

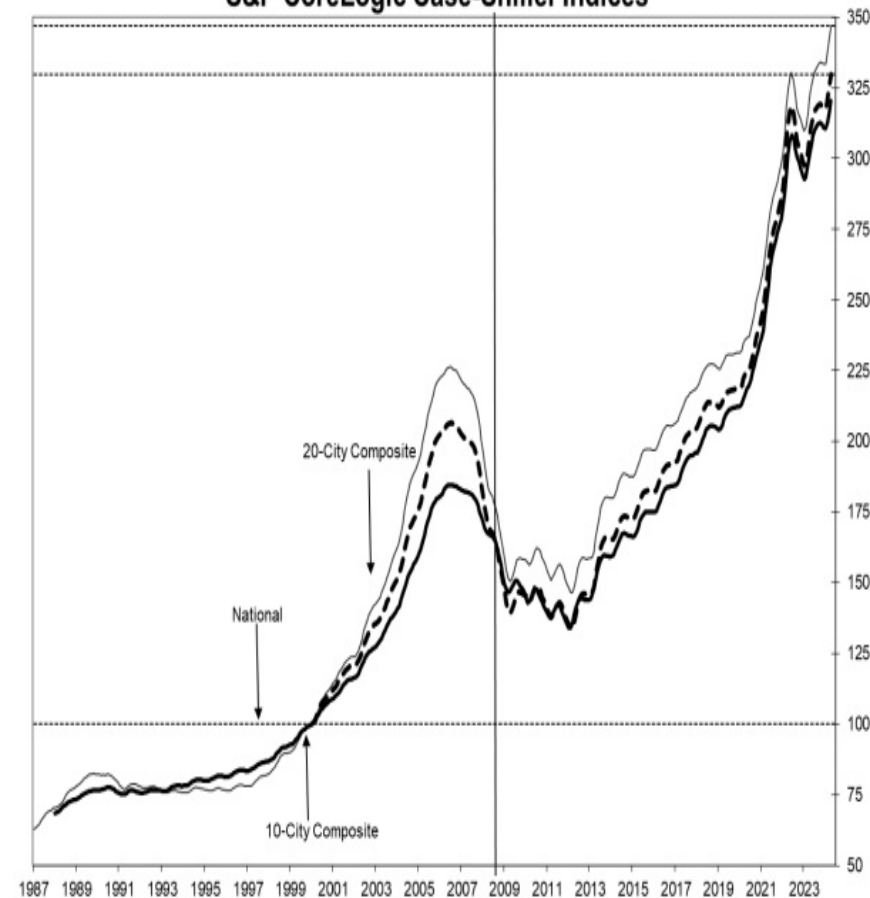


Has the Home Price Slide Ended?

Two major home price indexes had very different conclusions about the growth of annual home prices in April, but each showed a **significant month-over-month uptick**. The S&P CoreLogic Case-Shiller U.S. National Home Price Index fell off its March pace while the Federal Housing Finance Agency's (FHFA's) Home Price Index (HPI) moved higher.

Case-Shiller's non-seasonally adjusted National Index April covering all nine U.S. census divisions, moved from 0.7 percent annual growth in March to a 0.2 percent decline in April. Both composite indexes increased on the rate of decline posted the previous month. The 10-City, which was down 0.7 percent on an annual basis the prior month lost 1.2 percent in April while the 20-City posted a 1.7 percent year-over-year loss, down from 1.1 percent in the previous month.

S&P CoreLogic Case-Shiller Indices



Sources: S&P Dow Jones Indices & CoreLogic

Miami reported the highest 12-month gains among the 20 cities in April at 5.2 percent. Chicago debuted in the top three in second place with a 4.1 percent gain and Atlanta pushed Charlotte out of third place, increasing by 3.5 percent. Annual price changes were lower than the prior month in 17 of the 20 cities. Only Boston, San Francisco and Cleveland managed to increase their appreciation rate.



