

Real-Time Housing Market Update

Published by Altos Research & Real IQ

January 12, 2010

The Altos 10-City Composite presents the most current perspective on housing market conditions across the country. The Composite *median price fell by 1.0% in December 2009.*

Highlights

- The Altos Research 10-City Composite Price was down by 1.0% in December and 1.4% during the fourth quarter of 2009. For the full year 2009, the Composite Price Index showed an increase of 5.2%.
- The Composite effectively bottomed out in January 2009 at \$470,017, climbed throughout the first half of the year to \$509,030 in July before returning to a gradual downward trend and ended at \$494,426 in December. Prices are likely to continue showing modest declines throughout the seasonally weak winter months of 2010.
- Asking prices increased in just one of 26 markets - Miami. The previously strong California markets all showed price declines during December.
- The largest monthly drop in asking prices occurred in San Diego with prices falling 4.3%, followed closely by Salt Lake City which showed a 3.5% decline. San Diego also experienced the steepest quarterly drop in asking prices – down 7.3%.
- Listed property inventory declined in 24 of 26 markets tracked. The inventory declines were largest in Boston and the California markets of Los Angeles, San Francisco and San Jose.
- All markets except San Francisco had a median days-on-market of 100 or more in December. By far, the market with the slowest rate of inventory turn-over was Miami with a median of 247 days-on-market or more than eight months.

December Home Price Trends

The 10-City Composite Index was down 1.0% during December and 1.4% for the fourth quarter of 2009. The Index started the year in January at \$470,017 and reached a yearly high of \$509,030 in July before back falling to \$494,426 in December. The market was heavily influenced by the Federal Reserve's mortgage-backed securities purchase program which resulted in historically low mortgage rates and the federal government's home buyer tax credit which was recently extended beyond its original November expiration date.

Listing prices fell in 25 of 26 markets during December with Miami being the only exception. The largest monthly declines occurred in San Diego and Salt Lake City with asking prices down 4.3% and 3.5% respectively. Prices fell by more than two percent during the month in 5 other markets. The rate of decline has slowed in Las Vegas but that market continues to show the largest decline during the downturn. In November, 2007, the median asking price was \$342,140 but it fell to just \$166,338 in December, 2009.

Asking prices increased in just one of 26 markets - Miami - with an increase of 1.0% for the month of December and 2.0% during the fourth quarter.



Altos Research Price Composite					
MSA	October 2009	November 2009	December 2009	% Change Last Month	% Change Over 3 Months
10 City Composite	\$ 501,377	\$ 499,267	\$ 494,426	-1.0%	-1.4%
San Diego	\$ 864,465	\$ 837,981	\$ 801,627	-4.3%	-7.3%
Salt Lake City	\$ 382,970	\$ 371,930	\$ 358,811	-3.5%	-6.3%
San Francisco	\$ 823,931	\$ 820,903	\$ 799,017	-2.7%	-3.0%
Charlotte	\$ 259,884	\$ 254,956	\$ 248,543	-2.5%	-4.4%
San Jose	\$ 819,535	\$ 813,365	\$ 793,752	-2.4%	-3.1%
Denver	\$ 396,686	\$ 389,681	\$ 380,403	-2.4%	-4.1%
Portland	\$ 336,025	\$ 330,504	\$ 323,884	-2.0%	-3.6%
New York	\$ 653,117	\$ 650,536	\$ 638,082	-1.9%	-2.3%
Atlanta	\$ 232,721	\$ 229,262	\$ 225,050	-1.8%	-3.3%
Seattle	\$ 410,989	\$ 407,592	\$ 400,184	-1.8%	-2.6%
Austin	\$ 303,015	\$ 299,233	\$ 294,467	-1.6%	-2.8%
Minneapolis	\$ 300,629	\$ 297,707	\$ 293,221	-1.5%	-2.5%
Cleveland	\$ 174,298	\$ 172,301	\$ 169,719	-1.5%	-2.6%
Detroit	\$ 157,229	\$ 156,066	\$ 153,867	-1.4%	-2.1%
Chicago	\$ 322,994	\$ 320,571	\$ 316,232	-1.4%	-2.1%
Phoenix	\$ 311,050	\$ 307,114	\$ 303,165	-1.3%	-2.5%
Dallas	\$ 246,135	\$ 245,045	\$ 242,198	-1.2%	-1.6%
Washington, DC	\$ 452,910	\$ 450,281	\$ 445,289	-1.1%	-1.7%
Tampa	\$ 223,872	\$ 222,149	\$ 219,715	-1.1%	-1.9%
Las Vegas	\$ 169,958	\$ 168,162	\$ 166,338	-1.1%	-2.1%
Indianapolis	\$ 172,317	\$ 171,195	\$ 169,500	-1.0%	-1.6%
Houston	\$ 237,333	\$ 234,723	\$ 232,544	-0.9%	-2.0%
Boston	\$ 492,942	\$ 491,091	\$ 486,815	-0.9%	-1.2%
Philadelphia	\$ 350,202	\$ 349,549	\$ 346,994	-0.7%	-0.9%
Los Angeles	\$ 719,884	\$ 714,473	\$ 712,964	-0.2%	-1.0%
Miami	\$ 485,472	\$ 490,197	\$ 494,992	1.0%	2.0%

December Housing Supply Trends

During December, the inventory of properties listed for sale declined by 5.1% across the 10-City Composite Index markets. Inventory declined in 24 of 26 markets.

