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# **FHA Portfolio Analysis**

**Data as of February 2004**

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

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PORTFOLIO	NUMBER	DOLLARS (Billions)	CHANGE FROM PRIOR YEAR
Single Family Insured	5,216,396	\$ 437.8	-12.8%
Multifamily Insured	13,465	\$ 56.2	1.6%
Title I Property Improvement Insured	69,172	\$ 1.0	-34.0%
Title I Manufactured Housing Insured	37,253	\$ 1.0	-8.0%
Single Family Notes	429	\$ 0.02	-27.3%
Multifamily Notes	2,545	\$ 3.5	26.7%
Title I Notes	34,957	\$ 0.4	-7.0%
Single Family Properties	32,944	\$ 3.1	0.3%
Multifamily Properties	18	\$ 0.03	-67.9%

February 2004

## *Multifamily Insured Portfolio*

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### **Endorsements**

- Through the first five months of this fiscal year, FHA endorsed a total of 515 mortgages compared to 341 mortgages during the same period a year ago.
- For the month of February, new construction and substantial rehabilitation mortgages totaled 23 for \$196 million.
- During the first five months of this fiscal year, the number of Section 221(d)(4) mortgages was 227 insured for \$1.4 billion.
- Through February of this fiscal year, health care facilities endorsements totaled 105 for \$1.1 billion, compared to 93 endorsements for \$668.3 million for the same period in FY 2003.

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

- At the end of February 2004, the dollar volume of FHA's multifamily insurance-in-force was \$56.2 billion, 1.6 percent above the amount for the same time last year.
- Since February 2003, the number of FHA insured mortgages declined 3.6 percent to 13,465.

### **Prepayments**

- Through the fifth month of this fiscal year, the number of prepayments totaled 616 for \$2.1 billion, compared to 519 prepayments for \$1.5 billion during the same time last year.

### **Claims**

- The number of claims processed through February of this fiscal year was 126 for \$442.1 million, compared to 109 claims for \$244.8 million for the same period a year ago.

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

	Current Month Feb 2004			Current FYTD Oct 2003-Feb 2004			Prior FYTD Oct 2002-Feb 2003			Percent Change Dollars
	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	
<b>Insurance in Force(Beginning)</b>	<b>13,548</b>	<b>1,617,580</b>	<b>\$56,052.6</b>	<b>13,681</b>	<b>1,635,028</b>	<b>\$55,893.3</b>	<b>14,248</b>	<b>1,694,502</b>	<b>\$55,158.0</b>	<b>1.3%</b>
<b>FY Prepayments(-)</b>	(120)	(19,835)	(\$526.4)	(616)	(82,899)	(\$2,127.2)	(519)	(64,758)	(\$1,503.9)	41.4%
<b>FY Claim Terminations(-)</b>	(62)	(5,338)	(\$164.9)	(126)	(12,929)	(\$442.1)	(109)	(9,458)	(\$244.8)	80.6%
<b>FY Endorsements(+)</b>	98	10,846	\$919.9	515	63,672	\$3,230.2	341	48,734	\$2,211.8	46.0%
FY Endorsements by Mortgage type										
New Construction/Sub Rehab	23	3,389	\$196.0	151	21,866	\$1,412.5	111	18,288	\$1,229.7	14.9%
Refinance	52	5,083	\$692.9	283	34,815	\$1,725.6	172	25,423	\$930.2	85.5%
Supplemental/Equity	0	0	\$0.0	1	0	\$3.8	1	0	\$0.8	400.5%
Operating Loss	0	0	\$0.0	1	0	\$0.7	0	0	\$0.0	N/A
Portfolio Re-engineering	23	2,374	\$31.0	79	6,991	\$87.6	57	5,023	\$51.1	71.3%
FY Endorsements by Program type										
Rental Housing										
Section 221(d)(3) & 236	5	275	\$5.1	22	1,332	\$29.6	5	160	\$12.3	141.5%
Section 221(d)(4)	46	5,343	\$203.2	227	30,034	\$1,418.9	161	23,232	\$1,019.7	39.2%
Other Rental	22	2,470	\$85.1	103	13,083	\$437.9	63	10,556	\$363.0	20.6%
Risk Share	9	1,242	\$42.3	58	6,511	\$265.0	19	3,282	\$148.6	78.4%
Health Care Facilities										
Nursing Homes	14	1,345	\$567.2	76	10,285	\$926.7	66	8,319	\$327.4	183.1%
BoardCare	0	0	\$0.0	2	460	\$17.7	4	697	\$40.0	-55.7%
Assisted Living	2	171	\$17.0	27	1,967	\$134.4	22	1,957	\$206.9	-35.1%
Hospitals	0	0	\$0.0	0	0	\$0.0	1	531	\$94.0	N/A
<b>Prior FY Prepayments(-)</b>	(2)	(78)	(\$0.0)	(7)	(1,069)	(\$8.7)	(9)	(730)	(\$19.8)	
<b>Prior FY Claims(-)</b>	0			0			(1)	(81)	(\$1.5)	
<b>Prior FY Endorsements(+)</b>	1	76	\$4.8	13	1,481	\$66.8	16	2,073	\$45.1	
<b>Adjustments</b>	2	361	(\$69.6)	5	328	(\$396.0)	2	282	(\$307.6)	
<b>Insurance in Force(Ending)</b>	<b>13,465</b>	<b>1,603,612</b>	<b>\$56,216.4</b>	<b>13,465</b>	<b>1,603,612</b>	<b>\$56,216.4</b>	<b>13,969</b>	<b>1,670,564</b>	<b>\$55,337.3</b>	<b>1.6%</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**

