

Real-Time Housing Market Update

Published by Altos Research & Real IQ

September 4, 2008

Highlights

“The Altos 10-City Composite presents the most current perspective on housing market conditions across the country. Prices decreased by 1.5% in August for the 10-City Composite Index.

- The 10-City Composite Index was down 1.5% during August and 2.3% for the past three months. Asking prices declined in 20 markets, were flat in one and up in just 4 of 25 markets. Many markets that had posted multi-month sequential price increases during the Summer months displayed new weakness in August. This could portend a general resumption of the downward trend in prices as most markets experience seasonal weakness in the Fall and Winter months.
- The largest monthly drop in asking prices occurred in Las Vegas with a 4.8% decline during August. Prices in Las Vegas fell by 8.6% over the past three month period.
- Prices increased in just 4 of 25 markets with Denver leading the way, up 1.9% in August. San Diego logged a solid increase of 1.4% for the month.
- Listed property inventories declined in 21 of 25 markets with the largest declines in Seattle, Dallas and San Francisco. Widespread declines in inventory could temper future price declines during the Fall and Winter months.
- Sixteen of 26 markets had an average days-on-market of 100 or more. Days-on-market declined in just 3 of 26 markets. By far, the market with the slowest rate of inventory turnover was again Miami at an average of 160 days-on-market. That is more than a month longer than the next slowest market – Tampa which had an average days-on-market of 129.

August Home Price Trends

For-sale listing prices declined in 20 of 25 markets during August. The 10-City Composite Index was down by 1.5% during the last month and by 2.3% over the most recent three month period. The largest monthly decline occurred in Las Vegas with a fall of 4.8%. This marks the fifth consecutive month that Las Vegas has posted the fastest rate of declining prices among major markets. In addition, the rate at which listing prices are falling in Las Vegas actually accelerated from the prior month. Prices were also down by more than two percent for the month in Detroit, Miami and San Francisco.

Asking prices increased in just 4 of 25 markets and were flat in one market. The largest single month increases were in Denver up 1.9% and San Diego up 1.4%. San Diego is now showing three months of sequential price increases, a welcome relief in a market that hit its peak back in November, 2005 – almost three years ago.

Midwestern markets such as Detroit and Cleveland which had demonstrated some price stability over the Summer, showed new weakness in August. This does not bode well for the direction of prices in the Fall when markets typically demonstrate seasonal weakness.



Altos Research Price Index					
MSA	June 2008	July 2008	August 2008	% Change Last Month	% Change Over 3 Months
10 City Composite	\$ 512,110	\$ 508,250	\$ 500,427	-1.5%	-2.3%
Las Vegas	\$ 287,192	\$ 275,648	\$ 262,413	-4.8%	-8.6%
Detroit	\$ 176,369	\$ 184,859	\$ 179,132	-3.1%	1.6%
Miami	\$ 473,090	\$ 463,338	\$ 452,801	-2.3%	-4.3%
San Francisco	\$ 649,257	\$ 647,340	\$ 633,441	-2.1%	-2.4%
Los Angeles	\$ 671,940	\$ 664,763	\$ 653,202	-1.7%	-2.8%
Cleveland	\$ 169,595	\$ 174,173	\$ 171,374	-1.6%	1.0%
San Jose	\$ 739,136	\$ 730,475	\$ 718,991	-1.6%	-2.7%
Washington, DC	\$ 484,615	\$ 478,890	\$ 471,620	-1.5%	-2.7%
Tampa	\$ 256,470	\$ 252,211	\$ 248,979	-1.3%	-2.9%
Chicago	\$ 353,457	\$ 353,369	\$ 349,026	-1.2%	-1.3%
Boston	\$ 470,512	\$ 468,541	\$ 462,802	-1.2%	-1.6%
Indianapolis	\$ 169,109	\$ 171,684	\$ 169,959	-1.0%	0.5%
Portland	\$ 378,816	\$ 377,082	\$ 373,653	-0.9%	-1.4%
Phoenix	\$ 373,945	\$ 366,022	\$ 363,101	-0.8%	-2.9%
Philadelphia	\$ 321,052	\$ 321,086	\$ 318,598	-0.8%	-0.8%
Atlanta	\$ 238,565	\$ 239,725	\$ 238,486	-0.5%	0.0%
Salt Lake City	\$ 467,354	\$ 461,596	\$ 459,438	-0.5%	-1.7%
Charlotte	\$ 253,901	\$ 255,587	\$ 254,569	-0.4%	0.3%
Minneapolis	\$ 291,480	\$ 292,387	\$ 291,398	-0.3%	0.0%
Austin	\$ 306,776	\$ 306,716	\$ 306,368	-0.1%	-0.1%
Seattle	\$ 469,976	\$ 468,928	\$ 468,763	0.0%	-0.3%
Houston	\$ 215,846	\$ 216,497	\$ 216,918	0.2%	0.5%
Dallas	\$ 232,890	\$ 235,130	\$ 235,923	0.3%	1.3%
San Diego	\$ 666,281	\$ 675,727	\$ 685,453	1.4%	2.9%
Denver	\$ 360,984	\$ 369,165	\$ 376,308	1.9%	4.2%
New York*	-	-	\$ 748,566	-	-

* Revision in data collection methodology makes this metric non-comparable between certain periods

August Housing Supply Trends

For the month of August, listed property inventory increased in just 4 of 25 markets. Inventory jumped by the largest amount in Miami and Chicago, up just 1.5% and 1.0% respectively in August. Inventory was basically flat in Indianapolis and Salt Lake City with increases of less than one percent.

