HUD PD&R
National Housing Market Summary

Housing Market Indicators Overall Showed Slower Progress in the Second Quarter

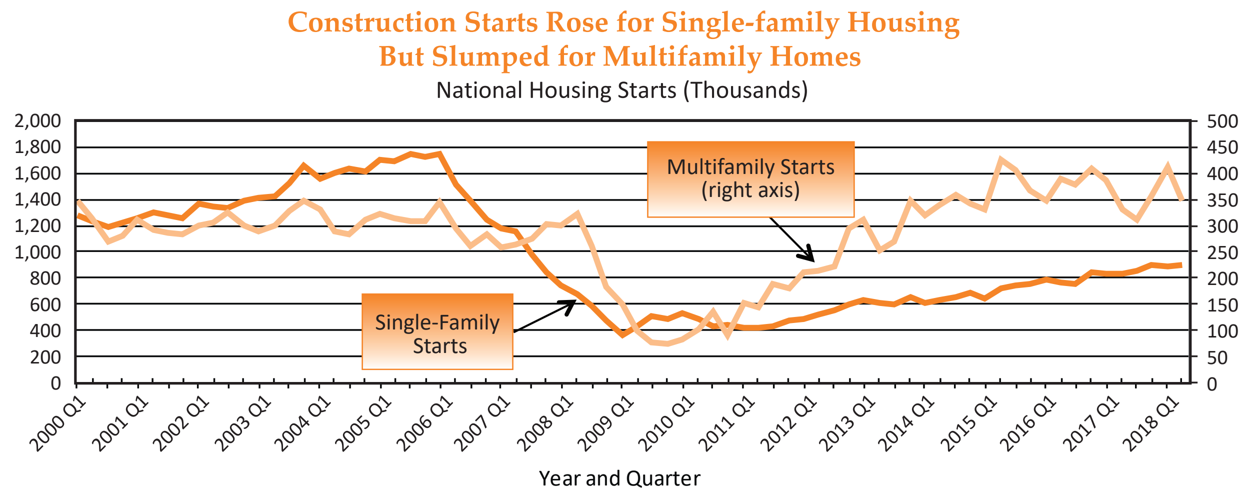
Housing market activity had mixed results in the second quarter of 2018. Construction starts rose slightly for single-family homes but fell for multifamily housing. Home purchases declined for both new single-family homes and previously owned (existing) homes, while the months' supply of homes for sale rose for both new and existing homes. The seasonally adjusted (SA) Federal Housing Finance Agency's (FHFA) and the CoreLogic Case-Shiller® repeat-sales house price indices showed home values increasing at a slower pace in the second quarter.

Based on its National Delinquency Survey, the Mortgage Bankers Association (MBA) reported that the overall delinquency rate dropped in the second quarter as the impact from the 2017 summer hurricanes lessened. ATTOM Data Solutions® reported that both newly initiated and completed foreclosures increased. The national homeownership rate rose after remaining the same for two consecutive quarters. According to the Bureau of Economic Analysis' second estimate, the U.S. economy expanded at a seasonally adjusted annual rate (SAAR) of 4.2 percent, following a 2.2-percent gain in the first quarter. Real residential investment, which includes investment in new homes and the remodeling of existing homes, fell 1.6 percent following a 3.4-percent decline in the first quarter and decreased real GDP growth by 0.06 percentage point following a 0.14-percentage-point loss in the first quarter.

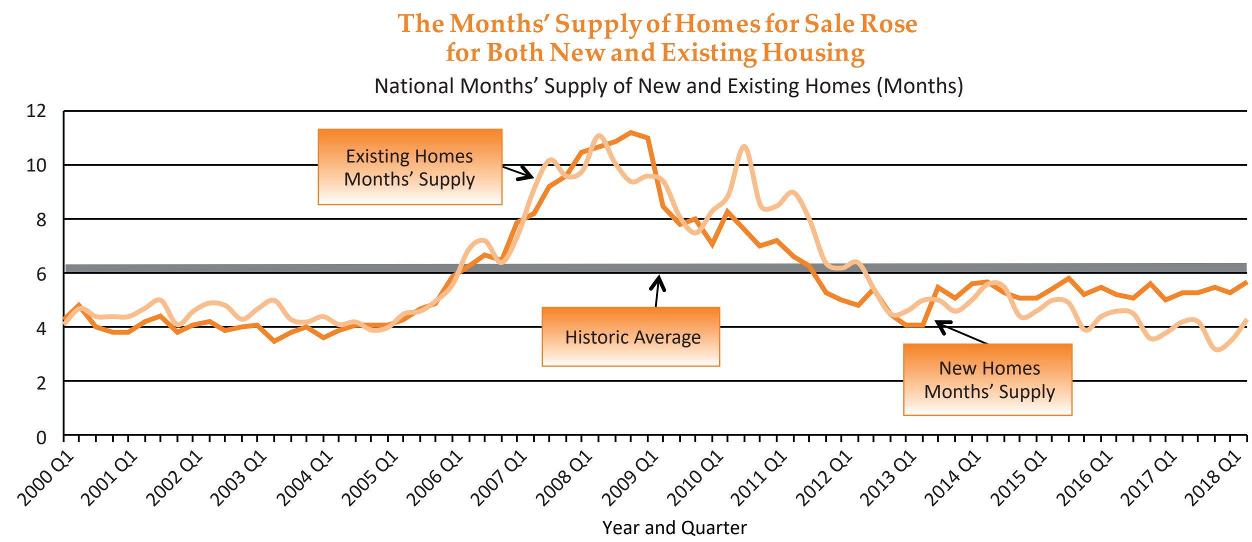
Housing Supply

Construction starts on single-family homes rose slightly but fell sharply for multifamily homes. Housing starts on single-family homes, at 897,000 units (SAAR) in the second quarter of 2018, were up 1 percent from the previous quarter and 8 percent from the previous year. The pace of single-family housing starts is now 70 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 343,000 units (SAAR) in the second quarter, were down 17 percent from the previous quarter but up 4 percent from the previous year. The pace during the period prior to the housing bubble (2000-2002) was 300,000 units (AR). Single-family housing starts were slow to bounce back during the housing recovery, but their share of the market is nearly back to their historic average. The share of single-family housing starts was 71 percent in the second quarter of 2018, with the share of multifamily starts at 27 percent. New construction of single-family and multifamily housing historically has averaged respective market shares of 72 and 24 percent, with two- to four-unit structures making up the rest of the market. The share of single-family housing starts had fallen from 80 percent in the years before the housing bubble (2000--2002) to a low of 62 percent in the second quarter of 2015. In contrast, because of a relatively strong rental market during the recovery period, the share of multifamily starts had grown from 18 to 37 percent during the same period.

