

NAHB ANALYSIS OF RESIDENTIAL FINANCIAL SURVEY DATA

The FHA multifamily insurance programs provide a strong public purpose, providing a key source of affordable rental housing for individuals and families throughout the country. This position is supported by statistics collected by the 2001 Residential Financial Survey (RFS), which is sponsored by HUD and conducted by the Census Bureau. This survey consists of about 70,000 properties identified in the 2000 Census and collects information first from the owners of the properties and then, for those with a mortgage, from the mortgage lender. NAHB analyzed data on properties where the lender reported that the mortgage was FHA-insured. In order to protect respondent confidentiality, the Census Bureau restricts the geographic detail on the public use RFS data set. The data set identifies the state the property is located in only for the twelve most populous states in the country.

To constrain the analysis to cases where FHA insurance was not used with any subsidies, properties were excluded if they reported benefiting from low-income or other federal income tax credits, a government-sponsored below-market interest rate mortgage, a government rental subsidy such as project-based or tenant-based Section 8, a government grant, property tax relief, accelerated income tax depreciation for low and moderate income properties, or a subsidy from a non-profit.

The table below shows that a majority of FHA-insured rental housing is affordable to households at 60 percent of area median income. In fact, the FHA mortgage insurance programs are serving a wide range of households in need – from very-low income to those whose incomes exceed the limits for federal subsidy programs, such as Section 8 or the Low Income Housing Tax Credit, but who still need access to affordable rental housing. This was the intent of Congress as clearly spelled out in the law.

Table 2. Analysis of FHA Insured Properties with No Other Type of Subsidy

State	Median Family Income	Num. FHA Properties	Median Rent per Unit	FHA Properties with Affordable Rent per Unit							
				At 30% State MFI		At 50% State MFI		At 60% State MFI		At 80% State MFI	
				Affordable Rent	FHA Share Affordable	Affordable Rent	FHA Share Affordable	Affordable Rent	FHA Share Affordable	Affordable Rent	FHA Share Affordable
6 California	\$55,400	2,062	\$547	\$416	10.1%	\$693	81.0%	\$831	91.3%	\$1,108	96.3%
12 Florida	\$47,300	99	\$549	\$355	18.5%	\$591	56.0%	\$710	72.2%	\$946	89.1%
17 Illinois	\$60,300	926	\$385	\$452	50.0%	\$754	56.3%	\$905	57.2%	\$1,206	100.0%
25 Massachusetts	\$58,600	98	\$750	\$440	0.0%	\$733	0.0%	\$879	88.1%	\$1,172	96.0%
26 Michigan	\$55,400	198	\$471	\$416	44.9%	\$693	90.8%	\$831	90.8%	\$1,108	90.8%
34 New Jersey	\$66,600	317	\$408	\$500	81.1%	\$833	91.6%	\$999	98.8%	\$1,332	99.6%
36 New York	\$56,100	452	\$542	\$421	5.2%	\$701	71.8%	\$842	76.7%	\$1,122	96.7%
39 Ohio	\$51,900	875	\$389	\$389	71.1%	\$649	97.2%	\$779	97.4%	\$1,038	97.6%
42 Pennsylvania	\$47,100	83	\$618	\$353	15.8%	\$589	42.7%	\$707	74.4%	\$942	100.0%
48 Texas	\$47,600	360	\$485	\$357	29.4%	\$595	72.3%	\$714	93.2%	\$952	97.9%
51 Virginia	\$56,900	303	\$393	\$427	81.4%	\$711	96.0%	\$854	98.9%	\$1,138	98.9%
53 Washington	\$53,400	409	\$417	\$401	13.8%	\$668	64.8%	\$801	80.7%	\$1,068	100.0%
99 All Others		5,321	\$519								

2001 RESIDENTIAL FINANCE SURVEY

5+ MF PROPERTIES WITH FHA INSURANCE, SOME RESIDENTIAL BUT NO OFFICE RENT, AND VACANCY LOSS REPORTED

PROPERTIES WITH RENT PER UNIT BETWEEN \$200 AND \$3,000 PER MONTH ONLY

MEDIAN FAMILY INCOME IS BASED ON THE ESTIMATES INITIALLY PUBLISHED BY HUD WITH THE RELEASE OF THE SECTION 8 INCOME LIMITS FOR CY 2000