HUD PD&R National Housing Market Summary

Housing Market Indicators Overall Showed Improvement in the Second Quarter

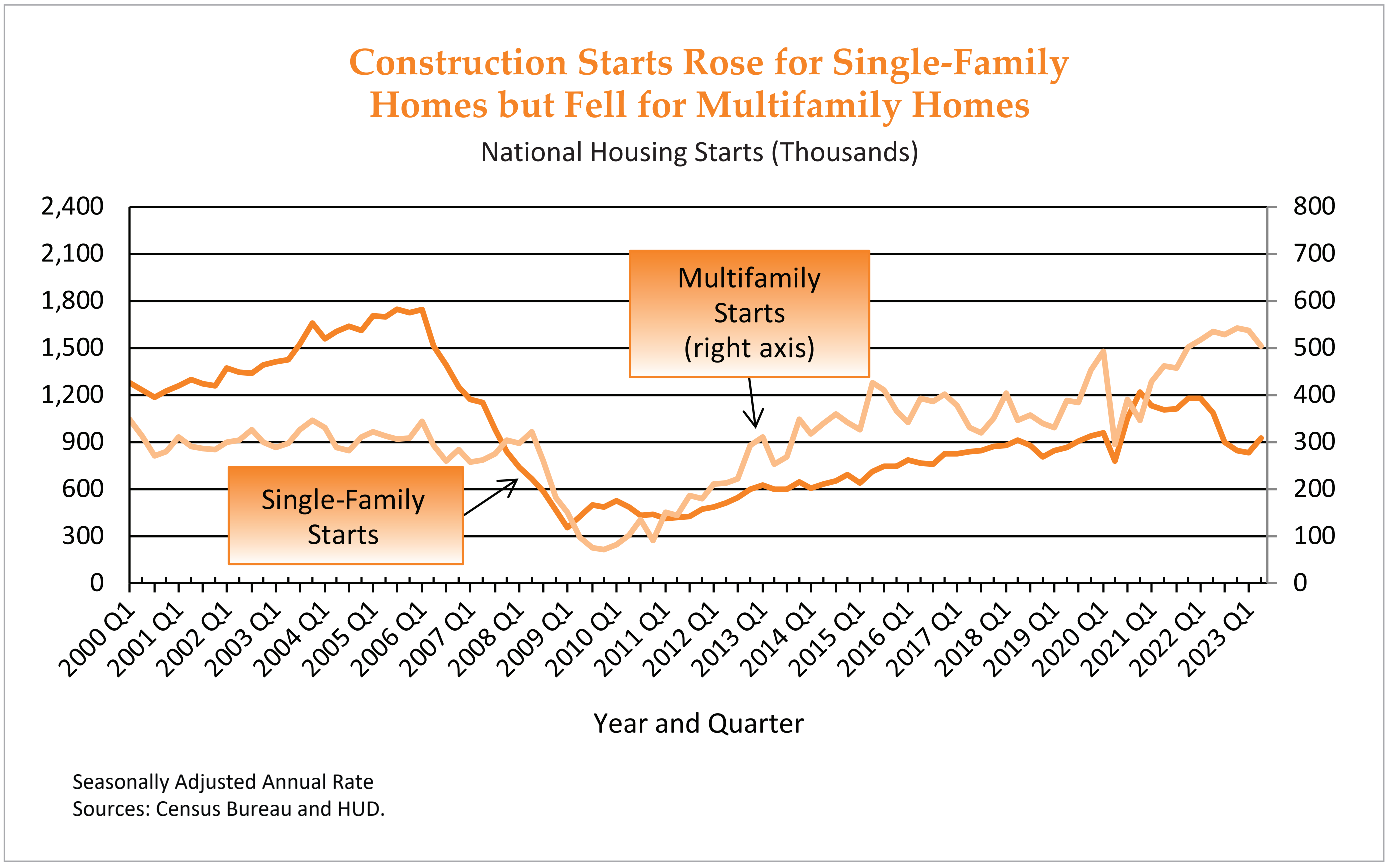
In general, housing market activity showed progress in the second quarter of 2023. New construction rose for single-family homes but declined for multifamily housing. Purchases rose for new homes but fell for existing homes, while the inventory of homes for sale fell for new homes but rose for existing homes. The seasonally adjusted (SA) Federal Housing Finance Agency (FHFA) and CoreLogic Case-Shiller® year-over-year house price increases continued to slow or prices declined slightly. Homeownership affordability declined, while rental affordability improved modestly.

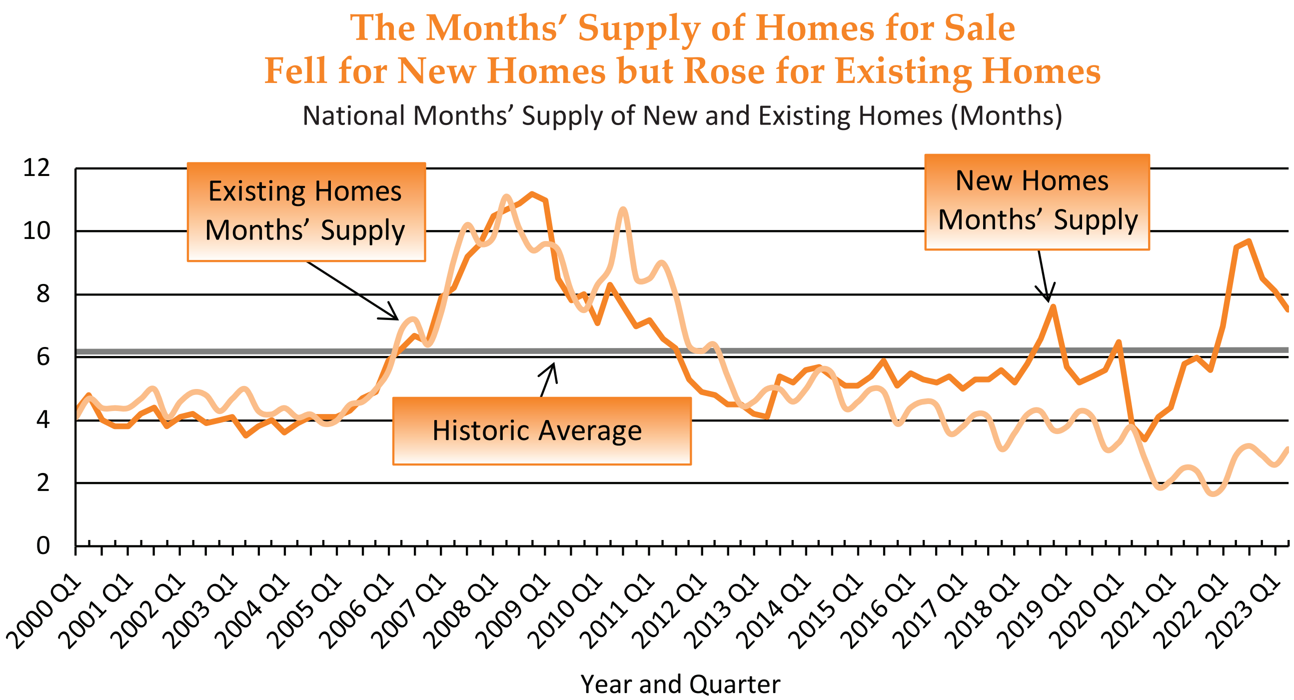
Based on its National Delinquency Survey, the Mortgage Bankers Association (MBA) reported that the overall mortgage delinquency rate reached a new low point in the second quarter. According to ATTOM Data Solutions, newly initiated foreclosures increased but completed foreclosures declined. The U.S. Census Bureau reported a decrease in the national homeownership rate to 65.9 percent from 66.0 percent the previous quarter. According to the Bureau of Economic Analysis (BEA) second estimate, the U.S. economy grew at a seasonally adjusted annual rate (SAAR) of 2.1 percent in the second quarter following a 2.0-percent growth rate in the first quarter. Real residential investment, which includes investment in new homes and the remodeling of existing homes, declined 3.6 percent following a 4.0-percent decline in the first quarter and slowed real GDP growth by 0.14 percentage point, following a 0.16-percentage-point deduction in the first quarter.

