

## Dallas-Fort Worth home prices drop 5% in new report

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Dallas-Fort Worth home prices showed no sign of a rebound in the latest Standard & Poor's/Case-Shiller index. Home prices dropped 5 percent in the D-FW area in April from a year earlier, according to the benchmark monthly survey. Prices fell 18.1 percent across the 20 U.S. metropolitan markets included in the report.

Still, the rate of nationwide home price decline has improved slightly from record drops earlier this year, according to Case-Shiller researchers. "Furthermore, every metro area except Charlotte [N.C.] recorded an improvement in monthly returns over March," S&P's David M. Blitzer said in the report. "While one month's data cannot determine if a turnaround has begun, it seems that some stabilization may be appearing in some of the regions. We are entering the seasonally strong period in the housing market, so it will take some time to determine if a recovery is really here."

Case-Shiller said that D-FW prices were up 1.7 percent in April from March – the best monthly showing of any city.

Economists consider year-over-year changes better indicators because of seasonal differences in housing markets. The biggest annual declines in April were in Phoenix, Las Vegas and San Francisco, Case-Shiller found. Denver and Dallas had the smallest year-over-year price declines among the markets surveyed.

The Case-Shiller index – unlike other reports based on sales in the Multiple Listing Service – compares sales of specific single-family homes over time. Year-to-date price decline estimates for North Texas from other sources – including North Texas Real Estate Information Systems and the National Association of Realtors – are similar to the Case-Shiller report.

Better than others

Overall home prices in North Texas have fallen between 10 percent and 15 percent since mid-2007, depending on which number you use. That's about half of the nationwide price decrease.

With the country's housing recession dragging on, it's understandable that "everyone is looking for the so-called 'green shoots' of positive news," said Dr. James Gaines, an economist with the Real Estate Center at Texas A&M University.

Don't expect too much too soon, he cautions.

"Yes, I think we will continue home price declines, whether because of foreclosures, even tighter mortgage markets, job losses, problems with appraisals or just general malaise and loss of confidence in the market," Gaines said. "Our best hope is that the recession bottoms and we start

seeing some generally better economic news during the fall and winter housing market slowdown so that by next spring the market will pick back up."

### Inventory

Getting unsold homes off the market – new and used – will fuel a rebound, said Dallas housing analyst Ted Wilson of Residential Strategies Inc. "The depletion of excess housing inventory will ultimately spell the point of recovery to the D-FW housing market," he said. "Already it is clear that there is a limited amount of existing or newly built housing at the price points under \$200,000.

"As the economic recovery takes hold, I would expect that the supply of higher-priced housing will be worked down as well."

### S&P/CASE-SHILLER HOME PRICE INDICES

Atlanta	-14.8%
Boston	-7.7%
Charlotte	-10.0%
Chicago	-18.7%
Cleveland	-10.5%
<b>Dallas</b>	<b>-5.0%</b>
Denver	-4.9%
Detroit	-25.4%
Las Vegas	-32.2%
Los Angeles	-21.3%
Miami	-27.3%
Minneapolis	-22.1%
New York	-12.5%
Phoenix	-35.3%
Portland	-16.0%
San Diego	-20.0%
San Francisco	-28.0%
Seattle	-16.8%
Tampa	-21.3%
Washington	-16.9%
Composite-20	-18.1%

SOURCES: Standard & Poor's; Fiserv