The months' supply of homes on the market rose for both new and previously-owned homes. The listed inventory of new homes for sale at the end of the second quarter was 303,000 units (SA), which would support 5.7 months of sales at the current sales pace, up from 5.3 months in both the previous quarter and previous year. The listed inventory of existing homes for sale, at 1.93 million units, represents a 4.3-month supply of existing homes for sale, up from 3.5 months at the end of the first quarter and 4.2 months one year ago. The long-term average for months' supply of homes on the market is about 6.0 months. Rising inventories would improve sales because the low level of inventories has been an impediment to a stronger housing market recovery.



Seasonally Adjusted Annual Rate
Sources: Census Bureau and HUD.

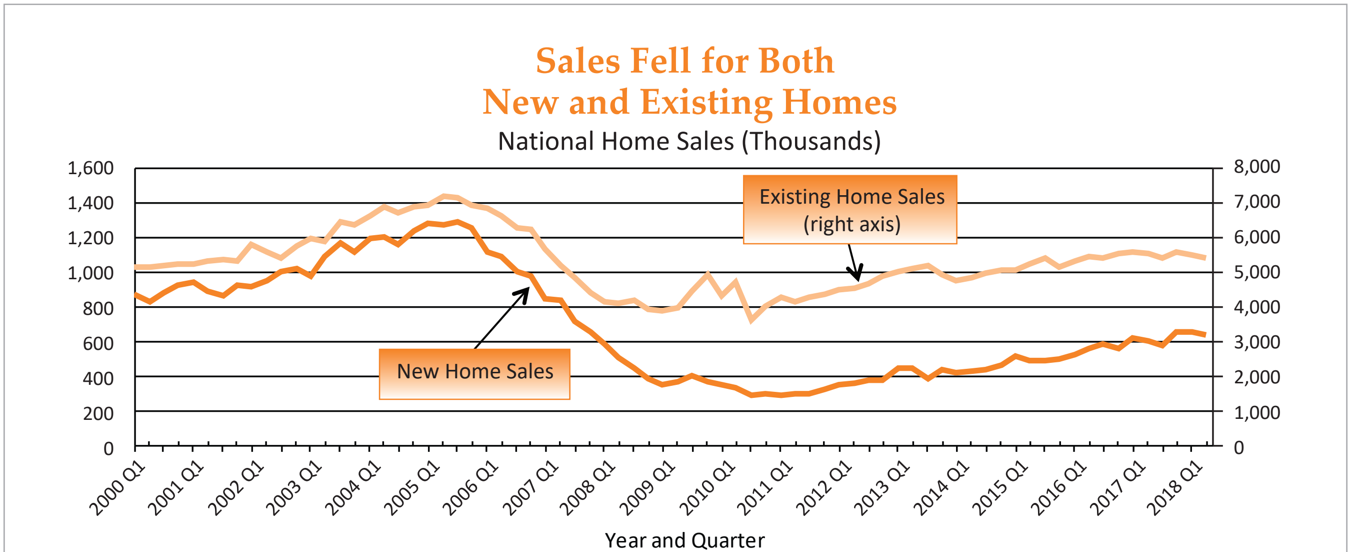


Sources: Census Bureau, National Association of Realtors®, and HUD.

Housing Demand

Sales fell for both new and existing homes. Purchases of new single-family homes, at 642,000 units (SAAR) in the second quarter, dropped 2 percent from the previous quarter but advanced 6 percent over the previous year. The average annual pace of new home sales was 561,000 in 2016 and 613,000 in 2017. The National Association of Realtors® (NAR) reported that existing homes—including single-family homes, townhomes, condominiums, and cooperatives—sold at a pace of 5.41 million (SAAR) in the second quarter, down 2 percent from both the previous quarter and year-ago levels. Previously-owned homes sold at an average annual pace of 5.45 million in 2016 and 5.51 million in 2017. Sales to first-time buyers accounted for 32 percent of all sales transactions in the second quarter, up from 29 percent in the first quarter but well below the historic norm of 39 percent. The weakness in sales reflects more stringent bank lending standards, low sales inventory, slow growth in income relative to house prices, and rising mortgage interest rates. Historically, existing home sales accounted for 85 percent of the market, with new home sales representing the remaining 15 percent. The share of existing home sales began to rise in 2007 and is currently 89 percent of the market, with the share of new home sales dropping to 11 percent. In terms of average sales, the ratio of existing to new home sales historically has been 6 to 1, whereas the ratio is currently 8 to 1, although that ratio has fallen since 2011 when it reached 14 to 1.

Quarter-over-quarter increases in house prices slowed. The FHFA (SA) purchase-only repeat-sales house price index showed U.S. home prices appreciating at a 1.1-percent rate in the second quarter, down from 1.9 percent in the first quarter. House prices rose at a 6.5-percent annual pace, much lower than the 7.3 percent annual gain in the first quarter. The CoreLogic Case-Shiller® (SA) national repeat-sales house price index estimated a 1.1-percent rise in house prices for the second quarter, down from a 1.8-percent gain in the previous quarter. House prices rose over the four-quarter period by 6.4 percent, unchanged from the previous quarter's annual return. House prices continue to increase faster than inflation, which rose at an annual pace of 2.7 percent over the same four-quarter period. According to both indices, house prices peaked during the bubble in the first quarter of 2007. The FHFA index indicates that home prices are 15.9 percent above their previous peak, whereas the CoreLogic Case-Shiller® index shows home values 9.6 percent above their previous high point. The FHFA index differs from the CoreLogic Case-Shiller® index mainly because the FHFA index, unlike the CoreLogic Case-Shiller® index, is based on sales financed only with mortgages that have been sold to or guaranteed by Fannie Mae and Freddie Mac, excludes sales transactions associated with subprime and some "jumbo" loans, and is transaction weighted rather than value weighted. According to NAR, distressed sales,



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

which tend to sell at lower prices, accounted for 3 percent of all existing home sales, down from 5 percent one year ago. Investor purchases, which tend to put upward pressure on prices, accounted for 14 percent of existing home sales, down from 15 percent one year ago.

