




National Data

HOUSING PRODUCTION



Permits[★]

Permits for construction of new housing units were up 2 percent in the first quarter of 2006, at a seasonally adjusted annual rate (SAAR) of 2,163,000 units, and were up 4 percent from the first quarter of 2005. One-unit permits, at 1,636,000 units, were down 3 percent from the level of the previous quarter but up 2 percent from a year earlier. Multifamily permits (5 or more units in structure), at 435,000 units, were 28 percent above the fourth quarter of 2005 and 10 percent above the first quarter of 2005.


	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	2,163	2,114	2,083	+ 2	+ 4
One Unit	1,636	1,692	1,604	- 3	+ 2
Two to Four	92	81	84	+ 14	+ 10
Five Plus	435	340	396	+ 28	+ 10

*Components may not add to totals because of rounding. Units in thousands.
Source: Census Bureau, Department of Commerce



Starts*

Construction starts of new housing units in the first quarter of 2006 totaled 2,131,000 units at a seasonally adjusted annual rate, a statistically insignificant 4 percent above the fourth quarter of 2005 and a statistically insignificant 2 percent above the first quarter of 2005. Single-family starts, at 1,749,000 units, were a statistically insignificant 2 percent higher than the previous quarter and a statistically insignificant 2 percent above the first-quarter level of the previous year. Multifamily starts totaled 349,000 units, a statistically insignificant 13 percent above the previous quarter and a statistically insignificant 6 percent above the same quarter in 2005.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	2,131	2,059	2,083	+ 4**	+ 2**
One Unit	1,749	1,716	1,709	+ 2**	+ 2**
Five Plus	349	308	329	+ 13**	+ 6**

*Components may not add to totals because of rounding. Units in thousands.


**This change is not statistically significant.

Source: Census Bureau, Department of Commerce



Under Construction*

Housing units under construction at the end of the first quarter of 2006 were at a seasonally adjusted annual rate of 1,415,000 units, a statistically insignificant 1 percent above the previous quarter and 8 percent above the first quarter of 2005. Single-family units stood at 978,000, a statistically insignificant 1 percent above the previous quarter and 7 percent above the first quarter of 2005. Multifamily units were at 408,000, up a statistically insignificant 4 percent from the previous quarter and up 12 percent from the first quarter of 2005.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	1,415	1,402	1,314	+ 1**	+ 8
One Unit	978	973	913	+ 1**	+ 7
Five Plus	408	394	364	+ 4**	+ 12

*Components may not add to totals because of rounding. Units in thousands.


**This change is not statistically significant.

Sources: Census Bureau, Department of Commerce; and Office of Policy Development and Research, Department of Housing and Urban Development



Completions*

Housing units completed in the first quarter of 2006, at a seasonally adjusted annual rate of 2,112,000 units, were up a statistically insignificant 9 percent from the previous quarter and up 13 percent from the same quarter of 2005. Single-family completions, at 1,760,000 units, were up a statistically insignificant 8 percent from the previous quarter and up 12 percent from the rate of a year earlier. Multifamily completions, at 298,000 units, were a statistically insignificant 8 percent above the previous quarter and 20 percent above the same quarter of 2005.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	2,112	1,935	1,867	+ 9**	+ 13
One Unit	1,760	1,628	1,577	+ 8**	+ 12
Five Plus	298	275	248	+ 8**	+ 20

*Components may not add to totals because of rounding. Units in thousands.


**This change is not statistically significant.

Sources: Census Bureau, Department of Commerce; and Office of Policy Development and Research, Department of Housing and Urban Development



Manufactured (Mobile) Home Shipments*

Shipments of new manufactured (mobile) homes were at a seasonally adjusted annual rate of 149,000 units in the first quarter of 2006, which is 22 percent below the previous quarter but 9 percent above the rate of a year earlier.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Manufacturers' Shipments	149	192	137	- 22	+ 9

*Units in thousands. These shipments are for HUD-code homes only and do not include manufactured housing units built to meet local building codes, which are included in housing starts figures.

