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# **FHA Portfolio Analysis**

**Data as of October 2006**

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**Federal Housing Administration Monthly Report  
FHA Portfolios Summary  
October 2006**

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PORTFOLIO	NUMBER	DOLLARS (Billions)	CHANGE FROM PRIOR YEAR
Single Family Insured	3,877,353	\$ 338.3	-7.5%
Multifamily Insured	12,330	\$ 56.3	-0.2%
Title I Property Improvement Insured	29,408	\$ 0.4	-24.4%
Title I Manufactured Housing Insured	24,410	\$ 0.7	-12.4%
Single Family Notes	291	\$ 0.01	-9.1%
Multifamily Notes	2,988	\$ 3.7	-1.1%
Accelerated Claims Disposition Notes	2,826	\$ 0.3	-48.3%
Title I Notes	22,440	\$ 0.3	-13.5%
Single Family Properties	28,920	\$ 3.0	-0.2%
Multifamily Properties	1	\$ -	N/A

## *Multifamily Insured Portfolio*

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### **Endorsements**

- For the first month of FY 2007, FHA endorsed a total of 44 multifamily mortgages compared to 29 multifamily mortgages reported for the same month in FY 2006.
- For the month of October, new construction and substantial rehabilitation mortgages totaled 10 for \$116 million.
- For this fiscal year, the number of Section 221(d)(4) mortgages was 5 insured for \$47.9 million.

### **Insurance-in-Force**

- As of October 31, 2006, the dollar volume of FHA's multifamily insurance-in-force was \$56.3 billion, slightly less than the balance reported for the same period a year ago.
- Since October 31, 2005, the number of FHA multifamily insured mortgages declined 1.7 percent to 12,330.

### **Prepayments**

- During the month of October in FY 2007, the number of prepayments totaled 15 for \$39.1 million, compared to 39 prepayments for \$95.3 million during the same month in FY 2006.

### **Claims**

- The number of claims processed through the end of October year was 8 for \$50.6 million, compared to 3 claims for \$3.6 million for the same period last fiscal year.

**Federal Housing Administration Monthly Report**  
**Multifamily Insured Portfolio**

	Current Month Oct 2006			Current FYTD Oct 2006			Prior FYTD Oct 2005			Percent Change Dollars
	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	
<b>Insurance in Force(Beginning)</b>	<b>12,319</b>	<b>1,448,030</b>	<b>\$56,248.4</b>	<b>12,319</b>	<b>1,448,030</b>	<b>\$56,248.4</b>	<b>12,581</b>	<b>1,497,273</b>	<b>\$56,426.6</b>	<b>-0.3%</b>
<b>FY Prepayments(-)</b>	(15)	(1,146)	(\$39.1)	(15)	(1,146)	(\$39.1)	(39)	(5,070)	(\$95.3)	-59.0%
<b>FY Claim Terminations(-)</b>	(8)	(1,422)	(\$50.6)	(8)	(1,422)	(\$50.6)	(3)	(248)	(\$3.6)	1316.3%
<b>FY Endorsements(+)</b>	44	3,457	\$208.4	44	3,457	\$208.4	29	2,529	\$141.2	47.6%
FY Endorsements by Mortgage type										
New Construction/Sub Rehab	10	1,374	\$116.0	10	1,374	\$116.0	8	1,354	\$82.8	40.2%
Refinance	32	1,873	\$89.2	32	1,873	\$89.2	17	728	\$49.8	79.1%
Supplemental/Equity	0	0	\$0.0	0	0	\$0.0	0	0	\$0.0	N/A
Operating Loss	0	0	\$0.0	0	0	\$0.0	0	0	\$0.0	N/A
Portfolio Re-engineering	2	210	\$3.2	2	210	\$3.2	4	447	\$8.6	-62.6%
FY Endorsements by Program type										
Rental Housing										
Section 221(d)(3) & 236	2	150	\$10.3	2	150	\$10.3	13	399	\$22.6	-54.2%
Section 221(d)(4)	5	698	\$47.9	5	698	\$47.9	6	986	\$61.5	-22.1%
Other Rental	28	1,656	\$67.9	28	1,656	\$67.9	4	425	\$18.3	271.0%
Risk Share	5	430	\$17.8	5	430	\$17.8	4	521	\$28.9	-38.3%
Health Care Facilities										
Nursing Homes	2	335	\$55.1	2	335	\$55.1	2	198	\$9.9	455.7%
BoardCare	0	0	\$0.0	0	0	\$0.0	0	0	\$0.0	N/A
Assisted Living	2	188	\$9.4	2	188	\$9.4	0	0	\$0.0	N/A
Hospitals	0	0	\$0.0	0	0	\$0.0	0	0	\$0.0	N/A
<b>Prior FY Prepayments(-)</b>	(11)	(1,251)	(\$40.0)	(11)	(1,251)	(\$40.0)	(26)	(4,729)	(\$151.4)	
<b>Prior FY Claims(-)</b>	0	0	\$0.0	0	0	\$0.0	0	0	\$0.0	
<b>Prior FY Endorsements(+)</b>	1	275	\$8.0	1	275	\$8.0	1	151	\$7.4	
<b>Adjustments</b>	0	0	(\$82.1)	0	0	(\$82.1)	2	1,404	\$67.2	
<b>Insurance in Force(Ending)</b>	<b>12,330</b>	<b>1,447,943</b>	<b>\$56,253.0</b>	<b>12,330</b>	<b>1,447,943</b>	<b>\$56,253.0</b>	<b>12,545</b>	<b>1,491,310</b>	<b>\$56,392.1</b>	<b>-0.2%</b>

Note: Dollars represent original mortgage amount for endorsements and unpaid principal balance for insurance in force and terminations.  
Units are not counted for Supplemental, Equity or Operating Loss mortgages.

