HUD PD&R
National Housing Market Summary

Housing Market Indicators Overall Showed Less Progress in the First Quarter

Housing market activity had mixed results in the first quarter of 2018. Construction starts rose for multifamily housing but fell slightly for single-family homes. Home purchases remained about the same for new single-family homes but declined for previously owned (existing) homes. The months' supply of homes for sale rose for existing homes but dropped for new 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 in the first quarter, with annual house price appreciation ranging between 6 to 7 percent.

Based on its National Delinquency Survey, the Mortgage Bankers Association (MBA) reported that the overall delinquency rate dropped in the first quarter as the impact from the 2017 hurricanes lessened. ATTOM Data Solutions® reported that both newly initiated and completed foreclosures declined. The national homeownership rate stayed the same after increasing for three consecutive quarters. According to the Bureau of Economic Analysis' second estimate, the U.S. economy expanded at a seasonally adjusted annual rate (SAAR) of 2.2 percent, following a 2.9-percent gain in the fourth quarter. Real residential investment, which includes investment in new homes and the remodeling of existing homes, fell 2.0 percent following a 12.8-percent advance in the fourth quarter and decreased real GDP growth by 0.08 percentage point following a 0.46-percentage-point gain in the fourth quarter.

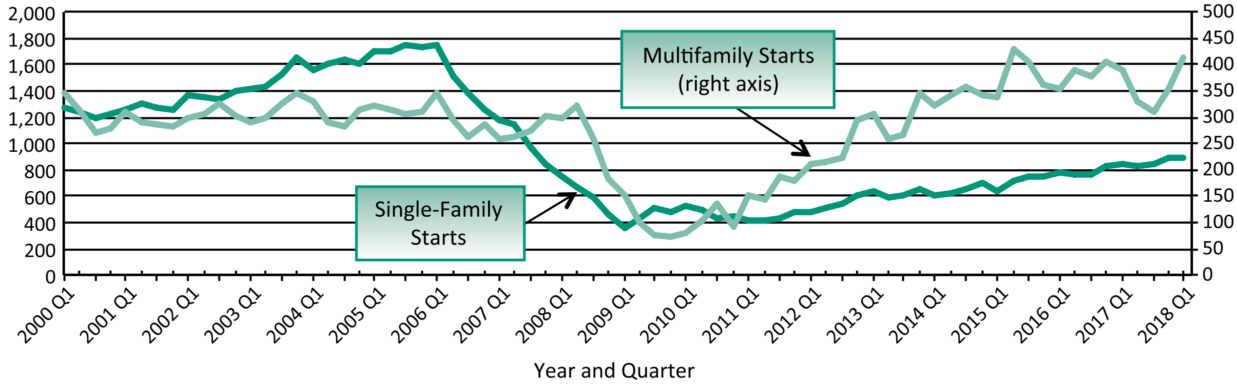
Housing Supply

Construction of multifamily housing climbed sharply but fell for single-family homes. Construction starts on single-family homes, at 893,000 units (SAAR) in the first quarter of 2018, were down slightly (0.1 percent) from the previous quarter but up 7 percent from the previous year. The pace of single-family housing starts is now 69 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 412,000 units (SAAR) in the first quarter, were up 16 percent from the previous quarter and 7 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 slower to bounce back during the housing recovery, but their share of the market has moved much closer to the historic average. The share of single-family housing starts was 68 percent in the first quarter of 2018, with the share of multifamily starts at 31 percent. Single-family and multifamily starts historically have 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 from a record low for previously owned homes but fell for new homes. The listed inventory of new homes for sale at the end of the first quarter was 298,000 units (SA), which would support 5.3 months of sales at the current sales pace, down from 5.5 months in the previous quarter but up from 5.0 months the previous year. The listed inventory of existing homes for sale, at 1.64 million units, represents a 3.5-month supply of homes for sale, up from a record low of 3.2 months at the end of the fourth quarter (records date back to 1999) but down from 3.8 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.

Multifamily Housing Starts Had a Steep Increase for a Second Straight Quarter

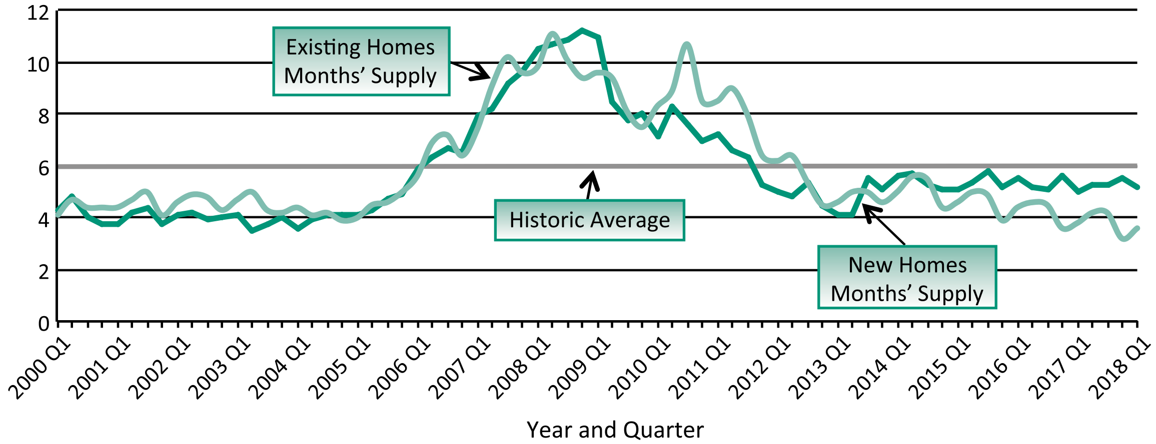
National Housing Starts (Thousands)



Seasonally Adjusted Annual Rate
Sources: Census Bureau and HUD.

