



Press Release

February 18, 2010

Radar Logic Reports First November-to-December Increase in Home Prices Since 2004

The 25-City Housing Transaction Count Posted a 44% Year-Over-Year Increase in December, One of the Largest on Record

NEW YORK, NY – February 18, 2010 – The key findings of the [December 2009 RPX Monthly Housing Market Report](#) released today by [Radar Logic Incorporated](#) include the following:

- The RPX Composite price increased between November and December for the first time since 2004.
- The 25-metropolitan-area transaction count increased 44% relative to December 2008.
- Sales of foreclosed homes increased as a percentage of total sales during early December. This reversed the trend during the prior two months, when sales of distressed homes decreased as a share of total transactions.
- This month's report includes a snapshot of recent trends in home prices and home sales in the Soho/Tribeca neighborhood of New York City. Market dynamics are examined at the level of the neighborhood as a whole as well as three price tiers within the neighborhood: transactions with sale prices up to \$1 million, from \$1 million to \$3 million, and \$3 million and above.

The RPX Composite price increased in December 2009 on a month-over-month basis, marking the first time it has increased during the month of December since 2004. The RPX Composite tracks [housing prices](#) in 25 of the largest US metropolitan statistical areas (MSAs).

Notwithstanding the stability in aggregate home prices during December, there was considerable regional variation in price dynamics over this period. On a month-over-month basis, the composite price for housing markets in the Northeast increased by 2%, while the Midwest composite decreased by 5%. The West composite price remained flat month over month, as price increases in San Francisco, Denver and, surprisingly, Las Vegas were offset by price declines in the other western cities. The composite price for the South also remained essentially flat month over month.

[Home sales](#), as indicated by RPX transactions counts, increased in all 25 metropolitan areas covered by the report relative to a year prior. Home sales across all 25 cities have increased 44% year over year.

The unseasonable strength in the 25-MSA RPX transaction count during the late summer and autumn came to an end in December, however, when the transaction count declined 11% month over month. This was the first significant month-over-month decline since January 2009.

Sales of foreclosed homes, which Radar Logic calls "motivated sales," increased from 22% of total sales to 24% in the first half of December. As prices in motivated sales were 37% to 38% lower than prices in other sales during this period, one might have expected the shift in sales mix toward motivated sales to weigh on the RPX Composite price.

Instead, a modest increase in prices in conventional sales helped stabilize the RPX Composite. Notwithstanding December's uptick in motivated sales' share of total sales, the ratio of motivated to total sales has decreased considerably since January 2009, when it reached as high as 38%.

"Most signs point to a return to more normal activity in housing markets," said Michael Feder, President and CEO of Radar Logic. "While we are still exposed to inventory swings and financing constraints, a continued recovery this spring looks likely." Michael Feder will be interviewed by Kathleen Hays on Bloomberg Radio Thursday, February 18, at 12:30 PM EST.

The complete December 2009 RPX Monthly Housing Market Report is available on Radar Logic's website: <http://www.radarlogic.com/rlresearch/>

Report Methodology

The RPX Monthly Housing Market Report is produced by Radar Logic Incorporated, a New York-based real estate data and analytics company. These reports provide insight and detailed analysis of Radar Logic's 25 Metropolitan Statistical Areas (MSAs) and the Manhattan Condo market. This study is based on the premise that each of the MSAs, while having economic influences in common like credit and mortgage rates, is influenced primarily by local conditions.

Data in the RPX Monthly Housing Market Report reflect the 28-day aggregated value of Radar Logic Daily™ Prices. The price per square foot metric used is a powerful tool for analyzing housing markets because it significantly reduces the influence of property sizes on overall housing price trends, which can skew results. The Daily Prices for each MSA are not adjusted for seasonal variations. In some cases, Daily Prices may vary based on reporting characteristics within individual MSAs.

The January 2010 RPX Monthly Housing Market Report will be released on March 25, 2010, at 12:01 AM EST.

About Radar Logic

Radar Logic Incorporated, a real estate data and analytics company, calculates and publishes the Radar Logic Daily™ Prices. The prices track housing values for major U.S. metropolitan areas and are the basis of the Residential Property Index™ (RPX™), a market that enables real estate to be traded as a liquid asset, via property derivatives marketed by major financial institutions. RPX allows real estate and financial professionals to manage opportunity and risk, invest in real estate values without owning physical assets and effectively analyze markets using a consistent metric: price per square foot.

For more information on Radar Logic and the RPX, including licensed dealers, please visit www.radarlogic.com.

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