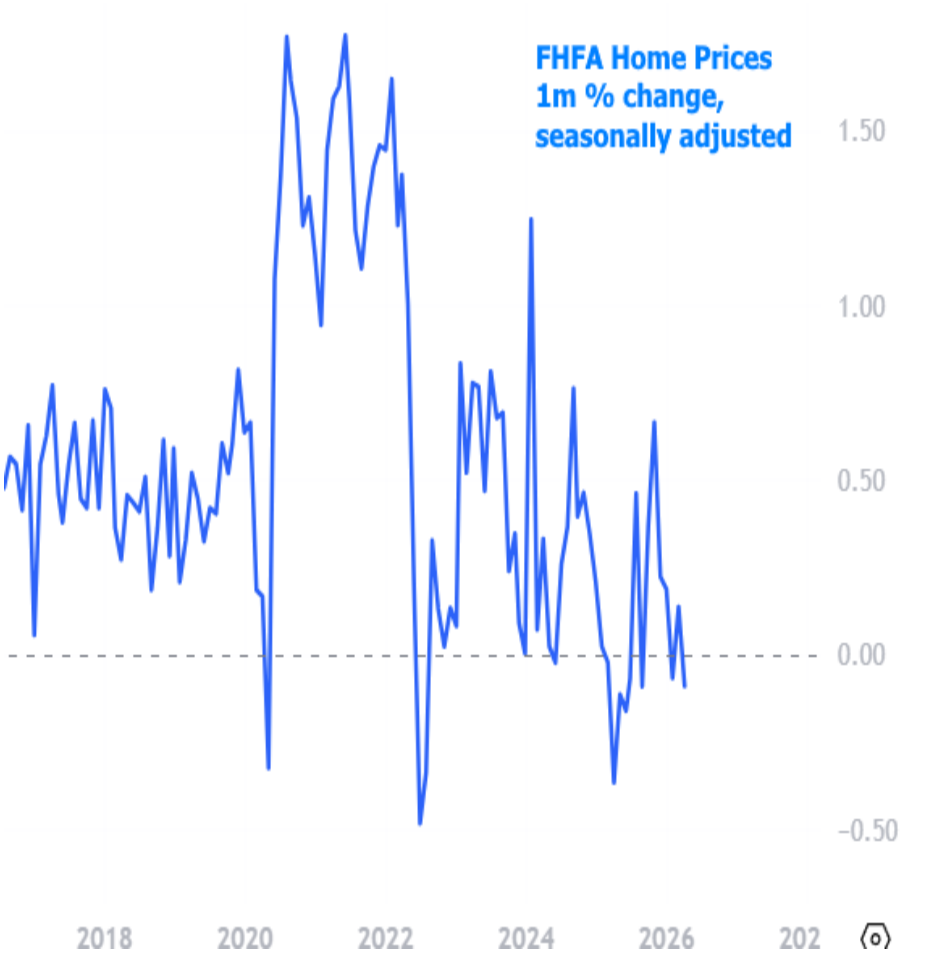
HOUSING CONNECTION
Mortgage and Real Estate News That Matters

Home Prices Growing Slower, But Outright Prices Still at All-Time Highs

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Home price appreciation remained subdued in April, as the latest data from both **FHFA** and the **S&P Cotality Case-Shiller Home Price Indices** continued to point to a housing market with little overall momentum. While annual price growth improved modestly from the prior month in both reports, elevated mortgage rates and ongoing affordability challenges continued to keep appreciation well below historical norms.