Housing Supply

New construction rose for single-family homes but fell for multifamily homes. Housing starts on single-family homes, at 927,000 units (SAAR) in the second quarter of 2023, rose 11.2 percent from the previous quarter (834,000 units) but were 14.5 percent lower than one year ago. The pace of single-family housing starts is 72 percent of the average annual rate (AR) of 1.29 million units in the years from 2000 to 2002, before the housing bubble began. Multifamily housing starts, at 504,000 units (SAAR) in the second quarter, were down 6.0 percent from the previous quarter (536,000 units) and 5.7 percent lower than one year ago. The pace during the period prior to the housing bubble (2000–2002) was 300,000 units (AR). Multifamily housing starts have bounced back faster than single-family starts during the recovery from the foreclosure crisis and Great Recession (2007–2009). Historically, new construction of single-family and multifamily housing has averaged respective market shares of 72 and 24 percent, with two- to four-unit structures making up the rest of the market. The shares of single-family and multifamily housing starts were at respective rates of 64 and 35 percent in the second quarter. Although multifamily housing construction has been increasing at a fast pace, it has not kept up with demand. Total housing starts were up 4.2 percent from the previous quarter but down 11.8 percent over the four-quarter period.

The inventory of homes on the market dropped for new homes but increased for existing homes. The listed inventory of new homes for sale at the end of the second quarter was 428,000 units (SA), a decrease of 1.2 percent from the previous quarter and 4.5 percent lower than one year ago. The supply of new homes on the market would support 7.5 months of sales at the current sales pace, down from 8.1 months in the first quarter and 9.5 months in the second quarter of 2022. The listed inventory of existing homes for sale, at 1.07 million units, was up 10.3 percent from 970,000 units in the first quarter but 14.4 percent lower over the four-quarter period. That inventory represents a 3.1-month supply of homes for sale, up from 2.6 months the previous quarter and 2.9 months one year ago. The long-term average for months' supply of homes on the market is about 6.0 months. An increase in inventories when months' supply is low usually improves home sales because the low ratio of inventories to sales indicates that if more homes were offered for sale, they would be purchased. Historically, the National Association of REALTORS® (NAR) annual survey, Profile of Home Buyers and Sellers, found that homeowners typically remained in their homes for six to seven years. After the Great Recession (2007–2009), the typical tenure increased to nine or ten years, a factor that has contributed to low inventories. In 2021, the national median number of years homeowners owned their homes before selling dropped from ten years to eight years, the largest single-year change in tenure length in the history of the NAR data set. The results from NAR's 2021 Profile, during the COVID-19 pandemic, proved to be an aberration, however. The median tenure length returned to ten years in NAR's 2022 Profile (https://www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers).





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

Housing Demand

Sales increased for new homes but declined for existing housing. Purchases of new single-family homes, at 689,000 units (SAAR) in the second quarter, were up 8 percent from 638,000 in the previous quarter and 14 percent higher over the four-quarter period. The annual pace of new home sales was 771,000 in 2021 and 641,000 in 2022. The NAR reported that existing homes—including single-family homes, townhomes, condominiums, and cooperatives—sold at a pace of 4.25 million units (SAAR) in the second quarter, down 2 percent from 4.33 million in the previous quarter and 21 percent lower than a year ago. Previously owned homes sold at an annual pace of 6.12 million in 2021 and 5.03 million in 2022. Sales to first-time buyers accounted for 28 percent of all sales transactions, down from 29 percent in the first quarter and below the historic norm of 39 percent. Higher mortgage rates, low sales inventory, slower growth in income compared with house prices (up until the past two quarters), and more stringent bank lending standards have recently hampered sales growth. Historically, existing home sales have accounted for 85 percent of the market, with new home sales representing the remaining 15 percent. The share of existing home sales began to rise in 2007, reaching a high of 94 percent in 2011. The current market shares of existing and new home sales are closer to their historic norms, with respective rates of 87 and 13 percent. In terms of average sales, the ratio of existing to new home sales historically has been 6 to 1. The current ratio is 7 to 1; that ratio has fallen since 2011, when it reached 14 to 1.

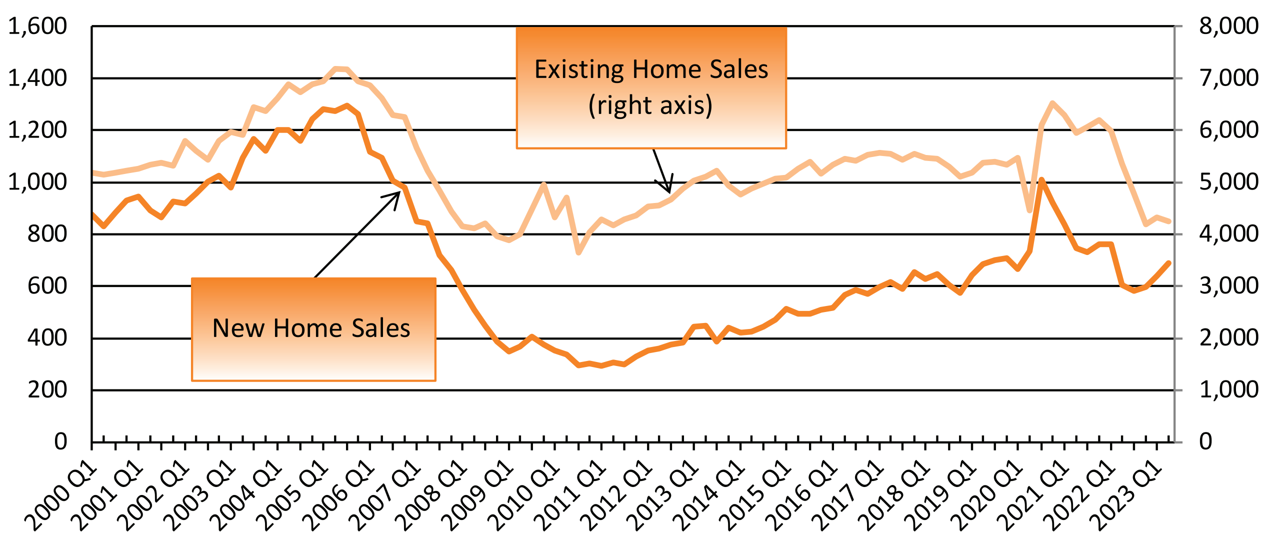
Annual house prices appreciated at a slower pace or declined modestly in the second quarter, with annual returns ranging from a drop of 0.2 percent to a gain of 3.0 percent. The FHFA (SA) purchase-only repeat-sales house price index showed U.S. home prices increasing at a 1.7-percent rate in the second quarter, up from an 0.8-percent pace in the previous quarter. House prices rose at an annual pace of 3.0 percent, down from a 4.6-percent annual gain in the first quarter. The CoreLogic Case-Shiller® (SA) national repeat-sales home price index estimated a 1.8-percent rise in house prices for the second quarter, a shift from modestly declining prices for the past three quarters. House values decreased over the four-quarter period by 0.2 percent, down from the previous quarter's 2.2-percent annual return. For the second quarter of 2023, house price appreciation was lower than increases in the general price level and wages, which had respective annual gains of 4.0 and 4.4 percent over the same four-quarter period. Mortgage financing has become more expensive as the Federal Reserve raises interest rates, a process that began in April 2022. As a result, house-price growth began to slow. In the second quarter, however, both the FHFA and CoreLogic Case-Shiller® (SA) indices showed home prices increased over the previous quarter. The FHFA index differs from the CoreLogic Case-Shiller® index mainly because the FHFA index, unlike the CoreLogic Case-Shiller® index, is based on sales financed only with mortgages that have been sold to or guaranteed by Fannie Mae and Freddie Mac, excludes sales transactions associated with subprime and some "jumbo" loans, and is transaction weighted rather than value weighted. According to NAR, distressed sales, which tend to sell at lower prices, accounted for 2 percent of all existing home sales, up from 1 percent in the previous quarter and the second quarter of 2022. Investor purchases, which tend to put upward pressure on prices, accounted for 17 percent of existing home sales, the same as the previous quarter but up from 16 percent one year ago.

