

The Bubble is Still With Us

Comments by Christopher Whalen

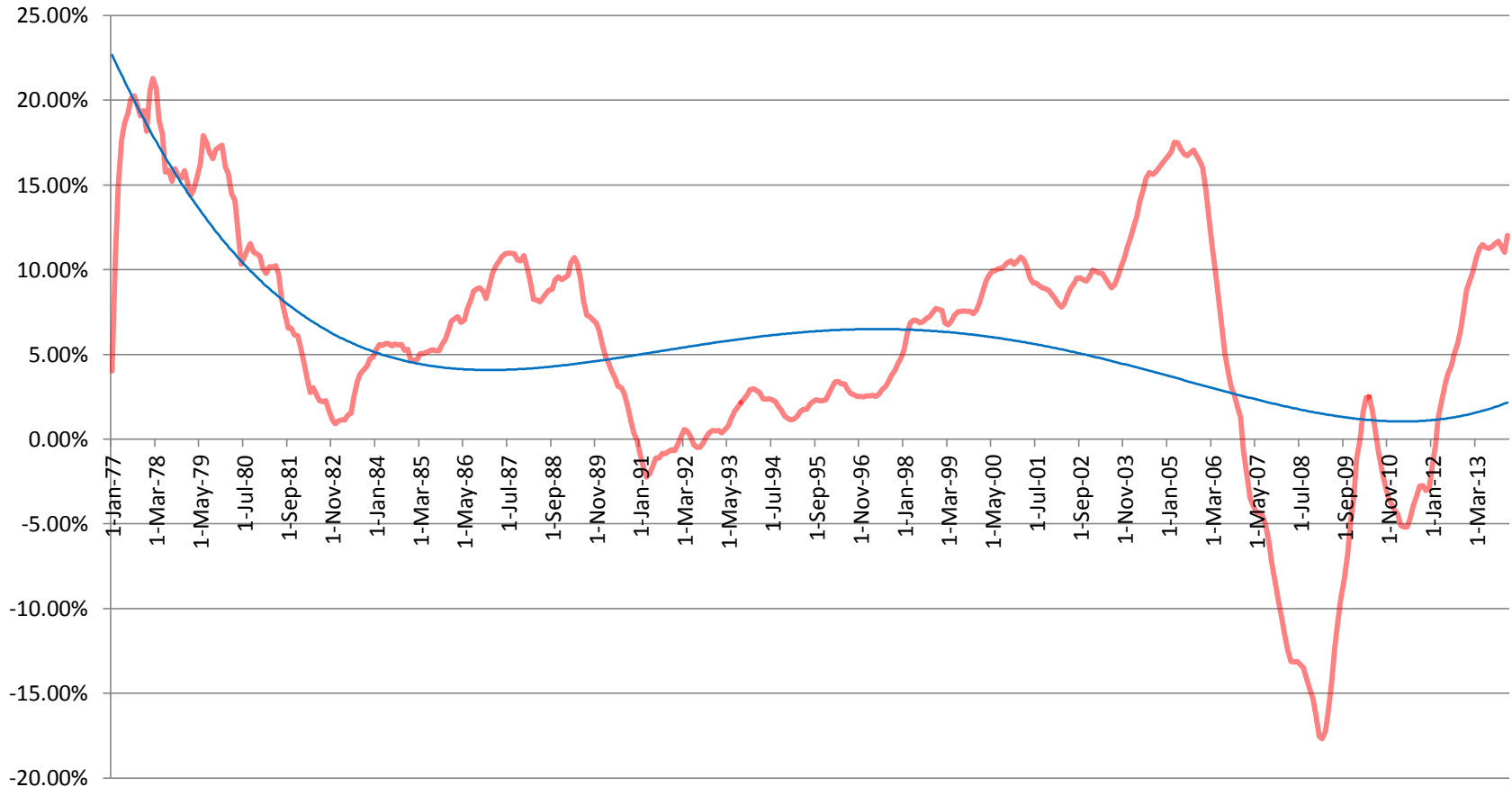
American Enterprise Institute

March 11, 2014 | Washington

Have US Home Prices Recovered?