- The multifamily note inventory compared to last year increased by 26.7 percent in dollars to \$3.5 billion and increased in number from 2,174 to 2,545 notes as of February 2004.
- Reported through the fifth month of FY 2004, multifamily note assignments increased to 223 from 140 note assignments for the same time in FY 2003, and the dollar amount of the notes assigned was \$482.4 million, which was more than twice the dollar amount reported for the same time in FY 2003.

### **Properties**

- The balance of the property inventory was 18 with a cost of \$32.8 million compared to 29 for \$102.2 million for the same time a year ago, a decrease of 67.9 percent in dollars.

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

	Current Month Feb 2004			Current FYTD Oct 2003-Feb 2004			Prior FYTD Oct 2002-Feb 2003			Percent Change Dollars
	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	
<b>Notes(Beginning)</b>	<b>2,501</b>	<b>190,771</b>	<b>\$3,436.2</b>	<b>2,398</b>	<b>180,950</b>	<b>\$3,132.6</b>	<b>2,141</b>	<b>160,152</b>	<b>\$2,825.4</b>	<b>10.9%</b>
Pay Offs(-)	0	0	\$0.0	(42)	(3,831)	(\$71.0)	(32)	(1,519)	(\$30.8)	130.3%
Conversions(-)	0	0	\$0.0	(11)	(1,379)	(\$19.2)	(2)	(150)	(\$3.7)	419.3%
Sales(-)	(1)	(156)	(\$1.1)	(8)	(505)	(\$12.0)	(68)	(9,168)	(\$278.7)	-95.7%
Assignments/Seconds(+)	49	4,821	\$102.8	223	20,776	\$482.4	140	12,989	\$231.2	108.7%
Assignments/Seconds by type										
Portfolio Re-engineering	42	3,483	\$53.7	172	13,858	\$223.6	105	9,322	\$139.3	60.5%
Section 221(g)(4)	0			0			4	573	\$11.6	-100.0%
Other Assignments	7	1,338	\$49.1	51	6,918	\$258.8	31	3,094	\$80.2	222.6%
Adjustments	(4)	(240)	(\$3.0)	(15)	(815)	\$22.1	(5)	(839)	\$45.6	
<b>Notes(Ending)</b>	<b>2,545</b>	<b>195,196</b>	<b>\$3,534.9</b>	<b>2,545</b>	<b>195,196</b>	<b>\$3,534.9</b>	<b>2,174</b>	<b>161,465</b>	<b>\$2,788.9</b>	<b>26.7%</b>
<b>Properties(Beginning)</b>	<b>18</b>	<b>2,027</b>	<b>\$32.8</b>	<b>20</b>	<b>3,016</b>	<b>\$41.2</b>	<b>39</b>	<b>4,489</b>	<b>\$132.6</b>	<b>-68.9%</b>
Conversions(+)	0	0	\$0.0	9	1,067	\$19.5	2	150	\$3.6	441.7%
Sales(-)	0	0	\$0.0	(11)	(2,056)	(\$27.9)	(12)	(1,497)	(\$34.0)	-17.9%
<b>Properties(Ending)</b>	<b>18</b>	<b>2,027</b>	<b>\$32.8</b>	<b>18</b>	<b>2,027</b>	<b>\$32.8</b>	<b>29</b>	<b>3,142</b>	<b>\$102.2</b>	<b>-67.9%</b>

Note: Dollars represent assignment amount for notes and acquisition cost for properties; Data for notes are from Jan 20-Feb 20 for current month and from Oct 1 - Feb 20 for FYTD.  
Data for properties are from Feb 1-Feb 29 for current month and from Oct 1 - Feb 29 for FYTD  
Units are not counted for Supplemental, Equity, or Operating Loss mortgages that are not in the first position.

## *Single Family Insured Portfolio*

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

- From February 2003 to February 2004, FHA single family insurance-in-force decreased by 763,185 insured mortgages. This was a drop of 13 percent to 5,216,396 in number of active mortgages.
- At the end of February 2004, the dollar amount of insurance-in-force has decreased 8.1 percent compared to a year ago.

### **Prepayments**

- Through the fifth month of this fiscal year, single family prepayments totaled 579,511; 29 percent below the number of prepayments during the same time a year ago.

### **Claims**

- Single family claim terminations processed through February of this fiscal year has increased by 8 percent compared to this same time in FY 2003.