The absorption rate rose for new condominiums and cooperatives and for new apartments. Of the newly completed condominiums and cooperatives in the first quarter of 2023, 82 percent sold within 3 months, up from 80 percent in the previous quarter and one year ago. Of new apartments completed in the first quarter, 61 percent were leased within the ensuing 3 months, up from 58 percent in the previous quarter but down from 63 percent the previous year. A faster absorption rate of new condominiums and apartments indicates greater demand for these units or a lower supply. In the first quarter of 2023, 4,400 new condominiums and co-ops were built, down 14 percent from 5,100 in the previous quarter but up 39 percent from 3,200 one year ago. The high absorption rate and low supply of condos and cooperatives may encourage more builders to enter the market.

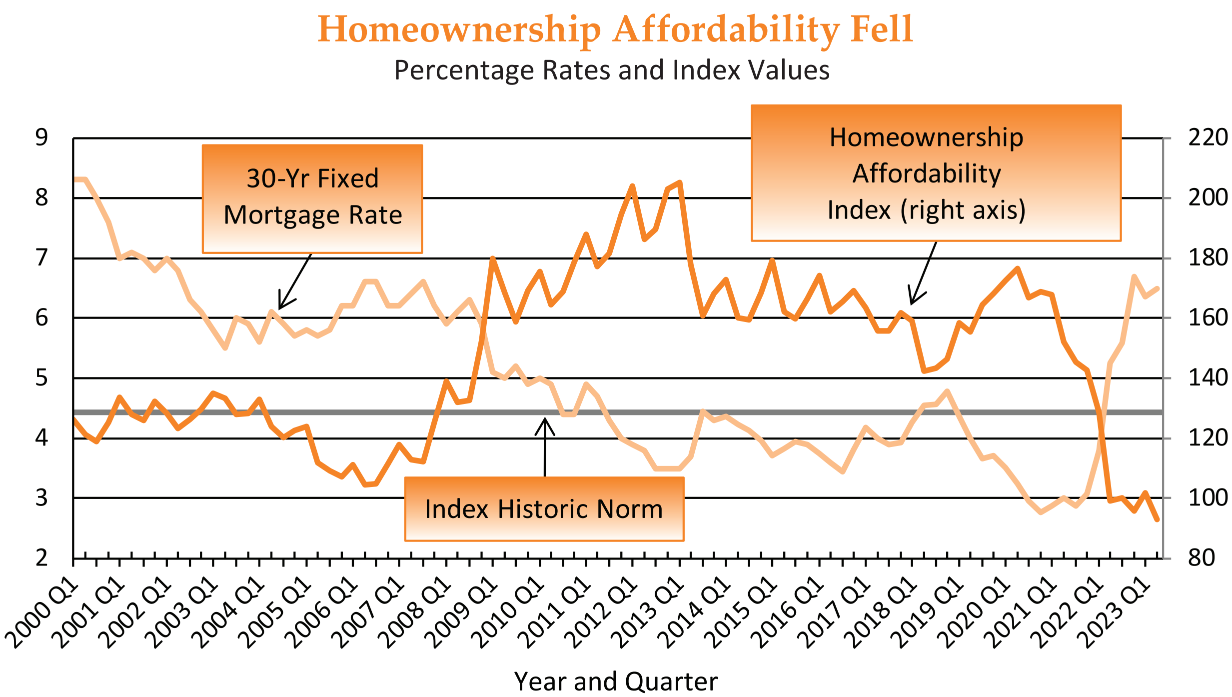
The affordability of purchasing a home fell to a new low point in the second quarter of 2023. The NAR Housing (Homeownership) Affordability Index (HAI), at 92.8 in the second quarter, was down 9.0 percent from

Sales Rose for New Homes but Fell for Existing Homes

National Home Sales (Thousands)



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



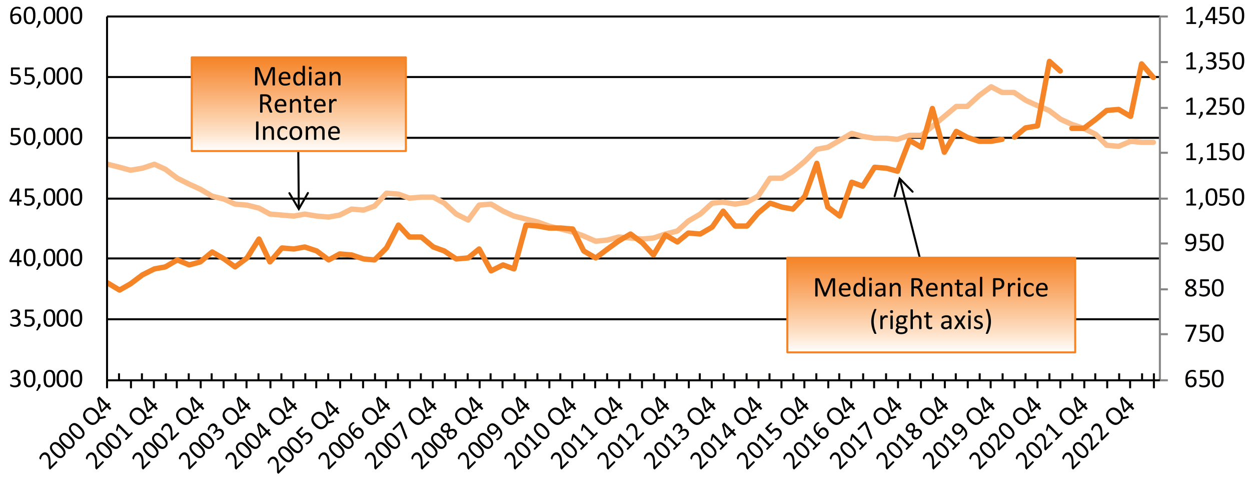
The historic norm of 130 is the median value of the affordability index based on data since 1989.
Sources: Freddie Mac and National Association of REALTORS®.

