



Freddie Mac March 2018 Outlook

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Home Price Appreciation: Winners and Losers

MCLEAN, VA -- (Marketwired) -- 03/22/18 -- [Freddie Mac](#) (OTCQB: FMCC) today released its monthly [Outlook](#) for March, which looks at how increasing home prices are helping many current homeowners build equity, while making it more difficult for many first-time homebuyers to achieve homeownership.

Outlook Highlights

- While mortgage rates remain historically low, they have been steadily climbing since the start of 2018. We expect that growth to continue, with the 30-year fixed mortgage rate averaging 4.9 percent in the fourth quarter of 2018.
- Since the end of the Great Recession in 2009, home prices are up 37 percent nationwide (and seven percent in the last year), helping homeowners rack up record amounts of home equity; about \$14.4 trillion in the fourth quarter of 2017. Homeowners with mortgages have a collective \$5.5 trillion in equity available to borrow against, according to Black Knight Data & Analytics.
- With construction ramping up slowly to meet housing demand, home prices are likely to continue rising above the rate of inflation. We forecast a 5.1 percent increase in 2018.

Quote: Attributed to Len Kiefer, Deputy Chief Economist, Freddie Mac.

"Overall, U.S. housing markets have been on the upswing. While housing market trends have been generally favorable, not everyone has shared equally in the gains. Existing homeowners have largely seen their properties increase in value, helping to build equity. In many parts of the country, home values have more than recovered from the Great Recession, reaching new (nominal) peaks, and the share of underwater homeowners has dropped significantly."

Freddie Mac makes home possible for millions of families and individuals by providing mortgage capital to lenders. Since our creation by Congress in 1970, we've made housing more accessible and affordable for homebuyers and renters in communities nationwide. We are building a better housing finance system for homebuyers, renters, lenders and taxpayers. Learn more at [FreddieMac.com](#), Twitter [@FreddieMac](#) and Freddie Mac's blog [FreddieMac.com/blog](#).

MEDIA CONTACT:

Paul Frommelt

703-903-3999

Paul.Frommelt@FreddieMac.com

Source: Freddie Mac