Inventory levels declined in 21 of 25 markets. Inventory fell by the largest amounts in Seattle and Dallas with inventory contracting 6.0% and 4.8% respectively. Multiple markets showed inventory declines of more than two percent including: San Francisco, San Jose, Washington, D.C., San Diego, Phoenix, Charlotte and Houston. While seasonal weakness is typical in the Fall, widespread inventory reductions should temper near-term price declines.

Listing Inventory					
MSA	June 2008	July 2008	August 2008	% Change Last Month	% Change Over 3 Months
10 City Composite*	321,807	315,502	345,174	9.4%	7.3%
Seattle	26,468	27,200	25,556	-6.0%	-3.4%
Dallas	39,562	39,205	37,340	-4.8%	-5.6%
San Francisco	15,074	15,010	14,326	-4.6%	-5.0%
San Jose	7,152	7,271	6,993	-3.8%	-2.2%
Washington, DC	29,370	28,693	27,666	-3.6%	-5.8%
San Diego	13,391	13,101	12,670	-3.3%	-5.4%
Phoenix	37,887	37,628	36,497	-3.0%	-3.7%
Charlotte	18,950	18,798	18,372	-2.3%	-3.1%
Houston	40,776	39,798	38,940	-2.2%	-4.5%
Minneapolis	22,998	22,821	22,431	-1.7%	-2.5%
Boston	19,720	19,136	18,816	-1.7%	-4.6%
Tampa	28,314	27,770	27,339	-1.6%	-3.4%
Atlanta	61,617	60,728	59,955	-1.3%	-2.7%
Cleveland	17,214	16,518	16,314	-1.2%	-5.2%
Denver	17,416	17,140	16,958	-1.1%	-2.6%
Austin	12,238	12,122	12,021	-0.8%	-1.8%
Detroit	61,467	57,718	57,329	-0.7%	-6.7%
Los Angeles	49,997	48,074	47,940	-0.3%	-4.1%
Portland	16,748	18,113	18,064	-0.3%	7.9%

Las Vegas	22,965	23,293	23,252	-0.2%	1.2%
Philadelphia	34,927	35,024	34,987	-0.1%	0.2%
Indianapolis	16,858	16,663	16,681	0.1%	-1.0%
Salt Lake City	8,969	9,115	9,162	0.5%	2.2%
Chicago	70,186	69,397	70,110	1.0%	-0.1%
Miami	48,662	48,362	49,105	1.5%	0.9%
New York*	-	-	64,203	-	-

* Revision in data collection methodology makes this metric non-comparable between certain periods

August Housing Market Demand Trends

Sixteen of 26 markets had an average days-on-market of 100 or more. Days-on-market declined in just 3 of 26 markets. By far, the market with the slowest rate of inventory turnover was again Miami at an average of 160 days-on-market. That is more than a month longer than the next slowest market – Tampa which had an average days-on-market of 129. Both San Diego and San Francisco experienced the fastest rate of inventory turnover at an average of 84 days-on-market, followed closely by Austin at 86 days.

Average Days on Market					
MSA	June 2008	July 2008	August 2008	% Change Last Month	% Change Over 3 Months
10 City Composite*	109	111	107	-3.9%	-1.8%
Miami	154	156	160	2.7%	4.1%
Tampa	124	124	129	4.1%	3.8%
Detroit	122	123	126	2.0%	3.4%
Chicago	108	113	124	9.6%	14.5%
Charlotte	108	114	121	6.5%	11.8%
Atlanta	84	101	120	17.9%	42.7%
Washington, DC	101	107	118	10.2%	17.1%
Cleveland	115	110	116	5.8%	1.4%
Phoenix	110	110	111	0.7%	0.3%
Minneapolis	97	102	110	8.1%	13.7%
Philadelphia	95	100	109	9.0%	15.6%
Las Vegas	111	108	106	-2.3%	-4.3%
Indianapolis	98	99	105	6.0%	7.9%

New York*	102	107	105	-1.8%	2.9%
Los Angeles	95	96	103	6.7%	7.8%
Boston	83	91	102	12.6%	22.6%
Seattle	85	90	100	10.6%	16.8%
Houston	92	94	99	5.1%	7.0%
Denver	85	88	96	8.1%	12.5%
San Jose	82	88	94	6.7%	15.0%
Portland	79	86	93	8.1%	18.0%
Dallas	86	87	92	5.6%	7.4%
Salt Lake City	79	82	90	9.6%	14.1%
Austin	72	78	86	9.2%	18.2%
San Francisco	76	79	84	6.9%	11.1%
San Diego	88	89	84	-6.1%	-4.1%

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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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