### **Endorsements**

- FHA endorsed 495,830 mortgages, including HECM's, totaling \$59.4 billion, during the first five months of this fiscal year, 3.7 percent under the number reported during the same time a year ago.
- October through February of FY 2004, Mutual Mortgage Insurance Fund endorsements decreased by 4 percent to 448,636 from 468,211 during the same time in FY 2003.
- Through February of this fiscal year, the number of condominium mortgages decreased by 14 percent to 32,367 compared to the same period a year ago.
- Loans to purchase and improve homes under Section 203(k) decreased 10 percent to 2,179 through the fifth month of FY 2004 compared to the same time in FY 2003.
- From October through February of this fiscal year, adjustable rate mortgages (ARM's) increased 35 percent compared to the same time a year ago, numbering 46,234; fixed rate mortgages (FRM's) decreased 8 percent to 437,503 mortgages.
- Refinancings have decreased 8 percent in number from 224,654 through February of FY 2003 to 205,695 during the same time in FY 2004.

- Endorsements that used Freddie Mac Loan Prospector for credit processing represented 40.7 percent of all endorsements, while Fannie Mae represented 25.7 percent of all endorsements for the first five months of FY 2004.

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

	Current Month Feb 2004		Current FYTD Oct 2003-Feb 2004		Prior FYTD Oct 2002-Feb 2003		Percent Change (Number)
	Number	Dollars (\$M)	Number	Dollars (\$M)	Number	Dollars (\$M)	
<b>Insurance-in-Force (Beginning)</b>	5,241,716	\$ 438,683.8	5,344,611	\$ 438,311.2	6,324,842	\$ 499,386.7	-15%
Prepayments(-)	(93,610)	\$ (8,718.0)	(579,511)	\$ (52,669.0)	(820,952)	\$ (77,894.7)	-29%
Claim Terminations(-)	(6,995)	\$ (584.2)	(36,675)	\$ (3,103.5)	(34,081)	\$ (2,760.6)	8%
Endorsements(+)	74,569	\$ 8,977.1	483,737	\$ 57,887.2	508,662	\$ 60,068.0	-4.9%
HECM Endorsements	3,390	\$ 421.5	12,093	\$ 1,486.4	6,051	\$ 692.1	100%
<i>Endorsements by Program</i>							
MMIF	67,280	\$ 8,093.4	448,636	\$ 53,656.1	468,211	\$ 55,391.3	-4%
GIF/SRIF	7,289	\$ 883.7	35,101	\$ 4,231.1	40,451	\$ 4,676.7	-13%
234 Condo	6,587	\$ 785.8	32,367	\$ 3,872.4	37,690	\$ 4,325.1	-14%
203(k) Improvement	567	\$ 84.4	2,179	\$ 301.1	2,419	\$ 318.7	-10%
Other	135	\$ 13.6	555	\$ 57.6	342	\$ 32.8	62%
<i>Endorsements by Type</i>							
Adjustable Rate Mortgages	7,757	\$ 1,114.2	46,234	\$ 6,694.2	34,134	\$ 4,802.2	35%
Fixed Rate Mortgages	66,812	\$ 7,862.9	437,503	\$ 51,193.0	474,528	\$ 55,265.8	-8%
<i>Endorsements by Purpose</i>							
Refinancings	29,923	\$ 3,433.3	205,695	\$ 23,518.9	224,654	\$ 26,629.9	-8%
Purchases	44,646	\$ 5,543.8	278,042	\$ 34,368.4	284,008	\$ 33,438.0	-2%
<i>Endorsements by Credit Processing*</i>							
FHA	23,939	\$ 2,732.2	162,399	\$ 18,251.9	177,347	\$ 20,301.0	-8%
FHLMC Scorecard	30,295	\$ 3,685.6	197,097	\$ 23,963.3	215,973	\$ 25,685.4	-9%
FNMA Scorecard	20,335	\$ 2,559.3	124,241	\$ 15,672.1	115,342	\$ 14,081.6	8%
Adjustments	716	\$ (588.3)	4,234	\$ (2,655.6)	1,110	\$ (2,198.8)	
<b>Insurance-in-Force (Ending)</b>	5,216,396	\$ 437,770.3	5,216,396	\$ 437,770.3	5,979,581	\$ 476,600.5	-13%

Note: Dollars represent unpaid balance.

## *Single Family Notes and Properties*

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### **Notes**

- The single family note inventory declined by 27 percent in the first five months of FY 2004 compared to the same period in FY 2003.
- Fiscal year-to-date, the number of notes on which FHA foreclosed, resulting in conversions to properties, was 43 compared to 90 converted during the same period a year ago.

### **Properties**

- The single family property inventory had 32,944 properties at the end of February 2004, which is 110 higher than a year ago.
- Property sales numbered 31,491 through February of FY 2004, compared to 27,190 for the same period in FY 2003.
- During the month of February 2004, the count of property sales exceeded new property conveyances by more than five percent.

