

## Local Markets Continue to Gain According To the Homes.com Local Market Index

### Indications: Trends Shown by the Top 100 Regional Markets

For home pricing data through February 2013, the Homes.com Local Market Index showed single-family properties advancing in 75 out of 100 markets on a monthly basis – down from 93 markets in January. However, as was the case last month, the markets that showed decreases month-to-month were very nominal, with the largest down by only 0.62 index points. Year-over-year price performance remains robust with 98 markets advancing in February – the same as in January.

The Honolulu, HI market fared the best on a monthly basis in February, with a gain of 1.81 points. This was followed by Los Angeles-Long Beach-Santa Ana, CA, which was 1.69 points higher. Of the top ten markets measured on a monthly basis, all were located in the Western Region of the United States, with four in California and three in Utah. Measured year over year, Honolulu, HI and Phoenix-Mesa-Glendale, AZ continued to show the largest gains, with Honolulu up 24.91 points in February compared to 22.01 in January. The worst performing markets on both a monthly and annual basis were located in the Northeastern and Southern Regions of the U.S. The Bridgeport-Stamford-Norwalk, CT market posted the largest monthly decline at -0.62 followed by Jackson, MS at -0.59. Year over year, New Haven-Milford, CT was down the most at -0.78 followed by Providence-New Bedford-Fall River, RI-MA at -0.43.

Top Single Family Markets			
Highest Month To Month Change		Highest Year Over Year Change	
Metro Area	MTM	Metro Area	YOY
Honolulu, HI	1.81	Honolulu, HI	24.91
Los Angeles - Long Beach - Santa Ana, CA	1.69	Phoenix - Mesa - Glendale, AZ	18.93
San Francisco - Oakland - Fremont, CA	1.68	San Francisco - Oakland - Fremont, CA	18.61
Albuquerque, NM	1.41	Los Angeles - Long Beach - Santa Ana, CA	18.09
Bakersfield - Delano, CA	1.32	Salt Lake City, UT	17.12
Salt Lake City, UT	1.32	Provo-Orem, UT	16.37
Ogden - Clearfield, UT	1.27	Ogden - Clearfield, UT	16.34
Seattle - Tacoma - Bellevue, WA	1.25	Boise City - Nampa, ID	16.32
Provo - Orem, UT	1.25	Oxnard - Thousand Oaks - Ventura, CA	15.91
Oxnard - Thousand Oaks - Ventura, CA	1.24	San Jose-Sunnyvale - Santa Clara, CA	15.85

Source: Homes.com Local Market Indices, Data through February 2013

The Homes.com Local Market Index activity was also analyzed by region of the United States. The [top 100 markets are classified in the regions as follows](#): Northeast, Midwest, South, and West. The table below shows the best and worst performing CBSAs according to monthly index change by region for single-family product.

Single Family Markets					
Best Performing Month To Month			Worst Performing Month To Month		
Region	Metro Area	MTM	Region	Metro Area	MTM
Northeast	Virginia Beach - Norfolk - Newport News, VA - NC	0.93	Northeast	Providence - New Bedford - Fall River, RI-MA	- 0.62
West	Honolulu, HI	1.81	West	Tucson, AZ	0.58
Midwest	Minneapolis - St. Paul - Bloomington, MN - WI	0.71	Midwest	Louisville/Jefferson County, KY - IN	-0.29
South	Tampa - St. Petersburg - Clearwater, FL	1.2	South	Jackson, MS	- 0.59

Source: Homes.com Local Market Indices, Data through February 2013

Over the past couple of months, a common theme has emerged regarding the distribution of index performance across the country: the Western Region has been particularly robust while weakness is evident throughout the Northeast and, to a lesser extent, the South. In February, for example, all 10 of the best performing markets on a monthly basis were located in the West. This compares to eight out of 10 in January. The case for weakness in the Northeast was not quite as compelling; it was home to four out of the 10 worst markets in February. When coupled with the Southern Region though, the picture becomes clearer as both areas were home to all 10 of the worst performing markets for the past two months. It is important to note, however, that weakness in the Southern Region is focused around Tennessee, Mississippi, and Arkansas, while other states such as Texas and Florida are faring much better overall.

### ***Recovery Measure of Peak to Trough Declines from the Great Recession***

A useful way to understand how the housing recovery process is unfolding across the country is to measure how far each market has recovered from its peak-to-trough decline in index value. An analysis such as this is logical because a similar boom-bust scenario played out across virtually every market in the country during the 2000s, and today all of these markets are in some stage of recovery. The analysis or Recovery Measure uses data back to 2000 but focuses on the period from 2005 forward when identifying peaks and troughs to isolate the impacts of the [Great Recession](#), a recently marked global economic decline that correlated with the bursting of the U.S. housing bubble. The following table shows the Top 10 and Bottom 10 markets for February 2013 based on their Recovery Measure. A value of 100% or higher for a market means that the area has fully recovered any price decline as a result of the recession.

### Recovery Measure - Top and Bottom Markets

Top 10 Metro Area	Recovery	Bottom 10 Metro Area	Recovery
San Antonio - New Braunfels, TX	214.63%	Modesto, CA	8.73%
Houston - Sugar Land - Baytown, TX	206.28%	Palm Bay - Melbourne - Titusville, FL	8.69%
Austin - Round Rock - San Marcos, TX	203.01%	New York - Northern New Jersey - Long Island, NY - NJ - PA	8.67%
Dallas - Fort Worth - Arlington, TX	178.44%	Las Vegas - Paradise, NV	8.28%
Oklahoma City, OK	173.72%	Chicago - Joliet - Naperville, IL - IN - WI	8.16%
McAllen - Edinburg - Mission, TX	168.88%	Orlando - Kissimmee - Sanford, FL	7.91%
Tulsa, OK	162.62%	Lakeland - Winter Haven, FL	7.48%
El Paso, TX	121.34%	Bridgeport - Stamford - Norwalk, CT	7.45%
Little Rock - North Little Rock - Conway, AR	101.36%	New Haven - Milford, CT	4.36%
Baton Rouge, LA	95.05%	Providence - New Bedford - Fall River, RI - MA	4.02%

Source: Homes.com Local Market Indices, Data through February 2013

\*Recovery Measure defined as % retracement of peak-to-trough decline attributable to the Great Recession

The following table shows the number of markets by region that fall within various Recovery Measure percentage ranges.

### Recovery Measure by Region

Recovery	Midwest	Northeast	South	West	Total
0 - 25%	12	17	11	14	54
25% - 50%	3	5	9	4	21
50% - 75%	4	--	3	3	10
75% - 100%	2	--	1	3	6
100% +	--	--	9	--	9
<b>Total</b>	<b>21</b>	<b>22</b>	<b>33</b>	<b>24</b>	<b>100</b>

Source: Homes.com Local Market Indices, Data through February 2013

\*Recovery Measure defined as % retracement of peak-to-trough decline attributable to the Great Recession

### About the Homes.com Local Market Index

The [Homes.com Local Market Index](#) report tracks repeat sales of properties for both single-family and multi-unit/condominium sales in separate indices for the top 100 Local Markets as determined by the U.S Census Bureau [Core Based Statistical Areas](#) (CBSAs).

### Request More Information

[For more information](#) or to receive a copy of the Indices for all 100 markets, contact us at: [LocalMarketReports@homes.com](mailto:LocalMarketReports@homes.com) or The Zimmerman Agency 850-668-2222.

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