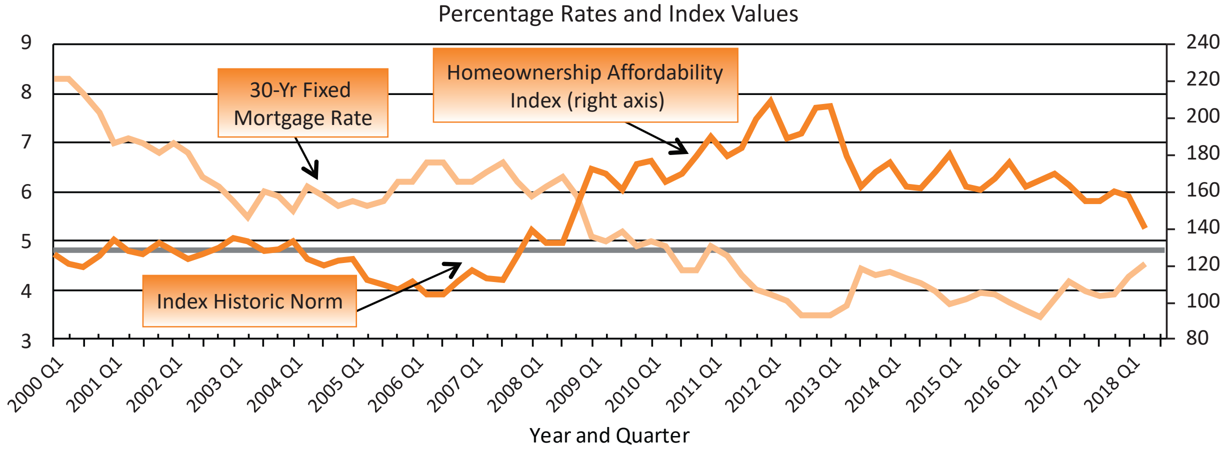
The absorption rate rose for both new condominiums and cooperatives and for new apartments. Of newly completed condominiums and cooperatives in the first quarter, 78 percent sold within 3 months, up from 74 percent in the previous quarter and 72 percent one year ago. Of new apartments completed in the first quarter, 56 percent were leased within the ensuing 3 months, up from 54 percent in the previous quarter and 55 percent a year earlier.

The affordability of purchasing a home declined sharply. The NAR Composite Housing (Homeownership) Affordability Index fell 11 percent to 140.3 in the second quarter from 157.5 in the previous quarter and was down 9 percent from a year earlier. The second-quarter decrease in the ability to purchase a home resulted from a rise in the national average interest rate and an increase in the median price of a single-family home which more than offset the increase in Median Family Income. The homeownership affordability index peaked in the first quarter of 2012, at 209.0, and fell sharply through the third quarter of 2013 as home prices climbed and mortgage rates rose. Moderate changes in mortgage rates and fluctuating median house prices caused the series to oscillate between the third quarter of 2013 and the third quarter of 2016; since then, affordability has remained at lower levels, as interest rates have risen. The NAR Composite Affordability Index for the second quarter is still above its historic norm of 128, however. NAR's Housing Affordability Index is a measure of the ability of the median-income family to purchase a median-priced home under current underwriting standards.

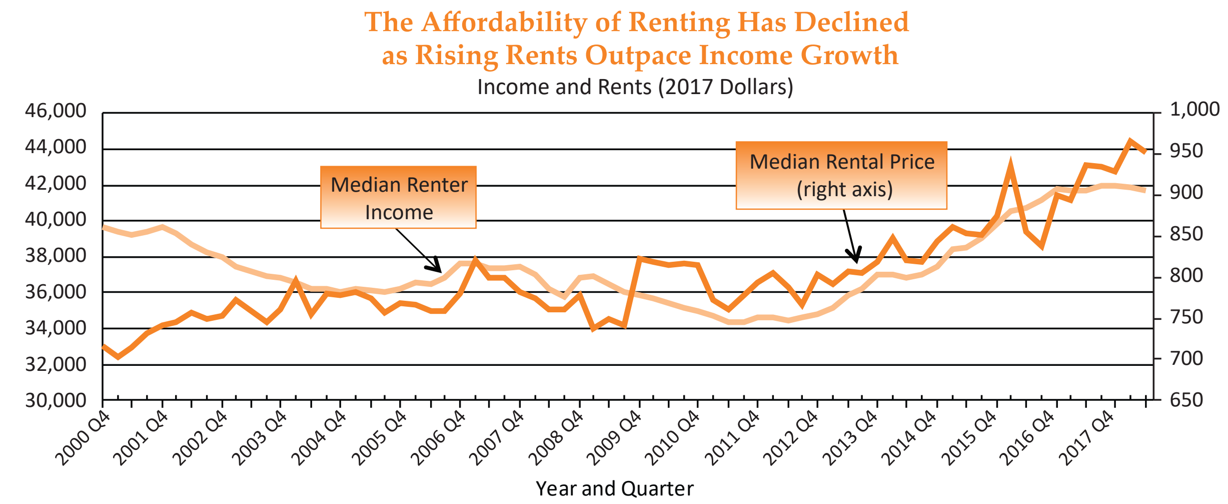
The affordability of renting a home increased slightly. HUD's Rental Affordability Index, at 109.5 in the second quarter, rose 1.0 percent from the previous quarter but was down 1.7 percent over the four-quarter period. The increase in the affordability of renting a home resulted from a 1.3-percent drop in the real, or inflation-adjusted, median price of a rental home which was offset slightly by a 0.4-percent drop in the inflation-adjusted median income of a renter household. The affordability of leasing a home declined 23 percent from the first quarter of 2001 to its low point at the end of 2010 and has improved 2 percent since. In contrast, the affordability of purchasing a home rose 100 percent from its low in mid-2006 to its peak in the beginning of 2012 and has declined 33 percent since. The gap between the ability of a family with median income to purchase a home compared with the ability of a renter household with median income to lease a home peaked in 2012 and has fallen 70 percent since.