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

Current Month Feb 2004		Current FYTD Oct 2003-Feb 2004		Prior FYTD Oct 2002-Feb 2003		Percent Change (Number)
Number	Dollars (\$M)	Number	Dollars (\$M)	Number	Dollars (\$M)	
439	\$ 16.5	473	\$ 18.0	682	\$ 26.7	-31%
(5)	\$ (0.2)	(24)	\$ (0.7)	(44)	\$ (1.0)	-45%
(8)	\$ -	(43)	\$ -	(90)	\$ -	-52%
-	\$ -		\$ -	-	\$ -	
2	\$ 0.1	26	\$ 1.1	34	\$ 1.7	-24%
-	\$ -	3	\$ 0.1	1	\$ -	
1	\$ (0.3)	(6)	\$ (2.1)	7	\$ (4.2)	
429	\$ 16.1	429	\$ 16.5	590	\$ 23.2	-27%
33,252	\$ 3,110.2	34,144	\$ 3,158.5	31,224	\$ 2,791.3	9%
(6,201)	\$ (581.5)	(31,491)	\$ (2,945.4)	(27,190)	\$ (2,468.2)	16%
8	\$ -	43	\$ -	90	\$ -	-52%
5,888	\$ 552.9	30,262	\$ 2,834.5	29,255	\$ 2,663.8	3%
(3)	\$ 7.7	(14)	\$ 41.7	(545)	\$ (6.4)	
32,944	\$ 3,089.3	32,944	\$ 3,089.3	32,834	\$ 2,980.5	0%

nce for notes and acquisition cost for properties.

## *Single Family Detail*

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### **Defaults**

- At the end of January 2004, FHA's single family default rate reached a high of 6.40 percent, compared to 5.27 percent at the same time a year ago.
- The 50 metropolitan statistical areas (MSAs) with the highest default rates as of January 2004 accounted for 32.4 percent of the national total of defaults.
- 38 of the MSAs in the top 50 that have endorsed ARMS have higher default rates on ARMs than on FRMs.

### **Loss Mitigation Activity**

- Use of loss mitigation methods to keep borrowers in their homes increased 16 percent during the first five months of FY 2004 compared to the same time a year ago.
- Through February of FY 2004, lenders used loan modifications a total of 12,830 times compared to 10,764 times during the same period last fiscal year.
- Lenders used partial claims a total of 5,252 times for first five months of FY 2004, compared to 4,596 times during the same period last fiscal year.

### **Insurance Claims**

- October through February of this fiscal year, pre-foreclosure sales increased by 29 percent to 1,963; deeds-in-lieu are down 14 percent to 179 compared to the same period a year ago.
- Conveyance foreclosure claims number 30,772, up 7 percent during the first five months of FY 2004 compared to FY 2003 when they were 28,848.

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

	Current Month Feb 2004 Number	Current FYTD Oct 2003-Feb 2004 Number	Prior FYTD Oct 2002-Feb 2003 Number	Percent Change
<b>Status of Insurance-in-Force*</b>				
Current	4,906,221	4,906,221	5,711,778	-14%
In Default (90 or more days delinquent)	335,495	335,495	317,510	6%
Total Insurance-in-Force	5,241,716	5,241,716	6,029,288	-13%
Default Rate	6.40%	6.40%	5.27%	
<b>Loss Mitigation Activity **</b>				
Forbearance Agreements	2,703	13,204	11,618	14%
Loan Modifications	2,222	12,830	10,764	19%
Partial Claims	1,174	5,252	4,596	14%
Total	6,099	31,286	26,978	16%
<b>Insurance Claims</b>				
Conveyance Foreclosure	6,026	30,772	28,848	7%
Pre-Foreclosure Sale	394	1,963	1,522	29%
Deed-in-Lieu of Foreclosure	35	179	209	-14%
Other***	540	3,761	3,502	0%
Total	6,995	36,675	34,081	8%

\*January data: February data not available until after March 31, 2004.

