



NEWS

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FEDERAL HOUSING FINANCE BOARD REPORTS OCTOBER AVERAGE HOUSE PRICE OF \$295,573

The Federal Housing Finance Board today reported that the national average one-family house purchase price in October was \$295,573. This October 2007 average price compares with a national average one-family house purchase price of \$306,258 in October 2006. In October 2005 the national average one-family house purchase price was \$306,759.

The Fannie Mae Charter Act and the Freddie Mac Act reference this October average price. The Housing and Community Development Act of 1980 amended both of these acts to include a provision that allows both enterprises to adjust each year the maximum size of mortgage loans that they can purchase or guarantee. This statutory provision relies on this October average house price compared with that of the previous year.

The maximum size loan that Fannie Mae and Freddie Mac can purchase is usually known as the conforming loan limit. The Federal Housing Finance Board's only role is to provide the October average house price.

The average house price is based on a monthly survey of major lenders that are asked to report the terms and conditions on all conventional, single-family, fully amortized, purchase-money loans closed during the last five working days of the month. The data thus excludes FHA-insured and VA guaranteed mortgages, refinancing loans, and balloon loans. This month's data is based on 13,231 reported loans from 69 lenders, representing savings associations, mortgage companies, and commercial banks.

The Federal Housing Finance Board is an independent agency in the executive branch that oversees the safety, soundness, and mission of the 12 regional Federal Home Loan Banks. The Banks are government-sponsored enterprises created in 1932 to provide low-cost funding for housing finance. They have more than 8,100 financial institutions as members, including commercial banks, savings and loans, insurance companies and federally insured credit unions. More information can be found at <http://www.FHFB.gov>

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