the previous quarter and 6.2 percent year over year. The previous low for the quarterly fixed-rate HAI was 95.7 in the fourth quarter of 2022; the index has only fallen below 100.0 two other times since the survey's inception in 1989: the second quarters of 2022 (99.0) and 1989 (98.4). The decrease in the ability to purchase a home resulted from a 13-basis-point increase in the mortgage rate and an 8.5-percent rise in the median price of a single-family home, which more than offset a 0.17 percent rise in Median Family Income. The homeownership affordability index peaked in the first quarter of 2013, at 205.2 and fell sharply through the third quarter of 2013, as home prices climbed and mortgage rates rose. Moderate changes in mortgage rates and fluctuating median house prices caused the series to oscillate between the third quarter of 2013 and mid-2018, but it improved through the first quarter of 2021, as mortgage rates hovered near historically low levels. Affordability began to fall again with sharp increases in house prices and, more recently, mortgage rates. (The NAR Housing Affordability Index is a measure of the ability of a median-income family to purchase a median-priced home under current underwriting standards. Note that quarterly purchase prices reflect seasonal changes in prices.)

The affordability of renting a home improved in the second quarter of 2023, although the index is still below 100. The U.S. Department of Housing and Urban Development (HUD) Rental Affordability Index (RAI), at 94.3 in the second quarter, rose 2.4 percent from 92.1 in the previous quarter but was down 5.1 percent year over year. The increase in the affordability of leasing a home resulted from a 2.3-percent decline in the inflation-adjusted median price of leased homes and a slight increase (0.01-percent) in the inflation-adjusted median income of renter households. After reaching a high point in the first quarter of 2001, the ability to lease a home has declined for the most part, reaching lows below 100.0 in the second and third quarters of 2022 and the first and second quarters of 2023. The ability to rent a home is currently down 33 percent from its peak at the beginning of 2001. (A RAI value of less than 100 indicates that a renter household with median income has less income than typically required to lease a median-priced rental home. Note that quarterly rental prices reflect seasonal changes in prices.)

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

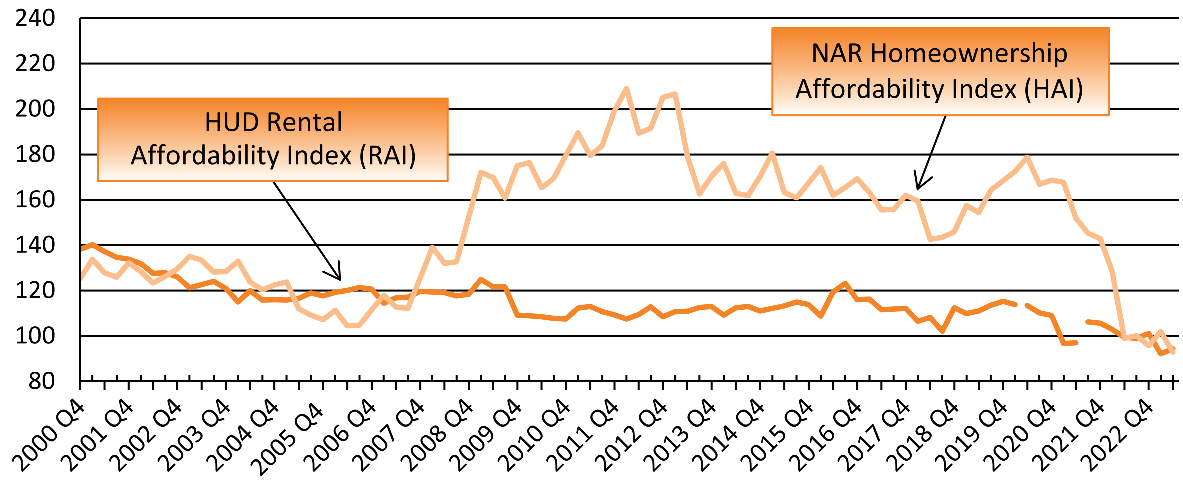
Income and Rents (2022 Dollars)



* NOTE: The Q2 2020 - Q2 2021 Median Rental Prices (MRP) are partially based on CPS/HVS surveys conducted under COVID-19 restrictions and should be viewed with caution. Normal data collection procedures resumed for Q3 2021. The MRP is also based on ACS median rental prices for recent movers; the 2020 data are unavailable due to COVID restrictions. Quarterly rental prices reflect seasonal changes in prices. Prices and income are in current dollars.
Sources: Census ACS, BLS CPI, CES, CPS/HVS, and HUD.

Rental Affordability Remains a Challenge Due to Rising Rents*

Rental and Homeownership Index Values



* NOTE: The Q2 2020 - Q2 2021 Median Rental Prices (MRP) underlying the RAI are partially based on CPS/HVS surveys conducted under COVID-19 restrictions and should be viewed with caution. Normal data collection resumed for Q3 2021. The RAI is also based on ACS median rental prices for recent movers; the 2020 data are unavailable due to COVID. The quarterly purchase and rental prices underlying the HAI and RAI reflect seasonal changes in prices.
Sources: NAR®, Census ACS, BLS CPI, CES, CPS/HVS, and HUD.