Inventory fell by the largest amount in Boston down 13.2% and Los Angeles where it contracted by 12.6%. Decreasing inventory is typical during the seasonally slow fall and winter months. The widespread declines in listed-property inventory should help moderate near-term price declines.

Inventory only increased in New York and Phoenix - up 2.1% and 0.7% respectively.

Listing Inventory					
MSA	October 2009	November 2009	December 2009	% Change Last Month	% Change Over 3 Months
10 City Composite	253,186	245,893	233,417	-5.1%	-7.8%
Boston	15,652	14,086	12,221	-13.2%	-21.9%
Los Angeles	30,107	29,448	25,739	-12.6%	-14.5%
San Francisco	7,535	6,806	5,951	-12.6%	-21.0%
San Jose	3,732	3,473	3,151	-9.3%	-15.6%
Denver	13,043	12,250	11,174	-8.8%	-14.3%
Minneapolis	16,304	15,203	13,946	-8.3%	-14.5%
Austin	10,491	9,858	9,133	-7.4%	-12.9%
Washington, DC	19,615	18,674	17,415	-6.7%	-11.2%
Seattle	22,415	21,196	19,792	-6.6%	-11.7%
Chicago	56,835	53,319	49,867	-6.5%	-12.3%
Indianapolis	13,295	12,699	11,897	-6.3%	-10.5%
Philadelphia	24,475	23,569	22,279	-5.5%	-9.0%
Cleveland	13,209	12,671	12,073	-4.7%	-8.6%
Houston	30,586	29,836	28,491	-4.5%	-6.8%
Portland	13,149	12,670	12,129	-4.3%	-7.8%
Charlotte	14,956	14,596	14,008	-4.0%	-6.3%
Salt Lake City	7,167	6,928	6,661	-3.9%	-7.1%
Dallas	30,852	29,566	28,442	-3.8%	-7.8%
San Diego	7,088	7,365	7,094	-3.7%	0.1%
Las Vegas	20,437	20,331	19,662	-3.3%	-3.8%
Atlanta	37,292	36,420	35,483	-2.6%	-4.9%

Tampa	18,909	19,143	18,879	-1.4%	-0.2%
Miami	29,292	28,906	28,509	-1.4%	-2.7%
Detroit	29,407	27,754	27,647	-0.4%	-6.0%
Phoenix	26,616	27,395	27,599	0.7%	3.7%
New York	52,822	53,950	55,060	2.1%	4.2%

December Housing Market Demand Trends

During December every market except San Francisco had a median days-on-market of 100 or more. By far, the market with the slowest rate of inventory turnover was again Miami at a median of 247 days-on-market or more than 8 months. San Francisco experienced the fastest rate of inventory turnover at a median of 99 days-on-market.

Average Days on Market					
MSA	October 2009	November* 2009	December* 2009	% Change Last Month	% Change Over 3 Months
10 City Composite	156	154	166	8.0%	6.8%
Miami	244	225	247	9.8%	1.2%
Atlanta	177	174	214	23.4%	21.3%
Chicago	180	187	211	12.6%	16.8%
Charlotte	176	178	201	12.7%	14.0%
Minneapolis	130	135	198	46.3%	51.8%
Seattle	132	138	198	43.7%	50.0%
Detroit	171	174	190	8.9%	11.1%
Denver	134	139	187	34.4%	39.7%
Cleveland	155	158	175	10.7%	13.3%
Washington, DC	147	153	174	13.7%	18.4%
Philadelphia	148	153	172	12.4%	15.6%
Tampa	163	156	155	-0.8%	-5.2%
Dallas	117	120	154	28.6%	31.5%
Indianapolis	134	138	154	11.5%	14.6%
Phoenix	133	128	146	13.7%	9.4%
Portland	127	129	141	9.1%	10.8%
Austin	117	120	136	12.7%	16.3%

Houston	120	122	135	11.4%	13.1%
New York	155	144	132	-8.2%	-15.0%
Boston	112	116	130	12.3%	16.6%
Las Vegas	114	115	129	12.7%	13.5%
Los Angeles	120	121	126	4.2%	4.6%
Salt Lake City	107	112	122	9.2%	14.4%
San Diego	104	109	111	1.0%	6.4%
San Jose	103	99	110	11.7%	7.2%
San Francisco	85	89	99	10.9%	16.6%

*Change in methodology exaggerates the percentage increase in December data.

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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