

U.S. house prices up 1.8 percent in 2012 Q2

WASHINGTON, Aug. 23 (Xinhua) -- U.S. house prices in the second quarter of this year experienced the largest quarterly rise since the end of 2005, indicating that the housing market is healing constantly, the U.S. Federal Housing Finance Agency (FHFA) reported on Thursday.

The house prices in the second quarter were 1.8 percent higher than in the previous quarter. The house prices also rose 3.0 percent from the same period of 2011, the second annual increase since mid 2007, according to the FHFA. In June, the house prices edged up 0.7 percent from the previous month. In the second quarter, 43 U.S. states reported gains in house prices. Among the nine census divisions, the house prices in the Mountain division including Montana, Idaho, Wyoming, Nevada, Utah, Colorado, Arizona and New Mexico gained 4.2 percent, the most in the country. The prices in the New England division including Maine, New Hampshire, Vermont, Massachusetts, Rhode Island and Connecticut turned out to be the weakest, flat over the quarter. "Although some housing markets are still facing significant challenges, house prices were quite strong in most areas in the second quarter," said FHFA Principal Economist Andrew Leventis. "The strong appreciation may partially reflect fewer homes sold in distress, but declining mortgage rates and a modest supply of homes available for sale likely account for most of the price increase." With constant modest improvement seen recently, the U.S. housing crash is said to have reached the bottom. However, many economists hold that the market still needs years to recover completely as the bottom will be prolonged.