The Months' Supply of Homes for Sale Rose for Existing Homes but Fell for New Housing

National Months' Supply of New and Existing Homes (Months)



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

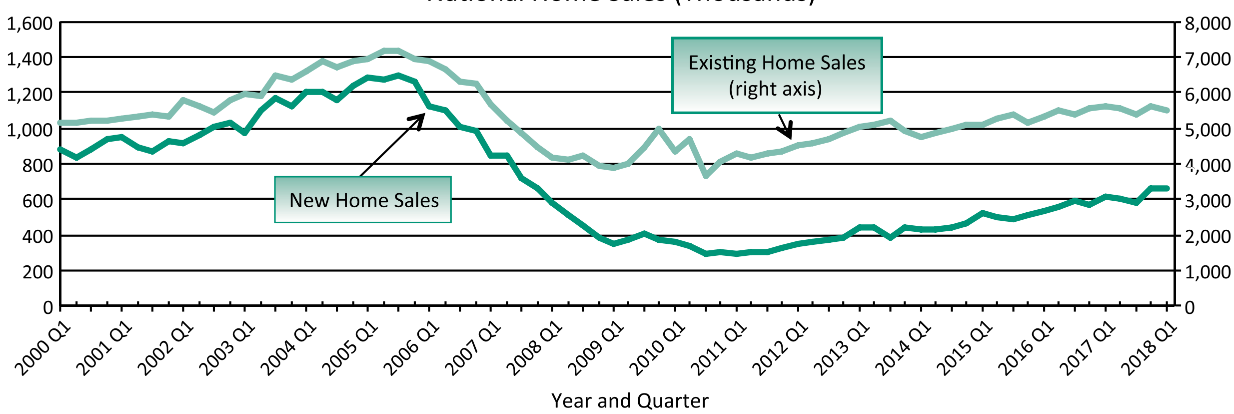
Housing Demand

Sales remained virtually the same for new homes but fell for existing housing. Purchases of new single-family homes, at 655,000 units (SAAR) in the first quarter, were virtually the same as the previous quarter but 6 percent above the previous year. New home sales remain well below the average annual pace of 919,000 units during the years 2000–2002, before the start of the housing bubble, however. The National Association of Realtors® (NAR) reported that existing homes—including single-family homes, townhomes, condominiums, and cooperatives—sold at a pace of 5.5 million (SAAR) in the first quarter, down 2 percent from both the previous quarter and year-ago levels. The new federal tax law for 2018 is likely to have depressed home sales somewhat in the first quarter because some prospective buyers had an incentive to close deals before the new restriction on the mortgage interest deduction took effect on December 15, 2017. During the years prior to the housing bubble (2000–2002), existing homes sold at an average annual pace of 5.2 million units. Sales to first-time buyers accounted for 29 percent of all sales transactions in the first quarter, down from 31 percent in the previous quarter and well below the new historic norm of 39 percent. The weakness in sales reflects more stringent bank lending standards, low sales inventory, and slow growth in income relative to house prices. Rising interest rates may also limit progress in the sales market. 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, 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.

Annual house price gains range about 6 to 7 percent. The FHFA (SA) purchase-only repeat-sales house price index showed U.S. home prices appreciating at a 1.7-percent rate in the first quarter, the same as in the fourth quarter of 2017. House prices rose at a 6.9-percent annual pace, slightly higher than the 6.8-percent annual gain in the fourth quarter. The CoreLogic Case-Shiller® (SA) national repeat-sales house price index estimated a 1.8-percent rise in house prices for the first quarter, down from a 2.0-percent gain in the previous quarter. House prices rose over the four-quarter period by 6.4 percent, showing a slight acceleration over the previous quarter's 6.1-percent annual gain. House prices continue to increase faster than inflation, which rose at an annual pace of 2.2 percent over the same four-quarter period. According to both indices, house prices peaked during the bubble in the first quarter

Sales Rose Slightly for New Homes

National Home Sales (Thousands)



Seasonally Adjusted Annual Rates

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

of 2007. The FHFA index indicates that home prices are 14.5 percent above their previous peak, whereas the CoreLogic Case-Shiller® index shows home values 8.4 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 4 percent of all existing home sales, down from 7 percent one year ago. Investor purchases, which tend to put upward pressure on prices, accounted for 16 percent of existing home sales, the same as one year ago.