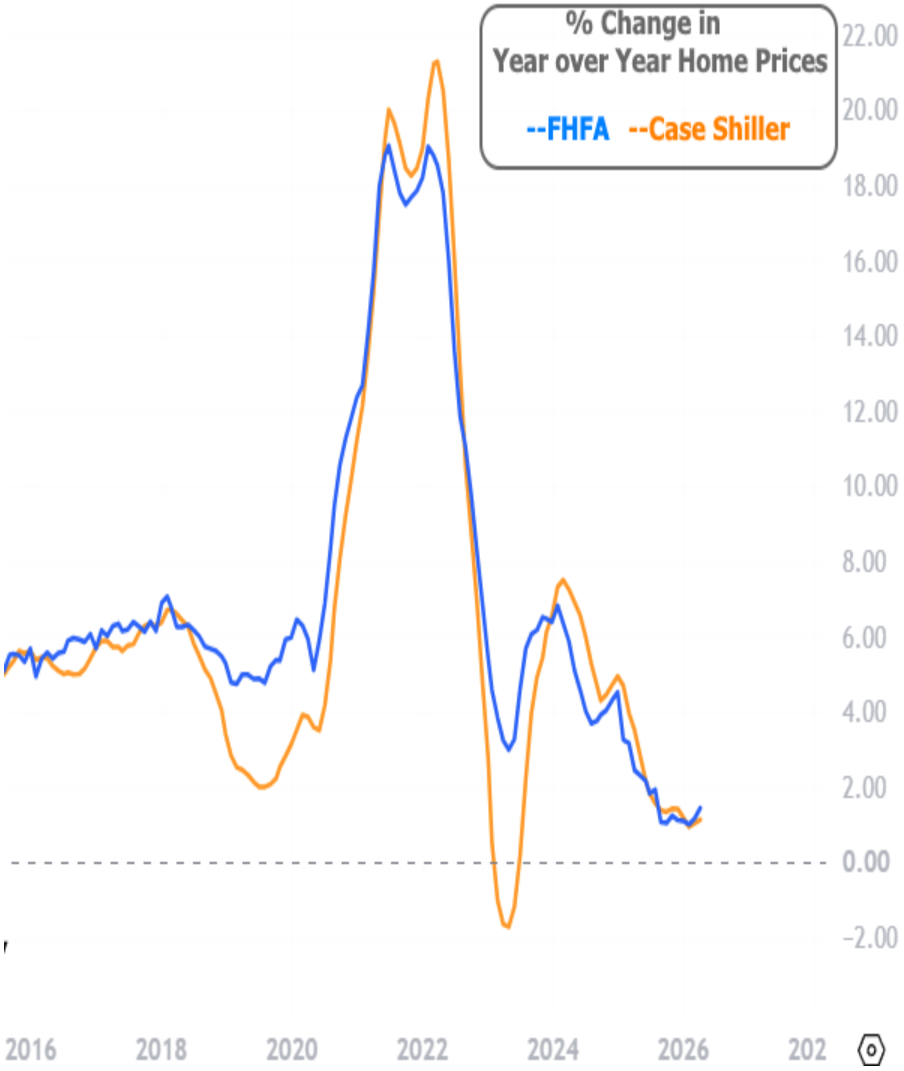
FHFA reported that U.S. house prices declined **0.1%** on a seasonally adjusted basis in April, marking the first monthly decline since last summer. March's gain was also revised higher to **0.2%**. Despite the monthly pullback, national home prices were still **2.0%** higher than one year earlier, a slight improvement from March's annual pace.



Regional results remained highly uneven. Among the nine census divisions, monthly price changes ranged from a **1.0% increase** in New England to a **0.8% decline** in the Mountain division. On an annual basis, the East North Central division continued to lead with **4.4%** appreciation, while the Pacific division posted the weakest annual gain at just **0.2%**.

The **S&P Cotality Case-Shiller U.S. National Home Price Index** painted a similar picture. The national index rose **0.8%** year over year in April, up slightly from March's 0.7% increase. Annual gains also strengthened modestly in the major metro composites, with the 10-City Composite rising **1.8%** and the 20-City Composite increasing **1.1%**.

