
FEDERAL HOUSING FINANCE AGENCY



NEWS RELEASE

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U.S. House Prices Rise 1.1 Percent in Second Quarter

Washington, D.C. – U.S. house prices rose **1.1 percent** in the second quarter of 2018 according to the Federal Housing Finance Agency (FHFA) House Price Index (HPI). House prices rose **6.5 percent** from the second quarter of 2017 to the second quarter of 2018. FHFA's seasonally adjusted monthly index for June was up **0.2 percent** from May.

The HPI is calculated using home sales price information from mortgages sold to, or guaranteed by, Fannie Mae and Freddie Mac.

“Home prices rose in the second quarter but at a slower pace than we have seen for the past four years,” said Dr. William Doerner, Supervisory Economist. “Mortgage rates have increased by more than half a percentage point over the first six months of the year. Rates are still inexpensive from a historical standpoint, but their bump-up appears to have gently pressed the brakes on house price increases.”

See [video of highlights](#) for the second quarter featuring Dr. Doerner.

Significant Findings

- **Home prices rose in all 50 states and the District of Columbia between the second quarter of 2017 and the second quarter of 2018.** The top five areas in annual appreciation were: 1) **Nevada** 17.0 percent; 2) **Idaho** 13.0 percent; 3) **District of Columbia** 11.8 percent; 4) **Utah** 11.3 percent; and 5) **Washington** 11.0 percent. The states showing the smallest annual appreciation were: 1) **North Dakota** 2.1 percent; 2) **Louisiana** 2.3 percent; 3) **West Virginia** 2.3 percent; 4) **Connecticut** 2.4 percent; and 5) **Alaska** 2.6 percent.
- Home prices rose in 99 of the 100 largest metropolitan areas in the U.S. over the last four quarters. Annual price increases were greatest in **Las Vegas-Henderson-Paradise, NV**, where prices increased by 18.8 percent. Prices were weakest in **El Paso, TX**, where they fell by 0.03 percent.
- Of the nine census divisions, the **Mountain** division experienced the strongest four-quarter appreciation, posting a 9.5 percent gain between the second quarters of 2017 and 2018 and a 1.9 percent increase in the second quarter of 2018. The **Pacific** division, which often records the strongest numbers in the country, only had a quarterly appreciation of 0.6 percent, its slowest quarterly increase since 2011. Annual house price appreciation was weakest in the **West South Central** division, where prices rose 5.0 percent between the second quarters of 2017 and 2018.

Tables and graphs showing home price statistics for metropolitan areas, states, census divisions, and the U.S. as a whole are included on the following pages.

Highlights Article: Price Indexes for Manufactured Homes

This quarter's release includes a Highlights article that discusses a set of newly constructed house price indexes for manufactured homes. These indexes, which are experimental in nature, could provide useful information to market observers and policy makers engaged in analyzing affordable housing issues. Details about the new measures can be found on pages 23-27.

Other Price Indexes

Most statistics in the quarterly house price index report reference price changes computed by FHFA's basic "purchase-only" HPI. In some cases, however, the reported statistics reference alternative price measures. FHFA publishes—and makes [available for download](#)—three additional house price indexes beyond the basic "purchase-only" series. Although they use the same general methodology, the three alternatives rely on slightly different datasets as follows:

- **"Distress-Free"** house price index. Sales of bank-owned properties and short sales are removed from the purchase-only dataset prior to estimation of the index.
- **"Expanded-Data"** house price index. Sales price information sourced from county recorder offices and from FHA-backed mortgages are added to the purchase-only data sample. This index is used annually to adjust the maximum conforming loan limits, which dictate the dollar amount of loans that can be acquired by Fannie Mae and Freddie Mac.
- **"All-Transactions"** house price index. Appraisal values from refinance mortgages are added to the purchase-only data sample.

Data constraints preclude the production of all types of indexes for every geographic area, but multiple index types are generally available. For individual states, for instance, three types of indexes are available. The various indexes tend to correlate closely over the long-term, but short-term differences can be significant.