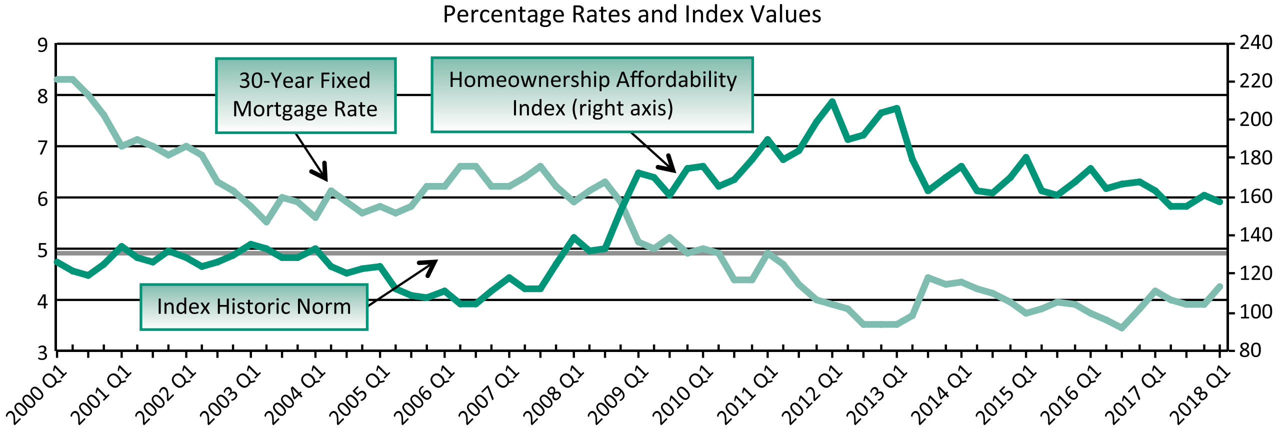
The absorption rate continued to rise for new condominiums and cooperatives but fell slightly for new apartments. Of newly completed condominiums and cooperatives in the fourth quarter, 79 percent sold within 3 months, up from 68 percent in the previous quarter and 36 percent one year ago. Of new apartments completed in the fourth quarter, 54 percent were leased within the ensuing 3 months, down slightly from 55 percent in the previous quarter but up from 51 percent a year earlier.

The affordability of owning a home decreased. The NAR Composite Housing (Homeownership) Affordability Index fell 1.8 percent to 157.8 in the first quarter from 160.6 in the previous quarter and was down 3.5 percent from a year earlier. The first-quarter decrease in the ability to purchase a home resulted from a rise in the national average interest rate that more than offset a decline in the median price of a single-family home and an increase in Median Family Income. The homeownership affordability index peaked in the first quarter of 2012, at 209.8, 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 first quarter is still above its historic norm of 130, 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. An index value of greater than 100 means that a family with median-income has more income than the amount needed to purchase the median-priced home.

The ability to lease a home dropped. HUD's Rental Affordability Index, at 108.4 in the first quarter, fell 4.1 percent from the previous quarter and was down 7.0 percent over the four-quarter period. The decrease in the affordability of renting a home resulted from a 3.9-percent rise in the real, or inflation-adjusted, median price of a rental home and a 0.3-percent drop in the inflation-adjusted

Homeownership Affordability Declined

Percentage Rates and Index Values

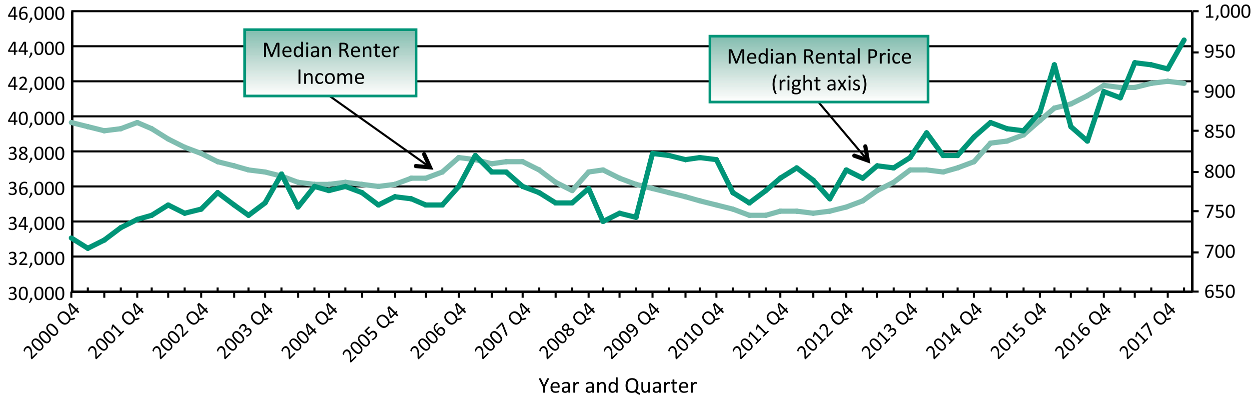


The historical norm of 130 is the median value of the affordability index since 1989.
Sources: Fredie Mac and National Association of Realtors®.

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 1 percent since. In contrast, the affordability of purchasing a home rose 101 percent from its low in mid-2006 to its peak in the beginning of 2012 and has declined 25 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 52 percent since. HUD's Rental Affordability Index is a measure of the ability of a median-income renter household to lease a median-priced rental unit under typical leasing standards. An index value of greater than 100 means that a renter household with median-income has more income than the amount required to lease a median-priced rental unit.