## *Multifamily Notes and Properties*

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### **Notes**

- As of October 31, 2006, the multifamily note inventory when compared to the same period last year had decreased 1.1 percent in dollars to \$3.7 billion but increased 1.4 percent in number from 2,948 to 2,988 notes.
- At the end of October 2006, multifamily note assignments had decreased to 4 from 10 note assignments reported for the same period a year ago and the dollar amount of the notes assigned was \$23.4 million, which was 29 percent above the dollar amount reported for the same period a year ago.

### **Properties**

- The balance of the property inventory was 1 with no cost to HUD; which is no change from the inventory and cost for the same period a year ago.

**Federal Housing Administration Monthly Report**  
**Multifamily Notes and Properties**

	Current Month Oct 2006			Current FYTD Oct 2006			Prior FYTD Oct 2005			Percent Change Dollars
	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	
<b>Notes(Beginning)</b>	<b>2,992</b>	<b>225,259</b>	<b>\$3,715.0</b>	<b>2,992</b>	<b>225,259</b>	<b>\$3,715.0</b>	<b>2,942</b>	<b>225,507</b>	<b>\$3,717.2</b>	<b>-0.1%</b>
Pay Offs(-)	(2)	(460)	(\$7.3)	(2)	(460)	(\$7.3)	(3)	(671)	(\$13.0)	-43.8%
Conversions(-)	0	0	\$0.0	0	0	\$0.0	0	0	\$0.0	N/A
Sales(-)	(3)	(225)	(\$2.6)	(3)	(225)	(\$2.6)	(1)	(234)	(\$4.6)	-43.6%
Assignments/Seconds(+)	4	606	\$23.4	4	606	\$23.4	10	1,140	\$18.1	29.0%
Assignments/Seconds by type										
Portfolio Re-engineering	1	150	\$0.8	1	150	\$0.8	5	363	\$6.0	-86.0%
Other Assignments	3	456	\$22.5	3	456	\$22.5	5	777	\$12.2	85.2%
Adjustments	(3)	(368)	\$16.1	(3)	(368)	\$16.1	0	0	\$69.3	
<b>Notes(Ending)</b>	<b>2,988</b>	<b>224,812</b>	<b>\$3,744.6</b>	<b>2,988</b>	<b>224,812</b>	<b>\$3,744.6</b>	<b>2,948</b>	<b>225,742</b>	<b>\$3,787.0</b>	<b>-1.1%</b>
<b>Properties(Beginning)</b>	<b>1</b>	<b>0</b>	<b>\$0.0</b>	<b>1</b>	<b>0</b>	<b>\$0.0</b>	<b>1</b>	<b>0</b>	<b>\$0.0</b>	<b>N/A</b>
Conversions(+)	1	140	\$2.0	1	140	\$2.0	0	0	\$0.0	N/A
Sales(-)	(1)	(140)	(\$2.0)	(1)	(140)	(\$2.0)	0	0	\$0.0	N/A
<b>Properties(Ending)</b>	<b>1</b>	<b>0</b>	<b>\$0.0</b>	<b>1</b>	<b>0</b>	<b>\$0.0</b>	<b>1</b>	<b>0</b>	<b>\$0.0</b>	<b>N/A</b>

Note: Dollars represent assignment amount for notes and acquisition cost for properties; Data for notes are from Oct 1-Oct 20 for current month and from Oct 1-Oct 20 for FYTD.  
Data for properties are from Oct 1-Oct 31 for current month and from Oct 1-Oct 31 for FYTD  
Units are not counted for Supplemental, Equity, or Operating Loss mortgages that are not in the first position.  
The remaining property in the inventory is a Title X Land Development property, it lists an acquisition cost of \$1 and has no units.

## *Single Family Insured Portfolio*

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### **Insurance-in-Force**

- From the end of October 2005 to the end of October 2006, FHA single family insurance-in-force decreased by 316,341 insured mortgages. This was a drop of 8 percent to 3,877,353 active mortgages.
- At the end of October 2006, the dollar amount of insurance-in-force had decreased 3 percent compared to a year ago.

### **Prepayments**

- In the beginning month of FY 2007, single family prepayments totaled 47,797; 40 percent below the number of prepayments reported during the same period a year ago.

### **Claims**

- Single family claim terminations processed during the first month of FY 2007, decreased 5 percent to 4,681 compared to the number of claims processed during the first month of FY 2006.

