.4 percent between 2003 and 2005—with adult children living at home the most common cause of doubling up. Many of the factors affecting purchases of new homes by young adults, described previously, are likely to be influencing household formation in general. Those young people who are striking out on their own are largely choosing to lease rather than buy a home.

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

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

U.S. NATIONAL HOUSING INDICATORS

Note: Change From Prior Period May Be Shown As a Percent Change or Percentage-Point Change

Indicator	Current Quarter	Previous Quarter		Year-Ago Quarter	Change From Previous Quarter		Change From Year-Ago Quarter		Current Quarter as-of Date
HOUSING SUPPLY									
Housing Permits (SAAR, thousands)									Q4 2014
Total	1,074	1,033	(r)	1,016	4.0%	(s)	5.7%	(s)	
Single-Family	657	636	(r)	624	3.4%	(n)	5.3%	(s)	
Multifamily (5+)	387	367	(r)	366	5.6%	(s)	5.8%	(s)	
Housing Starts (SAAR, thousands)									Q4 2014
Total	1,065	1,030	(r)	1,025	3.4%	(n)	3.9%	(n)	
Single-Family	706	652	(r)	663	8.2%	(s)	6.5%	(s)	
Multifamily (5+)	344	363		349	– 5.2%	(n)	– 1.4%	(n)	
Under Construction (SAAR, thousands)									Q4 2014
Total	830	795	(r)	711	4.4%	(s)	16.7%	(s)	
Single-Family	364	350	(r)	339	4.0%	(s)	7.4%	(s)	
Multifamily (5+)	455	434	(r)	362	4.8%	(s)	25.7%	(s)	
Housing Completions (SAAR, thousands)									Q4 2014
Total	900	906	(r)	805	– 0.7%	(n)	11.8%	(s)	
Single-Family	630	623	(r)	588	1.2%	(n)	7.1%	(s)	
Multifamily (5+)	261	275	(r)	205	– 5.2%	(n)	27.4%	(s)	
New Homes for Sale (SA)									Q4 2014
Inventory (thousands)	215	209	(r)	187	2.9%	(s)	15.0%	(s)	
Months' Supply (months)	5.4	5.5		5.1	– 1.8%	(n)	5.9%	(n)	
Existing Homes for Sale									Q4 2014
Inventory (NSA, thousands)	1,860	2,280		1,860	– 18.4%	(u)	0.0%	(u)	
Months' Supply (months)	4.4	5.4	(r)	4.6	– 18.5%	(u)	– 4.3%	(u)	
Manufactured Home Shipments (SAAR, thousands)	67.3	65.3		61.7	2.6%	(u)	8.6%	(u)	Q4 2014

SA = seasonally adjusted. NSA = not seasonally adjusted. SAAR = seasonally adjusted annual rate. (r) = revised. (s) = statistically significant. (n) = not statistically significant. (u) = statistical significance unavailable. FHFA = Federal Housing Finance Agency. NA = not applicable. ARM = adjustable-rate mortgage. DQ = delinquent. FC = foreclosure. FHA = Federal Housing Administration. VA = U.S. Department of Veterans Affairs. PMI = private mortgage insurance. GDP = Gross Domestic Product. URE = usual residence elsewhere.

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

U.S. NATIONAL HOUSING INDICATORS

Note: Change From Prior Period May Be Shown As a Percent Change or Percentage-Point Change

