HUD PD&R National Housing Market Summary

Housing Market Indicators Overall Showed Progress in the Fourth Quarter

Housing market activity mostly improved in the fourth quarter of 2020 and reflected both continued economic recovery from the sharp downturn in the second quarter and new COVID-related restrictions put in place in some areas of the country. New construction rose for single-family homes but declined for multifamily housing. Purchases fell for new homes but rose for previously owned (existing) homes. The inventory of homes for sale rose for new homes but declined for existing homes. The seasonally adjusted (SA) Federal Housing Finance Agency (FHFA) and the CoreLogic Case-Shiller® repeat-sales house price indices showed annual house price increases accelerated in the fourth quarter.

Based on its National Delinquency Survey, the Mortgage Bankers Association (MBA) reported that the overall mortgage delinquency rate improved in the fourth quarter. According to ATTOM Data Solutions, both newly initiated and completed foreclosures increased in the fourth quarter but showed large declines over the past year overall. The Census Bureau reported a decrease in the national homeownership rate but cautioned that the pandemic had affected data collection procedures and the resulting estimates. According to the Bureau of Economic Analysis second estimate, the U.S. economy expanded at a seasonally adjusted annual rate (SAAR) of 4.1 percent, following a gain of 33.4 percent in the third quarter. Real residential investment, which includes investment in new homes and the remodeling of existing homes, rose 35.8 percent following a 63.0-percent advance in the third quarter and increased real GDP growth by 1.37 percentage points, following a 2.19-percentage-point increase in the third quarter.

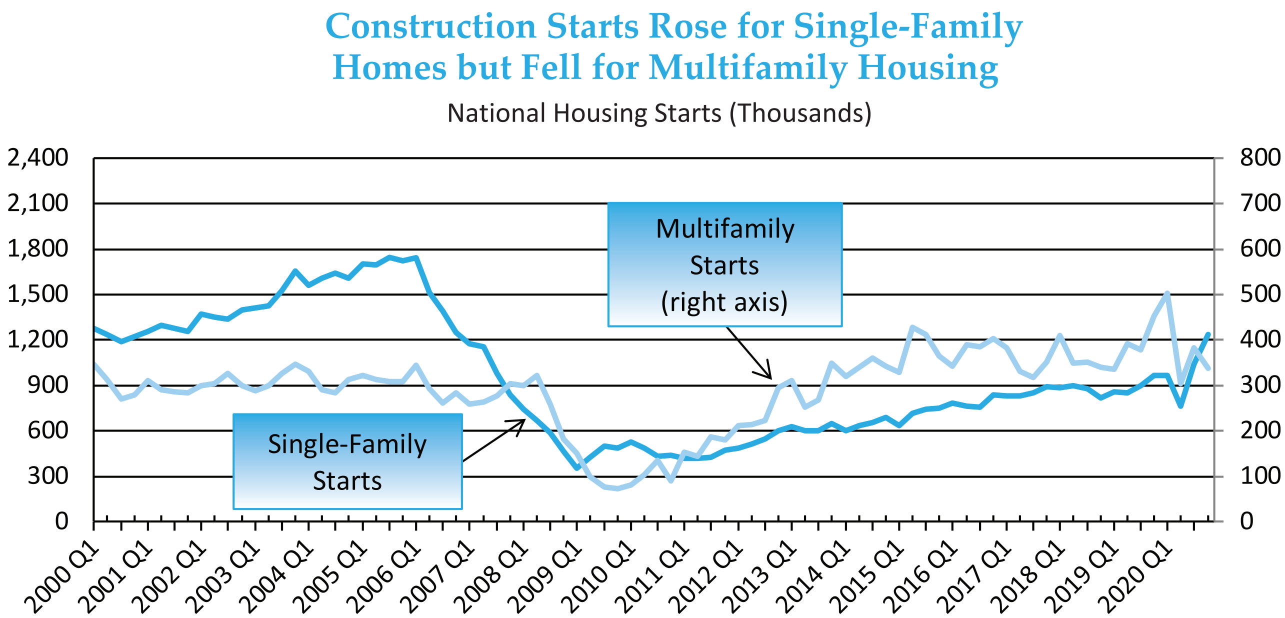
The Housing Market in 2020

Housing market conditions showed progress in 2020. Construction of new housing showed gains of 7 percent for all of 2020, with the construction of single-family homes up 12 percent and multifamily housing down 3 percent. New single-family home sales, at a full year sales pace of 815,000 in 2020, rose 19 percent, whereas existing home purchases, at 5.64 million, were up 6 percent from 2019. Inventories at the end of the year were down, with new and existing homes for sale declining at the respective rates of 8 and 24 percent. The average months' supply of new homes for sale dropped to 4.7 months from 5.8 months in 2019, and for existing homes, months' supply dropped to 3.1 months from 3.9 months. According to the MBA, the overall mortgage delinquency rate, driven by the pandemic, reached 6.74 percent for 2020, up from 4.17 percent in 2019. Based on ATTOM Data Solutions, newly initiated foreclosures and completions were down from 2019 at respective annual rates of 61 and 65 percent, resulting from pandemic-related moratoriums imposed by the federal government. The annual national homeownership rate in the fourth quarter of 2020 was likely 65.5 percent, up from 65.1 percent in the fourth quarter of 2019; the 2020 homeownership estimates were viewed with caution because COVID-related restrictions reduced in-person survey interviews. Housing affordability improved for homeowners during 2020, with the affordability of owning a home increasing 2.3 percent but declined for renters with the affordability of leasing a home falling 3.2 percent. Real residential investment increased 6.0 percent for all of 2020, following a decline of 1.7 percent for 2019.