### **Endorsements**

- FHA endorsed 36,037 mortgages, totaling \$4.9 billion, for the first month of FY 2007, 5 percent under the number reported during the same period a year ago.
- During October of this fiscal year, Mutual Mortgage Insurance Fund endorsements decreased by 4 percent to 33,942 from 35,344 reported during same time last fiscal year.
- For the beginning month of this fiscal year, the number of condominium mortgages decreased by 20 percent to 1,747 compared to 2,175 reported during the same period in FY 2006.
- Loans to purchase and improve homes under Section 203(k) increased 11 percent to 285 for the first month of FY 2007 compared to 256 reported during the same period last fiscal year.
- In the beginning month of Fiscal Year 2007, the number of adjustable rate mortgages (ARM's) was 611, a decrease of 64 percent compared to the same time last fiscal year; fixed rate mortgages (FRM's) decreased 2 percent to 35,426 mortgages.
- Refinancings have shown improvement of 1 percent in number from 9,678 for the first month of FY 2006 to 9,770 during the same time in FY 2007.
- In October of FY 2007, the number of HECM endorsements was 8,346 for \$1.3 billion; a 73 percent increase over the 4,826 mortgages for \$741.2 million reported for the same time in FY 2006; in the first month of FY 2007 HECM refinancings was 510.

**Federal Housing Administration Monthly Report**  
**Single Family Insured Portfolio**

	Current Month Oct 2006		Current FYTD Oct 2006		Prior FYTD Oct 2005		Percent Change (Number)
	Number	Dollars (\$M)	Number	Dollars (\$M)	Number	Dollars (\$M)	
<b>Insurance-in-Force (Beginning)</b>	3,892,440	\$ 338,565.2	3,892,440	\$ 338,565.2	4,239,734	\$ 352,665.1	-8%
Prepayments(-)	(47,797)	\$ (4,258.2)	(47,797)	\$ (4,258.2)	(80,084)	\$ (7,518.5)	-40%
Claim Terminations(-)	(4,681)	\$ (428.8)	(4,681)	\$ (428.8)	(4,943)	\$ (434.1)	-5%
Endorsements(+)	36,037	\$ 4,857.5	36,037	\$ 4,857.5	37,846	\$ 4,632.4	-5%
<i>Endorsements by Program</i>							
MMIF	33,942	\$ 4,559.6	33,942	\$ 4,559.6	35,344	\$ 4,303.4	-4%
GIF/SRIF	2,095	\$ 297.9	2,095	\$ 297.9	2,502	\$ 329.0	-16%
234 Condo	1,747	\$ 250.9	1,747	\$ 250.9	2,175	\$ 285.5	-20%
203(k) Improvement	285	\$ 37.9	285	\$ 37.9	256	\$ 35.5	11%
Other	63	\$ 9.0	63	\$ 9.0	71	\$ 8.1	-11%
<i>Endorsements by Type</i>							
Adjustable Rate Mortgages	611	\$ 100.2	611	\$ 100.2	1,719	\$ 258.7	-64%
Fixed Rate Mortgages	35,426	\$ 4,757.3	35,426	\$ 4,757.3	36,127	\$ 4,373.7	-2%
<i>Endorsements by Purpose</i>							
Refinancings	9,770	\$ 1,437.4	9,770	\$ 1,437.4	9,678	\$ 1,191.4	1%
Purchases	26,267	\$ 3,420.1	26,267	\$ 3,420.1	28,168	\$ 3,441.0	-7%
<i>HECM Endorsements</i>							
HECM Endorsements	8,346	\$ 1,277.4	8,346	\$ 1,277.4	4,826	\$ 741.2	73%
HECM Refiancings	510	\$ 79.2	510	\$ 79.2	301	\$ 44.7	69%
HECM In-Force	188,627	\$ 19,672.9	188,627	\$ 19,672.9	109,671	\$ 11,314.6	72%
Adjustments	1,354	\$ (454.8)	1,354	\$ (454.8)	1,141	\$ (434.1)	
<b>Insurance-in-Force (Ending)</b>	3,877,353	\$ 338,280.9	3,877,353	\$ 338,280.9	4,193,694	\$ 348,910.8	-8%

Note: Dollars represent unpaid balance.

Source of Data: SFDW

\* Data Source for HECM is the HECM Detail Case

## *Single Family Notes and Properties*

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### **Notes**

- In the first month of FY 2007, the single family notes inventory was 9 percent less than the number at the end of October 2005.
- For October 2006 the number of assigned purchase money mortgage notes was 12 compared to zero assigned during October 2005.
- The number of notes in inventory at the end of October 2006 was 7 more than the number at the end of FY 2006.

### **Accelerated Claims Disposition Notes**

- The number of liquidations of REO in October 2006 was down 11 percent from the number in October 2005.
- The number of liquidations of notes in October 2006 was exactly 50 percent of the number in October 2005.
- The inventory of notes at the end of October 2006 was down more than 48 percent from the end of October 2005.

### **Properties**

- The single family property inventory had 28,920 properties at the end of October 2006, a decrease of 63 from a year ago.
- Property sales numbered 5,078 in October 2006, a 21 percent increase over sales in October 2005.
- During the month of October 2006, sales exceeded conveyances by 18.6 percent.