Homeownership Affordability Declined Sharply

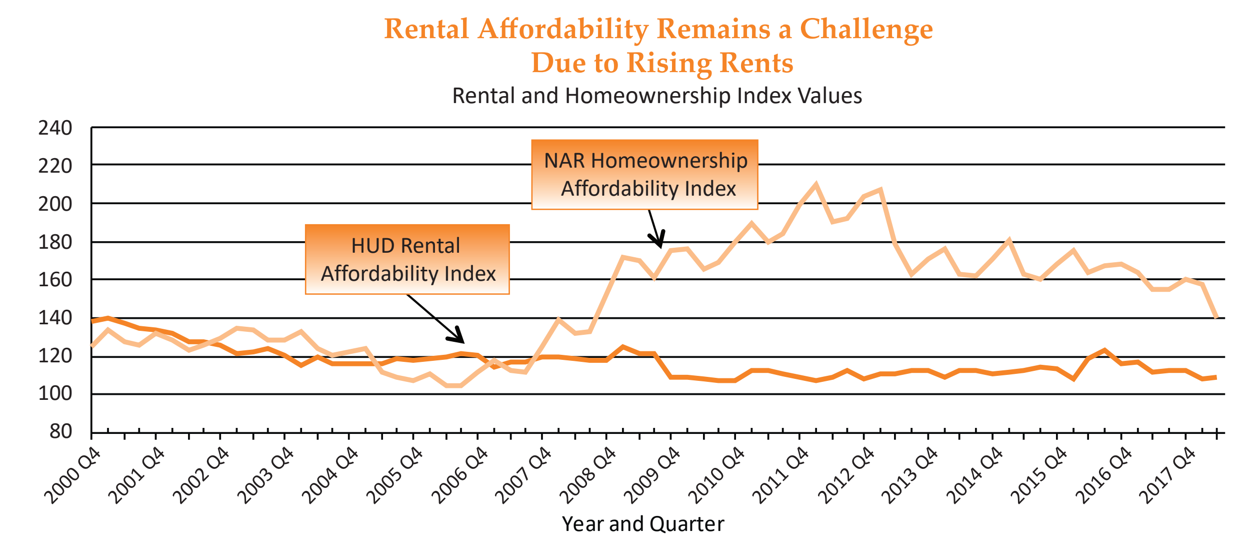
Percentage Rates and Index Values



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



Sources: Census Bureau ACS and 2000 Decennial Census, BLS CPI and CPS, and HUD.



Sources: National Association of Realtors®, Census Bureau ACS and 2000 Decennial Census, BLS, CPS, and HUD.

Housing Finance and Investment

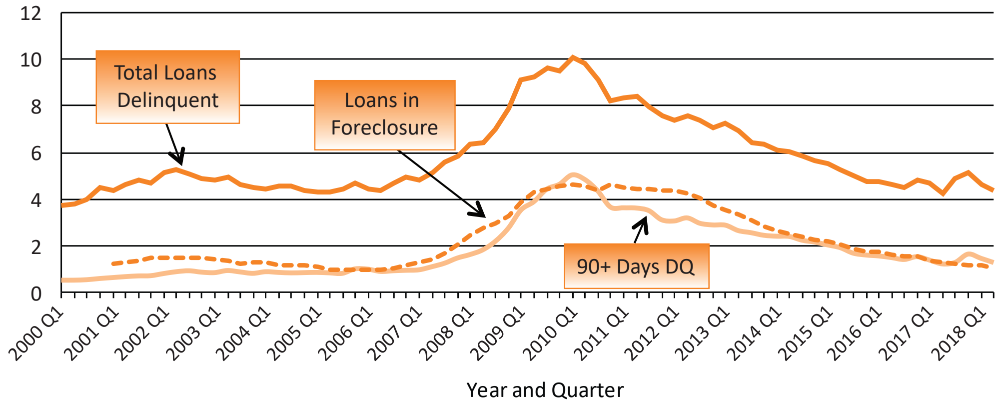
Delinquencies continued to drop in the second quarter. During the second quarter of 2018, the delinquency rate on mortgages of one- to four-unit residential properties decreased to a seasonally adjusted rate of 4.36 percent from 4.63 percent in the first quarter, according to data from MBA's quarterly National Delinquency Survey. The overall delinquency rate was up from 4.24 percent one year ago, however; its historic average is 5.36 percent. Improvement in the overall delinquency rate has continued following an increase caused by the late summer 2017 hurricanes in Texas and Florida. Mortgage delinquencies fell for all loan types--conventional, FHA, and VA--compared to the first quarter. The conventional delinquency rate declined from 3.78 percent to 3.45 percent; the FHA delinquency rate dropped from 9.02 percent to 8.70 percent; and the VA delinquency rate fell from 4.32 percent to 3.97 percent. Seriously delinquent loans for all loan types (those 90 or more days delinquent or in the foreclosure process) declined to 2.30 percent from 2.61 percent in the first quarter and 2.49 percent in the second quarter of 2017. The foreclosure starts rate, at 0.24 percent of active loans, was down from 0.28 percent in the previous quarter and 0.26 percent one year ago. Foreclosure starts are 21 basis points below their historic average of 0.45 percent and are at their lowest rate since the second quarter of 1987. The percentage of loans in the foreclosure process at the end of the second quarter was 1.05 percent, down from 1.16 percent in the previous quarter and 1.29 percent one year ago. This was the lowest foreclosure inventory rate since the third quarter of 2006. Foreclosure inventory is below its historic norm of 1.5 percent and is down to 23 percent of its peak in the fourth quarter of 2010 (4.64 percent), during the worst of the crisis. Note that storm-related foreclosure moratoria play a large role in keeping foreclosure starts and foreclosure inventory at bay. While forbearance is in place for many borrowers affected by storms, MBA's survey asks servicers to report loans as delinquent if the payment was not made based on the original terms of the mortgage, regardless of any forbearance plans in place.

