




National Data

HOUSING PRODUCTION



Permits^{*}

Permits for the construction of new housing units were up 4 percent in the second quarter of 2008, at a SAAR of 1,033,000 units, but were down 30 percent from the second quarter of 2007. One-unit permits, at 633,000 units, were down 2 percent from the level of the previous quarter and down 40 percent from a year earlier. Multifamily permits (5 or more units in structure), at 364,000 units, were 21 percent above the first quarter of 2008 but were a statistically insignificant 1 percent below the second quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	1,033	988	1,481	+ 4	- 30
One Unit	633	647	1,052	- 2	- 40
Two to Four	35	40	60	- 13	- 42
Five Plus	364	301	369	+ 21	- 1**

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


**This change is not statistically significant.

Source: Census Bureau, Department of Commerce



Starts*

Construction starts of new housing units in the second quarter of 2008 totaled 1,016,000 units at a SAAR, a statistically insignificant 4 percent below the first quarter of 2008 and 30 percent below the second quarter of 2007. Single-family starts, at 670,000 units, were a statistically insignificant 8 percent lower than the previous quarter and 42 percent lower than the second-quarter level of the previous year. Multifamily starts totaled 329,000 units, a statistically insignificant 9 percent above the previous quarter and a statistically insignificant 24 percent above the same quarter in 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	1,016	1,053	1,460	- 4**	- 30
One Unit	670	728	1,160	- 8**	- 42
Five Plus	329	301	264	+ 9**	+ 24**

*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 second quarter of 2008 were at a SAAR of 965,000 units, 5 percent below the previous quarter and 17 percent below the second quarter of 2007. Single-family units stood at 507,000, 10 percent below the previous quarter and 30 percent below the second quarter of 2007. Multifamily units were at 433,000, up a statistically insignificant 2 percent from the previous quarter and up a statistically insignificant 6 percent from the second quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	965	1,013	1,163	- 5	- 17
One Unit	507	563	724	- 10	- 30
Five Plus	433	423	408	+ 2**	+ 6**

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


**This change is not statistically significant.

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



Completions*

Housing units completed in the second quarter of 2008, at a SAAR of 1,118,000 units, were down a statistically insignificant 11 percent from the previous quarter and down 27 percent from the same quarter of 2007. Single-family completions, at 851,000 units, were down a statistically insignificant 9 percent from the previous quarter and down 33 percent from the rate of a year earlier. Multifamily completions, at 243,000 units, were a statistically insignificant 17 percent below the previous quarter but a statistically insignificant 10 percent above the same quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total	1,118	1,258	1,525	- 11**	- 27
One Unit	851	938	1,265	- 9**	- 33
Five Plus	243	292	221	- 17**	+ 10**

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


**This change is not statistically significant.

Sources: Census Bureau, Department of Commerce; 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 SAAR of 88,000 units in the second quarter of 2008, which is 4 percent below the previous quarter and 11 percent below the rate of a year earlier.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Manufacturers' Shipments	88	92	99	- 4	- 11

*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 535,000 (SAAR) units in the second quarter of 2008, down a statistically insignificant 5 percent from the previous quarter and down 37 percent from the second quarter of 2007. The number of new homes for sale at the end of this year's second quarter was 426,000 units, a statistically insignificant 9 percent below the previous quarter and 22 percent below a year ago. At the end of June 2008, inventories represented a 10.0 months' supply at the current sales rate, a statistically insignificant 11 percent below the previous quarter but a 20-percent increase over the second quarter of last year.

