

REAL ESTATE

## US housing prices remain strong despite unpredictability

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*Greenwich, CT house on sale via Houlihan Lawrence*

By BRIELLE JAEKEL

Despite the uncertainty that the future of the housing market beheld, and still does, near to the end of the United States' presidential election, prices hit the highest mark since 2006 in the third quarter of this year, according to Knight Frank.

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The global housing index by Knight Frank detailed results from Q3 of 2016 that showed an increase of 5.3 percent in the year up to September. The increase was its highest within two years, but U.S. prices are now exceeding prices before the pre-financial crisis peak in 2006.

"Our key take away from the Q3 2016 Global House price index is that despite global economic and political uncertainty house price growth remained resilient with 44 of the 55 countries tracked by the index reporting price growth in the year to Q3 2016," said Taimur Khan, senior research analyst at Knight Frank. "We are also seeing a convergence of growth; three years ago 22 percent of countries recorded double digit growth annual price growth, in Q3 2016 this figure stands at 9 percent."

Global

While the U.S. saw positive housing market numbers in 2016, Turkey saw the most annual growth worldwide by 13.9 percent. The United Kingdom is also keeping its numbers, despite what many thought would happen post EU Referendum.

China and Hong Kong have controlled inflation with housing prices through new regulations and taxes.



*Hong Kong*

New Zealand and Iceland followed Turkey within the top three closely, with increases of 13.5 percent and 12.9 percent, respectively.

The global housing market in general is seeing positive numbers, with 44 out of the 55 countries surveyed seeing a positive increase. The Global House Price index saw a weighted average rate of 5.3 percent.

However, double-digit growth is severely lacking compared to the past. For instance, more than 22 percent of countries saw double-digit growth three years ago but that percentage has dropped to 9 percent in 2016.

Knight Frank is showing that 2017 on a global level politically and economically it will be rough. However, the U.S. will likely see positive economic results with a stronger dollar, while Europe will continue to see low numbers.

#### Other numbers

There has also been a significant increase in international housing prices within the past year, and urban cities are leading ahead of national standards, according to Knight Frank.

For the second quarter of 2016, the real estate industry saw the strongest annual growth rate within two years, at an increase of 5.5 percent. While urban cities are ahead of most national averages in their respective countries, Chinese cities are leading the way with six of the top 10 being major municipalities in China for annual price growth ([see more](#)).

Hope was originally on the horizon for London's real estate market following Brexit, with an original 22.1 percent rise in the number of new prospective buyers, according to real estate consultancy Knight Frank.



*One Hyde Park, London view*

Knight Frank's Prime Central London Sales Index for August revealed the increase in interest since the European Union referendum compared to 2015. Buyers' interests in the area are growing despite the dramatization of Brexit, with users viewing listings online 20.8 percent more since last year ([see more](#)).

Since then, statistics have remained stable.

"September 2016 marked the point where U.S. house prices surpassed their previous peak recorded in July 2006, this was achieved regardless of the close proximity of the US presidential elections where either result would have come with a reasonable amount of economic and housing policy uncertainty," Mr. Khan said.

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