**Federal Housing Administration Monthly Report**  
**Single Family Notes and Properties**

	Current Month Oct 2006		Current FYTD Oct 2006		Prior FYTD Oct 2005		Percent Change (Number)
	Number	Dollars (\$M)	Number	Dollars (\$M)	Number	Dollars (\$M)	
<b>Notes (Beginning)</b>	284	\$ 10.0	284	\$ 10.0	318	\$ 11.7	-11%
Pay-Offs(-)	(5)	\$ (0.1)	(5)	\$ (0.1)	(3)	\$ (0.1)	67%
Conversions(-)	(2)	\$ -	(2)	\$ -	(2)	\$ -	0%
Sales(-)	-	\$ -	-	\$ -	-	\$ -	
Assignments MNA(+)	-	\$ -	-	\$ -	6	\$ 0.1	-100%
Assignments PMM(+)	12	\$ 0.4	12	\$ 0.4	-	\$ -	
Adjustments	2	\$ (0.1)	2	\$ (0.1)	1	\$ (0.1)	
<b>Notes (Ending)</b>	291	\$ 10.2	291	\$ 10.2	320	\$ 11.6	-9%
<b>Accelerated Claims Disposition Notes (Beginning)</b>	3,029	\$ 317.2	3,029	\$ 317.2	5,431	\$ 582.3	-44%
Liquidations REO	(163)	\$ (16.7)	(163)	\$ (16.7)	(183)	\$ (15.9)	-11%
Liquidations Notes	(40)	\$ (4.6)	(40)	\$ (4.6)	(80)	\$ (9.6)	-50%
Additions	-	\$ -	-	\$ -	301	\$ 31.8	-100%
Repurchases and Write-Offs	-	\$ -	-	\$ -	-	\$ -	
<b>Accelerated Claims Disposition Notes (Ending)</b>	2,826	\$ 295.8	2,826	\$ 295.8	5,469	\$ 588.5	-48%
<b>Properties (Beginning)</b>	29,750	\$ 3,027.1	29,750	\$ 3,027.1	28,888	\$ 2,860.6	3%
Sales(-)	(5,078)	\$ (519.1)	(5,078)	\$ (519.1)	(4,196)	\$ (416.8)	21%
Conversions(+)	2	\$ -	2	\$ -	2	\$ -	0%
Conveyances(+)	4,281	\$ 437.8	4,281	\$ 437.8	4,163	\$ 413.7	3%
Adjustments	(35)	\$ 10.5	(35)	\$ 10.5	126	\$ 21.6	
<b>Properties (Ending)</b>	28,920	\$ 2,956.3	28,920	\$ 2,956.3	28,983	\$ 2,879.1	0%

Note: Dollars represent unpaid balance for notes and acquisition cost for properties.

## *Single Family Detail*

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### **Defaults**

- At the end of September 2006, FHA's single family default rate reached a high of 6.69 percent, compared to 6.62 percent for the same period a year ago.
- The 50 metropolitan statistical areas (MSAs) with the highest default rates as of September 2006 accounted for 36.6 percent of the national total of defaults.
- 9 of the MSAs in the top 50 that have endorsed ARMS have higher default rates on FRMs than on ARMs.

### **Loss Mitigation Activity**

- The use of forbearance agreements to keep borrowers in their homes increased 8 percent, based on a total of 2,160 in the beginning month of this fiscal year, compared to 1,995 times during this same time last fiscal year.
- For the first month of FY 2007, lenders used loan modifications a total of 3,992 times, compared to 2,346 times during the first month of last fiscal year.
- Lenders used partial claims a total of 1,306 times for the beginning month of FY 2007, compared to the first month of fiscal year 2006 when they used them 840 times.

### **Insurance Claims**

- For October of fiscal year 2007, pre-foreclosure sales were 406, a decrease of 6 percent compared to the same period a year ago; deeds-in-lieu decreased to 22, from the same time a year ago when the count was 23.
- Conveyance foreclosure claims totaled 4,252 during the beginning of FY 2007, a 3 percent increase from the same period in FY 2006 when the number was 4,109.

**Federal Housing Administration Monthly Report**  
**Single Family Detail**

	Current Month Oct 2006 Number	Current FYTD Oct 2006 Number	Prior FYTD Oct 2005 Number	Percent Change
<b>Status of Insurance-in-Force*</b>				
Current	3,632,093	3,632,093	3,958,874	-8%
In Default (90 or more days delinquent)	260,347	260,347	280,860	-7%
Total Insurance-in-Force	3,892,440	3,892,440	4,239,734	-8%
Default Rate	6.69%	6.69%	6.62%	1%
<b>Loss Mitigation Activity **</b>				
Forbearance Agreements	2,160	2,160	1,995	8%
Loan Modifications	3,992	3,992	2,346	70%
Partial Claims	1,306	1,306	840	55%
Total	7,458	7,458	5,181	44%
<b>Insurance Claims</b>				
Conveyance Foreclosure	4,252	4,252	4,109	3%
Pre-Foreclosure Sale	406	406	434	-6%
Deed-in-Lieu of Foreclosure	22	22	23	-4%
Other***	1	1	377	-100%
Total	4,681	4,681	4,943	-5%

September data: October data are not available until after October 31, 2006.

\*\*Counts are based on settlement dates of loss mitigation claims.