Source: National Conference of States on Building Codes and Standards




HOUSING MARKETING



Home Sales*

Sales of new single-family homes totaled 1,159,000 units at a seasonally adjusted annual rate (SAAR) in the first quarter of 2006, down a statistically insignificant 10 percent from the previous quarter and down a statistically insignificant 7 percent from the first quarter of 2005. The number of new homes for sale at the end of this year's first quarter was 555,000 units, a statistically significant 9 percent above last quarter and a statistically significant 24 percent higher than a year earlier. At the end of March, inventories represented a 5.5 months' supply at the current sales rate, a statistically significant 15 percent above the previous quarter and a statistically significant 31 percent higher than the first quarter of last year.

Sales of existing homes for the first quarter of 2006 reported by the NATIONAL ASSOCIATION OF REALTORS® totaled 6,797,000 (SAAR), down 2 percent from last quarter and down 2 percent from the first quarter of 2005. The number of units for sale at the end of this year's first quarter was 3,194,000, 12 percent higher than the previous quarter and 39 percent above the same quarter last year. At the end of March, a 5.5 months' supply of units remained, which is 8 percent higher than last quarter and 38 percent more than a year ago.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
New Homes					
New Homes Sold	1,159	1,283	1,249	- 10**	- 7**
For Sale	555	510	446	+ 9	+ 24
Months' Supply	5.5	4.8	4.2	+ 15	+ 31
Existing Homes					
Existing Homes Sold	6,797	6,943	6,940	- 2	- 2
For Sale	3,194	2,846	2,297	+ 12	+ 39
Months' Supply	5.5	5.1	4.0	+ 8	+ 38

*Units in thousands.

**This change is not statistically significant.


Sources: New Homes—Census Bureau, Department of Commerce; and Office of Policy Development and Research, Department of Housing and Urban Development; Existing Homes—NATIONAL ASSOCIATION OF REALTORS®



Home Prices

The median price of new homes sold during the first quarter of 2006 was \$232,500, down a statistically insignificant 5 percent from the previous quarter but the same as the first quarter of 2005. The average price of new homes sold during the first quarter of 2006 was \$290,100, a statistically insignificant 1 percent below last quarter but a statistically insignificant 1 percent above the same quarter a year ago. The price adjusted to represent a constant-quality house was \$262,600, a statistically insignificant 1 percent higher than the previous quarter and a statistically insignificant 6 percent above the first quarter of last year. The values for the set of physical characteristics used for the constant-quality house are based on 1996 sales.

The median price of existing homes sold in the first quarter of 2006 was \$218,700, down 3 percent from last quarter but up 10 percent from the first quarter of 2005, according to the NATIONAL ASSOCIATION OF REALTORS®. The average price of existing homes sold, \$266,000, was 2 percent lower than the previous quarter but 6 percent higher than the first quarter of last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
New Homes					
Median	\$232,500	\$243,600	\$232,500	- 5**	—
Average	\$290,100	\$294,200	\$288,500	- 1**	+ 1**
Constant-Quality House¹	\$262,600	\$259,800	\$247,800	+ 1**	+ 6**
Existing Homes					
Median	\$218,700	\$225,300	\$199,700	- 3	+ 10
Average	\$266,000	\$270,700	\$250,000	- 2	+ 6

**This change is not statistically significant.

¹Effective with the release of the first quarter 2001 New Home Sales Price Index in April 2001, the Census Bureau began publishing the Fixed-Weighted Laspeyres Price Index on a 1996 base year. (The previous base year was 1992.) "Constant-quality house" data are no longer published as a series but are computed for this table from price indexes published by the Census Bureau.




Housing Affordability

Housing affordability is the ratio of median family income to the income needed to purchase the median-priced home based on current interest rates and underwriting standards, expressed as an index. The NATIONAL ASSOCIATION OF REALTORS® composite index of housing affordability for the first quarter of 2006 shows that families earning the median income have 112.1 percent of the income needed to purchase the median-priced existing single-family home. This figure is 2 percent higher than last quarter but 12 percent lower than the first quarter of 2005.

The increase in the first quarter 2006 housing affordability index reflects current changes in the marketplace. The national average home mortgage interest rate of 6.39 is 19 basis points higher than the previous quarter. The median price of existing single-family homes declined to \$217,933, 3 percent below last quarter but 10 percent higher than the first quarter of 2005. Median family income increased 0.9 of a percent from the previous quarter to \$58,634, a 4.1-percent gain over last year's first quarter.