Sales of existing homes—including single-family homes, townhouses, condominiums, and cooperatives—as reported by the NATIONAL ASSOCIATION OF REALTORS®, totaled 4,913,000 (SAAR) for the second quarter of 2008, down 1 percent from the previous quarter and down 16 percent from the second quarter of 2007. The number of units for sale at the end of this year's second quarter was 4,490,000, 9 percent higher than the previous quarter and 3 percent higher than the same quarter last year. At the end of June 2008, an 11.1 months' supply of units remained, which is 11 percent higher than the previous quarter and 22 percent higher than the second quarter of last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
New Homes					
New Homes Sold	535	561	852	- 5**	- 37
For Sale	426	469	543	- 9**	- 22
Months' Supply	10.0	11.2	8.3	- 11**	+ 20
Existing Homes					
Existing Homes Sold	4,913	4,953	5,870	- 1	- 16
For Sale	4,490	4,118	4,368	+ 9	+ 3
Months' Supply	11.1	10.0	9.1	+ 11	+ 22

*Units in thousands.

**This change is not statistically significant.


Sources: New Homes—Census Bureau, Department of Commerce; 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 second quarter of 2008 was \$234,100, virtually unchanged from the previous quarter but a statistically insignificant 3 percent lower than the second quarter of 2007. The average price of new homes sold during the second quarter of 2008 was \$304,700, a statistically insignificant 5 percent higher than the previous quarter but a statistically insignificant 2 percent lower than the second quarter of last year. The estimated price of a constant-quality house is \$303,500, a statistically insignificant 3 percent higher than the previous quarter but a statistically insignificant 3 percent below the second quarter of last year. The set of physical characteristics used to represent a constant-quality house are based on the kinds of houses sold in 2005.

The median price of existing homes—including single-family homes, townhouses, condominiums, and cooperatives—that sold in the second quarter of 2008 was \$208,100, up 5 percent from the previous quarter but 7 percent lower than the second quarter of 2007, according to the NATIONAL ASSOCIATION OF REALTORS®. The average price of existing homes sold, \$252,400, was 3 percent above the previous quarter but 7 percent lower than the second quarter of last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
New Homes					
Median	\$234,100	\$233,900	\$242,200	—	– 3**
Average	\$304,700	\$290,400	\$310,100	+ 5**	– 2**
Constant-Quality House¹	\$303,500	\$293,400	\$314,500	+ 3**	– 3**
Existing Homes					
Median	\$208,100	\$198,500	\$223,900	+ 5	– 7
Average	\$252,400	\$244,900	\$271,700	+ 3	– 7

**This change is not statistically significant.

¹ Effective with the December 2007 New Residential Sales release in January 2008, the Census Bureau began publishing the Constant-Quality (Laspeyres) Price Index with 2005 as the base year. (The previous base year was 1996.) "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 second quarter of 2008 shows that families earning the median income have 125.2 percent of the income needed to purchase the median-priced existing single-family home. This figure is 5 percent lower than the previous quarter but 15 percent higher than the second quarter of 2007.

The decrease in the second quarter 2008 housing affordability index reflects current changes in the marketplace. Although a rise in median family income had a positive effect on housing affordability, both an increase in the median sales price of existing single-family homes and an increase in the home mortgage interest rate offset this positive effect. Median family income increased 0.5 percent from the previous quarter to \$60,294, a 2.2-percent gain over last year's second quarter. The median sales price of existing single-family homes increased to \$206,500, 5 percent above the previous quarter but 8 percent lower than the second quarter of 2007. The national average home mortgage interest rate of 6.14 is 11 basis points higher than the previous quarter.

The second quarter 2008 fixed-rate index of housing affordability declined 6 percent from the previous quarter but increased 14 percent over the second quarter of 2007. The adjustable-rate index was 5 percent below the previous quarter but 18 percent above last year's second quarter.


