



U.S. Housing Market Holds Steady

March 30, 2016



MCLEAN, VA--(Marketwired - Mar 30, 2016) - Freddie Mac (OTCQB: FMCC) today released its [Multi-Indicator Market Index® \(MiMi®\)](#), showing that many of the nation's housing markets are getting back to normal heading into the spring homebuying season. However, there are pockets of weakness, particularly in the Great Lakes Region and the South outside of Florida and Texas.

The national MiMi value stands at 82.7, indicating a housing market that's on the outer range of its historic benchmark level of housing activity, and little changed with just a +0.18 percent improvement from December to January and a three-month improvement of +1.46 percent. However, on a year-over-year basis, the national MiMi value has improved +7.57 percent. Since its all-time low in October 2010, the national MiMi has rebounded 40 percent, but remains significantly off from its high of 121.7.

News Facts:

- Thirty-four of the 50 states plus the District of Columbia have MiMi values within range of their benchmark averages, with the District of Columbia (101.8), North Dakota (96), Hawaii (95.6), Montana (95.1) and Utah (94.5) ranking in the top five. Compared to the same time last year, 22 states and the District of Columbia had MiMi values within their benchmark ranges.
- Fifty-six of the 100 metro areas have MiMi values within range, with Denver, CO (99.8), Austin, TX (99.1), Salt Lake City, UT (97.7), Honolulu, HI (97.6), and Los Angeles, CA (96.9) ranking in the top five. Compared to the same time last year, 29 of the top 100 metros had MiMi values within their benchmark ranges.
- The most improving states month over month were Colorado (+1.41%), Oregon (+1.31%), Mississippi (+1.07%), New Jersey (+1.05%) and Arizona (+0.88%). On a year-over-year basis, the most improving states were Florida (+16.72%), Colorado (+15.56%), New Jersey (+14.61%), Nevada (+14.21%), and Oregon (+14.04%).
- The most improving metro areas month over month were Colorado Springs, CO (+2.09%), Denver, CO (+1.53%), New Orleans, LA (+1.48%), Ogden, UT (+1.19) and Stockton, CA (+1.12%). On a year-over-year basis, the most improving metro areas were Orlando, FL (+20.39%), Cape Coral, FL (+19.25%), Denver, CO (+19.09%), Tampa, FL (+18.93%) and Portland, OR (+18.07).
- In January, 44 of the 50 states and 78 of the top 100 metros were showing an improving three-month trend. The same time last year, 13 of the 50 states, and 42 of the top 100 metro areas were showing an improving three-month trend.

Quote attributable to Freddie Mac Deputy Chief Economist Len Kiefer:

"Despite a stronger jobs market and declining unemployment, wage gains have not kept pace with house prices putting a pinch on homebuyer affordability. In the top 100 metro areas MiMi tracks, Los Angeles and Honolulu have elevated payment-to-income indicators and Miami, FL, is very close to elevated. An additional six metro areas have their MiMi payment-to-income indicators over 100, indicating that the payment-to-income statistic for that area is above its historic benchmark. At the state level, the District of Columbia has an elevated payment-to-income indicator while Hawaii and California have values above 100.

"These payment-to-income indicators are high despite the fact that mortgage interest rates remain low. Mortgage rates fell at the start of the year, helping to bolster affordability heading into the spring season. But a lack of available inventory of for-sale homes has constrained many markets. We see that reflected in the MiMi purchase applications indicator, which remains weak nationwide."

The 2016 MiMi release [calendar.pdf](#) is available online.

MiMi monitors and measures the stability of the nation's housing market, as well as the housing markets of all 50 states, the District of Columbia, and

the top 100 metro markets. MiMi combines proprietary Freddie Mac data with current local market data to assess where each single-family housing market is relative to its own long-term stable range by looking at home purchase applications, payment-to-income ratios (changes in home purchasing power based on house prices, mortgage rates and household income), proportion of on-time mortgage payments in each market, and the local employment picture. The four indicators are combined to create a composite MiMi value for each market. Monthly, MiMi uses this data to show, at a glance, where each market stands relative to its own stable range of housing activity. MiMi also indicates how each market is trending, whether it is moving closer to, or further away from, its stable range. A market can fall outside its stable range by being too weak to generate enough demand for a well-balanced housing market or by overheating to an unsustainable level of activity.

For more detail on MiMi see the [FAQs](#). The most current version can be found at FreddieMac.com/mimi.

Freddie Mac was established by Congress in 1970 to provide liquidity, stability and affordability to the nation's residential mortgage markets. Freddie Mac supports communities across the nation by providing mortgage capital to lenders. Today Freddie Mac is making home possible for approximately one in four home borrowers and is the largest source of financing for multifamily housing. Additional information is available at FreddieMac.com, Twitter [@FreddieMac](#) and Freddie Mac's blog FreddieMac.com/blog.

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