\*\*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 January 2004)**

Rank	MSA Name	Default Rates						Total IIF			Defaults		
		Current Year Jan. 2004			Prior Year Jan. 2003			Current Year	Prior Year	Percent Change	Current Year	Prior Year	Percent Change
		Total	FRM	ARM	Total	FRM	ARM	Jan. 2004	Jan. 2003		Jan. 2004	Jan. 2003	
1	NEW YORK, NY	13.34	13.31	13.72	11.77	11.56	14.83	32,582	41,998	-22%	4,347	4,941	-12%
2	VINELAND-MILLVILLE-BRIGETON, NJ	13.04	12.87	17.22	10.93	10.82	13.45	3,734	4,052	-8%	487	443	10%
3	MEMPHIS, TN-AR-MS	12.87	12.73	15.38	10.87	10.62	15.64	62,831	69,737	-10%	8,083	7,583	7%
4	NASSAU-SUFFOLK, NY	12.62	12.48	15.94	10.81	10.61	16.39	19,839	28,842	-31%	2,503	3,119	-20%
5	CLEVELAND-LORAIN-ELYRIA, OH	11.72	11.54	14.36	9.20	8.87	14.14	35,374	38,726	-9%	4,147	3,562	16%
6	NEWARK, NJ	11.55	11.56	11.42	10.00	9.91	11.35	22,297	26,573	-16%	2,576	2,656	-3%
7	TRENTON, NJ	11.25	11.06	13.86	9.24	8.91	13.47	4,844	5,618	-14%	545	519	5%
8	PHILADELPHIA, PA-NJ	11.23	11.01	14.75	9.19	8.90	13.65	105,641	125,236	-16%	11,866	11,512	3%
9	SUMTER, SC	11.14	10.98	16.67	9.07	9.01	11.11	871	937	-7%	97	85	14%
10	YOUNGSTOWN-WARREN, OH	10.63	10.67	9.58	8.69	8.65	9.71	6,454	6,905	-7%	686	600	14%
11	BIRMINGHAM, AL	10.54	10.54	10.66	8.55	8.42	10.95	24,849	28,256	-12%	2,620	2,416	8%
12	HAMILTON-MIDDLETOWN, OH	10.52	10.62	9.77	7.61	7.41	9.18	6,303	7,098	-11%	663	540	23%
13	NEWBURGH, NY-PA	10.48	10.37	13.79	7.08	6.96	10.16	2,576	3,518	-27%	270	249	8%
14	ATLANTIC-CAPE MAY, NJ	10.47	10.17	14.76	8.37	8.02	13.93	6,943	8,825	-21%	727	739	-2%
15	TERRE HAUTE, IN	10.41	10.22	16.22	8.09	8.01	10.26	1,172	1,125	4%	122	91	34%
16	DETROIT, MI	10.28	10.80	6.11	8.25	8.52	5.64	75,323	83,090	-9%	7,740	6,857	13%
17	ROCKFORD, IL	10.28	9.97	13.75	9.21	8.69	14.34	8,301	8,235	1%	853	758	13%
18	GARY, IN	9.99	9.84	12.38	8.44	8.13	13.42	14,720	16,163	-9%	1,470	1,364	8%
19	TOLEDO, OH	9.92	10.19	5.86	7.38	7.38	7.40	5,291	5,894	-10%	525	435	21%
20	CHATTANOOGA, TN-GA	9.39	9.40	9.06	7.47	7.47	7.49	9,851	10,935	-10%	925	817	13%
21	JERSEY CITY, NJ	9.38	9.14	14.29	8.73	8.57	12.29	4,512	5,684	-21%	423	496	-15%
22	READING, PA	9.33	9.30	9.96	7.32	7.18	9.57	4,897	5,273	-7%	457	386	18%
23	RACINE, WI	9.32	9.18	11.43	8.08	7.59	14.46	2,199	2,365	-7%	205	191	7%
24	ATLANTA, GA	9.31	9.30	9.37	7.44	7.27	9.26	154,802	169,735	-9%	14,404	12,622	14%
25	AGUADILLA, PR	9.21	9.21	0.00	7.91	7.91	0.00	1,129	1,290	-12%	104	102	2%

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

**MSA's With The Highest Single Family Default Rates  
(Data as of January 2004)**

Rank	MSA Name	Default Rates						Total IIF			Defaults		
		Current Year Jan. 2004			Prior Year Jan. 2003			Current Year Jan. 2004	Prior Year Jan. 2003	Percent Change	Current Year Jan. 2004	Prior Year Jan. 2003	Percent Change
26	JANESVILLE-BELOIT, WI	9.17	8.68	12.32	8.27	7.23	14.56	1,014	1,112	-9%	93	92	1%
27	MONMOUTH-OCEAN, NJ	9.15	8.99	11.50	8.00	7.71	12.21	11,510	15,416	-25%	1,053	1,233	-15%
28	CHICAGO, IL	9.13	8.93	10.17	8.08	7.66	10.31	129,837	150,603	-14%	11,854	12,173	-3%
29	INDIANAPOLIS, IN	9.12	9.04	9.77	7.95	7.72	9.67	63,145	64,762	-2%	5,761	5,147	12%
30	COLUMBUS, OH	9.10	8.92	10.96	7.05	6.63	11.28	49,087	53,520	-8%	4,469	3,773	18%
31	AKRON, OH	9.06	9.07	8.82	6.92	6.80	9.11	10,863	12,193	-11%	984	844	17%
32	MANSFIELD, OH	9.03	9.15	7.81	7.76	7.65	9.02	1,473	1,534	-4%	133	119	12%
33	KENOSHA, WI	8.97	8.62	12.50	7.62	7.03	13.20	2,386	2,626	-9%	214	200	7%
34	CINCINNATI, OH-KY-IN	8.94	8.90	9.34	7.05	6.86	8.83	27,612	30,544	-10%	2,469	2,153	15%
35	ATHENS, GA	8.91	8.74	10.31	5.48	5.31	7.18	2,133	2,356	-9%	190	129	47%
36	ROCKY MOUNT, NC	8.91	8.43	15.05	7.37	6.87	13.83	1,291	1,316	-2%	115	97	19%
37	CANTON-MASSILLON, OH	8.82	8.91	7.74	7.47	7.39	8.54	4,526	4,916	-8%	399	367	9%
38	BATON ROUGE, LA	8.77	8.72	11.28	6.56	6.55	6.69	15,813	17,453	-9%	1386	1,144	21%
39	WATERBURY, CT	8.72	8.64	10.14	6.80	6.49	11.96	5,527	6,469	-15%	482	440	10%
40	DAYTON-SPRINGFIELD, OH	8.70	8.55	10.34	6.84	6.63	9.20	21,156	22,515	-6%	1,841	1,541	19%
41	KOKOMO, IN	8.63	8.66	8.26	7.29	7.24	8.00	1,772	1,797	-1%	153	131	17%
42	JACKSONVILLE, FL	8.48	8.45	9.00	6.58	6.51	8.46	26,936	31,078	-13%	2,283	2,046	12%
43	NEW ORLEANS, LA	8.38	8.35	10.83	6.41	6.36	9.60	38,370	43,517	-12%	3,217	2,788	15%
44	COLUMBIA, SC	8.34	8.06	13.47	6.95	6.57	13.65	12,611	13,838	-9%	1,052	961	9%
45	SCRANTON-WILKES BARRE-HAZELTON, PA	8.30	8.13	13.14	6.66	6.53	10.18	4,062	4,535	-10%	337	302	12%
46	MIDDLESEX-SOMERSET-HUNTERDON,NJ	8.29	8.29	8.37	7.19	7.11	8.12	9,839	12,778	-23%	816	919	-11%
47	FLINT, MI	8.18	8.28	6.39	6.43	6.46	5.44	10,875	12,029	-10%	890	773	15%
48	TUSCALOOSA, AL	8.17	7.82	14.84	7.32	7.00	12.86	2,595	2,554	2%	212	187	13%
49	SAGINAW-BAY CITY-MIDLAND, MI	8.11	8.05	8.99	5.52	5.47	6.25	5,919	6,274	-6%	480	346	39%
50	SHREVEPORT-BOSSIER CITY, LA	8.11	8.11	7.37	6.43	6.42	6.93	12,160	14,127	-14%	986	908	9%
											41,869		