Don Reynolds

President, Sr. Mortgage
Broker, Apex Mortgage
Brokers

ApexMortgageBrokers.com

P: (941) 999-2624

M: (303) 356-5789

donreynolds@me.com

16 Linden Lane
Breckenridge CO 80424
NMLS 1217170
Florida LO53316



Monthly changes were all positive. **Before seasonal adjustment, the U.S. National Index posted a 1.3 percent month-over-month increase in April** while the two composites were 1.7 percent higher. After seasonal adjustment, the National Index posted a month-over-month increase of 0.5 percent, while the 10-City and 20-City Composites gained 1.0 percent and 0.9 percent, respectively.

Craig J. Lazzara, Managing Director at S&P provided the following analysis.

“The U.S. housing market continued to strengthen in April 2023,” he said. “Home prices peaked in June 2022, declined until January 2023, and then began to recover. The National Composite rose by 1.3 percent in April (repeating March’s performance), and now stands only 2.4 percent below its June 2022 peak. Our 10- and 20-City Composites both gained 1.7 percent in April.

“The ongoing recovery in home prices is broadly based. Before seasonal adjustments, prices rose in all 20 cities in April (as they had also done in March). Seasonally adjusted data showed rising prices in 19 cities in April (versus 14 in March).

“On a trailing 12-month basis, the National Composite is 0.2 percent below its April 2022 level, with the 10- and 20-City Composites also negative on a year-over-year basis, but regional differences continue to be striking.” Lazzara said the top three cities listed above are followed by Charlotte, New York, Cleveland, and Tampa, “indicating a remarkable diversity among the top performers.”

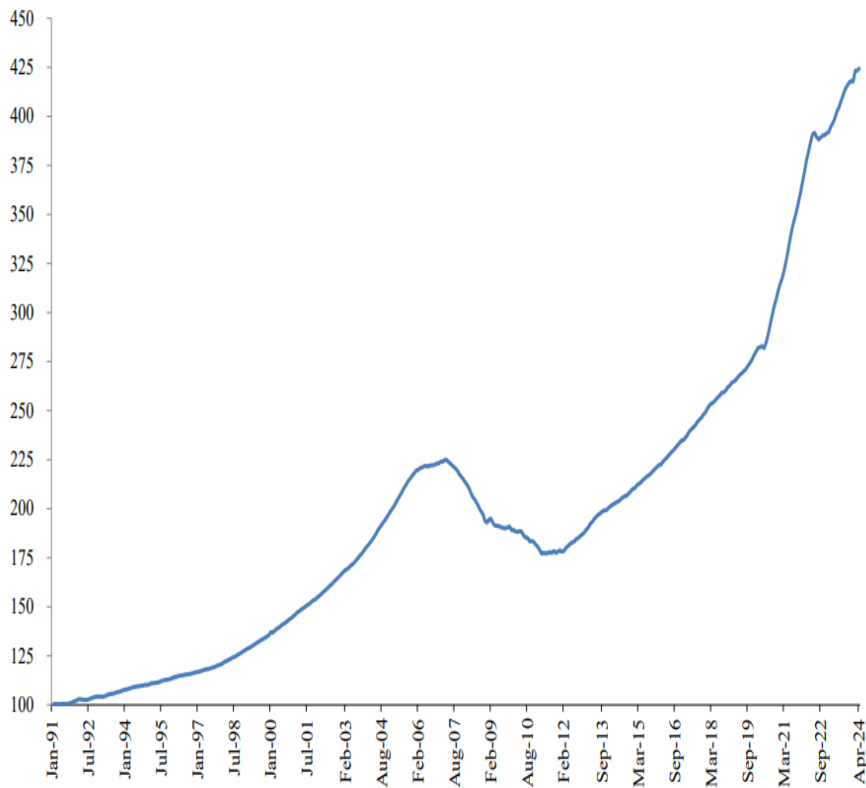
At the other end of the scale, however, the worst eight performers are all in the Mountain or Pacific time zones, with Seattle (-12.4 percent) and San Francisco (-11.1 percent) at the bottom. The Southeast (+3.6 percent) continues as the country’s strongest region, while the West (-6.9 percent) remains the weakest.