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

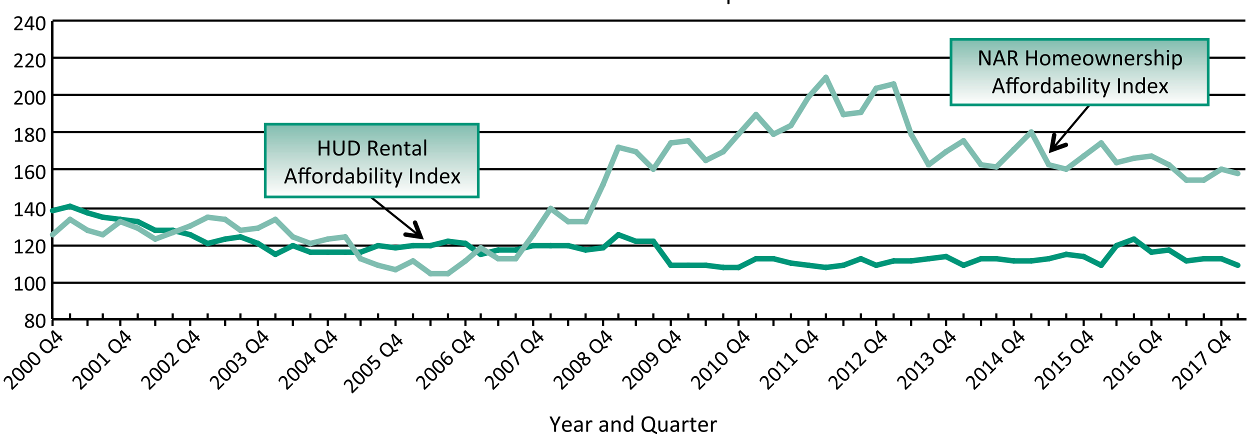
Income and Rents (2017 Dollars)



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

Rental Affordability Remains a Challenge Due to Rising Rents

Rental and Homeownership Index Values



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

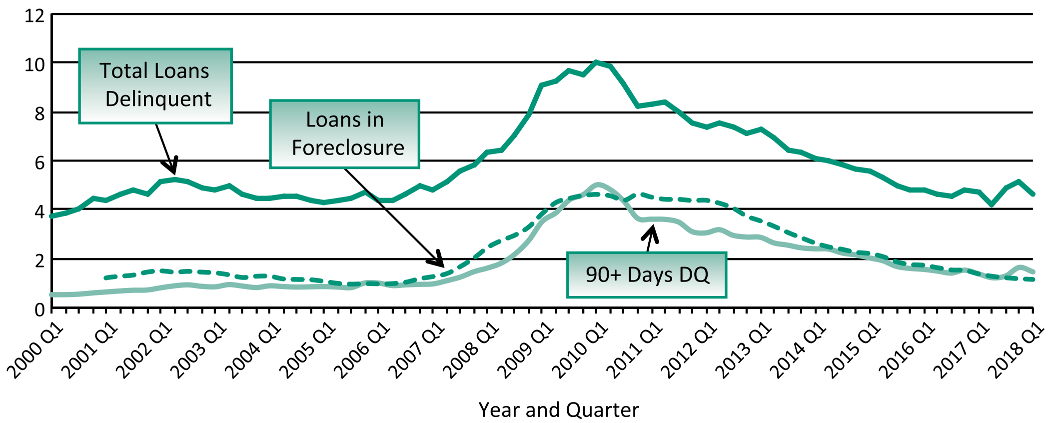
Housing Finance and Investment

Delinquencies were down in the first quarter. The delinquency rate on mortgages of one- to four-unit residential properties decreased to a seasonally adjusted rate of 4.63 percent in the first quarter of 2018, according to data from MBA's National Delinquency Survey. The overall delinquency rate was 5.17 percent in the fourth quarter and 4.71 percent one year ago; its historic average is 5.36 percent. The 2017 summer hurricanes impacted the 60- and 90-day delinquency rates in the fourth quarter, which accounted for the increase in the overall delinquency rate in that quarter. The impact of the hurricanes on delinquencies in the first quarter was smaller. Mortgage delinquencies fell for all loan types—conventional, FHA, and VA—compared to the fourth quarter. The conventional delinquency rate declined from 4.19 percent to 3.78 percent; the FHA delinquency rate dropped from 10.38 percent to 9.02 percent; and the VA delinquency rate fell from 4.49 percent to 4.32 percent. Seriously delinquent loans (those 90 or more days delinquent or in the foreclosure process) for all loan types declined to 2.61 percent from 2.91 percent in the fourth quarter and 2.76 percent in the first quarter of 2017. Foreclosure starts, at 0.28 percent of active loans, were up from 0.25 percent in the previous quarter but down from 0.30 percent one year ago. Foreclosure starts are 17 basis points below their historic average of 0.45 percent. The percentage of loans in the foreclosure process at the end of the first quarter was 1.16 percent, down from 1.19 percent in the previous quarter and 1.39 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 25 percent of its peak in the fourth quarter of 2010 (4.64 percent), during the worst of the foreclosure crisis. 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 the 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.

