



NATIONAL ASSOCIATION OF REALTORS®

*The Voice For Real Estate®*

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July 23, 2008

United States Senate  
Washington, DC 20510

Dear Senator:

The 1.2 million members of the National Association of REALTORS® eagerly anticipate enactment of H.R. 3221, the “Housing and Economic Recovery Act of 2008”, and urge you to vote in favor of the bill. This legislation is critical to calming mortgage markets, strengthening housing markets, stabilizing our economy and providing a framework to support and regulate Fannie Mae and Freddie Mac.

The National Association of REALTORS® has consistently supported the major elements of this legislation – FHA reform, GSE reform, and a tax credit for first-time homebuyers. The beneficiaries of this legislation are American families and communities. Further, NAR welcomes the Administration’s proposals for Freddie Mac and Fannie Mae. We believe this plan, refined and included in this bill, is a meaningful response to the turmoil and apparent market overreactions affecting Freddie Mac and Fannie Mae. The health of the American economy depends on the GSEs. The vital role of Fannie and Freddie in providing fair and affordable mortgage loans cannot be interrupted. Thus, each feature of this bill is essential to strengthening the nation’s financial outlook.

American families cannot wait any longer. The attached charts will show the declines in home sales, new home starts, and the increase in foreclosures being felt in every state in the nation. We urge you to vote in favor of the bill so that it may move to enactment and provide relief to homeowners, homebuyers and the institutions that support homeownership and our national economy.

Sincerely,

Richard F. Gaylord, CIPS, CRB, CRS, GRI  
2008 President, National Association of REALTORS®

**FORECLOSURE MARKET STATISTICS BY STATE**  
**June 2008**

**Ranked by Incidence of Foreclosure Among Households\***

Source: RealtyTrac (RealtyTrac.com)

<b>Rank</b>	<b>State</b>	<b>Incidence *</b>	<b>% Increase (Decrease) from June 2007</b>
1	Nevada	122	84.5
2	California	192	77.0
3	Arizona	201	126.7
4	Florida	211	91.8
5	Michigan	375	19.2
6	Ohio	382	11.1
7	Colorado	429	(14.5)
8	Georgia	444	21.2
	<b>United States</b>	<b>501</b>	<b>53.3</b>
9	Indiana	568	18.0
10	Utah	600	140.5**

\* Incidence of foreclosure: This column presents the relative number of households affected. For example, in Nevada, one in every 122 households is in foreclosure. In Utah, one in every 600 households is affected. The *lower* the number in the Incidence column, the more pervasive the problem.

\*\* Change in methodology distorts findings

<b>Rank</b>	<b>State</b>	<b>Incidence</b>	<b>% Increase (Decrease) from June 2007</b>
11	Virginia	615	203.6
12	Tennessee	615	30.1
13	Illinois	637	41.7
14	New Jersey	694	4.9
15	Rhode Island	758	108.8
16	Missouri	760	78.3
17	Oregon	775	132.6**
18	Texas	835	29.6
19	Connecticut	882	(32.0)
20	Massachusetts	894	(2.8)

\*\* Change in methodology distorts findings

<b>Rank</b>	<b>State</b>	<b>Incidence</b>	<b>% Increase (Decrease) from June 2007</b>
21	Idaho	924	19.8
22	Washington	984	68.6
23	Wisconsin	1,072	155
24	Arkansas	1,131	(8.8)
25	North Carolina	1,163	78.3
26	New Hampshire	1,173	17.3
27	Maryland	1,275	(17.70)
28	Pennsylvania	1,343	79.8
29	Minnesota	1,348	75.2
30	Oklahoma	1,370	53.6

\*\* Change in methodology distorts findings

<b>Rank</b>	<b>State</b>	<b>Incidence</b>	<b>% Increase (Decrease) from June 2007</b>
31	Alaska	1,440	143.0
32	New York	1,473	21.6
33	Nebraska	1,781	180.7
34	Delaware	1,789	116.6**
35	South Carolina	1,859	168.4**
36	Kansas	2,017	65.0
37	New Mexico	2,267	110.7**
38	Maine	2,504	61.4
39	Kentucky	2,583	(9.2)
40	Alabama	2,726	21.7**

\*\* Change in methodology distorts findings

<b>Rank</b>	<b>State</b>	<b>Incidence</b>	<b>% Increase (Decrease) from June 2007</b>
41	Wyoming	3,066	169.0
42	Iowa	3,107	(7.0)
43	Louisiana	3,134	(17.4)
44	Mississippi	3,662	57.0**
45	Hawaii	3,732	18.6
46	Montana	4,596	25.3
47	Vermont	9,381	312.5**
48	West Virginia	19,450	(44.7)
49	South Dakota	12,166	(14.7)
50	North Dakota	27,982	(74.9)