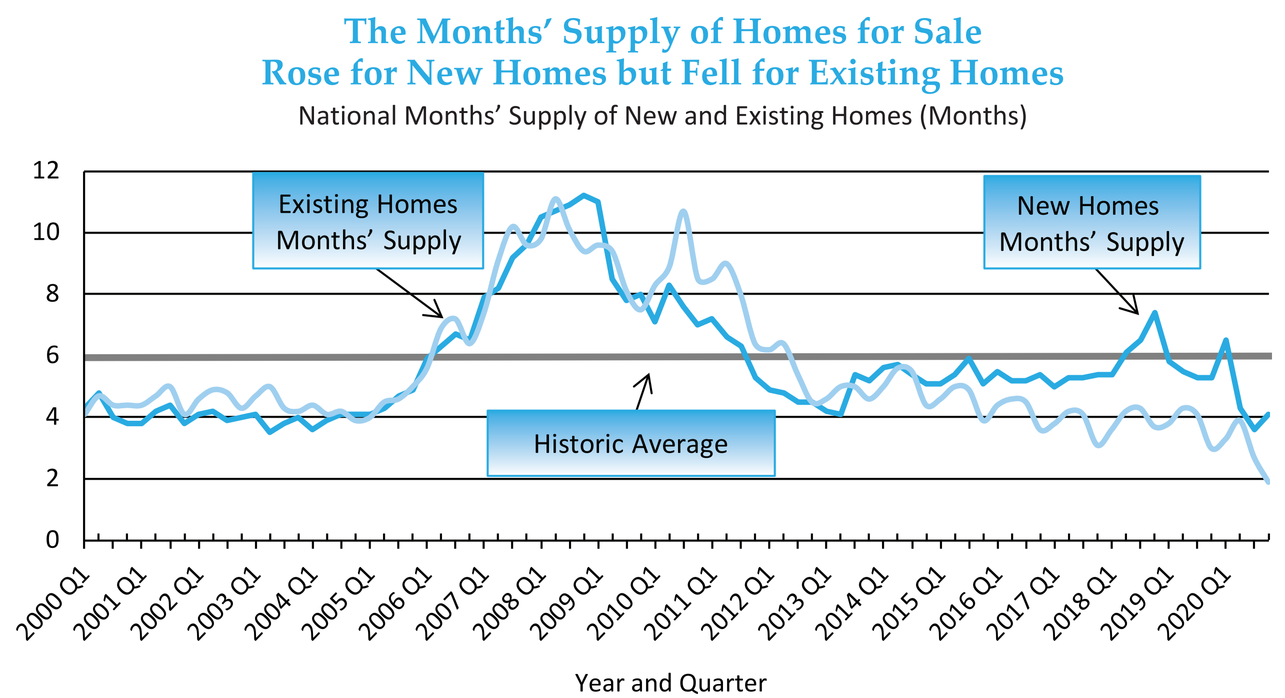
Housing Supply

New construction rose for single-family homes but fell for multifamily housing. Housing starts on single-family homes, at 1.23 million units (SAAR) in the fourth quarter of 2020, rose 18 percent from the previous quarter (1.04 million) and 27 percent from the previous year. The pace of single-family housing starts is 95 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 346,000 units (SAAR) in the fourth quarter, were down 10 percent from the previous quarter (383,000) and 23 percent from one year ago. The pace during the period prior to the housing bubble (2000-2002) was 300,000 units (AR). Single-family housing starts were slow to bounce back during the housing recovery, and their market share has oscillated since. The shares of single-family and multifamily housing starts, at respective rates of 77 and 22 percent in the fourth quarter, showed the share of single-family starts reached a pace higher than its historic norm. New construction of single-family and multifamily housing historically has averaged respective market shares of 72 and 24 percent, with two- to four-unit structures making up the rest of the market. The share of single-family housing starts had fallen to a low of 62 percent in the second quarter of 2015 from 80 percent in the years before the housing bubble (2000-2002). In contrast, because of a relatively strong rental market during the recovery period, the share of multifamily starts had grown from 18 to 37 percent during the same period.

The inventory of homes on the market rose for new homes but declined for existing homes. The listed inventory of new homes for sale at the end of the fourth quarter was 299,000 units (SA), an increase of 4 percent from the previous quarter but a decrease of 7 percent from the previous year. The supply of new homes on the market would support 4.1 months of sales at the current sales pace, up from 3.6 months the previous quarter but down from 5.3 months the previous year. The listed inventory of existing homes for sale, at 1.06 million units, was down 27 percent from 1.46 million in the third quarter and down 24 percent over the four-quarter period. That inventory represents a 1.9-month supply of homes for sale—a record low—and is down from 2.7 months at the end of the previous quarter and 3.0 months one year ago. The long-term average for months' supply of homes on the market is about 6.0 months. An increase in inventories would improve home sales because the low ratio of inventories to sales indicates that if more homes were offered for sale, they would be purchased, leading to a stronger housing market recovery. Homeowners are staying in their homes longer, which is one factor contributing to low inventories. According to the NAR 2020 Profile of Home Buyers and Sellers report, the national median number of years a homeowner owned their home before selling remained at a high of 10 years in 2020, the same as it has been since 2016. Historically, the NAR survey has found that homeowners typically remained in their homes for six to seven years. (https://www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers).



Seasonally Adjusted Annual Rate
Sources: Census Bureau and HUD.



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

Housing Demand

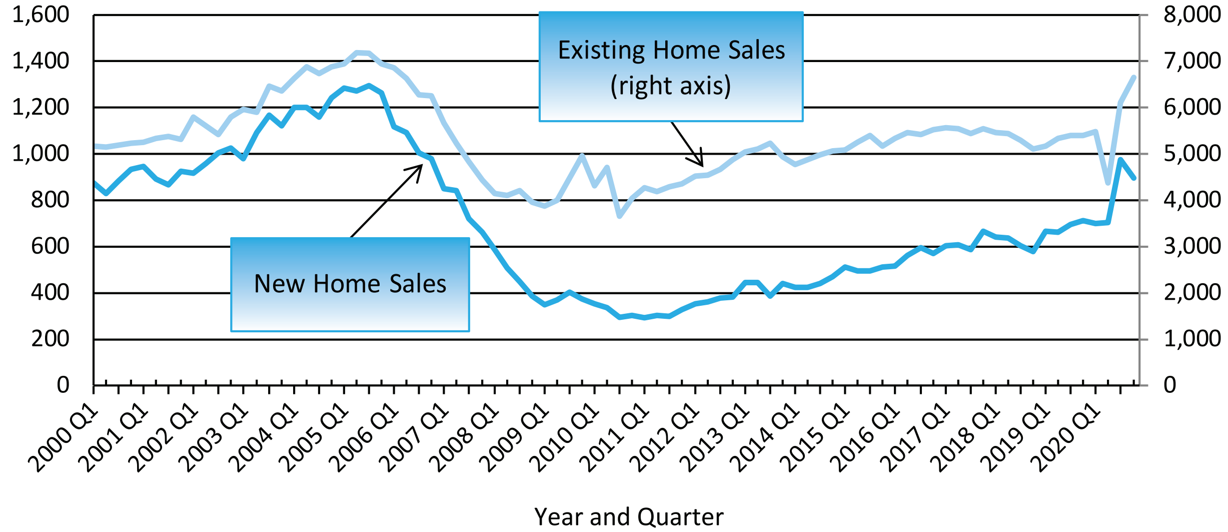
Sales fell for new homes but rose for existing homes. Purchases of new single-family homes, at 896,000 units (SAAR) in the fourth quarter, dropped 8 percent from the previous quarter but were up 26 percent over the four-quarter period. The annual pace of new home sales was 683,000 in 2019 and 815,000 in 2020. The National Association of Realtors® (NAR) reported that existing homes—including single-family homes, townhomes, condominiums, and cooperatives—sold at a pace of 6.66 million units (SAAR) in the fourth quarter, up 9 percent from 6.10 million in the previous quarter and up 23 percent from year-ago levels. Previously owned homes sold at an annual pace of 5.34 million and 5.64 million in 2019 and 2020, respectively. Sales to first-time buyers in the fourth quarter accounted for 32 percent of all sales transactions, down from 33 percent in the third quarter and below the historic norm of 39 percent. More stringent bank lending standards, low sales inventory, and slow growth in income relative to house prices have recently hampered growth in sales. Historically, existing home sales accounted for 85 percent of the market, with new home sales representing the remaining 15 percent. The share of existing home sales began to rise in 2007, reaching a high of 94 percent in 2011. The current market shares of existing and new home sales are approaching their historic norms, with respective rates of 88 and 12 percent. In terms of average sales, the ratio of existing to new home sales historically has been 6 to 1 while the current ratio is 7 to 1, although that ratio has fallen since 2011 when it reached 14 to 1.