Background

FHFA's HPI tracks changes in home values for individual properties owned or guaranteed by Fannie Mae or Freddie Mac over the past 43 years using more than eight million repeat transactions. The "repeat-transactions" methodology constructs index estimates by statistically evaluating price appreciation (or depreciation) for homes with multiple values over time. See this [video explaining](#) the basic methodology behind the FHFA HPI.

Note

- The next monthly HPI report (including data through July 2018) will be released September 25, 2018 and the next quarterly HPI report (including data for the third quarter of 2018) will be released November 27, 2018.
- Future HPI release dates for 2018 and 2019 are available at <https://www.fhfa.gov/hpi>.
- Follow [@FHFA](#) on Twitter, [LinkedIn](#) and [YouTube](#) for more HPI news.

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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 \$6.2 trillion in funding for the U.S. mortgage markets and financial institutions.

House Price Appreciation by State

Percent Change in House Prices

Seasonally Adjusted, Purchase-Only HPI

Period ended June 30, 2018

State	Rank*	1-Yr	Qtr	5-Yr	Since 1991Q1
Nevada (NV)	1	17.04%	4.31%	75.07%	158.85%
Idaho (ID)	2	13.05%	3.64%	51.42%	222.06%
District of Columbia (DC)	3	11.80%	2.83%	44.76%	472.80%
Utah (UT)	4	11.31%	2.90%	45.84%	306.27%
Washington (WA)	5	10.99%	1.61%	59.58%	262.21%
Colorado (CO)	6	9.56%	1.01%	59.81%	360.31%
Florida (FL)	7	8.53%	1.91%	54.98%	205.47%
South Carolina (SC)	8	8.33%	2.39%	34.91%	144.98%
Indiana (IN)	9	8.29%	1.83%	28.10%	108.67%
Rhode Island (RI)	10	8.11%	2.62%	32.25%	135.09%
Georgia (GA)	11	8.05%	1.90%	42.94%	139.81%
Oregon (OR)	12	7.92%	0.79%	52.50%	325.96%
Arizona (AZ)	13	7.76%	1.10%	44.56%	213.82%
Michigan (MI)	14	7.70%	1.40%	40.85%	126.59%
Tennessee (TN)	15	7.52%	1.33%	35.78%	159.75%
California (CA)	16	7.10%	0.36%	47.77%	179.96%
Wisconsin (WI)	17	7.07%	1.93%	27.62%	158.88%
Nebraska (NE)	18	6.85%	0.73%	29.55%	161.73%
New Hampshire (NH)	19	6.68%	1.48%	26.80%	149.23%
Maine (ME)	20	6.57%	2.53%	23.75%	150.78%
New York (NY)	21	6.49%	1.34%	21.12%	143.69%
USA		6.49%	1.11%	33.09%	159.90%
Minnesota (MN)	22	6.26%	1.24%	31.80%	185.33%
North Carolina (NC)	23	6.23%	1.09%	32.93%	142.34%
Alabama (AL)	24	6.08%	2.38%	21.49%	120.31%
Montana (MT)	25	6.04%	2.08%	28.29%	294.61%
Iowa (IA)	26	6.02%	2.21%	22.25%	147.28%
Texas (TX)	27	5.91%	0.72%	40.57%	187.58%

*Rankings based on annual percentage change.