Indicator	Current Quarter	Previous Quarter	Year-Ago Quarter	Change From Previous Quarter	Change From Year-Ago Quarter	Current Quarter as-of Date
HOUSING DEMAND						
Home Sales (SAAR)						Q4 2014
New Homes Sold (thousands)						
Single-Family	466	434 (r)	446	7.2% (n)	4.5% (s)	
Existing Homes Sold (thousands)						
Single-Family, Townhomes, Condos, Co-ops	5,060	5,057 (r)	4,927	0.1% (u)	2.7% (u)	
Condos and Co-ops	597	593 (r)	597	0.6% (u)	0.0% (u)	
First-Time Buyers (%)	30	29	28	1 (u)	2 (u)	
Investor Sales (%)	16	14	20	2 (u)	– 4 (u)	
Home Sales Prices						Q4 2014
Median ($)						
New Homes	295,100	281,000 (r)	273,600	5.0% (u)	7.9% (u)	
Existing Homes	207,633	216,367	196,900	– 4.0% (u)	5.5% (u)	
Repeat-Sales Home Price Indices						
FHFA (SA)	214.0	211.1 (r)	203.9	1.4% (u)	4.9% (u)	
Case-Shiller® (SA)	167.9	164.6	160.4	2.0% (u)	4.7% (u)	
Housing Affordability						Q4 2014
Composite Index	167.9	160.3 (r)	170.9	4.7% (u)	– 1.7% (u)	
Fixed Index	165.9	158.0 (r)	168.6	5.0% (u)	– 1.6% (u)	
National Average Mortgage Interest Rate (%)	4.2	4.2	4.4	0.0 (u)	– 0.2 (u)	
Median-Priced Existing Single-Family Home ($)	208,700	217,067 (r)	196,867	– 3.9% (u)	6.0% (u)	
Median Family Income ($)	65,782	65,562	64,891	0.3% (u)	1.4% (u)	
Multifamily Housing						
Apartments						
Completed Previous Quarter (thousands)	66.7	50.3 (r)	43.1	32.5% (s)	54.6% (s)	Q3 2014
Leased Current Quarter (%)	63	62	64	1 (n)	– 1 (n)	Q4 2014
Median Asking Rent ($)[1]	1,250+	1,250+	1,238	NA (u)	NA (u)	
Condos and Co-ops						
Completed Previous Quarter (thousands)	2.0	1.6 (r)	1.4	25.2% (s)	41.0% (s)	Q3 2014
Sold Current Quarter (%)	59	78 (r)	89	– 19 (s)	– 30 (s)	Q4 2014
Median Asking Price ($)	385,671	450,000+ (r)	< 250,000	NA (u)	NA (u)	
Manufactured Home Placements (sales at SAAR, thousands)[2]						
Builders' Views of Market Activity (Composite Index)	57	56	55	1.8% (u)	3.0% (u)	Q4 2014

SA = seasonally adjusted. NSA = not seasonally adjusted. SAAR = seasonally adjusted annual rate. (r) = revised. (s) = statistically significant. (n) = not statistically significant. (u) = statistical significance unavailable. FHFA = Federal Housing Finance Agency. NA = not applicable. ARM = adjustable-rate mortgage. DQ = delinquent. FC = foreclosure. FHA = Federal Housing Administration. VA = U.S. Department of Veterans Affairs. PMI = private mortgage insurance. GDP = Gross Domestic Product. URE = usual residence elsewhere.

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

[1] The SOMA rent ranges have been revised for a new web-based questionnaire. The '1,250+' rent category results from collapsing two rent ranges in the old questionnaire to match a new range in the updated questionnaire.

[2] The Survey of Manufactured Homes is being revised, and data are currently unavailable.

U.S. NATIONAL HOUSING INDICATORS

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Indicator	Current Quarter	Previous Quarter	Year-Ago Quarter	Change From Previous Quarter	Change From Year-Ago Quarter	Current Quarter as-of Date
HOUSING FINANCE and INVESTMENT						
Mortgage Interest Rates (%)						Q4 2014
30-Year Fixed Rate	3.97	4.14	4.30	– 0.17 (u)	– 0.34 (u)	
15-Year Fixed Rate	3.18	3.27	3.35	– 0.09 (u)	– 0.17 (u)	
1-Year ARM	2.42	2.40	2.60	0.02 (u)	– 0.18 (u)	
Mortgage Delinquency Rates (%)						Q4 2014
All Loans Past Due (SA)	5.68	5.85	6.39	– 0.17 (u)	– 0.71 (u)	
Loans 90+ Days Past Due (SA)	2.16	2.24	2.45	– 0.08 (u)	– 0.29 (u)	
Seriously Delinquent (90+ Days & in FC, NSA)	4.52	4.65	5.41	– 0.13 (u)	– 0.89 (u)	
FHA Market Share[3]						Q3 2014
Dollar Volume (%)						
All Loans	12.7	12.7	12.2	0.0 (u)	0.5 (u)	
Purchase	16.8	16.9	17.1	– 0.1 (u)	– 0.3 (u)	
Refinance	6.0	6.6	7.4	– 0.6 (u)	– 1.4 (u)	
Loan Count (%)						
All Loans	16.4	16.5	14.9	– 0.1 (u)	1.5 (u)	
Purchase	21.6	22.1	21.1	– 0.5 (u)	0.5 (u)	
Refinance	8.4	9.0	9.6	– 0.6 (u)	– 1.2 (u)	
FHA Mortgage Insurance (thousands)[4]						Q3 2014
Applications Received	274.3	302.0	289.0	– 9.2% (u)	– 5.1% (u)	
Endorsements	219.7	193.6	285.0	13.5% (u)	– 22.9% (u)	
Purchase	174.2	148.0	185.8	17.7% (u)	– 6.3% (u)	
Refinance	45.6	45.6	99.2	– 0.1% (u)	– 54.1% (u)	
Private and VA Mortgage Insurance (thousands)						
PMI Certificates[5]						
Veterans Affairs Guarantees	146.2	135.5	101.4	8.0% (u)	44.2% (u)	Q4 2014
Residential Fixed Investment (SA real annual growth rate, %)	3.4	3.2 (r)	– 8.5	0.2 (u)	11.9 (u)	Q4 2014
GDP (SA real annual growth rate, %)	2.2	5.0 (r)	3.5	– 2.8 (u)	– 1.3 (u)	
Housing's Contribution to Real GDP Growth (percentage points)	0.11	0.10 (r)	– 0.28	0.01 (u)	0.39 (u)	