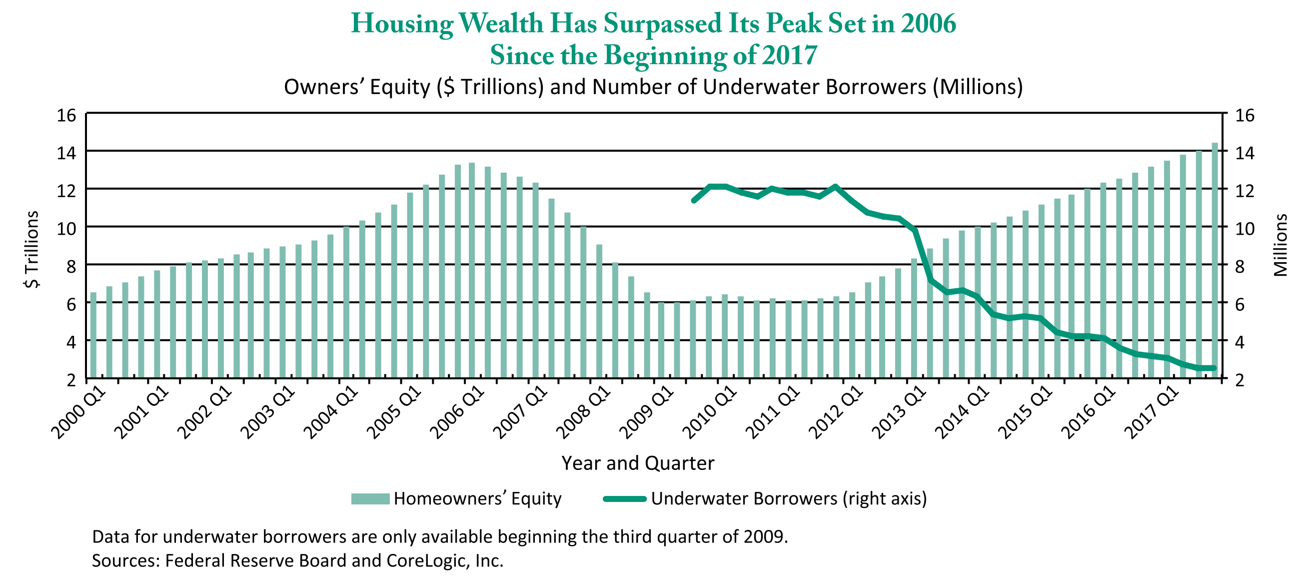
Foreclosure starts and completions fell. ATTOM Data Solutions® reported that foreclosure starts—default notices or scheduled foreclosure auctions, depending on the state—were filed for the first time on 73,900 U.S. properties in the first quarter, down 14 percent from the previous quarter and 28 percent over the four-quarter period. The precrisis 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 65,400 U.S. properties in the first quarter, down 2 percent from the previous quarter and 28 percent from one year ago. This is the third consecutive

The Overall Mortgage Delinquency Rate Fell After Impact of Hurricanes in Previous Quarter

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.



quarter that foreclosure completions fell below their precrisis (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.

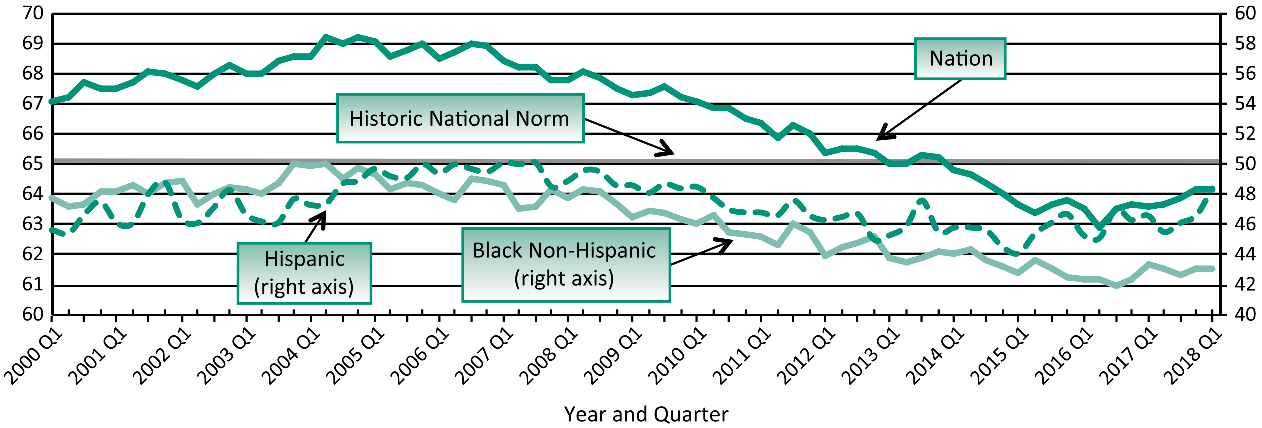
Homeowners' equity had another increase, while the number of underwater borrowers continued to decline in the fourth quarter. The Federal Reserve reported that homeowners' equity (total property value less mortgage debt outstanding) rose $375 billion in the fourth quarter of 2017 (the data are reported with a lag), to more than $14.4 trillion. During the housing bubble, equity peaked at $13.4 trillion in the first quarter of 2006. Owners' equity has grown by more than $8.1 trillion since the beginning of 2012, when it began to show fairly strong gains. 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, 2.5 million homes, or 4.9 percent of residential properties with a mortgage, were under water in the fourth quarter (the data are reported with a lag), down from 2.6 million (also 4.9 percent) in the third quarter and 3.2 million, or 6.3 percent, one year prior. CoreLogic estimates that the number of underwater homes has declined by 675,000, 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 79 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.