The first quarter fixed-rate index of housing affordability for 2006 increased 3 percent from last quarter but was 11 percent below the first quarter of 2005. The adjustable-rate index was 1 percent higher than the previous quarter but 13 percent lower than last year's first quarter.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Composite Index	112.1	109.6	127.0	+ 2	- 12
Fixed-Rate Index	111.2	108.1	124.8	+ 3	- 11
Adjustable-Rate Index	114.5	113.3	131.8	+ 1	- 13


Source: NATIONAL ASSOCIATION OF REALTORS®



Apartment Absorptions

In the fourth quarter of 2005, 25,100 new, unsubsidized, unfurnished, multifamily (five or more units in structure) rental apartments were completed, down a statistically significant 19 percent from the previous quarter and down a statistically significant 23 percent from the fourth quarter of 2004. Of the apartments completed in the fourth quarter of 2005, 64 percent were rented within 3 months. This absorption rate is unchanged from last quarter but is a statistically insignificant 2 percent above the same quarter of the previous year. The median asking rent for apartments completed in the fourth quarter was \$974, a statistically insignificant increase of 6 percent over the previous quarter but nearly unchanged from the fourth quarter of 2004.

For all of 2005, 111,900 rental apartments were completed, which is a statistically significant decline of 27 percent from 2004. Of these rental apartments, 64 percent were rented within 3 months. This absorption rate is a statistically insignificant 3 percent higher than the previous year. The median asking rent in 2005 was \$943, a statistically insignificant decrease of 3 percent from 2004.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Apartments Completed*	25.1	31.0	32.5	- 19	- 23
Percent Absorbed Next Quarter	64	64	63	—	+ 2**
Median Rent	\$974	\$920	\$975	+ 6**	—

*Units in thousands.

Sources: Census Bureau, Department of Commerce, and Office of Policy


**This change is not statistically significant.

Development and Research, Department of Housing and Urban Development



Manufactured (Mobile) Home Placements

Manufactured homes placed on site ready for occupancy in the fourth quarter of 2005 totaled 121,300 at a seasonally adjusted annual rate, a statistically insignificant 1 percent above the level of the previous quarter and 4 percent above the fourth quarter of 2004. The number of homes for sale on dealers' lots at the end of the fourth quarter totaled 38,000 units, 7 percent below the previous quarter and a statistically insignificant 3 percent below the same quarter of 2004. The average sales price of the units sold in the fourth quarter was \$63,300, a statistically insignificant 4 percent above the previous quarter and 10 percent above the price in the fourth quarter of 2004.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Placements*	121.3	119.7	116.7	+ 1**	+ 4
On Dealers' Lots*	38.0	41.0	39.0	- 7	- 3**
Average Sales Price	\$63,300	\$61,200	\$57,500	+ 4**	+ 10

*Units in thousands. These placements are for HUD-code homes only and do not include manufactured housing units built to meet local building codes, which are included in housing completions figures.

**This change is not statistically significant.


Note: Percentage changes are based on unrounded numbers.

Sources: Census Bureau, Department of Commerce, and Office of Policy Development and Research, Department of Housing and Urban Development



Builders' Views of Housing Market Activity

The National Association of Home Builders (NAHB)/Wells Fargo conducts a monthly survey focusing on builders' views of the level of sales activity and their expectations for the near future. NAHB uses these survey responses to construct indices of housing market activity. (The index values range from 0 to 100.) For the first quarter of 2006, the current market activity index for single-family detached houses stood at 61, down 7 points from last quarter and down 15 points from the first quarter of 2005. The index for future sales expectations, 64, declined 4 points from the fourth quarter of 2005 and fell 15 points below last year's first quarter. Prospective buyer traffic had an index value of 40, which is down 6 points from the previous quarter and down 11 points from the first quarter of last year. NAHB combines these separate indices into a single housing market index that mirrors the three components quite closely. For the first quarter of 2006, this index stood at 56, 6 points lower than the fourth quarter of 2005 and 14 points below the first quarter of last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Housing Market Index	56	62	70	- 10	- 20
Current Sales Activity—Single-Family Detached	61	68	76	- 10	- 20
Future Sales Expectations—Single-Family Detached	64	68	79	- 6	- 19
Prospective Buyer Traffic	40	46	51	- 13	- 22


