US home prices rise in August at faster pace

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WASHINGTON — Home prices rose in August in nearly all U.S. cities, and many of the markets hit hardest during the crisis are starting to show sustained gains. The increases are the latest evidence of a steady housing recovery.

The Standard & Poor's/Case Shiller index reported Tuesday that national home prices increased 2 percent in August compared with the same month a year ago. That's the third straight increase and a faster pace than in July.

The report also said that prices rose in August from July in 19 of the 20 cities tracked by the index. Prices had risen in all 20 cities in the previous three months.

Cities that had suffered some of the worst price declines during the housing crisis are starting to come back. Prices in Las Vegas rose 0.9 percent, the first year-over-year gain since January 2007. Prices in Phoenix are 18.8 percent higher in August than a year ago. Home values in Tampa and Miami have also posted solid increases over the period.

Seattle was the only city to report a monthly decline. Still, prices there fell just 0.1 percent in August from July and are 3.4 percent higher than a year ago.

Prices in Atlanta have fallen 6.1 percent over the 12 months that ended in August, the largest year-over-year decline. But Atlanta has posted the largest price gain among the 20 cities over the past three months, according to Trulia, a housing data analysis firm.

"The sustained good news in home prices over the past five months makes us optimistic for continued recovery in the housing market," David Blitzer, chairman of the Case-Shiller index, said.

The steady increase in prices, along with the lowest mortgage rates in decades, has helped many home markets slowly rebound nearly six years after the housing bubble burst.