\*\*\*Accelerated Claims Disposition Demonstration Program (601)

**Federal Housing Administration Monthly Report  
Single Family Detail (continued)**

**MSA's With The Highest Single Family Default Rates  
(Data as of September 2006)**

Rank	MSA Name	Default Rates						Total IIF			Defaults		
		Current Year Sep 2006			Prior Year Sep 2005			Current Year Sep 2006	Prior Year Sep 2005	Percent Change	Current Year Sep 2006	Prior Year Sep 2005	Percent Change
		Total	FRM	ARM	Total	FRM	ARM						
1	NEW ORLEANS, LA	20.72	20.54	29.98	10.99	10.91	14.86	24,986	33,672	-26%	5,177	3,700	40%
2	HATTIESBURG, MS	15.17	14.78	43.75	8.85	8.86	8.33	1,200	1,108	8%	182	98	86%
3	BILOXI-GULFPORT-PASCAGOULA, MS	14.41	14.17	21.95	10.32	10.36	8.96	5,372	5,884	-9%	774	607	28%
4	LAKE CHARLES, LA	12.84	12.82	15.39	7.57	7.65	0.00	1,308	1,401	-7%	168	106	58%
5	MOBILE, AL	12.71	12.66	14.60	8.73	8.72	8.99	10,961	11,549	-5%	1,393	1,008	38%
6	BEAUMONT-PORT ARTHUR, TX	12.20	12.24	6.45	7.55	7.59	2.86	4,600	4,594	0%	561	347	62%
7	CLEVELAND-LORAIN-ELYRIA, OH	12.19	11.94	15.85	12.73	12.64	13.78	32,013	32,617	-2%	3,903	4,151	-6%
8	YOUNGSTOWN-WARREN, OH	12.15	12.01	16.04	11.98	11.99	11.69	6,040	6,244	-3%	734	748	-2%
9	DETROIT, MI	12.11	12.25	11.18	11.72	12.22	8.71	63,960	67,394	-5%	7,747	7,898	-2%
10	MEMPHIS, TN-AR-MS	12.11	12.03	13.71	12.73	12.71	13.09	49,654	54,493	-9%	6,014	6,935	-13%
11	GARY, IN	11.76	11.73	12.29	11.93	11.87	12.80	13,278	13,800	-4%	1,561	1,646	-5%
12	TOLEDO, OH	11.34	11.30	11.92	11.90	12.08	9.63	4,533	4,691	-3%	514	558	-8%
13	VINELAND-MILLVILLE-BRIGETON, NJ	11.18	10.97	16.67	12.26	12.21	13.64	2,962	3,368	-12%	331	413	-20%
14	KOKOMO, IN	10.99	10.81	13.73	8.82	8.94	7.08	1,610	1,690	-5%	177	149	19%
15	BIRMINGHAM, AL	10.98	10.98	11.00	10.69	10.69	10.65	19,791	21,391	-7%	2,173	2,287	-5%
16	FLINT, MI	10.62	10.60	10.85	10.00	10.03	9.41	9,145	9,635	-5%	971	963	1%
17	BATON ROUGE, LA	10.59	10.59	10.43	9.61	9.61	9.30	13,079	14,002	-7%	1,385	1,345	3%
18	PHILADELPHIA, PA-NJ	10.34	10.24	12.35	11.35	11.30	12.22	74,439	85,062	-12%	7,699	9,658	-20%
19	HOUMA, LA	10.30	10.15	15.56	8.70	8.77	6.25	1,621	1,587	2%	167	138	21%
20	TERRE HAUTE, IN	10.08	10.21	5.13	11.01	11.21	4.76	1,528	1,380	11%	154	152	1%
21	SHREVEPORT-BOSSIER CITY, LA	10.08	10.00	14.65	9.39	9.39	9.26	9,754	10,489	-7%	983	985	0%
22	ATLANTA, GA	10.04	9.83	11.74	9.73	9.85	8.90	135,902	144,273	-6%	13,641	14,037	-3%
23	TUSCALOOSA, AL	9.96	9.98	9.74	8.86	8.89	8.50	2,962	2,811	5%	295	249	18%
24	COLUMBUS, OH	9.58	9.44	11.02	9.64	9.60	10.02	44,302	45,504	-3%	4,244	4,385	-3%
25	ROCKFORD, IL	9.55	9.20	15.24	10.68	10.68	10.69	8,124	8,137	0%	776	869	-11%