Housing Finance and Investment

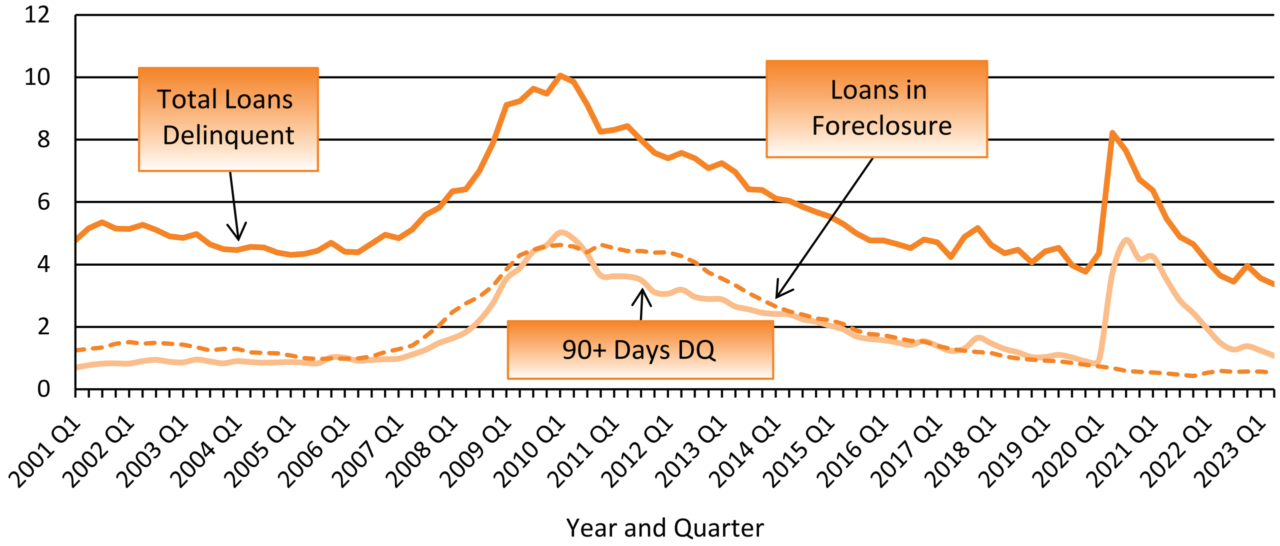
The overall mortgage delinquency rate declined to the lowest rate since MBA's delinquency survey began in 1979. The delinquency rate on mortgages of one- to four-unit residential properties was 3.37 percent (SA) in the second quarter, down from 3.56 percent in the first quarter and 3.64 percent in the second quarter of 2022, according to MBA's quarterly National Delinquency Survey (NDS). The second quarter 3.37-percent delinquency rate represents 1.79 million borrowers. The third quarter 2022 delinquency rate (3.45 percent) was the previous lowest overall rate since the inception of the survey; the average overall delinquency rate is 5.32 percent. Mortgage delinquency rates fell for all loan types in the second quarter. The conventional delinquency rate declined to 2.29 percent from 2.44 percent; the Federal Housing Administration (FHA) delinquency rate decreased to 8.95 percent from 9.27 percent; and the U.S. Department of Veterans Affairs (VA) delinquency rate fell to 3.70 percent from 3.98 percent. Note that loans in forbearance are recorded as delinquent in the MBA survey if payments are not made based on the original terms of the mortgage. The MBA Forbearance Survey estimates that 219,000 mortgages were in forbearance at the end of the second quarter, but some of those borrowers (13.7 percent) were up to date on their mortgage payments and would not be recorded as delinquent in the MBA NDS. The MBA seriously delinquent loan rate (90 or more days delinquent or in the foreclosure process) was 1.61 percent, down from 1.73 percent in the first quarter and 2.12 percent one year ago; the historical norm is 2.80 percent. At 0.13 percent of active loans, the foreclosure starts rate was down from 0.16 percent in the previous quarter and 0.18 percent one year ago. The survey low of newly initiated foreclosures is 0.03 percent, and the historic average is 0.41 percent. The percentage of loans in the foreclosure process was 0.53 percent, down from 0.57 percent in the previous quarter and 0.59 percent one year ago and well below the historic norm of 1.43 percent.

Newly initiated foreclosures rose but completed foreclosures fell. According to ATTOM Data Solutions®, foreclosure starts—default notices or scheduled foreclosure auctions, depending on the state—were filed for the first time on 69,700 U.S. properties in the second quarter, up 7 percent from the previous quarter and 5 percent higher than a year ago. The pre-crisis average of foreclosure starts in 2005 and 2006 was 156,800 per quarter. Lenders completed the foreclosure process (bank repossessions or REO [real estate owned] properties) on 10,150 U.S. properties in the second quarter, down 19 percent from the previous quarter but up 13 percent from one year ago. The pre-crisis (2005 and 2006) average of foreclosure completions was 69,400 per quarter. Moratoriums on residential foreclosures issued by the federal government during the COVID-19 pandemic ended September 30, 2021. A modest bump up in foreclosures might be expected after a moratorium on foreclosures.

Homeowners' equity declined for the third consecutive quarter, and the number of underwater borrowers fell. The Federal Reserve reported that homeowners' equity (total property value less mortgage debt outstanding) fell 2.2 percent, or $653 billion, in the first quarter of 2023 (the data are reported with a lag), following a decline of $1.04 trillion in the fourth quarter of 2022. Homeowners' equity now stands at nearly $28.7 trillion, down from a peak of more than $31.8 trillion in the second quarter of 2022. Owners' equity grew by more than $2.7 trillion in 2022. An increase in homeowners' equity reflects house price appreciation, fewer distressed borrowers, and increased principal repayment, with house price gains the largest explanatory factor. For the first quarter of 2023 (the data are reported with a lag), CoreLogic estimated the number of underwater borrowers (those who owe more on their mortgage than the value of their home) decreased by 3,000 from the fourth quarter to 1.182 million homes, or 2.1 percent of residential properties with a mortgage, but were 45,000 higher than one year ago. The number of underwater borrowers rose (by 53,000) in the third quarter of 2022 for the first time since 2018. Since the beginning of 2012, the number of underwater borrowers is down 90 percent—from 12.108 to 1.182 million—or by 10.926 million homeowners.

The Overall Mortgage Delinquency Rate Fell

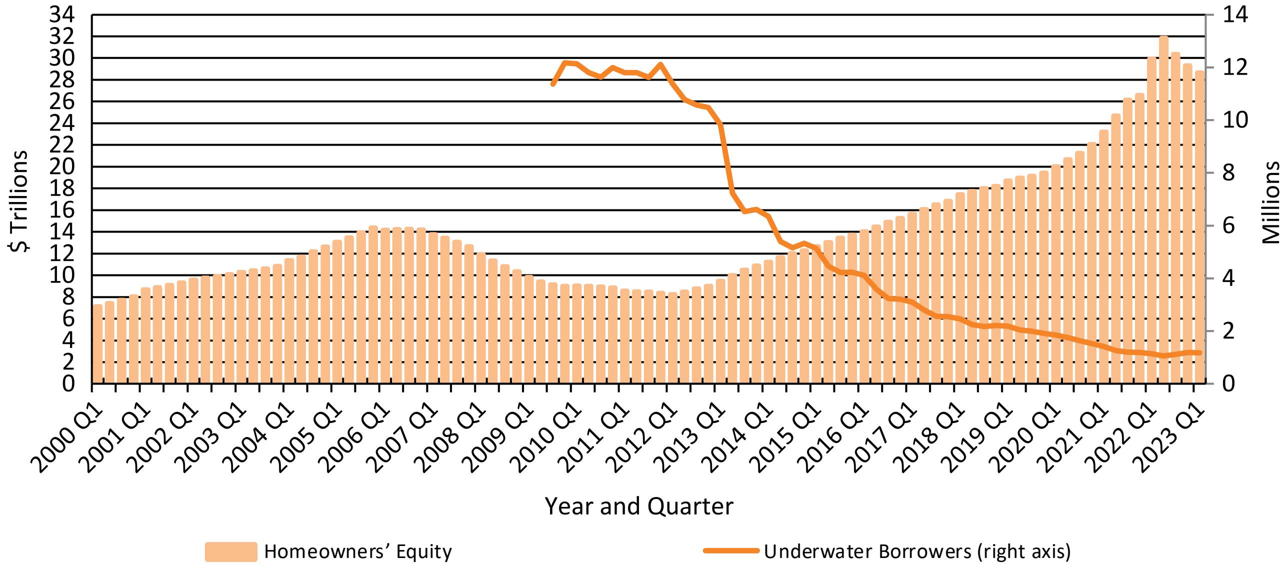
National Mortgage Delinquency and Foreclosure Inventory Rates (Percent)