Homeownership and Housing Vacancy

The U.S. homeownership rate remained the same in the first quarter after rising for three consecutive quarters. The national homeownership rate stayed the same at 64.2 percent in the first quarter but was up from 63.6 percent one year ago. Beginning with the fourth quarter of 2013, the national homeownership rate declined for seven straight quarters; it then fluctuated for several quarters before beginning to rise in the second quarter of 2017. Homeownership peaked at 69.2 percent in the second and fourth quarters of 2004 and fell with the Great Recession, reaching a low of 62.9 percent the second quarter of 2016—the lowest rate since 1965. For the first quarter of 2018, the homeownership rate for White non-Hispanic households fell to 72.4 percent from 72.7 percent; for Black non-Hispanic

The National Homeownership Rate Stayed the Same After Increasing for Three Consecutive Quarters

National Homeownership Rates (Percent)



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

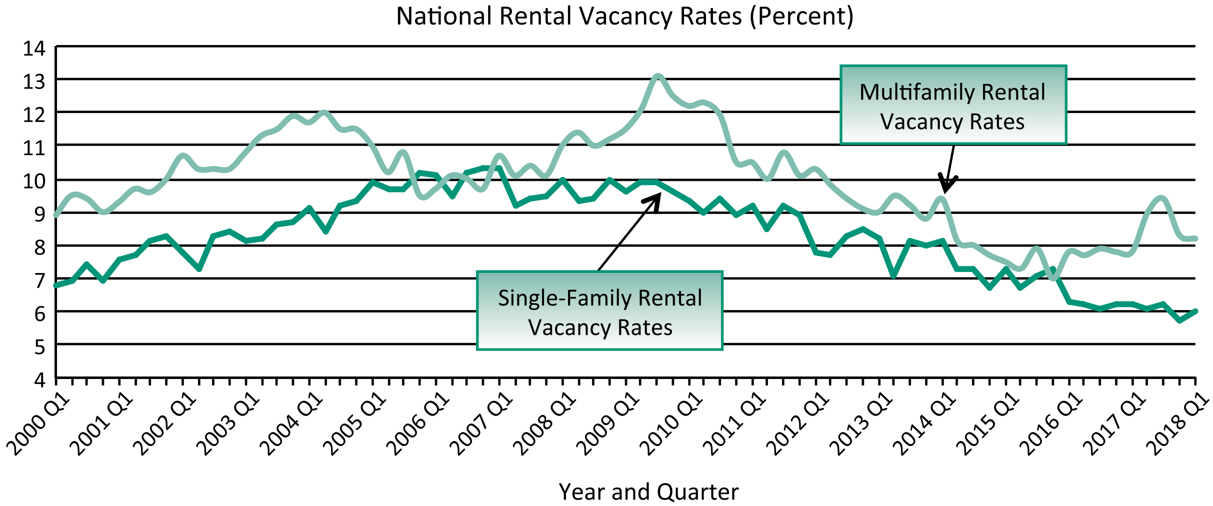
households, the rate remained constant at 43.0 percent; and for Hispanic households, the rate improved to 48.4 percent from 46.6 percent. The homeownership rate declined to 57.0 percent for other-race non-Hispanic households but increased to 50.8 percent for two-or-more-races non-Hispanic households. Compared with the early 2000s, the current relatively low homeownership rates reflect the subprime lending crisis and the high rates of unemployment and underemployment because of the severe 2007–2009 recession. More recently, low inventories of homes for sale, relatively slow income growth, restrictive credit markets and increasing mortgage rates 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. It has been more than 7 years since the foreclosure crisis began in 2007, which means that those who lost their home to foreclosure may begin to re-enter the housing market as the foreclosure is removed from their credit history after 7 years. The current credit environment is more restrictive, however, which will prevent some from re-entering the housing market until they can build a relatively high credit score.

The rental market vacancy rate rose for single-family homes but fell for multifamily housing. According to the U.S. Census Bureau, the overall vacancy rate in the rental market increased slightly to 7.0 percent from 6.9 percent in the fourth quarter but was unchanged from the first quarter of 2017. The single-family rental vacancy rate increased to 6.0 percent from 5.7 percent in the previous quarter but was down from 6.2 percent one year ago. Vacancies in the rental market for multifamily units (five or more units in a structure) fell slightly to 8.2 percent from 8.3 percent in the fourth quarter but were up from 7.8 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 fell slightly in the first quarter of 2018. The number of U.S. households dropped 0.2 percent to 120.0 million in the first quarter of 2018 from 120.2 million in the previous quarter but was up 0.9 percent from the first quarter of 2017 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 0.6 percent from 2010 to 2013. The pace picked up in 2014 and 2015, with an average annual growth rate of 1.0 percent but fell to 0.8 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.]