SA = seasonally adjusted. NSA = not seasonally adjusted. SAAR = seasonally adjusted annual rate. (r) = revised. (s) = statistically significant. (n) = not statistically significant. (u) = statistical significance unavailable. FHFA = Federal Housing Finance Agency. NA = not applicable. ARM = adjustable-rate mortgage. DQ = delinquent. FC = foreclosure. FHA = Federal Housing Administration. VA = U.S. Department of Veterans Affairs. PMI = private mortgage insurance. GDP = Gross Domestic Product. URE = usual residence elsewhere.

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

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

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

[5] Private mortgage insurers formed a new trade group, U.S. Mortgage Insurers (USMI), to replace Mortgage Insurance Companies of America (MICA). Data on private mortgage insurance are not yet available from USMI.

U.S. NATIONAL HOUSING INDICATORS

Note: Change From Prior Period May Be Shown As a Percent Change or Percentage-Point Change

Indicator	Current Quarter	Previous Quarter	Year-Ago Quarter	Change From Previous Quarter	Change From Year-Ago Quarter	Current Quarter as-of Date
HOMEOWNERSHIP and OCCUPANCY						
Homeownership Rates (%)						Q4 2014
Overall	64.0	64.4	65.2	– 0.4 (n)	– 1.2 (s)	
Non-Hispanic						
White	72.3	72.6	73.4	– 0.3 (n)	– 1.1 (s)	
Black	43.2	43.7	44.2	– 0.5 (n)	– 1.0 (s)	
Other Race	58.9	57.1	59.5	1.8 (s)	– 0.6 (n)	
Two or More Races	47.9	50.2	53.8	– 2.3 (n)	– 5.9 (s)	
Hispanic	44.5	45.6	45.5	– 1.1 (s)	– 1.0 (s)	
Vacancy Rates (%)						Q4 2014
Homeowner	1.9	1.8	2.1	0.1 (n)	– 0.2 (n)	
Rental	7.0	7.4	8.2	– 0.4 (n)	– 1.2 (s)	
Single-Family	6.7	7.3	8.0	– 0.6 (n)	– 1.3 (s)	
Multifamily (5+)	7.7	8.1	8.8	– 0.4 (n)	– 1.1 (s)	
Housing Stock (thousands)						Q4 2014
All Housing Units	133,453	133,331	132,965	0.1% (u)	0.4% (u)	
Owner-Occupied	74,606	74,240	74,960	0.5% (n)	– 0.5% (n)	
Renter-Occupied	42,041	41,070	40,033	2.4% (s)	5.0% (s)	
Vacant	16,806	18,021	17,974	– 6.7% (s)	– 6.5% (s)	
Year-Round Vacant	12,683	13,447	13,551	– 5.7% (s)	– 6.4% (s)	
For Rent	3,214	3,346	3,629	– 3.9% (n)	– 11.4% (s)	
For Sale	1,449	1,370	1,587	5.8% (n)	– 8.7% (s)	
Rented or Sold, Awaiting Occupancy	958	1,158	991	– 17.3% (s)	– 3.3% (n)	
Held Off Market	7,062	7,573	7,346	– 6.7% (s)	– 3.9% (s)	
Occasional Use	1,925	2,282	2,373	– 15.6% (s)	– 18.9% (s)	
Occupied—URE	1,363	1,389	1,216	– 1.9% (n)	12.1% (s)	
Other	3,774	3,902	3,757	– 3.3% (n)	0.5% (n)	
Seasonal Vacant	4,122	4,575	4,424	– 9.9% (s)	– 6.8% (s)	
Households (thousands)						Q4 2014
Total	116,647	115,310	114,992	1.2% (s)	1.4% (s)	

SA = seasonally adjusted. NSA = not seasonally adjusted. SAAR = seasonally adjusted annual rate. (r) = revised. (s) = statistically significant. (n) = not statistically significant. (u) = statistical significance unavailable. FHFA = Federal Housing Finance Agency. NA = not applicable. ARM = adjustable-rate mortgage. DQ = delinquent. FC = foreclosure. FHA = Federal Housing Administration. VA = U.S. Department of Veterans Affairs. PMI = private mortgage insurance. GDP = Gross Domestic Product. URE = usual residence elsewhere.

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