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 Declined in the First Quarter of 2023 for the Third Consecutive Quarter

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

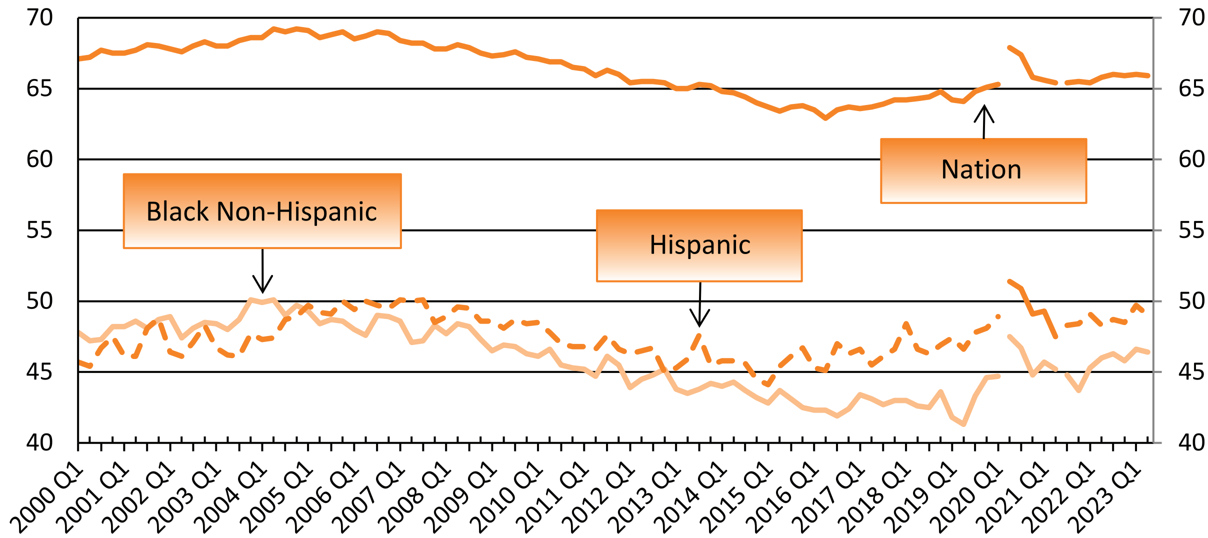
The national homeownership rate decreased to 65.9 percent in the second quarter of 2023 from 66.0 percent the previous quarter but was up from 65.8 percent one year ago. The historic norm for the national homeownership rate since 1965 is 65.2 percent; it reached a high of 69.2 percent in the second and fourth quarters of 2004. For the second quarter of 2023, the Census Bureau reported that the homeownership rate for White non-Hispanic households rose slightly to 74.5 percent from 74.4 percent in the previous quarter; for Black non-Hispanic households, the rate fell to 46.4 percent from 46.6 percent; and for Hispanic households, the rate fell to 49.0 percent from 49.7 percent. The homeownership rate of 61.5 percent for other-race non-Hispanic households remained the same; the homeownership rate for two-or-more-races non-Hispanic households rose to 53.4 percent from 52.9 percent the previous quarter. Compared with the early 2000s, the recent relatively low homeownership rates reflect the subprime lending crisis and the high rates of unemployment and underemployment as a result of the severe 2007–2009 recession. More recently, rising mortgage rates, low inventories of homes for sale, slower income growth relative to house prices (except for the past two quarters), and relatively restrictive mortgage credit have affected homeownership. Note that the Census Bureau resumed normal data collection procedures in the third quarter of 2021, after having implemented restrictions on their survey for five months due to COVID-19.

NAR monthly MLS (Multiple Listing Service) data revealed that the share of homebuyers making their first purchase was 28 percent in the second quarter of 2023, down from 29 percent in the previous quarter but the same as the second quarter of 2022. The historic norm for sales to first-time buyers is 39 percent. Numerous studies have found that both high debt-to-income ratios for young adults burdened with student loans and tighter credit and lending standards are key factors in keeping the current homeownership rate relatively low for young adults. Rising interest rates, a low inventory of homes for sale, and relatively high home prices have also prevented some from becoming homeowners.

The rental market vacancy rate fell marginally for single-family homes but remained steady for multifamily housing. The Census Bureau estimate of the overall vacancy rate for the rental market was 6.3 percent in the second quarter, down slightly from 6.4 percent in the previous quarter but up from 5.6 percent over the four-quarter period. The single-family rental vacancy rate, at 5.5 percent, declined slightly from 5.6 percent in the first quarter but was up from 5.0 percent one year ago. The rental vacancy rate for multifamily units (five or more units in a structure) remained the same at 7.4 percent in the second quarter but was up from 6.4 percent one year ago. As with the homeownership rate, normal data collection procedures resumed in the third quarter of 2021. In addition to single-family and multifamily homes, the overall vacancy rate includes homes with two-to-four units in a structure.

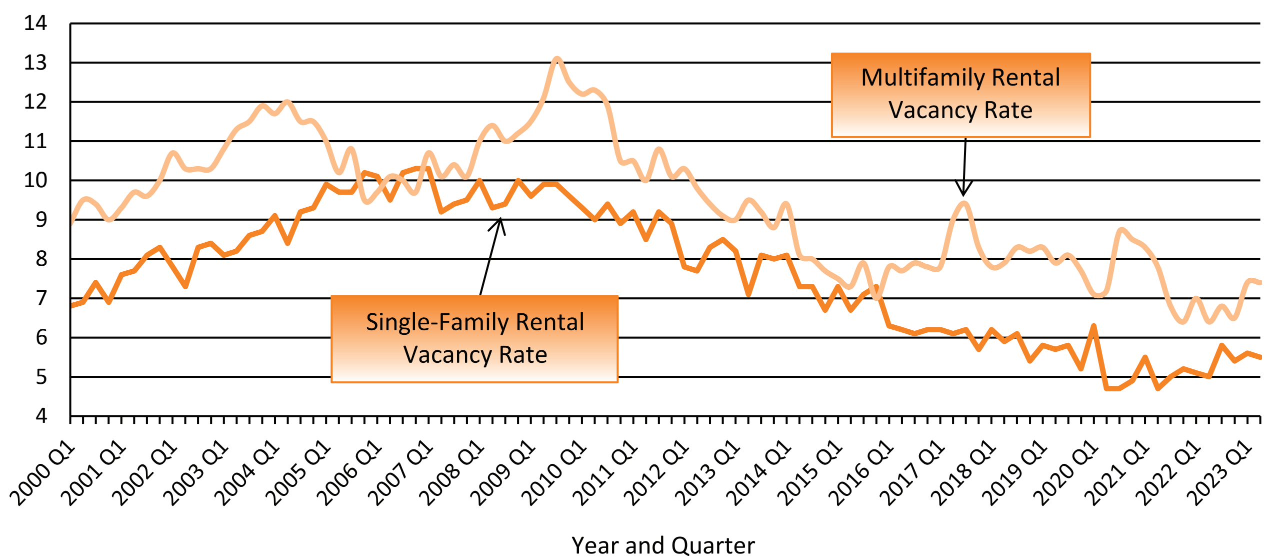
The number of households increased in the second quarter. According to the Census Bureau, the number of U.S. households in the second quarter of 2023 was 130.1 million, up 0.4 percent from 129.6 million the previous quarter. Household growth fell to an annual rate of 0.5 percent during the severe 2007–2009 recession, compared with 1.3-percent growth from 2001 to 2006. In the years immediately following the Great Recession, young people were slow to form households, with an average annual growth rate of only 0.7 percent from 2010 to 2013. The pace picked up from 2014 to 2019, with an average annual growth rate of 1.1 percent. Data on the number of households for the second quarter of 2020 through the second quarter of 2021 were collected under COVID-19 restrictions and should be viewed with caution. Based on data collected only under normal collection procedures (122.9 million households in 2019 and 127.3 million as of the last two quarters of 2021), the annual rate of growth for 2020 and 2021 was estimated to be 1.8 percent. An estimated household growth rate for 2022, also based only on data collected under normal procedures, was 0.8 percent; the average for the last two quarters of 2021 (127.3 million) was used to represent the number of households in 2021.