House Price Appreciation by State

Percent Change in House Prices

Seasonally Adjusted, Purchase-Only HPI

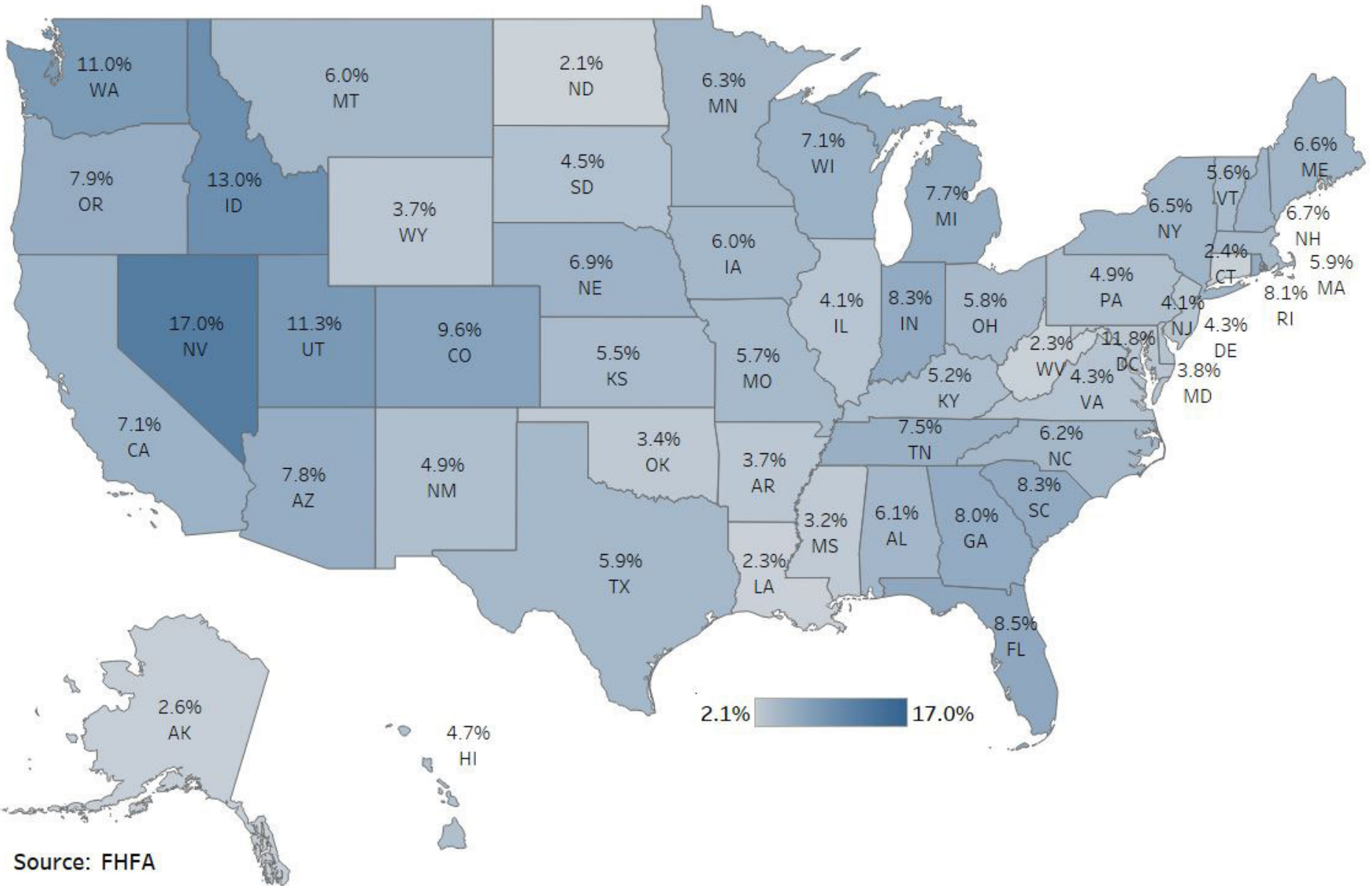
Period ended June 30, 2018

State	Rank*	1-Yr	Qtr	5-Yr	Since 1991Q1
Massachusetts (MA)	28	5.88%	1.05%	30.05%	185.90%
Ohio (OH)	29	5.83%	0.70%	28.04%	99.47%
Missouri (MO)	30	5.70%	1.09%	26.85%	135.90%
Vermont (VT)	31	5.65%	1.22%	13.82%	134.37%
Kansas (KS)	32	5.55%	0.89%	25.49%	143.06%
Kentucky (KY)	33	5.19%	0.66%	25.04%	137.72%
New Mexico (NM)	34	4.93%	1.59%	17.02%	141.45%
Pennsylvania (PA)	35	4.93%	0.49%	19.25%	124.20%
Hawaii (HI)	36	4.71%	2.35%	33.13%	155.96%
South Dakota (SD)	37	4.50%	1.49%	27.04%	192.77%
Delaware (DE)	38	4.34%	-0.93%	13.01%	104.73%
Virginia (VA)	39	4.32%	0.10%	18.20%	158.08%
Illinois (IL)	40	4.12%	0.62%	19.08%	103.54%
New Jersey (NJ)	41	4.07%	-0.04%	15.11%	138.18%
Maryland (MD)	42	3.82%	-0.95%	16.70%	150.10%
Wyoming (WY)	43	3.70%	0.93%	14.72%	239.68%
Arkansas (AR)	44	3.70%	0.58%	15.63%	116.03%
Oklahoma (OK)	45	3.37%	2.32%	18.63%	140.01%
Mississippi (MS)	46	3.21%	1.39%	12.87%	104.29%
Alaska (AK)	47	2.60%	-0.88%	11.10%	156.51%
Connecticut (CT)	48	2.38%	-0.43%	6.69%	73.07%
West Virginia (WV)	49	2.32%	0.78%	10.90%	114.35%
Louisiana (LA)	50	2.29%	0.25%	17.76%	178.93%
North Dakota (ND)	51	2.12%	1.01%	20.87%	217.13%

*Rankings based on annual percentage change.

Four-Quarter Price Change by State: Purchase-Only Index (Seasonally Adjusted)

U.S. Four-Quarter Appreciation = 6.5% (2017Q2-2018Q2)



Source: FHFA

**Seasonally Adjusted Price Changes Reflected in
Purchase-Only Indexes
100 Largest Metropolitan Areas**

Metropolitan Statistical Area or Division	1-Yr	Qtr	5-Yr	Since 1991Q1
Akron, OH	4.90%	0.49%	23.26%	88.90%
Albany-Schenectady-Troy, NY	3.72%	0.23%	13.46%	97.16%
Albuquerque, NM	4.86%	0.34%	17.74%	135.57%
Allentown-Bethlehem-Easton, PA-NJ	6.76%	2.27%	17.07%	86.72%
