

# Real-Time Housing Market Update

Published by Altos Research & Real IQ

March 12, 2008

## Highlights

*“The Altos 10-City Composite present the most current perspective of housing market conditions across the county. Composite prices decreased by just 0.4% in February and 1.6% in the three month period between December and February.*

- The Altos 10-City Composite showed a decline in for-sale listing prices of 1.6% over the past three months and 0.4% in the past month. Listing prices were up in Chicago and New York, by 2.4% and 2.2% respectively over the past three months. Prices were effectively flat in Dallas, Phoenix, Charlotte, Houston and Seattle during that time.
- Asking prices declined in 15 of 22 markets during February. The largest monthly drop in asking prices occurred in San Diego with a 3.0% decline which also logged a decline in asking prices of 5.2% over the past three month period. Southern California neighbor Los Angeles posted a large drop in listing prices of 4.2% over the last three months.
- Listed property inventories increased modestly with the 10-City Composite showing an increase of 2.5% during the December to February period. Inventory rose in sixteen markets, fell in six markets and was flat in one market – Denver. Inventory jumped by the largest amount in Seattle, up 9.5%, and Austin, up 9.3%.
- Every market tracked saw an increase in inventories over the past month except for Indianapolis, Chicago and San Francisco. It appears that sellers are trying to get a jump on the traditionally strong spring selling season by listing their property ahead of its start.
- Currently markets with the slowest rate of inventory turnover are Miami and Detroit at an average of 146 days-on-market, followed closely by Minneapolis at 145 days. Seventeen of 22 markets had an average days-on-market of over 100.
- Denver led all markets with the fastest rate of inventory turnover at an average of 77 days-on-market, followed by Dallas at 79 days.

## February Home Price Trends

For-sale listing prices fell by 1.6% for the Altos 10-City Composite during the three month period December – February. The 10-City Composite is composed of the same cities in the S&P/Case Shiller 10-City Composite including Boston, Chicago, Denver, Las Vegas, Los Angeles, Miami, New York, San Diego, San Francisco and Washington, DC.

Listing prices were up in six markets and down in sixteen markets for the most recent three-month period. Listing prices were up in Chicago and New York, by 2.4% and 2.2% respectively. Prices were effectively flat in Dallas, Phoenix, Charlotte, Houston and Seattle during that time. Sellers adjusted their price expectations in San Diego dramatically by reducing asking prices 5.2% during the three month period December – February. Asking prices also dropped more than four percent in Los Angeles, Detroit and Las Vegas.



Altos Research Price Index					
MSA	December 2007	January 2008	February 2008	% Change 1 Month	% Change 3 Months
<b>10 City Composite</b>	<b>\$533,718</b>	<b>\$527,376</b>	<b>\$525,319</b>	<b>-0.4%</b>	<b>-1.6%</b>

Chicago	\$368,501	\$364,851	\$377,422	3.4%	2.4%
New York	\$842,194	\$852,810	\$860,610	0.9%	2.2%
Dallas	\$216,707	\$216,617	\$218,244	0.8%	0.7%
Phoenix	\$384,038	\$384,054	\$386,314	0.6%	0.6%
Charlotte	\$240,326	\$237,373	\$240,911	1.5%	0.2%
Houston	\$204,218	\$203,780	\$204,361	0.3%	0.1%
Seattle	\$462,183	\$461,211	\$461,375	0.0%	-0.2%
Austin	\$302,921	\$302,272	\$301,551	-0.2%	-0.5%
Indianapolis	\$164,952	\$164,195	\$163,609	-0.4%	-0.8%
Atlanta	\$234,809	\$233,790	\$232,796	-0.4%	-0.9%
Miami	\$501,096	\$497,937	\$494,757	-0.6%	-1.3%
Portland	\$389,195	\$386,747	\$384,230	-0.7%	-1.3%
Denver	\$331,141	\$327,656	\$325,913	-0.5%	-1.6%
Cleveland	\$165,753	\$163,624	\$163,042	-0.4%	-1.6%
Boston	\$463,401	\$458,554	\$454,843	-0.8%	-1.8%
Washington, DC	\$508,806	\$503,922	\$496,470	-1.5%	-2.4%
Tampa	\$280,082	\$277,375	\$273,026	-1.6%	-2.5%
Minneapolis	\$299,363	\$294,456	\$289,841	-1.6%	-3.2%
Los Angeles	\$711,974	\$695,910	\$681,991	-2.0%	-4.2%
Detroit	\$182,780	\$178,869	\$175,041	-2.1%	-4.2%
Las Vegas	\$342,140	\$335,554	\$326,042	-2.8%	-4.7%
San Diego	\$714,363	\$697,778	\$677,144	-3.0%	-5.2%
San Francisco*	\$690,017	\$665,100	--	--	--