Year-over-year house price increases accelerated, with annual returns ranging from 9 to 11 percent. The FHFA (SA) purchase-only repeat-sales house price index showed U.S. home prices appreciating at a 3.8-percent rate in the fourth quarter, up from a 3.4-percent pace in the previous quarter. House prices rose at a 10.8-percent annual pace, up from an 8.1-percent annual gain recorded for the third quarter. The CoreLogic Case-Shiller® (SA) national repeat-sales house price index estimated a 4.5-percent rise in house prices for the fourth quarter, up from a 2.1-percent rise the previous quarter. House prices increased 9.4 percent over the four-quarter period, up from the previous quarter's 5.9-percent annual return. House prices continue to increase faster than the general price level and wages, which had respective gains of 1.3 and 5.4 percent over the same four-quarter period. According to both house price indices, home prices peaked during the housing bubble in the first quarter of 2007. The FHFA index indicates that home prices are 36 percent above their previous peak, whereas the CoreLogic Case-Shiller® index shows home values 26 percent above their previous high point. The FHFA index differs from the CoreLogic Case-Shiller® index mainly because the FHFA index, unlike the CoreLogic Case-Shiller® index, is based on sales financed only with mortgages that have been sold to or guaranteed by Fannie Mae and Freddie Mac, excludes sales transactions associated with subprime and some "jumbo" loans, and is transaction weighted rather than value weighted. According to NAR, distressed sales, which tend to sell at lower prices, accounted for 1 percent of all existing home sales, down from 2 percent one year ago. Investor purchases, which tend to put upward pressure on prices, accounted for 14 percent of existing home sales, down from 16 percent one year ago.

The absorption rate rose for new condominiums and cooperatives but fell for new apartments. Of newly completed condominiums and cooperatives in the third quarter, 70 percent sold within 3 months, up from 67 percent in the previous quarter and 62 percent one year ago. Of new apartments completed in the third quarter, 53 percent were leased within the ensuing 3 months, down from 60 percent the previous quarter and 58 percent a year earlier.

Sales Fell for New Homes but Rose for Existing Homes

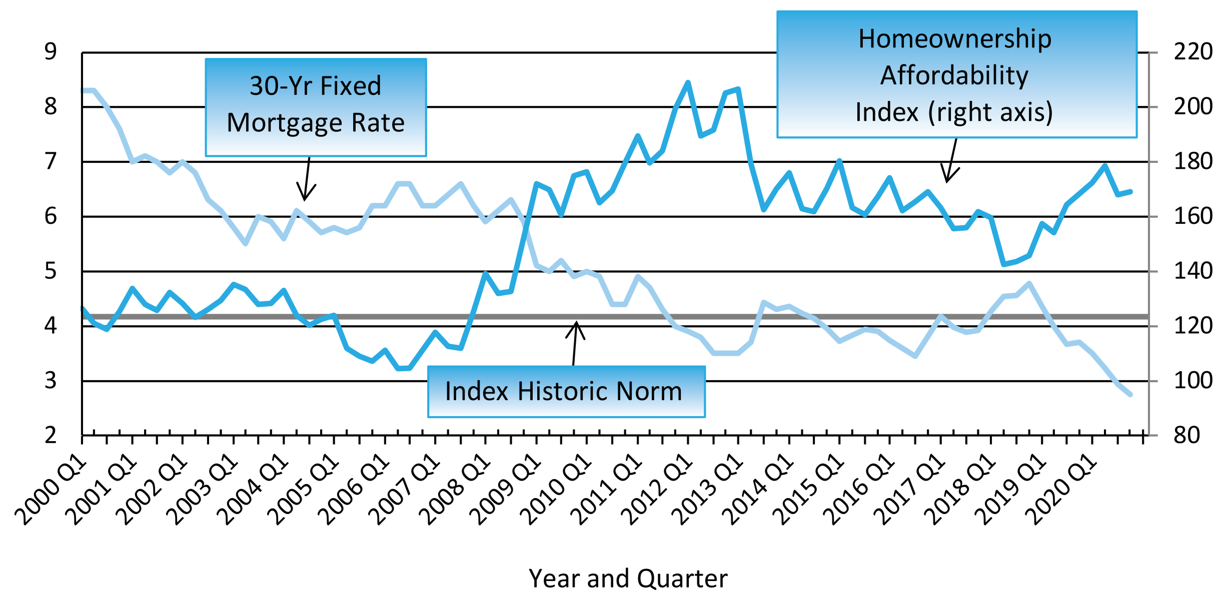
National Home Sales (Thousands)



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

Homeownership Affordability Rose in the Fourth Quarter

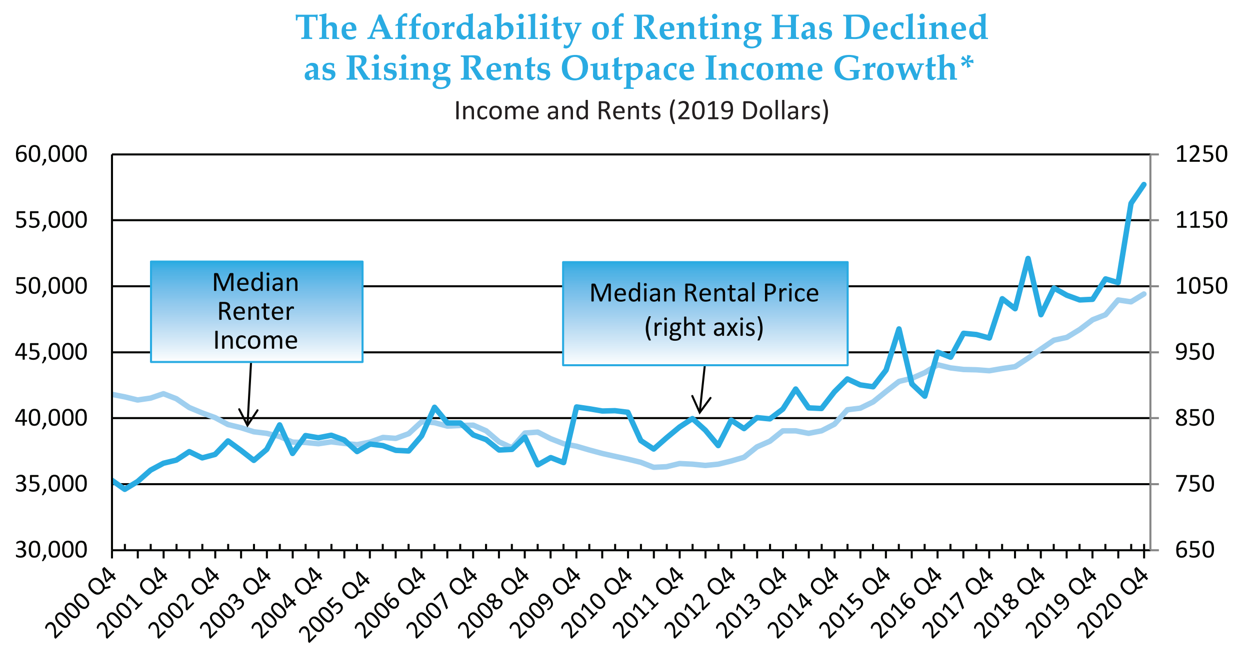
Percentage Rates and Index Values



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

The affordability of purchasing a home increased. The NAR Fixed Housing (Homeownership) Affordability Index inched up 0.6 percent to 169.0 in the fourth quarter and was up slightly (0.4 percent) from a year earlier. The increase in the ability to purchase a home resulted from a decline in the mortgage interest rate which more than offset an increase in the median price of a single-family home and a decline 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 fourth quarter of 2016. Affordability remained at lower levels as interest rates rose through mid-2018 but has improved for the most part since, as mortgage rates hover at historically low levels. The NAR Housing Affordability Index is a measure of the ability of the median-income family to purchase a median-priced home under current underwriting standards.

