S&P CoreLogic Case-Shiller National Index Sets 30-Month Annual Return High

NEW YORK, Feb. 28, 2017 /PRNewswire/ -- S&P Dow Jones Indices today released the latest results for the S&P CoreLogic Case-Shiller Indices, the leading measure of U.S. home prices. Data released today for December 2016 shows that home prices continued their rise across the country over the last 12 months. More than 27 years of history for these data series is available, and can be accessed in full by going to www.homeprice.spdji.com. Additional content on the housing market can also be found on S&P Dow Jones Indices' housing blog: www.housingviews.com.

YEAR-OVER-YEAR

The S&P CoreLogic Case-Shiller U.S. National Home Price NSA Index, covering all nine U.S. census divisions, reported a 5.8% annual gain in December, up from 5.6% last month and setting a 30-month high. The 10-City Composite posted a 4.9% annual increase, up from 4.4% the previous month. The 20-City Composite reported a year-over-year gain of 5.6%, up from 5.2% in November.

Seattle, Portland, and Denver reported the highest year-over-year gains among the 20 cities over the 11 months leading up to December. Seattle led the way with a 10.8% year-over-year price increase in December, followed by Portland with 10.0%, and Denver with an 8.9% increase. Twelve cities reported greater price increases in the year ending December 2016 versus the year ending November 2016.

MONTH-OVER-MONTH

Before seasonal adjustment, the National Index posted a month-over-month gain of 0.2% in December. Both the 10-City Composite and the 20-City Composite indices posted 0.3% increases. After seasonal adjustment, the National Index recorded a 0.7% month-over-month increase, while the 10-City and 20-City Composites each reported 0.9% month-over-month increases. Eighteen of 20 cities reported increases in December before seasonal adjustment; after seasonal adjustment, all 20 cities saw prices rise.

ANALYSIS

"Home prices continue to advance, with the national average rising faster than at any time in the last two-and-a-half years," says David M. Blitzer, Managing Director and Chairman of the Index Committee at S&P Dow Jones Indices. "With all 20 cities seeing prices rise over the last year, questions about whether this is a normal housing market or if prices could be heading for a fall are natural. In comparing current home price movements to history, it is necessary to adjust for inflation. Consumer prices are higher today than 20 or 30 years ago, while the inflation rate is lower. Looking at real or inflation-adjusted home prices based on the S&P CoreLogic Case-Shiller National Index and the Consumer Price Index, the annual increase in home prices is currently 3.8%. Since 1975, the average pace is 1.3%; about two-thirds of the time, the rate is between -4% and +7%. Home prices are rising, but the speed is not alarming.

"One factor behind rising home prices is low inventory. While sales of existing single family homes passed five million units at annual rates in January, the highest since 2007, the inventory of homes for sales remains quite low with a 3.6 month supply. New home sales at 555,000 in 2016 are up from recent years but remain below the average pace of 700,000 per year since 1990. Another factor supporting rising home prices is mortgage rates. A 30-year fixed rate mortgage today is 4.2% compared to the 6.4% average since 1990. Another indicator that home price levels are normal can be seen in the charts of Seattle and Portland OR. In the boom-bust of 2005-2009, prices of low, medium, and high-tier homes moved together, while in other periods, including now, the tiers experienced different patterns."

SUPPORTING DATA

Table 1 below shows the housing boom/bust peaks and troughs for the three composites along with the current levels and percentage changes from the peaks and troughs.

	2006 Peak		2012 Trough			Current		
Index	Level	Date	Level	Date	From Peak (%)	Level	From Trough (%)	From Peak (%)
National	184.62	Jul-06	134.01	Feb-12	-27.4%	185.54	38.5%	0.5%

20-City	206.52	Jul-06	134.07	Mar-12	-35.1%	192.61	43.7%	-6.7%
10-City	226.29	Jun-06	146.45	Mar-12	-35.3%	206.45	41.0%	-8.8%

Table 2 below summarizes the results for December 2016. The S&P CoreLogic Case-Shiller Indices are revised for the prior 24 months, based on the receipt of additional source data.