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

•

### February Housing Supply Trends

Listed property inventory increased by a modest 1.2% in the Altos 10-City Composite during the most recent three month period. Inventory rose in sixteen markets, fell in six markets and was flat in one market – Denver. Inventory jumped by the largest amounts in Seattle, up 9.5%, and Austin, up 9.3%. Other markets seeing an early start to the spring selling season were Charlotte, Houston, Miami, Portland and Boston.

Every market tracked saw an increase in inventories over the past month except for Indianapolis, Chicago and San Francisco. Inventories typically decline during the fall and winter seasons and pickup during the seasonally strong spring and summer seasons. Current trends are therefore consistent with expected industry seasonality as inventory begins to build prior to spring.

Listing Inventory					
MSA	December 2007	January 2008	February 2008	% Change 1 Month	% Change 3 Months
<b>10 City Composite</b>	<b>290,247</b>	<b>286,366</b>	<b>293,663</b>	<b>2.5%</b>	<b>1.2%</b>
Seattle	20,096	20,632	22,001	6.6%	9.5%
Austin	8,760	8,747	9,572	9.4%	9.3%
Charlotte	15,667	15,650	17,060	9.0%	8.9%
Houston	36,974	36,642	39,565	8.0%	7.0%
Miami	47,844	47,777	50,026	4.7%	4.6%
Portland	13,231	13,279	13,768	3.7%	4.1%
Boston	15,836	15,677	16,462	5.0%	4.0%
Phoenix	40,010	39,611	41,583	5.0%	3.9%
Minneapolis	19,527	19,192	20,198	5.2%	3.4%
Tampa	27,987	27,780	28,925	4.1%	3.4%
Los Angeles	47,681	47,105	49,258	4.6%	3.3%
Dallas	37,334	37,127	38,275	3.1%	2.5%
Washington, DC	26,012	25,021	26,526	6.0%	2.0%
New York	26,637	26,382	27,060	2.6%	1.6%
San Diego	13,135	12,550	13,251	5.6%	0.9%
Las Vegas	22,302	21,890	22,439	2.5%	0.6%
Denver	16,236	15,851	16,229	2.4%	0.0%
Atlanta	57,632	55,371	56,694	2.4%	-1.6%
Indianapolis	15,477	15,364	15,203	-1.0%	-1.8%
Chicago	61,490	61,519	59,922	-2.6%	-2.6%
Detroit	67,298	63,926	65,550	2.5%	-2.6%
San Francisco	13,129	12,641	12,546	-0.8%	-4.4%
Cleveland	18,597	16,667	17,205	3.2%	-7.5%

**February Housing Market Demand Trends**

For the Altos 10-City Composite, the average days-on-market was 121 which was unchanged during the most recent three-month period. Currently markets with the slowest rate of inventory turnover are Miami and Detroit at an average of 146 days-on-market, followed closely by Minneapolis at 145 days. Seventeen of 22 markets had an average days-on-market of over 100. Denver led all markets with the fastest rate of inventory turnover at an average of 77 days-on-market, followed by Dallas at 79 days.

The largest percentage increase in average days-on-market occurred in Phoenix with an increase of 26.7% between December and February. Seattle showed a large decline of 9.1%

with days-on-market falling from an average of 115 days-on-market in December to 104 days-on-market in February.

