

Kingsport home prices post another increase, buck national trend.

By Sharon Caskey Hayes

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KINGSPORT — Home prices in the Kingsport area continued to rise in the first quarter this year while housing prices in many areas of the country continued to fall.

The Standard & Poor's/Case-Shiller index reported Tuesday that its nationwide home price index plummeted 14.1 percent in the first three months of this year vs. the same period last year. The decline represents the deepest drop since the start of the index in 1988.

The index, which covers all nine U.S. Census divisions, shows that 19 of the 20 metro areas reported yearly home price declines, and 15 of them posted record lows.

Las Vegas reported the worst performance, as home prices fell 25.9 percent in that city, followed by Miami and Phoenix.

Of the major cities tracked only Charlotte, N.C., reported a gain, as home prices rose less than 1 percent in the quarter vs. the previous year.

The latest report follows last week's findings from the Office of Federal Housing Enterprise Oversight, which reported a 3.1 percent drop in nationwide home prices in the first quarter, the largest drop in its 17-year history. The office calculates only mortgages of \$417,000 or less that are backed or bought by Fannie Mae or Freddie Mac — usually long-term fixed-rate mortgages. As a result, the index excludes properties bought with riskier types of home loans.

The Office of Federal Housing Enterprise Oversight lists housing price fluctuations for metro areas across the country.

For the Kingsport and Bristol metro area, the report shows that home prices in the first quarter rose 0.62 percent vs. the same period of 2007 — the 27th best appreciation rate in the nation.

Housing prices in the Kingsport and Bristol metro area increased 5.09 percent in the past year and a whopping 33.57 percent in the past five years.

“This is yet another confirmation that Kingsport is in a solid position economically and governmentally,” said City Manager John Campbell.

The metro area of Houma-Bayou Cane-Thibodaux, La., recorded the highest level of housing appreciation, at 1.01 percent for the first quarter and 11.22 percent for the year. The Merced, Calif., metro area recorded the greatest depreciation, as home prices fell 7.93 percent for the quarter and 24.68 percent for the year.

To view other metropolitan area home price data visit the Office of Federal Housing Enterprise Oversight at www.ofheo.gov/ and click on House Price Index for first quarter 2008.