**Federal Housing Administration Monthly Report  
Single Family Detail (continued)**

**MSA's With The Highest Single Family Default Rates  
(Data as of September 2006)**

Rank	MSA Name	Default Rates						Total IIF			Defaults		
		Current Year Sep 2006			Prior Year Sep 2005			Current Year Sep 2006	Prior Year Sep 2005	Percent Change	Current Year Sep 2006	Prior Year Sep 2005	Percent Change
		Total	FRM	ARM	Total	FRM	ARM						
26	JACKSON, MS	9.52	9.36	15.49	8.16	8.08	11.06	17,118	17,330	-1%	1,629	1,414	15%
27	MANSFIELD, OH	9.49	9.37	11.11	9.07	9.34	6.34	1,601	1,544	4%	152	140	9%
28	ATLANTIC-CAPE MAY, NJ	9.41	9.14	13.99	9.85	9.64	12.82	4,487	5,380	-17%	422	530	-20%
29	INDIANAPOLIS, IN	9.36	9.11	11.67	10.00	9.99	10.11	59,946	61,761	-3%	5,610	6,177	-9%
30	HAMILTON-MIDDLETOWN, OH	9.35	9.15	11.09	9.67	9.68	9.59	5,658	5,740	-1%	529	555	-5%
31	CINCINNATI, OH-KY-IN	9.34	9.12	11.70	9.19	9.17	9.41	25,447	25,583	-1%	2,377	2,352	1%
32	NEWBURGH, NY-PA	9.34	9.45	6.56	9.89	10.13	4.94	1,606	1,760	-9%	150	174	-14%
33	SAGINAW-BAY CITY-MIDLAND, MI	9.33	9.24	10.83	9.86	9.96	8.63	6,140	5,971	3%	573	589	-3%
34	CHATTANOOGA, TN-GA	9.25	9.29	7.92	9.38	9.40	8.65	8,387	8,755	-4%	776	821	-5%
35	ANN ARBOR, MI	9.07	8.76	10.67	8.20	8.38	7.53	2,955	2,974	-1%	268	244	10%
36	NEWARK, NJ	9.04	8.89	10.99	10.08	10.11	9.80	14,374	17,563	-18%	1,300	1,771	-27%
37	TRENTON, NJ	9.03	8.77	13.06	10.35	10.21	12.16	3,711	4,105	-10%	335	425	-21%
38	AKRON, OH	9.00	8.85	11.20	9.15	9.15	9.23	10,036	9,976	1%	903	913	-1%
39	BENTON HARBOR, MI	8.91	8.81	10.28	8.10	8.16	7.46	1,515	1,507	1%	135	122	11%
40	EVANSVILLE-HENDERSON, IN-KY	8.91	8.72	12.64	8.56	8.71	6.09	3,615	3,411	6%	322	292	10%
41	RACINE, WI	8.90	8.56	12.88	9.49	9.55	8.90	2,090	2,044	2%	186	194	-4%
42	CANTON-MASSILLON, OH	8.84	8.56	11.54	8.32	8.47	7.03	4,685	4,449	5%	414	370	12%
43	DAYTON-SPRINGFIELD, OH	8.79	8.51	12.29	9.19	9.06	10.57	19,949	20,034	0%	1,753	1,842	-5%
44	PEORIA-PEKIN, IL	8.68	8.70	7.83	8.87	9.05	3.20	4,297	4,070	6%	373	361	3%
45	CHICAGO, IL	8.66	8.23	11.15	8.96	8.81	9.66	86,574	99,493	-13%	7,500	8,913	-16%
46	KANKAKEE, IL	8.61	8.67	7.35	9.01	9.12	7.14	1,545	1,531	1%	133	138	-4%
47	ANDERSON, SC	8.55	8.55	0.00	3.92	3.92	0.00	152	204	-25%	13	8	63%
48	READING, PA	8.50	8.28	12.99	9.33	9.18	12.09	3,790	4,169	-9%	322	389	-17%
49	HICKORY-MORGANTON-LENOIR, NC	8.44	7.76	15.66	6.81	6.59	9.15	1,931	1,732	11%	163	118	38%
50	HOUSTON, TX	8.43	8.39	10.05	7.94	7.95	7.30	86,895	90,405	-4%	7,323	7,174	2%

Source SFDW  
Data as of Sep 2006

## *Title I Portfolios*

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### **Insurance-in-Force**

- Property improvement insurance-in-force in October 2006 declined to 29,408 loans, down 24 percent from this same period last fiscal year.
- Manufactured housing insurance-in-force declined to 24,410 loans, a drop of 12 percent from this same period a year ago.

### **Prepayments**

- Property improvement loan prepayments in the first month of FY 2007 decreased 42 percent compared to the number reported for the same period in the previous fiscal year.
- Manufactured housing loan prepayments decreased 29 percent in October, compared to the number reported for the same period in the prior fiscal year.

### **Claims**

- Property improvement claim terminations processed during this first month of FY 2007 decreased by 49 percent compared to the same period in FY 2006.
- The number of manufactured housing claims processed in October decreased 58 percent compared to the number reported for this same period in FY 2006.

### **Endorsements**

- Property improvement endorsements were up 10 percent to 384 for the first month of FY 2007, compared to 350 for October of FY 2006.
- In the first month of FY 2007, there were 76 manufactured housing endorsements, down 34 percent from the 116 reported in the corresponding period of FY 2006.

### **Notes**

- The Title I note portfolio included 22,440 notes in the first month of FY 2007, compared to 25,931 at this same time in the previous fiscal year.
- During October, a total of 343 Title I note collection cases were closed, 7 percent fewer than the 368 cases closed during the same period in FY 2006.