Source SFDW  
Data as of January 2004

## *Title I Portfolios*

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

- Property improvement insurance-in-force in February 2004 declined to \$1 billion, down 35 percent in dollars from a year ago.
- Manufactured housing insurance-in-force declined to \$1 billion, a drop of 5 percent in dollars from a year ago.

### **Prepayments**

- Property improvement loan prepayments decreased 13 percent during the first five months of this fiscal year compared to the number reported during the prior fiscal year.
- Manufactured housing loan prepayments decreased 36 percent during the first five months of this fiscal year compared to the number reported during the prior fiscal year.

### **Claims**

- October through February of FY 2004, property improvement claim terminations processed decreased by 49 percent compared to the same time during FY 2003.
- For the first five months of FY 2004, manufactured housing claims processed decreased 35 percent compared to the same time a year ago.

### **Endorsements**

- Property improvement endorsements have totaled 2,215 for the first five months of this fiscal year, compared to 2,052 during the same period in FY 2003.
- During the first five months of this fiscal year, there have been 847 manufactured housing endorsements, compared to 866 at this time in FY 2003.

### **Notes**

- The Title I note portfolio numbered 34,957 notes at the end of February of FY 2004, compared to 37,640 at the same time in the previous fiscal year.

- At the end of February FY 2004, a total of 1,211 Title I cases had been closed, down 13 percent compared to the 1,398 closed in the same period in FY 2003.

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

	Current Month Feb 2004		Current FYTD Oct 2003-Feb 2004		Prior FYTD Oct 2002-Feb 2003		Percent Change (Number)
	Number	Dollars (\$M)	Number	Dollars (\$M)	Number	Dollars (\$M)	
<b>Insurance-in-Force (Beginning)</b>							
Property Improvement	70,784	\$ 1,016.5	82,130	\$ 1,189.7	119,271	\$ 1,749.1	-31%
Manufactured Housing	37,415	\$ 981.3	38,305	\$ 995.4	41,975	\$ 1,062.7	-9%
Prepayments(-)							
Property Improvement	(1,671)	\$ (25.7)	(14,246)	\$ (217.0)	(16,330)	\$ (243.0)	-13%
Manufactured Housing	(200)	\$ (4.8)	(1,446)	\$ (35.0)	(2,243)	\$ (53.1)	-36%
Claim Terminations(-)							
Property Improvement	(27)	\$ (0.3)	(337)	\$ (4.2)	(662)	\$ (8.9)	-49%
Manufactured Housing	(7)	\$ (0.21)	(157)	\$ (4.7)	(241)	\$ (6.6)	-35%
Endorsements(+)							
Property Improvement	329	\$ 4.3	2,215	\$ 29.8	2,052	\$ 24.5	8%
Manufactured Housing	83	\$ 2.8	847	\$ 29.4	866	\$ 29.8	-2%
Adjustments							
Property Improvement	(243)	\$ (2.9)	(590)	\$ (6.3)	48	\$ 1.0	
Manufactured Housing	(38)	\$ (0.9)	(296)	\$ (6.9)	(11)	\$ (0.3)	
<b>Insurance-in-Force (Ending)</b>							
Property Improvement	69,172	\$ 991.9	69,172	\$ 991.9	104,379	\$ 1,522.6	-34%
Manufactured Housing	37,253	\$ 978.1	37,253	\$ 978.1	40,346	\$ 1,032.5	-8%
<b>Notes (Beginning)</b>	35,199	\$ 452.9	35,724	\$ 455.5	38,228	\$ 471.8	-7%
New Cases Assigned(+)	136	\$ 1.7	857	\$ 9.0	1,074	\$ 11.9	-20%
Interest Accrual(+)	N/A	\$ 1.5	N/A	\$ 7.7	N/A	\$ 8.8	
Net Collections(-)	N/A	\$ (4.0)	N/A	\$ (12.6)	N/A	\$ (11.8)	
Cases Closed(-)	(299)	\$ (2.4)	(1,211)	\$ (9.5)	(1,398)	\$ (6.6)	-13%
Adjustments	(79)	\$ (0.2)	(413)	\$ (0.7)	(264)	\$ 1.4	
<b>Notes (Ending)</b>	34,957	\$ 449.5	34,957	\$ 449.5	37,640	\$ 475.4	-7%

