



U.S. Housing Markets Strengthen

August 27, 2015

Over Half of All States; 40 Percent of Top 100 Metros in Stable Housing Range



MCLEAN, VA--(Marketwired - Aug 26, 2015) - Freddie Mac (OTCQB: FMCC) today released its updated [Multi-Indicator Market Index® \(MiMi®\)](#) showing the U.S. housing market continuing to slowly stabilize with two additional states, Arkansas and Tennessee, and four additional metro areas entering their outer range of stable housing activity: Omaha, Nebraska; Scranton, Pennsylvania; Chattanooga, Tennessee and Madison, Wisconsin.

The national MiMi value stands at 80.3, indicating a housing market that is on its outer stable range, while showing an improvement of +1.33% from May to June and a three-month improvement of +2.26%. On a year-over-year basis, the national MiMi value has improved +5.41%. Since its all-time low in October 2010, the national MiMi has rebounded 35 percent, but remains significantly off from its high of 121.7.

News Facts:

- Twenty-eight of the 50 states plus the District of Columbia have MiMi values in a stable range, with the District of Columbia (101.7), North Dakota (96.2), Montana (93.5), Hawaii (92.9), and California and Utah tied at (89) and ranking in the top five.
- Forty-two of the 100 metro areas have MiMi values in a stable range, with Fresno (96.8), Austin (94.9), Honolulu (93.7), Salt Lake City (91.7) and Los Angeles (91.5) ranking in the top five.
- The most improving states month-over-month were New Jersey (+2.61%), Florida (+2.60%), District of Columbia (+2.31%), Connecticut (+2.26%) and Nevada and Rhode Island tied (+2.18%). On a year-over-year basis, the most improving states were Oregon (+13.59%), Florida (+13.27%), Nevada (12.38%), Colorado (+10.18%), and Rhode Island (+9.32%).
- The most improving metro areas month-over-month were Stockton, CA (+3.48%), Cape Coral, FL (+3.36%), Sarasota, FL (+3.34%), Lakeland, FL (+3.19%) and Tampa, FL (+2.96%). On a year-over-year basis, the most improving metro areas were Orlando, FL (+16.22%), Cape Coral, FL (+16.13%), Portland, OR (+14.57%), Palm Bay, FL (+14.37%) and North Port, FL (+14.33%).
- In June, 45 of the 50 states and 95 of the 100 metros were showing an improving three month trend. The same time last year, 33 of the 50 states plus the District of Columbia, and 80 of the top 100 metro areas were showing an improving three-month trend.

Quote attributable to Freddie Mac Deputy Chief Economist Len Kiefer:

"Housing markets are the strongest they've been in years with the National MiMi above 80 for the first time since 2008. Nationally, all MiMi indicators are heading in the right direction. Robust homebuyer demand has put total home sales on pace for the best year since 2007 and look for that trend to continue as the MiMi purchase applications indicator remains on the upswing. The West has been especially strong, with many markets posting double-digit growth in their MiMi purchase applications indicator compared to a year ago."

"While [home prices](#) are still 7 percent below peak values nationally, price indices in many markets are at all-time highs and current low interest rates are helping to support homebuyer affordability. Mortgage delinquencies are coming down rapidly, but are still high in many markets. Those markets hardest hit by the Great Recession, including many in Florida, are rebounding but they still need to improve to get delinquencies back in line with their benchmark historic averages. The key driver of all this recovery has been solid job growth, with 96 out of 100 metros and all states within range of their benchmark historic average unemployment rate."

The 2015 MiMi release [calendar](#) 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 one of the largest sources of financing for multifamily housing. Additional information is available at FreddieMac.com, Twitter [@FreddieMac](https://twitter.com/FreddieMac) and Freddie Mac's blog FreddieMac.com/blog.

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