

# DO U.S. MORTGAGE INTEREST RATES AFFECT HOME PRICES?

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# Data & Methodology

- Monthly U.S. 30-year fixed mortgage rates (Freddie Mac)



- U.S. Home Price Index (FRED)



- Merged by date, cleaned missing values
- Model:  $\text{HomePrice}_t = \beta_0 + \beta_1 * \text{MortgageRate}_t + \varepsilon_t$

# Key Findings & Visualization



- - No strong linear relationship observed
- - Regression shows insignificant effect
- - Home prices follow long-term trends