\*\* Change in methodology distorts findings

State of the Housing Industry -- July 2008

State	Existing Home Sales (2007 Q4: seasonally adjusted, annualized; thousands of units)	Change in Home Sales (one year ago)	Share of Total Jobs in Construction (May 2008)	Year-to-Date Housing Permits (May 2008)	Change in YTD Permits (from a year ago)	Subprime ARMs Foreclosure (end of 2008 Q1)	Change in Subprime ARMs in Foreclosure (from a year ago)
Alaska	34.8	2%	5.3%	278	-35%	9.3%	94%
Alabama	98.4	-21%	5.6%	5,923	-34%	9.4%	30%
Arkansas	73.6	-12%	4.6%	2,387	-33%	8.7%	33%
Arizona	91.6	-31%	7.5%	9,161	-56%	13.9%	435%
California	310.4	-33%	5.4%	14,953	-57%	21.5%	323%
Colorado	117.2	-8%	7.0%	5,541	-43%	12.9%	49%
Connecticut	52.8	-24%	4.0%	1,406	-30%	16.1%	130%
DC	7.6	-34%	1.8%	186	-62%	11.7%	212%
Delaware	12.0	-32%	6.1%	1,200	-43%	12.7%	114%
Florida	246.0	-27%	6.6%	19,260	-47%	23.3%	402%
Georgia	188.4	-20%	5.3%	13,108	-52%	11.9%	72%
Hawaii	22.4	-23%	6.3%	1,197	-45%	12.9%	242%
Iowa	57.6	-28%	4.7%	2,515	-25%	19.7%	26%
Idaho	18.0	-33%	7.4%	3,027	-37%	9.8%	176%
Illinois	200.8	-26%	4.4%	5,769	-49%	19.0%	112%
Indiana	168.4	11%	4.9%	5,207	-39%	19.6%	27%
Kansas	65.6	-11%	4.7%	2,065	-41%	12.7%	26%
Kentucky	87.2	-12%	4.6%	3,071	-45%	18.0%	56%
Louisiana	66.4	-19%	7.1%	5,968	-19%	12.9%	41%
Massachusetts	99.2	-29%	4.1%	2,054	-41%	21.4%	109%
Maryland	68.0	-39%	7.2%	4,043	-35%	11.8%	262%
Maine	21.6	-26%	4.8%	1,223	-38%	23.8%	105%
Michigan	178.8	-4%	3.6%	3,714	-44%	19.4%	33%
Minnesota	104.0	-11%	4.1%	3,386	-42%	21.0%	87%
Missouri	124.8	-8%	5.3%	3,524	-46%	11.4%	41%
Mississippi	55.2	-9%	5.0%	3,633	-35%	12.0%	14%
Montana	22.4	-16%	7.3%	892	-42%	9.0%	106%
North Carolina	181.6	-26%	6.2%	20,381	-38%	8.9%	44%
North Dakota	13.2	-13%	5.3%	677	-14%	9.0%	69%
Nebraska	33.6	-13%	5.2%	1,957	-25%	12.6%	23%

State of the Housing Industry -- July 2008

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New Hampshire	19.2	NA	4.4%	1,043	-34%	14.6%	92%
New Jersey	114.1	-30%	4.1%	4,024	-26%	19.4%	168%
New Mexico	37.6	-28%	7.0%	2,505	-37%	10.1%	124%
Nevada	46.4	-21%	9.6%	3,288	-63%	18.6%	291%
New York	265.6	-20%	4.0%	5,134	-30%	20.3%	139%
Ohio	242.0	-11%	4.1%	7,089	-37%	22.9%	28%
Oklahoma	94.8	-10%	4.6%	3,824	-29%	14.9%	36%
Oregon	61.2	-29%	5.6%	3,902	-50%	7.7%	186%
Pennsylvania	176.8	-14%	4.5%	8,492	-30%	13.2%	51%
Rhode Island	13.2	-30%	4.3%	359	-42%	22.6%	139%
South Carolina	94.4	-17%	5.9%	10,333	-33%	13.4%	56%
South Dakota	17.2	-2%	5.8%	1,337	-13%	14.1%	39%
Tennessee	134.0	-13%	4.9%	7,968	-43%	9.4%	33%
Texas	517.2	-12%	6.3%	38,569	-32%	10.4%	39%
Utah	32.0	-34%	7.6%	3,605	-56%	6.4%	133%
Virginia	102.0	-25%	6.2%	9,614	-32%	13.2%	259%
Vermont	12.0	-17%	5.4%	431	-39%	15.9%	89%
Washington	102.8	-29%	7.0%	8,287	-40%	7.5%	139%
Wisconsin	83.2	-24%	4.2%	4,369	-35%	19.9%	75%
West Virginia	29.6	-12%	5.0%	1,100	-30%	9.5%	50%
Wyoming	14.0	-10%	9.6%	862	-22%	6.2%	45%