The Rental Vacancy Rate for Single-Family Homes Increased



Source: Census Bureau.

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)									Q1 2018
Total	1,355	1,329	(r)	1,285	2.0%	(n)	5.4%	(s)	
Single-Family	869	865	(r)	816	0.5%	(n)	6.5%	(s)	
Multifamily (5+)	443	426	(r)	432	4.0%	(s)	2.4%	(n)	
Housing Starts (SAAR, thousands)									Q1 2018
Total	1,320	1,259	(r)	1,231	4.8%	(n)	7.2%	(s)	
Single-Family	893	894	(r)	835	– 0.1%	(n)	6.9%	(s)	
Multifamily (5+)	412	355	(r)	385	16.0%	(n)	6.8%	(n)	
Under Construction (SA, thousands)									Q1 2018
Total	1,124	1,105	(r)	1,073	1.7%	(n)	4.8%	(s)	
Single-Family	505	497	(r)	455	1.6%	(n)	11.0%	(s)	
Multifamily (5+)	608	598	(r)	608	1.7%	(n)	0.0%	(n)	
Housing Completions (SAAR, thousands)									Q1 2018
Total	1,243	1,176	(r)	1,141	5.7%	(s)	9.0%	(s)	
Single-Family	865	805	(r)	784	7.4%	(s)	10.3%	(s)	
Multifamily (5+)	369	359	(r)	345	2.6%	(n)	7.0%	(n)	
New Homes for Sale (SA)									Q1 2018
Inventory (thousands)	298	294	(r)	266	1.4%	(n)	12.0%	(s)	
Months' Supply (months)	5.3	5.5	(r)	5.0	– 3.6%	(n)	6.0%	(n)	
Existing Homes for Sale									Q1 2018
Inventory (NSA, thousands)	1,640	1,460		1,800	12.3%	(u)	– 8.9%	(u)	
Months' Supply (months)	3.5	3.2		3.8	9.4%	(u)	– 7.9%	(u)	
Manufactured Home Shipments (SAAR, thousands)	107.0	101.0		100.7	5.9%	(u)	6.3%	(u)	Q1 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)						Q1 2018
New Homes Sold (thousands)						
Single-Family	655	655 (r)	619	– 0.1% (n)	5.8% (n)	
Existing Homes Sold (thousands)						
Single-Family, Townhomes, Condos, Co-ops	5,507	5,593	5,600	– 1.5% (u)	– 1.7% (u)	
Condos and Co-ops	603	633	630	– 4.7% (u)	– 4.2% (u)	
First-Time Buyers (%)	29	31	32	– 2 (u)	– 3 (u)	
Investor Sales (%)	16	14	16	1 (u)	0 (u)	
Home Sales Prices						Q1 2018
Median ($)						
New Homes	328,000	337,900 (r)	313,100	– 2.9% (u)	4.8% (u)	
Existing Homes	243,833	246,567	230,700	– 1.1% (u)	5.7% (u)	
Repeat-Sales Home Price Indices						
FHFA (SA)	256.9	252.7	240.4	1.7% (u)	6.9% (u)	
CoreLogic Case-Shiller (SA)	199.9	196.3 (r)	187.9	1.8% (u)	6.4% (u)	
Homeownership Affordability						Q1 2018
Composite Index	157.8	160.6	163.5	– 1.8% (u)	– 3.5% (u)	
Fixed Index	157.6	160.5	163.5	– 1.7% (u)	– 3.5% (u)	
National Average Mortgage Interest Rate (%)	4.4	4.2	4.4	0.3 (u)	0.1 (u)	
Median-Priced Existing Single-Family Home ($)	245,533	247,767	232,167	– 0.9% (u)	5.8% (u)	
Median Family Income ($)	74,779	74,492	72,667	0.4% (u)	2.9% (u)	
Rental Affordability						
HUD's Rental Affordability Index	108.4	113.0 (r)	116.6	– 4.1% (u)	– 7.0% (u)	Q1 2018
Multifamily Housing						
Apartments						
Completed Previous Quarter (thousands)	70.4	78.1 (r)	72.1	– 9.8% (s)	– 2.3% (n)	Q4 2017
Leased Current Quarter (%)	54	55 (r)	51	– 1.0 (s)	3.0 (n)	Q1 2018
Median Asking Rent ($)	1,706	1,422 (r)	1,516	20.0% (s)	12.6% (s)	
Condos and Co-ops						
Completed Previous Quarter (thousands)	4.2	3.3 (r)	7.9	27.2% (n)	– 46.5% (s)	Q4 2017
Sold Current Quarter (%)	79	68 (r)	36	10.7 (n)	42.7 (s)	Q1 2018
Median Asking Price ($)	449,635	494,469 (r)	716,718	– 9.1% (n)	– 37.3% (s)	
Manufactured Home Placements (sales at SAAR, thousands)						
Shipped Previous Quarter (thousands)	101.0	85.0	88.3	18.8% (u)	14.3% (u)	Q4 2017
Sold Current Quarter (%)[1]	48.4	62.4	54.5	– 14.0 (s)	– 6.1 (n)	Q1 2018
Builders' Views of Market Activity (Composite Index)	71	70	68	0.9% (u)	4.9% (u)	Q1 2018

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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.