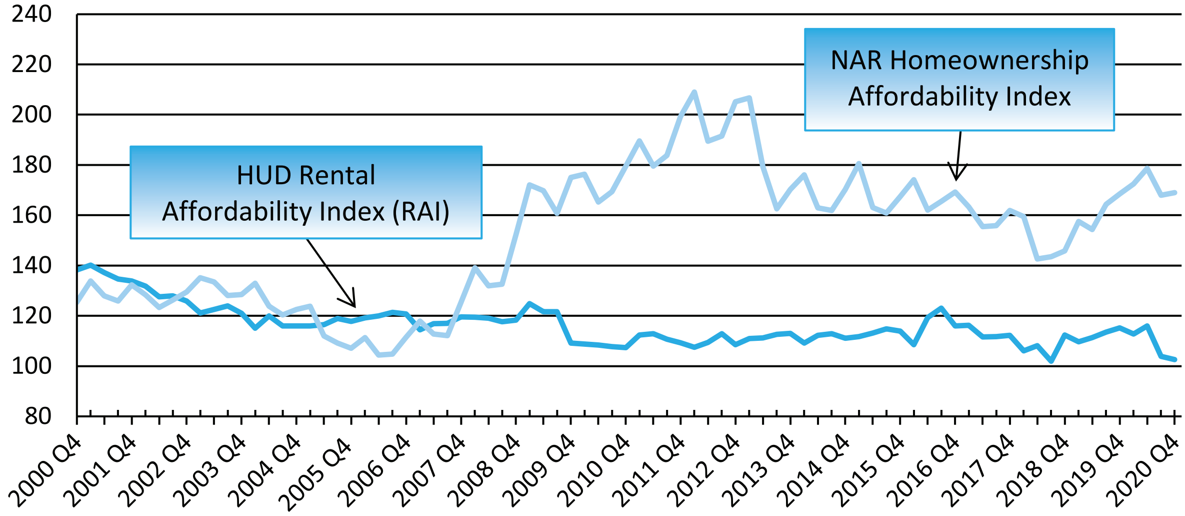
The affordability of renting a home slipped slightly, although the median rental price underlying this estimate was affected by the same pandemic-induced survey issues influencing the homeownership and vacancy rates (see Homeownership and Housing Vacancy section for more detail). HUD's Rental Affordability Index (RAI), at 102.6 in the fourth quarter, dropped 1.2 percent from 103.8 in the previous quarter and was down 11.0 percent over the four-quarter period. The decline in the affordability of leasing a home resulted from a 2.4-percent increase in the real, or inflation-adjusted, median price of leased homes, which more than offset a 1.2-percent increase in the inflation-adjusted median income of renter households. After reaching a high point the first quarter of 2001, the ability to lease a home for the most part declined until the end of 2010 and then improved modestly through the third quarter of 2016. Rental affordability has oscillated since, reaching a new low in the third quarter of 2018. The ability to rent is down 27 percent from its peak in the beginning of 2001 and up slightly (0.6 percent) from its previous low. Note that a RAI value of greater than 100 indicates that a renter household with median income has more than enough income to qualify for a median-priced rental home.



* NOTE: The Q2 through Q4 2020 Median Rental Price (MRP) estimates are based on CPS/HVS surveys conducted under COVID-19 restrictions, which may have affected the results and should be viewed with caution. See section on homeownership rates. The MRP will be revised when ACS rental price data become available.
Sources: Census Bureau ACS and 2000 Decennial Census, BLS CPI, CES and CPS/HVS, and HUD.

Rental Affordability Remains a Challenge Due to Rising Rents*

Rental and Homeownership Index Values



* NOTE: The Q2 through Q4 Median Rental Prices underlying the RAI are based on CPS/HVS surveys conducted under COVID-19 restrictions, which may have affected the results and should be viewed with caution. See homeownership rates section. The RAI will be revised when ACS rental price data become available.

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

Housing Finance and Investment

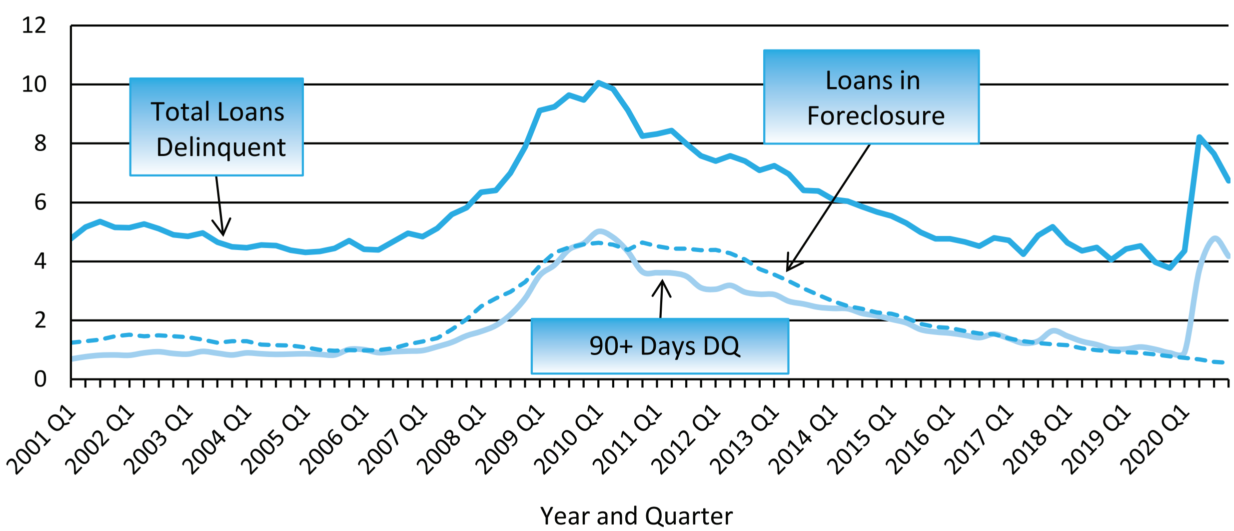
The overall mortgage delinquency rate improved in the fourth quarter. The delinquency rate on mortgages of one- to four-unit residential properties, at 6.73 percent (SA) or 3.555 million borrowers in the fourth quarter, was down from 7.65 percent in the third quarter but up from 3.77 percent one year ago, according to MBA's quarterly National Delinquency Survey (NDS). The overall delinquency rate reflects the pandemic's impact on the ability of homeowners to make their mortgage payments and forbearance policies for federally backed mortgages in response to the pandemic. Mortgage delinquency rates fell for all loan types. The conventional delinquency rate decreased to 5.09 percent from 5.93 percent; the FHA delinquency rate decreased to 14.65 percent from 15.59 percent; and the VA delinquency rate decreased to 7.29 percent from 8.16 percent. Mortgage delinquencies across the three major stages of delinquency—30-day, 60-day, and 90-day—also all declined from the previous quarter. 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 2.78 million mortgages were in forbearance at the end of the fourth quarter. However, some of those borrowers (14 percent) were up to date on their mortgage payments and, thus, would not be recorded as delinquent in the MBA NDS. Although there was a substantial drop in the overall delinquency rate in the fourth quarter, the seriously delinquent rates (90+ days delinquent or in the foreclosure process) on FHA and VA loans reached new highs, with the FHA rate rising to 11.19 percent from 10.76 percent in the third quarter and the VA rate rising to 5.96 percent from 5.77 percent the previous quarter. At 0.03 percent of active loans, the foreclosure starts rate remained unchanged and was down from 0.21 percent one year ago. The low rate reflects the federal government's forbearance plans and foreclosure moratoriums. Currently, most borrowers are protected from foreclosure for up to 18 months under the federal forbearance plans and foreclosure moratoriums that are in place until at least the end of June 2021. The historic average rate of newly initiated foreclosures is 0.45 percent. The rate of loans in the foreclosure process was 0.56 percent, down from 0.59 percent and the lowest rate since 1982.