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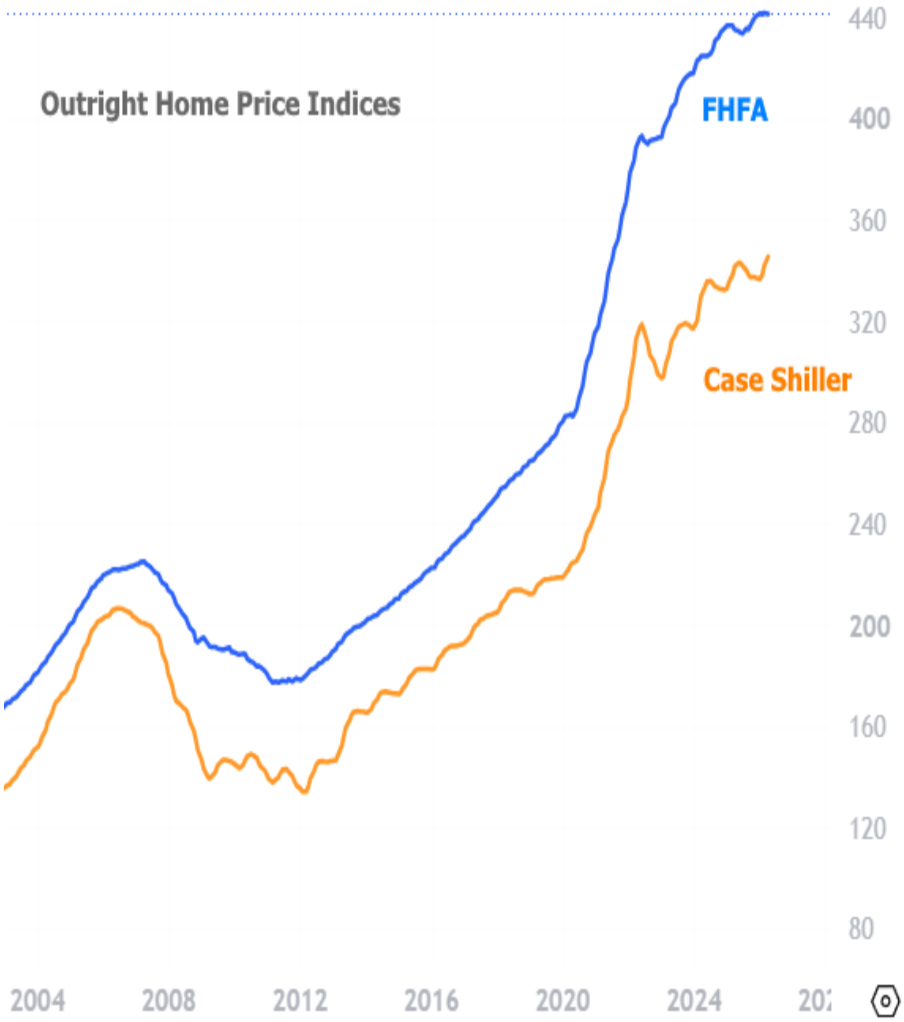
Regional disparities remained one of the defining themes of the housing market. Chicago once again led all 20 tracked metropolitan areas with a **6.5%** annual increase, followed by New York (**3.8%**) and Cleveland (**3.2%**). Seattle recorded the weakest annual performance at **-2.3%**, while Denver (**-1.8%**), Tampa (**-1.8%**), Phoenix (**-1.7%**), and Dallas (**-1.6%**) also remained in negative territory, highlighting continued softness across many Western and Sun Belt markets.

Seasonal strength continued to mask softer underlying trends. Before seasonal adjustment, the national Case-Shiller index rose **0.8%** in April, with the 10-City and 20-City composites gaining **1.1%** and **1.0%**, respectively. After seasonal adjustment, however, the national index slipped **0.1%**, the 20-City Composite edged down **0.04%**, and the 10-City Composite posted only a marginal **0.04%** increase.

April also marked the **11th consecutive month** in which inflation outpaced home price appreciation, leaving real home values lower on an inflation-adjusted basis. With 30-year mortgage rates moving back above **6.3%** during the month, financing costs continued to limit buyer demand and keep nationwide home price growth largely at a standstill despite the modest improvement in annual appreciation.

Last but not least, it's always worth remembering that most home price index tracking focuses on "% change" charts. If the lower values seen on those charts seems somehow gloomy, here's what the chart of the outright price indices looks like (in other words: both are still at all-time highs):

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FHFA House Price Index

- **April MoM (SA):** -0.1%
- **YoY:** +2.0%

S&P Cotality Case-Shiller Indices

- **U.S. National YoY:** +0.8%
- **10-City Composite YoY:** +1.8%
- **20-City Composite YoY:** +1.1%
- **National MoM (SA):** -0.1%
- **20-City MoM (SA):** -0.04%
- **10-City MoM (SA):** +0.04%

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