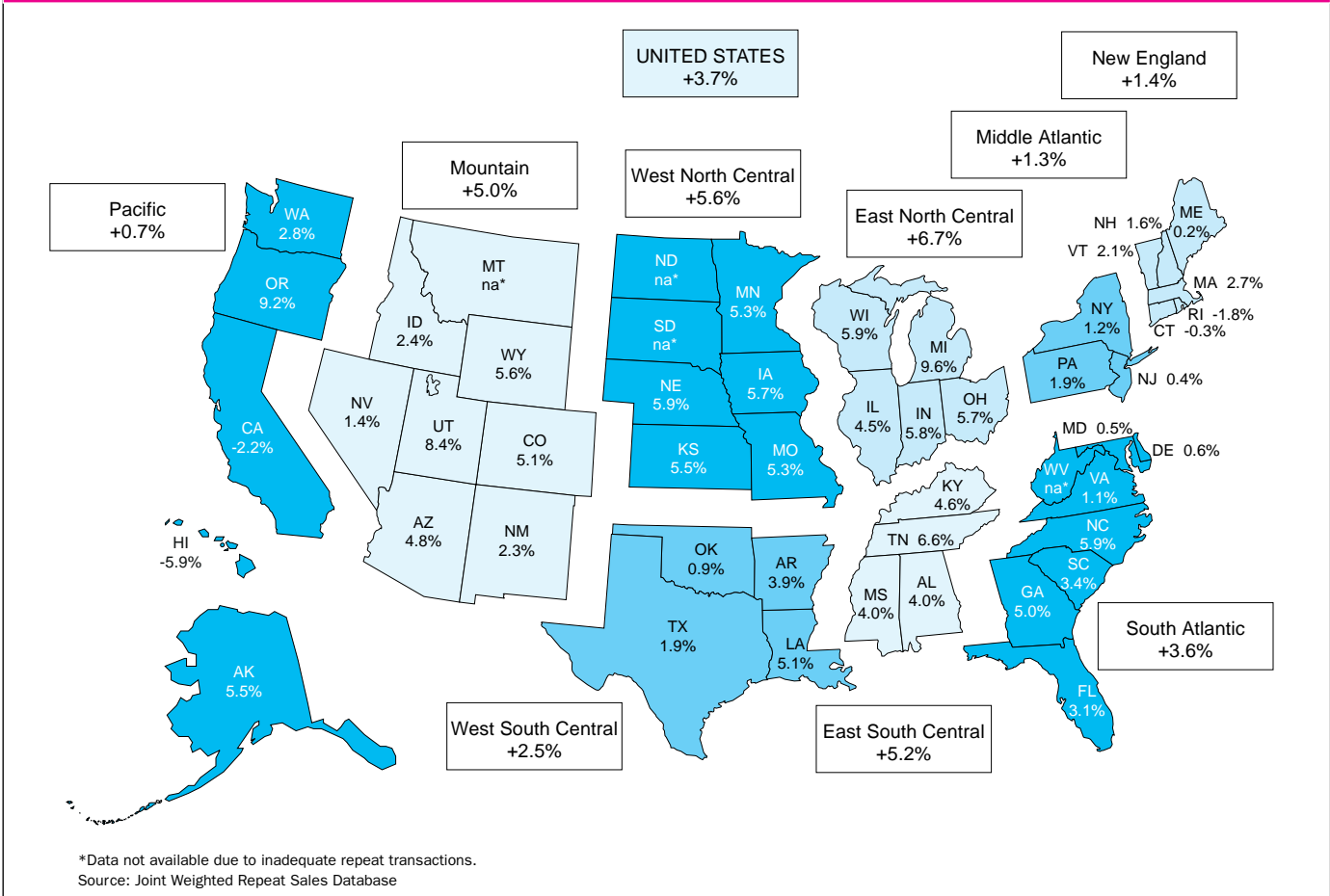


EXHIBIT 2: House-Price Appreciation Rates, 1995:3 to 1996:3



East North Central States See Largest Price Gains Over Year

House-price growth nationally rose by 3.7 percent between the third quarters of 1995 and 1996, a deceleration from the 4.4-percent growth rate of one year earlier.

The East North Central and West North Central divisions racked up the largest gains, with annual house-price appreciation rates increasing by 6.7 percent and 5.6 percent, respectively. (See *Exhibit 2* for a breakdown of appreciation rates by census division and state.) Annual growth in house prices in the Mid Atlantic, New England and

Pacific states was notably sluggish at 1.3 percent, 1.4 percent and 0.7 percent, respectively.

At the state level, Michigan led the country with a 9.6-percent growth surge, followed by Oregon (9.2 percent), Utah (8.4 percent) and Tennessee (6.6 percent).

—**Bawo Ayomike, senior financial analyst**