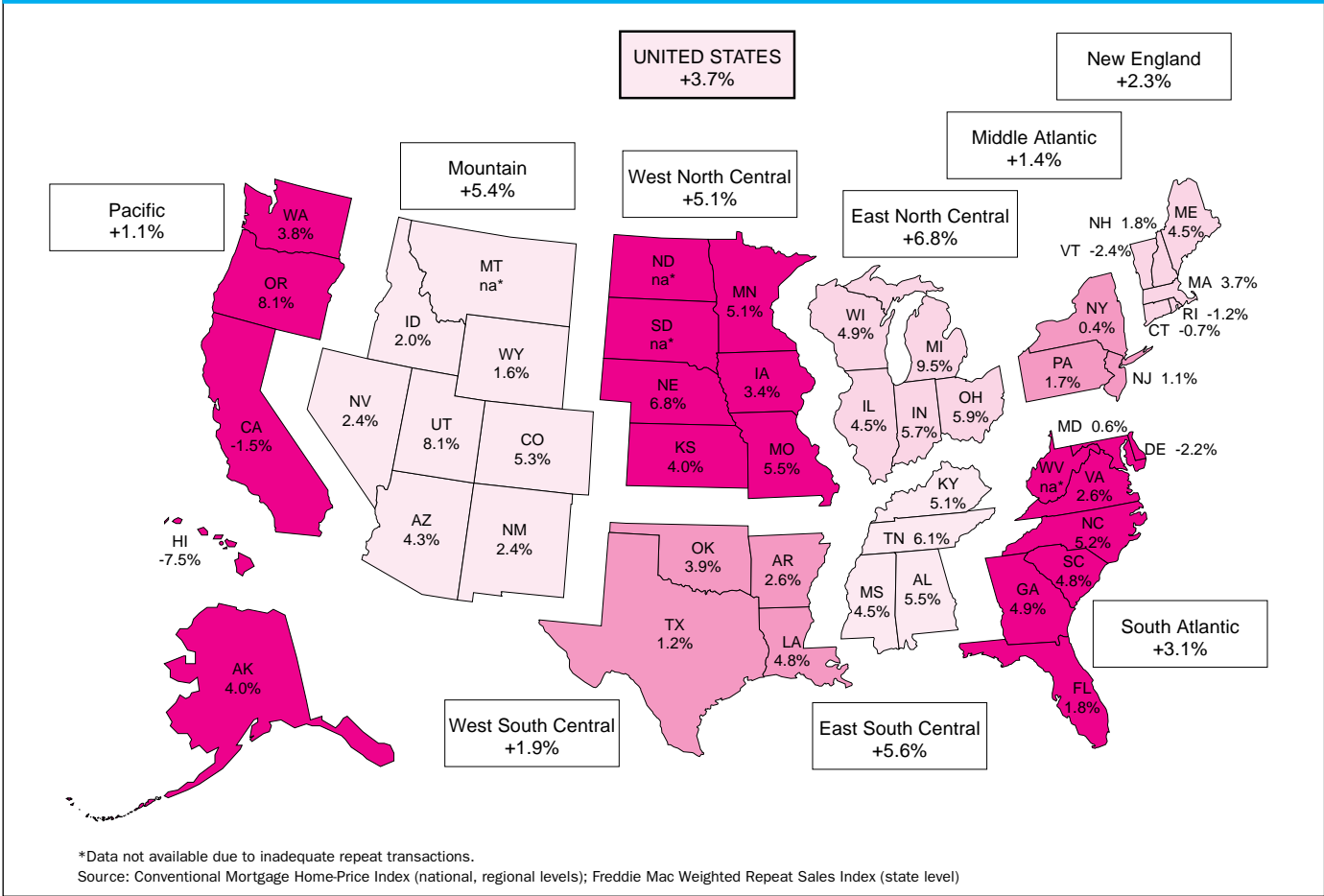


**EXHIBIT 3: Annual House-Price Appreciation Rates, Q4 1995 to Q4 1996**



## Growth Spurts in Michigan, Oregon, Utah Outstrip National Pace

The national house-price growth rate in 1996 came in considerably lower than in 1995, reaching only 3.7 percent compared to 5.5 percent a year earlier, according to the CMHPI.

The East North Central and East South Central divisions outpaced the rest of the country with annual growth rates of 6.8 percent and 5.6 percent, respectively (*Exhibit 3*). The Mountain states (5.4 percent) and West North Central states (5.1 percent) recorded strong annual gains in house

prices as well. Showings for the rest of the country fell below par, with the Pacific states realizing the least growth.

Among the states, Michigan, at 9.5 percent, recorded the highest annual appreciation in the country for 1996, based on the Freddie Mac Weighted Repeat Sales Index<sup>2</sup>. Other top performers included Oregon (8.1 percent), Utah (8.1 percent), Nebraska (6.8 percent) and Tennessee (6.1 percent).

—Bawo Ayomike, senior financial analyst

<sup>2</sup>The Freddie Mac Weighted Repeat Sales Index is a collection of state-level indexes based on Freddie Mac and Fannie Mae mortgage fundings.