Newly initiated and completed foreclosures rose. According to ATTOM Data Solutions®, foreclosure starts—default notices or scheduled foreclosure auctions, depending on the state—were filed for the first time on 17,210 U.S. properties in the fourth quarter, up 14 percent from the previous quarter but down 79 percent over the four-quarter period. The pre-crisis average of foreclosure starts in 2005 and 2006 was 156,800 per quarter. Lenders completed the foreclosure process (bank repossessions or REO [real estate owned] properties) on 6,560 U.S. properties in the fourth quarter, up 6 percent from the previous quarter but down 84 percent from one year ago. The pre-crisis (2005 and 2006) average of foreclosure completions was 69,400 per quarter. Moratoriums issued by the federal government on foreclosures and evictions due to the pandemic—which have been extended through at least the end of June 2021—have prevented foreclosures on most delinquent loans.

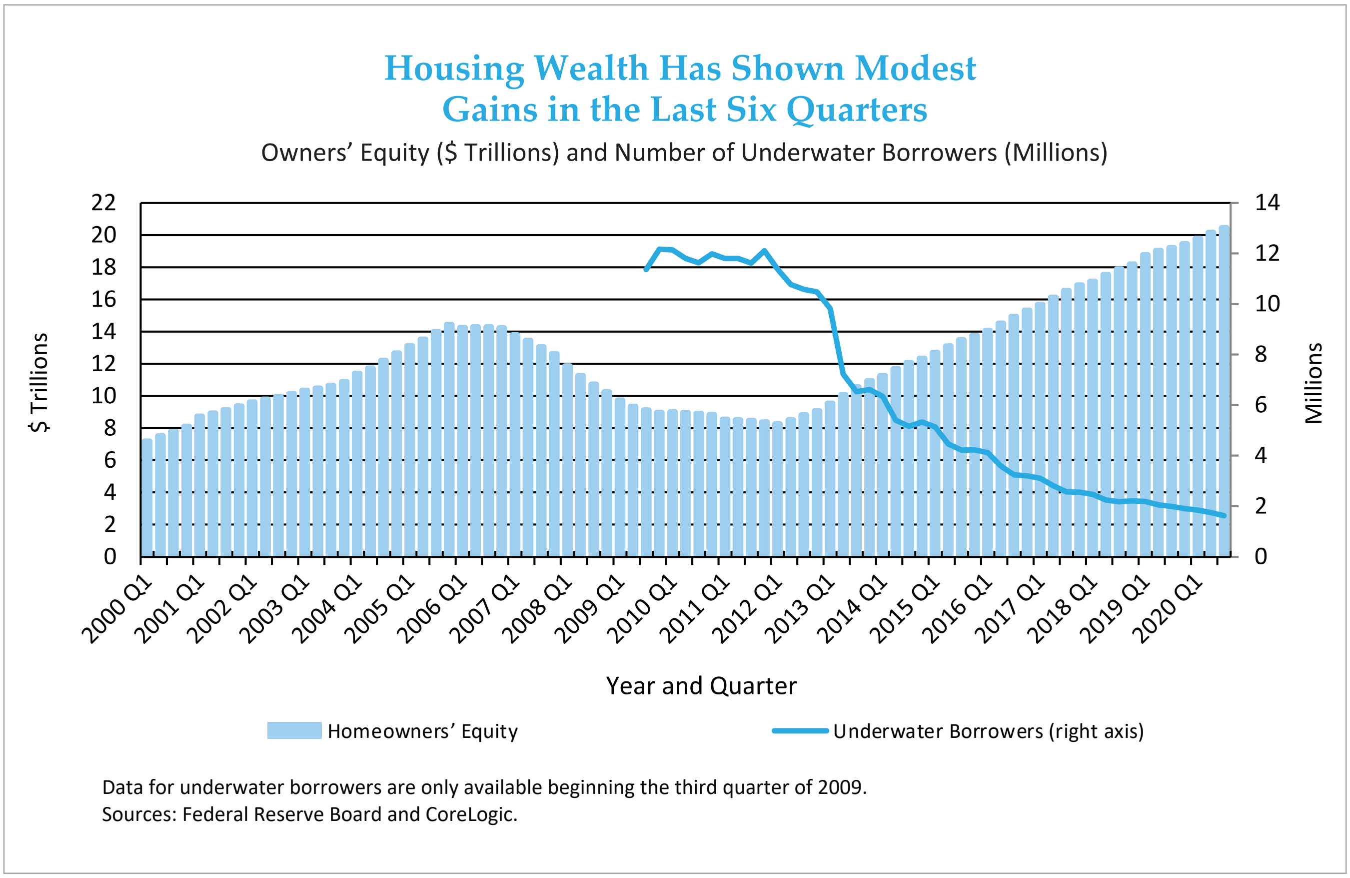
Homeowners' equity increased at a modest pace in the third quarter, and the number of underwater borrowers continued to decline. The Federal Reserve reported that homeowners' equity (total property value less mortgage debt outstanding) rose $288 billion in the third quarter of 2020 (the data are reported with a lag), to more than $20.4 trillion. During the housing bubble, equity peaked at $14.4 trillion in the fourth quarter of 2005. Owners' equity has grown by more than $12.1 trillion since the beginning of 2012, when it first began to show fairly strong gains after the Great Recession. The increase in home equity reflects house price appreciation, fewer distressed borrowers, and increased principal repayment, with house price gains the largest explanatory factor. According to CoreLogic, 1.6 million homes, or 3.0 percent of residential properties with a mortgage, were under water in the third quarter (the data are reported with a lag), down from 1.7 million homes, or 3.2 percent in the second quarter. Since the beginning of 2012, the number of underwater borrowers (those who owe more on their mortgage than the value of their home) has fallen nearly 87 percent—from 12.1 to 1.6 million—or by 10.5 million homeowners. The decline in the number of homes in negative equity puts more homeowners in a position to sell their home and could help ease the current low level of homes for sale.

