

Housing Slump Worse than the Great Depression

By [Washington's Blog](#)

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Region: [USA](#)

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Zillow's [reports](#):

The Zillow Home Value Index has now fallen 26% since its peak in June 2006. That's more than the 25.9% decline in the Depression-era years between 1928 and 1933.

November marked the 53rd consecutive month of home value declines, with the Zillow Home Value Index (ZHVI) falling 0.8% from October to November, and falling 5.1% year-over-year.

In the near term, home values will continue to fall thanks to excess inventory of homes, high negative equity and foreclosure rates, and weakened demand due to elevated unemployment.

The mainstream media is starting to pick up on the story. For example, Reuters [writes](#):

Home prices fell for the 53rd consecutive month in November, taking the decline past that of the Great Depression for the first time in the prolonged housing slump, according to Zillow.

Home prices have fallen 26 percent since their peak in 2006, exceeding the 25.9 percent drop registered in the five years between 1928 and 1933

And CNBC [notes](#):

The housing market, on the other hand, just crossed that threshold.

Home values have fallen 26 percent since their peak in June 2006, worse than the 25.9-percent decline seen during the Depression years between 1928 and 1933, Zillow reported.

November marked the 53rd consecutive month (4 ½ years) that home values have fallen.

What's worse, it's not over yet: Home values are expected to continue to slide as inventories pile up, and likely won't recover until the job market improves.

The value of 1600 Pennsylvania Avenue [i.e. the White House] has dropped by \$80 million, or nearly 25 percent since the peak of the housing boom. It's

current value is \$251.6 million, according to Zillow, down from \$331.5

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