Anaheim-Santa Ana-Irvine, CA (MSAD)	7.29%	1.63%	39.17%	221.94%
Atlanta-Sandy Springs-Roswell, GA	8.01%	1.21%	49.83%	152.64%
Austin-Round Rock, TX	5.19%	0.46%	48.77%	351.24%
Bakersfield, CA	4.92%	1.94%	30.22%	98.16%
Baltimore-Columbia-Towson, MD	3.37%	0.20%	16.56%	157.85%
Baton Rouge, LA	1.64%	0.03%	17.89%	171.44%
Birmingham-Hoover, AL	8.10%	3.45%	28.66%	149.77%
Boise City, ID	16.59%	4.57%	67.16%	273.35%
Boston, MA (MSAD)	5.12%	0.28%	32.11%	212.80%
Bridgeport-Stamford-Norwalk, CT	2.77%	1.17%	7.65%	106.96%
Buffalo-Cheektowaga-Niagara Falls, NY	5.75%	0.29%	29.50%	106.95%
Cambridge-Newton-Framingham, MA (MSAD)	5.94%	-0.12%	34.48%	211.81%
Camden, NJ (MSAD)	1.43%	-1.61%	8.62%	84.75%
Cape Coral-Fort Myers, FL	6.88%	-1.03%	55.57%	165.19%
Charleston-North Charleston, SC	10.05%	2.73%	55.25%	274.37%
Charlotte-Concord-Gastonia, NC-SC	9.77%	2.01%	46.85%	160.39%
Chicago-Naperville-Arlington Heights, IL (MSAD)	4.16%	0.05%	24.99%	117.62%
Cincinnati, OH-KY-IN	6.01%	-0.40%	27.97%	107.78%
Cleveland-Elyria, OH	6.10%	2.25%	25.76%	82.80%
Colorado Springs, CO	11.46%	1.68%	42.97%	253.30%
Columbia, SC	7.07%	1.89%	23.80%	111.09%
Columbus, OH	8.68%	2.20%	41.13%	143.42%
Dallas-Plano-Irving, TX (MSAD)	7.41%	1.37%	55.76%	189.39%
Dayton, OH	8.55%	-0.35%	26.38%	72.47%
Denver-Aurora-Lakewood, CO	10.03%	0.51%	68.41%	412.62%
Detroit-Dearborn-Livonia, MI (MSAD)	8.48%	2.34%	45.06%	108.38%
El Paso, TX	-0.03%	-3.26%	8.41%	93.38%
Elgin, IL (MSAD)	8.13%	0.68%	29.83%	79.92%
Fort Lauderdale-Pompano Beach-Deerfield Beach, FL (MSAD)	8.58%	2.26%	54.92%	238.53%
Fort Worth-Arlington, TX (MSAD)	8.64%	0.63%	51.48%	169.77%
Fresno, CA	6.96%	1.77%	40.66%	132.78%
Gary, IN (MSAD)	5.86%	0.94%	21.51%	106.00%
Grand Rapids-Wyoming, MI	8.36%	1.24%	51.43%	145.03%
Greensboro-High Point, NC	5.93%	1.26%	21.71%	88.13%
Greenville-Anderson-Mauldin, SC	9.18%	0.87%	37.01%	159.38%