Note: Dollars represent original loan proceeds for insurance-in-force and unpaid balance for notes.  
The February Title I portfolio includes cases classified as Currently Not Collectable (14,718 cases totaling \$217.2 million dollars).

## *Commitments and GI/SRI Credit Subsidy*

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### **MMIF**

- MMIF commitments total \$51.3 billion for the first five months of FY 2004.
- The MMIF commitment authority is \$185 billion for FY 2004.

### **GIF/SRIF**

- GIF/SRIF commitments, which, for multifamily programs, include only those programs that are in positive credit subsidy risk categories, total \$5.8 billion for the first five months this fiscal year.
- The GIF/SRIF commitment authority is \$25 billion for FY 2004

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

- Through the month of February of FY 2004 there are positive credit subsidy factors for the Title I manufactured housing program.
- FHA used \$41 thousand in credit subsidy through February of FY 2004.
- FHA authority is \$14.9 million for all of FY 2004.

**Federal Housing Administration Monthly Report  
Commitments & Credit Subsidy  
By Program and Month: FY 2004**

*Dollars in Millions*

**Commitments**

<b>Fiscal Year 2004</b>	<b>MMIF</b>	<b>GI/SRIF Total</b>	<b>Section 234</b>	<b>Section 203(k)</b>	<b>GI/SRI Other SF*</b>	<b>Title I Property Improvement</b>	<b>Title I Mobile Homes</b>	<b>GI/SRIF Multifamily**</b>
Oct	\$ 13,920.484	\$ 1,518.537	\$ 1,101.199	\$ 66.640	\$ 331.344	\$ 9.922	\$ 9.433	\$ -
Nov	\$ 10,197.665	\$ 1,219.761	\$ 834.550	\$ 64.660	\$ 309.998	\$ 5.252	\$ 5.302	\$ -
Dec	\$ 9,658.562	\$ 1,051.881	\$ 727.962	\$ 58.009	\$ 259.339	\$ 1.855	\$ 4.716	\$ -
Jan	\$ 9,210.209	\$ 695.648	\$ 442.955	\$ 28.468	\$ 208.642	\$ 8.495	\$ 7.088	\$ -
Feb	\$ 8,289.262	\$ 1,315.217	\$ 788.374	\$ 84.582	\$ 435.172	\$ 4.262	\$ 2.827	\$ -
Mar		\$ -						
Apr		\$ -						
May		\$ -						
Jun		\$ -						
Jul		\$ -						
Aug		\$ -						
Sep		\$ -						
<b>FYTD 2004 Total</b>	<b>\$ 51,276.182</b>	<b>\$ 5,801.045</b>	<b>\$ 3,895.040</b>	<b>\$ 302.359</b>	<b>\$ 1,544.495</b>	<b>\$ 29.786</b>	<b>\$ 29.366</b>	<b>\$ -</b>
<b>FY 2003 Total</b>	<b>\$ 179,003.093</b>	<b>\$ 14,130.495</b>	<b>\$ 11,098.452</b>	<b>\$ 686.936</b>	<b>\$ 2,205.430</b>	<b>\$ 60.308</b>	<b>\$ 70.835</b>	<b>\$ 8.533</b>
<b>FY 2004 Annualized</b>	<b>\$ 123,062.838</b>	<b>\$ 13,922.508</b>	<b>\$ 9,348.095</b>	<b>\$ 725.662</b>	<b>\$ 3,706.787</b>	<b>\$ 71.486</b>	<b>\$ 70.478</b>	<b>\$ -</b>
<b>FY 2004 Authority</b>	<b>\$ 185,000.000</b>	<b>\$ 25,000.000</b>						