National Homeownership Rates*



* NOTE: The Q2 2020 through Q2 2021 homeownership rates represent a break in the series because they are based on surveys conducted under COVID-19 restrictions and should be viewed with caution. Normal data collection procedures resumed starting Q3 2021. The historic norm of 65.2 percent is the average national homeownership rate since 1965.
Sources: Census Bureau CPS/HVS, BLS and HUD.

Rental Vacancy Rates Fell Slightly for Single-Family Homes but Remained Steady for Multifamily Homes*



* NOTE: The Q2 2020 through Q2 2021 vacancy rates are based on surveys conducted under COVID-19 restrictions and should be viewed with caution. Normal data collection procedures resumed starting Q3 2021.
Sources: Census Bureau CPS/HVS and BLS.

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

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

U.S. NATIONAL HOUSING INDICATORS

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

Indicator	Current Quarter	Previous Quarter		Year-Ago Quarter	Change From Previous Quarter		Change From Year-Ago Quarter		Current Quarter as-of Date
HOUSING SUPPLY									
Housing Permits (SAAR, thousands)									Q2 2023
Total	1,451	1,424		1,735	1.9%	(u)	-16.3%	(u)	
Single-Family	894	791		1,022	13.0%	(u)	-12.5%	(u)	
Multifamily (5+)	503	582		655	-13.6%	(u)	-23.3%	(u)	
Housing Starts (SAAR, thousands)									Q2 2023
Total	1,443	1,385	(r)	1,636	4.2%	(n)	-11.8%	(s)	
Single-Family	927	834	(r)	1,084	11.2%	(s)	-14.5%	(s)	
Multifamily (5+)	504	536		535	-6.0%	(n)	-5.7%	(n)	
Under Construction (SA, thousands)									Q2 2023
Total	1,675	1,680	(r)	1,688	-0.3%	(n)	-0.8%	(n)	
Single-Family	683	708		829	-3.5%	(s)	-17.6%	(s)	
Multifamily (5+)	975	955	(r)	844	2.1%	(n)	15.5%	(s)	
Housing Completions (SAAR, thousands)									Q2 2023
Total	1,483	1,494	(r)	1,400	-0.8%	(n)	5.9%	(n)	
Single-Family	997	1,027	(r)	1,025	-3.0%	(n)	-2.8%	(n)	
Multifamily (5+)	471	457	(r)	366	3.1%	(n)	28.9%	(s)	
New Homes for Sale (SA)									Q2 2023
Inventory (thousands)	428	433	(r)	448	-1.2%	(n)	-4.5%	(s)	
Months' Supply (months)	7.5	8.1	(r)	9.5	-7.4%	(n)	-21.1%	(s)	
Existing Homes For Sale									Q2 2023
Inventory (NSA, thousands)	1,070	970		1,250	10.3%	(u)	-14.4%	(u)	
Months' Supply (months)	3.1	2.6		2.9	19.2%	(u)	6.9%	(u)	
Manufactured Home Shipments (SAAR, thousands)	86.0	85.0	(r)	121.0	1.2%	(u)	-28.9%	(u)	Q2 2023

SA = seasonally adjusted. NSA = not SA. SAAR = SA annual rate. r = revised. s = statistically significant. n = not statistically significant. u = statistical significance unavailable.
Note: Components may not add to totals because of rounding.

U.S. NATIONAL HOUSING INDICATORS (continued)

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

Indicator	Current Quarter	Previous Quarter	Year-Ago Quarter	Change From Previous Quarter	Change From Year-Ago Quarter	Current Quarter as-of Date
HOUSING DEMAND						
Home Sales (SAAR)						Q2 2023
New Homes Sold (thousands)						
Single-Family	689	638 (r)	603	8.0% (n)	14.2% (s)	
Existing Homes Sold (thousands)						
Single-Family, Townhomes, Condos, Co-ops	4,250	4,327	5,367	-1.8% (u)	-20.8% (u)	
Condos and Co-ops	440	433 (r)	583	1.5% (u)	-24.6% (u)	
First-Time Buyers (%)	28	29	28	-1 (u)	0 (u)	
Investor Sales (%)	17	17	16	0 (u)	1 (u)	
Home Sales Prices						Q2 2023
Median ($)						
New Homes	416,100	429,000 (r)	449,300	-3.0% (u)	-7.4% (u)	
Existing Homes	397,433	366,733 (r)	405,967	8.4% (u)	-2.1% (u)	
Repeat-Sales Home Price Indices						
FHFA (SA)	397.7	391.1 (r)	386.0	1.7% (u)	3.0% (u)	
CoreLogic Case-Shiller (SA)	302.5	297.3 (r)	303.1	1.8% (u)	-0.2% (u)	
Homeownership Affordability						Q2 2023
Fixed Index	92.8	102.0 (r)	99.0	-9.0% (u)	-6.2% (u)	
National Average Mortgage Interest Rate (%)	6.6	6.4 (r)	5.3	0.1 (u)	1.3 (u)	
Median-Priced Existing Single-Family Home ($)	402,567	371,000 (r)	412,667	8.5% (u)	-2.4% (u)	
Median Family Income ($)	91,270	91,119	87,181	0.2% (u)	4.7% (u)	
Rental Affordability						
HUD's Rental Affordability Index	94.3	92.1	99.3	2.4% (u)	-5.0% (u)	Q2 2023
Multifamily Housing						
Apartments						
Completed Previous Quarter (thousands)	82.3	80.2 (r)	52.0	2.6% (s)	58.2% (n)	Q1 2023
Leased Current Quarter (%)	61	58 (r)	63	3 (s)	-2 (s)	Q2 2023
Median Asking Rent ($)	1,837	1,874 (r)	1,852	-2.0% (n)	-0.8% (s)	
Condos and Co-ops						
Completed Previous Quarter (thousands)	4.4	5.1 (r)	3.2	-13.7% (n)	38.8% (s)	Q1 2023
Sold Current Quarter (%)	82	80 (r)	80	2 (n)	2 (n)	Q2 2023
Median Asking Price ($)	511,500	763,500 (r)	635,800	-33.0% (s)	-19.6% (s)	
Manufactured Homes (SAAR)						
Shipped Previous Quarter (thousands)	85.0	97.3 (r)	119.7	-12.6% (u)	-29.0% (u)	Q1 2023
Sold and Placed Within Four Months (%)[1]	54.2	45.5	47.8	8.7 (n)	6.4 (s)	Q2 2023
Builders' Views of Market Activity (Composite Index)	50	40	71	24.0% (u)	-29.6% (u)	Q2 2023

SA = seasonally adjusted. SAAR = SA annual rate. r = revised. s = statistically significant. n = not statistically significant. u = statistical significance unavailable. FHFA = Federal Housing Finance Agency.