Source: Builders Economic Council Survey, National Association of Home Builders

HOUSING FINANCE



Mortgage Interest Rates

The contract mortgage interest rate for 30-year, fixed-rate, conventional mortgages reported by Freddie Mac increased to 6.24 percent in the first quarter of 2006, 2 basis points higher than the previous quarter and 48 basis points higher than the first quarter of 2005. Adjustable-rate mortgages (ARMs) in the first quarter of 2006 were going for 5.31 percent, 25 basis points above the previous quarter and 114 basis points above first quarter of 2005. Fixed-rate, 15-year mortgages, at 5.85 percent, were up 8 basis points from the fourth quarter of the past year and up 59 basis points from the first quarter of 2005.


	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Conventional, Fixed-Rate, 30-Year	6.24	6.22	5.76	—	+ 8
Conventional ARMs	5.31	5.06	4.17	+ 5	+ 27
Conventional, Fixed-Rate, 15-Year	5.85	5.77	5.26	+ 1	+ 11

Sources: Federal Home Loan Mortgage Corporation; and Office of Housing, Department of Housing and Urban Development



FHA 1-4 Family Mortgage Insurance*

Applications for FHA mortgage insurance on 1-4 family homes were received for 168,600 (not seasonally adjusted) properties in the first quarter of 2006, up 26 percent from the previous quarter but down 8 percent from the first quarter of 2005. Total endorsements or insurance policies issued totaled 115,200, down 4 percent from the fourth quarter of 2005 and down 16 percent from the first quarter of the past year. Purchase endorsements, at 69,000, were down 12 percent from the previous quarter and down 14 percent from the first quarter 2005. Endorsements for refinancings increased to 46,200, up 10 percent from the fourth quarter of 2005 but down 19 percent from the first quarter a year ago.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Applications Received	168.6	134.2	184.1	+ 26	- 8
Total Endorsements	115.2	120.6	136.9	- 4	- 16
Purchase Endorsements	69.0	78.8	80.2	- 12	- 14
Refinancing Endorsements	46.2	41.8	56.8	+ 10	- 19


*Units in thousands of properties.

Source: Office of Housing, Department of Housing and Urban Development



PMI and VA Activity*

Private mortgage insurers issued 330,000 policies or certificates of insurance on conventional mortgage loans during the first quarter of 2006, down 13 percent from the fourth quarter of 2005 and down 5 percent from the first quarter of 2005; these numbers are not seasonally adjusted. The Department of Veterans Affairs (VA) reported the issuance of mortgage loan guaranties on 28,700 single-family properties in the first quarter of 2006, down 22 percent from the previous quarter and down 27 percent from the first quarter of the past year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total PMI Certificates	330.0	379.7	346.3	- 13	- 5
Total VA Guaranties	28.7	36.8	39.6	- 22	- 27


*Units in thousands of properties.

Sources: PMI—Mortgage Insurance Companies of America; and VA—Department of Veterans Affairs



Delinquencies and Foreclosures

Total delinquencies for all loans past due were at 4.70 percent at the end of 2005's fourth quarter, up 6 percent from the third quarter of 2005 and up 7 percent from the fourth quarter of 2004. Delinquencies for subprime loans past due were at 11.63 percent, up 8 percent from the third quarter of 2005 and up 13 percent from the fourth quarter of the previous year. Ninety-day delinquencies for all loans were at 1.02 percent, up 23 percent from the third quarter of 2005 and up 19 percent from the fourth quarter a year ago. Subprime loans that were 90 days past due stood at 2.94 percent at the close of 2005, up 29 percent from 2005's third quarter and up 11 percent from the end of 2004. During the fourth quarter of 2005, 0.42 percent of all loans entered foreclosure, an increase of 2 percent from the third quarter of 2005 but a decrease of 9 percent from the fourth quarter of the previous year. In the subprime category, 1.47 percent began foreclosure in the fourth quarter of 2005, an increase of 6 percent over the third quarter of 2005 but was unchanged from the fourth quarter of 2004.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total Past Due (%)					
All Loans	4.70	4.44	4.38	+ 6	+ 7
Subprime Loans	11.63	10.76	10.33	+ 8	+ 13
90 Days Past Due (%)					
All Loans	1.02	0.83	0.86	+ 23	+ 19
Subprime Loans	2.94	2.28	2.66	+ 29	+ 11
Foreclosures Started (%)					
All Loans	0.42	0.41	0.46	+ 2	- 9
Subprime Loans	1.47	1.39	1.47	+ 6	—