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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 (%)						Q1 2018
30-Year Fixed Rate	4.27	3.92	4.17	0.35 (u)	0.10 (u)	
15-Year Fixed Rate	3.73	3.29	3.39	0.44 (u)	0.34 (u)	
5-Year ARM[2]	3.57	3.27	3.22	0.30 (u)	0.35 (u)	
Mortgage Delinquency Rates (%)						Q1 2018
All Loans Past Due (SA)	4.63	5.17	4.71	– 0.54 (u)	– 0.08 (u)	
Loans 90+ Days Past Due (SA)	1.47	1.65	1.39	– 0.18 (u)	0.08 (u)	
Seriously Delinquent (90+ Days & in FC, NSA)	2.61	2.91	2.76	– 0.30 (u)	– 0.15 (u)	
FHA Market Share[3]						Q4 2017
Dollar Volume (%)						
All Loans	13.0	13.5 (r)	14.1	– 0.5 (u)	– 1.1 (u)	
Purchase	15.1	15.6 (r)	18.4	– 0.5 (u)	– 3.3 (u)	
Refinance	9.3	9.0	10.0	0.3 (u)	– 0.7 (u)	
Loan Count (%)						
All Loans	16.0	16.8 (r)	17.8	– 0.8 (u)	– 1.8 (u)	
Purchase	18.9	19.6 (r)	23.5	– 0.7 (u)	– 4.6 (u)	
Refinance	11.4	11.3 (r)	12.3	0.1 (u)	– 0.9 (u)	
FHA Mortgage Insurance (thousands)[4]						Q4 2017
Applications Received	325.4	317.1	385.3	2.6% (u)	– 15.5% (u)	
Endorsements	235.5	267.6	298.3	– 12.0% (u)	– 21.1% (u)	
Purchase	166.6	195.5	195.5	– 14.8% (u)	– 14.8% (u)	
Refinance	68.9	72.1	102.8	– 4.5% (u)	– 33.0% (u)	
Private and VA Mortgage Insurance (thousands)						
PMI Certificates[5]	248.6	224.4 (r)	244.0	10.8% (u)	1.9% (u)	Q3 2017
Veterans Affairs Guarantees	148.4	169.2	172.2	– 12.3% (u)	– 13.8% (u)	Q1 2018
Residential Fixed Investment (SA real annual growth rate, %)	-2.0	12.8 (r)	11.1	– 14.8 (u)	– 13.1 (u)	Q1 2018
GDP (SA real annual growth rate, %)	2.2	2.9 (r)	1.2	– 0.7 (u)	1.0 (u)	
Housing's Contribution to Real GDP Growth (percentage points)	-0.08	0.46 (r)	0.41	– 0.54 (u)	– 0.49 (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 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] 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 Q2 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 (%)						Q1 2018
Overall	64.2	64.2	63.6	0.0 (n)	0.6 (s)	
Non-Hispanic						
White	72.4	72.7	71.8	– 0.3 (n)	0.6 (s)	
Black	43.0	43.0	43.4	0.0 (n)	– 0.4 (n)	
Other Race	57.0	58.1	56.0	– 1.1 (n)	1.0 (n)	
Two or More Races	50.8	49.4	52.0	1.4 (n)	– 1.2 (n)	
Hispanic	48.4	46.6	46.6	1.8 (s)	1.8 (s)	
Vacancy Rates (%)						Q1 2018
Homeowner	1.5	1.6	1.7	– 0.1 (n)	– 0.2 (s)	
Rental	7.0	6.9	7.0	0.1 (n)	0.0 (n)	
Single-Family	6.0	5.7	6.2	0.3 (n)	– 0.2 (n)	
Multifamily (5+)	8.2	8.3	7.8	– 0.1 (n)	0.4 (n)	
Housing Stock (thousands)						Q1 2018
All Housing Units	137,139	136,912	136,229	0.2% (u)	0.7% (u)	
Owner-Occupied	76,977	77,185	75,632	– 0.3% (n)	1.8% (s)	
Renter-Occupied	43,001	43,000	43,287	0.0% (n)	– 0.7% (n)	
Vacant	17,161	16,727	17,309	2.6% (s)	– 0.9% (n)	
Year-Round Vacant	13,073	12,785	12,841	2.3% (n)	1.8% (n)	
For Rent	3,265	3,216	3,288	1.5% (n)	– 0.7% (n)	
For Sale	1,161	1,261	1,293	– 7.9% (n)	– 10.2% (s)	
Rented or Sold, Awaiting Occupancy	1,029	1,000	987	2.9% (n)	4.3% (n)	
Held Off Market	7,619	7,308	7,275	4.3% (s)	4.7% (s)	
Occasional Use	2,227	2,176	2,069	2.3% (n)	7.6% (s)	
Occupied—URE	1,386	1,348	1,426	2.8% (n)	– 2.8% (n)	
Other	4,006	3,785	3,779	5.8% (s)	6.0% (s)	
Seasonal Vacant	4,088	3,942	4,467	3.7% (n)	– 8.5% (s)	
Households (thousands)						Q1 2018
Total	119,978	120,185	118,921	– 0.2% (s)	0.9% (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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