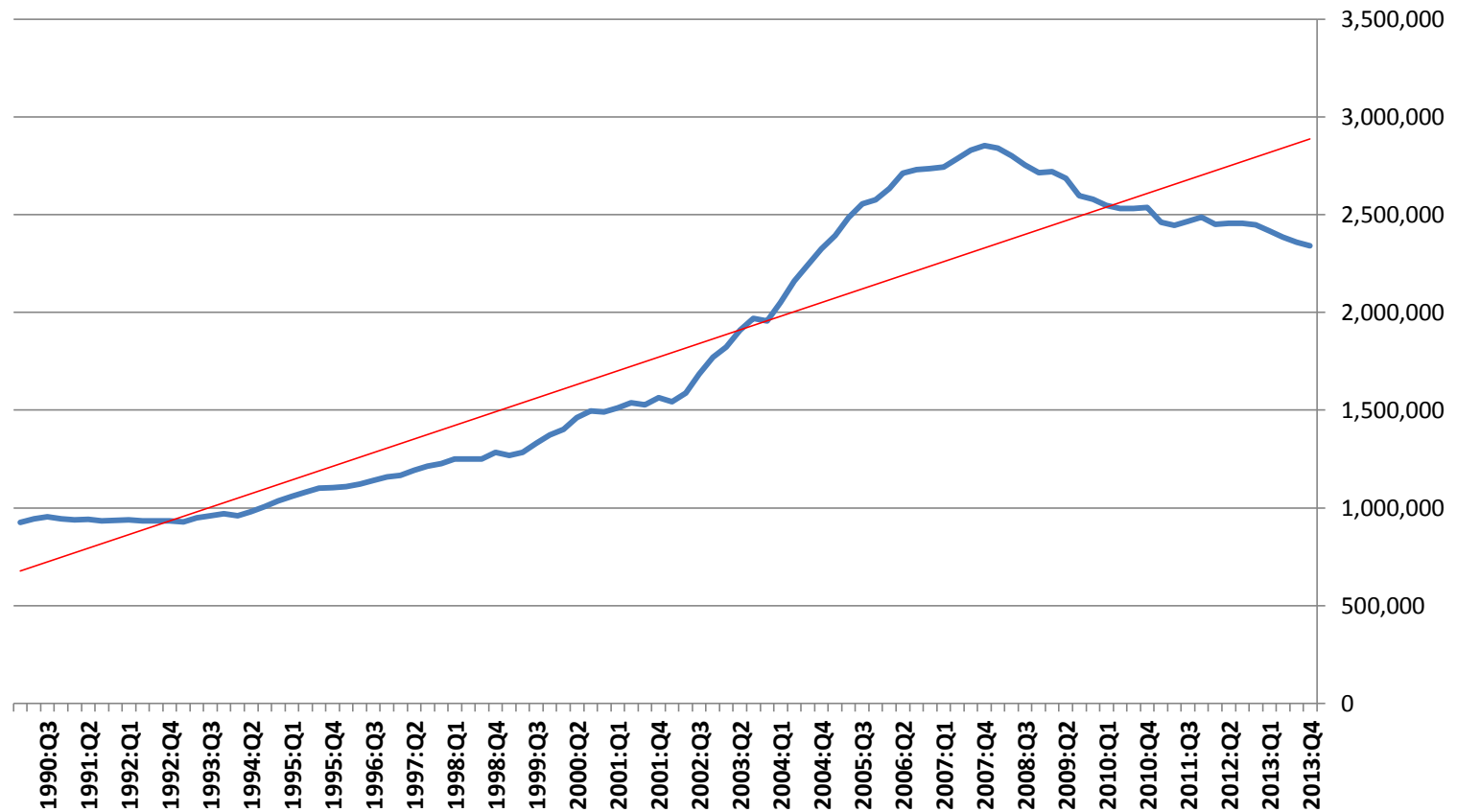
- US home prices up 12% in last year nationally to roughly 2004 levels after rising for 23 consecutive months since start of 2012 (CoreLogic)
- Between 20-30% of all US homes remain “under water,” creating supply pressures that are pushing prices higher in most attractive markets
- Mortgage lending volumes and loan applications are severely depressed due to new regulation, Basel III capital rules and other factors

Home Price Appreciation (%)



