

FEDERAL HOUSING FINANCE AGENCY



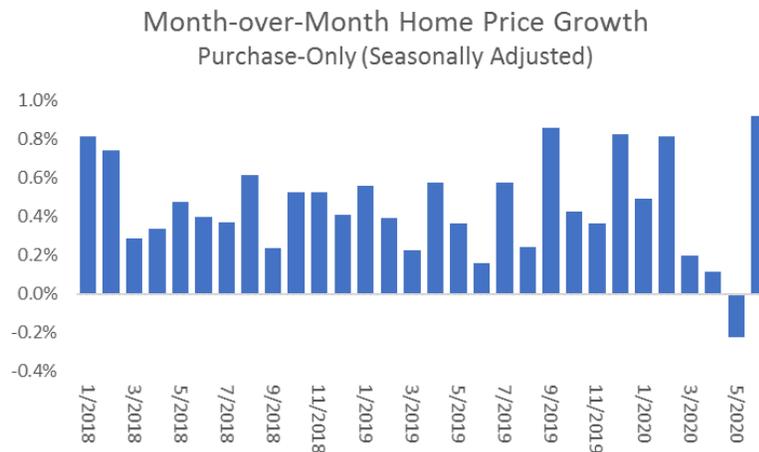
NEWS RELEASE

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Analysis of FHFA's House Price Index for Second Quarter *Lynn Fisher, Deputy Director, Division of Research and Statistics*

"The first half of 2020 has been particularly challenging for U.S. households and businesses. In response to COVID-19, many states began issuing stay-at-home orders in late March, which lurched the economy into recession. Because of the lag between sales agreements and closings, the initial impacts on housing markets showed up in FHFA HPI monthly statistics in May when prices experienced a slight downturn relative to April.

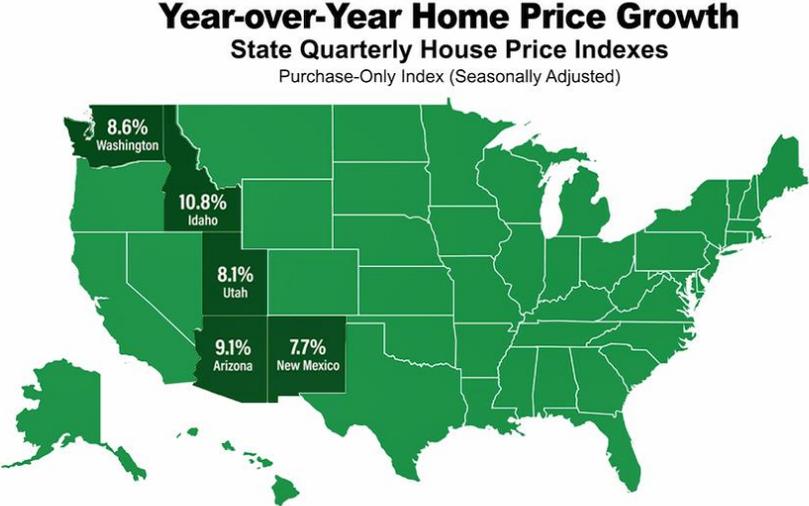


States started to re-open in May and local economies began to resume some activities. The number of purchase transactions backed by the Enterprises increased by over 20% and prices significantly rebounded in June. As a result, the quarterly data show positive second quarter growth of 0.8%. With this quarterly increase, we have experienced 36 consecutive quarters of positive appreciation and national prices are up over 60% since 2011.



Of the nine census divisions, the Mountain Division experienced the strongest four-quarter growth, posting a 7.0 percent gain relative to a year ago. This is the 11th consecutive quarter that the Mountain division had led the country in year-over-year gains. This quarter, the Mountain division contains four out of the top five states leading the nation in annual appreciation – Idaho (10.8%), Arizona (9.1%), Utah (8.1%), and New Mexico (7.7%).

Idaho has now been the top appreciating state for the last seven quarters. It is also home to the metropolitan area with the second largest annual appreciation---Boise City, ID which is up 11.2% over the last year. The top appreciating area was Urban Honolulu which increased 11.7% year-over-year.



As of the second quarter, all 50 states and the District of Columbia experienced positive annual growth. In addition, 99 of the top 100 largest metropolitan areas in the U.S. had positive 4 quarter growth. Housing has remained a stable factor throughout this year's economic recession. Low interest rates, a tight housing supply, and quick government outreach helped provide needed confidence."

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The Federal Housing Finance Agency regulates Fannie Mae, Freddie Mac and the 11 Federal Home Loan Banks. These government-sponsored enterprises provide more than \$6.6 trillion in funding for the U.S. mortgage markets and financial institutions.