

**Dr. P. Phillips Institute
for Research and Education in Real Estate**

Real Estate Appreciation in Single-Family Homes in Central Florida: September 2011 Update, *Real Estate Notes*, No. 1, August 2011.

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This report summarizes updates of quarterly and annual single-family house prices for central Florida metropolitan areas. The Federal Housing Finance Agency (FHFA) house price index matches repeated sales of the same properties over time in order to keep construction quality constant. The index is based on houses with conforming mortgages financed or refinanced by Fannie Mae and Freddie Mac, which omits the approximately 20% of mortgages that fall into the jumbo category above the conforming loan limits. It also omits cash sales of houses.

The FHFA house price indices for the Orlando metropolitan area and Brevard and Volusia counties indicate year-on-year second quarter declines of 10.70%, 10.71%, and 10.43%, respectively. The declines from the first to second quarter exhibit greater variation across metropolitan areas, with declines of 6.44% for Orlando, 3.28% for Brevard, and 2.85% for Volusia. Florida as a whole experienced a 3.28% decline and the U.S. a 1.86% decline in house prices from the first to second quarter.

Overall, the house price indices show that the second quarter Orlando and Florida house prices are close to their third quarter of 2003 level while prices in Brevard and Volusia Counties are close to what they were in the fourth quarter of 2002. For comparison, the current U.S. index is close to its value in the third quarter of 2004.

To download the complete report summarized here, please use the following address:

http://mbacf.org/pdf/2011/Central_FL_RE_Appreciation_SEP_2011_Update.pdf

About the author: Professor Stanley D. Smith has an extensive background in real estate finance with publications in the leading professional journals *Mortgage Banking*, *The Appraisal Journal*, *Real Estate Appraiser and Analyst*, *Property Tax Journal*, *Assessment Digest*, *American Banker*, *Journal of Retail Banking*, *Magazine of Bank Administration*, *Federal Home Loan Bank Board Journal*, and *Credit Union Executive* and major academic journals *Real Estate Economics*, *Journal of Real Estate Finance and Economics*, *Journal of Real Estate Research*, *Housing Finance Review*, *Urban Studies*, and *Journal of Financial and Quantitative Analysis*. He has also served on the editorial boards for *Real Estate Economics* and *Financial Services Review*.

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