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

[1] The share of previous-quarter shipments sold (or leased) and placed for residential use four months after shipment. For shipments in the first quarter, for example: sales and placements (from January - May) for January shipments; (from February - June) for February shipments; and (from March - July) for March shipments are summed and divided by the total number of homes shipped in the first quarter to obtain the percentage of manufactured homes sold and placed four months after shipment.

U.S. NATIONAL HOUSING INDICATORS (continued)

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

Indicator	Current Quarter	Previous Quarter		Year-Ago Quarter	Change From Previous Quarter		Change From Year-Ago Quarter		Current Quarter as-of Date
HOUSING FINANCE and INVESTMENT									
Mortgage Interest Rates (%)[2]									Q2 2023
30-Year Fixed Rate	6.49	6.36		5.24	0.13	(u)	1.25	(u)	
15-Year Fixed Rate	5.85	5.55		4.44	0.30	(u)	1.41	(u)	
Mortgage Delinquency Rates (%)									Q2 2023
All Loans Past Due (SA)	3.37	3.56		3.64	-0.19	(u)	-0.27	(u)	
Loans 90+ Days Past Due (SA)	1.07	1.24		1.49	-0.17	(u)	-0.42	(u)	
Seriously Delinquent (90+ Days DQ & in FC, NSA)	1.61	1.73		2.12	-0.12	(u)	-0.51	(u)	
FHA Market Share[3]									
Dollar Volume (%)									Q1 2023
All Loans	11.20	12.49	(r)	8.35	-1.29	(u)	2.85	(u)	
Purchase	11.73	12.23	(r)	10.58	-0.50	(u)	1.15	(u)	
Refinance	9.07	13.81	(r)	5.58	-4.74	(u)	3.49	(u)	
Loan Count (%)									
All Loans	13.58	15.11	(r)	10.70	-1.53	(u)	2.88	(u)	Q1 2023
Purchase	14.50	14.90	(r)	14.00	-0.40	(u)	0.50	(u)	
Refinance	10.76	15.92	(r)	7.29	-5.16	(u)	3.47	(u)	
FHA Mortgage Insurance (thousands)[4]									Q2 2023
Applications Received	289.93	242.40		299.27	19.6%	(u)	-3.1%	(u)	
Endorsements	193.74	146.74		218.73	32.0%	(u)	-11.4%	(u)	
Purchase	155.43	116.55		161.09	33.4%	(u)	-3.5%	(u)	
Refinance	38.31	30.18		57.64	26.9%	(u)	-33.5%	(u)	
Private and VA Mortgage Insurance (thousands)									Q2 2023
PMI Certificates	N/A	N/A		N/A	N/A		N/A		
Veterans Affairs Guarantees	101.72	87.93		156.39	15.7%	(u)	-35.0%	(u)	
Residential Fixed Investment (SA real annual growth rate, %)[5]	-3.6	-4.0	(r)	-17.8	0.4	(u)	14.2	(u)	Q2 2023
GDP (SA real annual growth rate, %)	2.1	2.0	(r)	-0.60	0.1	(u)	2.7	(u)	
Housing's Contribution to Real GDP Growth (percentage points)	-0.14	-0.16	(r)	-0.93	0.02	(u)	0.79	(u)	

SA = seasonally adjusted. NSA = not SA. r = revised. u = statistical significance unavailable. N/A = not available. DQ = delinquent. FC = foreclosure. FHA = Federal Housing Administration. VA = U.S. Department of Veterans Affairs. PMI = private mortgage insurance. GDP = Gross Domestic Product.
Note: Components may not add to totals because of rounding.

[2] As of November 2022, Freddie Mac no longer surveys lenders, but instead, bases its mortgage rate estimates on thousands of applications received from lenders and submitted to Freddie Mac when a borrower applies for a mortgage. In addition, Freddie Mac stopped publishing data on adjustable-rate mortgages (ARMs).

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

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

[5] GDP and related data are BEA's second estimate out of the three estimates they publish for a given 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
HOMEOWNERSHIP and OCCUPANCY						
Homeownership Rates (%)						Q2 2023
Overall	65.9	66.0	65.8	-0.1 (n)	0.1 (n)	
Non-Hispanic						
White	74.5	74.4	74.6	0.1 (n)	-0.1 (n)	
Black	46.4	46.6	46	-0.2 (n)	0.4 (s)	
Other Race	61.5	61.5	61	0.0 (n)	0.5 (n)	
Two or More Races	53.4	52.9	53	0.5 (n)	0.4 (s)	
Hispanic	49.0	49.7	48.3	-0.7 (n)	0.7 (n)	
Vacancy Rates (%)						Q2 2023
Homeowner	0.7	0.8	0.8	-0.1 (s)	-0.1 (s)	
Rental	6.3	6.4	5.6	-0.1 (n)	0.7 (n)	
Single-Family	5.5	5.6	5.0	-0.1 (n)	0.5 (n)	
Multifamily (5+)	7.4	7.4	6.4	0.0 (n)	1.0 (n)	
Housing Stock (thousands)						Q2 2023
All Housing Units	145,149	144,740 (r)	143,514	0.3% (u)	1.1% (u)	
Owner-Occupied	85,781	85,506 (r)	84,353	0.3% (n)	1.7% (s)	
Renter-Occupied	44,320	44,133 (r)	43,849	0.4% (n)	1.1% (n)	
Vacant	15,049	15,102 (r)	15,312	-0.4% (s)	-1.7% (s)	
Year-Round Vacant	11,505	11,505 (r)	11,684	0.0% (s)	-1.5% (n)	
For Rent	3,022	3,033 (r)	2,647	-0.4% (n)	14.2% (n)	
For Sale	651	665 (r)	716	-2.1% (n)	-9.1% (n)	
Rented or Sold, Awaiting Occupancy	1,020	877 (r)	1,078	16.3% (s)	-5.4% (s)	
Held Off Market	6,812	6,931 (r)	7,243	-1.7% (s)	-6.0% (n)	
Occasional Use	2,009	2,153 (r)	2,274	-6.7% (n)	-11.7% (n)	
Occupied—URE	1,174	1,155 (r)	1,252	1.6% (n)	-6.2% (n)	
Other	3,629	3,623 (r)	3,717	0.2% (s)	-2.4% (n)	
Seasonal Vacant	3,544	3,596 (r)	3,628	-1.4% (n)	-2.3% (n)	
Households (thousands)						Q2 2023
Total	130,100	129,638 (r)	128,202	0.4% (s)	1.5% (s)	

r = revised. s = statistically significant. n = not statistically significant. u = statistical significance unavailable. URE = usual residence elsewhere.
Note: Components may not add to totals because of rounding.