**Seasonally Adjusted Price Changes Reflected in
Purchase-Only Indexes
100 Largest Metropolitan Areas**

Metropolitan Statistical Area or Division	1-Yr	Qtr	5-Yr	Since 1991Q1
Hartford-West Hartford-East Hartford, CT	1.18%	-1.06%	5.70%	55.51%
Honolulu ('Urban Honolulu'), HI	0.87%	-6.42%	22.25%	150.17%
Houston-The Woodlands-Sugar Land, TX	5.97%	1.53%	34.29%	213.08%
Indianapolis-Carmel-Anderson, IN	9.77%	2.51%	34.00%	114.87%
Jacksonville, FL	11.60%	2.18%	49.50%	202.00%
Kansas City, MO-KS	8.42%	1.85%	39.86%	154.02%
Knoxville, TN	9.53%	4.40%	27.27%	146.67%
Lake County-Kenosha County, IL-WI (MSAD)	4.82%	0.39%	25.21%	86.50%
Las Vegas-Henderson-Paradise, NV	18.82%	4.20%	76.14%	137.43%
Little Rock-North Little Rock-Conway, AR	1.51%	0.28%	10.42%	111.08%
Los Angeles-Long Beach-Glendale, CA (MSAD)	7.52%	0.14%	48.78%	198.49%
Louisville/Jefferson County, KY-IN	4.47%	-0.44%	28.95%	154.54%
Memphis, TN-MS-AR	6.06%	1.53%	27.49%	100.02%
Miami-Miami Beach-Kendall, FL (MSAD)	6.99%	2.09%	49.51%	296.68%
Milwaukee-Waukesha-West Allis, WI	6.48%	0.65%	27.42%	156.23%
Minneapolis-St. Paul-Bloomington, MN-WI	7.18%	1.43%	35.21%	192.21%
Montgomery County-Bucks County-Chester County, PA (MSAD)	3.76%	-1.09%	16.82%	123.15%
Nashville-Davidson--Murfreesboro--Franklin, TN	7.82%	1.29%	53.10%	238.45%
Nassau County-Suffolk County, NY (MSAD)	8.24%	2.22%	24.82%	208.22%
New Haven-Milford, CT	4.60%	-0.28%	7.46%	71.24%
New Orleans-Metairie, LA	2.63%	0.90%	24.43%	204.61%
New York-Jersey City-White Plains, NY-NJ (MSAD)	6.36%	1.02%	22.00%	173.71%
Newark, NJ-PA (MSAD)	2.70%	-0.40%	16.39%	151.30%
North Port-Sarasota-Bradenton, FL	6.42%	0.12%	63.19%	221.50%
Oakland-Hayward-Berkeley, CA (MSAD)	9.74%	1.88%	66.69%	259.57%
Oklahoma City, OK	4.04%	1.35%	21.33%	158.73%
Omaha-Council Bluffs, NE-IA	7.72%	1.78%	30.98%	155.71%
Orlando-Kissimmee-Sanford, FL	10.19%	3.37%	54.05%	175.64%
Oxnard-Thousand Oaks-Ventura, CA	6.31%	0.45%	39.30%	184.27%
Philadelphia, PA (MSAD)	5.63%	-0.02%	24.69%	178.87%
Phoenix-Mesa-Scottsdale, AZ	9.02%	1.79%	47.73%	243.94%
Pittsburgh, PA	4.43%	0.80%	24.03%	147.86%
Portland-Vancouver-Hillsboro, OR-WA	7.10%	0.11%	57.27%	355.87%
Providence-Warwick, RI-MA	7.06%	1.74%	31.36%	142.64%
Raleigh, NC	4.52%	1.61%	37.42%	163.49%
Richmond, VA	7.11%	0.17%	30.01%	161.98%
Riverside-San Bernardino-Ontario, CA	8.28%	0.98%	51.84%	148.97%
Rochester, NY	6.86%	1.75%	17.40%	67.47%
Sacramento--Roseville--Arden-Arcade, CA	6.84%	0.31%	51.96%	146.96%

