

Real-Time Housing Market Update

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Highlights

The Altos 10-City Composite presents the most current perspective on housing market conditions across the country. Prices decreased by 2.1% in January for the 10-City Composite Index.

- The 10-City Composite Index was down 2.1% during January and 2.4% for the past three months. Asking prices declined in 23 markets and were up in just three of 26 markets.
- The largest monthly drop in asking prices occurred in Las Vegas with a 5.4% decline during January. This marks the tenth consecutive month that Las Vegas has posted the fastest rate of declining prices among major markets. The median listing price in Las Vegas was \$335,554 in January 2008 and fell to \$215,020 in January 2009.
- Prices increased in 3 of 26 markets with Miami up 1.5% for the month and Houston and Charlotte up 0.9% and 0.3% respectively. The increase of prices in South Florida can be attributed to a change in the mix of properties and inventory available rather than consumer demand.
- Most markets displayed continuing inventory declines with the exception of Portland, Seattle, Charlotte and Salt Lake City where inventories rose. Across the 10-City Composite Index markets, inventory declined by 3.3% during January and 9.7% during the most recent three month period.
- The market continues to slow as the median days-on-market increased in all but two markets – Houston and Salt Lake City. All 26 markets had a median days-on-market of 100 or more in January. By far, the market with the slowest rate of inventory turnover was Miami with a median of 189 days-on-market or more than six months.

January Home Price Trends

The 10-City Composite Index was down 2.1% during the last month and 2.4% over the most recent three month period. This represents a substantial acceleration in listing price declines versus December when the Composite Index fell just 0.4% for the one month period and 1.2% for the preceding three month period.

Prices declined in 23 of 26 markets during January. The largest monthly decline occurred in Las Vegas with a drop of 5.4% in January and 8.8% over the past three months. This marks the tenth consecutive month that Las Vegas has posted the fastest rate of declining prices among major markets and the rate of decline appears to be accelerating driven by a high volume of foreclosures. San Francisco and Detroit listing prices fell at the second fastest rate with a drop of 4.6% for the month in both markets.

Asking prices increased in just 3 of 26 markets –Houston, Charlotte and Miami. Any price increases can be traced to changes in the mix of properties and shifting consumer demand rather than to increased demand.



Altos Research Price Index					
MSA	November 2008	December 2008	January 2009	% Change Last Month	% Change Over 3 Months
10 City Composite	\$ 481,839	\$ 480,145	\$ 470,107	-2.1%	-2.4%
Las Vegas	\$ 235,858	\$ 227,358	\$ 215,020	-5.4%	-8.8%
San Francisco	\$ 621,080	\$ 609,524	\$ 581,462	-4.6%	-6.4%
Detroit	\$ 168,655	\$ 163,542	\$ 156,050	-4.6%	-7.5%
San Jose	\$ 703,715	\$ 693,694	\$ 667,348	-3.8%	-5.2%
Seattle	\$ 465,838	\$ 461,129	\$ 449,156	-2.6%	-3.6%
Phoenix	\$ 340,058	\$ 334,023	\$ 326,465	-2.3%	-4.0%
San Diego	\$ 680,669	\$ 670,060	\$ 655,017	-2.2%	-3.8%
Minneapolis	\$ 287,458	\$ 284,839	\$ 278,477	-2.2%	-3.1%
Portland	\$ 364,309	\$ 359,722	\$ 352,771	-1.9%	-3.2%
Chicago	\$ 337,733	\$ 333,222	\$ 327,183	-1.8%	-3.1%
Tampa	\$ 237,554	\$ 233,627	\$ 229,440	-1.8%	-3.4%
Atlanta	\$ 232,396	\$ 230,088	\$ 226,678	-1.5%	-2.5%
Los Angeles	\$ 632,555	\$ 625,476	\$ 617,750	-1.2%	-2.3%
New York	\$ 624,124	\$ 623,792	\$ 616,383	-1.2%	-1.2%
Denver	\$ 383,312	\$ 382,671	\$ 378,443	-1.1%	-1.3%
Philadelphia	\$ 307,840	\$ 305,473	\$ 302,553	-1.0%	-1.7%
Cleveland	\$ 167,643	\$ 166,631	\$ 165,443	-0.7%	-1.3%
Dallas	\$ 237,730	\$ 237,792	\$ 236,189	-0.7%	-0.6%
Indianapolis	\$ 168,327	\$ 167,413	\$ 166,300	-0.7%	-1.2%
Boston	\$ 455,854	\$ 455,631	\$ 452,639	-0.7%	-0.7%
Austin	\$ 302,501	\$ 301,402	\$ 299,725	-0.6%	-0.9%
Salt Lake City	\$ 452,394	\$ 456,887	\$ 455,375	-0.3%	0.7%
Washington, DC	\$ 456,937	\$ 454,319	\$ 453,069	-0.3%	-0.8%
Charlotte	\$ 253,787	\$ 254,494	\$ 255,285	0.3%	0.6%
Houston	\$ 223,649	\$ 225,181	\$ 227,257	0.9%	1.6%
Miami	\$ 439,895	\$ 440,790	\$ 447,485	1.5%	1.7%

January Housing Supply Trends

For the month of January, listed property inventory increased in four of 26 markets – Portland, Seattle, Charlotte and Salt Lake City. All four markets are still showing declines over the most recent three month period. Across the 10-City Composite Index markets, inventory declined by 3.3% for the month and 9.7% for the past three months.

Inventory levels declined in 22 of 26 markets. Inventory fell by the largest amount in Detroit where it contracted 6.2%, followed by Atlanta and Boston where inventories fell 5.7%. While prices have continued to decline, inventory has also been steadily declining as well since the summer 2008. With four markets showing inventory increases this month, the big question is whether inventory will increase in other markets as the typical spring selling season gets underway. With housing demand being pummeled by tight credit and job losses, a big increase in inventories would point to a continuation of broad price declines in 2009.