The Overall Mortgage Delinquency Rate Declined

National Mortgage Delinquency and Foreclosure Inventory Rates (Percent)



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



Homeownership and Housing Vacancy

The Census Bureau reported that the U.S. homeownership rate declined to 65.8 percent in the fourth quarter. The national homeownership rate was recorded at 67.4 percent in the third quarter of 2020 and 65.1 percent one year ago. The Census Bureau views the homeownership rates in the second through fourth quarters of 2020 as a break in the series because COVID-19 prevented normal data collection procedures; the data should be viewed with caution. The Census Bureau suspended in-person interviews on March 20, 2020 and conducted the second quarter survey solely by telephone interviews. In-person interviews were incrementally added back in the third and fourth quarters with respective rates of 63 and 94 percent of the in-person interviews allowed. For a complete description of the methodology, see https://www.census.gov/housing/hvs/files/qtr420/impact_coronavirus_20q4.pdf. Analysis by the Harvard JCHS of data provided by the Census Bureau on a subset of areas where 100 percent of in-person interviews were allowed in the fourth quarter of both 2019 and 2020 suggest the U.S. homeownership rate likely increased over the past year, but by less than the amount estimated using the full data set. The data subset shows the homeownership rate increased 0.4 percentage point over the four-quarter period compared to a 0.7 percentage point increase using the full data set. This implies the homeownership rate more likely increased from 65.1 percent in 4Q 2019 to 65.5 percent in 4Q 2020 rather than 65.8 percent. See https://www.jchs.harvard.edu/blog/new-data-suggest-modest-increase-homeownership-and-household-growth-over-past-year. The historic norm for the national homeownership rate since 1965 is 65.2 percent. In the fourth quarter, the Census Bureau reported that the homeownership rate for White non-Hispanic households dropped to 74.5 percent from 75.8 percent; for Black non-Hispanic households, the rate decreased to 44.8 percent from 46.7 percent; and for Hispanic households, the rate fell to 49.1 percent from 50.9 percent. The homeownership rate declined to 59.4 percent from 61.4 percent for other-race non-Hispanic households and fell to 52.2 percent from 52.8 percent for two-or-more-races non-Hispanic households. Compared with the early 2000s, the recent relatively low homeownership rates reflect the subprime lending crisis and the high rates of unemployment and underemployment as a result of the severe 2007–2009 recession. More recently, low inventories of homes for sale, slower income growth relative to house prices, fluctuating mortgage rates, and restrictive credit markets have affected homeownership.

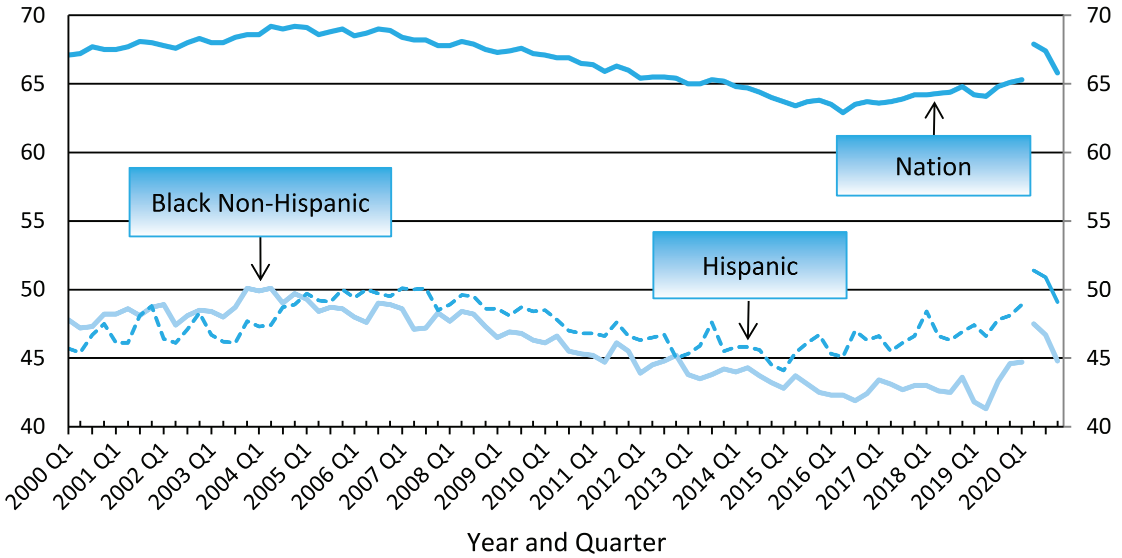
A 2020 NAR annual survey of homebuyers revealed that the share of homebuyers making their first purchase was 31 percent, down from 33 percent in their 2019 report and the lowest share since 1987 when it was 30 percent. The annual survey may somewhat overstate the share of first-time homebuyers, however,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

The rental market vacancy rate rose for single-family homes but fell for multifamily homes. The Census Bureau conducts the CPS/HVS (Current Population Survey/Housing Vacancy Survey) to collect data on homeownership rates, vacancy rates, and household growth, among other variables. The vacancy rate estimates were thus affected by the same pandemic-induced survey issues affecting the homeownership rate estimates described above. The Census Bureau estimate of the overall vacancy rate in the rental market was 6.5 percent in the fourth quarter, up from 6.4 percent the previous quarter and in the fourth quarter of 2019. The single-family rental vacancy rate rose to 4.9 percent from 4.7 percent in the third quarter but was down from 5.2 percent one year ago. Vacancies in the rental market for multifamily units (five or more units in a structure) fell to 8.5 percent from 8.7 percent in the third quarter but was up from 7.7 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 JCHS analysis of Census' supplemental data of areas with 100 percent of the in-person interviews conducted in the fourth quarter of both 2019 and 2020 examined gross vacancy rates but did not examine rental vacancy rates.

The number of households grew in 2020. The Census Bureau relies on the CPS/HVS to estimate household growth and so this estimate was also affected by the same survey issues affecting homeownership and vacancy rates. According to Census Bureau estimates, the number of U.S. households increased by 1.5 percent to 125.8 million from the fourth quarter of 2019 to the fourth quarter of 2020. The JCHS used the supplemental data provided by the Census Bureau to analyze household growth and concluded that the HVS estimate of household growth over the past year based on the full sample was inflated but possibly close to the true estimate given the margin of error for the estimate. 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 has picked up since, with an average annual growth rate of 1.1 percent from 2014 to 2019.

The National Homeownership Rates Fell in the Fourth Quarter*

National Homeownership Rates (Percent)