Average Days on Market					
MSA	December 2007	January 2008	February 2008	% Change 1 Month	% Change 3 Months
<b>10 City Composite</b>	<b>121</b>	<b>124</b>	<b>121</b>	<b>-2.0%</b>	<b>0.2%</b>
<b>Miami</b>	<b>143</b>	<b>144</b>	<b>146</b>	<b>1.4%</b>	<b>2.2%</b>
<b>Detroit</b>	<b>136</b>	<b>143</b>	<b>146</b>	<b>2.4%</b>	<b>7.0%</b>
<b>Minneapolis</b>	<b>136</b>	<b>144</b>	<b>145</b>	<b>0.9%</b>	<b>6.5%</b>
<b>Las Vegas</b>	<b>126</b>	<b>129</b>	<b>136</b>	<b>5.4%</b>	<b>8.0%</b>
<b>Chicago</b>	<b>133</b>	<b>138</b>	<b>133</b>	<b>-4.1%</b>	<b>-0.1%</b>
<b>New York</b>	<b>--</b>	<b>--</b>	<b>131</b>	<b>--</b>	<b>--</b>
<b>Tampa</b>	<b>123</b>	<b>129</b>	<b>129</b>	<b>0.1%</b>	<b>4.6%</b>
<b>Washington, DC</b>	<b>116</b>	<b>123</b>	<b>124</b>	<b>0.6%</b>	<b>7.1%</b>
<b>Cleveland</b>	<b>127</b>	<b>123</b>	<b>121</b>	<b>-1.6%</b>	<b>-5.1%</b>
<b>Charlotte</b>	<b>107</b>	<b>111</b>	<b>113</b>	<b>1.6%</b>	<b>6.1%</b>
<b>Phoenix</b>	<b>89</b>	<b>105</b>	<b>113</b>	<b>7.1%</b>	<b>26.7%</b>
<b>Boston</b>	<b>110</b>	<b>113</b>	<b>112</b>	<b>-0.8%</b>	<b>2.2%</b>
<b>Atlanta</b>	<b>102</b>	<b>105</b>	<b>107</b>	<b>1.6%</b>	<b>4.9%</b>
<b>Los Angeles</b>	<b>105</b>	<b>110</b>	<b>106</b>	<b>-3.0%</b>	<b>1.2%</b>
<b>Seattle</b>	<b>115</b>	<b>116</b>	<b>104</b>	<b>-10.2%</b>	<b>-9.1%</b>
<b>Houston</b>	<b>104</b>	<b>106</b>	<b>103</b>	<b>-2.9%</b>	<b>-0.9%</b>
<b>Portland</b>	<b>99</b>	<b>108</b>	<b>101</b>	<b>-6.3%</b>	<b>1.9%</b>
<b>Indianapolis</b>	<b>93</b>	<b>93</b>	<b>89</b>	<b>-3.9%</b>	<b>-4.2%</b>
<b>San Francisco</b>	<b>84</b>	<b>87</b>	<b>82</b>	<b>-5.8%</b>	<b>-2.5%</b>
<b>San Diego</b>	<b>83</b>	<b>80</b>	<b>81</b>	<b>2.4%</b>	<b>-1.7%</b>
<b>Dallas</b>	<b>80</b>	<b>80</b>	<b>79</b>	<b>-0.9%</b>	<b>-0.9%</b>
<b>Denver</b>	<b>65</b>	<b>61</b>	<b>77</b>	<b>25.0%</b>	<b>18.1%</b>
<b>Austin*</b>	<b>92</b>	<b>92</b>	<b>--</b>	<b>--</b>	<b>--</b>

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

## 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](http://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](http://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.



Stephen Bedikian  
Partner & Research Director  
Real IQ  
Tel: 310-871-3737  
Web: [www.realiq.com](http://www.realiq.com)  
Blog: [realiq.wordpress.com](http://realiq.wordpress.com)  
Email: [sbedikian@realiq.com](mailto:sbedikian@realiq.com)



Michael Simonsen  
CEO & Co-Founder  
Altos Research LLC  
Tel: 888-819-7775  
Web: [www.altosresearch.com](http://www.altosresearch.com)  
Blog: [www.altosresearch.com/blog](http://www.altosresearch.com/blog)  
Email: [mike@altosresearch.com](mailto:mike@altosresearch.com)