**Federal Housing Administration Monthly Report**  
**Title I Portfolios**

	Current Month Oct 2006		Current FYTD Oct 2006		Prior FYTD Oct 2005		Percent Change (Number)
	Number	Dollars <sup>1</sup> (\$M)	Number	Dollars (\$M)	Number	Dollars (\$M)	
<b>Insurance-in-Force (Beginning)</b>							
Property Improvement	30,085	\$ 438.9	30,085	\$ 438.9	39,873	\$ 574.6	-25%
Manufactured Housing	24,724	\$ 724.8	24,724	\$ 724.8	28,269	\$ 791.7	-13%
Prepayments(-)							
Property Improvement	(757)	(9)	(757)	(9)	(1,297)	(17.3)	-42%
Manufactured Housing	(360)	(9)	(360)	(9)	(506)	(12.0)	-29%
Claim Terminations(-)							
Property Improvement	(19)	(0)	(19)	(0)	(37)	(0.4)	-49%
Manufactured Housing	(10)	(0)	(10)	(0)	(24)	(0.7)	-58%
Endorsements(+)							
Property Improvement	384	\$ 5.4	384	\$ 5.4	350	\$ 4.7	10%
Manufactured Housing	76	\$ 2.9	76	\$ 2.9	116	\$ 4.3	-34%
Adjustments							
Property Improvement	(285)	\$ (4.5)	(285)	\$ (4.5)	(1)	\$ (0.2)	
Manufactured Housing	(20)	\$ (0.3)	(20)	\$ (0.3)	24	\$ 1.1	
<b>Insurance-in-Force (Ending)</b>							
Property Improvement	29,408	\$ 430.0	29,408	\$ 430.0	38,888	\$ 561.4	-24%
Manufactured Housing	24,410	\$ 718.1	24,410	\$ 718.1	27,879	\$ 784.4	-12%
<b>Notes (Beginning)</b>	22,680	\$ 313.2	26,407	\$ 352.8	32,094	\$ 418.5	-18%
New Cases Assigned(+)	83	\$ 0.9	83	\$ 0.9	87	\$ 0.9	-5%
Interest Accrual, Fees, Penalties, and Costs	N/A	\$ 1.0	N/A	\$ 1.0	N/A	\$ 1.1	
Net Collections(-)	N/A	\$ (1.3)	N/A	\$ (1.3)	N/A	\$ (1.1)	
Cases Closed(-) <sup>3</sup>	(343)	\$ (2.8)	(343)	\$ (2.8)	(368)	\$ (3.0)	-7%
Adjustments	20	\$ -	(3,707)	\$ (39.6)	(5,882)	\$ (68.1)	
<b>Notes (Ending)<sup>2</sup></b>	22,440	\$ 311.0	22,440	\$ 311.0	25,931	\$ 348.3	-13%

Notes: <sup>1/</sup> Dollars represent original loan proceeds for insurance-in-force and unpaid balances for notes.

<sup>2/</sup> The October Title I portfolio includes cases classified as Currently Not Collectible (13,160 totaling \$212.93million).

## *Commitments and GI/SRI Credit Subsidy*

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### **MMIF**

- MMIF commitments equaled \$4.6 billion for the first month of FY 2007.
- The MMIF commitment authority is under continuing resolution at this time.

### **GIF/SRIF**

- GIF/SRIF commitments, which, for multifamily programs, include only those programs that are in positive credit subsidy risk categories, totaled \$1.6 billion for the first month of FY 2007.
- HECM commitments totaled \$1.3 billion for the first month of FY 2007.
- The GIF/SRIF commitment authority is under continuing resolution at this time.

### **GI/SRI Credit Subsidy**

- FHA used \$1.0 million in credit subsidy in the beginning month of FY 2007.
- FHA authority is under continuing resolution at this time.

**Federal Housing Administration Monthly Report  
Commitments & Credit Subsidy  
By Program and Month: FY 2006**

*Dollars in Millions*

<b>Commitments</b>										
Fiscal Year 2006	MMIF	GI/SRIF Total	Section 234	Section 203(k)	Other	HECM**	Property Improvement	Title I Mobile Homes	GIF/SRIF Multifamily*	
Oct	\$ 4,559.613	\$ 1,595.567	\$ 250.945	\$ 37.919	\$ 9.034	\$ 1,277.400	\$ 5.368	\$ 2.916	\$ 11.984	
Nov										
Dec										
Jan										
Feb										
Mar										
Apr										
May										
Jun										
Jul										
Aug										
Sep										
<b>FYTD 2006 Total</b>	<b>\$ 4,559.613</b>	<b>\$ 1,595.567</b>	<b>\$ 250.945</b>	<b>\$ 37.919</b>	<b>\$ 9.034</b>	<b>\$ 1,277.400</b>	<b>\$ 5.368</b>	<b>\$ 2.916</b>	<b>\$ 11.984</b>	
<b>FY 2006 Total</b>	<b>\$ 51,378.583</b>	<b>\$ 10,645.270</b>	<b>\$ 36,825.801</b>	<b>\$ 415.599</b>	<b>\$ 415.599</b>	<b>\$ 6,287.786</b>	<b>\$ 50.272</b>	<b>\$ 65.813</b>	<b>\$ 8.533</b>	
<b>FY 2007 Annualized</b>	<b>\$ 54,715.351</b>	<b>\$ 19,146.804</b>	<b>\$ 3,011.344</b>	<b>\$ 455.027</b>	<b>\$ 108.413</b>	<b>\$ 15,328.803</b>	<b>\$ 64.411</b>	<b>\$ 34.998</b>	<b>\$ 143.808</b>	
<b>FY 2006 Authority(a)</b>										