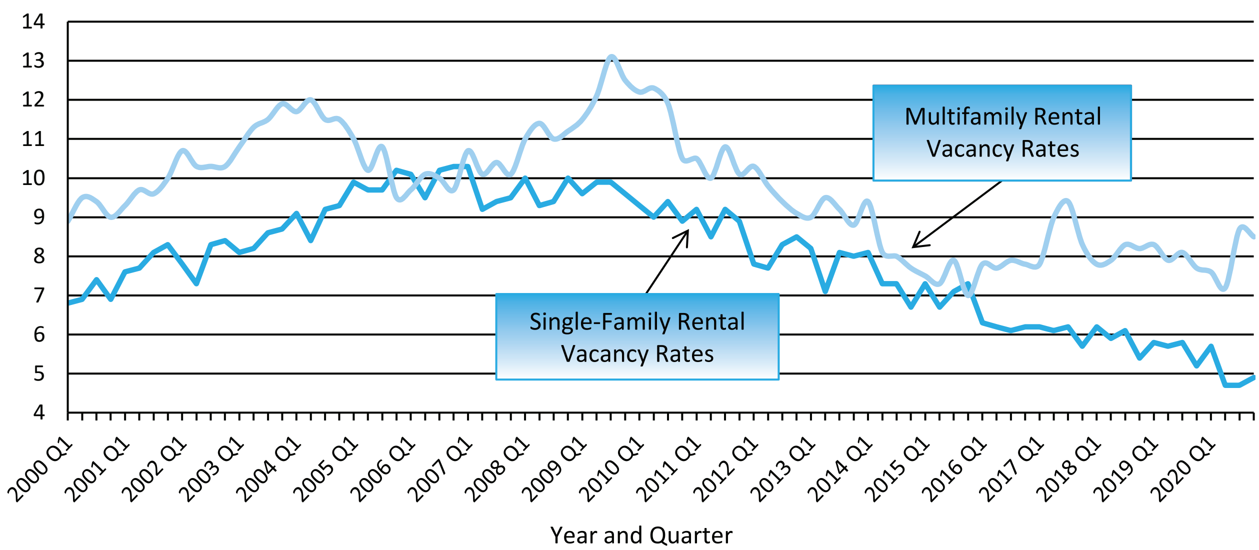


* NOTE: The Q2 through Q4 2020 homeownership rates represent a break in the series because they are based on surveys conducted under COVID-19 restrictions and should be viewed with caution. The historic norm of 65.2 percent is the average national homeownership rate since 1965.

Sources: Census Bureau, BLS and HUD.

Rental Vacancy Rates Rose for Single-Family Homes but Fell for Multifamily Homes*

National Rental Vacancy Rates (Percent)



* NOTE: The Q2 through Q4 2020 vacancy rates represent a break in the series because they are based on surveys conducted under COVID-19 restrictions and should be viewed with caution.

Sources: Census Bureau and BLS.

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

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

U.S. NATIONAL HOUSING INDICATORS

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

Indicator	Current Quarter	Previous Quarter		Year-Ago Quarter	Change From Previous Quarter		Change From Year-Ago Quarter		Current Quarter as-of Date
HOUSING SUPPLY									
Housing Permits (SAAR, thousands)									Q4 2020
Total	1,628	1,501	(r)	1,490	8.5%	(s)	9.3%	(s)	
Single-Family	1,163	1,043	(r)	935	11.5%	(s)	24.4%	(s)	
Multifamily (5+)	413	412	(r)	511	0.3%	(s)	-19.2%	(s)	
Housing Starts (SAAR, thousands)									Q4 2020
Total	1,588	1,432	(r)	1,433	10.9%	(s)	10.8%	(s)	
Single-Family	1,228	1,037	(r)	964	18.4%	(s)	27.4%	(s)	
Multifamily (5+)	346	383	(r)	452	-9.7%	(s)	-23.5%	(s)	
Under Construction (SA, thousands)									Q4 2020
Total	1,272	1,215	(r)	1,183	4.7%	(n)	7.5%	(s)	
Single-Family	613	542	(r)	527	13.1%	(s)	16.3%	(s)	
Multifamily (5+)	649	662	(r)	644	-2.0%	(n)	0.8%	(s)	
Housing Completions (SAAR, thousands)									Q4 2020
Total	1,313	1,322	(r)	1,269	-0.7%	(s)	3.5%	(s)	
Single-Family	907	918	(r)	913	-1.2%	(n)	-0.7%	(s)	
Multifamily (5+)	392	393	(r)	349	-0.3%	(s)	12.3%	(s)	
New Homes for Sale (SA)									Q4 2020
Inventory (thousands)	299	287	(r)	322	4.2%	(s)	-7.1%	(s)	
Months' Supply (months)	4.1	3.6	(r)	5.3	13.9%	(n)	-22.6%	(s)	
Existing Homes for Sale									Q4 2020
Inventory (NSA, thousands)	1,060	1,460		1,390	-27.4%	(u)	-23.7%	(u)	
Months' Supply (months)	1.9	2.7		3.0	-29.6%	(u)	-36.7%	(u)	
Manufactured Home Shipments (SAAR, thousands)	100.3	95.0	(r)	98.0	5.6%	(u)	2.3%	(u)	Q4 2020

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

U.S. NATIONAL HOUSING INDICATORS (continued)

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

Indicator	Current Quarter	Previous Quarter	Year-Ago Quarter	Change From Previous Quarter	Change From Year-Ago Quarter	Current Quarter as-of Date
HOUSING DEMAND						
Home Sales (SAAR)						Q4 2020
New Homes Sold (thousands)						
Single-Family	896	974 (r)	711	-7.9% (s)	26.1% (s)	
Existing Homes Sold (thousands)						
Single-Family, Townhomes, Condos, Co-ops	6,657	6,103 (r)	5,397	9.1% (u)	23.3% (u)	
Condos and Co-ops	720	627 (r)	583	14.9% (u)	23.4% (u)	
First-Time Buyers (%)	32	33	31	-1 (u)	0 (u)	
Investor Sales (%)	14	14	16	0 (u)	-2 (u)	
Home Sales Prices						Q4 2020
Median ($)						
New Homes	346,800	337,500	327,100	-7.9% (u)	-4.9% (u)	
Existing Homes	311,000	309,167 (r)	272,267	0.6% (u)	14.2% (u)	
Repeat-Sales Home Price Indices						
FHFA (SA)	305.1	293.9	275.5	3.8% (u)	10.8% (u)	
CoreLogic Case-Shiller (SA)	232.6	222.6 (r)	212.5	4.5% (u)	9.4% (u)	
Homeownership Affordability						Q4 2020
Fixed Index	169.0	167.9 (r)	168.4	0.6% (u)	0.4% (u)	
National Average Mortgage Interest Rate (%)	2.8	3.0	3.8	-6.6% (u)	-0.9 (u)	
Median-Priced Existing Single-Family Home ($)	315,700	313,433 (r)	274,967	0.7% (u)	14.8% (u)	
Median Family Income ($)	84,313	85,331 (r)	82,421	-1.2% (u)	2.3% (u)	
Rental Affordability						
HUD's Rental Affordability Index[1]	102.6	103.8 (r)	115.2	-1.2% (u)	-11.0% (u)	Q4 2020
Multifamily Housing						
Apartments						
Completed Previous Quarter (thousands)	93.1	69.2 (r)	73.3	34.5% (s)	Z (s)	Q3 2020
Leased Current Quarter (%)	53	60 (r)	58	-7.0 (s)	-5.0 (s)	Q4 2020
Median Asking Rent ($)	1,650	1,581 (r)	1,676	4.4% (n)	-1.6% (n)	
Condos and Co-ops						
Completed Previous Quarter (thousands)	6.6	2.5 (r)	7.8	164.8% (s)	-15.6% (n)	Q3 2020
Sold Current Quarter (%)	70	67 (r)	62	3.0 (n)	8.0 (n)	Q4 2020
Median Asking Price ($)	626,900	649,300 (r)	445,900	-3.4% (n)	40.6% (s)	
Manufactured Home Placements (sales at SAAR, thousands)						
Shipped Previous Quarter (thousands)	94.7	81.3 (r)	96.3	9.6% (u)	-26.7% (u)	Q3 2020
Sold Current Quarter (%)[2]	70.6	64.4	68.4	13.4 (s)	26.3 (s)	Q4 2020
Builders' Views of Market Activity (Composite Index)	87	78 (r)	73	12.0% (u)	19.2% (u)	Q4 2020

