



## Press Release

August 20, 2009

### ***Radar Logic's Composite Home Price Index Posted Record June Gain Growth in the Composite Accelerated in June, Counter to Historical Patterns***

NEW YORK, NY – August 20, 2009 – Radar Logic's 25-MSA Composite home price index increased 3% in June from the previous month, one of the largest gains during the month of June since the beginning of Radar Logic data in 2000, according to the June 2009 RPX Monthly Housing Market Report released today by Radar Logic Incorporated.

"Gains in the RPX Composite accelerated in June, a time of year when seasonal home price gains usually start to slow. We have not seen a June like this since the height of the boom," said Michael Feder, President and CEO of Radar Logic. "Demand for housing is strong at current price levels, and we believe it will remain strong in months to come."

#### ***Key Observations of the June 2009 RPX Monthly Housing Market Report:***

- The 25-MSA RPX Composite increased 3% on a month-over-month basis, one of the largest gains during the month of June since the beginning of Radar Logic's data in 2000. Price gains accelerated in June in contrast to the historical pattern. Home prices increased from the previous month in 23 out of the 25 metropolitan statistical areas (MSAs) tracked by Radar Logic.
- The increase in the Composite from February to June outpaced the gains over the same period during the previous three years, and the increase from April to June was the largest of any year since 2000.
- In 14 of the 25 MSAs tracked by Radar Logic, over half of all homes sold in June were sold at a price per square foot within one standard deviation of the mean motivated price (i.e., the mean price per square foot reached in sales of foreclosed homes by financial institutions). Given the convergence of motivated prices and the prices of homes sold by traditional sellers, aggregate home prices may remain stable despite the recent increase in foreclosure activity.
- Since the beginning of the year, home sales in the top 50% of zip codes ranked by median home price have become a larger share of total sales in each of the 25 MSAs tracked by Radar Logic. Since homes in the expensive zip codes sell at higher prices per square foot than homes in the less expensive zip codes, the shift in the mix of sales toward the expensive zip codes has contributed to year-to-date price gains in most MSAs, and mitigated price losses in other MSAs.
- The number of sales requiring a jumbo loan increased over the first six months of the year in several major metropolitan areas. In most of these cities, jumbo sales increased faster than sales that qualify for conforming loans, resulting in the increase of jumbo transactions' share of total transactions.
- In the past 90 days, the daily price fixings for RPX Composite forwards maturing in December 2009 have increased 34%. This increase indicates that participants in the capital markets have regained a bullish sentiment regarding the direction of housing.

The complete June 2009 RPX Monthly Housing Market Report is available on Radar Logic's website:

[www.radarlogic.com/research/RPXMonthlyHousingMarketReportforJune2009.pdf](http://www.radarlogic.com/research/RPXMonthlyHousingMarketReportforJune2009.pdf)

## ***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 there is not a national housing market; rather, 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 July 2009 *RPX Monthly Housing Market Report* will be released on September 23, 2009, 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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