	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Composite Index	125.2	132.4	109.2	- 5	+ 15
Fixed-Rate Index	124.6	131.9	109.0	- 6	+ 14
Adjustable-Rate Index	131.3	138.0	111.4	- 5	+ 18

Source: NATIONAL ASSOCIATION OF REALTORS®



Apartment Absorptions

In the first quarter of 2008, 26,500 new, unsubsidized, unfurnished multifamily (five or more units in structure) rental apartments were completed, up a statistically insignificant 10 percent from the previous quarter but down a statistically insignificant 6 percent from the first quarter of 2007. Of the apartments completed in the first quarter of 2008, 59 percent were rented within 3 months. This absorption rate is unchanged from the previous quarter but is 16 percent above the same quarter of the previous year. The median asking rent for apartments completed in the first quarter of 2008 was \$1,111, an increase of 7 percent over the previous quarter and a gain of 16 percent over the first quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Apartments Completed*	26.5	24.0	28.2	+ 10**	- 6**
Percent Absorbed Next Quarter	59	59	51	—	+ 16
Median Asking Rent	\$1,111	\$1,042	\$957	+ 7	+ 16

*Units in thousands.

**This change is not statistically significant.


Note: Data are from the Survey of Market Absorption, which samples nonsubsidized, privately financed, unfurnished apartments in rental buildings of five or more units.

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



Manufactured (Mobile) Home Placements

Manufactured homes placed on site ready for occupancy in the first quarter of 2008 totaled 81,700 units at a SAAR, a statistically insignificant 12 percent below the level of the previous quarter and 13 percent below the first quarter of 2007. The number of homes for sale on dealers' lots at the end of the first quarter of 2008 totaled 37,000 units, a statistically insignificant 3 percent below the previous quarter and a statistically insignificant 3 percent below the same quarter of 2007. The average sales price of the units sold in the first quarter of 2008 was \$63,300, a statistically insignificant 3 percent below the price in the previous quarter and a statistically insignificant 2 percent below the price in the first quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Placements*	81.7	92.7	93.7	- 12**	- 13
On Dealers' Lots*	37.0	38.0	38.0	- 3**	- 3**
Average Sales Price	\$63,300	\$65,300	\$64,400	- 3**	- 2**

*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; 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 second quarter of 2008, the current market activity index for single-family detached houses stood at 17, down 3 points from the previous quarter and down 14 points from the second quarter of 2007. The index for future sales expectations, at 28, was up 1 point from the first quarter of 2008 but down 13 points from the second quarter of last year. Prospective buyer traffic had an index value of 18, which is also 1 point higher than the previous quarter but 6 points lower than the second quarter of last year. NAHB combines these separate indices into a single housing market index that mirrors the three components quite closely. For the second quarter of 2008, this index fell to 19, 1 point below the first quarter of 2008 and 11 points below the second quarter of last year.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Housing Market Index	19	20	30	- 5	- 36
Current Sales Activity—Single-Family Detached	17	20	31	- 15	- 45
Future Sales Expectations—Single-Family Detached	28	27	41	+ 4	- 31
Prospective Buyer Traffic	18	17	24	+ 6	- 25

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 6.09 percent in the second quarter of 2008, 21 basis points higher than the previous quarter but 28 basis points lower than the second quarter of 2007. Adjustable-rate mortgages (ARMS) in the second quarter of 2007 were going for 5.19 percent, 6 basis points above the previous quarter but 36 basis points below the second quarter of 2007. Fixed-rate 15-year mortgages, at 5.66 percent, were up 28 basis points from the first quarter of this year but down 40 basis points from the second quarter of 2007.


	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Conventional, Fixed-Rate, 30-Year	6.09	5.88	6.37	+ 4	- 4
Conventional ARMs	5.19	5.13	5.55	+ 1	- 6
Conventional, Fixed-Rate, 15-Year	5.66	5.38	6.06	+ 5	- 7