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

U.S. NATIONAL HOUSING INDICATORS (continued)

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

Indicator	Current Quarter	Previous Quarter		Year-Ago Quarter	Change From Previous Quarter		Change From Year-Ago Quarter		Current Quarter as-of Date
HOUSING FINANCE and INVESTMENT									
Mortgage Interest Rates (%)									Q4 2020
30-Year Fixed Rate	2.76	2.95		3.70	-0.19	(u)	-0.94	(u)	
15-Year Fixed Rate	2.29	2.46		3.16	-0.17	(u)	-0.87	(u)	
5-Year ARM[3]	2.89	2.97		3.25	-0.08	(u)	-0.36	(u)	
Mortgage Delinquency Rates (%)									Q4 2020
All Loans Past Due (SA)	6.73	7.65		3.77	-0.92	(u)	2.96	(u)	
Loans 90+ Days Past Due (SA)	4.18	4.78		0.90	-0.60	(u)	3.28	(u)	
Seriously Delinquent (90+ Days DQ & in FC, NSA)	5.03	5.16		1.76	-0.13	(u)	3.27	(u)	
FHA Market Share[4]									
Dollar Volume (%)									Q3 2020
All Loans	9.8	7.5		11.1	2.4	(u)	-1.3	(u)	
Purchase	13.6	12.1	(r)	13.1	1.5	(u)	0.5	(u)	
Refinance	6.4	4.7		8.4	1.7	(u)	-2.0	(u)	
Loan Count (%)									
All Loans	12.5	9.5	(r)	14.0	3.0	(u)	-1.5	(u)	
Purchase	17.6	15.4	(r)	16.4	2.2	(u)	1.2	(u)	
Refinance	8.1	5.9	(r)	10.5	2.2	(u)	-2.4	(u)	
FHA Mortgage Insurance (thousands)[5]									Q4 2020
Applications Received	460.0	495.2	(r)	405.71	-7.1%	(u)	13.4%	(u)	
Endorsements	357.6	359.2		325.51	-0.4%	(u)	9.9%	(u)	
Purchase	228.2	234.5		197.38	-2.7%	(u)	15.6%	(u)	
Refinance	129.5	124.8		128.14	3.8%	(u)	1.0%	(u)	
Private and VA Mortgage Insurance (thousands)									Q4 2020
PMI Certificates		NA			NA	(u)	NA	(u)	
Veterans Affairs Guarantees	398.9	379.0		256.7	5.2%	(u)	55.4%	(u)	
Residential Fixed Investment (SA real annual growth rate, %)	35.8	63.0	(r)	5.80	-27.2	(u)	30.0	(u)	Q4 2020
GDP (SA real annual growth rate, %)	4.10	33.40	(r)	2.40	-29.3	(u)	1.7	(u)	
Housing's Contribution to Real GDP Growth (percentage points)	1.37	2.19	(r)	0.22	-0.82	(u)	1.15	(u)	

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NA = not available. ARM = adjustable-rate mortgage. DQ = delinquent. FC = foreclosure. FHA = Federal Housing Administration. VA = U.S. Department of Veterans Affairs.
PMI = private mortgage insurance. GDP = Gross Domestic Product. URE = usual residence elsewhere.
Note: Components may not add to totals because of rounding.
[3] Commitment (advertised) rates on the 5-Yr ARM are now reported in place of rates on the 1-Yr ARM. Freddie Mac discontinued surveying lenders on the 1-Yr ARM as of January 2016.
[4] FHA market share estimates are based on new methodology beginning with the Q3 2013 report; estimates were revised back through Q1 2011. See the FHA Market Share report on their website for an explanation of the new methodology: http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/rmra/oe/rpts/fhamktsh/fhamktqtrly.
[5] FHA mortgage applications and endorsements data have been revised to exclude Home Equity Conversion Mortgages (HECM) beginning with the Q3 2013 release.
[6] The Q2 - Q4 2020 data on homeownership and vacancy rates, housing stock, and households should be viewed with caution. The data are based on the BLS Current Population Survey/Housing Vacancy Survey conducted by the Census Bureau and represent a break in the series because the surveys were conducted under COVID-19 restrictions that prevented normal data collection procedures. In-person interviews were suspended on March 20, 2020 and the Q2 survey was conducted solely by telephone interviews. In-person interviews were incrementally added back for the Q3 and Q4 surveys with respective rates of 63 and 94 percent of the in-person interviews allowed. See https://www.census.gov/housing/hvs/files/qtr420/impact_coronavirus_20q4.pdf.

U.S. NATIONAL HOUSING INDICATORS

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

Indicator	Current Quarter	Previous Quarter	Year-Ago Quarter	Change From Previous Quarter		Change From Year-Ago Quarter		Current Quarter as-of Date
HOMEOWNERSHIP and OCCUPANCY								
Homeownership Rates (%)[6]								Q4 2020
Overall	65.8	67.4	65.1	-1.6	(u)	0.7	(u)	
Non-Hispanic								
White	74.5	75.8	73.7	-1.3	(u)	0.8	(u)	
Black	44.8	46.7	44.6	-1.9	(u)	0.2	(u)	
Other Race	59.4	61.4	57.1	-2.0	(u)	2.3	(u)	
Two or More Races	52.2	52.8	53.7	-0.6	(u)	-1.5	(u)	
Hispanic	49.1	50.9	48.1	-1.8	(u)	1.0	(u)	
Vacancy Rates (%)[6]								Q4 2020
Homeowner	1.0	0.9	1.4	0.1	(u)	-0.4	(u)	
Rental	6.5	6.4	6.4	0.1	(u)	0.1	(u)	
Single-Family	4.9	4.7	5.2	0.2	(u)	-0.3	(u)	
Multifamily (5+)	8.5	8.7	7.7	-0.2	(u)	0.8	(u)	
Housing Stock (thousands)[6]								Q4 2020
All Housing Units	141,241	140,949	140,074	0.2%	(u)	0.8%	(u)	
Owner-Occupied	82,808	85,440	80,676	-3.1%	(u)	2.6%	(u)	
Renter-Occupied	42,997	41,262	43,275	4.2%	(u)	-0.6%	(u)	
Vacant	15,437	14,246	16,123	8.4%	(u)	-4.3%	(u)	
Year-Round Vacant	11,791	10,686	12,422	10.3%	(u)	-5.1%	(u)	
For Rent	3,005	2,864	3,002	4.9%	(u)	0.1%	(u)	
For Sale	841	821	1,146	2.4%	(u)	-26.6%	(u)	
Rented or Sold, Awaiting Occupancy	1,021	923	981	10.6%	(u)	4.1%	(u)	
Held Off Market	6,924	6,078	7,293	13.9%	(u)	-5.1%	(u)	
Occasional Use	2,070	1,859	2,157	11.4%	(u)	-4.0%	(u)	
Occupied—URE	1,264	961	1,262	31.5%	(u)	0.2%	(u)	
Other	3,590	3,258	3,874	10.2%	(u)	-7.3%	(u)	
Seasonal Vacant	3,646	3,561	3,701	2.4%	(u)	-1.5%	(u)	
Households (thousands)[6]								Q4 2020
Total	125,805	126,703	123,951	-0.7%	(s)	1.5%	(u)	

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