**Credit Subsidy**

<b>Fiscal Year 2004</b>	<b>MMIF</b>	<b>GI/SRIF Total</b>	<b>Section 234</b>	<b>Section 203(k)</b>	<b>GI/SRI Other SF</b>	<b>Title I Property Improvement</b>	<b>Title I Mobile Homes</b>	<b>GI/SRIF Multifamily**</b>
<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>0.0014</i>	<i>Various</i>
Oct	N/A	\$ 0.013	N/A	N/A	N/A	N/A	\$ 0.013	\$ -
Nov	N/A	\$ 0.007	N/A	N/A	N/A	N/A	\$ 0.007	\$ -
Dec	N/A	\$ 0.007	N/A	N/A	N/A	N/A	\$ 0.007	\$ -
Jan	N/A	\$ 0.010	N/A	N/A	N/A	N/A	\$ 0.010	\$ -
Feb	N/A	\$ 0.004	N/A	N/A	N/A	N/A	\$ 0.004	\$ -
Mar	N/A	\$ -	N/A	N/A	N/A	N/A	\$ -	\$ -
Apr	N/A	\$ -	N/A	N/A	N/A	N/A	\$ -	\$ -
May	N/A	\$ -	N/A	N/A	N/A	N/A	\$ -	\$ -
Jun	N/A	\$ -	N/A	N/A	N/A	N/A	\$ -	\$ -
Jul	N/A	\$ -	N/A	N/A	N/A	N/A	\$ -	\$ -
Aug	N/A	\$ -	N/A	N/A	N/A	N/A	\$ -	\$ -
Sep	N/A	\$ -	N/A	N/A	N/A	N/A	\$ -	\$ -
<b>FYTD 2004 Total</b>	<b>N/A</b>	<b>\$ 0.041</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 0.041</b>	<b>\$ -</b>
<b>FY 2003 Total</b>	<b>N/A</b>	<b>\$ 1.331</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 0.065</b>	<b>\$ 98.704</b>
<b>FY 2004 Annualized</b>	<b>N/A</b>	<b>\$ 0.099</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 0.099</b>	<b>\$ -</b>
<b>FY 2004 Authority</b>	<b>N/A</b>	<b>\$ 14.912</b>						

\* includes HECMs

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

## *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 33 percent through the fourth month of this fiscal year compared to the same period in FY 2003.
- For the first four months of FY 2004, FHA applications decreased 30 percent; this compares to a 39 percent decrease in conventional mortgage applications and 11 percent increase in VA guarantee applications.
- FHA's share of total mortgage insurance applications was 31 percent so far this fiscal year compared to 30 percent during the same period a year ago.

### **Insured Mortgage Endorsements**

- For FHA endorsements, there is little change in percent for the fourth month of FY2004 compared to the same period a year ago.
- FHA's share of insured mortgage endorsement dollars is 32 percent for the beginning of FY 2004 compared to 26 percent during the same period of FY 2003.
- Fiscal year-to-date, the share of insured mortgage endorsement dollars for conventional insurers is 56 percent and VA's share is 12 percent.

### **Home Sales Market**

- The number of FHA purchase mortgages change is insignificant for the first four months of FY 2004 compared to the same period a year ago.
- Overall, home sales are up 12 percent through the fourth month of FY 2004 compared to the same period in FY 2003.
- FHA's share of home sales was 9.3 percent for the past four months of this fiscal year compared to 10.4 percent for the same period in FY 2003.

## Single Family Market Comparisons

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

	Current Month Jan 2004		Current FYTD Oct 2003-Jan 2004		Prior FYTD Oct 2002-Jan 2003		Percent Change (Number)
	Number	Application Share	Number	Application Share	Number	Application Share	
<b>INSURED MORTGAGE APPLICATIONS</b>							
Conventional	122,642	53%	655,596	56%	1,079,335	63%	-39%
FHA *	76,933	33%	359,898	31%	510,872	30%	-30%
VA	30,183	13%	145,047	12%	130,249	8%	11%
TOTAL	229,758	100%	1,160,541	100%	1,720,456	100%	-33%
<b>INSURED MORTGAGE ENDORSEMENTS</b>							
	Number	Dollars (\$M)	Insured Share (%)	Number	Dollars (\$M)	Insured Share (%)	Percent Change (Dollars)
Conventional	126,677	\$ 14,689.0	52%	617,152	\$ 88,061.1	56%	-28%
FHA	79,998	\$ 9,635.4	34%	409,177	\$ 49,210.5	32%	0.24%
VA	30,562	\$ 4,000.5	14%	145,951	\$ 18,809.7	12%	11%
TOTAL	237,237	\$ 28,324.9	100%	1,172,280	\$ 156,081.3	100%	-17%
<b>HOMES SALES MARKET</b>							
	Number	FHA Share	Number	FHA Share	Number	FHA Share	Percent Change (Number)
FHA Purchase Mortgages**	49,008	7.8%	233,404	9.3%	233,414	10.4%	-0.004%
Home Sales***	624,583		2,507,000		2,243,000		12%

\* Data for applications are for Dec 21, 2003 - Jan 24, 2004 for current month, Sept 21, 2003 - Jan 24, 2004 for current FYTD, and Sep 22, 2002 - Jan 18, 2003 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