Foreclosure starts and completions increased. ATTOM Data Solutions® reported that foreclosure starts—default notices or scheduled foreclosure auctions, depending on the state—were filed for the first time on 97,500 U.S. properties in the second quarter, up 32 percent from the previous quarter but down 4 percent over the four-quarter period. The pre-crisis average of foreclosure starts in 2005 and 2006 was 156,800 per quarter. Lenders completed the foreclosure process (bank repossessions or REO [real estate owned] properties) on 67,900 U.S. properties in the second quarter, up 4 percent from the previous quarter but down 14 percent from one year ago. This is the fourth consecutive quarter that foreclosure completions fell below their pre-crisis (2005 and 2006) average number of 69,400 per quarter. Foreclosure completions had remained relatively high in states where a backlog of distressed properties was being resolved.

Homeowners' equity had another sharp increase, while the number of underwater borrowers continued to decline in the first quarter. The Federal Reserve reported that homeowners' equity (total property value less mortgage debt outstanding) rose $509 billion in the first quarter of 2018 (the data are reported with a lag), to nearly $15 trillion. During the housing bubble, equity peaked at $13.4 trillion in the first quarter of 2006. Owners' equity has grown by more than $8.6 trillion since the beginning of 2012, when it first began to show fairly strong gains after the Great Recession. The increase in home equity reflects house price appreciation, fewer distressed borrowers, and increased principal repayment, with house price gains the largest explanatory factor. According to CoreLogic, 2.46 million homes, or 4.7 percent of residential properties with a mortgage, were under water in the first quarter (the data are reported with a lag), down from 2.55 million, or 4.9 percent, in the fourth quarter and 3.10 million, or 6.1 percent, one year prior. CoreLogic estimates that the number of underwater homes has declined by 651,000, or 21 percent, compared with one year ago. Since the beginning of 2012, the number of underwater borrowers (those who owe more on their mortgage than the value of their home) has fallen nearly 80 percent—from 12.1 to 2.5 million—or by 9.6 million homeowners. The decline in the number of homes in negative equity puts more homeowners in a position to sell their home and could help ease the current low level of homes for sale.

The Overall Mortgage Delinquency Rate Fell Again After Impact of Hurricanes in Late 2017

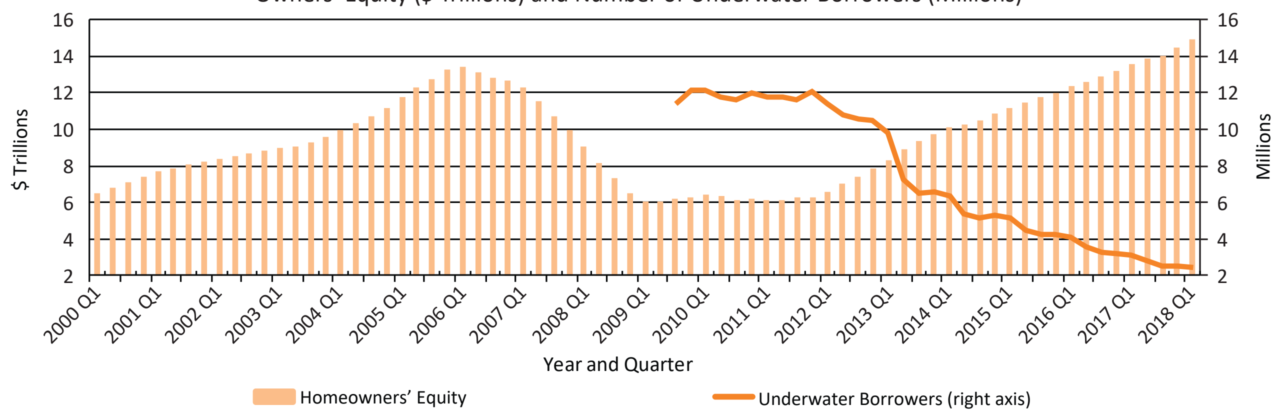
National Mortgage Delinquency and Foreclosure Inventory Rates (Percent)



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

Housing Wealth Has Surpassed Its Peak Set in 2006 Since the Beginning of 2017

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

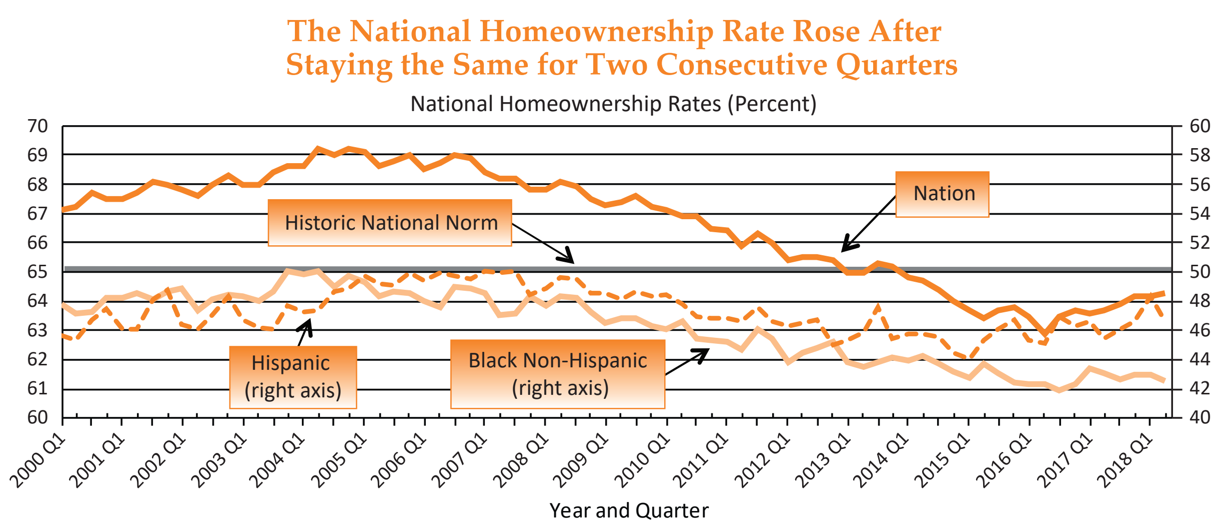


Data for underwater borrowers are only available beginning the third quarter of 2009.
Sources: Federal Reserve Board and CoreLogic.

