



## Press Release

March 24, 2010

### ***Radar Logic Expects Home Prices to Recover In Spring After Rapid Drop in January***

***History Shows that Late January is a Turning Point in the Seasonal Price Pattern; Improvements in Jobs, Credit and Home Affordability Should Strengthen Housing.***

NEW YORK, NY – March 24, 2010 – January 2010 will appear in retrospect to have been a turning point from rapid declines in [housing prices](#) to stability or even growth, according to the [January 2010 RPX Monthly Housing Market Report](#) released today by [Radar Logic Incorporated](#).

After three months of stability, the 25-MSA RPX Composite price dropped 4.2% over the month ending January 20, 2010. However, Radar Logic argues that late January has historically marked the turning point from declines or slow growth in the 25-metropolitan-area RPX Composite price during the fall and winter to rapid increases during the spring and early summer.

Based on historical precedents, Radar Logic believes late January 2010 will prove to be a turning point as well. Decline in the RPX Composite price during late December 2009 and early January 2010 should give way to stability or growth in spring and summer 2010.

Radar Logic expects improvements in jobs and housing credit to strengthen housing markets in coming months. The firm cites recent predictions by bank analysts that the U.S. may add as many as 300,000 jobs in March, thanks to improvements in the weather, government hiring of temporary workers for the census, and a growing economy. Radar Logic also points to forecasts by the Mortgage Bankers Association that show mortgage originations for purchase increasing from \$139 billion in the first quarter of 2010 to \$199 billion in the second quarter and \$218 billion in the third quarter.

Improvements in home affordability will also strengthen housing markets in the near term. “We have reached attractive price levels and buyers feel housing is affordable again,” said Michael Feder, President and CEO of Radar Logic. “Unless we see a flood of discounted inventory, which we do not expect, and the financing for home purchase evaporates, which we do not expect, stabilization and recovery could well emerge in the next several months,” Feder added.

The complete January 2010 RPX Monthly Housing Market Report is available on Radar Logic’s website: <http://www.radarlogic.com/rlresearch/>.

Other key observations in the January 2010 RPX Monthly Housing Market Report include:

- The price volatility in January 2010 can be attributed, in large part, to the seasonal pattern in non-distressed-home sales, in conjunction with elevated levels of distressed-home sales that are relatively insensitive to seasonal market forces.
- In January, the 25-MSA RPX transaction count posted impressive year-over-year growth in both absolute and percentage terms. In absolute terms, the transaction count for the 28 days ending January 20, 2010, was roughly 14,000 greater than it was a year prior, which compares favorably to gains over the same period during the height of the housing bubble. In percentage terms, the transaction count increased 41.9% year over year, the largest year-over-year increase in the 25-MSA transaction count since the beginning of Radar Logic data in January 2000.
- On a month-over-month basis, transaction counts declined by 30.3%, or just over 20,000 sales, as of January 20, 2010. This decline was larger than average for this time of year on a percentage basis, but significantly less than average on an absolute basis.

## ***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 February 2010 RPX Monthly Housing Market Report will be released on April 22, 2010, at 12:01 AM 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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