Listing Inventory					
MSA	November 2008	December 2008	January 2009	% Change Last Month	% Change Over 3 Months
10 City Composite	311,531	290,829	281,200	-3.3%	-9.7%
Portland	15,634	14,598	15,438	5.8%	-1.3%
Seattle	21,994	20,931	21,865	4.5%	-0.6%
Charlotte	17,145	15,991	16,237	1.5%	-5.6%
Salt Lake City	8,590	8,191	8,214	0.3%	-4.6%
Denver	15,028	13,539	13,455	-0.6%	-11.7%
Austin	10,195	9,253	9,194	-0.6%	-10.9%
San Diego	10,834	9,902	9,836	-0.7%	-10.1%
Las Vegas	23,059	22,900	22,716	-0.8%	-1.5%
Phoenix	38,451	37,915	37,491	-1.1%	-2.6%
Dallas	33,795	31,680	31,238	-1.4%	-8.2%
San Jose	6,247	5,671	5,550	-2.1%	-12.6%
San Francisco	12,760	11,309	11,067	-2.1%	-15.3%
Houston	32,718	30,622	29,901	-2.4%	-9.4%
Tampa	26,700	25,469	24,842	-2.5%	-7.5%
Chicago	60,293	56,431	54,940	-2.6%	-9.7%
Indianapolis	14,553	13,779	13,358	-3.1%	-8.9%
Minneapolis	19,451	17,944	17,337	-3.4%	-12.2%

Washington, DC	25,415	23,521	22,622	-3.8%	-12.3%
Los Angeles	42,439	39,319	37,759	-4.0%	-12.4%
Miami	46,727	45,208	43,357	-4.1%	-7.8%
Philadelphia	34,111	31,928	30,613	-4.1%	-11.4%
New York	58,052	53,596	51,166	-4.5%	-13.5%
Cleveland	14,497	13,549	12,794	-5.6%	-13.3%
Atlanta	52,914	50,060	47,222	-5.7%	-12.1%
Boston	16,225	14,381	13,560	-5.7%	-19.7%
Detroit	49,516	50,312	47,217	-6.2%	-4.9%

January Housing Market Demand Trends

During January all 26 markets had an average days-on-market of 100 or more. Days-on-market declined in only two markets – Houston and Salt Lake City. By far, the market with the slowest rate of inventory turnover was again Miami, now at an average of 189 days-on-market or more than six months. Salt Lake City experienced the fastest rate of inventory turnover at an average of 101 days-on-market, followed by San Francisco at 105 days.

Average Days on Market					
MSA	November 2008	December 2008	January 2009	% Change Last Month	% Change Over 3 Months
10 City Composite	135	145	148	1.9%	9.5%
Miami	179	182	189	3.5%	5.6%
Chicago	152	166	177	7.0%	16.5%
Cleveland	141	151	164	8.3%	16.0%
Atlanta	147	156	162	3.9%	10.2%
New York	135	151	157	3.9%	16.5%
Charlotte	136	149	157	5.6%	15.5%
Detroit	142	145	152	5.2%	6.9%
Indianapolis	127	138	149	7.8%	17.0%
Philadelphia	129	140	148	5.2%	14.4%
Tampa	138	142	146	2.9%	6.3%
Minneapolis	129	140	146	4.7%	13.3%
Washington, DC	133	141	145	2.5%	8.9%

Seattle	122	135	142	4.7%	16.1%
Portland	122	135	141	4.3%	15.6%
Boston	118	132	134	1.9%	13.6%
Denver	115	126	134	6.7%	16.9%
Houston	126	134	131	-2.2%	4.3%
Los Angeles	113	119	123	3.5%	9.2%
Phoenix	112	118	122	3.3%	9.5%
Las Vegas	113	118	122	3.3%	8.1%
Austin	110	117	122	4.8%	11.4%
San Jose	108	114	120	5.1%	11.4%
Dallas	110	116	119	2.3%	8.4%
San Diego	99	103	106	2.8%	7.3%
San Francisco	92	100	105	5.7%	13.9%
Salt Lake City	105	112	101	-10.3%	-3.8%

Methodology

The Altos Research—Real IQ Real-Time Housing Report provides data on current housing market conditions in major markets around the country. Unlike other data sources that lag several months behind the market, this report summarizes metrics associated with active residential property listings to present the only real-time view of the housing market.

Each “market” measured in this report is equivalent to the Census Bureau's Metropolitan Statistical Area (MSA) dominated by the city listed. Properties analyzed in this data included repeat sales of single-family homes. Condominiums and town homes are not included in the data set. New construction is not included in the data set. The Altos Research Price Index is a statistical compilation of property prices highly correlated with the S&P/Case Shiller® Index. The Altos 10-City Composite is based on single family homes in Boston, Chicago, New York, Los Angeles, San Diego, San Francisco, Miami, Las Vegas, Washington D.C., Denver. For more information visit AltosResearch.com.

About Real IQ

Real IQ provides housing market analysis and consulting services to leading mortgage and real estate companies including: Bank of America, Realogy, Weichert, Long & Foster, LendingTree and others. More information about Real IQ is located at www.realiq.com.

About Altos Research

Altos Research LLC pioneered real-time real estate market research. Founded in 2005, the company's information products serve investors, derivatives traders, and thousands of real estate professionals. The company publishes analytical reports and data feeds each week for thousands of zip codes including all 20 S&P/Case Shiller markets summarized in this report.

The Altos Research—Real IQ Housing Market Update is jointly produced by Real IQ™ and Altos Research. If you have any questions regarding this report, please contact Stephen Bedikian or Michael Simonsen.



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