Rising home prices drive up homeowner debt, but don’t panic

Americans are paying more for homes, and the result is showing up in the form of red ink on families’ balance sheets.The mortgage debt accrued by the average homeowner has risen to $196,014, a 2.5 percent increase over last year and 6.4 percent higher than nine years ago, according to a new study by Experian.Source: Experian Mortgage debt is increasing It’s no surprise that mortgage debt is on the rise.The median existing-home price in February was $228,400, up 7.7 percent from February 2016 ($212,100).February's price increase was the fastest since last January (8.1 percent) and marks the 60th consecutive month of year-over-year gains.Also, the annualized rate of home sales reached 5.48 million in February from 5.69 million in January, 5.4 percent above a year ago.More homes sold at higher prices are raising the average mortgage debt.It’s also not surprising that mortgage debt is greatest where home prices are highest.Residents of Washington, D...

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