<b>Credit Subsidy</b>										
Fiscal Year 2006	MMIF	GI/SRIF Total	Section 234	Section 203(k)	Other	HECM	Property Improvement	Title I Mobile Homes	GIF/SRIF Multifamily*	
<i>Subsidy Factor</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>0.0014</i>	<i>Various</i>	
Nov	N/A	\$ 1.004	N/A	N/A	N/A	N/A	N/A	\$ 0.004	\$ 1.000	
Dec	N/A	\$ -	N/A	N/A	N/A	N/A	N/A	\$ -	\$ -	
Jan	N/A	\$ -	N/A	N/A	N/A	N/A	N/A	\$ -	\$ -	
Feb	N/A	\$ -	N/A	N/A	N/A	N/A	N/A	\$ -	\$ -	
Mar	N/A	\$ -	N/A	N/A	N/A	N/A	N/A	\$ -	\$ -	
Apr	N/A	\$ -	N/A	N/A	N/A	N/A	N/A	\$ -	\$ -	
May	N/A	\$ -	N/A	N/A	N/A	N/A	N/A	\$ -	\$ -	
Jun	N/A	\$ -	N/A	N/A	N/A	N/A	N/A	\$ -	\$ -	
Jul	N/A	\$ -	N/A	N/A	N/A	N/A	N/A	\$ -	\$ -	
Aug	N/A	\$ -	N/A	N/A	N/A	N/A	N/A	\$ -	\$ -	
Sep	N/A	\$ -	N/A	N/A	N/A	N/A	N/A	\$ -	\$ -	
<b>FYTD 2006 Total</b>	<b>N/A</b>	<b>\$ 1.004</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 0.004</b>	<b>\$ 1.000</b>	
<b>FY 2006 Total</b>	<b>N/A</b>	<b>\$ 0.571</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 0.095</b>	<b>\$ 0.479</b>	
<b>FY 2007 Annualized</b>	<b>N/A</b>	<b>\$ 12.049</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 0.049</b>	<b>\$ 12.000</b>	
<b>FY 2006 Authority(a)</b>	<b>N/A</b>	<b>\$ -</b>								

\* includes only those Multifamily programs that are in positive credit subsidy risk categories

\*\*Maximum Claim Amount

(a) Department is under continuing resolution status

## *Single Family Market Comparisons*

*(Due to a lag in reporting of conventional information, these notes describe data for the previous month)*

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### **Insured Mortgage Applications**

- Total mortgage insurance applications decreased 8 percent FY 2006 compared to FY 2005.
- For FY 2006, FHA applications decreased 17 percent; this compares to a 9 percent decrease in conventional mortgage applications, but a 6 percent increase in VA guarantee applications.
- FHA's share of total mortgage insurance applications was 18 percent for FY 2006 compared to 20 percent for last fiscal year.

### **Insured Mortgage Endorsements**

- The dollar amount for FHA endorsements decreased 11 percent from last fiscal year.
- FHA's share of insured mortgage endorsement dollars is 18 percent for this fiscal year compared to 20 percent for last fiscal year.
- This fiscal year the share of conventional insured dollars is 74 percent and VA is 8 percent.

### **Home Sales Market**

- The number of FHA purchase mortgages decreased 11 percent for FY 2006 and FY 2005.
- Overall, home sales decreased 4 percent for FY 2006 compared to last fiscal year.
- FHA's share of home sales was 4 percent for this fiscal year compared to 4.3 percent for FY 2005.

## Single Family Market Comparisons

(Due to a lag in reporting of conventional information, these data are for the previous month)

	Current Month Sept 2006		Current FYTD Oct 2005 - Sep 2006			Prior FYTD Oct 2004 - Sep 2005			Percent Change (Number)	
	Number	Application Share	Number	Application Share	Number	Application Share				
<b>INSURED MORTGAGE APPLICATIONS</b>										
Conventional	136,185	68%	1,501,050	65%	1,640,697	65%			-9%	
FHA *	48,828	24%	637,066	18%	721,486	20%			-17%	
VA	14,691 ****	7%	176,372	8%	166,039	7%			6%	
TOTAL	199,704	100%	2,314,488	100%	2,528,222	100%			-8%	
<b>INSURED MORTGAGE ENDORSEMENTS</b>										
	Number	Dollars (\$M)	Insured Share (\$)	Number	Dollars (\$M)	Insured Share (\$)	Number	Dollars (\$M)	Insured Share (\$)	Percent Change (Dollars)
Conventional	130,830	\$21,639.5	76%	1,441,953	\$221,765.4	74%	1,557,354	\$218,688.9	71%	1%
FHA	34,168	\$4,579.4	16%	425,634	\$55,316.0	18%	512,415	\$62,367.5	20%	-11%
VA	12,458	\$2,282.2	8%	142,723	\$24,637.2	8%	165,854	\$24,900.6	8%	-1%
TOTAL	177,456	\$28,501.1	100%	2,010,310	\$301,718.6	100%	2,235,623	\$305,957.0	100%	-1%
<b>HOMES SALES MARKET</b>										
	Number	FHA Share	Number	FHA Share	Number	FHA Share	Number	FHA Share	Percent Change (Number)	
FHA Purchase Mortgages**	25,671	4.2%	314,100	4.0%	353,936	4.3%			-11%	
Home Sales***	612,500		7,907,333		8,277,750				-4%	

\* Data for applications are for August 20, 2006 - September 23 for current month; September 18, 2005 - September 23, 2006 for current FYTD, and September 19, 2004 - September 17, 2005 for prior FYTD.

\*\* FHA insured minus FHA refinancings

\*\*\* Includes new and existing construction home sales and a month lag between home sale and FHA endorsement of mortgage to purchase home.

Note: Dollars represent original amounts insured

\*\*\*\* estimated VA current month applications

## Executive Summary

### Status of FY 2005 Housing Contracts and System Funds

As of October 2006

**Data is not available for publishing**