**Seasonally Adjusted Price Changes Reflected in
Purchase-Only Indexes
100 Largest Metropolitan Areas**

Metropolitan Statistical Area or Division	1-Yr	Qtr	5-Yr	Since 1991Q1
Salt Lake City, UT	11.76%	3.28%	47.13%	359.20%
San Antonio-New Braunfels, TX	2.19%	0.97%	34.78%	199.18%
San Diego-Carlsbad, CA	5.83%	0.60%	43.25%	225.99%
San Francisco-Redwood City-South San Francisco, CA (MSAD)	15.48%	7.44%	64.92%	358.52%
San Jose-Sunnyvale-Santa Clara, CA	8.60%	-0.42%	51.26%	298.45%
Seattle-Bellevue-Everett, WA (MSAD)	10.67%	0.19%	72.96%	321.12%
Silver Spring-Frederick-Rockville, MD (MSAD)	2.32%	-2.06%	15.65%	163.44%
St. Louis, MO-IL	4.70%	1.14%	24.96%	132.60%
Stockton-Lodi, CA	8.44%	3.10%	64.50%	129.53%
Syracuse, NY	6.55%	4.31%	17.78%	72.57%
Tacoma-Lakewood, WA (MSAD)	14.82%	3.87%	70.59%	253.75%
Tampa-St. Petersburg-Clearwater, FL	9.21%	2.56%	59.33%	226.59%
Tucson, AZ	5.09%	1.01%	34.63%	173.83%
Tulsa, OK	5.13%	3.49%	20.66%	131.07%
Virginia Beach-Norfolk-Newport News, VA-NC	4.74%	0.95%	13.59%	152.13%
Warren-Troy-Farmington Hills, MI (MSAD)	7.34%	0.77%	44.99%	128.88%
Washington-Arlington-Alexandria, DC-VA-MD-WV (MSAD)	3.66%	-0.19%	20.67%	199.93%
West Palm Beach-Boca Raton-Delray Beach, FL (MSAD)	7.24%	2.77%	56.97%	218.86%
Wichita, KS	4.81%	2.67%	20.39%	111.79%
Wilmington, DE-MD-NJ (MSAD)	3.13%	-0.85%	11.33%	95.55%
Winston-Salem, NC	4.55%	-1.07%	20.42%	90.93%
Worcester, MA-CT	8.30%	2.70%	28.73%	132.14%

Note: Index values can be downloaded at <https://www.fhfa.gov/DataTools/Downloads/Pages/House-Price-Index-Datasets.aspx#qpo>.

Source: FHFA