

Home prices slide in Sacramento, San Diego, D.C.

New monthly index reveals changes in price per square foot

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Home prices fell in two thirds of the metro areas reported in a monthly home-price index released this week by real estate research firm Radar Logic.

Sixteen of 24 metro areas in [Radar Logic's](#) newly launched monthly housing market report experienced price declines during July compared to July 2006, with the most severe price drops in Sacramento, Calif., San Diego, Calif., and Washington, D.C.

The index is based on a 28-day aggregated value of a daily index, known as the Residential Property Index, or RPX, that is based on actual prices paid per square foot for U.S. residential real estate.

The price per square foot fell 12.7 percent in the Sacramento metro area during the 28-day period ended July 31, 2007, compared to the same period last year.

The price per square foot of homes fell 10.8 percent in San Diego; 10.2 percent in Washington, D.C.; 7.3 percent in Tampa and Detroit; 5.9 percent in Las Vegas, 5 percent in Miami, 3 percent in Minneapolis, 2.4 percent in Boston, 2.2 percent in Jacksonville and 1.9 percent in Phoenix during the reporting period in July compared to the same period last year.

"Of the top five metro areas that led the way during the housing boom of 2002 through 2005, four are showing declines," Radar Logic reported.

The price per square foot rose 9.2 percent in Seattle, 5.4 percent in Charlotte, 4.5 percent in New York City, 4.3 percent in Milwaukee, 2.7 percent in Atlanta, 0.4 percent in Chicago and 0.2 percent in Philadelphia during the 28-day period in July compared to the same period last year.

The monthly report also ranks metro areas based on changes in price per square over two-year and five-year periods ended in July.

The Seattle market had the highest appreciation in price per square foot over the past two years, followed by Charlotte at 11.3 percent, Philadelphia at 11 percent, Jacksonville at 9.8 percent and New York City at 9.7 percent. Sacramento had the biggest drop in price per square foot during that period, at 15.1 percent, followed by San Diego at 11.8 percent,

Detroit at 10.4 percent, Washington, D.C., at 5.3 percent, and Boston at 3.8 percent.

During the five-year period ended July 31, 2007, Miami had the largest gain in price per square foot, at 92.7 percent, followed by Los Angeles at 91.3 percent, Las Vegas at 80.1 percent, Phoenix at 73.6 percent and Seattle at 72.5 percent.

Detroit had the slightest gain in price per square foot during that same five-year period, up 2.2 percent, followed by Columbus, Ohio, at 5.3 percent, Cleveland at 7.1 percent, Denver at 7.5 percent and Atlanta at 15.5 percent.

San Jose had the highest price per square foot among the 24 markets tracked in July 2007, at \$465.40, Radar Logic reported, followed by San Francisco at \$449.01 and Los Angeles at \$389.70. Detroit had the lowest price per square foot among the reported metro areas, at \$96.91, followed by Columbus at \$99.45 and Charlotte at \$100.86.

The report states that the development of condominium units has "impacted the overall pricing characteristics of each metropolitan area," as condo sales represented about 16.4 percent of all units analyzed in the July report and were an average of 24.1 percent more expensive than single-family homes on a per-square-foot basis.

"Three of the five leading condo markets were also the top three overall markets, including Charlotte, New York and Seattle," the report states. "Speculative metro areas comprised four of the five trailing condo markets, led by Sacramento, followed by Las Vegas, Jacksonville and San Diego."

Radar Logic's price index is an alternative to the Standard & Poor's/Case-Shiller home-price indices, which measure changes in home prices based on multiple sales of the same homes.

Below is a chart that compares the Radar Logic monthly price report for July with the [July S&P/Case-Shiller report](#).

Metro areas	Radar Logic index % change July '06-July '07	S&P Case-Shiller index July '06-July '07
Seattle	9.2%	6.9%
Charlotte, N.C.	5.4%	6.0%
New York	4.5%	-3.8%
Milwaukee	4.3%	N/A
Atlanta	2.7%	1.2%

San Francisco	0.9%	-4.1%
Chicago	0.4%	-0.9%
Philadelphia	0.2%	N/A
Cleveland	-0.2%	-3.6%
San Jose	-0.7%	N/A
Columbus, Ohio	-1.1%	N/A
Los Angeles	-1.4%	-4.8%
Denver	-1.9%	-0.7%
Phoenix	-1.9%	-7.3%
Jacksonville	-2.2%	N/A
Boston	-2.4%	-3.4%
Minneapolis	-3.0%	-3.4%
Miami	-5.0%	-6.4%
Las Vegas	-5.9%	-6.1%
Detroit	-7.3%	-9.7%
Tampa	-7.3%	-8.8%
Washington, D.C.	-10.2%	-7.2%
San Diego	-10.8%	-7.8%
Sacramento	-12.7%	N/A

Sources: Radar Logic, S&P/Case-Shiller

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