Homeownership and Housing Vacancy

The U.S. homeownership rate increased in the second quarter after remaining the same for two consecutive quarters. The national homeownership rate rose to 64.3 percent in the second quarter of 2018 from 64.2 in the first quarter and was up from 63.7 percent one year ago. The homeownership rate peaked at 69.2 percent in the second and fourth quarters of 2004 and fell as a result of the Great Recession, reaching a low of 62.9 percent the second quarter of 2016--the lowest rate since 1965. The national homeownership rate declined for seven straight quarters starting with the fourth quarter of 2013 and fluctuated for several quarters before beginning to rise in the second quarter of 2017. It has either stayed constant or risen since. For the second quarter of 2018, the homeownership rate for White non-Hispanic households advanced to 72.9 percent from 72.4 percent; for Black non-Hispanic households, the rate dropped to 42.6 percent from 43.0 percent; and for Hispanic households, the rate fell to 46.6 percent from 48.4 percent. The homeownership rate increased to 58.5 percent for other-race non-Hispanic households and to 52.4 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, low inventories of homes for sale, relatively slow income growth, rising mortgage rates, and restrictive credit markets have affected homeownership.

A 2017 NAR annual survey of homebuyers revealed that the share of homebuyers making their first purchase decreased to 34 percent from 35 percent in 2016. The annual survey may somewhat overstate the share of first-time homebuyers, however, because the annual survey represents owner-occupants, and few investors respond to the survey as absentee owners. The historic norm for sales to first-time buyers is 39 percent. Numerous studies have found that both high debt-to-income ratios for young adults burdened with student loans and tighter credit and lending standards are key factors in keeping the homeownership rate relatively low for young adults. It has been more than eleven years since the foreclosure crisis began in 2007. Over the last four and one-half years, those who lost their home to foreclosure earlier on in the crisis have been positioned to re-enter the housing market as the recording of the foreclosure is removed from their credit history after seven years. The current tight credit

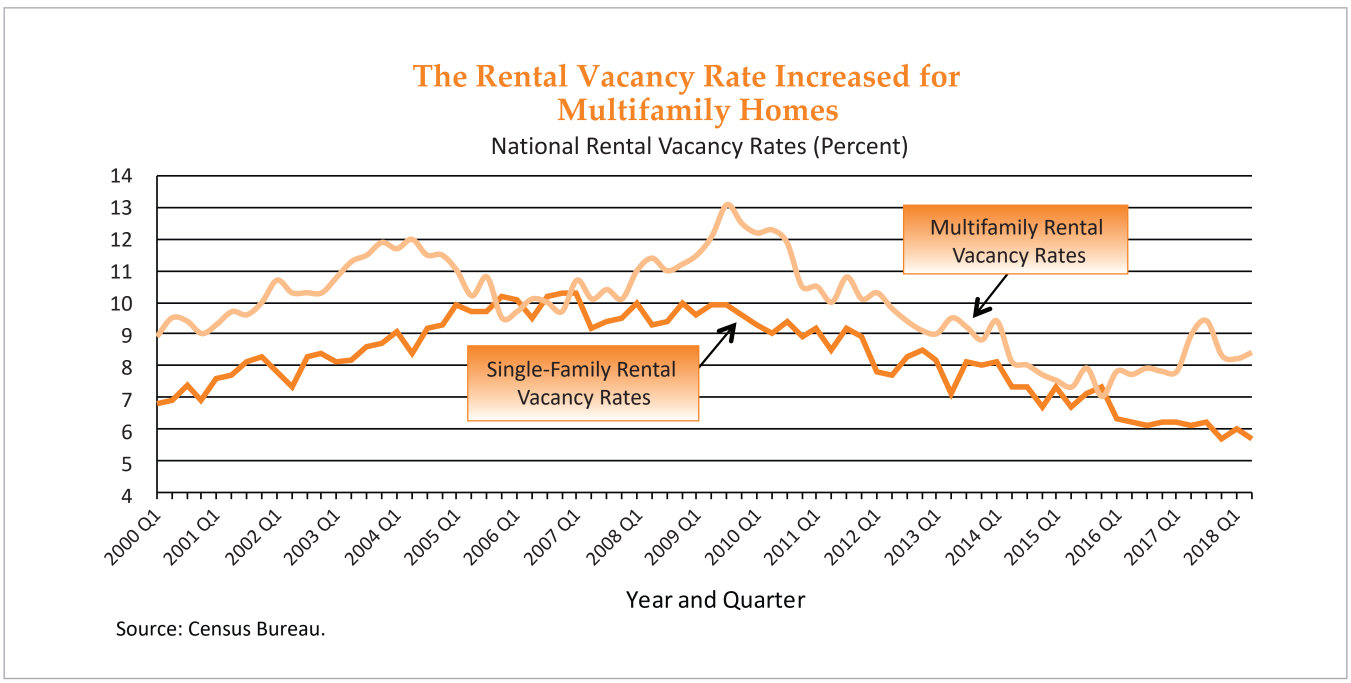


The historical norm of 65 percent is the average national homeownership rate since 1965.
Sources: Census Bureau and HUD.

environment and higher home prices have prevented some from re-entering the housing market, however.