He continued, “If I were trying to make a case that the decline in home prices that began in June 2022 had definitively ended in January 2023, April’s data would bolster my argument. Whether we see further support for that view in coming months **will depend on the how well the market navigates the challenges posed by current mortgage rates and the continuing possibility of economic weakness.**”

The FHFA HPI shows a monthly increase in U.S. house prices of 0.2 percent in April and **a 6.3 percent gain from April 2023.** However, the previously reported 0.1 percent price increase in March was revised downward to 0.0 percent.

Monthly House Price Index for U.S. from January 1991 - Present

Purchase-Only FHFA HPI® (Seasonally Adjusted, Nominal)



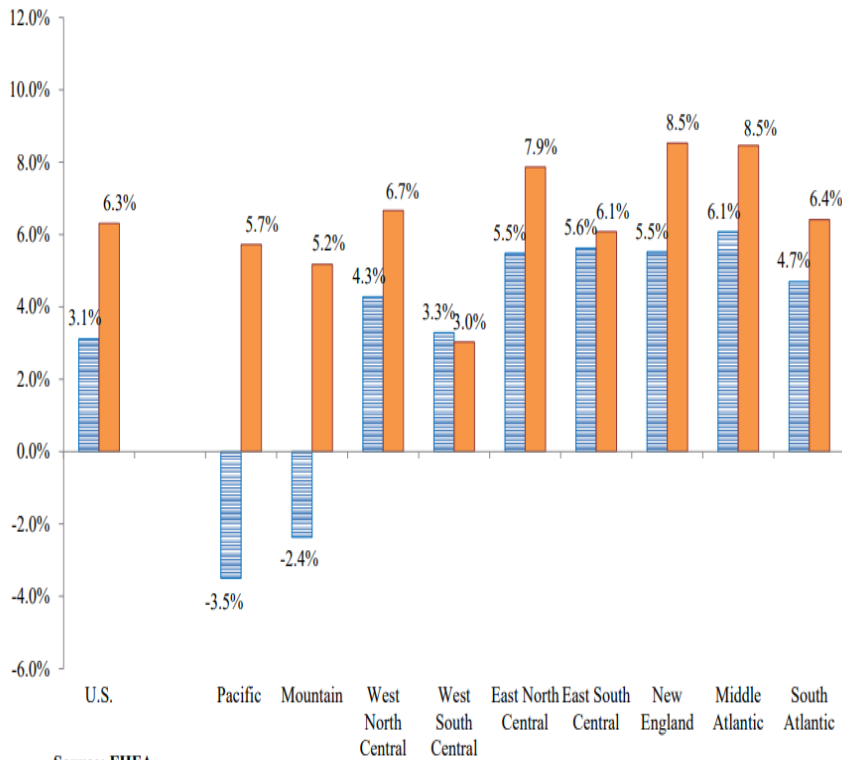
Source: FHFA

For the nine census divisions, seasonally adjusted monthly price changes from March 2024 to April 2024 ranged from a 0.2 percent decrease in the West South Central and Middle Atlantic divisions to a 1.4 percent gain in the East South Central division. The 12-month changes were all positive, ranging from 3.0 percent in the West South Central division to 8.5 percent in the New England and Middle Atlantic divisions.

Twelve-Month House Price Changes – Prior Year vs. Most Recent Year

Purchase-Only FHFA HPI® (Seasonally Adjusted, Nominal)

Price Change: 04/2022 - 04/2023 Price Change: 04/2023 - 04/2024



Case-Shiller indices track the matched price pairs for thousands of individual houses. Each index was benchmarked in January 2000 at 100. The current value of the National Index is 301.05 and the 10- and 20-City Composites stand at 320.87 and 307.43 respectively.

FHFA's HPI is based on home sales financed by Fannie Mae or Freddie Mac. It was benchmarked at 100 in January 1991 and its current value is 424.3.