Source: Freddie Mac



FHA 1-4 Family Mortgage Insurance*

Applications for FHA mortgage insurance on 1-4 family homes were received for 602,600 properties in the second quarter of 2008, up 30 percent from the previous quarter and up 182 percent from the second quarter of 2007. Total endorsements or insurance policies issued totaled 351,100, up 48 percent from the first quarter of 2008 and up 155 percent from the second quarter of 2007. Purchase endorsements, at 175,800 were up 82 percent from the previous quarter and up 146 percent from the second quarter of 2007. Endorsements for refinancing increased to 175,300, up 24 percent from the first quarter of 2008 and up 164 percent from the second quarter of 2007. These numbers are not seasonally adjusted.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Applications Received	602.6	464.6	213.7	+ 30	+ 182
Total Endorsements	351.1	237.8	138.0	+ 48	+ 155
Purchase Endorsements	175.8	96.7	71.5	+ 82	+ 146
Refinancing Endorsements	175.3	141.2	66.5	+ 24	+ 164


*Units in thousands of properties.

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



PMI and VA Activity*

Private mortgage insurers issued 273,500 policies or certificates of insurance on conventional mortgage loans during the second quarter of 2008, down 33 percent from the first quarter of 2008 and down 51 percent from the second quarter of 2007. The Department of Veterans Affairs (VA) reported the issuance of mortgage loan guaranties on 51,300 single-family properties in the second quarter of 2008, up 31 percent from the previous quarter and up 51 percent from the second quarter of 2007. These numbers are not seasonally adjusted.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total PMI Certificates	273.5	406.0	558.3	- 33	- 51
Total VA Guaranties	51.3	39.1	34.0	+ 31	+ 51

*Units in thousands of properties.

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




Delinquencies and Foreclosures

Total delinquencies for all loans past due were at 6.35 percent in the first quarter of 2008, up 9 percent from the fourth quarter of 2007 and up 31 percent from the first quarter of 2007. Delinquencies for past due conventional subprime loans were at 18.79 percent, up 9 percent from the fourth quarter of 2007 and up 36 percent from the first quarter of the previous year. Conventional subprime adjustable-rate mortgage (ARM) loans that were past due stood at 22.07 percent in the first quarter of 2008, up 10 percent from the fourth quarter of 2007 and up 40 percent from the first quarter of 2007.

Ninety-day delinquencies for all loans were at 1.63 percent, up 10 percent from the fourth quarter of 2007 and up 66 percent from the first quarter a year ago. Conventional subprime loans that were 90 days past due stood at 5.84 percent in the first quarter of 2008, up 8 percent from fourth quarter of 2007 and up 74 percent from the first quarter of 2007. Conventional subprime ARM loans that were 90 days past due were at 7.29 percent in the first quarter of 2008, up 10 percent from the fourth quarter of 2007 and up 80 percent from the first quarter of 2007.

During the first quarter of 2008, 0.99 percent of all loans entered foreclosure, up 19 percent from the fourth quarter of 2007 and up 71 percent from the first quarter of the previous year. In the conventional subprime category, 4.06 percent of loans entered foreclosure in the first quarter of 2008, an increase of 18 percent over the fourth quarter of 2007 and an increase of 67 percent from the first quarter of 2007. In the conventional subprime ARMs category, 6.35 percent of loans went into foreclosure in the first quarter of 2008, an increase of 20 percent over the previous quarter and an increase of 97 percent over the first quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
Total Past Due (%)					
All Loans	6.35	5.82	4.84	+ 9	+ 31
Conventional Subprime Loans	18.79	17.31	13.77	+ 9	+ 36
Conventional Subprime ARMs	22.07	20.02	15.75	+ 10	+ 40
90 Days Past Due (%)					
All Loans	1.63	1.48	0.98	+ 10	+ 66
Conventional Subprime Loans	5.84	5.42	3.35	+ 8	+ 74
Conventional Subprime ARMs	7.29	6.64	4.05	+ 10	+ 80
Foreclosures Started (%)					
All Loans	0.99	0.83	0.58	+ 19	+ 71
Conventional Subprime Loans	4.06	3.44	2.43	+ 18	+ 67
Conventional Subprime ARMs	6.35	5.29	3.23	+ 20	+ 97