The rental market vacancy rate fell for single-family homes but increased for multifamily housing. According to the U.S. Census Bureau, the overall vacancy rate in the rental market decreased to 6.8 percent in the second quarter from 7.0 percent the previous quarter and 7.3 percent in the fourth quarter of 2017. The single-family rental vacancy rate fell to 5.7 percent from 6.0 percent in the first quarter and was down from 6.1 percent one year ago. Vacancies in the rental market for multifamily units (five or more units in a structure) rose to 8.4 percent from 8.2 percent in the first quarter but were down from 9.0 percent a year earlier. In addition to single-family and multifamily homes, the overall vacancy rate includes homes with two-to-four units in a structure.

The number of households increased in the second quarter of 2018. TThe number of U.S. households rose to 121.2 million in the second quarter of 2018 from 120.8 million in the previous quarter and has grown 1.0 percent so far this year according to the Census Bureau's CPS/HVS (Current Population Survey/Housing Vacancy Survey. Household formation fell to an annual rate of 0.5 percent during the severe 2007-2009 recession compared with 1.3-percent growth from 2001 to 2006. In the years immediately following the 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 in 2014 and 2015, with an average annual growth rate of 1.1 percent, but fell to 0.9 percent for both 2016 and 2017. 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 being the most common cause of doubling up. [https://www.huduser.gov/portal/pdredge/pdr_edge_research_012714.html.]



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 2018
Total	1,319	1,355	(r)	1,257	– 2.7%	(s)	4.9%	(s)	
Single-Family	853	869	(r)	798	– 1.8%	(n)	6.9%	(s)	
Multifamily (5+)	429	443	(r)	424	– 3.1%	(s)	1.3%	(n)	
Housing Starts (SAAR, thousands)									Q2 2018
Total	1,254	1,317	(r)	1,171	– 4.8%	(n)	7.1%	(s)	
Single-Family	897	889	(r)	828	0.8%	(n)	8.2%	(s)	
Multifamily (5+)	343	413	(r)	330	– 16.8%	(n)	4.0%	(n)	
Under Construction (SA, thousands)									Q2 2018
Total	1,121	1,125	(r)	1,069	– 0.4%	(n)	4.9%	(s)	
Single-Family	516	508	(r)	462	1.6%	(n)	11.7%	(s)	
Multifamily (5+)	593	606	(r)	598	– 2.1%	(n)	– 0.8%	(n)	
Housing Completions (SAAR, thousands)									Q2 2018
Total	1,239	1,245	(r)	1,166	– 0.5%	(n)	6.3%	(n)	
Single-Family	844	868	(r)	798	– 2.8%	(n)	5.7%	(n)	
Multifamily (5+)	385	368	(r)	353	4.5%	(n)	8.9%	(n)	
New Homes for Sale (SA)									Q2 2018
Inventory (thousands)	303	297	(r)	273	2.0%	(n)	11.0%	(s)	
Months' Supply (months)	5.7	5.3		5.3	7.5%	(n)	7.5%	(n)	
Existing Homes for Sale									Q2 2018
Inventory (NSA, thousands)	1,930	1,640		1,940	17.7%	(u)	– 0.5%	(u)	
Months' Supply (months)	4.3	3.5		4.2	22.9%	(u)	2.4%	(u)	
Manufactured Home Shipments (SAAR, thousands)	97.7	106.0	(r)	89.7	-7.8%	(u)	8.9%	(u)	Q2 2018

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

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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 DEMAND						
Home Sales (SAAR)						Q2 2018
New Homes Sold (thousands)						
Single-Family	642	656 (r)	604	– 2.2% (n)	6.2% (n)	
Existing Homes Sold (thousands)						
Single-Family, Townhomes, Condos, Co-ops	5,413	5,507	5,547	– 1.7% (u)	– 2.4% (u)	
Condos and Co-ops	617	603	633	2.2% (u)	– 2.6% (u)	
First-Time Buyers (%)	32	29	33	2 (u)	– 1 (u)	
Investor Sales (%)	14	16	15	– 1 (u)	0 (u)	
Home Sales Prices						Q2 2018
Median ($)						
New Homes	309,800	331,800 (r)	318,200	-6.6% (u)	– 2.6% (u)	
Existing Homes	265,600	243,833	253,600	8.9% (u)	4.7% (u)	
Repeat-Sales Home Price Indices						
FHFA (SA)	259.9	257.1 (r)	244.1	1.1% (u)	6.5% (u)	
CoreLogic Case-Shiller (SA)	202.1	199.8 (r)	190.0	1.1% (u)	6.4% (u)	
Housing Affordability						Q2 2018
Composite Index	140.3	157.5 (r)	154.6	– 10.9% (u)	– 9.3% (u)	
Fixed Index	140.3	157.3 (r)	154.6	– 10.8% (u)	– 9.3% (u)	
National Average Mortgage Interest Rate (%)	4.7	4.4	4.1	0.3 (u)	0.6 (u)	
Median-Priced Existing Single-Family Home ($)	268,967	245,533	255,367	9.5% (u)	5.3% (u)	
Median Family Income ($)	75,106	74,565 (r)	73,060	0.7% (u)	2.8% (u)	
Rental Affordability						
HUD's Rental Affordability Index	109.5	108.4	111.4	1.0% (u)	– 1.7% (u)	Q2 2018
Multifamily Housing						
Apartments						
Completed Previous Quarter (thousands)	62.4	69.6 (r)	61.4	– 10.3% (s)	1.6% (n)	Q1 2018
Leased Current Quarter (%)	56	54	55	2.0 (s)	1.0 (n)	Q2 2018
Median Asking Rent ($)	1,666	1,699 (r)	1,528	– 1.9% (n)	9.0% (s)	
Condos and Co-ops						
Completed Previous Quarter (thousands)	4.0	4.3 (r)	3.1	– 7.0% (n)	29.0% (n)	Q1 2018
Sold Current Quarter (%)	78	74 (r)	72	4.0 (n)	5.9 (n)	Q2 2018
Median Asking Price ($)	563,870	455,183 (r)	544,436	23.9% (n)	3.6% (n)	
Manufactured Home Placements (sales at SAAR, thousands)						
Shipped Previous Quarter (thousands)	106.0	100.0 (r)	97.0	6.0% (u)	9.3% (u)	Q1 2018
Sold Current Quarter (%)[1]	54.5	48.4	55.8	6.1 (n)	– 1.3 (n)	Q2 2018
Builders' Views of Market Activity (Composite Index)	69	71	68	– 3.3% (u)	1.5% (u)	Q2 2018

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 share of previous-quarter shipments sold for residential use within four months of being shipped.