Metropolitan Area	December 2016 Level	December/November Change (%)	November/October Change (%)	1-Year Change (%)
Atlanta	133.50	0.2%	0.0%	6.3%
Boston	194.33	0.6%	0.4%	6.3%
Charlotte	142.93	0.1%	0.3%	5.6%
Chicago	135.98	0.5%	-0.4%	4.9%
Cleveland	113.46	0.4%	0.0%	4.4%
Dallas	169.07	0.2%	0.2%	8.1%
Denver	189.85	0.1%	0.5%	8.9%
Detroit	109.83	-0.2%	-0.1%	6.2%
Las Vegas	153.76	0.3%	0.3%	5.8%
Los Angeles	253.13	0.3%	0.1%	5.4%
Miami	220.00	0.3%	0.5%	6.8%
Minneapolis	155.20	-0.1%	0.0%	5.7%
New York	185.26	0.4%	0.3%	3.1%
Phoenix	164.73	0.2%	0.3%	4.9%
Portland	209.17	0.3%	0.2%	10.0%
San Diego	229.41	0.2%	0.3%	5.4%
San Francisco	230.24	0.1%	0.0%	5.7%
Seattle	206.35	0.6%	0.2%	10.8%
Tampa	191.23	1.1%	0.8%	8.4%
Washington	218.53	0.5%	0.2%	4.2%
Composite-10	206.45	0.3%	0.2%	4.9%
Composite-20	192.61	0.3%	0.2%	5.6%
U.S. National	185.54	0.2%	0.2%	5.8%

Sources: S&P Dow Jones Indices and CoreLogic
Data through December 2016

Table 3 below shows a summary of the monthly changes using the seasonally adjusted (SA) and non-seasonally adjusted (NSA) data. Since its launch in early 2006, the S&P CoreLogic Case-Shiller Indices have published, and the markets have followed and reported on, the non-seasonally adjusted data set used in the headline indices. For analytical purposes, S&P Dow Jones Indices publishes a seasonally adjusted data set covered in the headline indices, as well as for the 17 of 20 markets with tiered price indices and the five condo markets that are tracked.

Metropolitan Area	December/November Change (%) NSA	December/November Change (%) SA	November/October Change (%) NSA	November/October Change (%) SA
Atlanta	0.2%	0.9%	0.0%	1.0%
Boston	0.6%	1.1%	0.4%	1.2%
Charlotte	0.1%	0.5%	0.3%	0.9%
Chicago	0.5%	1.5%	-0.4%	1.1%
Cleveland	0.4%	1.1%	0.0%	0.6%
Dallas	0.2%	0.8%	0.2%	0.9%
Denver	0.1%	0.8%	0.5%	1.3%
Detroit	-0.2%	0.7%	-0.1%	1.0%
Las Vegas	0.3%	0.7%	0.3%	0.7%
Los Angeles	0.3%	0.7%	0.1%	0.6%
Miami	0.3%	0.7%	0.5%	0.5%
Minneapolis	-0.1%	0.8%	0.0%	0.8%
New York	0.4%	1.0%	0.3%	1.1%
Phoenix	0.2%	0.5%	0.3%	0.6%
Portland	0.3%	1.0%	0.2%	0.9%
San Diego	0.2%	0.9%	0.3%	0.7%
San Francisco	0.1%	0.9%	0.0%	0.8%

Seattle	0.6%	1.4%	0.2%	1.0%
Tampa	1.1%	1.4%	0.8%	1.2%
Washington	0.5%	1.0%	0.2%	0.9%
Composite-10	0.3%	0.9%	0.2%	0.9%
Composite-20	0.3%	0.9%	0.2%	0.9%
U.S. National	0.2%	0.7%	0.2%	0.8%

Sources: S&P Dow Jones Indices and CoreLogic
Data through December 2016

For more information about S&P Dow Jones Indices, please visit**www.spdji.com**

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S&P Dow Jones Indices' interactive blog, HousingViews.com, delivers real-time commentary and analysis from industry experts across S&P Global on a wide-range of topics impacting residential home prices, homebuilding and mortgage financing in the United States. Readers and viewers can visit the blog atwww.housingviews.com, where feedback and commentary is welcomed and encouraged.

The S&P CoreLogic Case-Shiller Indices are published on the last Tuesday of each month at 9:00 am ET. They are constructed to accurately track the price path of typical single-family homes located in each metropolitan area provided. Each index combines matched price pairs for thousands of individual houses from the available universe of arms-length sales data. The S&P CoreLogic Case-Shiller U.S. National Home Price Index tracks the value of single-family housing within the United States. The index is a composite of single-family home price indices for the nine U.S. Census divisions and is calculated quarterly. The S&P CoreLogic Case-Shiller 10-City Composite Home Price Index is a value-weighted average of the 10 original metro area indices. The S&P CoreLogic Case-Shiller 20-City Composite Home Price Index is a value-weighted average of the 20 metro area indices. The indices have a base value of 100 in January 2000; thus, for example, a current index value of 150 translates to a 50% appreciation rate since January 2000 for a typical home located within the subject market.

These indices are generated and published under agreements between S&P Dow Jones Indices and CoreLogic, Inc.

The S&P CoreLogic Case-Shiller Indices are produced by CoreLogic, Inc. In addition to the S&P CoreLogic Case-Shiller Indices, CoreLogic also offers home price index sets covering thousands of zip codes, counties, metro areas, and state markets. The indices, published by S&P Dow Jones Indices, represent just a small subset of the broader data available through CoreLogic.

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