Source: National Delinquency Survey, Mortgage Bankers Association

HOUSING INVESTMENT



Residential Fixed Investment and Gross Domestic Product*

Residential Fixed Investment (RFI) for the second quarter of 2008 was at a SAAR of \$503.4 billion, 5 percent below the value from the first quarter of 2008 and 23 percent below the second quarter of 2007. As a percentage of the Gross Domestic Product (GDP), RFI for the second quarter of 2008 was 3.5 percent, 0.2 percentage point below the previous quarter and 1.3 percentage point below the same quarter a year ago.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
GDP	14,256.5	14,150.8	13,737.5	+ 1	+ 4
RFI	503.4	528.1	654.4	- 5	- 23
RFI/GDP (%)	3.5	3.7	4.8	- 5	- 27

*Billions of dollars.

Source: Bureau of Economic Analysis, Department of Commerce




HOUSING INVENTORY



Housing Stock*

At the end of the second quarter of 2008, the estimate of the total housing stock, 129,871,000 units, was up a statistically insignificant 0.4 percent from the first quarter of 2008 and up a statistically insignificant 1.7 percent from the second quarter of 2007. The number of all occupied units was up from the first quarter of 2008 by a statistically insignificant 0.4 percent and increased a statistically insignificant 0.8 percent from the second quarter of 2007. Owner-occupied units increased a statistically insignificant 0.8 percent from the first quarter of 2008 and were up a statistically insignificant 0.6 percent above last year's second quarter. Renter-occupied units decreased a statistically insignificant 0.5 percent from the previous quarter but increased a statistically insignificant 1.3 percent from the second quarter of 2007. Vacant units were up a statistically insignificant 0.4 percent from the previous quarter and increased 7.2 percent from the second quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
All Housing Units	129,871	129,387	127,728	+ 0.4**	+ 1.7**
Occupied Units	111,228	110,823	110,341	+ 0.4**	+ 0.8**
Owner Occupied	75,715	75,145	75,283	+ 0.8**	+ 0.6**
Renter Occupied	35,513	35,678	34,058	- 0.5**	+ 1.3**
Vacant Units	18,643	18,564	17,387	+ 0.4**	+ 7.2

*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 second quarter of 2008, at 2.8 percent, was down a statistically insignificant 0.1 percentage point from the first quarter of 2008 and was up a statistically insignificant 0.2 percentage point from the second quarter of 2007.

The 2008 second quarter national rental vacancy rate, at 10.0 percent, was down a statistically insignificant 0.1 percentage point from the previous quarter but was up 0.5 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	2.8	2.9	2.6	- 3**	+ 8**
Rental Rate	10.0	10.1	9.5	- 1**	+ 5


**This change is not statistically significant.

Source: Census Bureau, Department of Commerce



Homeownership Rates

The national homeownership rate for all households was 68.1 percent in the second quarter of 2008, up a statistically insignificant 0.3 percentage point from the previous quarter but down a statistically insignificant 0.1 percentage point from the second quarter of 2007. The homeownership rate for minority households, at 51.0 percent, increased a statistically insignificant 0.7 percentage point from the first quarter of 2008 and increased a statistically insignificant 0.2 percentage point from the second quarter of 2007. The homeownership rate of 62.2 percent for young married-couple households was a statistically insignificant 0.6 percentage point below the first quarter of 2008 and a statistically insignificant 0.3 percentage point below the second quarter of 2007.

	Latest Quarter	Previous Quarter	Same Quarter Previous Year	% Change From Previous Quarter	% Change From Last Year
All Households	68.1	67.8	68.2	+ 0.4**	- 0.1**
Minority Households	51.0	50.3	50.8	+ 1.4**	+ 0.4**
Young Married-Couple Households	62.2	62.8	62.5	- 1.0**	- 0.5**

**This change is not statistically significant.

Source: Census Bureau, Department of Commerce