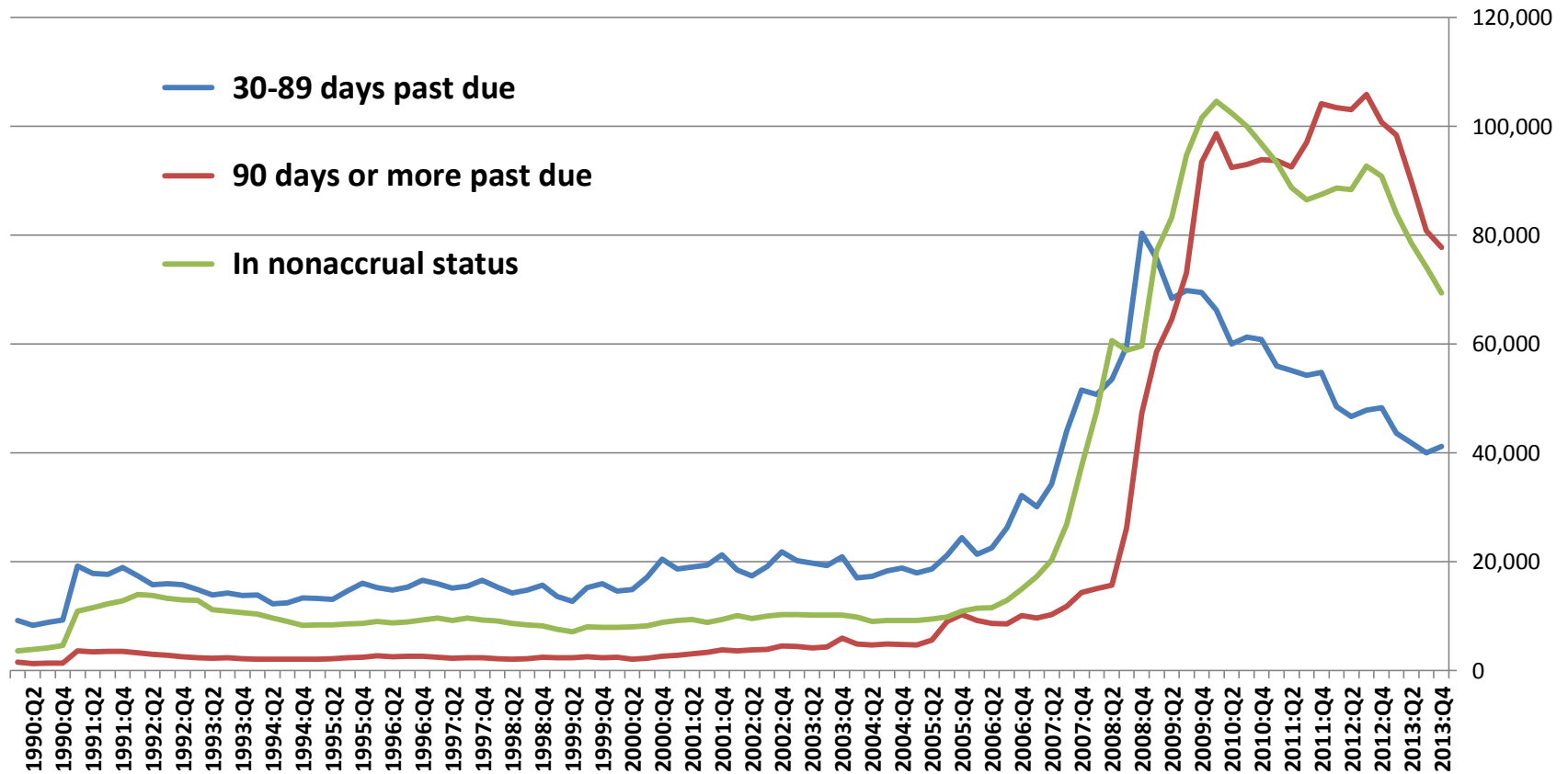
Source: CoreLogic

1-4 Family Loans Held by Banks (\$M)



Source: FDIC

Non-Performing Loans (\$M)



Source: FDIC

Contact Information:

R.C. Whalen

+ 1 212-644-8969 (O)

+ 1 914-645-5304 (M)

chris@rcwhalen.com

www.rcwhalen.com