Source: National Delinquency Survey, Mortgage Bankers Association




HOUSING INVESTMENT



Residential Fixed Investment and Gross Domestic Product*

Residential Fixed Investment (RFI) for the first quarter of 2006 was at a seasonally adjusted annual rate of \$804.4 billion, 2 percent above the value from the fourth quarter of 2005 and 12 percent above the first quarter of 2005. As a percentage of the Gross Domestic Product (GDP), RFI for the first quarter of 2006 was 6.2 percent, unchanged from the previous quarter but 0.3 percentage point above the same quarter a year ago.

 GDP %	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
GDP	\$13,020.9	\$12,766.1	\$12,198.8	+ 2	+ 7
RFI	\$804.4	\$791.4	\$718.5	+ 2	+ 12
RFI/GDP (%)	6.2	6.2	5.9	—	+ 5

*Billions of dollars.


Source: Bureau of Economic Analysis, Department of Commerce

HOUSING INVENTORY



Housing Stock*

At the end of the first quarter of 2006, the estimate of the total housing stock, 125,373,000 units, was up a statistically insignificant 0.7 percent from the fourth quarter of 2005 and increased a statistically insignificant 1.6 percent above 2005's first quarter level. The number of occupied units increased a statistically insignificant 0.4 percent from 2005's fourth quarter and rose a statistically insignificant 1.4 percent above the first quarter of 2005. Owner-occupied units decreased a statistically insignificant 0.4 percent from the fourth quarter of 2005 but were up a statistically insignificant 0.5 percent above last year's first quarter. Rentals increased a statistically insignificant 2.0 percent from the previous quarter and increased 3.4 percent from the first quarter of 2005. Vacant units were up 3.0 percent from last quarter and increased 3.2 percent from 2005's first quarter.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
All Housing Units	125,373	124,509	123,341	+ 0.7**	+ 1.6**
Occupied Units	109,289	108,888	107,755	+ 0.4**	+ 1.4**
Owner Occupied	74,883	75,163	74,488	- 0.4**	+ 0.5**
Renter Occupied	34,406	33,725	33,267	+ 2.0**	+ 3.4
Vacant Units	16,084	15,621	15,586	+ 3.0	+ 3.2

*Components may not add to totals because of rounding. Units in thousands.

**This change is not statistically significant.


Source: Census Bureau, Department of Commerce



Vacancy Rates

The homeowner vacancy rate for the first quarter of 2006, at 2.1 percent, was up a statistically insignificant 0.1 percentage point from the fourth quarter of 2005 and up 0.3 percentage point from the first quarter of 2005.

The 2006 first quarter national rental vacancy rate, at 9.5 percent, was down a statistically insignificant 0.1 percentage point from the previous quarter and down a statistically insignificant 0.6 percentage point from the same quarter of last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Homeowner Rate	2.1	2.0	1.8	+ 5**	+ 17
Rental Rate	9.5	9.6	10.1	- 1**	- 6**


**This change is not statistically significant.

Source: Census Bureau, Department of Commerce



Homeownership Rates

The national homeownership rate for all households was 68.5 percent in the first quarter of 2006, down 0.5 percentage point from last quarter and down 0.6 percentage point from the first quarter of 2005. The homeownership rate for minority households, at 51.0 percent, decreased 0.5 percentage point from the fourth quarter of 2005 and decreased 0.6 percentage point from the first quarter of 2005. The 62.4-percent homeownership rate for young married-couple households was down 1.5 percentage points from the fourth quarter of 2005 and down 1.2 percentage point from the first quarter of 2005.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
All Households	68.5	69.0	69.1	- 0.7	- 0.9
Minority Households	51.0	51.5	51.6	- 1.0	- 1.2
Young Married-Couple Households	62.4	63.9	63.6	- 2.3	- 1.9

Source: Census Bureau, Department of Commerce