



OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

# NEWS RELEASE

**For Immediate Release**  
**Friday, November 30, 2001**

**Contact: Stefanie Mullin**  
**202.414.6921**

## **OFHEO Releases Third Quarter 2001 House Price Index**

**Washington, D.C. Tops in U.S for Third Consecutive Quarter  
6.21% Appreciation from Second to Third Quarter 2001**

**California's Silicon Valley Experiences Below Average Price Growth for First Time in Four Years**

**WASHINGTON, D.C.** – Armando Falcon, Jr., Director of the Office of Federal Housing Enterprise Oversight (OFHEO), financial safety and soundness regulator for Fannie Mae and Freddie Mac, today released OFHEO's House Price Index (HPI), a quarterly report analyzing housing appreciation trends. OFHEO has determined that average U.S. home prices increased **8.4 percent** from the third quarter of 2000 through the third quarter of 2001. The quarterly national average growth rate is **1.7 percent**, reflecting continued healthy house price appreciation.

This HPI report contains four indexes and an article featuring highlights of the report:

1) Percentage Changes in House Price Appreciation by Census Division, 2) A ranking of the 50 States and Washington, D.C., by House Price Appreciation, 3) A ranking of 185 Metropolitan Statistical Areas (MSAs) by House Price Appreciation, and 4) A listing of one-year and five-year House Price Appreciation rates for MSAs not ranked. The highlights this quarter include data on California, which is still the top state in national appreciation at 12.5 percent since third quarter 2000, but has seen slower growth rates in Silicon Valley and surrounding areas.

OFHEO's House Price Index is published on a quarterly basis and tracks average house price changes in repeat sales or refinancings on the same single-family properties. OFHEO's index is based on analysis of data obtained from Fannie Mae and Freddie Mac from more than 14 million repeat transactions over the past 26 years. The HPI reflects price movements on a quarterly basis of sales or refinancings of single-family homes whose mortgages have been purchased or securitized by Fannie Mae or Freddie Mac. OFHEO analyzes the combined mortgage records of these two government-sponsored enterprises, which form the nation's largest database of mortgage transactions.

OFHEO's HPI report is accessible at <http://www.fhfa.gov/Default.aspx?Page=14>. Future HPI reports will be posted **March 1, 2002, May 31, 2002, August 30, 2002 and November 29, 2002**. Please e-mail [FHFAinfo@fhfa.gov](mailto:FHFAinfo@fhfa.gov) for a hard copy of the report.