



## Press Release

February 23, 2012

### ***Radars Logic: Home Sales Increased in December But Prices Did Not***

#### *More Realistic Sellers Bring More Transactions Without Price Gains*

New York, NY – February 23, 2012 – According to the [December 2011 RPX Monthly Housing Market Report](#) released today by [Radars Logic Incorporated](#), the RPX Composite price, which tracks home prices in 25 major US metropolitan areas, declined considerably in 2011 while home sales increased. The RPX composite price declined 6.8 percent from December 2010 to December 2011, falling to \$173.76 per square foot as of December 22, 2011, while the corresponding RPX composite transaction count increased 19.6 percent.

The significant year-over-year increase in sales is, in part, a result of unusually low transaction activity in December 2010 due to the pull-through effect of the homebuyer tax credit expiration. Many home buyers who would have purchased in December 2010 moved up their purchases in order to qualify for the tax credit.

The simultaneous decline in prices and increase in sales during 2011 may reflect the fact that sellers have started to capitulate to buyers seeking bargains, whereas in the past they have been reluctant to accept low bids.

“When transaction counts increase as they did in December’s numbers, we would hope to see a corresponding rebound in the RPX price. In the current data we see the opposite, which suggests to us that sellers are becoming more realistic,” said Michael Feder, CEO of Radars Logic.

Futures contracts based on the RPX Composite Price began trading on the CBOE Futures Exchange earlier this month. Current futures prices indicate that market participants expect the RPX Composite to decline a little further in 2012, remain relatively flat in 2013, and then increase at an accelerating pace into 2014 and 2015.

“With early CFE futures suggesting near term stability, we will be watching the springtime data carefully for signs of a mild recovery,” said Feder.

The [complete December 2011 RPX Monthly Housing Market Report](#) is available on Radars Logic’s website.

### ***Report Methodology***

The RPX Monthly Housing Market Report is produced by Radars Logic Incorporated, a New York-based real estate data and analytics company. These reports provide insight and detailed analysis of Radars 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 Radars 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 2012 RPX Monthly Housing Market Report will be released on March 22, 2012, at 4:00 PM EDT.

### ***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](http://www.radarlogic.com).

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