

S&P: Denver existing-home prices outperform other cities



RealityCheck

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Prices of existing homes in the Denver area climbed a tenth of a percent in March from the previous month, **Standard & Poor's** reported Tuesday, making Denver one of just two U.S. cities out of 20 in the S&P survey to see a month-to-month price rise.

Also, prices in Denver declined 5.5 percent in March from the same month a year ago, the smallest decrease of any of the 20 cities in the latest monthly S&P/Case-Shiller Home Price Indices report.

The 20-city average year-to-year decline was 19.1 percent.

Denver's 0.1 percent price increase in March from the previous month followed a 1.7 percent decline in February, a 2.7 percent drop in January, a 1.5 percent decline in December 2008 and a 1.1 percent decrease in November 2008, S&P said.

The only city with a better records in S&P's March month-to-month comparison was Charlotte, N.C., up 0.3 percent.

March's greatest rate of month-to-month price decline was in Minneapolis, down 6.1 percent from February, S&P said.

In the year-to-year comparison, only Denver, Dallas, Boston, Cleveland and Charlotte saw price declines of less than 10 percent.

At the other extreme were Phoenix (down 36 percent year to year), Las Vegas (down 31.2 percent) and San Francisco (down 30.1 percent).

Analysts have said that the real-estate price "bubble" did not blow up as large in Denver as in other parts of the country, so that the contraction of recent months has not been as pronounced.

Nationwide, "declines in residential real estate continued at a steady pace into March," David Blitzer, chairman of S&P's index committee, said in a statement Tuesday. "Based on the March data, ... we see no evidence that that a recovery in home prices has begun."

The survey tracks changes in the value of the residential real estate market by comparing sale prices of specific sample homes in a city at two different times. Calculations are by Fiserv, Inc. using methodology developed by Karl Case and Robert Shiller.



The survey assigns an index number to each city and does not report actual home prices. The index is a measure of how much home prices have gone up or down in each market since January 2000, which has been assigned a price index of 100 in that market.

The report said Denver had a home-price index of 120.35 in March, meaning home prices as of that month were 20.35 percent higher than in March 2000. Home prices in Denver peaked in August 2006.

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