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 FINANCE and INVESTMENT						
Mortgage Interest Rates (%)						Q2 2018
30-Year Fixed Rate	4.54	4.27	3.99	0.27 (u)	0.55 (u)	
15-Year Fixed Rate	4.01	3.73	3.24	0.28 (u)	0.77 (u)	
5-Year ARM[2]	3.76	3.57	3.14	0.19 (u)	0.62 (u)	
Mortgage Delinquency Rates (%)						Q2 2018
All Loans Past Due (SA)	4.36	4.63	4.24	– 0.27 (u)	0.12 (u)	
Loans 90+ Days Past Due (SA)	1.29	1.47	1.23	– 0.18 (u)	0.06 (u)	
Seriously Delinquent (90+ Days & in FC, NSA)	2.30	2.61	2.49	– 0.31 (u)	– 0.19 (u)	
FHA Market Share[3]						Q1 2018
Dollar Volume (%)						
All Loans	12.7	13.0	14.3	– 0.3 (u)	– 1.6 (u)	
Purchase	14.2	15.1	16.4	– 0.9 (u)	– 2.2 (u)	
Refinance	10.2	9.3	11.5	0.9 (u)	– 1.3 (u)	
Loan Count (%)						
All Loans	15.6	16.0	17.4	– 0.4 (u)	– 1.8 (u)	
Purchase	17.8	18.9	20.5	– 1.1 (u)	– 2.7 (u)	
Refinance	12.1	11.4	13.5	0.7 (u)	– 1.4 (u)	
FHA Mortgage Insurance (thousands)[4]						Q2 2018
Applications Received	362.3	325.4	427.2	11.3% (u)	– 15.2% (u)	
Endorsements	252.3	235.5	305.5	7.1% (u)	– 17.4% (u)	
Purchase	202.7	166.6	230.5	21.7% (u)	– 12.0% (u)	
Refinance	49.6	68.9	75.1	– 28.0% (u)	– 33.9% (u)	
Private and VA Mortgage Insurance (thousands)						
PMI Certificates[5]	248.6	224.4	244.0	10.8% (u)	1.9% (u)	Q3 2017
Veterans Affairs Guarantees	143.7	148.4 (r)	161.0	– 3.2% (u)	– 10.8% (u)	Q2 2018
Residential Fixed Investment (SA real annual growth rate, %)	– 1.6	– 3.4 (r)	– 5.5	1.8 (u)	3.9 (u)	Q2 2018
GDP (SA real annual growth rate, %)	4.2	2.2	3.0	2.0 (u)	1.2 (u)	
Housing's Contribution to Real GDP Growth (percentage points)	– 0.06	– 0.14 (r)	– 0.22	0.08 (u)	0.16 (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.

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

[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] Source: USMI (U.S. Mortgage Insurers), the trade association for the PMI industry. The data represent PMI Certificates issued by five of the six major PMI companies: Essent (Essent Guaranty, Inc.), Genworth (Genworth Mortgage Insurance Corp.), MGIC (Mortgage Guaranty Insurance Corp.), NMI (National Mortgage Insurance Corporation), and Radian (Radian Guaranty Inc.). A sixth major PMI insurer, Arch (Arch Mortgage Insurance Co.), has not been represented since 2Q 2016.

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 2018
Overall	64.3	64.2	63.7	0.1 (n)	0.6 (n)	
Non-Hispanic						
White	72.9	72.4	72.2	0.5 (n)	0.7 (s)	
Black	42.6	43.0	43.1	– 0.4 (n)	– 0.5 (n)	
Other Race	58.5	57.0	56.4	1.5 (n)	2.1 (s)	
Two or More Races	52.4	50.8	52.8	1.6 (n)	– 0.4 (n)	
Hispanic	46.6	48.4	45.5	– 1.8 (s)	1.1 (n)	
Vacancy Rates (%)						Q2 2018
Homeowner	1.5	1.5	1.5	0.0 (n)	0.0 (n)	
Rental	6.8	7.0	7.3	– 0.2 (n)	– 0.5 (s)	
Single-Family	5.7	6.0	6.1	– 0.3 (n)	– 0.4 (n)	
Multifamily (5+)	8.4	8.2	9.0	0.2 (n)	– 0.6 (n)	
Housing Stock (thousands)						Q2 2018
All Housing Units	138,313	138,039	137,222	0.2% (u)	0.8% (u)	
Owner-Occupied	77,911	77,478	76,138	0.6% (s)	2.3% (s)	
Renter-Occupied	43,329	43,292	43,431	0.1% (n)	– 0.2% (n)	
Vacant	17,073	17,271	17,653	– 1.1% (n)	– 3.3% (s)	
Year-Round Vacant	13,103	13,156	13,455	– 0.4% (n)	– 2.6% (n)	
For Rent	3,206	3,284	3,489	– 2.4% (n)	– 8.1% (s)	
For Sale	1,163	1,168	1,207	– 0.4% (n)	– 3.6% (n)	
Rented or Sold, Awaiting Occupancy	1,185	1,035	1,269	14.5% (s)	– 6.6% (n)	
Held Off Market	7,548	7,667	7,490	– 1.6% (s)	0.8% (n)	
Occasional Use	2,105	2,242	2,226	– 6.1% (n)	– 5.4% (n)	
Occupied—URE	1,297	1,395	1,396	– 7.0% (n)	– 7.1% (n)	
Other	4,146	4,030	3,868	2.9% (n)	7.2% (s)	
Seasonal Vacant	3,970	4,114	4,199	– 3.5% (n)	– 5.5% (n)	
Households (thousands)						Q2 2018
Total	121,240	120,770	119,569	0.4% (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.

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